

Q1

2019

RESULTS
PRESENTATION

FOTO: JORGE A. ARANGO
FUNDACIÓN HERENCIA AMBIENTAL

DISCLAIMER

The forward-looking statements contained herein are based on Management's current forecasts and outlook.

For better illustration and decision-making, figures for Suramericana, SURA Asset Management and its subsidiaries are administrative rather than accounting, and therefore may differ from those presented to official entities. Thus, Grupo de Inversiones Suramericana assumes no obligation to update or correct the information contained in this presentation.

AGENDA

Grupo SURA

Consolidated Results

Suramericana

Insurance, Trends and Risk
Management

SURA
Asset Management

Pension Funds, Savings
and Investments



CONSOLIDATED RESULTS

FOTO: STEVE WINTER
NATIONAL GEOGRAPHIC

HIGHEST NET INCOME FIGURE

In the last 16 quarters, driven by positive results in the different business lines

- ◆ Businesses continue with positive dynamics in **growth and operating results**

◆ CONSOLIDATED OPERATING REVENUES

COP
5.0 tn

▲ 12.4%

- Operating growth

- Fx effect at holding company

- Investment income

- Equity method

◆ NET INCOME

COP
560,272 MM

▲ 80.6%

◆ HOLDING COMPANY CASH FLOW

- Expected dividends from investments

COP
1.05 bn
▲ 24%

- Estimated free cash flow

COP
330,000 MM

- Total dividend distribution approved at AGM

COP
320,087 million
▲ 6.2%

◆ STRATEGIC PRIORITIES

- **Transformation and evolution** of our businesses
- **Financial strength and investment capacity**
- **Higher value creation for customers**

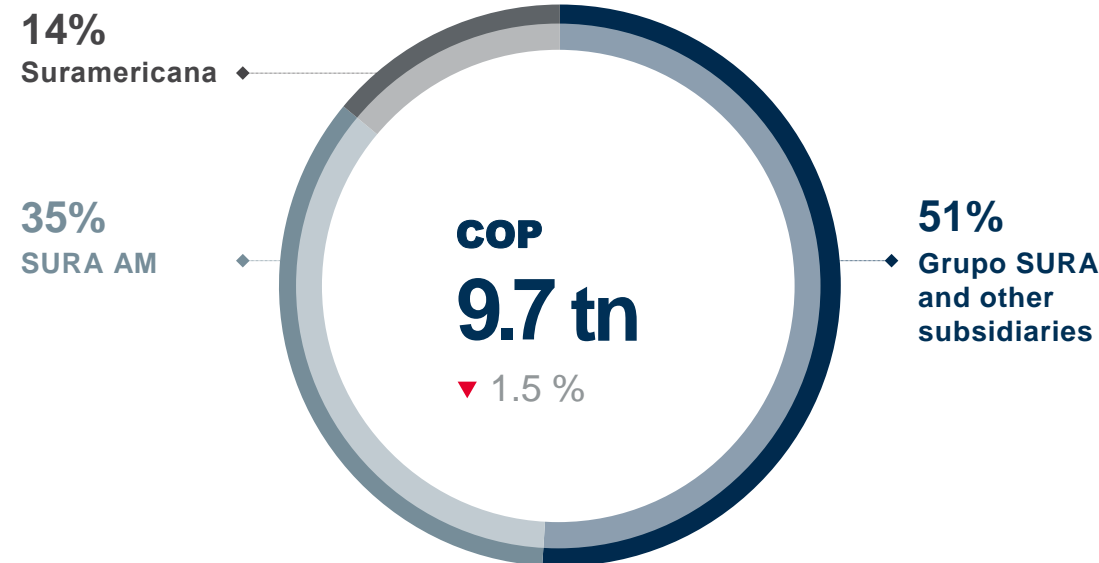
BALANCE SHEET STRENGTH:

Growth in total equity driven by organic growth, compensating divestment of annuities business in Chile

ESTADO DE SITUACIÓN FINANCIERA

	MAR - 19	DEC - 18	VAR %	VAR \$
Cash, investments and investment properties	25,889	24,731	4.7%	1,157
Investments in associates	19,111	19,170	-0.3%	(59)
Intangibles and Goodwill	9,127	9,197	-0.8%	(69)
Available-for-sale non-current assets	3	5,539	-100%	(5,537)
Right-of-use assets	653	0		653
Other	12,553	12,436	0.9%	117
TOTAL ASSETS	67,336	71,073	-5.3%	(3,737)
Technical reserves	22,416	22,199	1.0%	217
Financial liabilities and issued securities	10,310	10,447	-1.3%	(137)
Available-for-sale non-current liabilities	-	4,872	-100.0%	(4,873)
Lease liabilities	677	0		677
Other	6,753	6,655	1.5%	98
TOTAL LIABILITIES	40,146	44,172	-9.1%	(4,017)
EQUITY	27,180	26,901	1.0%	280

CONSOLIDATED FINANCIAL DEBT

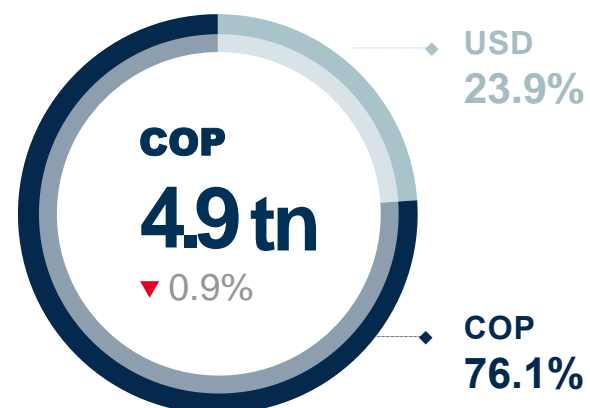


Other assets = Accounts receivable + technical reserves reinsurers + tax assets + other assets + PP&E
 Other liabilities = Accounts payable + tax liabilities + provisions + other liabilities
 Figures in billion COP. Var\$ and Var% correspond to variations against Q4-2018

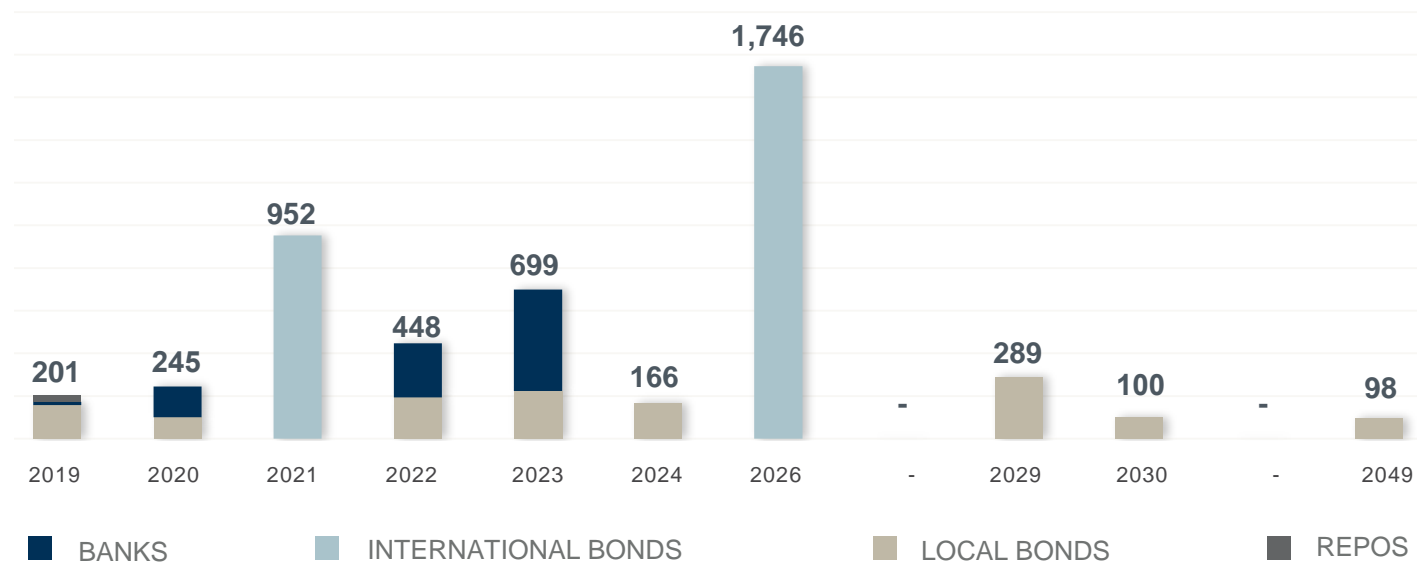
WE CONTINUE MANAGING

Deleveraging process and investment capacity as the holding company

INDIVIDUAL DEBT (HOLDING)



INDIVIDUAL DEBT MATURITY PROFILE



Figures in billion COP.

NET DEBT / DIVIDENDS (FTM)

4.65 x

Max. 5x

LEVERAGE (LTV)

14.1 %

Max. 25-30%

CASH FLOW

COP 330,000 million

Available for debt reduction

OPERATING EARNINGS

Grew 52.1% driven by higher yields on investment portfolios and revenues via equity method

CONSOLIDATED INCOME STATEMENT

	MAR - 19	VAR \$	VAR %
Retained premiums	2,481	(77)	-3.0%
Commission income	654	41	6.7%
Revenues from services rendered	929	182	24.4%
Investment income	585	279	91.0%
Equity method – associates	340	133	64.0%
Other revenues	62	1	1.9%
OPERATING REVENUES	5,051	559	12.4%
Retained claims + Adj. Reserves	(1,472)	108	-6.8%
Costs of services rendered	(880)	(185)	26.7%
Admin. expenses	(1,872)	(198)	11.8%
OPERATING EXPENSES	(4,224)	(276)	7.0%
OPERATING EARNINGS	827	283	52.1%
Financial result	(105)	29	-21.6%
EARNINGS BEFORE TAXES	722	312	76.2%
Taxes	(164)	(56)	52.0%
Discontinued operations	3	(6)	-69.8%
NET INCOME	560	250	80.6%

◆ **Operating earnings excluding return on legal reserves** grow 32%

◆ **New accounting structure:** easier to identify operating results

	MAR - 19	VAR \$	VAR %
Fx Effect*	66	52	390%
Interest expense	(171)	(23)	15.8%
FINANCIAL RESULT	(105)	29	-21.6%

◆ **IFRS 16**

	MAR - 19	MAR - 18	VAR \$
Depreciation	28,472	0	28,472
Interest expense	11,297	0	11,297
Lease expense	7,457	32,415	(24,958)
TOTAL	47,226	32,415	14,811

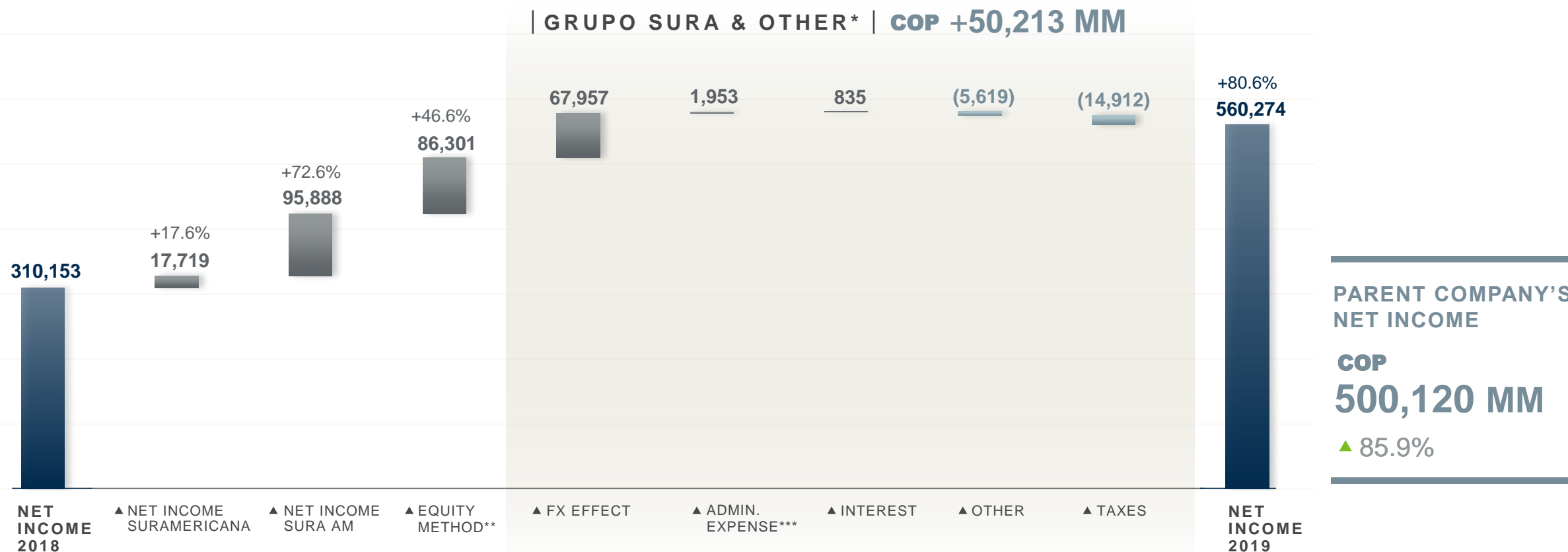
Otros revenues = Otros revenues + Dividends

Admin. expenses = Administrative expense + Employee benefits + Depreciations + Amortizations + Brokerage commissions + Fees + Other expenses + Impairment

Figures in billion COP. Var\$ and Var% correspond to variation against Q1-2018

POSITIVE CONTRIBUTION OF ALL BUSINESSES

To growth in consolidated net income growth



* Grupo SURA and Other (GS) includes Grupo SURA, Grupo SURA Finance, Grupo SURA Panama, Habitat and Arus, among other.

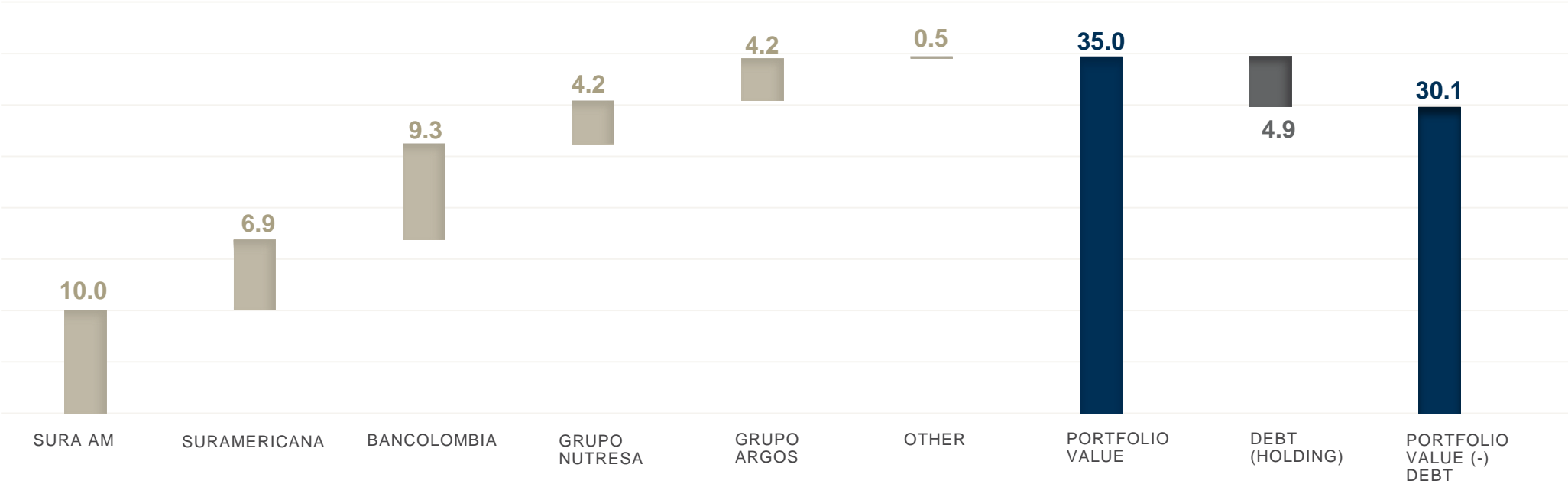
**GS Admin. Expenses includes Administrative Expenses, Employee Benefits and Fees at Grupo SURA and Other level.

*** Equity method from associates at Grupo SURA doesn't include AFP Protección since its already accounted in SURA AM's net income

Figures in COP million

OUR PORTFOLIO

Estimated value



MARKET CAPITALIZATION
(Mar. 31, 2019)

COP 21.1 tn

SHARES ADTV
(COMMON + PREF)

COP 17,519 MM

Average LTM as of Q1-2019

COMMON SHARE
PRICE

COP 36,640

+14.1% (Var% YTD)

SURA AM valued at the last transaction (CDPQ), Suramericana at 1.8x equity and companies listed at market value at the end of the quarter
Portfolio valuation estimated by Grupo SURA. Does not constitute an investment advisory
Figures in COP trillion



SEGUROS, TENDENCIAS
Y RIESGOS

CONSOLIDATED
RESULTS

FOTO: STEVE WINTER
NATIONAL GEOGRAPHIC

SURAMERICANA CONTINUES CONSOLIDATING

Its regional platform and posted growth in operating results and net income



◆ WRITTEN PREMIUMS

COP
2.9 bn

▲ 11.1%

Even after accounting for strategic decisions and devaluation in Argentina

◆ REVENUES FROM SERVICES RENDERED

COP
887,192 MM

▲ 23.7%

◆ TECHNICAL RESULT GROWS

7.1%

Positive adjustment to reserves compensates higher retained claims ratio

◆ NET INCOME

COP
118,308 MM

▲ 17.6%

◆ RESULTS CONSOLIDATE LIFE INSURANCE IN MEXICO

WRITTEN PREMIUMS
COP
49,811 MM

◆ DIVERSIFY PRODUCT OFFERING AND DEVELOP NEW MARKETS

SURA Enterprise

Deliver competitiveness and capabilities to SMEs

Individual Life

Taking life solutions to other countries

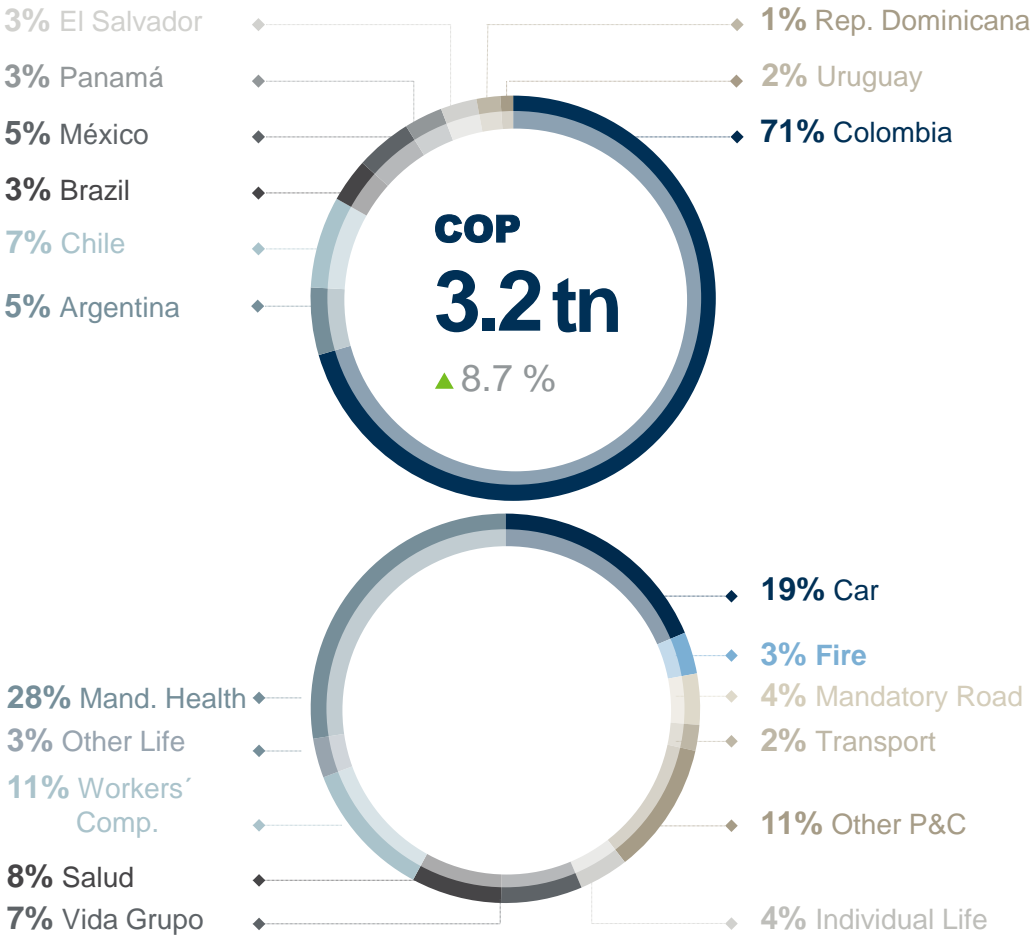
SURA Client

Regional coverage for clients

Omnipresence

Relevant channels that facilitate access

RETAINED PREMIUMS + REVENUES SERVICES RENDERED 2019



GROWTH IN TECHNICAL RESULT

Due to revenue growth and positive adjustment of reserves

RETAINED PREMIUMS + REVENUES FROM SERVICES

COP
3.2 trillion

▲ COP 258,649 MM

▲ 8.7%

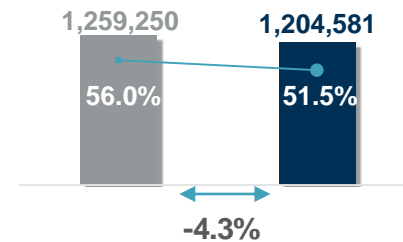
TECHNICAL RESULT*

COP
606,677 million

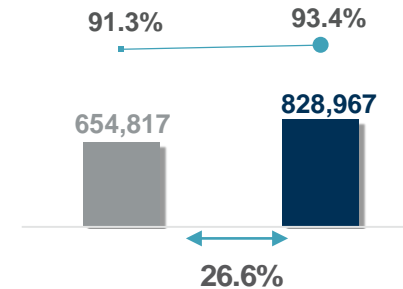
▲ COP 40,160 MM

▲ 7.1%

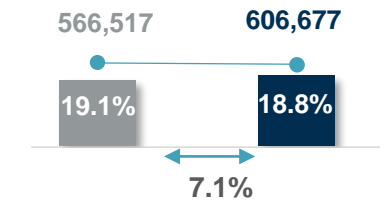
CLAIMS + ADJ. RESERVES: % RET. PREMIUMS



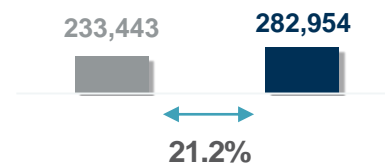
SERVICES RENDERED: COSTS / REVENUES



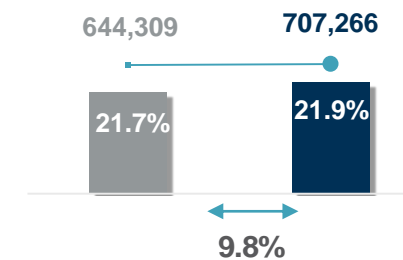
TECHNICAL RESULT: % OPERATING REVENUES



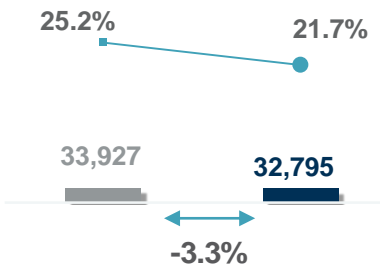
INVESTMENT INCOME



OPER. EXPENSES**: % OPERATING REVENUES



TAXES % EBT



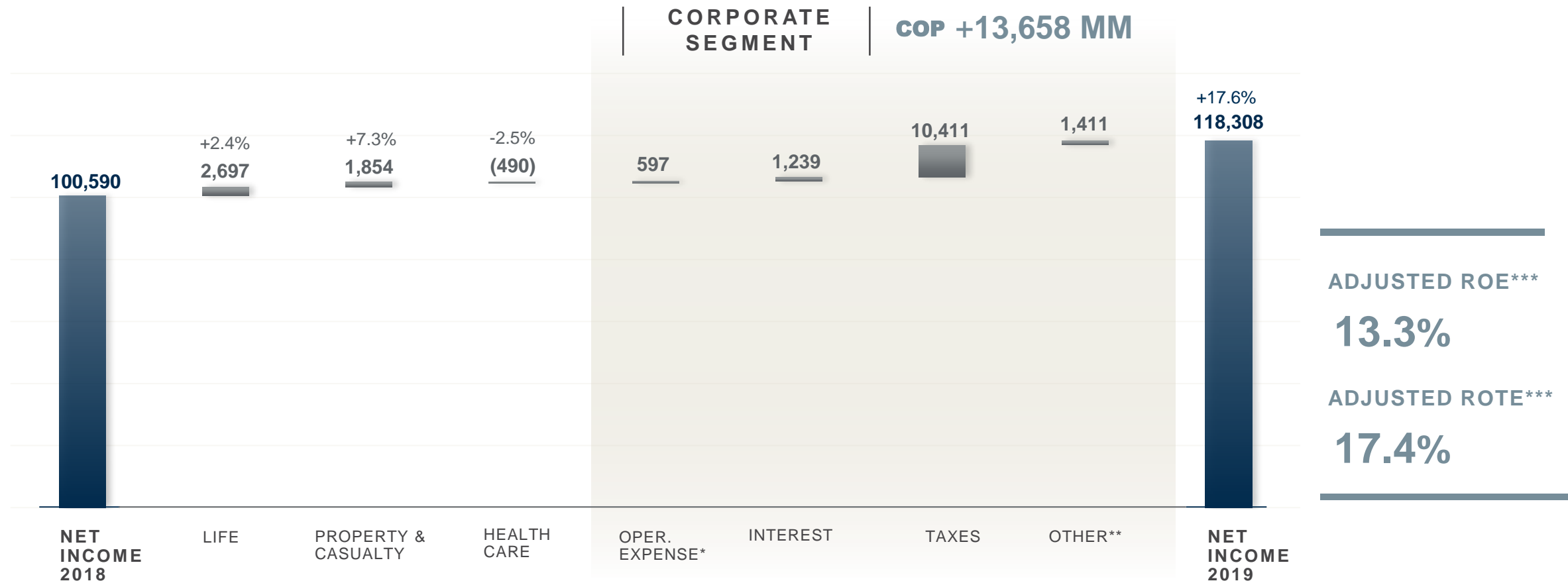
2018 2019

*Technical result equals underwriting result before administrative expenses and investment income

**Oper. Expenses = Administrative Expenses + Fees + Amortizations and Depreciations + Impairment. Figures in COP millions

Insurance business and corporate segment

CONTRIBUTE TO NET INCOME GROWTH



* Oper. Expenses includes Administrative Expenses, Employee Benefits and Fees of the corporate segment.

***"Other" variation mainly corresponds to other income and expenses of the corporate segment, as well as the variation in the net income of the "Other" segment, which includes the support operations of Suramericana SA.

*** ROE and ROTE adjusted for amortization of intangibles associated to M&A, net of deferred taxes; divided by average equity and average tangible equity, respectively

Figures in COP million

LIFE SEGMENT:

Operating growth and investment income drive increase in net income

NET INCOME

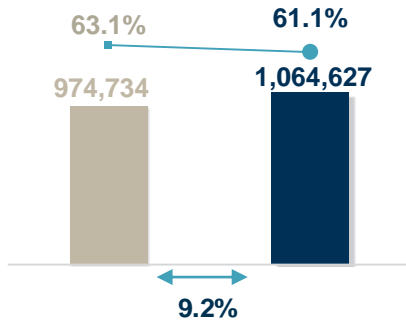
COP 116,078 MM

▲ 2.4%

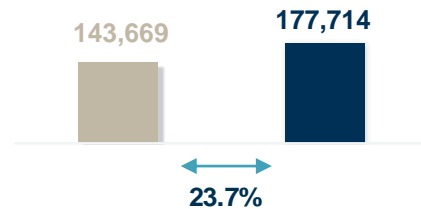


- ◆ Positive **growth** dynamics
- ◆ Mexico Life insurance operation
- ◆ **Lower claims** and adjustment of reserves
- ◆ Higher **investment income**

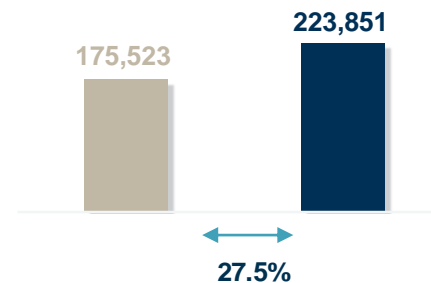
RET. PREMIUMS CLAIMS RATIO (%)



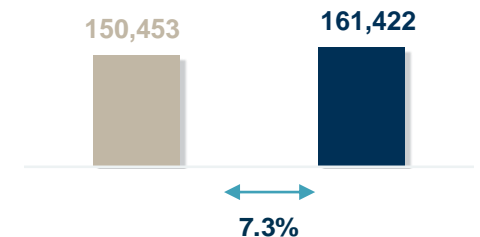
TECHNICAL RESULT



ADMIN. EXPENSES



INVESTMENT INCOME



P&C SEGMENT:

Investment income offset higher taxes and Argentina's hyperinflation effect

NET INCOME

Adjusted*

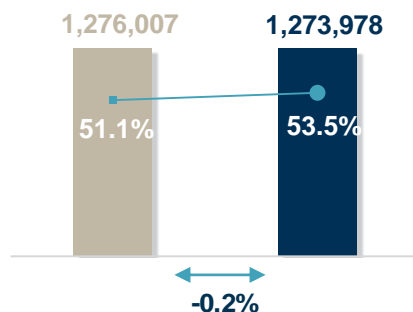
COP 49,571 MM

▲ 15.3%

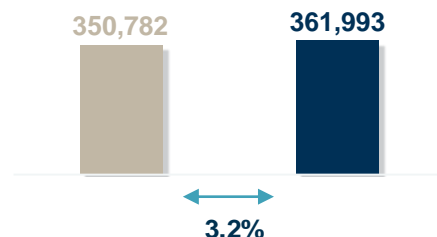


- ◆ **Premium growth** affected by devaluation of Argentinean Peso
- ◆ **Combined ratio of 105.5%**, 86 pbs higher than Q1-2018
- ◆ **Investment income growth** driven by higher yields in Colombia y Argentina.

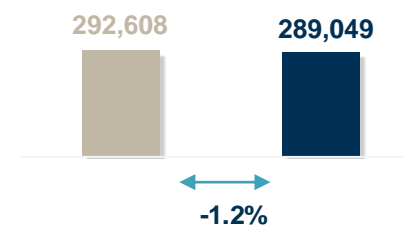
RET. PREMIUMS CLAIMS RATIO (%)



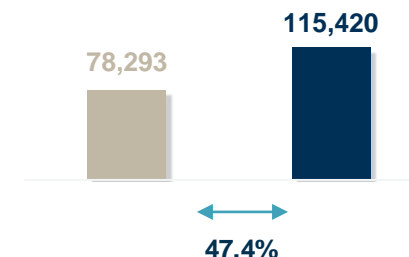
TECHNICAL RESULT



ADMIN. EXPENSES



INVESTMENT INCOME



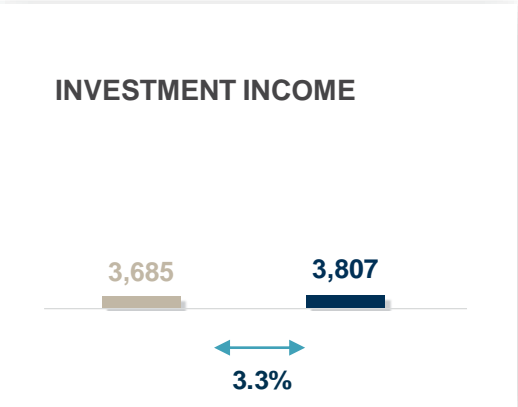
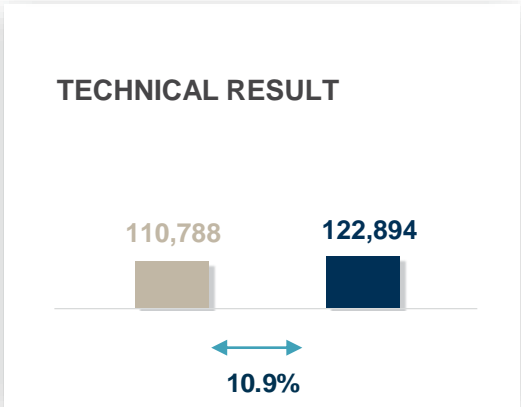
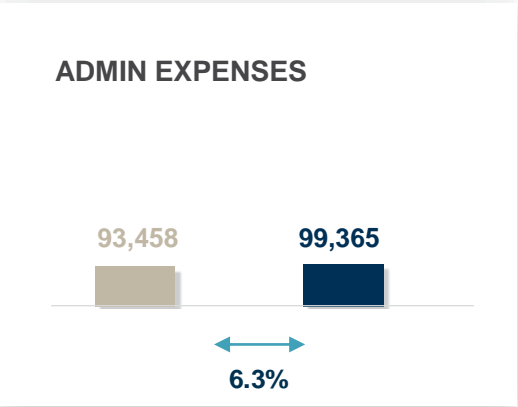
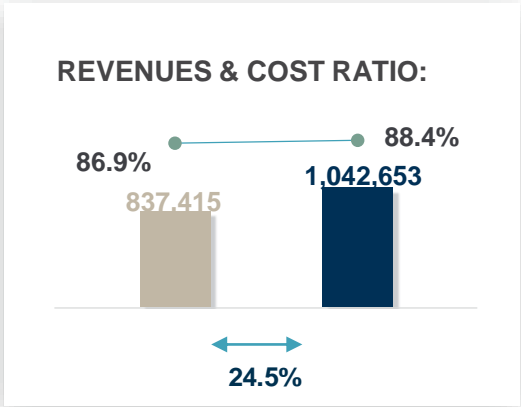
*Net income adjusted for amortization of intangibles and adjustment for inflation in Argentina

Figures in COP million ■ 2018 ■ 2019

HEALTH CARE SEGMENT

Revenues and technical result continue posting double digit growth

NET INCOME **COP 18,786 MM** (-2.5%)



	REVENUES ON SERVICES		COSTS / REVENUES	
	MAR-19	%VAR	MAR-19	MAR-18
EPS	812,854	24.3%	94.0%	91.4%
IPS	147,864	20.1%	68.9%	70.4%
Dinámica	81,935	35.5%	68.1%	72.3%
TOTAL	1,042,653	24.5%	88.4%	86.9%

◆ TOTAL CLIENTS	◆ REVENUE GROWTH PAC*	◆ EARNINGS BEFORE TAXES
3.2 million	▲ 63%	▲ 16.0%
▲ 15.7%		

◆ Higher claims ratio at EPS company due to higher POS inclusions and disabilities

*PAC: Supplementary Care Plan in spanish
Figures in COP million 2018 2019



CONSOLIDATED RESULTS

Seguros, Leasing, As
y Pólizas

FOTO: JORGE A. ARANGO
FUNDACIÓN HERENCIA AMBIENTAL

SURA AM:

Steady fee growth and return on legal reserves drive Q1 results



◆ TOTAL CLIENTS

20.2 million

▲ 5%

◆ NET INCOME (CONTRIB. TO G.SURA)

COP 227,922 million

▲ 72.6%

◆ Annuities business in Chile isn't consolidated in Q1-2019 results

◆ ALPHA Y LIDERAZGO EN RENTABILIDAD

◆ CONVERTIR LA EXPERIENCIA DEL CLIENTE EN FACTOR DIFERENCIADOR

◆ MODELOS OPERATIVOS EFICIENTES E INNOVADORES

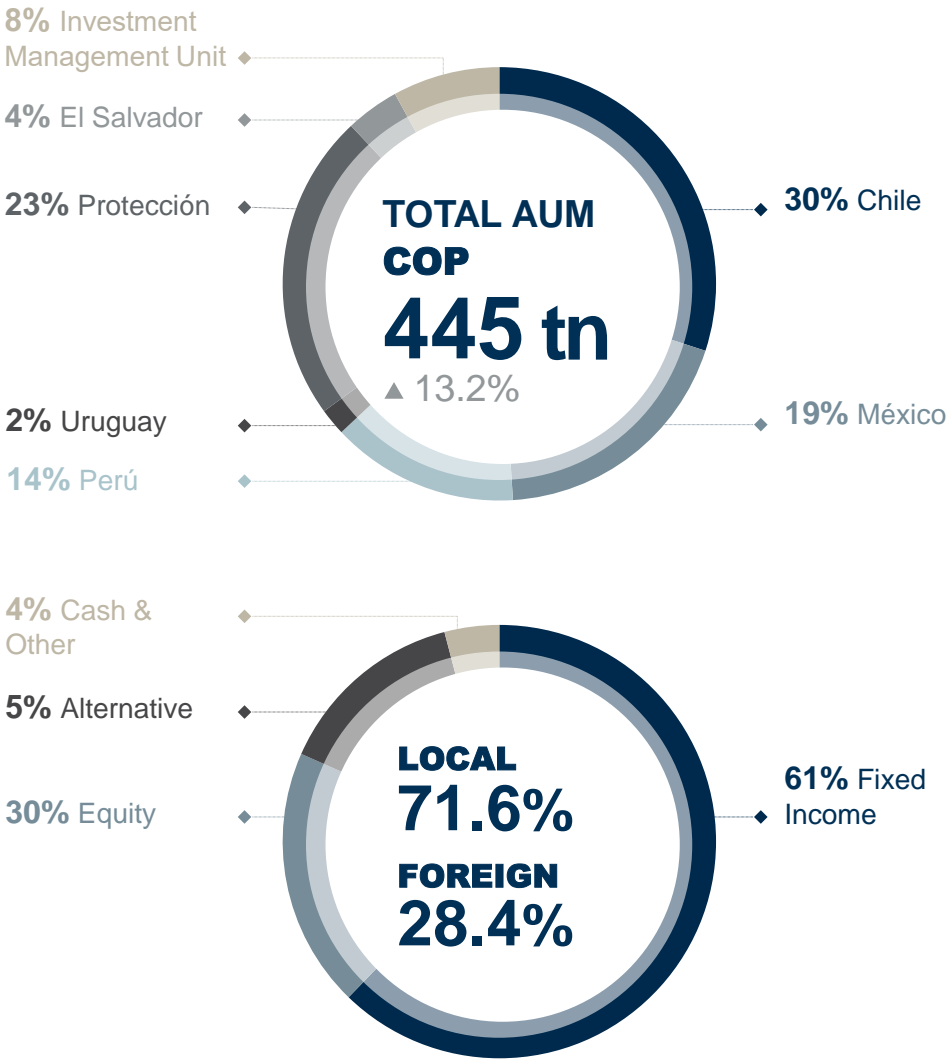
Apalancados en tecnología

◆ AHORRO E INVERSIÓN

Modelo de negocio regional con foco en el cliente

◆ UNIDAD INVESTMENT MANAGEMENT

Fortalecer oferta de productos



OPERATING RESULTS

Driven by return on legal reserves and revenues via equity method

OPERATING REVENUES + INSURANCE MARGIN

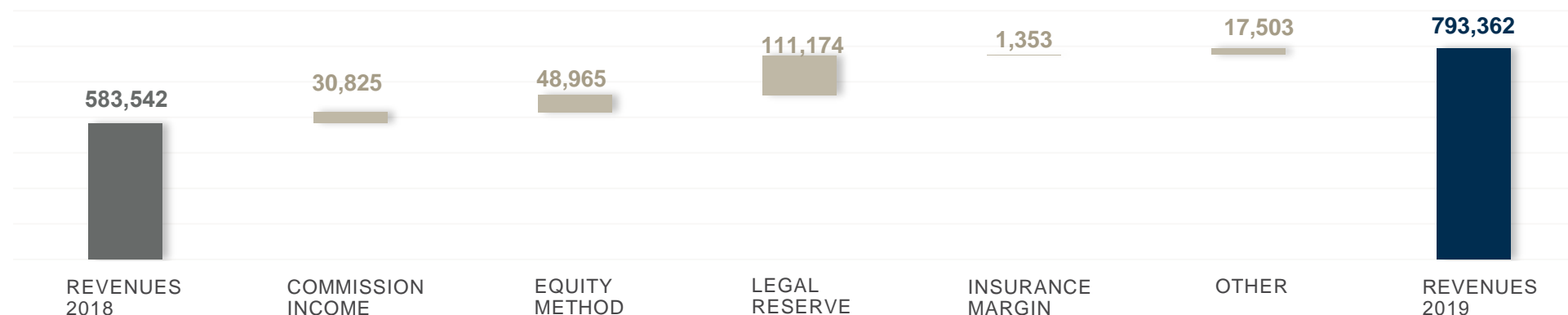
793,362

COP Million

+209,820

▲ 36.0%

Var%:	+6.0%	+259.2%	+1006%	+4.0%	+296.8%	+36.0%
Local Currencies:	+2.4%	+260.0%	+967%	+3.0%	+290.9%	+31.7%



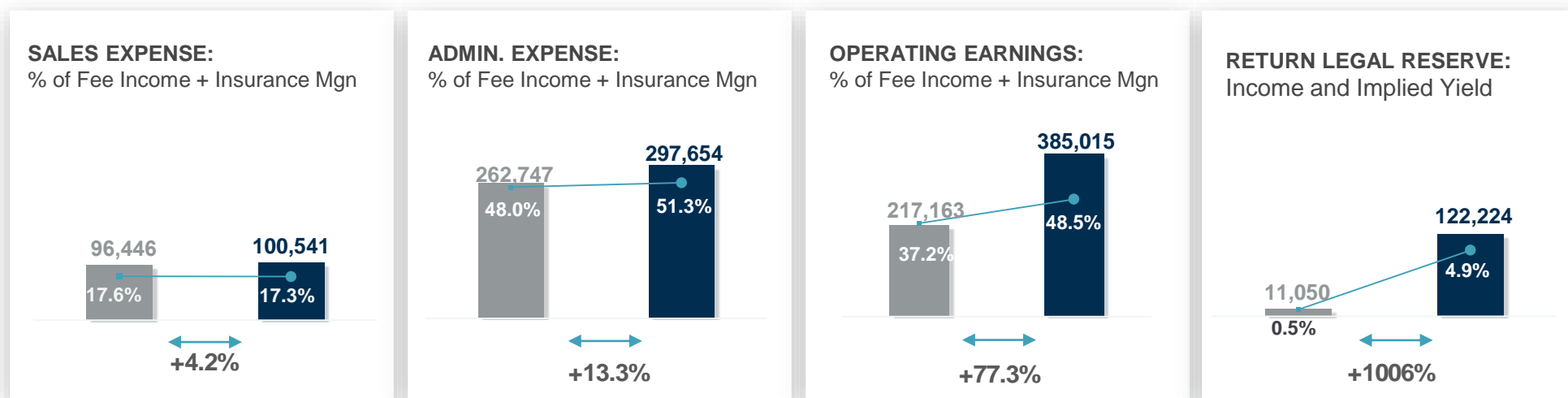
OPERATING EXPENSES

408,347

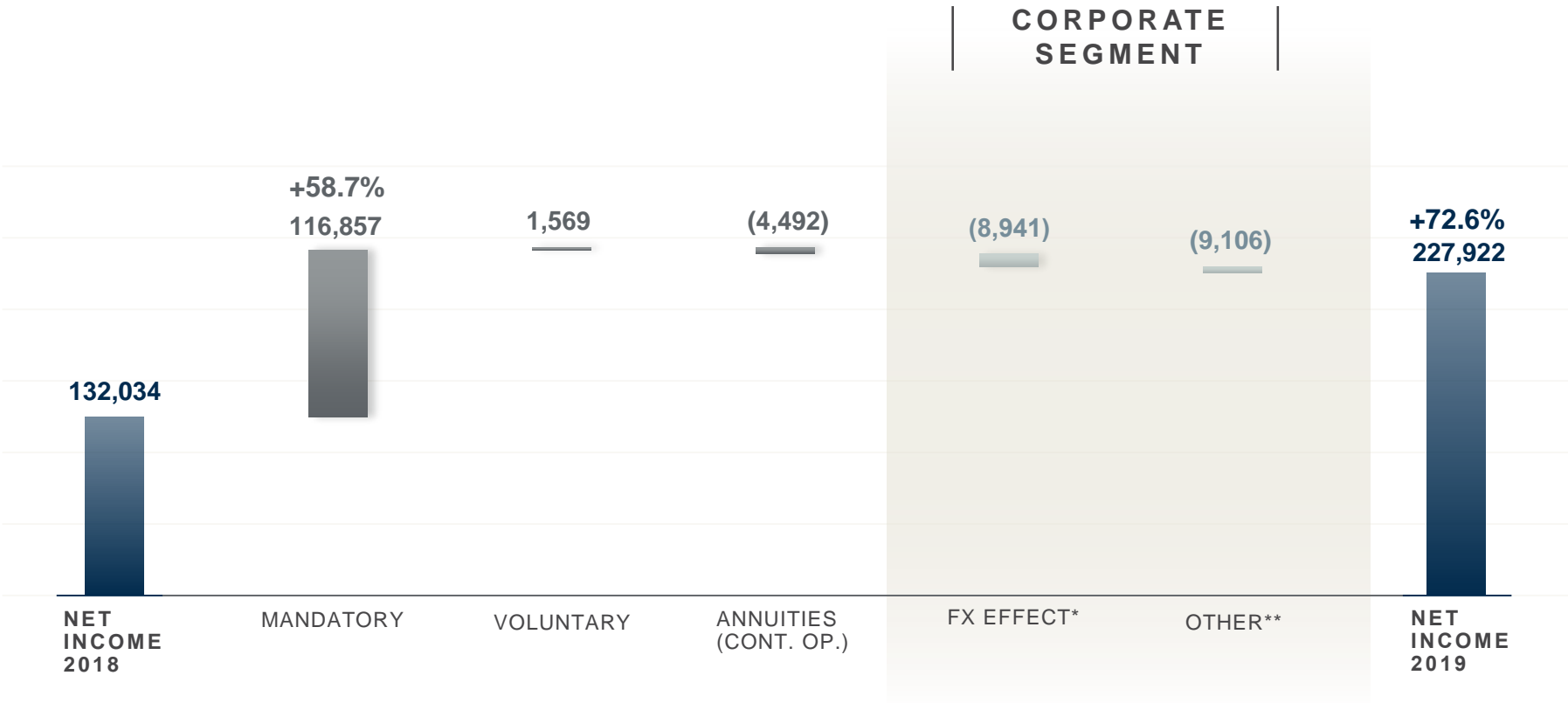
COP Million

+41,968

▲ 11.5%



Mandatory pension business explains
SURA AM's NET INCOME GROWTH



ADJUSTED ROE***

6.9%

ADJUSTED ROTE***

27.3%

*FX Effect= Exchange difference + Gains (losses) at fair value from hedging derivatives.
 **Other includes operating expenses from the corporate segment, income tax, financial expenses, gains (losses) from discontinued operations and other revenues/expenses from the corporate segment
 *** ROE and ROTE adjusted for amortization of intangibles associated to M&A and losses from discontinued operations, divided by average equity and tangible equity, respectively

RETURN ON LEGAL RESERVE EXPLAINS GROWTH IN NET INCOME

OPERATING REVENUES

COP 660,035 MM

▲ 38.4%

AUM

COP 390 bn

▲ 13.0%

- ◆ MEXICO ▲ 19.2%
- ◆ PERU ▲ 11.0%

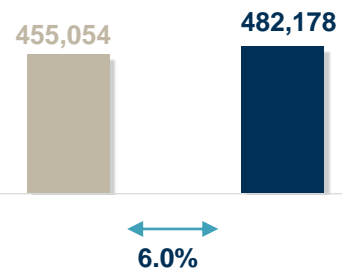
SALARY BASE

COP 40.2 bn

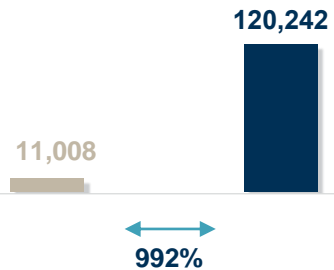
▲ 8.7%

- ◆ Alpha and leadership in returns in main funds
- ◆ Equity method from Protección
- ◆ Digital transformation as enabler

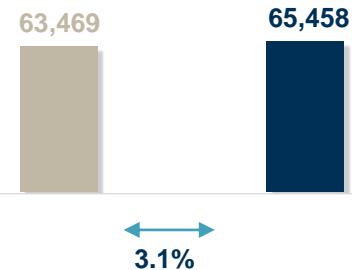
COMMISSION INCOME



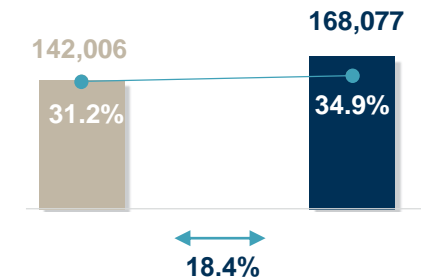
INCOME LEGAL RESERVE



SALES EXPENSE



ADMIN. EXPENSE % Commission Income



Voluntary business CONTINUES BUILDING REGIONAL PLATFORM

COMMISSION INCOME

COP 60,336 MM

▲ 3.6%

AUM SAVINGS AND INVESTMENT

COP 29.8 bn

◆ FLUJO NETO
COP 1.0 bn

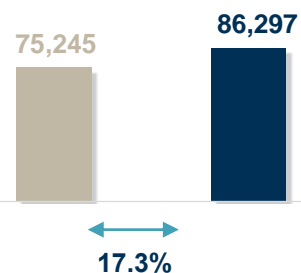
◆ RENDIMIENTO
COP 0.9 bn

AUM INVESTMENT MANAGEMENT

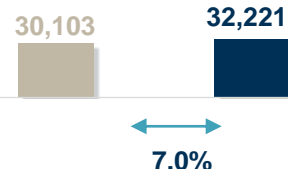
COP 36.9 bn

- 19 Products launched in Q1-2019, reaching a total of 372 portfolios
- **Priorities in 2019 for IM Unit:**
 - Adapt organizational structure
 - Strengthen operating platform
 - Global distribution model

OPERATING REVENUES

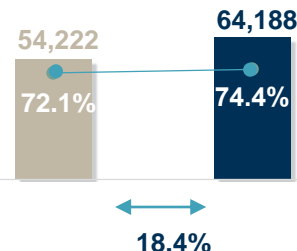


SALES EXPENSE



ADMIN. EXPENSES

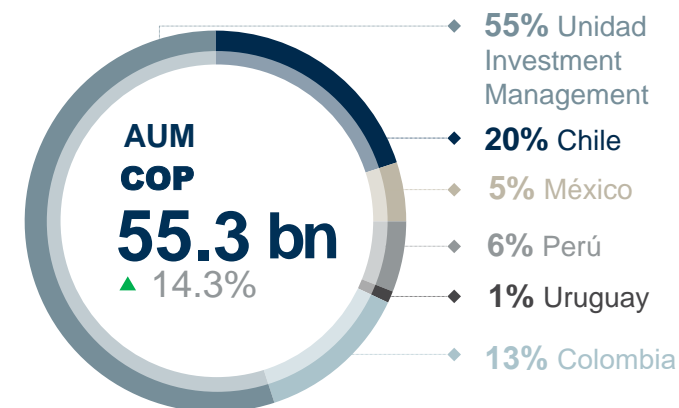
% Commiss. Income + Insurance Mgn



Figures in COP million

■ 2018 ■ 2019

POSITIVE ALPHA >80% of AUM



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CFO: RICARDO JARAMILLO

Gerente IR:

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