

Grupo SURA's net income rose by 37.4% for the first half of this year for a total of **COP 950,715 million (USD 298.1 million)**.

This is mainly due to a recovery in the returns obtained from the portfolios belonging to the pension fund management and insurance subsidiaries, together with good levels of sales dynamics at subsidiary level and improved revenues obtained from associates via the equity method.

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QUARTERLY HIGHLIGHTS



Seguros SURA, the most innovative insurance company in Colombia: ANDI

Ranked in 11th place out of a total of 322 organizations, having gone up by two places compared to this same survey carried out in 2018.

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SURA Investment Management launches new alternative asset funds

This business unit has developed the Real Estate Collective Investment Fund (FICL), in conjunction with Bancolombia, as well as another real estate fund, called the SURA Renta Inmobiliaria III Fund.

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BRC Standard & Poor's confirmed its AAA rating for Suramericana

This rating agency made special mention of the quality of the Company's Senior Management, its strategic approach as well as geographical diversification.

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Gonzalo Falcone joins the SURA Investment Management team

Mr. Falcone shall be responsible for overseeing the Unit's investment distribution strategy, through his handling of both local and global clients.

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Fundación SURA y Reduca presentan el estudio "Aprender es más"

This research identifies the challenges posed in Latin America for guaranteeing the right to quality learning and focuses on the skills required for the 21st century.

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SURA AM Chile, the best financial services company in Chile for young professionals

This Company was ranked in 22nd place in the overall category of the Employers for Youth (EFY) ranking.

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SURA Enterprise program: transcending Suramericana's insurance business to provide skills and capabilities to the micro and SME sector

This program provides support to micro, small and medium enterprises (MSMEs) in Latin America through specialized assistance in strategic matters.

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GRUPO SURA 'S NET INCOME ROSE BY 37.4% FOR THE FIRST HALF OF THIS YEAR.

Grupo SURA's consolidated net income came to COP 950,715 million (USD 298.1 million) at the end of Q2 2019. This was mainly due to a recovery in the returns obtained from the portfolios belonging to the pension fund management and insurance subsidiaries, together with good levels of sales dynamics at subsidiary level and improved revenues obtained from associates via the equity method

Consolidated operating earnings rose by 23.7% at the end of the first half of this year for a total of COP 1.5 trillion (USD 481.6 million). This included operating income totaling COP 10.5 trillion (USD 3,297.9 million), for an increase of 13.3%, which was higher than the 11.7% increase in total expense, that ended up at COP 9 trillion (USD 2,816.4 million).

SURA ASSET MANAGEMENT

This subsidiary, specialized in pensions, savings, investment and asset management, contributed to Grupo SURA's consolidated results with a net income figure of COP 430,372 million (USD 134.9 million), showing an increase of 48.1% compared to the same period last year. It is worth noting the 34% growth in operating income from the mandatory pension business, and another 19.1% growth from the Voluntary Pension business, which includes savings and investment for private individuals as well as the SURA Investment Management unit.



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At the end of Q2 2019, this subsidiary's client base numbered 20.2 million with Assets under Management (AUM) totaling COP 458 trillion (USD 142.971 million **), for a year-on-year increase of 15.4%. Similarly, this subsidiary posted a 62.2% increase in its operating income thanks mainly to higher returns on its investments.

SURAMERICANA:

On the other hand, Suramericana, operating in nine countries across the region, obtained growths in consolidated revenues from written premiums and services rendered of 12.3% and 21.9% respectively, with Colombia, Chile and Mexico performing particularly well in this regard. Furthermore, investment income rose by 15.1% for this first half of the year.

However, YTD net income at the end of Q2 2019 amounted to COP 173,771 million (USD 54.5 million), for a decline of 33%, this due to various issues including a higher claims rate for our mandatory healthcare subsidiary, given the increase in its membership base and the general state of the healthcare sector in Colombia; VAT levied on life insurance broker commissions, also in Colombia, this as a result of the new Financing Law; as well as inflation adjustments in Argentina, affecting investment income.



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“ We are seeing a growth in net income thanks to higher returns obtained from our investment portfolios in keeping with the recovery of the capital markets as well as higher revenues from associates, especially Bancolombia and Proteccion; while Suramericana and SURA Asset Management continue with a good level of sales dynamics throughout the region. This, in spite of the impact that certain issues had on some of our lines of business, namely new taxes, a higher claims rate for the Colombian mandatory healthcare subsidiary (EPS) and adjustments for inflation in Argentina

David Bojanini García

CEO of Grupo SURA



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for the presentation of our
financial results for Q2 2019

“ These results also evidence our focus on building our financial strength and investment capacity, which continues to be one of our Business Group’s strategic priorities. We would also like to underscore the reduction made so far to Grupo SURA’s individual financial debt. So far this year we have amortized COP 265 billion of our indebtedness and expect to reach COP 330 billion by year-end, as initially projected

Ricardo Jaramillo

CFO Grupo SURA



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KEY FIGURES

FOR THE FIRST HALF OF 2019

CONSOLIDATED NET INCOME

COP 950.715 million
USD 298.1 million ▲ 37.4%

OPERATING EARNINGS

COP 1.54 trillion
USD 481.6 millones ▲ 23.7%

INVESTMENT INCOME

▲ 50.1%

REVENUES VIA EQUITY METHOD

▲ 48%

OPERATING REVENUE

COP 10.5 trillion
USD 3,297.9 million ▲ 13.3%

OPERATING EXPENSE

COP 9 trillion
USD 2.816.4 million ▲ 11.7%

SURA ASSET MANAGEMENT

ASSETS UNDER MANAGEMENT

COP 458.3 trillion
USD 142.971 million ▲ 15.4%

CONTRIBUTION TO THE GROUP'S NET INCOME

COP 430.372 million
USD 134.9 million ▲ 48.1%

OPERATING REVENUE

Voluntary Savings ▲ 19.1%

Mandatory Pensions ▲ 34%

SURAMERICANA

NET INCOME AT THE END OF Q2 2019

COP 173,771 million
USD 54.5 million ▼ 33%

WRITTEN PREMIUMS

▲ 12.3%

REVENUES FROM SERVICES RENDERED

▲ 21.9%

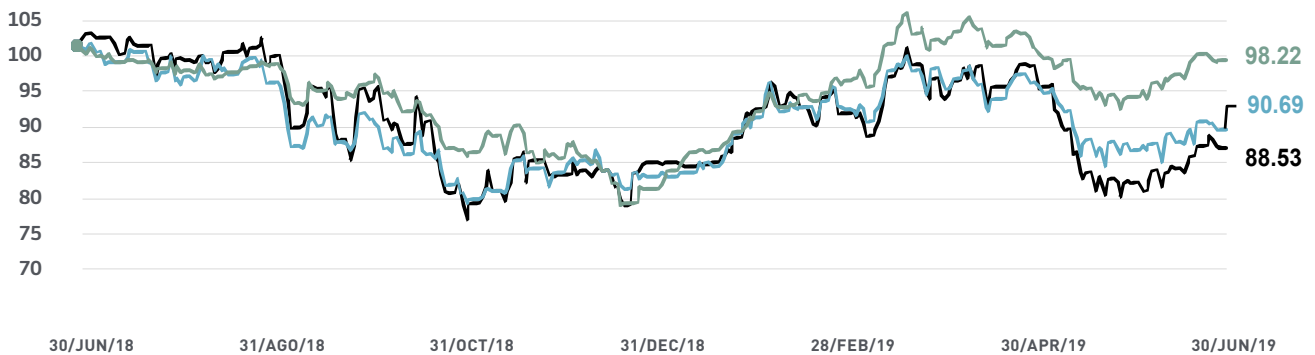


INFORMATION ABOUT SHARES

The GRUPOSURA ordinary share closed at COP 34,100 on June 30, 2019, for a QoQ decline of -6.9% and a YoY decline of -9.3%.

The PFGRUPSURA preferred share closed at COP 31,640 at the end of the first half of the year with a QoQ decline of -8.0% and a YoY decline of -11.5%.

PERFORMANCE OF BOTH SHARES ON THE COLOMBIAN STOCK EXCHANGE



◆ GRUPOSURA

34,100

COP

◆ PFGRUPSURA

31,640

COP

◆ COLCAP

1,549

Points

514

INTERNATIONAL FUNDS

have a

15.4%

share in Grupo SURA.



	30-JUN-19	% QUARTERLY VARIATION	% ANNUAL VARIATION
GRUPOSURA (Pesos)	34,100	-6.9%	-9.3%
PFGRUPSURA (Pesos)	31,640	-8.0%	-11.5%
COLCAP (Points)	1,549	-2.4%	-1.8%

*Appreciation with dividend



GUROS SURA, THE MOST INNOVATIVE INSURANCE COMPANY IN COLOMBIA, AS RATED BY THE COLOMBIAN NATIONAL BUSINESS ASSOCIATION - ANDI

The Company was ranked by the Colombian National Business Association (ANDI) as the most innovative insurance company in Colombia. The Company was placed in the top 11th position out of a total of 322 organizations, having gone up by two places compared to this same survey carried out in 2018. Furthermore, Suramericana's insurance subsidiary was ranked in 10th place in terms of hiring the most doctors in the country and in 9th place as having the most consolidated innovation ecosystem.

This improvement has been made possible thanks to the amount being invested in research, development and innovation which in 2018 came to COP 94,500 million. It also evidences the permanent efforts on the part of the Company to offer well-differentiated solutions to both private individuals and businesses alike, transcending indemnity payments and delivering capabilities and solutions that respond to the population's current needs while thinking ahead before the risks actually materialize.

The SURALab is one of the main initiatives that the Organization has introduced in order to test and deploy insurance solutions that make a real difference to people's lives.

Managing trends and risks is our way of reading the environment and anticipating the future. This has meant that we have had to internalize innovation as a capability as opposed to a creating a mere area or an isolated project. Each of our employees can really "live" innovation in their day to day activities and thus improve each of their own individual processes

Catalina Castaño,

Head of Marketing and Organizational Development for Seguros SURA Colombia



SURA INVESTMENT MANAGEMENT IS MAKING PROGRESS WITH ALTERNATIVE ASSET PROJECTS

The Company continues to make important headway in setting up new funds in alternative asset projects, taking full advantage of the opportunities offered by this industry in Latin America today.

SURA Investment Management, a business unit belonging to SURA Asset Management launched the Collective Real Estate Investment Fund (FICI) in Colombia. This real estate fund takes full advantage of the benefits offered by this type of investment (leasing and property gains), by purchasing property in Colombia, namely office buildings, hotels, retail premises and industrial estate.

The FICI's targeted return is the CPI + 5.5%, that is to say, 5.5% above the current rate of inflation, thus positioning the fund as one of the most profitable options that the Colombian market has to offer with this type of asset.

In Chile, the Company also made available to its clients the SURA Renta Inmobiliaria III fund, which shall invest in office buildings, retail premises, logistics centers, hotels and other non-residential real estate, located mostly in Santiago. The Fund's investment life is for seven years, and the expected return for clients who remain throughout this entire term is close to the UF (Unidades de Fomento - which is an inflation-indexed monetary unit in Chile) plus 5.5% per year.

SURA Investment Management has a team of 27 investment professionals who are specialized in handling real estate assets, who shall be responsible for managing real estate resources totaling USD 711 million, in Chile, Peru and Colombia.



BRC STANDARD & POOR'S CONFIRMED ITS AAA RATING FOR SURAMERICANA S.A.

This credit risk rating agency in a report issued July 16 made special mention of the quality of the Company's Senior Management, its strategic approach as well as its geographical diversification. It also added that Suramericana's robust positioning reflects the successful execution of its corporate strategy over the years and that this has been amply evidenced in the range of high value-added solutions it provides its clients and which sets the Company apart from what is a highly competitive industry.

Similarly, the year-on-year growth in written premiums obtained by the insurance subsidiaries outside Colombia, stated in Colombian pesos at constant rates, came to 14% at year-end 2018, According to BRC Standard & Poor's, the adequate growth rates obtained by these foreign-based businesses is a positive factor for Suramericana's credit profile, since it furthers the geographical diversification of its source of revenues.

Likewise, Suramericana's combined operating ratio in Colombia has continued on a downward trend since the second half of 2017, this due to the measures adopted by the Company to correct its claims rate.

Over the next 12 to 18 months, BRC Standard & Poor's expects higher levels of written premiums as well as the effective measures taken to control the Company's claims rate, to drive up its technical result.

Adequate levels of internal capital generation and prudent profit capitalization practices on the part of Suramericana are having a consequent effect on its capital solvency indicators that managed to maintain an adequate margin

Rating Report



GONZALO FALCONE JOINS THE SURA INVESTMENT MANAGEMENT TEAM

This business unit belonging to SURA Asset Management that attends the institutional segment, recently announced the appointment of Gonzalo Falcone Pino as its new Chief Distribution Officer, after having served as CEO of SURA Asset Management Uruguay.

In his new role, Gonzalo shall be responsible for the Unit's investment distribution strategy in handling relations with local and global clients and leveraging the positioning of SURA Investment Management as the industry leader in investment solutions in Latin America.

This business unit of SURA AM attends the institutional segment and has a sound governance system, that makes for a strong financial position and robust operating capabilities.

Furthermore, it specializes in creating and managing investment funds and is able to articulate its operations via a regional platform, thereby becoming an optimal investment vehicle that connects up the entire Latin American region with the global markets.

Consequently, SURA AM shall appoint a person responsible for the comprehensive handling of each line of business in Uruguay, namely:

- △ Sebastián Peaguda, who now serves as Chief Pension Officer, who shall take over as Chief Executive Officer of AFAP SURA.
- △ Gerardo Ameigenda, who is now Chief Savings and Investment Officer shall head up the voluntary savings business in this part of the world.



SURA ENTERPRISE PROGRAM: TRANSCENDING SURAMERICANA'S INSURANCE BUSINESS TO PROVIDE SKILLS AND CAPABILITIES TO THE MICRO AND SME SECTOR

With this program, Suramericana is attending the micro, small and medium enterprise sector (MSMEs), whether or not they are current clients. This program is already up and running in Colombia and Panama and is scheduled to be launched in all the other seven countries where Seguros SURA is present from here to the end of the year.

The idea is to provide these MSME entrepreneurs with specialized help in opportunely handling risks and trends in key strategic aspects, so that they are able to become more competitive and sustainable. These key strategic aspects include human talent, technology and digital transformation, financial management, market development and regulatory issues.

"Our sustainability depends on the sustainability of our clients. That is why the SURA Enterprise is an opportunity for us to get closer to the MSME segment,

providing them with knowledge, while allowing us to learn from their own situations and hence develop more relevant fine-tuned solutions so as to attract and retain our clients," stated Juan David Escobar, Chief Executive Officer of Seguros SURA Colombia, during the launching ceremony of this program, which until last July has attended a total of 300 MSMEs in Colombia.

Entrepreneurs who contact the SURA Enterprise Center are able to obtain an overall analysis of the specific circumstances of each of their lines business. They then prepare a diagnosis of all those aspects affecting their competitiveness, and afterwards prioritize the different fronts on which to work and based on the road map thus produced, they are able receive specialized support.

The aim of this program is to play a part in the everyday activities of MSMEs by offering advice, support and assistance on the following three fronts:

Discovering

Providing knowledge based on the latest research, trends, digital transformation, among others.

Connecting

Building ties between MSMEs to acquire new capabilities and win over new allies.

Transforming

Giving a voice to entrepreneurs so as to motivate them and leverage their businesses. Here experts offer their support to improve MSME levels of competitiveness.



SURA AM CHILE IS THE BEST FINANCIAL SERVICES COMPANY IN CHILE FOR YOUNG PROFESSIONALS

SURAAM Chile obtained first place among the financial services companies included in the Employers for Youth (EFY) ranking, carried out by Grupo Adecco and FirstJob, the purpose of which was to identify the best companies for young professionals in Chile.

The Company was ranked in 22nd place in the overall category of the Employers for Youth (EFY) ranking, with a score of 743.8, thereby exceeding the average score of 712.6 obtained by the rest of the participating organizations.

This survey measured internal and external attributes as well as the experience had by young people themselves who work in the nominated companies, such as, for example, corporate infrastructure, work environment, innovation, recognition, talent, employee benefits, among other aspects.

More than 12.000 young people between the ages of 18 and 34 years old were surveyed, from 85 different companies. One of the main findings of this survey was that 22% of all those surveyed believe that the most important attribute when choosing a company to work for are the learning and development opportunities offered, with 41% wishing to take on new challenges or positions within the company.



THE SURA FOUNDATION AND REDUCA PRESENT “LEARNING IS MORE: THE RIGHT TO LEARN IN LATIN AMERICA”

The study “Learning is more: the right to education in Latin America”, carried out by the SURA Foundation and the Latin American Network for Education (Reduca) was presented in April and May in Mexico and Colombia. This research study discussed the real situation of the education provided in 14 countries throughout the region while mentioning the significant strides made in access and coverage rates, but warning that there is still some way to go with guaranteeing the right to learn. “At SURA we believe that companies play a fundamental role within society in driving social development initiatives that allow for quality education and the principle of fairness, which are crucial for improving people’s lives and encouraging competitive and sustainable development,” stated David Bojanini, Chief Executive Officer of Grupo SURA and the Chairman of the SURA Foundation in Colombia.

This study also identified the challenges faced by governments and different players belonging to the education system, in legitimizing the right to learn in a purposeful, quality-driven way while focusing on the skills and capabilities needed in the 21st century.

It also highlighted that this effort not only requires that governments comply with the obligations set out in international treaties, but must involve the joint responsibility of society as a whole, that is to say, the public sector, private enterprise, civil society and the community in general.

