

YTD net income for this past third quarter rose by 35%, to COP 1.5 trillion (USD 460.8 million) thereby surpassing that obtained at year-end 2018

[MORE](#)

Net income for this past third quarter alone stood at COP 542,116 million (USD 167.3 million), for an increase of 31.1% compared to the same period last year. This amply evidences the good levels of operating performance obtained by the Group's core subsidiaries, as well as higher returns on investment portfolios, and increased revenues obtained via the equity method, particularly, Bancolombia and Proteccion.

QUARTERLY HIGHLIGHTS »



SURA Asset Management became a signatory of the PRI

Our commitment to sustainable development is a cross-cutting component of our ongoing business strategy.

[MORE](#)



If you look carefully, you'll see that everything is connected

Grupo Sura ranks amongst the three most sustainable companies from the Diversified Financial Services and Capital Markets sector

[MORE](#)



The situation in Chile may well be an opportunity for building consensus

The challenge here is to be able to identify common purposes as a society so as to promote further development.

[MORE](#)



Suramericana celebrates its 75th Anniversary

The Company that gave rise to the SURA Business Group in 1994, now projects itself into the future as a trend and risk management organization in all 9 countries where we are present.

[MORE](#)



Afore SURA obtained the Morningstar Silver award

The SURA Asset Management business unit in Mexico received the highest award issued this year to the Siefores ((Mexican specialized pension fund investment firms).

[MORE](#)



More than 3,200 members of our volunteer corps took part in our "Sumando Voluntades" program held throughout Latin America

We held our Corporate Volunteer day simultaneously in 27 cities in the 10 countries where we are present.

[MORE](#)



SURA Asset Management shall acquire a vehicle so as to be able to strengthen its investment capabilities

The Company announced the signing of an agreement to acquire the trust company Gestion Fiduciaria and, in so doing, enhance its value-added offering.

[MORE](#)



Recognition in Colombia

SURA moved up to fourth place in the Merco Empresas reputation ranking and the Colombian Stock Exchange awarded its IR Seal to Grupo SURA.

[MORE](#)

GRUPO SURA OBTAINED A GROWTH OF 35% IN ITS YTD NET INCOME AT THE END OF THE THIRD QUARTER

YTD net income at the end of this past third quarter stood at COP 1.5 trillion (USD 460.8 million) thereby surpassing that obtained at year-end 2018. Net income for this past third quarter alone came to COP 542,116 million (USD 167.3 million), for an increase of 31.1% compared to the same period last year.

Operating income rose by 14.8% at the end of Q3 2019, reaching COP 16.2 trillion (USD 4,999.7 million), for a double-digit growth for our main operations, while consolidated expense rose at a slower rate, that is to say 13% to stand at COP 13.8 trillion (USD 4,251.2 million). Operating revenues corresponding to Q3, 2019 rose by 17.6% with operating expense increasing by 15.4%.

This was mainly due to the following increases in all income accounts: retained premiums (5.8%), fees and commissions (10.1%), health care services rendered (22.9%), investment income (42.7%) and revenues obtained from associates via the equity method (43.8%), particularly, from Bancolombia and Proteccion.

Consequently, operating earnings rose by 26.3%, to COP 2.4 trillion (USD 748.5 million) at the end of Q3 2019, which is in keeping in line our focus on gaining greater efficiencies and maintaining expense and the claims rate under firm control. This account rose by 31% for this past quarter alone compared to the same period last year.

“The results obtained for this past third quarter show that it has been a good year for Grupo SURA and its different lines of business, thanks to our well-diversified sources of revenues in spite of the economic and social challenges facing the region. That is why we are renewing our commitment to driving the sustainable development of our Latin American citizens as well as their present and future well-being through the efforts of each of the Companies that belong to the SURA Business Group”.

David Bojanini

Chief Executive Officer - Grupo SURA



SUBSIDIARY PERFORMANCE

SURA Asset Management, an expert player in the pensions, savings, investment and asset management industries, contributed to Grupo SURA's consolidated results with a net income figure of COP 681,776 million (USD 210.5 million), showing an increase of 42.5% compared to the same period last year. For the third quarter alone, this subsidiary's contribution to the Group's net income rose by 33.7% to COP 251,404 million (USD 77.6 million).

This was due to a 33% growth in YTD revenues while expense rose by just 15.3%. The following items contributed to the subsidiary's bottom line:

- Higher returns obtained on this subsidiary's own portfolios (legal reserves);
- An 8.9% increase in fee and commission income for the Mandatory pension business, in spite of recent regulatory cuts to these charges in certain countries.
- A 14.3% increase in revenues obtained from its Voluntary business, handled by its Savings and Investment as well as Investment Management Units

On the other hand, Suramericana, specializing in insurance and trend/ risk management, continued to post a positive growth in YTD revenues at the end of Q3 2019, including increases of 15.1% in written premiums and 23.7% in healthcare services rendered. On a segment by segment basis, Life insurance premiums scored a YTD growth of 24% trailed by Property and Casualty with another 9.7%.

However, this subsidiary's net income figure declined by 24% at the end of Q3, 2019, this compared to the same period last year, reaching COP 300,009 million (USD 92.6 million), this due to the following three factors:

- The results obtained by our Argentinean subsidiary, which were affected by high levels of inflation coupled with the depreciating Argentinian peso and lower investment income. If we were to exclude the effects of this situation in Argentina, Suramericana's net income would have risen by 10.1% at the end of Q3 2019.
- Higher claims rates and costs given the amount of users migrating to the mandatory healthcare provider, EPS SURA, having been reallocated in the light of their former healthcare providers being wound up.
- VAT now levied on life insurance commissions in Colombia which affected the Company's results in the amount of COP 36,524 million (USD 11.3 million)



SEE VIDEO

"These YTD results at the end of Q3 2019 show the benefits of our well-diversified sources of revenues, our ongoing focus on achieving a profitable level of organic growth and the positive effects of optimizing our invested capital. Furthermore, SURA Asset Management and Suramericana showed a good level of operating performance which offset specific impacts such as the economic situation in Argentina and the situation of the healthcare sector in Colombia."

Ricardo Jaramillo Mejía
Chief Finance Officer - Grupo SURA



Q3
2 0 1 9

Quarterly Earnings
Newsletter



KEY FIGURES

(On a YTD basis at the end of Q3 2019)a

**CONSOLIDATED
NET INCOME**

▲ 35%

COP 1.5 trillion

(USD 460.8 million)

**OPERATING
EARNINGS**

▲ 26.3%

COP 2.4 trillion

(USD 748.5 million)

**OPERATING
REVENUE**

▲ 14.8%

COP 16.2 trillion

(USD 4,999.7 million)

**OPERATING
EXPENSE**

▲ 13%

COP 13.8 trillion

(USD 4,251.2 million)

**INVESTMENT
INCOME**

▲ 42.7%

**REVENUES VIA
EQUITY METHOD**

▲ 43.8%



GRUPO DE INVERSIONES SURAMERICANA | ir@gruposura.com

Telephone (574) 319 70 39 | Carrera 43A # 5A-113

Medellín - Colombia.



gruposura.com

Q3
2 0 1 9

Quarterly Earnings
Newsletter



SURA ASSET MANAGEMENT

**CONTRIBUTION TO
THE OVERALL NET
INCOME FIGURE**

▲ 42.5%
COP 681,776
million
(USD 210.5 million)

OPERATING REVENUE
(Including insurance margin)

▲ 33%
COP 2.41 trillion
(USD 744.4 million)

**GROWTH IN FEE AND
COMMISSION INCOME**

MANDATORY PENSIONS ▲ 8.9%

VOLUNTARY SAVINGS ▲ 14.3%

SURAMERICANA

NET INCOME

▼ 24%
COP 300,009
million
(USD 92.6 million)
Excluding Argentina ▲ 10.1%

OPERATING INCOME

(Written premiums + revenues
from healthcare services
rendered)

▲ 15.9%
COP 10.5 trillion
(USD 3,248.9 million)

**GROWTH ON AN INDIVIDUAL
SEGMENT BASIS**

(written premiums)

LIFE INSURANCE ▲ 22%

**PROPERTY AND
CASUALTY** ▲ 6.3%

Excluding Argentina ▲ 10.1%

**HEALTHCARE
SERVICES RENDERED** ▲ 24.1%

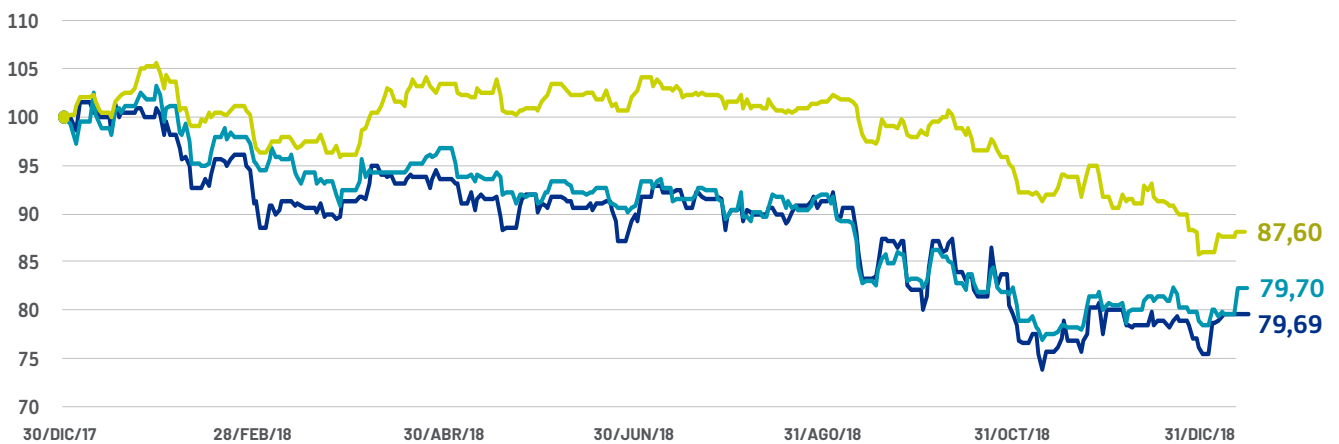


SHARE INFORMATION

The **GRUPOSURA** ordinary share closed at COP 33,000 at the end of Q3 2019, for a QoQ decline of -3.2% and a YoY decline of -5.1%.

The **PFGRUPSURA** preferred share closed at COP 29,380 at the end of the first half of the year with a QoQ decline of -7.1% and a YoY decline of -13.6%.

PERFORMANCE OF BOTH SHARES ON THE COLOMBIAN STOCK EXCHANGE



◆ GRUPOSURA	◆ PFGRUPSURA	◆ COLCAP
33.000	29.380	1.578
COP	COP	Puntos

501

INTERNATIONAL FUNDS

hold a combined

14.9%

stake in Grupo SURA



	YTD 2019	% QUARTERLY CHANGE	% YOY CHANGE
GRUPOSURA (Pesos)	33,000	-3.2%	-5.1%
PFGRUPSURA (Pesos)	29,380	-7.1%	-13.6%
COLCAP (Puntos)	1,578	1.9%	4.8%



SURA ASSET MANAGEMENT STRENGTHENS ITS COMMITMENT TO RESPONSIBLE INVESTMENT

This subsidiary, specializing in savings, pensions, investment and asset management, together with its pension fund management and Investment Management business units formalized their engagement as PRI (Principles of Responsible Investment) signatories

SURA Asset Management and its subsidiaries understand sustainable investment to be a competitive strategy creating added value and leveraging the growth and sound performance of both the companies themselves as well as their own and/or managed portfolios.

By rigorously applying the environmental, social and governance (ESG) criteria, when evaluating potential and current investments, risks and opportunities can be anticipated and opportunely handled.

In this way, this subsidiary is adopting a more long-term view as it continues to builds trust and business strength.

“We are engaged with the PRI initiative as part of our commitment to responsible investment, this consisting of analyzing our investment decisions from a much broader and more comprehensive standpoint, going beyond the purely financial considerations, especially when such decisions form an essential part of our business mission”.

Ignacio Calle
CEO of SURA Asset Management



SURAMERICANA: 75 YEARS PERFECTING “THE ART OF LOOKING AHEAD”

On December 12, 1944, the Compañía Suramericana de Seguros opened its first ever insurance agency in Medellín. Given the general need for a service that would provide peace of mind and business support, 36 companies and 151 private individuals came together as investors to form what was to become a leading Latin American Group in the financial services sector.

After 75 years of lessons learned, joyful experiences and fond relationships, this first branch office has now become Seguros SURA Colombia and its parent company, Suramericana, a subsidiary of Grupo SURA with a presence in nine countries throughout Latin America and specializing in providing products, solutions and capabilities to both companies and private individuals so that they may optimally manage their risk exposure.

What is our formula for success? Being able to “read” the environment and identify opportunities as well as knowing how to look ahead into the future. Our human talent forms the bedrock of our growth strategy. Being able to diversify the solutions offered has been a constant in the development of our Company.

Also, this ability to look ahead goes beyond the confines of our business since we provide historic support for social projects, various artistic and cultural events, as well as strengthening multiple organizations.

Today, Suramericana and its subsidiaries strive on a daily basis to give greater meaning to our identify, expanding the boundaries of the present and future role of the insurance industry, with the firm conviction that, as an Organization specializing in trend and risk management, we face the challenge of being able to connect the signals transmitted by the environment with the needs of all the people and the companies we attend.



"Throughout the 75 years since first founded, Suramericana, No. 1 in Colombia and now in all nine countries where it is present, has built up a history that can best be described in a single premise “the art of looking ahead”.

Gonzalo Pérez
Chief Executive Officer of
Suramericana



GRUPO SURA, AMONG THE TOP GLOBAL BENCHMARKS IN TERMS OF SUSTAINABILITY

Grupo SURA, forms part of the 318 companies that make up the Dow Jones Global Sustainability Index (DJSI), which tracks organizations with the best sustainability practices, this after evaluating the Group's economic, social and environmental performance, this including SURA Asset Management and Suramericana.

Consequently, the Group was readmitted for the ninth consecutive year as one of the top three global benchmarks from the Diversified Financial Services and Capital Markets industry, and the only one from Latin America. The Company is also listed with the DJSI Emerging Markets as well as the MILA Indexes.

Grupo SURA obtained a score of 72 out of 100, with the highest assessments being given for financial inclusion and social reporting, as well as the progress made with anti-crime policies and measures, engagement with public policy-making and operating eco-efficiency.

"The Dow Jones Sustainability World Index is important to us because it gives us the opportunity to evaluate our own performance and identify opportunities for our ongoing transformation and growth, this based on best business practices."

Tatyana Orozco
Chief Corporate
Affairs Officer



AFORE SURA OBTAINED THE MORNINGSTAR SILVER AWARD

SURA Asset Management's business unit in Mexico received for the second year running the Morningstar Silver Award, the highest awarded this year to the Mexican Siefores (specialized pension fund investment firms), according to a report published at the end of October by this global research and investment management firm.

This was given based on the firm's ability to obtain superior long-term returns, duly adjusted for risk. Morningstar analysts made special mention of the Company's "deep talent pool" and the fact that its staff "inspires confidence in the ongoing well-established investment processes on the part of the Pension Fund Management firm."

According to the National Commission of the Retirement Savings System (Consar), Morningstar bases its qualitative rating scale on the individual evaluations of the following five pillars: people, management firm, process, performance and price. Furthermore, this rating describes the firm's ability to obtain superior long-term returns, duly adjusted for risk.



THE SITUATION IN CHILE MAY WELL BE AN OPPORTUNITY FOR BUILDING CONSENSUS

Grupo SURA is closely monitoring public protests in Latin America over recent weeks, particularly in Chile, where the Organization has important operations in the insurance, pension, savings and asset management sectors.

As long-term investors in this southernmost country in Latin America, the Company is relying on the strength of Chilean institutions to overcome this situation. Here, an effective dialogue shall soon be required so as to be able to arrive at concerted solutions to the prevailing social unrest and to build on the undeniable achievements the country has had, but without ignoring the expectations of its citizens.

"There is no doubt that social expressions of discontent are a call to governments, democratic institutions and corporations in their role as social agents, to make sure that they uphold a firm connection with their citizens," stated David Bojanini, Chief Executive Officer of Grupo SURA.

He added that it was unfortunate that some of the protests became violent and seriously affected the lives and interests of its citizens and vandalized public property.

"We consider the challenge being faced by Latin Americans and those of us who believe in this region, is to turn this situation into an opportunity for identifying the overarching common purposes as a society, that allow us to achieve more sustainable development".

David Bojanini

Chief Executive Officer Grupo SURA



SURA ASSET MANAGEMENT SHALL ACQUIRE A VEHICLE IN COLOMBIA SO AS TO BE ABLE TO STRENGTHEN ITS INVESTMENT CAPABILITIES IN LATIN AMERICA

This subsidiary, being an expert player in the pension, savings, investment and asset management sectors, announced that it has signed an agreement to acquire Gestion Fiduciaria, a trust company in Colombia, which shall serve as a vehicle for expanding the investment capabilities of its different businesses in this country, this as part of its regional value-added offering.

This acquisition shall be carried out through SURA Investment Management, the Company's specialized business unit in the institutional segment, so as to be able to offer its institutional clients products domiciled in Colombia.

This operation shall also serve in the future to drive the scale of SURA Asset Management's other business units that manage investments in the voluntary segments, these catering to corporate entities in particular.

“ We are strengthening our different business units throughout the region, and this implies expanding our investment capacities in the various geographies, so as to be able to generate greater added value for our clients. ”

Ignacio Calle,
Chief Executive Officer
SURA ASSET MANAGEMENT

MORE THAN 3,200 CORPORATE VOLUNTEERS TOOK PART IN THE SUMANDO VOLUNTADES PROGRAM THROUGHOUT LATIN AMERICA

This corporate volunteer day, which is staged every year by Grupo SURA and its subsidiaries Suramericana and SURA Asset Management, was held simultaneously in 27 cities in all 10 Latin American countries where present.

In this way, our Companies are reinforcing their commitment to social development and achieving the Sustainable Development Goals (SDGs) as relating to quality education and sustainable communities.

Furthermore, our SURA employees consider themselves to be volunteers from a single region: Latin America The Company firmly believes that this exercise strengthens the articulation of its different businesses and reinforces its identity as a Multi-Latin organization.



SEE GALLERY



Q3
2019

Quarterly Earnings Newsletter



RECOGNITION FOR SURA'S REPUTATION AND INVESTOR MANAGEMENT CAPABILITIES

The Colombian Stock Exchange (BVC) gave its IR (Investor Relations) Issuer Award to Grupo Sura for the seventh consecutive year, for which it made special mention of the Company's good reporting practices and engagement with its investors.



On this occasion, the IR Seal Award highlighted the level of detail of the Company's quarterly results, in comparison with other issuers, as well as the amount of events held for sharing information with different categories of investors.

On the other hand, SURA continued in fourth place in the general ranking of companies evaluated by the Merco Business Reputation Monitor, and remains a leader among the country's insurance companies.



This evaluation took into account management issues such as financial results, quality offering, human talent management, innovation, ethical behavior, corporate responsibility and international scale. Here, the specific analysis of the Company included aspects such as the operations carried out by Seguros SURA Colombia as well as those of the SURA Business Group.

SURA'S INDIVIDUAL RANKINGS IN THE MERCO COLOMBIA SURVEY 2019 MEASUREMENTS

(National Ranking)

4th place Merco Companies

4th place Merco Responsibility and
Corporate Governance

5th place Merco Talent

2nd place Merco Leaders

