



Q4-2019

EARNINGS REPORT
GRUPO SURA

GRUPO SURA posted a record net income of COP 1.7 trillion (+27.9%) for FY 2019. Thanks to a favorable operating performance, operating INCOME came to COP 3.0 trillion for a growth of 19.5%.

February 27, 2020 Grupo de Inversiones Suramericana - Grupo SURA - has released its earnings report corresponding to the fourth quarter of 2019, the highlights of which are as follows:

Operating revenues reached COP 21.9 trillion, for a growth of 13.3%, thanks to good commercial dynamics, greater organic business growth, higher investment income and the benefits of a well-diversified portfolio. Operating expense rose by 12.3%, which was lower than the increase in operating revenues, thanks to a controlled claims rate and our focus on gaining greater efficiencies, this in spite of the significant investments made in moving ahead with our strategic priorities of generating greater added value for our clients as well as transforming our lines of business. Consequently, operating income came to COP 3.0 trillion, for a growth of +19.5%.

On the other hand, our financial results came to COP -625,591 million, for a decline of 26.2% due to a lower exchange rate effect, this partly as a result of our exchange rate hedging strategy that offset the increase in the amount of interest posted due to having adopted IFRS 16.

All this produced a net income of COP 1.7 trillion, for a growth of 27.9%, even in the face of higher tax, which posted an increase of 150%.

It should be noted that Grupo SURA, as a holding, reduced its individual indebtedness by 7% to COP 4.6 trillion at year-end, after amortizing COP 380,000 million in 2019 for a total of COP 850,000 million from 2017 which is in keeping with our priority of gaining greater financial strength.

SURA Asset Management contributed to Grupo SURA's consolidated results with a net income figure of COP 724,989 million, showing an increase of 95.4%. As for the Group's operating performance, it is worthwhile noting the following factors:

Net operating revenues (including insurance margin) came to COP 3.2 trillion for a growth of 35.1% (27.4% in local currencies), this mainly due to higher returns on the Company's legal reserves, revenues obtained via the equity method and its total insurance margin, all of which was further leveraged by positive levels of market performance. Fee and commission income came to COP 2.3 trillion as it continued to show a stable growth (+9.7% or +2.9% in local currencies) given regulatory cuts to the fees and commissions charged in certain countries.

Operating expense rose by 14.2% (8.1% in local currencies) at year-end, given higher acquisition and administrative expense, which included significant investments made in projects aimed at furthering our business sustainability and generating long-term added value.

Suramericana posted COP 13.3 trillion in written premiums, for an increase of 10.9% along with COP 3.9 trillion in revenues from services rendered which rose by another 23.6%.

It is well worth mentioning the well-controlled retained claims rate (including net level reserves), mainly in the life insurance segment which offset the effects of specific issues in the non-life segment in Chile and Argentina.

Net income at year-end came to COP 390,571 million, showing a decline of 25.6%, this in spite of the positive levels of performance obtained with our main operations, which were in turn impacted by certain factors that affected their comparability with previous periods. These mainly included the macroeconomic and political situation in Argentina, the current situation of the public health care sector in Colombia and the VAT expense incurred with life insurance commissions, also in Colombia.

Grupo SURA (Holding) contributed to the overall net income figure with another COP 603,362 million (+34.9%), as a result of a positive exchange rate effect on hedging operations and the exchange difference on the Company's indebtedness.

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All figures in this report are shown in millions of Colombian pesos unless otherwise stated. Figures stated in dollars were converted to Colombian pesos using the exchange rate applicable at year-end 2019 (COP 3,277.1 per USD), this as a restatement exercise only..

1. Grupo SURA

Grupo de Inversiones Suramericana S.A (in COP million)	From January 1st to December 31st			From September 30th to December 31st		
	Dec-19	Dec-18	%Var	Q4-2019	Q4-2018	%Var
Written premiums	13,956,772	13,264,954	5.2%	3,957,567	3,989,351	-0.8%
Ceded premiums	(2,737,502)	(2,530,106)	8.2%	(914,320)	(982,446)	-6.9%
Retained premiums (net)	11,219,270	10,734,847	4.5%	3,043,247	3,006,906	1.2%
Commission income	2,733,630	2,503,860	9.2%	712,653	667,480	6.8%
Revenues from services rendered	4,026,799	3,293,319	22.3%	1,083,092	897,558	20.7%
Dividends	7,181	5,824	23.3%	2,389	1,023	133.4%
Investment income	2,373,126	1,483,089	60.0%	564,398	241,947	133.3%
Equity method - Associates	1,255,222	1,058,183	18.6%	215,198	335,072	-35.8%
Other revenues	299,554	270,698	10.7%	97,049	87,526	10.9%
Operating revenues	21,914,782	19,349,819	13.3%	5,718,026	5,237,512	9.2%
Total claims	(8,847,520)	(7,616,796)	16.2%	(2,588,793)	(1,616,370)	60.2%
Reimbursed claims	2,244,668	1,748,992	28.3%	789,762	176,583	347.2%
Retained claims	(6,602,853)	(5,867,804)	12.5%	(1,799,031)	(1,439,787)	25.0%
Adjustments to reserves	(285,563)	(678,355)	-57.9%	(66,889)	(323,001)	-79.3%
Cost of services rendered	(3,846,072)	(3,098,715)	24.1%	(1,010,211)	(851,842)	18.6%
Administrative expense	(4,048,768)	(3,672,569)	10.2%	(1,133,636)	(1,006,716)	12.6%
Depreciation	(212,431)	(81,110)	161.9%	(55,204)	(20,749)	166.1%
Amortizations	(291,338)	(277,283)	5.1%	(71,681)	(69,143)	3.7%
Brokerage commissions	(2,439,073)	(2,155,307)	13.2%	(664,725)	(577,876)	15.0%
Fees	(518,025)	(456,117)	13.6%	(151,728)	(157,599)	-3.7%
Other expense	(629,418)	(512,223)	22.9%	(157,352)	(169,648)	-7.2%
Impairment	(21,399)	(23,171)	-7.6%	(12,492)	(14,244)	-12.3%
Operating expense	(18,894,939)	(16,822,655)	12.3%	(5,122,948)	(4,630,606)	10.6%
Operating income	3,019,843	2,527,164	19.5%	595,078	606,906	-1.9%
Exchange difference + Derivatives at fair value	90,570	(222,345)		158,953	(129,177)	
Interest	(716,162)	(625,181)	14.6%	(191,548)	(193,976)	-1.3%
Financial Results	(625,591)	(847,526)	-26.2%	(32,595)	(323,153)	-89.9%
Earnings before tax	2,394,252	1,679,639	42.5%	562,483	283,753	98.2%
Income tax	(683,746)	(273,289)	150.2%	(340,128)	50,402	
Net income from continuing operations	1,710,506	1,406,349	21.6%	222,355	334,155	-33.5%
Net income from discontinued operations	8,172	(63,063)		3,492	(96,370)	
Net Income	1,718,678	1,343,286	27.9%	225,847	237,785	-5.0%
Earnings - parent company	1,525,537	1,182,880	29.0%	201,553	230,815	-12.7%
Earnings - non-controlling interest	193,141	160,406	20.4%	24,294	6,970	248.6%

Grupo de Inversiones Suramericana S.A
Consolidated Statement of Financial Position

At year-end 2019 and 2018
(stated in millions of Colombian pesos)

	Dec-19	Dec-18	%Var
Cash and cash equivalents	2,346,157	1,878,040	24.9%
Investments	23,982,370	22,696,482	5.7%
Accounts receivable	6,443,991	6,649,457	-3.1%
Insurance reserves - reinsurers	4,103,398	3,562,157	15.2%
Current tax	231,720	308,039	-24.8%
Deferred tax	194,114	207,115	-6.3%
Other assets	730,823	473,498	54.3%
Investment properties	169,287	156,847	7.9%
Property, plant and equipment	1,309,173	1,235,912	5.9%
Available-for-sale non-current assets	5,212	5,539,261	-99.9%
Right of Use Assets	645,484	0	
Goodwill	4,721,695	4,798,703	-1.6%
Identified intangible assets	4,188,717	4,397,823	-4.8%
Investments in associates	19,965,689	19,170,040	4.2%
Total assets	69,037,830	71,073,374	-2.9%
Financial liabilities	1,889,749	2,141,755	-11.8%
Financial leasing liabilities	666,663	0	
Technical reserves	23,215,289	22,199,074	4.6%
Provisions for employee benefits	533,657	539,787	-1.1%
Other provisions	227,155	249,558	-9.0%
Accounts payable	3,695,378	3,330,513	11.0%
Current tax	464,723	580,672	-20.0%
Available-for-sale non-current liabilities	0	4,871,855	-100.0%
Issued securities	8,203,145	8,305,019	-1.2%
Other non-financial liabilities	594,700	594,311	0.1%
Deferred tax	1,456,369	1,359,916	7.1%
Total liabilities	40,946,828	44,172,460	-7.3%
Equity attributable to the owners of the parent company	25,636,760	24,473,747	4.8%
Non-controlling interest	2,454,242	2,427,165	1.1%
Total equity	28,091,003	26,900,912	4.4%

Consolidated Net Income

The table at the bottom of this page shows a breakdown of the amounts contributed by each subsidiary to the Group's consolidated net income figure, as well as the different income and expense posted by Grupo SURA as a holding. The main factors here included:

Suramericana contributing COP 390,327 million to Grupo SURA's net income figure, showing a drop of COP 134,540 million or 25.6% at year-end 2019. In spite of a positive level of operating performance on the part of this subsidiary, the following specific impacts produced a reduction in the overall net income figure:

- The net income figure corresponding to the Argentinian operation fell by COP 88,000 million, which mainly corresponds to an un-realized loss sustained on the depreciation of its investment portfolio.
- VAT levied on life insurance commissions in Colombia came to COP 52,100 million
- The impact of the current situation with the public health care system in Colombia produced a drop of COP 47,305 million in the net income figure corresponding to the Health Care Segment.
- The increase in the claims ratio in Chile due to the social protests held in the last months of the year, which affected the results by COP 40,000 million.

SURA AM continued to post excellent results, contributing another COP 724,989 million to the Group's consolidated net income figure, for an increase of 95.4% or COP 353,991 million. This growth was mainly due to improved returns on the investment portfolios belonging to its pension fund line of business, which in turn is reflected in an increase of COP 355,564 million (+407%) in revenues obtained from its legal reserves (before deferred tax) along with COP 121,361 million (+87.5%) in revenues obtained via the equity method.

Finally, **Grupo SURA, (Holding)** contributed another COP 603,362 million to the Group's consolidated net income figure for a 34.9% increase, due to:

- Revenues from associates via the equity method (excluding those from Proteccion which are reported by SURA AM), rose by 9.3% driven by the net income growth for the year at Bancolombia
- Lower exchange rate differences and hedging appraisals thanks to our current hedging strategy for our dollar-denominated debt exposure together with a lower increase in the exchange rate for 2019 compared to 2018.
- The "Others" account includes the proceeds obtained from having divested our stakes in Sodexco.
- The negative change in the income tax figure, as posted by Grupo SURA (holding), is due to an increase in the deferred tax provision covering hedging arrangements and the exchange difference.

Consolidated Results	Dec-19	Dec-18	%Var	\$Var	Q4-2019	Q4-2018	%Var	\$Var
Suramericana	390,327	524,867	-25.6%	(134,540)	90,318	130,024	-30.5%	(39,706)
SURA AM:	724,989	370,998	95.4%	353,991	43,212	(107,589)		150,802
Grupo SURA (Holding Company) and Others:	603,362	447,421	34.9%	155,940	92,316	215,350	-57.1%	(123,034)
Equity Method	1,028,588	941,260	9.3%	87,328	164,650	321,980	-48.9%	(157,331)
Interest	(357,630)	(335,691)	6.5%	(21,939)	(102,608)	(88,590)	15.8%	(14,019)
Taxes	13,206	93,433	-85.9%	(80,227)	6,891	108,945	-93.7%	(102,054)
Administrative Expense	(78,609)	(65,580)	19.9%	(13,029)	(29,254)	(16,928)	72.8%	(12,326)
Exch. Diff + Derivatives	(21,881)	(182,397)	-88.0%	160,516	27,042	(95,611)		122,653
ARUS + Habitat	1,125	6,446	-82.6%	(5,321)	4,785	4,379	9.3%	405
Others	18,563	(10,050)		28,613	20,811	(18,826)		39,637
Consolidated Net Income	1,718,678	1,343,286	27.9%	375,392	225,847	237,785	-5.0%	(11,938)

*Método de participación de AFP Protección está incluido dentro de la utilidad neta de SURA AM.

**Gastos de administración incluye Gastos Administrativos, Beneficios a Empleados y Honorarios.

Revenues from Associates via Equity Method

Método de participación	Dec-19	Dec-18	%Var	Q4-2019	Q4-2018	%Var
Bancolombia	761,972	649,905	17.2%	114,700	244,960	-53.2%
Grupo Argos	89,742	108,671	-17.4%	21,541	34,372	-37.3%
Grupo Nutresa	178,077	177,696	0.2%	33,062	42,001	-21.3%
AFP Protección	203,515	105,134	93.6%	48,210	27,068	78.1%
Other	21,916	16,777	30.6%	-2,316	-13,329	-82.6%
Total	1,255,222	1,058,183	18.6%	215,197	335,072	-35.8%

Investments in Associates

Investments in Associates	Dec-19	Dec-18	%Var
Bancolombia	8,711,435	8,214,022	6.1%
Grupo Argos	5,126,176	5,057,575	1.4%
Grupo Nutresa	4,815,631	4,696,943	2.5%
AFP Protección	1,269,335	1,121,113	13.2%
Other	43,111	80,387	-46.4%
Total	19,965,689	19,170,040	4.2%

Financial Liabilities

Grupo SURA (Holding)	Dec-19	Dec-18	%Var
Grupo Sura - Bonds	3,958,383	4,088,984	-3.2%
Banks and leasing	680,631	913,087	-25.5%
Debt	4,639,013	5,002,071	-7.3%
Derivatives	168,141	91,054	84.7%
Preferred Dividends	460,712	460,699	0.0%
Total Financial Liabilities	5,267,866	5,553,824	-5.1%

SURA AM	Dec-19	Dec-18	%Var
Bonds	2,787,245	2,760,832	1.0%
Banks and leasing	606,167	638,586	-5.1%
Debt	3,393,412	3,399,418	-0.2%
Derivatives	17,119	45,824	-62.6%
Total Financial Liabilities	3,410,531	3,445,242	-1.0%

Suramericana	Dec-19	Dec-18	%Var
Bonds	996,805	994,503	0.2%
Banks and leasing	372,368	326,143	14.2%
Suramericana	1,369,173	1,320,646	3.7%
Derivatives	20,431	34,598	-40.9%
Total Financial Liabilities	1,389,604	1,355,244	2.5%

2. Suramericana

Suramericana S.A.

Consolidated Statement of Comprehensive Income

(stated in millions of Colombian pesos)

From January 1st to December 31st

From October 1st to December 31st

	dec-19	dec-18	%Var	Q4-2019	Q4-2018	%Var
Written premiums	13,268,623	11,964,208	10.9%	3,782,412	3,720,945	1.7%
Ceded premiums	(2,702,438)	(2,420,032)	11.7%	(906,657)	(969,548)	-6.5%
Retained premiums (net)	10,566,185	9,544,175	10.7%	2,875,755	2,751,397	4.5%
Net level reserves	(114,704)	(313,399)	-63.4%	(126,273)	(293,848)	-57.0%
Retained earned premiums	10,451,482	9,230,777	13.2%	2,749,481	2,457,549	11.9%
Total claims	(7,934,200)	(6,667,639)	19.0%	(2,277,086)	(1,409,569)	61.5%
Reimbursed claims	2,244,668	1,748,992	28.3%	789,762	176,583	347.2%
Retained claims	(5,689,532)	(4,918,647)	15.7%	(1,487,325)	(1,232,987)	20.6%
Net commissions	(1,477,595)	(1,311,746)	12.6%	(394,248)	(334,632)	17.8%
Income from services rendered	3,873,135	3,133,194	23.6%	1,038,490	841,162	23.5%
Cost of services rendered	(3,636,062)	(2,888,544)	25.9%	(953,712)	(783,769)	21.7%
Other operating income/expense	(1,124,651)	(836,579)	34.4%	(321,027)	(255,192)	25.8%
Technical result	2,396,776	2,408,455	-0.5%	631,661	692,132	-8.7%
Fees	(220,478)	(205,937)	7.1%	(68,944)	(81,331)	-15.2%
Administrative expense	(2,613,847)	(2,357,419)	10.9%	(716,953)	(642,073)	11.7%
Amortization and depreciation	(227,013)	(154,862)	46.6%	(55,744)	(37,642)	48.1%
Impairment	(12,243)	(12,441)	-1.6%	(1,235)	(5,161)	-76.1%
Underwriting profit	(676,805)	(322,204)	-110.1%	(211,215)	(74,076)	-185.1%
Dividends	992	1,882	-47.3%	100	360	-72.3%
Investment income	1,152,870	973,723	18.4%	332,057	210,559	57.7%
Interest	(122,283)	(91,898)	33.1%	(31,650)	(22,946)	37.9%
Other non-operating income / expense	87,853	79,380	10.7%	37,783	16,939	123.1%
Earnings (losses) before tax	442,627	640,882	-30.9%	127,075	130,835	-2.9%
Income tax	(52,299)	(116,015)	-54.9%	(36,757)	(811)	
Earnings (losses), net	390,327	524,867	-25.6%	90,318	130,024	-30.5%
Earnings (losses) - parent company	390,571	524,612	-25.6%	90,202	130,072	-30.7%
Earnings (losses) - non-controlling interest	(243)	256		116	(47)	

Suramericana S.A.

Consolidated Statement of Financial Position

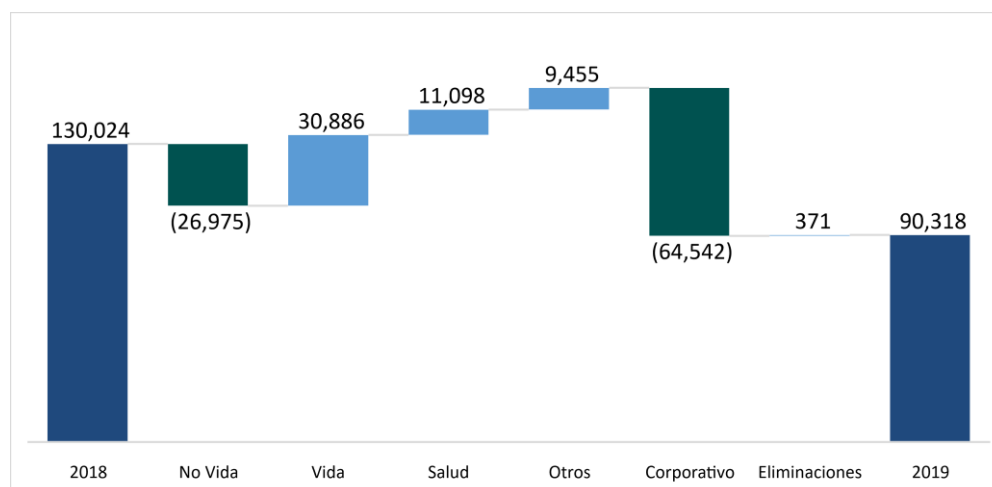
At year-end 2019 and 2018

(stated in COP millions)

	dec-19	dec-18	%Var
Total assets	28,419,288	26,636,804	6.7%
Total liabilities	23,395,860	21,821,127	7.2%
Total equity	5,023,429	4,815,677	4.3%

Statement of Comprehensive Income - Suramericana S.A.

Suramericana's net income for the last quarter of 2019 compared with the same period the previous year is broken down as follows:



RESULTADO CONSOLIDADO	dec-19	dec-18	%Var	\$Var	Q4-2019	Q4-2018	%Var	\$Var
Non-life segment	(18,339)	124,746	-114.7%	(143,085)	(13,025)	13,950	-193.4%	(26,975)
Argentina	(87,950)	(8,217)	970.3%	(79,733)	10,399	(41,344)	-125.2%	51,743
Chile	(39,091)	10,341	-478.0%	(49,432)	(42,337)	19,628	-315.7%	(61,965)
Life insurance	557,886	506,184	10.2%	51,702	158,752	127,866	24.2%	30,886
Healthcare insurance	21,141	68,446	-69.1%	(47,305)	19,155	8,056	137.8%	11,098
Others	20,424	17,448	17.1%	2,976	17,123	7,668	123.3%	9,455
Corporate	(190,735)	(191,565)	-0.4%	830	(91,649)	(27,107)	238.1%	(64,542)
Eliminations	(50)	(392)	-87.2%	341	(38)	(409)	-90.6%	371
CONSOLIDATED NET INCOME	390,327	524,867	-25.6%	(134,540)	90,318	130,024	-30.5%	(39,706)

At the end of Q4 2019, the Company posted a 30.5% drop in net income compared to the same quarter the previous year. Overall performance was adversely affected by a higher claims rate in the Non-Life Segment this mainly due to (i) catastrophic events affecting the claims rate in Chile given the amount of strikes and protests that have taken place since October of last year; (ii) higher claims reserves set up in Argentina; as well as (iii) having included Sura Vida Mexico in the overall consolidation after a merger carried out in this same period. This implied consolidating the accumulated results of this operation in the Non-Life segment, which amounted to a loss of COP 23,240 million which in turn was offset by the Life segment, since during the first three quarters of last year, the results of this operation were consolidated in the latter segment.

On the other hand, the Life Segment showed a gain of 24.2% in its net income figure which came to COP 58,752 million, this mainly driven by the results obtained by our Colombian subsidiary which included a 30.1% growth in written premiums corresponding mainly to the Health Care, Group Life and Workers Compensation solutions.

The Health Care Segment showed a 137.8% growth in its net income for this past quarter, this driven by lower costs for services rendered given the results of the way the health care segment and claims rate have been handled especially over the last two quarters of the year. The cost to income ratio came to 87%, compared to 88% for the same period last year.

It is worth mentioning that the "Others" segment contains the proceeds from having sold off the Company's stake in Sodexo, through its subsidiary Servicios Generales, this amounting to COP 17,994 million. This divestiture corresponds to the Company's strategy of concentrating its capital on its Insurance and Trend/Risk Management business.

Finally, the corporate segment produced a loss of COP 97,649 million, along with a 70% drop in its net income figure compared to the same period the previous year due to having set up a provision for deferred tax on the

amount of dividends receivable expected over the coming years, as well as an increase in taxes due to having spun off the Colombian companies.

The Company produced a net income of COP 390,327 million for FY 2019 which was 25.6% less than the previous year. This drop is mainly due to the results obtained by our Argentinean subsidiaries, having sustained a greater loss due to the prevailing macroeconomic conditions that in turn increased the average costs of claims and the reserves for long term coverage. In addition to this, there was a decrease of 22.5% in financial income.

Likewise, the Chilean subsidiary presented an increase in its claims rate in the last quarter of the year due to a burst of mass social protest. On the other hand, the EPS Health Care subsidiary in Colombia, posted at year-end a higher cost of services rendered, compared to the previous year, but this was nevertheless lower than for the first half of 2019. This subsidiary also recorded a higher than expected increase in users due to the mandatory migration of users from other EPS that were being closed down, which produced a negative impact on costs due to a higher claims rate sustained on issues pending from prior failed Health Care providers.

Finally, it is important to note the 9.4% growth in net earnings for the life insurance subsidiary, Sura Vida Colombia, this in spite of the increase in acquisition costs due to the new Financing Law that was enacted in Colombia in January 2019 whereby a new VAT tax was introduced on life insurance commissions. Our Property and Casualty subsidiaries in the Dominican Republic, Panama and Uruguay also posted lower claims rates and higher financial income.

Statement of Consolidated Financial Position - Suramericana SA

Suramericana S.A.'s consolidated assets came to COP 28.4 trillion, for an increase of 6.7% compared to year-end 2018. It is worthwhile noting the 5.9% increase in investments which came to COP 13.3 trillion. This growth is higher than that of the net technical insurance reserves, which grew by 3.9% for the same period thanks to the prevailing dynamics of the insurance business.

With IFRS 16 coming into full force and effect this year, this establishing new principles for identifying and treating lease agreements, two new accounts have been included in the Company's balance sheet, namely Right of Use Assets and Financial Leasing Liabilities.

On the other hand, deferred tax assets showed a growth of 54.8% given the tax deductions relating to adjustments for inflation posted by our Argentinian subsidiaries, the latter becoming applicable as of June 2019.

On the other hand, Shareholders' Equity recorded a growth of 4.3%. Upon analyzing our growth, without the effect of the situation with Argentina, this would have come to 6.4% thanks to the sustainable growth of our different lines of business.

Life Insurance Segment

The Life Insurance Segment is made up of Seguros de Vida Colombia, ARL Colombia, Asesuisa Vida El Salvador and Seguros de Vida SURA Chile.

A merger by absorption took place in this last quarter of the year, whereby the life insurance subsidiaries in Mexico were taken over by Seguros Sura Mexico. The purpose of this measure was to take full advantage of the synergies that came about as a result of the acquisition carried out in 2018.

Life Insurance Segment

(stated in COP millions)

From January 1st to December 31st From October 1st to December 31st

	dec-19	dec-18	%Var	Q4-2019	Q4-2018	%Var
Written premiums	5,206,835	4,261,761	22.2%	1,354,403	1,155,969	17.2%
Ceded premiums	(260,681)	(178,729)	45.9%	(50,396)	(58,776)	-14.3%
Retained premiums (net)	4,946,154	4,083,032	21.1%	1,304,007	1,097,193	18.8%
Net level reserves	(174,583)	32,141		(89,264)	4,432	
Retained earned premiums	4,771,571	4,115,174	16.0%	1,214,744	1,101,625	10.3%
Total claims	(2,981,134)	(2,646,169)	12.7%	(637,532)	(656,915)	-3.0%
Reimbursed claims	281,475	229,029	22.9%	42,444	61,757	-31.3%
Retained claims	(2,699,659)	(2,417,140)	11.7%	(595,088)	(595,158)	0.0%
Net commissions	(504,083)	(379,227)	32.9%	(117,648)	(100,029)	17.6%
Other operating income/expense	(760,649)	(599,455)	26.9%	(234,001)	(171,327)	36.6%
Technical result	807,181	719,351	12.2%	268,007	235,111	14.0%
Fees	(95,752)	(82,809)	15.6%	(29,602)	(29,399)	0.7%
Administrative expense	(819,129)	(702,186)	16.7%	(201,884)	(203,194)	-0.6%
Amortization and depreciation	(16,067)	(10,018)	60.4%	(2,138)	(2,750)	-22.3%
Impairment	(8,659)	(4,081)	112.2%	(5,680)	(735)	672.6%
Underwriting profit	(132,426)	(79,743)	-66.1%	28,702	(967)	3067.6%
Dividends	683	1,349	-49.4%	17	210	-91.9%
Investment income	666,511	589,958	13.0%	133,451	125,911	6.0%
Interest	(3,171)	(16)		(810)	(5)	
Other non-operating income / expense	31,222	3,687	746.9%	5,492	10,509	-47.7%
Earnings (losses) before tax	562,820	515,235	9.2%	166,852	135,659	23.0%
Income tax	(4,934)	(9,051)	-45.5%	(8,099)	(7,793)	3.9%
Earnings (losses), net	557,886	506,184	10.2%	158,752	127,866	24.2%

Indicators	Year-End 2019	Year-End 2018	Q4 2019	Q4 2018
% Ceded	5.0%	4.2%	3.7%	5.1%
% Retained incurred claims / REP*	56.6%	58.7%	49.0%	54.0%
% Net commissions / REP*	10.6%	9.2%	9.7%	9.1%
% Administrative expense / REP*	17.2%	17.1%	16.6%	18.4%

* Measured against Retained Earned Premiums

Statement of Financial Position - Key Figures

Year-End 2019

Total assets	11,340,823
Total liabilities	8,822,806
Total equity	2,518,017

The Life Insurance segment showed a growth of 17.2% in written premiums for the quarter, which was adversely affected by the fact that the Mexican subsidiaries were taken over, which led to Sura Vida Mexico reclassifying its results to the Property and Casualty Segment. If we were to eliminate the effects of these movements, the growth in premiums would have come to 31%.

The growth with the health care solution came to 103.5% for this past quarter. This was driven by the effect of our capital optimization strategy which implied a change in the recording of health care premiums in Colombia that began in Q2 2018. If we were to eliminate the aforementioned effect, growth would have come to 25.7%, thanks to a dynamic level of performance with the traditional channels attended by our subsidiaries in Colombia and El Salvador.

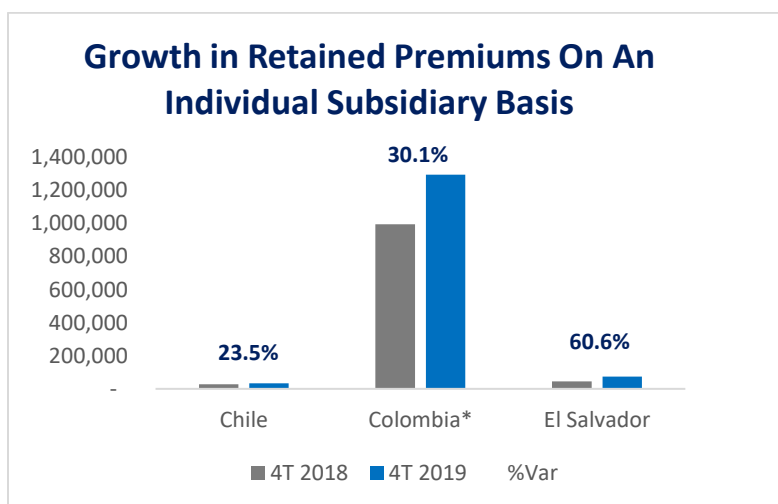
It is also worth noting the 32.3% growth of our Group Life solutions in Colombia, this driven by the Affinity and Occupational Risk channels that represented a 16.7% growth, thanks to the increase in the number of users and the contribution rates obtained, with the bulk of such growth corresponding to the infrastructure and civil engineering industries.

The net level reserves were set up in the amount of COP 89,264 million. In addition to the growth in premiums, this movement was also due to our Colombian subsidiary updating its long-term reserves based on the current inflation and minimum wage factors during this last quarter of the year.

On the other hand, this segment's claims rate came to 49.0%, compared to 54.0% for this same period the previous year. The claims rate for the pension solution was another highlight for this past quarter, leading to the freeing up of reserves corresponding to policies written prior to 2019. The Life Group solution recorded a positive claims rate thanks to the amounts transferred from Sura Mexico to the Property and Casualty segment.

Operating expense also recorded a growth of 36.6%, mainly in the case of our Colombian subsidiary given the increase in the administrative expense corresponding to the insurance business as well as services promoting and preventing occupational risk, both of which relate to the growth in premiums.

Finally, the segment's financial income showed a 6% increase for the quarter, which, although positive, was adversely affected by the revaluation effect and to a greater extent in Colombia.



Figures stated in COP millions

*Colombia: including the Life Insurance and Workers' Compensation subsidiaries which were merged in Q1 2019, and whose results are shown together for Q1 2018, this for comparative purposes only.

Breakdown of Premiums and Claims by type of Insurance

		Year-End 2019	Year-End 2018	% Chg.	% Change L/C	Q4 2019	Q4 2018	% Change	% Change L/C
Individual Life	Written premiums	735,135	711,583	3.3%	3.2%	160,399	176,587	-9.2%	-9.4%
	Retained premiums	639,383	620,221	3.1%	3.0%	133,656	150,609	-11.3%	-11.6%
	Retained claims	197,627	171,606	15.2%	15.1%	44,270	39,057	13.3%	12.8%
	% Retained claims rate	30.91%	27.67%			33.12%	25.93%		
Group Life	Written premiums	1,048,352	868,194	20.8%	20.0%	237,072	299,422	-20.8%	-21.2%
	Retained premiums	978,097	837,279	16.8%	16.1%	244,824	287,015	-14.7%	-15.2%
	Retained claims	258,974	284,420	-8.9%	-9.8%	(7,018)	86,928	-108.1%	-109.0%
	% Retained claims rate	26.48%	33.97%			-2.87%	30.29%		
Pension	Written premiums	91,044	60,754	49.9%	49.8%	25,186	909	2670.1%	2586.3%
	Retained premiums	72,246	60,648	19.1%	19.1%	20,203	897	2153.1%	2083.0%
	Retained claims	74,880	97,935	-23.5%	-22.4%	3,869	(9,074)	-142.6%	-131.4%
	% Retained claims rate	103.65%	161.48%			19.15%	-1011.99%		
Health Care	Written premiums	1,332,771	893,694	49.1%	48.4%	396,430	194,769	103.5%	102.2%
	Retained premiums	1,287,402	866,474	48.6%	48.3%	378,252	183,382	106.3%	105.8%
	Retained claims	942,678	784,638	20.1%	20.0%	228,412	199,014	14.8%	14.7%
	% Retained claims rate	73.22%	90.56%			60.39%	108.52%		
Workers Compensation	Written premiums	1,595,251	1,371,319	16.3%	16.3%	426,029	365,145	16.7%	16.7%
	Retained premiums	1,595,251	1,371,319	16.3%	16.3%	426,029	365,145	16.7%	16.7%
	Retained claims	950,767	823,166	15.5%	15.5%	267,809	221,703	20.8%	20.8%
	% Retained claims rate	59.60%	60.03%			62.9%	60.7%		
Others	Written premiums	404,282	356,216	13.5%	8.4%	109,286	119,137	-8.3%	-11.0%
	Retained premiums	373,774	327,091	14.3%	9.5%	101,044	110,146	-8.3%	-11.0%
	Retained claims	274,733	255,376	7.6%	5.0%	57,747	57,531	0.4%	-2.0%
	% Retained claims rate	73.50%	78.08%			57.15%	52.23%		
Total	Written premiums	5,206,835	4,261,761	22.2%	21.4%	1,354,403	1,155,969	17.2%	16.5%
	Retained premiums	4,946,154	4,083,032	21.1%	20.5%	1,304,007	1,097,193	18.8%	18.2%
	Retained claims	2,699,659	2,417,140	11.7%	11.3%	595,088	595,158	0.0%	-0.4%
	% Retained claims rate	54.58%	59.20%			45.64%	54.24%		

Property and Casualty Insurance Segment

This segment contains the non-life insurance solutions provided by our Property and Casualty insurance subsidiaries in Colombia, El Salvador, Panama, the Dominican Republic, Argentina, Brazil, Chile, Mexico and Uruguay.

P&C Insurance Segment

(stated in COP million)

From January 1st to December 31st

From October 1st to December 31st

	dec-19	dec-18	%Var	Q4-2019	Q4-2018	%Var
Written premiums	8,086,507	7,772,582	4.0%	2,436,061	2,622,278	-7.1%
Ceded premiums	(2,453,866)	(2,300,901)	6.6%	(860,153)	(965,636)	-10.9%
Retained premiums (net)	5,632,641	5,471,681	2.9%	1,575,908	1,656,642	-4.9%
Net level reserves	59,879	(345,540)		(37,010)	(298,280)	-87.6%
Retained earned premiums	5,692,521	5,126,141	11.0%	1,538,898	1,358,361	13.3%
Total claims	(5,108,345)	(4,160,847)	22.8%	(1,682,837)	(795,528)	111.5%
Reimbursed claims	1,964,536	1,539,717	27.6%	747,744	125,669	495.0%
Retained claims	(3,143,809)	(2,621,131)	19.9%	(935,093)	(669,859)	39.6%
Net commissions	(968,480)	(929,309)	4.2%	(275,116)	(234,294)	17.4%
Other operating income/expense	(553,293)	(412,112)	34.3%	(136,122)	(124,493)	9.3%
Technical result	1,026,939	1,163,590	-11.7%	192,566	329,715	-41.6%
Fees	(102,102)	(91,409)	11.7%	(32,084)	(28,742)	11.6%
Administrative expense	(1,267,633)	(1,145,681)	10.6%	(359,860)	(289,497)	24.3%
Amortization and depreciation	(165,261)	(130,642)	26.5%	(42,427)	(30,899)	37.3%
Impairment	(8,080)	(6,529)	23.8%	3,871	(4,118)	
Underwriting profit	(516,137)	(210,670)	-145.0%	(237,933)	(23,542)	-910.7%
Dividends	229	414	-44.7%	3	105	-97.0%
Investment income	402,261	341,030	18.0%	171,894	62,891	173.3%
Interest	(11,615)	(2,185)	431.5%	(2,724)	(141)	
Other non-operating income / expense	64,543	56,204	14.8%	38,934	(19,117)	
Earnings (losses) before tax	(60,719)	184,792		(29,826)	20,197	
Income tax	42,380	(60,046)		16,801	(6,247)	
Earnings (losses), net	(18,339)	124,746		(13,025)	13,950	
Amortization of intangibles	(76,107)	(83,657)		(18,725)	(15,945)	
Amortizations of deferred tax	21,686	25,414		5,336	4,429	
Adjusted net income	36,082	182,989	-80.3%	364	25,467	-98.6%

Indicators	Year-End 2019	Year-End 2018	Q4 2019	Q4 2018
% Ceded	30.35%	29.60%	35.31%	36.82%
% Retained incurred claims / REP*	55.23%	51.13%	60.76%	49.31%
% Net commissions/ REP*	17.01%	18.13%	17.88%	17.25%
% Administrative expense / REP*	22.27%	22.35%	23.38%	21.31%
Combined ratio	109.07%	104.11%	115.46%	101.73%

* Measured against retained earned premiums

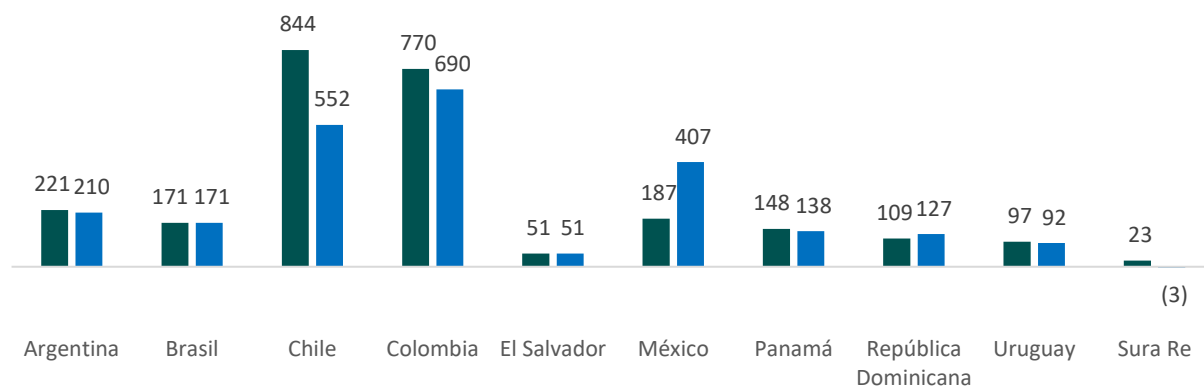
Year-End 2019

Total assets	15,177,497
Total liabilities	11,917,428
Total equity	3,260,069

Written Premiums per Subsidiary

In millions of Colombian pesos (COP)

■ 4T 2018 ■ 4T 2019

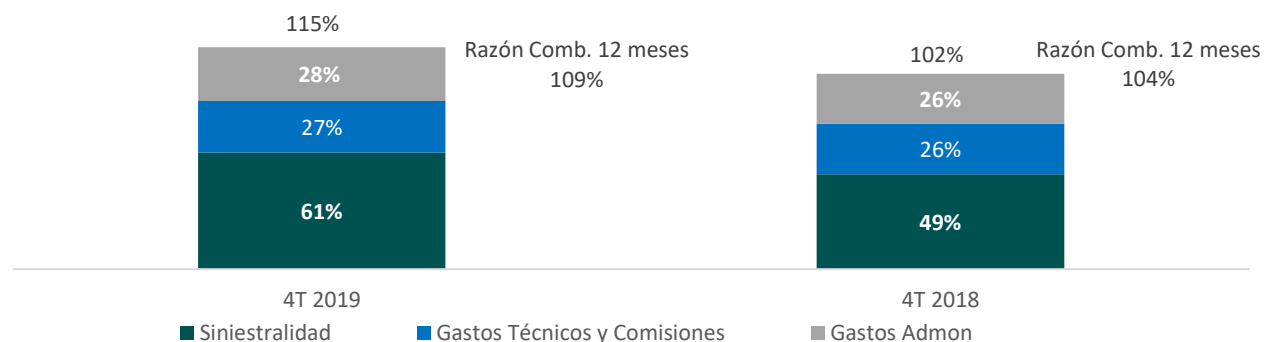


%Var	-4.9%	0.4%	-34.6%	-10.4%	-1.2%	117.8%	-6.4%	16.5%	-5.5%	-113.3%
%Var ML	1.3%	13.0%	-33.5%	-10.4%	-9.5%	99.7%	-14.1%	11.3%	0.6%	-112.0%

Written premiums for the Property and Casualty segment showed a drop of 7.1% for the quarter, this due to the following main effects:

- Argentina recorded a growth of 1.3% in local currency taking into account the adjustments for inflation recorded by these Companies. If we were to exclude this effect, growth would have come to 21.7% with car insurance posting a 17% growth.
- Brazil reported a 13.0% growth in local currency, driven by growths of 25% for car insurance and another 15% for transport.
- The drop in Chile was due to having issued multi-year accounts during the last quarter of 2018. Without this, the corresponding decline would have come to 23.1% this adversely affected by not renewing the affinity business for the fraud and fire solutions.
- Colombia showed a drop of 10.4% given the amount of multi-year accounts issued in 2018, the failure to renew affinity contracts and the lower amounts of mandatory road insurance policies issued for the quarter.
- In the Non-Life segment, the Mexican company consolidated the operations of Sura Vida Mexico through a merger by absorption carried out in October 2019. This produced accumulated premiums amounting to COP 127,696 million. If we were to eliminate the effect of this transaction, the Mexican subsidiary would have recorded a growth of 36.0% in local currency for the quarter, this including growths of 50% for transport insurance and 37% for the fire solution.
- Our subsidiary in the Dominican Republic showed a growth of 11.3% in local currency, mainly driven by the fire solution where a 12% growth was obtained with the amount of new business obtained.

Combined ratio



Combined Ratio = (Retained Claims + Net Commissions + Other Operating Income/ Expenses + Fees + Administrative Expense + Depreciation and Amortization + Impairment) / Earned Premiums

This segment's claims rate came to 61%, compared to 49% for the same period the previous year. This impairment was adversely affected by the riots that took place in Chile in terms of property and car insurance, which represented an increase in the segment's claims rate of 3%. Also, during this same quarter, the discount rates corresponding to the long-term reserves held in Argentina were updated thus allowing us to recognize future obligations with our clients under the country's current scenario, which implied a claims rate of 97% for the Argentinean subsidiaries, compared to 63% for the same period the previous year. This drove up the P&C segment's claims rate by 4 percentage points.

On the other hand, it is worth pointing out the claims rate recorded by our Uruguayan subsidiary which came to just 47% for this past quarter, compared to 59% for the same period the previous year. This was echoed by our subsidiary in the Dominican Republic which obtained a claims rate of 38% versus the 48% reported at year-end 2018. These improved figures were made possible by our current risk management strategy that in turn produced a lower claims frequency for both subsidiaries.

Technical Expense, which mainly includes brokerage commissions, reinsurance commissions and non-proportional reinsurance costs, showed an increase of 31 basis points, mainly due to higher non-proportional reinsurance costs for household insurance on the part of our Chilean subsidiary; as well as an increase in brokerage commissions for this segment given the current mix of channels and solutions; as well as a higher usage of the affinity channel in El Salvador and Uruguay.

With regard to financial income, this segment recorded a growth of 173.3%, this mainly due to the gains obtained on the Argentinean fixed income market after the country's new president, Alberto Fernandez took office. This was helped along by his new government strategy of voluntary renegotiating a segment of public debt, which was welcomed by the markets.

Finally, income tax for the Property and Casualty Segment recorded deferred tax income on the loss sustained during the quarter. Furthermore, our Argentinian subsidiaries were able to free up their deferred tax given the tax deductions allowed on inflation adjustments, these adopted on a local level as of June 2019.

Premiums and Claims by type of insurance

		Year-End 2019	Year-End 2018	% Chg.	% Change L/C	Q4 2019	Q4 2018	% Change	% Change L/C
Car insurance	Written premiums	2,710,457	2,574,268	5.3%	9.0%	718,655	653,158	10.0%	7.0%
	Retained premiums	2,596,465	2,458,091	5.6%	9.6%	676,087	625,583	8.1%	8.6%
	Retained claims	1,729,978	1,496,194	15.6%	21.8%	457,117	338,176	35.2%	29.4%
	% Retained claims	66.63%	60.87%			67.61%	54.06%		
Fire	Written premiums	1,839,049	1,948,784	-5.6%	-5.9%	627,102	871,975	-28.1%	-27.9%
	Retained premiums	560,278	783,461	-28.5%	-27.7%	149,102	339,143	-56.0%	-54.4%
	Retained claims	239,049	178,082	34.2%	37.6%	92,245	48,602	89.8%	77.7%
	% Retained claims	42.67%	22.73%			61.87%	14.33%		
Mandatory road	Written premiums	492,237	453,202	8.6%	8.5%	132,810	139,010	-4.5%	-4.2%
	Retained premiums	464,856	420,094	10.7%	10.5%	117,021	127,016	-7.9%	-7.6%
	Retained claims	302,560	241,532	25.3%	25.0%	79,035	30,985	155.1%	155.0%
	% Retained claims	65.09%	57.49%			67.54%	24.39%		
Transport	Written premiums	481,975	430,017	12.1%	13.0%	137,388	143,165	-4.0%	10.1%
	Retained premiums	301,578	303,023	-0.5%	0.0%	81,961	105,057	-22.0%	-5.4%
	Retained claims	113,301	138,367	-18.1%	-18.8%	25,559	31,136	-17.9%	-13.4%
	% Retained claims	37.57%	45.66%			31.18%	29.64%		
Contractual performance	Written premiums	168,420	160,435	5.0%	12.9%	45,551	40,643	12.1%	2.8%
	Retained premiums	69,957	63,963	9.4%	20.0%	17,321	13,375	29.5%	16.7%
	Retained claims	39,954	37,355	7.0%	20.7%	4,035	(3,798)	-206.2%	-189.5%
	% Retained claims	57.11%	58.40%			23.29%	-28.40%		
Civil Liability	Written premiums	277,986	238,212	16.7%	16.7%	104,515	97,788	6.9%	4.9%
	Retained premiums	159,070	137,053	16.1%	17.0%	46,125	37,699	22.4%	18.3%
	Retained claims	67,577	62,803	7.6%	6.8%	21,761	18,791	15.8%	19.4%
	% Retained claims	42.48%	45.82%			47.18%	49.85%		
Theft	Written premiums	184,503	181,168	1.8%	-0.1%	53,934	47,873	12.7%	1.0%
	Retained premiums	161,717	161,271	0.3%	-1.7%	47,785	41,281	15.8%	1.4%
	Retained claims	71,642	59,622	20.2%	16.5%	17,337	23,101	-25.0%	-0.3%
	% Retained claims	44.30%	36.97%			36.28%	55.96%		
Other Life	Written premiums	804,122	595,716	35.0%	33.2%	326,634	136,964	138.5%	81.7%
	Retained premiums	725,733	558,189	30.0%	28.6%	277,038	127,876	116.6%	67.4%
	Retained claims	289,919	177,424	63.4%	52.8%	157,690	40,068	293.6%	199.1%
	% Retained claims	39.95%	31.79%			56.92%	31.33%		
Others	Written premiums	977,706	1,024,445	-4.6%	-3.3%	220,796	325,367	-32.1%	-28.1%
	Retained premiums	460,951	437,782	5.3%	10.0%	102,925	90,857	13.3%	9.8%
	Retained claims	208,592	157,173	32.7%	41.6%	43,852	70,218	-37.5%	-37.1%
	% Retained claims	42.01%	33.59%			42.61%	77.28%		
Adjustments for inflation	Written premiums	150,052	166,334	-9.8%	41.0%	68,678	166,334	-58.7%	-28.5%
	Retained premiums	132,037	148,755	-11.2%	38.7%	60,544	148,755	-59.3%	-29.5%
	Retained claims	81,238	72,580	11.9%	74.9%	36,462	72,580	-49.8%	-12.7%
	% Retained claims	61.53%	48.79%			60.22%	48.79%	23.4%	
Total	Written premiums	8,086,507	7,772,582	4.0%	6.2%	2,436,062	2,622,278	-7.1%	-4.2%
	Retained premiums	5,632,641	5,471,681	2.9%	6.2%	1,575,908	1,656,641	-4.9%	-1.1%
	Retained claims	3,143,809	2,621,130	19.9%	24.9%	935,093	669,859	39.6%	36.3%
	% Retained claims	55.81%	47.90%			59.34%	40.43%		

Health Care Segment

The Health Care Segment includes the health care providers, EPS SURA, IPS SURA and our Diagnostic Imaging Service Provider, Dinamica.

Health Care Segment (stated in COP millions)	From January 1st to December 31st			From October 1st to December 31st		
	Year-End 2019	Year-End 2018	% Change	Q4 2019	Q4 2018	% Change
Income from services rendered	4,543,828	3,663,739	24.0%	1,216,107	982,455	23.8%
Cost of services rendered	(4,031,012)	(3,199,178)	26.0%	(1,057,245)	(865,644)	22.1%
Other operating income/expense	11,377	16,389	-30.6%	3,308	6,644	-50.2%
Net commissions	(4,676)	(3,722)	25.6%	(1,438)	(885)	62.4%
Technical result	519,518	477,228	8.9%	160,732	122,569	31.1%
Fees	(22,653)	(17,145)	32.1%	(6,834)	(7,808)	-12.5%
Administrative expense	(448,060)	(390,028)	14.9%	(132,864)	(107,858)	23.2%
Amortization and depreciation	(39,057)	(11,866)	229.1%	(10,167)	(3,348)	203.7%
Impairment	6,019	(573)		756	(402)	
Underwriting profit	15,767	57,615	-72.6%	11,622	3,153	268.6%
Investment income	16,890	16,373	3.2%	3,597	3,800	-5.4%
Interest	(17,416)	(4,450)	291.4%	(5,135)	(1,256)	308.7%
Other non-operating income / expense	15,029	7,615	97.4%	7,825	2,496	213.5%
Earnings (losses) before tax	30,270	77,153	-60.8%	17,910	8,193	118.6%
Income tax	(9,129)	(8,707)	4.8%	1,245	(137)	
Earnings (losses), net	21,141	68,446	-69.1%	19,155	8,056	137.8%

Indicators	Year-End 2019	Year-End 2018	Q4 2019	Q4 2018
% Cost of services rendered	88.71%	87.32%	86.94%	88.11%
Expense ratio	9.86%	10.65%	10.93%	10.98%

Year-End 2019	
Total assets	1,565,712
Total liabilities	1,185,843
Total equity	379,869

The Health Care segment posted a growth in net income 137.8% for the quarter. This was mainly due to higher revenues from services rendered on an increased membership base for the EPS health care provider, which at year-end 2019 numbered 3,676,913 users. This growth was further leveraged by an increase in the average Capitation Payment Unit (UPC in Spanish) as a result of an aging index for the affiliated population that was higher than for the previous year.

This segment's claims rate came to 87%, while for the same period last year it was 88%; this is a result of the measures adopted during previous years to enhance cost management which in turn led to a lower claims frequency than that recorded for previous quarters.

The administrative expense indicator went from 11.0% for Q4 2018 to 10.9% Q4 2019 driven by the expense management endeavors on the part of the companies that make up this segment. On the other hand, the 203.7% increase in depreciation and amortization was due to the depreciation of real estate investments made during 2019 in the IPS and Ayudas Diagnosticas Sura subsidiaries as part of the Company's expansion plan.

As far as investment income is concerned, a drop of 5.4% was posted for this last quarter, given the increase in interest rates in November 2019 as a result of the uncertainty triggered by social protests in Colombia that mainly affected private fixed-rate debt securities which accounted for 65% of the portfolio.

Revenues and costs by type of service

		Year-End 2019	Year-End 2018	% Chg.	Q4 2019	Q4 2018	% Change
EPS	Revenues from services rendered	3,571,561	2,854,570	25.1%	646,456	526,637	22.75%
	Cost of services rendered	3,368,829	2,633,563	27.9%	585,739	474,457	23.45%
	% Cost / Revenues	94.32%	92.26%		90.61%	90.09%	
IPS	Revenues from services rendered	621,530	539,540	15.2%	107,944	101,187	6.68%
	Cost of services rendered	434,979	373,478	16.5%	74,831	66,592	12.37%
	% Cost / Revenues	69.99%	69.22%		69.32%	65.81%	
Ayudas Diagnosticas	Service provider	350,737	269,629	30.1%	59,338	45,442	30.58%
	Cost of services rendered	227,204	192,137	18.3%	39,183	35,322	10.93%
	% Cost / Revenues	64.78%	71.26%		66.03%	77.73%	
Total	Revenues from services rendered	4,543,828	3,663,739	24.0%	813,738	673,266	20.86%
	Cost of services rendered	4,031,012	3,199,178	26.0%	699,752	576,371	21.41%
	% Cost / Revenues	88.71%	87.32%		85.99%	85.61%	

Holding Segment

The Holding segment mainly includes our Corporate Headquarters and the debt held by Suramericana S.A.

Holding Segment	From January 1st to December 31st			From October 1st to December 31st		
	Year-End 2019	Year-End 2018	% Change	Q4 2019	Q4 2018	% Change
Other operating income/expense	4,614	12,966	-64.4%	(373)	444	
Technical result	4,614	12,966	-64.4%	(373)	444	
Fees	(14,203)	(16,478)	-13.8%	(6,522)	(7,210)	-9.5%
Administrative expense	(87,067)	(83,695)	4.0%	(25,347)	(24,771)	2.3%
Amortization and depreciation	(2,191)	(805)	172.0%	111	(215)	
Impairment	(18)	(21)	-14.6%	(1)	(1)	-36.4%
Underwriting profit	(98,865)	(88,034)	12.3%	(32,132)	(31,753)	1.2%
Dividends	(1,501)	(3,243)	-53.7%	-	(0)	-100.0%
Investment income	44,062	12,194	261.4%	170	5,059	-96.6%
Interest	(78,511)	(75,977)	3.3%	(20,631)	(19,063)	8.2%
Other non-operating income / expense	11,464	(14,044)		3,103	5,661	-45.2%
Earnings (losses) before tax	(123,351)	(169,105)	-27.1%	(49,490)	(40,096)	23.4%
Income tax	(67,384)	(22,460)	200.0%	(42,159)	12,989	
Earnings (losses), net	(190,735)	(191,565)	-0.4%	(91,649)	(27,107)	238.1%

The most representative accounts in the Holding segment are corporate headquarter expense, interest paid on the bonds issued by Suramericana S.A. as well as income tax. Administrative expense rose by 2.3% for the quarter, this due to investments in IT projects aimed at enhancing our information management function as well as client communications on a regional level. Also, the interest paid on the bonds issued by Suramericana S.A. are indexed to the CPI and therefore showed a growth of 8.2% for the quarter given higher inflation in Colombia that came to 3.80% at year-end 2019 compared to 3.18% the previous year.

The Other Non-Operating Income / Expense account posted a decline of 45.2% for the quarter due to having converted the earnings and changes in equity corresponding to our reinsurance subsidiary in Argentina into our reporting currency (the Colombian peso). Finally, the income tax account corresponding to the Holding Segment shows higher deferred tax on expected taxable dividends to be received over the coming years.

3. SURA Asset Management

Consolidated Statement of Comprehensive Income	Year-End 2019	Year-End 2018	% Change Excl Fx Effects	Q4 2019	Q4 2018	% Change Excl Fx Effects
Fee and commission income	2,292,177	2,088,994	2.9%	597,163	546,966	4.7%
Income from legal reserves	369,600	14,036	2715.6%	50,889	(48,887)	-196.6%
Income (expense) via equity method	227,683	106,322	113.6%	53,519	13,445	299.2%
Other operating income	77,381	16,770	324.3%	23,470	5,089	317.8%
Operating Revenue	2,966,841	2,226,122	25.5%	725,041	516,613	35.8%
Total insurance margin	249,974	154,305	55.6%	80,186	50,299	53.2%
Operating expense	(1,786,566)	(1,563,871)	8.1%	(494,833)	(443,270)	7.7%
Operating earnings	1,430,249	816,556	63.9%	310,394	123,641	146.1%
Financial income (expense)	(182,824)	(149,871)	22.8%	(47,090)	(67,430)	-30.3%
Income (expense) - derivatives and exch. difference	111,753	12,509	727.9%	84,726	(14,192)	-723.9%
Earnings (losses) before tax	1,359,178	679,194	84.3%	348,030	42,019	683.9%
Income tax	(642,362)	(246,873)	142.9%	(308,309)	(54,108)	460.1%
Net income from continuing operations for the period	716,817	432,321	51.6%	39,721	(12,089)	-462.8%
Net income from discontinued operations for the period	(87,933)	(141,239)	-38.3%	3,492	(176,116)	-101.3%
Net income (losses) for the period	628,884	291,082	90.4%	43,212	(188,206)	-121.8%
Amortization of intangibles	78,737	82,962		24,168	24,081	
Other amortization and depreciation	106,104	69,407		21,323	18,734	
Net income adjusted for depreciation and amortization	813,725	443,451		88,703	(145,391)	

SURA Asset Management scored an outstanding performance in terms of its financial results at year-end 2019. Operating income came to COP 2.966.841 million for a growth of 25.5% compared to year-end 2018, thanks to the positive returns received on investments, a sustained growth for the Mandatory Pension business and a double-digit increase in our Voluntary Savings business which includes the Savings and Investment and Sura Investment Management (SURA IM) segments. SURA Asset Management continues to consolidate its leadership position in the Latin American pension industry while gaining greater relevance in the region's savings and investment industry. SURA Asset Management posted Assets under Management worth COP 483.5 trillion, representing a growth of 16.6% compared to the same period last year, while its client base reached 20.5 million, showing a growth of 3.7%.

Assets under Management (AuM)

(In COP millions)	Year-End 2019	Year-End 2018	% Change	% Change Excl. Fx
Chile	144,699,759	128,563,784	12.6%	20.5%
Mexico	104,325,521	82,836,288	25.9%	20.4%
Peru	69,550,676	60,246,475	15.4%	12.4%
Uruguay	9,756,488	9,552,023	2.1%	16.3%
AFP Proteccion	115,724,277	96,881,021	19.4%	19.4%
El Salvador	18,338,054	16,751,243	9.5%	8.6%
SURA Investment Management	34,427,257	34,752,787	-0.9%	0.0%
Duplicate AuM*	-13,325,662	-10,851,404	22.8%	26.9%
Total	483,496,370	418,732,217	15.5%	16.6%

* Duplicados: Los AUM duplicados corresponden a AUMs que el canal A&I gestiona comercialmente para la UIM. Ambos negocios reportan los AUM como propios, por eso incluimos una línea de duplicados, para no contar doblemente estos AUM.

Clients (in millions)	Year-	Year-	%
Chile	1.8	1.8	0.0%
Mexico	7.7	7.7	0.5%
Peru	2.3	2.0	13.2%
Uruguay	0.3	0.3	1.8%
AFP Proteccion	6.6	6.2	5.7%
El Salvador	1.7	1.7	4.2%
Total	20.5	19.8	3.7%

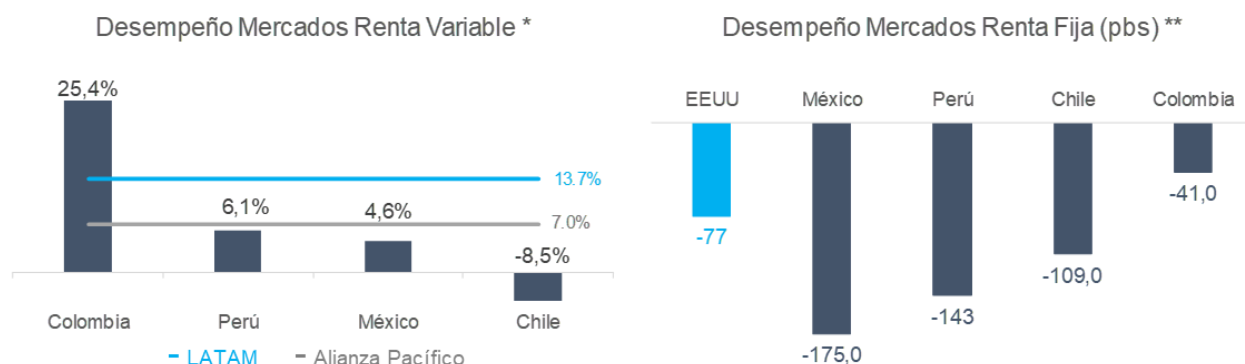
The sound performance of our Mandatory Pension business, having built up an adequate balance between profitability and cash generation, allows SURA Asset Management to continue developing and strengthening the lines of business handled by the Sura Investment Management Unit (SURA IM) and the Savings and Investment segment. The Asset Management industry is growing at an attractive pace, with AuM having increased by nearly 7% on a global level over recent years, with this increase being higher in Latin America, given a growing middle class that are demanding more and more financial services. Demographic and economic changes, such as increased life expectancy rates and lower returns on investment are leading people to demand (i) higher savings rates so as to be able to achieve their financial goals; (ii) adequate investment management; and (iii) an advisory model based on close client relationships. SURA Asset Management is making strides on both fronts so as to provide our clients with greater added value through a range of products that can be managed more cost efficiently through our on-line tools.

Fee and commission income came to COP 2,292,177 million, which is 2.9% higher than for the previous year. Fee and commission income corresponding to the Mandatory Pension business rose by 1.5%, thanks to the headway made in Chile (+5.6%) and Mexico (+7.4%). Chile, recorded an exceptional sales performance with Net Fund Flows reaching an all-time high for SURA Asset Management, thanks to the successful roll-out of its on-line channel. In Mexico, revenues from the Mandatory Pension business were driven by a 20% growth in AuM, thanks to improved returns on investment and higher contributions from pension fund members. However, this growth in our Mandatory Pension business was mitigated by regulatory cuts to the fees and commission charged in Peru and Uruguay, and by a greater focus on business sustainability and creating added value in the medium term that the Company is pursuing in Peru by taking part in government tenders for new affiliates to the private pension system.

Fee and commission income for the Voluntary Savings business also increased by 11.6%, thanks to a growth of 9.8% in AuM. The AuM corresponding to the Savings and Investment segment rose by 28%, due to an enhanced sales performance representing 67% of this growth along with improved returns on investment, which accounted for the remaining 33%. SURA Investment Management managed to maintain the same level of AuM as for the previous year, which is remarkable since in 2019 there was a reduction of USD 1,500 million in AuM due to the divestiture of the Life Annuity business in Chile. The growth in the volume of AuM held by SURA Investment Management, duly adjusted for the effect of the Life Annuities divestiture, came to 17%, that included USD 670 million in AuM belonging to new clients.

Income from legal reserves posted an exceptional performance in 2019, having reached COP 369,600 million, compared to just COP 14,036 million for the previous year. This was mainly due to generalized gains on the financial markets on a global level, as well as by a successful investment management performance on the part of our dedicated teams of staff at SURA Asset Management. The Company achieved a positive Alpha for our Mandatory Pension business in Chile and Mexico, while 73.5% of the AuM managed by SURA IM recorded a positive Alpha. In Peru and Uruguay, measures are already being taken to reverse last year's performance, where no Alpha was generated. AFORE Sura was recognized by Morningstar as the best Mexican pension fund management firm in terms of asset management, having evaluated the ability of local firms to generate superior long-term risk-adjusted returns. In 2019, SURA Asset Management implemented the Aladdin investment technology platform in Chile, Mexico, Colombia and with SURA IM. Aladdin has enabled us to transform the front-to-back investment process, in order to adopt best international standards in the fields of investment and portfolio risk management. Furthermore, Target Date Funds were successfully implemented in Mexico.

Desempeño Mercados Renta Variable & Renta Fija 4T19



* Índices de referencia. Colombia Colcap – Perú SPBLPGPT – México Mexbol – Chile IPSA – LATAM MXLA – Alianza Pacífico M1LAPAC.

** índices de referencia bonos soberanos 10 años

The financial markets performed well in 2019, which came in stark contrast with the low returns obtained from emerging market assets in 2018. The reason behind this recovery has to do with the more expansive monetary policies being deployed by the world's leading central banks, this with a view to encouraging greater economic growth, this in the light of rising commodity prices. Benchmark oil prices rose by 32.5% in 2019, while copper prices rose by 6.8%. The trade dispute between the US and China, the uncertainty surrounding the United Kingdom pulling out of the European Union without any formal agreement, as well as other sources of geopolitical tension have slowed economic potential on a global level and affected levels of investment in 2019. In September, the FED introduced a rate cut of 0.25% for the second time last year, this after an 11-year pause subsequent to the 2008 financial crisis. It also announced that it would be resuming its treasury security purchases. On the other hand, the European Central Bank reduced its deposit rate by 10 bp to a more negative -0.50%, and announced that it would be recommencing its debt-purchasing program.

Revenues obtained via the equity method, which includes the stake held by SURA Asset Management in AFP Protección, rose by 113.6% to COP 227,683 million, thanks to higher returns from the Company's legal reserves, a 6.4% growth in collections for the Mandatory Pension business in Colombia as well as the good levels of performance for the complementary lines of business, Severance and Voluntary Pensions, where operating earnings rose by 10.8% and 9.7% respectively.

SURA Asset Management recorded operating earnings of COP 1,430,249 million, for a growth of 63.9%, thanks to a positive level of operating leverage with operating income rising by 25.5% and a controlled growth in operating expenses which came to just 8.1%. Operating earnings, duly adjusted for the Company's legal reserves, excluding legal reserve income from consolidated operations or the revenues received via the equity method from Protección, increased by 13.8%. The total insurance margin rose by 55.6%, due to gains on appraisals of financial instruments after having restructured reserves, this as part of the sale of the portfolio corresponding to the Life Annuities business in Mexico.

In 2019, the Company made great strides in building greater efficiencies through automation, robotics, operating excellence and process redesign, all of which allowed us to contain the pressure on expense. The growth in operating expense was mainly due to (i) an increase in acquisition costs in Chile and Mexico; (ii) having put together the SURA IM team of staff; (iii) investments made in different projects; and (iv) certain expense items with growth drivers different from inflation, but rather other variables such as minimum wage increases, AuM levels, among others. Selling expense in the case of Mexico has been affected by increased competition, which has forced us to increase our sales staff so as to be able to defend our market share. Nevertheless, this level of business activity should go back to normal in the mid-term. In Chile, improved levels of performance have entailed higher fee and commission payments to our sales staff in this part of the world.

Investments made in projects aimed at building greater efficiencies in the Mandatory Pension business, strengthening our advisory model and increasing our sales productivity had a positive impact on our results for 2019. In Chile, we continued to develop our on-line channel, where already it accounts for 15% of the sales of the Mandatory Pension business. Our Mandatory Pension fund subsidiaries in Peru, Colombia and Mexico were all connected up to our on-line channel during the course of last year. In Peru, our on-line channel was responsible for 7.5% of sales, while in Colombia our new Mandatory Pension affiliation service was launched which is completely carried out on-line. In Mexico, the Company now has 241 kiosks and self-service stations as well as 7 apps. The on-line channel offers clear advantages in terms of efficiency, allowing savings of up to 66% compared to the traditional channel. As far as our efforts to incorporate artificial intelligence are concerned, our Roboadvisor, being implemented by Protección, is worth special mention, having attracted USD 28.3 million in AuM and more than 5,370 clients with an investment balance. In Mexico, the Oscar BOT was deployed, this being a cognitive robotics tool for handling Pension Fund transfers, that has already recovered USD 23 million in AuM as of August of last year.

EBITDA (In COP millions)	Year-End 2019	Year-End 2018	% Change	% Change Excl, Foreign Exchange Effects	Q4 2019	Q4 2018	% Change	% Change Excl Foreign Exchange Effects
Chile	586,058	332,169	76.4%	74.1%	100,185	85,803	16.8%	23.2%
Mexico	682,894	406,045	68.2%	51.7%	183,645	80,456	128.3%	110.2%
Peru	290,788	231,274	25.7%	15.1%	63,268	47,447	33.3%	25.7%
Uruguay	32,616	46,198	-29.4%	-27.0%	6,122	13,325	-54.1%	-50.2%
Protección	203,515	86,209	136.1%	136.1%	48,210	8,143	492.1%	492.1%
Corporate and Others	-104,593	-92,034	13.6%	13.6%	-23,843	-24,445	-2.5%	-2.6%
Total	1,691,277	1,009,861	67.5%	56.8%	377,587	210,728	79.2%	74.2%
Legal reserve	369,600	14,036	N / A	N/A	50,889	-48,887	N / A	N/A
EBITDA (excl. legal reserve)	1,321,677	995,825	32.7%	24.1%	326,698	259,615	25.8%	20.3%
EBITDA (excl. legal reserve and including Protección)	1,244,486	1,000,265	24.42%	16.34%	313,893	267,576	17.31%	12.16%

Net income ended the year at COP 628,884 million, having obtained a remarkable growth of 90.4%. Net financial expense came to COP 182,824 million, having increased by 22.8% but nevertheless affected by an unfavorable base effect, due to the fact that hedging for the issue of bonds worth USD 500 million maturing in 2024 was taken out in August of 2018. Income from derivatives and exchange rate differences amounted to COP 111,753 million, thanks to net long position in dollars for a portion of accumulated cash in Chile. Tax expense increased by 142.9% compared to the previous year and now stands at COP 642,362 million as a result of improved operating earnings and higher dividend payments in Chile as well as a loss being recognized on deferred tax assets following the sale of the Life Annuity business in Chile. Discontinued operations represented a loss of COP 87,933 million as a result of residual effects left over from the divestiture of the annuity business in Chile, which were not fully recorded in 2018. This loss of COP 92,844 million is only shown on SURA Asset Management's Separate Financial Statement, and not on the Financial Statements of its parent, Grupo SURA, since the latter does not record the exchange rate effect since its accounting currency is not the US dollar.

On an individual segment basis, the Mandatory Pension business contributed the most to the growth in the Company's net income, with an increase of 40.1%. The Voluntary Savings segment recorded a loss of COP 43,657 million, this due the amount being invested in building up our capabilities so as to be able to fully deploy our strategy and take advantage of all opportunities currently arising. The Insurance and Annuities segment showed an increase in its net income, thanks to having restructured the financial instruments held in Mexico as well as the favorable effect of having reallocated the accounting loss produced on the sale of the annuity business in Chile, which had initially been recorded in this segment but is now shown in the Others segment, where the loss came to COP 319,317 million. Corporate expense came to COP 253,201 million, of which COP 113,293 million corresponded to the amortization of non-cash intangibles. The 8.1% growth included an increase in amortizations of investments made in different projects as well as non-recurring expense for M&A transactions, which if we were to exclude would have produced just a 0.6% rise in corporate expense.

Earnings per Segment (in COP millions)

	Year-End 2019	Year-End 2018	% Change Excl Foreign Exchange Effects	Q4 2019	Q4 2018	% Change Excl Foreign Exchange Effects
Consolidated Net Income	628,884	291,082	90.4%	43,212	(188,206)	-121.8%
Mandatory pensions	1,184,410	801,516	40.1%	257,714	150,098	69.5%
Voluntary savings	(43,657)	(33,294)	23.7%	(23,185)	(16,002)	38.0%
Insurance & Annuities	146,536	(129,193)	-214.2%	(22,775)	(173,717)	-87.2%
Exchange Rate Effect	97,302	1,986	3562.2%	84,361	(17,163)	-603.1%
Corporate Expense	(253,201)	(227,409)	8.1%	(65,547)	(66,562)	-2.7%
Financial expense	(183,190)	(164,929)	11.3%	(45,957)	(72,417)	-36.9%
Others	(319,317)	42,404	-816.4%	(141,399)	7,558	-1821.0%

Adjusted ROE / Adjusted ROTE

Adjusted ROE came to 8.7% at the end of Q4 2019, having gradually risen over the last few quarters to reach a growth of 230 bp compared to Q4 2018. Adjusted ROTE showed a growth of 780 bp for Q4 2019, vs. Q4 2018. SURA Asset Management's ROE and ROTE figures gained from the good levels of investment performance as well as an operating leverage made possible by operating revenues increasing by 25.1% and operating expense rising at a much lower rate of 8.1%.

	4T19	3T19	2T19	1T19	4T18
ROE Ajustado	8,7%	8,5%	7,9%	7,5%	6,4%
ROTE Ajustado	31,4%	30,5%	29,0%	27,8%	23,6%

Adjusted ROE is calculated based on the adjusted net income (including the expense of amortizing intangibles and discontinued operations) over the last 4 quarters, and average Shareholders Equity over the last 5 quarters. Adjusted ROE is the ratio between adjusted net income and average tangible equity for the last 5 quarters.

Mandatory Pension

	DEC 19	DEC 18	%Var Ex - Fx	Q4-2019	Q4-2018	%Var Ex - Fx
Fee and commission income	2,013,058	1,858,134	1.5%	520,751	487,995	2.1%
Revenues from AuM	941,044	795,229	6.8%	259,750	210,192	12.1%
Income generated on wage base	1,072,014	1,062,905	-2.8%	261,001	277,803	-5.9%
Income from legal reserves	362,879	13,406	2805.7%	50,117	(48,593)	-195.6%
Income (expense) via equity method	202,186	90,282	123.3%	45,961	9,959	363.0%
Other operating income	10,075	5,966	55.0%	2,380	2,624	-18.4%
Operating revenue	2,588,198	1,967,788	23.7%	619,209	451,984	32.3%
Operating expense	(1,037,633)	(924,174)	5.0%	(282,401)	(256,831)	4.4%
Operating earnings	1,550,565	1,043,614	40.4%	336,808	195,153	70.3%
Financial income (expense)	4,161	16,097	-75.4%	293	5,904	-94.6%
Income (expense) - derivatives and exch. difference	13,756	8,936	50.2%	1,376	2,408	-44.1%
Earnings (losses) before tax	1,568,482	1,068,647	38.7%	338,476	203,465	63.9%
Income tax	(384,072)	(267,131)	34.7%	(80,762)	(53,367)	48.1%
Net income (losses) for the period	1,184,410	801,516	40.1%	257,714	150,098	69.5%

Operating income from the mandatory pension business increased by 23.7%, driven by a strong investment performance and the growth in fee and commission income. The wage base rose by 3.9% for 2019 thanks to increases of 5.1% in Chile, where Net Fund Flows rose to a record high, as well as an 8.1% in Colombia, where collections were favored by a growth in the wage base that was higher than the inflation rate, as well as the effect of a positive demographic bonus. In Peru, the wage base increased by 3.2%, which again was higher than the increase in inflation due to the effect of a new public tender, while in Uruguay the wage base rose at the same rate as inflation. Revenues corresponding to the wage base showed a drop of 2.8% in spite of the favorable performance of this driver, since these were adversely affected by the regulatory cuts to the fees and commissions charged in Peru and Uruguay.

Salary Base

	DIC-19	DIC-18	%Var	%Var Ex - Fx
Chile	45,236,862	42,463,253	6.5%	5.1%
Perú	29,815,449	26,445,416	12.7%	3.2%
Uruguay	4,377,073	4,217,764	3.8%	7.3%
Protección	43,656,981	40,385,301	8.1%	8.1%
El Salvador	10,073,011	8,739,613	15.3%	3.9%
Total	133,159,376	122,251,346	8.9%	5.6%

AuM in Mexico rose by 20% thanks to good levels of investment performance, which accounted for 65% of this growth, along with higher contributions from fund members, which represented the remaining 35% Net Fund Flows showed a slightly negative variation, given the increase in the industry's activities. Appropriate measures have been taken to reinforce our sales personnel in order to protect our market share, and these are already beginning to pay off with the reduction of the negative balance of Net Funds Flow, which went from COP 391,069 in Q3 2019 to COP 307,358 in Q4 2019, ending up with a positive variation at the end of Q4 2019. Revenues from AuM rose by 6.8%, driven by a strong performance for the AuM held in Mexico. However overall growth was mitigated by lower fees and commissions charged in Peru given the new government tender held in this part of the world, which shall nevertheless have a positive impact in the mid-term.

Assets under management (AuM) Mandatory Pension Business in Mexico (in COP millions)

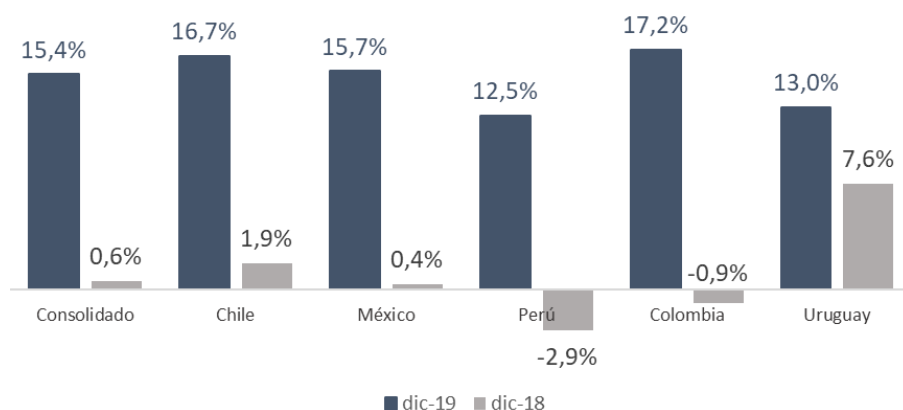


Amongst the more salient milestones for our Mandatory Pension business, we have the tender awarded to AFP Integra in Peru back in 2018 which entered into full force and effect during the second half of 2019. This tender entitles us to sign up all those new recruits to the country's Private Pension System. The results of the tender during the first 7 months of it coming into effect have so far exceeded expectations, since we have managed to sign up 252 thousand new pension fund members versus a budgeted 231 thousand. As for expense, efficiency measures have been put into place such as the preparatory plans with regard to the tender that was awarded to us, given the added effort required in terms of income during the first few years. Operating expense fell by 2.4% in Peru during 2019.

In all those countries where SURA Asset Management's service charges depend on the wage base, new fees and commissions were introduced in Peru and Uruguay in 2019, while Chile and Colombia maintained these at 144 pb and 300 pb, respectively. In Peru, a commission corresponding to 90 pb of the wage base that was charged in the mixed commission plan was eliminated, giving way to the new tender whereby such charge is 100% based on the volume of AuM held. The flow-based commission charged on salaries and wages in Peru, which accounts for 87% of AFP Integra's revenues, did not undergo any change and this commission continued at 155 bp. Commissions in Uruguay declined from 1.76% to 1.26% throughout the year, following a pension reform introduced at the end of 2017. In Mexico, where commissions are AuM-based, this fell from 102.5 pbs to 98.5 pbs, in a system where this type of decline is normal and is offset by the accumulation effect of the AuM.

The overall good levels of performance of our investments together with their successful handling on the part of the investment staff of SURA Asset Management, produced an effective annual yield (legal reserve revenues divided by legal reserve balances) for the Mandatory Pension business of 15.4% in 2019, which was substantially higher than that recorded in 2018, when it stood at 0.6%. The countries producing the highest yields were Chile and Mexico, where SURA Asset Management achieved positive Alpha.

Yield Legal Reserves Mandatory Pensions



The operating margin for the Mandatory Pension business came to 60% at the end of Q4 2019, which represents a growth of 700 bp compared to Q4 2018, thanks to higher returns obtained from legal reserves, the good level of revenues obtained from AFP Protección, which is recorded in the “Revenues via the Equity Method” account as well as operating expense which rose at a much more restrained pace at 5.0%. The net income corresponding to the Mandatory Pension business increased by 40.1% at the end of Q4 2019, driven by increases posted in all countries, with the only exception being Uruguay given the cuts to the commissions charged.

Fee and Commission Income	DEC 19	DEC 18	%Var	%Var Ex	Q4-2019	Q4-2018	%Var	%Var Ex - Fx
Chile	667,895	623,805	7.1%	5.6%	165,796	162,141	2.3%	5.7%
México	893,742	750,837	19.0%	7.4%	248,370	197,984	25.4%	13.7%
Perú	388,964	406,322	-4.3%	-12.4%	91,774	107,534	-14.7%	-20.8%
Uruguay	62,457	77,170	-19.1%	-16.3%	14,811	20,336	-27.2%	-21.8%
Total	2,013,058	1,858,134	8.3%	1.5%	520,751	487,995	6.7%	2.1%

Net Income	DEC 19	DEC 18	%Var	%Var Ex	Q4-2019	Q4-2018	%Var	%Var Ex - Fx
Chile	434,627	287,531	51.2%	49.1%	77,627	62,968	23.3%	30.1%
México	363,512	257,440	41.2%	27.4%	96,036	45,072	113.1%	98.0%
Perú	178,359	144,280	23.6%	13.1%	36,762	27,718	32.6%	25.5%
Uruguay	29,348	40,908	-28.3%	-25.8%	6,947	9,419	-26.2%	-20.6%
Total	1,005,847	730,160	37.8%	29.9%	217,372	145,176	49.7%	47.7%

Voluntary Savings (Savings and Investments + Investment Management)

	DEC 19	DEC 18	%Var Ex - Fx	Q4-2019	Q4-2018	%Var Ex - Fx
Fee and commission income	271,608	230,860	11.6%	75,101	58,971	24.5%
Income from legal reserves	6,721	630	952.4%	772	(294)	-368.1%
Income (expense) via equity method	25,497	16,040	59.0%	7,558	3,955	91.1%
Other operating income	10,776	5,171	94.2%	2,785	(111)	-5540.4%
Operating Revenue	314,601	252,701	18.5%	86,216	62,520	35.1%
Total insurance margin	84,583	68,981	21.0%	37,260	23,008	62.8%
Operating expense	(430,110)	(351,089)	17.3%	(136,220)	(103,466)	28.9%
Operating earnings	(30,925)	(29,408)	-0.9%	(12,743)	(17,938)	-32.6%
Financial income (expense)	(3,635)	(758)	305.2%	(1,384)	(840)	54.3%
Income (expense) - derivatives and exch. difference	(516)	1,436	-133.7%	(898)	469	-272.4%
Earnings (losses) before tax	(35,077)	(28,729)	14.7%	(15,025)	(18,309)	-22.1%
Income tax	(8,580)	(4,565)	82.5%	(8,160)	2,348	-411.5%
Net income from continuing operations	(43,657)	(33,294)	23.7%	(23,185)	(15,961)	38.4%
Net income from discontinued operations	-	-		-	(41)	-100.0%
Net income (losses)	(43,657)	(33,294)	23.7%	(23,185)	(16,002)	38.0%

Operating revenues for the Voluntary Savings segment rose by 18.5% in 2019, driven by a 9.2% increase in the number of clients and a 28.7% growth in the volume of AuM for the Savings and Investment segment and another 17.0% growth in AuM corresponding to SURA Investment Management, thereby offsetting the effect of having divesting our Life Annuities business in Chile. The outstanding performance recorded in terms of AuM was made possible thanks to a very good performance with investments coupled with an excellent sales performance which led to USD 1,557 million in Net Fund Flows for the Savings and Investment segment, representing a 160% growth compared to 2018, along with USD 670 million in additional AuM from new clients in the case of SURA Investment Management. The positive performance of Protección's Voluntary Savings business, which is reflected in the "Revenues via Equity Method" account, also drove up the growth in operating income, for a growth of 59.0% compared to year-end 2018.

Voluntary Savings AUM: Savings & Investments + SURA Investment Management (COP million)

AuM - Voluntary Savings Business	Year-End 2019	Year-End 2018	% Change	% Change
Chile	14,525,720	12,209,961	19.0%	27.4%
Mexico	4,366,597	3,066,199	42.4%	36.2%
Peru	5,687,319	4,052,595	40.3%	36.7%
Uruguay	772,022	530,720	45.5%	65.7%
Protección	9,656,556	7,962,523	21.3%	21.3%
Duplicate AuM*	-13,325,662	-10,851,404	22.8%	26.9%
SURA Investment Management	34,427,257	34,752,787	-0.9%	0.0%
Total	56,109,809	51,723,382	8.5%	9.8%

* Showing the AuM reported by both the Savings and Investment and the SURA Investment Management segments, these corresponding to the AuM pertaining to funds structured by SURA IM and distributed by Savings and Investment.

Voluntary Savings – Client Base

Clients (in thousands)	DEC-19	DEC-18	%Var
Chile	521.1	497.8	4.7%
México	395.7	339.6	16.5%
Perú	55.6	49.9	11.4%
Uruguay	14.6	15.0	-2.9%
AFP Protección	427.9	393.9	8.6%
Total	1,415	1,296	9.2%

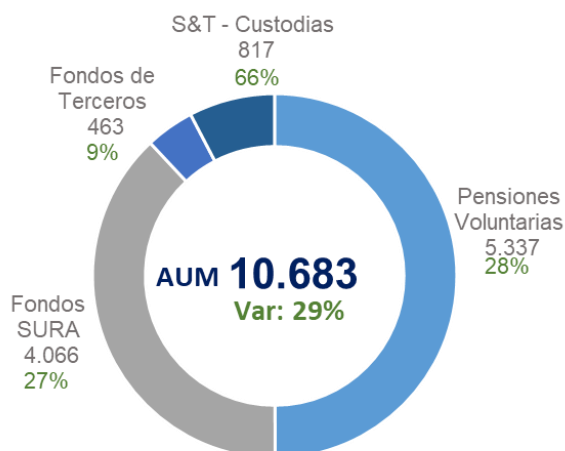
The Savings and Investment segment continues to develop an ecosystem of well-differentiated advisory services based on knowledge of our clients, so as to provide more customized solutions for the client's specific financial needs and objectives. Leveraging the Savings and Investment's operating model is our on-line channel combined with our analytics and robotics capabilities so as to be able to provide an added value proposition in a more cost-efficient manner. In terms of operating efficiency, our Savings and Investment segment managed to increase its sales productivity, by empowering its sales personnel, rationalizing distribution channels and adjusting remunerations plans in keeping with the Company's ability to create added value. The Sales Cost-Income ratio (Sales Expense / Commission Income) has fallen consistently over the last 4 years, having declined by a total of 100 pb.

The Savings and Investment business holds a competitive advantage over comparable competitors since it belongs to SURA Asset Management, whose scale in terms of number of clients and volumes of AuM allows us to offer exclusive top-level products to the S&I clients. Furthermore, SURA Asset Management's current client base, now numbering 20.5 million, represents a great opportunity for our Savings and Investment business. Already this is bearing fruits with our current complementary range of products and solutions as well as our up-selling and cross-selling models, all of which have already generated more than USD 250 million in AuM in all those countries which offer the greatest market opportunities. Savings and Investment is also reinforcing its value-added offering for the Mandatory Pension business, which has had a favorable effect on our cross-selling efforts, this being a fundamental pillar for improving the pensions of our fund members, this through our voluntary savings plans.

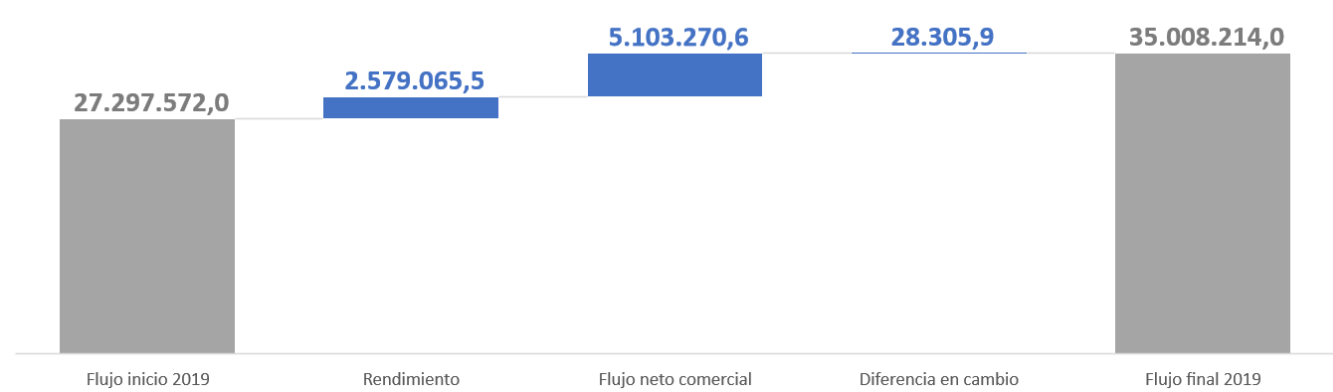
The AuM held by our Savings and Investment business amounted to USD 10,683 million at year-end, showing a growth of 28.7% thereby offsetting the effect of lower commission charges in 2019, which was a general trend affecting our industry. 33% of the growth in AuM was due to higher returns on investment and the remaining 67% to an enhanced sales performance. Savings and Investment launched 16 new investment products in 2019 that were acquired by more than 6,000 clients and now represents USD 160 million in additional AuM. Savings and Investment continues to demonstrate its ability to attract new AuM and, over the last 5 years, this business has achieved a Net Fund Flow of USD 4.000 million, of which USD 1,557 million corresponded to 2019 alone. On an individual segment basis, Voluntary Pensions (USD 5,337 million in AuM) and SURA Funds structured by SURA IM (USD 4,066 million in AuM) were the main drivers of the growth posted by our Savings and Investment segment, with increases of 28% and 27%, respectively.

Sales & Trading - Assets in Custody (USD 817 million in AuM) and Third Party Funds or open architecture (USD 463 million in AuM) increased by 66% and 9%, respectively. It is important to mention that in 2019 AFP Protección posted the highest Net Fund Flow ever, this amounting to USD 273.8 million.

AUM Savings and Investments (USD millones)



AUM Savings and Investments (COP million)



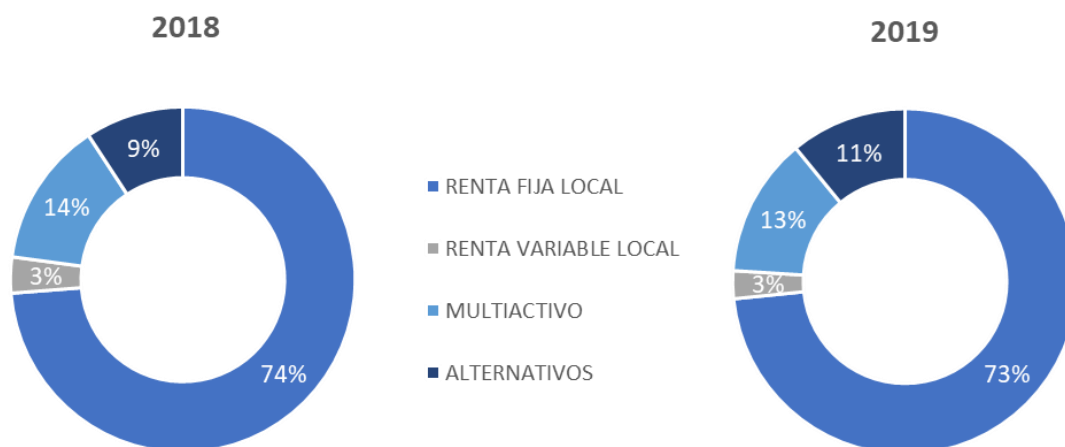
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SURA IM AUM Breakdown



Consolidated Statement of Financial Position – Key Figures

	DIC 19	DIC 18	Var%
Total Activo	20.929.251	23.576.772	-11,2%
<i>Goodwill</i>	<i>4.135.161</i>	<i>3.848.178</i>	<i>7,5%</i>
<i>Encaje</i>	<i>2.316.692</i>	<i>2.323.177</i>	<i>-0,3%</i>
Total Pasivo	11.862.742	15.193.648	-21,9%
<i>Obligaciones Financieras</i>	<i>3.410.529</i>	<i>3.163.506</i>	<i>7,8%</i>
Total Patrimonio	9.066.509	8.383.124	8,2%

Cifras en millones de pesos colombianos

4. Appendix

Estados Financieros Separados – Grupo SURA

Grupo de Inversiones Suramericana S.A

January 1st to December 31st

	dec-19	dec-18	Var%
Dividends	435,403	406,064	7.2%
Income from investments	2,273	1,508	50.7%
Loss at fair value, net	24	(4,222)	-100.6%
Revenues via equity method, net	935,566	698,957	33.9%
Income from sale of investments, net	0	364	-100.0%
Other income	323	4,433	-92.7%
Operating Revenues	1,373,589	1,107,104	24.1%
Administrative expenses	(33,634)	(30,670)	9.7%
Employee benefits	(33,439)	(23,714)	41.0%
Fee	(10,192)	(9,824)	3.7%
Depreciations	(2,214)	(1,306)	69.5%
Operating Expenses	(79,479)	(65,514)	21.3%
Operating earnings	1,294,110	1,041,590	24.2%
Hedging derivatives loss at fair value, net	(4,527)	92,218	-104.9%
Exchange differences, net	(17,354)	(274,556)	-93.7%
Interest expense	(357,207)	(304,650)	17.3%
Financial result	(379,088)	(486,988)	-22.2%
Profit before tax	915,022	554,602	65.0%
Income tax	17,168	93,991	-81.7%
Net Income	932,190	648,593	43.7%
	dic-19	dic-18	Var%
Assets	29,150,070	28,773,968	1.3%
Liabilities	5,605,931	5,698,577	-1.6%
Equity	23,544,139	23,075,391	2.0%