



Q2- 2020

GRUPO SURA FINANCIAL RESULTS



GRUPO SURA posted a positive level of earnings for the first half of the year, with a significant recovery in the second quarter. Highlights include resilient streams of revenues, a significant improvement in portfolio returns together with strict cost controls, even with investments needed to attend clients during the pandemic.

August 14, 2020 Grupo de Inversiones Suramericana - Grupo SURA - has released its latest earnings report corresponding to the second quarter of 2020, the highlights of which are as follows:

Operating income reached COP 10.0 trillion, that is to say 4.0% lower than those obtained for the same period last year. Worthy of note were operating revenues from insurance premiums, health care services and asset management fees and commissions which continued to grow despite the slowdown during the second quarter. It is also worth mentioning that the impacts on our income have been lower than expected even in the light of the current impairment to basic economic variables (economic growth, inflation and unemployment).

Investment income showed a certain recovery during the second quarter but nevertheless continued along a downtrend during the first half of this year given lower returns on the proprietary investment portfolios of our pension fund management subsidiaries. Likewise, revenues obtained via the equity method declined due to lower earnings from Bancolombia given higher loan provisions set up, as well as from AFP Protección given lower returns from its legal reserves.

Operating expense rose by 2.0% during the first half of the year but nevertheless fell by 1.9% for the quarter, given a lower claims rate, as well as a group-wide focus on gaining greater efficiencies and maintaining operating expense well under control, which in turn offset the amount of expense and investments incurred with providing support to our clients via new operating models, new products and additional means of access in response to the current crisis.

As a result of this, operating earnings came to COP 922,247 million, which were 39.4% lower than those obtained for the same period last year. However, it is worth noting the recovery seen with this item during the second quarter, which reached COP 678,120 million, that is to say 0.4% higher than for the Q2-2019.

As a result of this, operating earnings came to COP 245,296 million, which was 74.2% lower than that obtained for the same period last year. Another important factor was the recovery in earnings for the second quarter of the year, which reached COP 321,252 million.

Suramericana recorded growths of 7% in written premiums and another 22% in health care services rendered, thereby producing a net income of COP 292,520 million for an increase of 68%.

In addition to the growth in premiums, the Company's overall performance was boosted by lower claims rates and higher investment income. This positive outcome is underpinned by sound management and by planning ahead for possible impacts and good levels of solvency. The main takeaway so far is one of optimism, but we remain cautious in the short term and very focused on managing the entire situation from a risk management perspective.

SURA Asset Management contributed COP 120,133 million, to Grupo Sura's bottom line, this including:

Commission income totaling COP 1.1 trillion, having declined by 0.2%, given the initial impacts of lower economic activity, but still to a comparatively lesser extent than the loss of jobs, all of which was offset by the recovery in the value of our clients' portfolios. We also saw an upturn with returns from the Company's legal reserves, as well as the revenues obtained from Protección via the equity method which scored a recovery compared to the first quarter

Grupo SURA's separate financial statements (which serve as a basis for the distribution of dividends), showed a net income figure of COP 592,005 million, which was 19.5% lower than for the same quarter last year, mainly given lower earnings on the part of SURA Asset Management and the accounting impact of the exchange difference given the devaluation of the Colombian peso.

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All figures in this report are stated in COP million, unless stated otherwise.

1. Grupo SURA

Grupo de Inversiones Suramericana S.A Statement of Comprehensive Income (stated in COP millions)

H1 (Jan 1 to June 30)

Q2 (April 1 to June 30)

	H1 2020	H1 2019	% Change	Q2 2020	Q2 2019	% Change
Written premiums	6,874,264	6,478,645	6.1%	3,537,584	3,447,490	2.6%
Ceded premiums	(1,500,281)	(1,149,994)	30.5%	(891,417)	(600,140)	48.5%
Retained premiums (net)	5,373,983	5,328,651	0.9%	2,646,167	2,847,351	-7.1%
Fee and commission income	1,351,676	1,333,741	1.3%	656,170	680,240	-3.5%
Revenues from services rendered	2,289,383	1,905,003	20.2%	1,126,043	977,566	15.2%
Dividends	11,945	3,325	259.2%	2,013	2,380	-15.4%
Investment income	722,778	1,089,827	-33.7%	747,330	484,188	54.3%
Equity method - Associates	153,248	672,702	-77.2%	58,242	332,333	-82.5%
Other revenues	129,715	119,409	8.6%	60,872	58,737	3.6%
Operating income	10,032,728	10,452,658	-4.0%	5,296,836	5,382,795	-1.6%
Total claims	(3,581,213)	(4,009,338)	-10.7%	(1,475,459)	(1,834,318)	-19.6%
Reimbursed claims	718,323	916,629	-21.6%	259,311	254,088	2.1%
Retained claims	(2,862,890)	(3,092,709)	-7.4%	(1,216,148)	(1,580,230)	-23.0%
Adjustments to reserves	147,975	(94,478)		(155,740)	(134,727)	15.6%
Cost of services rendered	(2,201,942)	(1,846,963)	19.2%	(1,095,274)	(967,159)	13.2%
Administrative expense	(2,052,366)	(1,923,101)	6.7%	(1,027,901)	(999,342)	2.9%
Depreciation	(109,597)	(104,164)	5.2%	(54,579)	(54,554)	0.0%
Amortizations	(148,381)	(143,429)	3.5%	(74,046)	(73,003)	1.4%
Brokerage commissions	(1,313,360)	(1,180,806)	11.2%	(688,900)	(607,143)	13.5%
Fees	(247,573)	(232,028)	6.7%	(121,380)	(122,131)	-0.6%
Other expense	(286,183)	(305,109)	-6.2%	(156,960)	(163,665)	-4.1%
Impairment	(36,164)	(8,231)	339.4%	(27,788)	(5,241)	430.2%
Operating expense	(9,110,481)	(8,931,018)	2.0%	(4,618,717)	(4,707,197)	-1.9%
Operating earnings	922,247	1,521,640	-39.4%	678,120	675,598	0.4%
Exchange difference + Derivatives at fair value	(48,983)	27,970		83,743	(18,800)	
Interest	(379,439)	(350,511)	8.3%	(188,013)	(179,749)	4.6%
Financial Result	(428,422)	(322,541)	32.8%	(104,270)	(198,550)	-47.5%
Earnings before tax	493,825	1,199,099	-58.8%	573,850	477,048	20.3%
Income tax	(236,043)	(254,527)	-7.3%	(240,111)	(90,219)	166.1%
Net income from continuing operations	257,782	944,572	-72.7%	333,738	386,829	-13.7%
Net income from discontinued operations	(12,486)	6,144		(12,486)	3,613	
Net Income	245,296	950,716	-74.2%	321,252	390,442	-17.7%
Earnings - parent company	169,449	846,720	-80.0%	244,107	346,599	-29.6%
Earnings - non-controlling interest	75,847	103,996	-27.1%	77,145	43,842	76.0%

Consolidated Statement of Financial Position

	Jun-20	Dic-19	%Var
Total assets	69,387,601	69,037,836	0.5%
Total liabilities	41,075,498	40,946,829	0.3%
Equity attributable to the owners of the parent company	25,807,623	25,636,766	0.7%
Non-controlling interest	2,504,481	2,454,237	2.0%
Total equity	28,312,104	28,091,003	0.8%

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 contributed COP 292,520 million to Grupo SURA's net income figure, showing an increase of 68.3% or COP 118,749 million compared to the same period last year. The most salient factors here were the growth in premiums even in the midst of the impacts of the current pandemic, good levels of revenues for health care services rendered, declines with the claims rates, and a recovery with investment income. The first month of the second quarter saw low levels of business activity given the strict lockdown measures taken throughout the region, this followed by two months of income recovery as countries began to gradually open their economies.

On an individual segment basis, the growth in life insurance continues to be driven by the voluntary health care solution (partly due to the base effect of the premium-collection matching strategy); with the Property & Casualty segment, there was a growth in written premiums for multi-year corporate policies that offset the slight decrease due to lower new premiums in the Auto and Mandatory Car solutions, while in the Health Care segment the growth was maintained due to a greater number of users.

SURA AM's net income added another COP 120,129 million to the Group's consolidated bottom line. This recovery is mainly due to good levels of performance of the proprietary investment portfolios (legal reserves) held by the pension fund management firms, which are invested in the same funds as our clients' savings, which also recovered in value. In terms of fee and commission income, there was a decline with the Mandatory Pension segment of 3.9% in local currency together with an increase of 13.8% for the Voluntary Savings segment also in local currency.

Finally, **Grupo SURA (Holding)** contributed COP -167,357 million to the Group's consolidated net income figure, having recorded a negative drop of COP 513,929 million, mainly due to the following factors:

- Revenues obtained from associates via the equity method (excluding Proteccion, which is included in SURA AM's consolidated results) declined by 72% given the drop in Bancolombia's earnings.
- The negative effect of exchange rate differences and hedging appraisals, given the depreciation of the exchange rate.

	H1 2020	H1 2019	Var\$	Var%	Q2 2020	Q2 2019	Var\$	Var%
Suramericana	292,520	173,771	118,749	68%	185,823	55,463	130,361	235%
SURA AM	120,133	430,372	(310,240)	-72%	250,003	202,450	47,552	23%
Net income excl.. legal reserves	129,779	212,356	(82,577)	-39%	10,204	112,227	(102,023)	-91%
Net legal reserves*	(9,646)	218,016	(227,663)	-104%	239,799	90,224	149,575	166%
Grupo SURA (holding) and other	(167,357)	346,573	(513,929)	-148%	(114,574)	132,529	(247,102)	-186%
Equity method	152,113	550,120	(398,007)	-72%	7,472	278,747	(271,274)	-97%
Exchange rate effects**	(79,807)	9,415	(89,222)	-948%	(6,379)	(32,608)	26,229	-80%
Adimin. expense (holding)	(42,217)	(39,820)	(2,398)	6%	(24,453)	(25,759)	1,307	-5%
Interest expense	(194,420)	(170,193)	(24,227)	14%	(96,266)	(86,004)	(10,263)	12%
Other	(3,025)	(2,950)	(75)	3%	5,052	(1,847)	6,899	-374%
Ut. Neta	245,296	950,716	(705,420)	-74%	321,252	390,442	(69,189)	-18%

Cifras en millones de pesos

*Net legal reserves are net of the corresponding deferred tax and includes revenues from legal reserves held by Proteccion

**Exchange rate effect includes exchange rate differences and appraisals of hedging derivatives, net of deferred tax.

Revenues from equity method - associates

	jun-20	jun-19	Var\$	Var%	Q2- 2020	Q2- 2019	Var\$	Var%
Bancolombia	64,184	432,383	(368,199)	-85.2%	(17,916)	228,693	(246,609)	
Grupo Argos	(18,439)	16,053	(34,492)		(14,495)	10,049	(24,544)	
Grupo Nutresa	116,006	98,788	17,218	17.4%	49,087	37,445	11,642	31.1%
AFP Protección	(9,649)	105,408	(115,057)		45,855	43,175	2,680	6.2%
Other	1,145	20,070	(18,925)	-94.3%	(4,291)	12,970	(17,261)	
TOTAL	153,248	672,702	(519,454)	-77.2%	58,241	332,332	(274,091)	-82.5%

Investments in associates (assets)

	jun-20	dec-19	Var\$	Var%
Bancolombia	8,610,966	8,711,435	(100,469)	-1.2%
Grupo Argos	5,237,873	5,126,176	111,697	2.2%
Grupo Nutresa	4,371,129	4,815,631	(444,502)	-9.2%
AFP Protección	1,203,979	1,269,335	(65,356)	-5.1%
Other	45,940	43,111	2,829	6.6%
TOTAL	19,469,887	19,965,689	(495,802)	-2.5%

Financial liabilities

Grupo SURA (holding)	jun-20	dec-19	Var\$	Var%
Bonds	4,266,515	3,958,383	308,132	7.8%
Banks y leasing	796,495	680,631	115,864	17.0%
Financial debt	5,063,010	4,639,013	423,997	9.1%
Derivatives	243,527	168,141	75,386	44.8%
Preferred shares – minimum dividends	460,667	460,712	(45)	0.0%
Total financial liabilities	5,767,204	5,267,866	499,338	9.5%
Assets from hedging derivatives	721,517	305,659	415,858	0.0%
Financial liabilities – net of derivatives	5,045,687	4,962,207	83,480	1.7%

SURA Asset Management	jun-20	dec-19	Var\$	Var%
Bonds	3,197,059	2,787,245	409,814	14.7%
Banks y leasing	507,351	606,167	(98,816)	-16.3%
Financial debt	3,704,410	3,393,412	310,998	9.2%
Derivatives	11,705	17,119	(5,414)	-31.6%
Total financial liabilities	3,716,115	3,410,531	305,584	9.0%
Assets from hedging derivatives	603,813	246,318	357,495	145%
Financial liabilities – net of derivatives	3,112,302	3,164,213	(51,911)	-1.6%

Suramericana	jun-20	dec-19	Var\$	Var%
Bonds	847,964	996,805	(148,841)	-14.9%
Banks y leasing	452,598	372,368	80,230	21.5%
Financial debt	1,300,562	1,369,173	(68,611)	-5.0%
Derivatives	30,645	20,431	10,214	50.0%
Total financial liabilities	1,331,207	1,389,604	(58,397)	-4.2%

2. Suramericana

Suramericana S.A.

Consolidated Statement of Comprehensive Income

(stated in COP millions)

	H1 (Jan 1 to June 30)			Q2 (April 1 - June 30)		
	H1 2020	H1 2019	% Change	Q2 2020	Q2 2019	% Change
Written premiums	6,596,034	6,159,994	7.1%	3,412,190	3,283,214	3.9%
Ceded premiums	(1,495,336)	(1,129,826)	32.4%	(888,971)	(591,538)	50.3%
Retained premiums (net)	5,100,698	5,030,168	1.4%	2,523,220	2,691,676	-6.3%
Net level reserves	107,344	40,083	167.8%	20,077	(54,078)	
Retained earned premiums	5,208,042	5,070,251	2.7%	2,543,296	2,637,598	-3.6%
Total claims	(3,302,065)	(3,662,079)	-9.8%	(1,398,128)	(1,700,796)	-17.8%
Reimbursed claims	718,323	916,629	-21.6%	259,311	254,088	2.1%
Retained claims	(2,583,742)	(2,745,450)	-5.9%	(1,138,817)	(1,446,708)	-21.3%
Net commissions	(778,072)	(725,270)	7.3%	(394,124)	(377,683)	4.4%
Income from services rendered	2,228,233	1,827,972	21.9%	1,099,899	940,780	16.9%
Cost of services rendered	(2,109,513)	(1,742,373)	21.1%	(1,052,214)	(913,407)	15.2%
Other operating income/expense	(571,345)	(506,030)	12.9%	(304,528)	(268,159)	13.6%
Technical result	1,393,603	1,179,099	18.2%	753,514	572,422	31.6%
Fees	(98,299)	(95,954)	2.4%	(50,279)	(49,529)	1.5%
Administrative expense	(1,356,797)	(1,266,809)	7.1%	(701,583)	(663,740)	5.7%
Amortization and depreciation	(114,709)	(114,342)	0.3%	(56,608)	(59,929)	-5.5%
Impairment	(40,173)	(9,081)	342.4%	(31,790)	(5,723)	455.5%
Underwriting profit	(216,374)	(307,087)	29.5%	(86,746)	(206,498)	58.0%
Dividends	118	513	-77.1%	1	339	-99.8%
Investment income	640,911	592,714	8.1%	389,654	309,760	25.8%
Interest	(61,875)	(59,726)	3.6%	(30,317)	(30,717)	-1.3%
Other non-operating income / expense	43,896	(2,371)		14,326	57	
Earnings (losses) before tax	406,675	224,044	81.5%	286,918	72,941	293.4%
Income tax	(114,155)	(50,273)	127.1%	(101,095)	(17,478)	478.4%
Earnings (losses), net	292,520	173,771	68.3%	185,823	55,463	235.0%
Earnings (losses) - parent company	291,741	173,626	68.0%	185,014	55,518	233.3%
Earnings (losses) - non-controlling interest	779	145	437.2%	809	(55)	

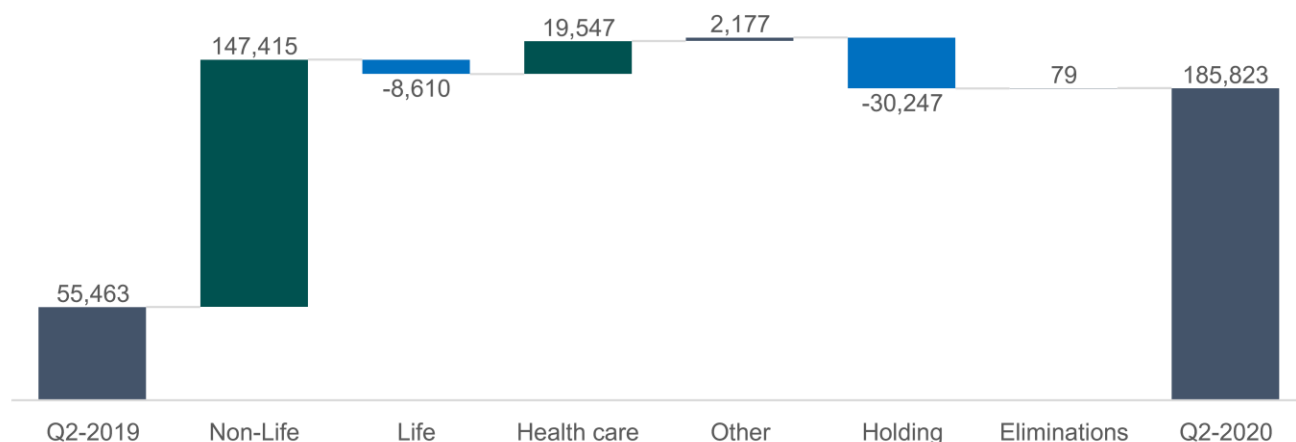
Suramericana S.A.

Statement of financial position

	Jun-20	dec-19	%Var
Total assets	29,911,152	28,418,564	5.3%
Total liabilities	24,715,606	23,395,135	5.6%
Total equity	5,195,546	5,023,429	3.4%

Resultados Consolidados – Suramericana S.A.

Suramericana's net income for Q2 2020 compared with the same period the previous year is broken down as follows:



CONSOLIDATED RESULTS	H1 2020	H1 2019	% Change	Change in COP	Q2 2020	Q2 2019	% Change	Change in COP
Non-Life segment	165,782	42,746	288%	123,035	162,778	15,363	960%	147,415
Colombia	33,288	35,133	-5%	-1,845	18,421	25,665	-28%	-7,243
Dominican Republic	19,614	7,836	150%	11,778	11,670	5,562	110%	6,108
Panama	31,932	18,268	75%	13,664	21,383	10,433	105%	10,950
El Salvador	2,515	-4,300	158%	6,815	2,682	-4,713	157%	7,395
Sura RE	434	402	8%	31	188	226	-17%	-38
Brazil	735	-6,769	111%	7,504	4,634	-4,829	196%	9,463
Argentina	53,420	-19,748	371%	73,168	75,578	-24,395	410%	99,973
Chile	-786	-1,741	55%	956	8,074	1,720	369%	6,354
Mexico	15,905	1,558	921%	14,346	12,139	1,782	581%	10,357
Uruguay	8,725	12,107	-28%	-3,382	8,008	3,911	105%	4,097
Life insurance segment	230,517	232,208	-1%	-1,691	107,521	116,131	-7%	-8,610
Colombia	216,648	242,923	-11%	-26,275	98,223	123,325	-20%	-25,102
El Salvador	13,318	12,051	11%	1,267	10,709	6,867	56%	3,842
Chile	551	128	331%	423	-1,411	325	-535%	-1,736
Mexico	0	-22,894	100%	22,894	0	-14,386	100%	14,386
Health care segment	981	-16,077	106%	17,058	-15,315	-34,863	56%	19,547
EPS – Mandatory Health	13,440	-25,996	152%	39,435	-1,031	-35,025	97%	33,995
IPS – Health Care Provider	729	824	-12%	-95	-230	-2,046	89%	1,816
Diagnostic Lab	-13,188	9,095	-245%	-22,283	-14,055	2,208	-737%	-16,263
Others	5,707	1,894	201%	3,814	3,803	1,626	134%	2,177
Holding	-110,636	-86,991	-27%	-23,646	-73,033	-42,786	-71%	-30,247
Eliminations	170	-10	1882%	179	70	-9	917%	79
Consolidated Net Income	292,520	173,771	68%	118,749	185,823	55,463	235%	130,361

For this past quarter of the year, the Company recorded a 235.0% growth in Net Income compared to the same period last year. This was mainly due to an increase in the net income obtained from the Non-Life Segment, amounting to COP 147,415 million, again compared to the same period last year.

The Non-Life segment performed very well, producing a 25.9% increase in its technical result, thanks to a lower claims ratio that so far stands at 42.0%, compared to 51.9% for the same period last year, this mainly due to a decrease in the claims frequency rate corresponding to the Car and Mandatory Car insurance solutions. It is also important to note the uptrend with written premiums, which scored a growth of 8.7%. Here, our different insurance subsidiaries have concentrated on maintaining our customer loyalty, and hence there have been no significant changes with policy renewals given the present COVID-19 crisis.

The results posted by this segment also received a boost from the investment income account, which showed a growth of 88.8% at the end of the last quarter, this being one of the determining factors of the 25.8% increase in Suramericana's consolidated growth. This is due to the significant recovery shown by the stock markets, with stock prices returning to their pre-COVID levels, given the different fiscal and monetary measures adopted by the different countries and their Central Banks in order to drive their economies with greater liquidity and lower interest rates. The Dow Jones Index is a perfect example of the impact that such measures have had up to now, having gained 18% for this past quarter compared to the first quarter of this year, where a loss of 15% was produced. This also drove up investor confidence in the fixed-income markets (the main asset in our investment portfolio, accounting for 85.2% of the total) which in turn produced important gains along the entire yield curve, but mainly along the short end. With different economies now beginning to open, confidence has become more widespread, which in turn has produced gains for the assets held in Suramericana S.A.'s portfolios.

On the other hand, the Life Insurance segment showed a 7.4% drop in its net income, which was affected to a greater extent by the financial results obtained with our Life Insurance subsidiary in Colombia. This has to do with the economic slowdown entailing having to discount quite low inflation rates at the end of last year, which in turn affected our investment portfolios that are largely CPI indexed. It is important to note that the aforementioned low inflation rates have had a negative effect on our investment income, but this has been offset by having to recalculate our insurance reserves these consisting of inflation-indexed securities. This type of offsetting is achieved with our ALM (Assets and Liabilities Matching) management model which mitigates the consequent impact on our Company-wide results. It is important to note that the effect of lower inflation rates only just began to emerge at the end of this past quarter and is expected to continue over the coming quarters.

The Health Care segment showed a 56.1% growth for the quarter, mainly due to a lower health care claims rate for our Mandatory Health Care segment (EPS). It is important to note that during this past quarter, the results posted by our Health Care Institute (IPS) and Diagnostic Aids (Ayudas Diagnosticas) subsidiaries continued to include the investments made for expanding their capacity to attend the current COVID-19 crisis, that is to say increasing their professional health care staff, deploying the technology required for attending patients remotely, the expense incurred with taking samples and designing and implementing certain health care models such as oxygen therapy for the treating patients suffering from COVID-19

At the end of Q2, the Company's results began to reflect the impact of the current COVID-19 crisis, with lower volumes of written premiums, which for this period has affected to a greater extent the social security lines of business in Colombia, namely Worker's Compensation (ARL) and Mandatory Health Care (EPS). The voluntary insurance business has been mainly affected by lower new sales of mobility and life insurance solutions. Suramericana has taken measures to reduce this impact, such as helping clients to renew their policies, underscoring the convenience of our on-line channels along with the tools laid on for our distribution channels.

As for the effect of COVID on the Company's claims rate, this only began to be felt in our results at the end of Q2, mainly in the Life Insurance and Health Care segments. These effects have not yet reached significant levels since in the countries where exposure is greatest, such as Colombia, Panama, El Salvador and Mexico, infection curves are still in the early stages. It is very important to underscore the fact that our subsidiaries have been preparing themselves for attending our clients through several new initiatives that include our on-line assistance model, oxygen therapy treatment, home medicine deliveries and extending our installed capacity for providing our services, all this for the purpose of furthering our risk management and prevention capabilities at company level.

Finally, at the end of Q2 2020, the regulatory solvency and investment to reserve ratios recorded by Suramericana's subsidiaries have not sustained any important impact from COVID-19 and these continue in keeping with initial expectations for this time of the year. The excess amount of investments underpinning technical reserves (Investment to Reserve Ratio) fell by 19.2% from a surplus of COP 2.0 trillion at the end of Q1 2020 to COP 1.6 trillion at the end of Q2 2020. This is mainly due to the Life Insurance company in Colombia being spun off in favor of Suramericana S.A. in the amount of COP 506,272 million, which reduced the amount of computable assets to be matched in the case of this Company, this based on that expected and analyzed when this transaction was first designed. Were we to exclude this effect, the Investment to Reserve ratio for our companies would have

increased by 7.1%, given our constant focus on reducing expense on an individual subsidiary basis along with a lower claims rates and higher investment income.

From the solvency standpoint, this being understood as the ratio of capital to the level of risk assumed by our insurance subsidiaries, this rose by 9.3% from a surplus of COP 1.3 trillion at the end of Q1 to COP 1.4 trillion at the end of Q2 2020. The effect of the aforementioned spin-off reduced the amount of capital corresponding to the Life Insurance subsidiary in question, but because what was effectively reduced were the Company's occasional reserves, this did not produce any effect from the point of view of calculating the solvency ratio in Colombia, since these reserves form part of its secondary technical equity and at the time of the spin-off, this had already exceeded the limit allowed for their inclusion. So, in the light of the above, we see that net income rose higher than the levels of risk assumed for this past quarter, thereby allowing our companies to improve their solvency ratios compared to the previous quarter.

It is important to note that, based on the simulations drawn up by the Company, which show the expectations held for all subsidiaries and their overall operations, the solvency and investment to reserve ratios for our subsidiaries at the end of Q2 prove to be sufficient to face the economic effects of the pandemic this year.

Estado de Situación Financiera Consolidado – Suramericana S.A.

Suramericana S.A.'s consolidated assets at the end of Q2 2020 came to COP 29.9 trillion, for an increase of 5.3% compared to year-end 2019. Investments came to COP 13.7 trillion for a growth of 3.0%, this mainly due to gains in Argentina on the back of this year's recovery in fixed-income securities which have become more widespread thanks to the measures taken by the different governments for both tackling the COVID19 pandemic and gradually opening up their economies. Mexico and the Dominican Republic showed an increase in investments given their foreign currency positions on the back of their depreciating local currencies.

Cash and Equivalents rose by 32.1% mainly in the case of the Property & Casualty and Life Insurance subsidiaries in Colombia, this corresponding to an increase of COP 274,306 million in the amounts held in bank accounts, trust funds and short-term investments for the purpose of dealing with the current contingency. The aforementioned subsidiaries have strengthened their liquidity positions and are maintaining the funds received at their due dates available in cash.

The Company's liabilities came to COP 24.7 trillion, for a growth of 5.6%, the most salient item in this account being its technical reserves which showed a growth of 6.3%, in keeping with the current level of business performance. Accounts payable rose by 6.2%, this mainly due to Suramericana S.A. recording shareholder dividends pending. Finally, Shareholders Equity showed a 3.4% growth for a total of COP 5.1 trillion.

Life Insurance Segment

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

Life Insurance Segment (stated in COP millions)	H1 (Jan 1 to June 30)			Q2 (April 1 to June 30)		
	jun-20	jun-19	%Var	Q2-2020	Q2-2019	%Var
Written premiums	2,620,609	2,448,434	7.0%	1,297,603	1,327,131	-2.2%
Ceded premiums	(144,110)	(137,912)	4.5%	(76,342)	(81,235)	-6.0%
Retained premiums (net)	2,476,499	2,310,522	7.2%	1,221,261	1,245,896	-2.0%
Net level reserves	45,565	6,294	623.9%	40,787	(28,615)	
Retained earned premiums	2,522,065	2,316,816	8.9%	1,262,048	1,217,280	3.7%
Total claims	(1,535,672)	(1,552,021)	-1.1%	(692,692)	(857,475)	-19.2%
Reimbursed claims	169,507	158,581	6.9%	67,665	114,310	-40.8%
Retained claims	(1,366,166)	(1,393,441)	-2.0%	(625,027)	(743,165)	-15.9%
Net commissions	(296,962)	(256,032)	16.0%	(154,499)	(135,786)	13.8%
Other operating income/expense	(413,266)	(332,163)	24.4%	(219,379)	(180,863)	21.3%
Technical result	445,671	335,180	33.0%	263,144	157,466	67.1%
Fees	(40,717)	(40,306)	1.0%	(21,134)	(20,725)	2.0%
Administrative expense	(493,227)	(419,808)	17.5%	(286,666)	(219,448)	30.6%
Amortization and depreciation	(9,101)	(8,963)	1.5%	(4,653)	(4,381)	6.2%
Impairment	(9,903)	(2,526)	292.0%	(5,258)	(3,198)	64.4%
Underwriting profit	(107,278)	(136,422)	21.4%	(54,567)	(90,286)	39.6%
Dividends	4	434	-99.0%	0	291	-100.0%
Investment income	335,886	356,709	-5.8%	171,009	195,287	-12.4%
Interest	(1,590)	(1,577)	0.8%	(785)	(989)	-20.6%
Other non-operating income / expense	9,366	10,645	-12.0%	(3,572)	9,359	
Earnings (losses) before tax	236,389	229,789	2.9%	112,084	113,663	-1.4%
Income tax	(5,871)	2,419		(4,564)	2,467	
Earnings (losses), net	230,517	232,208	-0.7%	107,521	116,131	-7.4%

Indicators	H1 2020	H1 2019	Q2 2020	Q2 2019
% Ceded	5.5%	5.6%	5.9%	6.1%
% Retained incurred claims / REP*	54.2%	60.1%	49.5%	61.1%
% Net commissions / REP*	11.8%	11.1%	12.2%	11.2%
% Administrative expense / REP*	19.6%	18.1%	22.7%	18.0%

* Measured against Retained Earned Premiums

	jun-20	dec-19
Total assets	11,623,880	11,340,823
Total liabilities	9,479,797	8,822,806
Total equity	2,144,083	2,518,017

being a 15.4% reduction in premiums for the Occupational Risk solution for Q2, this due in turn to rising unemployment in Colombia, as well as the effects of new absenteeism. The sectors of the economy that had the most impact on the results of our Workers' Compensation subsidiary (ARL) were Temporary Services, Education, Hotels and Retail.

The growth in revenues from this segment was also affected by not having renewed the social security business in El Salvador, which provided premiums worth COP 22,150 million for the same period last year. It is worthwhile noting that it was the Company who decided that it was in its best interests not to renew this line of business.

On the other hand, our Group and Individual Life Insurance solutions recorded drops of 3.8% and 12.4% respectively for this last quarter given the merger between our Mexican subsidiaries which took place in Q4 2019, which meant reclassifying Sura Vida Mexico's results to the Property and Casualty Segment. Were we to exclude this effect, Group Life would have obtained a growth of 14.0% and Individual Life a drop of -7.8%. The Individual Life Insurance solution performed less well in terms of voluntary insurance sold via the bancassurance channel in Colombia and El Salvador during this past quarter, this as a result of the lockdown measures adopted in both countries during the period in question.

The Health Care solution recorded a growth of 26.4%, driven by our subsidiaries in El Salvador and Colombia, both scoring growths of 14% in local currency, which is in line with the strategies deployed to retain current clients given the current COVID-19 crisis, these including expanding our coverage, making our business processes and strategies more flexible with more attractive benefits for our clients this in addition to the new products handled on-line. The growth of this solution has also been driven by a new line of business being launched in Chile, which so far has provided this segment with COP 39,600 million in premiums.

At the end of this past quarter net level reserves were freed up in the amount of COP 40,787 million, given the current level of premium performance thereby allowing the Company to stabilize its income to deal with policy holder obligations with the premiums that are presently in force.

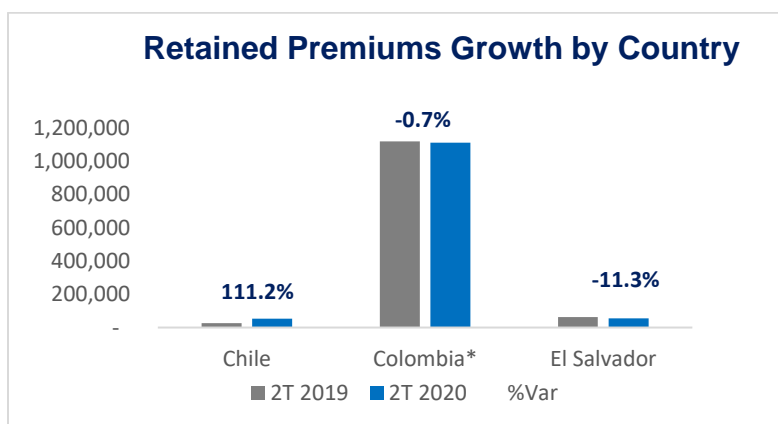
This segment's claims rate came to 51.2% compared to 59.6% for the same period last year. The claims rate for our Health Care Solution came to 51.9% at the end of Q2, compared to 75.6% for the same period last year; this due to a lower frequency of outpatient procedures, given the containment conditions governing health care institutions during April and May. We expect the claims frequency levels to return to normal over the coming months, as our economy gradually opens up.

Our Occupational Risk Insurance solution showed a 4.8% increase in its claims rate for this past quarter, due to the increase in (i) COVID-19 cases; (ii) the assistance and economic benefits provided; and (iii) the number of fatal cases. At the end of Q2 2020, our Worker's Compensation solution recorded 19 deaths and 1,312 infections these classifying as occupational disease.

Broker fees and commissions rose by 13.8%, mainly due to the effect in El Salvador of the change in methodology for recording DAC, which changes the presentation of deferred commissions between the setting up of reserves and brokerage commissions. Operating expense, in turn, recorded a 21.3% growth, mainly in the case of the Risk Management subsidiary in Colombia, and the level of performance obtained with the bancassurance channel.

At the end of Q2 2020, administrative expense rose by 30.5%, showing COP 43,000 million invested in corporate clients with the Workers' Compensation solution, this due to personal protection equipment, prevention activities and COVID-19 testing.

Finally, investment income dropped by 12.4% compared to the same period last year, mainly due to downward inflationary phenomenon present throughout the region. The Colombian subsidiary was most affected since the annualized inflation rate fell 67 basis points below the budgeted level. On the other hand, investments in long-term corporate securities carrying a BBB rating or lower, showed a loss in value mainly in the case of our Chilean subsidiary.



Breakdown of premiums and claims by insurance solution

		H1 2020	H1 2019	% Var	%Var LC*	Q2 2020	Q2 2019	% Var	%Var LC*
Individual Life	Written premiums	320,561	346,459	-7.5%	-7.8%	164,635	187,958	-12.4%	-12.5%
	Retained premiums	275,752	303,805	-9.2%	-9.5%	140,326	164,374	-14.6%	-14.7%
	Retained claims	92,065	101,920	-9.7%	-10.0%	48,238	52,009	-7.2%	-7.1%
	% Retained claims rate	33.39%	33.55%			34.38%	31.64%		
Group Life	Written premiums	523,613	529,656	-1.1%	-1.4%	288,121	299,366	-3.8%	-3.3%
	Retained premiums	485,867	473,956	2.5%	2.4%	266,311	263,370	1.1%	1.7%
	Retained claims	130,904	179,370	-27.0%	-27.5%	65,789	105,009	-37.3%	-37.2%
	% Retained claims rate	26.94%	37.85%			24.70%	39.87%		
Pension (D&S)	Written premiums	27,608	42,535	-35.1%	-44.0%	2,405	21,935	-89.0%	-90.8%
	Retained premiums	22,324	33,499	-33.4%	-42.5%	2,029	17,337	-88.3%	-90.2%
	Retained claims	45,557	60,428	-24.6%	-30.6%	9,679	33,486	-71.1%	-73.6%
	% Retained claims rate	204.07%	180.39%			477.15%	193.15%		
Health	Written premiums	801,122	573,313	39.7%	39.0%	410,778	325,078	26.4%	25.6%
	Retained premiums	762,774	557,389	36.8%	36.6%	390,425	315,580	23.7%	23.5%
	Retained claims	477,995	453,299	5.4%	5.2%	202,800	238,426	-14.9%	-15.2%
	% Retained claims rate	62.67%	81.33%			51.94%	75.55%		
Workers' Compensation	Written premiums	752,365	765,041	-1.7%	-1.7%	336,686	398,174	-15.4%	-15.4%
	Retained premiums	752,365	765,041	-1.7%	-1.7%	336,686	398,174	-15.4%	-15.4%
	Retained claims	468,177	454,366	3.0%	3.0%	213,563	233,439	-8.5%	-8.5%
	% Retained claims rate	62.23%	59.39%			63.4%	58.6%		
Other	Written premiums	195,341	191,430	2.0%	-4.5%	94,978	94,619	0.4%	-7.4%
	Retained premiums	177,417	176,832	0.3%	-5.9%	85,485	87,060	-1.8%	-9.2%
	Retained claims	151,467	144,058	5.1%	1.5%	84,958	80,796	5.2%	1.3%
	% Retained claims rate	85.37%	81.47%			99.38%	92.81%		
Total	Written premiums	2,620,609	2,448,434	7.0%	5.9%	1,297,603	1,327,131	-2.2%	-3.2%
	Retained premiums	2,476,499	2,310,522	7.2%	6.3%	1,221,261	1,245,896	-2.0%	-2.7%
	Retained claims	1,366,166	1,393,441	-2.0%	-2.9%	625,027	743,165	-15.9%	-16.6%
	% Retained claims rate	55.17%	60.31%			51.18%	59.65%		

*Var LC corresponds to the variation measured in local currencies (excluding effects from conversion to Colombian peso).

Property and Casualty Insurance Segment

This segment consists of our Property and Casualty insurance companies in Colombia, El Salvador, Panama, the Dominican Republic, Argentina, Brazil, Chile, Mexico and Uruguay.

Property and Casualty (stated in COP millions)	H1 (Jan 1 to June 30)			Q2 (April 1 to June 30)		
	H1 2020	H1 2019	%Var	Q2 2020	Q2 2019	%Var
Written premiums	3,999,619	3,720,405	7.5%	2,135,405	1,964,089	8.7%
Ceded premiums	(1,365,856)	(993,249)	37.5%	(824,499)	(510,911)	61.4%
Retained premiums (net)	2,633,763	2,727,156	-3.4%	1,310,906	1,453,178	-9.8%
Net level reserves	61,779	33,789	82.8%	(20,711)	(25,463)	-18.7%
Retained earned premiums	2,695,542	2,760,945	-2.4%	1,290,195	1,427,715	-9.6%
Total claims	(1,834,464)	(2,181,050)	-15.9%	(733,971)	(880,800)	-16.7%
Reimbursed claims	549,519	758,775	-27.6%	192,260	139,947	37.4%
Retained claims	(1,284,945)	(1,422,275)	-9.7%	(541,710)	(740,852)	-26.9%
Net commissions	(478,675)	(467,389)	2.4%	(238,243)	(240,356)	-0.9%
Other operating income/expense	(249,710)	(270,964)	-7.8%	(118,305)	(135,239)	-12.5%
Technical result	682,212	600,316	13.6%	391,937	311,267	25.9%
Fees	(46,555)	(46,045)	1.1%	(22,100)	(22,824)	-3.2%
Administrative expense	(625,606)	(611,475)	2.3%	(310,031)	(316,963)	-2.2%
Amortization and depreciation	(79,821)	(82,383)	-3.1%	(38,844)	(43,130)	-9.9%
Impairment	(26,284)	(7,112)	269.5%	(24,505)	(2,105)	
Underwriting profit	(96,054)	(146,699)	34.5%	(3,543)	(73,755)	95.2%
Dividends	113	79	42.8%	0	47	-99.5%
Investment income	285,989	224,454	27.4%	205,873	109,034	88.8%
Interest	(4,874)	(6,414)	-24.0%	(2,106)	(3,561)	-40.8%
Other non-operating income / expense	39,755	(4,328)		23,973	(6,911)	
Earnings (losses) before tax	224,929	67,092	235.3%	224,197	24,854	802.0%
Income tax	(59,148)	(24,346)	142.9%	(61,419)	(9,492)	547.1%
Earnings (losses), net	165,782	42,746	287.8%	162,778	15,363	959.6%
Amortization of intangibles (M&A)	(36,274)	(38,565)		(17,761)	(19,496)	
Amortizations of deferred tax	10,281	10,989		5,010	5,498	
Adjusted net income	191,775	70,322	172.7%	175,530	29,361	497.8%

Indicators	jun-20	jun-19	2T 2020	2T 2019
% Ceded	34.15%	26.70%	38.61%	26.01%
% Retained incurred claims / REP*	47.67%	51.51%	41.99%	51.89%
% Net commissions/ REP*	17.76%	16.93%	18.47%	16.84%
% Administrative expense / REP*	23.21%	22.15%	24.03%	22.20%
Combined ratio	103.56%	105.31%	100.27%	105.17%

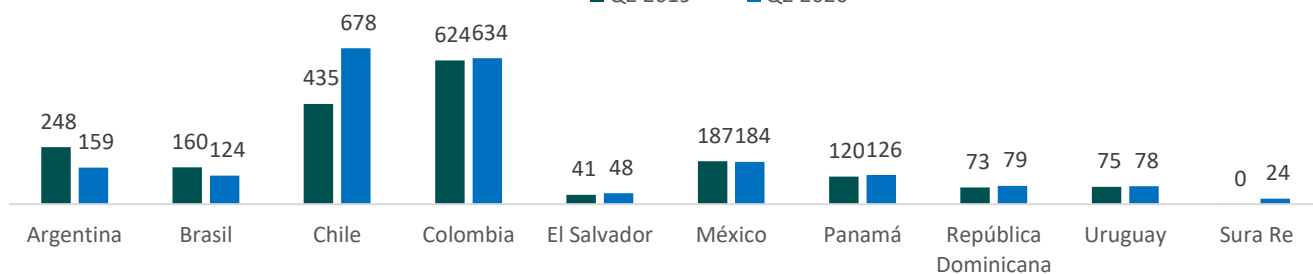
* Measured against Retained Earned Premiums

	jun-20	dic-19
Total assets	15,643,946	15,177,497
Total liabilities	12,458,999	11,917,428
Total equity	3,184,947	3,260,069

Written Premiums by Country

Figures in COP billion

■ Q2 2019 ■ Q2 2020

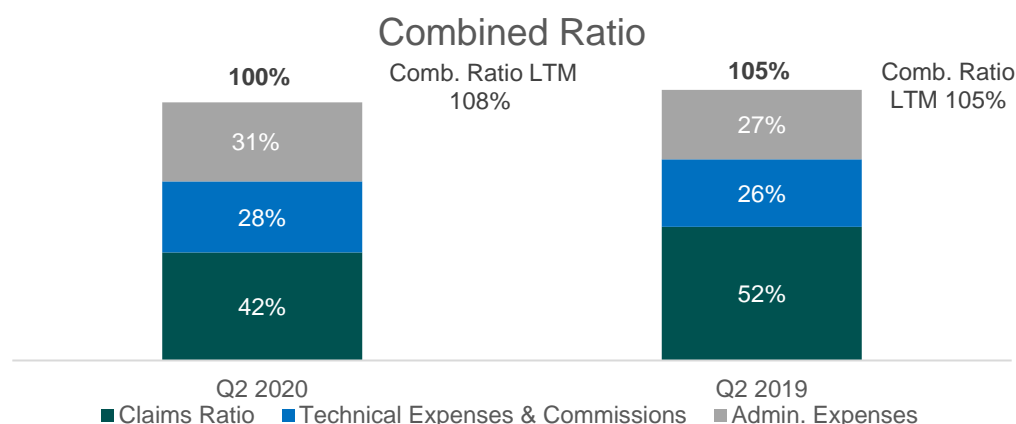


%Var	-36.0%	-22.4%	55.7%	1.6%	16.4%	-1.3%	5.7%	8.4%	3.2%	-
%Var LC	7.2%	-9.8%	58.1%	1.6%	-1.6%	1.9%	-10.9%	0.8%	8.0%	-

Written premiums for the Property and Casualty segment showed a growth of 14.7% in local currency for this last quarter, this due to the following main effects:

- **Argentina** showed a growth of 7.2% in local currency, taking into account adjustments for inflation, the main effects incurred with products marketed via the Bancassurance channel given the temporary closing of branch offices due to the current lockdown measures, in addition to car insurance tariffs not being adjusted for inflation during this past quarter given the lower exposure rate corresponding to the currently reduced levels of mobility, which together with the subsidiary's client retention strategies led to a 11.4% growth for the aforementioned solution. It is worthwhile noting the new business obtained for the fire and transport insurance solutions, which rose by 39% and 31%, respectively.
- **Brazil**, on the other hand, recorded a drop of 9.8% in local currency, during this past quarter, with subsidiary revenues from the affinity channel slowing down given the current lockdown measures being deployed thereby reducing the amount of traffic to the brick and mortar stores covered by this channel along with various accounts not being renewed, mainly in the Theft Insurance solution where premiums amounting to COP 19,900 million were lost. Likewise, the transport solution showed a drop of 16% due to lower volumes of new sales given the mobility restrictions for the transport sector.
- The 58.1% growth in **Chile** had to do with new Fire Insurance accounts, these including renewals for terms of more than one year for residential and business property, as well as a new residential account being offered through the Affinity channel.
- **Colombia** recorded a 1.6% growth. Corporate accounts carrying terms of more than one year were renewed together with tariffs being increased all of which produced a 67.3% growth with the Fire solution. On the other hand, mobility insurance solutions fell by 18.7% for the quarter on the back of lower new sales for Individual and Mandatory Road Insurance, with the latter deploying premium reimbursement strategies to compensate for the risks that clients were unable to incur during the mandatory lockdown.
- Revenues for our subsidiary in **Panama** fell by 10.9%, mainly due to a 22.4% drop with Car Insurance given lower new premiums being written. On the other hand, Contractual Performance insurance showed a growth of 146% given a new bank guarantee account worth COP 7,750 million.
- **Uruguay** secured a growth of 8.0% in local currency, with this subsidiary showing a good level of business recovery for this past quarter thanks to lockdown restrictions being lifted. Worth noting here were the growths in Fire, Agricultural and Group Life Insurance which came to 10.8%, 54.2% and 16.0% respectively.

Net level reserves showed an increase of COP 20.711 million, mainly due to our Chilean subsidiary increasing its reserves by COP 152,195 million given the amount of new multi-year business secured for the quarter. With the exception of the aforementioned subsidiary, the other companies belonging to this segment freed up their reserves given the current levels of performance with retained premiums; the amounts thus freed up shall allow our subsidiaries to smooth out their income in order to respond to clients for the current risks covered by premiums written in previous periods.



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

This segment's claims rate came to 42.0%, compared to 51.9% for the same period the previous year. This drop was mainly incurred with the Car and Mandatory Car insurance solutions throughout the region, given reduced levels of mobility in the light of the lockdown measures implemented in the majority of the countries where we are present. Our subsidiaries have deployed different strategies for assisting out client in these difficult times, either by reimbursing premiums or extending the coverage of the mobility insurance solutions offered, as well as including household coverage for car insurance marketed in Panama, or personal accident coverage in the case of Colombia.

Technical expense, which mainly includes brokerage fees and commissions, reinsurance commissions and non-proportional reinsurance costs, showed an increase of 27.6%, or 133 basis points, mainly incurred by our subsidiaries in Panama, the Dominican Republic and El Salvador given the new DAC methodology being applied, which changes the presentation of deferred commissions between the setting up of reserves and brokerage commissions, entailing an increase with the latter due to the change in said methodology.

On the other hand, Administrative Expense, which covers Fees, Administrative Expense, Amortization, Depreciation and Impairments, rose by 30.7% for the quarter compared to 27.0% for the same period last year. This increase was mainly due to a greater impairment to customer accounts receivable on the part of our Panamanian subsidiary for its Car and Individual Life solutions with a higher default rate being seen especially in past due accounts ranging from 90 to 120 days. Generally speaking, although in some countries longer terms are being granted for paying premiums given government regulations, this producing an increased accounts receivable turnover (in days). Nevertheless, we have not detected any significant risk in this respect that could represent substantial losses for the Company.

As an additional strategy for assisting our clients during these difficult times, we have deployed various initiatives to facilitate policy payments, including using interest-free credit cards, deferring payments and special arrangements for corporate clients.

Investment income showed a growth of 88.8% for Q2 2020 compared to the same period last year. This was mainly due to the gains obtained with fixed-income securities along the short end of the yield curve. Here, Argentina was the chief contributor with the gains obtained with their CPI-indexed government bonds (CER Bonds) with rates being lowered from 160% to 43% on average along the entire curve for the quarter. These bonds represent 29.33% of the subsidiary's total investment portfolio, and has the greatest weighting therein. Gains for these bonds obeyed (i) a greater investor appetite for CPI-indexed securities given current restrictions for dollar-denominated investments (these being a safe haven asset today on a local level in Argentina), (ii) a market discounting a successful renegotiation of its sovereign debt, which at the end of the previous quarter was in imminent default; (iii) inflation expectations on the rise in the long term in spite of their past performance over recent months; (iv) the negative real returns corresponding to BADLAR-indexed debt and generally speaking the liquidity measures adopted in Argentina to mitigate the effects COVID 19.

Finally, the income tax rate for the Property and Casualty segment came to 27.4%, while for the same period last year it stood at 38.2%. This lower tax rate is largely explained by higher tax-exempt investment income mainly on the part of our subsidiaries in Argentina, Mexico and Uruguay.

Premiums and claims by insurance solution

		jun-20	jun-19	% Var	%Var LC	Q2 2020	Q2 2019	% Var	%Var LC
Car	Written premiums	1,244,031	1,318,805	-5.7%	-1.9%	555,520	689,313	-19.4%	-14.3%
	Retained premiums	1,172,005	1,274,974	-8.1%	-4.4%	516,695	662,844	-22.0%	-17.2%
	Retained claims	706,199	818,452	-13.7%	-8.7%	267,499	417,865	-36.0%	-30.2%
	% Retained claims rate	60.26%	64.19%			51.77%	63.04%		
Fire	Written premiums	1,104,586	808,878	36.6%	40.5%	735,111	433,192	69.7%	74.6%
	Retained premiums	397,011	304,235	30.5%	37.1%	300,314	192,255	56.2%	66.0%
	Retained claims	86,202	94,939	-9.2%	-4.7%	45,724	44,992	1.6%	7.1%
	% Retained claims rate	21.71%	31.21%			15.23%	23.40%		
MAandatory Car (road accident)	Written premiums	206,187	241,343	-14.6%	-14.0%	94,656	110,699	-14.5%	-14.9%
	Retained premiums	189,699	235,567	-19.5%	-18.9%	85,411	109,042	-21.7%	-22.0%
	Retained claims	121,331	136,050	-10.8%	-10.4%	48,985	72,279	-32.2%	-32.2%
	% Retained claims rate	63.96%	57.75%			57.35%	66.29%		
Transport	Written premiums	199,945	222,370	-10.1%	-3.8%	87,697	107,106	-18.1%	-9.1%
	Retained premiums	120,461	147,425	-18.3%	-12.3%	54,654	77,807	-29.8%	-21.3%
	Retained claims	50,847	58,076	-12.4%	-7.7%	19,825	28,761	-31.1%	-23.7%
	% Retained claims rate	42.21%	39.39%			36.27%	36.96%		
Contractual Performance	Written premiums	91,577	82,544	10.9%	18.3%	43,987	42,322	3.9%	15.0%
	Retained premiums	34,150	35,380	-3.5%	3.6%	15,148	18,313	-17.3%	-7.8%
	Retained claims	38,073	28,943	31.5%	48.1%	21,585	13,231	63.1%	102.0%
	% Retained claims rate	111.48%	81.81%			142.50%	72.25%		
Civil Liability	Written premiums	147,178	104,667	40.6%	43.3%	85,959	54,240	58.5%	63.4%
	Retained premiums	74,185	74,475	-0.4%	1.8%	31,355	38,045	-17.6%	-13.9%
	Retained claims	31,952	36,236	-11.8%	-9.3%	15,705	18,534	-15.3%	-10.8%
	% Retained claims rate	43.07%	48.66%			50.09%	48.72%		
Theft	Written premiums	64,416	87,147	-26.1%	-21.9%	22,908	46,497	-50.7%	-46.4%
	Retained premiums	46,231	75,962	-39.1%	-35.2%	16,571	39,871	-58.4%	-54.2%
	Retained claims	27,766	40,390	-31.3%	-28.8%	12,453	25,174	-50.5%	-48.5%
	% Retained claims rate	60.06%	53.17%			75.15%	63.14%		
Other	Written premiums	921,140	821,231	12.2%	15.2%	494,787	454,593	8.8%	14.3%
	Retained premiums	582,224	549,823	5.9%	9.3%	278,030	292,214	-4.9%	1.4%
	Retained claims	211,209	191,359	10.4%	11.4%	102,345	106,154	-3.6%	-1.2%
	% Retained claims rate	36.28%	34.80%			36.81%	36.33%		
Inflation Adjustments	Written premiums	20,559	33,420	-38.5%	-13.2%	14,781	26,126	-43.4%	-15.5%
	Retained premiums	17,798	29,315	-39.3%	-14.3%	12,729	22,788	-44.1%	-16.4%
	Retained claims	11,366	17,830	-36.3%	-10.0%	7,589	13,862	-45.2%	-18.1%
	% Retained claims rate	63.86%	60.82%			59.62%	60.83%	-2.0%	
Total	Written premiums	3,999,619	3,720,405	7.5%	11.5%	2,135,405	1,964,089	8.7%	14.7%
	Retained premiums	2,633,763	2,727,156	-3.4%	0.6%	1,310,905	1,453,178	-9.8%	-3.8%
	Retained claims	1,284,945	1,422,275	-9.7%	-5.3%	541,710	740,852	-26.9%	-21.4%
	% Retained claims rate	48.79%	52.15%			41.32%	50.98%		

*Var LC corresponds to the variation measured in local currencies (excluding effects from conversion to Colombian peso).

Health Care Segment

The Health Care Segment includes the health care providers, EPS SURA, IPS SURA and Diagnostic Labs.

Health Care Segment	H1 (Jan 1 to June 30)			Q2 (April 1 to June 30)		
(stated in COP millions)						
	H1 2020	H1 2019	% Change	Q2 2020	Q2 2019	% Change
Income from services rendered	2,608,140	2,146,720	21.5%	1,301,944	1,104,067	17.9%
Cost of services rendered	(2,349,185)	(1,932,279)	21.6%	(1,186,844)	(1,010,828)	17.4%
Other operating income/expense	11,309	3,902	189.8%	6,784	1,537	341.4%
Net commissions	(3,443)	(1,803)	90.9%	(1,860)	(1,130)	64.6%
Technical result	266,821	216,540	23.2%	120,025	93,646	28.2%
Fees	(10,913)	(10,754)	1.5%	(6,855)	(6,265)	9.4%
Administrative expense	(237,905)	(202,079)	17.7%	(125,004)	(114,554)	9.1%
Amortization and depreciation	(22,242)	(19,304)	15.2%	(11,367)	(10,473)	8.5%
Impairment	(2,687)	1,567		(1,481)	87	
Underwriting profit	(6,927)	(14,031)	-50.6%	(24,683)	(37,559)	34.3%
Investment income	14,163	8,830	60.4%	11,356	5,022	126.1%
Interest	(8,913)	(7,918)	12.6%	(3,913)	(3,972)	-1.5%
Other non-operating income / expense	3,486	4,099	-15.0%	1,994	2,101	-5.1%
Earnings (losses) before tax	1,808	(9,020)		(15,246)	(34,408)	55.7%
Income tax	(827)	(7,057)	-88.3%	(70)	(455)	-84.7%
Earnings (losses), net	981	(16,077)		(15,315)	(34,863)	56.1%

Indicators	H1 2020	H1 2019	Q2 2020	Q2 2019
% Cost of services rendered	90.07%	90.01%	91.16%	91.55%
Expense ratio	9.12%	9.41%	9.60%	10.38%

	jun-20	dic-19
Total assets	1,850,251	1,565,712
Total liabilities	1,487,442	1,185,843
Total equity	362,809	379,869

The technical result for the Health Care segment showed a growth of 28.2%. This was mainly driven by revenues from services rendered that rose by 17.9% for the quarter, this together with an increase in our Mandatory Health Care (EPS) users that came to 3.8 million at the end of Q2. Although the Mandatory Health Care (EPS) segment has been affected by rising unemployment in Colombia, the fact that users can cross over from the contributory to the subsidized systems and the possibility of exchanging powers between contributors and beneficiaries with regard to family groups, makes this segment's revenues less affected compared to other social security sectors. It is worth mentioning that the 7.5% drop in revenues on the part of our Diagnostic Aids subsidiary, Ayudas Diagnosticas, for the quarter was due outpatient procedures being canceled given the present health contingency in both April and May.

Costs of services rendered for this past quarter stood at 91.2% compared to 91.6% for the same period last year, this as a result of how the claims rate is being handled by the Mandatory Health Care (EPS) segment. This segment showed a lower frequency of scheduled procedures, which are expected to be carried out over the coming months, this reflected in the amounts of IBNR reserves set up.

The subsidiaries belonging to this segment have implemented initiatives to assist our Mandatory Health Care, Complementary Health Care Plan, Workers' Compensation and Life Insurance policyholders in Colombia, while

making further investments in order to meet the demand for our services amid the present COVID-19 crisis. These investments include on-line assistance models, oxygen therapy treatment and home deliveries of medicine.

On the other hand, administrative expense rose by 9.1%, this mainly due to the IPS (Health Care Provider Institute) subsidiary showing increased personnel expense, investments in medical equipment and health centers; this in keeping with our purpose of providing opportune, top-quality health care assistance.

Investment income was driven by the gains obtained with fixed income securities thanks to an increase in prices on the back of lower interest rates given the fiscal and monetary measures adopted by the government and Central Bank, in a portfolio entirely classified as negotiable (at fair value through profit and loss).

Finally, our Health Care segment recorded a lower income tax figure given a lower performance on the part of our IPS (Health Care Provider Institute) and Diagnostic Aids subsidiaries.

Revenues and costs of services rendered

		H1 2020	H1 2019	% Chg.	Q2 2020	Q2 2019	% Change
EPS (Mandatory Health Care)	Revenues from services rendered	2,107,098	1,679,571	25.5%	1,058,036	866,717	22.07%
	Cost of services rendered	2,000,654	1,615,155	23.9%	1,014,909	851,398	19.20%
	% Cost / Revenues	94.95%	96.16%		95.92%	98.23%	
IPS (Health Care Provider)	Revenues from services rendered	329,882	300,654	9.7%	165,688	152,790	8.44%
	Cost of services rendered	221,511	209,507	5.7%	107,250	107,625	-0.35%
	% Cost / Revenues	67.15%	69.68%		64.73%	70.44%	
Dinamica (Diagnostic Aids Provider)	Service provider	171,160	166,495	2.8%	78,221	84,560	-7.50%
	Cost of services rendered	127,020	107,617	18.0%	64,685	51,804	24.86%
	% Cost / Revenues	74.21%	64.64%		82.70%	61.26%	
Total	Revenues from services rendered	2,608,140	2,146,720	21.5%	1,301,944	1,104,067	17.92%
	Cost of services rendered	2,349,185	1,932,279	21.6%	1,186,844	1,010,828	17.41%
	% Cost / Revenues	90.07%	90.01%		91.16%	91.55%	

Holding Segment

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

Holding Segment (stated in COP millions)	H1 (Jan 1 to June 30)			Q2 (April 1 to June 30)		
	H1 2020	H1 2019	% Change	Q2 2020	Q2 2019	% Change
Other operating income/expense	2,275	6,352	-64.2%	973	4,919	-80.2%
Technical result	2,275	6,352	-64.2%	973	4,919	-80.2%
Fees	(5,294)	(4,380)	20.9%	(2,260)	(2,557)	-11.6%
Administrative expense	(38,195)	(36,277)	5.3%	(19,579)	(17,055)	14.8%
Amortization and depreciation	(1,115)	(1,519)	-26.6%	(559)	(828)	-32.5%
Impairment	(7)	(10)	-27.0%	(0)	(9)	-95.2%
Underwriting profit	(42,337)	(35,834)	18.1%	(21,426)	(15,530)	-38.0%
Dividends	-	0	-100.0%	-	0	-100.0%
Investment income	4,725	2,575	83.5%	1,275	361	252.9%
Interest	(39,486)	(37,650)	4.9%	(19,347)	(19,221)	0.7%
Other non-operating income / expense	7,283	(1,982)		(168)	1,161	
Earnings (losses) before tax	(69,816)	(72,890)	-4.2%	(39,666)	(33,228)	-19.4%
Income tax	(40,821)	(14,101)	189.5%	(33,367)	(9,558)	249.1%
Earnings (losses), net	(110,636)	(86,991)	27.2%	(73,033)	(42,786)	-70.7%

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 14.8% for the quarter, mainly due to necessary investments in facilitating greater communication with our clients throughout the region given the current pandemic, as well as other technological projects that are being carried out for the purpose of managing our geographical information.

Income from investments for the quarter showed a growth of 252.9%, given a greater amount of funds held by the corporate segment as a result of the Life Insurance subsidiary in Colombia being spun off in favor of Suramericana. This also explains a growth of 249.1% in the amount of income tax due on the part of the Holding Segment given the amount of taxable revenues this transaction entailed.

3. SURA Asset Management

Consolidated Statement of Comprehensive Income	H1 2020	H1 2019	%Var Ex - Fx	Q2 2020	Q2 2019	%Var Ex - Fx
Fee and commission income	1,115,966	1,117,720	-2.0%	538,594	573,380	-6.9%
Income from legal reserves	23,093	213,511	-89.3%	283,723	91,287	222.8%
Income (expense) via equity method	1,255	117,893	-98.9%	50,994	50,034	2.2%
Other operating income	18,177	42,576	-56.8%	16,573	19,177	-10.6%
Operating revenue	1,158,492	1,491,700	-23.5%	889,885	733,878	21.6%
Total insurance margin	40,395	50,487	-16.7%	(17,771)	14,947	-225.2%
Operating expense	(878,679)	(832,243)	4.5%	(434,901)	(423,896)	2.3%
Operating earnings	320,208	709,945	-55.6%	437,213	324,930	36.6%
Financial income (expense)	(100,402)	(103,253)	-2.9%	(107,977)	(47,259)	131.9%
Income (expense) - derivatives and exch. difference	62,292	14,733	328.2%	57,256	1,082	5198.7%
Earnings (losses) before tax	282,097	621,426	-55.4%	386,491	278,753	40.0%
Income tax	(149,479)	(197,197)	-25.7%	(124,003)	(79,915)	55.1%
Net income from continuing operations	132,618	424,228	-69.2%	262,488	198,838	33.9%
Net income from discontinued operations	(12,486)	(89,961)	-85.5%	(12,486)	3,613	-408.3%
Net income (losses) for the period	120,133	334,268	-65.2%	250,003	202,450	25.0%

Net income for the period after amortizations

Amortization of intangibles	(48,248)	(53,565)	-9.9%	(28,636)	(26,281)	9.0%
Other amortization and depreciation	(86,335)	(91,634)	-5.8%	(36,130)	(46,074)	-21.6%
Net income (losses) for the period	254,717	479,466	-46.9%	314,770	274,804	14.5%

SURA Asset Management demonstrated its capacity for resilience in Q2 20, a period in which operating income came to COP 899,985 million for a growth of 21.6%, with Net Income standing at COP 250,003 million for an increase of 25.0%, in spite of the dire economic situation facing Latin America due to the COVID-19 pandemic. Q2 2020 saw a notable recovery compared to Q1 2020, driven by higher returns on investments, which have a fundamental impact on the Company's operating performance since half of the Company's fee and commission income is obtained from its AuM (Assets under Management). AuM came to COP 494 trillion, which represents a 6.9% increase compared to the previous year, while revenues from the Company's legal reserves reached COP 283,723 million, thereby erasing the COP 260,630 million loss recorded in Q1 2020 given the impact from COVID-19. The Wage Base, which accounts for the other half of the Company's fee and commission income, has shown significant resilience having deteriorated at a slower rate than the rise in unemployment rates throughout the region. This is mostly due to the extent to which our business depends on the formal economy, which has been less affected by the pandemic than the informal economy, this together with the efforts of different governments to protect jobs. The Wage Base recorded a moderate drop of 1.8% at the end of Q2 2020.

AuM (In COP millions)	JUN-20	JUN-19	%Var	%Var Ex - Fx
Chile	157,018,249	144,190,476	8.9%	11.1%
Mexico	105,937,174	93,215,839	13.6%	15.8%
Peru	66,226,855	65,565,619	1.0%	-7.2%
Uruguay	10,661,217	9,297,553	14.7%	17.1%
AFP Proteccion	113,269,109	107,736,791	5.1%	5.1%
El Salvador	21,379,492	17,224,141	24.1%	5.9%
SURA Investment Management	34,462,586	33,579,135	2.6%	2.3%
Duplicate AuM*	-14,688,729	-12,728,770	15.4%	14.7%
Total	494,265,955	458,080,785	7.9%	6.9%

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

SURA Asset Management continues to consolidate its leadership position as a pension fund management firm as it continues to gain greater market share in the regional asset management industry, thanks to its client-centric strategic focus, a broad value-added product offering, along with its digitalization and automation efforts. The Company's digital transformation and automation allows it to capitalize on today's tangible benefits such as the growth of the Wage Base in Chile entailing a positive Net Fund Flow, even with the mobility restrictions in force during the COVID-19 pandemic. The Company's on-line channel posted a growth of 20% during the first half of 2020, accounting for 44% of all transfer orders. In Peru, the on-line channel managed to double the number of new sign-ups during the pandemic. It is also worth noting an increased level of digitization in Peru and Colombia, which has entailed a positive impact on our costs and expense, while helping to address, without producing any operating trauma, the special circumstances triggered by COVID-19, such as the amount of AuM that our Peruvian fund members were allowed to withdraw and which produced an increase in service needs. SURA Asset Management ended Q2 2020 with a client base numbering 20.9 million, thereby maintaining a consistent pace of growth, which at the end of Q2 2020 came to 3.7%. In terms of the asset management industry, the Company is already the second leading player in Chile with a market share of 11.2%, while in Peru it currently holds a 9.7% share in the mutual fund market. In Colombia, the voluntary pension business grew by 11.1% thanks to a positive Net Funds Flow.

Clients (in millions)	JUN-20	JUN-19	%Var
Chile	1.8	1.8	0.4%
Mexico	7.6	7.8	-1.6%
Peru	2.5	2.0	22.8%
Uruguay	0.3	0.3	0.8%
AFP Proteccion	6.9	6.5	5.1%
El Salvador	1.8	1.7	3.2%
Total	20.9	20.2	3.7%

SURA Asset Management not only has the tools in place, but is deploying further actions to mitigate the impact of the COVID-19 pandemic. We continue to give priority to accompanying our clients, offering them timely and relevant information. SURA Investment Management (SURA IM) staged 11 webinars both on a local and regional level in Q2 2020, connecting more than 1,435 clients, both existing and potential, for which more than an 80% satisfaction rating was obtained from those attending. The value offer continues to strengthen both in the retail and institutional channels, the Savings and Investment (A&I) business offers funds from safe-haven alternatives, for clients with a more conservative profile, to opportunity alternatives, for those who seek to capitalize on the recoveries in financial markets. SURA IM took control of Fiduciaria SURA in the framework of the recent acquisition in Colombia, which would contribute to strengthening the offer for institutional investors, new alternative and traditional funds were also launched, and after the approval of the SICAV in Luxembourg the launch is contemplated of a Fixed Income fund, to offer clients outside the region the Company's experience in asset management in LATAM. With first-class advice and an adequate range of products, it has been possible to maintain limited fund withdrawals amid the volatility of the financial markets..

SURA Asset Management, in its role as an investment manager, is committed to safeguarding jobs and driving economic recovery. The Company has prioritized the physical, emotional and financial health of its employees by deploying a support strategy based on a comprehensive communication plan that facilitates business continuity along with the well-being and cohesion of our staff, and the timely delivery of accurate and useful information in the event of a contingency. To illustrate its adaptability and flexibility, SURA Asset Management took just a few days to go from a mere 800 employees engaged in teleworking to a total of 8,800 after the outbreak of COVID-19 throughout the region, with 95% of all employees working in this type of arrangement at the end of Q2 2020. All decisions and measures taken by the different areas at each stage of the pandemic were aimed at minimizing, mitigating and controlling existing risk factors so as to protect the health of our employees, contractors, suppliers and other stakeholders.

YTD operating income at the end of Q2 2020 came to COP 1.16 trillion, thanks to a positive level of performance for Q2 2020, for an increase of 21.6%, thereby making up for much of the impact that COVID-19 had in Q1 20. Fee and commission income came to COP1.12 trillion at the end of Q2 2020, for a drop of 2.0% drop compared to the same period last year, this due to a 3.9% decline in our Mandatory Pension business, but nevertheless mitigated by an excellent performance with the Voluntary Pension segment (+13.8%), which includes our Savings & Investment (A&I) and SURA IM lines of business. The drop in the Mandatory Pension business came in spite of the good levels of performance obtained in Chile and Mexico which were not enough to offset the decline in Peru. Revenues for the Mandatory Pension business in Peru were affected by regulatory cuts to the commission rate

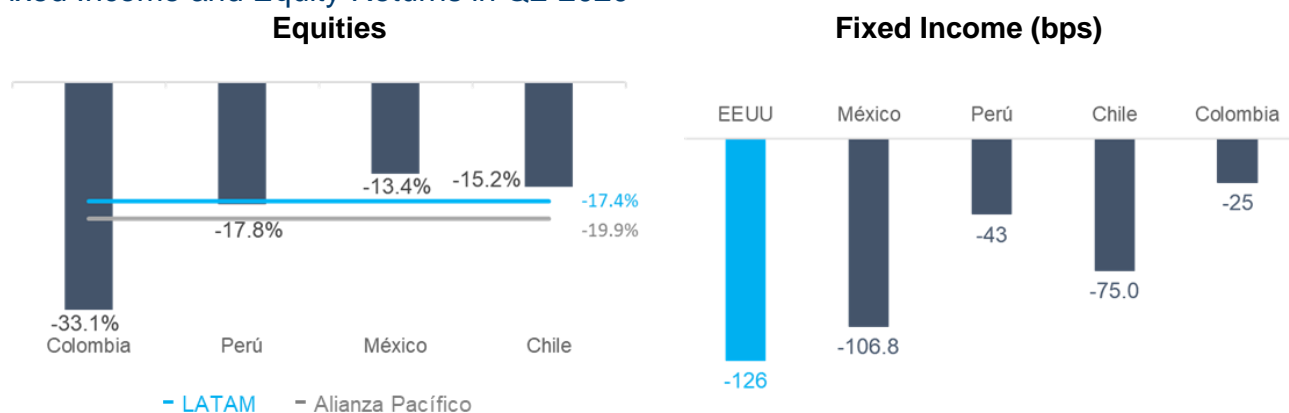
charged, along with a drop in short-term revenues that the official tender entailed, the latter being part of a commitment to our ongoing sustainability and ability to create added value in the mid-term. Revenues were also impacted by not having been able to receive the commission corresponding to April, as decreed by the Peruvian government as part of measures to address the COVID-19 crisis. Similarly, revenues from the Mandatory Pension business in Uruguay were adversely affected by a regulatory cut to the commission rate decreed since 2017.

The Revenues via Equity Method account, where the 49.36% stake in AFP Protección is recorded, amounted to COP 1,255 million at the end of Q2 2020, which came in contrast with COP 117,893 million in revenues posted for the same period last year, mainly due to lower returns on the Company's legal reserves in Q1 2020. However, it is important to note the significant recovery seen with this account in Q2 2020, with revenues rising to COP 50,994 million thereby fully offsetting the losses incurred in Q1 2020 which came to COP 49,740 million. Income from legal reserves performed exceptionally well in Q2 2020 ending up in positive territory, thereby making up for the loss occurring in Q1 2020.

In 2Q20 the financial markets showed a significant recovery after the adverse impacts of COVID-19 in 1Q20. With positive returns in the quarter despite the acceleration in the spread of the virus during the period, with America as the main focus of the infection towards the end of the quarter. The buying force behind the good yields, which in the case of stocks was evidenced in stock markets experiencing the best quarter in decades, was motivated in the first instance by the huge monetary and fiscal stimulus, which are unprecedented. Investor optimism was also based on plans to reopen economies and hope for an eventual vaccine for the virus. On the fiscal front, the United States quickly applied a liquidity injection equivalent to 10% of GDP, while the European Union approved in July a historic bailout deal for EUR 750 billion of subsidies and loans to reactivate the economy.

In the monetary front, the main central banks in the world, and many others in emerging countries, have taken orthodox and unorthodox measures to maintain the liquidity of financial systems. The US Federal Reserve cut its monetary policy rate to zero, while undertaking an ambitious financial asset purchase (QE) program, a move to which the European Central Bank joined. Economic reopening plans are underway, with China and Europe leading the way. In the United States, although sources of infection persist, normalization plans have not been reversed and the benefits are beginning to be reflected, albeit incipiently, in economic activity indicators. Latin America is today the focus of COVID-19 at a global level, but the financial markets in this part of the world have also been infected by the good global performance, the recovery of commodities has had a favorable impact, in 2Q20 copper appreciated 25.2% while oil did it in 63.6%. Everything seems to indicate that the economy would have bottomed out during 2Q20.

Fixed Income and Equity Returns in Q2-2020



* Índices de referencia. Colombia Colcap – Perú SPBLPGPT – México Mexbol – Chile IPSA.

** índices de referencia bonos soberanos 10 años [Variación en la tasa]

Operating earnings also recorded a significant recovery in Q2 2020, thereby compensating for the loss recorded in Q1 2020 to end up at COP 320,208 million at the end of Q2 2020, which represents a decline of 55.6% on a half yearly basis, but in quarterly terms, Q2 2020 posted an increase of 36.6% as a result of a favorable operating leverage, with revenues rising by 21.6% and expense by just 2.3%. Operating expense came to COP 878,679 million at the end of Q2 2020, showing an increase of 4.5% compared to the same period last year this in line with the different inflation rates in the countries where we are present, thereby evidencing the efforts that SURA Asset Management has been making in recent years to increase its productivity, which today has meant that expense

has only risen to a limited extent compared to the extraordinary spending that has been necessary given the COVID-19 pandemic, including higher costs of banking transactions in Peru with regard to pension fund withdrawals that the Government has allowed in order to mitigate the accompanying economic crisis. The Company continues to deploy strategic projects to sustain its business sustainability while allowing it to capitalize on opportunities arising in the midst of the current situation.

EBITDA performed in a similar fashion to operating earnings, having seen a remarkable recovery in Q2 2020 but nevertheless accumulating a drop of 46.4%, which can be partially explained by a lower performance of the Company's Legal Reserves in Q1 2020 due to the adverse effect of COVID-19 on the financial markets. EBITDA, excluding Legal Reserves, showed a drop of 16.34% mainly due to a lower performance of the Mandatory Pension business in Peru, and lower revenues obtained via the equity method from AFP Protección, whose income from the Mandatory Pension business has been adversely affected by the rising unemployment rate in Colombia. SURA Asset Management's two main markets, namely the Mandatory Pension business in Mexico and Chile, managed to maintain the same levels of EBITDA as for Q2 2019 despite the pandemic thereby demonstrating their ongoing resilience.

EBITDA (COP million)	JUN-20	JUN-19	%Var	%Var Ex - Fx	Q2-2020	Q2-2019	%Var	% Var Ex - Fx
Chile	196,488	326,378	-39.8%	-37.4%	253,852	160,722	57.9%	66.3%
México	253,032	268,976	-5.9%	-8.1%	155,218	127,939	21.3%	23.8%
Perú	53,225	166,812	-68.1%	-71.7%	72,195	73,053	-1.2%	-9.3%
Uruguay	9,923	20,583	-51.8%	-49.0%	5,597	9,842	-43.1%	-40.7%
AFP Protección	-9,649	106,014			45,855	43,782	4.7%	4.7%
Corporate and other	-48,043	-53,190	-9.7%	-9.8%	-27,620	-26,698	3.5%	4.1%
Total	454,976	835,572	-45.5%	-46.4%	505,097	388,639	30.0%	31.4%
Encaje	23,093	213,511	-89.2%	-89.3%	283,723	91,287	210.8%	222.8%
Ebitda exc. encaje*	454,709	593,171	N/A	-23.3%	200,104	286,401	N/A	-30.1%

* The EBITDA figure, excluding the legal reserve, also considers the legal reserves held by AFP Protección duly adjusted for the 49.4% stake held in this firm. This is why the figures given for the different countries minus legal reserves are not equal in the final balance.

SURA Asset Management maintains a sound financial position as a result of (i) the timely implementation of a hedging strategy in order to mitigate volatility affecting results in times of high uncertainty on the financial markets; (ii) the consolidation of healthy cash levels allowing us to absorb adverse operating impacts and provide stability for dividends payments; and (iii) a diversified debt maturity profile. At the end of Q2 2020, the Company's gross debt reached USD 986 million, 86% of which matures in 2024 and 2027. As for the remaining debt, a 1- and 2-year renewal of nearly USD 100 million was carried out in July, maturing in Q4 2020 and carrying lower interest rates than before COVID-19. The financial portion of the Income Statement, where financial expenses, financial income, income from derivatives and exchange differences are shown, recorded a positive net balance for Q2 2020, which amply demonstrates the Company's sound financial position and its well-preparedness to deal with risks such as the COVID-19 crisis. The consolidated results from the aforementioned portion went from an expense of COP 88,520 million in Q2 19 to a positive COP 38,110 million.

Net Income amounted to COP 120,133 million at the end of Q2 2020 after an outstanding performance recorded for this past quarter, totaling COP 250,003 million, that is to say 25.0% more than for Q2 2019. The Mandatory Pension business accounts for this positive level of performance Net Income scoring a growth of 33.1%, while the Voluntary Pension segment recorded a loss of COP 10,555 million given its incipient stage of development. The Insurance and Life Annuities business, which have been gradually divested and/or run-off over recent years, recorded a loss of COP 39,340 million mainly due to having transferred the Life Annuities portfolio in Mexico, that resulted in an expense of USD 8.5 million given adjustments made to reserves as well as USD 4.8 million in the form of price adjustments. Corporate expense fell by 7.7%, thanks to having reallocated the tax figures in books, but this is still rising below inflation were we to adjust to allow for such effect, thanks to the smart expense rationalization initiatives that the Company has so far deployed. Income tax therefore came to COP 149,479 million at the end of Q2 2020, which represents a decline of 25.7% in line with lower returns from legal reserves so far this year.

Earnings by segment

	JUN 20	JUN 19	%Var Ex - Fx	2T-2020	2T-2019	%Var Ex - Fx
Consolidated Net Income	120,133	334,268	-65.2%	250,003	202,450	25.0%
Mandatory pensions	331,865	624,783	-47.2%	397,514	301,428	33.1%
Voluntary Savings	(21,657)	(15,491)	42.4%	(10,555)	(6,490)	65.9%
Insurance & Annuities	(14,073)	112,461	N/A	(39,340)	3,448	N/A
Exchange Rate Effect	49,963	6,008	692.4%	54,602	(3,556)	N/A
Corporate Expense	(107,096)	(115,318)	-7.7%	(57,141)	(66,354)	-13.9%
Financial expense	(104,332)	(100,549)	3.6%	(109,507)	(45,716)	141.6%
Others	(14,537)	(177,627)	91.4%	14,429	19,690	-28.3%

ROE / ROTE

Adjusted ROE stood at 4.4% for Q2 2020, which represents a 350 bp drop compared to Q2 2019, this mainly affected by a depreciation of the Company's investments. Adjusted ROTE also fell from 29.0% in Q2 2019, to 15.8% in Q2 2020.

	2T20	1T20	4T19	3T19	2T19
ROE Ajustado	4.4%	5.0%	8.7%	8.5%	7.9%
ROTE Ajustado	15.8%	18.2%	31.4%	30.5%	29.0%

Adjusted ROE is calculated based on 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 Segment

	JUN 20	JUN 19	%Var Ex - Fx	2T-2020	2T-2020	%Var Ex - Fx
Fee and commission income	969,542	987,528	-3.9%	465,886	505,351	-8.7%
Revenues from AuM charged fees	477,691	441,350	5.1%	235,313	232,868	3.0%
Revenues from generated on wage base	491,852	546,178	-11.2%	230,573	272,482	-18.7%
Income from legal reserves	22,181	209,776	-89.5%	277,688	89,534	222.0%
Income (expense) via equity method	(8,862)	106,285	N/A	47,753	44,689	7.2%
Other operating income	4,040	9,890	-37.4%	1,924	6,548	-70.6%
Operating revenue	986,901	1,313,479	-25.9%	793,252	646,122	23.1%
Operating expense	(535,932)	(491,874)	6.7%	(261,764)	(248,839)	4.4%
Operating earnings	450,969	821,605	-45.7%	531,488	397,282	34.9%
Financial income (expense)	4,777	(1,148)	N/A	1,157	(829)	-262.3%
Income (expense) - derivatives and exch. difference	8,584	8,244	8.2%	1,431	3,867	-57.2%
Earnings (losses) before tax	464,331	828,701	-44.5%	534,075	400,321	34.5%
Income tax	(132,466)	(203,917)	-36.3%	(136,562)	(98,892)	38.7%
Net income (losses) for the period	331,865	624,783	-47.2%	397,514	301,428	33.1%

Fee and commission income for the Mandatory Pension business came to COP 969,542 million at the end of Q2 2020, for a 3.9% decline given the inability to collect commissions in Peru. However, upon making adjustments to the aforementioned regulatory limitation introduced in April in said country, fee and commission income would have posted a 1.0% growth. Chile and Mexico showed positive levels of performance, with growths of 3.0% and 6.6% respectively, while revenues on the part of AFP Protección rose by 6.6%. The wage base in Chile increased by 2.8%, thanks to the on-line channel, on which we have been working since 2017 and the fundamental role it plays at the present time offsetting the effect that mobility restrictions have had on business activities. Chile has produced a positive Net Fund Flow of USD 8.6 million so far this year. In Mexico, the AuM (revenue driver), reached COP 101 trillion for a 15.2% growth compared to last year, this driven by higher yields, contributions to employee funds, and a positive Net Fund Flow. In-flows increased by 2.1% while the exit rate (Out-flows / AuM) fell from 3.9% in Q2 2019 to 2.6% in Q2 2020, thanks to having beefed up our sales staff. Peru's fee and commission income fell by 28.4% due to (i) the inability to collect the commission due in April; (ii) a regulatory cut to the commission rate; (iii) the effect of the official tender; and (iv) an impairment to the wage base due to the COVID-19 pandemic. In Uruguay, fee and commission income fell by 33.4%, in spite of a 4.1% increase in the Wage Base, which was in turn affected by a regulatory fee cut, the introduction of unemployment insurance and an IFRS adjustment that affected the amount of income recorded in June.

Fee and commission income	JUN 20	JUN 19	%Var	%Var Ex	2T-2020	2T-2019	%Var	%Var Ex - Fx
Chile	331,099	334,560	-1.0%	3.0%	165,060	169,576	-2.7%	-1.5%
México	451,807	414,307	9.1%	6.6%	219,616	217,131	1.1%	4.4%
Perú	165,655	205,361	-19.3%	-28.4%	71,107	101,925	-30.2%	-40.3%
Uruguay	20,983	33,301	-37.0%	-33.4%	10,104	16,719	-39.6%	-36.9%
Total	969,542	987,528	-1.8%	-3.9%	465,886	505,351	-7.8%	-8.7%

The wage base recorded by SURA Asset Management posted a moderate decline of 1.8% for Q2 2020, with the business continuing to show resilience even in midst of the economic crisis unleashed by COVID-19. Chile, Uruguay and AFP Protección in Colombia, managed to maintain a growth in their Wage Base at the end of Q2 2020, even posting an increase in the average wage due to the effect on the contribution rate (Number of Active Contributors / Total Clients), a circumstance mainly produced by lower wages. The Peruvian Wage Base has shown a significant drop due to the fact that the Peruvian Government was forced to impose one of the strictest and earliest lockdowns because of the speed at which COVID-19 spread and the high occupancy rate throughout the health system. In spite of the pandemic, the number of new members recruited as a result of the latest tender came to 441,100 at the end of Q2 2020, which represents more than half of the targeted 800 thousand sign-ups during the term of said tender, which runs from June 2019 to May 2021.

Wage base

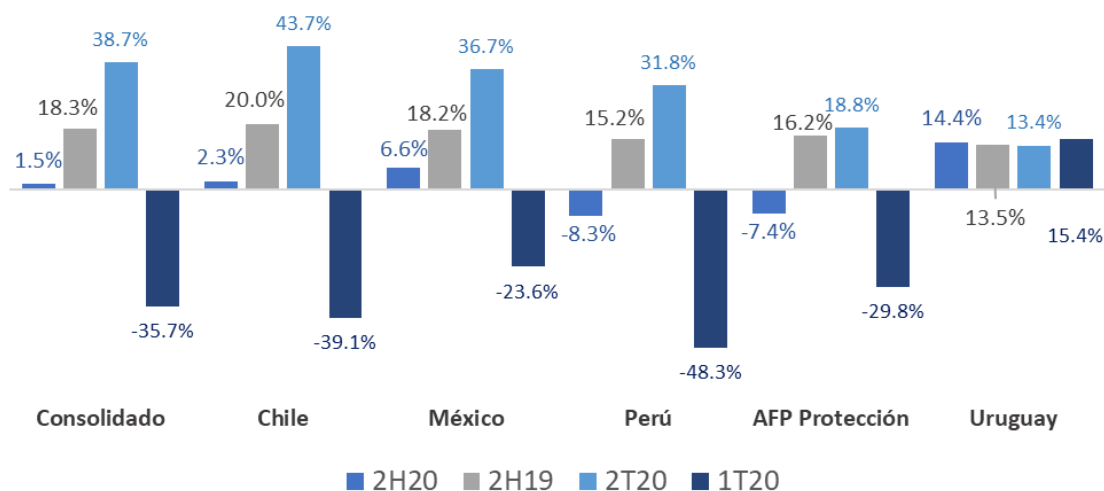
	JUN-20	JUN-19	%Var	%Var Ex - Fx
Chile	22,484,460	22,754,928	-1.2%	2.8%
Perú	13,886,241	14,402,508	-3.6%	-14.4%
Uruguay	2,195,381	2,229,021	-1.5%	4.1%
Protección	21,285,943	20,729,740	2.7%	2.7%
El Salvador	5,517,467	4,858,340	13.6%	-1.9%
Total	65,369,492	64,974,537	0.6%	-1.8%

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



Income from legal reserves amounted to COP 22,181 million at the end of Q2 2020, thanks to a positive level of performance for the quarter thereby offsetting the loss incurred in the previous quarter. Yield for the Mandatory Pension business came to 1.5% for Q2 2020, after Chile and Mexico managed to return to positive territory after mitigating the pronounced declines caused by COVID-19 in Q2 2020, while Uruguay continued to maintain a positive yield. Peru and Colombia also recovered during Q2 2020, but remain in negative territory due to the fact that the equity markets have sustained more pronounced losses. As for Fixed Income investments, in Q2 2020 there was a general recovery in all countries, which was highly beneficial since fixed income is the main class of asset of SURA Asset Management's investment strategy for the Mandatory Pension business, with a consolidated share of 56% of the total, while equities represented 33%.

Mandatory Pension Yields (annualized)



Operating income stood at COP 416.498 million on a YTD basis at the end of Q2 2019, having declined by 49.8% compared to the same period last year. However, this account did do well in Q2 2020, having secured a growth of 26.2%. Operating expense rose by 6.7% for the first half of this year, 4.4% for Q2 2020 alone this in keeping with the levels of inflation in all those countries where SURA Asset Management operates. The controlled growth in expense is the result of the efforts made by the Company over recent periods to enhance its efficiency as well as the levels of maturity of both the on-line channel and the automation initiatives carried out, this as part of the strategic investments made in projects over recent years. Spending remained under strict control even amid the pressures unleashed by the COVID pandemic; non-recurrent expense in Chile for repairs to certain branch offices as a result of last year's social protests, are currently being claimed from the corresponding insurance companies; this together with substantial depreciation affecting real estate investments in Mexico after the earthquake in 2017 as well as to meet the needs of a greater headcount.

As for regulatory issues, on July 22 the Mexican government published its proposal for reforming the country's pension system. SURA Asset Management greatly appreciates this initiative, which is the result of a consensus between the regulatory authorities, workers, the business sector and the Federation of Pension Fund Management firms (AFOREs); since it addresses the urgent need to improve pensions in Mexico. This proposal consists of a gradual increase in mandatory pension contributions from the current level of 6.5% to 15.0%, as well as a reduction in the number of contribution weeks going from 1,275 to 750 so that more people can have access to a pension. AFORE SURA is committed to continue providing the best possible returns and the best possible service to its fund members while continuing to reduce commissions, as it has done in recent years, in keeping with the increase in AuM. The corresponding bill shall begin its way through Congress during the second half of the year. SURA Asset Management expects to continue strengthening the country's pension system applying a long-term vision, while providing returns on the savings of Mexican workers.

In Peru, the deadline for releasing pension savings was met, this being part of the economic relief measures that the Peruvian Congress approved in dealing with the COVID-19 crisis. Of the total volume of AuM managed by SURA Asset Management in Peru, clients withdrew 14%, which was below the maximum limit of 25%. In Chile, the Senate also approved the early withdrawal of 10% of the value of worker pension funds, to address the economic crisis produced by the Coronavirus pandemic. This measure does not affect SURA Asset Management's revenues because the main driver of such in Chile is the Wage Base and not the volume of AuM held. The Company is taking every measure, from the operating and service standpoints, so that affiliates who wish to withdraw their money can do so expeditiously. Financial education campaigns are also being staged so people do not feel the need to withdraw their money but rather keep it in their pension fund so that their pensions are not harmed in the long term.

In Colombia, the Constitutional Court declared unconstitutional Decree 558 of 2020, issued by the Colombian government in the midst of the COVID-19 crisis, which included provisions for reducing pension contributions in April and May to 3% (AFP commission + pension insurance), and transferring programmed withdrawals to Colpensiones. This Supreme Court ruling has a retroactive effect and the Government shall be responsible for defining how and when payments should be made. Since the Government issued Decree 558, AFP Proteccion has considered this to be an optional measure, so that contributions to members' pension accounts were not affected in cases where it was not strictly necessary, and hence the Company is awaiting the corresponding resolutions so as to be able to define its operating procedures.

Savings and Investment Segment/ SURA Investment Management

	JUN 20	JUN 19	%Var Ex - Fx	Q2-2020	Q2-2020	%Var Ex - Fx
Fee and commission income	144,008	126,066	13.8%	71,720	65,730	8.9%
Income from legal reserves	912	3,736	-75.0%	6,035	1,754	260.9%
Income (expense) via equity method	10,117	11,608	-12.8%	3,241	5,345	-39.4%
Other operating income	6,951	12,805	-45.0%	2,966	7,513	-60.0%
Operating revenue	161,987	154,215	4.9%	83,962	80,342	4.7%
Total insurance margin	27,204	31,979	-11.5%	13,023	16,418	-20.0%
Operating expense	(212,399)	(197,750)	8.1%	(106,061)	(100,720)	5.8%
Operating earnings	(23,208)	(11,557)	-200.0%	(9,076)	(3,959)	136.1%
Financial income (expense)	(813)	(1,530)	-44.4%	384	(761)	-149.4%
Income (expense) - derivatives and exch. difference	4,269	(758)	-583.6%	1,593	(385)	-463.2%
Earnings (losses) before tax	(19,752)	(13,845)	-208.2%	(7,099)	(5,105)	42.6%
Income tax	(1,905)	(1,646)	18.8%	(3,456)	(1,385)	152.0%
Net income from continuing operations for the period	(21,657)	(15,491)	-42.4%	(10,555)	(6,490)	-65.9%
Net income (losses) for the period	(21,657)	(15,491)	-42.4%	(10,555)	(6,490)	-65.9%

The Savings & Investment and SURA IM's lines of business made important headway in consolidating a regional investment platform, offering a wide range of products, providing adequate levels of advice and generating superior investment returns so as to help clients to meet their financial objectives. Despite the challenges posed by the pandemic, the Voluntary Pension segment managed to score a double-digit growth in its fee and commission income, in keeping with the trend seen over the last xx years. We continue to gain market share thanks to a 9.9% growth in our client base and a 9.1% increase in AuM. SURA Asset Management is already the second leading player in Chile's asset management industry, with a market share of 11.2%, having gained 80 bp over the last 12 months. Peru secured a 9.7% share of the mutual fund market, gaining another 500 clients during the lockdown.

AuM - Savings and Investment / SURA Investment Management (in COP million)

AUM	JUN-20	JUN-19	%Var	%Var Ex - Fx
Chile	16,164,341	14,002,273	15.4%	17.8%
México	4,687,622	3,668,403	27.8%	30.2%
Perú	6,425,368	4,824,571	33.2%	22.3%
Uruguay	817,282	563,445	45.1%	48.1%
Protección	9,659,805	8,734,847	10.6%	10.6%
Duplicate*	-14,688,729	-12,728,770	15.4%	14.7%
SURA Investment Management	34,462,586	33,579,135	2.6%	2.3%
Total	57,528,275	52,643,905	9.3%	9.1%

* 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.

AuM Roll-forward: Savings and Investment Q2 2020 (in COP millions)



Client base

Cientes (en miles)	JUN-20	JUN-19	%Var
Chile	528.1	508.4	3.9%
México	445.2	366.6	21.4%
Perú	52.0	53.0	-1.9%
Uruguay	14.8	15.0	-1.5%
AFP Protección	448.2	411.0	9.0%
Total	1,488	1,354	9.9%

The Savings & Investment and SURA IM lines of business have intensified their client communications thanks to the media enabled on our on-line channel, which has long been a strategic focus for SURA Asset Management even before the COVID-19 pandemic. Contact strategies have been structured to provide timely and accurate information for adequate decision making, and these are materialized through streaming, podcasts, chats and an increased reporting frequency. We also regard this situation as an opportunity for what is sure to be a growing demand for our on-line financial services. The latest developments for our consulting ecosystem include a wide range of tools ranging from virtual assistance to digital tools, in order to get closer to our clients and offer them tailor-made solutions to enable them to fulfill their financial objectives.

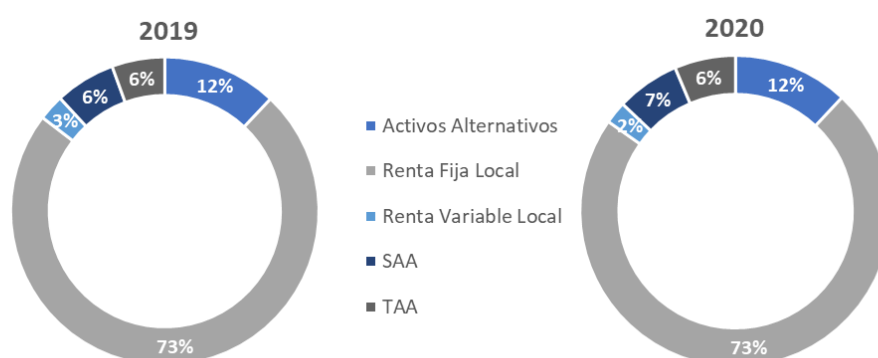
From the product standpoint, the Savings & Investment segment offers a range of alternative safe haven funds in times of high volatility and our staff are actively involved in offering new options that supplement this value-added offering by attending to the needs of savers and investors in a timely manner. Moments like these only go to underscore the importance of an in-depth knowledge of our clients. In this sense, our Savings & Investment business has been working hard over the last two years on developing our client profiling processes to ensure that our investment recommendations are well aligned with their investment purposes as well as their willingness and ability to take risks, so that the volatility produced by extreme situations do not compromise achieving their financial objectives. In Q2 2020, a new line of Voluntary Pensions was launched in El Salvador, which has already signed up 96 clients, raising close to USD 1 million, with a 100% on-line model.

SURA IM achieved important milestones that allowed it to advance with the implementation of its strategy and operating model. Now that authorization has been received for the SICAV in Luxembourg along with the plans to implement the first Latin American Fixed Income fund, the Company shall be placing at the disposal of international investors its knowledge and experience in LATAM asset management. Similarly, our newly acquired trust company, Fiduciaria SURA, shall allow us to extend our presence in Colombia and supplement our value offering for our institutional clients, namely insurance companies, pension funds, family offices, and retail distributors. Furthermore, we continue to delve deeper in the segment of alternative investment funds with Factoring Peru, a platform developed by SURA IM with an AuM of USD 10 million in 2020 and the ability to produce positive returns

for clients. This platform has processed more than 4,600 invoices, has been automatically connected up to more than 7 large corporates and 186 suppliers, thereby managing to efficiently factor invoices from SME suppliers of the main companies in Peru.

SURA IM posted AuM worth COP 34.5 million for Q2 2020, which represents a 2.3% growth compared to the same period last year, in spite of the fact that we exited the Annuity business and transferred the portfolio in Mexico. Were we to exclude this effect, growth would have come to 10.4%. The increase in AuM was mainly due to having obtained new insurance business in Chile and launched a new fixed income fund and two infrastructure funds in Peru in Q2 2020. There was an outstanding growth of the AuM corresponding to Alternative Private Debt and Infrastructure products, which rose by 40.4% and 25.5% respectively. SURA IM's team of investment specialists achieved a positive 69.1% Alpha, (higher returns than the rest of the industry) for the AuM held over the last 12 months..

Breakdown of the AuM held by SURA IM



SAA: Strategic Asset Allocation | TAA: Tactical Asset Allocation

Statement of financial position

	JUN 20	DEC 19	Var%
Total Assets	19,635,041	20,929,251	-6.2%
Goodwill	4,286,689	4,135,161	3.7%
Encaje (legal reserves)	2,755,914	2,706,262	1.8%
Total Liabilities	10,479,420	11,862,742	-11.7%
Debt	3,716,185	3,410,529	9.0%
Total Equity	9,155,621	9,066,509	1.0%

Cifras en millones de pesos colombianos

The assets include USD 224.2 million of cash and cash equivalents, and USD 160.7 million of financial assets from hedging operations, mainly due to the positive position that SURA Asset Management has with the Cross Currency Swap.

4. Appendix

Separate Financial Statements – Grupo SURA

Grupo de Inversiones Suramericana S.A			January 1st to June 30th		April 1st to June 30th	
	jun-20	jun-19	Var%	Q2 2020	Q2 2019	Var%
Dividends	575,798	435,403	32.2%	353	0	
Investment Income	2,149	430	399.8%	2,036	235	766.4%
Gains (losses) at fair value	596	(138)		2,070	(68)	
Revenues via equity method	332,440	499,573	-33.5%	354,499	214,876	65.0%
Other income	356	349	2.0%	356	27	
Operating revenues	911,339	935,617	-2.6%	359,314	215,070	67.1%
Administrative expenses	(18,686)	(19,048)	-1.90%	(12,674)	(15,039)	-15.7%
Employee benefits	(18,698)	(11,424)	63.67%	(8,978)	(5,890)	52.4%
Fees	(3,626)	(5,436)	-33.30%	(2,168)	(2,740)	-20.9%
Depreciations	(1,057)	(1,124)	-5.96%	(531)	(578)	-8.1%
Operating expenses	(42,067)	(37,032)	13.60%	(24,351)	(24,247)	0.4%
Operating earnings	869,272	898,585	-3.26%	334,963	190,823	75.5%
Profit (loss) at fair value from hedging derivatives	156,528	(9,283)		(162,053)	(23,643)	585.4%
Exchange difference, net	(266,489)	22,519		170,441	(18,444)	
Interest	(195,140)	(169,815)	14.91%	(96,237)	(85,800)	12.2%
Financial results	(305,101)	(156,579)	94.85%	(87,849)	(127,887)	-31.3%
Profit before tax	564,171	742,006	-23.97%	247,114	62,936	292.6%
Income tax	27,834	(6,664)		(15,331)	7,378	
Net income	592,005	735,342	-19.49%	231,783	70,314	229.6%
	jun-20	dec-19	Var%			
Assets	30,382,750	29,150,070	4.2%			
Liabilities	6,217,578	5,605,932	10.9%			
Equity	24,165,172	23,544,139	2.6%			