

Total revenues and collections reached R\$ 4.2 billion for the quarter. Net income of R\$ 53.6 million for 2Q14 and R\$ 134.3 million year-to-date, 81.1% higher than 6M13.

- Total revenues and collections were **R\$ 4.2 billion**, an increase of **18.3%** compared to 2Q13
- Insurance premiums grew **12.3%** and exceeded **R\$ 3.3** billion for the quarter
- Loss ratio of **79.0%** for the quarter
- Operating ratio of **98.0%**, in line with 2Q13
- Return on proprietary investment portfolio of **107.9%** of the CDI base rate in 2Q14
- Financial income of **R\$ 164.8 million** for the quarter, **102.5%** higher than 2Q13
- Net income of **R\$ 53.6 million** in 2Q14

Message from Management

We delivered another quarter of consistent results through revenue and profit growth. SulAmérica's total revenues and collections increased 18.3% for the quarter, reflecting the strength and versatility of our multi-line model. Our growth was positively impacted by the contributions of the savings bonds business, which were entirely consolidated into the results this quarter, but comparatively, only included in May and June during the same period of 2013. Insurance premiums increased 12.3%, the highlights being our health and dental segment, which grew 14.4%, and auto, which grew 13.0% when compared to the same period last year.

We ended the period with a net income of R\$ 53.6 million, an increase of 5.9%. The results continue to show a combination of solid growth opportunities with disciplined underwriting, allowing us to meet the economic and competitive scenario with increased awareness and maturity. This year, results are benefiting from improved financial income, a direct result of effective portfolio management, and adequate control of administrative expenses.

The loss ratio for the quarter, typically affected by seasonality, was further impacted by the rise of medical inflation in the healthcare segment, a result of higher levels of plan usage in anticipation of the World Cup,

which was offset by a reduction during the event.

During the quarter, the shareholder ING sold its remaining 10% stake in SulAmérica through a block trade on the BM&FBovespa stock exchange, thus concluding the divestment of its participation in the Company after initiating the sale process in 2013. Upon completion of this operation, SulAmérica's units are showing a significant increase in its liquidity. Additionally, SulAmérica was able to benefit from favorable capital market conditions and issued a R\$ 500 million debenture.

We remain confident that the insurance market will continue its growth trend, allowing us to achieve our objectives. We will maintain our growth rate by harnessing the opportunities in each of our various areas of expertise and the growing synergy between our products.

As demonstrated throughout our long history of success, SulAmérica continues to expand its operational activity, mainly in segments where we have competitive advantages while at the same time maintaining our financial strength. We would like to express, once again, our gratitude to our employees and their contribution to the results we have achieved.

Gabriel Portella
Chief Executive Officer

Conference Call and Webcast

August 1st, 2014 (Friday)

Portuguese (with simultaneous translation to english)
10 a.m. (Brasília) / 9 a.m. (US/EST)

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1. Total Revenues and Collections

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Insurance Premiums	3,312.0	2,950.4	12.3%	3,191.0	3.8%	6,503.1	5,827.0	11.6%
Health & Dental	2,309.1	2,017.9	14.4%	2,250.3	2.6%	4,559.5	3,980.3	14.5%
Automobile	783.2	693.0	13.0%	708.6	10.5%	1,491.8	1,371.3	8.8%
Property & Casualty	120.2	131.7	-8.8%	128.4	-6.4%	248.6	259.4	-4.2%
Life & Personal Accident	99.5	107.7	-7.6%	103.7	-4.0%	203.2	215.9	-5.9%
Other Revenues & Collections	877.4	590.2	48.6%	843.2	4.1%	1,720.5	856.7	100.8%
Pension (contributions)	106.4	106.3	0.1%	134.9	-21.1%	241.3	220.7	9.3%
Administrative Services Only (billings)	192.0	159.9	20.1%	171.9	11.7%	363.9	301.0	20.9%
Asset Management (management & performance fees)	11.3	12.7	-10.8%	11.0	3.4%	22.3	23.6	-5.3%
Savings Bonds (collections)*	567.6	311.3	82.3%	525.5	8.0%	1,093.1	311.3	251.1%
Total	4,189.4	3,540.6	18.3%	4,034.2	3.8%	8,223.6	6,683.6	23.0%

* SulAmérica began to consolidate the results of SulaCap in May of 2013. Therefore, the total savings bond collections for 2013 only include May and June 2013 in the period results for 6M13. In order to facilitate comparison between periods, 2Q13 contributions were R\$451.2 million and R\$862.9 million for 6M13, which would have represented growth of 25.8% and 26.7%, respectively.

2. Financial and Operating Highlights

Financial Highlights

	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Insurance Premiums (R\$ million)	3,312.0	2,950.4	12.3%	3,191.0	3.8%	6,503.1	5,827.0	11.6%
Health & Dental	2,309.1	2,017.9	14.4%	2,250.3	2.6%	4,559.5	3,980.3	14.5%
Auto	783.2	693.0	13.0%	708.6	10.5%	1,491.8	1,371.3	8.8%
Other Property & Casualty	120.2	131.7	-8.8%	128.4	-6.4%	248.6	259.4	-4.2%
Life & Personal Accident	99.5	107.7	-7.6%	103.7	-4.0%	203.2	215.9	-5.9%
Loss Ratio (%)	79.0%	77.3%	-160 BPS	77.5%	-150 BPS	78.2%	77.6%	-60 BPS
Health & Dental	87.1%	84.2%	-300 BPS	85.2%	-190 BPS	86.2%	84.9%	-130 BPS
Auto	60.1%	60.4%	40 BPS	61.3%	120 BPS	60.6%	59.6%	-100 BPS
Other Property & Casualty	54.1%	60.7%	660 BPS	49.2%	-490 BPS	51.6%	57.4%	580 BPS
Life & Personal Accident	47.2%	63.4%	1620 BPS	42.9%	-430 BPS	45.0%	62.6%	1770 BPS
Acquisition Cost Ratio (%)	11.3%	10.9%	-30 BPS	11.3%	0 BPS	11.3%	10.8%	-50 BPS
Administrative Expenses Ratio (%)	8.8%	9.1%	20 BPS	9.0%	10 BPS	8.9%	9.1%	20 BPS
Combined Ratio (%)	103.2%	101.0%	-210 BPS	101.9%	-130 BPS	102.6%	101.8%	-70 BPS
Operating Ratio (%)	98.0%	98.2%	10 BPS	96.9%	-110 BPS	97.5%	98.4%	100 BPS

Other Highlights

	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Financial Income (R\$ million)	164.8	81.4	102.5%	157.0	5.0%	321.7	188.6	70.6%
Net Income (R\$ million)	55.4	52.4	5.7%	82.1	-32.5%	137.5	76.0	80.9%
Net Income after non-Controlling Interest (R\$ million)	53.6	50.6	5.9%	80.7	-33.6%	134.3	74.2	81.1%
Net Income per unit (R\$)⁽¹⁾	0.16	0.15	5.9%	0.24	-33.6%	0.40	0.24	64.4%
Assets under Management (R\$ billion)	18.9	19.0	-0.5%	18.2	3.5%			
Pension Reserves (R\$ million)	4,227.8	3,818.2	10.7%	4,169.8	1.4%			
ROAE (% last 12 months)	15.2%	13.6%	150 BPS	15.3%	-10 BPS			

Operating Highlights

	2Q14	2Q13	Δ	1Q14	Δ
Health & Dental Insured Members (thousand)	2,690	2,656	1.3%	2,633	2.2%
Health Insured Members	2,075	2,053	1.0%	2,028	2.3%
Dental Insured Members	615	603	2.1%	605	1.6%
Insured Fleet (thousand)	1,587	1,477	7.4%	1,544	2.8%
Insured Lives (thousand)	2,112	2,700	-21.8%	2,167	-2.6%

(1) Net income per unit is calculated by multiplying the basic earnings per share by three. Each unit is composed of three shares, one common share and two preferred. The total number of units at the end of the periods 2Q14 and 2Q13 are different. Please refer to Note 23.8 in the Financial Statements for the period details on the calculation of earnings per share.

3. Health, Dental, and ASO (Administrative Services Only)

Health and Dental Insurance

During the 2Q14, the Company expanded revenue growth through its strategy which focuses on profitability and portfolio expansion. Considering the trend of elevated plan utilization which persisted during yet another quarter, the Company maintained its policy of price readjustments. At the same time, SulAmérica has continued to develop activities to control losses in the short and medium term, as summarized below:

Health Management: Acceleration of health management programs for patients with chronic diseases and complex cases. Creation of a strategy and delivery of tools for wellness, which include interactive website portals and telephone-based coaching.

Claims Management: Acceleration of direct purchases of materials and drugs, restructuring of second opinion protocols and medical board, construction of new medical audit tools, evolution of IT tools to control and pay claims, increasing negotiation of procedures in packages with medical providers, standardization of daily rates, among others.

Underwriting Management: Application of price readjustments to contracts with low profitability, evaluation of regional portfolios to improve sales and results, review of rates charged for the sales of new plans.

Total consolidated premiums continued to demonstrate strong growth, expanding 14.4% compared to 2Q13 and 14.5% relative to 6M13. Group insurance portfolios developed significantly in 2Q14, representing 81.8% of total premiums and 92.3% of insured members. Considering the total portfolio, premium growth was also a consequence of the incorporation of 34k new beneficiaries and the required annual price readjustments. Customer retention remained at high levels at the same time as the new sales continued to show good performance. Once again, the SMEs (Small and Medium Enterprises) portfolio performance was the highlight, with premium growth of 23.4% and 24.1% compared to 2Q13 and to 6M13, respectively. Premium revenue from corporate plans, which also includes affinity group plans, grew 14.6% for the period. Loss ratio, impacted by plan utilization, increased 300 BPS compared to 2Q13, contributing to a decline in the gross margin for the quarter.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Insurance Premiums	2,309.1	2,017.9	14.4%	2,250.3	2.6%	4,559.5	3,980.3	14.5%
Group	1,888.4	1,619.0	16.6%	1,832.1	3.1%	3,720.6	3,182.9	16.9%
Corporate	1,363.7	1,190.4	14.6%	1,327.4	2.7%	2,691.0	2,347.1	14.7%
SME	495.8	401.7	23.4%	477.1	3.9%	972.9	784.1	24.1%
Dental	29.0	27.0	7.3%	27.7	4.7%	56.6	51.7	9.5%
Individual	420.7	398.9	5.5%	418.2	0.6%	838.9	797.4	5.2%
Earned Premiums (R\$ million)	2,299.8	2,002.0	14.9%	2,244.2	2.5%	4,544.0	3,959.0	14.8%
Group	1,883.0	1,605.1	17.3%	1,826.5	3.1%	3,709.4	3,164.0	17.2%
Individual	416.9	396.9	5.0%	417.7	-0.2%	834.6	795.0	5.0%
Loss Ratio (%)	87.1%	84.2%	-300 BPS	85.2%	-190 BPS	86.2%	84.9%	-130 BPS
Group	84.1%	82.3%	-170 BPS	83.2%	-90 BPS	83.7%	83.2%	-40 BPS
Individual	101.0%	91.5%	-940 BPS	93.9%	-710 BPS	97.5%	91.5%	-600 BPS
Acquisition Cost Ratio (%)	6.2%	6.2%	0 BPS	6.2%	0 BPS	6.2%	6.2%	0 BPS
Group	7.4%	7.4%	0 BPS	7.5%	20 BPS	7.4%	7.4%	-10 BPS
Individual	0.9%	1.5%	50 BPS	0.6%	-40 BPS	0.7%	1.5%	70 BPS
Gross Margin (%)	6.7%	9.6%	-290 BPS	8.6%	-190 BPS	7.6%	9.0%	-140 BPS
Group	8.6%	10.2%	-170 BPS	9.3%	-70 BPS	8.9%	9.4%	-50 BPS
Individual	-1.9%	7.0%	-890 BPS	5.5%	-740 BPS	1.8%	7.0%	-520 BPS

Group Health Insurance

Corporate

Premiums for this portfolio, which include group policies of 30 lives or more and also the affinity group plans, grew expressively during the quarter (+14.6% vs 2T13), reflecting the required annual price adjustments. For the first half of the year, premium growth was 14.7%. At the end of the period, the portfolio had approximately 1.2 million members, a decline of 3.6% relative to 6M13 and the result of a selective underwriting policy and a migration of lives from the group portfolio to the ASO portfolio, which did not, however, impact the portfolio total.

Small and Medium Enterprises (SME's)

The SME portfolio premiums grew 23.4% and 24.1% when compared to 2Q13 and 6M13, respectively, driven by new sales and price adjustments negotiated during the period. The portfolio added approximately 31k newly insured members over the last twelve months and reached 371k members at the end of the period.

Individual Health Insurance

The premium growth in 2Q14 and 6M14 (+5.5% vs 2Q13; +5.2% vs 6M13) was due primarily to the applied price adjustments stipulated in 2013 by the ANS (National Agency of Supplemental Health) and partially offset by a 5.2% reduction in the client base. As of July 2014, the ANS has only released the first of the stipulated readjustment rates for policies issued after the Law 9.656/98 of 9.65% and valid from May 2014 to April 2015. Therefore, starting from July 2014, the Company will apply the adjustments, even retroactively, when applicable. The participation of the individual plans in total premiums of the health segment continued to decline, representing at end of the period, 18.2% of total segment premiums, versus 19.8% during the same period a year earlier. The portfolio reached 208k members at the end of 2Q14.

Dental

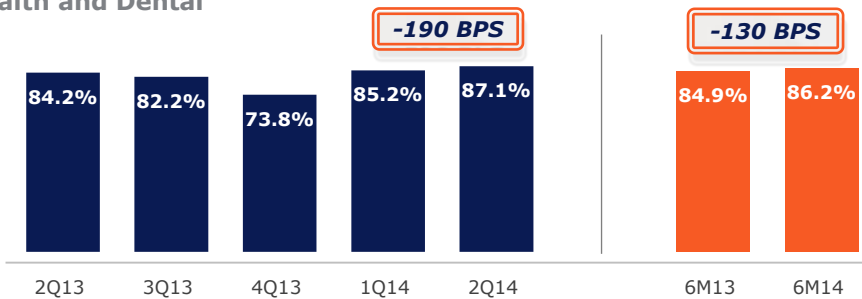
The portfolio premiums grew 7.3% compared to 2Q13, as a result of the cross selling with other portfolios of the Company. Compared to 6M13, there was significant growth in the portfolio with the addition of 13k new beneficiaries during the last twelve months and a total of 615k members in 6M14.

Loss Ratio

The segment loss ratio for the second quarter showed the effects of seasonality, considering that the quarter precedes the beginning of a new cycle of price readjustments. The loss ratio increased 300 BPS relative to 2Q13, reflecting higher unit costs for materials, drugs, labor, and more frequent utilization of health insurance plans.

Loss Ratio - Health and Dental

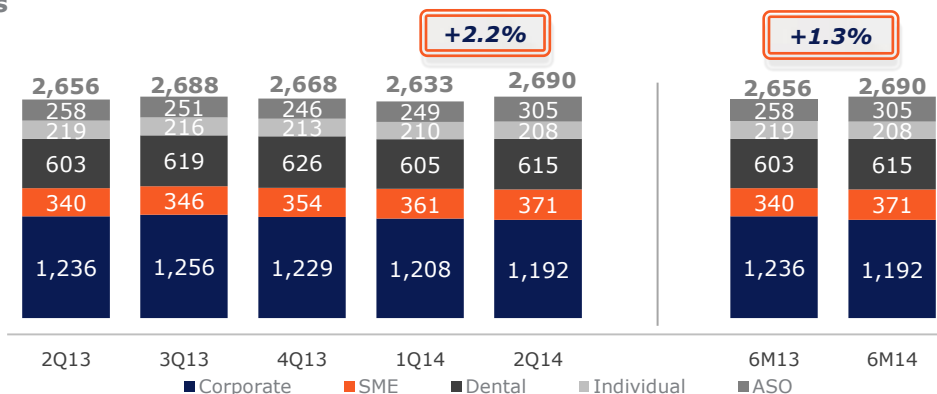
(% Earned Premiums)



The total portfolio grew 2.2% compared to 1Q14 (with the net addition of 57k lives) and 1.3% compared to 6M13 (with the net addition of 34k lives), reaching a total of approximately 2.7 million insured lives at quarter end. Among the Group portfolios, the highlights were ASO and SME which added, respectively, 47k and 31k new members, net of cancellations, between 2Q14 and 2Q13.

Beneficiaries

(Thousand)



Administrative Services Only (ASO)

Billings from ASO plans grew 20.1% and 20.9% compared to 2Q13 and 6M13, respectively, with a 18.0% increase in the number of members compared to 6M13. Operating results increased 12.5% versus 2Q13, driven by the incorporation of new members.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Billings from Plans	192.0	159.9	20.1%	171.9	11.7%	363.9	301.0	20.9%
Net Events Payable and Other Income/Expenses	-183.6	-152.4	-20.5%	-165.8	-10.7%	-349.4	-286.5	-22.0%
Income from Healthcare Operations	8.4	7.5	12.5%	6.0	39.3%	14.5	14.6	-0.7%

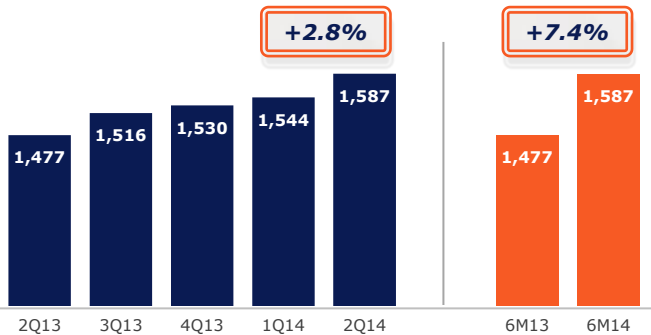
4. Auto Insurance

Auto premiums grew 13.0% in 2Q14 versus 2Q13, a significant acceleration from the first quarter of 2014 (1Q14 vs 1Q13: +4.5%). For the first half, premiums grew 8.8% relative to the same period last year, in line with insured fleet growth. The insured fleet totaled 1.6 million vehicles at the end of the first half, a growth of 7.4% relative to 6M13. The loss ratio improved 40 BPS for the quarter due to effective underwriting policy as well as improved management of claims, salvage and reimbursements. The acquisition cost ratio increased 180 BPS compared to 2Q13, mainly due to a change introduced by the regulator, from January 2013 and on, that prohibited the charging of policy issuance fees, which used to compensate, in part, the deferred acquisition costs accounted for in this line along with deferred premiums.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Insurance Premiums	783.2	693.0	13.0%	708.6	10.5%	1,491.8	1,371.3	8.8%
Earned Premiums	713.6	634.8	12.4%	692.2	3.1%	1,405.8	1,226.7	14.6%
Loss Ratio (%)	60.1%	60.4%	40 BPS	61.3%	120 BPS	60.6%	59.6%	-100 BPS
Acquisition Cost Ratio (%)	23.1%	21.3%	-180 BPS	23.2%	20 BPS	23.1%	20.9%	-230 BPS
Gross Margin (%)	16.9%	18.3%	-140 BPS	15.5%	140 BPS	16.2%	19.5%	-330 BPS

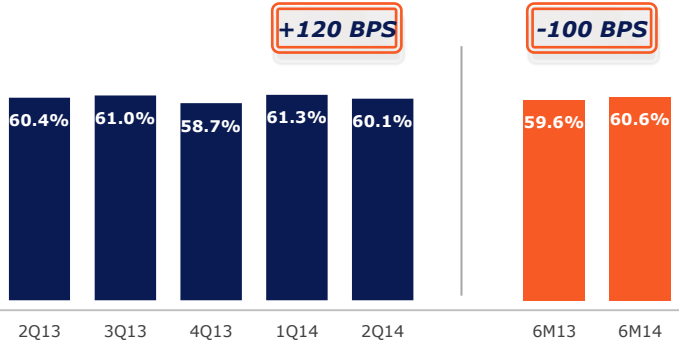
Insured Fleet

(Thousand Vehicles)



Loss Ratio - Auto

(% Earned Premiums)



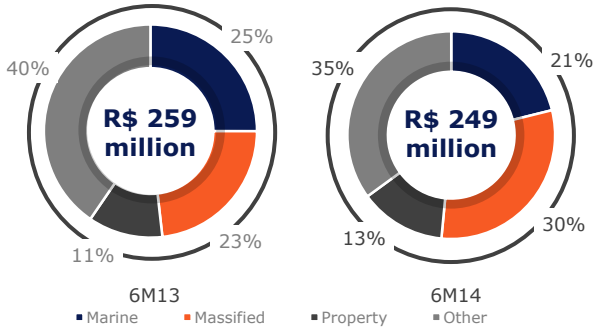
5. Other Property and Casualty Insurance

As the segment continues its repositioning strategy, premiums decreased by 8.8% and 4.2% compared to 2Q13 and 6M13, respectively. The massified insurance portfolio grew 18.5% compared to 2Q13, partially offsetting an overall reduction in the DPVAT portfolio (included in "others" below). The reduction in DPVAT exposure was a consequence of a criterion change for participation within the consortium of insurance companies who provide this type of mandatory third-party liability insurance for vehicle owners. The loss ratio improved 660 BPS relative to the same quarter last year, mainly due to the increased participation of massified insurance in the total portfolio.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Insurance Premiums	120.2	131.7	-8.8%	128.4	-6.4%	248.6	259.4	-4.2%
Earned Premiums	85.3	86.6	-1.5%	89.9	-5.1%	175.3	170.1	3.1%
Loss Ratio (%)	54.1%	60.7%	660 BPS	49.2%	-490 BPS	51.6%	57.4%	580 BPS
Acquisition Cost Ratio (%)	25.4%	22.9%	-250 BPS	23.6%	-170 BPS	24.5%	21.0%	-340 BPS
Gross Margin (%)	20.5%	16.4%	410 BPS	27.2%	-670 BPS	23.9%	21.6%	230 BPS

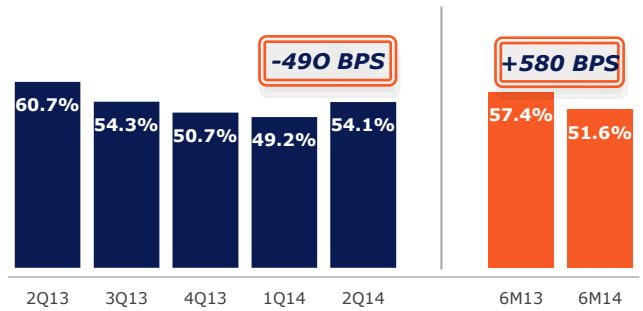
Segment Breakdown

(% do Total Premiums)



Loss Ratio – Other Property and Casualty

(% Earned Premiums)



6. Life & Personal Accident Insurance

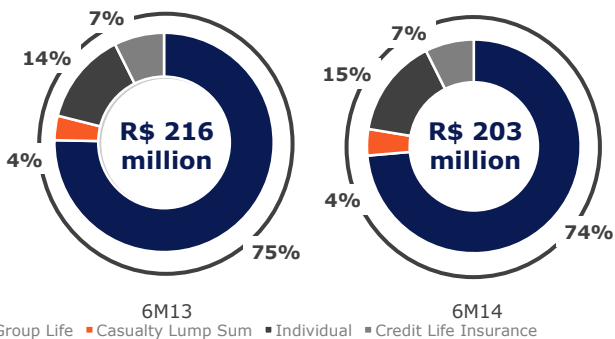
Despite a decrease in segment premiums of 7.6% for the quarter compared to 2Q13 and 5.9% relative to 6M13, the pace of decline has reduced compared to the previous year (2Q13 vs 2Q12: -13.6%; 6M13 vs 6M12: -13.6%), reflecting the repositioning strategy adopted in 2012 and intensified in 2013. The diversification of the product portfolio, improving sales strategy, investments in expanding distribution channels and revision and enhancement of operational processes allowed the segment to improve its performance. The loss ratio improved significantly relative to 2Q13, by 1620 BPS, evidence of the positive results yielded by the aforementioned actions.

(R\$ million)

	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Insurance Premiums	99.5	107.7	-7.6%	103.7	-4.0%	203.2	215.9	-5.9%
Earned Premiums	98.5	106.4	-7.4%	102.7	-4.1%	201.2	215.2	-6.5%
Loss Ratio (%)	47.2%	63.4%	1620 BPS	42.9%	-430 BPS	45.0%	62.6%	1770 BPS
Acquisition Cost Ratio (%)	32.2%	27.9%	-430 BPS	31.1%	-110 BPS	31.6%	29.6%	-200 BPS
Gross Margin (%)	20.7%	8.7%	1190 BPS	26.0%	-540 BPS	23.4%	7.7%	1570 BPS

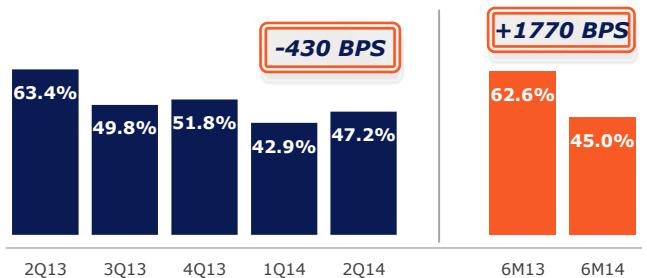
Segment Breakdown

(% of Total Premiums)



Loss Ratio - Life and Personal Accident

(% of Earned Premiums)



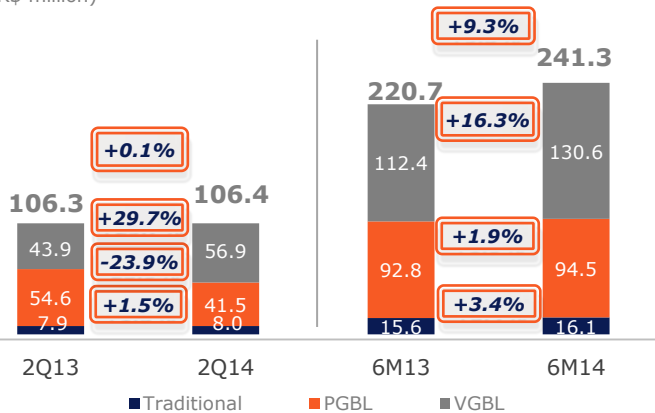
7. Private Pension

Pension contributions and reserves growth was stable (+0.1%) in 2Q14 when compared to 2Q13, with pension reserves reaching approximately R\$ 4.2 billion year-to-date. The positive highlight was the VGBL portfolio, which grew 18.3% compared to 6M13. Income from private pension fell 10.0% in 2Q14 due to an increase in Expenses with Benefits and Redemptions. Yet, when compared to 1Q14, income for this segment increased 51.0%.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Contribution Income	106.4	106.3	0.1%	134.9	-21.1%	241.3	220.7	9.3%
Changes in Technical Reserves	-99.0	-103.5	4.4%	-130.9	24.4%	-229.9	-211.5	-8.7%
Expenses with Benefits and Redemptions	-5.4	-1.5	-267.6%	-3.8	-41.9%	-9.2	-6.5	-40.9%
Selling Expenses from Private Pension	-5.3	-4.5	-18.5%	-5.1	-4.0%	-10.4	-8.8	-18.3%
Other Operational Income/Expenses from Private Pension	8.8	9.3	-5.2%	8.6	2.0%	17.4	17.8	2.2%
Income from Private Pension	5.5	6.1	-10.0%	3.7	51.0%	9.2	11.7	-21.9%

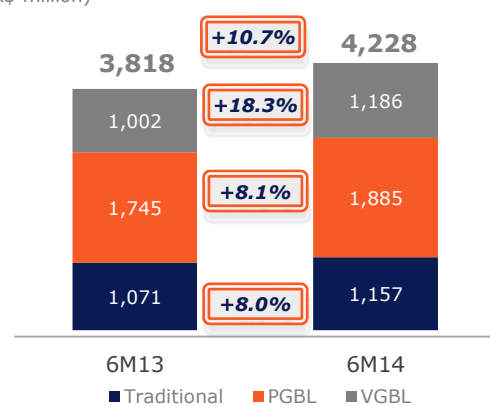
Pension Contributions

(R\$ million)



Pension Reserves

(R\$ million)



8. Savings Bonds*

The financial statements for the Savings Bonds unit started to be consolidated in SulAmérica's financials in May 2013, providing an important contribution to the results of the Company. Therefore, the quarterly and year-to-date results were affected because the 2Q13 and 6M13 results only include the months of May and June. Collections grew 82.3% for the 2Q14 (+25.8% vs 2Q13 pro-forma) benefiting from the integration between the operations and greater penetration capability provided by SulAmérica's distribution network. As mentioned in the previous quarter, the operational change in the popular and incentive portfolios compromised the comparison with the previous year. An increase in the Operational Expenses line was offset by lower Changes in Technical Reserves for those portfolios, with no effect on results. Savings bonds reserves totaled R\$ 798.8 million for the end of 2Q14, an increase of 22.2% compared to 2Q13.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Savings Bonds Collections	567.6	311.3	82.3%	525.5	8.0%	1,093.1	311.3	251.1%
Changes in Technical Reserves	-404.2	-246.6	-63.9%	-383.4	-5.4%	-787.6	-246.6	-219.3%
Operational Expenses from Savings Bonds	-148.7	-53.0	-180.7%	-128.2	-16.0%	-276.9	-53.0	-422.7%
Operating Income from Savings Bonds	14.7	11.7	25.7%	13.9	6.1%	28.6	11.7	144.2%
Savings Bonds Reserves	798.8	653.8	22.2%	776.6	2.9%			

*SulAmérica began to consolidate the results of SulaCap in May of 2013. Therefore, the total savings bond collections for 2013 only include May and June 2013 in the period results for 6M13. In order to facilitate the comparison between periods, 2Q13 contributions were R\$451.2 million and R\$862.9 million for 6M13, which would have represented growth of 25.8% and 26.7%, respectively.

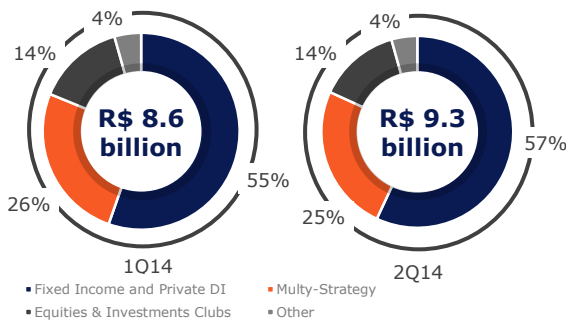
9. Asset Management (SulAmérica Investimentos)

Asset management income decreased by 8.6% compared to 2Q13, in part due to a decrease in performance fee revenues, which was impacted by an unfavorable macroeconomic scenario. Year-to-date, asset management income fell 1.6% when compared to the same period last year. In comparison to 6M13, the segment increased its total assets under management by 3.5% to R\$ 18.9 billion.

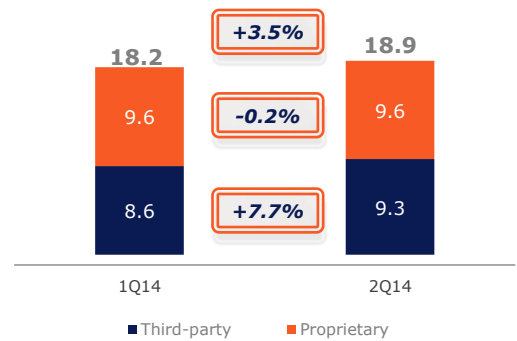
(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Management Fee Revenue	10.9	11.7	-7.0%	10.8	0.9%	21.7	22.1	-1.6%
Performance Fee	0.4	1.0	-56.5%	0.2	183.0%	0.6	1.5	-60.4%
Asset Management Operational Costs	-0.7	-1.1	35.0%	-0.6	-14.4%	-1.3	-2.2	41.4%
Asset Management Income	10.6	11.6	-8.6%	10.4	2.8%	21.0	21.3	-1.6%

Third-party Assets under Management Allocation

(% do Total AUM)



Assets under Management (R\$ billion)



10. Administrative Expenses

Total administrative expenses increased 9.7% in 2Q14 and 9.6% in 6M14 compared to the same periods last year, impacted by higher personnel expenses due to, mainly, the incorporation of SulaCap – the Savings Bonds business - in May 2013. The administrative expenses ratio in 2Q14, obtained by dividing the total administrative expenses by retained premiums in the period, was 8.8%, an improvement of 20 BPS when compared to 2Q13, evidence of adequate cost control and operational synergies.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Personnel Expenses	-132.9	-119.1	-11.6%	-134.1	0.9%	-267.0	-244.4	-9.2%
Third-Party Services	-74.5	-69.1	-7.8%	-70.3	-6.0%	-144.7	-134.5	-7.6%
Buildings and Maintenance	-57.8	-51.3	-12.7%	-56.7	-1.9%	-114.5	-103.4	-10.7%
Other Administrative Expenses	-19.5	-20.5	5.1%	-15.7	-24.1%	-35.1	-34.1	-2.9%
Expenses Recover	6.4	4.5	-40.4%	6.8	6.1%	13.2	11.8	-11.5%
Profit Sharing	-12.3	-9.3	-32.5%	-13.1	6.4%	-25.5	-18.7	-36.2%
Total	-290.5	-264.7	-9.7%	-283.0	-2.6%	-573.5	-523.2	-9.6%
Administrative Expenses ratio (% Retained Premiums)	8.8%	9.1%	20 BPS	9.0%	10 BPS	8.9%	9.1%	20 BPS

11. Other Operating Income and Expenses

Other operating income and expenses worsened 39.5% or 50 BPS in the ratio, when compared to 2Q13, explained mainly by a reduction in judicial contingencies. For the year-to-date, aside from negative impacts related to judicial contingencies and the provision for doubtful accounts, the ratio improved 30 BPS compared to 6M13.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Other Insurance Operating Income/Expenses	-88.1	-63.1	-39.5%	-80.7	-9.1%	-168.8	-166.0	-1.7%
Other Insurance Operating Income/Expenses Ratio (%)	2.7%	2.2%	-50 BPS	2.6%	-10 BPS	2.6%	2.9%	30 BPS

12. Tax Expenses

Tax expenses increased 4.4% in 2Q14 compared to 2Q13, and 15.3% in 6M14 compared to 6M13, principally due to increased operational activity.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Tax Expenses	-45.9	-44.0	-4.4%	-50.1	8.4%	-96.0	-83.3	-15.3%
Tax Expenses Ratio (% Retained Premiums)	1.4%	1.5%	10 BPS	1.6%	20 BPS	1.5%	1.4%	0 BPS

13. Financial Income

Total financial income achieved by the Company reaffirms its strong portfolio management capabilities, as demonstrated in 2Q14 through the growth of 102.5% compared to 2Q13, mainly due to a higher base interest rate (Selic) and the good performance of inflation-linked securities during the period. The Company's proprietary portfolio (own assets not linked to private pension) returned 107.9% and 107.3% of the benchmark (CDI) for the 2Q14 and 6M14, respectively.

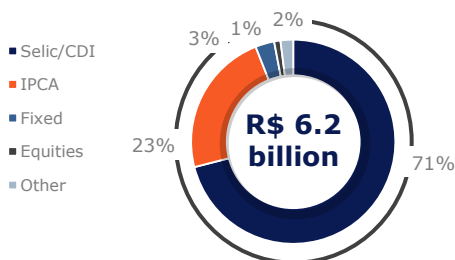
Approximately 99% of the Company's proprietary portfolio (own assets not linked to private pension) are allocated to fixed income, 96% of which is allocated to AAA-rated bonds or sovereign risk (government bonds), and only 1% is allocated to equities.

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Financial Income ex-Private Pension	162.5	90.7	79.1%	151.8	7.1%	314.2	204.1	53.9%
Return on Investment Portfolio	160.1	95.5	67.6%	146.8	9.1%	306.8	205.2	49.5%
Debt Service Cost	-18.3	-10.5	-74.1%	-13.6	-34.8%	-31.8	-20.0	-58.8%
Other	20.7	5.7	261.3%	18.5	11.6%	39.2	19.0	106.7%
Financial Income of Private Pension	2.3	-9.4	124.2%	5.2	-56.4%	7.5	-15.5	148.3%
Return on Investment Portfolio of Private Pension	95.8	-8.0	NA	98.5	-2.7%	194.3	26.5	NA
Change in Liabilities of Private Pension	-93.6	-1.4	NA	-93.3	-0.3%	-186.8	-42.0	NA
Total Financial Income	164.8	81.4	102.5%	157.0	5.0%	321.7	188.6	70.6%

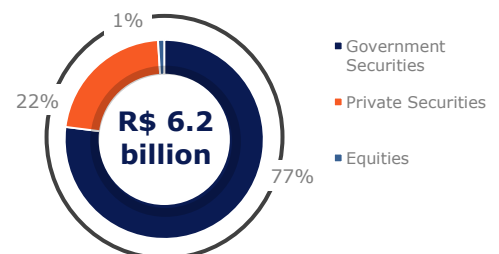
Balance

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ
Balance Excluding Private Pension	6,169.3	5,537.5	11.4%	5,821.4	6.0%
Private Pension Operations Balance	4,227.8	3,818.2	10.7%	4,169.8	1.4%
Total Balance	10,397.2	9,355.8	11.1%	9,991.2	4.1%

Investment Strategy (ex-pension)



Investment Allocation (ex-pension)



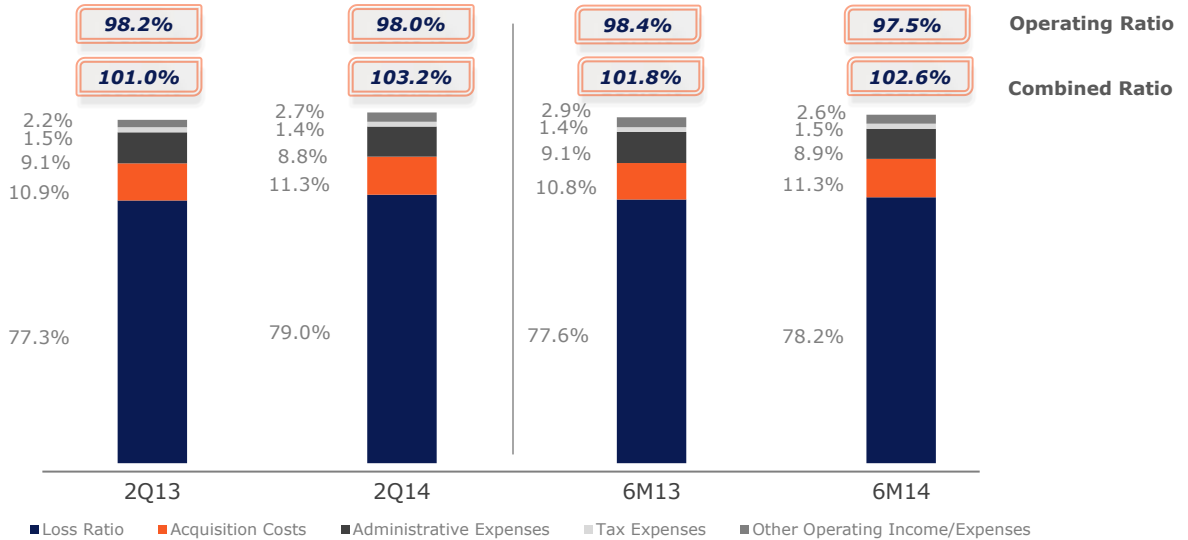
14. Combined and Operating Ratios

The combined ratio in 2Q14 was 103.2%, a worsening of 220 BPS relative to 2Q13, negatively impacted by higher health loss ratio, acquisition costs (explained in section 4 of the report), and other operating income and expenses. The operating ratio was relatively stable at 98.0% in 2Q14 due to a higher contribution of financial income.

In the comparison of the first six months with the previous year, the combined ratio worsened 80 BPS, impacted by increased health and auto losses and higher acquisition costs. However, the operating ratio improved 100 BPS, a function of the strong performance of financial income during the period.

Combined and Operating Ratios

(%)



15. Net Income

2Q14 net income totaled R\$ 53.6 million, 5.9% above 2Q13, positively impacted by premium growth, improved margins from both the Life and Personal Accident segment and the Other Property & Casualty segment, the contribution of Savings Bonds operations and improved financial results. For the first half of the year, net income grew 81.1% to R\$ 134.3 million, the highest level since the first half of 2010 (6M10: R\$ 135.6 million).

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Income Before Tax and Social Contribution	99.7	89.2	11.8%	136.2	-26.8%	236.0	133.7	76.4%
Income Tax and Social Contribution	-44.3	-36.8	-20.4%	-54.2	18.2%	-98.5	-57.7	-70.6%
Net Income	55.4	52.4	5.7%	82.1	-32.5%	137.5	76.0	80.9%
Net Income attributable to non-Controlling Interest	-1.8	-1.8	0.8%	-1.4	-33.2%	-3.2	-1.8	-73.7%
Net Income after non-Controlling Interest	53.6	50.6	5.9%	80.7	-33.6%	134.3	74.2	81.1%
Net Income per unit (R\$)*	0.16	0.15	5.9%	0.24	-33.6%	0.40	0.24	64.4%
ROAE (% last 12 months)	15.2%	13.6%	150 BPS	15.3%	-10 BPS			

*Net income per unit is calculated by multiplying the basic earnings per share by three. Each unit is composed of three shares, one common share and two preferred. The total number of units at the end of the periods 2Q14 and 2Q13 are different. Please refer to Note 23.8 in the Financial Statements for the period details on the calculation of earnings per share.

16. Summary Balance Sheet

ASSETS

(R\$ million)	2Q14	2013	Δ
Current Assets	12,613.9	11,626.1	8.5%
Cash, cash equivalents and marketable securities	9,270.1	8,533.6	8.6%
Receivables from insurance, reinsurance and pension operations	1,880.8	1,663.3	13.1%
Receivables from savings bonds operations	201.1	214.0	-6.0%
Reinsurance and retrocession assets	285.2	277.0	3.0%
Deferred acquisition costs	548.5	514.3	6.6%
Receivables	342.7	356.4	-3.8%
Other current assets	85.7	67.7	26.6%
Long-Term Assets	5,422.0	5,335.9	1.6%
Marketable securities	1,206.3	1,328.0	-9.2%
Judicial and fiscal deposits	2,457.4	2,317.2	6.0%
Deferred acquisition costs	215.4	205.5	4.8%
Other long-term assets	1,056.4	1,013.2	4.3%
Permanent Assets	486.5	471.9	3.1%
Total Assets	18,035.9	16,962.0	6.3%

LIABILITIES

(R\$ million)	2Q14	2013	Δ
Current Liabilities	7,488.9	7,069.8	5.9%
Loans and financing	191.4	20.1	852.6%
Other payable obligations	448.0	572.2	-21.7%
Insurance and reinsurance debts	532.0	531.7	0.1%
Technical reserves - Insurance	4,443.8	4,125.8	7.7%
Technical reserves - Private pension	929.7	891.8	4.3%
Technical reserves - Savings Bonds	798.8	790.4	1.1%
Other liabilities	145.2	137.9	5.3%
Non-current Liabilities	6,808.2	6,273.9	8.5%
Accounts payable	1,194.1	1,156.5	3.3%
Loans and financing	831.6	499.1	66.6%
Other accounts payable	23.4	48.2	-51.5%
Technical reserves - Insurance	462.9	459.9	0.6%
Technical reserves - Private pension	3,307.8	3,162.4	4.6%
Other liabilities	988.4	947.8	4.3%
Shareholders' Equity	3,738.8	3,618.3	3.3%
Total Liabilities	18,035.9	16,962.0	6.3%

17. Summary Income Statement

(R\$ million)	2Q14	2Q13	Δ	1Q14	Δ	6M14	6M13	Δ
Insurance Premiums	3,312.0	2,950.4	12.3%	3,191.0	3.8%	6,503.1	5,827.0	11.6%
Premiums ceded to reinsurance, retrocession, consortiums and funds	-27.6	-37.9	27.0%	-40.8	32.4%	-68.5	-75.5	9.3%
Retained Premiums	3,284.4	2,912.5	12.8%	3,150.2	4.3%	6,434.6	5,751.5	11.9%
Changes in insurance and retained technical reserves	-87.1	-82.7	-5.4%	-21.2	NA	-108.3	-180.6	40.0%
Earned Premiums	3,197.3	2,829.9	13.0%	3,129.0	2.2%	6,326.3	5,570.9	13.6%
Retained claims and benefits expenses	-2,525.4	-2,188.7	-15.4%	-2,424.6	-4.2%	-4,950.0	-4,323.6	-14.5%
Acquisition costs	-360.3	-309.2	-16.5%	-353.7	-1.9%	-714.0	-600.3	-18.9%
Gross Margin	311.6	331.9	-6.1%	350.7	-11.2%	662.3	647.2	2.3%
Other insurance and operating income/expenses	-88.1	-63.1	-39.5%	-80.7	-9.1%	-168.8	-166.0	-1.7%
Net operating income from savings bonds	14.7	11.7	25.7%	13.9	6.1%	28.6	11.7	144.2%
Net operating income from private pension	5.5	6.1	-10.0%	3.7	51.0%	9.2	11.7	-21.9%
Net operating income from ASO business	8.4	7.5	12.5%	6.0	39.3%	14.5	14.6	-0.7%
Net operating income from asset management business	10.6	11.6	-8.6%	10.4	2.8%	21.0	21.3	-1.6%
Administrative expenses	-290.5	-264.7	-9.7%	-283.0	-2.6%	-573.5	-523.2	-9.6%
Tax expenses	-45.9	-44.0	-4.4%	-50.1	8.4%	-96.0	-83.3	-15.3%
Net financial income	164.8	81.4	102.5%	157.0	5.0%	321.7	188.6	70.6%
Equity income	8.6	10.8	-20.5%	8.5	1.8%	17.1	11.2	52.4%
Income Before Tax, Social Contribution and non-Controlling Interest	99.7	89.2	11.8%	136.2	-26.8%	236.0	133.7	76.4%
Income tax and social contribution	-44.3	-36.8	-20.4%	-54.2	18.2%	-98.5	-57.7	-70.6%
Net Income	55.4	52.4	5.7%	82.1	-32.5%	137.5	76.0	80.9%
Attributable to non-Controlling Interest	-1.8	-1.8	0.8%	-1.4	-33.2%	-3.2	-1.8	-73.7%
Net Income after non-Controlling Interest	53.6	50.6	5.9%	80.7	-33.6%	134.3	74.2	81.1%

18. Analyst Coverage

Firm	Analyst	Phone
Agora	Aloísio Lemos	+55 (21) 2529-0807
Banco Fator	Pedro Zabeu	+55 (11) 3049-9478
Banco Safra	Francisco Kops	+55 (11) 3175-9073
Bradesco	Carlos Firetti	+55 (11) 2178-5363
Brasil Plural	Eduardo Nishio	+55 (11) 3206-8240
BTG Pactual	Eduardo Rosman	+55 (11) 3383-2772
Credit Suisse	Victor Schabbel	+55 (11) 3701-6337
Goldman Sachs	Carlos Macedo	+55 (11) 3371-0887
JP Morgan	Domingos Falavina	+55 (11) 4950-3474
Merrill Lynch	Jose Barria	+1 646 743 0181
Santander	Henrique Navarro	+55 (11) 3012-5756
UBS	Mariana Taddeo	+55 (11) 3513-6512
Votorantim	Flavio Yoshida	+55 (11) 5171-5627