



Quarterly Results – 1st quarter 2018

- Total revenues of R\$4.8 billion (+12.0%)
- Net income of R\$141.4 million (+10.0%)
- Combined ratio of 98.6%, an improvement of 230 BPS
- Total health & dental insured members grows 7.8%
- Return on average equity of 14.3% in the last 12 months

Conference Call

May 4, 2018 (Friday)

Portuguese (with simultaneous translation to English)

10 am (Brasília) | 9 am (US/DST)

Webcast: www.sulamerica.com.br/ir

Brazil: +55 (11) 3193-1001 or +55 (11) 2820-4001

USA: 1-800-492-3904 or +1 (646) 828-8246 | **UK:** +44 20 7442-5653

MESSAGE FROM MANAGEMENT

We began 2018 keeping our trend of growing positive results. We sustained a strong revenue growth pace, increasing the number of insured members without losing our focus on profitability, risk management, cost discipline and capital allocation, maintaining our solid position as the largest independent insurer in the country.

We ended the quarter with R\$4.8 billion in revenues, an increase of 12.0% over the previous year. Our continuous efforts to seek efficiency, process improvements and greater operational leverage have been bearing fruits. The combined ratio for the period, which improved by 230 basis points year-on-year to 98.6%, helped offset the already expected lower contribution from investment income, which fell given the decrease in interest rates (Selic). These operating gains led us to once again present net income growth, which reached R\$141.4 million in the quarter, 10.0% above the figure recorded in the same period of last year, allowing us to maintain a return on average equity (ROAE) of 14.3% in the last twelve months.

Keeping good levels of new sales and customer retention contributed to the growth in revenues and membership in the health and dental segment. The portfolio's loss ratio remains at controlled levels and within our expectations, especially considering seasonal effects inherent to our business. We continue increasing our efforts on initiatives in claims management, health promotion and care coordination, while at the same time managing our providers network, permanently seeking the adequate profitability for this portfolio. We must also highlight the continuous recovery of the automobile segment, which began in the second half of 2017 and has been showing significant results, further demonstrating our commitment to profitability in all segments. The improvement of 870 basis points in the auto loss ratio in the first quarter of 2018 is a result of the constant improvement in underwriting, an increasingly accurate risk management, as well as a more positive market environment, in particular with the recovery of new vehicle sales in the first months of this year. In the other lines of business, the massified segment continues to present excellent results, with revenue growth and profitability gains. The segment of life and personal accidents kept its recovery trend, with stable operating revenues and an improved loss ratio, thus presenting an increase of 140% in gross margin. The savings bonds operation, although still impacted by the slow recovery of retail and real estate sectors, also showed a significant improvement in profitability, with its gross margin showing an increase of 24.0%. The volume of assets under management of *SulAmérica Investimentos*, our asset management arm, continued to grow and reached R\$38.5 billion, being R\$6.4 billion of the AuM linked to pension reserves. We should also highlight the good performance of the administrative expenses ratio (measured by the ratio of total administrative expenses to total operating revenues), which reached 8.0% in the first quarter, an improvement of 160 basis points when compared to the same quarter of the previous year.

We recognize the increasing importance of technology to business sustainability and therefore have been investing heavily in technological innovations focused on operational efficiency and customer experience. In the first quarter, we launched the Sharecare app, free to all health beneficiaries, an initiative of *Saúde Ativa* (Active Health), SulAmérica's health management program. This launch, which follows global trends in health and wellness monitoring using technology tools, is a result of our joint venture in Sharecare in Brazil and is another example of our continued focus on health promotion and innovation. By using the app, users are encouraged to adopt a healthier lifestyle through interactive tools which track their habits, indicate stress levels, as well as other features, including recommendations from experts and tailor-made reminders that stimulate a more balanced lifestyle.

We continue to work to reduce risks in our operation and increase our positive social and environmental impacts, guided by commitments such as the United Nations' Global Compact, the Principles for Responsible Investment (PRI) and the Principles for Sustainability in Insurance (PSI). At the end of March, we launched our 2017 Annual Report, following the guidelines of the Global Reporting Initiative (GRI). The report is once again fully online and in an innovative format, this time around with the participation of our employees and their friends and family.

We remain confident in our business model, which allowed us to successfully overcome one of the country's greatest crises. The Brazilian economy continues to show signs of recovery, which point to a more benign scenario compared to the one faced in recent years. Thus, we believe we are prepared to continue in our growth path in the coming cycles.

Once again, we thank the engagement of our more than 5,000 employees and the trust, dedication and fundamental contribution of the more than 30,000 independent insurance brokers, as well as the support of our shareholders, business partners, service providers and other stakeholders of the Company.

Gabriel Portella
CEO

1. Main Highlights

Financial Highlights (R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Operating Revenues	4,572.0	4,068.4	12.4%	4,588.3	-0.4%
Health & Dental	3,717.6	3,259.2	14.1%	3,603.3	3.2%
Automobile	703.8	664.8	5.9%	828.6	-15.1%
Other Property & Casualty	48.2	41.2	16.9%	60.0	-19.7%
Life & Personal Accident	102.3	103.2	-0.8%	96.4	6.2%
Other Operating Revenues	199.4	192.7	3.5%	234.3	-14.9%
Private Pension	151.0	132.3	14.1%	161.7	-6.7%
Savings Bonds	13.1	14.4	-9.0%	13.0	0.9%
Administrative Services Only	15.1	11.3	33.3%	28.3	-46.7%
Asset Management	11.0	9.7	13.4%	12.1	-9.1%
Other Revenues	9.3	25.0	-62.9%	19.2	-51.6%
Total Operating Revenues	4,771.4	4,261.1	12.0%	4,822.6	-1.1%
Investment Income	144.9	224.1	-35.3%	179.3	-19.2%
Net Income	142.0	129.0	10.1%	413.9	-65.7%
Net Income after non-Controlling Interest	141.4	128.6	10.0%	412.7	-65.7%
Net Income per unit (R\$)*	0.37	0.38	-4.4%	1.09	-66.5%
Recurring ROAE (% last 12 months)	14.3%	14.7%	-40 BPS	14.5%	-20 BPS
Insurance Operational Information (R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Earned Premiums	4,693.2	4,229.8	11.0%	4,581.9	2.4%
Health & Dental	3,734.3	3,284.0	13.7%	3,656.8	2.1%
Automobile	792.9	794.3	-0.2%	780.5	1.6%
Other Property & Casualty	50.4	41.7	21.0%	52.5	-3.9%
Life & Personal Accident	115.7	109.8	5.4%	92.2	25.6%
Retained Claims	-3,585.2	-3,239.3	-10.7%	-3,201.3	-12.0%
Health & Dental	-3,029.6	-2,613.9	-15.9%	-2,661.9	-13.8%
Automobile	-491.7	-561.8	12.5%	-468.2	-5.0%
Other Property & Casualty	-17.9	-16.5	-8.0%	-22.4	20.1%
Life & Personal Accident	-46.0	-47.2	2.5%	-48.9	5.9%
Insurance Operational Ratios (%)	1Q18	1Q17	Δ	4Q17	Δ
Loss Ratio	76.4%	76.6%	20 BPS	69.9%	-650 BPS
Health & Dental	81.1%	79.6%	-150 BPS	72.8%	-830 BPS
Automobile	62.0%	70.7%	870 BPS	60.0%	-200 BPS
Other Property & Casualty	35.5%	39.7%	420 BPS	42.6%	710 BPS
Life & Personal Accident	39.4%	42.8%	340 BPS	52.5%	1310 BPS
Acquisition Cost	9.7%	10.5%	70 BPS	9.8%	0 BPS
Health & Dental	6.4%	6.4%	0 BPS	6.4%	0 BPS
Automobile	20.7%	22.8%	210 BPS	21.3%	60 BPS
Other Property & Casualty	32.4%	35.5%	310 BPS	31.9%	-50 BPS
Life & Personal Accident	31.5%	32.6%	110 BPS	33.3%	180 BPS
Combined	98.6%	100.9%	230 BPS	92.4%	-620 BPS
Operating	95.5%	95.4%	0 BPS	88.6%	-690 BPS
Consolidated Ratios (% of total operating revenues)	1Q18	1Q17	Δ	4Q17	Δ
Operating Gross Margin	10.2%	9.8%	40 BPS	17.5%	-730 BPS
General & Administrative Expenses	8.0%	9.6%	160 BPS	9.3%	130 BPS
Net Margin	3.0%	3.0%	-10 BPS	8.6%	-560 BPS
Operating Highlights	1Q18	1Q17	Δ	4Q17	Δ
Health & Dental Insured Members (thousand)	3,217	2,984	7.8%	3,169	1.5%
Health Insured Members	2,164	2,088	3.6%	2,137	1.3%
Dental Insured Members	1,054	896	17.5%	1,032	2.1%
Insured Fleet (thousand)	1,513	1,683	-10.2%	1,511	0.1%
Insured Lives (thousand)	3,175	2,812	12.9%	3,149	0.8%
Assets under Management (R\$ billion)	38.5	34.2	12.4%	38.3	0.6%
Private Pension Reserves (R\$ million)	6,421	6,204	3.5%	6,239	2.9%

Main highlights in the 1st quarter of 2018 are:

- growth of 12.0% in total operating revenues, reaching R\$4.8 billion, driven mainly by the positive performance of health and dental, massified, pension and asset management segments;
- health and dental group insurance members grew 8.8% over 1Q17, reaching 3.1 million;
- loss ratio presented a gain of 20 BPS in relation to 1Q17, reaching 76.4%, mainly as a result of the significant recovery in the auto segment, as well as good performances in life and massified portfolios;
- operational gains drove combined ratio to 98.6% in the quarter, an improvement of 230 BPS;
- invested assets in proprietary portfolio yielded 111.2% of the CDI (benchmark rate), helping mitigate the expected decrease in investment income due to the lower average Selic rate in the period; and
- net income of R\$141.4 million in the quarter, growth of 10.0% over the 1Q17.

*Net income per unit is calculated by multiplying the basic earnings per share by three. Each unit is comprised of three shares, one common share and two preferred. The total number of shares outstanding for the years 2017 and 2018 are different. Please refer to Note 22.6 in the Financial Statements for the period details on the calculation of earnings per share.

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

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Operating Revenues	3,732.7	3,278.5	13.9%	3,647.2	2.3%
Insurance	3,717.6	3,259.2	14.1%	3,603.3	3.2%
Group	3,176.7	2,756.4	15.2%	3,070.9	3.4%
Corporate/Affinity	2,090.1	1,884.1	10.9%	2,042.9	2.3%
SME	1,030.3	824.0	25.0%	976.7	5.5%
Dental	56.3	48.3	16.5%	51.4	9.6%
Individual Health	540.9	502.8	7.6%	532.4	1.6%
Administrative Services Only	15.1	11.3	33.3%	28.3	-46.7%
Other Operating Revenues	0.0	8.1	-99.9%	15.6	-99.9%
Changes in Technical Reserves	-17.1	-7.5	-127.9%	1.0	NA
Insurance	-17.1	-7.5	-127.9%	1.0	NA
Operating Expenses	-3,391.2	-2,924.6	-16.0%	-2,988.3	-13.5%
Insurance	-3,388.6	-2,922.5	-15.9%	-2,984.6	-13.5%
Administrative Services Only	-2.6	-2.1	-21.7%	-3.7	29.4%
Gross Margin	324.4	346.4	-6.4%	660.0	-50.8%
Insurance	311.9	329.2	-5.2%	619.7	-49.7%
Administrative Services Only	12.5	9.2	35.9%	24.6	-49.3%
Other	0.0	8.1	-99.9%	15.6	-99.9%
Loss Ratio	81.1%	79.6%	-150 BPS	72.8%	-830 BPS
Acquisition Cost	6.4%	6.4%	0 BPS	6.4%	0 BPS

Health and Dental Insurance

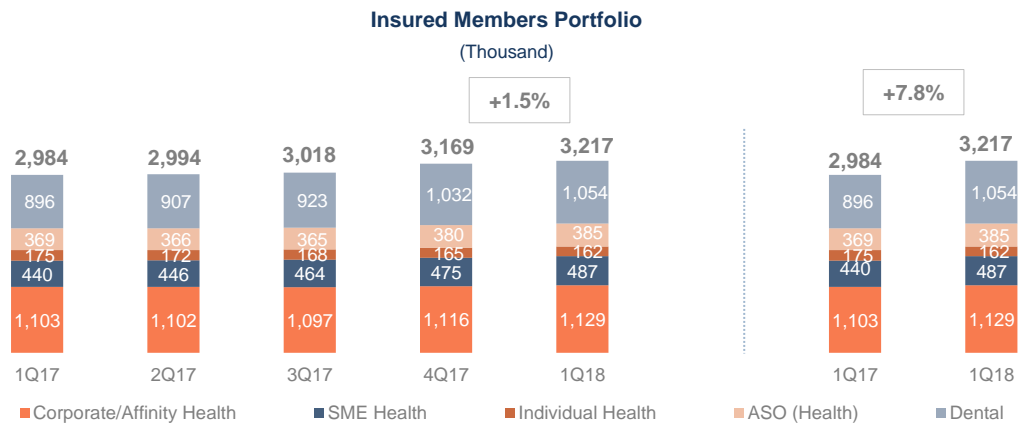
Operating revenues for the health and dental insurance segment increased 14.1% to R\$3.7 billion in 1Q18, keeping a consistent growth pace. Group plans remained the highlight, presenting growth in all portfolios, mainly in SME (small and medium enterprises) and dental, which increased top line by 25.0% and 16.5%, respectively.

The Company continues to demonstrate its ability to boost new sales and maintain adequate customer retention levels. This good performance is a result of our commercial efforts and the expansion of our regional reach, as well as by the strength of the brand and the capacity to format its products to cater to different clients. SulAmérica remains well positioned to take advantage of the opportunities arising from the current natural consolidation process taking place in the private healthcare industry in Brazil, allowing the Company to maintain consistent membership growth, above the average of the market.

(Thousand members)	1Q18	1Q17	Δ	4Q17	Δ
Group Health	2,002	1,912	4.7%	1,972	1.5%
Corporate/Affinity Health	1,129	1,103	2.4%	1,116	1.2%
SME Health	487	440	10.6%	475	2.5%
Administrative Services Only	385	369	4.4%	380	1.4%
Dental	1,054	896	17.5%	1,032	2.1%
Dental	1,022	864	18.4%	1,000	2.2%
Administrative Services Only	31	33	-4.4%	32	-3.3%
Group Total	3,055	2,809	8.8%	3,004	1.7%
Individual Health	162	175	-7.7%	165	-1.9%
Total	3,217	2,984	7.8%	3,169	1.5%

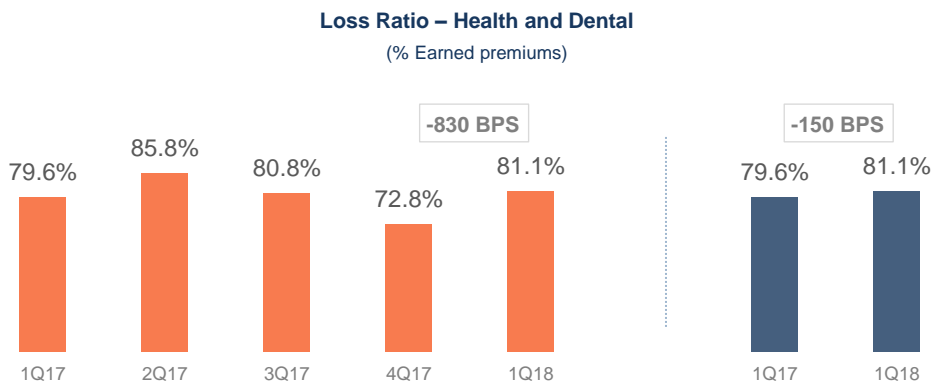
The total number of members in health and dental group plans totaled 3.1 million, growing 8.8%, or net adds of 247 thousand lives since 1Q17. All group portfolios grew in the quarter, with top performers being dental and SME plans (+17.5% and +10.6%, respectively). The gradual recovery of the corporate/affinity portfolio, the most affected during the crisis, was also a highlight, presenting growth of 2.4% in the quarter. ASO (administrative services only) health and dental plans also grew by 3.7%, reaching 416 thousand lives.

2. Health and Dental, and Administrative Services Only (ASO) (cont.)



Recent available statistics from ANS (National Agency of Supplemental Health) for February 2018 show that the total number of insured lives in the country reached 47.4 million in health and 23.1 million in dental, representing, a stability in the health segment and an increase of 6.2% in the dental segment, in comparison to the same period of the previous year. According to data from CAGED (General Register of Employees and Unemployed in Brazil), there was a positive balance of 204 thousand jobs created in the first quarter of 2018, which contributes to the fact that, in January and February, the number of beneficiaries in health plans increased in relation to 4Q17, albeit slightly, reversing the sequential downward trend observed in recent years.

The segment's loss ratio worsened 150 BPS, reaching 81.1%, compared to the same period of the last year. The Company believes that the loss ratio remained under control in recent quarters. A solid performance in controlling this indicator is a result of the continuous initiatives focused on claims management and wellness promotion programs, as well as care coordination projects that benefit all portfolios.



Health Administrative Services Only (ASO)

Revenues from ASO plans grew 33.3% compared to the same period of last year, with an increase of 3.7% in membership, keeping the good growth pace of the ASO portfolio. As a result, the gross margin totaled R\$12.5 million, growth of 35.9% compared to 1Q17.

3. Auto and Other Property and Casualty Insurance

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Operating Revenues	761.0	722.7	5.3%	891.7	-14.7%
Insurance	752.0	706.1	6.5%	888.6	-15.4%
Automobile	703.8	664.8	5.9%	828.6	-15.1%
Other Property & Casualty	48.2	41.2	16.9%	60.0	-19.7%
Other Operating Revenues	9.0	16.6	-45.8%	3.1	192.6%
Automobile	9.1	10.4	-12.6%	9.0	1.0%
Other Property & Casualty	-0.1	6.2	NA	-5.9	98.7%
Changes in Technical Reserves	74.8	116.8	-36.0%	-72.8	NA
Automobile	74.3	117.5	-36.8%	-63.7	NA
Other Property & Casualty	0.5	-0.7	NA	-9.1	NA
Operating Expenses	-707.8	-792.8	10.7%	-685.4	-3.3%
Insurance	-707.8	-792.8	10.7%	-685.3	-3.3%
Automobile	-669.7	-754.9	11.3%	-644.1	-4.0%
Other Property & Casualty	-38.1	-37.9	-0.4%	-41.2	7.6%
Gross Margin	128.0	46.6	174.5%	133.5	-4.2%
Automobile	117.4	37.8	211.1%	129.7	-9.5%
Other Property & Casualty	10.5	8.9	18.9%	3.8	176.3%

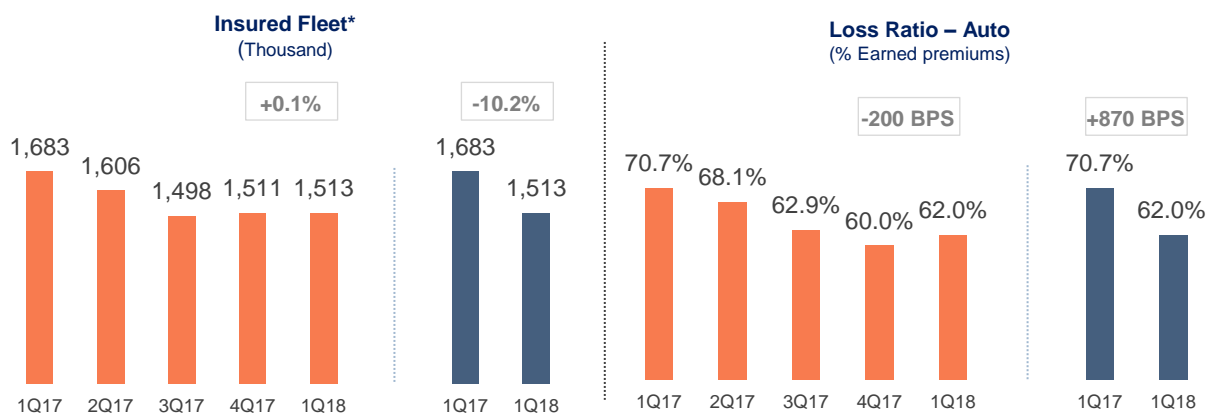
Loss Ratio	60.4%	69.2%	870 BPS	58.9%	-150 BPS
Automobile	62.0%	70.7%	870 BPS	60.0%	-200 BPS
Other Property & Casualty	35.5%	39.7%	420 BPS	42.6%	710 BPS
Acquisition Cost	21.4%	23.5%	200 BPS	21.9%	50 BPS
Automobile	20.7%	22.8%	210 BPS	21.3%	60 BPS
Other Property & Casualty	32.4%	35.5%	310 BPS	31.9%	-50 BPS

Auto Insurance

The quarter's performance kept the positive trend started in the second half of 2017. Operating revenues grew 5.9% compared to the first quarter of 2017, from R\$664.8 million to R\$703.8 million in 1Q18, with a significant improvement of 870 BPS in the loss ratio, which reached 62.0%. In addition, acquisition costs fell by 210 BPS in the period, following the trend observed in the previous year as a result of the market context.

Revenue growth and gains in profitability led to a significant increase in gross margin, which totaled R\$117.4 million, more than three times higher than in 1Q17. The introduction of new underwriting tools, operational improvements, and the continued adequacy of risk exposure levels, as well as an improvement in market conditions were the main drivers of the recovery.

The insured fleet ended the quarter at 1.5 million vehicles, slightly above the figure recorded in 4Q17.



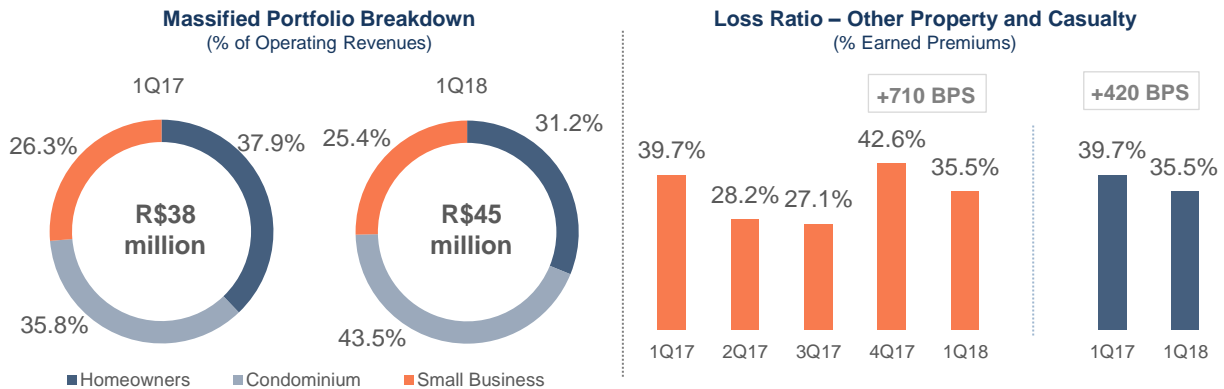
*Insured fleet net of technical cancellations

3. Auto and Other Property and Casualty Insurance (cont.)

Other Property and Casualty Insurance

The other property & casualty insurance portfolio continued to show consistent growth and profitability, delivering an improvement of 18.9% in the gross margin in the quarter, a result of revenue growth – 16.9% higher vs. 1Q17 reaching R\$48.2 million – and 420 BPS and 310 BPS improvements in the loss and acquisition costs ratios, respectively.

Considering only the massified portfolio (homeowners/households, condominium and small businesses) – which represents around 93% of this segment – operating revenues grew 16.7% in the quarter, reaching R\$44.6 million, with a loss ratio of 38.7% – 230 BPS lower than in the 1Q17.



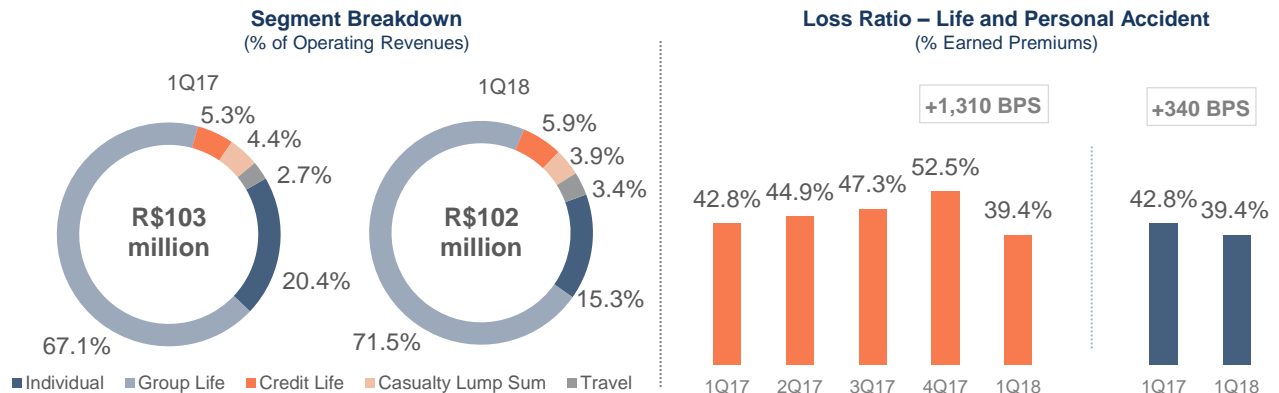
4. Life and Personal Accident Insurance and Private Pension

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Operating Revenues	253.6	235.8	7.5%	258.6	-1.9%
Insurance	102.3	103.2	-0.8%	96.4	6.2%
Private Pension	151.0	132.3	14.1%	161.7	-6.7%
Other Operating Revenues	0.3	0.4	-22.4%	0.5	-46.0%
Changes in Technical Reserves	-111.7	-95.4	-17.1%	-136.9	18.5%
Insurance	9.8	3.8	160.0%	-3.1	NA
Private Pension	-121.4	-99.1	-22.5%	-133.8	9.2%
Operating Expenses	-122.3	-130.0	5.9%	-91.0	-34.4%
Insurance	-92.5	-98.8	6.3%	-66.3	-39.6%
Private Pension	-29.8	-31.3	4.7%	-24.7	-20.7%
Gross Margin	19.6	10.4	88.2%	30.7	-36.2%
Insurance	19.5	8.1	139.9%	26.9	-27.4%
Private Pension	-0.3	1.9	NA	3.2	NA
Other	0.3	0.4	-22.4%	0.5	-46.0%
Loss Ratio	39.4%	42.8%	340 BPS	52.5%	1310 BPS
Acquisition Cost	31.5%	32.6%	110 BPS	33.3%	180 BPS

Life and Personal Accident Insurance

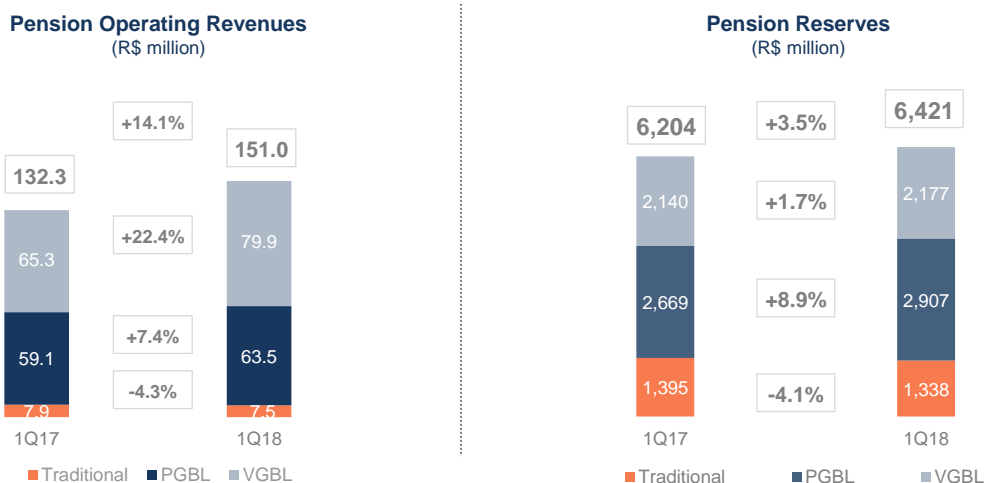
Life and personal accident revenues reached R\$102.3 million in 1Q18, nearly stable compared to the same period of last year. The segment's loss ratio of 39.4% represented improvements of 340 BPS over 1Q17 and 1,310 BPS over 4Q17, which was negatively impacted by the cancellation of old contracts. The improvement in profitability drove the gross margin in the period, which totaled R\$19.5 million, 139.9% better than in 1Q17.

4. Life and Personal Accident Insurance and Private Pension (cont.)



Private Pension

Pension reserves grew 3.5% over the same period of last year, reaching R\$6.4 billion, mainly as a result of accumulated returns of the underlying pension funds. Operating revenues grew 14.1% in the quarter, driven mainly by the higher revenues of the VGBL product (+22.4%).



5. Savings Bonds

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Operating Revenues	13.1	14.4	-9.0%	13.0	0.9%
Operating Expenses	-8.5	-10.7	20.3%	-6.6	-28.6%
Gross Margin	4.6	3.7	24.0%	6.4	-28.2%
Savings Bonds Reserves	651.5	625.5	4.2%	624.9	4.3%

The savings bonds segment ended the quarter with gross margin up by 24.0% compared to the same quarter of the previous year, reflecting a reduction of 20.3% in operating expenses, which more than offset operating revenues that were 9.0% lower.

SulAmérica's savings bonds operation focus on two segments: real estate and incentive/promotional, both of which are still facing a challenging economic scenario. The real estate market has been mainly affected by declining rent values and a lower number of properties being effectively rented, in spite of the increase in our distribution capacity and the strengthening of our relationship with brokers, real estate agents, landlords and tenants.

The promotional segment is still suffering with the shy economic recovery which was not yet enough for the segment to pick up. On the other hand, SulAmérica is prepared to seize the opportunities that will come when businesses recover, with more competitive promotional solutions, a result of investments in the revision of processes and service model, in addition to the identification of new consumer niches.

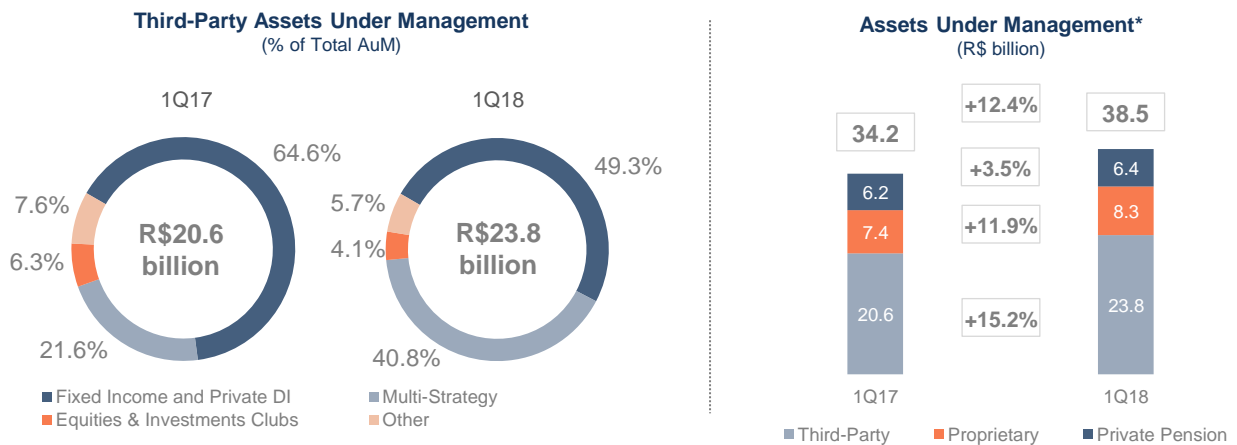
6. Asset Management

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Operating Revenues	11.0	9.7	13.4%	12.1	-9.1%
Management Fee	10.8	9.5	13.5%	10.6	1.3%
Performance Fee	0.2	0.2	7.2%	1.5	-84.6%
Operating Expenses	-0.9	-1.1	23.4%	-0.8	-4.4%
Gross Margin	10.1	8.5	18.3%	11.2	-10.1%

SulAmérica Investimentos, our asset management business, finished the quarter with a record R\$38.5 billion in AuM, growth of 12.4% compared to the same period of last year. The increase was mainly propelled by third-party assets which increased 15.2%, reaching R\$23.8 billion. Our proprietary portfolio – insurance float (R\$8.3 billion) and private pension reserves (R\$6.4 billion) also grew by 11.9% and 3.5%, respectively.

Operating gross margin improved 18.3% in 1Q18, following higher administrative and performance fees, which grew by 13.5% and 7.2%, respectively.

Following the trend observed since last year, the allocation in multi-strategy funds continued to gain share in the portfolio of third-party assets, reaching 40.8% of the portfolio, while fixed income assets continued to lose share. This movement is related to the lower average benchmark interest rate (Selic) and, consequently, the lower yield of securities linked to the CDI (Brazil's Interbank Certificate of Deposit).



*The reported third-party assets under management include investment funds and portfolios that are managed or administered by *SulAmérica Investimentos S.A.*

7. Administrative Expenses

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Personnel Expenses	-188.1	-177.2	-6.1%	-184.0	-2.2%
Third-Party Services	-90.5	-102.3	11.6%	-113.6	20.3%
Buildings and Maintenance	-38.8	-39.6	1.9%	-38.9	0.3%
Other Administrative Expenses	-24.3	-48.5	49.8%	-36.2	32.9%
Profit Sharing	-17.8	-16.3	-9.8%	-25.3	29.6%
Tax Expenses	-9.8	-11.5	14.8%	-38.7	74.7%
Depreciation & Amortization	-11.1	-14.2	22.2%	-11.5	4.0%
Total	-380.4	-409.5	7.1%	-448.3	15.2%
General & Administrative Expenses Ratio (% operating revenues)	8.0%	9.6%	160 BPS	9.3%	130 BPS

Our efforts to maintain a strict control of costs and expenses remain in place, and we keep seeking efficiency gains and operational leverage. The ratio of administrative expenses (measured by the ratio of total administrative expenses to total operating revenues) reached 8.0% in the first quarter of the year, a gain of 160 BPS over the same quarter of the previous year. In absolute terms, we presented a reduction of 7.1% in total administrative expenses, even after the annual salary adjustments (collective bargaining agreement), which takes place in the first quarter and essentially follows the IPCA (Consumer Price Index).

8. Investment Income

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Investment Income ex-Private Pension	145.7	219.6	-33.7%	176.2	-17.3%
Return on Investment Portfolio	160.6	240.8	-33.3%	164.4	-2.3%
Debt Service Cost	-29.6	-43.1	31.2%	-29.1	-1.7%
Other Investment Income	14.8	21.8	-32.4%	40.9	-63.9%
Investment Income from Private Pension	-0.8	4.5	NA	3.2	NA
Return on Investment Portfolio of Private Pension	144.5	190.8	-24.3%	103.9	39.1%
Change in Liabilities of Private Pension	-145.3	-186.3	22.0%	-100.7	-44.3%
Total Investment Income	144.9	224.1	-35.3%	179.3	-19.2%

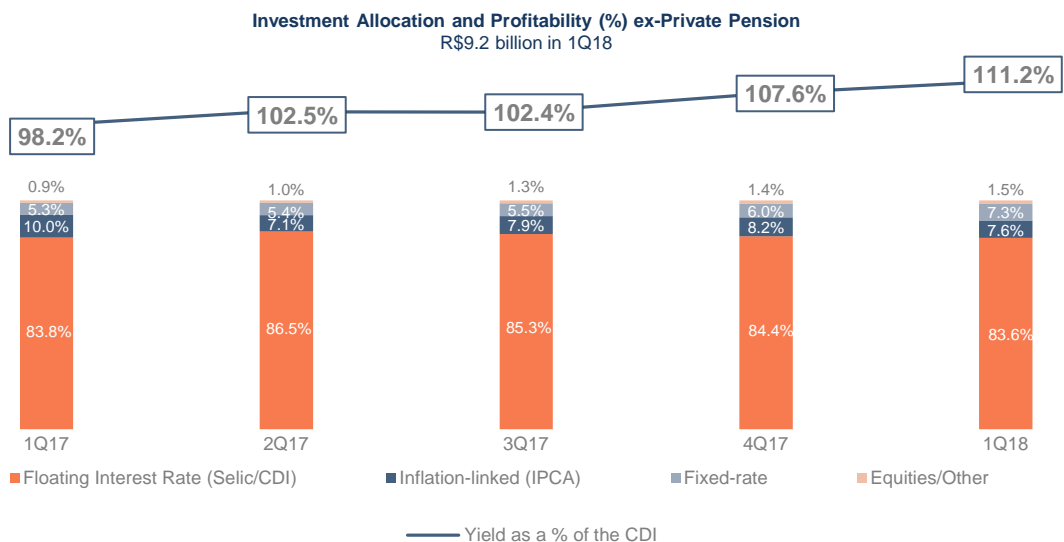
Balance

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Balance Excluding Private Pension	9,237.4	8,188.3	12.8%	8,943.2	3.3%
Private Pension Operations Balance	6,421.3	6,204.4	3.5%	6,239.4	2.9%
Total Balance	15,658.6	14,392.6	8.8%	15,182.6	3.1%

Total net investment income reached R\$144.9 million in 1Q18, 35.3% lower in relation to 1Q17, mainly impacted by the negative variation of 33.3% in the return on investment portfolio, even with a 12.8% higher volume of proprietary assets. Such performance, already expected, followed the relevant year-over-year decrease in the Selic rate, to which most of our assets are indexed. On the other hand, the lower Selic rate has a positive impact in the debt service cost line – which improved by 31.2% in 1Q18 – since most of the Company's debt outstanding is also linked to it. In addition, there is a positive impact over contingent liabilities given that they are basically linked to IPCA and this index also fell in the annual comparison.

We continue to improve the yield in the Company's proprietary portfolio (ex-private pension), which climbed to 111.2% in the first quarter of 2018, compared to 98.2% in 1Q17. In addition to a more favorable asset allocation mix, the good yield in the period was propelled by the performance of fixed-rate assets as well as from equity funds.

Approximately 99% of the proprietary assets (ex-private pension) are allocated in fixed income, with nearly 1% held in equities and other asset classes. Approximately 89% of the fixed income allocation (ex-PGBL and VGBL) is invested in AAA-rated or sovereign risk securities (Brazilian government bonds).



9. Summary Income Statement

(R\$ million)	1Q18	1Q17	Δ	4Q17	Δ
Operating Revenue	4,771.4	4,261.1	12.0%	4,822.6	-1.1%
Insurance	4,572.0	4,068.4	12.4%	4,588.3	-0.4%
Private Pension	151.0	132.3	14.1%	161.7	-6.7%
Saving Bonds	13.1	14.4	-9.0%	13.0	0.9%
ASO	15.1	11.3	33.3%	28.3	-46.7%
Asset Management	11.0	9.7	13.4%	12.1	-9.1%
Other	9.3	25.0	-62.9%	19.2	-51.6%
Changes in Premium Technical Reserves	-54.0	13.9	NA	-208.7	74.1%
Insurance	67.4	113.0	-40.3%	-74.9	NA
Private Pension	-121.4	-99.1	-22.5%	-133.8	9.2%
Operating Expenses	-4,229.5	-3,858.4	-9.6%	-3,770.7	-12.2%
Insurance	-4,187.7	-3,813.1	-9.8%	-3,734.8	-12.1%
Claims	-3,585.2	-3,239.3	-10.7%	-3,201.3	-12.0%
Acquisition Costs	-457.1	-443.1	-3.2%	-447.1	-2.2%
Other	-145.4	-130.7	-11.3%	-86.4	-68.2%
Private pension	-29.8	-31.3	4.7%	-24.7	-20.7%
Benefits and Redemptions Expenses	-21.1	-23.5	10.0%	-14.6	-44.3%
Acquisition Costs	-7.9	-7.4	-6.5%	-9.7	18.0%
Other	-0.7	-0.3	-114.3%	-0.4	-91.5%
Saving Bonds	-8.5	-10.7	20.3%	-6.6	-28.6%
ASO	-2.6	-2.1	-21.7%	-3.7	29.4%
Asset Management	-0.9	-1.1	23.4%	-0.8	-4.4%
Other	0.0	0.0	NA	0.0	NA
Operating Gross Margin	487.9	416.6	17.1%	843.2	-42.1%
General and Administrative Expenses	-380.4	-409.5	7.1%	-448.3	15.2%
Net Investment Income	144.9	224.1	-35.3%	179.3	-19.2%
Equity Interest Income	9.4	9.0	4.5%	11.7	-19.3%
Other Equity Income / (Expenses)	3.7	1.9	96.2%	-2.7	NA
Income before tax and social contribution	265.6	242.2	9.7%	583.2	-54.5%
Income Tax and Social Contribution	-123.5	-113.1	-9.2%	-169.4	27.1%
Net Income	142.0	129.0	10.1%	413.9	-65.7%
Attributable to Non-Controlling Shareholders	-0.6	-0.4	-47.0%	-1.1	47.2%
Net Income After Non-Controlling Interests	141.4	128.6	10.0%	412.7	-65.7%

10. Summary Balance Sheet

ASSETS			
(R\$ million)	1Q18	2017	Δ
Current Assets	17,322.6	17,014.3	1.8%
Cash, cash equivalents and marketable securities	14,571.2	14,119.2	3.2%
Receivables	1,893.6	1,974.2	-4.1%
Taxes	144.3	225.3	-36.0%
Reinsurance assets	37.6	25.2	49.4%
Salvages for sale	58.1	51.1	13.7%
Deferred acquisition costs	586.6	596.2	-1.6%
Other	31.2	23.2	34.9%
Non-current assets	6,518.0	6,435.2	1.3%
Marketable securities	1,152.1	1,147.0	0.4%
Receivables	781.1	718.4	8.7%
Judicial deposits	2,851.6	2,856.4	-0.2%
Reinsurance assets	7.4	7.7	-4.2%
Deferred acquisition costs	519.6	498.1	4.3%
Taxes	838.6	796.0	5.3%
Other	3.4	3.0	14.5%
Investments, property and equipment, and intangible assets	364.2	408.6	-10.9%
Total Assets	23,840.6	23,449.5	1.7%
LIABILITIES			
(R\$ million)	1Q18	2017	Δ
Current Liabilities	8,647.5	8,803.9	-1.8%
Accounts payable	1,593.0	1,706.0	-6.6%
Loans and financing	166.7	300.0	-44.4%
Insurance and reinsurance liabilities	316.1	289.9	9.0%
Technical reserves - Insurance	6,502.2	6,422.1	1.2%
Judicial provisions	62.0	78.3	-20.8%
Other	7.6	7.6	0.0%
Non-current Liabilities	9,400.2	9,005.2	4.4%
Accounts payable	29.6	32.5	-9.0%
Loans and financing	1,448.5	1,284.5	12.8%
Technical reserves - Insurance	5,505.2	5,326.0	3.4%
Judicial provisions	2,398.0	2,341.3	2.4%
Other	19.0	20.9	-9.4%
Shareholders' Equity	5,792.9	5,640.4	2.7%
Total Liabilities and Shareholders' Equity	23,840.6	23,449.5	1.7%

11. Analyst Coverage

Firm	Analyst	Phone
Agora	Aloisio Lemos	+55 (21) 2529-0807
Bradesco	Rafael Frade	+1 (212) 906 0874
Brasil Plural	Eduardo Nishio	+55 (11) 3206-8240
BTG Pactual	Eduardo Rosman	+55 (11) 3383-2772
Credit Suisse	Lucas Lopes	+55 (11) 3701-6052
JP Morgan	Domingos Falavina	+1 (212) 622 3602
Merrill Lynch	Gustavo Schroden	+55 (11) 2188-4588
Santander	Henrique Navarro	+55 (11) 3012-5756
UBS	Frederic De Mariz	+55 (11) 3513-6511

12. Glossary

Operating revenues: this account is comprised of (i) sum of net insurance retained premiums; (ii) contributions, management fees and other private pension revenues; (iii) collection revenues net of changes in technical provisions and other deductions; (iv) management fees and other revenues from Health Administrative Services Only (ASO) plans; (v) management and performance fees from the asset management operation.

Operating expenses: this account is comprised of (i) insurance expenses (claims, acquisition costs and other insurance expenses); (ii) private pension expenses (benefits and redemptions, acquisition costs and other operating expenses); (iii) savings bonds expenses (acquisition costs and other expenses); (iv) general expenses related to ASO plans, excluding payable events already deducted from revenues; (v) general expenses related to the asset management operation; (vii) other expenses not directly linked to the operations.

Operating gross margin: this account is comprised of operating revenues net of operating expenses and changes in insurance and private pension technical provisions.

Insurance Operational Ratios

Loss ratio: is the ratio between retained claims and earned premiums.

Acquisition cost ratio: the ratio between insurance acquisition costs and earned premiums.

Combined ratio: equals the sum of the loss ratio, acquisition cost ratio, other insurance operating revenues and expenses ratio, insurance tax expenses ratio and insurance gross margin ratio, which are calculated over earned premiums, and the division of general and administrative expenses by retained premiums.

Operating ratio: equals the difference between the combined ratio and the investment income ratio, which is calculated over retained premiums.

Other data can be found in the fundamentals spreadsheet, available at the Investor Relations website (www.sulamerica.com.br/ir)

Other Consolidated Ratios

Operating gross margin: the ratio between operating gross margin and total operating revenues.

General and administrative expenses ratio: the ratio between general and administrative expenses and total operating revenues.

Net margin: the ratio between net income and total operating revenues.

Return on average equity (ROAE): considers net income in the last twelve months and average shareholders' equity in the period.

Some percentages and other figures included in this performance report have been rounded for ease of presentation and therefore may present small differences in the tables and notes of quarterly information. Additionally, for the same reason, the totals in certain tables may not reflect the arithmetic sum of the previous values. Consolidated net income, net income per unit, and ROAE figures consider results for the Company net of non-controlling interest.