



Quarterly Results – 4th quarter 2018

- Total revenues of R\$20.5 billion (+12.5%) in 2018 and R\$5.3 billion (+10.9%) in 4Q18
- Net income of R\$905.0 million (+17.0%) for the year and R\$393.6 million (-4.6%) in the quarter
- Combined ratio of 97.0% in 2018, improvement of 170 BPS
- Health and dental group insurance members grow 8.9%
- Auto insured fleet increases by 8.6%
- Return on average equity of 15.2% in 2018

Conference Call

February 27, 2019 (Wednesday)

Portuguese (with simultaneous translation to English)

10am (Brasília) | 8am (US/EST)

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MESSAGE FROM MANAGEMENT

The year of 2018 was marked as another cycle of excellent performance by SulAmérica. Operating efficiency gains coupled with revenue growth led to record high net income of R\$905.0 million for 2018, an increase of 17.0% over 2017. We further intensified our investments in technology, innovation and digitalization with a focus on operational efficiency and customer experience improvement. High customer satisfaction scores, solid growth and consistent return to our shareholders demonstrate our ability to deliver results, always with discipline in risk management and capital allocation.

Our strong partnership and relationship with insurance brokers and business partners allowed us to close 2018 with another record: we reached R\$20.5 billion in operating revenues, growth of 12.5% over 2017. Our gross margin improved 23.8% in the year, totaling R\$2.5 billion, reflecting the continuous effort to manage risks and control our operating costs, especially claims. We also presented an improvement in the general & administrative expenses ratio, with a gain of 30 BPS. As a result of the continuous focus on efficiency, the combined ratio improved 170 BPS compared to 2017, reaching 97.0%, which represents the best result for this indicator since the IPO in 2007. The operating ratio, which includes the investment income, also improved, reaching 93.9%, even though investment income dropped 24.6% in the period. The return on average equity (ROAE) in the last twelve months reached 15.2%, showing once again consistent profitability.

Health and dental insurance operations presented again excellent results. In 2018, we kept the medical loss ratio under control with consistent reduction, reaching the lowest level since 2010. At the same time, we grew the number of beneficiaries in all group plans, as a result of strong performance in enrollment of new members and high customer retention. We also evolved in Coordinated Care initiatives, which involve the organization of assistance activities to insured members and seek greater collaboration among all participants in the private healthcare market, aiming at the best health outcome and a higher service level for the beneficiary.

The auto insurance business was one of the highlights of 2018, presenting consistent gains quarter after quarter. With a remarkable recovery in revenues, in insured fleet and in the loss ratio, the segment's gross margin increased by 66.5% compared to 2017. The good performance was a result of improvements in underwriting tools and processes, as well as the expansion of our commercial efforts in partnership with insurance brokers.

The other business lines also presented a positive performance, with revenue growth in all segments for the full year. The life and personal accident insurance segment recorded higher volumes and loss ratio improvement, with the highlight going to the growth seen in the travel insurance product, which already represents 6% of the portfolio. In savings bonds, we maintained the focus on our main product, the Rental Guarantee, achieving growth despite the still timid recovery in the real estate market. Achieving R\$42 billion (+8.7%) in assets under management was another important milestone in 2018 for *SulAmérica Investimentos*, our asset management arm, reaffirming our leadership position among independent asset managers in Brazil. *SulAmérica Investimentos* was also recognized for the second consecutive year with an award for best private pension managers, organized by *Fundação Getúlio Vargas* (FGV) and the *Valor Econômico* newspaper, this time chosen as the "best asset manager in the period of one year".

In addition to solid operational results, 2018 was a year of intense investments in innovation, which are extremely important for the sustainability of our operations, always seeking the best experience for clients and brokers. We made progress in improving the telematics app for auto insurance, which will be launched in 2019 for the general public. We also evolved in the development of the virtual platform for Coordinated Care and in Telemedicine initiatives, besides expanding the Doctor House Calls feature, which is available to health policyholders. The health app is among the top 10 most downloaded in the medical category of the Google Play store and now also features face ID recognition, unprecedented for insurers in Brazil. In total, we have more than 2 million downloads of our apps.

Our strategy is based on the best practices in environmental, social and governance (ESG) issues, guided by commitments such as the Global Compact and the Principles for Sustainability in Insurance (PSI), initiatives supported by the United Nations. In 2018, we obtained important recognitions of this strategic performance, with the highlights going to the inclusion in the portfolio of the Dow Jones Sustainability Emerging Markets Index, the world's leading benchmark among sustainability indices, and to our positive evaluation in the Report on the Brazilian Corporate Governance Code from the Brazilian Securities and Exchange Commission (CVM), a new document that contains a robust set of governance best practices. With 74% of practices adopted, above the market average, the result underlines our good performance in these themes.

Looking ahead, we believe that we can benefit from a more favorable scenario with the prospects of an improving economic environment, in particular with the expected recovery of employment and income levels. We are confident in our business model and will continue to invest in innovation and to seek the best experience to our policyholders. Celebrating this series of important achievements in 2018, I would like to thank those who are truly responsible for SulAmérica's success: our team of more than 5,000 employees, who work with the trust, dedication and contribution of insurance brokers, business partners, service providers, shareholders and other stakeholders in the segments in which we operate.

Gabriel Portella
CEO

1. Main Highlights

Financial Highlights (R\$ million)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Operating Revenues	5,112.3	4,588.3	11.4%	5,094.7	0.3%	19,654.7	17,421.1	12.8%
Health & Dental	4,085.3	3,603.3	13.4%	4,012.5	1.8%	15,609.2	13,735.8	13.6%
Automobile	840.8	828.6	1.5%	905.9	-7.2%	3,360.6	3,063.4	9.7%
Other Property & Casualty	56.4	60.0	-6.0%	50.1	12.6%	203.3	199.9	1.7%
Life & Personal Accident	129.7	96.4	34.6%	126.1	2.8%	481.6	421.9	14.1%
Other Operating Revenues	236.6	234.3	1.0%	202.1	17.0%	848.0	801.7	5.8%
Private Pension	174.4	161.7	7.8%	152.9	14.1%	634.7	570.9	11.2%
Savings Bonds	13.6	13.0	4.3%	13.3	2.0%	54.0	52.3	3.3%
Administrative Services Only	15.9	28.3	-43.7%	14.9	6.7%	60.6	68.3	-11.3%
Asset Management	14.8	12.1	22.7%	12.2	22.0%	51.2	42.2	21.3%
Other Revenues	17.8	19.2	-7.1%	8.9	100.4%	47.6	68.1	-30.2%
Total Operating Revenues	5,348.9	4,822.6	10.9%	5,296.9	1.0%	20,502.7	18,222.8	12.5%
Investment Income	148.0	179.3	-17.5%	154.6	-4.3%	615.7	817.0	-24.6%
Net Income	393.2	413.9	-5.0%	234.6	67.6%	905.1	776.4	16.6%
Net Income after non-Controlling Interest	393.6	412.7	-4.6%	234.6	67.8%	905.0	773.3	17.0%
Net Income per unit (R\$)*	1.02	1.09	-6.8%	0.61	67.9%	2.34	2.06	13.2%
Recurring ROAE (% last 12 months)	15.2%	14.5%	70 BPS	16.0%	-90 BPS			
Insurance Operational Information (R\$ million)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Earned Premiums	5,180.5	4,581.9	13.1%	5,066.5	2.2%	19,740.0	17,599.7	12.2%
Health & Dental	4,134.9	3,656.8	13.1%	4,033.0	2.5%	15,705.9	13,821.4	13.6%
Automobile	865.3	780.5	10.9%	856.7	1.0%	3,326.2	3,161.3	5.2%
Other Property & Casualty	55.7	52.5	6.2%	50.6	10.2%	211.2	188.3	12.2%
Life & Personal Accident	124.6	92.2	35.2%	126.2	-1.3%	496.7	428.8	15.8%
Retained Claims	-3,682.1	-3,201.3	-15.0%	-3,759.6	2.1%	-14,742.1	-13,337.3	-10.5%
Health & Dental	-3,083.1	-2,661.9	-15.8%	-3,182.1	3.1%	-12,443.1	-11,001.2	-13.1%
Automobile	-520.5	-468.2	-11.2%	-498.9	-4.3%	-2,000.9	-2,069.7	3.3%
Other Property & Casualty	-22.0	-22.4	1.5%	-20.1	-9.6%	-81.5	-64.9	-25.5%
Life & Personal Accident	-56.5	-48.9	-15.6%	-58.5	3.5%	-216.7	-201.5	-7.5%
Insurance Operational Ratios (%)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Loss Ratio	71.1%	69.9%	-120 BPS	74.2%	310 BPS	74.7%	75.8%	110 BPS
Health & Dental	74.6%	72.8%	-180 BPS	78.9%	430 BPS	79.2%	79.6%	40 BPS
Automobile	60.1%	60.0%	-20 BPS	58.2%	-190 BPS	60.2%	65.5%	530 BPS
Other Property & Casualty	39.5%	42.6%	310 BPS	39.7%	20 BPS	38.6%	34.5%	-410 BPS
Life & Personal Accident	44.8%	52.5%	770 BPS	45.7%	100 BPS	43.1%	46.6%	350 BPS
Acquisition Cost	9.5%	9.8%	20 BPS	9.4%	-10 BPS	9.6%	10.1%	50 BPS
Health & Dental	6.3%	6.4%	10 BPS	6.2%	-10 BPS	6.3%	6.3%	0 BPS
Automobile	20.7%	21.3%	50 BPS	20.1%	-60 BPS	20.4%	22.0%	150 BPS
Other Property & Casualty	29.8%	31.9%	210 BPS	32.5%	280 BPS	31.4%	33.4%	210 BPS
Life & Personal Accident	30.7%	33.3%	250 BPS	30.4%	-30 BPS	30.4%	32.7%	230 BPS
Combined	94.6%	92.4%	-220 BPS	95.9%	130 BPS	97.0%	98.7%	170 BPS
Operating	91.8%	88.6%	-320 BPS	93.0%	120 BPS	93.9%	94.1%	20 BPS
Consolidated Ratios (% of total operating revenues)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Operating Gross Margin	15.6%	17.5%	-180 BPS	13.0%	260 BPS	12.2%	11.1%	110 BPS
General & Administrative Expenses	9.7%	9.3%	-40 BPS	8.6%	-110 BPS	8.7%	9.0%	30 BPS
Net Margin	7.4%	8.6%	-120 BPS	4.4%	290 BPS	4.4%	4.2%	20 BPS
Operating Highlights	4Q18	4Q17	Δ	3Q18	Δ			
Health & Dental Insured Members (thousand)	3,425	3,169	8.1%	3,371	1.6%			
Health Insured Members	2,212	2,137	3.5%	2,173	1.8%			
Dental Insured Members	1,213	1,032	17.6%	1,199	1.2%			
Insured Fleet (thousand)	1,641	1,511	8.6%	1,618	1.4%			
Insured Lives (thousand)	3,418	3,149	8.6%	3,341	2.3%			
Assets under Management (R\$ billion)	41.6	38.3	8.7%	38.0	9.2%			
Private Pension Reserves (R\$ million)	7,157	6,239	14.7%	6,881	4.0%			

Main highlights in the 4th quarter and full year are:

- growth of 10.9% in total operating revenues to R\$5.3 billion, boosted, mainly, by health and dental, asset management, and life and personal accident segments. In 2018, revenues reached R\$20.5 billion, an increase of 12.5% over 2017;
- health and dental membership in group plans grew 8.9%, reaching 3.3 million insured members;
- consolidation of the recovery of the auto segment, with an increase of 8.6% in the insured fleet;
- total loss ratio of 74.7% in the year, an improvement of 110 BPS over 2017;
- combined ratio of 97.0% in 2018, 170 BPS lower than in the previous year and the best figure since the IPO in 2007, reinforcing our capacity to improve operational efficiency;
- invested assets in proprietary portfolio yielded 110.6% of the CDI (benchmark rate), helping to partially mitigate the lower average Selic rate, which reduced the contribution of the investment income;
- operating ratio of 93.9% in the year, an improvement of 20 BPS, even with lower contribution from investment income;
- effective tax rate (IR/CS) of 16.7% in 4Q18, benefited by Interest on Shareholders' Equity (IoC or JCP) in the quarter, but also by a positive effect of approximately R\$60 million related to a reversal of deferred tax liabilities; and
- net income of R\$905.0 million in the full year, an increase of 17.0% over 2017, and of R\$393.6 million in the quarter.

*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)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Operating Revenues	4,109.0	3,647.2	12.7%	4,027.5	2.0%	15,677.5	13,827.9	13.4%
Insurance	4,085.3	3,603.3	13.4%	4,012.5	1.8%	15,609.2	13,735.8	13.6%
Group	3,529.3	3,070.9	14.9%	3,454.9	2.2%	13,410.7	11,664.0	15.0%
Corporate/Affinity	2,281.3	2,042.9	11.7%	2,256.3	1.1%	8,745.2	7,884.7	10.9%
SME	1,183.1	976.7	21.1%	1,137.8	4.0%	4,426.7	3,583.9	23.5%
Dental	64.9	51.4	26.3%	60.8	6.6%	238.9	195.4	22.2%
Individual Health	556.0	532.4	4.4%	557.6	-0.3%	2,198.5	2,071.8	6.1%
Administrative Services Only	15.9	28.3	-43.7%	14.9	6.7%	60.6	68.3	-11.3%
Other Operating Revenues	7.7	15.6	-50.6%	0.0	NA	7.7	23.8	-67.5%
Changes in Technical Reserves	0.0	1.0	-95.1%	-19.8	NA	-58.0	-52.8	-9.9%
Insurance	0.0	1.0	-95.1%	-19.8	NA	-58.0	-52.8	-9.9%
Operating Expenses	-3,448.7	-2,988.3	-15.4%	-3,529.1	2.3%	-13,858.9	-12,259.1	-13.0%
Insurance	-3,445.1	-2,984.6	-15.4%	-3,526.9	2.3%	-13,846.5	-12,248.4	-13.0%
Administrative Services Only	-3.7	-3.7	-0.6%	-2.2	-69.8%	-12.4	-10.7	-15.8%
Gross Margin	660.3	660.0	0.0%	478.6	37.9%	1,760.6	1,516.0	16.1%
Insurance	640.3	619.7	3.3%	465.9	37.4%	1,704.7	1,434.6	18.8%
Administrative Services Only	12.2	24.6	-50.3%	12.8	-4.0%	48.2	57.6	-16.3%
Other	7.7	15.6	-50.6%	0.0	NA	7.7	23.8	-67.5%
Loss Ratio	74.6%	72.8%	-180 BPS	78.9%	430 BPS	79.2%	79.6%	40 BPS
Acquisition Cost	6.3%	6.4%	10 BPS	6.2%	-10 BPS	6.3%	6.3%	0 BPS

Health and Dental Insurance

Operating revenues for the health and dental insurance segment increased 13.4%, reaching R\$4.1 billion in 4Q18. All group plans presented good growth pace: dental (+26.3%), SME – small and medium enterprises – (+21.1%) and corporate/affinity (+11.7%). In the full year, insurance revenues posted a similar performance, growing 13.6% to R\$15.6 billion. The segment's gross margin remained stable in the quarter and improved by 16.1% in the year, as a result of revenue growth and a lower loss ratio.

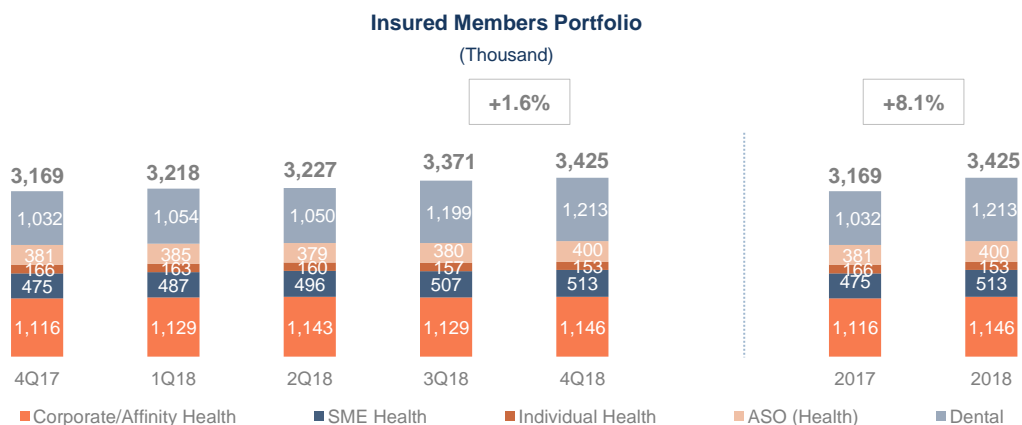
It is worth highlighting the resilience of the growth in the number of health and dental beneficiaries, with a sustained pace in terms of new client enrollment in addition to high levels of customer retention. SulAmérica's commercial strategy continues to show results, based on the strength of the brand and the expansion of the regional reach. The Company's expertise to format products and innovations that provide convenience to the insured members are essential for attracting and maintaining clients with different needs. According to the most recent data released by ANS (National Supplementary Health Agency), SulAmérica continues to gain share in the Brazilian private healthcare market: in the first nine months of 2018, its market share was of 10.3% of total revenues, a growth of 40 BPS over the first nine months of 2017.

(Thousand members)	4Q18	4Q17	Δ	3Q18	Δ
Group Health	2,059	1,971	4.4%	2,016	2.1%
Corporate/Affinity Health	1,146	1,116	2.7%	1,129	1.4%
SME Health	513	475	8.1%	507	1.3%
Administrative Services Only	400	381	5.0%	380	5.3%
Dental	1,213	1,032	17.6%	1,199	1.2%
Dental	1,188	999	18.9%	1,166	1.9%
Administrative Services Only	24	32	-24.2%	32	-24.3%
Group Total	3,271	3,003	8.9%	3,215	1.8%
Individual Health	153	166	-7.5%	157	-2.1%
Total	3,425	3,169	8.1%	3,371	1.6%

The health and dental group plans portfolio reached 3.3 million lives, with net adds of 268 thousand lives, growth of 8.9% compared to 4Q17. All group portfolios grew in the quarter, with top performers being dental (+18.9%), SME (+8.1%) and health administrative services only (ASO) plans (+5.0%). The more positive employment scenario has benefited the corporate/affinity portfolio, which presented net growth in the number of insured lives for the fourth consecutive quarter, of 2.7% and 1.4% compared to 4Q17 and 3Q18, respectively.

In October/18, SulAmérica announced an agreement for the acquisition of Prodent, the 8th largest dental plan operator in Brazil with more than 400 thousand beneficiaries. The acquisition has not yet been concluded and, thus, did not contribute to 4Q18's results. When completed, the deal will increase the Company's scale and strengthen its penetration in the Retail segment. This movement coupled with the continued focus on organic growth and increased cross-sell is in line with the Company's strategy to enlarge its presence in this segment, with regional expansion and penetration in segments in which the Company sees opportunities.

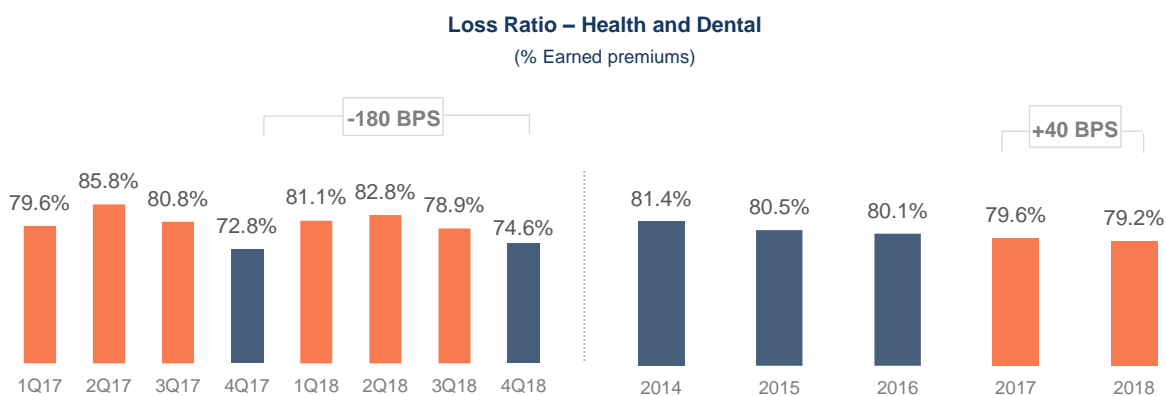
2. Health and Dental, and Administrative Services Only (ASO) (cont.)



Recent figures from ANS show that, at the end of December 2018, the private system reached 47.4 million beneficiaries in health plans and 24.2 million in dental plans, which means virtual stability in the health segment (+0.4%) and growth of 6.2% in the dental segment when compared to the same period of 2017. According to data from CAGED (General Register of Employees and Unemployed in Brazil), there was a positive balance of 529.6 thousand jobs created in 2018, thus a more favorable employment scenario in comparison to 2017. These numbers are positive for the private healthcare market considering the significant correlation between the employment rate and the number of insured lives in the market.

The health and dental loss ratio remained under control and was one of the highlights of the year, reaching 79.2%, a decrease of 40 BPS. This was the fourth year in a row of improvements and the best print since 2010 for this indicator. SulAmérica has been successful in keeping the loss ratio under control as a result of the ongoing initiatives focused on claims control and health and well-being management programs.

The Company began to invest in Coordinated Care, which provides the alignment of all the agents in the private healthcare industry. This program aims to follow the beneficiary's journey through the network of providers, promoting a higher quality care, complete and adherent to their needs.



Health Administrative Services Only (ASO)

In 4Q18, revenues from ASO plans decreased 43.7% in relation to the same period of last year. The comparison is compromised by a favorable decision in a legal lawsuit which boosted 4Q17's revenues by near R\$15 million and did not repeat in 4Q18. In terms of membership, the portfolio continued to grow reaching 424 thousand lives, considering beneficiaries in both health and dental.

3. Auto and Other Property and Casualty Insurance

(R\$ million)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Operating Revenues	907.3	891.7	1.8%	964.5	-5.9%	3,602.2	3,306.1	9.0%
Insurance	897.2	888.6	1.0%	956.0	-6.2%	3,563.9	3,263.3	9.2%
Automobile	840.8	828.6	1.5%	905.9	-7.2%	3,360.6	3,063.4	9.7%
Other Property & Casualty	56.4	60.0	-6.0%	50.1	12.6%	203.3	199.9	1.7%
Other Operating Revenues	10.1	3.1	226.9%	8.5	18.3%	38.3	42.8	-10.5%
Automobile	11.6	9.0	29.1%	8.5	36.4%	38.2	37.8	1.0%
Other Property & Casualty	-1.5	-5.9	73.9%	0.0	NA	0.2	5.0	-96.7%
Changes in Technical Reserves	5.1	-72.8	NA	-68.1	NA	-99.3	24.4	NA
Automobile	7.4	-63.7	NA	-66.9	NA	-100.5	42.2	NA
Other Property & Casualty	-2.4	-9.1	74.0%	-1.2	-95.0%	1.2	-17.8	NA
Operating Expenses	-773.0	-685.4	-12.8%	-720.5	-7.3%	-2,904.1	-2,944.8	1.4%
Insurance	-772.9	-685.3	-12.8%	-720.5	-7.3%	-2,903.9	-2,944.7	1.4%
Automobile	-727.1	-644.1	-12.9%	-680.8	-6.8%	-2,742.2	-2,809.4	2.4%
Other Property & Casualty	-45.8	-41.2	-11.1%	-39.7	-15.4%	-161.7	-135.3	-19.5%
Other Operating Expenses	-0.2	0.0	-390.9%	0.0	NA	-0.2	-0.1	-46.4%
Automobile	-0.2	0.0	-390.9%	0.0	NA	-0.2	-0.1	-46.7%
Other Property & Casualty	0.0	0.0	NA	0.0	NA	0.0	0.0	NA
Gross Margin	139.3	133.5	4.3%	175.9	-20.8%	598.8	385.6	55.3%
Automobile	132.6	129.7	2.2%	166.7	-20.5%	555.9	333.8	66.5%
Other Property & Casualty	6.8	3.8	77.1%	9.2	-26.9%	42.9	51.9	-17.2%

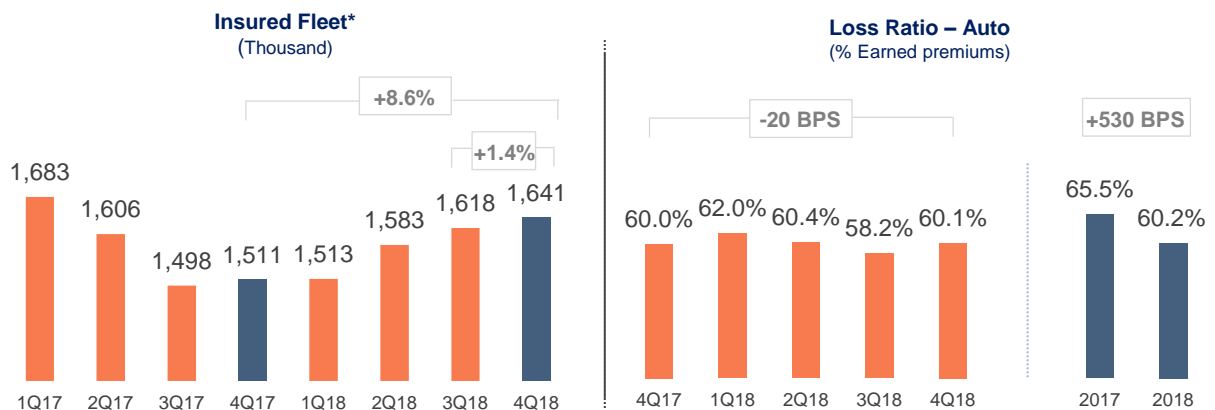
Loss Ratio	58.9%	58.9%	0 BPS	57.2%	-170 BPS	58.9%	63.7%	490 BPS
Automobile	60.1%	60.0%	-20 BPS	58.2%	-190 BPS	60.2%	65.5%	530 BPS
Other Property & Casualty	39.5%	42.6%	310 BPS	39.7%	20 BPS	38.6%	34.5%	-410 BPS
Acquisition Cost	21.3%	21.9%	70 BPS	20.8%	-50 BPS	21.1%	22.6%	150 BPS
Automobile	20.7%	21.3%	50 BPS	20.1%	-60 BPS	20.4%	22.0%	150 BPS
Other Property & Casualty	29.8%	31.9%	210 BPS	32.5%	280 BPS	31.4%	33.4%	210 BPS

Auto Insurance

The auto insurance segment had an important performance throughout 2018. Operating revenues reached R\$840.8 million in the quarter – growth of 1.5% compared to 4Q17 – totaling R\$3.4 billion in the year, 9.7% higher when compared to 2017. The loss ratio was of 60.1% in 4Q18 – virtually stable when compared to the same period of the previous year. In the full year, the ratio fell to 60.2%, an improvement of 530 BPS, consolidating the recovery of this portfolio. Acquisition costs dropped by 150 BPS to 20.4% in 2018. Following the revenue growth and efficiency gains presented, the gross margin improved 66.5% in 2018, totaling R\$555.9 million. In the quarter, the gross margin improved by 2.2% against 4Q17.

The insured fleet totaled 1.6 million vehicles at year end, 8.6% above the number registered at the end of 2017 and 1.4% higher when compared 3Q18. 4Q18's figures confirm the recovery of the insured fleet, as a result of the commercial efforts in partnership with the brokers, as well as the recovery in new vehicle sales in Brazil. The improvement in all indicators in the segment is mostly related to the evolution in pricing and underwriting tools and processes, a better adequacy of risk exposure levels in the regions where we operate, in addition to more favorable market conditions.

Recent data from SUSEP (Private Insurance Commission) show that SulAmérica had a market share of 9.6% of the total written premiums in 2018, compared to 9.0% in 2017, being the fourth largest auto insurer in Brazil.



*Insured fleet net of technical cancellations

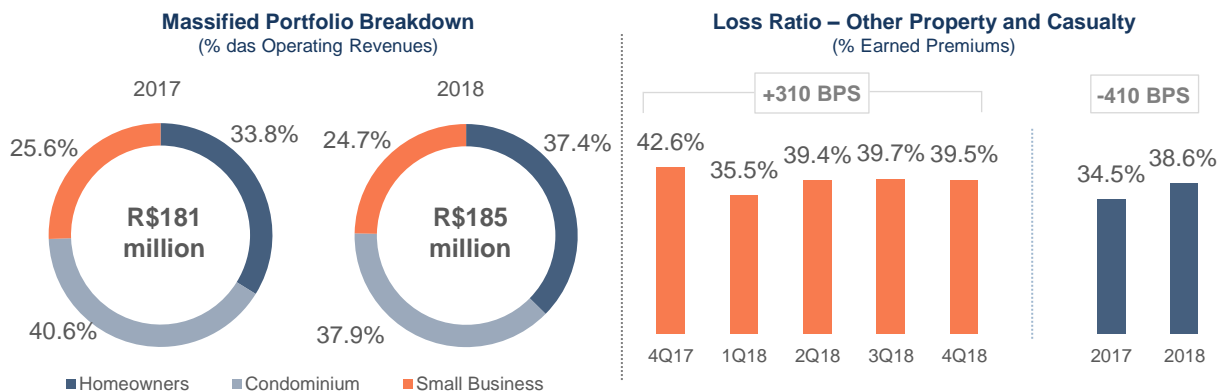
3. Auto and Other Property and Casualty Insurance (cont.)

Other Property and Casualty Insurance

The other property & casualty insurance revenues totaled R\$203.3 million in 2018, an increase of 1.7% over the previous year. The loss ratio of the portfolio was of 38.6% in the year, 410 BPS higher when compared to 2017, driven by a higher frequency and severity of claims throughout the year.

In 4Q18, operating revenues decreased by 6.0% in relation to 4Q17, totaling R\$56.4 million. Despite the lower revenues, the loss ratio in the quarter improved 310 BPS, reaching 39.5% and contributing to the improvement of 77.1% in the gross margin of the period.

Considering only the massified portfolio (homeowners/households, condominium and small businesses) – which represented around 91% of this segment in 2018 – operating revenues grew 2.3% over 2017, reaching R\$184.6 million. Loss ratio was 40.2%, 440 BPS higher than in 2017. In the quarter, revenues totaled R\$50.6 million, a reduction of 5.5% when compared to 4Q17, while the loss ratio improved 410 BPS to 39.0%.



4. Life and Personal Accident Insurance and Private Pension

(R\$ million)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Operating Revenues	304.2	258.6	17.6%	279.4	8.9%	1,117.8	994.3	12.4%
Insurance	129.7	96.4	34.6%	126.1	2.8%	481.6	421.9	14.1%
Private Pension	174.4	161.7	7.8%	152.9	14.1%	634.7	570.9	11.2%
Other Operating Revenues	0.1	0.5	-86.2%	0.4	-80.6%	1.5	1.5	0.7%
Changes in Technical Reserves	-149.5	-136.9	-9.2%	-128.4	-16.4%	-514.1	-432.1	-19.0%
Insurance	-8.7	-3.1	-178.5%	-3.4	-159.3%	0.7	-1.1	NA
Private Pension	-140.8	-133.8	-5.2%	-125.0	-12.6%	-514.8	-431.0	-19.4%
Operating Expenses	-139.0	-91.0	-52.8%	-136.1	-2.2%	-518.7	-501.3	-3.5%
Insurance	-106.5	-66.3	-60.7%	-107.2	0.6%	-395.2	-376.2	-5.1%
Private Pension	-32.5	-24.7	-31.6%	-28.9	-12.5%	-123.5	-125.1	1.3%
Gross Margin	15.7	30.7	-48.9%	14.9	4.9%	84.9	60.8	39.6%
Insurance	14.5	26.9	-46.3%	15.6	-7.3%	87.1	44.6	95.2%
Private Pension	1.1	3.2	-64.5%	-1.0	NA	-3.7	14.7	NA
Other	0.1	0.5	-86.2%	0.4	-80.6%	1.5	1.5	0.7%

Loss Ratio	44.8%	52.5%	770 BPS	45.7%	100 BPS	43.1%	46.6%	350 BPS
Acquisition Cost	30.7%	33.3%	250 BPS	30.4%	-30 BPS	30.4%	32.7%	230 BPS

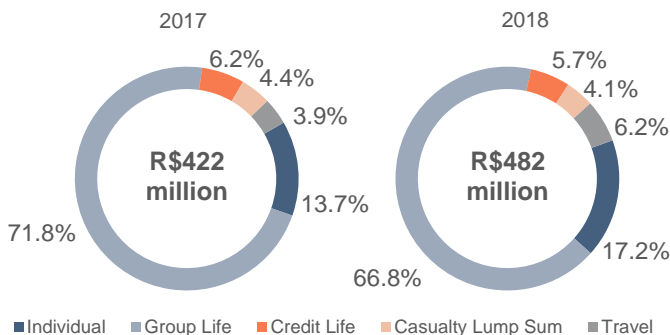
Life and Personal Accident Insurance

Life and personal accident revenues reached R\$129.7 million in the quarter, 34.6% higher than in 4Q17, following the positive performance of the past quarters. Loss ratio fell to 44.8% in the quarter, an improvement of 770 BPS over 4Q17. The gross margin showed a reduction of 46.3% in 4Q18, mainly due to a reversal of provision for doubtful accounts which happened in 4Q17 and did not repeat in 4Q18. That reversal benefited the insurance expenses line in that quarter, compromising the year-over-year comparison.

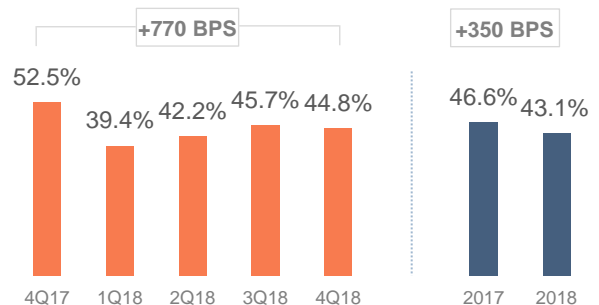
In 2018, revenues totaled R\$481.6 million, an increase of 14.1% in relation to the previous year, with a loss ratio of 43.1% – 350 BPS better than in 2017 – leading to a gross margin 95.2% higher. In addition, one of the highlights of the year was the growth of 84.4% in travel insurance revenues, which already represent 6.2% of this portfolio.

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

Segment Breakdown
(% of Operating Revenues)



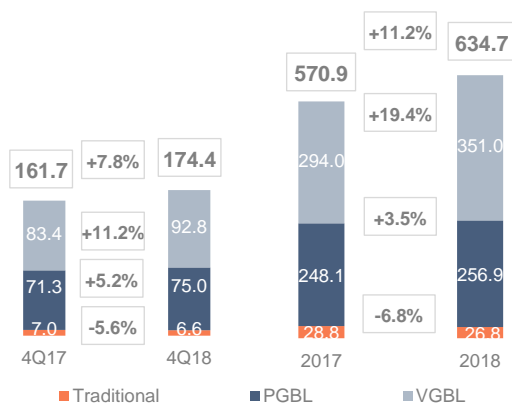
Loss Ratio – Life and Personal Accident
(% Earned Premiums)



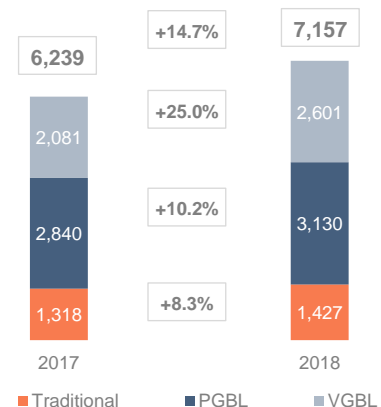
Private Pension

Pension reserves grew 14.7% over December 2017, reaching R\$7.2 billion, mainly as result of a net positive balance of R\$270.7 million in portability (transfers) in 2018, in addition to the regular contributions and accumulated returns of the underlying pension funds. Operating revenues were up 11.2% in the year and 7.8% in the quarter, mainly propelled by the increase in the VGBL product, which more than offset the lower revenues in the traditional segment.

Pension Operating Revenues
(R\$ million)



Pension Reserves
(R\$ million)



5. Savings Bonds

(R\$ million)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Operating Revenues	13.6	13.0	4.3%	13.3	2.0%	54.0	52.3	3.3%
Operating Expenses	-7.7	-6.6	-15.3%	-7.1	-7.9%	-42.6	-29.7	-43.5%
Gross Margin	5.9	6.4	-7.1%	6.2	-4.7%	11.4	22.6	-49.5%
Savings Bonds Reserves	662.0	624.9	5.9%	643.2	2.9%			

The savings bonds segment finished the last quarter of the year with an increase of 4.3% in operating revenues compared to 4Q17, reaching R\$13.6 million. In the full year, revenues totaled R\$54.0 million, a growth of 3.3% over 2017, with a gross margin of R\$11.4 million, a reduction of 49.5%, mainly explained by contingent liabilities expenses of around R\$12 million which negatively impacted 2Q18. Excluding this effect, gross margin would have grown around 4% in 2018. Savings bonds reserves ended the year at R\$662.0 million, an increase of 5.9% over 2017. The Company continues with efforts to increase its distribution capacity and strengthen its relationship with brokers and all participants of the real estate market, to boost the performance of its main product, SulAmérica Rental Guarantee.

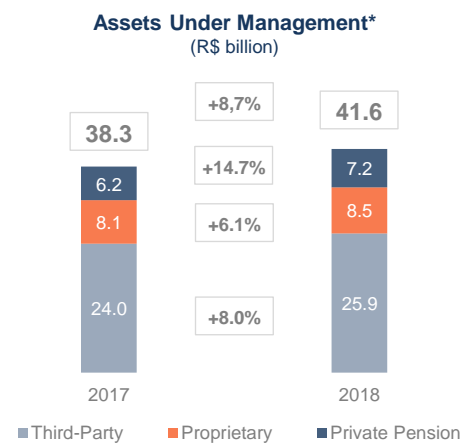
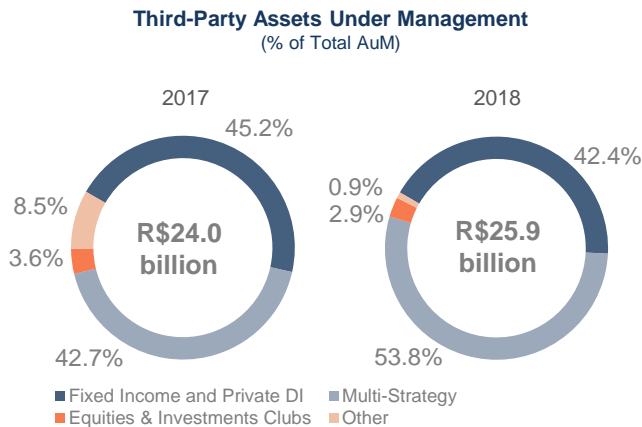
6. Asset Management

(R\$ million)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Operating Revenues	14.8	12.1	22.7%	12.2	22.0%	51.2	42.2	21.3%
Management Fee	12.1	10.6	13.6%	12.0	0.4%	46.8	39.2	19.2%
Performance Fee	2.8	1.5	88.9%	0.1	NA	4.4	3.0	48.1%
Operating Expenses	-1.0	-0.8	-16.4%	-1.0	4.4%	-3.8	-4.8	20.0%
Gross Margin	13.9	11.2	23.2%	11.1	24.5%	47.4	37.4	26.6%

SulAmérica Investimentos, our asset management arm, ended the year with R\$41.6 billion in AuM, an increase of 8.7% compared to the end of 2017. This increase follows the growth shown in third-party assets (+8.0% to R\$25.9 billion), in the proprietary portfolio – insurance float (+6.1% to R\$8.5 billion) and in the private pension reserves (+14.7% to R\$7.2 billion).

Operating revenues grew 22.7% in the quarter, propelled by management (+13.6%) and performance fees (+88.9%). In the year, operating revenues increased 21.3% which, coupled with controlled expenses, led to an improvement of 26.6% in the gross margin.

The allocation in multi-strategy funds reached 53.8% of the portfolio of third-party assets, surpassing the portion allocated to fixed income assets. Throughout the year, multi-strategy funds gained share in the allocation, a movement related to the lower average benchmark interest rate (Selic) in the country, and, consequently, the lower yield of securities linked to the CDI (Brazil's Interbank Certificate of Deposit), also contributing to the higher revenues from performance fees in 2018.



*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)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Personnel Expenses	-208.3	-184.0	-13.2%	-191.8	-8.6%	-784.4	-697.2	-12.5%
Third-Party Services	-137.7	-113.6	-21.2%	-120.2	-14.5%	-442.3	-429.1	-3.1%
Buildings and Maintenance	-37.5	-38.9	3.8%	-35.3	-6.1%	-150.1	-157.6	4.8%
Other Administrative Expenses	-67.0	-36.2	-84.9%	-48.5	-38.3%	-193.7	-160.0	-21.1%
Profit Sharing	-29.5	-25.3	-16.5%	-22.4	-31.8%	-87.6	-74.2	-18.1%
Tax Expenses	-21.8	-38.7	43.6%	-22.4	2.6%	-76.3	-62.5	-22.1%
Depreciation & Amortization	-15.1	-11.5	-31.1%	-13.2	-14.1%	-50.6	-52.4	3.4%
Total	-516.9	-448.3	-15.3%	-453.8	-13.9%	-1,785.0	-1,633.0	-9.3%
General & Administrative Expenses Ratio (% operating revenues)	9.7%	9.3%	-40 BPS	8.6%	-110 BPS	8.7%	9.0%	30 BPS

The administrative expenses ratio (measured by the ratio of total administrative expenses to total operating revenues) reached 8.7% in 2018, an improvement of 30 BPS in relation to 2017. This result is explained by the continuous focus on efficiency gains and costs and expenses control, balanced with strategic investments in innovation and the Company's growth. In 4Q18, the ratio was 9.7%, 40 BPS higher when compared to the same quarter of the previous year, mainly due to higher expenses with regulatory fines in the period, which impact the other administrative expenses line. Those expenses are inherent to the operation but did not occur in the same amount in 4Q17. It is also worth mentioning that personnel expenses increased mainly due to higher expenses with variable compensation, which are a consequence of the growth of 17.0% of the net income in the full year.

8. Investment Income

(R\$ million)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Investment Income ex-Private Pension	156.1	176.2	-11.4%	157.9	-1.1%	626.4	788.8	-20.6%
Return on Investment Portfolio	160.5	164.4	-2.3%	163.7	-2.0%	641.5	793.1	-19.1%
Debt Service Cost	-26.2	-29.1	9.9%	-27.9	5.8%	-111.5	-131.4	15.2%
Other Investment Income	21.9	40.9	-46.6%	22.0	-0.6%	96.3	127.2	-24.3%
Investment Income from Private Pension	-8.2	3.2	NA	-3.2	-154.5%	-10.6	28.2	NA
Return on Investment Portfolio of Private Pension	118.1	103.9	13.7%	148.2	-20.3%	515.7	547.0	-5.7%
Change in Liabilities of Private Pension	-126.2	-100.7	-25.3%	-151.4	16.7%	-526.3	-518.8	-1.4%
Total Investment Income	148.0	179.3	-17.5%	154.6	-4.3%	615.7	817.0	-24.6%

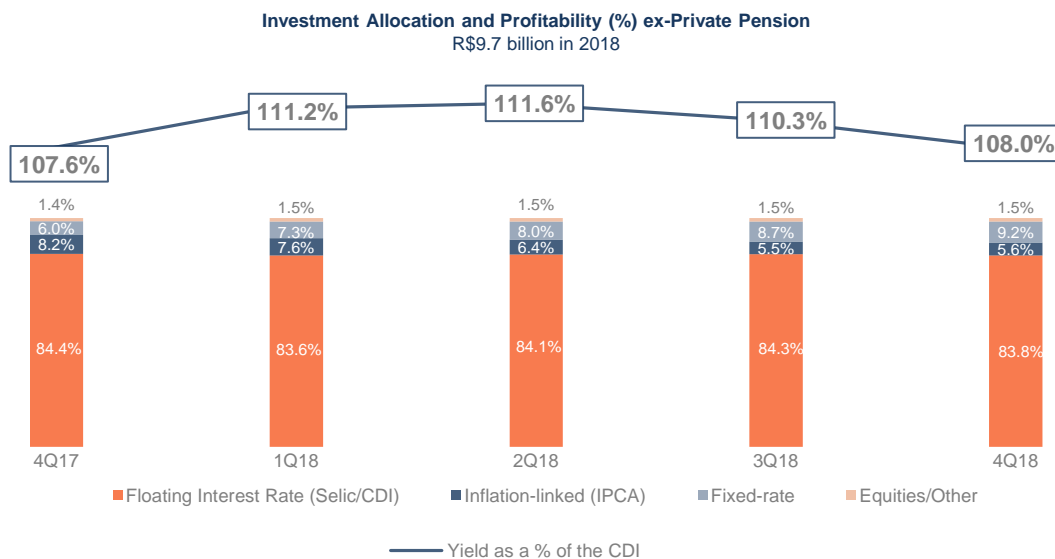
Balance

(R\$ million)	4Q18	4Q17	Δ	3Q18	Δ
Balance Excluding Private Pension	9,725.0	8,943.2	8.7%	9,508.8	2.3%
Private Pension Operations Balance	7,157.5	6,239.4	14.7%	6,880.9	4.0%
Total Balance	16,882.5	15,182.6	11.2%	16,389.8	3.0%

Total net investment income reached R\$148.0 million in 4Q18 and R\$615.7 million in 2018, decreases of 17.5% and 24.6%, respectively. The drop in the return on investment portfolio of 2.3% in the quarter and 19.1% in the year, even with the increase of 8.7% in proprietary assets was a consequence of the lower average Selic rate in the period, from 10.0% in 2017 to 6.5% in 2018. On the other hand, the lower Selic rate had a positive impact in the debt service cost line – which improved 9.9% in the quarter and 15.2% in the year – since the Company's debt service is mainly indexed to the CDI (Brazil's Interbank Certificate of Deposit), which is closely linked to the Selic rate.

The yield on the insurance float (Company's proprietary portfolio ex-private pension) reached 108.0% of CDI in the quarter and 110.6% in 2018, compared to 102.1% in 2017. The better yield in 2018 was driven by good performances of investments in fixed rate, inflation-linked and currency-linked securities and equities.

The Company has 99% of its proprietary assets (ex-private pension) allocated in fixed income and 1% held in equities and other asset classes. Approximately 88% 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)	4Q18	4Q17	Δ	3Q18	Δ	2018	2017	Δ
Operating Revenue	5,348.9	4,822.6	10.9%	5,296.9	1.0%	20,502.7	18,222.8	12.5%
Insurance	5,112.3	4,588.3	11.4%	5,094.7	0.3%	19,654.7	17,421.1	12.8%
Private Pension	174.4	161.7	7.8%	152.9	14.1%	634.7	570.9	11.2%
Saving Bonds	13.6	13.0	4.3%	13.3	2.0%	54.0	52.3	3.3%
ASO	15.9	28.3	-43.7%	14.9	6.7%	60.6	68.3	-11.3%
Asset Management	14.8	12.1	22.7%	12.2	22.0%	51.2	42.2	21.3%
Other	17.8	19.2	-7.1%	8.9	100.4%	47.6	68.1	-30.2%
Changes in Premium Technical Reserves	-144.4	-208.7	30.8%	-216.3	33.3%	-671.5	-460.6	-45.8%
Insurance	-3.6	-74.9	95.2%	-91.3	96.0%	-156.7	-29.6	-429.7%
Private Pension	-140.8	-133.8	-5.2%	-125.0	-12.6%	-514.8	-431.0	-19.4%
Operating Expenses	-4,367.5	-3,770.7	-15.8%	-4,391.7	0.6%	-17,321.0	-15,734.6	-10.1%
Insurance	-4,322.6	-3,734.8	-15.7%	-4,352.5	0.7%	-17,138.5	-15,564.1	-10.1%
Claims	-3,682.1	-3,201.3	-15.0%	-3,759.6	2.1%	-14,742.1	-13,337.3	-10.5%
Acquisition Costs	-494.7	-447.1	-10.7%	-476.3	-3.9%	-1,886.6	-1,774.3	-6.3%
Other	-145.7	-86.4	-68.6%	-116.7	-24.9%	-509.8	-452.5	-12.7%
Private pension	-32.5	-24.7	-31.6%	-28.9	-12.5%	-123.5	-125.1	1.3%
Benefits and Redemptions Expenses	-24.9	-14.6	-69.9%	-19.9	-25.2%	-90.0	-92.6	2.9%
Acquisition Costs	-8.3	-9.7	14.1%	-8.1	-2.8%	-32.0	-31.5	-1.6%
Other	0.7	-0.4	NA	-0.9	NA	-1.5	-1.0	-50.1%
Saving Bonds	-7.7	-6.6	-15.3%	-7.1	-7.9%	-42.6	-29.7	-43.5%
ASO	-3.7	-3.7	-0.6%	-2.2	-69.8%	-12.4	-10.7	-15.8%
Asset Management	-1.0	-0.8	-16.4%	-1.0	4.4%	-3.8	-4.8	20.0%
Other	-0.2	0.0	-404.8%	0.0	NA	-0.2	-0.1	-47.6%
Operating Gross Margin	836.9	843.2	-0.7%	688.8	21.5%	2,510.2	2,027.6	23.8%
General and Administrative Expenses	-516.9	-448.3	-15.3%	-453.8	-13.9%	-1,785.0	-1,633.0	-9.3%
Net Investment Income	148.0	179.3	-17.5%	154.6	-4.3%	615.7	817.0	-24.6%
Equity Interest Income	9.2	11.7	-21.5%	9.6	-4.5%	35.7	41.3	-13.5%
Other Equity Income / (Expenses)	-5.2	-2.7	-96.5%	2.1	NA	3.0	3.0	-0.2%
Income before tax and social contribution	472.0	583.2	-19.1%	401.4	17.6%	1,379.6	1,256.0	9.8%
Income Tax and Social Contribution	-78.8	-169.4	53.5%	-166.8	52.8%	-474.5	-479.5	1.0%
Net Income	393.2	413.9	-5.0%	234.6	67.6%	905.1	776.4	16.6%
Attributable to Non-Controlling Shareholders	0.3	-1.1	NA	0.0	NA	-0.1	-3.2	96.9%
Net Income After Non-Controlling Interests	393.6	412.7	-4.6%	234.6	67.8%	905.0	773.3	17.0%

10. Summary Balance Sheet

ASSETS

(R\$ million)	2018	2017	Δ
Current Assets	18,712.4	17,014.3	10.0%
Cash, cash equivalents and marketable securities	15,601.2	14,119.2	10.5%
Receivables	2,164.2	1,974.2	9.6%
Taxes	182.1	225.3	-19.2%
Reinsurance assets	35.8	25.2	42.4%
Salvages for sale	44.8	51.1	-12.2%
Deferred acquisition costs	663.3	596.2	11.2%
Other	20.9	23.2	-9.6%
Non-current assets	6,991.4	6,435.2	8.6%
Marketable securities	1,260.8	1,147.0	9.9%
Receivables	908.4	718.4	26.4%
Judicial deposits	2,837.2	2,856.4	-0.7%
Reinsurance assets	8.1	7.7	4.8%
Deferred acquisition costs	582.9	498.1	17.0%
Taxes	965.3	796.0	21.3%
Other	4.5	3.0	50.5%
Investments, property and equipment, and intangible assets	424.3	408.6	3.8%
Total Assets	25,703.8	23,449.5	9.6%

LIABILITIES

(R\$ million)	2018	2017	Δ
Current Liabilities	9,881.1	8,803.9	12.2%
Accounts payable	1,934.9	1,706.0	13.4%
Loans and financing	447.8	300.0	49.3%
Insurance and reinsurance liabilities	359.2	289.9	23.9%
Technical reserves - Insurance	7,041.0	6,422.1	9.6%
Judicial provisions	73.2	78.3	-6.5%
Other	25.0	7.6	228.0%
Non-current Liabilities	9,535.2	9,005.2	5.9%
Accounts payable	36.9	32.5	13.6%
Loans and financing	1,023.2	1,284.5	-20.3%
Technical reserves - Insurance	6,131.2	5,326.0	15.1%
Judicial provisions	2,330.6	2,341.3	-0.5%
Other	13.3	20.9	-36.4%
Shareholders' Equity	6,287.5	5,640.4	11.5%
Total Liabilities and Shareholders' Equity	25,703.8	23,449.5	9.6%

11. Analyst Coverage

Firm	Analyst	Phone
Ágora	Aloísio 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
Citi	Felipe Salomão	+55 (11) 4009-2650
Credit Suisse	Lucas Lopes	+55 (11) 3701-6052
JP Morgan	Domingos Falavina	+1 (212) 622 3602
Merrill Lynch	Mario Pierry	+1 (646) 743 0047
Santander	Henrique Navarro	+55 (11) 3012-5756
UBS	Mariana Taddeo	+55 (11) 3513-6512

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 and insurance tax expenses 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.