



Quarterly Results – 1st quarter 2019

- Total revenues of R\$5.3 billion (+10.1%)
- Net income grows 58.0%, reaching R\$223.5 million
- Combined ratio of 97.6% in 1Q19, an improvement of 100 BPS
- Health and dental group insured members grow 10.9%
- Auto insured fleet increases by 8.9%
- Return on average equity of 16.0% in the last 12 months

Conference Call

May 9, 2019 (Thursday)

Portuguese (with simultaneous translation to English)

10 am (Brasília) | 9 am (US/DST)

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MESSAGE FROM MANAGEMENT

We ended the first quarter of 2019 with consistent results and operational efficiency gains, which have been the trend over the past few years, maintaining our strategy of growing with profitability. The constant focus on improving customer experience led to membership growth and increasing satisfaction rates, always with discipline in risk management, costs and expenses control, and capital allocation. In the period, our consolidated revenues grew 10.1%, our gross margin increased 26.0% and net income grew 58.0%, reaching R\$223.5 million.

The combined ratio improved 100 BPS in the period, once again showing operating leverage gains. The operating ratio, which includes the investment income, also presented a positive dynamic by improving 130 BPS in relation to the previous year, already reflecting a stable Selic interest rate in the comparison between the periods, coupled with the return on the insurance float, which yielded 122.3% of the benchmark rate (CDI) versus 111.2% of the CDI in the same period of the previous year. The combination of those results has generated a return on average equity (ROAE) of 16.0% in the last twelve months, 170 BPS better than in the same period of the previous year.

Health and dental operations continued to perform well, showing loss ratio improvement not only in the quarter but also in the trailing 12 months, confirming the positive trend of the portfolio. At the same time, we continued to show an important growth in beneficiaries as a result of an efficient commercial strategy with good performances in terms of enrollment of new members and client retention. Simultaneously, we continue to focus on improving and innovating the experience of our policyholders, as well as investing in claims management and health promotion initiatives. Our Coordinated Care platform has already more than 120,000 active members, more than 200,000 doctor appointments since its inception and the initial results are positive for both policyholders and providers. This new investment cycle, which promotes the alignment among the several agents of the private healthcare market, began in 2018 and will be a priority focus for SulAmérica, aiming at more integrated care and higher quality assistance.

We also presented positive results in the auto insurance segment in the first quarter. The insured fleet grew 8.9% in relation to the first quarter of 2018 and remained fairly stable in comparison to 4Q18 (+0.4%). However, premiums showed a decrease of 1.0% amid a competitive environment which is progressively reflecting the improvement in the macroeconomic scenario and in public safety indicators in certain regions. Despite this decline in revenues, we presented an increase of 27.0% in the gross margin in comparison to the first quarter of 2018, propelled by an improvement of 250 BPS in the loss ratio.

SulAmérica Investimentos, the Company's asset manager unit, ended the quarter with an increase of 22.5% in revenues and 6.1% in assets under management, totaling R\$40.8 billion. The portfolio of life and personal accidents kept the pace of the past few quarters and presented revenues 16.1% higher than in the same period of the previous year. The savings bonds segment showed a strong recovery and a good performance in the quarter, with growth of 20.9% in revenues and an improvement of 67.4% in the gross margin.

We continued to invest in innovation and technology, positioning SulAmérica in an increasingly digital world, with new products and services which make life easier and provide a better experience to our policyholders. We launched the telematics app – Auto.vc – for the general public; expanded the Doctor House Calls feature, which now reaches 19 cities; started a pilot project to offer in-app scheduling of doctor appointments, besides offering virtual medical orientation, also in-app. Innovations are not restricted to the health and auto segments: we also launched a brand new digital platform for our clients at *SulAmérica Investimentos*. Overall, there were 400,000 new users in our apps in the last three months, for a total of more than 2 million users.

Innovation is increasingly present in every single of the Company's activities and it could not be different in the preparation of the 2018 Annual Report, which we launched this March. Again in a fully online format, this time we focused on the digital interactions so present in our day to day to talk about the main achievements in 2018 in an innovative and casual style. Following the guidelines of the Global Reporting Initiative (GRI) and presenting our main environmental, social and governance indicators (ESG) in an integrated way, the report can be accessed [here](#).

We also know that we will not transform the experience of our clients unless we begin it with our own employees. In the first months of 2019, we launched a new dress code - updated, plural and diverse - and we are conducting a major revamp to modernize our headquarters in Rio de Janeiro. We are also investing in mobility and promoting collaborative work and, at the end of 2018, we began to use a new collaborative workspace in São Paulo, where some fronts dedicated to innovation and digital transformation are now working. Today we already have about 36% of the workforce in home office, home working or co-working.

We remain confident in the recovery of the economy and in the rebound in development and investment activity in Brazil. We continue to invest to be even more efficient in the markets in which we operate. Finally, I would like to thank all our employees, insurance brokers, business partners, service providers, shareholders, suppliers and other stakeholders for the trust, dedication and contribution to our continuous efforts to improve our performance.

Gabriel Portella
CEO

1. Main Highlights

Financial Highlights (R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Operating Revenues	5,038.0	4,572.0	10.2%	5,112.3	-1.5%
Health & Dental	4,173.6	3,717.6	12.3%	4,085.3	2.2%
Automobile	696.9	703.8	-1.0%	840.8	-17.1%
Other Property & Casualty	48.7	48.2	1.0%	56.4	-13.7%
Life & Personal Accident	118.9	102.3	16.1%	129.7	-8.4%
Other Operating Revenues	216.6	199.4	8.6%	236.6	-8.5%
Private Pension	162.8	151.0	7.8%	174.4	-6.7%
Savings Bonds	15.9	13.1	20.9%	13.6	16.9%
Administrative Services Only	15.0	15.1	-0.2%	15.9	-5.6%
Asset Management	13.5	11.0	22.5%	14.8	-9.3%
Other Revenues	9.4	9.3	1.4%	17.8	-47.2%
Total Operating Revenues	5,254.5	4,771.4	10.1%	5,348.9	-1.8%
Investment Income	171.3	144.9	18.2%	148.0	15.7%
Net Income	223.3	142.0	57.2%	393.2	-43.2%
Net Income after non-Controlling Interest	223.5	141.4	58.0%	393.6	-43.2%
Net Income per unit (R\$)*	0.58	0.37	58.0%	1.02	-43.2%
Recurring ROAE (% last 12 months)	16.0%	14.3%	170 BPS	15.2%	90 BPS
Insurance Operational Information (R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Earned Premiums	5,225.6	4,693.2	11.3%	5,180.5	0.9%
Health & Dental	4,202.1	3,734.3	12.5%	4,134.9	1.6%
Automobile	844.6	792.9	6.5%	865.3	-2.4%
Other Property & Casualty	50.7	50.4	0.5%	55.7	-9.1%
Life & Personal Accident	128.2	115.7	10.8%	124.6	2.9%
Retained Claims	-3,928.7	-3,585.2	-9.6%	-3,682.1	-6.7%
Health & Dental	-3,338.1	-3,029.6	-10.2%	-3,083.1	-8.3%
Automobile	-502.6	-491.7	-2.2%	-520.5	3.4%
Other Property & Casualty	-23.5	-17.9	-31.4%	-22.0	-6.6%
Life & Personal Accident	-64.5	-46.0	-40.3%	-56.5	-14.3%
Insurance Operational Ratios (%)	1Q19	1Q18	Δ	4Q18	Δ
Loss Ratio	75.2%	76.4%	120 BPS	71.1%	-410 BPS
Health & Dental	79.4%	81.1%	170 BPS	74.6%	-490 BPS
Automobile	59.5%	62.0%	250 BPS	60.1%	60 BPS
Other Property & Casualty	46.3%	35.5%	-1090 BPS	39.5%	-680 BPS
Life & Personal Accident	49.6%	39.4%	-1020 BPS	44.8%	-490 BPS
Acquisition Cost	9.5%	9.7%	20 BPS	9.5%	10 BPS
Health & Dental	6.4%	6.4%	10 BPS	6.3%	-10 BPS
Automobile	20.7%	20.7%	0 BPS	20.7%	0 BPS
Other Property & Casualty	31.4%	32.4%	100 BPS	29.8%	-160 BPS
Life & Personal Accident	29.8%	31.5%	170 BPS	30.7%	100 BPS
Combined	97.6%	98.6%	100 BPS	94.6%	-290 BPS
Operating	94.2%	95.5%	130 BPS	91.8%	-240 BPS
Consolidated Ratios (% of total operating revenues)	1Q19	1Q18	Δ	4Q18	Δ
Operating Gross Margin	11.7%	10.2%	150 BPS	15.6%	-390 BPS
General & Administrative Expenses	8.3%	8.0%	-30 BPS	9.7%	140 BPS
Net Margin	4.3%	3.0%	130 BPS	7.4%	-310 BPS
Operating Highlights	1Q19	1Q18	Δ	4Q18	Δ
Health & Dental Insured Members (thousand)	3,539	3,218	10.0%	3,421	3.5%
Health Insured Members	2,242	2,164	3.6%	2,209	1.5%
Dental Insured Members	1,297	1,054	23.1%	1,212	7.0%
Insured Fleet (thousand)	1,647	1,513	8.9%	1,641	0.4%
Insured Lives (thousand)	3,562	3,175	12.2%	3,418	4.2%
Assets under Management (R\$ billion)	40.8	38.5	6.1%	41.6	-1.8%
Private Pension Reserves (R\$ million)	7,315	6,421	13.9%	7,157	2.2%

Main highlights in the 1st quarter of 2019 (1Q19) are:

- growth of 10.1% in total operating revenues, reaching R\$5.3 billion, driven mainly by the health and dental segment;
- expansion of 8.9% in the auto insured fleet and growth of 10.9% in health and dental membership in group plans;
- total loss ratio reached 75.2%, a gain of 120 BPS, mainly as a result of good performances in the auto and health and dental segments;
- combined ratio of 97.6%, an improvement of 100 BPS compared to 1Q18 – the best figure for a first quarter in over 10 years – reflecting the Company's continuous effort to gain from operational efficiency;
- invested assets in proprietary portfolio yielded 122.3% of the CDI (benchmark rate), driven by positive performances in variable income, fixed rate assets and inflation-linked securities; and
- net income growth of 58.0% over 1Q18, reaching R\$223.5 million.

*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 2018 and 2019 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)	1Q19	1Q18	Δ	4Q18	Δ
Operating Revenues	4,189.7	3,732.7	12.2%	4,109.0	2.0%
Insurance	4,173.6	3,717.6	12.3%	4,085.3	2.2%
Group	3,614.3	3,176.7	13.8%	3,529.3	2.4%
Corporate/Affinity	2,313.5	2,090.1	10.7%	2,281.3	1.4%
SME	1,233.4	1,030.3	19.7%	1,183.1	4.2%
Dental	67.3	56.3	19.5%	64.9	3.7%
Individual Health	559.3	540.9	3.4%	556.0	0.6%
Administrative Services Only	15.0	15.1	-0.2%	15.9	-5.6%
Other Operating Revenues	1.1	0.0	NA	7.7	-85.7%
Changes in Technical Reserves	-12.3	-17.1	28.1%	0.0	NA
Insurance	-12.3	-17.1	28.1%	0.0	NA
Operating Expenses	-3,737.8	-3,391.2	-10.2%	-3,448.7	-8.4%
Insurance	-3,734.3	-3,388.6	-10.2%	-3,445.1	-8.4%
Administrative Services Only	-3.6	-2.6	-38.1%	-3.7	3.1%
Gross Margin	439.6	324.4	35.5%	660.3	-33.4%
Insurance	427.0	311.9	36.9%	640.3	-33.3%
Administrative Services Only	11.5	12.5	-8.1%	12.2	-6.3%
Other	1.1	0.0	NA	7.7	-85.7%
Loss Ratio	79.4%	81.1%	170 BPS	74.6%	-490 BPS
Acquisition Cost	6.4%	6.4%	10 BPS	6.3%	-10 BPS

Health and Dental Insurance

Insurance operating revenues for the health and dental segment increased 12.3%, reaching R\$4.2 billion in 1Q19. All group plan portfolios presented good growth performance in the quarter: SME - small and medium enterprises - (+19.7%), dental (+19.5%) and corporate/affinity health (+10.7%). Gross margin increased 35.5% when compared to 1Q18, following the expansion in revenues and the lower loss ratio in the period.

The growth in the number of health and dental beneficiaries due to the maintenance of the good performance in new client enrollment and good retention levels confirm the effectiveness of the commercial strategy based on the strength of the SulAmérica brand and the focus on regional expansion. It also highlights the capacity to format adequate products to cater to different clients. In addition, through continuous innovation, the Company seeks to offer higher convenience and better service levels to its insured members, which are also essential to maintain and attract new clients.

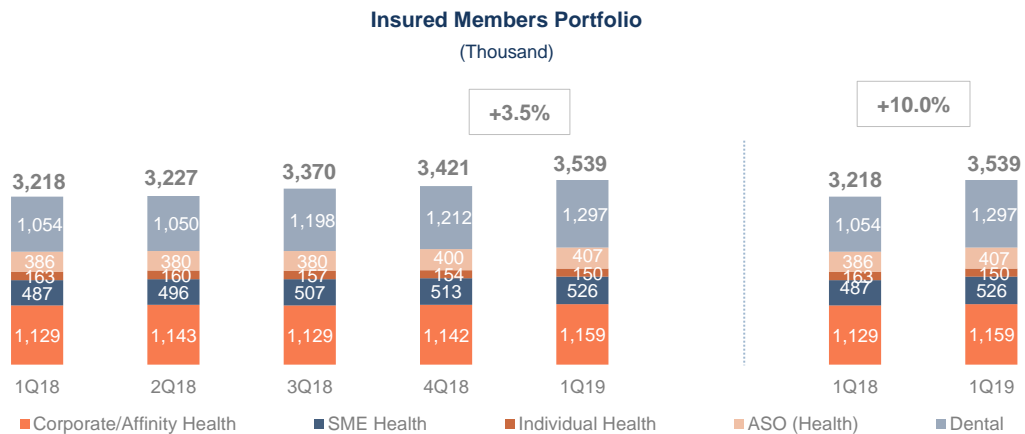
According to the most recent data released by ANS (Brazilian National Agency of Supplemental Health), SulAmérica has been increasing its market share: in 2018, its market share was of 10.3% of total revenues, growth of 20 BPS when compared to 2017, being the third largest healthcare player in the country.

(Thousand members)	1Q19	1Q18	Δ	4Q18	Δ
Group Health	2,091	2,001	4.5%	2,055	1.8%
Corporate/Affinity Health	1,159	1,129	2.6%	1,142	1.4%
SME Health	526	487	8.0%	513	2.5%
Administrative Services Only	407	386	5.6%	400	1.7%
Dental	1,297	1,054	23.1%	1,212	7.0%
Dental	1,273	1,023	24.5%	1,187	7.2%
Administrative Services Only	24	31	-22.9%	24	-1.6%
Group Total	3,389	3,055	10.9%	3,267	3.7%
Individual Health	150	163	-7.7%	154	-2.0%
Total	3,539	3,218	10.0%	3,421	3.5%

The total number of members in health and dental group plans reached 3.4 million, growing 10.9%, or net adds of 333 thousand lives when compared to 1Q18. All group portfolios increased in the quarter, with top performers being dental (+24.5%) and SME plans (+8.0%). The corporate/affinity portfolio continues its recovery trend presenting growth in yet another quarter – growth of 2.6% when compared to the same period of the last year, driven by a more positive employment scenario in the country.

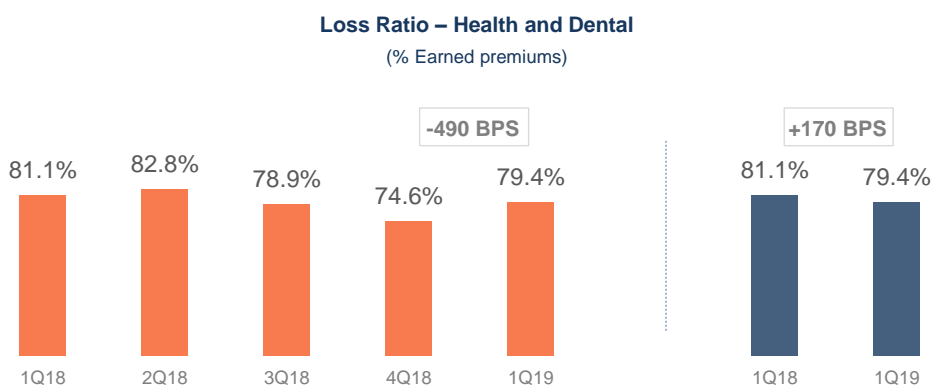
In October/18, SulAmérica announced an agreement for the acquisition of Prodent, one of the largest dental plan operators in Brazil, with a portfolio of over 400 thousand insured members. This acquisition is still in the process of being approved by regulators and, thus, its results did not contribute to the figures disclosed in 1Q19.

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



Recent figures from ANS show that, at the end of February 2019, the private system in Brazil reached a total of 47.3 million beneficiaries in health plans and 24.4 million in dental plans, presenting growth in health (+0.5%) and dental (+6.4%) when compared 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 179.5 thousand formal jobs created up to March/19. Given the high correlation between the employment level and the number of health insured lives in the private market, these numbers represent a positive environment for the private healthcare industry with the creation of new jobs.

The loss ratio of the health and dental segment reached 79.4%, improving 170 BPS when compared to 1Q18. The good loss ratio control over the last periods is a result of the success of all initiatives focused on claims management and health and wellness promotion programs. Throughout 2018, SulAmérica began to invest in the Coordinated Care platform, which provides alignment of all agents in the private healthcare industry, promoting a closer tracking of the policyholder's journey through the network of providers, aiming at a higher quality care, complete and adherent to the beneficiary needs.



Health Administrative Services Only (ASO)

In 1Q19, revenues from ASO plans were in line with the same period of the previous year. The portfolio reached 431 thousand lives, considering both health and dental members, which represents an increase of 3.5% compared to 1Q18. Considering only health beneficiaries, growth was 5.6%.

3. Auto and Other Property and Casualty Insurance

(R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Operating Revenues	753.9	761.0	-0.9%	907.3	-16.9%
Insurance	745.6	752.0	-0.9%	897.2	-16.9%
Automobile	696.9	703.8	-1.0%	840.8	-17.1%
Other Property & Casualty	48.7	48.2	1.0%	56.4	-13.7%
Other Operating Revenues	8.3	9.0	-7.9%	10.1	-17.5%
Automobile	8.2	9.1	-9.3%	11.6	-29.0%
Other Property & Casualty	0.1	-0.1	NA	-1.5	NA
Changes in Technical Reserves	132.5	74.8	77.2%	5.1	NA
Automobile	131.9	74.3	77.5%	7.4	NA
Other Property & Casualty	0.6	0.5	27.1%	-2.4	NA
Operating Expenses	-743.9	-707.8	-5.1%	-773.0	3.8%
Insurance	-743.9	-707.8	-5.1%	-772.9	3.8%
Automobile	-687.8	-669.7	-2.7%	-727.1	5.4%
Other Property & Casualty	-56.0	-38.1	-47.2%	-45.8	-22.4%
Other Operating Expenses	0.0	0.0	NA	-0.2	99.9%
Automobile	0.0	0.0	NA	-0.2	99.9%
Other Property & Casualty	0.0	0.0	NA	0.0	NA
Gross Margin	142.5	128.0	11.3%	139.3	2.3%
Automobile	149.2	117.4	27.0%	132.6	12.5%
Other Property & Casualty	-6.7	10.5	NA	6.8	NA

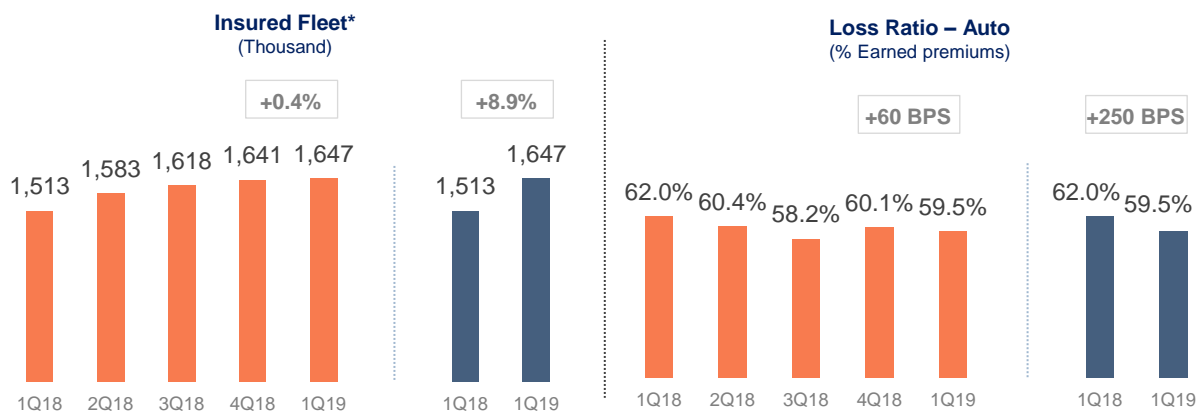
Loss Ratio	58.8%	60.4%	170 BPS	58.9%	10 BPS
Automobile	59.5%	62.0%	250 BPS	60.1%	60 BPS
Other Property & Casualty	46.3%	35.5%	-1090 BPS	39.5%	-680 BPS
Acquisition Cost	21.3%	21.4%	10 BPS	21.3%	0 BPS
Automobile	20.7%	20.7%	0 BPS	20.7%	0 BPS
Other Property & Casualty	31.4%	32.4%	100 BPS	29.8%	-160 BPS

Auto Insurance

The loss ratio for the auto insurance segment continued to perform well, at 59.5% in the quarter, a gain of 250 BPS when compared to the same period of 2018. The continuous improvement is a result of the new underwriting model, with more accurate pricing tools, in addition to improved processes. Operating revenues decreased 1.0% versus 1Q18, totaling R\$696.9 million. With an improvement in the loss ratio improvement and stable acquisition costs, gross margin increased 27.0% when compared to 1Q18.

The insured fleet closed the first quarter with 1.6 million vehicles, 8.9% above the figure recorded in 1Q18. This growth confirms the effectiveness of the commercial strategy and the partnership with the insurance brokers, as well as a more favorable perspective for the sales and licensing of new vehicles in Brazil.

Recent data from SUSEP (Private Insurance Commission) show that in the last twelve months ended on March 2019, SulAmérica had a market share of 9.6% of the total written premiums, being the fifth largest auto insurer in Brazil.



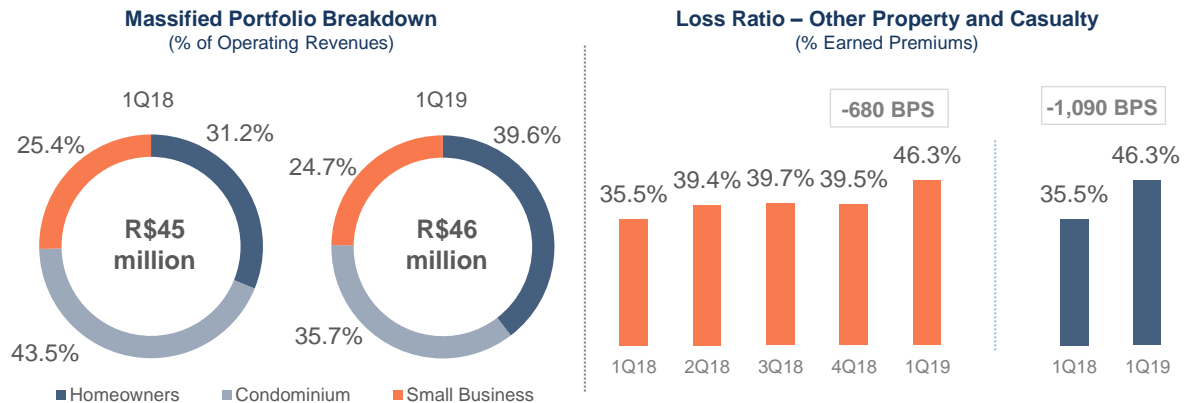
*Insured fleet net of technical cancellations

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

Other Property and Casualty Insurance

The other property & casualty insurance segment presented revenues of R\$48.7 million in 1Q19, an increase of 1.0% over the same period of 2018. The loss ratio was of 46.3%, 1,090 BPS higher when compared to 1Q18. The gross margin was a negative R\$6.7 million, following the higher loss ratio in the period.

Considering only the massified portfolio (homeowners/households, condominium and small businesses) – which represents approximately 94% of this segment in 1Q19 – operating revenues reached R\$45.9 million, growth of 2.9% versus 1Q18. The loss ratio reached 46.1%, 730 BPS higher when compared to 1Q18, mainly due to a higher frequency and severity of claims during the period, partially related to the rainy season in certain regions in the first months of this year.



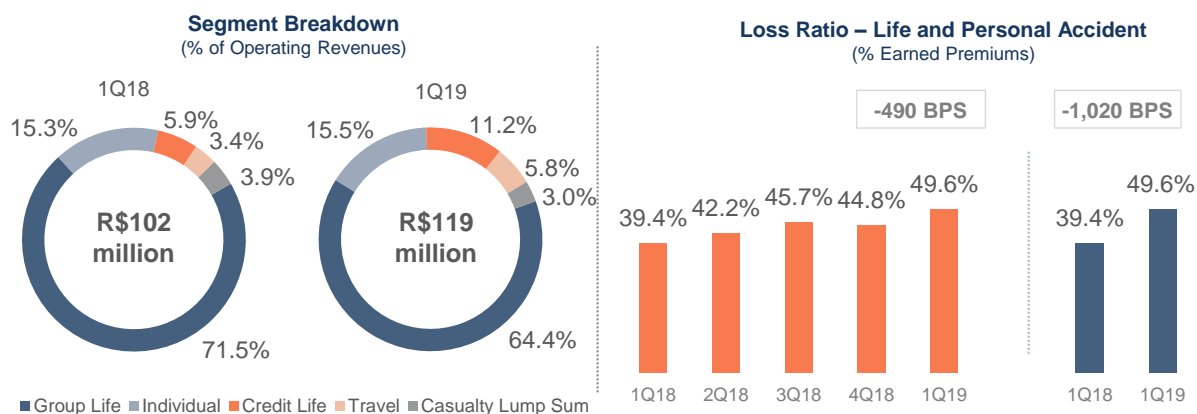
4. Life and Personal Accident Insurance and Private Pension

(R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Operating Revenues	281.7	253.6	11.1%	304.2	-7.4%
Insurance	118.9	102.3	16.1%	129.7	-8.4%
Private Pension	162.8	151.0	7.8%	174.4	-6.7%
Other Operating Revenues	0.0	0.3	-90.0%	0.1	-60.8%
Changes in Technical Reserves	-124.1	-111.7	-11.1%	-149.5	17.0%
Insurance	5.9	9.8	-39.6%	-8.7	NA
Private Pension	-130.0	-121.4	-7.0%	-140.8	7.7%
Operating Expenses	-146.7	-122.3	-19.9%	-139.0	-5.5%
Insurance	-114.8	-92.5	-24.1%	-106.5	-7.8%
Private Pension	-31.8	-29.8	-6.9%	-32.5	2.0%
Gross Margin	10.9	19.6	-44.2%	15.7	-30.4%
Insurance	9.9	19.5	-49.4%	14.5	-31.5%
Private Pension	1.0	-0.3	NA	1.1	-14.1%
Other	0.0	0.3	-90.0%	0.1	-60.8%
Loss Ratio	49.6%	39.4%	-1020 BPS	44.8%	-490 BPS
Acquisition Cost	29.8%	31.5%	170 BPS	30.7%	100 BPS

Life and Personal Accident Insurance

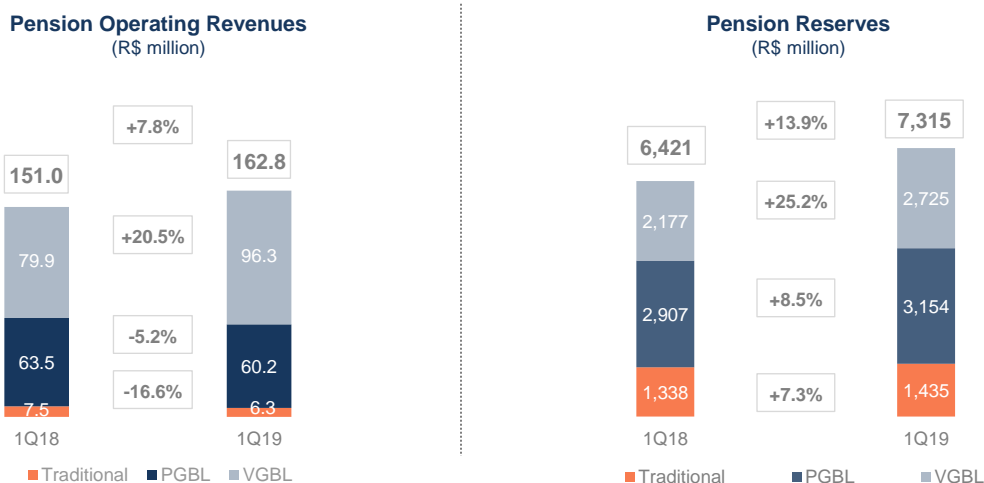
Operating revenues of the segment reached R\$118.9 million in the first quarter of 2019, 16.1% higher than in 1Q18, mainly driven by the growth in the travel insurance and credit life products. The loss ratio in 1Q19 was of 49.6%, 1,020 BPS worse than the first quarter of 2018, due to a higher frequency of claims in the period, whereas the acquisition costs ratio presented an improvement of 170 BPS year-over-year, reaching 29.8%.

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



Private Pension

Pension reserves totaled R\$7.3 billion, an increase of 13.9% over the same period of last year, mainly as a result of accumulated returns of the underlying pension funds. Operating revenues totaled R\$162.8 million in 1Q19, growth of 7.8% in relation to the first quarter of 2018, following higher contributions in the VGBL product (+20.5%), which more than offset lower revenues in the traditional (-16.6%) and PGBL (-5.2%) segments.



5. Savings Bonds

(R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Operating Revenues	15.9	13.1	20.9%	13.6	16.9%
Operating Expenses	-8.2	-8.5	4.0%	-7.7	-7.1%
Gross Margin	7.7	4.6	67.4%	5.9	29.5%
Savings Bonds Reserves	696.3	651.5	6.9%	662.0	5.2%

The savings bonds segment ended the quarter with gross margin up 67.4% over the same quarter of 2018, propelled by a growth of 20.9% in operating revenues, which totaled R\$15.9 million, as well as lower operating expenses. The increase in revenues was mostly driven by Rental Guarantee, SulAmérica's main product. The Company continues with efforts focused on expanding its distribution capacity and strengthening the relationship with brokers and real estate agents, aiming to increase both its market share and the penetration of this product.

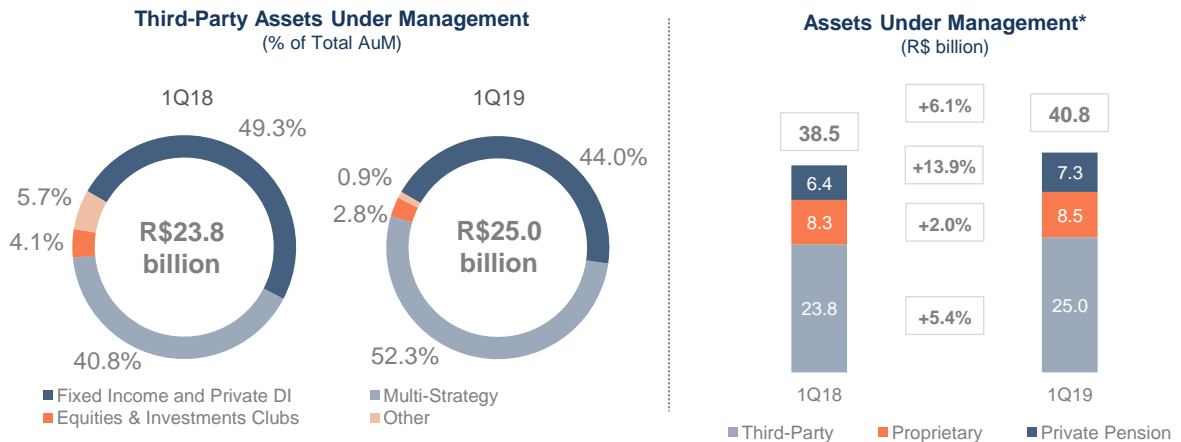
6. Asset Management

(R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Operating Revenues	13.5	11.0	22.5%	14.8	-9.3%
Management Fee	13.4	10.8	24.1%	12.1	10.7%
Performance Fee	0.1	0.2	-54.4%	2.8	-96.3%
Operating Expenses	-1.2	-0.9	-32.9%	-1.0	-19.1%
Gross Margin	12.3	10.1	21.6%	13.9	-11.3%

SulAmérica Investimentos ended the first quarter of 2019 with R\$40.8 billion in AuM, growth of 6.1% versus 1Q18. The increase was mainly driven by higher volumes in third-party assets (+5.4%, reaching R\$25.0 billion), proprietary portfolio – insurance float (+2.0% to R\$8.5 billion) and in the private pension reserves (+13.9% to R\$7.3 billion).

Operating revenues totaled R\$13.5 million in 1Q19, improving 22.5% when compared to 1Q18, boosted by higher revenues with management fees (+24.1%). The gross margin in the quarter grew 21.6%, essentially following the increase in revenues.

In 1Q19, the allocation in multi-strategy funds reached 52.3% of the portfolio of third-party assets, while fixed income assets represented 44.0%. Over the past few quarters, multi-strategy funds have gained share in the portfolio, in a movement related to the lower average benchmark interest rate (Selic) in Brazil 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)	1Q19	1Q18	Δ	4Q18	Δ
Personnel Expenses	-205.9	-188.1	-9.5%	-208.3	1.1%
Third-Party Services	-101.5	-90.5	-12.2%	-137.7	26.3%
Buildings and Maintenance	-54.5	-49.9	-9.2%	-52.5	-3.7%
Other Administrative Expenses	-35.3	-24.3	-45.2%	-67.0	47.3%
Profit Sharing	-20.1	-17.8	-12.5%	-29.5	32.0%
Tax Expenses	-17.9	-9.8	-83.0%	-21.8	17.9%
Total	-435.3	-380.4	-14.4%	-516.9	15.8%
General & Administrative Expenses Ratio (% operating revenues)	8.3%	8.0%	-30 BPS	9.7%	140 BPS

The ratio of administrative expenses (measured by the ratio of total administrative expenses to total operating revenues) was 8.3% in 1Q19, an increase of 30 BPS compared to 1Q18, mainly due to: (i) higher expenses with direct taxes (PIS and Cofins) related to Interest on Shareholders' Equity (IoC or JCP) in the Company's subsidiaries which occurred in 1Q19 but not in 1Q18; (ii) higher marketing expenses incurred in the first quarter, which impacts the other administrative expenses line; (iii) an increase in headcount of about 100 FTE's allocated, mainly, in building the care coordination platform in health, and in projects related to our digital transformation and new products and services. Compared to 4Q18, the ratio improved 140 BPS, or R\$81.6 million in absolute terms. The Company continues focused on strict expenses control and operating efficiency gains, balanced with continuous strategic investments necessary for the Company's growth, which are in part booked in this line.

8. Investment Income

(R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Investment Income ex-Private Pension	156.9	145.7	7.7%	156.1	0.5%
Return on Investment Portfolio	180.4	160.6	12.4%	160.5	12.4%
Debt Service Cost	-26.9	-29.6	9.3%	-26.2	-2.3%
Other Investment Income	3.3	14.8	-77.7%	21.9	-84.9%
Investment Income from Private Pension	14.4	-0.8	NA	-8.2	NA
Return on Investment Portfolio of Private Pension	173.4	144.5	20.0%	118.1	46.9%
Change in Liabilities of Private Pension	-159.0	-145.3	-9.4%	-126.2	-26.0%
Total Investment Income	171.3	144.9	18.2%	148.0	15.7%

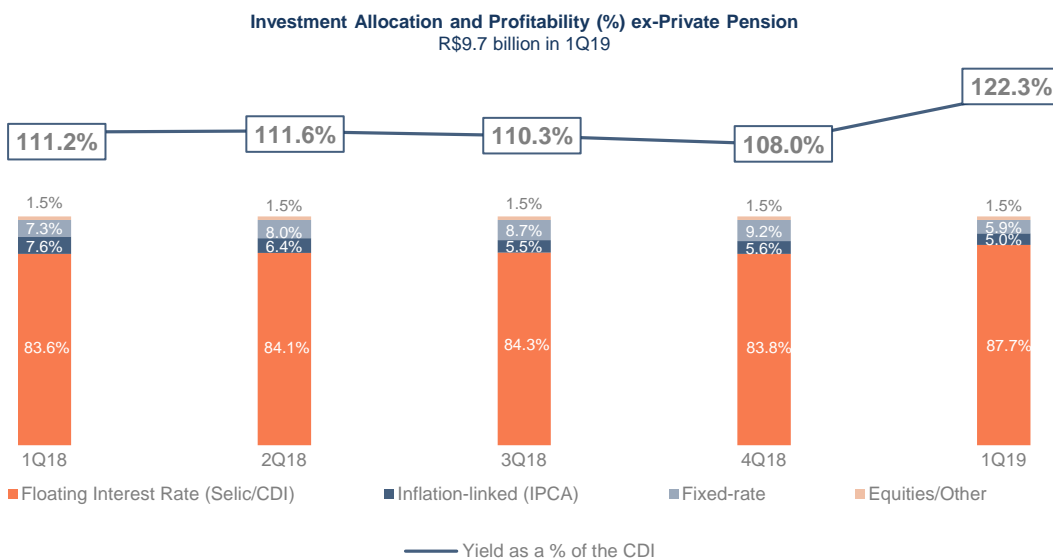
Balance

(R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Balance Excluding Private Pension	9,709.9	9,237.4	5.1%	9,725.0	-0.2%
Private Pension Operations Balance	7,315.2	6,421.3	13.9%	7,157.5	2.2%
Total Balance	17,025.0	15,658.6	8.7%	16,882.5	0.8%

Total net investment income reached R\$171.3 million, an increase of 18.2% versus 1Q18, mainly propelled by an increase of 12.4% in the return on investment portfolio line. Such performance is explained, mostly, by the return on the insurance float (Company's proprietary portfolio ex-private pension), which reached 122.3% of the CDI in the quarter versus 111.2% in 1Q18, together with an increase of 5.1% in proprietary assets. A better yield in the period was boosted by the good performances of variable income assets, as well as gains with fixed rate and inflation-linked securities.

Additionally, a more comparable average benchmark interest rate (Selic) between the periods of 1Q19 and 1Q18 contributed to a better performance of the return on the investment portfolio, after consecutive periods of reduction following the downward trend of the Selic rate.

The Company holds approximately 99% of its proprietary assets (ex-private pension) allocated in fixed income while the remaining is allocated in variable income assets and others. Approximately 88% of the investments in fixed income (ex-PGBL and VGBL) is invested in AAA-rated or sovereign risk securities (Brazilian government bonds).



9. Summary Income Statement

(R\$ million)	1Q19	1Q18	Δ	4Q18	Δ
Operating Revenue	5,254.5	4,771.4	10.1%	5,348.9	-1.8%
Insurance	5,038.0	4,572.0	10.2%	5,112.3	-1.5%
Private Pension	162.8	151.0	7.8%	174.4	-6.7%
Saving Bonds	15.9	13.1	20.9%	13.6	16.9%
ASO	15.0	15.1	-0.2%	15.9	-5.6%
Asset Management	13.5	11.0	22.5%	14.8	-9.3%
Other	9.4	9.3	1.4%	17.8	-47.2%
Changes in Premium Technical Reserves	-3.9	-54.0	92.9%	-144.4	97.3%
Insurance	126.1	67.4	87.0%	-3.6	NA
Private Pension	-130.0	-121.4	-7.0%	-140.8	7.7%
Operating Expenses	-4,635.7	-4,229.5	-9.6%	-4,367.5	-6.1%
Insurance	-4,591.0	-4,187.7	-9.6%	-4,322.6	-6.2%
Claims	-3,928.7	-3,585.2	-9.6%	-3,682.1	-6.7%
Acquisition Costs	-496.4	-457.1	-8.6%	-494.7	-0.3%
Other	-165.8	-145.4	-14.0%	-145.7	-13.8%
Private pension	-31.8	-29.8	-6.9%	-32.5	2.0%
Benefits and Redemptions Expenses	-21.8	-21.1	-3.3%	-24.9	12.3%
Acquisition Costs	-9.3	-7.9	-17.1%	-8.3	-11.8%
Other	-0.7	-0.7	0.6%	0.7	NA
Saving Bonds	-8.2	-8.5	4.0%	-7.7	-7.1%
ASO	-3.6	-2.6	-38.1%	-3.7	3.1%
Asset Management	-1.2	-0.9	-32.9%	-1.0	-19.1%
Other	0.0	0.0	NA	-0.2	99.9%
Operating Gross Margin	614.9	487.9	26.0%	836.9	-26.5%
General and Administrative Expenses	-435.3	-380.4	-14.4%	-516.9	15.8%
Net Investment Income	171.3	144.9	18.2%	148.0	15.7%
Equity Interest Income	10.5	9.4	11.1%	9.2	14.2%
Other Equity Income / (Expenses)	2.0	3.7	-45.4%	-5.2	NA
Income before tax and social contribution	363.4	265.6	36.9%	472.0	-23.0%
Income Tax and Social Contribution	-140.1	-123.5	-13.4%	-78.8	-77.9%
Net Income	223.3	142.0	57.2%	393.2	-43.2%
Attributable to Non-Controlling Shareholders	0.1	-0.6	NA	0.3	-59.0%
Net Income After Non-Controlling Interests	223.5	141.4	58.0%	393.6	-43.2%

10. Summary Balance Sheet

ASSETS			
(R\$ million)	1Q19	2018	Δ
Current Assets	18,724.5	18,712.4	0.1%
Cash, cash equivalents and marketable securities	15,782.0	15,601.2	1.2%
Receivables	1,941.5	2,164.2	-10.3%
Taxes	201.6	182.1	10.7%
Reinsurance assets	40.8	35.8	13.8%
Salvages for sale	69.5	44.8	55.0%
Deferred acquisition costs	651.5	663.3	-1.8%
Other	37.5	20.9	79.2%
Non-current assets	7,315.7	6,991.4	4.6%
Marketable securities	1,286.8	1,260.8	2.1%
Receivables	1,002.1	908.4	10.3%
Judicial deposits	2,865.0	2,837.2	1.0%
Reinsurance assets	7.5	8.1	-7.6%
Deferred acquisition costs	608.8	582.9	4.4%
Taxes	965.3	965.3	0.0%
Other	15.7	4.5	246.7%
Leasing assets	157.4	0.0	NA
Investments, property and equipment, and intangible assets	407.1	424.3	-4.0%
Total Assets	26,040.1	25,703.8	1.3%
LIABILITIES			
(R\$ million)	1Q19	2018	Δ
Current Liabilities	9,698.6	9,881.1	-1.8%
Accounts payable	1,877.4	1,934.9	-3.0%
Loans and financing	469.3	447.8	4.8%
Insurance and reinsurance liabilities	312.0	359.2	-13.1%
Technical reserves - Insurance	6,947.5	7,041.0	-1.3%
Judicial provisions	72.6	73.2	-0.8%
Other	19.7	25.0	-21.3%
Non-current Liabilities	9,833.4	9,535.2	3.1%
Accounts payable	155.8	36.9	322.3%
Loans and financing	1,025.1	1,023.2	0.2%
Technical reserves - Insurance	6,270.3	6,131.2	2.3%
Judicial provisions	2,370.8	2,330.6	1.7%
Other	11.4	13.3	-14.1%
Shareholders' Equity	6,508.1	6,287.5	3.5%
Total Liabilities and Shareholders' Equity	26,040.1	25,703.8	1.3%

11. Analyst Coverage

Firm	Analyst	Phone
Ágora	Aloísio Lemos	+55 (21) 2529-0807
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BTG Pactual	Eduardo Rosman	+55 (11) 3383-2772
Citi	Felipe Salomão	+55 (11) 4009-2650
JP Morgan	Domingos Falavina	+1 (212) 622 3602
Merrill Lynch	Mario Pierry	+1 (646) 743 0047
Safra	Luis Azevedo	+55 (11) 3175-9341
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, 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.