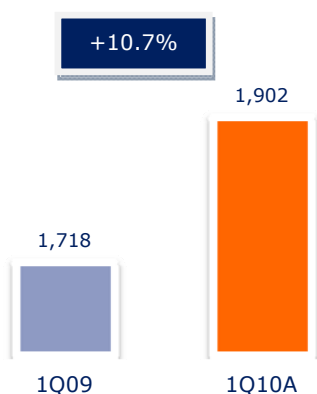


Insurance premiums increased 10.7% in 1Q10, with highlight to the 22.3% growth in auto insurance premiums.

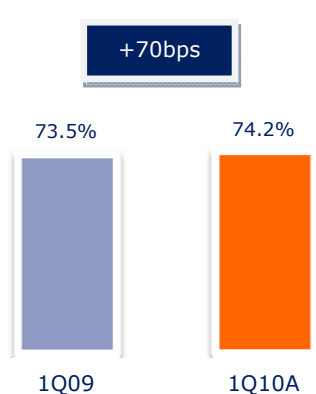
Highlights

- ▶ Recurring net income of R\$85.4 million in 1Q10, down 13.8% over 1Q09 (down 42.9% over 4Q09). In 1Q10, annualized return on equity reaches 13.5% on a recurring basis and the Company ends the year with total assets of R\$11.0 billion.
- ▶ Insurance premiums on a recurring basis of R\$1.9 billion, up 10.7% over 1Q09 (premiums in line with 4Q09). Recurring health insurance premiums increase 13.8% over 1Q09 (up 1.4% over 4Q09), with the group health portfolio expanding 19.0% (up 1.5% over 4Q09), and highlight for the growth of 33.1% in small and medium-sized enterprises (SMEs) segment. Auto insurance premiums climb 22.3% over 1Q09 (down 7.3% over 4Q09) and insured fleet reaches 1.2 million vehicles. Life and personal accident insurance premiums portfolio grows 12.5% over 1Q09 (down 1.5% over 4Q09).
- ▶ Total loss ratio of 74.2%, up 70 bps and 180 bps in relation to 4Q09 on a recurring basis. Health insurance loss ratio of 80.7%, increasing 210 bps over 1Q09 (up 160 bps over 4Q09). Auto insurance loss ratio of 63.7%, up 190 bps over 1Q09 (up 920 bps over 4Q09).
- ▶ Combined ratio ends quarter at 100.7%, up 270 bps over 1Q09 and 270 bps over 4Q09 on a recurring basis.
- ▶ Return on investment portfolio of R\$167.0 million, corresponding to an average yield of 132.8% of the CDI rate.

Insurance premiums
R\$ million

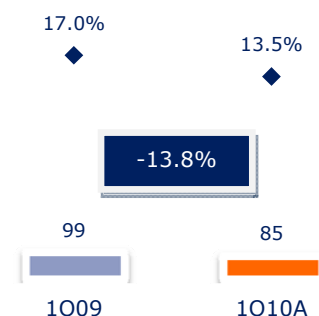


Loss ratio
% earned premiums



Net income and ROAE

■ Net income (R\$ million) ◆ ROAE (%)



CONFERENCE CALL

| Portuguese | Date: 05/14/2010 | Time: 10:00 a.m. (BR) | 09:00 a.m. (US EST) | Phone: +55 (11) 2188-0155 | Code: SULAMERICA

| English | Date: 05/14/2010 | Time: 12:00 p.m. (BR) | 11:00 a.m. (US EST) | Phone: +1 (973) 935-8893 | Code: 70580571

Main events in 1Q10 and subsequent events

Individual health insurance premiums in State of Bahia | In July 2005, the National Private Health Insurance Agency (ANS) authorized SulAmérica to implement a 26.1% increase in the premiums of its individual health insurance policies issued before January 1, 1999. Such increase should have been applied between July 2005 and June 2006, in accordance with the anniversary of the policies. The increase was suspended due to a preliminary injunction and the adjustment was limited to 11.69%. At the end of November 2009, the preliminary injunction was lifted, with SulAmérica once again obtaining the right to adjust its monthly premiums for those policyholders at a rate of 26.1%, as was the case in other Brazilian states. As of December 2009, policyholders in State of Bahia were charged an increase of premiums of 12.9% related to the difference for the rate applied in 2005, with the retroactive balances being charged since January 2010, following an agreement entered with the Federal Public Attorney and other consumer protection agencies.

Brasilveículos | On 10.06.2009, Banco do Brasil indicated its interest in acquiring the stake held by Sul América Companhia Nacional de Seguros in Brasilveículos Companhia de Seguros. As a result, on December 31, 2009 the shareholding participation held by the subsidiary Sul América Companhia Nacional de Seguros in Brasilveículos was classified as available for sale, and therefore the amount of R\$96.1 million, which represented the book value of that asset as of December 31, 2009, was reclassified to the line Assets Available for Sale under current assets. Consequently, as of January 1, 2010, the parent company ceased to consolidate Brasilveículos in its consolidated financial statements. Subsequently, on 05.05.2010, Sul América S.A. released a notice of material fact announcing that its subsidiary Sul América Companhia Nacional de Seguros had entered into an agreement with BB Seguros Participações S.A. to sell its entire participation held at Brasilveículos Companhia de Seguros, representing 60% of the voting capital and 30% of the total capital of Brasilveículos, for the amount of R\$340 million, which represents a price to book value of 3.5 times and a price to 2009 net income of 21 times, being the transaction expected to generate non-recurring income of approximately R\$140 million, after tax. The sale is subject to prior approval by the regulatory agencies.

Brasilsaúde | On 05.05.2010, Sul América S.A. in the notice of a material fact regarding the conclusion of the negotiation of Brasilveículos, informed the market that negotiations with Banco do Brasil aiming at Brasilsaúde Companhia de Seguros were still in progress, with SulAmérica, through one of its subsidiaries, holding 50.05% of the total and voting capital of Brasilsaúde.

Partnership with Caixa Econômica Federal | On 02.18.2010, SulAmérica and Caixa Econômica Federal entered into an agreement under which SulAmérica mortgage insurance would be sold at Caixa Econômica Federal branches in connection with Caixa Econômica Federal extending credit under the Federal Housing System. This agreement meets the new rules established by SUSEP for mortgage insurance, which providers for banks operating under the Federal Housing System shall offer at least two mortgage insurance options.

Change in management | On 03.31.2010, SulAmérica announced that the Company's Board of Directors, in a meeting held on the same date, had elected Thomaz Cabral de Menezes to the position of Chief Executive Officer. Mr. Menezes replaced Mr. Patrick de Larragoiti Lucas, who in December 2009, based on best corporate governance practices, decided to focus on his activities as Chairman of Board of Directors, a position to which he was reelected at the Annual Shareholders' Meeting held on the same date. Mr. Thomaz Cabral de Menezes holds a degree in business administration and has served for several years as CEO of one of the largest insurance brokerage companies in the Brazilian market.

Sale of real estate property in Morumbi, São Paulo | On 04.05.2010, Sul América S.A. released a notice of material fact announcing that its indirect subsidiary Sul América Companhia Nacional de Seguros had signed an agreement aimed at the sale of its real estate property where its São Paulo head offices were located (Rua Pedro Avancine nr.73, Morumbi, São Paulo). Following the conclusion of the transaction, which is subject to, among other requirements, due diligence and subsequent final approvals by the parties, the Company will continue to occupy the property for a maximum of 18 months, during which it will search a new location to its operations in the city of São Paulo. The decision was motivated by the Company's continuous concern with optimizing its operational efficiency and rationalizing the use of its assets. This transaction is expected to generate a net non-recurring gain of approximately R\$41 million.

Best Online Annual Report Award | On 04.08.2010, SulAmérica's Annual Report was recognized as the best Online Annual Report in Latin America in the 12th Annual Investor Relations Global Rankings. The 2008 report was recognized for its fully interactive model, 100% online.

Partnership with Citibank | On 05.04.2010, SulAmérica and Citibank entered into an agreement which provides for the sale of SulAmérica auto insurance products at Citibank branches for a period of five years, reaching more than 400,000 account holders.

Insurance operations

Insurance premiums R\$ million	1Q10 ¹	1Q09 ²	Δ%	4Q09 ²	Δ%
Health insurance	1,276.5	1,068.8	19.4	1,198.8	6.5
Health insurance (adjusted)	1,215.8	1,068.8	13.8	1,198.8	1.4
Group health insurance	853.1	716.9	19.0	840.8	1.5
Individual health insurance	423.4	351.8	20.3	358.0	18.3
Individual health insurance (adjusted)	362.7	351.8	3.1	358.0	1.3
Auto insurance	419.1	342.6	22.3	451.9	-7.3
Other property & casualty insurance	135.4	189.3	-28.5	112.7	20.1
Life & personal accident insurance	132.1	117.4	12.5	134.1	-1.5
Total	1,963.0	1,718.1	14.3	1,897.6	3.5
Total adjusted	1,902.4	1,718.1	10.7	1,897.6	0.3

Earned premiums R\$ million	1Q10 ¹	1Q09 ²	Δ%	4Q09 ²	Δ%
Health insurance	1,273.8	1,068.5	19.2	1,199.2	6.2
Health insurance (adjusted)	1,213.1	1,068.5	13.5	1,199.2	1.2
Group health insurance	852.8	716.0	19.1	838.7	1.7
Individual health insurance	421.0	352.5	19.4	360.5	16.8
Individual health insurance (adjusted)	360.3	352.5	2.2	360.5	-0.1
Auto insurance	416.1	328.2	26.8	403.7	3.1
Other property & casualty insurance	78.5	81.7	-3.9	66.1	18.7
Life & personal accident insurance	100.6	85.2	18.1	96.5	4.3
Total	1,869.0	1,563.6	19.5	1,765.6	5.9
Total adjusted	1,808.3	1,563.6	15.6	1,765.6	2.4

Loss ratio %	1Q10 ¹	1Q09 ²	Δ(bps)	4Q09 ²	Δ(bps)
Health insurance	76.9%	78.6%	-180	79.1%	-230
Health insurance (adjusted)	80.7%	78.6%	210	79.1%	160
Group health insurance	79.0%	76.1%	290	76.2%	280
Individual health insurance	72.5%	83.7%	-1,120	85.9%	-1,340
Individual health insurance (adjusted)	84.7%	83.7%	100	85.9%	-110
Auto insurance	63.7%	61.8%	190	54.5%	920
Other property & casualty insurance	65.2%	72.2%	-690	87.9%	-2,270
Life & personal accident insurance	46.0%	55.5%	-950	52.4%	-640
Total	71.8%	73.5%	-170	72.4%	-60
Total adjusted	74.2%	73.5%	70	72.4%	180

(1) On 12.31.2009, the subsidiary Brasilveículos Companhia de Seguros was classified as available for sale. Consequently, as of January 1, 2010, the subsidiary ceased to be consolidated on the financial statements..

(2) Pro-forma information, excluding Brasilveículos Companhia de Seguros from the consolidated financial statements.

Acquisition cost ratio %	1Q10 ¹	1Q09 ²	Δ(bps)	4Q09 ²	Δ(bps)
Health insurance	5.9%	5.6%	30	6.1%	-20
Health insurance (adjusted)	6.2%	5.6%	60	6.1%	10
Group health insurance	8.5%	7.9%	60	8.3%	20
Individual health insurance	0.7%	0.9%	-20	0.9%	-20
Individual health insurance (adjusted)	0.8%	0.9%	-10	0.9%	-10
Auto insurance	23.5%	23.4%	10	23.3%	10
Other property & casualty insurance	19.3%	20.0%	-70	22.4%	-310
Life & personal accident insurance	23.5%	21.4%	220	23.1%	50
Total	11.3%	11.0%	40	11.6%	-20
Total adjusted	11.7%	11.0%	80	11.6%	10

Gross margin %	1Q10 ¹	1Q09 ²	Δ(bps)	4Q09 ²	Δ(bps)
Health insurance	17.2%	15.7%	150	14.8%	240
Health insurance (adjusted)	13.1%	15.7%	-270	14.8%	-170
Group health insurance	12.5%	15.9%	-340	15.4%	-290
Individual health insurance	26.8%	15.4%	1,140	13.2%	1,360
Individual health insurance (adjusted)	14.5%	15.4%	-90	13.2%	120
Auto insurance	12.8%	14.8%	-200	22.2%	-940
Other property & casualty insurance	15.5%	7.8%	770	-10.3%	2,580
Life & personal accident insurance	30.4%	23.1%	730	24.5%	590
Total	16.9%	15.5%	130	16.1%	80
Total adjusted	14.1%	15.5%	-140	16.1%	-200

Combined ratio %	1T10	1T09	Δ(bps)	4T09	Δ(bps)
Combined ratio	98.5%	98.0%	50	98.0%	50
Combined ratio (adjusted)	100.7%	98.0%	270	98.0%	270

(1) On 12.31.2009, the subsidiary Brasilveículos Companhia de Seguros was classified as available for sale. Consequently, as of January 1, 2010, the subsidiary ceased to be consolidated on the financial statements.

(2) Pro-forma information, excluding Brasilveículos Companhia de Seguros from the consolidated financial statements.

Net income and return on average equity (ROAE)

R\$ million	1Q10 ¹	1Q09 ²	Δ	4Q09 ²	Δ
Net income	109.6	99.1	10.5%	149.7	-26.8%
Net income adjusted	85.4	99.1	-13.8%	149.7	-42.9%
ROAE	17.3%	17.0%	40bps	24.2%	-680bps
ROAE adjusted	13.5%	17.0%	-350bps	24.2%	-1,070bps
Earnings per share (R\$)*	0.3930	0.3531	11.3%	0.5352	-26.6%
Earnings per share adjusted (R\$)*	0.3063	0.3531	-13.3%	0.5352	-42.8%
Earnings per unit (R\$)*	1.1791	1.0593	11.3%	1.6055	-26.6%
Earnings per unit adjusted (R\$)*	0.9189	1.0593	-13.3%	1.6055	-42.8%

(1) On 12.31.2009, the subsidiary Brasilveículos Companhia de Seguros was classified as available for sale. Consequently, as of January 1, 2010, the subsidiary ceased to be consolidated on the financial statements.

(2) Pro-forma information, excluding Brasilveículos Companhia de Seguros from the consolidated financial statements.

(*) Parent Company

Important note: certain percentages and other figures included in this performance report were rounded to facilitate presentation and therefore may present slight differences in relation to the tables and notes presented in the quarterly information. In addition, for the same reason, the totals presented in certain tables may not reflect the arithmetic sum of the preceding figures.

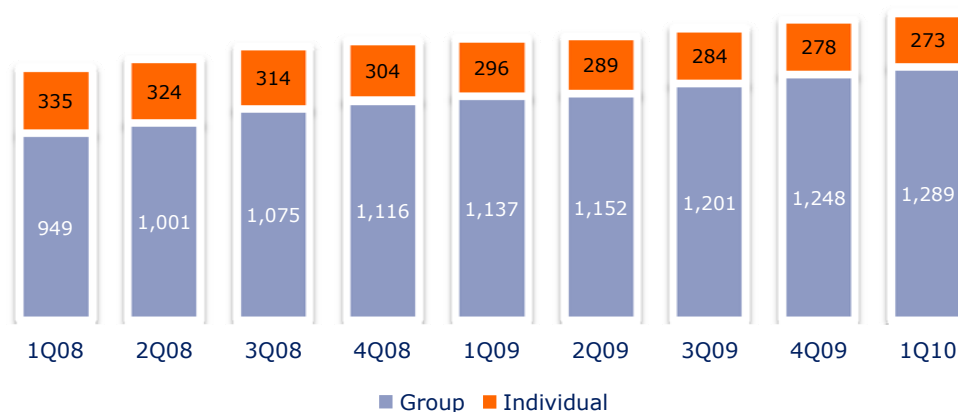
Health insurance

Insurance Premiums | Health insurance premiums, which represent 63.9% of total insurance premiums, amounted to R\$1.2 billion in 1Q10, expanding by 13.8% over 1Q09 (up 1.4% over 4Q09), excluding the non-recurring effects of premiums related to the 12.9% increase, retroactive to July 2005, for individual insurance policies issued before January 1, 1999 (portfolio prior to Law No. 9,656/98) in the State of Bahia – “complementary individual health insurance premiums”. These non-recurring premiums totaled R\$60.7 million in 1Q10 and were fully recorded in the individual health insurance portfolio.

Group health insurance premiums reached R\$853.1 million in 1Q10, increasing 19.0% over 1Q09 (up 1.5% over 4Q09). The group health insurance portfolio ended the quarter with 1,289 thousand insured members, an increase of 13.4% over 1Q09 (up 3.3% over 4Q09). The increase in group health insurance premiums in 1Q10 reflects the higher number of insured members and price increases applied to policies. Health insurance premiums in the small and medium-sized enterprises (SME) segment expanded by 33.1% in 1Q10 versus 1Q09 (up 3.7% over 4Q09) to R\$168.0 million. The expansion over 1Q09 was driven by the 21.0% increase in the number of insured members, with the portfolio ending the quarter with 184,597 members (up 2.4% over 4Q09). The dental care portfolio ended the quarter with 180,505 members, 57.4% more than in 1Q09 (up 7.2% versus 4Q09), due to the positive results of promotional campaigns and cross-selling efforts.

In the individual health insurance segment, premiums reached R\$362.7 million in 1Q10, excluding the effects of complementary individual health insurance premiums, increasing 3.1% over 1Q09 (up 1.3% over 4Q09). In 1Q10, the individual health insurance portfolio decreased by 7.7% over 1Q09 (down 1.8% over 4Q09) to 273,272 members. See “Main events in 1Q10 and subsequent events” for more information on complementary premiums in the individual health insurance segment.

Health insurance members thousand



Loss ratio | The overall health insurance loss ratio in 1Q09 increased by 210 bps on a recurring basis over 1Q09 to 80.7% (up 160 bps vs. 4Q09).

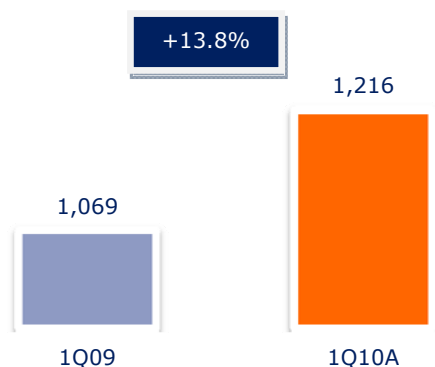
The group health insurance loss ratio increased by 290 bps over 1Q09 (up 280 bps over 4Q09), ending the quarter at 79.0%. The increase in the group health insurance loss ratio in 1Q10 primarily reflects an increase in claims reserves and a revision carried out in 1Q10 in the payment process of cases under discussion with healthcare service providers. Such increase will be reflected in future price adjustments.

The individual health insurance loss ratio was 84.7%, up 100 bps over 1Q09 (down 110 bps over 4Q09), excluding the effects over the complementary individual health insurance premiums mentioned earlier. This increase is partially due to higher frequency of utilization and higher healthcare services costs, and also to the revision process mentioned above, which will be reflected in future price adjustments.

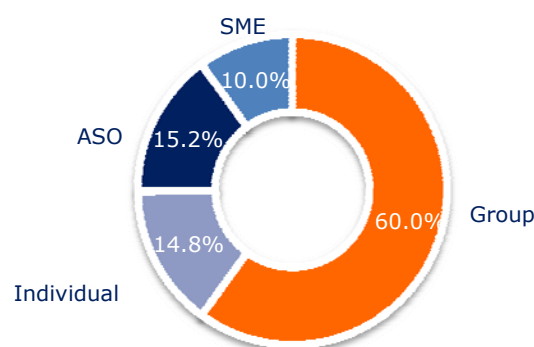
The revision carried out in 1Q10 in the payment process of cases under discussion with healthcare service providers resulted in extraordinary expenses of R\$24.2 million affecting both group and individual health insurance portfolios.

Acquisition cost ratio | The health insurance acquisition cost ratio was 6.2% in 1Q10, increasing 60 bps over 1Q09 on a recurring basis (up 10 bps over 4Q09). The increase in 1Q10 is explained by the change in the portfolio's composition, with a higher share of group health insurance and the SME segment.

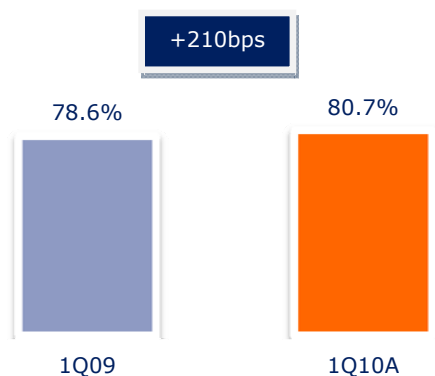
Insurance premiums
R\$ million



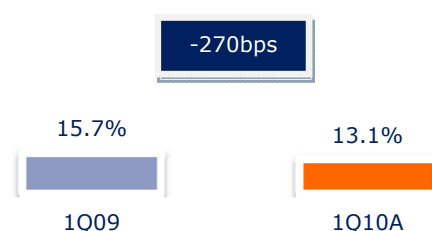
Covered individuals 1Q10
Total | 1.8 million members



Loss ratio
% earned premiums



Gross margin
% earned premiums

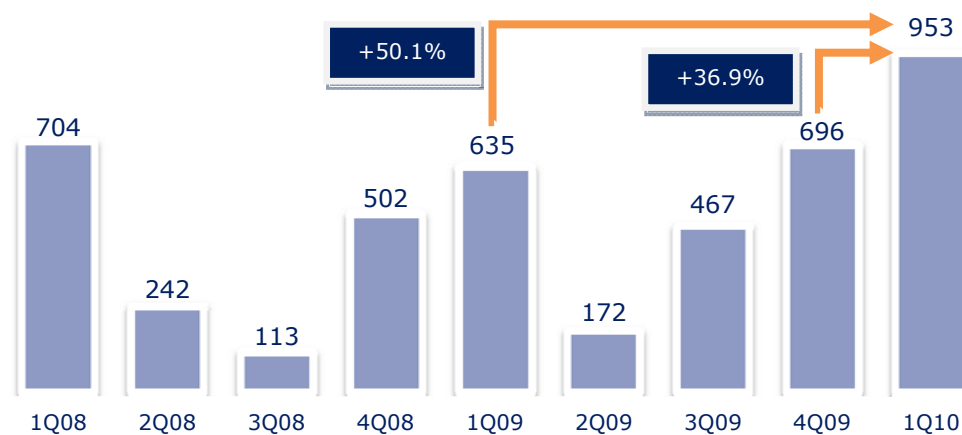


Auto insurance

Insurance premiums | Auto insurance premiums, which account for 22.0% of total insurance premiums, increased by 22.3% over 1Q09 and decreased by 7.3% over 4Q09, totaling R\$419.1 million in 1Q10. The substantial growth in premiums is mainly explained by the expansion in the insured fleet to 1,197 thousand vehicles in 1Q10, with an increase of 23.3% on 1Q09 (up 3.7% over 4Q09). This performance also reflects the positive response of the auto industry to the stimulus plan adopted by the federal government, which led to a 17.9% increase in new vehicles sales in 1Q10 compared with 1Q09, according to the National Association of Vehicle Manufacturers (ANFAVEA). The insurance industry benefited from these measures, with premiums for the automobile insurance segment registering growth of 17.9% in 1Q10 over 1Q09, based on data from the Private Insurance Superintendence (SUSEP). SulAmérica grew 22.3% in the period, reaching market share of 9.4%, with this figure excluding Brasilvéculos Companhia de Seguros from the consolidated insurance premium figures.

Loss ratio | The auto insurance loss ratio in 1Q10 was 63.7%, up 190 bps over 1Q09 (up 920 bps over 4Q09). In both cases, the increase is mainly explained by the higher volume of retained claims due to weather factors in the quarter, especially in the city of São Paulo, as shown in the chart below, and also by extraordinary expenses of R\$14.3 million related to adjustments to reserves for claims following an actuarial assessment.

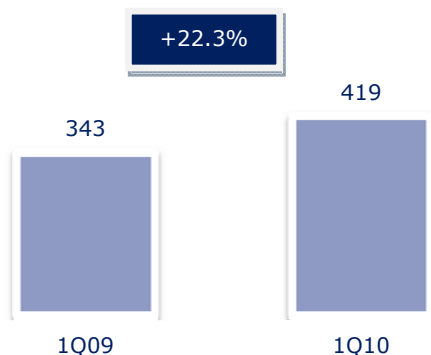
Rainfall in the city of São Paulo (in mm)



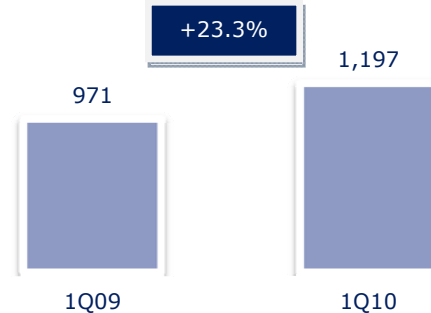
Source: INMET-Instituto Nacional de Meteorologia

Acquisition cost ratio | The auto insurance acquisition cost ratio remained stable in 1Q10 over 1Q09 and over 4Q09.

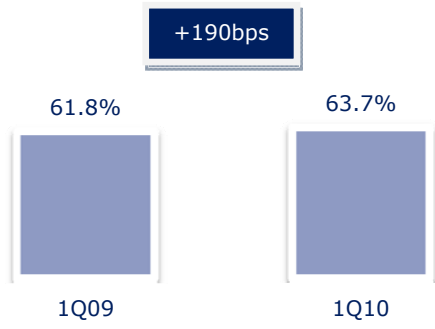
Insurance premiums
R\$ million



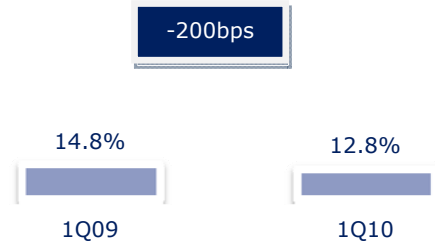
Auto insurance fleet
thousand of vehicles



Loss ratio
% earned premiums



Gross margin
% earned premiums



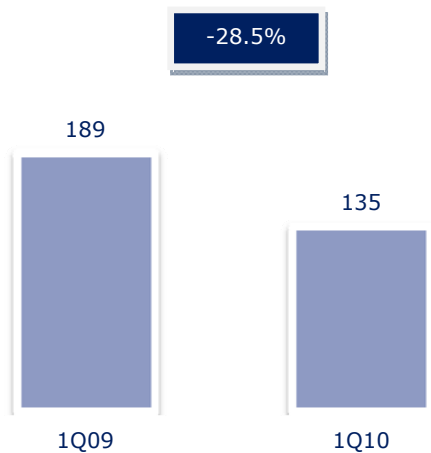
Other property and casualty insurance

Insurance premiums | Premiums for other property and casualty insurance, which accounted for 7.1% of the Company's overall insurance premiums, totaled R\$135.4 million in 1Q10, representing a reduction of 28.5% over 1Q09 and an increase of 20.1% over 4Q09. The reduction over 1Q09 resulted from the revision of the risk acceptance policy adopted for the portfolio in 2009. The increase in premiums over 4Q09 is verified primarily in the transport insurance and massified insurance portfolios.

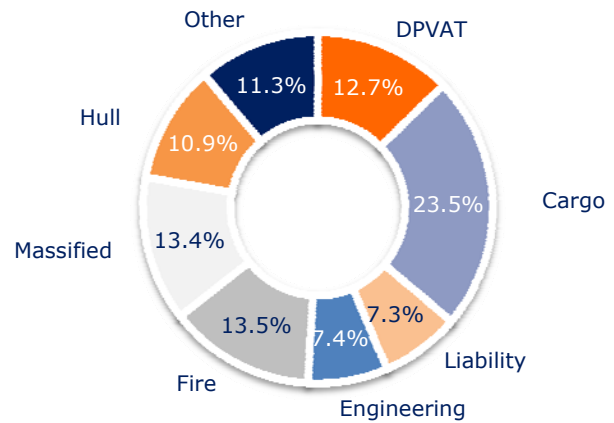
Loss ratio | The other property and casualty insurance loss ratio reached 65.2% in 1Q10, down 690 bps over 1Q09 (down 2,270 bps over 4Q09). This reduction reflects the improved portfolio composition as a result of the revision of the risk acceptance policy mentioned earlier.

Acquisition cost ratio | The acquisition cost ratio fell by 70 bps over 1Q09 to 19.3% (down 310 bps vs. 4Q09).

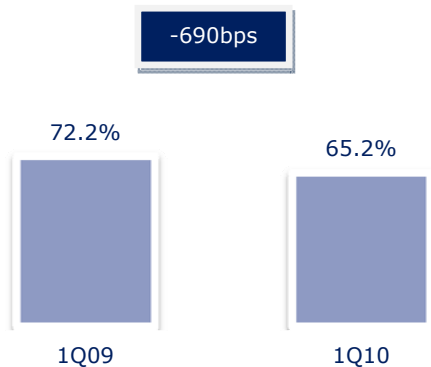
Insurance premiums
 R\$ million



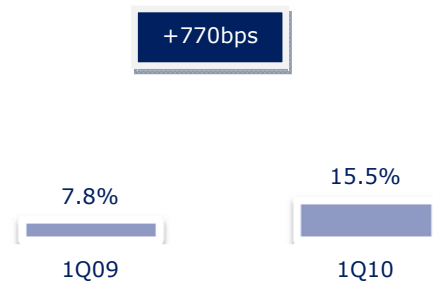
Segment breakdown in 1Q10
 Total | R\$135.4 million



Loss ratio
 % earned premiums



Gross margin
 % earned premiums



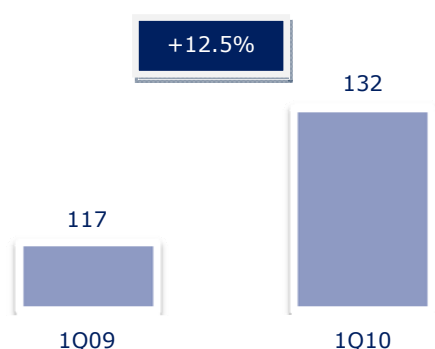
Life and personal accident insurance

Insurance premiums | Premiums for life and personal accident insurance, which account for 7.0% of the Company's total insurance premiums, stood at R\$132.1 million in 1Q10, increasing by 12.5% on 1Q09 (down 1.5% over 4Q09). The growth in life and personal accident insurance premiums in 1Q10 is basically explained by the 35.6% increase in VGBL premiums against 1Q09 and by the performance of the personal accident insurance portfolio, which grew 37.1% in the period. The life and personal accident portfolio ended 1Q10 with 2,405 thousand covered individuals, expanding by 9.9% against 1Q09.

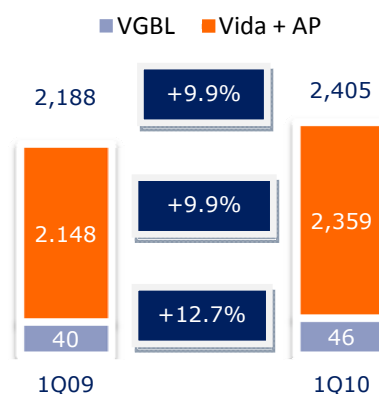
Loss ratio | The life and personal accident loss ratio was 46.0% in 1Q10, down 950 bps over 1Q09 (down 640 bps over 4Q09). The reduction is basically explained by the reduction in reserves for judicial claims due to the favorable agreements related to this portfolio in 1Q10 and by the improved loss ratio in the personal accident portfolio due to the profile of the contracts signed with new clients.

Acquisition cost ratio | The life and personal accident acquisition cost ratio increased by 220 bps to 23.5% in 1Q10 (up 50 bps over 4Q09), mainly due to the commercial conditions of the new policies.

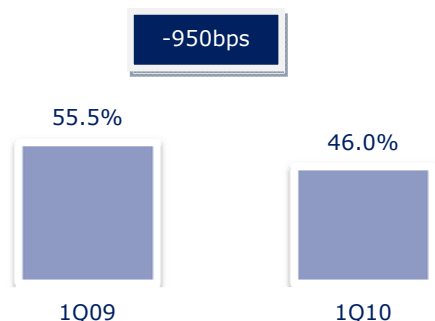
Insurance premiums
R\$ million



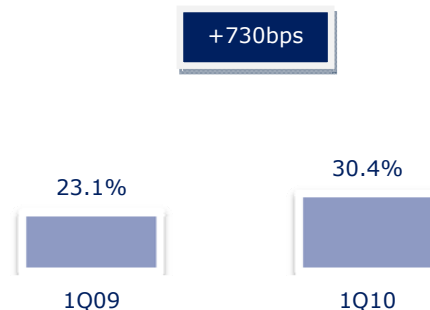
Covered individuals
thousand



Loss ratio
% earned premiums



Gross margin
% earned premiums



Other insurance operating income and expenses

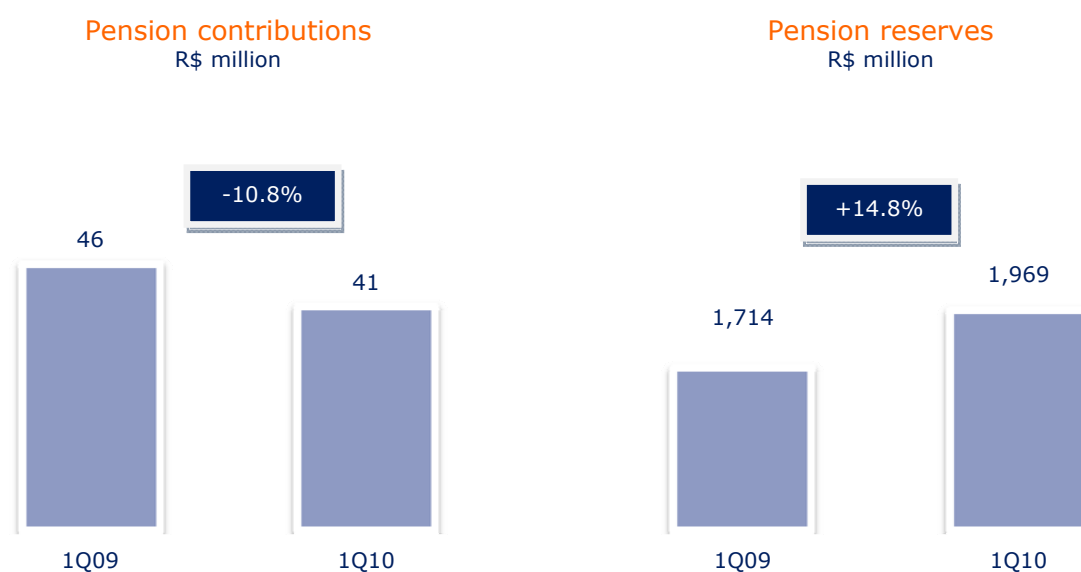
R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Other insurance operating income and expenses	(89.9)	(18.7)	380.6%	(59.4)	51.4
Adjusted other insurance operating income and expenses	(72.4)	(18.7)	286.8%	(59.4)	21.9

The increase in other insurance operating income and expenses in 1Q10 over 1Q09 was mainly due to the provision for bad debt related to the payment of complementary individual health insurance premiums, to the higher provisions for judicial contingencies, to the increase in the expenses related to the insurance activities such as claims inspection, previous inspection and technical services, and also to the adoption of deferral process for the acquisition costs and revenue from policy costs, generating a reduction in the item other operating income of R\$4.5 million.

Income from private pension

R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Income from private pension	5.9	(8.0)	n.a.	6.6	-10.0

Income from the private pension business increased by R\$13.9 million in 1Q10 compared with 1Q09, reflecting the actuarial revaluation of survival coverage reserves, given the change in the life expectancy of members in 1Q09, which was not assessed in 1Q10.



Income from Administrative Services Only

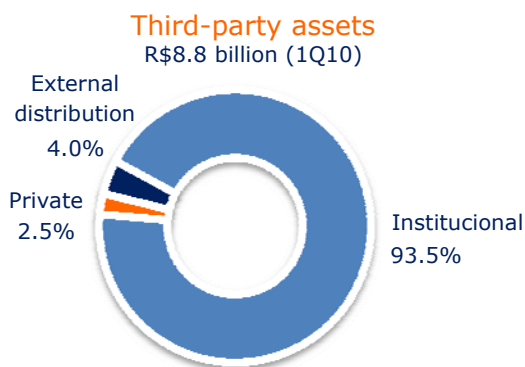
R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Net operating income from ASO business	8.5	6.9	23.9	8.4	2.1

Income from healthcare administrative services only (ASO) (post-payment healthcare administrated plans) grew by 23.9% over 1Q09 to R\$8.5 million, due to the increase in the average fee per member. The portfolio ended the period with 279.5 thousand covered individuals, representing an expansion of 1.4%.

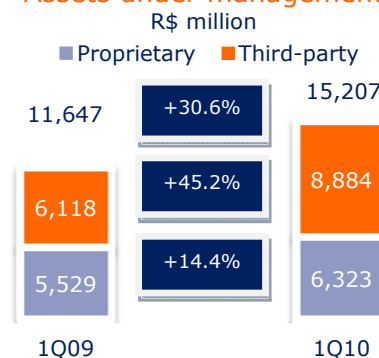
Income from asset management

R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Income from asset management	5.2	5.9	-12.9	4.6	11.4

Volume of assets under management by Sul América Investimentos D.T.V.M. S.A. increased by 30.6% to end 1Q10 at R\$15.2 billion, based on data from the National Association of Investment Banks (ANBIMA). Income from the asset management business fell R\$700 thousand in 1Q10, in line with the higher allocation of clients' funds to more conservative funds, resulting in lower management fees.



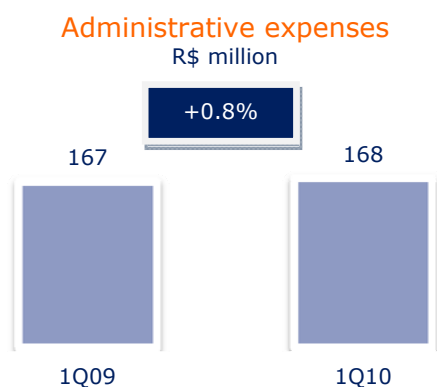
Assets under management



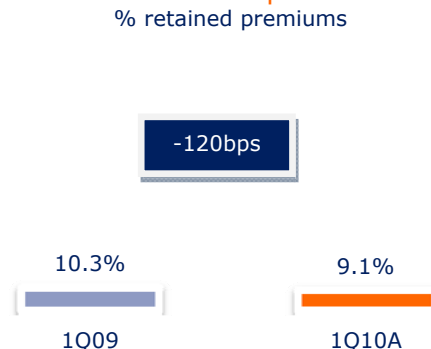
Administrative expenses

R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Personnel expenses	(113.6)	(103.4)	9.8	(111.7)	1.7
Third-party services	(38.2)	(38.8)	-1.5	(37.7)	1.3
Buildings and maintenance	(42.6)	(42.3)	0.7	(41.4)	2.9
Marketing and advertising	(10.6)	(5.6)	90.6	(11.8)	-10.1
Other administrative revenues	36.8	23.2	58.5	44.5	-17.3
Total	(168.1)	(166.8)	0.8	(158.9)	5.8%
Administrative expenses ratio (% retained premiums)	8.8%	10.3%	-250bps	8.5%	30bps
Administrative expenses ratio (% adjusted retained premiums)	9.1%	10.3%	-120bps	8.5%	60bps

Administrative expenses increased only 0.8% in 1Q10 over the previous year, while the expense ratio decreased 120 bps to end the period at 9.1% of retained premiums, on a recurring basis. The improvement in the expense ratio demonstrates the positive results of the Company's programs to improve operating efficiency and the recovery of expenses from the shared utilization of SulAmérica's operating and administrative structure by Brasilveículos.



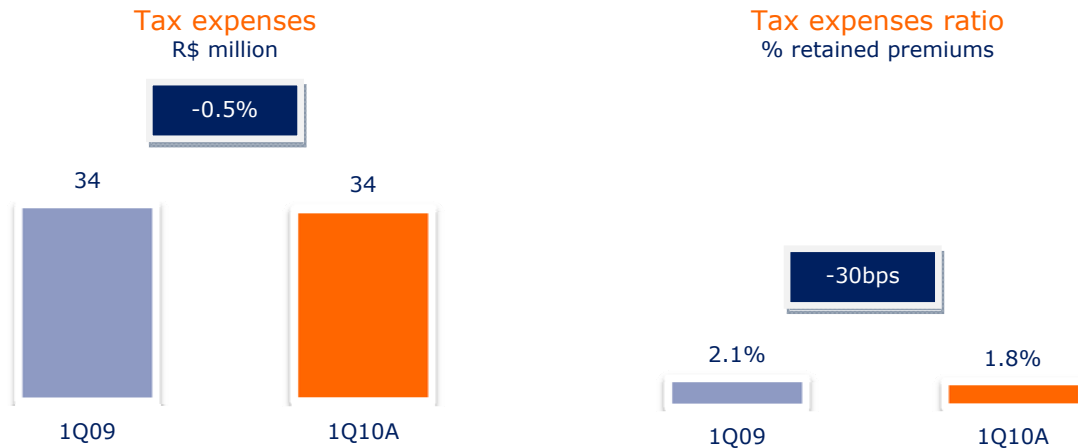
Administrative expenses ratio



Taxes expenses

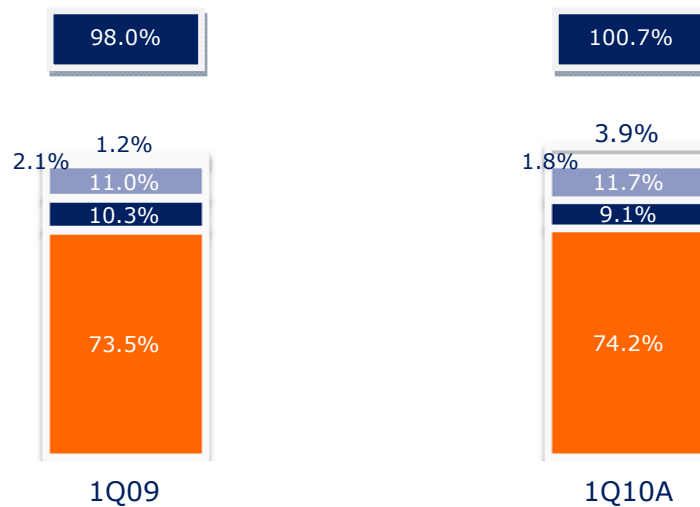
R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Tax expenses	(36.5)	(33.9)	7.8	(43.9)	-16.9
Adjusted tax expenses	(33.7)	(33.9)	-0.5	(43.9)	-23.3

Tax expenses over revenues remained flat in 1Q10 over 1Q09, representing 1.8% of retained premiums.



Combined ratio

%	1Q10	1Q09	Δ(bps)	4Q09	Δ(bps)
Combined ratio	98.5%	98.0%	50	98.0%	50
Adjusted combined ratio	100.7%	98.0%	270	98.0%	270



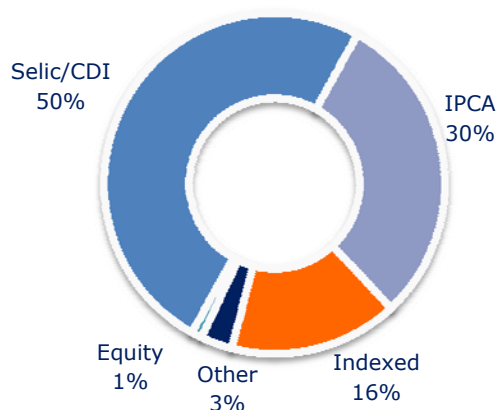
■ Loss ratio ■ Administrative expenses ■ Acquisition cost ■ Tax expenses ■ Other operating income (expenses)

Net financial income

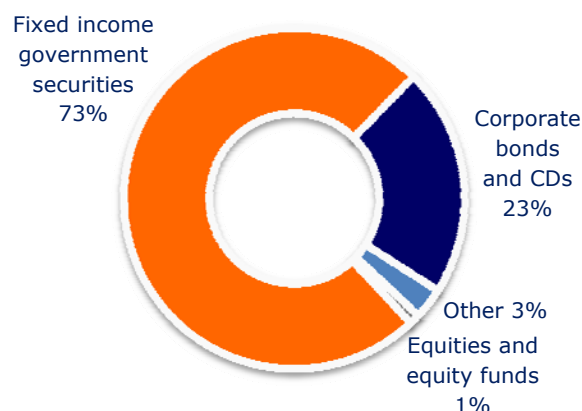
R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Financial income ex-private pension and VGBL operations	110.0	132.6	-17.1	108.7	1.1
Return on investment portfolio	101.7	120.3	-15.5	93.6	8.6
Debt servicing costs	(10.4)	(13.3)	21.9	(9.7)	-7.8
Other	18.7	25.7	-27.3	24.8	-24.5
Financial income of private pension and VGBL operations	7.7	1.9	302.0	1.9	306.9
Return on investment portfolio of private pension and VGBL operations	65.3	45.8	42.7	50.0	30.7
Change in liabilities of private pension and VGBL operations	(57.7)	(43.9)	31.4	(48.1)	19.9
Total financial income	117.5	134.6	-12.6	110.6	6.3

The balance of the Company's investments in securities not linked to the private pension and VGBL operations increased by 12.4% in 1Q10 over 1Q09, to R\$4.0 billion. Of this total, approximately 99.0% is allocated to fixed-income investments and 1% to equity investments, and approximately 90% is allocated to securities with AAA ratings. The average return on assets not linked to the private pension and VGBL operations was 128.5% of the CDI rate in 1Q10, while the average return of the total investment portfolio corresponded to 132.8% of the CDI. Total financial income in 1Q10 decreased by 12.6% over 1Q09, basically due to the gains recognized in 1Q09 from the sale of fixed-rate securities and the reduction in the interest rate (SELIC) in relation to 2009, and also to the reduction of financial expenses related to judicial liabilities recorded in March 2009, not observed in 1Q10.

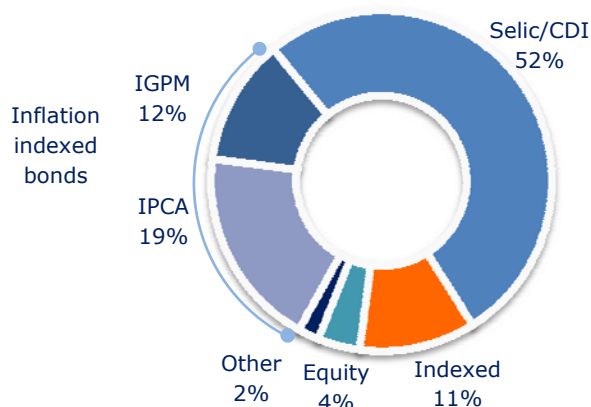
Investment strategy ex-private pension and VGBL operations
Total | R\$4.0 billion



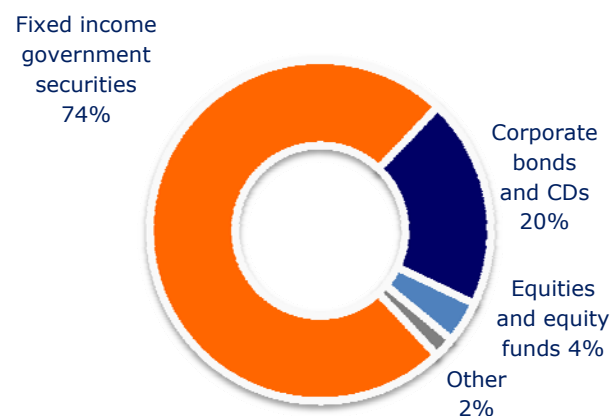
Investment allocation ex-private pension and VGBL operations
Total | R\$4.0 billion



Investment strategy
Total | R\$6.4 billion (include private pension and VGBL operations)



Investment allocation
Total | R\$6.4 billion (include private pension and VGBL operations)



Income tax and social contribution

R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Income tax and social contribution	(40.8)	(64.0)	-36.2	4.9	n.a.
Adjusted income tax and social contribution	(24.7)	(64.0)	-61.4	4.9	n.a.

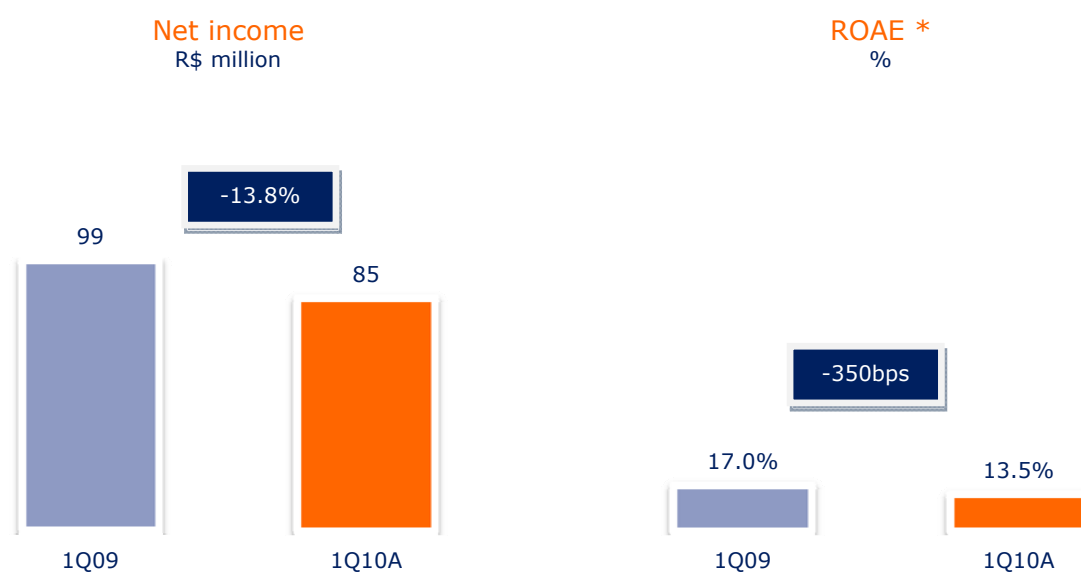
Income tax and social contribution expenses in 1Q10 decreased 61.4% over 1Q09, due to the Company's higher utilization of tax credits due to the increase in the expectation of non-recurring results in the year.

Net income and return on average equity (ROAE)

R\$ million	1Q10	1Q09	Δ	4Q09	Δ
Net income	109.6	99.1	10.5%	149.7	-26.8%
Net income adjusted	85.4	99.1	-13.8%	149.7	-42.9%
ROAE	17.3%	17.0%	40bps	24.2%	-680bps
ROAE adjusted	13.5%	17.0%	-350bps	24.2%	-1,070bps
Earnings per share (R\$)*	0.3930	0.3531	11.3%	0.5352	-26.6%
Earnings per share adjusted (R\$)*	0.3063	0.3531	-13.3%	0.5352	-42.8%
Earnings per unit (R\$)*	1.1791	1.0593	11.3%	1.6055	-26.6%
Earnings per unit adjusted (R\$)*	0.9189	1.0593	-13.3%	1.6055	-42.8%

* Parent Company

Net income in 1Q10 was R\$85.4 million, decreasing 13.8% over the recurring net income in 1Q09 (down 42.9% over 4Q09). Return on equity in 1Q10 was 13.5%, 350 bps lower than in 1Q09 (down 1,070 bps over 4Q09).



(*) Return on average equity – annualized

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This release may contain forward-looking statements concerning the business outlook, estimates of operating and financial results and growth prospects of Sul América S.A. These statements are based exclusively on the expectations of the management of Sul América S.A. regarding the prospects of the business and its continued ability to access capital markets to finance its business plan. These forward-looking statements are highly sensitive to changes in the capital markets, government regulations, competitive pressures, the performance of the industry and the Brazilian economy and other factors, as well as to the risk factors highlighted in documents previously filed by Sul América S.A., and therefore are subject to change without prior notice.



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IBRX

Corporate Sustainability Index

ISE

2021 2021

BIMA/BOVESPA Small Cap Index

SMLL

Índice BIMA/BOVESPA Financeiro

Special Top 1000 Stock Index

ITAG

Special Corporate Governance Stock Index

IGC

abrasca

companhia associada



Appendix I – Income statement summary

R\$ million	1Q10	1Q09	Δ%	4Q09	Δ%
Insurance premiums	1,963.0	1,718.1	14.3%	1,897.6	3.5%
Premiums ceded to reinsurance, retrocession, consortiums and funds	(50.5)	(102.9)	-51.0%	(38.9)	29.8%
Retained premiums	1,912.6	1,615.2	18.4%	1,859.1	2.9%
Changes in insurance and retained technical reserves	(42.5)	(51.5)	-17.6%	(93.4)	-54.6%
Earned premiums	1,869.0	1,563.6	19.5%	1,765.6	5.9%
Retained claims and benefits expenses	(1,341.5)	(1,149.3)	16.7%	(1,277.5)	5.0%
Acquisitions costs	(211.9)	(171.4)	23.6%	(204.6)	3.6%
Gross margin	315.6	242.9	29.9%	283.6	11.3%
Other insurance operating income (expenses)	(89.9)	(11.9)	856.9%	(14.4)	524.3%
Net operating income from private pension business	5.9	(8.0)	174.0%	6.6	-10.0%
Net operating income from ASO business	8.5	6.9	23.9%	8.4	2.1%
Net operating income from asset management business	5.2	5.9	-12.9%	4.6	11.4%
Administrative expenses	(168.1)	(197.4)	-14.9%	(203.9)	-17.6%
Tax expenses	(36.5)	(33.9)	7.8%	(43.9)	-16.9%
Net financial income	117.5	134.6	-12.6%	110.6	6.3%
Equity income from nonconsolidated subsidiaries	0.5	7.5	-93.3%	6.8	-92.6%
Income before income tax, social contribution and profit sharing	158.7	170.5	-6.9%	158.3	0.2%
Income tax and social contribution	(40.8)	(64.0)	-36.2%	4.9	n/a
Profit sharing	(7.9)	(7.3)	8.5%	(13.5)	-41.3%
Minority interest	(0.4)	(0.1)	574.6%	(0.1)	286.2%
Net income	109.6	99.1	10.5%	149.7	-26.8%

Appendix II – Balance sheet summary

Assets R\$ million	1Q10	2009	Δ%
Current assets	7,024.0	7,696.3	-8.7%
Cash, cash equivalents and marketable securities	5,046.8	5,030.4	0.3%
Receivables from insurance and reinsurance operations	1,138.2	1,765.8	-35.5%
Reinsurance and retrocession expenses	94.7	103.5	-8.5%
Deferred acquisition costs	291.9	370.8	-21.3%
Other current assets	452.4	425.8	6.3%
Long-term assets	3,834.3	4,542.8	-15.6%
Marketable securities	1,448.5	1,887.6	-23.3%
Judicial and fiscal deposits	1,393.7	1,655.2	-15.8%
Deferred acquisition costs	142.6	140.9	1.2%
Other long-term assets	849.6	859.1	-1.1%
Permanent assets	168.6	190.2	-11.4%
Total assets	11,026.9	12,429.4	-11.3%

Liabilities R\$ million	1T10	2009	Δ%
Current liabilities	4,406.3	5,539.8	-20.5%
Loans and financing	0.9	5.8	-84.5%
Other payable obligations	532.0	665.6	-20.1%
Insurance, reinsurance and private pension debts	325.5	424.1	-23.2%
Technical reserves – insurance and reinsurance	3,010.4	3,893.0	-22.7%
Technical reserves – private pension	429.4	431.1	-0.4%
Accrued liabilities for contingencies	108.1	120.2	-10.1%
Non-current liabilities	4,013.3	4,158.0	-3.5%
Accounts payable	756.5	1,008.9	-25.0%
Loans and financing	284.3	278.3	2.2%
Other accounts payable	177.9	172.4	3.2%
Technical reserves – insurance and reinsurance	789.4	753.8	4.7%
Technical reserves – private pension	1,540.4	1,475.4	4.4%
Accrued liabilities for contingencies	464.6	469.2	-1.0%
Minority interest	23.8	249.2	-90.4%
Shareholder's equity	2,583.5	2,482.4	4.1%
Total liabilities	11,026.9	12,429.4	-11.3%

Appendix III – Income statement summary (Pro-forma*)

R\$ million	1Q09	2Q09	3Q09	4Q09
Insurance premiums	1,718.1	1,824.8	1,867.1	1,897.6
Premiums ceded to reinsurance, retrocession, consortiums and funds	(102.9)	(119.7)	(85.0)	(38.9)
Retained premiums	1,615.2	1,705.2	1,782.8	1,859.1
Changes in insurance and retained technical reserves	(51.5)	(115.0)	(100.7)	(93.4)
Earned premiums	1,563.6	1,590.1	1,682.1	1,765.6
Retained claims and benefits expenses	(1,149.3)	(1,252.0)	(1,278.0)	(1,277.5)
Acquisitions costs	(171.4)	(177.4)	(192.7)	(204.6)
Gross margin	242.9	160.8	211.4	283.6
Other insurance operating income (expenses)	(18.7)	(27.2)	(59.4)	(59.4)
Net operating income from private pension business	(8.0)	12.9	15.9	6.6
Net operating income from ASO business	6.9	8.0	7.5	8.4
Net operating income from asset management business	5.9	4.1	4.7	4.6
Administrative expenses	(166.8)	(152.9)	(161.0)	(158.9)
Tax expenses	(33.9)	(35.1)	(32.8)	(43.9)
Net financial income	134.6	116.7	120.3	110.6
Equity income from nonconsolidated subsidiaries	7.5	5.2	4.5	6.8
Income before income tax, social contribution and profit sharing	170.5	92.7	111.2	158.3
Income tax and social contribution	(64.0)	(2.6)	(27.8)	4.9
Profit sharing	(7.3)	(7.9)	(2.3)	(13.5)
Minority interest	(0.1)	2.0	(0.0)	(0.1)
Net income	99.1	84.1	81.0	149.7

(*) Pro-forma information, excluding the Brasilveículos Companhia de Seguros in the consolidation of financial statements.

Appendix IV – Insurance operations (Pro-forma*)

Insurance premiums R\$ million	1Q09	2Q09	3Q09	4Q09
Health insurance	1,068.8	1,090.4	1,157.3	1,198.8
Group health insurance	716.9	748.8	807.1	840.8
Individual health insurance	351.8	341.6	350.1	358.0
Auto insurance	342.6	430.0	426.9	451.9
Other property & casualty insurance	189.3	185.9	155.3	112.7
Life & personal accident insurance	117.4	118.6	127.5	134.1
Total	1,718.1	1,824.8	1,867.1	1,897.6

Earned premiums R\$ million	1Q09	2Q09	3Q09	4Q09
Health insurance	1,068.5	1,087.8	1,150.9	1,199.2
Group health insurance	716.0	746.8	803.8	838.7
Individual health insurance	352.5	341.0	347.1	360.5
Auto insurance	328.2	342.1	371.8	403.7
Other property & casualty insurance	80.6	75.7	67.6	66.1
Life & personal accident insurance	95.0	84.6	91.8	96.5
Total	1,572.3	1,590.1	1,682.1	1,765.6

Loss ratio %	1Q09	2Q09	3Q09	4Q09
Health insurance	78.6%	85.2%	80.4%	79.1%
Group health insurance	76.1%	82.9%	76.7%	76.2%
Individual health insurance	83.7%	90.1%	89.0%	85.9%
Auto insurance	61.8%	63.3%	63.0%	54.5%
Other property & casualty insurance	73.1%	60.0%	103.8%	87.9%
Life & personal accident insurance	49.8%	75.3%	52.5%	52.4%
Total	73.1%	78.7%	76.0%	72.4%

Acquisition cost ratio %	1Q09	2Q09	3Q09	4Q09
Health insurance	5.6%	5.8%	6.0%	6.1%
Group health insurance	7.9%	8.0%	8.2%	8.3%
Individual health insurance	0.9%	1.0%	0.9%	0.9%
Auto insurance	23.4%	23.3%	23.1%	23.3%
Other property & casualty insurance	20.3%	20.3%	22.8%	22.4%
Life & personal accident insurance	19.2%	22.8%	24.4%	23.1%
Total	10.9%	11.2%	11.5%	11.6%

Gross margin %	1Q09	2Q09	3Q09	4Q09
Health insurance	15.7%	9.0%	13.6%	14.8%
Group health insurance	15.9%	9.1%	15.1%	15.4%
Individual health insurance	15.4%	9.0%	10.0%	13.2%
Auto insurance	14.8%	13.5%	13.9%	22.2%
Other property & casualty insurance	6.6%	19.6%	-26.6%	-10.3%
Life & personal accident insurance	31.0%	1.9%	23.1%	24.5%
Total	16.0%	10.1%	12.6%	16.1%

Combined ratio %	1Q09	2Q09	3Q09	4Q09
Combined ratio	97.6%	102.5%	101.6%	98.0%

(*) Pro-forma information, excluding the Brasilveículos Companhia de Seguros in the consolidation of financial statements.

Appendix V – Glossary

Term	Definition
Loss ratio	Retained claims and benefit expenses divided by earned premiums
Acquisition cost ratio	Acquisition costs divided by earned premiums
Gross margin ratio	Gross margin divided by earned premiums
Administrative expenses ratio	Administrative expenses divided by retained premiums
Tax expenses ratio	Tax expenses divided by retained premiums
Other insurance operating income (expenses) ratio	Other insurance operating income (expenses), divided by retained premiums
Combined ratio	Operating efficiency ratio of insurance companies, which is measured as the sum of the division of expenses with claims plus commissions by earned premiums plus tax expenses plus the result of the division of administrative expenses, other operating income and expenses and tax expenses by retained premiums
Debt/equity ratio	Sum of loans and financing, divided by shareholders' equity
Return on average equity (ROAE)	Net income (loss) divided by average shareholders' equity in the period. Annualized indicator for interim periods
Average equity	Average of shareholders' equity at the end and start of the period