

**CONFERENCE CALL TRANSCRIPT – Q&A SESSION****03/03/2008 – 10H00 A.M. (US EST)****Vivian Wang, Performance Investment:**

Good morning. My question is about loss ratio. What are the main reasons for the health insurance loss ratio decrease?

**Kevin Martins da Silva:**

OK. Specifically related to the health insurance segment, which is clearly the largest business line within SulAmérica, it has been a subject of systematic review and starting from 2003, when the Company engaged its center consultants, comprehensively looking at their claims handling process. Among the company's, over 25,000 service providers, the Company has exercised renegotiation of contracts with the service providers, including hospitals, where SulAmérica can customarily have between 20% and 30% of the revenue base of large hospitals, and, of course, directing, among that provider network, to the more efficient providers.

What the loss ratio is evidencing is clearly, on the one hand, the success that the Company is having in controlling its costs, which is entirely based on a third-party provider network and not vertically integrated, as some of our healthcare competitors are. It is also clearly evidenced that the Company is able, with the price increases agreed by the regulator, specifically for the individual healthcare clients, which requires the regulator's prior approval. We are succeeding in obtaining sufficient price increases that more than offset our cost increases given our cost control, thereby showing the improving margin that we are seeing.

This is clearly evidenced specifically as it relates to the individual health portfolio, that our reserves are absolutely adequate, and that we continue to improve the margin going forward.

**Vivian Wang:**

Thank you and congratulations for your results.

**Operator:**

There appear to be no further questions. I will turn the floor back over to you for any further or final remarks.

**SulAmérica:**

Thank you very much. We appreciate the time and the questions. There is available on your website an itinerary of further meetings that we will have with investors, including the APIMEC session, which will be this Friday in São Paulo and on Monday in Rio, and any additional information can be found on our website or by contact through our Investor Relations department. Thank you very much for your attention.

**Operator:**

Thank you. That thus concludes today's teleconference. You may disconnect your lines at this time, and have a wonderful day.