



## Quarterly Results – 3<sup>rd</sup> quarter 2020

- Total revenues of R\$5.1 billion (+4.5%) in 3Q20 and R\$14.8 billion (+6.2%) in 9M20
- Loss ratio of 75.1% in 3Q20 (+420 BPS) and 75.3% in 9M20 (+430 BPS)
- 4 million beneficiaries in health and dental group plans (+7.6% vs. 2Q20)
- Net income from continuing operations of R\$286.0 million (+40.1%) in the quarter and R\$754.6 million (+24.3%) in 9M20
- Reported net income of R\$1.7 billion in 3Q20 and R\$2.3 billion in 9M20, considering the extraordinary gain from the sale of auto and P&C operations
- Recurring return on average equity (ROAE) of 17.3% in the last 12 months

### Conference Call

**November 13, 2020** (Friday)

**Portuguese** (with simultaneous translation to English)

**10am (Brasília) | 8am (US/EST)**

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## MESSAGE FROM THE CEO

While facing all the challenges brought by the pandemic in the last eight months, we present the results of the third quarter of 2020 and, since the beginning of this crisis, our priority has been to ensure the safety and well-being of our employees and their families, clients, brokers and all stakeholders. At the same time, continue to provide quality care, maintaining our processes and services fully operational during the period, ensuring access to health care for all beneficiaries, which we achieved with great success in partnership with our network of providers. Furthermore, we present not only another set of consistent operating results, but also several important achievements which kick off a new period for SulAmérica, paving the way for a new cycle of growth and opportunities.

In the third quarter, we concluded the sale of the auto and P&C operations, a month earlier than originally expected, for the final price of R\$3.2 billion – already fully received – for an extraordinary net income of approximately R\$1.4 billion registered in the figures for the period. We are already using these resources, both to return capital to our shareholders in the form of dividends, as announced on this date, and the execution of the share buy-back program, which together total approximately R\$1 billion in returns, as well as to propel the Company's development, with the acquisition of *Paraná Clínicas*, concluded in September/2020 for approximately R\$400 million. The transaction adds more than 94 thousand beneficiaries to our membership base, expands the market share in the South of Brazil and provides a strategic platform for growth in the region, with more affordable products, in addition to reinforcing and accelerating our Coordinated Care strategy.

Speaking of Health Management and Coordinated Care, two strategic pillars of our operations, we must mention the important progresses and achievements in the period. We are tracking the beneficiaries' journey even more closely and accurately, advancing in connected medicine initiatives with intensive use of technology. Even before the pandemic, we already had the video calls with doctors feature (Doctor on Screen) in our app, but the current context provided an important acceleration in the adoption of digital health tools, both by beneficiaries as well as physicians and therapists. There were almost 400 thousand digital appointments since March, allowing not only for assistance regarding COVID-19, but also elective or emergency appointments and the maintenance of ongoing treatments in several specialties and therapies. More importantly: all with very high satisfaction levels, as measured by the NPS (net promoter score) methodology, reaching, for example, 80 for the Doctor on Screen feature and 84 for Coordinated Care. Today, there are nearly 530 thousand active beneficiaries at the center of care being coordinated, with closer, effective and supportive guidance.

Still in the health and dental operation, despite facing a more challenging scenario due to the economic impacts of the pandemic, we maintained our excellent retention levels which, together with a gradual recovery of new client enrollments in a strong partnership with insurance brokers, contributed to the consistent performance in membership. In group plans, we recorded net growth of 4.2% in relation to the previous quarter and 6.0% when compared to the same period of last year. We believe in our capacity to grow in the most adverse scenarios - as our recent track record has proven – continuously seeking to expand our market share, always balancing growth with profitability. Meanwhile, given the progressive reduction in social distancing measures in the main regions, in line with our expectations, we have also observed the comeback of the frequency of procedures, both elective and urgent, in a growing trend throughout the quarter. As a result, the medical loss ratio, which was extraordinarily low in the second quarter, reached closer to normality levels, but still lower than the same period of the previous year. We expect this process of frequencies coming back to normal will continue, now in a more gradual manner, while we remain focused on controlling this ratio in the long-term, always with discipline in underwriting.

With an increasingly closer look at SulAmérica's more than 7 million customers, we have also evolved to a more integrated health monitoring in wealth segments. In September, we launched the pioneer telemedicine service for life and pension customers as well as the Financial Assistance product (SOSPrev) for pension clients, offering favorable credit conditions to those in need, without having to withdraw from their private pension plan reserves. Meanwhile, *SulAmérica Investimentos*, our asset management arm and one of the largest independent firms in the country, continued on a positive growth trend, reaching R\$46 billion in AuM.

With the conclusion of the recent strategic movements, **we expanded our purpose and reinforced our positioning focused on a broader care for people**, under the concept of **Integral Health**, taking care of the physical, emotional and financial health of our beneficiaries, in all stages of life. With a wider vision of health, placing people at the center of care, we are tracking the journey more effectively, in a more connected and digital way, offering integrated health solutions in all our business segments, seeking to improve people's lives. All these efforts in innovation and technology focused on offering better care have been recognized not only by our customers, but also by the market: we won the award as the most innovative Brazilian company in the category of "insurance and health plans" in the sixth edition of the "*Valor Inovação Brasil*" yearbook, an award given by Strategy&, PwC's strategic consultancy, in partnership with *Valor Econômico* newspaper, which evaluate companies' innovation practices in different sectors of the economy.

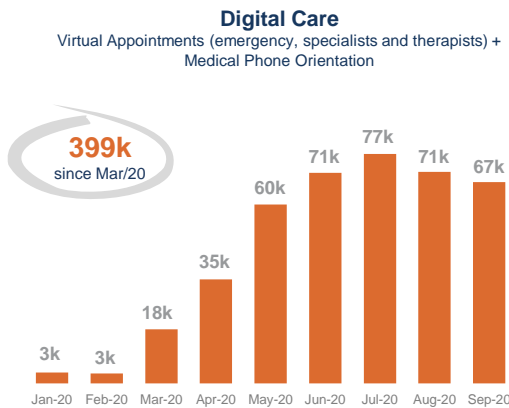
After all the important achievements in the quarter, especially in such a challenging environment, we would like, as usual, to appreciate the dedication of our employees, who continue to work in safety, always supported by the partnership with brokers, service providers - in particular health professionals during this period - suppliers, shareholders and other stakeholders of the Company. We reaffirm our commitment to Brazil's economic recovery and will continue with our investments and the increasingly broad offer of high quality of products and services to promote the integral health of our customers.

Gabriel Portella  
CEO

## INITIATIVES DURING THE NEW CORONAVIRUS PANDEMIC (COVID-19)

After almost eight months since the beginning of the new coronavirus pandemic, we continue to work to **guarantee the well-being of our employees, beneficiaries, brokers, service providers and society in general**. The Company's activities remained fully operational during this period, at the same time that we guaranteed proper access to health care to our beneficiaries, whether in assistance related to COVID-19 or maintaining ongoing treatments and other recurring demands, always seeking to **provide high quality care in partnership with the network of providers**.

One of the main achievements in recent months has been the important adoption of **digital health tools** through our **app**, which has been increasingly used by our customers, becoming an **essential healthcare platform**. With "**Saúde na Tela**" (**Health on Screen**), beneficiaries can be assisted by on-call physicians or schedule virtual appointments in more than 50 medical specialties, in addition to psychologists, nutritionists and other therapists, all including drug prescriptions and exam requests, **in a completely digital way**. There were almost **400 thousand remote appointments** since the beginning of the pandemic, with approximately **323 thousand video calls**, with a **high level of satisfaction**.



### Net Promoter Score (NPS)\*



\* NPS considers the period between January and September/20.

In addition, during the pandemic, the **partnership with the network of health providers became even stronger**, including our help in the form of anticipated payments to health providers that totaled approximately R\$270 million since the beginning of the pandemic, helping their cash flow and ensuring health care access during the period. During this period, we also **helped society** with donations of approximately R\$10 million, used for the construction of hospital beds to serve patients from SUS (*Sistema Único de Saúde*).

At the same time, SulAmérica continues to **monitor the health of its beneficiaries in relation to COVID-19**, and observed a continuous decrease in the number of hospitalized patients during the quarter. Since the beginning of the pandemic and until 11/11/2020, 8,488 beneficiaries of the Company were hospitalized with confirmation of the new coronavirus, with 4,270 of these needing Intensive Care Units (ICUs). From this total, 7,695 beneficiaries have already recovered and been discharged and we have recorded, unfortunately, 563 deaths.

## INTEGRAL HEALTH: BROAD VISION WITH PEOPLE AT THE CENTER OF CARE



After the recent strategic movements, SulAmérica ratifies its new positioning based on integral health, offering solutions to improve people's lives covering all aspects: physical, emotional and financial health. As an **Integral Health** manager, we will **redefine the concept of care, in all dimensions and moments of life**. Combining the **human touch** with a **digital soul**, we have been increasingly using **more technology** to be **effectively connected** and **coordinating the care** of our insured members.

SulAmérica's new positioning is even more aligned with the commitment of incorporating the best **environmental, social and governance practices (ESG)** into our operations, which have been part of the Company's strategy for some years. In particular, the concept of **Integral Health** is entirely aligned with the United Nations (UN) Sustainable Development Goals (SDGs), especially SDG 3 – Good Health and Well-Being. As a health manager, we will continue to seek better solutions for our clients, placing our beneficiaries at the center of care.

The Company began its journey of integrating sustainability into its strategy over 10 years ago, following the guidelines of commitments such as the Principles for Responsible Investment (PRI), the Principles for Sustainable Insurance (PSI) and the Global Compact, initiatives also supported by the UN. The theme is part of the strategic agenda, being discussed with top management in the Sustainability Committee, created in 2009, to support the Board of Directors. More information on relevant ESG metrics can be found in the [index of ESG indicators](#), which is part of our Annual Report, and also in the [Fundamentals Spreadsheet](#).

## 1. Main Highlights

The table below considers only continuing operations, excluding the auto and P&C segments for all periods.

Financial Highlights (R\$ million)	3Q20	3Q19	Δ	2Q20	Δ	9M20	9M19	Δ
<b>Operating Revenues</b>	<b>4,739.5</b>	<b>4,582.2</b>	<b>3.4%</b>	<b>4,587.8</b>	<b>3.3%</b>	<b>13,978.6</b>	<b>13,218.0</b>	<b>5.8%</b>
Health & Dental	4,613.1	4,445.7	3.8%	4,467.3	3.3%	13,614.8	12,825.0	6.2%
Life & Personal Accident	126.4	133.4	-5.2%	121.1	4.4%	364.3	383.1	-4.9%
Other Insurance Revenues	0.0	3.2	NA	-0.5	NA	-0.5	9.9	NA
<b>Other Operating Revenues</b>	<b>319.7</b>	<b>260.6</b>	<b>22.7%</b>	<b>205.4</b>	<b>55.7%</b>	<b>800.5</b>	<b>694.3</b>	<b>15.3%</b>
Private Pension	245.8	209.1	17.6%	153.5	60.1%	605.0	545.3	11.0%
Administrative Services Only	18.5	15.7	18.0%	18.2	1.4%	53.9	45.8	17.8%
Asset Management	17.3	16.8	2.9%	15.4	12.8%	49.7	50.0	-0.6%
Other Revenues <sup>1</sup>	38.1	19.1	100.0%	18.3	108.7%	91.8	53.2	72.6%
<b>Total Operating Revenues</b>	<b>5,059.2</b>	<b>4,842.9</b>	<b>4.5%</b>	<b>4,793.2</b>	<b>5.6%</b>	<b>14,779.1</b>	<b>13,912.4</b>	<b>6.2%</b>
Gross Operating Margin	754.5	495.4	52.3%	933.5	-19.2%	2,086.8	1,377.5	51.5%
Investment Income	14.5	107.9	-86.5%	69.9	-79.2%	90.5	353.7	-74.4%
<b>Net Income from Continuing Operations</b>	<b>286.0</b>	<b>204.1</b>	<b>40.1%</b>	<b>398.7</b>	<b>-28.3%</b>	<b>754.6</b>	<b>607.0</b>	<b>24.3%</b>
Net Income from Discontinued Operations	1,440.8	40.9	NA	99.7	NA	1,550.2	121.8	NA
<b>Net Income after non-Controlling Interest</b>	<b>1,727.1</b>	<b>245.4</b>	<b>603.8%</b>	<b>498.3</b>	<b>246.6%</b>	<b>2,305.2</b>	<b>729.7</b>	<b>215.9%</b>
ROAE (% last 12 months)	35.4%	17.2%	1820 BPS	17.9%	1750 BPS			
Recurring ROAE (% last 12 months)	17.3%	17.2%	10 BPS	17.9%	-60 BPS			
<b>Insurance Information - Earned Premiums (R\$ million)</b>	<b>3Q20</b>	<b>3Q19</b>	<b>Δ</b>	<b>2Q20</b>	<b>Δ</b>	<b>9M20</b>	<b>9M19</b>	<b>Δ</b>
Health & Dental	4,661.4	4,468.3	4.3%	4,520.8	3.1%	13,744.0	12,895.4	6.6%
Life & Personal Accident	112.6	130.4	-13.7%	115.2	-2.3%	351.2	382.1	-8.1%
<b>Insurance Information - Retained Claims (R\$ million)</b>	<b>3Q20</b>	<b>3Q19</b>	<b>Δ</b>	<b>2Q20</b>	<b>Δ</b>	<b>9M20</b>	<b>9M19</b>	<b>Δ</b>
Health & Dental	-3,502.9	-3,585.0	2.3%	-3,140.5	-11.5%	-10,405.0	-10,379.8	-0.2%
Life & Personal Accident	-81.8	-67.1	-21.8%	-64.4	-27.0%	-207.7	-193.1	-7.6%
<b>Insurance Operational Ratios (%)</b>	<b>3Q20</b>	<b>3Q19</b>	<b>Δ</b>	<b>2Q20</b>	<b>Δ</b>	<b>9M20</b>	<b>9M19</b>	<b>Δ</b>
<b>Loss Ratio</b>	<b>75.1%</b>	<b>79.4%</b>	<b>420 BPS</b>	<b>69.1%</b>	<b>-600 BPS</b>	<b>75.3%</b>	<b>79.6%</b>	<b>430 BPS</b>
Health & Dental	75.1%	80.2%	510 BPS	69.5%	-570 BPS	75.7%	80.5%	480 BPS
Life & Personal Accident	72.4%	50.6%	-2180 BPS	55.8%	-1660 BPS	58.7%	49.7%	-900 BPS
<b>Acquisition Cost</b>	<b>6.9%</b>	<b>6.9%</b>	<b>0 BPS</b>	<b>7.1%</b>	<b>20 BPS</b>	<b>7.1%</b>	<b>7.0%</b>	<b>-20 BPS</b>
Health & Dental	6.4%	6.3%	-10 BPS	6.5%	10 BPS	6.5%	6.3%	-20 BPS
Life & Personal Accident	29.5%	28.4%	-110 BPS	30.6%	110 BPS	30.3%	29.6%	-70 BPS
<b>Combined</b>	<b>92.8%</b>	<b>97.1%</b>	<b>430 BPS</b>	<b>89.1%</b>	<b>-370 BPS</b>	<b>93.8%</b>	<b>97.6%</b>	<b>390 BPS</b>
<b>Operating</b>	<b>92.5%</b>	<b>94.7%</b>	<b>220 BPS</b>	<b>87.6%</b>	<b>-490 BPS</b>	<b>93.1%</b>	<b>95.0%</b>	<b>190 BPS</b>
<b>Consolidated Ratios (% of total operating revenues)</b>	<b>3Q20</b>	<b>3Q19</b>	<b>Δ</b>	<b>2Q20</b>	<b>Δ</b>	<b>9M20</b>	<b>9M19</b>	<b>Δ</b>
Operating Gross Margin	14.9%	10.2%	470 BPS	19.5%	-460 BPS	14.1%	9.9%	420 BPS
General & Administrative Expenses	7.1%	6.7%	-30 BPS	7.9%	90 BPS	7.2%	6.8%	-40 BPS
Net Margin from Continuing Operations	5.7%	4.2%	140 BPS	8.3%	-270 BPS	5.1%	4.4%	70 BPS
Net Margin	34.1%	4.2%	3000 BPS	8.9%	2520 BPS	14.2%	4.4%	980 BPS
<b>Operating Highlights</b>	<b>3Q20</b>	<b>3Q19</b>	<b>Δ</b>	<b>2Q20</b>	<b>Δ</b>			
Health & Dental Insured Members (thousand)	4,127	4,032	2.4%	3,846	7.3%			
Health Insured Members	2,383	2,266	5.2%	2,295	3.9%			
Dental Insured Members	1,744	1,766	-1.3%	1,552	12.4%			
Insured Lives (thousand)	3,597	3,517	2.3%	3,499	2.8%			
Assets under Management (R\$ billion)	46.1	44.8	2.7%	44.8	3.0%			
Private Pension Reserves (R\$ billion)	8.6	7.8	11.2%	8.1	6.5%			

Among the main highlights in the third quarter of 2020 (3Q20) in comparison to the same period of last year (3Q19), it is worth noting:

- total operating revenues of R\$5.1 billion in the quarter and R\$14.8 billion in the first nine months of 2020, growing 4.5% and 6.2%, respectively, mainly propelled by the health and dental and private pension segments;
- conclusion of *Paraná Clínicas* acquisition in September/2020, adding 94 thousand lives to the portfolio – its results will be consolidated in the P&L statement only from 4Q20 onwards;
- 4 million beneficiaries in health and dental group plans, growth of 2.7% in relation to 3Q19 and 7.6% in relation to 2Q20, including the lives from *Paraná Clínicas*;
- consolidated loss ratio of 75.1%, gain of 420 BPS over 3Q19, following the performance in health and dental, which still reflected a decrease in the frequency of claims in the period, given social distancing measures in the context of the COVID-19 pandemic;
- net income from continuing operations of R\$286.0 million in the quarter (+40.1%) and R\$754.6 million in 9M20 (+24.3%);
- reported net income of R\$1.7 billion in the quarter and R\$2.3 billion in 9M20, considering the net gain of around R\$1.4 billion with the sale of auto and P&C operations in 3Q20; and
- announcement of the payment of interim dividends, as well as the anticipated payment of previously approved interest on shareholders' equity (JCP), relative to 9M20 results, for the total amount of R\$548 million, in addition to the buyback of approximately R\$445 million in units under SulAmérica's share buy-back program until the end of 3Q20, totaling approximately R\$1 billion in return to shareholders.

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

(R\$ million)	3Q20	3Q19	Δ	2Q20	Δ	9M20	9M19	Δ
<b>Operating Revenues</b>	<b>4,648.0</b>	<b>4,466.0</b>	<b>4.1%</b>	<b>4,502.9</b>	<b>3.2%</b>	<b>13,721.9</b>	<b>12,877.6</b>	<b>6.6%</b>
Insurance	4,613.1	4,445.7	3.8%	4,467.3	3.3%	13,614.8	12,825.0	6.2%
Group	4,062.0	3,877.5	4.8%	3,908.6	3.9%	11,939.2	11,145.6	7.1%
Corporate/Affinity	2,586.4	2,475.2	4.5%	2,455.9	5.3%	7,558.0	7,102.6	6.4%
SME	1,384.4	1,323.1	4.6%	1,361.4	1.7%	4,104.7	3,824.9	7.3%
Dental	91.2	79.2	15.1%	91.3	-0.1%	276.5	218.2	26.7%
Individual Health	551.1	568.2	-3.0%	558.7	-1.4%	1,675.6	1,679.4	-0.2%
Administrative Services Only	18.5	15.7	18.0%	18.2	1.4%	53.9	45.8	17.8%
Other Operating Revenues	16.4	4.7	250.0%	17.4	-5.5%	53.2	6.8	688.3%
<b>Changes in Technical Reserves</b>	<b>-6.2</b>	<b>-19.7</b>	<b>68.4%</b>	<b>-11.4</b>	<b>45.5%</b>	<b>-28.0</b>	<b>-48.8</b>	<b>42.7%</b>
Insurance	-6.2	-19.7	68.4%	-11.4	45.5%	-28.0	-48.8	42.7%
<b>Operating Expenses</b>	<b>-3,900.5</b>	<b>-3,978.5</b>	<b>2.0%</b>	<b>-3,584.6</b>	<b>-8.8%</b>	<b>-11,688.2</b>	<b>-11,534.1</b>	<b>-1.3%</b>
Insurance	-3,897.1	-3,973.5	1.9%	-3,581.1	-8.8%	-11,675.1	-11,519.9	-1.3%
Administrative Services Only	-3.4	-5.0	31.4%	-3.5	2.1%	-13.0	-14.1	7.8%
<b>Gross Margin</b>	<b>741.3</b>	<b>467.8</b>	<b>58.5%</b>	<b>906.9</b>	<b>-18.3%</b>	<b>2,005.7</b>	<b>1,294.7</b>	<b>54.9%</b>
Insurance	709.8	452.5	56.9%	874.7	-18.9%	1,911.6	1,256.3	52.2%
Administrative Services Only	15.1	10.7	41.1%	14.7	2.2%	40.9	31.6	29.2%
Other	16.4	4.7	250.0%	17.4	-5.5%	53.2	6.8	688.3%
<b>Loss Ratio</b>	<b>75.1%</b>	<b>80.2%</b>	<b>510 BPS</b>	<b>69.5%</b>	<b>-570 BPS</b>	<b>75.7%</b>	<b>80.5%</b>	<b>480 BPS</b>
<b>Acquisition Cost</b>	<b>6.4%</b>	<b>6.3%</b>	<b>-10 BPS</b>	<b>6.5%</b>	<b>10 BPS</b>	<b>6.5%</b>	<b>6.3%</b>	<b>-20 BPS</b>

### Health and Dental Insurance

Operating revenues for the health and dental segment totaled R\$4.6 billion in the quarter and R\$13.7 billion in the first nine months of 2020, growth of 4.1% and 6.6% in relation to the same periods of 2019. All group portfolios presented a positive performance in the quarter, with dental being the highlight with growth above 15% in relation to 3Q19. The SME – small and medium-sized enterprises – and corporate/affinity portfolios also posted positive performances in 3Q20, growing 4.6% and 4.5%, respectively, in relation to 3Q19. It is worth mentioning that the results from *Paraná Clínicas*, which had its acquisition concluded only in the end of the quarter, will be accrued in the P&L statement from 4Q20 onwards, with no impact on revenues in 3Q20.

After SulAmérica voluntarily suspended price increases for SME, affinity and individual portfolios for 90 days in May, the National Supplementary Health Agency (ANS) determined the suspension of the charging of price increases for 120 days for all portfolios, beginning in September/2020. It is worth noting that, for corporate plans over 29 lives, the price hike can be charged during this period if the client companies agree to it. Additionally, ANS allowed and oriented insurers and HMOs to book the price increases for the period, with the exception of the annual price increase of individual plans, since the maximum percentage for this cycle has not yet been disclosed by the regulator, which impacted the revenues for this portfolio in the period. As of September 30, 2020, the amount of price hikes booked and with suspended collection, spontaneously or as determined by ANS, totaled R\$136.4 million, registered in the accounts receivable, for the effective recovery of the collection starting from 2021, according to ANS guidelines.

The effectiveness of the Company's commercial strategy is reflected in the consistent performance observed both in revenues and in the number of beneficiaries, despite the more challenging economic context due to the COVID-19 pandemic. The Company remains focused both on pre-sales, driving its efforts to attract new customers in partnership with brokers, and on after-sales initiatives, which have proven to be essential for the high customer retention rate achieved in the period.

The Company also continues to evolve its capacity to format products, increasingly expanding the regions reached and also its portfolio, including more affordable options, such as the "Direto" line, already available in 6 cities, to keep growing its market share. According to the most recent data for market revenues disclosed by ANS, in the last twelve months ended in June/2020, the Company held 10.6% of the total revenues in the private healthcare market, being the third largest player in the segment.

The latest data released also by ANS for insured lives in the sector show that, as of September/2020, the private healthcare system recorded a total of 47.1 million beneficiaries in health plans and 26.0 million in dental plans, presenting growth both in health (+0.3%) and dental (+3.5%), in relation to September/2019. SulAmérica maintained a consistent performance in its membership, as shown in the following numbers:

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

(Thousand members)	3Q20	3Q19	Δ	2Q20	Δ
<b>Group Health</b>	<b>2,247</b>	<b>2,120</b>	<b>6.0%</b>	<b>2,156</b>	<b>4.2%</b>
Corporate/Affinity Health	1,275	1,176	8.5%	1,177	8.4%
SME Health	514	529	-2.9%	515	-0.2%
Administrative Services Only	458	415	10.4%	465	-1.4%
<b>Dental</b>	<b>1,744</b>	<b>1,766</b>	<b>-1.3%</b>	<b>1,552</b>	<b>12.4%</b>
Dental	1,716	1,744	-1.6%	1,525	12.5%
Administrative Services Only	28	22	27.5%	27	4.7%
<b>Group Total</b>	<b>3,991</b>	<b>3,886</b>	<b>2.7%</b>	<b>3,708</b>	<b>7.6%</b>
Individual Health	136	146	-6.7%	138	-1.6%
<b>Total</b>	<b>4,127</b>	<b>4,032</b>	<b>2.4%</b>	<b>3,846</b>	<b>7.3%</b>

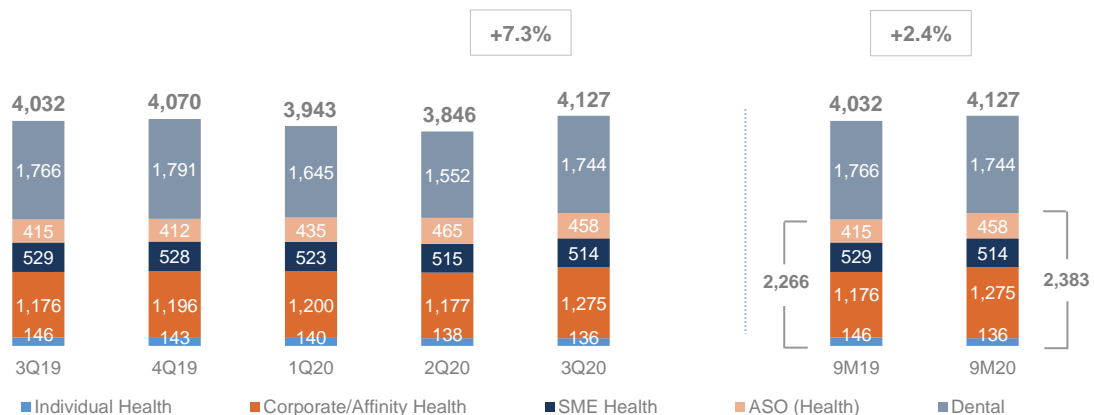
Health and dental group plans reached nearly 4 million beneficiaries, growth of 2.7% in comparison to 3Q19 and 7.6% compared to 2Q20, with net adds of 105 thousand and 283 thousand beneficiaries, respectively, including approximately 94 thousand lives in health related to *Paraná Clínicas*, whose acquisition was concluded in September/2020. Excluding the effect of this recent acquisition, the membership base presented relative stability in relation to 3Q19 and an increase of 5.1% in comparison with 2Q20.

In the health segment, the corporate/affinity portfolio was one of the highlights of the quarter, increasing 99 thousand lives in relation to 3Q19, mainly driven by the *Paraná Clínicas* acquisition. Considering only the organic performance, the portfolio also presented positive numbers even in a more challenging economic scenario, both in relation to 3Q19 (net adds of +5 thousand lives) and 2Q20 (net adds of +4 thousand lives). The SME portfolio registered relative stability in comparison to 2Q20 and a drop of 2.9% in relation to the same period of 2019. For yet another quarter, SulAmérica showed a resilient portfolio, with a consistent performance in group plans, with high customer retention levels and gradual recovery in new client enrollment.

In dental, the portfolio grew 12.5% when compared to 2Q20, with a net increase of 191 thousand beneficiaries, mainly following the implementation of the dental plan for health beneficiaries in the affinity portfolio in this period, which more than offset the lower performance in the retail channel in the last months, as a result of the more severe impact from isolation measures in the context of the COVID-19 pandemic.

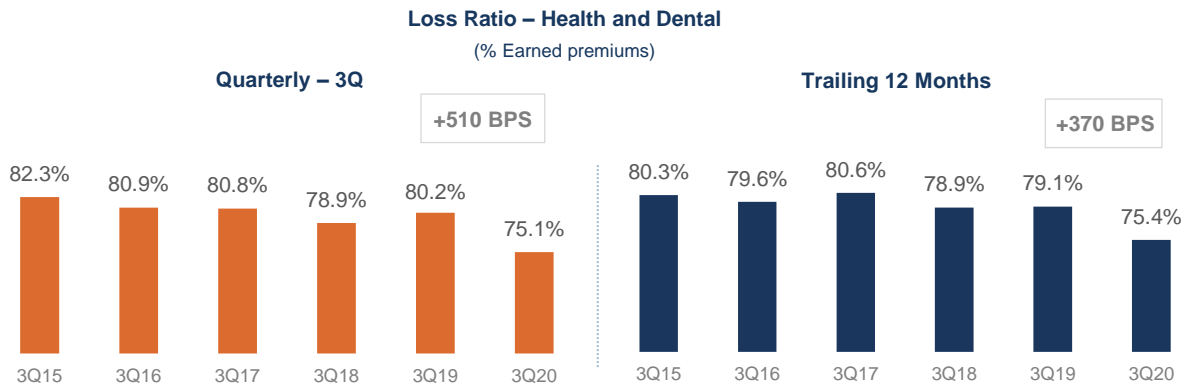
### Portfolio of Beneficiaries

(Thousand)





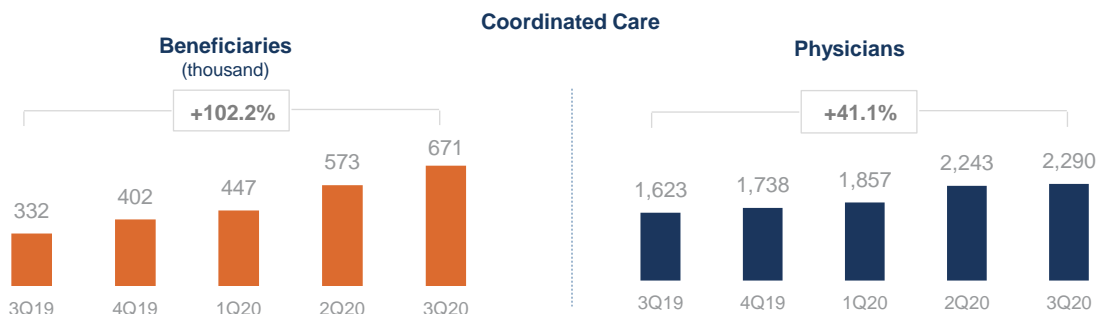
## 2. Health and Dental, and Administrative Services Only (ASO) (cont.)



The loss ratio in 3Q20 reached 75.1%, improving 510 BPS in relation to 3Q19, mainly explained by a lower frequency of claims during the period, due to lower exposure to hospital environments and social distancing guidelines in the main regions during the COVID-19 pandemic. In line with expectations, the frequencies of procedures have been gradually resuming since June/20 and, by the end of 3Q20, were closer to more regular levels, especially in relation to 2Q20, in which frequencies of procedures reached the peak of decline, but still lower than in 2019. In the 12-month period ended in 3Q20, the loss ratio was of 75.4%, a gain of 370 BPS when compared to the period of 12 months ended in 3Q19.

As we always emphasize, leaving short-term variations in the medical loss ratio aside, the Company remains committed to controlling the indicator in the long-term, as shown by the track record in recent periods, driven by a consistent underwriting policy and initiatives in health and wellness and claims management, strengthening partnerships and building a closer relationship with the network of medical providers and other partners.

In particular, the Coordinated Care strategy, bringing beneficiaries to the center of care, effectively monitoring and understanding their health journey, has been progressively more important for the improvement of the beneficiaries experience, better use of healthcare resources and greater alignment of interests among all partners in the private healthcare market. In the context of the pandemic, the several digital tools to health care access that were already being developed by the Company gained even more traction and were essential to continue assisting the beneficiaries during this period. Since the beginning of the pandemic, there were almost 400 thousand remote appointments, including digital video appointments with on-call physicians, specialists and therapists, in addition to medical phone orientation. By the end of 3Q20 and since the beginning of the monitoring, beneficiaries reached by the Coordinated Care strategy exceeded 670 thousand, with 529 thousand of those still active at SulAmérica's base, being effectively monitored in September/2020, with an integrated monitoring of the beneficiaries journey. The network of Coordinated Care physicians also continued to grow, with over 2.3 thousand doctors, an increase of 41.1% when compared to September/2019.



The continuous investment in the Coordinated Care strategy not only allows for the delivery of greater care through coordinated initiatives, which create value for beneficiaries and for the entire private healthcare market, but also supports the development of new products, enabling more options for different types of clients, including more affordable ones. In 3Q20, in addition to the launch of another product of the "Direto" line, in João Pessoa (Paraíba state), the second in the Northeast region, the Company acquired *Paraná Clínicas*, an excellent operation with a new level of average ticket that will be important to leverage the strategy and growth in the city of Curitiba, in Paraná state and in the South region of Brazil.

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

### Health Administrative Services Only (ASO)

In 3Q20, revenues from ASO plans totaled R\$18.5 million, growth of 18.0% in relation to 3Q19 for an increase of 41.1% in the gross margin. The number of insured members in the portfolio continued to grow, reaching 486 thousand beneficiaries, with net adds of 49 thousand lives in the period, 43 thousand of which in the health segment (+10.4%). In dental, performance was also consistent, with an increase of 27.5% compared to 3Q19.

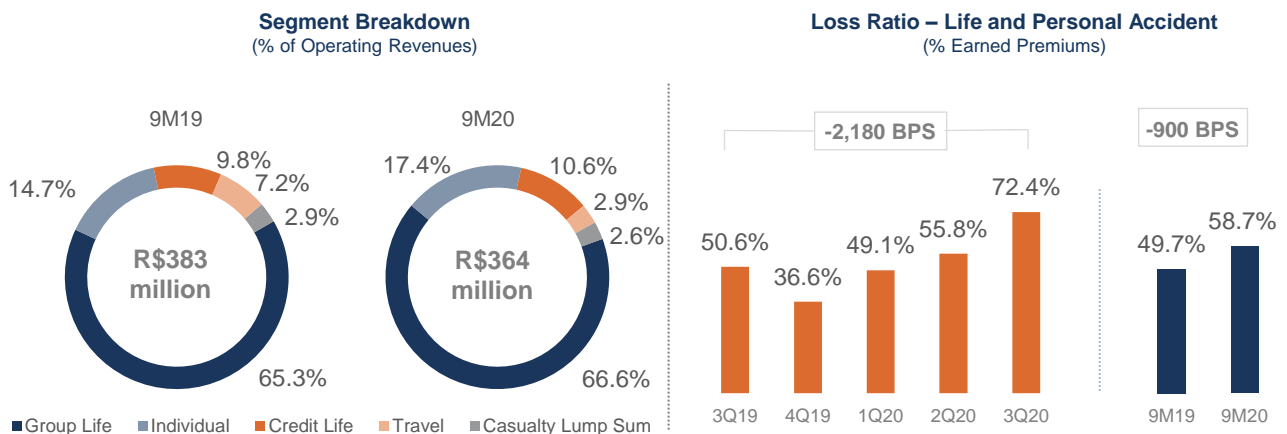
## 3. Life and Personal Accident Insurance and Private Pension

(R\$ million)	3Q20	3Q19	Δ	2Q20	Δ	9M20	9M19	Δ
<b>Operating Revenues</b>	<b>372.6</b>	<b>342.4</b>	<b>8.8%</b>	<b>275.0</b>	<b>35.5%</b>	<b>971.1</b>	<b>929.3</b>	<b>4.5%</b>
Insurance	126.4	133.4	-5.2%	121.1	4.4%	364.3	383.1	-4.9%
Private Pension	245.8	209.1	17.6%	153.5	60.1%	605.0	545.3	11.0%
Other Operating Revenues	0.4	-0.1	NA	0.5	-19.7%	1.8	0.9	93.0%
<b>Changes in Technical Reserves</b>	<b>-222.9</b>	<b>-181.4</b>	<b>-22.9%</b>	<b>-130.2</b>	<b>-71.3%</b>	<b>-525.7</b>	<b>-453.8</b>	<b>-15.8%</b>
Insurance	-15.6	-5.9	-163.6%	-8.5	-83.9%	-20.7	-11.1	-86.2%
Private Pension	-207.3	-175.5	-18.2%	-121.7	-70.4%	-504.9	-442.6	-14.1%
<b>Operating Expenses</b>	<b>-159.1</b>	<b>-147.4</b>	<b>-7.9%</b>	<b>-134.6</b>	<b>-18.2%</b>	<b>-427.3</b>	<b>-433.8</b>	<b>1.5%</b>
Insurance	-120.6	-115.9	-4.1%	-109.2	-10.5%	-337.4	-340.5	0.9%
Private Pension	-38.4	-31.5	-22.0%	-25.3	-51.6%	-89.9	-93.3	3.6%
<b>Gross Margin</b>	<b>-9.4</b>	<b>13.6</b>	<b>NA</b>	<b>10.3</b>	<b>NA</b>	<b>18.1</b>	<b>41.7</b>	<b>-56.6%</b>
Insurance	-9.8	11.5	NA	3.4	NA	6.2	31.5	-80.3%
Private Pension	0.0	2.1	-97.8%	6.5	-99.3%	10.1	9.3	8.7%
Other	0.4	-0.1	NA	0.5	-19.7%	1.8	0.9	93.0%
<b>Loss Ratio</b>	<b>72.4%</b>	<b>50.6%</b>	<b>-2180 BPS</b>	<b>55.8%</b>	<b>-1660 BPS</b>	<b>58.7%</b>	<b>49.7%</b>	<b>-900 BPS</b>
<b>Acquisition Cost</b>	<b>29.5%</b>	<b>28.4%</b>	<b>-110 BPS</b>	<b>30.6%</b>	<b>110 BPS</b>	<b>30.3%</b>	<b>29.6%</b>	<b>-70 BPS</b>

### Life and Personal Accident Insurance

In 3Q20, operating revenues from the life and personal accidents segment totaled R\$126.4 million, a reduction of 5.2% in comparison to the third quarter of 2019. In the first nine months of the year, revenues totaled R\$364.3 million, reduction of 4.9% in relation to the same period of the previous year. The revenue performance in both periods was negatively impacted by the pandemic scenario, especially in the travel insurance product, which had been increasing its share in the portfolio and was more severely impacted by measures of social distancing and travel restrictions. However, it is worth mentioning that, in comparison with 2Q20, the segment already started to improve, increasing revenues by 4.4%.

Regarding the loss ratio, both in 3Q20 and in the first nine months of 2020, we observe a deterioration in the indicator, mainly following the coverage of claims related to COVID-19, which were included voluntarily by insurers given the pandemic. Such claims had an impact of approximately R\$10 million in 3Q20 – which combined with lower revenues led to a ratio of 72.4% - and of approximately R\$19 million year-to-date for a loss ratio of 58.7%. In the first nine months of 2020, there were 414 recorded claims related to COVID-19.



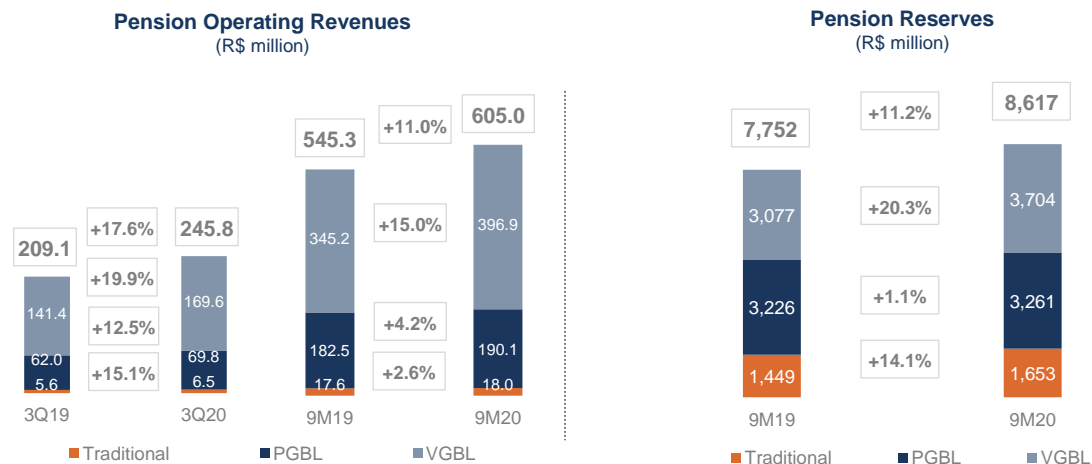


### 3. Life and Personal Accident Insurance and Private Pension (cont.)

#### Private Pension

At the end of September 2020, pension reserves totaled R\$8.6 billion, an increase of 11.2% in comparison with the same period of the previous year, mainly reflecting the positive balance of net portability (transfers) in the period, notably in VGBL product, which continues the positive trend seen in 2020.

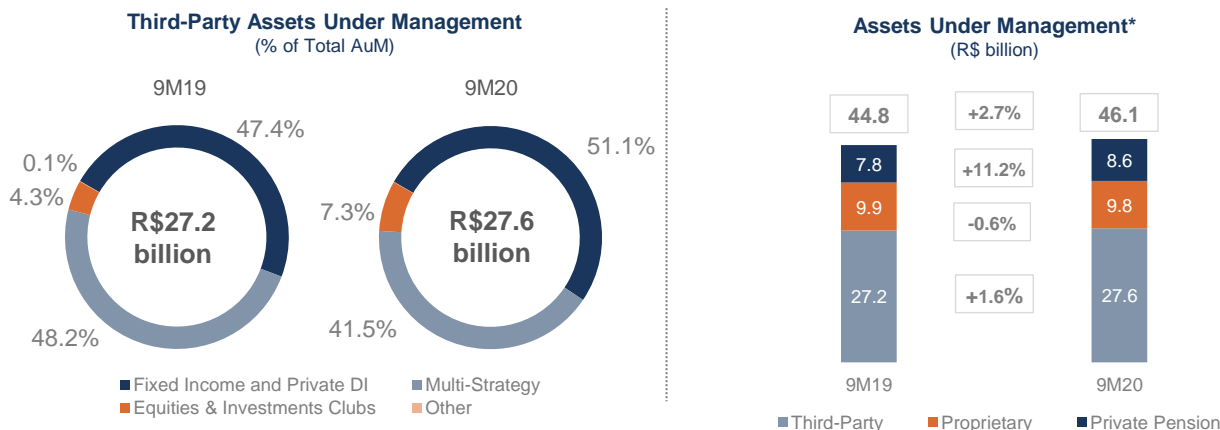
Private pension operating revenues registered positive results after the drop observed in 2Q20, totaling R\$245.8 million in the quarter and R\$605.0 million in 9M20, growth of 17.6% and 11.0%, respectively. In 3Q20, both VGBL (+19.9%) and PGBL (+12.5%) performed well, contributing to the growth in the period.



#### 4. Asset Management

(R\$ million)	3Q20	3Q19	Δ	2Q20	Δ	9M20	9M19	Δ
Operating Revenues	17.3	16.8	2.9%	15.4	12.8%	49.7	50.0	-0.6%
Management Fee	17.2	16.2	5.9%	14.8	15.7%	48.1	43.4	10.8%
Performance Fee	0.2	0.6	-74.9%	0.5	-69.6%	1.7	6.7	-75.2%
Operating Expenses	-1.5	-1.5	-2.1%	-1.1	-38.6%	-4.6	-3.7	-23.8%
Gross Margin	15.8	15.4	2.9%	14.3	10.8%	45.1	46.4	-2.6%

SulAmérica Investimentos ended the first nine months of 2020 with a total of R\$46.1 billion in assets under management, registering an increase of 2.7% in relation to the same period of 2019, with the expansion of the volume of pension reserves (+11.2%) and third-party assets (+1.6%). In 3Q20, operating revenues totaled R\$17.3 million, an increase of 2.9% when compared to 3Q19, mainly due to higher revenues from management fees, which more than offset the lower revenue from performance fees, affected by the volatility of the capital markets in the last months. In 3Q20, the gross margin totaled R\$15.8 million, growth of 2.9%, in line with the higher revenues during the period.



\*The total reported third-party assets under management include investment funds and portfolios that are managed or administered by SulAmérica DTVM S.A. The allocation of assets under management in 2019 was adjusted, with no change in total assets under management in the period.

## 4. Asset Management (cont.)

At the end of 3Q20, the third-party resources allocation was concentrated in fixed income funds (51.1% of the total volume) and multi-strategy funds (41.5%). Equity funds continued to stand out and have been gaining greater representation in the total allocation, reaching 7.3% of share. It is worth mentioning that, as of this quarter, the company's proprietary assets no longer consider the reserves from the recently-sold auto and P&C operations, which are now third-party assets.

## 5. Administrative Expenses

The table below considers only continuing operations, excluding the auto and P&C segments for all periods.

(R\$ million)	3Q20	3Q19	Δ	2Q20	Δ	9M20	9M19	Δ
Personnel Expenses	-161.9	-162.4	0.3%	-170.4	5.0%	-490.3	-479.0	-2.4%
Third-Party Services	-109.9	-70.0	-55.4%	-109.8	0.9%	-313.1	-189.6	-65.1%
Buildings and Maintenance	-40.3	-31.0	-29.9%	-39.1	-3.1%	-114.4	-88.4	-29.4%
Other Administrative Expenses	-23.3	-24.7	5.9%	-37.4	37.8%	-75.1	-82.7	9.2%
Profit Sharing	-13.3	-20.5	35.2%	-12.1	-9.5%	-39.7	-60.6	34.4%
Tax Expenses	-9.4	-17.2	45.4%	-10.8	13.1%	-31.7	-50.8	37.6%
<b>Total</b>	<b>-357.0</b>	<b>-325.8</b>	<b>-9.6%</b>	<b>-379.6</b>	<b>6.0%</b>	<b>-1,064.3</b>	<b>-951.1</b>	<b>-11.9%</b>
G&A Expenses Ratio (% operating revenues)	7.1%	6.7%	-30 BPS	7.9%	90 BPS	7.2%	6.8%	-40 BPS
G&A Expenses Ratio ex-extraordinary items	7.1%	6.7%	-30 BPS	7.3%	20 BPS	6.9%	6.8%	-10 BPS

In 3Q20, the administrative expenses ratio (measured by the ratio of total administrative expenses to total operating revenues) reached 7.1%, an increase of 30 BPS in relation to the same quarter of the previous year, mainly due to higher expenses in third-party services line. This line was mostly affected by a transition service agreement (TSA) with Allianz related to the auto and P&C operations which, on the other hand, has a positive counterpart on the other operating revenues line, both expected to occur until June/2022.

It is worth highlighting that with the closing of the sale of auto and P&C operations in July/2020, the expenses related to the conclusion of the transaction in the quarter were booked in the results of discontinued operations. Until June/2020, the expenses related to the spin-off process were considered in the continuing operations, totaling R\$45 million in 1H20, as previously disclosed. In the first nine months of 2020, considering the adjustment in the first half of the year, the ratio excluding these expenses was 6.9%, stable in relation to the same period of 2019.

The Company continues improve its operating efficiency, focusing on the strict control of costs and expenses. It is important to mention that this line also includes recurring investments in innovation and digital transformation projects that are essential for the growth and differentiation of the Company, allowing to deliver high quality care through digital initiatives aligned with the Coordinated Care strategy.

## 6. Investment Income

The tables below consider only continuing operations, excluding the auto and P&C segments for all periods.

(R\$ million)	3Q20	3Q19	Δ	2Q20	Δ	9M20	9M19	Δ
<b>Investment Income ex-Private Pension</b>	<b>17.9</b>	<b>107.6</b>	<b>-83.3%</b>	<b>69.2</b>	<b>-74.1%</b>	<b>92.9</b>	<b>335.5</b>	<b>-72.3%</b>
Return on Investment Portfolio	40.1	141.5	-71.7%	85.7	-53.2%	148.9	441.6	-66.3%
Debt Service Cost	-21.1	-36.0	41.6%	-22.7	7.3%	-67.7	-97.9	30.9%
Other Investment Income	-1.1	2.1	NA	6.3	NA	11.7	-8.2	NA
<b>Investment Income from Private Pension</b>	<b>-3.4</b>	<b>0.3</b>	<b>NA</b>	<b>0.6</b>	<b>NA</b>	<b>-2.4</b>	<b>18.2</b>	<b>NA</b>
Return on Investment Portfolio of Private Pension	190.8	130.3	46.4%	260.4	-26.7%	165.5	481.7	-65.6%
Change in Liabilities of Private Pension	-194.2	-130.0	-49.3%	-259.7	25.2%	-167.8	-463.4	63.8%
<b>Total Investment Income</b>	<b>14.5</b>	<b>107.9</b>	<b>-86.5%</b>	<b>69.9</b>	<b>-79.2%</b>	<b>90.5</b>	<b>353.7</b>	<b>-74.4%</b>

### Balance

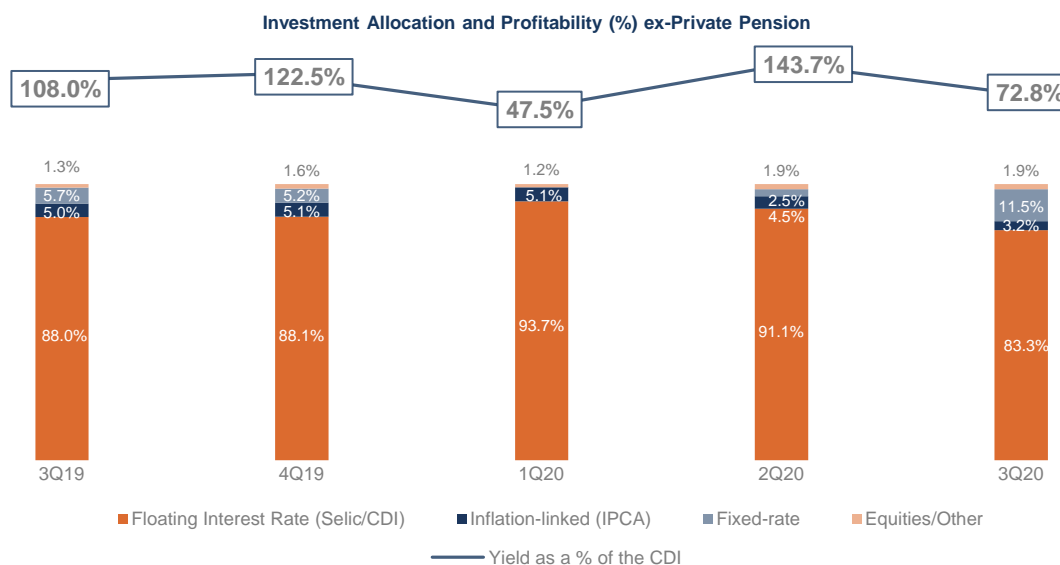
(R\$ million)	3Q20	3Q19	Δ	2Q20	Δ
Balance Excluding Private Pension	10,049.4	8,650.3	16.2%	8,137.5	23.5%
Private Pension Operations Balance	8,617.0	7,752.4	11.2%	8,094.5	6.5%
<b>Total Balance</b>	<b>18,666.4</b>	<b>16,402.8</b>	<b>13.8%</b>	<b>16,232.0</b>	<b>15.0%</b>

Total investment income reached R\$14.5 million in 3Q20, 86.5% lower than the same quarter of 2019, mainly due to the lower performance in the investment portfolio. The reduction in this line mainly reflects the average benchmark interest rate (Selic) decline in comparison to the same period in 2019, as well as the negative impact of equity funds and floating rated-linked funds in 3Q20, especially in September, more severely impacted by one-off mark-to-market of Brazilian government bonds (LFTs) due to the low demand for assets indexed to the Selic rate in the period. These effects consequently affected the performance of the Company's proprietary assets (ex-private pension plan) in the quarter, which presented a return of 72.8% of the CDI rate in 3Q20 against 105.6% in 3Q19.

## 6. Investment Income (cont.)

On the other hand, the debt service cost improved by 41.6% in the quarter when compared to 3Q19, given that the reduction in the Selic rate has a positive impact on this line, since the Company's debt service is mostly indexed to the CDI, which has a similar behavior to Selic.

The Company holds 83.3% of its proprietary assets (ex-pension plan) allocated in assets indexed to Selic/CDI, 11.5% in fixed rates, 3.2% in inflation-linked assets (IPCA) and 1.9% in equities and other assets. Approximately 90% of investments (ex-PGBL and VGBL) are allocated in fixed income bonds AAA-rated or sovereign risk securities (Brazilian government bonds).



\*Since 2Q20, considers the allocation and profitability of proprietary assets related only to continuing operations (ex-private pension), excluding auto and P&C segments.

## 7. Return on Average Equity (ROAE)

The table below presents the calculation of the return on average equity (ROAE) in the last 12 months. In addition to the accounting ROAE usually disclosed, we also included the recurring ROAE adjusting for the following effects: (i) R\$1.4 billion of net income from discontinued operations in 3Q20, which basically represent the net gain with the sale of the auto and P&C operations, recognized in the quarter; and (ii) announced dividends, as disclosed in a notice to shareholders on this date, as well as the previously declared interest on shareholders' equity.

(R\$ million)	3Q20	3Q19	Δ
Average Shareholders' Equity (last 12 months)	7,793.3	6,518.1	19.6%
Net Income (last 12 months)	2,758.1	1,123.3	145.5%
<b>Return on Average Equity (ROAE)</b>	<b>35.4%</b>	<b>17.2%</b>	<b>1820 BPS</b>
Adjusted Average Shareholders' Equity (last 12 months)	7,621.8	6,518.1	16.9%
Adjusted Net Income (last 12 months)	1,317.1	1,123.3	17.3%
<b>Recurring ROAE</b>	<b>17.3%</b>	<b>17.2%</b>	<b>10 BPS</b>

## 8. Summary Income Statement

(R\$ million)	3Q20	3Q19	Δ	2Q20	Δ	9M20	9M19	Δ
<b>Operating Revenue</b>	<b>5,059.2</b>	<b>4,842.9</b>	<b>4.5%</b>	<b>4,793.2</b>	<b>5.6%</b>	<b>14,779.1</b>	<b>13,912.4</b>	<b>6.2%</b>
Insurance	4,739.5	4,582.2	3.4%	4,587.8	3.3%	13,978.6	13,218.0	5.8%
Private Pension	245.8	209.1	17.6%	153.5	60.1%	605.0	545.3	11.0%
Saving Bonds	0.1	14.7	-99.1%	0.1	52.3%	14.7	45.9	-67.9%
ASO	18.5	15.7	18.0%	18.2	1.4%	53.9	45.8	17.8%
Asset Management	17.3	16.8	2.9%	15.4	12.8%	49.7	50.0	-0.6%
Other	38.0	4.4	762.6%	18.2	108.9%	77.1	7.2	963.0%
<b>Changes in Premium Technical Reserves</b>	<b>-229.1</b>	<b>-201.2</b>	<b>-13.9%</b>	<b>-141.6</b>	<b>-61.8%</b>	<b>-553.7</b>	<b>-502.6</b>	<b>-10.2%</b>
Insurance	-21.8	-25.7	15.2%	-19.9	-9.6%	-48.7	-60.0	18.8%
Private Pension	-207.3	-175.5	-18.2%	-121.7	-70.4%	-504.9	-442.6	-14.1%
<b>Operating Expenses</b>	<b>-4,075.6</b>	<b>-4,146.2</b>	<b>1.7%</b>	<b>-3,718.1</b>	<b>-9.6%</b>	<b>-12,138.5</b>	<b>-12,032.3</b>	<b>-0.9%</b>
<b>Insurance</b>	<b>-4,027.1</b>	<b>-4,100.5</b>	<b>1.8%</b>	<b>-3,688.0</b>	<b>-9.2%</b>	<b>-12,021.3</b>	<b>-11,896.9</b>	<b>-1.0%</b>
Claims	-3,587.5	-3,654.1	1.8%	-3,202.1	-12.0%	-10,613.1	-10,576.7	-0.3%
Acquisition Costs	-330.4	-318.6	-3.7%	-329.8	-0.2%	-1,002.4	-924.5	-8.4%
Other	-109.2	-127.8	14.5%	-156.1	30.0%	-405.9	-395.7	-2.6%
<b>Private pension</b>	<b>-42.9</b>	<b>-31.5</b>	<b>-36.1%</b>	<b>-25.3</b>	<b>-69.1%</b>	<b>-94.4</b>	<b>-93.3</b>	<b>-1.1%</b>
Benefits and Redemptions Expenses	-26.9	-20.6	-30.4%	-13.9	-93.9%	-56.0	-62.3	10.1%
Acquisition Costs	-9.1	-8.9	-1.8%	-8.5	-6.1%	-26.4	-26.8	1.6%
Other	-6.9	-2.0	-249.2%	-2.9	-134.8%	-12.0	-4.2	-182.7%
<b>Saving Bonds</b>	<b>-0.7</b>	<b>-7.8</b>	<b>90.5%</b>	<b>0.1</b>	<b>NA</b>	<b>-5.2</b>	<b>-24.2</b>	<b>78.5%</b>
ASO	-3.4	-5.0	31.4%	-3.7	6.3%	-13.1	-14.1	7.7%
Asset Management	-1.5	-1.5	-2.2%	-1.1	-38.7%	-4.6	-3.7	-23.8%
<b>Operating Gross Margin</b>	<b>754.5</b>	<b>495.4</b>	<b>52.3%</b>	<b>933.5</b>	<b>-19.2%</b>	<b>2,086.8</b>	<b>1,377.5</b>	<b>51.5%</b>
<b>General and Administrative Expenses</b>	<b>-357.0</b>	<b>-325.8</b>	<b>-9.6%</b>	<b>-379.6</b>	<b>6.0%</b>	<b>-1,064.3</b>	<b>-951.1</b>	<b>-11.9%</b>
<b>Net Investment Income</b>	<b>14.5</b>	<b>107.9</b>	<b>-86.5%</b>	<b>69.9</b>	<b>-79.2%</b>	<b>90.5</b>	<b>353.7</b>	<b>-74.4%</b>
Equity Interest Income	-3.1	0.7	NA	-4.0	23.0%	-6.9	2.0	NA
Other Equity Income / (Expenses)	-28.2	3.2	NA	0.3	NA	-32.4	1.1	NA
<b>Income before tax and social contribution</b>	<b>380.7</b>	<b>281.3</b>	<b>35.3%</b>	<b>620.1</b>	<b>-38.6%</b>	<b>1,073.7</b>	<b>783.3</b>	<b>37.1%</b>
Income Tax and Social Contribution	-94.7	-77.2	-22.7%	-221.4	57.2%	-319.1	-176.3	-81.0%
<b>Net Income from Continuing Operations</b>	<b>286.0</b>	<b>204.1</b>	<b>40.1%</b>	<b>398.7</b>	<b>-28.3%</b>	<b>754.6</b>	<b>607.0</b>	<b>24.3%</b>
<b>Net Income from Discontinued Operations</b>	<b>1,440.8</b>	<b>40.9</b>	<b>NA</b>	<b>99.7</b>	<b>NA</b>	<b>1,550.2</b>	<b>121.8</b>	<b>NA</b>
Attributable to Non-Controlling Shareholders	0.2	0.4	-42.2%	-0.1	NA	0.3	0.9	-64.2%
<b>Net Income After Non-Controlling Interests</b>	<b>1,727.1</b>	<b>245.4</b>	<b>603.8%</b>	<b>498.3</b>	<b>246.6%</b>	<b>2,305.2</b>	<b>729.7</b>	<b>215.9%</b>

## 9. Summary Income Statement – pro forma (including discontinued operations)

(R\$ million)	9M20	9M19	Δ
<b>Operating Revenue</b>	<b>16,284.1</b>	<b>16,570.4</b>	<b>-1.7%</b>
Insurance	15,471.2	15,851.9	-2.4%
Private Pension	605.0	545.3	11.0%
Saving Bonds	14.7	45.9	-67.9%
ASO	53.9	45.8	17.8%
Asset Management	49.7	50.0	-0.6%
Other	89.5	31.4	185.1%
<b>Changes in Premium Technical Reserves</b>	<b>-380.7</b>	<b>-506.3</b>	<b>24.8%</b>
Insurance	124.2	-63.7	NA
Private Pension	-504.9	-442.6	-14.1%
<b>Operating Expenses</b>	<b>-13,461.6</b>	<b>-14,245.7</b>	<b>5.5%</b>
<b>Insurance</b>	<b>-13,344.4</b>	<b>-14,110.4</b>	<b>5.4%</b>
Claims	-11,537.4	-12,171.9	5.2%
Acquisition Costs	-1,377.3	-1,500.8	8.2%
Other	-429.7	-437.6	1.8%
<b>Private pension</b>	<b>-94.4</b>	<b>-93.3</b>	<b>-1.1%</b>
Benefits and Redemptions Expenses	-56.0	-62.3	10.1%
Acquisition Costs	-26.4	-26.8	1.6%
Other	-12.0	-4.2	-182.6%
<b>Saving Bonds</b>	<b>-5.2</b>	<b>-24.2</b>	<b>78.5%</b>
ASO	-13.1	-14.1	6.9%
Asset Management	-4.6	-3.7	-23.8%
<b>Operating Gross Margin</b>	<b>2,441.8</b>	<b>1,818.4</b>	<b>34.3%</b>
<b>General and Administrative Expenses</b>	<b>-1,292.6</b>	<b>-1,321.1</b>	<b>2.2%</b>
<b>Net Investment Income</b>	<b>139.2</b>	<b>477.8</b>	<b>-70.9%</b>
Equity Interest Income	-6.9	2.0	NA
Other Equity Income / (Expenses)	-28.8	6.7	NA
<b>Income before tax and social contribution</b>	<b>1,252.6</b>	<b>983.8</b>	<b>27.3%</b>
Income Tax and Social Contribution	-388.6	-255.0	-52.4%
<b>Net Income</b>	<b>864.0</b>	<b>728.8</b>	<b>18.6%</b>
<b>Result from the sale of assets available for sale</b>	<b>1,440.8</b>	<b>-</b>	<b>NA</b>
Attributable to Non-Controlling Shareholders	0.3	0.9	-64.2%
<b>Net Income After Non-Controlling Interests</b>	<b>2,305.2</b>	<b>729.7</b>	<b>215.9%</b>

## 10. Summary Balance Sheet

<b>ASSETS</b>			
<b>(R\$ million)</b>	<b>9M20</b>	<b>2019</b>	<b>Δ</b>
<b>Current Assets</b>	<b>19,581.6</b>	<b>20,270.4</b>	<b>-3.4%</b>
Cash, cash equivalents and marketable securities	17,638.7	16,970.1	3.9%
Receivables	1,462.9	2,287.2	-36.0%
Taxes	67.6	154.8	-56.3%
Reinsurance assets	47.1	26.8	75.8%
Salvages for sale	0.5	68.7	-99.2%
Deferred acquisition costs	331.9	712.7	-53.4%
Other	32.9	50.1	-34.4%
<b>Non-current assets</b>	<b>8,603.1</b>	<b>8,142.1</b>	<b>5.7%</b>
Marketable securities	1,103.6	1,351.0	-18.3%
Receivables	1,541.8	1,308.2	17.9%
Judicial deposits	2,789.5	2,854.4	-2.3%
Reinsurance assets	6.3	7.6	-16.5%
Deferred acquisition costs	682.3	704.2	-3.1%
Taxes	1,338.3	1,145.1	16.9%
Other	7.5	14.6	-48.7%
Leasing assets	150.8	163.4	-7.7%
Investments, property and equipment, and intangible assets	983.0	593.7	65.6%
<b>Total Assets</b>	<b>28,184.7</b>	<b>28,412.5</b>	<b>-0.8%</b>

<b>LIABILITIES</b>			
<b>(R\$ million)</b>	<b>9M20</b>	<b>2019</b>	<b>Δ</b>
<b>Current Liabilities</b>	<b>8,568.2</b>	<b>10,376.4</b>	<b>-17.4%</b>
Accounts payable	1,517.6	2,254.2	-32.7%
Loans and financing	833.1	178.0	368.0%
Insurance and reinsurance liabilities	276.1	395.6	-30.2%
Technical reserves - Insurance	5,808.6	7,439.5	-21.9%
Judicial provisions	115.4	80.7	42.9%
Other	17.4	28.4	-38.6%
<b>Non-current Liabilities</b>	<b>10,989.8</b>	<b>10,888.3</b>	<b>0.9%</b>
Accounts payable	201.6	235.4	-14.4%
Loans and financing	1,356.7	1,572.3	-13.7%
Technical reserves - Insurance	7,092.4	6,790.4	4.4%
Judicial provisions	2,338.6	2,284.5	2.4%
Other	0.4	5.7	-93.4%
<b>Shareholders' Equity</b>	<b>8,626.8</b>	<b>7,147.7</b>	<b>20.7%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>28,184.7</b>	<b>28,412.5</b>	<b>-0.8%</b>

## 11. Analyst Coverage

<b>Firm</b>	<b>Analyst</b>	<b>Phone</b>
Brasil Plural	Eduardo Nishio	+55 (11) 3206-8240
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Eleven Financial	Mariana Ferraz	+55 (11) 4302-3340
JP Morgan	Guilherme Grespan	+55 (11) 4950-3058
Safra	Ricardo Boiati	+55 (11) 3175-8987
Santander	Henrique Navarro	+55 (11) 3012-5756
UBS	Vinicius Ribeiro	+55 (11) 3513-6562
XP Investimentos	Marcel Campos	+55 (11) 3526-1472

## 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; (vi) other revenues not directly linked to the operation. All operating revenues are presented net of direct taxes (ISS, PIS and Cofins).

**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; (vi) 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](http://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 to ease the 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 and ROAE figures consider results for the Company net of non-controlling interest.