Corporate Presentation

1Q18

Quálitas
Compañía de Seguros®

Quálitas at First Sight

- Mexican specialized auto insurer with 24 years in the market
- Market leader in Mexico since 2007
- Specialization allows Q to provide best quality service and keep cost under control
- International presence in the USA, Costa Rica and El Salvador

1Q18

UNDERWRITING	
Revenue[1]	MXN 7.7 bn
Combined Ratio[2]	95.1%
Strong pricing discipline	
Variable compensation (interest alignment)	
Cost Indicators Program	
High Tech (apps/devices/portals)	
Non traditional sales structure	
Low fix costs	

+

ASSET MANAGEMENT	
Float	MXN 28.3 bn
ROI	5.6%
Conservative asset allocation	
Moderate Risk	
Mexican Treasuries 28 days as benchmark	
Mark to market valuation / P&L	
Portfolio composition: - 83% Fixed Income - 17% Equities	

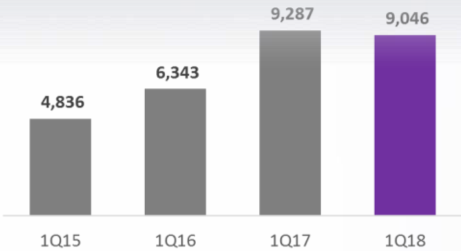
=

TOTAL BUSINESS	
Net Income	MXN 590 MM
LTM ROE	32.9%
Solvency Ratio 2.15	
Financial Strength	
S&P mxAA+ (stable) AM Best B+ (stable)	
Dividend Policy	
Over-the-cycle target ROE 18% - 24%	
Focus on sustainability	

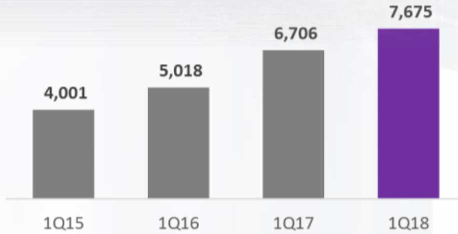
1. Earned Premiums
2. Adjusted Combined Ratio: costs (claims + acquisition + operation) | Earned Premiums

Quálitas 1Q15 – 1Q18

Written Premiums

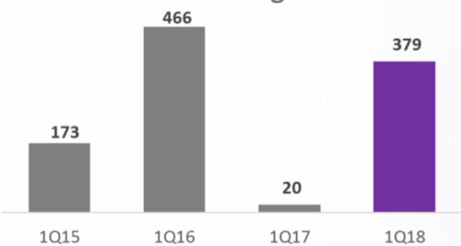


Earned Premiums

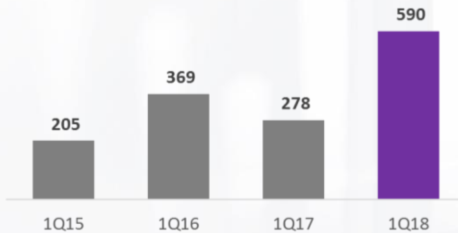


Comprehensive Financial Income

Underwriting result

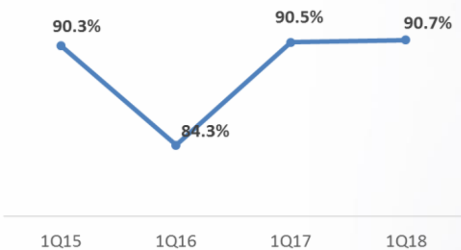


Net Income

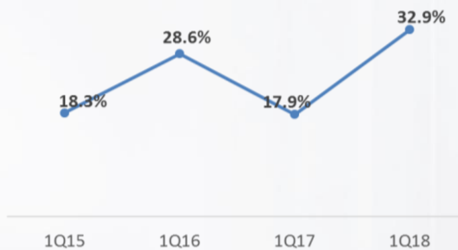


Cash per Share

Combined Ratio



LTM ROE



Q* Stock Price

Our Stock – Q*

Average daily trade	Volume	Δ%	Value (MXN)	Δ%	Value (USD)	Δ%
1Q18	806,137	51.5%	36,399,028	126.3%	1,942,659	145.5%
12 months	528,501	15.1%	19,293,986	45.4%	1,042,660	51.2%

Average XRT	2018	2017
1Q18	18.74	20.33
12 months	18.50	19.24

Marketability Index	
Apr-17	59
May-17	60
Jun-17	60
Jul-17	63
Aug-17	61
Sep-17	60
Oct-17	57
Nov-17	55
Dec-17	54
Jan-18	55
Feb-18	50
Mar-18	47
Apr-18	44

15 positions

	Q*	Mexbol
1Q18	37.9%	-6.5%
12 months	65.0%	-5.0%

Share Buyback Program	
Repurchased Shares	15.6
Available Cash	38.9
Total authorized amount	650.0

Figures in millions

Source: SiBolsa & Infosel

Q* and other Financials

MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

32.9%

	ROE 2017	P/E	P/BV
Q	29.4%	**11.50**	**2.99**
CREAL	15.1%	6.25	0.74
GFREGIO	19.4%	13.99	2.50
FINDEP	5.5%	8.73	0.47
GBM	7.3%	29.87	2.16
ACTINVER	9.1%	14.47	1.50
UNIFIN	27.1%	13.44	3.14
GFINTER	18.1%	8.32	1.45
BOLSA	19.1%	16.79	3.38
GFNORTE	16.6%	13.58	2.23
GFINBUR	15.9%	10.17	1.52
GENTERA	17.9%	8.50	1.48
AVERAGE	16.7%	12.97	1.96

Q*
- No debt
- Benefits from interest rates hikes
- Inhouse payroll and employee management – Employee Profit Sharing

Return on equity

	15	16	17	1Q18
Leverage	4.84	5.78	5.42	5.72
Stockholders' Equity	4,972	6,077	7,951	8,148

Source: Capital IQ & SiBolsa *As of April 19th, 2018

Business Fundamentals

Outstanding Service

- Top quality service
- State of the art technology
- Nationwide network with 410 offices
- Experienced management team

"Focus on service rather than branding"

Specialization

- Unique Business Model
- #1 auto insurance company in Mexico with 31.3%* of market share

"Flexibility to meet each client's needs"

Decentralization

- Service offices have independent decision-making
- Distribution network for costumer's service

"Interests alignment through variable compensation"

Cost Control

- Strict Cost Control Policy
- Costs Indicator's Program

"Identification of opportunity areas in each process"

* Source: AMIS, December 2017

Unique Business Model

Quálitas

- Call Center
- IT Support
- Product Pricing
- New Channels: Telephone & Internet

Service Offices

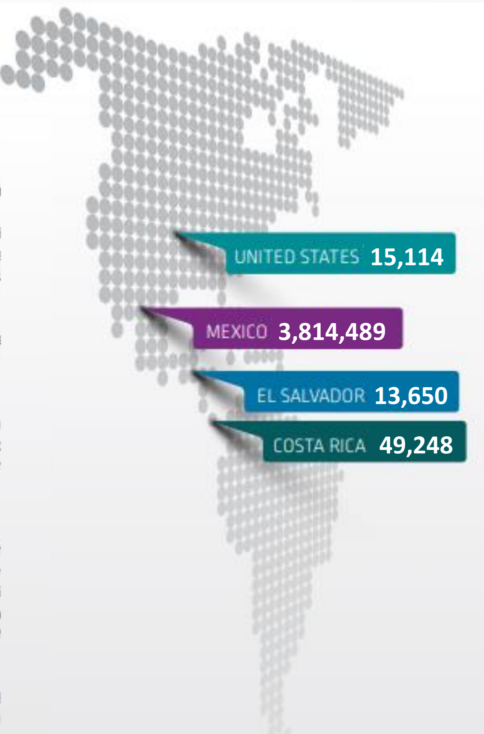
- Owned by specialized entrepeneurs
- Independent decision-making
- Compensation to office representatives links sales with claims costs

Agents

- Agents are notexclusive
- Agents look after the interests of policyholders

Network & International Presence

Insured units



183 Service Offices

227 ODQs*

5,037 Employees

1,213/402
Claims Officers/Lawyers

13,601 Agents

*Quálitas Development Offices

Reserves Booking Process & Experience

Timely & accurate cost booking
=
Positive adjustment in reserves
Less capital requirements

1. Policy sale
2. Car accident
3. Claims attention & initial reserve
4. Budget submission
5. Valuation
6. Payment & reserves adjustments
7. Comprehensive Service Survey

Innovation & Sustainability

Q Agentes App
Q Móvil App

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

Risk Management
- Encontrack
- Mobileye
- Route and risk hours study
- Drivers Training

ROAD SAFETY Quálitas

- Employee Training

- Reforestation

Web Service Portals
- Agents
- Agencies
- Suppliers

- Claims Officers and Valuators Talent Incubator Programs

- Care for the environment and natural resources

- Consolidated Annual Report

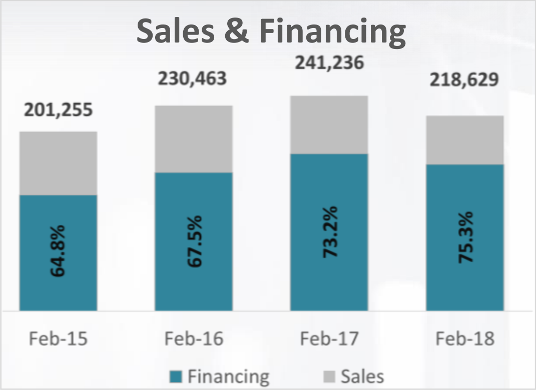
WELLBEING PROGRAM QUÁLITAS

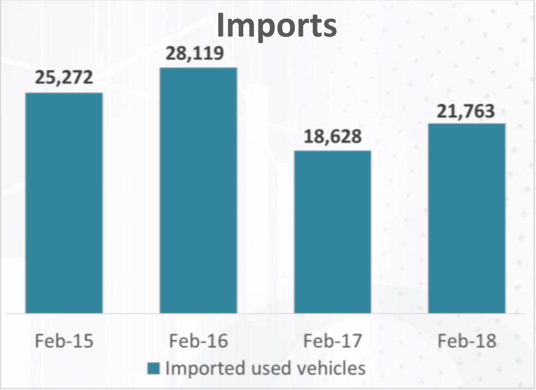
Quálitas UNIVERSITY

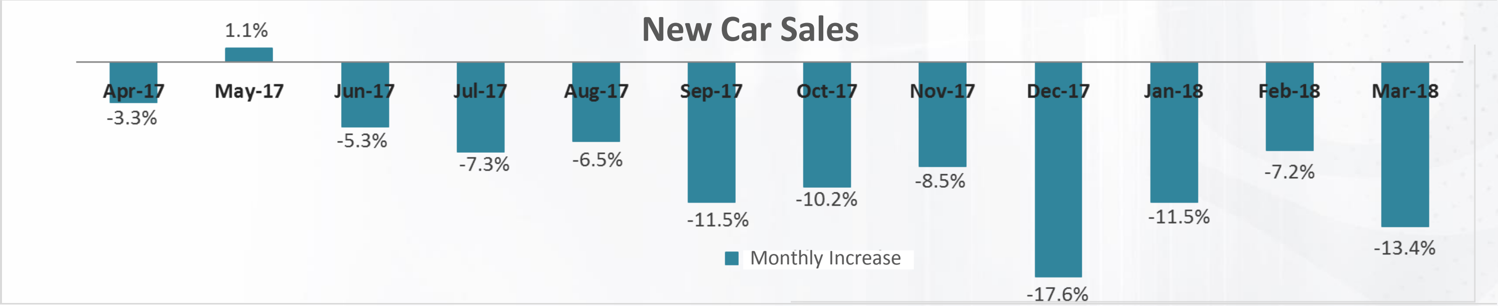
New car sales - Mexico

New Car Sales

- -10.8% QoQ decrease
- -13.4% Monthly decrease (March 2018)
- Financing -> 75.3% of total sold units (Feb.18)
- Import of used vehicles -> +16.8% (vs. Feb.17)





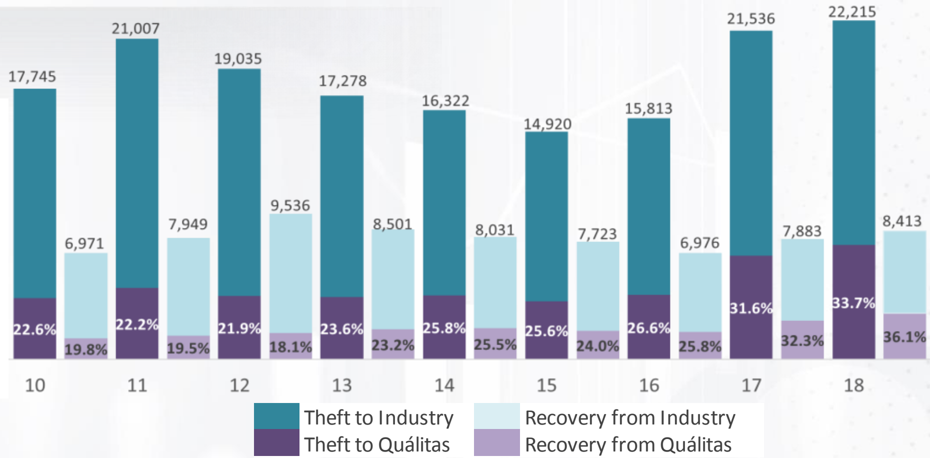


Source: Mexican Association of Automotive Dealers (AMDA)

Robbery & Costs

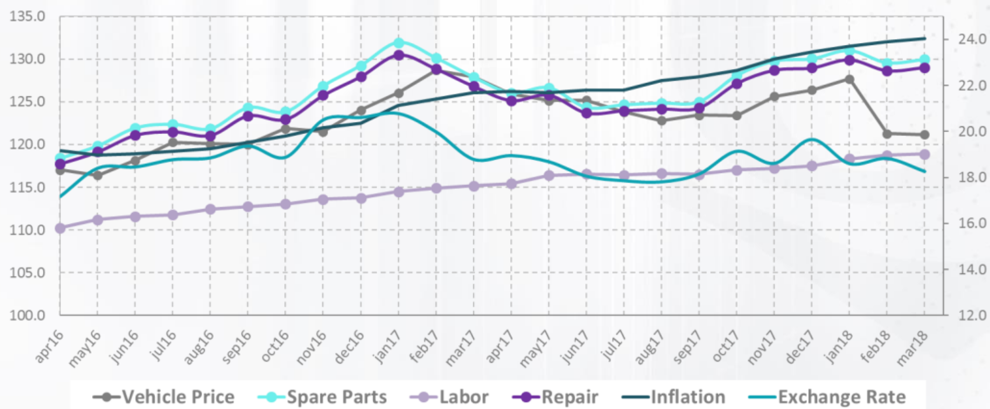
1Q18 Car theft and recovery

- Industry:
- +3% in theft
- +7% in recovery



Costs

- Low demand decreases vehicle prices
- Spare parts and repair costs keep going up



Source: Coordinator Office of Insured Risks (OCRA) & Mexican Statistics Bureau (INEGI)

Written Premiums

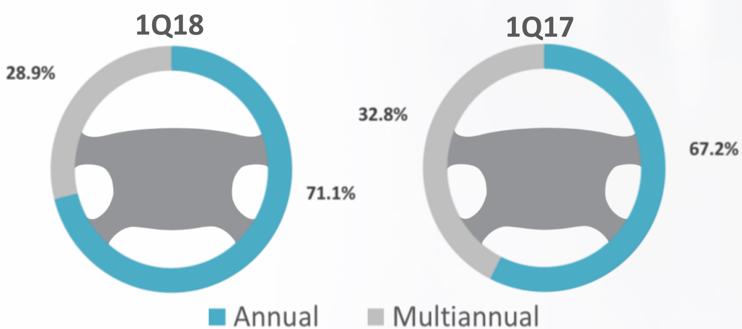
Premiums written by segment (MM MXN)

Segment	1Q18	1Q17	Δ $	Δ %
Individual	2,336	1,933	402	20.8%
Fleets	2,776	2,469	307	12.4%
Financial Institutions	3,485	3,923	(438)	(11.2%)
Foreign subsidiaries	390	468	(78)	(16.7%)
Other	60	494	(434)	(87.9%)
Total	**9,046**	**9,287**	**(241)**	**(2.6%)**

Subsidiaries' growth (USD)

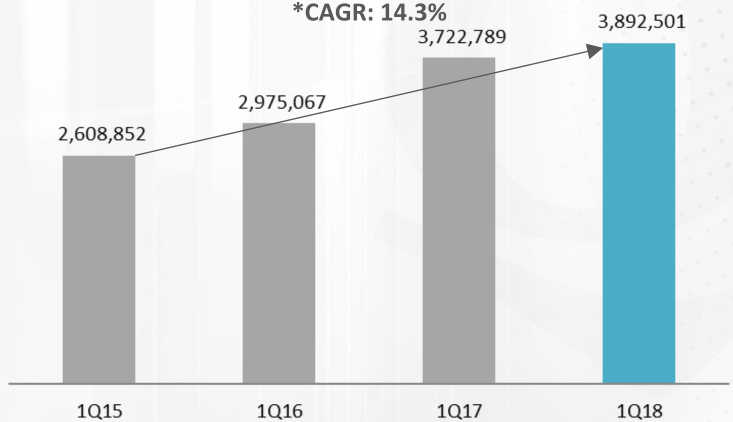
	1Q18
QIC	(19.2%)
Q CR	5.4%
Q ES	7.2%

Premiums written by duration



Insured Vehicles

*CAGR: 14.3%



*CAGR: Compound Annual Groth Rate

Financial Highlights (MM MXN)

INCOME STATEMENT	1Q18	1Q17	Δ %/bp
Written Premiums	9,046	9,287	(2.6%)
Net Written Premiums	8,882	9,265	(4.1%)
Earned Premiums	7,675	6,706	14.4%
Acquisition Cost	2,022	2,049	(1.3%)
Claims Cost	4,859	4,462	8.9%
Technical Result	**794**	**195**	**306.5%**
Operating Expenses	416	175	137.2%
Underwriting Result	**379**	**20**	**NA**
Comprehensive Financial Income	490	350	39.8%
Investment Income	*382*	*273*	39.7%
Income Taxes	278	92	200.8%
Net Result	**590**	**278**	**112.4%**
Acquisition Ratio	22.8%	22.1%	65
Claims Ratio	63.3%	66.5%	(322)
Operating Ratio	4.6%	1.9%	271
Combined Ratio	90.7%	90.5%	13
Combined Ratio Adjusted*	95.1%	99.7%	(463)

BALANCE SHEET	1Q18	1Q17	Δ %/bp
Assets	54,730	45,201	21.1%
Investments & Real Estate	28,727	23,018	24.8%
Invested Assets or float	*28,281*	*22,180*	27.5%
Technical Reserves	34,691	29,710	16.8%
Total Liabilities	46,582	38,886	19.8%
Stockholders' Equity	8,148	6,315	29.0%
PROFITABILITY RATIOS			
Return on Investments	5.6%	5.2%	45
Quarterly ROE (annualized)	29.3%	17.9%	1,139
LTM ROE	32.9%	20.8%	1,207

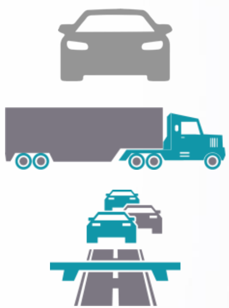
Figures in million pesos   NA: Not Applicable   *Combined Ratio Adjusted = (Acquisition Cost + Claims Cost + Operating Expenses)/Earned Premiums

Market Figures

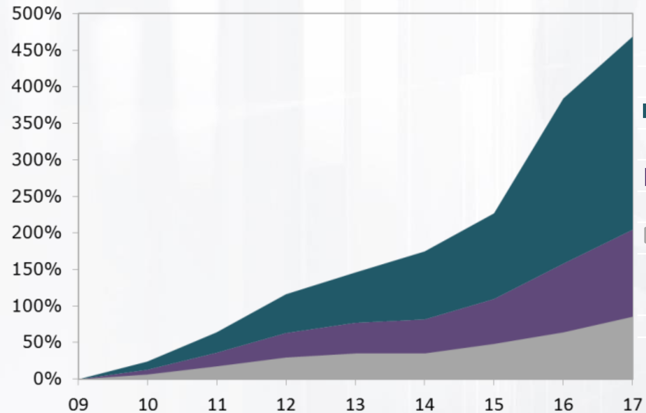
Market Penetration in Mexico

Mandatory Insurance in every State except for Michoacán

Market Share by segment



Written premiums growth



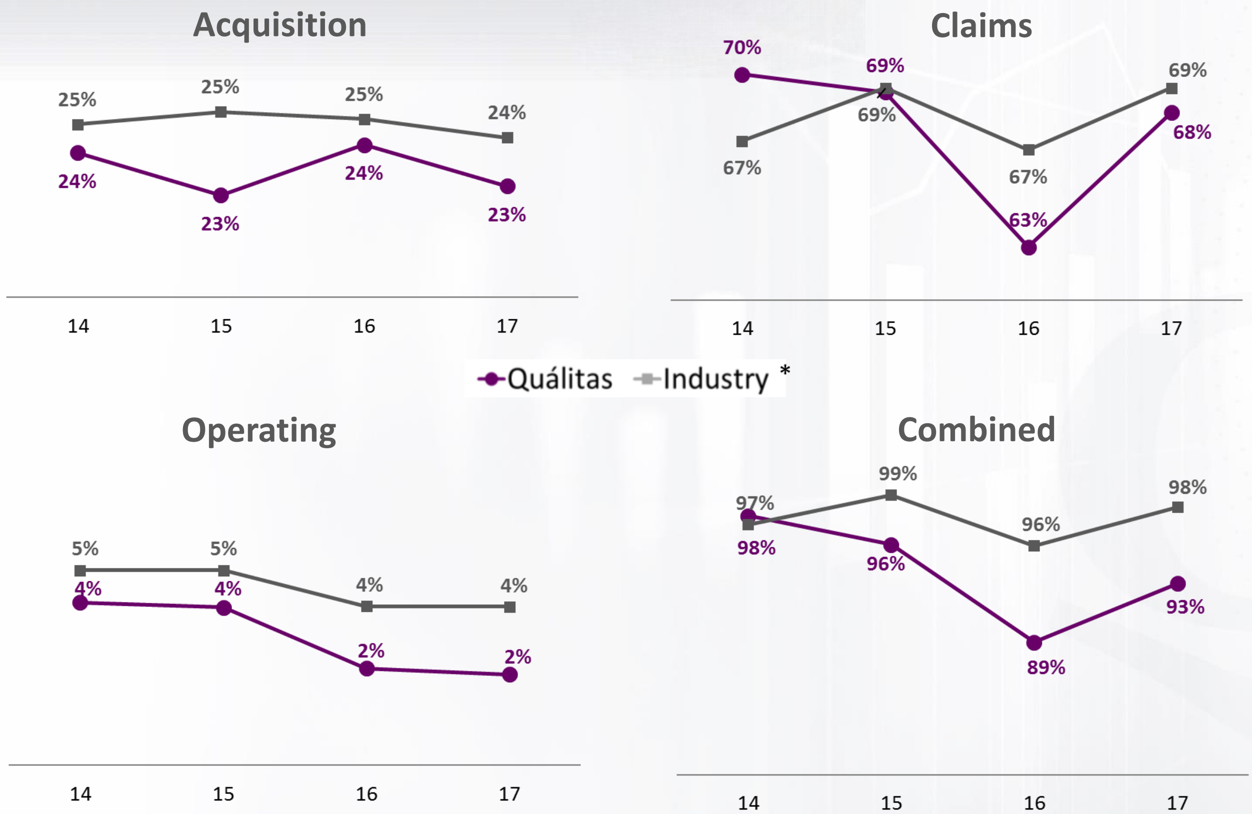
CAGR(%)*

Q	12.5%
Market	7.4%
Market without Q	5.8%

Source: Mexican Association of Insurance Institutions (AMIS)

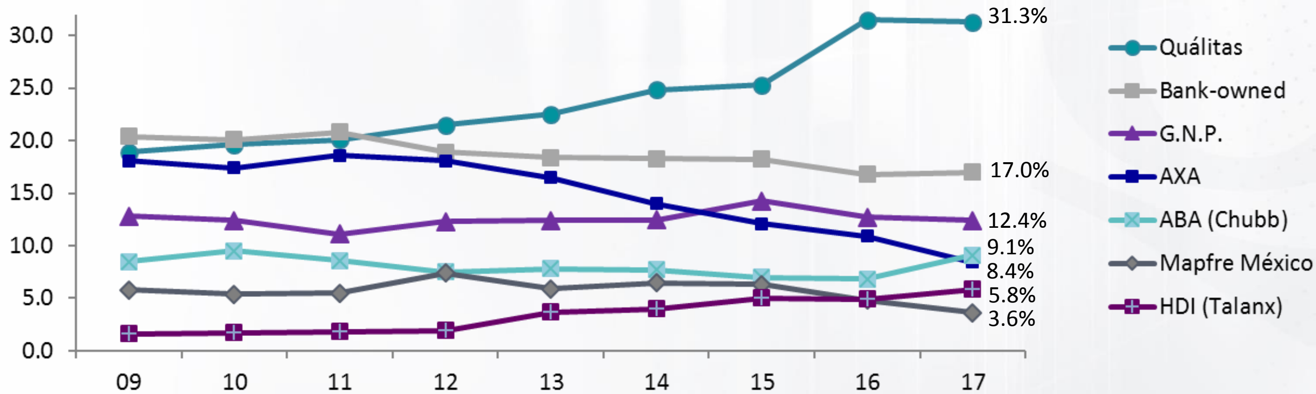
*CAGR: Compound Annual Groth Rate

Q vs. Industry – Cost Ratios



Auto Market Share

	09	10	11	12	13	14	15	16	17
Quálitas	**18.9**	**19.6**	**20.1**	**21.5**	**22.5**	**24.9**	**25.3**	**31.5**	**31.3**
G.N.P.	12.8	12.4	11.1	12.3	12.4	12.5	14.3	12.7	12.4
ABA (Chubb)	8.5	9.5	8.6	7.5	7.8	7.7	7.0	6.8	9.1
AXA	18.1	17.4	18.6	18.1	16.5	14.0	12.1	10.9	8.4
HDI Seguros	1.6	1.7	1.8	1.9	3.7	4.0	5.0	4.9	5.8
Mapfre Mexico	5.8	5.4	5.5	7.4	5.9	6.5	6.3	4.8	3.6
Other	**13.9**	**13.9**	**13.5**	**12.4**	**12.8**	**12.2**	**11.8**	**11.6**	**12.4**
Bank-owned	**20.4**	**20.1**	**20.8**	**18.9**	**18.4**	**18.3**	**18.2**	**16.8**	**17.0**
Total Market	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**



Underwriting Result – Automobile Segment

	2009	2010	2011	2012*	2013	2014	2015	2016	2017	Total
Quálitas	(221)	(76)	475	903	483	(95)	47	1,103	895	3,515
G.N.P.	(499)	(668)	(371)	(373)	(27)	(87)	(221)	(404)	(952)	(3,602)
ABA (Chubb)	(170)	(200)	356	411	368	132	(79)	646	499	1,963
AXA	(892)	82	(132)	173	(594)	(453)	(651)	(218)	231	(2,455)
HDI (Talanx)	(20)	(43)	(47)	(22)	(46)	(36)	(276)	101	72	(317)
Top 5	**(1,802)**	**(904)**	**280**	**1,092**	**184**	**(539)**	**(1,180)**	**1,228**	**745**	**(896)**
Zurich Daños	116	(238)	(92)	45	(108)	(174)	(379)	51	(284)	(1,063)
Mapfre México	74	(133)	(22)	69	3	(14)	(170)	(651)	(304)	(1,148)
Atlas	122	95	146	220	208	105	(6)	123	116	1,128
ANA	(23)	(3)	6	(2)	(2)	(43)	(30)	33	28	(36)
General de Seguros	3	(22)	27	8	3	(33)	(277)	(92)	(180)	(563)
Medium	**291**	**(300)**	**64**	**340**	**104**	**(160)**	**(863)**	**(536)**	**(624)**	**(1,684)**
Other	**(193)**	**(398)**	**(164)**	**25**	**(144)**	**(414)**	**(502)**	**(282)**	**(65)**	**(2,136)**
Bank-owned	**476**	**849**	**1,590**	**2,114**	**2,410**	**2,089**	**1,436**	**1,899**	**548**	**13,410**
Total Market	**(1,228)**	**(754)**	**1,771**	**3,570**	**2,555**	**976**	**(1,109)**	**2,310**	**604**	**8,695**

	Total
Quálitas	3,515
Other	(8,231)
Bank-owned	13,410
Total	8,695

Source: AMIS

Figures in million pesos. Q MX figures

*During 2012 Q MX recorded a 94 million benefit due to the change in the booking of policy fees and in 2016 a one time benefit of 752 million due to Solvency II adoption

Underwriting Result – All Business Lines

	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Quálitas	(220)	(75)	475	903	484	(93)	48	1,104	897	3,524
G.N.P.	(2,050)	(1,906)	(2,112)	(2,508)	(2,469)	(3,405)	(3,553)	(1,855)	(3,404)	(23,261)
ABA (Chubb)	(106)	(150)	482	517	433	70	10	897	628	2,780
AXA	(3,008)	(1,560)	(1,906)	(1,223)	(2,498)	(1,951)	(2,303)	(2,283)	(1,905)	(18,637)
HDI (Talanx)	(49)	(40)	(37)	(10)	12	(62)	(166)	170	(3)	(186)
Top 5	**(5,433)**	**(3,731)**	**(3,099)**	**(2,320)**	**(4,038)**	**(5,441)**	**(5,964)**	**(1,968)**	**(3,787)**	**(35,780)**
Zurich Daños	19	(437)	(109)	(165)	(485)	(420)	(742)	(305)	(811)	(3,454)
Mapfre México	(154)	(247)	(1)	42	43	(79)	(495)	2	(565)	(1,455)
Atlas	167	23	223	39	96	(10)	(129)	(188)	(423)	(204)
ANA	(23)	(3)	6	(2)	(2)	(43)	(30)	33	28	(36)
General de Seguros	66	(5)	(126)	37	47	(83)	(317)	(189)	(201)	(770)
Medium	**75**	**(669)**	**(7)**	**(50)**	**(302)**	**(635)**	**(1,713)**	**(647)**	**(1,973)**	**(5,920)**
Other	**(1,257)**	**(2,787)**	**159**	**(648)**	**3,064**	**3,838**	**2,999**	**5,502**	**2,388**	**13,258**
Total Market	**(6,616)**	**(7,186)**	**(2,947)**	**(3,019)**	**(1,275)**	**(2,237)**	**(4,678)**	**2,887**	**(3,371)**	**(28,442)**

	Total
Quálitas	3,524
Other	(31,966)
Total	(28,442)

Source: AMIS
Figures in million pesos. Q MX figures

Net Result – Automobile Segment

	2009	2010	2011	2012	2013	2014	2015	2016	**2017**	Total
Quálitas	226	392	833	1,254	840	680	619	1,246	2,036	8,126
G.N.P.	(10)	(209)	11	69	356	186	102	188	(299)	394
ABA (Chubb)	48	316	842	819	845	567	304	592	617	4,951
AXA	(372)	333	472	651	44	188	(163)	381	949	2,483
HDI (Talanx)	26	12	24	53	113	180	27	175	233	842
Top 5	**(82)**	**845**	**2,182**	**2,846**	**2,198**	**1,801**	**889**	**2,583**	**3,535**	**16,796**
Zurich Daños	182	(76)	27	230	131	39	(165)	173	(238)	302
Mapfre México	179	(3)	91	187	109	78	(50)	(418)	(195)	(22)
Atlas	144	153	151	245	211	143	58	169	231	1,507
ANA	5	14	32	20	19	(16)	21	31	53	180
General de Seguros	115	50	114	207	39	34	(40)	100	124	743
Medium	**625**	**138**	**416**	**889**	**510**	**279**	**(175)**	**54**	**(25)**	**2,710**
Other	**(20)**	**(205)**	**74**	**229**	**66**	**(202)**	**(270)**	**(151)**	**95**	**(382)**
Bank-owned	**1,429**	**1,701**	**2,198**	**2,903**	**3,237**	**2,628**	**2,121**	**3,103**	**2,429**	**21,747**
Total Market	**1,952**	**2,479**	**4,869**	**6,866**	**6,011**	**4,506**	**2,566**	**5,588**	**6,034**	**40,871**

	Total
Quálitas	8,126
Other	10,998
Bank-owned	21,747
Total	40,871

Source: AMIS
Figures in million pesos. Q MX figures

Net Result – All Business Lines

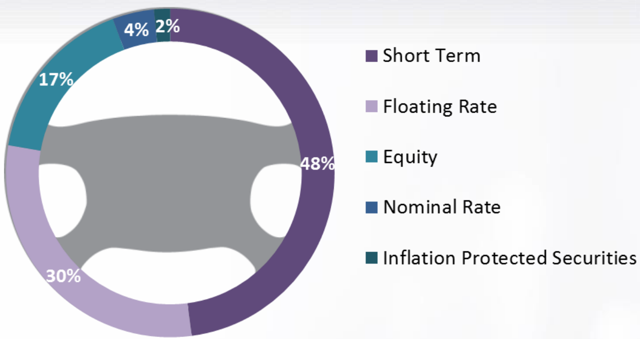
	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total
Quálitas	246	415	835	1,256	841	682	621	1,248	2,037	8,179
G.N.P.	1,001	691	701	663	790	223	169	2,126	2,669	9,033
ABA (Chubb)	399	303	875	854	796	478	340	807	722	5,576
AXA	418	26	413	622	(328)	358	319	860	1,276	3,964
HDI (Talanx)	41	41	38	96	174	173	106	241	193	1,103
Top 5	**2,106**	**1,476**	**2,861**	**3,491**	**2,273**	**1,915**	**1,555**	**5,281**	**6,897**	**27,855**
Zurich Daños	156	(208)	53	52	(174)	(173)	(487)	(142)	(547)	(1,471)
Mapfre México	114	119	177	198	323	246	(110)	673	33	1,772
Atlas	363	272	285	344	274	237	139	294	390	2,599
ANA	5	14	32	20	19	(16)	21	31	53	180
General de Seguros	375	163	46	431	77	81	282	252	551	2,257
Medium	**1,013**	**360**	**593**	**1,046**	**520**	**375**	**(155)**	**1,108**	**479**	**5,338**
Other	**10,113**	**10,553**	**13,539**	**15,546**	**17,045**	**19,720**	**17,120**	**28,563**	**34,496**	**166,694**
Total Market	**13,232**	**12,389**	**16,993**	**20,082**	**19,839**	**22,010**	**18,519**	**34,952**	**41,872**	**199,887**

	Total
Quálitas	8,179
Other	191,708
Total	199,887

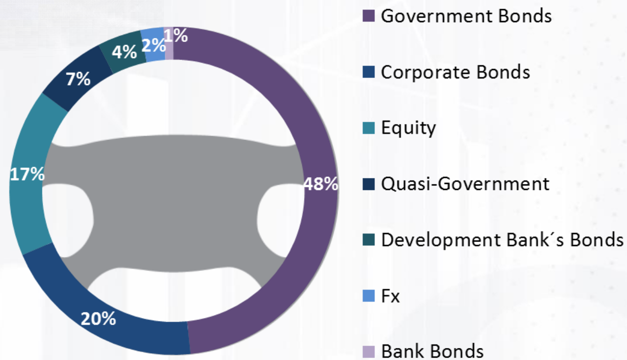
Source: AMIS
Figures in million pesos. Q MX figures

Investment Porfolio

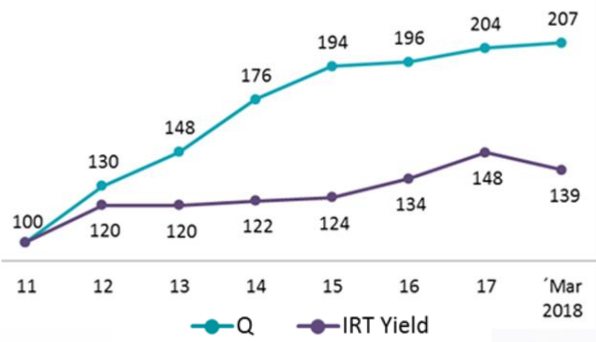
Portfolio by risk



Portfolio by type of issuer



Return on equities



Equities	
	1Q18
Q-annualized yield	1.87%
NAFTRAC yield	(40.20%)
IRT yield	(39.26%)

Strategy 1Q18

-Fixed Income (83% of total portfolio)

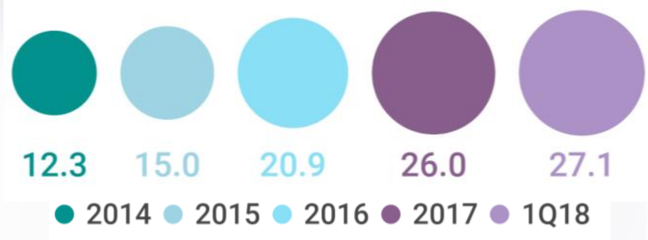
Focus on short-term and variable rate bonds

-Equities (17% of total portfolio)

Focus on small & mid Mexican caps
Internal limit of 35%

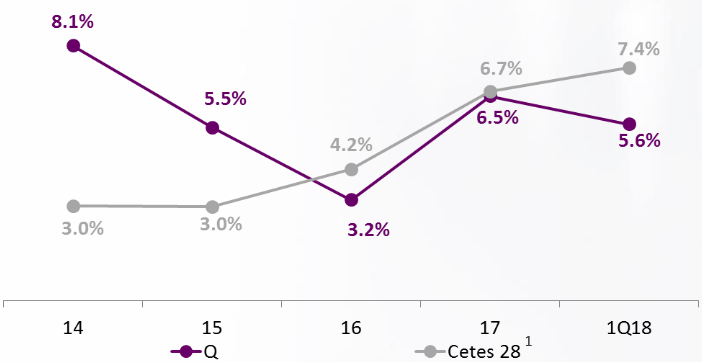
Investment Portfolio

Average Invested Assets, *float*, MXN bn

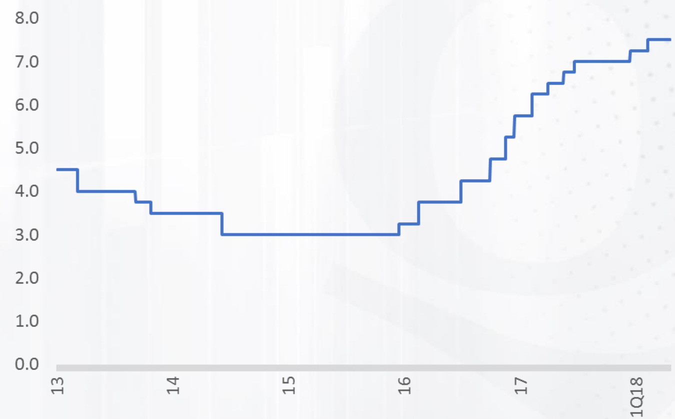


CAGR: 23.2%

Return on investments



Mexico's Interest Rate

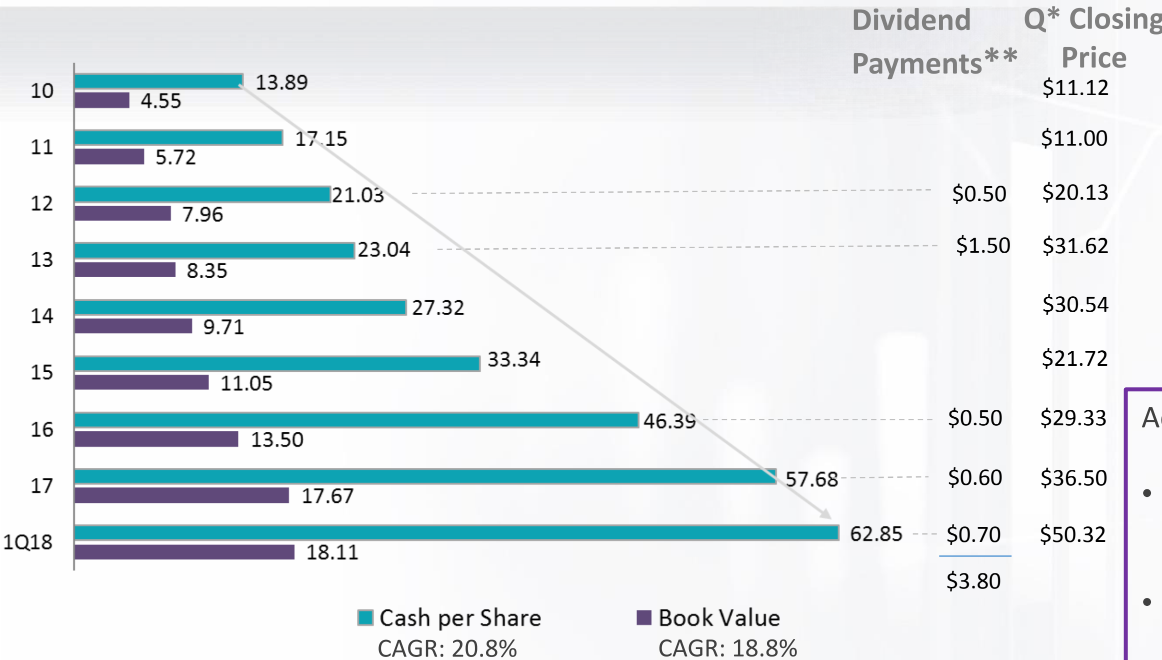


Quálitas' investment porfolio grows continiously and is directly benefited from the hikes in interest rates.

CAGR – Compound anual growth rate

1 Cetes 28 - Treasury bonds, reference rate

Cash & Investments per Share (MXN)



Capital stock reduction effect:

	Currently	After Cancellation	Δ%
Book Value	18.11	18.73	3.4%
Cash per Share	62.85	65.01	3.4%
Earnings per Share	5.28	5.46	3.4%

Actions to be taken after the AGM:

- To amortize 15 million shares (reduction of capital stock)
- To pay a cash dividend of $304.5 million ($0.70 pesos per share)
- To authorize a share buyback of $550 million. It can reach a maximum of $605 million considering the surplus derived from its operation

CAGR – Compound anual growth rate

**Figures in pesos

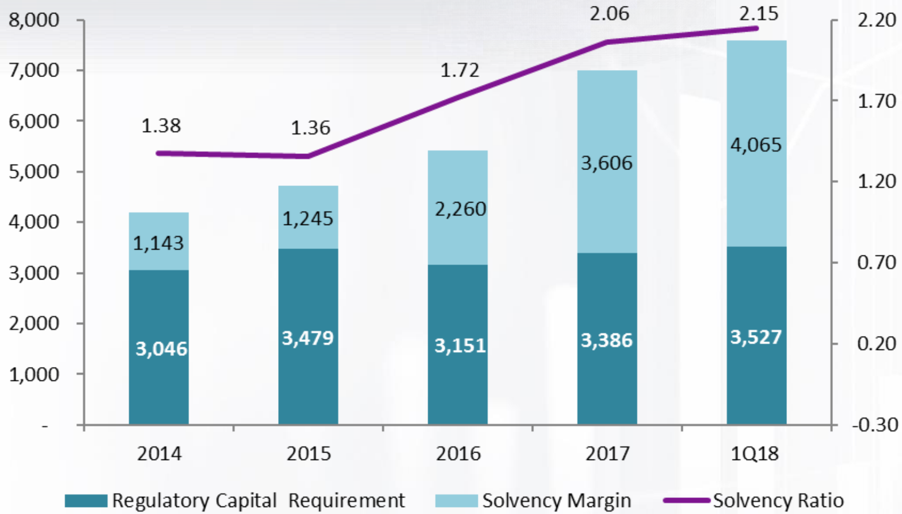
Investment Funds & Q*

Investment Fund	2009	2010	2011	2012	2013	2014	2015	2016	2017	1Q18	CAGR
ACTIPAT	7.8	9.3	8.6	10.8	11.7	12.2	12.7	13.7	14.8	15.1	7.6%
GBMMOD	1.7	2.0	2.1	2.6	3.0	3.2	3.2	3.4	3.6	3.6	8.6%
VECTPA	1.3	1.6	1.4	1.7	1.7	1.6	1.6	1.7	1.9	1.8	3.6%
BMERPAT	62.3	73.3	69.9	84.3	87.6	89.3	91.9	97.3	106.6	86.9	3.8%
SURPAT	8.5	9.9	9.6	12.2	12.8	13.3	13.4	14.5	16.0	15.6	7.0%
GOLD4MA	1.7	1.9	1.9	2.1	2.2	2.3	2.4	2.7	3.1	3.0	6.4%
Q*	13.7	13.9	17.2	21.0	23.0	27.3	33.3	46.4	57.7	62.9	18.4%

+$3.50 dividends 2009 - 2017

ACTIPAT: ACTINVER
GBMMOD: GBM
VECTPA: VECTOR
BMERPAT: BBVA
SURPAT: SURA
GOLD4MA: BANAMEX
Q*: QUÁLITAS

Solvency Margin



Dividend Policy

Q aims to maintain a minimum stockholders' equity of 1.5 times the regulatory capital requirement. Between 50% and 90% of the surplus will be distributed as a dividend, depending on the Company's capital requirements for future projects.

Analysts Coverage

Institution	Analyst	E-mail	Target Price	
Actinver	Enrique Mendoza	emendoza@actinver.com.mx	55.0 MXN	Buy
BBVA Research	Rodrigo Ortega	r.ortega@bbva.com	34.9 MXN	Buy
Grupo Bursátil Mexicano	Jorge Benitez	jjbenitez@gbm.com.mx	-	-
Interacciones	Manuel González	mjgonzalez@interacciones.com	56.6 MXN	Buy
Merrill Lynch	Ernesto Gabilondo	ernesto.gabilondo@baml.com	59.0 MXN	Buy
Nau Securities	Iñigo Vega	inigovega@nau-securities.com	56.0 MXN	Buy
Signum Research	Armando Rodríguez	armando.rodriguez@signumresearch.com	57.0 MXN	Buy
Ve por Más	Dianna P. Íñiguez	diniguez@vepormas.com	-	-

Consolidated Annual Report 2017

Corporate Video

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