

Automobile Insurance Industry Report

3Q10



Quálitas Compañía de Seguros, S.A.B. de C.V.



Q

Q shows a solid performance¹

Mexico City, January 12, 2011

Automobile Market

Nationwide sales of new automobiles increased by 12.7% during the first 9M of the year, when compared to the same period in 2009. Although this growth rate is encouraging, sales levels are still similar to those registered in 2002. New car sales as of September amounted to 65,932 vehicles.

The Automobile Industry is still looking for the support from the Federal Government in order to improve automobile sales to levels north of 1.8 million vehicles for the upcoming years. To that end, they recommend structural measures such as policies for registering existing vehicles, control sales of used cars imported from the US and to ease the tax burden that affects new car sales in the country.

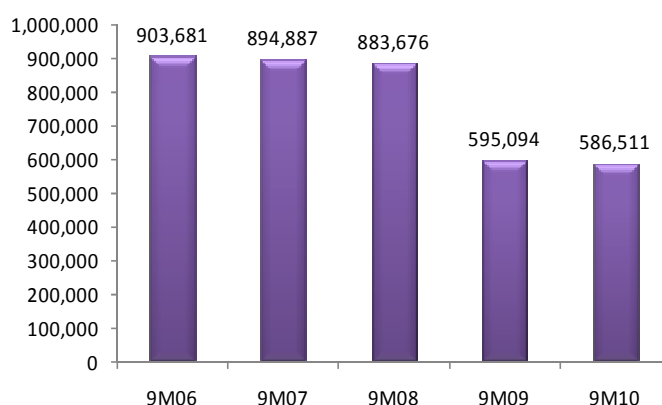
The Automobile Insurance Industry

The Automobile Insurance Industry grew by 6.1% during the first nine months of 2010, reaching sales of \$35,332. The large and medium companies recorded growth rates of 8.5% and 5.8% respectively, while the smaller ones registered a decrease in revenues of 12.3%.

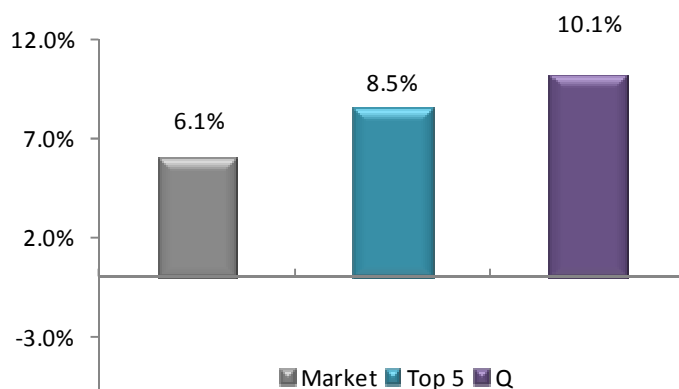
Companies classified as large continue being: Q, AXA Seguros, GNP, ABA Seguros and BBVA Bancomer, which jointly account for 63.1% of the market.

As of September 2010, written premiums in the automobile insurance business represented 20.0% of total premiums written in the insurance sector.

Nationwide Sales of New Vehicles² (Automobiles, Trucks and Motorcycles)



Growth in Premiums Written 9M10 vs 9M09



¹ Throughout this document, figures are stated in millions of pesos, except when stated differently. Figures may vary due to rounding effects; the variations expressed are with respect to the last period in 2009.

² Source: AMIA (Mexican Association of the Automobile Industry) and ANPACT (National Association of Bus, Trucks, and Tractor Trucks Producers). Figures expressed in units of sold vehicles.



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Automobile Insurance Industry 9M10

| Company | Premiums | Market Share | Growth 9M10 - 9M09 | L&LAE Ratio |
|-------------------------------|---------------|--------------|--------------------|--------------|
| 1 Qualitas | 6,919 | 19.6% | 10.1% | 75.5% |
| 2 AXA Seguros | 5,638 | 16.0% | 4.1% | 71.4% |
| 3 G.N.P. | 4,405 | 12.5% | 5.2% | 78.7% |
| 4 Aba/Seguros | 3,578 | 10.1% | 24.8% | 79.3% |
| 5 BBVA Bancomer | 2,259 | 6.4% | 0.4% | 59.8% |
| TOTAL LARGE | 22,800 | 64.5% | 8.5% | 73.9% |
| 6 Inbursa | 2,034 | 5.8% | 22.3% | 68.7% |
| 7 Mapfre Tepeyac | 1,949 | 5.5% | -4.7% | 76.6% |
| 8 Banorte Generali | 1,759 | 5.0% | 3.6% | 73.9% |
| 9 Zurich | 944 | 2.7% | -5.2% | 80.3% |
| 10 Atlas | 841 | 2.4% | -0.4% | 71.4% |
| 11 Metropolitana | 720 | 2.0% | 10.4% | 77.0% |
| 12 HDI Seguros | 580 | 1.6% | 9.5% | 70.1% |
| 13 Royal & Sunalliance | 454 | 1.3% | 20.2% | 82.2% |
| 14 ANA | 449 | 1.3% | 6.9% | 65.2% |
| 15 General de Seguros | 438 | 1.2% | 13.6% | 70.4% |
| TOTAL MEDIUM | 10,168 | 28.8% | 5.8% | 73.6% |
| TOTAL MARKET(31 Comp.) | 35,332 | | 6.1% | 73.8% |

| Company | Operating Result | Investment Income | Net Result | Combined Ratio |
|-------------------------------|------------------|-------------------|--------------|----------------|
| 1 Qualitas | 92 | 506 | 436 | 98% |
| 2 AXA Seguros | 220 | 99 | 330 | 99% |
| 3 G.N.P. | -452 | 298 | -123 | 113% |
| 4 Aba/Seguros | -140 | 271 | 322 | 101% |
| 5 BBVA Bancomer | 633 | 550 | 917 | 74% |
| TOTAL LARGE | 352 | 1,724 | 1,881 | 99% |
| 6 Inbursa | 4 | 97 | 95 | 98% |
| 7 Mapfre Tepeyac | -86 | 107 | 18 | 105% |
| 8 Banorte Generali | 164 | 111 | 194 | 89% |
| 9 Zurich | -171 | 55 | -121 | 121% |
| 10 Atlas | 64 | 58 | 96 | 93% |
| 11 Metropolitana | -92 | 38 | -50 | 111% |
| 12 HDI Seguros | -30 | 25 | 11 | 104% |
| 13 Royal & Sunalliance | -117 | 16 | -90 | 124% |
| 14 ANA | -13 | 21 | 5 | 106% |
| 15 General de Seguros | -15 | 29 | 16 | 102% |
| TOTAL MEDIUM | -292 | 557 | 173 | 102% |
| TOTAL MARKET (31 COMP) | -160 | 2,471 | 2,061 | 101% |

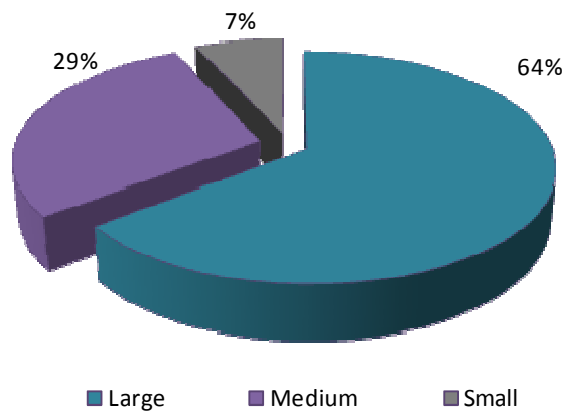


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Market Share

The automobile insurance industry is mainly served by the 5 large companies.

Market Share Automobile Insurance



Q remains well-positioned in the major segments of the market.

| Breakdown of the Automobile Insurance Market | | | |
|--|-------------------------|-------------------|--------------|
| | Total Market (Millions) | Q's Participation | Q's position |
| Cars | \$23,909 | 17.2% | 1 |
| Trucks | \$10,412 | 25.6% | 1 |
| Tourists | \$ 519 | 19.6% | 1 |
| Other | \$ 490 | 10.0% | 3 |
| Total | \$35,331 | 19.6% | 1 |



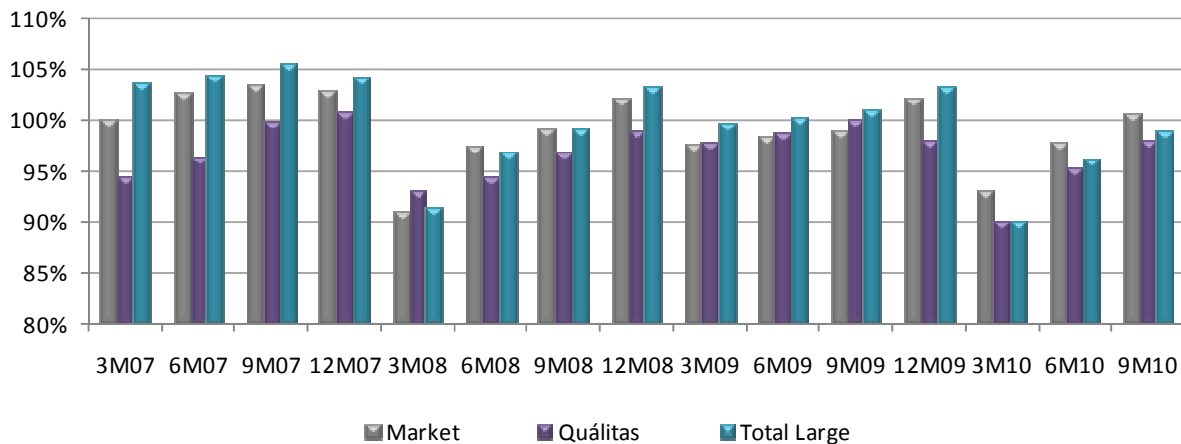
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Costs³

Cost ratios for both Quálitas and the five large companies showed an important decrease during the first nine months of 2010 when compared to the same period in 2009.

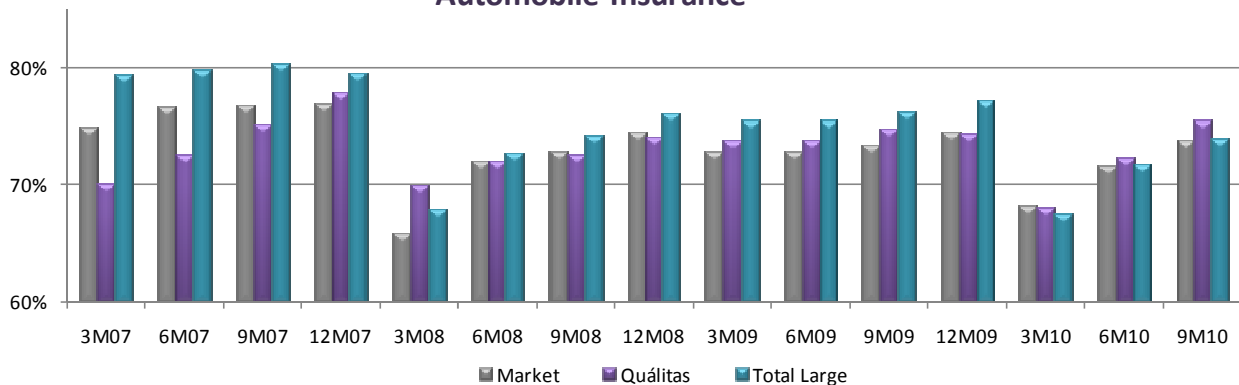
The combined ratio for the market stood at 100.7%; for the top five companies, at 98.9% and for **Q**, at 98.0%.

Combined Cost Ratio



With regard to the L&LAE ratio, the market figure for the period reached 73.8%, the figure for the large companies was of 73.9%, while **Q**'s ratio was of 75.5%.

L&LAE Ratio Automobile Insurance



³ The Company registered a \$115 charge to earnings during the 2Q09 and a \$287 charge to Net Result during the 4Q09, for an alleged fiscal contingency on outstanding value-added tax payments on claims settlements. To provide a better analysis in this document, we have presented this charge as a Non-Ordinary Item, while in the financial statements filed with our regulators, this charge was registered as an operating expense following the Financial Information Rules (NIF).



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Automobile Insurance Industry: El Salvador 9M10

In December 2008, Quálitas began an internationalization process through a strategic plan to expand in the Central American market and its operations in El Salvador. Nowadays, Quálitas occupies the eighth place in the Salvadorian market with a 3.9% share and a 462.6% growth rate.

| Company | Premiums | | Market Share | Growth | | L&LAE | |
|--|---------------|---------------|--------------|---------------|----------------|---------------|----------------|
| | 9M10 | 9M09 | | 9M10 | % | 9M09 | % |
| 1 Aseguradora Suiza Salvadoreña, S.A. | 10,329 | 10,271 | 28.3% | 6,284 | 0.60% | 5,980 | 5.1% |
| 2 La Centroamericana, S.A. | 6,350 | 4,925 | 17.4% | 3,674 | 28.90% | 2,940 | 25.0% |
| 3 Seguros e Inversiones, S.A. | 5,107 | 4,872 | 14.0% | 2,883 | 4.80% | 3,790 | -23.9% |
| 4 Aseguradora Agrícola, S.A. | 5,014 | 7,136 | 13.8% | 3,368 | -29.70% | 4,747 | -29.0% |
| 5 Chartis Seguros, El Salvador, S.A. | 3,718 | 4,930 | 10.2% | 2,872 | -24.60% | NA | NA |
| 6 Seguros del Pacífico, S.A. | 1,663 | 1,924 | 4.6% | 565 | -13.60% | 727 | -22.3% |
| 7 Scotia Seguros, S.A. | 1,447 | 1,563 | 4.0% | 945 | -7.40% | 1,404 | -32.7% |
| 8 Quálitas Compañía de Seguros | 1,407 | 250 | 3.9% | 688 | 462.60% | 28 | 2357.1% |
| 9 HSBC Seguros Salvadoreño, S.A. | 777 | 557 | 2.1% | 317 | 39.30% | 897 | -64.7% |
| 10 La Central de Seguros y Fianzas, S.A. | 283 | 533 | 0.8% | 128 | -46.80% | 139 | -7.9% |
| 11 Aseguradora Popular, S.A. | 208 | 323 | 0.6% | 237 | -35.70% | 216 | 9.7% |
| 12 Seguros Futuros, A.C. de R.L. | 143 | 113 | 0.4% | 73 | 26.70% | 54 | 35.2% |
| Total | 36,446 | 37,397 | | 22,034 | -2.50% | 20,922 | 5.3% |



Except for the historic information herein provided, statements included in this document regarding the Company's expected financial and operating business results or regarding the Company's growth potential, constitute forward-looking statements based on management's expectations regarding the economic and business conditions in Mexico, where Quálitas operates.

Information sources:

- 1) AMIS. Asociación Mexicana de Instituciones de Seguros, A.C., (Mexican Association of Insurance Institutions); www.amis.com.mx
- 2) AMIA. Asociación Mexicana de la Industria Automotriz, A.C., (Mexican Association of the Automobile Industry); www.amia.com.mx
- 3) ANPACT. Asociación Nacional de Productores de Autobuses, Camiones y tractocamiones, A.C., (National Association of Bus, Trucks and Tract Trucks Producers); www.anpact.com.mx
- 4) Swiss Re Sigma. "World insurance in 2009" www.swissre.com

If you wish to refer to another source, you may visit the Mexican Insurance Companies' Regulator (National Insurance and Bonds Commission) web page: www.cnsf.gob.mx

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