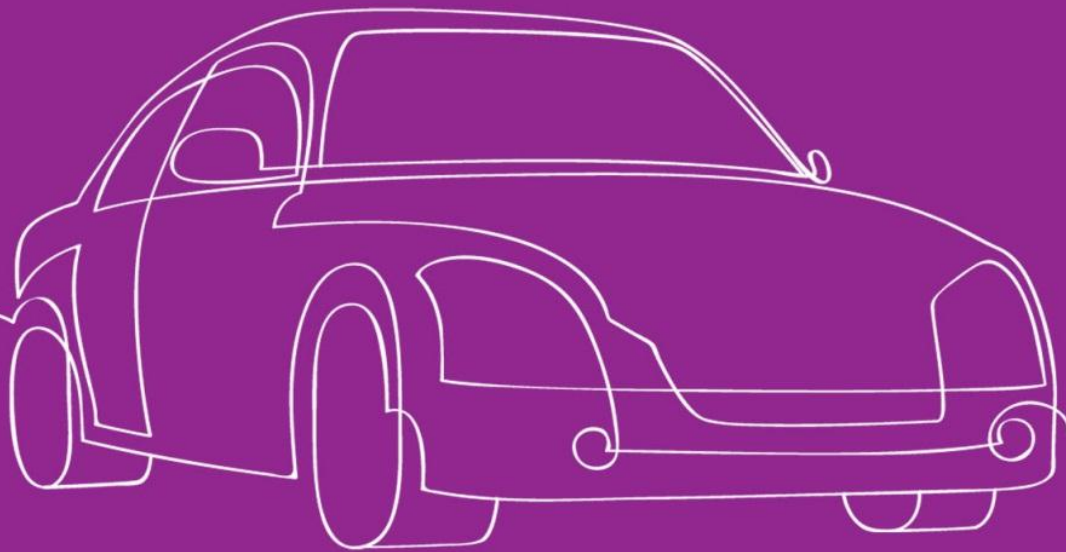




Qualitas®



Earning  
Results

»» 2Q12



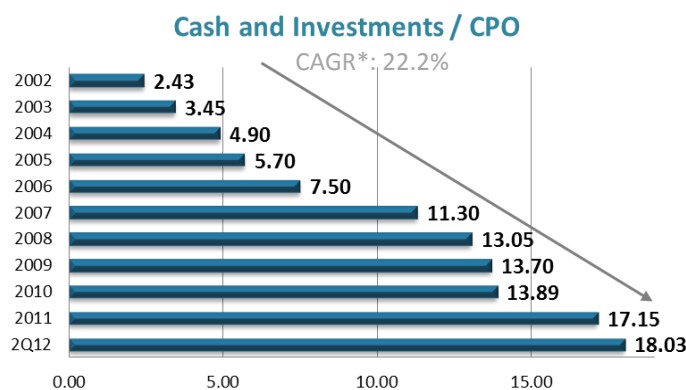
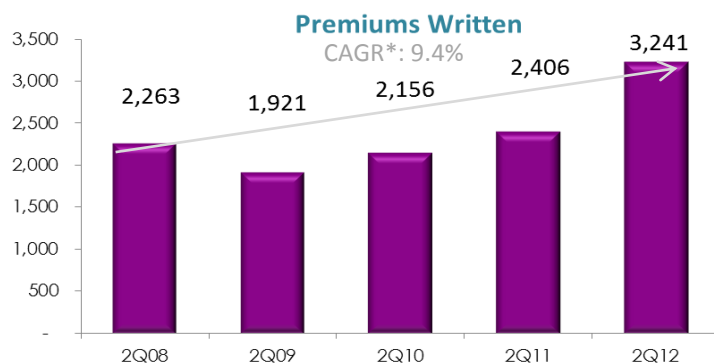
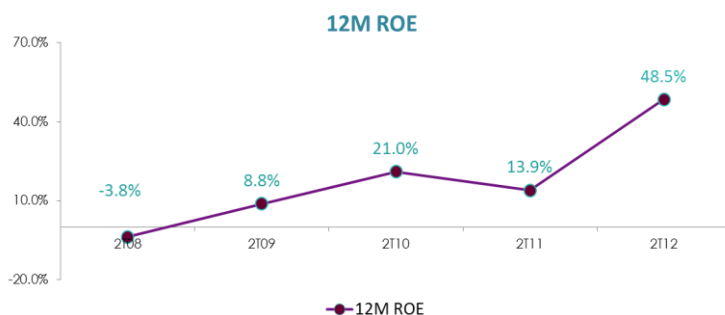
Mexico City, July 23, 2012

## Financial Results 2Q12 Analysis<sup>1</sup>

HIGHLIGHTS FOR THE QUARTER		
	Amount	Ch.
Premiums Written	3,241	34.7%
Premiums Earned	2,941	14.4%
Acquisition Cost	693	28.3%
L & LAE Cost	1,996	9.5%
Operating Expenses	41	-39.3%
Operating Result	210	51.1%
Integral Financing Result	235	50.4%
Net Result	322	41.5%
Investments Yield	10.1%	292 bp
12M ROA	8.4%	614 bp
Combined Ratio	90.5%	- 680 bp
Leverage	4.44	-15.9%
12M ROE	48.5%	3,458 bp
12M ROE Pro-forma	45.0%	3,102 bp
12M Net Result per CPO	2.84	NC
Book Value	6.68	33.1%
Cash & Investments <sup>2</sup>	8,114	16.4%
Cash per CPO	18.03	16.4%

OPERATING DATA		
Insured Vehicles	1,776,993	9.1%
Net Collection	2,856	10.3%

NC: Not Comparable



\*CAGR= Compound Annual Growth Rate

<sup>1</sup> 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 2011.





<sup>2</sup> *Cash & Investments = Securities and Derivatives Transactions + Overnight + Cash and Cash Equivalents.*

## QC is Born as the Public Exchange Offer Concludes

On June 19, Quálitas Compañía de Seguros, S.A.B. de C.V. (Q) launched a public exchange offer, of the total amount of its CPOs in circulation, for the CPOs of the holding company, Quálitas Controladora, S.A.B. de C.V. (QC). This exchange was based on a ratio of 1 CPO of the insurance company for 1 CPO of the holding company.

This offer concluded on July 16, resulting in a 99.7% exchange, which represented 448'600,163 CPO's of a total of 449'999,999 in circulation.

Quálitas Controladora will maintain the business model and management team that has allowed for Quálitas' successful development, as well as its specialization in the automobile insurance. The Corporate Governance objectives of QC will also remain the same as those that Q currently has, which are: management transparency; adequate disclosure to investors; equal treatment for all shareholders; identification, dissemination, monitoring and, if appropriate, solution of key matters. Moreover, the greater part of its assets will continue to be regulated by the National Insurance and Bonds Commission in Mexico, and by the corresponding authorities in Central America.

We believe this transaction will grant the Company greater corporate flexibility to enter foreign markets and complementary businesses, and will enhance its operating and financial structure to better position it vis-à-vis new investment opportunities.

QC's financial position as of the end of 2Q12 considers only \$50 thousand in equity as well as the exchange offer, auditing and notarial expenses, so that it will not yet disclose the





ownership of Q's shares, which will be disclosed until the public exchange offer has been settled, which took place in July.

Consequently, the financial and capital structure, as well as the multiples of QC, will not have any significant variations with regard to those of Q. At the end of this report the financial statements of QC are included. For more information you may also refer to the deal prospectus in the Mexican Stock Exchange web page ([www.bmv.com.mx](http://www.bmv.com.mx)) or in our web page ([www.qualitas.com.mx](http://www.qualitas.com.mx) / inversionistas / Holding).

On the other hand, having obtained in the exchange offer over 95% of Quálitas Compañía de Seguros' CPOs, we will initiate actions to delist the security from the Mexican Stock Exchange.





The following report refers to the figures and results of  
**Quálitas Compañía de Seguros, S.A.B. de C.V.**

## **2Q12: Growth and Profitability** **Management's Discussion & Analysis**

During the 2Q12, **Q** registered an important growth, of 34.7%, as a result of the efforts of the service areas to obtain new business in the Fleet segment and of the growth in the sale of new vehicles of automakers with which we maintain a solid commercial relationship.

This growth is significant because it was attained within the framework of our profitability strategy which has allowed us to make it sustainable, so that it comes together with an important containment in L&LAE and in operating expenses.

Thefts diminished by 12% and savings were achieved in all segments of L&LAE by means of efficiencies in our processes. The operating expense registered a 39.3% decrease, as a result of the cost containment and of the increase in policies' fees. Due to the cost containment, we attained a combined ratio of 90.5%, 680 bp lower than the 2Q11 figure.

On the other hand, our investment strategy reached a 10.1% yield during the quarter, benefitting from the drop in the rates of long term bonds.

Both the cost containment and the financial product resulted in a LTM ROE, before the effects of accounting changes, of 45.0%.





These operating results generated a growth in cash and investments of 16.4%. It is important to note that in this year we carried out the dividend payment for \$225 and settled the purchase of the office building in San Jerónimo, announced during the previous quarter, for \$199.





## Second Quarter 2012 Results

FINANCIAL FIGURES			
	2Q12	2Q11	Ch.%
<b>RESULTS</b>			
Premiums Written	3,241	2,406	34.7%
Net Premiums Written	3,241	2,312	40.2%
Premiums Earned	2,941	2,571	14.4%
Acquisition Cost	693	540	28.3%
L&LAE Cost	1,996	1,823	9.5%
Underwriting Result	252	208	21.3%
Operating Expenses	41	68	-39.3%
Operating Result	210	139	51.1%
Integral Financing Result	235	156	50.4%
Pre-tax Result	445	295	50.7%
Tax Provision	123	65	81.6%
Net Result	322	228	41.5%
EBTDA	475	322	47.9%
<b>BALANCE SHEET FIGURES</b>			
Cash & Investments	8,114	6,973	16.4%
Total Assets	16,367	14,188	15.4%
Technical Reserves	10,383	9,318	11.4%
Total Liabilities	13,361	11,930	12.0%
Stockholder's Equity	3,007	2,259	33.1%

NC: Not Comparable

ECONOMY	%
Inflation	
Monthly - Jun	0.46
Annual - Jun	4.34
GDP - Mar	4.60
Unemployment Rate – May	4.83

Source: BMV





## 6M Cumulative Results

FINANCIAL FIGURES			
	6M12	6M11	Ch.%
<b>RESULTS</b>			
Premiums Written	6,491	5,381	20.6%
Net Premiums Written	6,392	5,269	21.3%
Premiums Earned	5,794	5,220	11.0%
Acquisition Cost	1,423	1,306	9.0%
L&LAE Cost	3,846	3,742	2.8%
Underwriting Result	524	171	NC
Operating Expenses	7	99	-93.1%
Operating Result	517	72	NC
Integral Financing Result	410	222	84.2%
Pre-tax Result	927	295	NC
Tax Provision	276	81	NC
Net Result	651	213	NC
EBTDA	986	346	185.2%
<b>BALANCE SHEET FIGURES</b>			
Cash & Investments	8,114	6,973	16.4%
Total Assets	16,367	14,188	15.4%
Technical Reserves	10,383	9,318	11.4%
Total Liabilities	13,361	11,930	12.0%
Stockholder's Equity	3,007	2,259	33.1%

NC: Not Comparable

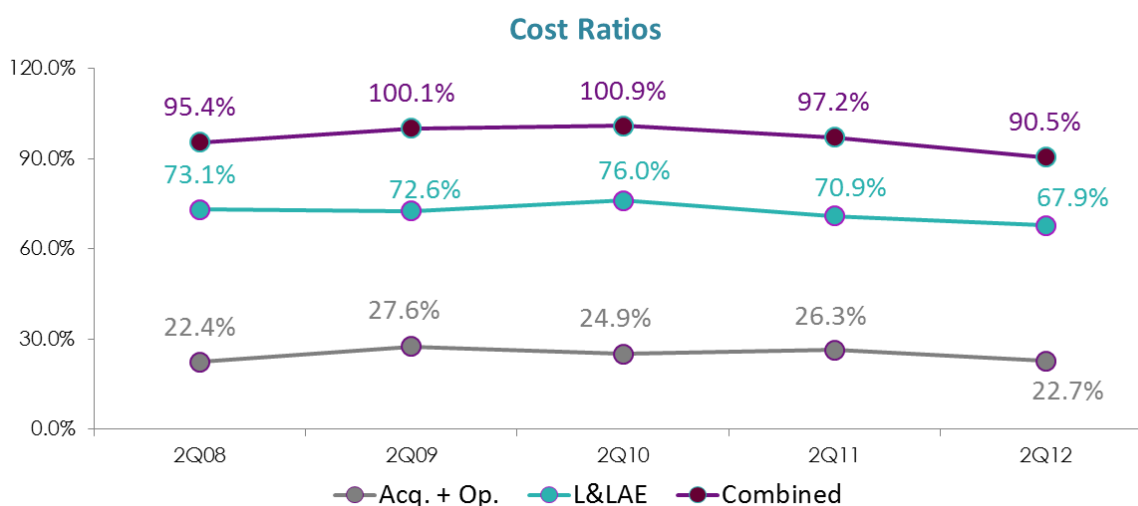






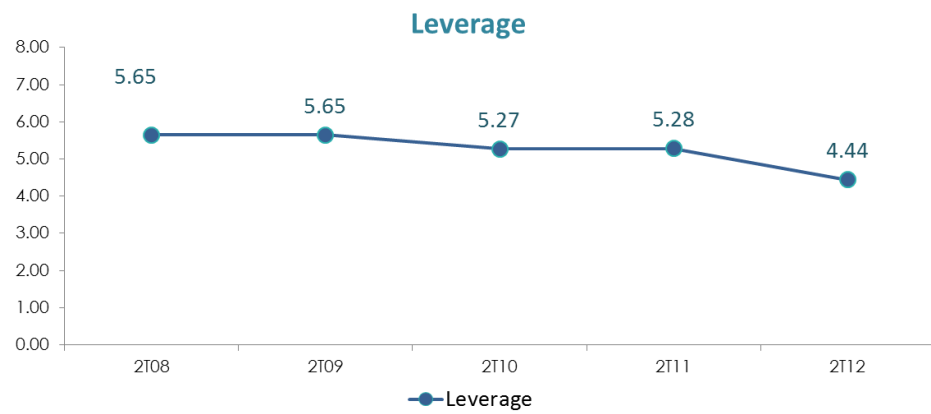
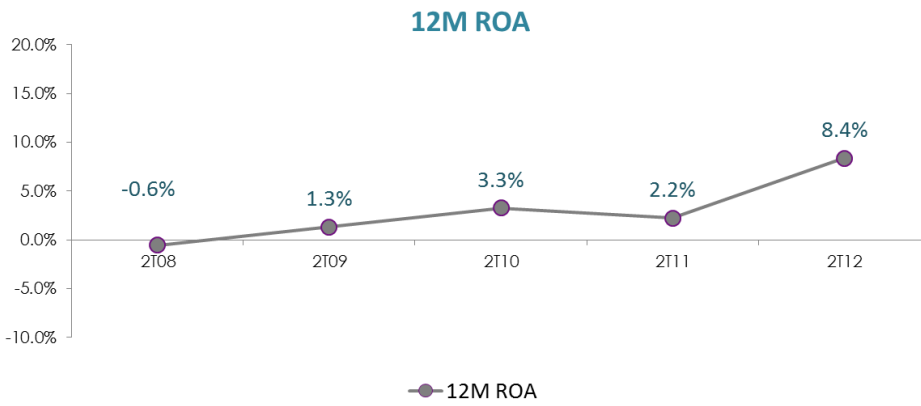
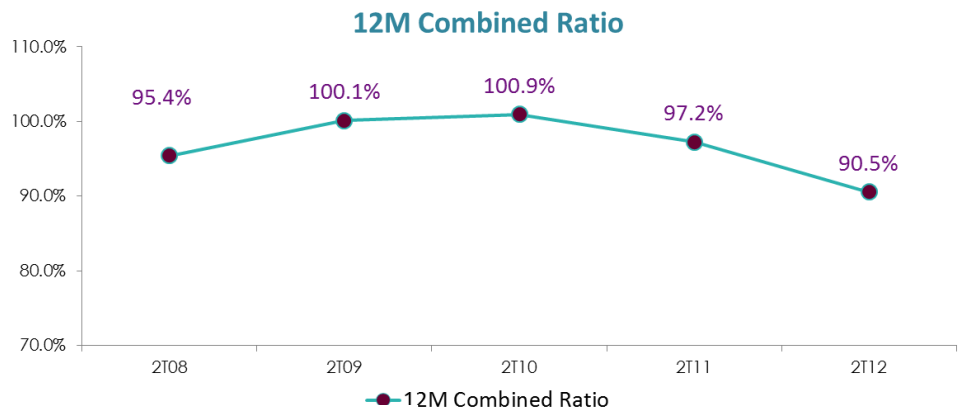
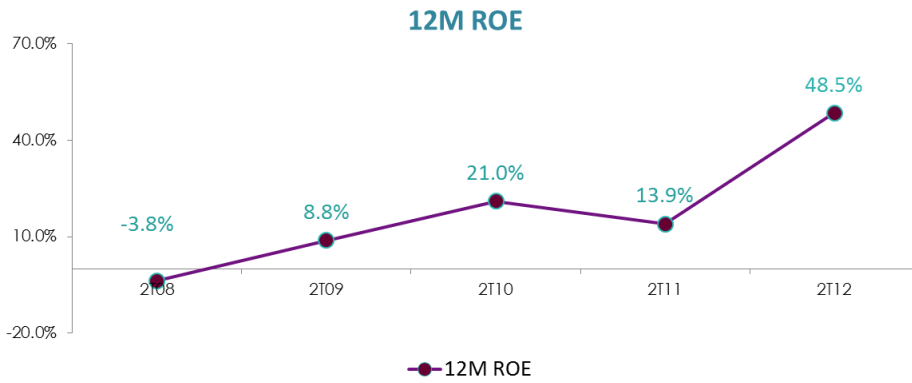
## Operating and Financial Ratios<sup>3</sup>

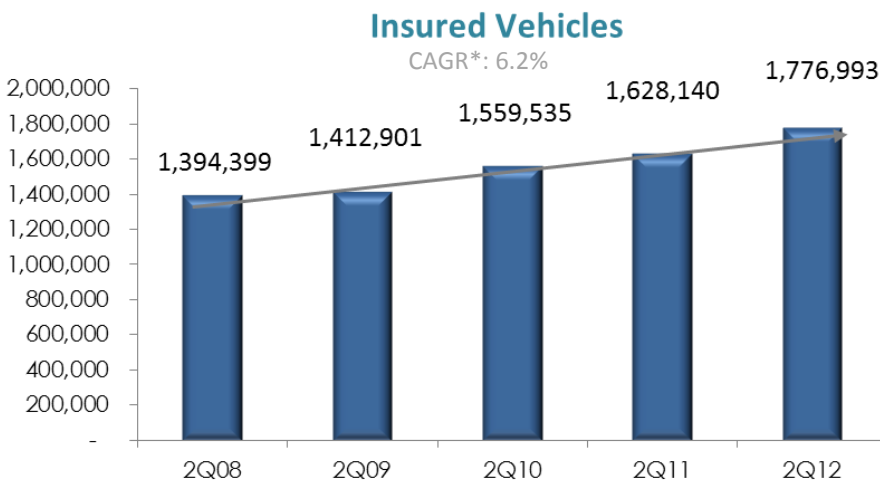
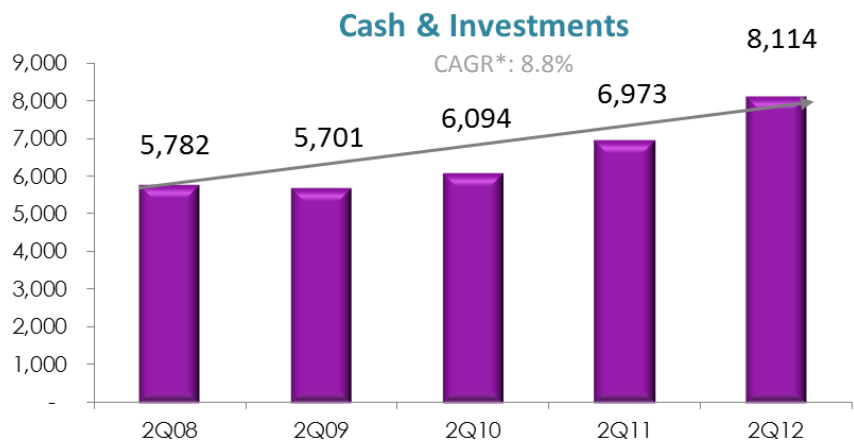
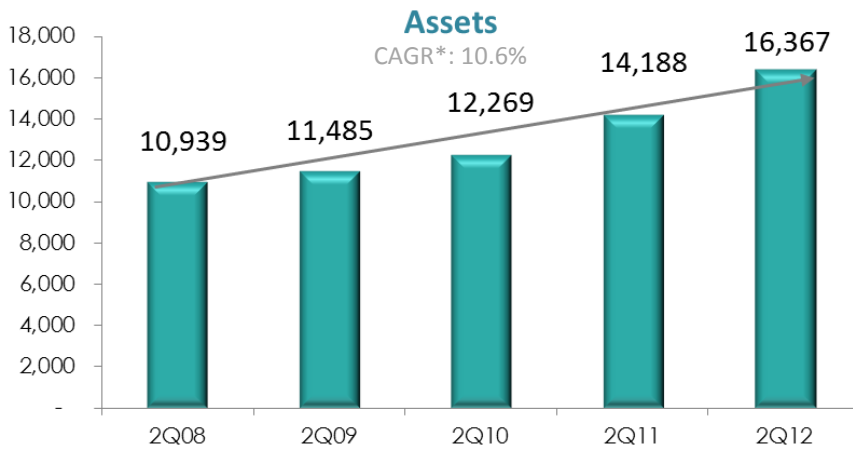
RATIOS			
	2Q12	2Q11	Ch.
<b>COST RATIOS</b>			
Acquisition Ratio	21.4%	23.4%	-197 bp
Operating Ratio	1.3%	3.0%	- 168 bp
L & LAE Ratio	67.9%	70.9%	- 305 bp
Combined Ratio	90.5%	97.3%	- 680 bp
<b>SOLVENCY RATIOS</b>			
Reserves Coverage	1.34	1.28	4.0%
Leverage	4.44	5.28	-15.9%
Minimum Equity Requirement	2,014	1,805	11.6%
Solvency Margin	777	447	73.9%
Solvency Margin Ratio	37.7%	24.8%	1,293
<b>PROFITABILITY RATIOS</b>			
EBTDA Margin	14.7%	13.4%	131 bp
Net Margin	9.9%	9.5%	48 bp
12M ROE	48.5%	14.0%	3,458 bp



<sup>3</sup> Calculation of ratios is detailed in the glossary at the end of this document.







\*CAGR= Compound Annual Growth Rate





## Financial Results 2Q12

### Discussion & Analysis

Figures stated in million pesos

#### Premiums Written

Segment	2Q12	2Q11	Ch. \$	Ch. %
Individual	989	873	116	13.2%
Fleet	879	507	372	73.4%
<b>Sum of Traditional</b>	<b>1,868</b>	<b>1,380</b>	<b>487</b>	<b>35.3%</b>
Toll Roads	82	95	-13	-13.9%
Financial Institutions	1,246	923	323	34.9%
Subsidiaries	46	8	38	NC
<b>Total</b>	<b>3,241</b>	<b>2,406</b>	<b>835</b>	<b>34.7%</b>

Q grew by 34.7% in 2Q12, driven by each of the distribution channels in which it participates, except for toll roads.

The Individual segment, which had been affected in the LTM by the actions of the profitability strategy, showed an important recovery, growing 13.2%. Among these actions is the new underwriting system by zip code, designed to update premiums each quarter in 69 zones nationwide, according to the L&LAE in recent months by vehicle, model and use, among other factors.

In the Fleet segment, we won several key accounts, which contributed to a significant growth for the quarter, of 73.4%.

The 34.9% increase in Financial Institutions, on the other hand, is explained by the recovery in the sale of new vehicles with automobile financing. According to the AMIA and the ANPACT, the growth in sales of automobiles and trucks for the quarter was 13.2%, reaching 238,662 units. This growth in units generated greater sales of multiannual policies.

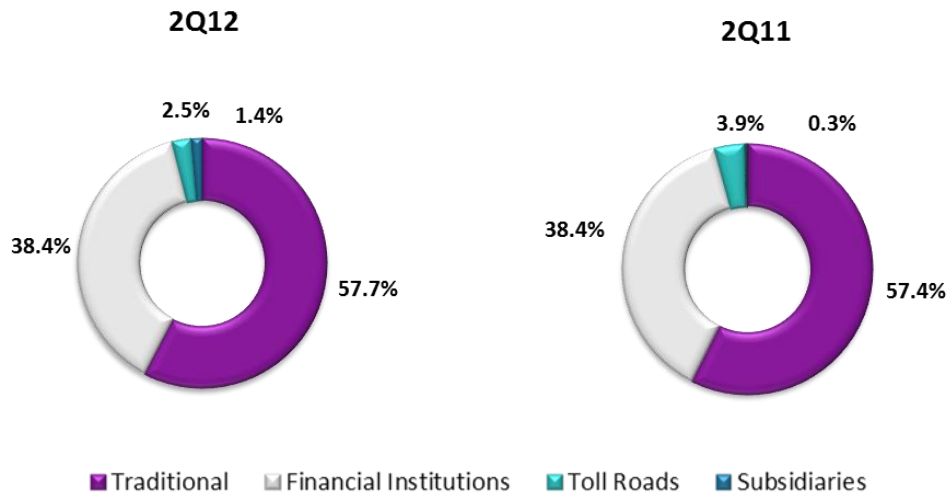
The Toll Roads segment registered a 13.9% decrease, since we ceased insuring some roads with high levels of L&LAE.

Subsidiaries sales accounted for 1.4% of total sales, and are mainly explained by the El Salvador and Costa Rica subsidiaries.

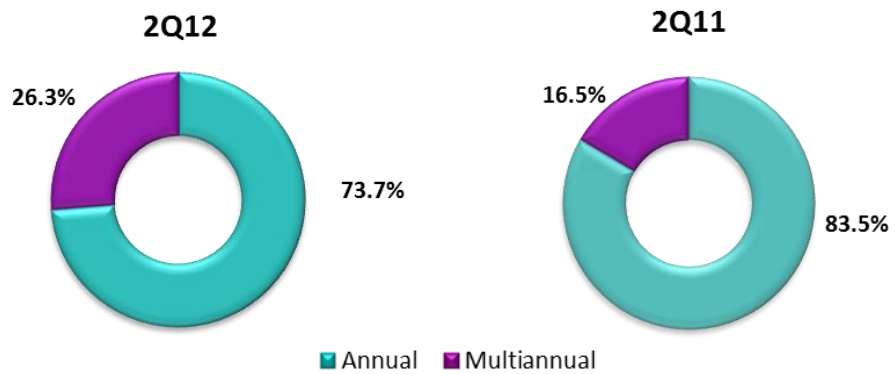




### Premiums Written by Segment



### Premiums Written per Period





On the other hand, insured vehicles amounted to 1,776,993 units, a 9.1% growth, comprised by increases in all segments.

Business Line	2Q12	2Q11	Ch. %
Automobiles	1,161,958	1,138,218	2.1%
Trucks	479,876	421,022	14.0%
<b>Subtotal</b>	<b>1,641,834</b>	<b>1,559,240</b>	<b>5.3%</b>
Tourists	88,631	43,509	103.7%
Motorcycles	46,528	25,391	83.2%
<b>Insured Vehicles</b>	<b>1,776,993</b>	<b>1,628,140</b>	<b>9.1%</b>

## Premiums Ceded, Net Premiums Written and Reinsurance

Since starting 2012 the proportional reinsurance contract was not renewed and only the catastrophic reinsurance was maintained, no premiums were ceded during the quarter.

## Premiums Earned

Premiums earned grew by 14.4%. It is worth noting that the comparison base for this figure in 2Q11 is high, since during this period a greater amount from the unearned premiums reserve was recorded given the adjustments in the reinsurance strategy.

Additionally during the quarter, the surge in multiannual policies caused a net increase in the unearned premiums reserve.

## Net Acquisition Cost

As informed previously, the net acquisition cost underwent, during 2011, changes in accounting policy in the recording of fees paid to financial institutions and automotive agencies (UOF), now registering the UOF expenses when the policy is issued. Therefore, the result of the net acquisition cost for the quarter is not comparable with the figure published in the 2Q11 report.

During the quarter, the acquisition cost reached \$693, rising the commissions and UOFs in line with the growth in premiums written and the administrative expenses as a result of a performance bonus distributed to all employees of the Company. On the other hand, this item did not record revenues from reinsurance commissions during the quarter, since we do not have proportional reinsurance contracts anymore.





The net acquisition cost ratio stood at 21.4%.

### L&LAE

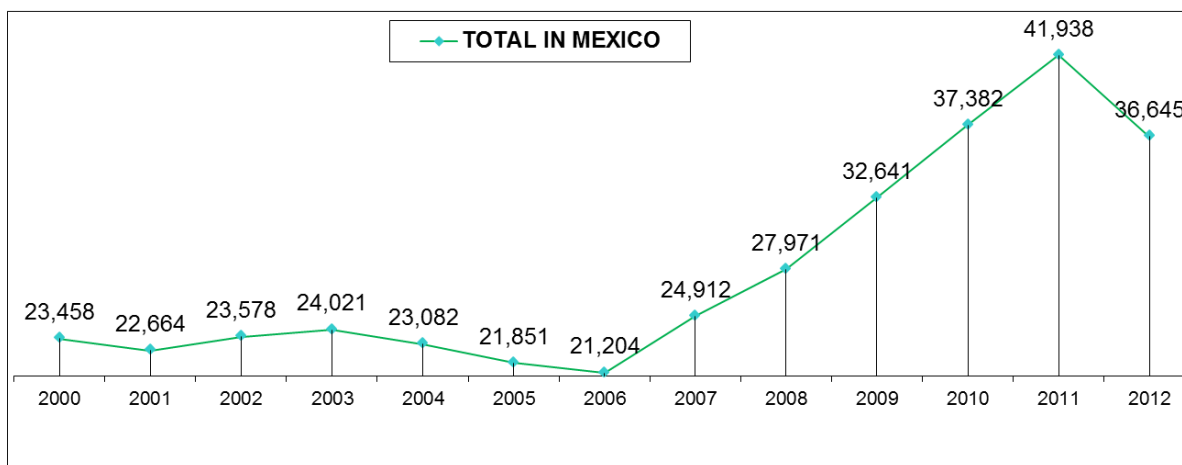
L&LAE continued attaining a satisfactory result, growing well under the growth in premiums written, by 9.5%, to reach \$1,996. The L&LAE ratio for the period was 67.9%.

During the quarter, there was an important containment in average costs, both in damages as well as in third party liabilities. In both cases, the number of claims increased below the growth in insured units. On the other hand, the number of claims registered a slight raise as our Roadside Assistance program consolidated, while we also achieved savings as we grant the service directly, without third parties' costs.

Revenues from recoveries and salvages benefitted significantly the L&LAE results and the administrative expenses increased as a result of a performance bonus distributed to employees in the casualties' areas.

The trend in thefts nationwide continued downwards, according to data from OCRA, the Coordinating Office of Insured Risks. During the first 6 months of the year, automobile thefts decreased by 12.6% which compares favorably with the 12.2% increase reported during the same period in 2011.

**Number of automobile thefts to the insurance companies  
Comparative 2000-2012, per period  
(January - June)**





## Operating Expenses

The recent change in accounting policy in the policies' fees item modified the entry of this account, from the moment when the policy was collected, to the moment it is issued. This prevents the figure for the quarter to be comparable with the figure published in 2T11.

Operating expenses for the quarter were \$41, reduced by the fees paid to the service offices as their L&LAE ratios improve, and benefited by the policies' fees, as premiums written increased significantly. Depreciation and amortization reached \$30.

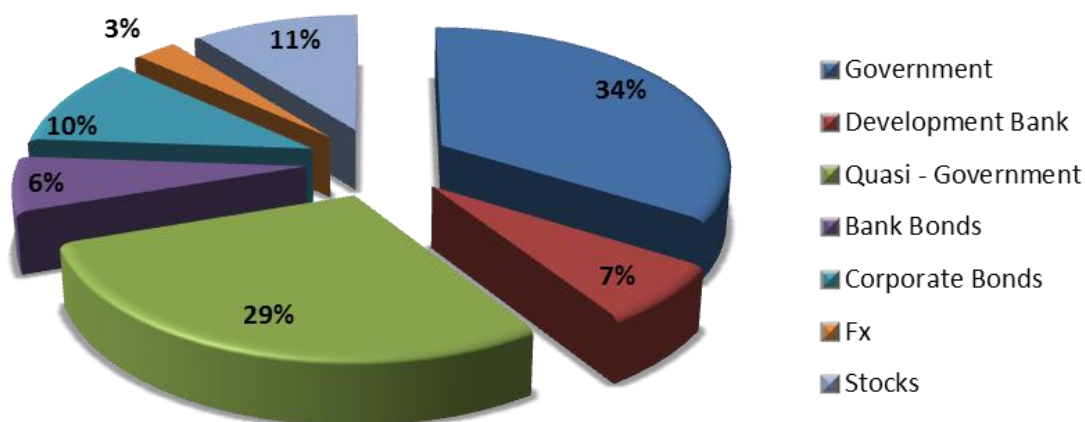
The operating expenses ratio for the quarter stood at 1.3%.

## Integral Financing Result

In 2Q12 investments had a 10.1% yield, mainly generated from gains in bonds and equities.

In spite of the impact of the European crisis in the economic environment during 2Q12, the interest of foreign investors in the spread between Mexican and US rates generated a positive local rate market.

This, together with the diminished volatility in the markets, allowed Q's conservative investment strategy to yield a positive result.







## Taxes

Taxes for the period were \$123, higher than the \$68 provision reported in 2Q11, due to better results.

## Net Result

The net profit reached \$322, which compares favorably with the 2Q11 result of \$228. The net profit is explained by the growth in premiums written, the investments yield, the decrease in thefts, and the containment in the average repair cost.

## Cash and Investments

Cash and investments amounted to \$8,114, a 16.4% increase. Cash and investments diminished in \$215 during the quarter due to the settlement of the office building we purchase south of Mexico City. This amount includes the outstanding balance for the building and office furniture. Given **Q**'s growth in the past 6 years, this investment will allow us to maintain and enhance the high quality service that distinguishes us.

In spite of these outflows, we achieved \$18.03 cash and investments per CPO and a solid cash flow.

## Technical Reserves

Technical Reserves grew 11.4% as a result of the 3.0% increase in the contractual obligations reserve and the 15.0% in the unearned premiums reserve.

The growth in insured units reached 9.1%, below that of the unearned premiums reserve. This implies that the reserves are at appropriate levels to comply with the commitments with our policyholders.

## Solvency

As a result of the profitability attained, the solvency margin registered \$777.

The minimum equity requirement, in turn, increased by 11.6%, reaching \$2,014. On the other hand, the solvency margin ratio reached 37.7%, which is appropriate for the operation requirements.

The leverage ratio improved, from 5.28x in 2Q11, to 4.44x during the quarter. The reserves coverage ratio also improved, from 1.34x in 2Q11, to 1.28x in 2Q12.





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**QUALITAS COMPAÑIA DE SEGUROS, S.A.B. DE C.V.**  
**Consolidated Balance Sheet as of June 30, 2012**

	2012	2011
<b>Assets</b>		
<b>Investments</b>	8,622,258,613	7,319,827,099
<b>Securities and Derivatives Transactions</b>	6,817,631,392	6,765,145,599
<b>Securities</b>	6,817,631,392	6,765,145,599
Government	1,226,368,328	2,657,422,934
Private Companies	5,210,896,465	3,779,825,849
Fixed Maturities	4,551,677,096	3,436,195,365
Equity	659,219,369	343,630,484
Foreign	43,610,120	67,152,752
Net Value	322,509,137	242,022,842
Interest Receivable	14,247,342	18,721,222
<b>Overnight</b>	1,099,561,587	92,728,363
<b>Loans</b>	21,589,040	28,867,847
Secured	19,375,614	20,281,817
Unsecured	0	502,697
Discounts and Re-discounts	7,833,333	11,083,333
(-) Allowance for Doubtful Accounts	5,619,907	3,000,000
<b>Property</b>	683,476,594	433,085,290
Real Estate	446,037,473	222,152,951
Net Value	272,879,476	243,255,821
(-) Depreciation	35,440,355	32,323,482
<b>Reserve for Labor Obligations</b>	43,732,604	34,776,235
<b>Cash and Cash Equivalents</b>	196,775,493	115,154,399
Cash and Banks	196,775,493	115,154,399
<b>Debtors</b>	6,236,511,518	5,434,097,900
Premiums	5,739,042,742	4,889,586,093
Agents and Adjusters	50,049,545	58,456,962
Accounts Receivable	80,599,502	127,797,163
Employee's loans	28,851,266	26,522,671
Other	404,533,692	385,053,422
(-) Allowance for Doubtful Accounts	66,565,229	53,318,411
<b>Reinsurers and Re-Bonding Companies</b>	101,639,515	435,103,807
Insurance and Bonds Institutions	6,529,351	52,913,642
Equity Participation of Reinsurers in Outstanding Claims	14,840,849	99,046,288
Equity Participation of Reinsurers in Unearned Premiums	75,894,463	279,628,725
Other Equity Participations	4,374,852	3,515,152
<b>Permanent investments</b>	15,226,135	61,401,884
Associate	0	17,133,293
Other permanent investments	15,226,135	44,268,591
<b>Other Assets</b>	1,151,026,726	787,914,503
Furniture and Equipment	279,391,506	234,386,026
Miscellaneous	870,916,305	549,698,769
Amortizable Expenses	9,395,535	9,469,950
(-) Amortization	8,676,620	5,640,242
<b>Total Assets</b>	<b>16,367,170,604</b>	<b>14,188,275,827</b>





**QUALITAS COMPAÑIA DE SEGUROS, S.A.B. DE C.V.**  
**Consolidated Balance Sheet as of June 30, 2012**

	2012	2011
<b>Liabilities</b>		
<b>Underwriting Reserves</b>	10,383,250,378	9,318,301,141
<b>Unearned Premiums</b>	7,546,757,932	6,563,355,604
Casualties	7,546,757,932	6,563,355,604
<b>Contractual Obligations</b>	2,835,154,564	2,752,603,881
For Claims and Maturities	2,646,028,982	2,598,103,399
For Incurred and Non-Reported Claims	97,716,379	85,996,604
For Dividends on Policies	18,469,664	9,072,087
For Premiums in Deposit	72,939,539	59,431,791
<b>Preventive Reserve</b>	1,337,882	2,341,656
Catastrophic Risks	1,337,882	2,341,656
<b>Reserve for Labor Obligations</b>	90,859,928	71,127,242
<b>Creditors</b>	1,527,406,053	1,000,782,751
Agents and Adjusters	487,534,637	402,423,860
Funds for Losses Management	2,263,043	2,269,051
Miscellaneous	1,037,608,373	596,089,840
<b>Reinsurers and Re-Bonding Companies</b>	71,758,773	441,635,511
Insurance and Bond Companies	71,758,773	441,635,511
<b>Other Liabilities</b>	1,287,381,735	1,097,668,261
Provisions for employee profit sharing	1,074,590	2,451,706
Income Tax Provisions	337,035,343	199,709,287
Other Obligations	842,338,779	726,128,464
Deferred Credits	106,933,023	169,378,804
<b>Total Liabilities</b>	13,360,656,867	11,929,514,906
<b>Stockholder's Equity</b>		
<b>Capital Stock</b>	342,956,574	342,956,574.00
Capital Stock	342,956,574	342,956,574
<b>Reserves</b>	469,844,258	469,844,258.00
Legal	181,694,394	181,694,394
Other	288,149,864	288,149,864
Valuation Surplus	105,507,762	100,595,081
<b>Subsidiaries</b>	1,475,521	<b>-2,638,479</b>
<b>Retained Result</b>	1,363,002,558	1,065,138,431
<b>Net Income</b>	646,433,465	211,143,048
<b>Result from Capital Restatement</b>	65,597,647	65,597,647
<b>Minority Interest</b>	11,695,952	6,124,361
<b>Total Stockholder's Equity</b>	3,006,513,737	2,258,760,921
<b>Total Liabilities and Stockholder's Equity</b>	<b>16,367,170,604</b>	<b>14,188,275,827</b>





**QUALITAS COMPAÑIA DE SEGUROS, S.A.B. DE C.V.**  
**Consolidated Income Statement**

	2Q12	2Q11
<b>Premiums</b>		
Written	3,241,312,235	2,406,318,890
(-) Ceded	0	94,016,532
<b>Net premiums written</b>	3,241,312,235	2,312,302,358
<b>(-) Net increase in unearned premiums</b>	300,141,239	<b>-258,779,257</b>
<b>Net premiums earned</b>	2,941,170,996	2,571,081,615
<b>(-) Net Acquisition Cost</b>		
Agents' commissions	693,122,599	540,051,530
Agent's additional compensation	192,226,671	151,081,155
(-) Comissions on ceded reinsurance	0	0
Excess loss coverage	0	30,381,626
Other	3,393,078	1,741,440
	451,266,083	383,817,398
<b>(-) Net Losses and loss adjustment expenses and other contractual liabilities</b>		
Losses and other contractual liabilities	1,996,190,763	1,823,473,781
Losses on non-proportional reinsurance	1,996,036,247	1,823,052,262
	154,516	0
<b>Underwriting income (loss)</b>	251,857,634	207,556,304
<b>(-) Net increase in other underwriting reserves</b>	0	0
<b>Gross (income) loss</b>	251,857,634	207,556,304
<b>(-) Net operating expenses</b>		
Administrative and Operating expenses	41,488,164	68,357,443
Employees' compensation and benefits	<b>-37,929,133</b>	23,183,051
Depreciation and Amortization	49,279,981	19,056,280
	30,137,316	26,118,112
<b>Operating income (loss)</b>	210,369,470	139,198,861
<b>Integral Financing Result</b>		
Investments	234,901,029	156,187,614
Sale of investments	100,210,639	90,483,738
Non-realized gain (loss) on investments	32,981,131	<b>-5,049,127</b>
Premiums finance charge	58,417,712	39,826,418
Other	0	0
Foreign Exchange	6,677,472	3,119,824
	0	0
<b>Participation in Permanent Investments Result</b>	0	0
<b>Income (loss) before taxes and employee's profit sharing</b>	445,270,499	295,386,475
<b>(-) Provision for income taxes</b>	123,233,338	67,856,147
<b>Income (Loss) before Discontinued Operations</b>		
<b>Net income (loss)</b>	322,037,161	227,530,328
Participación no controladora en la Utilidad (Pérdida) del Ejercicio	3,262,855	1,100,424
Participación controladora en la Utilidad (Pérdida) del Ejercicio	318,774,306	226,429,904
<b>Net income (loss)</b>	<b>322,037,161</b>	<b>227,530,328</b>





**QUALITAS CONTROLADORA, S.A.B. DE C.V.**  
**Balance Sheet as of June 30, 2012**

	2012	2011
<b>Assets</b>		
<b>Investments</b>	0	0
<b>Securities and Derivatives Transactions</b>	0	0
<b>Securities</b>	0	0
Government	0	0
Private Companies	0	0
Fixed Maturities	0	0
Equity	0	0
Foreign	0	0
Net Value	0	0
Interest Receivable	0	0
<b>Overnight</b>	0	0
<b>Loans</b>	0	0
Secured	0	0
Unsecured	0	0
Discounts and Re-discounts	0	0
(-) Allowance for Doubtful Accounts	0	0
<b>Property</b>	0	0
Real Estate	0	0
Net Value	0	0
(-) Depreciation	0	0
<b>Reserve for Labor Obligations</b>	0	0
<b>Cash and Cash Equivalents</b>	382,253	43,468
Cash and Banks	382,253	43,468
<b>Debtors</b>	249,269	863
Premiums	0	0
Agents and Adjusters	0	0
Accounts Receivable	0	0
Employee's loans	0	0
Other	249,269	863
(-) Allowance for Doubtful Accounts	0	0
<b>Reinsurers and Re-Bonding Companies</b>	0	0
Insurance and Bonds Institutions	0	0
Equity Participation of Reinsurers in Outstanding Claims	0	0
Equity Participation of Reinsurers in Unearned Premiums	0	0
Other Equity Participations	0	0
<b>Permanent investments</b>	0	0
Associate	0	0
Other permanent investments	0	0
<b>Other Assets</b>	0	0
Furniture and Equipment	0	0
Miscellaneous	0	0
Amortizable Expenses	0	0
(-) Amortization	0	0
<b>Total Assets</b>	<b>631,522</b>	<b>44,331</b>





**QUALITAS CONTROLADORA, S.A.B. DE C.V.**  
**Balance Sheet as of June 30, 2012**

	2012	2011
<b>Liabilities</b>		
<b>Underwriting Reserves</b>	0	0
<b>Unearned Premiums</b>	0	0
Casualties	0	0
<b>Contractual Obligations</b>	0	0
For Claims and Maturities	0	0
For Incurred and Non-Reported Claims	0	0
For Dividends on Policies	0	0
For Premiums in Deposit	0	0
<b>Preventive Reserve</b>	0	0
Catastrophic Risks	0	0
<b>Reserve for Labor Obligations</b>	0	0
<b>Creditors</b>	2,052,736	0
Agents and Adjusters	0	0
Funds for Losses Management	0	0
Miscellaneous	2,052,736	0
<b>Reinsurers and Re-Bonding Companies</b>	0	0
Insurance and Bond Companies	0	0
<b>Other Liabilities</b>	0	0
Provisions for employee profit sharing	0	0
Income Tax Provisions	0	0
Other Obligations	91,902	0
Deferred Credits	0	0
<b>Total Liabilities</b>	2,144,638	0
<b>Stockholder's Equity</b>	50,000	50,000
<b>Capital Stock</b>	50,000	50,000
Capital Stock	0	0
	0	0
<b>Reserves</b>	0	0
Legal	0	0
Other	0	0
Valuation Surplus		
<b>Subsidiaries</b>	0	0
<b>Retained Result</b>	-285,598	-2,177
<b>Net Income</b>	-1,277,518	-3,492
<b>Result from Capital Restatement</b>	0	0
<b>Minority Interest</b>	0	0
<b>Total Stockholder's Equity</b>	-1,513,116	44,331
<b>Total Liabilities and Stockholder's Equity</b>	631,522	44,331





**QUALITAS CONTROLADORA, S.A.B. DE C.V.**  
**Income Statement**

	6M12	6M11
<b>Premiums</b>		
Written	0	0
(-) Ceded	0	0
<b>Net premiums written</b>	0	0
<b>(-) Net increase in unearned premiums</b>	0	0
<b>Net premiums earned</b>	0	0
<b>(-) Net Acquisition Cost</b>	0	0
Agents' commissions	0	0
Agent's additional compensation	0	0
(-) Comissions on ceded reinsurance	0	0
Excess loss coverage	0	0
Other	0	0
<b>(-) Net Losses and loss adjustment expenses and other contractual liabilities</b>	0	0
Losses and other contractual liabilities	0	0
Losses on non-proportional reinsurance	0	0
<b>Underwriting income (loss)</b>	0	0
<b>(-) Net increase in other underwriting reserves</b>	0	0
<b>Gross (income) loss</b>	0	0
<b>(-) Net operating expenses</b>	1,277,518	3,327
Administrative and Operating expenses	1,277,518	3,327
Employees' compensation and benefits	0	0
Depreciation and Amortization	0	0
<b>Operating income (loss)</b>	<b>-1,277,518</b>	<b>-3,327</b>
<b>Integral Financing Result</b>	0	0
Investments	0	0
Sale of investments	0	0
Non-realized gain (loss) on investments	0	0
Premiums finance charge	0	0
Underwriting of debt securities	0	0
Financial reinsurance	0	0
Other	0	0
Foreign Exchange	0	-165
<b>Participation in Permanent Investments Result</b>	0	0
<b>Income (loss) before taxes and employee's profit sharing</b>	<b>-1,277,518</b>	<b>-3,492</b>
<b>(-) Provision for income taxes</b>	0	0
<b>Income (Loss) before Discontinued Operations</b>	<b>-1,277,518</b>	<b>-3,492</b>
<b>Net income (loss)</b>	<b>-1,277,518</b>	<b>-3,492</b>







## Glossary of Terms and Definitions

**Acquisition Cost:** Includes commissions and compensations paid to agents and the fees paid to Financial Institutions for the sale of our policies (UOF).

**Acquisition Ratio:** Results from dividing the Acquisition Cost by Net Premiums Written.

**CAGR:** Compound Annual Growth Rate =  $[(\text{End of Period Figure} / \text{Beginning of Period Figure})^{(1 / \text{Number of periods})}]$

**Cash & Investments:** Securities and Derivatives Transactions + Overnight + Cash and Cash Equivalents.

**Combined Ratio:** In the insurance industry, the combined ratio is used as a general performance measure. It results from the addition of the Acquisition, Operating, and L&LAE Ratios.

**CNSF:** National Insurance & Bonds Commission, the regulator of the insurance sector in Mexico.

**CPO:** Ordinary Participation Certificates. Quálitas shares are in deposit in a trust that issues the CPOs. The holders of the CPOs have rights over their shares in deposit. Each CPO consists of 3 series A shares and 2 series B shares.

**EBTDA:** Earnings before Taxes, Depreciation and Amortization. It differs from EBITDA in that, in EBTDA, the Investment Income is not subtracted, since it is part of the operation of insurance companies.

**Financial Institutions:** Institutions that belong to both Financial Groups as well as to the major automakers in the industry, responsible for credit sales of new automobiles.

**L&LAE:** Loss and Loss Adjustment Expenses: Includes the costs incurred in the payment of claims: valuation experts, adjusters, claim's coordinators, and repair costs.

**L&LAE Ratio:** Results from dividing the L&LAE by Net Premiums Earned period.





**Minimum Equity Requirement:** Is the minimum equity level that an insurance company should maintain, according to the authorities' requirements. In Mexico, in the automobile insurance industry, it is approximately calculated as the 16.4% of the premiums written in the last 12 months or the 25.1% of the net L&LAE for the last 36 months, that which results higher.

**Multi-annual Policies:** Policies with a term greater than 13 months. They are typically issued for the automobiles sold on credit.

**Net Premiums Earned:** Portion of premiums written that is registered as income as time goes by.

**Net Premiums Written:** Equal to premiums written less the part yielded to reinsurance.

**Operating Expenses:** Includes expenses incurred in by the Company in its regular operations.

**Operating Ratio:** Results from dividing Operating Expenses by Premiums Written.

**Policies' Fees:** Administrative fee charged when the policy is issued and recorded as an income in operating expenses.

**Premium Debtor:** Records the portion of sold policies which will be paid in installments.

**Premiums finance charge:** Financial penalty imposed to policyholders that choose to pay their policy's premium in installments.

**Premiums Written:** Premiums corresponding to policies underwritten.

**Solvency Margin:** Results from subtracting the Minimum Equity Requirement and the Underwriting Reserves, from the sum of Securities and Cash and Banks.

**Solvency Margin Ratio:** Results from dividing the Solvency Margin by the Minimum Equity Requirement.

**UOF: Use of Facilities:** Fees paid to the Financial Institutions for the sale of our insurance policies.





Quálitas is an insurance company, specialized in auto insurance, which occupies the first place in the Mexican market with a 20.1% share as of December 2011. After 18 years in operation, it has 1.7 million insured vehicles and 166 offices in Mexico, 3 in El Salvador and one in Costa Rica. Quálitas' business model focuses on excellence in service and low costs.

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

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Quálitas

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



*We invite you to join us in our first*  
**LIVE WEBCAST**  
**2Q12 Results**  
**Friday, July 27**

English Session: 9:00 AM Mexico City Time (10:00 AM EST)

Spanish Session: 10:00 AM Mexico City Time (11:00 AM EST)

**Hosted by:**

- Wilfrido Castillo Sánchez Mejorada, CFO
- Alejandro Meléndez, Investments VP and IRO

To participate, please click on the link below:

**WEBCAST in English:**

<http://www.media-server.com/m/p/5q6am73c>

**WEBCAST in Spanish:**

<http://www.media-server.com/m/p/kww49nrz>

**Playback:**

The record will be available on our website on Thursday, August 9.

IR Contact: Mariana Cornejo (5256) 6002-6374, moornejo@qualitas.com.mx

