

QC – EARNINGS RESULTS 1Q14



QC – Quálitas Controladora

- Mandatory Insurance for Federal Roads and Bridges
- Quálitas Insurance Company
- Premiums Written and Insured Vehicles
- Mandatory Insurance by State
- Cost Ratios
- Solvency Margin
- Financial Income
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Mandatory Insurance Federal Roads and Bridges




In March the Finance Ministry published in the Mexican Official Gazette the rules for the operation of the Third Party Liability Mandatory Insurance

- It will become effective in September
- The Finance Ministry may review yearly the sum insured
- Establishes gradual phasing-in over a five-year period:

Year of Enforceability	Vehicle Model	Invoice Value*	Coverage	Sum Insured*
2014	2011 or newer	\$186,732	Third party damages (injuries and death)	\$100,000
2015	2008 or newer	\$162,255		\$100,000
2016	2005 or newer	\$135,690		\$100,000
2017	2002 or newer	\$117,467		\$100,000
2018	2000 or newer	\$102,388		\$100,000
2019 and following	Every Model	Any Value	Third party damages (injuries and death)	\$100,000
			Property damages	\$50,000

*Figures in mexican pesos

During the 1Q14 QC acquired an insurance company in the USA

- The transaction was made through its subsidiary Quálitas Financial Services, Inc.
 - The insurance entity that has been acquired has not been operational during the past two years
 - QIC has insurance licenses in good standing to operate in 14 different States within the U.S.
- 
- Represents an investment of US \$16.7 of whom US \$15 are capital to initiate operations
 - Initial product - third party liability coverage

QC – Figures and Results



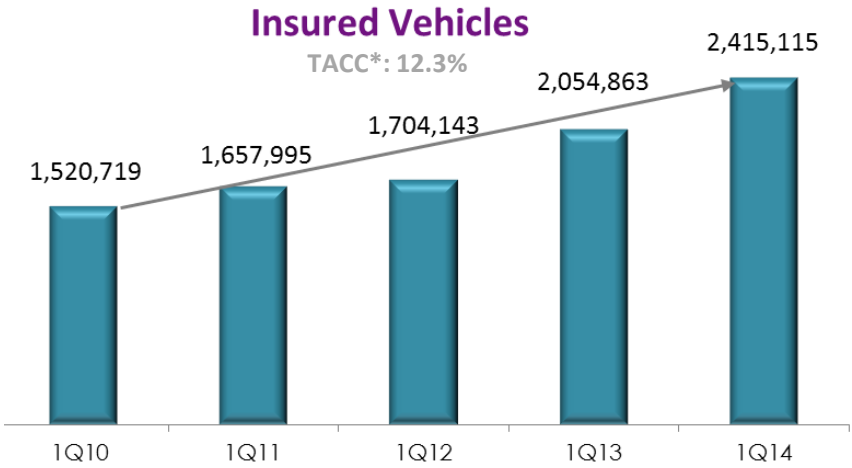
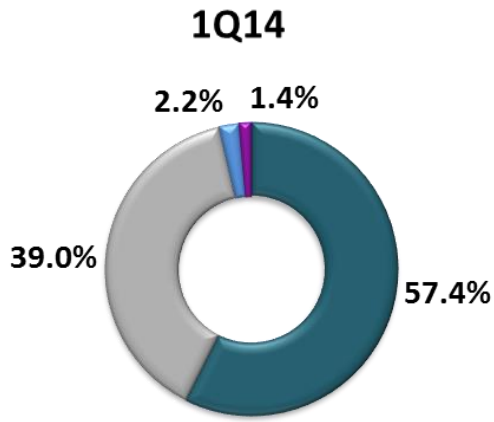
For comparison purposes 2014, 2013 and 2012 figures are Quálitas Controladora's and the figures from previous years are from Quálitas Aseguradora.

Throughout the document, figures are expressed in million pesos, except when is otherwise specified. Variations expressed are regard to the same period in 2013.



QC - Premiums Written and Insured Vehicles

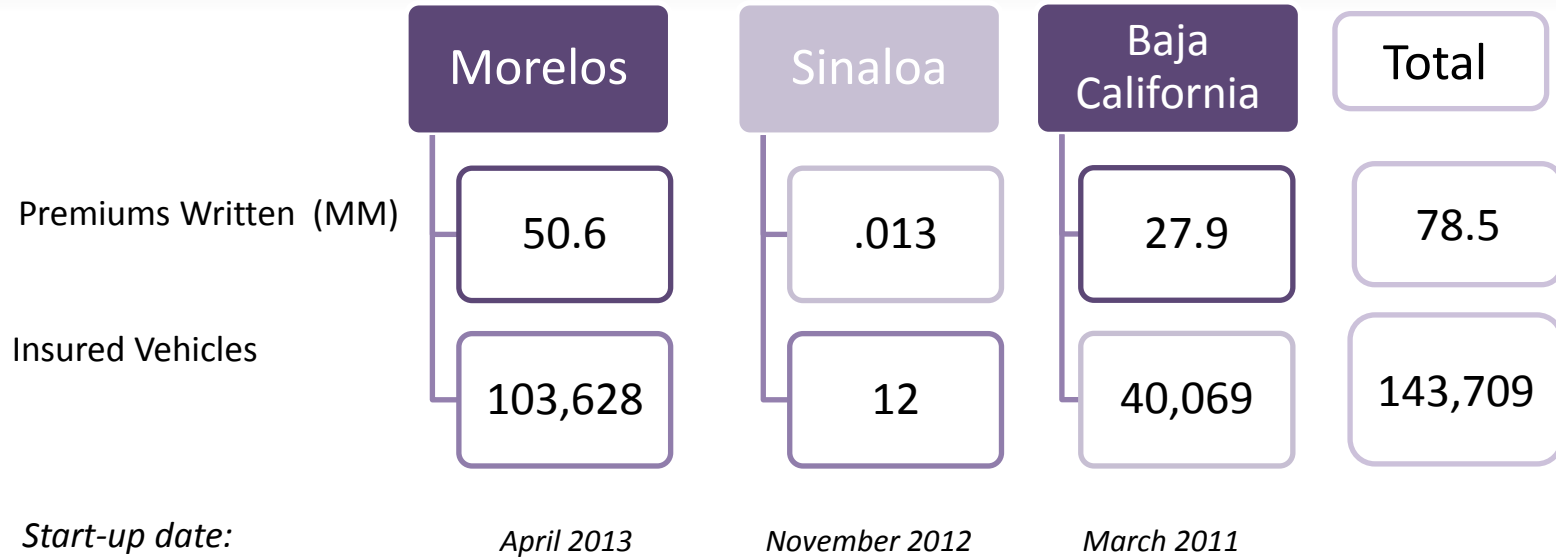
Segment	1Q14	1Q13	Ch. \$	Ch. %
Individual	1,042	1,055	-14	-1.3%
Fleets	1,633	1,397	235	16.8%
Sum of Traditional	2,675	2,453	222	9.0%
Toll Roads	103	24	79	331.2%
Financial Institutions	1,816	1,514	302	19.9%
Subsidiaries	65	50	15	30.3%
Total	4,658	4,041	618	15.3%



- Traditional
- Financial Institutions
- Toll Roads
- Subsidiaries

*CAGR= Compound Annual Growth Rate

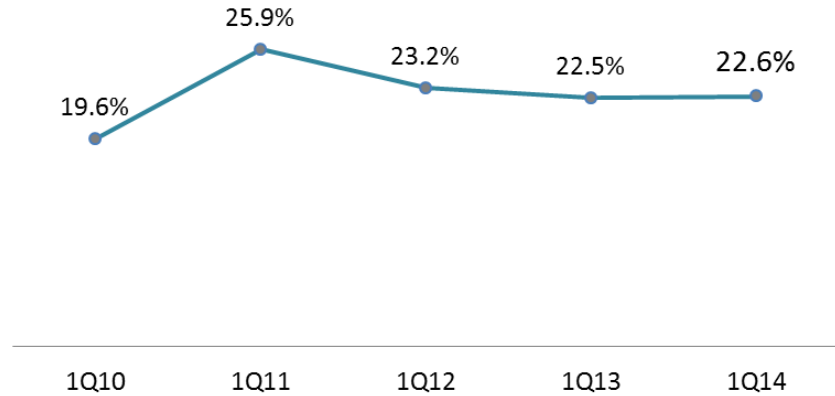
Mandatory Insurance by State



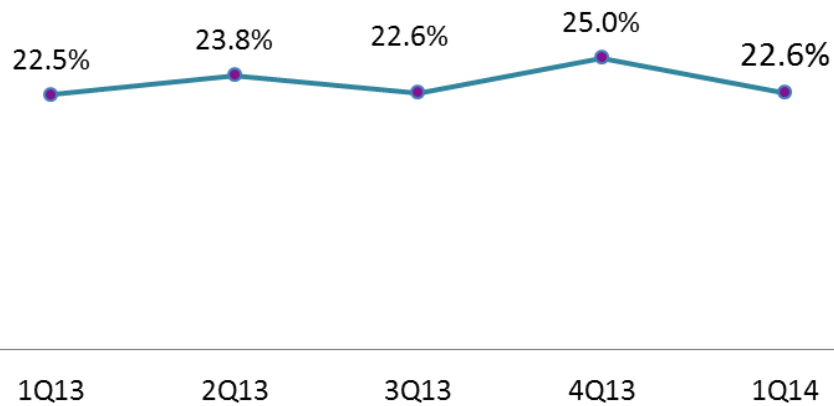
QC - Acquisition Ratio



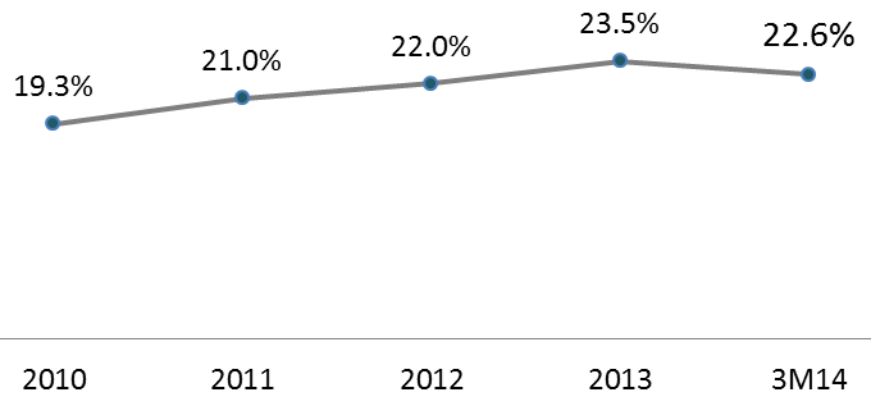
Per Quarter



Quarterly Performance



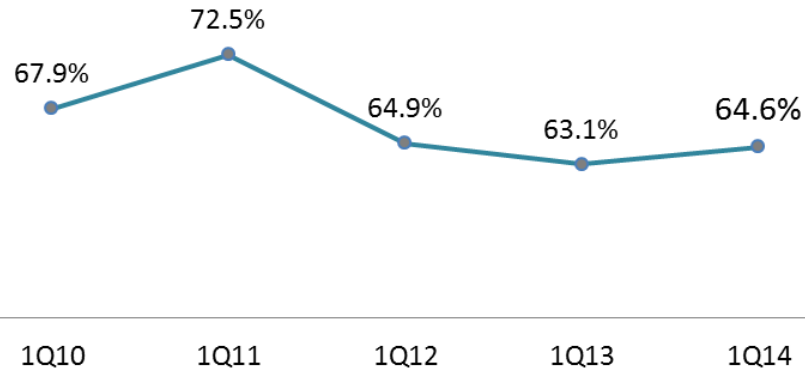
Annual



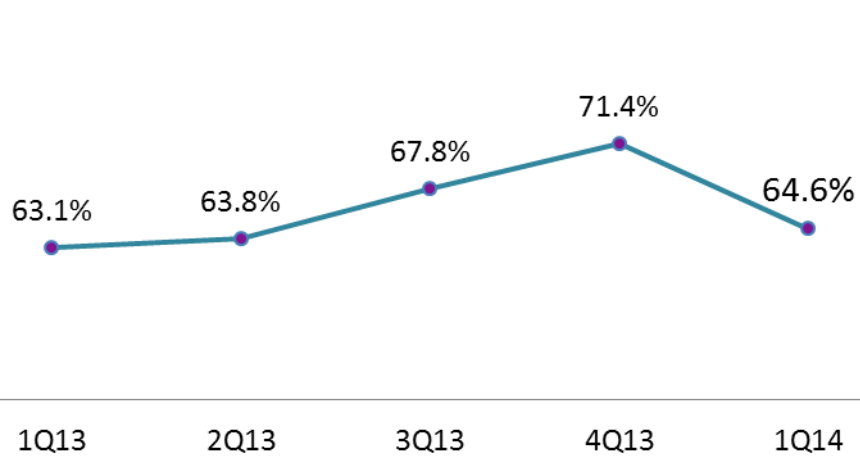
QC - L&LAE Ratio



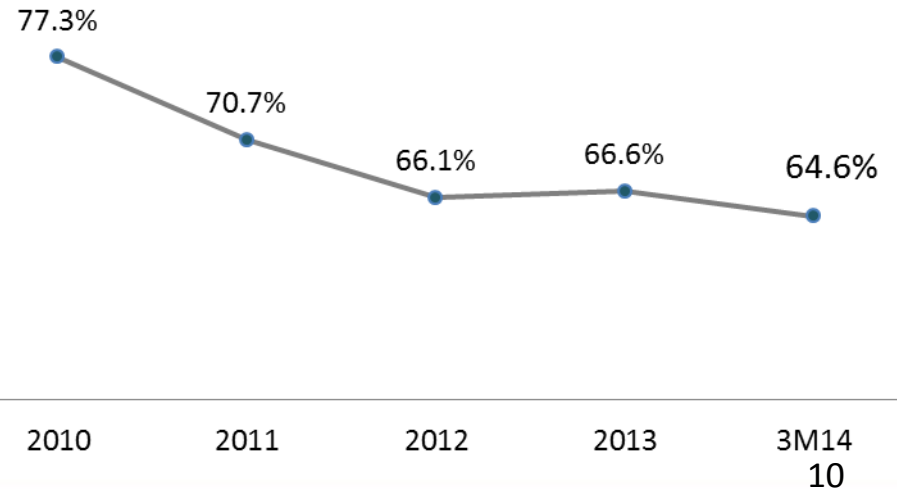
Per Quarter



Quarterly Performance



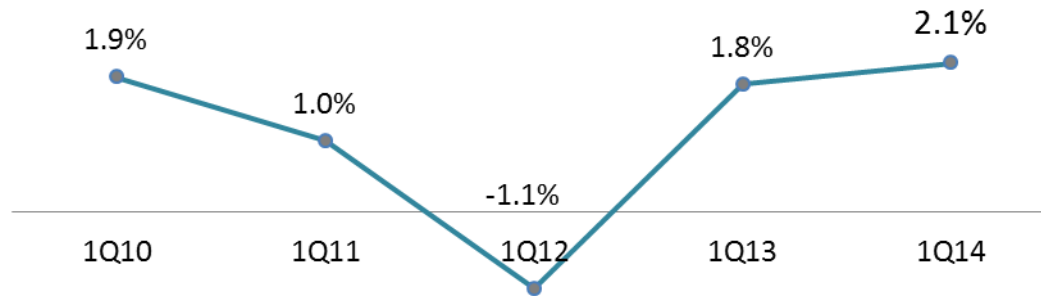
Annual



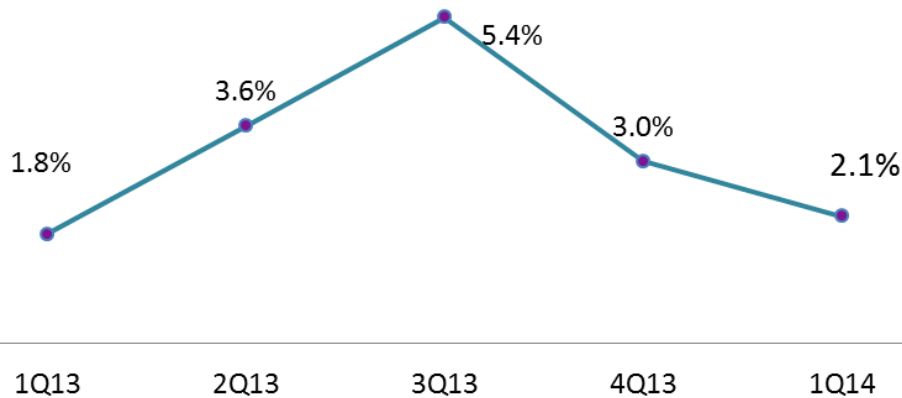
QC - Operating Ratio



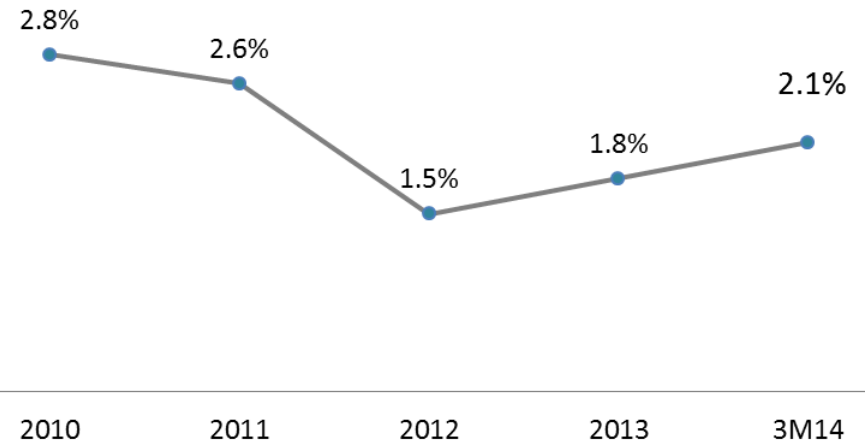
Per Quarter



Quarterly Performance



Annual





QC - Solvency Margin Analysis

QC's solvency margin registered \$1,115, which results in a solvency margin ratio of 40.7%.

	Minimum Equity Requirement	Solvency Margin	Solvency Margin Ratio
QC	2,738	1,115	40.7%

Dividend Policy

- Each of QC's subsidiaries must maintain a stockholders equity of a minimum of 1.5 times the Minimum Equity Requirement applicable by Law. If there is surplus equity over this amount, it will be distributed as a dividend payment of 50%, as a minimum, and 90%, as a maximum, of that amount.



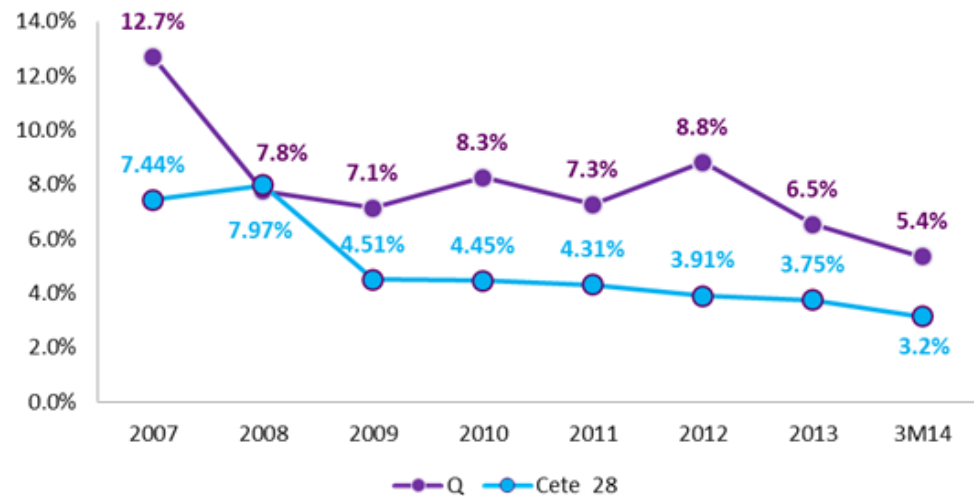
QC – Financial Income

	1Q14	1Q13	Ch.
Operating ROE	10.3%	26.3%	-1603.3
Financing ROE	18.4%	31.4%	-1299.1
Tax ROE	-10.0%	-17.7%	769.5
LTM ROE	18.7%	40.1%	-2139.1
Investments ROE	15.1%	26.9%	-1180.0

Note: LTM Figures

Return on Investments
 • 1Q14: 5.8%

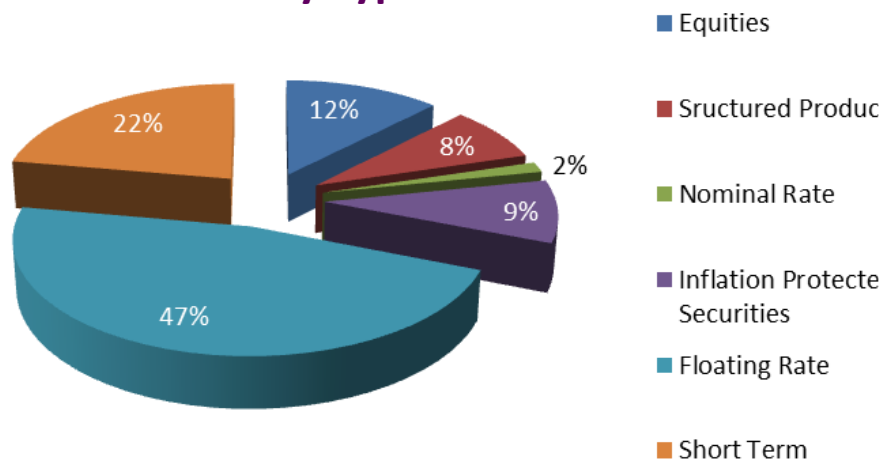
LTM Return on Investments



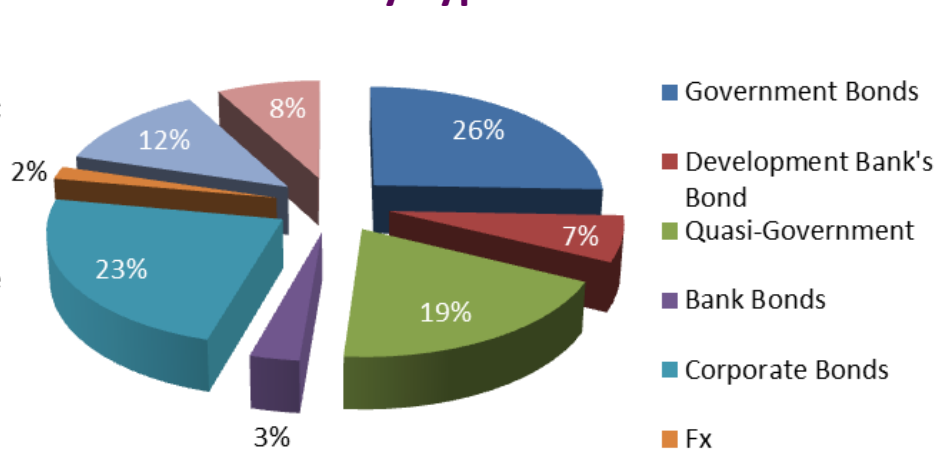
Qmx - Individual Financial Income



Portfolio by Type of Risk



Portfolio by Type of Issuer



Performance-Equities

1Q14

Gain from equities	54
Quarterly Average Portfolio	2,081
Annualized Yield	10.3%
Naftac Yield	-21.0%
IRT Yield	-21.0%



QC – Figures and Results

INCOME STATEMENT	1Q14	1Q13	Ch. %/bp
Premiums Written	4,658	4,041	15.3%
Premiums Earned	3,678	3,286	11.9%
Acquisition Cost	1,052	909	15.7%
L & LAE Cost	2,374	2,073	14.5%
Technical Result	252	304	-17.1%
Operating Expenses	97	75	30.4%
Operating Result	154	229	-32.6%
Integral Financing Result	183	265	-30.9%
Income Taxes	103	147	-30.1%
Net Result	234	346	-32.4%
BALANCE SHEET			
Cash & Investments ¹	11,044	10,350	6.7%
Total Assets	21,626	19,716	9.7%
Technical Reserves	14,099	12,197	15.6%
Total Liabilities	17,645	16,095	9.6%
Stockholder's Equity	3,982	3,621	10.0%

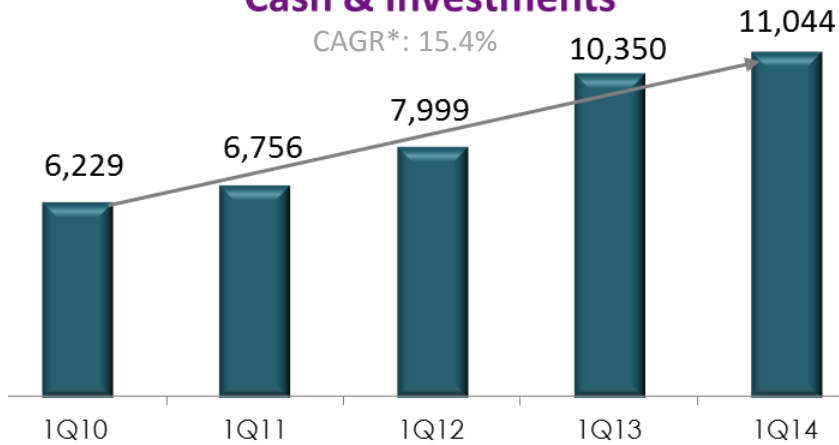
¹ Cash & Investments = Securities and Derivatives Transactions + Overnight + Cash and Cash Equivalents + Discount and Re-Discounts. 15



QC - Cash and Investments

Cash & Investments

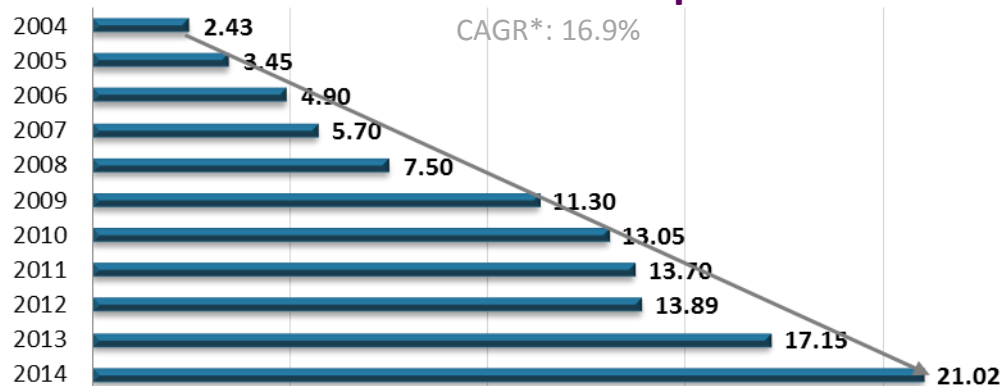
CAGR*: 15.4%



Year	Div.Idend per CPO	Share buyback program	Total
2004	\$0.075		
2005	\$0.125		
2009	\$0.30		
2010	\$0.40		
2012	\$0.50		
2013	\$1.50	\$0.30	
Total	\$2.90	\$0.30	\$3.20

Cash & Investments per CPO

CAGR*: 16.9%



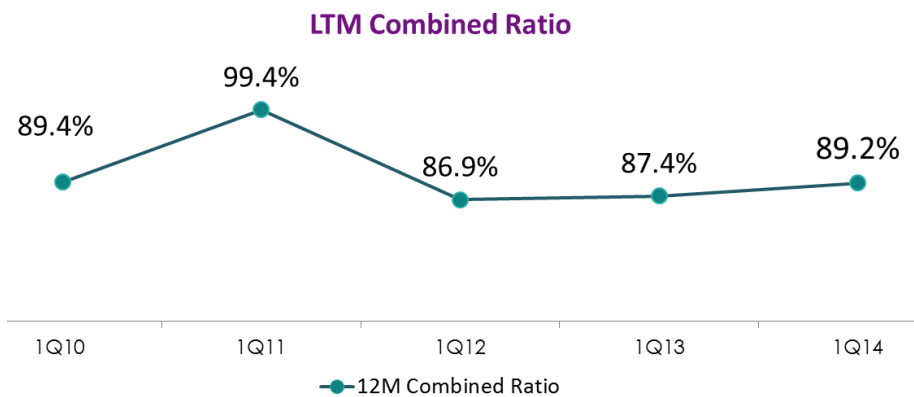
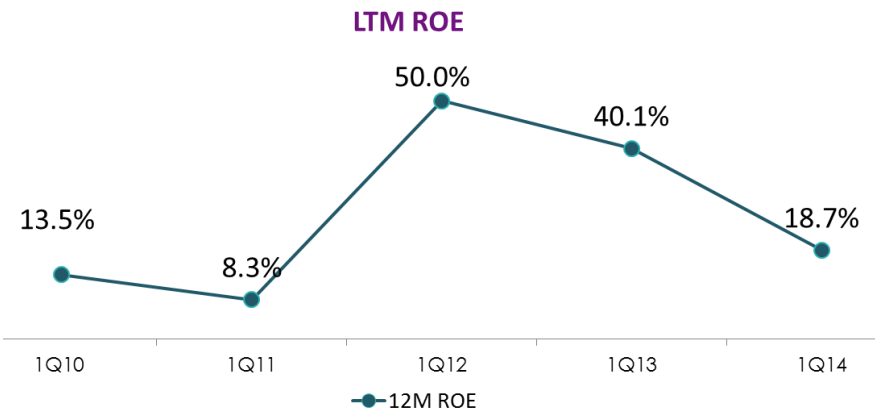
Cash and investments grew 5.5% in 1Q14

*CAGR= Compound Annual Growth Rate



QC - Performance Ratios

	1Q14	1Q13	Ch.
LTM ROE	18.7%	40.1%	- 2,139.1
Return on Investments	5.9%	9.6%	- 372.4
Combined Ratio	89.2%	87.4%	180.0
Leverage	4.43	4.44	-0.3%
Outstanding Shares	450	450	0.0%
BV	8.85	8.05	10.0%
12m EPS	1.58	2.81	-43.8%



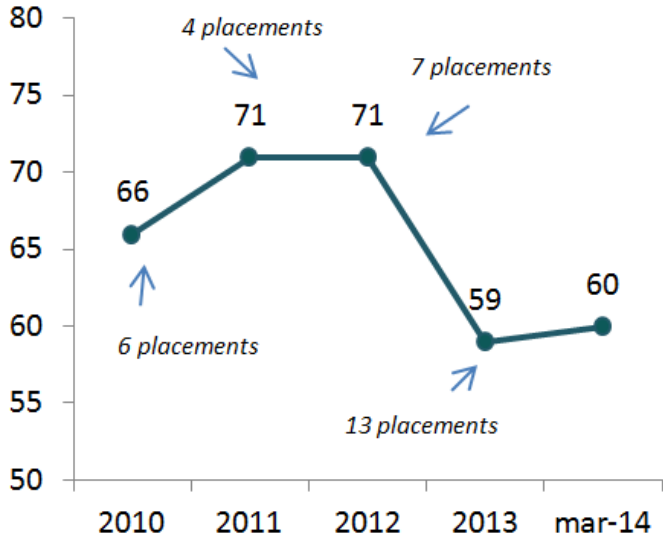
QC CPO



- QC CPO 1T14 Operation

	1Q14	1Q13	Ch.
Trading Volume CPO	23,955,035	16,514,576	45.1%
Traded Peso Amount - 1Q Ps MM	834	363	129.9%
Daily Traded Peso Amount Ps MM	12.63	5.50	129.9%
Numer of Transactions	18,942	2,527	649.6%

- Place in the Mexican Stock Exchange Marketability Index



Our Analysts



<i>Institution</i>	<i>Analyst</i>	<i>E-mail</i>
414 Capital	Carlos Pérez-Salazar	cps@414capital.com
Actinver	Martín Lara	mlara@actinver.com.mx
BBVA Research	Ernesto Gabilondo	ernesto.gabilondo@bbva.bancomer.com
Grupo Bursátil Mexicano	José Juan Carreño	Jcarre_o@gbm.com.mx
Interacciones	Enrique Mendoza	emendozaf@interacciones.com
Signum Research	Carlos Ugalde	carlos.ugalde@signumresearch.com
Ve por Más	Andrés Audiffred	aaudiffred@vepormas.com.mx
Vector	Rafael Escobar	rescobar@vector.com.mx

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