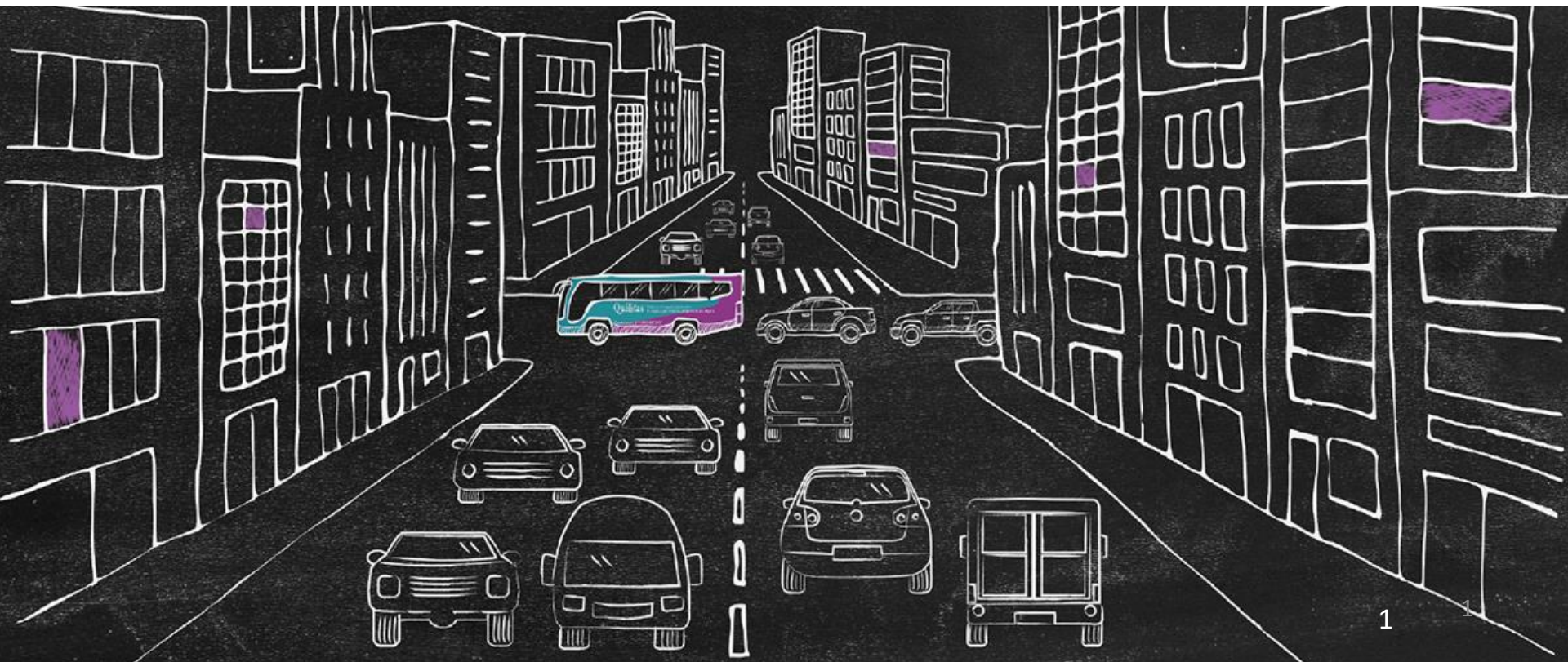


# Quálitas Controladora

## 4Q15 Webcast



# Contents

*Throughout the document, figures are expressed in million pesos, except when is otherwise specified. Variations are expressed on a yearly comparison.*

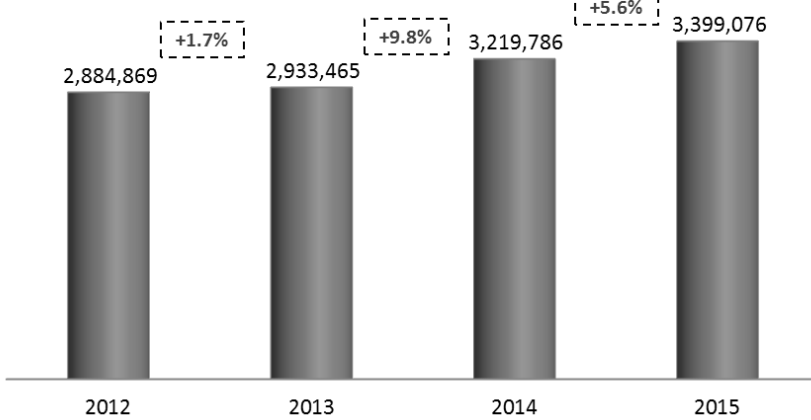
## Q – Quálitas Controladora

- Mexico's Automotive Environment
- Written Premiums' Growth
- QUIC
- Written and Earned Premiums
- Income Statement and Costs Ratios
- Investment Income
- Solvency Margin
- Solvency II
- Automobile Insurance Industry
- Closing Remarks

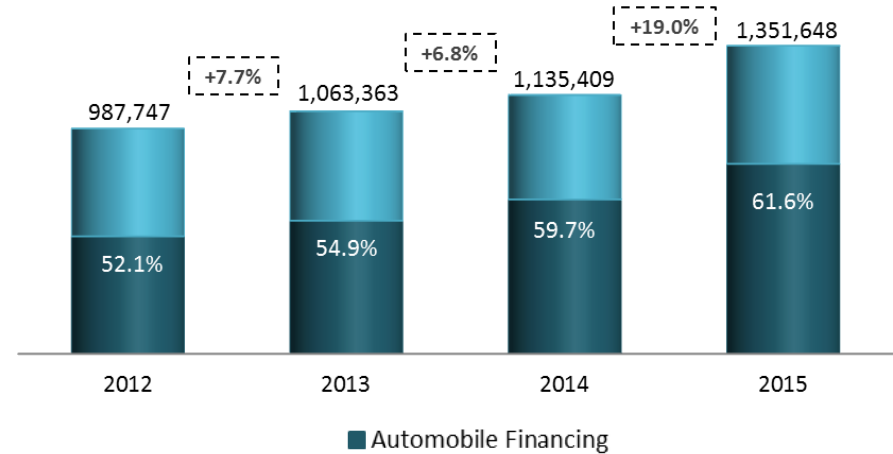
# Mexico's Automotive Environment

## Nationwide Total Production of Vehicles

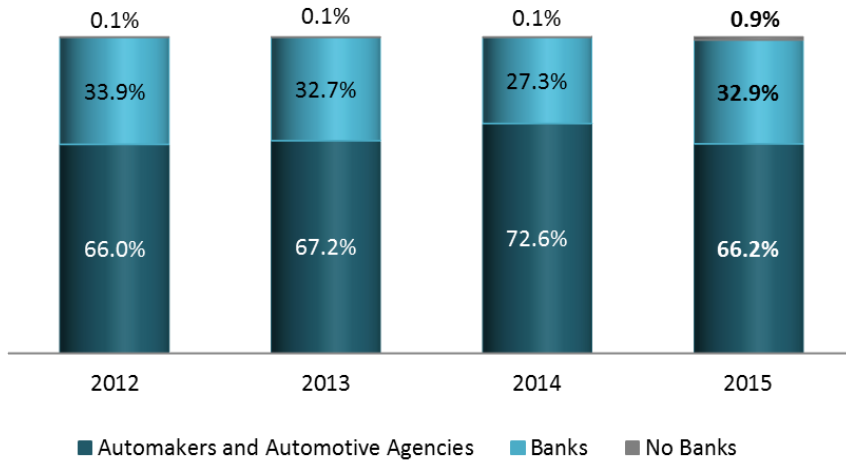
(units)



## Sales of New Vehicles and Credit

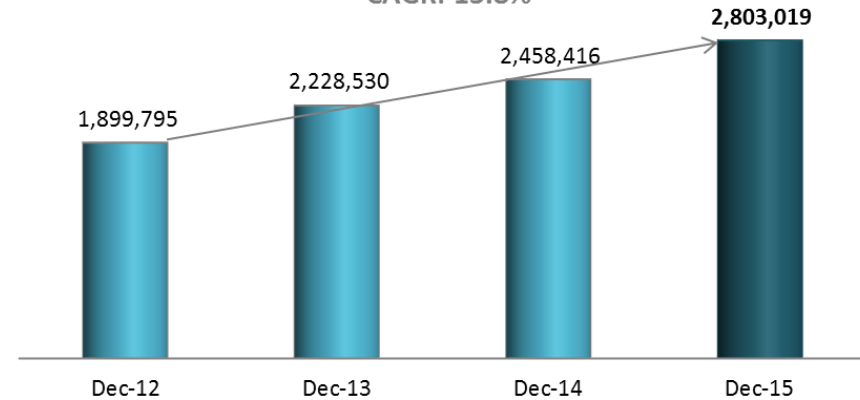


## Automobile Financing Market



## Quálitás Insured Vehicles

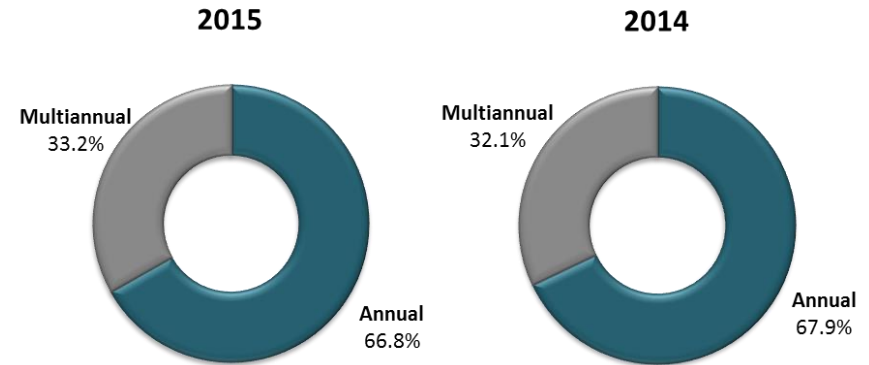
\*CAGR: 13.8%



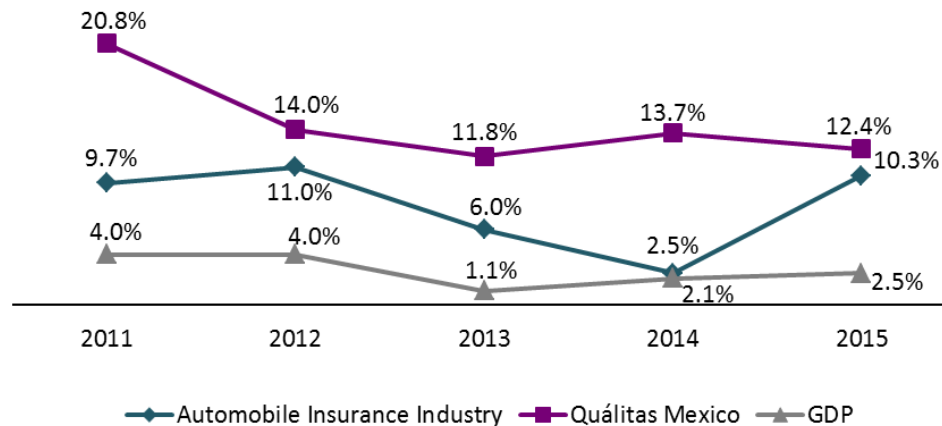
# Written Premiums' Growth

Segment (MM MXN)	2015	Δ%	Premiums Breakdown
Individual	3,928	13.9%	19.8%
Fleets	5,999	4.4%	30.3%
Financial Institutions	8,554	15.3%	43.1%
Subsidiaries	660	NA	3.3%
Other	716	52.9%	3.5%
<b>Total</b>	<b>19,856</b>	<b>14.5%</b>	<b>100.0%</b>

NA: Not Applicable



## Growth of Automobile Insurance Industry

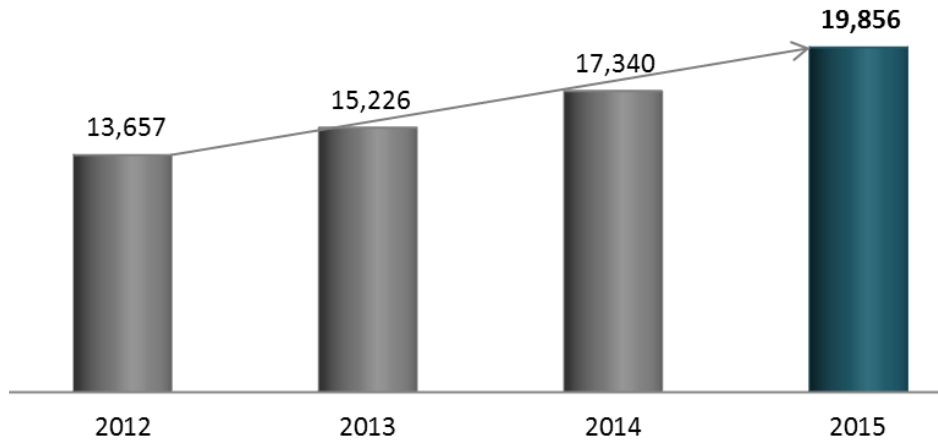


	Cross Border	Domestic Program
<b>Description</b>	<ul style="list-style-type: none"> <li>Commercial vehicles, domiciled in Mexico, with Mx or MX Enterprise license</li> <li>USA (minimum 15 miles and maximum 1,500 miles)</li> </ul>	<ul style="list-style-type: none"> <li>Vehicles with US plates that collect goods in a border warehouse and delivered to their final destination</li> </ul>
<b>Territory</b>	<ul style="list-style-type: none"> <li>Arizona, California and Texas</li> </ul>	<ul style="list-style-type: none"> <li>Arizona and California</li> </ul>
<b>Coverage</b>	<ul style="list-style-type: none"> <li>TPL: USD 750,000/USD 1,000,000</li> <li>Medical payments: USD 20,000</li> </ul>	<ul style="list-style-type: none"> <li>TPL: USD 750,000/USD 1,000,000</li> <li>Medical payments: USD 1,000/USD 20,000</li> </ul>

# Written and Earned Premiums

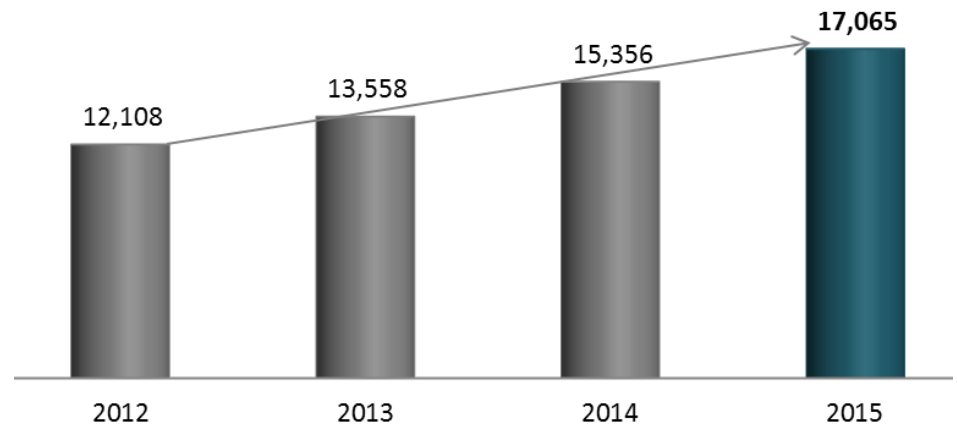
## Written Premiums

\*CAGR: 13.3%



## Earned Premiums

\*CAGR: 12.1%



\*CAGR: Compound Annual Growth Rate

# 4Q15 Income Statement

(MM MXN)	4Q15	4Q14	Δ \$	Δ%
Written Premium	5,885	4,894	992	20.3%
Earned Premium	4,649	4,171	478	11.5%
Acquisition Cost	1,386	1,243	143	11.5%
Claims Cost	3,356	3,017	338	11.2%
<b>Technical Result</b>	<b>(92)</b>	<b>(89)</b>	<b>(3)</b>	<b>3.5%</b>
Operating Expenses	165	141	25	17.4%
<b>Operating Result</b>	<b>(258)</b>	<b>(230)</b>	<b>(28)</b>	<b>12.1%</b>
Investment Income	322	207	115	55.8%
<b>Income before Taxes</b>	<b>64</b>	<b>(20)</b>	<b>84</b>	<b>NA</b>
Taxes	11	(51)	62	NA
<b>Net Result</b>	<b>53</b>	<b>31</b>	<b>22</b>	<b>69.6%</b>

Ratios			Δ bp
Acquisition Ratio	23.6%	25.4%	(186)
Claims Ratio	72.2%	72.3%	(16)
Operating Ratio	2.8%	2.9%	(7)
Combined Ratio	98.6%	100.6%	(208)

NA: Not Applicable



# 12M15 Income Statement

(MM MXN)	2015	2014	Δ \$	Δ%
Written Premiums	19,856	17,340	2,516	14.5%
Earned Premiums	17,065	15,356	1,709	11.1%
Acquisition Cost	4,518	4,143	374	9.0%
Claims Cost	11,747	10,674	1,073	10.1%
<b>Technical Result</b>	800	538	261	48.6%
Operating Expenses	803	724	79	10.9%
<b>Operating Result</b>	(3)	(185)	182	NA
Investment Income	833	1,036	(203)	(19.6%)
<b>Income before Taxes</b>	830	854	(24)	(2.8%)
Taxes	266	230	36	15.5%
<b>Net Result</b>	564	624	(60)	(9.6%)

## 2015 NEW OPENINGS:

- 7 Service Offices (Total 181)
- 35 ODQs (Total 164)

Ratios	2015	2014	Δ bp
Acquisition Ratio	22.8%	23.9%	(114)
Claims Ratio	68.8%	69.5%	(67)
Operating Ratio	4.0%	4.2%	(13)
Combined Ratio	95.6%	97.6%	(195)

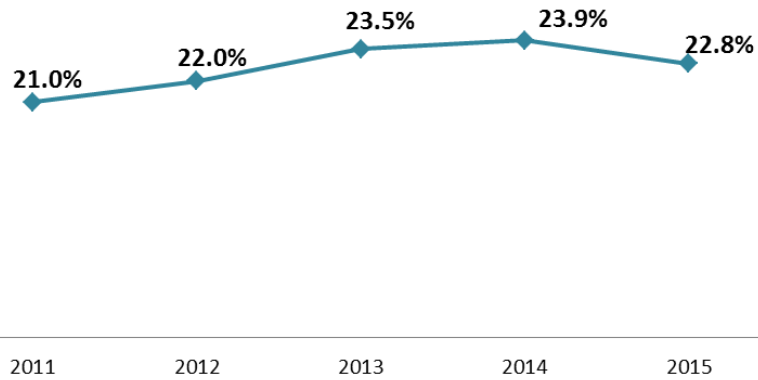
NA: Not Applicable



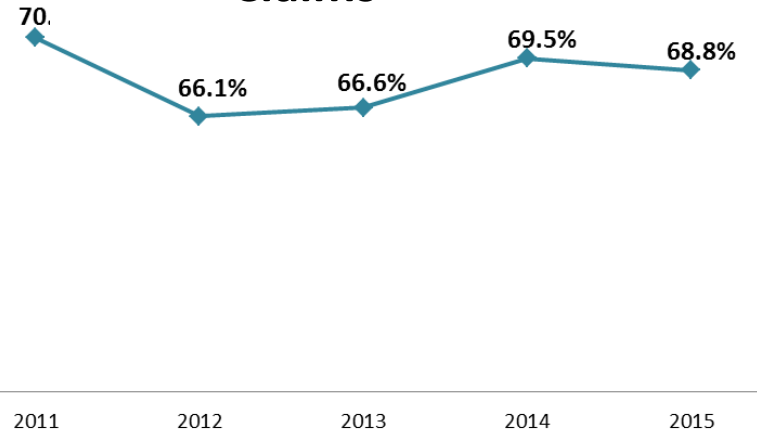


# Costs Ratios

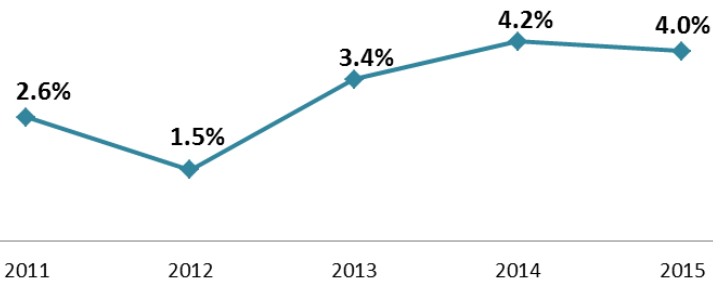
## Acquisition



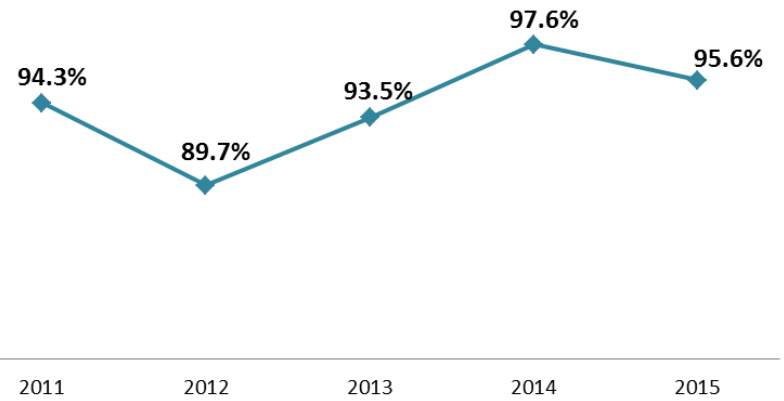
## Claims



## Operating

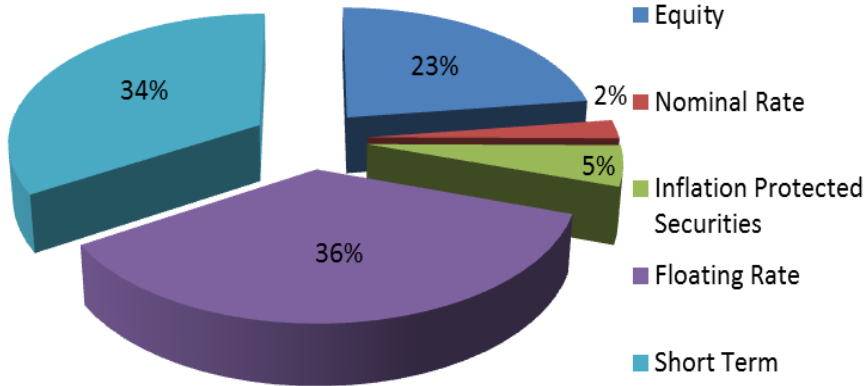


## Combined

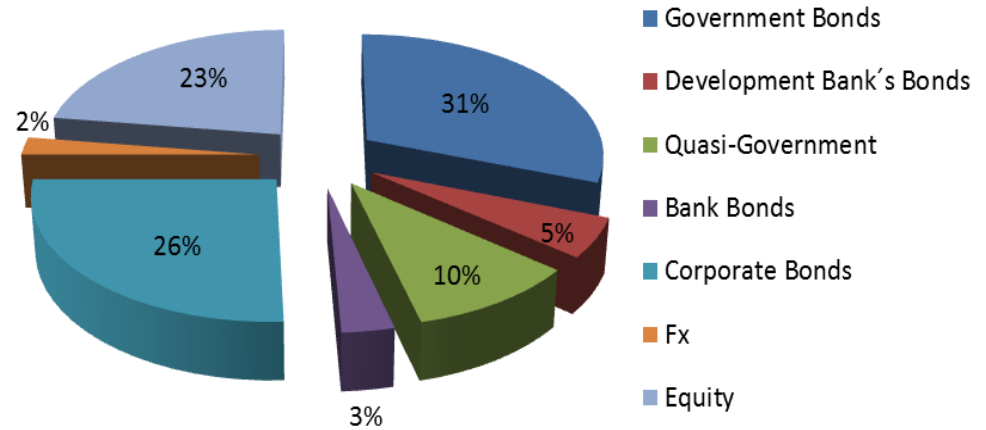


# Investment Income

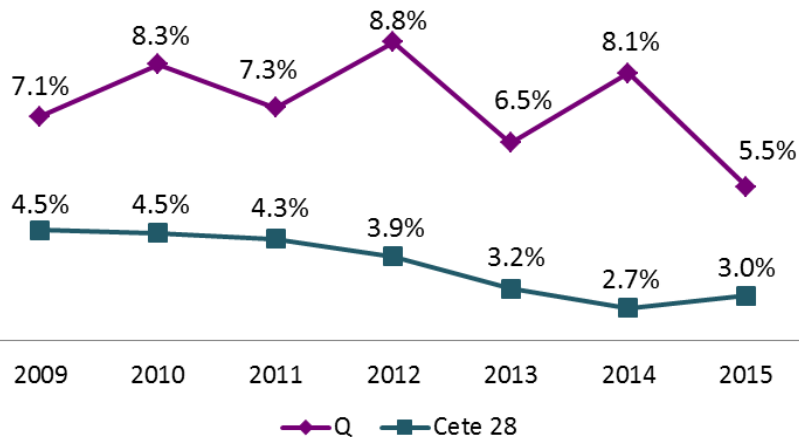
## Portfolio by Type of Risk



## Portfolio by Type of Issuer



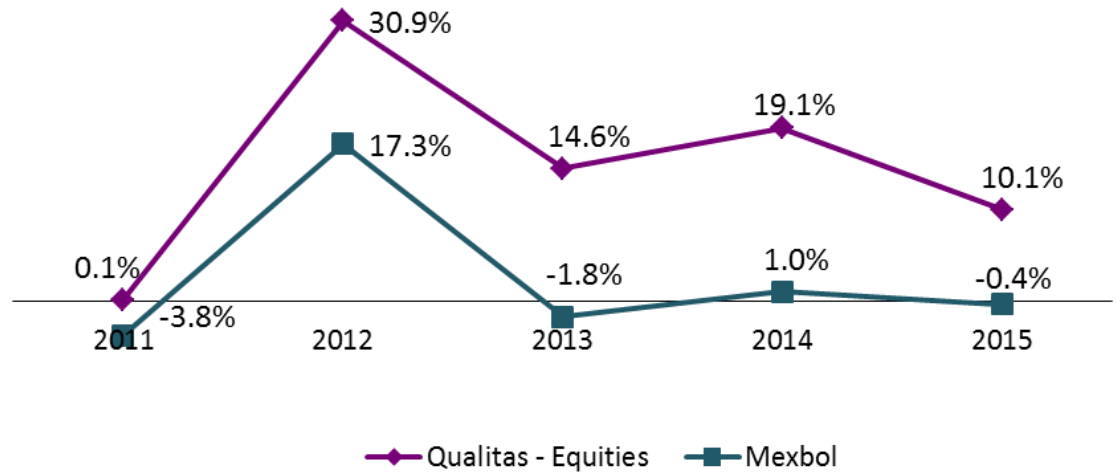
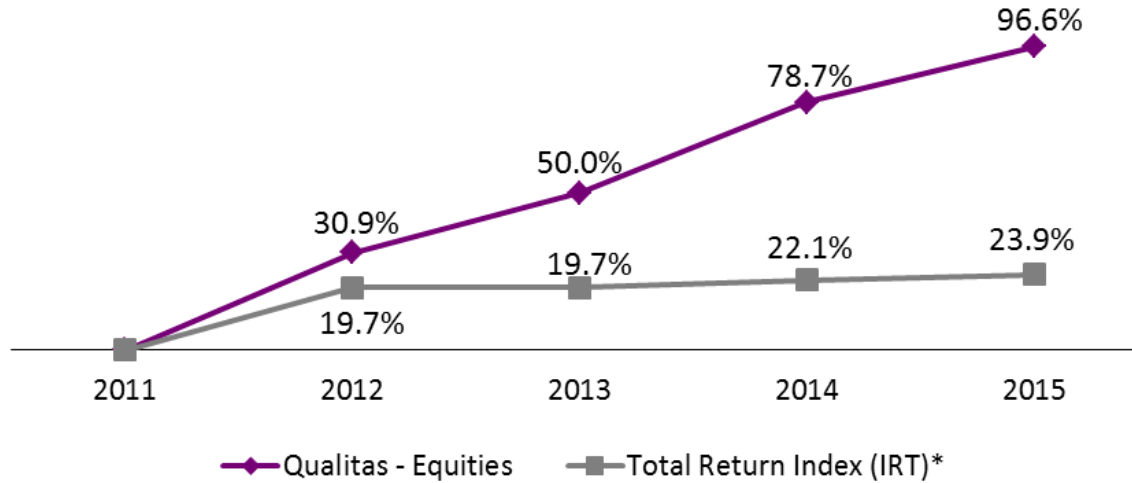
## Return on Investments



## Equities

(MM MXN)	4Q15	2015
Gain from Equities	155	284
Average Portfolio	3,068	2,801
Annualized Yield	20.1%	10.1%
Naftrac Yield	4.0%	(0.1%)
IRT Yield	5.0%	1.5%

# Investment Income



\*Mexican Stock Exchange Total Return Index

# Pension Funds – 2015 Returns

SB1	Rdttto
Quáalitas	5.39%
Pensionissste	1.88%
Principal	1.64%
XXI Banorte	1.34%
Profuturo GNP	1.11%
Inbursa	1.02%
Banamex	0.94%
Metlife	0.92%
Azteca	0.77%
Coppel	0.76%
Sura	0.42%
Invercap	(0.07%)

SB2	Rdttto
Quáalitas	5.39%
Principal	2.85%
Pensionissste	2.46%
Azteca	2.35%
Coppel	2.21%
Profuturo GNP	2.17%
Metlife	1.36%
Banamex	1.20%
XXI Banorte	1.18%
Invercap	1.12%
Inbursa	0.58%
Sura	0.18%

SB3	Rdttto
Quáalitas	5.39%
Principal	3.28%
Pensionissste	2.89%
Coppel	2.51%
Azteca	2.38%
Profuturo GNP	2.29%
Banamex	1.54%
Metlife	1.08%
XXI Banorte	1.07%
Invercap	0.67%
Sura	0.07%
Inbursa	(0.03%)

SB4	Rdttto
Quáalitas	5.39%
Pensionissste	3.15%
Coppel	3.13%
Principal	2.89%
Azteca	2.76%
Profuturo GNP	2.74%
Banamex	2.07%
Metlife	1.40%
XXI Banorte	0.98%
Invercap	0.48%
Sura	(0.05%)
Inbursa	(0.70%)

# Solvency Margin

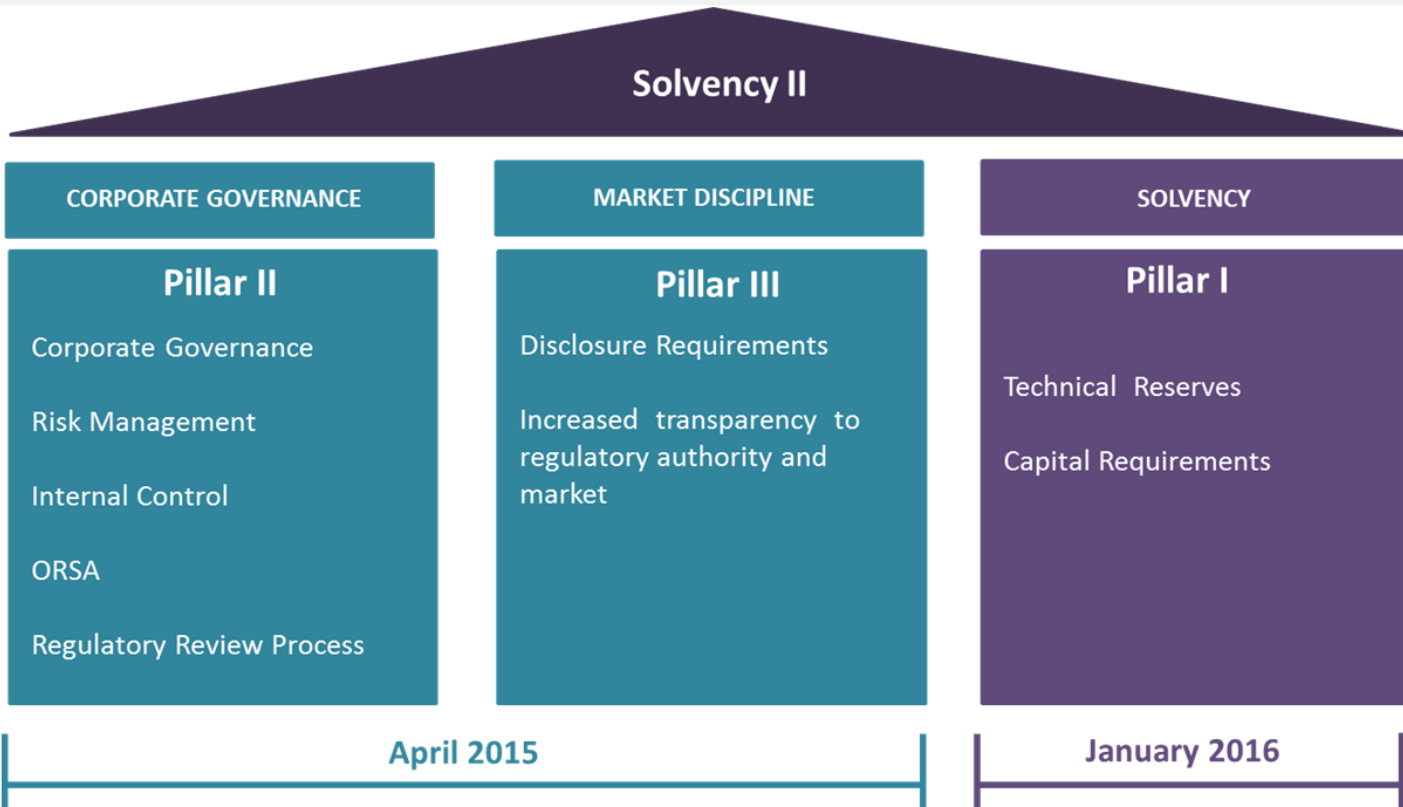
	Minimum Capital Requirement*	Solvency Margin	Solvency Margin Ratio
Qmx	3,087	1,075	34.8%
Qsv	49	16	31.5%
Qcr	83	1	0.7%
QUIC	259	114	44.0%
<b>Total</b>	<b>3,479</b>	<b>1,205</b>	
QC Cash		40	
<b>QC</b>	<b>3,479</b>	<b>1,245</b>	<b>35.8%</b>

FX Peso-USD December 2015: 17.2487

FX Colon-USD December 2015: 531.94

\*Minimum equity requirement computation differs in the countries where Quálitas has operations.

# Solvency II



<b>Key Deadlines</b>	COMPLETED	Sep 2015 – Fifth Quantitative Impact Study
	NA	Mar 2016– Final Test (Internal Reserve Model & Statutory Capital Model)
	Jul 2016– ORSA (Own Risk and Solvency Assessment)	

NA: Not Applicable

# Automobile Insurance Industry

	Company	Written Premiums	Market Share (written)	Growth Written 2015 - 2014	Earned Premiums	Growth Earned 2015 - 2014
1	<b>Qualitas</b>	<b>19,168</b>	<b>25.3%</b>	<b>12.4%</b>	<b>16,855</b>	<b>10.4%</b>
2	G.N.P.	10,803	14.3%	26.3%	9,407	17.4%
3	AXA Seguros	9,162	12.1%	(4.6%)	9,899	(3.9%)
4	Aba/Seguros	5,260	7.0%	(0.6%)	2,849	(5.6%)
5	Mapfre México	4,771	6.3%	7.6%	4,298	8.2%
	<b>LARGE</b>	<b>49,164</b>	<b>65.0%</b>	<b>9.4%</b>	<b>43,309</b>	<b>6.7%</b>
6	Banorte	4,480	5.9%	9.1%	4,297	9.0%
7	Inbursa	4,243	5.6%	10.7%	4,091	1.3%
8	HDI Seguros	3,815	5.0%	39.7%	3,157	32.1%
9	BBVA Bancomer	3,483	4.6%	5.2%	3,230	3.5%
10	Zurich Daños	2,523	3.3%	0.3%	1,755	2.7%
11	Atlas	1,787	2.4%	15.0%	1,628	3.9%
12	General de Seguros	1,171	1.5%	21.6%	1,143	41.9%
13	Afirme	1,054	1.4%	21.3%	1,004	28.7%
14	ANA	851	1.1%	(15.0%)	697	(16.6%)
15	Royal & Sunalliance	610	0.8%	9.8%	593	(3.3%)
	<b>MEDIUM</b>	<b>24,017</b>	<b>31.8%</b>	<b>12.0%</b>	<b>21,595</b>	<b>9.1%</b>
	<b>SMALL</b>	<b>2,461</b>	<b>3.3%</b>	<b>12.1%</b>	<b>2,044</b>	<b>9.5%</b>
	<b>MARKET (35 Comp)</b>	<b>75,641</b>	<b>100.0%</b>	<b>10.3%</b>	<b>66,948</b>	<b>7.6%</b>

# Automobile Insurance Industry

	Company	Operating Result	Investment Income	Net Result	Claims Ratio	Combined Ratio
1	<b>Qualitas</b>	<b>47</b>	<b>862</b>	<b>619</b>	<b>70%</b>	<b>96%</b>
2	G.N.P.	(221)	267	102	64%	97%
3	AXA Seguros	(651)	469	(163)	76%	109%
4	Aba/Seguros	(79)	194	304	70%	104%
5	Mapfre México	(170)	117	(50)	64%	100%
	<b>LARGE</b>	<b>(1,075)</b>	<b>1,909</b>	<b>813</b>	<b>69%</b>	<b>100%</b>
6	Banorte	692	240	657	66%	83%
7	Inbursa	106	115	188	66%	96%
8	HDI Seguros	(276)	168	27	67%	102%
9	BBVA Bancomer	473	834	1,052	62%	84%
10	Zurich Daños	(379)	53	(165)	64%	109%
11	Atlas	(6)	64	58	73%	98%
12	General de Seguros	(277)	240	(40)	94%	124%
13	Afirme	(42)	47	7	66%	102%
14	ANA	(30)	39	21	64%	106%
15	Royal & Sunalliance	(155)	24	(57)	68%	125%
	<b>MEDIUM</b>	<b>106</b>	<b>1,824</b>	<b>1,747</b>	<b>67%</b>	<b>97%</b>
	<b>SMALL</b>	<b>(140)</b>	<b>149</b>	<b>6</b>	<b>64%</b>	<b>103%</b>
	<b>MARKET (35 Comp)</b>	<b>(1,109)</b>	<b>3,881</b>	<b>2,566</b>	<b>69%</b>	<b>99%</b>



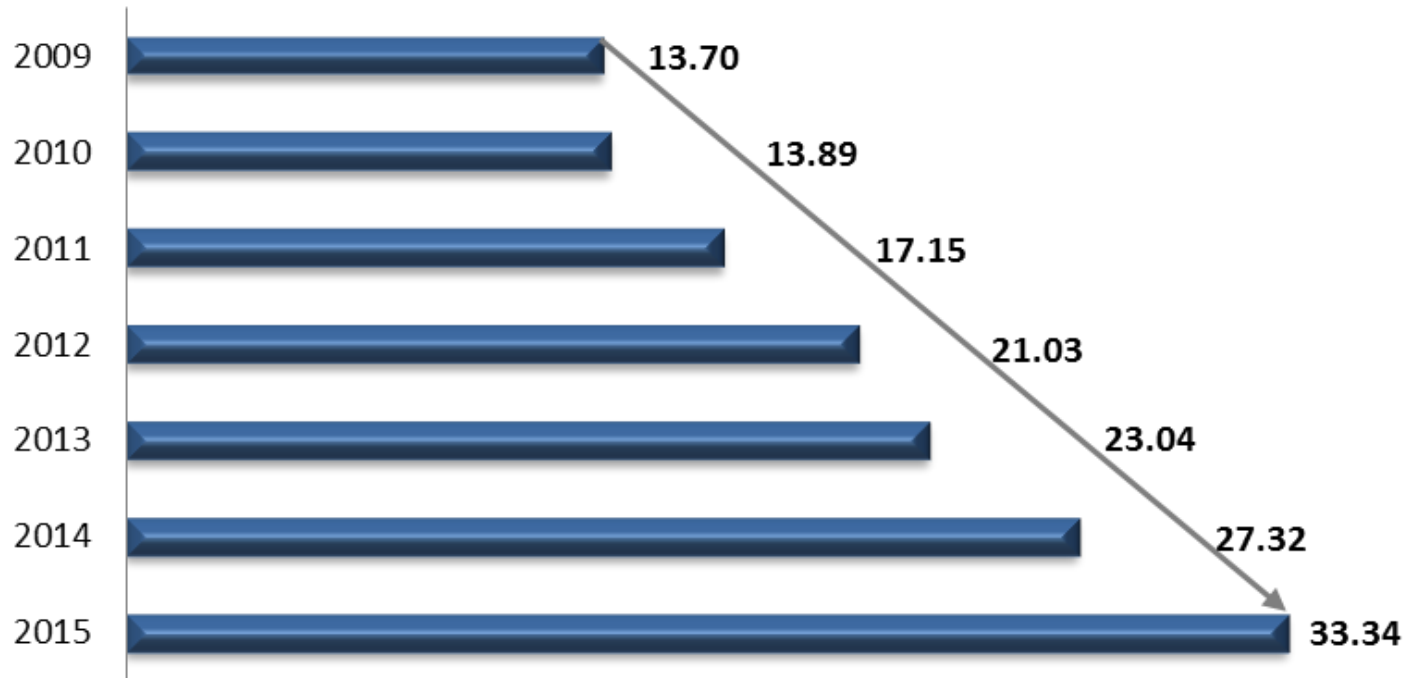
# Mandatory Insurance

MXN	Mexico City's Mobility Law	Federal Roads, Bridges and Transportation Law
<b>Effective date</b>	<ul style="list-style-type: none"> <li>January 2016</li> </ul>	<ul style="list-style-type: none"> <li>September 2014</li> </ul>
<b>Coverage</b>	<ul style="list-style-type: none"> <li>Not specified</li> <li>Sum insured proposed by AMIS: \$250,000</li> <li>Public Service: 2,500 minimum wage days</li> </ul>	<ul style="list-style-type: none"> <li>\$50,000 for material damages coverage</li> <li>\$100,000 for third party damages coverage</li> </ul>
<b>Fines</b>	<ul style="list-style-type: none"> <li>20 to 40 minimum wage days or 45 calendar days for hiring the insurance policy</li> </ul>	<ul style="list-style-type: none"> <li>20 to 40 minimum wage days or 45 calendar days for hiring the insurance policy</li> </ul>
<b>Q Premium</b>	<ul style="list-style-type: none"> <li>\$1,620</li> </ul>	<ul style="list-style-type: none"> <li>\$430</li> </ul>

# Cash and Investments per Share

## Cash and Investments per Share

\*CAGR: 16.0%



\*CAGR: Compound Annual Growth Rate

# Guidance 2016

	<b>Δ% vs 2015</b>
Written Premiums	8 - 10%
Earned Premiums	8 - 10%
Acquisition Ratio	23 - 24%
Claims Ratio	68%
Operating Ratio	4%
Combined Ratio	96%
Operating Margin	1 -1.5%
Investment Income	CT 28 + 200 pb

# Our Analysts

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