



Quálitas Controladora 4Q18 Webcast



Quálitas

- January 30th -

Quálitas Controladora

4Q18 Webcast

Information discussed on today's webcast may include forward-looking statements regarding the company's results and prospects, which are subject to risks and uncertainty. Actual results may differ materially from what is discussed here today, and the Company cautions you not to place undue reliance on these forward-looking statements. Quálitas undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

If you have any trouble visualizing the presentation or hearing the conference call please contact:

Violeta Ruiz

vrui@qualitas.com.mx

+1 52 (55) 1555 6005

Inversiones

Earnings Webcast Agenda

Overall Landscape

Multiples and Profitability

Strategy and Results

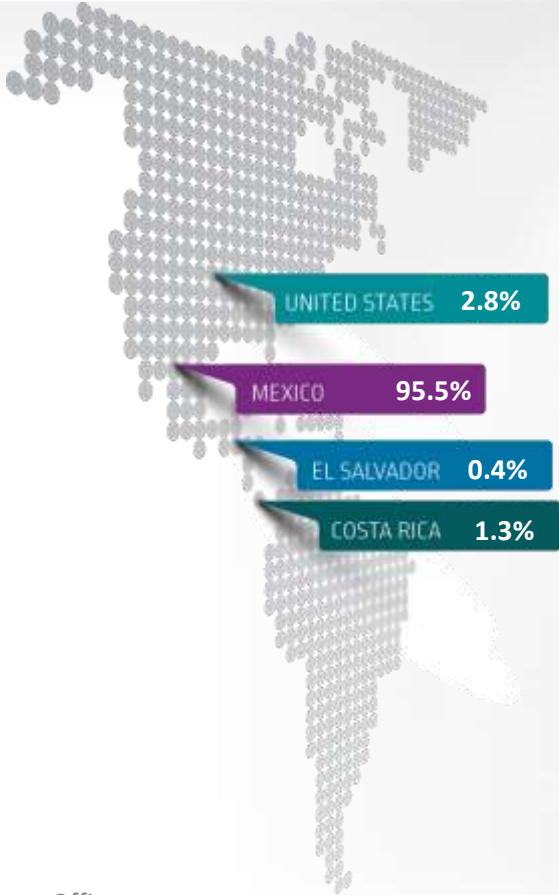


Solvency Margin

Stock Performance

Guidance 2019

What we are made of



Our Staff



+3,600 Administrative Employees



**+1,200/+400
Claims Officers/Lawyers**



+13,700 Agents

Our Facilities



190 Service Offices



228 ODQs*



+3,500 Workshops

*Quálitas Development Offices

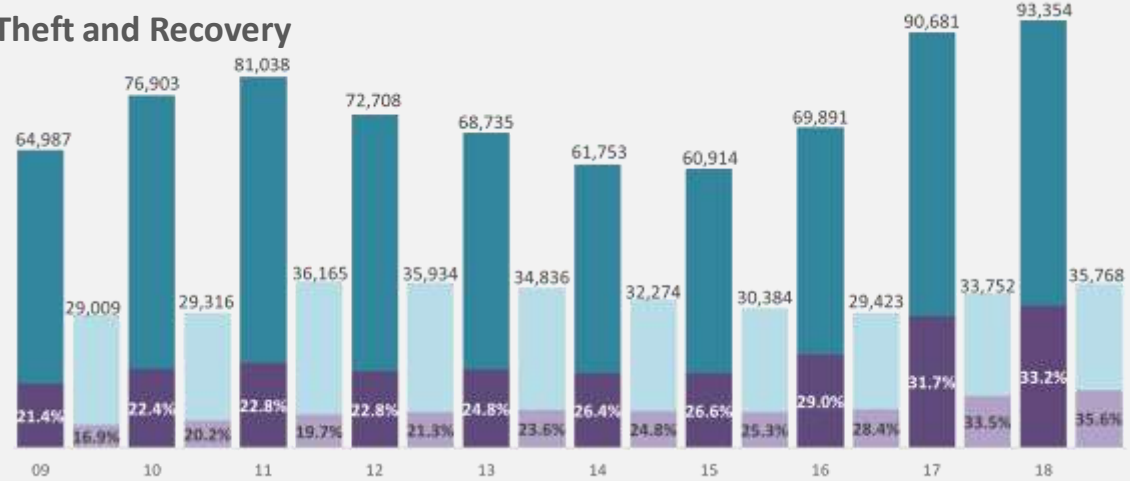


Overall Landscape

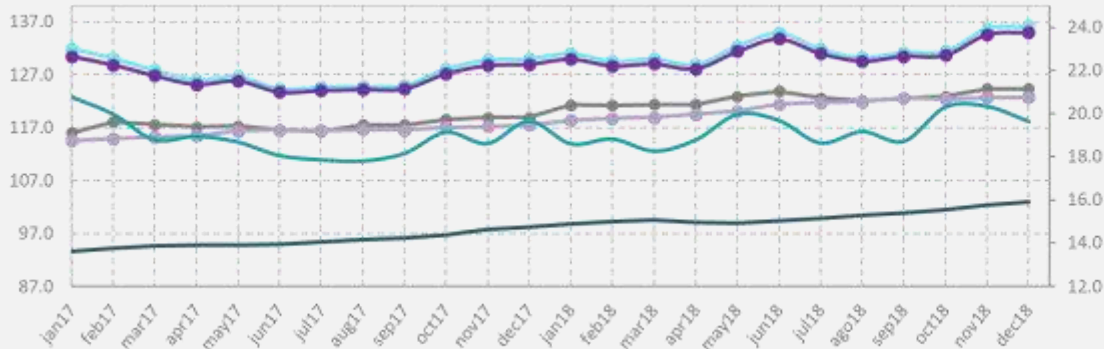
| Industry | Quálitas |
|--------------------------------------|---|
| New Car Sales (7.1%) | Premiums Written +2.0% |
| Financing +68% of new cars | Financial Institutions +35% of Underwriting |



Theft and Recovery



Costs



| % of Claims Cost | |
|------------------|------------------------------|
| Collision | Third Party Liability |
| +35% | +25% |
| Theft | Legal & Medical |
| +20% | +2% |

Strategy & Results

Fundamentals

Cost Control

Outstanding Service

Decentralization

Specialization



Quálitas 2018

- 94.6% Combined Ratio Adjusted *
- 7.6% Net Margin
- Agreements with suppliers
- +2 ODQs
- +3 Service Offices
- In-house Claims structure
- 3.9 million insured vehicles
- +30 coverages
- Technological solutions
- 29.4% Market Share (Mexico)
- +122.8% Underwriting Result
- 5.5% Underwriting Margin

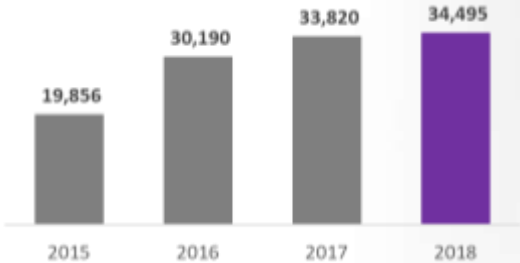
Having a sustainable company and a long-term relationship with all stakeholders

*Combined Ratio Adjusted = (Acquisition Cost + Claims Cost + Operating Expenses)/Earned Premiums

Highlights

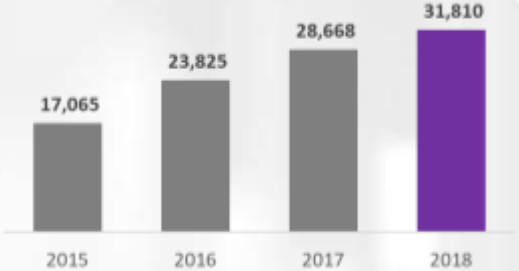
Premiums Written

CAGR: 20.2%



Premiums Earned

CAGR: 23.1%



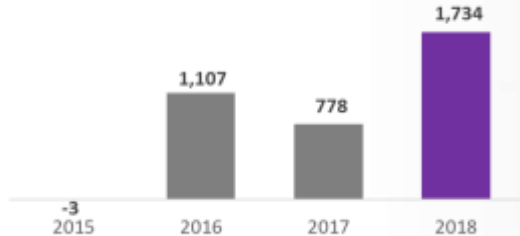
Comprehensive Financial Income

CAGR: 27.3%



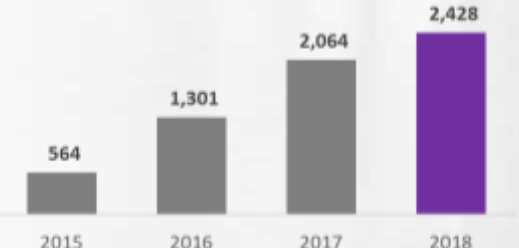
Underwriting result

vs 2017: 122.8%



Net Income

CAGR: 62.7%



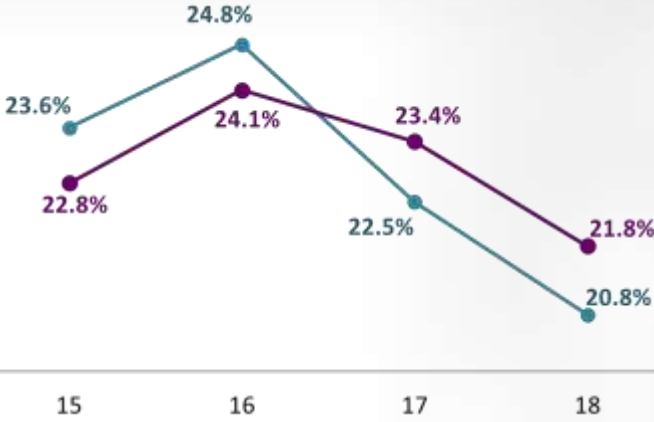
Cash per Share

CAGR: 25.9%

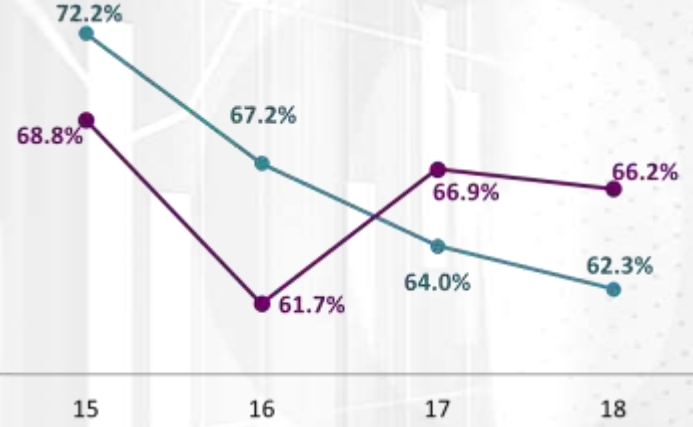


Q - Cost Ratios

Acquisition



Claims

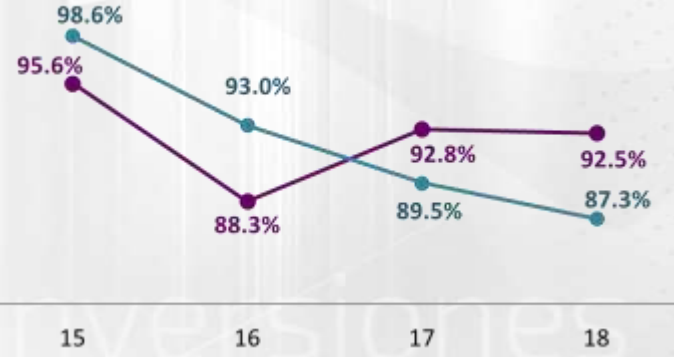


Operating



● Quarter ● Year

Combined



4Q Financial Highlights

| INCOME STATEMENT | 4Q18 | 4Q17 | Δ %/bp |
|-----------------------------|--------------|------------|----------------|
| Premiums Written | 9,797 | 9,596 | 2.1% |
| Net Premiums Written | 9,753 | 9,517 | 2.5% |
| Premiums Earned | 8,565 | 8,044 | 6.5% |
| Acquisition Cost | 2,031 | 2,139 | (5.1%) |
| Claims Cost | 5,336 | 5,145 | 3.7% |
| Technical Result | 1,198 | 759 | 57.7% |
| Operating Expenses | 407 | 291 | 39.7% |
| Underwriting Result | 791 | 468 | 69.0% |
| Integral Financing Result | 133 | 479 | (72.1%) |
| Investment Income | 14 | 398 | (96.4%) |
| Income Taxes | 266 | 104 | 156.6% |
| Net Result | 658 | 843 | (21.9%) |
| Controlling Interest | 662 | 844 | (21.5%) |
| Non-Controlling Interest | (4) | (1) | 325.2% |
| BALANCE SHEET | | | |
| Assets | 56,642 | 51,059 | 10.9% |
| Investments & Real Estate | 29,514 | 26,735 | 10.4% |
| Invested Assets or float | 28,936 | 25,956 | 11.5% |
| Technical Reserves | 36,173 | 32,843 | 10.1% |
| Total Liabilities | 47,537 | 43,108 | 10.3% |
| Stockholders' Equity | 9,104 | 7,951 | 14.5% |
| PROFITABILITY RATIOS | | | |
| Return on Investments | 0.2% | 6.5% | (628) |
| ROE for the period | 30.3% | 45.7% | (1,539) |
| LTM ROE | 28.5% | 29.5% | (96) |

New car sales in Mx: -7.2%

Underwriting margin: 9.2%

Net margin: 7.7%

*Combined Ratio Adjusted: (Acquisition Cost + Claims Cost + Operating Expenses) / Premiums Earned

2018 Financial Highlights

| INCOME STATEMENT | 2018 | 2017 | Δ %/pb |
|----------------------------|--------------|--------------|---------------|
| Premiums Written | 34,495 | 33,820 | 2.0% |
| Net Premiums Written | 34,183 | 33,604 | 1.7% |
| Premiums Earned | 31,810 | 28,668 | 11.0% |
| Acquisition Cost | 7,464 | 7,851 | (4.9%) |
| Claims Cost | 21,048 | 19,184 | 9.7% |
| Technical Result | 3,298 | 1,633 | 101.9% |
| Operating Expenses | 1,568 | 855 | 83.4% |
| Underwriting Result | 1,734 | 778 | 122.8% |
| Integral Financing Result | 1,717 | 1,829 | (6.1%) |
| Investment Income | 1,268 | 1,518 | (16.5%) |
| Income Taxes | 1,023 | 544 | 88.1% |
| Net Result | 2,428 | 2,064 | 17.7% |
| Controlling Interest | 2,426 | 2,056 | 18.0% |
| Non-Controlling Interest | 3 | 7 | (65.5%) |
| BALANCE SHEET | | | |
| Assets | 56,642 | 51,059 | 10.9% |
| Investments & Real Estate | 29,514 | 26,735 | 10.4% |
| Invested Assets or float | 28,936 | 25,956 | 11.5% |
| Technical Reserves | 36,173 | 32,843 | 10.1% |
| Total Liabilities | 47,537 | 43,108 | 10.3% |
| Stockholders' Equity | 9,104 | 7,951 | 14.5% |
| PROFITABILITY RATIOS | | | |
| Return on Investments | 4.6% | 6.5% | (186) |
| ROE for the period | 28.5% | 29.5% | (96) |
| LTM ROE | 28.5% | 29.5% | (96) |

New car sales in Mx: -7.1%

Underwriting margin: 5.5%

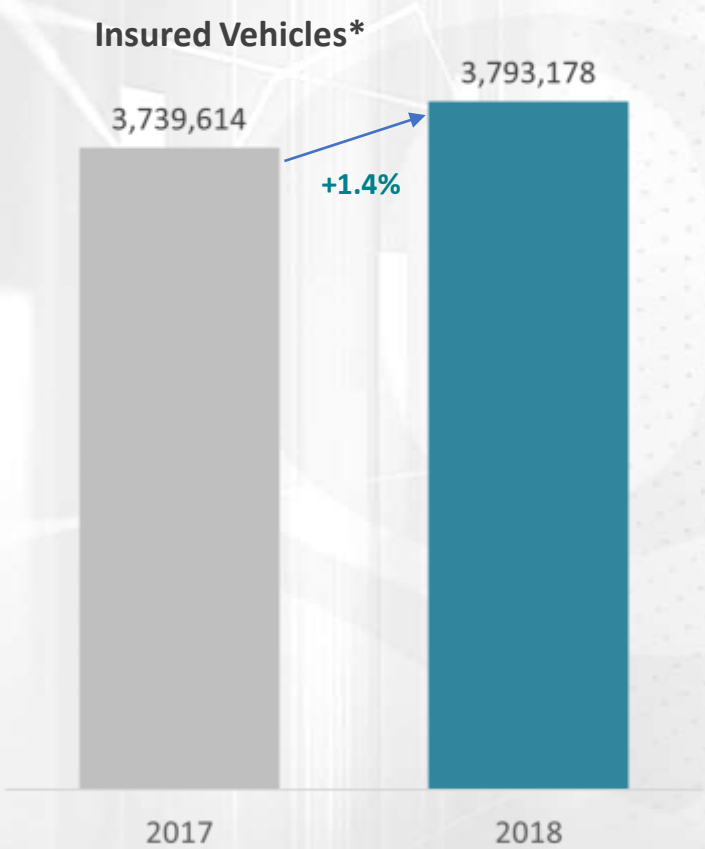
Net margin: 7.6%

*Combined Ratio Adjusted: (Acquisition Cost + Claims Cost + Operating Expenses) / Premiums Earned

Premiums written (Q MX)

Premiums written

| | Financial Institutions | Fleets | Individual | ODQ | Other | Total |
|----------|------------------------|--------|------------|-------|---------|--------|
| 2018 | 12,994 | 10,662 | 8,331 | 726 | 110 | 32,823 |
| 2017 | 14,733 | 9,294 | 6,862 | 587 | 674 | 32,149 |
| Δ | | | | | | |
| Relative | (11.8%) | 14.7% | 21.4% | 23.6% | (83.7%) | 2.1% |
| Absolut | (1,738) | 1,368 | 1,469 | 139 | (564) | 674 |



Figures in this slide only refer to Q MX

*Insured vehicles are expressed in units

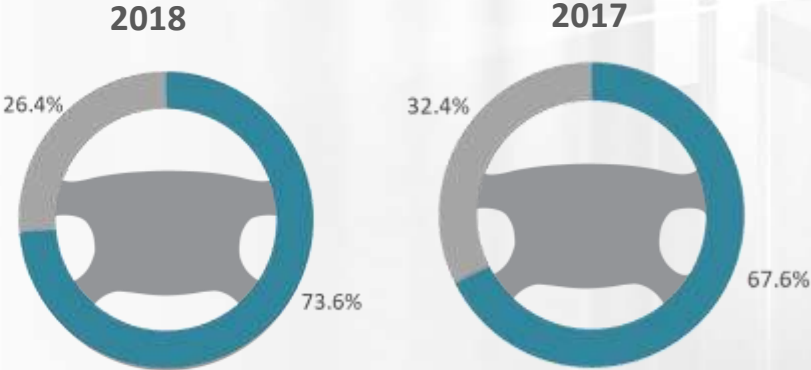


Sales & Revenues

Premiums written by segment

| Segment | 4Q18 | 4Q17 | Δ \$ | Δ % | 2018 | 2017 | Δ \$ | Δ % |
|------------------------|--------------|--------------|------------|-------------|---------------|---------------|------------|-------------|
| Individual | 2,533 | 1,993 | 540 | 27.1% | 9,057 | 7,450 | 1,608 | 21.6% |
| Fleets | 3,412 | 3,292 | 121 | 3.7% | 10,662 | 9,294 | 1,368 | 14.7% |
| Financial Institutions | 3,402 | 3,819 | (417) | (10.9%) | 12,994 | 14,733 | (1,738) | (11.8%) |
| Foreign subsidiaries | 373 | 468 | (95) | (20.3%) | 1,563 | 1,537 | 25 | 1.7% |
| Other | 77 | 24.4 | 52 | NA | 218 | 806.3 | (589) | (73.0%) |
| Total | 9,797 | 9,596 | 201 | 2.1% | 34,495 | 33,820 | 675 | 2.0% |

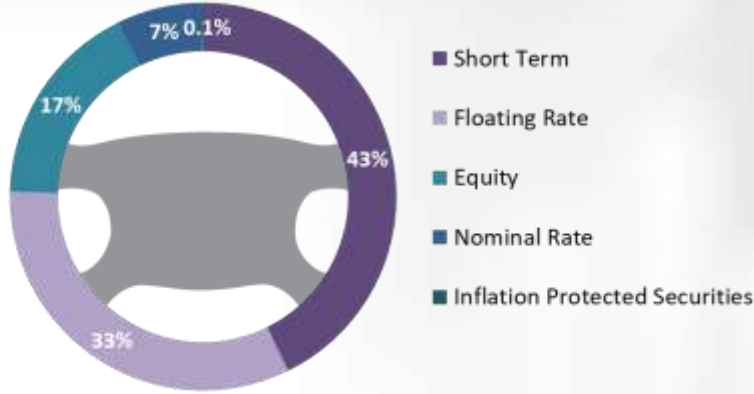
Premiums by duration



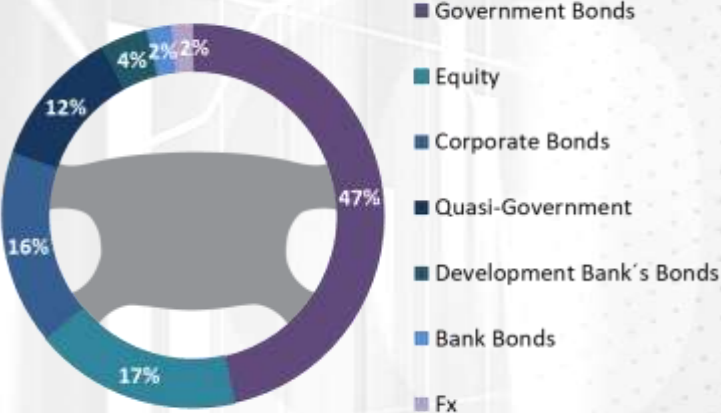
■ Annual ■ Multiannual

Profitability

Portfolio by risk

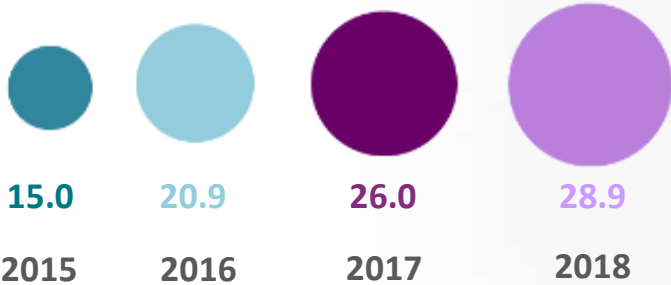


Portfolio by type of issuer

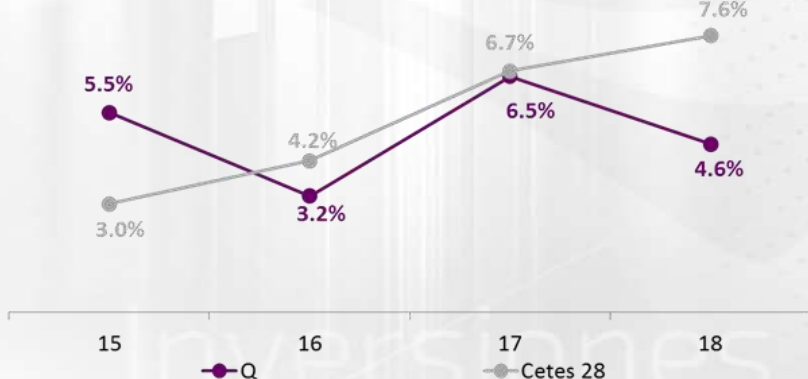


Invested assets, float, MXN BN

CAGR:24.5%

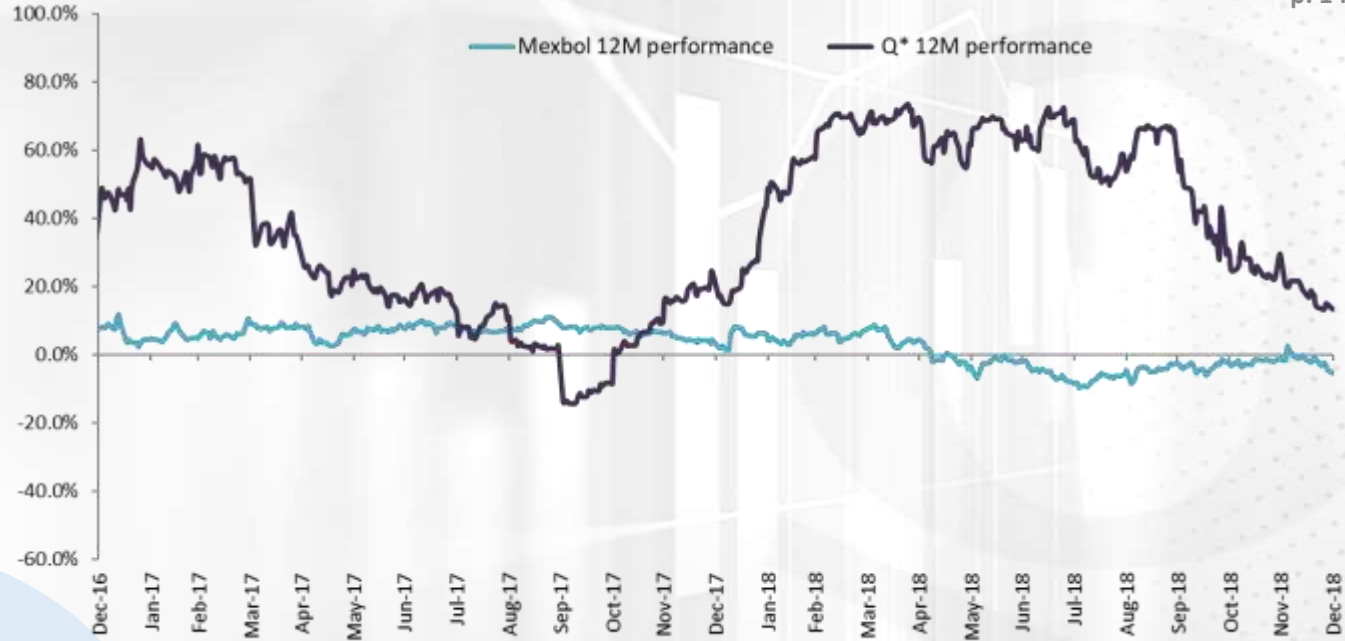


Return on investments



CAGR: Compound annual growth rate

Q* Performance



2018 Average traded volume: 606.6 K

2018 Average traded value: 28,845 K (MXN)

Liquidity: High

Indices: DJSI MILA Pacific Alliance, FTSE BIVA

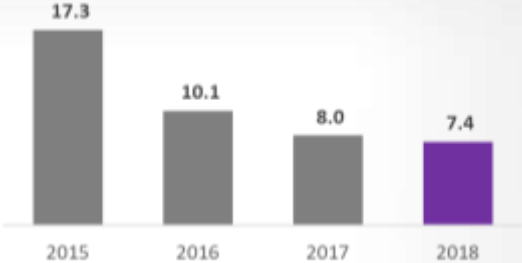
| | Q* | Mexbol |
|----------|---------|---------|
| vs. 3Q18 | (17.1%) | (15.9%) |
| 12M | 13.3% | (15.6%) |

Share Price

| | vs. 3Q18 | 12M |
|----------|----------|---------|
| Q | (17.1%) | 13.3% |
| BOLSA | (12.5%) | (1.1%) |
| GBM | (1.6%) | (3.6%) |
| ACTINVER | (7.4%) | (9.4%) |
| GFNORTE | (29.2%) | (11.2%) |
| GENTERA | (23.7%) | (11.7%) |
| GFINBUR | (3.6%) | (11.9%) |
| R A | (23.2%) | (15.7%) |
| FINDEP | (15.4%) | (23.9%) |
| CREAL | (31.2%) | (28.1%) |
| UNIFIN | (10.9%) | (36.9%) |

Multiples

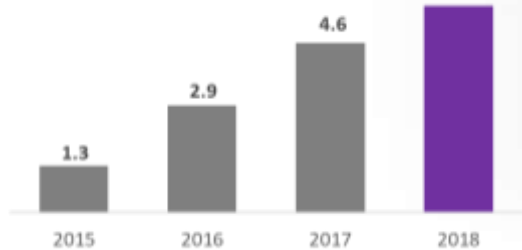
P/E



P/BV



EPS



Q* Stock Price



LTM ROAE



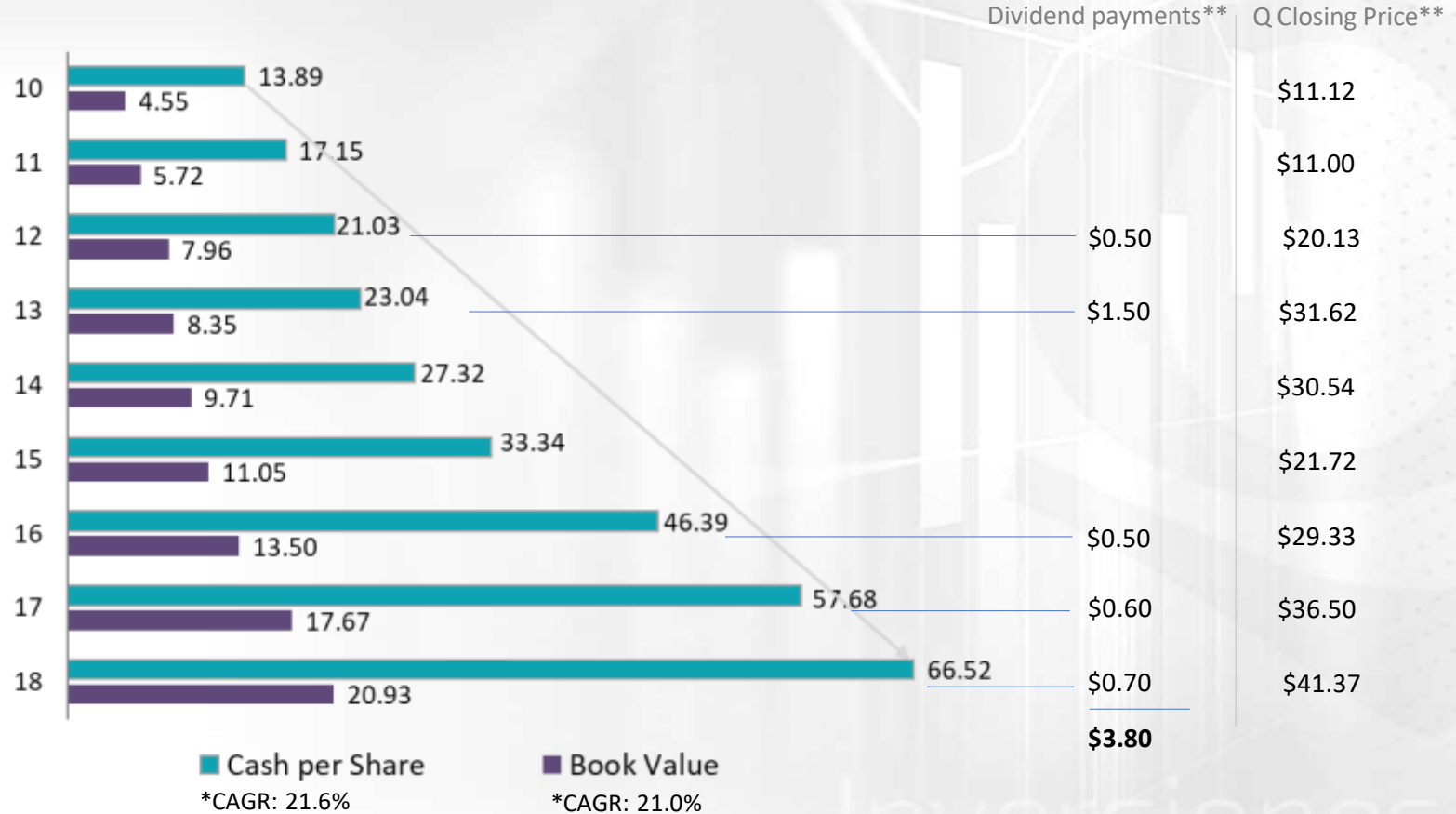
ROI



Cumulative net result vs 2015:
330.7%

Q* closing Price vs. 2015:
90.5%

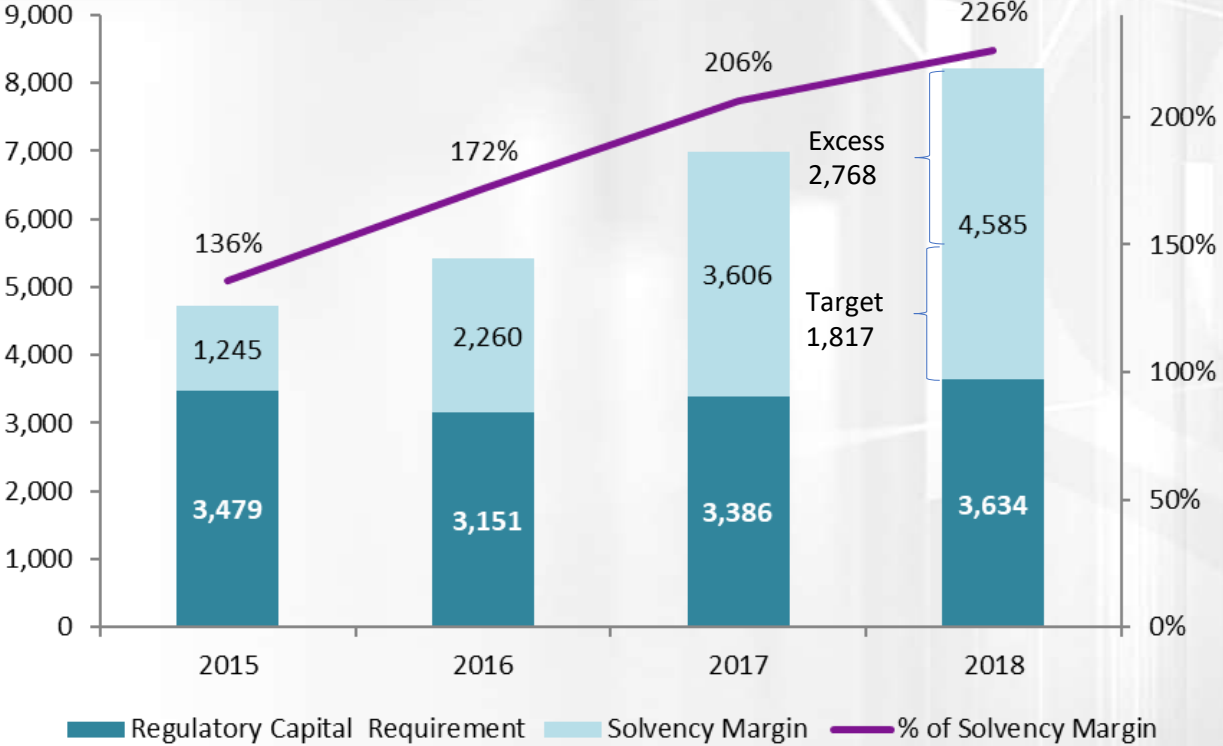
Cash & Investments per Share



*Compound Annual Growth Rate **Figures in pesos



Solvency Margin



% of Solvency Margin: $(\text{Solvency Margin} \div \text{Regulatory Capital Requirement}) + 1$

Guidance 2019

| | | 2019e |
|--|--|--------|
| Growth in Premiums Written | | 5-7% |
| Growth in Premiums Earned | | 7-9% |
| Ratios | | |
| | Acquisition | 22-24% |
| | Claims | 68-69% |
| | Operating | 3-4% |
| | Combined | 93-97% |
| Underwriting Margin (<i>underwriting result / premiums earned</i>) | | 3-4% |
| Return on Investments | Annual average of Banxico's interest rate* + 320/350 million pesos of Premiums Surcharge | |
| Average Invested Assets, <i>float</i> | \$29,000-\$30,000 million | |

* As of the date of this presentation Banxico's interest is 8.250%.

Note: Guidance may vary due to changes in macroeconomic conditions of the countries in which Quálitas operates.

Analysts Coverage

| Institution | Analyst | E-mail | Target Price | Recommendation |
|-------------------------|-------------------|--------------------------------------|--------------|----------------|
| Actinver | Enrique Mendoza | emendoza@actinver.com.mx | 54.0 MXN | Hold |
| Barclays | Gilberto García | gilberto.garcia@barclays.com | 55.0 MXN | - |
| 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 | 56.0 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 | Marisol Huerta | mhuerta@vepormas.com | - | - |
| Bloomberg (consenso) | | | 56.65 MXN | - |

Thank you for joining us.

IR Contacts:

Andreina Incandela

T: + 52 55 1555 6104

aicandela@qualitas.com.mx

María Fernanda Escobar

T: + 52 55 1555 6175

mfescobar@qualitas.com.mx