

April 24<sup>th</sup>, 2017

Dear shareholders:

We conclude another year in the life of Quálitas, this year we have been surprised by the volume of sales. The 52.0% growth has been largely related to the record sales of the automotive industry in our country (Mexico), along with the growth of financing. With the strong position that Quálitas has in automotive financing, the market share we had as of December was 31.5%, a very considerable increase over the 25.3% at the end of 2015.

Our operations outside Mexico are going quite well; in Costa Rica and the United States sales are growing at a good pace and with profitability. In El Salvador we are on a process of getting rid of the accounts that affected us and to grow insuring good businesses. During 2017 we are going to work to strengthen our structure in order to maintain growth.

In Mexico we have been affected by our currency devaluation, which has caused an increase in the auto repair costs. We have taken some actions to aim for the premiums we charge in this line are sufficient to deal with this situation. Also, we have focused on the claims cost control, having good results in tow trucks and medical expenses, where we have managed to pay lower amounts than in 2015.

With regard to the investments income, we were affected by the market volatility after U.S. elections, the volatility of the foreign exchange rate and the increase on the reference rate, these resulting in a performance of the portfolio lower than the internal objective of Cetes 28 rate plus 200 basis points. With an investment growth of 38.3% in 2016 and the hikes in the interest rate, we hope to see an important benefit during 2017.

This year we will keep focus on improving our cost control efficiency, searching alliances or procedures that allow us to control and lower our costs. This task will be of great importance as it will enable us to have competitive prices and tariffs.

Other sales channel that has worked very well is the ODQs (Quálitas Development Offices), of which we already have 197 Offices. In 2016 we opened 34 new ODQs; the whole channel exceeded the 430 million pesos in premiums. The ODQs have allowed us to offer our service in smaller towns giving the population the possibility to insure their automotive assets with us.

The results Quálitas has shown this year have been very satisfactory in terms of sales and also in profits. We are proud that in all these years we have been better than our peers.

We glance at our future with optimism and as a strong opportunity for our development; we are prepared to keep on growing and to be a better insurance and service alternative for our agents and policyholders each passing day. For this we must continue to work with a true service vocation, being modest, responsible and honest.

Sincerely,



Joaquín Brockman L.

Executive President equivalent to Chief Executive Officer