

Mexico City, November 6th, 2017

Analysts' Breakfast

Quálitas Controladora, S.A.B. de C.V. ("Quálitas", "The Company" or "the Group") (BMV: Q*), informs its shareholders and the investment community that today a breakfast was held in Mexico City for the analysts of the financial sector who provide coverage to the company.

The meeting was hosted by the Chief Executive Officer of Quálitas Controladora, Joaquín Brockman; the Chief Executive Officer of Quálitas Compañía de Seguros, Noah Couttolenc; the Chief Financial Officer, José Antonio Correa and Investments and Investor Relations Officer, Wilfrido Castillo and his team.

In the meeting, diverse subjects related to the groups' philosophy, the daily operation of the company, the growth and profitability in the past years and also the future of the automotive insurance industry and Quálitas in particular, were discussed.

The presentation can be consulted in the following link:

<http://qinversionistas.qualitas.com.mx/portal/wp-content/uploads/Presentación-desayuno-analistas-6-nov-Ingles.pdf>

Main matters discussed today were:

- Automotive insurance and Quálitas' expectations for 2034 in terms of insured vehicles, insurance penetration, market share, among others.
- About the outstanding service and costs control philosophy, the company remarked the importance of being close to the policyholders, agents and financial institutions, also top management mentioned some competitive advantages for each cost:
 1. Acquisition – no traditional sales structure, there are no prizes, contests and/or conventions for the agents
 2. Operating – no luxury policy and competitive cost controls
 3. Claims – to diminish fraud probability the company decreased the number of days to pay the policy “credit”, eliminated the deductibles in particular cases and now it carries on physical inspection
Indicator program to keep track on responsibility ratios and claims frequency
Average costs agreements with medical providers
- Top management discussed the current profitability strategy in Quálitas Mexico in which premiums are being adjusted according to previous experience and growth priority is set in the individual and fleet segments.

- The compound annual growth rate 2012-2017 in different items were reviewed in order to seize the company's operating, financial and balance sheet increase, as well as highlighting the close relationship between the underwriting business and the investments income.
- Regarding the investment portfolio, the company emphasized the significant growth of cash and investments, cash per share, the benefit obtained from the hikes in interest rates and, for its management strategy, the aim of seeking stability and predictability of the investment income.
- With more than a year and a half of experience under Solvency II, Quálitas has determined that this regulatory change was an important benefit for the company, since it allowed it to release reserves in 2016 and has also reduced the capital requirements. As of September, the company has a significant surplus or excess over the target capital and even with this excess it has registered an annualized 9 month ROE of 25.0%.
- For Quálitas it is essential to create wealth and maintain its capacity to obtain sustainable ROEs between 18-24% in the long term. This as a result of an integral strategy in which the underwriting and investment business and capital requirements are operated efficiently. Also the company keeps the target of being the operator with lower costs.
- Finally, about 2018 expectations, the company mentioned that it expected a growth in written premium similar to the Mexican auto insurance industry growth, since there are several factors such as NAFTA, inflation and the exchange rate that can modify the growth estimates of the industry. In relation to the investment income, it estimates average cash and investments or float of \$25,000 million pesos, a return on investments close to 7% (depending on the Cete 28 Day Treasury rate) and \$250 million pesos for the concept of financial surcharge. It is important to mention that an official guidance will be given in the fourth quarter results conference call.

About Quálitas:

Quálitas (Q) is the largest auto insurance company in Mexico in terms of market share, with operations in El Salvador, Costa Rica and USA. Its specialized business model, based exclusively in auto insurance, has allowed the Company to provide top quality service under the largest network in Mexico. Quálitas is listed on the Mexican Stock Exchange (BMV) under the ticker "Q" (Bloomberg: Q*: MM)

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