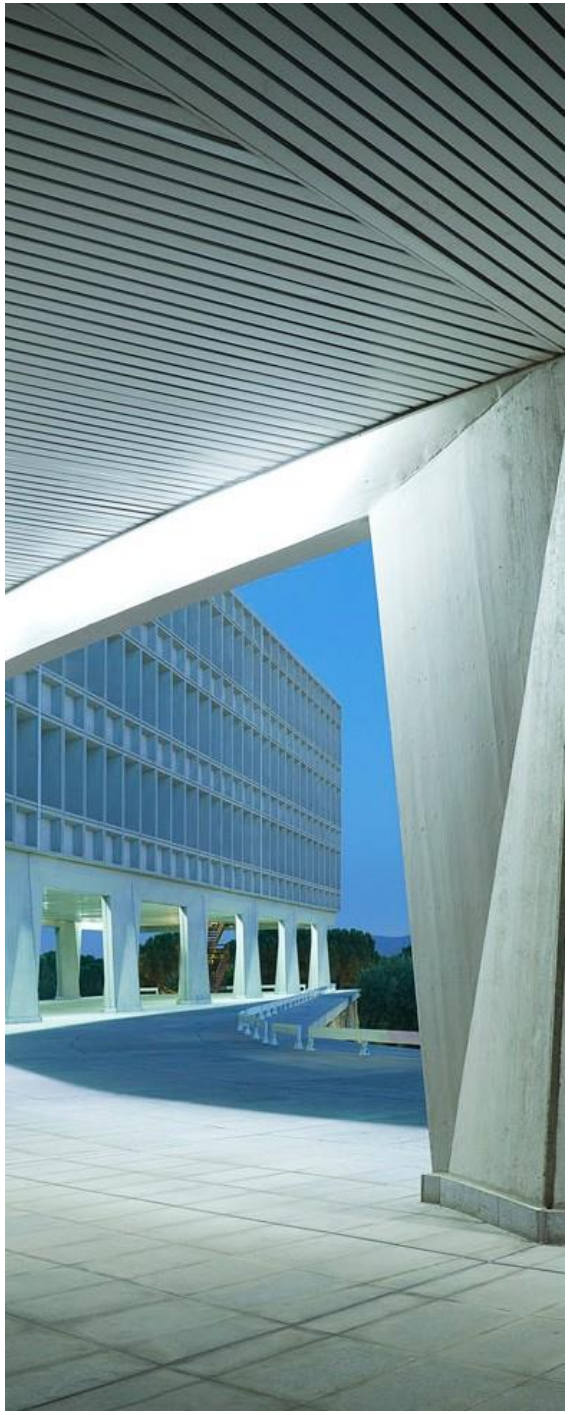
3M2018



Quarterly Report

Grupo Catalana Occidente, S.A.

Catalana Occidente
Grupo asegurador

Table of contents

01. Keys of the period 3M 2018 ..... **3**
Key financial figures 4
Business diversification 6
Group performance in 3M 2018 7
GCO shares and dividends 8
Market environment 9

02. Business performance in 3M 2018 ..... **10**
Traditional business 11
Credit insurance business 14
Investments and funds under management 16
Capital management 18

03. Appendices **19**
About Grupo Catalana Occidente 20
Additional Information credit insurance 22
Expenses and commissions 23
Financial result 23
Non-recurring result 23
Balance Sheet 24
Corporate structure 25
Board of Directors 26
Corporate responsibility and Foundation 27
Calendar and contact 28
Glossary 29
Legal note 33

Download our App

@gco_news

01 Keys of the period 3M 2018

Key financial figures

"At the end of the first quarter of 2018, the Group has increased invoicing, profit and capital"

Growth

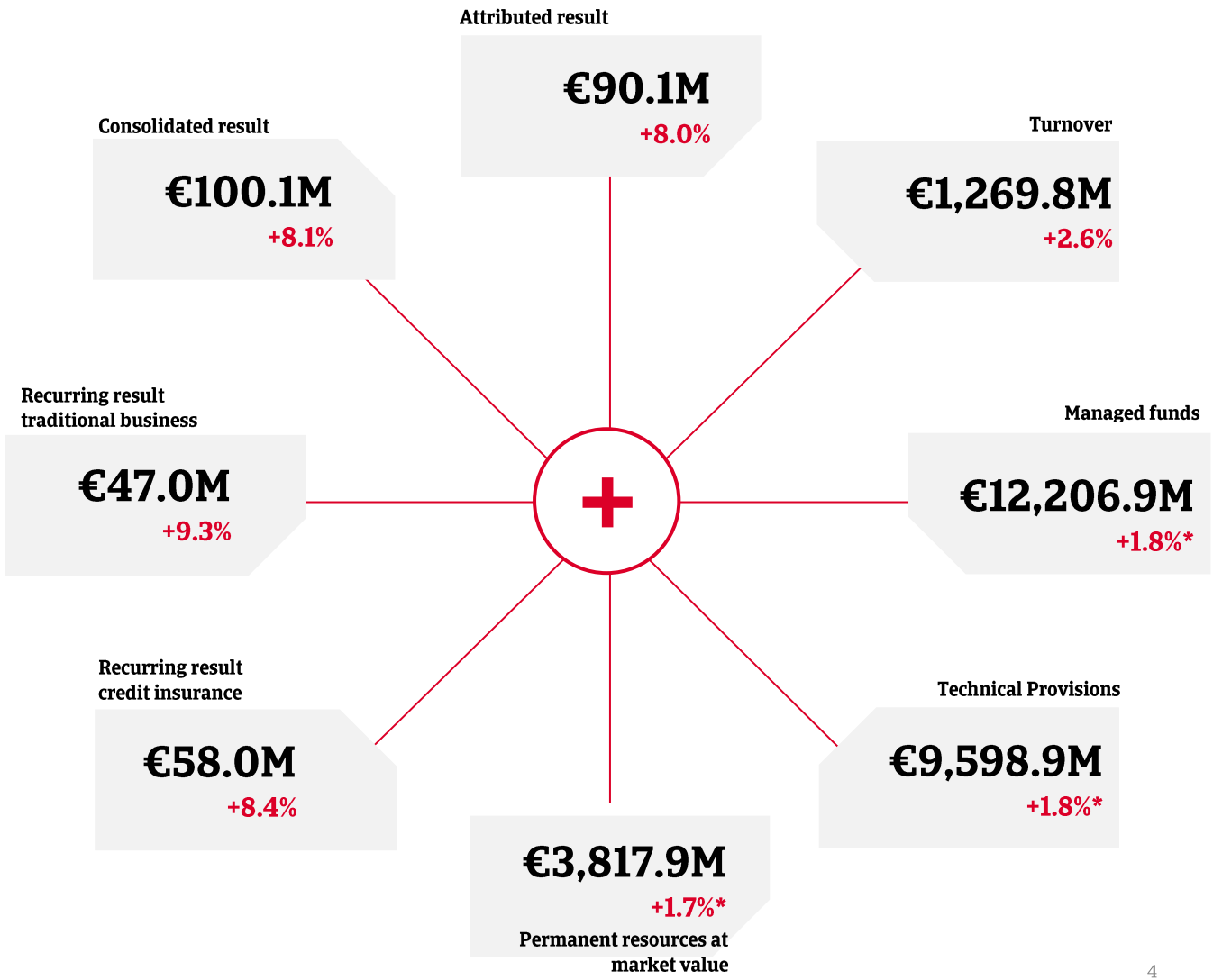
- Increase of 4.0% in recurring premiums.

Profitability

- Increase of 8.1% of consolidated result, reaching €100.1M.
- Improvement of recurring results:
  - 9.3% in the traditional business, with €47M.
  - 8.4% in the credit insurance business, with €58M.
- Excellent combined ratio:
  - 90.5% in traditional business (non-life).
  - 71.3% in the credit insurance business.
- Increase of 7.2% in shareholder remuneration.

Solvency

- In March 2018, Moody's increased the rating of the credit insurance entities (Atradius Crédito y caución and Atradius Re), up to A2 with a stable perspective.



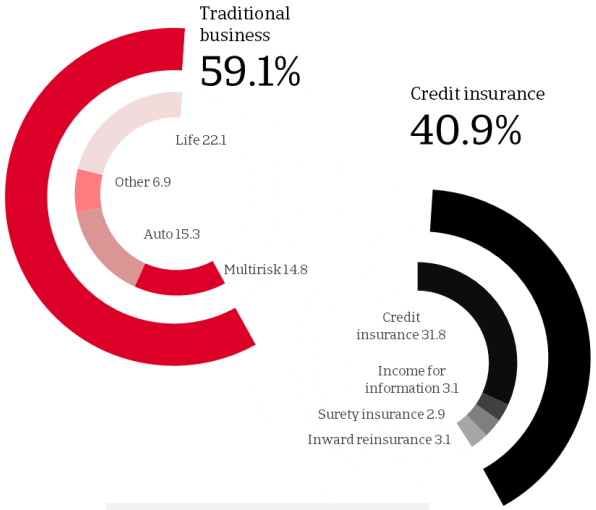
*Comparison 12M2017

(figures in millions of euro)

	Key financial figures	3M 2017	3M 2018	% Chg. 17-18	12M 2017
A	**GROWTH**				
	Turnover	1,238.1	1,269.8	2.6%	4,254.3
	- Traditional business	706.5	711.7	0.7%	2,516.1
	- Credit insurance business	531.6	558.1	5.0%	1,738.2
B	**PROFITABILITY**				
	Consolidated result	92.6	100.1	8.1%	357.3
	- Traditional business	43.0	47.0	9.3%	179.1
	- Credit insurance business	53.5	58.0	8.4%	190.0
	- Non-recurring	-3.8	-4.8		-11.8
	Result attributable	83.4	90.1	8.0%	325.4
	Combined traditional business ratio	92.2%	90.5%	-1.7	91.4%
	Combined ratio credit insurance	72.0%	71.3%	-0.7	75.2%
	Dividend per share				0.78
	Profitability per dividend				2.2%
	Pay-out				28.3%
	Share price	33.3	35.4	6.3%	36.9
	Share revaluation	7.0%	-4.2%		18.7%
	PER	13.19	12.79		13.60
	ROE	11.5%	11.8%		11.9%
C	**SOLVENCY**				
	Long-term capital at market value	3,608.1	3,817.9	5.8%	3,755.5
	Technical Provisions	9,544.5	9,598.9	0.6%	9,425.2
	Funds under management	11,852.0	12,206.9	3.0%	11,988.2
D	**NON-FINANCIAL DATA**				
	Number of employees	7,315	7,295	-0.3%	7,352
	% permanent contracts	96.3%	96.3%		96.8%
	% men over total employees	51.7%	51.7%		52.0%
	Number of offices	1,656	1,654	-0.1%	1,648
	Number of intermediaries	18,631	18,593	-0.2%	18,514

Business diversification 12M2017

"Grupo Catalana Occidente has a balanced and diversified portfolio"

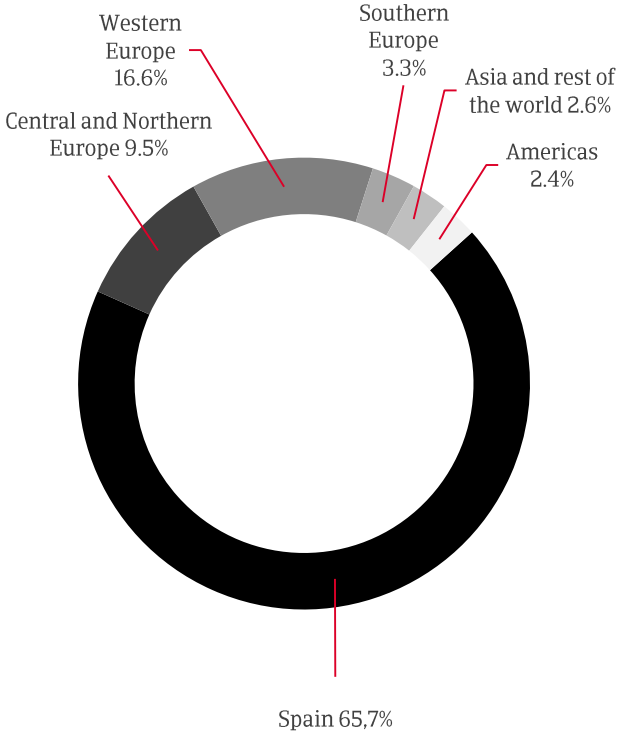


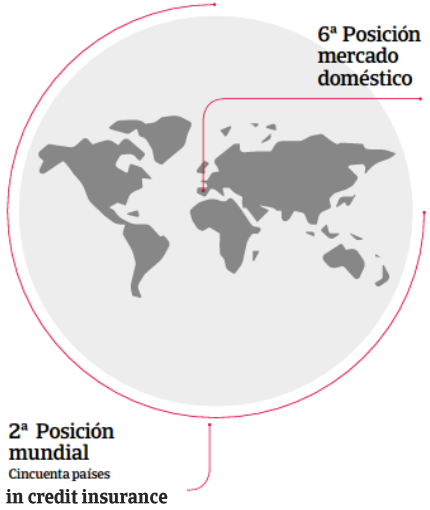
29.1% retained business

In the traditional business (59.1% of the total turnover), the Group carries out its activity through the entities Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao, NorteHispana Seguros y Previsora Bilbaína Seguros, guaranteeing a balanced and diverse implementation. In credit insurance business (29.1% of the total in terms of retained business), the Crédito y Caución brand gives it a leadership position in the Spanish market, while the Atradius brand gives it an international dimension and leadership.

Global presence

"Grupo Catalana Occidente is present in over 50 countries and has a significant presence in Spain."





Grupo Catalana Occidente obtains 65.7% of its income from the domestic market, where it holds the sixth position, through the brands Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao, NorteHispana Seguros, Grupo Previsora Bilbaína and Crédito y Caución.

In the credit insurance business, through the brands Atradius and Atradius Re, the Group is present in over 50 countries and holds the second position on a global scale.

Group Performance in 3M 2018

"The Result attributable of the Group has increased by 8.0% and the growth of recurring premiums has been 4.0%"

The result attributable of the Group has grown by 8.0%, reaching €90.1M.

This improvement is based on an increase in the technical result, with €133.4M, which increased by 17.8% including the application of sound underwriting criteria and the continuous improvement of efficiency.

The combined ratio of traditional business has been placed in 90.5% improving 1.7 p.p due to a lower accident rate as well as a reduction of costs. In this financial year the good combined ratio of 82.0% of various is highlighted, being 5.9 p.p. better.

In credit insurance, the net combined ratio is 71.3%, reducing to 0.7 p.p., including a slight increase in claims that is compensated with improved expenses and commissions.

The recurring financial result contributes €9.9M. With all of this, the consolidated result has grown by 8.1%, reaching €100.1M.

For further information, see annexes

(figures in millions of euro)

Income statement	3M 2017	3M 2018	% Chg. 17 -18	12M 2017
Written premiums	1,186.5	1,217.8	2.6%	4,123.5
Earned premiums	1,021.3	1,040.4	1.9%	4,094.2
Income from information	51.6	52.0	0.8%	130.8
Net income from insurance	**1,072.9**	**1,092.4**	**1.8%**	**4,225.0**
Technical cost	650.3	652.3	0.3%	2,548.4
% of net income	60.6%	59.7%		*60.3%*
Commissions	130.0	131.5	1.1%	521.9
% of net income	12.1%	12.0%		*12.4%*
Expenses	179.3	175.2	-2.3%	717.3
% of net income	16.7%	16.0%		*17.0%*
Technical result	**113.2**	**133.4**	**17.8%**	**437.4**
% of net income	10.6%	12.2%		*10.4%*
Financial result	14.9	9.9	-33.6%	61.2
% of net income	1.4%	0.9%		*1.4%*
Result of non-technical non-financial account	-2.9	-5.6		-23.1
% of net income	-0.4%	-0.5%		*-0.6%*
Result before tax	**125.2**	**137.7**	**10.0%**	**475.5**
% of net income	11.7%	12.6%		*11.3%*
Consolidated result	**92.6**	**100.1**	**8.1%**	**357.3**
Result attributable to minorities	9.2	10.0	8.7%	31.9
Result attributable	**83.4**	**90.1**	**8.0%**	**325.4**
% of net income	7.8%	8.2%		*7.7%*

Results by areas of activity	3M 2017	3M 2018	% Chg. 17-18	12M 2017
Recurring results traditional business	**43.0**	**47.0**	**9.3%**	**179.1**
Recurring results from credit insurance business	**53.5**	**58.0**	**8.4%**	**190.0**
Non-recurring result	**-3.8**	**-4.8**		**-11.8**

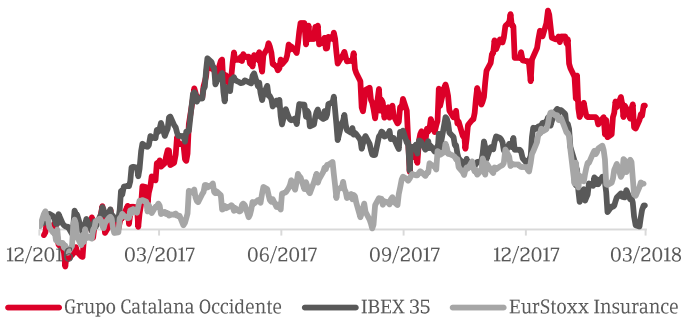
GCO shares and dividends

Share performance

"Shares in Grupo Catalana Occidente end the first quarter at €35.4/share"

In this period, the shares have reduced by -4.2%, being similar to the reference index of the Spanish market. The Group stocks are included in the IBEX MEDIUM CAP index, with a weight of 8.56%.

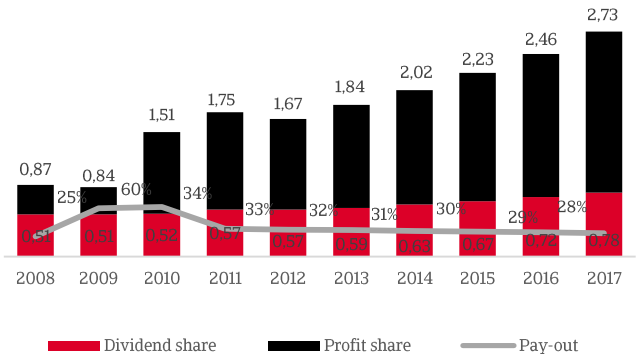
Share performance since the beginning of 2017



The average recommendation of the analysts is to "purchase" the share with a target price of €36.4/share (max. €40.0/share and min €34.7/share).

Dividends

"In 2017, the Group increased the dividend by 7.2% and distributed €93.0M"



Active relationship with the financial market

"Grupo Catalana Occidente maintains a smooth and close relationship with the financial market, offering specific communication channels"

During the first three months of the year, the Group transmitted its value proposition to the financial markets through the annual retransmission of the results published (on the website, in English and Spanish) and by holding roadshows in different European countries, as well as participating in forums/conferences.

Share price (euro per share)	3M 2017	3M 2018	12M 2017
Period start	31.11	36.94	31.11
Minimum	29.82	34.30	29.82
Maximum	33.50	38.70	38.57
Period end	33.28	35.40	36.94
Average	31.39	36.10	35.50

Profitability	3M 2017	3M 2018	TACC 2002 - 3M18
GCO	6.98%	-4.20%	16.35%
Ibex 35	11.88%	-4.40%	3.14%
EuroStoxx Insurance	2.61%	-1.70%	4.01%

Other data (in euro)	3M 2017	3M 2018	12M 2017
Number of shares	120,000,000	120,000,000	120,000,000
Nominal share value	0.30	0.30	0.30
Average daily subscription (number of shares)	56,991	49,251	60,007
Average daily subscription (euro)	1,792,368	1,765,460	2,081,648

2018 macroeconomic environment

World GDP growth is maintained, with upward revisions based on investment, international trade, and industrial production.

Asia Pacific GDP + 6.5% 2018e
- Maintains a high growth.

Eurozone GDP +2.5% 2018e
- Gradual recovery led by internal demand.
- Uncertainty due to Brexit.
- Low levels of unemployment.

United States GDP + +2.9% 2018e
- Consolidation of growth.
- Strong internal consumption.
- Expansive fiscal policy.
- Protective commercial policies.

Spain GDP +2.8% 2018e
- Increase above the Eurozone average.
- Solid internal demand.
- Improved labour market: unemployment at 17%.
- Increase of the average wage although it does not reach pre-crisis levels.
- Catalan political situation.

South America GDP +2.0% 2018e
- Recovery in Brazil with 0.7% GDP.
- Economic slowdown in Mexico.
- Complicated political scenario.

Fixed Income

- Slight increase in interest rates
- Maintenance of expansionary monetary policies in Europe, Japan and USA.

Interest rates 3M2018	1 year	3 years	5 years	10 years
Spain	-0.4	-0.2	0.1	1.2
Germany	-0.7	-0.5	-0.1	0.5
U.S.	2.1	2.4	2.6	2.7

Variable Income

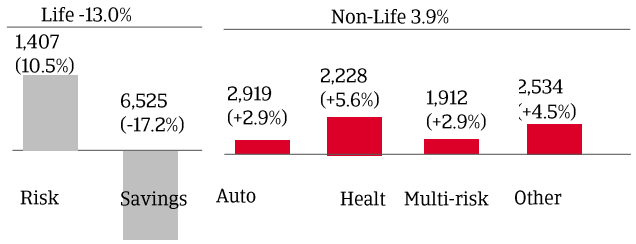
- Strong volatility and uneven behaviour between markets

	3M 2018	% Chg.
Ibex35	9,600.4	-4.4%
EuroStoxx Insurance	283.4	-1.7%
Eurostoxx50	3,361.5	-3.8%
Dow Jones	24,103.1	2.5%

Sectoral environment

"The insurance industry in Spain has suffered a 4.6% decrease in turnover, mainly due to a drop in life premiums"

Turnover Performance



Insurance group ranking performance (end year 2017 - first quarter 2018)

Group	*Position*	*Market share*
VidaCaixa	=	*13.3%*
Mapfre	=	*10.4%*
Grupo Mutua Madrileña	=	*7.8%*
Zurich	=	*7.0%*
Allianz	=	*6.3%*
Grupo Catalana Occidente	=	*4.5%*
Generali	↑ 1	*4.2%*
Grupo Axa	↑ 1	*4.1%*
Santalucía	↓ 2	*4.0%*
Santander Seguros	↑ 1	*3.3%*

02 Business performance in 3M 2018

Traditional business

"The positive performance is maintained, with growth of 2.9% in turnover of recurring premiums and 9.3% in recurring result"

Turnover increased, supported by Non Life business which grew by 2.9%. The increase of 3.2% in vehicles and 6.3% in others should be highlighted. The life business continues under pressure due to the decrease in single premiums.

The technical result increased by 21.9%, improving the margin on materials acquired by 1.4 p.p. supported both in the non-life and life business. The non-life technical result provides €37.6M and grows 24.9%, picking up the improvement of 0.8p.p. of the combined ratio to 90.5%. The technical cost reduced by 1.0 p.p. and the general expenses decreased by 0.6 p.p. In turn, the life business increased its technical result by €1.4M , placing it at €12.0M, supported by the favourable behaviour of the business and the contribution of Previsora Bilbaína.

The financial result, at €15.6 million, decreased by 10.9% (for further information, see page 22) and the complementary activities provide €10 million from the funeral business.

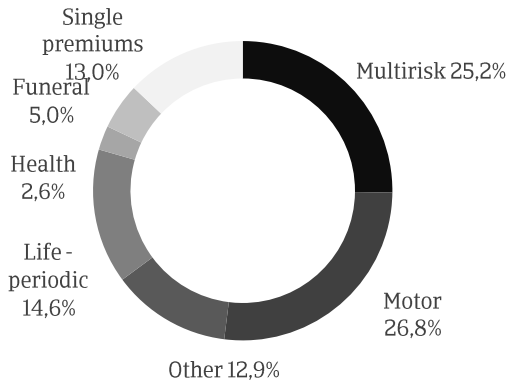
Recurring profit after tax has increased 12.6% to €47.0M. During the year there have been negative non-recurring results of €4.6M; in consequence, the total result is of €42.4M, increasing by 2.9%.

For further information, see annexes

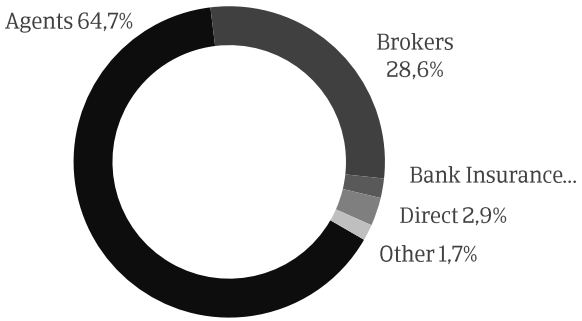
(figures in millions of euro)

Traditional business	3M 2017	3M 2018	% Chg. 17-18	12M 2017
Written premiums	706.5	711.7	0.7%	2,516.1
Recurring premiums	601.9	619.5	2.9%	2,153.2
Earned premiums	632.1	633.3	0.2%	2,506.2
Technical result	40.7	49.6	21.9%	182.8
% of earned premiums	*6.4%*	*7.8%*		*7.3%*
Financial result	17.5	15.6	-10.9%	72.5
% of earned premiums	*2.8%*	*2.5%*		*2.9%*
Compl. Act. Funeral bus.	1.3	1.0		3.6
Recurring result	**43.0**	**47.0**	**9.3%**	**179.1**
Non-recurring result	**-1.8**	**-4.6**		**1.44**
Total result	**41.2**	**42.4**	**2.9%**	**180.5**

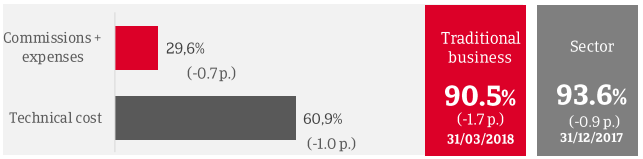
Distribution per business



Distribution channels



Combined ratio



Multirisk

"The growth rate for turnover is maintained at 0.8% with a stable combined ratio of 91.2%, which continues to be influenced by meteorological incidents"

(figures in millions of euro)

Multirisk	3M2017	3M2018	% chg. 17 - 18	12M2017
Written premiums	**177.8**	**179.3**	**0.8%**	**631.3**
Earned premiums	155.5	157.7	1.4%	629.8
% Technical cost	*57.5%*	*57.7%*	*0.2*	*54.1%*
% commissions	*20.5%*	*20.5%*	*0.0*	*20.5%*
% expenses	*13.2%*	*13.0%*	*-0.2*	*13.3%*
% combined ratio	**91.2%**	**91.2%**	**0.0**	**88.0%**
Technical result after expenses	**13.7**	**13.9**	**1.5%**	**75.8**
% of earned premiums	*8.8%*	*8.8%*		*12.0%*

Motor

"The turnover growth rate increased to 3.2%. The combined ratio improved by 1.3 p.p., reaching 93.7%, supported by the efficiency in expenses, reducing the ratio 1.0 p.p."

(figures in millions of euro)

Auto	3M2017	3M2018	% chg. 17 -18	12M2017
Written premiums	**184.7**	**190.6**	**3.2%**	**651.8**
Earned premiums	158.6	162.0	2.1%	649.0
% Technical cost	*70.2%*	*70.3%*	*0.1*	*71.2%*
% commissions	*11.1%*	*10.7%*	*-0.4*	*11.1%*
% expenses	*13.7%*	*12.7%*	*-1.0*	*14.2%*
% combined ratio	**95.0%**	**93.7%**	**-1.3**	**96.5%**
Technical result after expenses	**7.8**	**10.3**	**32.1%**	**22.7**
% of earned premiums	*4.9%*	*6.4%*		*3.5%*

For further information, see annexes

Other

Good behaviour of the business supported by growth in turnover of 6.3% and a significant reduction in claims of 5.9 p.p. due to lower number of outlier claims"

(figures in millions of euro)

Other	3M2017	3M2018	% chg. 17 -18	12M2017
Written premiums	**86.4**	**91.8**	**6.3%**	**293.9**
Earned premiums	70.6	74.6	5.7%	290.4
% Technical cost	*52.9%*	*47.0%*	*-5.9*	*52.1%*
% commissions	*21.4%*	*21.8%*	*0.4*	*20.5%*
% expenses	*13.6%*	*13.2%*	*-0.4*	*14.8%*
% combined ratio	**87.9%**	**82.0%**	**-5.9**	**87.4%**
Technical result after expenses	**8.6**	**13.4**	**55.8%**	**36.6**
% of earned premiums	*12.2%*	*18.0%*		*12.6%*

Life

"Favourable performance of recurring business growing although the drop in single premiums persists. Increase in the result supported by reduced incidence of claims and surrenders and the contribution of the funeral business"

.

(figures in millions of euro)

Life	3M2017	3M2018	% chg. 17 -18	12M2017
Life insurance turnover	**257.6**	**250.0**	**-3.0%**	**939.1**
Health	17.4	18.6	6.9%	54.5
Funeral	34.0	35.5	4.4%	127.7
Periodic premiums	101.6	103.7	2.1%	394.0
Single premiums	104.6	92.2	-11.9%	362.9
Recurring premiums	**153.0**	**157.8**	**3.1%**	**576.2**
Earned premiums	**247.4**	**239.0**	**-3.4%**	**936.9**
Technical result after expenses	**10.6**	**12.0**	**13.2%**	**47.6**
% of earned premiums	*4.3%*	*5.0%*		*5.8%*

For further information, see annexes

Credit insurance business

"Growth in earned premiums of 4.6% and improved recurring result by 8.4%"

In the credit insurance business, the Group has increased its net income (earned premiums and information services) by 4.1% reaching €459.1M. The earned premiums, at €407.1 million, have increased by 4.6%, with a notable performance in Spain.

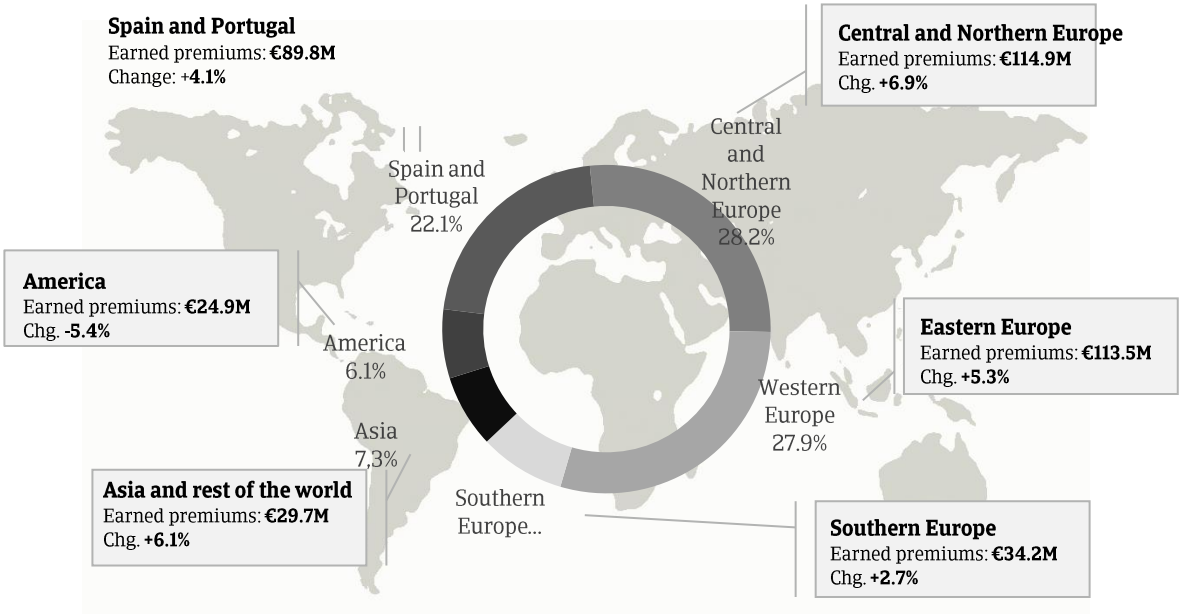
In Spain, its main market, the earned premiums grew 4.1%, improving the trend with respect to previous periods. In the rest of European markets premiums increase, highlighting the growth of Germany. In America, premiums fell by 5.4%.

For its part, income from information has increased by 4.4%, contributing €52.0 million.

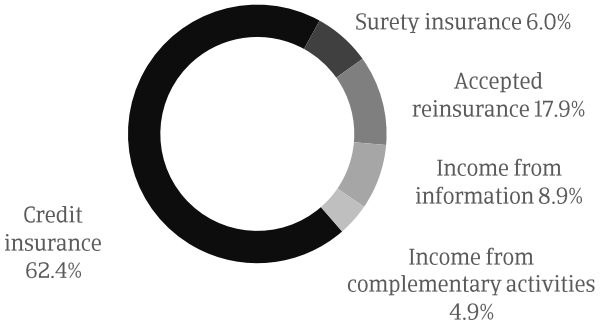
The Group has increased exposure to risk (TPE) by 2.1%, to €621.2B. Europe represents 73.1% of total exposure and Spain is the main market, with 15.8% of the total.

For further information, see annexes

+4.6% increase in earned premiums, at €407.1M



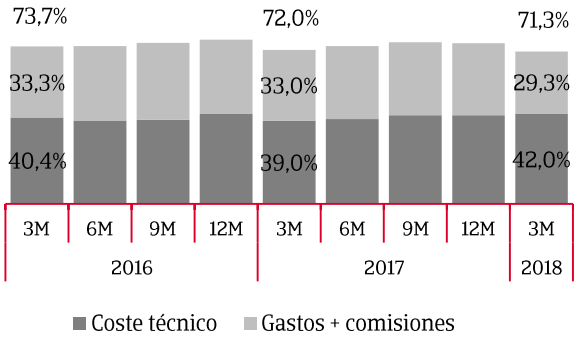
Business diversification



The technical result after expenses, at €109.6 million, reduces by 0.6%, including a slight increase in claims that is compensated by improved expenses and commissions. Since the beginning of the year, the transfer ratio to reinsurance has reduced up to 40% of the earned premiums (2.5 points lower than in previous years).

The combined ratio is 71.3%, 0.7 p.p less than in the same period of the previous year.

Performance of the net combined ratio



For its part, the financial result is negative, mainly due to the negative impact of the differences in exchange rate.

Thus, the consolidated result, at €58.0 million, increased by 8.4%. By incorporating the non-recurring results, the total result is placed at €57.8M, increasing by 12.2%.

For further information, see annexes

(figures in millions of euro)

Credit insurance business	3M 2017	3M 2018	% Chg. 17-18	12M 2017
Earned premiums	389.3	407.1	4.6%	1,558.0
Income from information	51.6	52.0	0.8%	130.8
Credit insurance income	**440.9**	**459.1**	**4.1%**	**1,718.8**
Technical result after expenses	**110.3**	**109.6**	**-0.6%**	**392.9**
% over income	25.0%	23.9%		22.9%
Reinsurance result	-34.0	-25.6	-24.7%	-133.7
% over income	-7.7%	-5.8%		-8.4%
Net technical result	76.4	84.1	10.1%	259.2
% over income	17.3%	18.3%		15.1%
Financial result	0.0	-1.3		3.3
% over income	0.0%	-0.3%		0.2%
Result from complementary activities	1.3	0.0		6.8
Company income tax	-21.6	-22.8	5.6%	-69.9
Adjustments	-2.7	-2.2		-9.6
Recurring result	**53.5**	**58.0**	**8.4%**	**190.0**
Non-recurring result	**-2.0**	**-0.2**		**-13.2**
Total result	**51.5**	**57.8**	**12.2%**	**176.8**

Investments and funds under management

"Investment operations, focused on traditional assets, have been characterised by prudence and diversification"

The Group manages funds amounting to €12,206.9 million, €218.7 million more than in the previous year.

The total investment in property at market value amounts to €1,265.2 million. The majority of the Group's properties are located in areas considered "prime" areas in the most important Spanish cities. All of the properties for use by third parties are located in these areas and have a very high rate of occupancy. Every two years they are evaluated, through entities that are authorised by the supervisor. Capital gains from these properties stand at €482.3M.

Fixed-income investment represents 59.2% of the total portfolio, standing at €6,648.3 million. The distribution of the rating in the portfolio is shown graphically below. At year end, 69.4% of the portfolio is rated A or higher. The duration of the portfolio at the end of the financial year is 4.78 years and profitability at 2.54%.

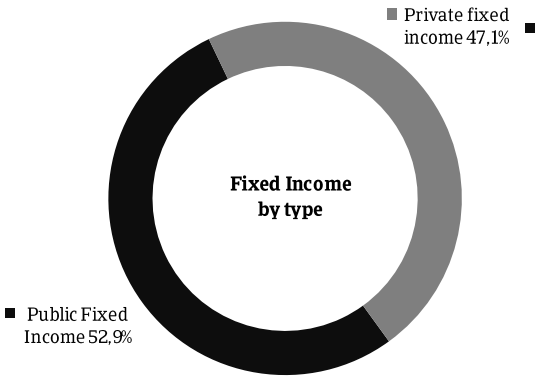
(figures in millions of euro)

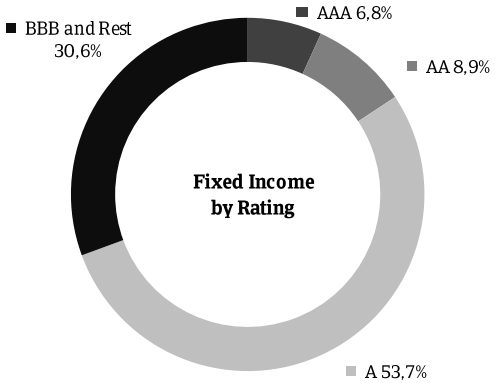
Investments and funds under management	12M 2017	3M 2018	% Chg. 17-18	% of Inv. R. Co.
Properties	1,170.7	1,265.2	8.1%	11.3%
Fixed Income	6,568.4	6,648.3	1.2%	59.2%
Variable Income	1,404.0	1,376.5	-2.0%	12.3%
Deposits with credit institutions	382.4	553.5	44.7%	4.9%
Other investments	135.2	133.6	-1.2%	1.2%
Cash and monetary assets	1,274.9	1,168.7	-8.3%	10.4%
Investment in investee companies	84.8	86.1	1.5%	0.8%
Total investments, risk to entity	**11,020.4**	**11,232.0**	**1.9%**	**100.0%**
Investments on behalf of policyholders	356.8	363.2	1.8%	3.2%
Pension plans and investment funds	611.0	611.7	0.1%	5.4%
Total investments, risk to policy holders	**967.8**	**974.9**	**0.7%**	
Investments and funds under management	**11,988.2**	**12,206.9**	**1.8%**	

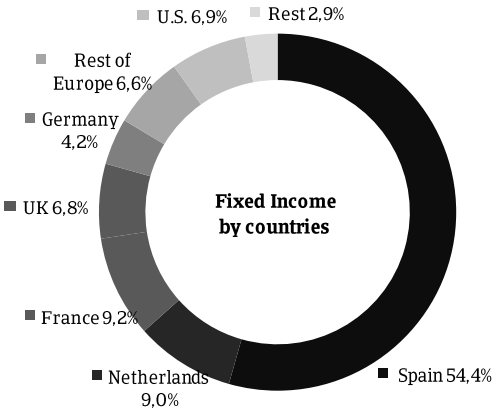
The variable income represents 12.3% of the portfolio and increases by 1.2%, reflecting the higher revaluation of the financial market. The investment portfolio is widely diversified and focused on high-capitalisation securities, mainly in the Spanish market (54.4%) and the European market (35.8%), which show attractive dividend returns.

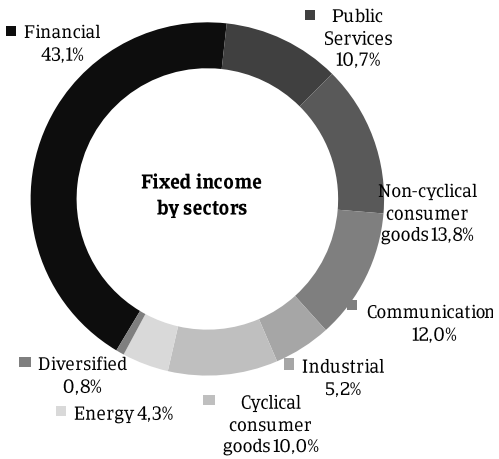
The Group maintains a position of liquidity in deposits in credit entities of €553.5M, mainly in Banco Santander and BBVA.

Fixed income

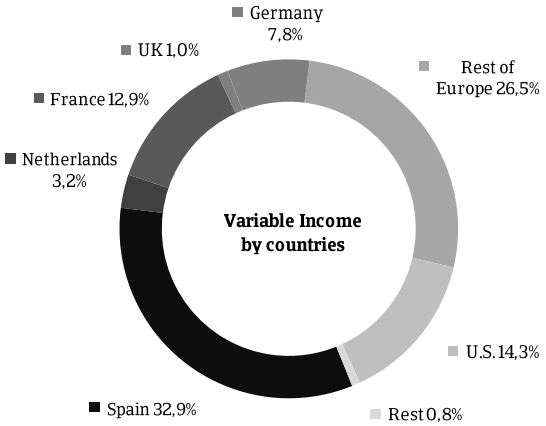


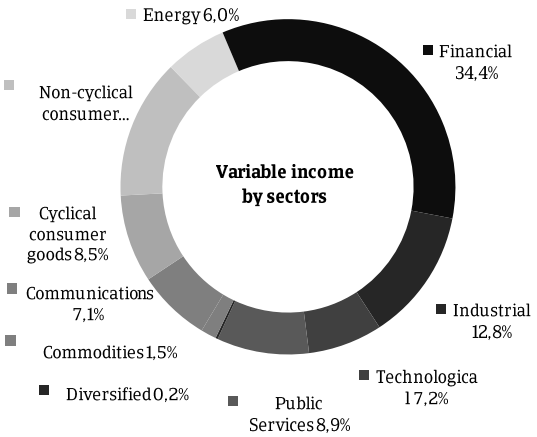






Variable Income





Capital management

"Grupo Catalana Occidente manages its capital with the goal of maximising value for all its interest groups, maintaining a solid position through obtaining long-term results and a prudent policy for remunerating shareholders."

Capitalisation €4.276B	High quality of own funds 95% Tier1	Solvency II ratio at 210%*	Strength for rating A

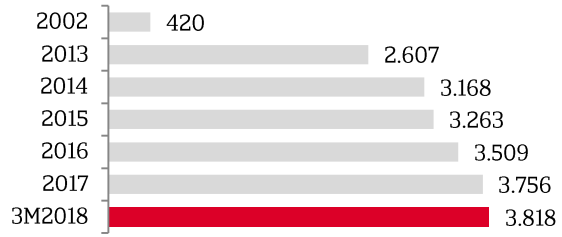
*data 2017 internal model (not audited)

Capital management at the Group is governed by the following principles:

- Ensure that Group and its companies have sufficient capitalisation to meet their financial obligations, even as they face extraordinary events.
- Manage the capital adequacy of the Group and its companies, taking into account the economic and accounting outlook and capital requirements.
- Optimise the capital structure through efficient allocation of resources between entities, ensuring financial flexibility and properly remunerating shareholders.

Capital performance

"At the end of March, the Group's capital had increased by 1.6%, supported by improved results"



(Figures in thousands of euro)

(figures in millions of euro)

Long-term capital at market value on 31/12/2017	**3,755.5**
Net equity on 01/01/2018	**3,078.6**
(+) Consolidated results	100.2
(+) Dividends paid	-17.3
(+) Variation of valuation adjustments	-15.9
(+) Other changes	-10.3
Total net equity on 31/03/2018	**3,135.3**
Subordinated debt	**200.3**
Long-term capital on 31/03/2018	**3,335.6**
Capital gains not included in balance sheet (properties)	482.3
Long-term capital at market value on 31/03/2018	**3,817.9**

Market movements have led to an decrease in the value of investments, with a negative impact of €15.9 million. Dividends have also been paid, amounting to €17.3M, thus reducing the Net Equity by the same amount.

Credit rating

*"The "A" rating with a stable perspective reflects the good business model, excellent operational results and adequate capitalisation, thanks to the internal capital generation by the entities of the Group"**

Furthermore, for traditional business, A.M. Best underscores the prudent underwriting guidelines and extensive network of agents resulting in greater customer loyalty. Furthermore, it considers that exposure to natural disasters is limited, thanks to the existence of a national coverage system.

A.M. Best and Moody's highlight the strong competitive position of the credit insurance companies, through:

- Good capitalisation
- Low financial leveraging
- The conservative investment portfolio

In March 2018, Moody's increased the rating of the credit insurance entities (Atradius Crédito y caución and Atradius Re), up to A2 with a stable perspective.

	AMBest	Moody's
Seguros Catalana Occidente	A stable	
Seguros Bilbao	A stable	
Plus Ultra Seguros	A stable	
Atradius Crédito y Caución	A stable	A2 stable
Atradius Re	A stable	A2 stable

03 Appendices

About Grupo Catalana Occidente

Grupo Catalana Occidente, S.A. is a limited company that does not directly practise in the insurance business, but that is the head of a group of dependent entities that are principally engaged in insurance activities.

The registered office of Grupo Catalana Occidente is in Paseo de la Castellana 4, Madrid (Spain) and its website is: www.grupocatalanaoccidente.com

The Group is subject to the rules and regulations of insurers operating in Spain. The Directorate General of Insurance and Pension Funds as leading supervisor of the College of Supervisors (hereinafter 'DGSFP') performs the functions of supervision in the field of insurance and reinsurance, insurance mediation, capitalisation and pension funds. The DGSFP is located in Madrid (Spain) in Paseo de la Castellana, 44 and its website is:
oficinavirtual.dgsfp@mineco.es

Insurance specialist

- Over 150 years of experience
- Complete offer
- Sustainable and socially responsible model

Closeness – global presence

- Distribution of intermediaries
- Over 18,000 agents
- 7,300 employees
- Over 1,600 offices
- Over 50 countries

Solid financial structure

- Listed on the Stock exchange
- "A" Rating
- Stable, committed shareholders

Technical rigour

- Excellent combined ratio:
- Strict cost control
- 1999-2017: profitable multiplied by 10
- Prudent and diversified investment portfolio

Additional information on credit insurance

(figures in millions of euro)

Income	3M 2017	3M 2018	% Chg. 17-18	12M 2017
Written premiums (€M)	**480.0**	**506.1**	**5.4%**	**1,607.4**
Credit insurance	348.1	366.0	5.2%	1,353.7
Surety insurance	33.9	35.3	4.1%	122.5
Accepted reinsurance	98.0	104.8	6.9%	131.2
Income from information	**51.6**	**52.0**	**0.8%**	**130.8**
Total income from insurance	**531.6**	**558.1**	**5.0%**	**1,738.2**
Complementary activities	30.3	28.8	-5.0%	121.9
CC Income	**561.9**	**586.9**	**4.4%**	**1,860.1**
Earned premiums	**389.3**	**407.1**	**4.6%**	**1,588.0**
Net income from insurance	**440.9**	**459.1**	**4.1%**	**1,718.8**

Combined ratio breakdown	3M 2017	3M 2018	% Chg. 17-18	12M 2017
% Gross technical cost	40.3%	42.8%	2.5	41.7%
% Gross commissions + expenses	34.7%	33.3%	-1.4	35.4%
% Gross combined ratio	**75.0%**	**76.1%**	**1.1**	**77.1%**
% Net technical cost	39.0%	42.0%	3.0	41.4%
% Net commissions + expenses	33.0%	29.3%	-3.7	33.8%
% Net combined ratio	**72.0%**	**71.3%**	**-0.7**	**75.2%**

(figures in millions of euro)

Risk accumulation per country	2014	2015	2016	2017	3M 2017	3M 2018	% Chg. 17-18	% of total
Spain and Portugal	85,165	89,601	93,437	98,714	94,975	98,159	3.4%	15.8%
Germany	77,297	80,398	82,783	86,430	85,194	86,103	1.1%	13.9%
Australia and Asia	69,210	79,668	79,013	84,233	85,790	85,448	-0.4%	13.8%
Americas	59,491	65,464	71,970	73,188	72,045	68,763	-4.6%	11.1%
Eastern Europe	45,925	50,805	55,098	59,253	56,842	60,317	6.1%	9.7%
UK	40,332	45,782	43,794	48,009	45,282	48,650	7.4%	7.8%
France	39,170	40,917	43,323	44,854	43,541	45,264	4.0%	7.3%
Italy	26,929	32,735	37,208	42,242	41,323	41,284	-0.1%	6.6%
Nordic and Baltic countries	23,261	25,883	26,964	28,738	27,894	29,265	4.9%	4.7%
Netherlands	23,152	23,914	25,268	27,636	26,155	28,127	7.5%	4.5%
Belgium and Luxembourg	14,229	14,662	15,708	16,701	15,997	16,762	4.8%	2.7%
Rest of the world	10,954	12,817	12,538	12,830	13,254	13,083	-1.3%	2.1%
Total	**515,114**	**562,644**	**587,104**	**622,829**	**608,291**	**621,226**	**2.1%**	**100%**

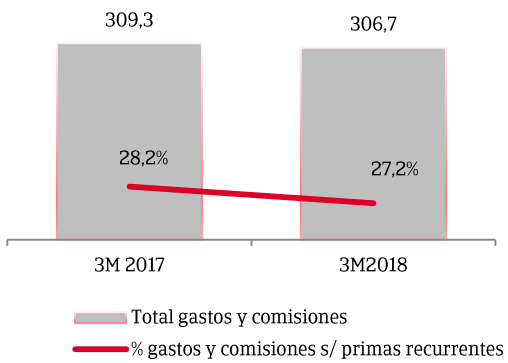
(figures in millions of euro)

Risk accumulation per sector	2014	2015	2016	2017	3M 2017	3M 2018	% Chg. 17-18	% of total
Chemicals	63,915	69,797	70,510	74,476	81,935	81,879	-0.1%	13.2%
Electronics	67,007	74,538	78,593	82,783	72,498	73,290	1.1%	11.8%
Durable consumer goods	56,347	60,940	65,324	68,442	66,138	66,954	1.2%	10.8%
Metals	56,286	59,888	58,855	63,419	61,401	64,670	5.3%	10.4%
Food	48,188	52,056	55,640	58,608	57,568	58,782	2.1%	9.5%
Transport	43,705	50,612	53,434	56,930	55,802	56,685	1.6%	9.1%
Construction	37,238	41,147	43,133	46,896	45,371	47,422	4.5%	7.6%
Machinery	31,629	33,902	34,734	37,137	36,163	38,243	5.8%	6.2%
Agriculture	25,932	28,327	30,907	33,318	32,093	33,551	4.5%	5.4%
Construction materials	21,981	24,425	25,387	27,058	26,509	27,313	3.0%	4.4%
Services	21,180	24,113	25,276	26,994	26,278	26,216	-0.2%	4.2%
Textiles	17,722	19,065	19,855	20,562	20,090	20,264	0.9%	3.3%
Paper	12,275	12,747	13,590	13,929	14,122	13,876	-1.7%	2.2%
Finance	11,711	11,088	11,867	12,277	12,323	12,080	-2.0%	1.9%
Total	**515,114**	**562,644**	**587,104**	**622,829**	**608,291**	**621,226**	**2.1%**	**100%**

Expenses and commissions

(figures in millions of euro)

Expenses and commissions	3M 2017	3M 2018	% Chg. 17-18	12M 2017
Traditional business	74.2	73.8	-0.6%	311.6
Credit insurance	100.9	100.8	-0.1%	400.8
Non-recurring expenses	4.2	0.6		4.8
Total expenses	**179.3**	**175.2**	**-2.3%**	**717.3**
Commissions	**130.0**	**131.5**	**1.1%**	**521.9**
Total expenses and commissions	**309.3**	**306.7**	**-0.8%**	**1,239.2**
% expenses and commissions without recurring premiums	28.2%	27.2%		32.8%



Financial result

(figures in millions of euro)

Financial result	3M 2017	3M 2018	% Chg. 17-18	12M 2017
Financial income	59.2	47.6	-19.6%	221.1
Exchange Differences	0.0	0.0		-0.5
Subsidiary companies	0.2	0.0		0.7
Interests applied to life	-41.9	-32.0	-23.7%	-148.7
Traditional business	**17.5**	**15.6**	**-10.9%**	**72.5**
% of earned premiums	2.8%	2.5%		2.9%
Financial income	4.2	2.6	-38.1%	15.3
Exchange Differences	-0.7	-1.2	71.4%	0.5
Subsidiary companies	0.7	1.6	128.6%	4.3
Interests subordinated debt	-4.2	-4.2	0.0%	-16.9
Credit insurance	**0.0**	**-1.3**		**3.3**
% over net income from insurance	0.0%	-0.3%		0.2%
Intra-group interest adjustment	-1.9	-1.6		-7.0
Adjusted credit insurance	**-1.9**	**-2.9**		**-3.7**
Recurring financial	**15.6**	**12.7**	**-19.1%**	**68.9**
% of total Group Income	1.5%	1.2%		1.6%
Non-Recurring financial	**-0.7**	**-2.9**		**-7.7**
Financial result	**14.9**	**9.9**	**-33.6%**	**61.2**

Non-recurring result

(figures in millions of euro)

Non-recurring result (net taxes)	3M 2017	3M 2018	12M 2017
Financial	-1.8	-3.8	6.2
Expenses and others	0	-0.8	-4.8
Non-recurrent from traditional business	**-1.8**	**-4.6**	**1.4**
Financial	1.2	0.3	-8.8
Expenses and others	-3.2	-0.5	-4.4
Non-recurring from credit insurance	**-2.0**	**-0.2**	**-13.2**
Net non-recurring result	**-3.8**	**-4.8**	**-11.8**

Balance sheet

The assets of Grupo Catalana Occidente increased by €371.5 million

Grupo Catalana Occidente ended March 2018 with assets of €14,572.9 million, an increase of 2.6% since the beginning of the year.

The main items that explain this increase are:

- Technical provisions, at €173.7 million.
- Cash, at €211.6 million.
- Net equity, at €56.7 million.

Note that the item "cash" does not reflect the Group's liquidity position as investments in deposits and money market funds are included in Financial Investments (See Investments and Funds under Management table).

Likewise, it should be remembered that Grupo Catalana Occidente does not account for the surplus value of its property featured, so they appear at the amortised cost value and not at market value.

(figures in millions of euro)

Assets	12M 2017	3M 2018	% Chg. 17-18
Intangible assets and property	**1,218.8**	**1,237.8**	**1.6%**
Investments	**10,596.9**	**10,808.5**	**2.0%**
Property investment	382.8	470.6	22.9%
Financial investments	8,957.9	9,187.0	2.6%
Cash and short-term assets	1,256.2	1,150.9	-8.4%
Reinsurance participation in technical provisions	**842.5**	**867.9**	**3.0%**
Other assets	**1,543.2**	**1,658.8**	**7.5%**
Deferred tax assets	84.3	86.8	3.0%
Credits	946.4	983.5	3.9%
Other assets	512.5	588.4	14.8%
Total assets	**14,201.4**	**14,572.9**	**2.6%**

Net liabilities and equity	12M 2017	3M 2018	% Chg. 17-18
Long-term capital	**3,278.9**	**3,335.6**	**1.7%**
Net equity	**3,078.6**	**3,135.3**	**1.8%**
Parent company	2,752.6	2,803.5	1.8%
Minority interests	326.0	331.8	1.8%
Subordinated liabilities	**200.3**	**200.3**	**0.0%**
Technical Provisions	**9,425.2**	**9,598.9**	**1.8%**
Other liabilities	**1,497.3**	**1,638.4**	**9.4%**
Other provisions	165.2	164.7	-0.3%
Deposits received on buying reinsurance	57.7	56.7	-1.7%
Deferred tax liabilities	332.6	340.9	2.5%
Debts	618.7	728.0	17.7%
Other liabilities	323.1	348.1	7.7%
Total net liabilities and equity	**14,201.4**	**14,572.9**	**2.6%**

Corporate structure

Grupo Catalana Occidente is composed of 50 companies, mostly involved in the insurance business. The parent company is Grupo Catalana Occidente S.A., (with registered office in Avda. Paseo de la Castellana 4, 28046 Madrid) which directly and indirectly administers and manages all of the shareholdings of all entities that make it up.

All of these have their own structure and organisational network, independent from the other insurance companies in the Group. From an organisational point of view they have a structure with centralisation and decentralisation of operations, with the following service centres: two underwriting centres, six claims centres, an administrative centre and a call centre.

Grupo Catalana Occidente - Sociedad dominante

Sociedades de seguros	Sociedades complementarias de seguros	Sociedades de inversión
Seguros Catalana Occidente	Tecniseguros	GCO Gestión de Activos
Seguros Bilbao	Bilbao Vida	GCO Gestora de Pensiones
NorteHispana Seguros	S. Órbita	Catoc SICAV
Plus Ultra Seguros	Previsora Bilbaina Agencia de Seguros	Bilbao Hipotecaria
GCO Re	Bilbao Telemark	Sogesco
Previsora Bilbaína Seguros	Inversions Catalana Occident	Gesiuris
Previsora Bilbaína Vida	CO Capital Ag. Valores	Hercasol SICAV
	Cosalud Servicios	Previsora Inversiones SICAV
	GCO Tecnología y Servicios	GCO Property assets
	Prepersa, AIE	
	GCO Contact Center	
	Asitur Asistencia	
	Calboquer	
	Grupo Funeuskadi	
	Arroita 1878	
Atradius Crédito y Caución	Atradius Collections	Grupo Compañía Española Crédito y Caución S.L.
Atradius Re	Atradius Duch State Business	Atradius NV
Atradius ATCI	Atradius Information Services	Atradius Participations Holding
Atradius Seguros de Crédito México	Iberinform Internacional	Atradius Finance
Atradius Rus Credit Insurance	Graydon	
Crédito y Caución Seguradora de Crédito e Grantias Brazil		

Negocio tradicional

Negocio del seguro de crédito

Board of Directors

"Grupo Catalana Occidente has a Board of Directors that applies the principles of good governance with transparency and rigour."

The Board of Directors is the maximum management authority in Grupo Catalana Occidente, S.A. The Board delegates ordinary management in the management team and concentrates its activity on the supervision function which includes:

- Strategic responsibility: direct the policies of the Group.
- Supervision responsibility: control the management events.
- Communication responsibility: serve as a link between shareholders.

Among other issues, the Board of Directors is responsible for the approval of the strategic plan, the annual objectives and budgets, the investment and finance policy and the policies of corporate governance, corporate responsibility and risk control and management.

Its operation and actions are regulated by the Articles of Association and in the Regulations of the Board of Directors (available on the Group's website).

The Board of Directors annually approves the corporate governance report and the report on remuneration for the members of the Board of Directors corresponding to each year, following the guidelines established by the regulations in relation to the transparency of listed entities, and which is later submitted to a vote in the General Shareholders Meeting.

Board of Directors

Chairman

* José Mª Serra Farré

Vice chairman

Gestión de Activos y Valores S.L.
Javier Juncadella Salisachs

Chief Executive Officer

* José Ignacio Álvarez Juste

Director and Secretary

* Francisco J. Arregui Laborda

Members of the board

Jorge Enrich Izard

* * Juan Ignacio Guerrero Gilabert

Federico Halpern Blasco

* * Francisco Javier Pérez Farguell

*Hugo Serra Calderón

Maria Assumpta Soler Serra

Cotyp, S. L.
Alberto Thiebaut Estrada

Ensivest Bros 2014, S. L.
Jorge Enrich Serra

Inversiones Giró Godó, S. L.
Enrique Giró Godó

Jusal, S. L.
José M.ª Juncadella Sala

Lacanuda Consell, S. L.
Carlos Halpern Serra

Villasa, S. L.
Fernando Villavecchia Obregón

Vice secretary - Non member

Joaquin Guallar Pérez

Delegate committees

Audit Committee

Chairman

Francisco Javier Pérez Farguell

Members of the board

Juan Ignacio Guerrero Gilabert

Lacanuda Consell, S. L.

Appointments and Remuneration Committe

Chairman

Juan Ignacio Guerrero Gilabert

Members of the board

Francisco Javier Pérez Farguell

Gestión de Activos y Valores S.L.

*Executive directors **Independent

The curriculums are available on the Group's website

For further information about the governance system, see SFCR

Corporate responsibility

The corporate responsibility strategy of the Group directs its framework for action toward the creation of value for society, ethics, transparency and commitment to legality.

The Group contributes to social and economic improvement of the areas where it operates, through business development. The nature of insurance implies the concept of social responsibility, as it means to accompany customers in all stages of their professional and personal life, anticipating risks to protect them.

Under the strict supervision of the Board of Directors, responsible for establishing and guiding the corporate responsibility strategy, its management involves all business areas and entities of the group in its three dimensions: economic performance, environmental management and social management. The Group also launched in an integrated corporate responsibility committee made up by managers of the different areas that represent the interest groups.

Social value is the result of focusing the activity not only on obtaining good financial results but also on favouring the well-being of the people that form part of the interest groups and society as a whole. This value becomes sustainable when it is integrated in the short and long term.

Internal and external application framework
The commitment to the observance of human rights is channelled through the Group's Code of Ethics, which includes the observance of ethical and legal principles to all employees and associates of the Group.

Externally, Grupo Catalana Occidente subscribes to the United Nations Global Compact. Furthermore, through the current activity and social action, it also supports the Objectives of Sustainable Development as defined by the UN encouraging aspects such as economic growth and progress, equality opportunities, learning, energy efficiency, the care of the health and well-being.

In Spain, the entities of the group are also involved in the main sectoral associations (ICEA and UNESPA) that have corporate responsibility programmes:

Fundación Jesús Serra

Fundación Jesús Serra is a private non-profit entity created in memory of Jesus Serra Santamans, well-known businessman and patron, founder of Grupo Catalana Occidente, which is intended to give support to initiatives of a cultural, business, education, music, sports, social and research type. Its budget in 2017 was for €1.9M and included the following events:

Music and poetry
- Collaboration in the María Canals Competition.
- Pianos in the street: 12,000 musicians and an audience of 120,000.
- Poetry competition: 10th edition with more than 1,000 poems.

Research and teaching
- The Research Award of the Fundación Jesús Serra is aimed at scientists so that they can carry out their research in Spain.
- Visiting Researchers Programme in collaboration with different research centre at national level.
- Encouraging teaching with scholarships for talent in business schools such as ESADE and Deusto.

Sport
Fundación Jesús Serra and the Spanish Federation of Sports of People with Physical Disabilities have once again organised the "Sport for all" Seminar in educational centres in the provinces of Madrid, Valencia and Alicante, with the aim of raising awareness in young people about the difficulties faced by people with disabilities. Workshops were carried out in each centre for adapted sports, such as wheelchair basketball, goalball (football for the blind), slalom, boccia, and sitting volleyball. The traditional ski trophy from Fundación Jesús Serra and the Xpress Tennis Cup were also held, aimed at encouraging tennis.

The CDIA campus (Winter Sports Adapted Centre) should also be highlighted also integrating a strong component of solidarity, which took place in the Baqueira Beret ski station, with a competition of alpine skiing and snowboard for disabled athletes.

Charity
Initiatives aimed at achieving a world with fewer inequalities, supporting causes that provide opportunities among groups of people with physical or mental disabilities, economic difficulties, social exclusion, illness, etc.
In 2017 we highlight the contribution to projects such as improving the quality of education in the north-west region of Haiti, benefiting 2,040 students.

Calendar and contact

Jan | Feb | Mar | Ap | May | Jun | Jul | Sept | Oct | Nov | De

22 February
Results
12M 2016
Presentation 24/02 12:30

26 April
Results
3M 2017
Conference: 27/04 at 11:00

26 July
Results
6M 2017
Conference 27/7 11:00

25 October
Results
9M 2017
Conference: 16.00

February
Interim
Dividend 2017

May
Complementary
Dividend 2017

July
Interim
Dividend 2018

October
Interim
Dividend 2018

March
Roadshow
BBVA
Paris

May
Medcap Forum
BME
Madrid

September
Small & Med Cap conference
JP Morgan
London

February
B. Santander
Iberian Forum
Madrid

March
Roadshow
Alatra
Frankfurt

May
Roadshow
Sabadell
Bilbao

December
Kepler
Paris

www.grupocatalanaoccidente.com

App para iPad disponible en App Store: Grupo Catalana Occidente Financial Reports

@gco_news

Analysts and investors

+34 935 820 518
analistas@catalanaoccidente.com

Shareholder services

+34 935 820 667
accionistas@catalanaoccidente.com

www.grupocatalanaoccidente.com

Glossary

Concept	Definition	Formulation
Technical result	Result of the insurance activity	**Technical result** = Income from insurance - Technical cost - Commissions - Expenses
Reinsurance result	Result due to transferring business to the reinsurer or accepting business from other entities.	**Reinsurance result** = Result of Inward Re + Result of ceded reinsurance
Financial result	Result of the financial investments.	Financial result = income from financial assets (coupons, dividends, actions) - financial expenses (commissions and other expenses) + result of subsidiary companies - interest accrued on the debt - interest paid to the insured parties of the life insurance business
Technical/financial result	Result of the insurance activity, including the financial result. This result is particularly relevant for Life insurance.	Technical/financial result = Technical result + Financial result
Result of non-technical non-financial account	Income and expenses that cannot be assigned to the technical or financial results.	Result of non-technical non-financial account = Income - expenses that cannot be assigned to the technical or financial results.
Result of credit insurance complementary activities	Result of activities that cannot be assigned to the purely insurance business. Mainly distinguishes the activities of: · Information services · Recoveries · Management of the export account of the Dutch state.	**Result of credit insurance complementary activities =** income - expenses
Recurring result	Result of the entity's regular activity	Recurring result = technical/financial result + non-technical account result - taxes, all resulting from normal activity

Non-recurring result	Extraordinary or atypical movements that may undermine the analysis of the income statement. These are classified depending on their nature (technical, expenses and financial) and by business type (traditional and credit insurance)	Non-recurring result = technical/financial result + non-technical account result - taxes, all resulting from extraordinary or atypical activity
Turnover	Turnover is the Group's business volume. It includes premiums that the Group generates in each of the business lines and the income from services pertaining to the credit insurance.	**Turnover =** Premiums invoiced + Income from information **Premiums invoiced =** premiums issued from direct insurance + premiums from accepted reinsurance
Funds under management	Amount of the financial and property assets managed by the Group	**Funds under management =** Financial and property assets entity risk + Financial and property assets policyholder risk + Managed pension funds **Funds under management =** fixed income + variable income + properties + deposits in credit entities + treasury + investee companies
Financial strength	This shows the debt and solvency situation. This is principally measured through the debt ratio, the interest coverage ratio and the credit rating.	Debt ratio = Net equity + Debt / Debt Interest coverage ratio = result before taxes / Interest
Technical cost	Direct costs of accident coverage. See claims.	Technical cost = total claims - claims covered by reinsurance + cost of reinsurance + increase of technical provisions
Dividend yield	The profitability per dividend or dividend yield shows the relationship existing between the dividends distributed in the previous year with the value of the share upon closing. Indicator used to value the shares of an entity.	Dividend yield = dividend paid in the year per share / value of the price of the share upon closing
Modified duration	Sensitivity of the value of the assets to movements in interest rates	Modified duration= Represents an approximation of the value of the percentage variation in the value of the financial assets for each percentage point (100 basic points) of variation in the interest rates.
Expenses	The general expenses include the costs incurred for management of the business, excluding those that can be assigned to claims.	Expenses = personnel expenses + commercial expenses + various expenses and services (allowance, training, management rewards, material and other office expenses, leases, external services, etc.)

Permanence index	This measures the customer's expectations of continuing with the entity Scale from less than 1 year to over 5 years	**Permanence index=** how long do you think that you will remain a customer?
Company satisfaction index	This measures the general satisfaction of the customer with the entity Scale from 1 to 10	**Overall satisfaction index** = (Satisfied – dissatisfied) / respondents Satisfied responses with result from 7 to 10 Dissatisfied responses with result from 1 to 4
Service satisfaction index	This measures the evaluation of the service received Scale from 1 to 10	**Service satisfaction index** = (Satisfied – dissatisfied) / respondents Satisfied responses with result from 7 to 10 Dissatisfied responses with result from 1 to 4
Income from insurance	Concept used in the credit insurance businessThis measures the income obtained from the main activity of the credit insurance entity	Income from insurance = earned premiums + income from information
Investments in associated / subsidiary entities	Non-dependant entities where the Group has significant influence	Investments in associated / subsidiary entities = accounting value of the economic investment
Net Promoter Score NPS	This measures the degree of customer loyalty with the entity	**Net Promoter score =** Would you recommend the company to family and friends? = (promoters-critics)/ respondents Promoters: responses with result equal to 9 or 10 Critics: responses with result from 1 to 6
Pay out	Ratio that indicates the part of the result distributed among investors through dividends	Pay out = dividend distributed in the year / Result attributable
Price Earnings Ratio PER	The price-earnings ratio or PER measures the relationship between the price or value of the entity and the results. Its value expresses what the market pays for each monetary unit of results. It is representative of the entity's capacity to generate results.	PER = Market price of the share / result attributed per share
Ex. single premiums	Total premiums without considering non-periodic premiums in the Life business	Ex. single premiums = Invoiced premiums - single premiums in the life business
Technical Provisions	Amount of the obligations assumed that are derived from insurance and reinsurance contracts.	

Combined ratio	Indicator that measures the technical profitability of the Non Life insurances.	Net combined ratio = ((Claims + increase in technical provisions) + Commissions + Expenses) / Income from insurance
Net combined ratio	Indicator that measures the technical profitability of the non life insurances net of the reinsurance effect	**Net combined ratio =** ((Claims - claims covered by the reinsurance + reinsurance cost + increase in technical provisions) + Commissions + Expenses) / (Income from insurance - earned premiums transferred to reinsurance)
Expenses ratio	Ratio that reflects the part of the income from premiums dedicated to expenses.	Expenses ratio = Expenses / Income from insurance
Net expenses ratio	Ratio that reflects the part of the income from premiums dedicated to expenses, net of the reinsurance effect	Expenses ratio = (Expenses - commission of transferred reinsurance) / (Income from insurance - Earned premiums transferred to reinsurance)
Claims ratio	Business indicator, consisting of the proportion between claims and earned premiums.	Claims ratio = (Claims + increase in technical provisions) / Income from insurance
Net claims ratio	Business indicator, consisting of the proportion between claims and earned premiums, net of the reinsurance effect.	Net claims ratio = (Claims - claims covered by the reinsurance + increase in technical provisions) / (Income from insurance - Earned premiums transferred to reinsurance)
Long-term capital	Resources that can be included in own funds.	Long-term capital = Net equity + subordinate debt
Long-term capital at market value	Resources that can be included in own funds at market value	Long-term capital at market value = Net equity + Subordinate debt + capital gains not included in the balance
Resources transferred to society	Amount that the Group returns to the main groups of interest.	Resources transferred to the company = claims paid + taxes + commissions + personnel expenses + dividends
Return On Equity ROE	Financial profitability or rate of return Measures the performance of the capital	ROE = Result attributable / Attributed net equity
Claims	See technical cost. Economic evaluation of claims.	Claims = Payments for claims + Variation of the provision for services
Total Potential ExposureTPE	This is the potential exposure to risk, also known as "Risk accumulation".Term from the credit insurance business.	TPE = the sum of the credit risks underwritten by the Group for each buyer

Legal note

This document has been prepared by Grupo Catalana Occidente exclusively for use in the presentation of results. The forward-looking statements or predictions that may be contained in this document do not constitute, by their very nature, guarantees of future compliance, as they are subject to risks, uncertainties and other relevant factors, which may result in the developments and final results differing materially from those stated on these pages. Among these factors, we can highlight the following: performance of the insurance sector and of the overall economic situation in the countries where the entity operates; modifications to the legal framework; changes in monetary policy; pressure from the competition; changes in trends upon which the mortality and morbidity tables are based which affect the insurance activity in the areas of life and health; frequency and severity of the claims subject to coverage, both in the scope of the insurance activity and of general insurance such as life; fluctuation of the interest rates and the exchange rates; risks associated to the use of derived products; effect of future acquisitions.

Grupo Catalana Occidente is not obliged to periodically revise the content of this document in order to adapt it to events or circumstances posterior to this presentation.

The statements of this declaration must be taken into account by all people or entities that may have to adopt decisions or make or publish opinions relative to securities issued by the Company and, in particular, by the analysts and investors that use this document.

www.grupocatalanaoccidente.com For further information, please contact: analistas@catalanaoccidente.com

+34 93 582 05 18

Catalana Occidente
Grupo asegurador