

2017

**Presentation of results  
(January to March 2017)**

Sant Cugat, April 28



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Presentation based on the data of the quarterly report published on 27/04/2017

01

Keys of the period

## Favourable conduct of the main figures

Economic and sectoral recovery

- **Economic recovery and interest rates at historic minimums**
- **Insurance industry growing**

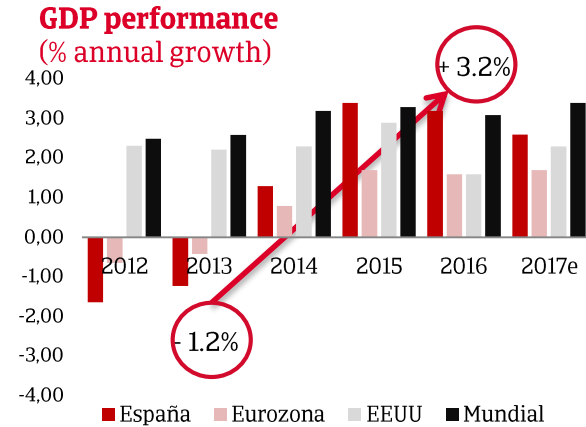
**+9.4%**  
Attributed result

- Consistency in the results account
  - Growth of 2.8% in business volume
  - Increase of 9.4% of result attributable

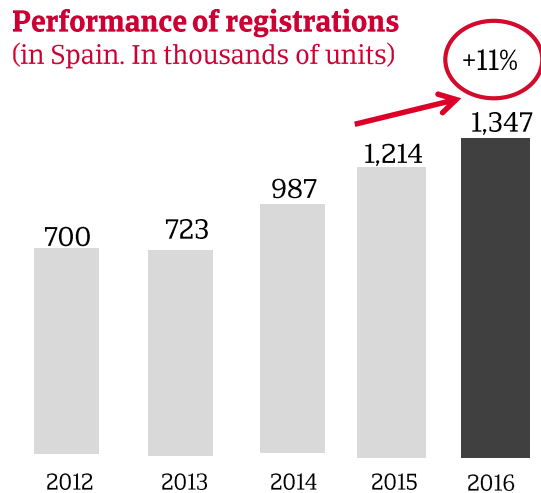
Growing remuneration for shareholders

- Increase of 7.5% in dividends

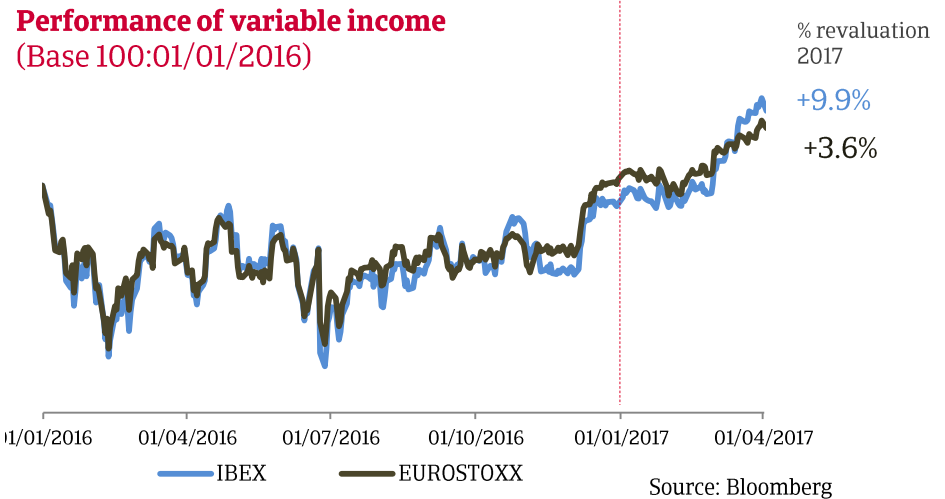
## Improvement of the macroeconomic environment in Spain, extraordinarily low interest rates



Source: International Monetary Fund

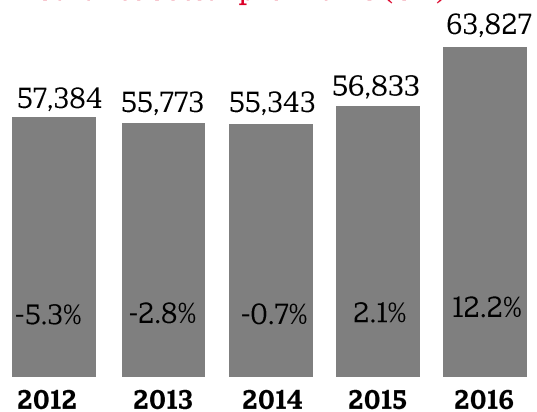


Source: ANFAC

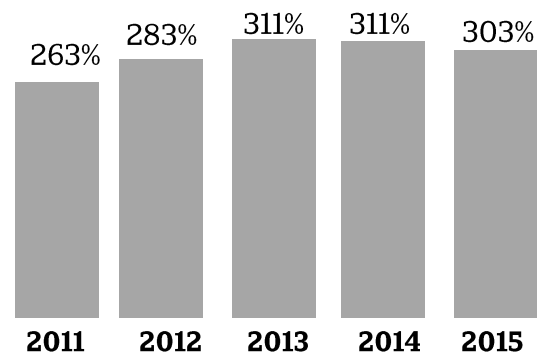


## Stable behaviour of the insurance sector

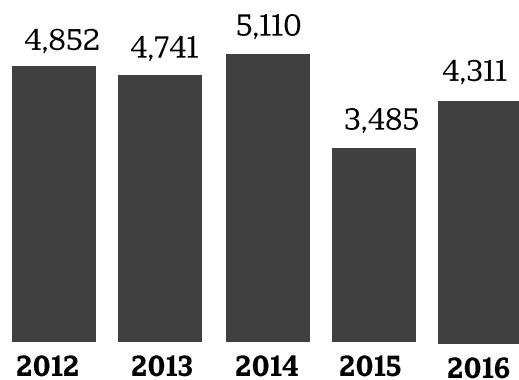
Insurance sector premiums (€M)



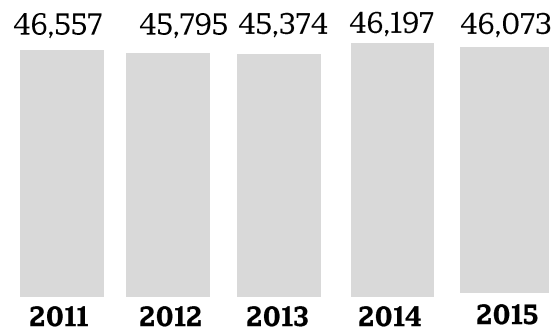
% Solvency I margin



Insurance sector net profit (€M)

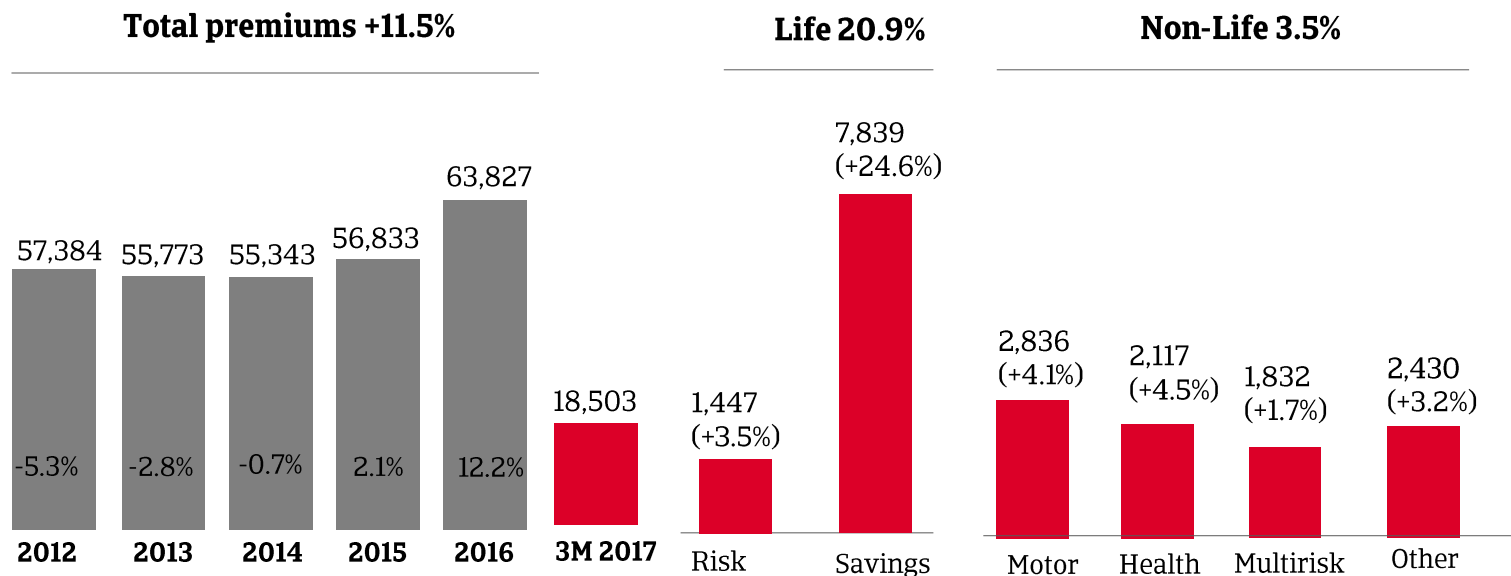


Employees



Source: ICEA.

## Growth of 11,5% in turnover of the Spanish insurance sector



Source: ICEA.

## Favourable conduct of the main figures

Economic and sectoral recovery

- Economic recovery and interest rates at historic minimums
- Insurance industry growing

**+9.4%**  
Result attributable

- **Consistency in the results account**
  - **Growth of 10.7% in business volume**
  - **Increase of 2.8% of result attributable**

Growing remuneration for shareholders

- Increase of 7.5% in dividends



## Grupo Catalana Occidente in 3M2017

(figures in millions of euros)

<b>Income</b>	<b>3M2016</b>	<b>3M2017</b>	<b>% Chg. 16-17</b>
Traditional Business	694.1	706.4	1.8%
Recurring premiums	563.5	601.8	6.8%
Single premiums life	130.6	104.6	-19.9%
Credit Insurance Business	510.5	531.6	4.1%
<b>Turnover</b>	<b>1,204.6</b>	<b>1,238.0</b>	<b>2.8%</b>

(figures in millions of euros)

<b>Results</b>	<b>3M2016</b>	<b>3M2017</b>	<b>% Chg. 16-17</b>
Recurring Results Traditional Business	38.9	43.0	10.5%
Recurring Results from Credit Insurance Business	53.0	53.5	1.0%
Non-Recurring Result	-7.0	-3.8	
<b>Consolidated result</b>	<b>84.8</b>	<b>92.6</b>	<b>9.2%</b>
<b>Result attributable</b>	<b>76.2</b>	<b>83.4</b>	<b>9.4%</b>

**€83.4 M**

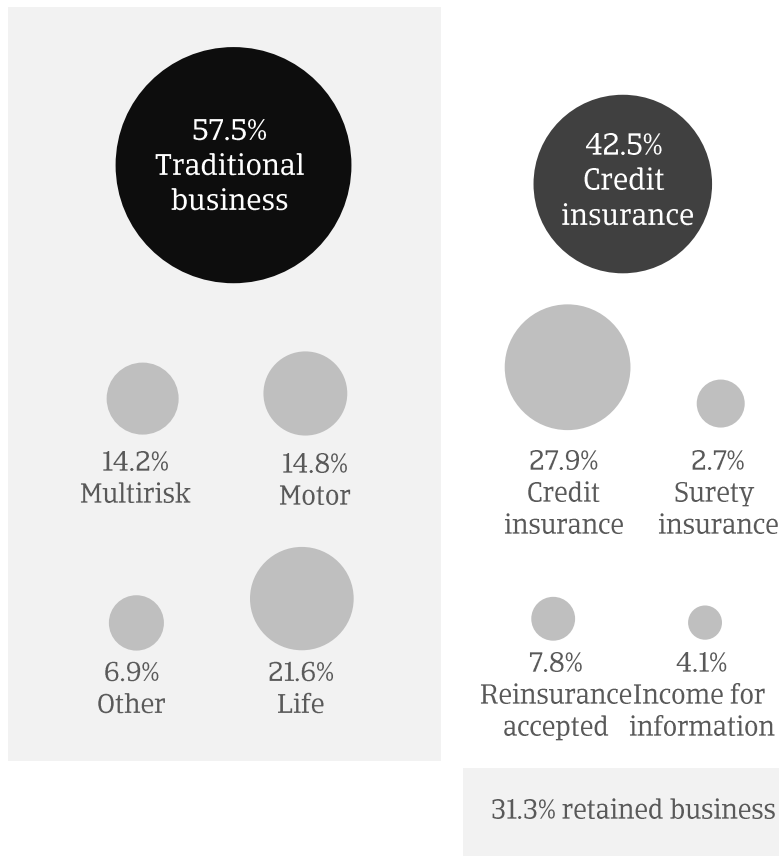
**+9.4%**

Result attributable

# Diversification

balanced portfolio, complete offer

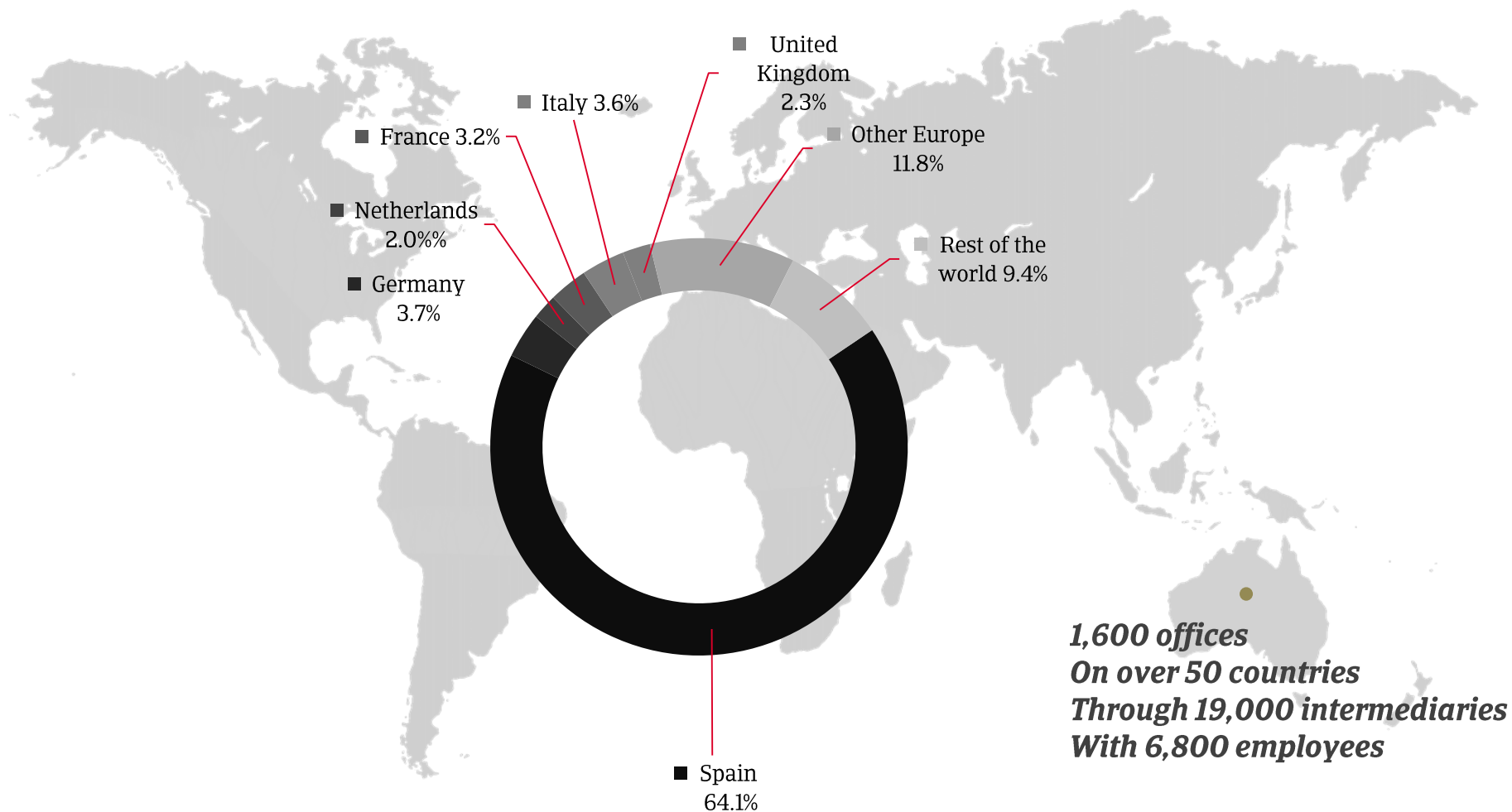
## Business diversification



**Portfolio including all branches and products**



## Global Presence



## Favourable conduct of the main figures

Economic and sectoral recovery

- Economic recovery and interest rates at historic minimums
- Insurance industry growing

**+10.3%**  
Result attributable

- Consistency in the results account
  - Growth of 2.8% in business volume
  - Increase of 9.4% of result attributable

Growing remuneration for shareholders

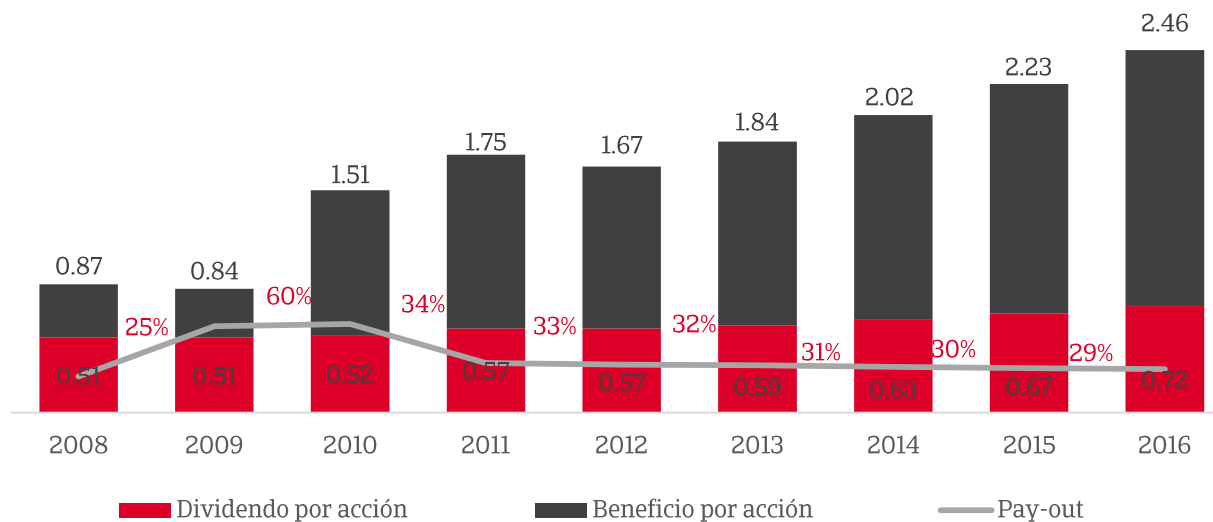
- **Increase of 7.5% in dividends**

## Performance of the share price better than the insurance sector



<b>Profitability</b>	2002	2004	2006	2008	2010	2012	2014	2016	3M2017	TACC 02-3M17
GCO (%)	-7.21	78.5	86.5	-36.67	-18.01	12.22	-7.80	-2.84	6.98	16.8%
Ibex 35 (%)	-28.1	17.4	31.8	-39.43	-17.43	-4.66	3.66	-2.00	11.88	4.2%
EuroStoxx Insurance (%)	-51.2	7.89	17.2	-46.58	2.07	32.92	9.78	-5.60	2.61	4.4%

## Increase of 7.5% in dividends in 2016



Jul. 2016 **+7.5%**

Oct. 2016 **+7.5%**

Feb. 2017 **+7.5%**

Apr. 2017 **+7.5%**

Dividend year 2016

**€86.8 M**

**Pay-out 29.4%**

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## Economic results 3M2017

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## **Traditional business**

Credit insurance business

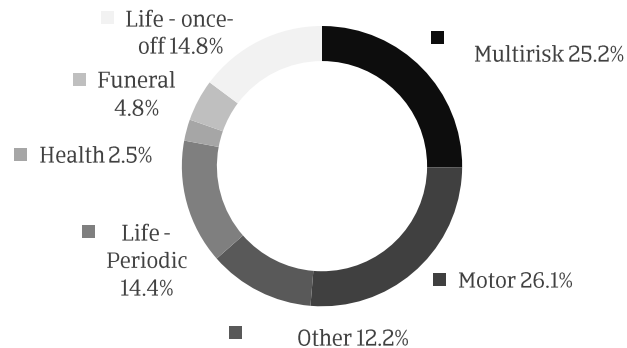


## Traditional business

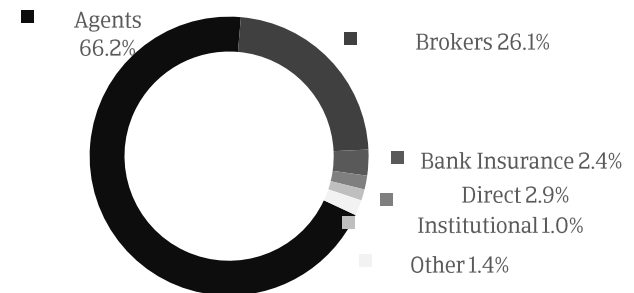
(figures in millions of euros)

<b>Traditional business</b>	<b>3M2016</b>	<b>3M2017</b>	<b>% Chg. 16-17</b>	<b>12M 2016</b>
Multirisk	175.1	177.8	1.5%	624.1
Motor	176.5	184.7	4.6%	639.0
Other	78.6	86.4	9.9%	280.5
<b>Non-Life</b>	<b>430.2</b>	<b>448.9</b>	<b>4.3%</b>	<b>1,543.6</b>
<i>Health</i>	16.8	17.4	3.6%	53.6
<i>Funeral</i>	20.8	34.0	63.5%	92.2
Periodic	95.8	101.6	6.1%	381.3
Single and supplementary	130.6	104.6	-19.9%	476.6
<b>Life</b>	<b>264.0</b>	<b>257.6</b>	<b>-2.4%</b>	<b>1,003.7</b>
<b>Written premiums</b>	<b>694.1</b>	<b>706.4</b>	<b>1.8%</b>	<b>2,547.3</b>
<b>Written premiums ex. single</b>	<b>563.5</b>	<b>601.8</b>	<b>6.8%</b>	<b>2,070.7</b>

### Distribution per business



### Distribution channels

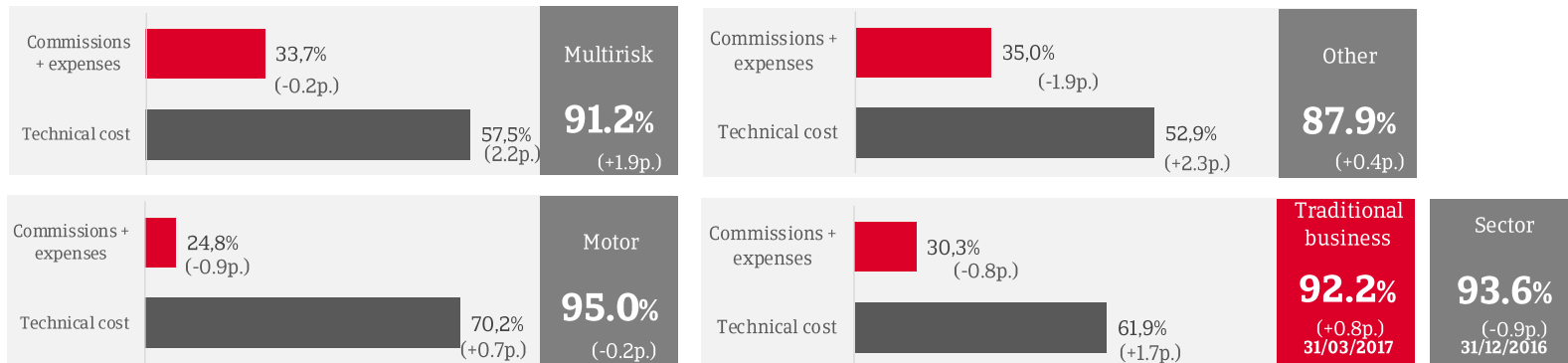


## Traditional business

(figures in millions of euros)

Traditional business	3M 2016	3M 2017	% Chg. 16-17	12M 2016
Technical result non-life	32.1	30.1	-6.2%	119.8.9
Technical result life	6.2	10.6	71.0%	30.9
<b>Technical result</b>	<b>38.3</b>	<b>40.7</b>	<b>6.3%</b>	<b>150.7</b>

### Performance of the Non-Life combined ratio



## Traditional business

(figures in millions of euros)

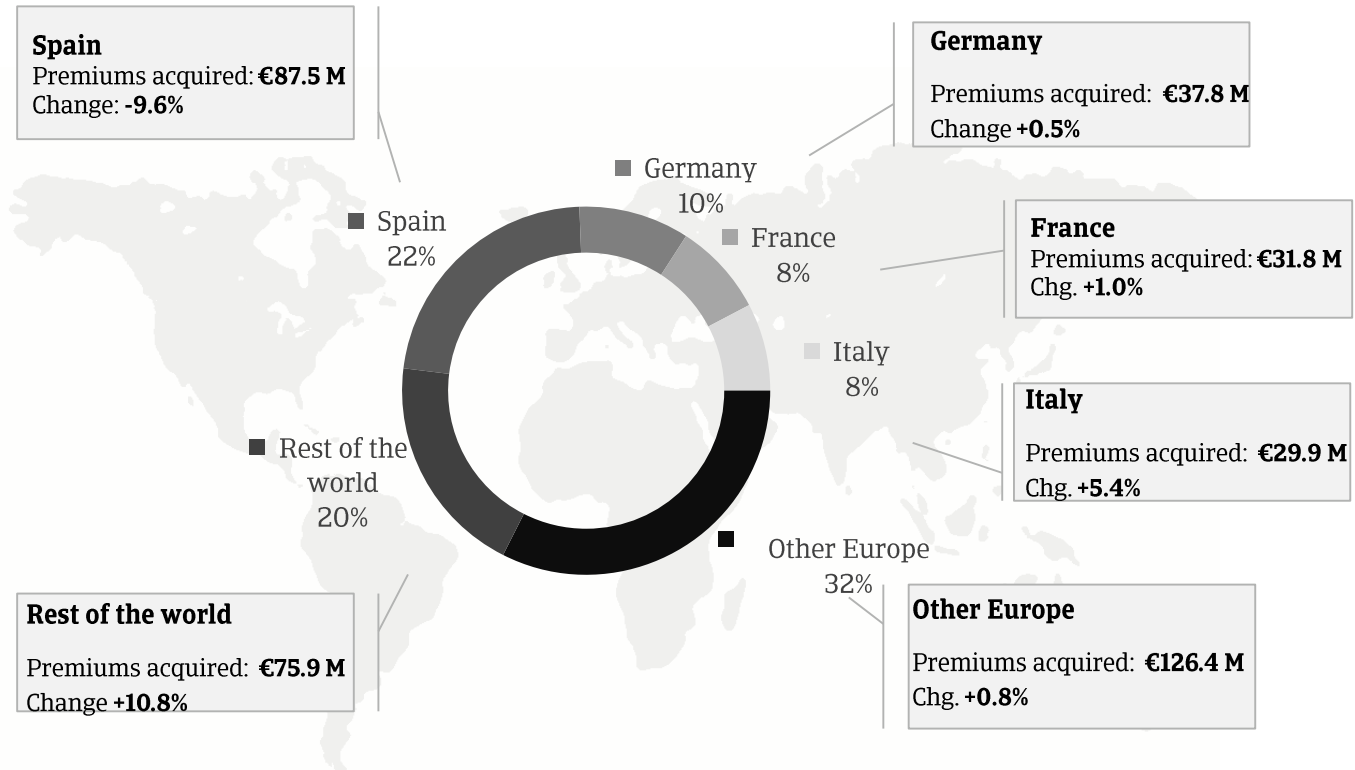
<b>Traditional business</b>	<b>3M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>	<b>12M 2016</b>
Premiums acquired	629.8	632.2	0.4%	2,527.7
<b>Technical result</b>	38.3	40.7	6.3%	150.7
<i>% of premiums acquired</i>	6.1%	6.4%		6.0%
<b>Financial result</b>	17.1	17.5	2.3%	71.5
<i>% of premiums acquired</i>	2.7%	2.8%		2.8%
<b>Recurring result</b>	<b>38.9</b>	<b>43.0</b>	<b>10.5%</b>	<b>159</b>
<b>Non-recurring result</b>	<b>-1.8</b>	<b>-1.8</b>		<b>5.1</b>
<b>Total result</b>	<b>37.0</b>	<b>41.2</b>	<b>11.4%</b>	<b>164.1</b>

 See appendices: expenses, financial and non-recurring result

Traditional business  
**Credit insurance business**

## Credit insurance business

0.3% growth in earned premiums with €389.3 M



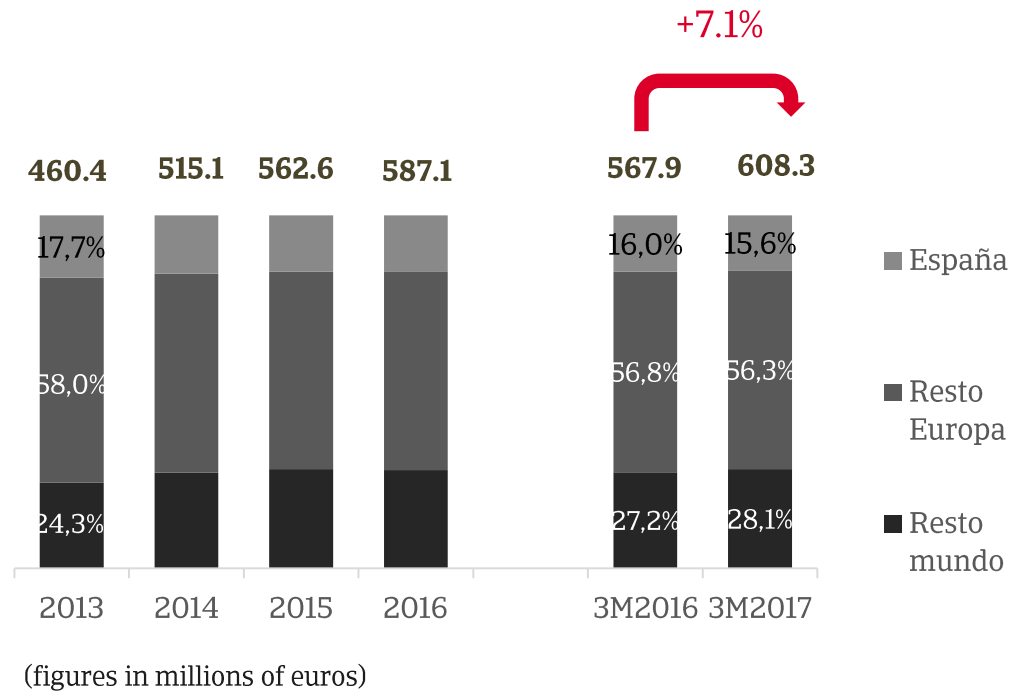
471,2 M€, +4,2%

Including information services and complementary activities

## Credit insurance business

### TPE growth in Europe

#### Evolution of cumulative risk (TPE)

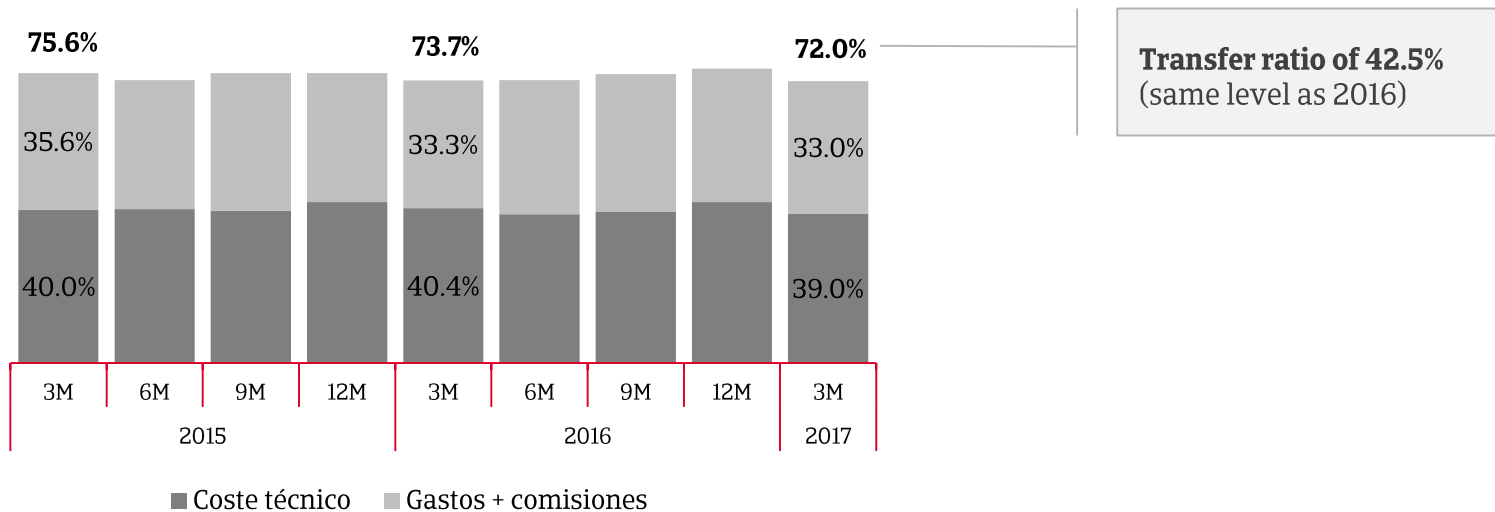


## Credit insurance business combined ratios at minimum levels

(figures in millions of euros)

<b>Credit insurance business</b>	<b>3M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>	<b>12M 2016</b>
<b>Technical result after expenses</b>	<b>101.0</b>	<b>110.3</b>	<b>9.2%</b>	<b>376.8</b>
% income	23.1%	25.3%		22.4%
<b>Net technical result</b>	<b>67.2</b>	<b>76.4</b>	<b>13.7%</b>	<b>236.7</b>
% income	15.4%	17.5%		14.0%

### Performance of the net combined ratio



## Credit insurance business

(figures in millions of euros)

<b>Credit insurance business</b>	<b>3M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>	<b>12M 2016</b>
Premiums acquired	388.1	389.3	0.3%	1557.8
Income from information	48.2	51.6	7.1%	127.4
<b>Total income</b>	<b>436.3</b>	<b>440.9</b>	<b>1.1%</b>	<b>1,685.2</b>
Net technical result	67.2	76.4	13.7%	236.7
% income	15.4%	17.5%		14.0%
Financial result	6.9	0.0		14.8
% income	1.6%	0.0%		0.9%
Result from complementary activities	2.0	1.3	-35.0%	8.6
Company income tax	-20.0	-21.6	8.0%	-64.3
Adjustments	-3.2	-2.7		-9.4
<b>Recurring result</b>	<b>53.0</b>	<b>53.5</b>	<b>1.0%</b>	<b>186.5</b>
<b>Non-recurring result</b>	<b>-5.2</b>	<b>-2.0</b>		<b>-26.1</b>
<b>Total result</b>	<b>47.8</b>	<b>51.5</b>	<b>7.7%</b>	<b>160.4</b>

➕ See appendices: expenses, financial and non-recurring result



03

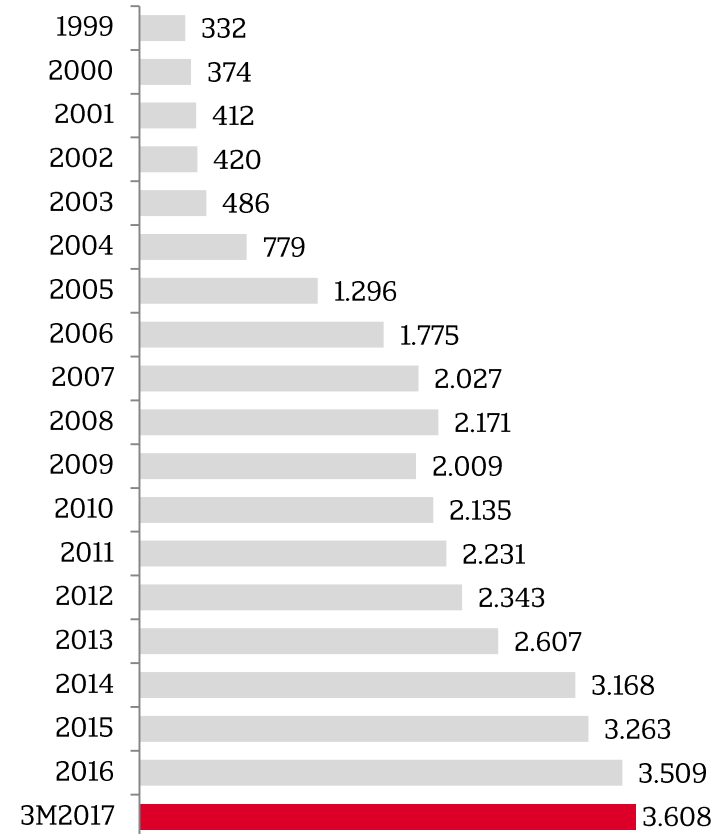
Financial strength

## Financial strength: Increase in long-term capital

(figures in millions of euros)

<b>Long-term capital at 31/12/2016</b>	<b>3,039.6</b>
<b>Long-term capital at market value at 31/12/2016</b>	<b>3,508.5</b>
<b>Net equity on 01/01/2017</b>	<b>2,834.7</b>
(+) Consolidated results	92.6
(+) Dividends paid	-16.5
(+) Variation of valuation adjustments	27.9
(+) Other changes	0.0
<b>Total movements</b>	<b>104.1</b>
<b>Total net equity at 31/03/2017</b>	<b>2,938.8</b>
Subordinated debt	197.6
<b>Long-term capital at 31/03/2017</b>	<b>3,136.4</b>
Capital gains not included in balance sheet (properties)	471.7
<b>Long-term capital at market value at 31/03/2017</b>	<b>3,608.1</b>

**+2.8%**



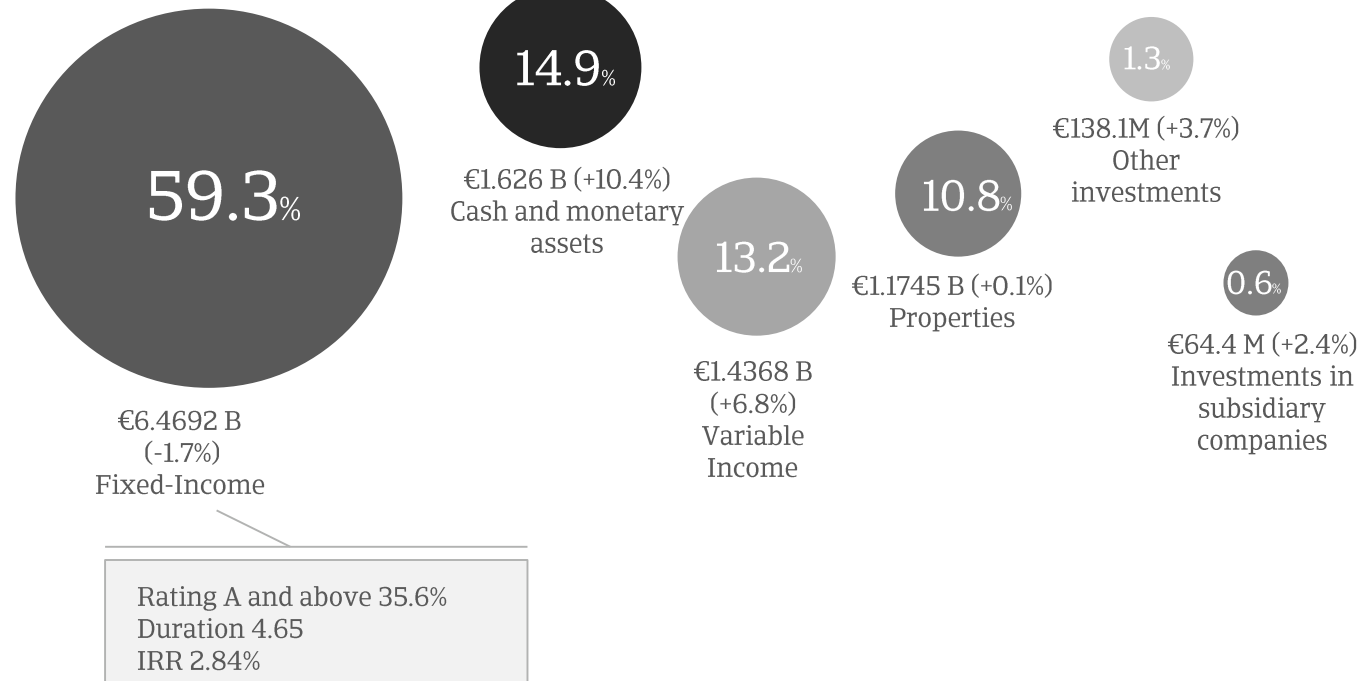
## Investments

### Prudent and diversified portfolio

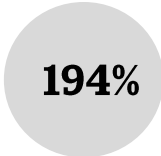

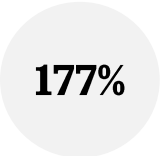

Funds under management (% of investments)

**€11.852 B**

(+1.5% compared to funds under management at the end of 2016)



## Solid ratio solvency II with standard formula

 <p><b>194%</b></p>	 <p><b>~200%</b></p>	<p>With transitional measures of technical provisions and equity investments</p>	<p>Solid solvency ratio at Group level and in each of the entities of traditional business and credit insurance (Atradius)</p>
 <p><b>177%</b></p>	 <p><b>~185%</b></p>	<p>Without transitional measures of technical provisions</p>	
31/12/2015	31/12/2016*		
	Estimated data		

### Improvement rating entities Group: "A" stable

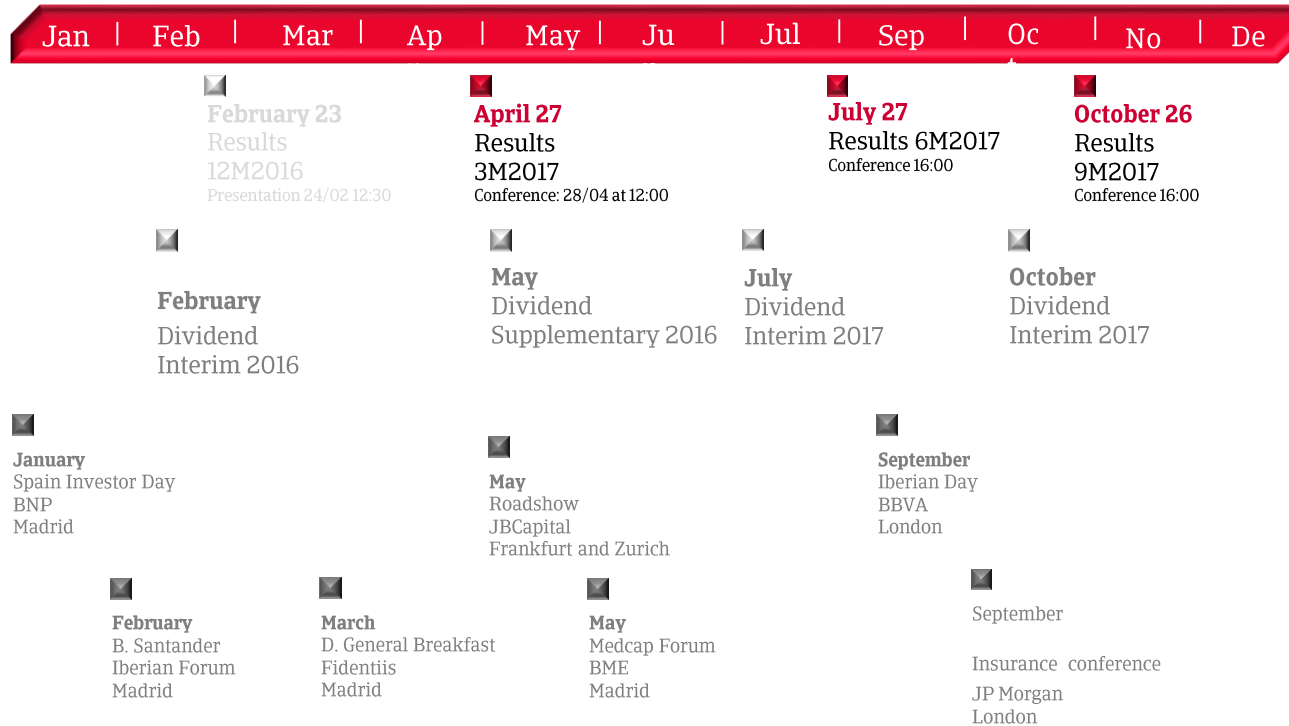
	AMBest	Moody's
Seguros Catalana Occidente	A stable	
Plus Ultra Seguros	A stable	
Seguros Bilbao	A stable	
Atradius Crédito y Caución	A stable	A3 stable
Atradius Re	A stable	A3 stable

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## Calendar and appendices

## Calendar

## Relationships with Analysts and Investors



### Contact

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@gco\_news

## Income statement

(figures in millions of euros)

<b>Income statement</b>	<b>3M2016</b>	<b>3M2017</b>	<b>% Chg. 16 -17</b>	<b>12M 2016</b>
Written premiums	1,156.4	1,186.4	2.6%	4,108.4
Premiums acquired	1,017.6	1,021.3	0.4%	4,085.3
Income from information	48.2	51.6	7.1%	127.4
<b>Net income from insurance</b>	<b>1,065.8</b>	<b>1,072.9</b>	<b>0.7%</b>	<b>4,212.7</b>
Technical cost	659.2	650.3	-1.4%	2,575.4
% of net income	61.9%	60.6%		61.1%
Commissions	126.4	130.0	2.9%	508.3
% of net income	11.9%	12.1%		12.1%
Expenses	174.5	179.3	2.8%	744.8
% of net income	16.4%	16.7%		17.7%
<b>Technical result</b>	<b>105.8</b>	<b>113.2</b>	<b>7.0%</b>	<b>384.2</b>
% of net income	9.9%	10.6%		9.1%
Financial result	13.4	14.9	11.2%	62.3
% of net income	1.3%	1.4%		1.5%
Result of non-technical non-financial account	-6.2	-4.3		-22.2
% of net income	-0.6%	-0.4%		-0.5%
Result of complementary credit insurance activities	2.0	1.3	-35.0%	8.6
% of net income	0.2%	0.1%		0.2%
<b>Result before tax</b>	<b>115.2</b>	<b>125.2</b>	<b>8.7%</b>	<b>432.8</b>
% of net income	10.8%	11.7%		10.3%
% Taxes	26.4%	26.0%		
<b>Consolidated result</b>	<b>84.8</b>	<b>92.6</b>	<b>9.2%</b>	<b>324.5</b>
Result attributable to minorities	8.6	9.2	7.2%	28.9
<b>Result attributable</b>	<b>76.2</b>	<b>83.4</b>	<b>9.4%</b>	<b>295.6</b>
% of net income	7.2%	7.8%		7.0%
<b>Recurring result</b>	<b>91.8</b>	<b>96.5</b>	<b>5.1%</b>	<b>345.5</b>
<b>Non-recurring result</b>	<b>-7.0</b>	<b>-3.8</b>		<b>-21.0</b>

## Income statement

Traditional business	Multi-risk			Motor			Other			General insurance		
	3M2016	3M2017	Var.	3M2016	3M2017	Var.	3M2016	3M2017	Var.	3M2016	3M2017	Var.
<b>Earned premiums</b>	<b>155.5</b>	<b>155.5</b>	<b>0.0%</b>	<b>150.7</b>	<b>158.6</b>	<b>5.2%</b>	<b>66.7</b>	<b>70.6</b>	<b>5.8%</b>	<b>372.9</b>	<b>384.7</b>	<b>3.2%</b>
% technical cost	55.3%	57.5%	2.2	69.5%	70.2%	0.7	50.6%	52.9%	2.3	60.2%	61.9%	1.7
% commissions	20.8%	20.5%	-0.3	11.1%	11.1%	0.0	22.2%	21.4%	-0.8	17.1%	16.8%	-0.3
% expenses	13.1%	13.2%	0.1	14.6%	13.7%	-0.9	14.7%	13.6%	-1.1	14.0%	13.5%	-0.5
<b>% combined ratio</b>	<b>89.2%</b>	<b>91.2%</b>	<b>1.9</b>	<b>95.2%</b>	<b>95.0%</b>	<b>-0.2</b>	<b>87.5%</b>	<b>87.9%</b>	<b>0.4</b>	<b>91.4%</b>	<b>92.2%</b>	<b>0.8</b>
<b>Technical result</b>	<b>16.7</b>	<b>13.7</b>	<b>-18.0%</b>	<b>7.1</b>	<b>7.8</b>	<b>9.9%</b>	<b>8.3</b>	<b>8.6</b>	<b>3.6%</b>	<b>32.1</b>	<b>30.1</b>	<b>-6.2%</b>

Traditional Business without Plus Ultra Seguros	Multi-risk			Motor			Other			General insurance		
	3M2016	3M2017	Var.	3M2016	3M2017	Var.	3M2016	3M2017	Var.	3M2016	3M2017	Var.
<b>Earned premiums</b>	<b>104.0</b>	<b>106.2</b>	<b>2.1%</b>	<b>84.7</b>	<b>91.0</b>	<b>7.4%</b>	<b>36.2</b>	<b>39.1</b>	<b>8.0%</b>	<b>224.9</b>	<b>236.3</b>	<b>5.1%</b>
% technical cost	52.5%	56.1%	3.6	66.6%	68.9%	2.3	43.5%	45.8%	2.3	56.4%	59.3%	3.0
% commissions	19.7%	19.4%	-0.3	11.4%	11.5%	0.1	22.5%	21.7%	-0.7	17.0%	16.7%	-0.3
% expenses	12.9%	12.7%	-0.2	13.9%	13.3%	-0.6	16.4%	14.2%	-2.2	13.8%	13.2%	-0.7
<b>% combined ratio</b>	<b>85.1%</b>	<b>88.2%</b>	<b>3.1</b>	<b>91.9%</b>	<b>93.7%</b>	<b>1.8</b>	<b>82.3%</b>	<b>81.7%</b>	<b>-0.6</b>	<b>87.2%</b>	<b>89.2%</b>	<b>2.0</b>
<b>Technical result</b>	<b>15.5</b>	<b>12.6</b>	<b>-19.1%</b>	<b>6.9</b>	<b>5.7</b>	<b>-16.8%</b>	<b>6.4</b>	<b>7.1</b>	<b>11.9%</b>	<b>28.8</b>	<b>25.5</b>	<b>-11.7%</b>

Plus Ultra Seguros	Multi-risk			Motor			Other			General insurance		
	3M2016	3M2017	Var.	3M2016	3M2017	Var.	3M2016	3M2017	Var.	3M2016	3M2017	Var.
<b>Earned premiums</b>	<b>51.6</b>	<b>49.3</b>	<b>-4.3%</b>	<b>66.1</b>	<b>67.7</b>	<b>2.4%</b>	<b>30.5</b>	<b>31.5</b>	<b>3.4%</b>	<b>148.1</b>	<b>148.5</b>	<b>0.3%</b>
% technical cost	61.1%	60.6%	-0.5	73.3%	72.0%	-1.3	59.0%	61.6%	2.6	66.1%	66.0%	-0.1
% commissions	23.0%	22.7%	-0.3	10.7%	10.6%	-0.1	21.9%	20.9%	-1.0	17.3%	16.8%	-0.5
% expenses	13.7%	14.4%	0.7	15.6%	14.4%	-1.2	12.7%	12.9%	0.2	14.3%	14.1%	-0.3
<b>% combined ratio</b>	<b>97.7%</b>	<b>97.7%</b>	<b>-0.1</b>	<b>99.6%</b>	<b>97.0%</b>	<b>-2.6</b>	<b>93.6%</b>	<b>95.5%</b>	<b>1.9</b>	<b>97.7%</b>	<b>96.9%</b>	<b>-0.8</b>
<b>Technical result</b>	<b>1.2</b>	<b>1.2</b>	<b>-1.9%</b>	<b>0.2</b>	<b>2.0</b>		<b>1.9</b>	<b>1.4</b>	<b>-26.8%</b>	<b>3.4</b>	<b>4.6</b>	<b>37.2%</b>

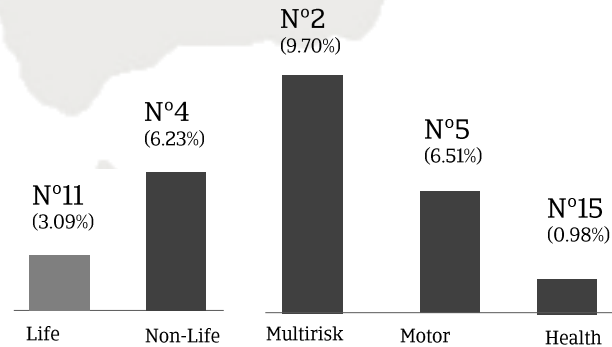


## Our position in the Spanish market improves

**Sixth group**

**Of the market in Spain with a market quota of 4.2%**

<b>Ranking</b>	Dif 16/17	Market share	% var. of premiums
VidaCaixa	=	52,8%	19,4%
Mapfre	=	6,9%	10,3%
Mutua Madrileña	+1	7,9%	7,1%
Zurich	-1	-2,3%	6,1%
Allianz	=	1,7%	5,7%
<b>Grupo Catalana Occidente</b>	=	<b>0,7%</b>	<b>4,2%</b>
Generali	+1	6,8%	4,0%
Grupo Axa	-1	-5,9%	3,8%
BBVA Seguros	=	-7,3%	2,9%
Caser	=	3,0%	2,3%



## Credit insurance business

<b>Combined ratio breakdown</b>	<b>3M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>	<b>12M 2016</b>
% Gross technical cost	41.9%	40.3%	-1.6	41.6%
% Gross commissions + expenses	34.2%	34.7%	0.5	36.0%
<b>% Gross combined ratio</b>	<b>76.1%</b>	<b>75.0%</b>	<b>-1.1</b>	<b>77.6%</b>
% Net technical cost	40.4%	39.0%	-1.4	42.0%
% Net commissions + expenses	33.3%	33.0%	-0.3	34.8%
<b>% Net combined ratio</b>	<b>73.7%</b>	<b>72.0%</b>	<b>-1.7</b>	<b>76.8%</b>

## Credit insurance business - TPE

(figures in millions of euros)

<b>Risk accumulation per country</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>3M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>	<b>% of total</b>
Spain and Portugal	81,486	85,165	89,601	93,437	90,884	94,975	4.5%	15.6%
Germany	72,844	77,297	80,398	82,783	82,021	85,194	3.9%	14.0%
Australia and Asia	58,725	69,210	79,668	79,013	77,524	85,790	10.7%	14.1%
Americas	45,386	59,491	65,464	71,970	64,956	72,045	10.9%	11.8%
Eastern Europe	41,142	45,925	50,805	55,098	53,204	56,842	6.8%	9.3%
UK	34,619	40,332	45,782	43,794	44,615	45,282	1.5%	7.4%
France	37,135	39,170	40,917	43,323	42,363	43,541	2.8%	7.2%
Italy	23,768	26,929	32,735	37,208	34,692	41,323	19.1%	6.8%
Nordic and Baltic countries	21,831	23,261	25,883	26,964	26,238	27,894	6.3%	4.6%
Netherlands	22,326	23,152	23,914	25,268	24,562	26,155	6.5%	4.3%
Belgium and Luxembourg	13,336	14,229	14,662	15,708	14,805	15,997	8.1%	2.6%
Rest of the world	7,795	10,954	12,817	12,538	12,048	13,254	10.0%	2.2%
<b>Total</b>	<b>460,394</b>	<b>515,114</b>	<b>562,644</b>	<b>587,104</b>	<b>532,935</b>	<b>608,291</b>	<b>7.1%</b>	<b>100%</b>

## Credit insurance business - TPE

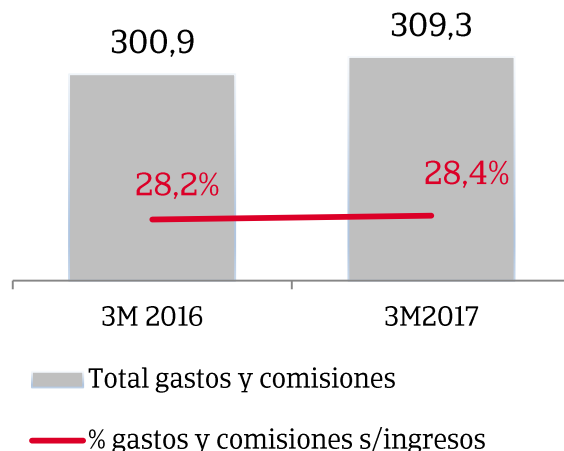
(figures in millions of euros)

<b>Risk accumulation per sector</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>3M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>	<b>% of total</b>
Chemicals	56,283	63,915	69,797	70,510	77,704	81,935	5.4%	13.5%
Electronics	55,912	67,007	74,538	78,593	66,713	72,498	8.7%	11.9%
Durable consumer goods	50,468	56,347	60,940	65,324	61,264	66,138	8.0%	10.9%
Metals	50,907	56,286	59,888	58,855	60,058	61,401	2.2%	10.1%
Food	42,564	48,188	52,056	55,640	53,027	57,568	8.6%	9.5%
Transport	38,366	43,705	50,612	53,434	51,854	55,802	7.6%	9.2%
Construction	33,459	37,238	41,147	43,133	41,568	45,371	9.1%	7.5%
Machinery	29,390	31,629	33,902	34,734	33,579	36,163	7.7%	5.9%
Agriculture	22,808	25,932	28,327	30,907	29,873	32,093	7.4%	5.3%
Construction materials	20,030	21,981	24,425	25,387	24,725	26,509	7.2%	4.4%
Services	21,386	21,180	24,113	25,276	24,043	26,278	9.3%	4.3%
Textiles	16,261	17,722	19,065	19,855	19,366	20,090	3.7%	3.3%
Paper	10,805	12,275	12,747	13,590	12,989	14,122	8.7%	2.3%
Finance	11,755	11,711	11,088	11,867	11,152	12,323	10.5%	2.0%
<b>Total</b>	<b>460,394</b>	<b>515,114</b>	<b>562,644</b>	<b>587,104</b>	<b>532,935</b>	<b>608,291</b>	<b>7.1%</b>	<b>100%</b>

## General expenses and commissions

(figures in millions of euros)

<b>Expenses and commissions</b>	<b>3M 2016</b>	<b>3M2017</b>	<b>% Chg. 16-17</b>	<b>12M 2016</b>
Traditional business	73.7	74.2	0.7%	338.9
Credit insurance business	100.7	100.9	0.2%	400.9
Non-recurring expenses	0.0	4.2		5.0
<b>Total expenses</b>	<b>174.5</b>	<b>179.3</b>	<b>2.8%</b>	<b>744.8</b>
<b>Commissions</b>	<b>126.4</b>	<b>130.0</b>	<b>2.9%</b>	<b>508.3</b>
<b>Total expenses and commissions</b>	<b>300.9</b>	<b>309.3</b>	<b>2.8%</b>	<b>1,253.1</b>
% expenses and commissions out of income	28.2%	28.4%		29.6%



## Financial result

(figures in millions of euros)

<b>Financial result</b>	<b>3M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>	<b>12M 2016</b>
Financial income net of expenses	54.8	59.2	8.0%	223.3
Exchange Differences	-0.1	0.0		0.1
Subsidiary companies	0.1	0.2		0.3
Interests applied to life	-37.8	-41.9	10.8%	-152.2
<b>Recurring financial results traditional business</b>	<b>17.1</b>	<b>17.5</b>	<b>2.3%</b>	<b>71.5</b>
% of premiums acquired	2.7%	2.8%		2.8%
Financial income net of expenses	3.9	4.2	7.7%	17.9
Exchange Differences	2.8	-0.7		8.0
Subsidiary companies	3.5	0.7		4.6
Interests subordinated debt	-3.3	-4.2		-15.7
<b>Recurring financial results from credit insurance</b>	<b>6.9</b>	<b>0.0</b>		<b>14.8</b>
% of net income from insurance	1.6%	0.0%		0.9%
Intra-group interest adjustment	-2.7	-1.9		-8.5
<b>Adjusted recurring financial results from credit insurance</b>	<b>4.2</b>	<b>-1.9</b>		<b>6.3</b>
<b>Recurring financial results</b>	<b>21.3</b>	<b>15.6</b>	<b>-26.7%</b>	<b>77.8</b>
% of total Group Income	2.0%	1.5%		1.8%
<b>Non-recurring financial results</b>	<b>-7.8</b>	<b>-0.7</b>		<b>-15.5</b>
<b>Financial result</b>	<b>13.4</b>	<b>14.9</b>	<b>11.2%</b>	<b>62.3</b>
% of total Group Income	1.3%	1.4%		

## Non-recurring result

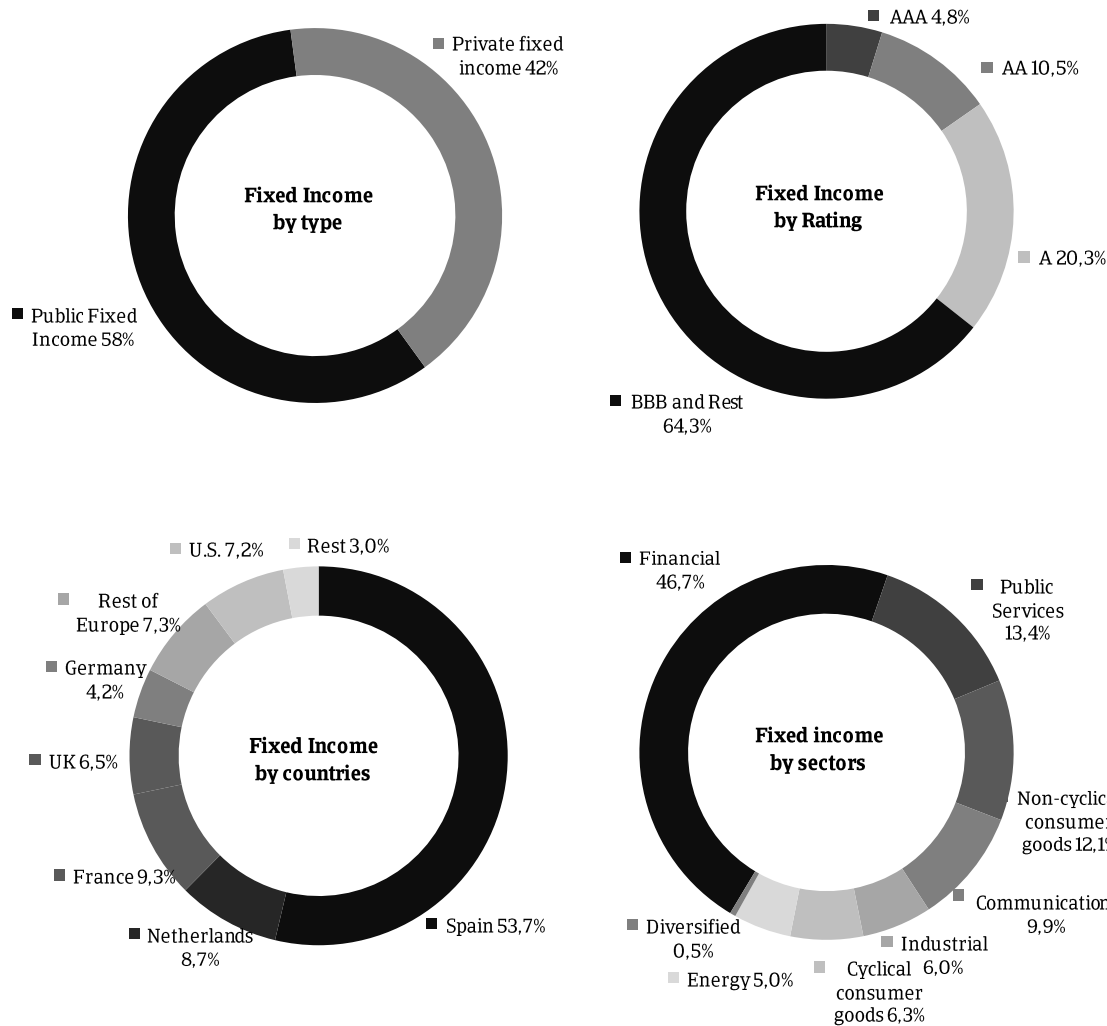
(figures in millions of euros)

<b>Non-recurring result (net of taxes)</b>	<b>3M 2016</b>	<b>3M 2017</b>	<b>12M 2016</b>
Technical	0.0	0.0	0.0
Financial	-1.8	-1.8	5.3
Expenses and other non-recurrent	0.0	0.0	-0.2
<b>Non-recurrent from traditional business</b>	<b>-1.8</b>	<b>-1.8</b>	<b>5.1</b>
Technical	0.0	0.0	0.0
Financial from business	-5.2	1.2	-20.8
Expenses and other non-recurrent	0.0	-3.2	-5.3
<b>Non-recurring from credit insurance business</b>	<b>-5.2</b>	<b>-2.0</b>	<b>-26.1</b>
<b>Consolidation adjustments</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Non-recurring result net of taxes</b>	<b>-7.0</b>	<b>-3.8</b>	<b>-21.0</b>

\* In 2016, items have been reclassified between recurring and non-recurring concepts. In order to be able to compare years a proforma of previous years is offered.

# Investments

## High quality of fixed income portfolio

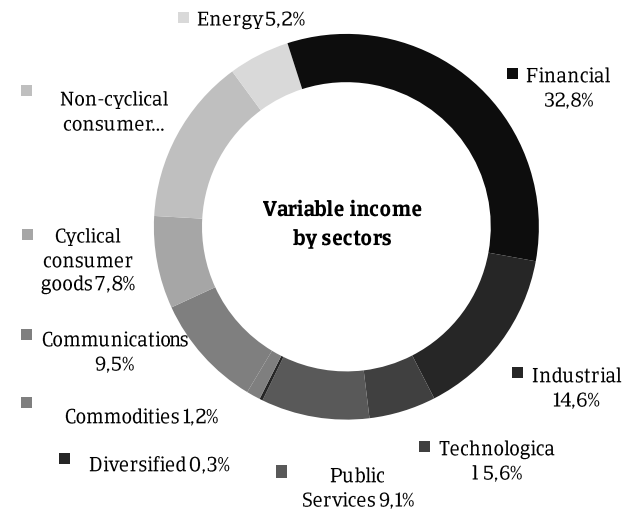
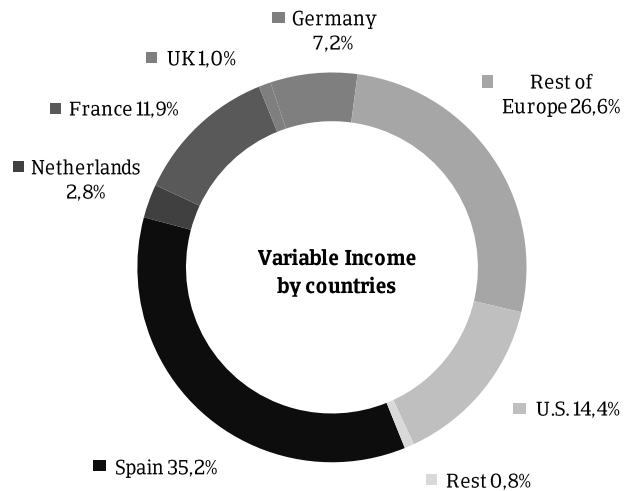


**Duration 4.65**  
**IRR 2.84%**



## Investment in cash assets

### High liquidity 13.2% variable income



## Balance Sheet

(figures in millions of euros)

<b>Assets</b>	<b>12M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>
<b>Intangible assets and property</b>	<b>1,213.1</b>	<b>1,209.1</b>	<b>-0.3%</b>
<b>Investments</b>	<b>10,332.0</b>	<b>10,495.3</b>	<b>1.6%</b>
Property investment	398.0	398.7	0.2%
Financial investments	8,897.3	8,882.7	-0.2%
Cash and short-term assets	1,036.6	1,213.9	17.1%
<b>Reinsurer participation in technical provisions</b>	<b>895.1</b>	<b>952.7</b>	<b>6.4%</b>
<b>Other assets</b>	<b>1,467.2</b>	<b>1,572.5</b>	<b>7.2%</b>
Deferred tax assets	91.1	91.4	0.3%
Credits	900.4	939.8	4.4%
Other assets	475.8	541.3	13.8%
<b>Total assets</b>	<b>13,907.5</b>	<b>14,229.6</b>	<b>2.3%</b>
<b>Net liabilities and equity</b>	<b>12M 2016</b>	<b>3M 2017</b>	<b>% Chg. 16-17</b>
<b>Long-term capital</b>	<b>3,039.6</b>	<b>3,136.4</b>	<b>3.2%</b>
<b>Net equity</b>	<b>2,834.7</b>	<b>2,938.8</b>	<b>3.7%</b>
Parent company	2,533.6	2,626.8	3.7%
Minority interests	301.1	312.0	3.6%
<b>Subordinated liabilities</b>	<b>204.9</b>	<b>197.7</b>	<b>-3.5%</b>
<b>Technical provisions</b>	<b>9,351.0</b>	<b>9,544.5</b>	<b>2.1%</b>
<b>Other liabilities</b>	<b>1,516.8</b>	<b>1,548.7</b>	<b>2.1%</b>
Other provisions	186.4	176.6	-5.3%
Deposits received on buying reinsurance	59.2	56.6	-4.4%
Deferred tax liabilities	340.3	345.8	1.6%
Liabilities	623.0	648.2	4.0%
Other liabilities	308.0	321.4	4.4%
<b>Total net liabilities and equity</b>	<b>13,907.5</b>	<b>14,229.6</b>	<b>2.3%</b>

## Grupo Catalana Occidente

The business model of the Group is based on leadership in protection and long-term welfare for families and companies in Spain and on the coverage of commercial credit risks at the international level, seeking growth, profitability and solvency.

### Insurance specialist



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

### Closeness – global presence



- Distribution of intermediaries
- Over 19,000 agents
- 6,800 employees
- Over 1,600 offices
- Over 50 countries

### Solid financial structure



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

### Technical rigor



- Excellent combined ratio
- Strict cost control
- 1999-2016: profitable \*8

## Corporate structure

<b>GRUPO CATALANA OCCIDENTE</b> Principales entidades		
Seguros Catalana Occidente	Tecniseguros	GCO Gestión de Activos
Seguros Bilbao	Bilbao Vida	Menéndez Pelayo SICAV
NorteHispana Seguros	S. Órbita	Catoc SICAV
Plus Ultra Seguros	Azkaran	Bilbao Hipotecaria
GCO Re	Agasal	Salerno 94
Previsora Bilbaína Seguros	Bilbao Telemark	Hercasol SICAV
Previsora Bilbaína Vida	Inversions Catalana Occident	Previsora Inversores SICAV
	CO Capital Ag. Valores	Arroita 1878
	Cosalud Servicios	
	GCO Tecnología y Servicios	
	Prepersa, AIE	
	GCO Contact Center	
	Grupo Funeuskadi	
Atradius Crédito y Caución	Atradius Collections	Grupo Compañía Española Crédito y Caución, S.L.
Atradius Re	Atradius Dutch State Business	Atradius NV
Atradius ATCI	Atradius Information Services	Atradius Participations Holding
Atradius Seguros de Crédito México	Iberinform International	Atradius Finance
Atradius Rus Credit Insurance	Graydon	
Crédito y Caución Seguradora de Crédito e Grantias Brazil		
SOCIEDADES DE SEGUROS	SOCIEDADES COMPLEMENTARIAS DE SEGUROS	SOCIEDADES DE INVERSIÓN

■ NEGOCIO TRADICIONAL

■ NEGOCIO SEGURO DE CRÉDITO

## Global Presence

Saudi Arabia	Dubai (**)
<b>Europe</b>	
Austria	Vienna
Belgium	Namur Antwerp
Czech Republic	Prague
Denmark	Copenhagen Århus
Finland	Helsinki
France	Paris Bordeaux Compiègne Lille Lyon Marseille Nancy Orléans Rennes Strasbourg Toulouse
Germany	Cologne Berlin Bielefeld Bremen Dortmund, Frankfurt Freiburg Hamburg Hanover Kassel, Munich Nuremberg Stuttgart
Greece	Athens
Hungary	Budapest
Ireland	Dublin
Italy	Rome Milan
Luxembourg	Luxembourg
Netherlands	Amsterdam Dordrecht
Norway	Oslo
Poland	Warsaw Krakow Poznan Jelenia Gora
Portugal	Lisbon Porto
Russia	Moscow (***)
Slovakia	Bratislava
Spain	Basque Country, Catalonia, Galicia, Andalusia, Asturias, Cantabria, La Rioja, Murcia, Comunidad Valenciana, Aragón, Castilla la Mancha, Navarra, Extremadura, Madrid, Castile-Leon, Balearic Islands, Canary Islands, Ceuta and Melilla.
Sweden	Stockholm
Switzerland	Zurich Lausanne Lugano
Turkey	Istanbul
United Kingdom	Cardiff Belfast Birmingham London Manchester
<b>Middle East</b>	
Israel	Tel Aviv (*)
Lebanon	Beirut (*)
United Arab Emirates	Dubai (**)
Saudi Arabia	Dubai (**)

### Asia

China	Shanghai (***)
Hong Kong	Hong Kong (***)
India	Mumbai (***)
Indonesia	Jakarta (**)
Japan	Tokyo
Malaysia	Kuala Lumpur (**)
Philippines	Manila (**)
Singapore	Singapore
Taiwan	Taipei (**)
Thailand	Bangkok (**)
Vietnam	Hanoi (**)

### Africa

Kenya	Nairobi (*)
South Africa	Johannesburg (*)
Tunisia	Tunis (*)

### Americas

Argentina	Buenos Aires (*)
Brazil	São Paulo
Canada	Almonte (Ontario) Mississauga (Ontario) Duncan (British Columbia)
Chile	Santiago de Chile (*)
Mexico	Mexico City, Guadalajara, Monterrey,
Peru	Lima (*)
USA	Hunt Valley (Maryland) Chicago (Illinois) Los Angeles California New York (New York)

### Oceania

Australia	Sydney Brisbane Melbourne Perth
New Zealand	Wellington

(\*) Association and collaboration agreements

(\*\*\*) Services established with local partners

## Risk strategy

Grupo Catalana Occidente defines its risk strategy as the level of risk it is willing to take to achieve the targets set in its strategic plan and annual guidelines.

Within the risk strategy, the following concepts are identified:

<b>Risk profile</b>	Risk assumed measured in terms of capital required.
<b>Risk appetite</b>	Maximum risk that the entity is willing to accept in order to achieve its objectives.
<b>Risk tolerance</b>	First level of disaggregation of the risk appetite depending on the business, type of risk and individual entity.
<b>Risk limits</b>	Operating limits established to comply with the risk tolerance.
<b>Alert indicators</b>	In addition, the Group avails of a series of early alert indicators that work as a base for both monitoring the risks and for complying with the risk appetite approved by the Board of Directors.

## Risk map

Risk map	Description	Management	Mitigation
Subscription risk Non-Life	Control of subscription and claims through strict control of the combined ratio and the default risk in the credit area, also supported by the reinsurance policies.	Subscription and reserve policies. Reinsurance policy. Manual and technical regulations for subscription.	Reinsurance and strict control of the combined ratio.
Subscription risk for life, health and funeral.	Control of subscription, claims and value of the portfolio, also supported by the reinsurance policies.	Subscription and reserve policies. Reinsurance policy. Manual and technical regulations for subscription.	Reinsurance and strict control of the subscription of risks.
Market risk	Detailed analysis of asset-liability matching (ALM), as well as sensitivity analysis of future scenarios.	Investment policy. Management based on the principle of prudence.	Asset management based on the principle of prudence. *Control of the different types of portfolio and the management objectives of each one. *Liability commitments to cover. *Type of investments considered appropriate for investment. *Credit diversification and rating limits to maintain
Counterparty risk	Control of credit rating of the principal financial counterparties and rating of the reinsurance table. Monitoring of exposure from commercial credit risk with agents and the age of the debt is also monitored.	Reinsurance policy. Investment policy.	Reinsurance with counterparties with good credit rating. Diversified investment portfolio with high rating.
Operational risk	Control of the inherent risk and residual risk through the implementation of preventative controls and mitigation in the case of an event.	Contingency plans. Data quality and safety policy. <i>Code of Ethics</i> . Procedure in cases of irregularities and fraud (report channel).	Implementation of an efficient internal control system.
Liquidity risk	Control of company liquidity and obligations.	Investment policy.	Low debt ratio
Strategic risk	Controlled by the Board of Directors and the steering committee through the strategic plan and the guidelines of the Group.	Strategic Plan and Medium Term Plan.	Continuous surveillance of the regulatory frameworks allowing the entity to adopt best practices and the most efficient and rigorous criteria for implementation.  Frequent contact with rating agencies.
Regulatory non-compliance risk	Guidance and control for regulatory compliance and evaluation of the impact of any modification to the legal environment.	<i>Code of Conduct</i> . Regulatory compliance policy.	
Reputational risk	Continuous improvement of customer service and the image of the Group and of the risks that may have an impact on the Group.	Procedure in the case of irregularities. <i>Code of Conduct</i> . <i>Code of Ethics</i> . Skill and honour policy.	Implementation of an efficient internal control system.

Fundación Jesús Serra



Fundación Jesús Serra is the institution through which part of the social action of Grupo Catalana Occidente is channelled.

The activities follow the humanist values of its founder, Jesús Serra Santamans

Research and teaching



Music and poetry



Sport



Social action

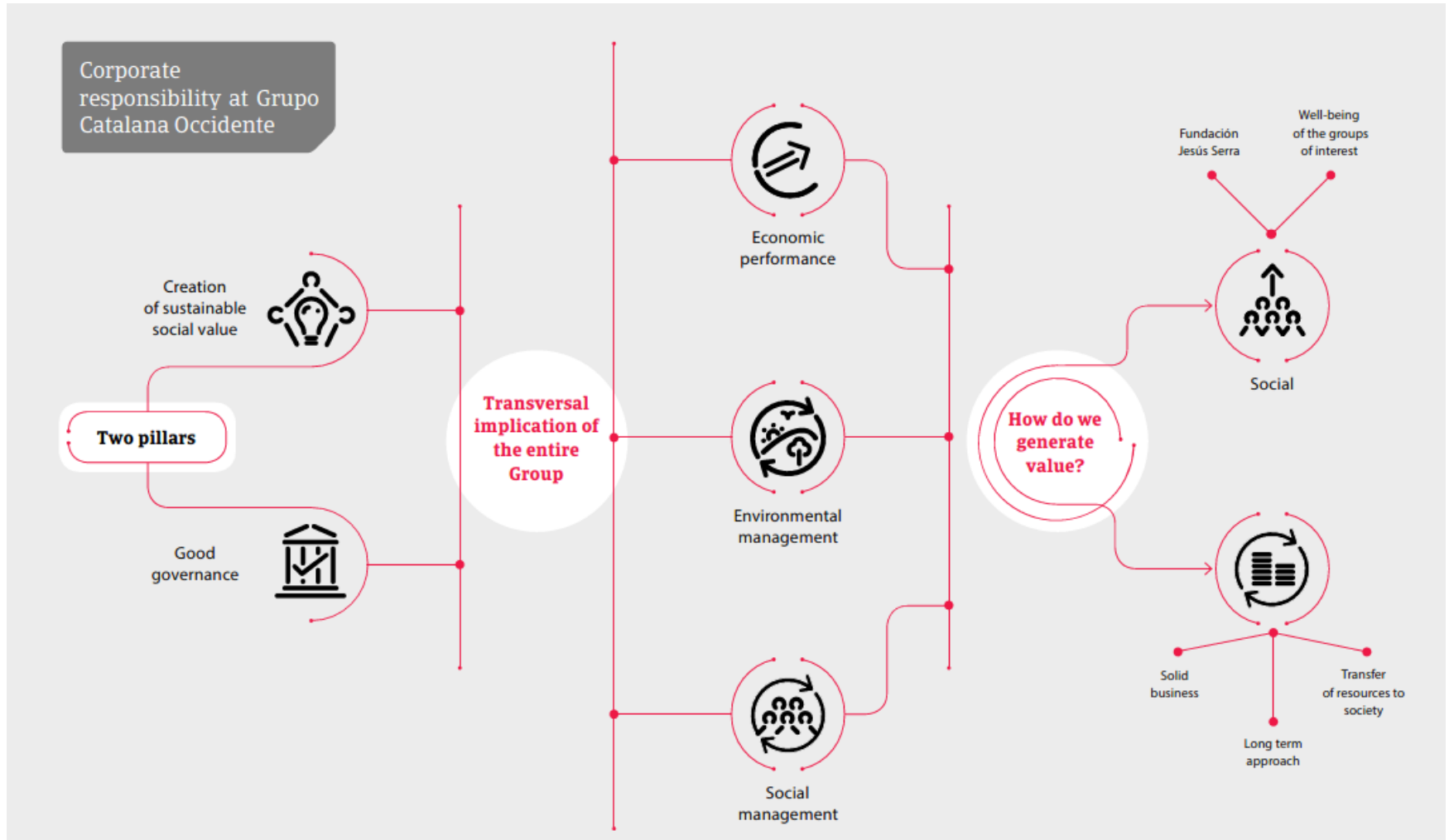


More than insurance...

... participates in **over 60 projects** in the areas of business, teaching, research, culture, sports and social action



# Corporate responsibility strategy



# Glossary

<b>Term</b>	<b>Definition</b>	<b>Formulation</b>
<b>Technical result</b>	Result of the insurance activity	<b>Technical result</b> = Income from insurance - Technical cost - Commissions - Expenses
<b>Reinsurance result</b>	Result provided from transferring business to the reinsurer or accepting business from other entities.	<b>Reinsurance result</b> = Result of the reinsurance accepted + Result of the reinsurance transferred
<b>Financial result</b>	Result of the financial investments.	<b>Financial result</b> = income from financial assets (coupons, dividends, performances) - financial expenses (commissions and other expenses) + result of subsidiary companies - interest accrued on the debt - interests paid to the policyholders of the life insurance business
<b>Technical-Financial Earnings</b>	Result of the insurance activity including the financial result. This result is particularly relevant for Life insurances.	<b>Technical/financial result</b> = Technical result + Financial result
<b>Result of non-technical non-financial account</b>	The income and expenses that cannot be attributed to technical or financial results.	<b>Non-technical non-financial account result</b> = Income - expenses that cannot be attributed to the technical or financial results.
<b>Result of complementary credit insurance activities</b>	Result of activities that cannot be assigned to the purely insurance business. Principally distinguishes the activities of: <ul style="list-style-type: none"> <li>· Information services</li> <li>· Recoveries</li> <li>· Management of the export account of the Dutch State.</li> </ul>	<b>Result of complementary credit insurance activities</b> = income - expenses
<b>Recurring result</b>	Result of the regular activity of the entity	<b>Recurring result</b> = technical/financial result + non-technical account result - taxes, all resulting from regular activity
<b>Non-recurring result</b>	Extraordinary or atypical activities that may detract from the analysis of the results account. Classified depending on their nature (technical, expenses and financial) and by business type (traditional and credit insurance)	<b>Non-recurring result</b> = technical/financial result + non-technical account result - taxes, all resulting from extraordinary or atypical movements.
<b>Turnover</b>	Turnover is the Group's business volume  It includes the premiums that the Group generates in each of the business lines and the income from services related to the credit insurance	<b>Turnover</b> = Premiums invoiced + Income from information <b>Premiums invoiced</b> = premiums issued from direct insurance + premiums from reinsurance accepted

<b>Funds managed</b>	Amount of the financial and property assets managed by the Group	<b>Funds managed</b> = Financial and property assets entity risk + Financial and property assets policyholder risk + Pension funds managed <b>Funds managed</b> = fixed income + variable income + properties + deposits in credit entities + treasury + subsidiaries
<b>Financial strength</b>	Shows the situation of debt and solvency. Principally measured through the debt ratio, the interest coverage ratio and the credit rating.	<b>Debt ratio</b> = Net equity + Debt / Debt <b>Interest coverage ratio</b> = result before taxes / Interest
<b>Technical cost</b>	Direct cost of the claim coverage. See claims.	<b>Technical cost</b> = total claims - claims from the reinsurance + cost of the reinsurance + increase of technical provisions
<b>Dividend yield</b>	The dividend yield shows the relationship existing between the dividends distributed in the last year with the value of the share upon closing. Indicator used to value the shares in an entity	<b>Dividend yield</b> = dividend paid in the year per share / listed value of the share upon closing
<b>Modified duration</b>	Sensitivity of the value of the shares to the interest rate movements	<b>Modified duration</b> = 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 of the interest rates.
<b>Expenses</b>	The general expenses include the costs incurred for business management excluding those that can be attributed to the claims.	<b>Expenses</b> = personnel expenses + commercial expenses + other services and expenses (food, training, management awards, material and other office expenses, rents, external services, etc.).
<b>Retention level</b>	Measures the customers expectations to continue with the entity Scale from less than 1 year to over 5 years	<b>Retention level</b> = how long do you think that you will remain a customer?
<b>Satisfaction level</b>	Measures the level of general satisfaction of the customer with the entity Scale from 1 to 10	<b>General satisfaction level</b> = (Satisfied - Unsatisfied) / surveyed Satisfied responses with result from 7 to 10 Unsatisfied response with result from 1 to 4
<b>Service satisfaction level</b>	Measures the evaluation of the service received Scale from 1 to 10	<b>Service satisfaction level</b> = (Satisfied - Unsatisfied) / surveyed Satisfied responses with result from 7 to 10 Unsatisfied response with result from 1 to 4

<b>Income from insurance</b>	Term used in the credit insurance business Measures the income obtained from the principal activity of the credit insurance entity	<b>Income from insurance</b> = earned premiums + income from information
<b>Shares in associated / subsidiary entities</b>	Non-dependent entities where the Group has significant influence	<b>Shares in associated / subsidiary entities</b> = book value of the economic participation
<b>Net Promoter Share NPS</b>		<b>Net Promoter Share</b> = Would you recommend the company to family and friends? = (promoters-detractors)/ surveyed Promoters: responses with result equal to 9 or 10 Detractors: responses with result from 1 to 6
<b>Pay out</b>	Ratio that indicates the part of the result distributed to investors through dividends	<b>Pay out</b> = dividend distributed in the year / result attributable
<b>Price Earnings Ratio PER</b>	The price-earnings ratio or PER measures the relationship between the price or value of the entity and the results. Its value expresses what is paid by the market for each monetary unit of results. It is representative of the entity's capacity to generate results.	<b>PER</b> = Market price of the share / result attributable per share
<b>Ex. single premiums</b>	Total premiums without considering non-periodic premiums of the Life business	<b>Ex. single premiums</b> = Premiums invoiced - single premiums of the life business
<b>Technical provisions.</b>	Amount of the assumed obligations derived from the insurance and reinsurance contracts.	
<b>Combined ratio</b>	Indicator that measures the technical profitability of the Non-Life insurance.	<b>Net Combined Ratio</b> = ((Claims + increase of technical provisions) + Commissions + Expenses) / Income from insurance
<b>Net combined ratio</b>	Indicator that measures the technical profitability of the Non-Life insurance net of the reinsurance effect	<b>Net combined ratio</b> = ((Claims - claims covered by the reinsurance + cost of the reinsurance + increase of technical provisions) + Commissions + Expenses) / (Income from insurance - Earned premiums transferred to reinsurance)
<b>Expenses ratio</b>	Ratio that reflects the part of income from premiums dedicated to expenses.	<b>Expenses ratio</b> = Expenses / Income from insurance
<b>Net expenses ratio</b>	Ratio that reflects the part of income from premiums dedicated to expenses net of the reinsurance effect	<b>Expenses ratio</b> = (Expenses - commission of the reinsurance granted) / (Income from insurance - Earned premiums transferred to reinsurance)

<b>Claims ratio</b>	Business indicator, consisting of the proportion between claims and earned premiums	<b>Claims</b> = (Claims + increase of technical provisions) / Income from insurance
<b>Net claims ratio</b>	Business indicator, consisting of the proportion between claims and earned premiums net of the reinsurance effect.	<b>Net claims ratio</b> = (Claims - claims covered by the reinsurance + increase of technical provisions) / (Income from insurance - Earned premiums transferred to reinsurance)
<b>Long-term capital</b>	Resources assimilable to own funds.	<b>Long-term capital</b> = Net equity + Subordinate debt
<b>Long-term capital at market value</b>	Resources assimilable to own funds at market value	<b>Long-term capital at market value</b> = Net equity + Subordinate debt + capital gains not included in the balance sheet
<b>Resources transferred to society</b>	Amount that the Group returns to the principal groups of interest.	<b>Resources transferred to the company</b> = claims paid + taxes + commissions + personnel expenses + dividends
<b>Return On Equity ROE</b>	Financial profitability or return rate Measures the capital performance	<b>ROE</b> = Result attributable / Attributed net equity
<b>Claims</b>	See technical cost. Economic evaluation of the claims.	<b>Claims</b> = Payment for claims + Variation of the provision for contributions
<b>Total Potential Exposure TPE</b>	This is the potential exposure to risk, also "risk accumulation". Business term for credit insurance	<b>TPE</b> = the sum of the credit limits subscribed by the Group in each "buyer"

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# Thank you

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