



**linea directa**

# 6M 2021 Results

Alternative performance measures

21 July de 2021

APMs (Alternative performance measures)		6M 2021	6M 2020	12M 2020	12M 2019	12M 2018
TECHNICAL result	<b>Premiums earned, net of ceded reinsurance + net claims incurred + net operating expenses + other technical income and expenses + profit sharing</b>	<b>63,139</b>	<b>62,034</b>	<b>145,939</b>	<b>103,650</b>	<b>117,812</b>
	Premiums earned, net of reinsurance	435,993	434,400	878,177	854,762	816,289
	Incurred claims for the year, net of reinsurance	(284,885)	(279,624)	(540,064)	(580,987)	(528,029)
	Net operating expenses	(97,485)	(101,365)	(209,603)	(199,919)	(196,176)
	Other technical income and expenses + profit sharing	9,516	8,623	17,429	29,794	25,728
FINANCIAL result	<b>Income and expenses from investments</b>	<b>12,795</b>	<b>13,042</b>	<b>29,253</b>	<b>31,570</b>	<b>33,474</b>
	Financial investments and property revenues	22,769	34,974	76,613	70,687	52,021
	Financial investments and property expenses	(9,974)	(21,932)	(47,360)	(39,117)	(18,547)
Number of CLIENTS	<b>Total number of clients</b>	<b>3,305,624</b>	<b>3,184,649</b>	<b>3,224,003</b>	<b>3,170,868</b>	<b>3,023,891</b>
	Motor	2,516,306	2,442,090	2,463,171	2,419,544	2,335,568
	Home	688,148	642,554	662,393	622,912	568,157
	Health	95,998	75,135	89,163	69,460	32,947
	Other insurance	5,172	24,870	9,276	58,952	87,219
CONSOLIDATED loss ratio	<b>Incurred claims for the year, net of reinsurance / Premiums earned, net of reinsurance</b>	<b>65.3%</b>	<b>64.4%</b>	<b>61.5%</b>	<b>68.0%</b>	<b>64.7%</b>
	Incurred claims for the year, net	(284,885)	(279,624)	(540,064)	(580,987)	(528,029)
	Premiums earned, net of reinsurance	435,993	434,400	878,177	854,762	816,289
	<b>Purpose:</b> Measures the efficiency in the claims' experience as it includes incurred claims as a percent over the volume of premiums earned, net of reinsurance					
	Loss ratio makes it possible to establish comparisons between companies					
CONSOLIDATED expense ratio	<b>(Operating expenses, net of reinsurance + other technical income and expenses) / Premiums earned, net of reinsurance</b>	<b>20.2%</b>	<b>21.3%</b>	<b>21.9%</b>	<b>19.9%</b>	<b>20.9%</b>
	Operating expenses, net of reinsurance	(97,485)	(101,365)	(209,603)	(199,919)	(196,176)
	Other technical income and expenses, profit sharing and returns	9,516	8,623	17,429	29,794	25,728
	Premiums earned, net of reinsurance	435,993	434,400	878,177	854,762	816,289
	<b>Purpose:</b> Measures the Company's efficiency in expenses as it includes operating and other technical income and expenses as a percent over the volume of premiums earned, net of reinsurance  Expense ratio makes it possible to establish comparisons between companies					

APMs (Alternative performance measures)		6M 2021	6M 2020	12M 2020	12M 2019	12M 2018
CONSOLIDATED combined ratio	<b>Loss ratio + expense ratio</b>  <b>Purpose:</b> Measures the technical profit ability of Non- Life insurance A combined ratio below 100% indicates that the technical result is positive, while a combined ratio above 100% indicates that said result is negative. Makes it possible to establish comparisons between companies in the insurance sector, since it measures the loss experience and technical expenses like the percent over premium volume.	85.5%	85.7%	83.4%	87.9%	85.6%
MOTOR loss ratio	<b>Incurred claims for the year, net of reinsurance / Premiums earned, net of reinsurance</b> Incurred claims for the year, net Premiums earned, net of reinsurance	66.0% (244,740) 370,806	65.7% (245,650) 374,155	61.8% (465,382) 752,605	69.4% (519,666) 748,309	66.3% (476,725) 718,521
MOTOR expense ratio	<b>(Operating expenses, net of reinsurance + other technical income and expenses) / Premiums earned, net of reinsurance</b> Operating expenses, net of reinsurance Other technical income and expenses, profit sharing and returns Premiums earned, net of reinsurance	17.7% (75,358) 9,882 370,806	18.8% (79,437) 9,281 374,155	18.7% (159,468) 18,726 752,605	16.3% (152,748) 30,638 748,309	17.7% (154,001) 27,179 718,521
MOTOR combined ratio	<b>Loss ratio + expense ratio (Motor line of business)</b>	83.7%	84.4%	80.5%	85.8%	84.0%
HOME loss ratio	<b>Incurred claims for the year, net of reinsurance / Premiums earned, net of reinsurance</b> Incurred claims for the year, net Premiums earned, net of reinsurance	57.5% (33,435) 58,166	52.3% (28,390) 54,284	57.1% (63,678) 111,546	51.8% (53,137) 102,660	52.2% (48,215) 92,406
HOME expense ratio	<b>(Operating expenses, net of reinsurance + other technical income and expenses) / Premiums earned, net of reinsurance</b> Operating expenses, net of reinsurance Other technical income and expenses, profit sharing and returns Premiums earned, net of reinsurance	33.8% (19,550) (91) 58,166	36.5% (19,678) (120) 54,284	36.9% (40,873) (311) 111,546	36.2% (37,209) 33 102,660	38.4% (35,037) (460) 92,406
HOME combined ratio	<b>Loss ratio + expense ratio (Home line of business)</b>	91.2%	88.8%	94.0%	88.0%	90.6%

APMs (Alternative performance measures)		6M 2021	6M 2020	12M 2020	12M 2019	12M 2018
HEALTH loss ratio	<b>Incurred claims for the year, net of reinsurance / Premiums earned, net of reinsurance</b>	<b>105.3%</b>	<b>107.6%</b>	<b>n.m.</b>	<b>n.m.</b>	<b>n.m.</b>
	Incurred claims for the year, net	(6,678)	(5,258)	n.m	n.m	n.m
	Premiums earned, net of reinsurance	6,342	4,885	n.m	n.m	n.m
HEALTH expense ratio	<b>(Operating expenses, net of reinsurance + other technical income and expenses) / Premiums earned, net of reinsurance</b>	<b>42.1%</b>	<b>46.8%</b>	<b>n.m</b>	<b>n.m</b>	<b>n.m</b>
	Operating expenses, net of reinsurance	(2,567)	(2,166)	n.m.	n.m.	n.m.
	Other technical income and expenses, profit sharing and returns	(103)	(121)	n.m.	n.m.	n.m.
	Premiums earned, net of reinsurance	6,342	4,885	n.m.	n.m.	n.m.
HEALTH combined ratio	<b>Loss ratio + expense ratio (Other insurance businesses)</b>	<b>147.4%</b>	<b>154.5%</b>	<b>n.m</b>	<b>n.m</b>	<b>n.m</b>
OTHER INSURANCE BUSINESSES loss ratio	<b>Incurred claims for the year, net of reinsurance / Premiums earned, net of reinsurance</b>	<b>4.7%</b>	<b>30.3%</b>	<b>14.6%</b>	<b>10.8%</b>	<b>6.9%</b>
	Incurred claims for the year, net	(32)	(326)	(292)	(328)	(223)
	Premiums earned, net of reinsurance	679	1,076	2,006	3,045	3,215
OTHER INSURANCE BUSINESSES expense ratio	<b>(Operating expenses, net of reinsurance + other technical income and expenses) / Premiums earned, net of reinsurance</b>	<b>26.8%</b>	<b>46.6%</b>	<b>52.3%</b>	<b>52.6%</b>	<b>56.2%</b>
	Operating expenses, net of reinsurance	(10)	(84)	(342)	(877)	(1,055)
	Other technical income and expenses, profit sharing and returns	(172)	(417)	(708)	(724)	(751)
	Premiums earned, net of reinsurance	679	1,076	2,006	3,045	3,215
OTHER INSURANCE BUSINESSES combined ratio	<b>Loss ratio + expense ratio (Other insurance businesses)</b>	<b>31.5%</b>	<b>76.9%</b>	<b>66.9%</b>	<b>63.3%</b>	<b>63.1%</b>
RoAE (return on average equity)	<b>Net result for the period / (average equity at the beginning and closing of the period)</b>	<b>34.9%</b>	<b>N/A</b>	<b>34.0%</b>	<b>35.0%</b>	<b>39.4%</b>
	Net result for the period	134,167	N/A	134,846	107,295	117,211
	Average equity at the beginning and closing of the period	383,919	N/A	396,210	306,632	297,677
	<b>Purpose:</b>					
	The RoAE is an indicator used to measure the relationship between the financial earnings and the resources necessary to obtain them. It makes it possible to measure the return the shareholders obtain from the funds invested in the Company, i.e. the company's capacity to remunerate its shareholders.					

APMs (Alternative performance measures)		6M 2021	6M 2020	12M 2020	12M 2019	12M 2018
<b>Duration</b>	<p><b>A composite measure of the timing of a bond's cash flow characteristics taking into consideration its coupon and term to maturity</b></p> <p>It refers to the weighted average of time until cash flows (coupons and principal) are received, and it is measured in years.</p> <p><b>Purpose:</b></p> <p>This ratio makes it possible to measure the degree of volatility or risk in the Group's fixed income portfolios. The higher the duration of the portfolio, the greater the volatility of the prices of the securities when there are changes in interest rates.</p>	4.04	N/A	3.04	2.52	2.51
<b>Modified duration</b>	<p><b>Modified duration</b></p> <p>It is the weighted average of time until cash flows (coupons and principal) are received, divided by 1 plus the yield to maturity divided by the number of payments in a year</p> <p><b>Purpose:</b></p> <p>This ratio makes it possible to measure an approximate value of the percentage variation of financial securities for each percentage point (100 basis points) change in interest rates.</p> <p>The higher the modified duration of the portfolio, the greater the volatility of the prices of the securities when there are changes in interest rates.</p>	4.01%	N/A	3.26%	3.79%	3.75%
<b>Fixed income portfolio average return</b>	<p><b>Average return of the fixed income investment portfolio</b></p> <p>Income earned, recognised through the profit and loss statement during the period divided by the fixed income portfolio. This includes realised gains/losses and impairments.</p> <p>Excludes fair value adjustments.</p> <p>Interest received</p> <p>Realised gains/losses and impairments</p> <p>Debt securities</p> <p><b>Purpose:</b></p> <p>Measures the return of the fixed income securities held in the investment portfolio during a specific period of time</p>	<p>2.16%</p> <p>16,923</p> <p>(720)</p> <p>750,756</p>	<p>2.50%</p> <p>18,031</p> <p>122</p> <p>726,265</p>	<p>2.62%</p> <p>21,187</p> <p>(187)</p> <p>801,209</p>	<p>3.23%</p> <p>22,101</p> <p>1,192</p> <p>720,797</p>	<p>3.46%</p> <p>23,986</p> <p>107</p> <p>696,945</p>

APMs (Alternative performance measures)		6M 2021	6M 2020	12M 2020	12M 2019	12M 2018
<b>Equity portfolio average return</b>	<b>Average return of the equity investment portfolio</b>	<b>1.17%</b>	<b>2.09%</b>	<b>0.37%</b>	<b>2.39%</b>	<b>6.84%</b>
	Income earned, recognised through the profit and loss statement during the period divided by the equity portfolio. This includes realised gains/losses and impairments.					
	Excludes fair value adjustments.					
	Dividends received	2,468	2,046	1,649	2,383	2,465
	Realised gains/losses and impairments	(780)	319	(1,186)	407	3,609
	Shares and equity mutual funds	144,632	113,354	125,855	116,688	88,763
	<b>Purpose:</b>					
	Measures the return of the equity securities held in the investment portfolio during a specific period of time					
<b>Property investments average return</b>	<b>Average return of the property investments portfolio</b>	<b>6.36%</b>	<b>6.51%</b>	<b>6.25%</b>	<b>8.79%</b>	<b>6.69%</b>
	Rental income earned, recognised through the profit and loss statement during the period divided by the property investments portfolio. This includes realised gains/losses and impairments.					
	Excludes fair value adjustments.					
	Rental income	4,207	4,133	4,121	4,206	4,514
	Realised gains/losses and impairments	-	-	-	1,443	-
		-	211	-	211	-
	Property investments	66,122	66,701	65,948	66,670	67,458
	<b>Purpose:</b>					
	Measures the return of the property investments during a specific period of time					

APMs (Alternative performance measures)					
	6M 2021	6M 2020	12M 2020	12M 2019	12M 2018
<b>Total average return (excludes cash and cash equivalents) Average return of the investment portfolio</b>	<b>2.30%</b>	<b>2.74%</b>	<b>2.58%</b>	<b>3.53%</b>	<b>4.07%</b>
Income earned, recognised through the profit and loss statement during the period divided by the assets under management (fixed income and equity portfolios and property investments). This includes realised gains/losses and impairments.					
Excludes fair value adjustments.					
<b>Total investments</b>	<b>961,509</b>	<b>906,320</b>	<b>993,012</b>	<b>904,155</b>	<b>853,167</b>
Debt securities	750,756	726,265	801,209	720,797	696,945
Shares and equity mutual funds	144,632	113,354	125,855	116,688	88,763
Property investments	66,122	66,701	65,948	66,670	67,458
<b>Total investment income and net realised gains (losses)</b>	<b>22,098</b>	<b>24,862</b>	<b>25,584</b>	<b>31,944</b>	<b>34,681</b>
Debt securities	16,923	18,031	21,187	22,101	23,986
Realised gains (losses) on debt securities	(720)	122	(187)	1,192	107
Shares and equity mutual funds	2,468	2,046	1,649	2,383	2,465
Realised gains (losses) on equities	(780)	319	(1,186)	407	3,609
Rental income	4,207	4,133	4,121	4,206	4,514
Realised gains (losses) on investment property	-	211	-	1,655	-
<b>Purpose:</b>					
Measures the return of the financial securities held in the investment portfolio during a specific period of time					