

MEXICAN INSURANCE MARKET VIEW



INTERPROTECCION

INSURANCE ANSWER

MEXICO´S MACROECONOMICAL ENVIRONMENT

Mexico was ranked 28th of 139 countries in terms of macroeconomic environment, according to WEF´s “Global Competitiveness Report 2010-2011.”
Better ranking than Brazil, Russia and India.
Mexico accounts for 40% of Latin America´s total trade.

Source: Competitive Alternatives, KPMG, Global Benchmark Report
INEGI, Stats on Mexican Foreign trade

MEXICO´S MACROECONOMICAL ENVIRONMENT

- Mexico is the 10th largest exporter in the world.
- In 2011, we exported more than 300 billion dollars.
- Our country has become a production center of high added value goods.
- In 2011, more than 80% of exports were manufactured goods.
- 1,800 miles of border with the worlds largest market and 25 access points.
- The lowest logistic and manufacturing costs in North America.
- Mexico is the worlds most competitive country in terms of costs and taxes, according to the Global Benchmark Report.

Source: Competitive Alternatives, KPMG, Global Benchmark Report
INEGI, Stats on Mexican Foreign trade

MEXICO AS STRATEGIC GLOBAL LEADER

AUTOMOTIVE/MOTOR

- 6TH Place in vehicle export
- 90 of the top 100 auto parts companies in the world have production operations in Mexico.

AGROINDUSTRIES

- Leading exporter of vegetables, roots and tubers in America.
- Leading producer/exporter of avocado, papaya, mango and powdered and sweetened cocoa.
- 2nd place producer/exporter of fresh tomatoes.

ELECTRONICS AND HOME APPLIANCES

- Leading exporter of flat screens TV´ s
- 2nd exporter of refrigerators and freezers.
- 3rd exporter of mobile phones.
- 6th exporter of home appliances globally.

Source: Competitive Alternatives, KPMG, Global Benchmark Report
INEGI, Stats on Mexican Foreign trade



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MEXICO AS STRATEGIC GLOBAL LEADER

AEROSPACE

- Leading receiver of FDI projects in Aerospace manufacturing.
- 6th in FDI projects related to R&D
- 8th supplier to US in this industry.
- 232 aerospace companies, employing more than 30 thousand individuals

CREATIVE INDUSTRIES

MINING

BIODIVERSITY

- 1 Million km²
- 10% of the world's species

CULTURE AND HISTORY

- 110,000 historic monuments
- 30,000 archeological sites
- 31 declared "World's Heritage" by UNESCO, 6th worldwide
- 1 of 2 declared "Intangible World Heritage Cuisines"

WEALTH

- Latam leading tourist destination, 11th in the world
- 22 million tourists, more than 12 billion dollar value
- 2nd luxury tourist destination
- 1st Spas

Source: Aerostrategy, US Census Bureau, Bombardier
World Tourism Organization, Tourism Highlights 2011 edition
SECTUR, SEMARNAT

| Insurance Offer | Co. Number |
|----------------------|------------|
| Branch | |
| Life | 40 |
| Pensions | 9 |
| Accidents and Health | 41 |
| Health | 10 |
| Property | 39 |
| Casualty | 32 |
| Medical Expenses | 30 |
| Marine and Cargo | 30 |
| Agro | 5 |
| Credit | 3 |
| Motor Auto | 31 |
| Reinsurance | 2 |
| 100% Mexican | 30 |
| Foreign | 51 |
| | 81 |

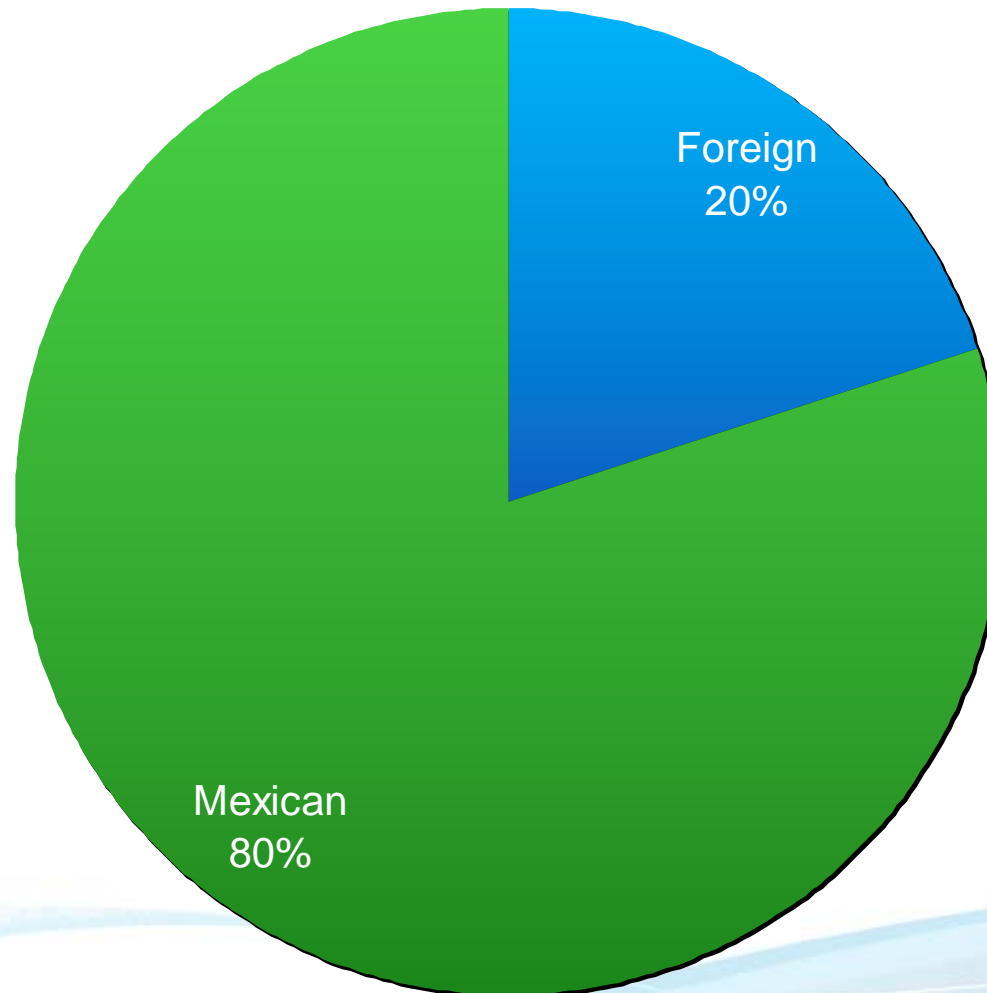
Source: AMASFAC



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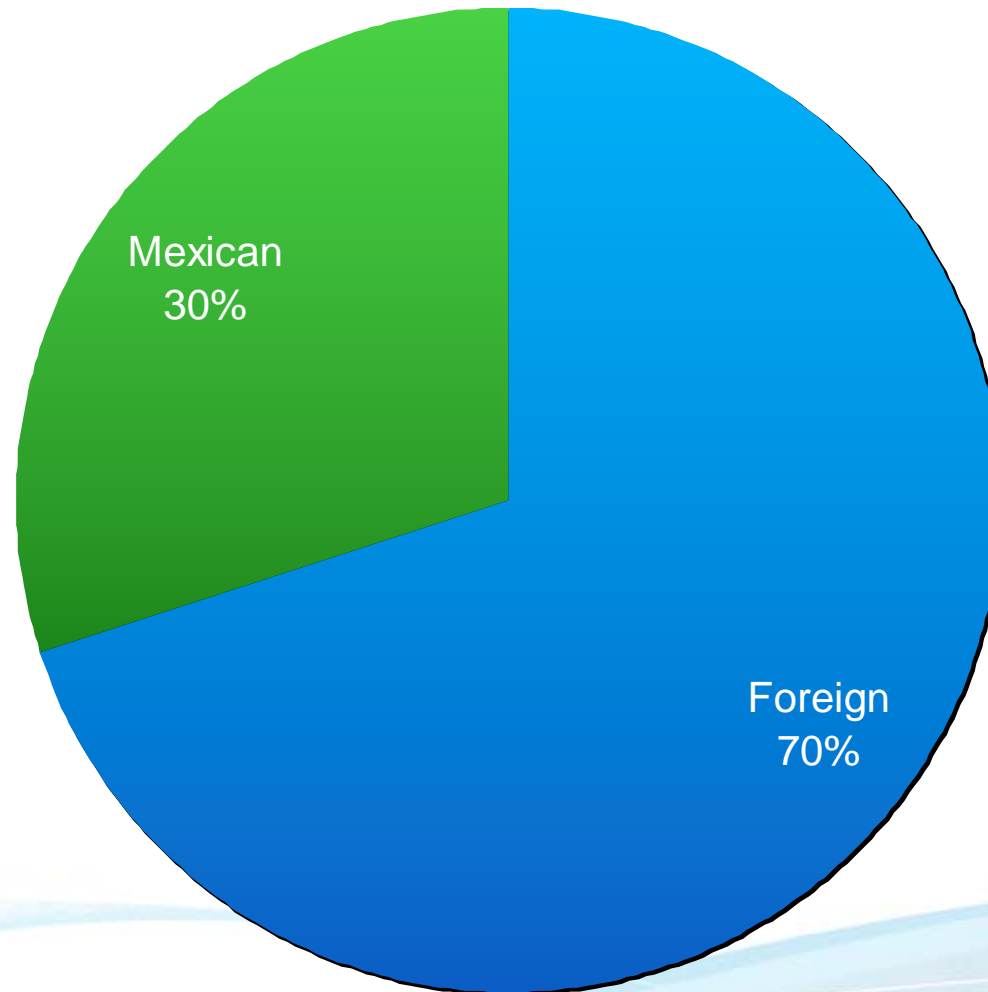
MEXICAN AND FOREIGN SHARE

1990



MEXICAN AND FOREIGN PREMIUM SHARE

2011

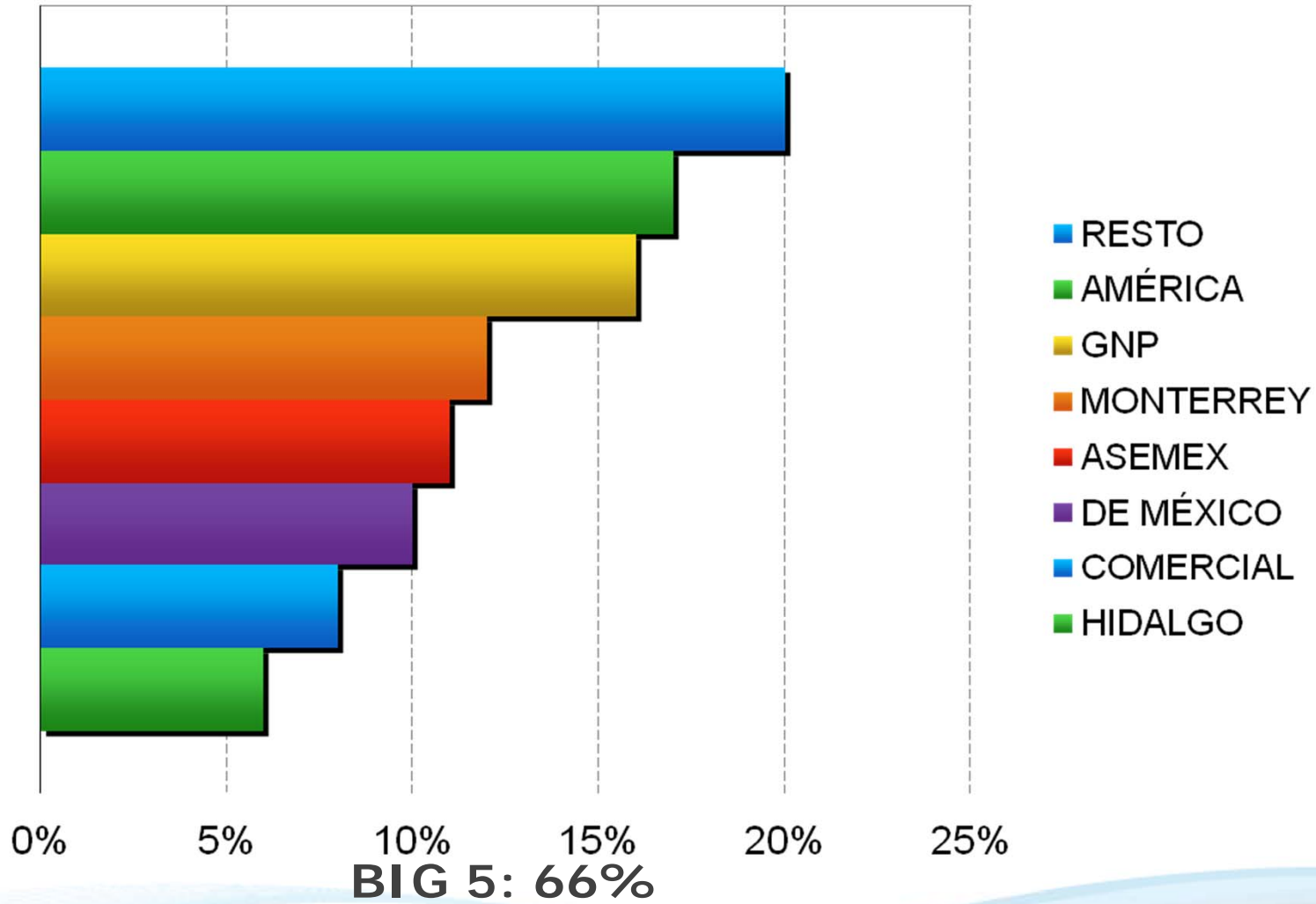




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MARKET CONCENTRATION

1990: 82% (7 Co.)

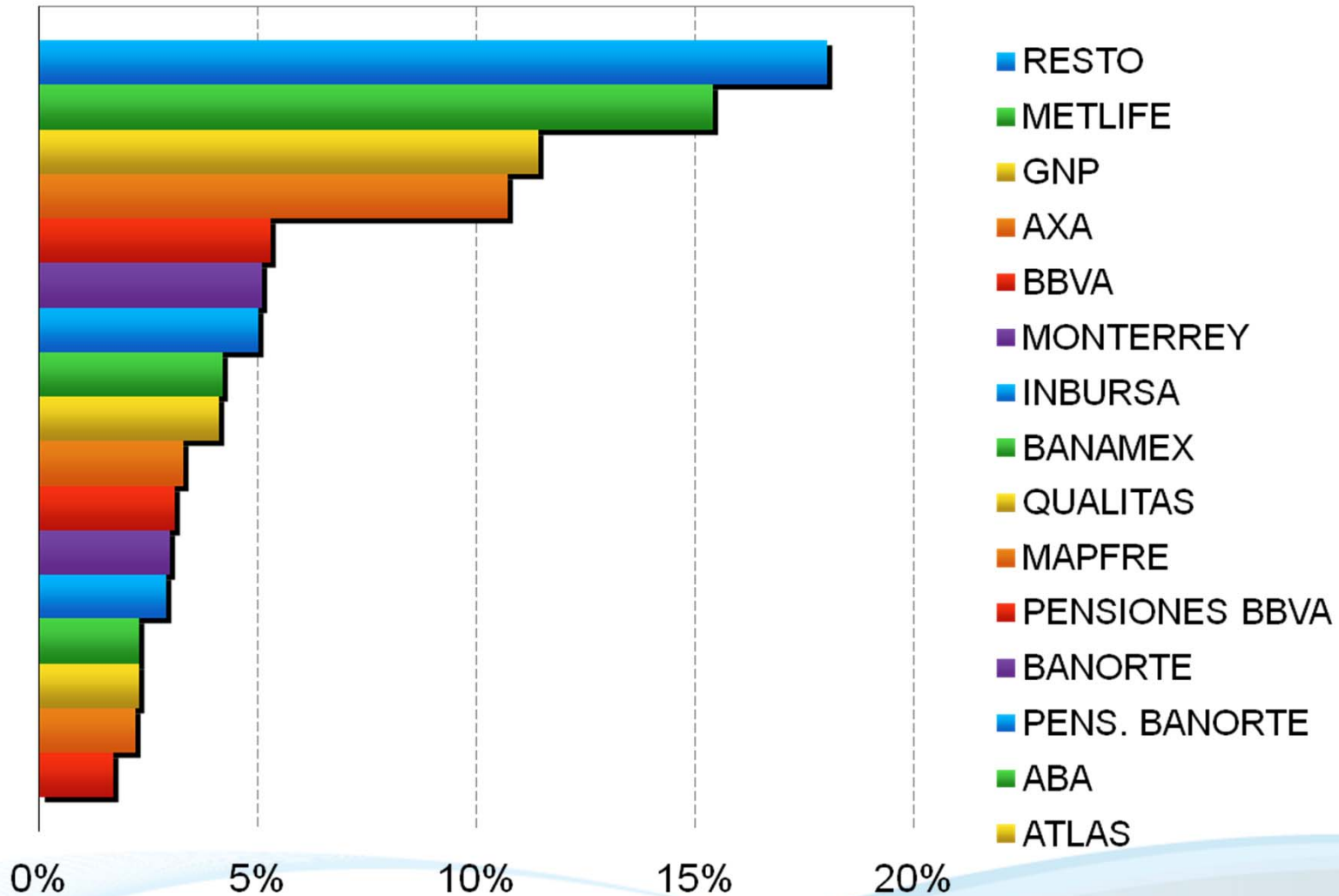




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MARKET SHARE COMPANIES

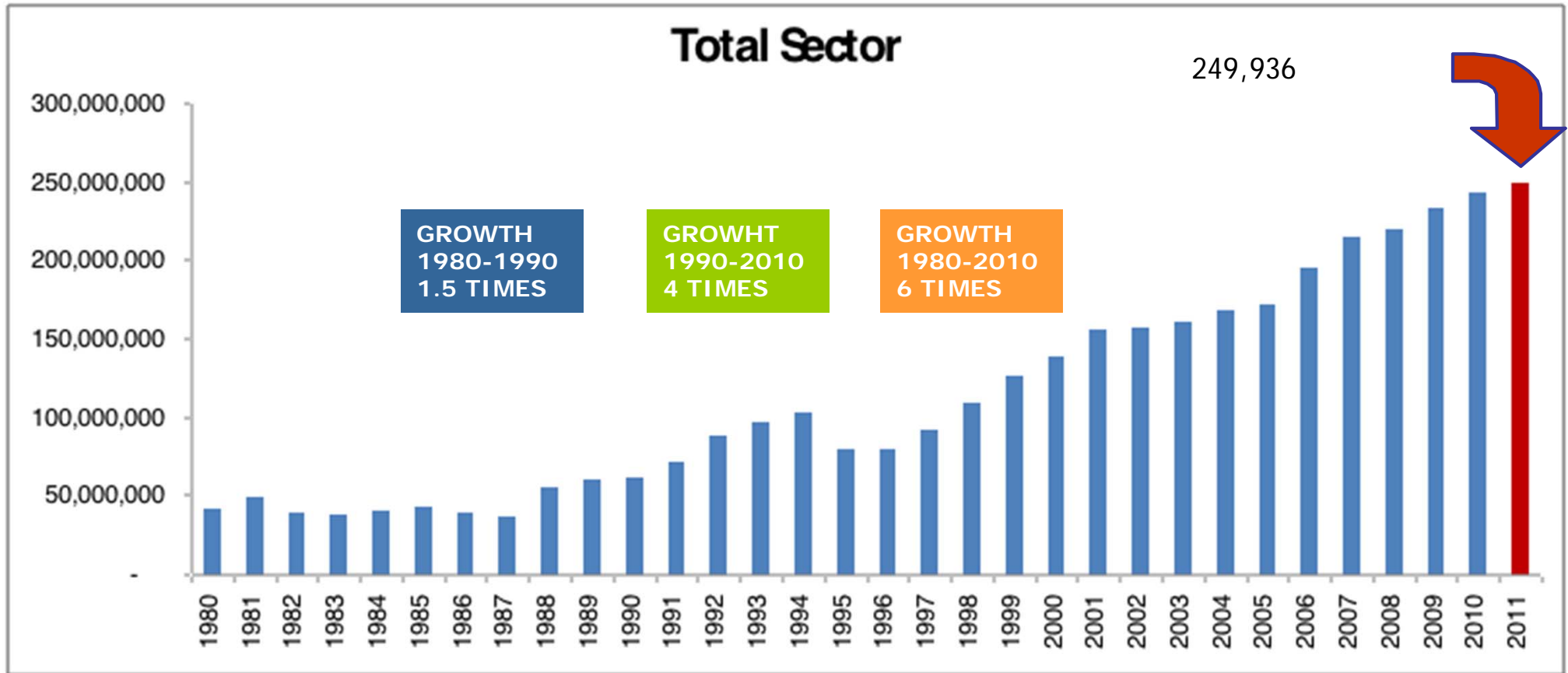
2011: 82% (16 CO.)



BIG FIVE 47% MARKET SHARE

HISTORIC PREMIUMS BEHAVIOR (1980 - 2011)

(Millions of Pesos, Dec 2010)



41,386

61,553

240,192

2011 = Estimate

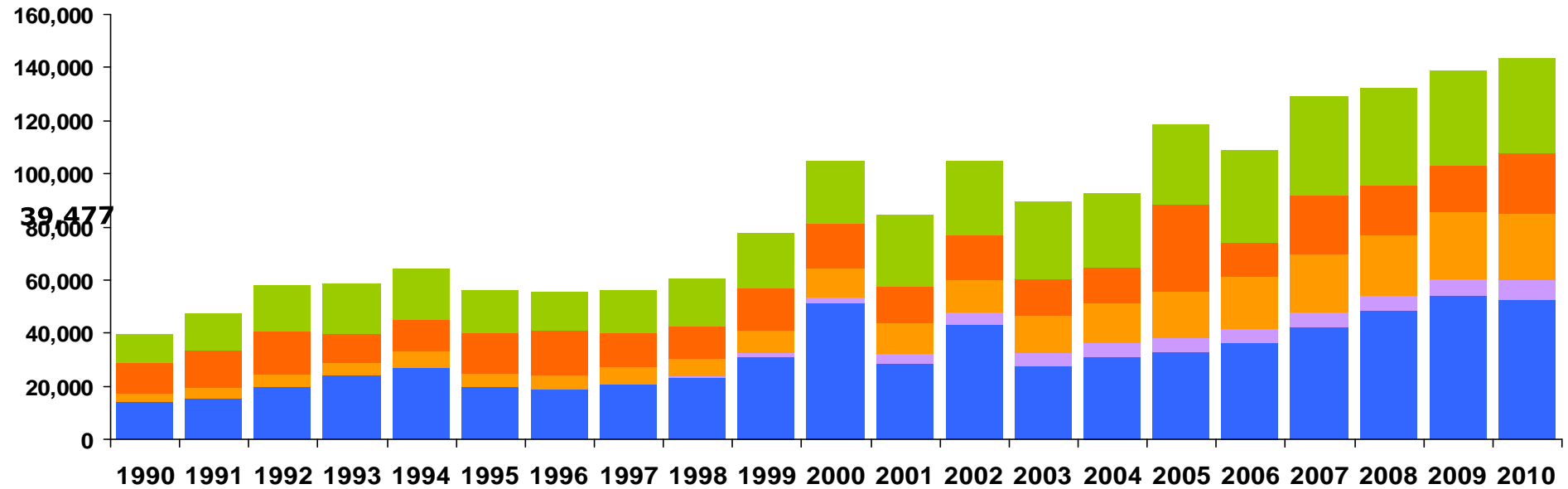


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HISTORIC CLAIMS BEHAVIOR: 1990 - 2011

(Millions of pesos, Dec 2010)

143,714

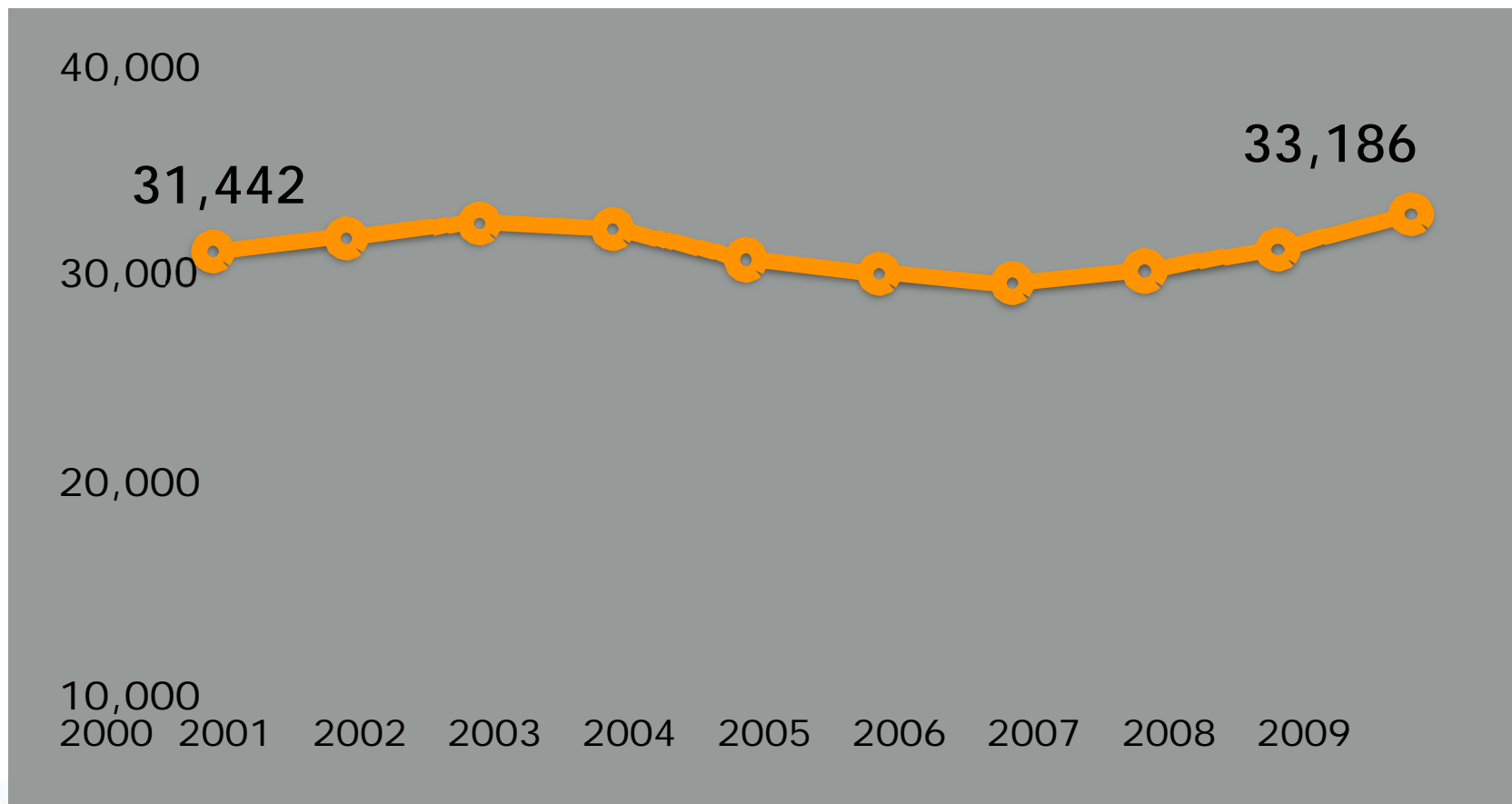


■ LIFE ■ PENSIONS ■ ACCIDENTS ■ PROPERTY ■ MOTOR

SOURCE.-1990-2007.-CNSF.- ANUARIOS ESTADÍSTICOS VARIOS AÑOS
2008.- 2010-AMIS.- ESTADISTICAMIS

- The number of insurance companies would appear as if it were enough.
- The foreign participation has grown in a very important manner.
- Premiums have been increasing 6 times from the last 30 years.
- Claims have grown 3.6 times.
- Bank Insurance and Alternate Channels have grown and are becoming more sophisticated each day.
- Insurance 2% GDP, historic, an estimate is to increase insurance to be 5% in 2020.
- The average annual premium sale per agent grew 1.68 times since 2001, from 3.8 to 6.4 million pesos.

Number of Agents

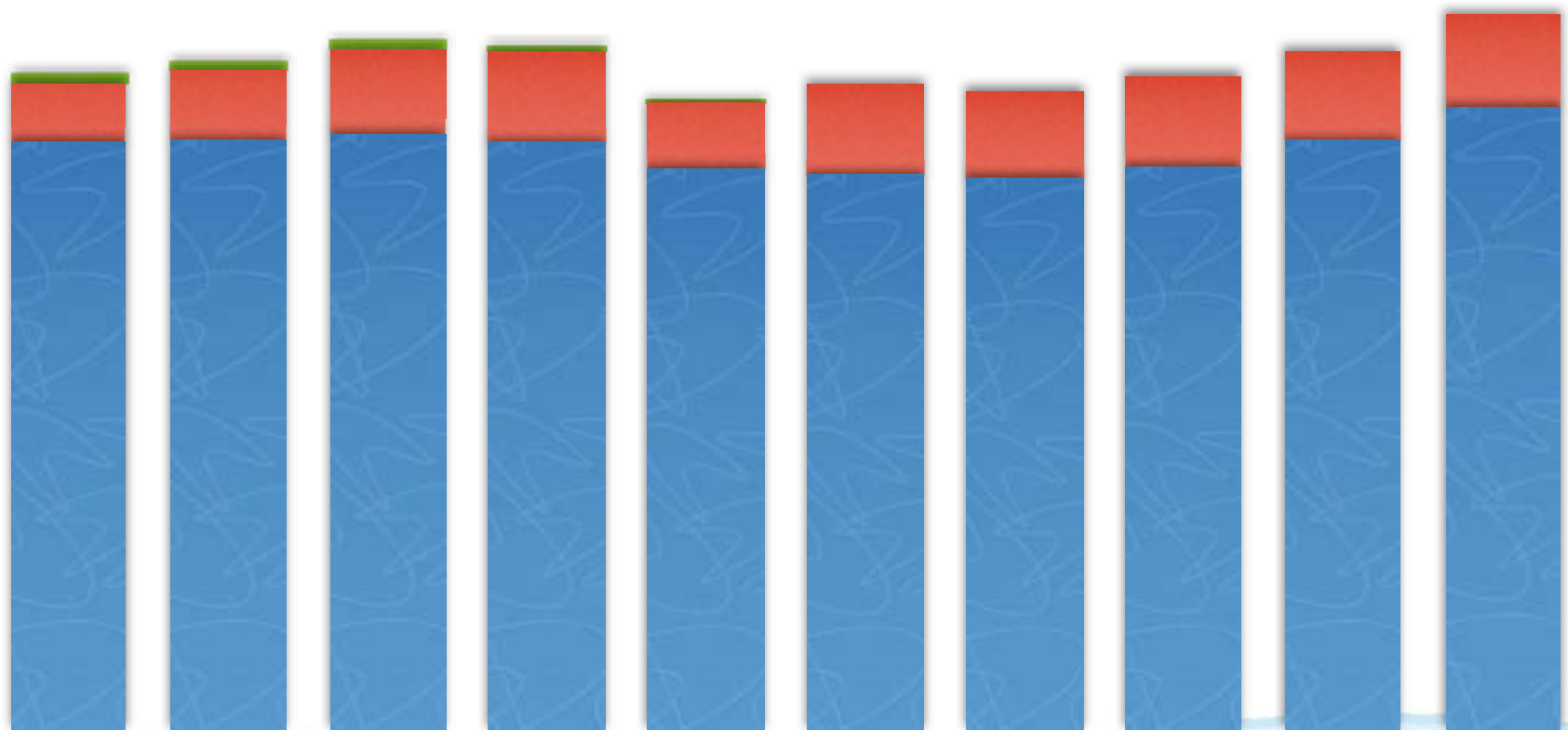


35,000

STRUCTURE EVOLUTION

30,264

17,500



01

03

05

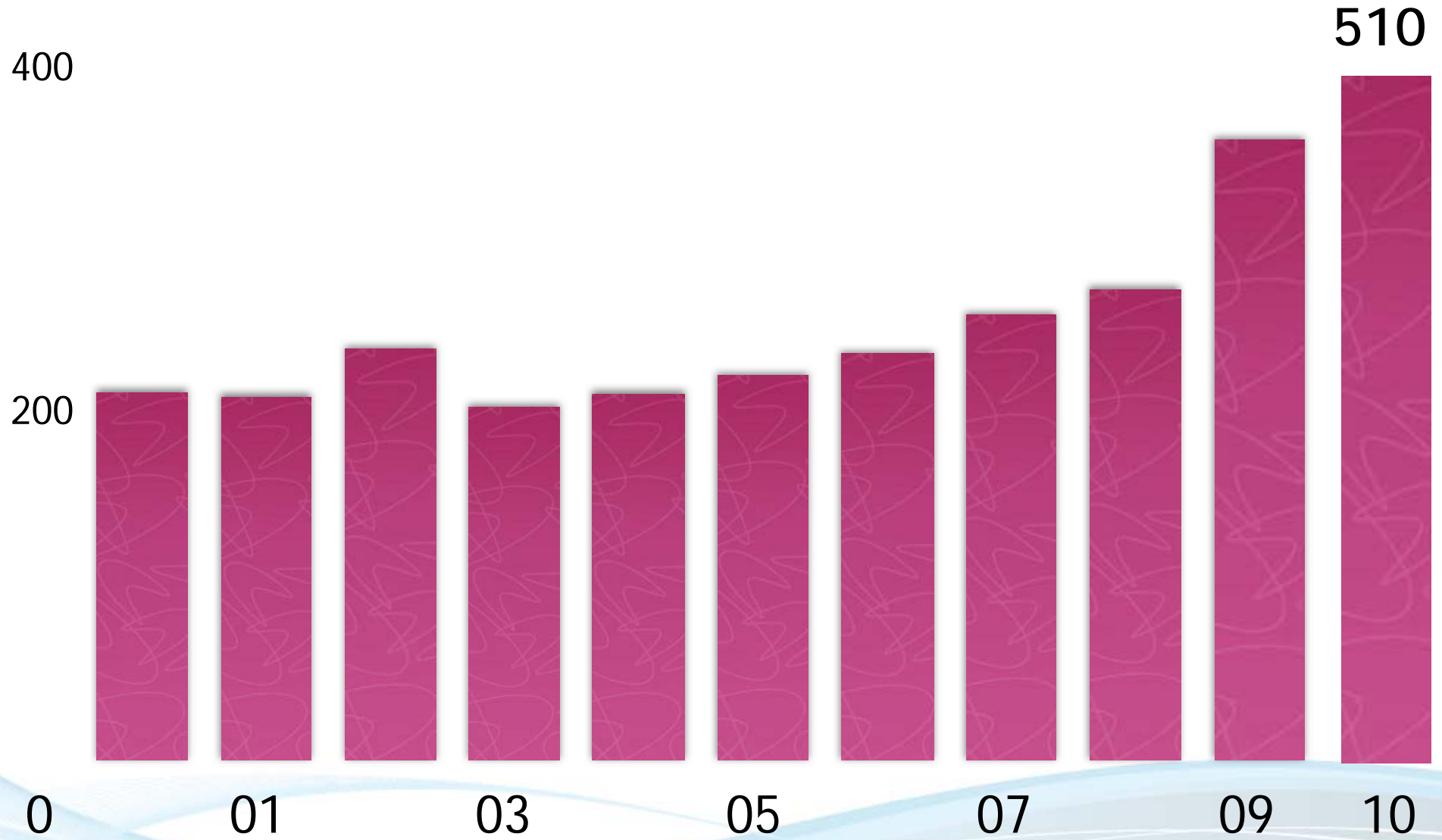
07

09

Agents

Brokers

Employed Agents





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AMASFAC HARD FACTS

| Country | Agents | | Population (Millions) | Density | |
|----------|-----------|------|--------------------------|--------------------|------------------|
| | Number | Year | | Agents (0/000 Hab) | Premiums (% GDP) |
| Italy | 210,000 | 2007 | 59.8 | 35 | 5.9 |
| Germany | 32,525 | 2007 | 82.2 | 4 | 6.6 |
| France | 66,400 | 2005 | 63.9 | 10 | 9.2 |
| Canada | 135,900 | 2007 | 33.2 | 41 | 7 |
| Belgium | 22,891 | 2007 | 10.7 | 21 | 9.1 |
| Japan | 6,561,746 | 2005 | 127.9 | 513 | 9.8 |
| Korea | 264,333 | 2005 | 49.3 | 54 | 11.8 |
| Poland | 64,668 | 2005 | 38 | 17 | 4.6 |
| Portugal | 25,947 | 2005 | 10.6 | 24 | 9.2 |
| Spain | 130,745 | 2003 | 45.6 | 29 | 5.4 |
| Mexico | 36,856 | 2009 | 107.8 | 3 | 1.7 |
| USA | 176,700 | 2003 | 304.2 | 6 | 8.7 |

Insured
Homes



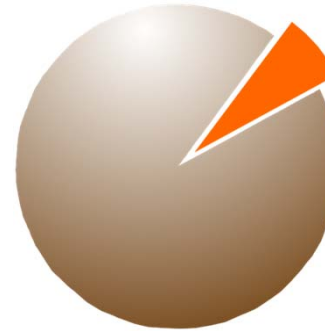
• **Only
4.5%**

Major
Medical
Expenses



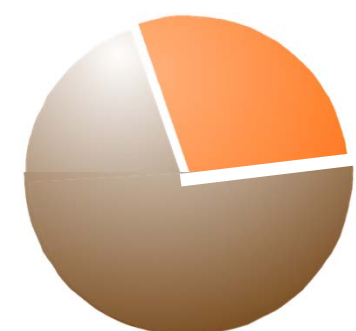
Only 5.8% of
Mexican
Population

Life



7.2 Million

Motor /
Auto



Only 26.5%
There is no
mandatory motor
insurance law

PERSONAL LINE 2%

PERSONAL LINES 12.8%



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"We make a living by what we get, we make a life by what we give"

Sir Winston Churchill