

GCO (Grupo Catalana Occidente) increases its consolidated profit by 9.2% in the first quarter to 159.3 million euros

As part of its corporate simplification process, the corporate brand Grupo Catalana Occidente today changes into its acronym GCO.

GCO (Grupo Catalana Occidente) achieved a consolidated profit of 159.3 million euros in the first quarter of 2023, 9.2% more than in the same period last year. In turn, total turnover increased by 12.4% to 1,842.4 million euros, reflecting the sustained growth in the traditional business, the positive evolution of the credit insurance business and the growth of the funeral business.

In particular, in the traditional insurance business, made up by the companies Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao and NorteHispana Seguros, which will soon be integrated under the new Occident brand, turnover grew by 8.2% to 993 million euros. However, ordinary profit was 53.6 million euros, 10.8% lower than in the first quarter of 2022, due to the 3 p.p. (percentage point) increase of the combined ratio of traditional (non-life) business, which stood at 91.7%. The worsening of the ratio is mainly due to the increase in the cost of claims due to inflation and, in the case of the multi-risk line, to the impact of some adverse weather events. However, from the point of view of turnover, the growth of 6.6% in multi-risk and 10.2% in other is noteworthy.

In the credit insurance business (Atradius Crédito y Caucción and Atradius Re), ordinary profit increased 26.9% to 101 million euros compared to the same period last year, maintaining its positive trend. Turnover (written premiums plus information income) also grew by 12.3% to 801.2 million euros. On the other hand, the gross combined ratio was 74.3%, 8.1 p.p. higher than in the first quarter of 2022, due to the normalisation of the inflow of claims, although still below pre-covid levels.

Following the acquisition of 100% of Grupo Mémora on 9 February 2023, GCO's funeral business income includes, in addition to Asitea, the February and March business of the Mémora Group. Thus, the income of the funeral business in the first quarter amounted to 48.2 million euros and the ordinary profit reached 5 million euros.

For GCO's Financial and Risk Management Officer, Clara Gómez, "the first quarter's data show that we continue to maintain solid results, with improvement in our three strategic pillars, growth, profitability and solvency, despite a macroeconomic context marked by inflation and geopolitical tensions; to which will be added the profitable and growing business of Mémora".

Finally, permanent resources at market value between January and March grew by 6% to 5,211.6 million euros compared to the end of 2022. In turn, managed funds amount to 15,073.4 million euros.

About GCO

GCO is the new brand of Grupo Catalana Occidente, one of the leaders in the Spanish insurance sector and in credit insurance worldwide. With steady growth and a strong presence, it has more than 7,100 employees; it is present in more than fifty countries and provides service to 4,500,000 policyholders. Its network consists of more than 1,500 offices and 17,000 intermediaries. At the end of 2022, it ranked fourth in the Spanish market and second worldwide in credit insurance. The entity is currently conducting a unification process of all its traditional business companies (Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao and NorteHispana Seguros) under the new Occident brand. Atradius Crédito y Caucción is the credit insurance business within the GCO insurance group.

GCO, the new corporate brand of the insurance group

In line with its corporate simplification strategy, which will lead to the unification of the Group's traditional business into a single entity called Occident, the corporate brand Grupo Catalana Occidente is also abbreviated to its acronym GCO as of today. As a result, the insurance group, which is present in more than 50 countries, seeks to make the brand better suited to an international environment, with greater brand recall and ease of pronunciation. In addition, the rebranding has taken into account that GCO primarily targets shareholders, investors and analysts. In this sense, the brand name is equated with the stock ticker, with which these stakeholders are very familiar.

Thus, GCO's brand architecture is structured in three main lines: the Group operates in the traditional business through the companies Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao and NorteHispana Seguros, which will be integrated into a single entity that will operate under the Occident brand. It is also present in the credit insurance business through Atradius, which is the second largest operator worldwide, with a presence in more than 50 countries, and which in Spain operates under the Crédito y Caución brand. Finally, it has the funeral business, under the Mémora and Asistea brands.

(figures in million euros)

Key financial figures	3M2022	3M2023	Chg. 22-23	12M2022
GROWTH				
Insurance turnover	1,630.9	1,794.2	10.0%	5,245.6
- Traditional business	917.4	993.0	8.2%	2,842.9
- Credit insurance business	713.5	801.2	12.3%	2,402.7
Funeral business	8.4	48.2		32.8
Total turnover	1,639.3	1,842.4	12.4%	5,278.4
PROFITABILITY				
Consolidated profit/(loss)	145.9	159.3	9.2%	542.6
- Traditional business	60.1	53.6	-10.8%	257.7
- Credit Insurance Business	79.6	101.0	26.9%	354.6
Funeral Business	1.5	5.0	233.3%	4.8
- Non-ordinary	4.6	-0.3		-74.7
Attributed profit/(loss)	132.4	142.1	7.3%	486.6
Combined traditional business ratio	88.7%	91.7%	3.0 p.p.	90.8%
Combined gross credit insurance ratio	66.2%	74.3%	8.1 p.p.	72.3%
	12M2022	3M2023	Chg. 22-23	
SOLVENCY				
Permanent resources at market value	4,916.3	5,211.6	6.0%	
Technical provisions	11,730.1	12,225.5	4.2%	
Managed funds	14,991.1	15,073.4	0.5%	

For more information on the results, please visit www.grupocatalanaoccidente.com

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