

GCO (Grupo Catalana Occidente) achieves a consolidated profit of 343.9 million euros in the first half year, an increase of 19.8%

Turnover amounted to 3,224.6 million euros, up 11.4%, and grew in the three lines of the insurance group: traditional business, credit insurance and funeral business.

GCO (Grupo Catalana Occidente) today announced its results for the first half of 2023, a period in which it achieved a consolidated profit of 343.9 million euros, 19.8% more than in the same period of the previous year. In the same vein, turnover increased by 11.4% to 3,224.6 million euros, with growth in all three business lines.

In particular, in traditional business, made up by the companies Seguros Catalana Occidente, Plus Ultra Seguros, Seguros Bilbao and NorteHispana Seguros, which will soon be merged under the new Occident brand, turnover grew by 8.7% to reach 1,718.1 million euros. Of note in this chapter was the 7% growth in multi-risk and 7.9% in other. Additionally, ordinary profit amounted to 135.1 million euros, 1.9% lower than in the first half of 2022, due to the 3.1 p.p. (percentage points) increase of the combined ratio of traditional (non-life) business, which stood at 91.8%. The growth in the ratio is mainly due to the increase in the cost of claims due to inflationary effects, mainly in the motor and multi-risk lines.

In the credit insurance business (Atradius Crédito y Caucción and Atradius Re), the positive evolution of the last quarters continued. Ordinary profit increased by 43.6% reaching 211.9 million euros. Likewise, turnover (written premiums plus information income) increased by 7.8% to 1,399.2 million euros. The gross combined reinsurance ratio was 71.4%, 2.7 p.p. lower than in the first half of the previous financial year; claims inflows remained below the pre-pandemic level and the prudent level of provisions of previous years was maintained.

Meanwhile, the funeral business, which incorporated the data of Asistea and Mémora from 9 February, the date on which GCO completed the purchase of the main funeral group in the Iberian Peninsula, recorded a turnover of 107.3 million euros and an ordinary profit of 8 million euros.

Clara Gómez, GCO's Financial and Risk Management Officer, explained that "we are satisfied with the development in the first half of the year, which reflects the stability of the results in the traditional business, the positive evolution of credit insurance and the diversification in the funeral business".

Permanent resources at market value in the first six months of the year increased by 8.3% to 5,322.3 million euros compared to year-end 2022, mainly due to valuation adjustments. In turn, managed funds amounted to 15,111.6 million euros.

Concerning GCO (Catalana Occidente)

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 8,500 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 carrying out 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. In turn, Atradius Crédito y Caucción is the credit insurance business within the GCO insurance group.

José María Serra submits his voluntary resignation to his executive powers in GCO

The Board of Directors of GCO has also acknowledged today the voluntary resignation of José María Serra to the executive powers he had held until now, with effect as of 31 July 2023; he will continue to hold his post as Chairman of the Board of Directors and of the Shareholders' General Meeting; being qualified as non-executive and proprietary director.

In this way, GCO separates executive and non-executive roles in its corporate governance. In this sense, the insurance group will have a non-executive chairman, a figure characterised by his strategic vision and whose mission is focused on chairing the Board of Directors, leading the debate within the Board and looking after the long-term interests of shareholders.

It should be remembered that GCO applies practically all the recommendations of the Good Governance Code for Listed Companies of the Spanish Securities Market Commission (CNMV), as well as advanced corporate governance practices.

(figures in millions of euros)				
Key financial figures	6M2022	6M2023	Chg. 22-23	12M2022
GROWTH				
Insurance turnover	2,878.0	3,117.3	8.3%	5,245.6
- Traditional business	1,580.2	1,718.1	8.7%	2,842.9
- Credit insurance business	1,297.8	1,399.2	7.8%	2,402.7
Funeral business	16.9	107.3		32.8
Total turnover	2,894.9	3,224.6	11.4%	5,278.4
PROFITABILITY				
Consolidated profit/(loss)	287.0	343.9	19.8%	542.6
- Traditional business	137.7	135.1	-1.9%	257.7
- Credit insurance business	147.6	211.9	43.6%	354.6
- Funeral business	2.7	8.0		4.8
- Non-ordinary	-1.0	-11.1		-74.7
Attributable profit/(loss)	262.2	308.9	17.8%	486.6
Combined ratio for traditional business	88.7%	91.8%	3.1 p.p.	90.8%
Combined ratio for gross credit insurance	74.1%	71.4%	-2.7 p.p.	72.3%
	12M2022	6M2023	Chg. 22-23	
SOLVENCY				
Permanent resources at market value	4,916.3	5,322.3	8.3%	
Technical provisions	11,730.1	12,177.5	3.8%	
Managed funds	14,991.1	15,111.6	0.8%	

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