

April 22, 2020

Grupo Catalana Occidente follows the supervisory authorities recommendations and suspends the resolution on the supplementary dividend

On May 13 the Company will pay a fourth interim dividend of 0.20285 euros per share corresponding to the 2019 corporate year, an amount equivalent to half of the supplementary dividend initially proposed.

The Board of Directors of Grupo Catalana Occidente has resolved, on a meeting today, to suspend the resolution on the distribution of the supplementary dividend which was expected to be submitted to the Shareholders General Meeting scheduled on April 30. Such decision follows the recommendations issued in the last weeks by the **European Insurance and Occupational Pensions Authority (EIOPA)** and the **Spanish General Directorate of Insurance and Pension Funds (Dirección General de Seguros y Fondos de Pensiones)** to the insurers in relation with dividend distributions.

Consequently, the resolution on the distribution of the financial results has been postponed until the Board of Directors formulates a new proposal. In this respect, the Board of Directors shall call a Shareholders General Meeting to this end that will be held within the established legal deadlines.

In addition, the aforementioned Board of Directors has also approved the distribution of a fourth interim dividend corresponding to the 2019 financial results of 0.20285 euros per share, an amount equivalent to half of the supplementary dividend initially proposed.

The General Manager of Grupo Catalana Occidente, Francisco Arregui, declared that the resolution to postpone the resolution on the distribution of the supplementary dividend has been taken “taking into consideration both the recommendations of the supervisory authorities and the precautionary and business judgement rules that shall govern the decisions of the Board of Directors, in particular facing an unprecedented health crisis”.

Dividend development

Grupo Catalana Occidente announced last February a 10% increase in the supplementary dividend to be paid on May 13, 2020 which would result in a total dividend distribution corresponding to corporate year 2019 of 105.85 million euros (0.8821 €/share).

With the resolutions released today, Grupo Catalana Occidente will have distributed four interim dividends corresponding to corporate year 2019 for a total amount of 81,510,000 euros (0.67925 euros per share) which will represent a 21.1% pay out. Mr Arregui reminded that Grupo Catalana Occidente “has maintained in the last 20 years a steady policy of prudent shareholder remuneration, which highlights a track record of clear commitment with our shareholders”. Likewise, the official explained that the Group has a solid financial and solvency position. At the end of 2019, the Group solvency ratio is 213%.

About Grupo Catalana Occidente

Grupo Catalana Occidente is one of the leaders in the Spanish insurance sector and the global credit insurance sector. With steady growth and a broad reach, it has more than 7,400 employees, a presence in more than 50 countries and serves more than 4,000,000 customers. Its network consists of over 1,600 offices and more than 17,000 mediators. It is currently ranked in fifth position in the Spanish market and second worldwide for credit insurance.

Additional Information:

- EIOPA statement in relation with the dividend distributions by insurers released on April 2: https://www.eiopa.europa.eu/content/eiopa-statement-dividends-distribution-and-variable-remuneration-policies-context-covid-19_en
- DGSFP Statement in relation with the dividend distributions by insurers in the context of the coronavirus / COVID-19 crisis: http://www.dgsfp.mineco.es/es/DireccionGeneral/Publicaciones/Nota%20publica%20dividendos_v_publicar.pdf

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If you require any additional information please do not hesitate to contact us

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