



Grupo Security Financial Results September 2020

November 11, 11:00 a.m.

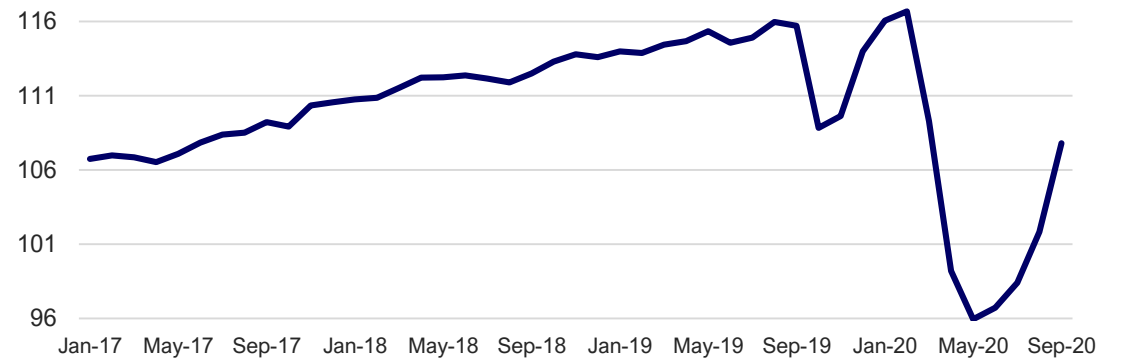
GRUPO | security

Macroeconomic Recap 2020 - Summary and Outlook

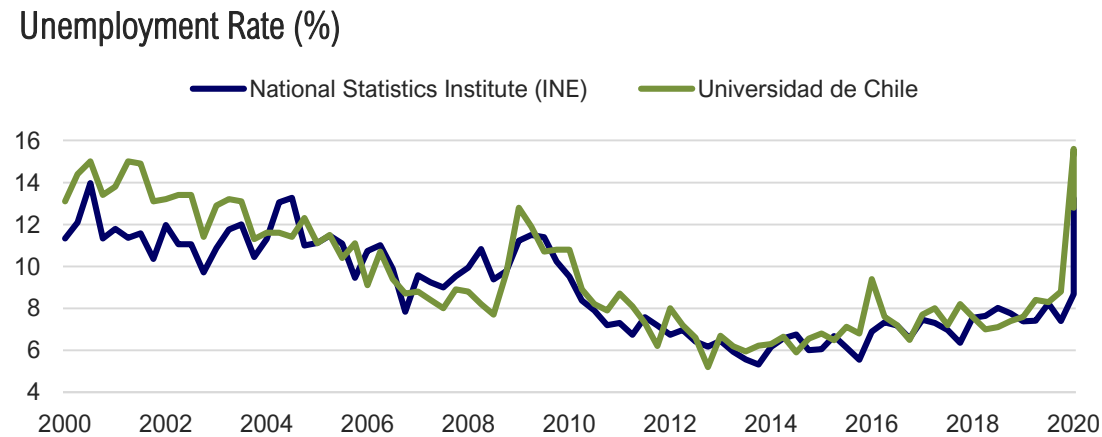
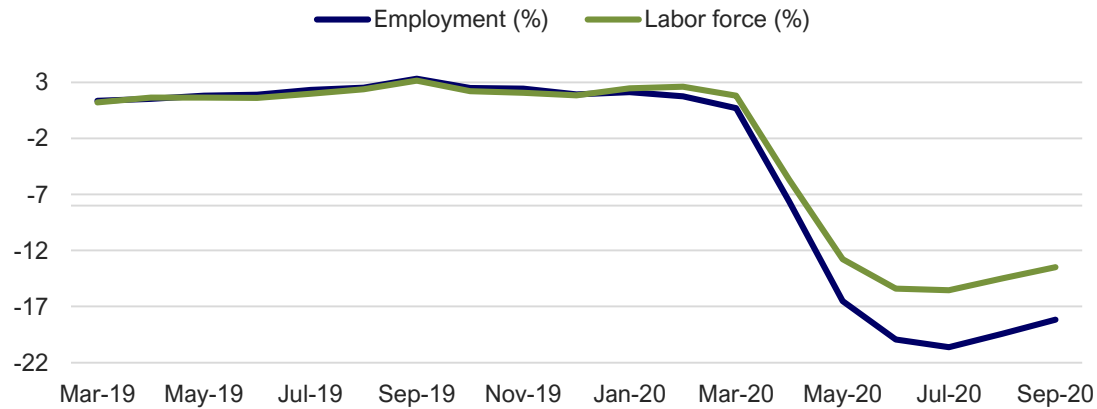


- * Seasonally adjusted GDP improved during the third quarter to 6% (27% annualized) with respect to the immediately preceding quarter, reflecting economic recovery.
- * In comparison to 3Q19, this marks a drop of 9.1%.
- * We are predicting monthly improvements for the rest of the year.
- * 2020: we forecast GDP will contract 5%.

Non-mining Imacec (seasonally adjusted)



Macroeconomic Recap 2020 - Summary and Outlook



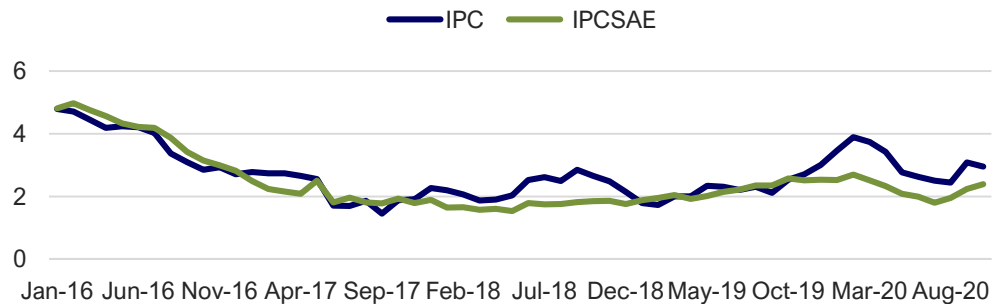
- * Job market shows first signs of improvement:
- * Employment down 20.6% YoY in July (1 million 840 thousand jobs).
- * However, it seems to have bottomed out in July, with 200 thousand jobs created since then, along with more flexible public health measures.
- * The YoY drop in employment tempered to -18.2% in September.
- * Labor force shrunk 13.5% YoY.
- * Unemployment rate fell from peak of 13.1% to 12.3%.

Macroeconomic Recap 2020 - Summary and Outlook

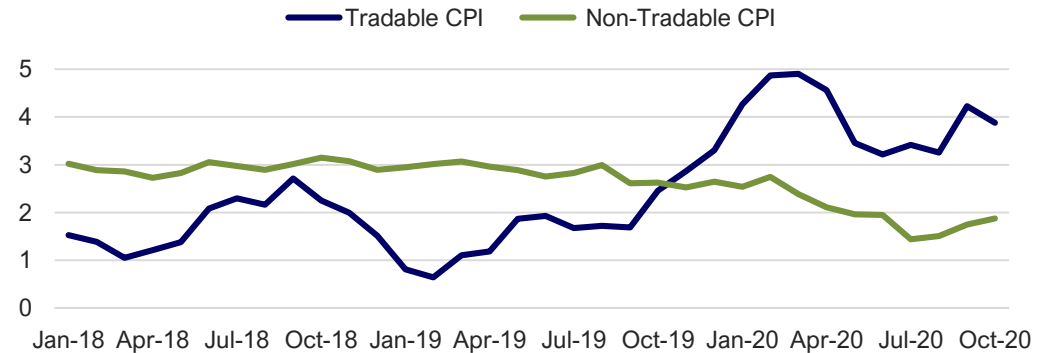


- * Although the economy is operating with broad output gaps, which contains inflationary pressures, the market has been surprised by rising inflation in recent months.
- * That change can be attributed to the speed of economic recovery, along with stock shortages in some products, as well as the pass-through of a higher exchange rate over the past few months.
- * Annual inflation has stayed around 3% and should continue to do so in coming quarters.

Total and Core Inflation (YoY % chg)



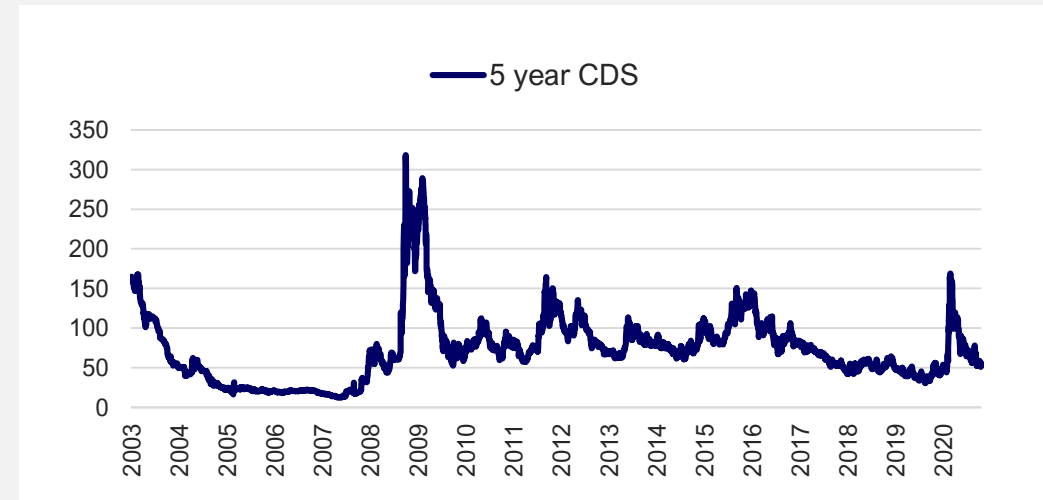
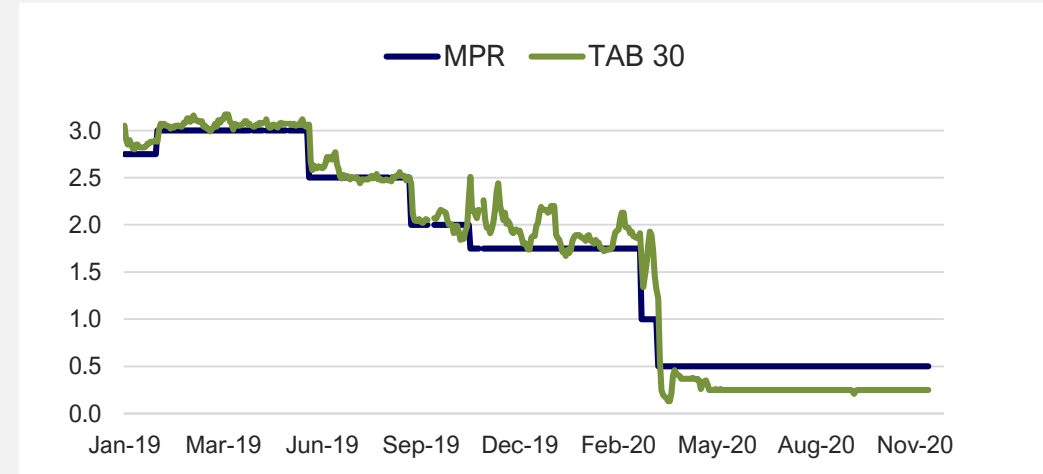
Tradable and Non-Tradable CPI (YoY % chg)



Macroeconomic Recap 2020 - Summary and Outlook



- * Short-term interest rates stabilized around the MPR, which remains at the technical minimum of 0.5%.
- * The Chilean Central Bank has continued to adopt unconventional measures to ease liquidity in the financial system.
- * Long-term interest rates: With upward pressure in the medium term in response to fiscal deterioration, they have risen from 2% in June to 2.7% in November.
- * Local market risk premiums: Normalization of financial markets worldwide has led to almost a complete reversal of the full increase from March.
- * However, figures continue to be higher than pre-October levels due to changes in fiscal pressure, indebtedness and the economy's growth dynamic.



Grupo Security Profit 9M20 MCH \$47,772 (-21.7% YoY)

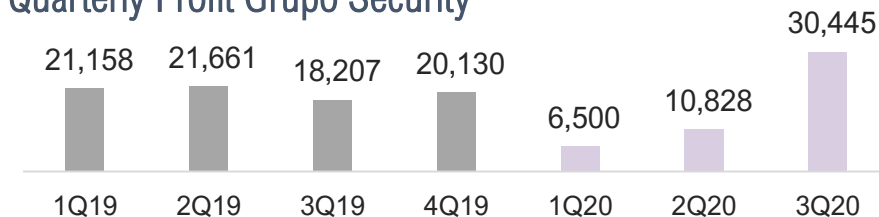


(Ch\$ Million)	Jun-19	Jun-20	% Chg. YoY	Sep-19	Sep-20	% Chg. YoY
Business areas profit	56,586	29,649	-47.6%	83,943	67,590	-19.5%
Support areas and group expenses	-5,292	-6,268	18.5%	-8,507	-9,017	6.0%
Finance costs	-5,884	-6,474	10.0%	-8,966	-9,929	10.7%
Indexation units	-3,227	-3,481	7.9%	-4,623	-3,603	-22.1%
Support areas adjustments	87	-1,390	-	-569	-1,312	-
Taxes and others	550	5,293	-	-253	4,044	-
Grupo Security Profit	42,819	17,328	-59.5%	61,026	47,772	-21.7%
Grupo Security LTM Profit	86,272	55,665	-35.5%	83,751	67,902	-18.9%

Corporate Expenses

- * Group and support area expenses
 - * Greater employee termination expenses
- * Indexation and finance costs:
 - * More liabilities and lower inflation
- * Positive tax effects in 2Q20

Quarterly Profit Grupo Security



Lending

Profit MCH **\$47,917**
(-24.7% YoY)

- * **Commercial Banking:** Reduced results due to higher provision expenses
- * **Retail Banking:** Reduced results due to lower revenue and greater risk
- * **Treasury:** Improved results due to higher operating income
- * **Factoring:** Improved results due to better spread

Asset Management

Profit MCH **\$2,957**
(+171.3% YoY)

- * **Valores and AGF Security:** Improved profit because of lower expenses, offset by less revenue

Insurance

Profit MCH **\$16,865**
(-11.3% YoY)

- * **Vida Security:** Reduced results due to lower investment income and lower direct written premiums.

Other Services

Profit MCH **\$660**
(+35.1% YoY)

- * **Travel Security:** Reduced results due to public health crisis.
- * **Inmobiliaria Security:** profit due to legal title transferred on more units during the quarter

International Business

Loss -MCH **\$807**
(-MCH \$303 Sep-19)

- * **Protecta Security:** Reduced results due to lower premiums and investment income

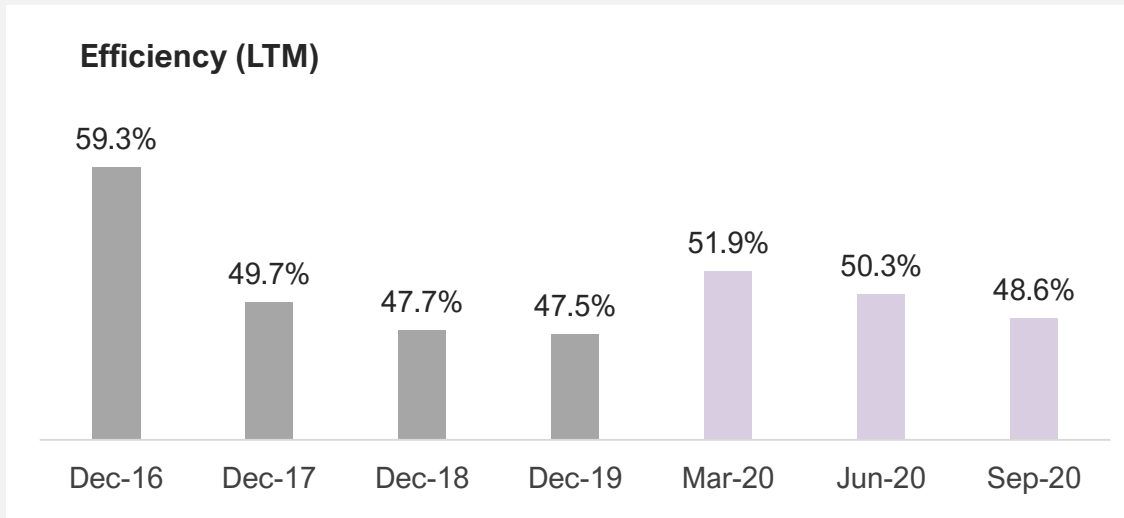
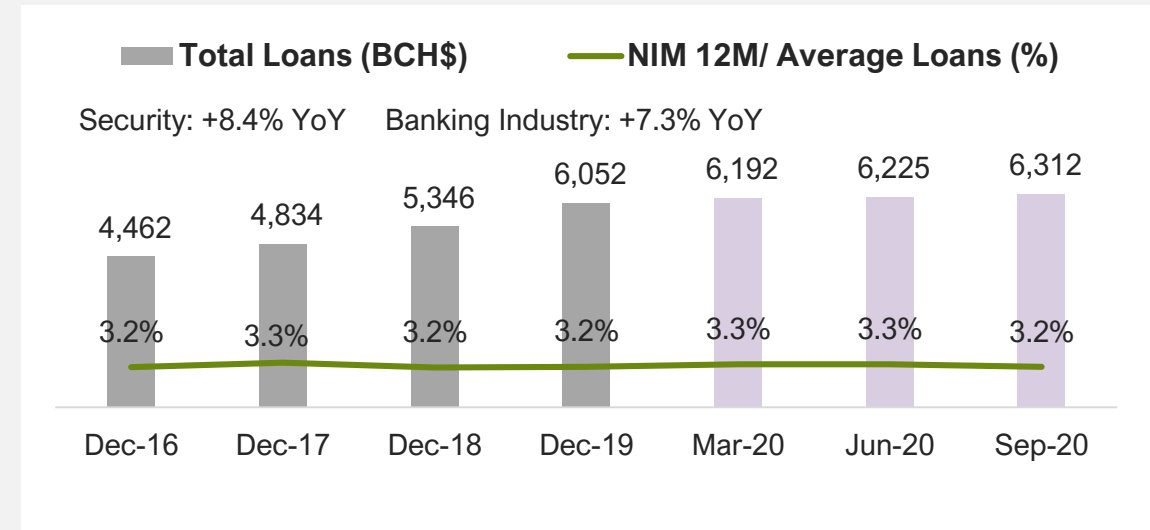
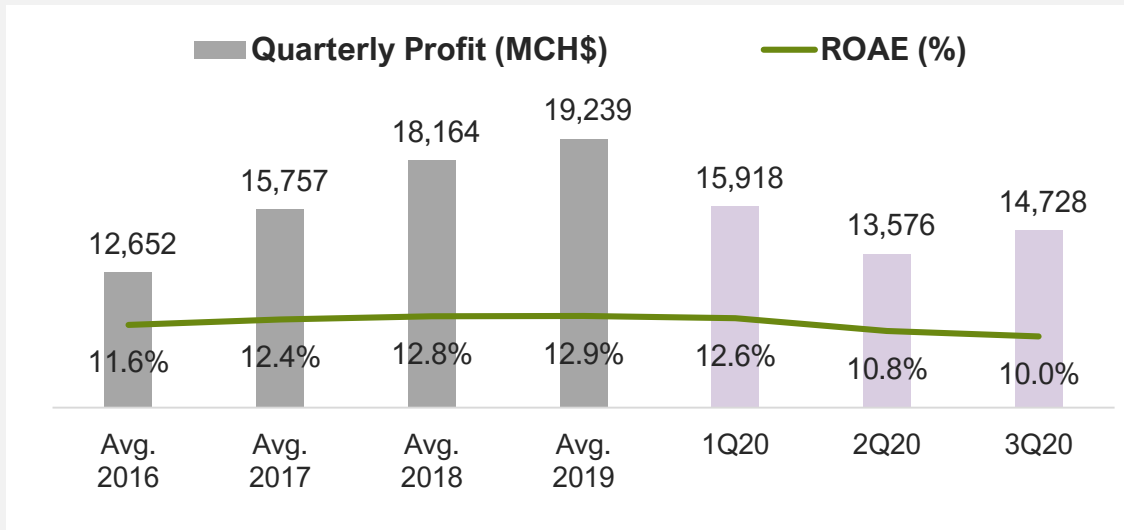
Grupo Security Profit 9M20 MCH \$47,772 (-21.7% YoY)



Consolidated statement of income* (MCH\$)	Jun-20	Jun-19	% Chg	Sep-20	Sep-19	% Chg
Revenue	497,886	566,898	-12.2%	774,611	847,843	-8.6%
Banco Security - Revenue ¹	249,417	251,337	-0.8%	358,589	382,548	-6.3%
Vida Security & Protecta - Gross premium	159,117	170,926	-6.9%	233,741	253,902	-7.9%
Vida Security & Protecta - Interest & investment income	44,966	100,481	-55.2%	93,478	136,448	-31.5%
Factoring Security - Revenue	18,961	16,988	11.6%	25,878	26,166	-1.1%
Other revenue	25,426	27,166	-6.4%	62,926	48,779	29.0%
Cost of sales	-340,652	-364,829	-6.6%	-506,407	-560,775	-9.7%
Banco Security - Cost of sales ²	117,421	118,444	-0.9%	144,504	173,698	-16.8%
Banco Security - Provision expenses	27,122	14,326	89.3%	49,202	29,270	68.1%
Vida Security - Cost of sales ³	122,676	216,551	-43.4%	186,159	317,749	-41.4%
Factoring - Cost of sales ⁴	4,789	4,708	1.7%	5,903	7,342	-19.6%
Other costs	68,645	10,801	535.5%	120,639	32,716	268.7%
Gross profit	157,234	202,069	-22.2%	268,204	287,068	-6.6%
Administrative expenses	-127,711	-132,938	-3.9%	-188,943	-182,169	3.7%
Personnel expenses	-67,196	-58,793	14.3%	-100,625	-90,150	11.6%
Other administrative expenses	-60,516	-74,145	-18.4%	-88,319	-92,019	-4.0%
Operational profit	24,306	67,096	-63.8%	72,095	96,041	-24.9%
Finance costs	-7,066	-6,959	1.5%	-10,813	-10,565	2.3%
Profit before tax	14,544	58,496	-75.1%	54,503	85,652	-36.4%
Profit (loss) attributable to equity holders of the parent	17,328	42,819	-59.5%	47,772	61,026	-21.7%

*Any differences between the figure presented here and those published by each subsidiary are the result of different accounting criteria between subsidiaries and the parent company. **1.** Includes interest, indexation and fee income, financial operating income and other operating income. **2.** Includes interest, indexation and fee expenses. **3.** Includes variations in technical reserves, claims and pensions paid and underwriting expenses. **4.** Includes banking and other expenses.

Lending Area - Banco Security Indicators (Consolidated)



Total Loans <i>In Ch\$ Millions</i>	Banco Security		Industry	
	MCH\$	YoY	MCH\$	YoY
Consumer	468,432	-13.0%	23,000,378	-10.9%
Mortgage	699,126	2.1%	56,178,737	8.6%
Mortgage + Consumer	1,167,558	-4.6%	79,179,115	2.0%
Commercial	5,144,150	11.9%	107,820,779	11.8%
Total Loans	6,311,948	8.4%	187,446,006	7.3%

¹Excluding the industry's foreign subsidiaries

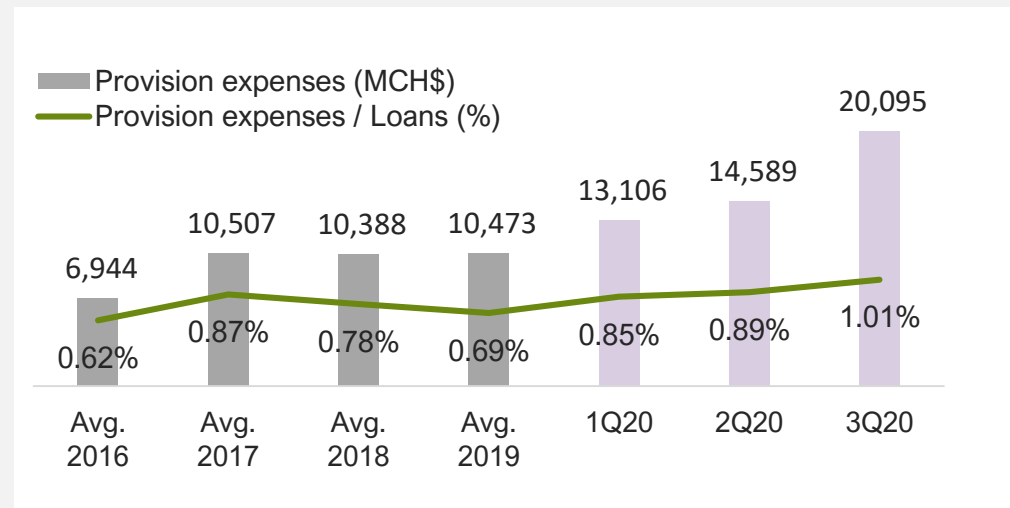
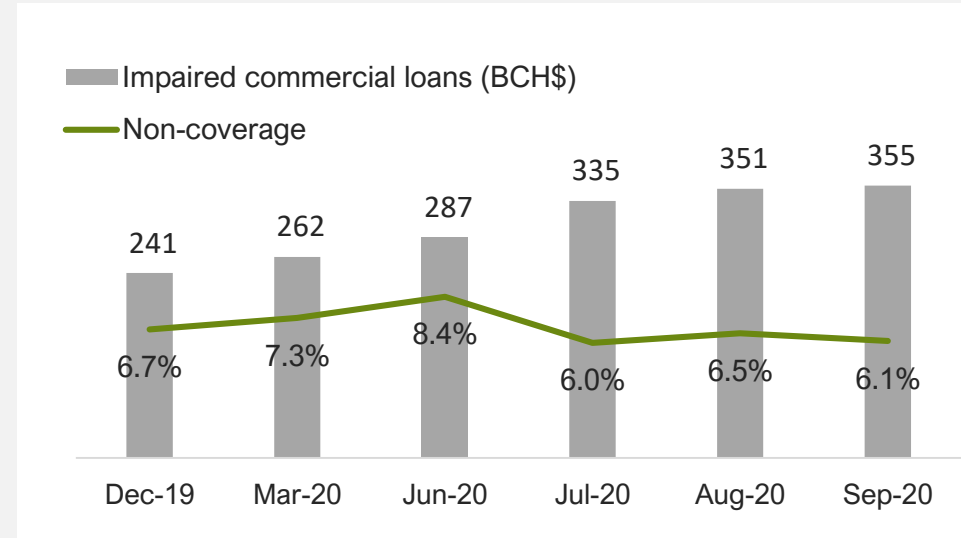
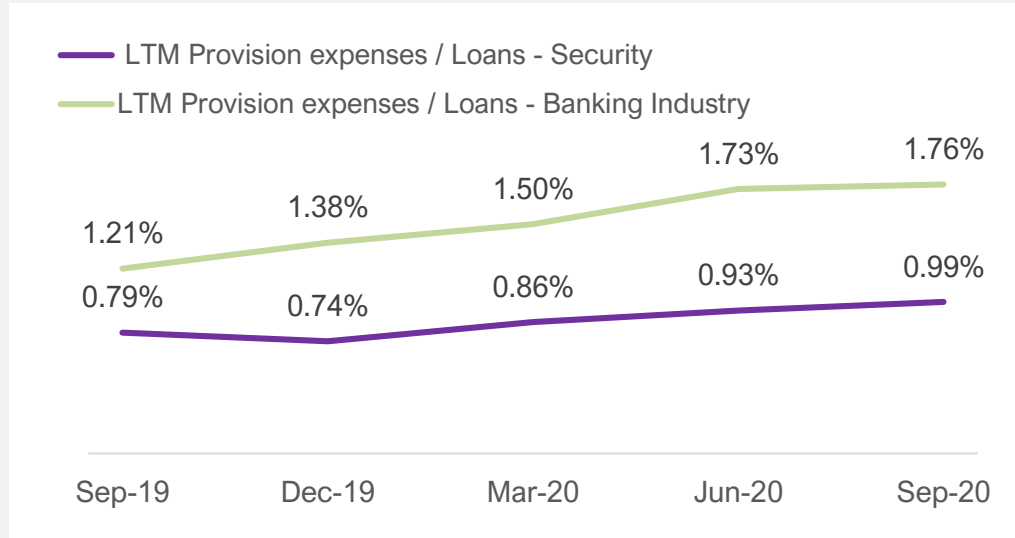
Lending Area - Banco Security (Standalone)



MCH\$	Banco Security Segment Note			Commercial Banking			Retail Banking			Treasury		
	Sep-19	Sep-20	Var YoY %	Sep-19	Sep-20	Var YoY %	Sep-19	Sep-20	Var YoY %	Sep-19	Sep-20	Var YoY %
Net interest margin	70,351	75,685	7.6%	50,222	45,906	-8.6%	21,462	32,373	50.8%			
Net fees	15,120	14,231	-5.9%	16,023	11,414	-28.8%	(235)	(159)	-32.4%			
Financial and FX transactions & other income	6,431	6,602	2.7%	1,590	2,041	28.3%	11,375	10,787	-5.2%			
Loan losses and foreclosed assets	(7,666)	(30,354)	295.9%	(19,146)	(21,659)	13.1%	38	(71)	-			
Total operating income	84,236	66,164	-21.5%	48,690	37,701	-22.6%	32,639	42,930	31.5%			
Operating expenses	(28,657)	(32,788)	14.4%	(43,113)	(41,846)	-2.9%	(9,625)	(10,954)	13.8%			
Net operating income	55,579	33,375	-39.9%	5,577	(4,145)	-174.3%	23,014	31,975	38.9%			
Profit attributable to equity holders	42,312	25,957	-38.7%	4,246	(3,224)	-175.9%	17,520	24,868	41.9%			
Total loans (MCH\$)	4,596,493	5,144,150	11.9%	1,223,255	1,167,558	-4.6%						
Provisions/ loans	1.54%	1.75%	20.7 p	1.95%	2.19%	24.3 p						
Non performing loans	1.60%	2.63%	102.3 p	1.23%	1.37%	14.8 p						
NPL Coverage	96.0%	66.5%	-2953.4 p	158.8%	159.4%	61.6 p						

Banco Security's main business areas. The column "other" must also be considered to reach the final result since it includes items that are not allocated to these areas.

Risk Division - Banco Security (Standalone)



Asset Management Area - Inversiones Security

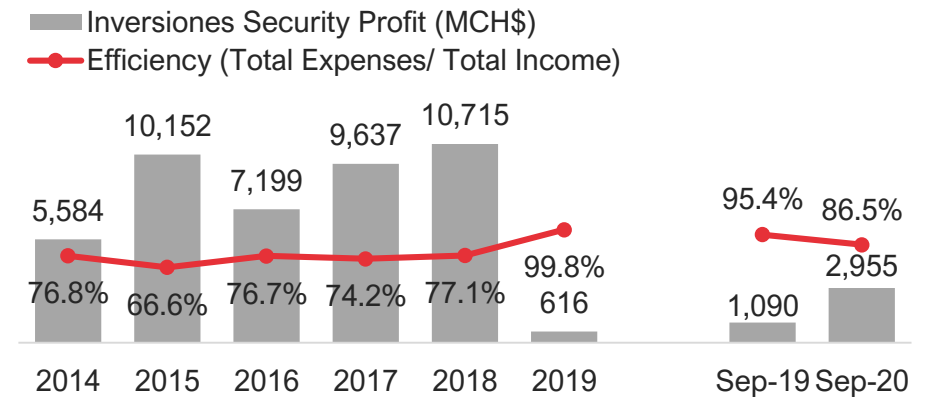


INVERSIONES

security

<i>In MCH\$</i>	2Q20	3Q20	% Chg QoQ	9M19	9M20	% Chg
Operating income	8,978	8,306	-7.5%	28,445	26,907	-5.4%
Funds income	5,672	5,103	-10.0%	18,709	17,192	-8.1%
Transactional income	3,305	3,202	-3.1%	9,736	9,714	-0.2%
Total expenses	-7,975	-8,516	6.8%	-31,607	-25,724	-18.6%
Gross operating income	1,003	-210	-120.9%	-3,162	1,183	-137.4%
Non-operating income	813	1,375	69.1%	4,691	2,815	-40.0%
Income tax expense	-85	-247	189.1%	394	-495	-225.6%
Profit - AGF & Valores	1,731	918	-47.0%	1,923	3,503	82.2%
Securitization & CasaNuestra	-164	2	-	-878	-547	-
Profit - Asset management	1,565	920	-41.2%	1,090	2,955	171.2%

Inversiones Security - Area Profit (MCH\$)



Asset Management Area - Inversiones Security



AUM¹
BCH\$ 4,076
-13.4% YoY

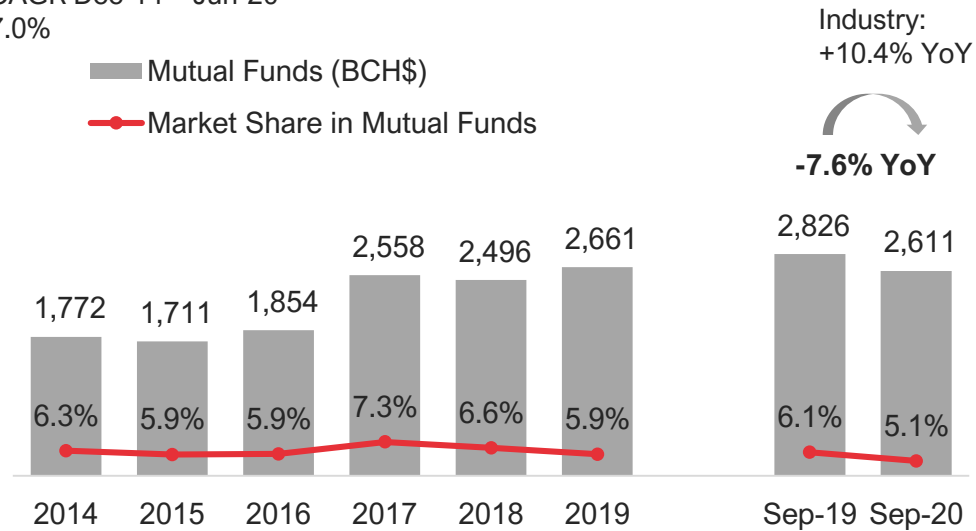
Operating income
MCH\$ 26,907
-5.4% YoY

8th Place
5.1% market share
Ranking MF

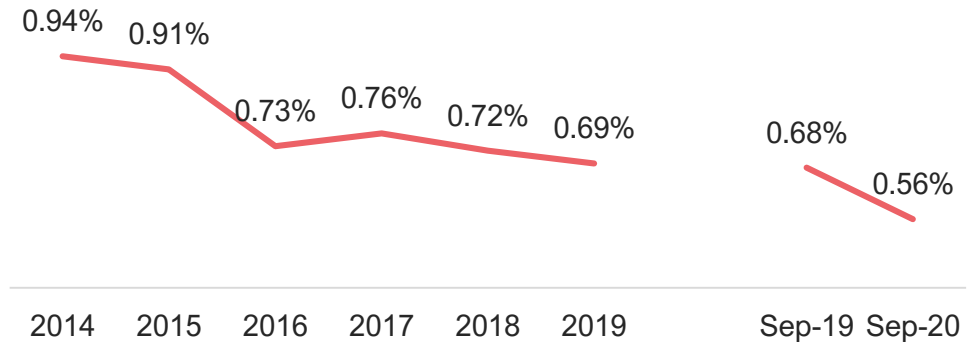
1.- Includes AUM in: Mutual Funds, Investment Funds, Domestic and International Custody.

Total AUM in Mutual Funds - Inversiones Security (BCH\$)⁽²⁾

CAGR Dec-14 – Jun-20=
 7.0%



ROA⁽¹⁾



Notes: (1) ROA: Income over AUM (MF + IF)
 (2) AUM: Monthly average as reported by Mutual Fund Association

Lending Area - Factoring Security

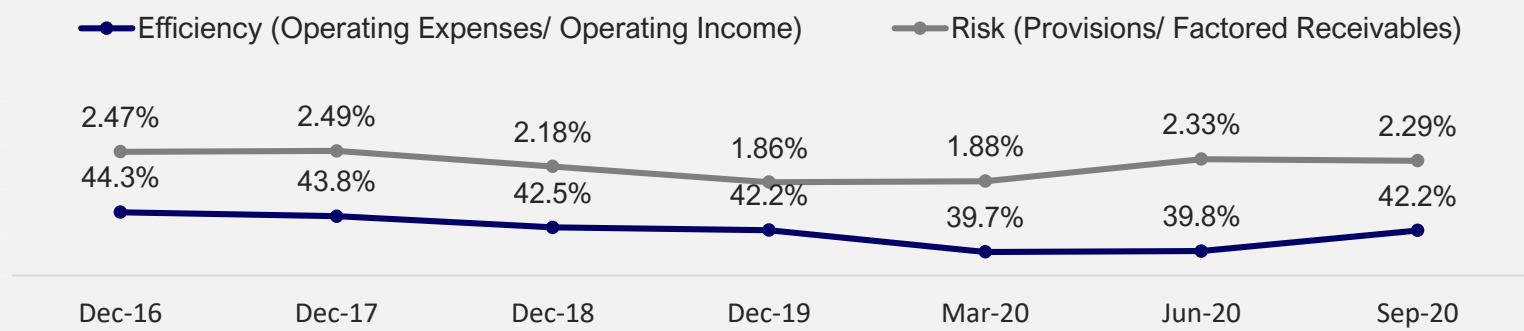
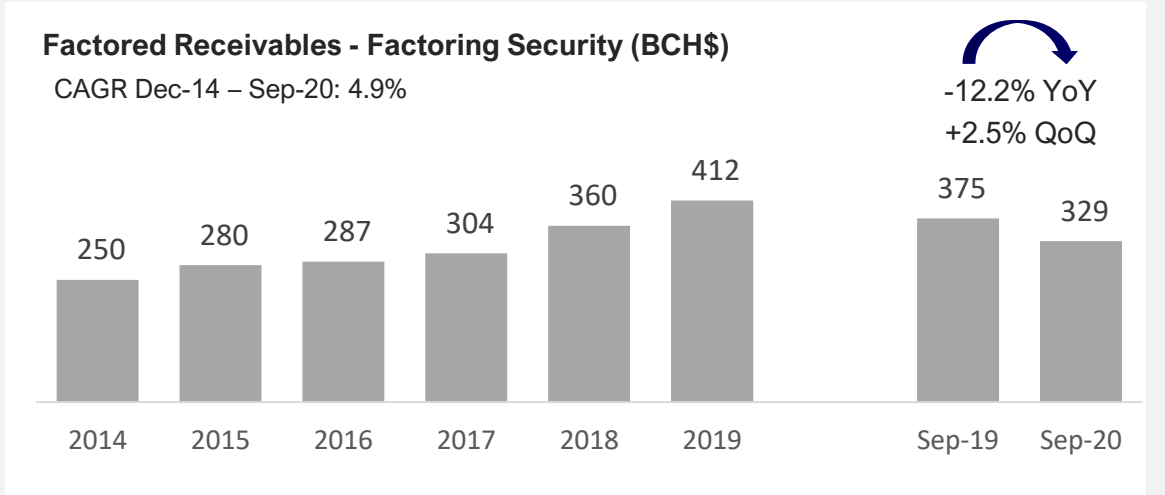
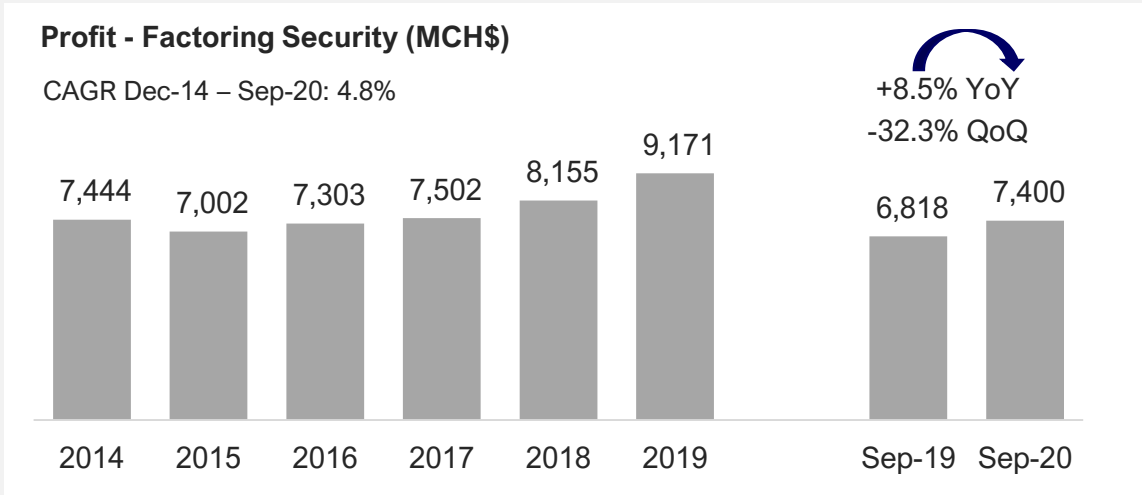


Profit:
MCH\$ 7,400
+8.5% YoY, -32.3% QoQ

Loans:
MCH\$ 329,150
-12.2% YoY, +2.5% QoQ

Efficiency Ratio:
42.2%
+59 bps YoY

Risk:
2.29%
+20 bps YoY



Insurance Area - Vida Security



9M20 Profit of MCH \$16,475 (-10.9% YoY)

Due to lower investment income and lower direct written premiums. 3Q20 profit of MCH \$18,467, recovering the loss from prior quarters.

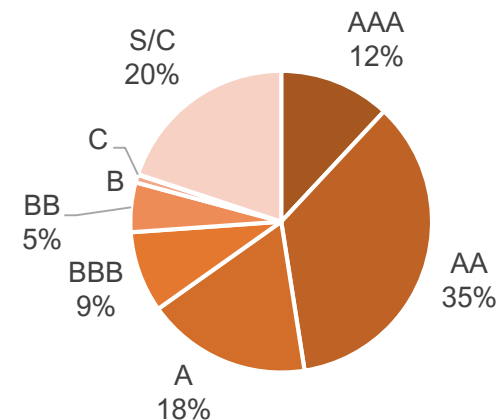
In MCH\$	Individual		Family		Group Insurance		Annuities		DSI		Total	
	9M19	9M20	9M19	9M20	9M19	9M20	9M19	9M20	9M19	9M20	9M19	9M20
Gross written premiums	81,326	100,151	5,058	5,163	56,326	52,917	50,277	8,552	550	225	193,537	167,008
Net premiums written	79,849	98,410	5,058	5,163	54,762	51,728	50,277	8,552	208	36	190,154	163,889
Variation in technical reserves	(33,177)	(19,797)	(15)	(49)	(415)	(237)	-	-	-	-	(33,608)	(20,083)
Claims paid	(59,638)	(71,178)	(1,255)	(795)	(33,913)	(21,322)	-	-	10,329	22,934	(84,478)	(70,361)
Pensions paid	(2,005)	(1,855)	-	-	-	-	(100,905)	(52,756)	(13,890)	(26,334)	(116,801)	(80,944)
Underwriting expenses	(7,995)	(7,420)	(1,939)	(1,516)	(3,174)	(3,122)	(378)	(117)	(0)	-	(13,486)	(12,176)
Medical expenses	(27)	(10)	(0)	(1)	(5)	(2)	0	(0)	-	-	(33)	(13)
Insurance impairment	-	-	-	-	124	(4)	-	-	5	-	128	(4)
Contribution Margin	(22,994)	(1,850)	1,848	2,803	17,378	27,041	(51,006)	(44,321)	(3,348)	(3,364)	(58,122)	(19,691)
CUI portfolio	32,697	9,738	-	-	-	-	-	-	-	-	32,697	9,738
Proprietary portfolio	-	-	-	-	-	-	-	-	-	-	79,930	53,553
Investment income	-	-	-	-	-	-	-	-	-	-	112,627	63,291
Administrative expenses											(30,726)	(25,689)
Exchange differences											(823)	(713)
Gain (loss) on indexed assets and liabilities											(1,728)	(1,520)
Other income and expenses											305	(131)
Income tax expense											(3,035)	928
Profit for the period											18,500	16,475

Insurance Area - Vida Security – Investment Income



- * Drop in investment returns (MCH \$63,291 for 9M20, -43.8%).
- * Proprietary trading portfolio: lower returns on equity instruments due to global stock market performance; on other investments due to derivative valuations and on real estate investments due to newly incorporated assets.

Investment Portfolio by Risk Rating¹



Investment Income In CH\$ million	Portfolio				Gain (Loss)			ROI		Gain (Loss)		
	Sep-19	Sep-20	Δ YoY	%/Total	Sep-19	Sep-20	Δ YoY	Sep-19	Sep-20	2Q20	3Q20	Δ QoQ
Fixed Income	1,773,434	1,759,105	-0.8%	67.1%	61,517	57,361	-6.8%	4.6%	4.3%	20,235	17,705	-12.5%
Equities and indexes	556,499	577,076	3.7%	22.0%	40,423	-106	-	9.7%	0.0%	14,939	19,326	29.4%
Real estate	240,623	262,796	9.2%	10.0%	10,427	9,636	-7.6%	5.8%	4.9%	2,643	3,673	39.0%
Other investments	42,273	24,517	-42.0%	0.9%	260	-3,600	-	0.8%	-19.6%	-1,795	-224	-87.5%
Investments Income	2,612,828	2,623,494	0.4%	100.0%	112,627	63,291	-43.8%	5.7%	3.2%	36,022	40,481	12.4%
CUI Portfolio	535,865	569,416	6.3%	21.7%	32,697	9,738	-70.2%	8.1%	2.3%	22,779	10,580	-53.6%
Proprietary Portfolio	2,076,963	2,054,078	-1.1%	78.3%	79,930	53,553	-33.0%	5.1%	3.5%	13,243	29,901	125.8%

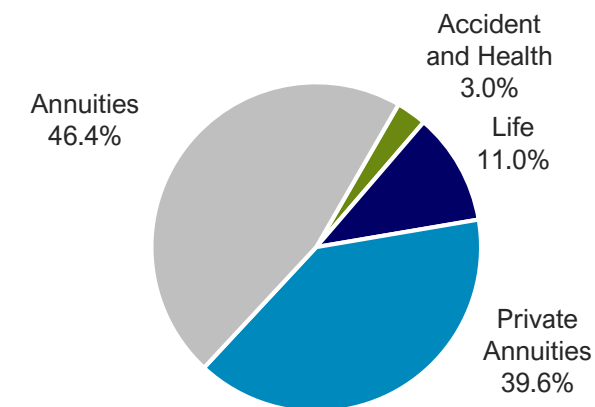
¹Information as of Dec-19, CUI and Non-CUI Portfolios. Of unrated portfolio, 80% are mortgage bonds and leases. Source: FS Vida Security - Note 6

International Business Area - Protecta



<i>In S./ Thousands</i>	2Q20	3Q20	% Chg QoQ	9M19	9M20	% Chg
Annuities - Premiums written	34,996	30,601	-12.6%	142,092	131,871	-7.2%
Annuities - Market share	23.5%	21.1%	-235 p	20.0%	24.0%	404 p
Private annuities - Premiums written	27,268	51,031	87.1%	99,732	112,524	12.8%
Private annuities - Market share	20.5%	19.5%	-104 p	13.7%	17.7%	401 p
Premiums written	71,536	93,101	30.1%	292,350	284,149	-2.8%
Investment income	22,622	28,883	27.7%	87,110	86,555	-0.6%
Annualised return (LTM)	8.3%	7.6%	-69 p	8.8%	7.6%	-113 p
Profit for the period	-1,243	5,282	-	11,119	9,937	-10.6%

Protecta – Direct Written Premiums by Product Line



Protecta: Profit September 2020 MS./ 9.9 (MUS\$ 1.3), -10.6 YoY

- * 24.0% market share in annuities as of September 2020
- * Net premiums of MS./ 284.1 (-2.8 YoY), due to a contracting annuities market
- * Investment income of MS./ 88.6 for 9M20 (-0.6 YoY)

Other Services Area - Travel and Inmobiliaria Security



INMOBILIARIA security



TRAVEL security

Travel Security

- * Loss 9M20 of -MCH\$ 4,275 (MCH\$2,493 for 9M19) due to impact on income and structural adjustments
- * Structural adjustments in light of medium- and long-term impacts on industry
- * Shift to primarily digital sales model.
- * **Travel Perú**
- * Loss -MCH \$1,529 (vs MCH \$80 for 9M19)
- * Sales: MUS\$ 13 (-73.1% YoY, +0.1% QoQ)

Inmobiliaria Security

- * Profit 9M20 MCH \$3,238 (-MCH \$1,533 for 9M19)
- * Profit 3Q20 MCH \$3,752 (-MCH \$346 for 2Q20)
- * Legal title transferred on numerous units during the quarter (114 units in 3Q20 versus 8 units in 3Q19)
- * Real estate assets under management of MCH \$111,044 (-2.2% YoY)
- * Projects under development:
 - * 7 projects under development
 - * 148 units available for sale

Trends for Grupo Security - Indicators



9M20 Profit of MCH \$47,772 (-21.7% YoY)

	2015	2016	2017	2018	2019	Sep-20	17-Nov-20*
Business Areas Profit (MCH\$)	92,201	102,133	91,485	117,162	109,888	67,590	
Grupo Security Consolidated Profit (MCH\$)	65,022	74,522	74,708	80,548	81,156	67,902	
Equity	551,653	585,628	704,910	728,495	769,754	833,379	
Closing Number of Shares (million)	3,258	3,258	3,683	3,695	3,695	4,017	4,042
Closing price	191	226	280	291	196	130	134
Closing Market Cap (MCH\$)	621,370	736,358	1,031,503	1,075,023	722,816	521,880	543,284
EPS (CH \$)	20.0	22.9	21.7	21.8	22.0	17.2	
PE (times)	9.6 x	9.9 x	12.9 x	13.3 x	8.9 x	7.5 x	8.0 x
Market Book Value (times)	1.13 x	1.26 x	1.46 x	1.48 x	0.94 x	0.63 x	0.63 x
Dividend Yield	5.7%	5.1%	3.8%	4.5%	6.4%		
Payout Ratio (Dividends/ Profit)	57.6%	55.5%	57.3%	54.8%	43.9%		
Leverage	34.9%	34.5%	29.3%	34.5%	35.1%	35.1%	
ROAA	0.80%	0.83%	0.78%	0.79%	0.72%	0.52%	
ROAE	12.1%	13.1%	11.6%	11.2%	10.8%	8.0%	

*Total equity and profit as of Sep-20



Grupo Security Financial Results September 2020

November 11, 11:00 a.m.

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