

## Grupo Security Profit Up 15.2% Yoy for First Quarter 2014

May 16, 2014

***- Group's consolidated profit for last twelve months ending March 30, 2014, was Ch\$52,057 million.***

***- The positive results were driven mainly by Banco Security's strong commercial performance.***

Grupo Security posted profit of Ch\$16,803 million for the first quarter of 2014, an increase of 15.2% over the same period in 2013. Ebitda rose 26.2% with respect to 2013, reaching Ch\$26,424 million in the first quarter of 2014. These positive figures were driven mainly by Banco Security's strong performance.

The CEO of Grupo Security, Renato Peñafiel, commented on the positive results obtained by the Group for the period, affirming that "these figures demonstrate Banco Security's strong performance, reflecting our hard work in our diverse business areas to offer our customers exceptional service and comprehensive solutions to their needs."

As of March 2014, Grupo Security's consolidated profit was distributed as follows: 59% from lending (bank and factoring), 31% from insurance, 6.0% from asset management and 4% from other services.

On March 14, 2013, Grupo Security announced the signing of a deal to acquire the Cruz del Sur companies from Grupo Angelini for UF 6.2 million. The transaction was completed on June 11, 2013. In February 2014, the Securities and Insurance Supervisor approved the capital increase agreed at the extraordinary meeting of shareholders of Vida Security on December 19, 2013, thus completing all of the steps needed to conclude the merger between Vida Security and Compañía de Seguros de Vida Cruz del Sur S.A. As of March 31, 2014, these entities are legally merged.

On the matter, Peñafiel commented, "The expected savings have been achieved, which will translate into benefits for the companies. We expect to see an increase in profit during 2014."

In terms of business area results, during the first quarter of 2014 Banco Security performed well, posting profit of Ch\$13,212 million, up 150% with respect to the same quarter in 2013. This growth was mainly in response to a strong performance by the treasury area due to higher inflation than the prior year; and improved results from the retail banking division primarily attributable to growth in consumer loans (+24.7%). Loans totaled Ch\$3,379,242 million, up 10.2% from March 2013 and in line with the 10.4% variation posted by the system as a whole for the same period (excluding investments in Colombia).

The fund management subsidiary, Administradora General de Fondos Security, reported profit of Ch\$1,102 million for the first quarter of 2014, which is a 10.3% increase over the prior year. This is in response to the subsidiary's 27.3% growth in average assets under management in comparison to March 2013, totaling Ch\$1,074,306 million as of the last quarter of 2014. Assets under management by AGF Security and Cruz del Sur totaled Ch\$1,507 billion as of March 2014, with a pro forma market share of 6.5%, ranking fourth among local fund managers.

The performance of Factoring Security also deserves mention, posting profit of Ch\$1,779 million, up 3.7% from the prior year. Factored receivables reported YoY growth of 23.2% as of March 2014, totaling Ch\$225,063 million, which compares favorably to the 2.7% variation observed in the industry among members of the Chilean Association of Factoring Companies.

In the insurance area, Vida Security reported profit of Ch\$7,389 million during the first quarter of the year. It is important to point out that Seguros de Vida Cruz del Sur was credited directly to Vida Security's equity as of March 2014, and, therefore, the income statement for the first quarter of 2014 does not reflect the operating effect. Vida Security's consolidated equity (includes both companies) totaled Ch\$147,860 million as of March 2014, with total assets of Ch\$1,988,379 million.

Lastly, for the first quarter of 2014, Grupo Security's stock reported a return of 10.73%, exceeding the returns for the IPSA (+1.99%) and the banking sector index (+2.63%).