

Grupo Security Profit Up 6.6% in 2015 to CH\$65,022 Million

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In 2015, Grupo Security successfully entered the Peruvian life insurance market, when it acquired 61% of the insurance company Protecta.

During the first months of 2016, its minority stake in Penta-Security was sold, and Banco Penta asset management subsidiaries were acquired and merged with Inversiones Security.

Grupo Security reported a profit of CH\$65,022 million for 2015, which represents an increase of 6.6% over the previous year. The Grupo Security return on equity was 12.1% as of December 2015, based on the financial statements (FECU format) filed with the Chilean Superintendency of Securities and Insurance (SVS).

Grupo Security's CEO, Renato Peñafiel commented, "Grupo Security has posted 6.6% year-on-year profit growth for 2015, due to continual growth in sales across all business areas in the first half of the year and despite weakening domestic and international economic conditions impacting the Group's results during the second half of the year. Security continued to be a vital market force throughout 2015 and early in 2016 with successful transactions including the purchase of the Peruvian insurance company Protecta, the sale of our minority interest in Penta-Security and the acquisition and merger of Banco Penta's asset management subsidiaries with the Inversiones Security companies."

Mr. Renato Peñafiel remarked on the sale of the minority interest in the P&C insurance company Penta Security when he said that "this transaction produced a net gain after tax for the Group of CH\$14,937 million, which will be reflected in higher profits for 2016. Some of these funds will be used to capitalize several Grupo Security subsidiaries, particularly to strengthen the Bank's capital base. Over the last few years, Banco Security has been preparing to implement Basel III. Therefore, at the Bank's next shareholders' meeting the Board will propose distributing a dividend of 30% of the profits for 2015, similar to the dividend for the previous year. Furthermore, Grupo Security will propose capitalizing Banco Security, in order to maintain practically all the profit for 2015 within that company".

Grupo Security completed 20 years on the local stock market in 2015, and its market capitalization reached CH\$609,314 million (US\$893 million), with average annual growth of 10% over the past 10 years, with an average rate of return on its dividends of 4.8% over the same period.

Mr. Peñafiel also commented on the challenges being faced in the current year saying "The year 2016 will be a difficult year financially, with possible increases in credit risk across the industry and high volatility in the financial business. It will be a complex economic situation for the entire finance industry, for both the lending and asset management businesses. Grupo Security has been able to successfully overcome these complex periods in the past, without significantly affecting profits, due to ongoing risk management across all its businesses. Therefore, it has been one of the financial business with the lowest volatility in its results over recent years."

The consolidated profit at Banco Security reached CH\$47,425 million as of December 2015, a fall of 15.2% compared to the previous year, and aligned with the fall of 11% in the banking industry's results for the same period.

The insurance business reported a profit of CH\$28,460 million as of December 2015. This area includes Vida Security, the life insurance subsidiary, and Servicios Security, which consolidates the insurance brokerage (Corredora de Seguros Security) and assistance business (Europ Assistance).

Inversiones Security posted profit of CH\$10,163 million in 2015, an increase of 82% compared to the previous year. This increase is explained by growth in assets under management, coupled with an extraordinary gain on the sale of a share of the Santiago Stock Exchange, following the merger of the Security and Cruz del Sur brokerage subsidiaries.

Grupo Security is a diversified financial group that offers its customers exceptional service and comprehensive solutions to their lending, asset management, insurance, travel and real estate needs. The group seeks to meet the needs of its customers, shareholders, employees and the world in which it does business, while encouraging work-family balance.