

## Grupo Security Posted Profit of Ch\$35,958 Million During The First Half of 2017

August 31, 2017

***Renato Peñafiel, Grupo Security's CEO, highlighted the second quarter profit of CH\$18,648 million, an increase of 7.7% over the first quarter.***

Grupo Security posted profit of CH\$35,958 million as of June 30 this year, according to results reported today to the Superintendency of Securities and Insurance. A strong performance by Grupo Security's core business resulted in profit to June 2017 growing by 18.0% YoY, excluding last year's extraordinary income from the sale of its stake in Penta-Security. In particular, second quarter profit reached CH\$18,648 million, an increase of 7.7% over the first quarter.

Renato Peñafiel, Grupo Security's CEO, emphasized this growth and explained that "during the last year the Bank's loans grew by 9.8%, greater than industry growth of 5.2%, direct premiums at Vida Security grew by 69.5%, greater than market performance of -0.5%, and Mutual Funds grew by 23.8% greater than market growth of 15.2%."

Mr. Peñafiel remarked on the successful outcome of the recently completed capital increase, which was aligned with these favorable results. Its purpose is to strengthen commercial growth and the capital base of Grupo Security's main businesses: banking and insurance. Strong performances from Grupo Security subsidiaries, combined with shareholder confidence and support, enabled it to raise a total of CH\$93,424 million, or 97.26% of the new issuance. Since this capital increase was approved at the Extraordinary Shareholders' Meeting last April, Grupo Security shares have posted returns of 12.2%, while the Banking Index and IPSA have posted returns of 6.5% and 5.5%, respectively, over the same period.

Banco Security's customer loans totaled CH\$4,620,365 million, a 9.8% increase compared to the same period in 2016. On August 28, Standard & Poor's upgraded its rating for Banco Security, taking it to BBB/A-2, due to its strengthened capital base. This was the result of writing off intangible assets last year, and the current capital increase at Grupo Security, where Banco Security will receive up to CH\$50,000 million in capitalization.

Vida Security reported profit of CH\$13,101 million, an increase of 67.0% compared to the first half of 2016, due to the successful performance of its investment portfolio. CH\$40,000 million of the recent capital increase will be allocated to the insurance business.

The asset management area posted profit of CH\$3,558 million, an 18.3% increase over the previous year, due to higher commercial revenue from both managing funds and transactional products. Assets under management by Inversiones Security during the first half of 2017 totaled CH\$4,207 billion, an 11.5% increase over last year.

Grupo Security is a diversified financial conglomerate, with around US\$18,513 million in assets under management. It has 13 companies in the lending, insurance, asset management and complementary service industries.