

## **Grupo Security Reported Profit of CH\$74,708 Million in 2017**

March 3, 2018

**Highlights include the capital increase of CH\$93,424 million, 24.5% growth in the Bank's earnings and market share of 12.5% in the annuity business in Peru.**

Grupo Security reported profit of CH\$74,708 million for 2017, which represents an increase of 0.2% over the previous year. EBITDA in 2017 totaled CH\$121,856 million, up 0.9% over 2016, while return on equity reached 11.58%, based on the financial statements (FECU format) filed today with the Financial Market Commission (CMF).

The CEO of Grupo Security, Renato Peñafiel, remarked, "Profit for the year 2017 totaled CH\$74,708 million, up 0.2% from the prior year, despite the fact that 2016 included an extraordinary gain on the sale of our interest in Penta-Security. In fact, excluding this effect, profit would have grown 25.4% YoY."

Among the highlights from last year are 24.5% growth in the Bank's earnings with a significant improvement in efficiency, which reached 49.7%. Loans grew 8.3% for the year, outperforming the industry at 4.3%. Peñafiel commented, "Protecta, our insurance subsidiary in Peru, was the only Peruvian insurance company to increase annuity sales in 2017, attaining 12.5% market share, which is well above the 5.3% it had when we acquired it in 2015. This is a reflection of strong commercial efforts."

In line with these favorable results, Grupo Security's stock reported returns of 31.2% in 2017, outperforming the banking sector index (+27.2%). Security's market capitalization was US\$ 2,031 million.

In addition, Grupo Security successfully completed a capital increase of CH\$93,424 million in August 2017 in order to sustain the above-industry growth rates its businesses had been reporting and to strengthen the capital base of its main assets: banking and insurance. "This confirms the trust and backing of our shareholders," explained Peñafiel.

Regarding 2018, Peñafiel said, "Outlooks for the different businesses are very positive. We expect strong results from the Group and each subsidiary, aiming to sustain earnings growth of at least 10%. The local economic cycle, which is already showing positive signs of growth, is fortified by international conditions of greater growth and an investment-minded political cycle."

Another relevant event last year was S&P's upgrading of Banco Security's risk rating to BBB/A-2. This is especially noteworthy given the downgrading of the country's sovereign rating, which also impacted several financial institutions. Another important achievement came when Fitch Ratings confirmed its ratings for Banco Security, Grupo Security and Factoring Security, and upgraded its outlook from "stable" to "positive".

In 2017, Grupo Security was once again recognized as one of the best companies to work for in Chile, placing seventh in the Great Place to Work ranking. This demonstrates the success of the Group's corporate culture, which is a model for balancing work, family and personal life in Chile.