

Share Auction Generates High Demand For Grupo Security Stock

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Demand totaled CH\$180 billion, equivalent to 9 times the offering, with a cut-off price of CH\$290 per share.

Grupo Security successfully placed 71,769,048 shares through an order book auction. The package contained 11,980,563 shares left over from the entity's capital increase in August 2017, and a secondary offering of 59,788,485 shares. Demand was 9 times supply, equivalent to over US\$ 297 million.

The cut-off price—the maximum with which the offering is completed— was CH\$290 per share. However, in order to attract new investors (particularly foreign) and expand the holdings of AFPs and local institutional investors, the Company decided to set a price of CH\$280 per share.

The CEO of Grupo Security, Renato Peñafiel, highlighted the participation from foreign investors, who were awarded 20% of the offering. "We are looking to improve the stock's liquidity and add new segments to our shareholder base. We were pleasantly surprised by the high demand of 9 times supply, which confirms the market's trust in our business model and our companies' good growth prospects in a context of stronger economic and commercial activity."

The shares were awarded at CH\$280 pesos per share, raising over US\$33 million, with over 20% going to foreign investors, 22% to the retail industry and 8% to local pension funds. The deal was brokered by Banchile Corredores de Bolsa and Valores Security.

Grupo Security reported profit of CH\$74,708 million for the year 2017, up 25.4% over last year, excluding an extraordinary gain on the sale of the Group's holding in Penta-Security. Banco Security's earnings grew 24.5%, with an important improvement in efficiency, which reached 49.7%. Loans grew 8.3% for the year, outperforming the banking industry at 4.3%.