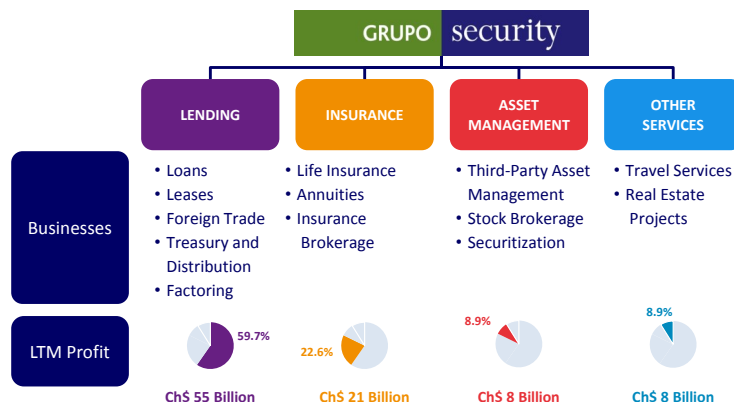


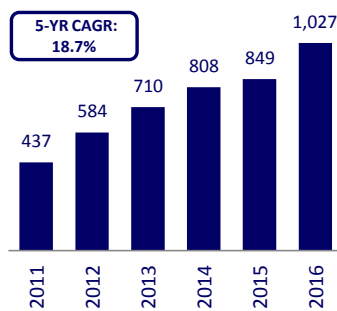
# GRUPO SECURITY: Diversified Financial Group with Consistent Profitability and Expansion Opportunities in the Andean Region

**Grupo Security S.A.** is a niche Chilean-based diversified financial group, offering banking, insurance, asset management and other services to large and medium-sized companies, and high-income individuals. Leveraging operational and financial synergies through organic growth and acquisitions, the Company has achieved a 5-year CAGR of 12.2% in net profit. In 2012, the Company began its regional expansion strategy in the Andean region. Grupo Security has been a public company for 22 years. As of September 30, 2017, Grupo Security serviced close to 226,000 customers and reported consolidated profits of Ch\$ 53,661 million.

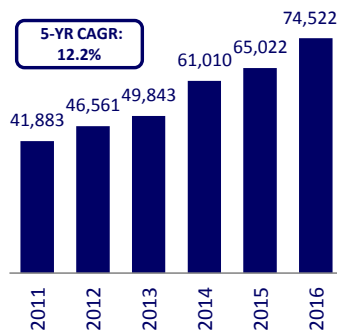


## Consistent Track Record of Financial Results

### ONGOING REVENUE GROWTH (CH\$ BILLION)



### CONSISTENT PROFITABILITY (CH\$ MILLION)



### WELL CAPITALIZED TO SUPPORT GROWTH



## Why Grupo Security?

**Well-Established Brand in the Attractive Chilean Market.** Chile offers market-friendly regulated industries with attractive growth potential and strong macroeconomic dynamics. Banco Security's (64% of Grupo Security's assets as of Sep'17) strategy centers on providing innovative and segmented products to a well-defined niche market of large and medium-sized companies and affluent individuals. The Chilean insurance market provides attractive opportunities with penetration levels at 5%, below the 7-11% in developed countries. Gross life written premiums for the sector have expanded at a 10-year CAGR of 13.2% in Ch\$. Chile also has a strong asset management industry, with mutual funds expanding at a 12.6% 10-year CAGR in Ch\$. Recognized for its client service, Banco Security ranks among the first Chilean banks in Customer Satisfaction.

**Successful Track Record of Acquiring and Integrating Operations Capitalizing on Industry Consolidation Opportunities.** Over the past 20 years, Grupo Security has successfully completed 12 strategic acquisitions for a total investment of US\$728 million, expanding its service offering and market share in its target segments while achieving significant synergies. The acquisition of the Cruz del Sur insurance, asset management and brokerage businesses in mid-2013 for approx. US\$300 million resulted in annual synergies equivalent to US\$25.9 million, above the US\$15.8 million originally anticipated. In 2012, Grupo Security began its regional expansion strategy in the Andean region through the acquisition of the leading corporate travel agency in Peru to gain experience in that market and pave the way for further expansion. Early 2015 Grupo Security announced the US\$22.5 million acquisition of insurance company Protecta, the country's 7<sup>th</sup> largest life insurance company establishing a foothold in the Peruvian financial market.

### STOCK INFORMATION (as of Dec-31, 2017)

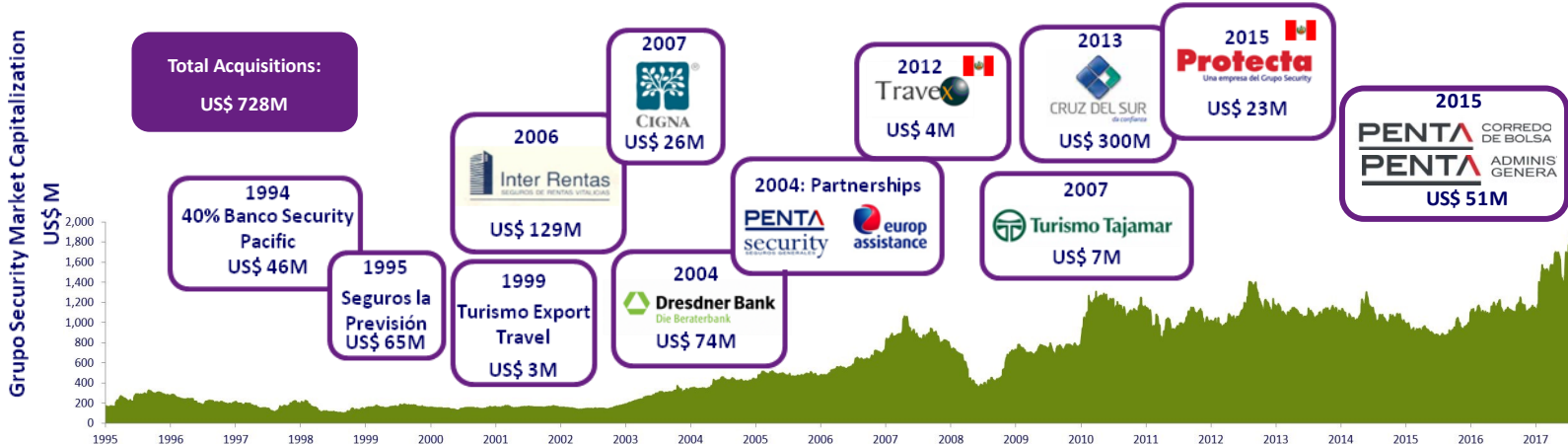
**SSE Symbol:** SECURITY  
**Market Cap:** Ch\$ 1,035 B  
 US\$ 1,682 M  
**Shares Outstanding:** 3,683.0 M  
**52 WK High-Low:** Ch\$ 216.0 - 290.5

**Expansion within the Andean Region Offers Long-Term Growth Potential.** Peru offers one of the most attractive high-growth banking and insurance markets in LatAm, with low penetration of loans and insurance services. Despite high industry concentration, insurance to GDP stood at 1.9% in Dec'15, similar to that in Chile in 1990. System premiums and investments have expanded at a 10-year CAGR of 12% and 14% in US\$, respectively, compared with 11% and 8% in Chile. Furthermore, loans to GDP in Peru stood at 37% in Dec'15, compared with 82% in Chile, while system loans have expanded at a 10-year CAGR of 16.1% in US\$, compared with 8.7% in Chile. Expected GDP growth of 2.8% for 2017 and 4.0% for 2018, ahead of most other countries in LatAm, low inflation and a growing middle class also support growth. Peru's legal, regulatory and operational environment shares similarities with Chile promoting the development of this market.

**Consistent Financial Performance Leveraging Operating and Financial Synergies.** Through a combination of organic growth and acquisitions, a strategy based on segmentation and innovation, and leveraging our strong corporate brand and client loyalty, we have reported consistent profitability since 1991, achieving a 12.2% CAGR in profits over the past 5 years, and ROE of 13.1% in 2016. All businesses contributed to this performance, with the lending area reporting a 9.5% 5-year CAGR. As of Sep'17, profit at our asset management area reached Ch\$ 6,111 million, 8% of the LTM profit of all Grupo Security's businesses, and our insurance business reported profit of Ch\$ 13,448 million, 22.6% of the LTM profit of all Grupo Security's businesses, synergies achieved from our last acquisitions.

**Solid Balance Sheet Supported by Conservative Financial Policies and Risk Management.** Grupo Security maintains a strong balance sheet with a stable debt to equity ratio of 33% on average for the last 10 years. The company has been supported by a group of long-term shareholders, which hold 75% of the shares outstanding and have exhibited a strong commitment with eight capital increases totaling US\$875 million over the past two decades. Banco Security maintains strong asset quality with risk levels consistently below industry average. As of Sep'17, the bank posted NPL and coverage ratios of 1.46% and 122% respectively, driven by tight credit standards and exposure to corporate and high-income clients, below the 1.87% and 132% NPL and coverage ratio registered for the industry.

# Timeline: Expanding in Niche Markets Through Organic Growth & Acquisitions



## Key Financial Figures

	2012	2013	2014	2015	2016	9M16	9M17	% Chg
<b>BALANCE SHEET DATA (In Ch\$ million)</b>								
Banco - Total Loans	3,021,470	3,341,485	3,715,979	4,056,096	4,462,332	4,298,132	4,732,916	10.1%
Inversiones - Asset Under Management	1,443,451	2,418,176	2,840,498	2,859,612	3,644,513	3,723,572	4,449,872	19.5%
Banco - Deposits	2,701,401	2,724,441	3,089,667	3,301,524	3,621,838	3,318,659	3,434,300	3.5%
Grupo - Shareholders' Equity	397,790	467,004	522,718	551,653	585,628	589,200	705,315	19.7%
<b>INCOME STATEMENT DATA (In Ch\$ million)</b>								
Grupo - Revenues	584,193	710,361	808,422	848,633	1,026,690	741,265	880,172	18.7%
Banco - Net interest Margin	67,838	82,685	118,379	133,403	135,924	101,326	114,352	12.9%
Banco - Treasury Profit	2,820	3,989	26,417	15,382	14,611	14,960	17,192	14.9%
Vida - Gross Written Premium	158,386	227,312	235,604	242,144	348,517	236,408	339,332	43.5%
Vida - Claims and Pensions Paid	-136,952	-209,336	-218,648	-203,665	-267,411	-192,524	-272,433	41.5%
Banco - Net Fees	28,584	34,255	38,448	48,334	53,403	39,806	41,414	4.0%
Banco - Net Provision Expenses	-16,241	-26,399	-29,324	-44,118	-27,777	-19,903	-30,809	54.8%
Banco - Support Expenses	-73,005	-78,448	-93,254	-97,842	-128,935	-87,662	-94,292	7.6%
Banco - Gross Operating Result	133,495	147,291	190,807	203,524	217,144	159,307	184,438	15.8%
Grupo - Profit	46,561	49,843	61,010	65,022	74,522	59,373	53,661	-9.6%
<b>RATIOS</b>								
Banco - Net Interest Margin	2.4%	2.6%	3.4%	3.4%	3.4%	3.3%	3.3%	2.81 p
Banco - Efficiency Ratio	54.7%	53.3%	48.9%	48.1%	59.4%	55.0%	51.1%	-390.31 p
Grupo - Return on Average Assets	0.90%	0.82%	0.84%	0.80%	0.83%	0.85%	0.74%	-11.36 p
Grupo - Return on Average Equity	12.0%	11.5%	12.3%	12.1%	13.1%	12.9%	10.6%	-227.41 p
Banco - Non-Performing Loans/Total Loans	1.33%	1.10%	1.48%	1.54%	1.43%	1.43%	1.46%	2.45 p
Banco - Risk Index (Allowances / Total Loans)	1.38%	1.39%	1.59%	1.83%	1.81%	1.85%	1.78%	-6.76 p
Banco - Cost of Risk (Net Prov. Exp. / Total Loans)	-0.54%	-0.79%	-0.79%	-1.09%	-0.62%	-0.62%	-0.87%	-25.05 p
Banco - Risk-Weighted Assets (In Ch\$ million)	3,477,660	3,767,299	4,349,416	4,704,745	5,020,477	4,857,205	5,069,964	4.4%
Banco - Core Capital/ Total Assets	6.17%	6.32%	6.77%	6.63%	7.10%	7.39%	7.31%	-7.82 p
Banco - Regulatory Capital/ RWA	11.92%	12.19%	12.47%	12.10%	13.22%	13.61%	13.22%	-39.79 p
<b>OPERATIONS</b>								
Grupo - Associates	2,903	3,427	3,578	3,901	3,767	3,872	3,839	-0.9%
Grupo - Customers	152,810	154,167	188,394	219,701	226,943	226,202	226,389	0.1%

## Solid Credit Ratings

	Grupo Security	Banco Security	Vida Security	Factoring Security	Inv. Seguros Security
Fitch Ratings (local)	A+	AA-	AA-	A+	A+
ICR (local)	AA-	AA	AA	AA-	A+
Standard & Poors (international)		BBB / A-3			

## INVESTOR RELATIONS CONTACTS

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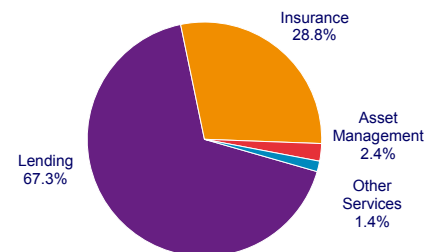
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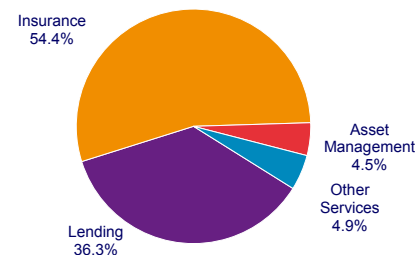
**Safe Harbor:** This report contains financial results of the different business units, which do not guarantee future results and do face significant risks and uncertainties. They can be affected by unanticipated factors such as changes in global economic conditions, changes in market conditions, regulatory changes, measures taken by competitors, operating and financial risks inherent to the financial services business.

## Performance by Business Unit

**ASSETS BUSINESS AREAS**  
CH\$ 9,582,950 MILLION (AS OF SEP 30 '17)



**REVENUE BUSINESS AREAS**  
CH\$ 1,173,236 MILLION (LTM SEPT 30 '17)



**PROFIT BUSINESS AREAS**  
CH\$ 91,682 MILLION (LTM SEP 30'17)

