

Grupo Security reports profit of CH \$81,156 million

February 28, 2020

Profit up 0.8% from 2018:

GRUPO SECURITY REPORTS PROFIT OF CH \$81,156 MILLION

CEO Renato Peñafiel confirms that, despite the negative investment cycle and uncertainty in Chile and the world, the group is prepared to proactively face these circumstances.

Grupo Security reported profit of CH \$ 81,156 million for the year ended December 31, 2019, reflecting a 0.8% increase over 2018, based on the Income Statement filed today with the Financial Market Commission (CMF).

The CEO of Grupo Security, Renato Peñafiel, explained that despite the negative investment cycle and uncertainty expected in upcoming months in Chile and the world, "we are prepared to proactively face these circumstances by strengthening customer relationships, controlling risk levels and containing costs. In 2019, with the help of leading consultants, we conducted a complete review of the strategy employed by the bank and its asset management subsidiaries, designing a transformation plan that we will begin to implement in 2020. A positive impact on earnings is expected to be seen in 2021. We hope this transformation will enable us to provide our customers with a new service model that is more comprehensive, more efficient and a better fit for their banking and asset management needs."

The group's results were driven by strong performances from Banco Security, Factoring Security, Vida Security and Protecta Security. Banco Security reported consolidated profit of CH \$ 76,951 million for 2019, up 5.9% from last year, while its Commercial Banking Division reported profit of CH \$ 58,005 million, 35.4% higher than last year due to higher gross income and reduced provision expenses.

Factoring Security, in turn, reported profit of CH \$ 9,171 million, or 12.5% more than 2018, and growth of 14.3% YoY in factored receivables. In the insurance business area, Vida Security reported profit of CH \$20,146 million. Excluding the non-recurring effect of the transfer of Protecta Security in December 2018, the company's profit was up 11.9%, because of strong net operating income across all business lines and an improved return on investments in the first nine months of the year.

Grupo Security is a diversified financial group with 13 companies structured into five main business areas. Each area includes the subsidiaries and divisions that share common business objectives. These five areas are: lending, insurance, asset management, other services and international business, which consists of the Group's businesses in Peru.