



Tanner

Servicios Financieros

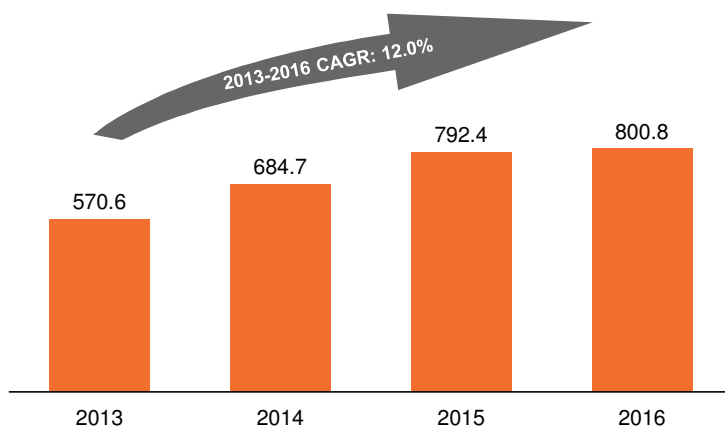
2016 Results Presentation



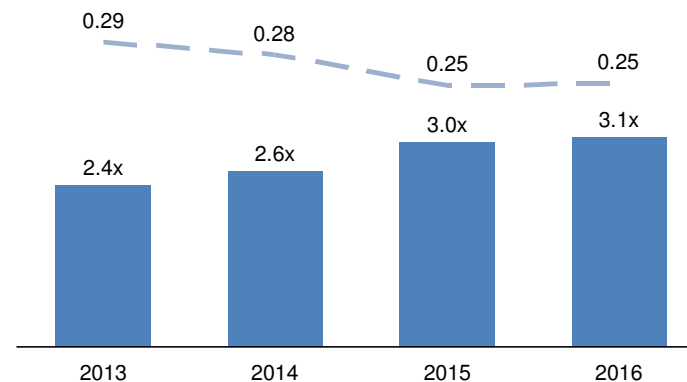
- **Net profit of CLP 22,347 million in 2016, increased 10.0% YoY.** ROAA was 2.3%, flat regarding 2015, whereas, ROAE went from 8.8% to 9.2% at period-end December 2016.
- **Total assets reached CLP 1,020,368 million, while net loan portfolio amounted to CLP 800,831 million,** with an increment in strategic products – Factoring (+19.5% YoY) and Auto-Financing (+12.9% YoY).
- In relation to the quality of the portfolio, **NPLs over 90 days totaled 4.3% as of December 2016,** improving when compared to December 2014 (5.5%) and 2015 (4.8%). By line of business, the breakdown is:
 - **Factoring:** decreased from 5.6% in 2014 and 6.3% in 2015, to **5.0%** (including Pescanova), due to the efforts in collection and admission processes.
 - **Auto-Financing:** declined from 6.7% in 2014 and 6.9% in 2015, to **5.1%** in 2016, explained by improvements that have been applied since the previous year in collection.
 - **Leasing:** decreased from 9.1% in 2014 and 8.2% in 2015, to **7.0%** at period-end December 2016, which goes in line with the reduction in the exposure to riskier economy sectors.
 - **Corporate Lending:** up 90 pbs YoY, from 0.6% in 2015, to **1.5%** in 2016 due to new composition of the portfolio, where smaller companies took a larger proportion of the portfolio.

Profitability and indebtedness remained stable during 2016

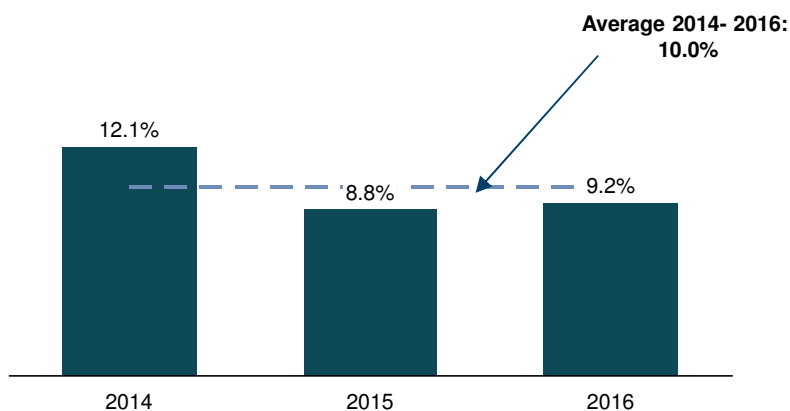
Net Loans (CLP bn)⁽¹⁾



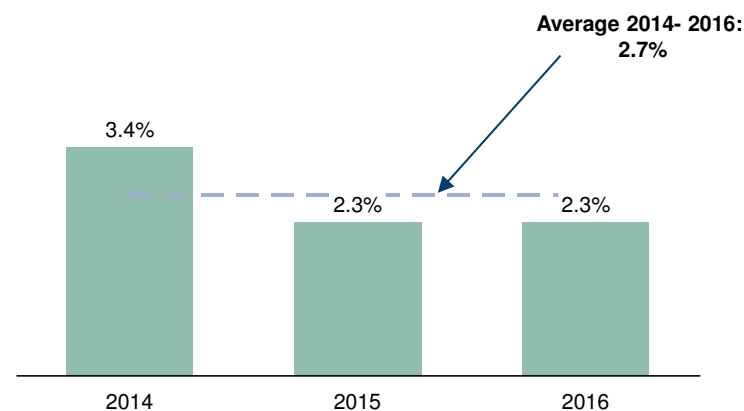
Capitalization and Leverage



ROAE⁽²⁾



ROAA⁽³⁾



Source: Tanner

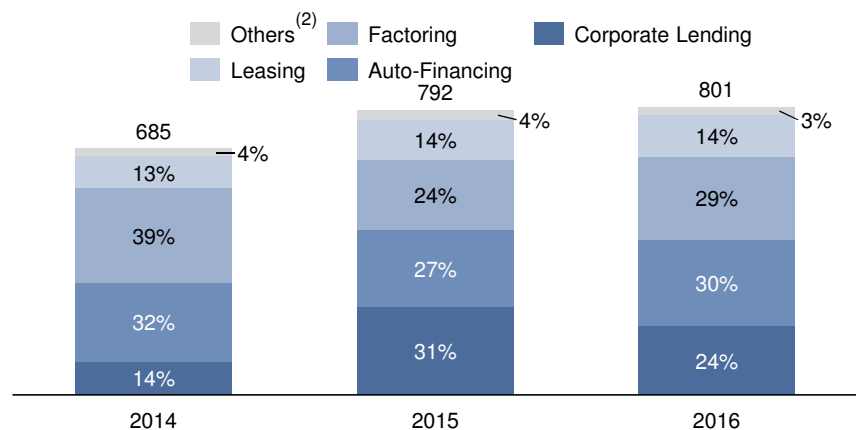
(1) Net loans defined as loans net of provisions.

(2) Calculated as Net Income annualized for the period divided by average Shareholders' Equity for the period

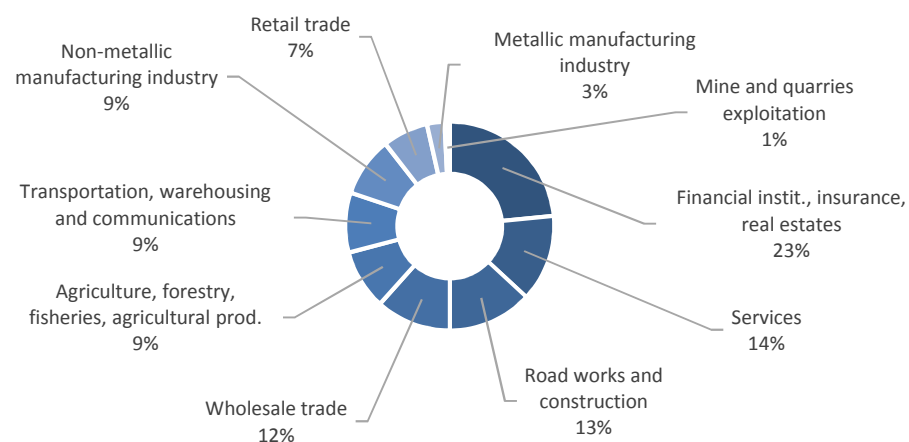
(3) Calculated as Net Income annualized for the period divided by average Total Assets for the period.

2016 was a year of focus on core businesses, allowing a greater diversification of the portfolio

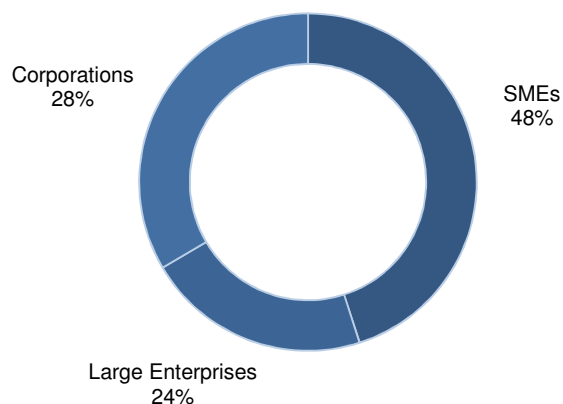
Net Loans Breakdown (CLP bn)⁽¹⁾



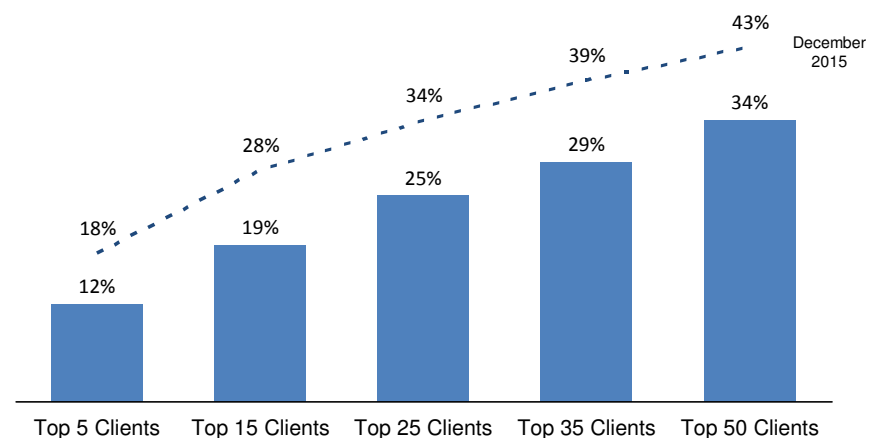
Distribution by Economic Sector⁽³⁾



Breakdown by Type of Client⁽³⁾



Concentration of Total Portfolio⁽⁴⁾



Source: Tanner

(1) Net loans defined as loans net of provisions.

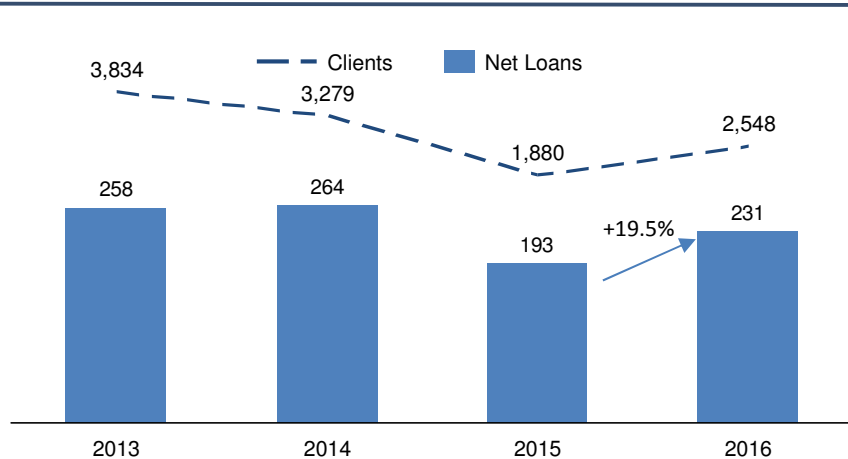
(2) Others includes trading activities from Corredora de Bolsa de Valores, Corredora de Bolsa de Productos and Corredora de Seguros.

(3) Not includes auto-financing clients.

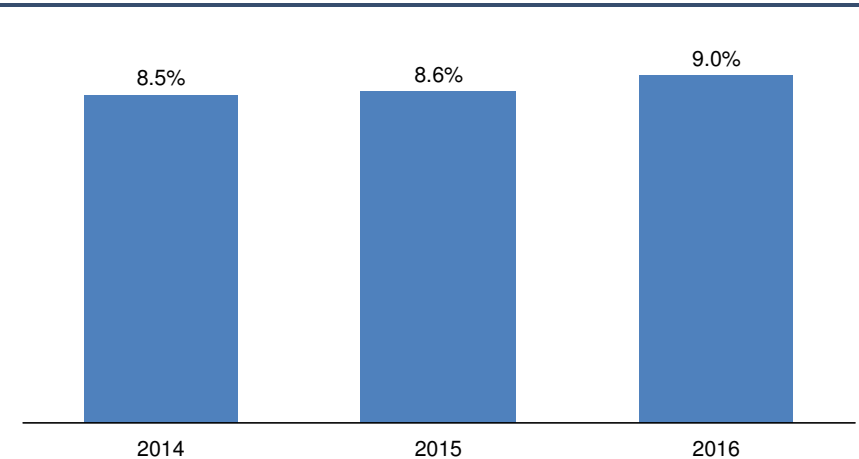
(4) Includes factoring, leasing, corporate lending and auto-financing.

Focus on Factoring resulted in significant improvements in indicators: loans, average ticket, profitability and number of clients

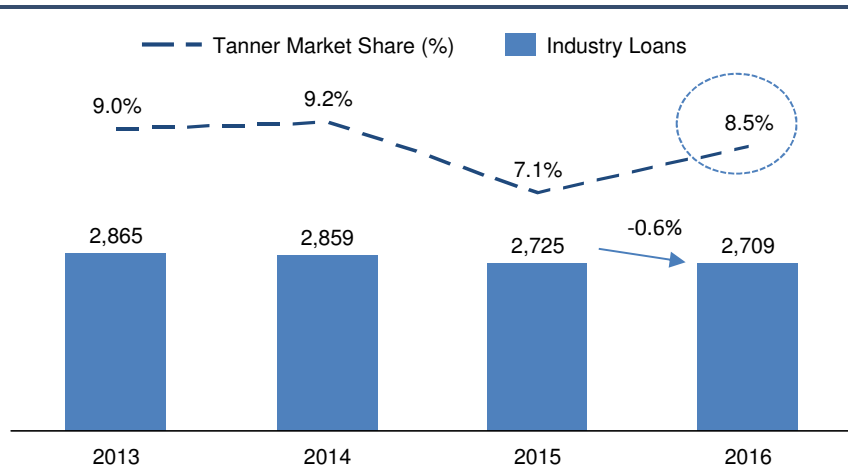
Net Loans (CLP bn) and N° of Clients⁽¹⁾



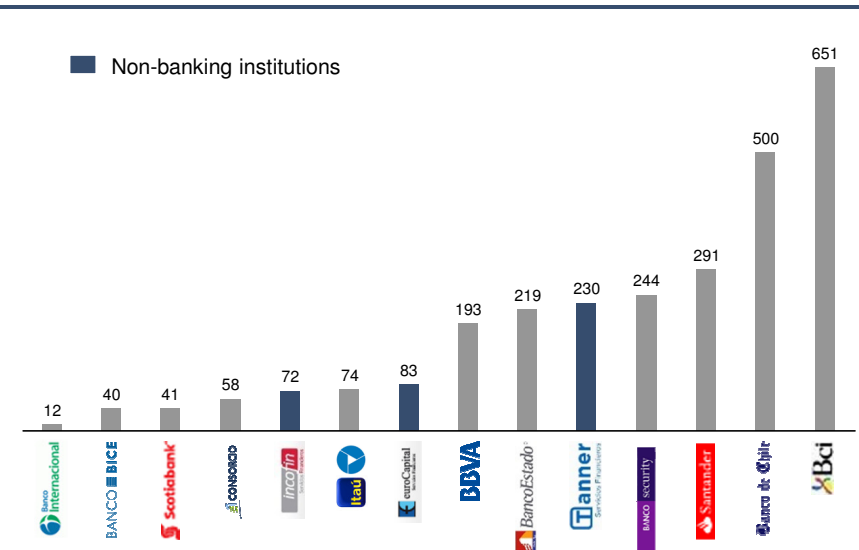
Annualized Gross Profit over Average Loans



Market Loans (CLP bn) and Tanner's Market Share⁽²⁾



Net Loans by Competitor (CLP bn)⁽²⁾



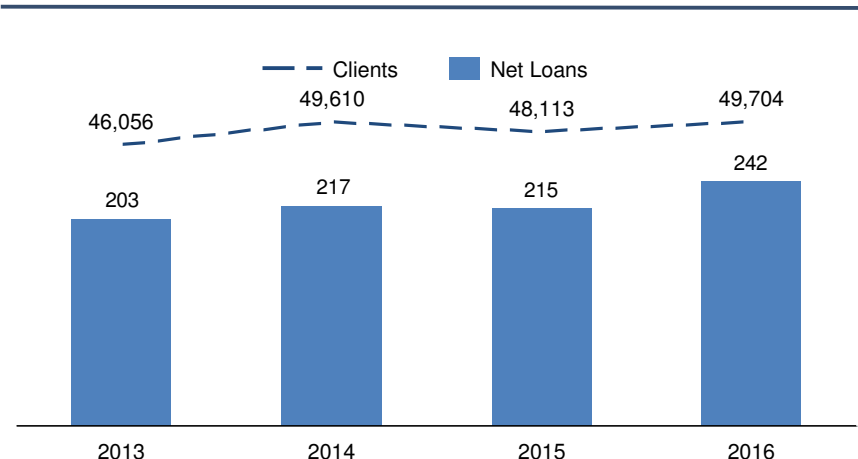
Sources: Tanner

(1) Net loans defined as loans net of provisions.

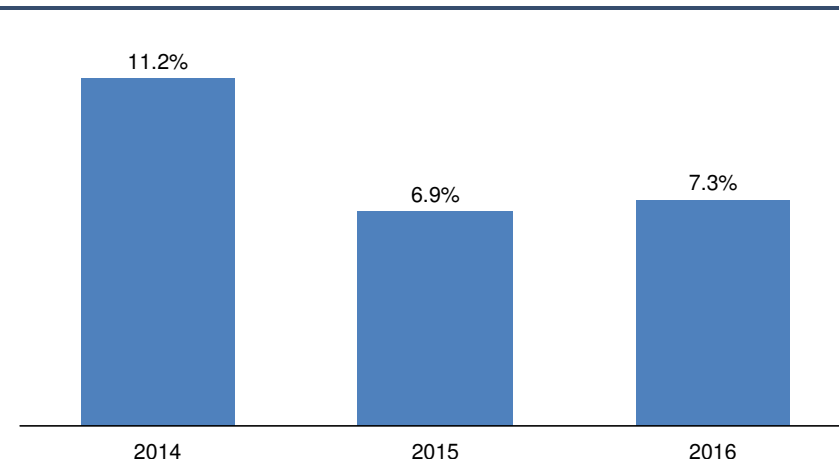
(2) Institutions considered: BCI, Banco de Chile, Santander, Banco Estado, BBVA, Itaú-Corpbanca, Consorcio, Scotiabank, BICE, Banco Internacional, Factoring Security, Incofin, Eurocapital y Tanner. Figures for Factoring Security and Eurocapital as of September, 2016.

Focus on Auto-Financing allowed significant growth in sales and profitability

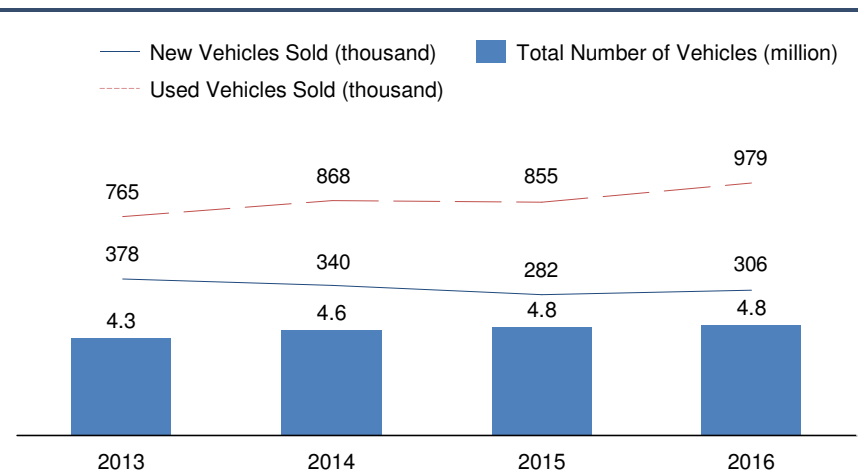
Net Loans (CLP bn) and N° of Clients⁽¹⁾



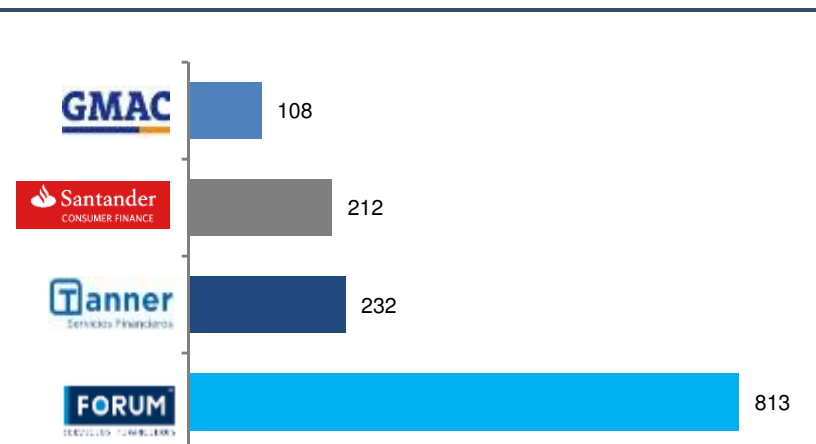
Annualized Gross Profit over Average Loans



Vehicle Sales in Chile⁽²⁾



Net Loans by Competitor (CLP bn)⁽³⁾



Sources: Tanner, ANAC, CAVEM, Financial Statements SVS

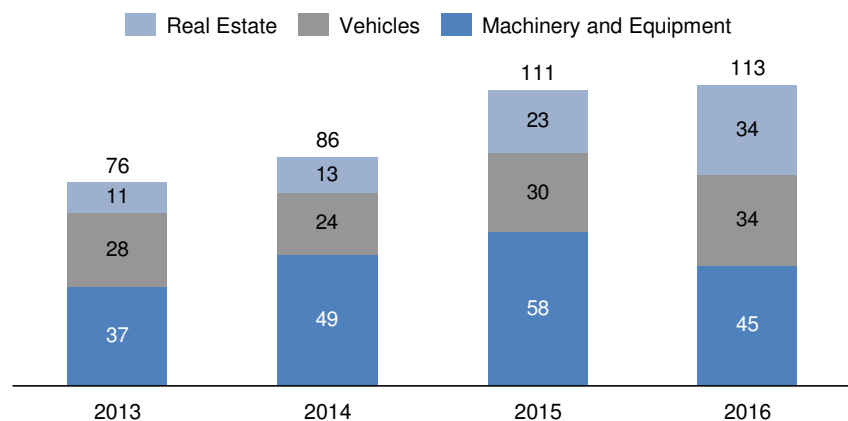
(1) Net loans defined as loans net of provisions

(2) Sale of new vehicles to December 2016 according to CAVEM. Sale of used vehicles corresponds to mobile year measured to November 2016 according to ANAC. Total number of vehicle figures for 2016 have not yet been reported by the INE, so the 2015 data was used.

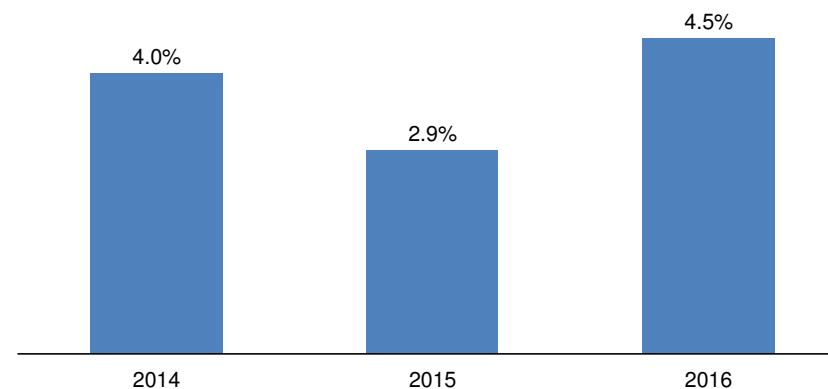
(3) Figures as of September, 2016.

Leasing growth was based on the real estate focus

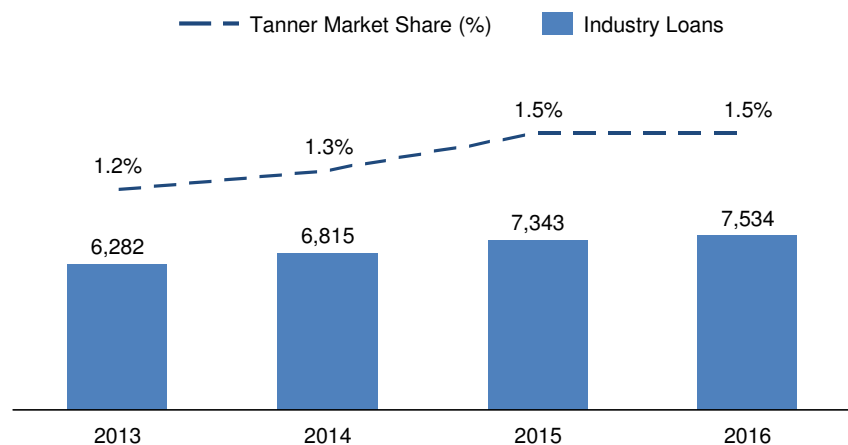
Net Loans (CLP bn)⁽¹⁾



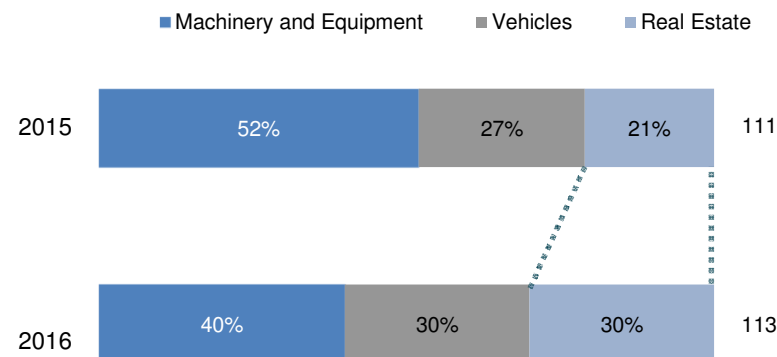
Annualized Gross Profit over Average Loans



Market Loans (CLP bn) and Tanner's Market Share⁽²⁾



Product Mix (CLP bn)



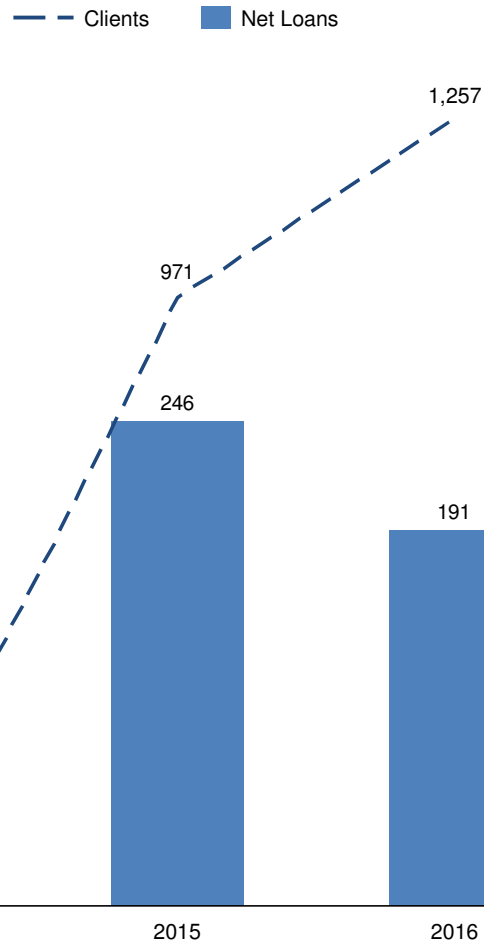
Sources: Tanner

(1) Net loans defined as loans net of provisions.

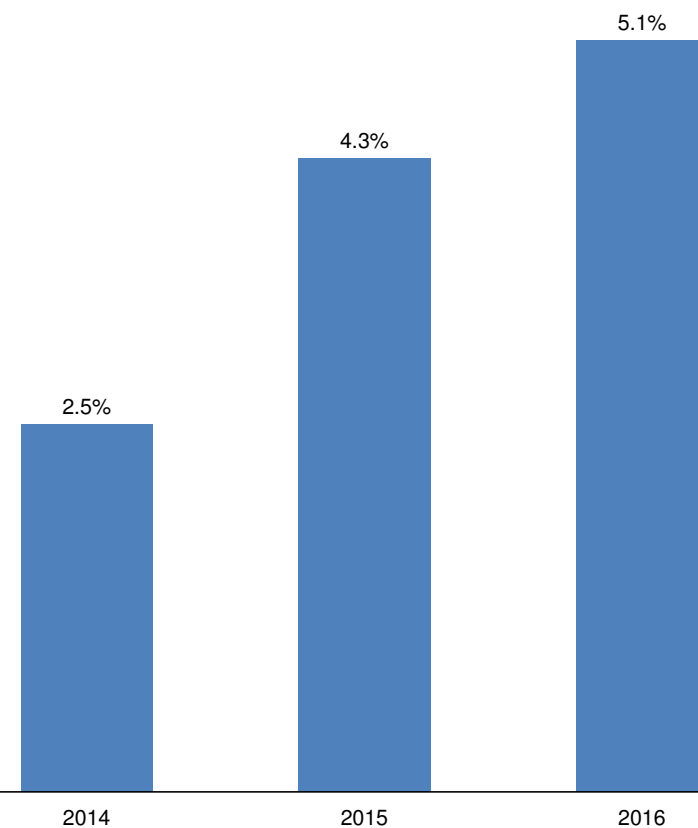
(2) Institutions considered: BBVA, BCI, BICE, Banco de Chile, Banco Estado, Consorcio, Banco Internacional, Itaú-Corpbanca, Santander, Scotiabank, Security and Tanner.

In line with the strategy, Corporate loans decreased ~24% while the number of clients increased by ~30%

Net Loans (CLP bn) and N° of Clients⁽¹⁾



Annualized Gross Profit over Average Loans

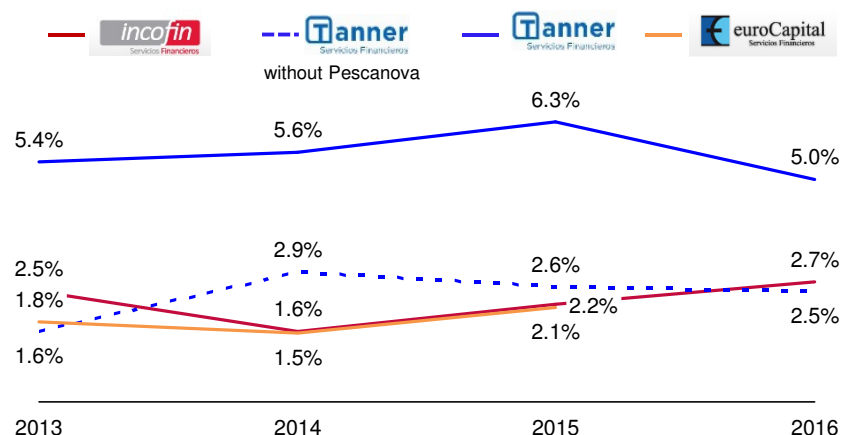


Source: Tanner

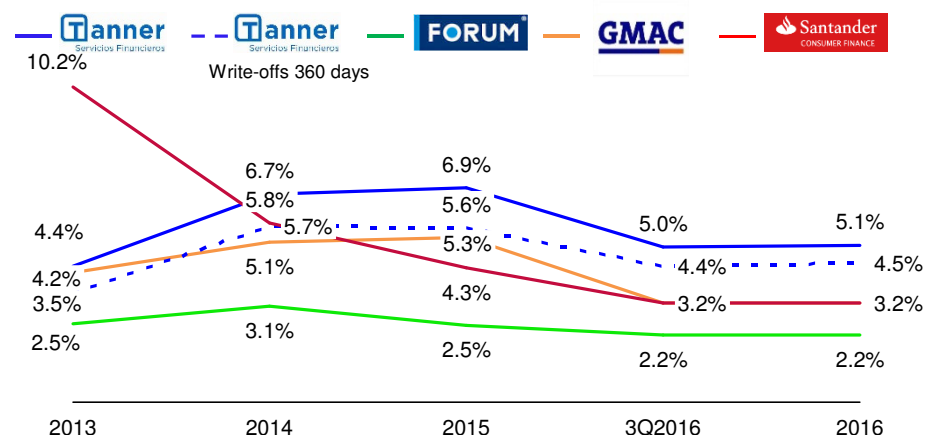
(1) Net loans defined as loans net of provisions.

NPLs levels are controlled within expected ranges

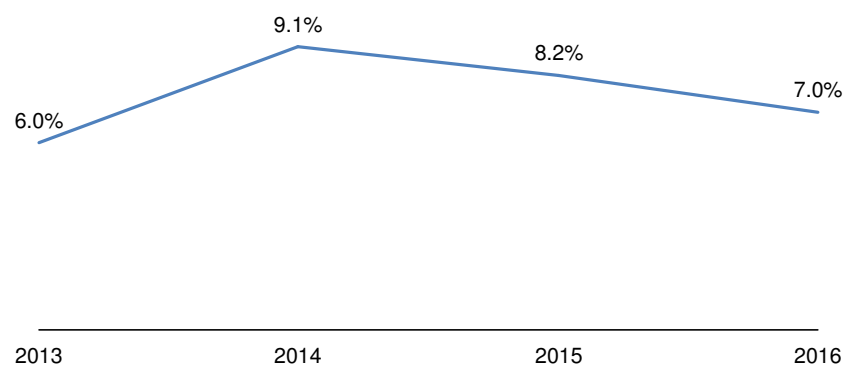
NPLs >90 days⁽¹⁾ – Factoring⁽²⁾



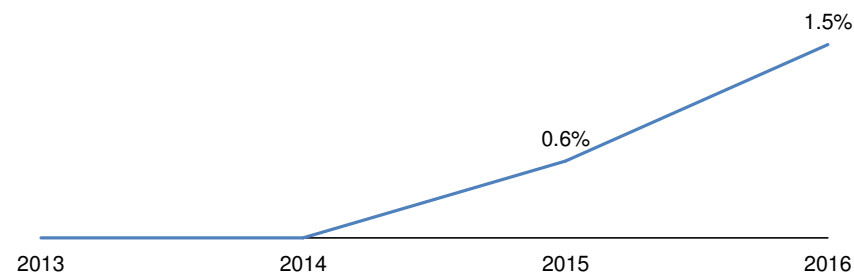
NPLs >90 days⁽¹⁾ – Auto-Financing⁽³⁾



NPLs >90 days⁽¹⁾ – Leasing



NPLs >90 days⁽¹⁾ – Corporate Lending



Sources: Tanner, Incofin, Eurocapital, FORUM, GMAC and Santander Consumer Financial Statements.

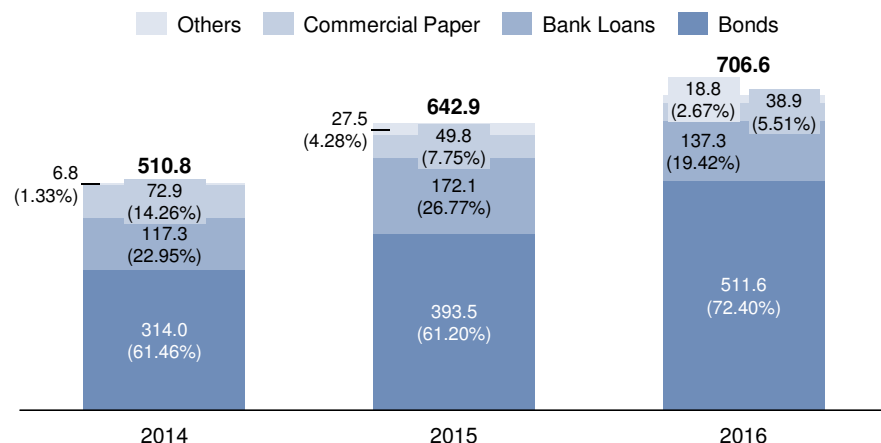
(1) NPLs > 90 days defined as Non-Performing Loans > 90 days / Gross loans.

(2) Figures for Eurocapital as of September, 2016.

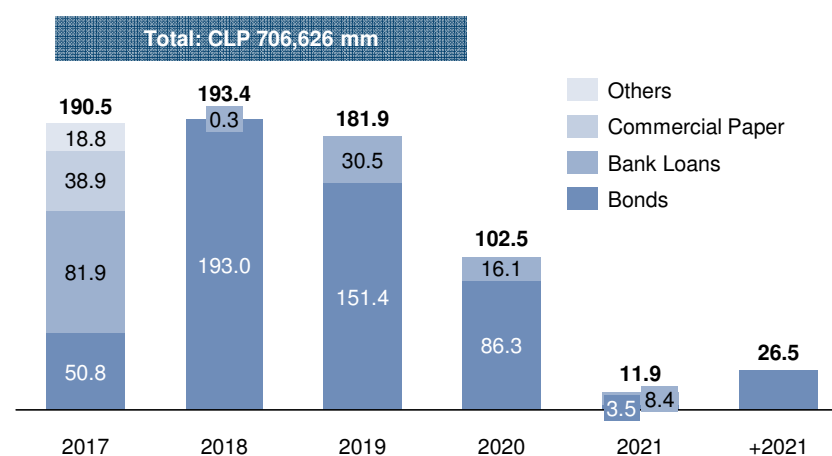
(3) Figures for Forum, GMAC and Santander Consumer as of September, 2016.

2016 was an active year in terms of debt issuance

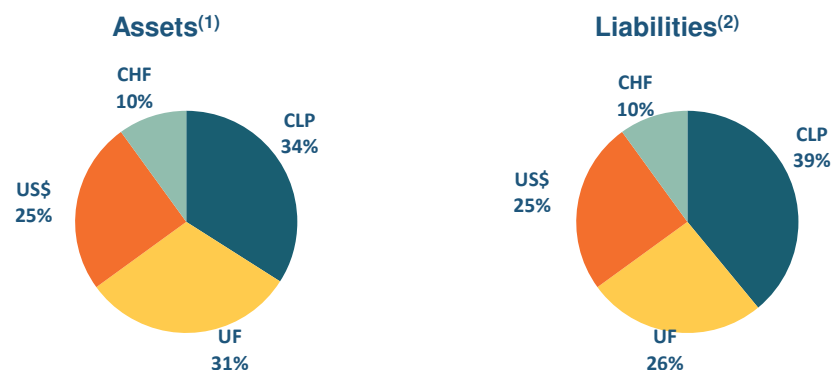
Funding Sources Evolution (CLP bn)



Liabilities Maturity Schedule (CLP bn)



Currency Match



Assets / Liabilities Duration and Interest Rate

- Assets average duration: 0.98 years.
- Liabilities average duration: 2.13 years.
- Assets and liabilities with fixed interest rate.

Source: Tanner

(1) Assets include hedges.

(2) Liabilities include equity.



2016 Results Presentation

