

# AFP Habitat

## Overview December 2010

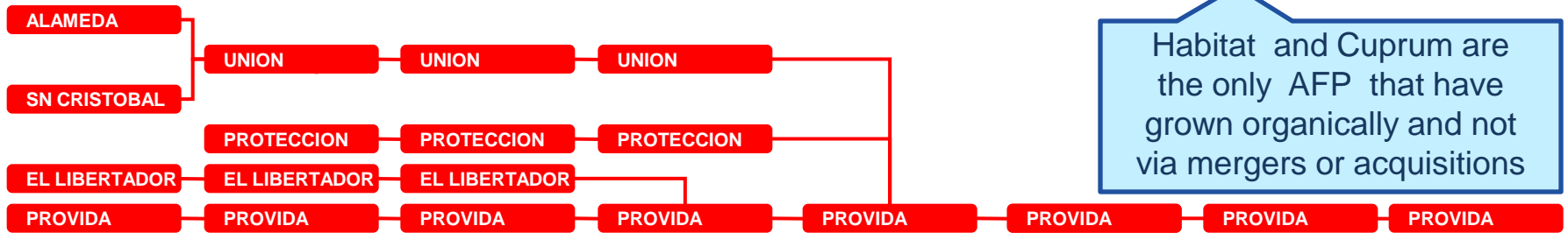
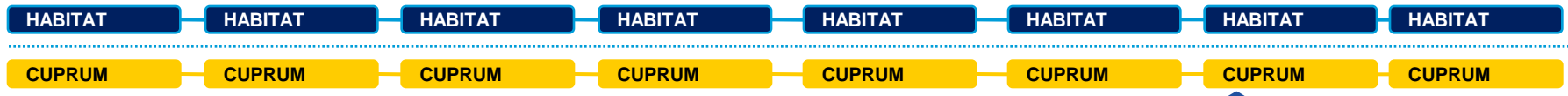


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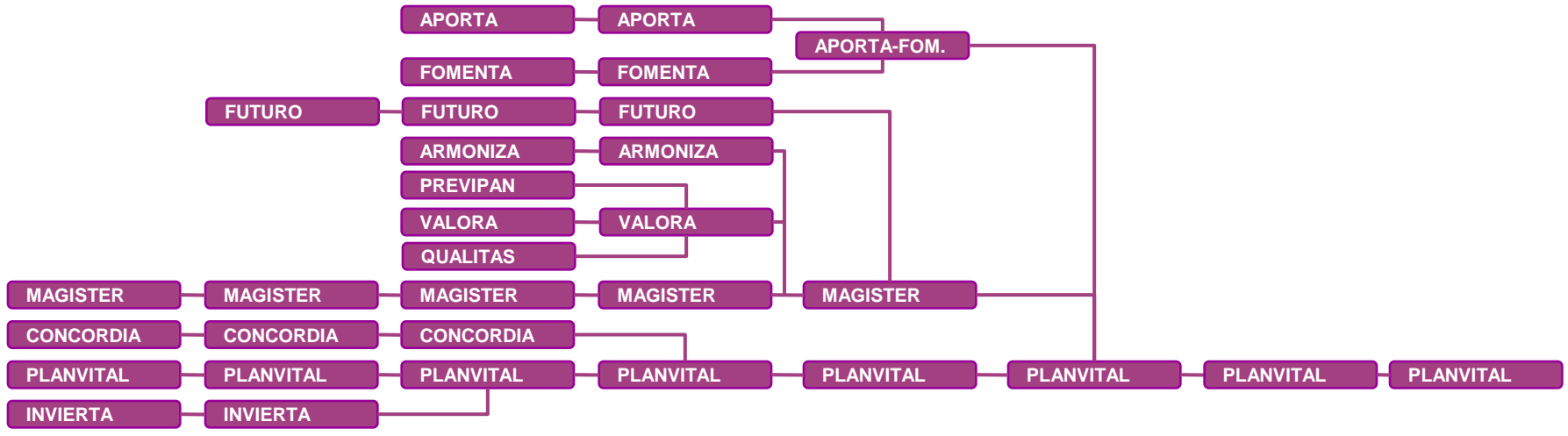
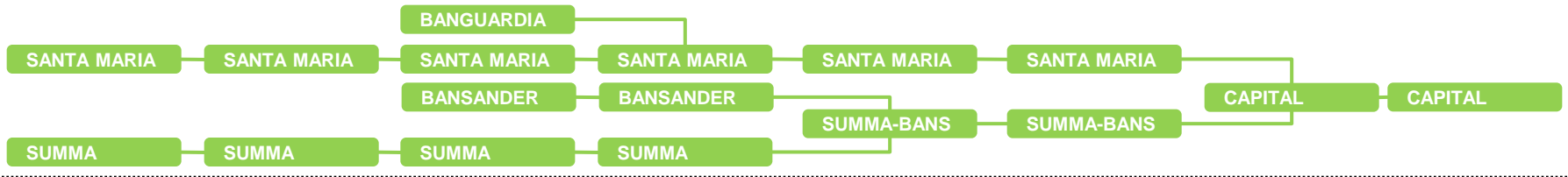
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**Seguridad y Confianza**

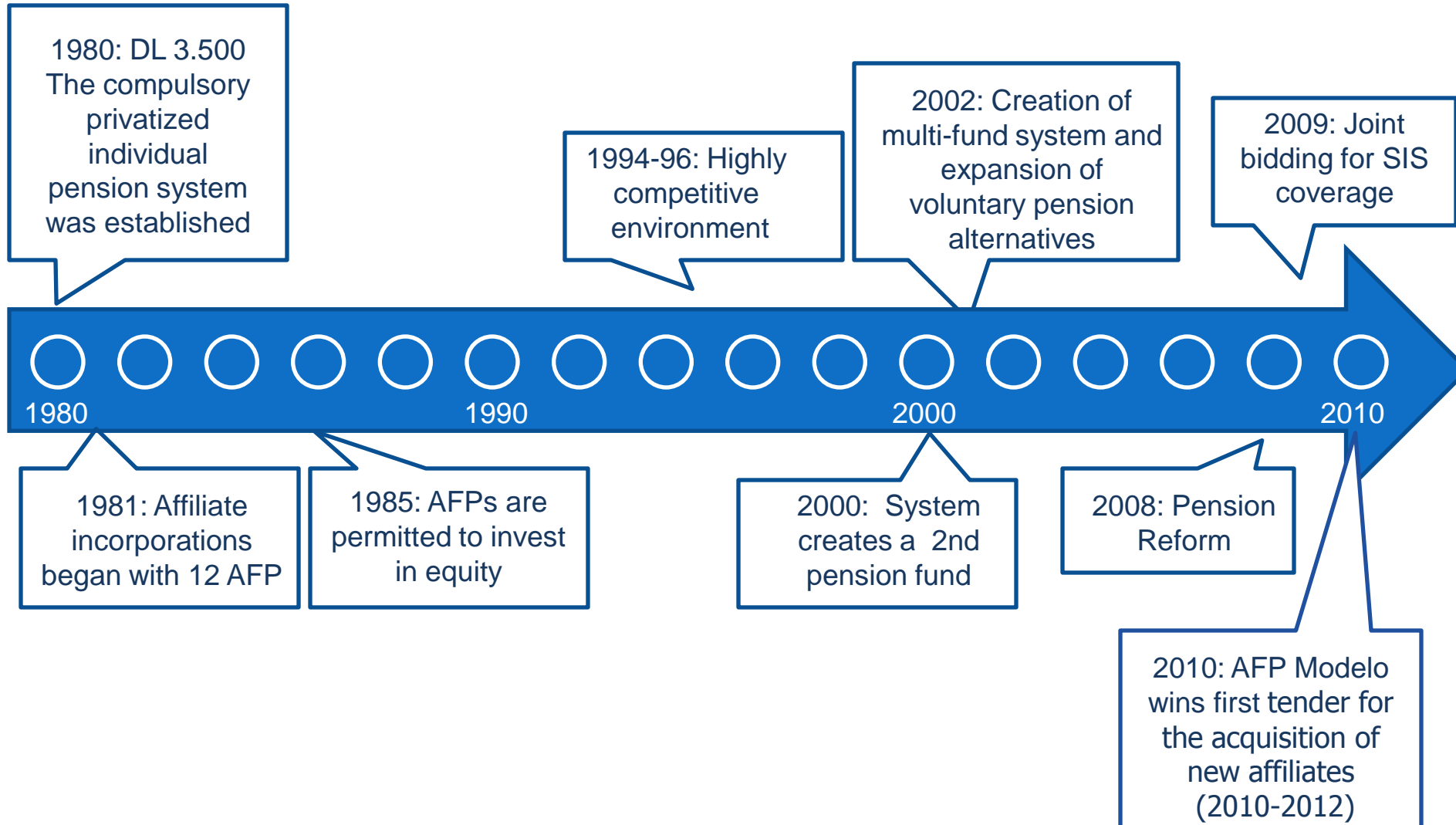
# Industry Composition: 1981 – 2010



Habitat and Cuprum are the only AFP that have grown organically and not via mergers or acquisitions



# Industry Milestones: 1980 – 2010



# Pension Reform 2008

## Most significant changes

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- Modifications introduced in 2008:
  - Elimination of fixed commission structure
  - AFPs permitted to charge fees on assets under management in CAV\*
  - Solidarity Pillar: benefits insured by the government
  - Third Pillar: Voluntary pension contributions
  - Voluntary affiliate: affiliates who entering to the pension system that doesn't have an employment relationship
- Joint bidding of SIS
  - First auction in July 2009
  - AFP responsibility for death & disability insurance is eliminated; AFP becomes pass-thru for insurance premium
- Tender for the acquisition of new affiliates
  - AFP Modelo won the first tender, initiating operations in August 2010
  - Next tender will be in 2012
- Compulsory registration of independent affiliates
  - Gradual process with increasing % contributions begins in 2012; 100% compulsory program begins in 2015

\* CAV: Voluntary Savings Accounts

# AFP Industry Product Offerings

## Individual Compulsory Contribution Capitalization Accounts (CCICO)

- Compulsory savings = 10% gross monthly salary base\*
- Fee: % of salary base (1.14 – 2.36 %)

## APV (Voluntary Contributions)

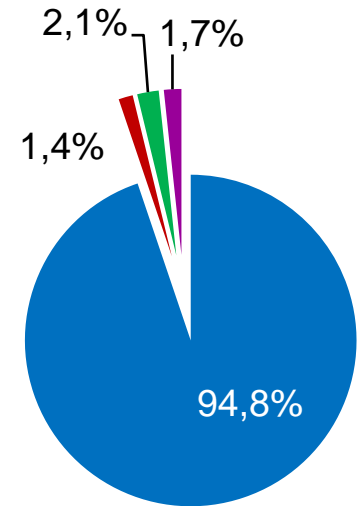
- Voluntary pension contributions
- Tax benefits on amounts  $\leq 600\text{UF}$  / year \*\*
- Annual Fee: % AUM (0.50 - 0.70 %)
- APV product also offered by: banks, mutuals fund managers, insurances companies, housing funds managers.

## CAV (Voluntary Contribution Account)

- Voluntary savings contributions
- Eleggible for tax benefits (57 bis )
- Annual Fee: % AUM (0.60 – 0.95 %)
- While only AFPs can offer the CAV product, other financial institutions such as banks & mutual funds managers offer similar products

## Programmed Withdrawals (RP)

- Pension payment option wherein the affiliate opts to maintain his pension fund with the AFP
- Fee: % of monthly pension amount (1.20 – 1.25 %)
- Competition: annuities (insurance companies)



AFP's Fee from Revenues

■ CCICO ■ CAV ■ APV ■ RP

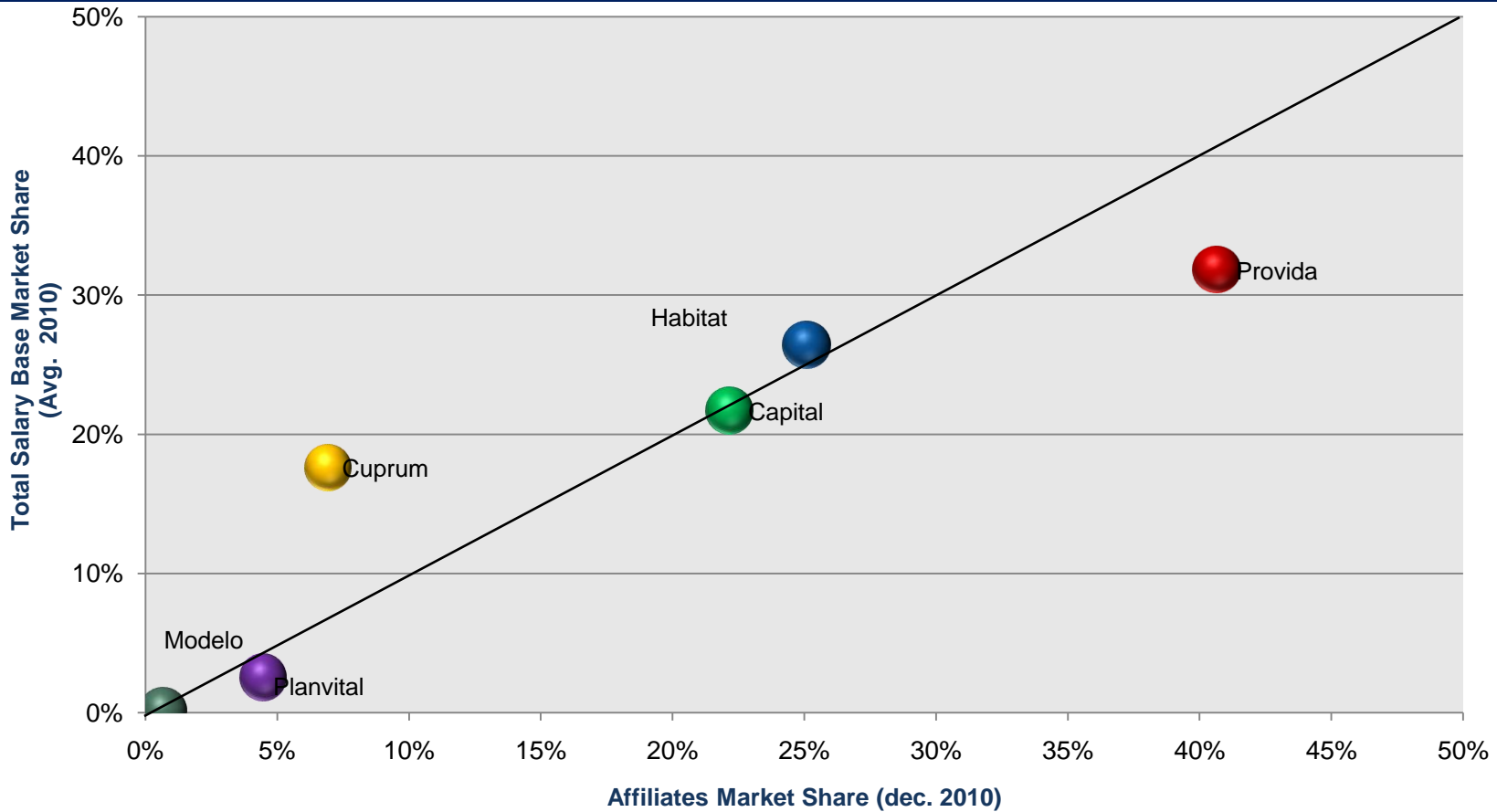
\*Gross salary base: gross salary (max UF66 or US\$ 3,024) subject to compulsory deductions

\*\*31 Dec 2010: UF1 = Ch\$ 21.446; F/X: US\$1 = Ch\$468; UF600 = US\$ 27,494

# Individual Compulsory Contribution Capitalization Accounts (CCICO)

# CCICO – Market Share

## Affiliates – Salary Base (2010)

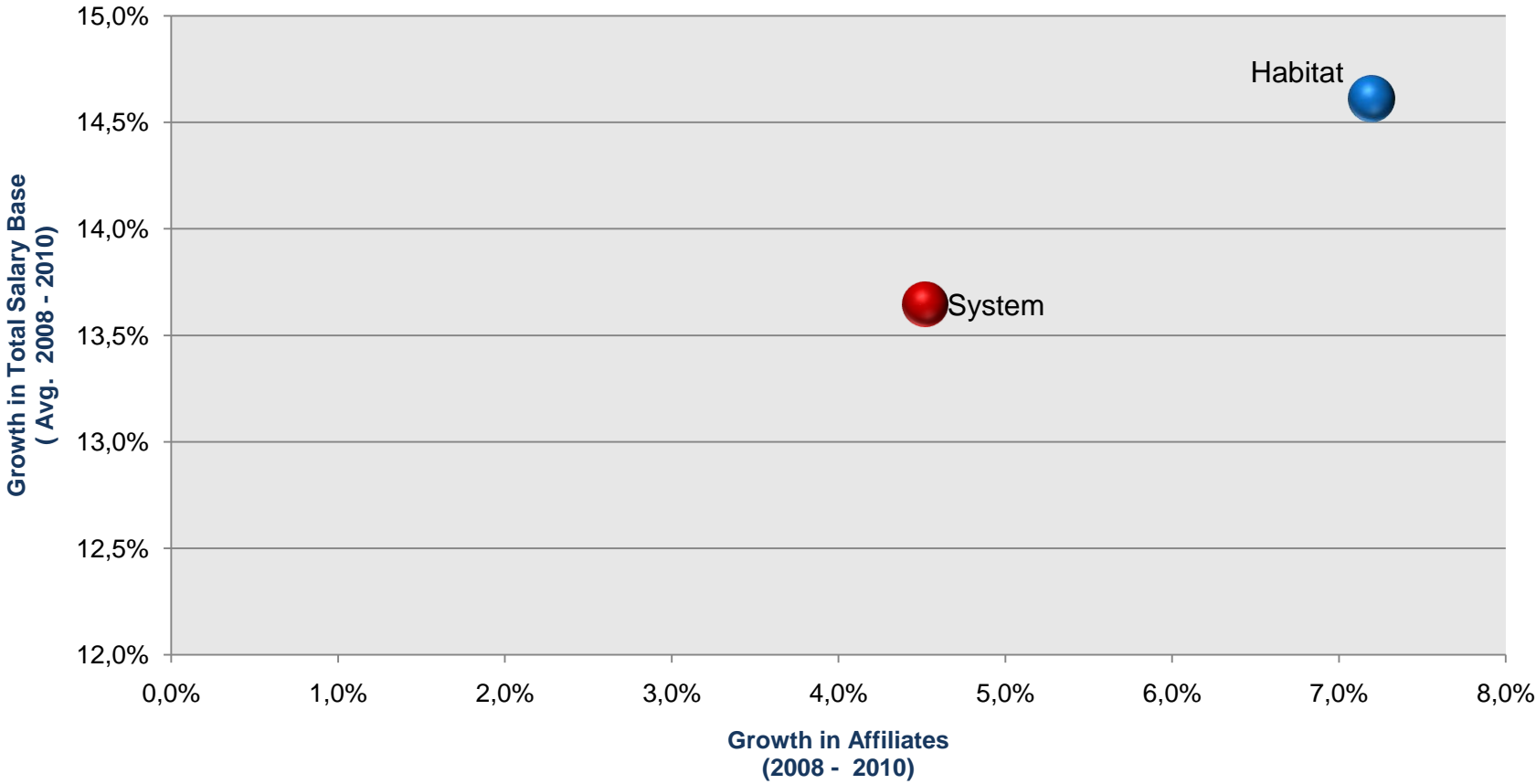


- Habitat has maintained a very stabled MS both in number of affiliates and total gross monthly salary base
- AFP Modelo began operations in August 2010

Note: Total salary base = (N° contributors in month n \* avg monthly gross salary) + ( N° contributors from other months \* (avg monthly gross salary / 2)). Internal estimate

# CCIO – Growth

## Affiliates and Total Salary Base (2010 / 2008)

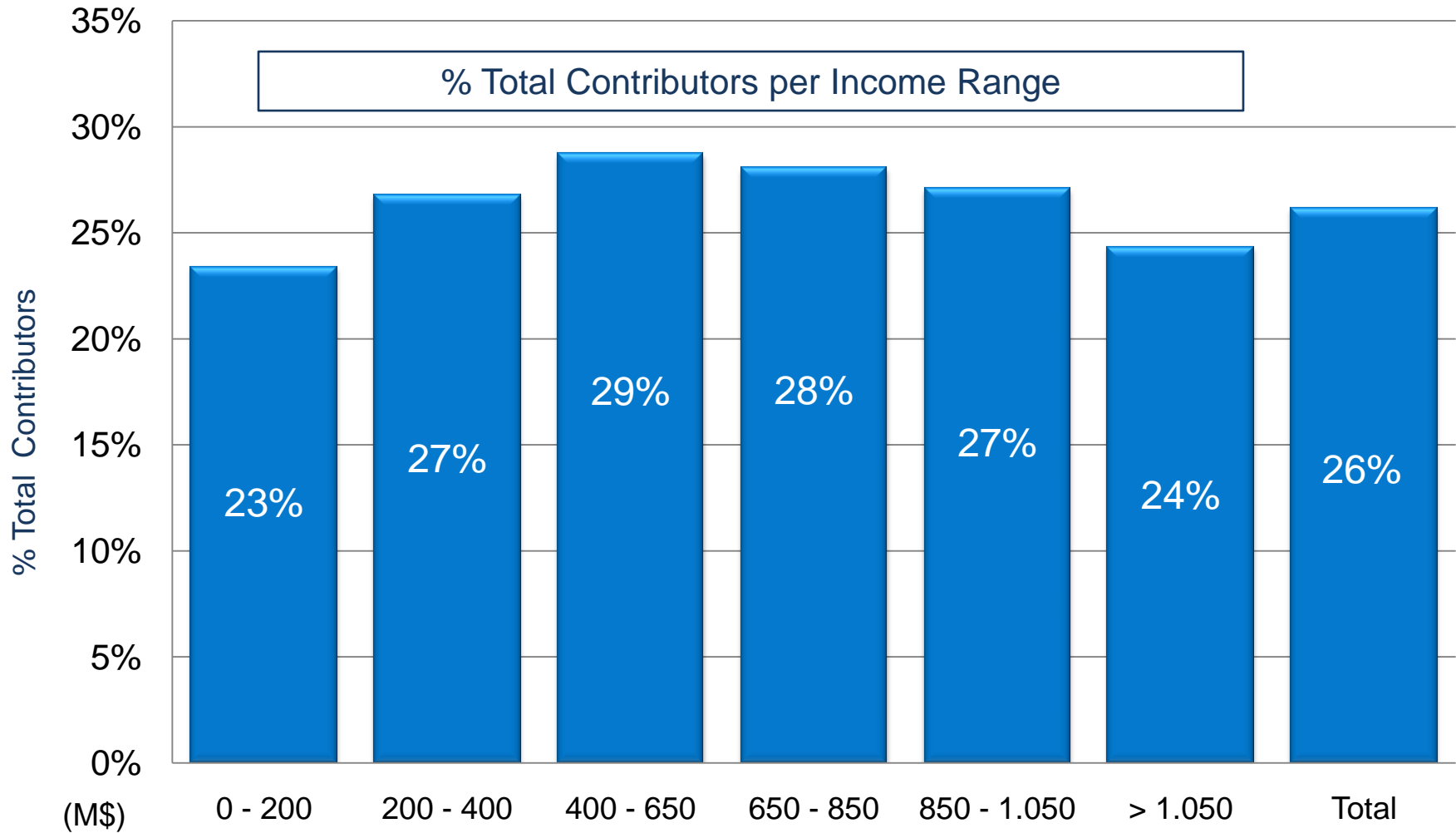


• Habitat registered one of the highest growth rates between 2008 and 2010 in both number of affiliates and salary base (7.2% and 14.6%, respectively); in the same period, the system grew 4.5% and 13.5%, respectively.

Notes: • Total salary base = (N° contributors in month n \* avg monthly gross salary) + ( N° contributors from other months \* (avg monthly gross salary / 2)). Internal estimate  
• System includes the 6 AFPs



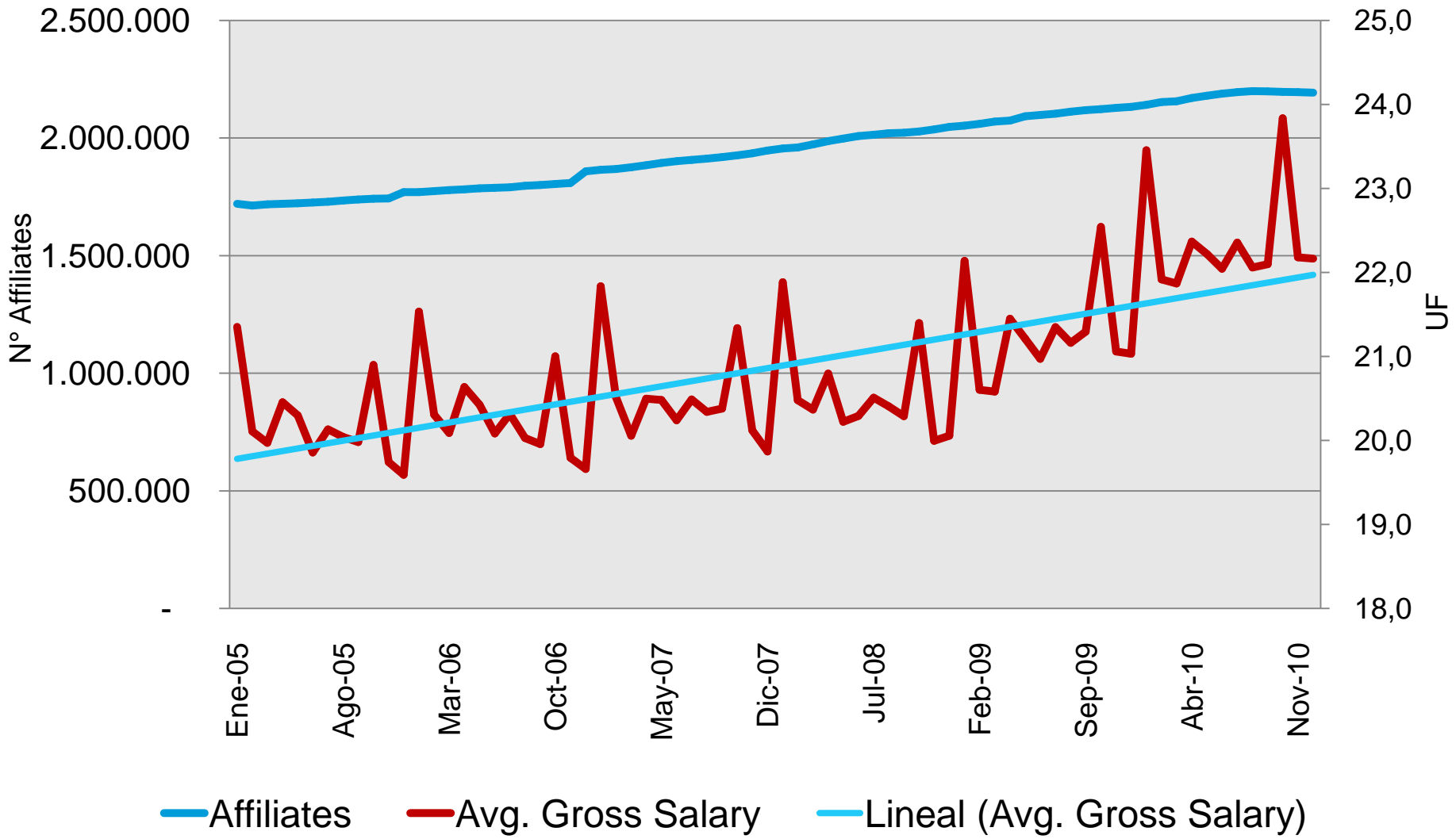
# CCICO – Share of Contributors by Income Range (AFP Habitat 2010)



In December 2010, Habitat had 25.1% of contributors with an income over ChM\$850 (US\$ 1,800) vs. 24.8% in December 2008

# CCICO – Affiliates and Salary Base

## Evolution AFP Habitat 2005 - 2010



Source: SP; Dec 2010. Internal Reports

# Competitiveness

Leader in investment performance and low cost



**HABILITAT**  
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1st 2nd 3rd 4th 5th

## AFP HABILITAT

Account Statement (1)	12 MONTHS (%)					36 MONTHS (%)					60 MONTHS (%)				
	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E
Dec. 2010	12,40	12,09	9,78	7,08	7,01	-0,66	2,04	3,60	4,10	4,93	5,70	6,37	6,32	5,58	5,06
Aug. 2010	11,21	11,54	9,68	7,87	7,92	-3,19	-0,19	1,92	3,18	5,32	4,29	5,01	5,12	4,75	4,37
Apr. 2010	36,44	27,18	18,43	11,36	5,14	-2,46	-0,27	1,35	2,54	4,01	5,62	5,77	5,46	4,93	3,94
Dec. 2009	45,14	34,03	22,98	15,58	8,34	-1,29	0,75	2,16	2,97	3,48	5,24	5,52	5,29	4,83	3,86
Aug. 2009	-6,21	-1,45	2,54	3,92	5,28	-0,06	2,11	3,85	4,34	4,48	5,01	5,12	4,99	4,52	3,67
Apr. 2009	-29,53	-19,67	-9,73	-2,59	3,99	-7,17	-3,17	0,45	2,75	4,74	1,44	2,83	3,72	4,15	4,08
Dec. 2008	-39,91	-29,29	-17,64	-8,83	-0,32	-6,82	-3,22	0,21	1,97	3,36	0,08	1,51	2,78	3,26	3,37

## AFP CAPITAL\_Ranking

Accounts Statement	12 MONTHS					36 MONTHS					60 MONTHS				
	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E
Dec. 2010	5	5	4	2	1	3	3	5	3	1	3	3	4	2	2
Aug. 2010	5	4	3	2	1	3	3	5	3	1	2	3	4	2	2
Apr. 2010	3	3	3	1	1	2	3	4	3	1	2	3	4	2	2
Dec. 2009	5	4	4	2	2	2	3	4	3	2	1	3	4	2	2
Aug. 2009	2	1	4	1	1	2	3	4	3	2	1	3	4	3	2
Apr. 2009	2	3	4	4	2	2	3	5	4	2	1	3	4	3	2
Dec. 2008	1	3	3	4	1	1	3	3	4	2	1	3	4	3	2

## AFP PLANVITAL\_Ranking

Accounts Statement	12 MONTHS					36 MONTHS					60 MONTHS				
	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E
Dec. 2010	4	4	3	5	5	2	2	3	5	5	2	2	2	4	5
Aug. 2010	4	5	4	5	5	2	2	3	5	5	3	2	3	4	5
Apr. 2010	5	5	5	5	5	3	2	3	5	5	3	2	2	3	5
Dec. 2009	2	5	5	5	5	3	2	2	2	5	2	2	2	2	5
Aug. 2009	1	2	2	4	5	3	1	2	2	5	3	2	2	2	5
Apr. 2009	1	1	1	1	5	3	2	2	2	5	3	2	2	2	5
Dec. 2008	2	1	2	2	3	2	1	1	2	4	3	2	1	2	5

## AFP PROVIDA\_Ranking

Accounts Statement	12 MONTHS					36 MONTHS					60 MONTHS				
	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E
Dec. 2010	3	3	5	4	4	5	3	4	4	4	4	4	5	5	4
Aug. 2010	3	3	5	4	4	4	4	4	4	4	4	5	5	5	4
Apr. 2010	2	4	4	4	4	4	4	5	4	4	4	4	5	5	4
Dec. 2009	3	2	3	4	4	4	4	5	4	4	4	4	5	4	4
Aug. 2009	4	4	3	3	4	4	4	5	3	4	4	5	5	4	4
Apr. 2009	4	4	3	3	3	4	4	4	3	4	4	4	4	4	4
Dec. 2008	5	4	4	3	4	4	4	5	3	5	4	5	5	4	4

## AFP CUPRUM\_Ranking

Accounts Statement	12 MONTHS					36 MONTHS					60 MONTHS				
	A	B	C	D	E	A	B	C	D	E	A	B	C	D	E
Dec. 2010	2	2	1	1	3	4	5	2	2	3	5	5	3	3	3
Aug. 2010	2	2	1	1	3	5	5	2	2	3	5	4	2	3	3
Apr. 2010	4	2	1	2	2	5	5	2	2	3	5	5	3	4	3
Dec. 2009	4	3	1	1	1	5	5	3	5	3	5	5	3	5	3
Aug. 2009	5	5	5	5	3	5	5	3	5	3	5	4	3	5	3
Apr. 2009	5	5	5	5	4	5	5	3	5	3	5	5	3	5	3
Dec. 2008	4	5	5	5	5	5	5	4	5	3	5	4	3	5	3

Notas: La rentabilidad es variable, por lo que nada garantiza que las rentabilidades pasadas se repitan en el futuro. Infórmese sobre las comisiones y el resultado de la medición de la calidad de servicio de su AFP en [www.spensiones.cl](http://www.spensiones.cl).

Fee	Habitat	Capital	Cuprum	Modelo	Planvital	Provida
% Salary Base	1.36	1.44	1.48	1.14	2.36	1.54

Notes: Circulares N° 1581, 1613, 1658, 1682 y 1701, 1732, 1755

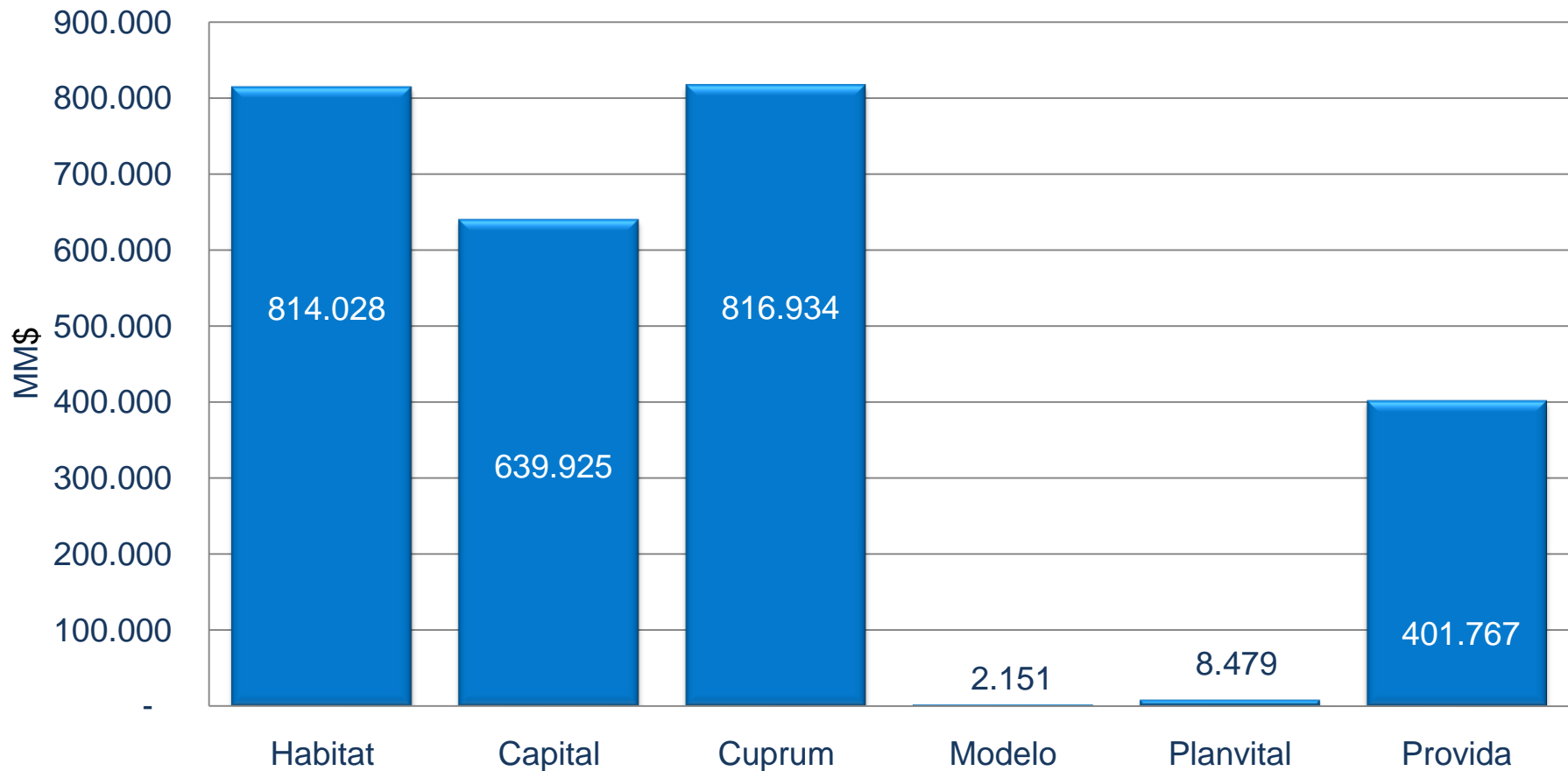
Values on UF

Source: SP

# Voluntary Savings Contributions (APV + CAV)

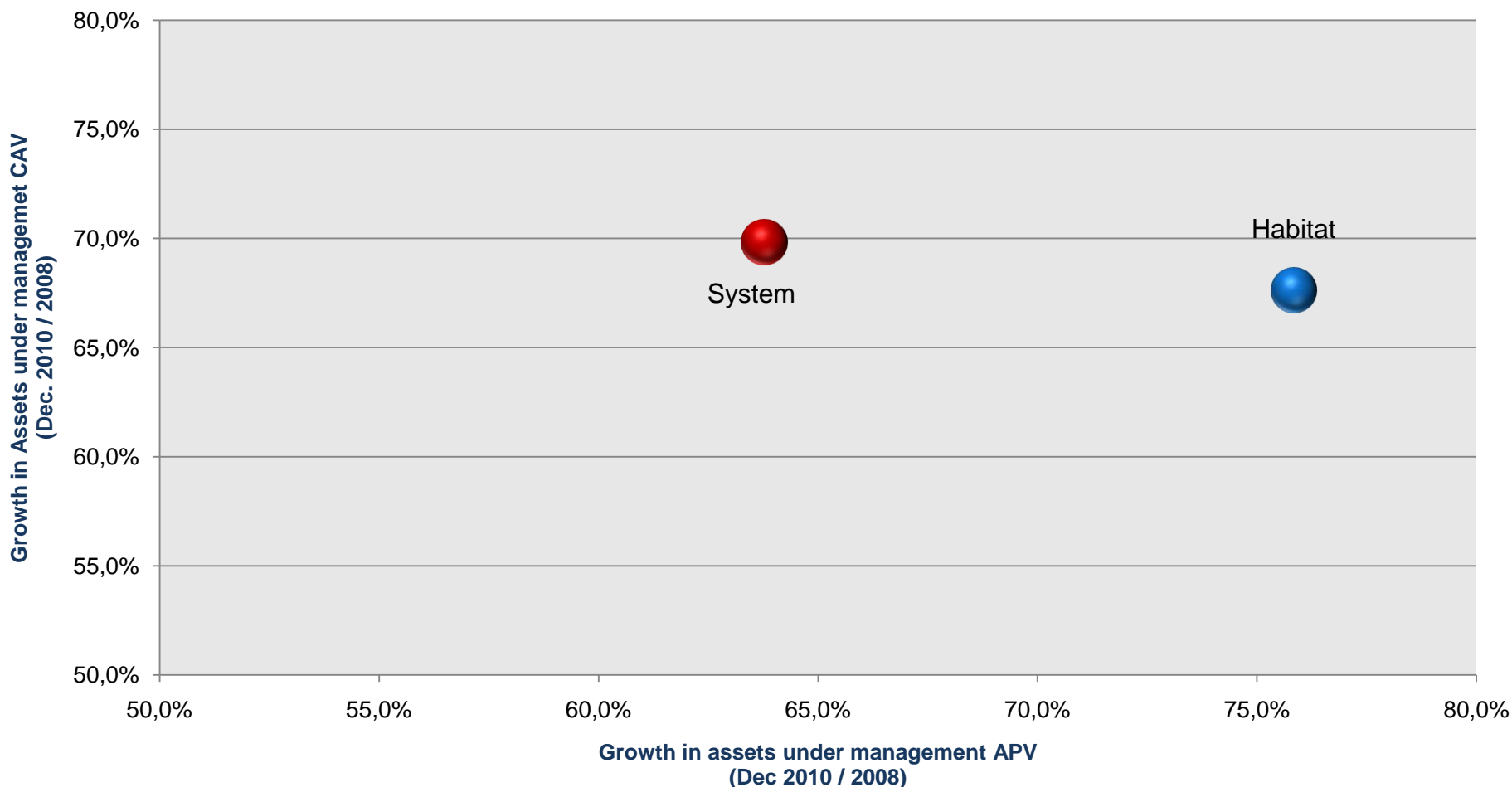
# Voluntary Savings (APV + CAV)

Total Asset Under Management (AUM) Dec 2010



- Total funds administered by the AFPs in voluntary contribution accounts: Ch\$ MM 2,683,283 (MMUS\$ 5,734)
- AFP Habitat pension funds MS (Dec.2010):
  - APV: 29,2% (ranked 2nd)
  - CAV: 33,0% (ranked 1st)

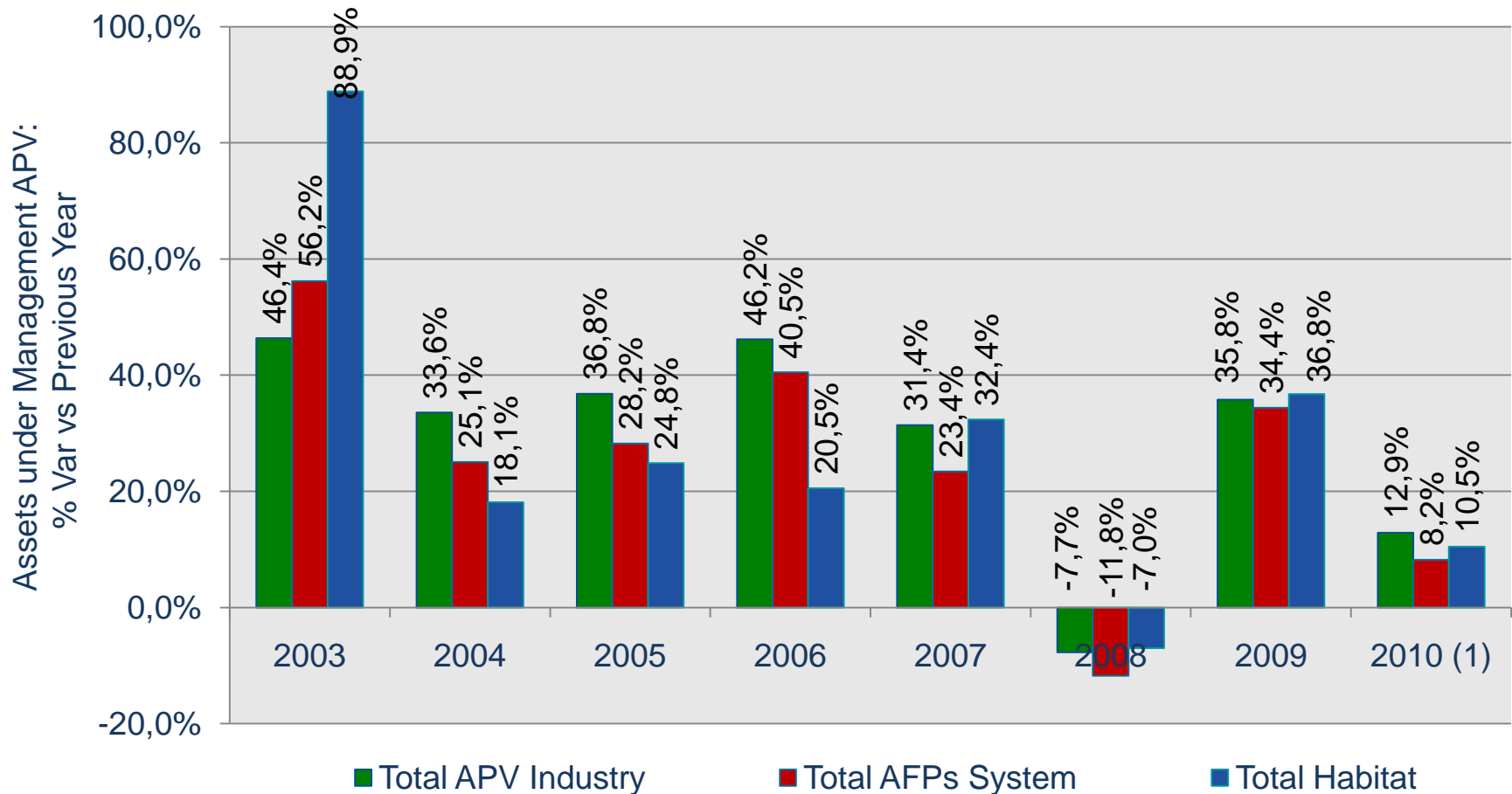
# Voluntary AUM – Growth (2010 / 2008)



- Between 2008 y 2010, Habitat has had the best performance of the AFPs in terms of growth in voluntary savings assets (growth rate of 73.2% vs 62.4% registered by the system)

Note: System refers to the sum of the 6 AFPs

# Growth in APV AUM (2003-2010)



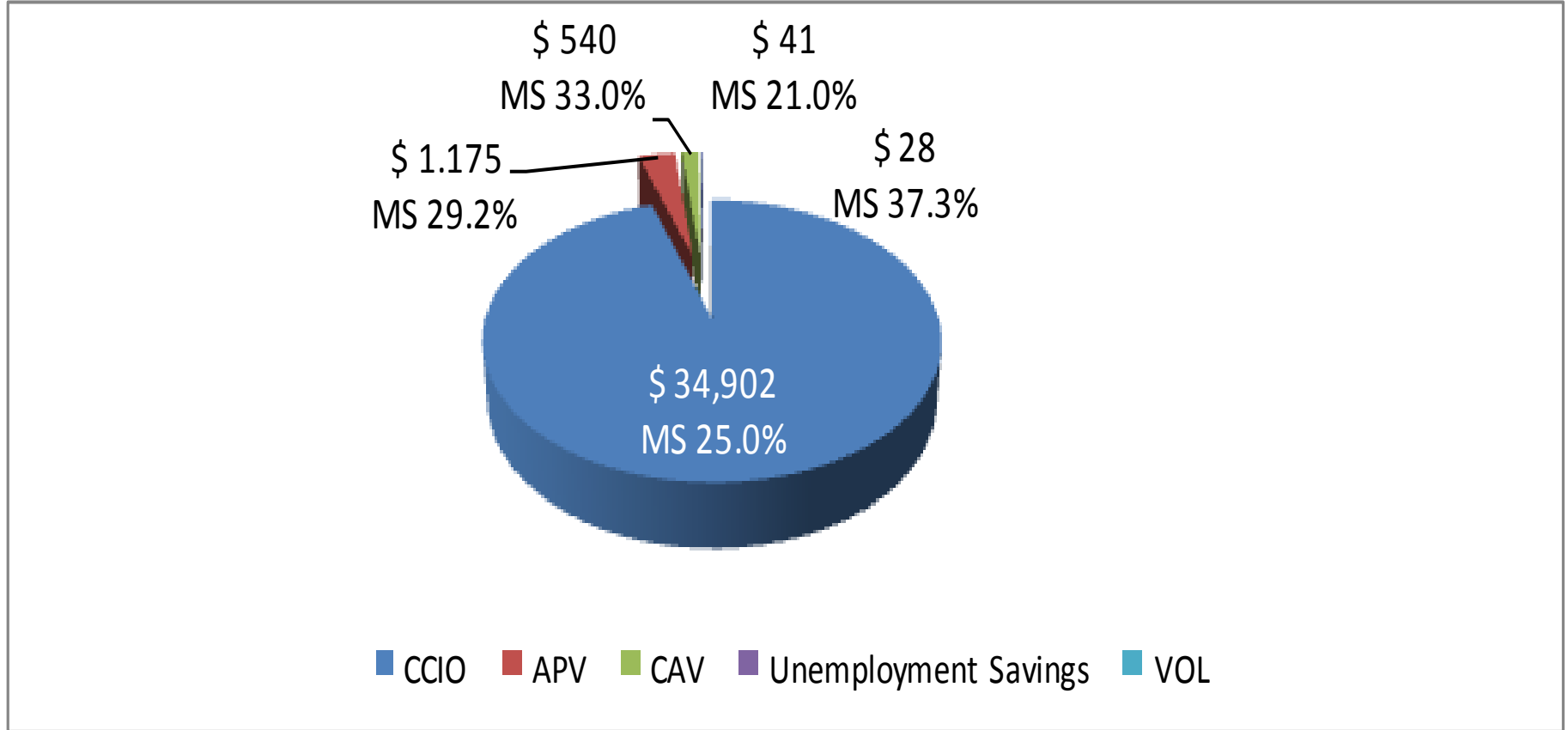
- The APV segment has grown significantly since 2002 (MM\$ 2.329.704 / 627%)
- Between 2007 and 2010, AFP Habitat has exceeded the growth rate of the AFP system

Note: (1) Growth 2010: June 2010 / December 2009

Source: Superintendencia de Valores y Seguros; June 2010

# Habitat: Pension Funds

## Assets Under Management (USDMM) & MS (Dec 2010)



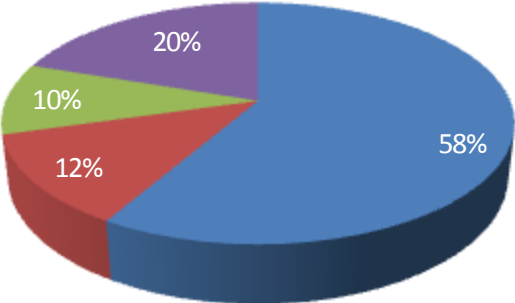
Note: MS: Habitat's share in relation to the system  
Unemployment savings: refers to severance accounts for domestic workers  
F/X: US\$ 1= Ch\$468



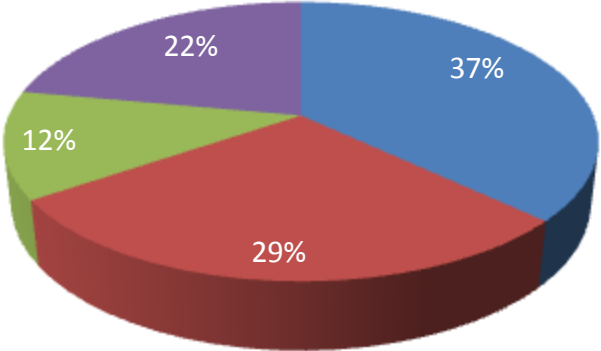
# Breakdown of Habitat's 5 Funds (2010)



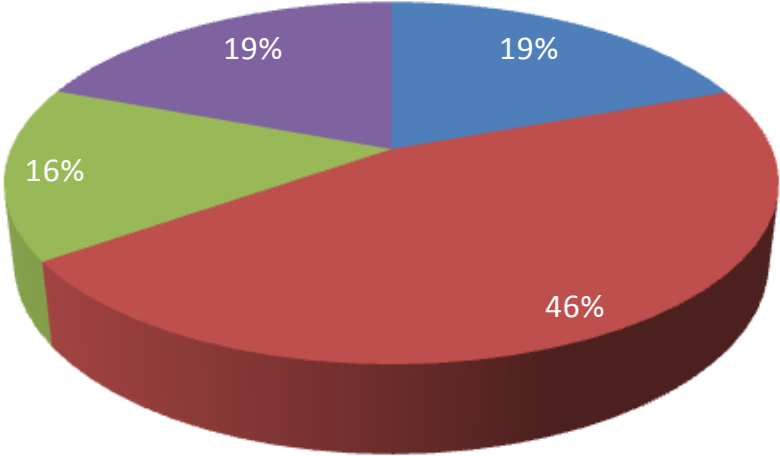
**A: USD\$ 7,796MM**  
**355,860 Accounts**



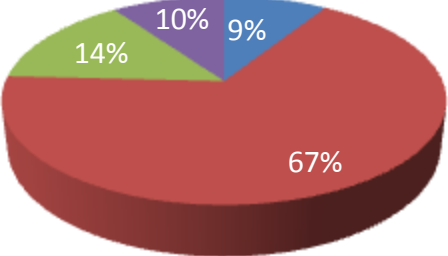
**B: USD\$ 8,557MM**  
**1,062,237 Accounts**



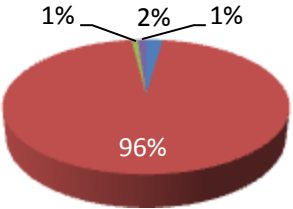
**C: USD\$ 15,296MM**  
**826,570 Accounts**



**D: USD\$ 4,210MM**  
**176,605 Accounts**



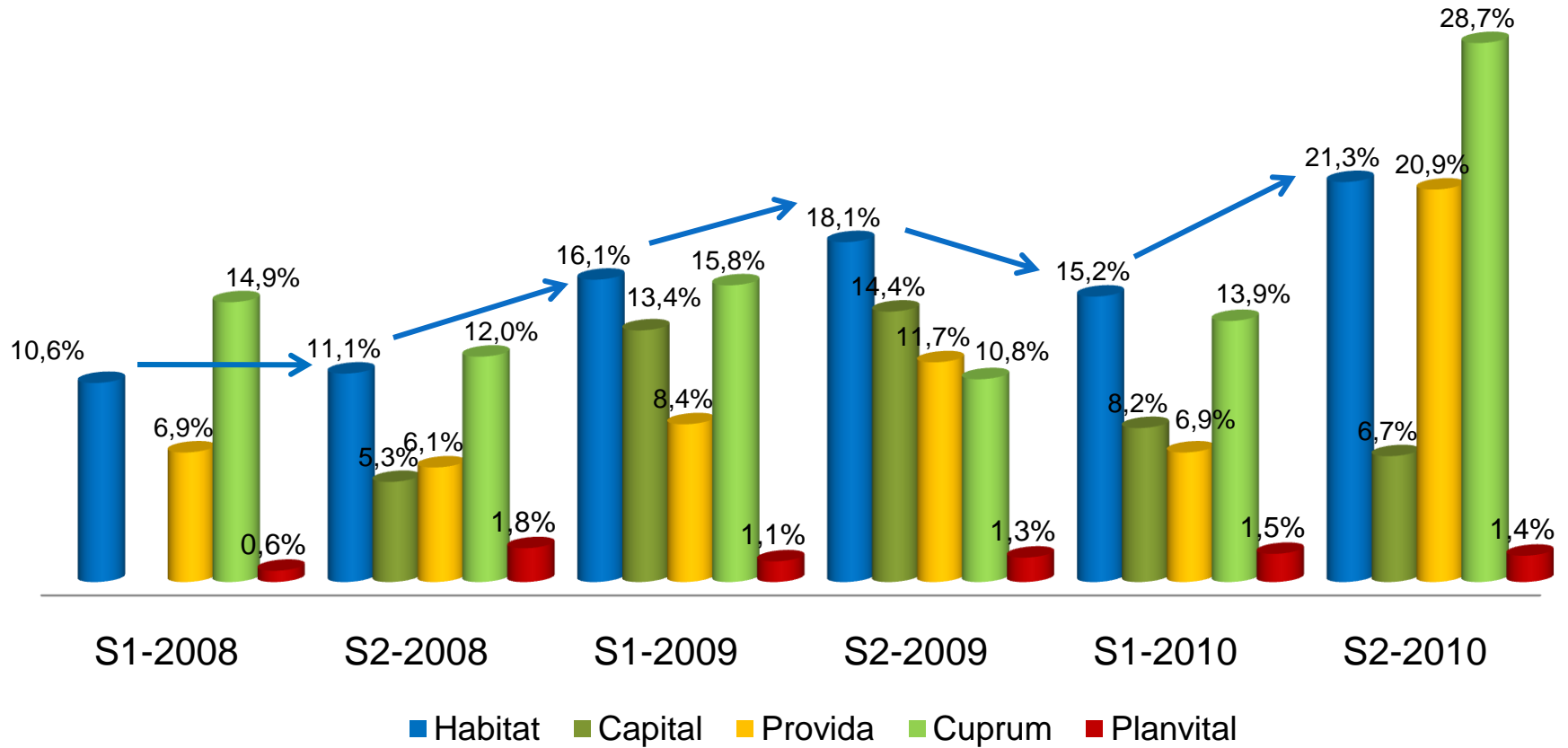
**E: USD\$ 1,343MM**  
**32,377 Accounts**



F/X: US\$1 = Ch\$468  
Source: SP; Dec 2010

■ Domestic Fixed Income      ■ Foreign Fixed Income  
■ Foreign Equity                      ■ Domestic Equity

# Brand Preference (2008 – 2010)

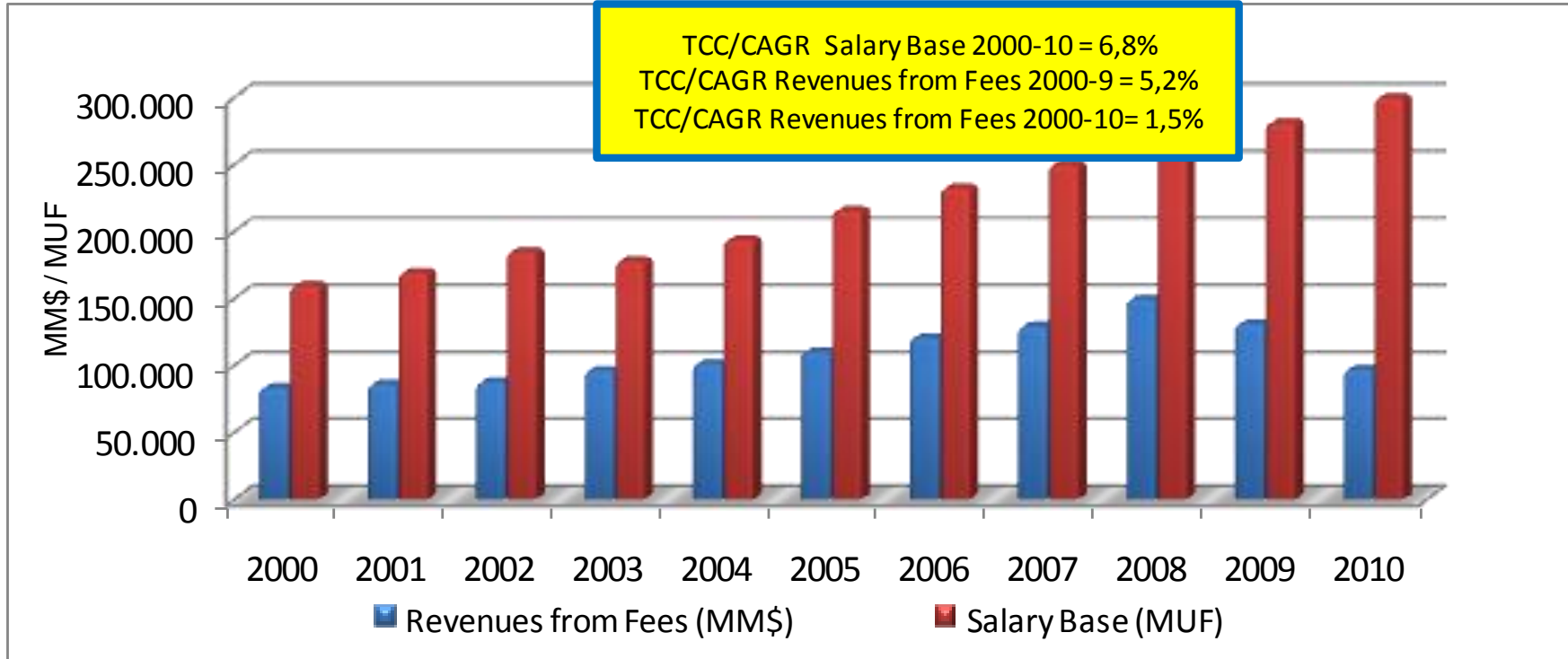


- Habitat has increased its brand preference continuously over the past 3 years
- The Company’s image has evolved particularly favorably in the higher income segments

# Financial Results

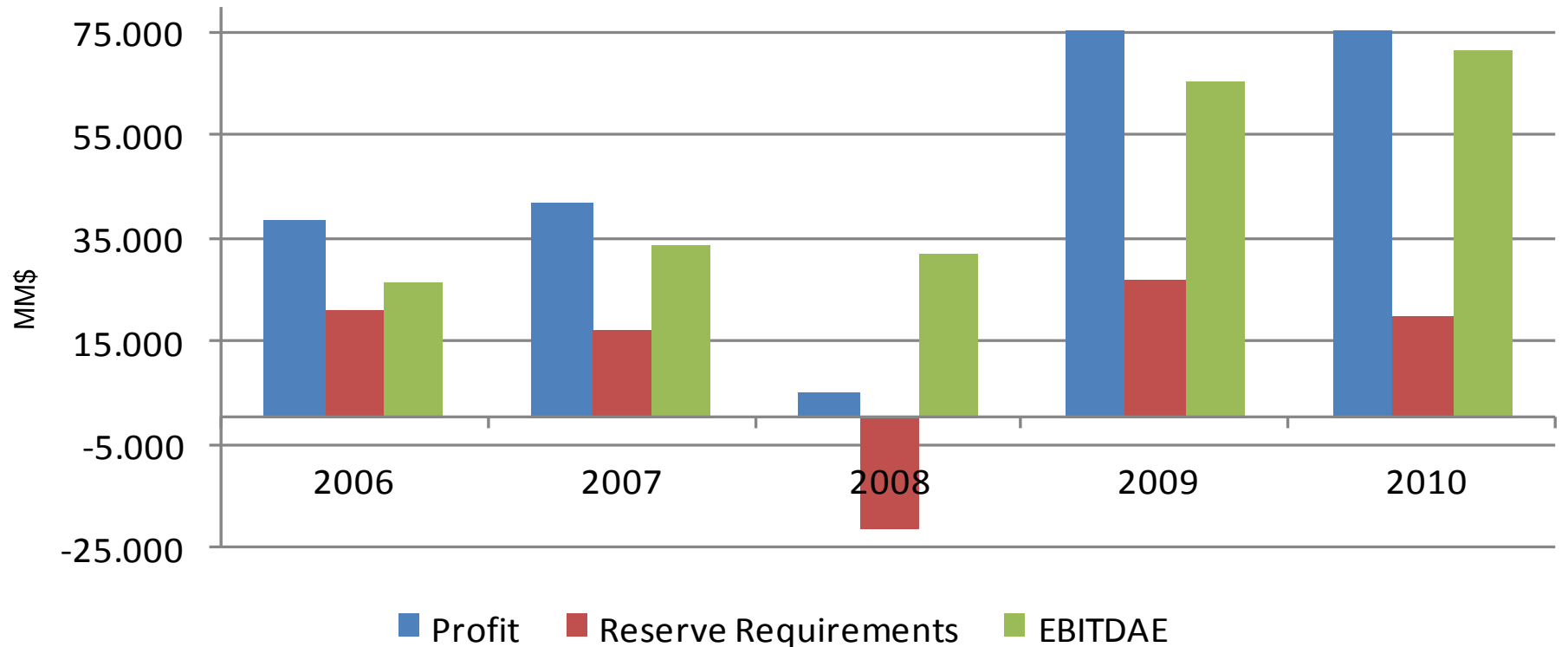
## AFP Habitat

# Habitat Salary Base and Revenues from Fees Evolution 2000-2010



- Notes:
- Revenues from fees include life and disability insurance (SIS) premiums for years 2000 – 2009
  - Total salary base = (N° contributors in month n \* avg monthly gross salary) + ( N° contributors from other months \* (avg monthly gross salary / 2))
  - Financial Statements 2009 – 2010 according to IFRS
  - Figures stated in constant Ch\$ of Dec 2010

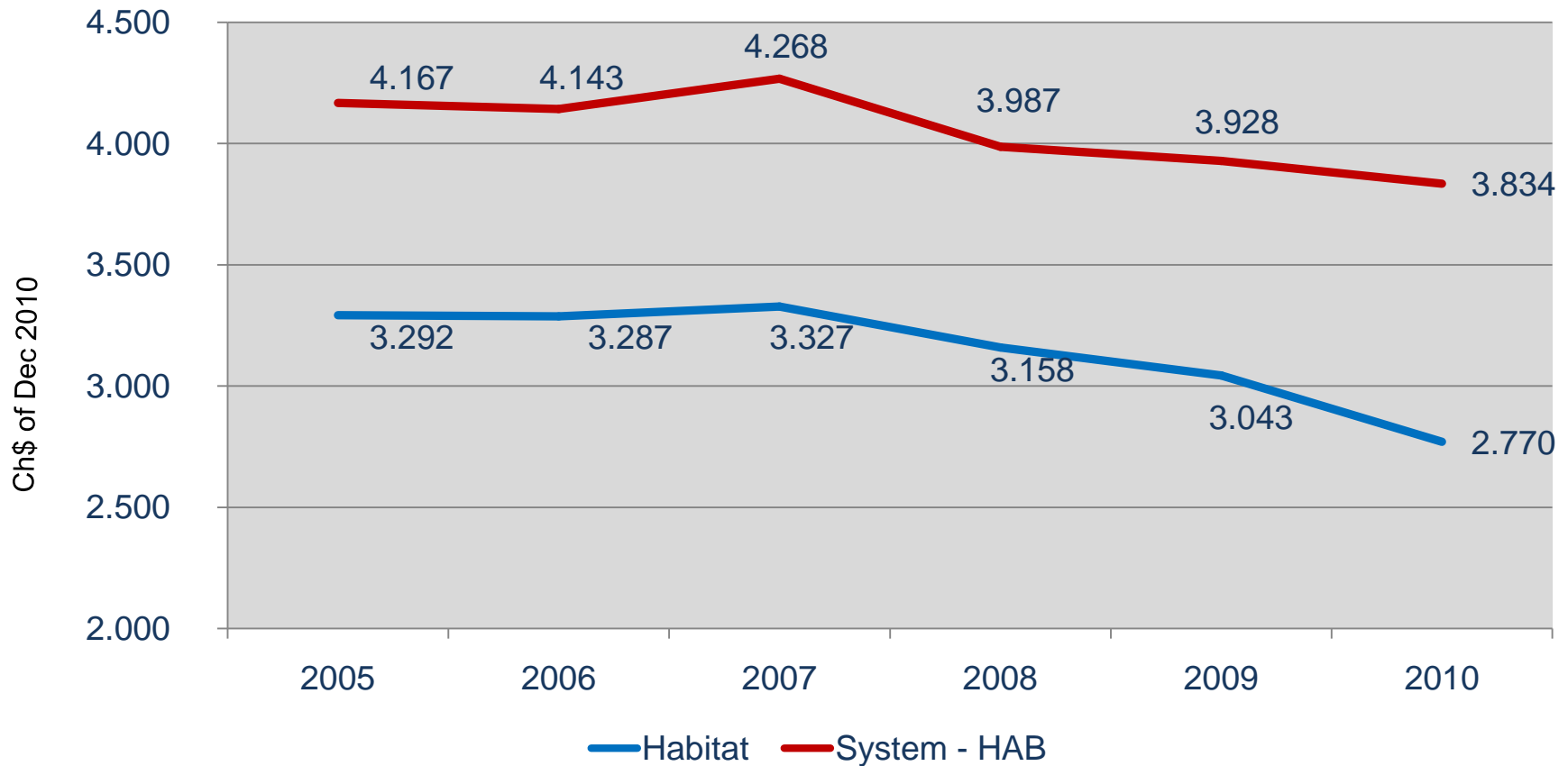
# Habitat: Evolution of Results (2006-2010)



- Notes:
- EBITDA: Net income before depreciation, amortization, financial costs and taxes
  - EBITDAE: EBITDA before return on mandatory reserve requirements
  - Financial Statements 2009 – 2010 under IFRS
  - Figures stated in constant Ch\$ of Dec 2010

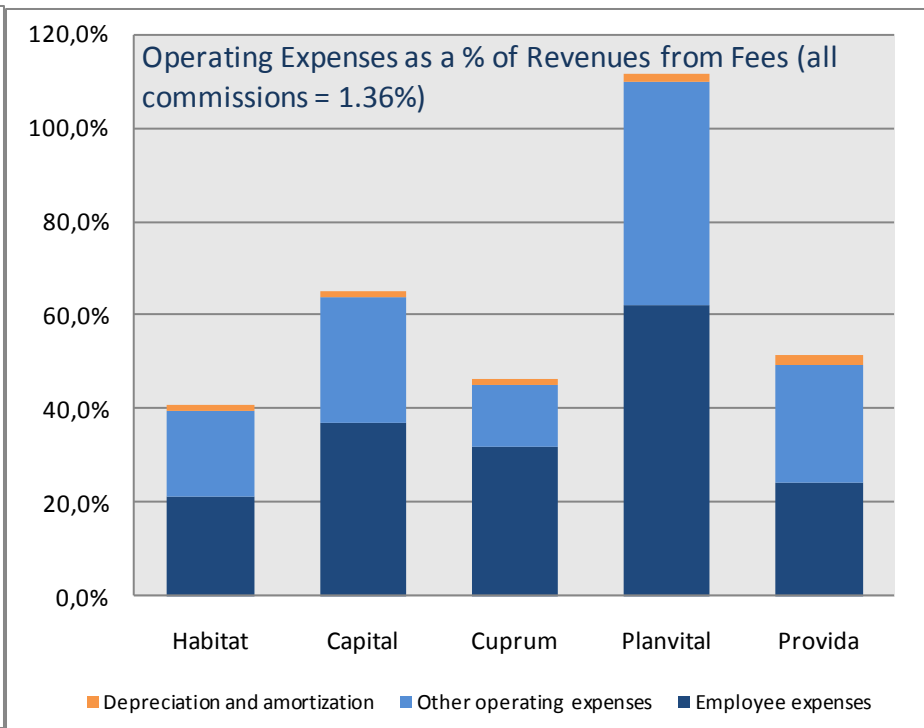
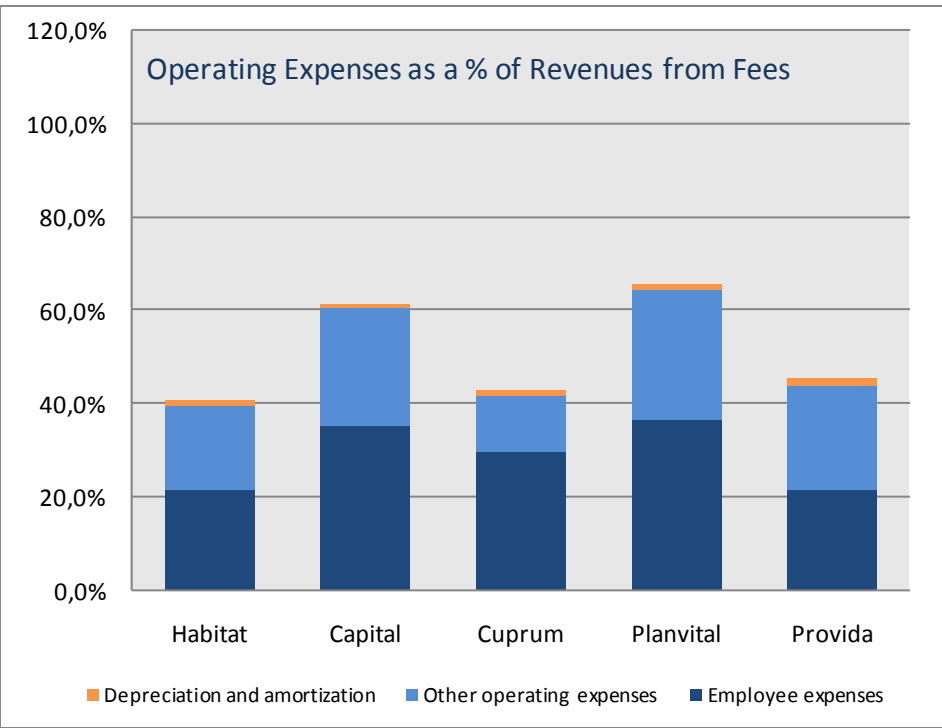
# Operating Costs per Contributor

## Evolution 2005-2010



- Notes:
- Capital: excludes amortization of intangible assets with a defined useful life (acquisition 100% shares of AFP Bansander) ChM\$ 14.132.213
  - Provida: excludes amortization of intangible assets acquired in the fusion of its operations (ChM\$ 5.161.315)
  - Planvital: excludes amortization of ChM\$ 14.485.
  - Financial Statements 2009 – 2010 under IFRS. Operating costs for 2009-2010 consider : remuneration and employee related expenses, depreciation and amortization, IT development cost and other operating expenses

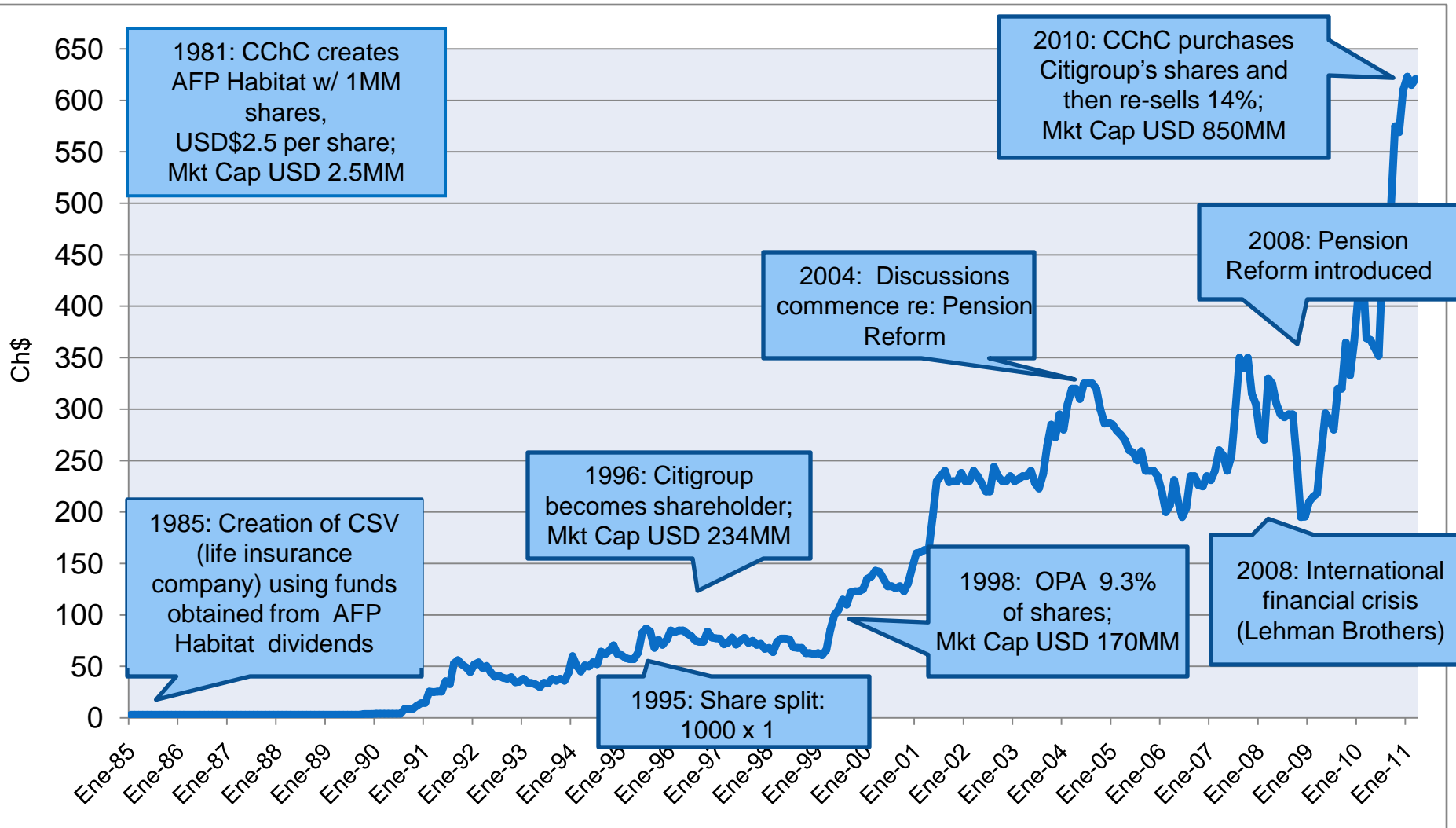
# % Operating Costs / Revenues from Fees (2010)



- Habitat is one of the most efficient AFPs, despite charging a lower commission fee to its affiliates
- After adjusting all commission structures to 1.36%, Habitat's position as most efficient AFP is even more pronounced

- Notes:
- Capital: excludes amortization of intangible assets with a defined useful life (acquisition 100% shares of AFP Bansander) ChM\$ 14.132.213
  - Provida: excludes amortization of intangible assets acquired in the fusion of its operations (ChM\$ 5.161.315)
  - Planvital: excludes amortization of ChM\$ 14.485

# Habitat: Price Share Evolution





# Habitat: Income Statement

## December 2010



MM\$	2010	2009	VAR. %
Revenues	108.949	137.931	-21,0%
Gain (Loss) on Reserve Requirements	19.504	27.089	-28,0%
Gain (Loss) on Disability Insurance Premium	-353	-34.225	-99,0%
Remuneration and Employee Related Expenses	-20.770	-22.610	-8,1%
Depreciation and Amortization	-1.369	-1.596	-14,2%
IT Development Costs	-299	-72	315,6%
Other Operating Expenses	-17.459	-17.808	-2,0%
<b>Financial Costs</b>	-2	0	
Income (Loss) from Investments	983	1.549	-36,5%
Share of Profit (Loss) from Related Partners	1.751	814	115,1%
Exchange Differences	0	-3	-113,0%
Result on Indexed Unit Adjustments	55	-6	-981,4%
Other Non-Operating Income	40	43	-7,1%
Other Non-Operating Expenses	-1.139	-68	1570,5%
<b>Profit (Loss) before Tax</b>	89.893	91.039	-1,3%
Income Tax Expenses	-14.414	-15.335	-6,0%
<b>Net Profit (Loss)</b>	<b>75.478</b>	<b>75.704</b>	<b>-0,3%</b>
<b>Business Operating Profit *</b>	<b>65.849</b>	<b>58.088</b>	<b>13,4%</b>

Note: Financial Statements 2009 – 2010 according to IFRS

\* Includes revenues from fees, other revenues (positive reassessment generated by SIS), gain (loss) on disability insurance premium, remuneration and employee related expenses, depreciation and amortization, IT development cost and other operating expenses

Source: SP; Dec 2010

# Habitat: Balance Sheet

31 December 2009 and 2010



**HABITAT**<sup>AFP</sup>  
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MM\$	2010	2009	VAR %
<b>CURRENT ASSETS</b>	45.776	59.474	-23,0%
<b>NON CURRENT ASSETS</b>	193.523	166.538	16,2%
Reserve Requirements	171.549	145.662	17,8%
Property, Plant & Equipment	14.605	14.230	2,6%
Other Non Current Assets	7.368	6.647	10,9%
<b>TOTAL ASSETS</b>	<b>239.299</b>	<b>226.012</b>	<b>5,9%</b>

MM\$	2010	2009	VAR %
<b>CURRENT LIABILITIES</b>	30.275	55.283	-45,2%
<b>NON CURRENT LIABILITIES</b>	17.281	13.391	29,0%
Accrued Taxes from Reserve Requirements	16.600	13.023	27,5%
Other Non Current Liabilities	681	368	85,0%
<b>SHAREHOLDERS EQUITY</b>	191.744	157.339	21,9%
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>239.299</b>	<b>226.012</b>	<b>5,9%</b>

Note: Financial Statements 2009 – 2010 under IFRS

Source: SP; Dec 2010

## Dividend Policy since April 2007:

- Distribute a minimum of 90% of “distributable net income”:
  - annual net income MINUS the difference earned on the required reserve in the event that it is positive (1)

## Policy on the Distribution of Interm Dividends:

- Distribute 2 interm dividends per year

## Dividends distributed in 2010:

- Total Amount MM\$ 55,000
  - March 2010: \$ 55 per share: \$36.5 net income 2009 y \$18.5 retained income
  - October 2010: \$ 9 per share
  - December 2010: \$ 9 per share (paid in January 2011)

**End of Presentation**



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