

1Q | 2011

Banco de Chile

El banco de Chile



First Quarter 2011 Highlights

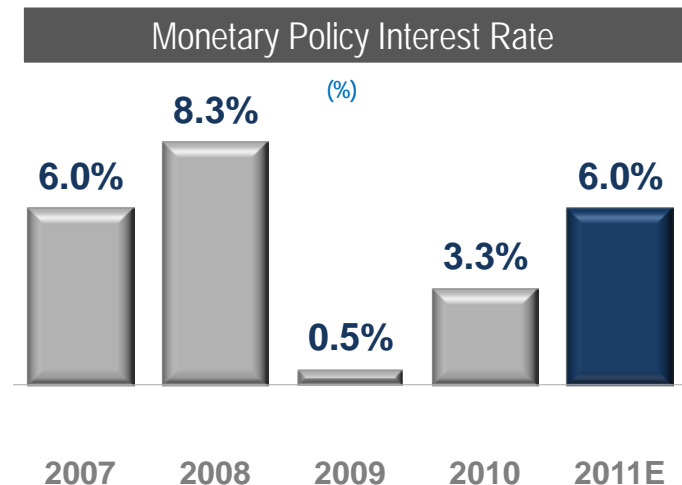
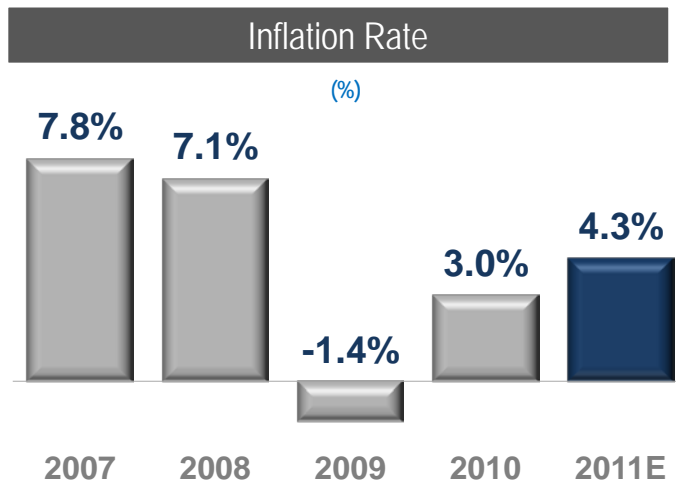
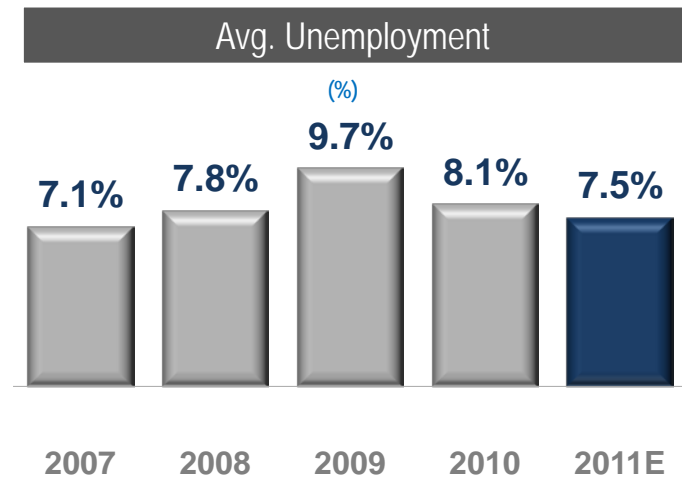
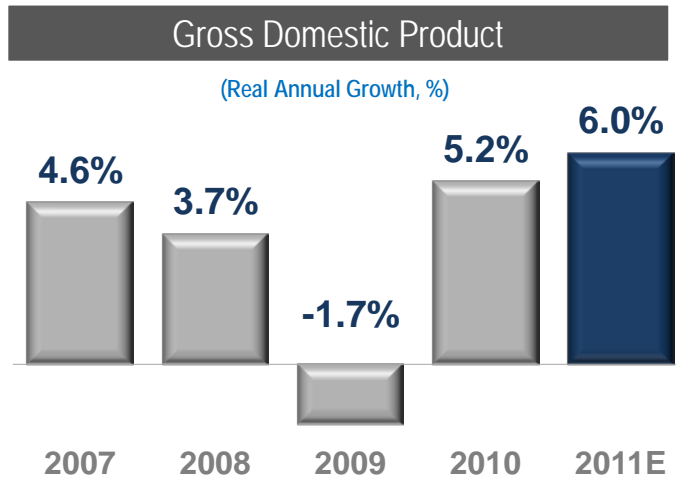
An outstanding quarter...

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- ✓ *Solid Economic Recovery*
- ✓ *Record Quarter in Net Income*
- ✓ *Excellent Core Revenue Growth*
- ✓ *Outstanding Rise in Retail Loans*
- ✓ *Advances in our Strategic Goals*

Economic Perspectives

We visualize a positive economic environment in the coming periods...

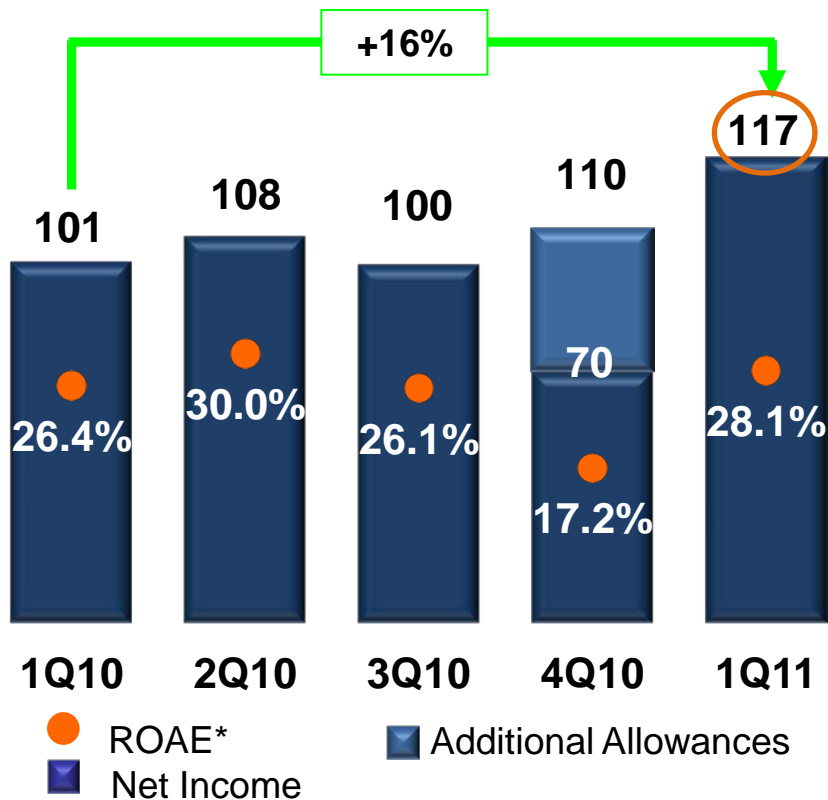


Net Income

Triple record earnings in the first quarter of 2011...

Net Income & ROAE

(Billions of Ch\$ & %)



*ROAE does not include provision for minimum dividends

1Q11 Highlights

- ✓ Strong growth in core business operating income
- ✓ Significant decrease in credit risk provisions
- ✓ Leading the industry in ROAE

Monthly Breakdown of 1Q11 (Billions of Ch\$)

	Income before taxes	Net Income
Jan-11	50.1	43.5
Feb-11	35.5	30.2
Mar-11	51.0	43.1

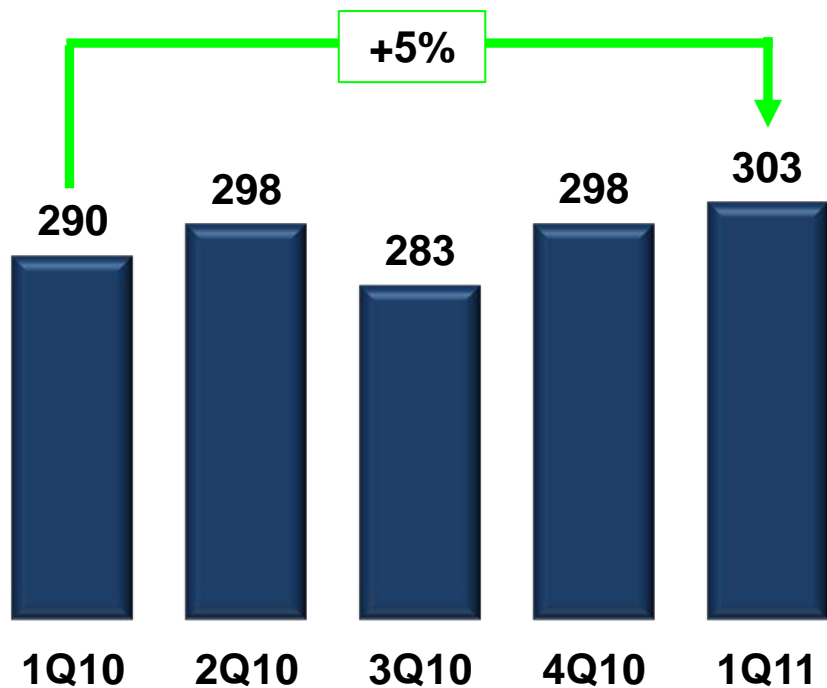
○: Record Level

Strong Operating Revenues

Robust growth in recurring revenue generation from our core business...

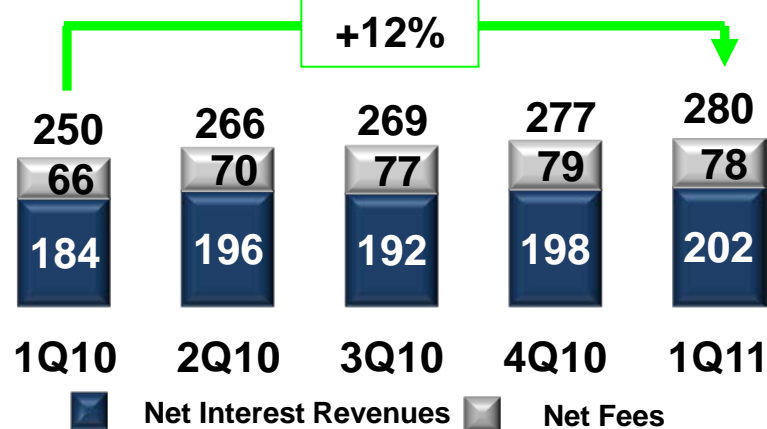
Operating Revenues

(Billions of Ch\$)



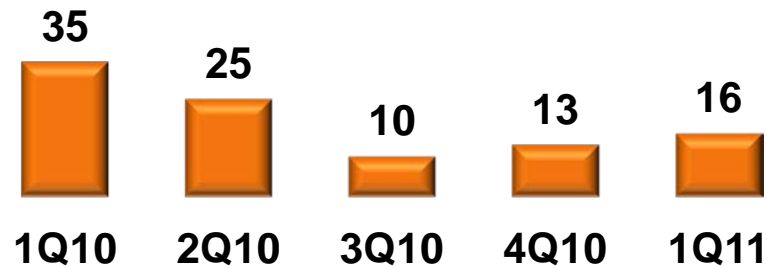
Net Interest Revenues and Fees

(Billions of Ch\$)



Financial Op. Income & Fx Transactions

(Billions of Ch\$)



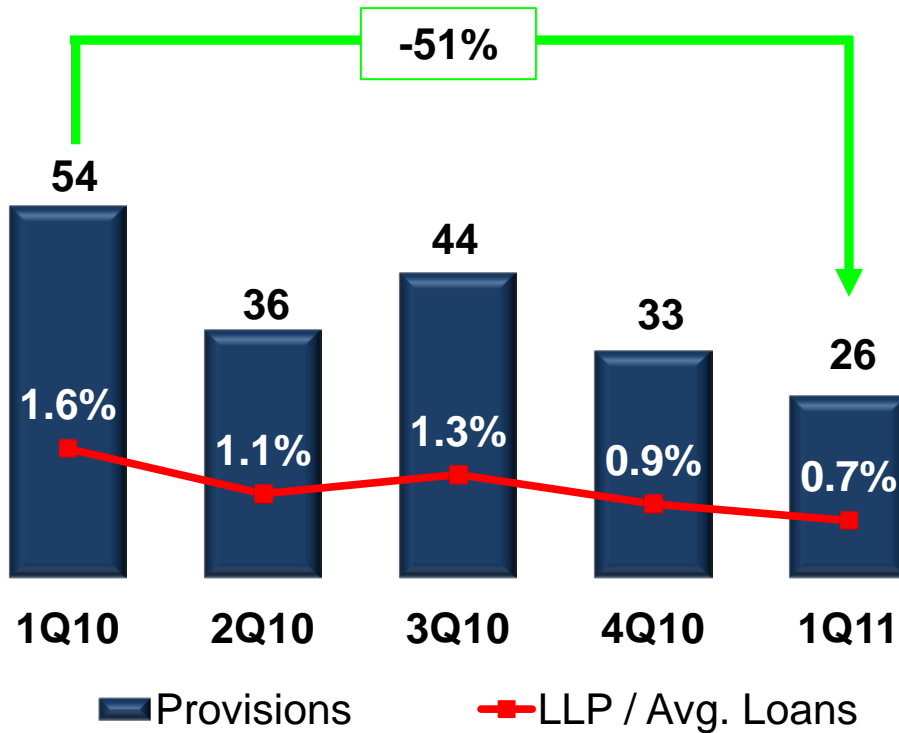
Superior Asset Quality

Asset quality and NPLs continue to improve...

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Loan Loss Provisions¹

(Billions of Ch\$ & Ratio %)



(1) Does not include counter-cyclical or additional provisions

1Q11 Highlights

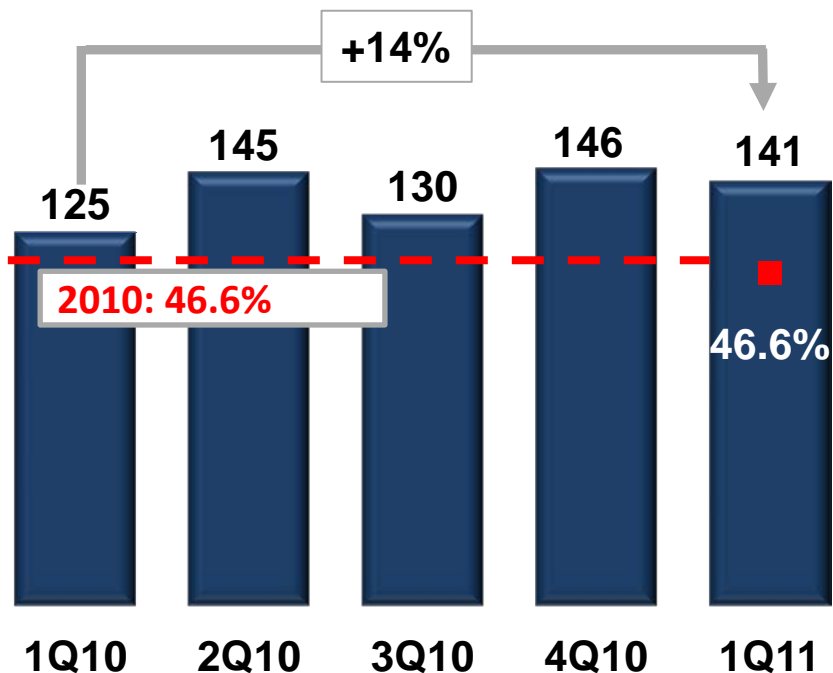
- ✓ The economic recovery has benefited the retail segment, especially due to lower unemployment and an increase in real wages
- ✓ Companies have improved their risk profiles due to increased commercial activity and private consumption

Efficiency

Operating expenses in line with our business growth plan...

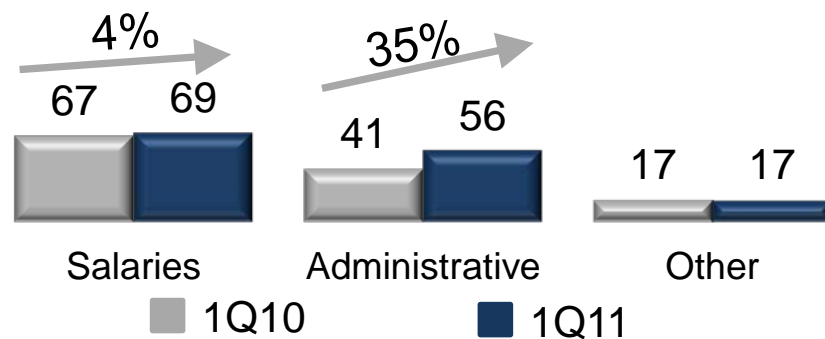
Operating expenses & Efficiency

(Billions of Ch\$ & %)



Breakdown of Operating Expenses

(Billions of Ch\$)



2011 Operating Expenses Highlights

Salary Expenses:

- ✓ Stable employee base
- ✓ Expense growth in line with CPI

Administrative Expenses:

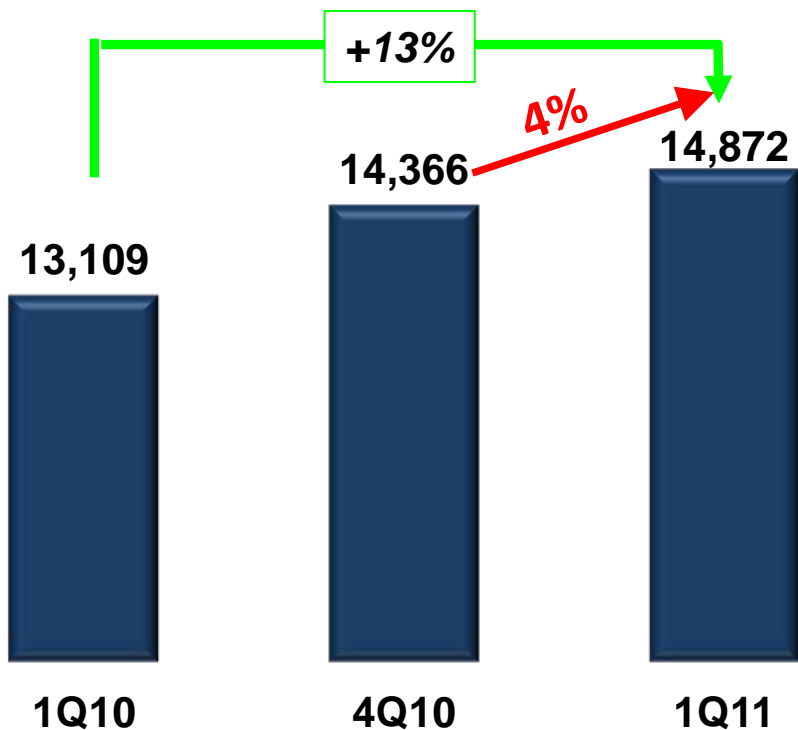
- ✓ +M\$5,500 Outsourced sales force
- ✓ +M\$2,300 IT
- ✓ +M\$1,800 Marketing

Due to Business growth

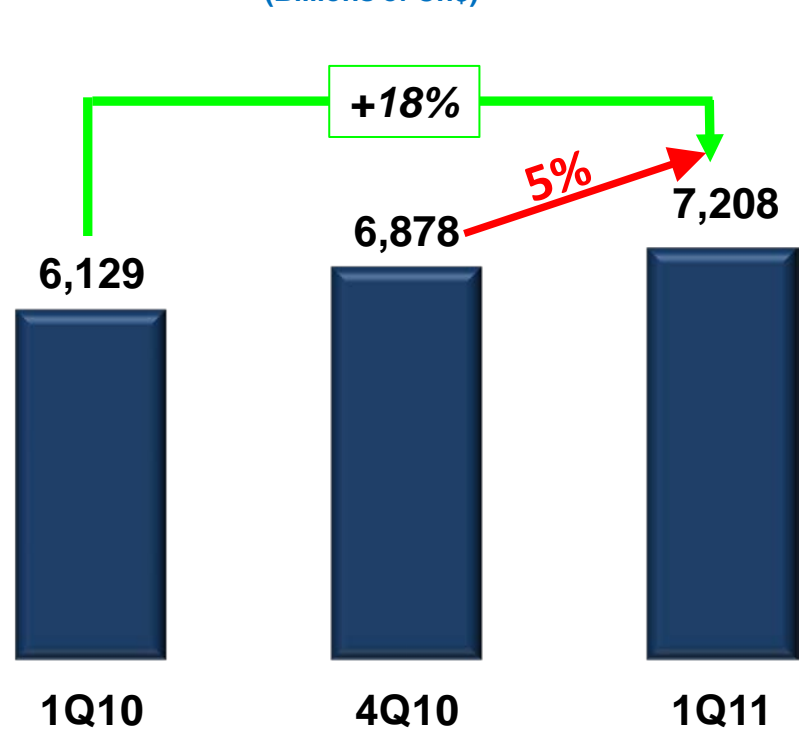
Strong Loan Growth in 1Q11

Retail segment continues to lead growth...

Total Loans
(Billions of Ch\$)



Retail Loans*
(Billions of Ch\$)



(*) Includes SMEs

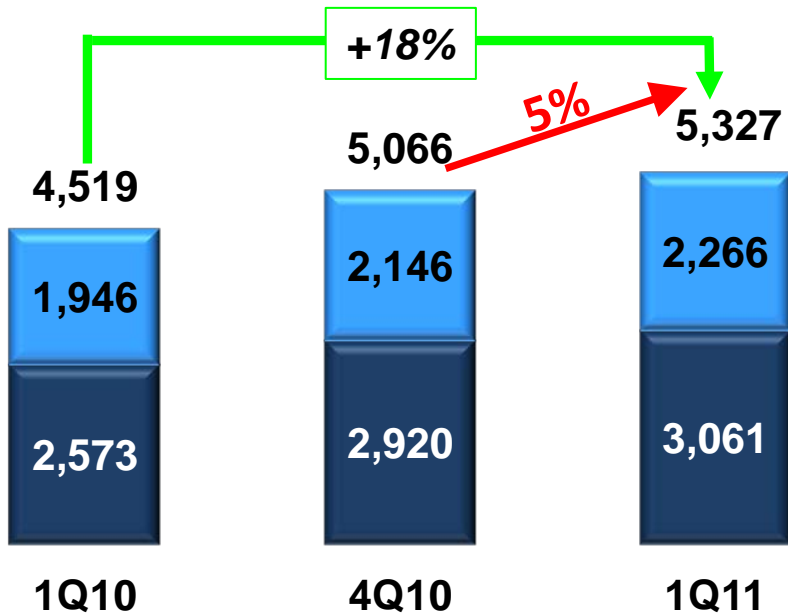
Period	% of Retail to Total Loans
1Q10	46.7%
4Q10	47.9%
1Q11	48.5%

Retail Loan Portfolio

Strong retail loan growth by both individuals and SMEs...

Individual Loan Portfolio

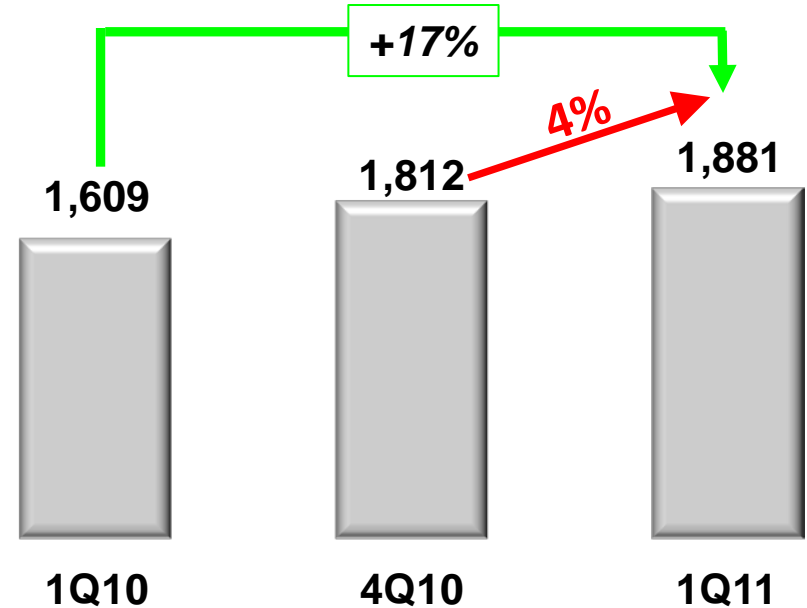
(Billions of Ch\$)



■ Mortgage ■ Consumer

SME Loan Portfolio

(Billions of Ch\$)

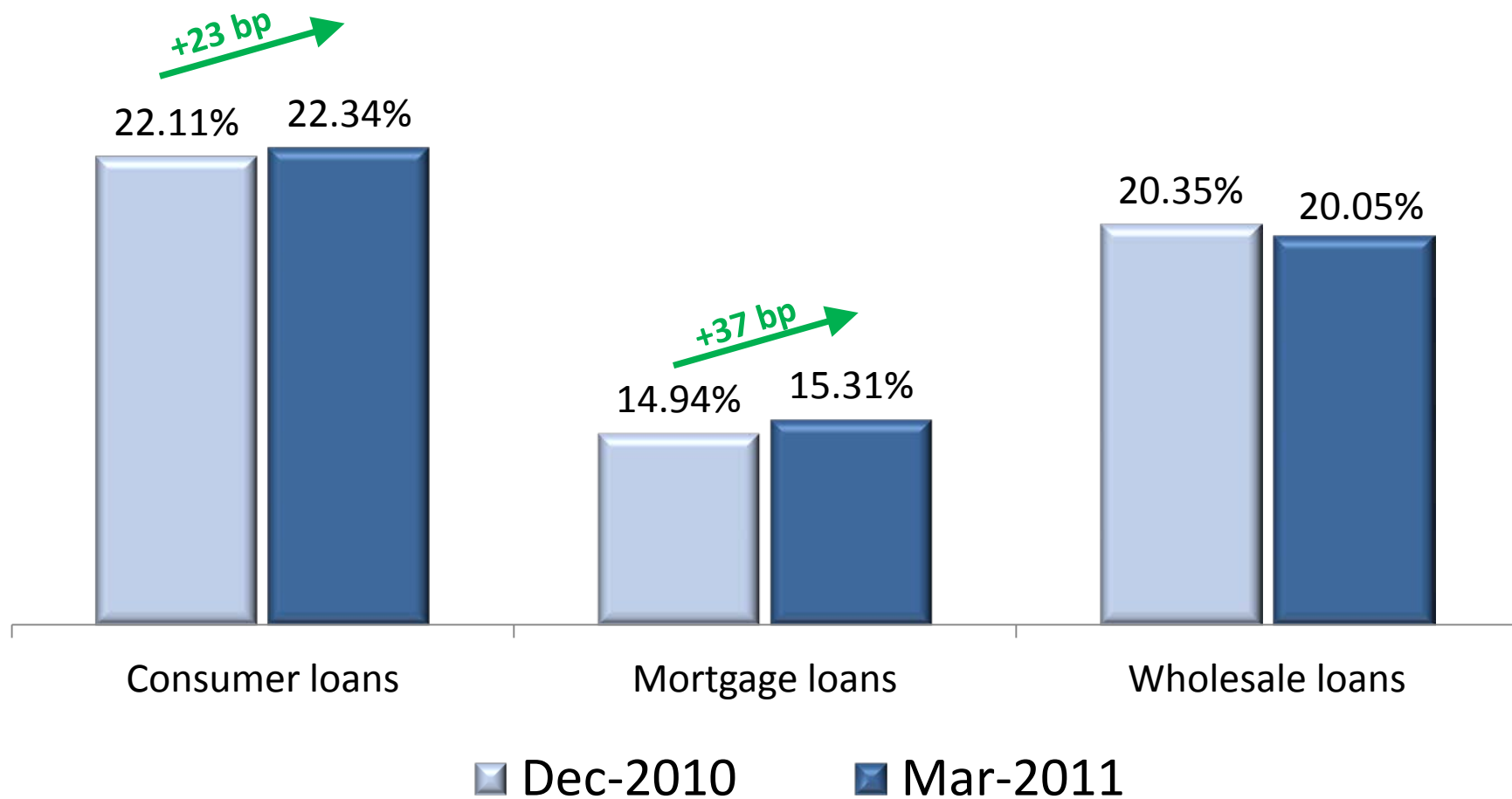


■ Commercial

Market Share

Capturing market share in retail banking products...

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Ranking

Better performance than our competition provides us with a superior ROC

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Operating Income net of LLP

(Market Share, Mar-11 & variation with 2010, bp)

San		22.2%	-102 bp
Chile		22.0%	+101 bp
BCI		12.8%	-46 bp
Corp		5.5%	-25 bp
BBVA		5.0%	+10 bp

Operating Expenses

(Market Share, Mar-11 & variation with 2010, bp)

Chile		19.7%	-50 bp
San		19.0%	+15 bp
BCI		12.4%	-72 bp
BBVA		5.3%	-23 bp
Corp		4.8%	-15 bp

Net Income

(Market Share, Mar-11 & variation with 2010, bp)

San		26.5%	-372 bp
Chile		26.3%	+241 bp
BCI		13.6%	-41 bp
Corp		6.5%	-94 bp
BBVA		4.7%	+162 bp

Return on Capital

(ROC, Mar-11 & variation with 2010, bp)

Chile		34.1%	+426 bp
Corp		24.4%	-54 bp
San		24.0%	-802 bp
BCI		23.2%	-193 bp
BBVA		17.0%	+661 bp

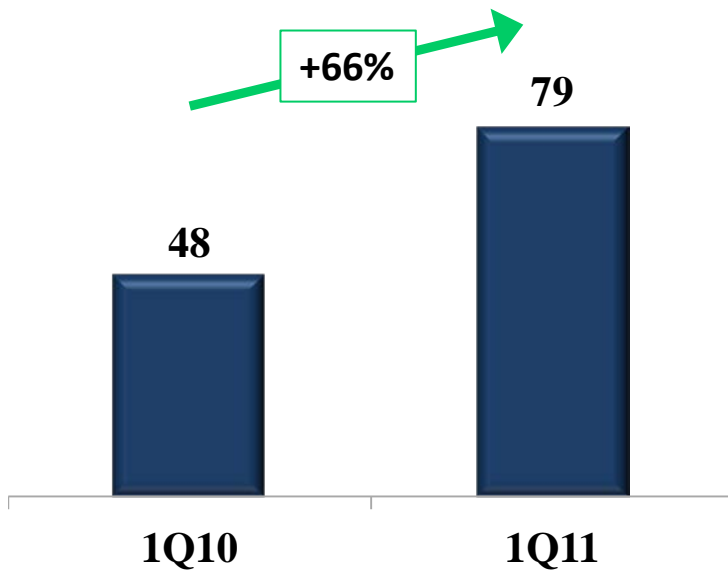
EBIT: Retail and Wholesale Banking

In line with our strategy, retail banking continues its upward trend in results and business scale...

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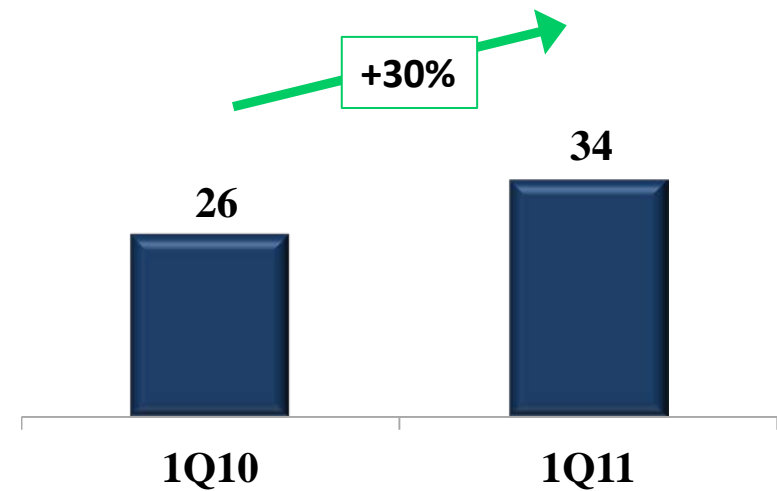
Retail Banking

(Billions of Ch\$)



Wholesale Banking

(Billions of Ch\$)



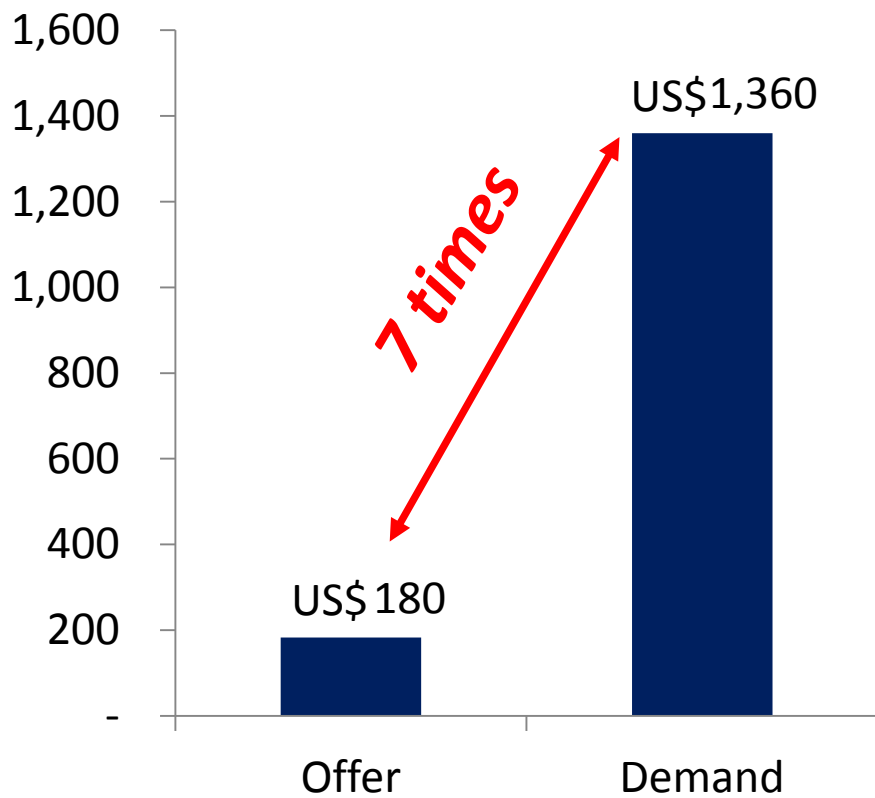
A Successful Equity Offering

Demand largely exceeding equity offering...

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Demand versus Offering – First Stage

(Millions of Dollars)



Bloomberg Comparative Returns

