

# Financial Results

May 2<sup>nd</sup>, 2016



Banco de Chile  
Q1 | 16

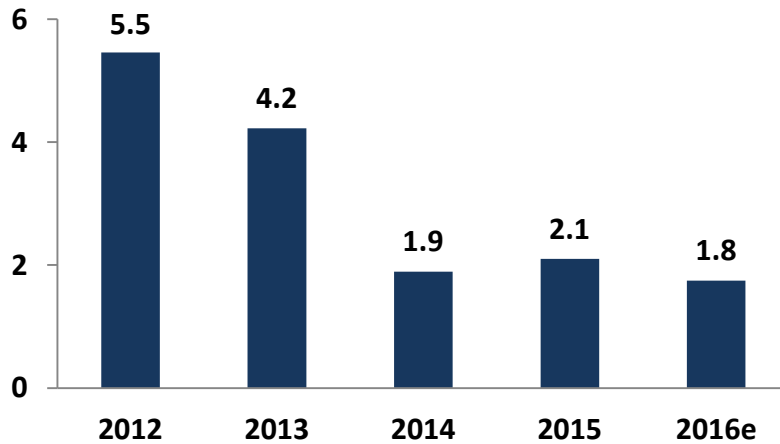
**BCH**  
LISTED  
**NYSE**

# Economy

*Persistent below trend growth*

## GDP

(YoY %)



## IMF Forecasts

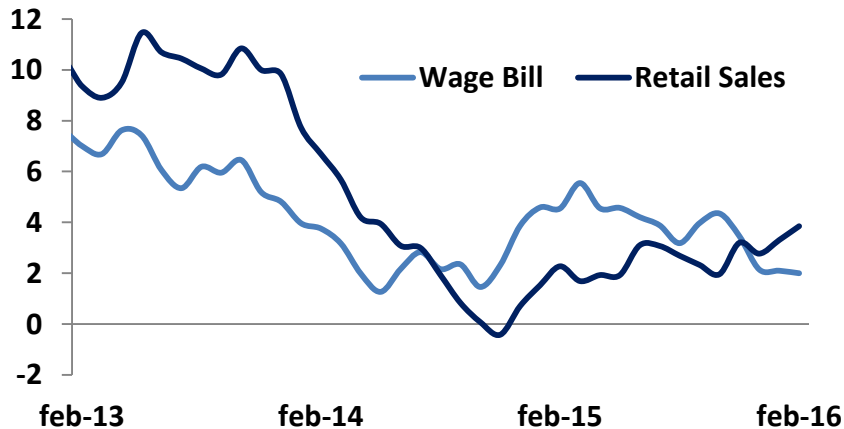
(%)

### Expected 2016 Growth - WEO Reports

	<u>apr/2015</u>	<u>oct/2015</u>	<u>apr/2016</u>
World	3.8	3.6	3.2
Advanced Economies	2.4	2.2	1.9
Emerging Markets	4.7	4.5	4.1
Chile	3.3	2.5	1.5

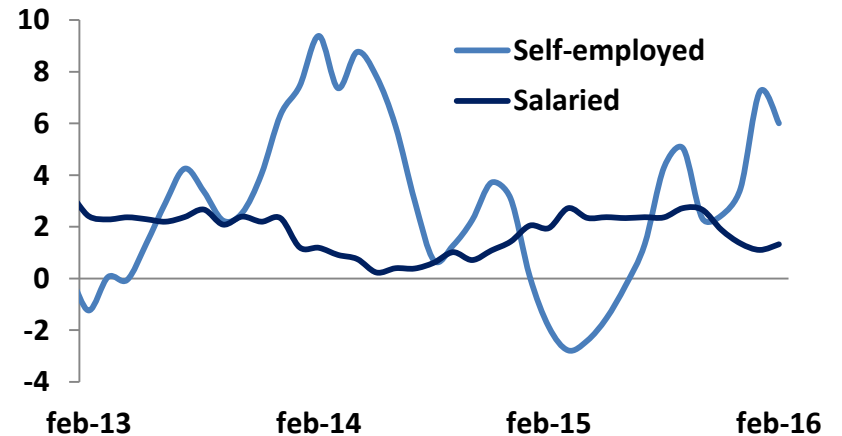
## Wage Bill & Retail Sales

(YoY %)



## Employment Growth

(YoY %)

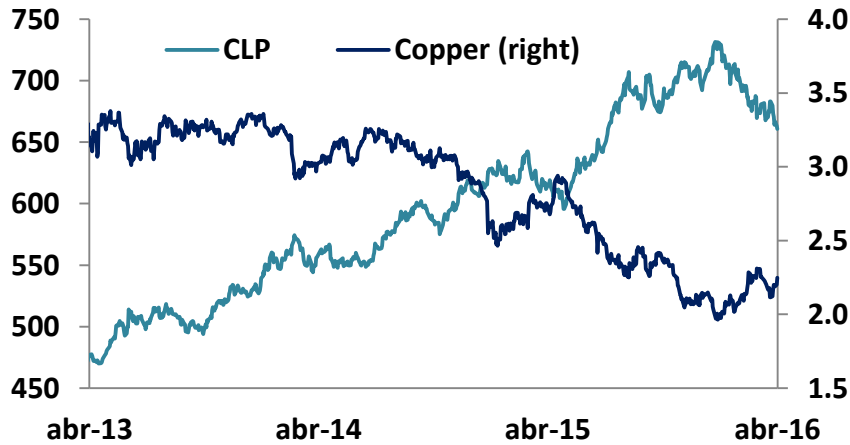


# Economy

*Inflation led by exchange rate*

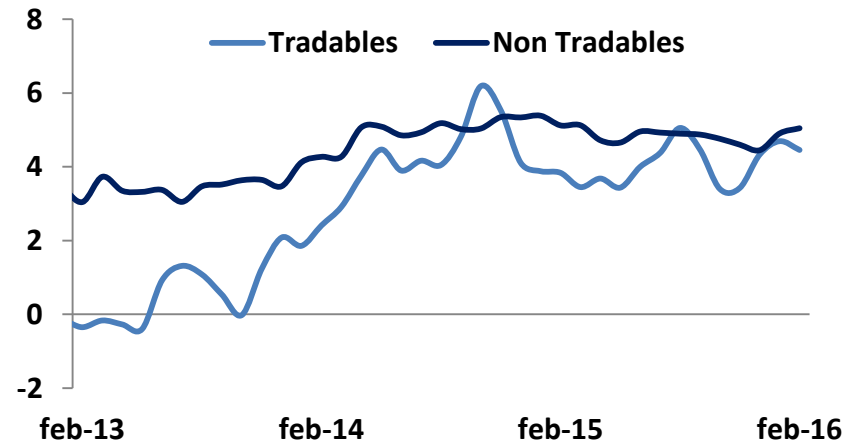
## Copper & Exchange Rate

*(CLP/USD and USD/lb, respectively)*



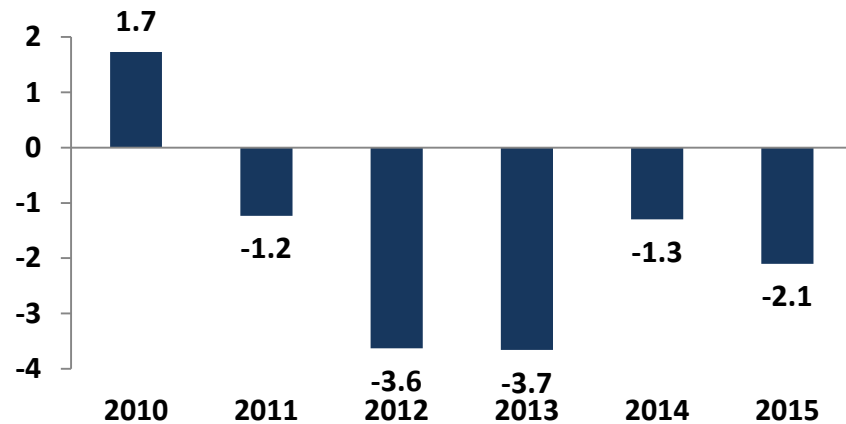
## Tradable & Non Tradable CPI

*(YoY %)*



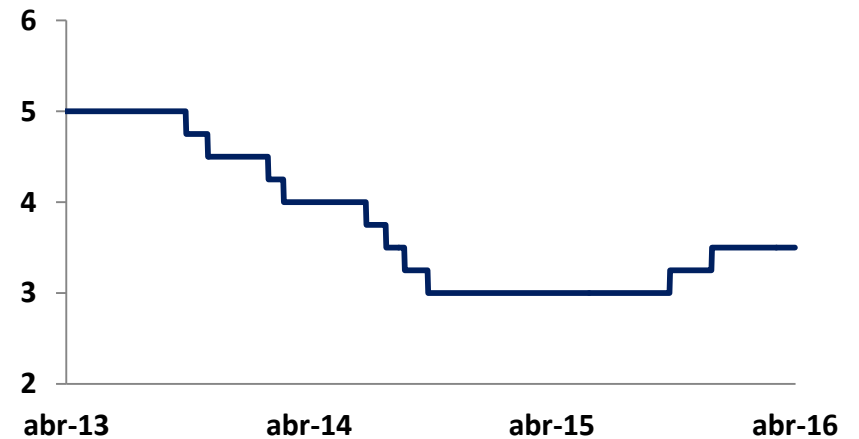
## Current Account

*(% GDP)*



## Monetary Policy Rate

*(%)*

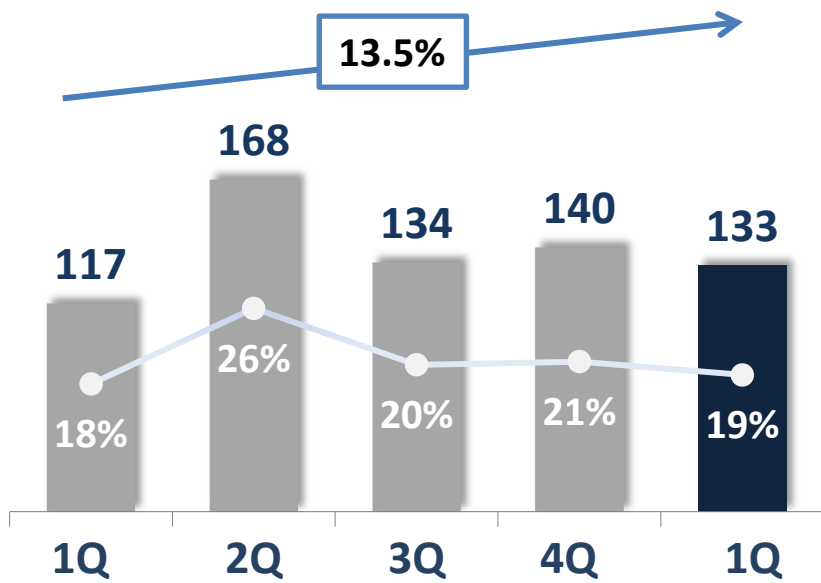


# 1Q16 BCH Results

*Banco de Chile maintains leadership in net income*

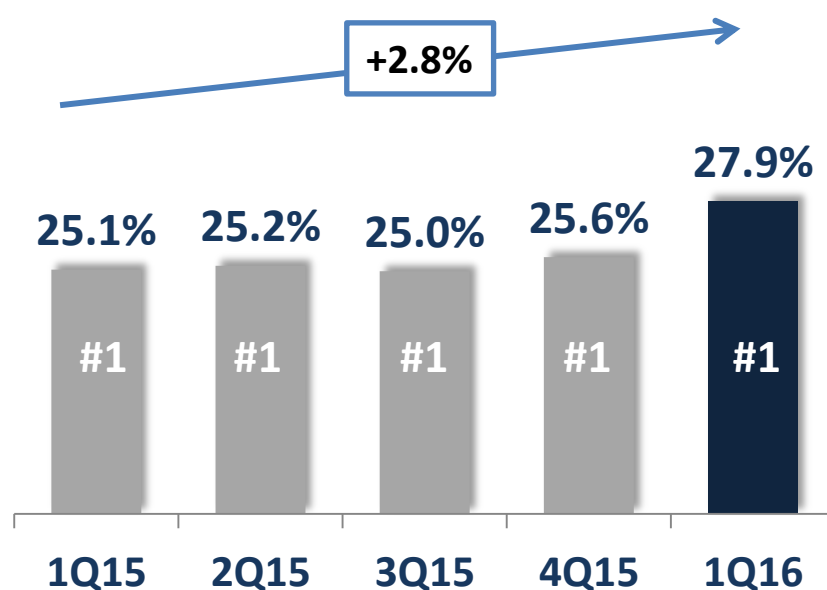
## Quarterly Net Income & ROAE

*(In billions of CLP, %)*



## Net Income

*(Market share in %, as of March 2016)*



2015

2016

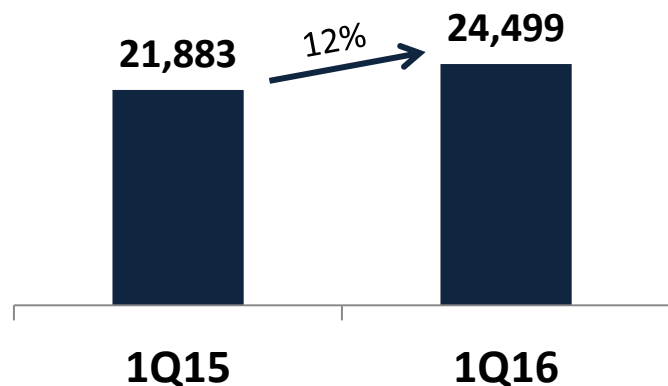
QoQ	1Q	2Q	3Q	4Q	1Q
ΔUF	-0.02%	1.46%	1.46%	1.11%	0.71%

# 1Q16 BCH Results

Strong growth in key business segments

## Total Loans

(In billions of CLP)



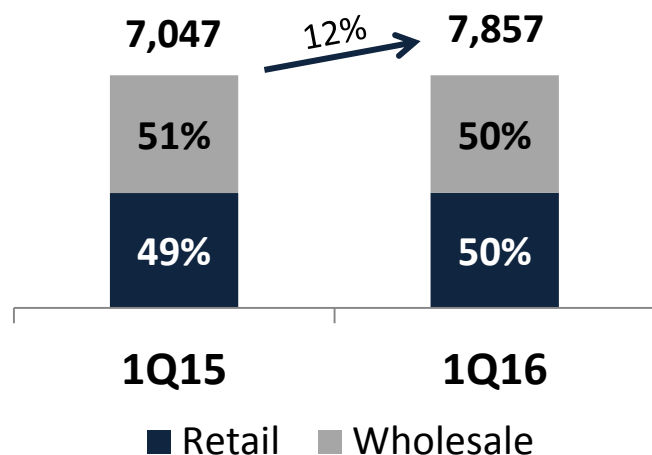
## Loan Growth

(In billions of CLP, %)

	1Q16	YoY
<b>Retail</b>	<b>13,788</b>	<b>15.3%</b>
• Mortgage	6,501	17.9%
• Commercial	3,521	14.3%
• Consumer: <i>Middle &amp; Upper Income</i>	3,058	14.7%
• Consumer: <i>Credichile</i>	708	1.3%
<b>Wholesale</b>	<b>10,711</b>	<b>8.0%</b>
• Large Companies	6,512	10.3%
• Corporate	4,199	4.6%
<b>Total Loans</b>	<b>24,499</b>	<b>12.0%</b>

## Demand Deposits

(In billions of CLP)

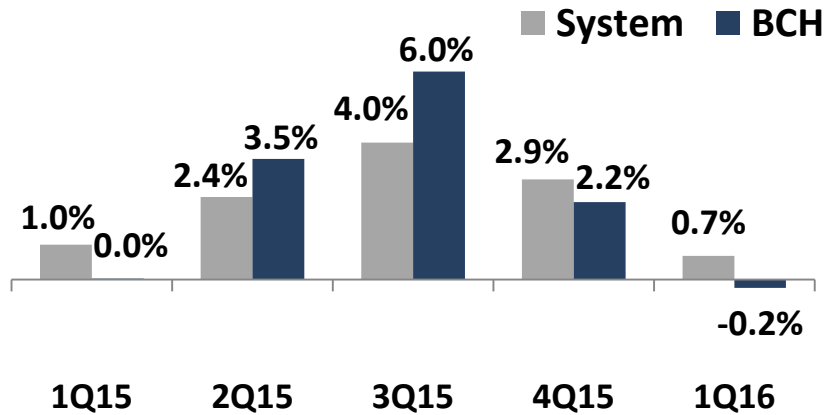


# 1Q16 BCH Results

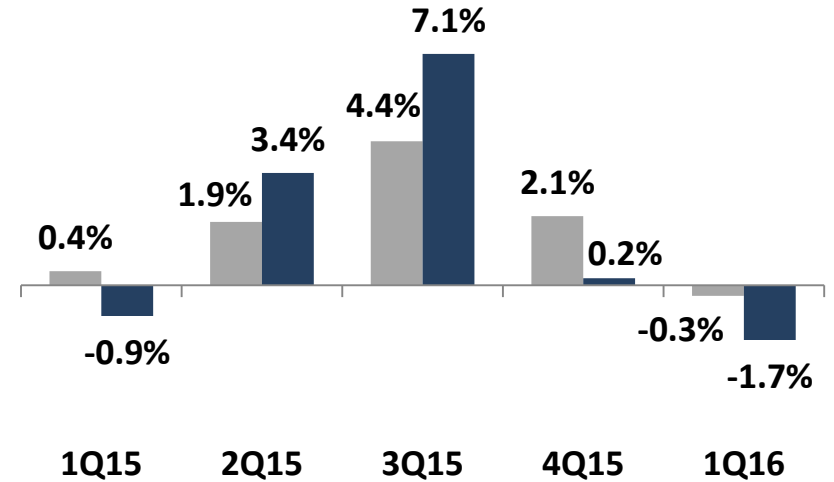
*Slowing system loan growth in line with economic trends*

## Total Loans

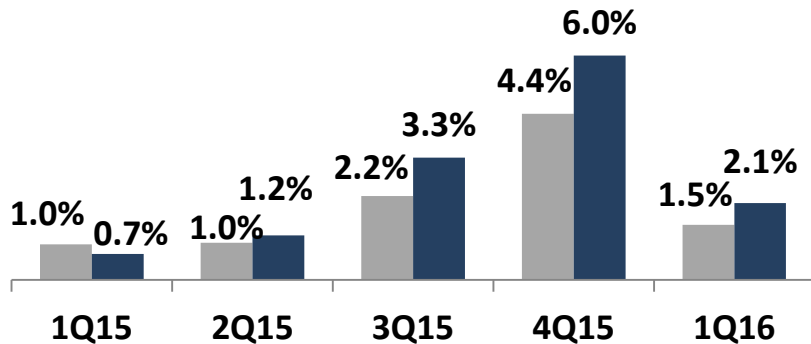
*(Quarterly Loan Growth, Nominal)*



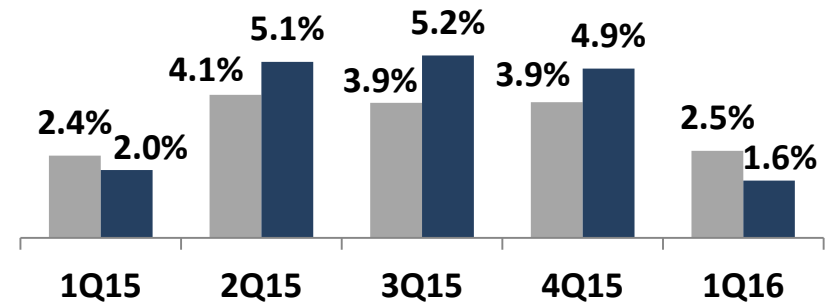
## Commercial Loans



## Consumer Loans



## Mortgage Loans

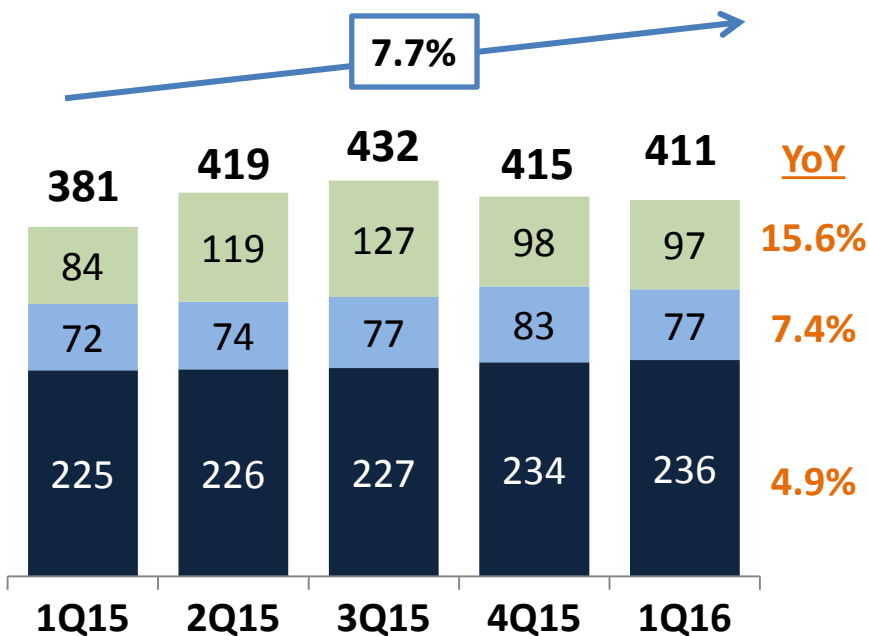


# 1Q16 BCH Results

Strong focus on recovering lending spreads and non-lending revenues

## Quarterly Operating Income<sup>1</sup>

(In billions of CLP)

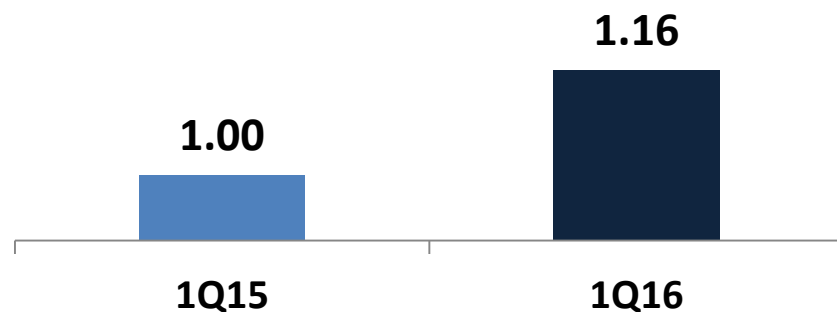


- Non-customer income
- Net Fees
- Customer Interest income

1.- Non-customer income Includes income from the contribution UF GAP position and treasury activities.

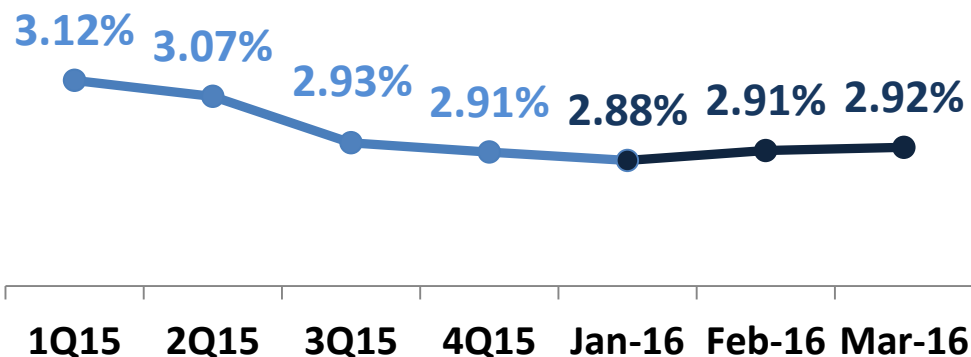
## Non-lending Revenues/Lending Revenues<sup>2</sup>

(Times)



## Loan Spread Evolution

(Over Avg. Daily Loans)



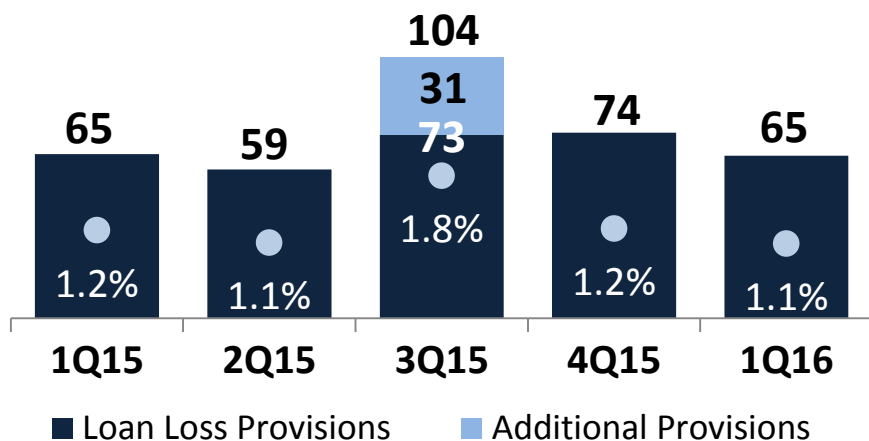
2.- Non Lending Revenues includes the contribution of deposits, fee income, income from treasury, income from subsidiaries, and other op. income. Lending Revenues includes income from loans.

# 1Q16 BCH Results

*Flat loan loss provisions despite weaker economic scenario*

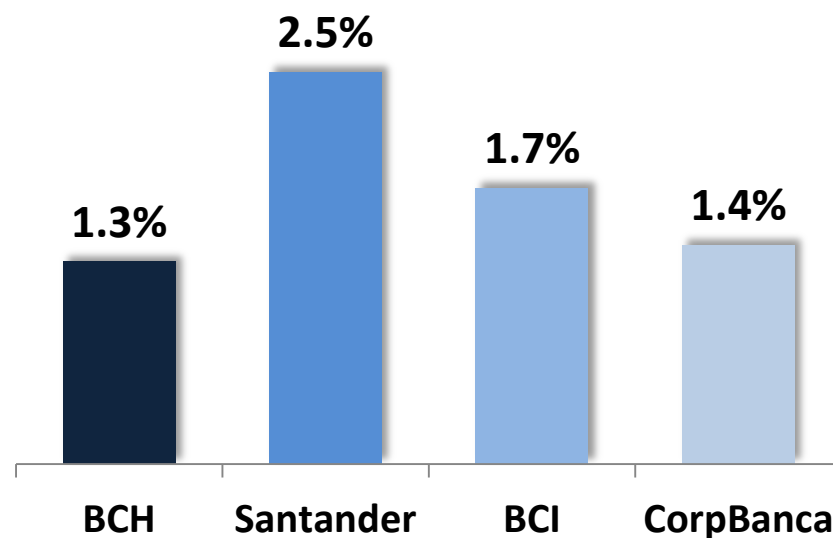
## Quarterly Loan Loss Provisions

*(In billions of CLP and LLP ratio in %)*



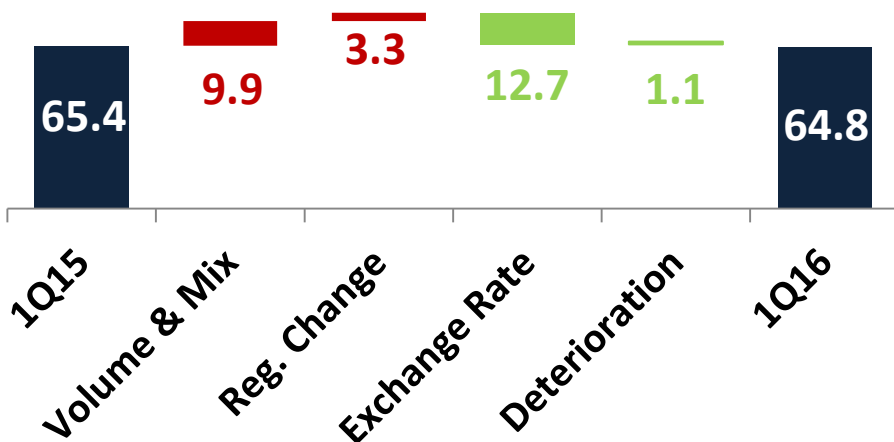
## Non-performing Loans

*(NPLs / Total Loans, Individual basis, as of March 2016)*



## Variation in Loan Loss Provisions

*(In billions of CLP)*



Source: SBIF.

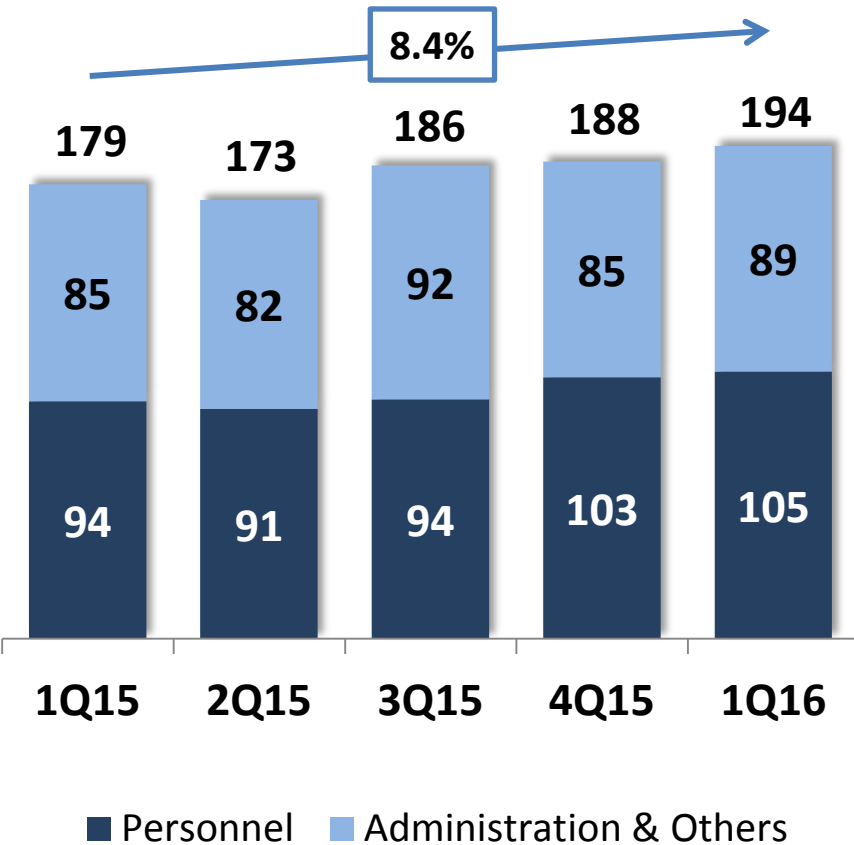


# 1Q16 BCH Results

Focus on process optimization and cost control

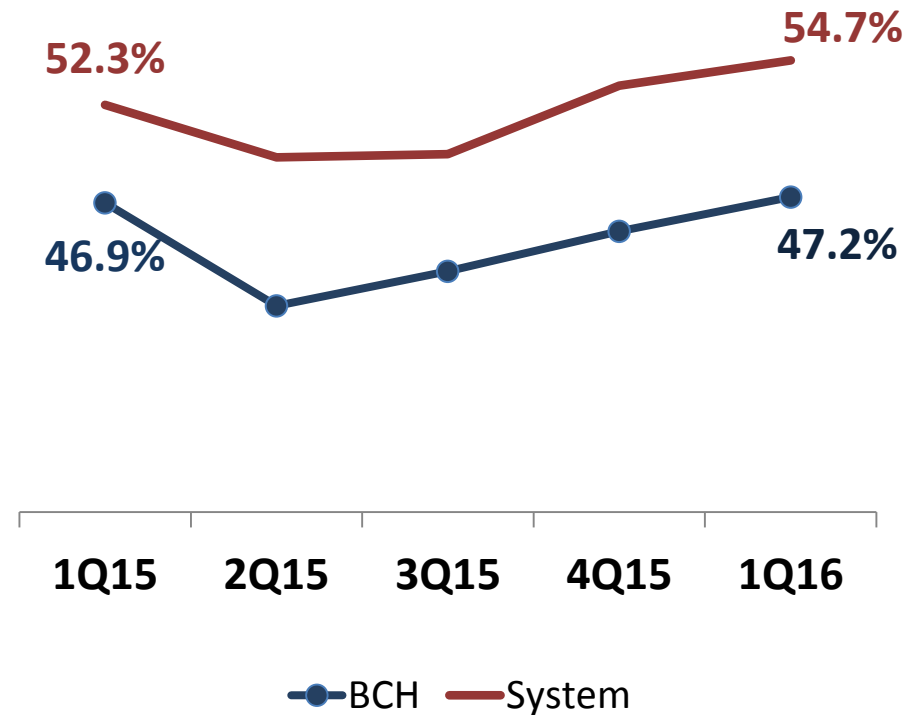
## Operating Expenses

(In billions of CLP)



## Efficiency Ratio

(Op. Expenses/Op. Revenues, %, as of March 2016)

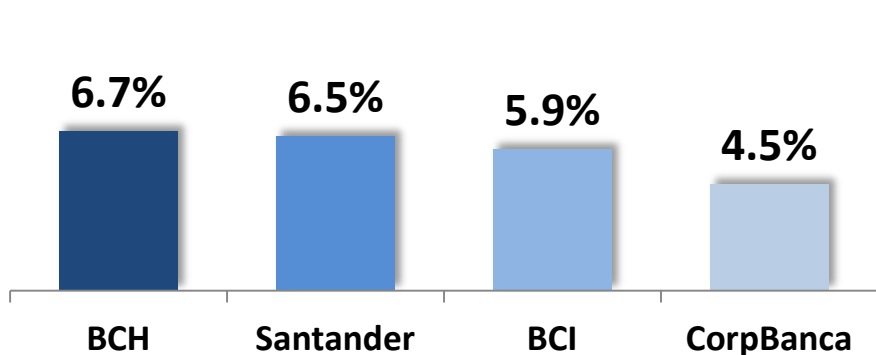


# 1Q16 BCH Results

*Banco de Chile continues to lead the Industry in main business indicators*

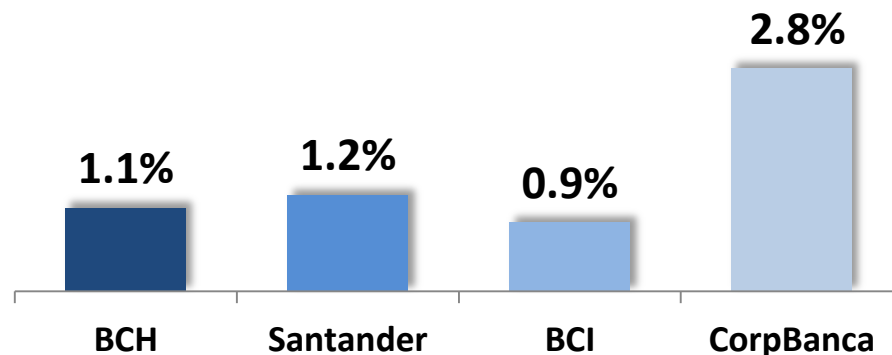
## Operating Margin

*(Operating Income / Avg. Loans, as of March 2016)*



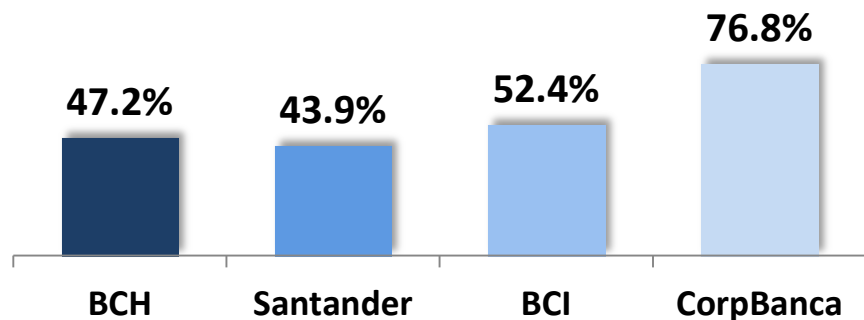
## Loan Loss Provisions

*(LLP / Avg. Loans, as of March 2016)*



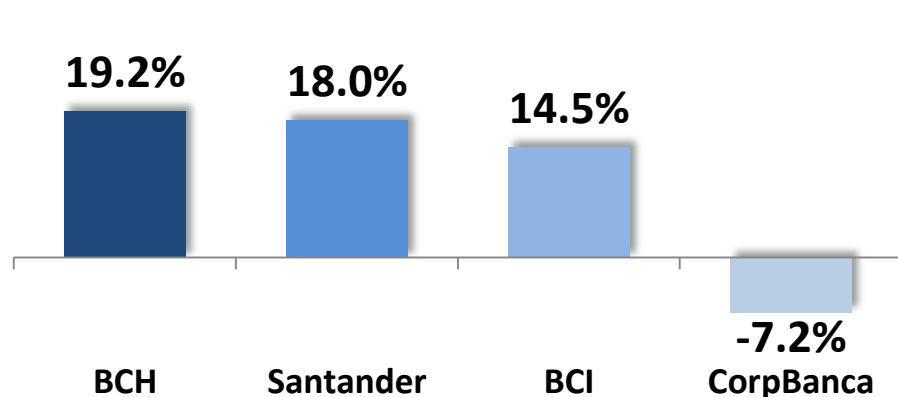
## Efficiency Ratio

*(Op. Expenses / Op. Income, as of March 2016)*



## ROAE

*(Net Income / Avg. Equity, as of March 2016)*





# Forward-looking Information

*The information contained herein incorporates by reference statements which constitute “forward-looking statements,” in that they include statements regarding the intent, belief or current expectations of our directors and officers with respect to our future operating performance. Such statements include any forecasts, projections and descriptions of anticipated cost savings or other synergies. You should be aware that any such forward-looking statements are not guarantees of future performance and may involve risks and uncertainties, and that actual results may differ from those set forth in the forward-looking statements as a result of various factors (including, without limitations, the actions of competitors, future global economic conditions, market conditions, foreign exchange rates, and operating and financial risks related to managing growth and integrating acquired businesses), many of which are beyond our control. The occurrence of any such factors not currently expected by us would significantly alter the results set forth in these statements.*

*Factors that could cause actual results to differ materially and adversely include, but are not limited to:*

- changes in general economic, business or political or other conditions in Chile or changes in general economic or business conditions in Latin America;*
- changes in capital markets in general that may affect policies or attitudes toward lending to Chile or Chilean companies;*
- unexpected developments in certain existing litigation;*
- increased costs; and*
- unanticipated increases in financing and other costs or the inability to obtain additional debt or equity financing on attractive terms.*

*You should not place undue reliance on such statements, which speak only as of the date that they were made. Our independent public accountants have not examined or compiled the forward-looking statements and, accordingly, do not provide any assurance with respect to such statements. These cautionary statements should be considered in connection with any written or oral forward-looking statements that we may issue in the future. We do not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect later events or circumstances or to reflect the occurrence of unanticipated events.*