

Financial Results

June 30th, 2014

Q2 | 14

Chile is also known for having the strongest bank in Latin America

Banco de Chile, the strongest private bank in Latin America with more than 120 years of history

STANDARD & POOR'S

A+

MOODY'S

Aa3

Banco de Chile
El banco de Chile



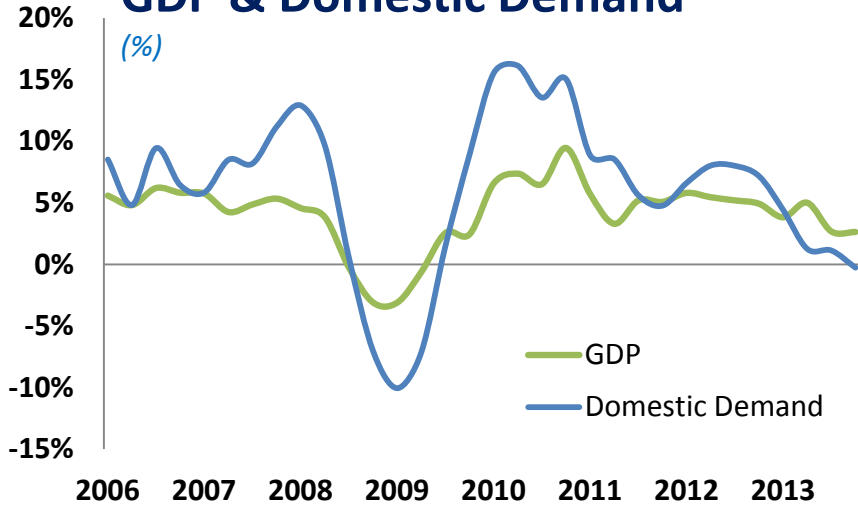
Easter Island, Chile

AGENDA: 2Q14

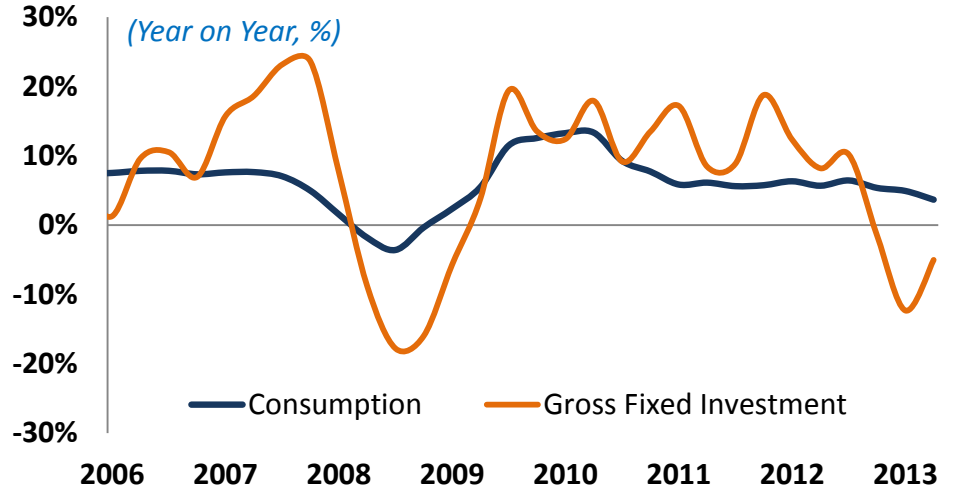
1. Economic Environment
2. Banking Industry
3. Banco de Chile Financial Results
4. Final Remarks

2Q14 Economic Highlights

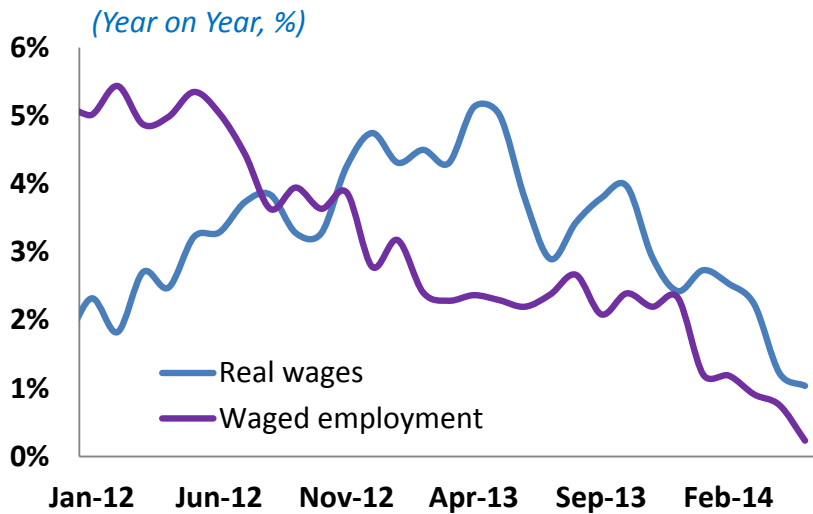
GDP & Domestic Demand



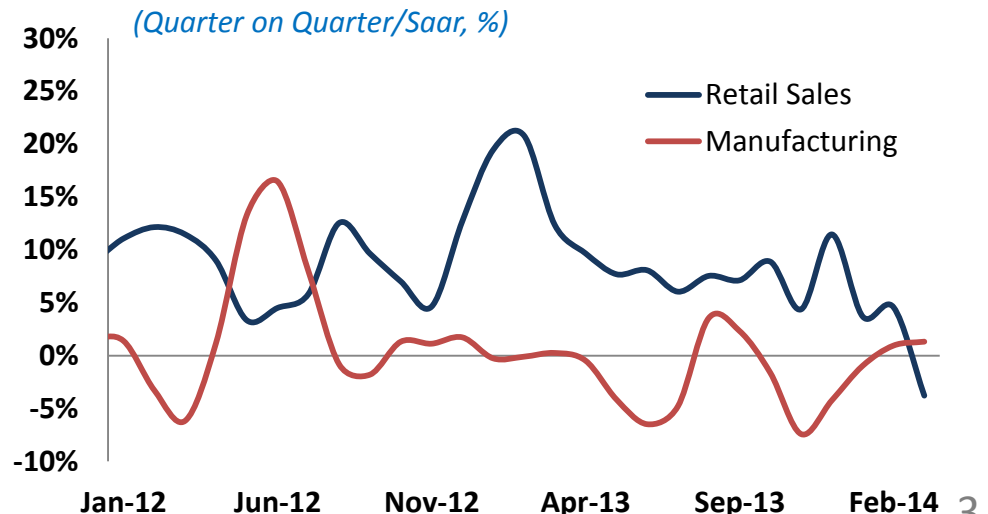
GDP Breakdown



Labor Market



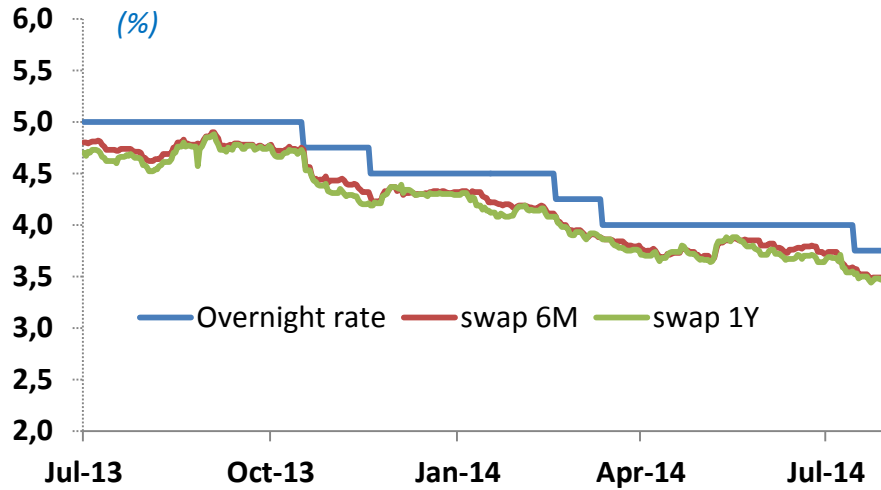
Retail & Manufacturing



2Q14 Economic Highlights

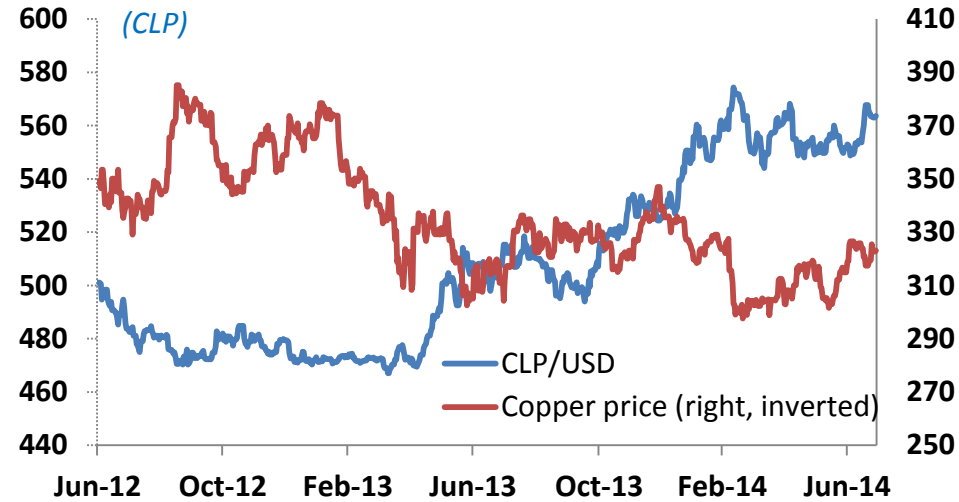
Overnight and Swaps Rates

(%)



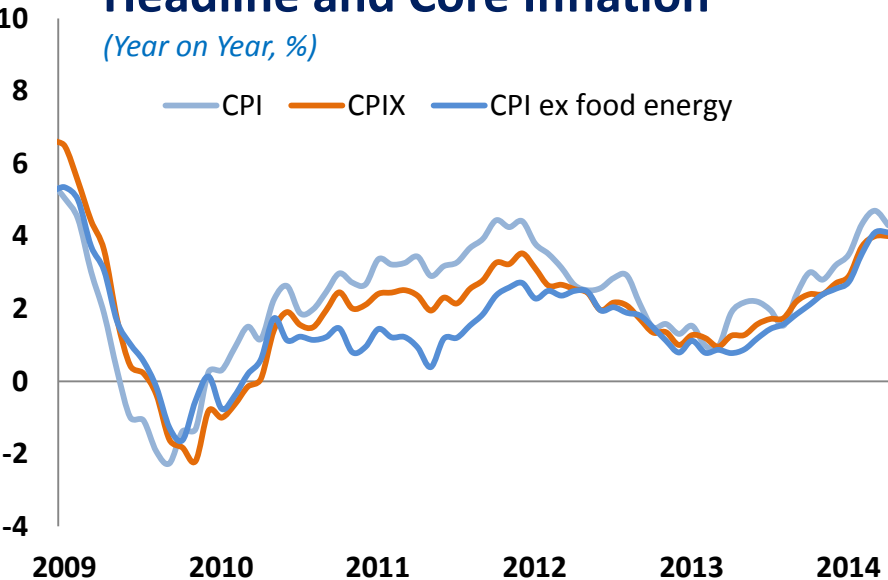
Exchange Rate and Copper Prices

(CLP)



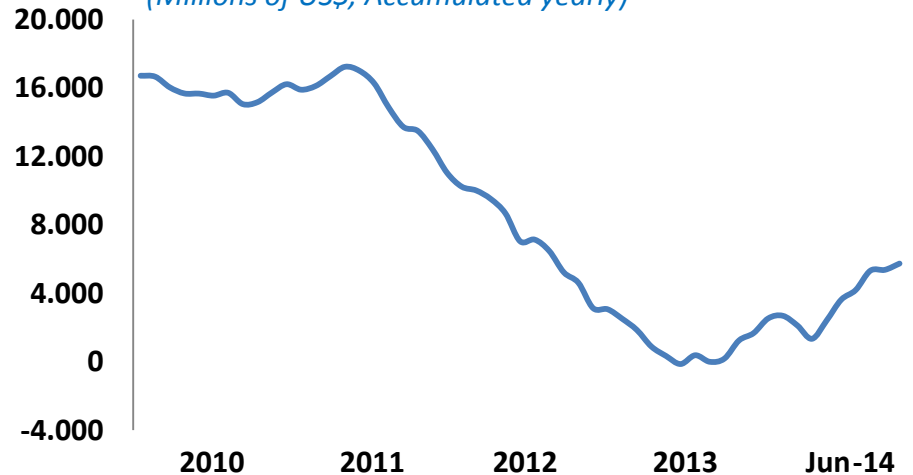
Headline and Core Inflation

(Year on Year, %)



Trade Balance

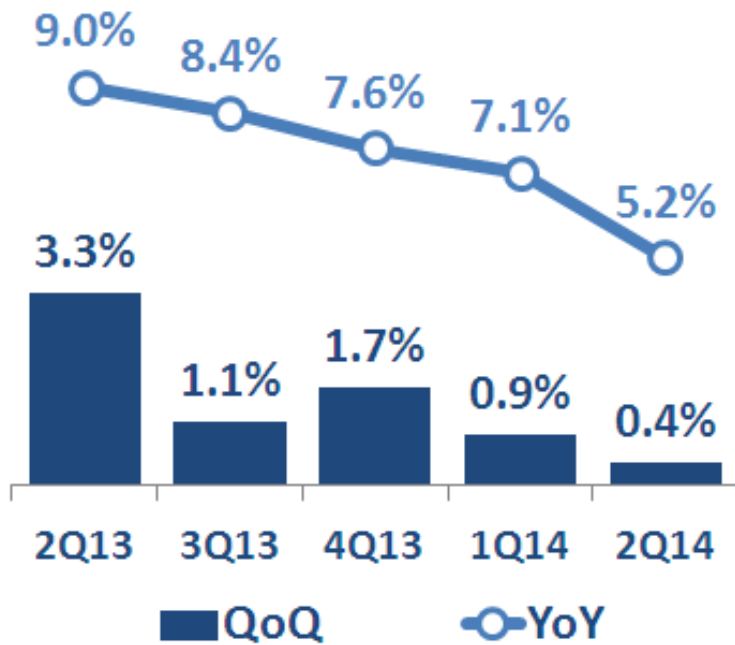
(Millions of US\$, Accumulated yearly)



2Q14 Banking Industry Highlights

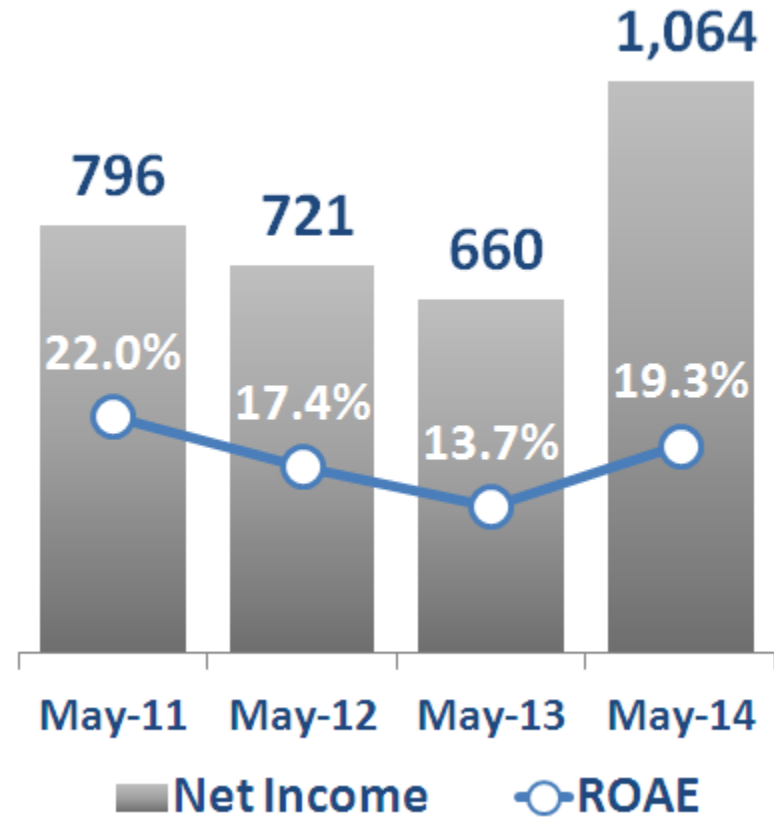
Total Loan Growth (1) (2)

(% in real terms)



Net Income & ROAE

(In Billions of US\$ and %)



(1) Figures exclude foreign subsidiaries

(2) Figures exclude estimated non-recurrent effect of the consolidation of a retail company credit card portfolio as part of the banking system balance sheets from 4Q13 (~CLP430 bn.)

Banco de Chile

Quarterly Financial Results

(In billions of CLP, except percentages)	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	%Δ Q 13 14
Operating Revenues	344.5	379.6	393.1	408.0	412.0	19,6%
Provision Expenses	(53.9)	(70.1)	(67.8)	(76.4)	(72.4)	34,2%
Operating Expenses	(150.5)	(154.0)	(169.2)	(160.0)	(170.2)	13,1%
Income before taxes	141.0	156.0	156.1	171.8	170.4	20,9%
Income Taxes	(19.2)	(18.6)	(23.3)	(21.1)	(17.0)	-11,5%
Effective Tax Rate	13.6%	11.9%	14.9%	12.3%	10.0%	n/a
Net Income	121.9	137.4	132.9	150.8	153.5	25,9%

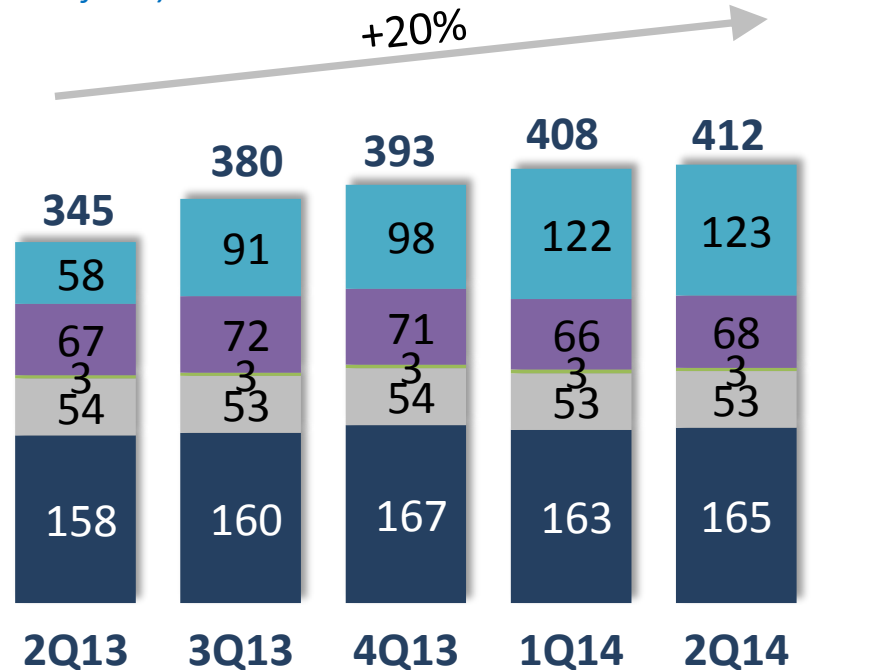
Operating Income

Highlights

- Record operating income of CLP412 billion, 20% above the same period last year.
- The strong Y/Y rise in operating income is due to:
 - Positive effect of inflation on our UF Structural GAP
 - Higher income from funding repricing and term gapping
 - Average loans that grew 8.0% YoY
- This more than offsets:
 - Lower fee income
 - Less positive Fx effect on hedges of allowances

Quarterly Operating Income

(In billions of CLP)

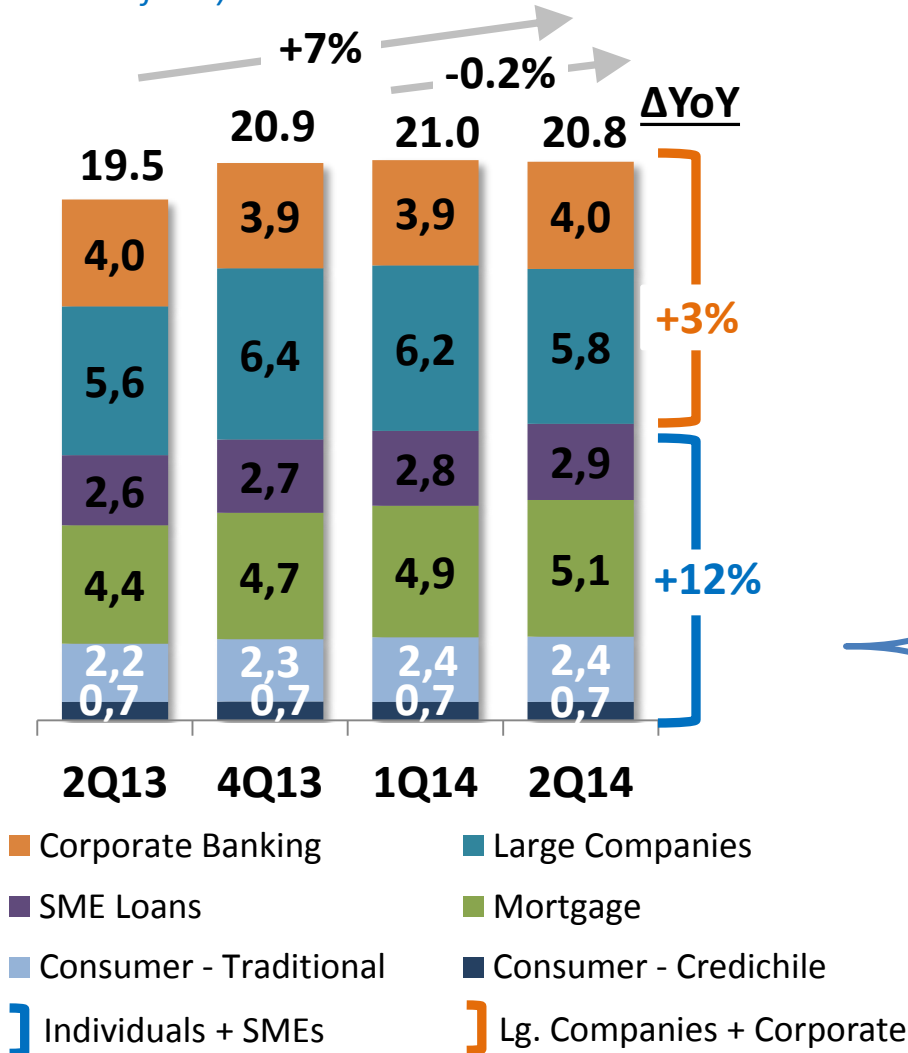


- Loans
- Demand Deposits
- Time Deposits
- Fees
- Non-customer income

Δ QoQ	2Q13	3Q13	4Q13	1Q14	2Q14
UF	-0.07%	1.04%	0.95%	1.28%	1.76%
CLP/USD	503.9	503.0	523.8	549.5	553.0

Loans

Loans by Product (In trillions of CLP)



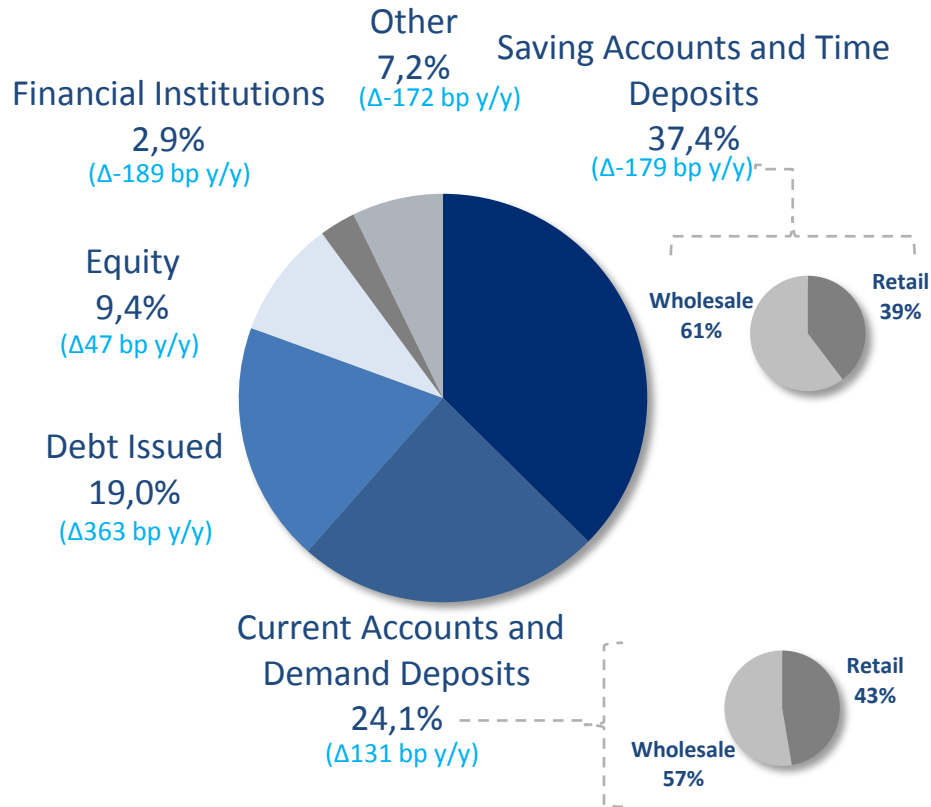
Retail Strategy based on Customer Business Intelligence and Productivity improvements

- 7% yearly nominal growth:
 - 15.4% in residential mortgage loans
 - 8.9% in consumer loans
 - 3.9% in commercial loans
- Due mainly to effective business intelligence tools, improvement of sales channels, and a high demand in the housing market for mortgage loans
- Profitable growth strategy based on a prudent risk/return relationship

Solid Funding Structure

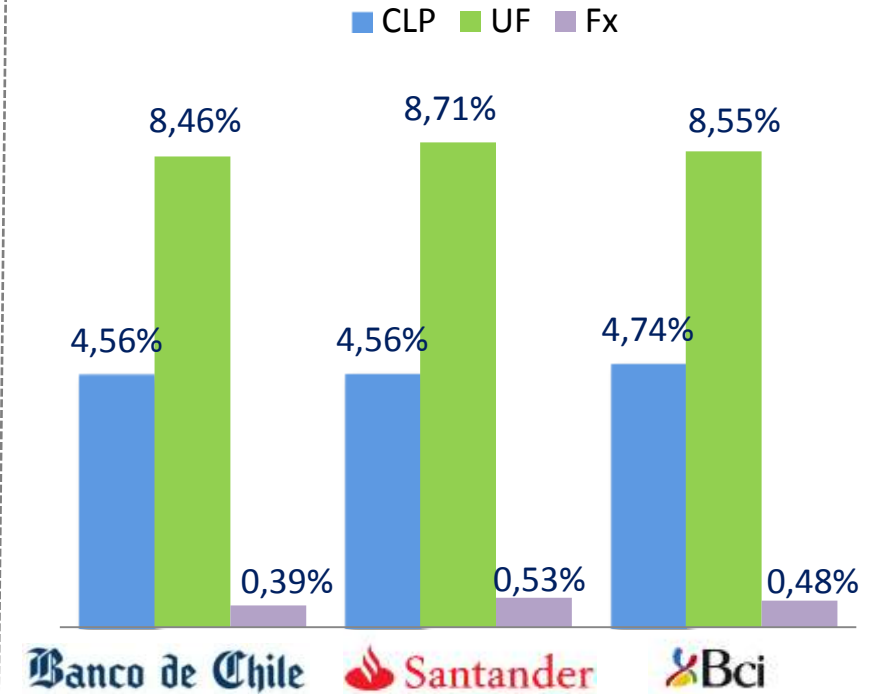
Liability Structure

(% Over Total Assets, as of June 2014)



Time Deposits Cost of Funding

(Interest paid by currency / average volume by currency¹, annualized)

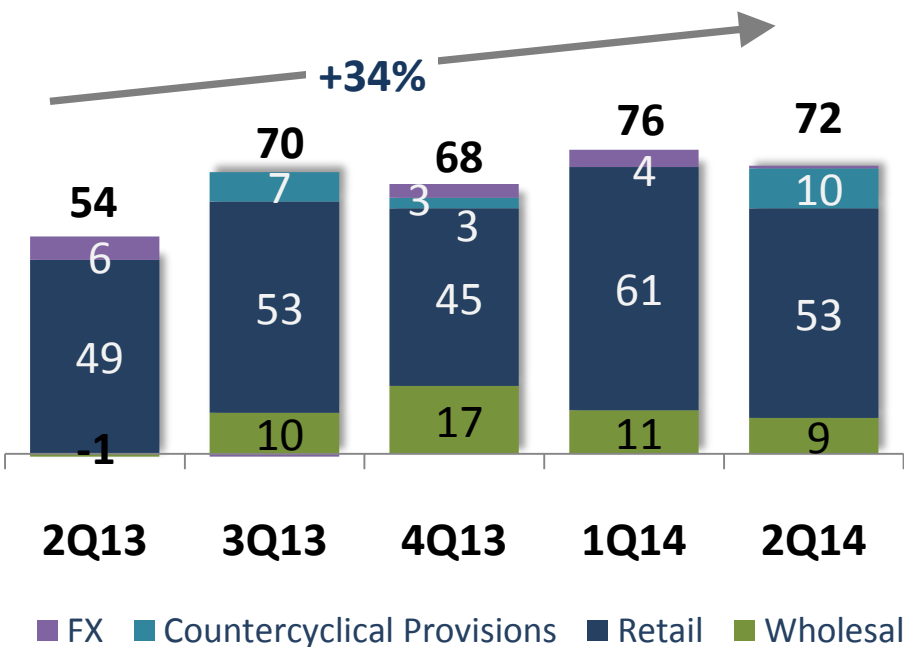


1.- 5 month period ending in May 31, 2014

Loan Loss Provisions

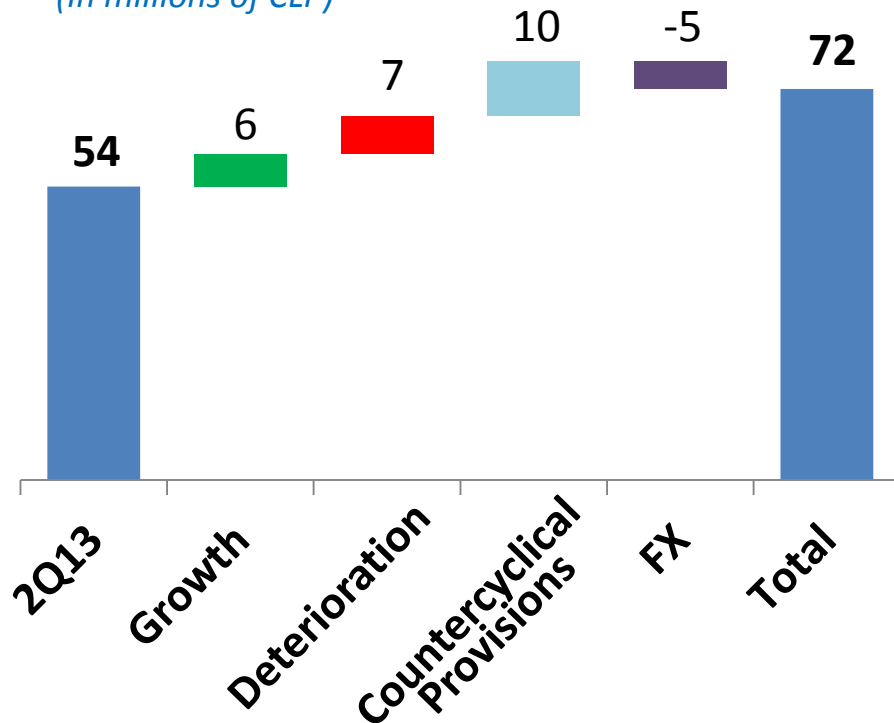
Quarterly Loan Loss Provisions

(In billions of CLP)



Loan Loss Provisions

(In millions of CLP)

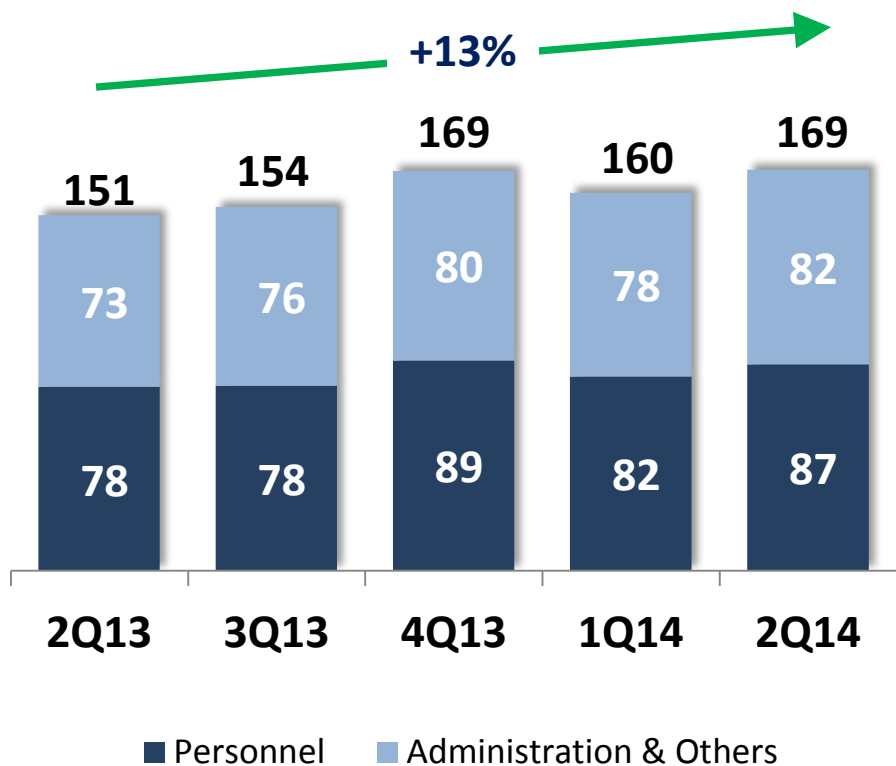


Risk Indicator	2Q13	3Q13	4Q13	1Q14	2Q14
LLP / Avg. Loans	1.1%	1.4%	1.3%	1.5%	1.4%
Charge-offs / Avg. Loans	1.0%	1.0%	1.0%	1.1%	1.1%
NPL / Loans	1.1%	1.1%	1.1%	1.2%	1.3%
Coverage	2.1x	2.0x	2.0x	2.0x	1.9x

Operating Expenses

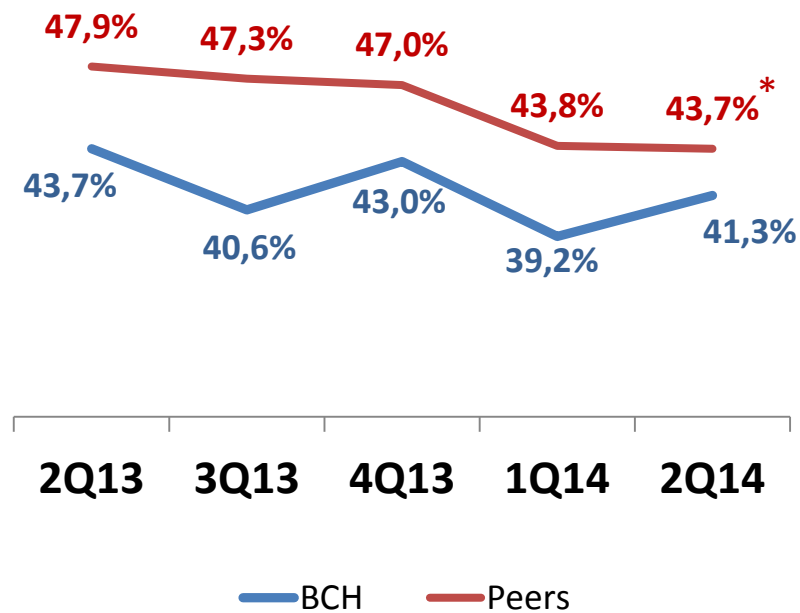
Operating Expenses

(In billions of CLP)



Efficiency Ratio

(Operating Revenues/Operating Expenses, %)



*April and May 2014

Peers include Santander, BCI, CorpBanca, Itau

Banco de Chile

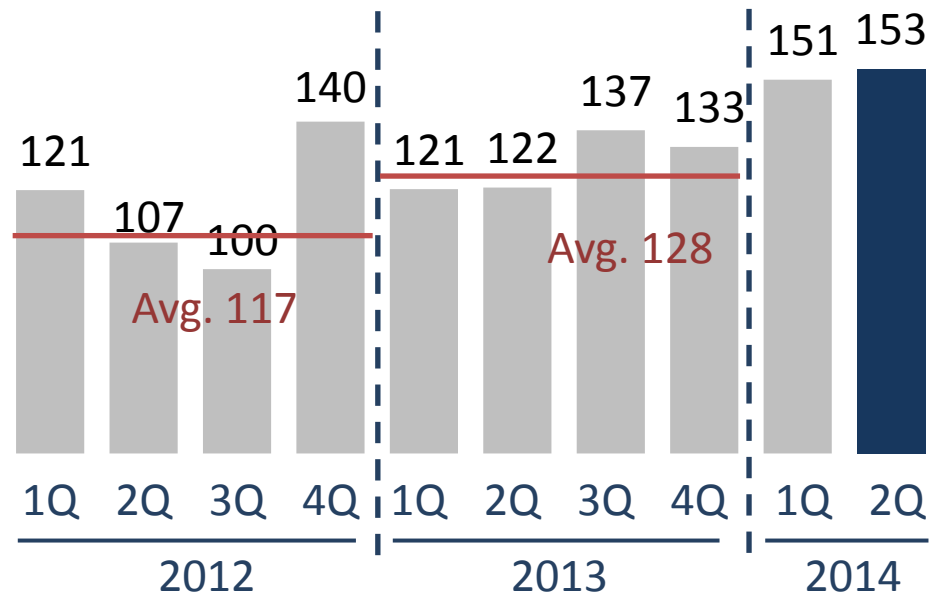
Summary of Quarterly Results

Highlights

- For second quarter in a row, BCH surpasses the CLP150 billion barrier in net income, while posting a ROAE of 26%
- Selective loan growth and forward-looking decisions in Asset and Liabilities Management boosted operating revenues by 20% YoY
- In summary, these results were achieved through strong operating income growth and cost control

Quarterly Net Income

(In billions of CLP)





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.