

CORPBANCA
As of 12/31/99

English

FINANCIAL STATEMENTS
Source: S.B.I.F.

<u>ASSETS</u>	Dec-99 M\$	Dec-98 M\$	Dec-97 M\$	Dec-99 USD	Dec-98 USD	Dec-97 USD	Var 00/99
CASH AND DUE FROM BANKS	81.272.708	167.384.727	88.089.696	153.324.481	345.341.988	187.435.085	-55,6%
LOANS							
Commercial loans	443.343.974	437.774.136	420.842.577	836.387.598	903.199.434	895.458.468	-7,4%
Foreign trade loans	70.818.404	78.998.843	81.541.324	133.601.985	162.987.496	173.501.620	-18,0%
Consumer loans	179.903.931	82.259.826	82.748.195	339.396.553	169.715.435	176.069.572	100,0%
Mortgage loans	138.265.524	116.032.008	92.042.418	260.843.896	239.392.954	195.845.591	9,0%
Leasing loans	49.187.320	-	-	92.794.008	-	-	-
Contingent loans	86.228.930	94.980.532	97.894.772	162.674.609	195.960.327	208.298.085	-17,0%
Other loans	38.879.108	31.019.452	26.608.780	73.347.121	63.998.188	56.617.506	14,6%
Past due loans	16.850.258	17.728.332	11.131.460	31.788.742	36.576.439	23.685.247	-13,1%
Total loans	1.023.477.450	858.793.128	812.809.527	1.930.834.512	1.771.830.273	1.729.476.087	9,0%
Less: Allowance for loan losses	(25.568.457)	(14.060.685)	(12.102.126)	(48.236.001)	(29.009.487)	(25.750.605)	66,3%
Total loans, net	997.908.993	844.732.443	800.707.401	1.882.598.511	1.742.820.786	1.703.725.483	8,0%
OTHER CREDIT OPERATIONS							
Loans to financial institutions	46.880.721	41.040.734	37.454.130	88.442.509	84.673.726	79.693.975	4,5%
Brokerage credits	620.293	-	-	1.170.210	-	-	-
Total other credit operations	47.501.014	41.040.734	37.454.130	89.612.720	84.673.726	79.693.975	5,8%
INVESTMENTS							
Banco Central de Chile and Treasury notes	24.314.244	38.182.646	46.375.065	45.869.873	78.777.026	98.675.722	-41,8%
Other financial investments	83.296.858	71.693.439	27.555.322	157.143.129	147.915.256	58.631.536	6,2%
Brokerage notes	33.075.068	4.341.941	12.804.687	62.397.548	8.958.132	27.245.497	596,5%
Banco Central de Chile deposits	1.313.248	1.728.751	-	2.477.499	3.566.694	-	-30,5%
Leasing assets	3.719.924	-	-	7.017.798	-	-	-
Assets received or awarded in payment of loans	1.640.751	650.826	848.075	3.095.347	1.342.761	1.804.513	130,5%
Other non financial investments	3.349	3.882	-	6.318	8.009	-	-21,1%
Total investments	147.363.441	116.601.485	87.583.149	278.007.511	240.567.879	186.357.267	15,6%
Total other assets	75.682.513	43.322.110	30.871.737	142.778.337	89.380.577	65.688.120	59,7%
FIXED ASSETS							
Property, premises, and equipment	34.155.784	31.153.269	29.485.050	64.436.365	64.274.275	62.737.563	0,3%
Investments in subsidiaries	6.433.635	9.955.875	9.572.559	12.137.330	20.540.594	20.368.254	-40,9%
Total fixed assets	40.589.419	41.109.144	39.057.609	76.573.695	84.814.869	83.105.818	-9,7%
TOTAL ASSETS	1.390.318.088	1.254.190.642	1.083.763.722	2.622.895.255	2.587.599.825	2.306.005.749	1,4%
<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>							
DEPOSITS AND OTHER LIABILITIES							
Demand deposits	112.744.039	114.157.650	113.700.047	212.696.511	235.525.849	241.928.158	-9,7%
Deposits and certificates of deposits	686.412.443	595.669.166	509.068.891	1.294.946.787	1.228.962.630	1.083.184.245	5,4%
Others demand and time deposit	42.566.746	77.399.045	87.626.115	80.304.008	159.686.851	186.448.689	-49,7%
Brokerage obligations	33.779.447	4.339.136	12.804.629	63.726.390	8.952.345	27.245.373	611,8%
Mortgage bond obligations	145.644.288	121.796.311	95.635.588	274.764.253	251.285.652	203.491.049	9,3%
Contingent liabilities	86.424.927	94.901.052	97.907.850	163.044.365	195.796.346	208.325.912	-16,7%
Total deposits and other liabilities	1.107.571.890	1.008.262.360	916.743.120	2.089.482.314	2.080.209.674	1.950.623.427	0,4%
BONDS LIABILITIES							
Bonds liabilities	-	-	-	-	-	-	-
Subordinated bond	36.589.330	30.033.661	11.454.984	69.027.354	61.964.341	24.373.633	11,4%
Total obligaciones por bonos	36.589.330	30.033.661	11.454.984	69.027.354	61.964.341	24.373.633	11,4%
BORROWINGS FROM FINANCIAL INSTITUTIONS AND BANCO CENTRAL DE CHILE							
Credit lines for renegotiation of loans with Banco central de Chile	67.513	130.223	195.149	127.365	268.671	415.232	-52,6%
Other liabilities with Banco Central de Chile	1.925.430	2.619.735	749.083	3.632.407	5.404.940	1.593.880	-32,8%
Domestic financial institutions borrowings	90.419.041	75.587.715	61.899.226	170.579.434	155.949.782	131.707.648	9,4%
Foreign borrowings	14.224.184	49.901.153	10.247.872	26.834.540	102.954.216	21.805.169	-73,9%
Other liabilities	24.794.745	13.298.866	15.378.996	46.776.360	27.437.729	32.723.048	70,5%
Total borrowings from financial institutions	131.430.913	141.537.691	88.470.324	247.950.106	292.015.338	188.244.976	-15,1%
Total other liabilities	9.164.537	12.786.320	7.859.145	17.289.296	26.380.263	16.722.496	-34,5%
TOTAL LIABILITIES	1.284.756.669	1.192.620.033	1.024.527.574	2.423.749.070	2.460.569.617	2.179.964.532	-1,5%
VOLUNTARY ALLOWANCE FOR LOANS LOSSES	3.107.171	461.700	-	5.861.812	952.562	-	515,4%
STOCK HOLDERS' EQUITY							
Capital and reserves	107.151.527	68.488.474	64.003.855	202.145.995	141.302.890	136.185.826	43,1%
Other equity accounts	(199.963)	(353.103)	-	(377.239)	(728.509)	-	-48,2%
Income for the period	(4.497.317)	(7.026.461)	(4.767.707)	(8.484.383)	(14.496.734)	(10.144.609)	-41,5%
Total stockholders' equity	102.454.248	61.108.910	59.236.148	193.284.374	126.077.646	126.041.217	53,3%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	1.390.318.088	1.254.190.642	1.083.763.722	2.622.895.255	2.587.599.825	2.306.005.749	1,4%

<u>STATEMENTS OF INCOME</u>	Jan-99 a Dec-99 M\$	Jan-98 a Dec-98 M\$	Jan-97 a Dec-97 M\$	Jan-99 a Dec-99 USD	Jan-98 a Dec-98 USD	Jan-97 a Dec-97 USD	Var 00/99
OPERATING INCOME:							
Interest and readjustment earned	134.081.661	146.247.014	112.211.631	252.950.857	301.731.440	238.761.144	-16,2%
Gains on brokerage operations	2.199.474	2.101.579	3.315.255	4.149.403	4.335.901	7.054.118	-4,3%
Income from commissions	10.839.427	7.424.155	4.703.197	20.449.048	15.317.243	10.007.346	33,5%
Net gain on foreign exchange	3.302.559	3.648.624	2.618.390	6.230.421	7.527.706	5.571.345	-17,2%
Other operating income	3.570.977	1.855.424	2.291.305	6.736.804	3.828.041	4.875.383	76,0%
Total operating income	153.994.098	161.276.796	125.139.778	290.516.532	332.740.330	266.269.337	-12,7%
Less:							
Interest and readjustment expensed	(77.249.299)	(100.232.162)	(75.778.719)	(145.734.146)	(206.795.296)	(161.240.092)	-29,5%
Loss on brokerage operations	(876.942)	(1.095.042)	(2.183.891)	(1.654.389)	(2.259.250)	(4.646.829)	-26,8%
Commission expenses	(1.384.622)	(1.652.472)	(1.357.404)	(2.612.149)	(3.409.319)	(2.888.250)	-23,4%
Net loss on foreign exchange							
Other operating expenses	(433.948)	(146.861)	(48.329)	(818.662)	(302.999)	(102.834)	170,2%
Gross operating income	74.049.288	58.150.258	45.771.435	139.697.186	119.973.466	97.391.332	16,4%
Salaries, wages, and other personnel expenses	(27.530.861)	(25.423.179)	(22.525.422)	(51.938.161)	(52.452.165)	(47.929.039)	-1,0%
Administrative and other expenses	(25.186.852)	(22.727.931)	(20.596.603)	(47.516.086)	(46.891.429)	(43.824.945)	1,3%
Depreciation and amortization	(7.209.473)	(5.922.980)	(2.913.895)	(13.600.982)	(12.220.074)	(6.200.115)	11,3%
Net operating income	14.122.102	4.076.168	(264.486)	26.641.956	8.409.799	(562.767)	216,8%
Allowance for loan and investment losses	(20.939.191)	(17.698.998)	(4.161.817)	(39.502.690)	(36.515.919)	(8.855.411)	8,2%
Recovery of loans written off	2.094.504	1.051.067	806.981	3.951.372	2.168.522	1.717.074	82,2%
Operating income	(4.722.585)	(12.571.763)	(3.619.322)	(8.909.362)	(25.937.598)	(7.701.104)	-65,7%
NON OPERATING RESULTS							
Non operating income	2.889.207	6.773.932	1.329.913	5.450.613	13.975.726	2.829.757	-61,0%
Non operating expenses	(9.044.073)	(1.431.270)	(644.751)	(17.062.036)	(2.952.944)	(1.371.884)	477,8%
income from foreign branches	-	-	-	-	-	-	
Earnings from subsidiary investments	2.892.033	261.448	123.270	5.455.945	539.411	262.291	
Price-level restatement	315.082	402.893	(1.113.835)	594.416	831.233	(2.369.991)	-28,5%
Surplus before income taxes	(7.670.338)	(6.564.761)	(3.924.724)	(14.470.424)	(13.544.172)	(8.350.932)	6,8%
Income taxes	2.296.021	-	-	4.331.543	-	-	
Surplus	(5.374.317)	(6.564.761)	(3.924.724)	(10.138.881)	(13.544.172)	(8.350.932)	-25,1%
Voluntary loan loss allowance	877.000	(461.700)	(842.983)	1.654.498	(952.562)	(1.793.678)	-273,7%
INCOME FOR THE PERIOD	(4.497.317)	(7.026.461)	(4.767.707)	(8.484.383)	(14.496.734)	(10.144.609)	-41,5%
<u>COMPANY INDEX</u>							
ROA = Income for the period/Total loans	-0,44%	-0,82%	-0,59%				
ROE = Income for the period/Total stockholders' equity	-4,4%	-11,5%	-8,0%				
Leverage=(Total Liabilities)/Total stockholders' equity	12,5	19,5	17,3				
Efficiency = (Gross Op Income-Net Op Income)/Gross Op Income	0,81	0,93	1,01				
Allowance(from balance)=Allowance/Tot Loans	2,5%	1,6%	1,5%				
Allowance(expenses)=Allowance/Tot Loans	2,0%	2,1%	0,5%				
Past due loans = Past due loans/Tot Loans	1,6%	2,1%	1,4%				
Allowance expenses (1)	(11.507.772)	(1.958.560)					
Loan loss expenses (2)	(9.431.419)	(15.740.438)					
(1)+(2)	(20.939.191)	(17.698.998)					
<u>INDUSTRY INDEX</u>							
ROA = Income for the period/Total loans	1,06%	1,25%	1,40%				
ROE = Income for the period/Total stockholders' equity	8,6%	10,4%	12,0%				
Leverage=(Total Liabilities)/Total stockholders' equity	10,8	11,1	11,2				
Efficiency = (Gross Op Income-Net Op Income)/Gross Op Income	0,59	0,60	0,64				
Allowance(from balance)=Allowance/Tot Loans	2,6%	2,0%	1,5%				
Allowance(expenses)=Allowance/Tot Loans	2,1%	1,7%	1,1%				
Past due loans = Past due loans/Tot Loans	1,7%	1,5%	1,0%				
Allowance expenses (1)	(175.876.036)	(135.539.036)					
Loan loss expenses (2)	(357.297.060)	(266.999.317)					
(1)+(2)	(533.173.096)	(402.538.353)					
<u>Exchange rate and CPI</u>							
US\$/S= exchange rate of Chilean peso to US\$1, end of year	530,07	472,41	439,18				
CPI=consumer price index for the year	2,6%	4,3%	6,3%				
UF/\$	15.066,96	14.685,39	14.096,93				