

BANCO BICE  
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	88.965.860	184.055.060	75.303.208	167.837.945	379.735.603	160.228.310	-55,8%
LOANS							
Commercial loans	295.536.969	271.948.891	257.106.549	557.543.286	561.074.911	547.064.981	-0,6%
Foreign trade loans	78.232.619	74.183.825	83.848.715	147.589.223	153.053.328	178.411.229	-3,6%
Consumer loans	2.989.054	1.870.680	1.549.231	5.638.979	3.859.518	3.296.417	46,1%
Mortgage loans	15.309.635	13.465.139	15.951.704	28.882.289	27.780.777	33.941.643	4,0%
Leasing loans	34.059.236	-	-	64.254.222	-	-	-
Contingent loans	93.695.012	74.353.617	75.819.289	176.759.695	153.403.636	161.326.414	15,2%
Other loans	113.908.058	108.385.931	95.595.293	214.892.483	223.617.851	203.405.310	-3,9%
Past due loans	2.412.758	1.364.898	472.494	4.551.773	2.816.007	1.005.360	61,6%
Total loans	636.143.342	545.572.980	530.343.275	1.200.111.950	1.125.606.029	1.128.451.355	6,6%
Less: Allowance for loan losses	(11.846.422)	(8.070.986)	(4.193.491)	(22.348.787)	(16.651.759)	(8.922.807)	34,2%
Total loans, net	624.296.920	537.501.995	526.149.784	1.177.763.163	1.108.954.269	1.119.528.548	6,2%
OTHER CREDIT OPERATIONS							
Loans to financial institutions	-	-	-	-	-	-	-
Brokerage credits	-	1.848.543	7.437.373	-	3.813.845	15.825.060	-100,0%
Total other credit operations	-	1.848.543	7.437.373	-	3.813.845	15.825.060	-100,0%
INVESTMENTS							
Banco Central de Chile and Treasury notes	27.471.750	34.887.534	65.775.116	51.826.645	71.978.672	139.954.672	-28,0%
Other financial investments	95.608.671	94.254.352	109.064.455	180.369.896	194.462.098	232.064.660	-7,2%
Brokerage notes	57.020.324	64.596.063	145.901.668	107.571.309	133.272.212	310.445.974	-19,3%
Banco Central de Chile deposits	-	-	-	-	-	-	-
Leasing assets	1.146.569	-	-	2.163.052	-	-	-
Assets received or awarded in payment of loans	156.655	163.721	34.268	295.536	337.784	72.915	-12,5%
Other non financial investments	9.788	25.863	-	18.465	53.360	-	-65,4%
Total investments	181.413.756	193.927.533	320.775.507	342.244.904	400.104.126	682.538.221	-14,5%
Total other assets	19.266.339	10.751.422	7.099.151	36.346.782	22.181.936	15.105.398	63,9%
FIXED ASSETS							
Property, premises, and equipment	10.278.585	10.252.896	9.597.088	19.390.995	21.153.397	20.420.448	-8,3%
Investments in subsidiaries	12.414.566	17.383.895	18.680.274	23.420.617	35.865.811	39.747.427	-34,7%
Total fixed assets	22.693.151	27.636.792	28.277.362	42.811.612	57.019.208	60.167.874	-24,9%
<b>TOTAL ASSETS</b>	<b>936.636.026</b>	<b>955.721.344</b>	<b>965.042.384</b>	<b>1.767.004.406</b>	<b>1.971.808.989</b>	<b>2.053.393.412</b>	<b>-10,4%</b>
<u>LIABILITIES AND STOCKHOLDERS EQUITY</u>							
DEPOSITS AND OTHER LIABILITIES							
Demand deposits	67.609.018	50.905.904	57.741.213	127.547.339	105.027.181	122.860.331	21,4%
Deposits and certificates of deposits	399.056.504	454.456.262	395.644.475	752.837.368	937.617.380	841.842.568	-19,7%
Others demand and time deposit	68.290.418	125.267.247	65.983.699	128.832.829	258.446.759	140.398.489	-50,2%
Brokerage obligations	58.697.125	63.564.441	147.025.172	110.734.666	131.143.808	312.836.540	-15,6%
Mortgage bond obligations	15.509.808	13.349.974	16.154.795	29.259.925	27.543.173	34.373.775	6,2%
Contingent liabilities	93.762.043	74.253.178	75.745.214	176.886.153	153.196.415	161.168.800	15,5%
Total deposits and other liabilities	702.924.915	781.797.006	758.294.569	1.326.098.280	1.612.974.717	1.613.480.502	-17,8%
BONDS LIABILITIES							
Bonds liabilities	63.018.280	41.303.779	46.833.940	118.886.712	85.216.432	99.652.104	39,5%
Subordinated bond	33.357.449	15.225.191	15.242.350	62.930.272	31.412.052	32.432.296	100,3%
Total obligaciones por bonos	96.375.729	56.528.970	62.076.290	181.816.984	116.628.484	132.084.401	55,9%
BORROWINGS FROM FINANCIAL INSTITUTIONS AND BANCO CENTRAL DE CHILE							
Credit lines for renegotiation of loans with Banco central de Chile	525.339	667.260	809.618	991.074	1.376.665	1.722.685	-28,0%
Other liabilities with Banco Central de Chile	-	-	-	-	-	-	-
Domestic financial institutions borrowings	11.666.080	2.078.430	15.405.092	22.008.564	4.288.140	32.778.576	413,2%
Foreign borrowings	22.902.198	19.828.460	17.234.220	43.205.988	40.909.346	36.670.549	5,6%
Other liabilities	15.915.614	12.703.431	9.123.911	30.025.494	26.209.249	19.413.633	14,6%
Total borrowings from financial institutions	51.009.230	35.277.580	42.572.842	96.231.120	72.783.400	90.585.443	32,2%
Total other liabilities	9.961.478	18.247.544	32.657.164	18.792.760	37.647.659	69.487.108	-50,1%
TOTAL LIABILITIES	860.271.353	891.851.100	895.600.864	1.622.939.145	1.840.034.260	1.905.637.455	-11,8%
VOLUNTARY ALLOWANCE FOR LOANS LOSSES	1.000.000	1.344.060	2.247.248	1.886.543	2.773.015	4.781.639	-32,0%
STOCK HOLDERS' EQUITY							
Capital and reserves	64.123.296	63.675.705	60.075.090	120.971.374	131.373.364	127.826.297	-7,9%
Other equity accounts	(20.478)	(2.048.616)	-	(38.633)	(4.226.630)	-	-99,1%
Income for the period	11.261.855	899.095	7.119.183	21.245.977	1.854.979	15.148.021	-
Total stockholders' equity	75.364.673	62.526.184	67.194.273	142.178.718	129.001.714	142.974.318	10,2%
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>936.636.026</b>	<b>955.721.344</b>	<b>965.042.384</b>	<b>1.767.004.406</b>	<b>1.971.808.989</b>	<b>2.053.393.412</b>	<b>-10,4%</b>

<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
<b>OPERATING INCOME:</b>							
Interest and readjustment earned	73.181.194	96.417.384	93.151.804	138.059.491	198.924.787	198.206.113	-30,6%
Gains on brokerage operations	5.079.161	1.001.373	1.003.758	9.582.057	2.065.996	2.135.772	363,8%
Income from commissions	3.273.369	2.874.541	2.323.004	6.175.353	5.930.648	4.942.831	4,1%
Net gain on foreign exchange	1.524.587	4.542.908	522.870	2.876.199	9.372.760	1.112.549	-69,3%
Other operating income	371.767	467.884	99.457	701.355	965.321	211.621	-27,3%
Total operating income	83.430.079	105.304.091	97.100.892	157.394.455	217.259.513	206.608.887	-27,6%
Less:							
Interest and readjustment expensed	(54.119.683)	(75.339.255)	(73.328.661)	(102.099.126)	(155.437.168)	(156.026.918)	-34,3%
Loss on brokerage operations	(812.655)	(8.095.740)	(1.788.548)	(1.533.109)	(16.702.832)	(3.805.629)	-90,8%
Commission expenses	(201.653)	(216.733)	(228.516)	(380.427)	(447.155)	(486.232)	-14,9%
Net loss on foreign exchange							
Other operating expenses	(641.585)	(569.266)	(529.337)	(1.210.379)	(1.174.488)	(1.126.311)	3,1%
Gross operating income	27.654.502	21.083.098	21.225.829	52.171.414	43.497.869	45.163.796	19,9%
Salaries, wages, and other personnel expenses	(9.335.217)	(8.212.178)	(7.873.682)	(17.611.290)	(16.943.062)	(16.753.426)	3,9%
Administrative and other expenses	(5.021.975)	(4.461.102)	(4.246.632)	(9.474.172)	(9.203.980)	(9.035.879)	2,9%
Depreciation and amortization	(1.734.721)	(1.500.752)	(1.396.601)	(3.272.626)	(3.096.296)	(2.971.654)	5,7%
Net operating income	11.562.590	6.909.067	7.708.914	21.813.326	14.254.531	16.402.838	53,0%
Allowance for loan and investment losses	(3.460.600)	(6.296.881)	(1.801.485)	(6.528.572)	(12.991.492)	(3.833.156)	-49,7%
Recovery of loans written off	123.756	12.024	25.946	233.471	24.807	55.208	841,2%
Operating income	8.225.746	624.209	5.933.375	15.518.225	1.287.845	12.624.890	
<b>NON OPERATING RESULTS</b>							
Non operating income	568.152	1.764.984	1.346.629	1.071.844	3.641.450	2.865.325	-70,6%
Non operating expenses	(17.693)	(10.480)	(8.789)	(33.379)	(21.621)	(18.702)	54,4%
income from foreign branches	-	-	-	-	-	-	
Earnings from subsidiary investments	3.848.565	(8.615)	3.362.189	7.260.485	(17.774)	7.153.982	-40949,1%
Price-level restatement	(944.560)	(1.435.143)	(1.938.772)	(1.781.953)	(2.960.933)	(4.125.271)	-39,8%
Surplus before income taxes	11.680.210	934.956	8.694.632	22.035.222	1.928.967	18.500.225	
Income taxes	(728.355)	(846.401)	(1.087.028)	(1.374.073)	(1.746.264)	(2.312.951)	-21,3%
Surplus	10.951.855	88.555	7.607.604	20.661.149	182.703	16.187.273	
Voluntary loan loss allowance	310.000	810.540	(488.422)	584.828	1.672.276	(1.039.252)	-65,0%
<b>INCOME FOR THE PERIOD</b>	<b>11.261.855</b>	<b>899.095</b>	<b>7.119.183</b>	<b>21.245.977</b>	<b>1.854.979</b>	<b>15.148.021</b>	
<u>COMPANY INDEX</u>							
ROA = Income for the period/Total loans	1,77%	0,16%	1,34%				
ROE = Income for the period/Total stockholders' equity	14,9%	1,4%	10,6%				
Leverage=(Total Liabilities)/Total stockholders' equity	11,4	14,3	13,3				
Efficiency = (Gross Op Income-Net Op Income)/Gross Op Income	0,58	0,67	0,64				
Allowance(from balance)=Allowance/Tot Loans	1,9%	1,5%	0,8%				
Allowance(expenses)=Allowance/Tot Loans	0,5%	1,2%	0,3%				
Past due loans = Past due loans/Tot Loans	0,4%	0,3%	0,1%				
Allowance expenses (1)	(3.775.436)	(3.877.494)					
Loan loss expenses (2)	314.836	(2.419.387)					
(1)+(2)	(3.460.600)	(6.296.881)					
<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				