

Quarterly Earnings Report

2Q 2019



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Bci announces the creation of a new payment network for national commerce

The bank announced an agreement to establish a new card acceptance joint venture with EVO Payments Inc., a leading global provider of payment technology integration and acquirer solutions. This occurs in a scenario in which government authorities and market players are working for the national payment system to evolve from a single acquirer model to one with multiple acquirers with increased capabilities and competition.

EVO Payments, Inc. is a leading payment technology and services provider with 30 years of experience. It offers an array of innovative, reliable, and secure payment solutions to merchants ranging from small- and mid-size enterprises to multinational companies and organizations across the Americas and Europe. As a fully integrated merchant acquirer and payment processor in over 50 markets and 150 currencies worldwide, EVO provides competitive solutions that promote business growth, increase customer loyalty, and enhance data security in the markets it serves.

The project was created in order to work for businesses and people. With this new acquirer, businesses will have access to new products and will be able to deliver a better service to their customers, as well as greater security in their transactions.

With this initiative, along with MACH, is in line with our strategy of becoming a major player in the market in terms of payment solutions.

Bci issues green bond for US\$50 million

In order to contribute to environmental wellbeing and make a contribution to decelerating climate change, Bci issued this bond for a period of ten years for projects related to the financing of non-conventional renewable energy.

This placement - of a private nature with an Asian investor - is the second of "green" characteristics issued by the Bank and is the third investment instrument on environmental, social and corporate governance (ESG) issues.

This type of initiatives has allowed us to be part of the Dow Jones Sustainability MILA Pacific Alliance Index for the second year in a row.

Bci among the top three most attractive companies to work for in Chile

Our bank aims to be the best place to work and develop, maintaining its business culture while adopting new ways to work and organize.

In this sense, we feel proud that once again the Corporate Reputation Business Monitor (MERCOR) has recognized the bank for its work in attracting and retaining talent.

This great achievement is part of the essential aspects of Bci's culture and values and positions us in 3rd place among a select group of the 100 most attractive companies to work for in Chile.

FINANCIAL HIGHLIGHTS

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The bank reported net income of Ch\$112,358 million in 2Q19, amounting to Ch\$231,450 million in 1H19, and achieved an accrued market share of 16.03% as of June 2019. Bci's quarterly net income climbed 14.23% YoY. This can be attributed to a 22.27% increase in the financial margin and 22.39% in net fees, mainly as a result of the incorporation of TotalBank and Financial Services. In addition, there was a 58.27% increase in the exchange rate and financial operating income, and a -21.52% decrease in taxes, since in 2Q19 the exchange rate fell from January to June, thus decreasing the value of our asset (City National Bank) in dollars. The opposite of what was seen in the same period last year when the peso depreciated.

Operating expenses grew 19.66% YoY, mainly due to higher expenses related to the incorporation of TotalBank and Financial Services, as well as an increase in depreciation and amortization, write-offs and others after the implementation of IFRS 16.

Regarding provisions, there was a 35.91% increase in the provisions and write-off expense, as a result of the incorporation of Financial Services, as well as additional provisions of Ch\$8,500 million in 2Q19, as an anticipation of new regulatory requirements for standard models (group lending).

The ROAE this quarter was 12.80%, increasing 12 basis points YoY but lower than the 13.10% in 1Q19, taking into account higher equity levels after the recent capital increase.

In 2Q19, Bci's loan portfolio amounted to Ch\$31,329,114 million, growing 8.68% YoY with a market share of 16.95% as of June, and 13.69% excluding CNB. This quarter's YoY growth reached a lower level than in 1Q19, since the incorporation of TotalBank was in mid-June 2018, thus it only includes the particular effect of the Walmart Financial Services portfolio.

In addition, we would like to highlight that our US operations account for 26.2% of our portfolio, with CNB achieving 10.99% YoY growth in 2Q19.

Chart 1:
Net Income variation by line (Ch\$ billion)

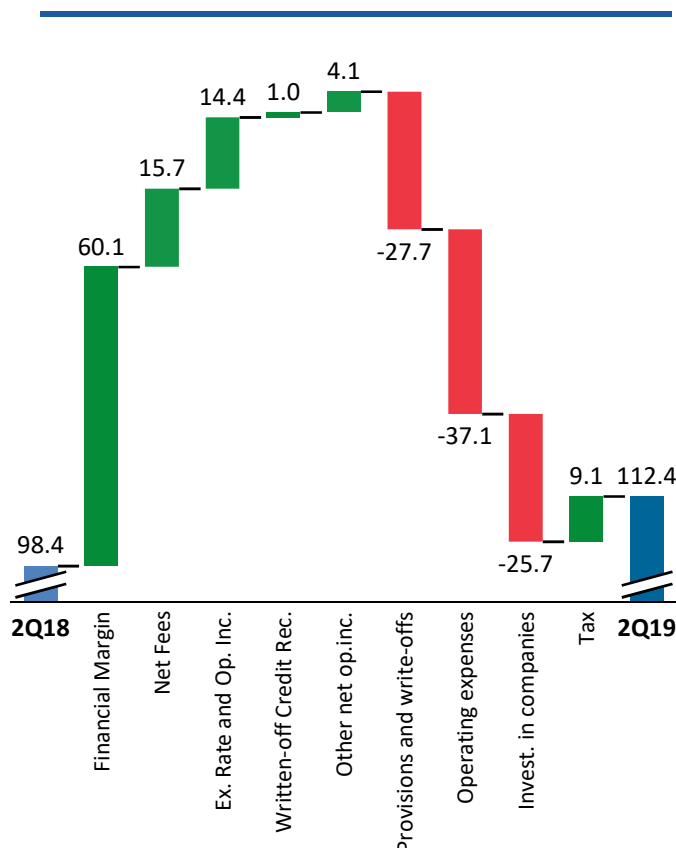
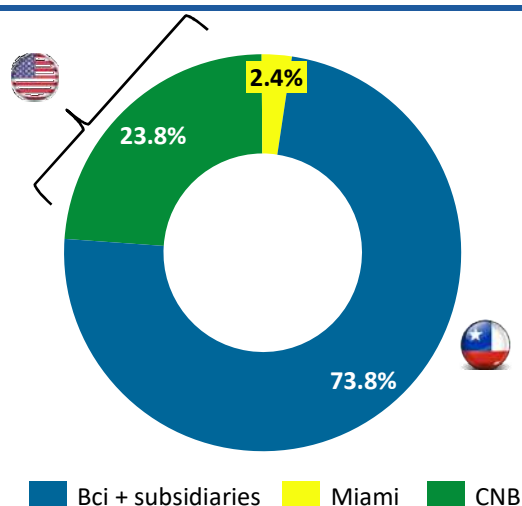


Chart 2:
Total Loans



FINANCIAL RESULTS

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Net Income

The Bank posted net income of Ch\$112,358 million in 2Q19, which was a 14.23% increase YoY and a -5.65% decrease QoQ.

In a QoQ analysis, higher inflation had a positive impact on the financial margin (+5.49%), while provisions and write-offs decreased this quarter (-10.92%), partly explained by a lower amount of additional provisions. Nevertheless, this was offset by higher taxes (+243.77%), since 1Q19 was particularly low due to a drop in the exchange rate which led to a favorable impact in terms of taxes. In addition, this quarter our bottom line was affected by a decrease in investment in companies (-83.31%) after the bank sold its last Credicorp shares in 1Q19 for Ch\$8 billion.

Gross Margin

Bci's gross margin* was Ch\$474,459 million in 2Q19, increasing 25.13% YoY. Such increase was mainly due to a higher loan volume, especially consumer loans that increased 27.99%, followed by mortgages increasing 9.93%. It should be highlighted that Financial Services made a Ch\$60 billion contribution to the consolidated net interest income in this six-month period.

Moreover, net fees increased 22.39% YoY after adding Financial Services. The former Walmart Chile financial business accounted for 12.40% of the consolidated net fee income, and around 70% of the YoY increase with more than Ch\$20 billion.

Financial Margin

The greater loan volume increased our financial margin. This quarter there was a 18.81% interest and indexation income increase, particularly driven by mortgage and commercial loans as a result of higher inflation (0.9% in 2Q19 versus 0.6% in 1Q19).

The annual growth, in turn, is mainly explained by a 45.74% increase in consumer loans as a result of the interest generated by the credit card business, in line with our strategy of increasing our consumer loan weight within our product mix..

Chart 3:
Net Income (Ch\$ million)

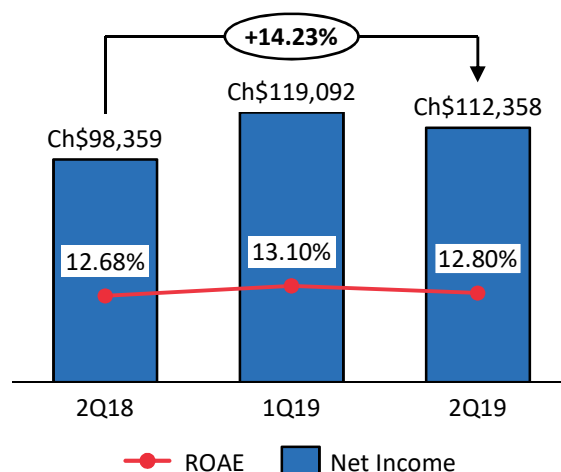


Chart 4:
Gross Margin¹

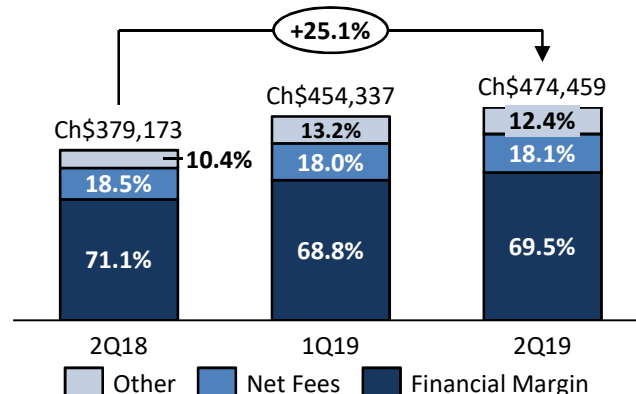
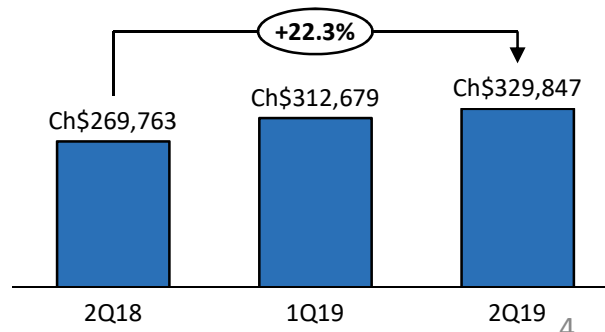


Chart 5:
Financial Margin



¹Gross margin calculated according to the CMF definition, including income from recovery of penalties.

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Fees

Bci's net fees amounted to Ch\$85,764 million in 2Q19, which was a 22.39% increase YoY and a 4.95% increase QoQ.

The YoY increase is also in line with the consolidation of TotalBank and Financial Services.

It should be highlighted that after 6 months of operations, Financial Services adds more than Ch\$20 billion of net fee income and makes an important contribution in this area.

Regarding Bci on a standalone basis, we can see a QoQ recovery since last quarter, when insurance brokerage remunerations were affected by a seasonality effect and also by adjustment issues after the incorporation of Nova (mass retail segment) to the Bank, that also decelerated the sale and collection of consumer loans. However, the expectation is for this line to gradually recover in the following months, as we have seen this quarter.

On the other hand, expenses from fees and services increased 1.40% QoQ and 14.83% YoY.

Foreign Exchange and Financial Operating Income

The net foreign exchange and financial operating income amounted to Ch\$39,016 million in 2Q19, decreasing -12.15% QoQ but increasing 58.27% YoY.

The foreign exchange income was -Ch\$25,164 million last quarter, mainly explained by a lower net result of derivatives in hedge accounting, while the financial operating income amounted to Ch\$64,180 million, which was mainly driven by positive results in financial investments available for sale. It should be noted that this 1H19 the bank has also generated greater income by selling treasury papers in EUR and USD.

Chart 6:
Net Fees (Ch\$ billion)

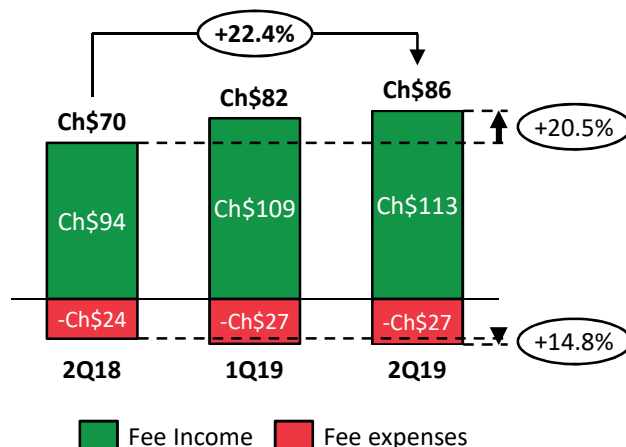


Chart 7:
Fee Distribution

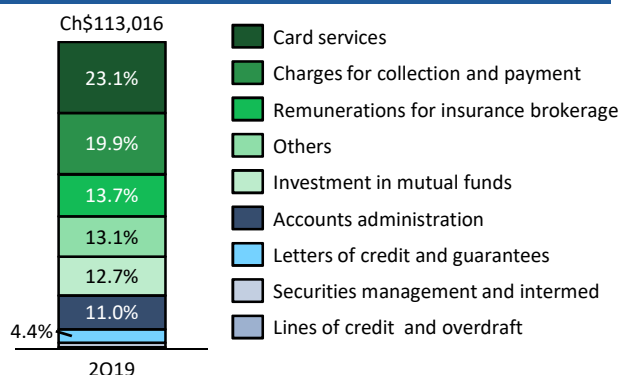
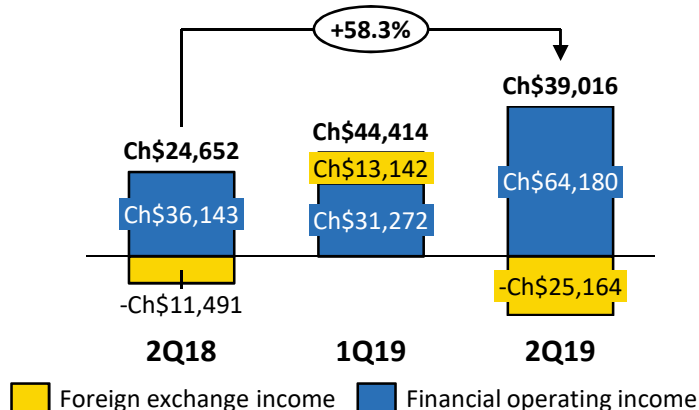


Chart 8:
Net Foreign Exchange and Financial Income



FINANCIAL RESULTS

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Operating Expenses

OPEX increased 3.78% QoQ and 19.66% YoY.

HR-related expenses represent around half of these, growing 21.93% YoY and mainly driven by last year's acquisitions. Indeed, currently CNB and Financial Services account for around 23% of operating expenses. It should be noted that these expenses would increase roughly around 4% YoY when excluding CNB and Financial Services.

Bci achieved an efficiency ratio of 47.70% in 2Q19, continuing with a positive trend this 1H19 and in line with our guidance of a 200 bp reduction by the end of the year. It should be highlighted that this ratio rises slightly to 48% excluding City National Bank.

Loan Loss Provisions

The provision and write-off expense in 2Q19 was Ch\$104,731 million, increasing 35.91% YoY, while the stock of additional provisions made amounted to Ch\$86,833 million as of June 2019.

The above is partly explained by Ch\$20 billion of provision expenses in 2Q19 from Financial Services, which in turn was lower than the previous quarter as a result of a model calibration made in June. When excluding this effect, provisions and write-off expenses would have grown 10.34% YoY.

Regarding the implementation of new regulatory requirements for standard models (group lending) it should be noted that in terms of results, the main effect will be reflected in July. However, it is important to consider that since last year we have been preparing for the implementation of this update in credit risk models by establishing additional provisions. An example of this is that during the first 6 months of the year, we have anticipated this new regulation by constituting additional provisions, representing total expenditure as of June of Ch\$22.5 billion.

Chart 9:
Net Operating Expenses and Efficiency

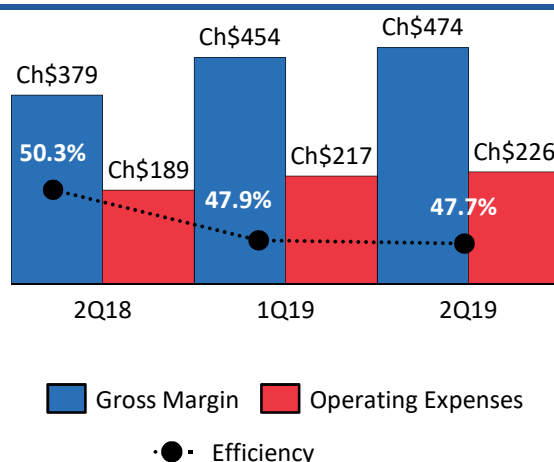
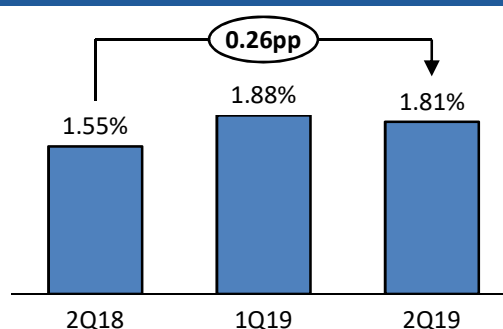


Chart 10:
Provisions / Total Loans



*According to CMF methodology. Since the 1Q18 report, it no longer considers the additional provisions.

FINANCIAL RESULTS

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Non-Performing Loans

In this quarter, we have seen higher NPLs in the consumer and commercial segments as shown in the chart.

In the consumer segment, this ratio reached 2.41%, and 2.09% when excluding CNB and Financial Services. This increase can be attributed to the following effects:

First, the incorporation of Financial Services, which is a business with higher profitability but also riskier. By June, its NPL ratio was 3.8%.

Also, this 1H19 we have integrated Nova customers to Bci, which allows Nova's former clients to access a wider range of products and services. It should be noted that after the migration of this portfolio, during this "transition period" we have seen an impact on sales and on NPLs. The reason for this increase is mainly explained by adjustments in the collection models towards a centralized process, which was previously leveraged in the same branches. It is important to mention that, according to our analysis, we are already entering a collection regime and as a result we should expect an improvement in the following months.

Regarding the commercial portfolio, we have seen a greater deterioration in the SME segment. This is in line with a more complex macroeconomic scenario where we have seen a greater slowdown in the economy.

On the other hand, taking a closer look at the Wholesale segment, the higher NPL ratio is explained by specific cases related to real estate projects, located in the northern area, where they have been reorganizing (LIR) and that we expect to recover in the medium term. It is estimated that there will be no significant increases in NPL regarding real estate projects, with no specific events in the future.

Chart 11:
Non-Performing Loans

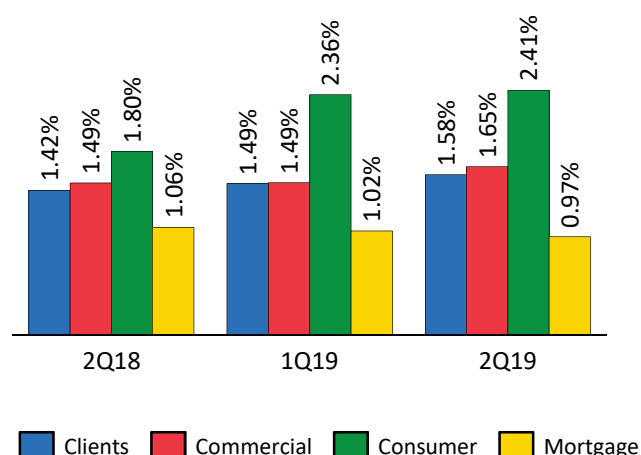
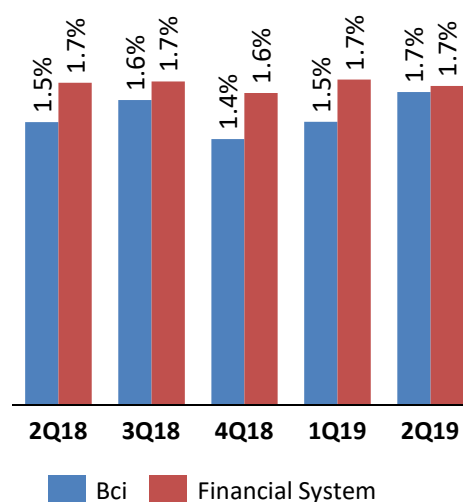


Chart 12:
Non-Performing Loans- Commercial segment¹



¹Source: CMF.

LOAN PORTFOLIO

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Bci's total loan portfolio amounted to Ch\$31,329,114 million in 2Q19, increasing 1.61% QoQ and 8.62% YoY, as a result of our organic and inorganic growth. If we exclude City National Bank, our loan growth would be 7.91% YoY. Loans to clients were Ch\$30,995,259 million.

This accounts for a 16.95% market share as of June and 13.69% excluding City National Bank of Florida and Itaú's investment in Colombia.

Commercial Loans

In the commercial segment, we have seen as slowdown in terms of growth, which can be attributed to several factors.

First, there are some macroeconomic factors to bear in mind like lower than expected economic activity in 1H19.

In addition, in the corporate segment we have seen that large clients are looking for funding by issuing bonds rather than banking loans, taking advantage of the historically low rates that have increased market liquidity.

Finally, we have seen a more competitive environment in terms of prices that might be affecting growth in this segment.

Nevertheless, it is important to mention that we have a strong commitment to increasing profitability, which leads to higher spreads and a greater focus on cross-selling rather than volume generation.

Bci achieved a market share of 14.20% as of June (excluding CNB), decreasing almost 100 basis points YoY. When considering placements abroad, Bci is still the leader in the segment with Ch\$19,584,950 million, accounting for 18.80% of the banking system and 3.6 pp ahead of second place.

Chart 12:
Total Loans by Product

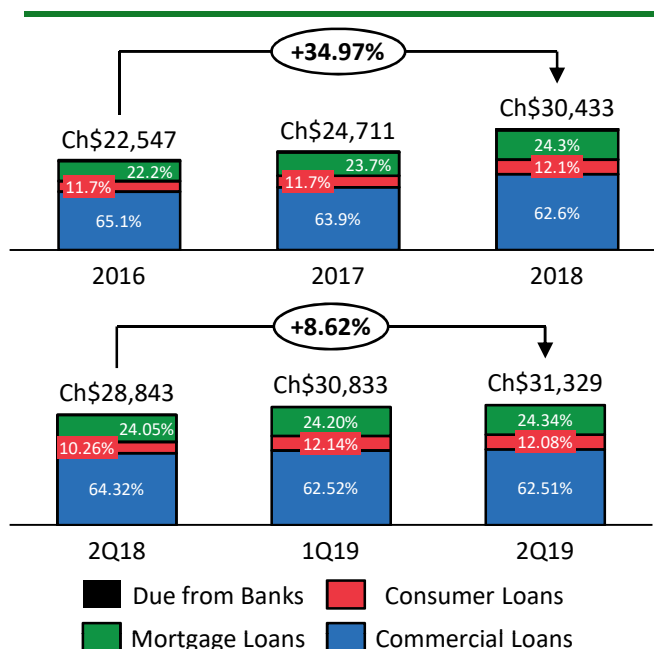
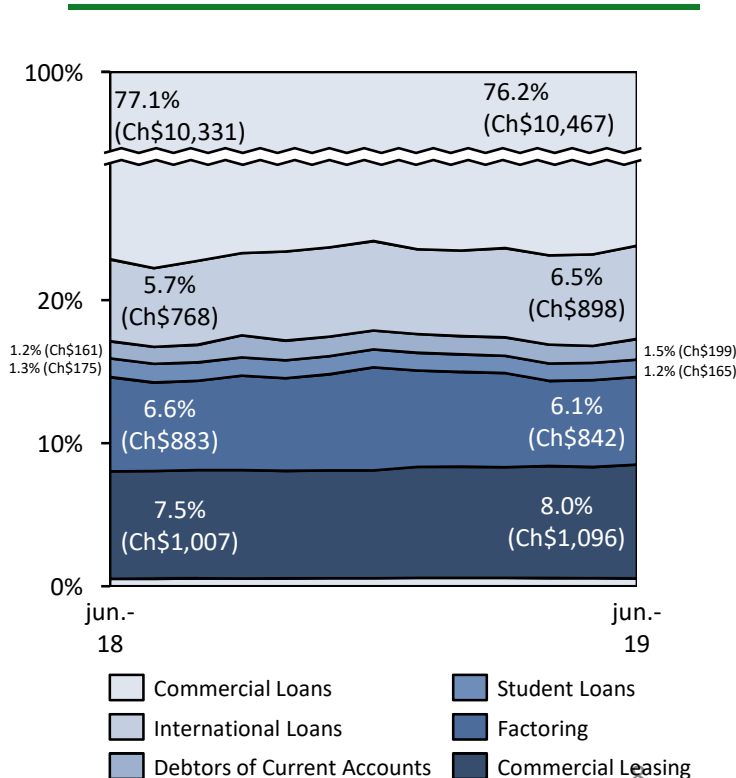


Chart 13:
Commercial Loans excluding CNB



LOAN PORTFOLIO

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Mortgage Loans

Mortgage loans continue to be a key part of the strategy to improve our retail portfolio, and the bank achieved 9.93% YoY growth, rising to 10.54% when excluding CNB.

This 1H19 in particular has been positive in terms of spread, moving to 0.80 from 0.78 in 2H18, in line with the bank's plan to increase profitability. Indeed, based on our analysis, a customer with a mortgage at Bci has a return of three times as much as one without this product.

Finally, regarding customer journeys, since June Bci customers can now ask for a fully-digital mortgage loan when buying used properties under certain conditions¹.

Consumer Loans

Consumer loans were one of the products that grew the most year-on-year (+27.99%) after the incorporation of Financial Services (former Walmart's financial business), which allowed us to increase our market share to 14.69% at the end of March.

The Financial Services portfolio grew almost 3% QoQ, while maintaining stable risk levels.

Excluding Financial Services, our loan growth would be 7.38% YoY, below our initial expectations. Some of the underlying factors are the integration process of incorporating Nova, a macroeconomic slowdown and a higher competitive environment in terms of prices that have affected loan generation.

Regarding credit cards, it should be highlighted that MACH prepaid credit cards have soared, reaching outstanding growth rates (33.21% QoQ and 1,402.38% YoY). Furthermore, this number should increase further since now this credit card can be used on some large national e-commerce platforms through Webpay (Redcompra).

Chart 14:

Product Mix Composition (Excluding CNB)

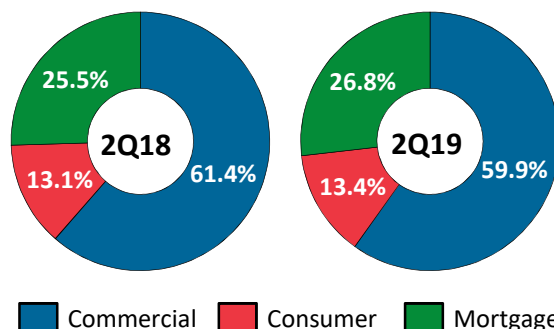


Chart 15:

Credit Cards (Excluding Additional Cards - Million)

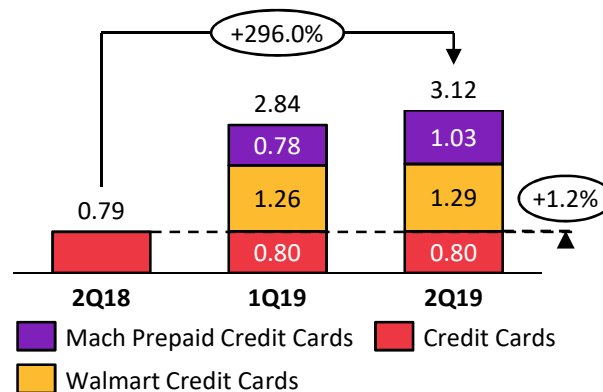
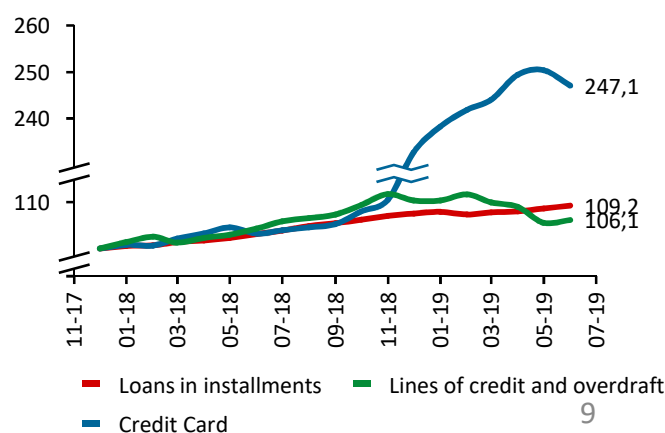


Chart 16:

Growth by Product excluding CNB (Base 100)²



¹ Maximum two sellers. Urban properties only.

² Figures do not include the cards of the recent acquisition of Walmart Servicios Financieros, those of City National Bank or of Miami Branch.

DEPOSITS & PRODUCT STOCK

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NIBDs and Time Deposits

Non-interest-bearing deposits (NIBDs) amounted to Ch\$12,056,700 million in 2Q19, decreasing -0.85% QoQ and accounting for 38.48% of the total loans as of June 2019. CNB accounts for 53.84% of the consolidated NIBDs.

Bci's accrued NIBD market share¹ decreased from 13.70% in 1Q19 to 12.51% as of June 2019.

The balance of time deposits in 2Q19 was Ch\$12,742,888 million, decreasing -0.56% YoY, with a 13.18% market share as of June.¹ Despite this YoY volume decrease, it should be highlighted that the bank is focusing on managing deposit spreads, which in turn increases profitability.

Product Stock

We can see that checking accounts in the first quarter had a slight 0.81% increase QoQ, but grew 5.56% YoY.

One important event this quarter was that Bci joined Google and Visa to become one of the first banks in Chile to allow purchases by mobile phone using the Google Pay application. To use this new form of payment, users must have an Android phone with contactless technology and subscribe their Bci Visa credit card to the Google Pay app.

We estimate that Bci customers who have Android cell phones and who use the bank's mobile application account for nearly 75%, which means that about 200,000 people will be able to access this new payment method. It should be noted that this payment system operates in 29 countries such as the United States, Brazil and Singapore, among others.

Regarding MACH, we already reached almost 1.5 million total users by the end of June, and more than 1 million MACH prepaid credit cards, which account for over 50% of the number of international credit card operations. In addition, it has one of the best ratings in the app store and on Google Play within banks and fintechs.

Chart 17:
NIBDs and Time Deposits

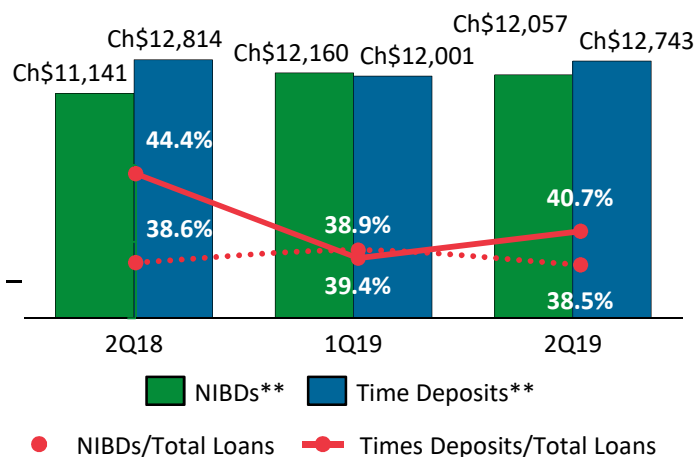
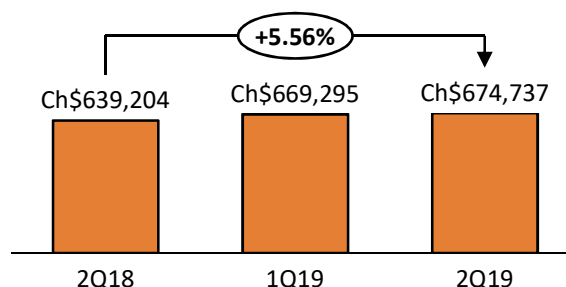


Chart 18:
Number of Checking Accounts



MACH Figures



1.448 million
users



1.033 million
Credit cards



4.7/4.6
Stars in App Store/Play Store



93%
Support User satisfaction

¹Excludes Corpbanca in Colombia and City National Bank of Florida.

CAPITAL ADEQUACY

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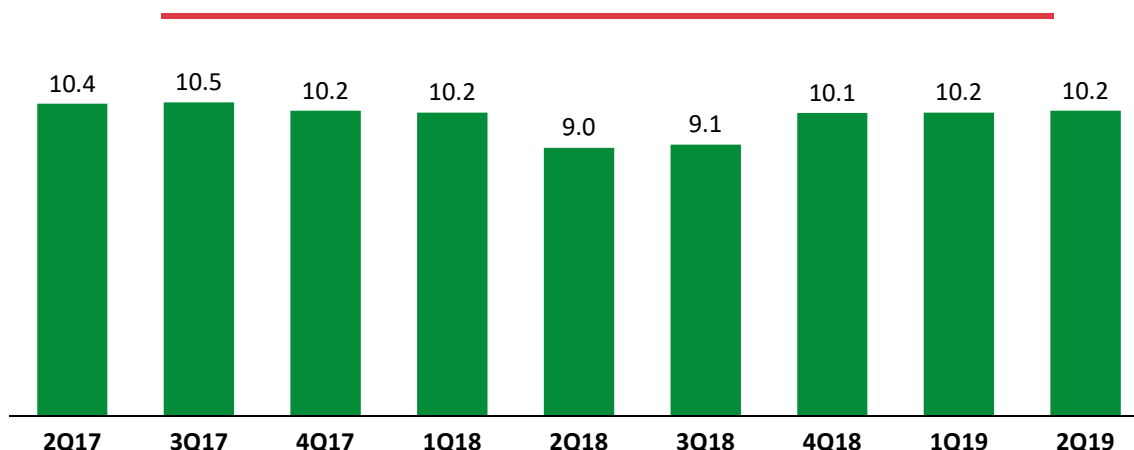
As of June 2019, basic capital increased 25.03% YoY to Ch\$3,576,397 million, due to the following:

→The 2018 retained earnings (70%), which as of December 2018 were Ch\$277,056 million, amounted to Ch\$17,074 million more than those as of December 2017 .

→The local requirements of the regulatory capital to risk-weighted assets ratio is 12.76% over 8%.

The highest growth of risk-weighted assets (RWA) came from CNB this quarter (13.3% YoY). Nevertheless, local loans had the greatest RWA growth of 9% YoY. The increase of the current regulatory basic capital to RWA ratio by 106 basis points is explained by the capital increase last December 2018, which added Ch\$401,058 million according to our commitment to maintain our Tier 1 capital level goal.

Chart 20:
Tier 1: Basic capital / Average risk-weighted assets



New General Banking Law (LGB)

On January 15 the LGB was approved by the President. Among other aspects, it includes a regulation asking the banks for more and better quality capital (the capital of the risk-weighted assets indicator, Tier1), and a new structure for supervision with the Financial Market Committee (CMF, according to the Spanish acronym) as the new banking regulator, absorbing the current regulator (SBIF) and starting on June 1, 2019. All these changes are being done according to the schedule. The next step of this new regulator is to publish the regulation, according to the LGB ratios, to receive enquiries and publish the final regulation during the next months.

In general, the main private banks in Chile would be well prepared for these new capital requirements, but we are still waiting for the definition of countercyclical and systemic buffers, as well as other pending definitions such as credit risk weights and capital requirements for SME loans that will be included in the previous published regulation for enquiries. Regarding Bci, our projections indicate that, if the CMF publish similar regulation as the Standard of Basel III, the Bank will not have any problems to meet the new regulatory requirements.

CITY NATIONAL BANK OF FLORIDA

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We are proud of the growth and transformation that has taken place at CNB over the last few years as we continue to build the premier Florida banking franchise.

Our 1H2019 results clearly demonstrate our ability to serve as a consolidator in one of the best markets in the United States, while our loan growth was driven by organic loan production by all of our lines of business. Capital remains a strength, asset quality is strong, and all of our profitability ratios demonstrate a favorable trend.

*CNB CFO,
José Marina*

City National Bank of Florida (CNB) announced financial results for Q2 2019, in which total assets increased by \$269 million in the quarter with the loan & lease portfolio contributing \$262MM of the growth, translating to a 10% annualized loan growth rate for the quarter. The investment portfolio, on the other hand, declined by \$348MM in the quarter, driving a \$166MM decline in FHLB advances as well.

Net income totaled \$39MM in the quarter & \$77MM YTD, a 48% improvement over each time frame, while Core earnings increased by \$48MM or a more significant 61% year-over-year since core earnings does not consider the impact of the \$6MM of quarterly intangible amortization resulting from the TotalBank transaction.

Net interest income increased by 33% YoY, but declined by 2% from the 1st to 2nd quarter due to higher premium amortizations on the bond portfolio.

Regarding non interest income, fee revenue continues to be an area of opportunity as the bank moves forward. Earlier this year, CNB launched its wealth management unit and it continues looking for opportunities in the secondary loan market to generate fee income in the future.

It should be noted that while operating income has increased by 35% YoY following the TotalBank acquisition, non-interest expenses have only increased by 12% as the Bank enhances its efficiency.

On the Liability side of the balance sheet, deposits are our primary source of funding at 78%, other borrowings are at 9% and are primarily comprised of FHLB funding. While our non-interest bearing deposit activity was relatively flat in the quarter, our YTD growth is strong at \$126MM, an annualized 8% growth rate. Non-interest bearing deposits represent 29% of the total deposit base.

CNB's capital position remains a strength. Tier 1 Capital has grown as a result of the Bank's strong earnings and was supplemented in 2018 with Bci's \$570 million capital contribution to facilitate the TotalBank acquisition and ensure the Bank has sufficient capital to meet its organic growth needs in the short and medium term.

Regarding asset quality, NPLs are at significantly low levels, comprising only 0.26% of CNB's total loans – the lowest level over the past 6 years.

CNB's key priorities for the second part of the year are to continue focusing on regulatory excellence, asset quality, sales effectiveness and diversification along business and geographic lines

About City National Bank of Florida

Headquartered in Miami, City National Bank (CNB) is the financial institution to which Floridians have turned for 70 years. With more than \$14 billion in assets, CNB is one of the largest financial institutions based in the state.

City National Bank is a subsidiary of the Chilean bank, Banco de Credito e Inversiones (Bci), and remains a South Florida-based community bank with local decision-making. City National Bank is rated 5 stars "Superior" by BauerFinancial. CNB was voted Best Community Bank, Best Business Bank, Best Bank for Commercial Real Estate, Best Bank for Jumbo Loans, Best Private Bank and Best Foreign National Mortgage Lender by the readers of the Daily Business Review. CNB offers a diversified portfolio of financial products and services from Miami-Dade County to Central Florida.

STOCK PERFORMANCE

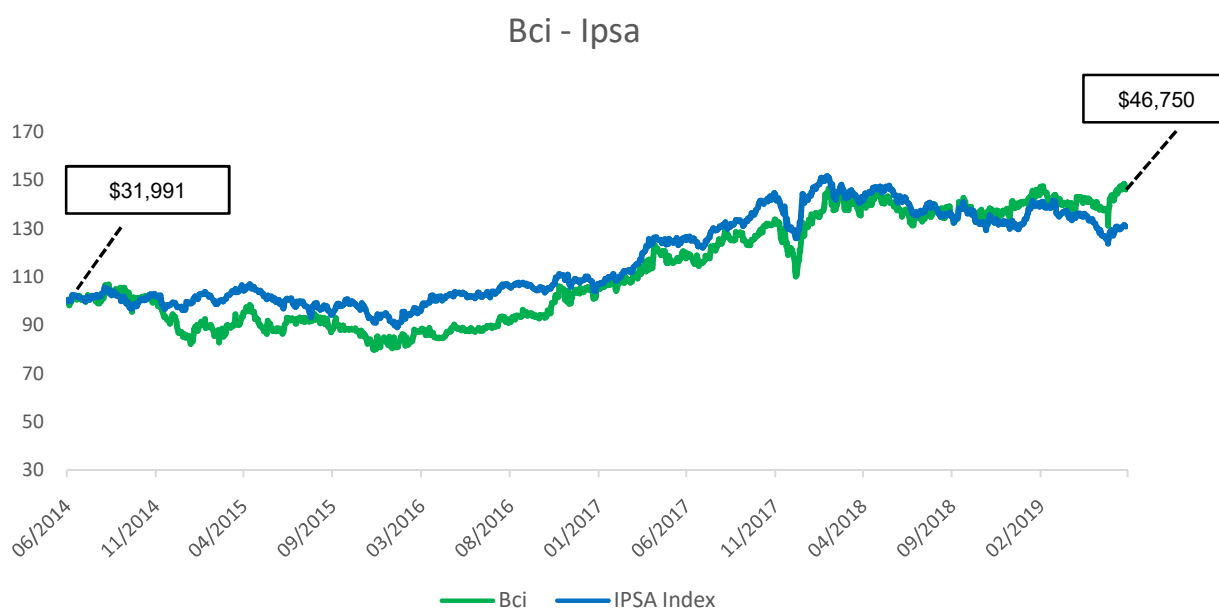
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Bci Stock Performance

Chart 21*:
Bci Stock Performance



Bci's stock performance since June 2014, including dividends, has been accrued profitability of 46.09%, slightly below the 30.99% profitability of the selective share price index (IPSA).

Bci's stock profitability in 2Q19 was 7.46% against -3.59% of the IPSA in the same period.

	2Q18	1Q19	2Q19
Closing Price	43,474	43,504	46,750
Minimum Price**	42,004	43,504	42,000
Maximum Price	46,394	47,198	47,500
Profitability 12m Bci **	21.30%	-2.89%	7.54%
Profitability 12m IPSA	11.67%	-5.10%	-4.35%
P/B (times)	1.9	1.7	1.8
Market Capitalization (MCh\$)	\$ 5,431,853	\$ 5,911,888	\$ 6,352,997
Equity (MCh\$)	\$ 2,861,279	\$ 3,533,360	\$ 3,577,298

Source: Bloomberg.

* The profitability index and stock price exclude dividends

** Minimum and maximum prices correspond to closing prices within the quarter.

APPENDIX

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Table 1:
Main indicators
Banco de Crédito e Inversiones

	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Financial Indicators					
Total loans ⁽¹⁾	28,842,999	30,832,985	31,329,114	1.61%	8.62%
Net Income	98,359	119,092	112,358	-5.65%	14.23%
Total assets ⁽²⁾	39,375,578	41,727,136	43,090,581	3.27%	9.43%
Total shareholders' equity	2,861,279	3,533,360	3,577,298	1.24%	25.02%
ROAE ⁽³⁾	12.68%	13.10%	12.80%	-0.30 pp	0.12 pp
ROAA ⁽³⁾	1.01%	1.03%	1.02%	-0.01 pp	0.01 pp
Efficiency ratio ⁽⁴⁾	50.25%	47.85%	47.70%	-0.15 pp	-2.55 pp
Provision for loan losses / Total loans	1.55%	1.88%	1.81%	-0.07 pp	0.26 pp
Tier 1 ⁽⁵⁾	8.98%	10.15%	10.22%	0.06 pp	1.24 pp
Regulatory capital / Risk-weighted assets	11.78%	12.77%	12.84%	0.07 pp	1.06 pp
Operational Indicators					
Headcount	10,300	12,004	12,042	0.32%	16.91%
Bci ⁽⁶⁾	9,694	9,420	9,421		
CNB ⁽⁷⁾	606	823	826		
SSFF	-	1,761	1,795		
Commercial contact points	337	326	300	-7.98%	-10.98%
Bci	311	295	269		
CNB ⁽⁷⁾	26	31	31		
N° of ATMs	1,247	1,069	1,066	-0.28%	-14.51%

(1) Ch\$ million. Includes interbank loans

(2) For presentation purposes current tax is stated in liabilities as tax payable

(3) Last 12-month income divided by average equity/assets of last 13 months.

(4) According to CMF methodology. Since the 1Q18 Earnings Report it no longer considers additional allowances

(5) Tier 1: Basic capital / Average risk-weighted assets.

(6) Includes Bci Miami and Rep. Offices

(7) Includes TotalBank figures

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Table 2:
Consolidated Income Statement (P&L)
Banco de Crédito e Inversiones

Ch\$ million	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Financial Margin	269,763	312,679	329,847	5.49%	22.27%
Net Fees	70,076	81,722	85,764	4.95%	22.39%
Exchange Rate and Operating Income	24,652	44,414	39,016	-12.15%	58.27%
Written-off Credit Recovery	14,327	12,933	15,343	18.63%	7.09%
Other net operating income	355	2,589	4,489	73.39%	1164.51%
Gross Margin	379,173	454,337	474,459	4.43%	25.13%
Provisions and write-offs	-77,057	-117,567	-104,731	-10.92%	35.91%
Operating expenses	-188,556	-217,418	-225,626	3.78%	19.66%
Net Operating Income	113,560	119,352	144,102	20.74%	26.90%
Investments in companies	27,253	9,432	1,574	-83.31%	-94.22%
Income before taxes	140,813	128,784	145,676	13.12%	3.45%
Tax	-42,454	-9,692	-33,318	243.77%	-21.52%
Net Income	98,359	119,092	112,358	-5.65%	14.23%

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Table 3:
Consolidated Balance Sheet*
Banco de Crédito e Inversiones

Ch\$ million	2Q18	1Q19	2Q19
Cash and deposits in banks	2,357,958	1,612,599	2,047,074
Items in course of collection	605,433	575,877	359,546
Trading portfolio financial assets	2,188,290	2,092,770	2,322,206
Investments under agreements to resell	194,053	128,036	114,981
Derivative financial assets	1,463,753	1,593,964	2,422,876
Loans and receivables to banks, net	396,552	350,344	333,182
Loans and receivables to customers, net	27,999,186	29,903,937	30,428,713
Financial investments available for sale	2,606,954	3,234,779	2,904,995
Financial investments held to maturity	851	2,392	679
Investments in other companies	75,058	25,048	26,141
Intangibles assets	307,187	373,087	372,087
Property, plant and equipment, net	281,621	258,177	261,204
Leasing good right-of-use asset	-	245,370	232,139
Current income tax	3,697	9,192	52,252
Deferred income tax	85,039	178,008	96,787
Other Assets	809,946	1,143,556	1,115,719
Total Assets	39,375,578	41,727,136	43,090,581
Current accounts and demand deposits	11,141,298	12,160,053	12,056,700
Items in course of collection	494,087	493,403	303,972
Liabilities under agreements to repurchase	690,714	545,623	450,090
Term deposits and savings accounts	12,814,052	12,000,622	12,742,888
Derivative financial agreements	1,628,683	1,749,915	2,618,363
Borrowings from financial institutions	2,234,627	2,537,939	2,618,774
Debt issued	5,815,890	6,280,815	6,604,922
Other financial liabilities	811,838	947,534	860,893
Leasing contract obligations	-	223,920	213,261
Current income tax	56,055	122,295	7,267
Deferred income tax	717	856	2,630
Provisions	235,025	342,877	278,862
Other Liabilities	591,313	787,924	754,661
Total Liabilities	36,514,299	38,193,776	39,513,283
Capital	2,733,631	3,134,898	3,134,898
Reserves	109	109	260,010
Accumulated other comprehensive income	-18,657	37,075	19,508
Retained Earnings	145,422	360,402	161,981
Non-controlling interest	774	876	901
Total Shareholders' Equity	2,861,279	3,533,360	3,577,298
LIABILITIES & SHAREHOLDERS' EQUITY	39,375,578	41,727,136	43,090,581

* Results published at: <https://www.bci.cl/investor-relations/financial-statements>

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Table 4:
Gross Margin & Financial Margin

Ch\$ million	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Financial Margin	269,763	312,679	329,847	5.49%	22.27%
Net Fees	70,076	81,722	85,764	4.95%	22.39%
Other	39,334	59,936	58,848	-1.82%	49.61%
Gross Margin	379,173	454,337	474,459	4.43%	25.13%

Ch\$ million	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Interest and indexation income	440,301	493,821	586,687	18.81%	33.25%
Interest and indexation expense	-170,538	-181,142	-256,840	41.79%	50.61%
Total Financial Margin	269,763	312,679	329,847	5.49%	22.27%

Breakdown: Interest and indexation income	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Loans and accounts receivable with clients	427,415	448,522	580,556	29.44%	35.83%
Commercial loans	244,327	261,745	317,460	21.29%	29.93%
Consumer loans	91,247	130,820	132,987	1.66%	45.74%
Mortgage loans	89,826	53,955	127,829	136.92%	42.31%
Prepaid fees	2,015	2,002	2,280	13.89%	13.15%
Loans to banks	4,186	3,741	4,638	23.98%	10.80%
Financial investments	19,406	24,132	26,682	10.57%	37.49%
Others	-10,706	17,426	-25,189	--	--
Total	440,301	493,821	586,687	18.81%	33.25%

Breakdown: Interest and indexation expense	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Total deposits	-93,410	-109,641	-117,449	7.12%	25.73%
Instruments issued	-71,365	-43,582	-102,228	134.56%	43.25%
Others	-5,763	-27,919	-37,163	33.11%	544.86%
Total	-170,538	-181,142	-256,840	41.79%	50.61%

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Table 5:
Net Fees

Ch\$ million	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Fee income	93,809	108,597	113,016	4.07%	20.47%
Fee expenses	-23,733	-26,875	-27,252	1.40%	14.83%
Net Fees	70,076	81,722	85,764	4.95%	22.39%

Income from Fees and Services	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Lines of credit and overdraft	615	869	862	-0.81%	40.16%
Letters of credit and guarantees	5,052	5,116	4,926	-3.71%	-2.49%
Accounts administration	11,515	12,243	12,402	1.30%	7.70%
Charges for collection and payment	13,510	22,877	22,501	-1.64%	66.55%
Investment in mutual funds	13,546	12,868	14,306	11.18%	5.61%
Card services	24,768	27,072	26,161	-3.37%	5.62%
Securities management and intermed	1,724	1,538	1,606	4.42%	-6.84%
Remunerations for insurance brokerage	14,272	13,771	15,484	12.44%	8.49%
Others	8,807	12,243	14,768	20.62%	67.68%
Total	93,809	108,597	113,016	4.07%	20.47%

Expense from Fees and Services	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Costs for card operations	10,720	11,363	11,613	2.20%	8.33%
Operations with securities	4,408	4,756	5,062	6.43%	14.84%
Other	8,605	10,756	10,577	-1.66%	22.92%
Total	23,733	26,875	27,252	1.40%	14.83%

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Table 6:

Breakdown of Foreign Exchange and Financial Operating Income

Ch\$ million	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Foreign exchange income	-11,491	13,142	-25,164	-	-
Financial operating income	36,143	31,272	64,180	105.23%	77.57%
Net Foreign Exchange and Financial Operating Income	24,652	44,414	39,016	-12.15%	58.27%

Table 7:

Operating Expense Breakdown

Ch\$ million	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
HR-related expenses	98,712	117,583	120,358	2.36%	21.93%
Management	74,317	74,954	79,056	5.47%	6.38%
Dep. Amort. & Write-offs & others	15,527	24,881	26,212	5.35%	68.82%
Operating Expenses	188,556	217,418	225,626	3.78%	19.66%

Table 8:

Breakdown of Total Loans

Ch\$ million	2Q18	1Q19	2Q19	2Q19/ 1Q19	2Q19/ 2Q18
Interbank Loans	397,244	351,027	333,855	-4.89%	-15.96%
Client Loans	28,445,755	30,481,958	30,995,259	1.68%	8.96%
Commercial*	18,552,086	19,277,075	19,584,950	1.60%	5.57%
Consumer*	2,958,028	3,743,355	3,786,008	1.14%	27.99%
Mortgage*	6,935,641	7,461,528	7,624,301	2.18%	9.93%
Total Loans	28,842,999	30,832,985	31,329,114	1.61%	8.62%
Leasing	1,312,864	1,451,163	1,522,890	4.94%	16.00%
Foreign Exchange	768,010	850,511	897,701	5.55%	16.89%

* Note: Figures include leasing and foreign trade item.

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Table 9:
Risk Ratios

	2Q18	1Q19	2Q19
Provisions / Total Loans	1.55%	1.88%	1.81%
Provisions / Commercial Loans	1.43%	1.45%	1.39%
Provisions / Consumer Loans	5.07%	6.94%	6.80%
Provisions / Mortgage Loans	0.46%	0.51%	0.49%
NPL Coverage (1)	128.83%	144.62%	133.75%
NPL Coverage (2)	110.59%	127.66%	115.97%
NPL Commercial Coverage (2)	95.40%	97.18%	83.96%
NPL Consumer Coverage (2)	281.16%	293.94%	282.32%
NPL Mortgage Coverage (2)	43.93%	50.08%	50.73%
NPL Bci (Consolidated)	1.42%	1.49%	1.58%
NPL Bci (Excluding subsidiaries)	1.77%	1.87%	2.01%
90 + Days Delinquent loan Portfolio / Commercial loans	2.04%	2.15%	2.43%
90 + Days Delinquent loan Portfolio / Consumer loans	1.86%	2.07%	2.14%
90 + Days Delinquent loan Portfolio / Mortgage loans	1.21%	1.22%	1.14%

(1) NPL Coverage = stock of mandatory provisions + additional (consolidated balance sheet) / 90+ days delinquent loan portfolio (consolidated balance sheet).

(2) NPL Coverage = stock of mandatory provisions (consolidated balance sheet) / 90+ days delinquent loan portfolio (consolidated balance sheet).

Table 10:
Capital Adequacy

Ch\$ million	2Q18	1Q19	2Q19
Basic Capital	2,860,506	3,532,484	3,576,397
3% of Total Assets	1,266,831	1,348,849	1,368,383
Excess over minimum required capital	1,593,675	2,183,635	2,208,014
Basic Capital / Total Assets	6.77%	7.86%	7.84%
Regulatory Capital	3,607,782	4,279,135	4,331,924
Risk-Weighted Assets	30,616,936	33,503,864	33,728,577
10% of Risk-weighted assets	3,061,694	3,350,386	3,372,858
Excess over regulatory capital	117.8%	127.7%	128.4%
Regulatory capital over Risk-Weighted Assets	11.78%	12.77%	12.84%

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Table 11:
Simulation: Bci and CNB Income Statement (P&L) – June 30, 2019

Ch\$ million	Bci+Subsidiaries + Miami Branch	Bci Financial Group	SSFF	Adjustment	Consolidated
Interest Income	823,062	195,930	72,569	-11,053	1,080,508
Interest Expense	-375,203	-62,568	-11,264	11,053	-437,982
Net Interest Income	447,859	133,362	61,305	0	642,526
Fees and income from services	176,213	13,371	32,029	0	221,613
Fees and expense from services	-41,581	-1,291	-11,255	0	-54,127
Net fee income	134,632	12,080	20,774	0	167,486
Trading and investment income, net	92,946	2,506	0	0	95,452
Foreign exchange gain (loss), net	-12,124	0	102	0	-12,022
Other operating income	13,138	5,039	5,746	0	23,923
Operating Income	676,451	152,987	87,927	0	917,365
Provision for loan losses	-146,776	-2,966	-44,280	0	-194,022
Operating Income, net of provisions	529,675	150,021	43,647	0	723,343
Personnel salaries and expenses	-183,004	-40,633	-14,304	0	-237,941
Administrative expenses	-115,039	-21,190	-17,781	0	-154,010
Depreciation and amortization	-40,560	-8,587	-1,946	0	-51,093
Impairment	-54	0	0	0	-54
Other operating expenses	-15,492	-820	-479	0	-16,791
Operating expenses	-354,149	-71,230	-34,510	0	-459,889
Net operating income	175,526	78,791	9,137	0	263,454
Gain attributable to investments in other companies	80,240	0	0	-69,234	11,006
Income before tax	255,766	78,791	9,137	-69,234	274,460
Income tax	-24,316	-16,411	-2,283	0	-43,010
Net income from continuing operations	231,450	62,380	6,854	-69,234	231,450
Net income from discontinued operations	0	0	0	0	0
Net Income	231,450	62,380	6,854	-69,234	231,450

*On October 16, 2015, Banco de Crédito e Inversiones completed the acquisition of City National Bank of Florida. In 2018, Bci acquired TotalBank through CNB (June) and Walmart Financial Services (December)

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Table 12:
Simulation: Bci and CNB Balance Sheet – June 30, 2019

Ch\$ million	Bci+Subsidiaries+ Miami Branch	Bci Financial Group	SSFF	Adjustment	Consolidated
ASSETS		Owner CNB(¹)			
Cash and deposits in banks	1,625,009	415,721	24,621	-18,277	2,047,074
Items in course of collection	359,546	0	0	0	359,546
Trading portfolio financial assets	2,301,467	20,739	0	0	2,322,206
Investments under agreements to resell	114,981	0	0	0	114,981
Derivative financial agreements	2,389,212	33,664	0	0	2,422,876
Loans and receivables from banks, net	333,182	0	0	0	333,182
Loans and receivables from customers, net	22,495,187	7,337,813	595,713	0	30,428,713
Financial investments availables for sale	1,005,613	1,899,382	0	0	2,904,995
Financial investments held to maturity	0	679	0	0	679
Investments in other companies	1,241,246	0	0	-1,215,105	26,141
Intangible assets	234,810	133,226	4,051	0	372,087
Property, plant and equipment, net	203,845	55,203	2,156	0	261,204
Leasing good right-of-use asset	157,301	62,096	12,742	0	232,139
Current income tax	45,508	6,744	0	0	52,252
Deferred income taxes	74,948	0	21,839	0	96,787
Other assets	1,387,993	254,898	37,925	-565,097	1,115,719
TOTAL ASSETS	33,969,848	10,220,165	699,047	-1,798,479	43,090,581
LIABILITIES					
Current accounts and demand deposits	5,570,629	6,491,808	12,540	-18,277	12,056,700
Items in course of collection	303,972	0	0	0	303,972
Obligations under agreements to repurchase	383,755	66,335	0	0	450,090
Time deposits and savings accounts	11,218,273	1,524,536	79	0	12,742,888
Derivative financial agreements	2,579,353	39,010	0	0	2,618,363
Borrowings from financial institutions	2,618,774	0	0	0	2,618,774
Debt issued	6,604,922	0	0	0	6,604,922
Other financial obligations	45,454	815,439	0	0	860,893
Leasing contract obligations	144,037	56,345	12,879	0	213,261
Current income tax	432	0	6,835	0	7,267
Deferred income taxes	1,254	1,376	0	0	2,630
Provisions	228,481	39,223	11,158	0	278,862
Other liabilities	694,113	18,254	607,391	-565,097	754,661
TOTAL LIABILITIES	30,393,449	9,052,326	650,882	-583,374	39,513,283
SHAREHOLDERS' EQUITY					
Capital	3,134,898	629,232	86,096	-715,328	3,134,898
Reserves	260,010	480,829	-7,603	-473,226	260,010
Accumulated other comprehensive income	19,508	-5,453	-7,722	13,175	19,508
Retained earnings:	0	0	0	0	0
Retained earnings from previous periods	0	0	-29,459	29,459	0
Net income for the year	231,402	62,332	6,853	-69,185	231,402
Less: Accrual for minimum dividends	-69,421	0	0	0	-69,421
TOTAL EQUITY OF EQUITY HOLDERS OF THE BANK	3,576,397	1,166,940	48,165	-1,215,105	3,576,397
Non-controlling interest	2	899	0	0	901
TOTAL SHAREHOLDERS' EQUITY	3,576,399	1,167,839	48,165	-1,215,105	3,577,298
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	33,969,848	10,220,165	699,047	-1,798,479	43,090,581

Table 14:
Provisions – Bci and CNB – June 30, 2019

Ch\$ million	Bci+Subsidiaries+ Miami Branch	Bci Financial Group	SSFF	Consolidated
Total Loans				
Consumer	3,062,829	46,407	676,772	3,786,008
Mortgage	6,139,185	1,485,116	0	7,624,301
Commercial	13,739,214	5,845,736	0	19,584,950
Total	22,941,228	7,377,259	676,772	30,995,259
Provisions				
Consumer	-175,881	-436	-81,059	-257,376
Mortgage	-28,660	-8,678	0	-37,338
Commercial	-241,500	-30,332	0	-271,832
Total	-446,041	-39,446	-81,059	-566,546
Write-Offs				
Consumer	83,304	10	42,513	125,827
Mortgage	4,487	0	0	4,487
Commercial	44,669	539	0	45,208
Total	132,460	549	42,513	175,522
Recoveries				
Consumer	14,348	4	3,562	17,914
Mortgage	2,028	0	0	2,028
Commercial	8,035	299	0	8,334
Total	24,411	303	3,562	28,276
Impaired Portfolio Chile				
Consumer	282,665	1,930	52,076	336,671
Mortgage	211,723	9,833	0	221,556
Commercial	762,855	8,842	0	771,697
Total	1,257,243	20,605	52,076	1,329,924

QUARTERLY EARNINGS REPORT

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Any reference to future events, forecasts or trends made by Banco de Crédito e Inversiones ("the Bank") involves risks and is subject to the uncertainty of events that may occur and are not under the control of the Bank, and they may affect its performance and financial results. The Bank does not bind itself to update its references to future events, forecasts or trends, even if it is evident, based on past experience or certain indicative events, that the forecast made or inferred by the Bank will not be met.