



Consolidated Interim Financial Statements

March 31, 2014 and 2013



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BANCO DE CREDITO E INVERSIONES AND ITS SUBSIDIARIES
CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION



	Notes	<u>March 31,</u> 2014 MCLP\$	<u>December 31,</u> 2013 MCLP\$
Assets			
Cash and deposits in banks	5	1,390,368	1,261,766
Items in course of collection	5	925,532	698,013
Trading portfolio financial assets		928,719	1,042,536
Investments under agreements to resell		151,146	195,021
Derivative financial agreements		1,774,066	1,269,280
Loans and receivables from banks, net		125,041	106,151
Loans and receivables from customers, net	6	14,268,212	14,089,071
Financial investments available for sale		791,468	934,351
Investments in other companies		85,007	80,093
Intangible assets		85,045	83,346
Property, plant and equipment, net		232,186	233,019
Current income tax provision		7,383	-
Deferred income taxes		57,040	56,846
Other assets		272,380	197,176
TOTAL ASSETS		<u>21,093,593</u>	<u>20,246,669</u>
LIABILITIES			
Current accounts and demand deposits		3,912,637	3,920,617
Items in course of collection	5	812,131	552,895
Obligations under agreements to repurchase		316,117	335,701
Time deposits and saving accounts		7,752,593	7,707,698
Derivative financial agreements		1,804,598	1,232,264
Borrowings from financial institutions		1,493,855	1,504,728
Debt issued	7	2,979,063	2,908,623
Other financial obligations	7	67,009	71,860
Current income tax provision		-	3,026
Deferred income taxes		41,201	40,199
Provisions		114,294	181,359
Other liabilities		215,692	205,599
TOTAL LIABILITIES		<u>19,509,190</u>	<u>18,664,569</u>
EQUITY			
Attributable to equity holders of the Bank:			
Capital	9	1,547,126	1,381,871
Accumulated other comprehensive income	9	(22,507)	(9,978)
Retained earnings:			
Net income for the period	9	85,404	300,294
Less: Accrual for minimum dividends	9	(25,621)	(90,088)
TOTAL EQUITY OF EQUITY HOLDERS OF THE BANK		<u>1,584,402</u>	<u>1,582,099</u>
Non-controlling interest		<u>1</u>	<u>1</u>
TOTAL SHAREHOLDERS' EQUITY		<u>1,584,403</u>	<u>1,582,100</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>21,093,593</u>	<u>20,246,669</u>

Notes 1 to 11 are an integral part of these consolidated interim financial statements.

BANCO DE CREDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED INTERIM STATEMENTS OF INCOME FOR THE PERIOD



	Notes	For the three-month periods ended	
		March 31,	
		2014	2013
		MCLP\$	MCLP\$
Interest income		333,180	276,616
Interest expense		(142,726)	(122,429)
Net interest income		190,454	154,187
Income from services fees		63,480	59,763
Expenses from services fees		(13,860)	(13,748)
Net service fee income		49,620	46,015
Trading and investment income, net		61,017	1,819
Foreign exchange gains, net		(33,172)	17,617
Other operating income		7,221	4,095
Operating income		275,140	223,733
Provisions for loan losses		(58,247)	(46,401)
OPERATING INCOME, NET OF LOAN LOSSES, INTEREST AND FEES		216,893	177,332
Personnel salaries and expenses		(63,810)	(59,572)
Administrative expenses		(37,589)	(36,865)
Depreciation and amortization		(9,741)	(10,072)
Impairment of fixed assets		-	-
Other operating expenses		(6,243)	(6,917)
TOTAL OPERATING EXPENSES		(117,383)	(113,426)
TOTAL NET OPERATING INCOME		99,510	63,906
Gain attributable to investments in other companies		1,617	2,157
Income before income tax		101,127	66,063
Income tax		(15,723)	(12,017)
CONSOLIDATED NET INCOME FOR THE PERIOD		85,404	54,046
Attributable to:			
Equity holders of the Bank		85,404	54,046
Non-controlling interest		-	-
		85,404	54,046
Earnings per share attributable to the equity holders of the Bank (stated in CLP\$)			
Basic earnings/ diluted earnings per share	9	\$797	\$ 511

Notes 1 to 11 are an integral part of these consolidated interim financial statements.

BANCO DE CREDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED INTERIM STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD



	For the three-month periods ended March 31,	
	2014 MCLP\$	2013 MCLP\$
CONSOLIDATED NET INCOME FOR THE PERIOD	85,404	54,046
Other comprehensive income for the period, net of income tax:		
Translation differences of foreign operations:		
Net gain on investment hedging from foreign operations	2,940	(590)
Total translation differences of foreign operations	2,940	(590)
Cash flow hedges:		
Net gain/ (loss) on cash flow hedges	(21,746)	(2,543)
Net amount transferred to income	(38)	219
Total cash flow hedges	(21,784)	(2,324)
Available for sale investments		
Net gain/ (loss) on available for sale investments	2,602	(2,065)
Net amount transferred to income	268	(701)
Total available for sale investments	2,870	(2,766)
Income tax attributable to other comprehensive income		
Income tax attributable to available for sale investments	(912)	362
Income tax attributable to cash flow hedges	4,357	289
Total income tax attributable to other comprehensive income	3,445	651
Total other comprehensive income	(12,529)	(5,029)
Total comprehensive income for the period	72,875	49,017
Comprehensive income attributable to:		
Comprehensive income attributable to equity holders of the Bank	72,875	49,017
Comprehensive income attributable to non-controlling interests	-	-
Total comprehensive income	72,875	49,017

Notes 1 to 11 are an integral part of these consolidated interim financial statements.

BANCO DE CREDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY



	Capital	Accumulated Other Comprehensive Income				Retained earnings				Total equity		
		Available for sale instruments	Cash flow hedges	Cumulative Translation Adjustment	Total	Retained earnings	Net income for the period	Provision minimum dividends	Total	Total attributable to equity holders of the Bank	Non-controlling interest	Total equity
As of January 1, 2013	1,202,180	17,425	9,219	1,253	27,897	-	271,256	(81,377)	189,879	1,419,956	1	1,419,957
Transfer to retained earnings	-	-	-	-	-	271,256	(271,256)	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-
Capitalization of reserves	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	(2,404)	(2,035)	(590)	(5,029)	-	-	-	-	(5,029)	-	(5,029)
Net income for period 2013	-	-	-	-	-	-	54,046	-	54,046	54,046	-	54,046
Provision for minimum dividends 2013	-	-	-	-	-	-	-	(16,214)	(16,214)	(16,214)	-	(16,214)
As of March 31, 2013	1,202,180	15,021	7,184	663	22,868	271,256	54,046	(97,591)	227,711	1,452,759	1	1,452,760
As of January 1, 2014	1,381,871	1,934	(17,619)	5,707	(9,978)	-	300,294	(90,088)	210,206	1,582,099	1	1,582,100
Transfer to retained earnings	-	-	-	-	-	300,294	(300,294)	-	-	-	-	-
Dividends paid	-	-	-	-	-	(135,039)	-	90,088	(44,951)	(44,951)	-	(44,951)
Capitalization of reserves	165,255	-	-	-	-	(165,255)	-	-	(165,255)	-	-	-
Other comprehensive income	-	1,958	(17,427)	2,940	(12,529)	-	-	-	-	(12,529)	-	(12,529)
Net income for period 2014	-	-	-	-	-	-	85,404	-	85,404	85,404	-	85,404
Provision for minimum dividends 2014	-	-	-	-	-	-	-	(25,621)	(25,621)	(25,621)	-	(25,621)
As of March 31, 2014	1,547,126	3,892	(35,046)	8,647	(22,507)	-	85,404	(25,621)	59,783	1,584,402	1	1,584,403

Notes 1 to 11 are an integral part of these consolidated interim financial statements.

BANCO DE CREDITO E INVERSIONES, SUCURSAL MIAMI Y FILIALES
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS



	For the three-month periods ended March 31,	
	2014	2013
	MCLP\$	MCLP\$
CASH FLOW (USED IN) PROVIDED BY OPERATING ACTIVITIES:		
CONSOLIDATED NET INCOME (LOSS) FOR THE PERIOD	101,127	66,063
Charges (credits) to income not representing cash flows:		
Depreciation and amortization	9,741	10,072
Impairment of fixed assets	-	-
Provision for loan losses	67,971	55,673
Provision for assets received in lieu of payment	-	-
Adjustment to fair value of financial instruments	(1,388)	(3,243)
Net loss from investment in companies	(1,617)	(2,157)
Net (gain)/loss from sale of assets received in lieu of payment	(1,675)	(883)
Gain from the sale of property, plant and equipment	(233)	(1)
Loss from the sale of property, plant and equipment	90	58
Write-off of assets received in lieu of payment	854	890
Income tax	(15,723)	(12,017)
Other credits to income not representing cash flows	(11,902)	(3,565)
Net variation for interest, indexation and fees accrued on assets	(37,316)	3,745
Net variation for interest, indexation and fees accrued liabilities	27,316	5,201
Changes in assets and liabilities affecting operating cash flows:		
Net (increase) decrease in loans and receivables from banks	(353)	4,765
Net (increase) decrease in loans and receivables from customers	(198,611)	(203,185)
Net (increase) decrease in investments	129,416	328,963
Net (increase) decrease in other demand deposits	(8,122)	15,074
Net (increase) decrease in obligations under agreements to repurchase	(19,572)	(71,839)
Net (increase) decrease in time deposits and savings accounts	70,626	(96,962)
Net (increase) decrease in borrowings from financial institutions	(38,463)	49,437
Net (increase) decrease in other financial obligations	(5,250)	(5,615)
Loans from Chile Central Bank (long-term)	6,859	413,395
Repayment of loans from Chile Central Bank (long-term)	-	(826,712)
Foreign borrowings (long-term)	3,298,069	1,173,870
Repayment of foreign borrowings (long-term)	(3,277,847)	(1,397,104)
Total cash flows (used in) provided by operating activities	93,997	(496,077)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(3,615)	(11,085)
Proceeds from sale of property, plant and equipment	235	2
Investments in other companies	-	-
Acquisitions of intangible assets	(8,177)	(5,653)
Investment dividends	-	-
Sale of assets received in lieu of payment or in foreclosure	3,569	952
Net (increase) decrease in other assets and liabilities	(17,400)	6,197
Total cash flows (used in) provided by investing activities	(25,388)	(9,587)
CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of letters of credit	(2,610)	(3,359)
Bond issuance	5,013	341,604
Bond redemption	16,029	(16,112)
Dividends paid	(135,039)	-
Total cash flows provided by financing activities	(116,607)	322,133
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE PERIOD	116,162	(116,220)
EFFECT OF THE VARIATIONS IN EXCHANGE RATE	(164,160)	(67,311)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,710,194	1,753,539
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,662,196	1,570,008

Notes 1 to 11 are an integral part of these consolidated interim financial statements.



Reconciliation of provisions for the Consolidated Statement of Cash Flows

	Al 31 de marzo de	
	2014	2013
	MM\$	MM\$
Provision for loan losses for the Consolidated Statement of Cash Flows	67,971	55,673
Recovery of written- off loans	(9,724)	(9,272)
Provision expense for loan losses	58,247	46,401



NOTE 1 – GENERAL INFORMATION

1.1 – GENERAL INFORMATION

The Bank

Banco de Crédito e Inversiones or Banco BCI (hereinafter “the Bank”) is a corporation incorporated in Chile and regulated by the Superintendency of Banks and Financial Institutions (SBIF). Its corporate domicile is El Golf number 125 in the community of Las Condes. The consolidated interim financial statements as of and for the three-month periods ended March 31, 2014 and 2013 includes the Bank and its subsidiaries listed below, as well as its Miami Branch. The Bank participates in all of the businesses and transactions permitted by the General Banking Law, including retail, corporate and real estate banking, large and medium size companies’ services, private banking and asset management services.

The consolidated interim financial statements of Banco BCI, Miami Branch and subsidiaries for the period ended March 31, 2014 and 2013 are prepared in accordance with the standards and instructions issued by the Superintendency of Banks and Financial Institutions in the Compendium of Accounting Standards issued on November 9, 2007.

The consolidated interim statement of other comprehensive income includes the net income for the period and other comprehensive income recognized in equity, including exchange differences in the translation of Chilean pesos from US dollars in the Miami Branch. The net income to be considered for distribution of dividends is the net income for the period attributable to the equity holders of the Bank, as stated in the consolidated interim statement of income.

1.2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

In accordance with the Compendium of Accounting Standards issued by the Superintendency of Banks and Financial Institutions (SBIF), the regulatory agency set up under Article 15 of the General Banking Law, pursuant to legal provisions, banks must apply the accounting criteria issued by that Superintendency and, in all such matters not specifically covered by it, provided they do not contradict its instructions, they must abide by the generally accepted accounting criteria, which are the technical standards issued by the Chilean Association of Accountants (Colegio de Contadores de Chile A.G.) which are consistent with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Accordingly, the Bank declares that the financial information as of the end of the first quarter of 2014 and 2013 has been taken from the corresponding consolidated interim financial statements at these dates, prepared in accordance with the Accounting Standards and Specific Institutions issued by the Superintendency of Banks and Financial Institutions (SBIF).

In accordance with IAS 34, the interim financial information is prepared solely to update the contents of the most recent annual Consolidated Financial Statements, highlighting new activities, events and circumstances that have occurred in the three- month period after year-end and not duplicating the information previously reported in the most recent Consolidated Financial Statements.

Given the above, these Consolidated Interim Financial Statements do not include all of the information that would be required of the full Consolidated Financial Statements prepared in accordance with the International Financial Reporting Standards issued by the IASB. Therefore, for an adequate understanding of the information included in these Consolidated Interim Financial Statements, they must be read together with the Annual Consolidated Financial Statements of Banco de Crédito e Inversiones for the year ended December 31, 2013.

The accounting policies applied in preparing these financial statements are consistent with those applied in the annual financial statements.

Other than those disclosed in the financial statements at December 31, 2013, there have been no new standards or amendments to existing standards that would have a material effect on the financial position or results of operation of the Bank for the period ended March 31, 2014.



The Consolidated Interim Financial Statements comprise the consolidated financial statements of the Bank and its controlled entities (subsidiaries) as of March 31, 2014 and 2013. Control is achieved where the Bank is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Bank controls an investee if and only if it meets all of the following:

- I. power over the investee (ie, has rights that give it the current ability to direct the relevant activities of the investee);
- II. exposure, or rights, to variable returns from its involvement with the investee; and
- III. ability to use its power over the investee to affect the amount of return for the investor

When the Bank has less than a majority of the voting rights of an investee, but these voting rights are sufficient to have the practical ability to direct the relevant activities unilaterally, it is concluded that the Bank has control. The Bank considers all relevant factors and circumstances in evaluating whether the voting rights are sufficient for control, these include:

- the amount of voting rights held by the Bank in relation to the amount and dispersion of maintaining other vote holders;
- potential voting rights held by the investor, other vote holders or other parties;
- rights arising from other contractual arrangements;
- any additional facts and circumstances that indicate that the investor has or does not have the current ability to direct the relevant activities at the time these decisions need to be taken, including the patterns of voting behavior in previous meetings of shareholders.

The Bank reassesses whether it has control over an investee when events or circumstances indicate that there are changes in one or more control elements listed above.

The loss of control leads to a fall in asset and liabilities of the entity that has ceased to be a subsidiary of the consolidated statement of financial position and the recognition of gain or loss associated with loss of control.

The consolidated interim financial statements comprise the separate (individual) financial statements of the Bank and the companies involved in the consolidation, and include the adjustments and reclassifications necessary to standardize the accounting policies and measurement bases used by the Bank, together with the elimination of all balances and transactions between the consolidated companies.

Additionally, the minority interest in the equity of the consolidated bank is presented as "Non-controlling Interest" in the consolidated statement of financial position. Its share in the profits of the year is presented as "income attributable to non-controlling interest" in the consolidated interim statement of financial position.

The following table shows the composition of entities over which the Bank has the ability to exercise control, therefore included in the scope of consolidation:

i. Entities controlled by the Bank through participation in equity

The consolidated interim financial statements include the assets, liabilities and income of the Bank and its subsidiaries as listed below:

Entity	Ownership interest			
	Direct		Indirect	
	March 2014	December 2013	March 2014	December 2013
	%	%	%	%
Análisis y Servicios S.A.	99.00	99.00	1.00	1.00
BCI Asset Management Administradora de Fondos S.A. (1)	99.90	99.90	0.10	0.10
BCI Asesoría Financiera S.A.	99.00	99.00	1.00	1.00
BCI Corredor de Bolsa S.A.	99.95	99.95	0.05	0.05
BCI Corredores de Seguros S.A.	99.00	99.00	1.00	1.00

BANCO DE CREDITO E INVERSIONES AND SUBSIDIARIES
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BCI Factoring S.A.	99.97	99.97	0.03	0.03
BCI Securitizadora S.A.	99.90	99.90	-	-
Banco de Crédito e Inversiones Sucursal Miami	100.00	100.00	-	-
Servicio de Normalización y Cobranza Normaliza S.A.	99.90	99.90	0.10	0.10
BCI Securities INC (2)	99.90	99.90	0.10	0.10
Incentivos y Promociones Limitada (3)	SE	SE	SE	SE

1) For the purposes of consolidation, the subsidiary consolidates its results with BCI Activos Inmobiliarios Fondo de Inversión Privado and Terrenos y Desarrollo S.A. (see ii) below)

2) BCI Securities Inc. is a subsidiary in the State of Florida, United States of America, whose line of business is stockbrokerage. The investment in this entity was authorized by the Superintendency of Banks and Financial Institutions on January 10, 2013 and by the Central Bank on February 21, 2013. To date, the company is in the process of obtaining a license to operate in the United States of America from the Financial Industry Regulatory Authority (FINRA).

3) Structured entity (SE) dedicated to promoting credit and debit card products. The Bank does not hold any ownership interest in that company.

ii. Entities controlled by the Bank through other considerations

Despite not owning the majority of voting rights, the following companies have been consolidated on the basis that the relevant activities (business supporting companies) of these are determined by the Bank and hence it has control:

<u>Entity</u>	Ownership interest			
	Direct		Indirect	
	March	December	March	December
	2014	2013	2014	2013
	%	%	%	%
BCI Activos Inmobiliarios Fondo de Inversión Privado (1)	40.00	40.00	-	-
Terrenos y Desarrollo S.A.(1)	100.00	100.00	-	-

(1) For purposes of consolidation, the subsidiary consolidates with BCI Activos Inmobiliarios Fondo de Inversión and Privado Terrenos y Desarrollo S.A

iii. Associates

Associates are those entities over which the Bank has the ability to exercise significant influence, but not control or joint control. Usually, this is evidenced by equal to or more than 20% of the voting rights in the company and is valued using the "equity method".

The following entities are considered "Associates", in which the Bank has an interest and are recognized by the equity method:

<u>Entity</u>	Participation	
	March	December
	2014	2013
	%	%
AFT S.A.	20.00	20.00
Centro de Compensación Automatizado ACH Chile	33.33	33.33
Sociedad Interbancaria de Depósitos de Valores S.A.	7.03	7.03
Transbank S.A.	8.72	8.72



Redbanc S.A.	12.71	12.71
Servipag Ltda.	50.00	50.00
Artikos Chile S.A.	50.00	50.00
Nexus S.A.	12.90	12.90
Combanc S.A.	10.93	10.93
Servicio de Infraestructura de Mercado OTC S.A. (1)	12.49	12.49
Credicorp Ltda.	1.87	1.88

(1) During 2013 a 12.49% participation was acquired in Servicio de Infraestructura de Mercado OTC S.A, which aims to manage the financial market infrastructure and service operation records of OTC derivatives.

iv. Investments in other companies

In this category are those entities in which the Bank has no control or significant influence. These investments are presented at purchase value (historical cost).

All consolidation eliminations and adjustments have been made and non-controlling interest has been recognized and presented in the consolidated interim statements of income under “Non-controlling interest”.

For the purposes of consolidation, the asset and liability accounts of the Miami Branch have been translated into Chilean pesos at the period-end exchange rate and the statement of income accounts at the average exchange rate for each month.

b) Standards approved and/or amended by the International Accounting Standard Board (IASB).

The following rules, interpretations and amendments are mandatory for the first time for the financial periods beginning after January 1, 2013:

Regulations	Mandatory for periods beginning on or after
IFRS 9 “ <i>Financial instruments</i> ”	To be determined
IFRS 14 “ <i>Regulatory deferral accounts</i> ”	January 1, 2016

IFRS 9 “Financial instruments”

This Standard introduces new requirements for the classification and measurement of financial assets and liabilities and hedge accounting. Originally the IASB decided that the date of mandatory application was to be January 1, 2015. Nevertheless, the IASB noted that this date does not allow sufficient time for entities to prepare for implementation, so it decided to publish the effective date when the project is closer to completion. So the effective date is to be determined, with immediate adoption permitted.

IFRS 14 “Regulatory deferral accounts”

IFRS 14 *Regulatory deferral accounts* was issued in January 2014 as an interim rule intended to improve the comparability of financial information from entities that are involved in activities with regulated prices. Many countries have industries that are subject to price regulation (eg gas, water and electricity), which can have a significant impact on revenue recognition (timing and amount) of the entity. This standard allows entities adopting IFRS for the first time to continue to recognize amounts related to price regulation under the previous GAAP requirements, however, displaying them separately. An entity that presents financial statements under IFRS should not implement this standard. Its application is effective starting on January 1, 2016 and early adoption is permitted.



Amendments and improvements

Mandatory for periods
beginning on or after

IAS 19 “Employee benefits”	July 1, 2014
IFRS 3 “Business combinations”	July 1, 2014
IAS 40 “Investment property”	July 1, 2014

IAS 19 “Employee benefits”

The amendments to IAS 19, issued in November 2013, apply to the contributions of employees or third parties to defined benefit plans. The purpose of the amendments is to simplify the accounting of contributions that are independent of the years of service of the employee; for example, transfers of employees are calculated according to a fixed percentage of salary. The amendments apply starting on July 1, 2014. Earlier application is permitted.

IFRS 3 “Business Combinations”

The *Annual Improvements cycle 2010-2012*, issued in December 2013, clarifies certain aspects of the accounting for contingent consideration in a business combination. The IASB notes that IFRS 3 Business Combinations requires that the subsequent measurement of a contingent consideration must be carried at fair value and thus removes references to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or other IFRS that potentially have other valuation bases that are not fair value. Reference to IFRS 9 *Financial Instruments* is allowed; however, IFRS 9 *Financial Instruments* is amended to clarify that a contingent consideration, whether it is a financial asset or liability, is measured at fair value through profit or loss or other comprehensive income depending on the requirements of IFRS 9 *Financial Instruments*. The amendments apply starting on July 1, 2014. Earlier application is permitted.

IAS 40 “Investment property”

The *Annual Improvements cycle 2011-2013*, issued in December 2013, clarifies that judgment is required in determining whether the acquisition of property investment is the acquisition of an asset, a group of assets or a business combination within the scope of IFRS 3 *Business Combinations* and that this judgment is based on the guidance of IFRS 3 *Business Combinations*. In addition, the IASB concluded that IFRS 3 *Business Combinations* and IAS 40 *Investment Property* are not mutually exclusive and judgment is required in determining whether a transaction is an acquisition of an investment property or if it is the acquisition of a group of assets or a business combination that includes an investment property. The amendments apply starting on July 1, 2014. Earlier application is permitted.

The Bank’s Management estimates that the adoption of these standards, amendments and interpretations will not have a significant impact on the consolidated interim financial statements.

c) Standards and instructions issued by the Superintendency of Banks and Financial Institutions (SBIF)

- Circular N°3.565 – On February 17, 2014 the SBIF issued this circular in order to supplement the instructions that are effective beginning in March 2014 regarding Chapter C-3 in order to widen the information of investments in foreign entities, the classification of controlled entities was eliminated, being replaced by new classifications; “Entities controlled in the country” and “Entities controlled abroad”.
- On January 8, 2014 the Superintendency of Banks and Financial Institutions instructed the Bank by a letter to the General Management to reclassify the Series F and G bonds (senior and junior, respectively) of Empresas La Polar.

The instructions given were applied for the end of the first quarter of 2014, according to the instructions and involved reclassifying the bonds described above from the category of available-for-sale to trading instruments, generating a loss in MCLP\$ \$ 2,069.



NOTE 2- ACCOUNTING CHANGES

During the period ended March 31, 2014, there have been no other accounting changes from the previous year affecting these consolidated interim financial statements.

NOTE 3 – SIGNIFICANT EVENTS

a) Bond issue and placement

- During the first quarter of 2014, only the following placement of bonds was made:

On February 10, 2014 the Bank issued a Series AF1 Bond for UF 225,000 with a yield of 3.05% and maturity date on August 1, 2017.

b) Distribution of dividends and capitalization of earnings

The Ordinary Shareholders' Meeting of March 25, 2014 approved distributing the 2013 net profits of MCLP\$ 300,294 as follows:

- Distribute a dividend of CLP\$1,260 per share for 107,174,450 shares issued and registered in the Register of Shareholders, which amounts to MCLP\$ 135,039
- Allocate the remaining balance of MCLP\$ 165,255 to the reserve fund for capitalization.

c) Increase in capital stock

On March 25, 2014, the Extraordinary Shareholders' Meeting approved, among other things, increasing the capital stock by MCLP\$ 165,255, by capitalizing retained earnings.

- 1) Capitalizing the amount of MCLP\$ 120,211, without issuing any shares and
- 2) Capitalizing the amount of MCLP\$45,044 by issuing 1,526,714 paid-in shares.

In accordance with its by-laws, the Bank's capital stock was MCLP\$ 1,381,871 divided into 107,174,450 no-par-value shares of the same series. As a result of the capital increase, the capital stock of Banco de Crédito e Inversiones is MCLP\$ 1,547,126, and it will be divided into 108,701,164 no-par-value shares of the same series.

These shares will be issued once approved by the SBIF, and the issuance and distribution agreed by the Board.

- As of March 31, 2014, the Bank has pending the finalization of the capital increase approved on September 26, 2013 in the Extraordinary Shareholders' meeting for MCLP\$ 198,876 through the issuance of 7,392,885 paid-in shares, which will be effective once the approval of the Superintendency of Banks and Financial Institutions has been obtained and the issuance registered. The Board of Directors of the Bank will agree the terms of the issuance and the placement of these new shares necessary for the capital increase, as well as the subscription and payment of such shares.

This increase will be made to address to the requirements of the Bank's management and the challenges of the market in which the Bank operates, and in particular, to be able to maintain the capitalization ratios and align the Bank's policies and the expectations of the market, classifiers and regulators after the acquisition of City National Bank of Florida in the United States of America.

The equivalent of 10% of the issuance of the capital increase is for a stock option program for collaborators.

d) Agreement with Bankia Spain for the acquisition of companies in the United States of America

At an extraordinary meeting of the Board of Directors of Banco Credito e Inversiones dated May 23, 2013, the authorization was agreed for the signing of the agreement with Bank Bankia, a company established in Spain, whereby, Banco Credito e Inversiones would acquire the share participation held by Bankia Group , as follows;



- CMF Holdings Florida
- City National Bank of Florida

The transaction is subject to obtaining the regulatory approvals of the relevant authorities in Chile, Spain and the US.

As stated in the aforementioned board meeting, the transaction is planned to become effective during the first half of 2014.

Banco Crédito e inversiones will acquire 100% of the share capital of CMF Holding Florida.

Additionally, Banco Crédito e Inversiones directly and indirectly will acquire 100% of the share capital or corporate capital of the City National Bank of Florida.

The consideration to be paid by Banco Credito e Inversiones will be for an approximate amount of US\$ 882.8 million.

Bank City National Bank of Florida, at the time of the agreement, has assets of US \$ 4.7 billion, deposits of US \$ 3.5 billion and loans of US\$ 2.5 billion.

In response to the limits established by the General Banking Law for this type of investment in subsidiaries abroad, for the acquisition and prior to making the investment, Banco Credito e Inversiones will carry out a capital increase in the amount equivalent of approximately MCLP\$ 198,876 through the issuance of 7,392,885 paid-in shares, which will take place after obtaining the approval of the Superintendency of Banks and Financial Institutions and registering the issuance. This allows the Bank to maintain capitalization ratios after the transaction similar to those current and aligned with the Bank's policy and expectations of markets, classifiers and regulators.

On February 18, 2014 the Superintendency of Banks and Financial Institutions by Official Letter No. 1478, authorized the acquisition of CM Florida Holdings Inc and indirectly holding bank subsidiary of City National Bank of Florida. On March 20, 2014 the approval from the Central Bank of Chile was received, only pending approval from other foreign regulatory agencies, in addition to the actual transfer of shares to complete the acquisition of CM Florida Holdings Inc. in the United States America.



NOTE 4 – BUSINESS SEGMENTS

Structure of the segments

Segment reporting is presented by the Bank based on the defined business structure, which is oriented at optimizing the client assistance with products and service, according to relevant commercial characteristics.

Business structure with four business segments

Commercial banking: This segment is aimed at a market composed mainly of companies whose annual sales are in excess of UF 80,000 per year. This segment encompasses different business units that report directly, such as Large Companies, Real Estate, Companies and Leasing Companies.

Retail banking: This segment includes individuals. The business units in this segment are Individuals, Preferential, Nova and Tbank.

Small and medium size entities: This new segment includes Entrepreneurs and Enterprising entities (sales of between UF 2,400 and UF 80,000) which were previously part of Commercial and Retail banking, respectively. It also includes Micro-entities which were previously included in Nova (with sales of less than UF 2,400).

Corporate and Investment Banking: Aimed at large corporations, financial institutions, and investors with solvent equity and within the capital markets that require high value financial services. It includes Wholesale trading, Corporate, Private and Finance banking.

Assignment of income from subsidiaries by client

Consistent with the client-focused strategy, the previous segments consider the income and expenses produced by the subsidiaries as a consequence of services for the Bank's clients in each segment.

In order to reflect the market conditions in funding the segments, the transfer rates between Finance and Commercial banking for demand deposits and time deposits are adjusted as they had the highest level of stability.

This criteria has been approved for the periods ending March 31, 2014 and 2013.

The management of the indicated commercial areas is measured under the concepts presented in this note, which are based on the same accounting principles applied in the consolidated interim statements of income for the period.

Expenses are allocated to the various segments in three stages:

Direct expenses: These are expenses that can be allocated directly to each of the cost centers of each segment; they are clearly recognizable and assignable. For example, personnel expenses, materials and equipment and depreciation.

Indirect expenses (centralized allocation of expenses): There are expenses recorded in common cost centers, which, according to the Bank's policy, are distributed to the various segments. For example, telephone expenses are distributed based on the number of employees per department, while real estate depreciation is recorded based on the number of square meters used, etc among others.

Support management expenses: These are allocated with consideration of the time and resources used by the various segments based on their requirements. These expenses are defined in advance and agreed to by the areas involved (user and support areas).



a) Income Statement 2014

	March 31, 2014				
	Commercial banking	Retail banking	Small and medium size entities	Corporate and investment Banking	Total Segments
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Net interest income	38,801	73,090	28,119	50,828	190,838
Net service fee income	6,254	27,706	6,693	8,269	48,922
Other operating income	6,927	5,915	1,925	23,814	38,581
Total operating income	51,982	106,711	36,737	82,911	278,341
Provisions for loan losses	(10,117)	(25,254)	(10,915)	(5,355)	(51,641)
Net operating income	41,865	81,457	25,822	77,556	226,700
Total operating expenses	(17,197)	(49,395)	(12,570)	(14,029)	(93,191)
OPERATING INCOME BY SEGMENT	24,668	32,062	13,252	63,527	133,509

b) Reconciliation of operating income by segment and the net income for the period 2014:

	MCLP\$
Operating income by segment	133,509
Unallocated net interest income	(384)
Unallocated net service fee income	698
Unallocated other operating income	(3,515)
Provisions for loan losses	(6,606)
Unallocated other corporate expenses (*)	(24,192)
Operating income	99,510
Investment income (**)	1,617
Income before income tax	101,127
Income tax	(15,723)
CONSOLIDATED NET INCOME FOR THE PERIOD	85,404

(*) Unallocated operating expense includes corporate expenses not directly identified with businesses due to their nature and they are therefore unallocated.

(**)The income for investment in companies contains income which cannot be identified directly with the indicated segments.

c) Volume of business 2014

	March 31, 2014				
	Commercial banking	Retail banking	Small and medium size entities	Corporate and investment Banking	Total Segments
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
ASSETS	4,983,135	5,874,436	1,687,603	8,548,419	21,093,593
LIABILITIES	4,588,409	5,405,783	1,549,548	7,965,450	19,509,190
EQUITY					1,584,403



d) Income statement 2013

	March 31, 2013				
	Commercial banking	Retail banking	Small and medium size entities	Corporate and investment Banking	Total Segments
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Net interest income	38,524	66,465	29,179	21,151	155,319
Net service fee income	7,473	25,700	7,126	5,496	45,795
Other operating income	5,245	3,262	1,012	15,560	25,079
Total operating income	51,242	95,427	37,317	42,207	226,193
Provisions for loan losses	(6,102)	(24,441)	(11,640)	(4,257)	(46,440)
Net operating income	45,140	70,986	25,677	37,950	179,753
Total operating expenses	(16,992)	(53,992)	(12,559)	(16,928)	(100,471)
OPERATING INCOME BY SEGMENT	28,148	16,994	13,118	21,022	79,282

e) Reconciliation of operating income by segment and the net income for the period 2013:

	MCLP\$
Operating income by segment	79,282
Unallocated net interest income	(1,132)
Unallocated net service fee income	220
Unallocated other operating income	(1,548)
Provisions for loan losses (Including additional loans)	39
Unallocated other corporate expenses (*)	(12,955)
Operating income	63,906
Investment income (**)	2,157
Income before income tax	66,063
Income tax	(12,017)
CONSOLIDATED NET INCOME (LOSS) FOR THE PERIOD	54,046

(*) Unallocated operating expense includes corporate expenses not directly identified with businesses due to their nature and they are therefore unallocated.

(**)The income for investment in companies contains income which cannot be identified directly with the indicated segments.

f) Volume of business 2013

	March 31, 2013				
	Commercial banking	Retail banking	Small and medium size entities	Corporate and investment Banking	Total Segments
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
ASSETS	4,260,783	5,222,056	1,602,129	6,882,033	17,967,001
LIABILITIES	4,582,800	5,629,824	1,721,159	4,580,458	16,514,241
EQUITY					1,452,760



g) Concentration of Clients

There are no clients that individually represent more than 10% of the income from the segments mentioned.

h) Transactions between segments

The main transaction between the segments corresponds to the rate of transfer (cost of funds) that the Corporate and Investment Banking segment applies to operations of assets and liabilities in the other segments. For asset related transactions, Corporate and Investment Banking charges a transfer fee, while for liability related transactions, Corporate and Investment Banking pays a fee.

NOTE 5 – CASH AND CASH EQUIVALENTS

a) Details of balances included within cash and cash equivalents, and their reconciliation with the consolidated interim statement of cash flows at each period end is as follows:

	As of March 31,	
	2014	2013
	MCLP\$	MCLP\$
Cash and deposits in banks		
Cash	321,461	311,921
Deposits in Central Bank of Chile	392,555	536,211
Deposits in local banks	5,147	7,487
Deposits abroad	671,205	442,389
Subtotal cash and deposits in banks	<u>1,390,368</u>	<u>1,298,008</u>
Items in course of collection, net	113,401	124,468
Highly liquid financial instruments	7,281	6,146
Investments under agreements to resell	151,146	141,386
Total cash and cash equivalents	<u>1,662,196</u>	<u>1,570,008</u>

The level of cash and deposits at the Central Bank of Chile meets the monthly average reserve requirements.

b) Items in the course of collection:

Items in the course of collection correspond to those transactions pending of settlement which will increase or decrease the funds at the Central Bank of Chile or in foreign Banks, usually within 12 or 24 hours. At each period end, details are as follows:

	As of March 31,	
	2014	2013
	MCLP\$	MCLP\$
Assets		
Outstanding notes from other banks	132,902	126,880
Funds receivable	792,630	569,314
Subtotal assets	<u>925,532</u>	<u>696,194</u>

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Liabilities		
Funds payable	812,131	571,726
Subtotal liabilities	<u>812,131</u>	<u>571,726</u>
Items in course of collection, net	<u>113,401</u>	<u>124,468</u>

NOTE 6 – LOANS AND RECEIVABLE FROM CUSTOMERS

a) Loans and receivables from customers

As of March 31, 2014 and December 31, 2013, the composition of the loan portfolio was as follows:

March 31, 2014	Assets before allowances			Allowances established			Net Assets
	Normal portfolio	Impaired portfolio	Total	Individual provisions	Group provisions	Total	
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Commercial loans:							
Commercial loans	6,822,557	370,485	7,193,042	(120,525)	(67,737)	(188,262)	7,004,780
Foreign trade loans	1,182,597	13,328	1,195,925	(23,043)	(159)	(23,202)	1,172,723
Checking accounts	90,891	18,205	109,096	(3,139)	(5,402)	(8,541)	100,555
Factoring operations	447,049	16,642	463,691	(10,276)	(1,332)	(11,608)	452,083
Leasing transactions	706,881	37,724	744,605	(11,168)	(1,719)	(12,887)	731,718
Other loans and receivables	165,188	20,605	185,793	(955)	(6,456)	(7,411)	178,382
Subtotal	<u>9,415,163</u>	<u>476,989</u>	<u>9,892,152</u>	<u>(169,106)</u>	<u>(82,805)</u>	<u>(251,911)</u>	<u>9,640,241</u>
Mortgage loans:							
Letters of credit	38,831	2,617	41,448	-	(245)	(245)	41,203
Endorsable mortgage loans	18,152	2,924	21,076	-	(222)	(222)	20,854
Other mortgage loans	2,734,459	141,334	2,875,793	-	(13,699)	(13,699)	2,862,094
Subtotal	<u>2,791,442</u>	<u>146,875</u>	<u>2,938,317</u>	<u>-</u>	<u>(14,166)</u>	<u>(14,166)</u>	<u>2,924,151</u>
Consumer loans:							
Consumer loans in installments	1,281,561	143,945	1,425,506	-	(73,835)	(73,835)	1,351,671
Checking accounts	79,969	6,337	86,306	-	(6,049)	(6,049)	80,257
Credit card debtors	263,510	8,115	271,625	-	(9,596)	(9,596)	262,029
Consumer leasing transactions	774	-	774	-	(2)	(2)	772
Other loans and receivables	8,778	314	9,092	-	(1)	(1)	9,091
Subtotal	<u>1,634,592</u>	<u>158,711</u>	<u>1,793,303</u>	<u>-</u>	<u>(89,483)</u>	<u>(89,483)</u>	<u>1,703,820</u>
TOTAL	<u>13,841,197</u>	<u>782,575</u>	<u>14,623,772</u>	<u>(169,106)</u>	<u>(186,454)</u>	<u>(355,560)</u>	<u>14,268,212</u>

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December 31, 2013	Assets before allowances			Allowances established			Net Assets
	Normal portfolio	Impaired portfolio	Total	Individual provisions	Group provisions	Total	
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	
Commercial loans:							
Commercial loans	6,811,878	352,690	7,164,568	(116,717)	(60,489)	(177,206)	6,987,362
Foreign trade loans	1,050,042	8,283	1,058,325	(19,125)	(141)	(19,266)	1,039,059
Checking accounts	104,894	13,551	118,445	(2,147)	(4,975)	(7,122)	111,323
Factoring operations	566,850	19,675	586,525	(12,766)	(1,563)	(14,329)	572,196
Leasing transactions	701,826	26,080	727,906	(7,901)	(1,885)	(9,786)	718,120
Other loans and receivables	169,547	14,883	184,430	(1,242)	(5,815)	(7,057)	177,373
Subtotal	9,405,037	435,162	9,840,199	(159,898)	(74,868)	(234,766)	9,605,433
Mortgage loans:							
Letters of credit	41,305	2,797	44,102	-	(261)	(261)	43,841
Endorsable mortgage loans	18,590	3,202	21,792	-	(248)	(248)	21,544
Other mortgage loans	2,615,900	137,028	2,752,928	-	(12,090)	(12,090)	2,740,838
Subtotal	2,675,795	143,027	2,818,822	-	(12,599)	(12,599)	2,806,223
Consumer loans:							
Consumer loans in installments	1,268,330	145,964	1,414,294	-	(72,557)	(72,557)	1,341,737
Checking accounts	77,574	5,679	83,253	-	(5,464)	(5,464)	77,789
Credit card debtors	249,970	7,213	257,183	-	(8,860)	(8,860)	248,323
Consumer leasing transactions	809	-	809	-	(1)	(1)	808
Other loans and receivables	8,401	357	8,758	-	-	-	8,758
Subtotal	1,605,084	159,213	1,764,297	-	(86,882)	(86,882)	1,677,415
TOTAL	13,685,916	737,402	14,423,318	(159,898)	(174,349)	(334,247)	14,089,071

The collateral received by the Bank with respect to the loans portfolio relates to mortgages, pledges on moveable assets, real estate assets, warrants and financial instruments for trading and commerce. As of March 31, 2014 and December 31, 2013, the fair value of collateral held correspond to 131.74% and 120.09% of covered assets, respectively.

In the case of mortgages, as of March 31, 2014 and December 31, 2013, the fair value of collateral held corresponds to 141.17% and 130.23% of the balance of loans receivable, respectively.

The Bank uses the financial lease agreements included in this account to finance the acquisition of property of its clients, both moveable assets and real estate. As of March 31, 2014 and December 31, 2013, the Bank held approximately MCLP\$411,873 and MCLP\$405,342, respectively, of financial leases on moveable assets and MCLP\$333,507 and MCLP\$327,373, respectively, of financial leases on property.

The Bank has obtained assets in lieu of payment for an amount of MCLP\$387 as of March 31, 2014 and MCLP\$7,477 as of December 31, 2013 through the execution of collaterals or pledge of collateral assets.



The financial leases of the Bank principally consist of real estate and personal property contracts, with the option to purchase and a contract duration of between 1 and 10 years, depending on each contract.

The following is a reconciliation between gross investment and the present value of minimum payments as of March 31, 2014 and December 31, 2013:

	<u>31.03.2014</u> MCLP\$	<u>31.12.2013</u> MCLP\$
Gross financial leases	882,256	863,223
Income from financial leases not accrued	<u>(136,877)</u>	<u>(134,508)</u>
Net financial leases	<u>745,379</u>	<u>728,715</u>

	<u>31.03.2014</u> MCLP\$	<u>31.12.2013</u> MCLP\$
Less than 1 year	223,045	217,219
Between 1 and 5 years	399,363	390,435
Over 5 years	<u>122,971</u>	<u>121,061</u>
Total	<u>745,379</u>	<u>728,715</u>

There is no evidence of impairment of the financial lease contracts that the Bank holds as of March 31, 2014.



b) Portfolio characteristics

As of March 31, 2014 and December 31, 2013, the portfolio before provisions for loan losses by type of customer's economic activity is as follows:

	Domestic loans		Foreign loans		Total		2014	2013
	2014	2013	2014	2013	2014	2013		
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	%	%
Commercial loans:								
Agriculture and livestock except fruit	197,981	191,139	61,196	54,278	259,177	245,417	1.77%	1.70%
Fruit	36,889	38,282	41,578	34,749	78,467	73,031	0.54%	0.51%
Forestry and wood extraction	98,010	97,999	7,578	10,324	105,588	108,323	0.72%	0.75%
Fishing	32,737	32,822	162,696	166,468	195,433	199,290	1.34%	1.38%
Mining	52,711	53,758	85,701	90,422	138,412	144,180	0.95%	1.00%
Crude oil and natural gas production	2,044	1,674	74,836	33,860	76,880	35,534	0.53%	0.25%
Food, beverages and tobacco industry	130,211	143,971	107,863	90,841	238,074	234,812	1.63%	1.63%
Textile and leather industry	35,243	36,684	21,385	17,391	56,628	54,075	0.39%	0.37%
Timber and furniture industry	28,588	27,203	8,820	8,219	37,408	35,422	0.26%	0.25%
Print and editorial industry	25,267	25,535	3,978	3,390	29,245	28,925	0.20%	0.20%
Chemical products derived from oil	97,932	106,754	168,482	161,800	266,414	268,554	1.82%	1.86%
Production of metal and non-metal	306,076	310,687	176,131	138,289	482,207	448,976	3.30%	3.11%
Other manufacturing industries	4,900	5,748	47,908	18,693	52,808	24,441	0.36%	0.17%
Electricity, gas and water	121,935	145,192	200,183	194,884	322,118	340,076	2.20%	2.36%
Home construction	814,666	810,001	8,512	8,084	823,178	818,085	5.63%	5.67%
Other construction	378,262	377,006	18,175	18,337	396,437	395,343	2.71%	2.74%
Wholesale business	448,550	460,935	375,344	347,941	823,894	808,876	5.63%	5.61%
Retail, restaurants and hotels	551,921	618,471	194,663	187,812	746,584	806,283	5.11%	5.59%
Transportation and storage	291,979	300,107	150,302	132,334	442,281	432,441	3.02%	3.00%
Communications	44,191	95,393	1,864	1,536	46,055	96,929	0.31%	0.67%
Financial and insurance companies	1,430,231	1,465,833	355,866	342,010	1,786,097	1,807,843	12.21%	12.53%
Real estate and service providers	844,708	864,959	162,038	145,608	1,006,746	1,010,567	6.88%	7.01%
Services	1,416,141	1,358,854	65,880	63,922	1,482,021	1,422,776	10.13%	9.86%
Subtotal	7,391,173	7,569,007	2,500,979	2,271,192	9,892,152	9,840,199	67.65%	68.22%
Mortgage loans	2,938,317	2,818,822	-	-	2,938,317	2,818,822	20.09%	19.55%
Consumer loans	1,782,734	1,755,254	10,569	9,043	1,793,303	1,764,297	12.26%	12.23%
Total	12,112,224	12,143,083	2,511,548	2,280,235	14,623,772	14,423,318	100.00%	100.00%



c) Provisions

The movement of provisions during the periods ended March 31, 2014 and December 31, 2013 are summarized as follows:

	31.03.2014			31.12.2013		
	Individual provisions	Group provisions	Total	Individual provisions	Group provisions	Total
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Balance as of January 1,	159,898	174,349	334,247	144,187	155,186	299,373
Portfolio write-offs:						
Commercial loans	(6,585)	(5,023)	(11,608)	(24,319)	(27,508)	(51,827)
Mortgage loans	-	(1,759)	(1,759)	-	(3,955)	(3,955)
Consumer loans	-	(26,277)	(26,277)	-	(101,099)	(101,099)
Total write-offs	(6,585)	(33,059)	(39,644)	(24,319)	(132,562)	(156,881)
Established provisions	15,793	45,790	61,583	66,580	157,114	223,694
Released provisions	-	(626)	(626)	(5,100)	(5,389)	(10,489)
Applied provisions (*)	-	-	-	(21,450)	-	(21,450)
Balance as of period end	169,106	186,454	355,560	159,898	174,349	334,247

(*) On September 25, 2013 the Bank, swapped certain loans and receivables with Empresas La Polar of bonds series F and G, which were swapped under the same terms and conditions of the loans and receivables.

The bonds were classified as available for sale and were included in this portfolio, net of provisions for loan losses (applying a provision of MCLP\$ 21,450).

The swap was generated considering the observable market value of an identical asset in the same conditions and taking into consideration that there were no unexplained effects on profit or loss due to changes in the market value of the asset.

This swapping took place under the bankruptcy agreement signed on November 7, 2011 which provides the option of swapping the loans due from Empresas La Polar (placement) into debt instruments in the form of two senior and junior bonds (series F and G, respectively).

The total of provisions for credit risk constituted for different concepts correspond to the following:

	As of March 31, 2014 MCLP\$	As of December 31, 2013 MCLP\$
Individual and group provisions	355,560	334,247
Provisions for contingent credit risk	16,532	16,408
Provisions for contingencies	42,254	35,619
Provisions for country risk	1,821	1,388
Provisions on due from banks	255	244
Total	416,422	387,906

During 2013 and 2012, the Bank has not participated in the purchase, sale, substitution or swap of credits of the loans portfolio with other financial institutions.



d) Guarantees

The impaired loan portfolio with or and without guarantees as of March 31, 2014 and December 31, 2013 was as follows:

	As of March 31, 2014				As of December 31, 2013			
	Commercial	Mortgage	Consumer	Total	Commercial	Mortgage	Consumer	Total
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Debt with guarantees	83,675	-	-	83,675	70,022	-	-	70,022
Debt without guarantees	393,314	146,875	158,711	698,900	365,140	143,027	159,213	667,380
Total	476,989	146,875	158,711	782,575	435,162	143,027	159,213	737,402

e) Overdue

The overdue portfolio (with payment default equal to or more than 90 days) as of March 31, 2014 and December 31, 2013 was as follows:

	As of March 31, 2014				As of December 31, 2013			
	Commercial	Mortgage	Consumer	Total	Commercial	Mortgage	Consumer	Total
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Debt with guarantees	17,326	-	-	17,326	30,411	-	-	30,411
Debt without guarantees	264,570	63,551	35,003	363,124	202,642	60,335	33,946	296,923
Total	281,896	63,551	35,003	380,450	233,053	60,335	33,946	327,334



f) The following table shows the normal and overdue portfolios according to their classification of impairment:

	As of March 31, 2014											
	Not Impaired				Impaired				Total portfolio			
	Commercial	Mortgage	Consumer	Total	Commercial	Mortgage	Consumer	Total	Commercial	Mortgage	Consumer	Total
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Normal or standard portfolio	9,387,978	2,791,017	1,629,297	13,808,292	237,787	110,351	132,738	480,876	9,625,765	2,901,368	1,762,035	14,289,168
Overdue 1-29 days	17,014	-	3,739	20,753	12,386	-	2,475	14,861	29,400	-	6,214	35,614
Overdue 30-89 days	10,171	425	1,556	12,152	16,370	574	3,182	20,126	26,541	999	4,738	32,278
Overdue more than 90 days	-	-	-	-	210,446	35,950	20,316	266,712	210,446	35,950	20,316	266,712
Total portfolio before provisions	9,415,163	2,791,442	1,634,592	13,841,197	476,989	146,875	158,711	782,575	9,892,152	2,938,317	1,793,303	14,623,772
Overdue loans (less than 90 days) expressed as a percentage of the portfolio.	0.29%	0.02%	0.32%	0.24%	6.03%	0.39%	3.56%	4.47%	0.57%	0.03%	0.61%	0.46%
Overdue loans (more than 90 days) expressed as a percentage of the portfolio.	0.00%	0.00%	0.00%	0.00%	44.12%	24.48%	12.80%	34.08%	2.13%	1.22%	1.13%	1.82%
	As of December 31, 2013											
	Not Impaired				Impaired				Total portfolio			
	Commercial	Mortgage	Consumer	Total	Commercial	Mortgage	Consumer	Total	Commercial	Mortgage	Consumer	Total
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Normal or standard portfolio	9,382,251	2,675,413	1,602,229	13,659,893	211,344	107,096	139,805	458,245	9,593,595	2,782,509	1,742,034	14,118,138
Overdue 1-29 days	16,006	-	2,087	18,093	4,261	-	1,925	6,186	20,267	-	4,012	24,279
Overdue 30-89 days	6,780	382	768	7,930	15,212	536	1,911	17,659	21,992	918	2,679	25,589
Overdue more than 90 days	-	-	-	-	204,345	35,395	15,572	255,312	204,345	35,395	15,572	255,312
Total portfolio before provisions	9,405,037	2,675,795	1,605,084	13,685,916	435,162	143,027	159,213	737,402	9,840,199	2,818,822	1,764,297	14,423,318
Overdue loans (less than 90 days) expressed as a percentage of the portfolio.	0.24%	0.00%	0.00%	0.19%	4.47%	0.00%	0.00%	3.23%	0.43%	0.03%	0.38%	0.35%
Overdue loans (more than 90 days) expressed as a percentage of the portfolio.	0.00%	0.00%	0.00%	0.00%	46.96%	0.00%	0.00%	34.62%	2.08%	1.26%	0.88%	1.77%



NOTE 7 – ISSUED DEBT INSTRUMENTS AND OTHER FINANCIAL OBLIGATIONS

As of March 31, 2014 and December 31, 2013, details are as follows:

	As of March 31, 2014	As of December 31, 2013
	MCLP\$	MCLP\$
Other debentures		
Public bonds	43,355	42,681
Other local bonds	23,623	29,167
Foreign bonds	31	12
Total	67,009	71,860
Issued debt instruments:		
Letters of credit	53,150	56,348
Current bonds	2,169,722	2,109,376
Subordinated bonds	756,191	742,899
Total	2,979,063	2,908,623

As of March 31, 2014 and December 31, 2013 the maturities of the current and subordinated bonds are as follows:

	As of March 31, 2014		
	Long term MCLP\$	Short term MCLP\$	Total MCLP\$
By maturities			
Current bonds	1,851,456	318,266	2,169,722
Subordinated bonds	756,191	-	756,191
Total	2,607,647	318,266	2,925,913
	As of December 31, 2013		
	Long term MCLP\$	Short term MCLP\$	Total MCLP\$
By maturities			
Current bonds	1,800,232	309,144	2,109,376
Subordinated bonds	742,899	-	742,899
Total	2,543,131	309,144	2,852,275

As of March 31, 2014 the detail of the new placements of current and subordinated bonds is as follows:

CURRENT BONDS IN CHILEAN PESOS							
Series	\$ Issued	\$ Placed	Date of issue	Maturity date	Average interest rate	Balance due \$	Balance due MCLP\$
SERIE_AG	228,500,000,000	-	01/05/2013	01/05/2018	-	-	-
Subtotal	228,500,000,000					-	-



CURRENT BONDS DENOMINATED IN UF (inflation index-linked units of account)

Series	UF Issued	UF Placed	Date of issue	Maturity date	Average interest rate	Balance due UF	Balance due MCLP\$	
SERIE_X	5,000,000	5,000,000	01/06/2007	01/06/2017	3.85%	4,925,735	116,281	
SERIE_AA	10,000,000	10,000,000	01/07/2008	01/07/2014	3.94%	9,902,147	233,760	
SERIE_AB	10,000,000	10,000,000	01/07/2008	01/07/2018	3.67%	8,574,239	202,412	
SERIE_AE1	10,000,000	10,000,000	01/08/2011	01/08/2016	3.59%	9,828,322	232,017	
SERIE_AE2	10,000,000	10,000,000	01/08/2011	01/08/2021	3.73%	9,339,016	220,466	
SERIE_AF1	10,000,000	5,725,000	01/08/2012	01/08/2017	3.51%	5,590,624	131,978	
SERIE_AF2	10,000,000	7,500,000	01/08/2012	01/08/2022	3.58%	7,018,785	165,692	
Fair value adjustment (Fair value hedge)								213
Subtotal	65,000,000	58,225,000				55,178,868	1,302,819	

CURRENT BONDS IN FOREIGN CURRENCY- MEXICAN PESOS

Series	Amount placed	Date of placement	Maturity date	Average interest rate	Balance due Mexican Pesos	Balance due MCLP\$
BC111	2,000,000,000	15/07/2011	11/07/2014	4.19%	2,001,686,853	84,292
Total	3,000,000,000 (*)				2,001,686,853	84,292

(*)The placement of bonds was made in Mexico under an approved program dated on June 29, 2011 for a total amount of \$8,000,000,000 of Mexican pesos. The program will expire on June 29, 2016.

CURRENT BONDS IN FOREIGN CURRENCY-US DOLLAR

Series	Amount issued	Amount placed	Date of placement	Maturity date	Average interest rate	Amount due US\$	Amount due MCLP\$
USP32133CE16	600,000,000	600,000,000	13/09/2012	13/09/2017	3.54%	593,405,779	326,077
USP32133CG63	500,000,000	500,000,000	11/02/2013	11/02/2023	4.35%	495,460,064	272,255
Fair value adjustment (Fair value hedge)						(25,270,944)	(14,084)
Total	1,100,000,000 (*)					1,063,234,652	584,248

(*) These amounts are amortized in accordance with the effective interest rate method and therefore the initial cost of placing the bonds have been discounted.

CURRENT BONDS IN FOREIGN CURRENCY- SWISS FRANC

Series	CHF Issued	CHF Placed	Date of placement	Maturity date	Average interest rate	Amount due CHF	Amount due MCLP\$
CH0222435429	200,000,000	200,000,000	26/09/2013	26/09/2016	1.63%	199,818,496	124,210
CH0230446665	120,000,000	120,000,000	23/12/2013	23/12/2015	0.75%	119,290,776	74,153
Subtotal	320,000,000	320,000,000				319,109,272	198,363

Total Current Bonds **2,169,722**



SUBORDINATED BONDS DENOMINATED IN UF

Series	UF Issued	UF placed	Date of issue	Maturity date	Average interest rate	Amount due UF	Amount due MCLP\$
SERIE_C y D	2,000,000	2,000,000	01/12/1995	01/12/2016	6.92%	541,330	12,779
SERIE_E	1,500,000	1,500,000	01/11/1997	01/11/2018	7.37%	643,329	15,187
SERIE_F	1,200,000	1,200,000	01/05/1999	01/05/2024	7.73%	771,972	18,224
SERIE_G	400,000	400,000	01/05/1999	01/05/2025	7.92%	270,474	6,385
SERIE_L	1,200,000	1,200,000	01/10/2001	01/10/2026	6.39%	911,033	21,507
SERIE_M	1,800,000	1,800,000	01/10/2001	01/10/2027	6.43%	1,396,816	32,975
SERIE_N	1,500,000	1,500,000	01/06/2004	01/06/2029	5.25%	1,234,261	29,137
SERIE_O	1,500,000	1,500,000	01/06/2004	01/06/2030	3.93%	1,216,298	28,713
SERIE_R	1,500,000	1,500,000	01/06/2005	01/06/2038	4.72%	632,719	14,937
SERIE_S	2,000,000	2,000,000	01/12/2005	01/12/2030	4.86%	1,637,861	38,665
SERIE_T	2,000,000	2,000,000	01/12/2005	01/12/2031	4.52%	1,699,472	40,119
SERIE_U	2,000,000	2,000,000	01/06/2007	01/06/2032	4.19%	1,881,801	44,424
SERIE_Y	4,000,000	4,000,000	01/12/2007	01/12/2030	4.25%	1,997,600	47,157
SERIE_W	4,000,000	4,000,000	01/06/2008	01/06/2036	4.05%	1,657,600	39,131
SERIE_AC	6,000,000	6,000,000	01/03/2010	01/03/2040	3.96%	5,344,709	126,172
SERIE_AD 1	4,000,000	4,000,000	01/06/2010	01/06/2040	4.17%	3,555,808	83,942
SERIE_AD 2	3,000,000	3,000,000	01/06/2010	01/06/2042	4.14%	2,656,926	62,722
SERIE_AH	15,000,000	5,000,000	01/09/2013	01/09/2043	4.00%	3,982,519	94,015
Subtotal	54,600,000	44,600,000				32,032,528	756,191
TOTAL BONDS							2,925,913

As of December 31, 2013 the detail of the new placements of current and subordinated bonds is as follows:

CURRENT BONDS IN CHILEAN PESOS

Series	\$ Issued	\$ Placed	Date of issue	Maturity date	Average interest rate	Balance due \$	Balance due MCLP\$
SERIE_A							
G	228,500,000,000	-	01/05/2013	01/05/2018	-	-	-
Subtotal	228,500,000,000						

CURRENT BONDS DENOMINATED IN UF (inflation index-linked units of account)

Series	UF Issued	UF Placed	Date of issue	Maturity date	Average interest rate	Balance due UF	Balance due MCLP\$
SERIE_X	5,000,000	5,000,000	01/06/2007	01/06/2017	3.85%	4,880,231	113,756
SERIE_AA	10,000,000	10,000,000	01/07/2008	01/07/2014	3.94%	9,806,995	228,597
SERIE_AB	10,000,000	10,000,000	01/07/2008	01/07/2018	3.67%	8,498,112	198,087
SERIE_AE1	10,000,000	10,000,000	01/08/2011	01/08/2016	3.59%	9,873,016	230,135
SERIE_AE2	10,000,000	10,000,000	01/08/2011	01/08/2021	3.73%	9,384,873	218,757
SERIE_AF1	10,000,000	5,500,000	01/08/2012	01/08/2017	3.53%	5,393,175	125,713
SERIE_AF2	10,000,000	7,500,000	01/08/2012	01/08/2022	3.58%	7,055,296	164,456
Subtotal	65,000,000	58,000,000				54,891,698	1,279,501



CURRENT BONDS IN FOREIGN CURRENCY- MEXICAN PESOS

Series	Amount placed	Date of placement	Maturity date	Average interest rate	Balance due Mexican Pesos	Balance due MCLP\$
BCI11	2,000,000,000	15/07/2011	11/07/2014	4.19%	1,998,630,725	80,547
Total	2,000,000,000 (*)				1,998,630,725	80,547

(*)The placement of bonds was made in Mexico under an approved program dated on June 29, 2011 for a total amount of \$8,000,000,000 of Mexican pesos. The program will expire on June 29, 2016.

CURRENT BONDS IN FOREIGN CURRENCY-US DOLLAR

Series	Amount issued	Amount placed	Date of placement	Maturity date	Average interest rate	Amount due US\$	Amount due MCLP\$
USP32133CE16	600,000,000	600,000,000	13/09/2012	13/09/2017	3.54%	597,641,915	314,180
USP32133CG63	500,000,000	500,000,000	11/02/2013	11/02/2023	4.35%	500,570,412	263,150
Fair value adjustment (Fair value hedge)						(31,356,612)	(16,484)
Total	1,100,000,000 (*)					1,066,855,715	560,846

(*) These amounts are amortized in accordance with the effective interest rate method and therefore the initial cost of placing the bonds have been discounted.

CURRENT BONDS IN FOREIGN CURRENCY- SWISS FRANC

Series	CHF Issued	CHF Placed	Date of placement	Maturity date	Average interest rate	Amount due CHF	Amount due MCLP\$
CH0222435429	200,000,000	200,000,000	26/09/2013	26/09/2016	1.25%	199,023,974	118,000
CH0230446665	120,000,000	120,000,000	23/12/2013	23/12/2015	0.75%	118,877,920	70,482
Subtotal	200,000,000	200,000,000				317,901,894	188,482

Total Current Bonds **2,109,376**

SUBORDINATED BONDS DENOMINATED IN UF

Series	UF Issued	UF placed	Date of issue	Maturity date	Average interest rate	Amount due UF	Amount due MCLP\$
SERIE_C y D	2,000,000	2,000,000	01/12/1995	01/12/2016	6.92%	532,492	12,412
SERIE_E	1,500,000	1,500,000	01/11/1997	01/11/2018	7.37%	632,138	14,735
SERIE_F	1,200,000	1,200,000	01/05/1999	01/05/2024	7.73%	757,920	17,667
SERIE_G	400,000	400,000	01/05/1999	01/05/2025	7.92%	265,423	6,187
SERIE_L	1,200,000	1,200,000	01/10/2001	01/10/2026	6.39%	897,250	20,914
SERIE_M	1,800,000	1,800,000	01/10/2001	01/10/2027	6.43%	1,375,507	32,062
SERIE_N	1,500,000	1,500,000	01/06/2004	01/06/2029	5.25%	1,218,756	28,408
SERIE_O	1,500,000	1,500,000	01/06/2004	01/06/2030	3.93%	1,204,734	28,082
SERIE_R	1,500,000	1,500,000	01/06/2005	01/06/2038	4.72%	625,460	14,579

BANCO DE CREDITO E INVERSIONES AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS



SERIE_S	2,000,000	2,000,000	01/12/2005	01/12/2030	4.86%	1,618,858	37,735
SERIE_T	2,000,000	2,000,000	01/12/2005	01/12/2031	4.52%	1,681,079	39,185
SERIE_U	2,000,000	2,000,000	01/06/2007	01/06/2032	4.19%	1,862,828	43,422
SERIE_Y	4,000,000	4,000,000	01/12/2007	01/12/2030	4.25%	1,977,200	46,088
SERIE_W	4,000,000	4,000,000	01/06/2008	01/06/2036	4.05%	1,641,600	38,265
SERIE_AC	6,000,000	6,000,000	01/03/2010	01/03/2040	3.96%	5,484,267	127,836
SERIE_AD 1	4,000,000	4,000,000	01/06/2010	01/06/2040	4.17%	3,520,220	82,055
SERIE_AD 2	3,000,000	3,000,000	01/06/2010	01/06/2042	4.14%	2,630,681	61,320
SERIE_AH	15,000,000	5,000,000	01/09/2013	01/09/2043	4.00%	3,944,601	91,947
Subtotal	54,600,000	44,600,000				31,871,014	742,899
TOTAL BONDS							2,852,275



NOTE 8 – CONTINGENCIES AND COMMITMENTS

a) Commitments and liabilities recorded in off-balance sheet memorandum accounts:

The Bank and its subsidiaries have recognized the following balances related to commitments and business liabilities in off-balance sheet memorandum accounts:

	March 31, 2014	December 31, 2013
	MCLP\$	MCLP\$
CONTINGENT LOANS		
Collateral and guarantees:		
Collateral and guarantees in foreign currency	143,012	118,534
Confirmed foreign letters of credit	4,192	1,588
Documented issued letters of credit	121,582	135,818
Performance bonds:		
Performance bonds in Chilean currency	691,821	716,645
Performance bonds in foreign currency	168,288	184,923
Interbank letters of guarantee	2,815,671	2,685,246
Cleared lines of credit		
Other credit commitments:		
Higher education loans Law N°20,027	100,255	100,796
Others	311,974	332,457
 THIRD PARTY OPERATIONS		
Collections		
Foreign collections	162,692	152,753
Domestic collections	138,108	130,951
 CUSTODY OF SECURITIES		
Securities in custody with the bank	142,473	135,466
 Total	4,800,068	4,695,177

b) Lawsuits and legal proceedings

The Bank and its subsidiaries have various legal lawsuits pending related to their businesses and which, in the opinion of the Management and their internal legal advisers, will not result in additional liabilities to those previously recorded by the Bank and its subsidiaries. The Management has not considered it necessary to allocate additional provisions to those already made for these contingencies.

As of March 31, 2014 BCI Corredora de Seguros S.A. has a pending lawsuit in the amount of MCLP\$ 10 plus interest, costs and adjustments, corresponding to a breach of contract, which is dated September 4, 2013 request for abandonment of the case was presented and is awaiting the ruling.

c) Guarantees for operations

- Direct commitments

As of March 31, 2014, the Bank has no guarantees for this concept.

As of March 31, 2014, BCI Corredores de Seguros S.A. has entered into the following insurance policies to comply with the requirements of letter d), Article 58 of Statutory Decree 251 of 1931, in order to ensure the proper fulfillment of all the obligations arising from its activities:

- Insurance Policy for Insurance Brokers N° 10023578 for an insured amount of UF 500 entered into with Compañía de Seguros Generales Consorcio Nacional de Seguros S.A. effective from April 15, 2013 to April 14,



2014, stipulating the insuring company's right to claim restitution from the broker for any and all sums that it may have reimbursed to pay third parties harmed by the deficient brokerage of the broker.

- Professional Third Party Insurance Policy N° 10023584 for an insured amount of UF 60,000 and a deductible of UF 500 entered into with Compañía de Seguros Generales Consorcio Nacional de Seguros S.A., effective from April 15, 2013 to April 14, 2014, for purposes of protecting the broker against possible lawsuits by third parties, where the insurance company has the right to request repayment by the broker of all payments made to the claiming third party.

As of March 31, 2014, BCI Factoring S.A. has approved hedges for operators of the Factor Chain International for MCLP\$ 5,317 (MCLP\$2,188 in 2013) equivalent to US\$9,658,325.00 (US\$ 4,630,000.00 in 2013) of which MCLP\$521 (MCLP\$ 565 in 2013) equivalent to US\$ 945,875.51 (US\$ 1,195,749.22 in 2013) has been used.

- Operating guarantees

As of March 31, 2014, BCI Corredor de Bolsa S.A. has given guarantees to secure real-time operations at the Santiago Stock Exchange for an amount of MCLP\$ 108,495 (MCLP\$ 92,647 as of March 31, 2013).

As of March 31, 2014, BCI Corredor de Bolsa S.A. has given guarantees for appropriate settlement of transactions using the CCLV system in the Santiago Stock Exchange for MCLP\$ 3,473 (MCLP\$3,499 as of March 31, 2013).

As of March 31, 2014, BCI Corredor de Bolsa S.A. has given guarantees abroad for international market transactions for MCLP\$ 52 (MCLP\$47 as of March 31, 2013).

As of March 31, 2014, BCI Corredor de Bolsa S.A. has given guarantees for commitments involving short stock sales and loan transactions in Chile Electronic Stock Exchange for an amount of MCLP\$ 14,840 (MCLP\$11,117 as of March 31, 2013).

As of March 31, 2014, BCI Corredor de Bolsa S.A. has given guarantees for the SOMA contract for an amount of MCLP\$ 248

As of March 31, 2014, BCI Corredor de Bolsa S.A. has given a guarantee of UF 20,000 in order to comply with the requirements of Article 30 of Law 18,045, in order to ensure proper fulfillment of its obligations as securities broker and whose beneficiaries are actual or future creditors that it has or may have by reason of its securities brokerage operations. This guarantee corresponds to the insurance policy N° 330-12-00000024 entered into with Compañía de Seguros de Mapfre Garantía y Crédito on August 19, 2012, effective through to August 19, 2014, where the Santiago Stock Exchange is the beneficiary in representation of any potential creditors.

As of March 31, 2013, BCI Corredor de Bolsa S.A. has given a guarantee of UF 20,000 in order to comply with the requirements of Article 30 of Law 18,045, in order to ensure proper fulfillment of its obligations as securities broker and whose beneficiaries are actual or future creditors that it has or may have by reason of its securities brokerage operations. This guarantee corresponds to the insurance policy N° 330-12-00000024 entered into with Compañía de Seguros de Mapfre Garantía y Crédito on August 19, 2012, effective through to August 19, 2013, where the Santiago Stock Exchange is the beneficiary in representation of any potential creditors.

- Officer loyalty or employee loyalty insurance.

As of March 31, 2014, BCI Corredor de Bolsa S.A. has an insurance policy entered into with BCI Corredores de Seguros S.A., protecting Banco Crédito e Inversiones and its subsidiaries under Comprehensive Banking Insurance Policy 2344070-9, effective from November 30, 2013 to November 30, 2014, for a total of coverage of UF 100,000.

d) Contingent loans and liabilities

In order to meet its customers' needs, the Bank assumed several irrevocable commitments and contingent obligations. Although those obligations are not recognized in the balance sheet, they include credit risks and, therefore, are part of the Bank's overall risk.



The table below shows the contractual amounts of the transactions obligating the Bank to grant loans and the amount of the provisions established for the risk of loan losses assumed:

	As of March 31, 2014	As of December 31, 2013
	MCLP\$	MCLP\$
Sureties and finances	143,012	118,534
Documented letters of credit	121,582	135,818
Performance bonds	860,109	901,568
Amounts available for credit card users	1,659,756	1,597,503
Provisions	(16,532)	(16,408)
Total	2,767,927	2,737,015

c) Responsibilities

The Bank and its subsidiaries have the following duties derived in the normal course of business:

	March 31, 2014	December 31, 2013
	MCLP\$	MCLP\$
Documents in collection	300,800	283,704
Custody of assets	142,473	135,466
Total	443,273	419,170

NOTE 9 – EQUITY

a) Capital stock and preferred shares

Movement of shares during the periods presented is as follows:

	Common shares	
	31.03.2014	31.12.2013
	N°	N°
Issued as of January 1,	107,174,450	105,855,267
Issue of paid-in shares	-	1,319,183
Total issued	107,174,450	107,174,450

The Ordinary Shareholders' Meeting of March 25, 2014 approved distributing the 2012 net profits of MCLP\$ 300,294 as follows:

- Distribute a dividend of CLP\$1,260 per share for 107,174,450 shares issued and registered in the Register of Shareholders, which amounts to MCLP\$ 135,039.
- Allocate the remaining balance of MCLP\$ 165,255 to the reserve fund for capitalization.

On March 25, 2014, the Extraordinary Shareholders' Meeting approved, among other things, increasing the capital stock by MCLP\$ 165,255, by capitalizing retained earnings.

- 1) Capitalizing the amount of MCLP\$ 120,211, without issuing any shares and
- 2) Capitalizing the amount of MCLP\$45,044 by issuing 1,526,714 paid-in shares.

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In accordance with its by-laws, the Bank's capital stock was MCLP\$ 1,381,871 divided into 107,174,450 no-par-value shares of the same series. As a result of the capital increase, the capital stock of Banco de Crédito e Inversiones is MCLP\$ 1,547,126, and it will be divided into 108,701,164 no-par-value shares of the same series.

These shares will be issued once approved by the SBIF, and the issuance and distribution agreed by the Board.

As of March 31, 2014, the Bank has pending the finalization of the capital increase approved in September 26, 2013, the Extraordinary Shareholders' meeting of MCLP\$ 198,876 through the issuance of 7,392,885 paid-in shares, which will be effective once the approval of the Superintendency of Banks and Financial Institutions has been obtained and the issuance registered. The Board of Directors of the Bank will agree the terms of the issuance and the placement of these new shares necessary for the capital increase, as well as the subscription and payment of such shares.

This increase will be made to address the requirements of the Bank's management and the challenges of the market in which the Bank operates, and in particular, the acquisition of City National Bank of Florida in the United States of America, maintaining the capitalization ratios and aligning the Bank's policies and the expectations of the market, and regulators after the acquisition.

The equivalent of 10% of the issuance of the capital increase is for a stock option program for collaborators.

b) At the closure of each period, the shareholders distribution is the following:

2014	Shares	
	Nº of shares	% Participation
Empresas Juan Yarur S.A.C.	59,030,040	55.08%
Jorge Yarur Bascañán	4,529,246	4.23%
Inversiones Bcp S.A.	4,025,389	3.76%
Sociedad Financiera del Rimac S.A.	3,723,770	3.47%
Banco de Chile (non resident third parties)	3,304,228	3.08%
Banco Itaú (investors)	2,869,186	2.68%
AFP Hábitat S.A.	2,404,055	2.24%
AFP Provida S.A.	2,063,003	1.92%
BCI Corredor de Bolsa S.A.	1,916,559	1.79%
Banco Santander (foreign investors)	1,682,107	1.57%
Inversiones Tarascona Corporation (Agency in Chile)	1,579,024	1.47%
Inversiones Millaray S.A.	1,303,899	1.22%
AFP Cuprum S.A.	1,294,031	1.21%
AFP Capital S.A.	1,203,621	1.12%
Inmob e Inv. Cerro Sombrero S. A.	1,175,914	1.10%
Yarur Rey Luis Enrique	1,046,865	0.98%
Banchile Corredores de Bolsa S. A.	802,632	0.75%
Empresas JY S.A.	696,112	0.65%
Inversiones VyR Ltda.	570,370	0.53%
Baines Oehlmann Nelly	496,887	0.46%
Larraín Vial S.A. Corredora de Bolsa	473,107	0.44%
Inmobiliaria e Invers. Chosica S.A.	468,121	0.44%
BTG Pactual Chile S.A. Corredores de Bolsa	420,411	0.39%
Corpbanca Corredores de Bolsa S.A.	380,655	0.36%
Bolsa de Comercio de Santiago Bolsa de Valores	375,966	0.35%
Other shareholders	9,339,252	8.71%
Total	107,174,450	100.00%



2013

	Shares	
	Nº of shares	% Participation
Empresas Juan Yarur S.A.C.	59,030,040	55.08%
Jorge Yarur Bascuñán	4,529,246	4.23%
Inversiones Bcp S.A.	4,025,389	3.76%
Sociedad Financiera del Rimac S.A.	3,723,770	3.47%
Banco de Chile (non resident third parties)	3,051,817	2.85%
Banco Itaú (investors)	2,695,167	2.51%
AFP Hábitat S.A.	2,382,243	2.22%
AFP Provida S.A.	2,282,219	2.13%
BCI Corredor de Bolsa S.A.	2,116,831	1.98%
Banco Santander (foreign investors)	1,582,304	1.48%
Inversiones Tarascona Corporation (Agency in Chile)	1,579,024	1.47%
AFP Cuprum S.A.	1,326,285	1.24%
Inversiones Millaray S.A.	1,303,899	1.22%
AFP Capital S.A.	1,282,507	1.20%
Inmob e Inv. Cerro Sombrero S. A.	1,175,914	1.10%
Yarur Rey Luis Enrique	1,046,865	0.98%
Banchile Corredores de Bolsa S. A.	843,356	0.79%
Empresas JY S.A.	696,112	0.65%
Inversiones VyR Ltda.	570,370	0.53%
Larraín Vial S.A. Corredora de Bolsa	504,097	0.47%
Baines Oehlmann Nelly	496,887	0.46%
Inmobiliaria e Invers. Chosica S.A.	468,121	0.44%
BTG Pactual Chile S.A. Corredores de Bolsa	463,863	0.43%
Bolsa de Comercio de Santiago Bolsa de Valores	411,884	0.38%
Corpbanca Corredores de Bolsa S.A.	382,218	0.36%
Other shareholders	9,204,022	8.57%
Total	107,174,450	100.00%

c) Dividends

The following dividends were declared and paid by the Bank during the periods ended March 31, 2014 and 2013:

	As of March 31,	
	2014	2013
CLP\$ per common share	1,260	-

The dividend declared in March 2014 ascended to MCLP\$ 135,039. The provision of minimum dividends as of December 31, 2013 was MCLP\$ 90,088

d) For the period ended March 31, 2014 and 2013 the composition of basic and diluted earnings per share as follows:

	As of March 31,	
	2014	2013
Earnings attributable to the equity holders of the Bank	85,404	54,046
Income available for shareholders	85,404	54,046
Weighted average number of shares	107,174,450	105,855,267
Basic earnings per share (MCLP\$/ share) (*)	797	511

(*) Basic and diluted earnings are calculated based on the income of the year in accordance with accounting rules and instructions issued by the Superintendency of Banks and Financial Institutions.



The calculation of basic earnings per share has been calculated by dividing the amount of income attributable to shareholders by the number of shares of the unique series. The Bank has not issued convertible debt or other equity securities. Consequently, there are no potential dilutive effects to earnings per share of the Bank.

e) Cumulative translation adjustment

As of March 31, 2014 and December 31, 2013, the reconciliation of cumulative translation adjustment as a separate component of equity is as follows:

	MCLP\$
Balance as of January 1, 2013	1,253
Charges of net exchange differences	4,454
Final balance as of December 31, 2013	<u>5,707</u>
Balance as of January 1, 2014	5,707
Charges of net exchange differences	2,940
Final balance as of March 31, 2014	<u>8,647</u>

Reconciliation of the available for sale portfolio and cash flow hedge:

	Available for Sale portfolio MCLP\$	Cash flow hedges MCLP\$
Accumulated other comprehensive income 2012	17,425	9,219
Movement transferred to P&L 2013	7,614	(326)
Changes in fair value of portfolio	(23,105)	(26,512)
Accumulated other comprehensive income 2013	1,934	(17,619)
Movement transferred to P&L 2014	268	(38)
Changes in fair value of portfolio	1,690	(17,389)
Accumulated other comprehensive income 2014	3,892	(35,046)

f) Nature and purpose of valuation accounts

Conversion reserves:

Originated from the exchange rate differences arising from the conversion of a net investment in a foreign entity with a different currency.

Hedging reserves:

Originated from the valuation at fair value at the closure of each period of the current derivative contracts defined as cash flow hedges. As those contracts reach their maturity, these reserves must be adjusted based on the valuation at the closure of each period.

Reserves for fair value:

Reserves for fair value include the accumulated net changes in the market value of available for sale investments. When the investment is sold or disposed of (as a whole or in part), these reserves are recorded in the Consolidated Statement of Income as part of the loss or gain related to investments.

g) Capital requirements

The basic capital as of March 31, 2014 is equivalent to the net amount that should be shown in the Consolidated Financial Statements as Shareholders' equity attributable to equity holders, as indicated in the Compendium of Accounting Regulations. According to General Banking Law, the Bank should maintain a minimum ratio of effective stockholders'



equity to consolidated risk-weighted assets of 8%, net of required allowances, and a minimum ratio of net basic capital to consolidated total assets of 3%, net of required allowances. Effective stockholders' equity for these purposes is Capital and reserves or Net capital with the following adjustments: a) the addition of subordinated bonds up to 50% of Net basic capital, b) additional provisions as added, c) all goodwill and paid premium are deducted, and d) assets that correspond to investments in non-consolidated subsidiaries.

The assets are weighted according to a risk category to which a risk percentage is assigned according to the amount of capital necessary to support each of these assets. Five risk categories are applied (0%, 10%, 20%, 60% and 100%). For example, cash, deposits with other banks, and financial instruments issued by the Central Bank of Chile have 0% risk, which means that according to the regulations in force, capital is not needed to endorse these assets. Property, plant and equipment have 100% risk, which means that a minimum capital, equivalent to 8% of these assets, should be held.

All OTC derivative securities are considered in the determination of risk assets with a conversion factor over the notional values, thus obtaining the amount of credit risk exposure (or "credit equivalent"). Off-balance contingent credits are also considered as a "credit equivalent".

The levels of basic capital and effective shareholders' equity at the closing of each period are the following:

	Consolidated assets		Risk-weighted assets	
	March 2014	December 2013	March 2014	December 2013
	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Balance sheet assets (net of provisions) (*)				
Cash and deposits in banks	1,390,369	1,261,766	-	-
Items in course of collection	925,530	698,013	283,297	458,328
Trading portfolio financial assets	928,721	1,042,536	155,601	116,709
Investments under agreements to resell	151,146	195,021	151,146	195,021
Derivative financial instruments	1,774,067	1,269,280	607,435	505,671
Interbank loans	125,041	106,151	120,643	101,946
Loans and receivables from customers (net)	14,268,210	14,089,071	13,098,550	12,966,582
Financial investments available for sale	791,467	934,351	322,248	384,924
Investments in other companies	-	-	-	-
Intangible assets	85,007	80,093	85,007	80,093
Property, plant and equipment, net	85,045	83,346	85,045	83,346
Current income tax provision	232,185	233,019	232,185	233,019
Deferred income tax	63,996	52,325	6,400	5,232
Other assets	57,040	56,846	5,703	5,685
	272,381	197,176	272,381	197,175
Off- balance sheet assets				
Contingent loans	-	-	-	-
	2,316,537	2,270,592	1,389,922	1,362,355
Additions and deductions	(812,208)	(426,560)	-	-
Total assets	22,654,534	22,143,026	16,815,563	16,696,086

(*) Information presented in accordance with the criteria established by the Superintendency of Banks and Financial Institutions (SBIF).

	Amount	
	March 2014	December 2013
	MCLP\$	MCLP\$
Basic capital	1,584,402	1,582,100
Effective shareholders' equity	2,264,796	2,244,679
Consolidated assets	22,645,534	22,143,026
Risk-weighted assets	16,815,563	16,696,086



	Ratio	
	March 2014	December 2013
	%	%
Basic capital/ consolidated assets	6.99	7.14
Basic capital/ risk-weighted assets	9.42	9.48
Effective shareholders' equity/ risk weighted assets	13.47	13.44



NOTE 10 – TRANSACTIONS WITH RELATED PARTIES

a) Loans granted to related parties

Loans granted to related parties as of March 31, 2014 and December 31, 2013:

	March 31, 2014			December 31, 2013		
	Operating companies	Holding companies	Individuals	Operating companies	Holding companies	Individuals
	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Loans and receivables from customers						
Commercial loans	78,516	64,381	6,216	106,731	52,044	5,163
Mortgage loans	-	-	20,336	-	-	18,043
Consumer loans	-	-	2,260	-	-	2,099
Gross loans	78,516	64,381	28,812	106,731	52,044	25,305
Provisions for loan losses	(1,008)	(122)	(26)	(922)	(94)	(28)
Net loans	77,508	64,259	28,786	105,809	51,950	25,277
Contingent loans	3,083	10,495	-	2,846	10,520	-
Provisions for contingent loans	(4)	(4)	-	(4)	(4)	-
Net contingent loans	3,079	10,491	-	2,842	10,516	-

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b) Other transactions with related parties

During the three-month periods ended March 31, 2014 and 2013 the Bank has carried out the following transactions with related parties:

Company	Relationship with the Bank	Description	Balance Assets	Effect on income statement	
			(Liabilities) MCLP\$	Expense MCLP\$	Income MCLP\$
March 2014					
Artikos Chile S.A.	Joint Venture	Procurement service	191	191	-
Bolsa de Comercio de Santiago	Other	Lease of terminals	24	24	-
BCI Seguros de Vida S.A.	Common parent	Collection service for customer premiums payments and trademark use rights	1,807	-	1,807
		Premium payments	51	12	-
BCI Seguros Generales S.A.	Common parent	Time deposit financial instruments	986	1.500	-
		Accidents presented to the insurance company	219	-	-
Compañía de Formularios Continuos Jordan (Chile) S.A.	Common parent	Printing of forms	365	365	-
Operadoras de Tarjetas de Crédito Nexus S.A.	Associate	Card processing	1.396	1.396	-
Redbanc S.A.	Associate	Operation of ATMs	1.058	1.058	-
Servipag S.A.	Joint Venture	Collection and payment services	1.884	1.884	-
Transbank S.A.	Other	Administration of credit cards	11.197	2.065	9.132

Company	Relationship with the Bank	Description	Balance Assets	Effect on income statement	
			(Liabilities) MCLP\$	Expense MCLP\$	Income MCLP\$
March 2013					
Artikos Chile S.A.	Joint Venture	Procurement service	145	145	-
BCI Seguros de Vida S.A.	Common parent	Collection service for payment of customer premiums and trademark use rights	1.375	-	1.375
		Premium payments	130	130	-
BCI Seguros Generales S.A.	Common parent	Premium payments	842	842	-
Compañía de Formularios Continuos Jordan (Chile) S.A.	Common parent	Printing of forms	492	492	-
Operadoras de Tarjetas de Crédito Nexus S.A.	Associate	Card processing	1.411	1.411	-
Redbanc S.A.	Associate	Operation of ATMs	1.053	1.053	-
Servipag S.A.	Joint Venture	Collection and payment services	1.727	1.651	76
Transbank S.A.	Other	Administration of credit cards	10.129	1.883	8.246
Vigamil S.A.C (*)	Common parent	Printing of forms	10	10	-

All of these transactions were undertaken under market conditions in force on the date on which they were entered to.

(*) During 2013, these entities ceased sharing headquarters with the Bank, after being transferred to another company.



c) Other assets and liabilities with related parties

	<u>As of March 31,</u> <u>2014</u> <u>MCLP\$</u>	<u>As of December 31,</u> <u>2013</u> <u>MCLP\$</u>
ASSETS		
Financial derivative agreements	-	-
Other assets	-	-
LIABILITIES		
Financial derivative agreements	-	-
Demand deposits	82,895	64,026
Time deposits and other savings accounts	62,295	71,972
Other liabilities	-	-

d) Related parties income/ expense recognized

<u>Type of income/expense recognized</u>	<u>Entity</u>	<u>As of March 31,</u>			
		<u>2014</u>		<u>2013</u>	
		<u>Income</u> <u>MCLP\$</u>	<u>Expenses</u> <u>MCLP\$</u>	<u>Income</u> <u>MCLP\$</u>	<u>Expenses</u> <u>MCLP\$</u>
Income and expenses	Various Companies supporting the line of business	3,666	(448)	1,543	(339)
Operational support expenses					
Total		<u>10,938</u>	<u>(6,998)</u>	<u>9,697</u>	<u>(7,617)</u>
		<u>14,604</u>	<u>(7,446)</u>	<u>11,240</u>	<u>(7,956)</u>

e) Remunerations to members of the Board of Directors and key management personnel

Compensation earned by key personnel corresponds to the following categories:

	<u>March 31,</u>	
	<u>2014</u>	<u>2013</u>
	<u>MCLP\$</u>	<u>MCLP\$</u>
Short-term employee benefits (*)	1,211	746
Severance indemnities	-	-
Total	<u>1,211</u>	<u>746</u>

(*) Total expenses for MCLP\$ 705 for the period ended March 31, 2014 (MCLP\$ 597 for the period ended March 31, 2013) corresponding to the Board of Directors of the Bank and its subsidiaries.



f) Group entities

The Bank holds the following ownership interests in related companies:

Companies	Ownership interest	
	31.03.2014	31.12.2013
	%	%
Redbanc S.A.	12.71	12.71
Servipag Ltda.	50.00	50.00
Combanc S.A.	10.93	10.93
Transbank S.A.	8.72	8.72
Nexus S.A.	12.90	12.90
Artikos Chile S.A.	50.00	50.00
Servicio de Infraestructura de Mercado OTC S.A.	12.49	12.49
AFT S.A.	20,00	20.00
Centro de Compensación Automático ACH Chile	33,33	33.33
Sociedad Interbancaria de Depósitos de Valores S.A.	7,03	7.03
Credicorp Ltda.	1.87	1.88

g) Composition of key management personnel

As of March 31, 2014, the composition of key management personnel of the Bank and its subsidiaries is as follows:

Position	Nº of executives
Director	9
Chief Executive Officer	11
Divisional and Department Manager	13
Total	33

h) Transactions with key management personnel

As of March 31, 2014 and 2013 the Bank has carried out the following transactions with key management personnel, as specified as below:

	As of March 31,					
	2014			2013		
	Balance due	Total remuneration	Remuneration of key executives	Balance owed	Total remuneration	Remuneration of key executives
MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$	MCLP\$
Credit cards and other services	1,277	265,909	14	580	245,030	6
Mortgage loans	1,235	67,271	22	1,279	31,586	14
Guarantees	1,106	-	-	1,467	-	-
Total	3,618	333,180	36	3,326	276,616	20



As of March 31, 2014, the Bank has the following contracts:

N°	Related company	Description of services	Concept	Description of the contract	Term	Condition
1	Bolsa de Comercio de Santiago	Processing the stock exchange management system, through which BCI Corredor de Bolsa S.A operates.	Lease of terminals	Contract to use the stock exchange management software.	Indefinite	Automatic renewal
2	Centro de Automatizado S.A. (CCA)	Clearing houses for electronic transactions	Clearing house services	Participant and incorporation into the electronic transfer center to expedite the completion of fund transfer operations, the Bank operates in the CET as an IFO (Originating Banking Institution) and as an IFR (Receiving Banking Institution).	Indefinite	Automatic renewal every year.
3	Compañía de Formularios Continuos Jordan (Chile) S.A.	Printing and making check books	Printing of forms	Printing services are contracted for basic lists, special forms, and revenue stamped forms, such as checks and at sight promissory notes.	Indefinite	Automatic renewal every year.
4	Operadoras de Tarjetas de Crédito Nexus S.A.	Processing credit card operations (issuer list)	Card processing	Operations of Mastercard, Visa credit cards and debit cards with regard to processing the issuer list.	Indefinite	Automatic renewal every 3 years.
5	Redbanc S.A.	Administration of the operations of ATM's, Redcompra and RBI.	Operation of ATMs	In fulfilling its corporate purpose, the Company will offer the participant, for the use of its customers or users, the electronic data transfer service via automatic tellers or other actual or virtual electronic means.	Indefinite	Automatic renewal every 3 years.
6	Servipag Ltda.	Collection and payment of services, payment of checks and receipt of deposits and administration of our teller service.	Collection and payment of services	The service is contracted for resolution of collection transactions captured by BCI tellers for processing and rendition to customers.	Indefinite	Automatic renewal.
7	Transbank S.A.	Processing credit card operations (user list)	Administration of credit cards	Rendering of Visa, Mastercard credit card services with regard to the user list.	Indefinite	Automatic renewal every 2 years.
8	Artikos Chile S.A.	Purchases and logistics services portal	Purchase of supplies	Electronic purchase service for assets and/or logistics services.	Indefinite	Automatic renewal every year.
9	BCI Seguros de Vida S.A.	Insurance	Insurance premiums	Individual life insurance policy for executives and guards.	Annual	Contracted annually
10	BCI Seguros Generales S.A.	Insurance	Insurance premiums	Individual policies for the Bank's physical assets, leased asset and comprehensive banking policy.	Annual	Contracted annually



NOTE 11 – SUBSEQUENT EVENTS

There have been no subsequent events between March 31, 2014 and the date of issue of these consolidated interim financial statements that may have had or might have any impact on the presentation of these consolidated interim financial statements.

Fernando Vallejos Vásquez
Accounting Manager

Lionel Olavarría Leyton
Chief Executive Officer