Bci
somosdiferentes

Quarterly Earnings Report

1Q 2018

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Annual General Meeting approves capital increase

The ordinary and extraordinary shareholders' meetings, held on march 27, 2018, approved a capital increase of Ch$340,000,000,000, in order to keep the capital ratios unchanged in the light of the possible acquisition of Totalbank and Walmart Financial Services.

In addition, the company proposed the net income of 2017, amounting to Ch$371,403,139,300, to be distributed as follows:
a) Distribute a dividend of Ch$1,050 per share, of a total of 124,944,872 shares issued and registered in the Shareholders' Registry, amounting to Ch$131,192,115,600; and,
b) Allocate the rest of the net income in the year, amounting to Ch$240,211,023,700, to the reserve fund from net income.

The shareholders also ratified Mr. Juan Edgardo Goldenberg Peñafiel as a director of the bank.

As informed in a material fact dated January 30, 2018, a Board meeting on that same date accepted the resignation of Mr. Juan Ignacio Lagos Contardo and agreed to appoint his replacement as Mr. Juan Edgardo Goldenberg Peñafiel effective as of January 31, 2018.

Feller Rate upgrades Bci's credit rating

On February 28, Feller Rate released a report upgrading Bci's domestic credit risk solvency from AA+ to AAA in the local market, besides assigning a stable outlook.

According to this document, "Bci's rating is based on a generation capacity and a business profile considered very strong, a risk profile and a funding and liquidity rated as strong, and adequate equity support."

Likewise, in November 2017 Fitch Ratings also raised Bci's credit rating from A- to A in the international market and from AA to AAA in the local market (both with a stable outlook).

Bci recognized as one of the most sustainable companies in the Chilean market

Bci was recognized by the Santiago Stock Exchange for being on the list of companies on the selective share price index (IPSA) in 2017 and those on the Dow Jones Sustainability Chile Index (DJSI) 2017, the first index in Chile to include those companies with the greatest stock market presence and best practice on sustainability. Bci has been distinguished since this index started in 2015.

The DJSI assessment is broad and includes a detailed analysis of management practices and performance indicators in areas like governance, risk management, anti-corruption, innovation, mitigation of climate change, sustainable management of suppliers and good labor practices, and only the top 10% of the most sustainable companies in each industry are included on the index

FINANCIAL HIGHLIGHTS

Earnings Report 1Q18

April 2018

In 1Q18, Bci's customer loan portfolio amounted to Ch$25,576,625 million, growing 13.05% compared with the same period in 2017 and a market share of 15.91%* as of March 2018. This is related to our strategy of controlled growth whilst maintaining low levels of provisions for loan losses.

The bank reported net income of Ch$109,412 million in 1Q18, achieving an accrued market share of 17.12% as of March. Bci's net income decreased -22.32% YoY. This can be explained by extraordinary profit on investment in companies, due to the valuation at fair value of our investment in Credicorp Ltd. in 1Q17 (Bci discontinued the use of the equity method for accounting of our investment due to the fact that we no longer exercised significant influence over Credicorp Ltd.).

The ROAE this quarter was 12.60%, decreasing YoY and QoQ, and mainly explained by three effects:

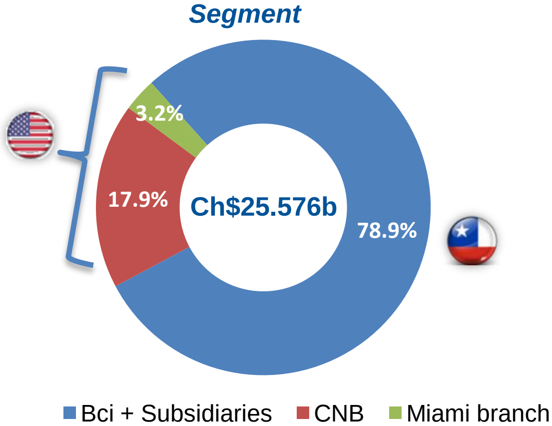
- ROAE as of 1Q18 does not consider the extraordinary profit of March 2017 (Ch$54,781 million due to the change in accounting criteria related to Credicorp's shares).
- ROAE as of 4Q17 considers the Credicorp effect mentioned above; and was also affected by the US Tax Reform, in the amount of Ch$30,665 million, that hit net income.
- In addition, the results of 1Q18 consider a voluntary provision of commercial models of Ch$8,000 million, compared to Ch$5,000 million in 1Q17 for consumption.

It is important to mention that since 2015 our operating expenses have increased due to the implementation of our Digital Transformation Plan, in which we've been investing heavily. Since March 2016, we have hired almost 400 new employees in different areas such as mobile, technology, innovation, among others. Despite that recently mentioned, we have a plan to reduce our headcount, which meant higher severance payments. For the rest of 2018 we aim to improve our efficiency by 200 basis points and in the midterm we expect this plan to have a positive effect on this ratio, with a target of 42%-44% by 2020.

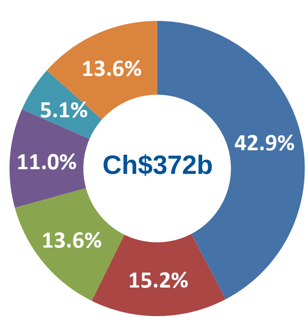
Furthermore, City National Bank of Florida (CNB),continues to show significant gains in income, lending, deposits and assets, while preserving pristine asset quality.

Finally, we should highlight our Tier 1 in this period of 10.18% and a BIS Ratio of 13.32%, which is consistent with our commitment to maintain sound capitalization ratios.

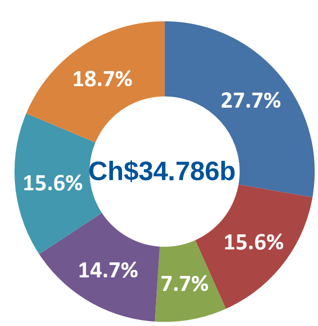
Total Loans* by Segment



Total Operating Income by Segment



Total Assets by Segment



Retail banking
SMEs
C&IB Finance
Commercial banking
C&IB Commercial
CNB

** Before provisions for loan losses and operating expenses*

Table 1 :

Main indicators

Banco de Crédito e Inversiones

	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Financial Indicators					
Total loans(1)	22,625,003	24,710,833	25,576,625	**3.50%**	**13.05%**
Net Income	140,856	56,627	109,412	**93.22%**	**-22.32%**
Total assets(2)	31,207,341	33,883,396	34,786,924	**2.67%**	**11.47%**
Total shareholders' equity	2,584,627	2,728,286	2,767,969	**1.45%**	**7.09%**
ROAE(3)	16.67%	14.04%	12.61%	**-1.44 pp**	**-4.07 pp**
ROAA(3)	1.34%	1.14%	1.02%	**-0,12 pp**	**-0.32 pp**
Efficiency ratio(4)	49.64%	50.67%	50.79%	**1.53 pp**	**1.83 pp**
Provision for loan losses / Total loans	1.71%	1.62%	1.61%	**0.02 pp**	**-0.11 pp**
Tier 1(5)	10.03%	10.02%	10.15%	**0.03 pp**	**-0.12 pp**
Regulatory capital / Risk-weighted assets	13.42%	13.19%	13.32%	**0.13 pp**	**-0.10 pp**
Operational Indicators					
Headcount	11,055	10,608	10,294	**-2.96%**	**-6.88%**
Bci	10,505	10,009	9,687		
CNB	550	599	607		
Commercial contact points	398	387	364	**-5.94%**	**-8.54%**
Bci	372	361	338		
CNB	26	26	26		
N° of ATMs	1,066	1,256	1,246	**-0.80%**	**16.89%**

(1) Ch$MM. Includes interbank loans
(2) For presentation purposes current tax is stated in liabilities as tax payable
(3) Last 12-month income divided by average equity/assets of last 13 months.
(4) According to SBIF methodology. Since the 1Q18 Earnings Report it doesn't consider additional allowances anymore.
(5) Tier 1: Basic capital / Average risk-weighted assets.

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

Ch$ Million	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Financial Margin	221,146	247,916	236,288	-4.69%	6.85%
Net Fees	62,256	72,042	68,531	-4.87%	10.08%
Exchange Rate and Operating Income	44,383	31,031	57,779	86.20%	30.18%
Written-off Credit Recovery	9,879	12,312	11,860	-3.67%	20.05%
Other net operating income	4,541	2,410	-326	N/A	N/A
Gross Margin	**342,205**	**365,711**	**374,132**	**2.30%**	**9.33%**
Provisions and write-offs	-72,782	-66,469	-69,619	4.74%	-4.35%
Operating expenses	-169,859	-192,814	-190,009	-1.45%	11.86%
Net Operating Income	**99,564**	**106,428**	**114,504**	**7.59%**	**15.01%**
Investments in companies	103,223	1,791	23,091	1189.28%	-77.63%
Income before taxes	**202,787**	**108,219**	**137,595**	**27.14%**	**-32.15%**
Tax	-61,931	-51,592	-28,183	-45.37%	-54.49%
Net Income	**140,856**	**56,627**	**109,412**	**93.22%**	**-22.32%**

Table 3:

Consolidated Balance Sheet*

Banco de Crédito e Inversiones

Ch$ Million	1Q17	4Q17	1Q18
Cash and deposits in banks	1,348,673	1,495,732	1,933,971
Items in course of collection	563,678	259,977	307,982
Trading portfolio financial assets	1,358,667	2,197,716	2,060,371
Investments under agreements to resell	134,622	252,599	196,879
Derivative financial assets	1,343,256	1,365,738	1,345,687
Loans and receivables to banks, net	212,704	179,065	273,718
Loans and receivables to customers, net	22,024,789	24,130,419	24,890,140
Financial investments available for sale	2,506,420	2,531,682	2,388,763
Financial investments held to maturity	859	800	786
Investments in other companies	260,227	207,718	150,958
Intangibles assets	171,201	175,897	170,686
Property, plant and equipment, net	272,187	270,291	266,778
Current income tax	125,140	14,312	14,339
Deferred income tax	191,186	48,160	58,913
Other Assets	693,732	753,290	726,953
Total Assets	**31,207,341**	**33,883,396**	**34,786,924**
Current accounts and demand deposits	8,485,689	9,534,124	9,355,168
Items in course of collection	450,185	109,341	207,324
Liabilities under agreements to repurchase	650,154	869,438	761,339
Term deposits and savings accounts	9,796,097	10,692,346	11,346,424
Derivative financial agreements	1,432,167	1,479,602	1,505,093
Borrowings from financial institutions	1,469,703	1,754,356	1,846,007
Debt issued	4,584,320	5,020,307	5,442,553
Other financial liabilities	809,549	679,379	756,730
Current income tax	83,549	7,480	17,511
Deferred income tax	92,034	980	1,130
Provisions	186,045	274,673	178,887
Other Liabilities	583,222	733,084	600,789
Total Liabilities	**28,622,714**	**31,155,110**	**32,018,955**
Capital	2,493,420	2,493,420	2,493,420
Reserves	109	109	109
Accumulated other comprehensive income	-7,976	-25,667	-42,792
Retained Earnings	98,586	259,982	316,791
Non-controlling interest	488	442	441
Total Shareholders'Equity	2,584,627	2,728,286	2,767,969
LIABILITIES & SHAREHOLDERS' EQUITY	**31,207,341**	**33,883,396**	**34,786,924**

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

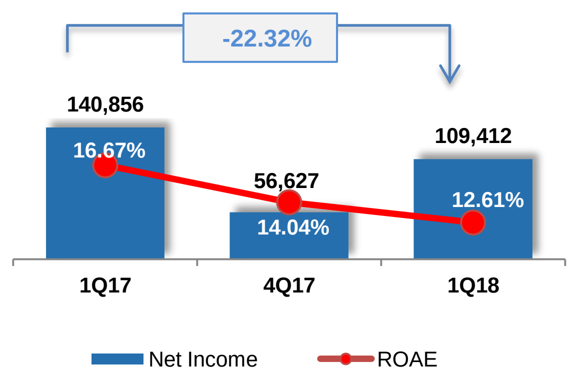
Net Income

In the first quarter, the Bank had net income of Ch$109,412 million, increasing 93.22% QoQ and decreasing -22.32% YoY.

The higher net income QoQ is mainly explained because in the previous quarter there were higher taxes paid due to an adjustment made to deferred taxes for CNB and Miami Branch for the cut in the corporate tax rate in the U.S.

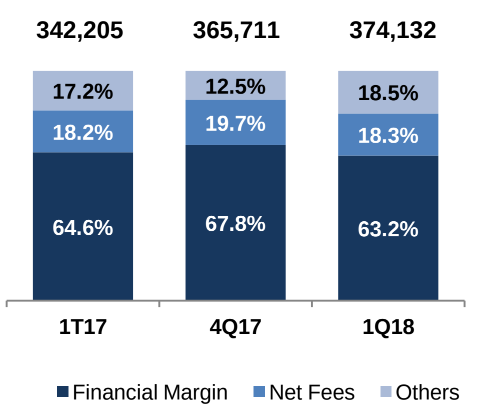
The Bank's annualized return on average equity (ROAE), as defined by the SBIF, was 12.61% in 1Q18. As we mentioned in the "Financial Highlights," there were some non-recurring effects that have affected this ratio.

Chart 1:
Net Income



Margins

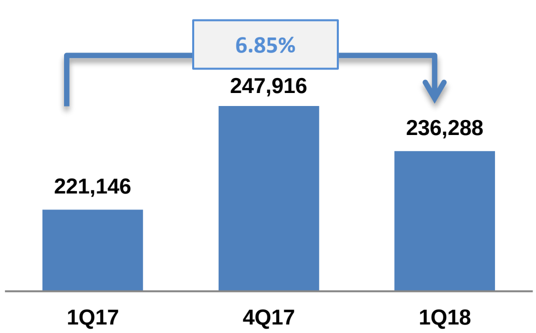
Chart 2:
Gross Margin



Gross Margin

Bci's gross margin* was Ch$374,132 million in 1Q18, increasing 9.3% YoY. Such increase was mainly due to a higher financial margin explained by an increase in interest and indexation income, largely for mortgage loans and commercial loans.

Chart 3:
Financial Margin



Financial Margin

The financial margin, comprising interest and indexation, amounted to Ch$236,288 million in 1Q18, decreasing 4.69% QoQ, which is explained by higher interest and indexation expenses, mainly for instruments issued and others.

* Gross margin calculated according to the SBIF definition, including income from recovery of penalties.

Table 4:
Gross Margin & Financial Margin

Ch$ Million	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Financial Margin	221,146	247,916	236,288	**-4.69%**	**6.85%**
Net Fees	62,256	72,042	68,531	**-4.87%**	**10.08%**
Other	58,803	45,753	69,313	**51.49%**	**17.87%**
Gross Margin	**342,205**	**365,711**	**374,132**	**2.30%**	**9.33%**

Ch$ Million	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Interest and indexation income	365,639	402,469	406,658	**1.04%**	**11.22%**
Interest and indexation expense	-144,493	-154,553	-170,370	**10.23%**	**17.91%**
Total Financial Margin	**221,146**	**247,916**	**236,288**	**-4.69%**	**6.85%**

Breakdown: Interest and indexation income	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Loans and accounts receivable with clients	354,531	382,280	399,637	**4.54%**	**12.72%**
Commercial loans	202,824	214,762	224,582	**4.57%**	**10.73%**
Consumer loans	85,683	90,356	90,499	**0.16%**	**5.62%**
Mortgage loans	64,240	75,188	82,708	**10.00%**	**28.75%**
Prepaid fees	1,784	1,974	1,848	**-6.38%**	**3.59%**
Loans to banks	1,616	2,037	2,032	**-0.25%**	**25.74%**
Financial investments	16,996	16,142	17,271	**6.99%**	**1.62%**
Others	-7,504	2,010	-12,282	**N/A**	**63.67%**
Total	365,639	402,469	406,658	**1.04%**	**11.22%**

Breakdown: Interest and indexation expense	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Total deposits	-77,860	-81,740	-83,381	**2.01%**	**7.09%**
Instruments issued	-50,491	-57,040	-62,846	**10.18%**	**24.47%**
Others	-16,142	-15,773	-24,143	**53.07%**	**49.57%**
Total	-144,493	-154,553	-170,370	**10.23%**	**17.91%**

Fees

Bci's net fees amounted to Ch$68,531 million in 1Q18, which was a -4.87% decrease QoQ. This is explained by lower income from fees and services, mainly remunerations for insurance brokerage.

In addition, it is important to highlight some factors that occurred during 2017:
- Overdraft lines: As of August 2017, the company eliminated the emergency line charge.
- Others: financial advisory services, since in 2017 important mandates were postponed.

The increase in "card services" mainly arises from higher revenues from ATMs, as a result of new tenders. This is generating a 57% increase in the ATM commission, which accounts for around 25% of this line.

Table 5:
Net Fees

Ch$ Million	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Fee income	81,700	92,343	89,689	**-2.87%**	**9.78%**
Fee expenses	-19,444	-20,301	-21,158	**4.22%**	**8.82%**
Net Fees	62,256	72,042	68,531	**-4.87%**	**10.08%**

Income from Fees and Services	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Lines of credit and overdraft	1,539	724	633	**-12.57%**	**-58.87%**
Letters of credit and guarantees	5,270	5,218	4,729	**-9.37%**	**-10.27%**
Accounts administration	10,902	10,824	10,958	**1.24%**	**0.51%**
Charges for collection and payment	13,073	13,680	12,942	**-5.39%**	**-1.00%**
Investment in mutual funds	12,518	12,904	12,906	**0.02%**	**3.10%**
Card services	20,242	23,051	24,566	**6.57%**	**21.36%**
Securities management and intermed	1,422	1,788	1,663	**-6.99%**	**16.95%**
Remunerations for insurance brokerage	10,221	16,793	13,572	**-19.18%**	**32.79%**
Others	6,513	7,361	7,720	**4.88%**	**18.53%**
Total	81,700	92,343	89,689	**-2.87%**	**9.78%**

Expense from Fees and Services	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Costs for card operations	10,306	10,201	10,529	**3.22%**	**2.16%**
Operations with securities	2,943	3,892	3,930	**0.98%**	**33.54%**
Other	6,195	6,208	6,699	**7.91%**	**8.14%**
Total	19,444	20,301	21,158	**4.22%**	**8.82%**

Foreign Exchange and Financial Operating Income

The net foreign exchange and financial operating income amounted to Ch$57,779 million in 1Q18, improving substantially compared to the previous quarter.

The variation YoY increased 30.18%, and this can be explained by higher foreign exchange income and greater hedge accounting income.

Table 6:
Breakdown of Foreign Exchange and Financial Operating Income

Ch$ Million	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Foreign exchange income	16,635	-5,472	53,058	**N/A**	**218.95%**
Financial operating income	27,748	36,503	4,721	**-87.07%**	**-82.99%**
Net Foreign Exchange and Financial Operating Income	44,383	31,031	57,779	**86.20%**	**30.18%**

Operating Expenses

Operating expenses were Ch$190,009 million in 1Q18, decreasing 1.45% QoQ and increasing 11.86% YoY. Such increase was due to higher staff costs related to severance and bonds payments; and management costs regarding the digital transformation plan.

In terms of accumulated efficiency, Bci achieved a ratio of 51.9% in 1Q18, which was higher than the 50.7% in 4Q17. Despite the lower operating expenses and higher gross margin, the efficiency increased as it considers the additional provisions (Ch$8,000 million for 1Q18) in its calculation.

For the forthcoming years, we maintain our commitment of lowering operating expenses.

Chart 4:
Operating Expenses and Efficiency

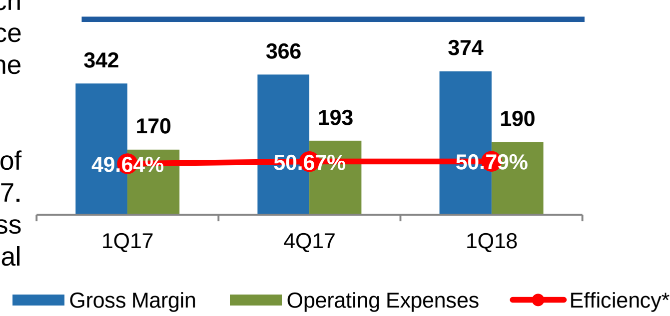
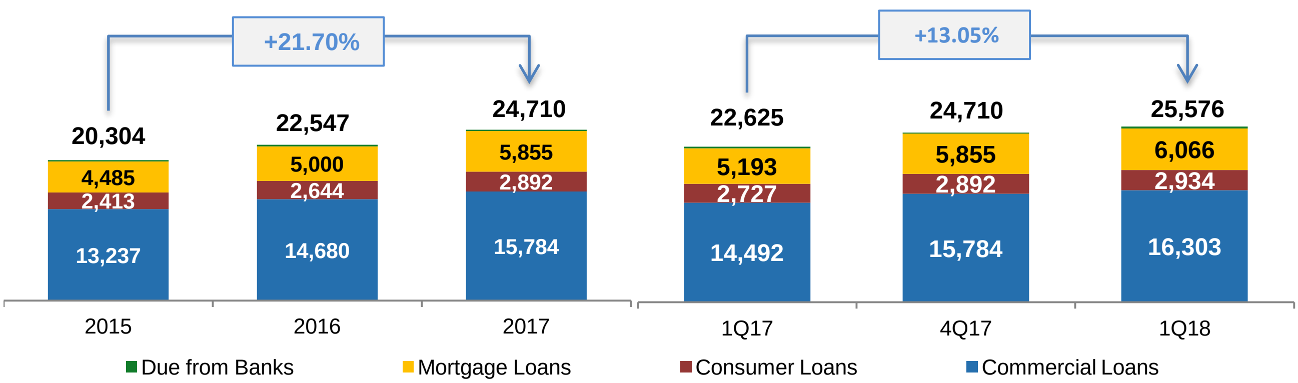


Table 7:
Operating Expense Breakdown

Ch$ Million	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Staff and BOD	99,157	106,480	115,125	**8.12%**	**16.10%**
Management	56,338	70,690	59,674	**-15.58%**	**5.92%**
Dep. Amort. & Write-offs & others	14,364	15,644	15,210	**-2.77%**	**5.89%**
Operating Expenses	169,859	192,814	190,009	**-1.45%**	**11.86%**

*According to SBIF methodology. Since the 1Q18 Earnings Report it doesn't consider additional allowances anymore.

Chart 5:
Total Loans by Product



Bci's total loan portfolio amounted to Ch$25,576,625 million in 1Q18, increasing slightly QoQ. Loans to clients were Ch$25,302,409 million. This represents a 15.91% of market share as of March, and dropping to 13.87% if we exclude City National Bank of Florida and Itaú's investment in Colombia, although its 26 bp higher than last quarter.

As part of our diversification strategy in the domestic market we've been working on increasing our mortgage exposure, improving our portfolio diversification, which is a reflection of our successful commercial initiatives.

In the retail segment, we have experienced sustainable loan growth. In the consumer segment, Bci attained a growth rate of 7.60% YoY, and 16.80% for mortgage loans. This is a result of the implementation of business intelligence tools that have been highly effective, while we continue to outperform the market for net income risk. This is reflected by healthy growth of consumer loans, especially credit cards, and mortgage loans, with the lower risk rate of the market. This, has helped us to increase the share of wallet of our customers.

On comparing Bci's figures with those of the banking sector, Bci's customer loans grew 3.14% this quarter while the banking sector grew 1.79% as of March. Bci's consumer loans increased 1.43% in the quarter, while the sector grew 1.50%.Bci had 3.29% growth of commercial loans while the system grew 1.68%, and 3.59% growth of mortgage loans against the banking sector's 2.16% as of March.

Table 8:
Breakdown of Total Loans

Ch$ Million	1Q17	4Q17	1Q18	1Q18/ 4Q17	1Q18/ 1Q17
Interbank Loans	213,126	179,373	274,216	**52.87%**	**28.66%**
Client Loans	22,411,877	24,531,460	25,302,409	**3.14%**	**12.90%**
Commercial*	14,492,111	15,783,699	16,302,976	**3.29%**	**12.50%**
Consumer*	2,726,524	2,892,370	2,933,847	**1.43%**	**7.60%**
Mortgage*	5,193,242	5,855,391	6,065,586	**3.59%**	**16.80%**
Total Loans	22,625,003	24,710,833	25,576,625	**3.50%**	**13.05%**
Leasing	1,103,331	1,200,412	1,238,577	**3.18%**	**12.26%**
Foreign Exchange	744,578	611,908	716,796	**17.14%**	**-3.73%**

* Note: Figures include leasing and foreign trade item.

LOAN LOSS PROVISIONS & ALLOWANCES

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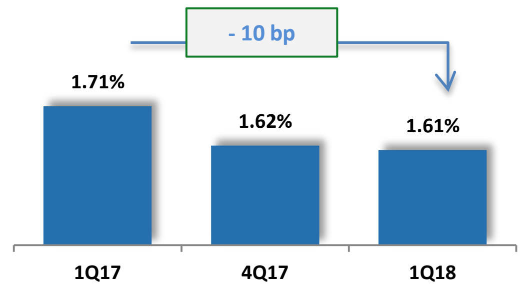
Portfolio Risk

The stock of additional provisions made amounted to Ch$71,695 million as of March 2018. It should be noted that during 1Q18 additional provisions of Ch$8,000 million were generated in the commercial portfolio.

The non-performing loans (NPL) coverage ratio considering these provisions was 136.7% as of 1Q18, with a slight decrease in the 90+ days delinquent loan portfolio for commercial loans, whilst for consumer and mortgage loans it remained unchanged.

The provision and write-off expense in 1Q18 was Ch$69,619 million, decreasing 4.35% YoY.

Chart 6:
Allowances / Total Loans



The stock of regulatory provisions for loan losses amounted to Ch$412,767 million in 1Q18, giving a 1.61% ratio of provisions for loan losses, a -10 basis points decrease YoY. This decrease in the risk ratio in the quarter was mainly due to a lower risk ratio for mortgage loans and commercial loans

Table 9:
Risk Ratios

	1Q17	4Q17	1Q18
Provisions / Total Loans	1.71%	1.62%	1.61%
Provisions / Commercial Loans	1.59%	1.46%	1.43%
Provisions / Consumer Loans	4.58%	4.82%	5.02%
Provisions / Mortgage Loans	0.62%	0.53%	0.51%
NPL Coverage (1)	115.98%	135.22%	136.70%
NPL Coverage (2)	98.34%	115.79%	116.45%
NPL Commercial Coverage (2)	83.54%	97.75%	98.52%
NPL Consumer Coverage (2)	285.26%	329.65%	343.17%
NPL Mortgage Coverage (2)	43.37%	45.67%	42.07%
Delinquent individual loan Portfolio with 90 + days arrears / Total loans	1.76%	1.41%	1.40%
Delinquent individual loan Portfolio with 90 + days arrears / Total individual loans	2.01%	1.66%	1.62%
90 + Days Delinquent loan Portfolio / Commercial loans	2.33%	1.93%	1.86%
90 + Days Delinquent loan Portfolio / Consumer loans	1.66%	1.52%	1.52%
90 + Days Delinquent loan Portfolio / Mortgage loans	1.57%	1.24%	1.24%

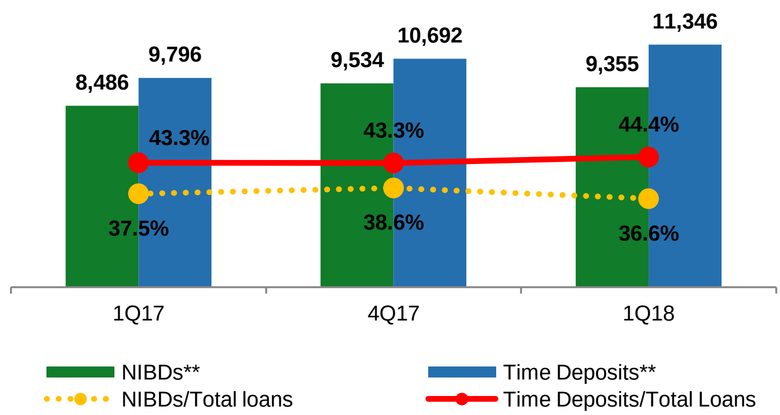
(1) NPL Coverage = stock of mandatory provisions + additional (consolidated balance sheet) / 90+ days delinquent loan portfolio (consolidated balance sheet).
(2) NPL Coverage = stock of mandatory provisions (consolidated balance sheet) / 90+ days delinquent loan portfolio (consolidated balance sheet).

NIBDs and Time Deposits

Non-interest-bearing deposits (NIBDs) amounted to Ch$9,355,168 million in 1Q18, decreasing 1.9% QoQ and accounting for 36.4% of total loans as of March 2018. Bci's accrued NIBD market share* decreased from 14.17% in 4Q17 to 13.23% in 1Q18.

The balance of time deposits in 1Q18 was Ch$11,346,424 million, increasing 6.1% QoQ and 15.8% YoY.

Chart 7:
NIBDs and Time Deposits



Product Stock

Chart 8:
Number of Checking Accounts

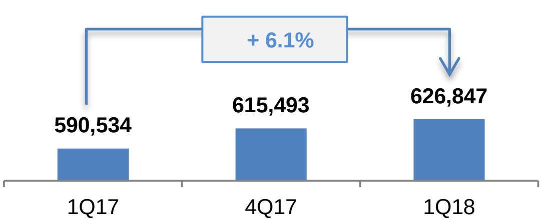
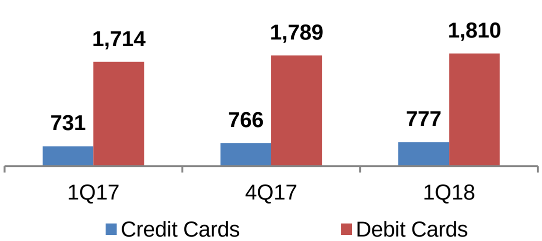


Chart 9:
Number of Credit & Debit Cards**



We can see that **checking accounts** in the fourth quarter had a slight 1.8% increase QoQ, but grew 6.1% YoY.

As we have mentioned in previous reports, one of the factors that has led to greater customer capture has been our digital trips, which give customers the option to open a checking account in a few minutes online.

This quarter the number of **credit cards** increased 1.5% QoQ and 6.3% YoY. As a driver of growth, we are being aggressive with the offer in installments (6 permanent monthly payments, 12 for education and health, 24 for the automotive sector). In addition, campaigns have been created to raise customer credit card limits, in addition to others that increase the activity of the portfolio.

In the case of **debit cards**, there was a 5.6% increase compared to 1Q17 and 1.4% QoQ.

*Excludes investment effect of Corpbanca in Colombia and City National Bank of Florida.
** Amount in thousands of millions of CLP

As of March 2018, Basic Capital increased 7,1% YoY to Ch$2,767,546 million, due to the following:

→The capitalization of retained earnings of the previous year, which amounted to Ch$240,211 million and accounted for retained earnings of 64.7% of such year.

→The current year retained earnings, which as of March 2018 were Ch$76,598 million, amounted to Ch$22,001 million less than March 2017. This is explained by the change of accounting criteria in the valuation of Credicorp's shares in 1Q2017.

→Other patrimonial accounts and IFRS adjustments, which as of March 2018 represented Ch$42,682 million, mainly due to the lower value of our investments in the USA caused by the US dollar depreciating Ch$55.67.

Our most important growth came from real estate loans this year (18.3% YoY), nevertheless the biggest amount was in commercial loans by Ch$844,174 million, reducing the current regulatory basic capital to risk-weighted assets ratio by 10 basis points, explained as mentioned before by the depreciation of the US dollar and loan growth.

Table 10:
Capital Adequacy

Ch$ Million	1Q17	4Q17	1Q18
Basic Capital	2,584,152	2,727,845	2,767,546
3% of Total Assets	1,008,844	1,089,406	1,108,416
Excess over minimum required capital	1,575,308	1,638,439	1,659,130
Basic Capital / Total Assets	7.68%	7.51%	7.49%
Regulatory Capital	3,364,412	3,511,593	3,618,501
Risk-Weighted Assets	25,069,825	26,625,581	27,166,535
10% of Risk-weighted assets	2,506,982	2,662,558	2,716,653
Excess over regulatory capital	134.2%	131.9%	133.2%
Regulatory capital over Risk-Weighted Assets	13.42%	13.19%	13.32%

New General Banking Law (LGB)

The new General Banking Law (LGB), which was dispatched to Congress in June 2017, is still under debate and to date there have been no changes in the ratios indicated in such law, which are in line with the international framework of Basel III, having 6 years of implementation once approved. Based on that commented on above, such law currently indicates the following cumulative requirements:

- 4.5% of basic capital to risk-weighted assets.
- 1.5% of additional Tier1 capital to risk-weighted assets.
- 2% of Tier 2 to risk-weighted assets.
- 2.5% of conservation buffer (basic capital to risk-weighted assets).
- Possible additional requirements: countercyclical buffer, system risk buffer, additional requirements of Pillar II of Basel III.

The Finance Market Committee (CMF) started working in January 2018, absorbing SVS competences and will absorb the SBIF once the new LGB law has been approved with a scheduled agenda.

CITY NATIONAL BANK OF FLORIDA

Earnings Report 1Q18

April 2018

"CNB continues to deliver consistent organic growth and market-leading performance built on the commitment of our people, loyalty of our clients, growth into new markets and services, and always delivering an unsurpassed client experience"

"Our upcoming acquisition of TotalBank builds on this and is an important step in our plan to build the iconic Florida-centric financial institution."

CNB President & CEO,
Jorge Gonzalez

City National Bank of Florida (CNB) announced financial results for the first quarter 2017, which continue to show significant gains in income, lending, deposits and assets, while preserving pristine asset quality.

The bank reached $10.8 billion in assets, and net income after taxes in 1Q18 was US$25.8 million, $1.6 million more than the same period last year.

In the financial area, CNB grew loans and finance leases by $1.87 billion, or 33.6% in the last twelve months to $7.4 billion in loans and leases outstanding.

Regarding liabilities, deposits totaled $8.25 billion at the end of the first quarter of 2018, compared to $6.05 billion at the end of the first quarter of last year. Deposits increased by $2.2 billion or 36% during the previous 12 months.

The Tier 1 risk-based capital ratio was 11.98% this 1Q18.

Regarding asset quality, non-accrual loans to total loans remain at a very low 0.37% .

CNB continues to grow in key sectors and markets. This month, CNB announced the hiring of a residential lending director in Orlando and relationship mangers in Tampa for commercial real estate and corporate banking. The new hires are in line with the bank's statewide expansion efforts that in 2017 included opening new offices in Sarasota and Tampa.

TotalBank Acquisition

City National Bank is expected to close next quarter on the purchase of TotalBank, one of South Florida's leading community banks.

Combined with TotalBank, CNB will have more than $13 billion in assets, creating the third-largest bank in Florida and placing CNB in the top two percent of the nation's 5,300 banks. By gaining scale and growing market share, CNB plans more investments in technology and client support to further strengthen CNB's position as "The Big Bank Alternative."

About City National Bank of Florida

Headquartered in Miami, City National Bank (CNB) is the financial institution to which Floridians have turned for 70 years. With more than $10 billion in assets, CNB is one of the largest financial institutions based in the state.

City National Bank is a subsidiary of Chilean bank, Banco de Credito e Inversiones (Bci), and remains a South Florida-based community bank with local decision-making. City National Bank is one of the most liquid and best capitalized banks in Florida and is rated 5 stars "Superior" by BauerFinancial. CNB was voted Best Community Bank, Best Business Bank, Best Bank for Commercial Real Estate, Best Bank for Jumbo Loans, Best Private Bank and Best Foreign National Mortgage Lender by the readers of the *Daily Business Review* for the past four years.

CNB offers a diversified portfolio of financial products and services at 26 convenient banking centers from Miami-Dade County to Central Florida.

Table 11:
Simulation: Bci and CNB Income Statement (P&L) – March 31, 2018

Ch$ Million	Bci+Subsidiaries+ Miami Branch	Bci Financial Group	Adjustment	Consolidated
Interest Income	351,424	55,234	0	406,658
Interest Expense	-159,059	-11,311	0	-170,370
Net Interest Income	**192,365**	**43,923**	**0**	**236,288**
Fees and income from services	85,881	3,808	0	89,689
Fees and expense from services	-20,492	-666	0	-21,158
Net fee income	**65,389**	**3,142**	**0**	**68,531**
Trading and investment income, net	4,309	412	0	4,721
Foreign exchange gain (loss), net	53,058	0	0	53,058
Other operating income	6,396	3,509	0	9,905
Operating Income	**321,517**	**50,986**	**0**	**372,503**
Provision for loan losses	-53,703	-4,056	0	-57,759
Opeating Income, net of provisions	**267,814**	**46,930**	**0**	**314,744**
Personnel salaries and expenses	-99,327	-15,798	0	-115,125
Administrative expenses	-51,456	-8,218	0	-59,674
Depreciation and amortization	-14,588	-622	0	-15,210
Impairment	-91	0	0	-91
Other operating expenses	-6,821	-3,319	0	-10,140
Operating expenses	**-172,283**	**-27,957**	**0**	**-200,240**
Net operating income	**95,531**	**18,973**	**0**	**114,504**
Gain attributable to investments in other companies	37,321	651	-14,881	23,091
Income before tax	**132,852**	**19,624**	**-14,881**	**137,595**
Income tax	-23,440	-4,743	0	-28,183
Net income from continuing operations	**109,412**	**14,881**	**-14,881**	**109,412**
Net income from discontinued operations	0	0	0	0
Net Income	**109,412**	**14,881**	**-14,881**	**109,412**

*On October 16, 2015, Banco de Crédito e Inversiones completed the acquisition of City National Bank of Florida.

Table 12:

Simulation: Bci and CNB Balance Sheet – March 31, 2018

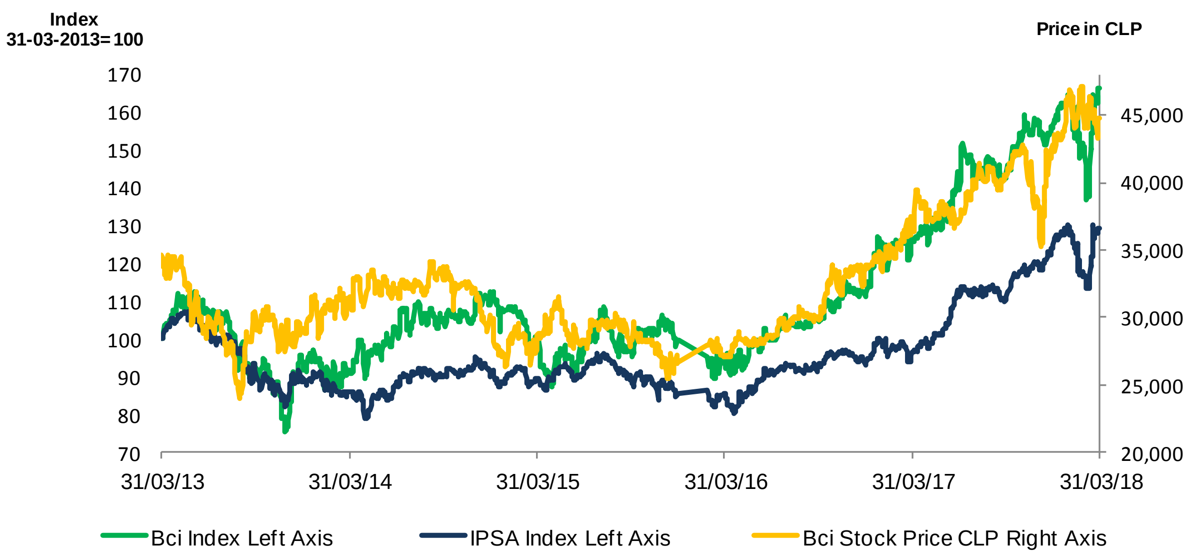
Ch$ Million	Bci+Subsidiaries+ Miami Branch	Bci Financial Group	Adjustment	Consolidated
ASSETS		Owner CNB[1]		
Cash and deposits in banks	1,608,246	325,725	0	1,933,971
Items in course of collection	307,982	0	0	307,982
Trading portfolio financial assets	2,047,342	13,029	0	2,060,371
Investments under agreements to resell	196,879	0	0	196,879
Derivative financial agreements	1,327,036	18,651	0	1,345,687
Loans and receivables from banks, net	273,718	0	0	273,718
Loans and receivables from customers, net	20,342,925	4,547,215	0	24,890,140
Financial investments availables for sale	1,115,389	1,273,374	0	2,388,763
Financial investments held to maturity	0	786	0	786
Investments in other companies	724,070	21	-573,133	150,958
Intangible assets	168,710	1,976	0	170,686
Property, plant and equipment, net	221,652	45,126	0	266,778
Current income tax	2,687	11,652	0	14,339
Deferred income taxes	33,190	25,723	0	58,913
Other assets	521,266	205,687	0	726,953
TOTAL ASSETS	**28,891,092**	**6,468,965**	**-573,133**	**34,786,924**
LIABILITIES				
Current accounts and demand deposits	5,464,511	3,890,657	0	9,355,168
Items in course of collection	207,324	0	0	207,324
Obligations under agreements to repurchase	607,250	154,089	0	761,339
Time deposits and savings accounts	10,243,414	1,103,010	0	11,346,424
Derivative financial agreements	1,495,913	9,180	0	1,505,093
Borrowings from financial institutions	1,846,007	0	0	1,846,007
Debt issued	5,442,553	0	0	5,442,553
Other financial obligations	67,338	689,392	0	756,730
Current income tax	17,511	0	0	17,511
Deferred income taxes	1,130	0	0	1,130
Provisions	157,578	21,309	0	178,887
Other liabilities	573,033	27,756	0	600,789
TOTAL LIABILITIES	**26,123,562**	**5,895,393**	**0**	**32,018,955**
SHAREHOLDER'S EQUITY				
Capital	2,493,420	560,794	-560,794	2,493,420
Reserves	109	12,696	-12,696	109
Accumulated other comprehensive income	-42,792	-15,226	15,226	-42,792
Retained earnings:	0	0	0	0
Retained earnings from previous periods	240,211	0	0	240,211
Net income for the year	109,400	14,869	-14,869	109,400
Less: Accrual for minimum dividends	-32,820	0	0	-32,820
TOTAL EQUITY OF EQUITY HOLDERS OF THE BANK	2,767,528	573,133	-573,133	2,767,528
Non-controlling interest	2	439	0	441
TOTAL SHAREHOLDERS' EQUITY	**2,767,530**	**573,572**	**-573,133**	**2,767,969**
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	**28,891,092**	**6,468,965**	**-573,133**	**34,786,924**

Table 13:
Provisions – Bci and CNB – March 31, 2018

Ch$ Million	Bci+Subsidiaries+ Miami Branch	Bci Financial Group	Consolidated
Total Loans			
Consumer	2,807,799	126,048	2,933,847
Mortgage	5,427,112	638,474	6,065,586
Commercial	12,492,267	3,810,709	16,302,976
Total	**20,727,178**	**4,575,231**	**25,302,409**
Provisions			
Consumer	-145,952	-1,472	-147,424
Mortgage	-26,419	-4,608	-31,027
Commercial	-211,882	-21,936	-233,818
Total	**-384,253**	**-28,016**	**-412,269**
Write-Offs			
Consumer	29,979	5	29,984
Mortgage	1,812	0	1,812
Commercial	14,690	261	14,951
Total	**46,481**	**266**	**46,747**
Recoveries			
Consumer	5,938	6	5,944
Mortgage	1,156	0	1,156
Commercial	4,752	8	4,760
Total	**11,846**	**14**	**11,860**
Impaired Portfolio Chile			
Consumer	295,108	261	295,369
Mortgage	165,199	11,429	176,628
Commercial	788,525	8,868	797,393
Total	**1,248,832**	**20,558**	**1,269,390**

Bci Stock Performance

Chart 12*:
Bci Stock Performance



- Bci's stock performance in five years, including dividends, has been an accrued return of 65.48%, outperforming the 25.05% return of the selective share price index (IPSA).

- Bci's stock valuation in 2017 was 27.73% YoY, against the 15.86% of the IPSA in the same period.

Table 14:
Stock Performance

	1Q17	4Q17	1Q18
Closing Price	36,306	42,780	44,799
Minimum Price**	32,466	35,239	41,319
Maximum Price	37,496	42,799	46,069
Profitability 12m Bci **	40.0%	31.15%	27.73%
Profitability 12m IPSA (2)	21.5%	34.04%	15.86%
P/B (times)	1.7	2.0	2.1
Market Capitalization (MCh$)	$ 4,486,123	$ 5,345,147	$ 5,597,405
Equity (MCh$)	$ 2,584,627	$ 2,728,286	$ 2,767,987

Source: Bloomberg.
* The profitability index includes dividends, the price in CLP excludes dividends
** Minimum and maximum prices correspond to closing prices within the quarter.

Quarterly Earnings

Report

First Quarter 2018

April 2018

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