

Quarterly Financial Report

4Q22





BancoEstado Key Figures

Key figures of the quarterly income statement

	4Q21	3Q22	4Q22	4Q22 US\$ million	Change	
	Ch\$ billion				4Q22/4Q21	4Q22/3Q22
Net interest income	221	328	403	471	82,6%	23,0%
Net income from inflation adjustments	170	252	184	215	8,4%	-26,7%
Net fee and commission income	135	112	122	143	-10,0%	8,6%
Net interest, inflation adjustment & fee income	526	692	710	830	34,9%	2,7%
Net financial income	40	61	26	30	-34,2%	-57,0%
Other operating & non op. income	14	19	18	21	32,8%	-1,1%
Operating income	580	771	754	881	30,1%	-2,1%
Operating expense	-233	-261	-245	-286	4,9%	-6,2%
Operating results (before credit losses)	346	510	511	597	47,6%	0,3%
Credit loss expenses	-101	-266	-266	-311	164,6%	0,2%
Net income before taxes	246	244	244	285	-0,7%	0,1%
Income tax	-100	-58	-121	-141	20,2%	108,3%
Net income after taxes	145	186	124	145	-14,7%	-33,3%
Net income attributable to owners	142	181	119	138	-16,3%	-34,6%
Net income attributable to equity holders	4	5	6	7	47,7%	22,5%

Key figures of the balance sheet

	4Q21	3Q22	4Q22	4Q22 US\$ million	Change	
	Ch\$ billion				4Q22/4Q21	4Q22/3Q22
Total assets	53.582	54.816	57.091	66.706	6,5%	4,1%
Loans	28.259	30.638	31.369	36.652	11,0%	2,4%
Liquid assets	20.558	17.447	20.102	23.487	-2,2%	15,2%
Total liabilities	51.348	52.306	54.132	63.249	5,4%	3,5%
Customer funds	36.605	36.400	37.496	43.811	2,4%	3,0%
Issued debt instruments	8.775	7.491	8.317	9.718	-5,2%	11,0%
Equity	2.234	2.510	2.958	3.456	32,4%	17,8%

Key ratios

	4Q21	3Q22	4Q22	Change (pp)	
	%			4Q22/4Q21	4Q22/3Q22
ROA before tax	1,5%	2,2%	2,1%	0,56	-0,11
ROA after tax	0,9%	1,4%	1,3%	0,39	-0,10
Efficiency ratio	40,3%	34,4%	32,4%	-7,86	-2,00
Net interest margin	3,6%	5,3%	5,1%	1,50	-0,20
Risk index	3,1%	3,2%	3,4%	0,28	0,20
Coverage PDL	398,2%	366,8%	327,7%	-70,53	-39,10
PDL/Loans	0,8%	0,9%	1,0%	0,22	0,10
Tier 1 capital ratio	8,7%	8,8%	9,8%	1,05	0,98
Basel III	12,4%	13,1%	13,96%	1,52	0,86

Operational and coverage figures

	4Q21	3Q22	4Q22	Change	
	#			4Q22/4Q21	4Q22/3Q22
Employees	15.489	15.242	15.352	-0,9%	0,7%
Branches	400	399	399	-0,3%	0,0%
ATM's	2.332	2.344	2.360	1,2%	0,7%

Rating Agencies

	Long Term	Short Term	Outlook
S&P	A	A-1	Stable
Moody's	A2	P-1	Stable



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Milestones

Global economic growth decelerated less than expected in 2022, mainly because of positive surprises in several economies.

Global inflation has remained high, beyond some moderation in some countries. The United States reached its highest inflation rate in four decades, in a context where the labor market continues to be significantly tight. In the United Kingdom, headline inflation rose again, to levels not seen in more than four decades. In the Eurozone, inflation has remained high and has spilled over to CPI items with increased persistence. Latin America, overall, total inflation has declined, although its core component has continued to rise in several economies.

In China, the real estate sector uncertainty, the effects of the zero-covid policy, and the impact of a weaker global demand affected its dynamism.

Commodity prices have fallen after peaking early 2022, but in comparison with its history they are still high.

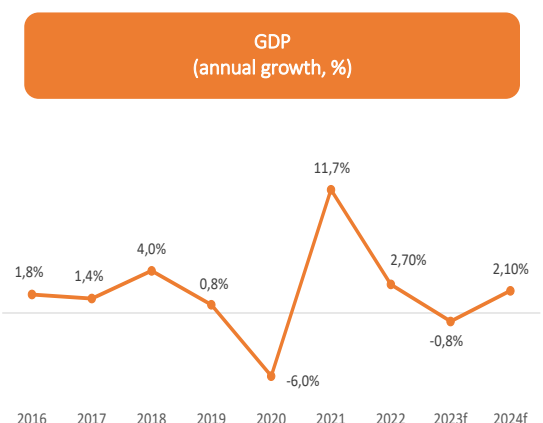
Most central banks have reinforced the contractionary nature of their monetary policies, particularly in developed economies. In Latin America, they have continued to raise interest rates, with the exception of Brazil. Overall, market expectations suggest that rate hike cycles are nearing to finish in a significant group of emerging economies.

In line with most of the countries, in 2022 Chile reduced its economic growth to an advance of 2.7%. Inflation showed high levels reaching its peak during the third quarter, but has begun to stabilize and slightly slow down, ending the year at 12.8% annually.

Consumption has been adjusting in a context of lower levels of household's liquidity, slow dynamism of job creation and a fall in real wages. In the most recent period, the decrease in formal employment stands out, offset by a higher share of informal and self-employment. The unemployment rate was 7.9% as of December 2022.

The investment has declined its dynamism through the year, in a scenario of less favorable financial conditions. It will continue to be affected by unfavorable financial conditions. Business confidence levels remain pessimistic, especially in the construction sector.

According to the Business Perceptions Report, all interviewees are concern about the economic situation. However, companies expect



Source: BancoEstado



to remain resilient during this year, and there is consensus that their result will be normalized by the end of 2023.

The Monetary Policy Rate (MPR) is at 11.25% and will remain at that level until the state of the macroeconomy indicates that the convergence process of inflation to the 3% target has begun.

The Exchange Rate (ER) strengthened during the fourth quarter, going from 921 pesos per dollar in the third quarter to \$875.7 in the fourth quarter 2022. This has been influenced by global factors, such as the weakening of dollar and the recovery of copper price, and some local factors regarding political uncertainty.

The current account accumulated a deficit of 9.9% of GDP over twelve months, associated with both a decrease in private savings and an increase in consumption, explained by extraordinary social aids implemented during the pandemic. Likewise, it is assumed that social aids of 2020 and 2021 will not be repeated.

Bank lending survey

The 4Q22 bank lending survey indicated a net tightening of credit standards on consumer and commercial loans, although real estate limitations have ceased to deepen.

On the other hand, demand has diminished in the different segments, excepts consumer, which has remained stable.

According to BancoEstado's expectation, the Chilean economy will decrease to -0.8% in 2023, while the Central Bank estimates a contraction between -1.75% and -0.75%.



Summary of BancoEstado's Results

In 4Q22, pre-tax net income amounted to Ch\$ 243 bn, increasing 0.1% QoQ, mainly due the higher income from inflation adjustments, and decreasing -0.7% YoY mainly due to higher expenses for credit losses (special provisions for credit risk).

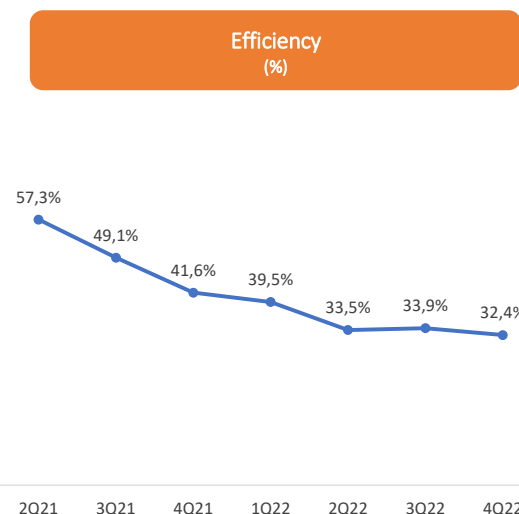
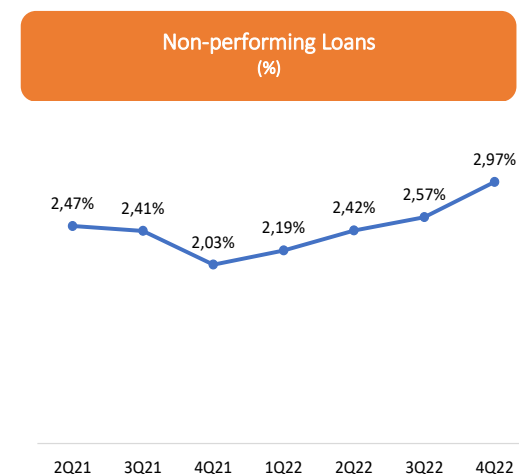
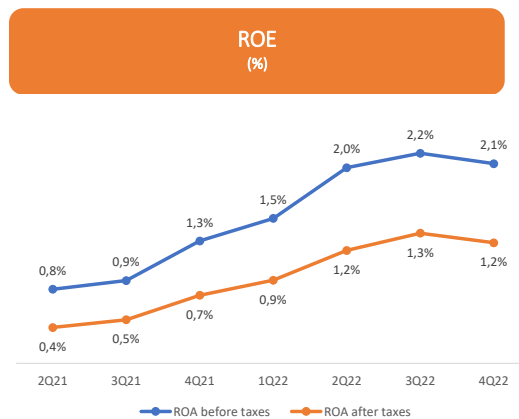
ROE after tax was 16.7% in 4Q22, decreasing 12.9 pp compared to 3Q22.

Non-performing loans reached 2.97% as of December 2022. This figure remains below average levels and still reflects temporary effects such as the excess of liquidity of households and the fiscal support made by the government in previous quarters.

BancoEstado's market share reached 13.9% of total loans as of December 2022 maintaining its place in the market.

The efficiency ratio -operating expenses over operating income of the period- has remained relatively stable compared to the previous quarter, and shows an increase in the efficiency in last quarters. The improvement observed in December 2022 compared to the end of 2021 is mainly explained by the increase of operating income. Additionally, a significant control of operating expenses and digital business was implemented in the last quarters.

BancoEstado is transforming its 'efficiency culture' through the Annual Efficiency Plan, which aims to manage and control costs. On the other hand, it has promoted the strengthening of digital channels, boosting its transactional operations and productivity.





Credit Ratings

BancoEstado's international ratings are based on support of its owner, the State of Chile and its market positions and strategic social role.

S&P Global Ratings

Long-Term	A
Outlook	Stable
Short-Term	A-1

MOODY'S

Long-Term	A2
Outlook	Stable
Short-Term	P-1



I. Economic Environment

Economic Environment

Domestic economy maintains the adjustment process of the accumulated imbalance in 2021.

The significant increase in inflation in Chile since 2021 is strongly influenced by domestic demand factors, followed by supply factors. In recent months the effects associated with demand factors have been receding, in line with the adjustment of the economy, especially consumption. On the other hand, the decline in commodity prices and the moderation of global supply chains problems have helped to stabilize supply factors.

In December 2022 the Imacec posted a fall of 1.0% compared with the same month a year before.

This drop of Imacec was explained by trade and manufacturing activity, partly offset by growth in services. The seasonally adjusted Imacec increase was determined by the performance of services. The non-mining Imacec showed a decline of 1.1% in twelve months.

According to BancoEstado’s expectation, the Chilean economy will grow to 2.7% in 2022, and will decrease to -0.8% in 2023, while the Central Bank estimates a contraction between -1.75% and -0.75%.

Labor market

In 4Q22, the unemployment rate was 7.9%. Job creation is slow and real wages have been falling for almost a year. In the most recent period, the decrease in formal employment stands out, offset by a higher share of informal and self-employment.

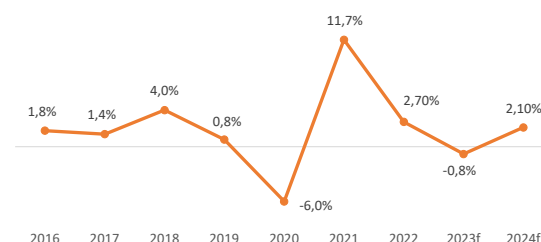
The employment remains weak, according to economic activity, despite being benefited by seasonal factors.

Economic outlook (% annual change)

	2021	2022	2023	2024
GDP	11,7	2,4	-1,75 / -0,75	2,2
National Income	15,9	1,3	-0,4	2,6
Domestic Demand	21,6	2,5	-5,3	1,7
Domestic Demand (w/o inventory change)	18,2	3,2	-4,6	1,9
Gross fixed capital form	17,6	2,9	-5,0	-0,2
Total consumption	18,2	3,3	-4,5	2,5
Private consumption	20,3	2,7	-5,9	2,5
Goods and services exports	-1,5	0,9	6,0	3,2
Goods and services imports	31,3	1,1	-5,4	0,9
Current Account (%of GDP)	-6,6	-8,7	-4,9	-4,1

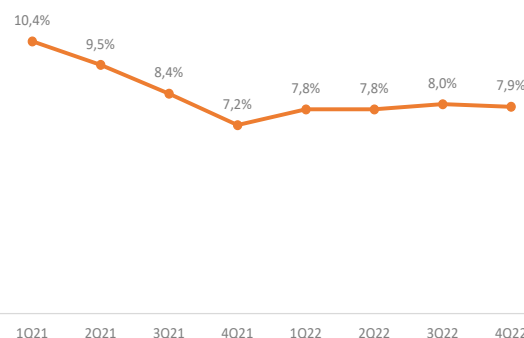
Source: Central Bank

GDP (annual growth, %)



Source: BancoEstado

Unemployment (%)



Source: Central Bank



Monetary policy

Monetary policy has made a significant adjustment and is facilitating the resolution of the imbalances present in the economy.

The Central Bank reaffirmed its commitment to conduct monetary policy with flexibility. However, inflation remains high and its convergence to the 3% target is still subject to risks. The Central Bank will maintain the MPR at 11.25% until the state of the macroeconomy indicates that this process has begun.

BancoEstado estimates if inflation continues to fall steadily and a recession is imminent, it is unlikely that Central Bank will keep its MPR at current level for a long time, because it could further affect the economy and limit growth in 2024.

Inflation

In 4Q22, inflation registered a decline in the Consumer Price Index (CPI), reaching 12.8% annually in December 2022. However, it is the highest level since 1991.

Annual inflation expectations and its outlook remain high, especially for 2023. Demand-side factors have been receding, reflecting the macroeconomic and consumption adjustment. Although still at high levels, the cost factors that gained strength in recent quarters have begun to ease.

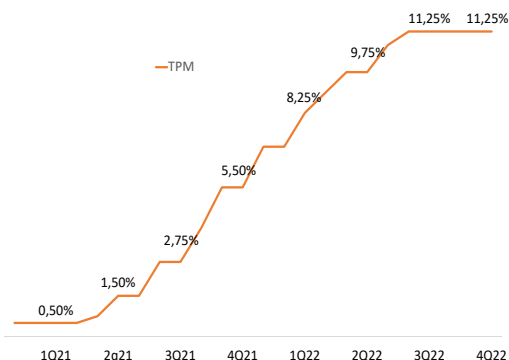
Two-year-ahead measures persist above 3%, although with some moderation in the margin. In the one-year term, expectations declined to between 4.5% and 6% in the expert surveys. BancoEstado estimates that inflation downward trend will continue and will close 2023 at around 5%.

Exchange Rate

In 4Q22, the peso/dollar parity strengthened during the fourth quarter, going from \$921 in the third quarter to \$875 in the fourth quarter 2022.

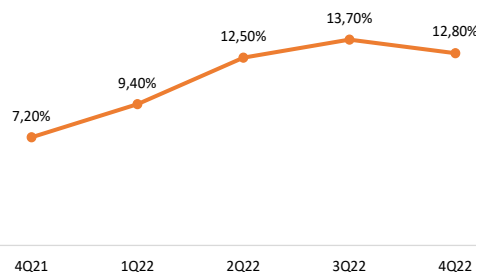
There is a slower decline of the real exchange rate (RER) over the projection horizon. Regarding the latter, it is assumed that the RER will remain around its current levels in the coming quarters, contributing to the adjustment of local imbalances, and then begin to decline, in line with the adjustment of imbalances.

Monetary policy rate (%)



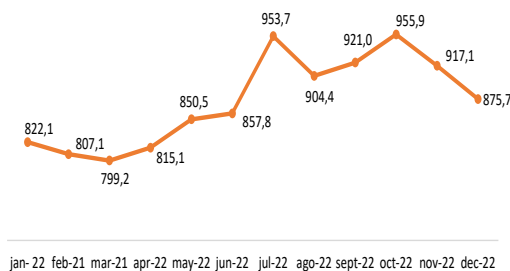
Source: Central Bank

Inflation Rate (%)



Source: Central Bank

Exchange Rate (Ch\$ per US\$, monthly average)



Source: Central Bank



BancoEstado estimates that Exchange Rate will remain around \$800 in short term, depending of the international scenario and new risk factors.

II. Banking Industry

In 4Q22, total loans amounted to Ch\$225 trillion (US\$263 billion).

In 4Q22, total loans in the Chilean banking system amounted to Ch\$225 trillion (US\$263 billion) reaching a growth of 0.4% compared with the previous quarter, an increase lower than the registered the previous quarter of 2.75%. Growth in the fourth quarter is mainly explained by mortgage loans (2.7%). Consumer loans remains relatively stable compared to the previous quarter, while commercial loans decreased (2.4% QoQ). The domestic market for loans is weakening due to more restrictive conditions and the increase in long-term interest rates.

In 4Q22 the mortgage loans grew by 13.6% YoY, and 2.7% compared to the previous quarter.

Banking Credit Survey

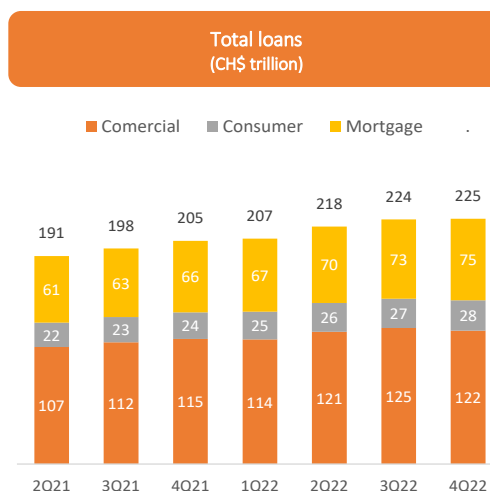
Credit Supply

Credit supply conditions remain restrictive and demand is perceived weakened for all segments.

In the fourth quarter of 2022, the credit granting standards for the loan portfolio and mortgage loans continue to be more restrictive. In case of consumer portfolio, the portion of banks reporting stricter conditions increased from 33% to 42% and remains in 0% the portion that report better conditions.

Credit supply conditions to companies remain restrictive. The portion of banks reporting more limited standard to SMEs and large companies reached 36% and 39%, decreasing slightly compared to the previous quarter.

In 4Q22, credit supply conditions to Constructions companies and real estate segment moderated their restrictive trend. In the first case, the portion of banks reporting more limited supply conditions decreased from 78% to 30% and in the case of Real Estate segment the portion of banks reporting more limited supply conditions decreased from 60% to 36%.





Credit Demand

The demand for credit in the household segment remains weak in consumption and mortgages. In the case of consumer loans, the percentage of banks that perceived a more limited demand fall from 50% to 33%, in contrast to the portion of banks that reported a strengthening of the demand (33%).

Regarding the housing loan portfolio, the portion that reported a decrease in demand fall from 64% to 46%.

The demand for credit from large companies and SMEs remains weak. The portion of banks perceiving less demand is similar than the one registered in the previous quarter (39%), while the portion reporting a strengthening of demand decreased from 15% to 8%. Regarding SMEs, the portion of banks reporting a weaker demand decreased from 50% to 46%.

By sectors, financing demand by real estate and construction companies showed a less dynamism in the fourth quarter of last year. For the first segment, the portion of Banks that perceived a decrease in demand goes from 70% to 64%. In the case of construction companies, the portion reporting a more limited demand falls slightly from 67% to 60% in the previous quarter.

For both sector, in 4Q22 no bank reported a strengthening of demand.

Interest rates

Benchmark interest rates have increased in response to the changing outlook for inflation and monetary policy.

In December interest rate on consumer and commercial loans increased to 28.1% (27.9% in 3Q22) and 14.9% (14.5% in 3Q22), respectively. On the other hand, the rate for mortgage loans remained at 4.4%.

The increases in interest rates of consumer and commercial loans were explained by the increases in overdraft products and loans in installments.



Banking System Results

As of December 2022, the accumulated profits of Banking systems amounted US\$ 6,423 million, growing 41.8% compared to the previous year, mainly explained by a higher interest margin and inflation adjustment.

In 4Q22, ROE after tax decreased to 19.5 % and efficiency ratio, calculated as operating expenses over operating income of the period, reached 39.1 %, showing a decrease of 1.4 pp compared to the previous quarter. However, the efficiency ratio has remained relatively stable in the last quarters. On the other hand, the non-performing loans increased to 1.68 % of the stock of credit.

III. BancoEstado Results

Quarterly Income Statement

In 4Q22, BancoEstado's net income after taxes decreased to Ch\$ 123.6 bn (-33.5% QoQ) driven by an increase of credit loss expenses.

In 4Q22, ROE after taxes reached 16.7% (vs. 29.6% in 2Q23), while ROE before tax in 4Q22 was 33.0% (vs 38.8% in 3Q22).

Net income from interest and inflation adjustment

In 4Q22, net income from interest and inflation adjustment amounted Ch\$587 billion, increasing 50.13% compared to 4Q21, associated mainly with higher interest rates and inflation adjustments.

In 4Q22 net income from inflation adjustments increased 8.4% YoY, and net interest income increased 82.6% YoY explained by the higher interest rate observed during 2022.

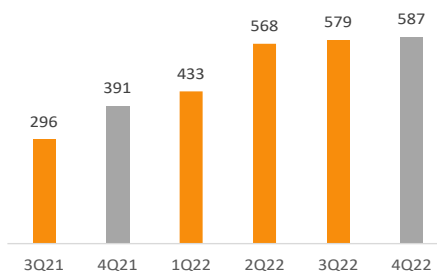
Net fee & commission income

In 4Q22 Net fee income amounted Ch\$ 122 billion, an increase of 10% compared to the previous quarter.

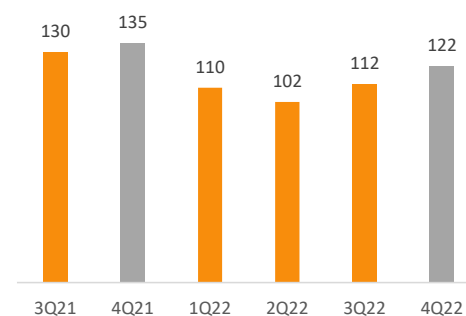
Banking Systems Results

	4Q22	Change
ROE Before Tax	22.9%	-1.7 pp
ROE After Tax	19.5%	-0.8 pp
Efficiency	39.1%	-1.4 pp
NPL	1.68%	0.18 pp

Net income from interest and inflation adjustments (Ch\$ billion)



Net fee (Ch\$ billion)





Net financial income

Net financial income decreased 35% YoY (57.3% QoQ).

Operating expenses

Despite inflation linked expenditures, operating expenses decreased by 6.1% QoQ (-3.8% YoY) and amounted to Ch\$245 bn in 4Q22.

BancoEstado's operating efficiency ratio improved to 32.4%, from 41.6% in 4Q21, mainly explained by the increase of operating income. Additionally, a significant control of operating expenses and digital business was implemented in the last quarters.

Credit loss expenses

In the last quarter, credit loss expenses totaled Ch\$ 266.29 bn (163% YoY and 0.1% QoQ), due to special provisions for credit risk in the 3Q22.

In 4Q22, regulatory gross provisions and charge-offs amounted to Ch\$155.8 bn. On the other hand, loan loss recoveries decreased 27.8% YoY and totaled Ch\$15.6 bn.

In this quarter, the special provisions for credit risk amounted Ch\$94.9, decreasing 33% QoQ, associated with a special provision of Ch\$142.5 bn registered in the 3Q22.

Overall, the coverage PDL ratio, calculated as allowance for loans on Past Due Loans (PDL) reached 323.7% and non-performing loans stayed at 2.97% of total loans.

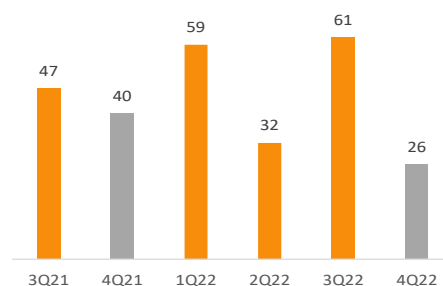
In 4Q22, PDL reached 1.04% of the stock of loans, remaining stable compared to the previous quarter. (0.9% in 3Q22)

Other income & expenses

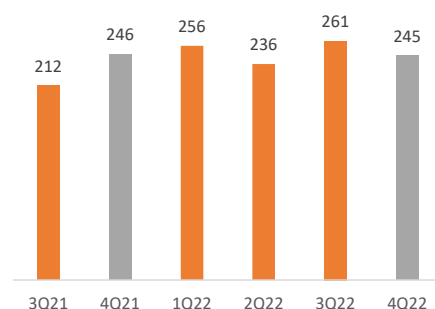
In 4Q22, other operating income amounted to Ch\$ 18.4 bn decreasing 1.1% QoQ. Other expenses decreased 75.9% compared to the previous quarter.

In 4Q22 expenses taxes amounted to Ch\$ 120.6 bn and as of December 2022, the expenses taxes amounted Ch\$ 466.15 bn, reflecting a 39.6% of the net income before taxes.

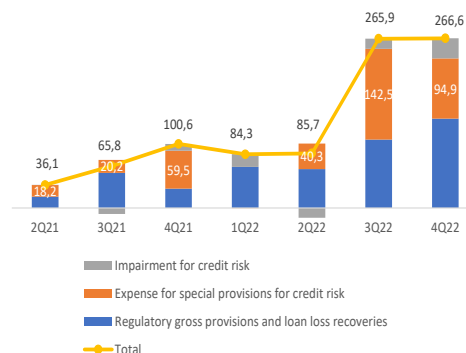
Net financial income
(Ch\$ billion)



Operating expenses
(Ch\$ billion)



Credit loss expenses
(Ch\$ billion)





Statement of Financial Position

BancoEstado's total loans amounted Ch\$31,4 trillion, increasing 2.6% QoQ and 10.95% YoY, with a market share of 13.9%.

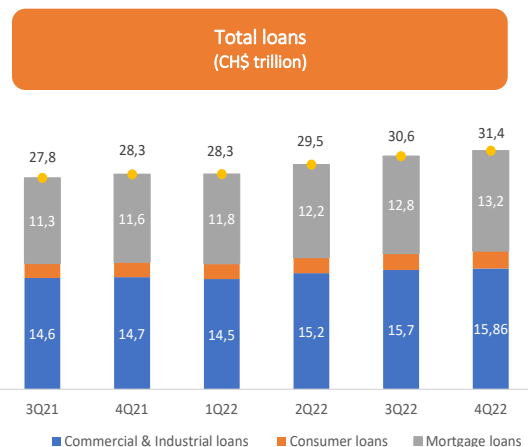
Commercial loans increased 1.1% QoQ (7.9% YoY), driven by corporate loans. On the other hand, the mortgage loan portfolio increased 3.1% QoQ (17.2% YoY), both below the surge in inflation.

Liquidity

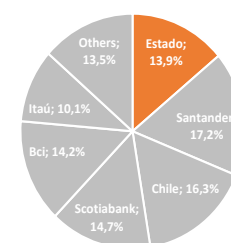
In 4Q22, liquidity assets amounted Ch\$20,1 bn, increased 15.2% compared to the previous quarter associate with the increase of financial investments.

The bank's liquid assets represent 35.2% of total assets in 4Q22 (31.8% in the previous quarter).

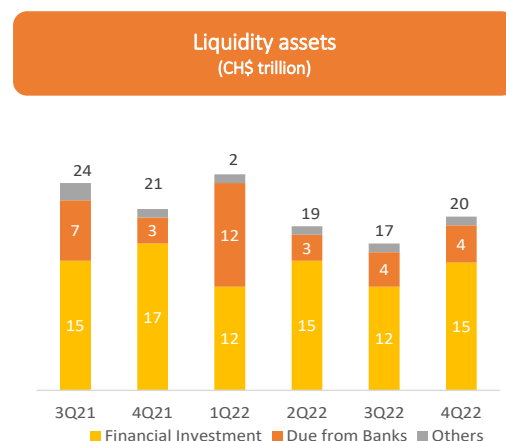
In 4Q22 the Liquidity Coverage Ratio (LCR) reached to 331.3%, increasing 58,2 pp. compared to the previous quarter. This ratio indicates that BancoEstado improved its high-quality liquid asset that can be easily converted in financial markets. On the other hand, Net Stable Funding Ratio (NSFR) measures the bank's medium-and long-term resilience. In 4Q22 Net Stable Funding Ratio (NSFR) reached 123.5%, increasing 7 pp.



BancoEstado market share (% of total loans)



	Liquidity Coverage Ratio (LCR)		Net Stable Funding (NSFR)	
	Individual Limit	Local Consolidated	Individual Limit	Local Consolidated
Dec. 21	204,0%	189,5%	113,1%	112,8%
Mar. 22	339,6%	332,0%	112,3%	112,2%
Jun.22	220,3%	217,4%	112,9%	112,6%
Sept.22	279,4%	273,1%	116,5%	116,1%
Dec. 22	391,2%	331,3%	123,5%	122,4%





Funding

In 4Q22, the funding structure of BancoEstado has remained relatively stable. Total customer funds amounted to Ch\$37.5 bn (3.0% QoQ and 2.4% YoY), while issued debt and regulatory capital instruments amounted to Ch\$9.5 bn.

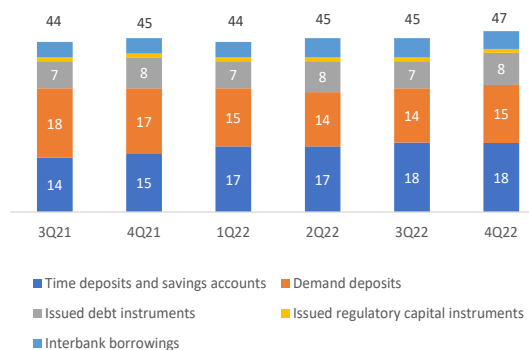
The demand deposit stock has commenced to normalize after rising due to the household-support measures implemented in 2020 and 2021, while time deposits and saving accounts have displayed a regular upturn.

Regulatory Capital

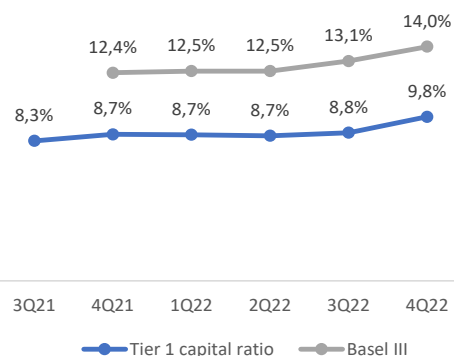
Since December 2021, the implementation process of Basel III began to operate in Chile. In line with the Basel III requirements, risk-weighted assets amounted to Ch\$30.8 trillion and the Basel III ratio reached to 13.96%.

In 2022, BancoEstado capitalized US\$500 million, out of US\$1,500 million approved by Law 21.384 to be capitalized in or before December 2025. The purpose is to authorize the capitalization, together with other measures to comply with the new capital requirements to the Basel III agreements.

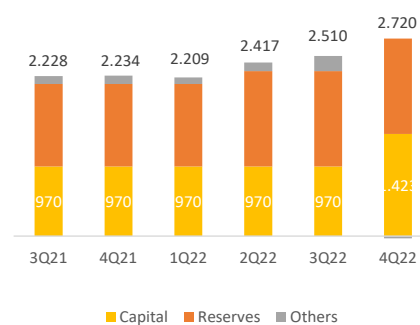
Funding liabilities (Ch\$ trillion)



Tier I and BIS Ratio (%)

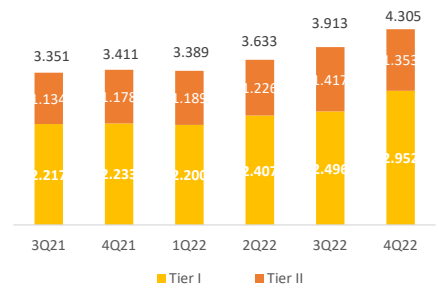


Equity (Ch\$ trillion)

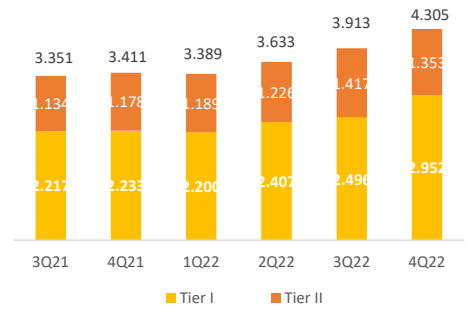




Regulatory capital
(CH\$ trillion)



Risk-weighted assets
(CH\$ trillion)





Tables

Table 1. Net interest income & margin

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
Interest income	220,7	762,0	877,9	1.025,7	298%	15%
Interest expense	170,1	-434,3	-474,9	-554,9	-379%	-9%
Net income from inflation adjustments	135,5	251,7	184,5	215,6	36%	-27%
Net interest income	526,32	579,29	587,46	686,40	12%	1%
Average interest-earning assets	43.483,5	43.970,9	45.668,1	53.359,3	5%	4%
Average loans	28.045,8	30.015,4	30.985,8	36.204,2	10%	3%
Interest-earning asset yield	3,8%	6,9%	7,7%	7,7%	3,87 pp	0,80 pp
Quarterly inflation rate	3,6%	3,5%	2,5%	2,5%	1,13 pp	-1,03
Central Bank reference rate (end of period)	4,0%	10,8%	11,3%	11,3%	7,25 pp	0,5 pp
Avg.10 year Central Bank yield (real)	2,28%	2,2%	1,7%	1,7%	-0,63	-0,59

Table 2. Net Fees and commission income

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
Collection fees	35,6	36,8	35,5	41,5	-0,3%	-4%
Lines of credit	0,6	0,6	0,6	0,7	-3%	1%
Accounts administration & card fees	70,7	49,1	44,0	51,4	-38%	-10%
Insurance brokerage	11,7	10,7	14,1	16,5	21%	32%
Guarantees, pledges and other contingent operations	5,3	4,3	4,6	5,3	-14%	5%
Fees from brokerage and custody of securities	-1,7	0,1	9,2	10,8	-642%	6234%
Other fees	4,6	9,7	10,5	12,3	129%	9%
Prepaid commissions	8,7	3,4	3,5	4,1	-60%	2%
Total Fees	130,0	112,33	121,96	142,50	-6%	9%

Table 3. Net Financial Income

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
For trading at fair value	8,3	5,5	28,7	33,5	245%	421%
Derivative contracts	-74,4	-3,7	43,2	50,5	158%	1278%
At fair value	-69,0	6,6	9,7	11,3	-114%	47%
Other	5,8	6,4	7,0	8,2	22%	9%
Net Income (expense) from financial operations	-67,3	14,9	88,6	103,5	232%	496%
Exchange differences	2,6	81,2	123,8	144,6	4589%	53%
Foreign currency indexing	7,1	5,6	-4,0	-4,7	-156%	-171%
Net hedging income	97,0	-41,1	-182,4	-213,1	-288%	343%
Net Foreign exchange gain (loss)	106,8	45,6	-62,6	-73,1	-159%	-237%
Net results from financial transactions	39,50	60,50	26,01	30,39	-34%	-57%



Table 4. Credit loss Expenses

	4Q21	3Q22	4Q22	4Q22 US\$ million	Change	
	Ch\$ billion				4Q22/4Q21	4Q22/3Q22
Regulatory gross provisions & charge-offs	-76,8	-126,9	-155,8	-182,0	-103%	-23%
Loan loss recoveries	21,6	19,4	15,6	18,2	-27,8%	-19%
Net Regulatory provision & charge- off	-55,2	-107,5	-140,2	-163,8	-154%	-30%
Expense for special provisions for credit risk	-20,2	-142,5	-94,9	-110,8	-370%	-33%
Impairment for credit risk	9,5	-15,9	-31,5	-36,8	-432%	-99%
Credit loss expenses	-65,82	-265,89	-266,29	-311,14	-305%	-0,1%
Total loans 1	27.790	30.627	31.338	36.616	13%	2%
Allowance for loan losses	-887	-984	-1.058	-1.236	-19%	-7%
Past due loans (PDL)	271	268	327	382	21%	22%
Non-performing loans / Loans	2,4%	2,6%	3,0%		0,6 pp	0,5 pp
Net provisions for loan losses / Loans	-0,8%	-1,4%	-1,8%		-1,0 pp	-0,4 pp
Cost of credit	-0,8%	-1,4%	-1,8%		-1,0 pp	-0,4 pp
Credit loss expenses ratio	-0,9%	-3,5%	-3,4%		-2,5 pp	0,1 pp
Coverage of PDL 3	327,6%	366,8%	323,7%		-3,9 pp	-43,0 pp
Risk Index	3,2%	3,2%	3,4%		0,2 pp	0,2 pp

Table 5. Operating expenses

	4Q21	3Q22	4Q22	4Q22 US\$ million	Change	
	Ch\$ billion				4Q22/4Q21	4Q22/3Q22
Personnel salaries and expenses	-118,8	-130,8	-146,7	-152,8	23,4%	10,8%
Administrative expenses	-70,3	-72,3	-87,9	-84,4	25,1%	17,8%
Depreciation and amortization	-23,0	-19,8	-19,4	-23,1	-15,7%	-2,1%
Impairment	0,0	0,0	0,0	0,0		
Operating expenses	-212,1	-222,9	-254,0	-296,77	20%	14%
Efficiency Ratio	54,60%	34,40%	32,40%			

Table 6. Other income and expenses

	4Q21	3Q22	4Q22	4Q22 US\$ million	Change	
	Ch\$ billion				4Q22/4Q21	3Q22/2Q22
Other operating income	3,0	18,6	18,4	21,5	508,6%	-1,1%
Other operating expense	-21,6	-38,3	-9,2	-10,8	-57,3%	-75,9%
Other operating income (expense), net	-18,6	-19,6	9,2	10,7	-149%	-147%
Income attributable to investments in other companies	-0,1	0,2	1,5	1,8	-1327%	853%
Income tax rate ¹	46,3%	23,8%	49,4%			

Table 7. Total Loans

	4Q21	3Q22	4Q22	4Q22 US\$ million	Change	
	Ch\$ billion				4Q22/4Q21	4Q22/3Q22
Commercial & Industrial loans 2	14,6	15,7	15,9	18,5	8,5%	1,2%
Consumer loans	1,9	2,2	2,3	2,7	20,3%	6,7%
Installments	1,6	1,7	1,8	2,1	12,9%	5,3%
Current account overdraft	0,1	0,1	0,1	0,1	62,0%	4,5%
Credit cards	0,3	0,4	0,4	0,5	57,7%	14,0%
Mortgage loans	11,3	12,8	13,2	15,4	17,2%	3,1%
Total Loans	27,8	30,6	31,4	36,6	12,8%	2,4%


Table 8. Financial Investment

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
For trading at fair value	704	752	1.354	1.582	92,3%	80,0%
At fair value	13.761	8.150	10.342	12.084	-24,8%	26,9%
At amortized cost	62	3.437	3.192	3.730	5079,6%	-7,1%
Total Financial Investments	14.526	12.339	14.888	17.395	2,5%	20,7%

Table 9. Liquidity

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
Financial Investments	14.526	12.339	14.888	17.396	2,5%	20,7%
Unsettled transactions	760	670	157	184	-79,3%	-76,6%
Investments under repurchase agreements	254	113	95	111	-62,7%	-15,9%
Due from Central Bank	5.103	2.936	3.184	3.720	-37,6%	8,4%
Due from Chilean banks	1	1	0	0	-78,2%	-88,2%
Due from foreign banks	2.376	797	1.161	1.356	-51,2%	45,5%
Cash	813	591	617	721	-24,1%	4,5%
Liquid assets	23.833	17.447	20.101	23.487	-15,7%	15,2%
Total assets	56.208	54.816	57.090	66.705	1,6%	4,1%
Liquid assets / Total assets	42%	32%	35,2%	35%	-11 pp	-3 pp

Table 10. Funding

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
Demand deposits	17.265	13.953	15.037	17.569	-12,9%	7,8%
Time deposits and savings accounts	15.015	17.737	17.845	20.850	18,8%	0,6%
Total customer deposits	32.280	31.690	32.882	38.420	1,9%	3,8%
Interbank borrowings	4.325	4.710	4.613	5.390	6,7%	-2,1%
Total customer funds	36.605	36.400	37.495	43.810	2,4%	3,0%
Issued debt instruments	7.693	7.491	8.317	9.717	8,1%	11,0%
Issued regulatory capital instruments	1.082	1.188	1.215	1.420	12,3%	2,2%

Table 11. Owner's Equity

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
Capital	970	970	1.423	1.662	-99,9%	46,6%
Reserves	1.149	1.329	1.329	1.553	15,7%	0,0%
Other result	115	212	-32	-37,2	-127,7%	-115,0%
Total equity	2.234	2.511	2.720	3.178,3	22%	8%
Equity attributable to main owners	2.229	2.497	2.952	3.448,8	-99,9%	18,2%
ROE bt	44,0%	38,8%			7,2 pp	-24,7 pp

Table 12. Capital Adequacy

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
Tier I	2.233	2.497	2.952	3.449	32,2%	18,2%
Tier II	1.178	1.417	1.353	1.581	14,9%	-4,5%
Regulatory capital	3.411	3.913	4.305	5.030	26,2%	10,0%
Risk weighted assets	25.590	28.273	30.843	36.037	20,5%	9,1%
Tier I ratio	8,7%	8,8%	9,8%	9,8%	6 bp	2 bp
BIS ratio	13,3%	13,8%	14,0%	14,0%	10 bp	6 bp

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
Net interest income	216,0	327,6	403,0	470,9	86,6%	23,0%
Net income from inflation adjustments	79,7	251,7	184,4	215,5	131,3%	-26,7%
Fee income	130,0	112,3	121,9	142,4	-6,2%	8,5%
Net interest, inflation adjustment & fee income	425,7	691,6	709,3	828,8	66,6%	2,6%
Financial transactions, net	47,1	60,5	26,0	30,4	-44,8%	-57,0%
Income (loss) from investments in companies	-0,1	0,2	1,5	1,8	-1350,1%	870,3%
Other operating income	3,0	18,6	18,4	21,5	508,6%	-1,1%
Total operating income	476	771	755	882,2	58,7%	-2,0%
Operating income (Before credit losses)	242,1	509,6	510,6	596,6	110,9%	0,2%
Credit loss expense	-65,8	-265,9	-266,3	-311,1	304,6%	0,2%
Net income before taxes	176,3	243,7	244,3	285,4	38,6%	0,3%
Income tax	-81,6	-57,9	-120,6	-140,9	47,8%	108,3%
Net income attributable to owners	94,7	185,8	123,7	144,5	30,6%	-33,4%



IV. Annex

Quarterly Income Statements

	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion			US\$ million	4Q22/4Q21	4Q22/3Q22
Net interest income	216,0	327,6	403,0	470,9	86,6%	23,0%
Net income from inflation adjustments	79,7	251,7	184,4	215,5	131,3%	-26,7%
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Net interest, inflation adjustment & fee income	425,7	691,6	709,3	828,8	66,6%	2,6%
Financial transactions, net	47,1	60,5	26,0	30,4	-44,8%	-57,0%
Income (loss) from investments in companies	-0,1	0,2	1,5	1,8	-1350,1%	870,3%
Other operating income	3,0	18,6	18,4	21,5	508,6%	-1,1%
Total operating income	476	771	755	882,2	58,7%	-2,0%
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Income tax	-81,6	-57,9	-120,6	-140,9	47,8%	108,3%
Net income attributable to owners	94,7	185,8	123,7	144,5	30,6%	-33,4%



Financial Information

Financial Information

	2Q21	3Q21	4Q21	3Q22	4Q22	4Q22	Change	
	Ch\$ billion					US\$ million	4Q22/4Q21	4Q22/3Q22
ASSETS								
Cash and deposits in banks	9.146	8.293	3.114	4.324	4.961	5.797	59,3%	14,7%
Unsettled transactions	1.054	760	289	670	157	184	-45,6%	-76,5%
Financial assets for trading at fair value through earnings	1.553	2.376	3.346	3.943	3.928	4.589	17,4%	-0,4%
Derivative contracts	998	1.666	2.238	3.180	2.555	2.985	14,1%	-19,7%
Debt instruments	551	704	1.108	763	1.354	1.582	22,2%	77,5%
Financial assets at fair value through other comprehensive income	12.066	13.761	15.880	8.150	10.342	12.084	-34,9%	26,9%
Debt instruments	12.066	13.761	15.880	8.150	10.342	12.084	-34,9%	26,9%
Financial derivative contracts for hedge accounting	177	575	206	206	50	59	100,0%	-75,6%
Financial assets at amortized cost	27.281	28.022	28.354	34.418	34.345	40.130	21,1%	-0,2%
Investments under resale agreements	125	254	178	112	95	111	-46,7%	-15,5%
Financial debt instruments	67	62	-	3.436	3.192	3.730	100,0%	-7,1%
Interbank loans	810	803	800	1.226	748	874	-6,6%	-39,0%
Loans and accounts receivable from customers. Commercial	13.630	14.063	14.216	15.052	15.201	17.761	6,9%	1,0%
Loans and accounts receivable from customers. Mortgage	10.922	11.098	11.376	12.670	13.065	15.265	14,8%	3,1%
Loans and accounts receivable from customers. Consumer	1.727	1.742	1.784	1.919	2.045	2.389	14,6%	6,5%
Investments in other companies	17	19	18	14	21	25	18,0%	50,0%
Intangible assets	62	56	54	15	45	52	-16,9%	197,3%
Property, plant and equipment	343	338	338	16	325	380	-3,8%	1931,3%
Right-of-use assets	94	91	74	17	80	93	8,3%	368,2%
Current taxes	2	3	4	18	3	3	-17,1%	-83,9%
Deferred taxes	1.253	1.306	1.432	18	1.780	2.079	24,3%	9786,1%
Other assets	500	607	675	19	1.062	1.241	57,4%	5489,5%
Non-current assets and groups for sale	1	1	-	20	1	1	100,0%	-95,4%
TOTAL ASSETS	53.549	56.208	53.586	54.816	57.091	66.706	-6,1%	4,1%
LIABILITIES								
Unsettled transactions	1.819	2.306	274	693	134	156	-51,3%	-80,7%
Financial liabilities for trading at fair value through earnings	919	1.667	-	3.272	2.567	2.999	100,0%	-21,5%
Financial derivative contracts for hedge accounting	144	44	1.845	237	-	-	-100,0%	-100,0%
Financial liabilities at amortized cost	45.778	46.576	47.778	44.708	47.155	55.097	-1,3%	5,5%
Deposits and other demand liabilities	17.887	17.987	17.266	13.952	15.038	17.570	-12,9%	7,8%
Time deposits and other time liabilities	14.467	15.401	15.012	17.737	17.845	20.850	18,9%	0,6%
Investments under repurchase agreements	1.549	984	1.112	693	1.182	1.381	6,3%	70,6%
Interbank borrowings	4.489	4.345	4.325	4.710	4.613	5.390	6,7%	-2,1%
Issued debt instruments	7.221	7.763	8.778	7.491	8.317	9.717	-5,3%	11,0%
Other financial liabilities	165	95	36	124	160	187	345,1%	29,4%
Leasing obligations	88	85	66	83	80	94	21,5%	-3,3%
Issued regulatory capital instruments	1.029	1.025	1.183	1.188	1.215	1.420	2,7%	2,3%
Provisions for contingencies	178	199	675	213	208	242	-69,2%	-2,6%
Provisions for dividend, interest payments and reappreciation of financial issued regulatory capital instruments	110	183	304	384	463	541	52,3%	20,5%
Provisions for credit risk	617	637	28	881	975	1.140	3408,3%	10,7%
Current taxes	192	407	564	130	185	216	-67,2%	42,2%
Deferred taxes	0	-	-	-	1	1	100,0%	100,0%
Other liabilities	529	849	886	515	680	794	-23,2%	32,0%
Liabilities in groups for sale	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	51.404	53.979	51.348	52.305	54.132	63.249	5,4%	3,5%
EQUITY								
Capital	970	970	970	970	1.423	1.662	46,64%	46,7%
Reserves	1.149	1.147	1.147	1.329	1.329	1.553	15,8%	0,0%
Other comprehensive income	0	63	54	6	-32	-37	-158,1%	-626,7%
Retained earnings	-	-	-	-	-	-	-	-
Net income for the period	128	219	365	576	694	811	90,3%	20,5%
Provisions for dividend, interest payments and reappreciation of financial issued regulatory capital instruments	-110	-183	-304	-384	-463	-541	52,3%	20,5%
Total owners' equity	2.138	2.217	2.233	2.497	2.952	3.449	32,2%	18,2%
Non-controlling interests	8	11	5	14	7	8	36,5%	-51,4%
TOTAL EQUITY	2.146	2.228	2.238	2.510	2.959	3.457	32,2%	17,9%
TOTAL LIABILITIES AND EQUITY	53.549	56.208	53.586	54.816	57.090	66.705	6,5%	4,1%