

**BANCO ESTADO
NEW YORK BRANCH
BALANCE SHEETS
As of December 31,**

	2006	2007	
	THUS\$	THUS\$	MCh\$
ASSETS			
CASH AND DUE FROM BANKS	<u>55,774</u>	<u>511,990</u>	<u>254,403</u>
LOANS:			
Commercial loans	114,690	219,378	109,007
Foreign trade loans	<u>1,311</u>	<u>58,700</u>	<u>29,167</u>
Total loans	116,001	278,078	138,174
Allowance for loan losses	<u>(60)</u>	<u>(518)</u>	<u>(257)</u>
TOTAL LOANS, NET	<u>115,941</u>	<u>277,560</u>	<u>137,917</u>
OTHER LOANS OPERATIONS:			
Interbank loans	<u>358,410</u>	<u>188,599</u>	<u>93,713</u>
TOTAL OTHER LOANS OPERATIONS	<u>358,410</u>	<u>188,599</u>	<u>93,713</u>
INSTRUMENTS FOR TRADING:			
INVESTMENT INSTRUMENTS:			
Available for sale	105,344	975,007	484,471
Held to maturity	<u>-</u>	<u>7,473</u>	<u>3,713</u>
Total investments	<u>105,344</u>	<u>982,480</u>	<u>488,184</u>
DERIVATIVE CONTRACTS	<u>810</u>	<u>1,271</u>	<u>631</u>
OTHER ASSETS	<u>871</u>	<u>1,103</u>	<u>548</u>
FIXED ASSETS			
Fixed assets	<u>411</u>	<u>271</u>	<u>135</u>
Total fixed assets	<u>411</u>	<u>271</u>	<u>135</u>
TOTAL ASSETS	<u><u>637,561</u></u>	<u><u>1,963,274</u></u>	<u><u>975,531</u></u>

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LIABILITIES AND SHAREHOLDER'S EQUITY			
LIABILITIES			
DEPOSITS AND OTHER LIABILITIES:			
Current accounts	13,131	10,060	4,999
Sharing accounts and time deposits	598,285	1,808,181	898,467
Other sight and term liabilities	6,352	19,657	9,767
Other liabilities	-	17,155	8,524
	<u>617,768</u>	<u>1,855,053</u>	<u>921,757</u>
TOTAL DEPOSITS AND OTHER LIABILITIES			
BORROWINGS FROM CENTRAL BANK AND OTHER FINANCIAL INSTITUTIONS:			
Foreign borrowings	-	92,706	46,065
	<u>-</u>	<u>92,706</u>	<u>46,065</u>
TOTAL BORROWINGS FROM FINANCIAL INSTITUTIONS			
	<u>1,153</u>	<u>2,763</u>	<u>1,373</u>
FINANCIAL DERIVATIVE CONTRACTS			
	<u>1,064</u>	<u>408</u>	<u>203</u>
OTHER LIABILITIES			
	<u>619,985</u>	<u>1,950,930</u>	<u>969,398</u>
TOTAL LIABILITIES			
NET SHAREHOLDER'S EQUITY:			
Capital and reserves	18,236	17,441	8,666
Other equity accounts	135	(4,220)	(2,097)
Net loss for the year	(795)	(877)	(436)
	<u>17,576</u>	<u>12,344</u>	<u>6,133</u>
TOTAL NET SHAREHOLDER'S EQUITY			
	<u>637,561</u>	<u>1,963,274</u>	<u>975,531</u>
TOTAL LIABILITIES AND BRANCH CAPITAL			

BANCO ESTADO
NEW YORK BRANCH
STATEMENTS OF INCOME
For the years ended at December 31, 2007 and 2006

	<u>2006</u>	<u>2007</u>	
	THUS\$	THUS\$	MCh\$
OPERATING INCOME:			
Interest revenue	31,429	73,329	36,437
Gain from trading activities	15	-	-
Foreign exchange gain (net)	1,328	966	480
Other operating income	<u>117</u>	<u>706</u>	<u>351</u>
TOTAL OPERATING REVENUES	32,889	75,001	37,268
LESS:			
Interest expense			
Losses from trading activities			
Expenses from fees and other services	(29,669)	(70,466)	(35,014)
Foreign exchange loss (net)	-	(495)	(245)
Other operating income	<u>(56)</u>	<u>(33)</u>	<u>(16)</u>
GROSS OPERATING MARGIN	3,164	4,007	1,993
Personnel salaries and expenses	(2,041)	(2,414)	(1,200)
Administrative and other expenses	(1,640)	(1,716)	(853)
Depreciation and amortization	<u>(148)</u>	<u>(168)</u>	<u>(84)</u>
NET OPERATING MARGIN	(665)	(291)	(144)
Provisions for assets at risk	<u>(60)</u>	<u>(458)</u>	<u>(228)</u>
TOTAL OPERATING INCOME	<u>(725)</u>	<u>(749)</u>	<u>(372)</u>
INCOME BEFORE INCOME TAXES	<u>(725)</u>	<u>(749)</u>	<u>(372)</u>
INCOME TAX PROVISIONS	<u>(70)</u>	<u>(128)</u>	<u>(64)</u>
NET INCOME FOR THE YEAR	<u><u>(795)</u></u>	<u><u>(877)</u></u>	<u><u>(436)</u></u>