

**BANCOESTADO S.A. ADMINISTRADORA GENERAL DE FONDOS**

BALANCE SHEETS AS OF DECEMBER 31, 2009 AND 2008

(In thousands of US dollars -ThUS\$ and thousands of Chilean pesos - ThCh\$)

<b>ASSETS</b>	<b>31.12.2009</b>		<b>31.12.2008</b>
	ThUS\$	ThCh\$	ThCh\$
<b>CURRENT ASSETS:</b>			
Cash and deposits in banks	1,355	687,049	695,988
Marketable securities	4,114	2,086,363	1,252,222
Trade accounts receivable	1,834	930,209	798,662
Sundry debtors	96	48,674	864
Prepaid expenses	94	47,671	3,332
Deferred taxes	91	46,100	22,124
Total current assets	<u>7,584</u>	<u>3,846,066</u>	<u>2,773,192</u>
<b>PROPERTY, PLANT AND EQUIPMENT:</b>			
Machinery and equipment	185	93,534	83,356
Other fixed assets	606	307,333	295,857
Accumulated depreciation	<u>(513)</u>	<u>(260,346)</u>	<u>(211,191)</u>
Total property, plant and equipment	<u>278</u>	<u>140,521</u>	<u>168,022</u>
<b>OTHER ASSETS:</b>			
Intangibles	<u>53</u>	<u>26,872</u>	<u>23,428</u>
<b>TOTAL ASSETS</b>	<u><u>7,915</u></u>	<u><u>4,013,459</u></u>	<u><u>2,964,642</u></u>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>31.12.2009</b>		<b>31.12.2008</b>
	ThUS\$	ThCh\$	ThCh\$
<b>CURRENT LIABILITIES:</b>			
Due to banks & other financial institutions – short term	20	9,915	13,680
Notes payable	120	60,695	17,333
Sundry creditors	7	3,594	316,263
Due to related companies	399	202,431	55,136
Provisions	989	501,562	306,408
Withholdings	146	74,005	73,761
Income tax	211	106,789	11,923
<b>Total current liabilities</b>	<b>1,892</b>	<b>958,991</b>	<b>794,504</b>
<b>SHAREHOLDERS' EQUITY:</b>			
Capital	1,242	630,079	630,079
Retained earnings	1,560	791,112	806,135
Net income for the year	3,221	1,633,277	733,924
<b>Total shareholders' equity</b>	<b>6,023</b>	<b>3,054,468</b>	<b>2,170,138</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>7,915</b>	<b>4,013,459</b>	<b>2,964,642</b>

**BANCOESTADO S.A. ADMINISTRADORA GENERAL DE FONDOS**

## STATEMENTS OF INCOME

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(In thousands of US dollars -ThUS\$ and thousands of Chilean pesos - ThCh\$)

	<b>31.12.2009</b>		<b>31.12.2008</b>
	ThUS\$	ThCh\$	ThCh\$
SALES	9,440	4,787,224	3,143,752
ADMINISTRATIVE AND SELLING EXPENSES	<u>(5,808)</u>	<u>(2,945,454)</u>	<u>(2,247,397)</u>
OPERATING INCOME	<u>3,632</u>	<u>1,841,770</u>	<u>896,355</u>
OTHER INCOME (EXPENSES):			
Financial income	138	70,002	86,585
Other non-operating income	2	954	36,900
Equity in losses of related companies	-	-	(115)
Other non-operating expenses	(1)	(723)	(115)
Price level restatement	<u>94</u>	<u>47,655</u>	<u>(136,238)</u>
Other income (expenses)	<u>233</u>	<u>117,888</u>	<u>(12,983)</u>
NET INCOME BEFORE INCOME TAX	3,865	1,959,658	883,372
INCOME TAXES	<u>(644)</u>	<u>(326,381)</u>	<u>(149,448)</u>
NET INCOME FOR THE YEAR	<u><u>3,221</u></u>	<u><u>1,633,277</u></u>	<u><u>733,924</u></u>

**BANCOESTADO S.A. ADMINISTRADORA GENERAL DE FONDOS**

## STATEMENTS OF CASH FLOWS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(In thousands of US dollars -ThUS\$ and thousands of Chilean pesos - ThCh\$)

	<b>31.12.2009</b>		<b>31.12.2008</b>
	ThUS\$	ThCh\$	ThCh\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	9,235	4,683,319	2,272,795
Financial income received	139	70,315	82,987
Other income received	2	961	33,311
Payments to suppliers and employees	(5,783)	(2,932,332)	(1,564,482)
Income tax paid	(484)	(245,573)	(110,784)
Net cash flow generated by operating activities	<u>3,109</u>	<u>1,576,690</u>	<u>713,827</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Bank borrowings	538	272,934	598,099
Borrowings obtained from related companies	134,267	68,087,016	1,336,523
Payment of dividends	(1,477)	(748,948)	-
Repayment of bank loans	(538)	(272,934)	(598,097)
Repayment of other borrowings to related company	(134,267)	(68,087,017)	(1,336,524)
Net cash flow (used in) generated by financing activities	<u>(1,477)</u>	<u>(748,949)</u>	<u>1</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sales of property, plant and equipment	30	15,185	-
Sale of investment in related company	-	-	402
Purchase of property, plant and equipment	(121)	(61,333)	(159,464)
Investments in related company	-	-	(489)
Net cash flow (used in) investing activities	<u>(91)</u>	<u>(46,148)</u>	<u>(159,551)</u>
<b>NET POSITIVE CASH FLOWS FOR THE YEAR</b>	<u>1,541</u>	<u>781,593</u>	<u>554,277</u>
<b>EFFECT OF INFLATION ON CASH AND CASH EQUIVALENTS</b>	<u>86</u>	<u>43,609</u>	<u>(140,674)</u>
<b>NET VARIATION IN CASH AND CASH EQUIVALENTS</b>	<u>1,627</u>	<u>825,202</u>	<u>413,603</u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>3,842</u>	<u>1,948,210</u>	<u>1,534,607</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u><u>5,469</u></u>	<u><u>2,773,412</u></u>	<u><u>1,948,210</u></u>

(Continued)

**BANCOESTADO S.A. ADMINISTRADORA GENERAL DE FONDOS**

## STATEMENTS OF CASH FLOWS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(In thousands of US dollars -ThUS\$ and thousands of Chilean pesos - ThCh\$)

	<b>31.12.2009</b>		<b>31.12.2008</b>
	ThUS\$	ThCh\$	ThCh\$
RECONCILIATION BETWEEN NET INCOME AND CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income for the year	3,221	1,633,277	733,924
Charges to income that do not represent cash flow:			
Depreciation	101	51,261	47,496
Amortization	37	18,827	12,175
Price level restatement	(94)	(47,655)	136,238
Equity in losses of related companies	-	-	115
Other charges to income that do not represent cash flows	651	330,027	127,156
Increases in assets that affect cash flows:			
Trade accounts receivable	(222)	(112,744)	(757,972)
Other assets	(366)	(185,719)	(14,909)
Increases (decreases) in liabilities that affect cash flows:			
Accounts payable related to operating result	102	52,005	474,713
Income tax payable	(319)	(161,514)	(81,025)
VAT and other similar payable	(2)	(1,075)	35,916
Net cash flow generated by operating activities	<u>3,109</u>	<u>1,576,690</u>	<u>713,827</u>

(Concluded)