

BANCOESTADO S.A. CORREDORES DE BOLSA

BALANCE SHEETS AS OF DECEMBER 31, 2008 AND 2007

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

	2008		2007
	ThUS\$	ThCh\$	ThCh\$
ASSETS			
CURRENT:			
Cash and banks	2.651	1.687.159	3.601.517
Equity securities owned	87	55.231	3.641.602
Fixed interest securities	29.426	18.728.036	15.239.134
Rights to collect on purchase commitments	168.300	107.114.745	283.970.910
Rights on other future operations	1.327	844.372	11.000.846
Intermediation debtors	21.402	13.621.275	11.275.591
Notes and accounts receivable	480	305.416	4.808.205
Notes and accounts receivable from related parties	10	6.146	5.332
Recoverable taxes	908	577.682	-
Deferred taxes	151	96.485	299.765
Instruments granted in guarantee	3.371	2.145.634	1.800.680
Total current assets	228.113	145.182.181	335.643.582
FIXED ASSETS:			
Office equipment and furniture	548	348.700	264.983
Other fixed assets	118	75.283	74.875
Accumulated depreciation	(506)	(322.100)	(291.720)
Total fixed assets (net)	160	101.883	48.138
OTHER ASSETS:			
Equity security in Stock Exchange	778	495.493	464.723
Investment in related parties	14	8.795	1.410
Other assets	3	1.965	103.041
Total other assets	795	506.253	569.174
TOTAL ASSETS	229.068	145.790.317	336.260.894

The accompanying notes form an integral part of these financial statements

	2008		2007
	ThUS\$	ThCh\$	ThCh\$
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT:			
Borrowings from banks short-term	-	11	-
Obligations for purchase commitments	169.043	107.587.527	283.874.729
Obligations for other future operations	935	594.961	11.235.714
Creditors for intermediation	21.401	13.620.788	11.275.440
Notes and accounts payable, short term	322	204.865	6.445.792
Notes and accounts payable to related companies	-	-	1.161.229
Taxes payable	-	-	78.596
Accruals and withholdings	340	216.384	1.736.659
Total current liabilities	192.041	122.224.536	315.808.159
SHAREHOLDERS' EQUITY:			
Paid-in capital	10.448	6.649.452	6.649.452
Reserves for higher value share Stock Exchange	50	32.009	32.009
Retained earnings	21.638	13.771.274	10.211.037
Net income for the year	4.891	3.113.046	3.560.237
Total shareholders' equity	37.027	23.565.781	20.452.735
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	229.068	145.790.317	336.260.894

BANCOESTADO S.A. CORREDORES DE BOLSA

STATEMENTS OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

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

	2008		2007
	ThUS\$	ThCh\$	ThCh\$
Operating income:			
Commissions for stock exchange operations	1.811	1.152.909	1.004.118
Commissions for non-stock exchange operations	112	71.119	324.625
Commissions for contracts of primary placements	541	344.242	240.709
Income for sale of own portfolio	5.890	3.748.460	2.804.416
Income for future operations	18.946	12.058.088	9.562.387
Income for interest and dividends of own portfolio	1.868	1.188.741	462.506
Income for administration of portfolio and custody of securities	480	305.435	320.165
Other operating income	14.103	8.975.729	7.229.904
Total operating income	43.751	27.844.723	21.948.830
Operating expense:			
Commissions and services	(94)	(60.091)	(65.693)
Losses for lower value of owned portfolio	(1.150)	(732.007)	(87.690)
Losses for sales of own portfolio	(11.058)	(7.037.644)	(2.813.360)
Expenses for future operations	(21.915)	(13.947.768)	(10.404.951)
Financial expenses	(114)	(72.292)	(70.766)
Administration and trade expenses	(3.246)	(2.066.058)	(1.904.688)
Amortizations and depreciations	(48)	(30.283)	(29.998)
Other operating expenses	-	-	(52.640)
Total operating expense	(37.625)	(23.946.143)	(15.429.786)
Operating margin	6.126	3.898.580	6.519.044
Non-operating income:			
Equity in earnings of permanent investments	190	120.901	120.842
Other non-operating income	2.074	1.320.291	2.362
Total non-operating income	2.264	1.441.192	123.204
Non-operating expenses:			
Other non-operating expenses	(13)	(8.068)	(1.130.133)
Total non-operating expenses	(13)	(8.068)	(1.130.133)
PRICE-LEVEL RESTATEMENT	(2.740)	(1.743.585)	(1.253.332)
INCOME BEFORE INCOME TAXES	5.637	3.588.119	4.258.783
INCOME TAXES	(746)	(475.073)	(698.546)
NET INCOME FOR THE YEAR	4.891	3.113.046	3.560.237

The accompanying notes form an integral part of these financial statements

BANCOESTADO S.A. CORREDORES DE BOLSA

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

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

	2008		2007
	ThUS\$	ThCh\$	ThCh\$
NET CASH FLOW FROM OPERATING ACTIVITIES:			
Commissions collected	2.367	1.506.189	1.494.405
Net income (expense) on behalf of clients	37	23.789	(4.734)
Net expense for operations of own portfolio	(9.434)	(6.004.143)	(4.203.235)
Net expenses for future operations	10.376	6.603.561	6.152.594
Other income received	-	-	1.508.299
Other expenses paid	(1.291)	(821.789)	-
Administration and trade expenses paid	(3.233)	(2.057.623)	(1.904.391)
Financial expenses paid	(114)	(72.292)	(70.766)
Taxes paid	(1.530)	(973.795)	(797.782)
Net cash flow (used in) provided by operating activities:	<u>(2.822)</u>	<u>(1.796.103)</u>	<u>2.174.390</u>
NET CASH FLOW FROM FINANCING ACTIVITIES:			
Bank loans obtained	-	11	-
Net cash flow provided by financing activities:	<u>-</u>	<u>11</u>	<u>-</u>
NET CASH FLOW FROM INVESTING ACTIVITIES:			
Dividends and other income received from investments in other companies	131	83.348	112.707
Addition of fixed assets	(132)	(84.125)	(8.724)
Investments in other companies	(1)	(411)	-
Net cash flow (used in) provided by investing activities:	<u>(2)</u>	<u>(1.188)</u>	<u>103.983</u>
NET TOTAL CASH FLOW FOR THE YEAR	(2.824)	(1.797.280)	2.278.373
EFFECT OF INFLATION ON CASH AND CASH EQUIVALENTS	<u>(184)</u>	<u>(117.078)</u>	<u>(143.360)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	(3.008)	(1.914.358)	2.135.013
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>5.659</u>	<u>3.601.517</u>	<u>1.466.504</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>2.651</u>	<u>1.687.159</u>	<u>3.601.517</u>

The accompanying notes form an integral part of these financial statement:

BANCOESTADO S.A. CORREDORES DE BOLSA

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
(In thousand of Chilean pesos - ThCh\$ and thousand of US dollars - ThUS\$)

	2008		2007
	ThUS\$	ThCh\$	ThCh\$
RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES AND NET INCOME FOR THE YEAR:			
Net income for the year	4.891	3.113.046	3.560.237
Charges (credits) to income not representing cash flow:			
Amortizations and depreciation for the year	48	30.283	29.998
Accruals for losses in operating assets	983	625.665	(12.003)
Loss for monetary correction	(10.523)	(6.697.368)	(5.818.952)
Other charges to income not representing cash flow:	(634)	(403.818)	1.771.987
Change in assets affecting cash flows - (increases) decreases:			
Trade account receivables	(663)	(421.912)	(13.828.614)
Rights on future operations	276.267	175.830.352	(104.618.546)
Investment portfolio	(3.677)	(2.340.234)	(4.205.739)
Other assets	(3)	(1.933)	(2.272)
Change in liabilities affecting cash flows - increases (decreases):			
Accounts payable for intermediation, operations of owned portfolio and other services	(3.878)	(2.468.049)	19.886.483
Obligations for future operations	(263.025)	(167.402.165)	106.117.086
Taxes payable and other liability accounts	(2.608)	(1.659.970)	(705.275)
Net cash flow (used in) provided by operating activities:	<u>(2.822)</u>	<u>(1.796.103)</u>	<u>2.174.390</u>

The accompanying notes form an integral part of these financial statement.