



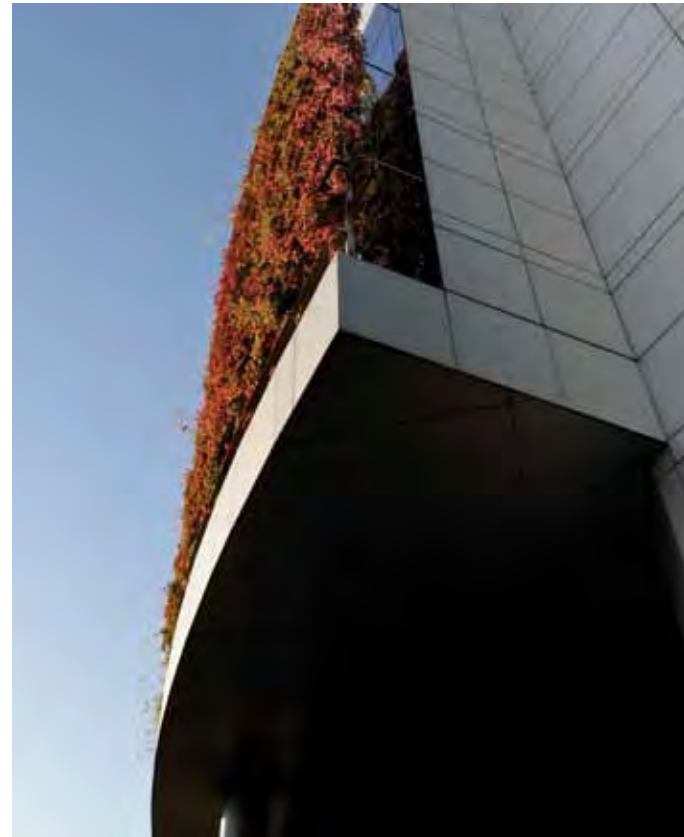
2011

ANNUAL REPORT

CONSORCIO FINANCIERO

PRIZES AND AWARDS CONSORCIO BUILDING

- 1st Prize (Office Areas)
X ARCHITECTURE BIENNIAL OF CHILE.
Santiago, Chile (September 1995)
- FINALIST
MIES VAN DER ROHE PRIZE.
Barcelona, Spain (September 1998)
- FINALIST
1 BIENNIAL LATIN AMERICAN ARCHITECTURE AND ENGINEERING PRIZE
Madrid, Spain (October 1998)
- BEST BUILDING OF THE 90'S DECADE IN CHILE
Selected by the Vivienda y Decoración supplement of the El Mercurio Newspaper
(21 December, 2002)
- BEST BUILDING OF THE LAST 30 YEARS AND ONE OF THE THREE BEST BUILDINGS THAT EXIST IN SANTIAGO, CHILE.
Opinion poll carried out by the El Mercurio newspaper. Santiago, Chile (29 December, 2002)
- SELECTED AMONG THE 50 ARCHITECTURAL WORKS OF SANTIAGO'S HERITAGE.
Chilean College of Architects and the Futuro Foundation. Santiago, Chile. (May 2006)
- SELECTED AMONG THE 8 BEST SANTIAGO BUILDINGS EVER.
Vivienda y Decoración supplement N° 525 of the El Mercurio newspaper.
(29 July, 2006)
- SELECTED AS ONE OF THE 20 BEST WORKS IN SANTIAGO, CHILE.
"Guías de Arquitectura Latinoamericana: Santiago de Chile" book.
El Clarín ARQ. Newspaper. Buenos Aires, 2008.
- PRIZE FOR BICENTENNIAL WORK
Among the 16 best Architectural and Infrastructure works in Chile during the 1960-2008 period.





CONSORCIO BUILDING - SANTIAGO (1993)
Enrique Browne y Borja Huidobro. Architects.

CONTENTS



CONSORCIO FINANCIERO

08	LETTER FROM THE CHAIMAN
12	2011 HIGHLIGHTS
16	VISION / MISSION / VALUES
18	BOARD OF DIRECTORS
20	EXECUTIVE COMMITTEE
22	HISTORY

CORPORATE PERFORMANCE

26	CORPORATIVE GOVERNMENT
30	HUMAN CAPITAL
36	MANAGEMENT OF CUSTOMER RELATIONS AND EXPERIENCE
38	BRAND MANAGEMENT
42	INVESTMENTS
48	CORPORATE SOCIAL RESPONSABILITY



BUSINESS PERFORMANCE

54	CONSORCIO SEGUROS VIDA
60	CNLIFE SEGUROS VIDA
64	CONSORCIO SEGUROS GENERALES
70	BANCO CONSORCIO
76	CONSORCIO CORREDORES DE BOLSA
80	ADMINISTRADORA GENERAL DE FONDOS

FINANCIAL STATEMENTS

86	CONSORCIO FINANCIERO
90	CONSORCIO SEGUROS VIDA
94	BANCO CONSORCIO
98	CN LIFE SEGUROS DE VIDA
102	CONSORCIO CORREDORES DE BOLSA
106	CONSORCIO SEGUROS GENERALES

CONSORCIO FINANCIERO



CONSORCIO SEGUROS VIDA

Consortio Seguros Vida offers individuals a broad range of life and health insurance as well as savings and collective insurance, annuities and voluntary pension savings plans. This variety of products provides protection and savings to the whole family group, contributing in a significant way towards the security, prosperity, peace and happiness of its insured clients and their families.



CNLIFE SEGUROS VIDA

In 2011, CNLife Seguros Vida reactivated its offer of annuities. This is a new option for those that prefer this type of pension which benefits from the Company's knowledge of matters related to pensions and services, with specialized distribution channels for advisers on pensions.



CONSORCIO SEGUROS GENERALES

Consortio Seguros Generales provides its clients with a wide variety of alternatives on vehicle, home and corporate insurance in addition to Obligatory Personal Accident Insurance (SOAP), through mass distribution channels, insurance banks, brokers and Internet. They provide efficient replies to the clients and the best alternatives of products that satisfy the various needs for protection.



BANCO CONSORCIO

By means of an organization structure comprised of over 500 people, Banco Consorcio offers three lines of business: Personal Banking, with financing products and means of payment for the middle sector; Corporate Banking, which provides services like factoring and credits and Finances, which manages the Bank's financial investments and offers purchase and sale of foreign currencies, derivatives and deposits for large corporations.



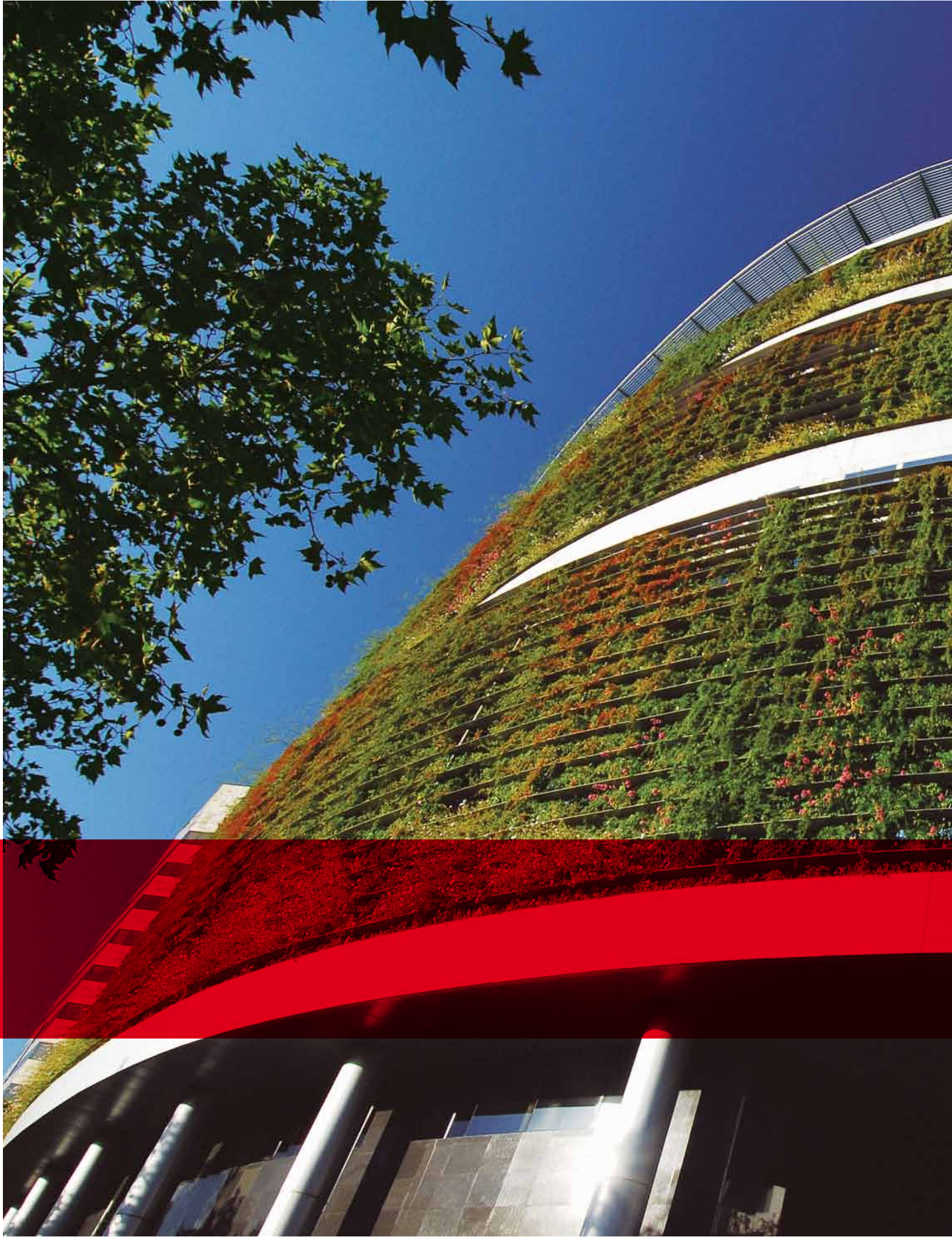
CONSORCIO CORREDORES DE BOLSA

This finance company is dedicated exclusively to the intermediation of securities for customers. Its principal distribution channel is its web site where clients are able to trade directly, in shares, mutual funds and term deposits. The transactions may be carried out in a speedy, agile, simple and secure way by entering the Company's investment web page either from a computer or from any smartphone. (www.ccbolsa.cl).



ADMINISTRADORA GENERAL DE FONDOS

Through its shareholding in LarrainVial Administradora General de Fondos S.A., Consorcio Financiero specializes in the control, management and distribution of mutual funds providing a broad range of investment alternatives in order to cover the savings and investment needs of each one of its clients in Chile, Latin America and the world.





01

CONSORCIO FINANCIERO

08	LETTER FROM THE CHAIRMAN
12	2011 HIGHLIGHTS
16	VISION / MISSION / VALUES
18	BOARD OF DIRECTORS
20	EXECUTIVE COMMITTEE
22	HISTORY



JUAN BILBAO HORMAECHE
Chairman Consorcio Financiero

It is my great pleasure to present you with the Annual Report of Consorcio Financiero S.A. corresponding to the year 2011. During the year, the Company achieved significant progress in the strategy of each one of its business divisions: Insurance, Pensions, Savings and Bank. In each one of them considerable progress was made on matters related to a better proposal on the value of products, a high level of service to clients, the management of multiple distribution channels and a greater positioning of the brand in the attributes that are characteristic to Consorcio and where we wish to stand out: solidity, prestige, closeness and modernness.

During this year, Consorcio Financiero S.A. made a loss of CLP 18,594 million. The origin of this loss is explained entirely by the effects of the international crisis initiated in the European financial market and their repercussions on the stock markets, both world and local, which finally turned into an impact on the variable income investment portfolio held by the Company, specially in its

Banco Consorcio experienced a considerable increase in its size, reaching total assets of CLP 778,819 million and achieving CLP 211,472 million in facilities to clients, which corresponds to an increase of 81% over the year 2010.

subsidiaries, Consorcio Seguros de Vida and CNLife Seguros de Vida. As at the close of the year, the Company reached an equity of CLP 480,688 million and a volume of assets under management by the various subsidiaries of more than eight thousand million US Dollars.

In its permanent search for strategic objectives, during the year the Company has made important progress in matters related to Corporate Governance in order to achieve value for its shareholders, customers, employees and other groups of interest. In this way, during 2011 the company continued to strengthen this governance where each one of the entities that comprise the holding company has its own board of directors and specific units that make up its governability, within the global framework defined by Consorcio. Both the insurance companies and the stock broking companies and the Bank currently have Committees that count on the participation of directors and executives, confirming Consorcio's permanent commitment to its Corporate Government.

For Consorcio Financiero one of the milestones that marked this last year was the significant growth of Banco Consorcio that, in its second year in operation after being acquired, had positive results in its various lines of business. Banco Consorcio achieved net earnings of CLP 8,769 million, corresponding to an increase of 9% with respect to the previous year and representing an annual return on equity of 12.6%. The Bank grew considerably, reaching total assets of CLP 778,819 million and facilities to customers of CLP 211,472 million, corresponding to 81% more than the figure for 2010. An important fact during the year was the successful placement of its first subordinated bond at a term of 20 years for an amount of 1.5 million Unidades de Fomento. This involved the first public offer instrument issued by the Group, which demonstrated the favourable positioning the Bank enjoys among the investment institutions and which will permit the Bank to finance the growth in assets projected for the coming years. In parallel, the company took a series of concrete steps such as the creation of a Preferential

Account for clients, the inauguration of a new building right in the centre of Santiago, the reconstruction of the distribution channels and the creation of two new managements: Personal Banking and Corporate Banking.

With respect to the insurance companies, Consorcio Seguros Vida recorded a loss of CLP 24,614 million. The reason for this loss is the same as that stated previously and that affected the results of the Group. Despite the above, within the insurance industry, Consorcio Seguros Vida maintains its position as the company with the largest equity, CLP 278,074 million and with the largest volume of assets, CLP 3,069,812 million. Furthermore, in 2011 the Company recorded a net income of CLP 282,520 million, which represents a growth of 22.2% over the previous year and a market share of 8.6%, maintaining its second place in the industry.

This growth in Consorcio Seguros de Vida's income is due to its good performance in the lines of business where Consorcio has a leadership position. In Annuities, the Company

LETTER FROM THE CHAIRMAN



registered sales of CLP 181,212 million, which implied a growth of 14.6% with respect to the year 2010 and a market share of 13.8%. In Individual Life, Consorcio achieved a net income of CLP 90,750 million, which implied a rise of 25.5% with respect to the previous year and a market share of 13.5%.

We should point out that within the Individual Life business line, there was a strong expansion in policies related to Voluntary Pension Savings Plans (APV), reaching a figure as at the close of the year of 22,661 clients, which corresponds to a growth of 22.4% and achieving a total of managed customer accounts for a value of CLP 100,562 million, reflecting a growth of 18% when compared to 2010.

This positive evolution in the Life Insurance business reflect the compliance with our strategy, with important advances in retaining our clients, an improvement in the productivity of our own channels, a reduction in the rotation in the sales teams, the creation of other alternative channels of distribution and a control of risks and operating efficiency.

In the Collective Insurance business line, an area in which the Company has ample room for future growth and development, it continued with the reengineering of its business model and in its structure in order to generate a service suitable for the needs of our clients and in this way be in a position to face the future challenges and opportunities in the

industry. Thus, sales for the period reached CLP 10,530 million during the year, a 7% increase over 2010 and a market share of 1.2%.

During this year, CNLife Seguros de Vida recorded net earnings of CLP 500 million, a volume of assets worth CLP 390,502 million and an equity of CLP 50,666 million. CNLife showed a strong growth in its net income on reaching CLP 26,757 million, which compares favourably with the CLP 591 million in income in 2010. From the net income made during the year, 99% came from the Annuities business line. The origin of this growth is due to the fact that the Company reactivated the marketing of annuities in 2011. The strategy adopted has been to market the Annuities line through the Pension Advisers and Direct distribution channels with which CNLife has become an attractive alternative for pensioners that prefer this retirement mode.

On another subject and leaving behind the effects of the earthquake in February 2010, Consorcio Seguros Generales achieved historic results. The Company recorded net earnings of CLP 2,135 million, a growth of 166% with respect to the previous year and which corresponds to an annual return on equity of 24.9%. Furthermore, it achieved a volume of assets worth CLP 42,634 million and an equity of CLP 10,623 million. The Company obtained the highest historic level of income of CLP 37,769 million, which represents a growth of 24.5% when compared to the year

before and a market share of 2.2%. The largest proportion of this income came from the Vehicle Insurance business line with an income of CLP 21,169 million, which reflects a growth of 27.1% with regard to the previous year and a market share of 5.0%.

Consorcio Corredores de Bolsa achieved net earnings of CLP 3,867 million. This result implied an average return on equity of 16% and was mainly due to the good results from the financial business and the volume of commissions generated by stock broking for clients. We would point out that the Stock Broking Company maintained its position as leader in shares and mutual funds dealing through Internet, and in 2011 incorporated a new platform to trade term deposits. Furthermore, the company achieved a volume of assets worth CLP 133,914 million and an equity of CLP 22,866 million.

After two years since the merger between Consorcio Administradora General de Fondos S.A and Larrain Vial Administradora General de Fondos S.A., the General Fund Manager closed the year with a total of clients' funds managed of USD 2,685 million, which places the Company as the fourth fund manager in the industry and the first non-bank mutual funds manager. Furthermore, the Company increased its market share in mutual funds from 5.9% in 2010 to 6.4% in 2011 and in the case of investment funds it achieved a growth from 8.1% to 9.8% in market share.



CONSORCIO FINANCIERO

LETTER FROM THE CHAIRMAN

consorcio financiero

Within the insurance industry, Consorcio Seguros Vida maintains its position as the leading company with respect to its equity of CLP 278,074 million and as number one in volume of assets with a total of CLP 3,069,812 million.

For Consorcio Financiero the positioning of its brand is a most important strategic objective. For this reason we are pleased that in 2011 the Company obtained first place in the Top of Mind listing within the insurance industry and made significant advances in the attributes of the brand that we are known by and that we are most interested in highlighting. Also, we point out that we won the Silver EFFIE award for our successful launch of the CN Life brand as a brand belonging to the Group.

Within the policy on Corporate Social Responsibility, through the Consorcio Vida Foundation, Consorcio Financiero continued its work on the administration of the Monte Oliva School located in a sector with extreme poverty in the municipal commune of Puente Alto, a social work that has been going for over 10 years. We were filled with pride in 2011 with the graduation of the first generation of the schools fourth grade senior school, obtaining very good results in the final exam with which 79% of the students achieved a place in higher education. Since its foundation in the year 2002, the School has experienced a strong growth, currently providing education to 992 students up to 4th year in secondary education.

For the sixth consecutive year, Consorcio Seguros Generales worked in alliance with the Corporación de Ayuda al Niño Quemado (Coaniquem) (Aid to Children with Burns) in the sale of Obligatory Personal Accident Insurance (SOAP), contributing with a cash donation to this institution from each policy sold. This turned into a significant contribution towards the comprehensive and free rehabilitation of children and adolescents that have suffered severe burns.

With respect to the formation of the human capital, Consorcio continued providing its employees with the tools and knowledge necessary to meet the level of competence required to perform each job within the organization. During this year, 114,276 hours of training were carried out with the participation of personnel that works in the various companies of the Group. In order to continue improving the quality of the training the Company provides to its staff, in 2011 Training Programs were created for Administration Staff, Professionals and Supervisors in order to successfully face the challenges encountered in their positions.

During the year 2012, Consorcio will continue working in line with its business strategies which shall focus

on the management of a diverse number of distribution channels, the strengthening of the overall offer of products, the integral treatment of clients and the correct management of risks present in the business, which will allow us to continue to grow in a solid and permanent manner. During 2012, we shall be faced with business opportunities to bid for insurance cover related to mortgage portfolios pertaining to banks and financial institutions, among others we are analyzing. I am certain that thanks to the acknowledged strengths of our human team, we shall be able to successfully confront the multiple challenges we shall encounter and opportunities that will arise in the industries in which we participate.

JUAN BILBAO HORMAECHE
Chairman Consorcio Financiero



STRONG EXPANSION OF THE BANCO CONSORCIO WITHIN THE FINANCIAL INDUSTRY

In its second year of operation since it was acquired by Consorcio Financiero S.A., Banco Consorcio experienced a strong expansion thanks to the positive results in its various lines of business. To this should be added an important capitalization through increases in capital of CLP 23,053 million, completing a total equity of CLP 75,729 million. Furthermore, the level of assets rose by 41% with respect to the year 2010, reaching a total of CLP 778,819 million as at the close of the year. We would highlight the successful placement of its first subordinated bond at a term of 20 years for a value of 1.5 million Unidades de Fomento, which represents an approximate value of USD 65 million, becoming the first public offer instrument issued within the group. We should also point out the improvement in the rating on business performance granted by the Superintendence of Banks and Financial Institutions in recognition of the good coordinated work shown by all the areas. All in all, Banco Consorcio made net earnings of CLP 8,769 million, which meant a growth of 9% when compared to the year before, equivalent to a return on equity of 12.6%.

STRENGTHENING THE CORPORATE GOVERNMENT

Consorcio understands Corporate Government to mean the collection of mechanisms, processes, structures and information utilized to direct and supervise the entity's management, which contribute towards creating value in a sustainable manner, within a framework of ethics and respect for the rights of the different groups of interest. In relation to this, in 2011 the Company continued to strengthen this government in order to achieve value for its shareholders, clients, workers and other groups of interest. Each one of the entities that comprise the group has its own board of directors together with specific units that make up its governance, within the global framework defined by Consorcio. Both the Insurance Companies and the Bank currently have committees, in which directors and executives participate, confirming Consorcio's commitment towards a continuous strengthening of its Corporate Government.

HISTORIC SALE OF ANNUITIES

In 2011 Annuities, as a form of retirement, experienced a significant growth and has become an increasingly competitive alternative to the programmed withdrawal offered by the pension fund managers (AFP). Proof of this is that the Company, with its subsidiaries, Consorcio Seguros de Vida and CNLife Seguros de Vida, had historic results in income from this line of business during the year. Thus, in Annuities, Consorcio Seguros Vida S.A. registered sales of CLP 181,212 million, which implied a growth of 14.6% with respect to 2010 and a market share of 13.8%. CNLife Seguros de Vida experienced a growth in sales on reaching a figure of CLP 26,757 million, which compares favourably with the CLP 591 million registered in 2010. Of the total of this income, 99% comes from the Annuities line of business.

2011 HIGHLIGHTS



BRAND MANAGEMENT, FIRST PLACE AS TOP OF MIND THE INSURANCE INDUSTRY

As a most relevant strategic objective, Consorcio Financiero continued working on positioning its brand, achieving significant recognition during the year and making advances in the attributes desired. Thus, the Company obtained first place in the Top of Mind listing within the insurance industry, consolidating its position in the ABCI socio-economic group as the brand with the highest level of total spontaneous recognition. The Publicity Campaign was centred on strengthening the creative concept: "In Consorcio we know that things acquire another value when you add the word YOUR" and had as its central point associating every day and simple situations that arise in everyone's daily life with five products with a great commercial importance: Life Insurance, Voluntary Pension Savings Plans (APV), Vehicle Insurance, Annuities and On-line Stock Broking. With respect to attributes, the Company was placed as one of the most modern, solid, secure, with the best service, prestige and tradition.

RECORDS IN SALES OF INDIVIDUAL LIFE INSURANCE POLICIES

In 2011 Consorcio Seguros Vida S.A.'s Individual Life business line achieved historic results with sales of CLP 90,750 million, which reflected a growth of 25.5% when compared to 2010. This significant growth is explained mainly by the good performance of the different Individual Life business lines and especially by the strong expansion that occurred in policies related to the Voluntary Pension Savings Plan (APV) which attracted 22,661 new clients, reflecting a growth of 22.4% compared to last year. Added to this is the implementation of a complete offer of Individual Life products to satisfy the needs of the clients in the different stages of their life. Some of these are Vida Futura, VidAhorro 100 and VidAhorro 57 Bis. The sale of policies related to Individual Life and to Voluntary Pension Savings Plans (APV) is carried out through distribution channels.



CONSORCIO FINANCIERO WINS THE SILVER EFFIE FOR THE CNLIFE COMPANY CAMPAIGN.

In 2011 the Company was awarded the Silver EFFIE prize for the successful launching of the CNLife brand as a brand pertaining to the group and that highlights the excellent results obtained during the first quarter since it entered into the insurance industry. This award reflects the consistency and excellence of the sales and marketing efforts made by Consorcio Financiero and which, since the year 2006 has been earning significant prizes such as SUPERBRAND Chile, awarded by the Chilean Council of Brands (2006) and the Silver EFFIE for is "SOAP Campaign" (Obligatory Personal Accident Insurance) and the electronic sale of this insurance product (2009). We would point out that CN Life reactivated its sale of Annuities in 2011, which produced a strong rise in the Company's income, with CNLife becoming an attractive alternative for pensioners inclined towards this type of retirement.

MONTE OLIVO SCHOOL, SOCIAL WORK THAT HAS BEEN GOING ON FOR 10 YEARS

Within the policy on Corporate Social Responsibility, through the Consorcio Vida Foundation, Consorcio Financiero continued providing an important contribution to the Monte Olivo School, located in a sector with extreme poverty in the municipal commune of Puente Alto, in the Metropolitan Region. In 2011, the school had its 10th anniversary of its foundation and during this period the first generation of the school's fourth grade senior school took place, with good results in the final exam with which 79% of the students achieved a place in higher education. Since its foundation in the year 2002, the precincts have experienced a strong growth in their infrastructure and are currently granting scientific humanist education up to 4th grade senior school, in addition to multidisciplinary support to students that require help in learning, attention and language.

2011 HIGHLIGHTS



CONSORCIO ACHIEVED 70 THOUSAND INSURED VEHICLES IN 2011

In 2011 Consorcio Seguros Generales reached a target of 70,000 insured vehicles, thanks to the work carried out by the Company in strengthening its infrastructures, processes and different support areas in order to manage the strong growth in income and the number of clients in a correct manner. Thus, within the total volume of the Company's income, the Vehicle area obtained revenues of CLP 21,169 million, which implied a growth of 27.1% with respect to the year before and represents 56% of the total for the year, compared favourably with an industry that grew 20.8% in 2011. In order to successfully manage over 20 thousand claims submitted during the year, this area diversified its channels through which a client submits a claim, strengthening claims through Internet and commencing the claim by telephone.

OBLIGATORY PERSONAL ACCIDENT INSURANCE (SOAP) ACHIEVES HISTORIC LEVELS OF SALES IN 2011

Consortio Seguros Generales broke records in the sale of Obligatory Personal Accident Insurance (SOAP) selling 226,780 policies in 2011. In this way, this business line obtained sales of CLP 2,574 million, representing a growth of 27.4% over last year and compares favourably with an industry that grows at 12.1% and has a market share of 5.3%. These results demonstrate the consolidation of Consortio in the sales of this product that contributes significantly towards the results of Consortio Seguros Generales. For the sixth consecutive year, Consortio Seguros Generales worked in alliance with the Corporación de Ayuda al Niño Quemado (Coaniquem) (Aid to Children with Burns) in the sale of Obligatory Personal Accident Insurance (SOAP), contributing a cash donation to this institution from each policy sold becoming an important contribution to finance the rehabilitation of children that have suffered serious burns.

CONSORCIO FINANCIERO Y LARRAINVIAL ANNOUNCE A NEW OFFER OF MUTUAL FUNDS

In 2011 the merger between Consortio Administradora General de Fondos S.A and Larrain Vial Administradora General de Fondos S.A, AGF advanced in the consolidation of the business model closing the year with an amount under management of USD 2,685 million, placing it as the fourth fund manager in the industry and the first non-bank fund manager. In turn, it increased its share in the mutual funds market to 6.4% in 2011 and in the case of investment funds, it experienced a rise from 8.1% to 9.8%. During the year, progress was made in developing strategies focused on customer relations, adding an overall and personal consultancy and a simplified restructure of the offer of Mutual Funds, grouping some under the Consortio brand name and others under the LarrainVial brand name.

VISION

To be a leader in the insurance industry and an important player in savings and credits, generating an adequate return from all the business lines.



MISSION

We are an organization that offers a variety of excellent financial services that permit our clients to satisfy their requirements for family prosperity and financial security.

We create value for our shareholders, building trusting relationships with those with whom we interact and fulfilling our role of good corporate citizens.

We offer the conditions necessary for the people in our organization to develop their full potential in a challenging working environment of respect for the values we profess.



VALUES

- INTEGRITY:** Ethics, transparency and honesty are part of my work.
- EXCELLENCE:** I always seek to do a good job with a seal of quality.
- RESPECT:** I treat the others with dignity. I assume my commitments and I comply with the Company's norms.
- COOPERATION:** I participate actively in my team and I contribute with other areas towards the achievement of the Company's objectives.
- PRO-ACTIVITY:** I set myself challenges and I take the initiative to make improvements that will contribute to my job and that of others.
- FLEXIBILITY:** I am open and I adapt to new ideas, procedures and practices that add value to my performance and to Consorcio.

BOARD OF DIRECTORS



JUAN HURTADO VICUÑA

DIRECTOR
Civil Engineer, Universidad de Chile.



HERNÁN BÜCHI BUC

DIRECTOR
Civil Engineer (Mining),
Universidad de Chile
Postgraduate Degree,
University of Columbia U.S.A



EDUARDO FERNÁNDEZ LEÓN

DIRECTOR
Business Administration
Graduate, Universidad Católica
de Chile.



JUAN BILBAO HORMAECHE
CHAIRMAN

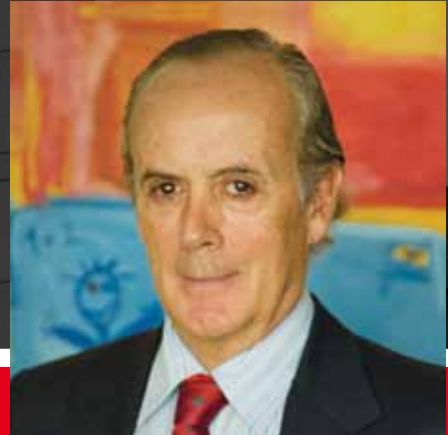
Business Administration
Graduate
Universidad Católica de Chile.
Masters Degree in Business
Administration
University of Chicago, U.S.A.



JOSÉ ANTONIO GARCÉS
SILVA
DIRECTOR
Businessman



PEDRO HURTADO VICUÑA
DIRECTOR
Civil Engineer, Universidad de
Chile.



JUAN JOSÉ MAC-AULIFFE
GRANELLO
DIRECTOR
Business Administration
Graduate, Universidad Católica
de Chile.



PATRICIO PARODI GIL

General Manager

Business Administration Graduate, Universidad Católica de Chile. Masters Degree in Business Administration, Harvard University, U.S.A.



NICOLÁS GELLONA AMUNÁTEGUI

General Manager Insurance Companies

Business Administration Graduate, Universidad Católica de Chile. Masters Degree in Business Administration, University of Chicago, U.S.A.



FRANCISCO OSSA GUZMÁN

General Manager, Banco Consorcio

Business Administration Graduate, Universidad de Los Andes, Chile. Masters Degree in Business Administration, INSEAD, France.



CHRISTIAN UNGER VERGARA

Technical Manager

Industrial Engineer, Universidad de Chile.



HERMANN TISI URBINA

Manager Information Technology and Operations

Industrial Engineer, Universidad Católica de Chile.



PEDRO FELIPE IÑIGUEZ DUCCI

Chief Counsel

Lawyer, Universidad Católica de Chile. Masters Degree in International Banking and Financial Law, University of Boston, U.S.A. Post-graduate Degree in Tax Management and Administration, Universidad Adolfo Ibáñez, Chile.



TOMÁS HURTADO ROURKE
Investment Manager
Business Administration Graduate,
Universidad Diego Portales, Chile.



MARCELO ROZAS ETCHARREN
Financial Control Manager
Business Administration Graduate,
Universidad Católica de Chile.



FRANCISCO JAVIER GARCÍA HOLTZ
Marketing Manager
Business Administration Graduate,
Universidad Diego Portales.



LUIS EDUARDO SALAS NEGRONI
Human Resources Manager
Psychologist, Universidad Diego
Portales, Chile.



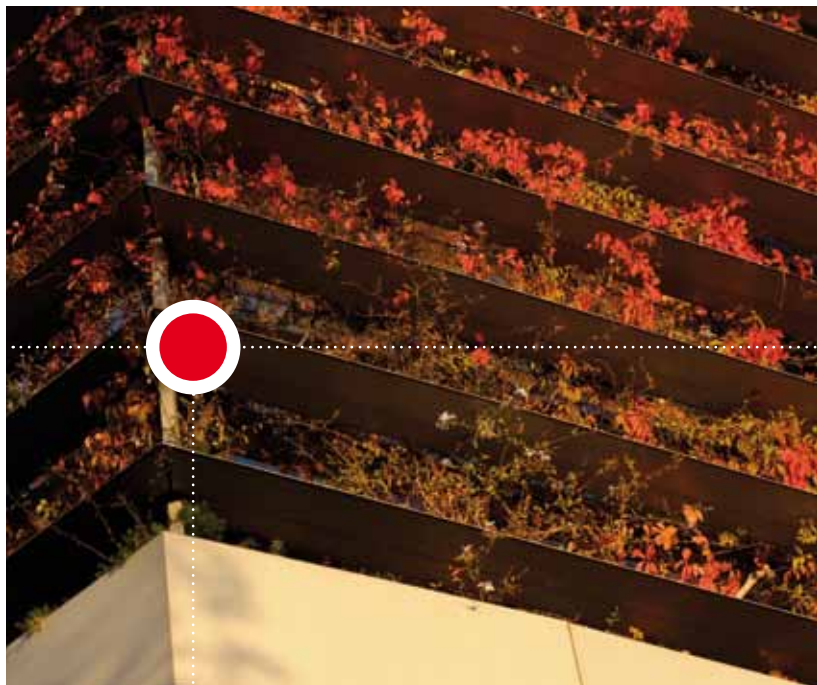
FRANCISCO JAVIER GOÑI ESPÍLDORA
Chief Auditor
Industrial Engineer, Universidad de
Chile.



RICARDO ORTÚZAR CRUZ
Real Estate Manager
Industrial Engineer, Universidad
Católica de Chile.

EXECUTIVE COMMITTEE

During 95 years of history, growth and excellence, Consorcio has acquired the position of a financial services company that groups together Insurance, Pensions, Savings and Banking products.



1916

Foundation of the Compañía de Seguros La Industrial.

1947

The Company adopted the name Compañía de Seguros de Vida La Industrial.

1975

Once again, the Company changed its name to Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A.

1986

The ownership of the Company passed to Bankers Trust that was adjudicated 96.21% of the total shares.

1987

Consorcio created the Fundación Consorcio in order to support the development and progress of the country.

1993

Consorcio inaugurated its corporate building, designed by the distinguished Chilean architects, Borja Huidobro and Enrique Browne.

1999

Consorcio became a 100% Chilean-owned company and its ownership was passed to the Hurtado Vicuña and Fernández León families. Consorcio Financiero S.A. (CFSA) was born.

CFSA acquired Cruz Blanca Seguros Generales which was transformed into Consorcio Seguros Generales S.A.

2000

Consorcio Créditos Hipotecarios is authorized to commence operations and Consorcio Corredores de Bolsa is created.

The association with the Compass Group N.Y. was sealed.

2002

The sale of Voluntary Pension Savings Plans (APV) commenced.

Consorcio was strengthened with the acquisition of CNA, now CNLife.

The Consorcio Foundation inaugurated the Monte Olivo School in Puente Alto.

2003

Consorcio launched the first on-line Stock Broker.

The Consorcio Foundation received the Good

HISTORY



Corporate Citizen prize presented by The Chilean American Chamber of Commerce (Amcham).

2004

Consortio Tarjetas de Crédito S.A. is born and becomes the first non-bank issuer of credit cards in the country.

2005

Consortio Corredores de Bolsa de Productos was created.

Consortio became the first insurance company to offer Consumer Credits to pensioners.

2006

Consortio celebrated 90 years' history and was named a Superbrand by the Council of Chilean Brands and Superbrands International.

2008

Consortio launched the first web site for on-line sales of vehicle and travel insurance.

2009

Consortio acquired Banco Monex and created Banco Consortio.

Compass Consortio Asset Management signs an alliance between its subsidiary, Consortio Administradora General de Fondos and LarrainVial.

Consortio was awarded the SILVER EFFIE PRIZE for its participation in the 2009 Effie Awards for Advertising Efficiency. The Company stood out amid a select group of companies acknowledged for the effectiveness of their marketing communications.

2010

Consortio Financiero reactivated the sale of Annuities through its subsidiary, CNLife Seguros Vida. This involves a new option for those inclined towards this type of pension.

The Consortio Seguros Vida and Consortio Corredores de Bolsa mobile applications are launched. This tool Introduces more technology into the customer platforms.

2011

In its second year in operations, Banco Consortio carried out an increase in capital for CLP 23,053 million, achieving an equity of CLP 75,729 million. Another significant milestone was the successful placement of its first subordinated bond at a term of 20 years for a value of 1.5 million Unidades de Fomento, the first public offer instrument issued by the group.

CNLife was awarded the SILVER EFFIE for its participation in the Advertising Efficiency Effie Awards 2011.





CORPORATE ACTIVITY

26	CORPORATE GOVERNMENT
30	HUMAN CAPITAL
36	MANAGEMENT OF CUSTOMER RELATIONS AND EXPERIENCE
38	BRAND MANAGEMENT
42	INVESTMENTS
48	CORPORATE SOCIAL RESPONSABILITY



CORPORATE GOVERNMENT A FUNDAMENTAL ROLE IN THE CREATION OF CORPORATE VALUE

In line with its objective strategies, Consorcio acknowledges the fundamental role of a good Corporate Government in the creation of value for its shareholders, clients, workers and other groups of interest, within the framework of its corporate mission, vision and values.

Consorcio Financiero S.A., controller of the companies in the Consorcio Group, seeks to generate mechanisms to facilitate relations between the different business units within the framework of current legality, taking advantage of synergies in financial, operating and performance terms. Furthermore it leads the process of planning and defining strategic objectives for each company in particular. Each one of the entities that

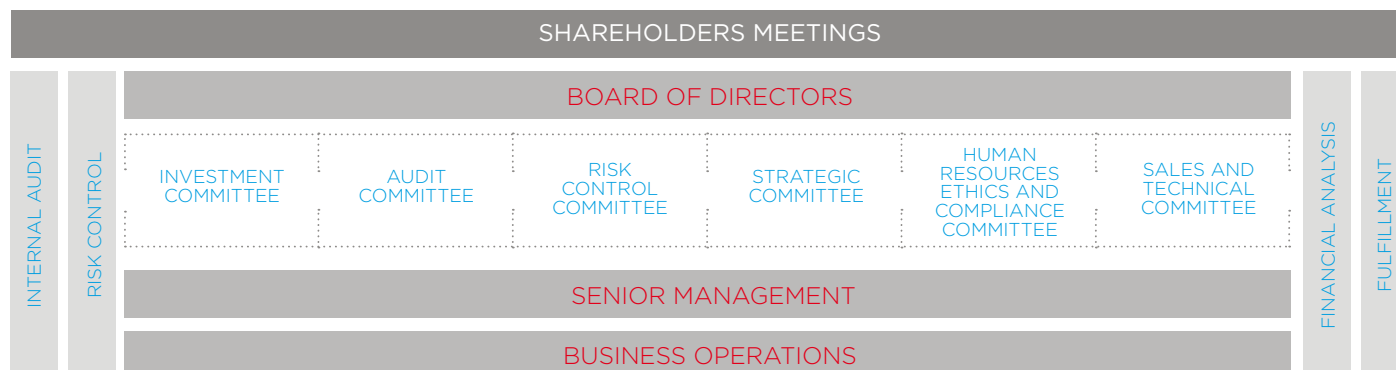
comprise the holding company has its own Board of Directors and specific units that comprise its governance, within the global framework defined by Consorcio.

The General Manager of Consorcio Financiero, with an active participation in the majority of the Boards of Directors and Committees of the holding company's business units, is responsible for leading the holding company and its subsidiaries towards the achievement of its targets and strategic objectives, in order to create corporate value.

In the case of the three insurance companies, the principal elements of the Corporate Government are expressed in a Code approved by

the Board of Directors in accordance with current regulations and with the recommendations and good practices at a local and international level.

Each company's Corporate Government is comprised of different members that include Shareholders Meetings, the Board of Directors and its Committees, Senior Management, the functions of Financial Analysis, Compliance, Internal Audit and Risk Control. In the Corporate Government Code the roles and responsibilities are defined for each one of these units that contribute towards obtaining a solid governance in the companies. Their structure and responsibilities are stipulated as follows:





CORPORATE ACTIVITY

CORPORATE GOVERNMENT

Consortio understands Corporate Government to mean the collection of mechanisms, processes, structures and information utilized to direct and supervise the entity's management, which contribute towards creating value in a sustainable manner, within a framework of ethics and respect for the rights of the different groups of interest.

The Shareholders Meetings are the maximum authority and supreme organ of the entity. Each year it examines the situation of the company and the reports from the account inspectors and the independent auditors. Furthermore, it elects the members of the Board of Directors and designates the independent auditors and risk rating agencies.

The Board of Directors is the final organ responsible for the performance and conduct of the company for which it defines strategies and policies that ensure a proper management within the legal and regulatory framework

applicable and periodically reviews its appropriateness and efficiency. The activity of the Board of Directors adjusts to ethical principals and Corporate Social Responsibility.

The Board of Directors is comprised of seven members, among which a Chairman is elected. The renewal of the members of the Board takes place every three years and may be re-elected indefinitely.

In order to make their work more efficient, the Board has established a series of committees made up of directors and members of senior

management. Invited guests, executives or professionals from outside Consortio may attend whenever deemed convenient. Each Committee has its own statutes approved by the Board of Directors where it defines its specific objectives and functions, its members, organization and functioning.

Once a year, the Committee prepares a report for the Board of Directors with its principal activities and events that occurred during the year, as well as its conclusions and recommendations adopted.

The insurance companies currently have six Director's Committees, confirming Consortio's commitment to a continuous strengthening of its Corporate Government.



Some of these Committees were only recently created, confirming Consorcio's commitment to a continuous strengthening of its Corporate Government. The insurance companies currently have six Director's Committees, whose principal objectives are as follows:

INVESTMENT COMMITTEE

Establish the financial strategies and policies of the company, ensuring their implementation. Provide support in controlling financial risks in accordance with the policies established on the matter.

AUDIT COMMITTEE

Supervise the efficiency of the risk areas and controls, the integrity of the financial statements and the internal and independent auditing processes.

RISK CONTROL COMMITTEE

Provide support to the Board of Directors on establishing a System for a Comprehensive Control of Risks, supervising its implementation.

STRATEGIC COMMITTEE

Participate in the definition of the corporate strategy, monitoring its compliance. Submit proposals to the Board on the structure and principles of Corporate Government in order to support the achievement of the strategy. Propose the principals of passing information to the groups of interest.

HUMAN RESOURCES ETHICS AND COMPLIANCE COMMITTEE

Watch that the Human Resources performance is coherent with the strategy, within a framework of ethics and respect for corporate values. Establish and maintain updated the policy on compliance, ensuring its implementation.

SALES AND TECHNICAL COMMITTEE

Provide support to the Board of Directors with respect to the sales and technical strategies and policies, ensuring their adequate implementation.



CORPORATE ACTIVITY

CORPORATE GOVERNMENT

Senior management, headed by the General Manager of the insurance companies, comprises the Executive Committee and is the body in charge of proposing policies and strategies to the Board of Directors and taking them to execution in addition to carrying out an adequate management, watching over the interests of the shareholders and other groups of interest to the companies.

This body is comprised of the corporate managers of the following areas: Sales, Investments, Real Estate Business, Technical, Operations and Technology, Financial Control, Human Resources, Chief Counsel and Internal Audit. The Executive Committee meets on a weekly basis, in accordance with an annual agenda of matters to be covered. The matters discussed and the decisions adopted by the Committee are left on record in the minutes of the meeting.

Financial Analysis is responsible for providing and analyzing the strategic and financial information of the companies. It coordinates the preparation of the triennial plan and every month analyzes the real results, financial, technical and operational. It carries out a follow up of the strategic targets defined in the Balanced Scorecard through the specific consolidation indicators.

Compliance's function is to coordinate, with a overall focus, Consorcio's various units with regard to the compliance of the legal and regulatory obligations that rule over each company. Furthermore, it proposes and implements the policy on corporative compliance and the definition of procedures applicable to all the areas in the organization.

Internal Audit is responsible for the evaluation of the efficiency of the internal control and risk management systems, proposing improvements to the weaknesses detected and follow up their implementation. It is an independent and objective function that reports functionally to the Audit Committee.

The Risk Control unit has to implement and maintain updated the comprehensive risk, which permits the identification, evaluation, control and monitoring the different types of serious risks to which the companies are exposed. It maintains the Risk Control Committee and the Executive Committee informed on the exposure to risks with a complete, reliable and prompt reporting system.

HUMAN CAPITAL A YEAR TO DEFINE FUTURE STRATEGIES

With a historic headcount of 2,454 employees distributed throughout the country, during 2011, the Consorcio Financiero human team continued working with a mission centred on three fundamental pillars: shareholders, clients and people.

The comprehensive management model for Human Resources experienced a period of consolidation of various strategies and tools implemented up until now, especially the ones that guide the professional and personal growth of the company's workers. Along this line, one of the relevant aspects is the permanent evaluation of the organizational climate, which in 2011 maintained the excellence of previous years in the majority of the variables evaluated, with a participation rate of 84.3% of the total headcount of the company. This year we incorporated improvements in the survey through two new elements: Qualitative Complement and "Engagement" that permitted us to obtain a more detailed analysis of the perception of the workers. The "Engagement" measures the worker's level of commitment with his work.

The variables best valued were: Working Atmosphere, Leadership and Evaluation of the Job.

As a sign of maturity of the continuous and periodic process of improvement of the methodology of work, the Human Resources Management completed a year since it was certified with the international ISO 9001 norm for its quality management. This shows the advances and improvements in the internal and external operative system to offer a service of excellence to all the clients.

A FORMATION OF EXCELLENCE FOR THE WORKERS

With regard to the formation of the Human Capital, Consorcio continued to provide its workers with tools and knowledge to develop the competence required in each one of the positions inside the organization. During this year 2,476 employees received training and 118,920 hours of teaching were delivered, with the participation of staff that works in the different companies of the financial holding company.



The year 2011 was a period for consolidation of many of the strategies and tools which are the basis of the Human Resources activity. The development of new products such as Corporate Intranet, the Training Programme for Clerical Staff and the complementary measurement of commitment and qualitative aspects in the Evaluation of the Climate, are some elements that mark the starting point to a new stage in this area.

In line with the corporate strategy, the training and development area continued with perfecting the Formation Programmes, which are updated constantly in order to provide the possibility of growth and development to the people that work in our Company. In 2011, the Formation Programmes for Clerical Staff, Professionals and Supervisors were created to successfully face the challenges represented by their jobs. Also, some of the new Formation Programmes are in the process of certification through an independent consultant to strengthen the quality and correct application of the courses dictated.

During the year, courses were also given on updating for the Annuity Executives. The Formation cycle carried out was divided into three parts, complying with a greater





quantity of hours than those required by the Superintendence of Securities and Insurance (SVS).

Furthermore, the sales focus was modified from a traditional one to a consultative one, with a GEIN methodology that permits one to detect the needs and improve the proposal of value to the clients.

INTEGRATED PERFORMANCE MANAGEMENT

Another important fact was the incorporation of the strategic maps of the Life Insurance, General Insurance, Stock Broking Company and Banco Consorcio into the Performance Management Model. In this way, we complied with the objective of integrating the individual

performance into a single result for the Company.

During the last year, the Management Model was applied completely, achieving that all the members of the Company manage their performance in accordance with the feedback delivered by each one of their bosses..



TRAINING AND DEVELOPMENT

2,476

people received training during the year

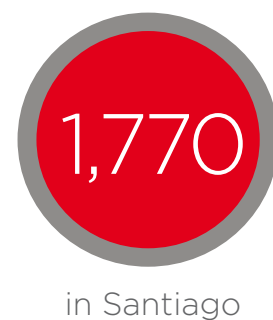
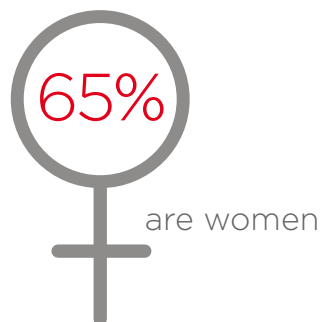
118,920

man hours



HUMAN CAPITAL

THE HUMAN TEAM BEHIND CONSORCIO





During 2011, Consorcio honoured 167 children of workers with the Academic Excellence prize for their outstanding scholastic performance.

COMMUNICATIONS FOR EVERYONE AND QUALITY OF WORKING LIFE

In March 2011, the new Corporate Intranet was launched, an effort by the Company to provide organized and useful information for the daily work of its employees in an amicable and easy manner for navigation.

In matters of Quality of Working Life, during this year Consorcio continued to make progress to integrate person, work and family. The various plans seek the participation of the workers under the concept of Shared Value, which implies being in harmony with what we are as a Company and what makes us different from the rest, always looking around the environment in which we are inserted.

During the year various celebrations took place for the families of our workers, such as Mother's Day, Father's Day, Women's Day and Christmas, and also the beginning of the school year and Children's Day.

To this we must add the Academic Excellence Prize, which in 2011 distinguished 167 children of employees that obtained good academic results, with average grades of 6.5 or over. The object of this distinction, directed at students from 1st prep to 4th senior school, is to reward the work and effort of the students, as well as Excellence, one of Consorcio's corporate values.

In healthy life and advice to the worker, Consorcio continued with its overall support to the employees, through its two free Programs: the Guidance Program and the Program to provide Attention to the Worker. The purpose of the first of these is to provide confidential support to those that are going through problems both personal and family, specifically on psychological, legal and financial matters. The Guidance Program attended 232 people on a nationwide basis in 20 of the country's cities during the year 2011.



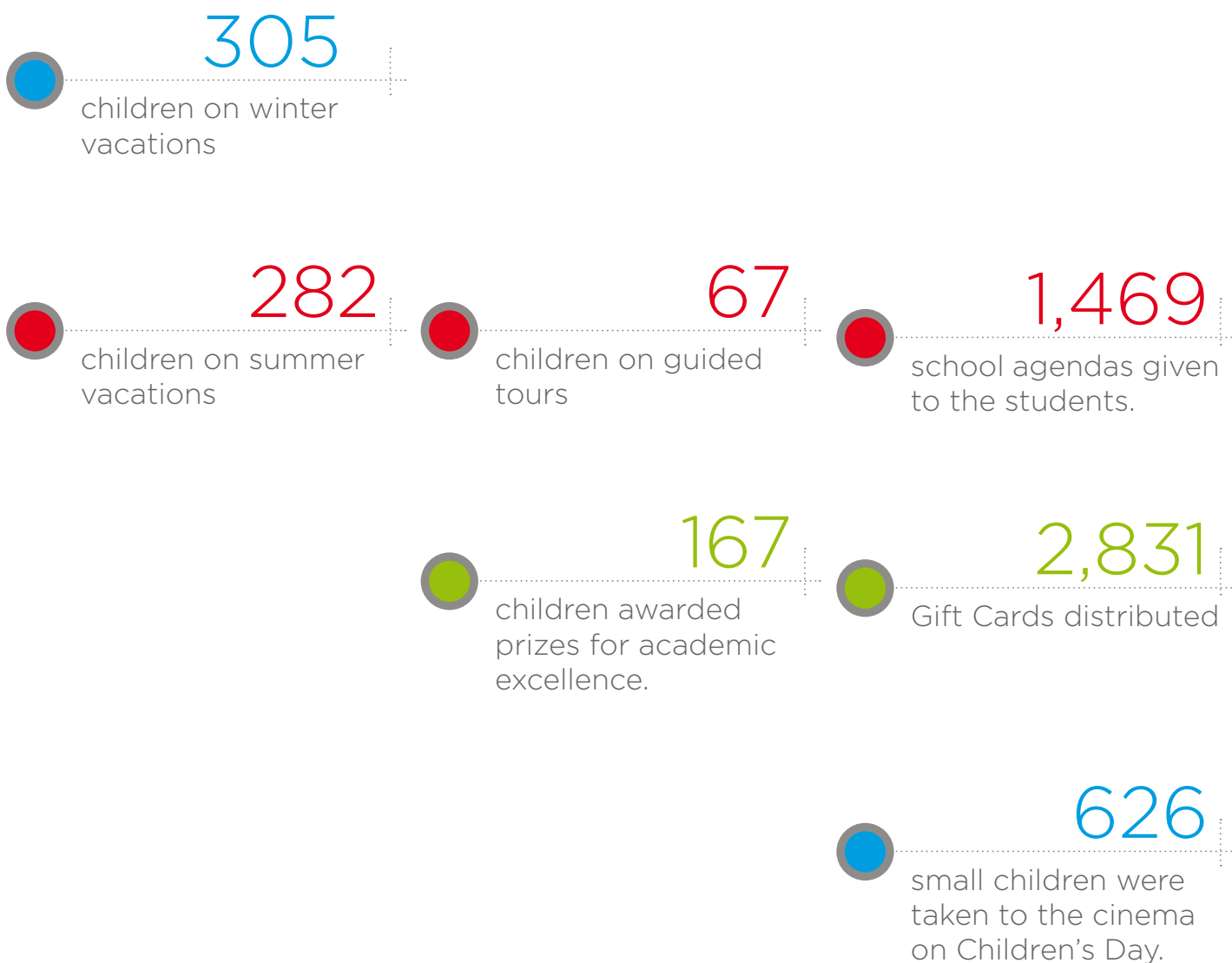
CORPORATE ACTIVITY

HUMAN CAPITAL

consorcio financiero

PARTICIPATION OF THE CONSORCIO FAMILY

The Company continued making progress in integrating people, work and family.





MANAGEMENT OF CLIENT RELATIONSHIPS AND EXPERIENCE STRENGTHENING THE DIGITAL RELATIONSHIP WITH OUR CLIENTS

CONSULTANCY AND INFORMATION CENTRED ON THE CLIENT

The Management of the Relationship and Experience of the Clients with Consorcio is centred on facilitating their contact with the Company in order to provide them with a rapid reply to their enquiries and requirements; and providing them with more and better information for a better advice on all the stages of life, completely satisfying their needs for protection and family prosperity. This, with the object of generating a close, transparent and lasting relationship, centred on people and their families.

The Model of the Management of Client Relationships is composed principally of two large stages: Capturing and receiving the client, and the maintenance of the relationship and experience of the clients.

In the first stage, Consorcio directs the process of carrying out the sale and the provision of quality advice tailor-made to each client, to satisfy his needs for protection and savings in the different stages of his life. Then, each client is given a welcome, strengthening the various service

channels that he has at his disposal and he is given his policy. Furthermore, in order to facilitate the relationship and experience and to permit the access of the clients to a complete advice and information, in the second stage of the model, Consorcio places at the disposal of its clients different channels of attention and service. Outstanding between these is its network of branches between Arica and Punta Arenas, its contact centre, Internet web site and accesses from mobile platforms, amongst others. Services are delivered with a high degree of quality within the timing agreed and the protocols of attention established.

The results of the model of services are evaluated systematically through different indicators, especially measuring the satisfaction of the clients, permitting us in this way to establish areas of improvement and permanent innovation.

DIGITAL RELATIONSHIP WITH CLIENTS

Consumers have changed the way in which they relate to companies. As a result, response times are ever

more demanding and the need to know them profoundly is a reality and a permanent challenge. These and other changes, added to the strong competition existing in the financial industry and to the high demands observed in business, were factors that took Consorcio to carry out a series of adjustments centred on boosting even further its focus and direction towards the client, understanding that this is a fundamental part of the Corporate Strategy.

Responding to these and other demands, during 2011 Consorcio continued working on a permanent improvement in order to make it a company with a high level of service and, in this way, achieve the satisfaction of its clients and potential consumers. Proof of this was that at the end of last year the Company created the Clients and Internet Sub-management, reporting to the Marketing and Clients Management, in order to concentrate on a greater and better orientation towards the clients.



CORPORATE ACTIVITY

MANAGEMENT OF CLIENT RELATIONSHIPS AND EXPERIENCE

Consumers have changed the way in which they relate to companies. As a result, response times are ever more demanding and the need to know them profoundly is a reality and a permanent challenge.

FOUR CENTRAL AXES IN DIRECTING CLIENTS

This medium to long term challenge, which places the client in the centre, will take place through four fundamental axes:

- 1) Knowledge of the client, which will have as its objective, information, execution and control of a series of projects to comply with the proposals of value and satisfaction of the clients;
- 2) Experience with the client, centred on design, model and implement flows of experience of clients in those stages or "critical moments of truth" they have with the Company;
- 3) Digital relationship with the Client, who will seek to advance with the digital relationship with the client, adjusted to the new advances in technology and the needs and demands of the clients.
- 4) Business and Remote Services Platform: related to the creation and administration of all the business platforms pertaining to brokers and end clients, and the transactional services related to after sales and other digital services.

In addition, complementing the work that will be done on these four fundamental axes in the coming years, we initiated the implementation of a project of Secure Password for access of the clients to all the information and personalized transactions on Internet. The security and confidentiality of the clients is maximum priority in developing and delivering services.

Furthermore, we established a series of innovations directed at improving the digital relationship between clients and the company, which will be implemented gradually during the next two years. These plans will be accompanied by new technological tools that will facilitate this relationship.

Also, a service management model has been set up in all the branches in the country. This will permit the staff to unify their daily functions, with standards on a national level, to offer a better service to the clients.

517,893
attentions
undertaken on the
Service Channels in
2011

130,371
clients attended on
SAT and Internet in
2011

3,843,161
visits to the web
page



BRAND MANAGEMENT CONSOLIDATION AND STRENGTHENING OF THE POSITIONING OF THE CONSORCIO BRAND

This strategy of brand management, planned and consistent in the long run, has the purpose of positioning Consorcio as a modern and close brand. In this context, Consorcio achieved important advances and acknowledgements during the year. Today these advances permit the Company to be located as a Company close to the ideal of one of the Insurance Companies, according to the expectations and preferences of the clients.

MODERN COMPANY AND CLOSE TO ITS CLIENTS

The work performed on the Consorcio brand has been consistently framed during these years, in the implementation of strategies that permit the creation of a close brand, modern and leader in the industry in order to achieve being preferred and considered as one of the three Companies a client thinks about when it comes to evaluating buying a policy.

In this context, the Advertising Campaign carried out in 2011, was centred on consolidating the creative concept of: "In Consorcio we know that things have another value when you add a YOUR to it" and had as a central focus of its message an association of daily and simple situations that occur in every day life to the people with five products of a highly commercial importance: Life Insurance, Voluntary Pension Savings Plan (APV), Vehicle Insurance, Annuities and On-line Stock Broking.

In this way, the Company invites its clients to understand, in a simple and transversal manner, the importance of getting advice and planning their future in order to protect their families, their worth and their property.

During 2011, the Consorcio brand achieved excellent results in its principal recognition indicators, consolidating in the ABC1 socio economic group as the brand with the

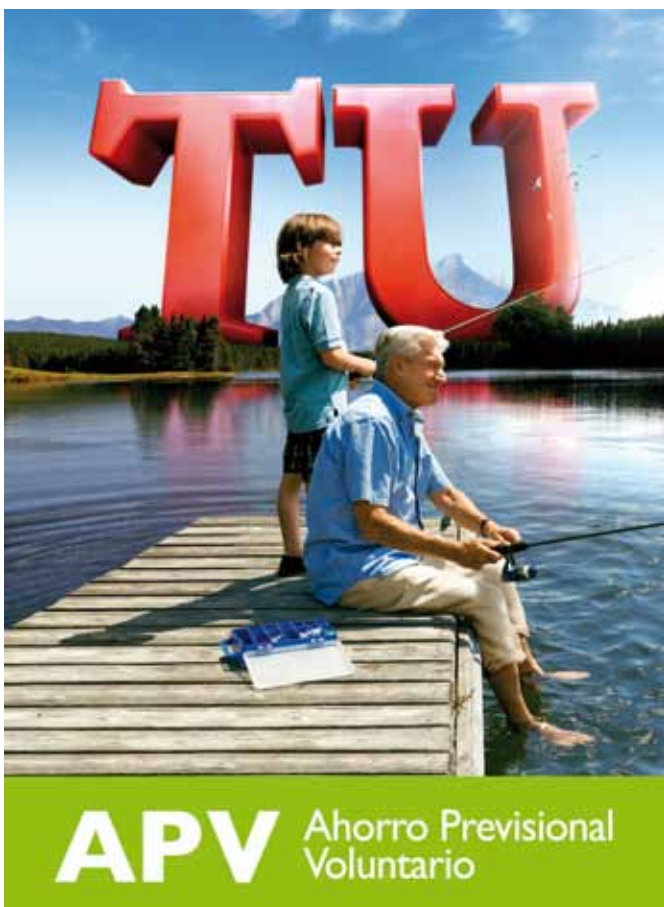
greatest level of total spontaneous recognition and leading the Top of Mind of the insurance industry in the same segment. In this way, the Company achieved the first place in Top of Mind with 16% of the total spontaneous mentions of the clients and, particularly, in the ABC1 segment, reaching 21% in the mentions, leading this indicator in the Industry.

In the same way, in the indicator on total spontaneous acknowledgement of the brands, the Company obtained second place with 42% of the total mentions and achieved 52% of the mentions in the ABC1 socio economic group, becoming the leading brand in total spontaneous acknowledgement in this segment.

Furthermore, the use of a simple message, which was understood and recognized by the audience in a transversal way, permitted the audience a 65% total recognition in the evaluation of our publicity.

BRAND MANAGEMENT

The good results achieved by the advertising campaign and the Silver EFFIE Award received by Consorcio Financiero with the launching of CNLife, permitted the Consorcio brand to be strengthened and boosted, getting closer to the ideal Insurance Companies according to the preferences of the clients. This achievement reflects the coherence and consistency of a long term strategy on how to manage the brand implemented by the Company.



With regard to the association of the Consorcio brand with the attributes considered important to achieve a good positioning in this industry, Consorcio was considered as the most modern Company, achieving first place in the ranking with 15% of the total association with this attribute. In the same way, the company took second place in the rankings of association of attributes like "solid and secure", "better service" and "prestige and tradition".

Another aspect of great importance in the consolidation of the positioning sought, is seen reflected in that for the first time the company obtains first place in the rankings in two very relevant aspects. On the one hand, in the Ranking on Consideration where the clients acknowledge us as the first company they would consider when contracting insurance cover; and on the other hand, in first place in the Ranking on Recommendation where we would be the Insurance Company they would recommend.

The results of the publicity campaign has allowed us to reach first place in Top of Mind (first mention) with 16% of the total spontaneous mentions of the clients and to lead this indicator as well as first place in the ABC1 segment with 21%.



CONSORCIO FINANCIERO OBTAINS IMPORTANT RECOGNITION

Another very important aspect to point out within the activities this year is the Silver EFFIE Prize awarded to Consorcio Financiero for the launching of the CNLife brand. This prize is an acknowledgement of the results obtained since this brand was incorporated into the Insurance Industry.

In addition to this new recognition, we might add an outstanding participation in the BIG Awards where the Company managed to classify within the finals and being placed on the Shortlists of the two categories in which we participated, both in the launching of the CNLife Brand and with our plan for relationship for the brokers channels. This clearly shows close the close relationship Consorcio wishes to establish with its clients and channels of distribution.

We must remember that these achievements are not the first

recognitions obtained by the Company. In the year 2006, the Chilean Council of Brands awarded the SUPERBRAND Chile prize with which the consistency of the brand and its work on publicity and communications was recognized. And three years later, in 2009, Consorcio Financiero was awarded a Silver EFFIE prize for its success in its Obligatory Personal Accident Insurance (SOAP) campaign and the electronic sale of this insurance.

These excellent results in brand recognition and advertising and the acknowledgements received by the Consorcio brand, are an important achievement for the company and are the result of the effort of all its workers and of a consistent work on brand management that, with a well planned strategy, has permitted the company to comply with the objectives proposed and today is amid a select group of local and international companies that stand out due to the effectiveness of their



1st place

in Top of Mind with 16% of the spontaneous mentions from the clients.

65%

the highest level of recognition of our publicity in the evaluation of our commercials.

52%

first place in total spontaneous recognition in the ABC1 socio economic group.



CORPORATE ACTIVITY

BRAND MANAGEMENT

2006

**SUPERBRAND
Chile**
awarded by the
Chilean Council
of Brands.



2009

Silver EFFIE
for the Voluntary
Personal
Accident
Insurance
(SOAP)



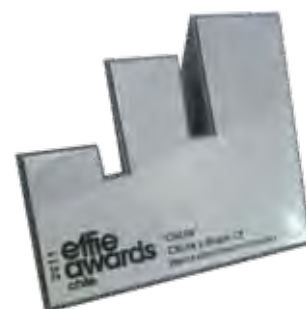
2010

Finalist in the
BIG prizes
with the Brokers
Relationship
Channel Plan.



2011

Silver EFFIE
for the launching
of the CNLife
Brand and
finalist in the BIG
prizes.





INVESTMENTS

2011: EXCESSIVE VOLATILITY AND UNCERTAINTY IN THE WORLD FINANCIAL MARKETS

The growth that had been vigorous in the year 2010 decelerated in 2011 and the recovery now looks more uncertain.

The world economy was affected by two causes, a slower growth than expected in the developed economies and a worsening of the fiscal and financial uncertainty. With this, the perspectives began to change significantly, observing as from July 2011 an excessive volatility in the world markets. For the moment the emerging economies to a large extent have been immune to these unfavourable events, but have had to confront very volatile cash flows.

The developed countries needed to be able to sustain their growth, move from fiscal stimulation to private demand, but the latter has not yet taken over this necessary role. The reasons are varied. They go from scarce bank credit, the effects still latent of the previous financial and property crisis and, in general, the elevated indebtedness of homes,

which has put a brake on recovery.

Furthermore, the markets have doubts about the fiscal and financial capacity of many countries to be able to stabilize their public debt. During the year 2010, that worry was limited mainly to a few small countries on the European periphery. As time went by and the perspectives of growth changed, concern has extended to more European countries and others outside this region, from Japan to the United States, principally, with respect to the banks that have acquired these debt instruments, specifically in Europe.

The Old Continent was affected this year by a crisis of confidence without precedent, with speculative attacks on public bonds from various members and turbulence in their financial and security markets. This began in the year 2010 with the spread of rumours over the level of Greece's debt and the risk of default by its Government, which finished this year affecting the stability of the countries



CORPORATE ACTIVITY

INVESTMENTS

Growth slower than expected in the developed economies and a rise in fiscal and financial uncertainty were factors that impacted the recovery of the world economy.

with the least stable economies, such as Portugal, Ireland, Italy and Spain. These countries, like Greece, had to take austere fiscal measures with the consequent social and political cost for their governors. The European Union and the International Monetary Fund also had to intervene with measures never seen before. Finally, at the end of the year, Standard & Poor's classified the long term sovereign debt of 15 countries, members of the European Union, with Credit Watch with negative implications.

On the other hand, the growth in the United States slowed down in 2011, and for the first time in its history, the classification of its debt was reduced from "AAA" to "AA+" by the Credit Rating Agency, Standard & Poor's. The Debt Roof crisis, when Republicans and Democrats should have agreed

to increase the limit on the public debt from 14.3 trillion Dollars to 16.4 trillion Dollars, worried the external and internal creditors exceedingly in the face of a possible default. But not all is negative because many of the adjustments that the United States economy required to put a brake on the increase in its debt and to compete in global markets are already working. Corporate and domestic private savings have increased considerably and productivity is taking off, increasing the competitiveness of its companies.

The Chinese economy grew by 9.2% in 2011, which consolidates the Asiatic giant as the second world economy, only behind the United States, one year after having overtaken Japan. Inflationary pressures were strong,

USD8,000
Approximately USD 8,000 million was the amount of assets managed by Consorcio Financiero

CLP480,688
million was the total equity of Consorcio Financiero in 2011



due to the prices of raw materials provoked by the abundant liquidity in the international markets. But the Government of Beijing implemented a proactive monetary and fiscal policy throughout 2011, in order to moderate the inflationary pressures.

Brazil, which initiated the year as the seventh world power, according to the International Monetary Fund (IMF) closed this year as the sixth economy, overtaking the United Kingdom, which moved down to seventh place. Brazil's development only goes to confirm the progress of the countries up until now called emerging countries, to the detriment of the West European economies.

Most of the stock markets had negative performances in 2011, where the MSCI World All Country Index fell by 7.6% and the MSCI Emerging Markets Index showed a negative return of 20.3%. Most of the developed stock markets also had negative returns, which took S&P 500 to have a return of 0% in the year. Furthermore, the Euro Stoxx 50, which groups together the 50 largest companies in the Old Continent, fell by 17.05%. On a local level, IPSA fell by 15.22% in local currency.

Most of the stock markets had negative performances in 2011, where the MSCI World All Country Index fell by 7.6% and the MSCI Emerging Markets Index showed a negative return of 20.3%.

Raw material prices had dissimilar behaviour during the year. To a great extent this was due to the uncertainty and volatility of the markets. In this context, WTI oil closed the year with a return of 5.1% and copper with a descent of 22.7% in its quotes. The Emerging Markets Bond Index (EMBI), the principal indicator of the emerging economies risk, comprised of a basket of debt instruments in US Dollars issued by various entities (Governments, Banks and Corporations), commenced 2011 at 522 basis points and closed at 567. On the local scene, inflation closed at 4.4% in 2011.

Finally, unemployment fell in all countries. In the United States it went from 9.4% to 8.3% at the close of 2011. In Europe the situation was not so good, with countries such as Spain that closed the year with 22.8% unemployed from its workforce and in Chile the unemployment rate was 6.6%.



CORPORATE ACTIVITY

INVESTMENTS

In this international context, Consorcio Financiero made a loss during the year of CLPMM 18,594 and its equity as at December 31, 2011 closed at CLP 480,688.

In fixed income, Consorcio's strategy consisted of taking opportunities in the local and international credit markets.

VARIABLE INCOME: RECORD IN PRIMARY AND SECONDARY PLACEMENTS ON THE LOCAL MARKET

This year, a level of placements never seen before in our history was seen on the local stock markets, in addition to the four new issuers that listed their shares for the first time. The State of Chile directly and indirectly sold through auctions its holdings in the Water and Electricity Companies for over USD 2,400 million. This, together with the increases in capital in other investments, totalled approximately USD 8,000 million during 2011. Taking advantage of the above, multiple trading operations were carried out, with positions at short term, principally in shares and international indexes.

Consorcio's consolidated exposure to local variable income investments fell from 15% of the Company's total portfolio in 2010 to 12% at the end of 2011. The international investments also fell from 7% to 4.3%.

All the above generated a negative result in the variable income portfolio as at December 31, 2011 of CLPMM 26,822 in Consorcio Vida and CNLife.

FIXED INCOME: LOOKING AT THE LOCAL AND FOREIGN MARKETS

As opposed to what happened in 2010, when on the local market the quantity of emissions was very low, this tendency was reverted in 2011, rising to 155 million Unidades de Fomento in bank and corporate bonds issued in that denomination. The nominal instruments or expressed in Chilean Pesos amounted to a sum of CLP 254,000 million. The international corporate bond market maintained its level similar to that of 2010, with rates substantially more

attractive than the local level, with an outstanding emission of USD 74,000 million in Latin-American corporate bonds.

In this scenario, Consorcio's strategy consisted of taking the opportunities in the local and international credit markets, just before the increase in the monetary policy rates, both in Chile and overseas.

With the purpose of taking advantage of the volatility in the credit markets in 2011, the Company also carried out multiple trading operations with short term positions, fundamentally in international corporate bonds. For structural positions, during 2011 Consorcio bought USD 110 million in US Dollar bonds with a high credit rating, principally Latin-American. On the local market, the Group companies invested USD 600 million in corporate, bank and state bonds in Unidades de Fomento and in Chilean Pesos.

REAL ESTATE COMPANIES: A HISTORIC YEAR

The portfolio of assets related to real estate projects as at December 31, 2011 amounted to a value of USD



Laguna Cóncores, Nos - comuna San Bernardo.

During the year 2011, the property market had a strong dynamism and was far from any international crisis and from the poor results observed in the world stock markets.

277 million (net of pre-payments), comprised mainly of extensions of land, USD 168 million and capital contributions to real estate companies of USD 58 million, representing 84% of total investments.

During the year 2011, the property market had a strong dynamism and was far from any international crisis and from the poor results observed in the world stock markets. The figures evidenced a historic performance, even better than those shown in years 2007 and 2008 when there was a peak in the property market. Some of the factors that could explain this dynamism are the positive labour and credit conditions, in addition to the increase in family incomes, and evidenced by the rise in remunerations and financing conditions which are still attractive. Furthermore, the new policies on subsidies adopted by the government are boosting the market

and we expect a greater dynamism for the year 2012. The behaviour of prices has been extraordinary. Real increases were observed without any fall in demand, which is reflected in better results for the real estate developers.

Concurrent with the strong dynamism seen in the property sector and the increase in real estate developers' margins, during 2011, project management contributed total earnings before tax and expenses to the company in the order of USD 19,5 million, coming mainly from dividends from the real estate companies in which it holds a stake: USD 7,1 million, financing to partners: USD 7,8 million and exceptionally coming from sales of land to third parties and to its own projects: USD 4,3 million. Along this line, we would point out the large contribution that represented the profit from the sale of the Parque

Sur building and the profits obtained from the sale of approximately 140 hectares distributed between Santiago and regions.

As of the close of 2011, the investment in assets for rent amounted to USD 250 million, diversified principally in Class A offices located in the Municipal Communes of Las Condes, Providencia and Santiago, as well as some other assets in regions. These offices amount to a rentable surface of nearly 90,000 square metres, of which at year's end, only 0.12% was vacant, a proportion far lower than that observed in the market, where the levels of vacancy, which stand at their historic low, amount to 2.3%. We would point out that during the year we negotiated and successfully implemented renovations and new contracts with reputable tenants, capitalizing adequately and



CORPORATE ACTIVITY

INVESTMENTS

opportune the great interest for high level offices which the market showed during the year.

With regard to the financing business, important operations materialized for a total of approximately USD 55 million, also committing to future financing with disbursements during the coming months for over USD 25 million. We also point out that the overdue rate of 90 days of the portfolio remained, just as in recent years, at levels lower than 0.05%. At the end of the year, the stock of investments in this line of business bordered on USD 400 million.

With respect to the office market, it is important to point out that after 2010 that marked a record as the year with the greatest dynamism in the last decade, adding to the offer some 170,000 square metres of offices that were totally absorbed by demand, 2011 was a year with less growth in new buildings, and thus, with a reduction in vacancies and an increase in the prices of the assets more in demand.

For 2012 we expect to add to the offer around 250,000 square meters of new offices, which represents an

important proportion of the existing offices - nearly 15% - so it is reasonable to expect that an adjustment will take place in prices and, mainly, an increase in the vacancy levels.

During the year 2011, the property market had a strong dynamism and was far from any international crisis.



Laguna Valle Grande - comuna de Lampa.



CORPORATE SOCIAL RESPONSIBILITY CONSTRUCTING RELATIONSHIPS OF CONFIDENCE WITH THE COMMUNITY

The work that Consorcio carries out at the Monte Olivo School is a clear example of the permanent commitment the Company has with the community in its role as a Good Corporate Citizen.

This year, the establishment, located in Puente Alto, completed 10 years since its foundation and is characterized for being a place with a protected environment that provides excellent education to children with scarce resources and in a situation of social risk. One of the facts that stands out during the year, is that in 2011 the first generation of 4th year senior school, comprised of 54 students graduated and for the first time sat for the PSU exam for higher education and 79% of them acceded to higher education,

In terms of formation, in 2011, the School extended the scientific humanist education up until 4th Grade senior school, which it considers an import level of learning in language, English, mathematics

and computer. Furthermore, it foments interdisciplinary and integral knowledge, with workshops in ancient and folkloric music, art, guitar, sports and religion. Through the Pastoral line, it also prepares children for their First Communion and Confirmation.

As from 2011, the premises have a multidisciplinary team of professionals in charge of helping the students to solve certain weaknesses related with their language development, or to learning or attention deficit. At first, we covered the more severe cases





CORPORATE ACTIVITY

CORPORATE SOCIAL RESPONSIBILITY

This year, the Monte Olivo School, a work created by the Consorcio Vida Foundation, completed 10 years providing excellent education to children that live in a socially vulnerable environment. Volunteers, all workers of Consorcio, are kept busy and continue with their contribution to the community by carrying out different activities.

between 1st and 8th primary and we hope that during the next years we can extend it to senior education.

During these 10 years, Consorcio has invested in the school's infrastructure, fitting it out with excellent installations such a roofed gymnasium, a library, a computer room, amongst others, achieving some 6,635 square meters built up, with a total of 13,442 square meters of land.

As a way of making the members of the school participants of this important work, Consorcio puts on special activities in the educational establishment, such as the inauguration of the annual year, the giving of the Prize for Academic Excellency to the students of the Monte Olivo School and the celebration of important dates such as: Easter, Children's Day and Christmas.



Monte Olivo School





CONTRIBUTING VALUE TO THE COMMUNITY

Since five years ago, the Company counts on a group of volunteers made up of workers from different areas that participate and cooperate in the different plans that Consorcio carries out at the Monte Olivo School and in the Los Patroncitos del Hogar de Cristo Infant School.

This idea is a shared space that permits the workers to practice Corporate Values outside the working atmosphere, contributing in this way to the community that surrounds us.

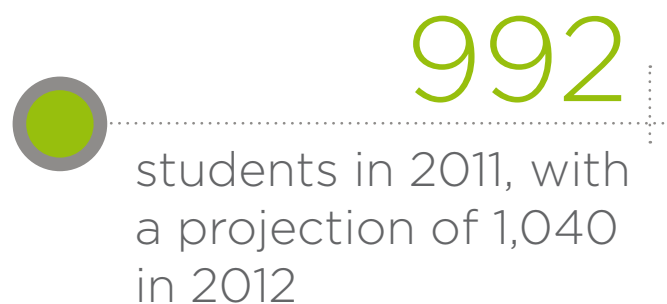
During 2011, Santiago Volunteers carried out various activities in the Monte Olivo School to celebrate the beginning of the school year, Children's day, National Independence Day, Christmas, amongst other important dates. Thus, for example, during Christmas 709 presents were distributed by our helpers in the "One child, one present" campaign. Furthermore, contributions were given to kindergartens run by Hogar de Cristo throughout the country, organizing visits to children and developing with them special activities.





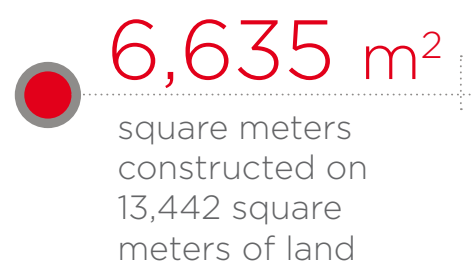
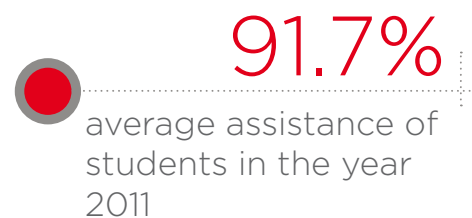
CORPORATE ACTIVITY

CORPORATE SOCIAL RESPONSIBILITY



INSTALLATIONS

- Roofed gymnasium
- Library
- Computer room
- Music Room
- Dining Room for Students
- Dining Room for Teachers
- Chapel
- 3 Multi-use sports court
- Chemistry and Physics Laboratory
- Technology Room
- Art Room

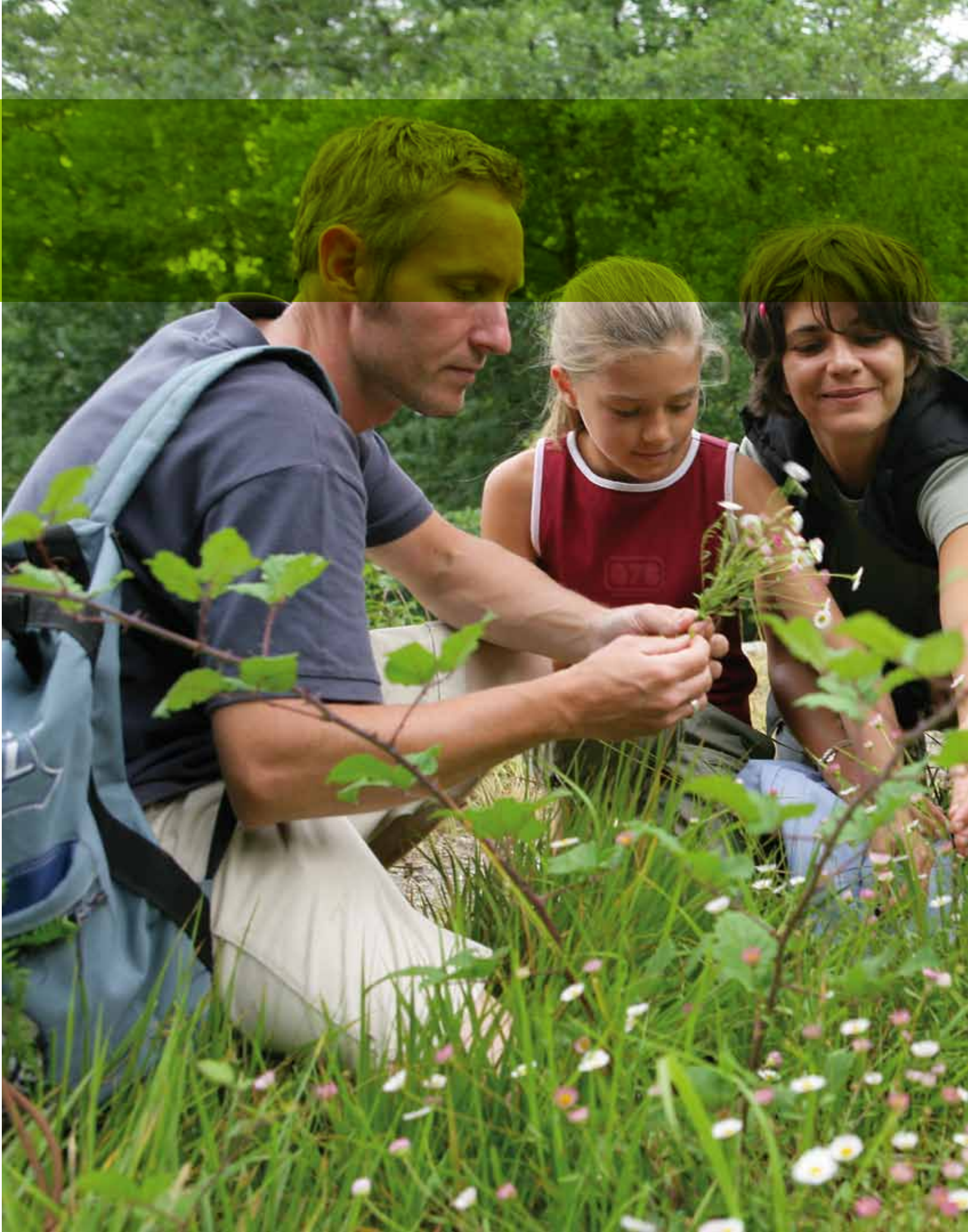




03

BUSINESS PERFORMANCE

54	CONSORCIO SEGUROS VIDA
60	CNLIFE SEGUROS VIDA
64	CONSORCIO SEGUROS GENERALES
70	BANCO CONSORCIO
76	CONSORCIO CORREDORES DE BOLSA
80	ADMINISTRADORA GENERAL DE FONDOS



CONSORCIO SEGUROS DE VIDA

CLP278,074

million

Number one in equity

CLP3,069,812

million

Number one in
volume of assets

CLP282,520

million

was the income of
Consortio Seguros Vida

CLP100,563

million Volume of the balance
managed in policies related to
Voluntary Pension Savings Plan
(APV)

8.6 %

market share, second
place in the industry

APV

strong expansion in policies
related to the Voluntary
Pension Savings Plan (APV)



CONSORCIO SEGUROS DE VIDA PROGRESS IN THE COMPANY'S BUSINESS MANAGEMENT

OUTLOOK FOR THE LIFE INSURANCE INDUSTRY

In 2011 the life insurance industry registered net earnings of CLP 147,112 million, reflecting a decrease of 69.2% with respect to the year 2010. The origin of these results is explained by the effects of the international crisis that commenced in the European financial Markets and the repercussions of this on both the local and international stock markets, which deteriorated even further the world macroeconomic variables and increased uncertainty, which finally caused an impact on the variable income investment portfolios maintained by the industry. With this, the industry's equity went to USD 4,496 million and the annual return on equity (ROE) amounted to 6.3%.

The industry's total revenues were USD 6,320 million, which meant a growth of 13% when compared to the

year before. Of the total revenues, 40% came from Annuities, 26% from Collective Insurance, 21% from Individual Life Insurance and 13% from Disability and Survival.

The Annuities business line received an income of USD 2,532 million, which reflects a growth of 18.5% with respect to the year before. This income is broken down into Normal Old Age (44.2%), Anticipated Old Age (23%), Disability (24.9%) and Survival (7.9%).

The positive evolution in the Annuities industry is explained fundamentally by three reasons. On the one hand, in 2011 the interest rate offered on Annuities was more competitive compared to the programmed withdrawal option offered by the pension administrators (AFP). Furthermore, pensioners in the AFPs under the programmed withdrawal mode, moved to insurance companies under the annuity mode given that in 2011 there was a drop in

the programmed retirement pensions as a result of a decrease in the interest rates utilized in the calculation of this mode, which reflected that this option does not deliver fixed pensions in time, as they are in the annuities mode. Finally, given the scenario of uncertainty, where there was an increase in volatility in the stock markets and pension funds, people that retired were more prone to choose a mode that would assure them a pension fixed for the rest of their life and not have to depend on the yield of the managed pension funds, as occurs with the programmed withdrawal mode. Given the above, a total of 24,949 people opted for the annuity mode, which represents 59% of the total people pensioned in both alternatives.

In the Collective Insurance line, which includes Health, Life and Debtors Life Insurance, the industry obtained revenues of USD 1,667 million, which



BUSINESS PERFORMANCE

CONSORCIO SEGUROS DE VIDA

consorcio financiero

During the year Consorcio Seguros de Vida maintained its place as the leading company in equity with a value of CLP 278,074 million and number one in volume of assets with CLP 3,069,812 million. Furthermore, the Company reported revenues of CLP 282,520 million, which represents a growth of 17.6% with respect to the previous year.

implied a growth of 9.8% with respect to the year 2010. Of these revenues, 53% corresponded to debtors' life insurance, 25% to life insurance and 22% to health insurance.

The revenues of the Individual Life Insurance line in the Industry came to USD 1,297 million, a growth of 19.8% over last year. This line is broken down into 37% in APV Policies, 31.2% in flexible savings insurance, 7.9% in personal accident, 6% in family protection insurance and 17.9% in others. This significant growth is due to a strong move of clients from APV in the Pension Scheme Managers (AFP) to the insurance companies.

We should point out that in accordance with the Superintendences of Securities and Insurance (SVS), Pensions (SP) and Banks and Financial Institutions (SBIF), as at the close of 2011, the voluntary pensions savings industry (APV) amounted to

**Porque tu familia
es lo más importante,
protégelos hoy.**



Seguro de Vida + Ahorro



a savings level of USD 5.974 million, of which 58.5% corresponded to the AFPs, 17.3% to the insurance companies, 15.9% to the General Funds Managers, and 8.3% to others.

Finally, the line of Disability and Survival obtained revenues of USD 824 million, which represented a growth of 3.6% with respect to 2010.

CONSORCIO, NUMBER ONE IN EQUITY AND VOLUME OF ASSETS

During this year, the Company made a loss of CLP 24,614 million. The cause of this result is explained entirely by the effects of the international crisis originated in the European financial markets and the repercussions in both the local and world stock markets, which finally had an impact on the variable income investments portfolio maintained by the Company.

Notwithstanding the above, Consorcio Seguros Vida S.A. maintains its place within the insurance industry as the number one company in equity with CLP 278,074 million and number one in volume of assets with CLP 3,069,812 million.

In 2011, Consorcio Seguros Vida S.A. recorded revenues for CLP 282,520 million, reflecting a growth of 22% over last year and a market share of 8.6%, maintaining its second place in the industry (nominal pesos).

This growth in revenues is due to a good performance in the business lines, where Consorcio holds a leadership position. In Annuities, the Company registered revenues of CLP 181,212 million, reflecting an increase of 14.6% compared to 2010 and a market share of 13.8%. In Individual Life, Consorcio recorded revenues of CLP 90,750 million, a growth of 25.5% with respect to last year and a market share of 13.5%.

We would point out that within the Individual Life line of business, there was a strong expansion in policies related to voluntary pension savings (APV), amounting as at the close of the year to 22,661 clients, corresponding to an amount under management of CLP 100,563 million, a growth of 18% over the year 2010.

For the purpose of consolidating the offer of products in Individual Life, during the year, the Company made progress in all its options to

satisfy the needs of the clients, in the different stages of their life. Among those that stand out is the "Vida Futura", a product whose benefit is the payment of an assured capital in the event of death or incapacity and is delivered on a once only basis or in quotas according to the client's choice; the VidAhorro 100 product, insurance that combines protection and savings, where the latter is associated to Consorcio Mutual Funds, managed by LarraínVial AGF; and the VidAhorro 57 Bis product,





BUSINESS PERFORMANCE

CONSORCIO SEGUROS DE VIDA

consorcio financiero

On Annuities, the Company reported revenues of CLP 181,212 million, which reflected a growth of 14.6% with respect to 2010 and a market share of 13.8%.

which offers a complete combination of protection, savings and tax benefits under Article 57 Bis of the Income Tax Law that permits total or partial withdrawals at no cost as from year five.

The sale of policies related to Individual life and Voluntary Pension Savings Plan (APV) are carried out through the various distribution channels where the greater relative weight is the sales team channel. The latter shows significant improvements during the year in terms of productivity, an increase in the term of the client's policies and a reduction in the rotation of executives that work in the channel.

In the Collective Insurance line of business, an area in which the Company has ample space to grow

and develop in the future, work continued on a reengineering in its business model and in its structure with the purpose of generating a service in accordance with the needs of our clients and thus be able to face the challenges and future opportunities in the industry. In this way, revenues of CLP 10,530 million were achieved with a growth of 7% in relation to 2010 and a market share of 1.2%.



CNLIFE SEGUROS DE VIDA

CLP390,502

million
in assets as of December 2011

CLP50,666

million
in equity as of December 2011

CLP26,757

million
in revenues as of
December 2011

Market share 2%

in the Annuities industry

UF3,466

average premium per
pensioner



CNLIFE SEGUROS DE VIDA A SUCCESSFUL YEAR AT THE BEGINNING OF THE MARKETING OF ANNUITIES

CNLife Seguros de Vida is a company exclusively dedicated to the sale of annuities and the management of an important number of pensions, where the principal function is the payment of monthly pensions. The company commenced its operations in 1990 when the company Convida Compañía de Seguros de Vida S.A., controlled by local shareholders and involved in welfare insurance was created. Seven years later, Continental Assurance took control of Convida and adopted the name Compañía de Seguros CNA. In 2002, the latter was acquired by Consorcio Financiero S.A., which modified its name to CNLife Compañía de Seguros de Vida S.A, converting it into a new option for the pensioners that were inclined to annuities.

The annuities industry, where CNLife concentrates its strategy, made revenues of USD 2,532 million, an increase of 18.5% with respect to the previous year. These good results, as explained in the chapter on Consorcio Seguros Vida, respond fundamentally

to three reasons. On the one hand, in 2011, the interest offered on annuities was more competitive than the option for the programmed withdrawal given by the pension fund managers (AFP). Furthermore, AFP pensioners under the programmed withdrawal mode moved over to insurance companies under the annuities mode, as in 2011 there was a fall in the pensions under a programmed withdrawal as a result of a reduction in the interest rates utilized to calculate this mode, which revealed that this mode did not deliver fixed pensions in time, as the annuities mode does. Finally, given the uncertainty, where the volatility of the stock markets and the pension funds increased, the people that retired were more prone to choose a mode that would assure them of a fixed pension for the rest of their lives and not depend on the yield of the managed pension funds as occurs with the programmed withdrawal option. Given the above, a total of 24,949 people opted for the annuities mode, which represented 59% of the total pensioners in both alternatives.

THE RETURN TO THE ANNUITIES INDUSTRY

During this period, the Company recorded a net income of CLP 500 million, which represents an annual return on equity of 0.9%. The reason for this lower result versus last year's is explained mainly by the effects of the international crisis originated in the European financial markets and the repercussions on the variable income investment portfolio that the Company maintains.

We point out that CNLife reactivated the sale of annuities in 2011, which produced a strong increase in the Company's revenues. The strategy adopted has been to sell the line of Annuities through the distribution channels of Welfare Consultancy and Direct Sales, with which CNLife has become an attractive alternative for the pensioners that incline towards this retirement mode.

During 2011, the Company achieved a volume of assets of CLP 390,502

CNLIFE SEGUROS DE VIDA

After a year since CNLife Seguros de Vida reactivated its sales of annuities, the Company has become an alternative in the pensions industry and an option for pensioners who inclined towards the mode retirement. In 2011 the Company obtained net earnings of CLP 500 million, assets of CLP 390,502 million and an equity of CLP 50,666 million.

million and an equity of CLP 50,666 million. Furthermore and as mentioned before, CNLife recorded a strong expansion in its revenues on achieving CLP 26.757 million, which compares favourably with the CLP 591 million in revenues in 2011. From the revenues obtained in the year, 99% came from the Annuities business lines. The market share of the Company rose to 0.8% of the Life Insurance industry and to 2% of the total of the revenues of the annuities market.

Of the total revenues generated by CNLife in annuities, some 34.4% corresponds to Normal Old Age, 36.2% to anticipated Old Age, 19.6% to Disability and 9.8% to Survival. Thus, the average premium that was sold was UF 3.466, versus the market, which stood at UF 2.421, which demonstrates that the company has focussed on the segment with pensioners with a higher income.

For the achievement of all the results and growth obtained in 2011, an important landmark was the official launching of the CNLife mark as a brand belonging to the Consorcio Financiero Group, an event that took place throughout the country and was directed principally at the Welfare Advisors.





CONSORCIO SEGUROS GENERALES

CLP37,869

million

in revenues for Consorcio Seguros Generales in 2011

226,000

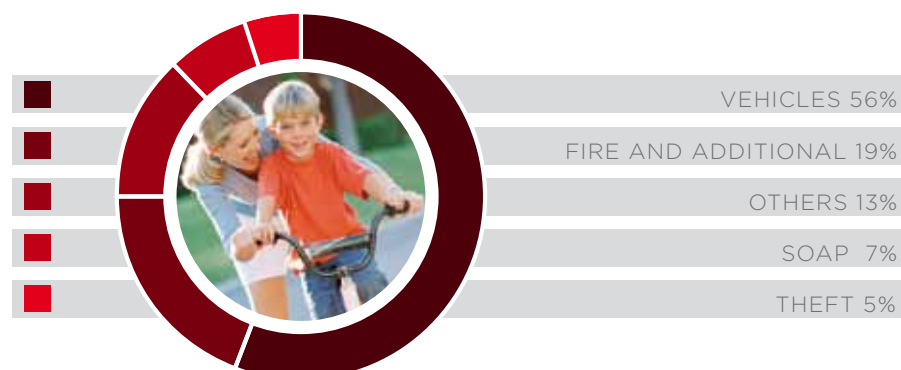
number of SOAP policies sold in 2011

CLP21,169

million

totalled the revenues in the vehicle line in 2011, the highest in the history of Consorcio Seguros Generales.

VOLUME OF REVENUES DISTRIBUTED BY AREA OF BUSINESS OF CONSORCIO SEGUROS GENERALES:





CONSORCIO SEGUROS GENERALES THE GOOD PERFORMANCE IN THE BUSINESS LINES MAKES US ACHIEVE HISTORIC RESULTS

OUTLOOK FOR THE GENERAL INSURANCE INDUSTRY

During the year 2011, the general insurance industry obtained a final result of CLP 52,609 million, representing an increase of over 330% with respect to the year 2010 and a return on equity of 12.7%. The main reasons for this increase were the economic growth of the country, the strong increase in the sale of vehicles and the poor result in 2010 which was strongly influenced by the 27F earthquake.

The revenues of this industry amounted to USD 3,361 million, a growth of 21.8% compared to last year. Furthermore, the companies reached a total of USD 3,191 million in assets and an equity of USD 890 million.

Within the volumes of revenues in the industry, the most outstanding is the Fire and Additional Line, with an income of USD 1,178 million, which represents 35% of the total revenues of the industry and a growth of 23,1% when compared to the previous year. This was fundamentally due to the faster rhythm of the country's economy and to the increase in the price of earthquake cover following the 27F earthquake.

The Vehicle Insurance line, which represents 24% of the industry, achieved revenues of USD 810 million, which meant an expansion of 20.8% when compared to the year 2010. This growth is mainly explained by the volumes of sales of new vehicles in the country, as more than 350 thousand new cars arrived and this implied a growth of around 15% with respect





BUSINESS PERFORMANCE

CONSORCIO SEGUROS GENERALES

consorcio financiero

Consortio Seguros Generales achieved historic results during the year 2011. with net earnings of CLP 2,135 million. Furthermore, it reached a level of revenues of CLP 37,869 million, which represented a growth of 24.5% with respect to 2010.

to the year 2010. Furthermore, within the revenues of the rest of the lines of business, the most outstanding were Insurance related to Unemployment, Personal Accidents, Engineering, Liability, Theft, Obligatory Personal Accident Insurance, amongst others.

RECORD FIGURES MARK THE COMPANY'S PERFORMANCE

During this year, the Company recorded net earnings of CLP 2,135 million, which represented an increase of 166% over the year before and corresponded to an annual return on equity of 24.9%. This result is explained by the significant increase in the Company's revenues and a lower level of claims in all the business lines in which the Company participates.

Consortio Seguros Generales S.A. achieved a volume of assets worth CLP 42,634 million and an equity of CLP 10,623 million. Furthermore, the Company obtained the highest level of revenues in its history amounting CLP 37,869 million, reflecting a growth of 24.5% when compared to last year and a market share of 2.2%.

Within the Company's volume of revenues, the most important is the Vehicle business line with an income of CLP 21,169 million, a growth of 27.1% over last year and represents 56% of the total revenues for the year, which compares favourably with an industry that grew by 20.8% during the year 2011. The rest of the income came from Fire and Additionals with 19%, Obligatory Personal Accident Insurance (SOAP) with 7%, Theft with 5% and others with 13%.



During the year 2011, the Company managed to sell 226 thousand policies, a figure well over last year and a historic record. For the sixth consecutive year, Consorcio Seguros Generales worked in alliance with the Corporación de Ayuda al Niño Quemado (Coaniquem) (Corporation Burned Child Support) in the sale of Obligatory Personal Accident Insurance.

We must point out the work carried out by the Company in strengthening its structures, processes and different supports in order to better manage the strong growth in revenues and in the number of clients. On this subject, it is important to point out the capacity developed to manage more than 65,000 clients in vehicle insurance, and thus, the ability to respond to over 20,000 claims made in the vehicle line in 2011. In order to be able to successfully manage the volumes mentioned above, during the year the channels through which clients make their loss claims were diversified, the claims through Internet were strengthened and the telephone claims commenced.

The Obligatory Personal Accident Insurance (SOAP) line achieved revenues of CLP 2,574 million, reflecting a growth of 27,4% over last year, which compares favourably with an industry that grew by 12,1% and had a market share of 5.3%. During the year 2011, the Company managed to sell 226 thousand policies, a figure well over last year and a historic record. For the sixth consecutive year, Consorcio Seguros Generales worked in alliance with the Corporación de Ayuda al Niño Quemado (Coaniquem) (Corporation Burned Child Support) in the sale of Obligatory Personal Accident Insurance (SOAP), contributing with a cash donation to this institution from each policy sold. This turned into a significant contribution towards financing the rehabilitation of children that have suffered severe burns.

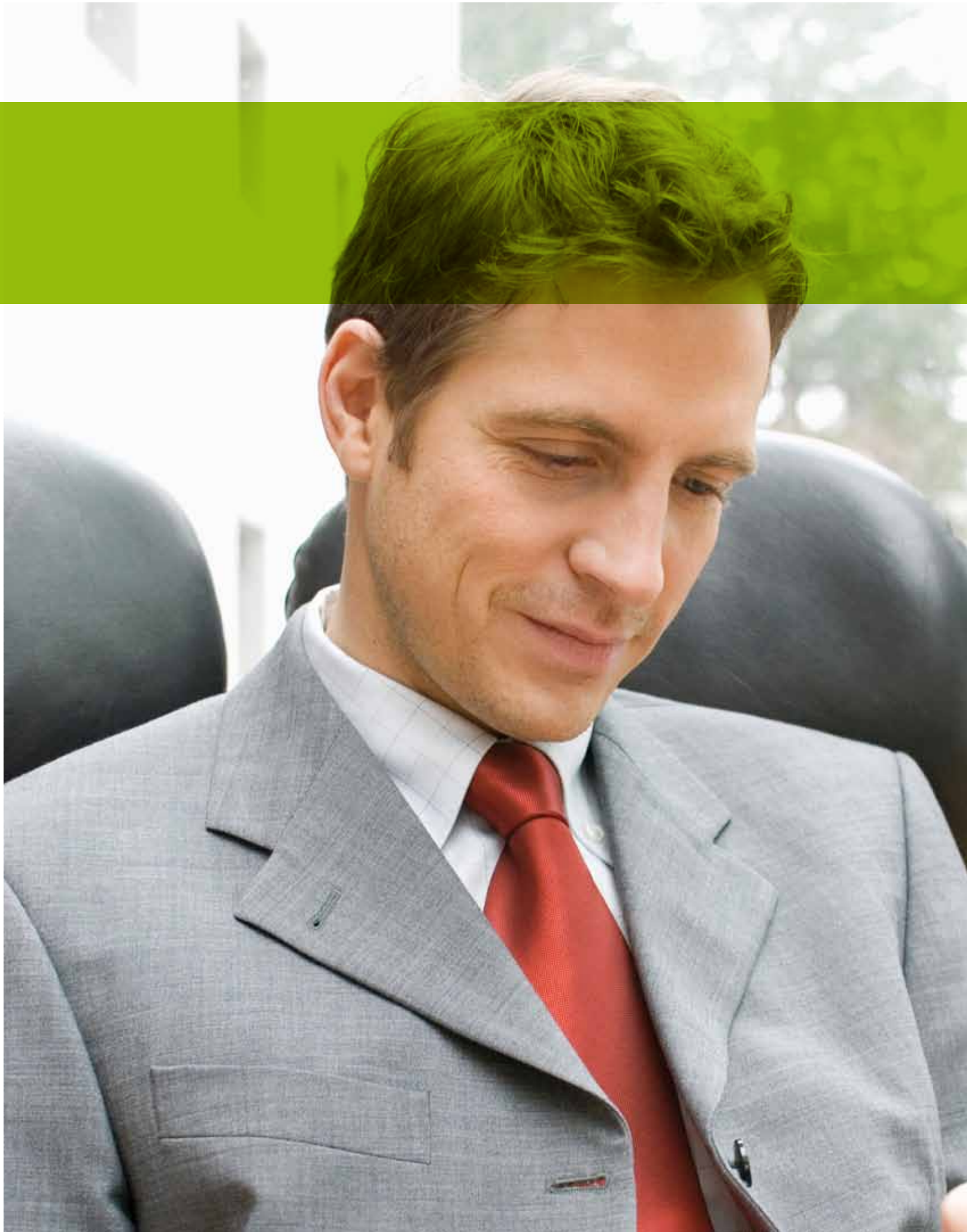


CONSORCIO SEGUROS GENERALES

During the year 2012, Consorcio will continue working in line with its business strategy, which will be focussed on the management of a diverse number of distribution channels, the strengthening of the offer of products, the overall management of clients and the correct management of risks existing in the businesses. This will permit the Company to continue growing in a solid and permanent manner.



Within the Company's volume of revenues, the most important is the Vehicle business line with an income of CLP 21,169 million, which reflected a growth of 27.1%.



BANCO CONSORCIO

CLP 8,769

million
net earnings of Banco
Consortio in 2011

CLP 778,819

million
in assets as of
December 2011

CLP 75,729

million
in equity as of
December 2011

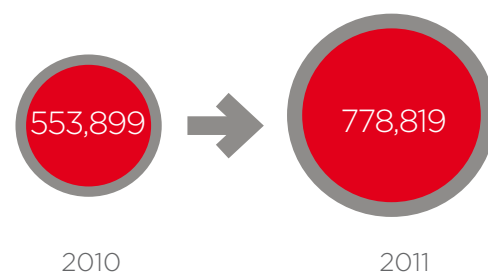
CLP 211,472

million
in facilities to clients as
of December 2011

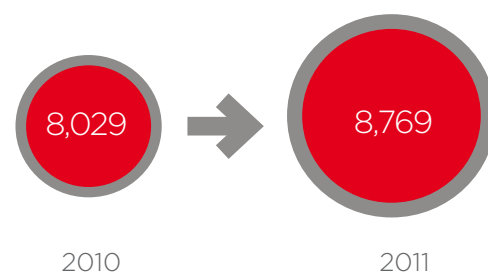
81%

growth in
facilities to
clients

assets
CLP millions



results
CLP millions



BANCO CONSORCIO IMPORTANT STRATEGIC ADVANCES IN ITS SECOND YEAR OF GROWTH

The year 2011 was a year with important events and very relevant for Banco Consorcio as in its second year it achieved positive results in its different lines of business and important advances in consolidating its position in the industry. And the figures reflect this.

The Bank increased its size, reaching total assets of CLP 778,819 million and achieving CLP 211,472 million in facilities to clients, which corresponds to an increase of 81% over the year 2010.

The year 2011 was marked by a series of strategic moves that permitted a great advance in the compliance of the targets set.

Within the projects carried out the most important was the creation of a Preferential Account, a banking means of payment that permits the management of balances at sight, draw in ATMs, pay in Transbank offices, make electronic transfers and amongst other differentiating attributes, includes the payment of interest on the amounts the client maintains deposited. This is a powerful account that is initially aimed at Consorcio's pensioners and the objective for the year 2012 is to open the account to the whole market, to attract new clients and turn them loyal. The target is to diversify the offer of services and increase the customer base with a very transactional product.





BUSINESS PERFORMANCE

BANCO CONSORCIO

consorcio financiero

Banco Consorcio experienced a considerable increase in its size, reaching total assets of CLP 778,819 million and achieving CLP 211,472 million in facilities to clients, which corresponds to an increase of 81% over the year 2010.

Another of the landmarks was the successful placement of its first subordinated bond at a term of 20 years for a value of 1.5 million Unidades de Fomento, which represents an approximate value of USD 65 million. This is the first public offer instrument issued by Consorcio, which reflects the good positioning of Banco Consorcio within the institutional investors, improves and diversifies the Bank's funding and permits it to finance the growth in facilities projected for the next three years.

Another key occurrence was the improvement of the classification for managing the business awarded by the Superintendence of Banks and Financial Institutions, which meant the recognition of the work coordinated with all the areas in order to strengthen the management processes.

And to increase its geographic coverage and continue providing a service of excellence, in May we





The creation of a Preferential Account, the successful placing of its first subordinated bond, the inauguration of new offices on Mac Iver Street in downtown Santiago and the improvement in the classification for Business Management granted by the Superintendence of Banks and Financial Institutions, are some of the great milestones which allowed Banco Consorcio to take a large step forward in complying with the targets set.

inaugurated the new building in downtown Santiago on Mac Iver Nº 225. This is a six-floor building with an area of 2,200 square metres, a large branch for attending clients, vaults and the area required to house the Corporate and Mortgage platforms.

ORGANIZATIONAL STRUCTURE AND LINES OF BUSINESS

Banco Consorcio currently has an organizational structure comprised of nearly 500 people dedicated exclusively to strengthening the banking business, with an area totally separate from the Company's insurance business. It has a strong Corporate Government, formed by the Board of Directors and a series of Committees that, with the active participation of the Directors, supervise and direct the business, the management of risks and the compliance with the norms established by the Superintendence of Banks and Financial Institutions,

the regulatory entity, very active and ever present in the affairs of the banks and financial institutions.

Creates three lines of business: Personal, with financing products and means of payment for the middle sector; Corporate, which provides services like factoring and commercial loans to small and medium sized companies; and Finance, which manages the bank's financial investments and offers exchange business, derivatives and deposits for large corporations.

In order to achieve the targets set and confront the business activity in accordance with the requirements of the clients, in 2011 the bank restructured its distribution channels and created two new marketing managements: Personal Banking and Corporate Banking.

From within Personal Banking were born three autonomous areas with their own focus and segments to tackle: the Business Development,

Marketing and Services Sub-Managements; the Consumer Channels Sub-Management; and the Mortgage Business Sub-Management. During the year 2011, this segment achieved a growth of 80% in mortgage loans, granting new loans during the year for CLP 49,188 million, based on improved services to the real estate developers and a very competitive pricing policy.



BANCO CONSORCIO

On the other hand, Corporate Banking concentrated its attention on products such as Factoring and Commercial Finance for large, medium and small companies. In 2011, the factoring business had positive commercial results, achieving facilities for CLP 42,463 million, reflecting a growth of 76% with respect to the close of the previous year. All in all, the Corporate area placed facilities for CLP 123,377 million as at the close of 2011, multiplying the previous year's figure by nearly three.

A third business for Banco Consorcio is Finances, which consists of managing its investment portfolio and provide Treasury services to companies, i.e. the purchase and sale of foreign currency, bonds and derivatives. During 2011, this line of business generated a significant surplus over plan, thanks to improving the return of the opportunities arising in the financial market and to the excellent service rendered to the clients, achieving investments of CLP 355,961 million as at year's end.

RESULTS AND CHALLENGES

In terms of capitalization and results, during the year 2011, the Bank carried out increases in capital for CLP 23,053 million, thus completing an equity of CLP 75,729 million as at the close of the year and had net earnings of CLP 8,769 million, reflecting a growth of 9% and a return on equity of over 13%.

In order to make true our vision of being an important player in the banking industry, with over 2% of the small traders and small companies financing market, together with creating a treasury business, generating an adequate return in all the business lines and a ROE above the average of the medium-sized

banks, the principal medium-term challenges are:

- Accelerate the growth in facilities in order to increase market share and boost the financing business in a mix of assets and results.
- Put into production new business lines, especially electronic chequebooks, retail business, distribution of derivatives and real estate financing.
- Maintain a strict control over costs and efficiency in the use of resources.

In order to focus the business activities in accordance with the clients' requirements, in 2011, the distribution channels were restructured and two new managements were created: Personal Banking and Corporate Banking.



CONSORCIO CORREDORES DE BOLSA

CLP3,867

million: net earnings of
Corredora de Bolsa as of
December, 2011

CLP133,914

million: volume of assets
as at December, 2011

CLP22,866

million: equity as of
December, 2011

16%

average return on equity of
Corredora de Bolsa in 2011

1,663,650

visits to www.ccbolsa.cl,
Corredora de Bolsa's web
page in 2011

34,408

used the Mobile telephone
and Smartphone platform,
www.ccbolsamovil.cl
in 2011



CONSORCIO CORREDORES DE BOLSA CONSOLIDATION IN THE ON-LINE FINANCIAL TRANSACTIONS MARKET

To strengthen its offer of products and channels of attention to clients, restructure the technology area and foment a risk culture at an internal level are some of the ideas the Stock Broker carried out in 2011 in order to achieve its consolidation in the on-line financial transactions business.

Within the milestones, one that stands out is the launching of the platform for investments in term deposits, as it permitted a diversification of the portfolio of products to the clients that could invest in shares and mutual funds, as well as deliver first class advice according to the needs of the clients and potential consumers.

Following its innovative vision, in 2011 the Company modified the technology area in Maintenance and Support and also made a significant investment in hardware.

In the operations area, a segregation of functions was established and the controls to foment a risk culture and achieve improvements in customer service were automated.

Furthermore, the physical separation of the Stock Broker was carried out, i.e., all the human team was distributed over a sector in the south wing of the Consorcio building.

During the course of the year, the Company renewed its alliance with the El Mercurio Subscribers Club, which permits its members to have access to Consorcio Corredores de Bolsa (Stock Brokers) in the best terms on the market.

For 2012, the Stock Broker will continue developing its exclusive distribution channels and will advance in the integration with some distribution channels related to the insurance companies.



During 2011, the Stock Broker included in its proposal of value a new investment platform for the clients to invest in term deposits.

CONSORCIO CORREDORES DE BOLSA

The stock broker is the leading company in the business of transactions and mutual funds by Internet, with no minimum amounts on investments. During the year 2011 the Company produced a series of plans to achieve its consolidation within the industry and to achieve improvements in customer service.



POSITION OF IMPORTANCE

During the year 2011, the Company increased its position of importance in the financial market, achieving net earnings of CLP 3,867 million. This result meant an average return on equity of 16%, due principally to the good behaviour of its own portfolio. These figures, when compared to other years, were motivated mainly by an inflation of 4.4% during the year 2011, investments in more profitable assets and the increase in interest rates on simultaneous operations in the market. Nevertheless, the rise in taxes and, from the financing point of view, the general rise in repo rates, had a negative effect on the results.

Corredora de Bolsa achieved a volume of assets of CLP 133,914 million and an equity of CLP 22,866 million as at the close of 2011.





GENERAL FUNDS MANAGER

USD 2,685

million in mutual
funds assets under
management

6.4%

market share in
mutual funds
makes it the largest non-bank
General Funds Manager in the
country

9.8%

market share in
investment funds

218,885

participants in mutual
funds

42

mutual funds
A complete offer to
satisfy the various client
risk profiles

37

Salmon prizes
obtained by Larraín Vial
Administradora General
de Fondos S.A. in the last
10 years



ADMINISTRADORA GENERAL DE FONDOS COMPETITIVE INVESTMENT PORTFOLIOS AND FIRST CLASS FINANCIAL ADVICE

The business model originated from the merger between Larraín Vial Administradora General de Fondos S.A. and Consorcio Administradora General de Fondos S.A. complied with all its expectations of synergies and returns during 2011. Good results were achieved and the relationship with clients was strengthened, offering first class comprehensive financial advice.

The focus of the Fund Manager's work was centred on consolidating a task that combines the specialization in the management of third party funds and a personalized attention, as well as offering competitive investment portfolios in accordance with the

level of risk the clients are prepared to assume.

For that, a restructure was carried out of the mutual funds, creating new series and redefining the name of some products. It was this that determined a differentiated offer of mutual funds under the Consorcio brand and the LarraínVial brand.

The object of all this process was to simplify the offer and to make more transparent the information given to the client, delivering clear messages in accordance with his needs and characteristics.

The relationship with the Consorcio distribution channels was strengthened, fomenting a greater closeness through a constant training and support in advice to clients.



BUSINESS PERFORMANCE

GENERAL FUNDS MANAGER

consorcio financiero

During the year important changes were made to the Mutual Funds in order to make the information more transparent to the client, delivering clear messages in accordance with their needs and characteristics.



A differentiated value offer of mutual funds was decided under the Consorcio brand and the LarrainVial brand.

GREATER YIELD

As at the close of 2011, the General Funds Manager achieved an attractive level of return on investments in comparison with its competition, increasing the amount managed from CLPMM1,321,598 to CLPMM 1,393,791.

Furthermore, the Manager increased its market share in mutual funds from 5.9% in 2010 to 6.4% in 2011, and in the case of the investment funds, the increase was proved to have risen from 8.1% to 9.8%, respectively.

Currently, the Manager is the fourth most important player in mutual funds and the great target for 2012 is to reach a position even better, thanks to the contribution from Consorcio and its customer base.



A young girl with brown hair, wearing an orange sleeveless dress and blue shoes, is walking through a lush green forest. She is holding a small branch in her right hand and looking down at it with a smile. The background is filled with dense foliage and trees, creating a soft, natural setting.

04

FINANCIAL STATEMENTS

86	CONSORCIO FINANCIERO
90	CONSORCIO SEGUROS VIDA
94	BANCO CONSORCIO
98	CN LIFE SEGUROS VIDA
102	CONSORCIO CORREDORES DE BOLSA
106	CONSORCIO SEGUROS GENERALES

CHAIRMAN

Juan Bilbao Hormaeche

DIRECTORS

Hernán Büchi Buć

Eduardo Fernández León

José Antonio Garcés Silva

Juan Hurtado Vicuña

Pedro Hurtado Vicuña

Juan José Mac-Auliffe Granello

GENERAL MANAGER / LEGAL REPRESENTATIVE

Patricio Parodi Gil

INDEPENDENT AUDITORS

PriceWaterhouseCoopers Consultores, Auditores y

Compañía Limitada

CONSORCIO FINANCIERO S.A.

REPORT OF INDEPENDENT AUDITORS

PricewaterhouseCoopers
Av. Andrés Bello 2711 - Piso 2,3,4 y 5
Las Condes - Santiago, Chile
RUT: 81.513.400-1
Teléfono: (56) (2) 940 0000
www.pwc.cl

To the Shareholders and Board of Directors of
Consortio Financiero S.A.

- 1 We have audited the Balance Sheets of Consortio Financiero S.A. as of December 31, 2011 and 2010 and the corresponding statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Consortio Financiero S.A. Our responsibility is to express an opinion on these financial statements based on our audits. We have not audited the financial statements of the subsidiaries, Compañía de Seguros de Vida Consortio Nacional de Seguros S.A., Compañía de Seguros Generales Consortio Nacional de Seguros S.A., Consortio Tarjetas de Crédito S.A. or the affiliate, CN Life, Compañía de Seguros de Vida S.A. as of December 31, 2011 and 2010, which were audited by other auditors whose reports we have been given. Our opinion expressed herein, in so far as the investments listed above are concerned, is based solely on such reports.
- 2 We conducted our audits in accordance with accounting standards generally accepted in Chile. Those standards require that we plan and perform our work to obtain reasonable assurance that the financial statements are free of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We consider that our audits provide a reasonable basis for our opinion.
- 3 The financial statements as of December 31, 2011 and 2010 have been prepared to reflect the individual financial situation of Consortio Financiero S.A. on the basis of the criteria described in Note 2, before proceeding with its consolidation, line by line, with the financial statements of the subsidiaries listed in Note 4. Consequently, for their adequate understanding, these individual financial statements must be read and analyzed together with the consolidated financial statements of Consortio Financiero S.A. and subsidiaries, which are required under generally accepted accounting practices.
- 4 In our opinion, based on our audits and on the reports prepared by other auditors, the individual financial statements referred to herein present fairly, in all their significant aspects, the financial position of Consortio Corredores de Bolsa S.A. as of December 31, 2011 and 2010, the results of its operations and the cash flows for the years ended on those dates, in accordance with the principles described in Note 2.



Ariel Olguín P.
RUT: 6.504.283-5

Santiago, February 29, 2012

BALANCE SHEETS

As Of December 31, 2011 And 2010, In thousands of Chilean Pesos.

ASSETS	2011 THCH\$	2010 THCH\$
CURRENT ASSETS:		
Cash	61,036	231,674
Investments in fixed income instruments	10,203,497	6,912,246
Investments in variable income instruments	39,801,877	47,038,007
Accounts receivable from related companies	3,791,190	9,108,095
Tax rebates receivable	1,944,730	3,194,276
Currency futures contract	-	49,656
Short-term deferred taxes	28,725	77,109
Other current assets	38,849	5,458
TOTAL CURRENT ASSETS:	55,869,904	66,616,521
NET FIXED ASSETS:	295	1
OTHER ASSETS:		
Investments in related companies	497,231,537	558,594,411
Investments in other companies	4,421,980	4,070,938
Goodwill	1,826,439	1,927,895
Long-term deferred taxes	1,561,999	156,604
TOTAL OTHER ASSETS	505,041,955	564,749,848
TOTAL ASSETS	560,912,154	631,366,370

LIABILITIES AND SHAREHOLDERS' EQUITY	2011 THCH\$	2010 THCH\$
CURRENT LIABILITIES:		
Bank borrowings	25,451,350	35,427,426
Accounts payable	161,577	2,143,758
Accounts payable to related companies	3,467,453	16,609,221
Income tax	190,601	489,858
Currency futures contract	38,254	-
Provisions and withholdings	940,756	1,216,030
TOTAL CURRENT LIABILITIES	30,249,991	55,886,293
LONG-TERM LIABILITIES		
Bank borrowings	46,741,670	21,878,774
Long-term debt	1,525,290	1,257,810
Deferred taxes	1,707,084	1,908,910
TOTAL LONG-TERM LIABILITIES	49,974,044	25,045,494
SHAREHOLDER'S EQUITY:		
Paid-in capital	66,455,973	66,455,973
Other reserves	17,535,446	17,437,728
Retained earnings	415,290,882	352,721,952
NET (LOSS)/EARNINGS FOR THE YEAR	(18,594,182)	113,818,930
TOTAL SHAREHOLDERS' EQUITY	480,688,119	550,434,583
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	560,912,154	631,366,370

INCOME STATEMENT

As Of December 31, 2011 And 2010, In thousands of Chilean Pesos.

	2011 THCH\$	2010 THCH\$
INCOME:		
Net earnings from investments in related companies	15,770,282	111,798,132
Income from investments	7,423,683	4,651,411
Adjustment of futures contracts	-	2,804,598
Other income	299,162	109,969
TOTAL INCOME	23,493,127	119,364,110
EXPENSES:		
Loss from investments in related companies	(28,101,433)	(44,596)
Goodwill	(101,435)	(102,302)
Administration expenses	(302,202)	(769,259)
Price-level restatement	(2,156,047)	(2,523,292)
Financial expenses	(2,152,350)	(1,187,317)
Adjustment of futures contracts	(1,887,564)	-
Investment costs	(8,408,806)	-
Other expenses	-	(226,343)
TOTAL EXPENSES	(43,109,837)	(4,853,109)
INCOME BEFORE TAX	(19,616,710)	114,511,001
INCOME TAX	1,022,528	(692,071)
NET EARNINGS (LOSS) FOR THE YEAR	(18,594,182)	113,818,930

CASH FLOW STATEMENT

As Of December 31, 2011 And 2010, In thousands of Chilean Pesos.

CASH FLOW STATEMENT	2011 THCH\$	2010 THCH\$
CASH FLOW FROM OPERATING ACTIVITIES:		
Net income from investments in fixed and variable income instruments	92,786	21,876,943
Current account transfers with related companies	(11,492,456)	4,465,445
Financial income (expenses)	(288,974)	3,168,566
Financial debt		(1,751,928)
Taxes paid		(2,426,474)
Payments to suppliers		(798,857)
TOTAL POSITIVE (NEGATIVE) CASH FLOW FROM OPERATIONS:	(13,726,850)	24,533,695
CASH FLOW FROM INVESTMENT ACTIVITIES:		
Dividends received	65,354,220	49,693,284
Increase in Capital (Purchase of investments in subsidiary companies)	(15,597,139)	(34,588,607)
TOTAL POSITIVE CASH FLOW FROM INVESTMENT ACTIVITIES	49,757,081	15,104,677
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividends paid		(44,616,738)
Bank loans	15,216,554	-
Related debts	(175,447)	(144,944)
Total negative cash flow from financing activities	(36,208,893)	(44,761,682)
TOTAL NET CASH FLOW FOR THE YEAR	(178,662)	(5,123,310)
EFFECT OF INFLATION ON CASH FLOW	8,024	(35,235)
VARIATION OF CASH FLOW DURING THE YEAR	(170,638)	(5,158,545)
INITIAL BALANCE OF CASH	231,674	5,390,219
FINAL BALANCE OF CASH	61,036	231,674

RECONCILIATION OF NET RESULTS WITH OPERATING CASH FLOW	2011 THCH\$	2010 THCH\$
Net (loss)/earnings for the year	(18,594,182)	113,818,930
Charges (credits) not affecting cash flow:		
Price-level restatement	2,156,047	2,523,292
Adjustments to futures contracts	1,887,564	(2,804,598)
Net loss (profit) on investments in related companies.	12,331,151	(111,753,536)
Write-offs and provisions	8,255,389	222,924
Goodwill	101,435	102,302
VARIATION IN ASSETS AND LIABILITIES:		
(Increase) decrease in fixed and variable income investments	(11,002,683)	8,667,022
Net increase (decrease) in current accounts with related companies	(8,617,314)	13,236,328
(Increase) decrease in sundry debtors	(2,247,904)	2,872,631
Increase (decrease) in tax and legal liabilities	(148,703)	(1,734,404)
Decrease in accounts payable	2,152,350	(617,196)
TOTAL NET POSITIVE (NEGATIVE) CASH FLOW FROM OPERATING ACTIVITIES	(13,726,850)	24,533,695

JORGE DIAZ GANDARA
Accounting Manager

PATRICIO PARODI GIL
General Manager

CHAIRMAN

Juan Bilbao Hormaeche

DIRECTORS

Hernán Büchi Buć

Eduardo Fernández León

José Antonio Garcés Silva

Juan Hurtado Vicuña

Pedro Hurtado Vicuña

Juan José Mac-Auliffe Granello

GENERAL MANAGER / LEGAL REPRESENTATIVE

Nicolás Gellona Amunátegui

INDEPENDENT AUDITORS

Ernst & Young Servicios Profesionales de Auditoría y

Asesorías Limitada

COMPAÑÍA DE SEGUROS DE VIDA

CONSORCIO NACIONAL DE SEGUROS S.A

REPORT OF INDEPENDENT AUDITORS

Ernst & Young, servicios profesionales
de auditoría y asesorías limitada
Rut: 77.802.430-6
Av. Presidente Riesco 5435, piso 4º
Las Condes, Santiago - Chile.
Teléfono: (56) (2) 6761000
www.eychile.cl

To the Shareholders and Board of Directors of
Compañía de Seguros de Vida
Consortio Nacional de Seguros S.A.

- 1 We have audited the Balance Sheets of Compañía de Seguros de Vida Consortio Nacional de Seguros S.A. as of December 31, 2011 and 2010 and the corresponding statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their respective notes) is the responsibility of the management of Compañía de Seguros de Vida Consortio Nacional de Seguros S.A. Our responsibility is to express an opinion on these financial statements based on our audits. Note N° 34 has not been reviewed by us and therefore it is not covered by this report.
- 2 We conducted our audits in accordance with accounting standards generally accepted in Chile. Those standards require that we plan and perform our work to obtain reasonable assurance that the financial statements are free of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We consider that our audits provide a reasonable basis for our opinion.
- 3 In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Compañía de Seguros de Vida Consortio Nacional de Seguros S.A. as of December 31, 2011 and 2010, the results of its operations and the cash flows for the years ended on those dates, in accordance with accounting principles generally accepted in Chile and accounting norms stipulated by the Superintendence of Securities and Insurance.
- 4 As mentioned in Note N° 33 of the Financial Statements, as from January 1, 2012 Compañía de Seguros de Vida Consortio Nacional de Seguros S.A. will adopt the new accounting criteria imposed by the Superintendence of Securities and Insurance.


Rubén López D.
ERNST & YOUNG LTDA.

Santiago, February 29, 2012

BALANCE SHEETS

as of December 31, 2011 and 2010

ASSETS	2011 THCH\$	2010 THCH\$
INVESTMENTS	2,965,118,699	2,891,827,825
Financial Investments	2,287,492,191	2,234,692,218
Investments in Real Estate and Similar	463,276,788	467,537,131
Investments Single Investment Account	214,349,720	189,598,476
PREMIUMS RECEIVABLE	1,403,403	1,089,909
REINSURANCE RECEIVABLE	894,839	246,692
OTHER ASSETS	102,395,352	82,653,709
TOTAL ASSETS	3,069,812,293	2,975,818,135

LIABILITIES	2011 THCH\$	2010 THCH\$
TECHNICAL RESERVES	2,633,510,443	2,500,627,296
Reserve on Social Security Insurance	2,353,045,409	2,249,747,911
Reserve on Non-Social Security Insurance	279,844,955	250,202,516
Other Reserves	620,079	676,869
BORROWINGS FROM FINANCIAL INSTITUTIONS	51,651,589	62,581,783
Short term	25,452,299	56,232,983
Long term	26,199,290	6,348,800
OTHER LIABILITIES	106,575,977	65,934,425
SHAREHOLDERS' EQUITY	278,074,284	346,674,631
TOTAL LIABILITIES	3,069,812,293	2,975,818,135

INCOME STATEMENTS

for the years ended December 31, 2011 and 2010

	2011 THCH\$	2010 THCH\$
OPERATING INCOME	254,208,838	202,628,093
Net Premium	281,016,067	238,889,452
Adjustment of Reserve on Current Risk and Mathematical on Life	(26,807,229)	(36,261,359)
OPERATING EXPENSES	(370,712,768)	(345,179,188)
Claim costs	(317,766,374)	(289,491,956)
Brokerage Commissions	(17,379,679)	(15,842,689)
Administration Costs	(35,566,715)	(39,844,543)
INCOME FROM INVESTMENTS	81,975,954	226,487,230
OTHER INCOME (EXPENSES)	2,109,300	1,872,143
PRICE-LEVEL RESTATEMENT	4,642,281	(1,702,488)
NET OPERATING INCOME	(27,776,395)	84,105,790
NON OPERATING INCOME	(9,821)	(22,144)
INCOME BEFORE TAX	(27,786,216)	84,083,646
INCOME TAX	3,172,491	(5,085,681)
NET EARNINGS (LOSS) FOR THE YEAR	(24,613,725)	78,997,965

CASH FLOW STATEMENTS

for the years ended December 31, 2011 and 2010

	2011 THCH\$	2010 THCH\$
NET CASH FLOW FROM OPERATIONS:		
Direct premiums	284,271,935	217,822,620
Premiums received	-	-
Premiums ceded	(2,051,246)	(1,114,498)
Pensions and claims paid	(144,503,794)	(173,053,722)
Recovery of reinsured claims	672,459	488,451
Commissions on direct insurance	(4,535,818)	(5,575,733)
Others	64,640	136,955
Fixed income instruments	5,381,797	22,594,275
Variable income instruments	(5,933,236)	20,535,486
Investments abroad	220,030	8,526
Cash flow income from real estate investments	2,352,895	8,271,047
Other income from financial and real estate investments	1,280,269	60,772,642
Cash flow from financial risk hedging operations	39,561,235	(27,106,709)
Administration expenses	(43,794,807)	(48,556,546)
Medical expenses	(61,811)	(56,620)
Tax	8,890,188	(8,810,202)
Others	2,244,841	1,975,251
TOTAL CASH FLOW FROM OPERATIONS	144,059,577	68,331,223
NET CASH FLOW FROM INVESTMENT ACTIVITIES:		
Net cash flow from fixed income instruments	(93,712,100)	214,328,025
Net cash flow from variable income instruments	(61,571,155)	(33,720,008)
Net cash flow from investments abroad	(13,401,757)	(136,075,724)
Net cash flow from purchases and sales of real estate investments	(2,456,622)	(12,612,027)
Net cash flow from other income and expenditure on investment activities	19,693,597	12,383,459
TOTAL CASH FLOW FROM INVESTMENTS	(151,448,037)	44,303,725
NET CASH FLOW FROM FINANCING ACTIVITIES:		
Dividends	(42,859,214)	(24,626,894)
Loans	(9,953,356)	(3,027,400)
Loans with related companies	10,766,329	(773,727)
Repos	48,665,527	(83,698,459)
TOTAL CASH FLOW FROM FINANCING	6,619,286	(112,126,480)
Total net positive (negative) cash flow for the period	(769,174)	508,468
Effect of inflation on cash and cash equivalent	(114,756)	(63,392)
Effect of exchange difference on cash and cash equivalent	(3,034)	(18,092)
Net variation in cash and cash equivalent	(886,964)	426,984
Initial balance of cash and cash equivalent	2,807,811	2,380,827
FINAL BALANCE OF CASH AND CASH EQUIVALENT	1,920,847	2,807,811

Jorge Díaz Gandara
Accounting Manager

Marcelo Rozas Etcharren
Financial Control Manager

Nicolás Gellona Amunátegui
General Manager
Legal Representative

RECONCILIATION OF NET RESULT WITH OPERATING CASH FLOW	2011 THCH\$	2010 THCH\$
NET EARNINGS (LOSS) FOR THE YEAR	(24,613,725)	78,997,965
Result from sale of Assets:		
(Gain) Loss on sale of fixed assets	(2,338,442)	(1,107,358)
(Gain) on sale of investments	(9,716,100)	(25,795,148)
Loss on sale of investments	3,207,148	
(Gain) Loss on sale of other fixed assets		
CHARGES (CREDITS) NOT AFFECTING CASH FLOWS:		
Depreciation	3,378,229	3,133,137
Amortization	589,056	615,199
Write-offs and Provisions on Assets	(13,167)	10,988
Adjustment of Technical Reserve	26,807,229	36,261,359
Provision for Income Tax	(3,172,491)	5,085,681
Price-Level Restatement	1,489,066	(423,785)
Exchange Difference	(6,131,347)	2,126,273
Other charges (credits) not affecting Cash Flows	(1,354,582)	795,242
(INCREASE) DECREASE IN ASSETS:		
Investments	(42,989,955)	(128,208,275)
Premiums Receivable	(3,339,614)	(25,662,437)
Reinsurance receivable	4,557,387	215,546
Rights on Financial Risk Hedging Operations	39,561,235	(27,106,709)
Other Assets	(30,151,806)	37,416,657
INCREASE /DECREASE) IN LIABILITIES:		
Technical Reserves	173,935,038	116,926,685
Borrowings from Financial Institutions	1,270,313	1,642,874
Debts with Brokers	12,843,861	10,266,955
Other Liabilities	242,244	(16,859,626)
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	144,059,577	68,331,223

CHAIRMAN

Patricio Parodi Gil

VICEPRESIDENTE

Nicolás Gellona Amunátegui

DIRECTORS

José Antonio Garcés Silva

Julio Guzmán Herrera

Hermann Tisi Urbina

Tomás Hurtado Rourke

Pedro Hurtado Vicuña

DIRECTORES SUPLENTE

Ana María Rivera Tavolara

Francisco Javier García Holtz

GENERAL MANAGER / LEGAL REPRESENTATIVE

Francisco Ignacio Ossa Guzmán

AUDITORES EXTERNOS

PriceWaterhouseCoopers Consultores, Auditores y

Compañía Limitada

BANCO CONSORCIO

REPORT OF INDEPENDENT AUDITORS

PricewaterhouseCoopers
Av. Andrés Bello 2711 - Piso 2,3,4 y 5
Las Condes - Santiago, Chile
RUT: 81.513.400-1
Teléfono: (56) (2) 940 0000
www.pwc.cl

To the Shareholders and Board of Directors of
Banco Consorcio

- 1 We have audited the Consolidated Balance Sheets of Banco Consorcio and its subsidiary as of December 31, 2011 and 2010 and the corresponding consolidated statements of income, overall results, changes in equity and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Banco Consorcio. Our responsibility is to express an opinion on these financial statements based on our audits.
- 2 We conducted our audits in accordance with accounting standards generally accepted in Chile. Those standards require that we plan and perform our work to obtain reasonable assurance that the financial statements are free of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Bank's management, as well as an evaluation of the overall presentation of the consolidated financial statements. We consider that our audits provide a reasonable basis for our opinion.
- 3 In our opinion, the consolidated financial statements referred to herein present fairly, in all their significant aspects, the financial position of Banco Consorcio and its subsidiary as of December 31, 2011 and 2010, the results of their operations, the overall results, the changes in equity and the cash flows for the years ended on those dates, in accordance with the accounting norms dictated by the Superintendence of Banks and Financial Institutions.
- 4 As mentioned in Note N° 3 of the consolidated financial statements, in accordance with the instructions of the Superintendence of Banks and Financial Institutions, Banco Consorcio adopted the new regulations contained in Chapters B-1, B-2, B-3 and C-1 of the Compendium of Accounting Rules. As of December 31, 2010 Banco Consorcio opted to follow, in advance, the regulations established in Chapter B-1 of the Compendium of Accounting Rules. This anticipated recognition of this change was charged to the results of the year 2010.



Roberto J. Villanueva B.

Santiago, February 29, 2011

BALANCE SHEETS

Al 31 de diciembre de 2011 y 2010

ASSETS	2011 MMCH\$	2010 MMCH\$
Cash and banks	21,037	21,895
Transactions in the course of collection	14,159	23,671
Securities for trading	52,211	14,493
Repo contracts and loans of securities	-	-
Financial derivative contracts	3,798	1,610
Loans to banks	19,986	22,933
Credits and accounts receivable from clients	211,472	116,959
Securities available for sale	438,477	341,468
Securities held to maturity	-	-
Investments in companies	8	8
Intangible assets	871	467
Fixed assets	6,315	5,680
Current taxes	4,615	452
Deferred taxes	1,945	1,982
Other assets	3,925	3,608
TOTAL ASSETS	778,819	555,226

CONSOLIDATED INCOME STATEMENTS

For the periods between January 1 and December 31, 2011 and 2010

	2011 M\$	2010 M\$
Revenues from interest and readjustments	42,227	21,360
Expenses on interest and readjustments	(23,115)	(5,830)
NET INCOME FROM INTEREST AND READJUSTMENTS	19,112	15,530
Income from commissions	1,670	1,025
Expense of commissions	(931)	(610)
NET INCOME FROM COMMISSIONS	739	415
Net gains (losses) from financial operations	17,389	(3,435)
Net gains (losses) on exchange	(10,470)	7,312
Other income from operations	289	530
TOTAL INCOME FROM OPERATIONS	27,059	20,352
Provisions for loan losses	(4,307)	(2,864)
NET OPERATING INCOME	22,752	17,488
Remunerations and staff expenses	(7,863)	(5,034)
Administration expenses	(3,656)	(2,348)
Depreciation and amortization	(480)	(220)
Shrinkage	-	-
Other operating expenses	(583)	(406)
TOTAL OPERATING EXPENSES	(12,582)	(8,008)
NET OPERATING INCOME	10,170	9,480
Income from investments in other companies	-	-
NET OPERATING INCOME	10,170	9,480
Earnings before tax	10,170	9,480
Income tax	(1,401)	(1,451)
CONSOLIDATED EARNINGS (LOSS) FOR THE YEAR	8,769	8,029
Attributable to:		
Equity holders of the bank	8,770	8,027
Minority interest	(1)	2
Net earnings per share attributable to equity holders of the bank:	2011	2010
(expressed in Chilean Pesos)	Ch\$	Ch\$
Basic net earnings	172,030	275,906
Diluted net earnings	172,030	275,906

LIABILITIES	2011 MMCH\$	2010 MMCH\$
Current accounts and sight deposits	22,598	19,550
Transactions in the course of payment	7,364	12,610
Repo contracts and loans of securities	43,951	24,831
Accounts and term deposits	586,057	431,278
Financial derivative contracts	3,581	6,071
Bank borrowings	6	473
Debt instruments issued	31,979	-
Other financial obligations	-	-
Current taxes	1,986	2,213
Deferred taxes	186	1,045
Provisions	3,388	2,952
Other liabilities	1,994	1,078
TOTAL LIABILITIES	703,090	502,101
SHAREHOLDERS' EQUITY	2011 M\$	2010 M\$
Capital		
Reserves	71,836	48,783
Revaluation accounts	-	-
Retained earnings:	(2,262)	(1,294)
Earnings retained from previous years		
Net earnings (loss) for the year	-	-
Less: Provision for minimum dividends	8,769	8,029
Menos: Provisión para dividendos mínimos	(2,631)	(2,409)
MINORITY INTEREST	17	16
TOTAL SHAREHOLDERS' EQUITY	75,729	53,125
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	778,819	555,226

CONSOLIDATED INCOME STATEMENTS

For the periods between January 1 and December 31, 2011 and 2010

	2011 MMCH\$	2010 MMCH\$
OPERATING REVENUES		
Operating income	22,752	17,488
Total operating expenses	(12,582)	(8,008)
NET OPERATING INCOME	10,170	9,480
Income from investments in other companies	-	-
NET INCOME BEFORE TAX	10,170	9,480
Income tax	(1,401)	(1,451)
INCOME (LOSS) ON OPERATIONS	8,769	8,029
Net income (loss) for the year	8,769	8,029
OTHER OVERALL RESULTS		
Net variation in portfolio available for sale	(1,268)	(1,352)
Net variation in deferred taxes on portfolio available for sale	300	265
(Loss) gain on pension plans	-	-
TOTAL OVERALL INCOME (LOSS) FOR THE YEAR, NET OF TAX	(968)	(1,087)
TOTAL STATEMENT OF OVERALL EARNINGS FOR THE YEAR	7,801	6,942
Attributable to Consolidated Results for the year:		
Equity holders of the bank	8,770	8,027
Minority interest	(1)	2
Attributable to Overall Consolidated Results for the year:		
Equity holders of the bank	7,802	6,940
Minority interest	(1)	2

STATEMENT OF CHANGES IN NET EQUITY

For the periods comprising January 1 to December 31, 2011 and 2010
(In millions of Chilean Pesos)

ITEM	NUMBER OF SHARES	ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK						SUB-TOTAL ATTRIBUTABLE TO EQUITY HOLDERS	MINORITY INTEREST	TOTAL
		CAPITAL	RESERVES	REVALUATION ACCOUNTS	RETAINED EARNINGS FROM PREVIOUS YEARS	EARNINGS (LOSS) FOR THE YEAR	PROVISION FOR MINIMUM DIVIDENDS			
As of January 1, 2010	10,000	16,923	-	(207)	783	(980)	-	16,519	19	16,538
Distribution of net earnings of previous year		(250)	-	-	(783)	980	-	(53)	-	(53)
Increase in capital	19,100	32,110	-	-	-	-	-	32,110	-	32,110
Variation in the portfolio available for sale		-	-	(1,352)	-	-	-	(1,352)	-	(1,352)
Variation in deferred taxes on portfolio available for sale		-	-	265	-	-	-	265	-	265
Provision for minimum dividends		-	-	-	-	-	(2,409)	(2,409)	-	(2,409)
Net earnings (Loss) for the year 2010		-	-	-	-	8,029	-	8,029	-	8,029
Minority interest		-	-	-	-	-	-	-	(3)	(3)
AS OF DECEMBER 31, 2010	29,100	48,783	-	(1,294)	-	8,029	(2,409)	53,109	16	53,125

ITEM	NUMBER OF SHARES	ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK						SUB-TOTAL ATTRIBUTABLE TO EQUITY HOLDERS	MINORITY INTEREST	TOTAL
		CAPITAL	RESERVES	REVALUATION ACCOUNTS	RETAINED EARNINGS FROM PREVIOUS YEARS	EARNINGS (LOSS) FOR THE YEAR	PROVISION FOR MINIMUM DIVIDENDS			
As of January 1, 2011	29,100	48,783	-	(1,294)	-	8,029	(2,409)	53,109	16	53,125
Distribution of net earnings of previous year	4,654	8,029	-	-	-	(8,029)	2,409	2,409	-	2,409
Increase in capital	8,750	15,024	-	-	-	-	-	15,024	-	15,024
Variation in the portfolio available for sale		-	-	(1,268)	-	-	-	(1,268)	-	(1,268)
Variation in deferred taxes on portfolio available for sale		-	-	300	-	-	-	300	-	300
Provision for minimum dividends		-	-	-	-	-	(2,631)	(2,631)	-	(2,631)
Net earnings (Loss) for the year 2011		-	-	-	-	8,769	-	8,769	-	8,769
Minority interest		-	-	-	-	-	-	-	1	1
AS OF DECEMBER 31, 2011	42,504	71,836	-	(2,262)	-	8,769	(2,631)	75,712	17	75,729

CONSOLIDATED CASH FLOW STATEMENTS

For the periods comprising January 1 to December 31, 2011 and 2010
(In millions of Chilean Pesos)

CASH FLOWS FROM OPERATING ACTIVITIES	2011 MMCH\$	2010 MMCH\$
Net (Loss) Earnings for the year	8,769	8,029
Minority interest	1	(2)
Charges (credits) not affecting cash flow:		
Depreciation and amortizations	480	220
Provision for loan losses	4,307	2,864
Earnings (loss) from investments in companies	-	-
Income and deferred taxes	1,401	1,451
Write-offs of loan losses	583	406
Net variation in interest, adjustments and commissions earned on assets and liabilities	(19,851)	(18,964)
CHANGES IN ASSETS AND LIABILITIES THAT AFFECT OPERATING CASH FLOWS		
Net (Increase) decrease in credits and accounts receivable	(94,410)	(106,574)
Net (increase) in investments in securities	(94,062)	(282,148)
Net (increase) in negotiable instruments	(37,718)	(14,493)
Net (increase) decrease in other assets and liabilities	3,035	(2,483)
Net (decrease) increase in current accounts and other sight deposits	3,048	17,809
Increase in repo contracts and loans of securities	19,120	10,080
Net increase in sight and other term deposits	154,779	393,482
Increase (decrease) in short-term borrowings from banks	(467)	(22,713)
Increase (decrease) in other financial borrowings	-	-
Net increase (decrease) in credits and accounts receivable	31,979	-
TOTAL CASH FLOW FROM (OR USED FOR) OPERATING ACTIVITIES	(19,006)	(13,036)

CASH FLOWS FROM FINANCING ACTIVITIES	2011 MMCH\$	2010 MMCH\$
Payment of subscribed shares	-	-
Increase in capital	15,024	32,110
TOTAL CASH FLOW FROM FINANCING ACTIVITIES	15,024	32,110
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,142)	(5,575)
TOTAL CASH FLOW FROM INVESTMENT ACTIVITIES	(1,142)	(5,575)
TOTAL NET POSITIVE (NEGATIVE) CASH FLOW FOR THE YEAR	(5,124)	13,499
INITIAL BALANCE OF CASH AND CASH EQUIVALENT	32,956	19,457
FINAL BALANCE OF CASH AND CASH EQUIVALENT	27,832	32, 956

CHAIRMAN

Juan Bilbao Hormaeche

DIRECTORS

Hernán Büchi Buć

Eduardo Fernández León

José Antonio Garcés Silva

Juan Hurtado Vicuña

Pedro Hurtado Vicuña

Juan José Mac-Auliffe Granello

GENERAL MANAGER / LEGAL REPRESENTATIVE

Nicolás Gellona Amunátegui

EXTERNAL AUDITORS

Ernst & Young Servicios Profesionales de Auditoría y

Asesorías Limitada

CN LIFE

COMPAÑÍA DE SEGUROS DE VIDA

REPORT OF INDEPENDENT AUDITORS

Ernst & Young, servicios profesionales
de auditoría y asesorías limitada
Rut: 77.802.430-6
Av. Presidente Riesco 5435, piso 4º
Las Condes, Santiago - Chile.
Teléfono: (56) (2) 6761000
www.eychile.cl

To the Shareholders and Board of Directors of
CN Life Compañía de Seguros de Vida S.A.

1. We have audited the Balance Sheets of CN Life Compañía de Seguros de Vida S.A. as of December 31, 2011 and 2010 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of CN Life Compañía de Seguros de Vida S.A. Our responsibility is to express an opinion on these financial statements based on our audits. Note N° 31 has not been reviewed by us and therefore it is not covered by this report.
2. We conducted our audits in accordance with accounting standards generally accepted in Chile. Those standards require that we plan and perform our work to obtain reasonable assurance that the financial statements are free of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.
3. In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of CN Life Compañía de Seguros de Vida S.A. as of December 31, 2011 and 2010, the results of its operations and the cash flows for the years ended on those dates, in accordance with accounting principles generally accepted in Chile and the norms imparted by the Superintendence of Securities and Insurance.
4. As mentioned in Note N° 3 of the Financial Statements, the Company has modified the mortality tables in order to value the technical reserves included in the matching system in accordance with General Norm N° 274 and Circular N° 1.986 of the Superintendence of Securities and Insurance.
5. As mentioned in Note N° 30 of the Financial Statements, as from January 1, 2012, CN Life Compañía de Seguros de Vida S.A. adopted the new accounting criteria imposed by the Superintendence of Securities and Insurance.



Rubén López D.
ERNST & YOUNG LTDA.

Santiago, February 29, 2012

BALANCE SHEETS

as of December 31 of 2011 and 2010

ASSETS	2011 THCH\$	2010 THCH\$
INVESTMENTS	373,346,562	362,492,828
Financial Investments	340,671,922	325,410,460
Real Estate Investments and Others Similar	32,674,640	37,082,368
PREMIUMS RECEIVABLE	5,898	4,985
REINSURANCE RECEIVABLE	63,035	624
OTHER ASSETS	17,086,826	3,273,595
TOTAL ASSETS	390,502,321	365,772,032

LIABILITIES AND SHAREHOLDERS' EQUITY	2011 THCH\$	2010 THCH\$
TECHNICAL RESERVES	313,321,702	297,631,154
Reserve on Social Security Insurance	309,928,553	294,199,352
Reserve on Non-Social Security Insurance	3,265,532	3,308,392
Additional Reserves	127,617	123,410
BORROWINGS FROM FINANCIAL INSTITUTIONS	7,904,208	-
OTHER LIABILITIES	18,610,449	3,621,821
SHAREHOLDERS' EQUITY	50,665,962	64,519,057
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	390,502,321	365,772,032

INCOME STATEMENT

for the years ended December 31, 2011 and 2010

	2011 THCH\$	2010 THCH\$
OPERATING INCOME	26,629,373	466,845
Net Premium	26,664,535	521,642
Adjustment of Reserve on Current Risk and Mathematical on Life	(35,162)	(54,797)
OPERATING EXPENSES	(43,370,357)	(14,747,398)
Claim costs	(42,144,417)	(14,226,618)
Brokerage Commissions	(290,469)	(353)
Administration Costs	(935,471)	(520,427)
INCOME FROM INVESTMENTS	17,906,864	31,884,288
OTHER INCOME (EXPENSES)	4,205	(3,987)
PRICE-LEVEL RESTATEMENT AND EXCHANGE DIFFERENCE	359,843	(155,096)
NET OPERATING INCOME	1,529,928	17,444,652
NON OPERATING INCOME	(11,494)	2,377
INCOME BEFORE TAX	1,518,434	17,447,029
INCOME TAX	(1,018,712)	(1,865,857)
NET EARNINGS FOR THE YEAR	499,722	15,581,172

CASH FLOW STATEMENT

for the years ended December 31, 2011 and 2010

	2011 THCH\$	2010 THCH\$
NET CASH FLOW FROM OPERATIONS:		
Direct premiums	26,754,803	714,908
Premiums received	0	0
Premiums ceded	(91,191)	(66,450)
Pensions and claims paid	(25,770,630)	(25,162,856)
Recovery of pensions and claims paid	0	23
Recovery of reinsured claims	223,716	62,296
Commissions on direct insurance	(268,327)	(3,235)
Fixed income instruments	4,064,291	5,326,741
Variable income instruments	(223,114)	4,543,205
Investments abroad	40,548	1,467,026
Cash flow income from real estate investments	4,243,743	508,780
Cash flow from financial risk hedging operations	(247,303)	1,276,226
Administration expenses	(756,557)	(465,541)
Taxes	(2,744,113)	(1,533,451)
Others	42,793	0
TOTAL OPERATING CASH FLOW	5,268,659	(13,332,328)
NET CASH FLOW FROM INVESTMENT ACTIVITIES:		
Net cash flow from fixed income instruments	(35,517,777)	77,125,002
Net cash flow from variable income instruments	2,483,186	12,784,660
Net cash flow from investments abroad	(1,325,189)	1,215,193
Net cash flow from purchases and sales of real estate investments	0	(25,744,269)
TOTAL CASH FLOW FROM INVESTMENT ACTIVITIES	(34,359,780)	65,380,586
NET CASH FLOW FROM FINANCING ACTIVITIES:		
Dividends	(12,290,276)	(21,422,889)
Loans	7,758,719	0
Loans with related companies	41,644	132,091
Repos	33,340,549	(31,344,278)
TOTAL CASH FLOW FROM FINANCING ACTIVITIES	28,850,636	(52,635,076)
Total net positive (negative) cash flow for the period	(240,485)	(586,818)
Effect of inflation on cash and cash equivalent	(3,487)	(81,871)
Effect of exchange difference on cash and cash equivalent	(1,675)	1,466
Net variation in cash and cash equivalent	(245,647)	(667,223)
Initial balance of cash and cash equivalent	302,944	970,167
FINAL BALANCE OF CASH AND CASH EQUIVALENT	57,297	302,944

Jorge Díaz Gandara
Accounting Manager

Marcelo Rozas Etcharren
Financial Control Manager

Nicolás Gellona Amunátegui
General Manager
Legal Representative

RECONCILIATION OF NET RESULT WITH OPERATING CASH FLOW	2011 THCH\$	2010 THCH\$
NET EARNINGS FOR THE YEAR	499,722	15,581,172
Result from sale of assets:		
(Gain) Loss on sale of fixed assets	(294,001)	878
(Gain) on sale of investments	(5,374,756)	(6,250,367)
Loss on sale of investments	0	0
CHARGES (CREDITS) NOT AFFECTING CASH FLOWS:		
Depreciation	14,165	14,338
Amortization	0	0
Write-offs and provisions on assets	618	1,925
Adjustment of technical reserve	35,162	54,797
Provision for income tax	1,018,712	1,865,857
Price-level restatement	(10,405,159)	(7,405,369)
Exchange difference	10,045,316	7,560,465
Other charges (credits) not affecting cash flow	0	(1,926)
(INCREASE) DECREASE IN ASSETS		
Investments	(6,553,981)	(13,940,900)
Premiums receivable	(14,121)	94,741
Reinsurance premiums receivable	2,399	24,344
Rights on financial risk hedging operations	(247,303)	1,276,226
Other assets	2,243,339	121,149
INCREASE (DECREASE) IN LIABILITIES:		
Decrease in technical reserves	16,596,198	(10,873,919)
Borrowings from financial institutions	197,353	39,854
Debts with brokers	22,142	(1,371)
Other liabilities	(2,517,146)	(1,494,222)
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	5,268,659	(13,332,328)

CHAIRMAN

Paula Correa Schovlein

DIRECTORS

Marcela Cerón Cerón

Beatriz Godoy Palma

GENERAL MANAGER / LEGAL REPRESENTATIVE

Martín Hurtado Menéndez

EXTERNAL AUDITORS

PriceWaterhouseCoopers Consultores, Auditores y

Compañía Limitada

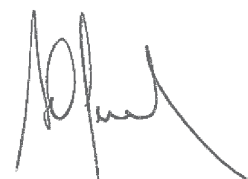
CONSORCIO CORREDORES DE BOLSA S.A.

REPORT OF INDEPENDENT AUDITORS

PricewaterhouseCoopers
Av. Andrés Bello 2711 - Piso 2,3,4 y 5
Las Condes - Santiago, Chile
RUT: 81.513.400-1
Teléfono: (56) (2) 940 0000
www.pwc.cl

To the Shareholders and Board of Directors of
Consorcio Corredores de Bolsa S.A.

1. We have audited the financial situation of Consorcio Corredores de Bolsa S.A. as of December 31, 2011 and 2010, the financial situation as of the opening on January 1, 2010 and the corresponding statements of income, of changes in equity and cash flows for the years ended on December 31, 2011 and 2010. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Consorcio Corredores de Bolsa S.A. Our responsibility is to express an opinion on these financial statements based on our audits.
2. We conducted our audits in accordance with accounting standards generally accepted in Chile. Those standards require that we plan and perform our work to obtain reasonable assurance that the financial statements are free of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We consider that our audits provide a reasonable basis for our opinion.
3. In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Consorcio Corredores de Bolsa S.A. as of December 31, 2011 and 2010 and of January 1, 2010, the results of its operations and the cash flows for the years ended on December 31, 2011 and 2010, in accordance with International Financial Reporting Standards.



Ariel Olguín P.
RUT: 6.504.283-5

PriceWaterhouseCoopers

BALANCE SHEETS

As Of 31 December 2011, 31 December 2010 And 1 January 2010

ASSETS	2011 THCH\$	2010 THCH\$	LIABILITIES	2011 THCH\$	2010 THCH\$
Cash and banks	2,973,861	2,077,841	Financial debts	105,238,853	103,876,048
Financial instruments	123,453,952	124,075,522	At a reasonable value		
At a reasonable value - Own portfolio available		-	At a reasonable value - Financial derivatives	230,708	81,792
Variable income	-	-	Financing obligations	105,008,144	103,794,255
Fixed income and Financial Broking	-	-	Repos on variable income instruments	-	-
At a reasonable value - Own portfolio committed	-	-	Repos on fixed income and financial broking instruments	105,008,144	103,794,255
Variable income	-	-	Others		
Fixed income and Financial Broking	-	-	Borrowings from banks and financial institutions	1	1
At a reasonable value - Financial derivatives		52,510	Creditors from brokerage	3,295,781	6,430,529
At an amortized cost - Own portfolio available	14,684,716	11,006,858	Accounts payable on operations with own portfolio	-	-
At an amortized cost - Own portfolio committed	104,903,846	103,500,245	Accounts payable to related parties	-	-
At an amortized cost - Financing operations	3,865,390	9,515,909	Other accounts payable	1,895,266	1,613,724
Repos on variable income instruments	3,865,390	9,515,909	Provisions	-	-
Repos on fixed income and financial broking instruments	-	-	Taxes payable	94,525	634,504
Others	-	-	Deferred taxes	262,835	174,530
Debtors from brokerage	3,307,036	6,480,554	Other liabilities		
Accounts receivable from operations with own portfolio	-	-	TOTAL LIABILITIES	110,787,260	112,729,335
Accounts receivable from related parties	-	-			
Other accounts receivable	1,214,461	2,283,043	SHAREHOLDERS' EQUITY		
Tax rebates receivable	327,664	-	Capital	10,503,560	10,503,560
Deferred taxes	-	-	Reserves	1,223,548	1,223,548
Investments in companies	2,122,449	2,122,449	Retained earnings	7,272,499	7,102,746
Intangible assets	-	-	Net earnings for the period	3,866,541	5,562,253
Properties, plant and equipment	41,716	78,650	Interim dividends or participations		
Other assets	212,269	3,383	TOTAL EQUITY	22,866,148	24,392,107
TOTAL ASSETS	133,653,408	137,121,442	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	133,653,408	137,121,442

CONSOLIDATED INCOME STATEMENTS

As Of 31 December 2011 And 31 December 2010

A. OPERATING REVENUE:	2011 THCH\$	2010 THCH\$	(CONT.)	2011 THCH\$	2010 THCH\$
INCOME FROM BROKERAGE OPERATIONS			OTHER INCOME		
Commissions from stock market operations	2,226,908	2,221,444	Price-level restatement and exchange differences	(3,800)	2,924
Commissions from operations outside the stock market	-	-	Income from investments in companies	82,000	71,000
Expenses on commissions and services	(164,857)	(205,544)	Other income (expenses)	(35)	-
Other commissions	2,250	2,007	TOTAL OTHER INCOME	78,165	73,924
TOTAL INCOME FROM BROKERAGE OPERATIONS	2,064,301	2,017,907			
INCOME FROM SERVICES			NET INCOME BEFORE TAX	4,481,344	6,583,305
Income from portfolio management	-	-			
Income from custody of securities	-	-	Income tax	(614,803)	(1,021,052)
Income from financial consulting	29,043	-	NET EARNINGS (LOSS) FOR THE PERIOD	3,866,541	5,562,253
Other income from services	57,530	125,807			
TOTAL INCOME FROM SERVICES	86,573	125,807			
INCOME FROM FINANCIAL INSTRUMENTS			B. STATEMENT OF OTHER INCOME		
At a reasonable value	87,641	3,147	NET EARNINGS (LOSS) FOR THE PERIOD	3.866.541	5.562.253
At a reasonable value - Financial derivatives	98,235	(90,194)			
At an amortized cost	3,434,216	4,800,400	Income (expenses) recorded with a credit (charge) to equity		
At an amortized cost - Financing operations	6,108,814	(1,602,329)	Revaluation of property, plant and equipment	-	-
TOTAL INCOME FROM FINANCIAL INSTRUMENTS	9,728,906	3,111,024	Financial assets at reasonable value for equity	-	-
INCOME FROM FINANCING OPERATIONS			Participation of other overall income from investments in companies	-	-
Financing costs	(5,283,864)	3,092,220	Other income (expenses) recorded as a credit (charge) to equity	-	-
Other financial costs	(415)	(103)	Income tax on other overall income	-	-
TOTAL INCOME FROM FINANCING OPERATIONS	(5,284,279)	3,092,117	Total income (expenses) recorded as a credit (charge) to equity	-	-
ADMINISTRATION AND SELLING EXPENSES			TOTAL OVERALL INCOME FOR THE PERIOD	3.866.541	5.562.253
Remunerations and staff costs	(836,468)	(821,787)			
Selling expenses	(1,348,156)	(1,011,050)			
Other administration expenses	(7,698)	(4,637)			
TOTAL ADMINISTRATION AND SALES EXPENSES	(2,192,322)	(1,837,474)			

CASH FLOW STATEMENTS

As Of 31 December 2011 And 31 December 2010

CASH FLOW STATEMENTS - DIRECT METHOD	2011 THCH\$	2010 THCH\$
NET CASH FLOW FROM OPERATIONS		
Commissions received (paid)	1,384,836	2,245,563
Net income (expenses) on account of clients	(71,834,440)	16,460,674
Net income (expenses) from financial instruments at a reasonable value	-	22,117,870
Net income (expenses) from financial derivatives	136,788	(2,166)
Net income (expenses) from financial instruments at an amortized cost	80,802,460	(32,427,486)
Net income (expenses) from financial consultancy, portfolio management and custody	-	-
Administration and selling expenses paid	(2,582,381)	(2,441,355)
Taxes paid	(1,851,717)	(935,179)
Other net income (expenses) from operations	150,974	-
Net cash flow from operations	6,206,520	5,017,921
NET CASH FLOW FROM FINANCING ACTIVITIES		
Net income (loss) from financial liabilities	-	-
Net income (loss) from financing related parties	-	-
Capital increases	-	-
Distribution of profits and equity	(5,392,500)	(4,380,000)
Other net income (expenses) from financing activities	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES	(5,392,500)	(4,380,000)

(CONT.)	2011 THCH\$	2010 THCH\$
NET CASH FLOW FROM INVESTMENT ACTIVITIES		
Income from sale of property, plant and equipment	-	-
Income from sale of investments in companies	-	-
Dividends and other income from investments in companies	82,000	71,000
Aquisition of property, plant and equipment	-	-
Investments in companies	-	-
Other net income (expenses) from investments	-	-
NET CASH FLOW FROM INVESTMENT ACTIVITIES	82,000	71,000
NET TOTAL POSITIVE (NEGATIVE) CASH FLOW FOR THE PERIOD	896,020	708,921
Effect of the variation of the exchange rate on cash	-	-
NET VARIATION OF CASH	896,020	708,921
INITIAL BALANCE OF CASH	2,077,841	1,368,920
CLOSING BALANCE OF CASH	2,973,861	2,077,841

STATEMENT OF CHANGE IN EQUITY

As of 31 december 2011
(in thousands of Chilean Pesos)

NOTE	EQUITY	RESERVES					INTERIM DIVIDENDS OR PARTICIPATIONS	TOTAL
		FINANCIAL ASSETS AT A REASONABLE VALUE FOR EQUITY	REVALUATION OF PROPERTIES, PLANT AND EQUIPMENT	OTHERS	RETAINED EARNINGS	NET EARNINGS FOR THE PERIOD		
INICIAL BALANCE AS OF 01/01/2011	10,503,560			1,223,548	7,102,746	5,562,253		24,392,107
Increase (decrease) in capital				-				-
NET EARNINGS FOR THE PERIOD	-	-	-	-	-	3,866,541	-	3,866,541
Total income (expenses) recorded with a credit (charge) to equity								-
Net earnings (loss) for the period						3,866,541		3,866,541
Transfers to retained earnings					5,562,253	(5,562,253)		-
Dividends or participations distributed					(5,392,500)			(5,392,500)
Other adjustments to equity								-
CLOSING BALANCE AS OF 31/12/2011	10,503,560	-	-	1,223,548	7,272,499	3,866,541	-	22,866,148
INICIAL BALANCE AS OF 01/01/2011	10,247,376	-	-	1,479,732	5,638,411	5,844,335	-	23,209,854
Increase (decrease) in capital	-	-	-	-	-	-	-	-
NET EARNINGS FOR THE PERIOD	-	-	-	-	5,844,335	(282,082)	-	5,562,253
Total income (expenses) recorded with a credit (charge) to equity	256,184	-	-	(256,184)	5,844,335	(5,844,335)	-	-
Net earnings (loss) for the period	-	-	-	-		5,562,253	-	5,562,253
Transfers to retained earnings	-	-	-	-	-	-	-	-
Dividends or participations distributed	-	-	-	-	(4,380,000)	-	-	(4,380,000)
Other adjustments to equity	-	-	-	-	-	-	-	-
CLOSING BALANCE AS OF 31/12/2011	10,503,560	-	-	1,223,548	7,102,746	5,562,253	-	24,392,107

CHAIRMAN

Juan Bilbao Hormaeche

DIRECTORS

Hernán Büchi Buć

Eduardo Fernández León

José Antonio Garcés Silva

Juan Hurtado Vicuña

Pedro Hurtado Vicuña

Juan José Mac-Auliffe Granello

GENERAL MANAGER / LEGAL REPRESENTATIVE

Nicolás Gellona Amunátegui

EXTERNAL AUDITORS

Ernst & Young Servicios Profesionales de Auditoría y

Asesorías Limitada

COMPañÍA DE SEGUROS GENERALES

CONSORCIO NACIONAL DE SEGUROS S.A.

REPORT OF INDEPENDENT AUDITORS

Ernst & Young, servicios profesionales
de auditoría y asesorías limitada
Rut: 77.802.430-6
Av. Presidente Riesco 5435, piso 4º
Las Condes, Santiago - Chile.
Teléfono: (56) (2) 6761000
www.eychile.cl

To the Shareholders and Board of Directors of
Compañía de Seguros Generales
Consorcio Nacional de Seguros S.A.

1. We have audited the Balance Sheets of Compañía de Seguros Generales Consorcio Nacional de Seguros S.A. as of December 31, 2011 and 2010 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes), is the responsibility of the management of Compañía de Seguros Generales Consorcio Nacional de Seguros S.A. Our responsibility is to express an opinion on these financial statements based on our audits. Note N° 31 has not been reviewed by us and therefore it is not covered by this report.
2. We conducted our audits in accordance with accounting standards generally accepted in Chile. Those standards require that we plan and perform our work to obtain reasonable assurance that the financial statements are free of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.
3. In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Compañía de Seguros Generales Consorcio Nacional de Seguros S.A. as of December 31, 2011 and 2010 and the results of its operations and the cash flows for the years ended on those dates, in accordance with accounting principles generally accepted in Chile and the accounting norms imparted by the Superintendence of Securities and Insurance.
4. As mentioned in Note N° 30 of the Financial Statements, as from January 1, 2012, Compañía de Seguros Generales Consorcio Nacional de Seguros S.A. adopted the new accounting criteria imposed by the Superintendence of Securities and Insurance.



Rubén López D.
ERNST & YOUNG LTDA.

Santiago, February 29, 2012

BALANCE SHEETS

as of December 31 of 2011 and 2010

ASSETS	2011 ThCh\$	2010 ThCh\$
INVESTMENTS	19,106,573	19,123,332
Financial Investments	18,638,702	19,035,226
Real Estate Investments and Others Similar	467,871	88,106
PREMIUMS RECEIVABLE	20,763,672	17,797,526
REINSURANCE RECEIVABLE	1,215,198	3,745,930
OTHER ASSETS	1,548,225	921,195
TOTAL ASSETS	42,633,668	41,587,983

LIABILITIES AND SHAREHOLDERS' EQUITY	2011 ThCh\$	2010 ThCh\$
TECHNICAL RESERVES	27,075,592	28,954,111
Current risks	16,114,551	13,609,872
Claims	9,411,049	13,488,647
Reinsurance payable	1,549,992	1,855,592
BORROWINGS FROM FINANCIAL INSTITUTIONS	-	-
OTHER LIABILITIES	4,934,691	4,118,064
SHAREHOLDERS' EQUITY	10,623,385	8,515,808
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	42,633,668	41,587,983

INCOME STATEMENTS

for the years ended December 31, 2011 and 2010

	2011 THCH\$	2010 THCH\$
OPERATING REVENUES	8,686,515	6,785,671
Income from premiums	30,134,559	23,994,368
Net premiums	32,638,194	26,490,737
Adjustment of current risks	(2,503,635)	(2,496,369)
Other adjustments on income from premiums	(1,166,119)	(1,377,962)
Cost of claims	(16,537,782)	(13,735,218)
Net outgoings on brokerage	(3,744,143)	(2,095,517)
ADMINISTRATION COSTS	(6,852,962)	(6,492,600)
OPERATING INCOME	1,833,553	293,071
INCOME FROM INVESTMENTS	767,878	499,157
OTHER INCOME (EXPENSES)	(579,417)	17,708
PRICE-LEVEL RESTATEMENT	654,307	191,720
NET OPERATING INCOME	2,676,321	1,001,656
INCOME BEFORE TAX	2,676,321	1,001,656
INCOME TAX FOR THE YEAR	(541,327)	(168,136)
NET EARNINGS FOR THE YEAR	2,134,994	833,520

CASH FLOW STATEMENTS

for the years ended December 31, 2011 and 2010

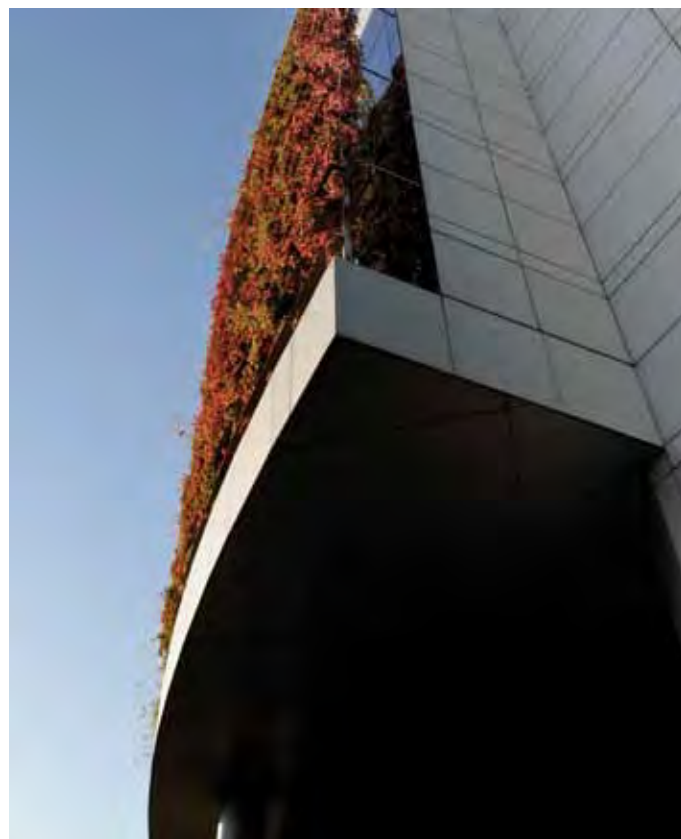
	2011 THCH\$	2010 THCH\$
NET CASH FLOW FROM OPERATIONS		
Direct premiums	39,456,164	31,515,152
Premiums received	-	-
Premiums ceded	(6,478,287)	(3,509,705)
Pensions and claims paid	(34,655,120)	(28,368,553)
Return of pensions and claims	2,003,950	1,609,875
Recovery of reinsured claims	15,799,202	18,165,405
Commissions on direct insurance	(6,188,095)	(4,295,914)
Others	(141)	(30)
Fixed income instruments	628,897	581,273
Variable income instruments	90,224	(39,462)
Administration expenses	(8,185,382)	(6,508,094)
Taxes	(2,857,753)	(2,634,080)
Others	64,487	156,817
TOTAL OPERATING CASH FLOW	(321,854)	6,672,684
NET CASH FLOW FROM INVESTMENT ACTIVITIES:		
Net cash flow from fixed income instruments	(161,147)	(5,305,146)
Net cash flow from variable income instruments	167,176	(688,182)
Net cash flow from purchases and sales of real estate investments	(34,604)	(17,609)
Net cash flow from other income and expenditure on investment activities	-	-
TOTAL INVESTMENT CASH FLOW	(28,575)	(6,010,937)
NET CASH FLOW FROM FINANCING ACTIVITIES		
Loans	(13)	(527)
TOTAL FINANCING CASH FLOW	(13)	(527)
Total net positive (negative) cash flow for the period	(350,442)	661,220
Effect of inflation on cash and cash equivalent	(47,272)	(21,565)
Effect of exchange difference on cash and cash equivalent	-	-
Net variation in cash and cash equivalent	(397,714)	639,655
Initial balance of cash and cash equivalent	1,295,004	655,349
FINAL BALANCE OF CASH AND CASH EQUIVALENT	897,290	1,295,004

RECONCILIATION OF NET RESULT WITH OPERATING CASH FLOW	2011 THCH\$	2010 THCH\$
NET EARNINGS FOR THE YEAR	2,134,994	833,520
RESULT FROM SALE OF ASSETS	(87,080)	(91,158)
(Gain) on sale of investments	(87,017)	(91,164)
Loss on sale of fixed assets	(63)	6
CHARGES (CREDITS) NOT AFFECTING CASH FLOWS	2,990,953	2,512,207
Depreciation	20,654	23,731
Write-offs and Provisions on Assets	579,644	15,691
Adjustment of Technical Reserve	2,503,635	2,496,369
Provision for Income Tax	541,327	168,136
Price-Level Restatement	(654,307)	(191,720)
(INCREASE) DECREASE IN ASSETS:	(4,739,790)	(2,499,175)
Investments	38,323	90,878
Premiums receivable	(3,538,040)	(4,301,119)
Reinsurance premiums receivable	(1,304,355)	1,511,478
Other Assets	64,282	199,588
INCREASE (DECREASE) IN LIABILITIES:	(620,931)	5,917,290
Technical reserves	(314,186)	5,141,947
Borrowings from financial institutions	-	-
Debts with brokers	(566,529)	(718,867)
Other liabilities	259,784	1,494,210
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	(321,854)	6,672,684

Jorge Díaz Gandara
Accounting Manager

Marcelo Rozas Etcharren
Financial Control Manager

Nicolás Gellona Amunategui
General Manager
Legal Representative



CONTENT PRODUCTION
Nexos Comunicaciones

ART DIRECTION AND DESIGN
InterfazDiseño

PHOTOGRAPHY
Cristóbal Marambio

PRINTING
Ograma



COMPANY INFORMATION

Name:	Consortio Financiero S.A.
Type of company:	Closely Held Corporation
Main activities:	Insurance, Pensions, Savings, Banking and Investments
Tax I.D.:	79.619.200-3
Address:	Av. El Bosque Sur 180, Las Condes, Santiago, Chile.
Telephone:	(56-2) 230 40 00
Fax:	(56-2) 230 40 50
P.O. Box:	232, Agencia 35 Providencia, Santiago, Chile.
Web page:	www.consortio.cl
Shareholders:	Banvida S.A. 47.7% P&S S.A. 47.7% BP S.A. 4.6%

