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Consortio
Financiero
2007
Annual Report



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In a few words

Vida Futura: Flexible and Innovating Alternative

During 2007 Consorcio Seguros Vida launched a full and differentiating temporary life insurance with a flexibility that, among others, permits to decide how to assign the payment of the insured capital among beneficiaries and which additional coverage to contract in order to protect yourself and your family.

This is “Vida Futura”, a product that includes additional coverage both for the insured person who contracts the policy and for the spouse and children, who, in case of death or disability (up to two thirds of the contracting insured), may continue with the additional disability, health and oncology cover that had been contracted. This makes Vida Futura a unique product in the market.

With this new product, Consorcio is emphasizing its commitment to each client of always delivering the best alternative that fully meets all their financial needs providing safety to their assets. In this case, Consorcio is making available to its clients the best temporary life insurance existing in the Chilean market.



Our Values

In order to encourage the employees' commitment and reinforce the trust relationship between employees and customers, during 2007 the Company re-defined its mission, vision and values. The new Company values, which Consorcio hopes will help each member of the Company to continue to develop as a person and a professional, are integrity, excellence, respect, cooperation, proactivity and flexibility.

VidAhorro 100 Leader in Sales

The innovative character and attractive advantages of VidAhorro 100 turned it into the Company's insurance product that was mostly sold during 2007. Its mixture of protection and savings in the long term, through complementary life insurance and mutual funds, was an excellent alternative for our clients' requirements.

The advantage of being the first life insurance that covers up to 100 years of age and fully includes the four main worries that arise when we think of the future: health, savings, disability and death, was also very appreciated.

VidAhorro 100 has become the leader Individual Life Insurance product and has thus strengthened the Company's quality and prestige.



Benito Baranda highlighted the Consorcio's Social Program



In October 2007, Benito Baranda, Social Director of Hogar de Cristo, visited the Consorcio Building in order to personally thank the Company's employees for their monthly contribution to the “Uno + Uno” charity program driven by the aforesaid charity institution. This initiative is included in the Company's social responsibility program and, together with the sponsorship of Company's volunteers, supports some of the Hogar de Cristo playgrounds, including the “Los Patroncitos” infant school located in Santiago.

During his visit, Benito Baranda, went through the Company's facilities and shared a moment with the workers. He emphasized the importance of having more people joining programs like this every day.

The “Uno + Uno” charity campaign consists of a contribution made by the workers which is doubled by the Company. It also promotes a more fraternal environment inside the organization, by encouraging other people to join this positive experience.

Consorcio Seguros Vida: Number 1 in equity and assets

Consorcio Seguros Vida has seen a sustained growth in the last years that positioned it in 2007 as the first company within the Chilean insurance industry in terms of equity and assets. This important achievement once again strengthened the Company's position as the largest insurance group in the market, which manages almost US\$ 5,000 million in assets and generates profits in the amount of CLP 47,025 million.

“TU Compañía” A Successful Campaign

An attractive and differentiating corporate publicity campaign was launched by the company in July. It aimed at highlighting the values of proximity, modernization and joy conveyed by the Consorcio trademark. The slogan “Consorcio, TU Compañía” clearly showed that the Company's commitment is to deliver each person an alternative that fully satisfies his/her financial needs, acknowledging each one's individual desire and wish. The campaign appeared in radio and television broadcasts and written media, and was very well accepted by the public.



Excellent Results in Vehicle Insurance



The Company's Car and Vehicle Insurance line closed the year with outstanding sales, increasing 32.2% as compared to the previous fiscal year. This important rise was mainly due to the adequate task performed by the different distribution networks of the Company, which manage all aspects involved in this business to answer to the clients' concerns and deliver an excellent service.

No. 1 in Life Insurance and Annuities

A very good business performance and a strategy focused on the clients were the two fundamental aspects permitting Consorcio to consolidate in 2007 as leader in the business of annuities and individual life insurance, reaching significant market shares: 15.8% and 13.2%, respectively.

These corporate achievements are also due to the sound Consorcio trademark which is associated to a full product array, with competitive prices and supported by an excellent quality of service.

A Strengthened Network of Service

During 2007 the Company inaugurated two new offices in Copiapo and Rancagua in order to extend its national coverage. Additionally, the Talca and Iquique offices were refurbished by adding new service modules to serve the clients more comfortably and rapidly. With these initiatives, Consorcio is trying to deliver an excellent service through its 25 branches throughout the country.



Letter from the Chairman

I am very pleased to submit to you the Annual Report of Consorcio Financiero for the fiscal year 2007. With great satisfaction, I can inform you that the positive results obtained during the period, as well as the success reached in the different business lines, have contributed to consolidate our leading position in the industry.

Within a highly competitive scenario, Consorcio could experience a strong growth of its activities during 2007, positioning itself as number

in the country and the largest insurance group in the market.

Consequently, at the end of 2007, Consorcio Financiero's profits amounted to CLP 85,262 million, which meant a 4.28% growth in relation to the previous fiscal period. With this growth, the Company's total equity reached CLP 458,102 million, while the total assets managed by the Company exceeded 6,000 million dollars. Within this context, the profits of the subsidiary Consorcio Seguros Vida reached a total of CLP 47,025 million. Consorcio Seguros Generales, in turn, reached earnings in the amount of CLP 228 million, whereas CN Life Vida and Consorcio Corredores de Bolsa also had outstanding results, with profits amounting to CLP 8,333 million and CLP 5,656 million, respectively. These important developments in the different business areas account for the financial strength of Consorcio that permits it to meet the clients' needs in terms of insurance, savings, credits and investments.

Within the relevant businesses developed during 2007, the sale by Consorcio Financiero of 27.18% of its shareholding in the Utility Company of Valparaíso –ESVAL– can certainly be highlighted as a significant contribution to the success reached during the fiscal year. It was sold to Ontario Teacher's Pension Plan Board of Canada, one of the largest financial entities in said country. The transaction was executed through a Public Offer of Shares by the Canadian company, and resulted in a high revaluation of the utility company, equal to CLP 750 million.

The contribution to Esval's development during the last four years by adding value to its shareholders and clients has been a matter of great satisfaction for Consorcio as it helped consolidate the company as one of the main utilities in Chile. For this reason, I take this opportunity to thank the employees and shareholders who were key elements of its successful development.

Internally, during 2007, and within a framework of mutual respect and communication, the collective bargaining process between the subsidiary Consorcio Seguros Vida and its employees finished with the execution of a new agreement that considered several measures for the

The human and professional commitment assumed by the more than 2,100 employees making up the Company's team, have been essential to position the Company as one of the main holding of financial services in the country.

one in sales of the main products in the Chilean insurance market: annuities and individual life insurance. Thus, at the end of the year, it reached a 13.2% share in the Individual Life Insurance Market and 15.8% share in Annuities.

These important achievements once again showed that the Company's strategy of covering the multiple financial needs of its clients, as well as the human and professional commitment assumed by the more than 2,100 employees making up the Company's team, have been essential to position the Company as one of the main holding of financial services

Juan Bilbao Hormaeche
Chairman of Consorcio Financiero



benefit of all our workers. This agreement accounted for the positive work environment that has characterized the Company over the years and showed the strong sense of unity existing in Consorcio, which is even more remarkable in the national context marked by a complex labor and social environment at the time.

Our concern for the people reached beyond the Company and aimed also at providing support to the community. Thus, we reinforced our commitment with school education through the construction of new facilities for the Monte Olivo School in Puente Alto, which is managed by the Consorcio Foundation. The new facilities will permit to deliver full school education years under the best conditions to approximately 800 deprived children. In 2008 an important milestone will be added to this progress in infrastructure: the inclusion of secondary humanist-scientific education. This major step will benefit more than 1,000 students with full school education that can lead them to a higher educational level. It also evidences the importance given by Consorcio to this educational project and consolidates the commitment assumed by the Foundation in 2002, when the Monte Olivo School was created. Since then the Company has been interested and constantly worried for the delivery of a high education level. Such a strong bond has permitted the school to reach a remarkable success in the students' development and training through the provision of an excellent intellectual, cultural, technical and religious education that also contributes to the students' social and ethical growth.

Another important relevant activity conducted in 2007 was the launch of an innovative and attractive publicity campaign focused in the commitment to clients in the different business areas. "Consorcio, TU Compañía" (Consorcio, YOUR Company) emphasizes the delivery to each person of the best available alternative to fully satisfy any financial requirement, based on a message that conveys three relevant aspects: proximity, joy and modernity.

Centered on the clients and always trying to be in the lead to cover

their needs and requirements, Consorcio has continued to innovate in products and services. For this purpose, during 2007, an important focus was placed on the development of multiple distribution networks. Consequently, our sales positively changed through networks, such as Internet and offices showing significant sales, as well as through the channel of stockbrokers and mass insurance, which also evolved in a positive way. The Consorcio's extended network of 25 branches covering from Arica to Punta Arenas and customer service centers, including a specialized team for the delivery of telephonic assistance, have been essential to attain these achievements.

During 2008 we will enhance the Company's strategy of making the Consorcio trademark a closer, more modern and more cheerful idea. We will continue to reinforce the full supply of products according to the clients' needs, an excellent quality of service, a favorable business management centered on the development of distribution networks, an efficient investment policy and a successful risk management.

Added to the above, we will continue to progress in the search of new growth opportunities, by taking advantage of our financial strength and key capacity to create new businesses based on the knowledge and talent of our employees. This is an important challenge and we are certain that the sense of unity, innovation and leadership that characterizes all those who are a part of our Company will be conclusive of our success.



Corporate Name	Consortio Financiero S.A.
Type of Company	Closed Corporation
Main Activities	Insurance, savings, credits and investments
Tax ID Number	79.619.200-3
Legal 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
Ownership	Banvida S.A. 47,7% P&S S.A. 47,7% BP S.A. 4,6%

[VISION]

To be a leader in the insurance industry and a relevant player in savings and credits, generating adequate profitability in all business lines.

THE COMPANY

We are an entity that offers a variety of excellent financial services leading our clients to meet their needs in terms of family prosperity and safe assets.

We create value for our shareholders by building trust relationships with whomever we interact and performing our role of good corporate citizens.

To the people working in our organization we offer suitable conditions to develop all their potentialities within a challenging work environment based on respect for the values we profess.

[MISSION]

BOARD OF DIRECTORS



JUAN BILBAO HORMAECHE

Chairman

*Business Administration Graduate,
Universidad Católica de Chile.*

*Master of Business Administration,
University of Chicago.*

JUAN HURTADO VICUÑA

Director

*Civil Engineer,
Universidad de Chile.*

HERNÁN BÜCHI BUĆ

Director

*Civil Engineer in Mining,
Universidad de Chile.*

*MSc Economics,
Columbia University, U.S.A.*



**JUAN JOSÉ
MAC-AULIFFE GRANELLO**

Director

*Business Administration Graduate,
Universidad Católica de Chile.*

EDUARDO FERNÁNDEZ LEÓN

Director

*Business Administration Graduate,
Universidad Católica de Chile.*

JOSÉ ANTONIO GARCÉS SILVA

Director

Businessman.

CARLOS LARRAÍN PEÑA

Director

*Attorney, Universidad
Católica de Chile.*

*Degree in Law and Economics in
Insurance, Catholic University of
Louvain, Belgium.*



MANAGEMENT



1. PATRICIO PARODI GIL
General Manager

› Business Administration Graduate,
Universidad Católica de Chile.
› Master of Business Administration,
Harvard University, U.S.A.

7. FRANCISCO JAVIER GOÑI ESPÍLDORA
Chief Auditor

› Industrial Engineer, Universidad de Chile.

2. NICOLÁS GELLONA AMUNÁTEGUI
General Manager
Insurance Companies

› Business Administration Graduate,
Universidad Católica de Chile.
› Master of Business Administration,
University of Chicago, U.S.A.

8. FRANCISCO JAVIER GARCÍA HOLTZ
Commercial Manager

› Business Administration Graduate,
Universidad Diego Portales.

3. PEDRO FELIPE IÑIGUEZ DUCCI
Chief Counsel

› Attorney, Universidad Católica de Chile.
› Master's Degree in International Banking and
Financial Law, Boston University.
› Tax Management and Direction Graduate,
Universidad Adolfo Ibáñez.

9. CHRISTIAN UNGER VERGARA
Technical Manager

› Industrial Engineer, Universidad de Chile.



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4. MARCELO ROZAS ETCHARREN
Financial Control Manager

› Business Administration Graduate,
Universidad Católica de Chile.

10. HERMANN TISI URBINA
Manager Information Technology
and Operations

› Industrial Engineer,
Universidad Católica de Chile.

5. LUIS EDUARDO SALAS NEGRONI
Human Resources Manager

› Psychologist, Universidad Diego Portales.
› Certified in the U.K. and in the U.S.A.

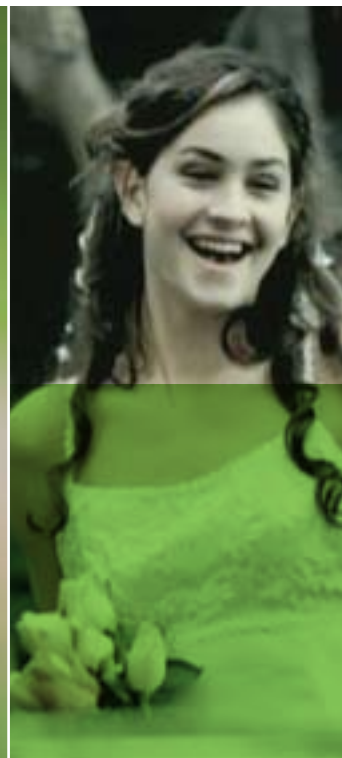
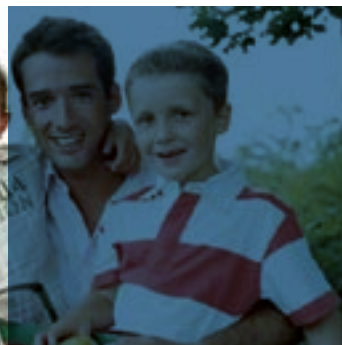
11. JOSÉ MIGUEL URETA CARDOEN
Finance Manager

› Industrial Engineer,
Universidad Católica de Chile.
› Master of Business Administration,
Harvard University (U.S.A.)

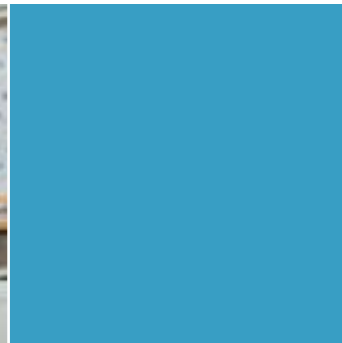
6. FRANCISCO IGNACIO OSSA GUZMÁN
Credit Business Manager

› Business Administration Graduate,
Universidad de los Andes.
› Master of Business Administration,
INSEAD (France).





CONSORCIO FINANCIERO



FROM COMPAÑÍA NACIONAL DE SEGUROS LA INDUSTRIAL
TO CONSORCIO FINANCIERO

Tradition, Growth and Innovation

The Company was created in 1916 and its history is marked by a permanent growth, constant innovation in products and services and an excellent customer service with important contributions to the community.

91 YEARS AGO, a group of businessmen and industrialists who were members of the Sociedad de Fomento Fabril (SOFOFA) – the Association of Industrial Development – and the Industrial Chamber of Chile, founded the Compañía Nacional de Seguros la Industrial, located in the center of Santiago, with the principal business objective to cover the needs for protection required during the incipient process of industrialization of our country.

One year later, in 1917, the Company moved offices to Bandera 210, established new branches and began to offer business interruption insurance policies that were very demanded given the number of strikes that took place between the years 1900 and 1920.

When La Industrial was four years old, its business success permitted it to enlarge its offices on Calle Bandera from number 202 to number 210. The expansion process continued and in 1945 the Company consolidated its presence at national level, with 54 authorized brokers.

The expansion of its network of coverage was driven by an increase in the supply of products and services. Thus, in

1947 La Industrial began to sell life insurance policies with so much success that already in 1954 the capital of the Company had risen from CLP 5 to CLP 22 million.

During 1973, the Company decided to change its corporate name to Compañía de Seguros de Vida La Industrial S.A. and focused on the area of life insurance, being the pioneer in the introduction of an adjustable unit for these products. Again two years later it changed its name to Compañía de Seguros de Vida Consorcio Nacional S.A.

SOUND FINANCIAL CONGLOMERATE

In 1986, foreign capital assumed control of the Company when 96.21% of its shares were transferred to Bankers Trust Company, through BT Pacific Limited and Co. Based on its business success and growth, in 1987 Consorcio decided to create the Fundación Consorcio Nacional Vida, a foundation aimed at helping the most necessitated people in the country.

Furthermore, in order to contribute to the development and modernization of the city of Santiago, Consorcio completed



the construction of its Corporate Building in 1993. Designed by the well-known Chilean architects, Borja Huidobro and Enrique Browne, the Consorcio Building stands out for its round facade and vertical vegetation. Located in the heart of the Las Condes municipal commune, the 26,782-m2 building rapidly became an actual architectural landmark of Santiago.

In 1998, the Hurtado Vicuña and Fernandez León families acquired the shares held by Bankers Trust Company in the company and Consorcio became a company with 100% local capital. From then on, the ownership of the company remained in the Hurtado Vicuña, Fernández León, Garcés Silva families together with Juan Bilbao and Patricio Parodi, who jointly created Consorcio Financiero S.A. This company rapidly began a period of expansion to become one of the most important financial conglomerates in the country and the largest insurance group in the market.

IN 1998, CONSORCIO BECAME A COMPANY WITH 100% LOCAL CAPITAL AND BEGAN AN IMPORTANT EXPANSION PERIOD THAT TURNED IT INTO A GREAT FINANCIAL CONGLOMERATE IN THE AREAS OF INSURANCE, SAVINGS AND CREDITS.

1998



IN 2006, CONSORCIO CELEBRATED 90 YEARS OF LIFE TOGETHER WITH ITS TEAM OF MORE THAN 2000 EMPLOYEES. THAT SAME YEAR IT WAS DISTINGUISHED AS SUPERBRAND DUE TO ITS MANAGEMENT OF A COMMITTED BRAND THAT HIGHLY RESPECTS THE CONSUMER.

2006

Between 1998 and 2002, the Company's growth was reflected in the acquisition of other companies and in the creation of different subsidiaries that permitted it to increase the offer to customers by adding attractive and innovative products. Consorcio Corredores de Bolsa and Consorcio Créditos Hipotecarios were established during this period. Additionally, the company acquired Cruz Blanca Seguros Generales, which today is Consorcio Seguros Generales, and Compañía de Seguros de Vida CNA, which became CN Life Vida.

In addition, in the year 2000 Consorcio entered into a strategic alliance with Compass Group NY, a financial company

with broad experience in developing markets and devoted to the provision of management and consultancy services for investors through its offices in the United States, Mexico, Peru, Argentina and Chile. This association resulted in the creation of Consorcio Administradora General de Fondos.

In 2002, the Consorcio Foundation made another important step forward by inaugurating the Monte Olivo School of Puente Alto, which delivers free and comprehensive education to over 800 poor children of that commune. As one of the most important actions carried out by the company to the benefit of the community, this initiative permitted it to reinforce its role as a responsible citizen. It also led the Consorcio Foundation



To strengthen its proximity to clients, in 2007, Consorcio began to sell insurance policies through Internet for products, such as Vehicle Insurance and Travel Insurance.

to receive the distinction of “Good Corporate Citizen”, which was awarded for the first time in 2003 by the American-Chilean Chamber of Commerce (Amcham).

During all these years, the Company continued to develop its full supply of products with the purpose of meeting all the needs of its clients. Thus, in 2002, it began to trade Voluntary Pension Savings Plans (APV), assuming a leading position in the sale of this product within the local insurance industry.

Consortio’s innovative effort had another achievement in 2003, when it launched the on-line Consorcio Corredores de Bolsa, a pioneer company in mutual fund and stock transactions over the Web.

In 2005, Consorcio was also the first insurance company to offer consumer credits to pensioners, which were followed by loans to external clients. The Company was also pioneer in the issuance of an open credit card, supervised by the Superintendency of Banks and Financial Institutions (SBIF): the Consorcio Visa Credit Card. In 2006, Consorcio once again proved the value of its history and innovative spirit when, together with its more than 2,000 employees, it celebrated 90 years of existence.

During the same year, Consorcio was distinguished as

Superbrand by the Superbrand International Organization, an entity directed at acknowledging companies that show a committed trademark management and high respect for the consumer. At the same time, the Company became the first entity that offered a new product that fully covers health, saving, disability and death up to 100 years of age. It is VidAhorro 100, a product that amazed the market by combining protection and savings in the long run through complementary insurances, life insurance and savings in mutual funds.

Over the past years, Consorcio has continued to consolidate the transition initiated in 1999, when the Board of Directors of the Company decided to become a financial business conglomerate which today groups together the three pillars of business: Insurance, Savings and Credits. This is thanks to the development of the most complete supply of products in the line of Individual Life Insurance, Annuities, Vehicle Insurance, Real Estate Insurance and Physical Goods, Insurance with Savings Plans, Voluntary Pension Savings Plans, Mutual Funds, Stock Brokers, Collective Insurance, Mortgage Loans, Consumer Loans and Consorcio Visa Credit Card.



2,100

A TOTAL OF 2,100 PEOPLE DISTRIBUTED THROUGHOUT CHILE FORM PART OF CONSORCIO'S WELL-ESTABLISHED TEAM.

[HUMAN RESOURCES]

A team with firm strengths

During 2007, Consorcio worked to update its corporate values in order to lead the organization towards a strategy focused on results and achievements, enhancing in this way the constant commitment of its workers to the Company. At the same time, it implemented different activities aimed at reinforcing their working abilities and quality of life.

A TOTAL OF 2,100 PERSONS perform today the staff of Consorcio throughout the country. 35% of these people are distributed in regions and 65% are located in Santiago. The Company's staff is 67% female and 33% male. All of them use their best capacities and efforts day by day to continue to grow and deliver an excellent service and a full array of products to all clients.

In order to strengthen the commitment, human quality and trust relationships among the different work teams, in 2007 the Company worked in the restatement of the corporate values, which resulted in a work environment that permits every member of the Company to develop all his/her personal and professional potential.

The new values of Consorcio Financiero are:

- › **Integrity:** ethical behavior standards.
- › **Excellence:** effective and efficient results.
- › **Respect:** equal consideration and deference to all persons.
- › **Cooperation:** contribution to the achievement of common goals.
- › **Proactivity:** acts based on a view of the future.
- › **Flexibility:** open attitude to new ideas, procedures and practices that help us adapt to the changes and new challenges that surrounds us and offer innovative proposals.



THE SURVEY ON ORGANIZATIONAL ENVIRONMENT HAD AN EXCELLENT PARTICIPATION AND DELIVERED FAVORABLE RESULTS.

FAVORABLE INTERNAL COLLABORATION ENVIRONMENT

A survey was conducted in April 2007 to evaluate the organizational environment with an excellent participation of 76% of Consorcio's employees. The results showed an interesting progress in aspects related to acknowledgement, collaboration and service between units, development and training, and communication inside the company. The survey divided the action plans in three groups: management styles, employment conditions and interpersonal relationships.

COLLECTIVE AGREEMENT: EXAMPLE OF UNITY

In July the Company underwent a collective agreement process with the Union of Workers of Compañía de Seguros Vida. After a period of discussions, a positive collective agreement was signed on August 1st for 4 years.

This important achievement reinforced the constructive work relationship that has characterized Consorcio for more

than 20 years, as is evidenced in collective agreements that are successfully concluded, with a view that considers both the employees' welfare and the future of the company with its different business areas. The new collective agreement accounts for the spirit of unity and transparency prevailing in the Company as well as the permanent will to reach agreements.

FOR A BETTER QUALITY OF LIFE

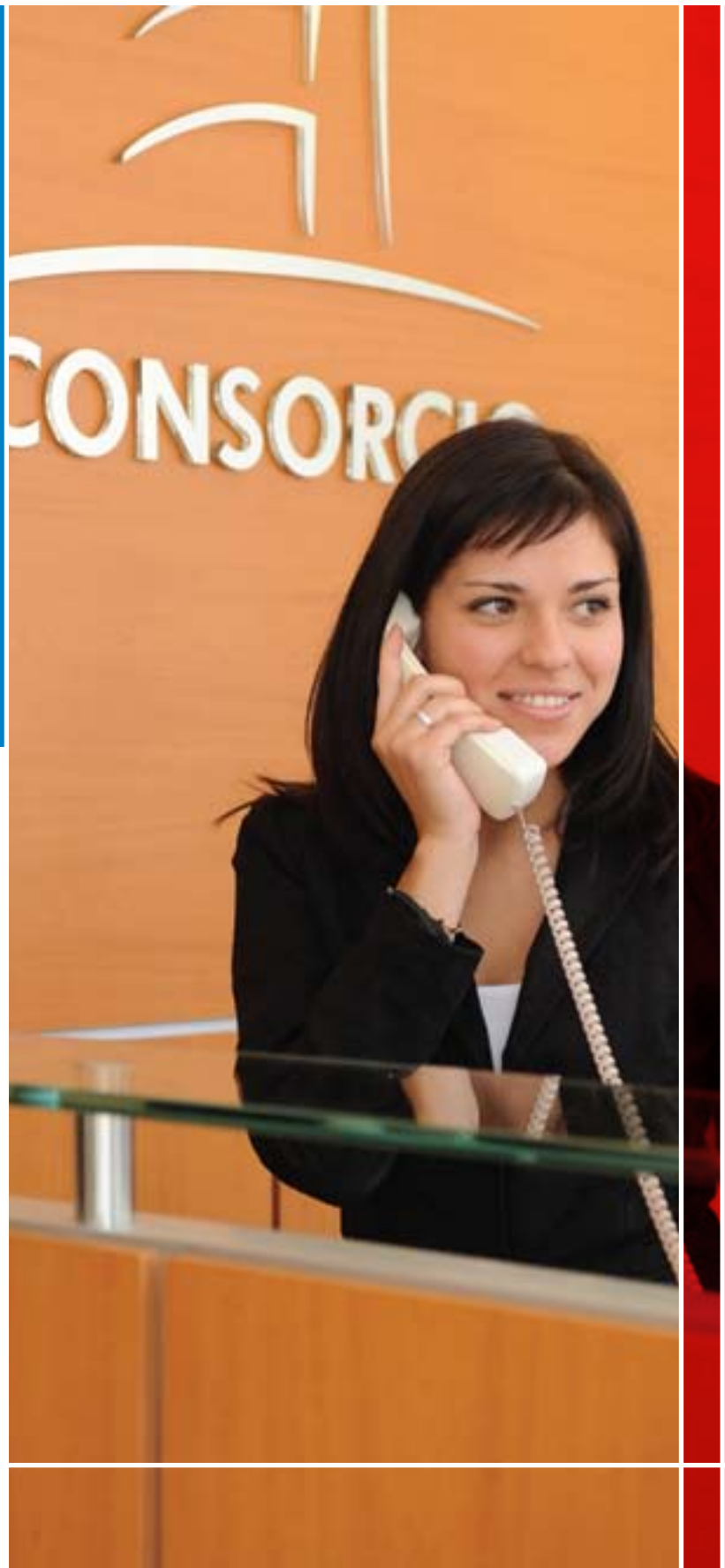
During 2007, Consorcio developed a series of initiatives to encourage and create instances shared by the employees and their families. Among them, the workshops for children during summer and winter holidays are worth mentioning, same as the talks on personal development, and participation on important occasions, such as Children's day, Father's day or Mother's day. Bearing in mind the quality of life of all workers, the Company also implemented different activities leading to promote health and an active lifestyle. Within this

The Company organized different activities to promote health and active life. Preventive medical examinations were conducted as well as courses on feeding habits and healthy life.

context, preventive medical examinations took place, together with courses on feeding habits and healthy life, as well as actions to prevent stress, such as chair massage, office gym, yoga workshops, Pilates and fun dancing.

At the same time, the Company implemented internal initiatives to enhance integration between teams, among which the acknowledgement of years of work in the company and recreational activities to encourage integration between the different areas, such as bowling championships and sport competitions, are worth of note.

Employees also received psychological, legal and financial aid through actions, such as credit evaluation for those who required it. Consorcio also added its support to the internal charity campaigns organized during the year.





In 2007, the administrative staff participated in a total of 19,104 training hours, while sales executives received 43,933 training hours and sales managers took part in 76,786 training hours.

TRAINING AND DEVELOPMENT

In 2007 Consorcio began to put into practice an exclusive training and development strategy. Thus, the Company today has exclusively dedicated coaches who conduct and take part in the development of programs. As they are members of the Company, they are in permanent contact with experts in each topic and can detect the different needs in each business area. An example of this is the development of a Training Program for Sales Executives aimed at delivering a comprehensive knowledge on the business, sale abilities and financial advices as well as corporate competences in terms of personal image and commitment with goals.

Along these lines, the Company completed the design of a training program for high positions to provide the tools required to lead work teams. Under the slogan “The value of YOUR leadership”, this initiative consists of courses, self-study contents and coaching, among other activities.

SAFE WORK ENVIRONMENT

Safety for employees and security for the financial information handled by Consorcio were two aspects that were emphasized during 2007. For this purpose, the Company provided training on the importance of being healthy and safe, which was delivered by the Risk Management Area and the Institution of Mutual Safety. Thanks to this joint effort, the rate of work accidents dropped from 29% in 2006 to 18% in 2007.

On the other hand, a training program was developed –through the E-learning system– on prevention of asset laundering. A total of 545 people of different Consorcio areas had the opportunity to learn on the processes used to legitimate illegal funds. Those attending the program received tools to manage and administrate confusing situations that may be dangerous for the safety of shareholders, clients and employees.



120

IN SEPTEMBER 2007, 120 OUTSTANDING PROFESSIONALS OF THE COMPANY, INCLUDING SALES EXECUTIVES AND ADMINISTRATIVE STAFF, RECEIVED A PRIZE CONSISTING IN A TRIP TO PARAISO BEACH, CANCUN, MEXICO, IN ACKNOWLEDGEMENT OF THEIR GOOD PERFORMANCE DURING THE YEAR.

[CONTRIBUTION TO THE COMMUNITY]

Committed and Responsible Citizen

The Company's main contribution to the community takes place through Fundación Consorcio which currently provides excellent education to approximately 800 poor children in the Monte Olivo School in Puente Alto.



IN AN ATTEMPT TO share the corporate success with the community, Consorcio has developed a series of initiatives leading to strengthen its role as responsible corporate citizen. One of its main activities is the work developed by the Consorcio Foundation since 1987 in order to contribute to care for unprotected children and old people through different initiatives in the areas of health, education and culture.

At present, the Foundation mainly works in the area of school education. Its principal project in this area is the Monte Olivo School of Puente Alto, which since 2002 is delivering high quality and comprehensive school education to more than 800 children who are vulnerable to social risk.

The school preferably benefits children from families of Villa Ferroviaria, the housing areas Volcán I and Volcan II, and the Monseñor Carlos Oviedo settlement, located in the commune of Puente Alto. At a first stage, the school had a surface area of 3,194 m² of buildings which included –in addition to the basic infrastructure- a dining room, a roofed multi-purpose sports facility, a library, a computer room, a music room and a chapel open to the community.

In 2005, the Consorcio Foundation inaugurated the second construction stage of the Monte Olivo School in Puente Alto, which resulted in an increase of the constructed surface area to 4,280 m². Construction of the third stage of the school



IN MARCH 2008, THE MONTE OLIVO SCHOOL IN PUENTE ALTO, WHICH IS SUPPORTED BY THE CONSORCIO FOUNDATION, WILL ADD THE HUMANIST-SCIENTIFIC SECONDARY EDUCATION TO PROVIDE THE STUDENTS WITH MORE AND BETTER TOOLS FOR THEIR FUTURE.

was completed in 2007 to finally provide the students with 13.442 m² of land and 6.635 m² of facilities, representing 100% growth since the start of this school.

The new infrastructure of Monte Olivo de Puente Alto school will permit the school to increase the years of education for the children, by including from March 2008 the scientific-humanist secondary education, and will thus strengthen their knowledge of language, English, mathematics, and computing. It will also provide the students with basic technical abilities as an additional asset to help them continue with higher studies or begin a working career. With all this, the commitment assumed by the Consorcio Foundation with education became consolidated.

Together with this important milestone, the Company— as usual— developed a series of activities with the students of the Monte Olivo School who shared with Consorcio emplo-

yees and their families. Together they celebrated Easter, the beginning of the school year, the Children's day, National Holidays and Christmas, plus the award of an Academic Excellence prize granted to the students with the best final grade average.

AN OPENHANDED TEAM

Since the year 2000, Consorcio has a "Uno + Uno" Campaign consisting of a voluntary contribution by the workers made through a monthly payroll discount. The Company pays an amount equal to the total sum amount collected by the employees, so that each individual contribution is doubled. These contributions are devoted to several charity institutions, amongst which the employees specially help the Monte Olivo School through the Consorcio Foundation and the Hogar de Cristo infant schools.



IN 2007, THE COMPANY SUPPORTED THE INITIATIVE CALLED “TRANSPARENT CHILE” IN THE DEVELOPMENT OF THE PROJECT “VALUES AND CITIZENSHIP SCHOOL TRAINING”, WHICH FOSTERS THE CREATION OF CITIZENSHIP VALUES IN CHILDREN FROM 6 TO 14 YEARS OF AGE.

A Corporate Volunteer group was organized in 2006 with the participation of employees, who are motivated to give part of their time to support the community. In this way, a valuable link has been created in order to promote a more helpful climate inside the Company, where employees jointly participate in an experience that is positive for them and beneficial for the community.

In 2007 the group of volunteers grew significantly, with 50 partakers from Santiago and 20 from regions. During the year, the volunteers shared with children of the Monte Olivo School and the network of Hogar de Cristo infant schools in Santiago, Antofagasta, Concepcion, Temuco and Puerto Montt. Through different activities and encounters, they gave love and joy to the children. An example of this was the decoration of a wall in the playground “Los Patroncitos”

located in Santiago, which became a great contribution to the embellishment of their facilities.

Another outstanding activity in 2007 was the visit of the Social Director of Hogar de Cristo, Benito Baranda, to Consorcio’s main offices in Santiago, Viña del Mar and Concepcion. He personally and directly thanked the employees for their monthly contribution through the “Uno + Uno” Campaign and for the volunteers’ work.

SAFE HEALTH

For third consecutive year, in 2007 Consorcio worked side by side with the Association for Aid to Severely Burned Children –Coaniquem– through the sale of Obligatory Personal Accident Insurance policies (SOAP). This task is inserted within the commitment acquired by the Company with the charity

Within the framework of its Corporate Social Responsibility program, in 2007 Consorcio replaced the traditional Christmas cards by e-cards. The savings achieved were donated to the Complementa Foundation, an institution that manages an educational project for people with Down syndrome and their families.



institution to deliver a contribution in cash for each SOAP policy sold by the Company or through its sales agents.

This contribution helps financing the care provided at the Coaniquem's rehabilitation centers located in Santiago, Antofagasta and Puerto Montt to 100 thousand children with burn injuries every year.

ENCOURAGING VALUES

During the year 2007, the Company supported the initiative called "Transparent Chile" within the purview of the Chilean Chapter of International Transparency, by developing the project "Training Values and Citizenship in the School". The intention behind this initiative is to establish citizenship values in school children from 1st to 8th preparatory grades, i.e. from 6 to 14 years of age, in municipal and private subsidized schools. Consorcio supports this project with the final purpose of having a relevant impact in the development of ethical and responsible citizens





Mira cómo cambian las cosas cuando pones un TU
Mira cómo cambian las cosas cuando pones un TU
Mira cómo cambian las cosas cuando pones un TU

TU SEGURO,

Seguros de Vida
Seguros Generales
Rentas Vitalicias
Seguros Colectivos

TU AHORRO,

APV
Fondos Mutuos
Seguros con Ahorro
Corredores de Bolsa

TU CREDITO

Créditos de Consumo
Créditos Hipotecarios
Tarjeta Consorcio Visa



[THE VALUE OF A BRAND]

Conсорcio, TU Compañía

A close and reliable brand name that accompanies and protects people in each stage of their life. This has been Consorcio's characteristic in its 91 years of history that consolidated in 2007 through an important publicity campaign.

FROM ITS FOUNDATION, in 1916, Consorcio has stood out for its constant innovation through the development of new products and services that have led it to reach several markets, delivering people and their families the answers and solutions they need to peacefully go through the different stages of life.

This target has become an important part of the Company's strength, and added to the excellent results obtained every year, has turned Consorcio into a well-known and acknowledged brand. In 2006, it was one of the first trademarks distinguished in Chile as Superbrand by the Superbrand International Organization, an acknowledgement of Consorcio's consistency in its publicity and communication strategy implying the delivery of a service that is recognized by consumers while making a difference with regard to competitors.

Consorcio is also a close and modern brand that communicates with the client with affection, fulfilling the many needs of each person and their families. This view has permitted the Company to gain respect and trust from its more than 250,000 customers, and has positioned it amongst the most valued brands in the local insurance market.





The “TU Compañía” campaign has improved the perception of proximity and modernity, reaching the highest level of remembrance in the last years.



THE “TU” CAMPAIGN

During 2007 and in order to consolidate its position and attributes, the Company launched in July an attractive and new publicity campaign that had excellent results.

The slogan “Consortio, TU Compañía” emphasized the personal commitment existing with each client in the areas of insurance, savings and credits. Additionally, through the concept “How things change when its about YOU”, the Company specially highlighted its purpose of looking after its customers’ interests and belongings. By privileging a simple, close and joyful communication, this campaign, succeeded in reaching more different audiences and showing Consortio as a young firm that reaches all sectors regardless of their rank, socioeconomic level or age. In this way, the focus was placed on the goal of having more users knowing and trusting Consortio. The campaign was present in radio, TV and the written press and had an excellent welcome by the public. According to the results of its brand survey, the remembrance



BY PRIVILEGING A SIMPLE, RELAXED AND CHEERFUL COMMUNICATION, MOST DIFFERENT AUDIENCES WERE REACHED BY THIS CAMPAIGN WHICH SHOWED CONSORCIO AS A YOUNG COMPANY THAT REACHES ALL SECTORS REGARDLESS OF THEIR RANK, SOCIOECONOMIC LEVEL OR AGE.



levels were positively influenced and differed from others within the insurance industry.

During 2007 Consorcio became consolidated in the market and improved its results in the Brand Performance Indicators, where it was number one in the association of attributes considered relevant by customers. The campaign “TU Compañía”, in turn, has improved the perception of proximity and modernity, reaching the highest level of remembrance and impact during the last years.

Similarly, the campaign could communicate highly relevant aspects to those selecting an insurance company and could significantly increase the indicator of “intention to try” by

potential clients, thus improving results in terms of loyalty and recommendation in current Consorcio’s customers. The message succeeded in conveying and fixing attributes centered in the care for the customer, an element that is directly related to the perception of proximity. This is added to a greater awareness of the different product lines offered by the Company, having a clearer image of the Company and consolidating it as one of the three most important companies in the Chilean insurance market.



[PRESENCE THROUGHOUT CHILE]

A strong and close distribution network

Consortio has a wide network of 25 branches and customer service centers from Arica to Punta Arenas. The construction of modern buildings that are a real architectural contribution to each city has characterized this growing process.

› Rancagua



CONSORCIO'S ARCHITECTURAL CONTRIBUTION TO THE CITIES WHERE IT WORKS THROUGH A MODERN AND FUNCTIONAL INFRASTRUCTURE ACCOUNTS FOR THE IMPORTANCE GRANTED BY THE COMPANY TO INNOVATION AND INSERTION IN THE COMMUNITY WITHIN ITS EXPANSION PROCESS.

CONSORCIO HAS BEEN an attesting witness of the country's progress and has accompanied its development side by side. In its 91 years of history it has sustainably increased the network of offices, its number of employees and presence throughout the national territory. Thus, the Company has successfully developed into a solid financial conglomerate, with a wide and innovative product supply for its customers.

At present, Consorcio has a wide geographic coverage through its network of 25 branches distributed throughout the country. In each of these branches, the Company seeks to deliver a full and comprehensive service to all its clients. With this aim, the Company refurbishes its offices every year and inaugurates new facilities, making it easier for customers to have access to the different products and financial services.

Within this framework, during 2007, Consorcio renovated its offices in Talca and Iquique providing them with new service modules to assist the clients more comfortably and quickly. Modern work spaces were also implemented for those who work in both cities. At the same time, Consorcio inaugurated new offices in Rancagua, enhancing his presence in Region VI. The facilities shelter near 50 employees in more than 400 m2 and facilitate access for the people of the area to all of the financial services offered by the Company.

THE CONSORCIO IMAGE

The architectural contribution of Consorcio to the cities where it operates through a modern and functional infrastructure accounts for the importance the Company assigns to innovation and insertion in the community in its growing process. Without a doubt, the best example is the Consorcio Corporate Building located in the center of the Las Condes commune, in the city of Santiago.

In the traditional district of El Golf, the well-known Chilean architects: Enrique Browne and Borja Huidobro built the Consorcio Building, which the experts consider as one of the main architectural landmarks in the capital city.

Since its construction, in the year 1993, the Building has been highlighted in more than 57 national and international architecture and design magazines, and has received 7 distinctions in Chile and Spain. Among the latter are the first Prize in the 10th Biennial Exhibit of Architecture in Chile in 1995 and the position of finalist for the Mies Van Der Rohe Prize granted in Spain in 1998.

Additionally, in 2006 the newspaper El Mercurio chose it as "6th Best Building in All Times in Santiago" and was





› Viña del Mar

SINCE ITS CONSTRUCTION IN 1993, THE CORPORATE BUILDING HAS BEEN ACKNOWLEDGED IN MORE THAN 57 NATIONAL AND INTERNATIONAL ARCHITECTURAL AND DESIGN MAGAZINES.

acknowledged as one of the 50 Architectural Landmarks of the Santiago Heritage by the Organization of Architects of Chile and the Futuro Foundation.

The figure formed at the crossing of El Bosque and Callao streets gave way to the design of the Consorcio Building, where its round facade stands out and its vertical vegetation permits to proportionate and enlighten the construction. Meanwhile, the corners facing the El Bosque Street are round so that the Building can be seen from the distance by those who travel on that avenue and around the Tobaraba hub.

One of the main characteristics of this Building has been its landscaping in charge of the well-known professional Juan Grimm. As this building is located on the El Bosque Street, its planning was based precisely on the idea of a forest with abundant vegetation to welcome people to this area. Consequently, its facade has three vegetation levels in the intermediate floors, with jardinières covering the windows and protecting them from the sun during the summer while providing a natural heating during the winter. More than 600 persons work today in this 26,782 square-meter building.

Following its strategy of creating a real contribution in the cities where it is located, Consorcio began in 2003 to build new corporate offices in the city of Concepcion, which it inaugurated at the end of 2004. It is a modern 7-story building, designed by the prominent national architect, Enrique Brown. The Company's operations which up to that moment were conducted in 4 different branches could now be held in just one place. This office allows for the provision of optimal services to all the clients in the area with the support of the employees who work there.



› Agustinas

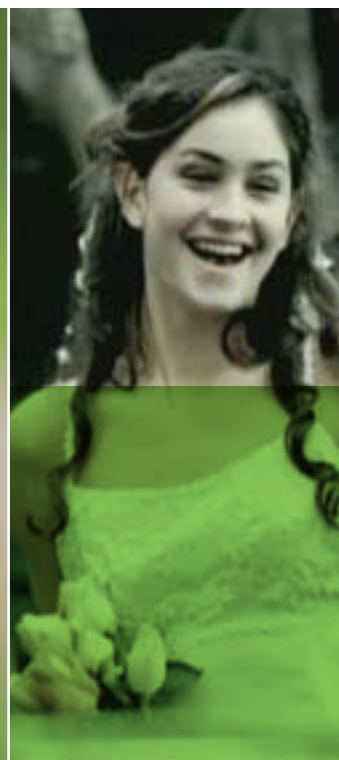


A NEW BUILDING IN THE CENTER OF SANTIAGO

In order to boost the Credit Area, during 2007 the Company fully refurbished the building located in Agustinas 1360, in the center of Santiago, to receive the entire Credit area team. The employees working in the Credit business area in Santiago were distributed in 6 floors containing the offices of Sales and Consumers, Telesales, Risk and Operations, Administration, and Training and Development. The new location also permits to improve the access of clients to the Company in order to generate new businesses. The work performed by this team is expected to become better assembled with an especially designed infrastructure which has 2,311 m² of closing rooms, meeting rooms and training rooms, among others. This building also has a 554.6-m² office for public attention.







PERFORMANCE 2007





[INSURANCE]

BUSINESS

CONSORCIO SEGUROS VIDA
CONSORCIO SEGUROS GENERALES

During 2007 the insurance industry kept the same number of players both in the area of Life Insurance and in the area of General Insurance, as opposed to previous years when both industries had had concentrations. A total of 28 active companies were counted in the life insurance industry, with the five largest companies representing 47.8% of all industry sales. In general insurance, a total of 17 active companies were registered with the five largest companies representing 56.3% of the total sales of the sector.

In terms of regulations, the Pension Reform was approved and will imply several and important impacts on the sector. A critical item is that insurance companies will be allowed for the first time to take part in the industry of Pension Fund Administration (AFP) subject to the single business line requirement. At the same time, the Collective APV was created, permitting savings made by workers to be complemented by their employers. In this way, those who receive a salary of up to 1.5 million will qualify for a bonus equal to 15% of the amount voluntarily saved by the worker. APVs also have a greater tax flexibility that gives them better development possibilities.

Another positive element brought about by the pension reform is the larger coverage for young workers and independent workers. However, the separation of the Disability and Survivor's Insurance area will have impacts on the industry that are still to be assessed.

Along these lines, the Superintendency of Securities and Insurance (SVS), together with the Superintendency of APFs, issued the new mortality tables, which will begin to be applied as of February 1, 2008. These tables will govern the situation for those pension system participants who have been declared disabled or for survivors of deceased members. The new tables will also serve as a basis for the calculation of scheduled withdrawals for those members or beneficiaries who apply for a pension. They will also be used by life insurance companies in the calculation of technical

The total premiums of the life insurance industry showed a 13% increase regarding the previous year. This was reinforced by the growth of the annuities market that represented more than 44.7% of the industry revenues.

reserves for annuities. During the last years the insurance market had gradually acknowledged people's greater life expectancy, thus prices and risks used to calculate annuities had already been adjusted to the new rates applied in the calculation of technical reserves. It is therefore expected that annuities for clients with spouses and families will undergo a slight drop, while their impact on members without dependants should be zero or very low.

RESULTS OF THE INSURANCE INDUSTRY

In 2007, the premiums on life insurance increased by 13% regarding the previous fiscal year. This percentage largely exceeded the expectations of approximately 5% due to the behavior of the annuities market, which represented over 45% of the life insurance premiums and its sales grew 19.4% regarding 2006.

The general insurance area kept positive growing trends, by increasing sales by 14.9%

The growth in annuities was related to the higher interest rates –which attracted new pensioners- and also to the adequate performance of the temporary multiple funds at the Stock Exchange, which increased people's funds enabling them to have access to an advanced pension. This was added to the

strategy implemented by some important companies, both public and private, which offered attractive retirement plans to their oldest employees.

Meanwhile, the general insurance area kept positive growing trends, by increasing sales by 14.9%. This yield was mainly due to a strong increase of the premium on Vehicle insurance that grew 15.5% regarding the previous year and the 19.5% rise of the other insurance lines.





[CONSORCIO SEGUROS VIDA]

With an excellent management, Consorcio stood out as a leading company in annuities and individual life insurances.

DURING 2007, Consorcio confirmed its leadership in the life insurance industry by keeping its position as the most important player both in individual life insurances and annuities - the two most emblematic business areas of the Company and the sector, which account for 64% of the life industry premiums. Thus in December 2007 Consorcio showed a 15.8% market share in annuities and 13.2% in individual life insurances.

The success reached in this area resulted from the strength and proximity of the Consorcio brand, related to a full supply of products according to the clients' needs, an excellent quality service, a favorable business management and an efficient investment policy together with a competent risk control.

The important business achievements reached during 2007 were also part of a successful business plan that has enhanced Consorcio's position in the industry, by focusing on the development of unique products and reinforcement of

distribution channels. This has resulted in closer relationships with brokers and an excellent service to clients through the company's various channels.

FIRM LEADERSHIP IN INDIVIDUAL LIFE INSURANCE

Consorcio closed 2007 as a leading company in the individual life insurance area, with 13.2% share market in this business segment, reaching sales of US\$ 50,656 million, which meant a 5.4% increase over the previous year. An important part of these positive results lies in the success reached by VidAhorro 100, the No. 1 product sold by the Company in the year. Launched to the market in 2006, this innovative life insurance product combines protection and savings in the long term through complementary insurances, life insurances and mutual funds. The attractive advantages of VidAhorro 100 led it to consolidate as a recognized leader in the line of flexible insurances.

13.2%

CONSORCIO WAS NUMBER ONE IN INDIVIDUAL LIFE INSURANCE, WITH 13.2% OF MARKET SHARE.

In the search for new and innovative products and services that meet the clients' needs, in mid 2007 Consorcio launched the Vida Futura temporary life insurance, a new product within the industry. It is a flexible alternative where the policy can be contracted for periods of 5, 10, 15, 20 and 25 years or up to 80 years of age. The capital insured against death varies from a minimum of UF 2,000 to a maximum of UF 45,000, and may be paid to the beneficiaries, spouse, children or others, as a one-time indemnity, as an annual or monthly income deferred over time or as a combination of both. Vida Futura includes additional coverage both for the insured contracting the policy and for the spouse and children, and, for the first time, the Company added the benefit of one month without payment or premium for every twelve months of premium effectively paid and collected.

The collective insurance for companies reached a sales level of US\$ 8,281 million. Aimed at reinforcing this business, in the next few years Consorcio will focus its strategy on extending

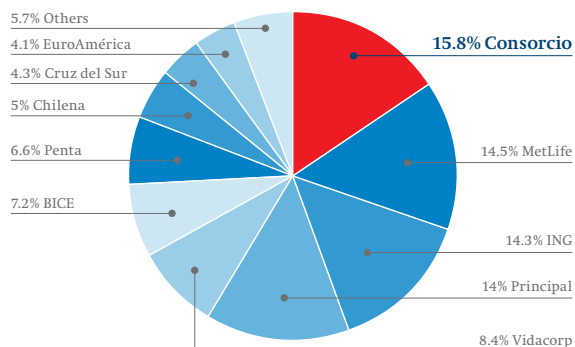
this line by developing products that are especially designed for companies and their workers.

THE BEST PERFORMANCE IN ANNUITIES

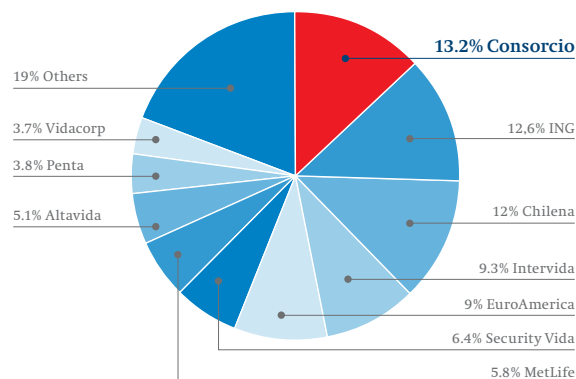
During 2007, the annuities industry reversed the drop of sales shown between 2004 and 2006, related to the conditions established by the authorities that assigned greater requirements for an early retirement. Consorcio grew by 36% in this business line during the last year, with sales that reached US\$ 144,603 million, and positioned itself as leader of this segment with a market share of 15.8%.

One of the reasons that allowed the Company to have this positive outcome was the strong efforts devoted to reinforce the channel of brokers. This was added to a competitive price and the support provided by Consorcio's financial and equity strength, aspects that are critical when choosing an annuities plan, considering that it creates a life-long relationship with the client.

Market share in Annuities



Market share in Individual Life Insurance



[CONSORCIO SEGUROS GENERALES]

Based on an efficient administration and work of the distribution channels, Consorcio closed 2007 with an increase of 46.5% in general insurance sales. The Vehicle Insurance line of business stood out.

CONSORCIO'S GENERAL insurance area experienced an important increase of 46.5% in sales. These favorable results are explained by the efficient commercial, technical and operational management and by the work performed to enhance the task developed by the Company's different traditional distribution channels, where stockbrokers and mass insurance are particularly important.

In parallel, the Company has driven other distribution channels, such as bank insurance, mass insurance, Internet, offices and telesales. The experience acquired by Consorcio in this field has resulted in greater knowledge about this business area, hence, better results.

Consorcio's long history in the insurance industry provides it with the consistent experience required by its clients. This represents a competitive advantage that has made it possible for the general insurance company to constantly increase sales in the different insurance lines: vehicles, fire, theft, civil liability and others.

Thanks to its brand strength, the efficient commercial, technical and operational management, the wide network of offices and the innovative offer of products and services, it is foreseen that the Company will continue to grow in 2008.

GREAT SUCCESS IN VEHICLE INSURANCES

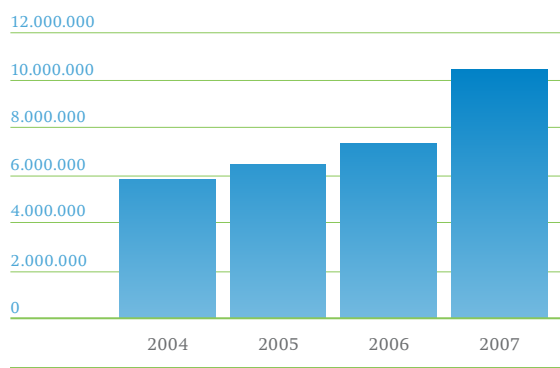
The Vehicle insurance line of business occupied a special place among the achievements reached during the year, with total sales of US\$ 10,379 million, representing an increase of 32.3% regarding the previous year. Thanks to these results, this is one of the most important business areas for Consorcio, as it represents 57% of the company's total sales. The positive results were possible partially due to the TV campaign on vehicle insurance and also the excellent task performed by the new distribution channels.

A GROWING PLAYER

The sales of policies in each line of business grew significantly: 55% in the case of fire, 81% theft, 255% engineering and 351% civil liability. The Obligatory Personal Accident Insurance (SOAP) reached sales exceeding 120 thousand policies on a national scale.

Sales from Consorcio's Vehicles Line of Business

In million dollars





46.5%

AN INCREASE OF 46.5% REGISTERED CONSORCIO'S GENERAL INSURANCE BUSINESS IN 2007.

[SAVINGS] BUSINESS

CONSORCIO ADMINISTRADORA GENERAL DE FONDOS
VOLUNTARY PENSION SAVINGS PLANS





2007 can be characterized as an unpredictable and difficult year in this area. After the high growth experienced in 2006, another expansive year was expected, with emerging markets continuing in their sustained growing cycle, while developed economies still delivered positive results. All the world economic data pointed to a safe growth.

The results of the first six-month period led to fulfill expectations. In that period, the main local stock market index, IPSA (Selected Share Price Index), showed a return on investments of 29% with an annualized economic growth of 6% in Chile. The emerging markets stock index yielded 16% during the first half of the year, while the S&P500 of the United States, yielded 6.1%. Simultaneously, the copper price had an increase of 21%. With these positive indicators, the sustained growth scenario was coming true.

The situation, however, had a sharp change at the beginning of the second semester. Due to the sophisticated financing and securitization systems developed in the last years, brokers had invested in instruments indexed to high risk mortgages in the US economy. This situation triggered a crisis that showed its first signs when some investment funds had to close and large banks suffered substantial losses resulting from their exposure to these assets. The result was a scenario with long-term losses that had not been fully quantified and caused a global reliability crisis with bank loan restrictions, despite the attempts by the monetary authorities to alleviate this scenario by injecting cash.

The global stock exchanges progressively reacted to the bad news related to



the financial system, which reflected greater probabilities that the United States economy could fall in a recession. Chile was no exception. Added to the global conditions was the local annual accrued inflation of 7.8%, very much over the expectations, and also the requirements demanded by the authorities from the Pension Scheme Managers (AFP) of reducing their exposure to variable income in order to meet their maximum limits. During the short period of November and December, the IPSA registered a loss of 11.6%.

Consequently, in a global and local uncertain environment, the IPSA closed the year with a return on investment of 13.3% while S&P500 had a profitability of 3.5%. In the local market, the period finished with lower GDP growth expectations than initially scheduled, and the inflationary trend led the Central Bank to raise the monetary policy rate, giving rise to great challenges for 2008.

In addition to the stock exchange turbulences occurred during the last months of the year, mutual funds had a record year and could manage US\$ 25 billion in assets, with one million participants. The flexibility, liquidity, professional administration and diversification continued to be the essential characteristics that made mutual funds attract an increasing portion of Chilean savings. An additional factor was the positioning campaign launched by the Mutual Fund Association in TV, which, according to data provided by Adimark, had a positive impact on the audience.

In the long-term, mutual funds should continue to have a greater participation in the savings of Chilean people, who increasingly tend to disregard the traditional investment

alternatives. By way of example, while in 2000 time deposits were 7 times the equity funds managed by mutual funds, at present the ratio is 3 times, and the gap between both savings modalities is reducing significantly. In the medium term, mutual funds may become more important than time deposits, as occurred in the beginning of the 90's in the United States.

On the other hand, the Voluntary Pension Savings Plans (APV) continued to show a growing and competitive trend, with 495,137 persons having opted for this kind of savings, which meant over 2,000 million dollars traded by APV managers.

The insurance industry kept its position in APVs, as they are a good alternative to increase pension amounts and advance the retirement age. As of December 2007, the total accrued balance of the APV industry reached US\$ 149,301 million, which

represented 13.4% of the total industry.

2008 will bring important changes to the current regulations in this area when the Collective Voluntary Pension Savings Plans will permit companies to contribute to the funds saved by their employees and the State to contribute to the APV savings made by those who have an income lower than US\$ 1.5 million, a group that, having had no access to the tax benefits provided by APVs, will become an important segment in the industry growth.

In spite of the stock exchange turbulences during the last months of 2007, the mutual fund industry had a record year managing US\$ 25 billion in assets, with one million participants.

[CONSORCIO ADMINISTRADORA GENERAL DE FONDOS]

2007 was characterized by a strong growth in the number of clients. Among the factors that influenced this achievement was the boost to distribution channels and the positive yield on mutual funds.

AT THE CLOSING OF 2007, the mutual funds managed by Consorcio S.A. Administradora General de Fondos, amounted to CLP 266,500 million (including the Money Market segment), representing an increase of 11.3% over 2006.

The 2007 net earnings of this business area grew by 172% reaching CLP 2,236 million. These favorable results are mainly explained by the variety of products offered, the profitability of funds and the important growth of the equity managed during 2007 with an expenditure structure similar to 2006.

During the same period, the number of clients rose to 8,000, which meant 50% increase regarding 2006. Such a strong expansion reacted to the reinforcement of the external distribution channels, as in the case of the Consorcio Seguros Vida sales force, where the client portfolio grew by 72% during 2007 and today represents 63% of the total Consorcio AGF clients. The foregoing is added to the APV business which has



The important achievements in terms of goals reached by the sales forces were the result of a strong training work that strengthened their knowledge on mutual funds and investments.



THANKS TO THE BOOST TO EXTERNAL DISTRIBUTION CHANNELS, CONSORCIO AGF INCREASED THE NUMBER OF CLIENTS BY 50%.

permitted the sales force of Consorcio Seguros to increase the total number of clients by 37% in 2007.

Additionally, a distribution agreement was signed in 2007 with Banco Ripley as placement agent, which soon became an important channel with its contribution of 20% of the new clients attracted in the year.

Another input came from the management of Consorcio Corredores de Bolsa with their offer of mutual funds through its website since late 2006. Thus, the On-line Stock Exchange consolidated mutual funds as investment vehicles for those clients who are used to trade shares on line only.

During 2007, Consorcio AGF's most outstanding mutual fund was "Xtra Precisión", which invests in local shares and aims at exceeding the IPSA's performance in 12- month periods. Created for qualified investors, this fund had 19.6% profitability in the year, exceeding the return on investments reached by the IPSA in the same period by over 6%.

LAUNCHING OF REGIONAL FUNDS

Consorcio Financiero Lanzamiento de Fondos Regionales shares the ownership of Consorcio AGF with Compass Group, a financial company devoted to investment management and consultancy services, and manages assets in the amount

of US\$ 7,500 million at regional level. Compass Group has large experience in emerging markets, with offices in the United States, Mexico, Peru, Argentina and Chile. This year it included Colombia.

Based on the presence of Compass Group in the region, Consorcio AGF launched five new Latin-American funds during the year, four of which invest in specific countries such as Peru, Colombia, Mexico and Brazil. Additionally, it implemented a Latin-American fund focused in the region and -as in the case of other funds- managed by professionals located in regional offices who have investment knowledge and local experience.

ENHANCING CONSORCIO AGF'S WORK TEAM

The important growth achievements reached by the sales force of Consorcio Seguros Vida were the result of better conditions and incentives and a strong training work that strengthened their knowledge on mutual funds and investments. An example of these incentives is the prize granted by the Company to outstanding executives in 2007, consisting of a trip to Bariloche, Argentina.

[VOLUNTARY PENSION SAVINGS PLANS (APV)]

As a leader in the insurance industry, Consorcio in 2007 increased its customer base and made significant improvements to deliver a closer service.



THIS YEAR CONSORCIO kept its position within the insurance industry as APV leader, an area managed by Consorcio Seguros Vida. Only preceded by four AFPs, Consorcio was number 5 in the collection ranking of companies operating in the APV business area, stockbrokers and pension scheme managers, life insurers and general mutual fund administrators.

Consorcio's leadership in APV is consistent with its strategy of providing clients with financial services that are adequate to each stage of their lives and offering them comprehensive advice through long-term relationships.

At the end of 2007, Consorcio registered a portfolio of more than 12,000 clients, which meant a 9.37% increase regarding the previous year, with a total balance in managed APV funds of CLP 44,724 million. These results have maintained the company as number one in market share and number of managed funds within the insurance industry. In order to diversify investments made with APV funds and offer greater and better alternatives to its clients, Consorcio added two new funds to the nine options already existing: the Emerging Equity fund and the Multi Renta Fixed Income fund.

A SERVICE THOUGHT FOR PEOPLE

Within its permanent concern to deliver an innovating and excellent service to customers, in 2007 Consorcio strove for developing different instruments for customers and a personalized delivery of information on its products.

With this aim the Company implemented the Business Statement that is sent to all its clients every four months together with a technical and legal explanation on APV. This new document seeks to facilitate the understanding of the information on Voluntary Pension Savings with data ordered in a simple and direct way. This is added to the remittance of a notice by e-mail to inform on the situation of the products contracted with Consorcio so as to keep the clients updated about their situation.

Similarly, the Company developed an incentive program to strengthen the quality of service and information delivered by executives to clients regarding Voluntary Pension Savings plans. In this way, the most prepared executives could retain clients and reinforce their bonds with the Company.

15%

CONSORCIO'S CLIENT PORTFOLIO OF VOLUNTARY PENSION SAVINGS PLANS GREW BY 15% IN 2007.



[LOAN] BUSINESS

CONSUMER LOANS

MORTGAGE LOANS

CONSORCIO VISA CREDIT CARD



Important changes took place in 2007 in relation to the regulations governing the provision of consumer loans by insurance companies, which will permit this business area to grow in the long term.

The retail finance industry had positive yields during 2007, which resulted in total placements of approximately US\$ 54 billion. With nearly 3 million debtors, mortgage loans concentrated 56% of the total sector placements, followed by consumer loans, with 35%, and credit cards, with 9%.

The greatest annual expansion was observed in the mortgage segment, which showed an increase of 16.2% in total placements, when US\$ 30,100 million were added. This is mainly explained by the ample supply available in this field and the excellent real estate offer conditions, apart from attractive interest rates for long-term financing.

The consumer segment, instead, significantly lowered the average growth rate displayed in the last decade—approximately 19%—by showing an increase of only 7.8% in 2007. This decrease was mainly due to the international financial prospects and the greater expectations of consumers' risks, given the high debt levels of some sectors of the population.

Approximately 65% of the total consumer loans were managed by banks and the remaining 35% were distributed between compensation funds, cooperatives, department stores and insurance companies.

Apart from positive results, the loan business registered other progresses during 2007 related to important changes to the law governing the offer of consumer loans by insurance companies, a process where Consorcio had an active participation.

The new regulation governing this business area since March 1, 2008 will permit it to grow in the long term through two fundamental aspects. The first aspect is related to consumer loan financing. Until now, borrowed funds corresponded to the free company's capital that directly depended on the shareholders. However, the new law makes it possible for the insurance sector to back up the technical reserve through loans, thus assuring growth expectations, by permitting it to largely increase loan placements through a stable and competitive financial structure.

Secondly, the regulations extended the segment and the finance products that insurance companies may provide, by adding loans for the purchase of vehicles and for commercial purposes to bodies corporate, considering among the latter companies of all sizes. Credit lines managed by persons under flexible payment terms may also be offered





CLP 22,702

DURING 2007, THE COMPANY INCREASED THE NUMBER OF CONSUMER LOANS BY 48% WITH A TOTAL OF CLP 22,702 MILLION.

[CONSUMER LOANS]



Within an industry that showed an important deceleration in consumer loans during 2007, Consorcio increased its placements in this segment by 61%.

UN DESTACADO DESEMPEÑO outstanding performance in the area of consumer loans in 2007, when it executed 21,263 transactions in a total amount of CLP 22,702 million, which implied an increase of 48% for non-adjustable placements regarding the previous year. These excellent results were inserted in a scenario where the life insurance industry had granted 71,236 consumer loans for a total amount of CLP 85,396 million, positioning Consorcio as a leader within the industry of insurance companies, with 30% market share in number of placements.

These positive results are mainly due to the reinforcement of the distribution channels, thanks to a strong investment in recruitment, training and the development of incentive systems.

The sales management was also supported through publicity campaigns with pre-approved loan offers and monthly promotions. Thanks to the close communication and segmented work, the contact rate increased by 60%.

Additionally, for purposes of increasing placements 3 internal campaigns were conducted again with tangible prizes

for the sales force which reinforced the positive incentive of commissions. Such a complement permitted to encourage the task of each sales executive, urging him/her to exceed targets and increase productivity levels in all distribution channels.

The acquisition and refurbishing of the new offices located at Agustinas 1360, in the center of Santiago, was another important milestone showing that showed the progress reached and involved the entire Consorcio loan business teams. The facilities have 2,800 square meters of surface area distributed in 6 floors and include one large customer service room. These new offices will permit to improve team work and internal processes, strengthen the work environment and promote a closer contact with target markets.



During 2007, mortgage loan evaluation times improved by 13%.



[MORTGAGE LOANS]

Conсорcio closed 2007 with prompt responses to clients, competitive prices and excellent quality in the mortgage loan portfolio. This permitted a 13% growth in managed portfolios.

AT THE END OF 2007, Consorcio was number four in the market of mortgage loan administrators, with an annual placement flow of UF 2.6 million and a market share exceeding 12%. Likewise, throughout the year the Company had a very good portfolio quality, resulting in the lowest delinquency rates in mortgage loans in the industry. At the closing of 2007, the mortgage loan portfolio amounted to UF 9.7 million, representing a 13% growth regarding the previous year and a market share of 12%.

These adequate yield accounts for the work executed to reduce the time used in the evaluation of mortgage loan applications, which meant an important competitive advan-

tage within the market. Thanks to the efforts made by a team specialized in the verification of applications, the mortgage loan evaluation time was reduced by 13%.

This was added to the proximity of the Company with real estate companies that let them offer final competitive mortgage payments arising from the more economic coverage granted for title, fire and earthquake insurance through a synergy with Consorcio Seguros Vida and Consorcio Seguros Generales. This area offers a wide supply of flexible loans with 5 financing options, which include 100% financing and differentiated and self-adjusting installments.

[CONSORCIO VISA CREDIT CARD]



With a high level of usage compared to the industry average, in only two years, the Consorcio Visa Credit Card already has a portfolio of over 15,000 active cards.

TWO YEARS AGO, when the Consorcio Visa Credit Card was launched onto the market, the company became the first non-bank issuer in the country. During 2007, this product registered a 33% increase in the level of use and transactions amounted to US\$ 2,050 million as total annualized amount, reaching a placement portfolio greater than US\$ 900 million by the end of the year.

The supply of this product is inserted within Consorcio's strategy to consolidate as the non-banking financial conglomerate

with the best and broadest product supply for individuals in each stage of life.

This credit card is an open means supervised by the Superintendency of Banks and Financial Institutions (SBIF), which may be used in any shop accepting Visa and is available to make cash advances from any ATM in Chile and abroad.

It also has guarantees that have been specially created for people without access to the banking system, such as the possibility of paying 6% of the agreed line of credit and establishing a guaranteed minimum amount so that the monthly payable amount can be known in advance.



THE PLACEMENT PORTFOLIO OF THIS PAYMENT MEANS INCREASED 47% IN 2007.

STOCK AND COMMODITIES

[BROKERS]

CONSORCIO CORREDORES DE BOLSA
CONSORCIO CORREDORES DE PRODUCTOS



[CONSORCIO CORREDORES DE BOLSA]



The creation of a commercial panel and the renewal of the Internet website permitted Consorcio Corredores de Bolsa S.A. to offer better services and high quality assistance to clients.

DURING 2007, the Company positioned itself in the sixth place among brokers in transactions with variable income instruments and fifth in results, with net earnings of CLP 5,659 million, an initial capital of CLP 16,207 million and a registered profitability of 34.92%.

The consolidation of the Company as relevant agent in the segment of retail shares was accompanied by the development of two complementary business models. On the one hand, the access and facility to conduct transactions in real time were boosted in the retail segment, leading Consorcio Corredores de Bolsa Online to become an unquestionable leader in the market of on-line investment platforms. Thus, the website was fully renewed (www.ccbolsa.cl), evidencing a strong commitment to modernization and permanent updating as a basis to deliver the best tools and information to the clients.

On the other hand, Consorcio Corredores de Bolsa implemented a second business model based on the delivery of a personalized service. The project Consorcio Corredores de Bolsa Tradicional was created and completed during 2007 with the establishment of the commercial office that gathers executives in the same physical place, enabling them to provide quality finan-

cial advice supplemented by on-line market information and strengthening their teams work.

Similarly, in 2007, this business area worked hard with institutional clients, including insurance companies, AFPs, mutual funds, banks and national and foreign investment funds. It also added new clients to its portfolio, who joined those who have accompanied the Company since its beginnings in year 2000.

Under this multi-segment strategy, the customer base increased by 19.27%, traded amounts by 97.52% and commissions by 100.34% in the last year.



[CONSORCIO CORREDORES DE PRODUCTOS]

Positioned as the third largest broker in terms of traded amounts, this subsidiary took active part in the publicity and development of the Chilean Product Exchange.

IN THE SECOND YEAR of life, the Chilean Product Exchange (BPC) added a total amount of CLP 102,000 million in transactions, which meant a growth of 156% as compared to 2006, and Consorcio Corredores de Productos played a prominent role in this success.

During 2007 the Product Exchange also suffered important changes, including, among others, the entry of a new broker who joined the six previous players already operating in this market. There was also a significant increase in the number of companies that traded their invoices through the Product Exchange, from 7 in 2006 to 23 in 2007.

Another remarkable event was the approval granted by the Superintendency of Securities and Insurance (SVS) to trade universal invoices in the Product Exchange, i.e., documents that are not only linked to the agricultural area. Issued in August, this rule opened an important potential market of 200,000 million dollars annually in tradable invoices. This is added to the authorization granted by the regulatory entity to trade invoices that are guaranteed by a third party, delivering a new array of payers to the Product Exchange.

In this way, the feasibility of trading electronic invoices and the possible privatization of the Product Stock Exchange are relevant aspects that forecast a 2008 year with high growth and the consolidation of the Chilean Product Exchange.



There was a significant increase in the number of companies trading their invoices through the Product Exchange from 7 in 2006 to 23 in 2007.



[INVESTMENT] BUSINESS

[INVESTMENTS]

A positive performance

With a strategy based on investment selectivity, Consorcio had excellent results during 2007, despite the high market volatility. Also worth noting is that the Company joined Moneda Asset Management as a minority partner.

A RECORD YEAR with over US\$ 173 million in net earnings and over US\$ 6,188 million in managed assets was the result of Consorcio Financiero in 2007. During the year, the stock exchange indicators showed a positive market performance: the MSCI World, an index measuring the world stock exchange performance, increased by 9.6%, emerging markets had another extraordinary year, with 36.5% profitability and the Chilean Stock Exchange registered a revaluation of 13.3% in Chilean pesos.

However, despite these positive final yields, last year posed an important challenge for investors. Upon five years of extraordinary returns to investments in most of the

international stock exchanges, volatility came back to the exchange hubs due to the complex situation experienced in the US real estate sector, known as the “sub-prime crisis”, and its effect on the international financial markets, which even affected the global growth expectations.

In the United States, the sub-prime crisis triggered risk classification drops for assets backed-up by mortgages, endangered the issuance of new debts by financial entities, suspended withdrawals from pension funds and increased the probability of bankruptcy of some of the main mortgage loan companies. All this resulted in a liquidity crisis within credit sectors. The uncertainty increased as the main international banks began to report losses due to their positions in mortgage assets and to forecast an even larger damage in their balance sheets.

Within this scenario, the United States Federal Reserve decided to reduce the monetary policy rate by 100 points, returning a part of the liquidity required by the markets to continue to operate and beginning a process of interest rate reduction that could continue during 2008.

However, during 2007, the global economy grew about 5.4% in a high-price scenario for the main commodities. The oil value exceeded US\$ 100 per barrel in some transactions and inflation was higher than expected in all sectors.

The Chilean economy, on its part, grew about 5.1%, below the initially expected level. During the second half of the year, the Central Bank ordered successive increases in the monetary policy interest rate, aimed at controlling the highest inflation in the last 12 years that reached 7.8% at the end of 2007.

By the end of the year, the question remained whether





Consortio's national portfolio had a very positive performance, thanks to the remarkable profitability shown by the Company's main positions.

this crisis that originated in the US real estate industry will be capable of spreading to the rest of the US economy and, certainly, the emerging countries.

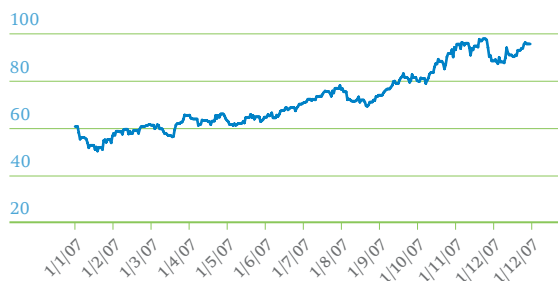
LOCAL VARIABLE INCOME: SELECTIVITY WAS THE KEY

The local variable income was not free from the volatility present in the other markets. The IPSA, the market's main stock exchange index, reached its peak during July, and even reached a profit of 30% in local currency, but it later faced the same volatility periods that affected the international markets.

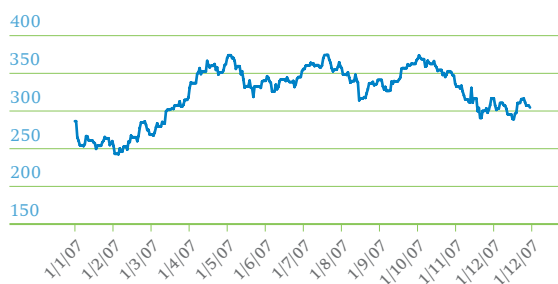
The pressure on the Chilean Stock Exchange was emphasized by local factors, such as the obligation for AFPs to settle the excess investment in shares over the limits permitted in a one-year period. This caused the IPSA to end the year with 13.3% profitability measured in Chilean pesos which, given the high inflation of the year, corresponded to a profitability of 5.5% in real terms.

Despite the above, the Consortio's national portfolio had a very good performance, thanks to the remarkable profitability shown by the Company's main positions, among which Almendral's performance stood out with 52% profitability of its shares, followed by Copec with 30.6%, and Pucobre with 33.0%. The sale made by Consortio Financiero of its 27.18% shareholding in the Valparaíso Utility Company (Esval), which had been acquired in 2003, is also worth mentioning. The purchaser was Ontario's Teachers Pension Plan Board, one of the largest financial entities in Canada and the transaction was perfected by launching a Share Public Offer that revalued Esval's equity by approximately US\$ 750 million.

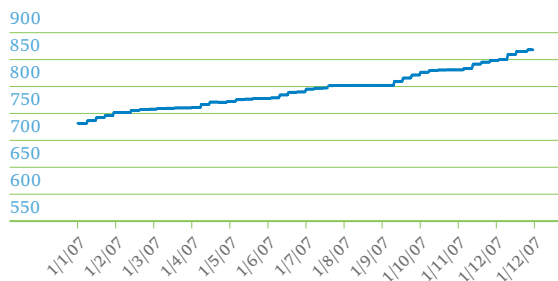
Oil WTI

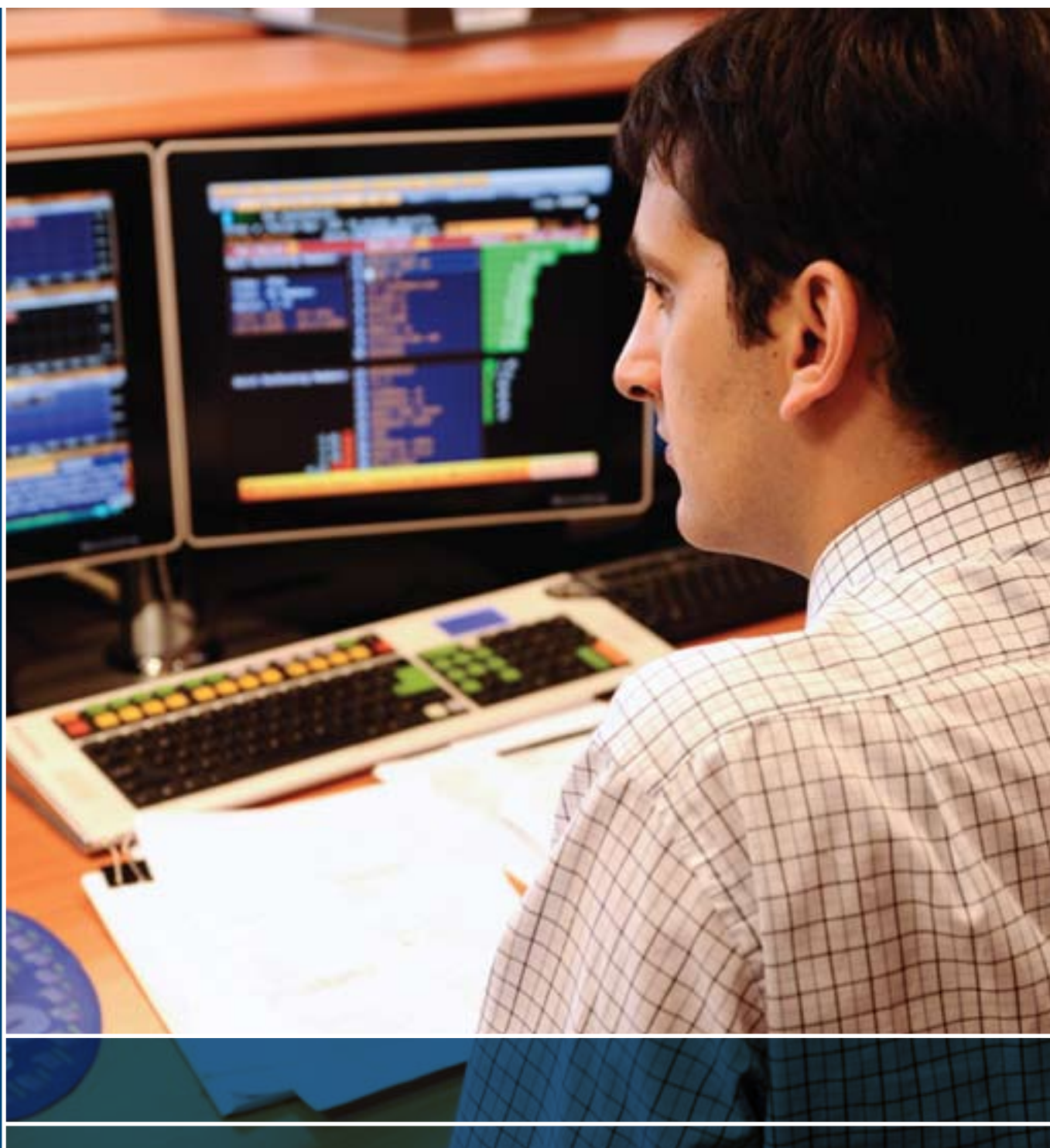


Copper LME



Cellulose NBSK





US\$ 100

CONSORCIO INVESTED US\$ 100 MILLION IN FIXED-INCOME STRUCTURED PRODUCTS AND BECAME NUMBER 1 IN THE INDUSTRY IN THIS INVESTMENT ALTERNATIVE.

INTERNATIONAL VARIABLE INCOME: BETTING ON EMERGING MARKETS

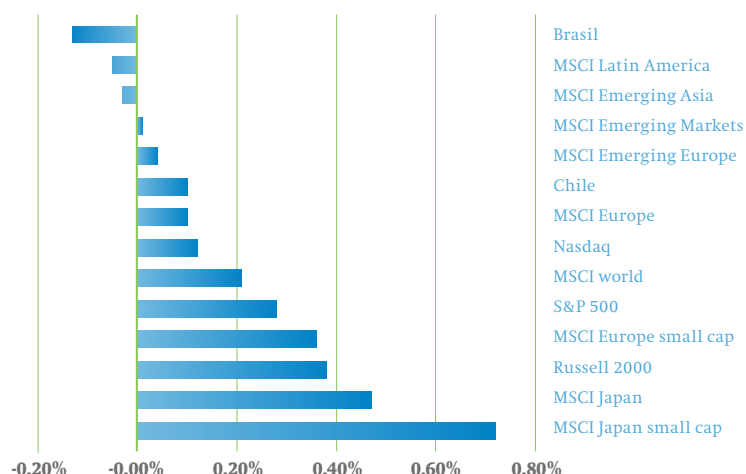
In the first months of the year, Consorcio's international investments focused mainly on emerging markets in order to look for alternatives that would provide exposure to attractive assets and access to the know-how of expert administrators.

The performance of emerging stock markets was favored by the prices of the main raw materials. Thus, the CRY – an index measuring performance of commodity packages – increased by 16.7% during the year. Meanwhile, the fears for a recession that haunted the markets towards the end of the year could not cause a significant drop of prices for these assets.

two new markets with high growth. In Peru, the company acquired shares in the Intergroup financial services conglomerate which begun to list its assets during June and the securities of which showed 25% profitability at the end of the year. Also US\$ 15 million were invested in investments funds managed by Compass Group in the stock exchange markets in Peru and Colombia.

Simultaneously, funds that were less correlated with the market were invested by placing approximately US\$ 15 million in absolute ROI strategies. Despite the positive performance of emerging markets, in September 2007, given the prevailing volatility, Consorcio decided to considerably reduce its exposure to international variable-income instruments, by-passing in this way the strong drop suffered by the stock markets towards the end of the year.

Profitability 2006



The copper price continued at levels over their historical average in international markets, and closed the year higher than US\$ 3/pound, which permitted to continue with the wave of mergers and acquisitions that this industry had seen in the last years. Consorcio benefited from this consolidation through its investments in shares of the Canadian mining company AUR Resources, which was acquired through a "friendly" Public Share Offer by the also Canadian Teck Cominco, which at the moment of the announcement offered a premium for the shares of 28.5% over the market price.

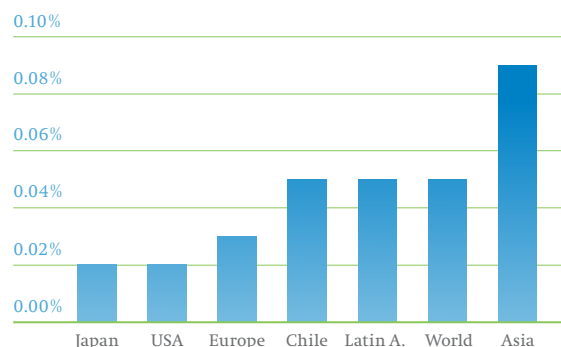
Consorcio also successfully entered in Peru and Colombia,

FIXED INCOME: BETTING ON THE INTERNATIONAL MARKET

2007 was a record year in bond issuances in the local market, which amounted to US\$ 6,225 million with an increase of 38% regarding the previous year, given the scenario of attractive financing rates for bond issuers. However, this did not create attractive investment opportunities for the Consorcio portfolio in the local fixed-income market.

Thus in 2007, Consorcio's strategy was based on the purchase of international bonds and structured products. With an investment of more than US\$ 100 million, the company re-positioned at the top of the industry in the use of these investment alternatives.

GDP Growth 2007



CONSORCIO FINANCIERO JOINS MONEDA ASSET MANAGEMENT

The entry of Consorcio Financiero to the ownership of Moneda Asset Management, an investment fund manager, took place during November 2007. Moneda Asset Management is a company that trades assets in Chile and abroad in an approximate amount of US\$ 2,000 million, and locally distributes the funds of Capital Group Companies, one of the main asset managers of the world.

This fund manager was looking for a strategic partner as a result of the scheduled withdrawal of its founding partner, Sergio Undurraga, who would eventually be followed by other partners.

Consequently, Consorcio Financiero entered the Moneda Asset Management with a minority shareholding to be represented by Juan Bilbao in the Board of Directors of Moneda Asset Management and by Nicolás Gellona in Moneda Administradora de Fondos de Inversión.

Through its investments in international variable income, the Company successfully entered into two new markets: Peru and Colombia.

REAL ESTATE: A YEAR OF GROWTH

Consorcio manages the largest real estate portfolio amongst life insurance companies with over US\$ 700 million invested in the areas of rentals and projects. During the last fiscal year, this portfolio grew over 40%, consolidating the position assumed in previous years, boosting the relationship with the main executive

partners and having access to new businesses that would lead it to a sustainable future growth.

In the rental area, including leasing, rental and warehousing, Consorcio registered investments for approximately US\$ 550 million in 2007 adding 27,000 m2 of offices in buildings in the commune of the Las Condes and the center of

Santiago, with a total of over 62,000 m2 in medium and long-term leases, at fixed and known rates. Additionally, Consorcio increased the financial alternatives for companies through long-term leases offered for industrial facilities.





Parque Andino Building, Nueva Las Condes - Offices



Piedra Roja, Chicureo - Houses

The investments made through projects where Consorcio takes part as a shareholder together with important real estate actors in the market amounted to US\$ 150 million. This helped Consorcio to develop an adequate geographic diversification focused mainly in the C2 – C3 segment. The latter concentrates the greatest sales volume in houses and is less sensitive to economic cycles.

Alliances with the main real estate actors in the country were also consolidated during the year, by starting up important housing development projects in the communes of Renca and San Bernardo, where more than 12,000 houses would be built and sold. This has permitted to consolidate and diversify Consorcio's ownership of land at geographical level. As of December 2007, Consorcio added 1,200 hectares

in the Metropolitan Region, 155 hectares in Antofagasta, 100 hectares in Valparaíso, 80 hectares in Concepción and 20 hectares in Puerto Montt.

Consolidated sales of different projects during the last year exceeded US\$ 130 million, which meant a growth of 70% regarding 2006. This evidenced a great dynamism of the national real estate sector due to the adequate economic conditions, the low interest rates and the aggressiveness of banks in its mortgage placements.

Projects for 2008 include the consolidation of projects that are in progress, monitoring their profitability and efficiency without disregard to the entry into new businesses that meet the risk and profitability standards demanded by the Company.

30%

THE REAL ESTATE INVESTMENT PORTFOLIO OF THE COMPANY INCREASED BY 30% IN 2007.



FINANCIAL

[STATEMENTS]

CONSORCIO FINANCIERO
CONSORCIO SEGUROS VIDA
CN LIFE SEGUROS VIDA
CONSORCIO SEGUROS GENERALES
CONSORCIO CORREDORES DE BOLSA
CONSORCIO ADMINISTRADORA GENERAL DE FONDOS
CONSORCIO CRÉDITOS HIPOTECARIOS
CONSORCIO TARJETAS DE CRÉDITO

CONSORCIO FINANCIERO S.A.

Chairman	Juan Bilbao Hormaeche
Directors	Hernán Büchi Buć, José Antonio Garcés Silva, Juan Hurtado Vicuña, Eduardo Fernández León, Juan José Mac-Auliffe Granello and Carlos Larraín Peña.
General Manager / Legal Representative	Patricio Parodi Gil
External Auditors	PricewaterhouseCoopers

REPORT OF INDEPENDENT AUDITORS

» Santiago, February 25, 2008



Tax ID N°: 81.512.400-1

Santiago de Chile

Av. Andrés Bello 2711

Torre La Costanera - Pisos 2, 3, 4 y 5.

Las Condes

Telephone N° (56) (2) 940 0000

www.pwc.cl

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

1. We have audited the general balance sheets of Consortio Financiero S.A. as of December 31, 2007 and 2006 and the related statements of income and cash flow for the years ended on those dates. These financial statements (including their corresponding notes) were prepared by and are 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 S.A., Consortio Tarjetas de Crédito S.A. y Consortio Corredores de Bolsa de Productos S.A. and the affiliate CN Life, Compañía de Seguros de Vida S.A. as of December 31, 2007 and 2006, and the affiliate Esval S.A. as of December 31, 2006, which were audited by other auditors, whose reports have been delivered to us. Regarding the aforesaid investments, the opinion we are issuing herein is based solely on said 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 from any significant error. An audit comprises the examination, on a test basis, of evidence supporting 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. The financial statements as of December 31, 2007 and 2006 have been prepared to reflect the individual financial position of Consortio Financiero S.A. based on the criteria described in Note 2, before consolidation, line by line, of the financial statements of the subsidiaries described in Note 4. Consequently, for an adequate interpretation, these individual financial statements should be read and analyzed together with the consolidated financial statements of Consortio Financiero S.A. and subsidiaries, as required by the generally accepted financial principles.

4. In our opinion, which is based on our audits and the reports of other auditors, the financial statements referred to herein fairly present, in all their significant aspects, the financial position of Consortio Financiero S.A. as of December 31, 2007 and 2006 and the results of its operations and cash flows for the years ended on those dates, in accordance with the accounting principles described in Note 2.

Roberto Villanueva B.
RUT. 7.060.344-6

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

ASSETS	2007 ThCh\$	2006 ThCh\$
CURRENT ASSETS		
Cash	42,706	87,347
Investments in fixed income instruments	22,867,686	2,400,080
Investments in variable income instruments	64,171,710	20,430,598
Accounts receivable from related companies	2,583,010	1,364,453
Tax rebates receivable	2,552,810	2,156,463
Currency futures agreement	775,045	-
Other current assets	1,197,629	74,672
Total current assets	94,190,596	26,513,613
NET FIXED ASSETS	1	1
OTHER ASSETS		
Investments in related companies	427,118,431	457,067,219
Investment in other companies	3,581,789	-
Goodwill	-	2,543,571
Total Other Assets	430,700,220	459,610,790
Total Assets	524,890,817	486,124,404

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

LIABILITIES AND SHAREHOLDER'S EQUITY	2007 ThCh\$	2006 ThCh\$
CURRENT LIABILITIES		
Bank obligations	13,851,137	22,335,579
Accounts payable	9,044	57,890
Accounts payable to related companies	5,922,491	6,224,119
Currency futures agreement	-	121,097
Deferred tax	1,139,012	1,030,866
Income tax	446,718	-
Sundry debtors	2,626	14,935
Withholdings and provisions	1,057,788	990,913
Total current liabilities	22,428,816	30,775,399
LONG-TERM LIABILITIES		
Bank obligations	42,744,877	36,492,454
Long-term debt	1,615,018	1,399,568
Total long-term liabilities	44,359,895	37,892,022
SHAREHOLDER'S EQUITY		
Paid-in capital	58,650,559	58,650,559
Other provisions	64,457,395	74,781,821
Accumulated net earnings	264,391,803	212,129,476
Current year profit	85,261,849	81,736,404
Interim dividends	(14,659,500)	(9,841,277)
Total shareholder's equity	458,102,106	417,456,983
Total liabilities and shareholder's equity	524,890,817	486,124,404

The attached notes are an integral part of these financial statements.

INCOME STATEMENT

» for the years ended December 31, 2007 and 2006.

	2007 ThCh\$	2006 ThCh\$
INCOME		
Net earnings from incomes in related companies	67,222,822	85,964,960
Income from investments	19,342,224	275,698
Adjustment of futures agreements	2,562,923	-
Price-level restatement	-	260,378
Other income	427,640	190,863
Total income	89,555,609	86,691,899
EXPENSES		
Loss from investments in related companies	(273,707)	(647,837)
Goodwill amortization	(296,327)	(110,258)
Adjustment of futures agreements	-	(471,148)
Administration expenses	(357,067)	(1,026,983)
Price-level restatement	(1,318,334)	-
Financial expenses	(1,286,382)	(1,972,988)
Other expenses	(204,880)	(225,210)
Total expenses	(3,736,697)	(4,454,424)
INCOME BEFORE TAX	85,818,912	82,237,475
INCOME TAX	(557,063)	(501,071)
NET EARNINGS FOR THE YEAR	85,261,849	81,736,404

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006.

	2007 ThCh\$	2006 ThCh\$
OPERATING FLOW		
Gain (loss) from investments in fixed and variable income instruments	(80,698,447)	(5,621,379)
Current account transfers with related companies	(1,518,407)	(5,923,965)
Financial expenses	(3,559,540)	(2,734,351)
Financial income	654,729	1,095,663
Tax payment	(14,695)	(2,657,981)
Payment to suppliers	(1,102,891)	(934,223)
Total positive (negative) flow from operating activities	(86,239,251)	(16,776,236)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Dividends received	48,155,699	53,731,363
Sale of permanent investments	72,323,834	-
Purchase of permanent investments	-	(12,743,026)
Total positive cash flow from investment activities	120,479,533	40,988,337
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	(34,292,300)	(24,550,093)
Other financing sources	-	2,938
Associated debts	16,325	(7,536)
Total negative cash flow from financing activities	(34,275,975)	(24,554,691)
Total net cash flow in the year	(35,693)	(342,590)
Effect of inflation on cash flow	(8,948)	(543)
Cash flow variation in the year	(44,641)	(343,133)
Initial cash balance	87,347	430,480
Final cash balance	42,706	87,347

The attached notes are an integral part of these financial statements.

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006.

RECONCILIATION OF NET RESULTS WITH OPERATING CASH FLOW	2007 ThCh\$	2006 ThCh\$
Net earnings for the year	85,261,849	81,736,404
DEBITS (CREDITS) NOT AFFECTING CASH FLOWS		
Price-level restatement	1,318,334	(260,378)
Adjustments of futures agreements	(2,562,923)	471,148
Net earnings from investments in related companies	(66,949,115)	(85,317,123)
Earnings from sales of permanent investments	(20,510,905)	-
Goodwill amortization	296,327	110,258
VARIATION IN ASSETS AND LIABILITIES		
Decrease (increase) of fixed and variable income investments	(81,404,546)	(6,220,836)
Net increase (decrease) of current accounts with related companies	(1,776,940)	(5,824,085)
Decrease (increase) of sundry debtors	2,101,869	1,228,559
(Decrease) increase of tax and legal liabilities	542,368	(2,156,909)
Decrease of accounts payable	(2,555,569)	(543,274)
Total net negative cash flow from operating activities	(86,239,251)	(16,776,236)

COMPAÑÍA DE SEGUROS DE VIDA CONSORCIO NACIONAL DE SEGUROS S.A.

Chairman	Juan Bilbao Hormaeche
Directors	Hernán Büchi Buc, Eduardo Fernández León, José Antonio Garcés Silva, Juan Hurtado Vicuña, Carlos Larraín Peña and Juan José Mac-Auliffe Granello.
Group in which the Company operates	Second Group
General Manager / Legal Representative	Nicolás Gellona Amunátegui
External Auditors	Ernst & Young Servicios Profesionales de Auditoría y Asesorías Limitada.

REPORT OF INDEPENDENT AUDITORS

» February 25, 2008



■ Huérfanos 770, 5° piso.
Santiago, Chile

■ Tel: (56-2) 676 1000
Fax: (56-2) 676 1010
Casilla 2823

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

We have audited the general balance sheets of Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A. as of December 31, 2007 and 2006 and the related statements of income and cash flow for the years ended on those dates.

These financial statements (including their corresponding notes) were prepared by and are the responsibility of the management of Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A. Our responsibility is to express an opinion on these financial statements based on our audits. Since we have not audited Note 33, this report does not cover it.

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 from any significant error. An audit comprises the examination, on a test basis, of evidence supporting 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.

In our opinion the financial statements referred to herein fairly present, in all their significant aspects, the financial position of Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A. as of December 31, 2007 and 2006 and the results of its operations and cash flows for the years ended on those dates, in accordance with the Chilean generally accepted accounting principles and the regulations of the Superintendency of Securities and Insurance.

Enrique Aceituno A.
ERNST & YOUNG LTDA.

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

ASSETS	2007 ThCh\$	2006 ThCh\$
INVESTMENTS	2,208,777,355	2,116,251,378
Financial investments	1,730,077,801	1,751,562,262
Real estate and similar investments	367,659,131	266,087,127
Investments in single investment account	111,040,423	98,601,989
PREMIUMS RECEIVABLE	599,822	554,224
REINSURANCE RECEIVABLE	417,744	292,974
OTHER ASSETS	135,422,287	140,427,707
Total assets	2,345,217,208	2,257,526,283
LIABILITIES	2007 ThCh\$	2006 ThCh\$
TECHNICAL RESERVES	1,910,833,614	1,809,108,942
Reserve on social security insurance	1,751,804,805	1,660,310,159
Reserve on non-social security insurance	158,676,691	148,392,606
Other Reserves	352,118	406,177
BORROWINGS FROM FINANCIAL INSTITUTIONS		
Short term	34,152,920	36,307,241
Long term	-	-
OTHER LIABILITIES	103,403,523	115,787,787
SHAREHOLDER'S EQUITY	296,827,151	296,322,313
Total Liabilities and Shareholder's Equity	2,345,217,208	2,257,526,283

INCOME STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
OPERATING INCOME	183,412,162	144,990,575
Net premium	192,058,352	161,626,668
Adjustment of current risk reserve and mathematical life reserve	(8,646,190)	(16,636,093)
OPERATING EXPENSES	(295,018,388)	(256,270,698)
Claim cost	(246,169,966)	(211,008,957)
Brokerage cost	(13,688,290)	(12,982,249)
Administration cost	(35,160,132)	(32,279,492)
INCOME FROM INVESTMENTS	157,757,032	179,430,845
OTHER INCOME (EXPENSES)	2,092,139	(2,309,361)
PRICE-LEVEL RESTATEMENT	1,343,772	2,573,684
NET OPERATING INCOME	49,586,717	68,415,045
NON OPERATING INCOME	(56,208)	(452,343)
INCOME BEFORE TAX	49,530,509	67,962,702
INCOME TAX	(2,505,992)	(3,607,970)
NET EARNINGS FOR THE YEAR	47,024,517	64,354,732

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
NET CASH FLOW FROM OPERATIONS		
Direct premiums	204,494,985	165,972,921
Premiums received	(9,032,908)	
Premiums ceded	(1,318,902)	(1,310,115)
Pensions and claims paid	(155,387,799)	(149,972,734)
Recoveries of reinsured claims	557,100	968,486
Commissions on direct insurance	(8,369,615)	(12,265,667)
Others	(5,758,388)	(8,301,799)
Fixed income instruments	7,155,439	13,339,501
Variable income instruments	13,351,903	26,736,649
Investments abroad	7,619	(830,837)
Cash flow from real state investments	11,113,428	10,580,448
Other income from financial and real estate investments	138,873	87,094
Cash flow from financial risk hedging operations	(2,481,870)	(18,709,293)
Administration expenses	(38,862,602)	(31,195,437)
Medical expenses	(29,879)	(47,284)
Tax	(6,716,476)	(4,191,332)
Total operating flow	8,860,908	(9,139,399)

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

CONTINUED

CASH FLOW FROM INVESTMENT ACTIVITIES

	2007 ThCh\$	2006 ThCh\$
Net cash flow from fixed income instruments	159,579,907	183,301,135
Net cash flow from variable income instruments	(394,560)	(47,754,727)
Net cash flow from investments abroad	(3,228,598)	(35,091,722)
Net cash flow from the purchase and sale of real estate investments	(102,022,631)	(53,260,373)
Net cash flow from other income and expenditure on investments	1,919,996	(2,045,646)
Total investment flow	55,854,114	45,148,667

NET CASH FLOW FROM FINANCING ACTIVITIES

Dividends	(37,242,709)	(42,290,751)
Loans	(2,559,213)	(1,898,413)
Loans with related companies	(779,618)	15,948,826
Agreements	(23,787,747)	(8,872,527)
Total financing cash flow	(64,369,287)	(37,112,865)
Total net positive (negative) cash flow for the period	345,735	(1,103,597)
Effect of inflation on cash and cash equivalent	(76,008)	(22,047)
Effect of exchange difference on cash and cash equivalent	(5,021)	(7,924)
Net variation on cash and cash equivalent	264,706	(1,133,568)
Initial balance on cash and cash equivalent	1,454,898	2,588,466
Final Balance on Cash and Cash Equivalent	1,719,604	1,454,898

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

RECONCILIATION OF NET RESULTS WITH OPERATING CASH FLOW	2007 ThCh\$	2006 ThCh\$
Net earnings for the year	47,024,517	64,354,732
RESULTS FROM SALES OF ASSETS		
(Gain) loss on sale of fixed assets	(172,757)	(1,622,726)
(Gain) loss on sale of investments	(18,080,018)	(32,970,896)
Loss on sale of investments		97,119
(Gain) loss on sale of other fixed assets	(2,439,435)	(1,658,709)
DEBITS (CREDITS) NOT AFFECTING CASH FLOWS		
Depreciation	2,378,766	2,241,127
Amortization	908,084	1,042,704
Write-offs and Provisions on assets	(21,503)	388,098
Adjustment on technical reserve	8,646,190	16,636,093
Provision for income tax	2,505,992	3,607,970
Price-Level Restatement	(115,783,719)	(32,671,412)
Exchange differences	114,439,947	30,097,728
Other charges not affecting cash flows	(987,254)	2,994,769
(INCREASE) DECREASE IN ASSETS		
Investments	(97,605,989)	(90,871,509)
Premiums receivable	(994,929)	328,355
Other assets from reinsurances	670,156	643,417
Rights on financial risk hedging operations	(2,481,871)	(18,709,293)
Other assets	(15,889,394)	(12,451,777)
INCREASE (DECREASE) IN LIABILITIES		
Technical reserves	91,339,267	62,004,709
Borrowings from financial institutions	347,683	3,580,777
Debts with brokers	5,318,676	716,581
Other liabilities	(10,261,501)	(6,917,256)
Total net cash flow from operating activities	8,860,908	(9,139,399)

CN LIFE COMPAÑÍA DE SEGUROS DE VIDA S.A.

Chairman	Juan Bilbao Hormaeche
Directors	Hernán Büchi Buć, José Antonio Garcés Silva, Juan Hurtado Vicuña, Eduardo Fernández León, Juan José Mac-Auliffe Granello and Carlos Larraín Peña.
Group in which the Company operates	Second Group
General Manager / Legal Representative	Nicolás Gellona Amunátegui
External Auditors	Ernst & Young Servicios Profesionales de Auditoría y Asesorías Limitada.

REPORT OF INDEPENDENT AUDITORS

» February 25, 2008



■ Huérfanos 770, 5° piso.
Santiago, Chile

■ Tel: (56-2) 676 1000
Fax: (56-2) 676 1010
Casilla 2823

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

We have audited the general balance sheets of CN Life Compañía de Seguros de Vida S.A. as of December 31, 2007 and 2006 and the related statements of income and cash flow for the years ended on those dates. These financial statements (including their corresponding notes) were prepared by and are 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. Since we have not audited Note 33, this report does not cover it.

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 from any significant error. An audit comprises the examination, on a test basis, of evidence supporting 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.

In our opinion the financial statements referred to herein fairly present, in all their significant aspects, the financial position of CN Life Compañía de Seguros de Vida S.A. as of December 31, 2007 and 2006 and the results of its operations and cash flows for the years ended on those dates, in accordance with the Chilean generally accepted accounting principles and the regulations of the Superintendency of Securities and Insurance.

Enrique Aceituno A.
ERNST & YOUNG LTDA.

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

ASSETS	2007 ThCh\$	2006 ThCh\$
INVESTMENTS	343,686,438	353,419,081
Financial investments	343,141,855	352,902,848
Real estate and similar investments	544,583	516,233
PREMIUMS RECEIVABLE	38,588	31,294
REINSURANCE RECEIVABLE	5,945	18,970
OTHER ASSETS	5,829,195	8,676,158
Total assets	349,560,166	362,145,503
LIABILITIES	2007 ThCh\$	2006 ThCh\$
TECHNICAL RESERVES	287,579,561	296,509,380
Reserve on social security insurance	284,963,067	294,096,408
Reserve on non-social security ins.	2,415,555	2,412,972
Other Reserves	200,939	
BORROWINGS FROM FINANCIAL INSTITUTIONS		
Short term	0	0
OTHER LIABILITIES	7,531,921	8,770,604
SHAREHOLDER'S EQUITY	54,448,684	56,865,519
Total Liabilities and Shareholder's Equity	349,560,166	362,145,503

INCOME STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
OPERATING INCOME	666,846	183,510
Net premium	748,728	557,511
Adjustment of current risk reserve and mathematical life reserve	(81,882)	(374,001)
OPERATING EXPENSES	(14,480,888)	(15,019,252)
Claim cost	(13,997,374)	(14,414,389)
Brokerage cost	(2,938)	(18,690)
Administration cost	(480,576)	(586,173)
INCOME FROM INVESTMENTS	24,076,468	28,531,882
OTHER INCOME (EXPENSES)	(10,231)	(567,105)
PRICE-LEVEL RESTATEMENT AND EXCHANGE DIFFERENCES	(499,040)	319,844
OPERATING INCOME	9,753,155	13,448,879
NON OPERATING INCOME	(2,311)	90,461
INCOME BEFORE TAX	9,750,844	13,539,340
Tax Income	(1,417,665)	(1,067,666)
NET EARNINGS FOR THE YEAR	8,333,179	12,471,674

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
NET CASH FLOW FROM OPERATIONS		
Direct premiums	832,129	622,588
Premiums received		
Premiums ceded	(77,963)	(89,775)
Pensions and claims paid	(22,776,034)	(22,895,942)
Recoveries of reinsured claims	77,495	106,460
Commissions on direct insurance	(2,775)	(18,455)
Others		(1,067,604)
Fixed income instruments	1,127,147	137,454
Variable income instruments	11,472,013	3,975,203
Investments abroad		
Cash flow from real state investments	51,604	41,898
Other income from financial and real estate investments		
Cash flow from financial risk hedging operations	403,689	(88,137)
Administration expenses	(429,943)	(601,762)
Medical expenses		
Tax	(660,201)	(60,441)
Others		
Total operating cash flow	(9,982,839)	(19,938,513)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Net cash flow from fixed income instruments	29,233,470	27,459,596
Net cash flow from variable income instruments	(1,428,430)	8,606,125
Net cash flow from investments abroad	(5,521,451)	(2,166,516)
Net cash flow from the purchase and sale of real estate investments	(458)	(2,546)
Net flow from other income and expenditure on investments	0	
Total investment flow	22,283,131	33,896,659
NET CASH FLOW FROM FINANCING ACTIVITIES		
Dividends	(9,799,720)	(10,210,050)
Loans		
Loans with related companies	390,664	(373,593)
Agreements	(2,725,069)	(3,955,544)
Total financing cash flow	(12,134,125)	(14,539,187)
Total net positive (negative) cash flow for the period	166,167	(581,041)
Effect of inflation on cash and cash equivalent	(7,350)	(1,003)
Effect of exchange difference on cash and cash equivalent	(3)	657
Net variation on cash and cash equivalent	158,814	(581,387)
Initial balance on cash and cash equivalent	99,428	680,815
Final balance on cash and cash equivalent	258,242	99,428

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
RECONCILIATION OF NET RESULTS WITH OPERATING CASH FLOW		
Net earnings for the year	8,333,179	12,471,674
RESULTS FROM SALES OF ASSETS		
(Gain) loss on sale of fixed assets		
(Gain) on sale of investments	(1,935,037)	(1,245,864)
Loss on sale of investments		1,569
DEBITS (CREDITS) NOT REPRESENTING CASH FLOWS		
Depreciation	13,941	12,790
Amortization		
Write-offs and Provisions on assets	(464)	315,838
Adjustment on technical reserve	81,882	374,001
Provision for income tax	1,417,665	1,067,666
Price-Level Restatement	(15,072,630)	(176,001)
Exchange differences	15,571,670	(143,843)
(INCREASE) DECREASE IN ASSETS		
Investments	(9,483,238)	(23,183,235)
Premiums receivable	(9,330)	(30,878)
Reinsurance receivable	9,045	(197)
Rights on financial risk hedging operations	403,689	(88,137)
Other assets	(7,426)	(1,114,433)
INCREASE (DECREASE) IN LIABILITIES		
Reduction on technical reserves	(8,701,164)	(8,375,094)
Borrowings from financial institutions		251,269
Debts with brokers	163	235
Other liabilities	(604,784)	(75,873)
Total Net Cash Flow from Operating Activities	(9,982,839)	(19,938,513)

CONSORCIO SEGUROS GENERALES S.A.

Chairman	Juan Bilbao Hormaeche
Directors	Hernán Büchi Buć, Eduardo Fernández León, José Antonio Garcés Silva, Juan Hurtado Vicuña, Carlos Larraín Peña and Juan José Mac-Auliffe Granello.
Group in which the Company operates	First Group
General Manager / Legal Representative	Nicolás Gellona Amunátegui
External Auditors	Ernst & Young Servicios Profesionales de Auditoría y Asesorías Limitada.

REPORT OF INDEPENDENT AUDITORS

» February 25, 2008



■ Huérfanos 770, 5° piso.
Santiago, Chile

■ Tel: (56-2) 676 1000
Fax: (56-2) 676 1010
Casilla 2823

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

We have audited the general balance sheets of Compañía de Seguros Generales Consortio Nacional de Seguros S.A. as of December 31, 2007 and 2006 and the related statements of income and cash flows for the years ended on those dates.

These financial statements (including their corresponding notes) were prepared by and are the responsibility of the management of Compañía de Seguros Generales Consortio Nacional de Seguros S.A. Our responsibility is to express an opinion on these financial statements based on our audits. We have not audited Note 28, hence this report does not cover it.

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 from any significant error. An audit comprises the examination, on a test basis, of evidence supporting 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.

In our opinion, the financial statements referred to herein fairly present, in all their significant aspects, the financial position of Compañía de Seguros Generales Consortio Nacional de Seguros S.A. as of December 31, 2007 and 2006 and the results of its operations and cash flows for the years ended on those dates, in accordance with the Chilean generally accepted accounting principles and the regulations of the Superintendency of Securities and Insurance.

A handwritten signature in black ink, appearing to read 'Enrique Aceituno A.', written over a light gray background.

Enrique Aceituno A.
ERNST & YOUNG LTDA.

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

ASSETS	2007 ThCh\$	2006 ThCh\$
INVESTMENTS	8,284,374	7,065,655
Financial investments	8,169,419	6,956,627
Real estate and similar investments	114,955	109,028
DEBTORS ON PREMIUMS	10,032,765	7,263,869
DEBTORS ON REINSURANCE	426,430	247,142
OTHER ASSETS	846,557	751,941
Total assets	19,590,126	15,328,607
LIABILITIES AND SHAREHOLDER'S EQUITY	2007 ThCh\$	2006 ThCh\$
TECHNICAL RESERVES	12,304,557	8,502,590
Current risk	8,747,127	6,050,596
Claims	2,741,786	1,772,194
Reinsurance debt	815,644	679,800
BORROWINGS FROM FINANCIAL INSTITUTIONS	-	642,700
OTHER LIABILITIES	1,971,310	949,806
SHAREHOLDER'S EQUITY	5,314,259	5,233,511
Total Liabilities and Shareholder's Equity	19,590,126	15,328,607

INCOME STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
CONTRIBUTION MARGIN	4,060,140	4,035,430
Income from accrued premiums	12,507,525	9,934,964
Net premium	15,225,749	10,726,017
Adjustment of reserves on current risk	(2,718,224)	(791,053)
Other adjustments of income from accrued premiums	(575,204)	(439,986)
Claim costs	(6,964,302)	(5,258,945)
Result of Brokerage	(907,879)	(200,603)
ADMINISTRATION COST	(4,634,494)	(3,730,058)
OPERATING INCOME	(574,354)	305,372
INCOME FROM INVESTMENTS	506,305	351,253
OTHER INCOME (EXPENSES)	141,136	307,565
PRICE-LEVEL RESTATEMENT	175,246	29,400
OPERATING INCOME	248,333	993,590
INCOME BEFORE TAX	248,333	993,590
INCOME TAX	(20,650)	(162,715)
NET EARNINGS (LOSS) FOR THE YEAR	227,683	830,875

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
NET CASH FLOW FROM OPERATIONS		
Direct premiums	18,348,767	14,171,894
Premiums received	-	-
Premiums ceded	(2,561,781)	(1,283,327)
Pensions and claims paid	(7,689,136)	(6,825,156)
Reimbursement of pensions and claims	834,768	776,727
Recoveries of reinsured claims	234,599	110,634
Commissions on direct insurance	(1,353,088)	(758,798)
Other	-	(452)
Fixed income instruments	149,766	(1,559)
Variable income instruments	69,260	83,672
Administration expenses	(4,557,488)	(4,136,833)
Tax	(1,661,327)	(1,117,379)
Others	(63)	(36)
Total operating cash flow	1,814,277	1,019,387
CASH FLOW FROM INVESTMENT ACTIVITIES		
Net cash flow from fixed income instruments	(789,147)	(825,367)
Net cash flow from the purchase and sale of real estate investments	(37,413)	(48,449)
Net flow from other income and expenditure on investments	-	(55,611)
Total investment cash flow	(826,560)	(929,427)
NET CASH FLOW FROM FINANCING ACTIVITIES		
Loans	(635,456)	(60,168)
Total financing cash flow	(635,456)	(60,168)
Total net positive (negative) cash flow for the period	352,261	29,792
Effect of inflation on cash and cash equivalent	(28,636)	(3,851)
Effect of exchange difference on cash and cash equivalent	114	131
Net variation on cash and cash equivalent	323,739	26,072
Initial balance on cash and cash equivalent	306,861	280,789
Final balance on cash and cash equivalent	630,600	306,861

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

RECONCILIATION OF NET RESULTS WITH OPERATING CASH FLOW	2007 ThCh\$	2006 ThCh\$
Net earnings for the year	227,683	830,875
RESULTS FROM SALES OF ASSETS	(219,026)	(41,636)
(Earnings) from the sale of investments	(219,026)	(43,195)
Loss on sale of investments	-	1,559
DEBITS (CREDITS) NOT REPRESENTING CASH FLOWS	2,513,584	920,540
Depreciation	31,492	30,915
Write-offs and Provisions on assets	(81,536)	(34,742)
Adjustment on technical reserve	2,718,224	791,052
Provision for income tax	20,650	162,715
Price-Level Restatement	(175,246)	(29,400)
(INCREASE) DECREASE IN ASSETS	(2,217,824)	(352,738)
Investments	(68,253)	(227,503)
Debtors on premiums	(2,630,374)	(577,433)
Debtors on reinsurance	480,803	585,653
Other assets	-	(133,455)
INCREASE (DECREASE) IN LIABILITIES	1,509,860	(337,654)
Technical reserves	344,533	(678,848)
Borrowings from financial institutions	(4,265)	25,051
Debts with brokers	380,352	(28,983)
Other liabilities	789,240	345,126
Total Net Cash Flow from Operating Activities	1,814,277	1,019,387

CONSORCIO CORREDORES DE BOLSA S.A.

Chairman	José Miguel Ureta Cardoen
Directors	Francisco Javier García Holtz y Francisco Ignacio Ossa Guzmán.
General Manager / Legal Representative	Marcelo Rozas Etcharren
External Auditors	PricewaterhouseCoopers

REPORT OF INDEPENDENT AUDITORS

» Santiago, February 25, 2008



Tax ID N°: 81.512.400-1
Santiago de Chile
Av. Andrés Bello 2711
Torre La Costanera - Pisos 2, 3, 4 y 5.
Las Condes
Telephone N° (56) (2) 940 0000
www.pwc.cl

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

We have audited the general balance sheets of Consortio Corredores de Bolsa S.A. as of December 31, 2007 and 2006 and the related statements of income and cash flows for the years ended on those dates. These financial statements (including their corresponding notes) were prepared by and are the responsibility of the management of Consortio Corredores de Bolsa S.A.

Our responsibility is to express an opinion on these financial statements based on our audits. 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 from any significant error. An audit comprises the examination, on a test basis, of evidence supporting 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.

In our opinion, the financial statements referred to herein fairly present, in all their significant aspects, the financial position of Consortio Corredores de Bolsa S.A. as of December 31, 2007 and 2006 and the results of its operations and cash flows for the years ended on those dates, in accordance with the Chilean generally accepted accounting principles.

Roberto Villanueva B.
RUT. 7.060.344-6

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

ASSETS	2007 ThCh\$	2006 ThCh\$
CURRENT ASSETS		
Cash	2,880,340	1,461,880
Variable income instruments		
Traded shares	2,023,828	1,208,222
Total	2,023,828	1,208,222
Fixed income instruments		
Issued by the State	220,912	243,872
Issued by financial entities	6,972,339	2,330,564
Issued by companies	3,311,249	6,714,765
Issued by other companies	2,990,675	1,342,728
Total	13,495,175	10,631,929
Rights on futures operations		
Rights on purchase agreement instruments	143,775,100	60,210,481
Rights to charge for sales agreements	24,412,927	-
Rights to charge for other future operations	45,091,911	2,542,148
Total	213,279,938	62,752,629
Debtors from brokerage	66,912,985	31,824,103
Bills and accounts receivable	162,825	3,541,599
Tax rebates receivable	743,057	937,049
Sundry debtors		
Documents given in guarantee	5,582,575	1,721,972
Advanced expenses	6,230	2,392
Total	73,407,672	38,027,115
Total current assets	305,086,953	114,081,775
FIXED ASSETS		
Office equipment and furniture	86,471	73,613
Accumulated depreciation	(60,032)	(51,320)
Net fixed assets	26,439	22,293
OTHER ASSETS		
Equity shares in Stock Exchanges	426,744	419,272
Intangible assets	-	-
Long term bills and accounts payable	-	-
Other assets	9	12
Total other assets	426,753	419,284
Total	305,540,145	114,523,352

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

LIABILITY AND SHAREHOLDER'S EQUITY	2007 ThCh\$	2006 ThCh\$
CURRENT LIABILITY		
Obligations with banks and financial institutions	1	1
Total	1	1
Obligations on future operations		
Obligations on purchase agreements	143,923,848	60,328,030
Obligations on sales agreements	24,425,684	-
Obligations on other future operations	45,119,022	2,522,474
Total	213,468,554	62,850,504
Debtors from brokerage	69,294,271	31,804,871
Short term bills and accounts payable	1,053,519	1,667,954
Tax payable	1,108,527	631,547
Provisions and withholdings	102,672	162,186
Total	71,558,989	34,266,558
Total Current Liabilities	285,027,544	97,117,063
LIABILITIES		
Paid-in capital	9,631,418	9,631,418
Reserve for higher value of shares on stock market	8,432	8,432
Accumulated earnings	5,213,642	5,190,913
Net earnings for the period	5,659,109	3,650,579
Interim dividends	-	(1,075,053)
Total Shareholder's Equity	20,512,601	17,406,289
Total	305,540,145	114,523,352

INCOME STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
OPERATING REVENUE		
Commissions from stock market transactions	2,958,174	1,956,809
Profit on sale of own portfolio	2,112,744	2,367,309
Income from future operations	4,549,402	4,893,425
Interests and dividends on own portfolio	518,909	3,062,485
Financial consultancy	620,863	77,003
Other operating income	1,339,790	440,794
Total operating income	12,099,882	12,797,825
OPERATING EXPENSES		
Commissions and services	340,976	248,013
Loss on lower value of own portfolio	20,958	-
Loss on sale of own portfolio	1,310,033	3,137,519
Futures operation expenses	749,716	3,285,177
Financial costs	2,729	27,393
Administration and selling expenses	1,496,086	1,426,440
Amortization and depreciation	8,715	9,716
Other operating expenses	268,450	139,727
Total operating expenses	4,197,663	8,273,985
OPERATING EARNINGS	7,902,219	4,523,840
NON-OPERATING INCOME		
Profit from permanent investments	110,907	84,178
Other non-operating income	39	823
Total non-operating income	110,946	85,001
NON OPERATING EXPENSES		
Other non-operating expenses	-	-
Total non-operating expenses	-	-
NET NON-OPERATING INCOME	110,946	85,001
NET INCOME BEFORE PRICE-LEVEL RESTATEMENT	8,013,165	4,608,841
Price-level restatement	(1,277,234)	(315,663)
NET INCOME BEFORE INCOME TAX	6,735,931	4,293,178
INCOME TAX	(1,076,822)	(642,599)
NET EARNINGS FOR THE PERIOD	5,659,109	3,650,579

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
NET CASH FLOW FROM OPERATIONS		
Net commissions	2,865,533	1,941,005
Net Income (expenses) on behalf of from clients	(1,179,804)	13,003,159
Net Income (expenses) on own portfolio operations	(1,764,774)	(9,354,807)
Net Income (expenses) on future operations	6,637,625	1,855,060
Administration and selling expenses paid	(1,650,715)	(1,667,468)
Financial costs paid	(2,878)	(21,912)
Taxes paid	(968,845)	(1,099,979)
Net cash flow from operating activities	3,936,142	4,655,058
NET CASH FLOW FROM FINANCIAL ACTIVITIES		
Increases in capital	-	-
Loans received	-	1
Loans from related parties	579,850	7,518,000
Dividends paid	(2,552,804)	(4,115,623)
Payment of loans from related parties	(579,974)	(7,520,255)
Net cash flow from financial activities	(2,552,928)	(4,117,877)
NET CASH FLOW FROM INVESTMENT ACTIVITIES		
Dividends and other income from investment in other companies	102,647	62,537
Other income from investments	-	2,132
Net cash flow from investment activities	102,647	64,669
Total net positive (negative) cash flow in the year	1,485,861	601,850
Effect of inflation on cash	(67,401)	(31,513)
Net variation of cash	1,418,460	570,337
Initial cash balance	1,461,880	891,543
Final cash balance	2,880,340	1,461,880

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

RECONCILIATION OF NET RESULTS WITH OPERATING CASH FLOW	2007 ThCh\$	2006 ThCh\$
Net earnings for the year	5,659,109	3,650,579
RESULTS FROM SALES OF ASSETS		
EARNINGS FROM THE SALE OF INVESTMENTS	-	-
DEBITS (CREDITS) NOT REPRESENTING CASH FLOWS		
Depreciation and amortization	8,715	9,716
Provisions for loss of operating assets	20,958	(86,660)
Provision for price-level restatement and exchange differences	237,732	42,660
Other debits (credits) not representing cash flow	928,595	(84,177)
(INCREASE) DECREASE IN ASSETS AFFECTING THE OPERATING CASH FLOW		
Accounts receivable from clients	(1,813,924)	12,660,741
Rights on future operations	(7,569,730)	(10,892,822)
Investment portfolio	(4,565,024)	6,359,980
Other assets	(1,960,692)	(245,615)
INCREASE (DECREASE) IN LIABILITIES AFFECTING THE OPERATING CASH FLOW		
Accounts payable for brokerage, own portfolio transactions and other services	534,488	(17,774,372)
Obligations for future operations	11,686,585	11,226,293
Accounts payable due to administration and marketing	159,670	(68,947)
Interests payable	(149)	5,482
Tax payable	609,809	(147,800)
Net positive (negative) cash flow from operating activities	3,936,142	4,655,058

CONSORCIO S.A. ADMINISTRADORA GENERAL DE FONDOS

Chairman	Jaime de la Barra Jara
Directors	Pablo Salcedo Elzo, Luis Felipe Ugarte Acevedo, José Armendáriz Morales and Jaime Martí Fernández.
General Manager / Legal Representative	Matías Carvajal Calderón
External Auditors	Ernst & Young Servicios Profesionales de Auditoría and Asesorías Limitada.

REPORT OF INDEPENDENT AUDITORS

» Santiago, February 22, 2008



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Casilla 2823

To the
Shareholders and Board of Directors
Consortio S.A.
Administradora General de Fondos:

We have audited the general balance sheets of Consortio S.A. Administradora General de Fondos as of December 31, 2007 and 2006 and the related statements of income and cash flows for the years ended on those dates. These financial statements (including their corresponding notes) were prepared by and are the responsibility of the management of S.A. Administradora General de Fondos.

Our responsibility is to express an opinion on these financial statements based on our audits. The Explanatory Analysis and Essential Events are not an integral part of these financial statements therefore this report does not cover them.

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 from any significant error. An audit comprises the examination, on a test basis, of evidence supporting 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.

In our opinion, the financial statements referred to herein fairly present, in all their significant aspects, the financial position of S.A. Administradora General de Fondos as of December 31, 2007 and 2006 and the results of its operations and cash flows for the years ended on those dates, in accordance with the Chilean generally accepted accounting principles and the accounting regulations of the Superintendency of Securities and Insurance.

Juan Pablo Hess I.
ERNST & YOUNG LTDA.

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

ASSETS	2007 ThCh\$	2006 ThCh\$
CURRENT ASSETS		
Cash	474,173	303,343
Negotiable instruments	4,034,248	1,706,284
Sales debtors	673,919	928,456
Sundry debtors	1,504	13,016
Bills and accounts receivable from related companies	2,784,598	2,584,056
Tax rebates receivable	251,110	48,442
Pre-paid expenses	1,359	6,325
Deferred tax	1,313	-
Total current assets	8,222,224	5,589,922
FIXED ASSETS		
Furniture and fittings	126,647	126,647
Other fixed assets	377,220	304,467
Accumulated depreciation	(438,734)	(428,868)
Total net fixed assets	65,133	2,246
OTHER ASSETS		
Other	-	421
Total other assets	-	421
Total assets	8,287,357	5,592,589

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

LIABILITIES AND SHAREHOLDER'S EQUITY	2007 ThCh\$	2006 ThCh\$
CURRENT LIABILITIES		
Dividends payable	632	60
Accounts payable	1,250,791	4,667
Bills and accounts payable to related companies	1,042,265	853,257
Provisions	343,616	860,681
Withholdings	19,221	14,624
Income tax	264,998	109,680
Deferred tax	-	2,479
Other current liabilities	-	3,963
Total current liabilities	2,921,523	1,849,411
SHAREHOLDER'S EQUITY		
Paid-in capital	2,850,485	2,850,485
Overprice on share issue	9,516	9,516
Accumulated income	268,982	120
Net earnings in the year	2,236,851	883,057
Total Shareholder's equity	5,365,834	3,743,178
Total liabilities and shareholder's equity	8,287,357	5,592,589

INCOME STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
OPERATING INCOME		
Operating income	9,572,082	6,979,261
Operating expenses	(821,118)	(17,116)
Operating margin	8,750,964	6,962,145
Administration and sales expenses	(5,920,866)	(5,961,512)
Operating income	2,830,098	1,000,633
NON-OPERATING INCOME		
Financial income	276,041	85,045
Other non operating income	2,711	82,862
Financial expenses	-	(570)
Other non operating expenses	(23,009)	(24,619)
Price-level restatement	(401,689)	(71,041)
Non-operating income	(145,946)	71,677
Income before tax	2,684,152	1,072,310
Income tax	(447,301)	(189,253)
NET EARNINGS FOR THE PERIOD	2,236,851	883,057

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
NET CASH FLOW FROM OPERATING ACTIVITIES		
Net earnings in the period	2,236,851	883,057
DEBITS (CREDITS) NOT REPRESENTING CASH FLOW		
Depreciation in the period	9,926	63,834
Price-level restatement	401,689	71,041
Other charges to results not representing cash flow	-	819
Variation in assets affecting cash flow		
(Increase) decrease of sales debtors	200,957	(762,179)
(Increase) decrease of other assets	(199,464)	22,322
Variation in liabilities affecting cash flow		
Increase (decrease) of accounts payable related to operating income	951,740	74,342
Total operating cash flow	3,601,699	353,236
CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of fixed assets (less)	(72,604)	(1,866)
Investment in financial instruments	-	(7,963)
Sale of other investments	596,941	-
Other loans to related companies (less)	(130,788)	(789,269)
Total investment cash flow	393,549	(799,098)
CASH FLOW FROM FINANCIAL ACTIVITIES		
Other loans from related parties	-	718,068
Dividends paid	(614,194)	(60,737)
Total financing cash flow	(614,194)	657,331
Total net cash flow in the period	3,381,054	211,469
Effect of inflation on cash and cash equivalent	(240,522)	(9,761)
Variation in cash and cash equivalent in the period	3,140,532	201,708
Initial balance of cash and cash equivalent	1,359,471	1,157,763
Final balance of cash and cash equivalent	4,500,003	1,359,471

CONSORCIO CRÉDITOS HIPOTECARIOS S.A.

Chairman	Nicolás Gellona Amunátegui
Directors	Patricio Parodi Gil, Marcelo Rozas Etcharren and Francisco Javier García Holtz.
General Manager / Legal Representative	Francisco Ignacio Ossa Guzmán
External Auditors	PricewaterhouseCoopers

REPORT OF INDEPENDENT AUDITORS

» Santiago, February 15, 2008



RUT: 81.512.400-1

Santiago de Chile

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Las Condes

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To the
Shareholders and Board of Directors
Consortio Créditos Hipotecarios S.A.:

We have audited the general balance sheets of Consortio Créditos Hipotecarios S.A. as of December 31, 2007 and 2006 and the related statements of income and cash flows for the years ended on those dates. These financial statements (including their corresponding notes) were prepared by and are the responsibility of the management of Consortio Créditos Hipotecarios S.A. Our responsibility is to express an opinion on these financial statements based on our audits. The attached explanatory analysis and essential events are not an integral part of these financial statements therefore they are not covered by this report.

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 from any significant error. An audit comprises the examination, on a test basis, of evidence supporting 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.

In our opinion, the financial statements referred to herein fairly present, in all their significant aspects, the financial position of Consortio Créditos Hipotecarios S.A. as of December 31, 2007 and 2006 and the results of its operations and cash flows for the years ended on those dates, in accordance with the Chilean generally accepted accounting principles.

Roberto Villanueva B.
RUT. 7.060.344-6

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

ASSETS	2007 ThCh\$	2006 ThCh\$
CURRENT ASSETS		
Cash	271,178	424,415
Mortgage loans	7,655,271	850,112
Other investments	700,371	145,033
Bills (accounts) receivable	110,611	77,911
Sundry debtors	43,106	73,327
Tax rebates receivable	18,300	2,760
Pre-paid expenses	7,069	3,787
Deferred tax	52,158	34,647
Mortgage loans in registration process	9,630,198	14,475,436
Total current assets	18,488,262	16,087,428
FIXED ASSETS		
Office furniture and equipment	26,577	31,742
Hardware	18,711	25,720
Total fixed assets	45,288	57,462
OTHER ASSETS		
Investments in other companies	1,290	1,290
Software, licenses and rights	33,312	66,862
Other assets	-	15,002
Total other assets	34,602	83,154
Total assets	18,568,152	16,228,044

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

LIABILITIES AND SHAREHOLDER'S EQUITY	2007 ThCh\$	2006 ThCh\$
CURRENT LIABILITIES		
Mortgage loans payable	1,405,930	3,039,780
Short term obligations with related parties	1,363,572	73,091
Sundry creditors	735,495	319,085
Provisions – short term	82,317	74,886
Withholdings	36,413	24,488
Mortgage loans payable in process of registration	11,619,999	9,627,367
Total current liabilities	15,243,726	13,158,697
LONG TERM		
Provision on pre-payment	277,302	252,544
Total long term liabilities	277,302	252,544
SHAREHOLDER'S EQUITY		
Paid-in capital	2,032,252	2,032,252
Accumulated income	784,552	547,977
Net earnings in the year	230,320	236,574
Total Shareholder's equity	3,047,124	2,816,803
Total liabilities and shareholder's equity	18,568,152	16,228,044

INCOME STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
OPERATING INCOME		
Income from administration of third-party portfolio	306,283	276,777
Income from prepayments and releases	283,682	372,596
Income from endorsement of mortgage loans	436,129	422,436
Mortgage loan interests	490,540	515,089
Other income	78,741	72,989
Total operating income	1,595,375	1,659,887
TOTAL OPERATING COSTS	(85,718)	(115,408)
OPERATING MARGIN	1,509,657	1,544,479
ADMINISTRATION AND SELLING EXPENSES		
Remunerations	(891,585)	(881,838)
Other	(396,148)	(385,702)
Total administration and selling expenses	(1,287,733)	(1,267,540)
OPERATING INCOME	221,924	276,939
NON-OPERATING INCOME		
Financial income	20,079	9,860
Other non-operating income	53,258	54,750
Income from investment in related company	-	-
Price-level restatement	(18,898)	(5,795)
Financial expenses	(60)	(30,338)
Other expenses	(4,447)	(13,009)
Total non-operating income	49,932	15,468
INCOME BEFORE TAX	271,856	292,407
INCOME TAX	(41,536)	(55,833)
NET EARNINGS IN THE PERIOD	230,320	236,574

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
OPERATING CASH FLOW		
Sale of mortgage notes to insurance companies	48,056,744	56,355,977
Payments received in advance	13,390,593	14,413,249
Collection of dividends from own portfolio	706,559	662,682
Commission from administration of portfolio	306,338	257,856
Commission on administration of insurance policies	25,160	50,454
Complementary loans cancelled	152,493	(145,455)
Other operating income	78,698	58,930
Payment to salesmen of mortgage notes derived from granted loans	(41,371,016)	(48,765,109)
Prepayments cancelled	(20,851,272)	(21,621,020)
Payment of administration expenses	(963,138)	(1,227,063)
Operating costs	(78,023)	(47,590)
Collection from third parties	1,170,684	(271,978)
Tax	(145,029)	(163,384)
Total net operating cash flow	478,791	(442,451)
CASH FLOW FROM FINANCING ACTIVITIES		
Other loans from related company	31,258,370	31,603,339
Payment of other loans of related companies	(31,318,078)	(31,642,158)
Total financing cash flow	(59,708)	(38,819)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Dividends and other income from investments in other companies	13,474	-
Purchase of fixed assets	(6,782)	(11,983)
Total investment cash flow	6,692	(11,983)
Total net cash flow	425,775	(493,253)
Effect of inflation on cash and cash equivalent	(34,247)	(19,445)
Effect of exchange difference on cash and cash equivalent	10,574	12,282
Net variation in cash	402,102	(500,416)
Initial cash balance	569,447	1,069,864
Final cash balance	971,549	569,448

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
RECONCILIATION OF NET RESULT WITH OPERATING CASH FLOW		
Net earnings in the period	230,320	236,574
DEBITS (CREDITS) TO RESULTS THAT DO NOT AFFECT CASH FLOW		
Depreciation in the period	18,557	21,555
Amortization of intangible assts	48,743	53,429
Provisions and write-offs	174,845	138,683
Price-level restatement	18,898	5,795
Profit from the sale of investments	(13,474)	-
VARIATION IN ASSETS AFFECTING CASH FLOW		
Decrease in negotiable mortgage notes	47,620,615	55,933,541
Decrease in prepayments received	13,106,911	14,040,652
Increase in of accounts receivable	57	(43,442)
Decrease in other assets	228,960	133,438
VARIATION IN LIABILITIES AFFECTING CASH FLOW		
Decrease in mortgage notes payable	(41,371,016)	(48,765,108)
Decrease in prepayments cancelled	(20,851,272)	(21,755,171)
Decrease in operating cash flow	983,034	(513,491)
Increase in administration accounts payable	227,324	76,367
Decrease in taxes payable	(103,493)	(107,550)
Increase in other accounts payable	159,782	102,277
Total net operating cash flow	478,791	(442,451)

CONSORCIO TARJETAS DE CRÉDITO S.A.

Chairman	Juan Bilbao Hormaeche
Directors	Hernán Büchi Buć, José Antonio Garcés Silva, Juan Hurtado Vicuña, Eduardo Fernández León, Juan José Mac-Auliffe Granello and Carlos Larraín Peña.
General Manager / Legal Representative:	Francisco Ignacio Ossa Guzmán
External Auditors	Ernst & Young Servicios Profesionales de Auditoría and Asesorías Limitada.

REPORT OF INDEPENDENT AUDITORS

» Santiago, January 29, 2008



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Casilla 2823

To the
Shareholders and Board of Directors
Consortio Tarjetas de Crédito S.A.:

We have audited the general balance sheets of Consortio Tarjetas de Créditos S.A. as of December 31, 2007 and 2006 and the related statements of income and cash flows for the years ended on those dates. These financial statements (including their corresponding notes) were prepared by and are the responsibility of the management of Consortio Tarjetas de Créditos S.A.

Our responsibility is to express an opinion on these financial statements based on our audits. 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 from any significant error. An audit comprises the examination, on a test basis, of evidence supporting 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.

In our opinion, the financial statements referred to herein fairly present, in all their significant aspects, the financial position of Consortio Tarjetas de Créditos S.A. as of December 31, 2007 and 2006 and the results of its operations and cash flows for the years ended on those dates, in accordance with the Chilean generally accepted accounting principles and the regulations of the Superintendency of Banks and Financial Institutions.

Enrique Aceituno A.
ERNST & YOUNG LTDA.

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

ASSETS	2007 ThCh\$	2006 ThCh\$
CURRENT ASSETS		
Cash	85,719	150,656
Instruments issued by the Central Bank of Chile and the State Treasury	0	2,142,702
Bills and accounts payable	833,019	644,607
Tax rebates receivable	222,545	66,150
Other current assets	98,484	86,005
Total current assets	1,239,767	3,090,120
BILLS AND ACCOUNTS RECEIVABLE IN TERMS OF OVER ONE YEAR		
Bills and accounts receivable	58,613	35,592
Total bills and accounts receivable in terms of over one year	58,613	35,592
FIXED ASSETS		
Real estate properties	3,287,871	317,144
Office furniture and equipment	98,262	18,693
Subtotal	3,386,133	335,837
Less: accumulated depreciation	17,144	8,745
Total fixed assets	3,368,989	327,092
OTHER ASSETS	212,880	159,773
TOTAL ASSETS	4,880,249	3,612,577

GENERAL BALANCE SHEET

» as of December 31, 2007 and 2006

LIABILITIES AND SHAREHOLDER'S EQUITY	2007 ThCh\$	2006 ThCh\$
CURRENT LIABILITIES		
Bills and accounts payable	62,450	55,687
Bills and accounts payable to related companies	1,252,085	0
Withholdings	2,732	1,719
Other current liabilities	335,481	86,538
Total current liabilities	1,652,748	143,944
SHAREHOLDER'S EQUITY		
Paid-in capital	4,262,384	4,262,384
Loss from previous periods	(793,751)	(522,786)
Net earnings (loss) in the period	(241,132)	(270,965)
Total Shareholder's Equity	3,227,501	3,468,633
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	4,880,249	3,612,577

INCOME STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 MS
OPERATIONAL RESULT		
OPERATING INCOME		
Commissions	55,852	49,959
Interests	143,050	95,561
Other incomes	6,102	7,083
Total operating income	205,004	152,603
OPERATING EXPENSES		
Advertising	(15,990)	(85,866)
Remunerations, commissions and fees	(102,660)	(75,847)
Rentals and other administrative expenses	(277,728)	(301,899)
Provisions and write-offs	(79,776)	(59,162)
Depreciations	(8,402)	(8,139)
Total operating cost	(484,556)	(530,913)
OPERATIONAL MARGIN	(279,552)	(378,310)
NON-OPERATING RESULT		
NON-OPERATING INCOME		
Financial income	2,333	49,966
Other non-operating income	52,469	14,841
Total non-operating income	54,802	64,807
PRICE-LEVEL RESTATEMENT	(69,586)	(15,394)
INCOME BEFORE INCOME TAX	(294,336)	(328,897)
INCOME TAX	53,204	57,932
NET EARNINGS (LOSS) IN THE PERIOD	(241,132)	(270,965)

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

	2007 ThCh\$	2006 ThCh\$
CASH FLOW FROM OPERATIONS		
Commissions and interests received from clients	208,686	149,723
Income for account of clients	1,428,369	993,619
Payment to commercial establishments	(1,796,769)	(1,359,469)
Paid taxes	(26,783)	(14,070)
Tax rebates receivable	(170,359)	0
Paid commissions	(102,562)	(68,151)
Administration and selling expenses	(258,521)	(331,208)
Other operating disbursements	(15,822)	(5,514)
Net cash flow from operations	(733,761)	(635,070)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Investment in financial instruments	2,142,503	643,945
Purchases of fixed assets	(2,732,604)	(1,498)
Other investment income	13,378	14,841
Net cash flow from investments	(576,723)	657,288
CASH FLOW FROM FINANCIAL ACTIVITIES		
Borrowings from related parties	1,252,594	0
Net cash flow from financing activities	1,252,594	0
Net cash flow in the period	(57,890)	22,218
Effect of inflation on cash and cash equivalent	(6,225)	(4,512)
Effect of exchange difference on cash and cash equivalent	(822)	46
Net variation in cash and cash equivalent	(64,937)	17,752
Initial balance of cash and cash equivalent	150,656	132,904
FINAL BALANCE OF CASH AND CASH EQUIVALENT	85,719	150,656

CASH FLOW STATEMENT

» for the years ended December 31, 2007 and 2006

RECONCILIATION OF OPERATING CASH FLOW WITH THE NET RESULT FOR THE YEAR

	2007 ThCh\$	2006 ThCh\$
Net loss for the year	(241,132)	(270,965)
RESULT FROM SALE OF ASSETS		
Profit from sale of investments	(2,333)	(49,966)
DEBITS (CREDITS) TO RESULT NOT AFFECTING CASH FLOWS		
Deferred taxes	(53,204)	(57,932)
Depreciation for the year	8,402	8,139
Price-level restatement	69,586	15,394
Write-offs and provisions	79,776	59,162
VARIATION IN ASSETS AND LIABILITIES THAT AFFECT CASH FLOW		
(Increase) Decrease in sales debtors	7,413	11,916
(Increase) Decrease in debtors from purchases	1,245,248	967,828
(Increase) Decrease in other accounts receivable not related to results	(16,581)	(5,514)
(Increase) Decrease in investments	(27,690)	(14,841)
(Increase) Decrease in VAT	(123,785)	(32,399)
Increase (Decrease) in accounts payable	104,948	93,577
Increase (Decrease) in accounts payable not related to results	(1,784,409)	(1,359,469)
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	(733,761)	(635,070)

