



2009

Annual Report  
Consortio Financiero

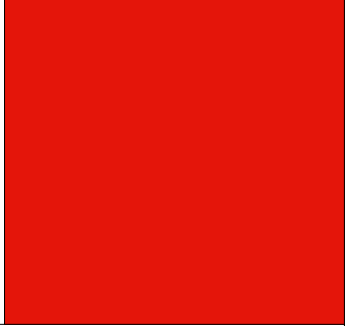




# 2009

Annual Report  
Consortio Financiero





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# 01

## The Company

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## Insurance

Life Insurance  
Vehicle Insurance  
Home Insurance  
Corporate Insurance  
Obligatory Personal Accident  
Insurance - SOAP

Consortio offers individuals a broad range of insurance, providing protection to the entire family group from catastrophic events and unexpected death, health, disability and damage to physical property, achieving in this way an important contribution towards the security, prosperity, peace and happiness of the current and future assured.

## Savings

Mutual Funds  
Insurance with Savings  
Stock Brokers

In this area the Company has a wide range of alternatives for savings and investment, which will permit each person and family to reach their ambitious targets, challenges and projects such as owning a house, higher education of their children or starting a new business, amongst others.



## Credits

The credit area provides financial solutions to individuals, permitting them to anticipate their large projects, achieving in this way the purchase of their own home, the financing of their studies or of their relatives, travel and/or any needs or projects individuals wish to pursue.

- Consumer Credits
- Credits to Pensioners
- Mortgage Loans
- Consorcio Visa Credit Card

Consorcio provides individuals with comprehensive solutions during the stage in active employment in order to accumulate and build the necessary capital to safely face the moment they retire and subsequently, it offers the best alternatives for commencing the period of retirement with lifelong and guaranteed products that grant fixed pensions and, thus, provide the peace of mind so necessary during this important stage in people's lives.



## Pensions

- Annuities
- Private Income
- Collective Voluntary Pensions Savings
- Voluntary Pensions Savings

# 01

THE COMPANY  
LETTER FROM  
THE CHAIRMAN

# Letter from the Chairman



**Juan Bilbao Hormaeché**  
*Chairman, Consorcio Financiero*

**IT IS MY GREAT PLEASURE TO SUBMIT TO YOU** the Annual Report on Consorcio Financiero S.A. corresponding to the year 2009. During the year, the Company achieved positive advances in its four areas of business: Insurance, Pensions, Savings and Credits. In each one of them we applied a strategy based on a comprehensive offer of products, a high level of service, a diversification in the distribution channels and a brand positioning based on the attributes of solidity, closeness and modernness.

During the course of 2009, Consorcio Financiero S.A. obtained net earnings of CLP 112,932 million, which represents a historic record for the Company. This significant achievement is explained mainly by the effects of the recovery of the local and international stock markets and the repercussions these had on the Company's variable income investment portfolio, especially in its subsidiaries, Consorcio Seguros Vida S.A. and CN Life S.A. This environment permitted the life insurance industry in Chile to achieve net earnings in 2009 of CLP 373,979 million, which compare favourably with the losses of CLP 139,483 million made in the year 2008.

Within the principal milestones that marked this last year, the most important was the entry of Consorcio Financiero into the banking industry with the acquisition of a hundred percent of Banco Monex, an institution which had, at the time of the purchase, total assets of USD 140 million and a net worth of USD 22 million. This transaction took place in the month of November, after the corresponding authorization of the Superintendence of Banks and Financial Institutions had been granted. From

**// Within the milestones that marked the last year, the most important was Consorcio Financiero's entry into the banking industry with the purchase of one hundred percent of Banco Monex. Once this operation was brought to fruition, the Company implemented a business plan in order to incorporate into the new Banco Consorcio all the personal credit business.**

that moment on, the Company implemented a business plan to incorporate into the new Banco Consorcio all the personal credit business currently carried out through Consorcio Seguros Vida, Consorcio Créditos Hipotecarios and Consorcio Tarjetas de Créditos, in order to grow in those market segments where we believe there is a variety of opportunities to complement and increase the offer of products that are currently provided by Consorcio Financiero to its clients.

Furthermore, Consorcio Financiero and LarrainVial S.A. agreed to merge their subsidiaries Consorcio Administradora General de Fondos and LarrainVial Administradora General de Fondos. This gave rise to the largest non-bank mutual funds manager in the market, with assets under management for over USD 2,000 million and 80 participants, with a business model that combines the specialization in the management of third party funds with personalized consultancy. LarrainVial, a specialist in investment banking with 75 years experience in the local market, owns 75% of the new company and Consorcio Financiero owns the other 25%.

In terms of results obtained by the life insurance companies, Consorcio Seguros Vida S.A. and CN Life S.A. achieved significant net earnings during the year 2009 that amounted to CLP 77,171 million and CLP 20,226 million, with returns on equity of 33.1% and 41.2%, respectively. This places Consorcio Seguros Vida in the leading position in assets with USD 5,332 million and a net worth of USD 600 million, becoming the most capitalized company in the insurance industry in Chile.

The rest of the regulated companies belonging to Consorcio Financiero also showed positive results in 2009. Consorcio Corredora de Bolsa S.A. registered net earnings of CLP 5,844 million, Consorcio Créditos Hipotecarios S.A. achieved net earnings of CLP 1,131 million and Consorcio Seguros Generales S.A. made CLP 1,064 million, representing returns on equity of 26.9%, 23.4% and 18%, respectively.

The progress shown by the Company was reflected in the performance of each of the business areas. In Insurance, Consorcio had a sales volume in individual life equivalent to CLP 53,336 million and a market share of 11.5%. In collective insurance, income amounted to CLP 8,088 million, which implied a growth of 19.3%, in accordance with the business strategy established for the year. General insurance had an income of CLP 23,254 million, reflecting a growth of 4%, which compares favourably with the industry that fell by 2.3% in 2009. The highlight was the Vehicle business that represents 52% of total sales and showed an increase of 14.2% during the

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**// Consorcio Financiero and LarrainVial S.A. agreed to merge their subsidiaries Consorcio Administradora General de Fondos and LarrainVial Administradora General de Fondos. This gave rise to the largest non-bank mutual funds manager in the market.**

year. Furthermore, the Company showed an increase of 17.5% in sales of Obligatory Personal Accident Insurance (SOAP) with over 200 thousand policies issued. The risks related to Fire, Theft, Engineering and Liability showed reductions due to the lower level of economic activity during the year 2009.

With respect to the Pensions area, the Company presented a sales volume in annuities of CLP 122,982 million, equivalent to a 15.2% market share and that compares favourably with the 11.7% obtained during the previous year. This reflects a growth of 6.7% during the year, in an environment in which the industry decreased by 17.7% in

**// The Company achieved a volume of sales in the annuities line of CLP 122,982 million, which represented a 15.2% share of the market. This implied a growth of 6.7% during the period in an environment in which the annuities industry fell by 17.7%.**

6,7%

annuities. In the Voluntary Pensions Savings (APV) line, an important product that creates the future pension for the clients, the number of users of this product continued to grow and Consorcio retained its position as leader within the insurance company industry with a 22% share of the market and a balance under management of CLP 60,479 million, which increased by 42% with respect to the previous year. This was due, in part, to the fact that the clients' funds benefited from the recovery of the local and international stock markets.

The Savings area, managed through Consorcio Seguros de Vida and Consorcio Corredores de Bolsa as placing agents for Mutual Funds, showed very positive results, with takings net of investments of CLP 13,762 million. With this, the balance of clients' funds under management in traditional

mutual funds managed by AGF (General Administrator of Funds) amounted to CLP 54,946 million, surpassing by 55.8% the figure attained in 2008. In turn, during the year 2009, Consorcio Corredores de Bolsa continued strengthening its technological platform. With this in mind, the Company implemented a series of innovations in its Web site that allowed it to achieve important improvements in matters of transactions, converting it into a tool that is continually becoming simpler, clearer and faster for its clients. In this way, the Company is consolidating its position as a pioneer and leader in shares and mutual funds traded through Internet in Chile.

Finally, in the Credit area, Consorcio retained its leadership position in the lines of business in which it participates. On the one hand, in consumer credits it registered assets for CLP 40,590 million, an increase of 14% over the figure for the year before, making Consorcio the principal insurance company in this line of business, with a 33.5% share of the market. On the other hand, in mortgage loans the company achieved a volume of loans of CLP 49,926 million and an accumulated stock of CLP 264,556 million, situating Consorcio in first place within the negotiable mortgage notes administrators industry. Within the framework of its corporate social role, the Company – through the Consorcio Foundation – confirmed its permanent commitment with the Monte Olivo School located in the municipal commune of Puente Alto, in the Metropolitan Region and which provides schooling to more than 1,000 children exposed to social risks. Since its creation, this establishment has shown a steady growth, currently providing education up to 2nd year of High School and planning to reach 4th year by 2011. Together with a humanist-scientific secondary education, the School gives its pupils an excellent and comprehensive formation that includes music, art and sports workshops. Furthermore, it develops activities to incorporate the family.

In addition, during four consecutive years, Consorcio has worked in alliance with Coaniquem (Aid to Children with Burns) in the sale of Obligatory Personal Accident Insurance (SOAP), contributing with cash donations to this institution from each policy sold. This became an important contribution towards financing the overall and free rehabilitation of children and adults that have suffered serious burns.



**// Notwithstanding the economic crisis that was felt during the year 2009, Consorcio maintained its plans on training and formation, which permitted the Company to continue to contribute towards the personal and professional development of our employees in accordance with the competence required by the position they each hold.**

During the year, Consorcio continued with the “TU Compañía” (“YOUR Company”) campaign, aimed at achieving a firm positioning in attributes related to closeness, modernness and security. Along these lines, a modification was made to the Company’s corporate image in which red became the predominant colour in the Consorcio brand. This was applied in the Company’s entire network of offices throughout the country and in all internal marketing material. Thanks to the positive work carried out with the advertising agency, Consorcio was rewarded for the first time with the Silver Effie Prize for creativity and effectiveness in its SOAP campaign.

Notwithstanding the economic crisis that was felt during the year 2009, Consorcio maintained its plans on training and education, which permitted the Company to continue to contribute towards the personal and professional development of our employees in accordance with the competence required for the position they hold. Furthermore, the Company, once again, showed a substantial improvement in the opinion poll on the working atmosphere, reflecting the positive work environment reigning within the Company. All this demonstrates that

Consorcio’s human capital continues to be a fundamental factor for advancement and growth.

During the year 2010, Consorcio will continue working in accordance with its business strategy, strengthening its comprehensive offer of products and distribution channels and maintaining its high level of service. This, together with a responsible and efficient performance, will allow us to continue growing in a solid and permanent manner. I am sure that thanks to the acknowledged strengths of our human team, we shall be able to successfully achieve the targets and challenges proposed on the basis of our values: Integrity, Respect, Cooperation, Proactivity, Flexibility and Excellence.

**Juan Bilbao Hormaeche**  
Chairman, Consorcio Financiero

## Historic record in profits

In the middle of a complex year for the local and world economies, Consorcio Financiero achieved the highest profit in its 93-year history. This historic result is due to the Company's solidity as one of the most important financial conglomerates in the country and the recovery of the stock markets, together with the repercussions of this performance on the variable income investment portfolio maintained by the Company.

Consorcio Financiero had net earnings of CLP 112,932 million, which endorse its work and position in the market, strengthening the security it provides to its clients and employees.



## Silver Effie Prize

Thanks to the creativity shown by Consorcio and its advertising agency, the Company was rewarded with a Silver Effie Prize for Effective Publicity of its SOAP 2008 campaign. This award also considered the efficiency of the marketing strategy of this project and its commercial results.



## Consorcio entered into the banking industry

During the year 2009, Consorcio Financiero entered into the banking industry with the acquisition of Banco Monex which had, at the time of the purchase, total assets of USD 140 million and a net worth of USD 22 million. After receiving the corresponding authorization from the Superintendence of Banks and Financial Institutions, the Company implemented a business plan to incorporate into the new Banco Consorcio all the personal credit business that the Company currently carries out through Consorcio Seguros Vida, Consorcio Créditos Hipotecarios and Consorcio Tarjetas de Créditos.

In the medium term, Banco Consorcio will offer its clients financial services to individuals, complementing the offer of products that are currently provided by Consorcio Financiero to its clients.



## Solidity in the insurance market

Consorcio Seguros de Vida achieved important results during the year 2009. With net earnings of CLP 77,171 million and a return on equity of 33.1%, it was the market leader in assets, becoming the most capitalized company in the insurance industry in Chile.

## New technological platform for stock brokers

The Web site [www.consorciocorredores.cl](http://www.consorciocorredores.cl) was one of the principal innovations in 2009. This plan is part of a project by the Company that seeks to build a comprehensive business model to perfect the service related to the business with insurance brokers. With these improvements in the sales, maintenance and post-sales processes, Consorcio provides them with help in their tasks and an excellent support when facing the end-customers.

This new technological tool was designed exclusively and specially for the Insurance Brokers for Annuities, Individual Life, Collective Insurance and General Insurance. In a friendly, modern format with easy access, it puts at the disposal of users detailed information on policies, enquiries on commissions, quotes and follow-up of business, consultation and discharge of documents and forms and key alerts on their client portfolio, amongst others.



## Consorcio Financiero and LarrainVial alliance

Consorcio Financiero and LarrainVial signed an agreement to merge the equity and business of their subsidiaries that manage mutual funds. This merger gave rise to the largest non-bank mutual funds manager in the market, with assets under management of over USD 2,000 million, which will operate under a business plan that combines a specialization in the management of third party funds with personalized consultancy and attention. Consorcio Financiero will have a share of 25% in the new business and LarrainVial the other 75%. The track record, specialization, the local and international scope and the financial solidity of the new group will convert this company into one of the leaders in the mutual funds management market.



## Monte Olivo School now goes up to 2<sup>nd</sup> grade of high school

The Monte Olivo School continues to make progress in the comprehensive education of the more than 1,000 children from low income families that study there. During the year 2009, this establishment took another step forward on being able to now offer schooling up to the 2nd grade of Humanist-Scientific Secondary Education, getting closer to the target of reaching 4th and final year of high school in 2011.

The school, which is located in the municipal commune of Puente Alto, provides its pupils with a comprehensive formation that includes music, art and sports workshops for the children in addition to activities aimed at the parents and guardians in order to include them in the education process.

## Strengths Demonstrated in Annuities

Thanks to an excellent marketing performance and a strategy based on responding to the needs of the clients, Consorcio consolidated its position as market leader in Annuities, one of its main lines of business. During the year 2009, it achieved a market share of 15.2% and a growth of 6.7% amid a complex scenario that provoked a decrease of 17.7% in the Annuities industry. This success was due to the strength of the Consorcio brand, its closeness to the clients, a high quality of service and a comprehensive offer of products based on people's requirements and expectations.

## Excellence in the working atmosphere



With its employees in mind, Consorcio has a strategy focused on boosting the best working atmosphere. The efforts made by the Company together with its employees produced positive results, according to an opinion poll on the internal climate. This achieved a participation of 76.9% with an increase in positive replies in all the subject covered.

The subjects best evaluated were: Organizational Clarity; General Evaluation of the Climate; Working Atmosphere and Communications within the Company.

## our vision

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

## our mission statement

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

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

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

## our values

**Integrity:** Ethics, transparency and honesty are part of my work.

**Excellence:** I always seek to do a good job with a seal of quality.

**Respect:** I treat others with dignity. I assume my commitments and I comply with the Company's norms.

**Cooperation:** I participate actively in my team and I contribute with other areas towards the achievement of the Company's objectives.

**Pro-activity:** I set myself challenges and I take the initiative to make improvements that will contribute to my job and that of others.

**Flexibility:** I am open and I adapt to new ideas, procedures and practices that add value to my performance and to Consorcio.



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

# 01

THE COMPANY HISTORY

1916

A group of businessmen and industrialists, who were members of the Sociedad de Fomento Fabril SOFOFA, the Association for Industrial Development, and the Industrial Chamber of Chile founded the *Compañía Nacional de Seguros La Industrial*.

1975

The Company changed its name to *Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A.*



1987

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

1999

Consorcio became a 100% Chilean-owned company and its ownership was passed to the Hurtado Vicuña and Fernández León families. Consorcio Financiero S.A. (CFSA) was born. CFSA acquired Cruz Blanca Seguros Generales which was transformed into Consorcio Seguros Generales S.A.

2002

The sale of Voluntary Pension Savings Plans (APV) commenced. Consorcio was strengthened with the acquisition of CNA, now CN Life.

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



93 years

*of history, growth*

1947

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



1986

The ownership of the Company passed to Bankers Trust that was adjudicated 96,21% of the total shares.



1993

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

2000

Consorcio Créditos Hipotecarios is authorized to commence operations and Consorcio Corredores de Bolsa is created. The association with the Compass Group, N.Y., was sealed.

2003

Consorcio launched the first on-line Stock Broker. The Consorcio Foundation received the Good Corporate Citizen prize presented by The Chilean American Chamber of Commerce (Amcham).

2004

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



2006

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

## Banco Consorcio

Conсорcio enters the banking industry with the purchase of Banco Monex, an institution with total assets of USD 110 million and a net worth in the order of USD 20 million. The Company creates the new Banco Consorcio.



// Consorcio Financiero achieved net earnings of CLP 112,932 million, reflecting the largest figure in its 93-year history. This result is based on its effort and position in the market.

*and excellence*

2009

## New alliance

Conсорcio Financiero signed an agreement to merge its subsidiary Consorcio Administradora General de Fondos with LarrainVial. This alliance gave rise to the largest non-bank mutual funds manager in the market, with assets under management of over USD 2,000 million.

## Positive figures

In the annuities line, the Company achieved a sales volume of CLP 122,982 million representing a 15.2% market share. This result implied a growth of 6.7% during the year in an environment in which the annuities industry decreased by 17.7%.



2005

Conсорcio Corredores de Bolsa de Productos was created. Consorcio became the first insurance company to offer Consumer Credits to pensioners.



2008

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





Consortio continues with its consolidation as a financial services company that today groups together Insurance, Pensions, Savings and Credit products.

# 01

THE COMPANY  
BOARD OF  
DIRECTORS

# Board of Directors

**Juan Bilbao Hormaeche**  
Chairman

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



**Juan Hurtado Vicuña**  
Director

*Civil Engineer, Universidad de Chile.*



**Carlos Larrain Peña**  
Director

*Lawyer,  
Universidad Católica de Chile.  
Degree in Law and Economics in Insurance,  
Catholic University of Louvain, Belgium*



2009

CONSORCIO



**Juan José Mac-Auliffe Granello**  
Director

*Business Administration Graduate,  
Universidad Católica de Chile.*



**Hernán Büchi Buć**  
Director

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



**Eduardo Fernández León**  
Director

*Business Administration Graduate,  
Universidad Católica de Chile.*



**José Antonio Garcés Silva**  
Director

*Businessman*

# Executive Committee

**José Miguel Ureta Cardoen**

Finance Manager  
*Industrial Engineer,  
Universidad Católica de Chile.  
Masters Degree in  
Business Administration,  
Harvard University, U.S.A.*



**Patricio Parodi Gil**

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

**Christian Unger Vergara**

Technical Manager  
*Industrial Engineer,  
Universidad de Chile.*



**Hermann Tisi Urbina**

Manager Information  
Technology and Operations  
*Industrial Engineer,  
Universidad Católica de Chile.*



**Luis Eduardo Salas Negroni**

Human Resources Manager  
*Psychologist,  
Universidad Diego Portales  
Certified in the U.K. and U.S.A.*



**Francisco Javier García Holtz**

Marketing Manager  
*Business Administration Graduate,  
Universidad Diego Portales.*



**Nicolás Gellona Amunátegui**

General Manager Insurance Companies

*Business Administration Graduate,  
Universidad Católica de Chile.*

*Masters Degree in  
Business Administration,  
University of Chicago, U.S.A.*

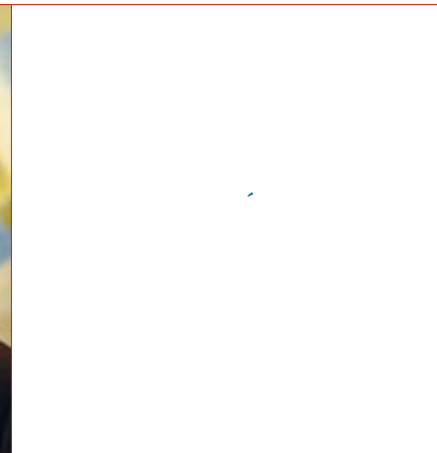


**Pedro F. Iñiguez Ducci**

Chief Counsel

*Lawyer,  
Universidad Católica de Chile.*

*Masters Degree in International  
Banking and Financial Law, Univer-  
sity of Boston, U.S.A.  
Management Program for Attor-  
neys, Yale University, U.S.A.*



**Francisco I. Ossa Guzmán**

Credit Business Manager

*Business Administration Graduate,  
Universidad de Los Andes.*

*Masters Degree in  
Business Administration,  
INSEAD, France.*



**Marcelo Rozas Etcharren**

Financial Control Manager

*Business Administration Graduate,  
Universidad Católica de Chile.*



**Francisco Javier Goñi Espíldora**

Chief Auditor

*Industrial Engineer,  
Universidad de Chile.*







# 02

## Corporate Performance

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# Committed to *people's development*

*During the year 2009, Consorcio continued with its task of strengthening the training and development of its work force, boosting the various formation programmes for executives and heads. Furthermore, as a way of improving each person's performance, Consorcio put into operation its new Performance Control Model that reinforces the achievement of the corporate objectives of each person and each area as well as the manner in which they can be attained.*



**CONSORCIO'S HUMAN** team is comprised of 2,097 people distributed over 22 cities in the country, all committed to the Company's Mission Statement, to the clients, the community, the shareholders and all their employees. As part of the aims of the human capital, Consorcio has carried out an important task reinforcing the Company's values, which are:

**Integrity:** *"Ethics, transparency and honesty are part of my work".*

**Excellence:** *"I always seek to do a good job with a seal of quality".*

**Respect:** *"I treat others with dignity. I assume my commitments and I comply with the Company's norms".*

**Cooperation:** *"I participate actively in my team and I contribute with other areas towards the achievement of the Company's objectives".*

**Pro-activity:** *"I set myself challenges and I take the initiative to make improvements that will contribute to my job and that of others".*

**Flexibility:** *"I am open and I adapt to new ideas, procedures and practices that add value to my performance and to Consorcio".*

These values are the basis on which Consorcio has built a working atmosphere that permits each person a professional and personal development. This permanent effort was reflected in the positive results of the opinion poll on the climate in the organization. In the year 2009, this attracted a participation of 76.9% of the employees and achieved very good results, improving the level in all the 16 variables contained in the analysis. Amongst these, the most important were the increases in Organizational Clarity, General Evaluation of the Climate, Working Atmosphere and Communications within the Company.



#### **NEW MODEL FOR BOOSTING PERFORMANCE**

In order to strengthen each one's commitment with the Company's strategies, in the year 2009, Consorcio implemented its Model for Controlling Performance, which evaluates in each person, the compliance with the corporate, the unit's and the personal objectives. Together with this, the Model evaluates the manner in which each person complies with his targets.

The Model permits the Heads to establish targets together with the subordinates in their team and to maintain a permanent follow-up of their compliance during the year, making periodic evaluations in order to review the progress made. In this way, each member can arrange his own activities, set his own targets together with his direct supervisor and improve his performance.

#### **PERMANENT DEVELOPMENT OF KNOWLEDGE AND SKILLS**

During the year, Consorcio maintained a constant emphasis on the professional development of its staff, carrying out its training programmes for sales executives and heads as well as on customer service. Furthermore, new courses were incorporated in 2009 into the Managing People Programme (PGP) and its contents were enhanced by adding leadership and coaching workshops, working in seminar format to achieve a greater depth in the various subjects and sharing experiences among the participants. This project, which involved 174 participants in 4,300 hours of training, reinforced the work of the heads, creating leaders capable of guiding their teams and optimizing their abilities.

Within the framework of the Training Programme for Sales Heads, 4,030 hours of training were provided. These were

focused mainly on strengthening technical and leadership competence. The activity closed the year with a meeting to review the best practices in marketing performance and to learn about abilities in communications in order to tackle complex subjects with their teams.

The Training Programme for Sales Executives strengthened its academic grid, including new courses on professional ethics, tax benefits and client profiles. In addition, courses on products were implemented by means of an e-learning platform, permitting the Company to reach the whole country in a more efficient manner. In total, 56,300 hours of training were held, corresponding to an average of 3 courses per person.

Together with the above, during the year, the Company organized Training Programmes on Customer Service with specific subjects in order to improve the quality of the service. Furthermore, the Training Programme on Annuities was initiated for training 176 people during the year, with 6,899 hours in training sessions on this product. With respect to the Company's administrative areas, these participated in workshops on team work, developing confidence and a series of abilities necessary to improve individual performance and contribute effectively towards meeting Consorcio's strategic targets.

// The Training Programme for Sales Executives strengthened its academic grid, including new courses on professional ethics, tax benefits and client profiles.





## life

### A CONTRIBUTION TOWARDS QUALITY OF LIFE

Conсорcio has a series of plans that contribute to the quality of life of its employees by arranging opportunities for them to share with their children and make them feel part of the Company. Special activities are arranged for the children during vacations such as visits to the office in order to get to know where their parents work and awards such as the Prize for Academic Excellence. Furthermore, measures have been taken to contribute towards the health of the staff in the Company such as vaccinations against influenza. Likewise, the Company has introduced the Programa Orienta (Guidance Programme) that provides specialized guidance in financial, legal and psychological matters with individual attention and evaluations on a case-by case basis, available in Santiago, Antofagasta, La Serena, Viña del Mar, Rancagua, Talca, Concepción, Temuco and Puerto Mont. Furthermore, in order to boost the integration of the teams within Consorcio, activities were organized such as prize-giving for years' service, celebration of Christmas, Easter, Secretary's, Mother's and Father's Day, among others.

### CREATING A CULTURE OF PREVENTION

A special feature during the year 2009 was the level of occupational accidents which remained within the standards established by the Security and Medical Care Association (Mutual de Seguridad). This significant achievement is the result of an excellent job done with regard to occupational hazards and the constant work on training all the areas, which has been strengthened with the introduction of a culture of prevention throughout the Company. In this respect, during the year 2009, various

**// The Company has a series of plans that contribute to the quality of life of its employees by arranging opportunities for them to share with their children and make them feel part of the Company.**

training programmes were carried out, especially the "Know your risks" and "Culture of Prevention" workshops. The first was directed at the Sales Executives in the country and its objective was to emphasize the importance of knowing which are the risks to which they are exposed and which are the best methods for being safe and preventing accidents. The second one was organized by the Security and Medical Care Association whose experts, by means of motivational dynamics, encouraged a self care behaviour with respect to the risks experienced at work, at home and whilst travelling to and fro. These workshops were supported with periodic exercises for all the Company's employees, who were taught how to react in an adequate manner before possible fires and tremors.

In short, and responding to our Mission Statement, in the year 2009 Consorcio continued to advance decidedly in the compliance of its strategic objective from the viewpoint of the people, especially with respect to the Values that guide the way the Company's personnel carry out their work.

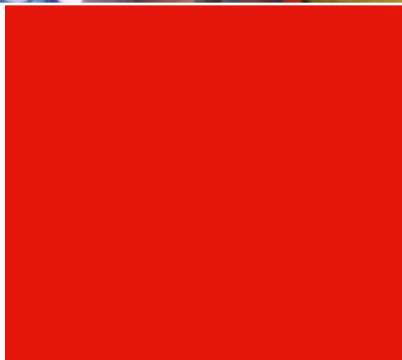
# 02

CORPORATE PERFORMANCE  
CORPORATE SOCIAL  
RESPONSIBILITY



## A contribution towards *an excellent education*

*During the year 2009, Consorcio continued with its comprehensive social work with the emphasis placed on education through the Monte Olivo School in Puente Alto, which provides an excellent education to children from low income homes. Furthermore, the Company continues its work with the Coaniquem (Aid to Children with Burns Corporation) by means of an alliance in the sale of the Obligatory Personal Accident Insurance (SOAP).*



**AS A WAY OF PARTICIPATING** actively in the development of the community and contributing as a good corporate citizen, in 1987, the Company created the Consorcio Foundation, an institution responsible for developing projects that contribute to the health, education and culture of children and the elderly that require it. In this line of work, since the year 2002, one of the main focal points has been excellent education. Consorcio provides a permanent support to the Monte Olivo School in the municipal commune of Puente Alto that seeks to give a first class education to children from low income homes and at social risk. The establishment currently has some 1,000 students that come principally from the Villa Ferroviaria, the Volcán I and II settlements and the Monseñor Carlos Oviedo shanty town.

During the course of the 7 years of the School's existence Consorcio has been investing permanently in its infrastructure, which has grown to provide the students with more and better areas in which to study. The initial construction of 3,194 m<sup>2</sup> that contained a roofed multi-sport playing area, a library, a computer room, a music room, a dining room and a chapel open to the community, had a second phase that increased the infrastructure to 1,086 m<sup>2</sup>. Subsequently there was a third stage that concluded with 13,442 m<sup>2</sup> of land and installations of 6,635 m<sup>2</sup> which the School has today.

These buildings have permitted the School to increase its areas for education and to boost the formation of the children. In this way it complements the formal education with a series of ancient music, folklore, art, guitar and sports (eurhythmics, athletics, basketball and handball) workshops and a pastoral area to prepare the children

# learning

**// Consorcio has made permanent investments in the infrastructure of the School which has grown to provide the students with more and better areas for learning.**

for their first Holy Communion and Confirmation. To this must be added extra-curricular activities specially designed for the mothers of the students. During the year 2009, the students from 4th, 5th and 6th elementary school participated in the Mathematics Olympics organized by the Las Américas University at which the 4th elementary delegation won the first prize in its category. Furthermore, since 2008, the establishment provides high school humanist-scientific education up to 2nd grade high school and will provide education up



// For the fourth consecutive year, Consorcio has worked in association with Coaniquem (Aid to Children with Burns Corporation) in the sale of Obligatory Personal Accident Insurance (SOAP).

to 4th and final grade high school in 2011, strengthening the knowledge of Spanish, English, mathematics and computers, as well as other complementary abilities that will be useful for the students in future, whichever professional path they may choose. Together with the School's activities, Consorcio implemented during the year a series of opportunities for the employees and their families to share with the students and the Monte Olivo community such as the official inauguration of the 2009 school year and the ceremony of awards to outstanding students of the Prizes for Academic Excellence.

In addition, Consorcio is present at the most significant moments such as the celebration of Holy Week, Easter Sunday, Children's Day and, of course, Christmas, with presents collected specially by the Consorcio employees and handed out by Father Christmas.



#### **VOLUNTEERS TO HELP**

For the past three years, Consorcio's employees get together in the Corporate Volunteer group with the object of carrying out various activities in Santiago and the Regions in support of the communities where the Company has a presence.

During the year 2009, the volunteers organized different activities with children that attend the Los Patroncitos Kindergarten run by the Hogar de Cristo charity organization, which has installations in Santiago, Antofagasta, Concepción, Temuco and Puerto Montt. The most important of these events was the "One child, one present" campaign through which they collected presents at some of the Company's offices for later delivery at Christmas time.

Furthermore, the Company continued with the "1 + 1 Campaign", a project that operates throughout the year and through which it equals the contributions that the employees voluntarily make to the charity of their choice.

#### **EACH POLICY ADDS UP FOR COANIQUEM**

For the fourth consecutive year, Consorcio worked in association with the Corporación de Ayuda al Niño Quemado (Coaniquem) (Aid to Children with Burns Corporation) in the sale of Obligatory Personal Accident Insurance (SOAP). This alliance seeks to make a financial donation to the Corporation to help with its activity of providing free rehabilitation to children and adults who have suffered serious burns.

Consorcio's help consists of a cash contribution to Coaniquem, raised from each SOAP policy sold through any of the Company's sales channels. The Corporation attends over 100 thousand children a year in its centres located in Santiago and in 18 regional cities.



La Serena

# The strength of a close *and reliable brand*

*The Company carried out a major publicity campaign aimed at continuing to boost its attributes of closeness, reliability and modernness. As a result, the Company was awarded a Silver Effie Prize and obtained positive marketing results, demonstrating that Consorcio continues to be a leading brand in the local market.*



**IN ACCORDANCE WITH** the Company's strategic focus and the attributes it seeks to strengthen in order to achieve a differentiation, for the past two years Consorcio has worked on its positioning based on the "TU Compañía" ("YOUR Company") campaign, which emphasizes an offer of products and services designed for all the needs of individuals and families, at each

stage of their lives. During this year the Company advanced along these same lines, continuing with the steps taken, which reaffirm the perception of Consorcio as a leading company, modern and close to its clients.

The 2009 campaign utilized simple and direct messages, reflecting Consorcio's confidence, solidity and track record, associated with its principal products such as Life and Vehicle Insurance, Annuities and Voluntary Pensions Savings Plans. The focal point of the communication was

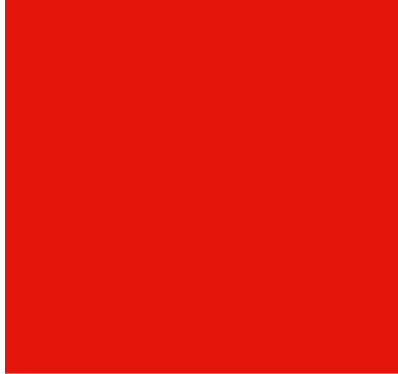
the emphasis that "YOU" are the person that can assure the future of your family, enjoy a good pension and drive calmly through the city, amongst other benefits.

The differentiating factor was the creation of a special site in the Company's Web page, which included testimonial interviews with clients interchanging their experiences with a Consorcio life insurance, vehicle insurance and an annuity. This aspect sought to strengthen the confidence and credibility of the Company before the clients, letting them know about the experiences of other people in their relationship with Consorcio. This, added to other elements in the campaign, permitted the Company to maintain its high levels of brand recognition and to consolidate its leadership position in the industry, retaining a positive evolution in top of mind awareness.

Furthermore, once again Consorcio headed the association of the brand with attributes such as prestige, tradition, solvency and modernness, with these aspects becoming the strengths of Consorcio's image.



# CONSORCIO

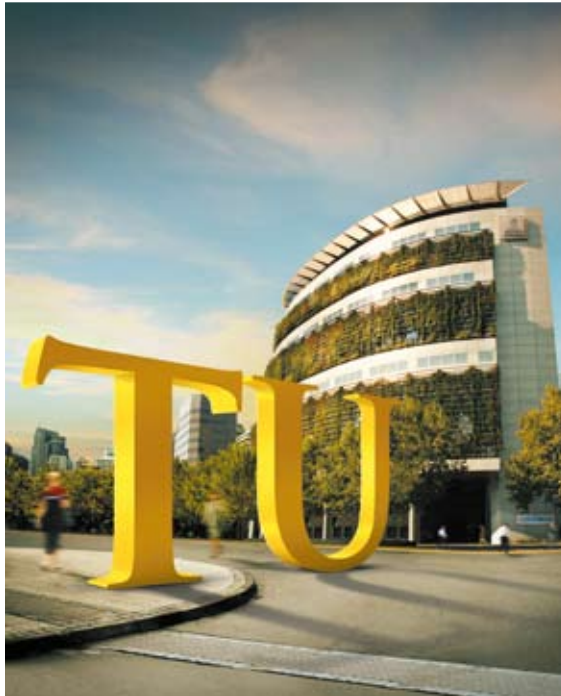


## EFFICIENCY AND GREAT IDEAS

In 2009, Consorcio ran for the 19th version of the Effie Awards, an organization that awards prizes for advertising campaigns that achieve positive results in the market.

The “YOUR Company” campaign reached the finals in the re-launching category, whilst Obligatory Personal Accident Insurance (SOAP) was the winner of a Silver Effie Prize for its creativity and advertising effectiveness. This award was based on the electronic sale of the product which achieved a participation of 51% of the SOAP electronic market and sales of more than 50,000 policies through the Internet channel.

This Prize constitutes a significant achievement for Consorcio, placing the Company within a select group of corporations that stand out for the effectiveness in their marketing communications, achieving a complete success in reaching its business objectives in an advertising industry that produces hundreds of campaigns in different areas and categories. This award is added to other important awards such as the 2006 Superbrands Prize, granted by the International Brands Chile Organization, an entity that highlighted the consistency in the Company’s advertising and communications, as well as the quality of service provided to its consumers.



Viña del Mar

## A SOLID IMAGE RENEWED

During the year 2009, a renewed image was launched and was reflected in all the Company’s offices throughout the country, showing red as the predominant colour. This new face of Consorcio was also displayed in the different internal communications and on those aimed at the clients, such as pamphlets and advertising material. The colour red boosts the association of the values of confidence, modernness and closeness with the Consorcio brand.

**// The excellent marketing results of the SOAP 2009 campaign and the creativity shown, made the Company the winner of a Silver Effie Prize for its effective advertising.**

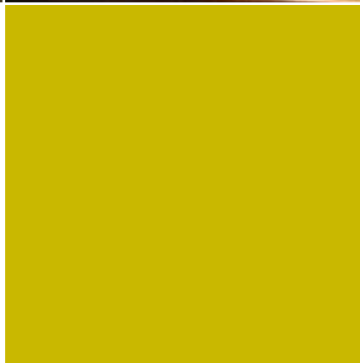
# 02

CORPORATE PERFORMANCE  
CUSTOMER SERVICE  
NETWORK



## Providing the highest *standard of service*

*Thanks to the permanent process of growth, the Company has today 25 branches in the whole country that allow it to provide all its customers a comprehensive offer of products and a high standard of service.*

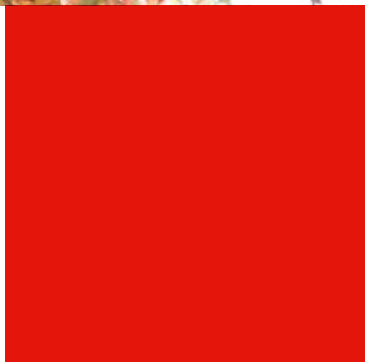


**CONSORCIO HAS A COMPLETE PLATFORM** of services and consultancy for providing an efficient and speedy attention to all the clients, responding to their needs according to the products they require or already have, in relation to the stage of life they are going through. The Company has grown year by year with a strong diversification in its distribution channels and a broad geographic presence, with a total of 25 branches throughout Chile. Through these, Consorcio attends its clients with a service model that seeks to strengthen a close and trustworthy relationship with them, thinking of people and their families.

**AN ARCHITECTURAL CONTRIBUTION THROUGH ITS OFFICES**

Since its foundation, the Company has made a significant architectural contribution to the cities in which it has a presence, by means of modern and functional buildings, in line with the community's surroundings.

One of the Company's first milestones was the Corporate Building, located in the municipal commune of Las Condes in Santiago, which was designed by the distinguished Chilean architects; Enrique Browne and



// A second important milestone is the corporate building in Concepción, which was inaugurated in 2004. This construction consists of a modern building with seven floors, designed by the architect, Enrique Browne.

Borja Huidobro, and is considered one of the most important works in the city. Since its construction in 1993, the building has been mentioned in different local and international architectural and design publications and has received awards in Chile and Spain. The building stands out because of its curved shape which can be seen from a distance as a three-tiered forest with its vegetation covering the windows, protecting the interior from the sun during the summer and providing warmth in winter. A second milestone of this nature is the corporate building in Concepción, which was inaugurated in 2004. This is a modern building with seven floors, designed by the architect, Enrique Browne.

Finally, with the object of boosting the Company's Credit Area, during the year 2007, Consorcio remodelled the building located in Agustinas 1360, in the centre of Santiago, in order to house the whole team comprising this line of business on its six floors.

#### **PIONEER IN INTERNET TRANSACTIONS**

Consorcio was the first company to implement a Web site to purchase insurance on-line consistent with a model for customer attention based on people and on technologies and processes necessary to deliver the highest standards of service. This is Consorcio Online, which permits the clients to purchase Vehicle, Travel and



// Consorcio Online permits the clients to purchase Vehicle, Travel and Obligatory Personal Accident insurance (SOAP) in a fast, easy and simple way.

Obligatory Personal Accident (SOAP) insurance in a fast, easy and simple way.

This sales channel offers the clients better prices and all the advantages of buying in a comfortable and efficient manner through Internet. The site has telephone support to help people in the sales process and, in the case of vehicle insurance, the inspection of the vehicle may be done at home with no additional cost. This tool strengthens Consorcio's position as leader in on-line purchases and brings closer to the clients the comprehensive offer of products that the Company has for them, permitting them to have access from anywhere.



# 2009, a year of recovery

*Thanks to the measures that included unprecedented fiscal and monetary incentives, the second half of 2009 was marked by the recovery of the world's financial markets.*

**THE YEAR 2009 COMMENCED** with a tremendous uncertainty on the part of the market players. The facts known during the first quarter indicated a severe slow down of the global economy, and no concrete solutions were put forward to capitalize the financial system in the United States and Europe, weakened by the huge losses deriving from Subprime Mortgages. In Chile, the first quarter activity showed a negative year-to-year variation of -2.4%, worsening the slowdown observed at the end of 2008. Unemployment increased and credit conditions were kept tight. At the same time, the world stock markets fell to minimum levels in March, which in the case of the S&P, meant going back to 1996 values.

Faced with this scenario, the most powerful countries in the world made a joint effort and designed a package of financial, monetary and fiscal incentives. In the U.S. the Treasury Secretary, Tim Geithner, introduced a rescue programme worth USD 700,000 million financed by the American taxpayers and aimed at helping banks, insurance companies, automotive companies and other businesses.

Furthermore, the world's monetary authorities boosted policies for expansion with interest rates that fell to an unprecedented minimum, supplying the liquidity that the market required. The American Federal Reserve took the prime rate to levels of 0.25% per annum; the European Central Bank to 1% and in Chile, the Central Bank Council reduced the monetary policy rate on repeated occasions until it reached its current level of 0.50%.

All the above made expectations change and confidence in the economic players to return, a key factor in the recovery of the stock markets and the reactivation of the financial system. The world's growth rate in the year 2009 was -0.8%, but in the fourth quarter of the year these figures had already reversed the tendency, rising to 1.8% and demonstrating the effectiveness of the measures taken. The financial markets recovered faster than expected, boosted mainly by the emerging nations that, contrary to the developed nations, had accumulated currencies from the surplus in current account, had balanced public finances and a healthy financial system.



The stock markets recovered and during the year 2009, the MSCI World All Country Index rose by 27.98% and the MSCI Emerging Markets Index increased by 70.32%. The stock markets in the developed world, where the crisis was brewed, also had positive returns, which made the S&P 500 rise by 21.56% during the year. On the local scene, the IPSA index (Selective Share Price Index) rose by 88.1% in local currency.

Commodity prices showed big increases in the year 2009 despite a generally high level of stocks. This was due to a vigorous recovery in the emerging and developing economies, especially in Asia. In this context, WTI oil closed the year with an increase of 75.9% and copper with a rise of 132.9% in their quoted prices.

The EMBI (Emerging Markets Bond Index) which is the principal risk indicator of the emerging economies, which is comprised of a basket of debt instruments in UD Dollars issued by various entities (Governments, Banks and Companies), started in 2009 at 724 basis points and closed at 294, reflecting an improvement in

**// Commodity prices showed big increases in the year 2009 despite a generally high level of stocks. This was due to a large extent to the vigorous recovery in the emerging and developing economies, especially in Asia.**

the economic conditions and a decrease in uncertainty. Inflationary pressures were moderate in almost all the economies, mainly due to the low levels of utilization of the productive capacity and the decrease in the price of commodities. On the local scene, inflation during the year 2009 was -1.4%. Finally, unemployment rose in all countries. In the U.S. it moved from 5% to 10% at the end of the year 2009, in Europe the situation was worse, with

// Unemployment rose in all countries. In the U.S. it moved from 5% to 10% at the end of the year 2009, in Europe the situation was worse, with countries like Spain that finished the year with 18.83% of the working population unemployed, and in Chile the unemployment rate amounted to 9.5%.



countries like Spain that finished the year with 18.83% of the working population unemployed, and in Chile the unemployment rate amounted to 9.5%.

In this international context, Consorcio Financiero made a record profit of CLP 113,647,000 thousand during the year and its equity as at December 31, 2009 closed at CLP 488,391,000 thousand. The profits for last year easily compensated the losses for the year 2008, which came to CLP 66,167,000 thousand.

#### **VARIABLE INCOME: A STRATEGY OF HIGH EXPOSURE**

The Company's strategic decision during the first quarter of 2009 was to increase its structural exposure in variable income assets and within these, the emphasis was centred on our country. In the fourth quarter, the Company modified the portfolio, reducing the exposure to Chile and increasing the positions in emerging and developed countries, specially Brazil and the United States. Furthermore, numerous trading operations were undertaken with short-term positions, mainly in international shares or indexes. The above generated a result in the variable income portfolio as at December 31, 2009 of CLP 91,226,000 thousand in Consorcio Vida and CN Life.

Consorcio's consolidated exposure to local variable income rose from 3.8% of the Company's total portfolio in 2008 to 5.2% at the end of 2009. On the international level, the increase went from 0.8% to 2.22%.

#### **OTHER ASSETS: INVESTMENT FUNDS**

In the year 2008, Consorcio decided to take an important step by including in its investment portfolio the so-called alternative investments, which today form a significant part of the most sophisticated portfolios in the world.

The main features of these assets are their lower correlation with the stock markets, to which our investments are indexed in a significant way. Since the inclusion of these assets in its portfolio, Consorcio has invested in four categories: absolute return funds, private equity, forestry funds and opportunity funds. An example of these is the Carlyle Fund that acquired assets which the banks and other investors had to sell at large discounts in the worst moments of the financial crisis.

During the year 2009, Consorcio focused its attention on signing commitments to subscribe Private Equity quotas for the sum of USD 35 million, mainly from managers in the U.S. and Latin America, in order to slowly increase the exposure to this type of funds as the capital contributions are made over time. Furthermore, Consorcio invested USD 10 million in absolute return funds and USD 3 million in forestry funds.

#### **FIXED INCOME: RECORD IN NEW ISSUES**

In 2009, the local and international corporate bond markets reached unprecedented levels of issues, associated with the weakness of the international banking system and the tightness of the credit conditions in the world. On the local scene, the new issues amounted to 160 million Unidades de Fomento. (UF: a Chilean non-paper inflation-proof currency).

In this scenario, Consorcio's strategy consisted of taking advantage of opportunities on the local and international credit markets, anticipating the sharp fall in rates that occurred as a result of the expansive monetary policy, both in Chile and abroad, and the squeeze in risk premiums as a result of the economic recovery.

With the object of taking advantage of the volatility in the credit markets during 2009, numerous trading operations were also carried out, principally in international corporate bonds.

During 2009, Consorcio acquired USD 155 million in Dollar bonds with a good credit rating, mainly from Latin America. On the local market, the companies in the group invested USD 593 million in corporate, bank and government bonds in UFs.

#### **REAL ESTATE: LEADERS IN THE LOCAL INSURANCE INDUSTRY**

Consorcio manages the largest real estate portfolio in the Chilean insurance industry with an investment portfolio worth USD 900 million, distributed over various assets, such as land with value appreciation, investments in housing and office development companies, land, jointly with real estate developers, assets for rent and long-term financing with tangible security.



As of December 2009, the investments in real estate projects surpassed USD 200 million, including the plots of land to be used for projects and the participation in companies in the industry. These investments were made in association with the most important real estate developers in the country, with development projects from Regions II to X, and offices only in the city of Santiago.



During the year, there was a sharp increase in stocks in the housing market resulting from the greater credit demands placed on buyers of homes and from the uncertainty associated with the crisis. The coordinated effort of the major players managed to reverse the situation of excess offer. Thus, just in the Metropolitan Region stocks fell from 48,000 units to less than 36,000 in 12 months. This fall was due in part to the postponement of the initiation of new projects or stages of projects already being developed and to the important cuts in prices, producing an adjustment that had a negative impact on margins.

The projects in which Consorcio participates were not too far from the realities of the industry, though an important reduction in stock was achieved, 36% versus 28% in the industry.

With respect to office projects in which Consorcio participates, these have continued to develop normally and, in parallel, they have been offered for sale with very good results. We believe that one of these projects, the Parque Andino Building, will obtain its municipal acceptance during the first half of 2010.

In the financing area, important operations were carried out, closing the year with a stock worth over USD



// In the financing area, important operations were carried out, closing the year with a stock worth over USD 480 million, which does not include other contracts for USD 45 million that will be closed in 2010.

480 million, which does not include other contracts for USD 45 million that will be closed in 2010. Despite the instability reigning during the year, the Company's clients recorded 0% in unpaid payments of over 90 days. This impressive behaviour was due to the improvements in the collections processes introduced in 2009 and to the solidity of the counterparts involved.

As at the close of the year, the investments in assets for rent surpassed USD 170 million, distributed mainly in class A offices located in the municipal communes of Las Condes, Santiago and Providencia, which totalled a surface area of over 60,000 m<sup>2</sup>. For the first half of 2010, we expect to incorporate a new building with 23,000 m<sup>2</sup> located in the Nueva Las Condes area of Santiago with an investment of over USD 60 million. This will imply boosting and consolidating Consorcio's rental portfolio with significant levels of diversification, both in terms of counterparts as well as in properties. It is important to point out that during 2009, rental contracts were agreed with important local and foreign companies for over 70% of the availability in the new building.

The office market in Santiago commenced the year 2009 with a vacancy rate of 0.6% and finished – according to various estimates – at a level close to 4%. For the year 2009 we estimate that the vacancy rate will continue to rise as some 170,000 m<sup>2</sup> are expected to come onto the market whilst demand is still weak.







# 03

## Business Performance 2009

Insurance Business 48

Pension Business 54

Savings Business 60

Credit Business 66

Product Brokers 70



# Insurance Business



Consorcio Seguros Vida  
Consorcio Seguros Generales

# A strategy consistent *with the business*

*Insurance continues to be one of the most important pillars for Consorcio and where it maintains its leadership position.*

## THE INDUSTRY'S SCENARIO IN 2009

During the year 2009, the five main companies in the local life insurance industry concentrated 39.9% of the market. In parallel, to the 31 companies already in existence were added two new players: Itaú Vida, owned by the Bank with the same name, and La Cámara, belonging to the Chilean Chamber of Construction. The first of these concentrated on offering products to its customer base, whilst the second participated in the first bid for Disability and Survival Insurance related to the Pension Fund Administrators (AFPs).

Other important milestones were ING's sale of their annuity business to CorpSeguros' and MetLife's worldwide acquisition of AIG, Alico's life insurance division. In the general insurance industry, the five most important companies concentrated 52.4% of the market. During the year 2009, two new companies entered the market;

Magallanes Garantía y Crédito, a subsidiary of Aseguradora Magallanes, in order to complement its business and Zenit, a new insurance company related to BCI Seguros Generales.

On an international level, due to AIG's problems with the financial crisis, the company changed its worldwide brand name to Chartis. In terms of results, the life insurance industry had net earnings of USD 737.5 million and an income of USD 4,492 million, achieving a net worth of USD 4,110 million and a return on equity of 21.4%. Total sales for the sector were concentrated mainly on annuities with 35% of the total; collective insurance with 30%; individual life insurance with 20% and disability and survival insurance that accounted for 14% of the total. Furthermore, during the year life premiums fell by 1.4% with respect to the previous year. The general insurance



// With respect to results, the life insurance industry achieved net earnings of USD 737.5 million and an income of USD 4,492 million, reaching a net worth of USD 4,110 million and a return on equity of 21.4%.

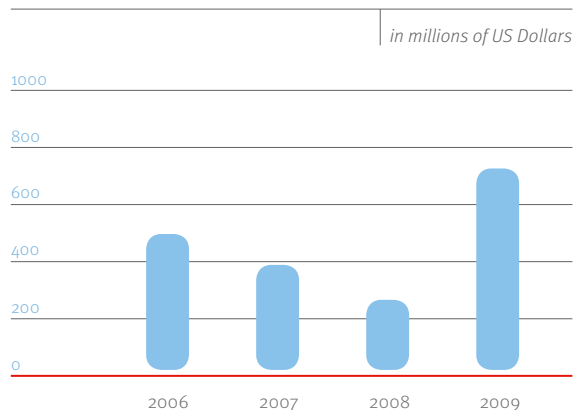
sector had an income of USD 2,393 million and achieved a net worth of USD 683.4 million. These were distributed as follows: 33% Fire and Additional, 24% Vehicles, 7% Personal Accident, 3% Obligatory Personal Accident

Insurance (SOAP) and 30% others.

As a result of the economic crisis, the life insurance industry business decreased in some products and in others showed slight rises. Annuities fell by 17.7%, collective insurance grew by 6%, individual life by 8.4% and Disability and Survival Insurance increased by 26% due to the rise in the price of the policy following the bid and as a result of the increase in benefits this product offers.

The general insurance industry suffered a fall in sales of 2.3%. Fire and Additional grew by 0.4%, Vehicles fell by 0.2%, SOAP increased by 7.3% and others decreased by 3.8%. With respect to regulations, the Pensions Reform established that the AFPs must bid jointly for Disability and Survival Insurance in separate groups by sex, men and women. The policy was put to tender for operations of one year as from July 1, 2009 to provide cover to more than 5 million members. Ten companies bid in the process

### // Results of the life insurance industry





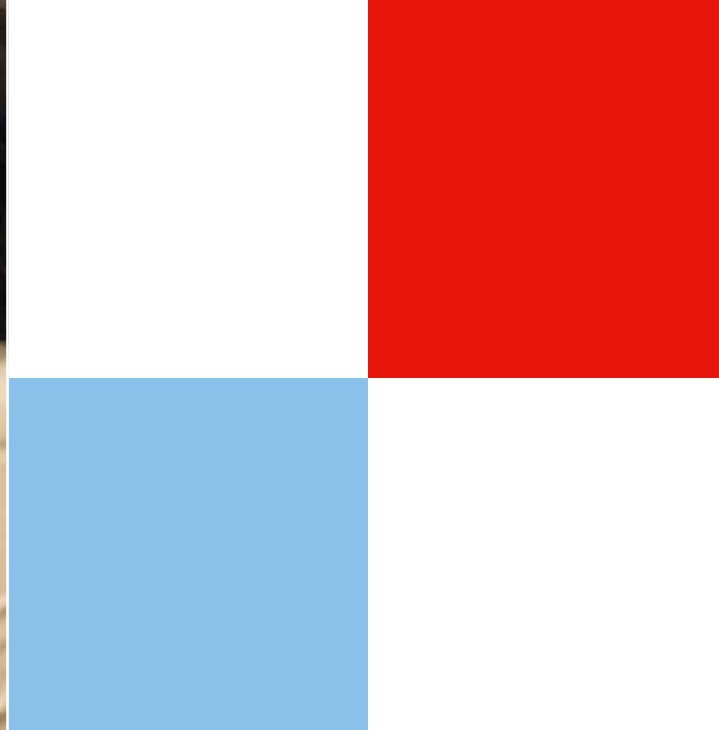
and five of them were awarded the total portfolio. Thus the final cost of the insurance rose by approximately 57% with respect to 2008, settling at 1,87%.

In parallel there are two processes being developed in the system. One of them is the implementation of the IFRS norms, which establish a series of changes for the insurance companies and which must be implemented in the presentation of the financial statements for the year 2010. To this must be added the new model of solvency supervision, based on the risk to the Chilean insurance industry which is supervised by the Superintendence of Securities and Insurance and that seeks to strengthen the liquidity and the conduct in the companies' market, in an effort to ensure that these have the necessary resources to comply with their commitments and to protect the rights of the assured.

#### **CONSORCIO CONSOLIDATES ITS LEADERSHIP IN INDIVIDUAL LIFE**

Conсорcio Seguros Vida achieved an income of CLP 53,336 million from the individual life insurance business, retaining its position as the leader of the industry with an 11.5% market share. These positive results are due to a task focused on strengthening the Company's growth, especially in temporary insurance in which Consorcio showed a growth of 16.5% in sales.

This favourable evolution reflects the work done by the Company in order to count on innovative products to provide the clients with the largest quantity of benefits and security for the future. Outstanding amongst these are Vidahorro100, which provides protection and long-term savings through a life insurance and mutual funds, and VidaFutura, a unique insurance in the market that enables clients to buy the policy for periods of 5 to 25 years or until they reach 80 years of age, and that may be paid in accordance with the needs of the individual and his family: single indemnity payment, annual payments, deferred monthly payments or a combination of each.



# 11.5%

// Consorcio Seguros Vida showed an income of CLP 53,336 million in the individual life insurance business, maintaining its position of leader of the industry with an 11.5% market share. These positive results are due to the work focused on strengthening the Company's growth.

With respect to collective insurance, Consorcio offers its clients life, health and mortgage payment insurance which represent 24%, 60% and 15.8%, respectively. These three lines accounted for income of CLP 8,088 million and a growth of 19.3%. These results go in line with the Company's strategy that seeks to strengthen its presence in this business in light of the excellent opportunities for development.

#### GENERAL INSURANCE CONTINUES TO GROW

In the general insurance business, Consorcio achieved net earnings of CLP 1,064 million and an income of CLP 23,254 million, with which it closed the year with a net worth of CLP 7,079 million and a market share of 1.92%, slightly higher than the 1.8% achieved in 2008. In terms of income, the Company experienced a growth of 4% that compares very favourably with an industry that shrunk by 2.3%.

With regard to the types of insurance, Vehicles stood out with 52% of total sales and this reflected a growth

of 14.2% during the period, with income amounting to CLP 11,999 million in an industry that decreased by 0.2%. In addition, the Company achieved a growth of 17.5% in sales of SOAP (Obligatory Personal Accident Insurance), surpassing the 200 thousand policies issued. On the other hand, insurance related to Fire, Theft, Engineering and Liability showed decreases of 10.4%, 15.9%, 9.2% and 13.1%, respectively, due to the financial crisis that affected the world economy and which provoked a reduction in activity during 2009, an increase in unemployment and a fall in personal income.

An important focal point for the Company during the year 2009 was the distribution channels, specifically the mass ones, banks, brokers and internet. They all continued to strengthen their internal processes in order to provide the clients with efficient replies and products with the best alternatives, permitting them to increase their volumes of income.



CONSO

¿Sabes quien podrá ahorrar tiempo?

**Tú Tú**

¿Sabes quien podrá ahorrar tiempo?

SEGUROS FIANZAS AHORRO CREDITOS

CONSO

TERMINAL AUTOSERVICIOS

CONSO

TU TERMINAL AUTOSERVICIOS

SEGURO

SEGURO

RENTAS

SO

APV - AF

FONDO

SO

# Pension

## Business



Annuities  
Private Income  
Collective Voluntary Pensions Savings  
Voluntary Pensions Savings

# Growth for a peaceful *future for our clients*

*In Annuities, Consorcio experienced a significant growth, increasing its sales by 6.7% and showing a market share of 15.2%. Furthermore, thanks to the recovery of the local and international markets, the Company maintained an excellent position in the administration of Voluntary Pension Savings schemes with a growth of 40.03% in the balance under management.*

#### **THE PENSIONS SECTOR DURING THE YEAR**

Just as in the case of various local industries, in 2009 the pensions sector was affected by the economic crisis that had a profound impact on the financial markets. Many people postponed their decision to retire in order to continue to generate an income for their pension fund, motivated by the fall in multifunds, which affected the amounts of the pensions to which they had access. This provoked a fall in sales of 17.5% with respect to the year 2008 that corresponded to an income of USD 1,594 million. As a result of the postponement of retirement,

the number of individuals retiring at their normal retirement age fell, reducing their relative weight to 40.4%, 13.9% less than in the previous year. Furthermore, early retirement, disability and survival had a relative weight of 27%, 23.3% and 9.3%, respectively.

On matters of regulations, an important change that had an impact on the pensions business was the creation of the Pensions Adviser in addition to the regulated commission established with a maximum of 2% on programmed retirement and annuities. This modification provoked a reduction in the number of Advisers in the market and



// In legal matters, an important change that had an impact on the pensions industry was the creation of the Pensions Adviser.

the fall in the broking commission from 2.45% to 1.43%. Due to these reforms, the income through existing channels suffered important changes. Thus, in 2009, the sales of the Pensions Advisers reduced by 37% and the Sales Agents diminished by 1% and only did Direct Sales increase by 7.9%.

According to official figures, as at December 2009, the AFPs registered 65% of the Voluntary Pensions Savings funds under administration, the Mutual Funds Administrators 21.4% and the Insurance Companies 8.6%. This total is distributed over 746,619 accounts, which increased by 16.6% during the year with respect to the year 2008.

In total, as at December 2009, the entire players in the industry administered USD 4,719.7 million, which represented a growth of 35.8% with respect to the year before. This is explained by the recovery of the multifunds as a result of the improvement of the local and international stock markets during the second half of the year and by the fact that people continued saving during the whole year without being affected by the financial crisis.

**CONSORCIO ACHIEVES A PERMANENT GROWTH IN ANNUITIES**

Conсорcio's Pension Business considers two important stages in people. A first period of accumulation, when

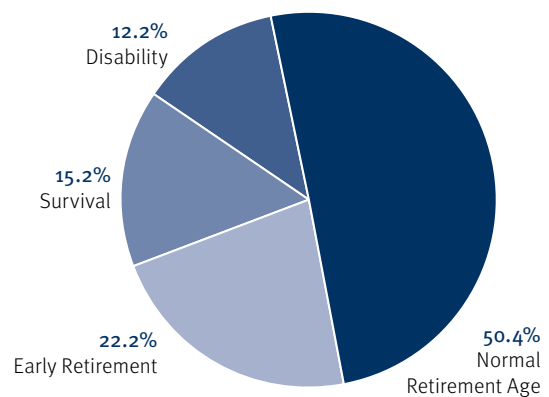


// Consorcio once again consolidated its position as the leading insurance company in Voluntary Pension Savings with a balance under management of CLP 60,479 million, which grew by 40.03% in respect of the previous year.

these save in order to count on the necessary funds to live off, the moment they stop working. A second stage is the moment when people start using the funds saved the moment they retire.

Consorcio offers its clients Voluntary Pension Savings plans (APV) and Collective Voluntary Pension Savings plans so that they may save resources and subsequently withdraw them through Annuities which, thanks to the Company's performance, permits them to count on an adequate pension to enjoy their old age. In 2009, this line of business had a significant growth with sales rising by 6.7% with a total income of CLP 122,983 million, representing a market share of 15.2%, far surpassing the 11.7% it achieved in 2008.

#### // Sales of Annuities Consorcio 2009



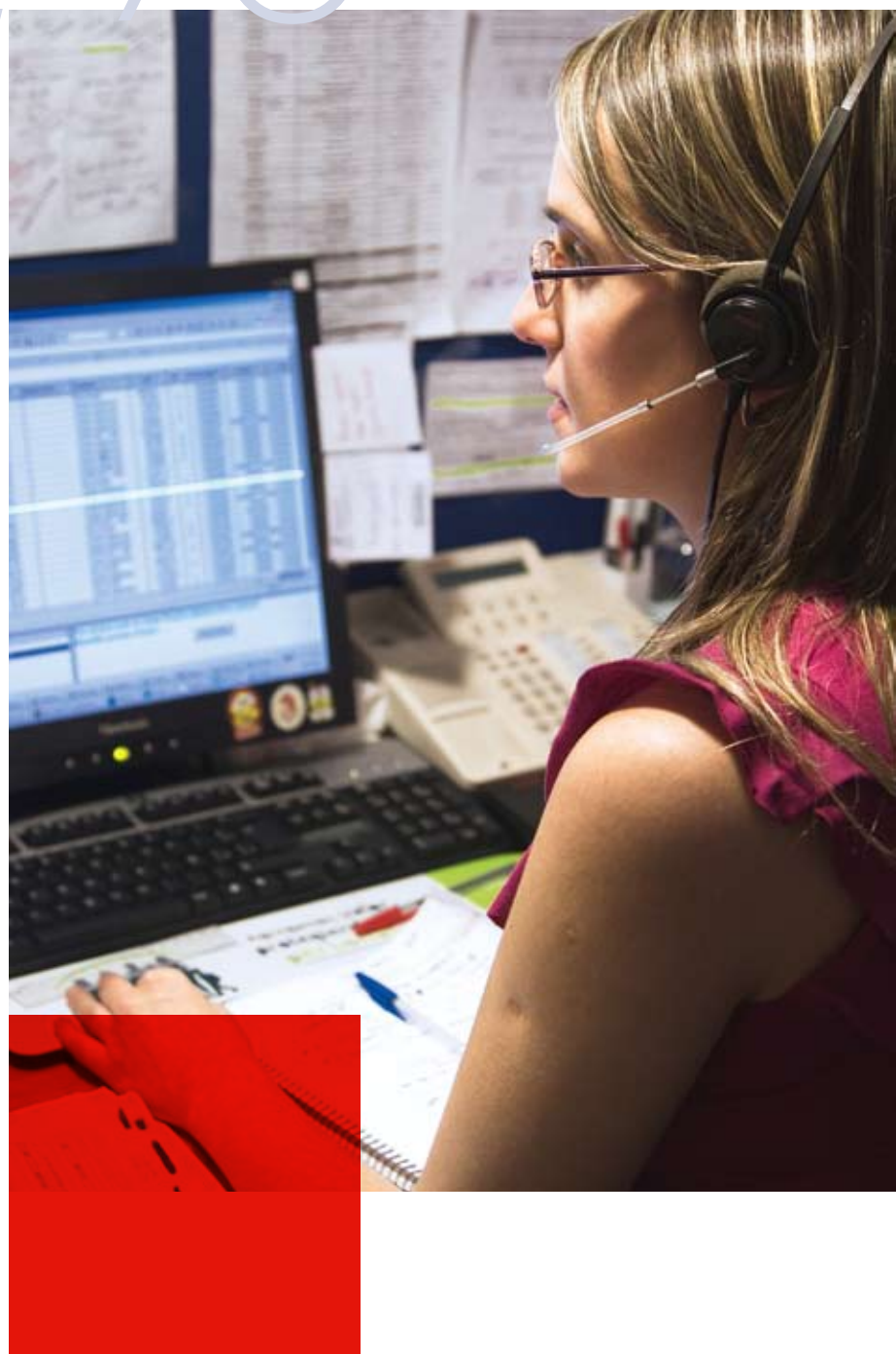
# 15.2%

**// In Annuities, the Company achieved an income of CLP 122,982 million, representing a market share of 15.2%, easily surpassing the 11.7% achieved in 2008.**

In the case of Consorcio, the sales of Annuities were comprised of 50.4% for normal retirement age, 22.2% for early retirement, 12.22% for disability and 15.2% for survival pensions. This income was obtained mainly through the Agency Channels that accounted for 45.9% of the total, followed by Pension Advisers with 39.3% and by Direct Sales with 14.8%.

#### **LEADER IN APV IN THE INSURANCE SECTOR**

The effects of the recovery of the economy also caused positive results for Consorcio. The Company again consolidated its position as the leading insurance company in Voluntary Pensions Savings (APV) with a balance under management of CLP 60,479 million, an increase of 40.03% in relation to the previous year. This implied a market share of 2.53% of the total APV in the Chilean industry and 22.01% of the balance administered by the insurance sector, distributed over 14,675 accounts.





# Savings Business



Mutual Funds  
Insurance with Savings  
Stock Brokers



# A powerful alliance consolidates the successful

*During 2009, Consorcio Financiero and Larraín Vial signed an alliance agreement that established the largest non-banking mutual fund manager in the market. In terms of results, the Company consolidated its position as an important player in the mutual funds industry with a growth of 55.8% in the balance under management*

\$13,762 // During the year 2009, it successfully raised CLP 13,762 million net of successful investments

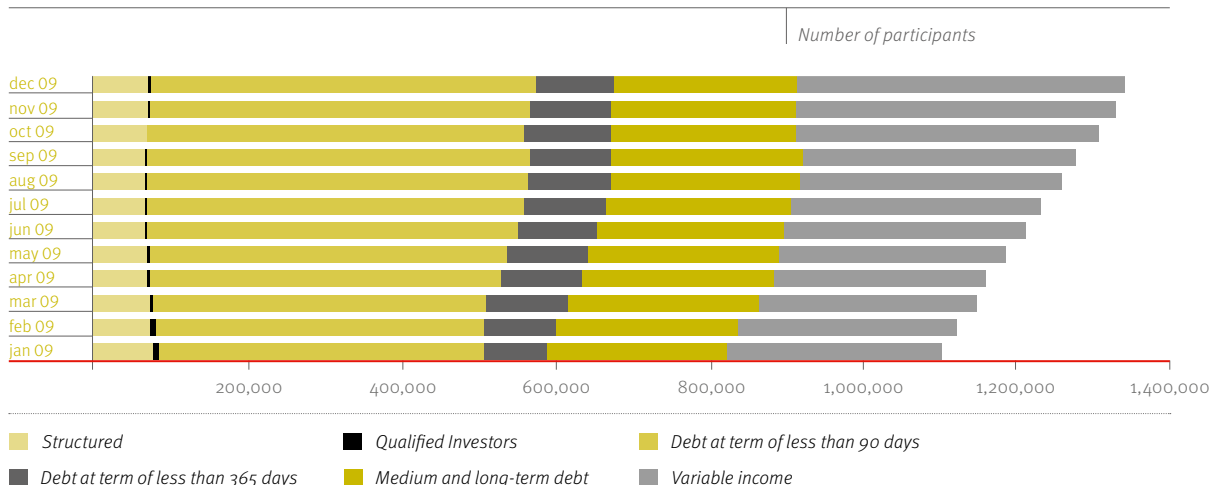
**POSITIVE RESULTS IN THE LOCAL SECTOR**

The mutual funds industry, with a managed fund divided into 19 managers in operation, closed the year with excellent results, achieving an average amount under management of CLP 17 million in December 2009, reflecting a growth of 51.7% in comparison with the same date in 2008. The participants also increased, rising to 1,339,691, equivalent to a growth of 22.4% in the twelve months of 2009.

**CONSORCIO ATTAINS SUCCESSFUL ACHIEVEMENTS**

The Company's Savings pillar, managed through Consorcio Seguros de Vida and Consorcio Corredores de Bolsa as placing agents of Mutual Funds, closed the year 2009 with positive results in the net adaptation of investments, raising CLP 13,762 million and achieving a balance from clients in traditional mutual funds under management of CLP 54,946 million, implying a growth of 55.8% with respect to the year 2008.

**// Mutual Funds Industry / Evolution of the number of participants**





// With the object of remaining at the forefront in technology, Consorcio Corredores de Bolsa modernized its Web page in order to put at the disposal of its clients a simple, clear and fast tool.

#### **AT THE FOREFRONT IN SERVICE AND TECHNOLOGY**

Since its creation in 2003, Consorcio Corredores de Bolsa has been a pioneer in transactions through Internet in Chile. This is thanks to the fact that it possesses a modern platform for investments that permits the clients to have a diversified portfolio in shares and mutual funds with the best conditions in the market. In addition, the Company has stood out for its transparency and convenience when buying shares directly in the Stock Market, without intermediaries, through a routing system for clients' orders.

During the year 2009, and in order to continue its consolidation as an important player in the retail share market, Consorcio Corredores de Bolsa established a strategic alliance with El Mercurio newspaper's Subscriber Club (Club de Lectores de El Mercurio). Through this, members were able to have access to the Company's investment platform, 100% electronic, which permits them to purchase and sell shares with the lowest commissions in the market and to invest in mutual funds with no exit commissions. Furthermore, and with the object of remaining at the forefront in technology, Consorcio Corredores de Bolsa modernized its Web page in order to put at the disposal of its clients a simple, clear and fast tool.



// During 2009, Consorcio Financiero and LarrainVial signed an agreement to merge their subsidiaries LarrainVial Administradora General de Fondos and Consorcio Administradora General de Fondos. The operation gave rise to the largest non-banking funds manager in the market with over USD 2,000 million in assets and 80 thousand participants.

At the same time, it carried out a series of innovations in terms of transactions in order to strengthen the efficiency and transparency of the processes for the clients. Finally, the Company transferred the Consorcio Corredores de Bolsa Web site from the servers located in the Stock Market to those in Consorcio's offices with the purpose of improving the quality of the service by improving the general performance of the Web site.

**THE LARGEST INDEPENDENT MANAGER IN THE MARKET**

During 2009, Consorcio Financiero and LarrainVial signed an agreement to merge their subsidiaries LarrainVial Administradora General de Fondos and Consorcio Administradora General de Fondos. The operation gave

rise to the largest non-banking funds manager in the market with over USD 2,000 million in assets and 80 thousand participants.

LarrainVial, experts in investment banking with a track record spanning 75 years on the local market, has a 75% share in this new business and Consorcio Financiero possesses the other 25%. In this way, the alliance unites one of the largest financial services conglomerates in the country with one of the leaders in global and regional investment solutions for large clients in Latin America. This alliance is excellent news for the market and for clients as they will be able to count on a non-banking player with the specialization, strength and experience at the level of the largest international fund managers.



COMUNIDADES  
VALLE GRANDE Y SANTO  
INFORME COMITÉ TÉCNICO  
SESIONES DE DIRECTORIO N.º

# Credit Business



Consumer credits  
Mortgage Loans  
Consorcio Visa Credit Card

# New challenges to *maintain the leadership*

*In the middle of a year with excellent results, the Credit Business Division initiated a process of essential changes in the area by announcing the purchase, by the Company, of Banco Monex and the development of the Banco Consorcio.*

**THE CREDIT BUSINESS DIVISION** initiated a process of essential changes in the area by announcing the purchase, by the Company, of Banco Monex and the development of the Banco Consorcio.

In 2009 the credit business division commenced an important process of change marked by the Company's entry into the banking industry as a result of the acquisition of 100% of Banco Monex, an institution that at the time of the purchase, had total assets of USD 140 million and a net worth of USD 22 million. The transaction was closed in November after receiving the corresponding authorizations from the Superintendence of Banks and Financial Institutions.

Once the operation was formalized, Consorcio worked on the merger of its current retail banking operation and its over 300 employees of Consorcio Negocios de Crédito

with the assets and staff of Banco Monex, which was renamed Banco Consorcio. Furthermore, it developed a business plan focused on personal credits that are currently granted through Consorcio Seguros de Vida, Consorcio Créditos Hipotecarios and Consorcio Tarjetas de Créditos.

In the medium term, this considers offering financial services to individuals through credit cards, current accounts, consumer credits and mortgage loans; financial services to companies through exchange operations, credits, leasing and factoring; and a treasury business through investments in fixed income instruments and derivatives. In addition, the plan considers the opening of new branches and agreements with companies, and the capitalization of the Banco Consorcio, expecting to reach a net worth in 2010 of over USD 60 million.

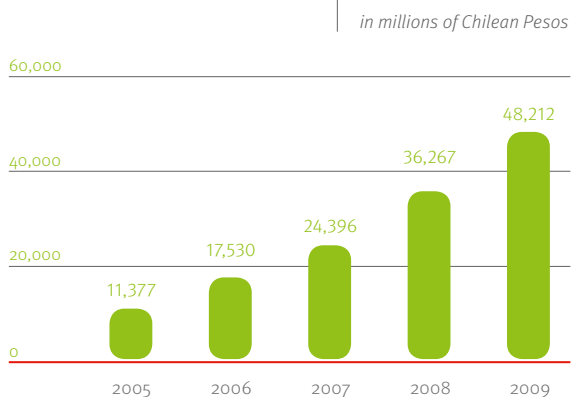


// Consorcio is positioned as the principal insurance company in consumer loans with a 33.5% market share among the companies in the insurance sector.

#### A YEAR 2009 OF EXCELLENCE

Positive results were achieved by the Credit pillar during the year, retaining its position as leader of the various lines of business in which it participates. In consumer credits, total loans amounted to CLP 40,590 million,

#### // Consorcio Consumer Loans



representing a growth of 14% with respect to the figures in 2008. With this, Consorcio achieved the position as the principal insurance company in this line of business, with a market share of 33.5% among the companies in the insurance sector. These favourable results are due to the specialized work undertaken by the distribution channels which have been specially trained in credit products.

In the mortgage loan business, in 2009 the Company achieved a volume of loans granted of CLP 49,926 million and an accumulated stock of CLP 264,556 million. Thus, Consorcio holds third place in the mortgage note managers industry with a market share of 14% in this segment. This favourable position responds, once again, to the work focused on the productivity of the internal processes and the strong potential of each business unit. To this we should add the competitive interest rates and a high standard of quality service.



# Product Brokers



## Boosting new forms of *financing*

*Since its creation in the year 2005, Consorcio has been an important promoter of the Product Exchange, which has shown a continuous rise in its operations and has consolidated its position as an innovative alternative for investment*

3.64%

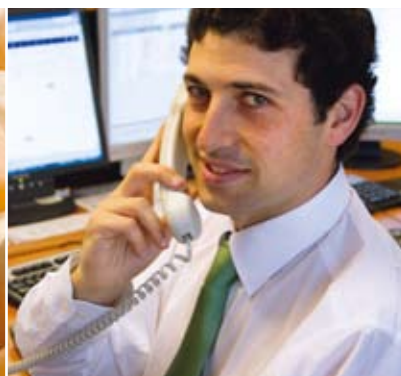
// Consorcio Corredora de Bolsa de  
Productos financed 3.64% of the market.

**AS A FINANCING OPTION** for the banking and factoring industries, the Product Exchange (BCP) was born in the year 2005, generating new options for fixed income investments since its initiation and becoming an excellent form of obtaining a positive return from fixed income instruments based on agricultural and livestock products. As an agent of this Exchange, Consorcio puts at the disposal of its clients this innovative source of investment for products in stock and accounts receivable.

During the year 2009, the Product Exchange handled operations for a total of CLP 230,762 million, reflecting a growth of 58% in comparison with the year 2008. With this result, the Product Exchange surpassed the

volume of operations in other agricultural and livestock exchanges in the region and permitted Consorcio Corredores de Bolsa de Productos to achieve fifth place in the amounts traded, financing 3.64% of the market. With this, the company consolidated its position as one of the principal promoters of the Exchange.

Furthermore, the Product Exchange increased the number of participants on adding 28 new payers in various sectors such as mining, retail, the sanitation industry, cattle rearing and salmon farming. In this way, the Product Exchange closed the year with 126 players.







# 04

## Financial Statements

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# Consortio 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

PricewaterhouseCoopers  
RUT: 81.512.400-1  
Santiago de Chile  
Av. Andrés Bello 2711  
Torre La Costanera - Floors 2, 3, 4 y 5, Las Condes  
Phone (56) (2) 940 0000  
www.pwc.cl

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

We have audited the Balance Sheets of Consortio Financiero S.A. as of December 31, 2009 and 2008 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of 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 Generales S.A., Compañía de Seguros Generales Consortio Nacional de Seguros S.A., Consortio Tarjetas de Crédito S.A. or Consortio Corredores de Bolsa de Productos S.A. or the affiliate CN Life, Compañía de Seguros de Vida S.A. as of December 31, 2009 and 2008, which were audited by other auditors whose reports we have been given. Our opinion expressed herein, in so far as the investments listed above are concerned, is based solely on such reports.

We conducted our audits in accordance with accounting standards generally accepted in Chile. Those standards require that we plan and perform our work to obtain reasonable assurance that the financial statements are free of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We consider that our audits provide a reasonable basis for our opinion.

The financial statements as of December 31, 2009 and 2008 have been prepared to reflect the individual financial situation of Consortio Financiero S.A. on the basis of the criteria described in Note 2, before proceeding with its consolidation, line by line, with the financial statements of the subsidiaries listed in Note 4. Consequently, for their adequate understanding, these individual financial statements must be read and analyzed together with the consolidated financial statements of Consortio Financiero S.A. and subsidiaries, which are required under generally accepted accounting practices.

In our opinion, based on our audits and on the reports prepared by other auditors, the individual financial statements referred to herein present fairly, in all their significant aspects, the financial position of Consortio Corredores de Bolsa S.A. as of December 31, 2009 and 2008, the results of its operations and the cash flows for the years ended on those dates, in accordance with the principles described in Note 2.



Roberto Villanueva B.  
ID Nº: 7.060.344-6

Santiago, February 25, 2010

# Balance Sheet

as of December 31, 2009 and 2008

<b>ASSETS</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>CURRENT ASSETS</b>		
Cash	5,061,357	135,442
Investments in fixed income instruments	9,784,945	328,520
Investments in variable income instruments	49,847,376	61,186,745
Accounts receivable from related companies	8,331,526	8,979,932
Tax rebates receivable	1,785,577	2,857,743
Other current assets	2,950	16,467
<b>Total current assets</b>	<b>74,813,731</b>	<b>73,504,849</b>
<b>NET FIXED ASSETS</b>	<b>1</b>	<b>1</b>
<b>OTHER ASSETS</b>		
Investments in related companies	473,993,834	354,849,364
Investments in long-term fixed income instruments	9,297,540	6,218,117
Investment in other companies	3,817,852	3,815,798
Goodwill	2,201,179	403,049
<b>Total other assets</b>	<b>489,310,405</b>	<b>365,286,328</b>
<b>TOTAL ASSETS</b>	<b>564,124,137</b>	<b>438,791,178</b>

# Balance Sheet

as of December 31, 2009 and 2008

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>CURRENT LIABILITIES</b>		
Bank borrowings	11,842,883	24,037,314
Accounts payable	4,986,210	10,569
Accounts payable to related companies	12,367,507	-
Currency futures contract	369,771	1,835,829
Deferred taxes	731,481	680,146
Income tax	1,034,359	261
Sundry creditors	2,490	2,324
Withholdings and provisions	1,034,631	844,509
<b>Total current liabilities</b>	<b>32,369,332</b>	<b>27,410,952</b>
<b>LONG-TERM LIABILITIES</b>		
Bank borrowings	42,362,556	33,787,886
Long-term debt	1,716,781	1,413,095
<b>Total long-term liabilities</b>	<b>44,079,337</b>	<b>35,200,981</b>
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital	62,401,439	62,401,439
Other reserves	52,177,299	53,612,747
Retained earnings	260,165,060	325,027,022
Net (loss) earnings for the year	112,931,670	(64,861,963)
<b>Total shareholders' equity</b>	<b>487,675,468</b>	<b>376,179,245</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>564,124,137</b>	<b>438,791,178</b>

# Income Statement

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>INCOME</b>		
Net earnings from investments in related companies	107,221,488	2,541,724
Income from investments	11,077,372	(5,460,388)
Adjustment of futures contracts	5,008,427	(4,372,696)
Price-level restatement	-	2,774,822
Other income	255	523,894
<b>Total income</b>	<b>123,307,542</b>	<b>(3,992,644)</b>
<b>EXPENSES</b>		
Loss from investments in related companies	(1,772,270)	(60,203,017)
Goodwill	(335,182)	(15,697)
Administration expenses	(719,046)	(254,040)
Price-level restatement	(3,522,014)	-
Financial expenses	(2,525,071)	(1,614,782)
Other expenses	(418,677)	-
<b>Total expenses</b>	<b>(9,292,260)</b>	<b>(62,087,536)</b>
<b>INCOME BEFORE TAX</b>	<b>114,015,282</b>	<b>(66,080,180)</b>
<b>INCOME TAX</b>	<b>(1,083,612)</b>	<b>1,218,217</b>
<b>NET (LOSS) EARNINGS FOR THE YEAR</b>	<b>112,931,670</b>	<b>(64,861,963)</b>

# Cash Flow Statement

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income from investments in fixed and variable income instruments	8,192,578	21,881,740
Current account transfers with related companies	12,903,499	(12,029,048)
Financial (expenses) income	7,230,800	(488,070)
Financial costs	(5,827,256)	(4,464,387)
Payment of taxes	1,126,889	(71,575)
Payments to suppliers	(719,114)	(1,223,078)
<b>Total positive cash flow from operations</b>	<b>22,907,396</b>	<b>3,605,582</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Dividends received	1,576,548	28,748,429
Purchase of investments in companies	(19,343,016)	(775,386)
<b>Total positive (negative) cash flow from investment activities</b>	<b>(17,766,468)</b>	<b>27,973,043</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	-	(31,391,010)
Associated debts	(113,200)	(96,245)
<b>Total negative cash flow from financing activities</b>	<b>(113,200)</b>	<b>(31,487,255)</b>
<b>TOTAL NET CASH FLOW FOR THE YEAR</b>	<b>5,027,728</b>	<b>91,370</b>
<b>EFFECT OF INFLATION ON CASH FLOW</b>	<b>(101,813)</b>	<b>(1,365)</b>
<b>VARIATION OF CASH FLOW DURING THE YEAR</b>	<b>4,925,915</b>	<b>90,005</b>
<b>INITIAL BALANCE OF CASH</b>	<b>135,442</b>	<b>45,437</b>
<b>FINAL BALANCE OF CASH</b>	<b>5,061,357</b>	<b>135,442</b>

# Cash Flow Statement

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>RECONCILIATION OF NET RESULTS WITH OPERATING CASH FLOW</b>		
<b>NET (LOSS) EARNINGS FOR THE YEAR</b>	112,931,670	(64,861,963)
<b>CHARGES (CREDITS) NOT AFFECTING CASH FLOW</b>		
Price-level restatement	3,522,014	(2,774,822)
Adjustments to futures contracts	(5,008,427)	4,372,696
Net loss (profit) on investments in related companies.	(105,449,218)	57,661,293
Goodwill	335,182	15,697
<b>VARIATION IN ASSETS AND LIABILITIES</b>		
Decrease (increase) in fixed and variable income investments	(820,772)	27,071,900
Net increase (decrease) in current accounts with related companies	13,036,475	(12,278,302)
Decrease (increase) in sundry debtors	5,166,524	(741,736)
Increase (decrease) in tax and legal liabilities	2,210,502	(1,289,791)
Decrease in accounts payable	(3,016,554)	(3,569,390)
<b>TOTAL NET POSITIVE CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>22,907,396</b>	<b>3,605,582</b>

# Compañía de Seguros de Vida Consorcio Nacional de Seguros 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.

**EXTERNAL AUDITORS:** Ernst & Young Servicios Profesionales de Auditoría y Asesorías Ltda.

# Report of Independent Auditors

Ernst & Young Chile  
Huérfanos 770, 5º piso.  
Santiago, Chile

Tel: (56-2) 676 1000  
Fax: (56-2) 676 1010  
[www.ey.com/cl](http://www.ey.com/cl)

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

We have audited the Balance Sheets of Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A. as of December 31, 2009 and 2008 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A. Our responsibility is to express an opinion on these financial statements based on our audits. Note N° 33 has not been reviewed by us and therefore it is 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 of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A. as of December 31, 2009 and 2008, the results of its operations and the cash flows for the years ended on those dates, in accordance with accounting principles generally accepted in Chile and the norms imparted by the Superintendence of Securities and Insurance.

As mentioned in Note N° 3 of the Financial Statements, during the year 2009, the Company modified the manner in which it values the units in Investment Funds without an adjusted presence.



Enrique Aceituno A.  
**ERNST & YOUNG LTDA.**

Santiago, February 23, 2010

# Balance Sheets

as of December 31, 2009 and 2008

<b>ASSETS</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>INVESTMENTS</b>	2,534,693,418	2,369,408,426
Financial Investments	1,981,342,334	1,838,815,922
Investments in Real Estate and Similar	407,325,739	411,761,984
Investments Single Investment Account	146,025,345	118,830,520
<b>PREMIUMS RECEIVABLE</b>	964,114	1,016,872
<b>REINSURANCE RECEIVABLE</b>	315,996	444,422
<b>OTHER ASSETS</b>	168,332,980	100,182,324
<b>TOTAL ASSETS</b>	<b>2,704,306,508</b>	<b>2,471,052,044</b>

<b>LIABILITIES</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>TECHNICAL RESERVES</b>	2,203,620,073	2,108,378,643
Reserve on Social Security Insurance	2,006,806,115	1,938,750,413
Reserve on Non-Social Security Insurance	196,427,287	169,202,319
Other Reserves	386,671	425,911
<b>BORROWINGS FROM FINANCIAL INSTITUTIONS</b>		
Short term	30,944,164	11,943,329
Long term	30,656,674	24,429,343
<b>OTHER LIABILITIES</b>	134,403,197	92,670,860
<b>SHAREHOLDERS' EQUITY</b>	304,682,400	233,629,869
<b>TOTAL LIABILITIES</b>	<b>2,704,306,508</b>	<b>2,471,052,044</b>

# Income Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>OPERATING INCOME</b>	156,084,382	177,762,762
Net Premium	182,931,850	175,497,138
Adjustment of Reserve on Current Risk and Mathematical on Life	(26,847,468)	2,265,624
<b>OPERATING EXPENSES</b>	(296,319,209)	(273,746,692)
Claim costs	(246,779,015)	(227,602,499)
Brokerage Commissions	(14,111,859)	(13,699,320)
Administration Costs	(35,428,335)	(32,444,873)
<b>INCOME FROM INVESTMENTS</b>	219,686,951	26,684,992
<b>OTHER INCOME (EXPENSES)</b>	776,156	3,141,649
<b>PRICE-LEVEL RESTATEMENT</b>	1,925,516	2,754,320
<b>NET OPERATING INCOME</b>	82,153,796	(63,402,969)
<b>NON OPERATING INCOME</b>	(25,488)	(7,077)
<b>INCOME BEFORE TAX</b>	82,128,308	(63,410,046)
<b>INCOME TAX</b>	(4,956,940)	8,411,630
<b>NET EARNINGS (LOSS) FOR THE YEAR</b>	<b>77,171,368</b>	<b>(54,998,416)</b>

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>NET CASH FLOW FROM OPERATIONS</b>		
Direct premiums	186,396,182	178,753,377
Premiums received	-	-
Premiums ceded	(906,814)	(1,576,659)
Pensions and claims paid	(182,622,794)	(169,998,204)
Recovery of reinsured claims	321,513	567,223
Commissions on direct insurance	(4,661,976)	(9,866,564)
Others	76,412	92,804
Fixed income instruments	16,922,506	19,240,018
Variable income instruments	16,680,626	(6,989,685)
Investments abroad	(282,078)	(113,011)
Cash flow income from real estate investments	9,283,018	19,267,141
Other income from financial and real estate investments	(4,086,425)	(7,870,906)
Cash flow from financial risk hedging operations	(17,816,231)	(29,645,861)
Administration expenses	(34,874,291)	(38,594,508)
Medical expenses	(56,157)	(33,810)
Tax	(9,443,880)	(13,209,897)
Others	75,563	-
<b>Total Operating Cash Flow</b>	<b>(24,994,826)</b>	<b>(59,978,542)</b>
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Net cash flow from fixed income instruments	(8,424,482)	70,526,037
Net cash flow from variable income instruments	1,173,548	42,137,554
Net cash flow from investments abroad	(33,024,924)	(2,114,122)
Net cash flow from purchases and sales of real estate investments	(5,379,961)	(31,829,192)
Net cash flow from other income and expenditure on investment activities	10,310,048	9,688,190
<b>Total Cash Flow from Investment Activities</b>	<b>(35,345,771)</b>	<b>88,408,467</b>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends	(67,783)	(14,941,408)
Loans	23,610,546	(1,204,469)
Loans with related companies	(8,217,982)	2,540,281
Purchase/sale of financial instruments with resale/repurchase agreements	45,300,528	(14,688,049)
<b>Total Cash Flow from Financing Activities</b>	<b>60,625,309</b>	<b>(28,293,645)</b>
Total net positive (negative) cash flow for the period	284,712	136,280
Effect of inflation on cash and cash equivalent	59,525	(194,445)
Effect of exchange difference on cash and cash equivalent	(1,437)	99,758
<b>NET VARIATION IN CASH AND CASH EQUIVALENT</b>	<b>342,800</b>	<b>41,593</b>
Initial balance of cash and cash equivalent	1,871,171	1,829,578
<b>FINAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>2,213,971</b>	<b>1,871,171</b>

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>RECONCILIATION OF NET RESULT WITH OPERATING CASH FLOW</b>		
<b>NET EARNINGS (LOSS) FOR THE YEAR</b>	77,171,368	(54,998,416)
<b>RESULT FROM SALE OF ASSETS</b>		
(Gain) Loss on sale of fixed assets	(323,264)	(935,308)
(Gain) on sale of investments	(19,366,080)	(17,795,306)
Loss on sale of investments	7,872,837	178,281
(Gain) Loss on sale of other fixed assets	-	(2,704,770)
<b>CHARGES (CREDITS) NOT AFFECTING CASH FLOWS</b>		
Depreciation	2,761,349	2,815,786
Amortization	665,129	1,123,743
Write-offs and Provisions on Assets	272,727	1,782
Adjustment of Technical Reserve	26,847,468	(2,265,624)
Provision for Income Tax	4,956,940	(8,411,630)
Price-Level Restatement	46,117,190	(164,909,335)
Exchange Difference	(48,042,706)	162,155,015
Other charges (credits) not affecting Cash Flows	128,407	(1,191,829)
<b>(INCREASE) DECREASE IN ASSETS</b>		
Investments	(150,859,359)	33,956,247
Premiums Receivable	(1,655,617)	(1,977,057)
Reinsurance receivable	567,263	29,538
Rights on Financial Risk Hedging Operations	(17,816,231)	(29,645,862)
Other Assets	(23,701,041)	(18,846,591)
<b>INCREASE (DECREASE) IN LIABILITIES</b>		
Technical Reserves	64,403,522	58,171,518
Borrowings from Financial Institutions	4,235,196	1,137,502
Debts with Brokers	9,449,883	3,832,756
Other Liabilities	(8,679,807)	(19,698,982)
<b>TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(24,994,826)</b>	<b>(59,978,542)</b>

# 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.

**EXTERNAL AUDITORS:** Ernst & Young Servicios Profesionales de Auditoría y Asesorías Ltda.

# Report of Independent Auditors

Ernst & Young Chile  
Huérfanos 770, 5º piso.  
Santiago, Chile

Tel: (56-2) 676 1000  
Fax: (56-2) 676 1010  
[www.ey.com/cl](http://www.ey.com/cl)

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

We have audited the Balance Sheets of CN Life Compañía de Seguros de Vida S.A. as of December 31, 2009 and 2008 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of CN Life Compañía de Seguros de Vida S.A. Our responsibility is to express an opinion on these financial statements based on our audits. Note N° 30 has not been reviewed by us and therefore it is 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 of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of CN Life Compañía de Seguros de Vida S.A. as of December 31, 2009 and 2008, the results of its operations and the cash flows for the years ended on those dates, in accordance with accounting principles generally accepted in Chile and the norms imparted by the Superintendence of Securities and Insurance.



Enrique Aceituno A.  
**ERNST & YOUNG LTDA.**

Santiago, February 23, 2010

# Balance Sheets

as of December 31, 2009 and 2008

<b>ASSETS</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>INVESTMENTS</b>	358,360,532	347,020,450
Financial Investments	347,753,569	336,582,267
Real Estate Investments and Others Similar	10,606,963	10,438,183
<b>PREMIUMS RECEIVABLE</b>	106,003	76,394
<b>REINSURANCE RECEIVABLE</b>	6,303	6,508
<b>OTHER ASSETS</b>	30,060,708	9,860,580
<b>TOTAL ASSETS</b>	<b>388,533,546</b>	<b>356,963,932</b>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>TECHNICAL RESERVES</b>	285,506,723	298,478,832
Reserve on Social Security Insurance	282,294,506	295,617,104
Reserve on Non-Social Security Insurance	3,085,330	2,734,503
Additional Reserves	126,887	127,225
<b>BORROWINGS FROM FINANCIAL INSTITUTIONS</b>		
Short-Term	-	-
<b>OTHER LIABILITIES</b>	32,558,196	9,106,720
<b>SHAREHOLDERS' EQUITY</b>	70,468,627	49,378,380
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>388,533,546</b>	<b>356,963,932</b>

# Income Statement

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>OPERATING INCOME</b>	1,173,938	1,079,336
Net Premium	1,311,634	1,172,543
Adjustment of Reserve on Current Risk and Mathematical on Life	(137,696)	(93,207)
<b>OPERATING EXPENSES</b>	(15,381,133)	(13,651,773)
Claim costs	(14,364,000)	(13,109,533)
Brokerage Commissions	(515)	-
Administration Costs	(1,016,618)	(542,240)
<b>INCOME FROM INVESTMENTS</b>	35,529,433	15,992,286
<b>OTHER INCOME (EXPENSES)</b>	89,523	148,891
<b>PRICE-LEVEL RESTATEMENT AND EXCHANGE DIFFERENCE</b>	696,187	(1,106,041)
<b>NET OPERATING INCOME</b>	22,107,948	2,462,699
<b>NON OPERATING INCOME</b>	604	5,789
<b>INCOME BEFORE TAX</b>	22,108,552	2,468,488
<b>INCOME TAX</b>	(1,882,457)	(56,003)
<b>NET EARNINGS FOR THE YEAR</b>	<b>20,226,095</b>	<b>2,412,485</b>

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>NET CASH FLOW FROM OPERATIONS</b>		
Direct premiums	1,547,093	1,223,396
Premiums received	-	-
Premiums ceded	(65,618)	(75,142)
Pensions and claims paid	(23,774,188)	(24,210,638)
Recovery of reinsured claims	74,192	74,874
Commissions on direct insurance	(464)	-
Others	-	-
Fixed income instruments	756,718	5,315,582
Variable income instruments	4,173,158	(1,948,857)
Investments abroad	-	(61,360)
Cash flow income from real estate investments	343,137	168,759
Other income from financial and real estate investments	-	-
Cash flow from financial risk hedging operations	5,310,567	(3,799,122)
Administration expenses	(763,258)	(507,588)
Medical expenses	-	-
Tax	(209,233)	(4,947,978)
Others	-	-
<b>Total Operating Cash Flow</b>	<b>(12,607,896)</b>	<b>(28,768,074)</b>
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES:</b>		
Net cash flow from fixed income instruments	8,806,719	45,708,006
Net cash flow from variable income instruments	(7,518,813)	5,479,965
Net cash flow from investments abroad	(8,104,151)	(6,937,200)
Net cash flow from purchases and sales of real estate investments	(149,341)	(9,874,447)
Net cash flow from other income and expenditure on investment activities	-	-
<b>Total Cash Flow From Investment Activities</b>	<b>(6,965,586)</b>	<b>34,376,324</b>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Dividends	(2,468,365)	(8,714,090)
Loans	-	-
Loans with related companies	(120,000)	1,168
Purchase/sale of financial instruments with resale/repurchase agreements	22,998,452	2,952,360
<b>Total Cash Flow From Financing Activities</b>	<b>20,410,087</b>	<b>(5,760,562)</b>
Total net positive (negative) cash flow for the period	836,605	(152,312)
Effect of inflation on cash and cash equivalent	3,368	(22,307)
Effect of exchange difference on cash and cash equivalent	(11,516)	(17,618)
<b>NET VARIATION IN CASH AND CASH EQUIVALENT</b>	<b>828,457</b>	<b>(192,237)</b>
Initial balance of cash and cash equivalent	82,520	274,757
<b>FINAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>910,977</b>	<b>82,520</b>

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>RECONCILIATION OF NET RESULT WITH OPERATING CASH FLOW</b>		
<b>NET EARNINGS FOR THE YEAR</b>	20,226,095	2,412,485
<b>RESULT FROM SALE OF ASSETS</b>		
(Gain) Loss on sale of fixed assets	-	-
(Gain) on sale of investments	(3,758,511)	(5,734,229)
Loss on sale of investments	-	-
<b>CHARGES (CREDITS) NOT AFFECTING CASH FLOWS</b>		
Depreciation	14,382	14,589
Amortization	-	-
Write-offs and Provisions on Assets	508	(772)
Adjustment of Technical Reserve	137,696	93,207
Provision for Income Tax	1,882,457	56,003
Price-Level Restatement	7,425,362	(26,277,913)
Exchange Difference	(8,121,549)	27,383,954
<b>(INCREASE) DECREASE IN ASSETS</b>		
Investments	(26,421,280)	(7,538,399)
Premiums receivable	144,041	(46,624)
Reinsurance premiums receivable	21,368	14,509
Rights on Financial Risk Hedging Operations	5,189,886	(3,073,843)
Other Assets	(119,019)	(124,718)
<b>INCREASE (DECREASE) IN LIABILITIES</b>		
Decrease in Technical Reserves	(9,337,222)	(11,026,987)
Borrowings from Financial Institutions	72,436	-
Debts with Brokers	52	-
Other Liabilities	35,402	(4,919,336)
<b>TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(12,607,896)</b>	<b>(28,768,074)</b>

# Consortio Corredores de Bolsa S.A.

**CHAIRMAN:** José Miguel Ureta Cardoen.

**DIRECTORS:** Francisco Javier García Holtz and Francisco Ignacio Ossa Guzmán.

**GENERAL MANAGER / LEGAL REPRESENTATIVE:** Marcelo Rojas Etcharren.

**EXTERNAL AUDITORS:** PricewaterhouseCoopers.

# Report of Independent Auditors

PricewaterhouseCoopers  
RUT: 81.512.400-1  
Santiago de Chile  
Av. Andrés Bello 2711  
Torre La Costanera - Floors 2, 3, 4 y 5, Las  
Condes  
Phone (56) (2) 940 0000  
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To the Shareholders and Board of Directors of  
Consortio Corredores de Bolsa S.A. :

We have audited the Balance Sheets of Consortio Corredores de Bolsa S.A. as of December 31, 2009 and 2008 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of 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 of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We consider that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Consortio Corredores de Bolsa S.A. as of December 31, 2009 and 2008, the results of its operations and the cash flows for the year ended on that date, in accordance with accounting principles generally accepted in Chile.



Roberto Villanueva B.  
ID N°: 7.060.344-6

Santiago, February 25, 2010

# Balance Sheets

as of December 31, 2009 and 2008

<b>ASSETS</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>CURRENT ASSETS</b>		
Cash	1,368,920	681,497
<b>VARIABLE INCOME INSTRUMENTS</b>		
Traded Shares	52,055	232,811
<b>Total</b>	<b>52,055</b>	<b>232,811</b>
<b>FIXED INCOME INSTRUMENTS</b>		
Issued by the State	5,531,256	127,597
Issued by financial institutions	3,668,134	4,317,639
Issued by companies	2,574,011	8,395,954
Issued by other companies	1,573,832	682,710
<b>Total</b>	<b>13,347,233</b>	<b>13,523,900</b>
<b>RIGHTS ON FUTURES OPERATIONS:</b>		
Rights on purchase agreement instruments	93,845,806	70,647,921
Rights receivable on sale agreements	5,920,352	6,791,847
Rights receivable on futures operations	8,798,603	3,480,195
<b>Total</b>	<b>108,564,761</b>	<b>80,919,963</b>
Debtors from brokerage	18,200,170	3,581,454
Bills and accounts receivable	19,653	290,043
Tax rebates receivable	593,494	1,055,428
Sundry debtors	2,155	-
Instruments given in guarantee	7,992,523	995,520
Pre-paid expenses	4,510	4,830
<b>Total</b>	<b>26,812,505</b>	<b>5,927,275</b>
<b>TOTAL CURRENT ASSETS</b>	<b>150,145,474</b>	<b>101,285,446</b>
<b>FIXED ASSETS</b>		
Equipment and office furniture	92,107	92,000
Accumulated depreciation	(79,041)	(72,047)
<b>Net fixed assets</b>	<b>13,066</b>	<b>19,953</b>
<b>OTHER ASSETS</b>		
Equity shares in stock markets	473,390	484,097
Other assets	10	13
<b>Total other assets</b>	<b>473,400</b>	<b>484,110</b>
<b>TOTAL</b>	<b>150,631,940</b>	<b>101,789,509</b>

# Balance Sheets

as of December 31, 2009 and 2008

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>CURRENT LIABILITIES</b>		
<b>OBLIGATIONS WITH BANKS AND FINANCIAL INSTITUTIONS</b>	1	1
<b>Total</b>	1	1
<b>OBLIGATIONS ON FUTURES OPERATIONS</b>		
Obligations on purchase agreements	93,865,903	70,799,986
Obligations on sale agreements	5,920,461	6,790,933
Obligations on other futures operations	8,803,883	3,454,356
<b>Total</b>	108,590,247	81,045,275
Creditors from brokerage	18,187,779	3,576,421
Bills and accounts payable at short term	759,469	582,094
Taxes payable	1,108,705	62,634
Provisions and withholdings	246,646	50,248
<b>Total</b>	20,302,599	4,271,397
<b>TOTAL CURRENT LIABILITIES</b>	<b>128,892,847</b>	<b>85,316,673</b>
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital	10,247,376	10,247,376
Reserve for greater value of shares on stock market	8,971	8,971
Retained earnings	5,638,411	5,650,891
Net earnings for the period	5,844,335	565,598
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>21,739,093</b>	<b>16,472,836</b>
<b>TOTAL</b>	<b>150,631,940</b>	<b>101,789,509</b>

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>OPERATING REVENUE</b>		
Commissions from stock market operations	1,558,813	1,640,993
Profit on sale of own portfolio	7,200,759	3,759,083
Income from futures operations	8,489,517	3,149,312
Interest and dividends on own portfolio	1,104,332	387,756
Other operating income	39,315	1,920,408
<b>Total Operating Income</b>	<b>18,392,736</b>	<b>10,857,552</b>
<b>OPERATING EXPENSES</b>		
Commissions and services	145,213	205,538
Loss on sale of own portfolio	3,025,245	6,823,482
Expenses on futures operations	6,468,251	385,473
Financial costs	803	695
Administration and selling expenses	1,718,353	1,427,508
Amortization and depreciation	6,991	8,225
Other operating expenses	575,124	20,226
<b>Total Operating Expenses</b>	<b>11,939,980</b>	<b>8,871,147</b>
<b>NET OPERATING INCOME</b>	<b>6,452,756</b>	<b>1,986,405</b>
<b>NON-OPERATING INCOME</b>		
Profit from permanent investments	77,083	111,224
Other non-operating income	-	5
<b>Total Non-Operating Income</b>	<b>77,083</b>	<b>111,229</b>
<b>NON-OPERATING INCOME</b>	<b>77,083</b>	<b>111,229</b>
<b>NET INCOME BEFORE PRICE-LEVEL RESTATEMENT</b>	<b>6,529,839</b>	<b>2,097,634</b>
Price-level restatement	378,646	(1,464,398)
Exchange Difference	-	10
<b>NET INCOME BEFORE TAX</b>	<b>6,908,485</b>	<b>633,246</b>
<b>INCOME TAX</b>	<b>(1,064,150)</b>	<b>(67,648)</b>
<b>NET EARNINGS FOR THE YEAR</b>	<b>5,844,335</b>	<b>565,598</b>

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>NET CASH FLOW FROM OPERATIONS</b>		
Net commissions	1,558,813	1,640,992
Net Income (Expenses) on behalf of clients	(5,769,038)	(5,422,351)
Net Income (Expenses) on own portfolio operations	10,988,143	458,913
Net Income (Expenses) on futures operations	(4,058,289)	10,677,139
Administration and selling expenses paid	(1,718,942)	(1,970,900)
Financial costs paid	(803)	(334)
Taxes paid	148,971	(1,852,404)
<b>Net positive (negative) cash flow from operations</b>	<b>1,148,855</b>	<b>3,531,055</b>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loans from related parties	-	16,232,953
Dividends paid	(578,078)	(5,917,205)
Payment of loans from related parties	-	(16,237,759)
<b>Net cash flow from financing activities</b>	<b>(578,078)</b>	<b>(5,922,011)</b>
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Dividends and other income from investments in other companies	87,970	80,911
<b>Net positive (negative) cash flow from investment activities</b>	<b>87,970</b>	<b>80,911</b>
<b>NET POSITIVE (NEGATIVE) CASH FLOW FOR THE YEAR</b>	<b>658,747</b>	<b>(2,310,045)</b>
<b>EFFECT OF INFLATION ON CASH</b>	<b>28,676</b>	<b>(73,005)</b>
<b>NET VARIATION IN CASH</b>	<b>687,423</b>	<b>(2,383,050)</b>
<b>INITIAL BALANCE OF CASH</b>	<b>681,497</b>	<b>3,064,547</b>
<b>FINAL BALANCE OF CASH</b>	<b>1,368,920</b>	<b>681,497</b>

(Continued)

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>RECONCILIATION OF THE NET RESULT WITH THE NET OPERATING CASH FLOW</b>		
<b>NET EARNINGS FOR THE YEAR</b>	5,844,335	565,598
<b>CHARGES (CREDITS) TO RESULTS NOT AFFECTING CASH FLOW</b>		
Depreciation and amortizations	6,991	8,225
Provisions for losses on operating assets	(126,806)	6,691,744
Result of price-level restatement and exchange differences	169,737	(74,232)
Other charges (credits) that do not represent cash flow	(188,363)	(111,225)
<b>(INCREASE) DECREASE IN ASSETS THAT AFFECT THE OPERATING CASH FLOW</b>		
Accounts receivable from clients	(6,907,073)	(4,047,271)
Rights on futures operations	(14,249,213)	(8,556,831)
Investment portfolio	17,310,957	1,122,559
Other assets	(33,594)	(1,339,641)
<b>INCREASE (DECREASE) IN LIABILITIES THAT AFFECT THE OPERATING CASH FLOW</b>		
Accounts payable on brokerage, own portfolio and other services	(10,648,331)	(3,553,534)
Obligations on futures operations	7,462,476	14,168,881
Accounts payable on administration and sales	822,766	(329,607)
Interest payable	-	252
Taxes payable	1,684,973	(1,013,863)
<b>NET POSITIVE CASH FLOW FROM OPERATIONS</b>	<b>1,148,855</b>	<b>3,531,055</b>

# Banco Consorcio

**CHAIRMAN:** Patricio Parodi Gil.

**DEPUTY CHAIRMAN:** Nicolás Gellona Amunátegui.

**BOARD DIRECTORS:** Julio Guzmán Herrera, Hermann Tisi Urbina y José Miguel Ureta Cardoen.

**DEPUTY DIRECTORS:** Ana María Rivera Tavolara y Tomás Hurtado Rourke.

**GENERAL MANAGER / LEGAL REPRESENTATIVE:** Francisco Ignacio Ossa Guzmán.

**INDEPENDENT AUDITORS:** PricewaterhouseCoopers.

# Report of Independent Auditors

PricewaterhouseCoopers  
RUT: 81.512.400-1  
Santiago de Chile  
Av. Andrés Bello 2711  
Torre La Costanera - Floors 2, 3, 4 y 5, Las Condes  
Phone (56) (2) 940 0000  
www.pwc.cl

To the Shareholders and Board of Directors of  
Banco Consorcio (Ex Banco Monex):

We have audited the financial statements of Banco Consorcio and its subsidiary as of December 31, 2009 and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the year ended on that date. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Banco Consorcio. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with accounting standards generally accepted in Chile. Those standards require that we plan and perform our work to obtain reasonable assurance that the financial statements are free of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles applied and of the significant estimates made by the Bank's management, as well as an evaluation of the overall presentation of the financial statements. We consider that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Banco Consorcio and its subsidiary as of December 31, 2009, the results of their operations, the comprehensive results, the changes in equity and the cash flows for the year ended on that date, in accordance with Accounting Norms imparted by the Chilean Superintendence of Banks and Financial Institutions.

The official consolidated financial statements of Banco Consorcio as of December 31, 2008, prepared in accordance with previous accounting principles (See Note 4), were audited by other independent auditors, who issued an opinion without reservation on January 23, 2009. The consolidated financial statements as of December 31, 2008, which are presented solely for the purposes of comparison, include all material adjustments required to submit them in accordance with the new accounting norms imparted by the Superintendence of Banks and Financial Institutions in the Compendium of Accounting Norms, which were taken into consideration by the Management of Banco Consorcio. Our audit of the consolidated financial statements as of December 31, 2009 included an examination of the adjustments mentioned and the application of the other auditing procedures on the closing balances corresponding to the year 2008, to the extent we considered necessary in the circumstances. In our opinion, these consolidated financial statements are presented in a uniform manner in all their significant aspects, for the purposes of comparison with the consolidated financial statements of Banco Consorcio as of December 31, 2009.



Roberto Villanueva B.  
ID N°: 7.060.344-6

Santiago, February 25, 2010

# Consolidated Balance Sheet

as of December 31, 2009 and 2008

<b>ASSETS</b>	<b>2009 Ch\$MM</b>	<b>2008 Ch\$MM</b>
Cash and Banks	16,674	6,097
Transactions in the course of collection	7,295	15,381
Securities for trading	-	-
Securities purchased with resale agreements	-	-
Derivative contracts	34	4,122
Loans and advances to banks	-	-
Credits and accounts receivable from clients	10,488	17,906
Securities available for sale	59,320	36,160
Securities held to maturity	-	-
Investments in other companies	8	35
Intangible assets	264	201
Fixed assets	194	476
Current tax assets	327	269
Deferred taxes	123	412
Other assets	1,404	3,972
<b>TOTAL ASSETS</b>	<b>96,131</b>	<b>85,031</b>

\* The complete Financial Statements together with their notes and the Report of the Independent Auditors are available to those interested on web sites [www.bancoconsorcio.cl](http://www.bancoconsorcio.cl) and [www.sbif.cl](http://www.sbif.cl) and may also be reviewed in the Company's offices.

\*\* Information concerning limits on state financial compensation on deposits is available in your bank or on the web site [www.sbif.cl](http://www.sbif.cl)

# Consolidated Balance Sheet

as of December 31, 2009 and 2008

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2009 Ch\$MM</b>	<b>2008 Ch\$MM</b>
<b>LIABILITIES</b>		
Current accounts and other sight deposits	1,741	3,047
Transactions in the course of payment	4,512	14,141
Purchase contracts with resale agreements	10,563	8,679
Accounts and term deposits	37,796	26,960
Derivative contracts	307	400
Borrowings from banks	23,186	14,496
Debt instruments issued	-	-
Other financial obligations	-	6,048
Current taxes	37	-
Deferred taxes	-	-
Provisions	94	354
Other liabilities	1,357	1,040
<b>Total liabilities</b>	<b>79,593</b>	<b>75,165</b>
<b>SHAREHOLDERS' EQUITY</b>		
Attributable to equity holders of the bank:		
Capital	16,923	10,490
Reserves	-	-
Revaluation accounts	(142)	(1,360)
Retained earnings:	-	-
Retained earnings from previous years	718	506
Net loss for the year	(980)	365
Less: Provision for minimum dividends	-	(153)
<b>Subtotal</b>	<b>16,519</b>	<b>9,848</b>
<b>MINORITY INTEREST</b>	<b>19</b>	<b>18</b>
<b>Total Shareholders' Equity</b>	<b>16,538</b>	<b>9,866</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>96,131</b>	<b>85,031</b>

# Consolidated Statement of Income

for the years ended December 31, 2009 and 2008

	2009 Ch\$MM	2008 Ch\$MM
Interest revenue	2,024	7,237
Interest expense	(1,691)	(4,523)
<b>Net interest income</b>	<b>333</b>	<b>2,714</b>
Income from commissions	239	342
Expenses on commissions	(73)	(54)
<b>Net income from commissions</b>	<b>166</b>	<b>288</b>
Net earnings from financial operations	1,306	1,742
Net gains (losses) on exchange	1,125	(144)
Other operating income	147	300
<b>Total Operating Income</b>	<b>3,077</b>	<b>4,900</b>
<b>Provisions for loan losses</b>	<b>(570)</b>	<b>(1,327)</b>
<b>NET OPERATING REVENUE</b>	<b>2,507</b>	<b>3,573</b>
Remunerations and staff expenses	(1,452)	(1,391)
Administrative expenses	(1,698)	(1,434)
Depreciation and amortization	(188)	(251)
Shrinkage	-	-
Other operating expenses	(341)	(57)
<b>Total Operating Expenses</b>	<b>(3,679)</b>	<b>(3,133)</b>
<b>NET OPERATING INCOME</b>	<b>(1,172)</b>	<b>440</b>
Income from investments in other companies	60	9
Earnings (loss) before tax	(1,112)	449
Income tax	132	(84)
<b>CONSOLIDATED (LOSS) EARNINGS FOR THE YEAR</b>	<b>(980)</b>	<b>365</b>
<b>ATTRIBUTABLE TO:</b>		
Equity holders of the Bank	(979)	363
Minority income	(1)	2
<b>NET EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK</b> <i>(Expressed In Chilean Pesos)</i>		
Basic net earnings	(0.0979)	0.0365
Diluted net earnings	(0.0979)	0.0365

# Consolidated Statement of Comprehensive Income

for the years ended December 31, 2009 and 2008

	2009 Ch\$MM	2008 Ch\$MM
Consolidated (Loss) net earning for the year	(980)	365
<b>OTHER COMPREHENSIVE RESULTS</b>		
Net variation in the portfolio available for sale	1.153	(538)
Net variation in taxes on portfolio available for sale	65	261
<b>Total consolidated comprehensive net earnings for the year</b>	<b>238</b>	<b>88</b>
<b>ATTRIBUTABLE TO:</b>		
Equity holders of the Bank	238	88
<b>MINORITY INTEREST</b>	-	-

# Consolidated Cash Flow Statement

for the years ended December 31, 2009 and 2008

	2009 Ch\$MM	2008 Ch\$MM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (Loss) Earnings for the year	(980)	365
Minority interest	1	2
<b>CHARGES (CREDITS) NOT AFFECTING CASH FLOW</b>		
Depreciation and amortizations	188	251
Provision for loan losses	570	1,327
Loss from investments in other companies	(60)	(9)
Deferred taxes	71	(26)
Write-offs of bad debts	341	56
Net variation in interest, adjustments and commissions earned on assets and liabilities	(3,131)	(2,064)
<b>CHANGES IN ASSETS AND LIABILITIES THAT AFFECT CASH FLOWS</b>		
Decrease in credits and accounts receivable	8,349	13,600
Net (increase) decrease in investment instruments	(19,072)	2,318
Net (decrease) increase in current accounts and other sight deposits	(989)	(497)
Net (increase) in other assets and liabilities	5,222	(3,522)
Increase in purchase contracts with resale agreements	1,884	7,917
Net increase (decrease) in accounts and other term deposits	10,837	(12,480)
Increase (decrease) in short-term borrowings from banks	8,690	(15,114)
(Decrease) increase in borrowings from financial institutions	(6,048)	4,501
<b>Total cash flow from (or used for) operating activities</b>	<b>5,873</b>	<b>(3,375)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of subscribed shares	6,433	-
<b>Total cash flow from financing activities</b>	<b>6,433</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(186)	(177)
<b>Total cash flows used for financing activities</b>	<b>(186)</b>	<b>(177)</b>
<b>TOTAL NET POSITIVE (NEGATIVE) CASH FLOW FOR THE YEAR</b>	<b>12,120</b>	<b>(3,552)</b>
Effect of inflation on cash or cash equivalent	-	-
<b>VARIATION IN CASH AND CASH EQUIVALENT DURING THE YEAR</b>	<b>12,120</b>	<b>(3,552)</b>
<b>INITIAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>7,337</b>	<b>10,889</b>
<b>FINAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>19,457</b>	<b>7,337</b>

# Compañía de Seguros Generales Consorcio Nacional de Seguros 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:** Nicolás Gellona Amunátegui.

**EXTERNAL AUDITORS:** Ernst & Young Servicios Profesionales de Auditoría y Asesorías Ltda.

# Report of Independent Auditors

Ernst & Young Chile  
Huérfanos 770, 5º piso.  
Santiago, Chile

Tel: (56-2) 676 1000  
Fax: (56-2) 676 1010  
[www.ey.com/cl](http://www.ey.com/cl)

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

We have audited the Balance Sheets of Compañía de Seguros Generales Consorcio Nacional de Seguros S.A. as of December 31, 2009 and 2008 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Compañía de Seguros Generales Consorcio Nacional de Seguros S.A. Our responsibility is to express an opinion on these financial statements based on our audits. Note N° 28 has not been reviewed by us and therefore it is 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 of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Compañía de Seguros Generales Consorcio Nacional de Seguros S.A. as of December 31, 2009 and 2008 and the results of its operations and the cash flows for the years ended on those dates, in accordance with accounting principles generally accepted in Chile and the norms imparted by the Superintendencia of Securities and Insurance.



Enrique Aceituno A.  
**ERNST & YOUNG LTDA.**

Santiago, February 23, 2010

# Balance Sheets

as of December 31, 2009 and 2008

<b>ASSETS</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>INVESTMENTS</b>	11,552,581	9,573,779
Financial Investments	11,454,711	9,476,994
Real Estate Investments and Others Similar	97,870	96,785
<b>PREMIUMS RECEIVABLE</b>	12,562,120	10,841,904
<b>REINSURANCE RECEIVABLE</b>	456,726	553,440
<b>OTHER ASSETS</b>	960,353	1,479,937
<b>TOTAL ASSETS</b>	<b>25,531,780</b>	<b>22,449,060</b>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>TECHNICAL RESERVES</b>	15,249,071	14,316,515
Current risks	10,440,767	9,833,365
Claims	3,779,009	3,547,122
Reinsurance payable	1,029,295	936,028
<b>BORROWINGS FROM FINANCIAL INSTITUTIONS</b>	-	-
<b>OTHER LIABILITIES</b>	3,203,293	2,611,957
<b>SHAREHOLDERS' EQUITY</b>	7,079,416	5,520,588
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>25,531,780</b>	<b>22,449,060</b>

# Income Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>OPERATING MARGIN</b>	5,968,013	6,018,714
Income from premiums	18,090,469	17,691,462
Net premiums	18,705,511	18,181,935
Adjustment of current risks	(615,042)	(490,473)
Other adjustments on income from premiums	(794,825)	(654,478)
Cost of claims	(10,193,067)	(9,854,422)
Net outgoings on brokerage	(1,134,564)	(1,163,848)
<b>ADMINISTRATION COSTS</b>	(4,935,527)	(5,808,075)
<b>OPERATING INCOME</b>	1,032,486	210,639
<b>INCOME FROM INVESTMENTS</b>	455,400	253,867
<b>OTHER INCOME (EXPENSES)</b>	(122,517)	(149,343)
<b>PRICE-LEVEL RESTATEMENT</b>	(103,401)	136,651
<b>NET OPERATING INCOME</b>	1,261,968	451,814
<b>INCOME BEFORE TAX</b>	1,261,968	451,814
<b>INCOME TAX FOR THE YEAR</b>	(197,765)	(81,123)
<b>NET EARNINGS FOR THE YEAR</b>	<b>1,064,203</b>	<b>370,691</b>

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>NET CASH FLOW FROM OPERATIONS</b>		
Direct premiums	24,808,445	25,493,795
Premiums received	-	-
Premiums ceded	(3,293,811)	(3,325,566)
Pensions and claims paid	(12,082,984)	(10,915,659)
Return of pensions and claims	1,089,401	1,040,619
Recovery of reinsured claims	173,399	260,905
Commissions on direct insurance	(2,555,516)	(2,583,047)
Others	(67,527)	104
Fixed income instruments	20,811	45,212
Variable income instruments	9	(4,128)
Administration expenses	(5,261,479)	(7,011,522)
Taxes	(1,892,629)	(1,804,189)
Others	(122)	(36,172)
<b>Total Operating Cash Flow</b>	<b>937,997</b>	<b>1,160,352</b>
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Net cash flow from fixed income instruments	(952,241)	(1,120,623)
Net cash flow from purchases and sales of real estate investments	(24,231)	(23,358)
Net cash flow from other income and expenditure on investment activities	48	(2,216)
<b>TOTAL INVESTMENT CASH FLOW</b>	<b>(976,424)</b>	<b>(1,146,197)</b>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loans	(15)	-
<b>TOTAL FINANCING CASH FLOW</b>	<b>(15)</b>	<b>-</b>
Total net positive (negative) cash flow for the period	(38,442)	14,155
Effect of inflation on cash and cash equivalent	16,844	(48,119)
Effect of exchange difference on cash and cash equivalent	-	-
Net variation in cash and cash equivalent	(21,598)	(33,964)
Initial balance of cash and cash equivalent	636,964	670,928
<b>FINAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>615,366</b>	<b>636,964</b>

# Cash Flow Statements

for the years ended December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>RECONCILIATION OF NET RESULT WITH OPERATING CASH FLOW</b>		
<b>NET EARNINGS FOR THE YEAR</b>	1,064,203	370,691
<b>RESULT FROM SALE OF ASSETS</b>	(20,812)	(39,734)
(Gain) on sale of investments	(20,812)	(39,734)
Loss on sale of investments	-	-
<b>CHARGES (CREDITS) NOT AFFECTING CASH FLOWS</b>	1,087,376	648,331
Depreciation	23,157	27,721
Write-offs and Provisions on Assets	148,011	185,665
Adjustment of Technical Reserve	615,042	490,473
Provision for Income Tax	197,765	81,123
Price-Level Restatement	103,401	(136,651)
<b>(INCREASE) DECREASE IN ASSETS:</b>	(1,330,646)	(137,854)
Investments	(436,587)	(173,049)
Premiums receivable	(1,757,383)	(429,922)
Reinsurance premiums receivable	913,347	502,098
Other Assets	(50,023)	(36,981)
<b>INCREASE (DECREASE) IN LIABILITIES:</b>	137,876	318,918
Technical Reserves	(627,116)	240,287
Borrowings from Financial Institutions	-	-
Debts with Brokers	(284,973)	(389,598)
Other Liabilities	1,049,965	468,229
<b>TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>937,997</b>	<b>1,160,352</b>

# Consortio 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

PricewaterhouseCoopers  
RUT: 81.512.400-1  
Santiago de Chile  
Av. Andrés Bello 2711  
Torre La Costanera - Floors 2, 3, 4 y 5, Las Condes  
Phone (56) (2) 940 0000  
www.pwc.cl

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

We have audited the Balance Sheets of Consortio Créditos Hipotecarios S.A. as of December 31, 2009 and 2008 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Consortio Créditos Hipotecarios 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 of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We consider that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Consortio Créditos Hipotecarios S.A. as of December 31, 2009 and 2008, the results of its operations and the cash flows for the year ended on that date, in accordance with accounting principles generally accepted in Chile.



Roberto Villanueva B.

ID N°: 7.060.344-6

Santiago, February 25, 2010

# Balance Sheets

as of December 31, 2009 and 2008

<b>ASSETS</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>CURRENT ASSETS</b>		
Cash	269,572	492,782
Mortgage loans	3,735,920	1,898,238
Mutual Funds	985,047	-
Bills (accounts) receivable	66,258	131,496
Sundry debtors	133,312	138,827
Pre-paid expenses	4,086	3,277
Deferred taxes	72,936	59,894
Mortgage loans in process of registration	12,367,627	16,416,133
<b>Total current assets</b>	<b>17,634,758</b>	<b>19,140,647</b>
<b>FIXED ASSETS</b>		
Furniture and office equipment	17,388	22,866
Computer equipment	4,541	10,694
<b>Total fixed assets</b>	<b>21,929</b>	<b>33,560</b>
<b>OTHER ASSETS</b>		
Investments in other companies	1,373	1,373
<b>Total other assets</b>	<b>1,373</b>	<b>1,373</b>
<b>TOTAL ASSETS</b>	<b>17,658,060</b>	<b>19,175,580</b>

# Balance Sheets

as of December 31, 2009 and 2008

<b>LIABILITIES</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>CURRENT LIABILITIES</b>		
Mortgage notes payable	199,673	340,171
Short term borrowings from related parties	171,204	98,455
Sundry creditors	846,076	823,434
Provisions – short term	105,063	46,847
Withholdings	17,886	18,730
Income tax	111,908	114,303
Mortgage loans payable in process of registration	11,087,085	13,206,890
<b>Total current liabilities</b>	<b>12,538,895</b>	<b>14,648,830</b>
<b>LONG-TERM LIABILITIES</b>		
Provisions on pre-payments	285,380	318,879
<b>Total long-term liabilities</b>	<b>285,380</b>	<b>318,879</b>
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital	2,162,220	2,162,220
Retained earnings	1,540,641	1,079,776
Net earnings for the year	1,130,924	965,875
<b>Total shareholders' equity</b>	<b>4,833,785</b>	<b>4,207,871</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>17,658,060</b>	<b>19,175,580</b>

# Income Statement

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>OPERATING INCOME</b>		
Income from administration of third-party portfolios	491,051	459,309
Income from prepayments and releases	155,521	215,486
Income from endorsement of mortgage notes	1,007,018	887,948
Interest on mortgage notes	659,882	664,815
Other income	82,527	77,975
<b>Total Operating Income</b>	2,395,999	2,305,533
<b>Total Operating Costs</b>	(108,599)	(50,016)
<b>NET OPERATING INCOME</b>	2,287,400	2,255,517
<b>ADMINISTRATION AND SALES EXPENSES</b>		
Remunerations	(800,437)	(815,954)
Others	(428,922)	(485,725)
<b>Total Administration and Sales Expenses</b>	(1,229,359)	(1,301,679)
<b>OPERATING INCOME</b>	1,058,041	953,838
<b>NON-OPERATING INCOME</b>		
Financial income	16,612	26,161
Other non-operating income	386,748	185,216
Price-level restatement	(2,565)	2,389
Financial costs	(68,518)	-
Other expenses	(47,757)	(1,559)
<b>Total Non-Operating Income</b>	284,520	212,207
<b>INCOME BEFORE TAX</b>	1,342,561	1,166,045
<b>INCOME TAX</b>	(211,637)	(200,170)
<b>NET EARNINGS FOR THE YEAR</b>	<b>1,130,924</b>	<b>965,875</b>

# Cash Flow Statement

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Sale of mortgage notes to insurance companies	52,350,564	53,836,883
Dividends collected on own portfolio	1,004,625	1,078,241
Commission from administration of portfolio	491,051	457,749
Other operating income	82,578	214,900
Complementary mortgage credits cancelled	427,927	112,930
Payment to salesmen of mortgage notes derived from loans granted	(49,954,167)	(52,937,861)
Prepayments cancelled	(2,220,410)	(470,583)
Collection from third parties	(222,451)	(1,459,901)
Payment of administration expenses	(857,942)	(1,092,607)
Taxes	(264,038)	(117,575)
Operating costs	(95,268)	(80,024)
Complementary credits cancelled	65,018	(47,088)
Commission on administration of insurance policies	488,846	-
<b>Total net cash flow from operations</b>	<b>1,296,333</b>	<b>(504,936)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Other loans received from related companies	50,061,155	58,255,401
Payment of other loans from related companies	(50,100,682)	(58,358,486)
Payment of dividends and capital	(505,009)	-
<b>Total net cash flow from financing activities</b>	<b>(544,536)</b>	<b>(103,085)</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets	(123)	(1,033)
<b>Total net cash flow from investment activities</b>	<b>(123)</b>	<b>(1,033)</b>
<b>TOTAL NET CASH FLOW</b>	<b>751,674</b>	<b>(609,054)</b>
<b>EFFECT OF INFLATION ON CASH AND CASH EQUIVALENT</b>	<b>4</b>	<b>(56,305)</b>
<b>EFFECT OF EXCHANGE DIFFERENCE ON CASH AND CASH EQUIVALENT</b>	<b>10,159</b>	<b>124,458</b>
<b>NET VARIATION IN CASH</b>	<b>761,837</b>	<b>(540,901)</b>
<b>INITIAL CASH BALANCE</b>	<b>492,782</b>	<b>1,033,683</b>
<b>FINAL BALANCE OF CASH</b>	<b>1,254,619</b>	<b>492,782</b>

# Cash Flow Statement

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>RECONCILIATION OF NET RESULTS WITH OPERATING CASH FLOW</b>		
<b>NET EARNINGS FOR THE YEAR</b>	1,130,924	965,875
<b>CHARGES (CREDITS) TO INCOME THAT DO NOT REPRESENT CASH FLOW</b>		
Depreciation for the period	11,760	15,563
Amortization of intangible assets	-	36,009
Provisions and write-offs	63,750	15,884
Price-level restatement	2,565	(2,388)
<b>VARIATION IN ASSETS THAT AFFECT CASH FLOW</b>		
Decrease in negotiable mortgage notes	51,343,546	52,948,934
Decrease in pre-payments received	(155,521)	13,131,263
(Increase) decrease in accounts payable	-	(1,560)
Reduction in other assets	430,228	338,963
<b>VARIATION IN LIABILITIES THAT AFFECT CASH FLOW</b>		
Decrease in mortgage notes payable	(49,954,167)	(52,937,861)
Decrease in prepayments cancelled	(2,220,410)	(13,817,332)
Decrease (increase) in operating accounts payable	(335,227)	(1,664,991)
Reduction in interest payable	496,445	-
Increase in administration accounts payable	404,506	304,563
Increase (decrease) in taxes payable	(52,402)	82,594
Increase in other accounts payable	130,336	79,548
<b>TOTAL NET OPERATING CASH FLOW</b>	<b>1,296,333</b>	<b>(504,936)</b>

# Consortio 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 y Asesorías Ltda.

# Report of Independent Auditors

Ernst & Young Chile  
Huérfanos 770, 5º piso.  
Santiago, Chile

Tel: (56-2) 676 1000  
Fax: (56-2) 676 1010  
[www.ey.com/cl](http://www.ey.com/cl)

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

We have audited the Balance Sheets of Consortio Tarjetas de Crédito S.A. as of December 31, 2009 and 2008 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Consortio Tarjetas de Crédito 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 of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Consortio Tarjetas de Crédito S.A. as of December 31, 2009 and 2008, the results of its operations and the cash flows for the years ended on those dates, in accordance with accounting principles generally accepted in Chile and the norms imparted by the Superintendencia of Securities and Insurance.



Enrique Aceituno A.  
**ERNST & YOUNG LTDA.**

Santiago, January 27, 2010

# Balance Sheets

as of December 31, 2009 and 2008

<b>ASSETS</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>CURRENT ASSETS</b>		
Cash	343,280	151,056
Other negotiable securities	3	4
Bills and accounts receivable	1,062,046	1,087,235
Tax rebates receivable	164,374	207,846
Other current assets	117,616	136,378
<b>Total Current Assets</b>	<b>1,687,319</b>	<b>1,582,519</b>
<b>BILLS AND ACCOUNTS RECEIVABLE AT TERMS OF OVER ONE YEAR</b>		
Bills and accounts receivable	26,482	43,028
<b>Total bills and accounts receivable at terms of over one year</b>	<b>26,482</b>	<b>43,028</b>
<b>FIXED ASSETS</b>		
Intangible assets	0	0
Installations	0	0
Computer equipment	1,923	1,924
Furniture and office equipment	19,876	19,888
<b>Subtotal</b>	<b>21,799</b>	<b>21,812</b>
less: Accumulated depreciation	6,970	6,978
<b>Total Fixed Assets</b>	<b>14,829</b>	<b>14,834</b>
<b>OTHER ASSETS</b>		
Investments in property and securities	3,243,565	3,580,979
less: Accumulated depreciation on Investments in property and securities	(176,277)	(104,217)
Deferred taxes	237,643	250,338
<b>TOTAL OTHER ASSETS</b>	<b>3,304,931</b>	<b>3,727,100</b>
<b>TOTAL ASSETS</b>	<b>5,033,561</b>	<b>5,367,481</b>

# Balance Sheets

as of December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>LIABILITIES AND SHARHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Bills and accounts payable	73,217	79,465
Bills and accounts payable to related companies	1,450,105	1,910,206
Withholdings	1,282	1,366
Other current liabilities	60,769	58,893
<b>Total Current Liabilities</b>	<b>1,585,373</b>	<b>2,049,930</b>
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital	4,534,977	4,534,977
Accumulated losses	(1,217,426)	(1,101,068)
Net earnings (loss) for the year	130,637	(116,358)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>3,448,188</b>	<b>3,317,551</b>
<b>TOTAL LIABILITIES AND SHARHOLDERS' EQUITY</b>	<b>5,033,561</b>	<b>5,367,481</b>

# Income Statement

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>OPERATING INCOME</b>		
<b>OPERATING INCOME</b>		
Commissions	64,659	75,165
Interest	292,316	222,671
Other income	10,712	6,151
<b>Total operating revenues</b>	<b>367,687</b>	<b>303,987</b>
<b>OPERATING EXPENSES</b>		
Advertising	(80)	(11,346)
Sales remunerations, commissions and fees	(33,826)	(67,236)
Rentals and other administrative expenses	(353,082)	(378,081)
Provisions and write-offs	(107,972)	(132,704)
Depreciation	(15,451)	(2,390)
<b>Total operating expenses</b>	<b>(510,411)</b>	<b>(591,757)</b>
<b>Net operating income</b>	<b>(142,724)</b>	<b>(287,770)</b>
<b>NON-OPERATING RESULT</b>		
<b>NON-OPERATING INCOME</b>		
Financial income	226,342	118,244
Other non operating income	176,895	98,082
<b>Total non-operating income</b>	<b>403,237</b>	<b>216,326</b>
<b>NON-OPERATING EXPENSES</b>		
Financial costs	(134,100)	0
<b>Total non-operating expenses</b>	<b>(134,100)</b>	<b>0</b>
<b>PRICE-LEVEL RESTATEMENT</b>	<b>18,097</b>	<b>(68,758)</b>
Net income before tax	144,510	(140,202)
<b>INCOME TAX</b>	<b>(13,873)</b>	<b>23,844</b>
<b>NET EARNINGS (LOSS) FOR THE YEAR</b>	<b>130,637</b>	<b>(116,358)</b>

# Cash Flow Statement

for the periods commencing on January 1 and ending on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>CASH FLOW FROM OPERATIONS</b>		
Commissions and interest received from clients	359,171	295,666
Income for account of clients	1,828,514	1,925,121
Payments to commercial establishments	(1,949,856)	(2,419,451)
Taxes paid	(4,671)	(20,246)
Tax rebates receivable	0	0
Commissions paid	(30,141)	(64,502)
Administration and selling expenses	(245,298)	(327,300)
Other operating expenses	37,295	99,304
<b>Net Cash Flow from Operations</b>	(4,986)	(511,408)
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Investments in financial instruments	0	0
Purchase of investments	0	(300,484)
Sale of real estate investments	535,449	0
Sale of other investments	7,855	67,405
Other income from investments	250,844	186,640
<b>Net Cash Flow from Investment Activities</b>	794,148	(46,439)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loans from related companies	(592,837)	617,964
<b>Net Cash Flow from Financing Activities</b>	(592,837)	617,964
Total net cash flow for the period	196,325	60,117
Effect of inflation on cash and cash equivalent	6,336	(15,483)
Effect of exchange difference on cash and cash equivalent	(10,437)	15,220
<b>NET VARIATION IN CASH AND CASH EQUIVALENT</b>	192,224	59,854
Initial balance of cash and cash equivalent	151,056	91,202
<b>FINAL BALANCE OF CASH AND CASH EQUIVALENT</b>	343,280	151,056

# Cash Flow Statement

for the periods commencing on January 1 and ending on December 31, 2009 and 2008

<b>RECONCILIATION OF THE OPERATING CASH FLOW WITH THE NET RESULT FOR THE YEAR</b>	<b>2009 ThCh\$</b>	<b>2008 ThCh\$</b>
<b>NET EARNINGS (LOSS) FOR THE YEAR</b>	130,637	(116,358)
<b>RESULT FROM SALE OF ASSETS</b>		
Gain from sale of investments	(7,855)	(67,405)
Gain from sale of fixed assets	(218,488)	
<b>CHARGES (CREDITS) NOT AFFECTING CASH FLOWS</b>		
Deferred taxes	13,873	(23,844)
Depreciation for the year	15,451	2,390
Depreciation on investments for the year	78,444	90,513
Price-Level Restatement	(18,097)	68,758
Write-offs and provisions	107,972	132,704
<b>VARIATION IN ASSETS AND LIABILITIES THAT AFFECT CASH FLOWS</b>		
(Increase) Decrease in sales debtors	(341,475)	22,805
(Increase) Decrease in debtors from consumer purchases	2,161,473	1,852,611
(Increase) Decrease in other accounts receivable not related to results	-	99,303
(Increase) Decrease in investments	(121,239)	(239,433)
(Increase) Decrease in VAT	(4,670)	64,789
Increase (Decrease) in accounts payable	113,171	(102,799)
Increase (Decrease) in accounts payable not related to results	(1,951,476)	(2,295,442)
Increase (Decrease) in accounts payable related to results	37,293	0
<b>TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(4,986)</b>	<b>(511,408)</b>

# Consortio Corredores de Bolsa de Productos S.A.

**CHAIRMAN:** Beatriz Godoy Palam.

**DIRECTORS:** Christian Unger Vergara and Hermann Tisi Urbina.

**GENERAL MANAGER / LEGAL REPRESENTATIVE:** Carla Brusoni Silvani.

**EXTERNAL AUDITORS:** Ernst & Young Servicios Profesionales de Auditoría y Asesorías Ltda.

# Report of Independent Auditors

Ernst & Young Chile  
Huérfanos 770, 5º piso.  
Santiago, Chile

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[www.ey.com/cl](http://www.ey.com/cl)

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

We have audited the Balance Sheets of Consortio Corredores de Bolsa de Productos S.A. as of December 31, 2009 and 2008 and the related statements of income and cash flows for the years ended on those dates. The preparation of these financial statements (which include their corresponding notes) is the responsibility of the management of Consortio Corredores de Bolsa de Productos 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 of any significant errors. An audit comprises the examination, on a test basis, of evidence that supports the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and of the significant estimates made by the Company's management, as well as an evaluation of the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to herein present fairly, in all their significant aspects, the financial position of Consortio Corredores de Bolsa de Productos S.A. as of December 31, 2009 and 2008, the results of its operations and the cash flows for the years ended on those dates, in accordance with accounting principles generally accepted in Chile and the norms imparted by the Superintendence of Securities and Insurance.



Enrique Aceituno A.  
**ERNST & YOUNG LTDA.**

Santiago, February 23, 2010

# Balance Sheets

as of December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	7,968	8,121
<b>NEGOTIABLE INSTRUMENTS</b>		
Fixed income and negotiable instruments	129,660	515,030
<b>Total</b>	129,660	515,030
<b>RIGHTS ON FUTURES OPERATIONS ON THE STOCK MARKET</b>		
Rights on sale agreement instruments	130,004	515,985
<b>Total</b>	130,004	515,985
<b>CONTRACTS ON AGRICULTURAL PRODUCTS</b>	399,208	-
Tax rebates receivable	8,464	6,919
Pre-paid expenses	1,797	1,829
<b>Total</b>	409,469	8,748
<b>TOTAL CURRENT ASSETS</b>	<b>677,101</b>	<b>1,047,884</b>
<b>FIXED ASSETS</b>		
Equipment and office furniture	1,091	1,091
Accumulated depreciation	(1,055)	(1,001)
<b>Net fixed assets</b>	36	90
<b>OTHER ASSETS</b>		
Equity shares in stock markets	50,208	57,502
Other assets	18,269	31,597
<b>Total other assets</b>	68,477	89,099
<b>TOTAL</b>	<b>745,614</b>	<b>1,137,073</b>

# Balance Sheets

as of December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
<b>OBLIGATIONS ON FUTURES OPERATIONS</b>		
Obligations on sale agreements	130,004	516,019
<b>Total</b>	130,004	516,019
<b>BILLS AND ACCOUNTS PAYABLE AT SHORT TERM</b>		
<b>Total</b>	2,791	2,307
<b>TOTAL CURRENT LIABILITIES</b>	<b>132,795</b>	<b>518,326</b>
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital	707,673	707,673
Accumulated losses	(88,925)	(60,158)
Net loss for the year	(5,929)	(28,768)
<b>Total Shareholders' Equity</b>	612,819	618,747
<b>TOTAL</b>	<b>745,614</b>	<b>1,137,073</b>

# Income Statements

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>OPERATING REVENUE</b>		
Commissions from stock market operations	12,772	10,525
Income from interest on own portfolio of products	3,976	3,554
Other operating income	-	5,164
<b>Total Operating Income</b>	<b>16,748</b>	<b>19,243</b>
<b>OPERATING EXPENSES</b>		
Commissions and services	20,883	20,072
Loss on sale of own portfolio of products	-	989
Administration and selling expenses	8,917	9,361
Amortization and depreciation	12,857	13,243
Other operating expenses	1,054	-
<b>Total Operating Expenses</b>	<b>43,711</b>	<b>43,665</b>
<b>NET OPERATING INCOME</b>	<b>(26,963)</b>	<b>(24,422)</b>
<b>NON-OPERATING INCOME</b>		
Income from sale of own investment portfolio	609	-
Income from interest and dividends from own investment portfolio	27,784	169
Profit from permanent investments	54,344	6,943
Other non-operating income	-	306
<b>Total Non-Operating Income</b>	<b>82,737</b>	<b>7,418</b>
<b>NON-OPERATING EXPENSES</b>		
Expenses on futures operations on the stock market	54,344	8,840
Loss on permanent investments	7,296	-
<b>Total Non-Operating Expenses</b>	<b>61,640</b>	<b>8,840</b>
<b>NON-OPERATING PROFIT (LOSS)</b>	<b>21,097</b>	<b>(1,422)</b>
<b>LOSS BEFORE PRICE-LEVEL RESTATEMENT</b>	<b>(5,866)</b>	<b>(25,844)</b>
Price-level Restatement	425	(5,036)
<b>LOSS BEFORE INCOME TAX</b>	<b>(5,441)</b>	<b>(30,880)</b>
<b>INCOME TAX</b>	<b>(488)</b>	<b>2,112</b>
<b>NET LOSS FOR THE YEAR</b>	<b>(5,929)</b>	<b>(28,768)</b>

# Cash Flow Statements

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>NET CASH FLOW FROM OPERATIONS</b>		
Net commissions received on brokerage of products	12,771	10,208
Net Income (Expenses) on behalf of clients	(543)	1,984
Net Income (Expenses) on operations with own portfolio of products	(395,433)	476,641
Administration and selling expenses paid	(29,355)	(36,692)
Financial costs paid	-	-
Taxes paid	(987)	354
<b>Net positive (negative) cash flow from operations</b>	<b>(413,547)</b>	<b>452,495</b>
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increases in capital	-	-
Loans received	-	-
Loans from related parties	-	-
Dividends paid	-	-
Payment of loans from related parties	-	-
<b>Net positive (negative) cash flow from financing activities</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Net income (expenses) from operations of own securities portfolio	-	-
Net income (expenses) from futures operations on the stock exchange	413,216	(457,501)
<b>Net positive (negative) cash flow from investment activities</b>	<b>413,216</b>	<b>(457,501)</b>
<b>NET NEGATIVE CASH FLOW FOR THE YEAR</b>	<b>(331)</b>	<b>(5,006)</b>
<b>EFFECT OF INFLATION ON CASH</b>	<b>178</b>	<b>(1,029)</b>
<b>NET VARIATION IN CASH</b>	<b>(153)</b>	<b>(6,035)</b>
<b>INITIAL BALANCE OF CASH</b>	<b>8,121</b>	<b>14,156</b>
<b>FINAL BALANCE OF CASH</b>	<b>7,968</b>	<b>8,121</b>

(Continued)

# Cash Flow Statements

for the years ended on December 31, 2009 and 2008

	2009 ThCh\$	2008 ThCh\$
<b>RECONCILIATION OF THE NET RESULT WITH THE NET OPERATING CASH FLOW</b>		
<b>NET LOSS FOR THE YEAR</b>	(5,929)	(28,768)
<b>CHARGES (CREDITS) TO RESULTS NOT AFFECTING CASH FLOW</b>		
Amortizations and depreciation	12,857	13,243
Provisions for losses	-	989
Result of price-level restatement and exchange differences	629	(128)
Other charges (credits) that do not represent cash flow	7,136	(1,779)
<b>(INCREASE) DECREASE IN ASSETS THAT AFFECT THE OPERATING CASH FLOW</b>		
Accounts receivable from clients	2,428	(171)
Investment portfolio	(54,344)	(169)
Other assets	(449)	(5,470)
<b>INCREASE (DECREASE) IN LIABILITIES THAT AFFECT THE OPERATING CASH FLOW</b>		
Accounts payable on brokerage, own portfolio and other services	(402,381)	492,842
Obligations on futures operations	26,560	8,840
Accounts payable on administration and sales	446	(23,837)
Taxes payable	(500)	(3,097)
<b>NET POSITIVE (NEGATIVE) CASH FLOW FROM OPERATIONS</b>	<b>(413,547)</b>	<b>452,495</b>

**Edited by**

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