

Report of Independent Auditors

(A free translation of the original Report issued in Spanish)



To the Shareholders of Banco de Chile:

1. We have audited the accompanying consolidated balances sheets of Banco de Chile and Subsidiaries ("the Bank") as of December 31, 2003 and 2002, and the related consolidated statements of income and cash flows for the years then ended. These financial statements (which include their related notes) are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audits.
2. We conducted our audits in accordance with generally accepted auditing standards in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.
3. In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Banco de Chile and Subsidiaries as of December 31, 2003 and 2002, and the results of its operations and cash flows for the years then ended, in conformity with generally accepted accounting principles in Chile and regulations established by the Chilean Superintendency of Banks and Financial Institutions.
4. As indicated in Note 8 (b) to the consolidated financial statements, during the year 2002 the Bank released into income voluntary allowances for a net amount of Ch\$ 17,394.8 million.

Juan Francisco Martínez A.

ERNST & YOUNG LTDA.

Santiago, Chile
January 21, 2004