

MISSION

We are a leading financial corporation with a prestigious business tradition. Our objective is to provide financial services of excellence, offering creative and effective solutions for each customer segment and thus ensuring permanent value growth for our shareholders.

VISION

To be the best bank for our customers, the best place to work and the best investment for our shareholders.

We have led the Chilean financial market since our foundation in 1893, as one of the largest and most successful banks in terms of return on assets and returns for its shareholders, and also strongly involved with the country's economic achievements.

By the end of 2004, with total assets equivalent to Ch\$9.649 billion, loans of Ch\$6.874 billion, deposits of Ch\$5.911 billion and an equity of Ch\$674.533 million, Banco de Chile stands out as the largest Chilean bank of local capital and the country's second largest financial institution.

The shares of Banco de Chile are listed both on the local stock exchanges and on the world's principal stock markets.

In the New York Stock Exchange (NYSE), The Bank has a Level III ADS (American Depositary Shares) program on the New York Stock Exchange (NYSE) which is subject to the most demanding supervisory and public reporting regulations of the Securities and Exchange Commission, SEC. Our shares are also traded on the Madrid and the London stock exchanges with the respective approvals of the Comisión Nacional del Mercado de Valores (CNMV) (the Spanish securities market authority) and the United Kingdom Listing Authority (UKLA).

Banco de Chile shows one of the largest market capitalizations among Chilean companies, with more US\$4 billion at the end of 2004.

Billions stand for thousand millions

We are a global commercial bank and, as such, provide a complete range of financial products and services to a broad customer base that includes large corporations, small and medium-sized firms, and the retail market. It has a Chilean network of 241 branches, 1,001 automated teller machines and other electronic distribution channels.

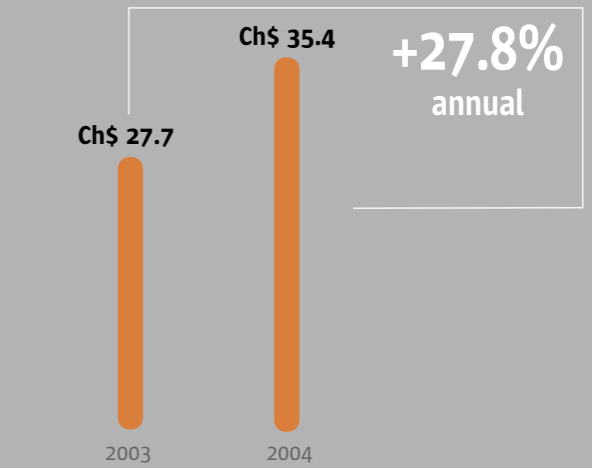
Our business is conducted along five principal business areas: large corporations and international, middle market companies, retail banking, consumer banking and treasury operations.

Our subsidiaries complete the range of financial services with securitization, securities trading, investment and mutual funds, insurance brokerage, financial advisory services and factoring.

We also provide international services and products on competitive conditions and which meet the needs of our customers, thanks to our operating presence for more than 20 years in the United States, with branches in New York and Miami, and representative offices in Buenos Aires, Mexico City and Sao Paulo, and a foreign trade office in Hong Kong.

The Bank's head office is in Santiago, Chile where it is subject to the regulatory authority of the Superintendency of Banks and Financial Institutions.

Banco de Chile Share Price (at close of each year)

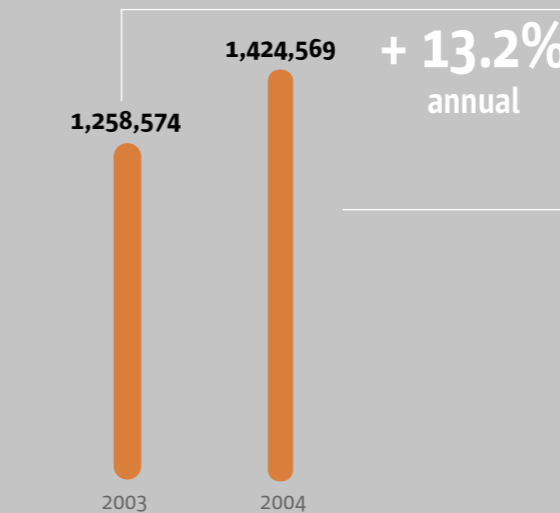


CONTENTS

- Chairman's Letter to Shareholders 2
- Board of Directors 4
- Ownership of Banco de Chile 6
- The Banco de Chile Share 8
- Economic and Financial Environment 12
- Performance 2004 18
- Our Corporation 20
- Management Report 22
- Business Areas 32
- Corporate Governance 48
- Consolidated Financial Statements 62

Checking Accounts

(millions of Ch\$ of December 2004)



Net Income

(millions of Ch\$ of December 2004)

