

CONSOLIDATED STATEMENTS OF INCOME

BANCO DE CHILE AND SUBSIDIARIES

for the years ended December 31, 2005 and 2004
(Translation of Financial Statements originally issued in Spanish)
(Expressed in million of Chilean pesos)

	2005 MCh\$	2004 MCh\$
OPERATING RESULTS:		
Interest revenue	680,148.1	562,933.6
Gains from trading activities	14,212.8	21,010.5
Income from fees and other services	173,340.8	151,041.4
Gains from foreign exchange transactions	7,570.7	18,295.6
Other operating income	14,266.4	21,663.6
Total operating revenues	889,538.8	774,944.7
Less:		
Interest expense	(310,350.7)	(222,636.7)
Losses from trading activities	(10,924.3)	(24,274.2)
Expenses from fees and other services	(32,735.8)	(28,467.4)
Other operating expenses	(17,078.0)	(12,829.4)
Gross margin	518,450.0	486,737.0
Personnel salaries and expenses	(150,615.9)	(140,917.3)
Administrative and other expenses	(108,926.1)	(92,154.3)
Depreciation and amortization	(18,205.1)	(18,011.0)
Net margin	240,702.9	235,654.4
Provision for loan losses	(23,663.7)	(43,636.0)
Total operating income	217,039.2	192,018.4
NON OPERATING RESULTS:		
Non operating income	7,858.8	4,994.3
Non operating expenses	(12,014.5)	(12,596.9)
Equity participation in net income in investments in other companies	681.3	451.3
Net loss from price-level restatement	(11,449.8)	(7,734.5)
Income before income taxes	202,115.0	177,132.6
Income taxes	(21,390.9)	(19,009.1)
Income after income taxes	180,724.1	158,123.5
Minority interest	(0.4)	(1.1)
NET INCOME FOR THE YEAR	180,723.7	158,122.4

The accompanying notes 1 to 26 are an integral part of these consolidated financial statements