

Banco de Chile New York and Miami Branches - Combined Cash Flow

For the year ended December 31, 2001

	ThUS\$	MCh\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income for the year	13,831	9,076
Items that do not represent cash flows:		
Depreciation and amortization	410	269
Allowance for loan losses	4,431	2,908
Net changes in interest accruals	<u>758</u>	<u>497</u>
Total Operating Cash Flows	<u>19,430</u>	<u>12,750</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net (increase) decrease in loans	80,969	53,132
Net (increase) decrease in other loan transactions	8,944	5,869
Net (increase) decrease in investments	27,603	18,113
Purchases of bank premises and equipment	(753)	(494)
Net (increase) decrease in other assets and liabilities	<u>(731)</u>	<u>(480)</u>
Total Cash Flows from Investing Activities	<u>116,032</u>	<u>76,140</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase (decrease) in current accounts	5,680	3,727
Increase (decrease) in time deposits	36,989	24,272
Increase (decrease) in other demand or time liabilities	(51,190)	(33,591)
Increase (decrease) in short-term foreign borrowings	18,259	11,982
Payment of long-term foreign borrowings	(124,907)	(81,964)
Remittances to head-office	<u>(20,975)</u>	<u>(13,764)</u>
Total Cash Flows from Financing Activities	<u>(136,144)</u>	<u>(89,338)</u>
TOTAL NET POSITIVE (NEGATIVE) CASH FLOWS FOR THE YEAR	(682)	(448)
Cash and Due from Banks at beginning of year	101,660	58,219
Opening balance translation adjustment (*)	<u>-</u>	<u>8,491</u>
Cash and Due from Banks at end of year	<u>100,978</u>	<u>66,262</u>

(*) It represent the effect of translating opening US dollar balances after restating them by local inflation, at the year-end exchange rate.

The accompanying notes 1 to 17 are an integral part of these combined financial statements.