



Itaú CorpBanca

3rd Quarter 2016 | Earnings Review
Conference Call

Gabriel Moura

Chief Financial Officer

Claudia Labbé

Head of Investor Relations

Disclaimers

Itaú CorpBanca is the entity resulting from the merger of Banco Itaú Chile (Itaú Chile) with and into CorpBanca on April 1, 2016 (“the Merger”). After the Merger, the surviving entity’s name changed to “Itaú CorpBanca”. The legal acquisition of Itaú Chile by CorpBanca is deemed a reverse acquisition pursuant to standard N° 3 of the International Financial Reporting Standards (or IFRS). Itaú Chile (the legal acquiree) is considered the accounting acquirer and CorpBanca (the legal acquirer) is considered the accounting acquiree for accounting purposes. Therefore, in accordance with IFRS after the date of the Merger, Itaú CorpBanca's historical financial information (i) reflects Itaú Chile - and not CorpBanca - as the predecessor entity of Itaú CorpBanca, (ii) includes Itaú Chile's historical financial information, and (iii) does not include CorpBanca's historical financial information.

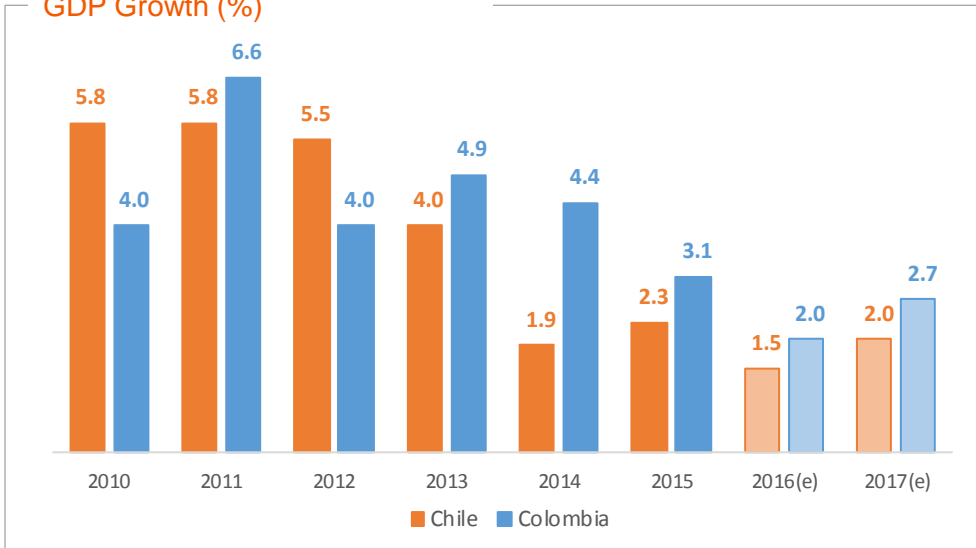
Additionally, after the Merger our investment in SMU Corp S.A. (“SMU Corp”) is no longer considered strategic. Therefore the status of the investments changed to “available for sale” for accounting purposes. Management estimates that the sale of Itaú CorpBanca’s investment in SMU Corp is highly likely. Therefore, in accordance with standard N° 5 of IFRS as of June, 2016 SMU Corp has ceased to be consolidated in the Financial Statements of Itaú CorpBanca. SMU Corp is a joint venture with SMU S.A. —SMU is a retail business holding company controlled by CorpGroup— whose sole an exclusive purpose is the issuance, operation and management of “Unimarc” credit cards to customers of supermarkets associated whit SMU.

In order to allow for comparison with previous periods, historical pro forma data of the consolidated combined results of Itaú Chile and CorpBanca deconsolidating our subsidiary SMU Corp S.A. (which is no longer considered strategic as of this quarter) and excluding non-recurring events for the periods prior to the second quarter of 2016 is presented in this Management Discussion & Analysis presentation. The pro forma income statement has been calculated as if the Merger occurred on January 1, 2015. The pro forma information presented here is based on (i) the combined consolidated historical unaudited Financial Statements of each of CorpBanca and Banco Itaú Chile as filed with the “Superintendencia de Bancos e Instituciones Financieras” (“SBIF”), (ii) the deconsolidation of SMU Corp unaudited Financial Statements as filed with the SBIF and (iii) the exclusion of non-recurring events.

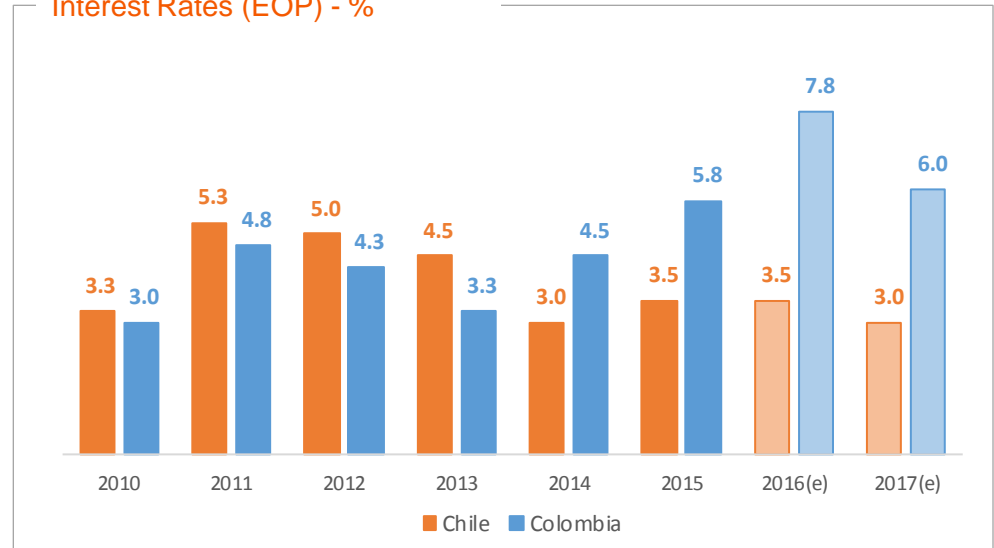
The pro forma combined financial information included in this presentation is provided for illustrative purposes only, and does not purport to represent what the actual combined results of Itaú Chile and CorpBanca could have been had if the acquisition occurred as of January 1, 2015.

Macroeconomic Backdrop

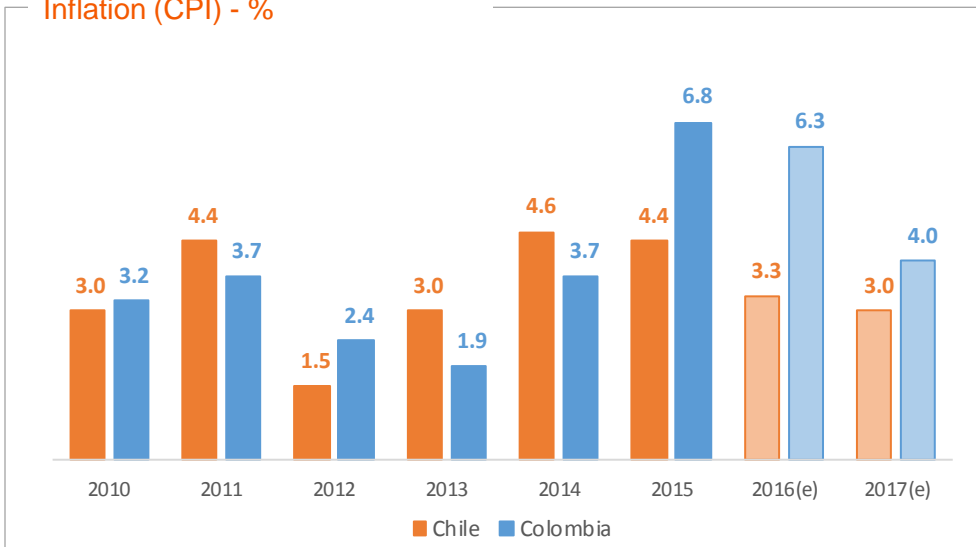
GDP Growth (%)



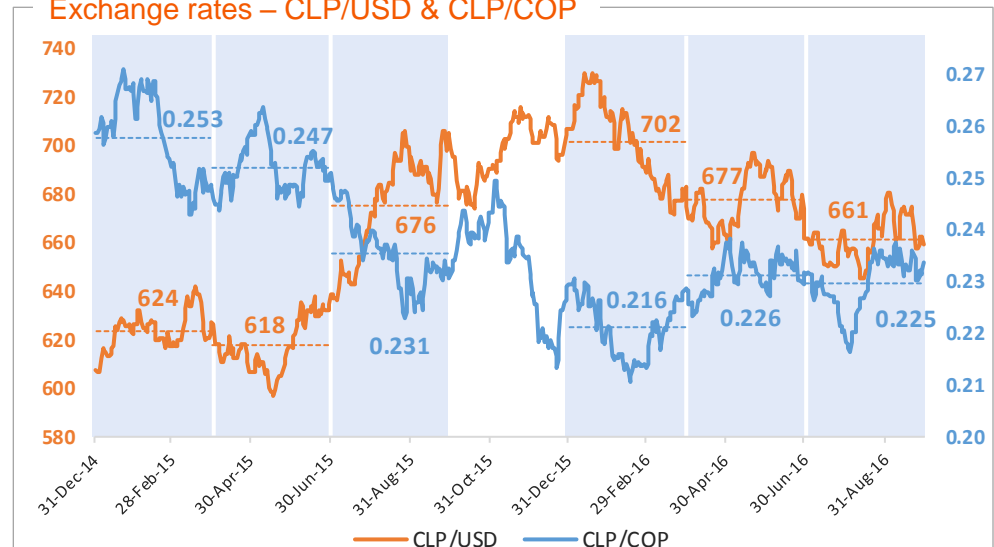
Interest Rates (EOP) - %



Inflation (CPI) - %



Exchange rates – CLP/USD & CLP/COP





Managerial Recurring Net Income (Reconciliation)



| <i>in million of Chilean Pesos</i> | 3Q'16 | 2Q'16 | 3Q'15 | 9M'16 | 9M'15 |
|-----------------------------------------------------------------------|---------------|---------------|---------------|---------------|----------------|
| Net Income Attributable to Shareholders (Accounting) | 19,239 | 28,544 | 23,922 | 53,921 | 66,631 |
| <i>(+) Pro Forma consolidation effects</i> | - | - | 62,713 | -25,939 | 159,180 |
| Pro Forma Net Income Attributable to Shareholders | 19,239 | 28,544 | 86,635 | 27,982 | 225,811 |
| (-) Non-Recurring Events | 5,470 | 19,445 | 4,915 | 45,981 | 20,322 |
| <i>(a) Restructuring costs</i> | 6,819 | 9,518 | - | 34,257 | - |
| <i>(b) Transaction costs</i> | - | - | 6,342 | - | 26,222 |
| <i>(c) Regulatory / merger effects on loan loss provisions</i> | - | 4,521 | - | 13,119 | - |
| <i>(d) Accounting adjustments</i> | 288 | 8,876 | - | 10,364 | - |
| <i>Tax effects</i> | -1,637 | -3,470 | -1,427 | -11,759 | -5,900 |
| Recurring Net Income Attributable to Shareholders (Managerial) | 24,709 | 47,989 | 91,550 | 73,963 | 246,133 |

Non-Recurring Events

- (a) **Restructuring costs:** one-time integration costs.
- (b) **Transactions costs:** Costs related to the closing of the merger between Banco Itaú Chile and CorpBanca, such as investment banks, legal advisors, auditors and other related expenses.
- (c) **Regulatory / merger effects on loan loss provisions:** Effects of one-time provisions for loan losses due to new regulatory criteria in 2016 and additional provisions for overlapping customers between Itaú Chile and CorpBanca.
- (d) **Accounting adjustments:** Adjustments in light of new internal accounting policies.

Chile <> Colombia Cross Border Adjustments

| | <i>9M'16</i> in million of Chilean pesos | Accounting Net Income | Pro forma consolidation effects | Non recurring events | Recurring Net Income | managerial reclassifications | | | Managerial Recurring Net Income |
|-------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------|---------------------------------|----------------------|----------------------|------------------------------|----------------------|-------------------------------------------------|---------------------------------|
| | | | | | | Cost of Investment Hedge | Cost of Fiscal Hedge | Amortization of Colombia's Intangibles in Chile | |
| Consolidated Results | | 53,921 | -25,939 | 45,981 | 73,963 | - | - | - | 73,963 |
|  Chile | | 62,716 | -26,640 | 45,981 | 82,057 | 6,893 | 4,080 | 1,141 | 94,172 |
|  Colombia | | -8,795 | 700 | - | -8,095 | -6,893 | -4,080 | -1,141 | -20,209 |

| | <i>9M'15</i> in million of Chilean pesos | Accounting Net Income | Pro forma consolidation effects | Non recurring events | Recurring Net Income | Cost of Investment Hedge | Cost of Fiscal Hedge | Amortization of Colombia's Intangibles in Chile | Managerial Recurring Net Income |
|-------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------|---------------------------------|----------------------|----------------------|--------------------------|----------------------|-------------------------------------------------|---------------------------------|
| | | | | | | | | | |
|  Chile | | 66,631 | 121,448 | 20,322 | 208,401 | 996 | 4,138 | 3,907 | 217,443 |
|  Colombia | | - | 37,732 | - | 37,732 | -996 | -4,138 | -3,907 | 28,689 |

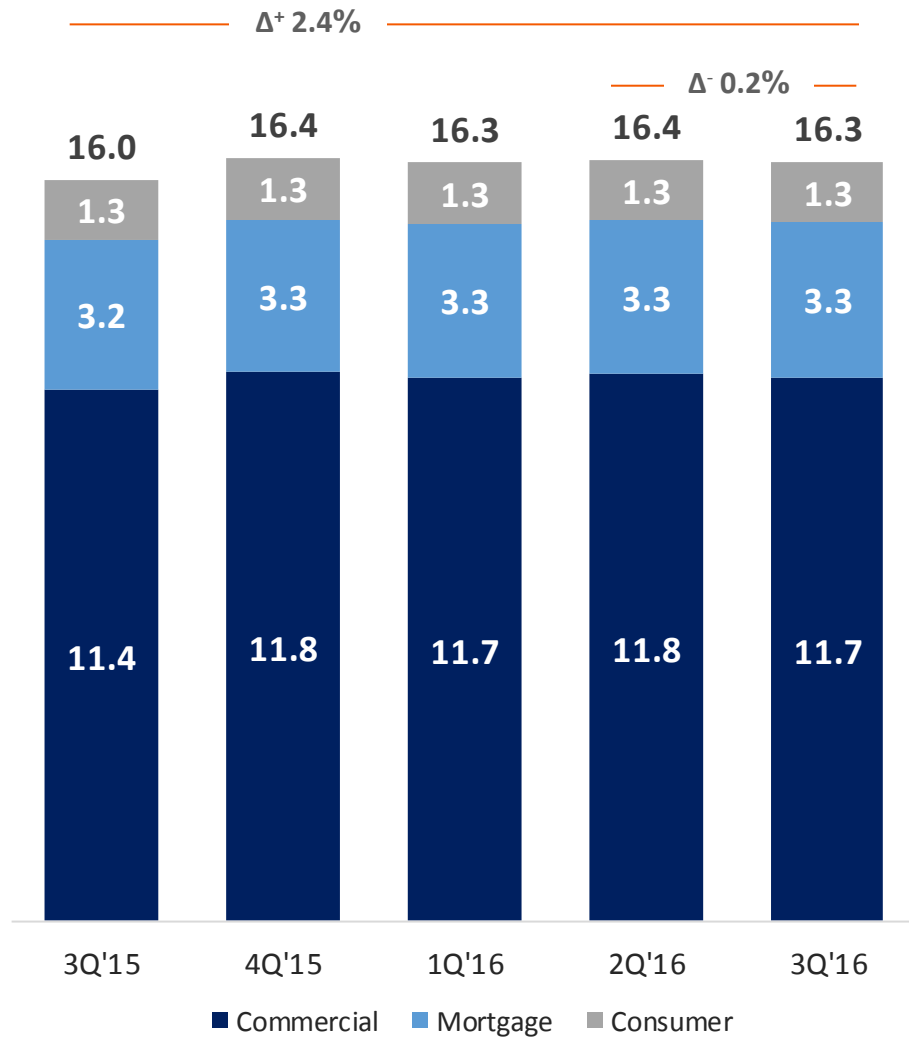
Managerial reclassifications:

- Cost of Investment Hedge:** carry cost of the derivatives used for the economic hedge of the investment in Colombia booked in Chile.
- Cost of Fiscal Hedge:** cost of the derivative structure used for the fiscal hedge of the investment in Colombia booked in Chile.
- Amortization of Colombia's intangibles in Chile:** amortization of intangibles generated by the acquisition of Santander Colombia.

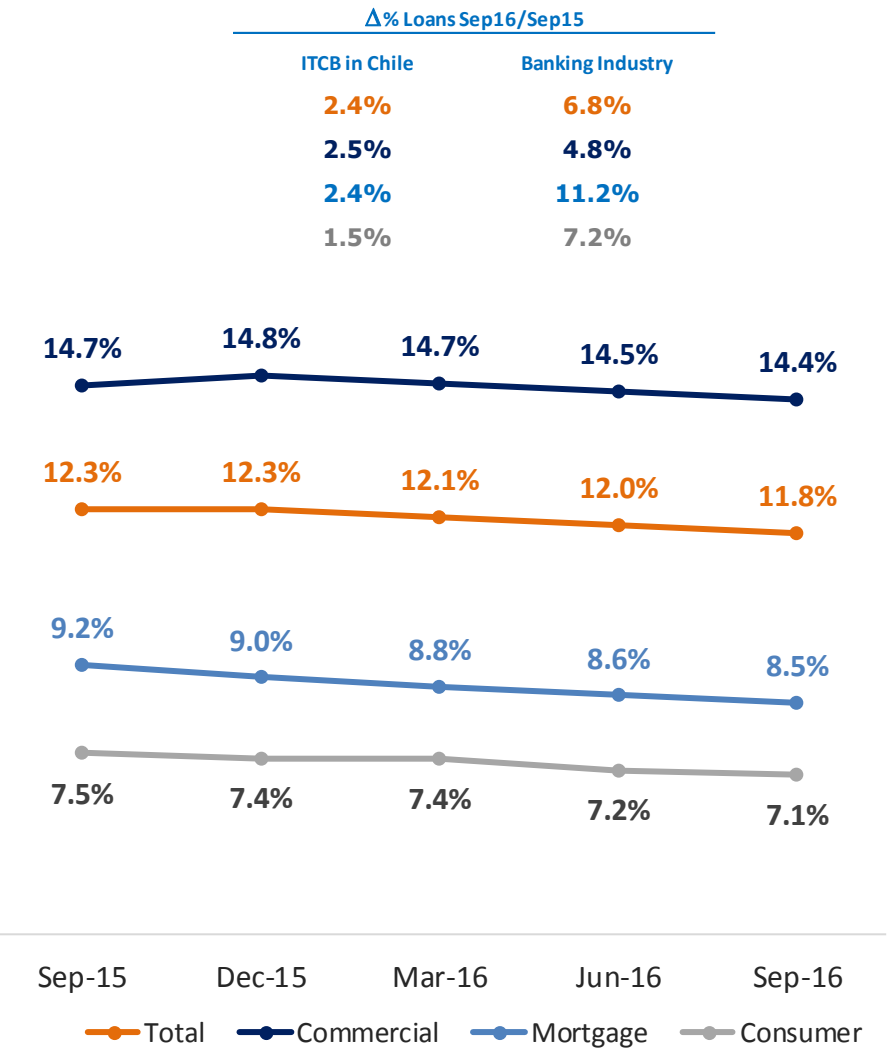
| <i>in million of Chilean Pesos</i> | 3Q'16 | 2Q'16 | Change | | 3Q'15 | Change | | 9M'16 | 9M'15 | Change | |
|------------------------------------------------|----------------|----------------|---------------|---------------|----------------|---------------|----------------|----------------|----------------|---------------|-----------------|
| | | | % | \$ | | % | \$ | | | % | \$ |
| Net interest income | 121,512 | 139,343 | -12.8% | -17,831 | 152,110 | -20.1% | -30,598 | 390,308 | 418,756 | -6.8% | -28,449 |
| Net fee and commission income | 34,580 | 33,354 | 3.7% | 1,226 | 39,753 | -13.0% | -5,173 | 99,108 | 124,880 | -20.6% | -25,771 |
| Total financial transactions, net | 22,258 | 7,140 | 211.7% | 15,118 | 33,292 | -33.1% | -11,034 | 34,197 | 67,730 | -49.5% | -33,533 |
| Other operating income, net | -1,912 | -3,282 | -41.7% | 1,370 | -2,133 | -10.4% | 221 | -11,189 | -4,408 | 153.8% | -6,781 |
| Net operating profit before loan losses | 176,438 | 176,555 | -0.1% | -117 | 223,022 | -20.9% | -46,584 | 512,424 | 606,958 | -15.6% | -94,534 |
| Provision for loan losses | -29,486 | -27,860 | 5.8% | -1,626 | -24,224 | 21.7% | -5,262 | -125,527 | -69,872 | 79.7% | -55,655 |
| Net operating profit | 146,952 | 148,695 | -1.2% | -1,743 | 198,798 | -26.1% | -51,846 | 386,897 | 537,086 | -28.0% | -150,189 |
| Operating expenses | -99,280 | -95,194 | 4.3% | -4,086 | -91,608 | 8.4% | -7,672 | -291,524 | -269,848 | 8.0% | -21,675 |
| Operating income | 47,672 | 53,501 | <i>n.a.</i> | -5,829 | 107,190 | -55.5% | -59,519 | 95,373 | 267,238 | -64.3% | -171,864 |
| Income from investments in other companies | 80 | 219 | -63.5% | -139 | 48 | 66.7% | 32 | 301 | 402 | -25.1% | -101 |
| Income before taxes | 47,752 | 53,720 | -11.1% | -5,968 | 107,238 | -55.5% | -59,487 | 95,674 | 267,640 | -64.3% | -171,965 |
| Income tax expense | -7,238 | -5,322 | 36.0% | -1,916 | -21,012 | -65.6% | 13,774 | -2,157 | -50,149 | -95.7% | 47,992 |
| Net income | 40,514 | 48,398 | -16.3% | -7,884 | 86,226 | -53.0% | -45,713 | 93,517 | 217,490 | -57.0% | -123,973 |
| Net income attributable to shareholders | 40,485 | 49,071 | -17.5% | -8,586 | 86,175 | -53.0% | -45,690 | 94,172 | 217,443 | -56.7% | -123,271 |



Total Loans (CP\$ Tln)



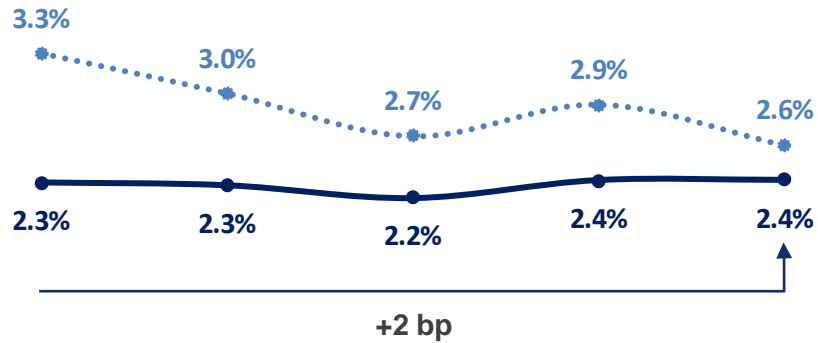
Market share



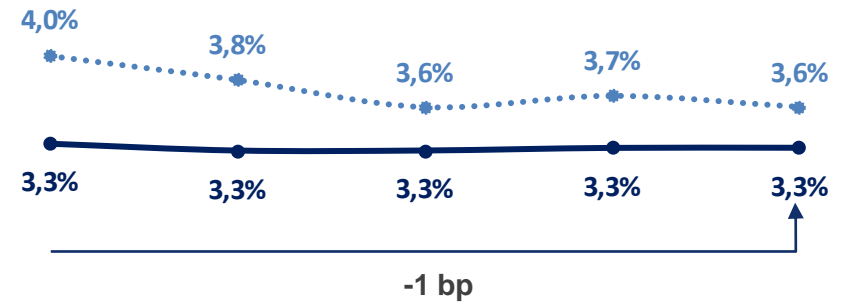
Net Interest Margin



Itaú CorpBanca



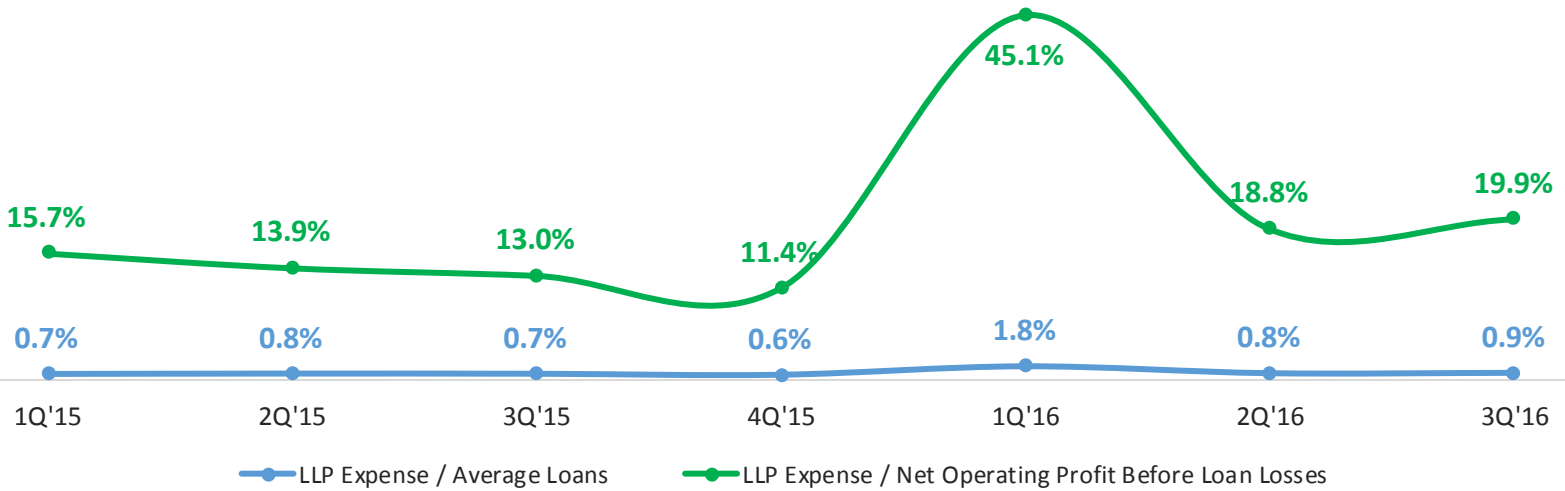
Chilean Financial System



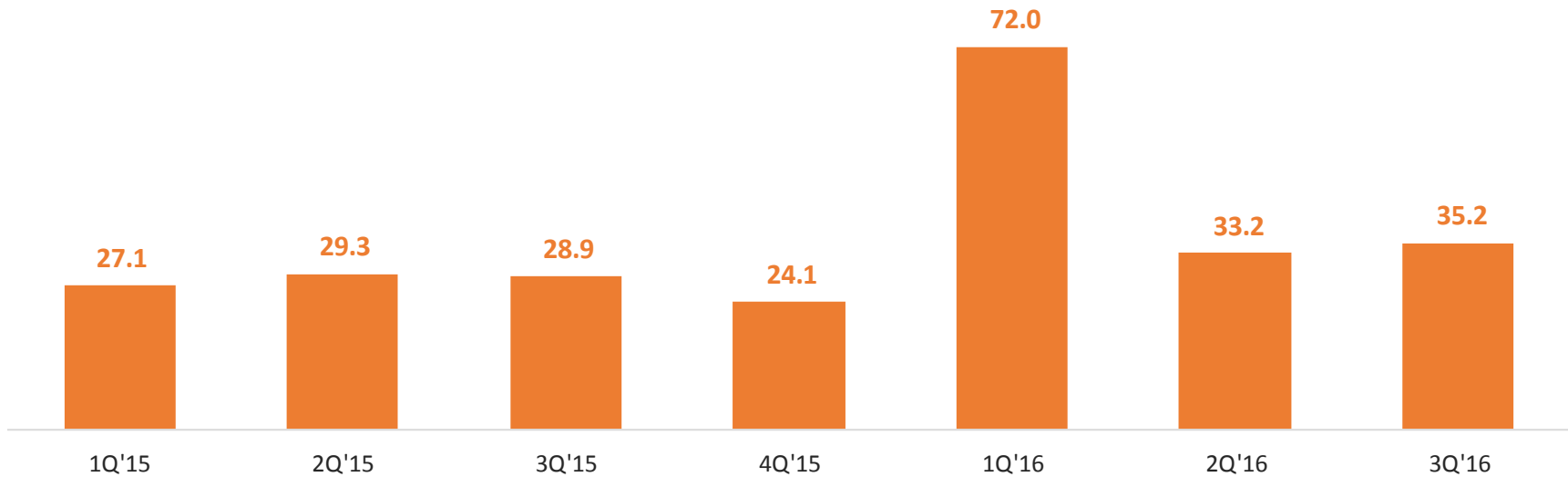
..... Net Interest Margin — Net Interest Margin (ex-indexation)

Loan Loss Provisions Expense

LLP Expense ratios (annualized)



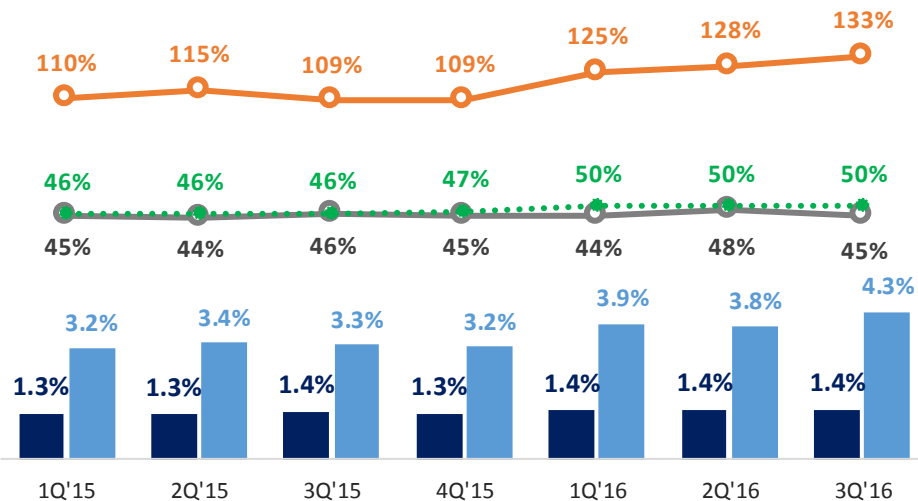
LLP Expense (CLP Bln)



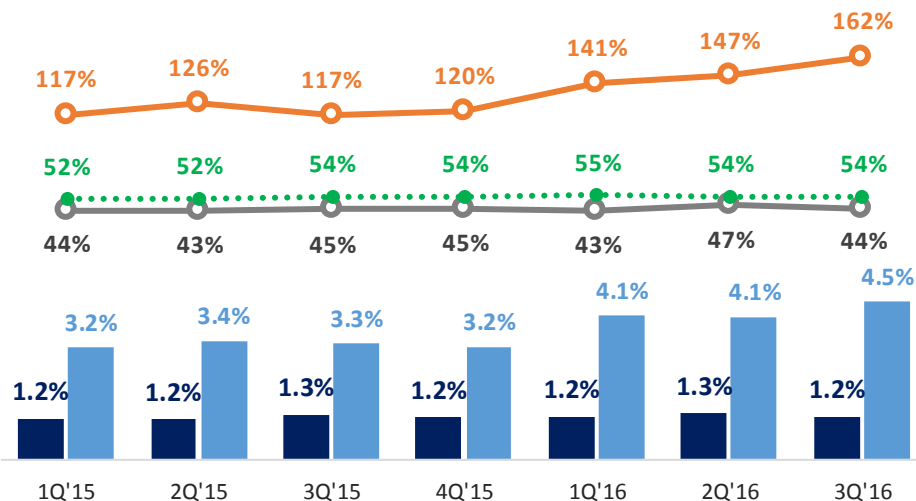
Credit Quality



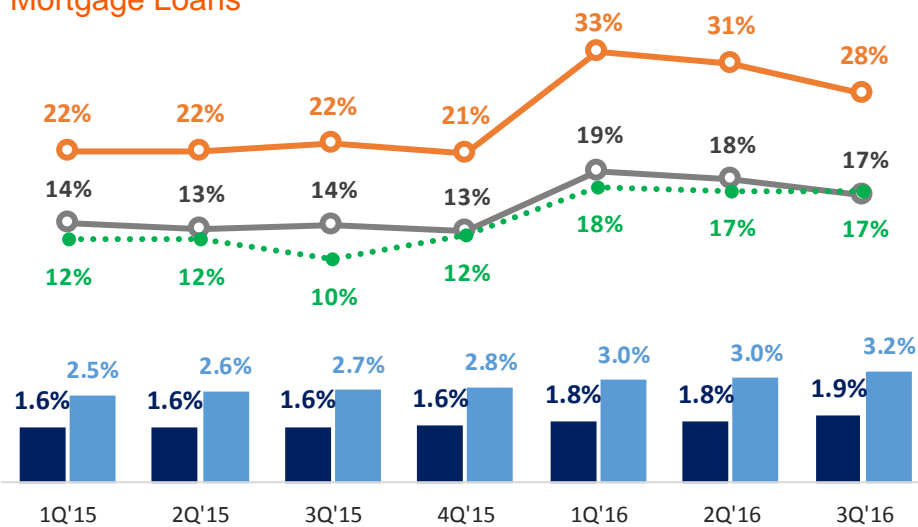
Total Loans



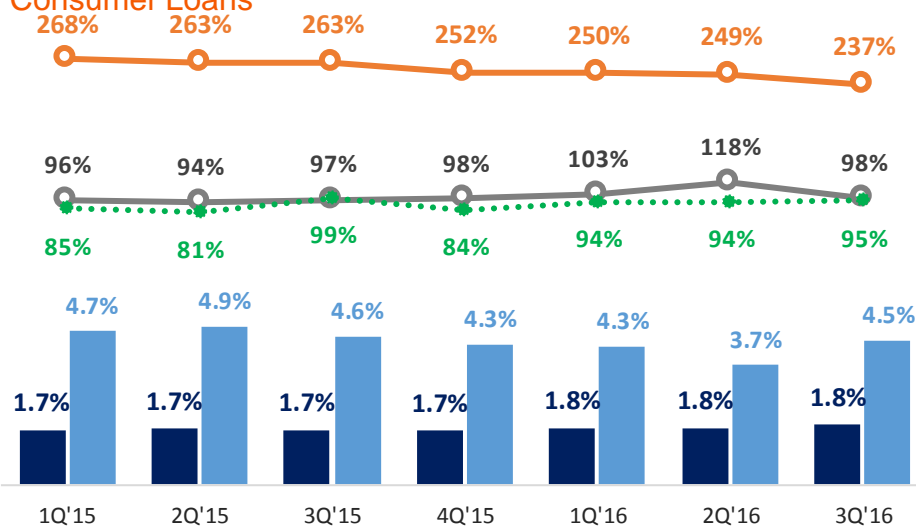
Commercial Loans



Mortgage Loans



Consumer Loans



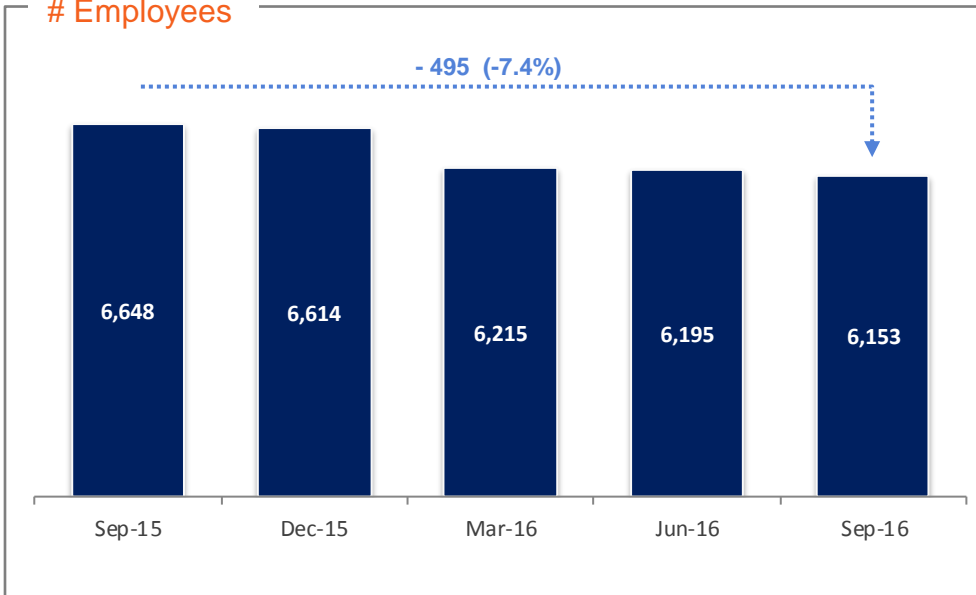
■ NPL 90%
 ■ Cartera deteriorada %
 ○ NPL90 Coverage
 ○ Coverage of Cartera Deteriorada
 ● Coverage of Cartera Deteriorada (Chilean Financial System)

Operating Expense and Efficiency

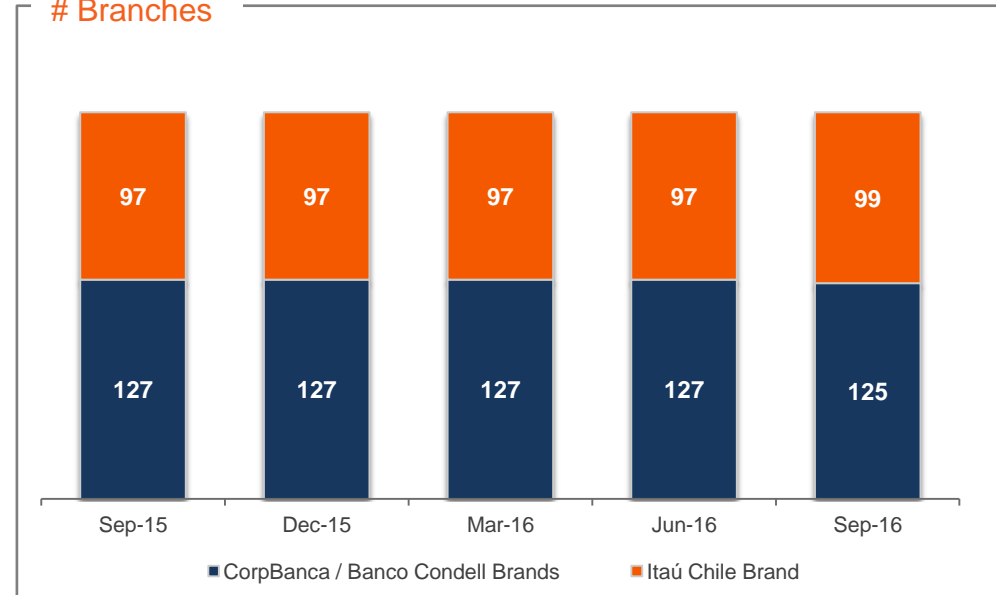


| <i>in million of Chilean Pesos</i> | 3Q'16 | 2Q'16 | change | | 3Q'15 | change | | 9M'16 | 9M'15 | change | |
|----------------------------------------------|-----------------|-----------------|----------------|-------------|-----------------|----------------|-------------|------------------|------------------|-----------------|-------------|
| Personnel Expenses | (48.916) | (50.389) | 1.474 | -2,9% | (51.596) | 2.680 | -5,2% | (147.849) | (149.444) | 1.595 | -1,1% |
| Administrative Expenses | (37.844) | (33.329) | (4.515) | 13,5% | (33.666) | (4.178) | 12,4% | (113.332) | (102.816) | (10.516) | 10,2% |
| Personnel and Administrative Expenses | (86.760) | (83.719) | (3.041) | 3,6% | (85.262) | (1.497) | 1,8% | (261.182) | (252.261) | (8.921) | 3,5% |
| Depreciation, amortization and Impairment | (12.521) | (11.476) | (1.045) | 9,1% | (6.346) | (6.175) | 97,3% | (30.342) | (17.588) | (12.754) | 72,5% |
| Total Operating Expenses | (99.280) | (95.194) | (4.086) | 4,3% | (91.608) | (7.672) | 8,4% | (291.524) | (269.848) | (21.675) | 8,0% |

Employees

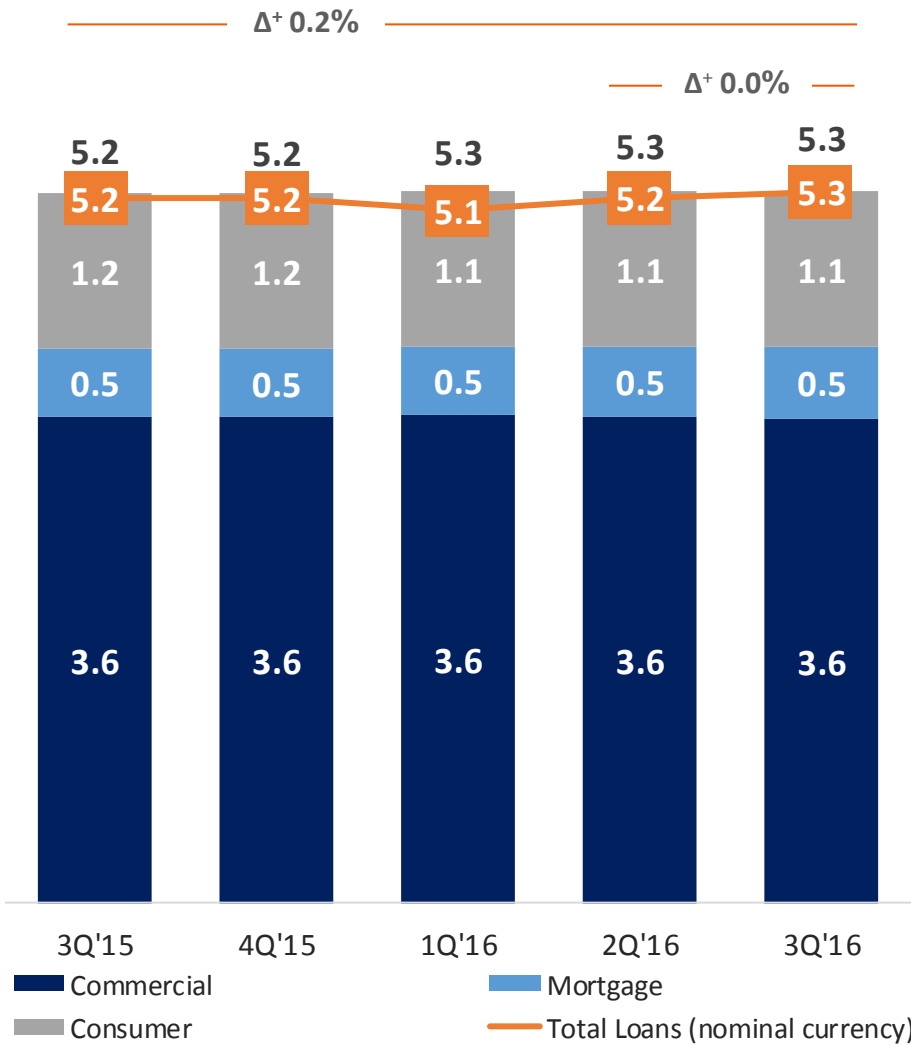


Branches

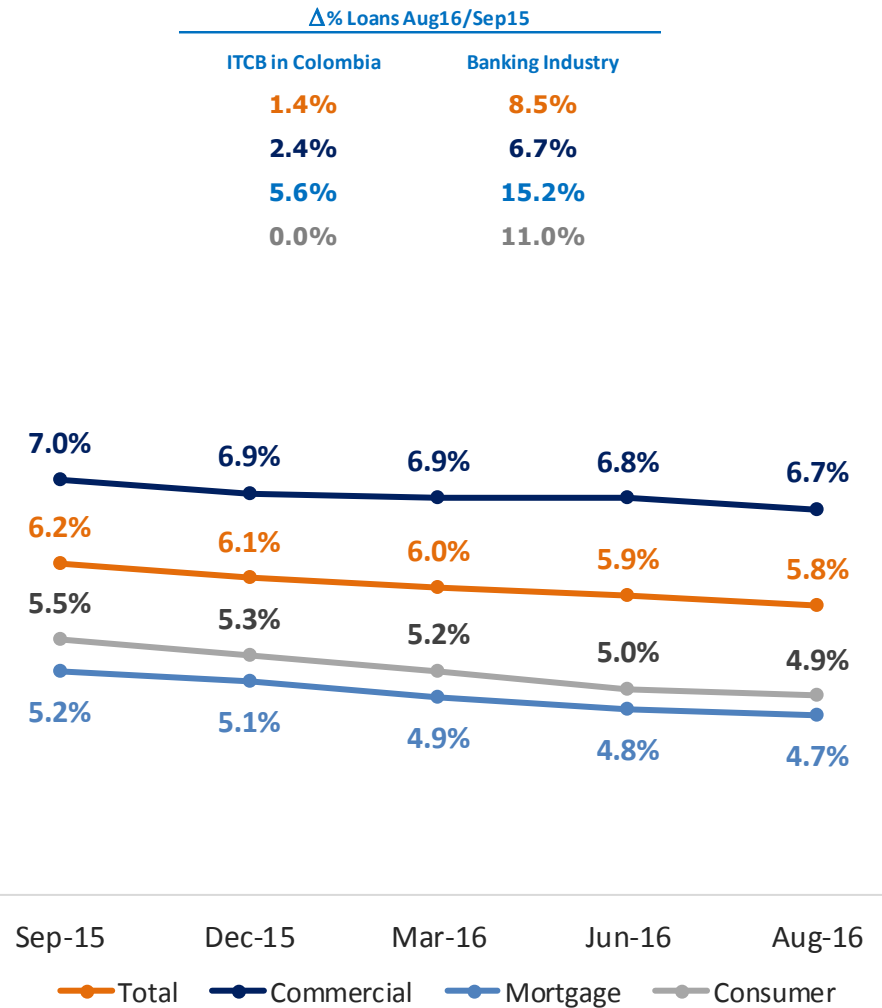




Total Loans in constant currency¹ (CP\$ Tln)

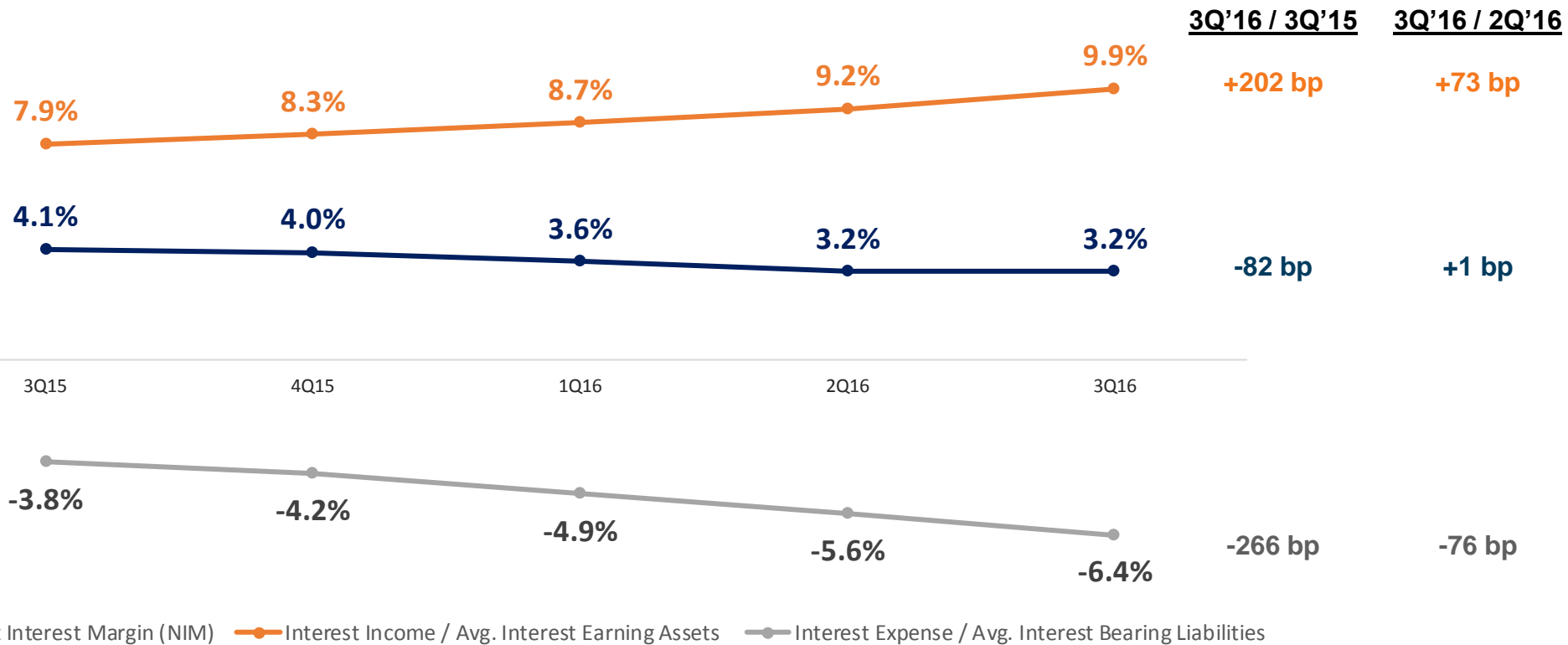


Market Share



1 – considers the COP / CLP Exchange rate of Sep.30.2016 for all periods analyzed.

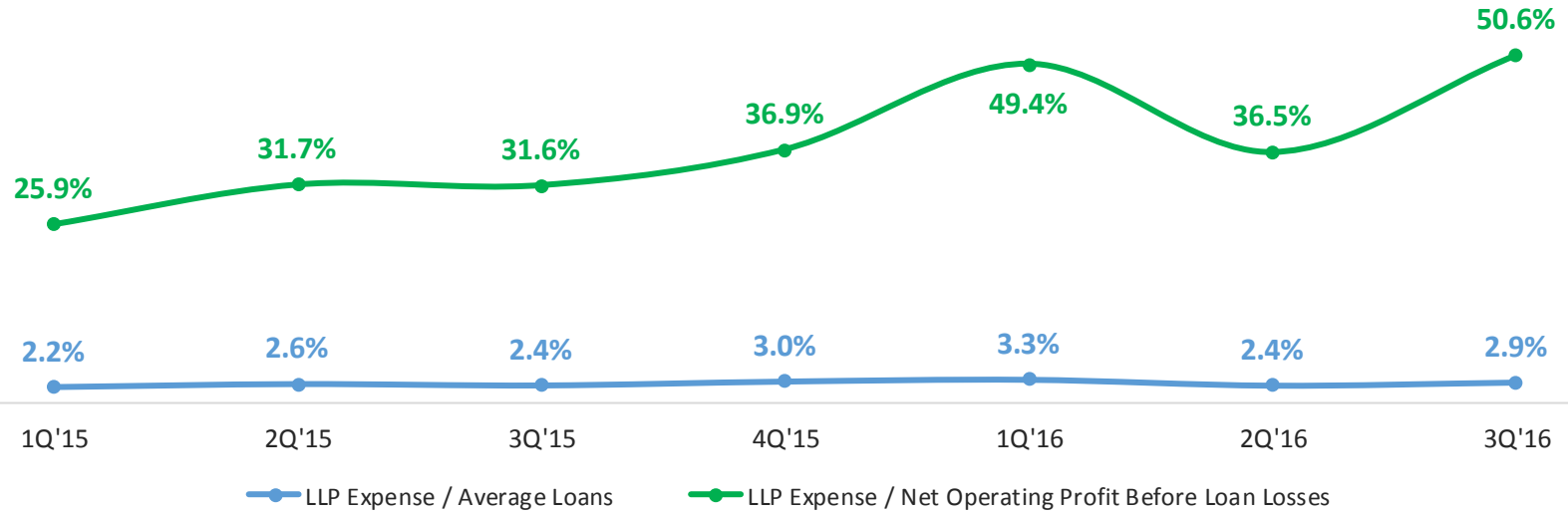
Net Interest Margin¹



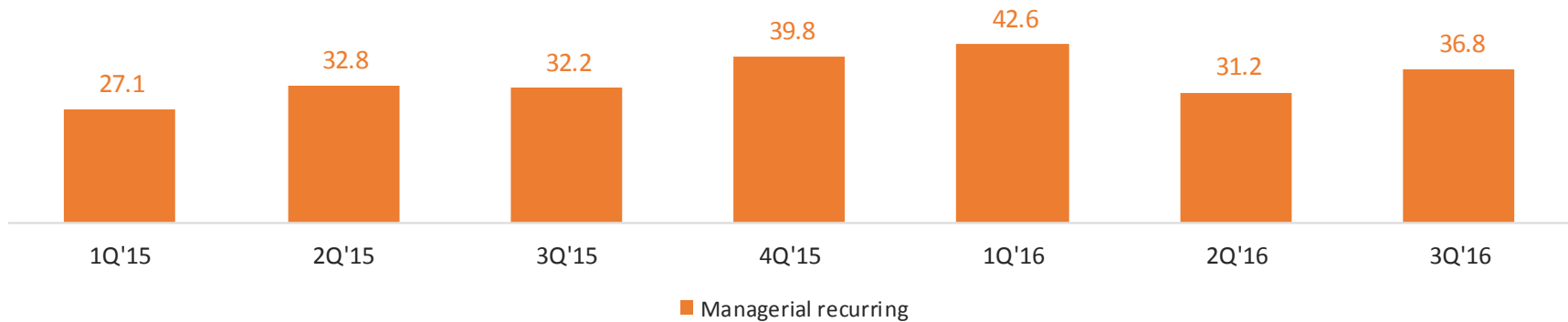
1 – Considers the elimination of foreign exchange variation, which is obtained by the application of the foreign exchange rate of September 2016 to all periods analyzed.

Loan Loss Provisions Expense

LLP Expense ratios (annualized)



LLP Expense (CLP Bln – constant currency¹)

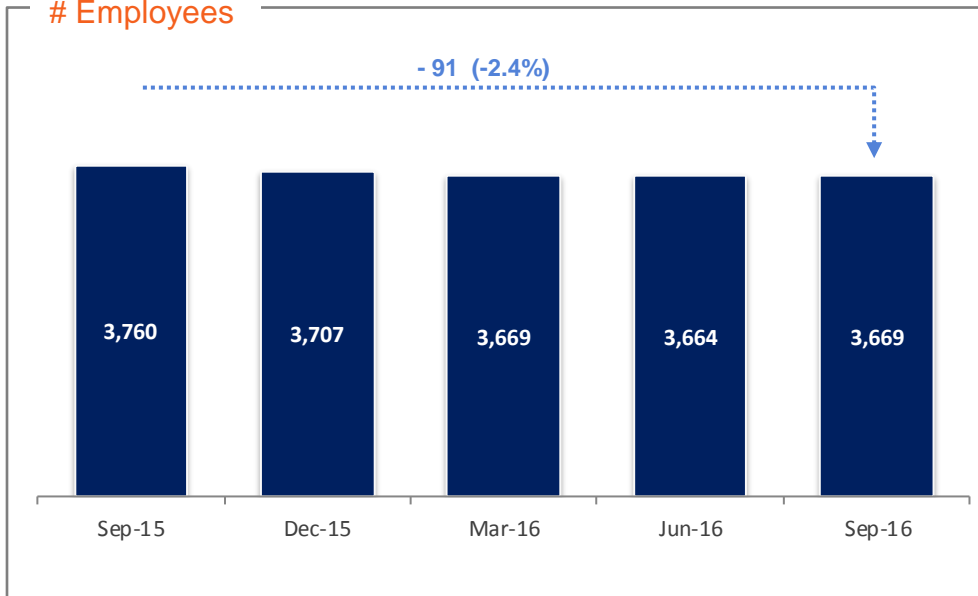


1 – Considers the elimination of foreign exchange variation, which is obtained by the application of the foreign exchange rate of September 2016 to all periods analyzed.

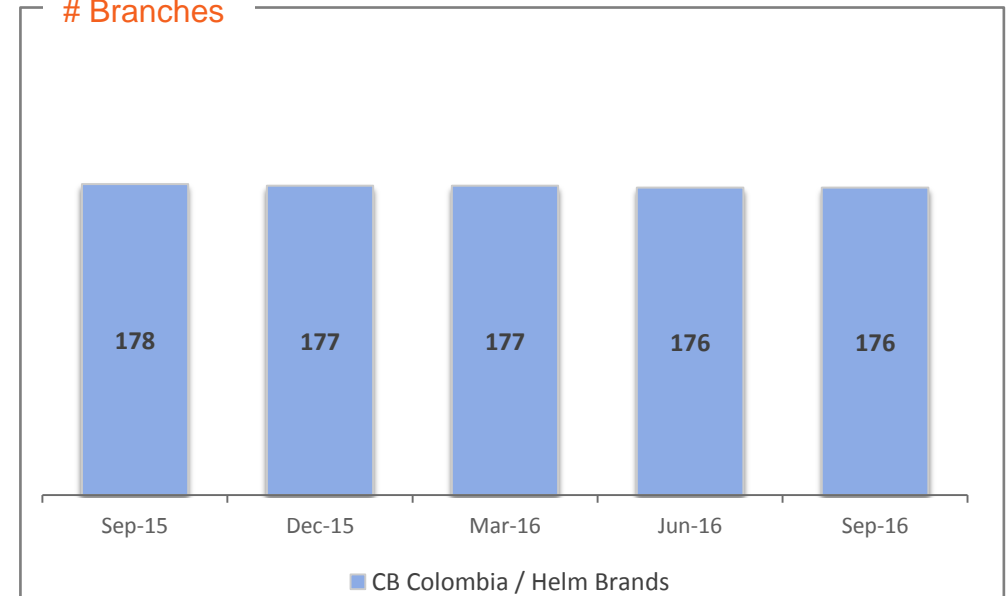
Operating Expense¹ and Efficiency

| <i>in million of Chilean Pesos - Constant Currency¹</i> | 3Q'16 | 2Q'16 | change | | 3Q'15 | change | | 9M'16 | 9M'15 | change | |
|--------------------------------------------------------------------|-----------------|-----------------|----------------|--------------|-----------------|----------------|-------------|------------------|------------------|----------------|-------------|
| Personnel Expenses | (20,345) | (18,117) | (2,227) | 12.3% | (19,862) | (483) | 2.4% | (58,482) | (57,811) | (672) | 1.2% |
| Administrative Expenses | (27,012) | (25,976) | (1,036) | 4.0% | (25,158) | (1,854) | 7.4% | (75,886) | (72,473) | (3,414) | 4.7% |
| Personnel and Administrative Expenses | (47,357) | (44,093) | (3,264) | 7.4% | (45,019) | (2,337) | 5.2% | (134,369) | (130,284) | (4,085) | 3.1% |
| Depreciation, amortization and Impairment | (9,203) | (5,976) | (3,227) | 54.0% | (7,034) | (2,168) | 30.8% | (22,120) | (20,578) | (1,542) | 7.5% |
| Total Operating Expenses | (56,559) | (50,069) | (6,491) | 13.0% | (52,054) | (4,506) | 8.7% | (156,489) | (150,862) | (5,627) | 3.7% |

Employees



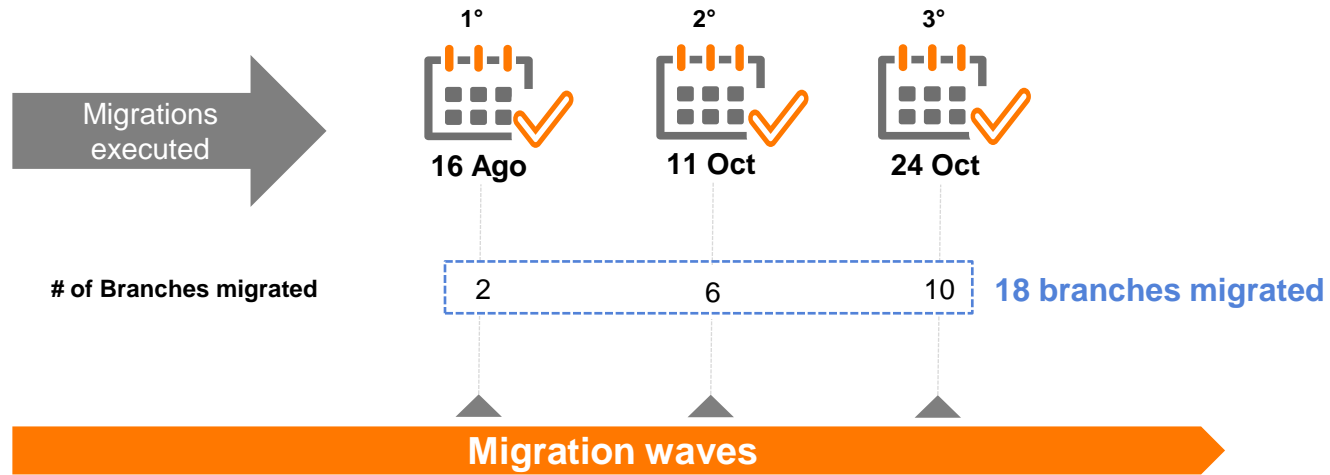
Branches



1 – Considers the elimination of foreign exchange variation, which is obtained by the application of the foreign exchange rate of September 2016 to all periods analyzed.

Merger Update – Client and Branch Migration

Client base migration



Visual Identity

Itaú Personal Bank



Itaú Sucursales



Merger Update – Board of Directors and Senior Management

Board of Directors

Chairman

Jorge Andrés Saieh Guzmán

Vice Chairman

Ricardo Villela Marino

Board Members

Candido Botelho Bracher

Boris Buvinic Guerovich

Boris Nicolás Abovic Wiegand

Pedro Samhan Escandar

João Lucas Duchene

Fernando Concha Ureta

Jorge Selume Zaror

Fernando Aguad Dagach

Gustavo Arriagada Morales

Alternate Board Members

Camilo Morales Riquelme

José Luis Mardones Santander

Senior Management Structure

