



Itaú CorpBanca

2nd Quarter 2016 | Earnings Review
Conference Call

Gabriel Moura

Chief Financial Officer

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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.

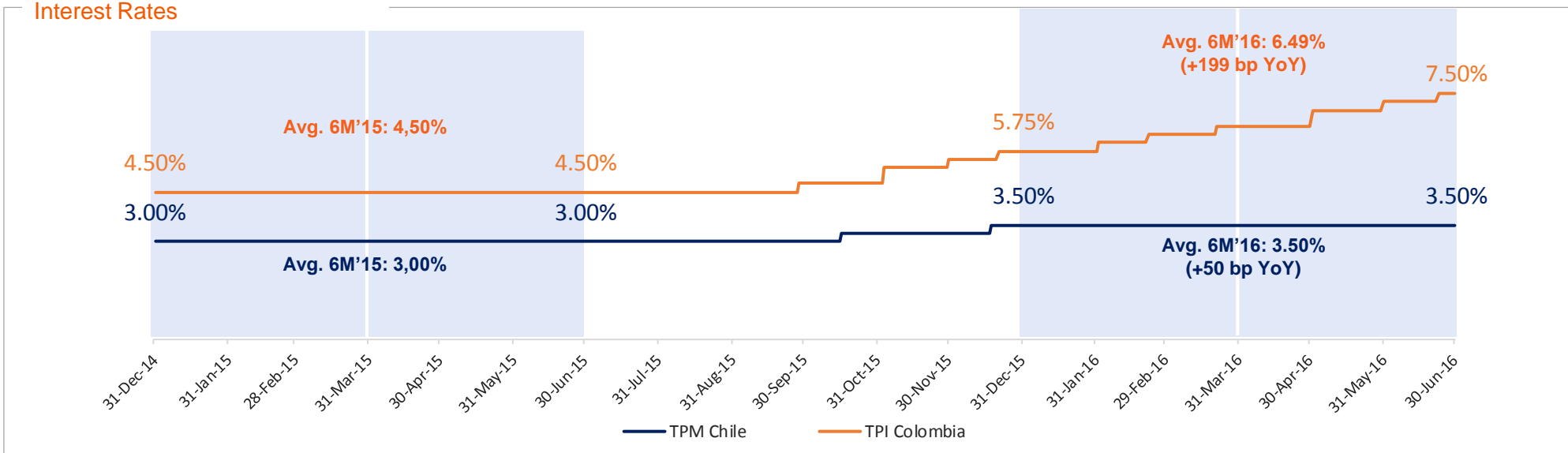
Additionally, after the Merger our investment in SMU Corp S.A. (“SMU Corp”) is no longer considered strategic. Therefore the status of the investments changed to “available for sale” for accounting purposes. Management estimates that the sale of Itaú CorpBanca’s investment in SMU Corp is highly likely. Therefore, in accordance with standard N° 5 of IFRS as of this quarter¹ 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.

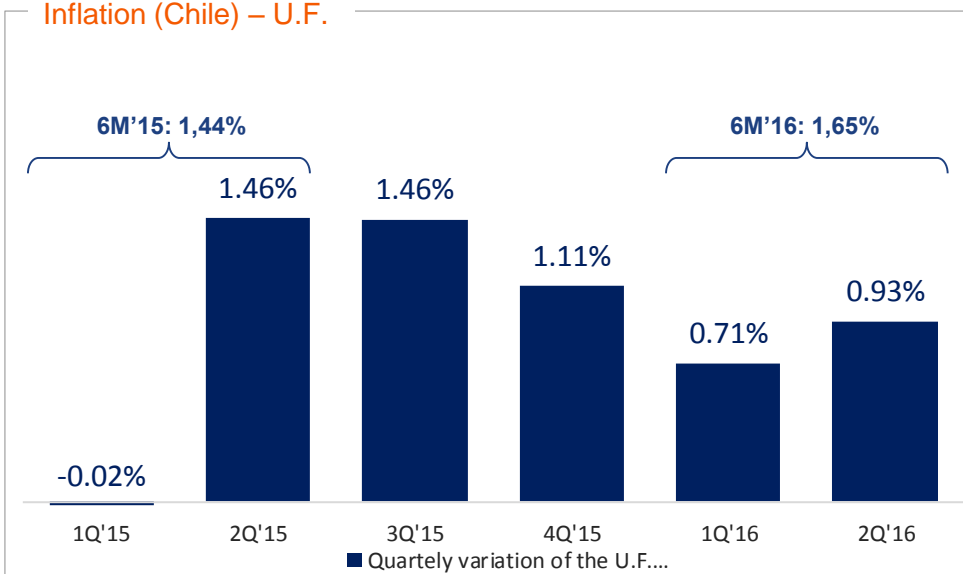
The pro forma combined financial information included in this presentation is provided for illustrative purposes only, and does not purport to represent what the actual combined results of Itaú Chile and CorpBanca could have been had if the acquisition occurred as of January 1, 2015.

Macroeconomic Backdrop

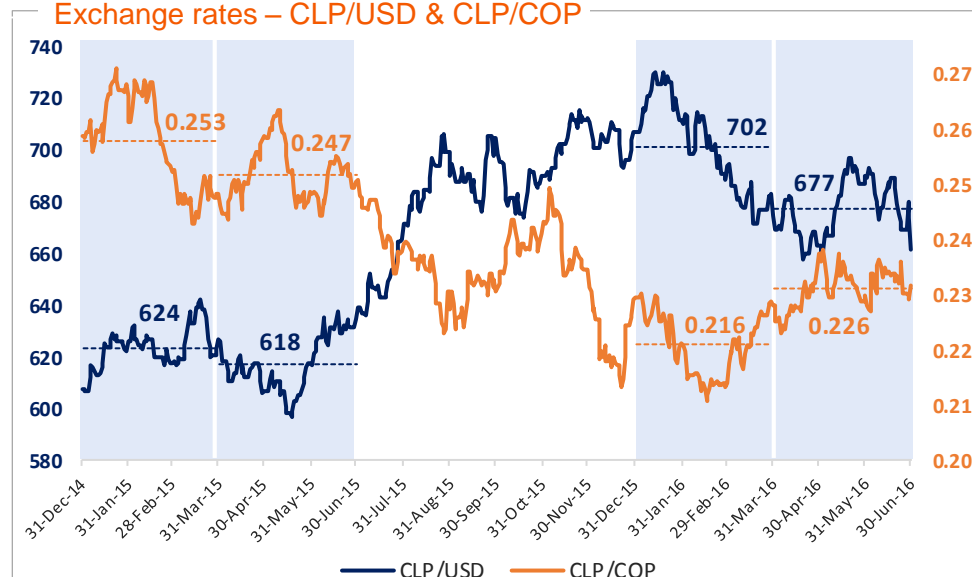
Interest Rates



Inflation (Chile) – U.F.



Exchange rates – CLP/USD & CLP/COP



Managerial Recurring Net Income (Reconciliation)

<i>in million of Chilean Pesos</i>	2Q'16	1Q'16	2Q'15	1H'16	1H'15
Net Income Attributable to Shareholders (Accounting)	28,543	6,138	28,720	34,681	42,709
<i>(+) Pro Forma consolidation effects</i>	-	-25,939	56,643	-25,939	96,467
Pro Forma Net Income Attributable to Shareholders	28,543	-19,801	85,363	8,742	139,176
(-) Non-Recurring Events	19,445	21,066	4,985	40,511	15,407
<i>(a) Restructuring costs</i>	9,518	17,921	-	27,438	-
<i>(b) Transaction costs</i>	-	-	6,432	-	19,880
<i>(c) Regulatory / merger effects on loan loss provisions</i>	4,521	8,598	-	13,119	-
<i>(d) Accounting adjustments</i>	8,876	1,200	-	10,076	-
<i>Tax effects</i>	-3,470	-6,652	-1,447	-10,123	-4,473
Recurring Net Income Attributable to Shareholders (Managerial)	47,988	1,265	90,348	49,253	154,583

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.

Highlights 2Q16

Managerial Recurring Net Income

CP\$48.0
billion

Consolidated

▲ + 36.9x (2Q16/1Q16)

▼ - 46.9% (2Q16/2Q15)

CP\$44.0
billion

Chile

▲ + 77.0x (2Q16/1Q16)

▼ - 42.5% (2Q16/2Q15)

Managerial Recurring ROE¹ (p.a.)

9.5%

Consolidated

▲ + 9.2 pp (2Q16/1Q16)

▼ - 11.1 pp (2Q16/2Q15)

13.7%

Chile

▲ + 13.5 pp (2Q16/1Q16)

▼ - 14.2 pp (2Q16/2Q15)

Credit Quality (June/16)

NPL 90
1.4%

Consolidated

▲ + 4 bp (2Q16/1Q16)

▲ + 19 bp (2Q16/2Q15)

NPL 90
1.4%

Chile

▲ + 4 bp (2Q16/1Q16)

▲ + 14 bp (2Q16/2Q15)

2Q16 / 1Q16

2Q16 / 2Q15

● Net Interest Income:

▲ + 4.0%

▼ - 16.9%

Net Interest Income - 2Q'16: CP\$ 195.1 Bln

● Net Fee and Commission Income:

▲ + 6.8%

▼ - 16.6%

Net Fee and Commission Income - 2Q'16: CP\$ 46.8 Bln

● Net Total Financial Transactions:

▲ + 31.2%

▼ - 34.5%

Total Financial Transactions, net - 2Q'16: CP\$ 25.7 Bln

● Provisions for Loan Losses:

▼ - 47.6%

▲ + 0.3%

Provisions for Loan Losses - 2Q'16: -CP\$ 56.7 Bln

● Operating Expenses:

▲ + 0.5%

▲ + 0.3%

Operating Expenses - 2Q'16: CP\$ 145.0 Bln

● Efficiency Ratio:

▼ - 3.9 pp

▲ + 10.3 pp

Efficiency Ratio - 2Q'16: 55.1%

● Loan Portfolio:

▲ + 0.7%

▲ + 2.3%

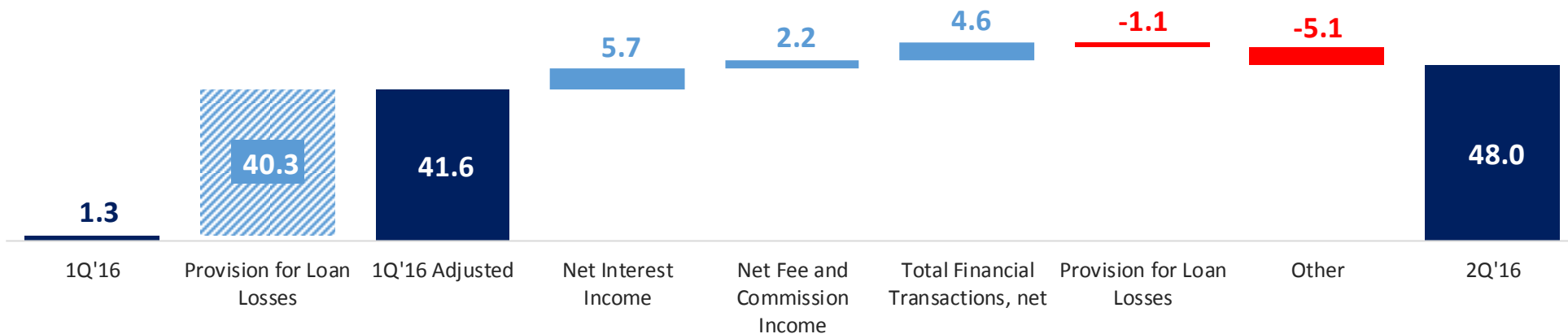
Loan Portfolio 2Q'16 (CP\$ Bln): 21,587.2

¹ Recurring net income divided by average Shareholders Equity, excluding Goodwill.

Managerial 2Q'16 Consolidated Results

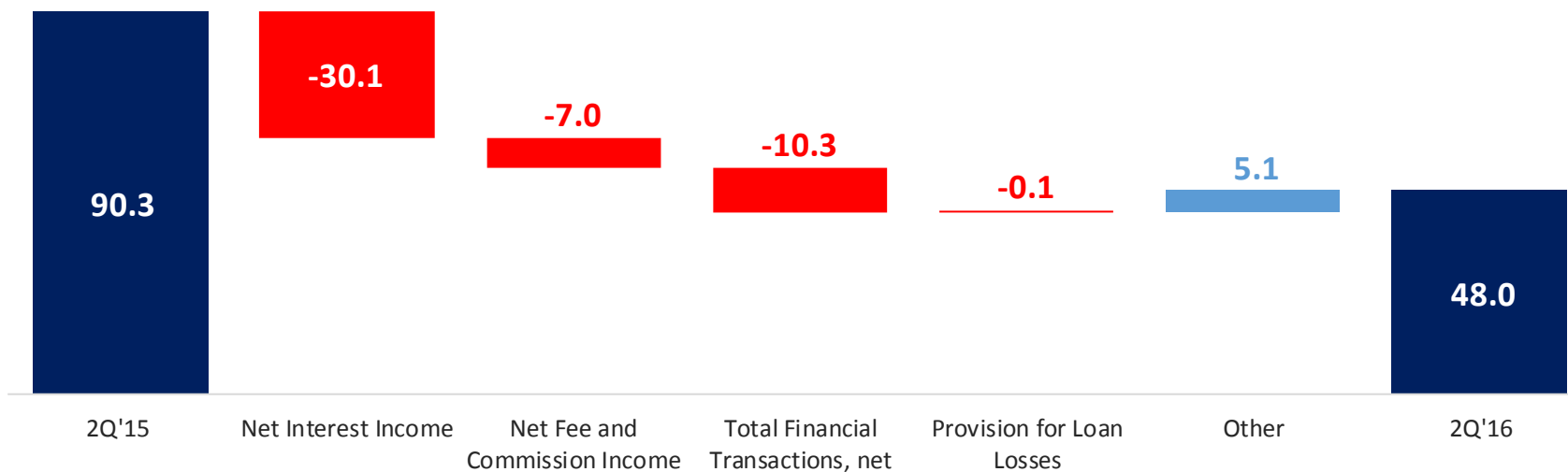
QoQ Net Income change¹

CLP Bn



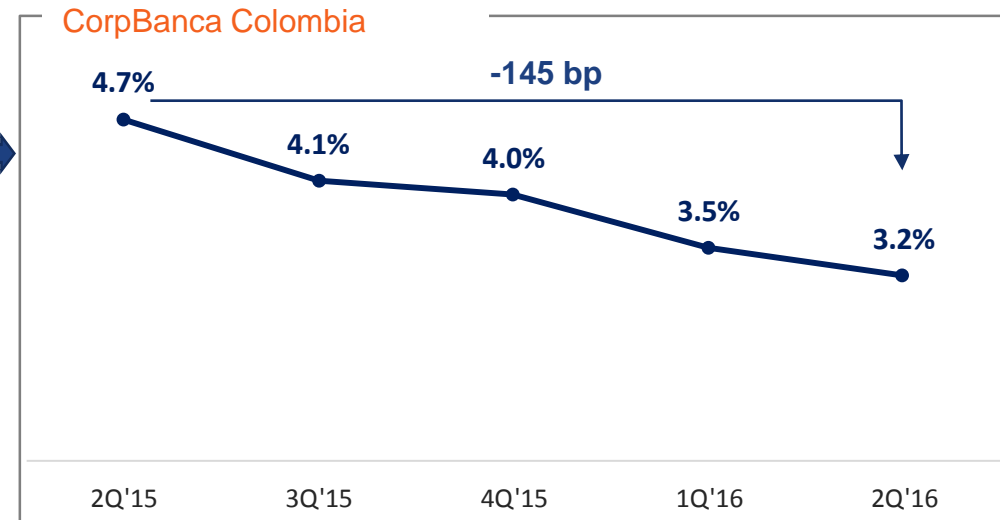
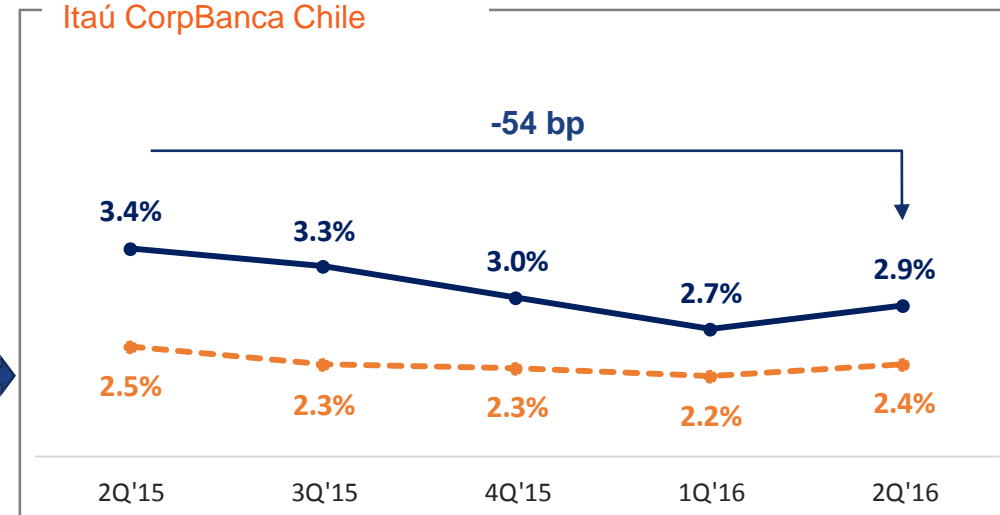
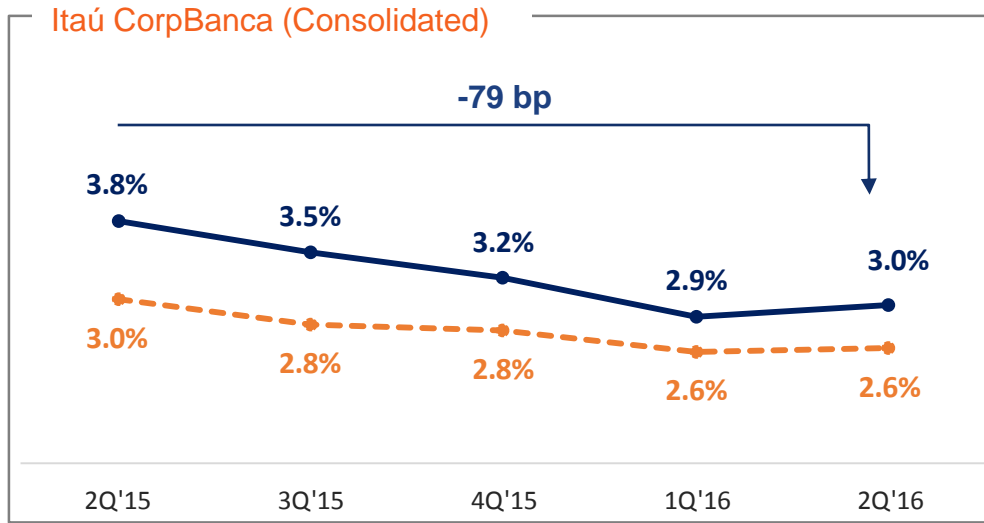
YoY Net income change¹

CLP Bn



1 – Presented through income statement items variation, net of income tax.

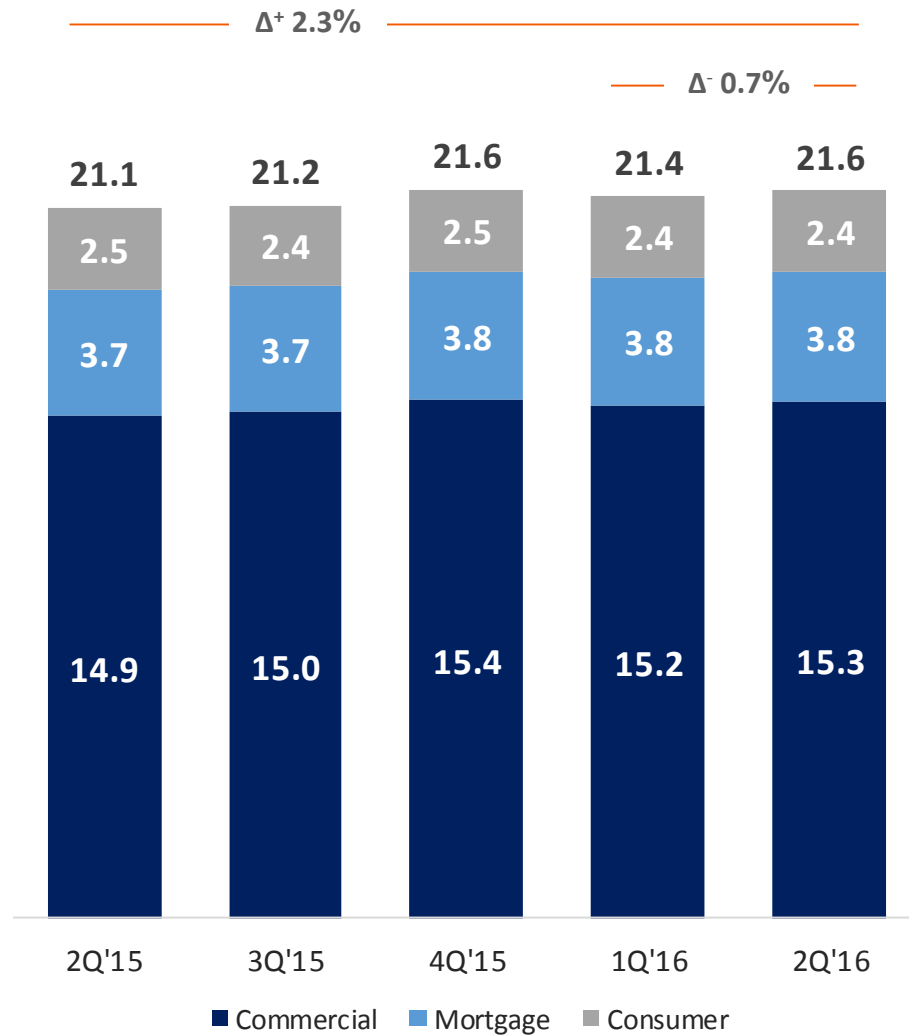
Net Interest Margin – Breakdown between Chile and Colombia



—●— Net Interest Margin (NIM)
-◆- Net Interest Margin (ex-inflation indexation)

Loan Portfolio

Total Loans (CP\$ Tln)

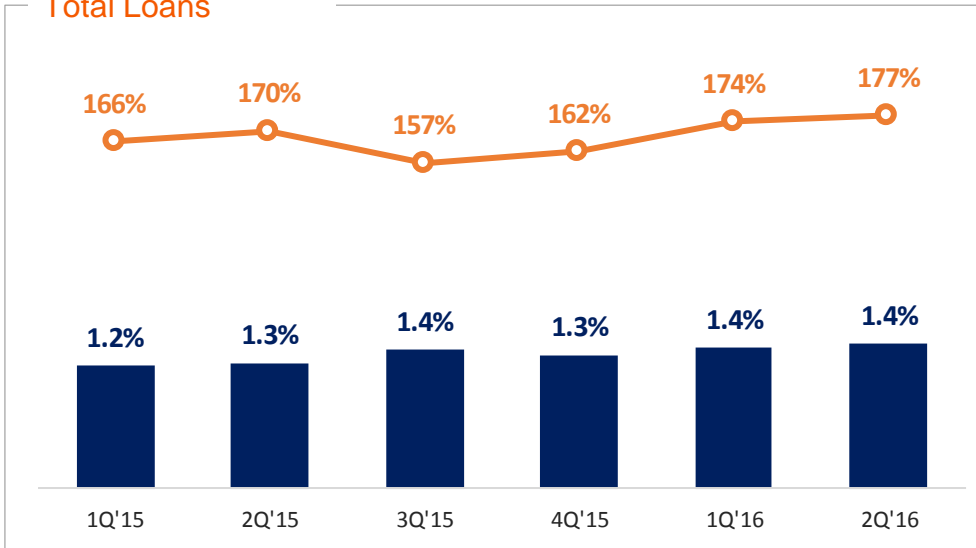


Loan portfolio breakdown by segment & country

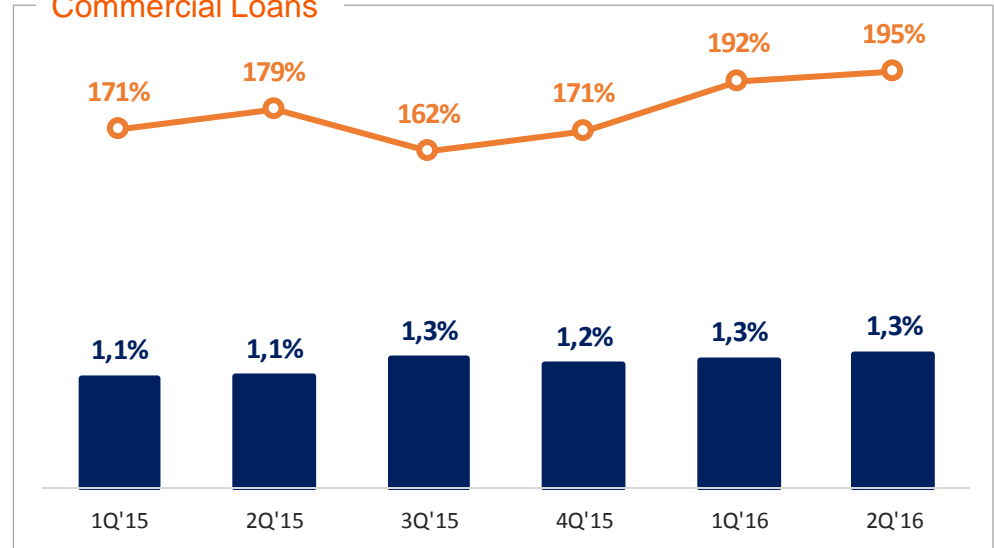
CP\$ Bln	Jun.16	QoQ	YoY
Wholesale lending	15,343	0.7%	2.9%
Chile	11,779	0.5%	5.6%
Commercial loans	10,257	1.3%	9.0%
Colombia	3,564	1.4%	-5.2%
Commercial loans	3,016	1.6%	-6.4%
Retail lending	6,244	0.6%	1.0%
Chile	4,596	-0.2%	3.0%
Consumer loans	1,292	-1.7%	2.5%
Residential mortgage loans	3,303	0.4%	3.2%
Colombia	1,649	2.9%	-4.3%
Consumer loans	1,137	2.6%	-5.5%
Residential mortgage loans	511	3.6%	-1.3%
TOTAL LOANS	21,587	0.7%	2.3%
Chile	16,375	0.3%	4.8%
Colombia	5,212	1.9%	-4.9%

Credit Quality

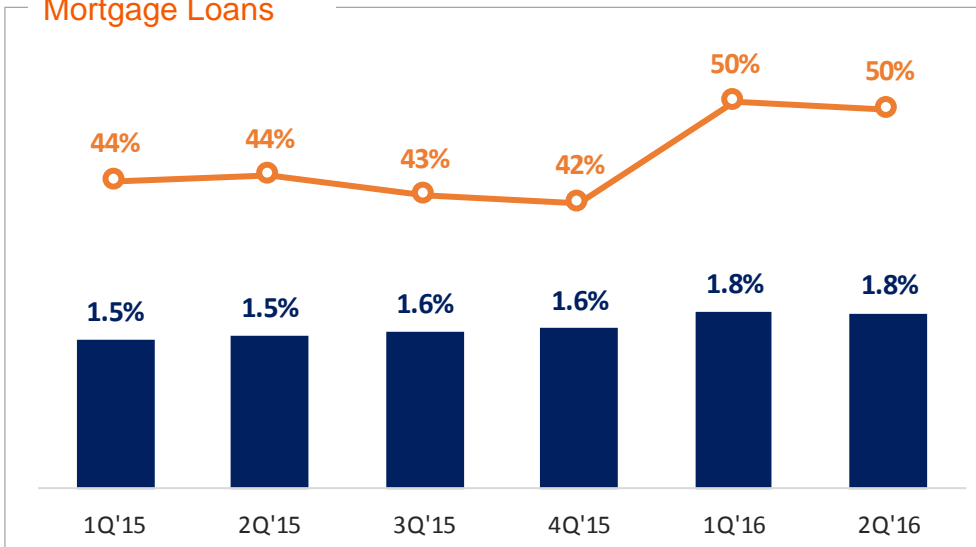
Total Loans



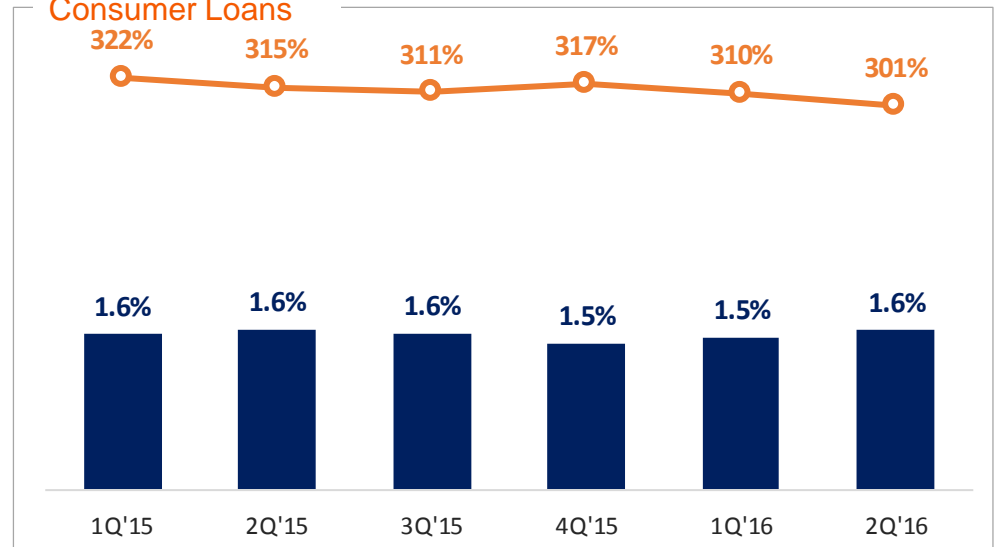
Commercial Loans



Mortgage Loans



Consumer Loans

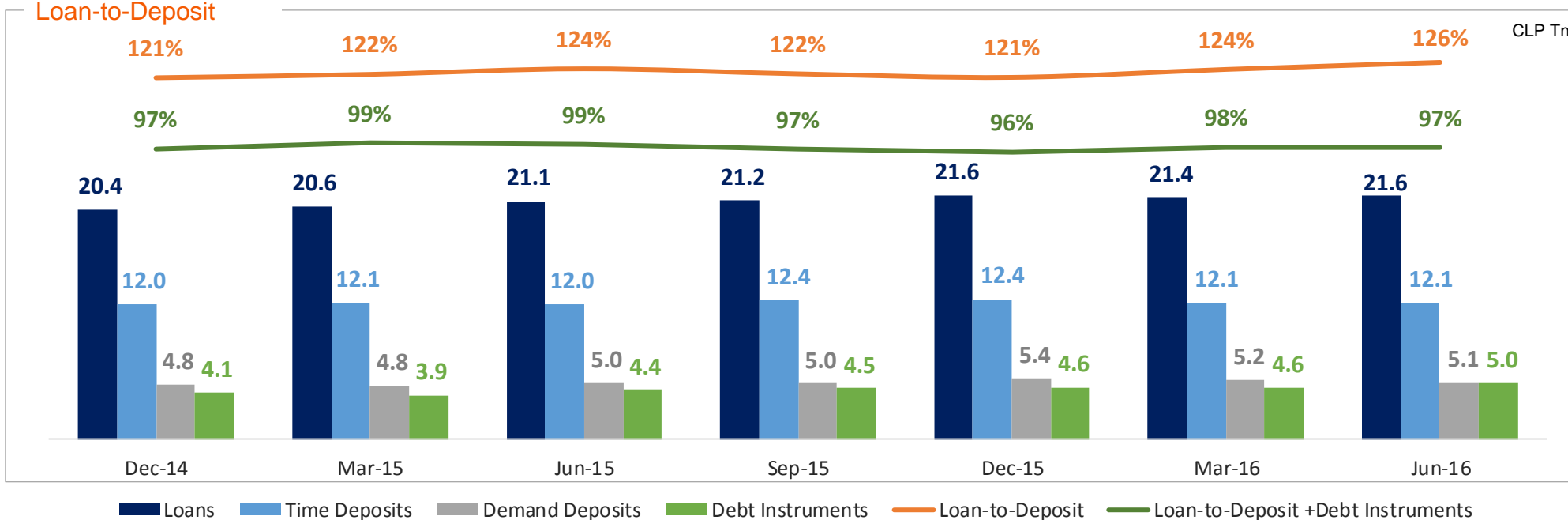


■ NPL 90 days ○ Coverage

Funding

<i>in billion of Chilean Pesos</i>	2Q'16	1Q'16	change		2Q'15	change	
Demand deposits	5,054	5,244	(190)	-3.6%	5,026	28	0.6%
Time deposits	12,095	12,095	0	0.0%	12,010	85	0.7%
Total Deposits	17,149	17,339	(190)	-1.1%	17,035	114	0.7%
Debt Instruments	5,004	4,604	399	8.7%	4,366	638	14.6%
Deposits + Debt Instruments	22,153	21,943	210	1.0%	21,401	752	3.5%

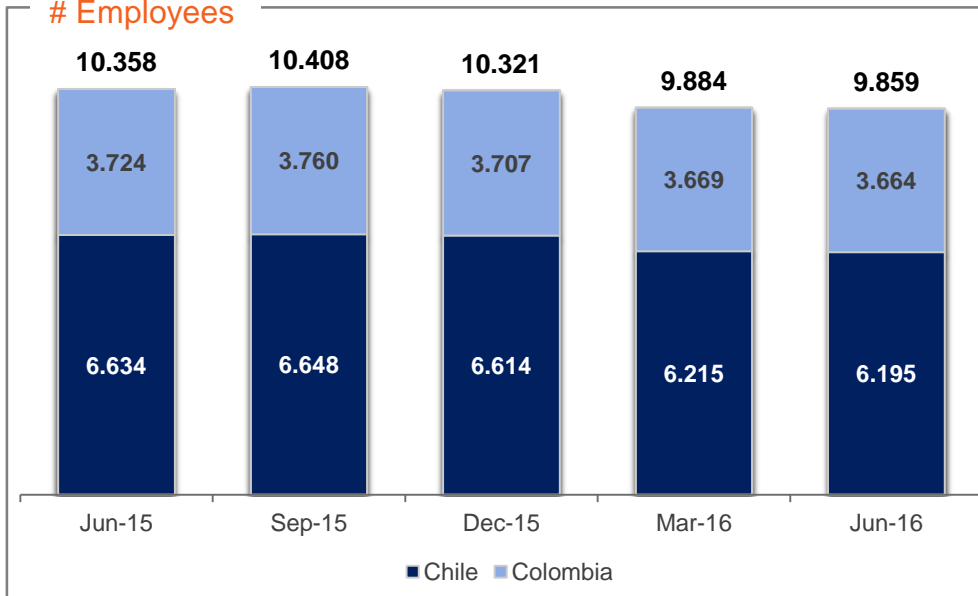
Loan-to-Deposit



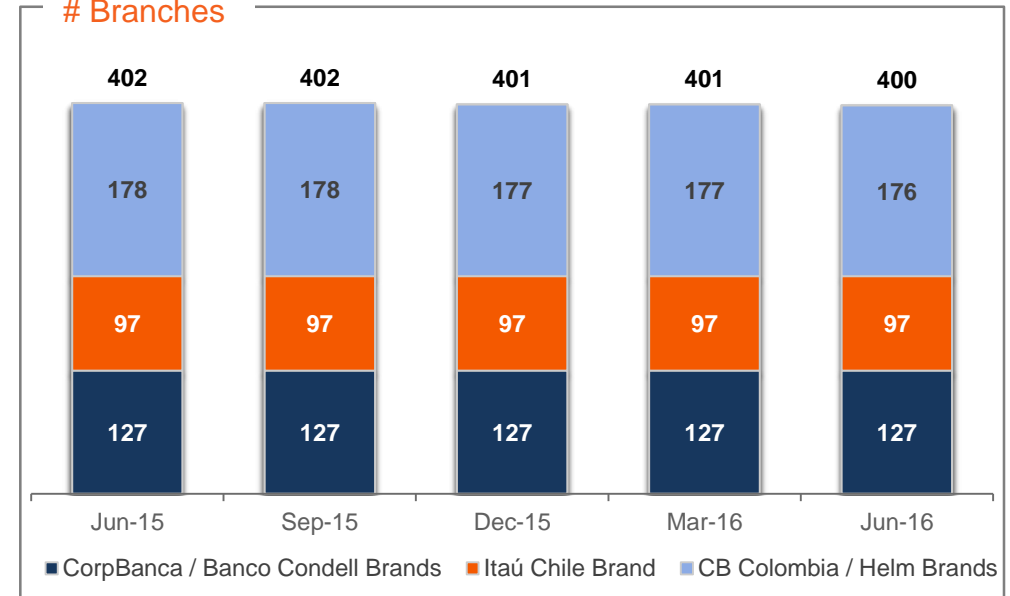
Operating Expense and Efficiency

<i>in million of Chilean Pesos</i>	2Q'16	1Q'16	change		2Q'15	change		1H'16	1H'15	change	
Personnel Expenses	(68,389)	(67,488)	(901)	1.3%	(71,142)	2,753	-3.9%	(135,878)	(139,229)	3,352	-2.4%
Administrative Expenses	(59,148)	(63,820)	4,672	-7.3%	(60,406)	1,258	-2.1%	(122,968)	(120,777)	(2,191)	1.8%
Personnel and Administrative Expenses	(127,538)	(131,308)	3,771	-2.9%	(131,548)	4,011	-3.0%	(258,846)	(260,007)	1,161	-0.4%
Depreciation, amortization and Impairment	(17,416)	(12,915)	(4,500)	34.8%	(12,914)	(4,502)	34.9%	(30,331)	(26,014)	(4,317)	16.6%
Total Operating Expenses	(144,953)	(144,224)	(729)	0.5%	(144,462)	(491)	0.3%	(289,177)	(286,021)	(3,156)	1.1%

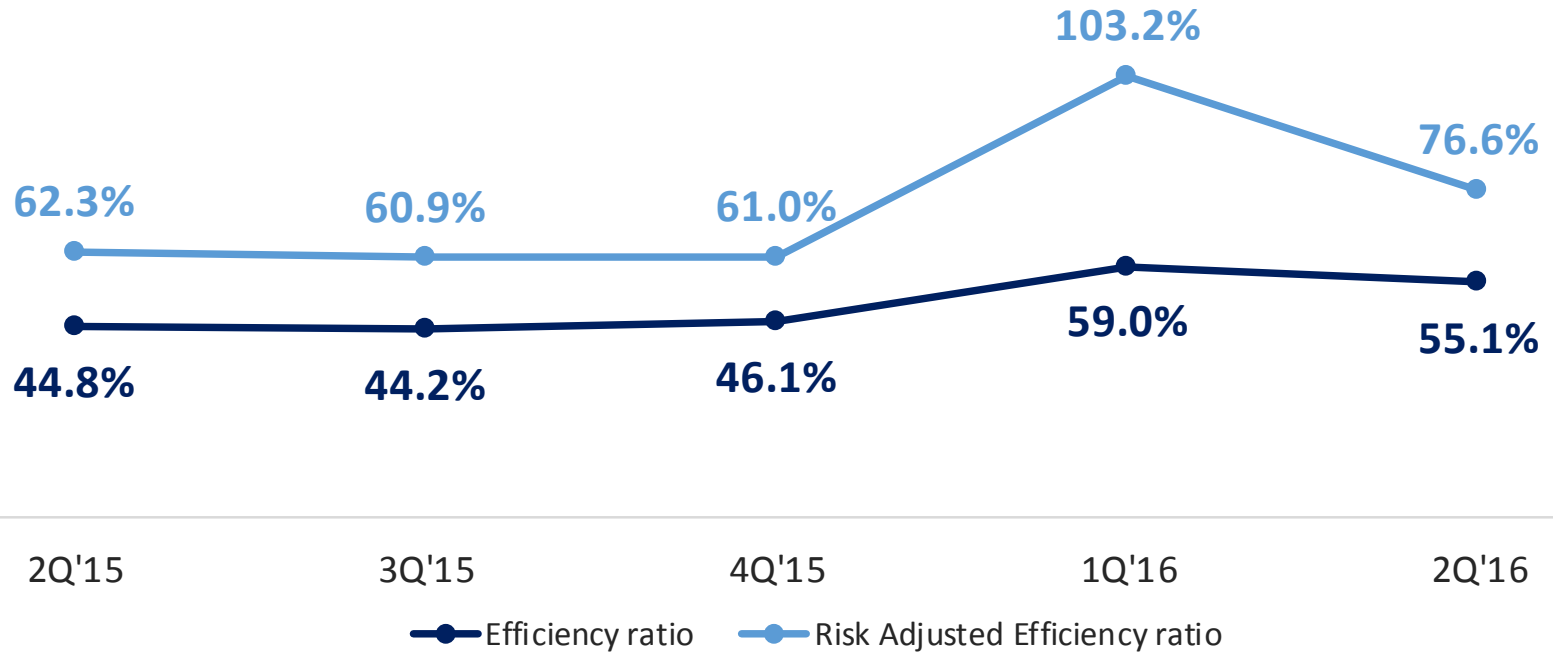
Employees



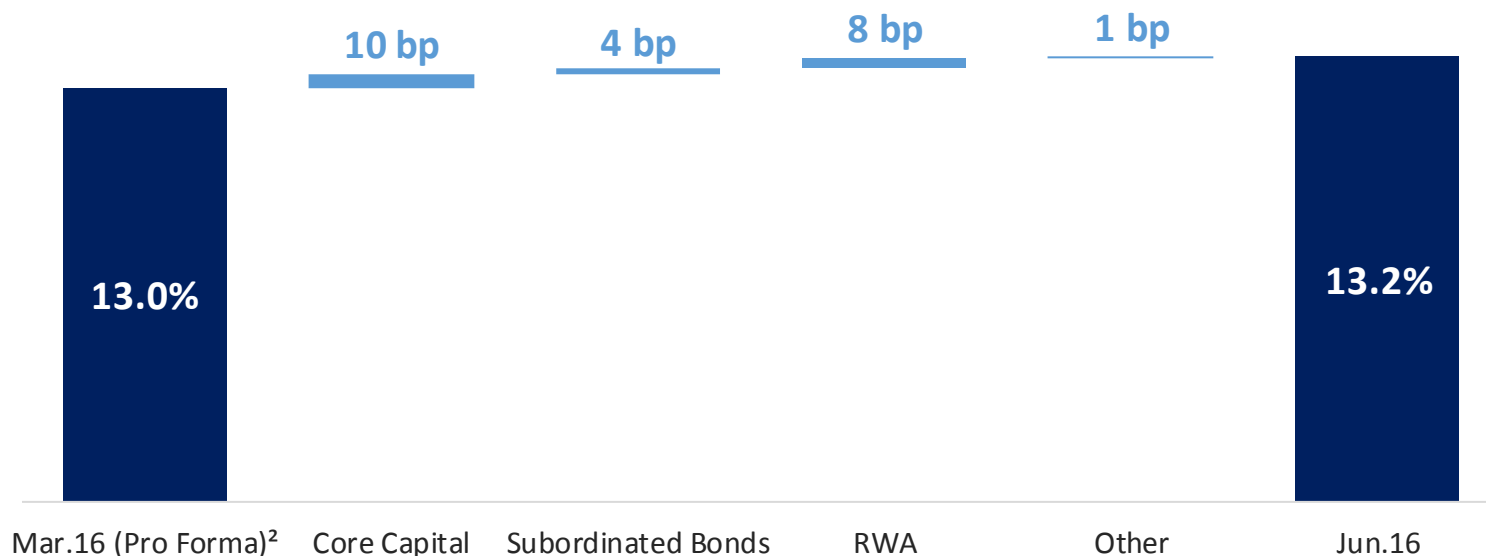
Branches



Efficiency Ratios



BIS Ratio¹



Target Capital Ratio (greater of):
120% Minimum Regulatory Capital (Chile): **12.0%**
Three Largest Private Banks³ (Chile): **13.0%**

1 – BIS ratio = Patrimonio efectivo / RWA, according to SBIF BIS I definitions.

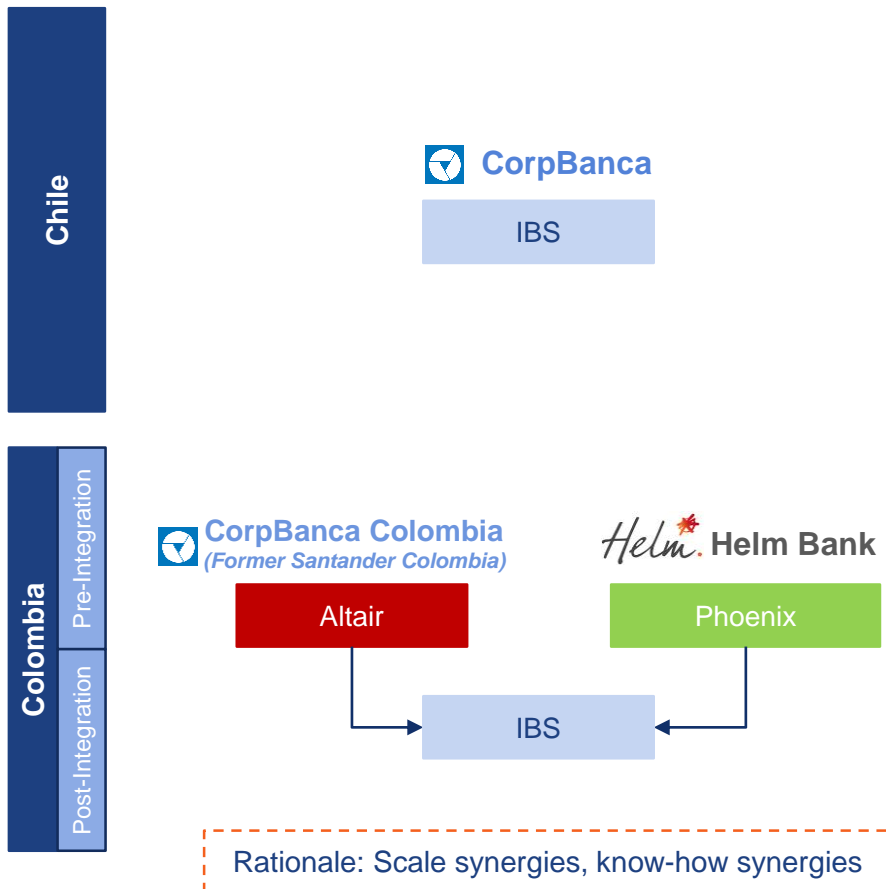
2 – Pro forma estimated by company management, based on March 31st, 2016 pro forma balance sheet, which includes: (i) CorpBanca Tier I (Basic) Capital as of March 31st, 2016. (ii) Banco Itaú Chile Tier I (Basic) Capital as of March 31st, 2016, including Ch\$ 376 Bn of capital increase on March 22nd, 2016 (US\$ 553 Mn) (iii) Corresponding adjustments from merger effects of the business combination based on pro forma balance sheet.

3 – As of Apr.16 (last available information at the SBIF).

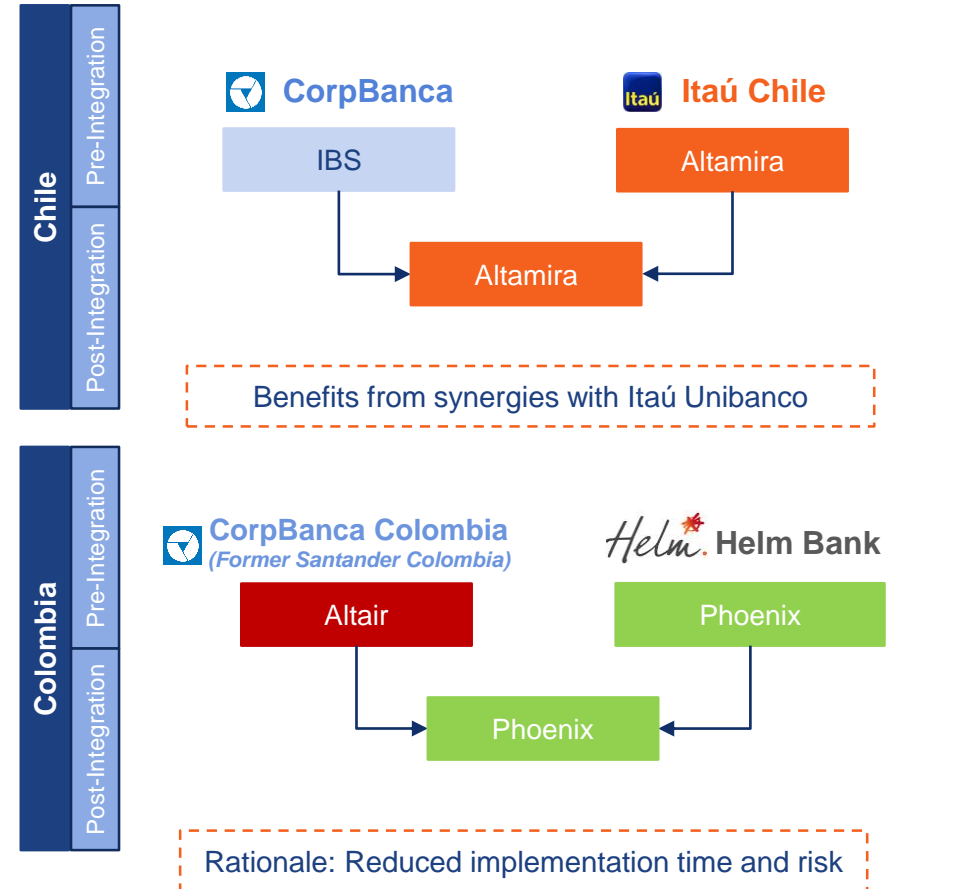
Integration in Colombia – Core Banking Legacy System

- Itaú CorpBanca’s management, after a throughout evaluation, elected Helm Bank’s Phoenix platform as the core banking legacy system for Itaú CorpBanca’s operation in Colombia.
- This strategy will benefit from reduced implementation time and risk when compared to the previous existing strategy that was based on synergy benefits that do no longer apply in the current scenario.

CorpBanca legacy strategy



Itaú CorpBanca legacy strategy



Going Forward...

1 Legal Day One and systems integration ✓

2 Filing first combined financial statements on May 10, 2016 with SBIF ✓

3 Audit review of Quarterly Financial Statements ✓

4 Brand and branches integration to be completed by December 2016



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Cautionary Note

Certain statements in this Presentation may be considered as forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "expect", "plan", "intend", "forecast", "target", "project", "may", "will", "should", "could", "estimate", "predict" or similar words suggesting future outcomes or language suggesting an outlook. These forward-looking statements include, but are not limited to, statements regarding expected benefits and synergies from the recent merger of Banco Itaú Chile with and into CorpBanca, the integration process of both banks, the expected timing of completion of the transaction, anticipated future financial and operating performance and results, including estimates for growth, as well as risks and benefits of changes in the laws of the countries we operate, including the Tax Reform in Chile.

These statements are based on the current expectations of Itaú CorpBanca's management. There are risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this communication. For example, (1) problems that may arise in successfully integrating the businesses of Banco Itaú Chile and CorpBanca, which may result in the combined company not operating as effectively and efficiently as expected; (2) the combined company may be unable to achieve cost-cutting synergies or it may take longer than expected to achieve those synergies; (3) the credit ratings of the combined company or its subsidiaries may be different from what Itaú CorpBanca or its controlling shareholders expect; (4) the business of Itaú CorpBanca may suffer as a result of uncertainty surrounding the merger; (5) the industry may be subject to future regulatory or legislative actions that could adversely affect Itaú CorpBanca; and (6) Itaú CorpBanca may be adversely affected by other economic, business, and/or competitive factors.

Forward-looking statements and information are based on current beliefs as well as assumptions made by and information currently available to Itaú CorpBanca's management. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved.

We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in such forward-looking statements. More information on potential factors that could affect Itaú CorpBanca's financial results is included from time to time in the "Risk Factors" section of Itaú CorpBanca's (formerly CorpBanca) Annual Report on Form 20-F for the fiscal year ended December 31, 2015, filed with the SEC. Furthermore, any forward-looking statement contained in this Presentation speaks only as of the date hereof and Itaú CorpBanca does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this Presentation are expressly qualified by this cautionary statement.