dcv

CUSTODIAMOS HOY
EL VALOR DEL MAÑANA

Annual Report 2017

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The sole purpose of DCV is to receive securities on deposit and thus facilitate transfer operations of these securities.

Table of Contents

Vision, Mission and Values

V

To be a highly efficient institution with an excellent quality of service, a leader in the development and innovation of services for the capital market, both in Chile and abroad.

M

To provide custody infrastructure, settlement and other complementary services for the securities market, both in Chile and abroad, meeting the highest standards of security, availability, efficiency and quality.

V

COMMITMENT: We assume the challenge of fulfilling the vision and mission of our company, with each person contributing in their role, with their best disposition and effort.

RESPECT: We recognize the value of all people and the individual contribution that each person makes, reflecting cordiality and sincerity in our actions.

ETHICS: We act with honesty and integrity, in order to always be consistent with our words and actions.

EXCELLENCE: We give our maximum effort in order to provide the highest level of quality in all of our services and activities.

RESPONSIBILITY: We meet our obligations with a high sense of duty and professionalism, performing our actions with seriousness and consequence.

Constitutive Documents

DEPÓSITO CENTRAL DE VALORES S.A., SECURITIES DEPOSITORY ("COMPANY") was constituted by public deed on March 15, 1993, granted before the Santiago Notary of Mr. René Benavente Cash, an extract of which was published in the Official Gazette on March 22, 1993.

THE SUPERINTENDENCE OF SECURITIES AND INSURANCE ("SVS") authorized its existence and approved the statutes in exempt resolution No. 57 on March 19, 1993.

THE COMPANY is governed by Law 18,876 of 1989 and its bylaws, as well as the instructions issued by the SVS.

THE SVS by way of exempt resolution No. 264 on December 29, 1993, authorized the Company to operate as a "Securities Depository" and approved its Internal Bylaws and the Depository Contract to be used.

The Company does not require listing in the Securities Registry.

Legal Information and Ownership Structure

LI

Company Name	:	Depósito Central de Valores S.A., Securities Depository
Legal Domicile	:	Apoquindo Avenue No. 4001, 12Th Floor, Las Condes, Santiago - Chile
R.U.T.	:	96.666.140-2
External Auditors	:	KPMG Limited.

OS

SHAREHOLDERS	Shares	%
Inversiones DCV S.A.	46,834	30.00
Sociedad Interbancaria de Depósito de Valores S.A.	46,834	30.00
Santiago Stock Exchange	35,906	23.00
DCV Vida S.A.	15,612	10.00
Inversiones Bursátiles S.A.	9,918	6.35
Other shareholders	1,008	0.65
TOTAL	156,112	100.00

Board of Directors as of December 31, 2017

Sergio Baeza Valdés
Chairman
Commercial Engineer | RUT: 5.572.979-4

C

Arturo Concha Ureta
Vice-Chairman
Commercial Engineer | RUT: 5.922.845-5

V

Jorge Claude Bourdel
Director
Civil Engineer | RUT: 6.348.784-8

D

Arturo Del Rio Leyton
Director
Commercial Engineer | RUT: 5.892.815-1

D

Mario Gómez Dubravcic
Director
Commercial Engineer | RUT: 5.865.947-9

D

José Antonio Martínez Zugarramurdi
Director
Civil Industrial Engineer | RUT: 8.419.520-0

D

Fred Meller Sunkel
Director
Commercial Engineer | RUT: 9.976.183-0

D

Juan Carlos Reyes Madriaza
Director
Civil Mathematical Engineer | RUT: 7.382.629-2

D

Guillermo Tagle Quiroz
Director
Commercial Engineer | RUT: 8.089.223-3

D

Juan Andrés Camus Camus
Director
Commercial Engineer | RUT: 6.370.841-0

D

Letter from the President

In 2017, Depósito Central de Valores obtained profits of MCh$2,755, 19.2% greater than in 2016. The consolidated gross revenue totaled MCh$23,956, 9% higher than in 2016. The total discount applied to Depositors equaled MCh$3,367, 10.4% greater than in 2016.

Moreover, total consolidated expenses reached MCh$17,152, showing a 6.1% increase in comparison to 2016. This increase in expenses is explained by the increase in personnel expenses, external advisory and systems and infrastructure maintenance.

The Company made investments in equipment and systems development for the amount of MCh$2,307, 109% more than the invested amount in 2016.

At the close of the year, DCV held securities on deposit totaling of 9,088 million UF, equivalent to a 15.8% increase with respect to 2016. This total amount in custody includes 9,046 million UF in national custody (99.5%) and 42 million UF in international custody (0.5%).

NATIONAL CUSTODY

The amount held in national custody is 9,046 million UF, 97.8% of which is dematerialized. Since 2016, it has primarily increased in: Shares (497 million UF), Investment Fund Shares (472 million UF), Treasury Bonds (188 million UF), Bank-Issued Bonds (132 million UF), Debentures (32 million UF) and Discountable Promissory Notes from the Central Bank (23 million UF). On the other hand, there has been a decrease in Central Bank Bonds (55 million UF), Fixed Term Deposits (25 million UF), Recognition Bonds (19 million UF) and Credit Notes (8 million UF).

The custody of equity instruments ended the year with 3,149 million UF, 44.9% percent more than in 2016; the custody of fixed rate instruments (including BRAA), increased by 6.9%, in relation to the amount held in custody as of December 2016, ending the year with a volume of 4,113 million UF. Financial intermediation instruments decreased by 0.2% in relation to December 2016, ending the year with 1,784 million UF in custody.

The transactions recorded in DCV systems totaled 3.5 million during the year, registering a positive variation of 2.8% in relation to 2016. In terms of relative importance, the transactions in equity instruments represented 39.3% of the total for the year, while fixed rate and financial intermediation instruments represented 14.3% and 46.4%, respectively.

INTERNATIONAL CUSTODY

The amount held in international custody is 42.3 million UF (1.845 billion dollars), which represents a 12.2% increase compared to 2016. At the close of the year, there are 7 Depositors that hold approximately 219 million dollars in DCV accounts at DTCC. There are 21 Depositors that operated through Euroclear and which hold 1.309 billion dollars in custody. Regarding activity with foreign securities in the local market, 19 Depositors hold almost 298 million dollars in custody at Deutsche Bank.

In terms of MILA, at the close of 2017 there were 8 local Depositors who operated with 19 million dollars in custody for this market.

TECHNOLOGY

During 2017, the Company faced the challenge of maintaining and continuing to develop the high stability standards required for its technological platforms. For this, several initiatives were carried out with the objective of achieving an infrastructure that guarantees operational continuity and security of information to the market and allows to continuously improvement the stability indicators of the platforms, maintaining high and constant levels, thus fulfilling the objectives set in this area, as has happened up to now.

Also, the IT Architecture area of the Company continued this year, with the adaptation and definition of IT plans, seeking convergence in technologies compatible with a long-term vision, always considering the cost management so as to achieve proper operational efficiency.

DCV EVOLUTION

An important achievement of the year 2017 was the conclusion of negotiations with Nasdaq, which led to an alliance that will allow DCV to take a big step in modernization of its custody and securities settlement systems, as Nasdaq will provide a world class technology also allowing us to count on the vision and support of a relevant industry player at a global level. During 2017, the first stage of this project was also completed, a stage in which, through a joint work of DCV and Nasdaq teams, all the technological and functional requirements that are, were defined and agreed, which are finally, the basis of implementation stages of the project that will begin during 2018.

SHAREHOLDER REGISTRIES

At the close of 2017, 486 registries were under administration by the subsidiary DCV Registros, including more than 219,000 shareholders and contributors. This compares favorably to the 412 registries at the close of 2016. During the year, the subsidiary conducted 252 shareholder meetings (214 in 2016) and executed 167,888 payments of dividends to shareholders (219,079 in 2016). The amount involved in these processes reached MCh$890,809 (MCh$722,402 the previous year).

FINANCE

The Company's equity accounts as of December 31, 2017, are the following: Paid-In Capital MCh$4,090, plus Retained Earnings of MCh$8,016, minus Other Comprehensive Income of MCh$79, for a total Equity of MCh$12,027 (including Non-Controlling Interest of MCh$0.001).

The Retained Earnings of MCh$8,016 are composed of Accumulated Income of MCh$6,087 and Profits for the Year of MCh$2,755. From this, the following are subtracted: interim dividend No. 29 of MCh$624, paid in November 2017 and the MCh$202 corresponding to the provision of minimum dividends of 30% of profits for the year.

The Board of Directors over which I preside will make every effort to keep the Company on its path of sustained progress and continue to improve the quality and security of the services and the strength of its balance sheet. We are grateful for the dedication of the employees of the Company, whose cooperation is critical to the achievement of its objectives.

Sergio Baeza Valdés | Chairman of the Board

Management

GM	Fernando Yáñez González General Manager	Civil Engineer	RUT 6.374.974-5
PM	Rodrigo Roblero Arriagada Planning, IT and Finance Manager	Commercial Engineer	RUT 10.895.776-K
CM	Javier Jara Traub Commercial and Legal Affairs Manager	Lawyer	RUT 8.510.133-1
AM	Nelson Fernández Benavides Architecture and IT Operations Manager	Civil Engineer	RUT 10.829.874-K
C	Jaime Fernández Morandé Comptroller	Computer Engineer	RUT 7.006.397-2
SM	Gabriela Finkelstein Moranzoni Systems Manager	Computer Sciences	RUT 21.153.828-7
OM	Claudio Garín Palma Operations and Services Manager	Commercial Engineer	RUT 9.769.725-6
PM	Sandra Valenzuela Nievas Personnel Manager	Accountant-Auditor & Psychologist	RUT 10.412.118-7
LA	Domingo Eyzaguirre Pepper Legal Advisor	Lawyer	RUT 7.176.907-0

The Company's Corporate Governance is represented by 4 Committees that – in addition to the Board of Directors itself - dedicate their time and effort to complement the work of the Board of Directors on specific issues and contribute to the development and transparency of the decision-making process. These Committees are comprised of Directors and, in the case of one Committee, an External Advisor, in addition to the participation of the Managers related to the issues treated there. It is important to note that the Company has formed these Committees voluntarily as they are not governed by the provisions on Committees of Law No.18,046 or the Updated List of Standards issued by the Superintendence of Banks and Financial Institutions (SBIF).

These Committees are:

AUDIT AND OPERATIONAL RISK MANAGEMENT COMMITTEE

The Audit and Operational Risk Management Committee is responsible for supervising the work of the comptroller management and the assistant manager of operational risk. At the same time, it analyzes and makes conclusions regarding external audit reviews and those performed by the CMF, and it analyzes the financial statements to be presented to the Board of Directors.

It is comprised of 3 Directors, 2 managers, General Manager and the Operational Risk Manager.

COMPENSATION AND HR COMMITTEE

The Compensation and HR Committee's mission is to establish policies related to all matters of Human Resources, including salaries, benefits and the annual incentives plan.

It is comprised of 4 Directors and the General Manager.

BUSINESS COMMITTEE

The Business Committee is focused on analyzing the progress of current business and new business initiatives. Likewise, it analyzes potential innovation to the current services and modifications or establishment of prices.

It is comprised of 3 Directors, 2 managers and the General Manager.

IT AND PROCESSES COMMITTEE

The IT and Processes Committee's mission is to analyze the Company's long-term technological solutions, as well as implement these through the execution of the annual investment and technological project development plan.

It is comprised of 3 Directors, one External Advisor, 4 Managers and the General Manager.

Company's Activities and Business

Depósito Central de Valores S.A. (DCV) is a Corporation constituted in accordance with Law 18,876, its bylaws and the instructions issued by the Superintendence of Securities and Insurance (SVS), now called Commission for the Financial Market (CMF). The sole purpose of DCV is to receive securities on deposit and thus facilitate transfer operations of these securities among the depositors according to the procedures established in said Law. DCV is an entity that in the fulfillment of its corporate purpose, processes and digitally records transfer operations in stock exchanges and non-stock exchange markets, and it coordinates and provides the information necessary for the financial settlement of these operations.

Among the services offered by DCV at national level is Electronic Registry of Pledges, a service that allows electronic registration and lifting of pledges, providing a solution that allows greater control, safety and efficiency in registration and lifting of pledges.

DCV also offers the service of international custody for Depositors that invest in foreign securities, in a similar way as with the custody of national securities. With this purpose, DCV has signed agreements with international securities depositories and global custodians, forming an infrastructure that allows it to offer the custody of securities abroad on the behalf of its Depositors. Likewise, DCV has signed agreements to open cash accounts in order to facilitate the settlement of operations against payment, carried out by the Depositors, as well as to carry out the steps that correspond to the exercise of equity rights.

Another service offered by the Company is the forward contracts registry, which consists of a platform where forward contracts are recorded, the signatures of the representatives are authorized – through the use of advanced electronic signature – and where the centralized and electronic custody of the forward contracts signed among depositors are held.

The service of managing shareholder and contributor registries is offered by the subsidiary DCV Registros to corporations and investment funds, freeing these from specialized work that is outside their scope of business, allowing them to focus on their respective business areas and reduce risks and operating costs.

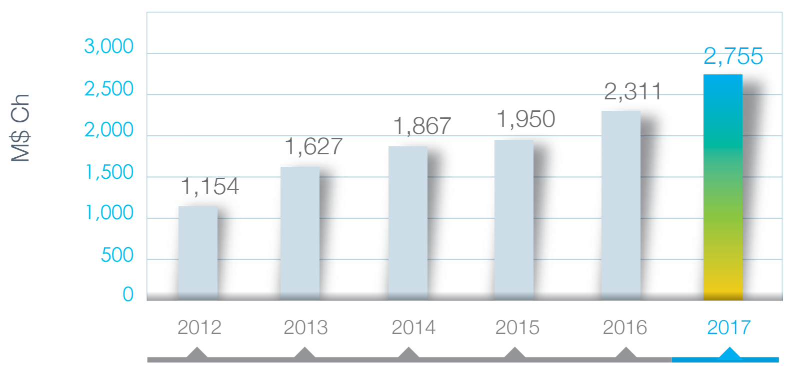
Company Management

	2012	2013	2014	2015	2016	2017
RELEVANT FIGURES						
Amount on Deposit (M UF)	6,397	6,479	6,751	6,910	7,848	9,088
Fixed Rate (*)	2,985	3,112	3,289	3,448	3,876	4,141
Financial Intermediation	1,521	1,586	1,654	1,642	1,788	1,744
Equities	1,891	1,781	1,808	1,820	2,184	3,163
Number of Transactions	3,365,141	3,390,870	3,284,925	3,306,082	3,416,196	3,510,391
Bilateral	2,559,043	2,572,616	2,524,271	2,621,012	2,686,674	2,625,983
Multilateral	806,098	818,254	760,654	685,070	729,522	884,408
Number of Billing Procedures	804,210	772,973	735,126	685,177	612,058	548,077
FINANCIAL INFORMATION						
STATEMENT OF INCOME (ThCh$)						
Operating Revenue	13,479,165	14,818,658	15,809,542	17,026,599	18,927,935	20,588,994
Operating Costs (minus)	-9,983,944	-10,421,355	-10,967,639	-11,933,446	-13,365,424	-14,001,501
Operating Margin	3,495,221	4,397,303	4,841,903	5,093,153	5,562,511	6,587,493
Administrative and Sales Expenses	-2,287,438	-2,596,639	-2,766,553	-2,808,484	-2,800,504	-3,150,515
Operating Income	1,207,783	1,800,664	2,075,350	2,284,669	2,762,007	3,436,978
Non-Operating Income	188,848	200,020	181,848	165,123	182,383	180,908
Pre-Tax Income	1,396,631	2,000,684	2,257,198	2,449,792	2,944,390	3,617,886
Income Tax	-242,473	-374,164	-390,653	-499,377	-632,933	-862,947
Income for the Year	1,154,158	1,626,520	1,866,545	1,950,415	2,311,457	2,754,939
STATEMENT OF FINANCIAL POSITION (ThCh$)						
Current Assets	4,894,478	5,992,562	6,130,373	7,214,435	9,258,541	11,247,508
Non-Current Assets	3,353,199	3,738,900	3,308,433	3,220,556	3,021,569	3,012,668
Other Assets	1,354,251	1,520,339	2,124,796	3,091,575	3,845,537	3,813,041
Assets	9,601,928	11,251,801	11,563,602	13,526,566	16,125,647	18,073,217
Current Liabilities	2,506,714	3,018,183	3,822,630	4,436,448	5,522,331	5,554,776
Non-Current Liabilities	1,291,502	1,316,259	621,032	589,571	523,844	491,213
Minority Interest	-	1	1	1	1	1
Equity	5,803,712	6,917,359	7,119,939	8,500,546	10,079,471	12,027,227
Total Liabilities and Equity	9,601,928	11,251,801	11,563,602	13,526,566	16,125,647	18,073,217
INDICATORS						
Debt Ratio	0.65	0.63	0.62	0.59	0.60	0.50
Return on Assets	12.02%	14.46%	16.14%	14.42%	14.33%	15.24%
Return on Equity	21.31%	25.57%	26.59%	24.97%	24.88%	24.92%

(*) Includes BRAA Custody

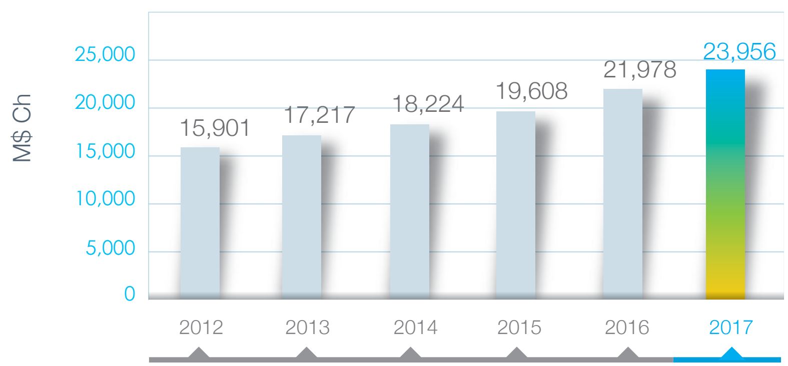
INCOME

Income for 2017 was MCh$2,755; 19.2% higher than 2016. The following graph shows the evolution of the Company's net income (after taxes) over the past 6 years.



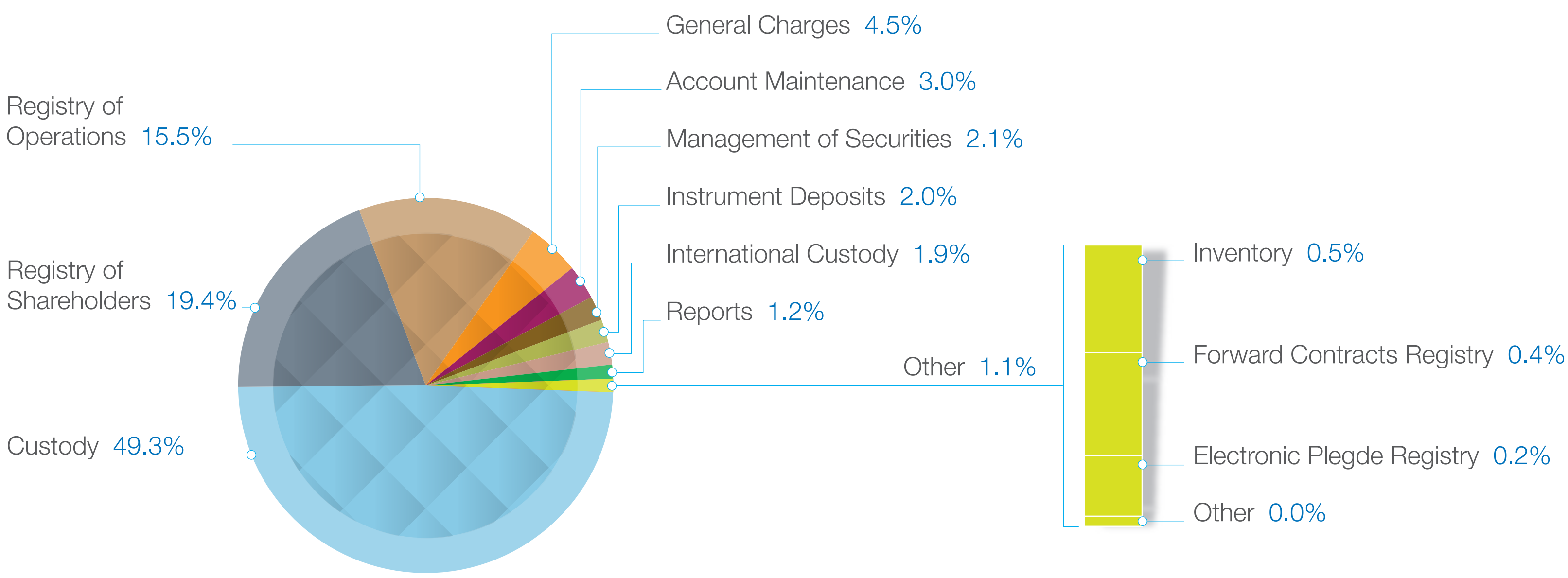
REVENUE

The Company's total gross revenue, before discounts, was MCh$23,956; 9% higher than in 2016. The following graph shows the evolution of the Company's operating revenue over the last 6 years:



Gross revenue from depository services represented 81% of total revenue, and equaled MCh$19,321, an increase of 10% with respect to 2016. For its part, the revenue generated by the subsidiary DCV Registros represented 19% of total gross revenue at MCh$4,636, 5% higher than in 2016.

The following graph shows the shares of the various revenue items of the Company's total sales:

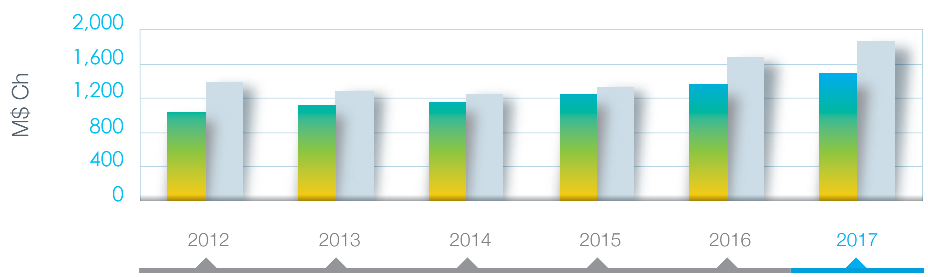


DISCOUNTS

The Company applies two types of discounts to its monthly billing to clients; the first is differentiated for each service and the second is a flat discount over the total invoice (commercial discount).

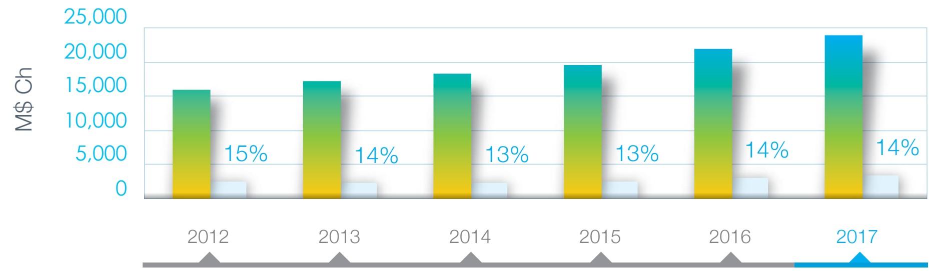
The current differentiated discounts are: 15% of the fixed monthly fee, 9% for the securities custody service, 5% for the opening of additional accounts, 4% for the registry of transactions and 22% for the securities management service.

During 2017, discounts totaled MCh$3,367, which is 10.4% higher than the previous year. Of this amount, 56% corresponds to commercial discounts (55% in 2016) and 44% to differentiated discounts (45% in 2016). The following graph shows the evolution of discounts granted by the Company in the last 6 years:



	2012	2013	2014	2015	2016	2017
Differentiated	1,037	1,110	1,164	1,247	1,362	1,492
Commercial	1,385	1,288	1,250	1,334	1,688	1,875

The graph below shows the relationship between the Company's gross revenue and the discounts granted since 2012:



	2012	2013	2014	2015	2016	2017
Gross Revenue	15,901	17,217	18,224	19,608	21,978	23,956
Discounts	2,422	2,398	2,414	2,581	3,050	3,367

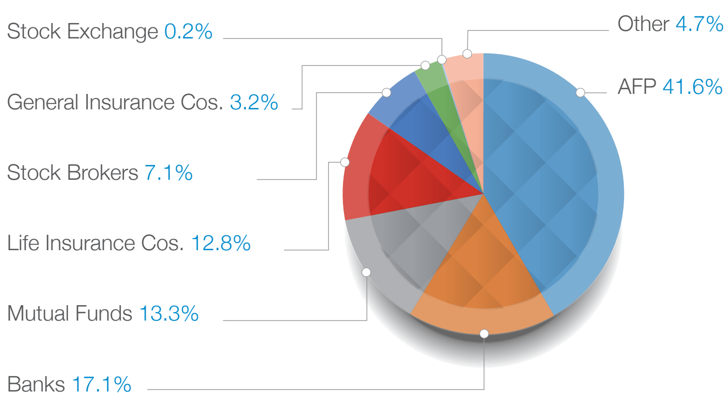
CLIENTS

As of December 2017, DCV has a total of 185 Depositors. These belong to distinct industries and contribute to revenue according to the following detail:

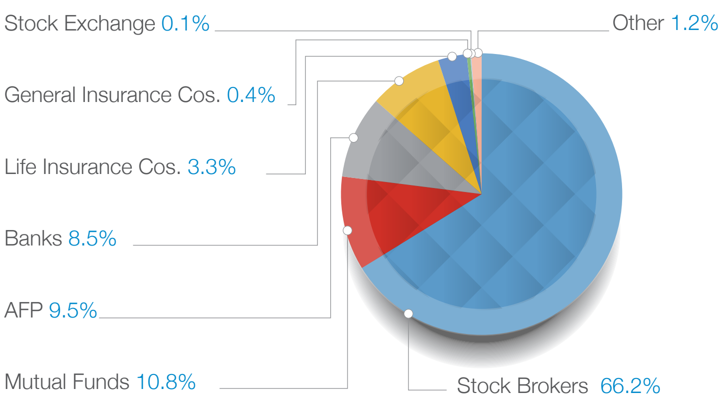
MARKET	Depositors	Share of Revenue
Stockbrokers	34	19.86%
Life Insurance Companies	36	8.03%
General Fund Managers	30	20.05%
General Insurance Companies	31	3.02%
Banks	22	20.11%
Corporations	20	1.99%
Pension Fund Administrators	6	23.87%
Stock Exchanges	3	0.49%
Government agency	3	2.58%

At the same time, during 2017, the share of revenue of the different industries for custody and transaction registry services is the following:

Securities Custody



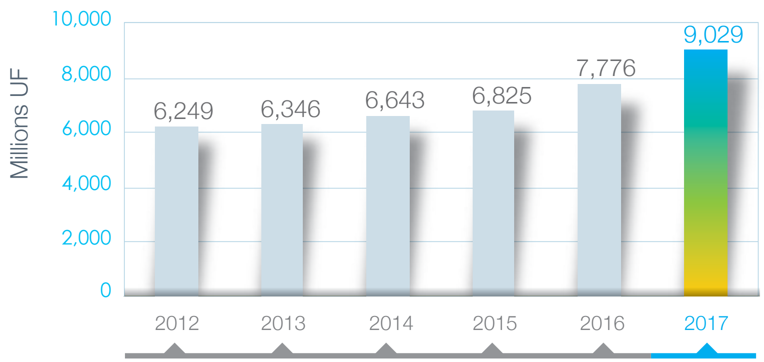
Transactions Registry



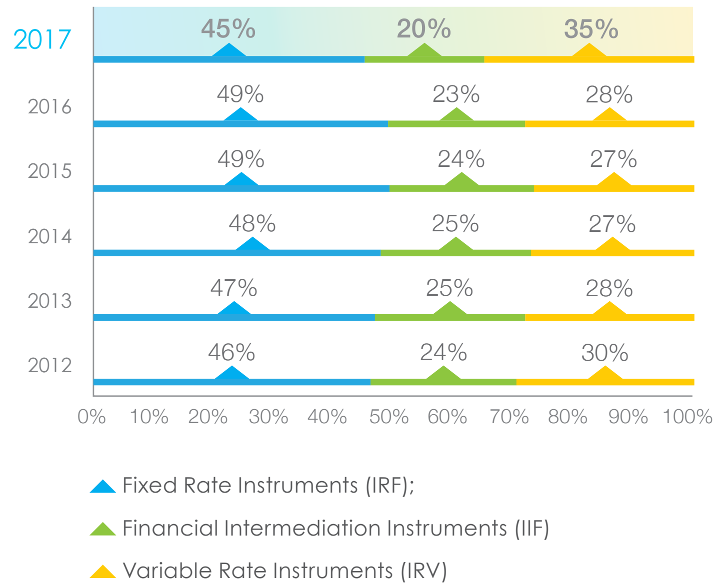
AMOUNT ON DEPOSIT

As of December 2017, the amount on deposit was 9,088 million UF, a 15.8% increase over 2016. Of this amount, 9,029 million UF corresponds to investment portfolios managed by market agents and 59 million UF to active affiliate recognition bonds (BRAA).

The following graph shows the evolution of the investment portfolio (not considering BRAA):



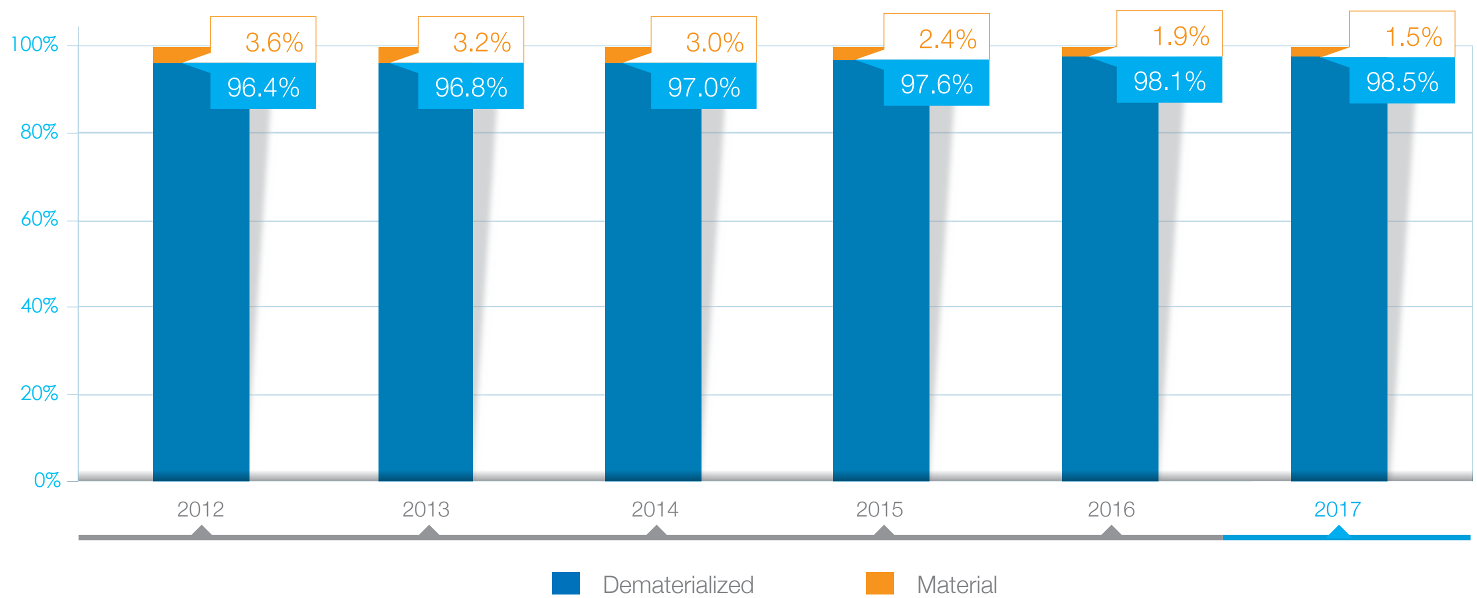
The evolution from 2012 of the share of each type of instrument as a percentage of the total amount in custody (not considering BRAA) is shown in the chart below:



The following table shows the amounts and the variation of rates recorded for the instruments in custody (not considering BRAA) for the last 6 years:

	Amount on Deposit (M of UF)						Variation Rate				
Market	2012	2013	2014	2015	2016	2017	13/12	14/13	15/14	16/15	17/16
IIF	1,521	1,586	1,654	1,642	1,788	1,784	4.3%	4.3%	-0.7%	8.9%	-0.2%
IRF	2,837	2,979	3,181	3,363	3,804	4,082	5.0%	6.8%	5.7%	13.1%	7.3%
IRV	1,891	1,781	1,808	1,820	2,184	3,163	-5.8%	1.5%	0.7%	20%	44.8%
Total	6,249	6,346	6,643	6,825	7,776	9,029	1.6%	4.7%	2.7%	13.9%	16.1%

The following graph shows the evolution of the amount on deposit that is dematerialized (not considering BRAA), as of December of each year:

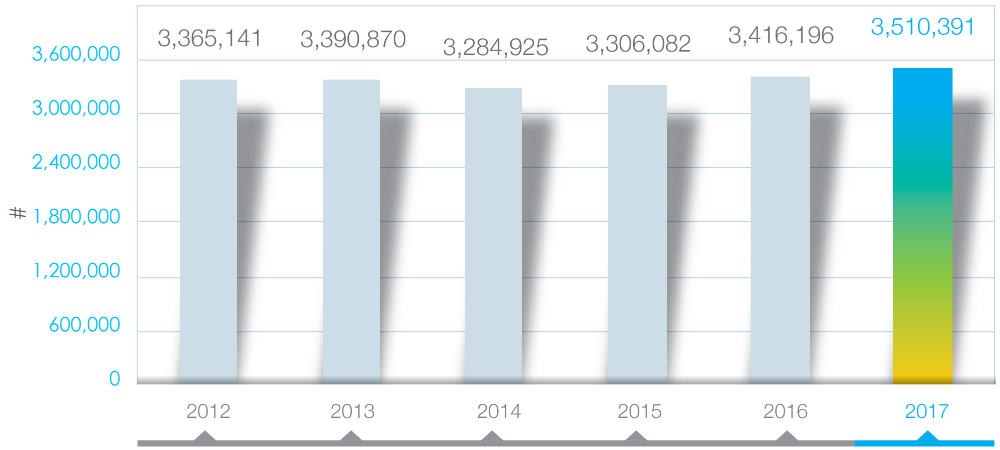


The percentage of dematerialization increased from 98.1% in 2016 to 98.5% in 2017. It should be noted that the physical issuance of financial instruments is almost non-existent.

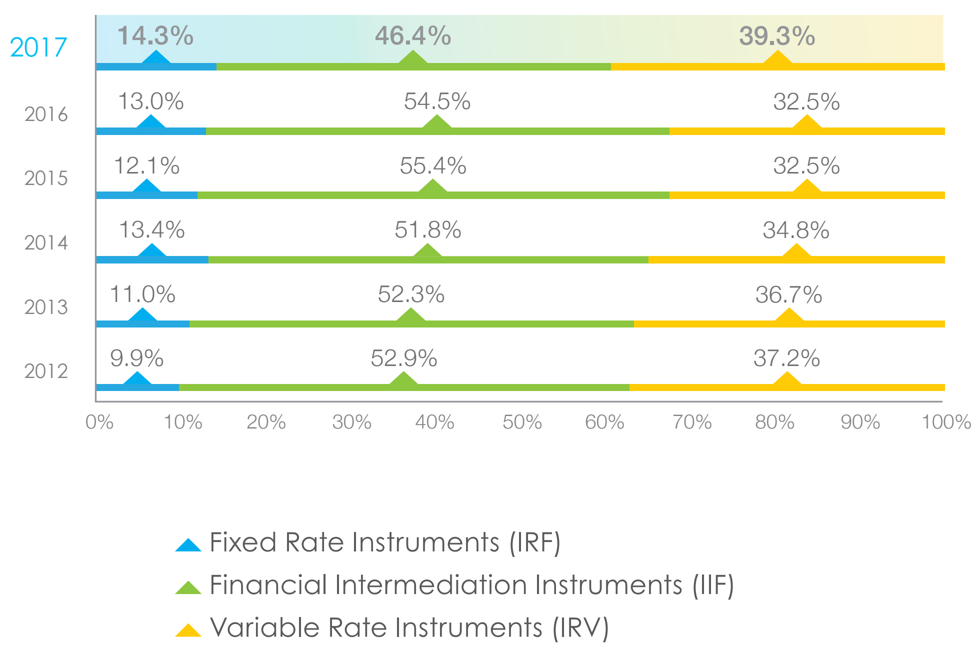
When considering BRAA instruments, the percentage of dematerialization lowers to 97.8% in 2017 and 97.2% in 2016.

REGISTRY OF PURCHASE AND SALE TRANSACTIONS

In 2017, the volume of sale transactions increased by 2.8% with respect to 2016. The following graph shows the evolution of these types of operations in DCV.



Based upon the type of instrument, the evolution of the share of each group of the total number of transactions registered by the Company is shown in the following chart:

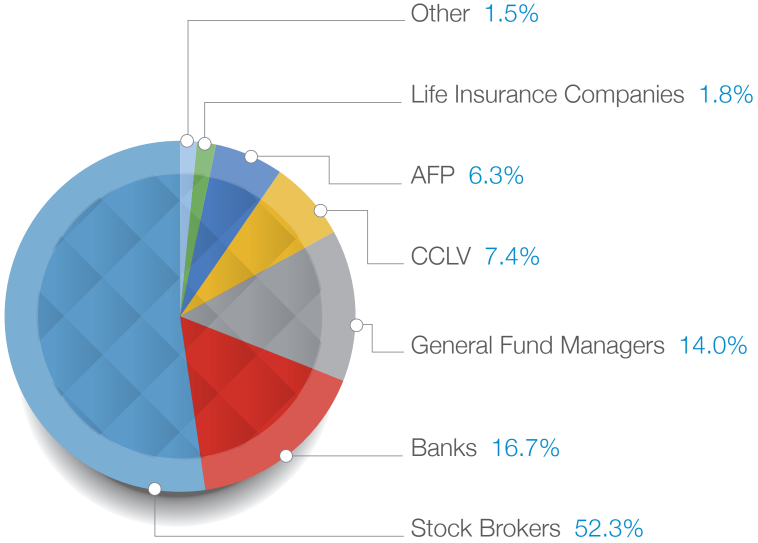


The following table shows the transactions and the rate of variation registered for the purchase and sale registry in the last 6 years:

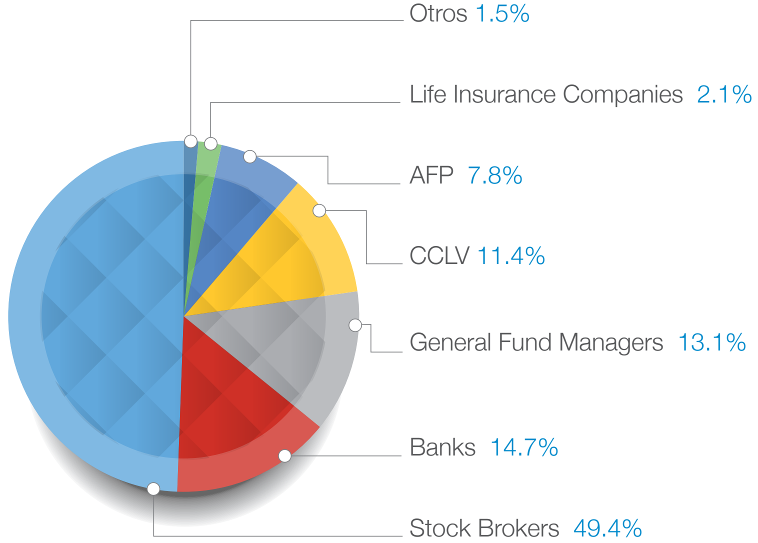
	Transactions (Thousands)						Variation Rate				
Market	2012	2013	2014	2015	2016	2017	13/12	14/13	15/14	16/15	17/16
IRV	1,251	1,244	1,142	1,073	1,111	1,378	-0.6%	-8.2%	-6.0%	3.6%	24%
IIF	1,781	1,773	1,703	1,832	1,861	1,630	-0.4%	-3.9%	7.6%	1.6%	-12.4%
IRF	333	374	440	401	443	502	12.3%	17.6%	-8.9%	10.6%	13.3%
Total	3,365	3,391	3,285	3,306	3,416	3,510	0.8%	-3.1%	0.6%	3.3%	2.8%

The following graph shows the share of each industry, with respect to total purchase and sale transactions recorded in 2016 and 2017.

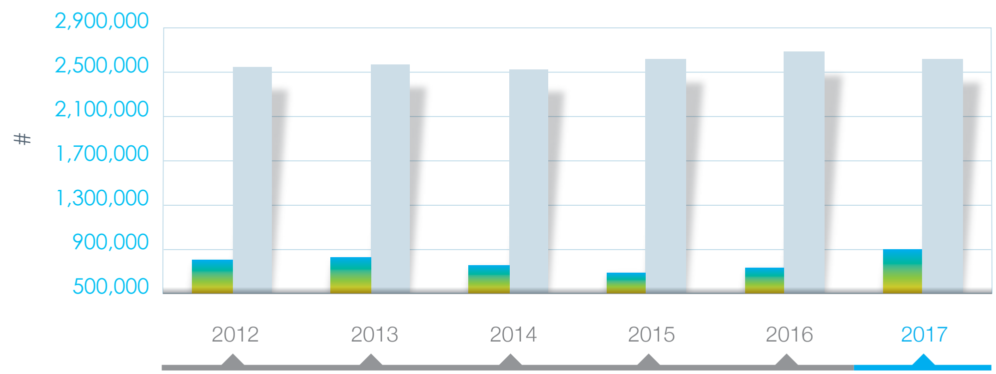
2016



2017

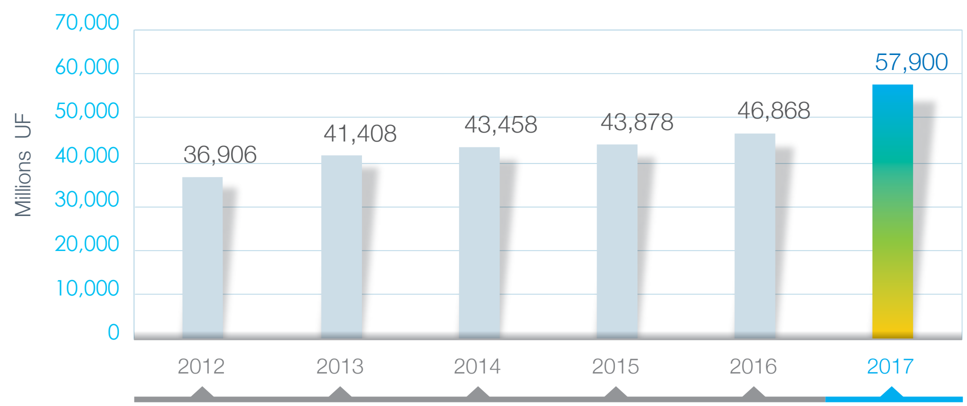


The evolution of sale transactions according to the form in which they are settled (Multilateral or Chamber and Bilateral) is as follows:



	2012	2013	2014	2015	2016	2017
Multilateral	806,098	818,254	760,654	685,070	729,522	884,408
Bilateral	2,559,043	2,572,616	2,524,271	2,621,012	2,686,674	2,625,983

In terms of the amounts traded in the registered sales, these increased by 23.5% with respect to 2016. The evolution in millions of UF from 2012 to date has been as follows:



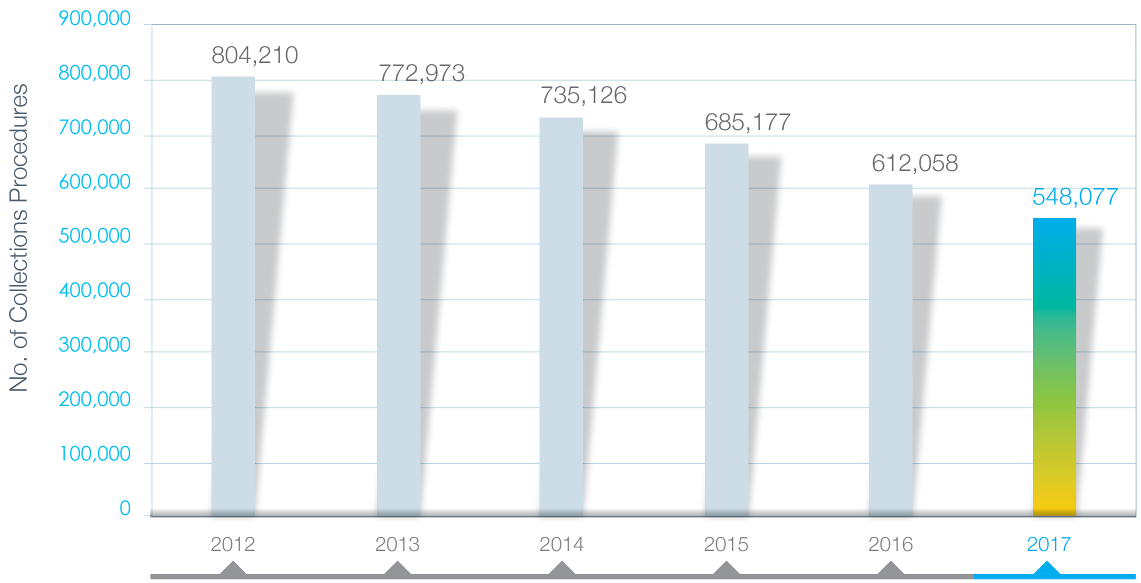
The following table shows the amounts traded by type of instrument and the variation rates recorded for the past six years:

	Amount Traded (Millions of UF)						Rate of Variation				
Market	2012	2013	2014	2015	2016	2017	13/12	14/13	15/14	16/15	17/16
IIF	20,657	22,370	23,267	23,802	25,627	28,081	8.3%	4.0%	2.3%	7.7%	9.6%
IRF	11,259	13,431	14,181	13,881	15,317	19,433	19.3%	5.6%	-2.1%	10.3%	26.9%
IRV	4,989	5,608	6,010	6,195	5,924	10,386	12.4%	7.2%	3.1%	-4.4%	75.3%
Total	36,906	41,408	43,458	43,878	46,868	57,900	12.2%	4.9%	1.0%	6.8%	23.5%

MANAGEMENT OF SECURITIES

During 2017, 548,077 collection procedures were registered, which represents a 10.5% decrease with respect to 2016. In total, the amount presented for collection was 13,468 million UF, equivalent to an increase of 7.4% with respect to 2016.

The following chart shows the evolution of collections performed by the Company during the last several years:



The chart below shows the volumes associated with securities management for each of the industries participating in DCV:

INDUSTRY	Collections		Amount Billed	
	Quantity	%	Millions of UF	%
Banks	280,402	51.2%	8,384	62.3%
General Fund Managers	89,799	16.4%	2,615	19.4%
Other	40,231	7.3%	1,036	7.7%
Pension Fund Administrators	50,850	9.3%	923	6.9%
Stock Brokers	40,382	7.4%	394	2.9%
Life Insurance Companies	39,537	7.2%	80	0.6%
General Insurance Companies	6,668	1.2%	35	0.3%
CCLV	208	0.0%	1	0.0%
Total	548,077	100%	13,468	100%

DEPOSIT OF DEMATERIALIZED INSTRUMENTS

During 2017, the Company maintained its effort to continue its dematerialization process, for both for the inventory of securities held in vaults as well as new instruments issued. Thus, in 2017, 1,040,309 deposits of titles were made representing a decrease of 4.8% over 2016. Of these, 99.8% were dematerialized.

The following chart shows the quantity of dematerialized and physical titles issued:

INSTRUMENT	Dematerialized	Physical	Total	% Physical Issuance
Bank Bonds	438,980	-	438,980	0.0%
Discountable Promissory Notes from the Central Bank (PDBC)	268,345	-	268,345	0.0%
Company Corporate Bonds	166,919	-	166,919	0.0%
Fixed Term Deposits	78,189	384	78,573	0.5%
Non-Serialized Negotiable Instruments	37,980	-	37,980	0.0%
General Treasury Bonds	36,821	-	36,821	0.0%
Letters of Credit	4,440	-	4,440	0.0%
Securitized Debt Titles	2,802	-	2,802	0.0%
Subordinated Bonds	2,000	-	2,000	0.0%
MINVU Leasing Bonds	1,685	-	1,685	0.0%
Recognition Bonds	-	1,610	1,610	100.0%
Other	154	-	154	0,0%
Total	1,038,315	1,994	1,040,309	0.2%

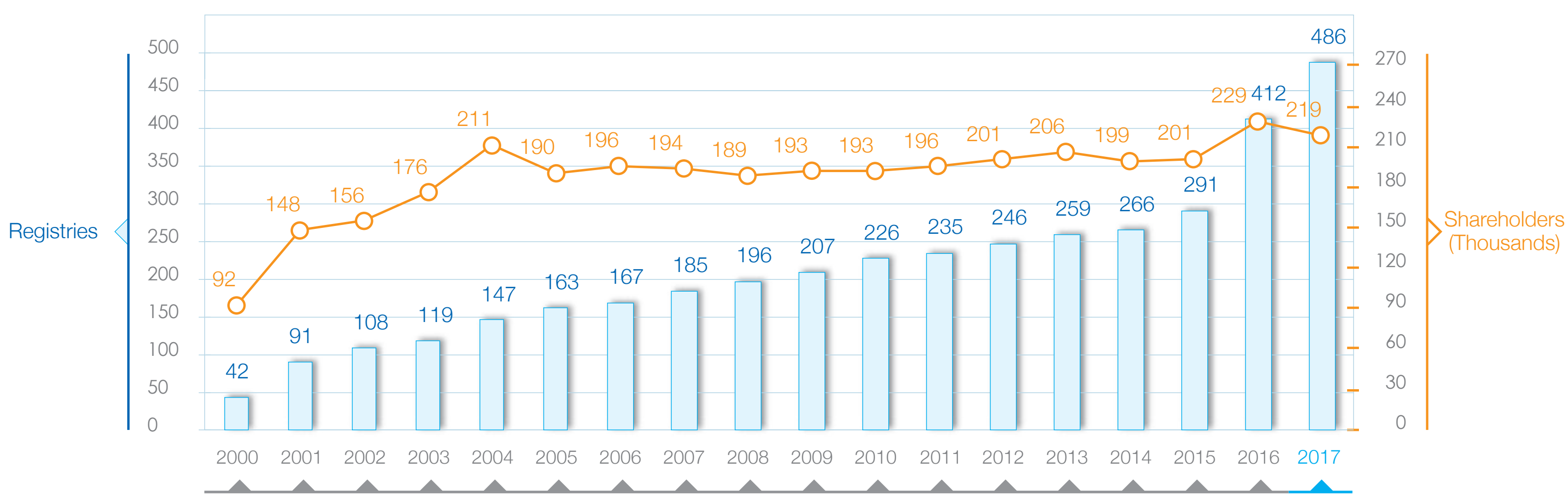
MANAGEMENT OF SHAREHOLDER REGISTRIES

At the close of 2017, 486 registries were under administration by the subsidiary DCV Registros, which are existing shareholders and/or contributors, and that including more than 219,000 shareholders and contributors. This compares favorably to 412 registries at the close of 2016. During the year, the subsidiary conducted 252 shareholder meetings, handling 107 Corporate Actions.

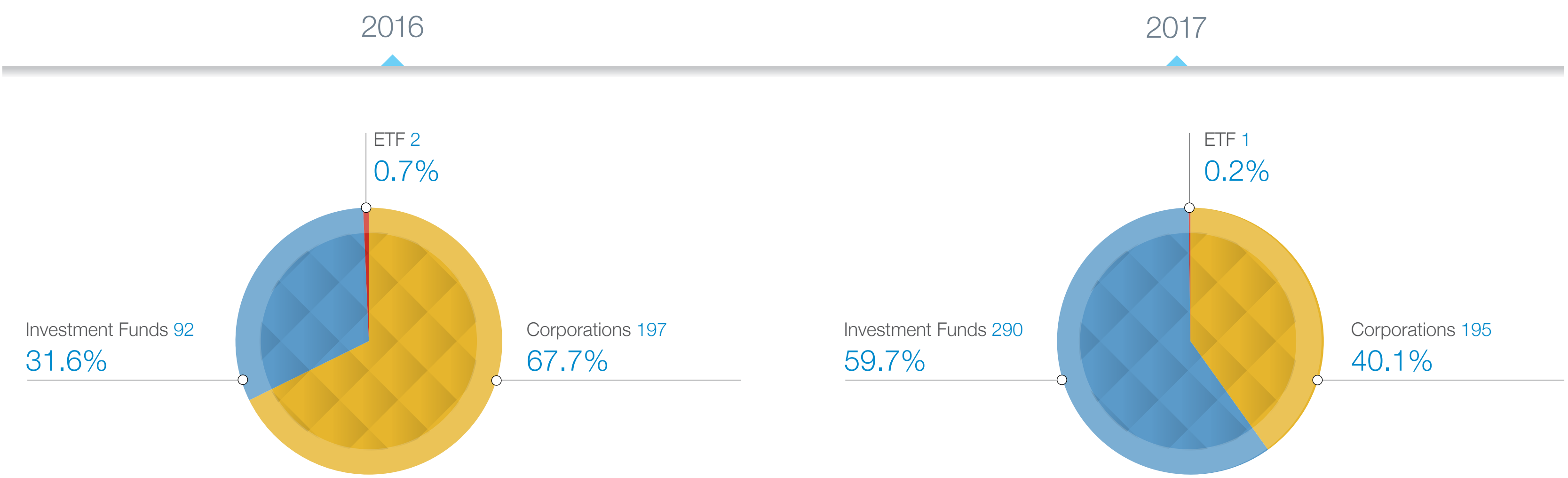
During 2017 the net growth was 74 records. This number is comprised of new contracts and the closing of some of them, due to mergers, buyouts or directly closing the registry.

The following graph shows the evolution of the managed registries and the number of shareholders from the beginning date of this service in 2000:

Registries / Shareholders



The following chart shows the composition of shareholder registries and current shareholder records portfolios for the closing of each year:

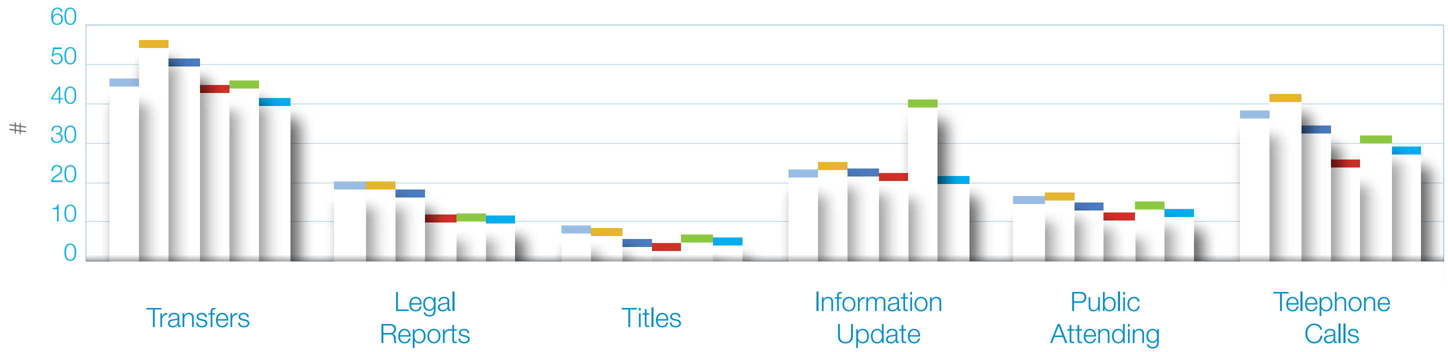


There is a growth in the Investment Funds managed by the subsidiary, representing 59.7% of the total shareholder registries and current shareholder records portfolios.

CORPORATE ACTIONS

During 2017, 252 meetings of shareholders were held versus 213 in 2016, 107 special processes associated with preferential share offers, rights to withdrawal, share exchange, share sales, capital decreases, share issuances, among others; and 167,888 dividend payments were made to shareholders (219,079 in 2016), in the amount of approximately MCh$890,809 (MCh$722,402 in 2016).

The following chart shows the most relevant transactional volumes over the last 6 years for the subsidiary DCV Registros.



	Transfers	Legal Reports	Titles	Information Update	Public Attending	Telephone Calls
2012	46,442	20,263	9,028	23,146	16,476	38,295
2013	56,101	20,177	8,502	25,186	17,488	42,391
2014	51,519	18,181	5,530	23,653	14,999	34,365
2015	44,797	11,916	4,468	22,318	12,367	25,872
2016	45,879	12,181	6,640	41,131	15,238	31,929
2017	41,402	11,601	5,979	21,573	13,192	29,195

PRIMARY RISK FACTORS

Depósito Central de Valores (DCV) is one of the entities whose critical mission is to ensure the proper functioning of the securities market in Chile. For this reason, the principal risk factor present in the Company's activities is the continuity and availability of its services. Operational Risk Management is largely aimed at mitigating the risks that could threaten the high levels of availability and continuity required of DCV.

The management of Operational Risk of DCV pursues a high standard of availability and continuity of services, through the strengthening of governance and continuous improvement of methodologies and policies implemented. Thus, in case of any failure, the market counts on measures that are effective, imperceptible, transparent and with the least impact as possible on customer operations.

OPERATIONAL RISK MANAGEMENT

Operational Risk Management is one of the strategic pillars of the organization and possesses governance that considers the active participation of directors and senior management. This area defines the guidelines and general framework of the Company's operations, monitoring the status of each of the Company's risk dimensions on a monthly basis. Through the use of a world-class GRC system (Governance, Risk and Compliance), the Company monitors and identifies the risks of the services in production, and anticipates risks for new services and projects that are in operation. Complementarily, it developed a registration and evaluation model for events aimed at identifying the risks and problems generated, allowing the Company to establish plans to mitigate and prevent their occurrence.

CERTIFICATION OF THE BUSINESS CONTINUITY MANAGEMENT SYSTEM

In September 2017, the annual certification process of ISO 22301 Business Continuity Management Standard (BCMS) of DCV was performed successfully, with 3 years' validity. The process was conducted by the BSI Group, one of the leading certification companies in the world.

This successful result demonstrates the commitment of DCV to maintaining the highest levels of industry standards and also validates implementation of best practices in business continuity. In short, the certification confirms that DCV meets the necessary conditions to avoid the impact of unexpected and potentially devastating incidents and the Company is capable of continuing its operations even in critical situations and emergencies, protecting and reducing the potential damage to its business and reputation, ensuring the safety of its employees and the interests of other stakeholders.

INTERNATIONAL QUALITY CERTIFICATION

During 2017, the Internal Audit and Compliance area of the Company received the International Quality Certification, the certification was conducted by the Institute of Internal Auditors of Spain, authorized by the Global Institute of Internal Auditors (IIA Global), the world's leading authority on this matter.

The Quality Assessment (QA) demonstrates the commitment of the Company, for compliance with International Standards in the professional practice of Internal Audit and for continuously improving its quality performance, professionalism and best practices.

PREVENTION ACTIVITIES AND BUSINESS ETHICS

During 2017, Depósito Central de Valores complied with the monitoring and testing process of the Crime Prevention Model (Law No. 20,393), a process carried out by an independent entity and required to re-certify the model for a period of two years. During the year, DCV continued complying with the programs and procedures implemented to comply with the regulations regarding money laundering and financing of terrorism provided by the Financial Analysis Unit (Law No. 19,913), and also the amendments to the Law related to the identification of final beneficiaries of legal entities were incorporated.

Business ethics in DCV is one of the fundamental pillars that define the way we do business, the values are the hallmark with which the Company seeks to be recognized and through which guides each of the tasks and actions undertaken. In this area, the team of the Corporate Integrity Program continued to operate and making efforts and activities to actively promote ethics and integrity attitudes in all employees.

SERVICE QUALITY

During 2017, the evaluation and study of DCV quality services continued. Thus, for five months surveys were conducted with 600 users, from a universe of 188 clients who answered on a scale of 1 to 7, to indicate their perception about the performance of DCV systems and services. The results show an average score of 6.4, where 88% of the answers lie in the range of score between 6 and 7, ranking once again the services of the Company in levels of excellence.

SERVICES AND COMMERCIAL ACTIVITIES

In accordance with the DCV mission and its constant preoccupation to promote the development and innovation of the Chilean Capital Market, during 2017 the Company completed important business projects, some of which have had a major impact and benefit for the Chilean securities market.

We emphasize the support given by the Central Bank of Chile to the modernization project of the electronic platform of SOMA system and adherence to the ISO 15022 standard, which included the purchase and sale modules, creation of instruments and in a relevant way, the start-up of the service of Special Pledge, whose establishment was the result of the modification of Law No. 18,876 through the so-called Productivity Law.

Similarly, during the year the projects corresponding to the service of contribution and rescue of Mutual Funds Shares with financial instruments, new service of contribution and automatic withdrawal of OSAS, automatic reporting DCV Registros, among others, were released to the market.

From a business perspective, 2017 was a year of record revenue for DCV and DCV Registros, which was achieved by core services of national custody, supported by highest custody volumes, and also by the record in billing for international business and pledge service. In the case of DCV Registros, a record of more than 560 registries managed was reached.

DCV IN THE MARKET

During 2017, DCV held important marketing events for its customers and the Company was also the host of a global event of one of international organizations of which it is a member. Among the events we highlight: the service quality event for operators, seminar on innovation and a look to future by the exhibitor Mr. Sergio Melnick for DCV and DCV Registros customers, hosting of ANNA extraordinary meeting (Association of National Numbering Agencies). Likewise, the DCV, for the first time, participated actively in financial education fair organized by the Superintendence of Banks and Financial Institutions.

DCV – NASDAQ ALLIANCE: FIRST STAGE OF THE PROJECT COMPLETED

During 2017, the alliance of our company with Nasdaq was solidified, making part of the DCV Evolution Project, a project that has multiple benefits, which can be classified into the following areas:

- Permits the modernization of the systems linked to the Custody and Securities Settlement service, it will provide a technology for worldwide use, in reference to securities depositories.
- Permits to obtain the vision of Nasdaq, a relevant participant in the global industry; which will allow access to the continuous renewal of services for the Chilean market, in the times demanded according to the new realities.

Also, in 2017 a very important stage of this project was completed, a stage where the functional requirements and all the necessary elements were defined together with Nasdaq, to have a project that considers fulfillment of strategic pillars, defined from the beginning.

Nasdaq is a company that provides services to stock exchanges, securities depositories, information services and solutions for listed companies, across six continents. Nasdaq technology is present in more than 70 markets in 50 countries and one in ten securities transactions in the world.

THE DCV ESSENCE: OUR PEOPLE

From beginning, the DCV has developed a culture based on trust and respect for all its employees, assuming an essential commitment, provide equal opportunities and spaces for everyone. During 2017, in accordance with history of DCV, work continued on the construction of a diverse and inclusive working environment that respects and values individual differences, in order to take advantage of the strengths and talents of each collaborator, looking to guarantee a continuous and sustainable growth, which is key to achieving the objectives.

As of December 31, 2017, the Company had a total of 236 employees. Of these, 62 correspond to the subsidiary DCV Registros. Within the parent company, 10.9% are management, 63.2% are professionals and 25.9% are administrative staff (19, 110 and 45 people, respectively), while in the subsidiary 4.8% are management, 32.3% are professionals and 62.9% are administrative staff (3, 20 and 39 people, respectively). Regarding gender, 62% of total employees are men and 38% are women.

RESPONSIBILITY WITH SOCIETY

DCV being aware of the fundamental business role in development of a better society, has sought to generate a positive impact for shareholders, employees, customers, suppliers, environment and community. Within this context, education is understood as the basis of each society, given its transforming power, which allows to transmit knowledge, but also values, social norms, behaviors and a vision of the future. That is why it became the central axis for the development of 2017 Donation Program, with three main axes:

- Donation of training surpluses to the Betania Acoge Foundation, granting Work Scholarships to women from the Valparaíso region, who live in extreme social vulnerability.

- Work practices for San Luis Beltrán School. This School has a vulnerability index of 75% and its modality is Polyvalent with technical studies in Telecommunications.

- And through corporate volunteerism, sponsoring the Kindergarten Parinacota, in the commune Quilicura, that serves children with high levels of vulnerability, with 90%, children of Haitian immigrants.The corporate volunteerism was implemented as a window to create a place for meeting, reciprocity, awareness and communication, thus becoming a practice that adds value to the Company and its employees, which are increasingly more committed to the idea of making DCV a great company.

DISCOUNT POLICY

In 2017, the Board of Directors maintained the structure of Differentiated Discounts for services provide to customers, which was 11%. At an aggregate level, the total discount represents 17% of DCV's revenues.

DIVIDEND POLICY

The dividend policy approved for the Company consists of distributing at least 30% of the net profits for the year. The policy was established in order to make the Statement of Financial Position stronger and also comply with one of the CPSS-IOSCO Principles, with a cash reserve is being constituted consisting of 6 months of the Company's operating expenses. In April 2017, the Definitive Dividend No.28 was paid for a total of MCh$365, equivalent to $2,335 Pesos per share. In November 2017 the Provisional Dividend No. 29 was paid for a total of MCh$624, equivalent to $4,000 Pesos per share. At the end of 2017, a minimum dividend of MCh$202 was provisioned, thus complying with the distribution of 30% of the income for the year. The evolution of dividends paid over the past six years is shown in the chart below:

No.	Year	Type	$ per share	Millions of Ch$
19	2012	Final	1,298	203
20	2012	Provisional	2,427	379
21	2013	Provisional	2,248	351
22	2014	Final	878	137
23	2014	Eventual	6,850	1,069
24	2015	Final	3,587	560
25	2015	Provisional	2,443	381
26	2016	Final	1,363	213
27	2016	Provisional	2,107	329
28	2017	Final	2,335	365
29	2017	Provisional	4,000	624

BOARD OF DIRECTORS AND EXECUTIVES' COMPENSATION

In addition to participating in Meetings of the Board of Directors, the Directors also participate in the Audit and Operational Risk Management, IT and Processes, Business, and Compensation and Human Resources Committees.

The Compensation and Human Resources Committee is composed of 4 Directors, while the Audit and Operational Risk Management, Business and IT and Processes Committees are composed of 3 Directors, along with the participation of the Company's managers and executives.

The Board of Directors meet once a month, and the Committees meet according to their own schedules. The Audit and Operational Risk Management Committee meets ten times a year.

Compensation for the Board of Directors approved at the 2017 Shareholders' Meeting corresponded to 120UF for the Chairman, 90UF for the Vice-President and 60UF for each Director, with a 50% allocation for responsibility and 50% for attendance.

The compensation received by the Directors during 2017 for their participation in the abovementioned Committees corresponds to 60UF for the President of each Committee and 30UF for each participating Director.

During 2017 and 2016, total compensation paid to the Directors was in the amount of MCh$285 and MCh$241, respectively. The compensation received by each Director is as follows:

	ThCh$	
	2017	2016
Sergio Baeza Valdés	40,149	35,146
Arturo Concha Ureta	37,095	32,222
Juan Carlos Reyes Madriaza	33,239	26,029
Mario Gómez Dubravcic	29,240	25,367
José Arturo del Río Leyton	27,386	25,042
José Antonio Martínez Zugarramurdi	27,247	20,044
Guillermo Tagle Quiroz	25,669	18,877
Jorge Claude Bourdel	24,216	22,788
Fred Meller Sunkel	19,414	16,934
Juan Andes Camus Camus	19,176	-
Maximiliano Vial Valenzuela	2,640	18,549

The Directors of the subsidiary DCV Registros are the same as for the parent company and receive no compensation for their participation on the Board of Directors of the Company.

The Company's organizational structure consists of 8 principal executives (8 in 2016). The salaries for this professional category for 2017 and 2016 totaled MCh$1,205 and MCh$1,169, respectively.

The Company has an incentive plan consisting of an annual bonus, which is paid, based on the fulfillment of the annual objectives established by the Compensation and Human Resources Committee. The incentives received by the team of executives during 2017 and 2016 correspond to MCh$454 and MCh$419, respectively.

B

BUSINESS AND SERVICES DEVELOPMENT

During 2018, work will continue on more than a dozen projects and others that are being studied with important focus on R & D, where it is expected to advance in study and realization of concrete steps in the so-called Fintech field. On the other hand, there is a set of tasks and defined challenges to increase revenues in both DCV and DCV Registros and improvements in communication and commercialization activities of services, in order to continue the strengthening of DCV and its positioning in the market, promoting all the training, seminars and education programs that DCV carries out from time to time.

O

OPERATION AND IT ARCHITECTURE

During 2018, maintaining of high standards for the stability of platforms will continue to be one of main focuses of attention, because the continuity and availability of services are the principal risk factors present in activities of Company. This is how the efforts will be oriented to development a technological infrastructure that provides guarantees of operational continuity and information security to the market, aligned with compliance with best practices.

Consistent with the aforementioned, in 2018 work will be done on updating IT Plan, in order to analyze and define the new guidelines that will govern the plans of different IT areas and the initiatives in this area.

R

RISK MANAGEMENT

In 2018, control of risk and operation will be maintained and strengthened, with special emphasis on the continuity of business and information security. Therefore, in these areas, the testing programs associated with the maintenance of the Business Continuity and Disaster Recovery plans will continue to be strengthened, as well as the permanent characteristics of the IT Risk and elements of Cybersecurity and Resilience / CSDR, all this based on the corporate concept of “risk-based management”.

D

DCV EVOLUTION PROJECT

2018 will be a year of significant challenges in the scope of DCV Evolution/Nasdaq Project, during 2018 will work on the implementation of the solution, both in field of technological infrastructure necessary for its use, as well as in its functional scope. This stage will require a special dedication of specialists to the project; In addition, aspects necessary for the success of implementation must be managed, such as rigorous planning, recurrent coordination activities and adequate control and monitoring of each stage, in order to fulfill the objectives set for the project to be successful.

P

PEOPLE MANAGEMENT

DCV believes that having a heterogeneous work team is an advantage to be more creative, innovative and permits better understanding and service to customers, and that is why during 2018 the actions in this area will focus on aspects such as work environment, responsible leadership, quality of life and the balance between personal and work life as these issues are active so that employees develop fully.

ORGANIZATIONAL CULTURE

During 2018, the Organizational Culture will continue to be developed based on the guidelines contained in the Strategic Plan. For this, activities in this area will focus on the definition and promotion of necessary competencies for the development of Company, insisting on deepening the risk-based management culture (information security, internal communication plans and others) and it will seek to favor the use of agile methodologies for development of processes and projects (collaboration).

FINANCE

During 2018 the Company will seek to achieve the profitability that allows for the development of DCV and remunerates its shareholders -this within the profitability range defined in the Strategic Planning for the next 5 years- and an Operational Plan will be developed aimed at finding efficiencies in critical processes, for this, cost management must be taken into account, in order to safeguard an appropiate cost structure and operational efficiency, all of the above maintaining the current structure of rates and discounts.

Consolidated Financial Statements

Depósito Central de Valores S.A., Securities Depository and Subsidiary

For the twelve-month periods ended December 31, 2017 and 2016

Independent Auditor's Report
Consolidated Statements of Financial Position
Consolidated Statements of Income By Type
Consolidated Statements of Comprehensive Income
Consolidated Statements of Changes In Equity
Consolidated Statements of Cash Flows
Notes to the Consolidated Financial Statements

$	=	Chilean Pesos
ThCh$	=	Thousands of Pesos
MCh$	=	Millions of Pesos
UF	=	Unidades de fomento
US$	=	U.S. dollars

IA

Independent Auditor's Report

The Shareholders and Directors
Depósito Central de Valores S.A., Depósito de Valores:

We have audited the accompanying consolidated financial statements of Depósito Central de Valores S.A., Depósito de Valores and its Subsidiary, which comprise the consolidated statement of financial position as of December 31, 2017 and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Depósito Central de Valores S.A., Depósito de Valores S.A. and its Subsidiary as of December 31, 2017, and the results of their operations and their cash flows for the year then ended in accordance with International Financial Reporting Standards.

OTHER MATTERS – PREDECESSOR AUDITOR

The consolidated statements of Depósito Central de Valores S.A., Depósito de Valores and its Subsidiary as of December 31, 2016, and for the year then ended, were audited by other auditors whose report dated January 17, 2017, expressed an unmodified opinion on those consolidated financial statements.

The above translation of the auditor's report is provided as a free translation from the Spanish language original, which is the official and binding version. Such translation has been made solely for the convenience of non-Spanish readers.

Mario Torres S. | KPMG LTDA.
Santiago, January 18, 2018

FP

Deposito Central de Valores S.A., Securities Depository and Subsidiary

Consolidated Statements of Financial Position

As of December 31, 2017 and 2016

ASSETS	Note Number	Dec-31-17 ThCh$	Dec-31-16 ThCh$
CURRENT ASSETS			
Cash and Cash Equivalents	6	4,114,553	5,473,465
Other Current Financial Assets	7	2,669,917	38,982
Other Current Non-Financial Assets	8	1,287,930	1,012,708
Trade Receivables and Other Accounts Receivable	10	2,796,000	2,650,637
Accounts Receivable from Related Companies	11c	9,925	7,719
CURRENT ASSETS		10,878,325	9,183,511
NON-CURRENT ASSETS			
Other Non-Current, Non-Financial Assets		35,464	34,953
Other Non-Current, Financial Assets	7	390,017	-
Intangible Assets Other than Goodwill	13	3,321,319	3,529,776
Property, Plant & Equipment	14	3,012,669	3,021,569
Deferred Tax Assets	15	435,423	355,838
NON-CURRENT ASSETS		7,194,892	6,942,136
TOTAL ASSETS		18,073,217	16,125,647

The accompanying Notes 1 to 33 are an integral part of these financial statements.

FP

Deposito Central de Valores S.A., Securities Depository and Subsidiary

Consolidated Statements of Financial Position

As of December 31, 2017 and 2016

LIABILITIES AND EQUITY	Note Number	Dec-31-17 ThCh$	Dec-31-16 ThCh$
CURRENT LIABILITIES			
Other Current Financial Liabilities	16	139,064	74,006
Trade Payables and Other Accounts Payable	17	1,585,440	1,532,247
Current Tax Liabilities	12	4,480	182,633
Current Provisions for Employee Benefits	18	1,920,302	1,915,419
Other Current Non-Financial Liabilities	19	506,835	640,559
TOTAL CURRENT LIABILITIES		4,156,121	4,344,864
NON-CURRENT LIABILITIES			
Other Non-Current Financial Liabilities	16	491,213	519,935
Non-Current Provisions for Employee Benefits	18	1,398,655	1,177,467
Deferred Tax Liabilities	15	-	3,908
TOTAL NON-CURRENT LIABILITIES		1,889,868	1,701,310
TOTAL LIABILITIES		6,045,989	6,046,174
EQUITY			
Paid-In Capital	20	4,089,817	4,089,817
Retained Earnings (Losses)	20	8,016,816	6,088,491
Other Comprehensive Income	20	(79,406)	(98,836)
Equity Attributable to Owners of the Parent		**12,027,227**	**10,079,472**
Non-Controlling Interest	20	1	1
TOTAL EQUITY		12,027,228	10,079,473
TOTAL LIABILITIES AND EQUITY		18,073,217	16,125,647

The accompanying Notes 1 to 33 are an integral part of these financial statements.

CI

Deposito Central de Valores S.A., Securities Depository and Subsidiary

Consolidated Statements of Comprehensive Income

For the years between January 1 and December 31, 2017 and 2016

STATEMENT OF INCOME	Note Number	ACCUMULATED Jan-01-17 Dec-31-17 ThCh$	Jan-01-16 Dec-31-16 ThCh$
PROFIT (LOSS)			
Revenue	21	20,588,994	18,927,935
Cost of Employee Benefits	22	(9,812,059)	(9,850,189)
Depreciation and Amortization Expenses	13 and 14	(1,764,881)	(1,244,936)
Other Expenses by Type	23	(5,575,077)	(5,070,803)
Other Profits (Losses)	24	126,875	111,407
PROFIT (LOSS) FROM OPERATING ACTIVITIES		3,563,852	2,873,414
Financial Income		130,009	116,159
Financial Costs	25	(67,544)	(26,487)
Foreign Currency Conversion		(2,152)	2,008
Income from Price Level Adjustment		(6,280)	(20,704)
PRE-TAX PROFIT (LOSS)		3,617,885	2,944,390
Income Tax Expense	26	(862,946)	(632,933)
PROFIT (LOSS) FROM CONTINUING OPERATIONS		2,754,939	2,311,457
PROFIT (LOSS)		2,754,939	2,311,457
Profit (Loss) Attributable to Owners of the Parent Company		2,754,939	2,311,457
Profit (Loss)		2,754,939	2,311,457
Profit (Loss) per Basic Share from Continuing Operations	27	17,647	14,806
Profit (Loss) per Basic Share		17,647	14,806

The accompanying Notes 1 to 33 are an integral part of these financial statements.

Deposito Central de Valores S.A., Securities Depository and Subsidiary

Consolidated Statements of Comprehensive Income

For the years between January 1 and December 31, 2017 and 2016

STATEMENT OF INCOME (Continued)	Note Number	ACCUMULATED Jan-01-17 Dec-31-17 ThCH$	ACCUMULATED Jan-01-16 Dec-31-16 ThCH$
STATEMENT OF COMPREHENSIVE INCOME			
Profit (Loss)		2,754,939	2,311,457
Other Comprehensive Income, Before Taxes, Actuarial Profits (Losses) for Defined Benefit Plans	20g	26,616	(53,538)
INCOME TAX RELATED TO COMPONENTS OF OTHER COMPREHENSIVE INCOME			
Income Tax Related to New Measurements of Defined Employee Benefits of Other Comprehensive Income	20g	(7,186)	14,456
Sum of Income Tax Related to Other Comprehensive Income Components		**(7,186)**	**14,456**
Other Comprehensive Income	**18**	**19,430**	**(39,082)**
COMPREHENSIVE INCOME		2,774,369	2,272,375
COMPREHENSIVE INCOME ATTRIBUTABLE TO			
Comprehensive Income Attributable to Owners of the Parent		2,774,369	2,272,375
COMPREHENSIVE INCOME		**2,774,369**	**2,272,375**

The accompanying Notes 1 to 33 are an integral part of these financial statements.

CE

Deposito Central de Valores S.A., Securities Depository and Subsidiary

Consolidated Statements of Changes in Equity

For the years between January 1 and December 31, 2017 and 2016

	Note Number	Paid-In Capital ThCh$	Retained Earnings (Losses) ThCh$	Equity Attributable to Owners of the Parent ThCh$	Non-Controlling Interest ThCh$	Total Equity ThCh$
BEGINNING BALANCE CURRENT YEAR 01-01-2017		4,089,817	5,989,655	10,079,472	1	10,079,473
Restated Beginning Balance		4,089,817	5,989,655	10,079,472	1	10,079,473
CHANGES IN EQUITY						
Comprehensive Income						
Profit (Loss)		-	2,754,939	2,754,939	-	2,754,939
Other Comprehensive Income	20g	-	19,430	19,430	-	19,430
Comprehensive Income		**-**	**2,774,369**	**2,774,369**	**-**	**2,774,369**
Dividends	20f	-	(826,613)	(826,613)	-	(826,613)
Increase (decrease) by transfers and other changes			(1)	(1)	-	(1)
Total Changes in Equity		-	1,947,755	1,947,755	-	1,947,755
FINAL BALANCE CURRENT YEAR 12-31-2017	20	4,089,817	7,937,410	12,027,227	1	12,027,228

	Note Number	Paid-In Capital ThCh$	Retained Earnings (Losses) ThCh$	Equity Attributable to Owners of the Parent ThCh$	Non-Controlling Interest ThCh$	Total Equity ThCh$
BEGINNING BALANCE PREVIOUS YEAR 01-01-2016		4,089,817	4,410,729	8,500,546	1	8,500,547
Restated Beginning Balance		4,089,817	4,410,729	8,500,546	1	8,500,547
CHANGES IN EQUITY						
Comprehensive Income						
Profit (Loss)		-	2,311,457	2,311,457	-	2,311,457
Other Comprehensive Income	20g	-	(39,082)	(39,082)	-	(39,082)
Comprehensive Income		**-**	**2,272,375**	**2,272,375**	**-**	**2,272,375**
Dividends	20f	-	(693,449)	(693,449)	-	(693,449)
Total Changes in Equity		-	1,578,926	1,578,926	-	1,578,926
FINAL BALANCE PREVIOUS YEAR 12-31-2016	20	4,089,817	5,989,655	10,079,472	1	10,079,473

The accompanying Notes 1 to 33 are an integral part of these financial statements.

CF

Deposito Central de Valores S.A., Securities Depository and Subsidiary

Consolidated Statements of Cash Flows

For the years between January 1 and December 31, 2017 and 2016

STATEMENT OF CASH FLOWS	Note Number	Dec-31-17 ThCh$	Dec-31-16 ThCh$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
Types of Charges for Operating Activities			
Charges from the Sale of Goods and Provision of Services		21,284,831	19,623,189
Payment to Suppliers for Provision of Goods and Services		(4,772,988)	(4,260,154)
Payments to and on Behalf of Employees		(9,590,014)	(9,022,811)
Other Payments for Operating Activities		(2,562,570)	(2,194,013)
Net Cash Flows From (Used In) Operating Activities		**4,359,259**	**4,146,211**
Interest Received		206,873	190,431
Income Tax Returned (Paid)		(184,628)	(123,236)
Other Cash Inflows (Outflows)		(20,901)	(11,296)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	5	4,360,603	4,202,110
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
Other Payments to Acquire Equity or Debt Instruments From Other Entities, Classified as Investing Activities		(368,119)	-
Other Charges for the Sale of Equity or Debt Instruments of Other Entities		-	101,482
Amounts From Sale of Property, Plant and Equipment		-	-
Purchases of Property, Plant and Equipment		(1,673,215)	(1,840,026)
Other Cash Inflows (Outflows), Classified as Investing Activities		(2,584,088)	1,108,519
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	5	(4,625,422)	(630,025)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES			
Payment of Liabilities for Financial Leases		(72,486)	(60,515)
Dividends Paid	20 a	(988,969)	(541,709)
Interest Paid (Received)		(27,401)	(26,487)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	5	(1,088,856)	(628,711)
Net Increase (Decrease) in Cash and Cash Equivalents, Before Effect of Exchange Rate Variation		**(1,353,675)**	**2,943,374**
Effect of Exchange Rate Variation on Cash and Cash Equivalents		(5,237)	(647)
Net Increase (Decrease) in Cash and Cash Equivalents		**(1,358,912)**	**2,942,727**
Cash and Cash Equivalents at Beginning of Year		**5,473,465**	**2,530,738**
Cash and Cash Equivalents at End of Year	**6**	**4,114,553**	**5,473,465**

The accompanying Notes 1 to 33 are an integral part of these financial statements.

NOTE 1 CORPORATE INFORMATION

A) COMPANY INFORMATION

The Company was constituted via public document on March 15, 1993, granted before the Santiago Notary of Mr. René Benavente Cash, and an extract was published in the Official Gazette on March 22, 1993.

The Company is subject to the regulations of Law No. 18,876 of 1989 and the instructions issued by the SVS. The Company does not require inscription in the Securities Registry.

Via Exempt Resolution No. 264 of December 29, 1993, the SVS authorized the Company to operate as a Securities Depository and approved its Internal Bylaws and the Depository Contract to be used.

Depósito Central de Valores S.A., Securities Depository (DCV) is located at Avenida Apoquindo 4001, 12th floor, Las Condes, Santiago, Chile.

The subsidiary DCV Registros S.A. was constituted via public document on April 10, 2001, granted before the Santiago Notary of Mr. René Benavente Cash, and an extract was published in the Official Gazette on July 17, 2001.

B) PRINCIPAL ACTIVITIES

The Company's activities are performed in Chile and correspond, as indicated by its corporate purpose, to the custody of securities, which includes securities custody services (custody of the financial instruments in the investment portfolios of Depositors), transactions registry (debiting the position from the account of the selling depositor and crediting it to the buyer's account, electronically), dematerialized deposits (the deposit of instruments issued electronically by the different entities authorized to issue publicly-traded instruments; this is done without the need to physically print the titles), management of securities (related to the exercise of the ownership rights that the financial instruments held on deposit generate, such as the billing of interest, amortization, drawings, prepayments and any other similar rights, which are informed by DCV to the entity responsible for issue or its payer and are received by the Depositor) and other minor responsibilities.

NOTE 1 CORPORATE INFORMATION (Continued)

B) PRINCIPAL ACTIVITIES (Continued)

During the past few years, the Company has also developed international services in relation to operations that involve foreign securities and whose origin or destination involves international custody. In this way, the operations that the depositors can perform through this service are the following: International Securities Custody, Purchases and Sales Registry of Securities Free of Payment or Against Payment, Constitution of Guarantees, Management of Securities and Securities Loans.

For its part, the subsidiary DCV Registros S.A. provides the service of Shareholder Registry Management allowing Corporations to externalize this specialized work, which is outside their normal scope of business in order to reintegrate productive capacities into their respective business areas.

C) EMPLOYEES

The number of employees of DCV and DCV Registros S.A., as of December 31, 2017 and 2016, reached 236 and 223, respectively, considering only employees with indefinite contract.

NOTE 2 BASIS OF PREPARATION

A) ACCOUNTING PERIODS COVERED

For the convenience of the reader, these financial statements and their accompanying notes have been translated from Spanish into English.

The Consolidated Statement of Financial Position as of December 31, 2017, is presented in comparison to that of December 31, 2016.

The Consolidated Statements of Comprehensive Income are presented for the years ended December 31, 2017 and 2016. The Consolidated Statements of Cash Flows and Changes in Equity include activity between January 1 and December 31, 2017 and 2016.

NOTE 2 BASIS OF PREPARATION (Continued)

B) BASIS OF PREPARATION

B.1) CRITERIA

The Consolidated Financial Statements as of December 31, 2017 and 2016, were originally prepared in accordance with the instructions and standards for preparation and presentation of financial information issued by SVS, which are composed to International Financial Reporting Standards ("IFRS").

The Financial Statements as of December 31, 2017 and 2016, the Statements of Comprehensive Income, the Statements of Changes in Equity and Cash Flows for the years ended at December 31, 2017 and 2016, were originally prepared in accordance with the instructions and standards for preparation and presentation of financial information issued by SVS, which are composed to International Financial Reporting Standards ("IFRS").

B.2) RESPONSIBILITY FOR THE INFORMATION

The information contained in these consolidated financial statements is the responsibility of the Company's Management, which expressly states that the principles and criteria included in the International Financial Reporting Standards ("IFRS") issued by the International Accounting Council ("IASB"), and represent the comprehensive, explicit and unreserved adoption of these international standards.

B.3) MANAGEMENT ESTIMATES

In the preparation of the consolidated financial statements, certain estimates made by the Company's Management have been used to quantify some of the assets, liabilities, revenue, expenses and commitments recorded herein. These estimates primarily refer to:

I. The useful life of the property, plant and equipment, and intangibles (Note No. 14 and Note No. 13).
II. Basis for the calculation of employee benefits - termination benefits for years of service, actuarial calculation (Note No. 18).
III. Impairment of customers based on the age of the portfolio and an individual assessment (Note No. 10)
IV. The hypothesis of future taxable revenue generation, whose taxation is deductible from the deferred tax assets, as well as deferred tax expenses through the generation of deferred tax liabilities (Note No. 15).
V. The fair value of financial assets and liabilities (Note No. 7).

Even when these estimates have been made based on the best information available on the date of issuance of the present consolidated financial statements, it is possible that events that occur in the future will require their modification (up or down) in future periods, which would be done prospectively, recognizing the effects of the change in estimates in the corresponding future consolidated financial statements.

B.4) CLASSIFICATION OF CURRENT AND NON-CURRENT

In the enclosed statement of financial position, the balances are classified based on maturity, that is, those with an expiration of twelve months or less are current, while those with an expiration exceeding twelve months are non-current.

C) BASIS OF CONSOLIDATION

AFFILIATES

The affiliated company is an entity controlled by the Group. The financial statements of the subsidiary are included in the consolidated financial statements as of the date on which control begins until the date it ends. The Group controls an entity when it is exposed, or has the right to, variable profits as a result of its share in said entity and has the ability to influence said profits through its power over the entity.

LOSS OF CONTROL

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities, any related non-controlling interests and other equity components. Any resulting profit or loss is recognized in income. If the Group retains any share in the former subsidiary, this shall be valued at its fair value on the date when control was lost.

COMPANIES INCLUDED IN THE CONSOLIDATION

According to the accounting standards on the consolidation of financial statements, the present consolidated financial statements include the assets, liabilities, income and cash flows of Depósito Central de Valores S.A., Securities Depository and of its subsidiary DCV Registros S.A., in which it has a participation of 99.99996%. The effects of significant transactions performed with DCV Registros S.A. have been eliminated and the share of non-controlling shareholders presented in the Consolidated Statement of Financial Position and the Consolidated Statement of Income by Type is recognized in "Non-Controlling Interests."

NON-CONTROLLING INTEREST

The non-controlling interest represents the portion of profits and losses and the net assets, of which, directly or indirectly, the company does not own. Non-controlling interest is presented separately within the consolidated statement of income and comprehensive income, and within the equity in the consolidated statement of financial position.

NOTE 2 BASIS OF PREPARATION (Continued)

D) FUNCTIONAL CURRENCY AND FOREIGN CURRENCY TRANSLATION

The consolidated financial statements are presented in thousands of Chilean pesos (ThCh$), which is the Company's functional and presentation currency.

Monetary assets and liabilities denominated in other currencies at the date of presentation are converted to the functional currency using the exchange rate effective on said date.

Monetary assets and liabilities denominated in UF at the date of presentation are converted to the functional currency using the exchange rate effective on said date. The exchange rates at the closing of the consolidated financial statements are as follows:

Currency	Dec-31-17 ThCh$	Dec-31-16 ThCh$
UF	26,798,14	26,347,98
American Dollar	615,22	667,29
New peruvian Sun	189,94	198,95
Euro	735,21	698,51
Mexican Peso	31,16	32,30

E) APPROVAL OF THE FINANCIAL STATEMENTS

The current consolidated financial statements were approved by the Company's Board of Directors at the Board of Directors' meeting No. 279 on January 18, 2018.

NOTE 2 BASIS OF PREPARATION (Continued)

F) RECLASSIFICATIONS FROM PREVIOUS YEAR

During 2017, the Company revalued the provisions recorded for payment of settlements, included in the line of Trade payables and other accounts payable, concluding that said provisions should be considered in Current provisions for employee benefits account given the nature of the provision. In accordance with the foregoing, the following reclassifications were made in the consolidated financial statements of the previous year with the purpose of making them comparable with the consolidated financial statements of the current year.

CONCEPT	Final Balance Dec-31-16 ThCh$	Reclassification ThCh$	Reclassified Balance Dec-31-16 ThCh$
Trade Payables and Other Accounts Payable	1,679,444	(147,197)	1,532,247
Current Provisions for Employee Benefits	1,768,222	147,197	1,915,419

In addition, a revaluation of the statement of Cash Flows was made, concluding that some items should be corrected, reclassifying some concepts, given the nature of the cash flows. In accordance with the foregoing, the following reclassifications were made in the Statement of Cash Flows and Note No. 5 Financial Information by Segment for the year ended December 31, 2016 with the purpose of making them comparable with the consolidated financial statements of the current year.

NOTE 2 BASIS OF PREPARATION (Continued)

F) RECLASSIFICATIONS FROM PREVIOUS YEAR (Continued)

STATEMENT OF CASH FLOWS	Final Balance Dec-31-16 ThCh$	Reclassification ThCh$	Reclassified Balance Dec-31-16 ThCh$
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES			
Charges from the Sale of Goods and Provision of Services	20,174,004	(550,815)	19,623,189
Payment to Suppliers for Provision of Goods and Services	(4,810,969)	550,815	(4,260,154)
Payments to and on Behalf of Employees	(9,022,811)	-	(9,022,811)
Other Payments for Operating Activities	(2,194,013)	-	(2,194,013)
Net Cash Flows From (Used In) Operating Activities	4,146,211	-	4,146,211
Interest Received	191,181	(750)	190,431
Income Tax Returned (Paid)	(123,236)	-	(123,236)
Other Cash Inflows (Outflows)	(11,296)	-	(11,296)
Net Cash Flows From (Used In) Operating Activities	4,202,860	(750)	4,202,110
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
Other Charges for the Sale of Equity or Debt Instruments of Other Entities	101,482	-	101,482
Purchases of Property, Plant and Equipment	(1,840,026)	-	(1,840,026)
Other Cash Inflows (Outflows), Classified as Investing Activities	1,107,769	750	1,108,519
Net Cash Flows From (Used In) Investing Activities	(630,775)	750	(630,025)

The reclassifications indicated had no impact on the Equity or on the Result previously reported.

NOTE 2 BASIS OF PREPARATION (Continued)

G) NEW ACCOUNTING PRONOUNCEMENTS

New standards, amendments to standards and interpretations with mandatory application for the first time from the periods beginning on January 1, 2017

AMENDMENTS AND/OR MODIFICATIONS	DATE OF MANDATORY APPLICATION
IAS 7 Statement of Cash Flows	January 1, 2017
IAS 12 Income Tax	January 1, 2017
IFRS 12 Disclosure of Interests in Other Entities.	January 1, 2017

IAS 7 "STATEMENT OF CASH FLOWS"

This amendment was issued on January 1, 2016 and instructs the disclosure of information that allows readers of the financial statements to assess the changes in the liabilities resulting from financing activities. This includes both changes affecting cash and changes that do not affect cash. A way to comply with this requirement could be the disclosure of reconciliation between the opening and closing balances of liabilities arising from the financing activities. However, the objective could also be met in other ways, by releasing the financial institutions or other entities that already present improved disclosures in this area.

Even though the disclosure of changes in other assets and liabilities is possible, such supplementary disclosure should be presented separately from the changes in the liabilities from financing activities.

In other words, this amendment is intended to make known all those movements of financial liabilities that, without being cash flows, they modify the obligation without this amendment corresponding to a financing flow.

The amendments are effective for annual periods beginning on January 1, 2017, or after that date.

Management considers that this amendment has no impact on its consolidated financial statements since the Company does not have financing activities that may produce any changes in its financial liabilities.

IAS 12 "RECOGNITION OF DEFERRED TAX ASSETS FOR UNREALIZED LOSSES"

This amendment was issued on January 19, 2016 and clarifies that the existence of a deductible temporary difference only depends on the comparison between the carrying amount of an asset and the tax base at the end of the reporting period and will not be affected by possible future changes in the carrying amount or the way the recovery of the asset is expected. For this reason, assuming that the tax base remains at the original cost of the debt instrument, there is a temporary difference.

The following question is if you can recognize a deferred tax asset if the future taxable income is expected to be a loss. The amendments show that the answer is "yes" if certain conditions are met.

The amendment is effective for annual periods beginning on January 1, 2017, or after that date. Its early adoption is permitted provided that the company presents the corresponding requested disclosures. The amendment is prospectively applied.

Management considers that this amendment does not have an important impact given the characteristics of the assets and liabilities recorded in the consolidated financial statements of the Company, and those foreseen to exist in 2018.

ANNUAL IMPROVEMENTS TO IFRS STANDARDS 2014-2016 CYCLE. AMENDMENTS TO IFRS 12

IFRS 12: The disclosure requirements for interests in other entities also apply to the interests classified as Held for Sale not Distribution.

The amendment is effective for annual periods beginning on January 1, 2017, or after that date. The amendment is prospectively applied.

A series of new standards, modifications to standards and interpretations are applicable to the annual periods beginning on January 1, 2018, or after that date, and which were not applied in the preparation of these consolidated financial statements. Those standards that can be relevant for the Company are detailed as follows. The Company does not plan to adopt these standards in advance.

NOTE 2 BASIS OF PREPARATION (Continued)

G) NEW ACCOUNTING PRONOUNCEMENTS (Continued)

NEW STANDARDS	DATE OF MANDATORY APPLICATION
IFRS 9 Financial Instruments	January 1, 2018
IFRS 15 Revenue from Contracts with Customers	January 1, 2018
IFRS 16 Leases	January 1, 2019

IFRS 9 "FINANCIAL INSTRUMENTS"

IFRS 9 (2009) introduces new requirements for the classification and measurement of financial assets. Under IFRS 9 (2009), financial assets are classified and measured based upon the business model in which they are held and the characteristics of their contractual cash flows. IFRS 9 (2010) introduces additions related to financial liabilities.

On November 19, 2013, the IASB issued a new document that extends and amends this Standard and other related standards, Hedge Accounting and amendments to IFRS 9, IFRS 7, and IAS 39. This document includes the new general hedge accounting model, it allows the early adoption of the requirement of presenting changes in value for own credit risk in liabilities designated at fair value with effect on income, which are presented in Other Comprehensive Income.

On July 24, 2014, the IASB issued the fourth and the last version of its new standard on financial instruments, IFRS 9 — Financial Instruments. The new standard provides guidelines on the classification and measurement of financial assets, including impairment, and supplements the new hedge accounting principles published in 2013.

The application date corresponds to the consolidated financial statements issued for periods beginning on January 1, 2018, or after that date. Its early adoption is permitted.

The adoption and the advance application of this Standard. In Chile, are mandatory for securities intermediaries and stockbrokers of products, as established in the Circular No. 615 of the Superintendence of Securities and Insurance, dated June 10, 2010.

Management considers that this amendment will not have a relevant impact on its consolidated financial statements.

IFRS 15 “REVENUE FROM CONTRACTS WITH CUSTOMERS”

Issued on May 28, 2014, this Standard replaces IAS 11 — Construction Contracts, IAS 18 — Revenue, IFRIC 13 — Customer Loyalty Programs, IFRIC 15 — Agreements for the Construction of Real State, IFRIC 18 — Transfers of Assets from Customers, and SIC 31 — Revenue - Barter Transactions Involving Advertising Services. This new standard applies to the contracts with customers, but it does not apply to insurance contracts, financial instruments or lease contracts, which are within the scope of other IFRS.

It introduces a single model for ordinary revenue recognition that applies to contracts with customers and two approaches for revenue recognition: at a moment in time or along a period. The model considers a transaction analysis based on five steps in order to determine whether revenue is recognized, when it is recognized and what amount is recognized:

1.- Identifying the contract with the customer
2.- Identifying the performance obligations of the contract
3.- Determining the price of the transaction
4.- Distributing the price of the transaction in the performance obligations
5.- Recognizing the revenue when (or to the extent in which) the entity meets the performance obligation.

The Standard is effective for annual periods beginning on January 1, 2018, or after that date. Its early adoption is permitted.

Management considered the possible impact of the adoption of this Standard, and it concluded that the Standard IFRS 15 — Revenue from Contracts with Customers will not have a relevant impact on the current operating models of DCV and DCV Registros.

NOTE 2 BASIS OF PREPARATION (Continued)

G) NEW ACCOUNTING PRONOUNCEMENTS (Continued)

IFRS 16 "LEASES"

Issued on January 13, 2016, this Standard requires that the companies record all leases in their financial statements from January 1, 2019. Companies with operating leases will have more assets, but also a higher debt. The larger the lease portfolio of the company, the larger the impact on the report metrics.

The Standard is effective for annual periods beginning on January 1, 2019, or after that date. Its early adoption is permitted. Management is evaluating the possible impact of the adoption of this Standard.

The new interpretations of IFRS are summarized as follows:

NEW INTERPRETATIONS	DATE OF MANDATORY APPLICATION
IFRIC 22: Foreign Currency Transactions and Advance Consideration	Annual periods beginning on January 1, 2018, or after that date. Its early adoption is permitted.
IFRIC 23: Uncertainty over Income Tax Treatments	Annual periods beginning on January 1, 2019, or after that date. Its early adoption is permitted.

IFRIC 22: FOREIGN CURRENCY TRANSACTIONS AND ADVANCE CONSIDERATION

This interpretation clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. It covers foreign currency transactions when an entity recognizes a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or revenue. reso.

It does not apply when an entity measures the related asset, expense or revenue at fair value at the fair value of the consideration received or paid at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability. Also, the interpretation does not need to be applied to income taxes, insurance contracts or reinsurance contracts. The date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a transaction date is established for each payment or receipt.

In other words, when there is a different exchange rate between the date an advance is made or received and the date the recognition of the asset, expense or related revenue is performed, the exchange rate of the date the advance or advances (if they were more than one) are made or received must be respected. This interpretation is effective for annual periods beginning on January 1, 2018, or after that date. Its early adoption is permitted.

Management considers that this amendment will not have a relevant impact on its consolidated financial statements.

IFRIC 23: UNCERTAINTY OVER INCOME TAX TREATMENTS

This interpretation, issued on June 7, 2017, guides the determination of taxable profit (tax losses), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty over income tax treatments under IAS 12.

Specifically considers:

- Whether the tax treatments should be considered collectively.
- The assumptions related to the inspections of the taxation authorities.
- The determination of taxable profit (tax losses), tax bases, unused tax losses, unused tax credits and tax rates.
- Effect of changes in facts and circumstances.

The interpretation is effective for annual periods beginning on January 1, 2019, or after that date. Its early adoption is permitted.

Management considers that this amendment will not have a relevant impact on its consolidated financial statements.

The improvements and/or amendments to IFRS are summarized as follows:

AMENDMENTS TO IFRS	APPLICATION DATE
IAS 28: Long-term Interests in Associates and Joint Ventures	Annual periods beginning on January 1, 2019, or after that date. Its early adoption is permitted.
IFRS 10, Consolidated Financial Statements and IAS 28, Investments in Associates and Joint Ventures: Sales or contributions of assets between an investor and its associate/joint venture	Effective date deferred indefinitely.
IFRS 15, Revenue from Contracts with Customers: Amendment that clarifies requirements and offers some additional transition relief for companies implementing the new standard	Annual periods beginning on January 1, 2018, or after that date. Its early adoption is permitted.
Annual improvements to IFRS 2014-2016 cycle. Amendments to IFRS 1 and IAS 28	Annual periods beginning on January 1, 2018, or after that date. Their early adoption is permitted.

IAS 28: LONG-TERM INTERESTS IN ASSOCIATES AND JOINT VENTURES

This amendment includes:

- Paragraph 14A has been added to clarify that an entity applies IFRS 9 including its impairment requirements, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.
- Paragraph 41 has been deleted because the Board felt that it merely reiterated requirements in IFRS 9 and had created confusion about the accounting for long-term interests.

The interpretation is effective for annual periods beginning on January 1, 2019, or after that date. Its early adoption is permitted.

Management is evaluating the possible impact of adopting this Standard.

AMENDMENT TO IFRS 10, CONSOLIDATED FINANCIAL STATEMENTS AND IAS 28, INVESTMENTS IN ASSOCIATES AND JOINT VENTURES: SALES OR CONTRIBUTIONS OF ASSETS BETWEEN AN INVESTOR AND ITS ASSOCIATE/JOINT VENTURE

This amendment was issued on September 11, 2014. It requires that at the moment of performing transfers of subsidiaries to an associate or joint venture, all the profit is recognized when the transferred assets constitute a "business" as defined by IFRS 3 — Business Combinations. The amendment puts strong pressure on the definition of "business" for the recognition in income. The amendment also introduces new and unexpected accounting for transactions that consider the partial holding of assets that do not constitute a business. The effective application date of this amendment has been postponed indefinitely.

AMENDMENT TO IFRS 15 REVENUE FROM CONTRACTS WITH CUSTOMERS: CLARIFICATION OF REQUIREMENTS AND DISPOSITIONS TO FACILITATE THE TRANSITION

An amendment that clarifies requirements and offers some additional transition relief for companies implementing the new standard. The amendment is effective for annual periods beginning on January 1, 2018, or after that date. Its early adoption is permitted and it is an integral part of IFRS 15.

Management considers that this amendment will not have a relevant impact on its consolidated financial statements.

ANNUAL IMPROVEMENTS TO IFRS 2014-2016 CYCLE: IFRS 1 AND IAS 28

IFRS 1: It eliminates the short-term extensions in paragraphs E3 to E7 in IFRS 1 since they have already met its purpose.

IAS 28: Investments in Associates: A venture capital organization or another qualified entity can choose to measure at fair value through profit or loss its investments in an associate or joint venture. This election could be made on an investment-by-investment basis. An investor that it is not an investment entity can choose to retain the accounting at fair value applied by an associate investment entity or joint venture to its subsidiaries. This election can be made separately for each associate investment entity or joint venture.

NOTE 2 BASIS OF PREPARATION (Continued)

G) NEW ACCOUNTING PRONOUNCEMENTS (Continued)

The amendments are effective for the annual periods beginning on January 1, 2018, or after that date. The amendment to IAS 28 is applied retrospectively. The early application of the amendment to IAS 28 is permitted.

Management considers that this amendment will not have a relevant impact on its consolidated financial statements.

H) MEASUREMENT BASIS

The consolidated statement of financial position they have been prepared on the basis of historical cost, with exception of the following items, which have been measured at fair value:

- Derivative financial instruments at fair value through profit or loss (Note 3a.1, except for notes 3a.1.2 and 3a.1.3).
- Financial instruments not derivatives at fair value through profit or loss (Note 3.a.1.2).

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

As of December 31, 2017, the accounting policies applied to the Parent Company and its subsidiary are the following:

A) FINANCIAL ASSETS

A.1) CLASSIFICATION AND PRESENTATION

The Company classifies its assets into the following categories: at fair value through profit or loss, loans and accounts receivable, financial assets held until maturity, assets available for sale and other financial assets. The classification depends on the purpose with which the financial assets were purchased. Management determines the classification of its financial assets at the moment of its initial recognition.

a.1.1) Financial assets at fair value through profit or loss

The financial assets are classified into the category of financial assets through profit or loss when these are held for trade or designated at its initial recognition at fair value through profit or loss. A financial asset is classified into this category if it is mainly purchased with the purpose of selling it in the short term. The profits and losses of assets held for trade are recognized in income and the associated interests are recognized separately in the financial revenue.

a.1.2) Loans and accounts receivable

The loans and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities of over 12 months from the closing date, which are classified as non-current assets. The loans and accounts receivable are included in "Trade and other accounts receivable", in the consolidated statement of financial position.

a.1.3) Financial assets held until maturity

The financial assets held until maturity are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company intends or is able to hold until their maturity. If the Company sold an amount that was more than an insignificant amount of the financial assets held until maturity, the entire category would be reclassified as financial assets available for sale.

a.1.4) Financial assets available for sale

Financial assets available for sale are non-derivative assets that are designated in this category or are not classified in any other aforementioned category. They are included in non-current assets unless Management has the intention to dispose the investment in the following twelve months from the closing date.

a.1.5) Other current financial assets

Other current financial assets correspond to those financial assets with fixed and determinable payments, which are quoted in the active market. This title includes time deposits of more than 90 days, investments in bonds and deductible promissory notes from Banco Central de Chile (BCCH), and bank bonds, which are valued at their amortized cost, recognizing the accrual of interests and adjustments in income. In valuation terms, these assets are classified according to the mechanisms defined in the aforementioned points.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

A) FINANCIAL ASSETS (Continued)

A.2) INITIAL RECOGNITION

Investments are initially recognized at fair value plus transaction costs for all financial assets at amortized cost. The financial assets at fair value through profit or loss are initially recognized at fair value, and the cost of the transaction is carried to income.

A.3) SUBSEQUENT VALUATION

Financial assets at fair value through profit or loss are subsequently recorded at fair value. Financial assets at amortized cost are recorded at their amortized cost according to the effective interest rate method, that is, the interest rate of the pact is accrued. Financial assets at fair value through other comprehensive income are subsequently carried at fair value, recording the difference between the amortized cost and fair value in equity.

Investments are derecognized when the rights to receive cash flows from the investments have expired or been transferred, and the Company has substantially transferred all risks and benefits derived from their ownership.

On the date of each statement of financial position, the Company evaluates if there is objective evidence that a financial asset or group of financial assets may have suffered losses for impairment, when the subsequent valuation is done at amortized cost.

A.4) DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITIES

The Company uses derivative financial instruments defined as currency forwards to hedge against risks associated with exchange rate fluctuations. The derivatives are initially recognized at fair value on the date the derivative contract is signed and they are subsequently valued at their fair value. The method to recognize the loss or profit resulting from the change in the fair value depends on whether the derivative has been designated as a hedging instrument, and thus, on the nature of the hedged item.

At the beginning of the transaction, the relationship between hedging instruments and hedged items is documented, as well as the risk management objectives and the strategy to perform different hedging operations. The Company also documents its assessment, both at the beginning and on a continuous basis, of whether the derivatives that are used in the hedging transactions are highly effective to compensate for the changes in the fair value or in the cash flows of the hedged items.

a.4.1) Fair Value Hedge

The changes in the fair value of derivatives designated and qualified as fair value hedges are recorded in the statement of income, together with any change in the fair value of the hedged asset or hedged liability that is attributable to the hedged risk.

a.4.2) Cash Flow Hedge

The effective part of the changes in the fair value of derivatives designated and qualified as cash flow hedges is recognized in Other Reserves. The loss or profit related to the non-effective part is immediately recognized in the statement of income, under "Financial Costs" or "Exchange Rate Differences" according to their nature.

The amounts accumulated in Other Reserves are taken to the statement of income in the periods when the hedged item affects the income. In the case of interest rate hedges, this means that the amounts recognized in equity are reclassified into income in "Financial Costs" as the interest of the associated debts are accrued.

A hedge is considered highly effective when the changes in the fair value or in the underlying cash flows attributable to the hedged risk are offset against the changes in the fair value or in the cash flows of the hedging instrument, with effectiveness in the 85% - 125% range.

When a hedging instrument matures or it is sold, or when it does not meet the hedge accounting requirements, any profit or loss accumulated in "Other Reserves" up to that point remains in equity and it is recognized when the planned transaction is finally recognized in the statement of income. When it is expected that the planned transaction will not occur, the profit or loss accumulated in net equity is immediately taken to the statement of income under "Financial Cost" or "Exchange Rate Differences" according to its nature.

a.4.) Derivatives not recorded as hedge accounting

Certain derivatives are not recorded in the form of hedge accounting and are recognized as instruments at fair value through profit or loss. The changes in the fair value of any derivative instrument recorded this way are immediately recognized in the statement of income.

The operations classified as accounting hedges by the Company as of December 31, 2017, correspond to forward contracts. The objective of these contracts is to mitigate the volatility risk of the exchange rate of the future firm commitment whose base currency is the US dollar. Then, the changes in the fair value of the commitment are attributable to the variations of the currency in which the debt was prescribed. Therefore, it is expected that the changes in the value of the debt are effectively hedged by the Currency Forward Contracts taken for this purpose.

The conditions of the aforementioned forward contracts correspond to the same conditions agreed in the commitments to which they were designated as hedges, that is to say, the same terms, currencies and amounts. In addition, they are defined under the compensation modality.

As of the closing of the year 2017, there are two forward contracts designated as hedges, whose fair values correspond to ThCh$689,972 and ThCh$341.196. These fair values are obtained directly from a bank institution and incorporate the current parameters (spot values, forward points and rates) as of the closing date of the consolidated financial statements of the Company.

In order to apply the Hedge Accounting, this must be expected to be highly effective in the achievement of the offsetting of the changes in the fair value attributable to the hedged risk. Then, at the beginning of the hedge and in the subsequent periods, the hedge is expected to be highly effective. This effectiveness, according to the applicable standard, can be measured in different ways and it must always be in the 80% - 125% range.

The effectiveness is measured, at a minimum, every time the annual or interim consolidated financial statements are issued. Thus, in the case of the retrospective effectiveness, this is regularly measured by comparing the changes in the fair value of the hedged item with the changes in the fair value of the hedging instrument, attributable to the variations in the USD exchange rates. The result must be in the 80% - 125% range.

The prospective effectiveness is measured by assessing the changes in the fair value of the portion of the hedged item and the hedging instrument before different exchange rate scenarios. The obtained results support our conclusion in the sense that the expected effectiveness of the hedge results as "highly effective" before changes in the fair value attributable to the hedged risk, satisfactorily accomplishing the offsetting by being in the 80% - 125% range.

B) PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment items are measured at cost, which corresponds to their purchasing price plus any cost directly attributable to conditioning the asset for operation, minus accumulated depreciation and losses for impairment.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

B) PROPERTY, PLANT AND EQUIPMENT (Continued)

When parts of a property, plant and equipment item have different useful lives, they are recorded as separate items (important components) of property, plant and equipment.

The profits or losses generated in the sale of a property, plant and equipment item are determined by comparing the sale price with the respective book values, recognizing the net effect as part of "other profits (losses)" in the consolidated statement of income by type.

Depreciation is recognized in income based on linear depreciation of the useful lives of each part of a property, plant and equipment item. Assets leased under financial leasing are depreciated during the shortest period between their lease term and their useful lives, unless there is certainty that the Company will obtain ownership of these after their lease. Facilities and improvements in operating lease assets are depreciated over the shorter of the lease term and their useful lives period unless there is certainty that the Company will obtain the renewal of the contract at the end of the lease term.

The useful lives and residual values of the assets are reviewed annually.

The cost of replacing a part of a property, plant and equipment items is recognized at its book value, as long as the future economic benefits incorporated within the replaced part flow towards the Company and their cost can be measured reliably. The cost of the daily maintenance of property, plant and equipment is recognized in the consolidated statement of comprehensive income in the period in which they occur.

C) INTANGIBLE ASSETS OTHER THAN GOODWILL

Intangible assets primarily correspond to computer systems that are recorded at cost, which corresponds to their purchasing price plus any cost directly attributable to the conditioning of the asset for operation, minus accumulated amortization and the accumulated impairment losses. The subsequent expenditures are capitalized only when future economic benefits increase.

The IT systems development activities involve a plan for the production of new, substantially improved products and processes. Expenses for development are capitalized when their costs can be reliably estimated, the product or process is technically and commercially viable, possible future economic benefits can be obtained and the Company intends and has sufficient resources to complete its development and to use or sell the asset. The Company recognizes as intangible assets the development of projects with expenses for services contracted from third parties. Internal development expenses are recognized under expenses for the year.

Amortization is recognized in income based on the linear amortization method according to the estimated useful life of the intangible assets. It should be noted that there are no intangible assets with an indefinite useful life.

D) SHORT AND LONG-TERM EMPLOYEE BENEFITS

The obligations for short-term employee benefits are measured on a non-discounted basis and are recorded as expenses as the services are provided. Liabilities are recognized for the amount expected to be paid.

The Company provides certain defined long-term benefits to some of its employees in addition to salaries, bonuses, vacations and holiday bonuses.

The cost of providing benefits under the defined benefits plan (long-term) is determined separately for each plan using the projected credit unit method, according to IAS 19 "Employee Benefits." The liabilities for employee benefits represent the present value of obligations under the plans, which are discounted using the interest rates of the government bonds denominated in the currency in which the benefits will be paid and which have maturities similar to the duration of the respective obligations.

E) PROVISIONS

Provisions are recognized when:

- The Company has a present obligation as the result of a past event,
- It is probable that an outflow of resources, including economic benefits, will be needed to liquidate the obligation,
- The amount of the obligation can be reliably estimated.

F) REVENUE

Revenue for services (see details in Note 21) is recognized on an accrued basis when it is probable that economic benefits flow towards the Company and these can be measured reliably. The revenue is measured at fair value, excluding discounts, rebates and other sales taxes. When any uncertainty arises regarding the degree of recoverability of a balance already included under revenue, the irrecoverable quantity or the quantity whose collection is no longer probable is recognized as an expense for impairment instead of adjusting the originally recognized revenue amount.

Revenue associated with the provision of services is recognized considering the degree of completion of the transaction as of the date of the statement of financial position, as long as the outcome of the transaction can be estimated reliably.

G) FINANCIAL INCOME AND COSTS

Financial income includes interest generated from investments in financial instruments, which have been classified as "cash and cash equivalents". These have been valued at their fair value or at their amortized cost, depending on their type and recognizing changes in values in the year's statement of income.

Financial costs are composed of interest from financial leases. All financial costs are recognized in income using the effective interest rate method.

H) INCOME TAX

The income tax expense includes current and deferred taxes. Income tax is recognized under income except when related to a business combination or items recognized directly under equity or other comprehensive income.

Current Taxes

The current tax includes the tax expected to be paid or received for the taxable revenue or loss of the year, and any adjustment to the tax payable or receivable related to previous years. It is measured using the tax rates that have been passed, or whose approval process is almost finished as of the close of the statement of financial position. The current tax also includes any tax arising from dividends.

Current tax assets and liabilities are only compensated if certain criteria are fulfilled.

The amount provisioned for income tax during 2017 and 2016 is presented in the consolidated statement of financial position net of monthly provisional payments, training expenses and the 4% credit for the purchase of non-current assets, concepts that may be deducted from the payment of annual income tax.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

H) INCOME TAX (Continued)

Deferred Taxes

Deferred taxes are the temporary differences between the carrying amounts of the assets and liabilities and the taxable base, calculated using the tax rate that is expected to be in effect when the assets and liabilities are realized.

The carrying amount of deferred tax assets is reviewed at the closing date and reduced when it is not probable that there will be enough available taxable profits to allow the total or partial use of deferred tax assets.

Unrecognized deferred tax assets are reevaluated at each date of the statement of financial position and are recognized when it is probable that the future taxable profits allow the deferred tax asset to be recovered.

Deferred taxes are measured using the tax rates that are expected to be applied to temporary differences in the period in which they are reversed, using the default tax rates applied to each period. As explained above, the taxation system to be applied by default to Depósito Central de Valores S.A., Securities Depository and Subsidiary is the "Semi-Integrated". The rates are detailed below:

YEAR	Semi-Integrated
2016	24.0%
2017	25.5%
2018	27.0%

Sales Tax

Revenue, expenses and assets are recognized net of the sales tax amount. The sales tax amount recoverable, or payable to the tax authority, is included as part of the accounts receivable or payable for taxes in the consolidated classified statement of financial position.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

I) PROFITS PER SHARE

The profits per share are calculated by dividing the income attributable to the Company's ordinary shareholders by the weighted average of ordinary shares in circulation during the year.

The Company has not issued any instruments convertible into shares nor options to purchase shares.

J) LEASES

Those leases under which a significant portion of the risks and benefits of the owner are retained by the lessor are classified as operational leases. The payments made under operational leases are recognized directly in the consolidated statement of income.

The leasing of property, plant and equipment that result in a significant portion of all the risks and benefits derived from ownership of the asset falling to the Company are classified as financial leases. Financial leases are capitalized at the beginning of the lease at the present value of the minimum lease payments.

Lease obligations, net of deferred interest, are included in other current or non-current financial liabilities depending on their maturity. Interest is charged in the consolidated statement of income by type during the period of leasing so as to obtain a constant periodic interest rate on the remaining liabilities balance for each year. Assets acquired under financial leases are recorded under Property, Plant and Equipment and depreciated during their useful life.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

K) IMPAIRMENT

Relevant, non-financial, long-term assets are submitted to annual impairment value tests when events or economic changes occur that indicate that their value may not be recoverable. When the carrying amount of an asset exceeds its recoverable value, a loss for impairment is recorded in the consolidated statement of income for said difference.

The recoverable value of an asset is defined as the greater amount of the net sale price and the value in use. The net sale price is the amount that could be obtained in the sale of an asset in a free market, less the necessary costs to carry out the sale. The value in use is the present value of estimated future flows to be generated from the continuous use of an asset and its final disposal (sale) at the end of its useful life. The present value is determined by using the discount rate that reflects the current value of those flows and the specific risks of the asset.

In the event that there are non-financial assets that have been subject to write-offs for impairment, these will be reviewed on each reporting date to verify possible reversals in the impairment.

L) OTHER FINANCIAL LIABILITIES

All loans are initially recognized at the fair value of the payment received minus the direct costs attributable to the transaction. After the initial recognition they are measured at amortized cost using the effective interest rate method.

The readjustments originating from debt in Unidades de Fomento are recognized in income under the category "income from price-level restatement".

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (Continued)

M) CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flows includes cash movements occurring during the year determined using the direct method. These statements of cash flows use the following expressions in the sense described below:

CASH FLOWS

Inflows or outflow of cash or cash equivalents, understood as investments for a term of less than three months, with high liquidity and a low risk of alterations in value.

OPERATING ACTIVITIES

The activities that constitute the main source of revenue and expenditures of DCV and Subsidiary, as well as other activities that cannot be classified as investing or financing.

INVESTING ACTIVITIES

Activities related to the acquisition, transfer or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.

FINANCING ACTIVITIES

Activities that produce changes in the size and composition of net equity and financial liabilities.

N) OPERATING SEGMENTS

The Company discloses information by segment as indicated in IFRS 8, "Operating Segments," which sets the standards for the reporting of operational segments and related disclosures for products and services and geographic areas. Operating segments are defined as components of an entity for which separate financial information exists which is regularly used by the chief decision maker in deciding how to allocate resources and assess performance.

The operating segments of the Company are determined, based on the distinct business units. These business units generate services subject to different risks and returns of the other operating segments.

NOTE 4 FINANCIAL RISK MANAGEMENT

The risk management of the Company is supervised by the Board of Directors, which has created an Audit and Operational Risk Management Committee responsible for the development and monitoring of the Company's risk management policies.

A) CREDIT RISK

Credit risk corresponds to the risk of financial loss as a result of the fact that a client or counterparty of a financial instrument has not met its obligations, and primarily originate from receivables related to the Company's sales and investment instruments.

The Company's exposure to credit risk is low given the characteristics of its clients, since they are primarily banking institutions, third party and pension fund managers, insurance companies, stock brokers and stock exchanges, among others.

The majority of the Company's clients have strong reputations and payment histories that allow for a fairly accurate evaluation of impairment, which in the Company's history has been minimal.

The Company has a structured collections policy to ensure that the turnover of client debt is efficient and uniform over time. Therefore, as of December 31, 2017, client debt of over 60 days corresponds to 3.4% of all debt and of this percentage 80.1% is covered under bad debt provisions for approximately $74.7 million. As of December 31, 2016, client debt of over 60 days was 3.7% of total debt and of this percentage, 63.3% was covered by the bad debt provision for approximately $59.6 million.

With relation to the concentration of the client portfolio, in consolidated terms, if we consider the top ten clients of the parent and the subsidiary, these represent 33% of total revenues.

The Company manages its exposure to risk by investing in instruments with high liquidity and with diversification by issuer rating, where the minimum risk rating of long-term credit must be at least BBB+. The Company has an investment policy that contemplates the distribution percentages according to the rating of the issuer and duration of the financial instruments. The Company has investments in term deposits, type 1 mutual funds and paper of the Central Bank of Chile.

NOTE 4 FINANCIAL RISK MANAGEMENT (Continued)

B) LIQUIDITY RISK

This is the risk that the Company cannot meet its financial obligations under the established timeframes. The Company has a liquidity policy based on the correct management of its assets and liabilities, through policies that ensure the timely fulfillment of our clients' commitments as well as compliance with the deadlines of our obligations, considering the efficient management of cash surpluses and financing alternatives, in order to allow for constant cash flows over time.

The Company's Management takes actions to project cash flows in order to anticipate liquidity or debt needs, as appropriate, so that the Company has committed short- and long-term credit facilities with banking institutions for sufficient amounts to support the cash needs projected by Management.

The projected cash flows for the Company's acquired obligations are as follows:

FINANCIAL LIABILITIES	Book Values (Month)	Contractual Cash Flowss	6 Months or Less	Between 6 and 12 Months	Between 12 and 24 Months
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Financial Leasing	9,829	9,829	58,978	58,978	117,959
Operational Leasing of Real Estate	30,464	30,464	182,784	182,784	365,571
Operational Leasing of Sites	17,449	17,449	104,694	104,694	209,388
Trade Payables and Accounts Payable	1,585,440	-	4,099,566	3,139,566	7,239,132
TOTAL	1,643,182	57,742	4,446,022	3,486,022	7,932,050

At year-end 2017, the Company only maintains the credit line available with Banco de Crédito y Inversiones for an amount of ThCh $ 100,000.

C) MARKET RISK – INTEREST RATE

This corresponds to the risk that changes in market prices will affect the Company's returns, either because of the value of the financial instruments it holds or the liabilities that are valued according to market prices (interest rates, exchange rates, share prices or others).

The interest rates that affect the Company's results are those under which long-term financing is contracted in relation to capital investments through financial leases and those used for the valuation of the obligation contracted with employees for termination benefits for years of service.

Financing has been contracted at a fixed interest rate, in order to achieve balance in the debt structure, minimize the cost of debt, and eliminate the volatility of the statement of income.

The interest rates in effect during 2017 are as follows:

INSTITUTION	Financing	Beginning	Term	Rate
Banco Santander Chile	Real Estate and Office in Burgos Building	2008	15	UF + 4.88%
Ricoh Chile	Printing Equipment	2017	3	15%

D) EXCHANGE RATE RISK

The Company holds contracts that involve disbursements of money in foreign currencies for acquisition of assets or provision of some type of service. However, there are no other types of transactions and/or relevant transactions in foreign currency and there are no subsidiaries or flows from related companies linked to any foreign currency.

This is why the Company is exposed to exchange rate risks and therefore requires the implementation of hedging policies for balancing assets and liabilities in foreign currency, through the contracting of hedging financial instruments.

The Company has forward hedging financial instruments to hedge against the variation of the exchange rate at the moment of making payments to foreign supplier.

NOTE 4 FINANCIAL RISK MANAGEMENT (Continued)

D) EXCHANGE RATE RISK (Continued)

According to the aforementioned structure of the Consolidated Financial Statements as of December 31, 2017, the Company has such a position in US dollars that, placing us in variation scenario of 5% of adjustment unit, the positive or negative effect on the Company's Equity would be approximately 0.4%, that is, approximately $ 51.2 million.

E) RISK OF PRICE-LEVEL ADJUSTMENT VARIATION (UNIDAD DE FOMENTO)

The Company's operating income is based on rates defined in unidades de fomento. There is a significant portion of the costs also defined in UF (operating insurance). The debt contracted for financing has also been negotiated under this indexed unit. Finally, the termination compensation for years of service is also determined on a nominal basis creating an adjustment effect.

According to the abovementioned structure of the consolidated financial statements as of December 31, 2017, the Company has a position in unidades de fomento. In a scenario of a 5% variation in the indexed unit, the positive or negative effective on the Company's equity would be approximately 0.1%, which is approximately $10.9 million.

NOTE 5 FINANCIAL INFORMATION BY SEGMENT

The information regarding segments contained in the present consolidated financial statements has been prepared according to IFRS 8, "Operating Segments," that is, based on the terms of the identification of said segments and the information disclosed.

The factors that have been used as the basis for identifying the Company's operating segments are the following:

A) The Company, in consolidated terms, has two components that develop independent business activities through which they obtain revenue and incur expenses.

NOTE 5 FINANCIAL INFORMATION BY SEGMENT (Continued)

B) The Company has differentiated financial information for each component or segment identified.

C) The operating income of the segments identified is regularly reviewed by the Company's executives in order to decide on the resources to be assigned to the segment as well as to evaluate its performance.

Therefore, the segments identified by the Company correspond to the custody and settlement of securities (operations performed by the Parent Company), and the segment of shareholders' registry management (operations performed by the subsidiary DCV Registros S.A.).

Aggregation criteria are applied to these segments, as they group together a set of services that are closely related, based on the nature of the services, the nature of their production processes and their type or category of clients.

The segment related to the custody and settlement of securities groups together: i) securities custody services (custody of the financial instruments that form part of the Depositors' investment portfolios), ii) transactions registry (debiting the position from the account of the selling depositor and crediting it to the buyer's account, electronically), iii) dematerialized deposits (that is, the deposit of instruments issued electronically by the different entities authorized to issue publicly-traded instruments; this is done in a dematerialized way, that is, without the need to physically print the titles), iv) management of securities (related to the exercise of the equity rights that the financial instruments held on deposit generate, such as the collection of interest, amortization, lotteries, prepayments and any other similar rights, which are informed by DCV to the entity responsible for issue or its payer, and are received by the Depositor) and others.

The second segment is focused on activities related to the management of shareholders registries, such as i) the recording of share transfers, ii) dividend payments, iii) conducting shareholders' meetings and iv) the preparation of legal and tax reports, all tasks associated with and related to the shareholder registries for the Company's issuer clients.

The information regarding the Depósito Central de Valores S.A and its subsidiary DCV Registros S.A., representing the identified segments of the Company as of December 31, 2017 and 2016, is detailed as follows:

NOTE 5 FINANCIAL INFORMATION BY SEGMENT (Continued)

A) Year ended December 31, 2017

	Securities Deposit and Custody	Management of Shareholder Registries	Eliminations	Total
	ThCh$	ThCh$	ThCh$	ThCh$
REVENUE				
Revenue from Activities with External Clients	15,953,341	4,635,653	-	20,588,994
Total Revenue by Segment	15,953,341	4,635,653	-	20,588,994
Financial Income	99,274	30,735	-	130,009
Financial Expenses	(67,544)	-	-	(67,544)
Net Financial Income, by Segment	31,730	30,735	-	62,465
Depreciation and Amortization	(1,716,236)	(48,645)	-	(1,764,881)
Other Profit (Loss)	609,696	79,366	(562,187)	126,875
Foreign Currency Differences and Price-Level Adjustments	(11,876)	3,444	-	(8,432)
SIGNIFICANT EXPENSE ITEMS				
Employee Expenses	(8,315,189)	(1,496,870)	-	(9,812,059)
Operating Insurance	(730,111)	(145,236)	-	(875,347)
IT Expenses	(1,511,861)	(6,575)	-	(1,518,436)
External Advisory	(655,258)	(119,791)	-	(775,049)
Other Expenses	(1,771,112)	(1,197,320)	562,187	(2,406,245)
Total Significant Expense Items	**(12,983,531)**	**(2,965,792)**	**562,187**	**(15,387,136)**
Income Tax Expense (Income)	(430,155)	432,791	-	(862,946)
PROFIT (LOSS)	1,452,969	1,301,970	-	2,754,939
AS OF DECEMBER 31, 2017				
Assets by Segment	17,605,128	2,710,332	(2,242,243)	18,073,217
Disbursements of Non-Monetary Segment Assets	(1,649,406)	(23,809)	-	(1,673,215)
Segment Liabilities (Not Including Equity)	5,577,901	870,736	(402,648)	6,045,989
Net Cash Flows from Operating Activities	4,172,034	1,496,369	(1,307,800)	4,360,603
Net Cash Flows from Investing Activities	(3,741,375)	(884,047)	-	(4,625,422)
Net Cash Flows from Financing Activities	(1,088,856)	(1,307,800)	1,307,800	(1,088,856)

NOTE 5 FINANCIAL INFORMATION BY SEGMENT (Continued)

B) Year ended December 31, 2016

	Securities Deposit and Custody	Management of Shareholder Registries	Eliminations	Total
	ThCh$	ThCh$	ThCh$	ThCh$
REVENUE				
Revenue from Activities with External Clients	14,534,041	4,393,894	-	18,927,935
Total Revenue by Segment	14,534,041	4,393,894	-	18,927,935
Financial Income	83,295	32,864	-	116,159
Financial Expenses	(26,487)	-	-	(26,487)
Net Financial Income, by Segment	56,808	32,864	-	89,672
Depreciation and Amortization	(1,195,498)	(49,438)	-	(1,244,936)
Other Profit (Loss)	588,174	74,048	(550,815)	111,407
Foreign Currency Differences and Price-Level Adjustments	(21,265)	2,569	-	(18,696)
SIGNIFICANT EXPENSE ITEMS				
Employee Expenses	(8,527,602)	(1,322,587)	-	(9,850,189)
Operating Insurance	(668,763)	(136,833)	-	(805,596)
IT Expenses	(1,387,466)	(3,362)	-	(1,390,828)
External Advisory	(478,260)	(76,505)	-	(554,765)
Other Expenses	(1,665,158)	(1,205,271)	550,815	(2,319,614)
Total Significant Expense Items	**(12,727,249)**	**(2,744,558)**	**550,815**	**(14,920,992)**
Income Tax Expense (Income)	(233,617)	(399,316)	-	(632,933)
PROFIT (LOSS)	1,001,394	1,310,063	-	2,311,457
AS OF DECEMBER 31, 2016				
Assets by Segment	15,618,994	2,744,679	(2,238,026)	16,125,647
Disbursements of Non-Monetary Segment Assets	(1,834,160)	(5,866)	-	(1,840,026)
Segment Liabilities (Not Including Equity)	5,539,522	901,852	(395,200)	6,046,174
Net Cash Flows from Operating Activities	3,624,340	1,204,370	(626,600)	4,202,110
Net Cash Flows from Investing Activities	(1,040,729)	410,704	-	(630,025)
Net Cash Flows from Financing Activities	(628,711)	(626,600)	626,600	(628,711)

NOTE 5 FINANCIAL INFORMATION BY SEGMENT (Continued)

Uniform criteria have been used for the valuation method and/or determination of revenue, expenses and the income of each segment for the reported period, as well as the valuation method for assets and liabilities of the segments for both periods.

The information regarding assets, liabilities and income contained in the present note includes eliminations that affect the consolidated amount of each item. Thus, in the case of the assets and liabilities, these eliminations in 2017 and 2016 correspond to the monthly billing between the two companies, which originate from the provision of Management Services and software rental from the parent company to the subsidiary, which are reflected as revenue for the segment that provides the services and as an expense for the segment that receives them. Eliminations of assets and liabilities also consider the value of the investment in the subsidiary, dividends and other movements between related parties.

NOTE 6 CASH AND CASH EQUIVALENTS

The cash and cash equivalents balances are primarily composed of funds held in bank checking accounts and cash surpluses invested in fixed income term deposits and mutual funds, according to the following:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Available Cash (Fixed Funds)	1,550	1,779
Balances Held in Bank Checking Accounts	404,300	264,931
Investments in Fixed Income Term Deposits (a)	1,252,493	3,376,911
Investments in Central Bank Papers (b)	1,039,346	399,862
Investments in Mutual Funds (c)	1,416,864	1,429,982
CASH AND CASH EQUIVALENTS	4,114,553	5,473,465

NOTE 6 CASH AND CASH EQUIVALENTS (Continued)

A) Details of Term Deposit Investments

Investments in term deposits as of December 31, 2017 are detailed as follows:

ISSUER	Days	Dec-31-17 ThCh$	Maturity
Banco Bice	4	1,407	01-04-2018
Banco Estado	4	370,511	01-04-2018
Banco BBVA	5	99,957	01-05-2018
Banco de Chile	5	99,958	01-05-2018
Banco BBVA	9	34,974	01-09-2018
Banco de Credito e Inversiones	10	99,910	01-10-2018
Banco Estado	10	1,998	01-10-2018
Banco Estado	12	44,552	01-12-2018
Banco Bice	16	2,113	01-16-2018
Banco Bice	22	71,863	01-22-2018
Banco Santander	25	3,955	01-25-2018
Banco de Credito e Inversiones	51	11,437	02-20-2018
Banco Scotiabank	51	62,382	02-20-2018
Banco Bice	82	248,236	03-23-2018
Banco Ripley	82	99,240	03-23-2018
TOTAL INVESTMENTS IN TERM DEPOSITS		1,252,493	

NOTE 6 CASH AND CASH EQUIVALENTS (Continued)

A) Details of Term Deposit Investments (Continued)

Investments in term deposits as of December 2016 are detailed as follows:

ISSUER	Days	Dec-31-16 ThCh$	Maturity
Banco BBVA	2	199,957	01-02-2017
Banco de Chile	2	44,991	01-02-2017
Banco ItaúCorp	2	259,541	01-02-2017
Banco Santander	3	379,886	01-03-2017
Banco Scotiabank	3	50,155	01-03-2017
Banco Santander	5	4,165	01-05-2017
Banco de Crédito e Inversiones	10	248,859	01-10-2017
Banco Security	10	94,833	01-10-2017
Banco Scotiabank	11	449,490	01-11-2017
Banco Santander	11	294,151	01-11-2017
Banco de Crédito e Inversiones	11	71,892	01-11-2017
Banco de Crédito e Inversiones	12	59,006	01-12-2017
Banco Security	12	100,019	01-12-2017
Banco Santander	12	225,021	01-12-2017
Banco Estado	13	199,741	01-13-2017
Banco Santander	17	101,699	01-17-2017
Banco Security	17	111,514	01-17-2017
Banco Estado	27	269,250	01-27-2017
Banco Estado	30	3,180	01-30-2017
Banco Corpbanca	33	49,798	02-02-2017
Banco Corpbanca	41	97,651	02-10-2017
Banco BICE	55	60,623	02-24-2017
Banco de Crédito e Inversiones	66	1,489	03-07-2017
TOTAL INVESTMENTS IN TERM DEPOSITS		3,376,911	

NOTE 6 CASH AND CASH EQUIVALENTS (Continued)

B) Investments in Central Bank Papers are detailed as follows:

ISSUER	TYPE	Maturity	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Central Bank of Chile	PDBC	Jan-18	1,039,346	399,862
TOTAL INVESTMENTS IN CENTRAL BANK PAPERS			1,039,346	399,862

C) Mutual fund investments are detailed as follows:

ISSUER	Name	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Santander S.A. AGF	Money Market	393,937	564,528
Euroamérica AGF.	Money Market	184,322	400,131
Banco Estado S.A. AGF	Solvente	380,974	376,840
BBVA AGF S.A.	Disponible	230,285	-
B.C.I. F.M. S.A:	Competitivo	227,346	-
Itaú Chile AGF S.A.	Select	-	88,483
TOTAL INVESTMENTS IN MUTUAL FUNDS		1,416,864	1,429,982

NOTE 6 CASH AND CASH EQUIVALENTS (Continued)

D) Cash and Cash Equivalent by currency are detailed as follows:

Balances in Th$ as of December 31, 2017:

CONCEPT	CLP	UF	USD	Euros	S./ *	$ MXN	Total ThCh$
Available Cash (Fixed Funds)	998	-	552	-	-	-	1,550
Balances Held in Bank Checking Accounts	320,083	-	76,421	143	7,278	375	404,300
Investments in Fixed Income Term Deposits	1,252,493	-	-	-	-	-	1,252,493
Investments in Central Bank Papers	1,039,346	-	-	-	-	-	1,039,346
Investments in Mutual Funds	1,416,864	-	-	-	-	-	1,416,864
CASH AND CASH EQUIVALENTS	4,029,784	-	76,973	143	7,278	375	4,114,553

Balances in Th$ as of December 31, 2016:

CONCEPT	CLP	UF	USD	Euros	S./ *	$ MXN	Total ThCh$
Available Cash (Fixed Funds)	849	-	930	-	-	-	1,779
Balances Held in Bank Checking Accounts	246,185	-	15,823	260	2,255	408	264,931
Investments in Fixed Income Term Deposits	3,316,288	60,623	-	-	-	-	3,376,911
Investments in Central Bank Papers	399,862	-	-	-	-	-	399,862
Investments in Mutual Funds	1,429,982	-	-	-	-	-	1,429,982
CASH AND CASH EQUIVALENTS	5,393,166	60,623	16,753	260	2,255	408	5,473,465

* S./ corresponds to the Peruvian currency, New Peruvian Sol.

E) There is no restriction on the amounts reported in letter D).

NOTE 7 OTHER FINANCIAL ASSETS

This category includes investments that, because they have an expiration of more than 90 days, are not classified under cash and cash equivalents.

As of December 31, 2017 and 2016, other financial assets are detailed as follows:

A) The current portion shows investments of less than one year, according to following:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Term Deposits (i)	2,628,248	38,982
Other	41,669	-
OTHER FINANCIAL ASSETS	2,669,917	38,982

NOTE 7 OTHER FINANCIAL ASSETS (Continued)

i) Investment in Fixed term deposits

The investments in fixed term deposits as of December 31, 2017, current portion:

ISSUER	Days	Dec-31-17 ThCh$	Maturity
Banco Internacional	92	29,754	04-02-2018
Banco Internacional	101	267,389	04-11-2018
Banco Estado	110	29,717	04-20-2018
Banco Bice	113	128,739	04-23-2018
Banco Estado	113	198,060	04-23-2018
Banco Corpbanca	125	6,923	05-05-2018
Banco de Chile	129	197,873	05-09-2018
Banco ItaúCorp	129	25,529	05-09-2018
Banco de Chile	135	469,450	05-15-2018
Banco Estado	143	29,650	05-23-2018
Banco de Credito e Inversiones	145	197,518	05-25-2018
Banco Estado	150	394,867	05-30-2018
Banco ItaúCorp	156	197,332	06-05-2018
Banco Estado	166	197,163	06-15-2018
Banco Estado	206	59,528	07-25-2018
Banco Scotiabank	283	4,767	10-10-2018
Banco Corpbanca	332	193,989	11-28-2018
TOTAL INVESTMENT IN FIXED TERM DEPOSITS		2,628,248	

NOTE 7

OTHER FINANCIAL ASSETS (Continued)

i) Investment in Fixed term deposits (Continued)

The investments in fixed term deposits as of December 31, 2016, current portion:

ISSUER	Days	Dec-31-16 ThCh$	Maturity
Banco Scotiabank	93	19,781	04-03-2017
Banco de Credito e Inversiones	339	19,201	12-05-2017
TOTAL INVESTMENT IN FIXED TERM DEPOSITS		38,982	

B) The non-current portion shows investments of over one year, according to following of less than one year, according to following:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Bonds (i)	369,183	-
Other	20,834	-
OTHER FINANCIAL ASSETS	390,017	-

i) El detalle de las inversiones en bonos es la siguiente:

ISSUER	Maturity	Dec-31-17 ThCh	Dec-31-16 ThCh
Banco BBVA	Nov-19	274,618	-
Banco Security	Jul-20	94,565	-
TOTAL INVESTMENT IN BONDS		369,183	-

NOTE 8 OTHER CURRENT NON-FINANCIAL ASSETS

These accounts record the payments to be made by the Company for services to be received in the coming months based on the following details:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Operating Insurance	797,948	800,724
Annual Maintenance Services	420,107	158,204
Prepaid Leases	25,348	29,956
Other Prepayments	44,527	23,824
TOTAL OTHER CURRENT NON-FINANCIAL ASSETS	1,287,930	1,012,708

NOTE 9 FINANCIAL INSTRUMENTS

A) FINANCIAL INSTRUMENTS BY CATEGORY

The classification of financial assets according the categories described in note 3.a.1 Financial Assets, are detailed as follows:

As of December 31, 2017	Available Cash	Trade receivables and other accounts receivable	Assets at fair value with effects on Income	Hedging derivatives	Assets at fair value with effects on equity	Total
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Cash and Cash Equivalents	405,850	-	3,708,703	-	-	**4,114,553**
Other Current Financial Assets	-	-	2,669,917	-	-	**2,669,917**
Trade Receivables and Other Accounts Receivable	-	2,796,000	-	-	-	**2,796,000**
Other Non-Current, Financial Assets	-	-	390,017	-	-	**390,017**
Accounts Receivable from Related Companies	-	9,925	-	-	-	**9,925**
TOTAL	405,850	2,805,925	6,768,637	-	-	**9,980,412**

As of December 31, 2016	Available Cash	Trade receivables and other accounts receivable	Assets at fair value with effects on Income	Hedging derivatives	Assets at fair value with effects on equity	Total
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Cash and Cash Equivalents	266,710	-	5,206,755	-	-	**5,473,465**
Other Current Financial Assets	-	-	38,982	-	-	**38,982**
Trade Receivables and Other Accounts Receivable	-	2,650,637	-	-	-	**2,650,637**
Other Non-Current, Fianancial Assets	-	-	-	-	-	**-**
Accounts Receivable from Related Companies	-	7,719	-	-	-	**7,719**
TOTAL	266,710	2,658,356	5,245,737	-	-	**8,170,803**

NOTE 9

FINANCIAL INSTRUMENTS (Continued)

A) FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

The classification of financial liabilities according the categories described in note 3.l are detailed as follows:

AS OF DECEMBER 31, 2017	Financial liabilities at fair value with effects on Income	Hedging derivatives	Other financial liabilities	Total
	ThCh$	ThCh$	ThCh$	ThCh$
Other Current Financial Liabilities	-	48,448	90,616	**139,064**
Trade Payables and Other Accounts Payable	-	-	1,585,440	**1,585,440**
Other Non-Current Financial Liabilities	-	24,459	466,754	**491,213**
Trade Payables from Related Companies	-	-	-	**-**
TOTAL	-	72,907	2,142,810	**2,215,717**

AS OF DECEMBER 31, 2016	Financial liabilities at fair value with effects on Income	Hedging derivatives	Other financial liabilities	Total
	ThCh$	ThCh$	ThCh$	ThCh$
Other Current Financial Liabilities	-	-	74,006	**74,006**
Trade Payables and Other Accounts Payable	-	-	1,532,247	**1,532,247**
Other Non-Current Financial Liabilities	-	-	519,935	**519,935**
Trade Payables from Related Companies	-	-	-	**-**
TOTAL	-	-	2,126,188	**2,126,188**

The book value of current portion of Trade payables to related companies and accounts payables to commercial creditors approximates their fair values, due to the short-term nature of their maturities.

The instruments recorded in the accounts current and non-current other financial liabilities classified as financial liabilities at fair value through profit or loss and derivatives (which include hedge derivatives) are presented at their fair value in the Consolidated Statement of Financial Position. Note 9b) Valuation of Derivative Instruments, the methodology used to calculate their fair values is explained.

B) VALUATION OF INSTRUMENTS

i) Currency Forward: The forward prices from observable market are used. Then flows are discounted according to a representative interest rate to calculate the fair value of the exchange rate forward.

ii) Fair value of financial instruments hierarchy: Financial instruments recognized at fair value in the Consolidated Statement of Financial Position, are classified according to the following hierarchies:

Level 1: Quoted price in an active market for identical assets and liabilities.

Level 2: Other assumptions than quoted prices included in Level 1 that are observable for assets and liabilities, either directly (that is, as a price) or indirectly (that is, derived from a price); and

Level 3: Assumptions for assets and liabilities that are not based on observable market information.

NOTE 9 FINANCIAL INSTRUMENTS (Continued)

B) VALUATION OF INSTRUMENTS (Continued)

The following table shows hierarchy of financial assets and liabilities, recognized at fair value through profit or loss:

AS OF DECEMBER 31, 2017	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$	Total ThCh$
ASSETS				
Assets at fair value with effects on Income				
Investments in Fixed Income Term Deposits	-	3,880,741	-	3,880,741
Investment in Bonds	-	369,183	-	369,183
Investments in Central Bank Papers	-	1,039,346	-	1,039,346
Investments in Mutual Funds	1,416,864	-	-	1,416,864
Other	-	62,503	-	62,503
HEDGING DERIVATIVES				-
Currency Forward	-	-	-	-
TOTAL ASSETS	1,416,864	5,351,773	-	6,768,637
LIABILITIES				
Financial liabilities at fair value with effects on Income				
Currency Forward	-	-	-	-
HEDGING DERIVATIVES				
Currency Forward	-	72,907	-	72,907
TOTAL LIABILITIES	-	72,907	-	72,907

AS OF DECEMBER 31, 2016	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$	Total ThCh$
ASSETS				
Assets at fair value with effects on Income				
Investments in Fixed Income Term Deposits	-	3,415,893	-	**3,415,893**
Investments in Central Bank Papers	-	399,862	-	**399,862**
Investments in Mutual Funds	1,429,982	-	-	**1,429,982**
Other	-	-	-	**-**
HEDGING DERIVATIVES				
Currency Forward	-	-	-	**-**
TOTAL ASSETS	1,429,982	3,815,755	-	**5,245,737**
LIABILITIES				
Financial liabilities at fair value with effects on Income				
Currency Forward	-	-	-	-
HEDGING DERIVATIVES				
Currency Forward	-	-	-	-
TOTAL LIABILITIES	-	-	-	-

The effect in income is originated by the valuation of forward contracts designated as accounting hedges at fair value as of December 31, 2017, corresponds to a loss of ThCh$ 72,907. On the other hand, the effect in income of the year for the valuation of the protected account corresponds to a profit of ThCh$ 62,503, thus, the net effect corresponds to ThCh$ 10,404 of loss.

Application of Coverage Effectiveness Tests at the end of the year, whether retrospective or prospective, based on a sensitivity analysis on the variation of the exchange rate under different scenarios, concluded in hedges that are always between the ranges described by the applicable Standard to be defined as effective, that is, between 85% and 125%.

As of December 31, 2016, there were no derivative instruments designated as accounting hedging or other.

NOTE 10 TRADE RECEIVABLES AND OTHER ACCOUNTS RECEIVABLE

These accounts record the billing for services related to the normal business of the Company and its Subsidiary, as well as checks in its portfolio corresponding to collections for those services and other rights, according to the following:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Gross Trade Receivables	2,744,119	2,554,051
Bad Debt (a)	(74,682)	(59,589)
Documents Receivable	89,296	77,215
Miscellaneous Receivables	37,267	78,960
TRADE RECEIVABLES AND OTHER ACCOUNTS RECEIVABLE	2,796,000	2,650,637

A) The movements of Bad debts account are the following:

BAD DEBT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Beginning Balance	(59,589)	(59,212)
Additions	(43,611)	(54,057)
Reductions	28,518	53,680
FINAL BALANCE BAD DEBT	(74,682)	(59,589)

NOTE 11 BALANCES AND TRANSACTIONS WITH RELATED COMPANIES

A) TRANSACTIONS WITH DCV REGISTROS S.A. (SUBSIDIARY)

As of December 31, 2017, the effect on income of transactions with the subsidiary DCV Registros is revenue of ThCh$562,187 and ThCh$550,815 as of December 31, 2016. These amounts correspond to the provision of administrative and software rental services by the Parent Company to the subsidiary and have been eliminated in the consolidation process.

B) SENIOR EXECUTIVES

The Board of Directors and the senior executives of the Parent Company Depósito Central de Valores S.A., Securities Depository manage the Company. The Board of Directors is composed of 10 Directors including a Chairman and Vice-Chairman. Additionally, there are four Committees composed of a smaller group of the Company's Directors. They are the Auditing and Operational Risk Committee, IT and Processes Committee, Business Committee, and the Compensation and Human Resources Committee. In terms of the executives, the Parent Company has 8 senior executives who occupy the managerial positions.

The compensation of the Directors and executives have been paid during the years 2017 and 2016 and form part of the management services provided by the Parent Company to the Subsidiary.

As of December 31, 2017 and 2016, remuneration paid is detailed as follows:

DIRECTORS AND EXECUTIVES	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Directors	285,470	240,998
Senior Executives	1,205,059	1,169,376
TOTAL DIRECTORS AND EXECUTIVES	1,490,529	1,410,374

NOTE 11 BALANCES AND TRANSACTIONS WITH RELATED COMPANIES (Continued)

C) TRANSACTIONS WITH RELATED COMPANIES

The Company records Accounts Receivable from Related Companies by billing the Company's operations, whose contracts are in UF, and which do not generate interest.

The Related Companies found in the situation described in the previous paragraph are detailed as follows:

ID	COMPANY	Dec-31-17 ThCh$	Dec-31-16 ThCh$
90.249.000-0	Bolsa de Comercio de Santiago	7,320	5,622
96.551.730-8	Bolsa Eletrónica de Chile, Bolsa de Valores	2,605	2,097
	TOTAL ACCOUNTS RECEIVABLE	9,925	7,719

These amounts are part of the revenue from ordinary activities of the Consolidated Statements of Income, the effects on the results of the exercise of these operations for the periods between January 1 and December 31, 2017 and 2016 are detailed as follows:

ID	COMPANY	Dec-31-17 ThCh$	Dec-31-16 ThCh$
90.249.000-0	Bolsa de Comercio de Santiago	38,552	36,177
96.551.730-8	Bolsa Eletrónica de Chile, Bolsa de Valores	29,063	23,299
	TOTAL OPERATIONS FROM RELATED COMPANIES	67,615	59,476

NOTE 12 CURRENT TAX ASSETS AND LIABILITIES

Current tax assets and liabilities are detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Training Expenses	44,613	6,340
Monthly Provisional Payments (PPM)	882,451	620,215
Tax to Recover	19,139	6,756
Income Tax Provision	(950,683)	(815,944)
Current Tax (Liabilities) Assets	-	-
CURRENT TAX (LIABILITIES) ASSETS	(4,480)	(182,633)

NOTE 13 INTANGIBLE ASSETS OTHER THAN GOODWILL

The Company's intangible assets correspond to systems and IT systems development that do not form an integral part of equipment, and are therefore not disclosed under property, plant and equipment. These are identifiable assets whose future benefits, in general, are recorded for the revenue they generate, as well as the cost savings and different returns derived from their use.

The cost assigned to intangible assets is determined reliably since it refers to payments made to unrelated third parties for development services. The assets undergoing development held by the Company are technically expected to be finished. Upon their completion, the Company expects to use them internally in order to generate future benefits since they correspond to needs related to internal improvement processes, have appropriate financial planning that ensures their sustainability and they can be efficiently valued since they are assets whose cost is related to their development.

Net intangible assets recorded in the current consolidated financial statement are detailed as follows:

A. COMPUTING SYSTEMS IN DEVELOPMENT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
DCV Evolution Purchases-Sales Project	-	419,325
BRAA Project	443,168	422,803
Revenue Management System Project	204,440	198,405
Project SARA	-	259,372
Digital Signature Project	-	110,662
Project Evolution Nasdaq	189,566	46,193
Browser Homologation Project	-	41,843
Virtual Desktops Implementation Project (VDI)	-	78,820
Other Projects	18,246	27,012
TOTAL COMPUTING SYSTEMS IN DEVELOPMENT	855,420	1,604,435

NOTE 13 INTANGIBLE ASSETS OTHER THAN GOODWILL (Continued)

B. COMPUTING SYSTEMS	Dec-31-17 ThCh$	Dec-31-16 ThCh$
ISO Purchases-Sales	447,380	-
Improvements SARA	354,232	-
ISO Messaging	219,996	330,822
Income Management System Project	176,406	77,113
DCV System Evolution Project	112,540	298,523
Improvements OSAS	109,228	-
ISO Step II	112,074	139,859
Digital Signature Project	114,958	-
Sybase Migration	100,956	151,434
WAS 7 Migration	87,904	131,856
OSAS	66,413	99,869
Virtual Desktops Solutions	65,684	-
Implementation DCV Technology Architecture	54,563	95,486
Electronic Registry of Pledges	44,205	67,597
ISO Step II - Creation of Instruments	42,169	59,531
Browser Homologation Project	41,257	-
COMDER	38,229	53,027
APCWIN to Web Migration Project	33,241	-
Application Architecture Improvements	31,534	44,582
Intranet Share Point	25,103	35,861
Reengineering Entry Files	18,844	30,305
Improvements International Custody	17,177	25,830
Special Reports BEC	10,533	15,839
Forward Contracts	9,722	13,611
Implementation of HealthCheck EPM	9,266	13,237
Shareholder Meetings	8,887	22,495
Open Pages Risk Management System	7,310	36,549
Mutual Funds Shares (CFM)	6,400	9,908
Electronic Reception International Transactions	4,599	8,278
Update and Registry of Balances	3,697	29,575
Project Server 2010	-	2,957
SARA Treasury	-	1,251
Other System Developments	91,392	129,946
TOTAL COMPUTING SYSTEMS	2,465,899	1,925,341
INTANGIBLE ASSETS OTHER THAN GOODWILL	3,321,319	3,529,776

NOTE 13 INTANGIBLE ASSETS OTHER THAN GOODWILL (Continued)

As of December 31, 2017 and 2016, net intangible assets are detailed as follows:

CONCEPT	Computing Systems in Development ThCh$	Computing Systems ThCh$	Total ThCh$
Beginning Balance as of 01-01-2017	**1,604,435**	**1,925,341**	**3,529,776**
Additions	819,751	1,488,107	2,307,858
Amortization Expense	-	(947,549)	(947,549)
Write-offs or Transfers (*)	(1,568,766)	-	(1,568,766)
FINAL BALANCE AS OF 12-31-2017	855,420	2,465,899	3,321,319

CONCEPT	Computing Systems in Development ThCh$	Computing Systems ThCh$	Total ThCh$
Beginning Balance as of 01-01-2016	**1,017,122**	**1,879,640**	**2,896,762**
Additions	1,172,845	554,216	1,727,061
Amortization Expense	-	(508,515)	(508,515)
Write-offs or Transfers (*)	(585,532)	-	(585,532)
FINAL BALANCE AS OF 12-31-2016	1,604,435	1,925,341	3,529,776

(*) Derecognitions or transfers: Correspond to system projects that are transferred to computer systems upon termination, thus beginning their period of amortization. In addition, it considers the system projects that have been written-off by the Company.

NOTE 13 INTANGIBLE ASSETS OTHER THAN GOODWILL (Continued)

The useful lives of intangibles are detailed as follows:

CONCEPT	Life or Rate Minimum (Years)	Life or Rate Maximum (Years)
Computer Systems	48	72

Periodically the Management of the Company applies procedures to detect signs of impairment of assets. Thus, during 2017 these procedures showed that the estimation of the useful life of some of the computer systems developed by the Company was inadequate. According to what has been described previously, the useful lives of these computer systems should have been modified, generating an effect on the results of the exercise – a higher expense by amortization of ThCh$336,263.

NOTE 14 PROPERTY, PLANT AND EQUIPMENT

A) The Company's property, plant and equipment are detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
LEASING		
Property, Plant and Equipment in Leasing (*)	928,198	901,999
PLANT AND EQUIPMENT		
Furniture and Supplies	367,629	369,787
Office Machines	189,402	175,080
Security Equipment	130,318	104,367
IT EQUIPMENT		
Computing Equipment	2,038,385	2,000,475
Computer Packages	3,081,375	2,396,141
LAND AND BUILDINGS		
Buildings	348,815	348,815
Land	37,243	37,243
FIXED FACILITIES AND ACCESSORIES		
Facilities	1,007,540	997,690
OTHER		
Other Property, Plant and Equipment	36,780	34,814
ACCUMULATED DEPRECIATION		
Accum. Deprec. Property, Plant and Equipment in Leasing	(271,133)	(234,780)
Accum. Deprec. Furniture and Supplies	(286,096)	(240,426)
Accum. Deprec. Office Machines	(152,657)	(149,280)
Accum. Deprec. Security Equipment	(74,726)	(60,251)
Accum. Deprec. Computing Equipment	(1,529,462)	(1,316,888)
Accum. Deprec. Facilities	(743,202)	(619,929)
Accum. Deprec. Other Property, Plant and Equipment	(31,166)	(27,050)
Accum. Deprec. Buildings	(58,246)	(50,303)
Accum. Deprec. Computer Packages	(2,006,328)	(1,645,935)
TOTAL PROPERTY, PLANT AND EQUIPMENT	3,012,669	3,021,569

(*) Property, plant and equipment in leasing are composed of buildings of ThCh$600,121 (ThCh$607,448 in 2016), land ThCh$143,689 (ThCh$143,689 in 2016), facilities ThCh$107,919 (ThCh$107,919 in 2016), furniture ThCh$42,943 (ThCh$42,943 in 2016) and printing equipment ThCh$33,526 (no amount 2016).

NOTE 14 PROPERTY, PLANT AND EQUIPMENT (Continued)

B) The Company's property, plant and equipment, net of depreciation, is detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
LEASING		
Property, Plant and Equipment in Leasing	657,065	667,219
PLANT AND EQUIPMENT		
Furniture and Supplies	81,533	129,361
Office Machines	36,745	25,800
Security Equipment	55,592	44,116
IT EQUIPMENT		
Computing Equipment	508,923	683,587
Computer Packages	1,075,047	750,206
LAND AND BUILDINGS		
Buildings	290,569	298,512
Land	37,243	37,243
FIXED FACILITIES AND ACCESSORIES		
Facilities	264,338	377,761
OTHER		
Other Property, Plant and Equipment	5,614	7,764
TOTAL	3,012,669	3,021,569

NOTE 14 PROPERTY, PLANT AND EQUIPMENT (Continued)

C) The useful lives by concept are detailed as follows:

CONCEPT	Life or Rate Minimum (Years)	Life or Rate Maximum (Years)
FIXED FACILITIES AND ACCESSORIES		
Facilities	3	10
IT EQUIPMENT		
Computing Equipment	3	10
Computer Packages	2	4
LEASING		
Buildings	50	50
Computing Equipment	3	6
Other	3	6
BUILDINGS		
Buildings	50	50
PLANT AND EQUIPMENT		
Furniture and Supplies	3	10
Office Machines	2	10
Security Equipment	3	10
OTHER PROPERTY, PLANT AND EQUIPMENT		
Other Property, Plant and Equipment Assets	3	10

NOTE 14 PROPERTY, PLANT AND EQUIPMENT (Continued)

D) Activity of property, plant and equipment is detailed as follows:

CONCEPT	Fixed Facilities and Accessories	IT Equipment	Plant and Equipment	Land and Buildings	Leasing	Other	Total Property, Plant and Equipment
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Beginning Balance as of 01-01-2017	**377,761**	**1,433,793**	**199,277**	**335,755**	**667,219**	**7,764**	**3,021,569**
Additions	9,850	715,648	55,125	-	36,051	1,966	818,640
Depreciation Expense	(123,273)	(565,471)	(80,176)	(7,943)	(36,353)	(4,116)	(817,332)
Write-Offs	-	-	(356)	-	-	-	(356)
Other Variations	-	-	-	-	(9,852)	-	(9,852)
FINAL BALANCE AS OF 12-31-2017	264,338	1,583,970	173,870	327,812	657,065	5,614	3,012,669

CONCEPT	Fixed Facilities and Accessories	IT Equipment	Plant and Equipment	Land and Buildings	Leasing	Other	Total Property, Plant and Equipment
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Beginning Balance as of 01-01-2016	**488,815**	**1,448,416**	**224,626**	**343,697**	**703,973**	**11,029**	**3,220,556**
Additions	10,715	484,953	53,323	-	-	455	549,446
Depreciation Expense	(121,769)	(499,576)	(75,844)	(7,942)	(27,570)	(3,720)	(736,421)
Write-Offs	-	-	(2,828)	-	-	-	(2,828)
Other Variations	-	-	-	-	(9,184)	-	(9,184)
FINAL BALANCE AS OF 12-31-2016	377,761	1,433,793	199,277	335,755	667,219	7,764	3,021,569

NOTE 15 DEFERRED TAX ASSETS AND LIABILITIES

The balances of deferred assets and tax liabilities are detailed as follows:

CONCEPT	Assets		Liabilities	
	Dec-31-17 ThCh$	Dec-31-16 ThCh$	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Indemnity Provision	375,457	315,736	-	-
Vacation Provision	163,670	139,442	-	-
Progressive Vacation Provision	5,338	4,557	-	-
Systems Development	13,491	-	-	(64,740)
Activated BRA Project	-	-	(127,392)	(105,532)
RIAE Project	-	-	-	(17,625)
Leasing Obligations	150,490	159,028	-	-
Miscellaneous Provisions	48,606	43,401	-	-
Bad Debt	23,350	16,282	-	-
Prepaid Revenue	79,329	75,512	-	-
Prepayment of Purchase Option	22,973	22,973	-	-
Taxable Property, Plant and Equipment Assets	502,331	483,572	(455,297)	(420,772)
Assets in Leasing	-	-	(177,407)	(179,671)
Activated Expenses (Facilities)	-	-	(124,068)	(47,049)
Activated Remodeling	-	-	(48,572)	(73,184)
Derivatives	-	-	(16,876)	-
Total Deferred Taxes	1,385,035	1,260,503	(949,612)	(908,573)
Net Deferred Tax Assets	**435,423**	**355,838**		
Net Deferred Tax Liabilities	**-**	**3,908**		

NOTE 15 DEFERRED TAX ASSETS AND LIABILITIES (Continued)

The deferred tax assets and liabilities are presented net for each company included in the consolidation in the Company's statement of financial position. As of December 31, 2017 and 2016 the Parent Company has a net deferred tax asset of ThCh$435,423 and ThCh$355,838. As of December 31, 2016, the Subsidiary has a net deferred tax liability of ThCh$3,908.

NOTE 16 OTHER FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT)

The Company has the following financial liabilities:

- The Company has a financial leasing agreement with Banco Santander, which has an indirect relationship with DCV, corresponding to the acquisition of real estate and the conditioning of the fourth floor of the Burgos Building, within the framework of the Company's operational continuity plans. This lease was negotiated for 15 years at a rate of UF + 4.88% in 2008. The monthly payment is 320.55 UF, and it expires in November 2023.

- The Company has an equipment leasing agreement with Ricoh Chile (printing equipment), for the offices. This lease was negotiated for 3 years (36 months) at an annual rate of 15%. The monthly payment is 46.26 UF, and it expires in March 2020.

- The Company has two forward contracts, to make payments in foreign currency to a technological service provider. The total amount of forward contracts is USD1,719,000. Below, the detail of each instrument is presented:

CONTRACT	USD Amount	Maturity	Exchange rate
Forward 1	1,146,000	10-19-2018	661.48
Forward 2	573,000	03-29-2019	664.66
TOTAL	1,719,000		

NOTE 16 OTHER FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT) (Continued)

The detail of Other financial liabilities is the following:

CURRENT DOCUMENTS PAYABLE	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Lease Payments	117,957	101,350
Deferred Interest Payable	(27,341)	(27,344)
Forward Contracts	48,448	-
TOTAL CURRENT PORTION	139,064	74,006

NON-CURRENT DOCUMENTS PAYABLE	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Lease Payments	525,414	599,655
Deferred Interest Payable	(58,660)	(79,720)
Forward Contracts	24,459	-
TOTAL NON-CURRENT PORTION	491,213	519,935
TOTAL	630,277	593,941

NOTE 16 OTHER FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT) (Continued)

The maturity of current debt under leasing until its life is as follows:

SECURITIES	90 Days	More than 90 Days to 1 Year	From 1 to 2 Years	From 2 to 3 Years	From 3 to 4 Years	From 4 to 5 Years	More than 5 Years
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
REAL ESTATE							
Capital	19,395	59,631	82,970	87,112	91,457	96,023	92,230
Interest	6,372	17,683	20,112	15,972	11,620	7,058	2,265
DERIVATIVES							
Forward	-	48,448	24,459	-	-	-	-
EQUIPMENT							
Capital	2,748	8,842	13,329	3,633	-	-	-
Interest	971	2,315	1,547	86	-	-	-
TOTAL SHARES	29,486	136,919	142,417	106,803	103,077	103,081	94,495

The detail of forward contracts, used as hedging financial instruments, is in Note No. 9, Financial Instruments.

NOTE 17 TRADE PAYABLES AND OTHER ACCOUNTS PAYABLE

The balance included in this category corresponds principally to the balance of invoices payable to suppliers of operations, insurance and others.

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Accounts Payable (*)	1,354,309	1,331,782
Bills Receivable	231,131	200,465
TOTAL TRADE PAYABLES AND OTHER ACCOUNTS PAYABLE	1,585,440	1,532,247

(*) As of December 31, 2017 and 2016, the amounts payable associated with operating insurance reached ThCh$958,058 and ThCh$964,082, respectively.

NOTE 18 PROVISIONS FOR EMPLOYEE BENEFITS

The balance included in this category corresponds to the provisions for employee vacations, bonuses for the fulfillment of performance objectives and other. These are detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Employee Vacation	625,957	564,699
Employee Bonuses	1,185,894	1,203,523
Other Employee Benefits	108,451	147,197
TOTAL PROVISIONS FOR EMPLOYEE BENEFITS	1,920,302	1,915,419

NOTE 18 PROVISIONS FOR EMPLOYEE BENEFITS (Continued)

The variations of current provisions for employee benefits, current portion, are detailed as follows:

CONCEPT	Vacation	Bonuses	Other benefits	Total
	ThCh$	ThCh$	ThCh$	ThCh$
Beginning Balance as of 01-01-2017	**564,699**	**1,203,523**	**147,197**	**1,915,419**
Additions	494,683	1,185,894	143,649	1,824,226
Write-offs	(433,425)	(1,203,523)	(182,395)	(1,819,343)
Final Balance as of 12-31-2017	625,957	1,185,894	108,451	1,920,302

CONCEPT	Vacation	Bonuses	Other benefits	Total
	ThCh$	ThCh$	ThCh$	ThCh$
Beginning Balance as of 01-01-2016	**531,964**	**850,453**	**-**	**1,382,417**
Additions	507,317	1,201,214	147,197	1,855,728
Write-offs	(474,582)	(848,144)	-	(1,322,726)
Final Balance as of 12-31-2016	564,699	1,203,523	147,197	1,915,419

CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

These provisions are recorded according to Note 3 d). The Company pays its employees an annual bonus upon prior authorization of the Board of Directors and an evaluation of the completion of annual objectives also established by the Board of Directors. Therefore, a provision is established that varies, based on the accrual calculated linearly with effect on income and for the consumption of the same provision as a result of the payment of the obligation.

As of December 31, 2017, the amount of the provision corresponds to ThCh$1,185,894 (ThCh$1,203,523 as of December 31, 2016). As of December 31, 2017 and 2016, the effect on income for the year was ThCh$1,082,147 and ThCh$1,235,427, respectively.

NOTE 18 PROVISIONS FOR EMPLOYEE BENEFITS (Continued)

NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

The Company also implemented a defined benefits plan including termination benefits for years of service for some of its employees. The cost related to this benefit is obtained by the actuarial calculation actuarial of the projected credit unit, according to IAS 19 "Employee Benefits". As of December 31, 2017 and 2016, the provision is equal to ThCh$1,398,655 and ThCh$1,177,467, respectively.

The balance included in this category is detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Payment for Years of Service	1,398,655	1,177,467
TOTAL PROVISIONS	1,398,655	1,177,467

The reconciliation of the defined benefits obligation, the details of the expense for the year ended December 31, 2017 and 2016, and the principal assumptions used to determine the obligation are detailed as follows:

EFFECT OF ACTUARIAL CALCULATION	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Beginning Balance	**1,177,467**	**649,621**
Interest Expense	15,809	31,422
Cost of Services from Current Year	231,995	442,886
Benefits Paid During the Year	-	-
Expected obligation	**(1,425,271)**	**(1,123,929)**
Obligation at the close of the period	**1,398,655**	**1,177,467**
Actuarial result hypothesis	(56,325)	53,538
Actuarial result experience	29,709	-
ACTUARIAL RESULT	**(26,616)**	**53,538**

NOTE 18 PROVISIONS FOR EMPLOYEE BENEFITS (Continued)

NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS (Continued)

EFFECT OF DEFERRED TAXES	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Actuarial Result - IAS Update	26,616	(53,538)
Deferred Tax	(7,186)	14,456
Total Other Comprehensive Income	19,430	(39,082)

The determination of the deferred benefits obligation is detailed as follows:

a) Discount rate of 1.82% used; BCU rate of 10 years.
b) Average expected rate of salary increases equivalent to 2%.
c) Average employee turnover rate defined by gender and age, with historical data, equivalent to 5%.
d) Mortality chart RV-2014 issued by the SVS.
e) Other significant actuarial assumptions: Legal retirement age by gender, 65 years for men and 60 years for women.

The present value of the obligation with employees is reviewed and adjusted quarterly through the monitoring of variations presented in the aforementioned calculation parameters.

NOTE 19 OTHER CURRENT NON-FINANCIAL LIABILITIES

As of December 31, 2017 and December 31, 2016, other current non-financial liabilities are detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Dividends Payable (*)	202,165	364,521
Monthly Taxes (VAT and Others)	122,574	112,141
Social Security/Health Insurance Withholdings	105,675	108,798
Others	76,421	55,099
OTHER CURRENT NON-FINANCIAL LIABILITIES	506,835	640,559

(*) This corresponds to the minimum dividend as described in Note No.20 e).

NOTE 20 CAPITAL AND RESERVES

A) DIVIDENDS PAID BY DEPÓSITO CENTRAL DE VALORES S.A.

- October 24, 2017, the payment of provisional dividend No. 29 was approved in the amount of ThCh$624.448, equivalent to $4,000 per share.
- March 28, 2017, the payment of final dividend No. 28 was approved in the amount of ThCh$364.521, equivalent to $2,335 per share.
- October 25, 2016, the payment of provisional dividend No. 27 was approved in the amount of ThCh$328.928, equivalent to $2,107 per share.
- March 31, 2016, the payment of final dividend No. 26 was approved in the amount of ThCh$212,781, equivalent to $1,363 per share.

NOTE 20 CAPITAL AND RESERVES (Continued)

B) PAID-IN CAPITAL AND NUMBER OF SHARES

According to Article 33 of the Corporations Law via public document dated August 26, 1999, granted before the Santiago Notary of Mr. René Benavente Cash, it was noted that the three-year term established by the Extraordinary Shareholders' Meeting for the payment of the entire capital increase had expired. Given that 7,000 shares were not subscribed or paid for by the shareholders within the abovementioned period, the total number of the Company's subscribed and paid shares is 156,112 shares.

C) MINIMUM EQUITY

The evaluation of the minimum equity required by the SVS is detailed as follows:

DESCRIPTION		Dec-31-17 ThCh$	Dec-31-16 ThCh$
Paid-In Capital		4,089,817	4,089,817
Other Comprehensive Income		(79,406)	(98,836)
Retained Earnings (Losses)		8,016,816	6,088,491
Non-Controlling Interest		1	1
ACCOUNTING EQUITY		12,027,228	10,079,473
Equity for S.V.S.	**ThCh$**	**12,027,228**	**10,079,473**
Equity for S.V.S.	**UF**	**448,808**	**382,552**
Equity Demanded by S.V.S.	**UF**	**30,000**	**30,000**

NOTE 20 CAPITAL AND RESERVES (Continued)

D) MANAGEMENT OF CAPITAL

The Company's objective for the management of capital is to maintain an appropriate level of capitalization that allows it to ensure access to financial markets for the development of its objectives, optimizing the returns of its shareholders and maintaining a solid financial position.

E) MINIMUM DIVIDEND

As of December 31, 2017 and 2016, a provision for the payment of minimum legal dividend amounting to ThCh$202,165 and ThCh$364,521 was recorded, respectively.

This provision for dividends payment was made to comply with the provision to show in the annual financial statements the legal obligation to distribute minimum dividends to shareholders of the company.

F) DIVIDENDS

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Final Dividend (*)	-	-
Provisional Dividend	624,448	328,928
Minimum Dividend Provision	202,165	364,521
TOTAL DIVIDENDS	826,613	693,449

(*) As of December 31, 2017, the final dividend was charged to the provision for the 2016 minimum dividend. The approved final dividend approved as of December 31, 2017 amounted to ThCh$364,521.

(*) As of December 31, 2016, the final dividend was charged to the provision for the 2015 minimum dividend. The approved final dividend approved as of December 31, 2016 amounted to ThCh$212,781.

NOTE 20 CAPITAL AND RESERVES (Continued)

G) OTHER COMPREHENSIVE INCOME

This item corresponds to the actuarial income originating in the valuation of compensation for years of service in accordance with the provisions of IAS 19 "Employee Benefits." As of December 31, 2017 and 2016, this amounts to ThCh$19,430 and ThCh$(39,082), respectively.

OTHER COMPREHENSIVE INCOME	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Opening IAS	(98,836)	(59,754)
Actuarial result - IAS Update	26,616	(53,538)
Deferred Tax	(7,186)	14,456
TOTAL OTHER COMPREHENSIVE INCOME	(79,406)	(98,836)

NOTE 21 REVENUE

For the years ended December 31, 2017 and 2016, the consolidated income and discounts are detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Gross Revenue	23,956,459	21,977,667
Commercial Discount	(1,875,195)	(1,687,760)
Service Discount	(1,492,270)	(1,361,972)
Total Discount	**(3,367,465)**	**(3,049,732)**
NET REVENUE	20,588,994	18,927,935

The services of Depósito Central de Valores S.A. are subject to two types of discounts. The first is applied to the total amount of the invoice and corresponded to 9.6% until September 2016. From October to December 2016, the applied discount corresponded to 14.6%. During 2017, the applied discount corresponded to 11%.

The second is applied depending on the type of service, and corresponds to 9% for securities custody service, 4% for transactions registry service, 22% for securities management service and 15% on the fixed monthly fee. The shareholder registry management services are not subject to discounts.

NOTE 21 REVENUE (Continued)

The Company's gross revenue (without discounts) detailed by the type of service is as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Securities Custody	9,412,440	8,333,295
Constituents Accounts Service	3,533,011	3,188,597
Purchase Registry	2,789,193	2,569,411
General Charges	1,156,925	1,145,046
Securities Deposit	471,247	521,197
International Custody	466,772	406,646
Securities Management	327,655	366,348
Transfer Registry	297,207	276,146
Opening of Additional Accounts	198,098	194,941
Transfers Registry	168,833	135,340
Investment Position Certificates	112,159	87,127
Active Affiliates Recognition Bonus Service	107,263	115,892
Forward Contracts	102,660	103,161
Special Portfolio Valuation	98,909	98,208
Electronic Pledge Registry	60,487	31,786
Withdrawal of Securities from Custody	9,334	8,266
Mining Guarantee Custody	8,297	1,892
ISIN Code Allocation	316	474
TOTAL SECURITIES CUSTODY	19,320,806	17,583,773

NOTE 21 REVENUE (Continued)

CONCEPT (Continued)	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Shareholder Registry Management Fixed Fee	3,217,520	2,921,291
Shareholder Meeting Fees	293,856	351,961
Legal Report Fees	252,170	237,075
Dividend Payments	250,515	195,268
Preferential Bid Process	111,613	204,657
Tax Certificates	66,479	63,428
Office Mechanization	27,334	24,665
WinSTA Support Agreement	18,513	19,947
Share Transfer Fee	3,501	4,443
Insurance Policy	1,914	1,877
Other Operational Revenue (*)	392,238	369,282
TOTAL SHAREHOLDER REGISTRY MANAGEMENT	4,635,653	4,393,894
GROSS REVENUE	23,956,459	21,977,667

(*) As of December 31, 2017, this concept groups the income received by the Mechanization, Printing and Postage Service for ThCh $366,182 and Warehousing Service for ThCh $26,056. As of December 31, 2016, the amount corresponds to the Mechanization, Printing and Postage Service for ThCh$ 369,282.

Consolidated gross income, as of December 31, 2017 and 2016, is comprised 81% of the income from custody and securities settlement services (80% as of December 2016) and 19% shareholder registry management services (20% as of December 2016).

NOTE 22 EMPLOYEE BENEFITS COSTS

As of December 31, 2017 and 2016, consolidated employee benefits costs are detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Salaries	7,236,084	6,835,376
Bonuses	1,082,147	1,235,427
Compensation for Years of Service	247,804	474,308
Social Laws and Medical Leave	238,982	222,484
Compensation and Severance	150,332	407,504
Training	147,694	108,012
Other Employee Expenses (*)	709,016	567,078
TOTAL EMPLOYEE BENEFITS COSTS	9,812,059	9,850,189

(*) Other Employee Expenses are detailed as follows:

OTHER EMPLOYEE EXPENSES	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Meals	205,849	179,979
Medical Insurance	154,206	129,424
Other Benefits	67,127	91,145
Office Cafeteria	46,194	43,384
Selection	23,708	25,038
Registration Fees	17,508	1,308
Uniforms	14,899	15,257
Other Employee Expenses	179,525	81,543
TOTAL OTHER EMPLOYEE EXPENSES	709,016	567,078

NOTE 23 OTHER EXPENSES BY TYPE

As of December 31, 2017 and 2016, these accounts include operational costs and administrative expenses (excluding employee expenses, depreciation and amortization), as follows:

OTHER EXPENSES BY TYPE	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Maintenance of Systems and Infrastructure	1,139,621	1,014,275
Operating Insurance	875,348	805,596
External Advisory	775,049	554,765
Buildings and Facilities	630,352	579,524
Communications	378,815	376,553
External and Temporary Workers	296,492	294,839
Other General Expenses	263,724	256,662
External Workers for Operations	164,971	178,599
Meetings, Trips and Other	112,777	132,960
Office and Supplies Expenses	105,716	104,169
Marketing Expenses	92,779	88,899
General Insurance	84,863	87,803
Licenses, Taxes and Fees	69,960	57,161
Telephone Expenses	45,644	49,036
Bad Debt Penalty	17,282	-
Other Operating Expenses (*)	521,684	489,962
TOTAL OTHER EXPENSES	5,575,077	5,070,803

(*) As of December 31, 2017, this account includes ThCh$265,445 (ThCh$252,638 in 2016) corresponding to International Service expenses, ThCh$255,737 (ThCh$236,947 in 2016) for National Operational expenses and other minor expenses for ThCh$502 (ThCh$377 in 2016).

NOTE 24 OTHER PROFITS (LOSSES)

As of December 31, 2017 and 2016, the income accounts include concepts related to remuneration of average balances, financial interest, and office leases, among others, while expenses correspond to amounts related to write-offs and others:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
NON-OPERATING INCOME		
Financial Income	83,203	74,156
Office Leases	29,750	31,732
Other Income	19,140	8,633
Profit in Sale of Property, Plant and Equipment	950	-
NON-OPERATING EXPENSES		
Donations	-	(1,391)
Other	(4,223)	(197)
Loss in Sale of Property, Plant and Equipment	(246)	(1,526)
Other non-operating expenses	(1,699)	-
TOTAL OTHER PROFIT (LOSS)	126,875	111,407

NOTE 25 FINANCE COSTS

Finance costs consider the interest paid for the acquisition of goods financed through financial leasing and expenses related to financial hedging instruments, detailed as follows:

FINANCE COSTS	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Interest Paid for Leasing	27,401	26,487
Other finance costs	40,143	-
FINANCE COSTS	67,544	26,487

NOTE 26 INCOME TAX EXPENSE

Income tax expense is detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Income Tax Expense		
Current Year	(950,683)	(815,944)
Sole Tax Article 21	(2,942)	(457)
Adjustment from Prior Years	-	(2,254)
TOTAL	(953,625)	(818,655)
Deferred Tax Expense		
Origen and Reversal of Temporary Differences	90,679	185,722
TOTAL	90,679	185,722
Income Tax Expense Excluding Tax on Sale of Continuous Operations and Share of Income Tax of Investments Accounted for Under the Equity Method	(862,946)	(632,933)
TOTAL INCOME TAX EXPENSE	(862,946)	(632,933)

NOTE 26 INCOME TAX EXPENSE (Continued)

Reconciliation of the effective rate is the following:

CONCEPT	Dec-31-17 ThCh$	Effective Rate	Dec-31-16 ThCh$	Effective Rate
Profit for the Year	2,754,939		2,311,457	
Total Income Tax Expense	(862,946)		(632,933)	
PROFIT EXCLUDING INCOME TAX	3,617,885		2,944,390	
Income Tax	(953,625)		(818,655)	
Deferred Taxes	90,679		185,722	
TOTAL EXPENSE	(862,946)	(23.85)%	(632,933)	(21.50)%
Rate Applied to Pre-Tax Income for the Year	922,561	25.50%	706,672	24.00%
Difference for Change in Rate of Deferred Taxes	(10,018)	(0.28)%	(16,073)	(0.55)%
Difference with Tax Paid in Prior Year	-		2,254	0.08%
Deferred Taxes in Equity	-		-	
Sole Tax Article 21	2,942	0.08%	457	0.02%
Permanent Differences	(52,539)	(1.45)%	(60,377)	(2.05)%
TOTAL RECONCILIATION	862,946	23.85%	632,933	21.50%

NOTE 27 PROFITS PER BASIC SHARE

Profits per share are detailed as follows:

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Income Available to Shareholders	2,754,939	2,311,457
Subscribed and Paid Shares	156,112	156,112
PROFIT PER SHARE $	17,647	14,806

The Company has no publicly-traded shares and is not in the process of issuing shares in public markets, therefore the calculation of profits per share does not consider the weighted average of shares in circulation, but rather the total amount of shares paid in relation to the income attributable to all of the Company's shareholders.

The Company has not issued convertible debt or other equity securities; therefore, there are no diluting effects on the income per share.

NOTE 28 OPERATING LEASES

The Company has operating leases, which are grouped in the following way:

A) PRODUCTION SITE LEASES

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Remote Site Leases	27,432	28,929
Production Site Leases	181,959	174,747
TOTAL SITE LEASES	209,391	203,676

These correspond to the rental of physical space and equipment specifically conditioned to replicate the Company's principal technological facilities within the framework of its contingency and operational continuity plans. The cost of these leases is presented in "other expenses by type" in the consolidated statement of income.

B) REAL ESTATE LEASES

CONCEPT	Dec-31-17 ThCh$	Dec-31-16 ThCh$
Burgos P3 Offices (1)	64,694	32,944
Burgos P12 Offices (2)	207,149	202,804
Huérfanos P20 Offices (3)	29,552	28,957
Huérfanos P17 and P22 Offices (4)	60,857	59,375
TOTAL OFFICE LEASES	362,252	324,080

NOTE 28 OPERATING LEASES (Continued)

B) REAL ESTATE LEASES (Continued)

1) Corresponds to the lease signed for 5 years with Fegomi S.A. This lease originated in 2016 and it expires in July 2021. This real estate property is where the Company carries out its activities.
2) Corresponds to the lease signed for 10 years with Inmobiliaria Alsacia S.A. This lease originated in 2008 and it expires in December 2022. This real estate property includes the principal domicile of Depósito Central de Valores S.A.
3) Corresponds to leases to Soluciones Tecnologicas de Negocios SpA, for the offices located on the 20th floor of Edificio Santiago 2000, where the Parent Company carries out its activities. This lease originated in 2012 and expires in November 2019.
4) Corresponds to leases to Inmobiliaria Helvetia Ltda., for the following offices: a) 22nd floor of Edificio Santiago 2000, where the subsidiary company DCV Registros S.A. carries out its activities. This lease originated in 2005 and expires in April 2020.

The following chart shows the future expiration dates of real estate lease payments:

LEASE TERMINATIONS	2018		2019		2020 - 2022	
	UF	ThCh$	UF	ThCh$	UF	ThCh$
Burgos P3 Offices (1)	2,436	65,280	2,436	65,280	3,857	103,361
Burgos P12 Offices (2)	7,800	209,025	7,800	209,025	23,400	627,077
Huérfanos P20 Offices (3)	1,114	29,842	1,021	27,356	-	-
Huérfanos P17 and P22 Offices (4)	2,292	61,421	2,292	61,421	764	20,474
TOTAL	13,642	365,568	13,549	363,082	28,021	750,912

NOTE 29 SUBSEQUENT EVENTS

Between December 31, 2017, and the date of issuance of these consolidated financial statements, no events have occurred of a financial accounting or other nature that could significantly affect the interpretation thereof.

NOTE 30 CONTINGENCIES

GUARANTEES AND COMMITMENTS

A) RESPONSIBILITY FOR SECURITIES CUSTODY

As of December 31, 2017 and 2016, the Company holds instruments in custody. They are detailed as follows:

CONCEPT	Dec-31-17 MCh$	Dec-31-16 MCh$
Fixed Rate	108,640,437	99,514,651
Variable Rate	84,379,644	57,261,173
Financial Intermediation	47,802,148	47,105,875
International Custody	1,134,836	994,813
Recognition Bonuses	1,582,974	1,893,339
TOTAL	243,540,039	206,769,851

For the instruments listed below, the Company holds insurance policies in accordance with Law 18,876.

NOTE 30 CONTINGENCIES (Continued)

A) RESPONSIBILITY FOR SECURITIES CUSTODY (Continued)

Employee Fidelity Policy 2017-2018

POLICY	Currency	Indemnification Limit	Deductible	Net Premium
20074051 BBB - PRI	UF	1,066,577	4,600	8,313
20074046 BBB - XS 1	UF	561,356	1,066,577	2,071
20076802 BBB - XS 2	UF	6,172,067	1,627,933	12,796
TOTAL		7,800,000	2,699,110	23,180

Risks covered	Exclusion
1. Fidelity	1. Cyber/Internet hack of the institute
2. Premises	2. War and terrorism
3. Transit	3. Asset laundering
4. Forgery of checks	4. Absolute exclusion of Bills of Lading
5. Extensive forgery - titles and/or securities	
6. Money counterfeiting	
7. Offices and contents	
8. Computer crimes LSW983	

NOTE 30 CONTINGENCIES (Continued)

B) RESPONSIBILITY FOR FUNDS FOR THE PAYMENT OF DIVIDENDS

As of December 31, 2017 and December 31, 2016, the Company's subsidiary DCV Registros S.A., records in accounts funds received from shareholder registry clients for the payment of dividends, which are held in bank checking accounts and the corresponding responsibility for payment. The following accounting balances are maintained in a bank checking account with Banco de Crédito y Inversiones.

CONCEPT	Dec-31-17 MCh$	Dec-31-16 MCh$
Issuer Fund for Payment of Dividends	3,384,330	3,466,729
TOTAL ISSUER FUND FOR PAYMENT OF DIVIDENDS	3,384,330	3,466,729

C) LAWSUITS AND LITIGATION

The Company is not involved in trials or litigation.

NOTE 31 ENVIRONMENT

Due to the nature of the Company, it is not affected by expenses related to the improvement and/or investment of production, verification and control procedures regarding compliance with laws associated with industrial processes and facilities and any other that may directly or indirectly affect environmental protection.

NOTE 32 RESEARCH AND DEVELOPMENT

As of December 31, 2017 and 2016, the Company has no expenses of any kind for research. Developments correspond to computer systems that are activated under intangible assets..

NOTE 33 SANCTIONS

Between the closing date of the consolidated financial statements and the date of issuance of this report, the SVS and other Administrative Authorities have not applied any sanctions to the Company or its Directors and Executives.

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Summary Financial Statements of Subsidiary
DCV Registros S.A.

STATEMENT OF FINANCIAL POSITION	2017 ThCh$	2016 ThCh$
ASSETS		
Current Assets	2,451,063	2,596,342
Non-Current Assets	259,269	148,337
TOTAL ASSETS	2,710,332	2,744,679
LIABILITIES AND NET EQUITY		
Current Liabilities	870,736	897,944
Non-Current Liabilities	-	3,908
Total Liabilities	**870,736**	**901,852**
Paid-in Capital	863,930	863,930
Retained Earnings	975,666	978,897
Total Equity	**1,839,596**	**1,842,827**
TOTAL LIABILITIES AND NET EQUITY	2,710,332	2,744,679

STATEMENT OF COMPREHENSIVE INCOME	2017 ThCh$	2016 ThCh$
Revenue	**4,635,653**	**4,393,894**
Cost for Employee Benefits	(1,496,870)	(1,322,587)
Depreciation and Amortization Expenses	(48,645)	(49,438)
Other Expenses by Type	(1,468,922)	(1,421,971)
Other Profits (Losses)	79,366	74,048
Finance Revenue	30,735	32,864
Finance Costs	-	-
Foreign Currency Conversion	-	(6)
Price-level Restatement	3,444	2,575
Profit (Loss), Before Taxes	1,734,761	1,709,379
Income Tax Expense	(432,791)	(399,316)
PROFIT (LOSS)	1,301,970	1,310,063

ANALYSIS OF "CONSOLIDATED STATEMENT OF FINANCIAL POSITION"

The main items of Assets and Liabilities as of December 31, 2017 and 2016, are the following:

MAIN ÍTEMS	Unit	Dec-17	Dec-16	Variation
Current assets	ThCh$	10,878,325	9,183,511	18.45%
Non-current assets	ThCh$	7,194,892	6,942,136	3.64%
Total assets	ThCh$	18,073,217	16,125,647	12.08%
Current liabilities	ThCh$	4,156,121	4,344,864	(4.34)%
Non-current liabilities	ThCh$	1,889,868	1,701,310	11.08%
Equity	ThCh$	12,027,228	10,079,473	19.32%
TOTAL LIABILITIES AND EQUITY	ThCh$	18,073,217	16,125,647	12.08%

The Company's total assets as of December 2017 increased by MCh$1,948, that is 12.08% in relation to 2016. On this issue, we highlight:

The available resources in Banks (cash) and short and medium-term investments increased 23.1% (MCh$1,272 compared to December 2016). This growth is caused by the augmentation of operational income during 2017 and conformation of reserve according IOSCO principles.

Property, Plant and Equipment decreased by 0.3%, approximately MCh$9. During 2017, investments were made in IT Infrastructure for MCh$685, investments linked to strategic projects. The depreciation and amortization generated by the Fixed Assets during the period corresponded to MCh$817, slightly higher than the one reported as of December 31, 2016.

Net Intangible Assets decreased by 5.9% with respect to December 2016, this is MCh$208, effect that is originated by the growth of the amortization in the period, this generated by the decision to accelerate the amortization of a group of computer systems from July 2017. The amortization of the systems in use totaled MTh$948 as of December 31, 2017, showing a growth of 86.3% compared to the same period of 2016.

Reasoned Analysis of Financial Statements (Continued)

Depósito Central de Valores S.A., Securities Depository and Subsidiary

In the case of Company Liabilities, the matters to be highlighted are the following:

Current tax liabilities decreased by 97.5% compared to December 2016, equivalent to approximately MCh$178, this variation is explained in net terms, by the monthly provisional payments (PPM) of the period that increased by 42.3% and which correspond to MCh$262, compared to the provision for income tax that increased only by 16.5% and that corresponds to MCh$71.

Other Current Non-Financial Liabilities decrease by 20.9% with respect to 2016, equivalent to MCh$134, this is basically explained by the record of the provision of the minimum dividend at the end of each year, thus, this dividend corresponded to MTh$364 in 2016 and MCh$202 in 2017, showing a decrease of 44.5%, this is MCh$162.

Shareholders' equity increased by 19.3% compared to December 2016 (MCh$1,948), due to the positive Company results from year 2017 and the Dividend Policy (Accumulation of 70% from results).

The following chart shows the main financial indicators related to liquidity, indebtedness and activity of the Company:

LIQUIDITY INDICATORS	Unit	Dec-17	Dec-16	Variation
Current liquidity (1)	Times	2.62	2.11	23.83%
Acid ratio (2)	Times	2.62	2.11	23.83%

DEBT INDICATORS	Unit	Dec-17	Dec-16	Variation
Debt over equity (3)	Times	0.55	0.65	(15.96)%
Quality debt (4)	Times	0.69	0.72	(4.34)%

(1) The current Liquidity indicator (Lc) is intended to verify the possibilities of Company to meet its short-term commitments. Its calculation formula is:

$$Lc = \frac{\text{Current assets}}{\text{Current liabilities}}$$

(2) Acid ratio (Ra) is an indicator used to verify the possibilities of Company to meet its short-term commitments, without considering the sale of its stocks. Corresponds to the total Current Assets, less Inventories, divided by Current Liabilities. Its calculation formula is:

$$Ra = \frac{(\text{Current assets - Inventories})}{\text{Current liabilities}}$$

(3) The debt over equity (Ep) indicator tests the level of indebtedness of the Company with its creditors, with respect to its Equity. Its calculation formula considers the average equity between two periods (Equity as of Dec-31-2017 and as of Dec-31-2016). Its calculation formula is:

$$Ep = \frac{(\text{Current liabilities + Non-current liabilities})}{\text{Average equity}}$$

(4) The Quality debt indicator (Cd) tests the quality of the Company's obligations, in terms of the term for its payment. Its calculation formula is:

$$Cd = \frac{\text{Current liabilities}}{(\text{Current liabilities + Non-current liabilities})}$$

ANALYSIS OF "CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME"

The main items of Consolidated statement of comprehensive income as of December 31, 2017 and 2016 are the following:

COMPREHENSIVE INCOME ITEMS	Unit	Dec-17	Dec-16	Variation
Operating revenue	ThCh$	20,588,994	18,927,935	8.78%
Employee expenses	ThCh$	(9,812,059)	(9,850,189)	(0.39)%
Depreciation y amortization	ThCh$	(1,764,881)	(1,244,936)	41.76%
Other misc. expenses	ThCh$	(5,575,077)	(5,070,803)	9.94%
Operating income	ThCh$	3,436,977	2,762,007	24.44%
Finance expenses	ThCh$	(67,544)	(26,487)	155.01%
Non-operating income	ThCh$	180,908	182,383	(0.81)%
Income tax	ThCh$	(862,946)	(632,933)	36.34%
Income for the year	ThCh$	2,754,939	2,311,457	19.19%
EBITDA (5)	ThCh$	5,382,766	4,189,326	28.49%

(5) EBITDA, amount that corresponds to the gross operating profit of the Company, calculated before deducting the financial expenses, interest and taxes. Its calculation formula is:

EBITDA = Profit for the year + Income tax expense + Depreciation and amortization expenses

As of December 2017, Income of the Company was 19.19% higher compared to December 2016, this is MCh$443, in terms of EBITDA, the growth was 28.49%, which corresponds to MCh$1,193.

In consolidated terms, Gross Revenue increased by 9% and Discounts increased by 10.4%, MCh$1,979 and MCh$318, respectively.

Operating income from the subsidiary DCV Registros, increased by 5.5%, equivalent to MCh$242, thus showing a growth of 10.1% (MCh$296) in the Item Fixed Monthly Fee, which reached MCh$3,218 as of December 31, 2017. This item represents 69% of the total income of the Subsidiary during the period.

In the case of consolidated operating income of the Company, increased by 9.9% (MCh$1,737), the Custody of Securities Service being the service with the highest growth compared to December 2016, this is 12.9% corresponding to approximately MCh$1,079.

Differentiated discounts increased by 9.6% (MCh$130), as a result of the increase in operating volumes. In addition, the commercial discount increased by 11.1%, which is MCh$187 million, due to the change in discount rates: between January and September 2016 the rate was 9.6%, and 14.6% between October and December. During 2017, the discount was 11%.

Other expenses by type amount increased 9.9%, this is MCh$504, whose principal variations were observed in higher expenses associated with advisory services (growth of 39.7%, this is MCh$220), expenses for maintenance of systems and infrastructure (growth of 12.4%, this is MCh$125) and expenses associated with insurance of operation (growth of 8.7%, this is MCh$70).

The following chart shows the Company's relevant financial indicators related to profitability of Company:

PROFITABILITY INDICATORS	Unit	Dec-17	Dec-16	Variation
Profitability over equity (6)	%	24.92%	24.88%	0.17%
Profitability over assets (7)	%	15.24%	14.33%	6.34%
EBITDA / Sales (8)	%	26.14%	22.13%	18.12%
Income for the year / Sales (9)	%	13.38%	12.21%	9.57%

(6) The Return on Equity (ROE) indicator measures the investment performance of the shareholders, in relation to the profit obtained in a period. Its calculation formula considers the average equity between two periods (Equity as of Dec-31-2017 and as of Dec-31-2016). Its calculation formula is:

$$ROE = \frac{\textit{Result of the exercise}}{\textit{Average equity}}$$

(7) The Return on assets (ROA) indicator relates the profit of a period to the total assets of the Company. Its calculation formula is:

$$ROA = \frac{\textit{Income for the year}}{\textit{Total assets}}$$

(8) The EBITDA / Sales indicator relates the gross result for the year (discounting tax expense and depreciation and amortization expense) to operating income. Its calculation formula is:

$$EBITDA\ /\ Sales = \frac{\textit{(Income for the year + Income tax expense + Depreciation and amortization expenses)}}{\textit{Operating revenue}}$$

(9) Income / Sales indicator relates the net income of the Company with the gross income obtained. Measure the profit margin of the Company. Its calculation formula is:

$$\textit{Income for the year / Sales} = \frac{\textit{Income for the year}}{\textit{Operating revenue}}$$

RISKS OF THE COMPANY

DCV as part of the financial market infrastructures fulfills the function of Central Securities Depository, within the main risks that are managed in the Company are the operational risks, regulatory risk, continuity risk and security of its services. Regarding operational risk management frameworks, the Company complies with Circular No. 1939 of the SVS for Operational Risk Management in securities depository and custody entities.

The Company has implemented an integral risk management system based on international standards, ISO 31000 for Risk Management, ISO 22301 Business Continuity Management System, ISO 27001 for Information Security. Since 2012 DCV has a computer system in which Risk Management and its different dimensions are managed centrally with a comprehensive vision of risk, allowing the monitoring of their risks.

Within the Governance structure of Risk Management, the roles of each of the actors involved in its definition and management are defined, which is integrated by the Company's Board of Directors, the Audit and Operational Risk Committee (composed of directors and senior management), Management Risk Committee, Risk Management Area, Comptroller and collaborators. The Board of Directors currently has an accepted risk policy defined at the Moderate level, defining levels of tolerable risk for residual risk of 5% and for live or materialized risk of 3%.

The risk levels of the Company are reviewed every month in different committees, the mitigation measures consider the redefinition of the control structures, the monitoring of the risks, the continuity and recovery plans and the monitoring of the mitigation plans and commitments.

SR Statement of Responsibility

RUT : 96.666.140-2
Company Name : Depósito Central de Valores S.A.

In a meeting of the Board of Directors held on January 18, 2018, the persons indicated below took notice and are responsible for the veracity of the information included in this quarterly report referred to December 31 of 2017, according to the following detail:

	CONSOLIDATED
Statements of Financial Position Classified	X
Statements of Income by Type	X
Statements of Comprehensive Income	X
Statements of Cash Flows	X
Statements of Changes in Equity	X
Notes to the Financial Statements	X
Reasoned analysis of Financial Statements	X
Subsequent events	X

SR Statement of Responsibility (Continued)

NAME	POSITION	RUT	SIGN
Sergio Baeza Valdés	Chairman	5.572.979-4	
Arturo Concha Ureta	Vice Chairman	5.922.845-5	
Juan A. Camus Camus	Director	6.370.841-0	
Jorge Claude Bourdel	Director	6.348.784-8	
Arturo del Rio Leyton	Director	5.892.815-1	
Mario Gómez Dubravcic	Director	5.865.947-9	
José Antonio Martínez Zugarramurdi	Director	8.419.520-0	
Fred Meller Sunkel	Director	9.976.183-0	
Juan Carlos Reyes Madriaza	Director	7.382.629-2	
Guillermo Tagle Quiroz	Director	8.089.223-3	
Fernando Yáñez González	General Manager	6.374.974-5	

CUSTODIAMOS HOY
EL VALOR DEL MAÑANA

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Annual Report 2017