



Banco Santander Chile issues second floating bond in Chilean pesos in the local market

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(GLOBE NEWSWIRE via COMTEX) --- Demand reached 2.0 times the offering size, chiefly bought by mutual funds and pension funds.

Santiago, November 29, 2018. After having successfully issued the first floating bond in Chilean pesos in the local market, Banco Santander Chile went back to the market with a second series. The bond was issued through a Dutch auction, with a price of 100.94, which represent a spread of 60bp over the ICP[1]. The bond pays annual coupons of variable interest based on the Central Bank interbank overnight rate plus a spread. The series U3 for a total of Ch\$75 billion will be due June 1, 2021, and has a local rating of AAA by both Fitch Rating and Feller Rate.

With this milestone, the entity continues to develop the variable interest rate debt market in Chile, generating a curve of instruments with different maturities. This enables the Bank to balance its maturity profile and increase the liquidity within the market. The development of this new type of bond started in 2017, finishing off with an extensive local roadshow where investors were able to learn more about the characteristics of this new financial instrument.

For Emiliano Muratore, Chief Financial Officer of Santander Chile, "the second issuance of this new instrument deepens the market of instruments that protect against increases in the short-term rate by the Central Bank. The result of this bond issuance also reflect the hard work done during the year with investors to promote this type of instrument".

About Banco Santander

Banco Santander Chile is the largest Bank in the Chilean market in terms of assets, loans and equity. As of September 30, 2018, we had total assets of Ch\$38,026 billion (U.S.\$57.9 billion), outstanding loans net of allowances for loan losses of Ch\$29,168 billion (U.S.\$44.4 billion), total deposits of Ch\$20,762 billion (U.S.\$ 31.6 billion) and equity of Ch\$3,129 billion (U.S.\$4.8 billion). Our BIS ratio up to September 2018 was 13.0%, with a core capital ratio of 10.2%. Our long-term credit risk rating are A1 by Moody's, A Fitch and A Standard & Poor's.

[1] The average Central Bank rate from the average interbank rate index (Indice de Cámara Promedio, or ICP) as calculated and published by the Association of Banks and Financial Institutions of Chile on a daily basis from the average interbank rate reported by the Central Bank of Chile.

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Source: Banco Santander-Chile via Globenewswire