



**Banco Santander Chile
Results / Strategy
Update**

Important information

Banco Santander Chile caution that this presentation contains forward looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. These forward looking statements are found in various places throughout this presentation and include, without limitation, statements concerning our future business development and economic performance. While these forward looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to: (1) general market, macro-economic, governmental and regulatory trends; (2) movements in local and international securities markets, currency exchange rates, and interest rates; (3) competitive pressures; (4) technological developments; and (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties. The risk factors and other key factors that we have indicated in our past and future filings and reports, including those with the Securities and Exchange Commission of the United States of America, could adversely affect our business and financial performance.

Note: the information contained in this presentation is not audited and is presented in Chilean Bank GAAP which is similar to IFRS, but there are some differences. Please refer to our 2019 20-F filed with the SEC for an explanation of the differences between Chilean Bank GAAP and IFRS. Nevertheless, the consolidated accounts are prepared on the basis of generally accepted accounting principles. All figures presented are in nominal terms. Historical figures are not adjusted by inflation. Please note that this information is provided for comparative purposes only and that this restatement may undergo further changes during the year and, therefore, historical figures, including financial ratios, presented in this report may not be entirely comparable to future figures presented by the Bank.

AGENDA

COVID19: REGULATORY & MACRO UPDATE

SAN CHILE: BALANCE SHEET AND RESULTS

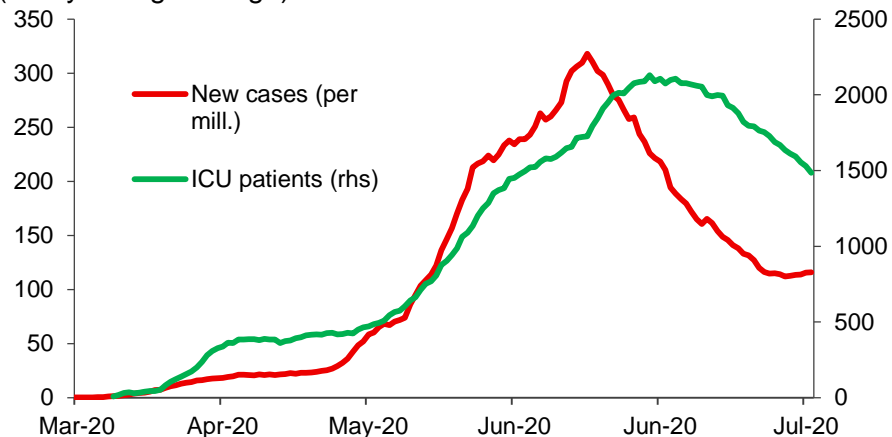
SAN CHILE: STRATEGIC INITIATIVES UPDATE

Macroeconomic environment

A gradual re-opening of the economy has commenced

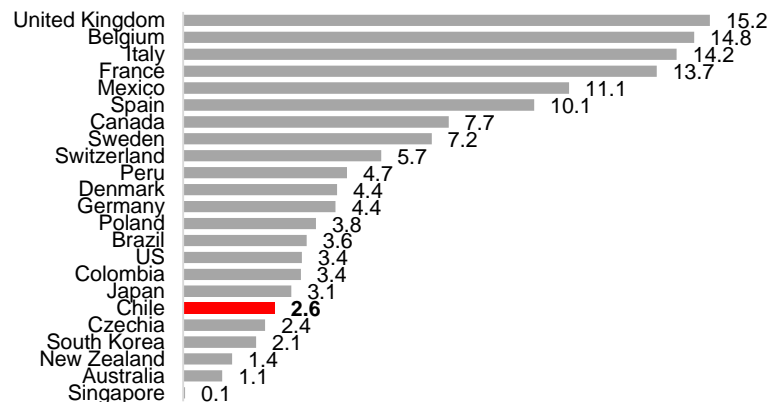
New cases and ICU patients

(7-day rolling average)



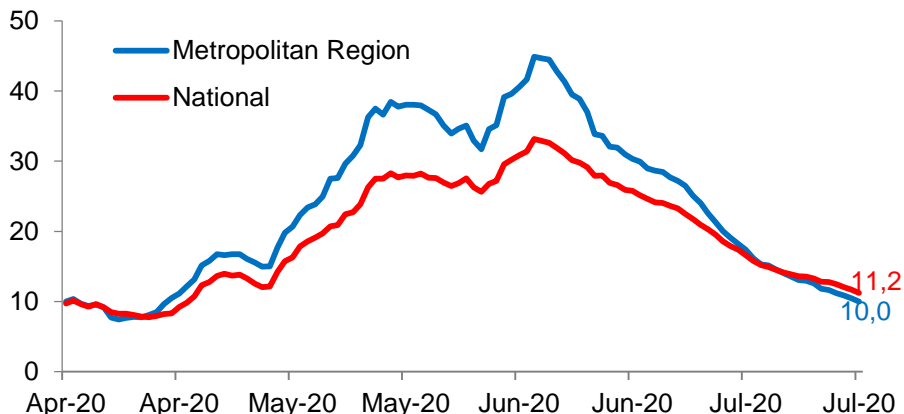
Lethality rate

(% Total deaths/ Total cases, as of July 28)

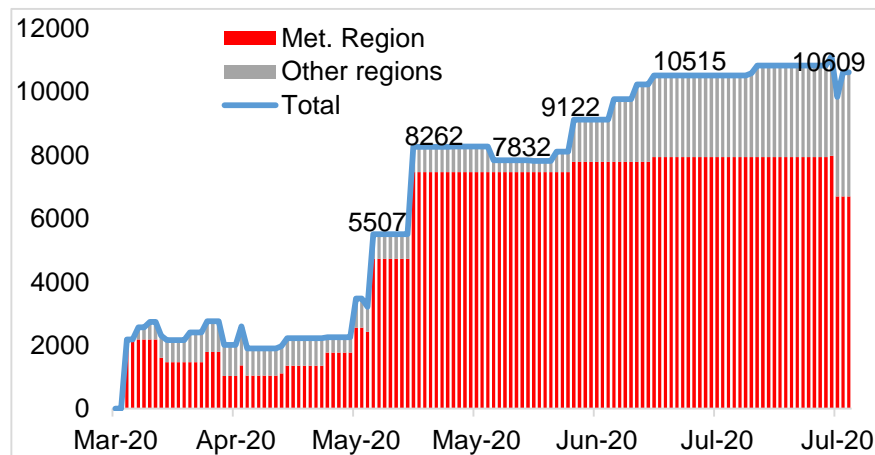


Positivity rates

(7-day rolling average)



People under quarantine



Macroeconomic environment

Step by step phases to open country

Criteria	To pass from quarantine to transition	To pass from transition to no quarantine	To pass from no quarantine to initial phases	To pass from initial phase to advanced phase	To pass from advanced phase to total phase
Regional ICU occupation	$\leq 90\%$	$\leq 85\%$	$\leq 85\%$	$\leq 80\%$	$\leq 80\%$
National ICU occupation	$\leq 85\%$	$\leq 85\%$	$\leq 80\%$	$\leq 80\%$	$\leq 80\%$
Communal Rt	≤ 1	≤ 1	≤ 1	≤ 1	≤ 1
Projected rate of active cases (regional)	Sustained decrease for 3 weeks	Sustained decrease for 2 weeks	≤ 50 per 100,000 inhabitants	≤ 25 per 100,000 inhabitants	≤ 1 per 100,000 inhabitants
Regional positivity rates	$\leq 15\%$	$\leq 10\%$	$\leq 10\%$	$\leq 5\%$	$\leq 1\%$
% of isolated cases in <48 hours	$\geq 80\%$	$\geq 80\%$	$\geq 80\%$	$\geq 80\%$	$\geq 80\%$
% of new contact cases	N/A	N/A	$\geq 60\%$	$\geq 60\%$	$\geq 60\%$

Update on regulatory measures

Covid-19 fiscal fund of up to US\$12 billion

- Two objectives: enhance financial support to families, and provide fiscal stimulus for a fast economic recovery.
- Can be used within two years.
- Financed through debt issuance and financial assets of the Government

Aid to middle class program

- Cash transfer of Ch\$500 thousand (USD 600)
- Public soft loans with 0% real interest, and payment conditional on income.
- Household rent subsidy.
- State guarantee for mortgage postponements of up to 6 months [announced but not yet in Congress]. Many banks are already in their second wave of voluntary reprogramming

COVID-19 guarantee line: US\$14bn disbursed. Risk weighting to be modified from 100% to 10%.



Update on regulatory measures

One-time early withdrawal of pension saving (tax free)

Amount of savings	Maximum amount to be withdrawn
Savings < US\$ 1,300	Full amount of savings
US\$ 1,300 < Savings < US\$ 13,000	US\$ 1,300
US\$ 13,000 < Savings < US\$ 55,000	10% Savings
US\$ 55,000 < Savings	US\$ 5,500

Liquidity programs: FCIC¹ & LCL² lines for banks at MPR up to US\$30bn

Bank bond purchasing program: US\$8 bn for bank and Central Bank bonds

Special Asset Purchase Program: US\$8bn bank and Central Bank bonds

Treasury bond purchasing: Constitutional reform to allow the Central Bank to buy and sell Treasury bonds in the secondary market

“Plan Paso a Paso Chile Se Recupera”

#1. US\$34bn investment, US\$24.54bn from the private sector

Under the plan the private sector would invest US\$24.52bn in 130 projects, with US\$8.62bn of this total in concessions for 31 assets.

#2. Salary coverage protection for 6 months

The State will create a new / temporary hiring subsidy to cover a percentage of workers' monthly income, valid for a 6-month period, paid directly to companies.

#3. SMEs offered: (1) expanded credit lines/D&A recovery; (2) easing of red-tape

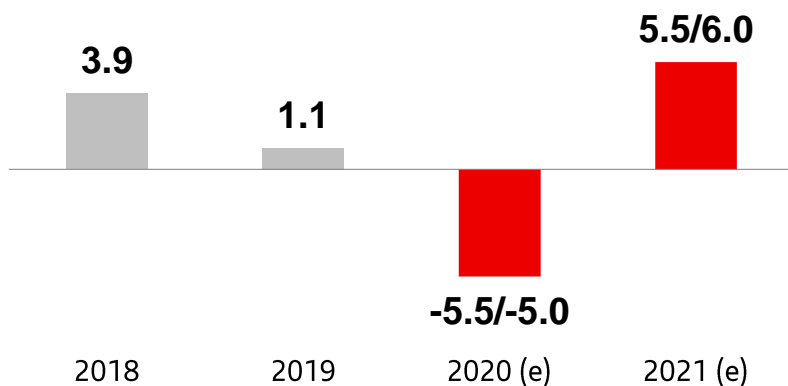
The corporate tax rate for SMEs cut from 25% to 10%, postponing VAT payments, the instant depreciation and amortization and support for access to working capital and/or funding via 5 state lifelines (Fogape-Covid, Fogain, PAR, Crece, and Reactivate). Facilitation is a key aim, with consolidation of data into a single portal handling of all SME projects under one office to untangle regulatory bottlenecks.

Macroeconomic environment

The COVID19 crisis has impacted the economy, but less than our regional peers

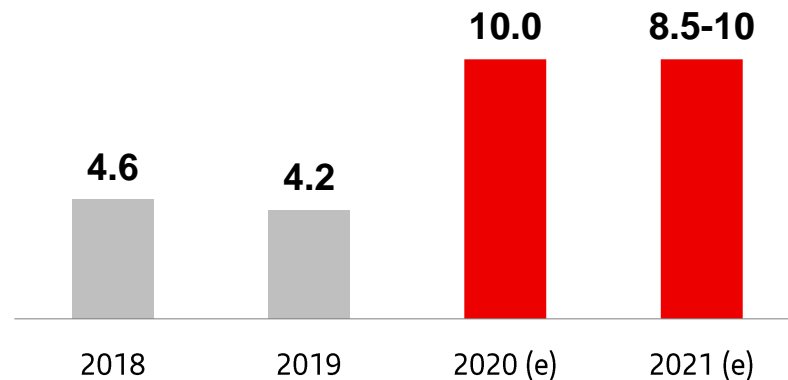
GDP growth

Annual growth %



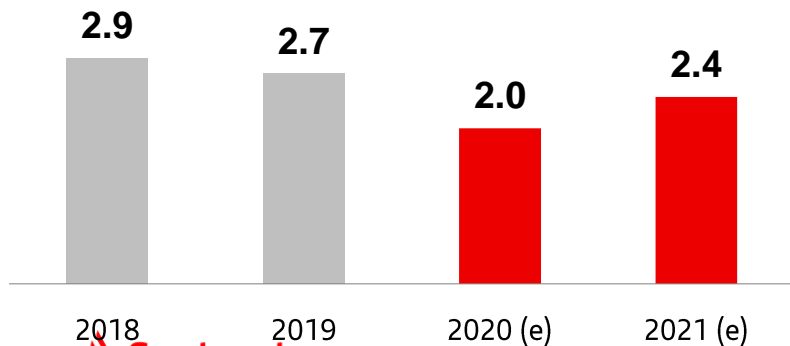
Trade balance (US\$bn)

%



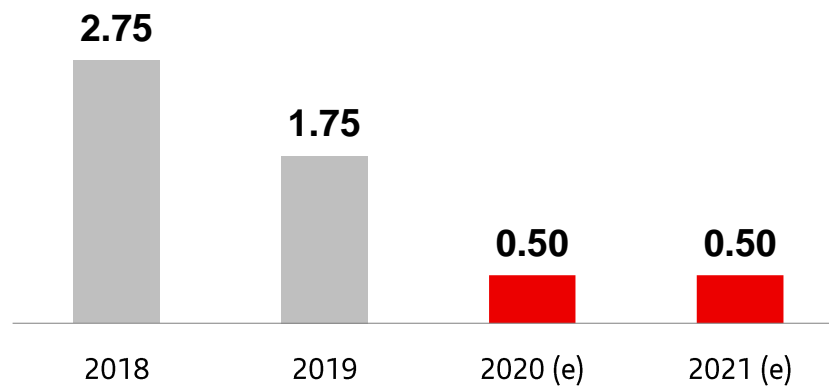
Inflation

Annual change in UF inflation, %



Monetary Policy Rate

%, eof



AGENDA

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SAN CHILE: STRATEGIC INITIATIVES UPDATE

Santander Chile is the nation's leading bank

Figures in US\$



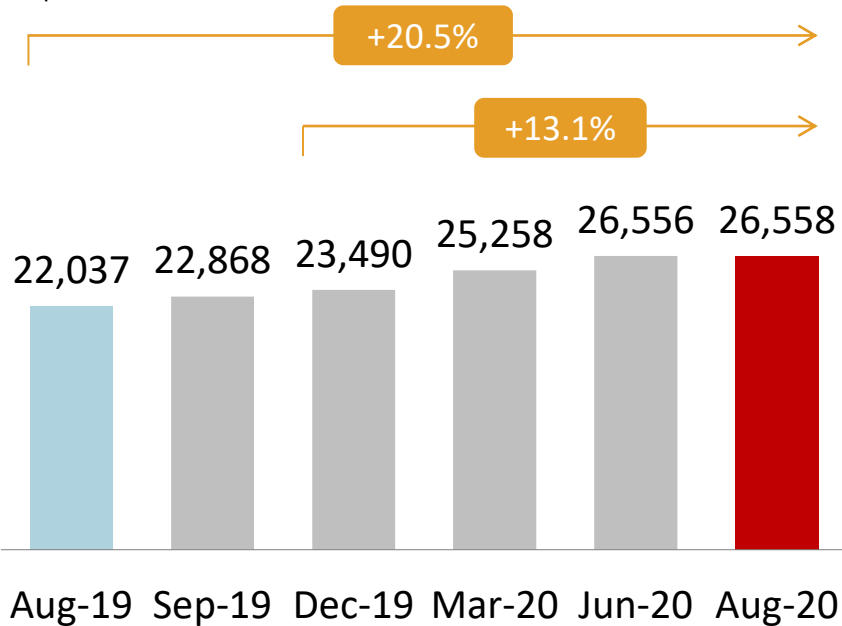
Business and Results	6M20(US\$)	YoY¹
Gross Loans	43.0 bn	13.5%
Deposits	32.3 bn	20.5%
Equity	4.4 bn	10.0%
Attributable profit to parent (LTM)	590 mm	-16.9%
Network and Customers	6M20	Market Share
Clients	3.5 mn	22.0% ³
Digital Clients	1.3mn	34.4% ⁴
Offices	367	18.9%
Market Share²	6M20	Rank
Loans ⁴	18.6%	1
Deposits ⁴	18.5%	1
Checking accounts ²	22.0%	1
Bank credit cards ⁵	22.9%	1

1. Variations with constant euros 2. Market share of clients with checking accounts, as of May 2020. Source: CMF 3. Average yearly market share over clients that enter a website with a passkey. Excludes Banco Estado. Source: CMF. YTD avg as of May 2020. 4. Excludes loans and deposits of Chilean banks held abroad as of June 2020. 5. Market share in terms of monetary amount of credit card purchases, as of May 2020.

Non-interest bearing demand deposits up 57.7% YoY

Total Deposits

Ch\$bn

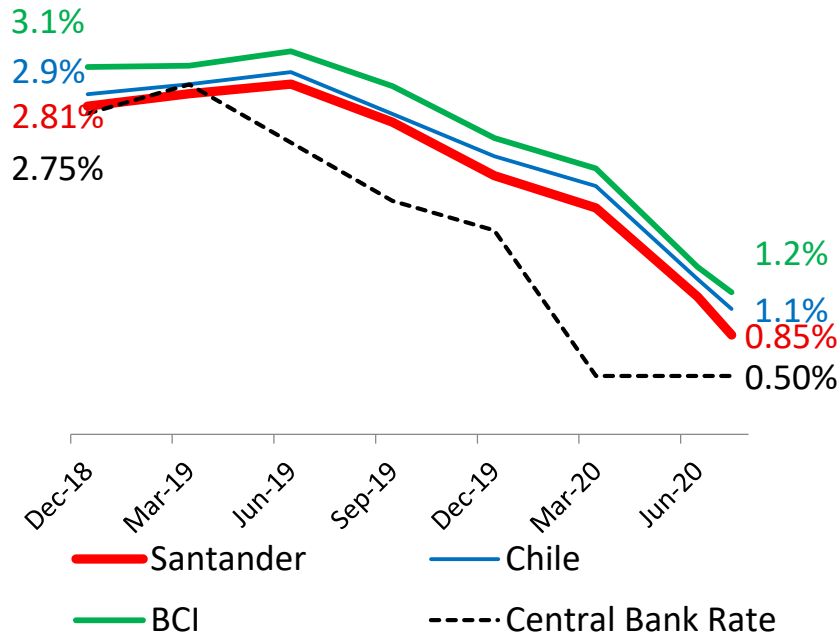


Ch\$ bnS	8M20	YoY
Demand deposits	13,988	57.7%
Time deposits	12,570	(4.5%)
Total Deposits	26,558	20.5%
Mutual funds ¹	8,211	21.1%
Loans/Deposits²	94.6%	
LCR³	153%	

1. Banco Santander Chile is the exclusive broker of mutual funds managed by Santander Asset Management, a subsidiary of SAM Investment Holdings Limited. 2. (Net Loans – portion of mortgages funded with long-term bonds) / (Time deposits + demand deposits). 3. LCR calculated following the new local Chilean models 4

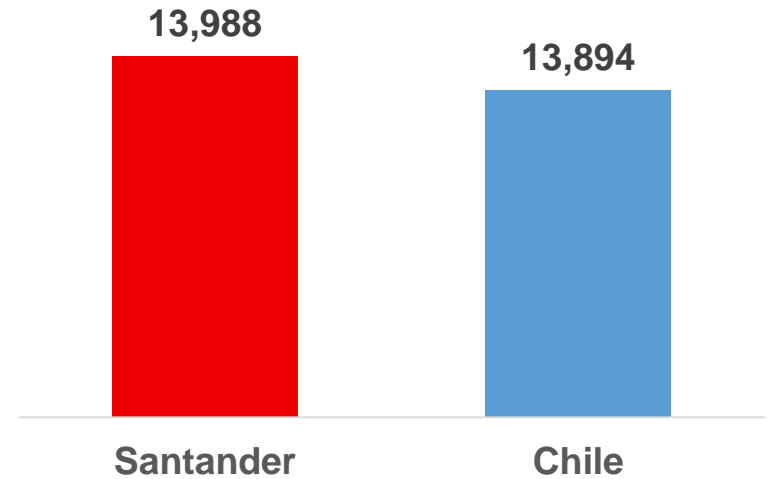
Improved funding mix & outpacing competitors

CLP Time Deposit Cost Evolution¹



#1 in demand deposits in August

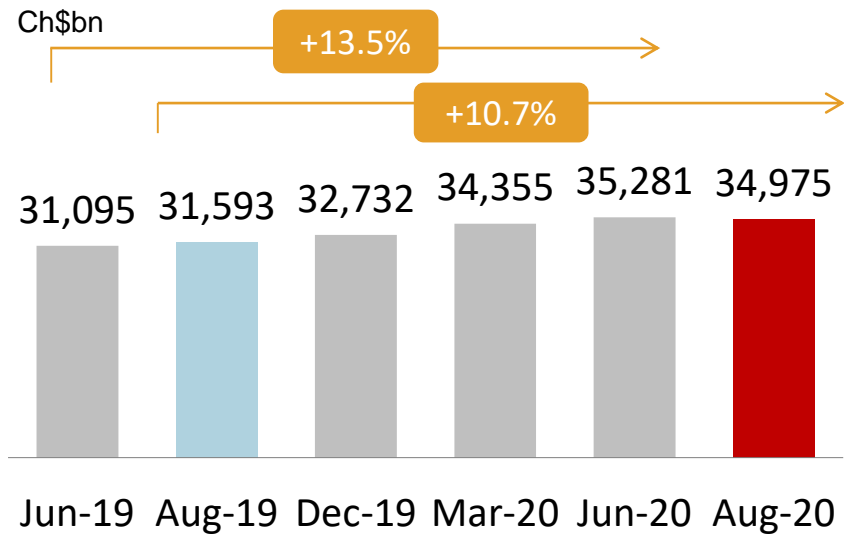
Ch\$ bn



Balance sheet & results

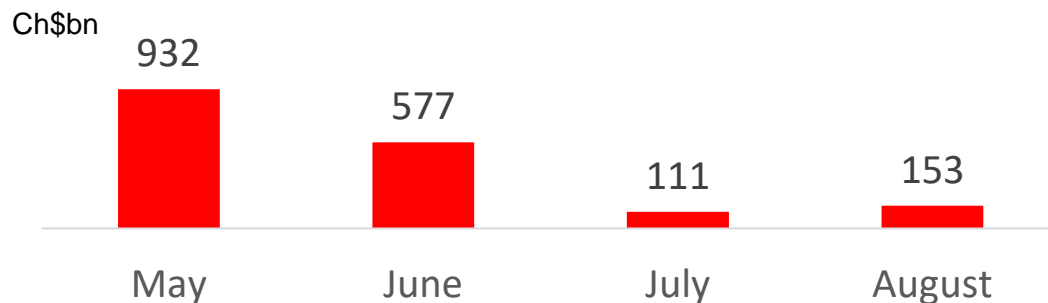
Demand for reprogramming and FOGAPE loans decelerating

Total Loans



Ch\$ bn	8M20	YoY
Consumer	4,937	(2.3%)
Mortgages	12,026	11.0%
Commercial	18,004	14.6%
Total²	34,975	10.7%

FOGAPE loans disbursed each month



Total disbursed up to August:
Ch\$1.9 trillion

As of August 2020, 10.5 % of
commercial loan book were
FOGAPE loans



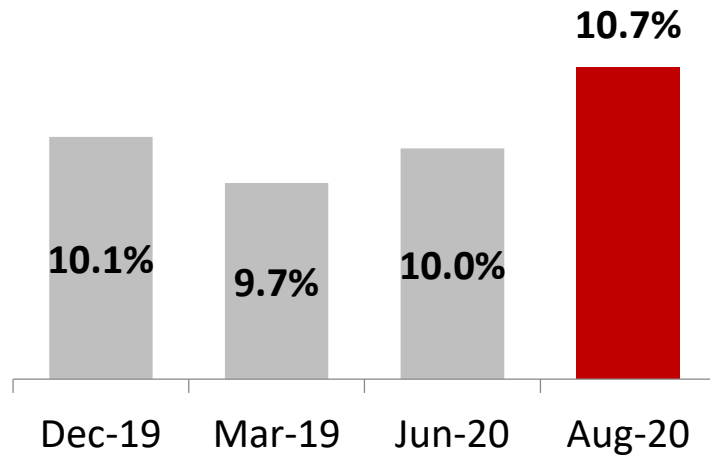
Covid-19 Bank measures: Reprogramming and FOGAPE loans

Reprogramming and Fogape ¹	Amount	% of loan book ²
Retail	Ch\$ 7,455,334 million (USD 9.1 billion)	43.9% (consumer+mortgage)
Commercial ²	Ch\$ 2,949,601 million (USD 3.6 billion)	16.1% (commercial)
Total	Ch\$ 10,404,935 million (USD 12.7 billion)	29.5%

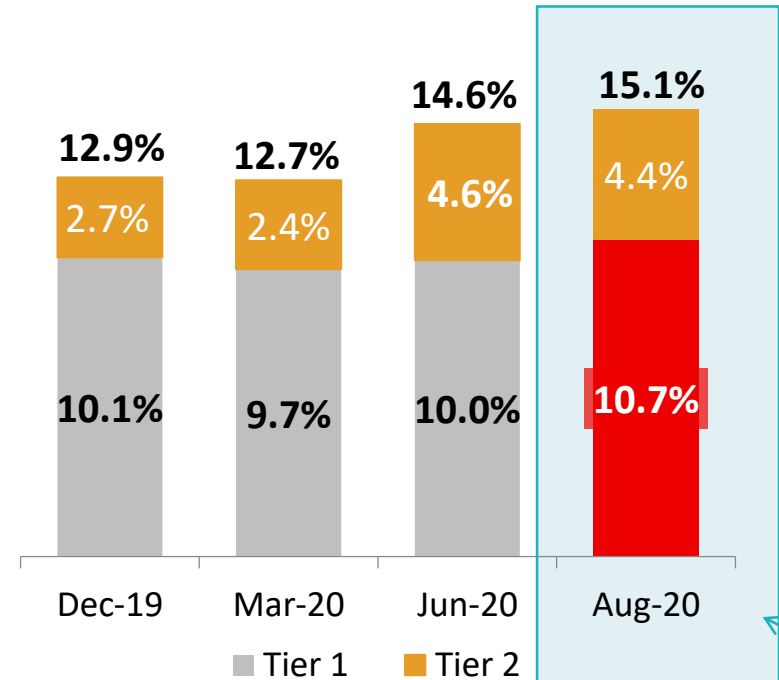
Fogape Loans at August 2020	Amount	% of commercial loan book (August)
Total	Ch\$ 1,892,168 million (USD 2.4 billion)	10.5%

Healthy capital ratios

Core capital



BIS Ratio

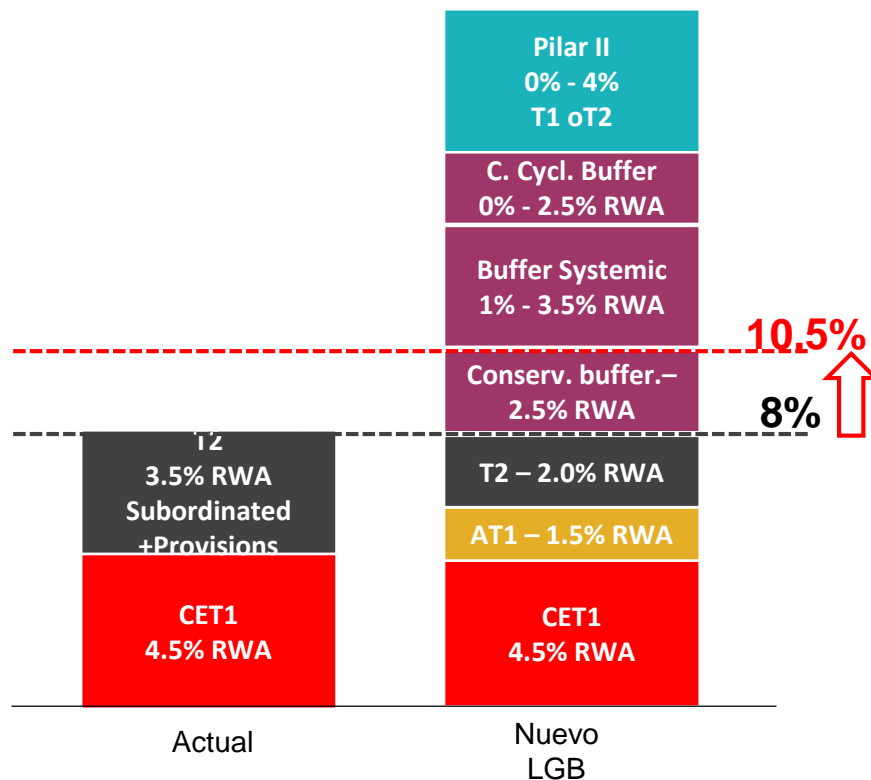


In August the CMF published new treatment for FOGAPE loan guarantees. Instead of computing as Tier II capital, it will now be included in the calculation of RWA with the risk weighting lowered from 100% to 10%

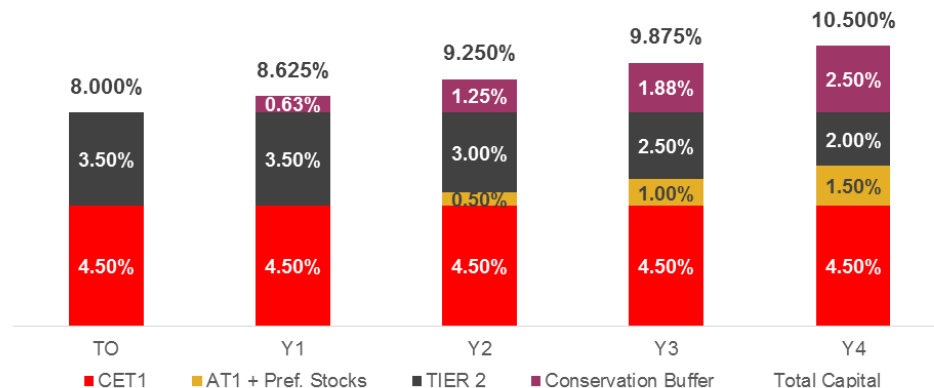
Balance sheet & results

BIS III requirements have continued to be published

New capital requirements



Phase In



Publications

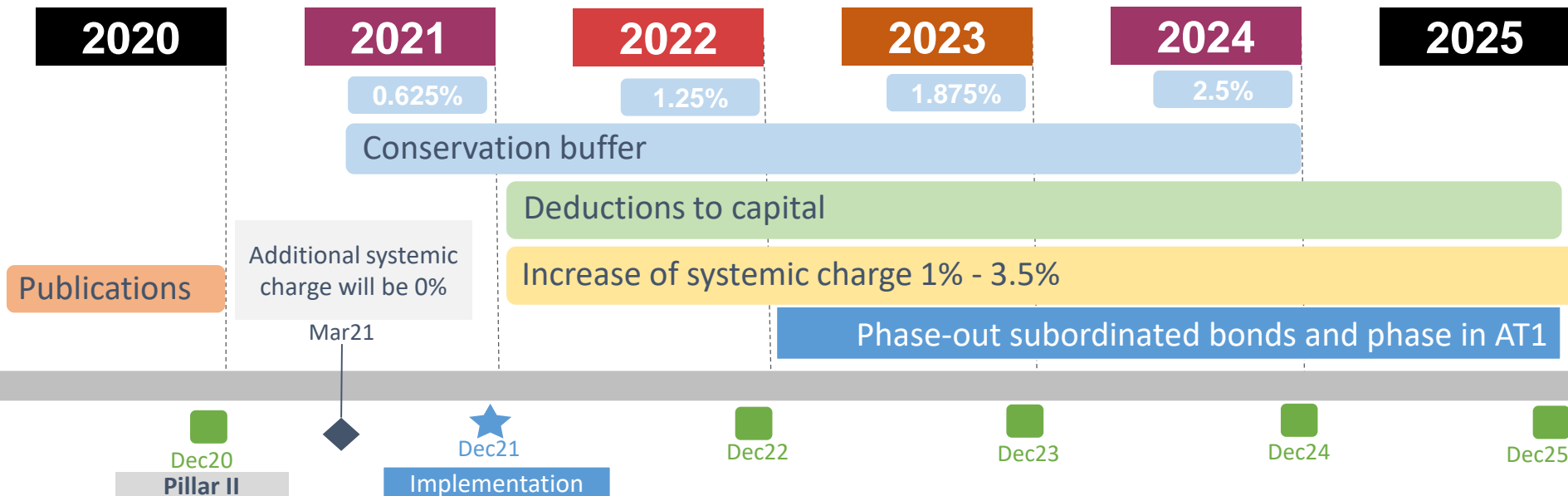
Regulation	Published
Systemic charge	Yes
AT1, Preferred shares and Tier II	Yes
Operational risk	Yes
Capital deductions	Yes
Conservation and counter-cyclical buffers	Yes
Credit risk	Yes
Subordinated bonds	Yes
Preferred shares and CoCos	Yes
Leverage	Yes
Pillar II	Yes
Market risk	In consultation
Pillar III	No

In general the new local regulations are aligned with BIS III, however with greater innovation in the regulations for credit risk and the systemic charge.

Balance sheet & results

Local implementation of BIS III

- The CMF decided to postpone implementation of the RWA requirements by 1 year (Will start in 2022)
- Additionally, the systemic charge and capital deduction implementations have been proposed.
- However the final date of publication of regulations continues to be December 2020.



Pillar II requirements

Pillar II seeks to ensure that Banks have sufficient capital for the risks taken, including risks that are underestimated in Pillar I or risks that have not been included.

Pillar II includes risks such as:

- ✓ **Concentration risk**
- ✓ **Banking book market risk**
- ✓ **Reputational risk**
- Liquidity risk

Pillar II has two main processes:

- Self-evaluation: Banks determine their internal objective of regulatory capital, using tools such as stress tests.
- Evaluation by the CMF: Annual review process

Pillar II can fluctuate between 0% and 4% of RWA

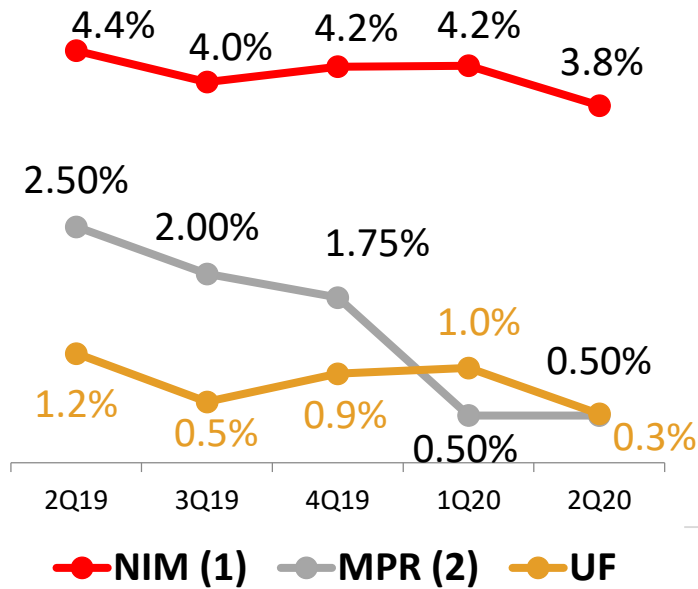
Can be composed of Tier I or Tier II capital

According to our internal estimates, Banco Santander would not need Pillar II capital.

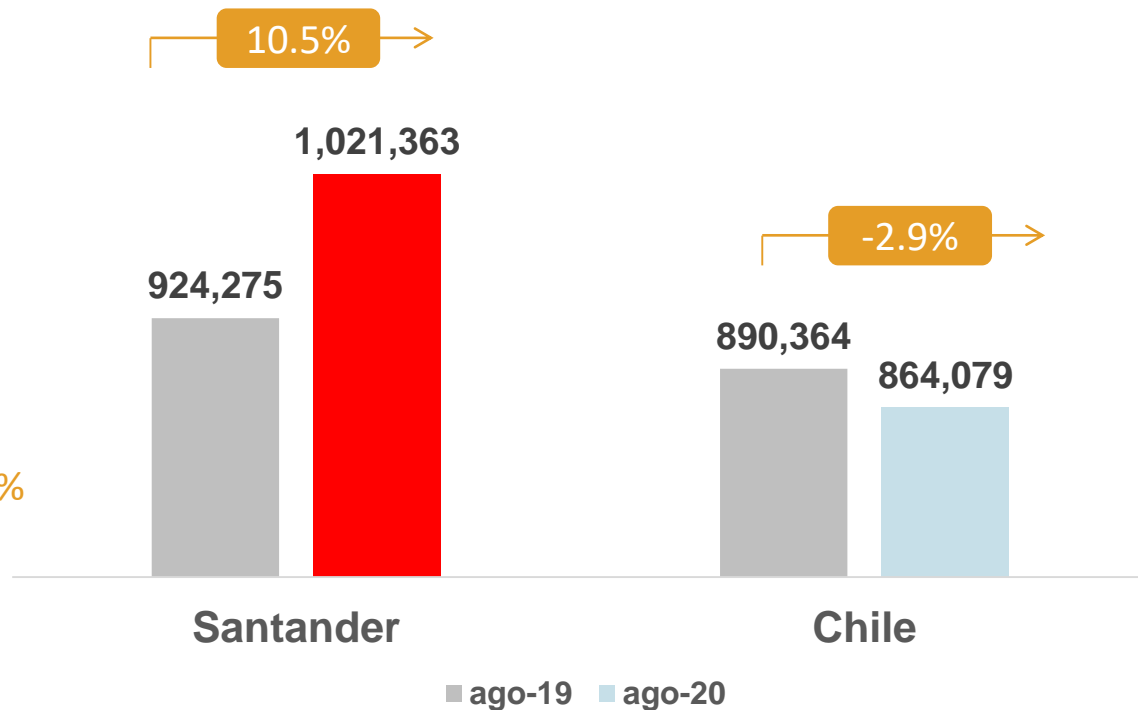
Balance sheet & results

NII increases 10.5% YTD

NIM¹ & Inflation



Net interest income 8M 2020



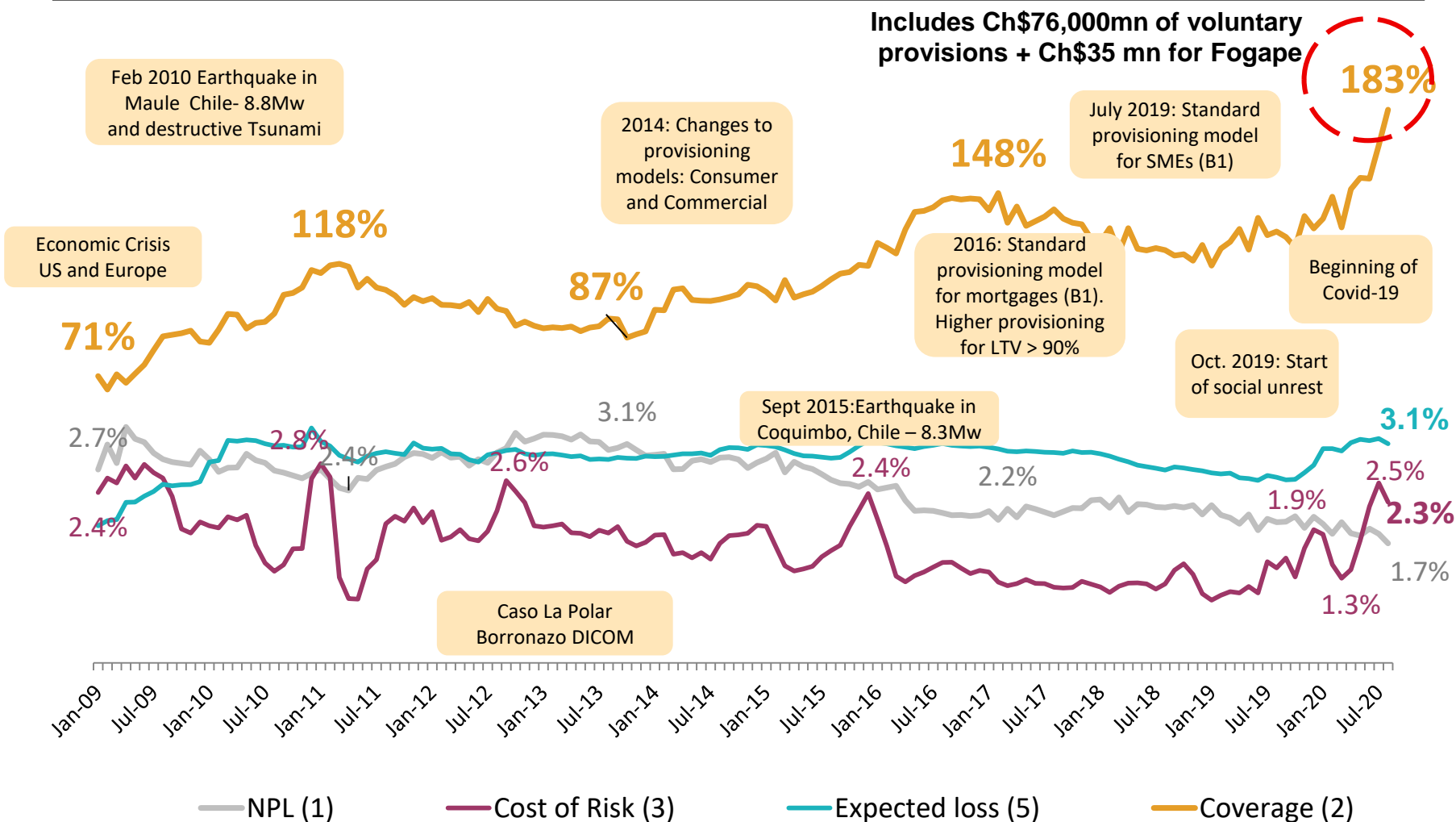
Better funding mix drives higher NII growth against peers



1. Annualized Net interest income divided by average interest earning assets. 2. MPR: Monetary Policy Rate. 3. Annualized gross interest income divided by average interest earning assets. 4. Annualized interest expense divided by sum of average interest bearing liabilities, including non-interest bearing demand deposits.

Coverage rising to record levels

Total loans: NPLs, coverage and cost of risk



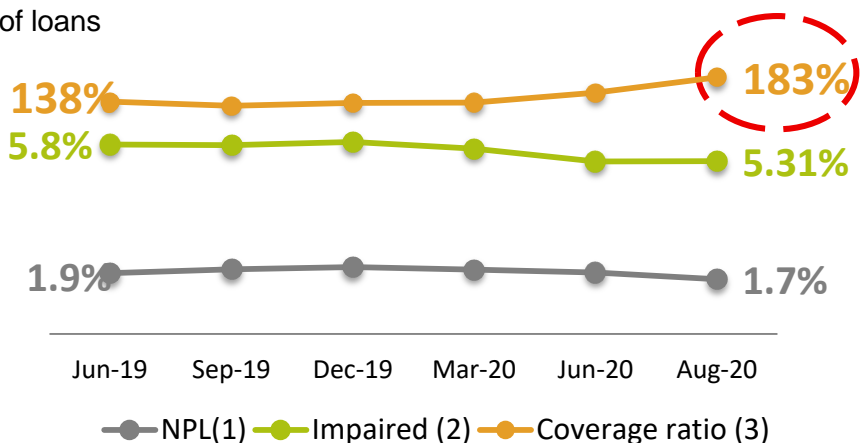
1. Loans with 90 days or more overdue. 2. Stock of provisions divided by NPLs. 3. Quarterly cost of risk = quarterly provision expense/ quarterly average loans. 4. Quarterly cost of risk for the banking system. Source: CMF. 5. Stock of Provision (including additional provisions)/ total loans.

Balance sheet & results

Asset quality deterioration lower than expected...

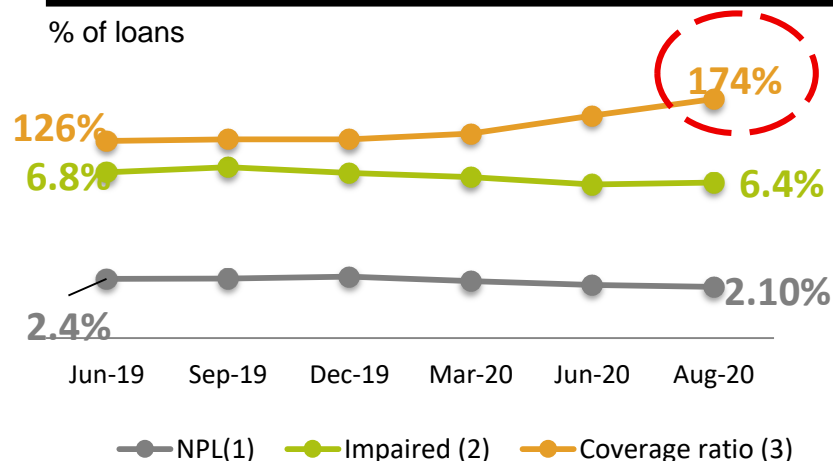
Total loans

% of loans



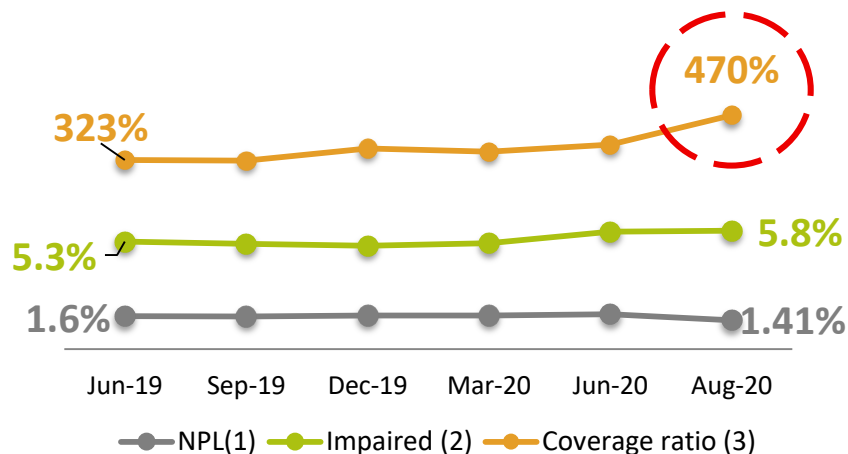
Commercial loans

% of loans



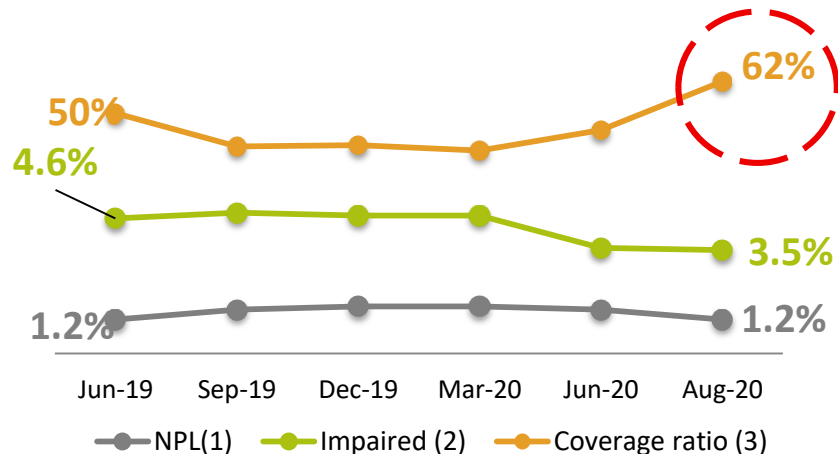
Consumer loans

% of loans



Mortgage loans

% of loans



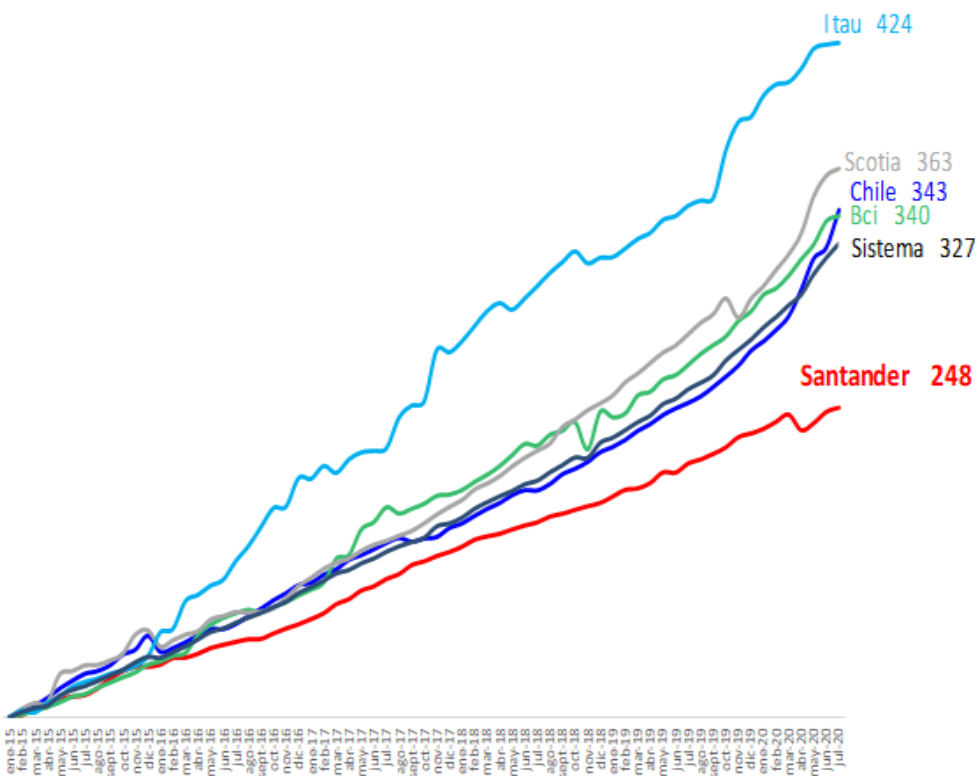
1. 90 days or more NPLs. 2. NPLs + restructured loans. 3. Loan loss reserves over NPLs, includes provisions due to new provisioning model for commercial loans analyzed on a group basis for Ch\$ 31 billion in 3Q19 and additional provisions of Ch\$ 16 billion in 4Q19 for the consumer loan book and Ch\$60 billion in June-July 2020: Ch\$20billion allocated to mortgage, consumer and commercial

Balance sheet & results

..due to continued improvements in asset quality

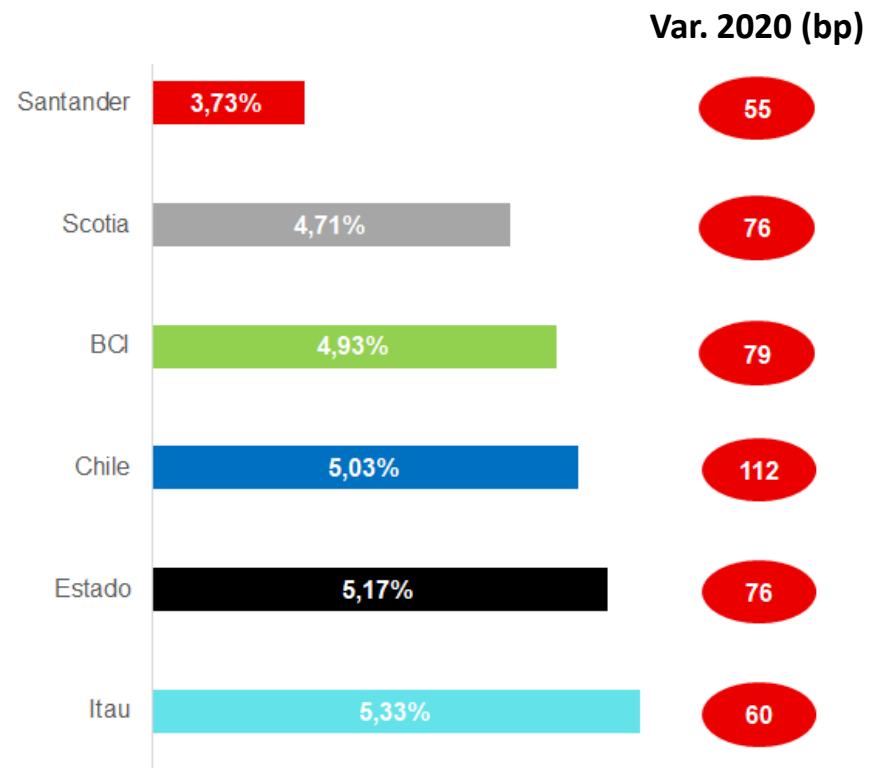
Impaired loan book + total charge-offs

(Base 100 = January 2015)



Impaired loan book + total charge-offs

$$\frac{\text{impaired}_{12\text{ months}} + \text{charge offs}_{12\text{ months}}}{\text{average loans}_{12\text{ months}}}$$

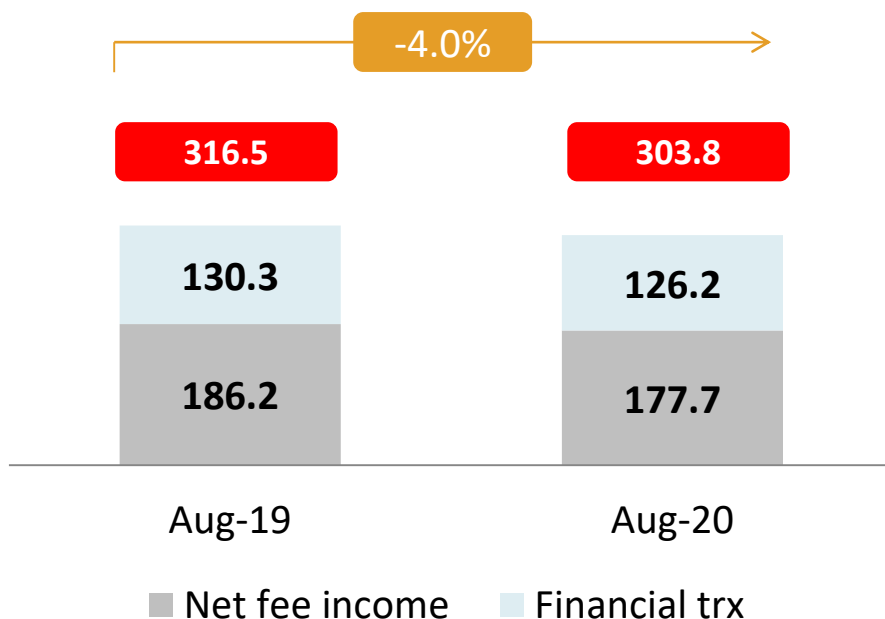


Balance sheet & results

Card and insurance brokerage fees rebound in August

Fees & financial transaction

Ch\$bn



Realized gains from AFS portfolio helps to offset reduction of NIMs due to lower inflation

Fees

Ch\$ bn	8M20	YoY	MoM*
Credit, debit & ATM	43,466	23.5%	9.9%
Insurance brokerage	28,293	(13.5%)	25.4%
Asset management	29,810	(3.3%)	0.6%
Guarantees	24,246	4.3%	16.9%
Checking accounts	23,268	(1.9%)	1.6%
Others	28,569	(29.5%)	18.4%
Total	177,652	(4.6%)	10.6%

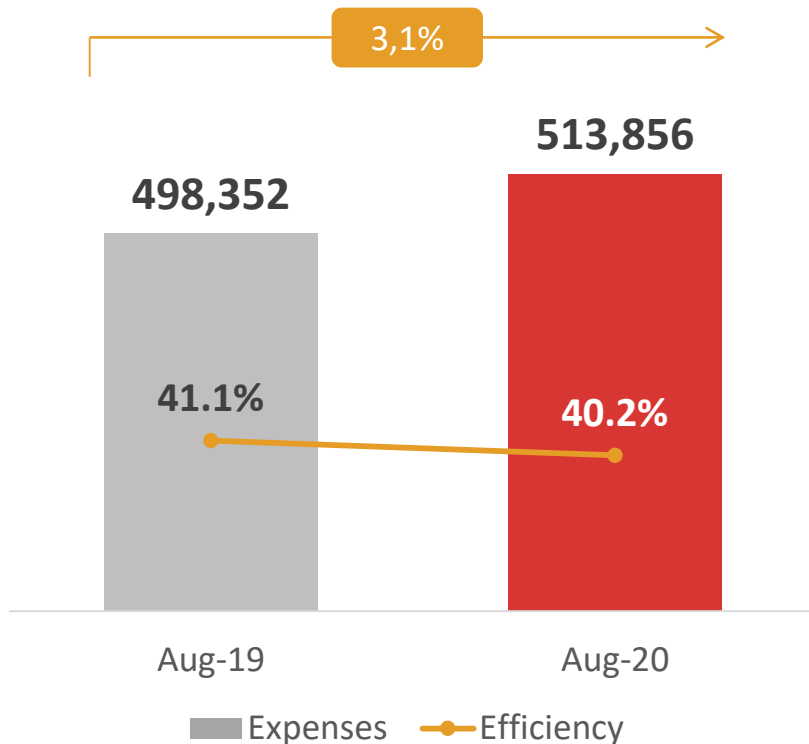
Financial transactions, net

Ch\$ bn	8M20	YoY
Client	104.9	10.6%
Non-Client	21.0	25.7%
Total	125.9	13.9%

Efficiency ratio at 40,2%

Operating expenses

Ch\$bn



Ch\$ bn	8M20	YoY
Personnel expenses	271.1	0.8%
Administrative expenses	169.7	5.9%
Depreciation	73.1	5.5%
Operational expenses¹	513.9	3.1%
Efficiency ratio²	40.2%	-97bp
Costs/assets	1.3%	-47bp







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Moving forward in our innovations

Challenge	Approach	Progress
Offer transactional products with access to digital economy	 superdigital	More than 100,000 clients, with official launch in April 2020
Increase SME access to banks and to digital economy	getnet [®] Acquiring 	First operation in Dec. 2019. Full operations begin 2H20
Enter the car loan market, creating synergies with other bank products, creating synergies with other bank products		Transaction complete. Acquired in November 2019
Reactivate loan growth within mass segment		Over 305,000 clients. Already profitable
Continue expanding cross-selling with our clients with better products		Launch of the first Insurtech company in Chile in April 2020. Strong growth of Autocompara
Digitalization of onboarding and loans	SME 	Obtain loan without going to a branch
Branch format in digital / socially-distanced world	WorkCafé 2.0	Building on our Workcafé 2.0 pilot branches to design the future of our network

We have announced an investment plan of US\$380 million for the period of 2019-2021 in technology, branch upgrading and new products and services.

Strength of digital channels has been a key force in 2020

Open for business

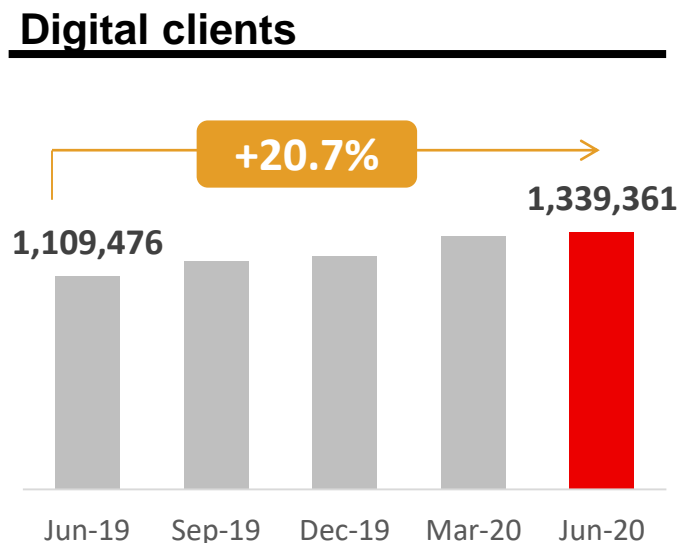
Branches
~90% open 9am – 2pm

Tele-working
~75% are able to work from home
~95% of central services are working from home
~25% start going back to office Sept. 7

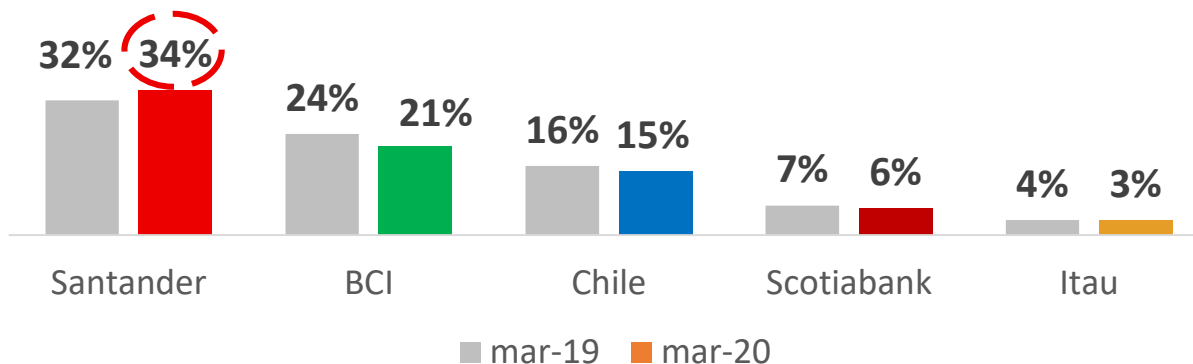
Supported by digital banking

N° of transactions
Online: +11.1% QoQ

+20.7%
N° of digital clients YoY



Market share of digital clients¹

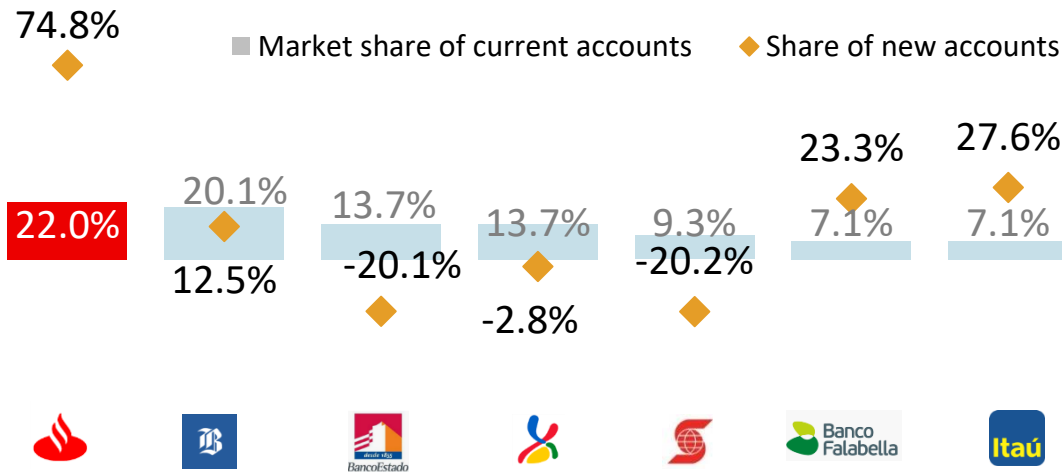


1. Source: CMF as of last available information. Last 12 months yearly average. Based on clients who access their account with a password. Excludes Banco Estado.

Balance sheet & results

75% market share in new account openings / Strong NPS scores

Current account openings 5M20¹



75%

Market share of current account openings¹

2x1

In financial portability³

Net Promoter Score (NPS)²

NPS: Closing gap with Top 1 among peers

Overall NPS 50

In August 2020, highest record we have ever reached

N°1

for innovation, commitment and product benefits

App NPS 74

Highlighting user friendliness



Strategic initiatives

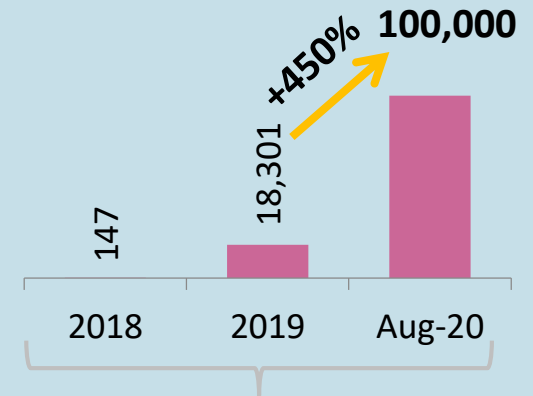
Super Digital reaches 100,000 clients



- Officially launched in April 2020
- Strategic alliances with companies for direct debit
- Great option for unbanked group who needs a cheap digital account
- Target market: 4.5 million people with income < Ch\$ 400 thousand (US\$7 thousand a year)

People can receive government benefits through this account

New Superdigital clients each year



+100,000
Total SD clients
~200,000 by year-end

All accounts are free of charge during 2020



Recibe tu Ingreso Familiar de Emergencia en Superdigital

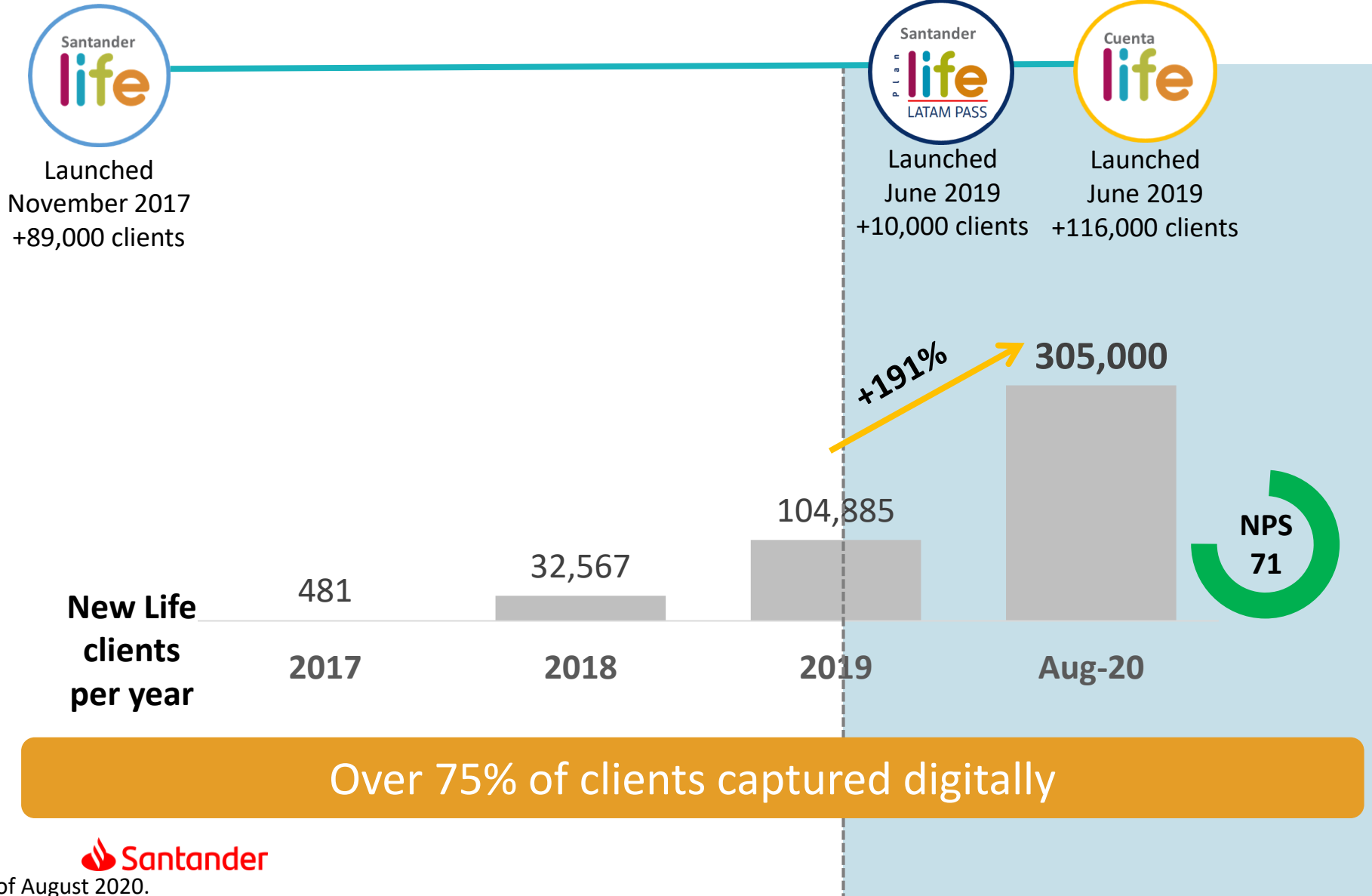
Abrir tu cuenta y mover tu plata tiene costo \$0



*Estimate of new Superdigital accounts if the same average rate of openings from Jan-Jul 2020 is maintained for the rest of the year. CAGR= Compound Annual Growth Rate

Strategic initiatives

Santander Life: record clients growth in July & August with best-in-class NPS



Santander Life is already profitable



vs.



Evolution of total gross revenues¹:

1H20: Ch\$18 bn

2019: Ch\$20 bn

2018: Ch\$7 bn

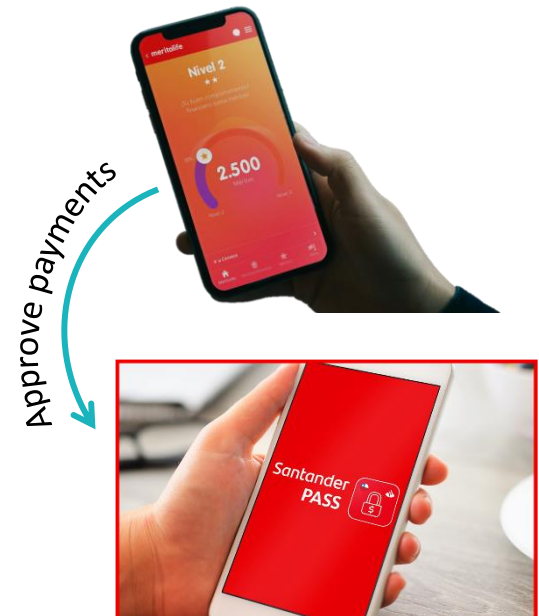


Client acquisition:	US\$150	US\$15
Digital onboarding:	0%	75%
Branches:	100	0

And a better risk profile

The road ahead

1. Upgrading all debit card clients to full current account
2. Access to Santander Pass opens more online payment capabilities
3. New products will be launched soon providing new cross-selling opportunities
4. Merits Program: Inclusion of more non-credit opportunities (savings)
5. Remote attention model based on robotics and AI

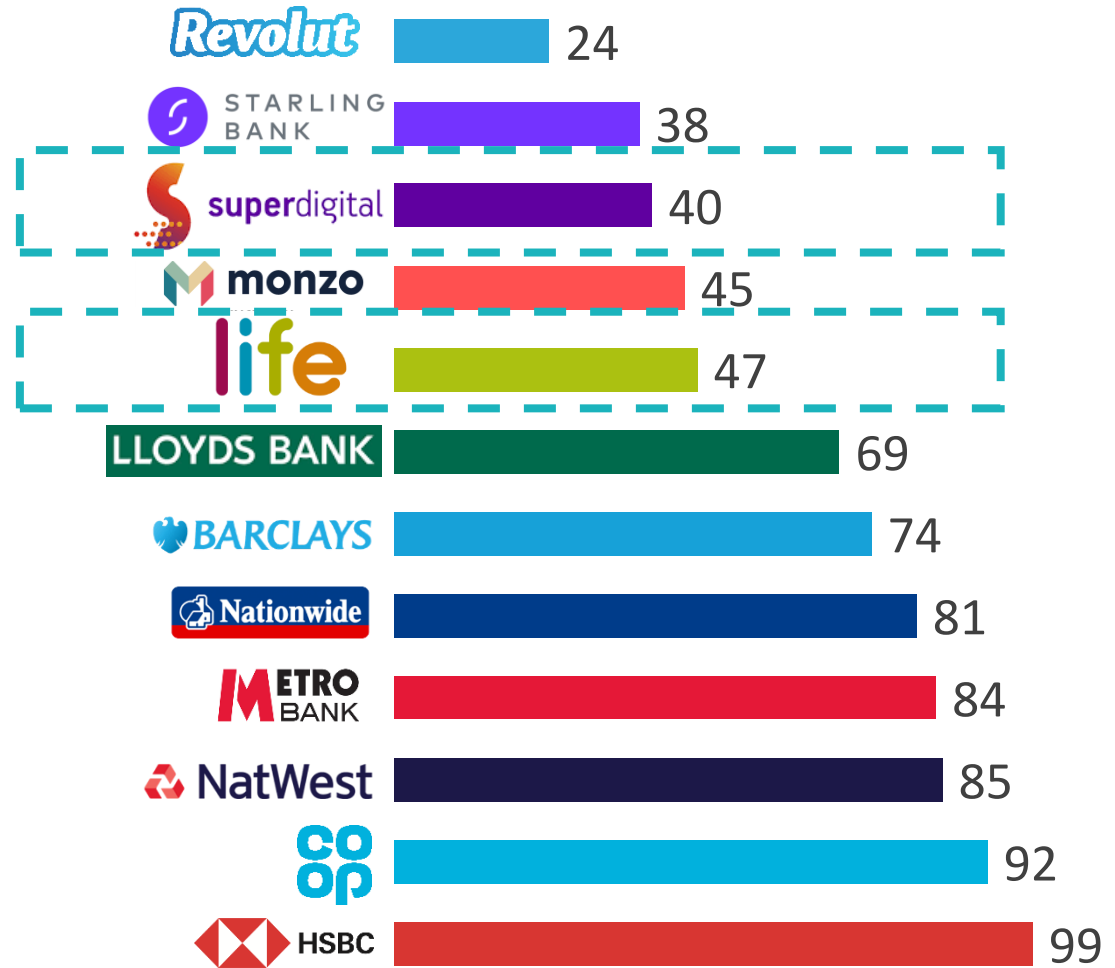


1. Net interest income plus fess

Fewer clicks to create an account

The fewer the better

You lose 10% of potential clients at every step

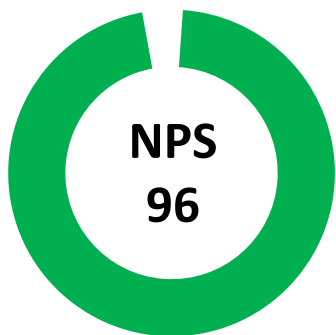


Online channels driving insurance sales

klare

Launched in April 2020, this is an online platform that compared life insurance between different providers in a quick and transparent way.

Our collaboration with the first insurtech in Chile selling life insurance



Equivalent to
40%
of the bank's sales
through traditional
channels in June

Coming
up

Alliances with savings
options and other services



Strategic initiatives

Strength of digital platform has boosted auto insurance sales have increased despite lower car sales



Compare apples with apples

All insurance policies being compared have the same characteristics



High range vehicles and hybrids/electric cars

One of the few in the market to offer insurance of these vehicles

-16%

Cheaper insurance than the industry¹

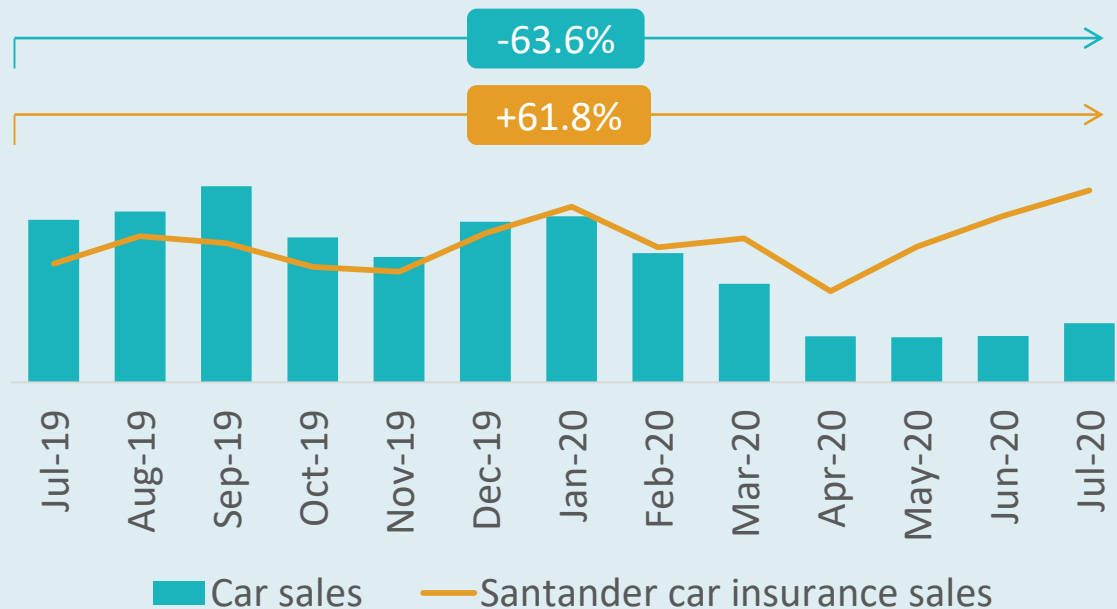
+50%

Growth of insurance policies in 2020²

+55%

Growth of sales through the digital platform³

Car sales versus Santander car insurance sales⁴

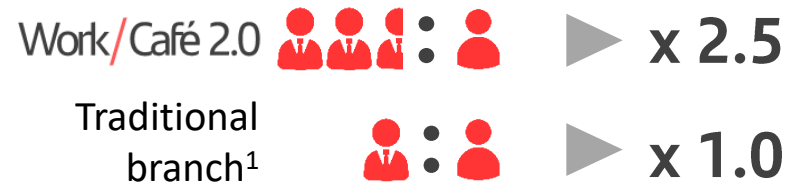


New branch model already successfully piloted

- In light of the success of the Workcafé branch model, we developed the Workcafé 2.0 which we began piloting in 2019.

- Its digital format fits perfectly for the post COVID-19 world
- No tellers
- No vaults
- More efficient and productive
- Significantly more advanced digital and AI capabilities.
- Implementation process accelerated

Commercial : backoffice personnel



	Work/Café 2.0	vs.	Traditional branch ¹
Gross revenues	+32%		+2%
Stock clients	+16%		-1%
New clients	+16%		+3%

August: point of inflection

- ✓ N°1 in demand deposits
- ✓ Santander Life and Super Digital game changers: Record account openings: 10 times more than a normal month
- ✓ Net Promoter Score for the first time reaches 50
- ✓ N°1 in auto insurance policy sales in the months
- ✓ Although there is still some uncertainty, the cost of credit has started to show a better trend
- ✓ Efficiency remains solid. Progressing with strategic projects

All of this was all achieved with 95% of the central offices and contact centers teleworking!!

Annexes

Annexes

Unaudited Balance Sheet	Jun-20	Jun-20	Jun-19	Jun-20/Jun-19
	US\$ Ths ¹	Ch\$ Million		% Chg.
Cash and deposits in banks	4,597,173	3,776,118	1,939,644	94.7%
Cash items in process of collection	456,827	375,238	511,987	(26.7%)
Trading investments	253,515	208,237	163,178	27.6%
Investments under resale agreements	-	-	-	--%
Financial derivative contracts	16,433,145	13,498,185	4,195,904	221.7%
Interbank loans, net	10,612	8,717	8,606	1.3%
Loans and account receivables from customers, net	41,758,774	34,300,657	30,289,001	13.2%
Available for sale investments	6,445,327	5,294,192	2,898,227	82.7%
Held-to-maturity investments	-	-	-	--%
Investments in associates and other companies	12,189	10,012	9,879	1.3%
Intangible assets	86,490	71,043	63,371	12.1%
Property, plant and equipment	230,788	189,569	198,131	(4.3%)
Right of use assets	244,570	200,890	196,041	2.5%
Current taxes	-	-	-	--%
Deferred taxes	628,964	516,631	391,566	31.9%
Other assets	3,137,636	2,577,254	1,166,416	121.0%
Total Assets	74,296,010	61,026,743	42,031,951	45.2%
Deposits and other demand liabilities	15,109,598	12,411,024	8,909,594	39.3%
Cash items in process of being cleared	346,798	284,860	392,441	(27.4%)
Obligations under repurchase agreements	244,522	200,850	133,690	50.2%
Time deposits and other time liabilities	17,221,063	14,145,381	13,122,503	7.8%
Financial derivatives contracts	15,948,708	13,100,269	3,829,988	242.0%
Interbank borrowings	6,639,255	5,453,484	1,835,305	197.1%
Issued debt instruments	11,495,256	9,442,203	8,935,664	5.7%
Other financial liabilities	160,779	132,064	209,927	(37.1%)
Leasing contract obligations	182,594	149,983	151,562	(1.0%)
Current taxes	68,534	56,294	4,674	1104.4%
Deferred taxes	129,526	106,393	39,265	171.0%
Provisions	322,257	264,702	212,022	24.8%
Other liabilities	1,928,924	1,584,418	923,870	71.5%
Total Liabilities	69,797,815	57,331,925	38,700,505	48.1%
Equity				
Capital	1,085,102	891,303	891,303	0.0%
Reserves	2,851,213	2,341,986	2,159,783	8.4%
Valuation adjustments	66,588	54,695	26,108	109.5%
Retained Earnings:				
Retained earnings from prior years	201,641	165,628	-	--%
Income for the period	278,638	228,873	296,662	(22.9%)
Minus: Provision for mandatory dividends	(83,591)	(68,662)	(88,999)	(22.9%)
Total Shareholders' Equity	4,399,590	3,613,823	3,284,857	10.0%
Non-controlling interest	98,606	80,995	46,589	73.9%
Total Equity	4,498,196	3,694,818	3,331,446	10.9%
Total Liabilities and Equity	74,296,010	61,026,743	42,031,951	45.2%

1. The exchange rate used to calculate the figures in dollars was Ch\$821.40 / US\$1

Annexes

	Jun-20	Jun-20	Jun-19	Jun-20/Jun-19
	US\$ Ths ¹	Ch\$ Million		% Chg.
Interest income	1,403,886	1,153,152	1,136,862	1.4%
Interest expense	(468,115)	(384,510)	(443,786)	(13.4%)
Net interest income	935,771	768,642	693,076	10.9%
Fee and commission income	276,317	226,967	244,727	(7.3%)
Fee and commission expense	(109,937)	(90,302)	(106,078)	(14.9%)
Net fee and commission income	166,381	136,665	138,649	(1.4%)
Net income (expense) from financial operations	263,052	216,071	22,911	843.1%
Net foreign exchange gain	(141,224)	(116,001)	64,950	(278.6%)
Total financial transactions, net	121,829	100,070	87,861	13.9%
Other operating income	14,535	11,939	9,947	20.0%
Net operating profit before provisions for loan losses	1,238,515	1,017,316	929,533	9.4%
Provision for loan losses	(357,844)	(293,933)	(152,622)	92.6%
Net operating profit	880,671	723,383	776,911	(6.9%)
Personnel salaries and expenses	(246,630)	(202,582)	(199,308)	1.6%
Administrative expenses	(155,593)	(127,804)	(120,665)	5.9%
Depreciation and amortization	(67,288)	(55,270)	(51,679)	6.9%
Op. expenses excl. Impairment and Other operating expenses	(469,511)	(385,656)	(371,652)	3.8%
Impairment of property, plant and equipment	(777)	(638)	-	--%
Other operating expenses	(55,951)	(45,958)	(30,831)	49.1%
Total operating expenses	(526,238)	(432,252)	(402,483)	7.4%
Operating income	354,433	291,131	374,428	(22.2%)
Income from investments in associates and other companies	726	596	543	9.8%
Income before tax	355,158	291,727	374,971	(22.2%)
Income tax expense	(74,659)	(61,325)	(79,440)	(22.8%)
Net income from ordinary activities	280,499	230,402	295,531	(22.0%)
Net income discontinued operations ²	-	-	1,699	(100.0%)
Net consolidated income	280,499	230,402	297,230	(22.5%)
Net income attributable to:				
Non-controlling interest	1,861	1,529	568	169.2%
Net income attributable to equity holders of the Bank	278,638	228,873	296,662	(22.9%)

Annexes

	2Q20	2Q20	1Q20	2Q19	2Q20/2Q19	2Q20/1Q20
	US\$ Ths ¹		Ch\$ Million		% Chg.	
Interest income	624,200	512,718	640,434	676,111	(24.2%)	(19.9%)
Interest expense	(161,158)	(132,375)	(252,135)	(305,736)	(56.7%)	(47.5%)
Net interest income	463,042	380,343	388,299	370,375	2.7%	(2.0%)
Fee and commission income	123,347	101,317	125,650	123,361	(17.9%)	(19.4%)
Fee and commission expense	(47,549)	(39,057)	(51,245)	(55,387)	(29.5%)	(23.8%)
Net fee and commission income	75,797	62,260	74,405	67,974	(8.4%)	(16.3%)
Net income (expense) from financial operations	73,505	60,377	155,694	191,421	(68.5%)	(61.2%)
Net foreign exchange gain	20,509	16,846	(132,847)	(142,405)	(111.8%)	(112.7%)
Total financial transactions, net	94,014	77,223	22,847	49,016	57.5%	238.0%
Other operating income	6,730	5,528	6,411	4,791	15.4%	(13.8%)
Net operating profit before provisions for loan losses	639,584	525,354	491,962	492,156	6.7%	6.8%
Provision for loan losses	(232,607)	(191,063)	(102,870)	(76,348)	150.3%	85.7%
Net operating profit	406,977	334,291	389,092	415,808	(19.6%)	(14.1%)
Personnel salaries and expenses	(125,089)	(102,748)	(99,834)	(104,751)	(1.9%)	2.9%
Administrative expenses	(78,135)	(64,180)	(63,624)	(61,329)	4.6%	0.9%
Depreciation and amortization	(33,548)	(27,556)	(27,714)	(25,516)	8.0%	(0.6%)
Op. expenses excl. Impairment and Other operating expenses	(236,771)	(194,484)	(191,172)	(191,596)	1.5%	1.7%
Impairment of property, plant and equipment	-	-	(638)	-	--%	(100.0%)
Other operating expenses	(30,315)	(24,901)	(21,057)	(16,666)	49.4%	18.3%
Total operating expenses	(267,087)	(219,385)	(212,867)	(208,262)	5.3%	3.1%
Operating income	139,890	114,906	176,225	207,546	(44.6%)	(34.8%)
Income from investments in associates and other companies	558	458	138	257	78.2%	231.9%
Income before tax	140,448	115,364	176,363	207,803	(44.5%)	(34.6%)
Income tax expense	(36,252)	(29,777)	(31,548)	(37,294)	(20.2%)	(5.6%)
Net income from ordinary activities	104,196	85,587	144,815	170,509	(49.8%)	(40.9%)
Net income discontinued operations ²	-	-	-	1,699	(100.0%)	--%
Net consolidated income	104,196	85,587	144,815	172,208	(50.3%)	(40.9%)
Net income attributable to:						
Non-controlling interest	886	728	801	339	114.7%	(9.1%)
Net income attributable to equity holders of the Bank	103,310	84,859	144,014	171,232	(50.4%)	(41.1%)

Annexes: Key Indicators

Profitability and efficiency	06M20	06M19	Change bp
Net interest margin (NIM) ¹	4.0%	4.1%	(16)
Efficiency ratio ²	39.7%	41.4%	(165)
Return on avg. equity	13.0%	18.2%	(518)
Return on avg. assets	0.8%	1.5%	(67)
Core Capital ratio	10.0%	10.4%	(45)
BIS ratio	14.6%	13.1%	144
Return on RWA	1.3%	1.9%	(61)
Asset quality ratios (%)	Jun-20	Jun-19	Change bp
NPL ratio ³	1.9%	1.9%	2
Coverage of NPLs ratio ⁴	147.2%	137.6%	963
Cost of credit ⁵	1.7%	1.0%	73
Structure (#)	Jun-20	Jun-19	Change (%)
Branches	367	380	(3.4%)
ATMs	1,104	1,037	6.5%
Employees	11,039	11,186	(1.3%)
Market capitalization (YTD)	Jun-20	Jun-19	Change (%)
Net income per share (Ch\$)	1.21	1.57	(22.9%)
Net income per ADR (US\$)	0.59	0.93	(36.3%)
Stock price (Ch\$/per share)	33.6	50.5	(33.5%)
ADR price (US\$ per share)	16.4	29.92	(45.2%)
Market capitalization (US\$m)	8,386	14,119	(40.6%)
Shares outstanding (millions)	188,446.1	188,446.1	--%
ADRs (1 ADR = 400 shares) (millions)	471.1	471.1	--%

1. NIM = Net interest income annualized divided by interest earning assets.

2. Efficiency ratio: Operating expenses excluding impairment and other operating expenses divided by Operating income. Operating income = Net interest income + Net fee and commission income + Total financial transactions, net + Other operating income minus other operating expenses.

3. Capital + future interest of all loans with one installment 90 days or more overdue divided by total loans.

4. Loan loss allowance divided by Capital + future interest of all loans with one installment 90 days or more overdue.

5. Provision expense annualized divided by average loans.

Thank you.

Our purpose is to help people
and business prosper.

Our culture is based on believing
that everything we do should be:

Simple Personal Fair



MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

