

Banco Santander Chile

Focusing on growth and improving customer experience

June 2018



Simple | Personal | Fair

Important information

Banco Santander Chile cautions 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 2017 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



Macro-economic environment



Strategy and results



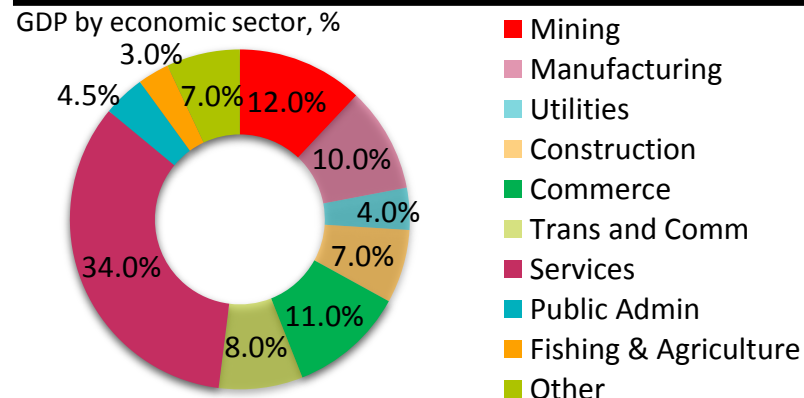
Outlook

Chile: a stable and diversified economy

Chile: Key economic indicators^{1,2}

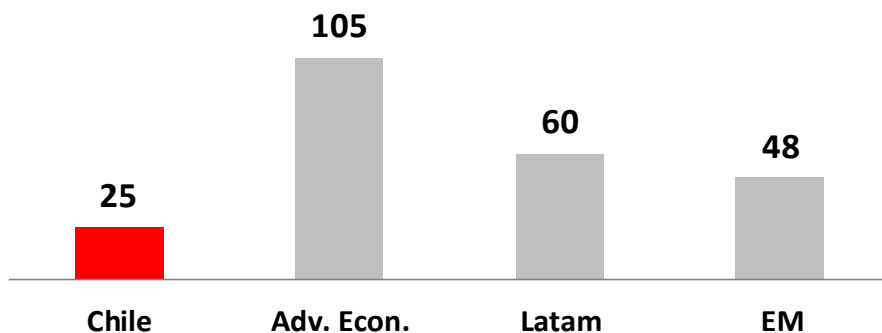
| | |
|------------------------------------|------------|
| Population: | 18.4 mn |
| GDP ³ : | US\$245bn |
| GDP per capita (PPP): ⁴ | US\$23,194 |
| Exports / GDP: | 28% |
| Investment / GDP : | 21.6% |
| Net public debt / GDP: | -0.9% |
| Sovereign ratings: | Aa3/A+/A |

Chile's economy is well diversified¹

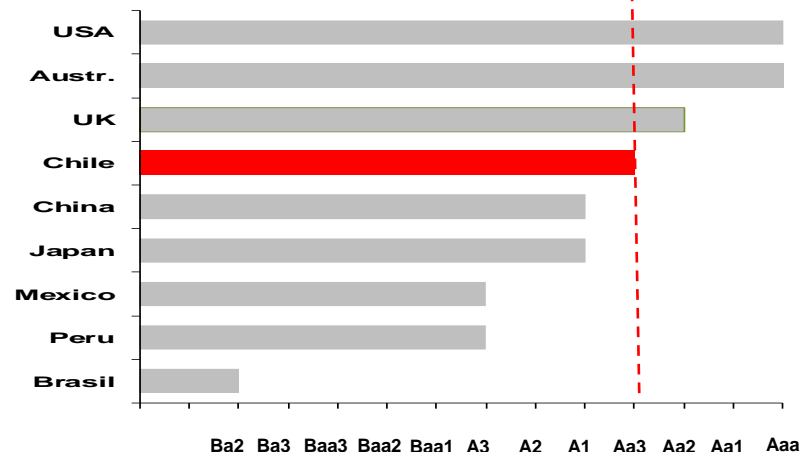


Low public debt^{3,4}

Gross public debt, % GDP



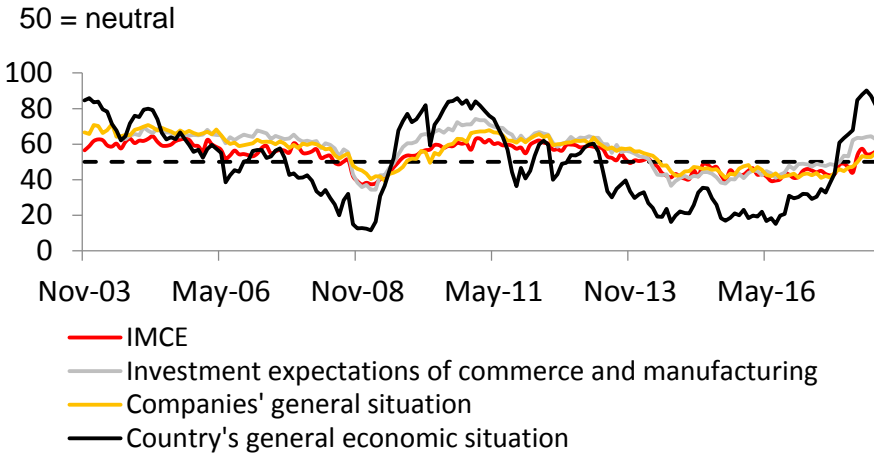
High sovereign rating⁵



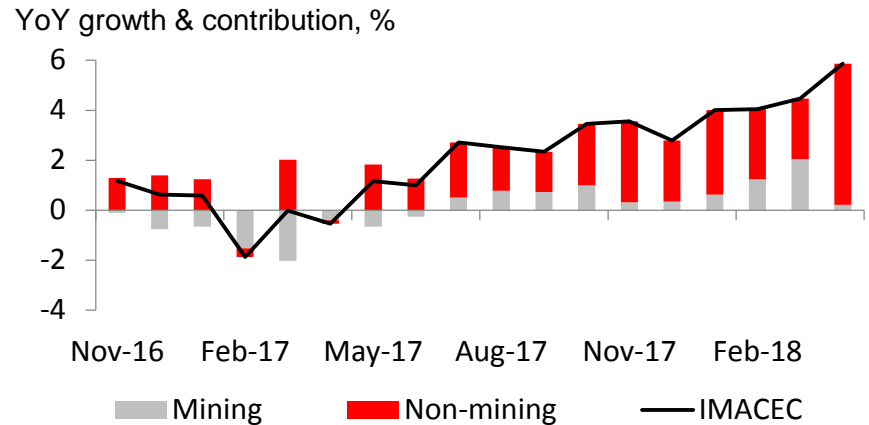
Macroeconomic environment

The economy is accelerating

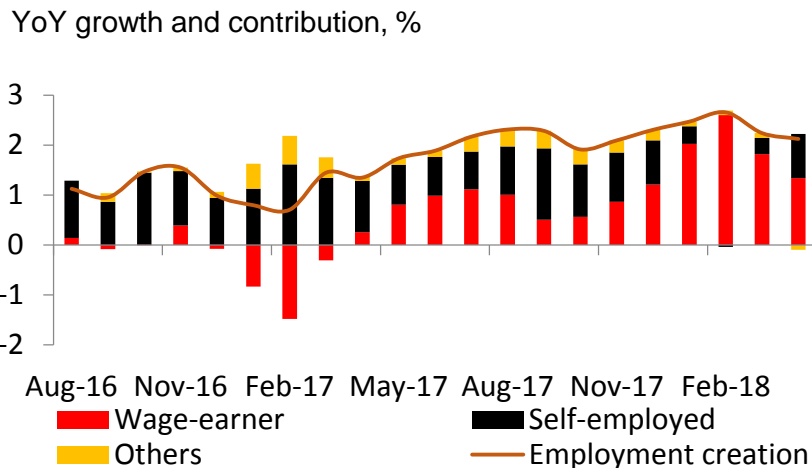
Business confidence (IMCE^{1,2})



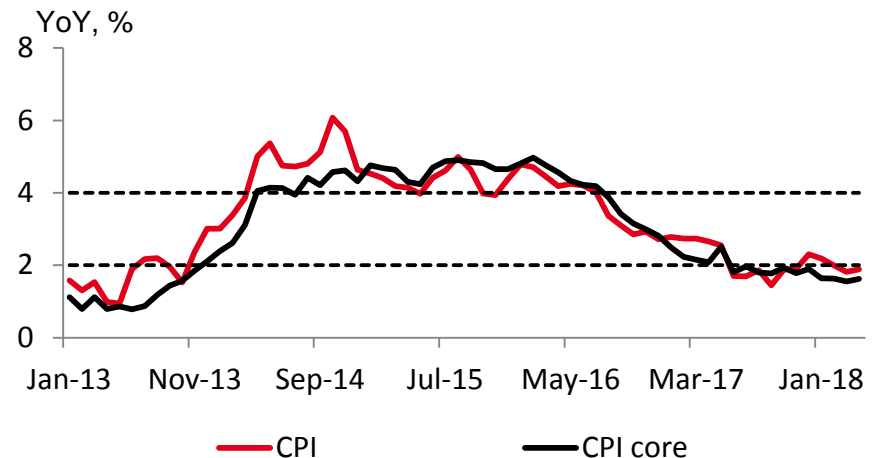
Monthly economic activity²



Job Creation²



Inflation²

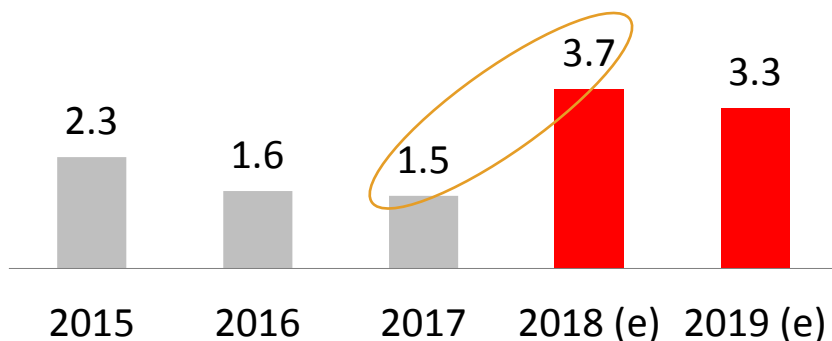


Macroeconomic environment

GDP growth expectations rise for 2018-19

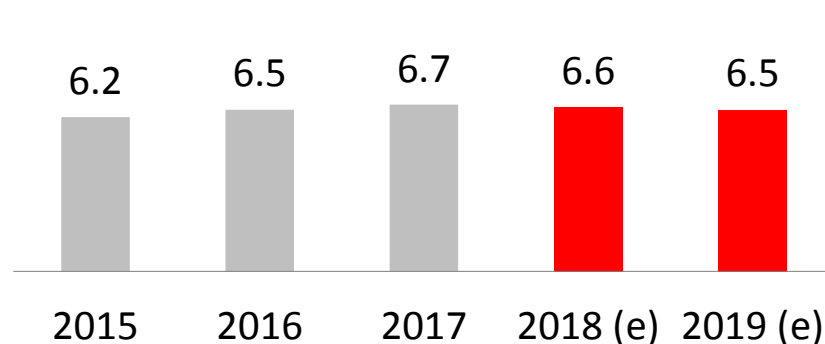
GDP

YoY real growth, %



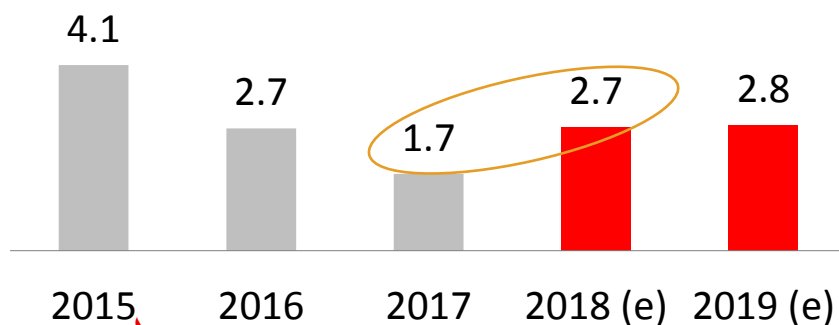
Unemployment

% of workforce, %



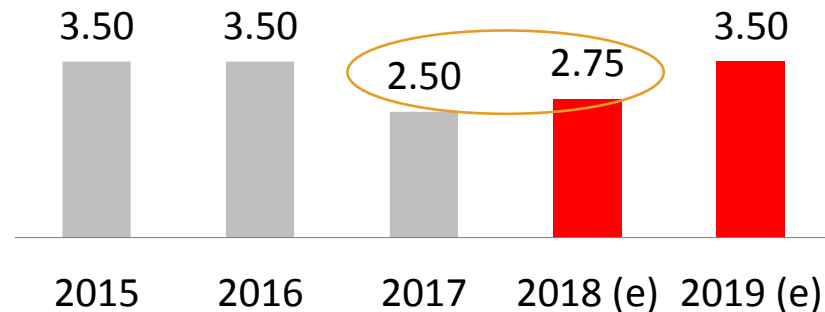
Inflation

Annual change in UF inflation, %



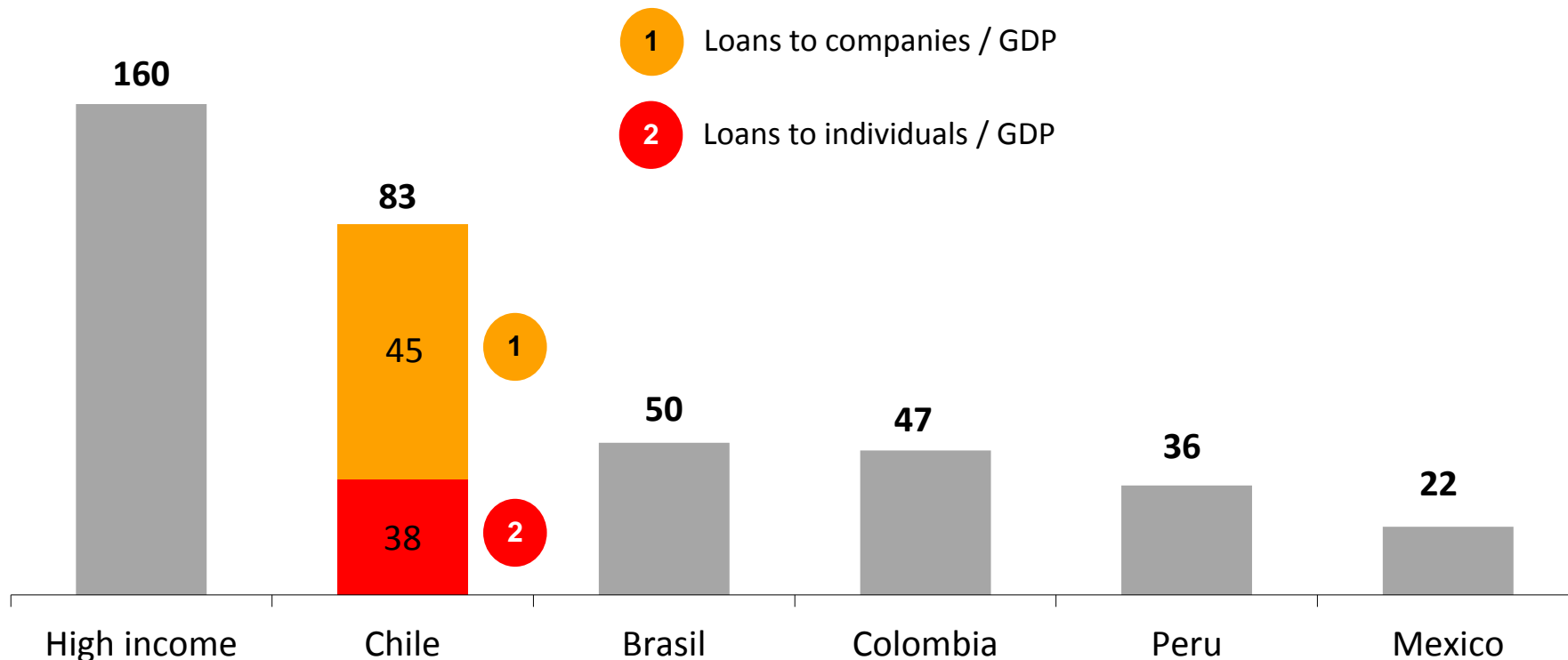
Central Bank ST Reference Rate

%



Loan /GDP ratio is between developed and developing world levels

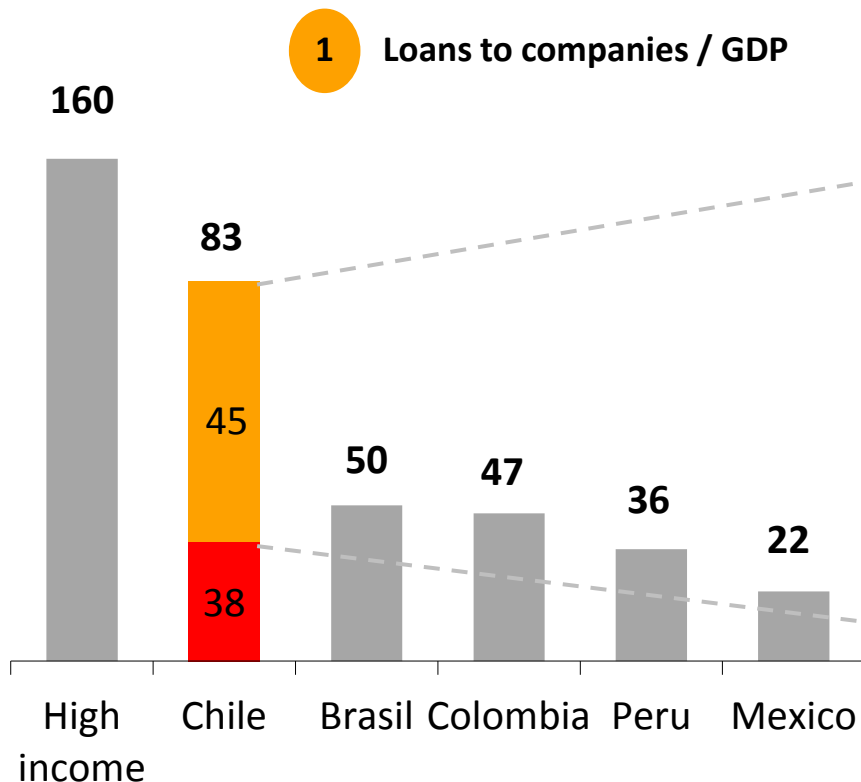
Loans to GDP, 2017 (%)¹



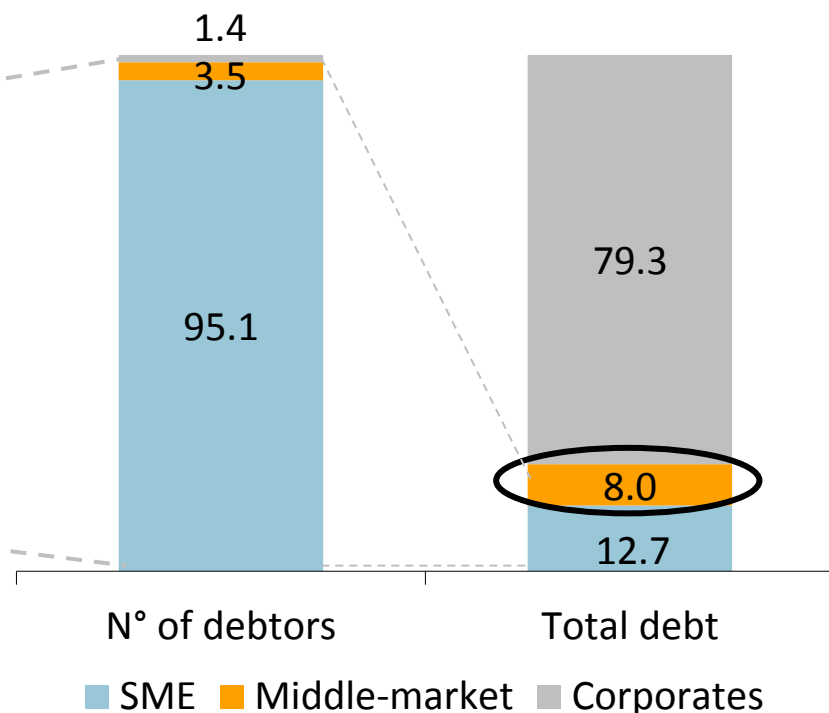
1. Or latest available information, High Income is defined as the OECD countries. Source: World Bank, weighted by size of world economies. Chilean loan include bank and non-bank lending. Source Chile: Santander Chile based on information from SBIF, BCCh, CMF and Superintendency of Social Security.

High growth potential in Middle-market and SME customers

Loans to GDP, 2017 (%)¹



Commercial lending by type of client

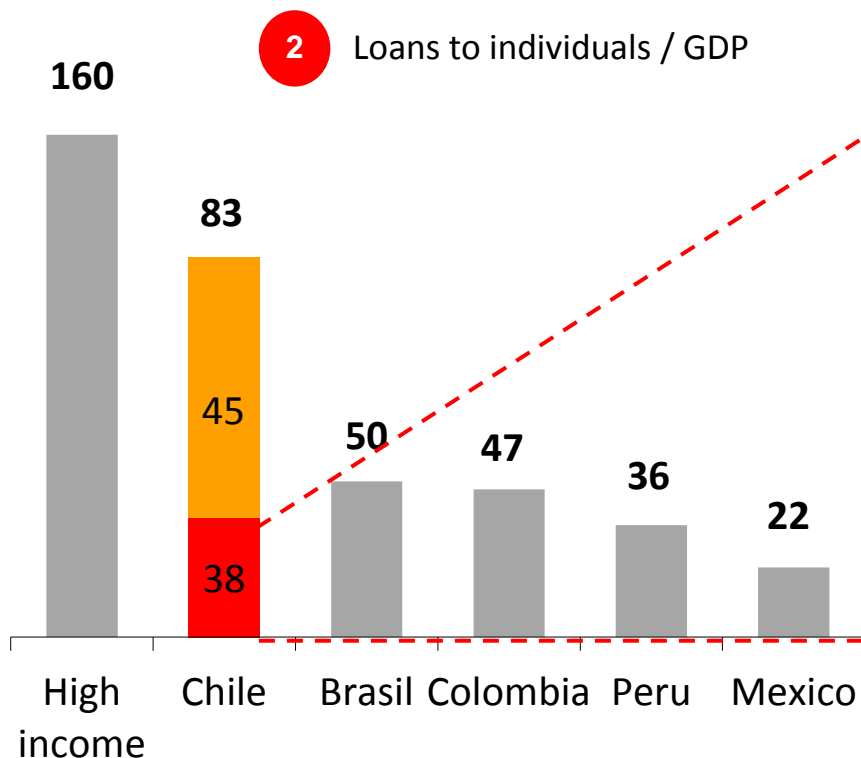


1. Or latest available information. Source: World Bank, weighted by size of world economies. Chilean loan include bank and non-bank lending. Source Chile: Santander Chile based on information from SBIF, BCCh, CMF and Superintendency of Social Security.

Source: SBIF, 2017

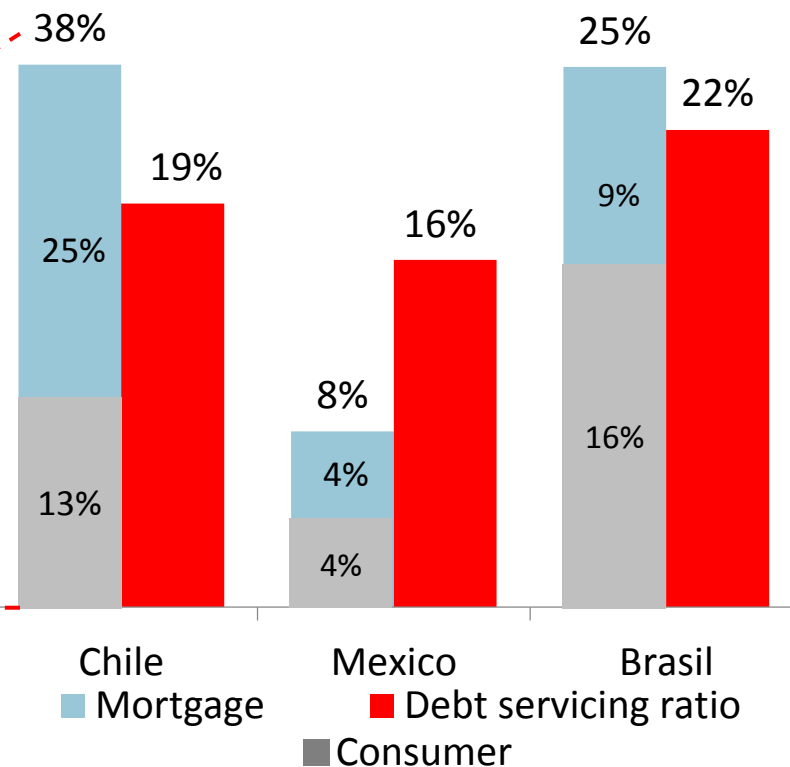
Attractive penetration levels in individuals

Loans to GDP, 2017 (%)¹



Individual loans penetration and DSR²

% of GDP

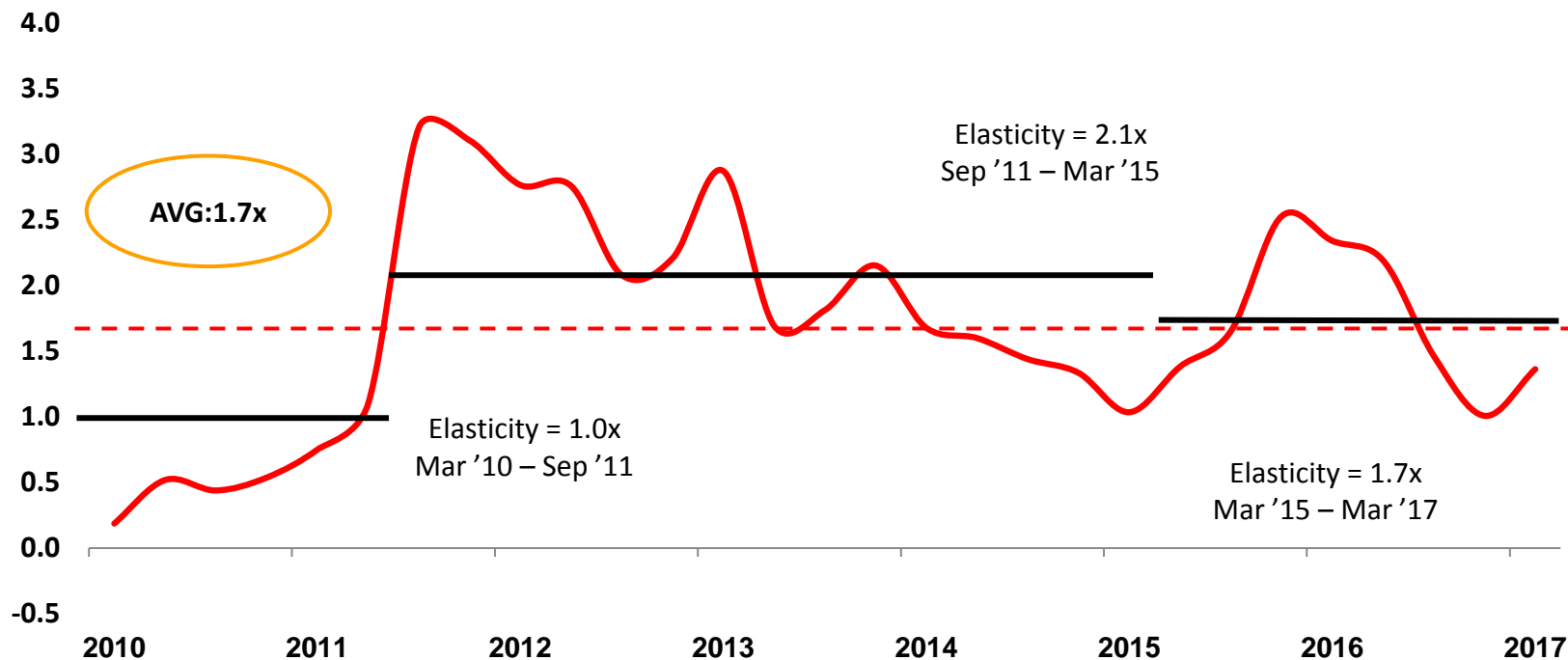


1. Or latest available information. Source: World Bank, weighted by size of world economies. Chilean loan include bank and non-bank lending. Source Chile: Santander Chile based on information from SBIF, BCCh, CMF and Superintendency of Social Security.

2. Debt servicing ratio, DSR: Total debt payments including amortization and interest / Disposable income. Sources: for Chile: SVS, SBIF and SVS; for Brazil and Mexico: JP Morgan, Scotiabank and Felaban

Loan growth should accelerate to 8% in 2018

Loan growth multiplier¹



A loan growth to GDP growth multiplier of 1.5-1.7x is sustainable

Agenda

Macro-economic environment

Strategy and results

Outlook

Santander Chile is the nation's leading bank


Figures in US\$




| Business and Results | 3M18 (US\$) | YoY |
|---|--------------------|---------------------|
| Gross Loans | 46.9 bn | 3.2% |
| Deposits | 33.3 bn | 0.2% |
| Equity | 5.2 bn | 6.7% |
| Net inc. business segments (LTM) ¹ | 1,232 mn | 12.0% |
| Net income (LTM) | 948 mn | 17.2% |
| Network and Customers | 3M18 | Market Share |
| Clients | 3.5 mn | 21.4% ³ |
| Digital Clients | 1.0 mn | 32.8% ⁵ |
| Branches | 379 | 17.2% ⁶ |
| Market Share² | 3M18 | Rank |
| Loans | 18.9% | 1 |
| Deposits | 16.9% | 1 |
| Checking accounts ³ | 21.4% | 1 |
| Bank credit cards ⁴ | 31.5% | 1 |

1. LTM = Last Twelve Months 2. As of Mar 2018 using the period-end exchange rate. Excludes Chilean bank loans and deposits held abroad. Source: SBIF. 3. Market share of clients with checking accounts, as of Mar 2018. Source: SBIF. 4. Market share in terms of number of credit card purchases. As of Feb 2018, latest available information. Source: SBIF. 5. Average yearly market share over clients that enter a website with a passkey. Excludes Banco Estado. Source: SBIF. YTD avg as of Feb 2018. 6. YTD as of Mar 2018

3 objectives for healthy growth / higher profitability

I  Re-focusing on growth as economy recovers...

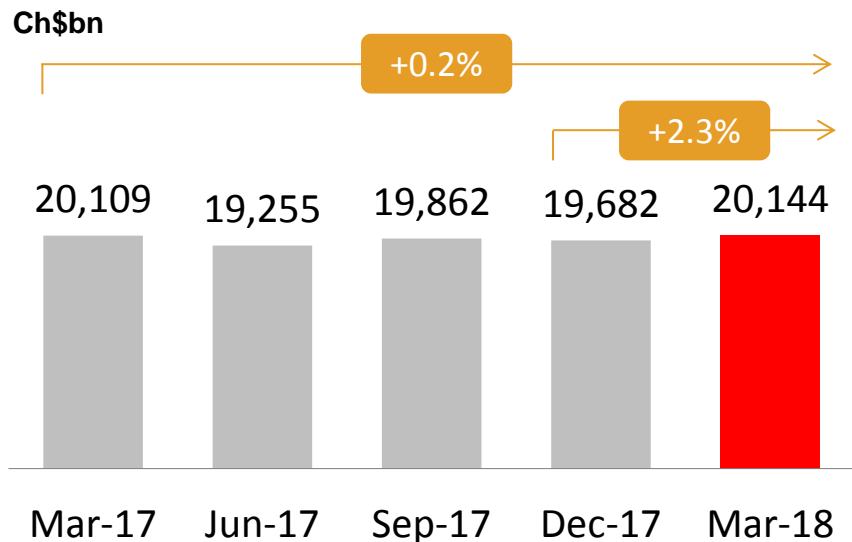
II  ... by increasing client loyalty through an improved client experience and quality of service and expanding digital banking capabilities

III  Optimizing profitability and capital use to increase shareholder value in time

Strategy: I. Re-focusing on growth as economy recovers...

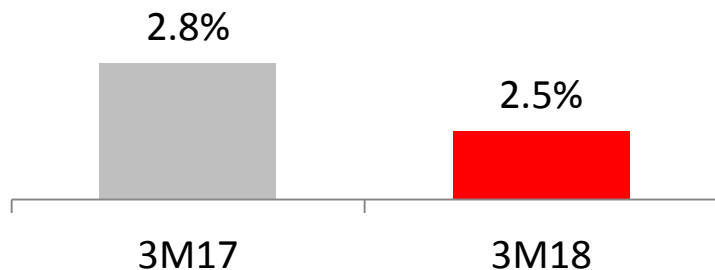
Improving the funding mix and costs

Total Deposits

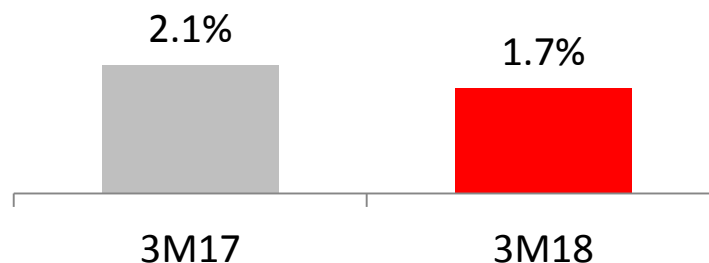


| Ch\$ bn | 3M18 | YoY | QoQ |
|--------------------------------|---------------|-------------|-------------|
| Demand | 8,176 | 10.4% | 5.2% |
| Time | 11,969 | (5.8%) | 0.5% |
| Total Deposits | 20,144 | 0.2% | 2.3% |
| Mutual funds ¹ | 5,387 | (1.9%) | 6.5% |
| Loans to deposits ² | 98.0% | | |
| LCR ³ | 125% | | |
| NSFR ⁴ | 109% | | |

YTD average cost of funds



YTD average time and demand deposit cost

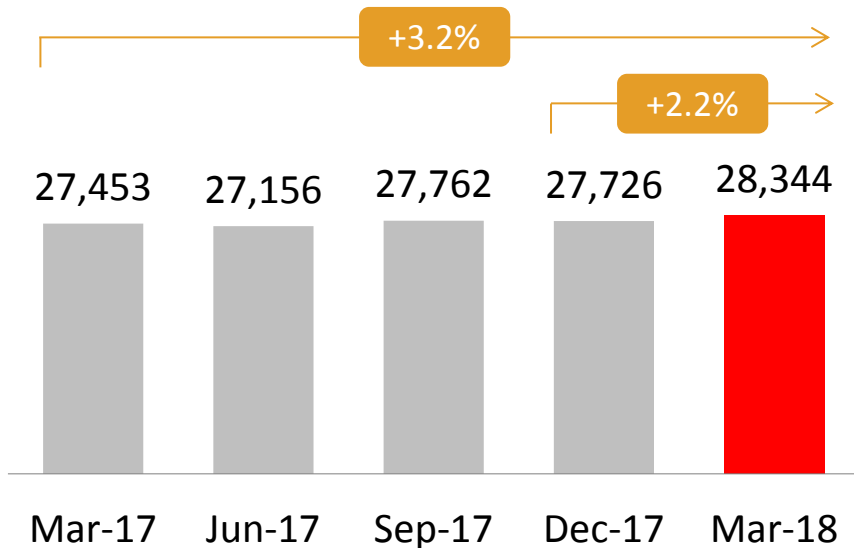


Strategy: I. Re-focusing on growth as economy recovers...

Loan growth accelerating in line with the economy

Total Loans

Ch\$bn

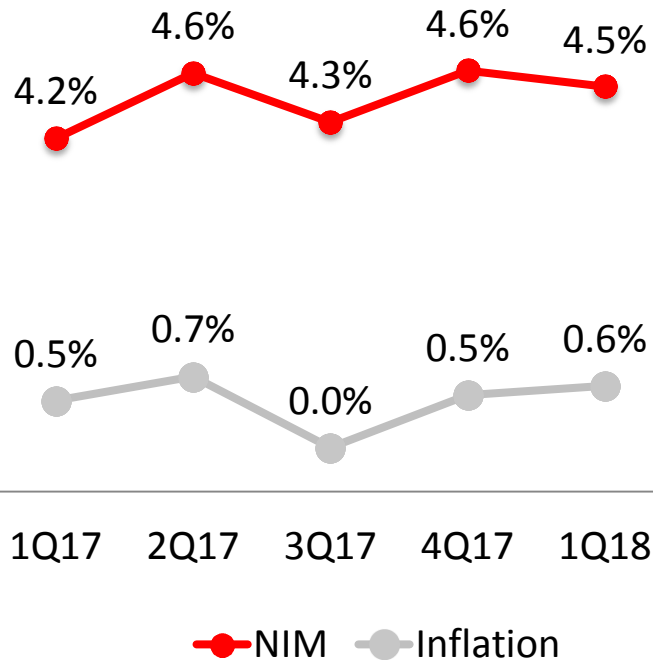


| Ch\$ bn | 3M18 | YoY | QoQ |
|--------------------------|---------------|----------------|--------------|
| Individuals ¹ | 15,650 | 4.7% | 1.6% |
| Consumer | 4,596 | 2.1% | 0.8% |
| Mortgages | 9,270 | 6.0% | 1.9% |
| SMEs | 3,731 | 0.2% | (2.5%) |
| Retail | 19,381 | 3.8% | 0.8% |
| Middle Market | 6,975 | 6.7% | 2.9% |
| Corporate | 1,886 | (12.8%) | 15.5% |
| Total² | 28,344 | 3.2% | 2.2% |

Strategy: I. Re-focusing on growth as economy recovers...

NII grows 8.8% YoY

NIM¹ & UF Inflation



Net Interest Income

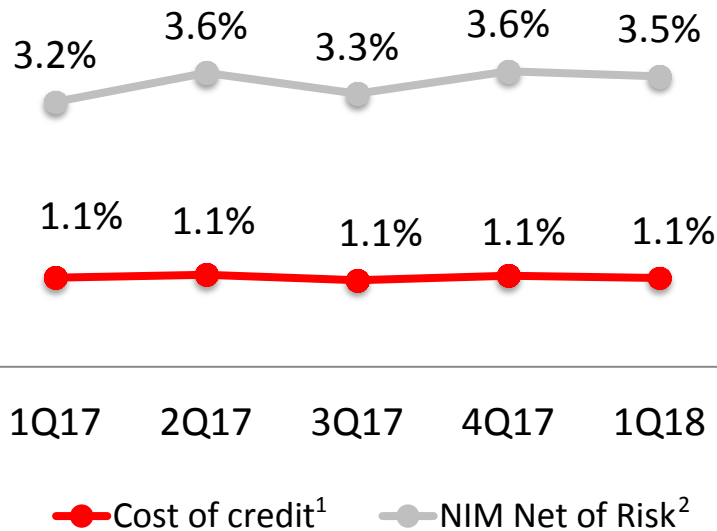
| Ch\$ bn | 3M18 | YoY | QoQ |
|---|------------|-------------|-------------|
| Net interest income | 347 | 8.8% | 0.1% |
| Average interest-earning assets | 30,708 | 1.1% | 2.3% |
| Average loans | 27,885 | 3.6% | 1.4% |
| Interest earning asset yield ¹ | 6.9% | -2bp | -10bp |
| Cost of funds ² | 2.5% | -27bp | +3bp |

Strategy: I. Re-focusing on growth as economy recovers...

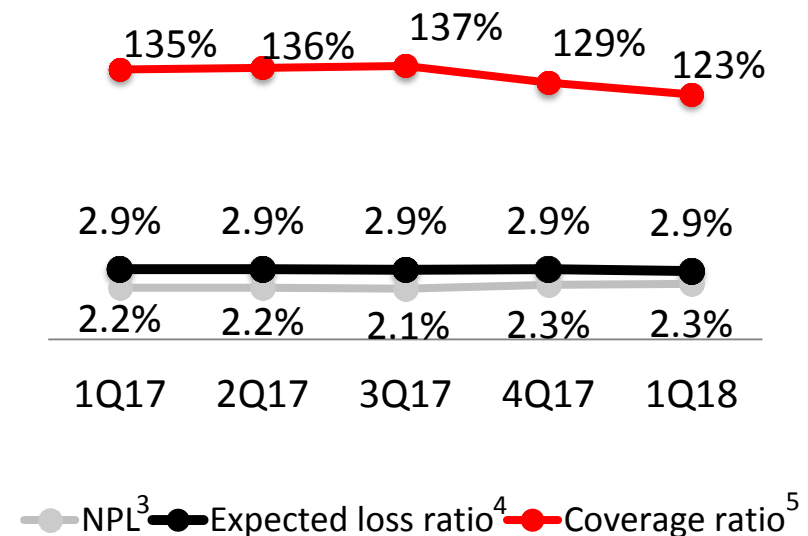
Cost of credit at 1.1%. Stable asset quality metrics

Cost of credit and NIM Net of Risk

% of loans





NPL, Coverage Ratio & Loan Loss Allowances Ratio



1. Annualized quarterly provisions expense/total loans. 2. Annualized Net interest income net of provision expense divided by average interest earning assets.
 3. 90 days or more NPLs 4. Loan loss reserves over total loans 5. Loan loss reserves over NPLs

3 objectives for healthy growth / higher profitability

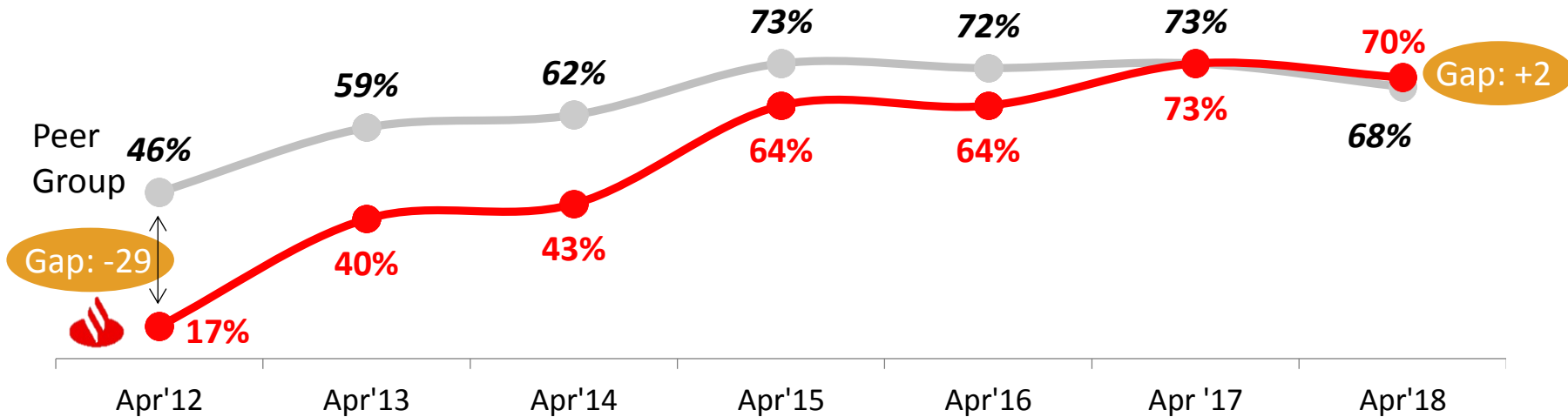
I  Re-focusing on growth as economy recovers...

II  ... by increasing client loyalty through an improved client experience and quality of service and expanding digital banking capabilities

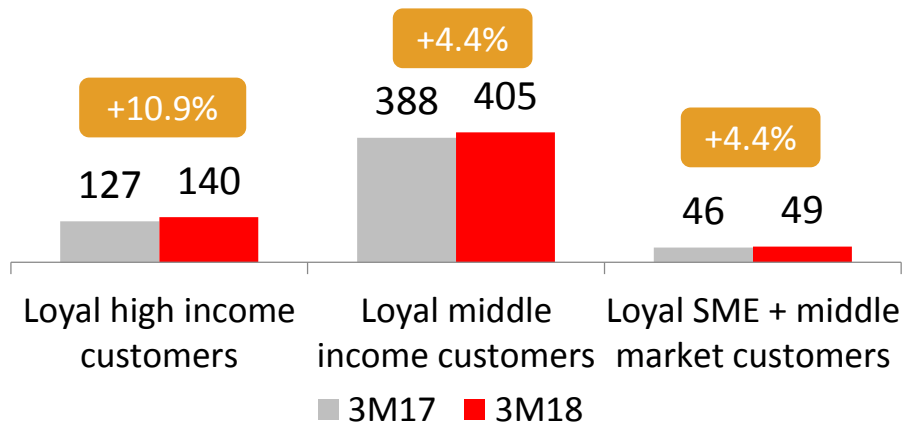
III  Optimizing profitability and capital use to increase shareholder value in time

Strategy: II. Increasing client loyalty and expanding digital banking

Evolution of Bank Satisfaction Gap (% Net Satisfaction)¹



Loyal customer (thousands)²



9.45 (-18%)

Complaints for every 10,000 debtors³

1. Source: GfK Adimark 2. Loyal high income and middle income customers with 4 products plus a minimum profitability level and a minimum usage indicator, as differentiated by segment. SME + Middle-market cross-selling differentiated by client size using a point system that depends on number of products, usage of products and income net of risk 3. As of Dec. 2017, change compared to Dec. 2016

Strategy: II. Increasing client loyalty and expanding digital banking



Santander Life: re-entering the mass consumer market with a product mix that rewards positive credit behavior



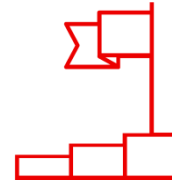
~15,200

Clients as of March 2018



60%

Of clients in Life are new clients



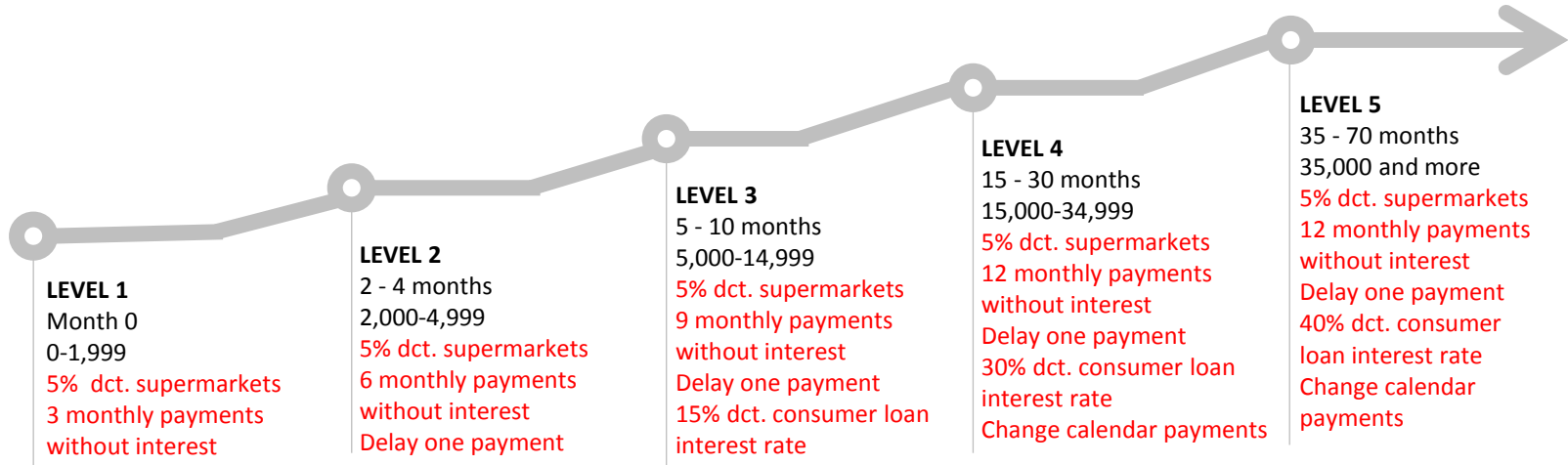
~28%

Of new monthly total bank plans are Life



6.6

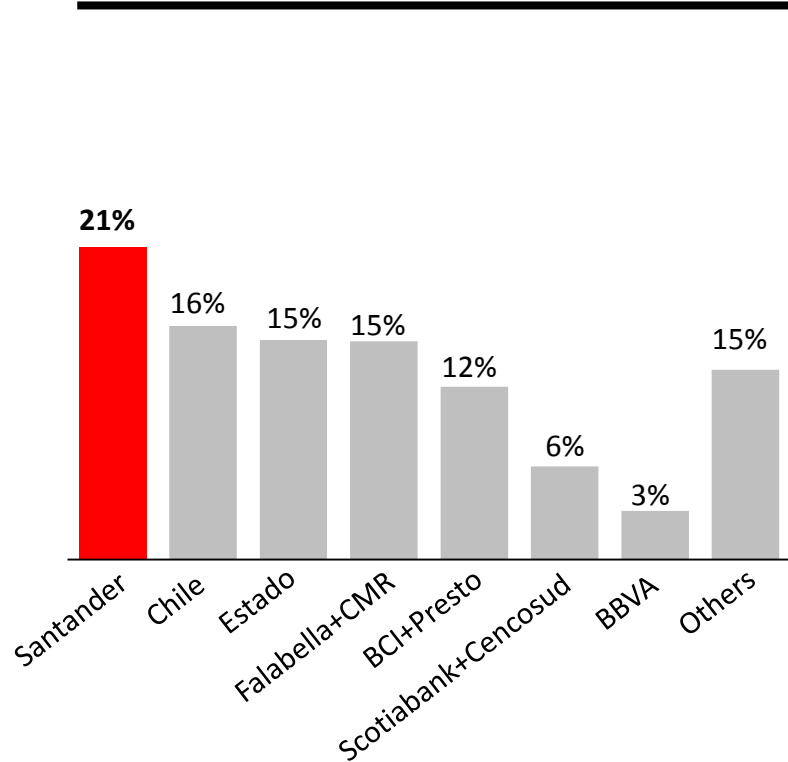
Average monthly transaction through Life credit cards



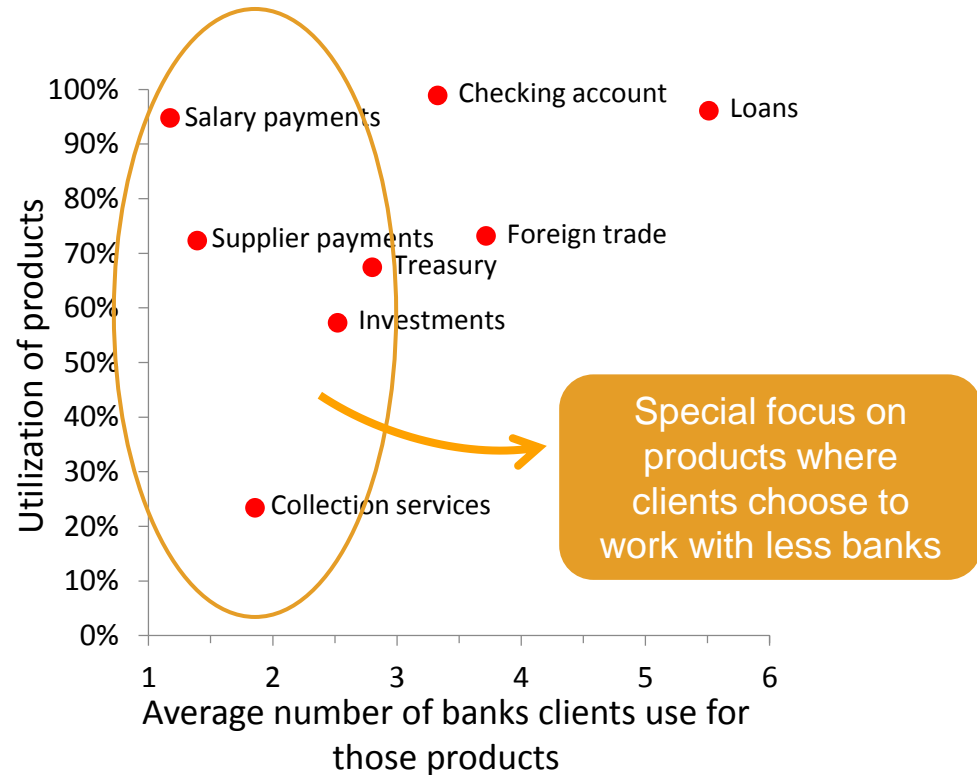
Strategy: II. Increasing client loyalty and expanding digital banking

Fee income: Leaders in transactional banking services

Market share in credit & debit card purchases (\$)



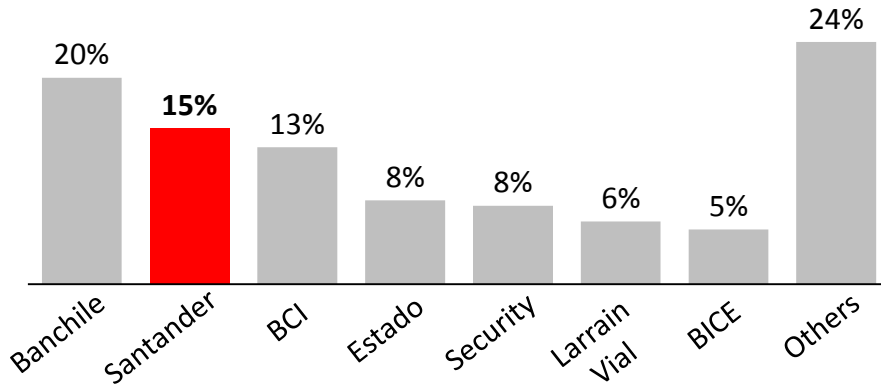
Corporate banking: Number of banks by type of products²



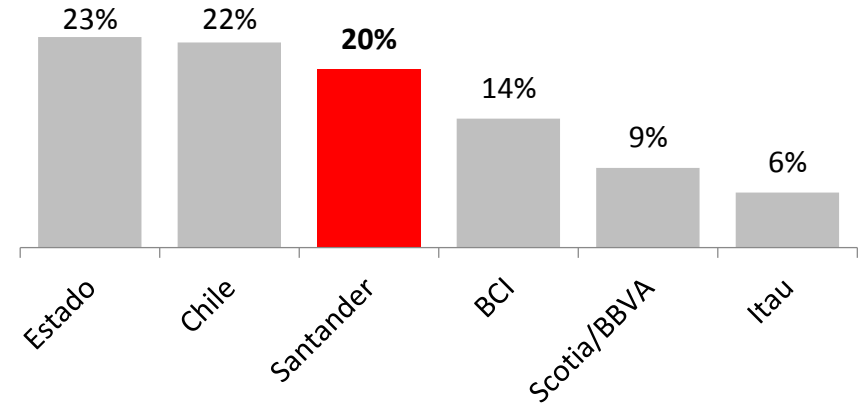
Strategy: II. Increasing client loyalty and expanding digital banking

Fee income: high growth potential in key products

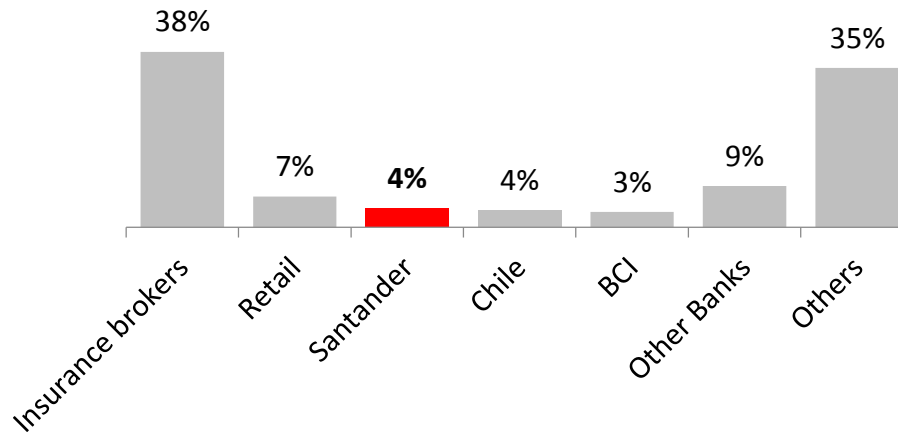
Market share in mutual funds¹



Market share in deposits & savings accounts²



Market share in insurance brokerage

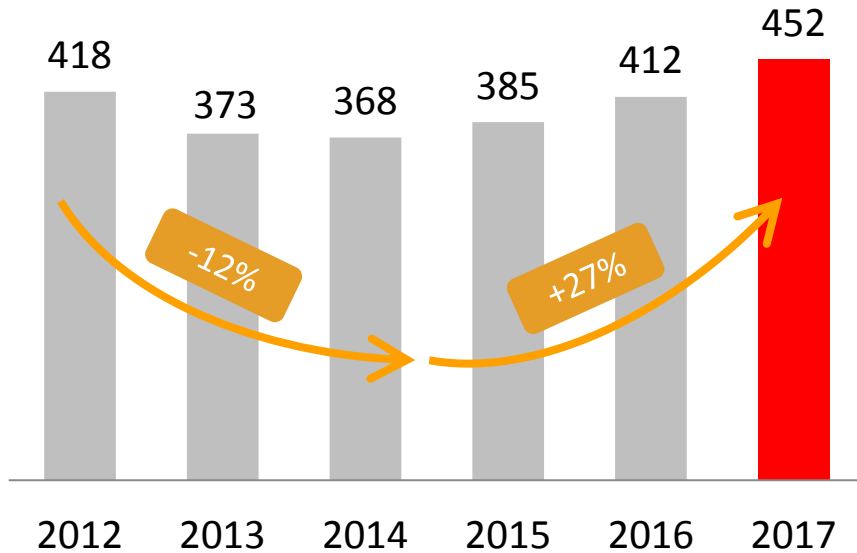


Strategy: II. Increasing client loyalty and expanding digital banking

Greater loyalty, improved customer service and strength in trx banking services leading the recovery of fee income

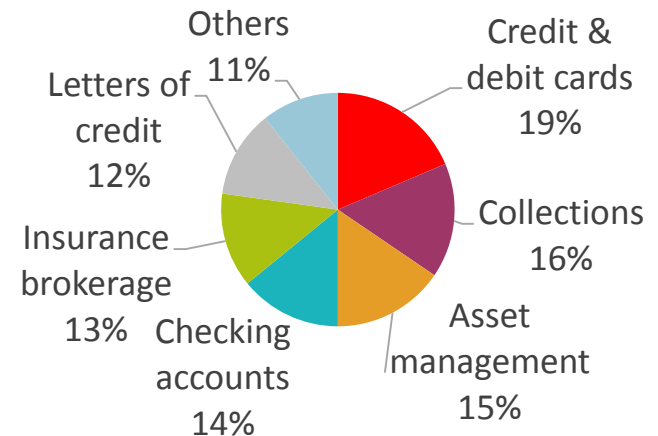
Net fee income

US\$mn



| Ch\$ bn | 3M18 | YoY | QoQ |
|---------------------|-------------|--------------|--------------|
| Retail ¹ | 54.5 | 18.0% | 17.4% |
| Middle Market | 9.1 | (0.7%) | 0.7% |
| Corporate | 10.5 | (1.4%) | 90.0% |
| Subtotal | 74.0 | 12.3% | 21.5% |
| Others ² | 1.5 | (78.8%) | (72.9%) |
| Total | 75.5 | 3.7% | 13.9% |

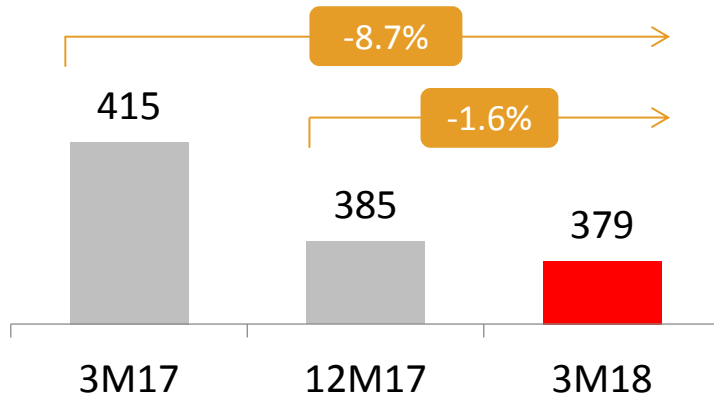
Net fee income by product



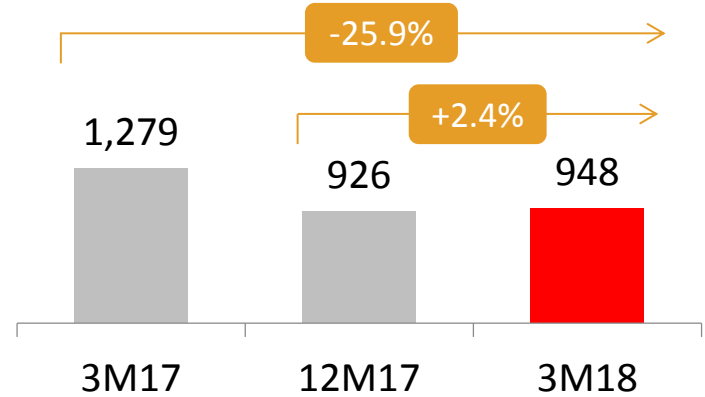
Strategy: II. Increasing client loyalty and expanding digital banking

Restructuring our physical distribution network

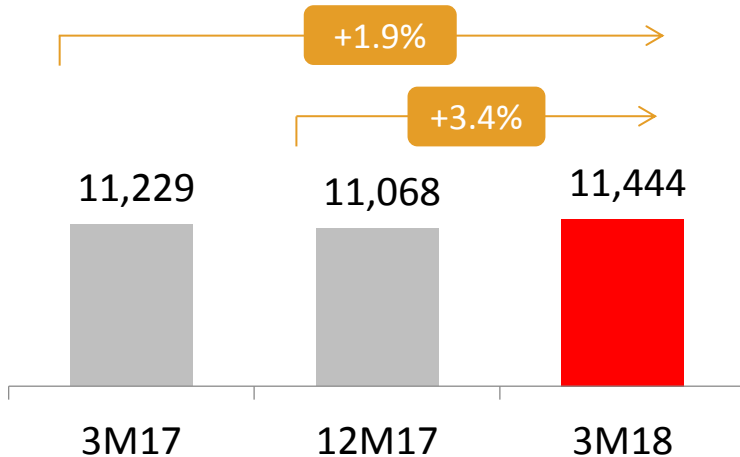
Branches



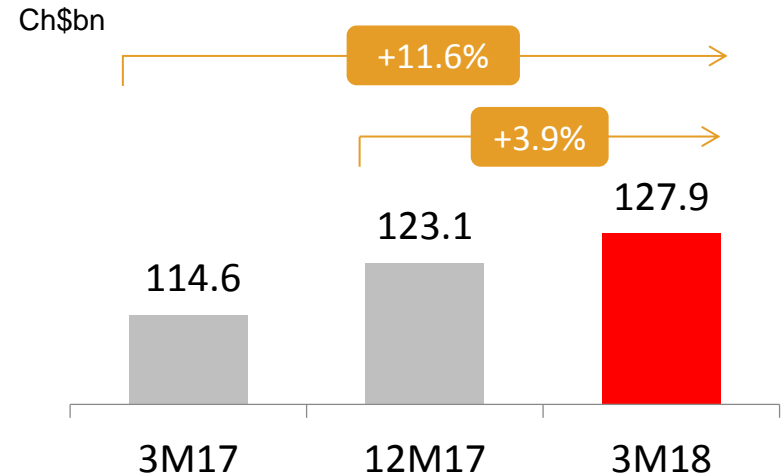
ATMs



Employees



Loans and Deposits / Branches



Strategy: II. Increasing client loyalty and expanding digital banking

Digital clients surpass 1 million and digital trx double



+1 million
Digital clients¹



100 million → 210 million
Monthly transactions through
digital channels²

APP 2.0: More transactional capabilities and a
user-friendly interface

Strategy: II. Increasing client loyalty and expanding digital banking



95%
Client satisfaction



15% vs 17%
Direct cost / income
(vs traditional branch)



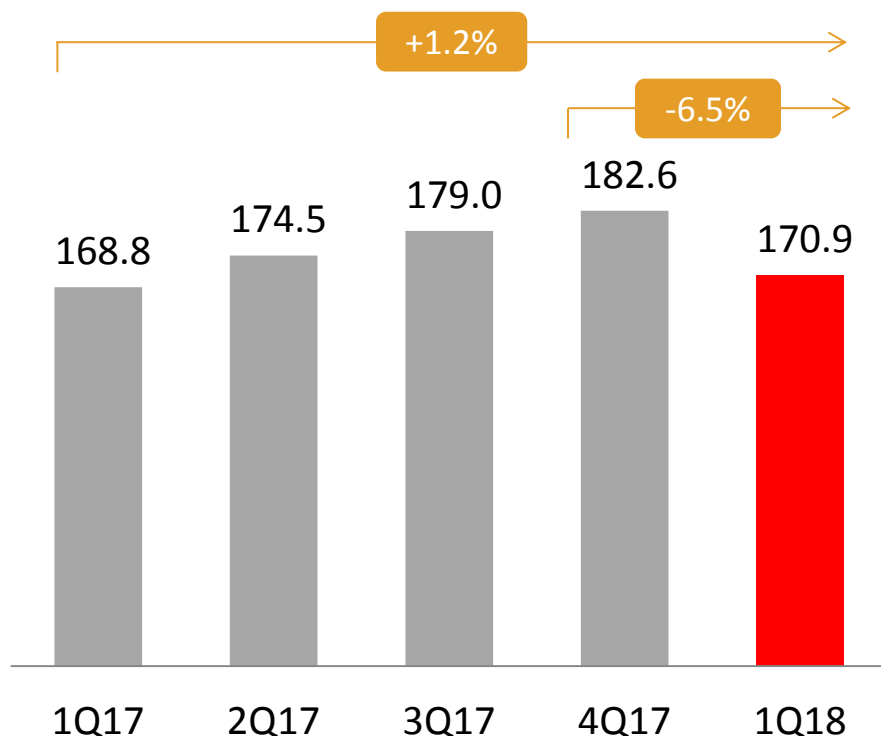
+13%
Increase in income vs
traditional branch

We will be opening 20 more Workcafés this year

Improving our efficiency

Operating Expenses

Ch\$bn



| Ch\$ bn | 3M18 | YoY | QoQ |
|---------------------------------------|--------------|---------------|---------------|
| Personnel expenses | 89.5 | (3.4%) | (12.3%) |
| Administrative expenses | 62.2 | 6.3% | 6.8% |
| Depreciation | 19.2 | 8.8% | (14.2%) |
| Operating expenses¹ | 170.9 | 1.2% | (6.5%) |
| Efficiency ratio² | 38.7% | -129bp | -412bp |
| Cost/Assets | 1.9% | +4bp | -18bp |

3 objectives for healthy growth / higher profitability

I



Re-focusing on growth as economy recovers...

II



... by increasing client loyalty through an improved client experience and quality of service and expanding digital banking capabilities

III



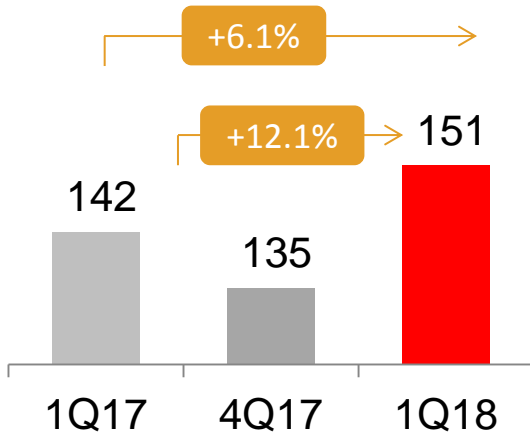
Optimizing profitability and capital use to increase shareholder value in time

Strategy: III. Optimizing profitability and capital

Net income increased 6.1%, and ROE reached 19.4% in 1Q18

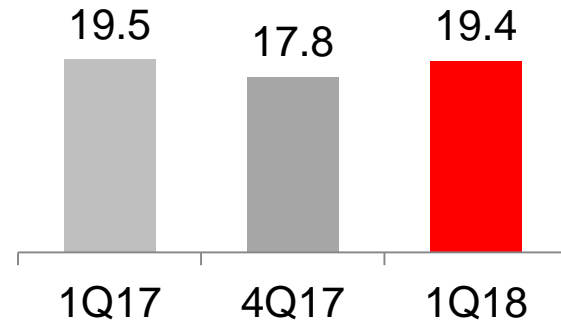
Net income¹

Ch\$bn



ROE

%



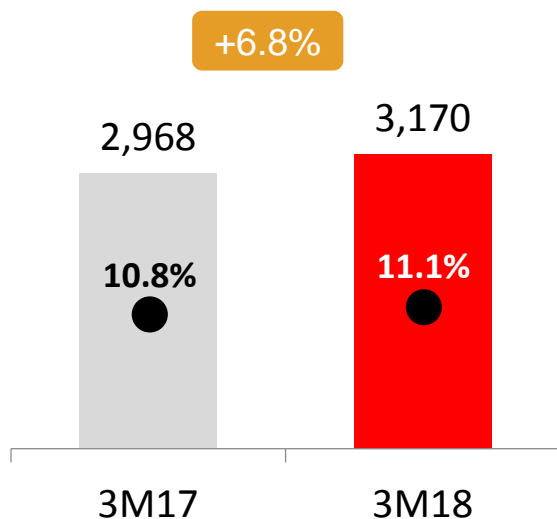
Results driven by business growth, stable asset quality and tight cost control

Strategy: III. Optimizing profitability and capital

High profitability levels sustains high core capital ratios

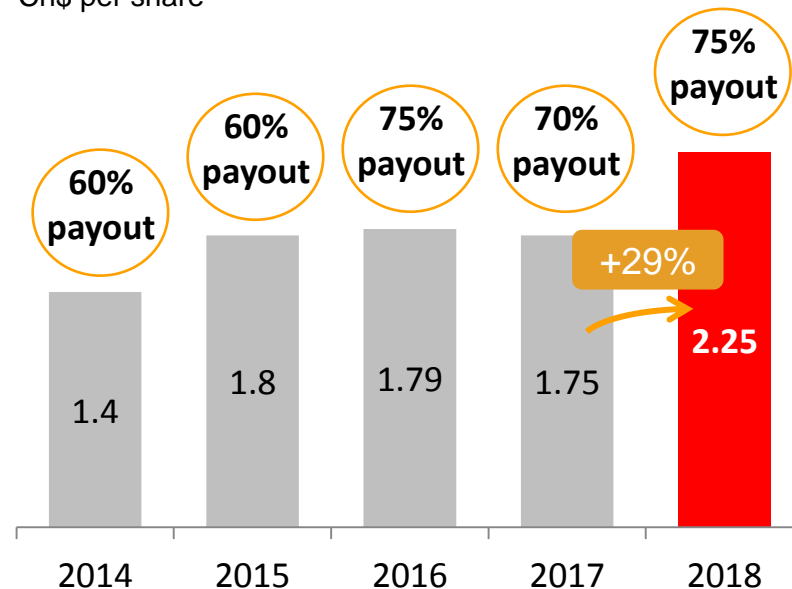
Core Capital & Core Capital Ratio¹

Ch\$bn



Dividend per share

Ch\$ per share



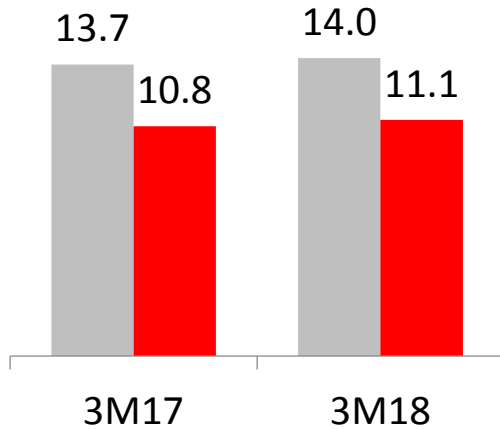
Dividend yield = 4.2% in 2018

Strategy: III. Optimizing profitability and capital

High profitability levels sustains high core capital ratios

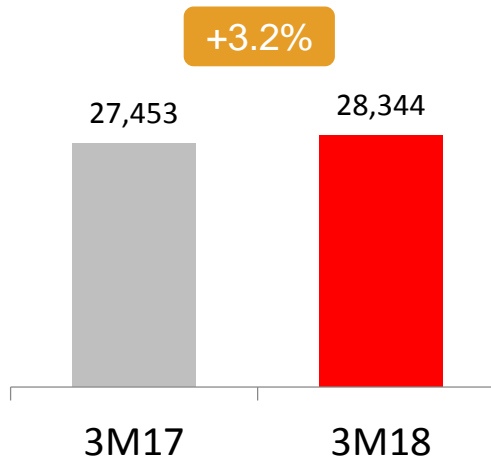
BIS I ratio¹ & Core Capital Ratio

%



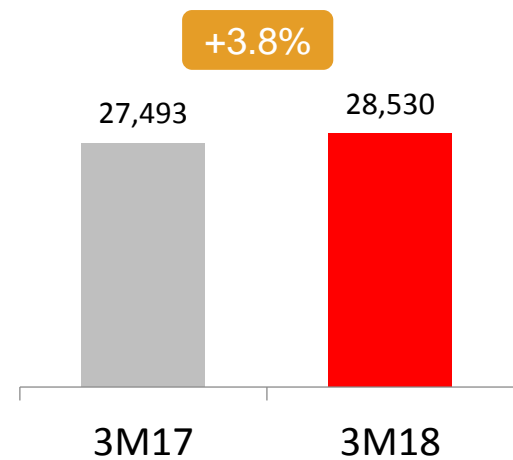
Loans

Ch\$Bn



RWA

Ch\$Bn

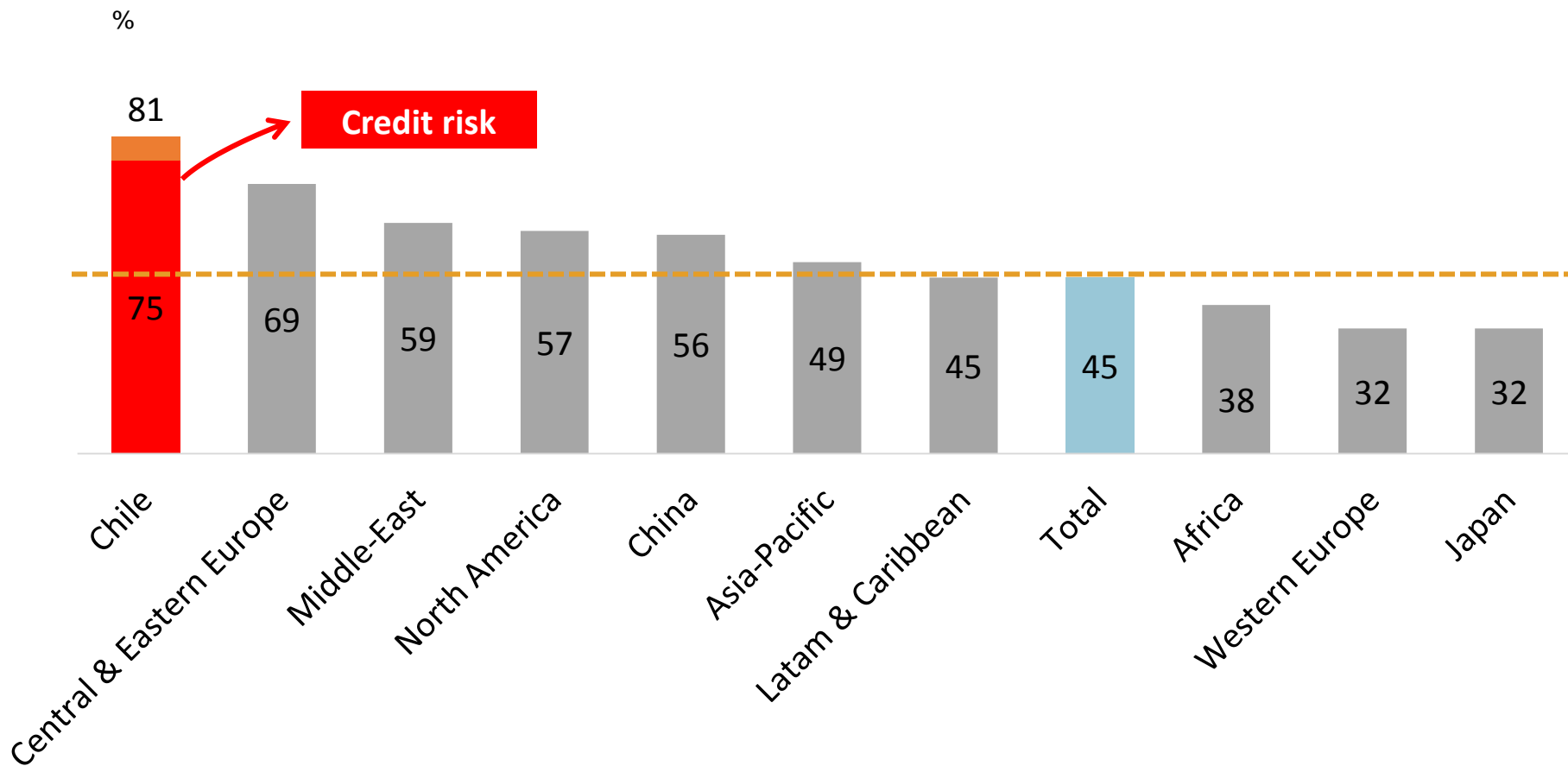


Mortgages are currently risk-weighted 60%. For the rest of loans weighting is 100%

Strategy: III. Optimizing profitability and capital

RWA density in Chile is currently among the highest in the world

RWA Density Worldwide¹

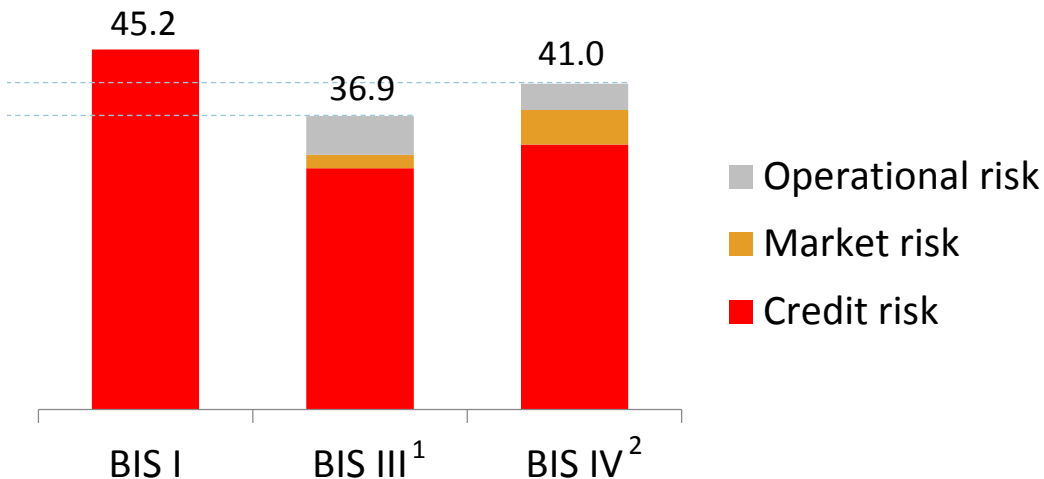


Strategy: III. Optimizing profitability and capital

A normal transition to BIS III or IV should be positive for our capital levels

Santander Chile's Expected RWA

US\$Bn



Important savings from CRWA

RWA density should probably fall if we change to BIS III or BIS IV

Santander estimates of core capital with different RWA densities

| | | | |
|--------------------------|------|------|------|
| RWA density ³ | ~80% | ~70% | ~65% |
| Core Capital | ~11% | ~12% | ~13% |

Core capital could rise 60-200bp

Agenda

Macro-economic environment

Strategy and results

Outlook

Sound outlook for 2018

- **Loan growth 8% with focus in Retail and Middle-market.**
- **Stable rates and 2018 UF inflation ~2.5% should drive margins, but with potential downside risks**
- **Client loyalty and higher growth of total clients to drive fee income, but lower ATM fees compensated in with cost control**
- **Financial transaction income flat**
- **Cost of credit stable / downward trending**
- **Efficiency ratio between 40%-40.5%**
- **Effective tax rate to rise 1.5%-2.0%**

ROE of 19.0%-19.5% in 2018

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



Annexes

■ Unaudited Balance Sheet

| | Mar-18 | Mar-18 | Mar-17 | Mar-18/Mar-17 |
|---|-----------------------|-------------------|-------------------|---------------|
| | US\$ Ths ¹ | Ch\$ Million | | % Chg. |
| Cash and deposits in banks | 2,645,570 | 1,599,697 | 1,828,411 | (12.5%) |
| Cash items in process of collection | 846,017 | 511,561 | 800,901 | (36.1%) |
| Trading investments | 285,281 | 172,501 | 387,190 | (55.4%) |
| Investments under resale agreements | - | - | - | --% |
| Financial derivative contracts | 3,307,684 | 2,000,057 | 2,500,630 | (20.0%) |
| Interbank loans, net | 15,260 | 9,227 | 351,880 | (97.4%) |
| Loans and account receivables from customers, net | 45,520,328 | 27,524,777 | 26,294,766 | 4.7% |
| Available for sale investments | 4,948,977 | 2,992,498 | 2,807,974 | 6.6% |
| Held-to-maturity investments | - | - | - | --% |
| Investments in associates and other companies | 46,759 | 28,274 | 24,501 | 15.4% |
| Intangible assets | 103,293 | 62,458 | 59,118 | 5.6% |
| Property, plant and equipment | 384,716 | 232,626 | 249,485 | (6.8%) |
| Current taxes | 11,173 | 6,756 | - | --% |
| Deferred taxes | 616,311 | 372,665 | 368,276 | 1.2% |
| Other assets | 1,522,756 | 920,765 | 1,035,406 | (11.1%) |
| Total Assets | 60,254,125 | 36,433,862 | 36,708,538 | (0.7%) |
| Deposits and other demand liabilities | 13,520,777 | 8,175,608 | 7,408,618 | 10.4% |
| Cash items in process of being cleared | 585,519 | 354,046 | 602,307 | (41.2%) |
| Obligations under repurchase agreements | 175,135 | 105,899 | 205,151 | (48.4%) |
| Time deposits and other time liabilities | 19,793,896 | 11,968,775 | 12,700,210 | (5.8%) |
| Financial derivatives contracts | 3,178,274 | 1,921,807 | 2,293,744 | (16.2%) |
| Interbank borrowings | 2,187,163 | 1,322,512 | 1,491,687 | (11.3%) |
| Issued debt instruments | 12,892,277 | 7,795,573 | 7,411,645 | 5.2% |
| Other financial liabilities | 403,003 | 243,684 | 238,331 | 2.2% |
| Current taxes | - | - | 24,847 | --% |
| Deferred taxes | 18,557 | 11,221 | 11,623 | (3.5%) |
| Provisions | 562,126 | 339,901 | 324,584 | 4.7% |
| Other liabilities | 1,624,635 | 982,368 | 997,313 | (1.5%) |
| Total Liabilities | 54,941,363 | 33,221,394 | 33,710,060 | (1.4%) |
| Equity | | | | |
| Capital | 1,474,032 | 891,303 | 891,303 | --% |
| Reserves | 2,946,761 | 1,781,818 | 1,640,112 | 8.6% |
| Valuation adjustments | -7,191 | -4,348 | 6,763 | (164.3%) |
| Retained Earnings: | | | | |
| Retained earnings from prior years | 934,088 | 564,815 | 472,351 | 19.6% |
| Income for the period | 249,749 | 151,016 | 142,375 | 6.1% |
| Minus: Provision for mandatory dividends | -355,151 | -214,749 | -184,413 | 16.5% |
| Total Shareholders' Equity | 5,242,289 | 3,169,855 | 2,968,491 | 6.8% |
| Non-controlling interest | 70,473 | 42,613 | 29,987 | 42.1% |
| Total Equity | 5,312,762 | 3,212,468 | 2,998,478 | 7.1% |
| Total Liabilities and Equity | 60,254,125 | 36,433,862 | 36,708,538 | (0.7%) |

1. The exchange rate used to calculate the figures in dollars was Ch\$604.67 / US\$1

■ Unaudited YTD Income Statement

| | Mar-18 US\$ Ths ¹ | Mar-18 Ch\$ Million | Mar-17 | Mar-18/Mar-17 % Chg. |
|---|---------------------------------|------------------------|------------------|-------------------------|
| Interest income | 873,290 | 528,052 | 523,968 | 0.8% |
| Interest expense | (299,894) | (181,337) | (205,393) | (11.7%) |
| Net interest income | 573,395 | 346,715 | 318,575 | 8.8% |
| Fee and commission income | 205,325 | 124,154 | 115,295 | 7.7% |
| Fee and commission expense | (80,474) | (48,660) | (42,472) | 14.6% |
| Net fee and commission income | 124,852 | 75,494 | 72,823 | 3.7% |
| Net income (expense) from financial operations | (44,940) | (27,174) | 1,276 | --% |
| Net foreign exchange gain | 83,343 | 50,395 | 35,456 | 42.1% |
| Total financial transactions, net | 38,403 | 23,221 | 36,732 | (36.8%) |
| Other operating income | 10,430 | 6,307 | 13,019 | (51.6%) |
| Net operating profit before provisions for loan losses | 747,080 | 451,737 | 441,149 | 2.4% |
| Provision for loan losses | (124,704) | (75,405) | (73,862) | 2.1% |
| Net operating profit | 622,376 | 376,332 | 367,287 | 2.5% |
| Personnel salaries and expenses | (148,041) | (89,516) | (92,676) | (3.4%) |
| Administrative expenses | (102,792) | (62,155) | (58,482) | 6.3% |
| Depreciation and amortization | (31,720) | (19,180) | (17,622) | 8.8% |
| Op. expenses excl. Impairment and Other operating expenses | (282,552) | (170,851) | (168,780) | 1.2% |
| Impairment of property, plant and equipment | (64) | (39) | (184) | (78.8%) |
| Other operating expenses | (16,407) | (9,921) | (18,817) | (47.3%) |
| Total operating expenses | (299,024) | (180,811) | (187,781) | (3.7%) |
| Operating income | 323,352 | 195,521 | 179,506 | 8.9% |
| Income from investments in associates and other companies | 1,364 | 825 | 720 | 14.6% |
| Income before tax | 324,716 | 196,346 | 180,226 | 8.9% |
| Income tax expense | (73,682) | (44,553) | (37,208) | 19.7% |
| Net income from ordinary activities | 251,034 | 151,793 | 143,018 | 6.1% |
| Net income discontinued operations | - | - | - | --% |
| Net income attributable to: | | | | |
| Non-controlling interest | 1,285 | 777 | 643 | 20.8% |
| Net income attributable to equity holders of the Bank | 249,749 | 151,016 | 142,375 | 6.1% |

1. The exchange rate used to calculate the figures in dollars was Ch\$604.67 / US\$1

■ Unaudited Quarterly Income Statement

| | 1Q18 | 1Q18 | 4Q17 | 1Q17 | 1Q18/1Q17 | 1Q18/4Q17 |
|---|-----------------------|------------------|------------------|------------------|----------------|----------------|
| | US\$ Ths ¹ | Ch\$ Million | | | % Chg. | |
| Interest income | 873,290 | 528,052 | 524,299 | 523,968 | 0.8% | 0.7% |
| Interest expense | (299,894) | (181,337) | (177,798) | (205,393) | (11.7%) | 2.0% |
| Net interest income | 573,395 | 346,715 | 346,501 | 318,575 | 8.8% | 0.1% |
| Fee and commission income | 205,325 | 124,154 | 112,308 | 115,295 | 7.7% | 10.5% |
| Fee and commission expense | (80,474) | (48,660) | (46,008) | (42,472) | 14.6% | 5.8% |
| Net fee and commission income | 124,852 | 75,494 | 66,300 | 72,823 | 3.7% | 13.9% |
| Net income (expense) from financial operations | (44,940) | (27,174) | (50,137) | 1,276 | --% | (45.8%) |
| Net foreign exchange gain | 83,343 | 50,395 | 68,311 | 35,456 | 42.1% | (26.2%) |
| Total financial transactions, net | 38,403 | 23,221 | 18,174 | 36,732 | (36.8%) | 27.8% |
| Other operating income | 10,430 | 6,307 | 19,224 | 13,019 | (51.6%) | (67.2%) |
| Net operating profit before provisions for loan losses | 747,080 | 451,737 | 450,199 | 441,149 | 2.4% | 0.3% |
| Provision for loan losses | (124,704) | (75,405) | (76,805) | (73,862) | 2.1% | (1.8%) |
| Net operating profit | 622,376 | 376,332 | 373,394 | 367,287 | 2.5% | 0.8% |
| Personnel salaries and expenses | (148,041) | (89,516) | (102,086) | (92,676) | (3.4%) | (12.3%) |
| Administrative expenses | (102,792) | (62,155) | (58,203) | (58,482) | 6.3% | 6.8% |
| Depreciation and amortization | (31,720) | (19,180) | (22,355) | (17,622) | 8.8% | (14.2%) |
| Op. expenses excl. Impairment and Other operating expenses | (282,552) | (170,851) | (182,644) | (168,780) | 1.2% | (6.5%) |
| Impairment of property, plant and equipment | (64) | (39) | - | (184) | (78.8%) | --% |
| Other operating expenses | (16,407) | (9,921) | (23,343) | (18,817) | (47.3%) | (57.5%) |
| Total operating expenses | (299,024) | (180,811) | (205,987) | (187,781) | (3.7%) | (12.2%) |
| Operating income | 323,352 | 195,521 | 167,407 | 179,506 | 8.9% | 16.8% |
| Income from investments in associates and other companies | 1,364 | 825 | 1,009 | 720 | 14.6% | (18.2%) |
| Income before tax | 324,716 | 196,346 | 168,416 | 180,226 | 8.9% | 16.6% |
| Income tax expense | (73,682) | (44,553) | (37,991) | (37,208) | 19.7% | 17.3% |
| Net income from ordinary activities | 251,034 | 151,793 | 130,425 | 143,018 | 6.1% | 16.4% |
| Net income discontinued operations | - | - | - | - | --% | --% |
| Net income attributable to: | | | | | | |
| Non-controlling interest | 1,285 | 777 | (4,253) | 643 | 20.8% | (118.3%) |
| Net income attributable to equity holders of the Bank | 249,749 | 151,016 | 134,678 | 142,375 | 6.1% | 12.1% |

1. The exchange rate used to calculate the figures in dollars was Ch\$604.67 / US\$1

Annexes: Key Indicators

| Profitability & Efficiency | Mar-18 | Mar-17 | Change bp |
|--|---------------|---------------|------------------|
| Net interest margin (NIM) ¹ | 4.5% | 4.2% | 32 |
| Efficiency ratio ² | 38.7% | 40.0% | -129 |
| Return on avg. equity | 19.4% | 19.5% | -17 |
| Return on avg. assets | 2.0% | 1.9% | 9 |
| Core capital ratio | 11.1% | 10.8% | 31 |
| BIS ratio | 14.0% | 13.7% | 30 |
| Return on RWA | 2.1% | 2.1% | 4 |

| Asset Quality Ratios | Mar-18 | Mar-17 | Change bp |
|-------------------------------------|---------------|---------------|------------------|
| NPL ratio ³ | 2.3% | 2.2% | 16 |
| Coverage of NPLs ratio ⁴ | 122.9% | 135.5% | -1,259 |
| Cost of credit ⁵ | 1.1% | 1.1% | -1 |

| Structure (#) | Mar-18 | Mar-17 | Change (%) |
|----------------------|---------------|---------------|-------------------|
| Branches | 379 | 415 | (8.7%) |
| ATMs | 948 | 1,279 | (25.9%) |
| Employees | 11,444 | 11,229 | 1.9% |

| Market Capitalization | Mar-18 | Mar-17 | Change (%) |
|--------------------------------------|---------------|---------------|-------------------|
| Net income per share (Ch\$) | 0.80 | 0.76 | 6.1% |
| Net income per ADR (US\$) | 0.46 | 0.46 | 1.2% |
| Stock price (Ch\$/ per share) | 50.88 | 41.37 | 23.0% |
| ADR price (US\$ per share) | 33.51 | 25.08 | 33.6% |
| Market capitalization (US\$m) | 15,855 | 11,816 | 34.2% |
| Shares outstanding (millions) | 188,446 | 188,446 | --% |
| ADRs (1 ADR = 400 shares) (millions) | 471 | 471 | --% |

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 = 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.