

A dark red world map is centered on the slide, set against a lighter red grid background. The map shows the outlines of continents in a slightly darker shade of red.

Banco Santander Chile: 2Q 2009 Results

Profitability on the rise

July 31, 2009

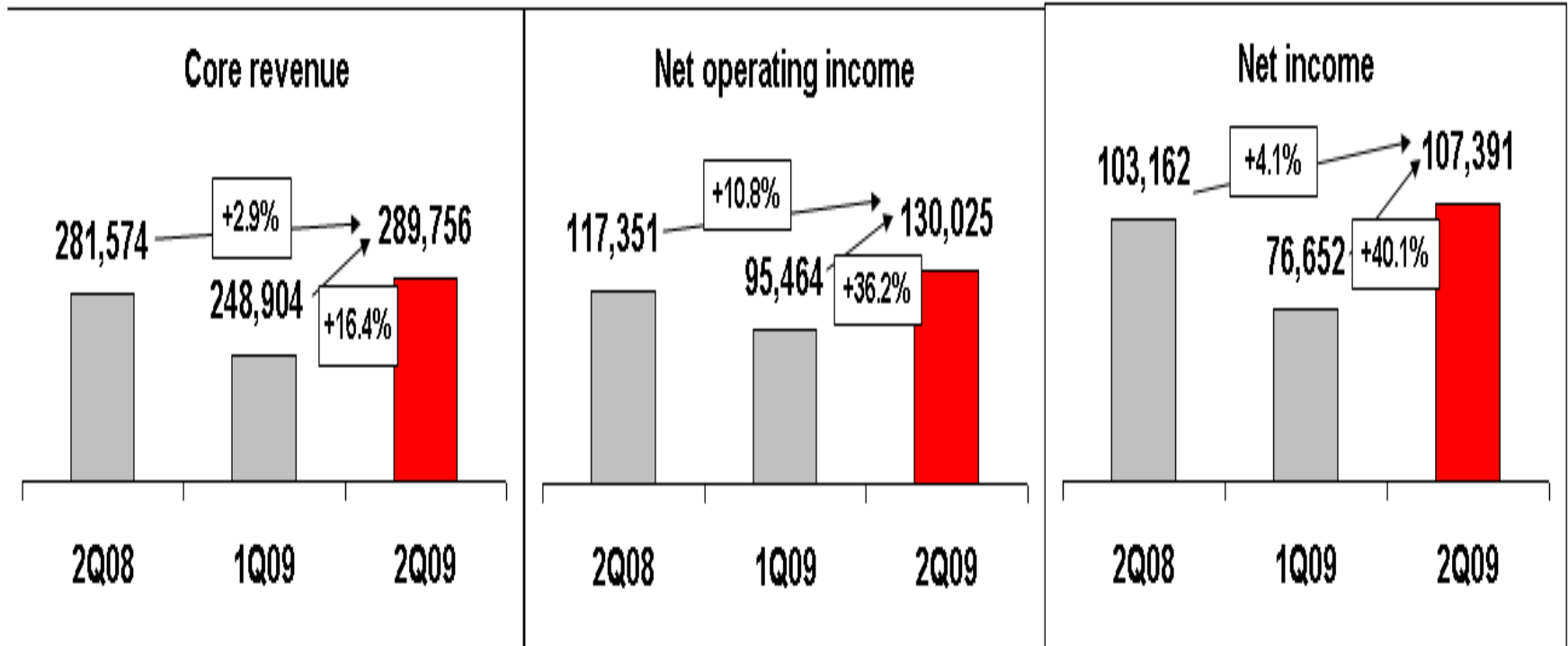
Important information

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. 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. Historical figures have been restated in accordance with the new accounting standards adopted by Chilean banks in 2009. 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.

Net income increases 40.1% QoQ and 4.1% YoY

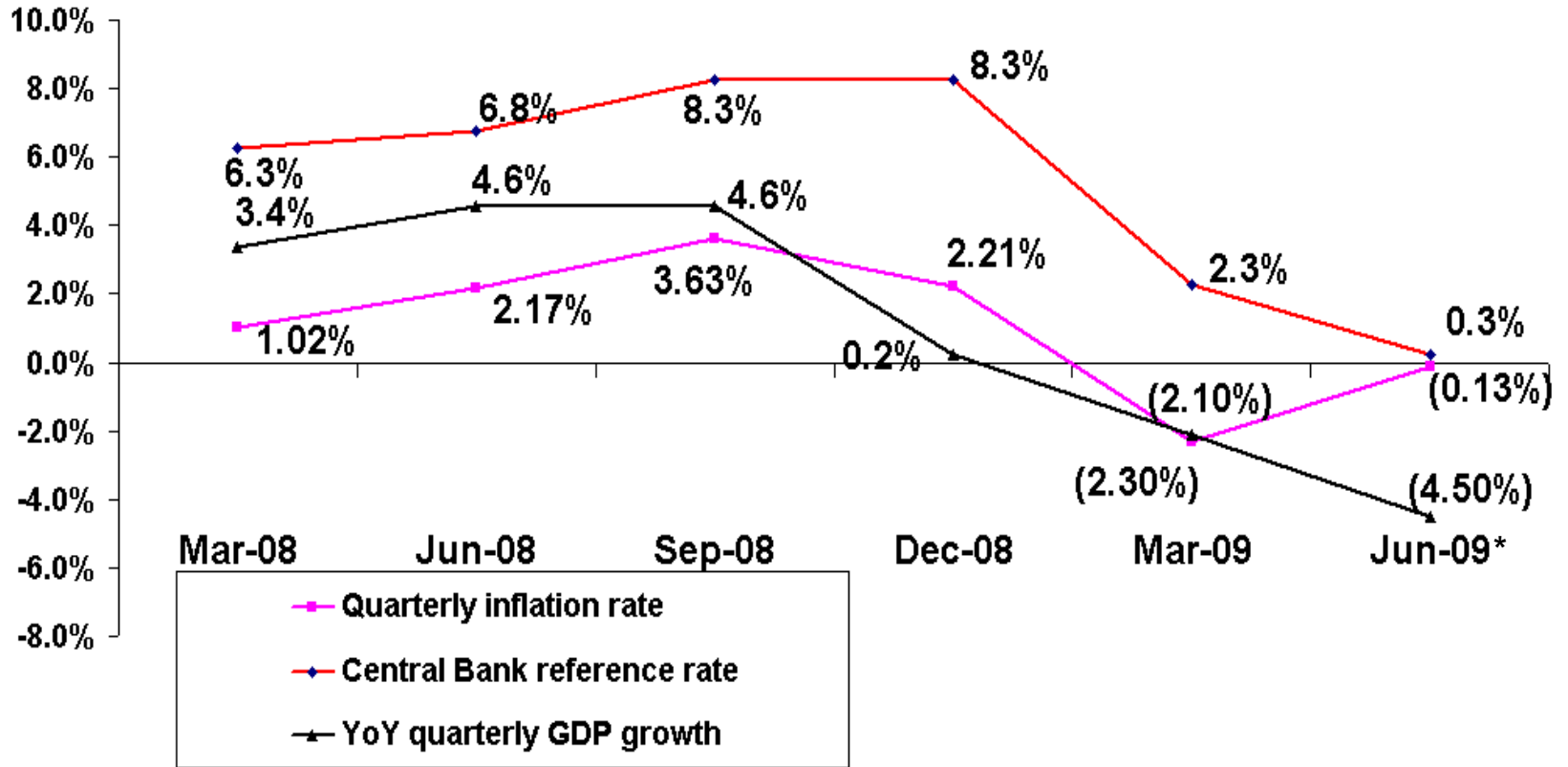
Net Income attributable to shareholders , nominal Ch\$ billion



ROAE reached 28.7% in the quarter

A challenging operating environment in 1H09

Quarterly evolution of interest rates, inflation and GDP, %

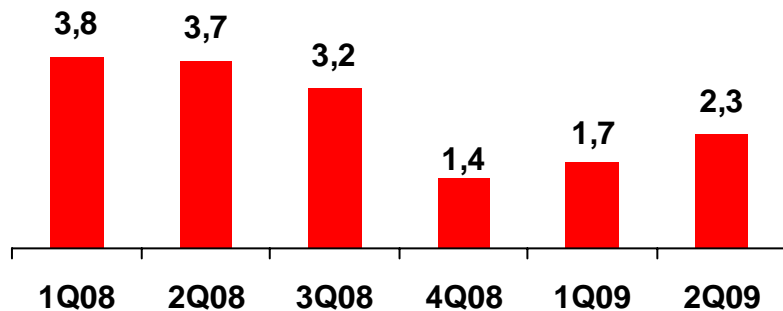


Inflation begins to normalize, rates descend rapidly and GDP growth fall in the quarter

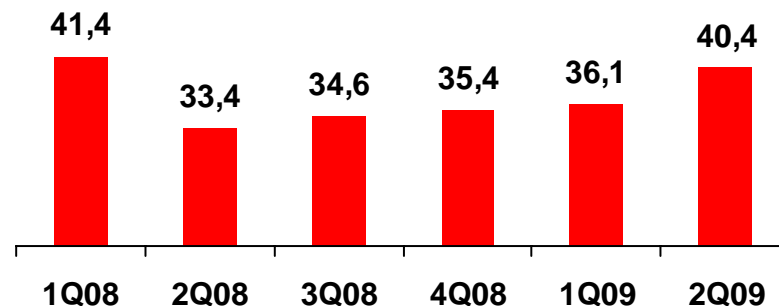
* 2Q09 GDP growth estimated by Santander Chile. Source: Central Bank of Chile

Better external conditions, renewed confidence and monetary & fiscal boost should start reversing contraction

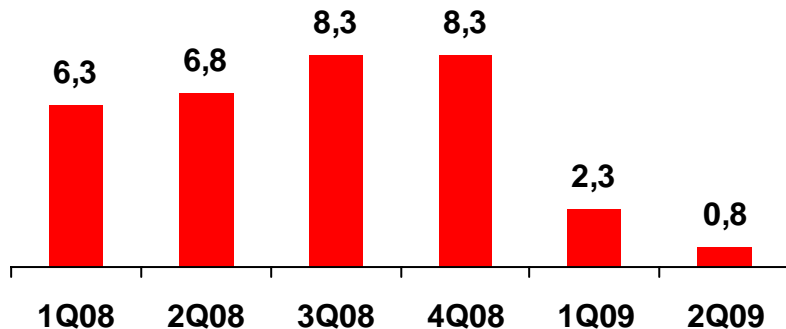
Copper price (US\$ / pound., end-of-period)



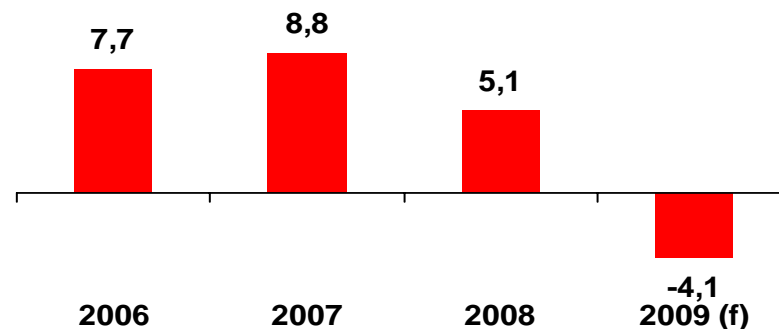
Index of Economic Perceptions (points*)



Central Bank ST rate (% , end.of-period)



Fiscal Surplus (% GDP)



* % optimistic about future of economy - % negative. Source: Central Bank of Chile, Adimark-Gfk (f): Santander GBM (07/2009) forecast

Strategy 2009-2010 centered on 4 objectives ...

Santander Chile's strategic drivers

1. Active balance sheet management: focus on capital, funding selective loan growth and differentiated expansion of spreads



2. Increase of cross-selling and product usage of the current clients base to boost fees



3. Proactive management of risks and recoveries, to reduce impact of the slowing down of the economy on provisions



4. Cost control; focus on productivity gains / control of recurring costs to compensate for the lower top-line growth



Strong core capital and capitalization ratios

BIS Ratio

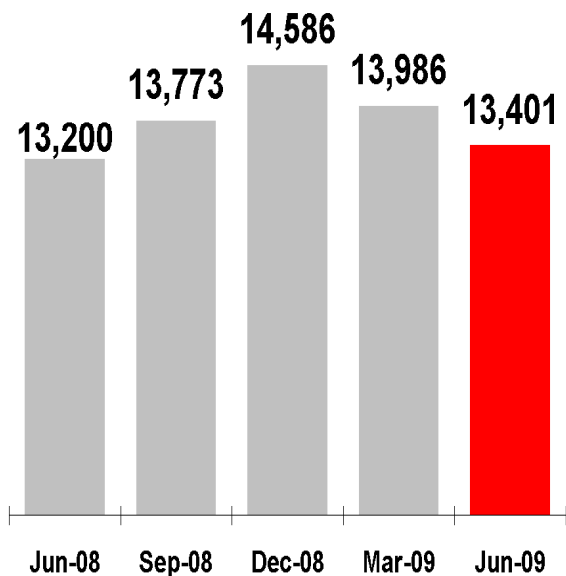
	<u>Dec. 2008</u>	<u>June 2009</u>
BIS RATIO	13.8%	15.1%
CORE CAPITAL	10.1%	11.1%
TIER II	3.7%	4.0%

- Tier I capital is 100% Core Capital (voting shareholders' equity)
- Active management of RWAs
- Shareholders Meeting approved 65% payout of 2008 earnings. 6.3% dividend yield
- Strong income generation results in strong capital ratios even after dividend payment and IFRS impacts

Selective loan growth ...

Loans, nominal Ch\$ billion and growth rates, %

Loans



Ch\$bn

Individuals
Consumer
Mortgage
SMEs
Institutional lending
Middle-Market & Real estate
Corporate

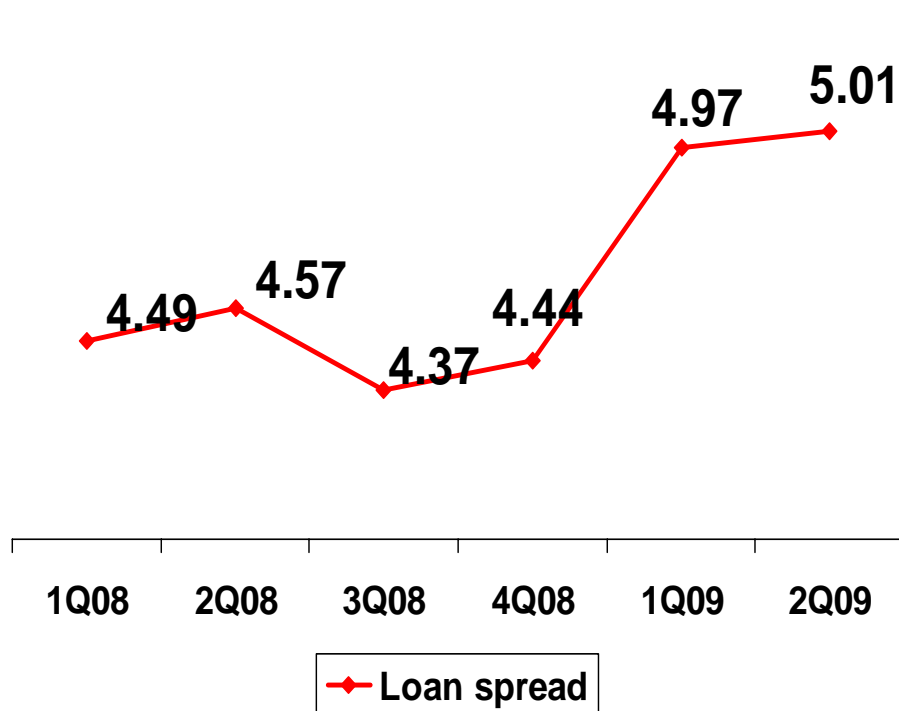
	Volume June '09	YoY chg. %	QoQ chg. %
Individuals	6,092	4.3%	-0.4%
Consumer	2,121	-3.8%	-3.1%
Mortgage	3,970	9.2%	1.1%
SMEs	2,370	2.4%	-0.7%
Institutional lending	263	13.8%	3.3%
Middle-Market & Real estate	2,472	-8.5%	-9.3%
Corporate	1,567	-0.4%	-11.8%
Total	13,401	1.5%	-4.2%

Focus on profitability over loan growth

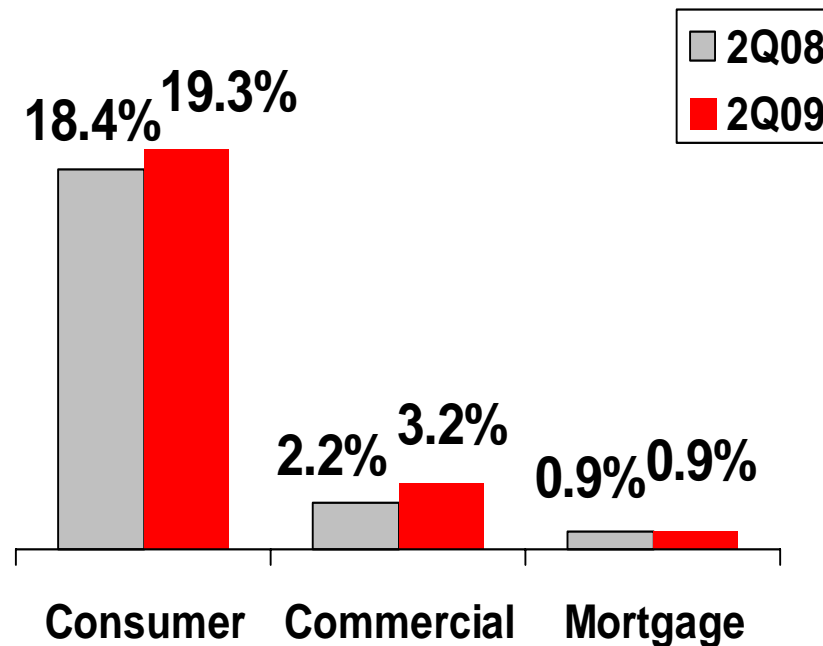
... with a focus on spreads

Loan and deposit spread, % annualized

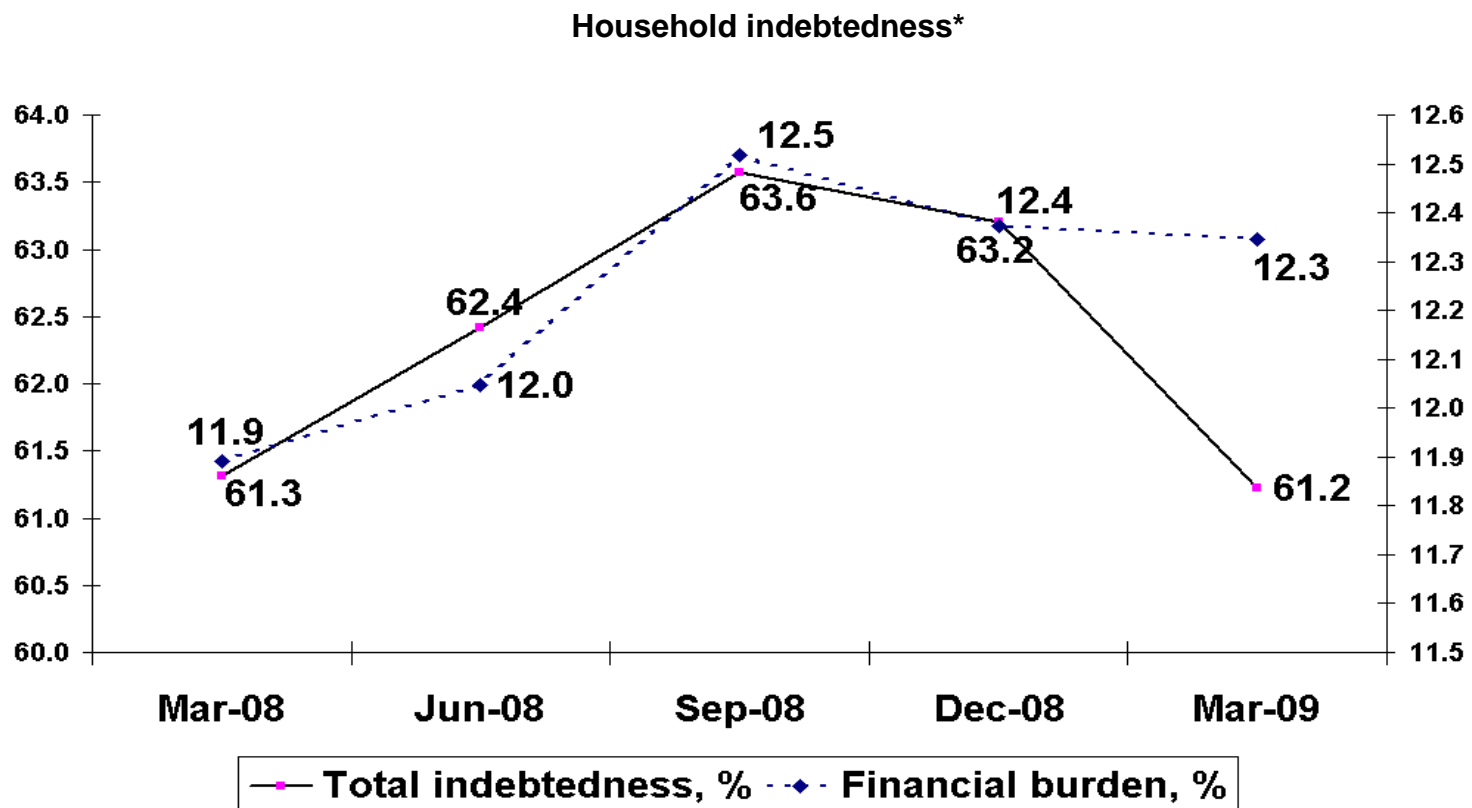
Loan Spread



Loan spreads by product



Once the economy rebounds, there is room for retail loan growth



The net wealth of the average Chilean household with employed members has improved as rates and inflation have fallen and real wages increased

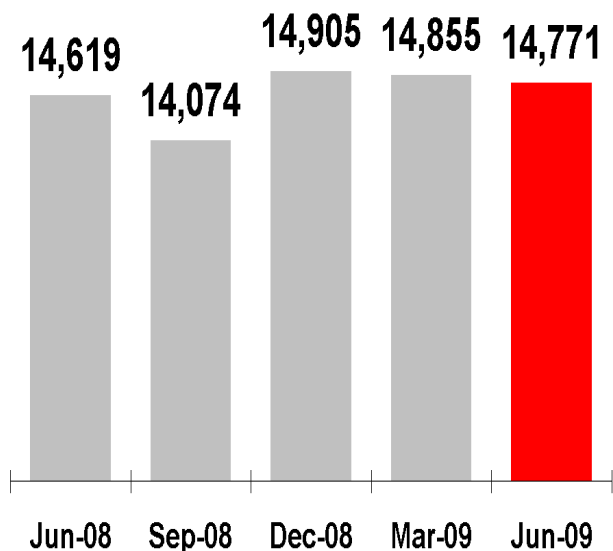
Total indebtedness = Total household debt / disposable income. Financial burden: Cost of financing debt over total disposable income

Source: Informe de Estabilidad Financiera IS 2009, Central Bank of Chile

Shifting to higher yielding mutual funds

Customer funds, nominal Ch\$ billion and growth rates, %

Customer funds (Ch\$bn)



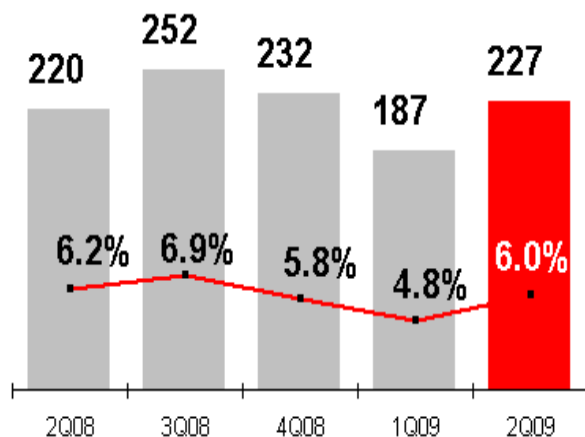
Ch\$bn	Volume June '09	YoY chg. %	QoQ chg. %
Sight deposits	3,092	-3.5%	-0.3%
Time deposits	8,678	-0.6%	-3.9%
Total deposits	11,770	-1.4%	-2.9%
Mutual funds	3,085	10.3%	8.4%
Total customer funds	14,855	1.0%	-0.6%
Marketable securities	2,622	9.0%	-0.4%

The loan to deposit ratio improved to 94.3%

NII up 21.0% QoQ and 2.9% YoY in 2Q09

Net interest income, NII, nominal Ch\$ billion

Net interest income



Ch\$bn	2Q09	YoY Chg.	QoQ Chg.
Client net interest income	235.4	0.9%	-5.0%
Non-client net interest income	-8.8	-48.8%	-85.5%
Net interest income	227	2.9%	21.0%
Av. interest earning assets	15,148	6.4%	-3.8%
Net interest margin	6.0%	-20bp	+120bp

■ Net interest income - - - NIM

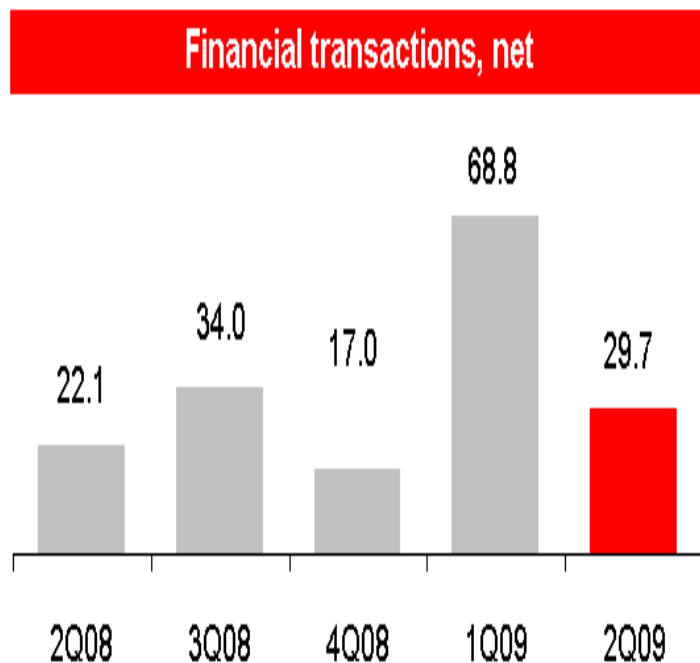
Quarterly inflation rate

2.17% 3.63% 2.21% -2.30% -0.13%

Higher loan spreads and lower deflation drives net interest income

Gains from financial transactions rise 34.2% YoY in 2Q09

Financial transactions, net, Ch\$ billion

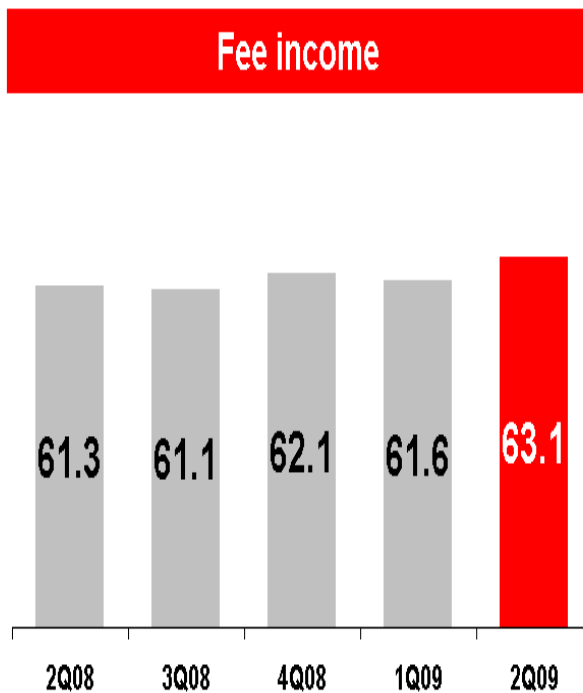


Ch\$bn	2Q09	YoY Chg.	QoQ Chg.
Client activities	18.4	-31.1%	-53.2%
ALCO, Prop & Others	11.3	--%	-61.9%
Total financial transactions, net	29.7	34.2%	-56.9%

Rising medium and long-term interest rate environment explains the QoQ decline in this line item

Cross-selling and product usage drives fee income

Fee income, nominal Ch\$ billion

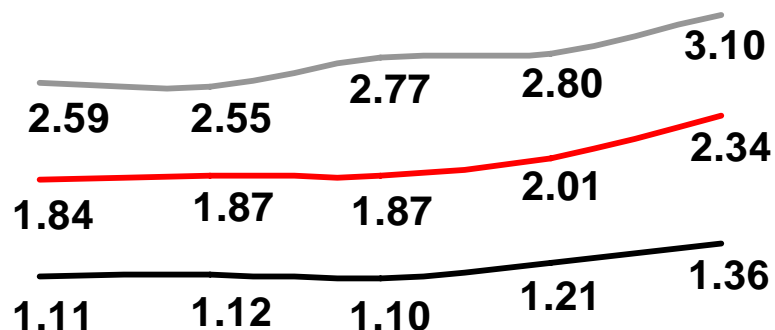


Main items		2Q09	YoY	QoQ
Ch\$bn				
Collection fees		16.6	-5.8%	7.7%
Checking accounts & lines of credit		13.1	-3.0%	-18.0%
Credit, debit & ATM card fees		12.0	13.5%	-0.5%
Asset management		7.5	-1.3%	22.0%
Guarantees, pledges and contingent op.		5.9	49.6%	-4.7%
Insurance brokerage		4.7	10.1%	41.8%
Fees from brokerage and custody		1.8	-18.3%	39.8%
Other Fees		1.6	-4.8%	24.3%
Total fees		63.1	3.0%	2.5%

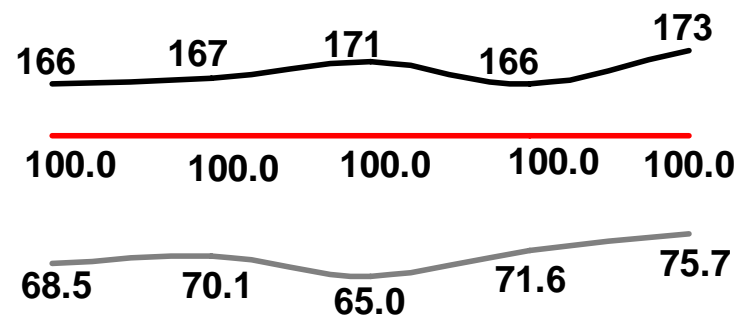
Asset quality deteriorates and coverage increases

Non-performing loans (NPL), past due loans (PDL) and Expected Loss, % of total loans

Asset quality, %*



Coverage, %**



2Q08 3Q08 4Q08 1Q09 2Q09

— Expected loss — PDLs — NPLs

2Q08 3Q08 4Q08 1Q09 2Q09

— PDLs — NPLs — Expected loss

QoQ charge-offs decreased 6.8% and loan loss recoveries increased 20.9%

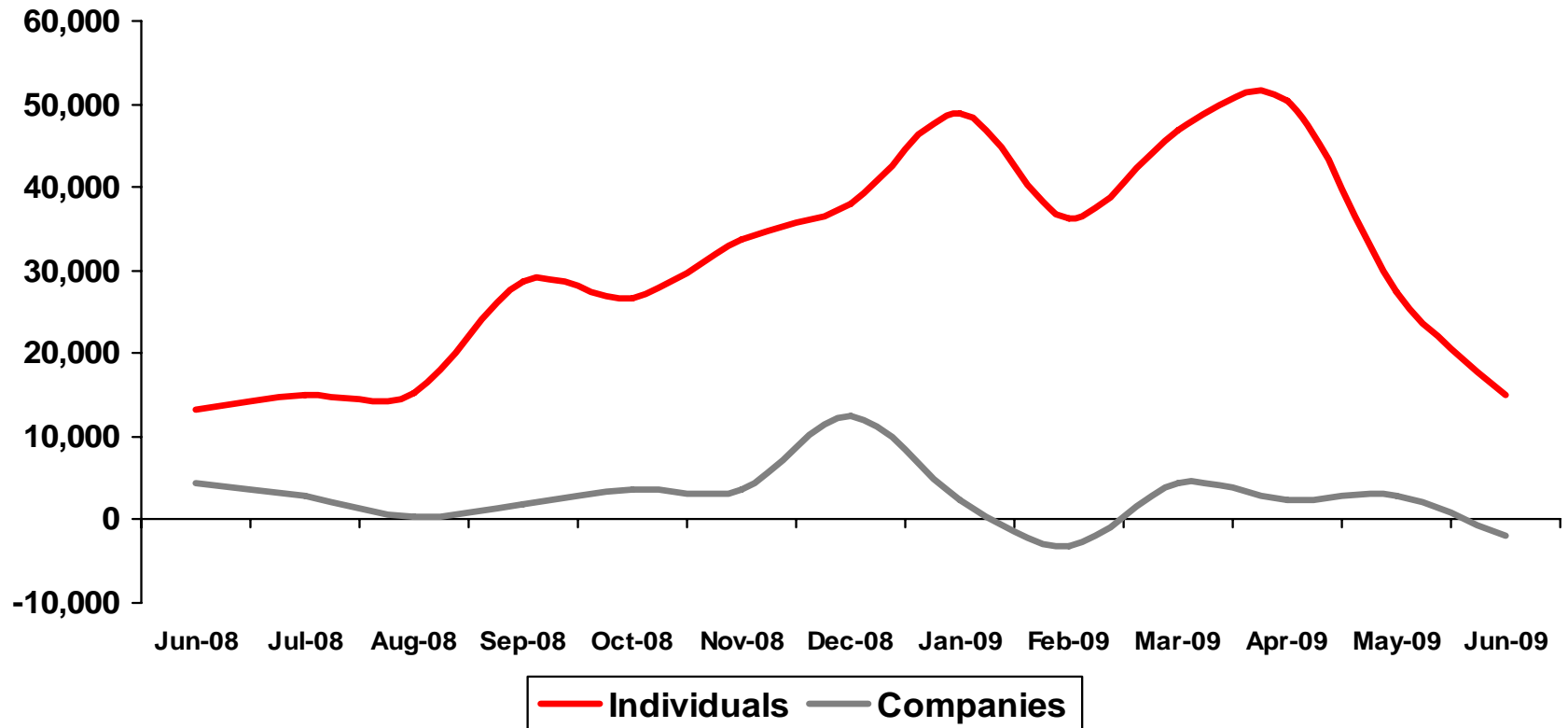
* Expected loss = Loan loss allowances / Total loans. Represents the % of portfolio expected to be unrecoverable as defined by internal rating systems and Superintendency of Banks of Chile guidelines. PDLs = All installments over 90 days overdue.

NPLs: Loans with at least one installment over 90 days overdue

** Coverage: Reserves over PDLs, NPLs and Expected Loss

The increase of Substandard Loans* is starting to decelerate

Monthly growth of Substandard Loans*, Ch\$ million



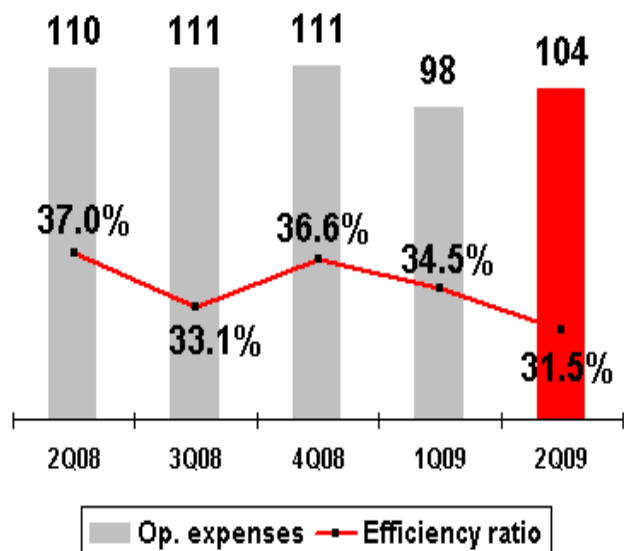
The greater participation of commercial executives in controlling asset quality is beginning to show positive results

* Monthly growth of Substandard = Monthly change of NPLs + monthly change of deteriorated loans + Charge-offs - Recoveries

Effective cost control. Record low efficiency ratio

Operating expenses, nominal Ch\$ billion

Operating costs



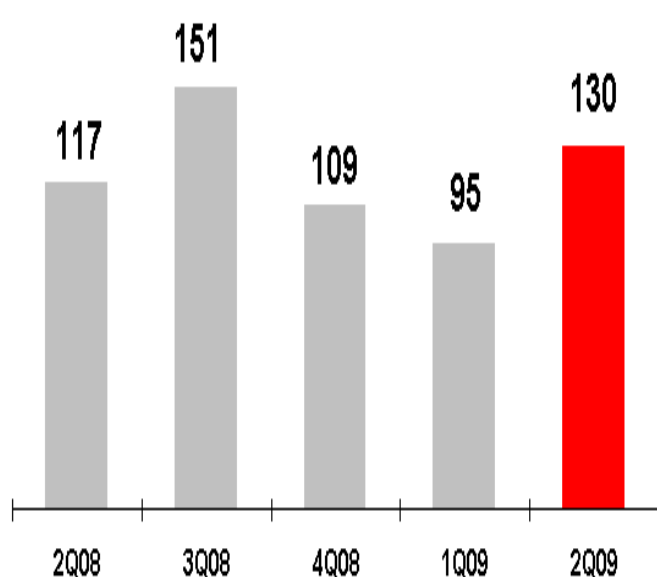
Ch\$bn	2Q09	YoY Chg.	QoQ Chg.
Personnel expenses	-58	-6.8%	6.1%
Adm. & other expenses	-34	-1.8%	2.4%
Depreciation & amort.	-12	-10.8%	16.2%
Operating costs	-104	-5.7%	5.9%

- Focus on increasing profitability of investments made in previous years: 40% of branches opened in last 4 years & 42% of clients brought in same period
- Increase usage of alternative channels
- Improve productivity by leveraging our state-of-the-art technological platform

Net operating income up 36.2% QoQ and 10.8% YoY in 2Q09

Net Operating income, nominal Ch\$ billion

Net operating income



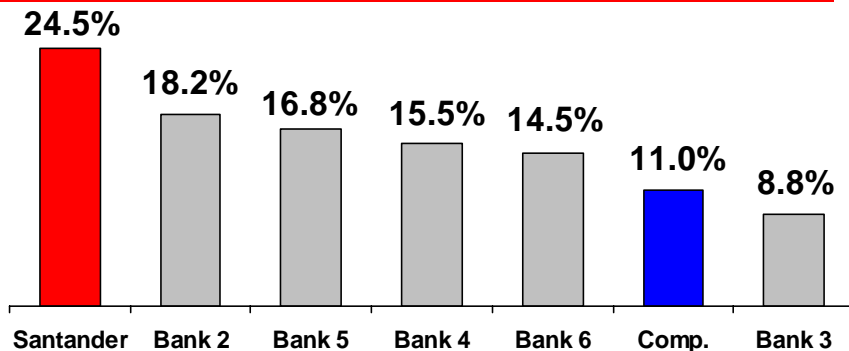
Ch\$bn	2Q09	YoY Chg.	QoQ Chg.
Net interest income	227	2.9%	21.0%
Fee income	63	3.0%	2.5%
Core revenue	290	2.9%	16.4%
Financial trx + other op. income	40	142.6%	12.9%
Provision expense	-96	5.6%	36.3%
Operating expenses	-104	-5.7%	5.9%
Operating income net of prov.	130	10.8%	36.2%

Despite challenging environment, resilient revenue generation

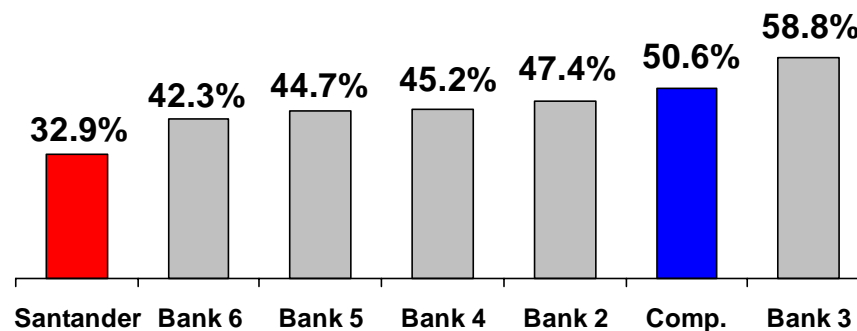
Strong performance compared to competition in 1H 09

Figures for 1H09, %

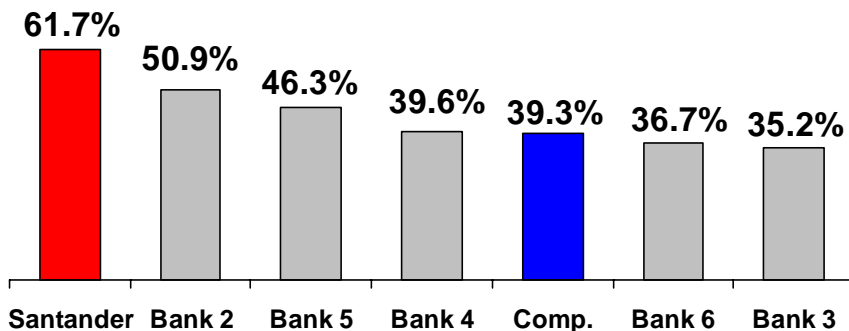
ROAE, %



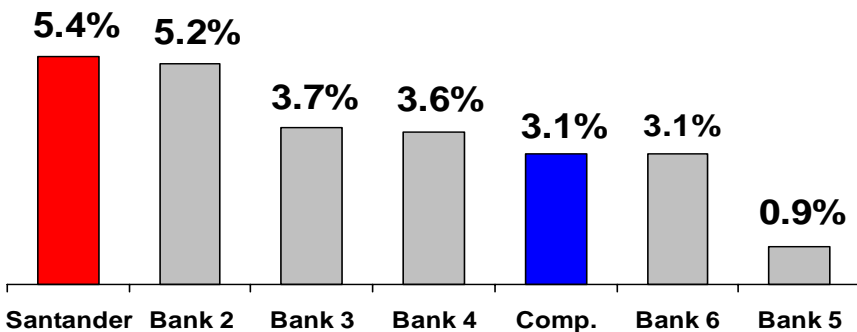
Efficiency ratio, %



Fees / op. expenses



NIM



* Comp. = Industry figures minus Santander. Source: Superintendency of Banks of Chile