

# Banco Santander Chile

## *Solid business and profitability trends*

March 2018



# 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 2016 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 and financial system**
- **Banco Santander Chile: the nation's leading bank**
- **Healthy balance sheet**
- **Positive results in 2017**
- **Summary**

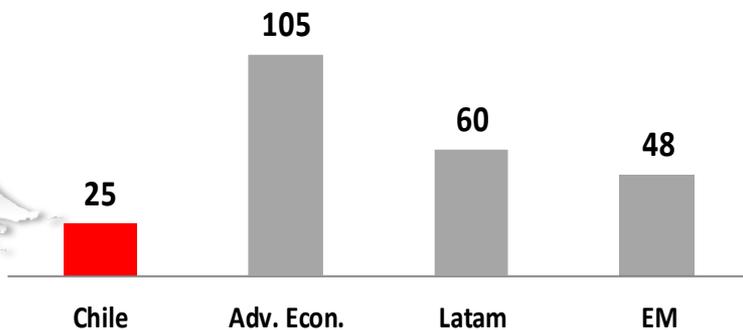
## Chile: a stable and diversified economy

### Chile: key economic indicators<sup>1,2</sup>

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

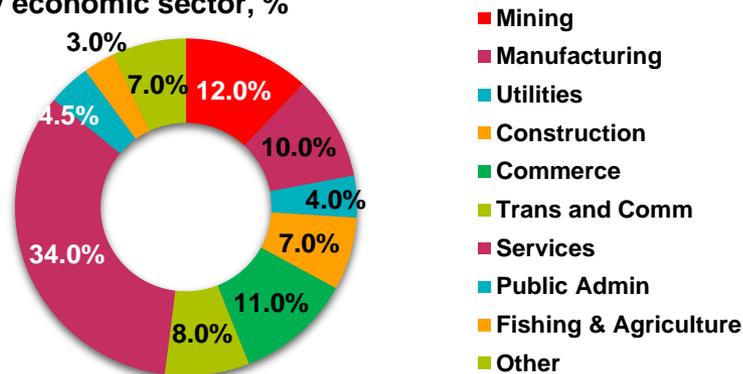
### Low public debt<sup>2</sup>

Gross public debt, % GDP

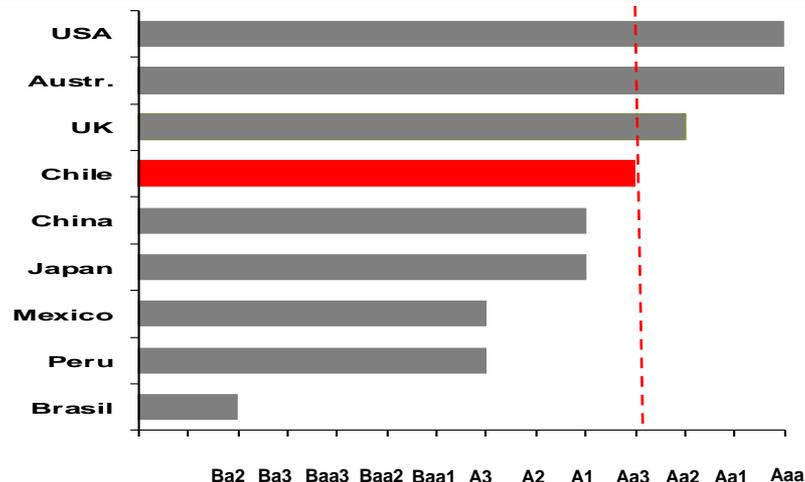


### Chile's economy is well diversified<sup>1</sup>

GDP by economic sector, %



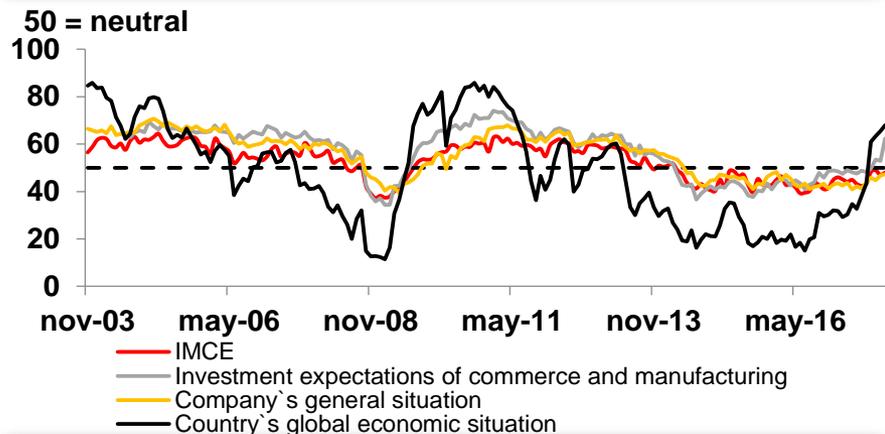
### High Sovereign rating<sup>5</sup>



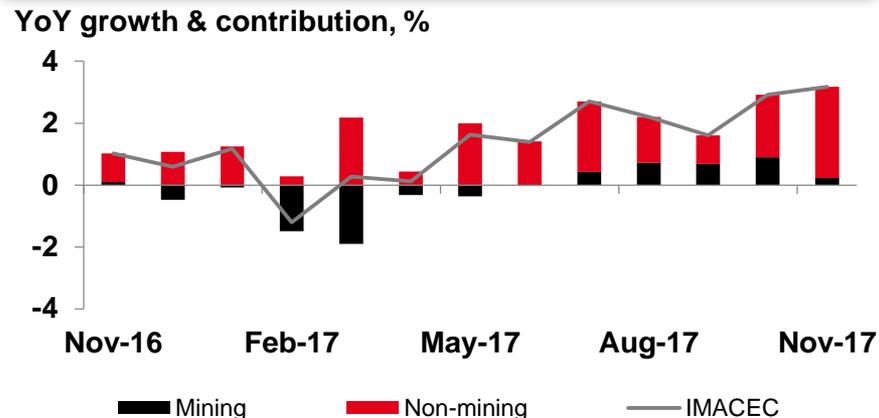
# Macroeconomic environment

## The economy is accelerating

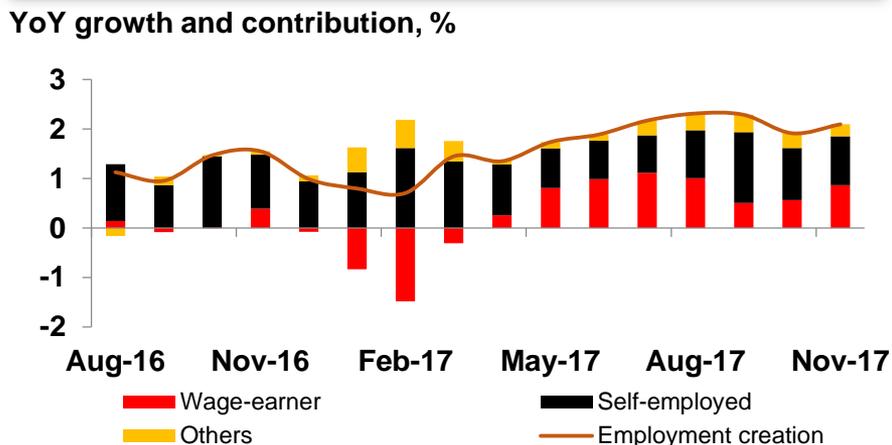
### Business confidence (IMCE<sup>1,2</sup>)



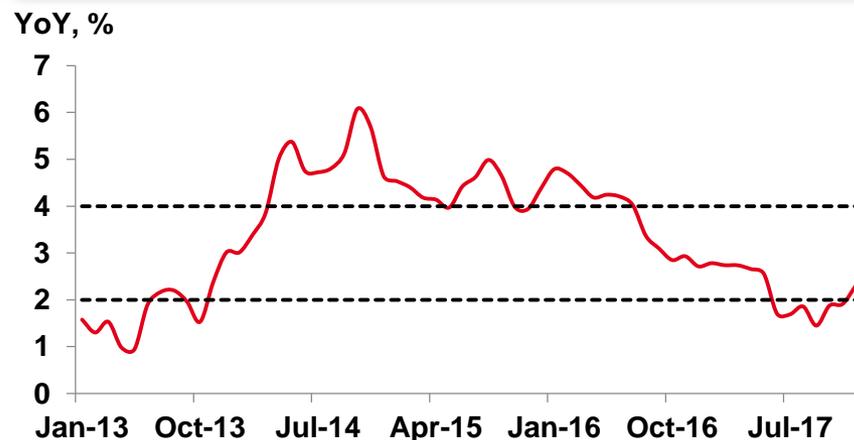
### Monthly economic activity<sup>2</sup>



### Job Creation<sup>2</sup>



### Inflation<sup>2</sup>

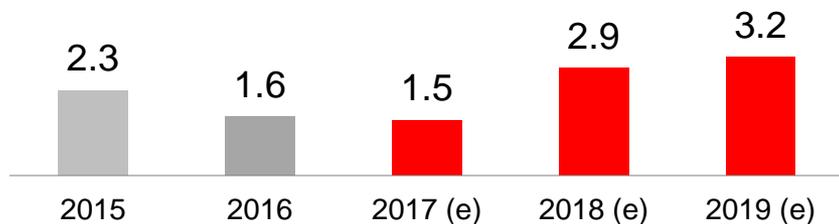


# Macroeconomic environment

## GDP growth expectations rise for 2018-19

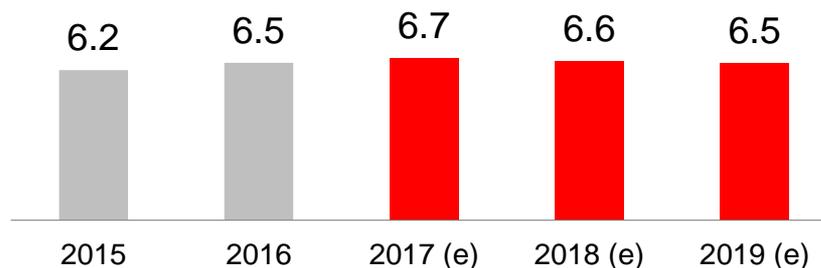
### GDP

YoY real growth, %



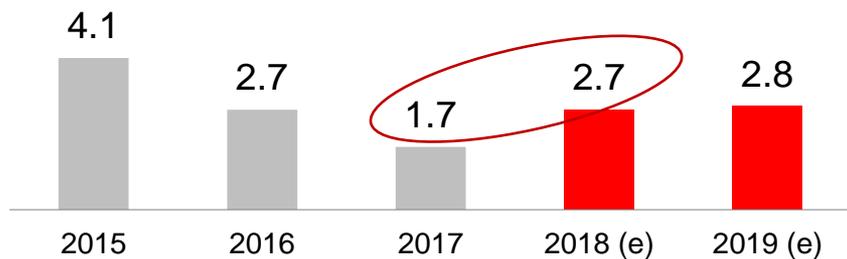
### Unemployment

% of workforce, %



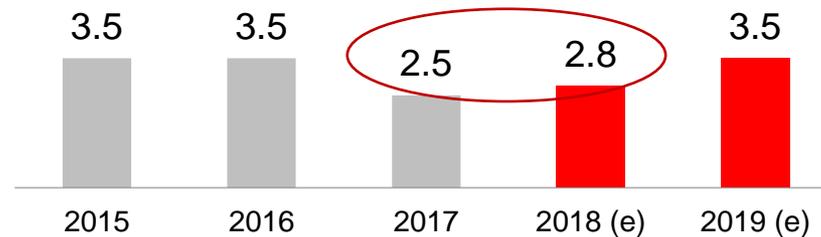
### Inflation

Annual change in UF inflation, %



### Central Bank ST Reference Rate

%



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## Santander Chile is the nation's leading bank

Figures in US\$



<b>Business and Results</b>	<b>12M'17</b>	<b>Var. YoY</b>
<b>Gross Loans</b>	46.1bn	1.9%
<b>Deposits</b>	31.9bn	(4.9%)
<b>Equity</b>	5.2bn	7.2%
<b>Net inc. business segments</b>	1,158mn	15.4%
<b>Net income</b>	960mn	21.6%

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<b>Network and Customers</b>	<b>12M'17</b>	<b>Market Share</b>
<b>Clients</b>	3.5mn	
<b>Internet banking</b>	1.0mn	36.6% <sup>3</sup>
<b>Branches</b>	385	17.7%

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<b>Market Share<sup>1</sup></b>	<b>%</b>	<b>Rank</b>
<b>Loans</b>	19.0%	1
<b>Deposits</b>	17.3%	1
<b>Checking accounts<sup>4</sup></b>	21.7%	1
<b>Bank credit cards<sup>5</sup></b>	35.3%	1

1. As of December 2017 or latest available figures using the period-end exchange rate. Excludes Chilean bank loans and deposits held abroad. Source: SBIF. 2. Market share of clients with checking accounts, as of Nov 2017, latest available information. Source: SBIF. 3. Average yearly market share over clients that enter a website with a passkey. Excludes Banco Estado. Source: SBIF. YTD avg as of Nov 2017. 4. Market share in terms of number of checking accounts in local currency, as of Nov 2017, latest available information. Source: SBIF. 5. Market share in terms of number of credit card purchases. As of Nov 2017, latest available information. Source: SBIF.

## Solid corporate governance standards

### Independent Board

		BOARD COMMITTEES						
		Directors & Audit (CDA)	Integral Risk (CIR)	Analysis & Resolution (CAR)	Asset & Liability (ALCO)	Markets (CDM)	Human Resources	Strategic

Claudio Melandri	C		M		C	M		C
Oscar von Chrismar Carvajal	V		V		M	P		
Roberto Méndez Torres	ε V		M					M
Ana Dorrego de Carlos								
Andreu Plaza López								
Orlando Poblete Iturrate	ε	C					M	
Lucía Santa Cruz Sutil	ε						M	M
Juan Pedro Santa María Pérez			M	C				
Roberto Zalher Mayanz	ε	M	C			M		
Blanca Bustamente Bravo (Suplente)	ε	M					C	
Raimundo Monge Zegers (Suplente)	ε		M	M	M			M

Chairman C    Vicechairman V    Member M    External ε

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

**Santander Group owns 67.2%. We are listed on the Santiago Stock Exchange and the NYSE**

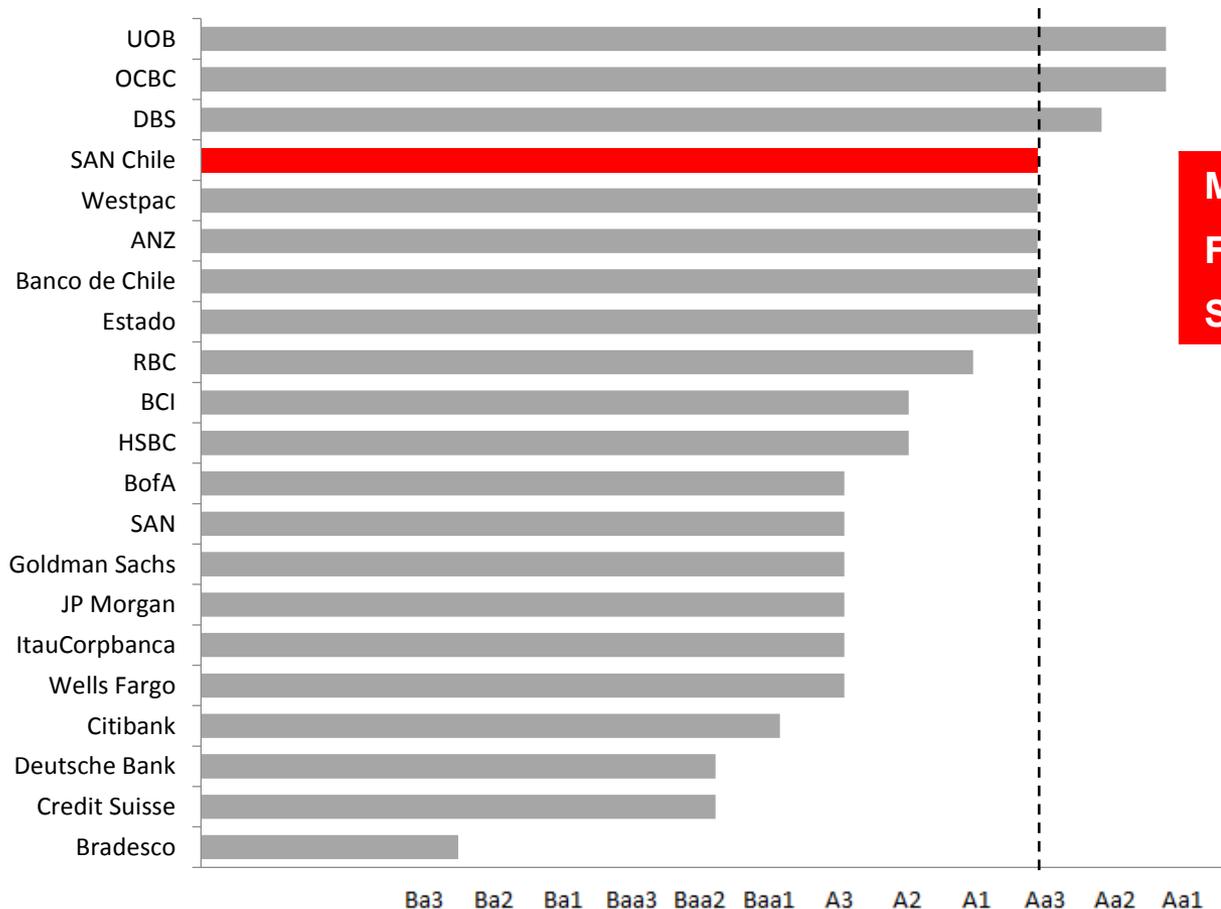
### Corporate Governance Standards

- ✓ **Board of Directors:** 6 out of 11 Board members unrelated to Grupo Santander. Board approves Corporate Responsibility & Sustainability Policy and Strategy.
- ✓ **Liable:** Directors of a Bank who propose the payment of dividends in violation of the provisions of Title IV of the General Banking Law shall be liable to the refund of the dividend distributed under such circumstances (Art. 58)<sup>1</sup>.
- ✓ **Legal limits:** Related party lending: Limited to 5% of total equity (unsecured) or 25% (w/ collateral). Deposits in related party entities abroad: limited to 25% of regulatory capital. Too big to fail regulations. Santander Chile's BIS ratio >11% vs 8% legal limit.
- ✓ **Audit Committee:** At least 3 independent Board members by law. Autonomous Internal Auditing Area.
- ✓ **ALCO:** majority independent Board members. Makes decisions regarding capital, dividends, funding and liquidity.
- ✓ **Separation of functions:** commercial areas separated from risk; main credit decisions taken by committees.
- ✓ **Compliance:** Regulated by SBIF of Chile, ECB and SEC. Comply with SEC and NYSE Guidelines & SOX.
- ✓ **DJSI Chile, MILA**

# A leading bank

## Among banks with best international rating

### Risk rating: Moody's scale



<b>Moody's (neg)</b>	<b>Aa3</b>
<b>Fitch (stable)</b>	<b>A</b>
<b>Standard &amp; Poor's (neg)</b>	<b>A</b>

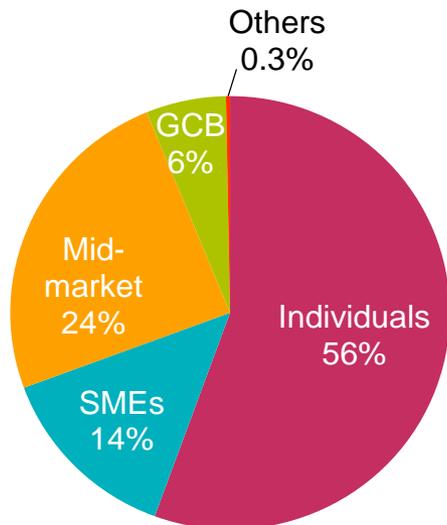
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- **Banco Santander Chile: the nation's leading bank**
- **Healthy balance sheet**
- **Positive results in 2017**
- **Summary**

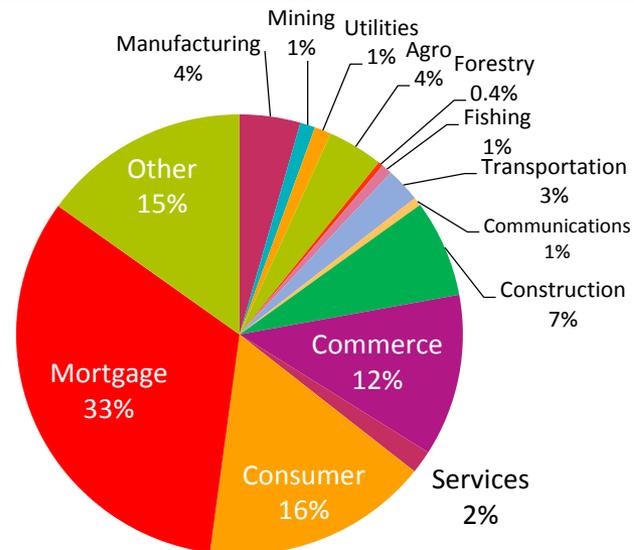
## A diversified loan book

Figures as of Dec. 2017

### Loans by segment



### Loans by sector



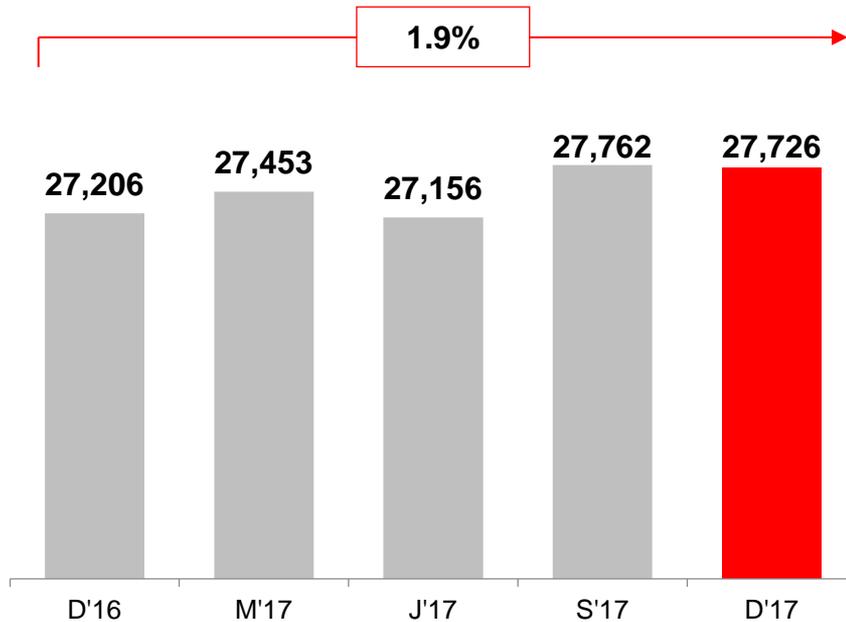
- **56% Individuals / 44% companies**
- **High diversification by sector**
- **Individual:** focus on growing in the mid-high income segments. Selective growth in lower-end (massive) segments
- **SMEs:** focus on larger SMEs, especially with a balanced flow of income (lending and non-lending products)
- **Middle-market:** focus on non-lending business activities. Loans as part of an integral client relationship
- **GCB:** strong focus on non-lending activities

## A healthy balance sheet

### Loans up 1.9% YoY thanks to retail and middle markets

#### Total Loans

Ch\$bn



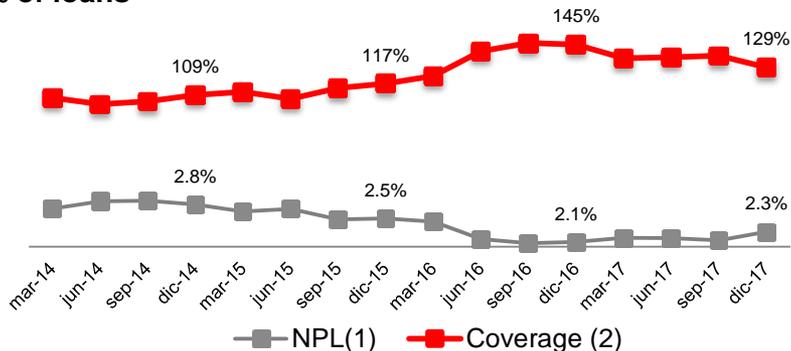
Ch\$bn

	12M'17	YoY (%)
<b>Individuals<sup>1</sup></b>	<b>15,408</b>	<b>4.3%</b>
Consumer	4,558	2.5%
Mortgages	9,097	5.5%
<b>SMEs</b>	<b>3,825</b>	<b>(0.1%)</b>
<b>Retail</b>	<b>19,233</b>	<b>3.4%</b>
<b>Middle Market</b>	<b>6,776</b>	<b>5.9%</b>
<b>Corporate</b>	<b>1,634</b>	<b>(23.0%)</b>
<b>Total<sup>2</sup></b>	<b>27,726</b>	<b>1.9%</b>

## Positive evolution of asset quality

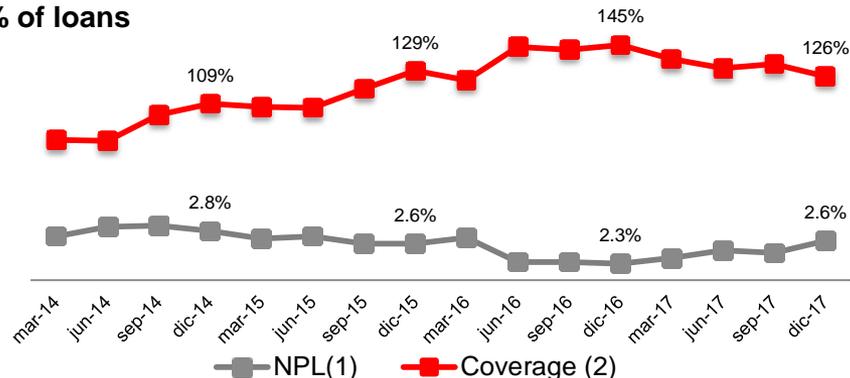
### Total loans

% of loans



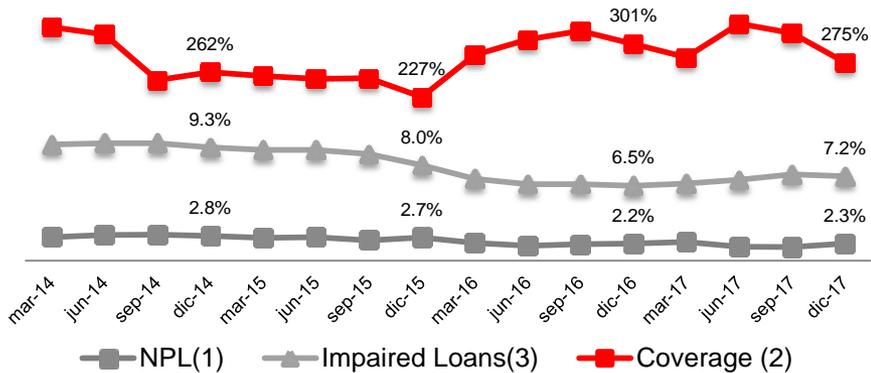
### Commercial loans

% of loans



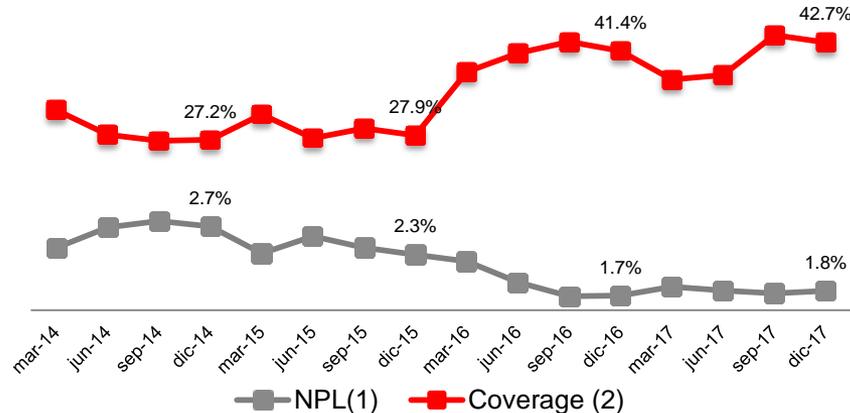
### Consumer loans

% of loans



### Mortgage loans

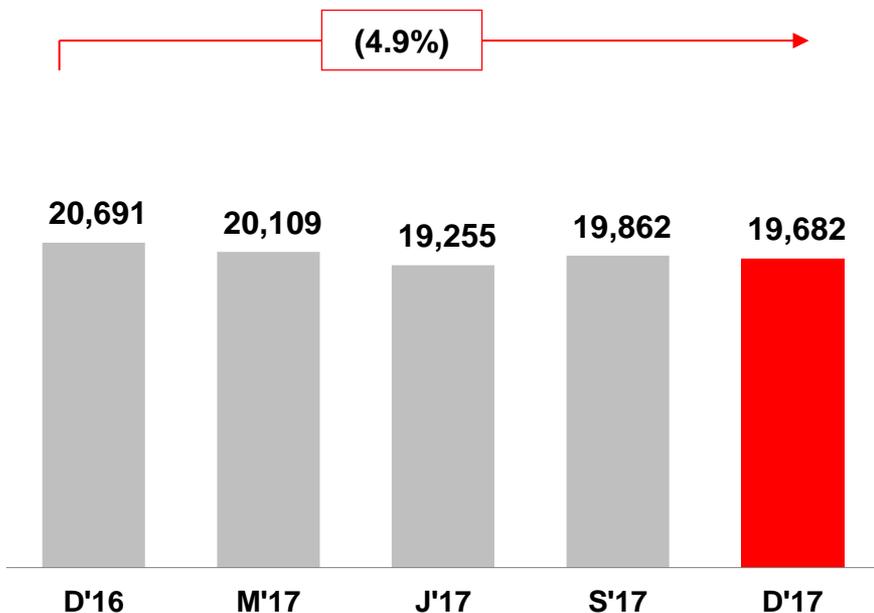
% of loans



## Improving the funding mix

### Total Deposits

Ch\$bn



Ch\$bn

Demand

Time

**Total deposits**

Mutual funds<sup>1</sup>

Loan to deposit<sup>2</sup>

12M'17

YoY(%)

7,768

3.0%

11,914

(9.4%)

**19,682**

**(4.9%)**

5,057

0.6%

100.7%

### Average time and demand deposit cost



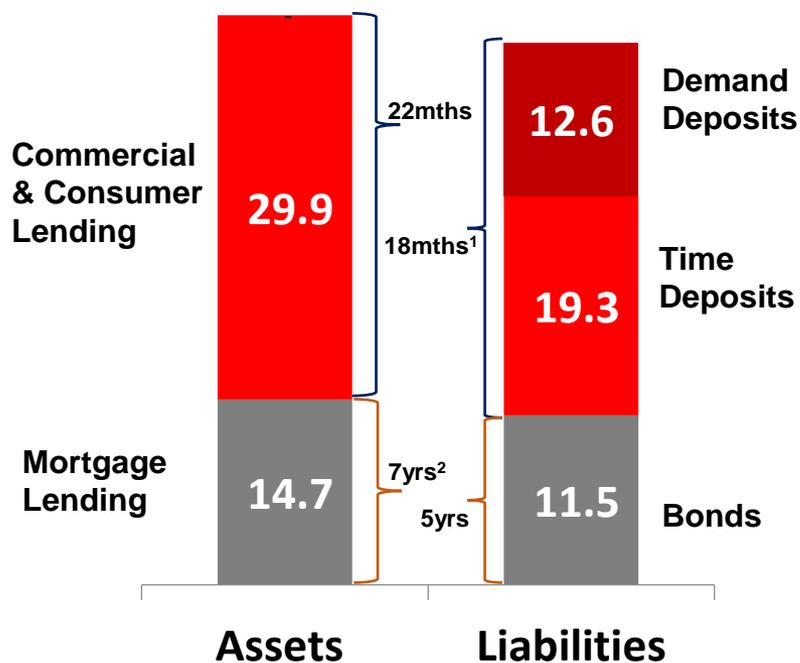
# A healthy balance sheet

## Solid balance structure and liquidity levels

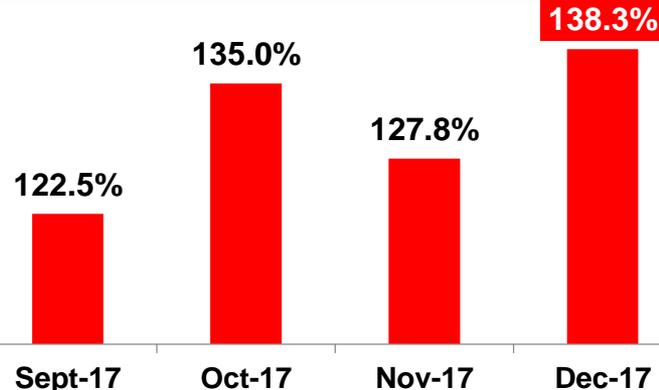
### Structural Balance Sheet

US\$bn December 2017

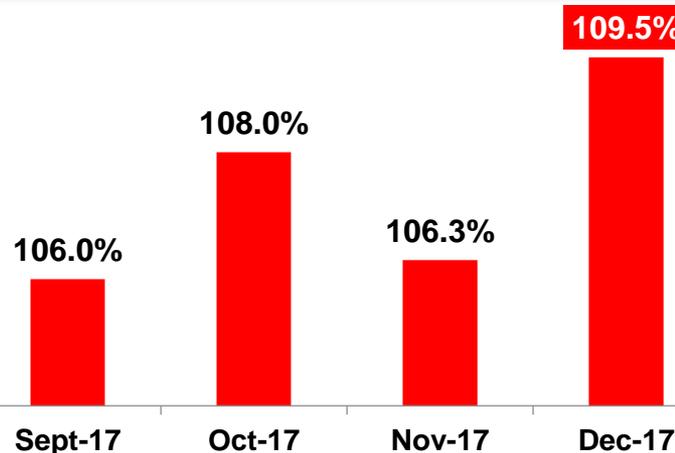
Avg. maturity



### LCR ECB<sup>3</sup>



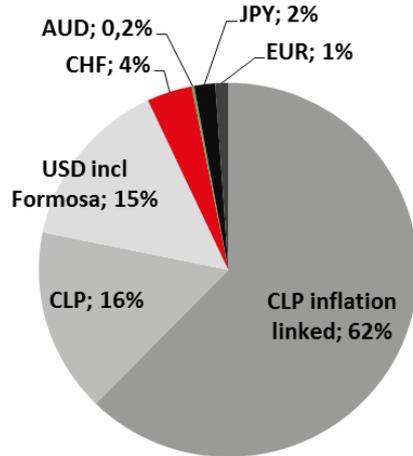
### NSFR<sup>4</sup>



1. Assumes an actual duration for demand deposits of three years. 2. Duration includes pre-payment assumption. 3. LCR calculated following the ECB rules and not the local Chilean regulator's guidelines still under discussion. 4. Internal methodology and not the local Chilean regulator's guidelines still under discussion

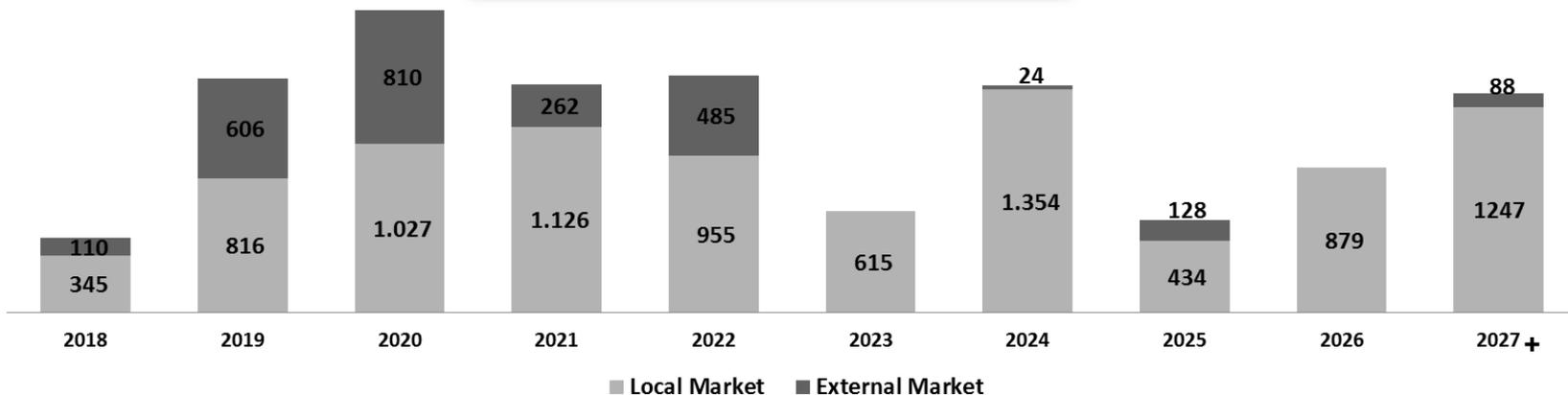
## We are an active issuer in international markets

### Bonds



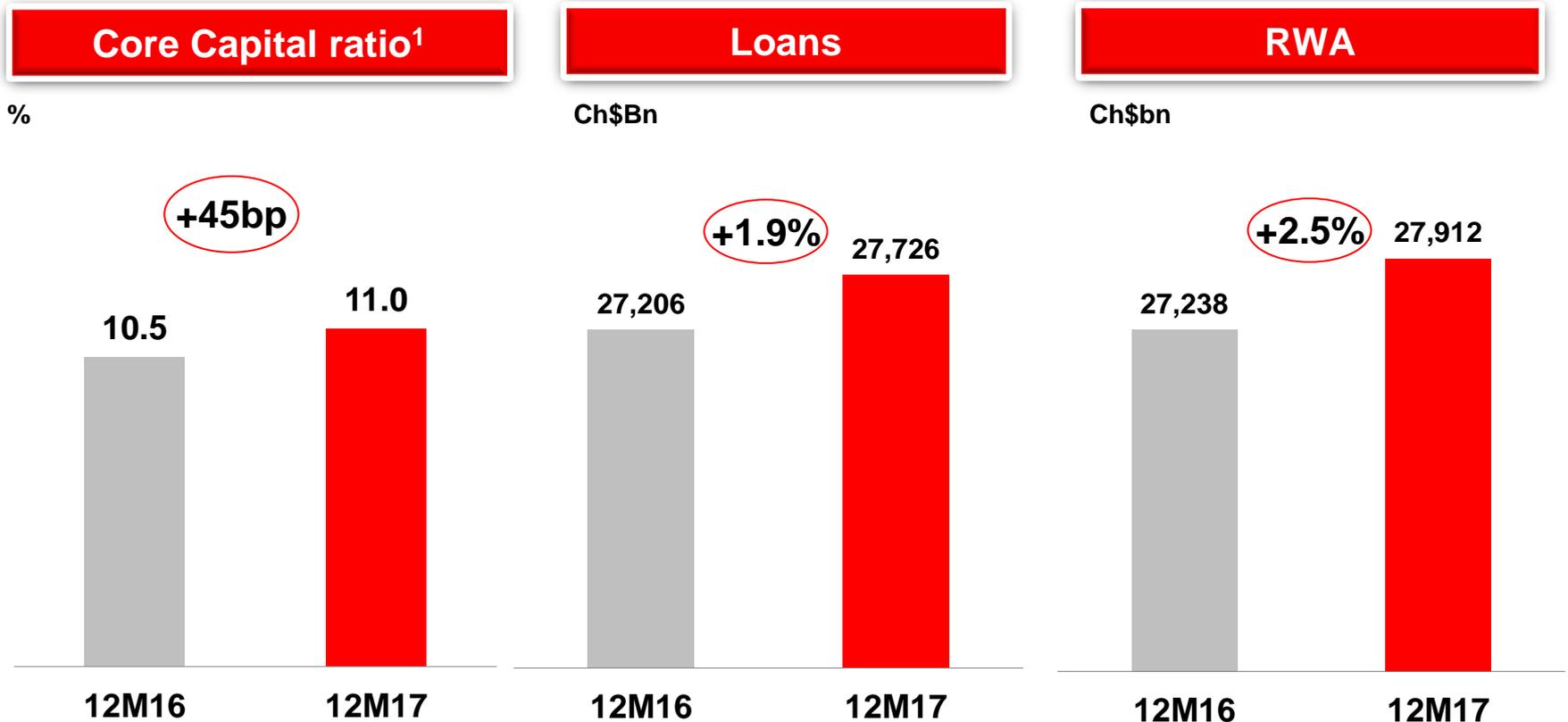
- Total outstanding: US\$11.5bn
- High diversification by country
- MTN program: Private placements or public deals
- All foreign debt is swapped backed to local currency
- We issue Fixed and Floating with a preference for FRNs due to hedge accounting
- Hybrid Tier I still not approved in Chile

### Maturity Profile



# A healthy balance sheet

## Solid capital levels for further growth



We expect a smooth transition to BIS III

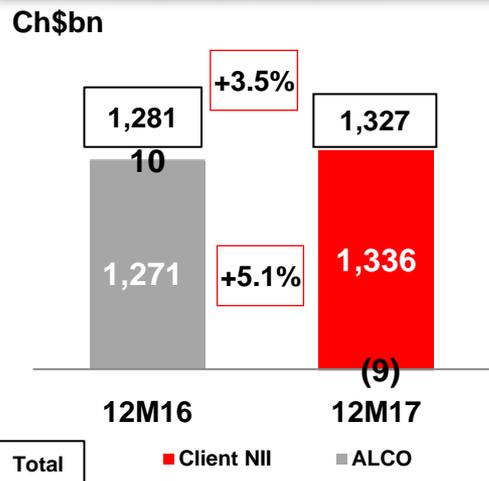
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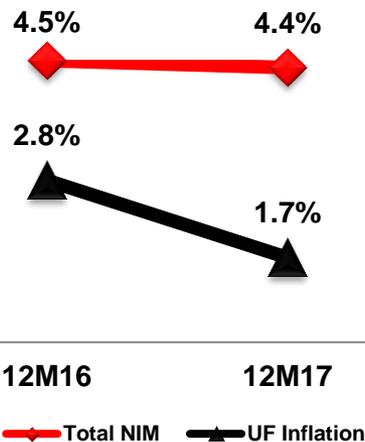
# Positive results in 2017

## Net operating income up 12.8% in 2017

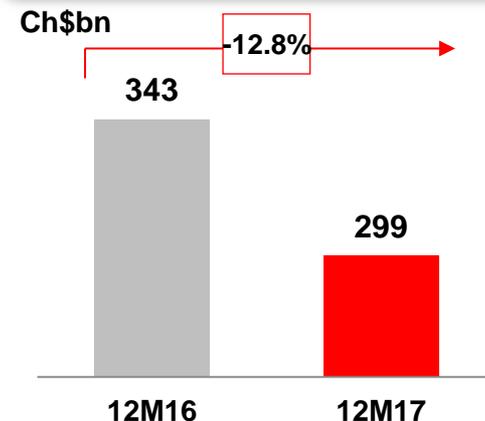
### Client and total net interest income<sup>1</sup>



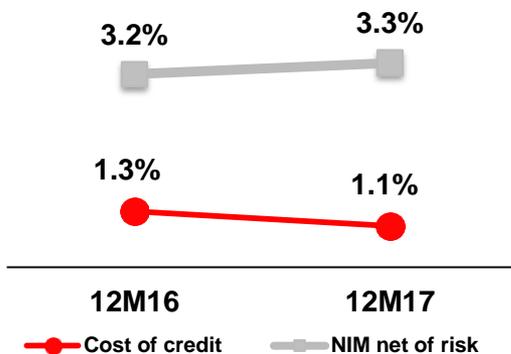
### NIM<sup>2</sup> & Inflation



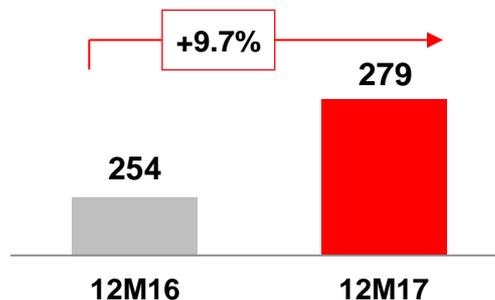
### Provision expense



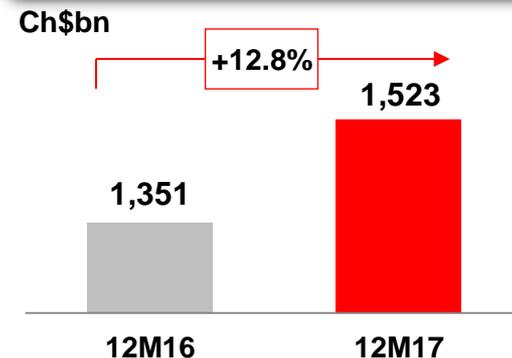
### NIM net of risk<sup>3</sup> & Cost of credit<sup>4</sup>



### Net fee income



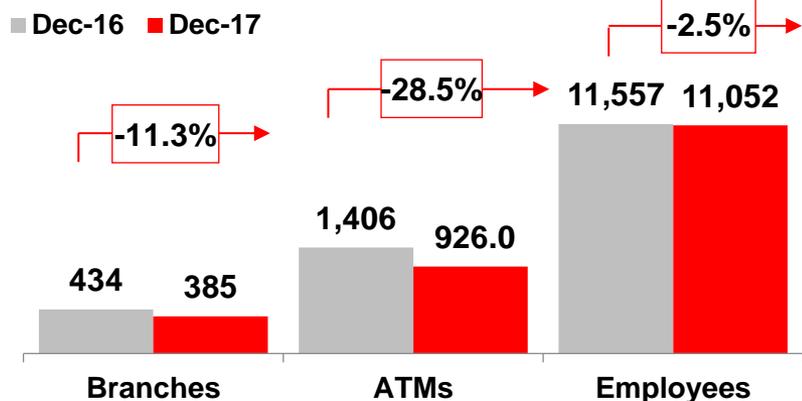
### Net Operating Income



## Positive results in 2017

# Improving and reducing the physical distribution network

### Branches, ATMs and Employees



	12M'17	YoY (%)
Personal exp.	397.0	0.5%
Administrative exp.	230.1	1.6%
Depreciation	77.8	19.1%
<b>Op. expenses</b>	<b>704.9</b>	<b>2.6%</b>
Efficiency ratio <sup>1</sup>	40.8%	-186bp
Cost / Assets	2.0%	+3bp



*Onboarding*  
DIGITAL

### Phygital transformation in 2017

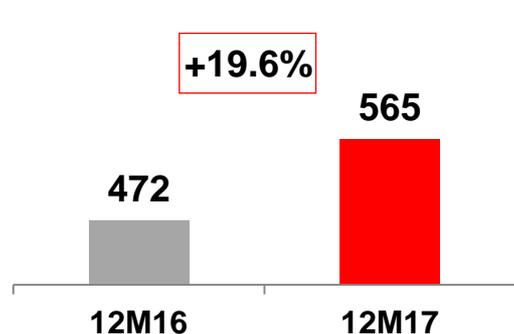
- **WorkCafé:** High-tech / Hi-touch branches.
- **Digital-Onboarding:** First 100% digital platform for non-clients to become clients

## Positive results in 2017

**In 12M17 net income up 19.6%, ROAE 19.2% & RoARWA 2.1%**

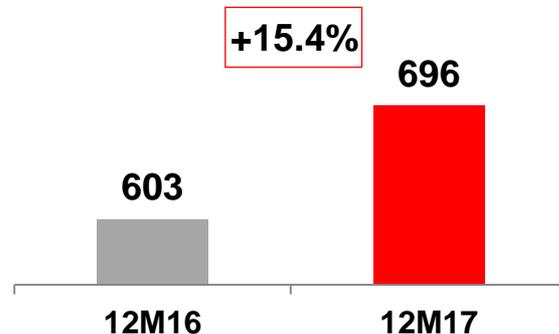
### Net income<sup>1</sup>

Ch\$bn



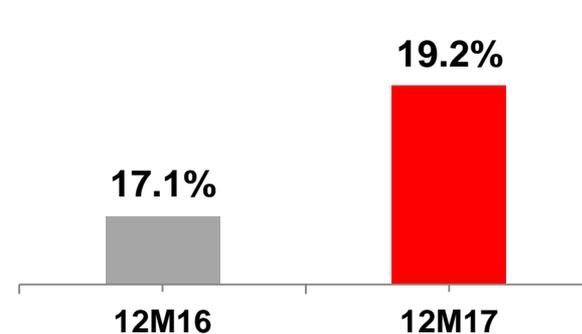
### Net income from reporting segments<sup>2</sup>

Ch\$bn



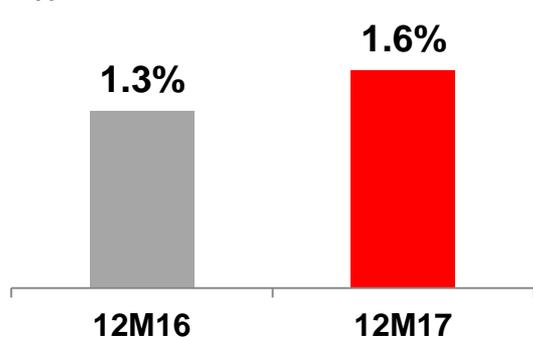
### ROAE<sup>3</sup>

%



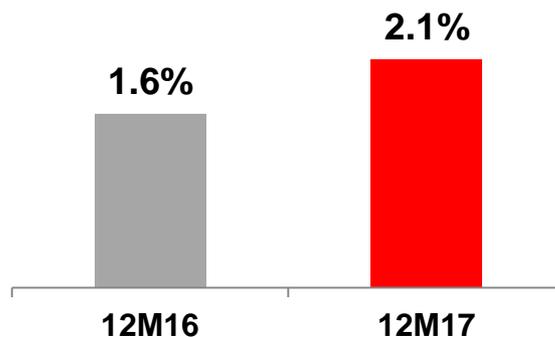
### ROAA<sup>4</sup>

%



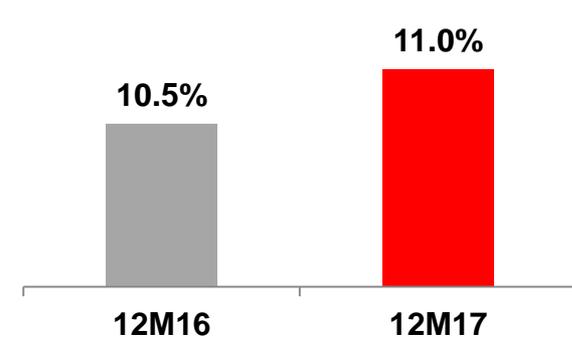
### RoRWA<sup>5</sup>

%



### Core Capital<sup>6</sup>

%



**High profitability levels sustain high core capital ratios**

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# Summary

## Sound outlook for Santander Chile

### Market Environment & Financial System

- GDP should accelerate to 2.9% in 2018
- Inflation expectations to rise 2.7% in 2018. We expect rates to remain stable until 3Q18
- Loan growth in the banking system expected to accelerate with economy

### Strategy & Business

- Loans increase 1.9% YoY. Growth focused on profitability, with loans to individuals increasing 4.3% YoY
- Better funding mix. Demand deposits rise 3,0% YoY with average funding cost of time and demand deposits decreasing to 1.9%
- First 100% digital platform for non-customers to become customers launched in the fourth quarter.

### Results

- 19.6% net income growth driven by a reduction of 12.8% in provisions, higher commissions and cost control
- Efficiency improves to 40.8%
- Stable asset quality during 2017
- ROE increases from 17.1% in 2016 to 19.2% in 2017

# Agenda

## Annexes

# Balance sheet

## ■ Unaudited Balance Sheet

	Dec-17	Dec-17	Dec-16	Dec-17/Dec16
	US\$ Ths <sup>2</sup>	Ch\$ Million		% Chg.
Cash and deposits in banks	2,355,389	1,452,922	2,279,389	(36.3%)
Cash items in process of collection	1,083,156	668,145	495,283	34.9%
Trading investments	787,446	485,736	396,987	22.4%
Investments under resale agreements	-	-	6,736	—%
Financial derivative contracts	3,629,159	2,238,647	2,500,782	(10.5%)
Interbank loans, net	263,596	162,599	272,635	(40.4%)
Loans and account receivables from customers, net	43,361,501	26,747,542	26,113,485	2.4%
Available for sale investments	4,173,699	2,574,546	3,388,906	(24.0%)
Held-to-maturity investments	-	-	-	—%
Investments in associates and other companies	44,719	27,585	23,780	16.0%
Intangible assets	102,487	63,219	58,085	8.8%
Property, plant and equipment	393,203	242,547	257,379	(5.8%)
Current taxes	-	-	-	—%
Deferred taxes	625,124	385,608	372,699	3.5%
Other assets	1,224,258	755,183	840,499	(10.2%)
<b>Total Assets</b>	<b>58,043,737</b>	<b>35,804,279</b>	<b>37,006,645</b>	<b>(3.2%)</b>
Deposits and other demand liabilities	12,593,282	7,768,166	7,539,315	3.0%
Cash items in process of being cleared	789,051	486,726	288,473	68.7%
Obligations under repurchase agreements	434,564	268,061	212,437	26.2%
Time deposits and other time liabilities	19,314,169	11,913,945	13,151,709	(9.4%)
Financial derivatives contracts	3,468,409	2,139,488	2,292,161	(6.7%)
Interbank borrowings	2,753,274	1,698,357	1,916,368	(11.4%)
Issued debt instruments	11,499,802	7,093,653	7,326,372	(3.2%)
Other financial liabilities	392,364	242,030	240,016	0.8%
Current taxes	10,432	6,435	29,294	(78.0%)
Deferred taxes	15,665	9,663	7,686	25.7%
Provisions	525,783	324,329	308,982	5.0%
Other liabilities	1,208,338	745,363	795,785	(6.3%)
<b>Total Liabilities</b>	<b>53,005,133</b>	<b>32,696,216</b>	<b>34,108,598</b>	<b>(4.1%)</b>
<b>Equity</b>				
Capital	1,444,927	891,303	891,303	—%
Reserves	2,888,576	1,781,818	1,640,112	8.6%
Valuation adjustments	(3,748)	(2,312)	6,640	—%
<b>Retained Earnings:</b>				
Retained earnings from prior years	-	-	-	—%
Income for the period	915,644	564,815	472,351	19.6%
Minus: Provision for mandatory dividends	(274,693)	(169,444)	(141,700)	19.6%
<b>Total Shareholders' Equity</b>	<b>4,970,706</b>	<b>3,066,180</b>	<b>2,868,706</b>	<b>6.9%</b>
Non-controlling interest	67,898	41,883	29,341	42.7%
<b>Total Equity</b>	<b>5,038,604</b>	<b>3,108,063</b>	<b>2,898,047</b>	<b>7.2%</b>
<b>Total Liabilities and Equity</b>	<b>58,043,737</b>	<b>35,804,279</b>	<b>37,006,645</b>	<b>(3.2%)</b>

# Income statement

## ■ Unaudited YTD Income Statement

	Dec-17	Dec-17	Dec-16	Dec-17/Dec-16
	US\$ Ths <sup>1</sup>	Ch\$ Million		% Chg.
Interest income	3,337,028	2,058,446	2,137,044	(3.7%)
Interest expense	(1,186,277)	(731,755)	(855,678)	(14.5%)
<b>Net interest income</b>	<b>2,150,751</b>	<b>1,326,691</b>	<b>1,281,366</b>	<b>3.5%</b>
Fee and commission income	738,523	455,558	431,184	5.7%
Fee and commission expense	(286,123)	(176,495)	(176,760)	(0.1%)
<b>Net fee and commission income</b>	<b>452,400</b>	<b>279,063</b>	<b>254,424</b>	<b>9.7%</b>
Net income (expense) from financial operations	4,533	2,796	(367,034)	(100.8%)
Net foreign exchange gain	205,813	126,956	507,392	(75.0%)
<b>Total financial transactions, net</b>	<b>210,346</b>	<b>129,752</b>	<b>140,358</b>	<b>(7.6%)</b>
Other operating income	141,303	87,163	18,299	376.3%
<b>Net operating profit before provisions for loan losses</b>	<b>2,954,801</b>	<b>1,822,669</b>	<b>1,694,447</b>	<b>7.6%</b>
Provision for loan losses	(485,053)	(299,205)	(343,286)	(12.8%)
<b>Net operating profit</b>	<b>2,469,748</b>	<b>1,523,464</b>	<b>1,351,161</b>	<b>12.8%</b>
Personnel salaries and expenses	(643,539)	(396,967)	(395,133)	0.5%
Administrative expenses	(373,029)	(230,103)	(226,413)	1.6%
Depreciation and amortization	(126,162)	(77,823)	(65,359)	19.1%
<b>Op. expenses excl. Impairment and Other operating expenses</b>	<b>(1,142,730)</b>	<b>(704,893)</b>	<b>(686,905)</b>	<b>2.6%</b>
Impairment of property, plant and equipment	(9,150)	(5,644)	(234)	2312.0%
Other operating expenses	(155,652)	(96,014)	(85,198)	12.7%
<b>Total operating expenses</b>	<b>(1,307,532)</b>	<b>(806,551)</b>	<b>(772,337)</b>	<b>4.4%</b>
<b>Operating income</b>	<b>1,162,216</b>	<b>716,913</b>	<b>578,824</b>	<b>23.9%</b>
Income from investments in associates and other companies	6,425	3,963	3,012	31.6%
<b>Income before tax</b>	<b>1,168,641</b>	<b>720,876</b>	<b>581,836</b>	<b>23.9%</b>
Income tax expense	(232,817)	(143,613)	(107,120)	34.1%
<b>Net income from ordinary activities</b>	<b>935,824</b>	<b>577,263</b>	<b>474,716</b>	<b>21.6%</b>
Net income discontinued operations	-	-	-	-%
<b>Net income attributable to:</b>				
Non-controlling interest	20,180	12,448	2,365	426.3%
<b>Net income attributable to equity holders of the Bank</b>	<b>915,644</b>	<b>564,815</b>	<b>472,351</b>	<b>19.6%</b>

1. The exchange rate used to calculate the figures in dollars was Ch\$616.85 / US\$1

# Income statement

## Unaudited Quarterly Income Statement

	4Q17	4Q17	3Q17	4Q16	4Q17/4Q16	4Q17/3Q17
	US\$ Ths <sup>1</sup>		Ch\$ Million			% Chg.
Interest income	849,962	524,299	459,304	526,330	(0.4%)	14.2%
Interest expense	(288,235)	(177,798)	(141,723)	(209,681)	(15.2%)	25.5%
<b>Net interest income</b>	<b>561,727</b>	<b>346,501</b>	<b>317,581</b>	<b>316,649</b>	<b>9.4%</b>	<b>9.1%</b>
Fee and commission income	182,067	112,308	112,388	112,187	0.1%	(0.1%)
Fee and commission expense	(74,585)	(46,008)	(44,286)	(49,050)	(6.2%)	3.9%
<b>Net fee and commission income</b>	<b>107,482</b>	<b>66,300</b>	<b>68,102</b>	<b>63,137</b>	<b>5.0%</b>	<b>(2.6%)</b>
Net income (expense) from financial operations	(81,279)	(50,137)	48,034	(74,850)	(33.0%)	--%
Net foreign exchange gain	110,742	68,311	(8,593)	112,397	(39.2%)	--%
<b>Total financial transactions, net</b>	<b>29,463</b>	<b>18,174</b>	<b>39,441</b>	<b>37,547</b>	<b>(51.6%)</b>	<b>(53.9%)</b>
Other operating income	31,165	19,224	38,871	4,456	331.4%	(50.5%)
<b>Net operating profit before provisions for loan losses</b>	<b>729,835</b>	<b>450,199</b>	<b>463,995</b>	<b>421,789</b>	<b>6.7%</b>	<b>(3.0%)</b>
<b>Provision for loan losses</b>	<b>(124,512)</b>	<b>(76,805)</b>	<b>(72,028)</b>	<b>(87,713)</b>	<b>(12.4%)</b>	<b>6.6%</b>
<b>Net operating profit</b>	<b>605,324</b>	<b>373,394</b>	<b>391,967</b>	<b>334,076</b>	<b>11.8%</b>	<b>(4.7%)</b>
Personnel salaries and expenses	(165,496)	(102,086)	(100,855)	(101,306)	0.8%	1.2%
Administrative expenses	(94,355)	(58,203)	(59,035)	(57,898)	0.5%	(1.4%)
Depreciation and amortization	(36,241)	(22,355)	(19,068)	(18,812)	18.8%	17.2%
<b>Op. expenses excl. Impairment and Other operating expenses</b>	<b>(296,091)</b>	<b>(182,644)</b>	<b>(178,958)</b>	<b>(178,016)</b>	<b>2.6%</b>	<b>2.1%</b>
Impairment of property, plant and equipment	-	-	(5,295)	(139)	--%	--%
Other operating expenses	(37,842)	(23,343)	(18,673)	(20,326)	14.8%	25.0%
<b>Total operating expenses</b>	<b>(333,934)</b>	<b>(205,987)</b>	<b>(202,926)</b>	<b>(198,481)</b>	<b>3.8%</b>	<b>1.5%</b>
<b>Operating income</b>	<b>271,390</b>	<b>167,407</b>	<b>189,041</b>	<b>135,595</b>	<b>23.5%</b>	<b>(11.4%)</b>
Income from investments in associates and other companies	1,636	1,009	1,349	764	32.1%	(25.2%)
<b>Income before tax</b>	<b>273,026</b>	<b>168,416</b>	<b>190,390</b>	<b>136,359</b>	<b>23.5%</b>	<b>(11.5%)</b>
Income tax expense	(61,589)	(37,991)	(37,271)	(27,126)	40.1%	1.9%
<b>Net income from ordinary activities</b>	<b>211,437</b>	<b>130,425</b>	<b>153,119</b>	<b>109,233</b>	<b>19.4%</b>	<b>(14.8%)</b>
Net income discontinued operations	-	-	-	-		
<b>Net income attributable to:</b>						
Non-controlling interest	(6,895)	(4,253)	15,793	600	--%	--%
<b>Net income attributable to equity holders of the Bank</b>	<b>218,332</b>	<b>134,678</b>	<b>137,326</b>	<b>108,633</b>	<b>24.0%</b>	<b>(1.9%)</b>

1. The exchange rate used to calculate the figures in dollars was Ch\$616.85/ US\$1

## Key indicators

<b>Profitability and efficiency</b>	<b>12M17</b>	<b>12M16</b>	<b>Change bp</b>
Net interest margin (NIM) <sup>1</sup>	4.4%	4.5%	-3
Efficiency ratio <sup>2</sup>	40.8%	42.7%	-186
Return on avg. equity	19.2%	17.1%	218
Return on avg. assets	1.6%	1.3%	25
Core Capital ratio	11.0%	10.5%	45
BIS ratio	13.9%	13.4%	48
Return on RWA	2.1%	1.6%	46

<b>Asset quality ratios (%)</b>	<b>Dec'17</b>	<b>Dec'16</b>	<b>Change bp</b>
NPL ratio <sup>3</sup>	2.3%	2.1%	21.1
Coverage of NPLs ratio <sup>4</sup>	128.8%	145.4%	(1,663)
Cost of credit <sup>5</sup>	1.1%	1.3%	(18)

<b>Structure (#)</b>	<b>Dec'17</b>	<b>Dec'16</b>	<b>Change (%)</b>
Branches	385	434	(11.3%)
ATMs	926	1,295	(28.5%)
Employees	11,068	11,354	(2.5%)

<b>Market capitalization</b>	<b>Dec'17</b>	<b>Dec'16</b>	<b>Change (%)</b>
Net income per share (Ch\$)	3.00	2.51	19.6%
Net income per ADR (US\$)	1.94	1.51	29.1%
Stock price (Ch\$/per share)	48.19	37.26	29.3%
ADR price (US\$ per share)	31.27	21.87	43.0%
Market capitalization (US\$m)	14,732	10,303	43.0%
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

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