

Banco Santander Chile

Solid business and client profitability trends

January, 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 environment and financial system**
- **Successful execution of our strategy leads to positive results in 2017**
- **Outlook**

Macroeconomic environment

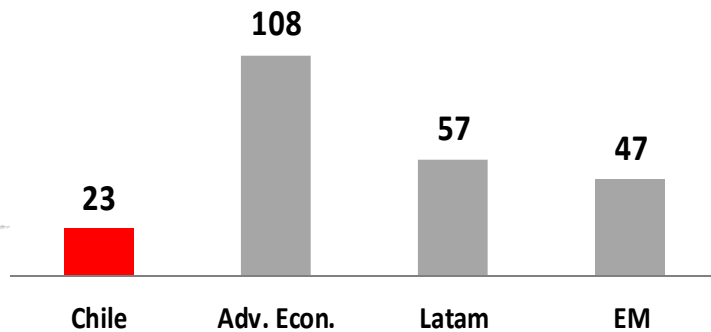
Chile: a stable and diversified economy

Chile: key economic indicators^{1,2}

Population:	17.6 mn
GDP:	US\$234bn
GDP per capita (PPP):	US\$24,000
Exports / GDP:	26%
Investment / GDP :	22.3%
Net public debt / GDP:	-0.1%
Sovereign ratings:	Aa3/A+/A

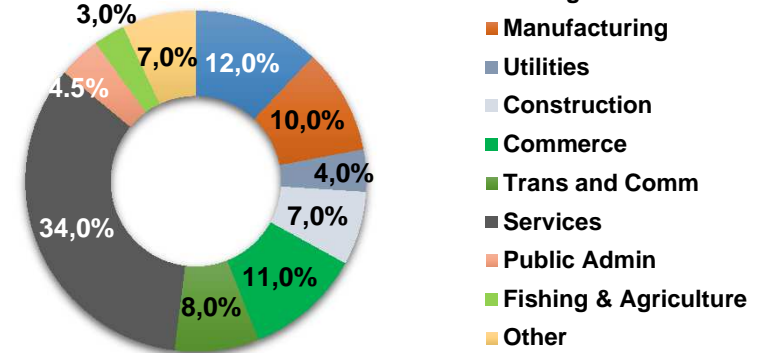
Low public debt²

Gross public debt, % GDP

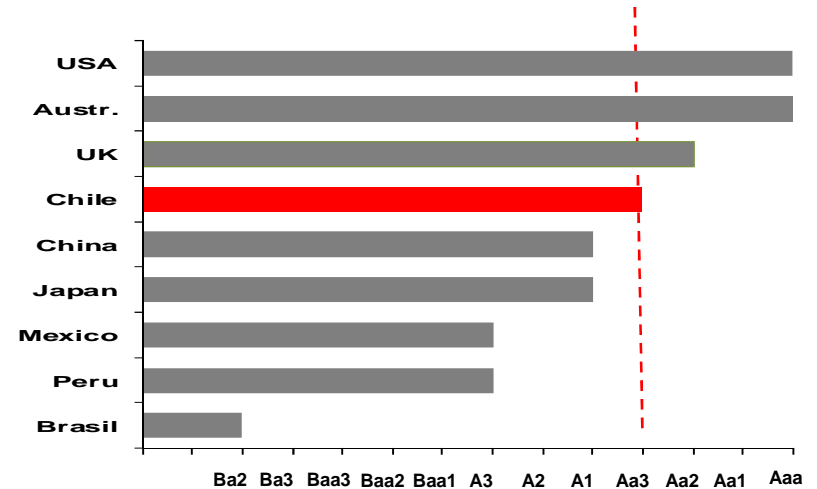


Chile's economy is well diversified¹

GDP by economic sector, %



High Sovereign rating³

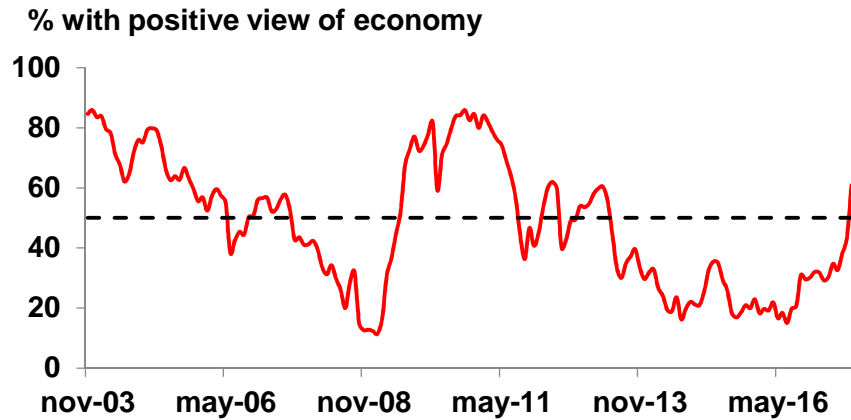


1. Source: Central Bank of Chile, BCCh, and National Statistics Institute, 2016. 2. Source: International Monetary Fund, 10/2016. 3. Source: Moody's

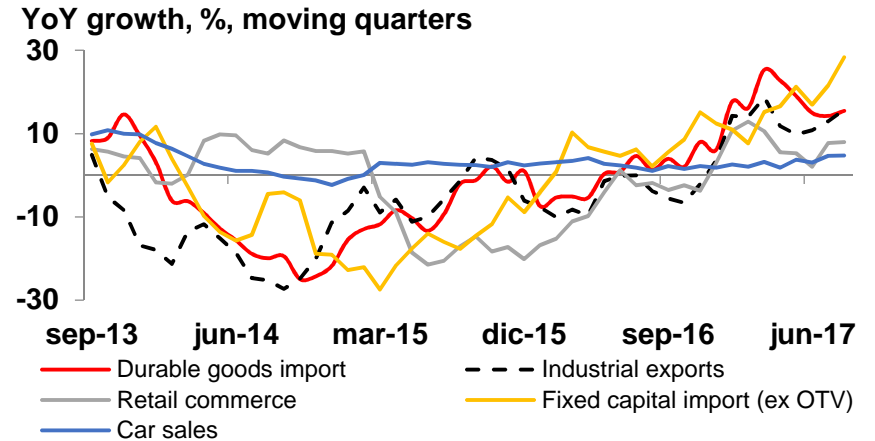
Macroeconomic environment

The economy is accelerating

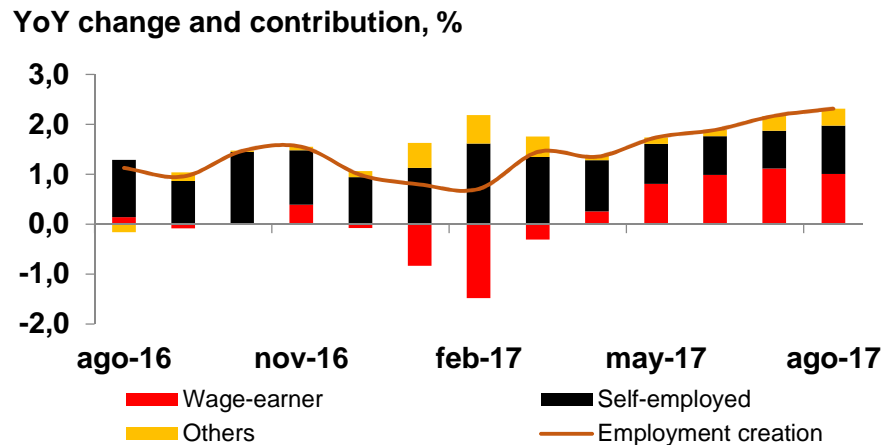
Economic Expectations (IMCE^{1,2})



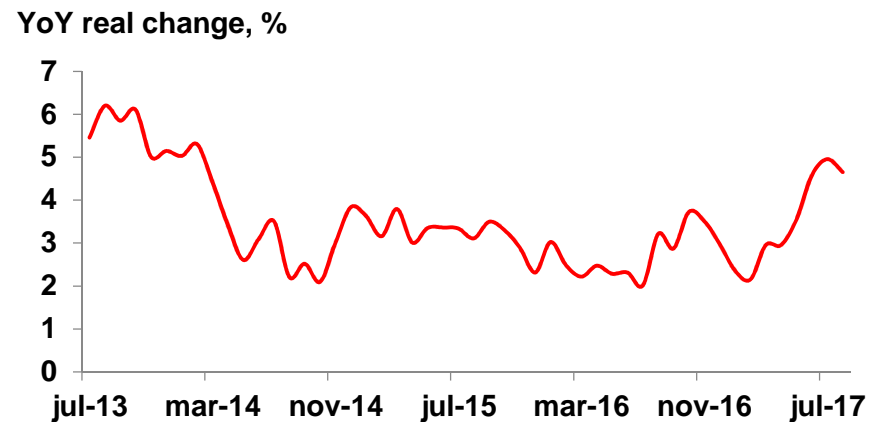
Sectorial Indicators²



Job Creation²



Total Wages²

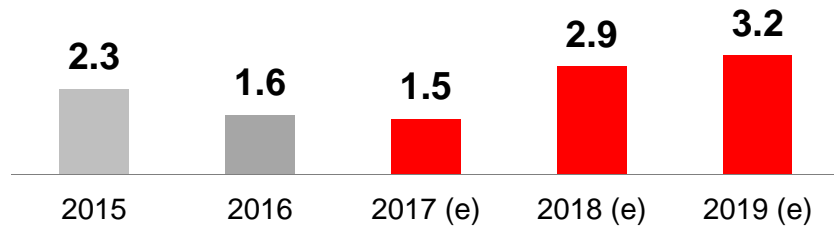


Macroeconomic environment

GDP growth expectations rise for 2018-19

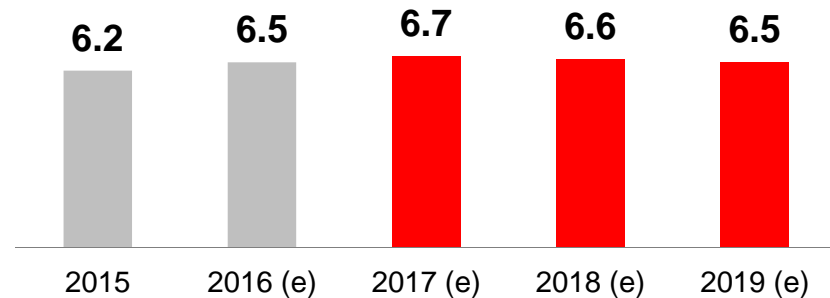
GDP

YoY real growth, %



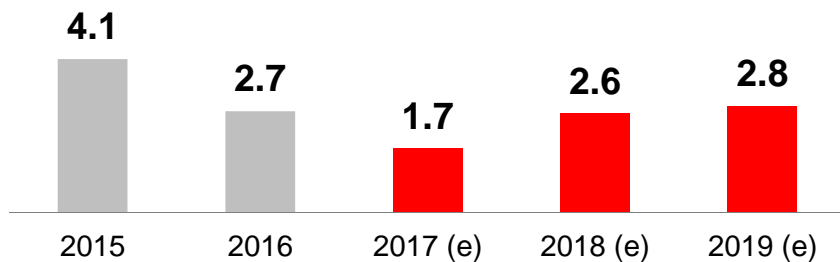
Unemployment

% of workforce, %



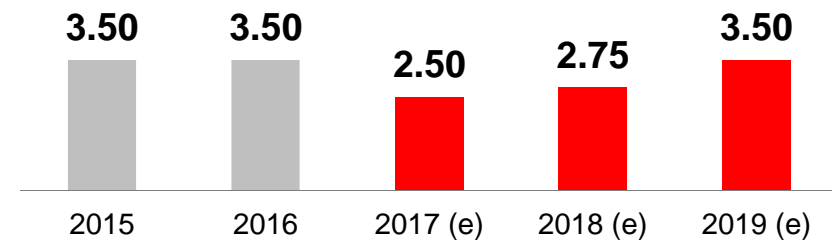
Inflation

Annual change in UF inflation, %



Central Bank ST Reference Rate

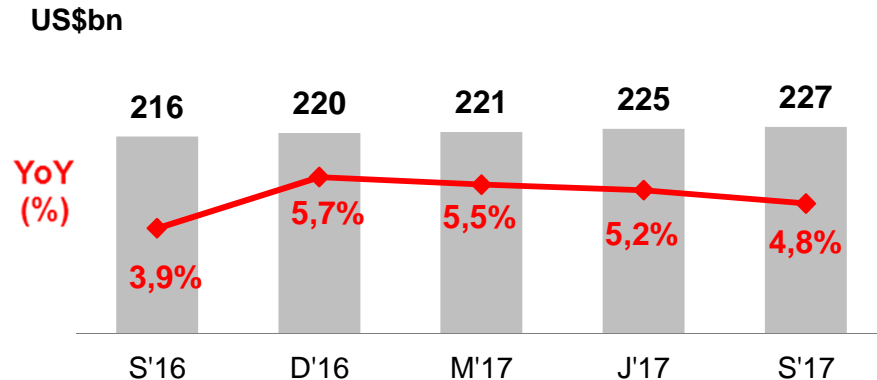
%



Financial system with good growth potential

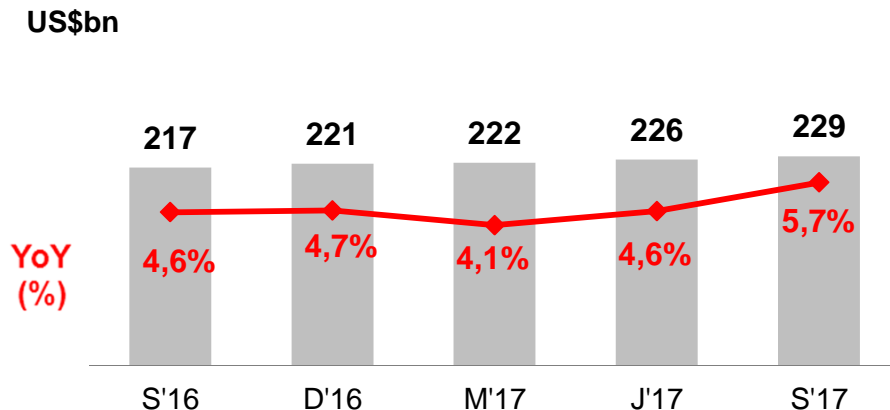
Financial system is currently growing at a moderate pace

Total Loans¹



- Growth of consumer loans offset by slower commercial loan growth due to weaker macroeconomic environment
- Mortgage lending leading deceleration after extraordinary growth in 2015-16
- Stable asset quality

Customer funds^{1,2}

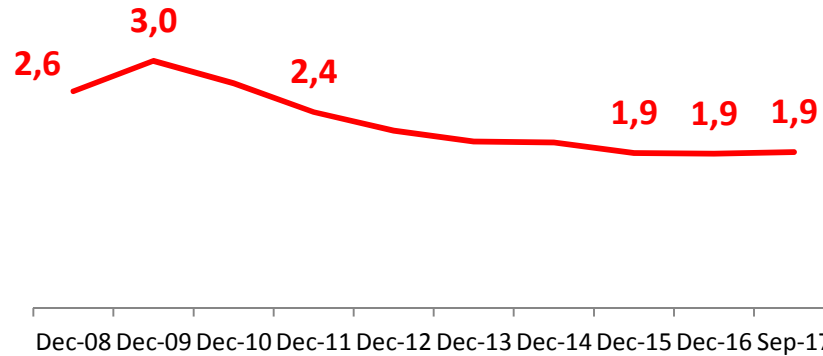


- High liquidity in the system to fund business growth
- Deceleration of customer fund growth due to shift of investment flows away from deposits to bonds given low interest rates

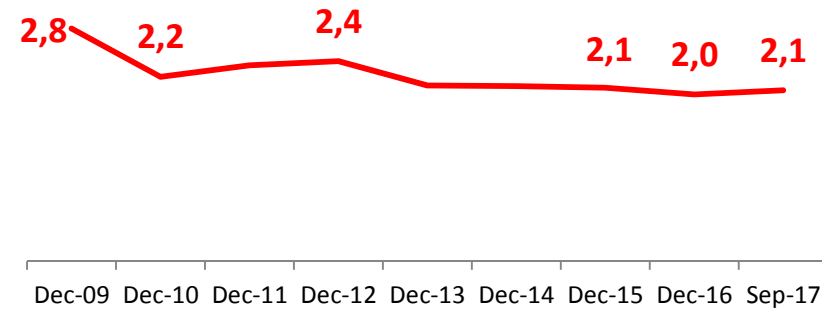
Financial system with good growth potential

Asset quality has performed well in this low growth cycle

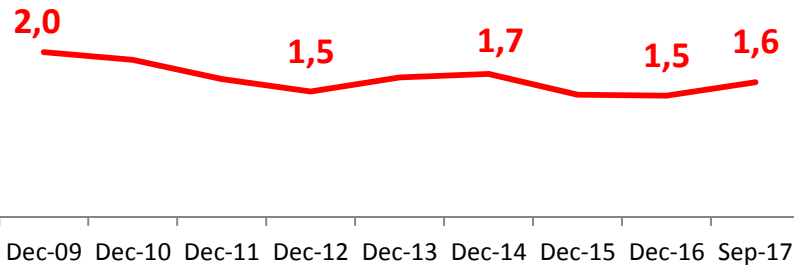
Non-performing loan ratio (%)¹



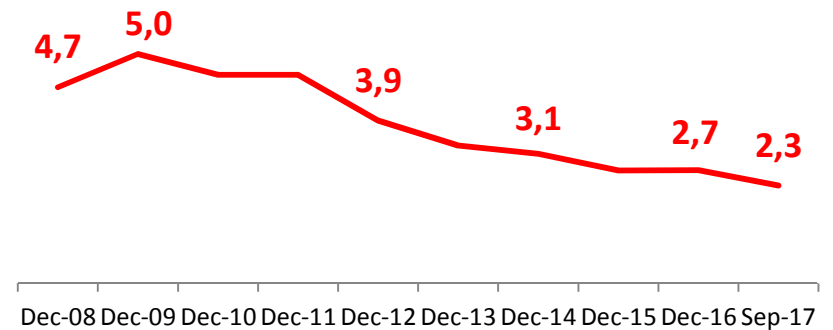
Consumer NPL (%)



Commercial NPL (%)

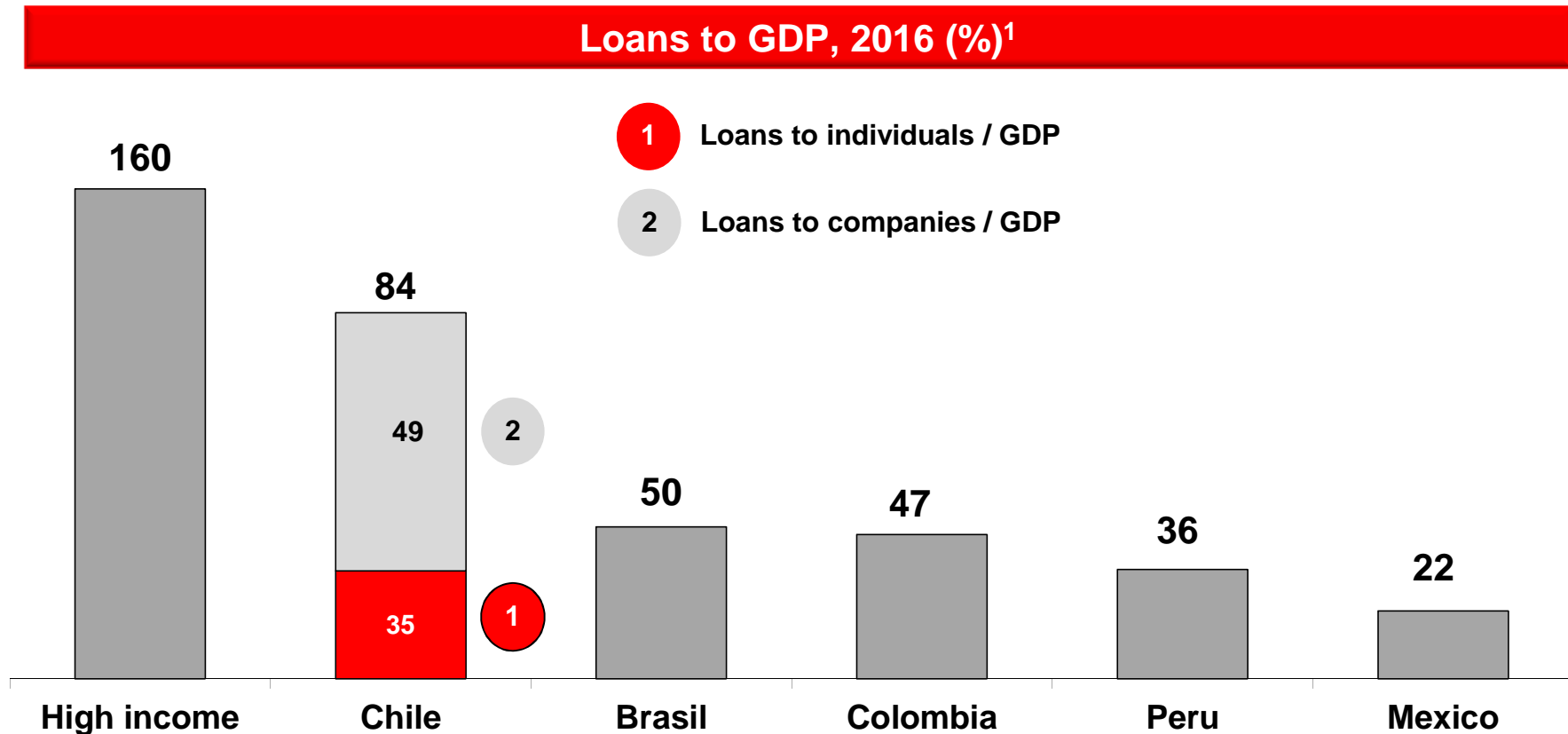


Mortgages NPL (%)



Financial system with good growth potential

Loan /GDP ratio is between developed and developing world levels



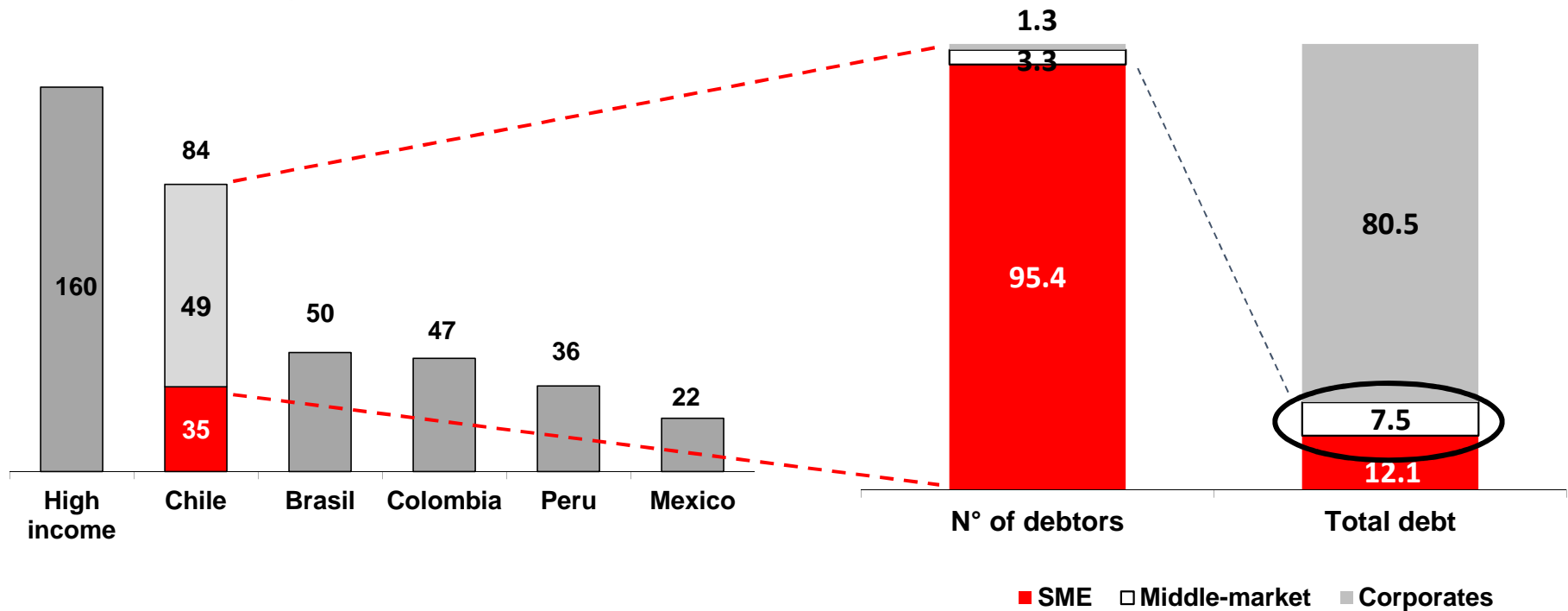
Financial system with good growth potential

High growth potential in Middle-market and SME customers...

Loans to GDP, 2016 (%)¹

Commercial lending by type of client

2 Loans to companies / GDP



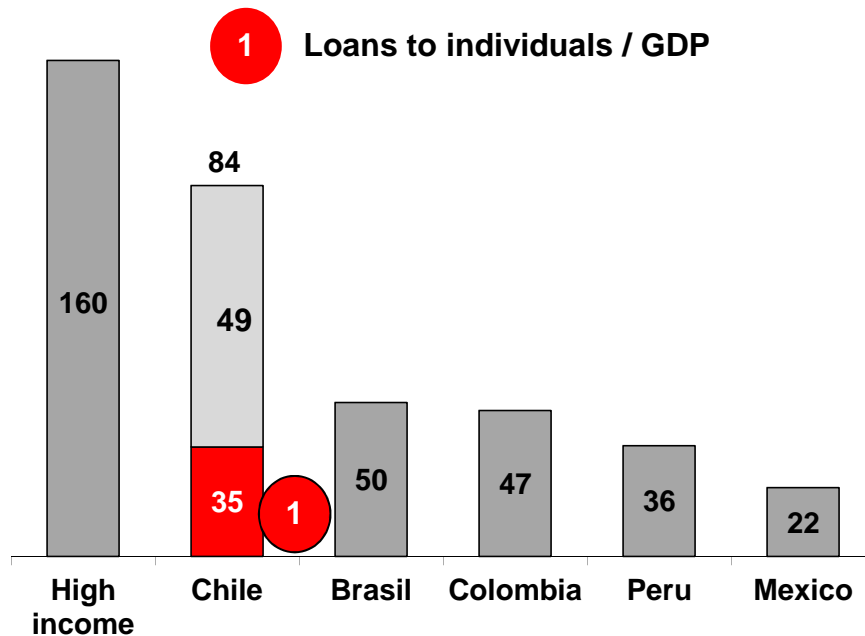
1. Or latest available information. Source: World Bank, weighted by size of world economies. Chilean loan include bank and non-bank lending. Source Chile: Santander Chile based on information from SBIF, BCCh, Superintendency of Securities of Chile, SVS, and www.cajasdechile.cl.

Source: SBIF, 2016

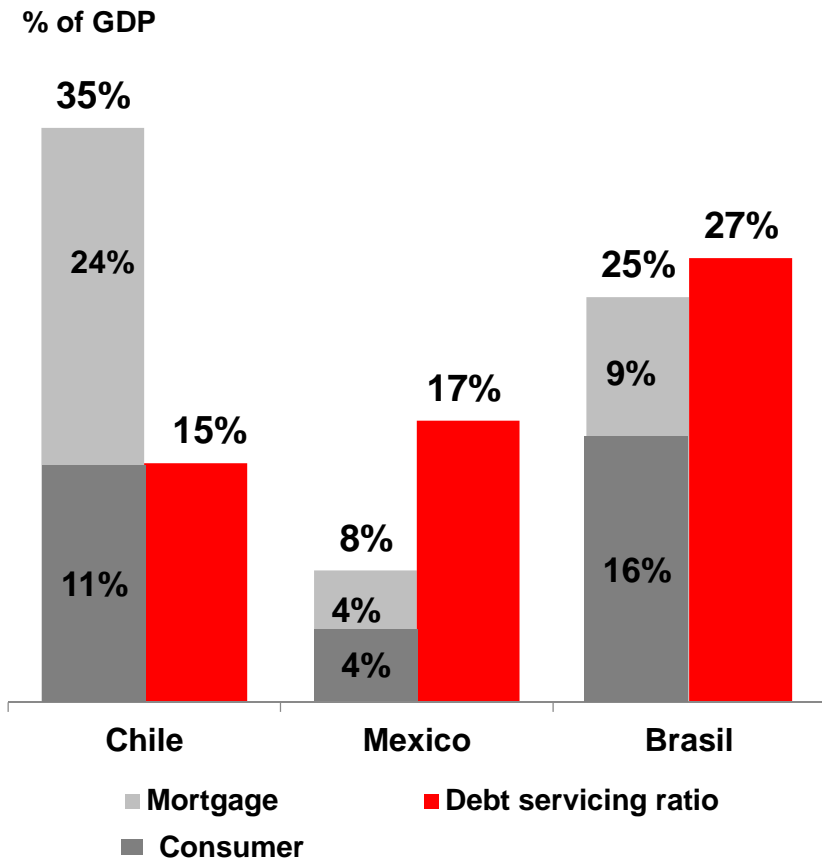
Financial system with good growth potential

The market has high growth potential in loans to individuals...

Loans to GDP, 2016 (%)¹



Individual loans penetration and DSR²

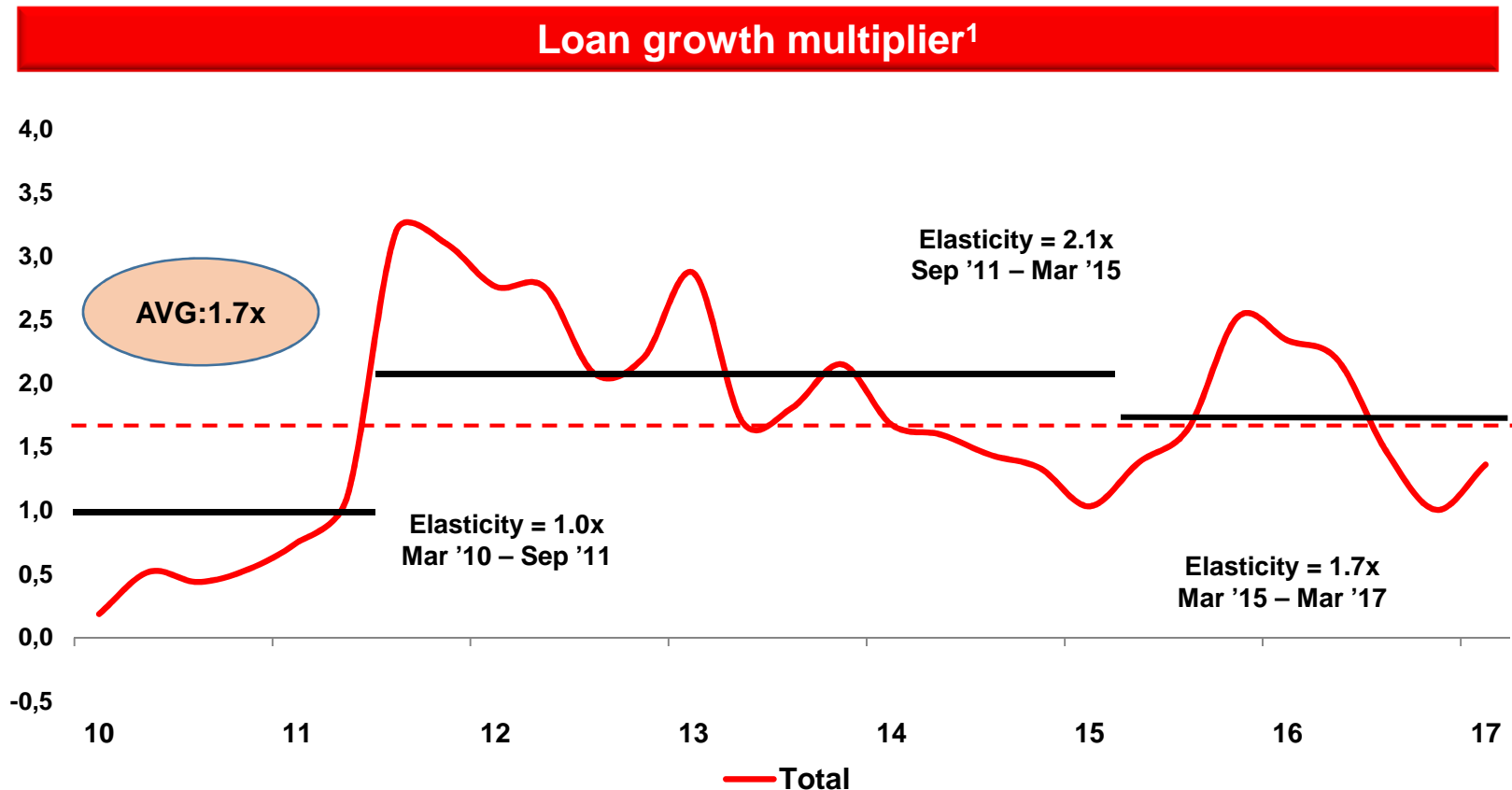


1. Source: J.P. Morgan estimates, Bloomberg, Central Bank of Brazil, Superintendencia de Bancos e Instituciones Financieras Chile, Superintendencia Financiera de Colombia, Comision Nacional Bancaria y de Valores (Mexico), Banco Central de la Republica Argentina, and Superintendencia de Banca, Seguros, Y AFP (Peru).

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

Financial system with good growth potential

Loan growth should accelerate to 6%-8% in 2018



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

Agenda

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- **Successful execution of our strategy leads to positive results in 2017**
- **Outlook**

Strategy and results

Santander Chile is the nation's leading bank

Figures in US\$



Business and Results	9M'17	Var. YoY
Gross Loans	43.4bn	2.2%
Deposits	31.1bn	3.2%
Equity	4.7bn	6.8%
Net inc. business segments	845mn	21.2%
Net income	673mn	18.3%

Network and Customers	9M'17	Var. YoY
Clients	3.5mn	21.4% ²
Internet banking	1.7mn	38.6% ³
Branches	405	18.3%

Market Share¹	%	Rank
Loans	19.2%	1
Deposits	18.1%	2
Checking accounts	21.4%	1
Bank credit cards⁴	33.8%	1

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

Strategy and results

3 objectives for healthy growth / higher profitability

I. Focusing growth on segments with the highest contribution, net of risk...



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

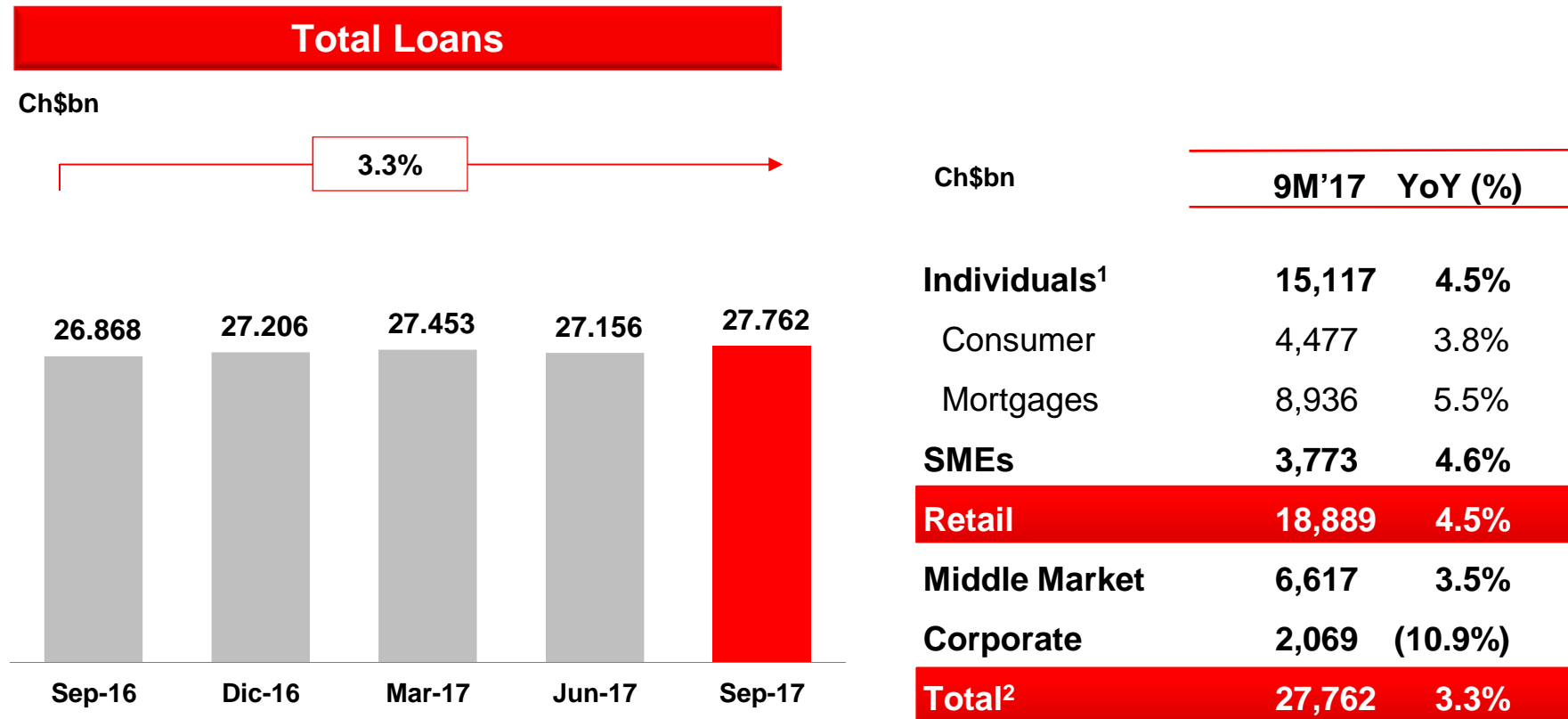


III. Optimizing profitability and capital use to increase shareholder value in time



Strategy: I. Growth focused on segments with highest contribution, net of risk

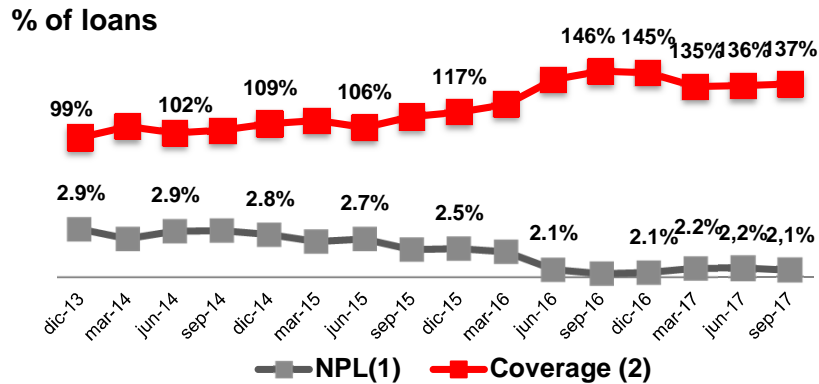
Loans up 3.3% YoY with a focus on retail lending



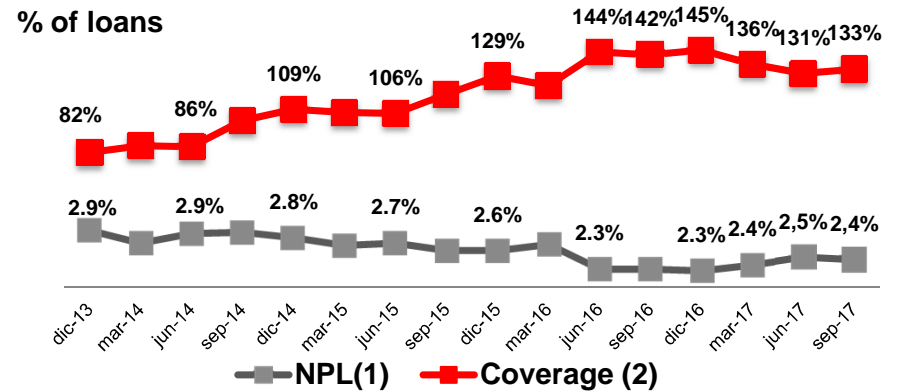
Strategy: I. Growth focused on segments with highest contribution, net of risk

Positive evolution of asset quality...

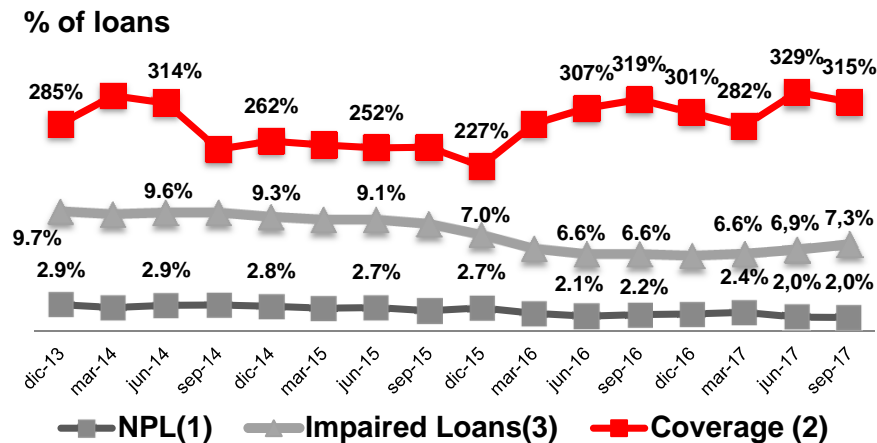
Total loans



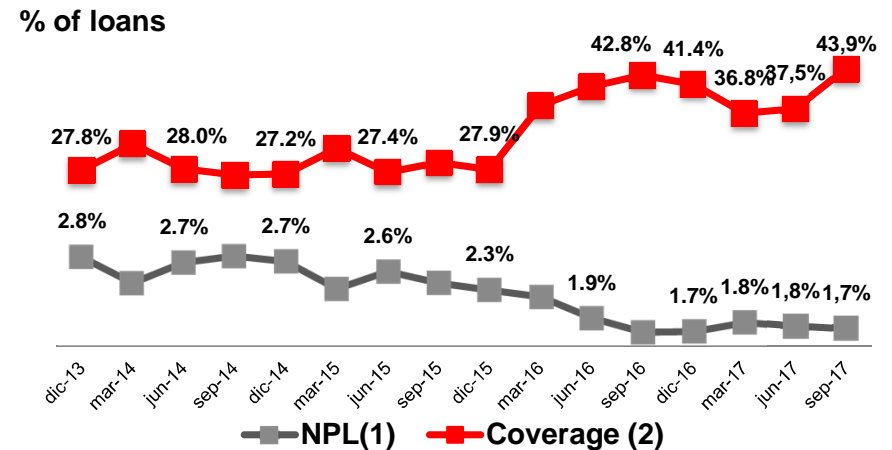
Commercial loans



Consumer loans



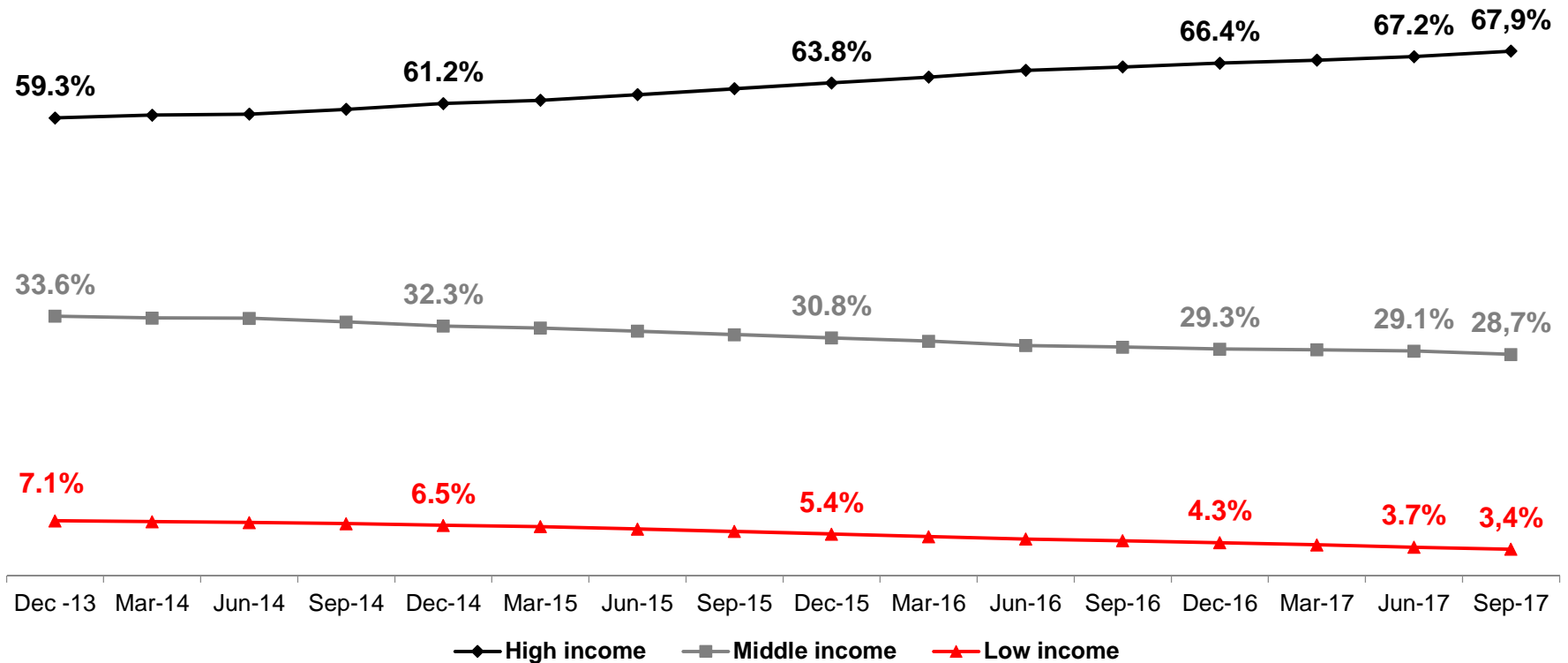
Mortgage loans



Strategy: I. Growth focused on segments with highest contribution, net of risk

...with a focus on higher income segments

Loans to high, middle and low income individuals¹



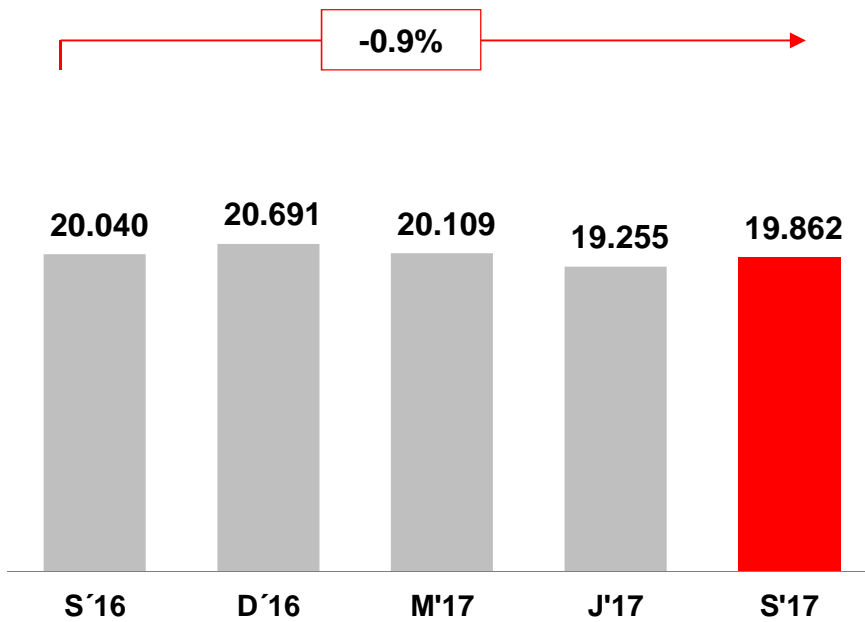
As economic growth gains strength, loan growth among middle income earners should gain momentum

Strategy: I. Growth focused on segments with highest contribution, net of risk

Deposits: focus on funding mix and costs

Total Deposits

Ch\$bn



Ch\$bn

Demand

Time

Total deposits

Mutual funds¹

Loan to deposit²

9M'17 **YoY(%)**

7,271 5.2%

12,592 (4.1%)

19,862 **(0.9%)**

5,524 **4.8%**

101.0%

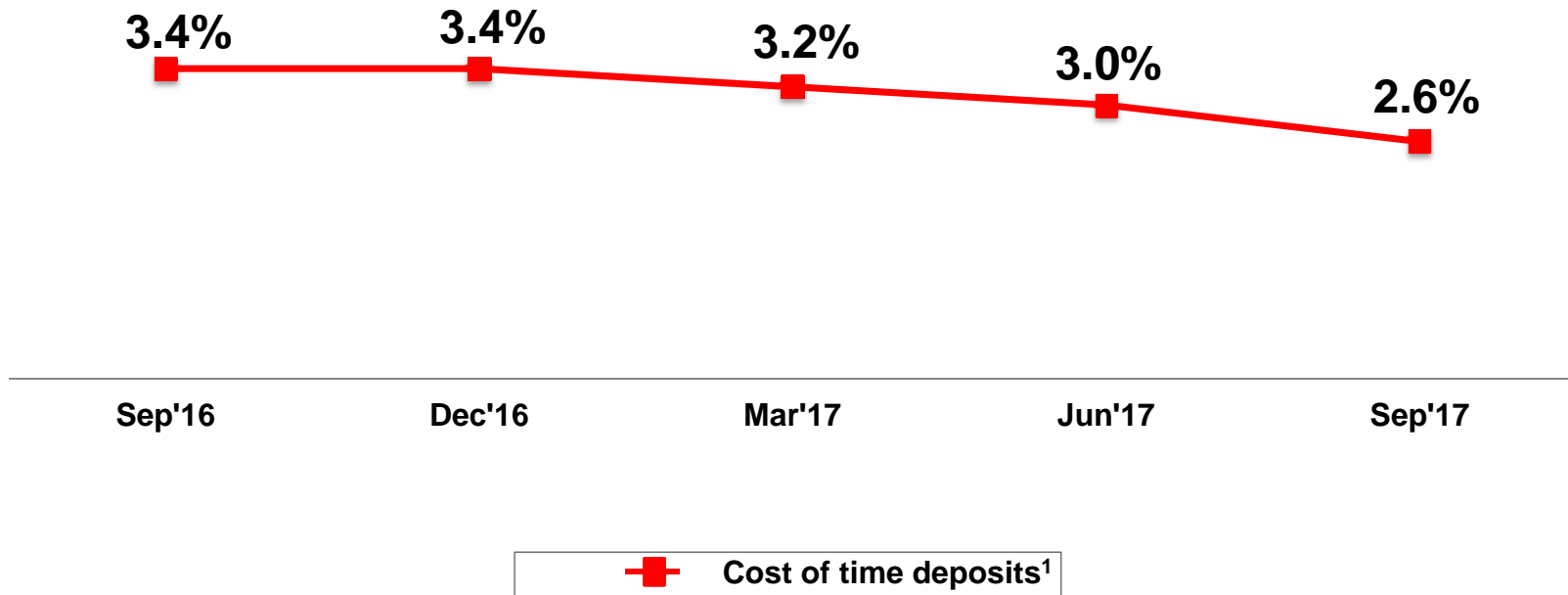
1. Banco Santander Chile is the exclusive broker of mutual funds managed by Santander Asset Management, a subsidiary of SAM Investment Holdings Limited.

2. (Net Loans – portion of mortgages funded with long-term bonds) / (Time deposits + demand deposits).

Strategy: I. Growth focused on segments with highest contribution, net of risk

Lower funding costs

Quarterly average time deposit cost

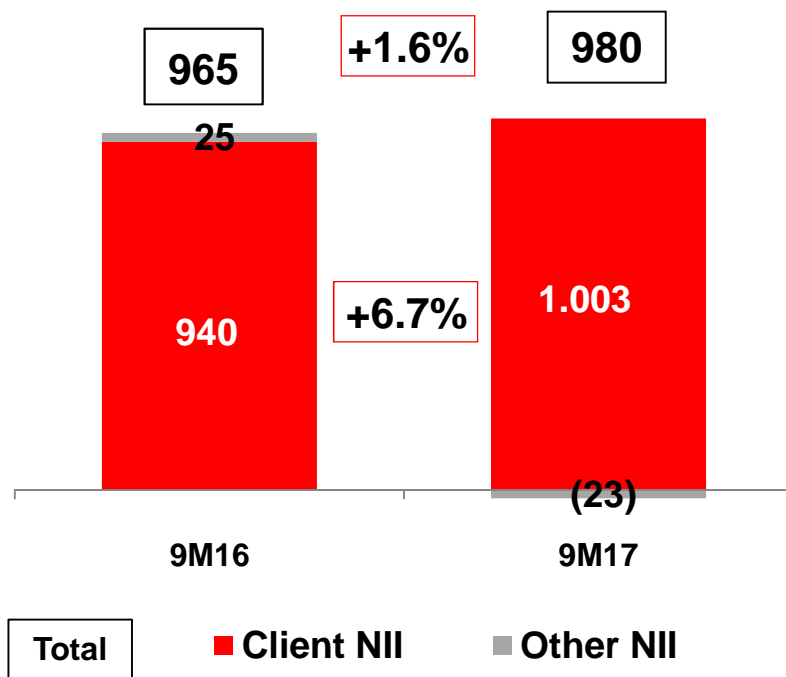


Strategy: I. Growth focused on segments with highest contribution, net of risk

Client NII rises 6.7% YoY offset by lower inflation

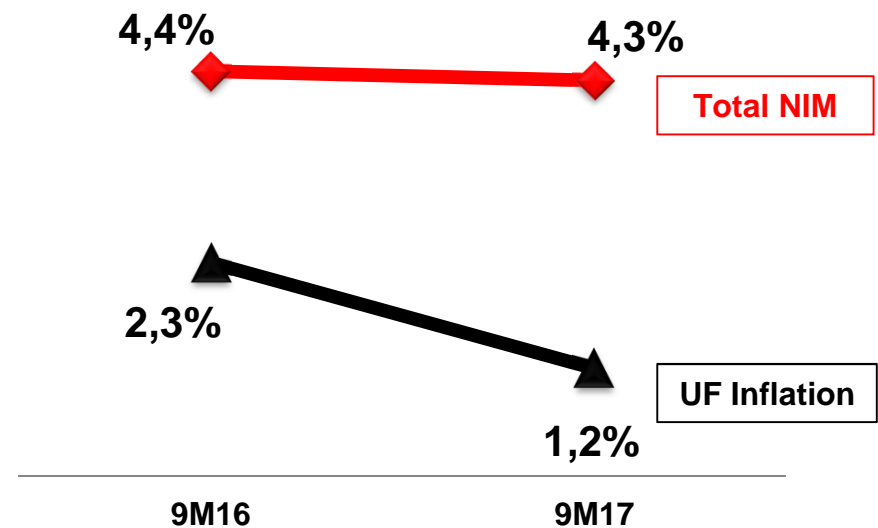
Client and total net interest income¹

Ch\$bn



NIM² & UF Inflation³

Net Interest Margin (NIM), %



Rate cuts and the improved funding mix has partially offset impact of lower inflation

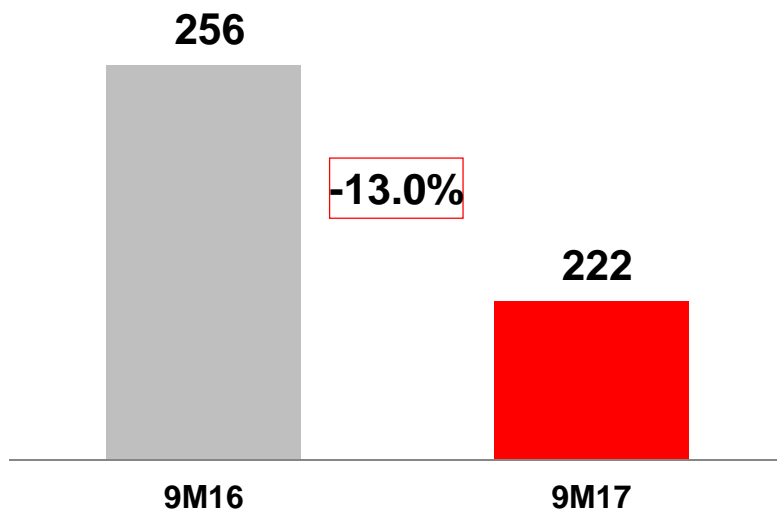
1. Client Net interest income (NII) is NII from Retail, Middle-market and GCB segments. Other NII is NII mainly from the Bank's ALCO positions and includes the effects of inflation on the Bank's NII. 2. NIM = net interest income / average earning assets. 3. UF inflation is inflation measured using the Unidad de Fomento an inflation index. Source Central Bank of Chile

Strategy: I. Growth focused on segments with highest contribution, net of risk

Positive evolution of asset quality lowers the cost of credit

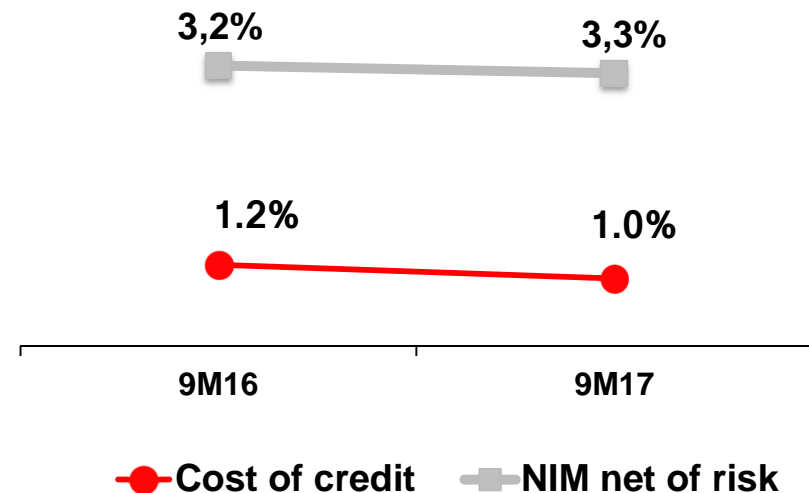
Provision expense

Ch\$bn



NIM net of risk¹ & Cost of credit²

% of average loans



NIM, net of risk increases 10bp

Strategy and results

3 objectives for healthy growth / higher profitability

I. Focusing growth on segments with the highest contribution, net of risk...



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



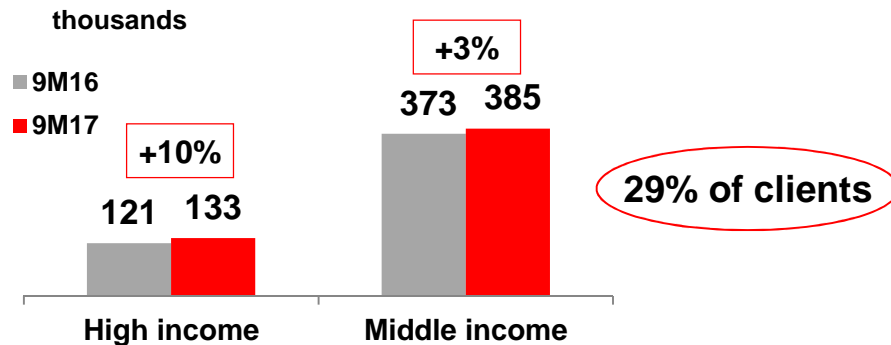
III. Optimizing profitability and capital use to increase shareholder value in time



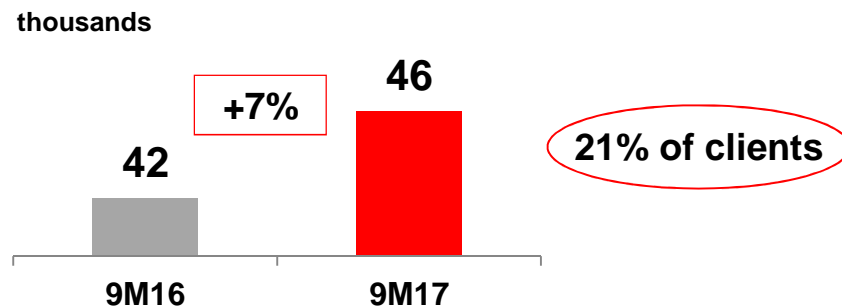
Strategy: II. Increasing client loyalty and expanding digital capabilities

Rising customer loyalty with room for further growth

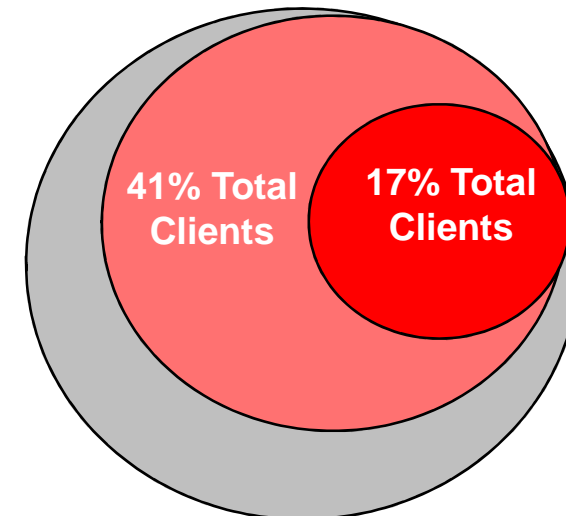
Loyal High and Middle income customers¹



Loyal SME + Middle market customers²



Client base



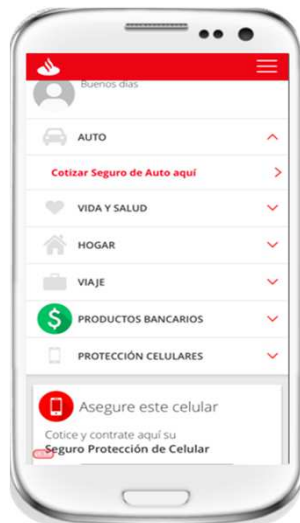
- Total Clients : 3.5Million
- Total Active Clients: 1.5 Million
- Total Loyal Clients: 617 Thousand

Going forward we will renew our focus on middle income clients

Strategy: II. Increasing client loyalty and expanding digital capabilities

In 2017, we focused on improving the functionalities of our APP...

APP Insurance



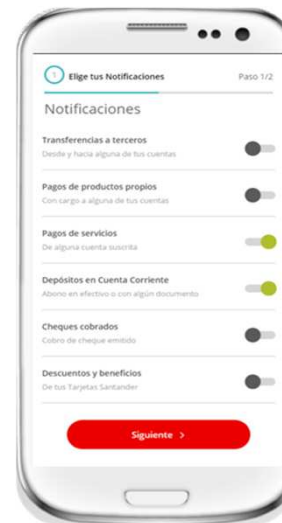
Specialized APP for insurance products and assistance

APP Companies



Specialized APP for corporate clients

Notifications



Clients select Notifications they want to receive

Touch ID



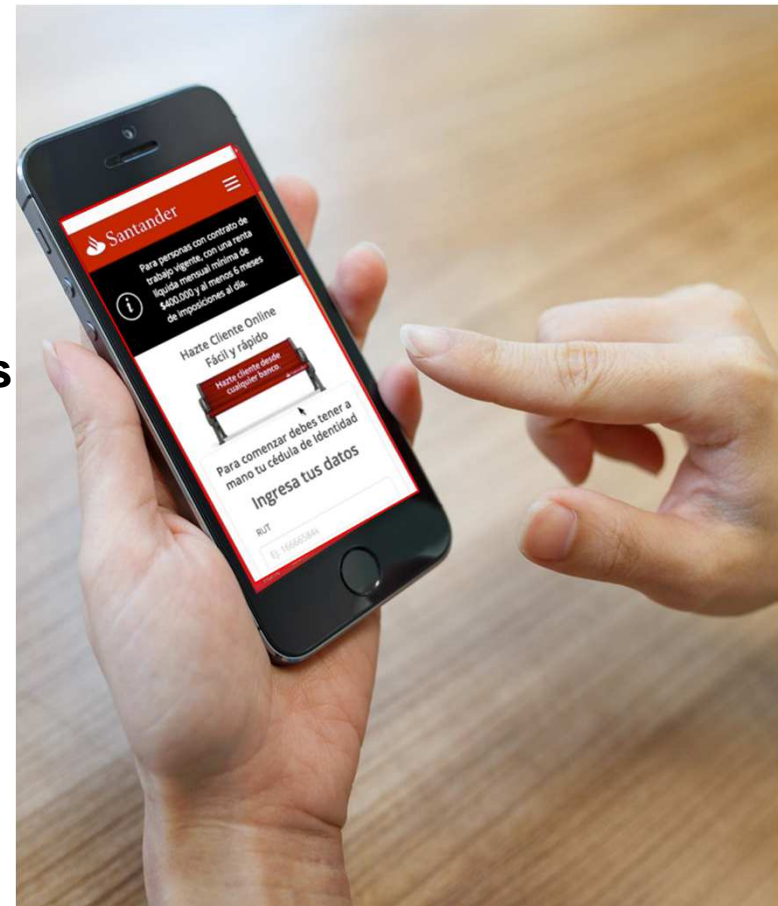
Client and non-client identification directly via APP

Strategy: II. Increasing client loyalty and expanding digital capabilities

...we launched our Digital On-Boarding platform...

Digital On Boarding

- **First 100% digital platform for non-clients to become clients**
- **With Touch-ID (digital fingerprint) it is possible to buy a bank product in seconds**
- **Easy and simple to use with no human interaction**
- **Automatic credit scoring and data check**



Strategy: II. Increasing client loyalty and expanding digital capabilities

...and we introduced Santander Life

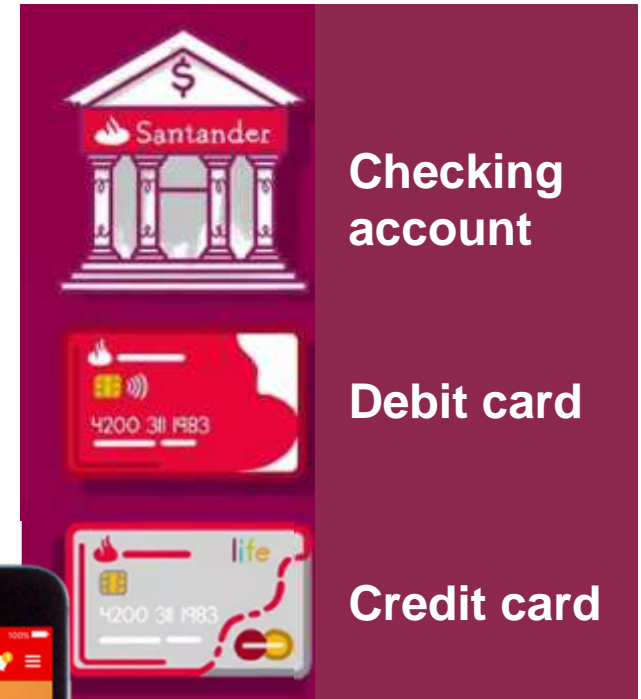
life

A new model for the mass consumer market

New generation of digital products through Digital Onboarding- Life checking account, life credit card and life consumer loan

Meritolife- Rewards positive payment behavior, accumulating merits to reach a new levels with more benefits such as:

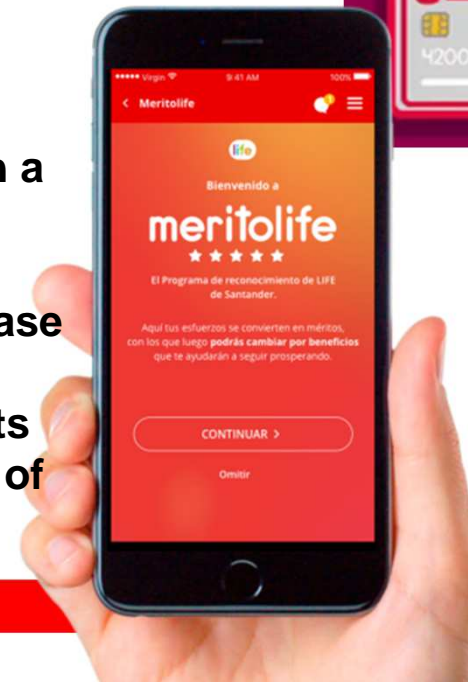
- **Ch\$10,000 cash back on first purchase**
- **5% discount at supermarkets**
- **flexibility for payment of installments**
- **Up to 40% discount on interest rate of consumer loans by 4th year**



Checking account

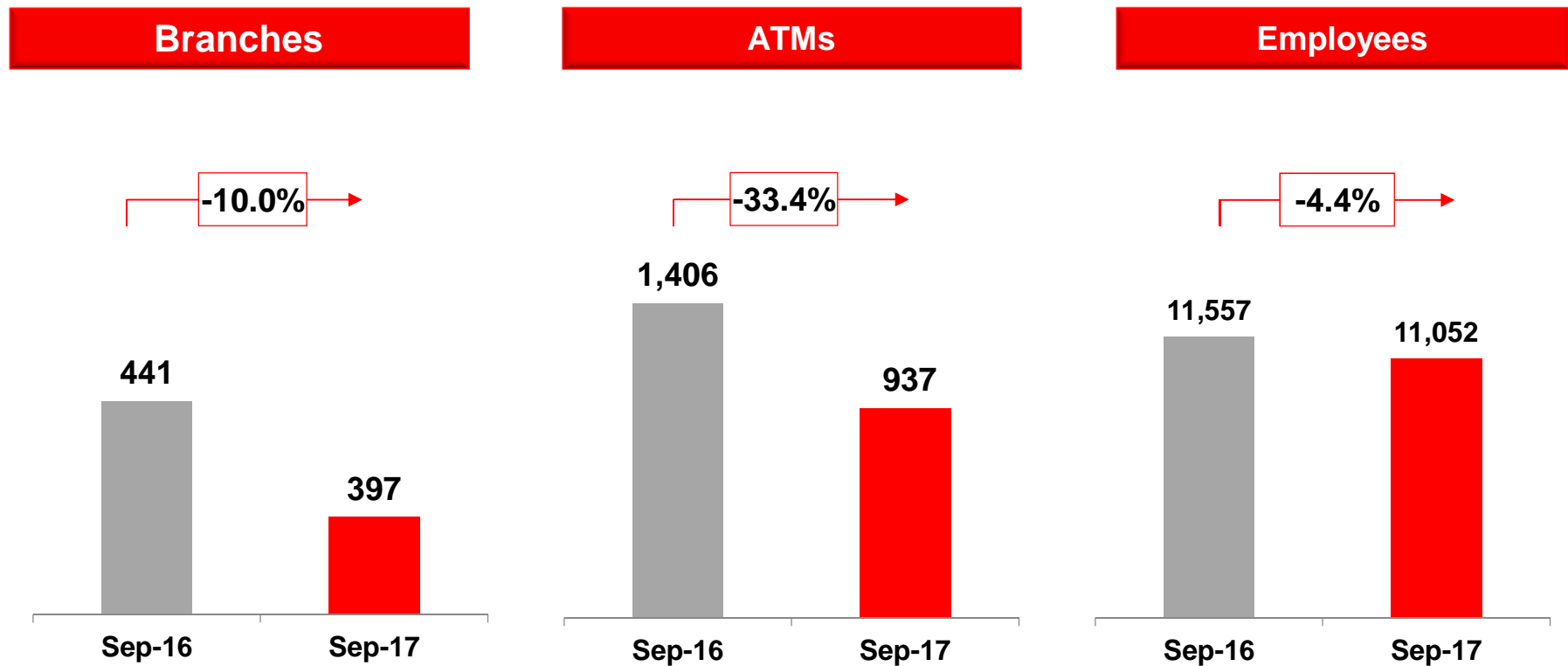
Debit card

Credit card



Strategy: II. Increasing client loyalty and expanding digital capabilities

Improving and reducing the physical distribution network



Strategy: II. Increasing client loyalty and expanding digital capabilities

WorkCafé: combining a high-end experience in an innovate platform



- Hi-tech / Hi-touch branches. Improvement of client and non client service and advice
- New CRM and incentive model aimed to improve profitability and productivity
- Lower costs due to merger of branches and no-human tellers
- Centralized operative process and post sale support



High Income

Core revenues

+13%

v/s Traditional Branch

Low Cost

Direct Cost / Income

15% v/s 17%

Traditional Branch

1st Class Experience

Customer Satisfaction

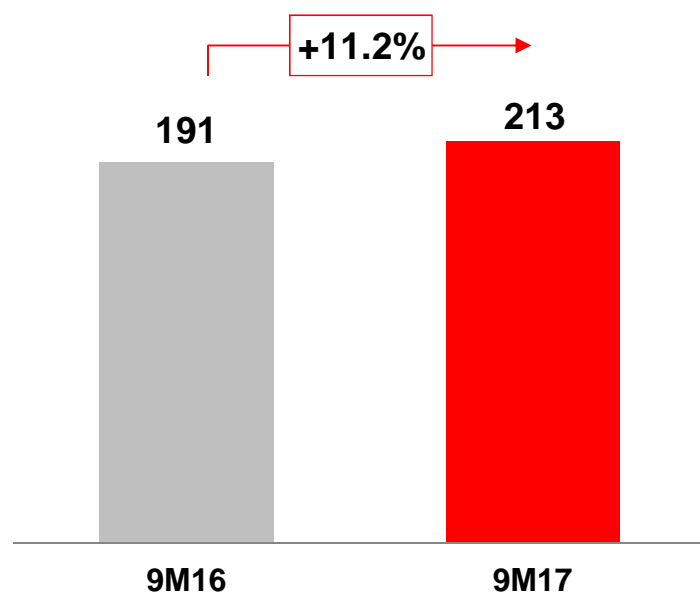
95%

Strategy: II. Increasing client loyalty and expanding digital capabilities

11.2% YoY growth in fee income in 9M17

Net fee income

Ch\$bn



Fee income from business segments

Ch\$bn

	9M'17	YoY (%)
Retail ¹	139.1	7.1
Middle Market	27.3	(4.9)
Corporate	22.1	10.4
Subtotal	188.5	5.5
Others+ ATMs	24.3	92.9
Total	212.8	11.2

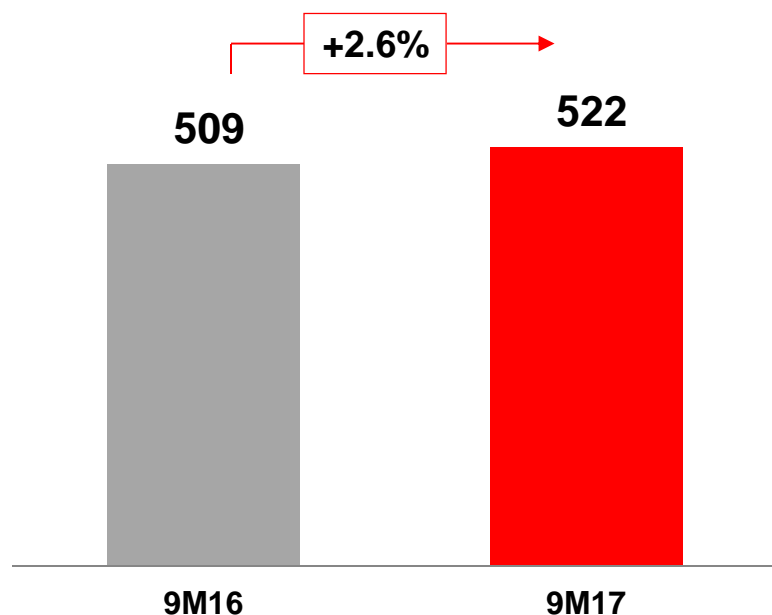
Fees from Corporate are driven by greater financial advisory services

Strategy: II. Increasing client loyalty and expanding digital capabilities

Improving our efficiency and productivity

Operating expenses

Ch\$bn



	9M17	YoY%
Personal exp.	295	0.4
Adm. exp.	172	2.0
Depreciation	55	19.2
Op. expenses	522	2.6

Volume ² per branch	117,590	16.3%
Volume ² per employee	4,309	6.2%

Efficiency Ratio ¹	40.2%	-195bp
Cost / Assets	1.9%	

Costs should grow at or below inflation in 2017 and 2018

Strategy and results

3 objectives for healthy growth / higher profitability

I. Focusing growth on segments with the highest contribution, net of risk...



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

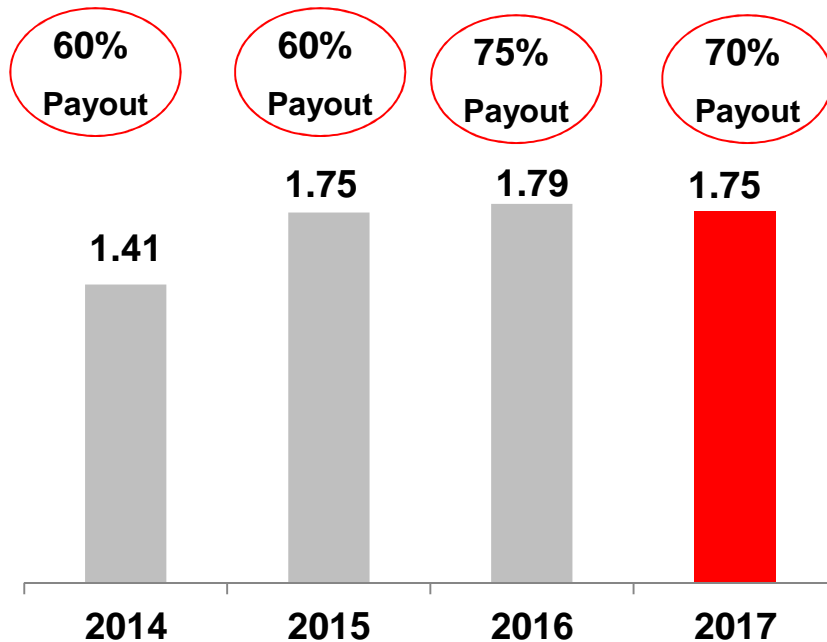


Strategy: IV. Optimizing profitability and capital

Core capital ratio increases / Attractive dividend paid in 2Q17

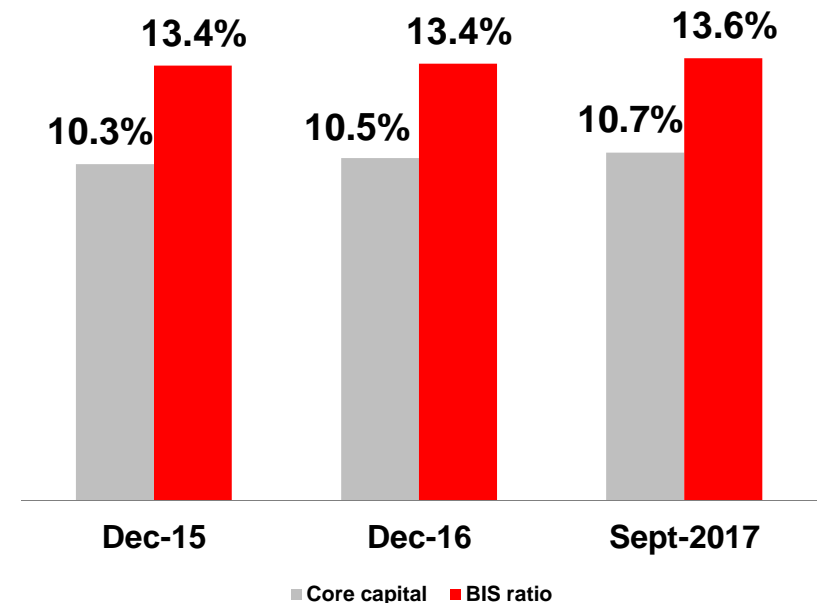
Dividend per share

Ch\$ per share



Core Capital ratio¹

%



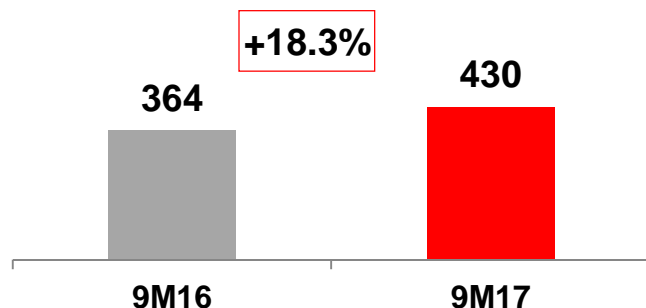
A higher and more sustainable ROE is resulting in better capital ratios and greater dividend yields

Strategy: IV. Optimizing profitability and capital

In 9M17 net income up 18.3%, ROAE 20.0% & RoRWA 2.1%

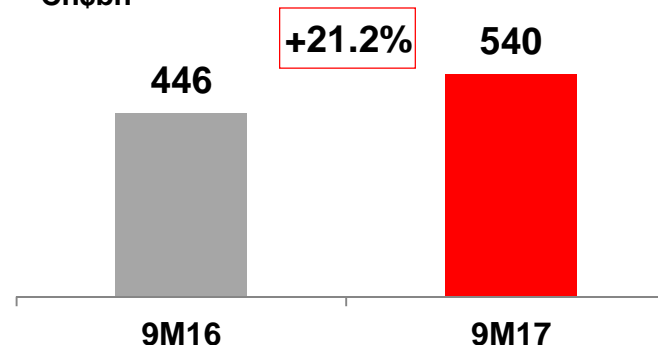
Net income¹

Ch\$bn



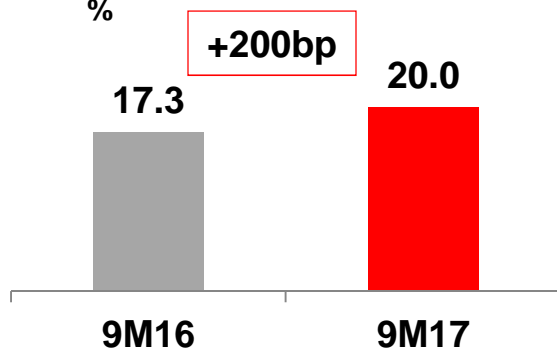
Segments' net contribution²

Ch\$bn



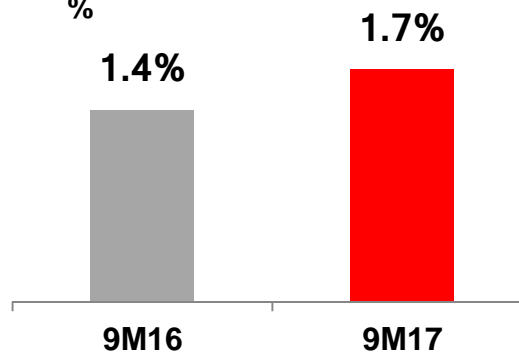
ROAE³

%



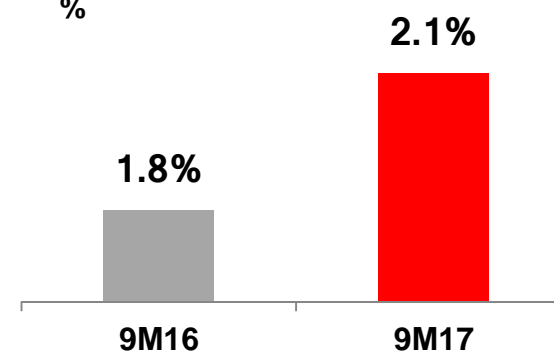
ROAA⁴

%



RoRWA⁵

%



High profitability levels sustain high core capital ratios

Agenda

- **Macro environment and financial system**
- **Successful execution of our strategy leads to positive results in 2017**

■ **Outlook**

Outlook

Sound outlook for Santander Chile

- **BSAC: stronger Client contribution driving profitability in 2017, in line with strategy**
 - Business segment contribution up 21.2% YoY in 9M17
 - Loan growth at 3.3%, led by segments with highest contribution, net of risk, with retail loans growing 4.5%
 - Demand deposits grow 5.2% YoY with improving funding costs
 - Client NII grew 6.7% YoY in 9M17 offset by lower inflation
 - Customer loyalty and satisfaction continue to improve, driving fee income
 - Stable asset quality: coverage lowers to 137% / NPLs at 2.1% / cost of credit decreases to 1.0% with a favorable outlook
 - Cost growth under control: up 4.7% YoY in 9M17. Branch optimization plans underway
 - ROE reached 20% in 9M17.
- **In 2017 and 2018 we expect these sound business trends to continue with higher volume growth**

ROE guidance increased to 19%-19.5% for 2017 & 2018

Agenda

Annexes

Balance sheet

■ Unaudited Balance Sheet

	Sept-17 US\$ Ths ¹	Sept-17 Ch\$ Million	Dec-16	Sept-16	Sept-17/Dec16 % Chg.	Sep-17/Sep-16 % Chg.
Cash and deposits in banks	2,110,404	1,348,865	2,279,389	1,448,323	(40.8%)	(6.9%)
Cash items in process of collection	941,383	601,685	495,283	795,584	21.5%	(24.4%)
Trading investments	751,476	480,306	396,987	240,838	21.0%	99.4%
Investments under resale agreements	-	-	6,736	-	-%	-%
Financial derivative contracts	3,318,935	2,121,297	2,500,782	2,844,172	(15.2%)	(25.4%)
Interbank loans, net	435,025	278,046	272,635	276,515	2.0%	0.6%
Loans and account receivables from	41,734,363	26,674,518	26,113,485	25,779,153	2.15%	3.5%
Available for sale investments	3,329,300	2,127,922	3,388,906	2,840,787	(37.2%)	(25.1%)
Held-to-maturity investments	-	-	-	-	-%	-%
Investments in associates and other	41,679	26,639	23,780	23,402	12.0%	13.8%
Intangible assets	92,485	59,112	58,085	56,840	1.8%	4.0%
Property, plant and equipment	354,996	226,896	257,379	233,785	(11.8%)	(2.9%)
Current taxes	-	-	-	-	-%	-%
Deferred taxes	596,918	381,520	372,699	349,187	2.4%	9.3%
Other assets	1,292,199	825,909	840,499	911,666	(1.7%)	(9.4%)
Total Assets	54,999,163	35,152,715	37,006,645	35,800,252	(5.0%)	(1.8%)
Deposits and other demand liabilities	11,375,266	7,270,501	7,539,315	6,913,452	(3.6%)	5.2%
Cash items in process of being cleared	803,753	513,719	288,473	579,293	78.1%	(11.3%)
Obligations under repurchase agreements	230,799	147,515	212,437	62,412	(30.6%)	136.4%
Time deposits and other time liabilities	19,700,964	12,591,871	13,151,709	13,126,798	(4.3%)	(4.1%)
Financial derivatives contracts	3,045,831	1,946,743	2,292,161	2,649,431	(15.1%)	(26.5%)
Interbank borrowings	2,192,157	1,401,117	1,916,368	1,433,312	(26.9%)	(2.2%)
Issued debt instruments	10,795,996	6,900,261	7,326,372	6,889,770	(5.8%)	0.2%
Other financial liabilities	353,313	225,820	240,016	214,867	(5.9%)	5.1%
Current taxes	16,012	10,234	29,294	9,434	(65.1%)	8.5%
Deferred taxes	10,738	6,863	7,686	12,651	(10.7%)	(45.8%)
Provisions	433,541	277,098	308,982	265,255	(10.3%)	4.5%
Other liabilities	1,318,301	842,592	795,785	817,748	5.9%	3.0%
Total Liabilities	50,276,671	32,134,334	34,108,598	32,974,423	(5.8%)	(2.5%)
Equity						
Capital	1,394,513	891,303	891,303	891,303	-%	0.0%
Reserves	2,787,793	1,781,818	1,640,112	1,640,112	-%	8.6%
Valuation adjustments	(3,566)	(2,279)	6,640	8,091	-%	(128.2%)
Retained Earnings:						
Retained earnings from prior years	-	-	-	-	-%	-%
Income for the period	672,983	430,137	472,351	363,718	(8.9%)	18.3%
Minus: Provision for mandatory dividends	(201,895)	(129,041)	(141,700)	(109,115)	(8.9%)	18.3%
Total Shareholders' Equity	4,649,829	2,971,938	2,868,706	2,794,109	3.6%	6.4%
Non-controlling interest	72,664	46,443	29,341	31,720	58.3%	46.4%
Total Equity	4,722,492	3,018,381	2,898,047	2,825,829	4.2%	6.8%
Total Liabilities and Equity	54,999,163	35,152,715	37,006,645	35,800,252	(5.0%)	(1.8%)

1. The exchange rate used to calculate the figures in dollars was Ch\$639.15 / US\$1

Income statement

■ Unaudited YTD Income Statement

	Sept-17	Sept-17	Sept-16	Sept-17/Sept-16
	US\$ Ths ¹	Ch\$ Million		% Chg.
Interest income	2,400,293	1,534,147	1,610,714	(4.8%)
Interest expense	(866,709)	(553,957)	(645,997)	(14.2%)
Net interest income	1,533,584	980,190	964,717	1.6%
Fee and commission income	537,041	343,250	318,997	7.6%
Fee and commission expense	(204,157)	(130,487)	(127,710)	2.2%
Net fee and commission income	332,884	212,763	191,287	11.2%
Net income (expense) from financial operations	82,818	52,933	(292,184)	(118.1%)
Net foreign exchange gain	91,755	58,645	394,995	(85.2%)
Total financial transactions, net	174,572	111,578	102,811	8.5%
Other operating income	106,296	67,939	13,843	390.8%
Net operating profit before provisions for loan losses	2,147,336	1,372,470	1,272,658	7.8%
Provision for loan losses	(347,962)	(222,400)	(255,573)	(13.0%)
Net operating profit	1,799,374	1,150,070	1,017,085	13.1%
Personnel salaries and expenses	(461,364)	(294,881)	(293,827)	0.4%
Administrative expenses	(268,951)	(171,900)	(168,515)	2.0%
Depreciation and amortization	(86,784)	(55,468)	(46,547)	19.2%
Op. expenses excl. Impairment and Other operating expenses	(817,099)	(522,249)	(508,889)	2.6%
Impairment of property, plant and equipment	(8,830)	(5,644)	(95)	-%
Other operating expenses	(113,699)	(72,671)	(64,872)	12.0%
Total operating expenses	(939,629)	(600,564)	(573,856)	4.7%
Operating income	859,745	549,506	443,229	24.0%
Income from investments in associates and other companies	4,622	2,954	2,248	31.4%
Income before tax	864,367	552,460	445,477	24.0%
Income tax expense	(165,254)	(105,622)	(79,994)	32.0%
Net income from ordinary activities	699,113	446,838	365,483	22.3%
Net income discontinued operations	-	-	-	-%
Net income attributable to:				
Non-controlling interest	26,130	16,701	1,765	846.2%
Net income attributable to equity holders of the Bank	672,983	430,137	363,718	18.3%

1. The exchange rate used to calculate the figures in dollars was Ch\$639.13 / US\$1

Income statement

■ Unaudited Quarterly Income Statement

	3Q17	3Q17	2Q17	3Q16	3Q17/3Q16	3Q17/2Q17
	US\$ Ths ¹		Ch\$ Million			% Chg.
Interest income	718,617	459,304	550,875	535,777	(14.3%)	(16.6%)
Interest expense	(221,737)	(141,723)	(206,841)	(212,370)	(33.3%)	(31.5%)
Net interest income	496,880	317,581	344,034	323,407	(1.8%)	(7.7%)
Fee and commission income	175,840	112,388	115,567	108,842	3.3%	(2.8%)
Fee and commission expense	(69,289)	(44,286)	(43,729)	(44,418)	(0.3%)	1.3%
Net fee and commission income	106,551	68,102	71,838	64,424	5.7%	(5.2%)
Net income (expense) from financial operations	75,153	48,034	3,623	(158,191)	(130.4%)	1225.8%
Net foreign exchange gain	(13,444)	(8,593)	31,782	198,880	(104.3%)	(127.0%)
Total financial transactions, net	61,709	39,441	35,405	40,689	(3.1%)	11.4%
Other operating income	60,817	38,871	16,049	3,984	875.7%	142.2%
Net operating profit before provisions for loan losses	725,956	463,995	467,326	432,504	7.3%	(0.7%)
Provision for loan losses	(112,693)	(72,028)	(76,510)	(94,211)	(23.5%)	(5.9%)
Net operating profit	613,263	391,967	390,816	338,293	15.9%	0.3%
Personnel salaries and expenses	(157,796)	(100,855)	(101,350)	(99,643)	1.2%	(0.5%)
Administrative expenses	(92,365)	(59,035)	(54,383)	(54,830)	7.7%	8.6%
Depreciation and amortization	(29,833)	(19,068)	(18,778)	(16,359)	16.6%	1.5%
Op. expenses excl. Impairment and Other operating expenses	(279,994)	(178,958)	(174,511)	(170,832)	4.8%	2.5%
Impairment of property, plant and equipment	(8,284)	(5,295)	(165)	(10)	54619.1%	3109.1%
Other operating expenses	(29,215)	(18,673)	(35,181)	(16,628)	12.3%	(46.9%)
Total operating expenses	(317,494)	(202,926)	(209,857)	(187,470)	8.2%	(3.3%)
Operating income	295,769	189,041	180,959	150,823	25.3%	4.5%
Income from investments in associates and other companies	2,111	1,349	885	1,076	25.4%	52.4%
Income before tax	297,880	190,390	181,844	151,899	25.3%	4.7%
Income tax expense	(58,313)	(37,271)	(31,143)	(29,218)	27.6%	19.7%
Net income from ordinary activities	239,567	153,119	150,701	122,681	24.8%	1.6%
Net income discontinued operations	-	-	-	-		
Net income attributable to:						
Non-controlling interest	24,709	15,793	265	702	2149.7%	5859.6%
Net income attributable to equity holders of the Bank	214,857	137,326	150,436	121,979	12.6%	(8.7%)

1. The exchange rate used to calculate the figures in dollars was Ch\$639.15/ US\$1

Key indicators

Profitability and efficiency	9M17	9M16	Change bp
Net interest margin (NIM) ¹	4.4%	4.5%	-16
Efficiency ratio ²	40.2%	42.1%	-195
Return on avg. equity	19.7%	17.7%	+207
Return on avg. assets	1.6%	1.4%	+22
Core Capital ratio	10.7%	10.3%	+37
BIS ratio	13.6%	13.2%	+39
Return on RWA	2.1%	1.8%	+300

Asset quality ratios (%)	Sept'17	Sept'16	Change bp
NPL ratio ³	2.1%	2.1%	+5
Coverage of NPLs ratio ⁴	137.2%	145.9%	-870
Cost of credit ⁵	1.1%	1.4%	-36

Structure (#)	Sept'17	Sept'16	Change (%)
Branches	405	464	(12.7%)
ATMs	937	1,406	(33.4%)
Employees	11,052	11,557	(4.4%)

Market capitalization	sep-17	sep-16	Change (%)
Net income per share (Ch\$)	2.28	1.93	18.3%
Net income per ADR (US\$)	1.43	1.17	21.6%
Stock price (Ch\$/per share)	47.59	34.04	39.8%
ADR price (US\$ per share)	29.71	20.69	43.6%
Market capitalization (US\$m)	13,997	9,747	43.6%
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

Nuestra misión es contribuir al progreso de las personas y de las empresas.

Nuestra cultura se basa en la creencia de que todo lo que hacemos debe ser

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