



Santander

Tu banco

# Banco Santander Chile 2Q24 results

August 2, 2024



## Important information

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

**Note:** the information contained in this presentation is not audited and is presented in Chilean Bank GAAP which is similar to IFRS, but there are some differences. Please refer to our 2023 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

### 1| Macro Update

2| Chile First: Strategy 2023-2026

3| Balance sheet and results

4| Conclusions

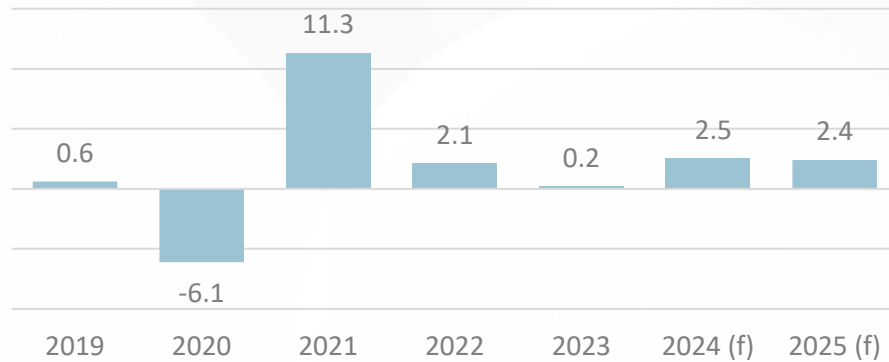
5| Annexes



# Macro view

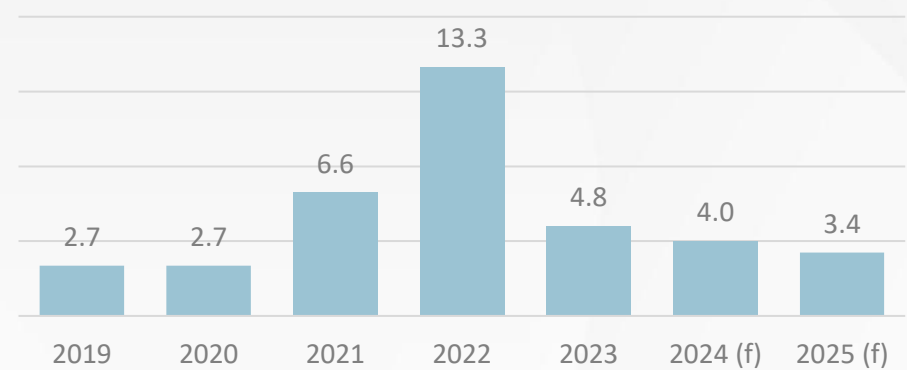
## GDP growth

Annual growth %



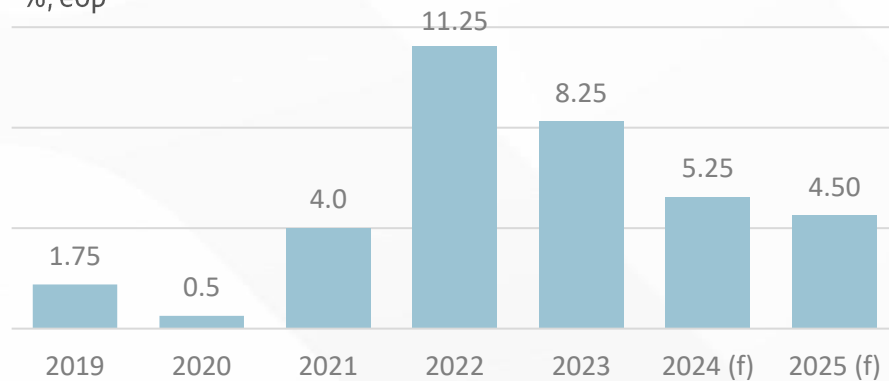
## Inflation

UF inflation, annual variation, %



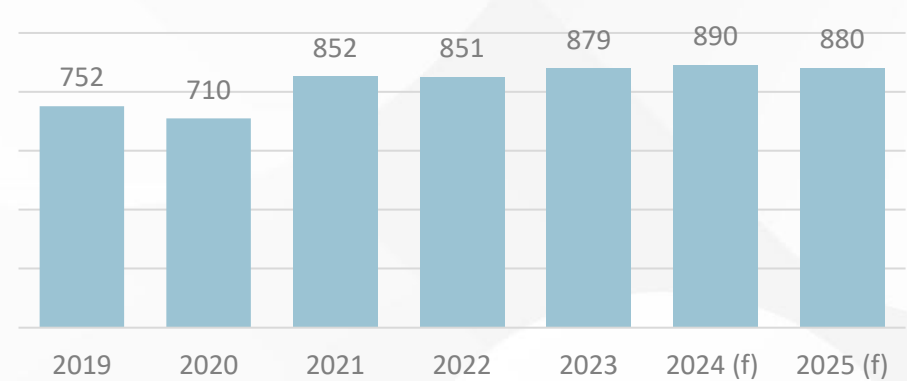
## Monetary Policy Rate

%, eop



## Exchange rate

\$/US\$ eop





## Update on proposed regulations

### Fiscal pact

A Tax Compliance Bill is being discussed in Congress with the aim of collecting 1.5% of GDP.

### Pension reform

A technical task force in the Senate is discussing a new proposal. Critical issues include an additional 6% contribution, the auction of the stock of affiliates, the division of the sector into investment managers and administrative support, among others.

### Fintech Law

New regulated entities/activities.

Open Finance System to share customer information with their consent. The CMF issued the final rule and considers an implementation period of 5 years.

### Fraud Law

Amendments to Fraud Law to avoid so-called banking “self-fraud”.

### Consolidated debt registry Law

Text establishes a registry of information on credit obligations with the aim of improving people's credit information.





## Agenda

- 1 | Macro Update
- 2 | **Chile First: Strategy 2023-2026**
- 3 | Balance sheet and results
- 4 | Conclusions
- 5 | Annexes



# Chile First Strategy: We have adjusted our structure to reflect our strategy

## WHAT we want to deliver

A Digital Bank with Work/Café...

...for more than 5 million clients and 450 thousand SMEs<sup>1</sup> based on state of the art technology and processes and collaborators centered on the customer.

Specialization and added value to create differentiation ...

...with a differential value-added service and offer for transactional products, FX and advisory.

## HOW we want to deliver

Sustained generation of new business opportunities...

...encouraging competition, looking for growth and leading the market in sustainable finance.

An organization that is agile, collaborative and high performance...

...the best place to work in Chile, attracting, developing and retaining exceptional people based on merit.



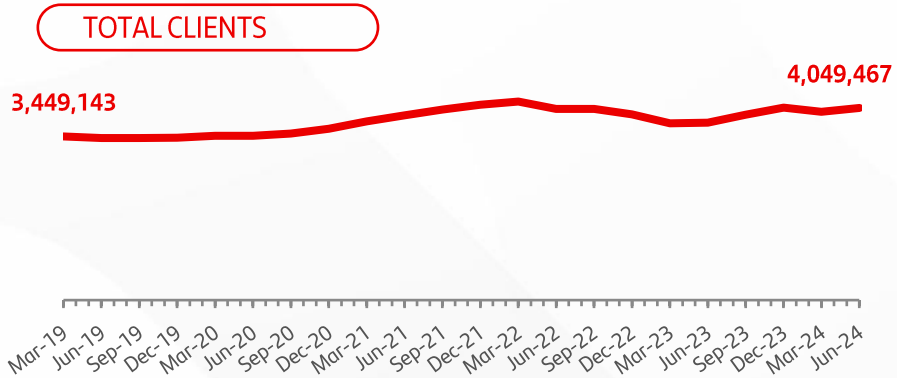
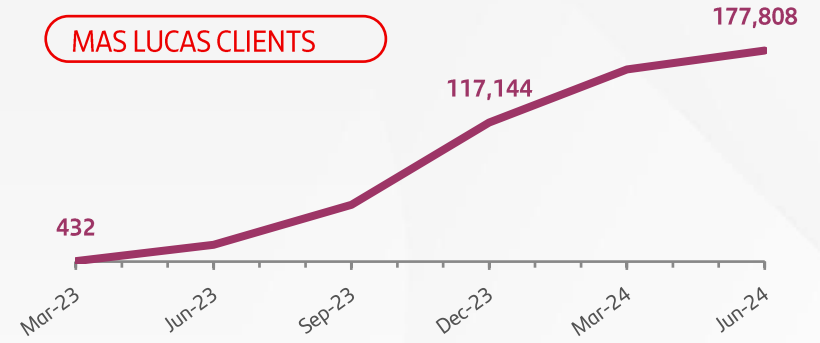
# A Digital Bank with Work/Cafés



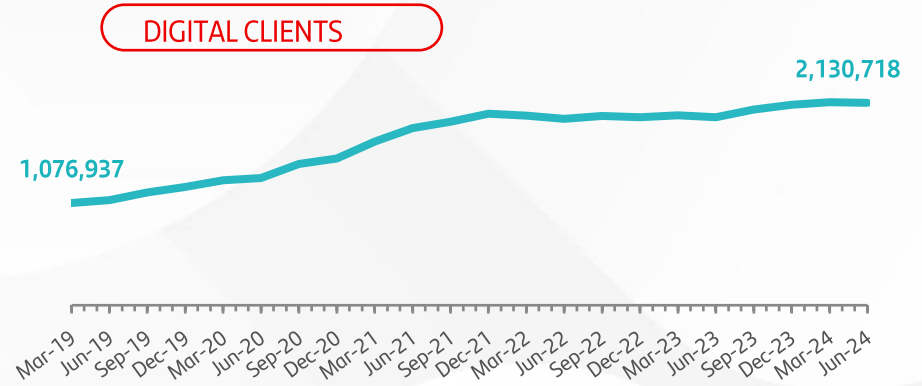
- Digital products for the non-bankerized populations that seek to part of the bank, receiving merits for the positive financial behaviours (through loans and savings).



- The first 100% digital sight and savings accounts for the mass market. Launched in March 2023.



**+4 million clients**



**+2.1 million digital clients**





# Digital initiatives and Work/Café boost productivity indicators



Work/Café   
Santander  
**Expresso**



Work/Café   
Santander  
**StartUp**



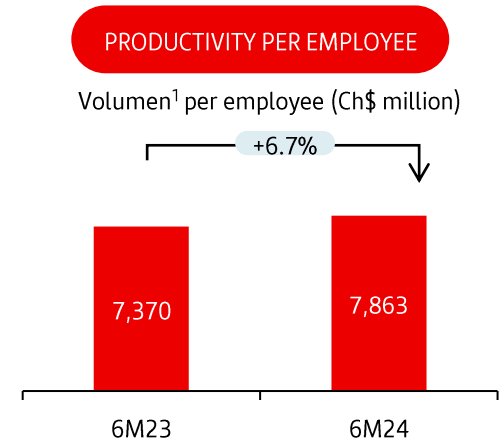
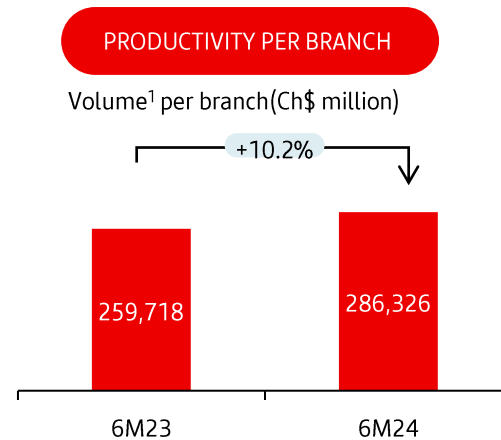
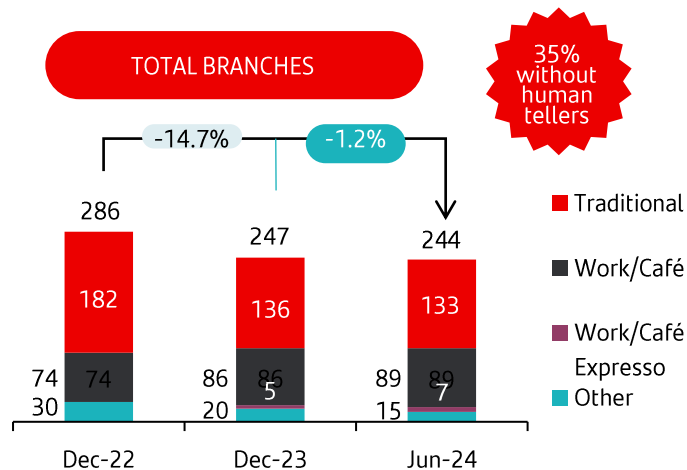
 **NEW 4Q**

Work/Café   
Santander  
**Inversiones**

- Consolidating cash services into the Work/Café Expresso.
- New transaction centers, removing tellers and replacing traditional branches.
- Private spaces for cashier interactions and self-service technology, in a Work/Café environment.
- Greater efficiency in the management of cash.
- Less waiting times.

- A branch dedicated to the StartUps
- Financial products that are specific to their needs
- Advice from an expert panel on the development of StartUp projects
- Support of fintechs with high potential
- Encourage the relationship between the StartUps and the Bank

- Work/Café model dedicated to investment advice for clients and potential clients
- Offers talks and workshops based on investment
- Support financial education and financial well being Open to everyone, independent of the amount they want to invest.



1. Volume= total loans + total deposits



# Specialization and added value for companies



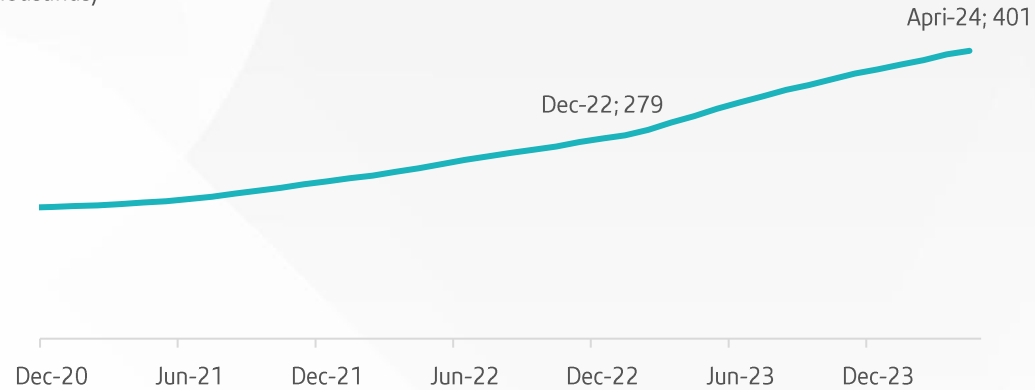
- For small and medium sized companies that want a current account for their business.



- Acquiring network that uses the four-part model to operate, offering an integrated payments solution to businesses.
- Focus on the development of companies of different sizes and improving the customer experience.
- More than 227k of active POS for a total of 170k merchants

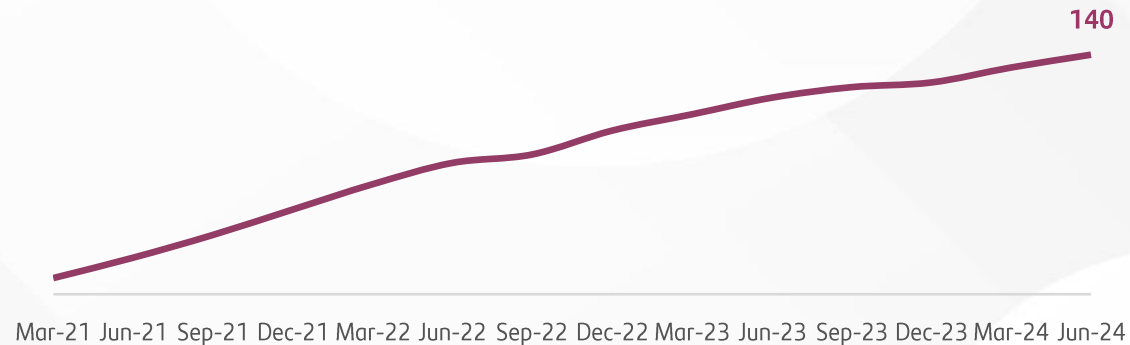
## NUMBER OF BUSINESS CURRENT ACCOUNTS

(Thousands)



## NUMBER OF SME GETNET CLIENTS

(Thousands)



**+29%**

YoY Business Current accounts

**37%**

Market share Current accounts

**+22%**

YoY SMES Getnet clients

1. Business accounts source: CMF data as of April 2024.



# New business opportunities



- Our Más Lucas account for 12-17 yr olds
- 100% digital sight account with a debit card
- Free of charge, with monthly interest gains



- Our online car insurance brokerage platform, now available for clients and non-clients
- Allows individuals to compare between difference insurance policies in a transparent and efficient way.



- Complementary health insurance with the UC Christus medical centers.
- Revolutionary medical assistance model in Chile, where clients have access to a head family doctor.



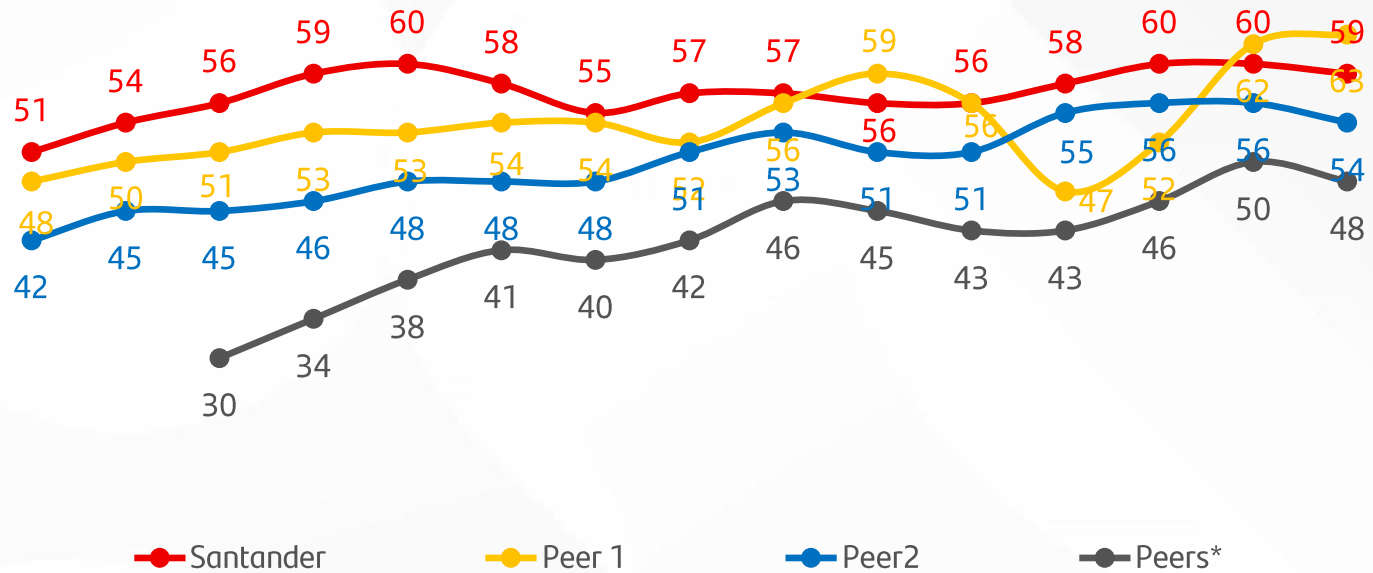
- A new platform to transfer money abroad to 28 countries.
- Safer and faster than Swift transfers
- Free of charge for our customers





# Leading our peers in NPS for the last 4 years

BENCHMARK NET PROMOTER SCORE (NPS)<sup>1</sup>



NET SATISFACTION (NS)<sup>1</sup>

75 points  
Application (App)

74 points  
Website

73 points  
Contact Center

1) Source: Benchmark Activa Research. The results are audited 2 times a year  
 2) Peers: BCI, Banco de Chile, Banco Estado, Itau, Scotiabank



# Highly recognized as leaders in our industry in Chile

## Recognitions

**EUROMONEY:** Best Bank in the country in

- SMEs
- ESG

**ALAS20:** First Place in Leading Company in Sustainability

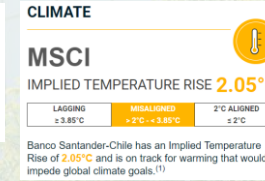
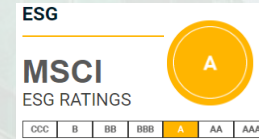


## Sustainable ratings and indexes

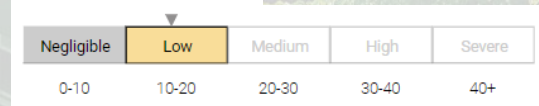
# #1

### Among Chilean banks

Including Chile, MILA, and Emerging Markets



**14.1** Low Risk



FTSE4Good

Included in Emerging Latam and Emerging Global

S&P IPSA ESG



Now a Part of S&P Global

Included in S&P IPSA ESG index, with the **third greatest weight** in the index





## Agenda

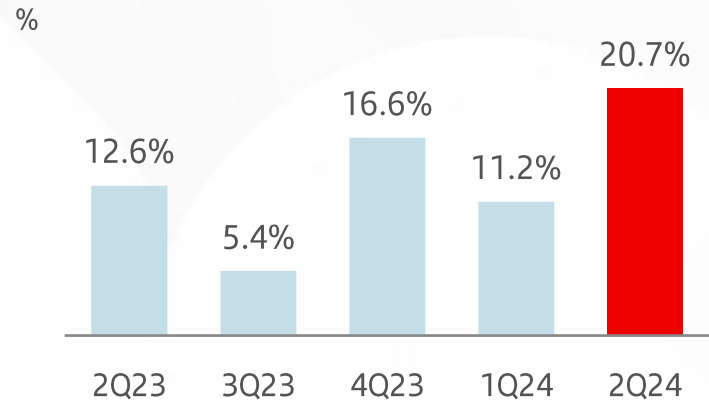
- 1 | Macro Update
- 2 | Chile First: Strategy 2023-2026
- 3 | Balance sheet and results**
- 4 | Conclusions
- 5 | Annexes



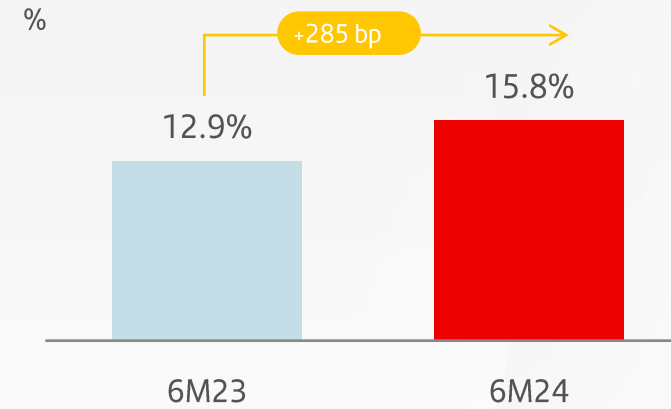


# Profitability and ROAE rebounding in 2Q24, YTD ROAE well within guidance

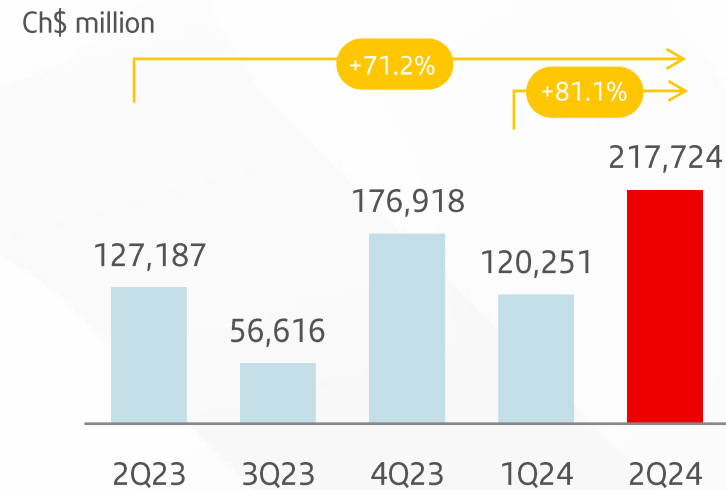
Quarterly ROAE



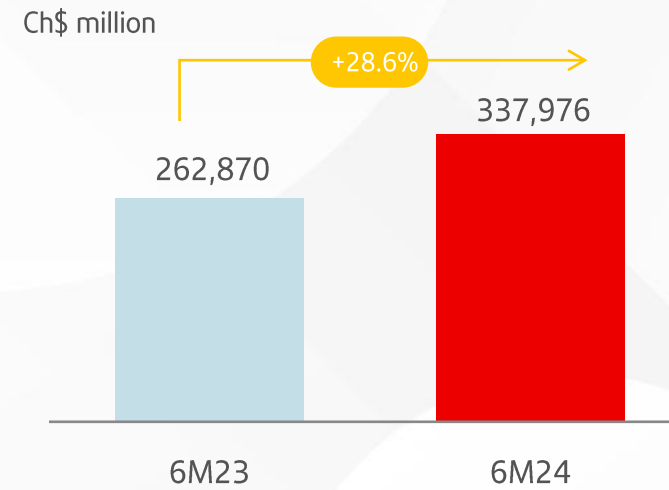
YTD ROAE



Quarterly net income attributable to shareholders



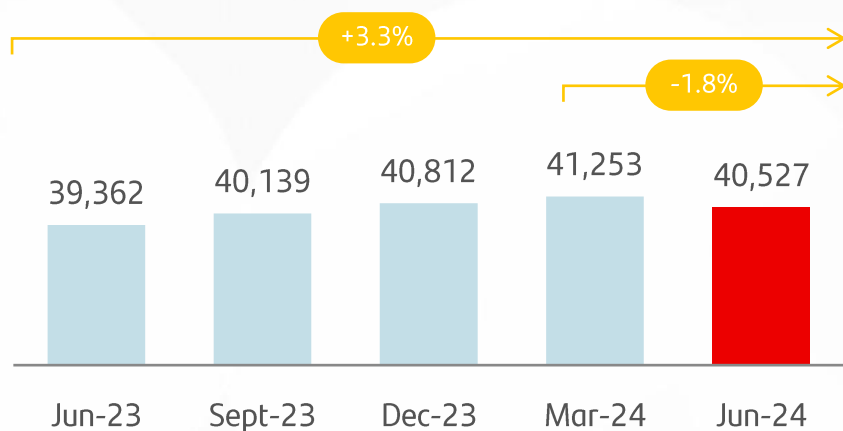
Accumulated net income attributable to shareholders





## Retail loans continue to grow steadily while commercial loans contract in the quarter

Total loans  
Ch\$bn



Total loans by product  
Ch\$ billion

	6M24	YoY	QoQ
Consumer	5,702	5.4%	1.2%
<i>Auto loans<sup>1</sup></i>	978	10.0%	7.2%
<i>Credit cards</i>	1,797	12.6%	0.9%
Mortgages	17,495	6.6%	1.3%
Commercial	17,327	(0.4%)	(5.5%)
<b>Total<sup>2</sup></b>	<b>40,527</b>	<b>3.3%</b>	<b>(1.8%)</b>

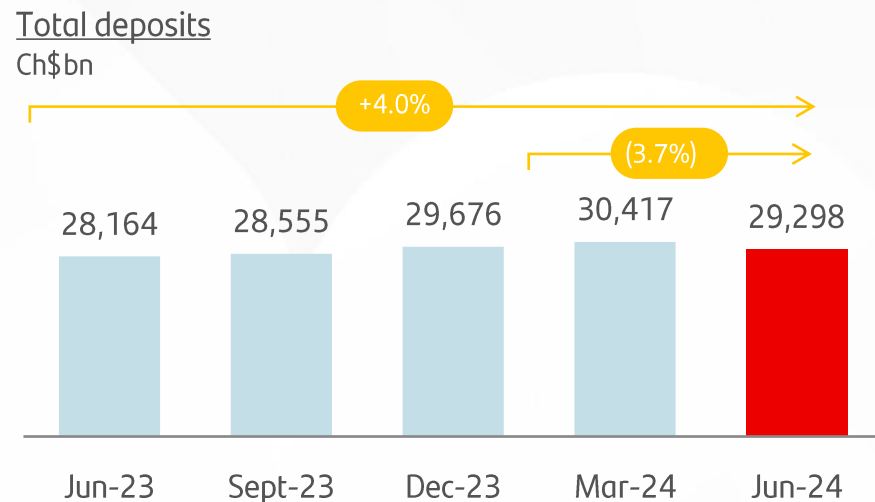
Total loans by segment

Ch\$ billion	6M24	YoY	QoQ
Retail	31,179	4.7%	1.2%
WM&I	780	13.0%	3.8%
Middle Market	5,798	(0.7%)	(5.6%)
Corporate (CIB)	2,370	(18.4%)	(28.7%)
<b>Total<sup>2</sup></b>	<b>40,527</b>	<b>3.3%</b>	<b>(1.8%)</b>

1. Santander Consumer Finance, auto loans. 2. Includes other interbank loans.



## Time deposits decrease 5.0% in the quarter as rates become less attractive



Ch\$ billion	6M24	YoY	QoQ
Demand deposits	13,231	(0.3%)	(2.1%)
Time deposits	16,067	7.9%	(5.0%)
<b>Total deposits</b>	<b>29,298</b>	<b>4.0%</b>	<b>(3.7%)</b>
Mutual funds <sup>1</sup>	12,463	39.3%	7.9%
Bonds	11,003	10.5%	1.7%
LCR <sup>2</sup>	187.1%		
NSFR <sup>2</sup>	102.3%		

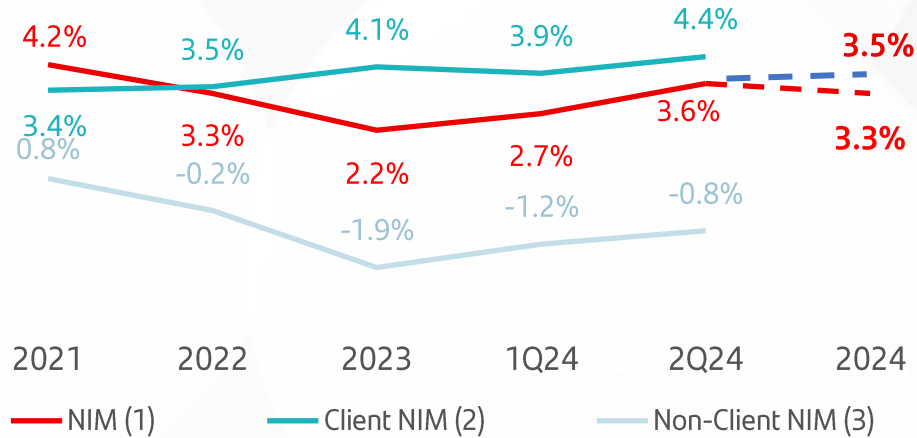
We received Ch\$6.2 trillion in FCIC from the Central Bank of Chile during the pandemic. This credit line had two maturities one was on April 1<sup>st</sup> (~55% of the total), and the second and final payment was on July 1<sup>st</sup>. We used the liquidity deposit programme facilitated by the Central Bank (HTC portfolio) to make both payments.





## NIM of 3.6% in 2Q24 and 3.1% YTD, as cost of funds falls and FCIC fades away

### NIM<sup>1</sup> & Inflation



### Net interest income

Ch\$ billion	6M24	YoY	QoQ
Net interest income	675	125.0%	17.1%
Net readjustment income	146	(36.9%)	81.8%
<b>Net income from interest and readjustments</b>	<b>820</b>	<b>54.5%</b>	<b>26.4%</b>
Avg. Int. earning assets	52,572	4.9%	(4.9%)
Average loans	41,066	4.6%	(0.1%)
Int. earning asset yield <sup>4</sup>	7.9%	-88bp	+29bp
Cost of funds <sup>5</sup>	5.0%	-207bp	-62bp
<b>NIM YTD</b>	<b>3.1%</b>	<b>+100bp</b>	<b>+88bp</b>

**Expected NIM of 3.3% - 3.5% for 2024 full year**

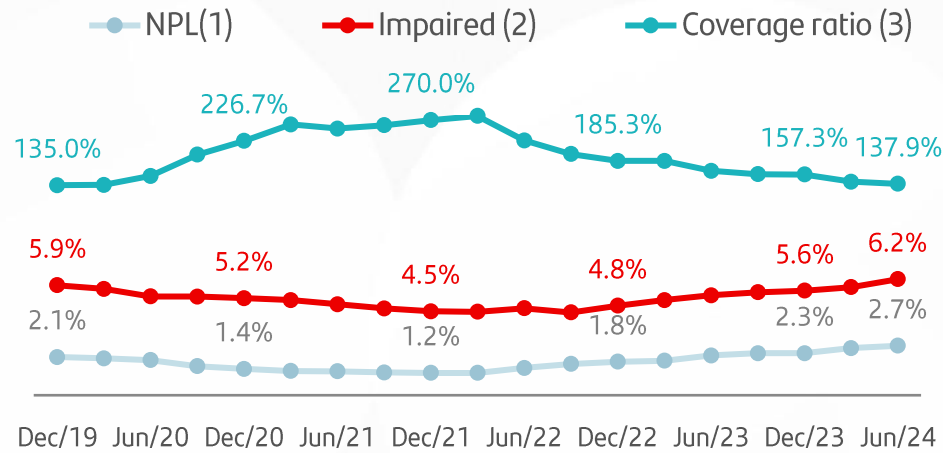
	2021	2022	2023	1Q24	2Q24	2024 (Estimated)
UF	6.6	13.3	4.8	0.8	1.3	4.0
Average MPR.	1.3	9.0	10.3	7.6	6.3	6.1

1. Annualized Net interest income divided by average interest earning assets (IEA). 2. NII from business segments divided by IEA 3. Non client NIM = Total NIM minus Client NIM 4. Annualized gross interest income divided by average interest earning assets. 5. Annualized interest expense divided by sum of average interest bearing liabilities, including non-interest bearing demand deposits.



# Asset quality levels: increasing NPLs in line with this part of the economic cycle.

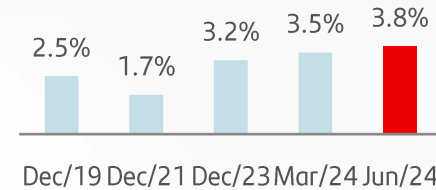
## Total loans



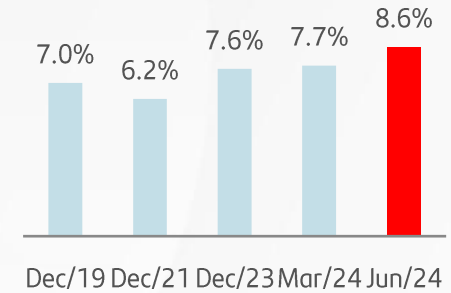
## Commercial loans

### NPL ratio

Coverage 123%



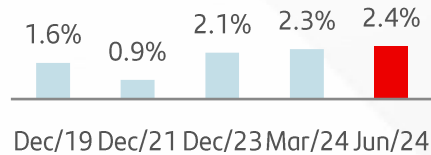
### Impaired ratio



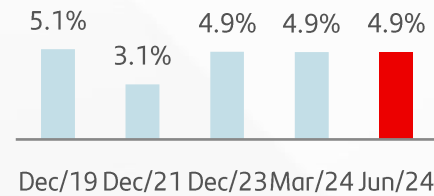
## Consumer loans

### NPL ratio

Coverage 354%



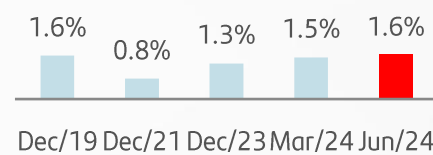
### Impaired ratio



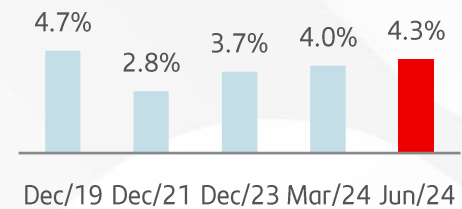
## Mortgage loans

### NPL ratio

Coverage 69%



### Impaired ratio



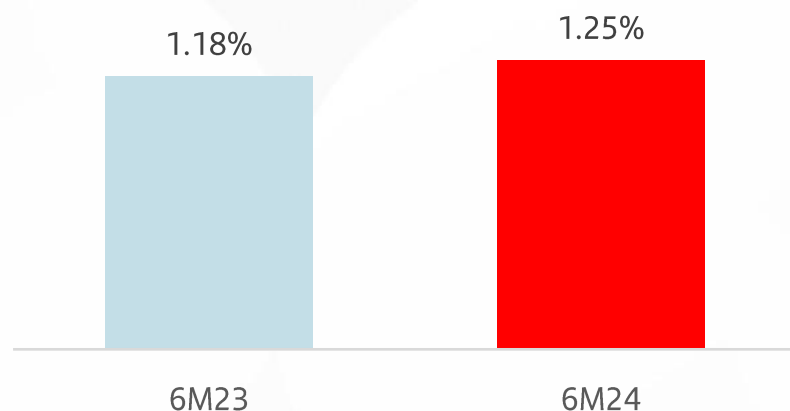
1. 90 days or more NPLs. 2. NPLs + restructured loans. 3. Loan loss reserves over NPLs, includes total additional provisions and regulatory requirements for Ch\$299 bn.



## Cost of Credit at 1.25% YTD

### Cost of risk<sup>1</sup>

%



### Provisions

Ch\$ billion	6M24	YoY	QoQ
Gross provisions and write-offs	(327.9)	18.3%	4.5%
Recoveries	70.9	52.1%	28.9%
<b>Provisions</b>	<b>(257.3)</b>	<b>11.1%</b>	<b>(1.0%)</b>
<b>Cost of risk(YTD)</b>	<b>1.25%</b>		

- All mortgage loans and 57% of commercial loans are collateralized.
- In July the Bank will recognize a one-time provision of Ch\$ 18 billion for the commercial portfolio due to an adjustment in the valuation of the guarantees. This represents approx. 2% in additional stock of commercial provisions.
- Cost of credit will remain contained at around 1.3% for full year 2024.

1. Cost of risk: Provision expense annualized divided by average loans. Includes additional provisions

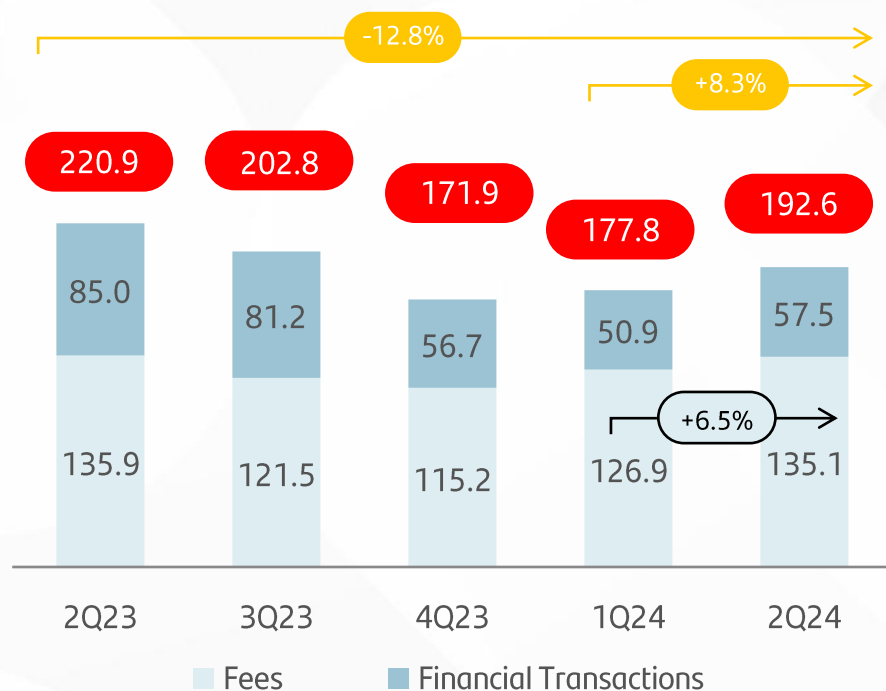




## Digital platforms drive client growth and fees in the quarter

### Fees and Financial Transactions

Ch\$bn



New interchange fee regulation started in October 2023. Estimated negative gross impact in 2024 is Ch\$ 25bn and in 2025 Ch\$47 bn

### Fees

Ch\$ billion	6M24	YoY	QoQ
Card fees	60.6	(3.8%)	12.6%
Getnet	29.9	41.2%	8.3%
Asset management	36.2	25.0%	4.0%
Collection fees	31.7	2.8%	0.5%
Insurance brokerage	31.5	(1.2%)	(7.7%)
Checking accounts	35.2	21.1%	5.1%
Guarantees, cont. op.	17.8	0.5%	25.7%
Others	49.0	(23.8%)	9.3%
<b>Total</b>	<b>262.0</b>	<b>(1.4%)</b>	<b>6.5%</b>

### Financial transactions

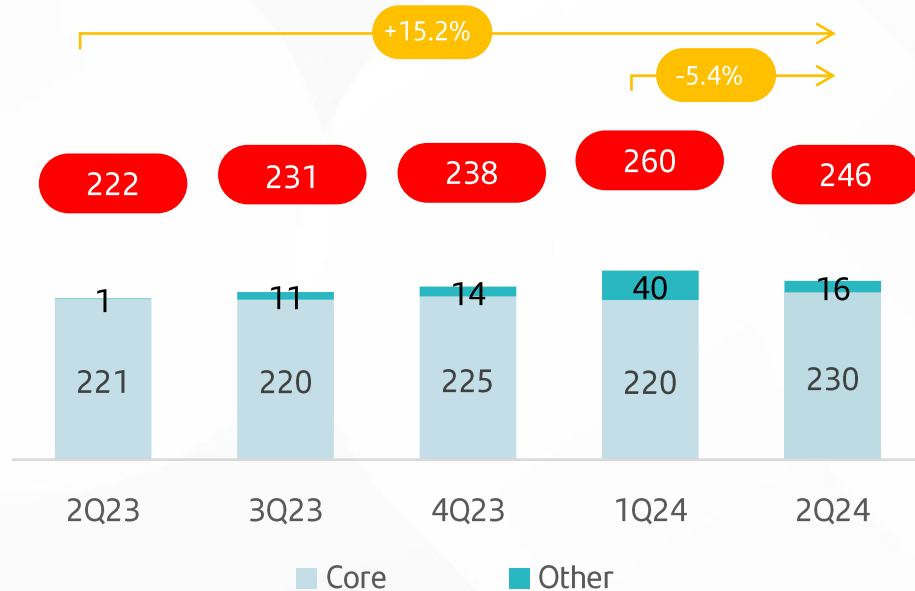
Ch\$ billion	6M24	YoY	QoQ
Client	130.6	1.6%	1.8%
Non-Client	(22.2)	--%	(39.7%)
<b>Total</b>	<b>108.4</b>	<b>(33.2%)</b>	<b>13.1%</b>



# Efficiency recovering to levels below 40% on the quarter as profitability increases

## Operating expenses

Ch\$bn



Ch\$ billion	6M24	YoY	QoQ
Personnel expenses	193.2	(8.5%)	12.3%
Administrative expenses	185.0	23.8%	0.5%
Investment amortization	71.2	0.3%	(3.8%)
<b>Total Core expenses</b>	<b>449.4</b>	<b>4.2%</b>	<b>4.7%</b>
Other operating expenses	56.2	652.4%	(60.3%)
<b>Operating expenses<sup>1</sup></b>	<b>505.6</b>	<b>15.2%</b>	<b>(5.4%)</b>
Efficiency ratio <sup>2</sup>	42.1%	-328bp	-984bp
Costs/assets	1.4%	-0,1bp	-2bp

The Bank recognized a provision of Ch\$ 17 billion in 1Q24 for restructuration related to the branch network and the advances in digital banking.

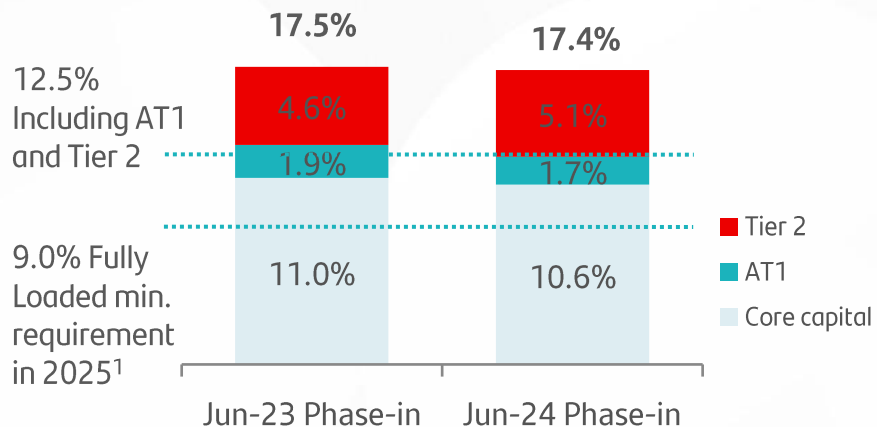
	2Q	3Q	4Q	1Q	2Q
Efficiency	46.3%	54.1%	43.1%	47.4%	37.6%

1. Operating expenses including impairment and other operating expenses. 2. Efficiency ratio: operating expenses including impairment and other operating expenses/ financial margin + fees+ financial transactions and net other operating income 22



# Solid capital levels with a BIS ratio at 17.4%

## Core capital & BIS ratio



## Current Phase-in of Basel III

	Dec-22	Dec-23	May-24	Dec-24	Dec-25
Minimum from Banking Law	4.5%	4.5%	4.5%	4.5%	4.5%
D- SIB	0.38%	0.75%	0.75%	1.13%	1.5%
<b>Minimum CET1</b>	<b>4.88%</b>	<b>5.25%</b>	<b>5.25%</b>	<b>5.63%</b>	<b>6.00%</b>
Conservation buffer	1.25%	1.88%	1.88%	2.5%	2.5%
Countercyclical buffer	0.0%	0.0%	0.5%	0.5%	0.5%
<b>Min. CET1 + Buffers</b>	<b>6.1%</b>	<b>7.1%</b>	<b>7.6%</b>	<b>8.6%</b>	<b>9.0%</b>
Pillar II (CET1, AT1 and Tier 2)	0.0%	0.0%	0.0%	0.0%	0.0%

## Increase in dividend provision in 2024

- In June 2024, we increased the dividend provision from 30% (legal minimum) to 60% (historic payout) for our 2024 income.
- This impact in our CET1 ratio of 26bp was normally seen at the end of 1Q.

## New requirements for Pillar II

- New requirements of Pillar II contemplate two main topics: Credit Concentration Risk (RCC in Spanish) and Banking Book Market Risk (RMLB in Spanish).
- CMF assigned different charges for these concepts to the banks. For Santander Chile, the charge is 0%.
- The measurement of the market risk of the banking book will continue to be discussed, and capital charges may be made in the coming years, based on the IAPE (self-assessment of effective equity) exercises carried out by the banks.

1. Includes systemic charge of 1.5% (Level II), and Pillar 2 of 0% according to current CMF requirements and regulatory phase-in of CET1 and RWAs.



## Agenda

- 1 | Macro Update
- 2 | Chile First: Strategy 2023-2026
- 3 | Balance sheet and results
- 4 | Conclusions**
- 5 | Annexes





# 2024 Guidance Update

	H1 '2024	2024 Targets	Updated 2024 Targets
Loan Growth	3.8% L12M <sup>1</sup>	Mid Single digit growth	Mid Single Digit growth
NIM	3.1%	~3.2%	<b>3.3% - 3.5%</b> <span style="float: right;">★ Upgraded</span>
Fees	7.6% L12M <sup>2</sup>	Mid Single Digit growth	Mid Single Digit growth
Efficiency / Expenses	Total expenses: 3.6% L12M <sup>3</sup>	Core expenses in line w/ Inflation	Efficiency: High 30% <sub>s</sub>
CoR	1.25%	~1.3%	~1.3%
ROAE	15.8%	15% - 17%	<b>17% - 18%</b> Long term ROAE 17%-19% <span style="float: right;">★ Upgraded</span>

1. Includes the effect of BANSAs deconsolidation (Ch\$ 219 billion) 2. Excludes the impact of the interchange fee regulation (Ch\$ 25 billion). 3. Excludes one-time expense in 1Q24 (Ch\$ 17 billion).

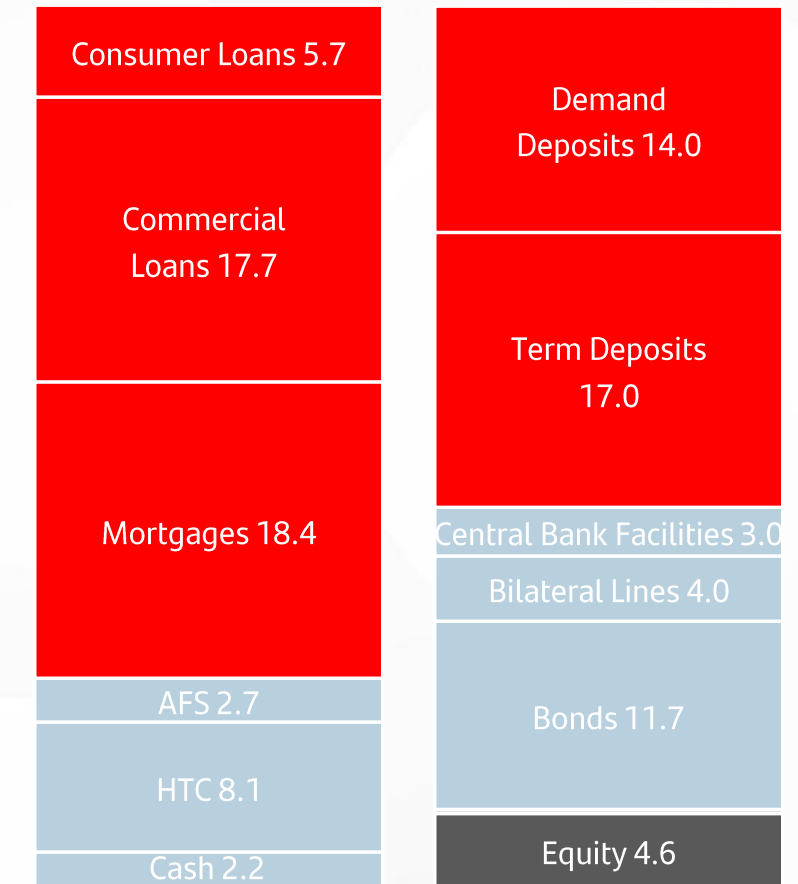




# Solid balance structure and liquidity levels

## Structural balance sheet

US\$bn, Jun 2024



Assets **USD 55 bn** Liabilities

## Balance Sheet sensitivities

### Inflation:

- Approx 58% of loans are linked to inflation.
- UF Gap is managed through some UF deposits and bonds, and hedges.

### Interest rates:

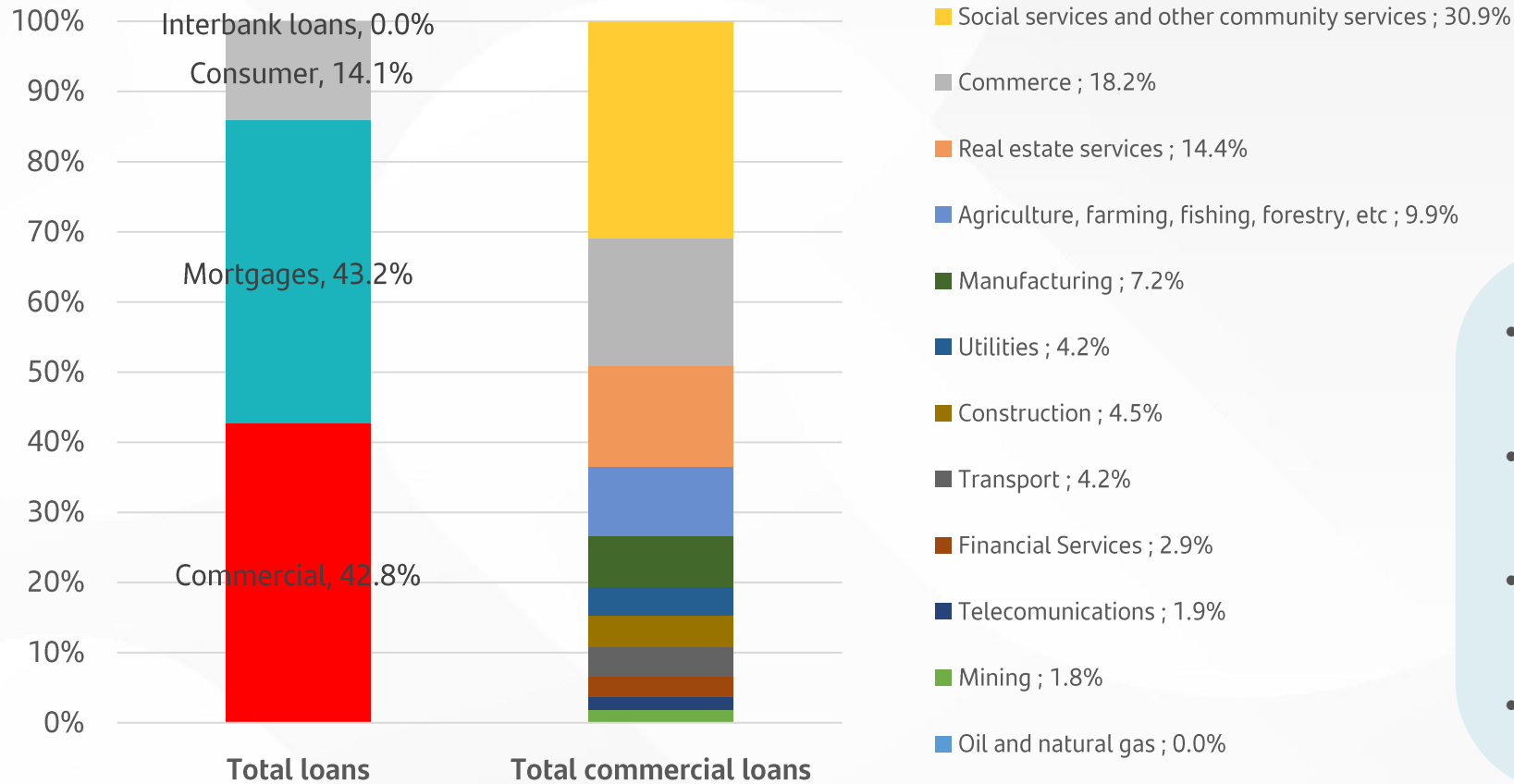
- Time deposits have an average maturity of 30-60 days.
- FCIC (swapped to variable rate) due April 1<sup>st</sup> and July 1<sup>st</sup> 2024.

### Effects of payment of FCIC

- No significant impact on our NII as we will be paying the FCIC (swapped to variable rate) with HTC (variable rate).
- Improvement in NIM due to a reduction of the balance sheet including interest earning assets.
- With the first payment in April, our interest earnings assets reduced 6%.



## A diversified and universal bank



- Loans: 60% Individuals / 40% companies
- 42% of loans are mortgage loans, at a fixed real rate (linked to UF).
- 99% loans booked in Chile with Chilean companies
- High diversification by sector.





## Agenda

- 1 | Macro Update
- 2 | Chile First: Strategy 2023-2026
- 3 | Balance sheet and results
- 4 | Conclusions
- 5 | Annexes



	Jun-24	Dec-23	Jun-24/Dec-23
	Ch\$ Million		% Chg.
<b>Assets</b>			
Cash and deposits in banks	2.038.249	2.723.282	(25,2%)
Cash items in process of collection	693.606	812.524	(14,6%)
Financial assets for trading at fair value through earnings	11.489.450	10.217.794	12,4%
<i>Financial derivative contracts</i>	11.363.981	10.119.486	12,3%
<i>Financial debt instruments</i>	125.470	98.308	27,6%
Financial assets at fair value through other comprehensive income	2.601.443	4.641.282	(43,9%)
<i>Financial debt instruments</i>	2.562.785	4.536.025	(43,5%)
<i>Other financial instruments</i>	38.658	105.257	(63,3%)
Financial derivative contracts for hedge accounting	680.107	605.529	12,3%
Financial assets at amortized cost	47.014.370	47.834.678	(1,7%)
<i>Investments under resale agreements</i>	67.372	-	--%
<i>Financial debt instruments</i>	7.609.556	8.176.895	(6,9%)
<i>Interbank loans, net</i>	1.953	68.326	(97,1%)
<i>Loans and account receivables from customers- Commercial</i>	16.646.509	18.071.657	(7,9%)
<i>Loans and account receivables from customers- Mortgage</i>	17.316.817	17.073.439	1,4%
<i>Loans and account receivables from customers- Consumer</i>	5.372.164	5.598.350	(4,0%)
Investments in associates and other companies	57.528	55.284	4,1%
Intangible assets	90.373	97.551	(7,4%)
Property, plant and equipment	200.396	198.744	0,8%
Assets with leasing rights	133.927	153.528	(12,8%)
Current taxes	72	146	(50,8%)
Deferred taxes	444.565	428.549	3,7%
Other assets	2.764.128	3.046.607	(9,3%)
Non-current assets and groups for sale	53.806	42.390	26,9%
<b>TOTAL ASSETS</b>	<b>68.262.019</b>	<b>70.857.886</b>	<b>(3,7%)</b>



	Jun-24	Dec-23	Jun-24/Dec-23
	Ch\$ Million		% Chg.
<b>LIABILITIES</b>			
Cash items in process of being cleared	625.813	775.082	(19,3%)
Financial liabilities for trading at fair value through earnings	11.329.936	9.521.575	19,0%
<i>Financial derivative contracts</i>	11.329.936	9.521.575	19,0%
Financial derivative contracts for hedge accounting	943.843	2.466.767	(61,7%)
Financial liabilities at amortized cost	45.470.062	48.622.170	(6,5%)
<i>Deposits and other demand liabilities</i>	13.230.749	13.537.826	(2,3%)
<i>Time deposits and other time liabilities</i>	16.067.191	16.137.942	(0,4%)
<i>Obligations under repurchase agreements</i>	534.938	282.584	89,3%
<i>Interbank borrowings</i>	6.966.385	10.366.499	(32,8%)
<i>Issued debt instruments</i>	8.483.557	8.001.045	6,0%
<i>Other financial liabilities</i>	187.242	296.273	(36,8%)
Obligations for leasing contracts	86.641	104.516	(17,1%)
Financial instruments of issued regulatory capital	2.519.094	2.422.659	4,0%
Provisions for contingencies	83.838	108.781	(22,9%)
Provisions for dividend, payment of interest and re-appreciation of financial instruments of issued regulatory capital	208.210	154.033	35,2%
Special provisions for credit risk	340.062	339.334	0,2%
Current taxes	37.091	163.878	(77,4%)
Deferred taxes	-	3.547	(100,0%)
Other liabilities	2.320.940	1.683.650	37,9%
<b>TOTAL LIABILITIES</b>	<b>63.965.529</b>	<b>66.365.993</b>	<b>(3,6%)</b>
<b>EQUITY</b>			
Capital	<b>891.303</b>	<b>891.303</b>	<b>0,0%</b>
Reserves	3.232.505	3.115.239	3,8%
Accumulated other comprehensive income	(98.861)	(5.242)	1786,0%
<i>Elements that will not be reclassified to earnings</i>	1.353	1.369	(1,2%)
<i>Elements that can be reclassified to earnings</i>	(100.214)	(6.611)	1415,9%
Retained earnings from prior years	39.679	23.487	68,9%
Income from the period	337.976	496.404	(31,9%)
Provisions for dividend, payment of interest and re-appreciation of financial instruments of issued regulatory capital	(208.210)	(154.033)	35,2%
<b>Total Shareholders' Equity</b>	<b>4.194.393</b>	<b>4.367.159</b>	<b>(4,0%)</b>
Non-controlling interest	102.098	124.735	(18,1%)
<b>EQUITY</b>	<b>4.296.490</b>	<b>4.491.893</b>	<b>(4,4%)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>68.262.019</b>	<b>70.857.886</b>	<b>(3,7%)</b>



	Jun-24	Jun-23	Jun-24/Jun-23
	\$ Millions		% Var.
Interest income	1,863,672	1,872,235	(0.5%)
Interest expenses	(1,188,946)	(1,572,313)	(24.4%)
<b>Net interest income</b>	<b>674,726</b>	<b>299,922</b>	<b>125.0%</b>
Readjustment income	210,807	326,601	(35.5%)
Readjustment expenses	(65,084)	(95,531)	(31.9%)
<b>Net income from readjustments</b>	<b>145,723</b>	<b>231,070</b>	<b>(36.9%)</b>
<b>Net income from interest and readjustments</b>	<b>820,449</b>	<b>530,993</b>	<b>54.5%</b>
Fee and commission income	464,122	414,852	11.9%
Fee and commission expenses	(202,099)	(148,996)	35.6%
<b>Net fee and commission income</b>	<b>262,023</b>	<b>265,857</b>	<b>(1.4%)</b>
Financial assets not for trading	(10,006)	127,094	(107.9%)
Result from derecognition of financial assets and liabilities at amortized cost and of financial assets at fair value with changes in other comprehensive income	(45,320)	(35,382)	7326.6%
Changes, readjustments and hedge accounting in foreign currency	163,707	70,626	131.8%
<b>Net financial result</b>	<b>108,382</b>	<b>162,338</b>	<b>(33.2%)</b>
Income from investments in associates and other companies	4,210	4,197	0.3%
Results from non-current assets and non-continued operations	(543)	2,195	(124.7%)
Other operating income	6,817	2,123	221.1%
<b>Total operating income</b>	<b>1,201,338</b>	<b>967,703</b>	<b>24.1%</b>
Personnel expenses	(193,240)	(211,141)	(8.5%)
Administration expenses	(185,013)	(149,385)	23.8%
Depreciation and amortization	(71,183)	(70,979)	0.3%
Impairment of non-financial assets	—	-	—%
Other operational expenses	(56,151)	(7,463)	652.4%
<b>Total operating expenses</b>	<b>(505,587)</b>	<b>(438,969)</b>	<b>15.2%</b>
<b>Operating income before credit losses</b>	<b>695,751</b>	<b>528,734</b>	<b>31.6%</b>
Provisions for credit risk owed by banks and loans and accounts receivable from customers	(327,615)	(277,209)	18.2%
Expense for special provisions for credit risk	(332)	65	(610.8%)
Recovery of written off loans	70,906	46,618	52.1%
Impairment due to credit risk of other financial assets at amortized cost and financial assets at fair value with changes in other comprehensive income	(235)	(1,061)	45.8%
<b>Credit loss expense</b>	<b>(257,276)</b>	<b>(231,587)</b>	<b>11.1%</b>
<b>Net income from ordinary activities before tax</b>	<b>438,475</b>	<b>297,146</b>	<b>47.6%</b>
Income tax	(94,779)	(24,524)	286.5%
<b>Consolidated profit for the period</b>	<b>343,696</b>	<b>272,623</b>	<b>26.1%</b>
<b>Income attributable to shareholders</b>	<b>337,976</b>	<b>262,870</b>	<b>28.6%</b>
<b>Income attributable to non-controlling interest</b>	<b>5,720</b>	<b>9,753</b>	<b>(41.4%)</b>



	2Q24	1Q24	2Q23	2Q24/2Q23	2Q24/1Q24
	\$ Millions			% Var.	
Interest income	882,798	980,875	948,735	(6.9%)	(10.0%)
Interest expenses	(518,798)	(670,148)	(824,157)	(37.1%)	(22.6%)
<b>Net interest income</b>	<b>363,999</b>	<b>310,727</b>	<b>124,578</b>	<b>192.2%</b>	<b>17.1%</b>
Readjustment income	147,766	63,041	178,137	(17.0%)	134.4%
Readjustment expenses	(53,754)	(11,330)	(48,603)	10.6%	991.5%
<b>Net income from readjustments</b>	<b>94,012</b>	<b>51,711</b>	<b>129,534</b>	<b>(27.4%)</b>	<b>81.8%</b>
<b>Net income from interest and readjustments</b>	<b>458,011</b>	<b>362,438</b>	<b>254,111</b>	<b>80.2%</b>	<b>26.4%</b>
Fee and commission income	234,375	229,747	205,676	14.0%	2.0%
Fee and commission expenses	(99,266)	(102,832)	(69,755)	42.3%	(3.5%)
<b>Net fee and commission income</b>	<b>135,109</b>	<b>126,914</b>	<b>135,921</b>	<b>(0.6%)</b>	<b>6.5%</b>
Financial assets not for trading	(8,322)	(1,684)	(6,147)	(108.9%)	(66.1%)
Result from derecognition of financial assets and liabilities at amortized cost and of financial assets at fair value with changes in other comprehensive income	316	(45,636)	1,179	(73.2%)	(2646.5%)
Changes, readjustments and hedge accounting in foreign currency	65,520	98,187	89,935	(27.1%)	(33.3%)
<b>Net financial result</b>	<b>57,514</b>	<b>50,867</b>	<b>84,967</b>	<b>(32.3%)</b>	<b>13.1%</b>
Income from investments in associates and other companies	2,832	1,377	2,655	6.7%	105.7%
Results from non-current assets and non-continued operations	(573)	30	(734)	14.7%	(2010.0%)
Other operating income	886	5,931	1,579	(43.9%)	(21.3%)
<b>Total operating income</b>	<b>653,780</b>	<b>547,558</b>	<b>478,500</b>	<b>36.6%</b>	<b>19.4%</b>
Personnel expenses	(102,220)	(91,020)	(113,927)	(10.3%)	12.3%
Administration expenses	(92,750)	(92,262)	(72,088)	28.7%	0.5%
Depreciation and amortization	(34,908)	(36,274)	(34,932)	(0.1%)	(3.8%)
Impairment of non-financial assets	-	-	-	—%	—%
Other operational expenses	(15,952)	(40,199)	(695)	2195.3%	(60.3%)
<b>Total operating expenses</b>	<b>(245,830)</b>	<b>(259,756)</b>	<b>(221,641)</b>	<b>10.9%</b>	<b>(5.4%)</b>
<b>Operating income before credit losses</b>	<b>407,950</b>	<b>287,801</b>	<b>256,858</b>	<b>58.8%</b>	<b>41.7%</b>
Provisions for credit risk owed by banks and loans and accounts receivable from customers	(165,958)	(161,657)	(145,170)	14.3%	2.7%
Expense for special provisions for credit risk	(1,657)	1,325	1,419	(216.8%)	(225.1%)
Recovery of written off loans	39,923	30,983	26,305	51.8%	28.9%
Impairment due to credit risk of other financial assets at amortized cost and financial assets at fair value with changes in other comprehensive income	(331)	95	108	7.1%	(448.4%)
<b>Credit loss expense</b>	<b>(128,023)</b>	<b>(129,253)</b>	<b>(117,339)</b>	<b>9.1%</b>	<b>(1.0%)</b>
<b>Net income from ordinary activities before tax</b>	<b>279,927</b>	<b>158,548</b>	<b>139,519</b>	<b>100.6%</b>	<b>76.6%</b>
Income tax	(59,274)	(35,505)	(6,686)	(355.7%)	66.9%
<b>Consolidated profit for the period</b>	<b>220,653</b>	<b>123,043</b>	<b>132,834</b>	<b>66.1%</b>	<b>79.3%</b>
<b>Income attributable to shareholders</b>	<b>217,724</b>	<b>120,251</b>	<b>127,187</b>	<b>71.2%</b>	<b>81.1%</b>
<b>Income attributable to non-controlling interest</b>	<b>2,928</b>	<b>2,792</b>	<b>5,647</b>	<b>(48.1%)</b>	<b>4.9%</b>





<b>Profitability and efficiency</b>	<b>Jun-24</b>	<b>Jun-23</b>	<b>Variation bp</b>
Net interest margin (NIM) <sup>1</sup>	3.1%	2.1%	100
Recurrence <sup>2</sup>	51.8%	60.6%	(874)
Efficiency ratio <sup>3</sup>	42.1%	45.4%	(328)
Return on avg. equity <sup>4</sup>	15.8%	12.9%	295
Return on avg. assets <sup>5</sup>	0.9%	0.8%	18
Return on RWA <sup>6</sup>	1.7%	1.4%	31
<b>Asset quality ratios (%)</b>	<b>Jun-24</b>	<b>Jun-23</b>	<b>Variation bp</b>
NPL ratio <sup>7</sup>	2.7%	2.1%	53
Coverage of NPLs ratio <sup>8</sup>	137.9%	165.0%	(2,706)
Cost of credit <sup>9</sup>	1.25%	1.18%	7
<b>Capital indicators</b>	<b>Jun-24</b>	<b>Dec-23</b>	<b>Variation</b>
Risk-weighted assets	39,756,279	39,552,229	0.5%
Common Equity	4,226,325	4,397,881	(3.9%)
Regulatory capital	6,900,399	6,978,733	(1.1%)
Core capital ratio <sup>10</sup>	10.6%	11.1%	(49)
Tier I ratio <sup>11</sup>	1.7%	1.5%	11
Tier II ratio <sup>12</sup>	5.1%	5.0%	9
BIS ratio <sup>13</sup>	17.4%	17.6%	(29)
<b>Clients and service channels (#)</b>	<b>Jun-24</b>	<b>Jun-23</b>	<b>% Variation</b>
Total clients <sup>14</sup>	4,049,467	3,737,056	8.4%
Active clients	2,492,061	2,186,435	14.0%
Loyal clients <sup>15</sup>	1,295,260	835,886	55.0%
Digital clients <sup>16</sup>	2,130,718	1,979,248	7.7%
Branches	244	260	(6.2%)
Employees	9	9	(3.0%)
<b>Market capitalization (YTD)</b>	<b>Jun-24</b>	<b>Jun-23</b>	<b>% Variation</b>
Net income per share (Ch\$)	1.79	1.39	28.6%
Net income per ADR (US\$)	0.76	0.70	9.3%
Stock price (Ch\$/per share)	44	37.94	16.5%
ADR price (US\$ per share)	18.83	18.85	(0.1%)
Market capitalization (US\$mn)	8,871	8,895	(0.3%)
Shares outstanding (millions)	188,446.1	188,446.1	—%
ADRs (1 ADR = 400 shares) (millions)	471.1	471.1	—%