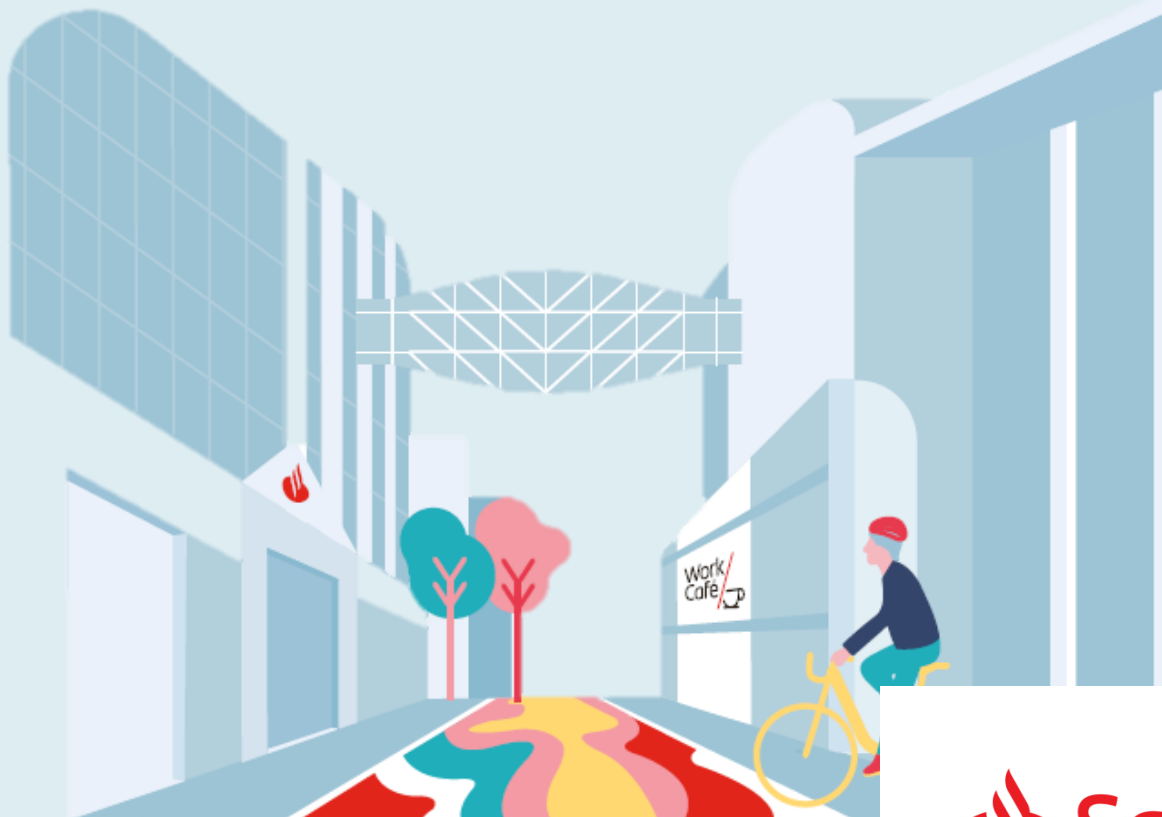


Banco Santander Chile

Positive growth outlook in a stable environment



May 2019



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 2018 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



Growth Strategy



Latest Results



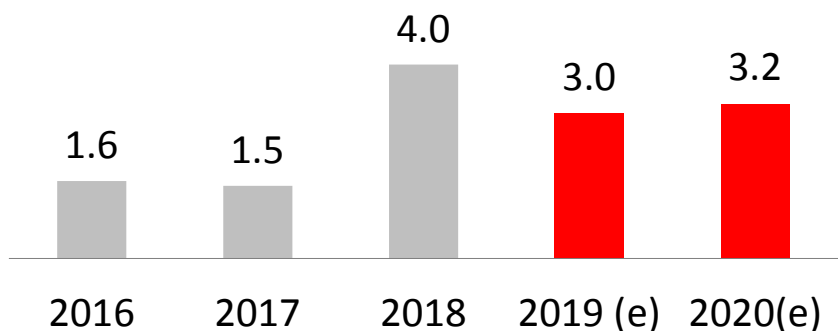
Outlook

Macroeconomic environment

Economic growth is expected to improve...

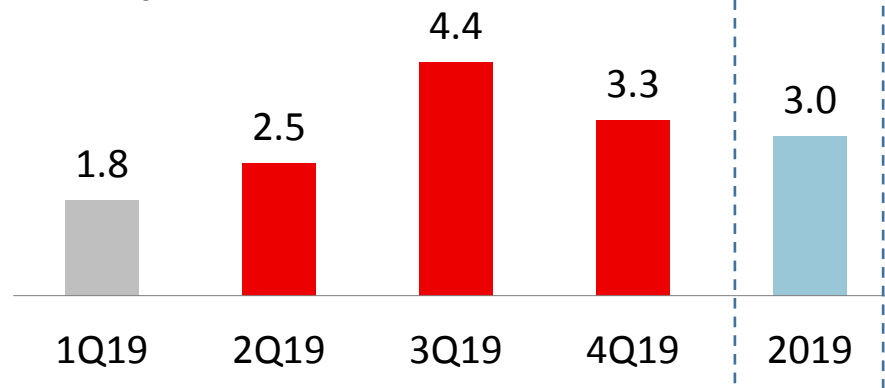
GDP

YoY real growth, %



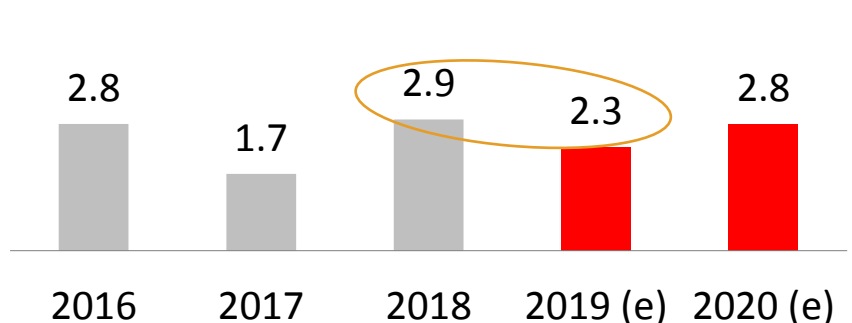
Quarterly GDP

YoY real growth, %



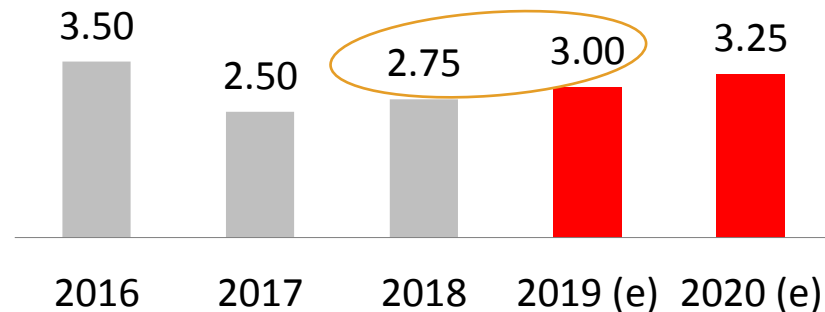
Inflation

Annual change in UF inflation, %



Central Bank ST Reference Rate

%

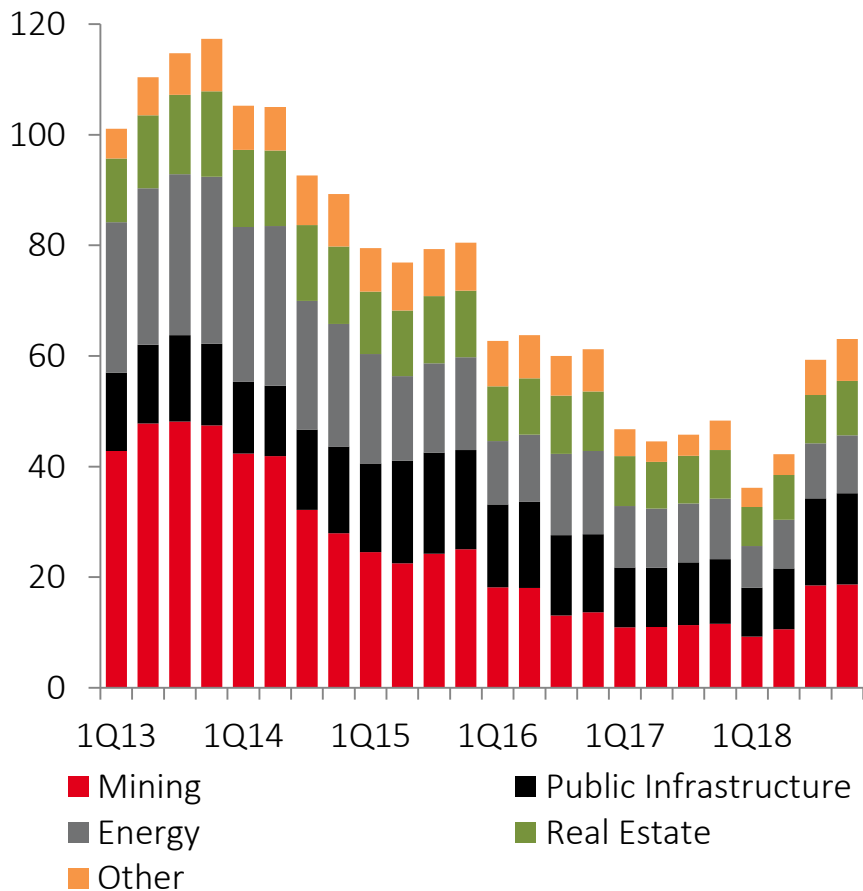


Macroeconomic environment

...with a pick up in investment in various sectors

Five year investment portfolio

US\$bn

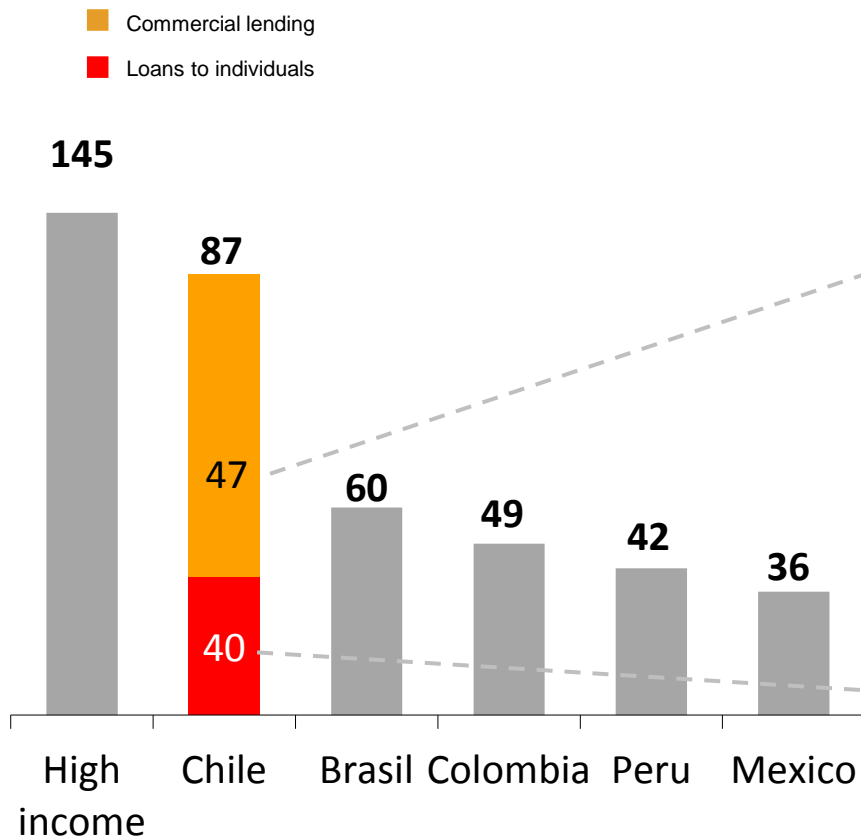


Growth by Sectors (YoY growth, %)

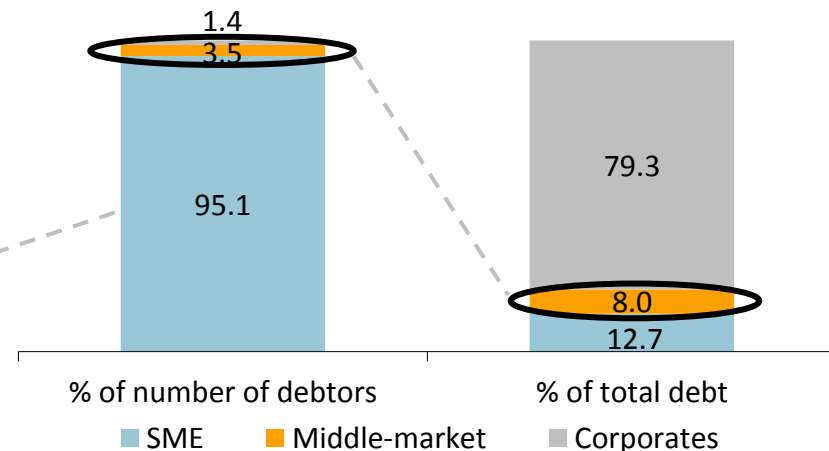
| | 2017 | 2018 | 2019 (f) | 2020 (f) |
|----------------|------------|------------|------------|------------|
| Agro/Fishing | 1.8 | 5.7 | 3.3 | 3.3 |
| Mining | -1.8 | 5.2 | 0.0 | 1.2 |
| Manufacturing | 1.8 | 3.9 | 1.6 | 1.7 |
| Construction | -3.2 | 3.2 | 5.6 | 5.2 |
| Utilities | 5.6 | 5.0 | 2.7 | 2.9 |
| Commerce | 2.6 | 5.0 | 3.8 | 4.0 |
| Transportation | 2.0 | 4.4 | 3.6 | 3.3 |
| Communications | 3.4 | 4.7 | 3.4 | 3.1 |
| Services | 1.2 | 3.6 | 3.5 | 3.4 |
| Public Admin. | 2.0 | 1.1 | 1.9 | 3.1 |
| GDP | 1.3 | 4.0 | 3.0 | 3.2 |

High growth potential in Middle-market, SME and Individuals

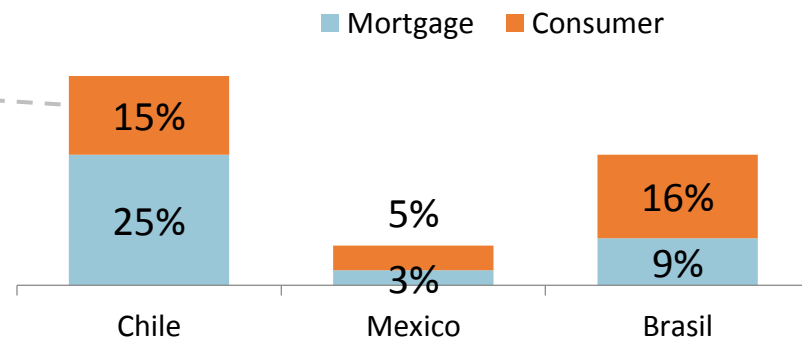
Loans to GDP, 2018 (%)¹



Commercial lending by type of client

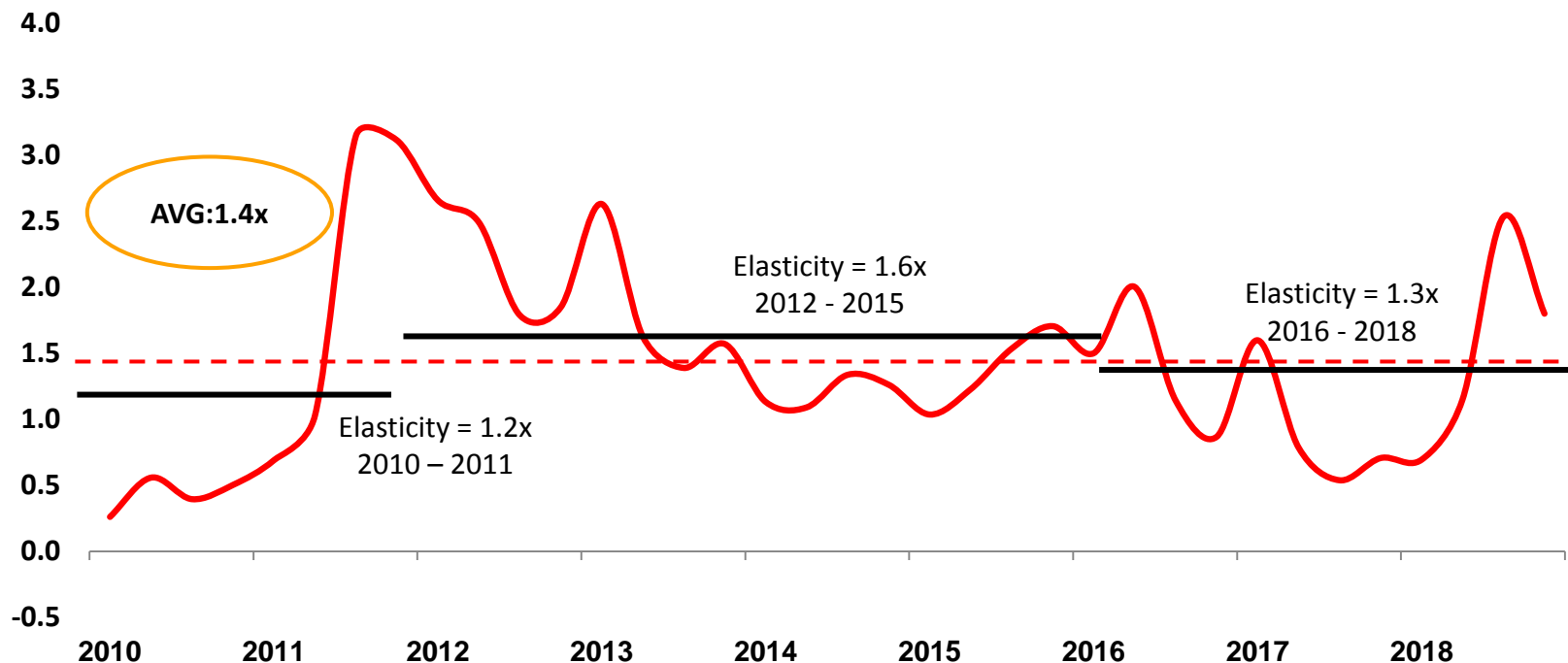


Individual loans penetration



Loans expected to grow 8-10% in 2019

Loan growth multiplier¹



Loans should continue to grow 1.4 times GDP

Agenda

Macro-economic Environment

Growth Strategy

Latest Results

Outlook

Santander Chile is the nation's leading bank

Figures in US\$



| Business and Results | 3M19 (US\$) | YoY |
|--------------------------------|-------------|--------------------|
| Gross Loans | 45.0 bn | 8.0% |
| Deposits | 31.6 bn | 6.8% |
| Equity | 5.0 bn | 4.8% |
| Net income (LTM) ¹ | 833 mn | -2.7% |
| Network and Customers | 3M19 | Market Share |
| Clients | 3.5 mn | 21.4% ² |
| Digital Clients | 1.1 mn | 31.5% ³ |
| Offices | 380 | 18.1% |
| Market Share | 3M19 | Rank |
| Loans ⁴ | 18.4% | 1 |
| Deposits ⁴ | 18.0% | 1 |
| Checking accounts ² | 21.4% | 1 |
| Bank credit cards ⁵ | 30.0% | 1 |

1. Net income attributable to shareholder, Last Twelve Months 2. Market share of clients with checking accounts, as of January 2019. 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 January 2019. 4. Excludes loans and deposits of Chilean banks held abroad, as of March 2019. Source: SBIF. 5. Market share in terms of monetary amount of credit card purchases, as of February 2019.

2 objectives for healthy growth / higher profitability

I



Re-focusing on growth as economy recovers

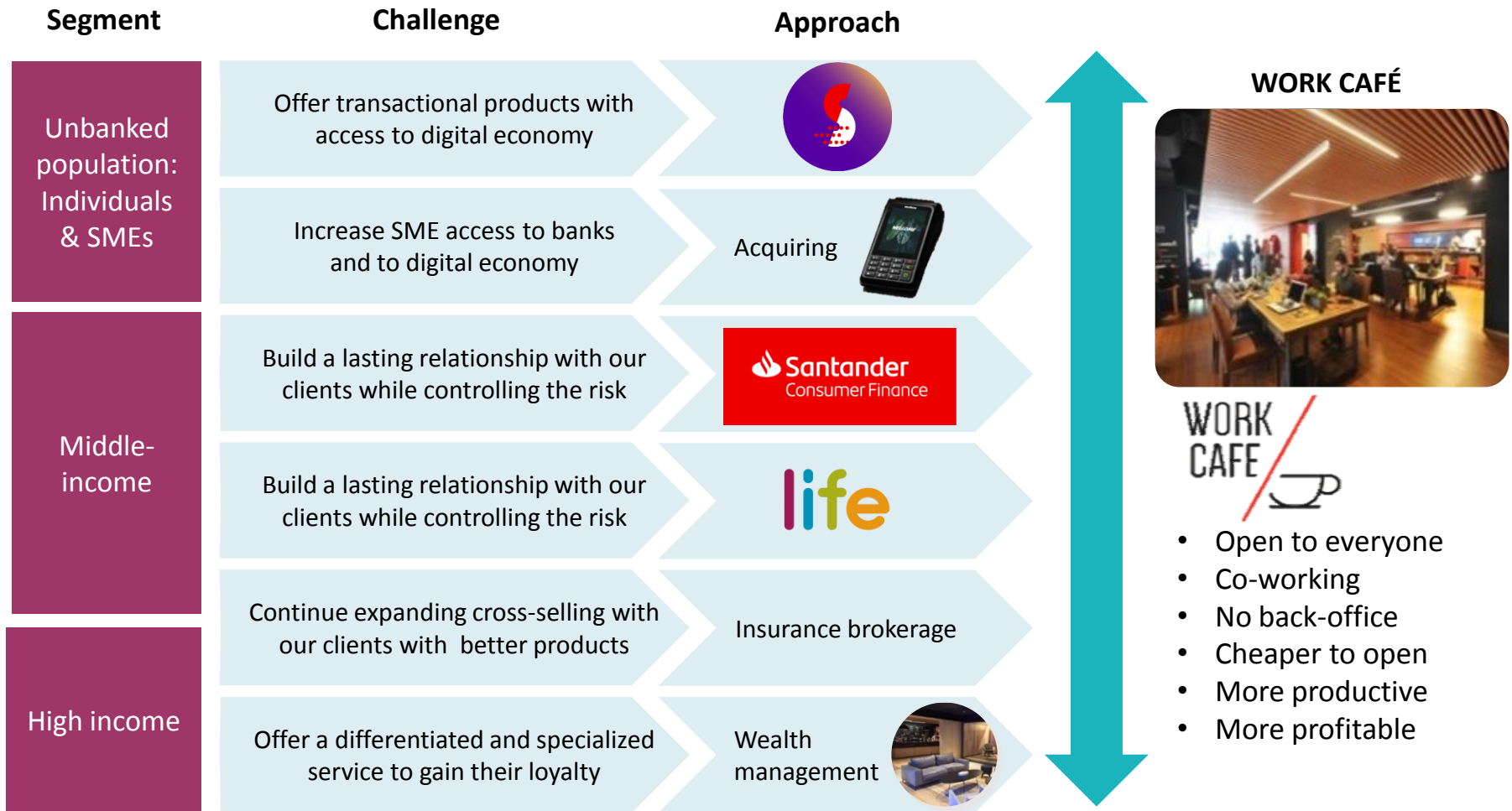
II



Increasing client loyalty through an improved client experience and quality of service and expanding digital banking capabilities

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

Offering innovative proposals for each market segment



We have announced an investment plan of US\$380 million for the period of 2019-2021 in technology, branch upgrading and new products and services.

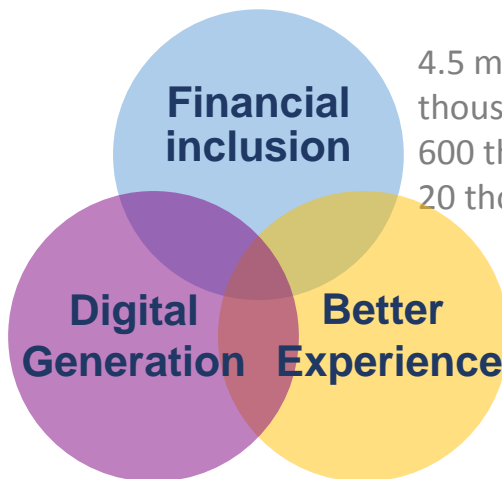
Strategy: I. Re-focusing on growth as economy recovers



Penetrating the unbanked market with transactional products

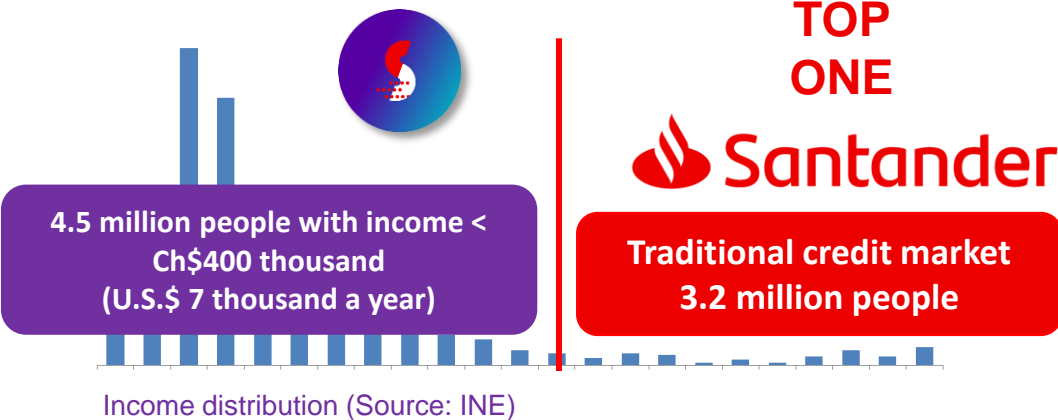
Clients this initiative seeks to target:

1.2 million Young generation
1.5 million who use Rideshare

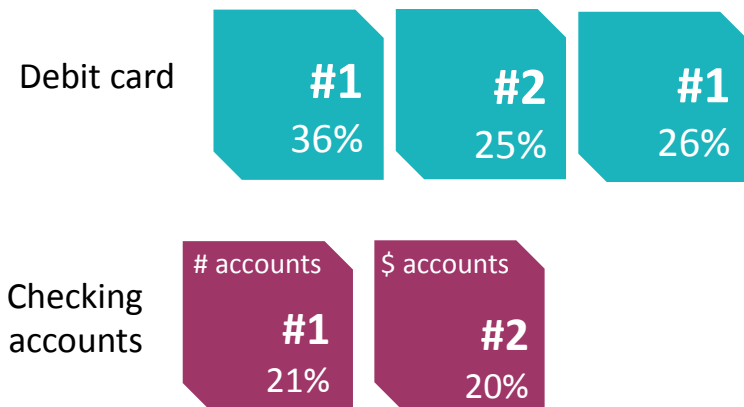


4.5 million people with income < Ch\$400 thousand (U.S.\$ 7 thousand a year)
600 thousand immigrants
20 thousand a month >18 Years **MY FIRST BANK**

7 million who use simple debit card or have no bank account



Our position and market share¹



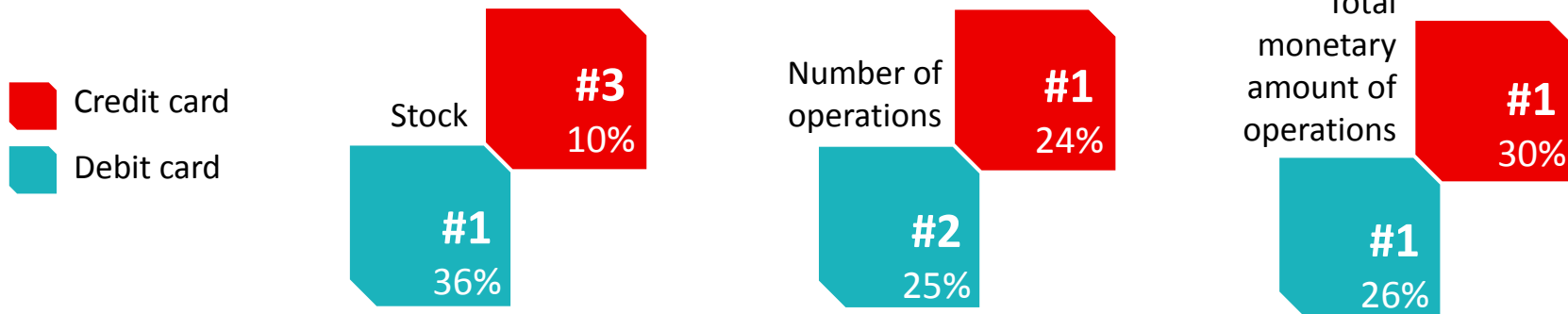
Strategy: I. Re-focusing on growth as economy recovers

Acquiring



Widening digital transaction penetration

Position and market share¹

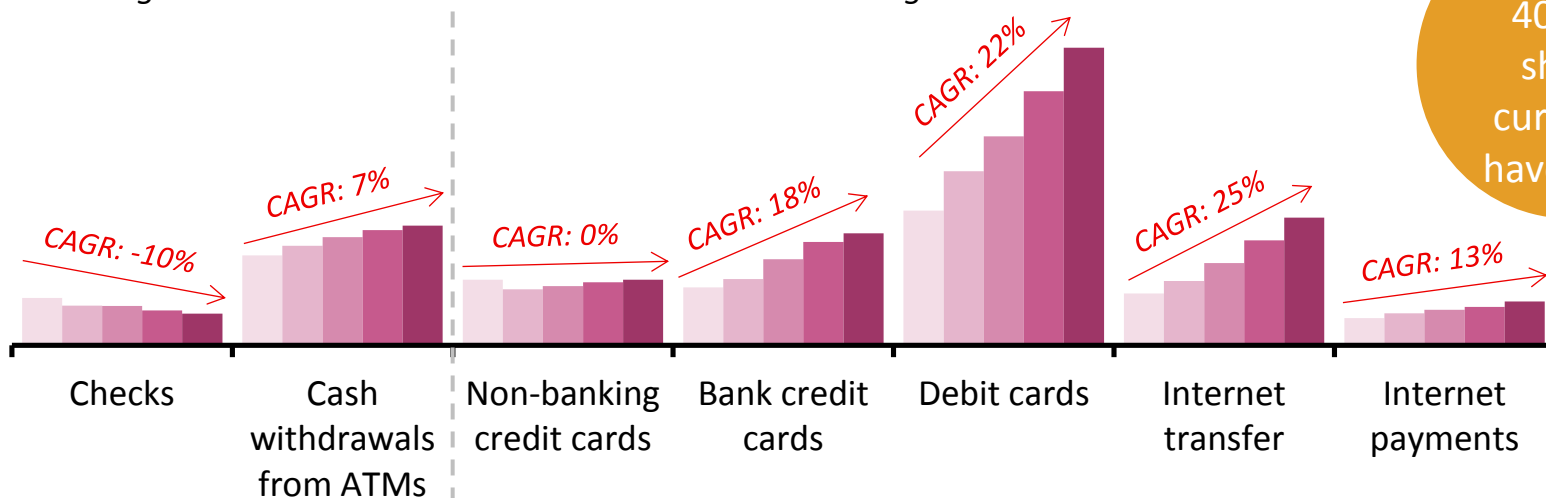


Payment methods through the years²

Millions of operations

Non-digital transactions

Digital transactions



Only 30-40% of shops currently have POS³



2014 2015 2016 2017 2018 (*)

(*) As of last data available (July 2018) annualized.

1. Source: SBIF, as of December 2018 2. Source: Central Bank of Chile, based on information from the SBIF 3. Source Santander Chile estimates

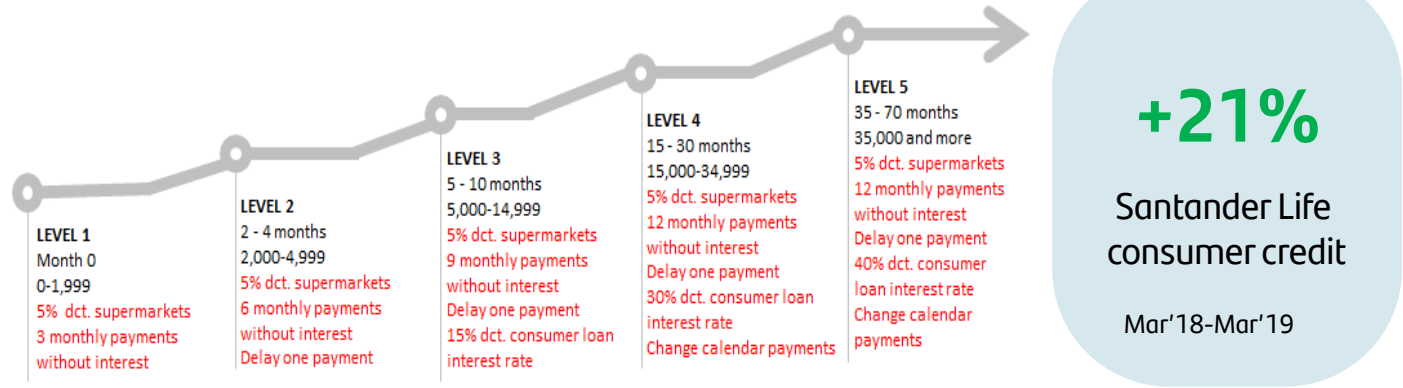
Strategy: I. Re-focusing on growth as economy recovers



Re-activating growth among mid-income earners with a product mix that rewards positive credit behavior

How it works

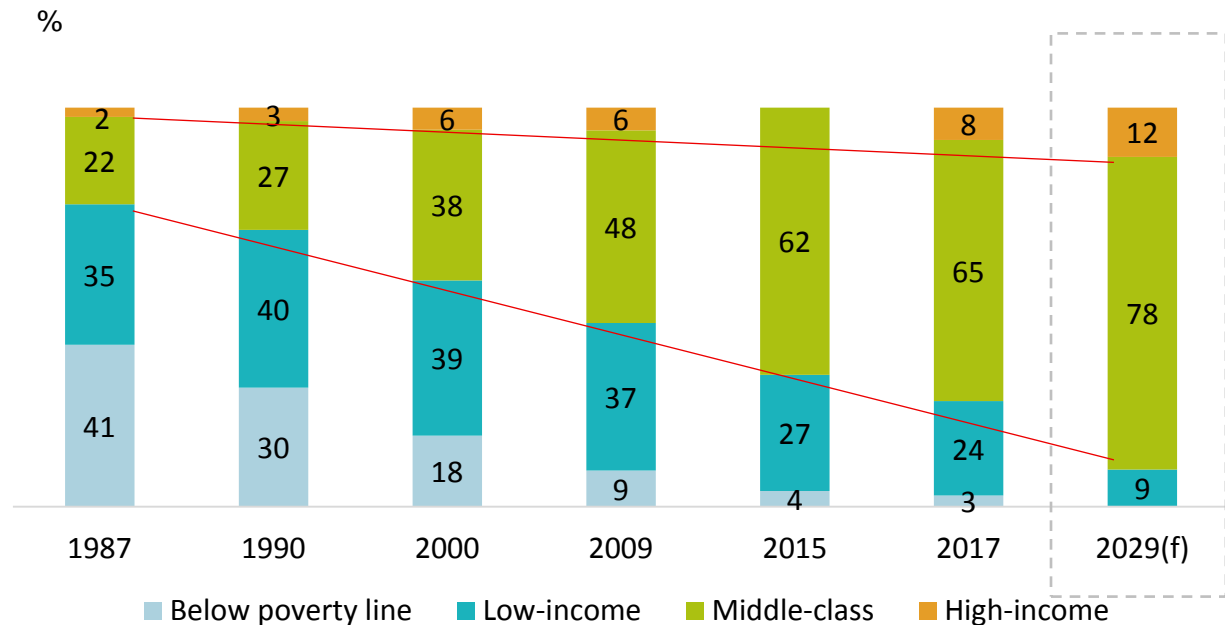
Positive credit behavior accumulates Meritolife, moving up levels. Aimed at middle segment



Growth Strategy

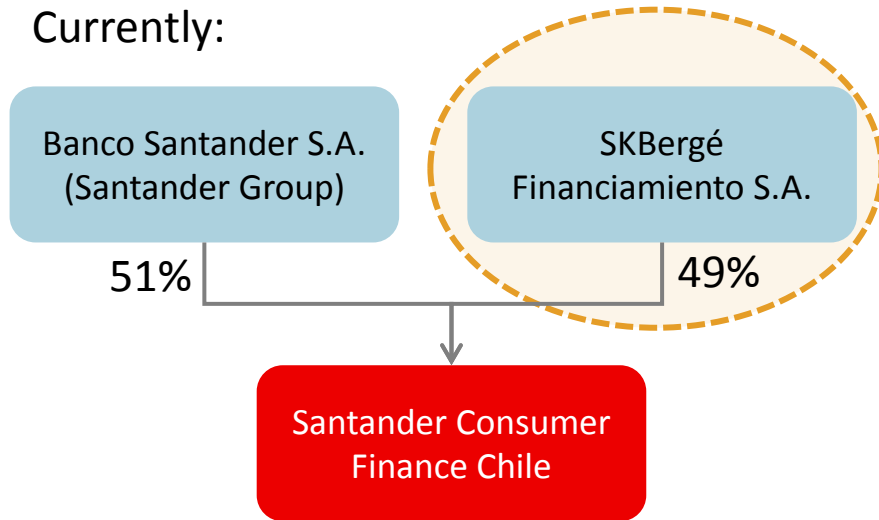
The middle-class is the highest growing segment, and should reach over 16 million by 2029

Population Distribution by Income



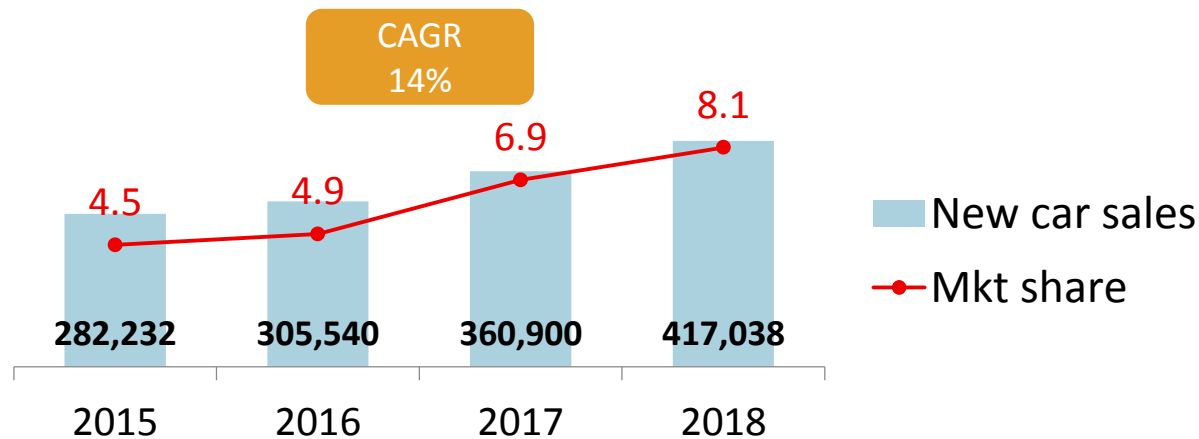
Intention to enter high growing auto loan business announced

Currently:



- Banco Santander Chile entered into an agreement with SKBergé Financiera S.A. to acquire its 49% share ownership in Santander Consumer Chile S.A., for Ch\$59,063 million. The final outcome of the operation will depend on the conclusion of the contractual agreements and the time it takes to achieve the necessary regulatory authorizations.

Annual sales new vehicles and SCF market share



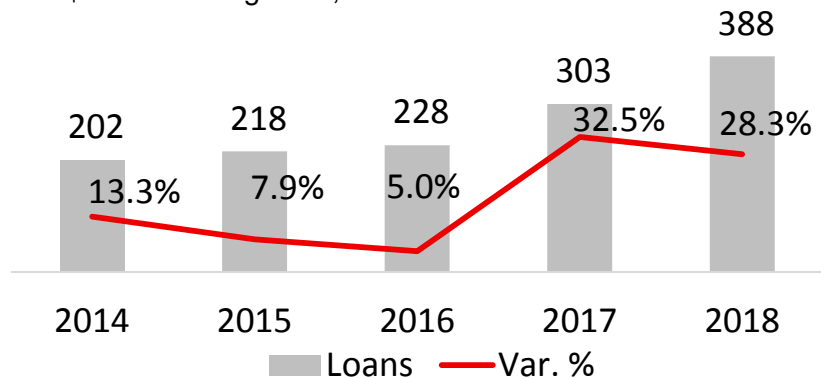
Strategy: I. Re-focusing on growth as economy recovers



Santander Consumer Finance: Financial Summary

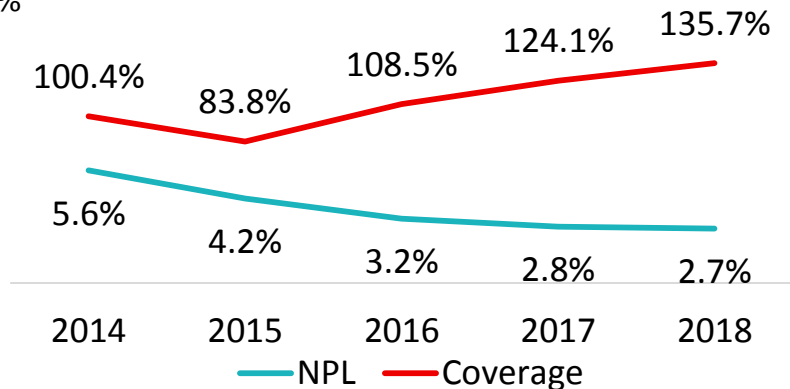
Total loans

Ch\$bn and YoY growth, %



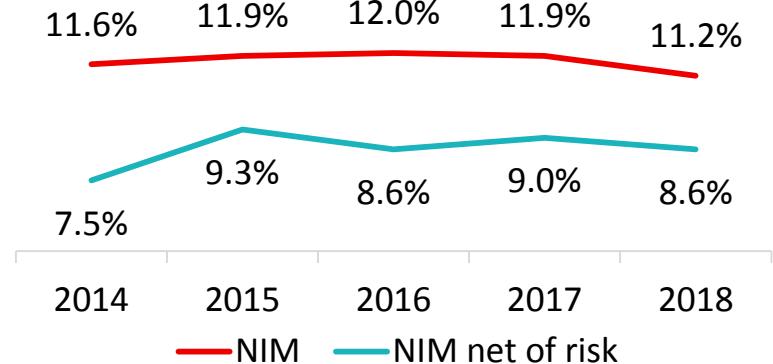
NPL & Coverage ratio

%



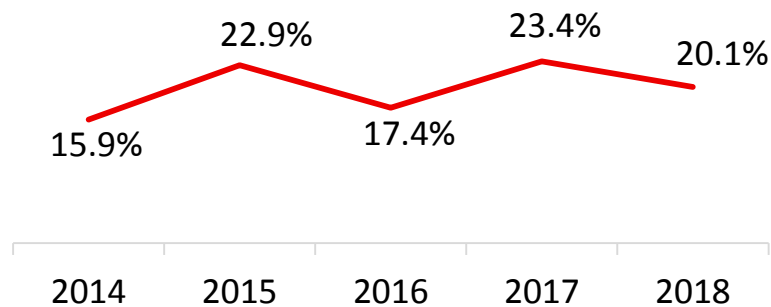
NIM & NIM net of risk

%



ROE

%



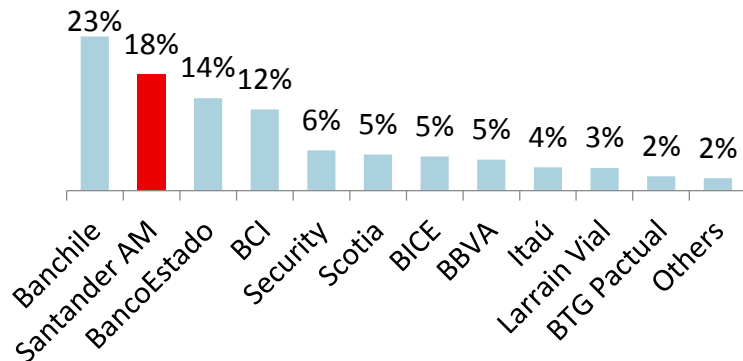
Strategy: I. Re-focusing on growth as economy recovers

Wealth management
Insurance brokerage

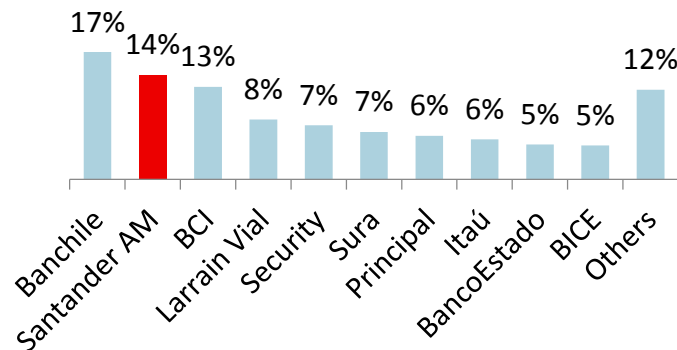
Two markets with potential for growth

Mutual funds

Money-Market Fund Market Share¹



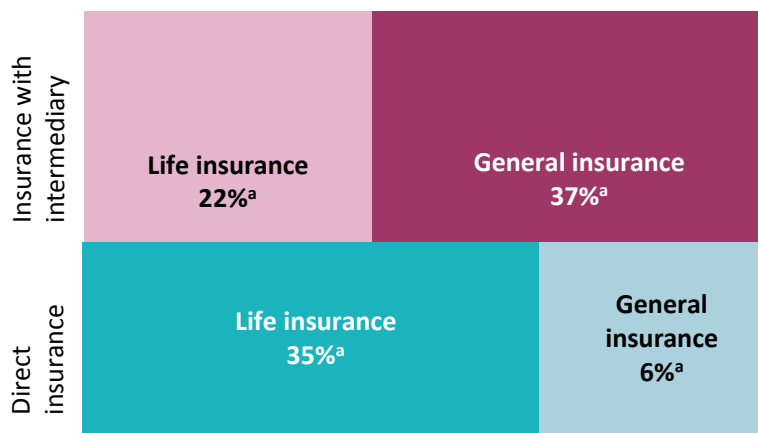
Equity/Mixed Fund Market Share¹



Note: Banco Santander Chile is the exclusive broker of mutual funds managed by Santander Asset Management S.A. Administradora General de Fondos, a subsidiary of SAM Investment Holdings Limited.

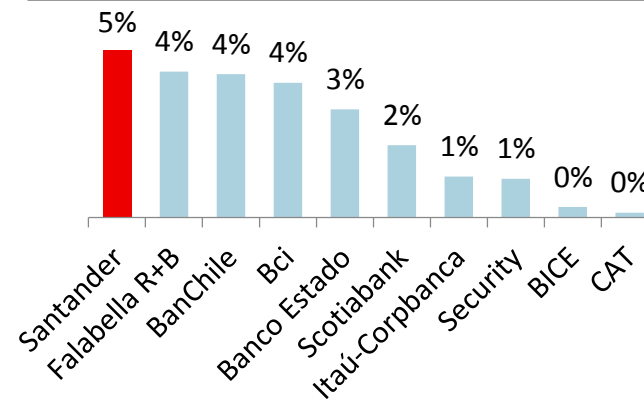
Insurance Market

Total insurance market: U.S.\$ 9.1 billion



a. Share of total insurance market

Bancassurance Market Share²



2 objectives for healthy growth / higher profitability

I



Re-focusing on growth as economy recovers

II

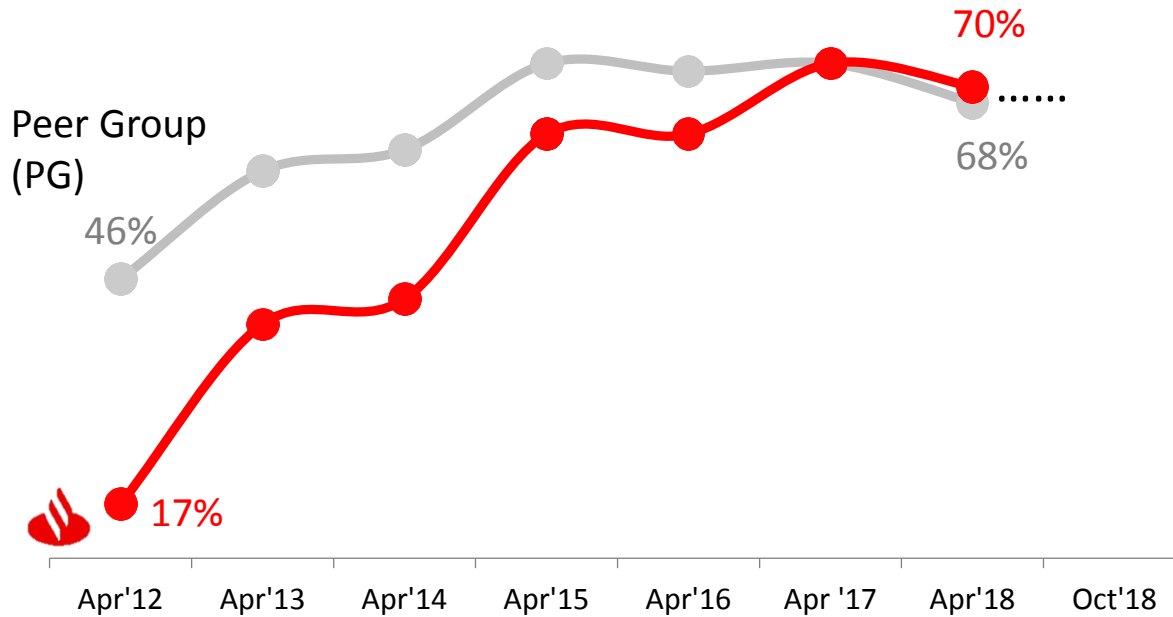


Increasing client loyalty through an improved client experience and quality of service and expanding digital banking capabilities

Strategy: II. Increasing client loyalty and expanding digital banking

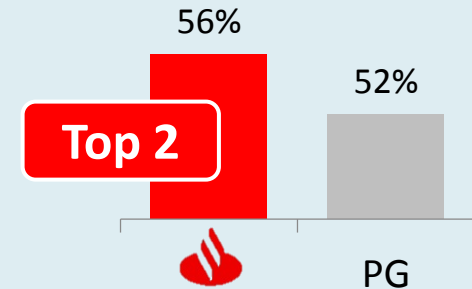
Higher client satisfaction...

Evolution of Bank Satisfaction Gap (% Gross Satisfaction)¹

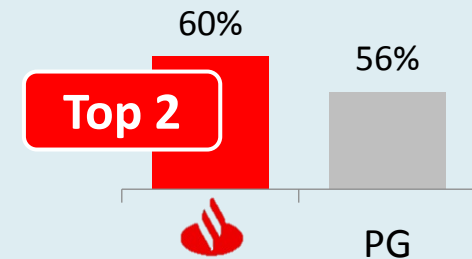


From Jul- Dec 2018²:

Global Bank Satisfaction



Service Quality



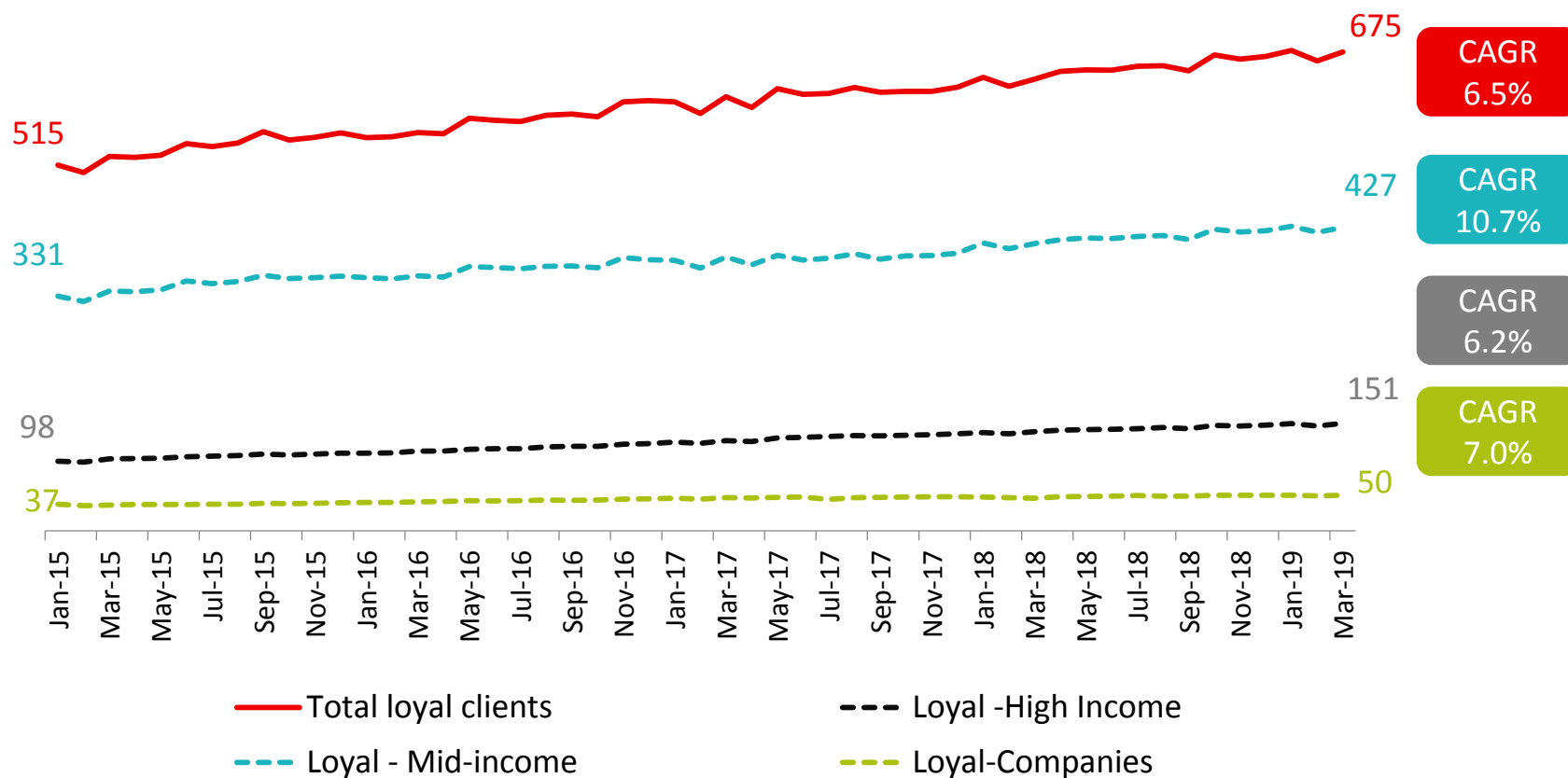
1. Source: GfK Adimark. % Satisfaction from score of 6 or 7 2. Source: Study by Activa for Santander with a scope of 60,000 surveys to our own clients and over 1,200 surveys to each competitor's clients. Measures the Net Promoter Score in three main aspects: service quality, product quality, and brand image.

Strategy: II. Increasing client loyalty and expanding digital banking

...is leading to higher client loyalty

Total Loyal Clients¹

thousands



1. Loyal high income and middle income customers with 4 products plus a minimum profitability level and a minimum usage indicator, as differentiated by segment. SME + Middle-market cross-selling differentiated by client size using a point system that depends on number of products, usage of products and income net of risk

Strategy: II. Increasing client loyalty and expanding digital banking

Digital transformation in the front and back end

Front office



+27%

MAU¹ APP

YoY '17-'18



+75%

Digital
Consumer
Operations

4Q'17-4Q'18



+7%

CAGR
Digital clients
1.1 million

2014-Mar'19



85%

Of our
Current Account
holders are digital

2018

Back office



-56%

In Response Time
for product requests

YoY '17-'18



-67%

In average time
for card activation

YoY '17-'18



-90%

In obsolescence

YoY '15-'19



-91%

In daily incidents

YoY '14-'Feb19

Restructuring our physical distribution network



WORK CAFÉ

Branch open to clients and non-clients with a coworking space and coffee shop

- › No back-office
- › Account managers can help any client



SELECT/ PRIVATE BANKING BRANCHES

Branch exclusive to our select and private banking clients. Focuses on investment, with multidisciplinary team to help with client's needs.



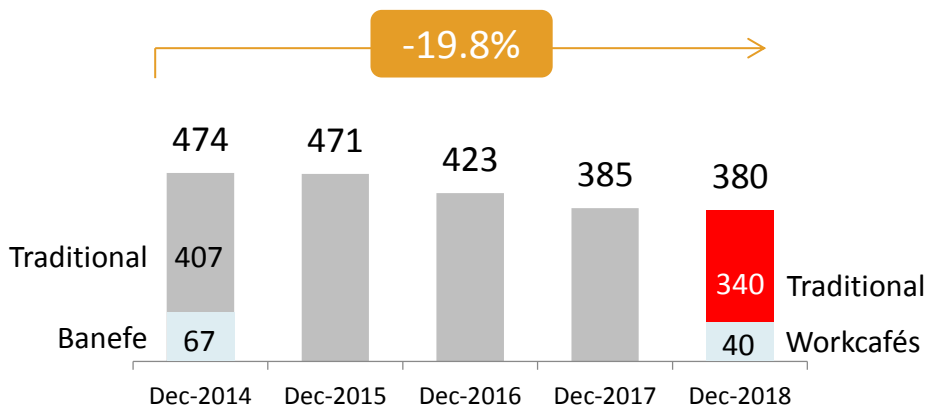
WORK CAFÉ 2.0

Smaller spaces that continue to have co-working space and coffee shop

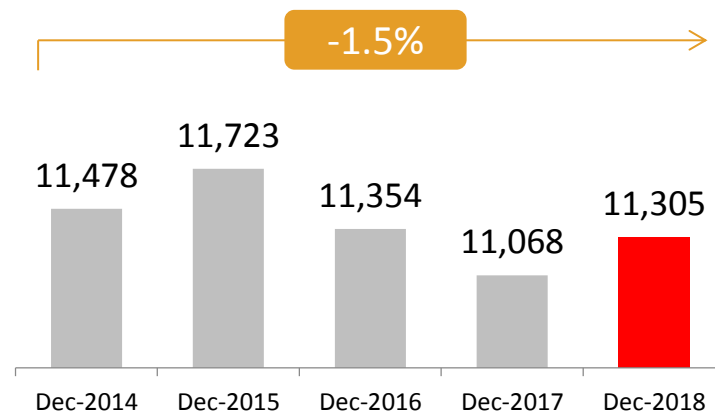
Strategy: II. Increasing client loyalty and expanding digital banking

Restructuring our physical distribution network

Points of sale

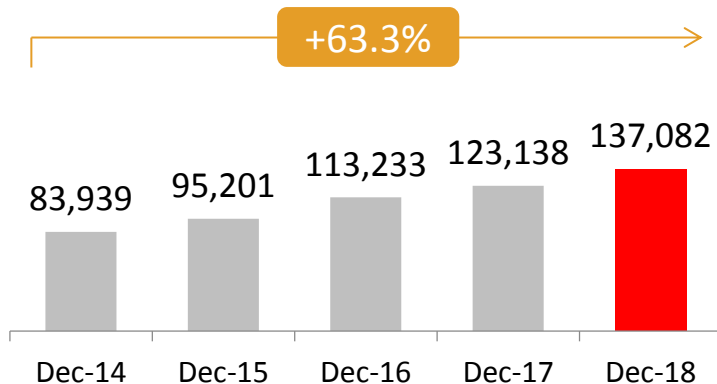


Employees



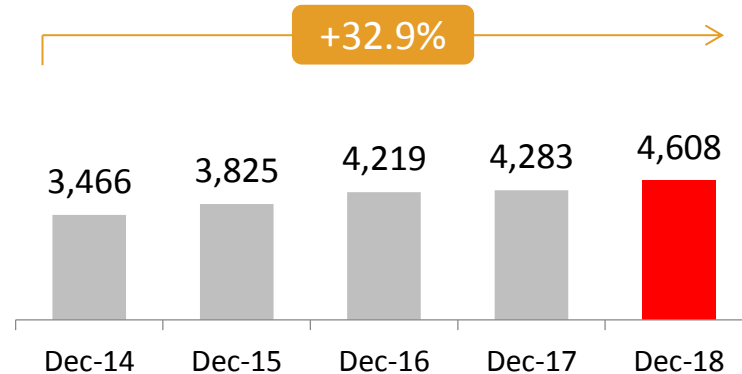
Volumes¹ per point of sale

Ch\$ billion



Volumes¹ per employee

Ch\$ billion



1. Volumes = Loans + Deposits

Agenda

Macro-economic Environment

Growth Strategy

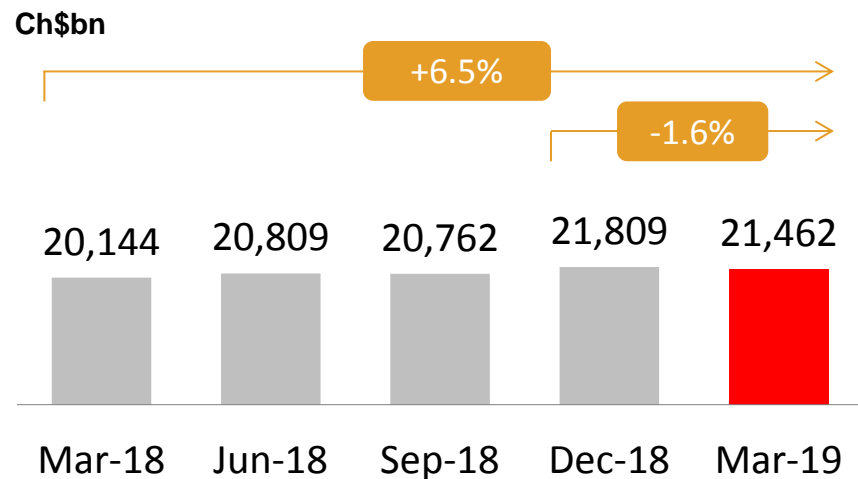
Latest Results

Outlook

Results

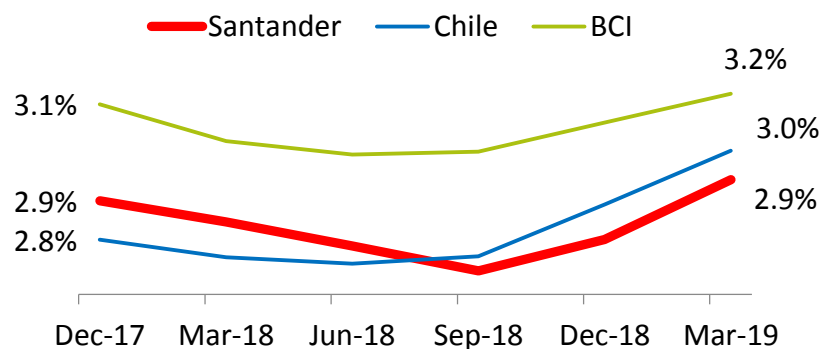
Funding strategy: defend our funding costs as short term rates rise

Total Deposits



| Ch\$ bn | 3M19 | YoY | QoQ |
|--------------------------------------|---------------|-------------|---------------|
| Demand | 8,526 | 4.3% | (2.5%) |
| Time | 12,936 | 8.1% | (1.0%) |
| Total Deposits | 21,462 | 6.5% | (1.6%) |
| Mutual funds ¹ | 5,817 | 8.0% | 4.3% |
| Loans to deposits² | 99.1% | | |
| LCR³ | 126.9% | | |
| NSFR⁴ | 108.8% | | |

CLP Time Deposit Cost Evolution⁵



Spread Bonds⁶ (UF)

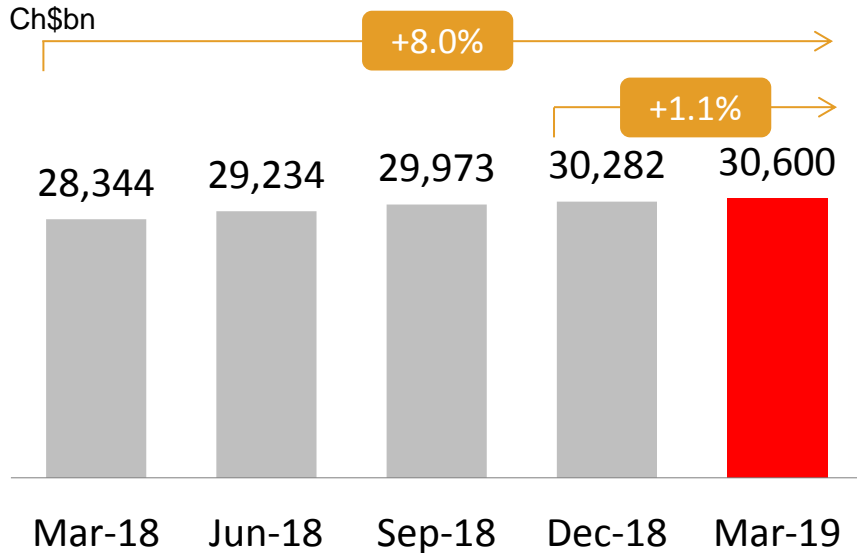


1. Banco Santander Chile is the exclusive broker of mutual funds managed by Santander Asset Management, a subsidiary of SAM Investment Holdings Limited. 2. (Net Loans – portion of mortgages funded with long-term bonds) / (Time deposits + demand deposits). 3. LCR: *Liquidity Coverage Ratio* under new SBIF rules. 4. NSFR: *Net Stable Funding Ratio* according to internal methodology. These are not the Chilean models 5. Interest expense paid over nominal CLP deposits divided by CLP nominal deposits. Source of data to construct ratio = SBIF 6. Spread of Banco Santander Chile bonds in UF over Central Bank bonds. Source: Company estimates

Results

Loan growth driven by Individuals and Middle-market

Total Loans



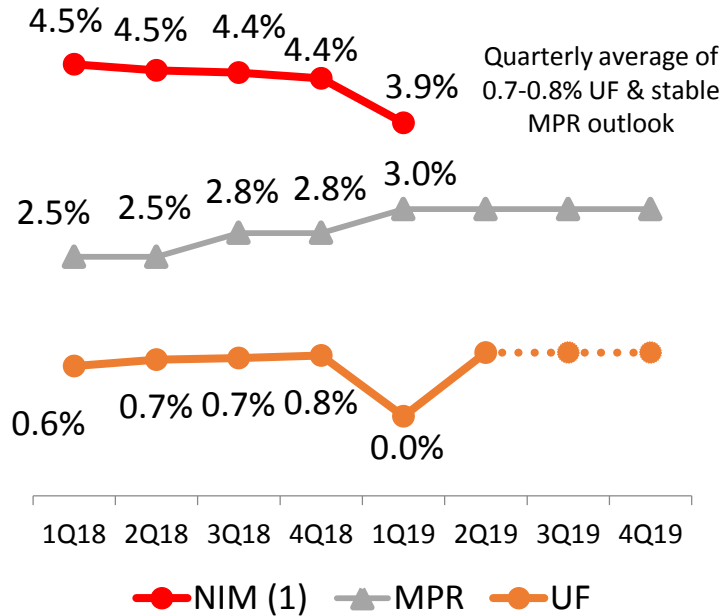
| Ch\$ bn | 3M19 | YoY | QoQ |
|--------------------------------|---------------|----------------|---------------|
| Individuals¹ | 17,150 | 9.6% | 1.4% |
| Consumer | 4,920 | 7.1% | 0.9% |
| Mortgages | 10,335 | 11.5% | 1.8% |
| SMEs | 3,833 | 2.7% | (0.8%) |
| Retail | 20,983 | 8.3% | 0.9% |
| Middle Market | 7,885 | 13.0% | 2.5% |
| Corporate (SCIB) | 1,591 | (15.7%) | (5.4%) |
| Total² | 30,600 | 8.0% | 1.1% |

2019: Loan growth forecast 8-10% expected with an acceleration of retail loans

Results

Low NIMs in 1Q19. Outlook positive

NIM¹ & Inflation



Net Interest Income

| Ch\$ bn | 3M19 | YoY | QoQ |
|---|--------|--------|--------|
| Net interest income | 322.7 | (6.9%) | (9.8%) |
| Average interest-earning assets | 31,836 | 3.7% | 1.0% |
| Average loans | 29,145 | 4.2% | 4.5% |
| Interest earning asset yield ² | 5.6% | -131bp | -160bp |
| Cost of funds ³ | 1.73% | -77bp | -118bp |
| NIM YTD | 3.9% | -61bp | |

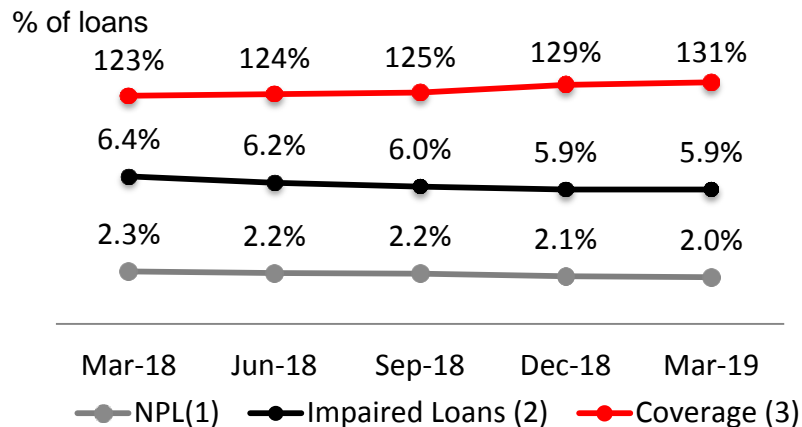
NIM should improve given rate and inflation outlook for the rest of the year

1. Annualized Net interest income divided by average interest earning assets. 2. Annualized gross interest income divided by average interest earning assets. 3. Annualized interest expense divided by sum of average interest bearing liabilities and demand deposits. Averages calculated using monthly figures.

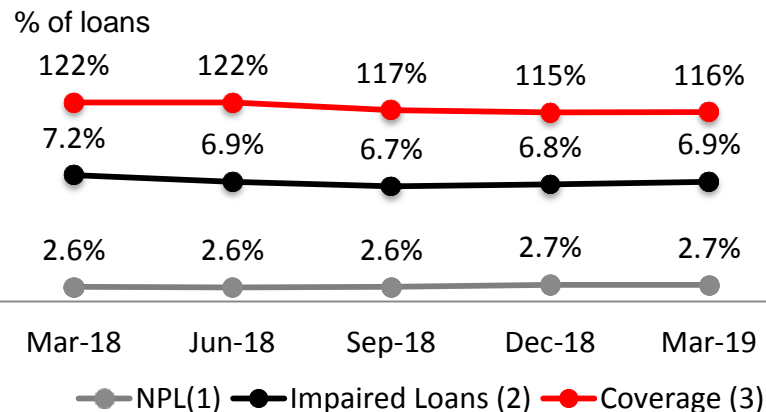
Results

Positive evolution of asset quality...

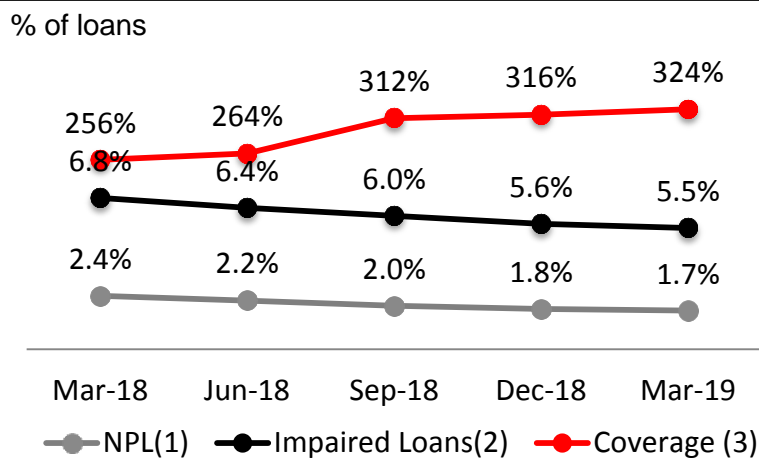
Total loans



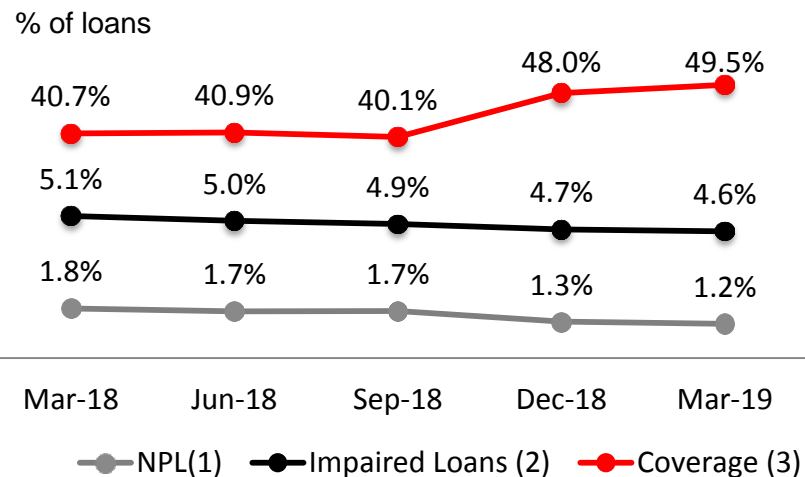
Commercial loans



Consumer loans

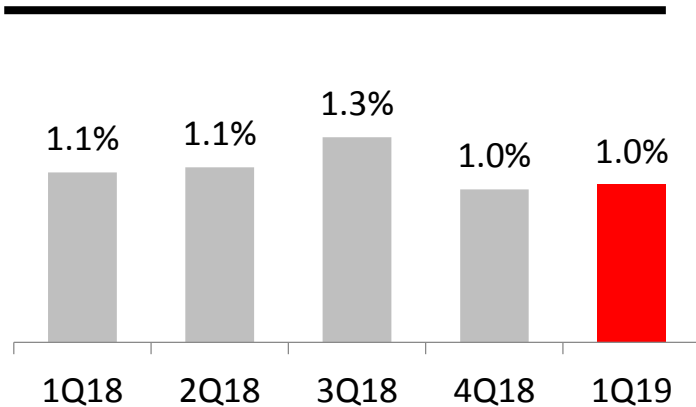


Mortgage loans



...leads to lower cost of risk

Cost of Credit²



| Ch\$ bn | 3M19 | YoY | QoQ |
|--|------------------|---------------|---------------|
| Provision for loan losses¹ | (76,274) | 1.2% | 4.1% |
| NPLs³ | 623,467 | (5.4%) | (1.3%) |
| Impaired loans⁴ | 1,797,460 | (1.5%) | 1.0% |
| NPL ratio⁵ | 2.0% | -29 bp | -5 bp |
| Impaired loan ratio⁶ | 5.9% | -57 bp | -0 bp |
| NPL coverage⁷ | 127.4% | 453 bp | 133 bp |

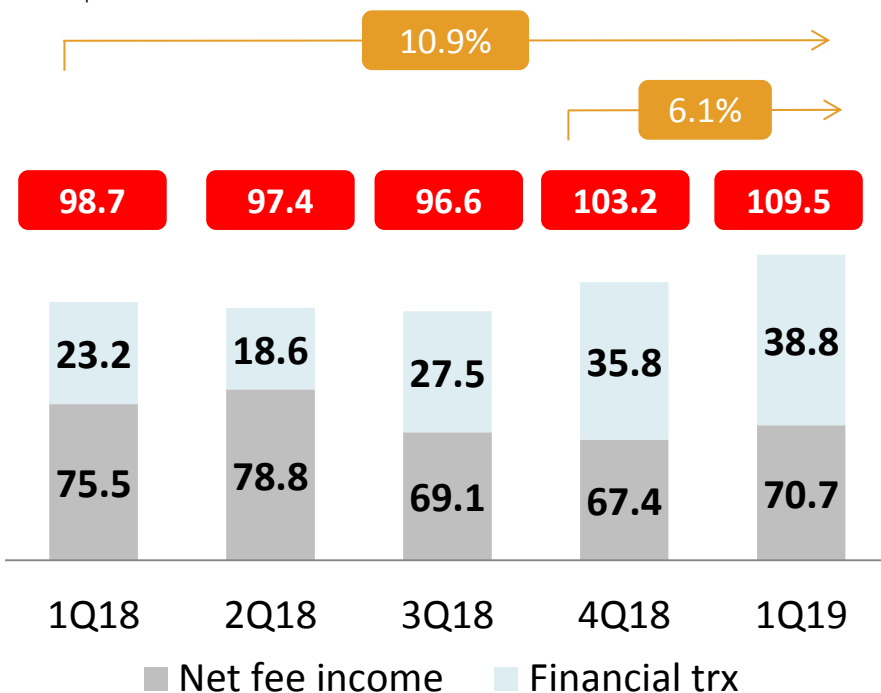
Impact of one-time provision expense due to change in provisioning models for group commercial loans **lowered to Ch\$40 billion**

Results

Good growth in non-NII across business segments

Non-interest income (fee + financial trxs)

Ch\$bn



Total Non-NII growth 6-8% in 2019

Fee income

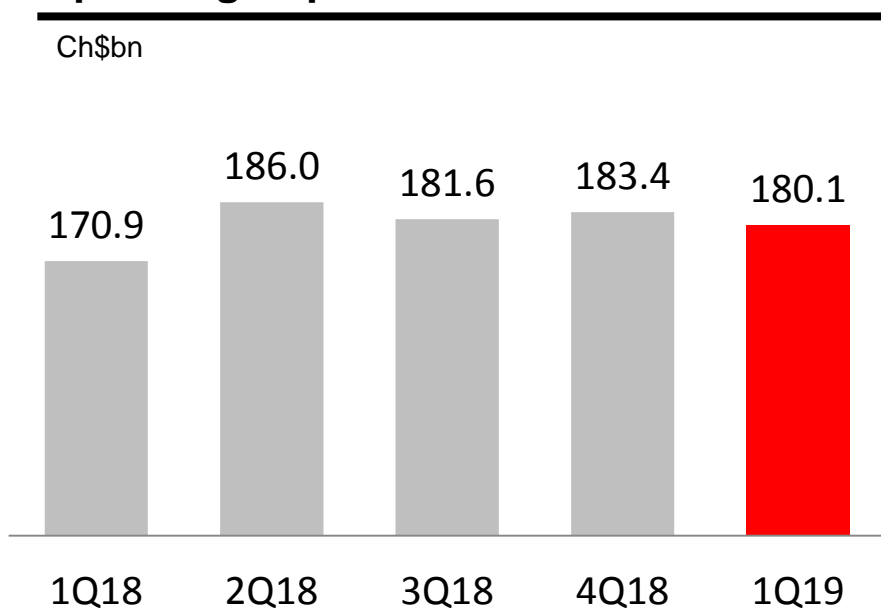
| Ch\$ bn | 3M19 | YoY | QoQ |
|---------------------|-------------|---------------|-------------|
| Retail | 52.7 | (3.2%) | 2.4% |
| Middle Market | 9.9 | 9.2% | 6.6% |
| Corporate | 7.6 | (27.7%) | 2.9% |
| Subtotal | 70.2 | (5.1%) | 3.0% |
| Others ¹ | 0.4 | (69.7%) | (159.2%) |
| Total Fees | 70.7 | (6.4%) | 4.8% |

Financial transactions, net

| Ch\$ bn | 3M19 | YoY | QoQ |
|----------------------------|-------------|--------------|-------------|
| Client | 30.3 | 70.4% | (12.1%) |
| Non Client | 8.6 | 57.0% | 533.4% |
| Total Financial trx | 38.8 | 67.3% | 8.6% |

Investing to improve productivity and efficiency

Operating Expenses



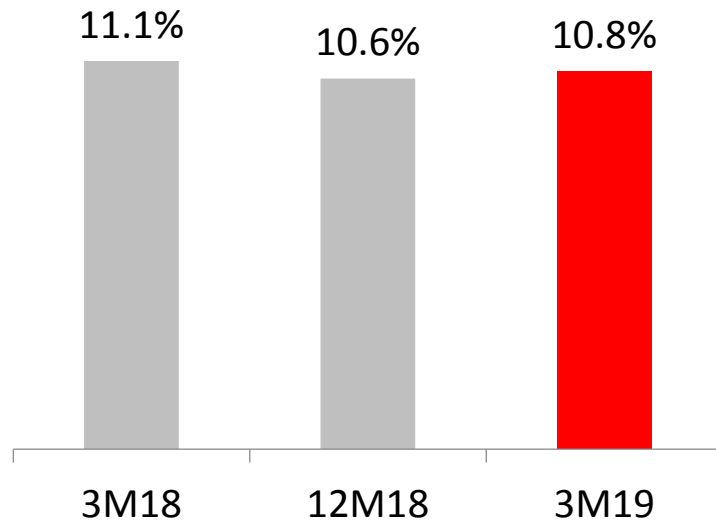
| Ch\$ bn | 3M19 | YoY | QoQ |
|---------------------------|--------------|---------------|---------------|
| Personnel expenses | 94.6 | 5.6% | (5.3%) |
| Administrative expenses | 59.3 | (4.5%) | (4.3%) |
| Depreciation | 26.2 | 36.4% | 21.5% |
| Operating expenses | 180.1 | 5.4% | (1.8%) |
| Efficiency ratio | 42.5% | +387bp | +251bp |
| Cost/Assets | 1.8% | -5bp | -5bp |

Implementation of IFRS 16 reduces rental costs in Administrative expenses and increases Depreciation of leased assets. The net effect for 1Q19 was Ch\$500 million

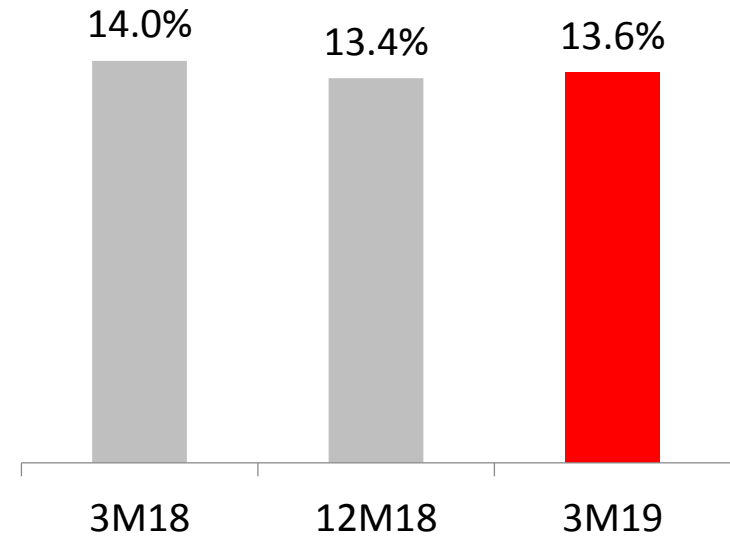
Results

20bp of capital generated in the quarter despite lower ROE

Core capital



BIS Ratio



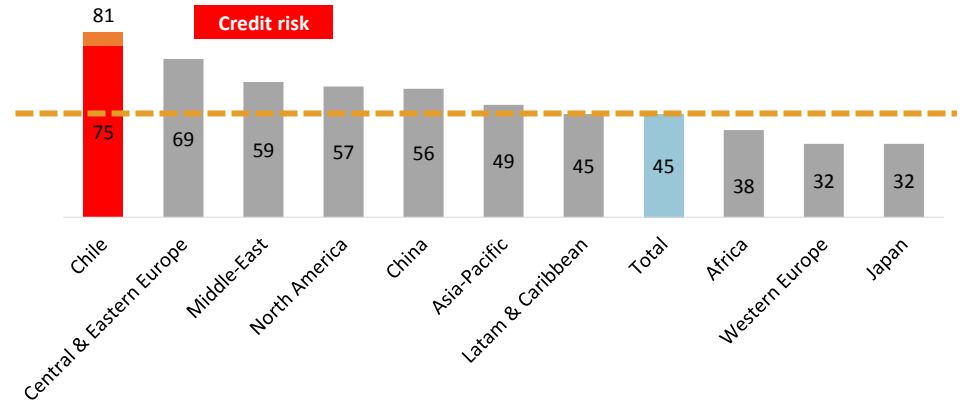
Payout of 60%. Dividend yield of 3.7%

Results

New banking regulation will implement BIS III in Chile

Chile has a very high risk-weighted asset density, where mortgages are all risk weighted 60% and commercial loans 100%.

Risk-weighted asset density¹



The new banking law was approved by Congress, paving the way for the transition to BIS III. The main changes are:



Merger of SBIF with CMF
Seeks to have a solid and efficient governance which will be more flexible to make changes in accordance to international standards.



Minimum capital requirements
Increase capital requirements, giving more faculties to regulator in the decision-making process



Mechanisms to manage crisis
Includes mechanisms of early intervention in order to prevent a bank's insolvency beforehand, protect bank depositors and maintain the financial stability of the system








Other guarantees
Increase in state guarantees for deposits, among others

1. BIS. RWA density = Risk weighted assets / Total assets. The Banker database July 2017. Chile includes credit and market risk

ROAE down in the quarter but outlook positive

ROAE

%

| | 3M19 | 2018 | 2017 | 2016 | 2015 |
|---|-------|-------|-------|-------|-------|
|  Santander | 15.3% | 19.2% | 19.2% | 17.1% | 17.1% |
|  Chile | 12.2% | 18.7% | 19.3% | 19.6% | 21.3% |
|  BCI | 13.7% | 13.5% | 14.0% | 14.7% | 17.5% |
|  Itaú Corpbanca | 3.4% | 5.3% | 1.8% | 0.1% | 14.8% |
|  Scotiabank | 12.5% | 8.6% | 12.0% | 11.5% | 11.2% |

Agenda

Macro-economic Environment

Growth Strategy

Latest Results

Outlook

Sound outlook for rest of 2019

- ✓ **Going forward we expect inflation to normalize, rates to remain stable at 3.0% and GDP growth to pick up. GDP growth estimate of 3.0% in 2019**
- ✓ **Ambitious investment plan announced focusing on technology and new growth opportunities**
- ✓ **Estimated loan growth of 8-10% with growth accelerating in higher yielding retail loans**
- ✓ **NIMs of 4.3%-4.4% in remaining quarters, depending on inflation and velocity of rate rises**
- ✓ **Greater client loyalty and higher client treasury income should drive non-interest income**
- ✓ **Recurring* cost of credit of 1.0% with stable asset quality.**
- ✓ **Efficiency ratio ~40.0% led by improved productivity through digitalization**
- ✓ **Effective tax rate of ~22%**

Recurring ROAE* of 18% in 2019

* Excluding the effect of the change in provisioning models for commercial loans analyzed on a group basis.

Thank You.

Our purpose is to help people
and business prosper.

Our culture is based on believing
that everything we do should be:

Simple Personal Fair



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



Annexes

Annexes

| Unaudited Balance Sheet | Mar-19 | Mar-19 | Mar-18 | Mar-19/Mar-18 |
|---|-----------------------|-------------------|-------------------|---------------|
| | US\$ Ths ¹ | Ch\$ Million | | % Chg. |
| Cash and deposits in banks | 2,280,593 | 1,550,598 | 1,599,697 | (3.1%) |
| Cash items in process of collection | 603,927 | 410,616 | 511,561 | (19.7%) |
| Trading investments | 139,442 | 94,808 | 172,501 | (45.0%) |
| Investments under resale agreements | 7,376 | 5,015 | - | --% |
| Financial derivative contracts | 4,387,684 | 2,983,230 | 2,000,057 | 49.2% |
| Interbank loans, net | 38,849 | 26,414 | 9,227 | 186.3% |
| Loans and account receivables from customers, net | 43,798,866 | 29,779,287 | 27,524,777 | 8.2% |
| Available for sale investments | 4,116,786 | 2,799,044 | 2,992,498 | (6.5%) |
| Held-to-maturity investments | - | - | - | --% |
| Investments in associates and other companies | 48,680 | 33,098 | 28,274 | 17.1% |
| Intangible assets | 93,103 | 63,302 | 62,458 | 1.4% |
| Property, plant and equipment | 295,764 | 201,093 | 232,626 | (13.6%) |
| Right of use assets | 293,464 | 199,529 | - | --% |
| Current taxes | 14,995 | 10,195 | 6,756 | 50.9% |
| Deferred taxes | 613,202 | 416,922 | 372,665 | 11.9% |
| Other assets | 1,609,645 | 1,094,414 | 920,765 | 18.9% |
| Total Assets | 58,342,376 | 39,667,565 | 36,433,862 | 8.9% |
| Deposits and other demand liabilities | 12,540,399 | 8,526,343 | 8,175,608 | 4.3% |
| Cash items in process of being cleared | 405,487 | 275,695 | 354,046 | (22.1%) |
| Obligations under repurchase agreements | 177,869 | 120,935 | 105,899 | 14.2% |
| Time deposits and other time liabilities | 19,025,611 | 12,935,703 | 11,968,775 | 8.1% |
| Financial derivatives contracts | 3,745,115 | 2,546,341 | 1,921,807 | 32.5% |
| Interbank borrowings | 2,551,607 | 1,734,863 | 1,322,512 | 31.2% |
| Issued debt instruments | 12,551,986 | 8,534,221 | 7,795,573 | 9.5% |
| Other financial liabilities | 317,511 | 215,879 | 243,684 | (11.4%) |
| Leasing contract obligations | 227,735 | 154,839 | - | --% |
| Current taxes | - | - | - | --% |
| Deferred taxes | 88,635 | 60,264 | 11,221 | 437.1% |
| Provisions | 502,747 | 341,823 | 339,901 | 0.6% |
| Other liabilities | 1,253,798 | 852,470 | 982,368 | (13.2%) |
| Total Liabilities | 53,388,501 | 36,299,376 | 33,221,394 | 9.3% |
| Equity | | | | |
| Capital | 1,310,913 | 891,303 | 891,303 | --% |
| Reserves | 2,828,348 | 1,923,022 | 1,781,818 | 7.9% |
| Valuation adjustments | 7,855 | 5,341 | (4,348) | (222.8%) |
| Retained Earnings: | | | | |
| Retained earnings from prior years | 870,559 | 591,902 | 564,815 | 4.8% |
| Income for the period | 184,480 | 125,430 | 151,016 | (16.9%) |
| Minus: Provision for mandatory dividends | (316,512) | (215,200) | (214,749) | 0.2% |
| Total Shareholders' Equity | 4,885,644 | 3,321,798 | 3,169,855 | 4.8% |
| Non-controlling interest | 68,231 | 46,391 | 42,613 | 8.9% |
| Total Equity | 4,953,875 | 3,368,189 | 3,212,468 | 4.8% |
| Total Liabilities and Equity | 58,342,376 | 39,667,565 | 36,433,862 | 8.9% |

1. The exchange rate used to calculate the figures in dollars was Ch\$679.91 / US\$1

Annexes

| Unaudited YTD Income Statement | Mar-19 | Mar-19 | Mar-18 | Mar-19/Mar-18 |
|---|-----------------------|------------------|------------------|----------------|
| | US\$ Ths ¹ | Ch\$ Million | | % Chg. |
| Interest income | 677,665 | 460,751 | 528,052 | (12.7%) |
| Interest expense | (203,042) | (138,050) | (181,337) | (23.9%) |
| Net interest income | 474,623 | 322,701 | 346,715 | (6.9%) |
| Fee and commission income | 178,503 | 121,366 | 124,154 | (2.2%) |
| Fee and commission expense | (74,555) | (50,691) | (48,660) | 4.2% |
| Net fee and commission income | 103,948 | 70,675 | 75,494 | (6.4%) |
| Net income (expense) from financial operations | (247,842) | (168,510) | (27,174) | 520.1% |
| Net foreign exchange gain | 304,974 | 207,355 | 50,395 | 311.5% |
| Total financial transactions, net | 57,133 | 38,845 | 23,221 | 67.3% |
| Other operating income | 7,583 | 5,156 | 6,307 | (18.2%) |
| Net operating profit before provisions for loan losses | 643,287 | 437,377 | 451,737 | (3.2%) |
| Provision for loan losses | (112,182) | (76,274) | (75,405) | 1.2% |
| Net operating profit | 531,104 | 361,103 | 376,332 | (4.0%) |
| Personnel salaries and expenses | (139,073) | (94,557) | (89,516) | 5.6% |
| Administrative expenses | (87,270) | (59,336) | (62,155) | (4.5%) |
| Depreciation and amortization | (38,480) | (26,163) | (19,180) | 36.4% |
| Op. expenses excl. Impairment and Other operating expenses | (264,823) | (180,056) | (170,851) | 5.4% |
| Impairment of property, plant and equipment | - | - | (39) | (100.0%) |
| Other operating expenses | (20,834) | (14,165) | (9,921) | 42.8% |
| Total operating expenses | (285,657) | (194,221) | (180,811) | 7.4% |
| Operating income | 245,447 | 166,882 | 195,521 | (14.6%) |
| Income from investments in associates and other companies | 1,358 | 923 | 825 | 11.9% |
| Income before tax | 246,805 | 167,805 | 196,346 | (14.5%) |
| Income tax expense | (61,988) | (42,146) | (44,553) | (5.4%) |
| Net income from ordinary activities | 184,817 | 125,659 | 151,793 | (17.2%) |
| Net income discontinued operations | - | - | - | --% |
| Net income attributable to: | | | | |
| Non-controlling interest | 337 | 229 | 777 | (70.5%) |
| Net income attributable to equity holders of the Bank | 184,480 | 125,430 | 151,016 | (16.9%) |

1. The exchange rate used to calculate the figures in dollars was Ch\$679.91 / US\$1

Annexes

| Unaudited Quarterly Income Statement | 1Q19 | 1Q19 | 4Q18 | 1Q18 | 1Q19/1Q18 | 1Q19/4Q18 |
|---|-----------------------|------------------|------------------|------------------|----------------|----------------|
| | US\$ Ths ¹ | | Ch\$ Million | | % Chg. | |
| Interest income | 677,665 | 460,751 | 587,413 | 528,052 | (12.7%) | (21.6%) |
| Interest expense | (203,042) | (138,050) | (229,812) | (181,337) | (23.9%) | (39.9%) |
| Net interest income | 474,623 | 322,701 | 357,601 | 346,715 | (6.9%) | (9.8%) |
| Fee and commission income | 178,503 | 121,366 | 119,309 | 124,154 | (2.2%) | 1.7% |
| Fee and commission expense | (74,555) | (50,691) | (51,871) | (48,660) | 4.2% | (2.3%) |
| Net fee and commission income | 103,948 | 70,675 | 67,438 | 75,494 | (6.4%) | 4.8% |
| Net income (expense) from financial operations | (247,842) | (168,510) | 37,804 | (27,174) | 520.1% | (545.7%) |
| Net foreign exchange gain | 304,974 | 207,355 | (2,034) | 50,395 | 311.5% | (10294.4%) |
| Total financial transactions, net | 57,133 | 38,845 | 35,770 | 23,221 | 67.3% | 8.6% |
| Other operating income | 7,583 | 5,156 | 10,769 | 6,307 | (18.2%) | (52.1%) |
| Net operating profit before provisions for loan losses | 643,287 | 437,377 | 471,578 | 451,737 | (3.2%) | (7.3%) |
| Provision for loan losses | (112,182) | (76,274) | (73,283) | (75,405) | 1.2% | 4.1% |
| Net operating profit | 531,104 | 361,103 | 398,295 | 376,332 | (4.0%) | (9.3%) |
| Personnel salaries and expenses | (139,073) | (94,557) | (99,872) | (89,516) | 5.6% | (5.3%) |
| Administrative expenses | (87,270) | (59,336) | (62,009) | (62,155) | (4.5%) | (4.3%) |
| Depreciation and amortization | (38,480) | (26,163) | (21,542) | (19,180) | 36.4% | 21.5% |
| Op. expenses excl. Impairment and Other operating expenses | (264,823) | (180,056) | (183,423) | (170,851) | 5.4% | (1.8%) |
| Impairment of property, plant and equipment | - | - | - | (39) | (100.0%) | --% |
| Other operating expenses | (20,834) | (14,165) | (13,474) | (9,921) | 42.8% | 5.1% |
| Total operating expenses | (285,657) | (194,221) | (196,897) | (180,811) | 7.4% | (1.4%) |
| Operating income | 245,447 | 166,882 | 201,398 | 195,521 | (14.6%) | (17.1%) |
| Income from investments in associates and other companies | 1,358 | 923 | (128) | 825 | 11.9% | (821.1%) |
| Income before tax | 246,805 | 167,805 | 201,270 | 196,346 | (14.5%) | (16.6%) |
| Income tax expense | (61,988) | (42,146) | (42,136) | (44,553) | (5.4%) | 0.0% |
| Net income from ordinary activities | 184,817 | 125,659 | 159,134 | 151,793 | (17.2%) | (21.0%) |
| Net income discontinued operations | - | - | - | - | --% | --% |
| Net income attributable to: | | | | | | |
| Non-controlling interest | 337 | 229 | 2,490 | 777 | (70.5%) | (90.8%) |
| Net income attributable to equity holders of the Bank | 184,480 | 125,430 | 156,644 | 151,016 | (16.9%) | (19.9%) |

1. The exchange rate used to calculate the figures in dollars was Ch\$679.91 / US\$1

Annexes: Key Indicators

| Profitability and efficiency | Mar-19 | Mar-18 | Change bp |
|--|---------------|---------------|-------------------|
| Net interest margin (NIM) ¹ | 3.9% | 4.5% | (61) |
| Efficiency ratio ² | 42.5% | 38.7% | 387 |
| Return on avg. equity | 15.3% | 19.4% | (406) |
| Return on avg. assets | 1.3% | 1.7% | (39) |
| Core Capital ratio | 10.8% | 11.1% | (30) |
| BIS ratio | 13.6% | 14.0% | (36) |
| Return on RWA | 1.6% | 2.1% | (50) |
| Asset quality ratios (%) | Mar-19 | Mar-18 | Change bp |
| NPL ratio ³ | 2.0% | 2.3% | (29) |
| Coverage of NPLs ratio ⁴ | 127.4% | 122.9% | 453 |
| Cost of credit ⁵ | 1.0% | 1.1% | (8) |
| Structure (#) | Mar-19 | Mar-18 | Change (%) |
| Branches | 380 | 379 | 0.3% |
| ATMs | 926 | 948 | (2.3%) |
| Employees | 11,280 | 11,444 | (1.4%) |
| Market capitalization (YTD) | Mar-19 | Mar-18 | Change (%) |
| Net income per share (Ch\$) | 0.67 | 0.80 | (16.9%) |
| Net income per ADR (US\$) | 0.39 | 0.53 | (26.1%) |
| Stock price (Ch\$/per share) | 51.19 | 50.88 | 0.6% |
| ADR price (US\$ per share) | 29.75 | 33.51 | (11.2%) |
| Market capitalization (US\$m) | 14,016 | 15,855 | (11.6%) |
| 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.