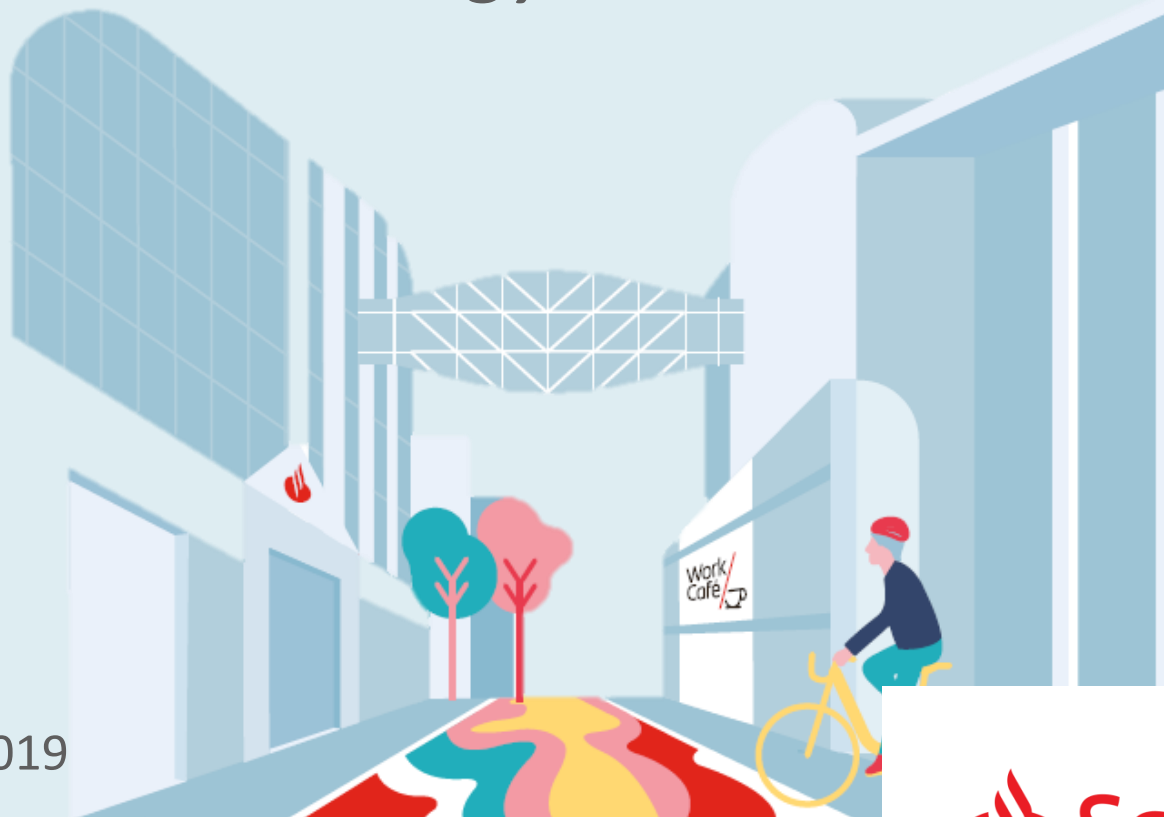


Banco Santander Chile

Clear growth strategy in a stable environment



September 2019



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 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



Strategy update



Results



Outlook

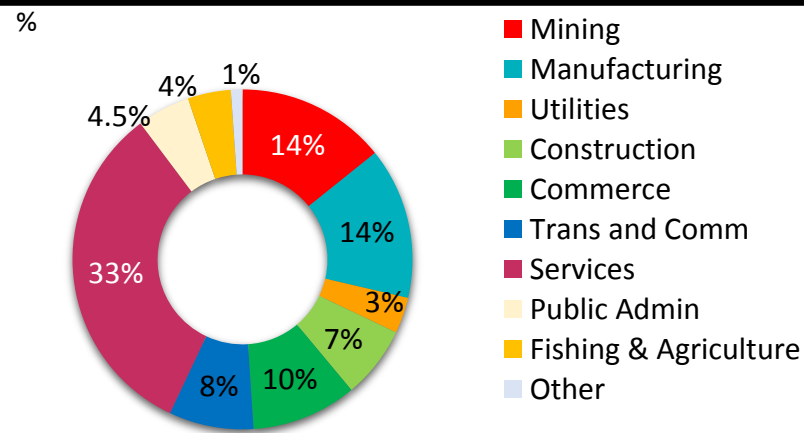
Macroeconomic environment

Chile: a stable and diversified economy

Chile: Key economic indicators^{1,2}

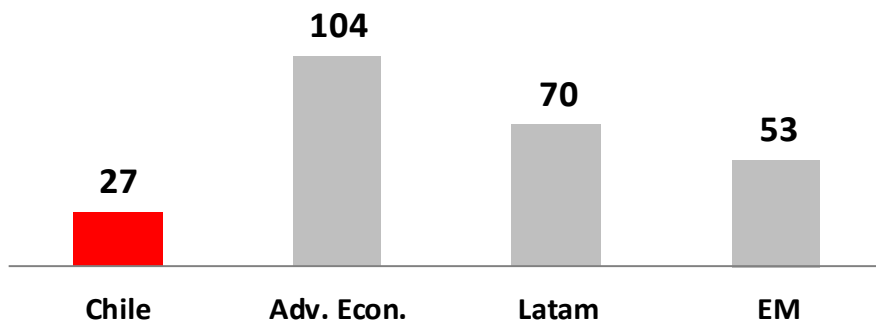
Population:	19.1mn
GDP ³ :	US\$296bn
GDP per capita (PPP):	US\$15,780
Exports / GDP:	25%
Investment / GDP :	23%
Net public debt / GDP:	8%
Sovereign ratings:	JCR: AA- / Mdy: A1/ SP: A+/ Fch: A

GDP by economic sector

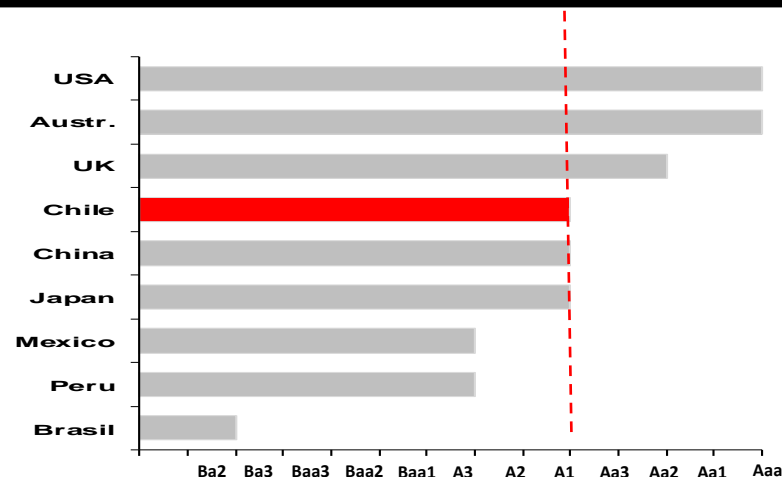


Low public debt^{1,2}

Gross public debt, % GDP



Moody's risk rating³

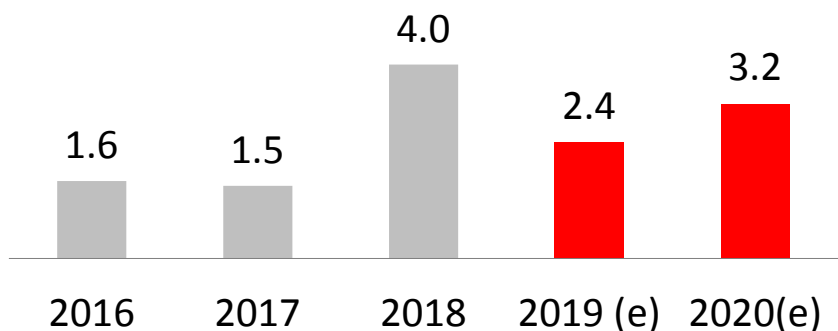


Macroeconomic environment

GDP growth of 2.7% expected in 2019 driven by investment...

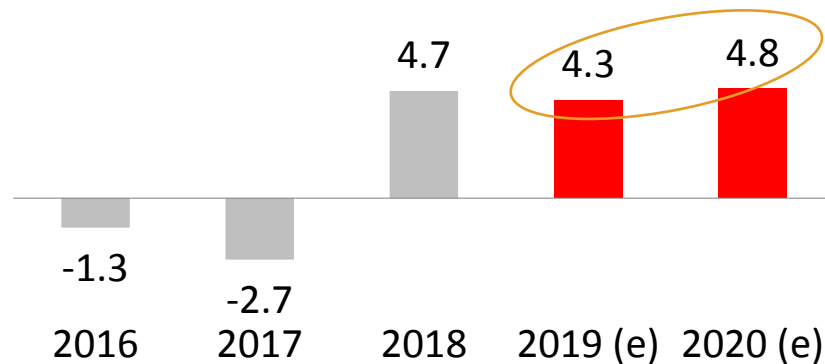
GDP

YoY real growth, %



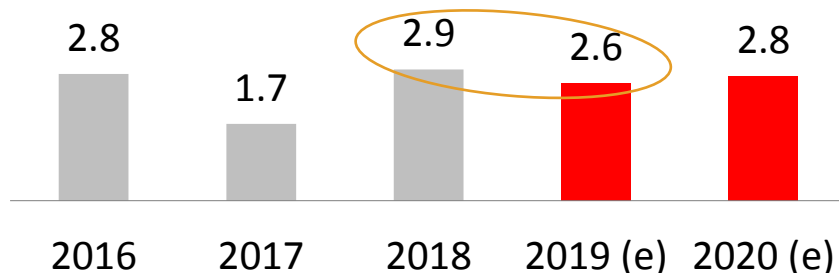
Investment

YoY real growth of fixed capital formation, %



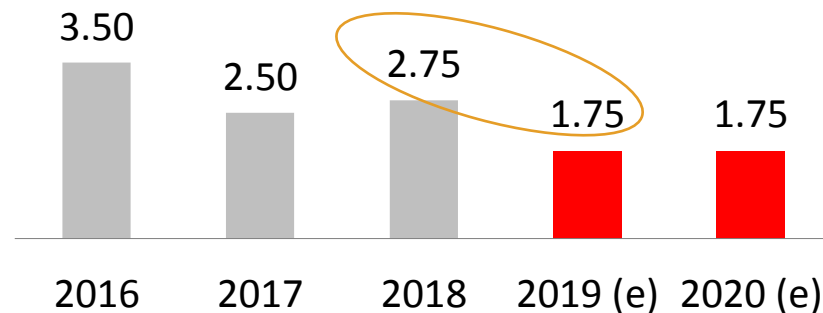
Inflation

Annual change in UF inflation, %



Central Bank ST Reference Rate

%

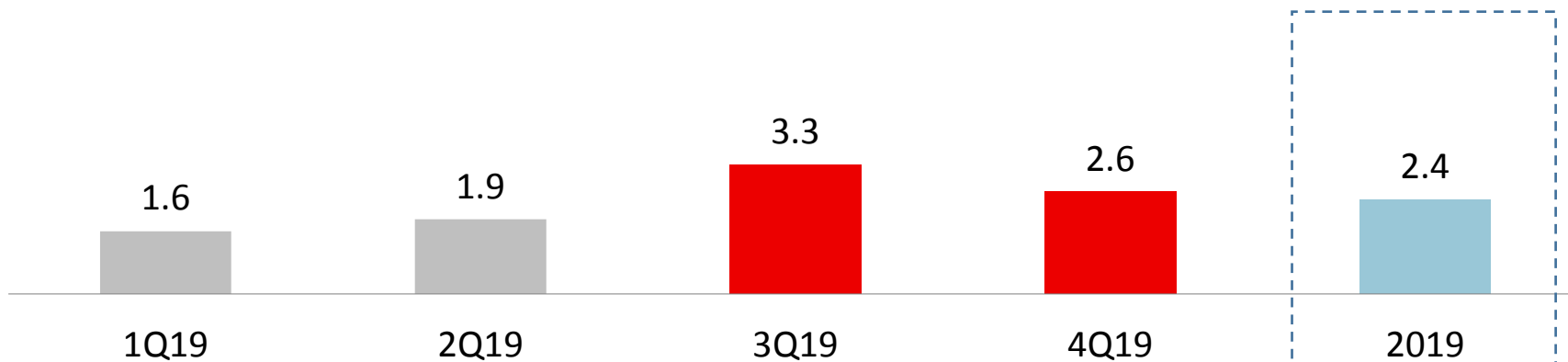


Macroeconomic environment

..with a better second half expected

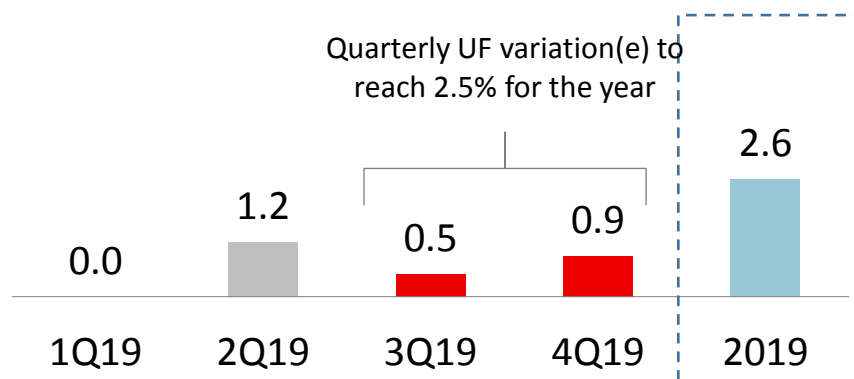
Quarterly GDP

YoY real growth, %



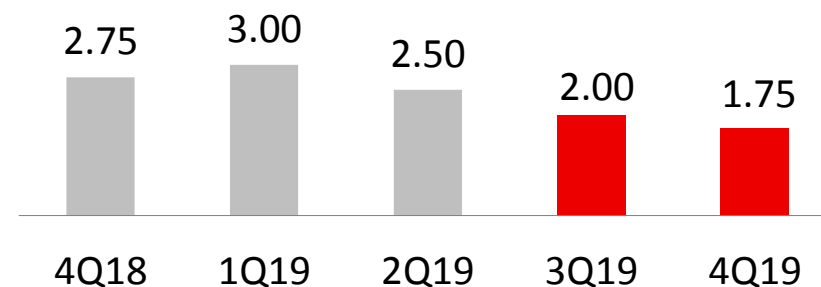
Inflation

Quarterly change in UF inflation, %



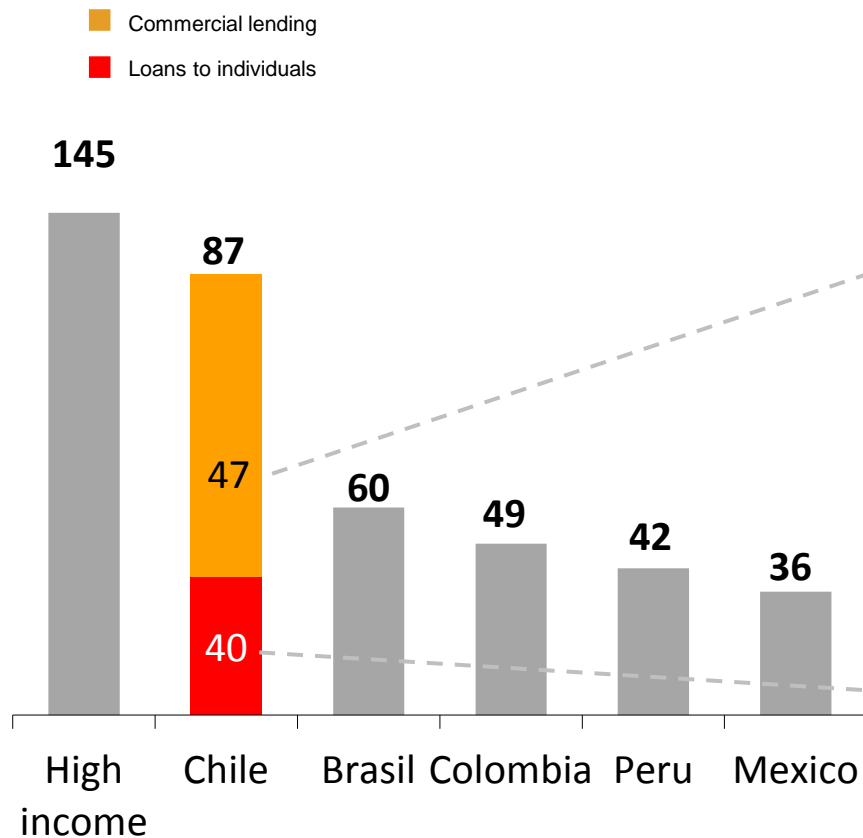
Central Bank ST Reference Rate

%

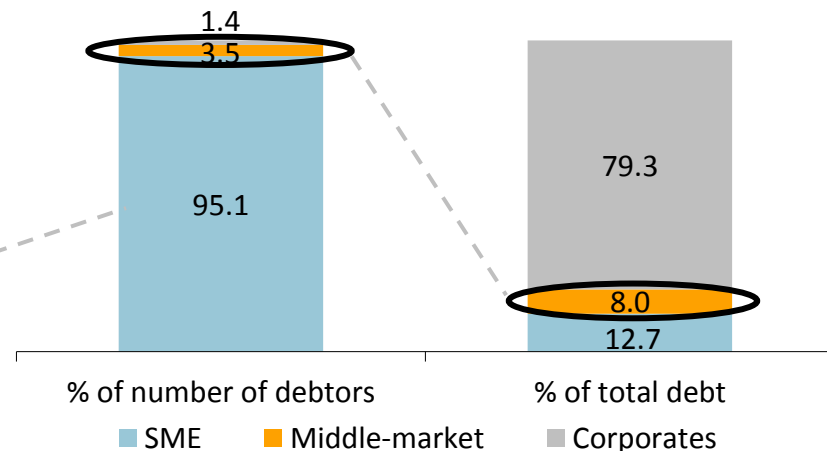


High growth potential in Middle-market, SME and Individuals

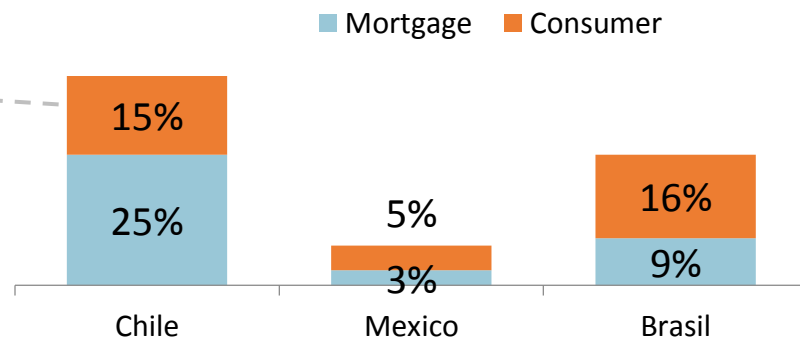
Loans to GDP, 2018 (%)¹



Commercial lending by type of client

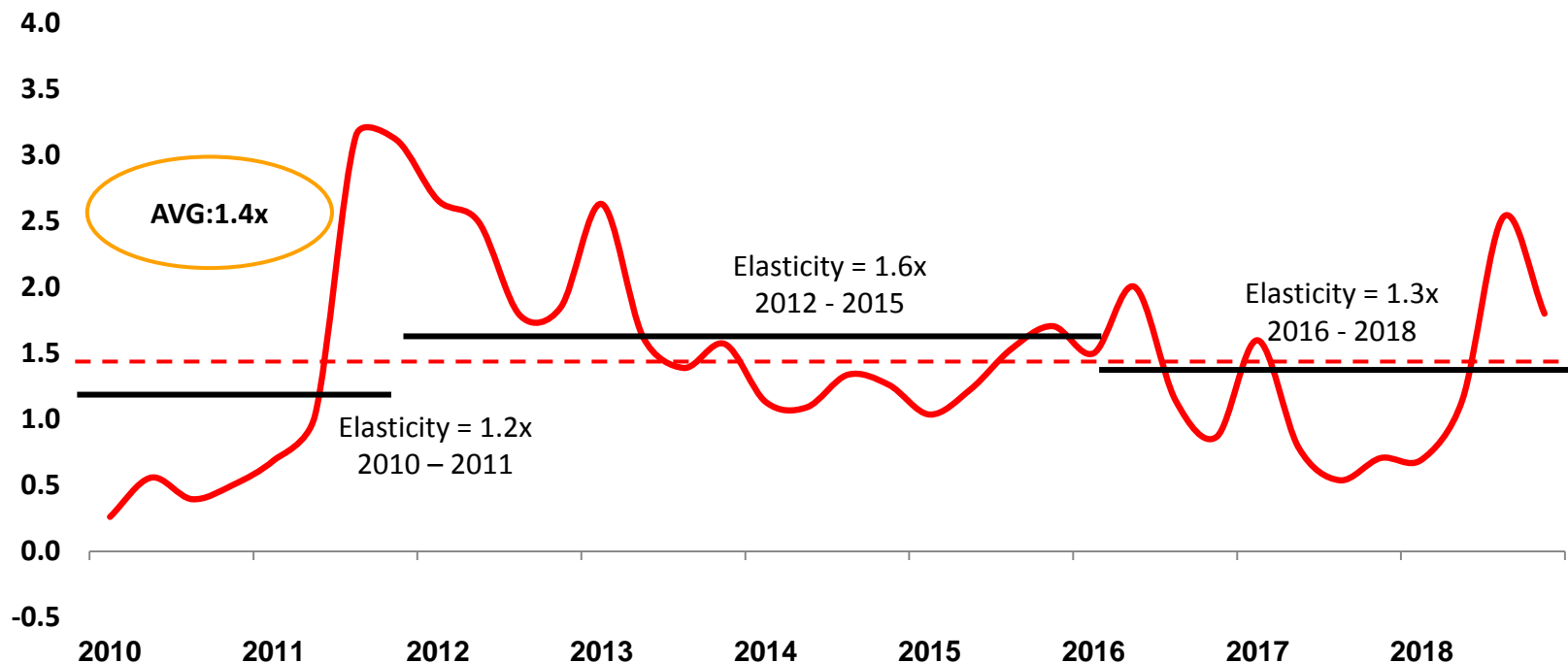


Individual loans penetration



Loans expected to grow 8-10% in 2019

Loan growth multiplier¹



Loans should continue to grow 1.4 times GDP

Agenda

Macro-economic environment

Strategy update

Results

Outlook

Santander Chile is the nation's leading bank

Figures in US\$



Business and Results	6M19 (US\$)	YoY
Gross Loans	45.8 bn	6.4%
Deposits	32.5 bn	5.9%
Equity	4.9 bn	5.7%
Net income ¹	859 mn	1.6%
Network and Customers	06M19	Market Share
Clients	3.4 mn	21.4% ²
Digital Clients	1.1 mn	31.7% ³
Offices	380	18.4%
Market Share ²	06M19	Rank
Loans ⁴	18.4%	1
Deposits ⁴	18.1%	1
Checking accounts ²	21.4%	1
Bank credit cards ⁵	27.7%	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.

Objectives for healthy growth / higher profitability

I



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

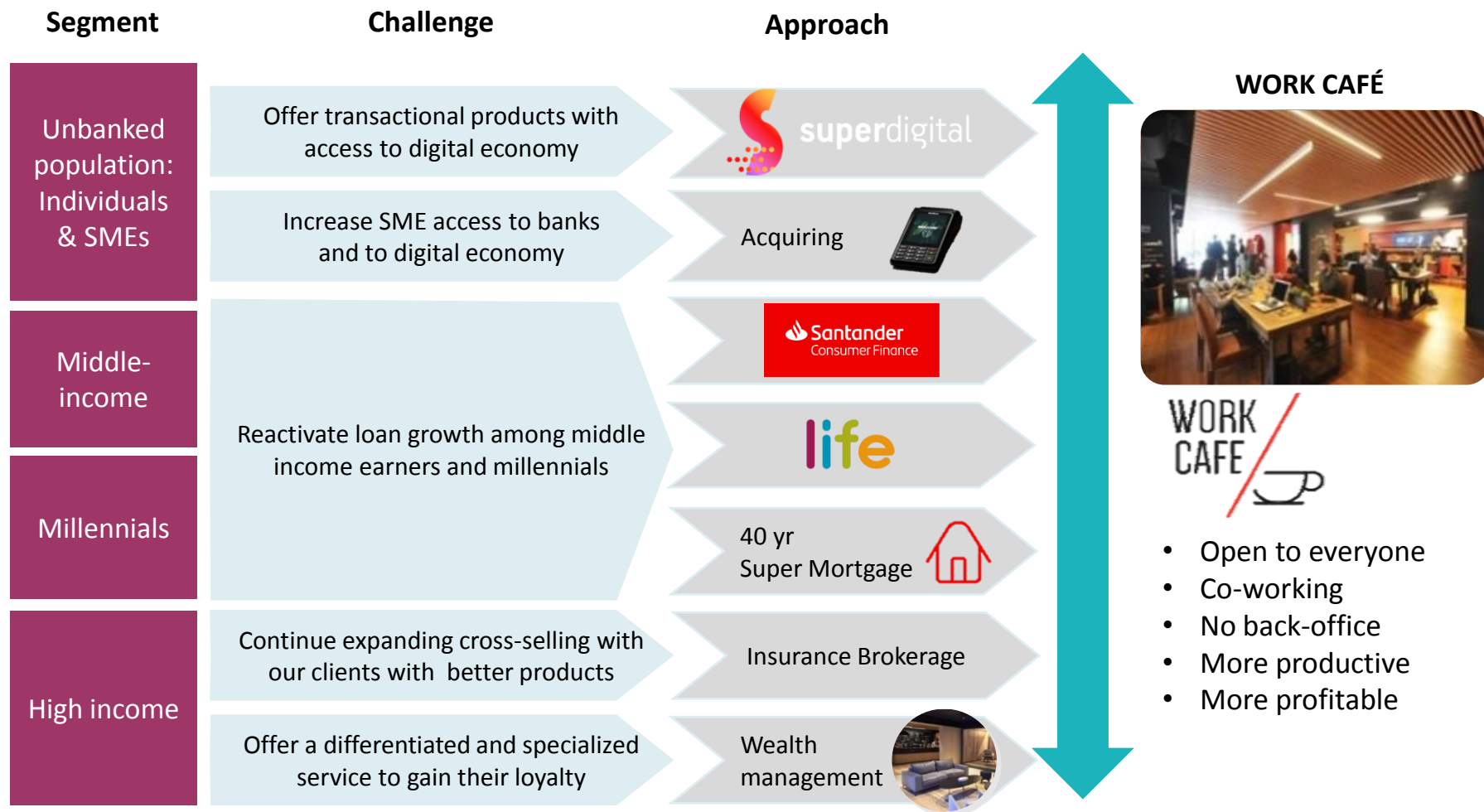
II



Optimizing profitability and capital use to increase shareholder value in time

Strategy: I. Increasing client loyalty and expanding digital banking

Offering innovative proposals for each market segment

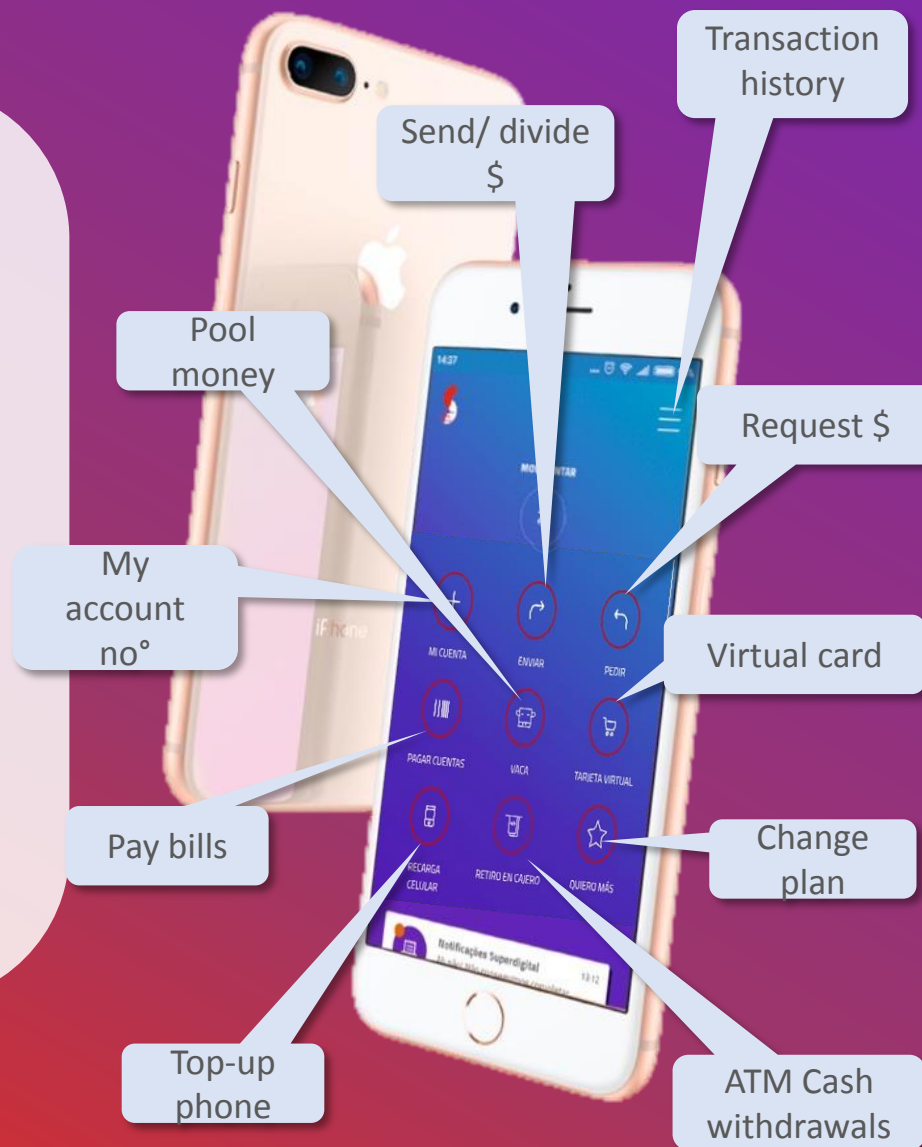


We have announced an investment plan of US\$380 million for the period of 2019-2021 in technology, branch upgrading and new products and services.

Soft launch of Superdigital



- Our first 100% digital platform for Santander Chile
- First country in Latin America to implement one of the Santander Group's speedboats
- Purchasing and payment platform based on new prepaid card regulations
- Social Banking- Ecosystem for individuals to make payments to contacts via chats
- Financial inclusion without credit with UX Fintech



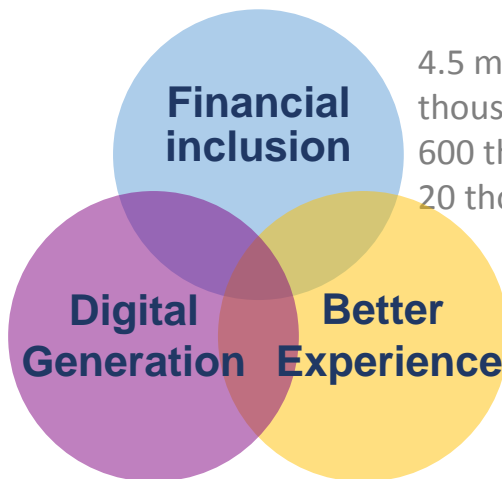
Strategy: I. Re-focusing on growth as economy recovers



Penetrating the unbanked market with transactional products

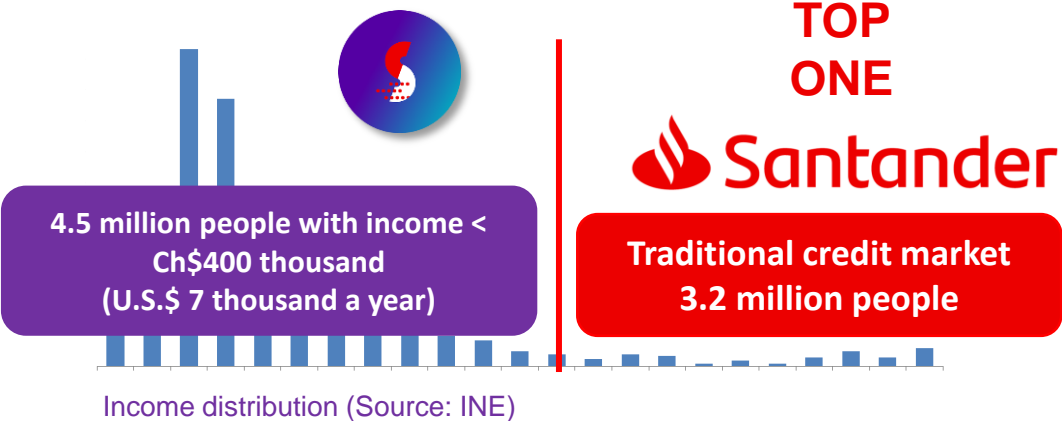
Clients this initiative seeks to target:

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

Debit card	Stock	#1 36%	# operations	#2 25%	\$ operations	#1 26%
	Checking accounts	# accounts	#1 21%	\$ accounts	#2 20%	



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

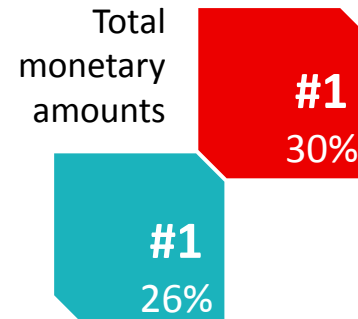
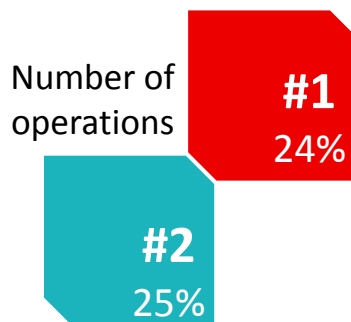
Acquiring



Widening digital transaction penetration

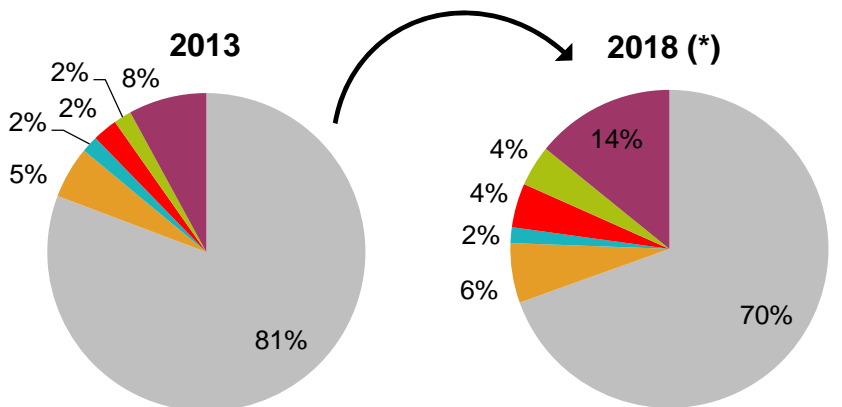
Position and market share¹

Credit card
 Debit card



Composition of retail payments in Chile²

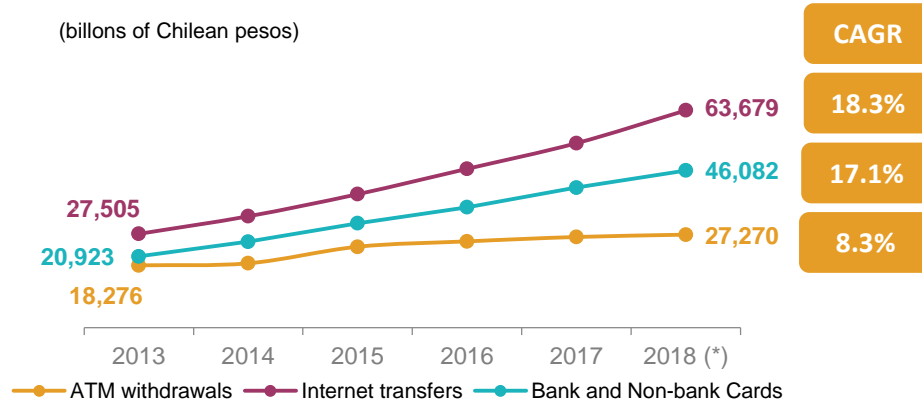
(% of monetary total of payments)



■ Checks
■ ATM withdrawals
■ Non-bank credit card
■ Bank credit card
■ Debit card
■ Internet transfers

Payments by Internet, Cards and ATMs²

(billions of Chilean pesos)



Only 30-40% of shops use POS³



1. CMF Chile, latest information available 2. Source: Central Bank of Chile 3. Santander Chile estimates

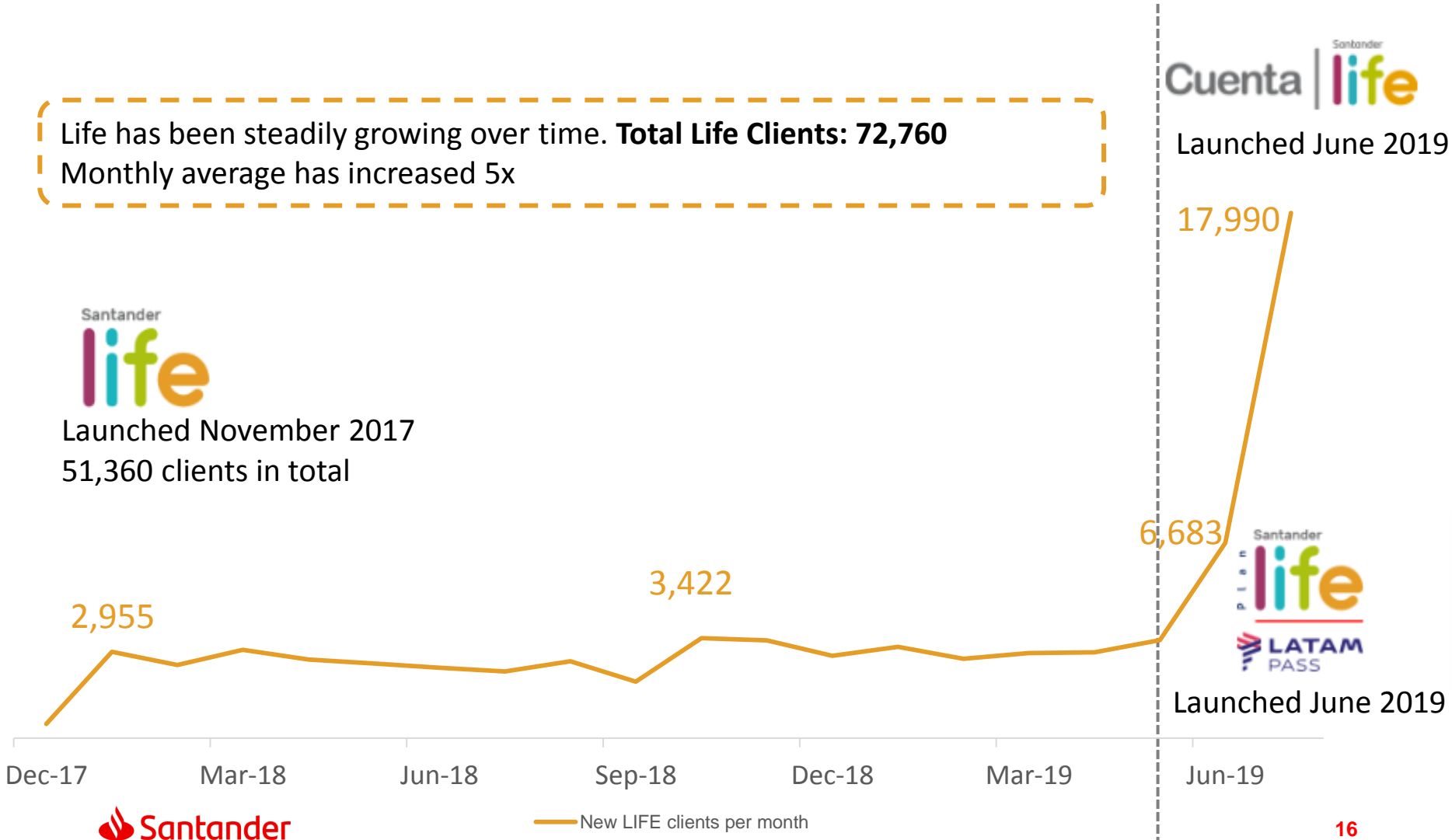
Strategy: I. Increasing client loyalty and expanding digital banking



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

As of June 2019

Life has been steadily growing over time. **Total Life Clients: 72,760**
Monthly average has increased 5x

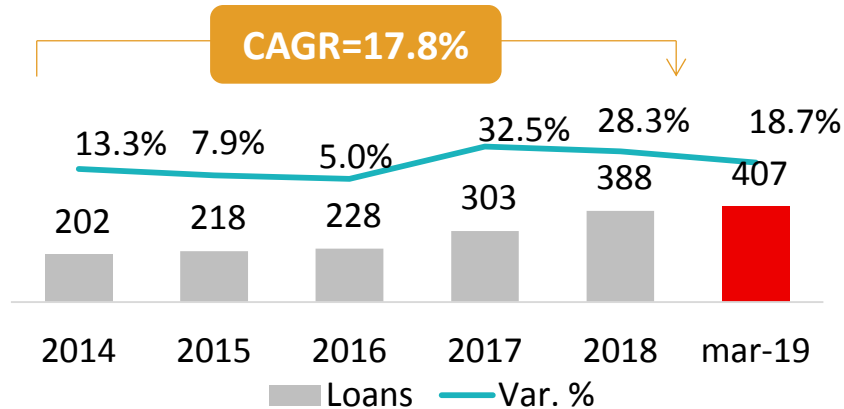


Strategy: I. Increasing client loyalty and expanding digital banking

Santander Consumer Chile: entering the auto lending business

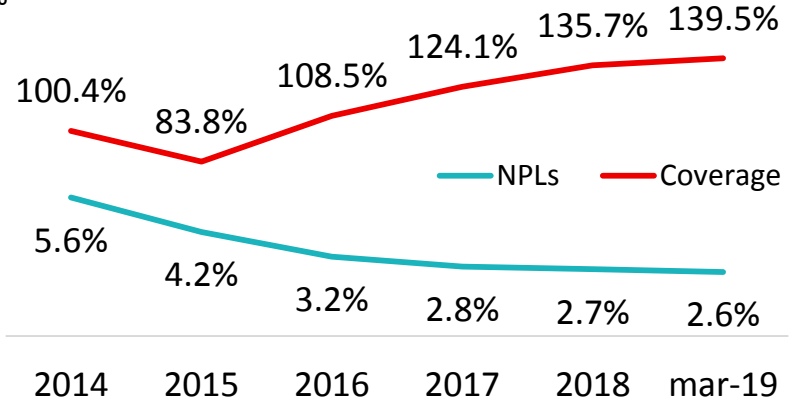
Total loans

Ch\$bn. Var. % YoY



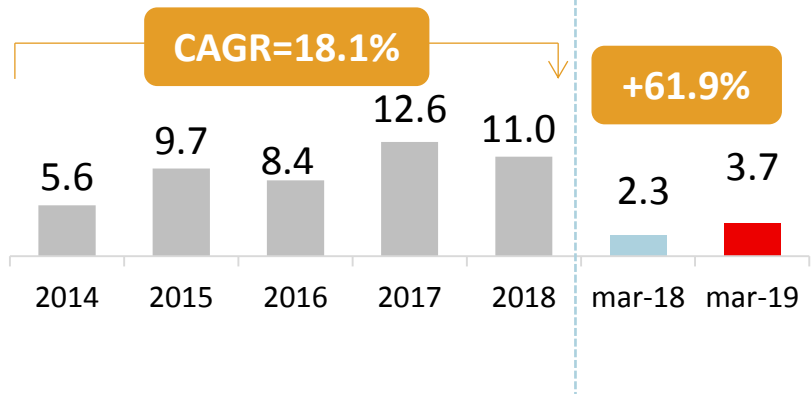
NPLs and coverage

%



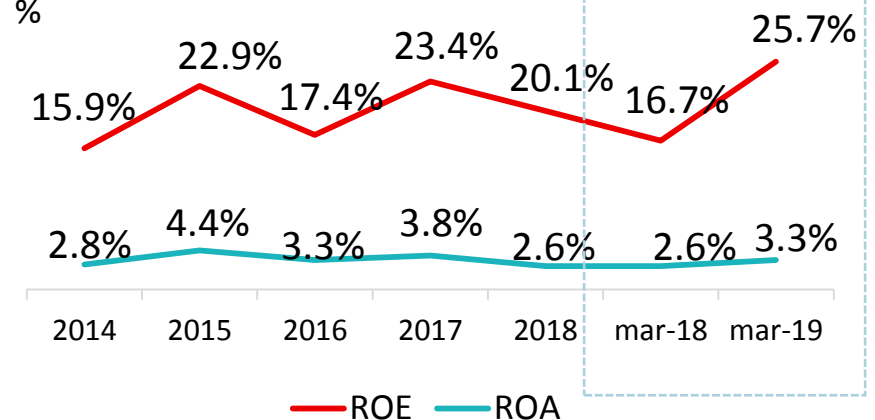
Net income

Ch\$bn



ROE & ROA

%

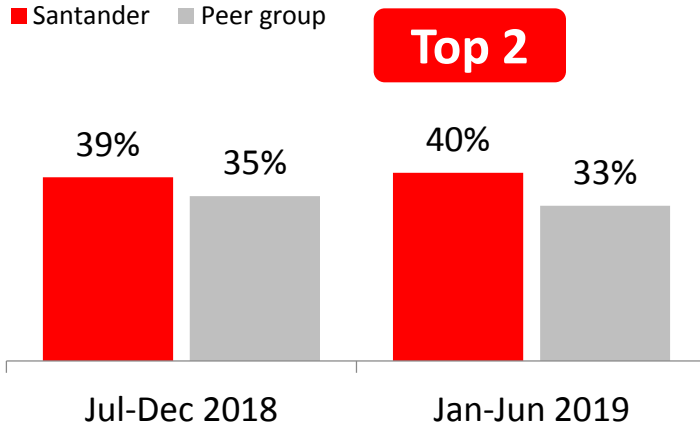


Strategy: I. Increasing client loyalty and expanding digital banking

Continuing to improve our client service

As of June 2019

Net Promoter Score



Where we have seen tangible improvements in client satisfaction:



+4 pp

Executives: *Easily contacted* was the main aspect improved.



+2 pp

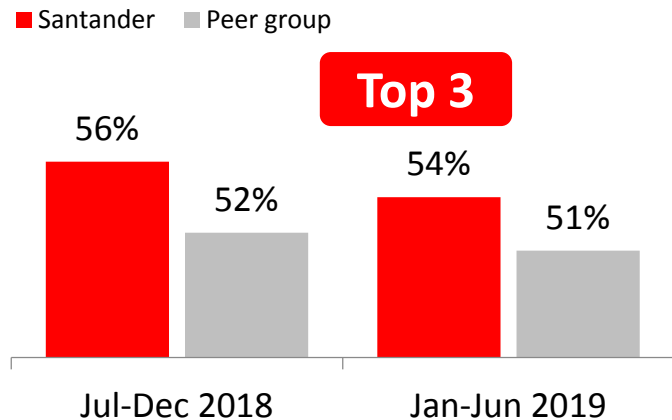
Teamwork: Clients have perceived our teams to be better integrated.



+3 pp

The bank understands my history as a client

Net Global Satisfaction



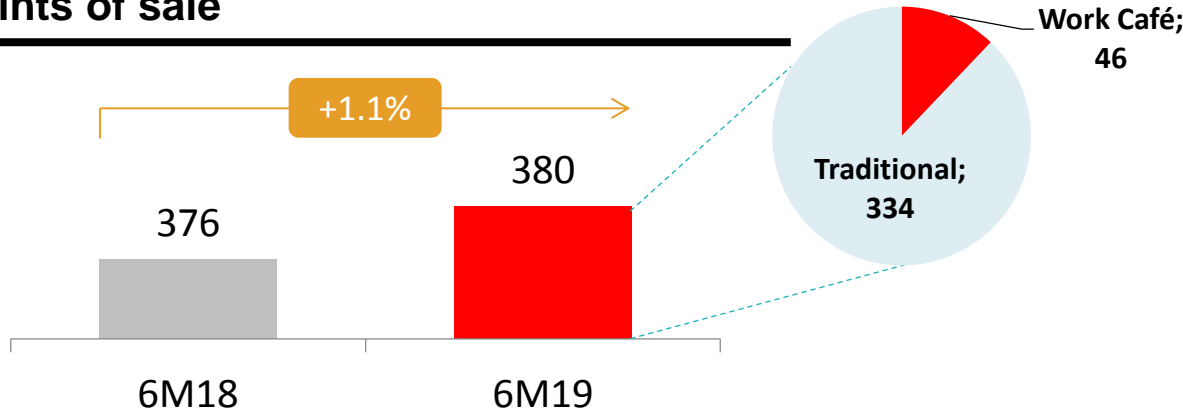
Our clients with a Life Credit Card have a **NPS of 67** and **Net Satisfaction of 90**



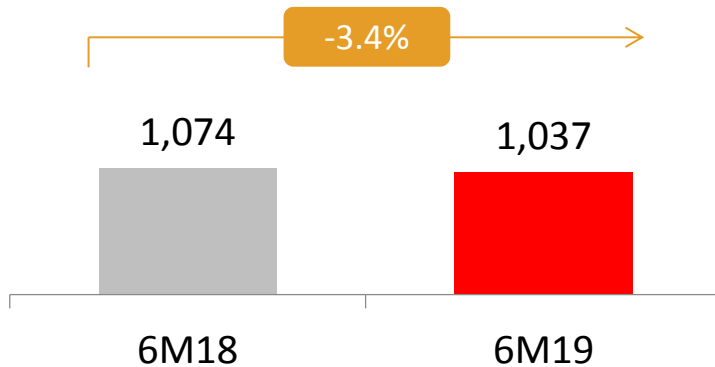
Strategy: I. Increasing client loyalty and expanding digital banking

Restructuring our physical distribution network

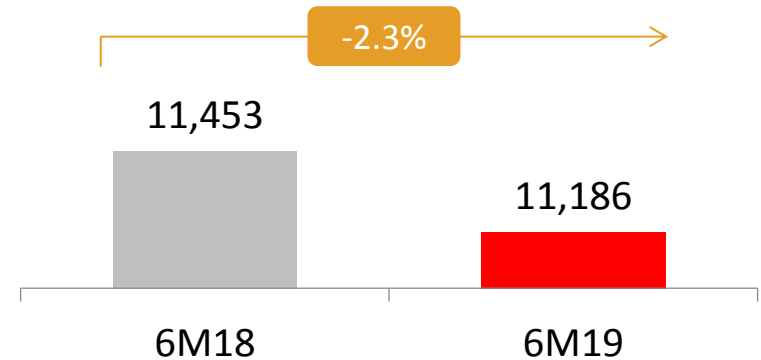
Points of sale



ATMs



Employees

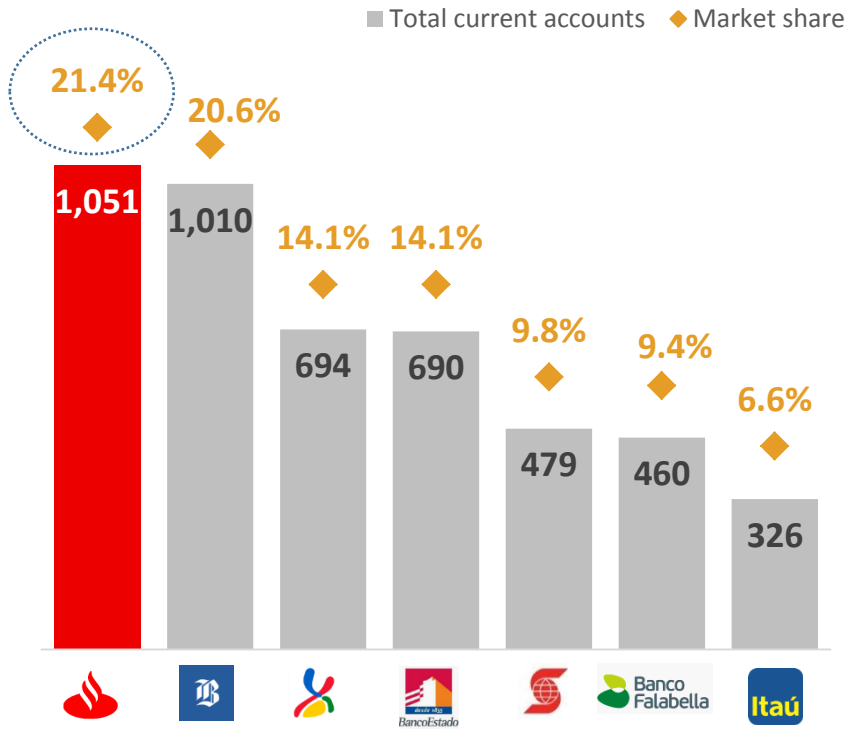


Strategy: I. Increasing client loyalty and expanding digital banking

We reached 1 million checking account holders

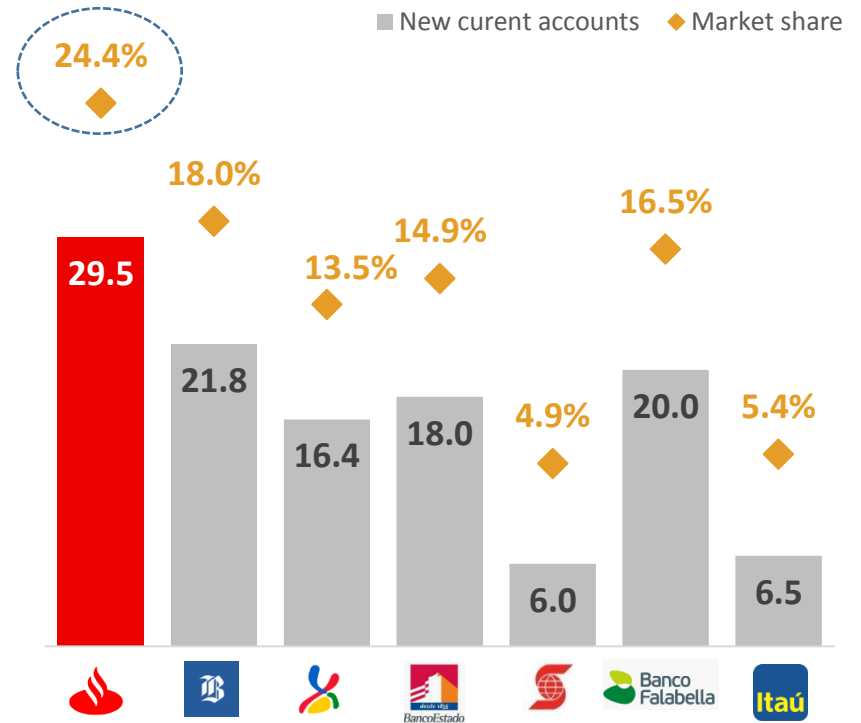
Total current accounts and market share

Thousands of number of current accounts



Net increase in current accounts 4M19 and market share

Thousands of number of current accounts

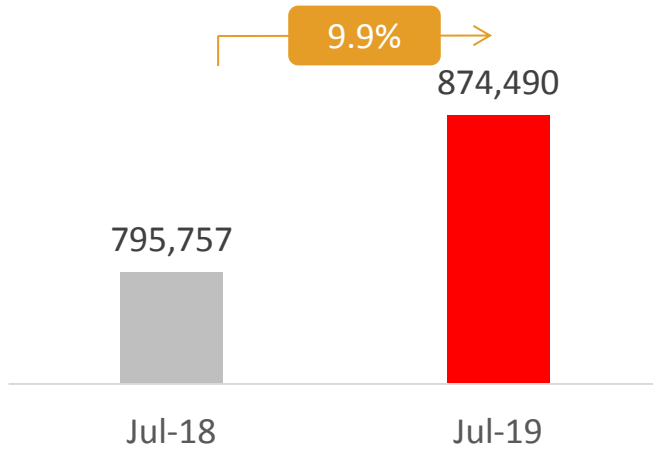


We represent over 24% of the net increase in current accounts in the system

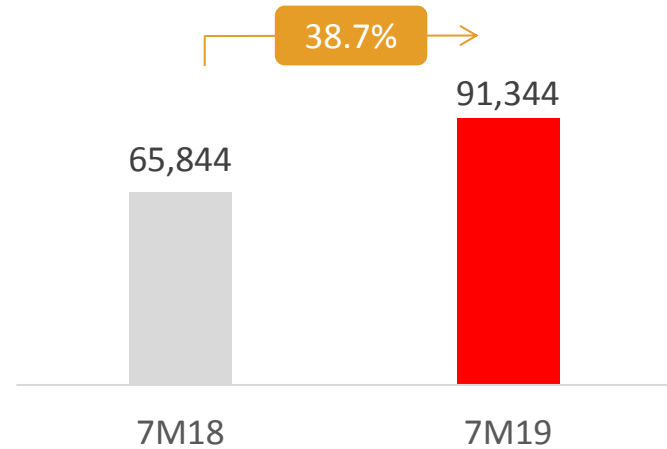
Strategy: I. Increasing client loyalty and expanding digital banking

Client growth accelerating

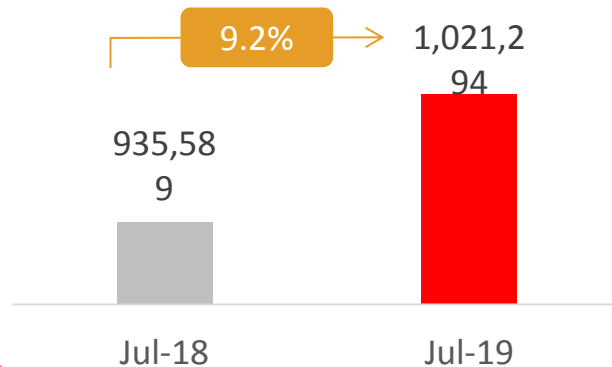
Total checking accounts



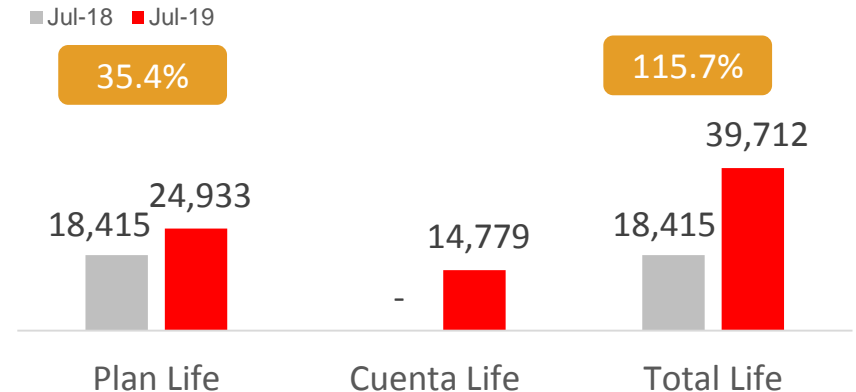
New gross checking accounts (7M)



Total digital clients



New Santander Life clients (7M)



Objectives for healthy growth / higher profitability



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








Optimizing profitability and capital use to increase shareholder value in time

Strategy: II. Optimizing profitability and capital

ROAE of 21.1% in 2Q19 and 18.2% in 6M19

ROAE

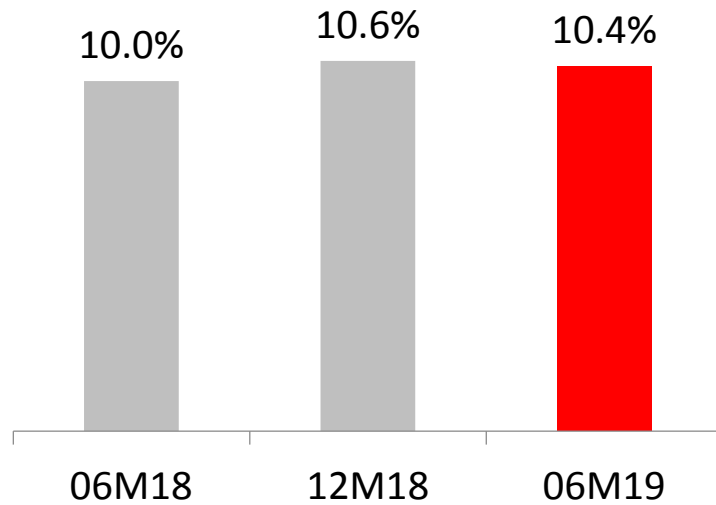
%

	6M19	2018	2017	2016	2015
 Santander	18.2%	19.2%	19.2%	17.1%	17.1%
 Chile	17.6%	18.7%	19.3%	19.6%	21.3%
 BCI	15.1%	13.5%	14.0%	14.7%	17.5%
 Itaú Corpbanca	4.8%	5.3%	1.8%	0.1%	14.8%
 Scotiabank	15.8%	8.6%	12.0%	11.5%	11.2%

Strategy: II. Optimizing profitability and capital

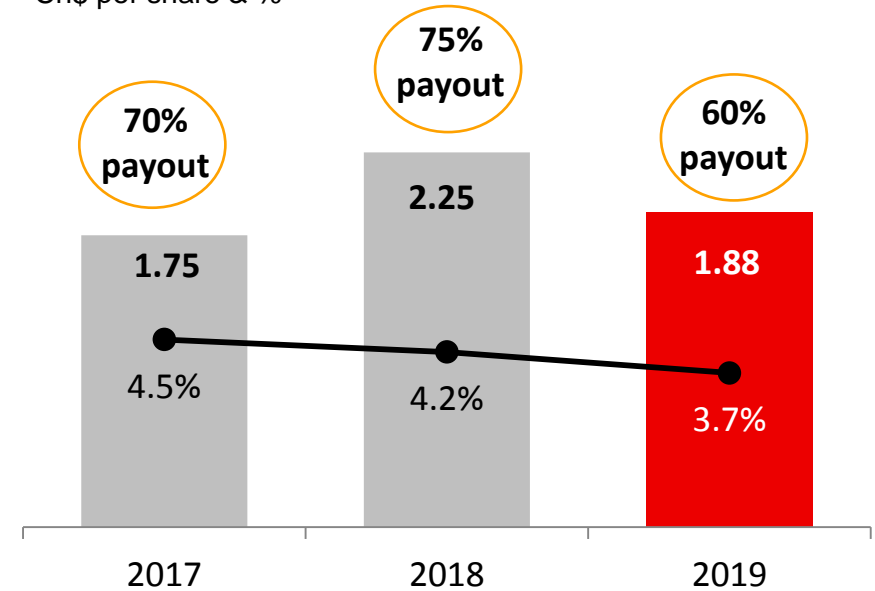
40bp of capital generated in the 12 months

Core capital



Payout and dividend yield

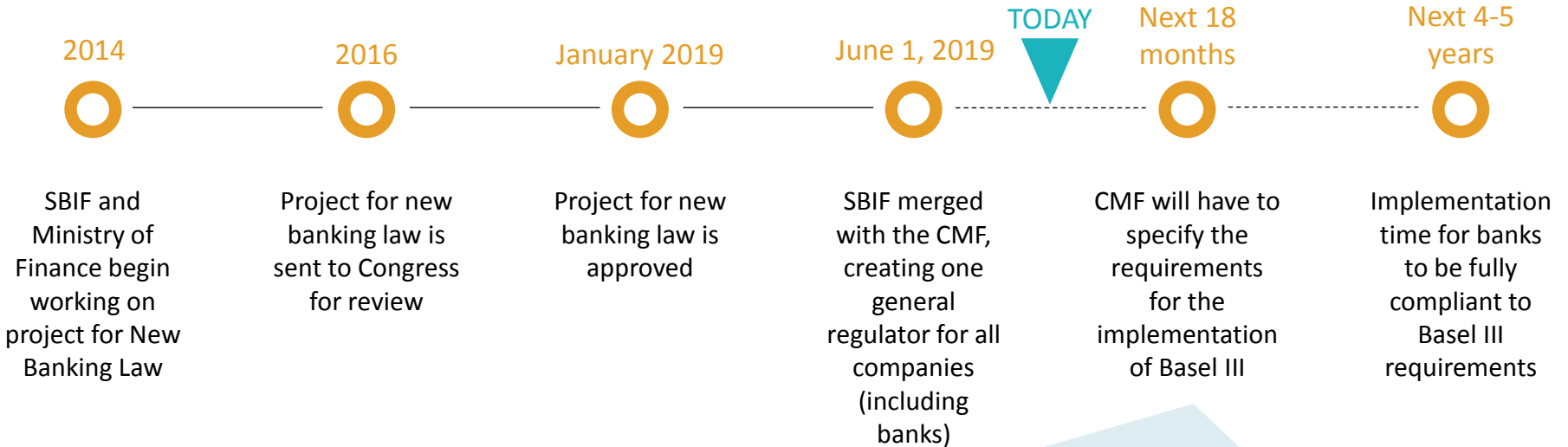
Ch\$ per share & %



Payout of 60%. Dividend yield of 3.7%

Strategy: II. Optimizing profitability and capital

Updated timeline for implementation of BIS III



The CMF will begin publishing draft regulations for discussion in the following months. Standards will go through the following process:

CMF will create working groups with the Central Bank to create draft



CMF will publish draft regulations for discussion



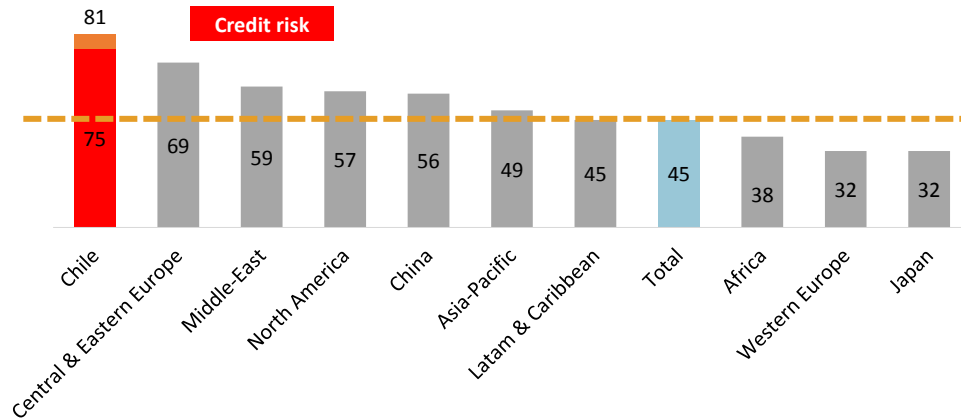
CMF will publish regulatory impact studies

The CMF will begin its discussion on how to define systemic banks and how much increased capital they will be required to have. Under the Chilean legislation, this systemic buffer can go anywhere between 1% and 3.5%.

Strategy: II. Optimizing profitability and capital

New banking regulation for implementation of BIS III

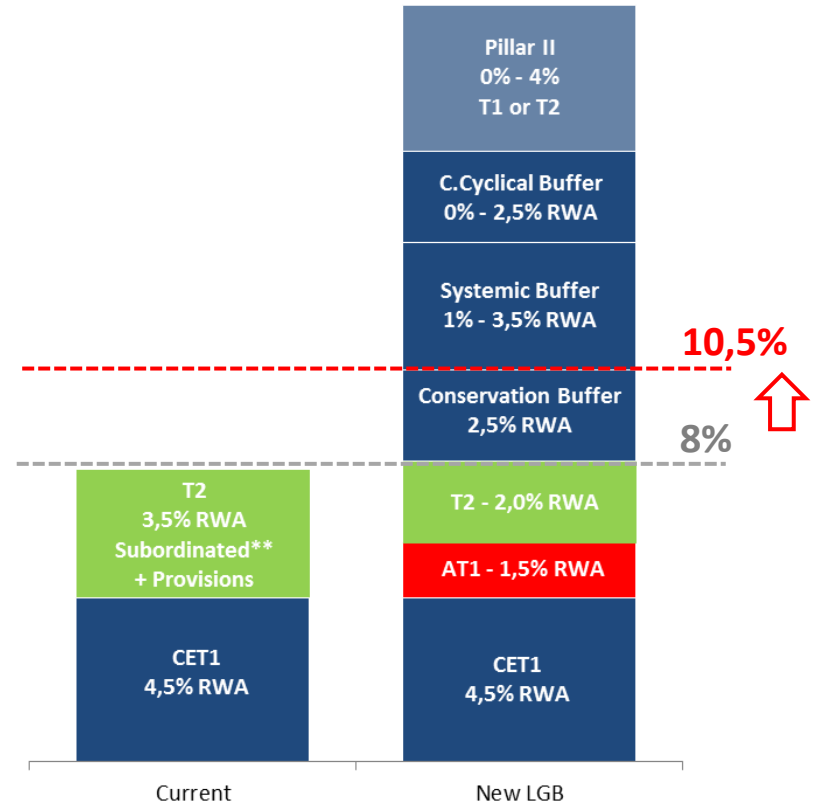
RWA density*



- Hybrid instruments will be recognized as capital (AT1 and preference shares)
- A normal transition to BIS III should be positive for our capital ratios
- Systemic buffer regulations published for consultation

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

New capital requirements



** Subordinated bonds allowed up to 50% of CET1

Strategy: II. Optimizing profitability and capital

Regulation in consultation phase: Systemic banks & operational risk

Systemic charge

Core capital additional charge

Systemic level	Range (bp)	Core capital additional charge (% RWA)
I	1000-1300	1.0%-1.25%
II	1300-1800	1.25%-1.75%
III	1800-2000	1.75%-2.5%
IV	>=2000	2.5%-3.5%

Factors

- Size (30%):** Total assets consolidated in the domestic market
- Domestic interconnection (30%):** assets and liabilities with financial institutions (banks and non-banks) and assets in circulation in the Chilean financial market
- Domestic substitution (20%):** share in local payments, deposits and loans
- Complexity (20%):** Factors that lead to greater difficulties regarding costs and/or time for the orderly resolution of the bank

Operational risk

Operational risk coefficient

=

Business Indicator Component (BIC)

x

Internal Loss Multiplier (ILM)

Depends on interest income, dividend income, financial transactions, and commissions; all multiplied by a marginal coefficient

Based on historical operational losses

According to CMF calculations, the bank system will not require additional capital to comply with operational risk. The increase in risk weightings for operational risk will also be compensated by the decrease in risk weightings for credit risk.

Agenda

Macro-economic environment

Strategy update

Results

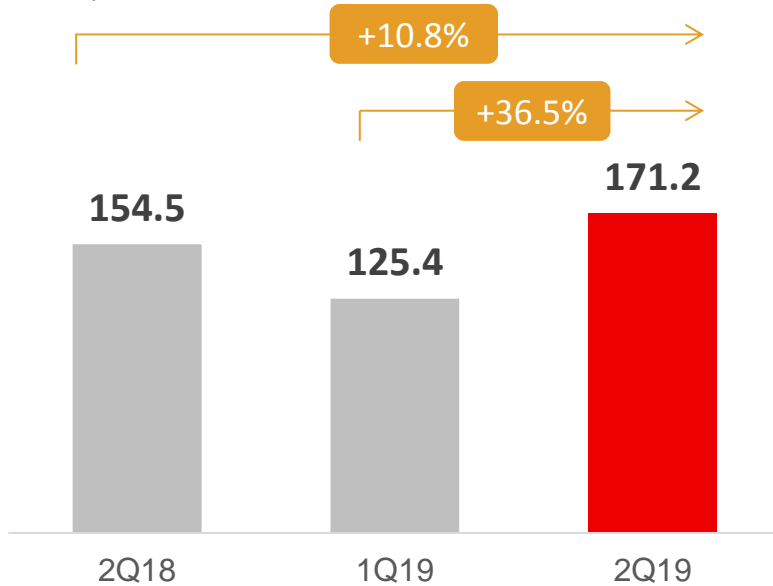
Outlook

Results

Strong quarterly result with ROAE of 21.1%

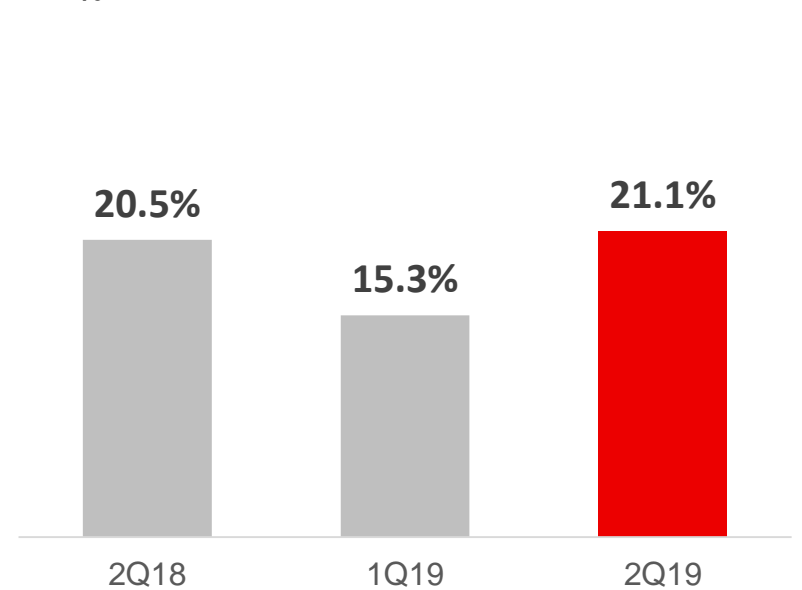
Net income to shareholders

Ch\$bn



ROAE¹

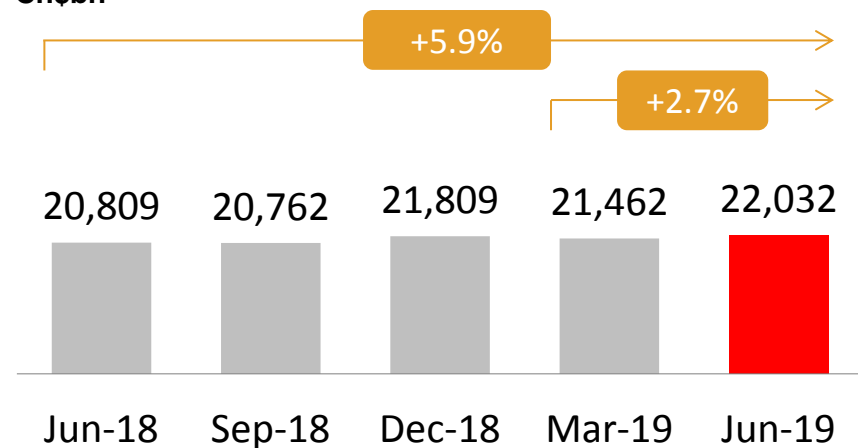
%



Positive evolution of funding mix

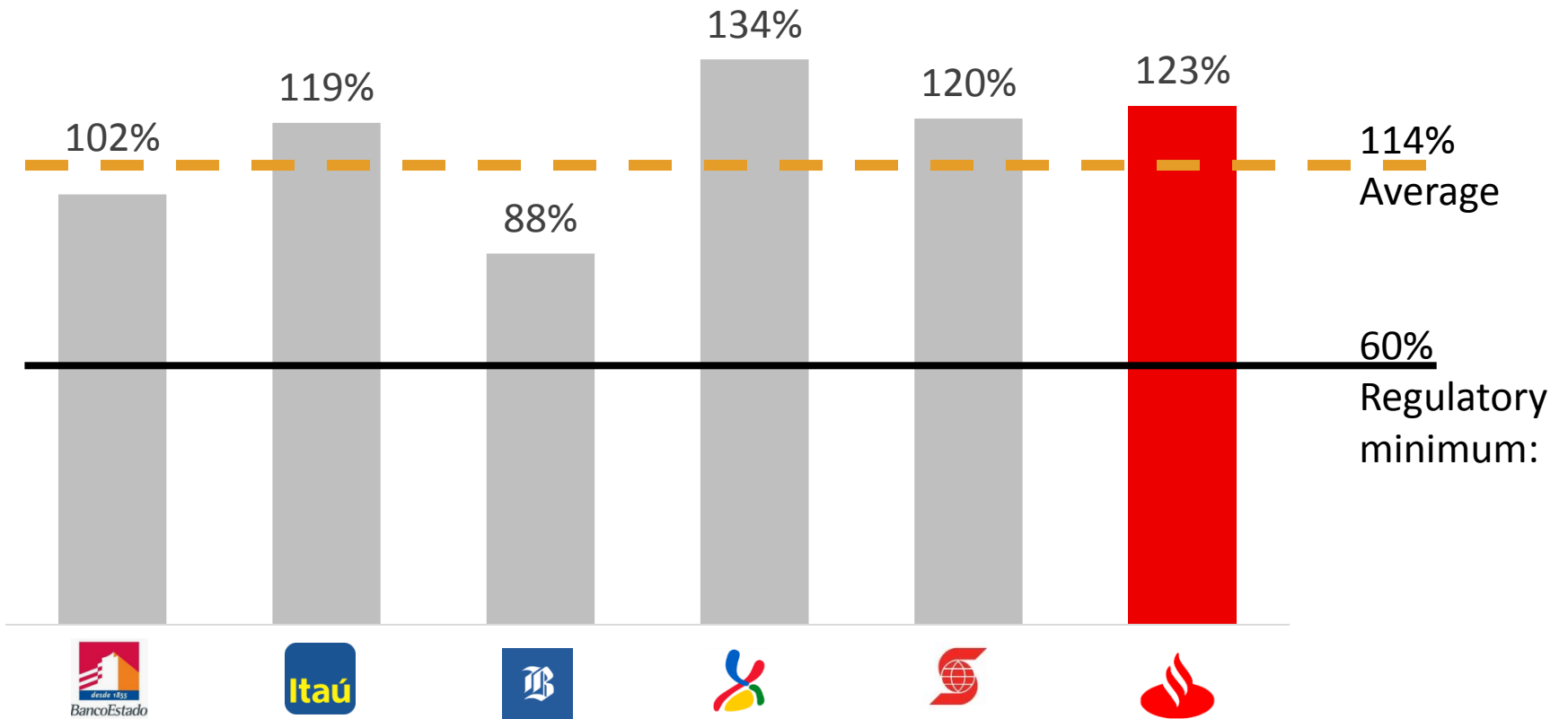
Total Deposits

Ch\$bn



Ch\$ bn	6M19	YoY	QoQ
Demand	8,910	9.6%	4.5%
Time	13,123	3.5%	1.4%
Total Deposits	22,032	5.9%	2.7%
Mutual funds ¹	6,266	12.8%	7.7%
Adjusted loans to deposits²	97.0%		
LCR³	123%		
NSFR⁴	110%		

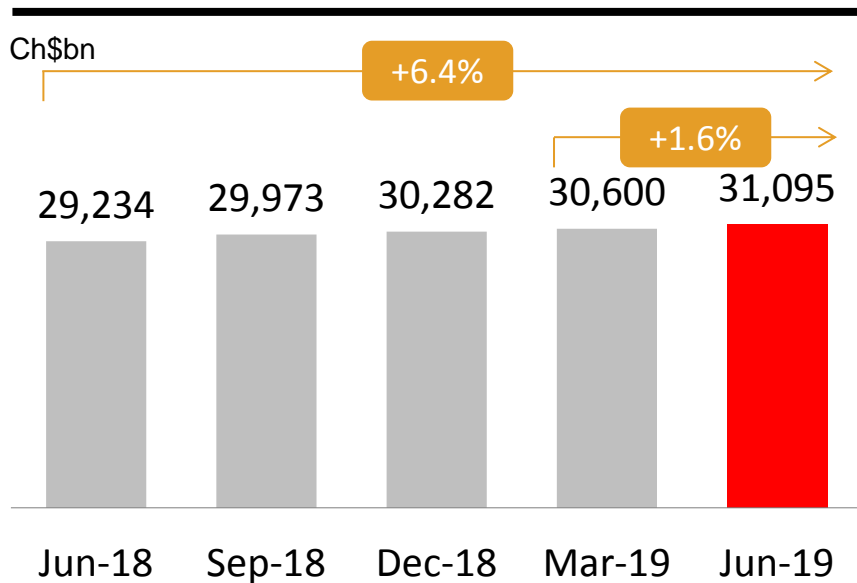
Healthy liquidity levels



Results

Loan growth driven by Retail banking

Total Loans



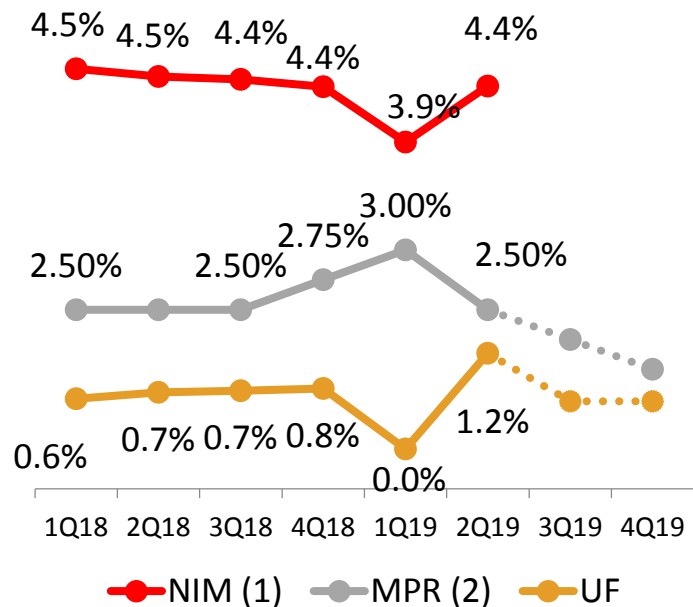
Ch\$ bn	6M19	YoY	QoQ
Individuals ¹	17,587	10.1%	2.5%
Consumer	4,989	7.5%	1.4%
Mortgages	10,658	11.9%	3.1%
SMEs	3,918	3.2%	2.2%
Retail	21,505	8.8%	2.5%
Middle Market	7,876	6.6%	(0.1%)
Corporate (SCIB)	1,563	(19.8%)	(1.7%)
Total²	31,095	6.4%	1.6%

2019: Loan growth forecast 8-10% driven by retail loans

Results

Higher inflation in 2Q19 drives recovery in NIMs

NIM¹ & Inflation



Net Interest Income

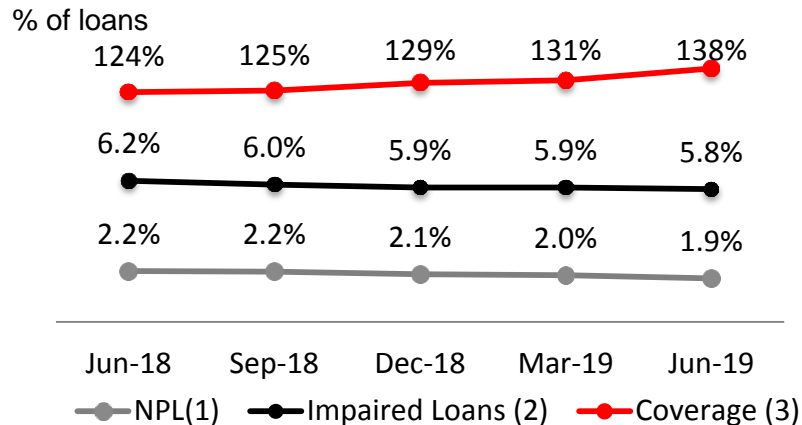
Ch\$ bn	6M19	YoY	QoQ
Net interest income	693	(1.0%)	14.8%
Average interest-earning assets	31,836	2.0%	2.6%
Average loans	29,145	2.6%	1.9%
Interest earning asset yield ³	6.8%	-19bp	+240bp
Cost of funds ⁴	2.73%	+11bp	+198bp
NIM YTD	4.1%	-35bp	

Stable NIM outlook for the rest of the year

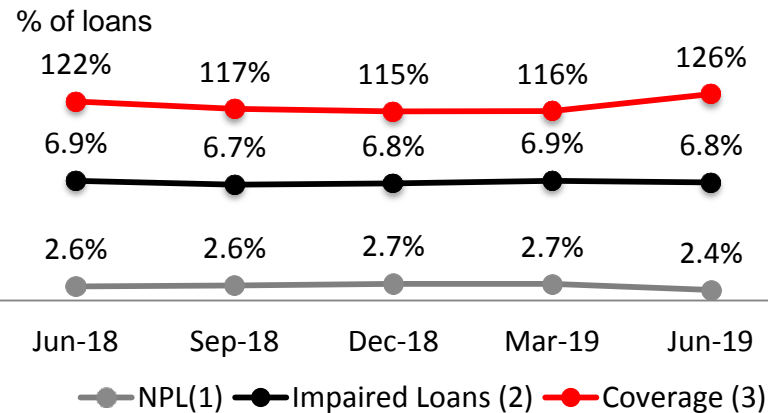
Results

Positive evolution of asset quality

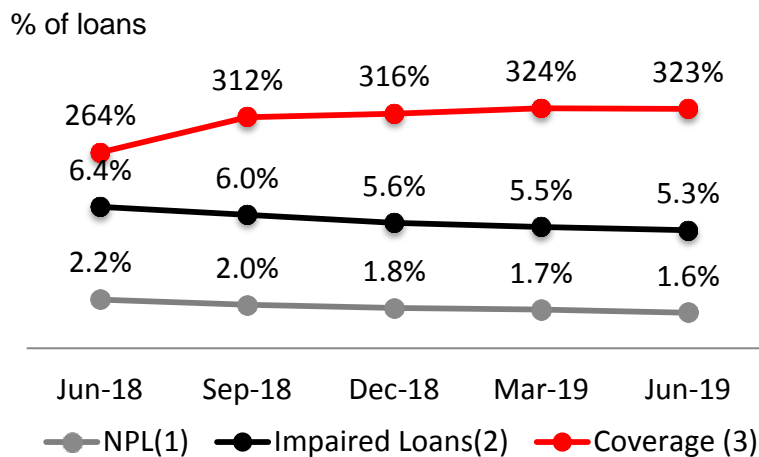
Total loans



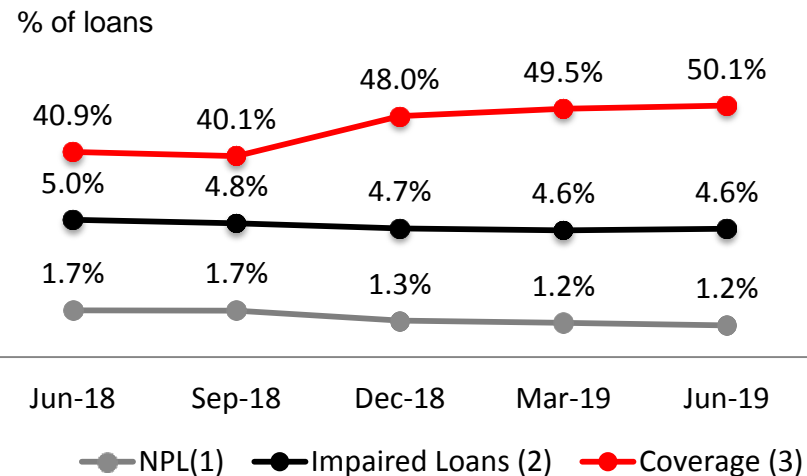
Commercial loans



Consumer loans



Mortgage loans

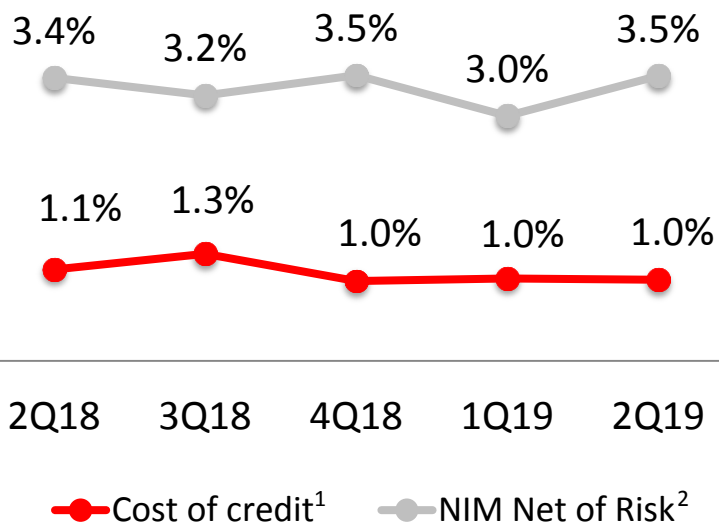


1. 90 days or more NPLs. 2. Impaired NPLs + restructured loans 3. Loan loss reserves over NPLs. Includes the additional provisions for Consumer recognized in 3Q18 for Ch\$ 20,000 million

Low cost of credit drives NIM net of risk

Cost of credit¹ and NIM Net of Risk²

%



Provision for loan losses

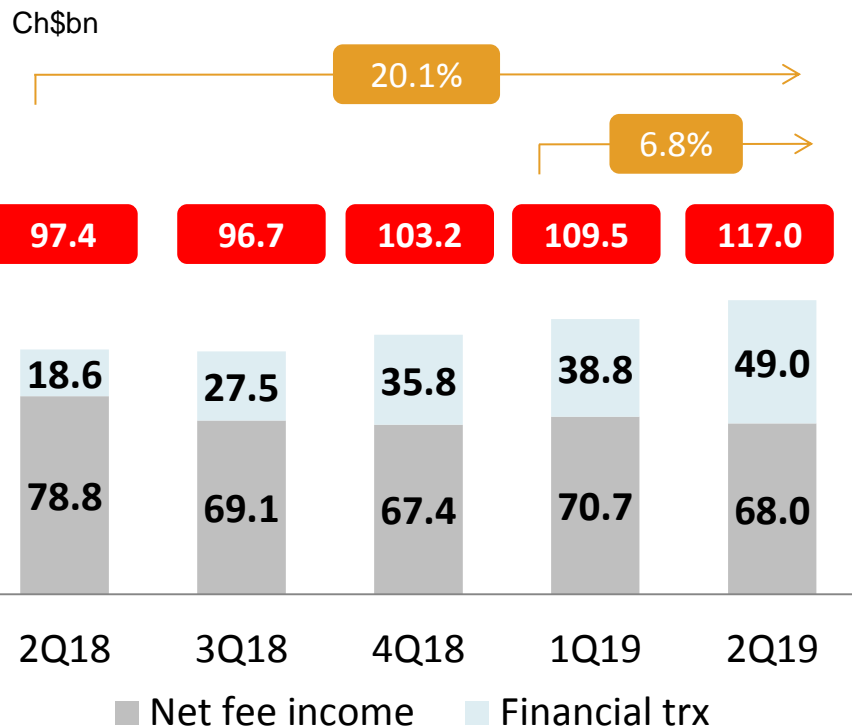
Ch\$ bn	6M19	YoY	QoQ
Gross provisions & charge-offs	(194,249)	(3.2%)	(16.8%)
Loan loss recoveries	41,627	(8.0%)	31.2%
Provision for loan losses	(152,622)	(1.8%)	(0.9%)
Cost of credit (YTD) ¹	0.99%	-10bp	
NIM net of risk (YTD) ²	3.2%	-26bp	

One-time provision expense for new standardized model for commercial loans analyzed on a group basis recognized in July 2019: Ch\$31bn

Results

Non-NII: Strong client treasury revenues offset lower fee income

Non-interest income (fee + financial trxs)



Total Non-NII growth ~10% in 2019

Fee income

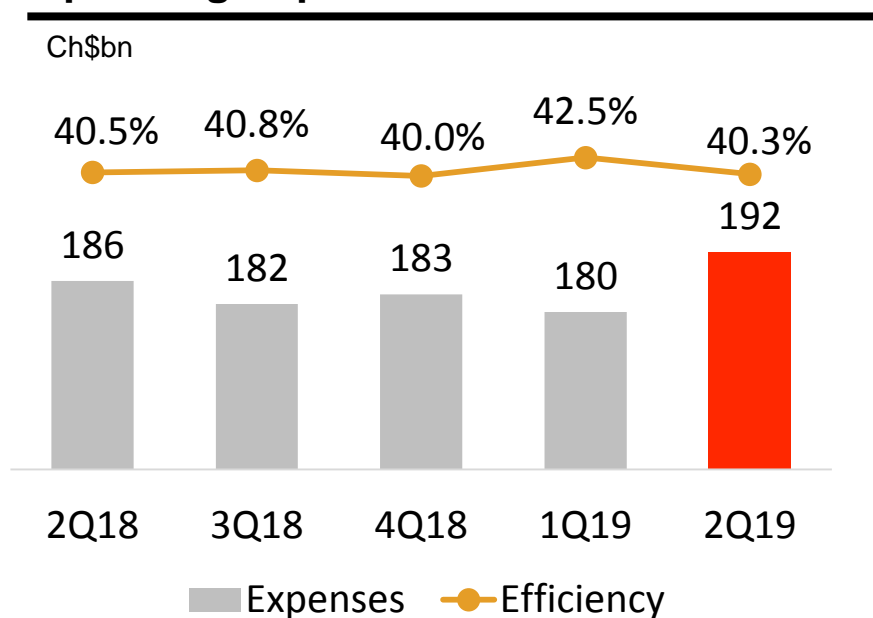
Ch\$ bn	6M19	YoY	QoQ
Retail	112.3	0.4%	(3.6%)
Middle Market	19.5	6.9%	(3.8%)
Corporate	14.3	(23.6%)	(11.9%)
Subtotal	146.0	(1.8%)	(4.5%)
Others	(7.3)	(230.7%)	(15.8%)
Total Fees	138.6	(10.2%)	(3.8%)

Financial transactions, net

Ch\$ bn	6M19	YoY	QoQ
Client	66.2	60.1%	18.8%
Non Client	21.7	--%	52.1%
Total Financial trx	87.9	110.3%	26.2%

Investing to improve productivity and efficiency

Operating Expenses



Ch\$ bn	6M19	YoY	QoQ
Personnel expenses	199.3	3.0%	10.8%
Administrative expenses	120.7	(3.4%)	3.4%
Depreciation	51.7	34.4%	(2.5%)
Operating expenses	371.7	4.1%	6.4%
Efficiency ratio	41.4%	+174bp	-225bp
Cost/Assets	1.8%	-11bp	+2bp

Agenda

Macro-economic environment

Strategy update

Results

Outlook

Sound outlook for rest of 2019

- ✓ GDP growth estimate reduced to 2.4%. Investment to expand 4.3% in 2019
- ✓ UF inflation of 2.6% for 2019. The MPR cut a further 50bp to 2.0%, and expecting another 25bp cut before year-end
- ✓ Ambitious investment plan announced focusing on technology and new businesses
- ✓ Estimated loan growth of 8-10% with growth accelerating in higher yielding retail loans
- ✓ NIMs of 4.2-4.3% in remaining quarters, depending on inflation and velocity of rate cuts
- ✓ 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 ~41% led by improved productivity through digitalization
- ✓ Effective tax rate of ~22% for the full year

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	Jun-19	Jun-19	Jun-18	Jun-19/Jun-18
	US\$ Ths ¹	Ch\$ Million		% Chg.
Cash and deposits in banks	2,858,976	1,939,644	1,450,015	33.8%
Cash items in process of collection	754,653	511,987	745,532	(31.3%)
Trading investments	240,519	163,178	273,568	(40.4%)
Investments under resale agreements	-	-	1,746	(100.0%)
Financial derivative contracts	6,184,635	4,195,904	2,233,818	87.8%
Interbank loans, net	12,685	8,606	29,736	(71.1%)
Loans and account receivables from customers, net	44,645,070	30,289,001	28,399,121	6.7%
Available for sale investments	4,271,899	2,898,227	2,909,127	(0.4%)
Held-to-maturity investments	-	-	-	--%
Investments in associates and other companies	14,561	9,879	30,292	(67.4%)
Intangible assets	93,407	63,371	61,056	3.8%
Property, plant and equipment	292,039	198,131	230,572	(14.1%)
Right of use assets	288,958	196,041	-	--%
Current taxes	-	-	10,623	(100.0%)
Deferred taxes	577,156	391,566	380,610	2.9%
Other assets	1,719,262	1,166,416	833,422	40.0%
Total Assets	61,953,822	42,031,951	37,589,238	11.8%
Deposits and other demand liabilities	13,132,472	8,909,594	8,127,758	9.6%
Cash items in process of being cleared	578,446	392,441	717,175	(45.3%)
Obligations under repurchase agreements	197,055	133,690	110,585	20.9%
Time deposits and other time liabilities	19,342,172	13,122,503	12,681,594	3.5%
Financial derivatives contracts	5,645,286	3,829,988	2,072,108	84.8%
Interbank borrowings	2,705,184	1,835,305	1,553,212	18.2%
Issued debt instruments	13,170,898	8,935,664	8,020,395	11.4%
Other financial liabilities	309,426	209,927	249,547	(15.9%)
Leasing contract obligations	223,398	151,562	-	--%
Current taxes	6,889	4,674	-	--%
Deferred taxes	57,875	39,265	22,643	73.4%
Provisions	312,514	212,022	206,306	2.8%
Other liabilities	1,361,756	923,870	784,785	17.7%
Total Liabilities	57,043,372	38,700,505	34,546,108	12.0%
Equity				
Capital	1,313,754	891,303	891,303	0.0%
Reserves	3,183,455	2,159,783	1,923,022	12.3%
Valuation adjustments	38,482	26,108	(28,318)	(192.2%)
Retained Earnings:				
Retained earnings from prior years	-	-	-	--%
Income for the period	437,271	296,662	305,531	(2.9%)
Minus: Provision for mandatory dividends	(131,182)	(88,999)	(91,659)	(2.9%)
Total Shareholders' Equity	4,841,780	3,284,857	2,999,879	9.5%
Non-controlling interest	68,671	46,589	43,251	7.7%
Total Equity	4,910,450	3,331,446	3,043,130	9.5%
Total Liabilities and Equity	61,953,822	42,031,951	37,589,238	11.8%

1. The exchange rate used to calculate the figures in dollars was Ch\$678.44 / US\$1

Annexes

	Jun-19	Jun-19	Jun-18	Jun-19/Jun-18
	US\$ Ths ¹	Ch\$ Million		% Chg.
Interest income	1,675,700	1,136,862	1,088,772	4.4%
Interest expense	(654,127)	(443,786)	(388,727)	14.2%
Net interest income	1,021,573	693,076	700,045	(1.0%)
Fee and commission income	360,720	244,727	246,548	(0.7%)
Fee and commission expense	(156,356)	(106,078)	(92,230)	15.0%
Net fee and commission income	204,364	138,649	154,318	(10.2%)
Net income (expense) from financial operations	33,770	22,911	(8,853)	(358.8%)
Net foreign exchange gain	95,734	64,950	50,634	28.3%
Total financial transactions, net	129,504	87,861	41,781	110.3%
Other operating income	14,662	9,947	24,564	(59.5%)
Net operating profit before provisions for loan losses	1,370,103	929,533	920,708	1.0%
Provision for loan losses	(224,960)	(152,622)	(155,406)	(1.8%)
Net operating profit	1,145,143	776,911	765,302	1.5%
Personnel salaries and expenses	(293,774)	(199,308)	(193,577)	3.0%
Administrative expenses	(177,857)	(120,665)	(124,865)	(3.4%)
Depreciation and amortization	(76,173)	(51,679)	(38,440)	34.4%
Op. expenses excl. Impairment and Other operating expenses	(547,804)	(371,652)	(356,882)	4.1%
Impairment of property, plant and equipment	-	-	(39)	(100.0%)
Other operating expenses	(45,444)	(30,831)	(19,852)	55.3%
Total operating expenses	(593,248)	(402,483)	(376,773)	6.8%
Operating income	551,896	374,428	388,529	(3.6%)
Income from investments in associates and other companies	800	543	1,141	(52.4%)
Income before tax	552,696	374,971	391,530	(4.2%)
Income tax expense	(117,092)	(79,440)	(84,584)	(6.1%)
Net income from ordinary activities	435,604	295,531	306,946	(3.7%)
Net income discontinued operations ²	2,504	1,699	1,860	(8.7%)
Net consolidated income	438,108	297,230	306,946	(3.2%)
Net income attributable to:				
Non-controlling interest	837	568	1,415	(59.9%)
Net income attributable to equity holders of the Bank	437,271	296,662	305,531	(2.9%)

1. The exchange rate used to calculate the figures in dollars was Ch\$678.44 / US\$1

2. Corresponds to the discontinued operations of Redbanc S.A., Transbank S.A. and Nexus S.A. Jun-2018 has been included for comparison purposes, reclassifying from Income from investments in associates and other companies

Annexes

	2Q19	2Q19	1Q19	2Q18	2Q19/2Q18	2Q19/1Q19
	US\$ Ths ¹		Ch\$ Million		% Chg.	
Interest income	996,567	676,111	460,751	560,720	20.6%	46.7%
Interest expense	(450,646)	(305,736)	(138,050)	(207,390)	47.4%	121.5%
Net interest income	545,922	370,375	322,701	353,330	4.8%	14.8%
Fee and commission income	181,830	123,361	121,366	122,394	0.8%	1.6%
Fee and commission expense	(81,639)	(55,387)	(50,691)	(43,570)	27.1%	9.3%
Net fee and commission income	100,192	67,974	70,675	78,824	(13.8%)	(3.8%)
Net income (expense) from financial operations	282,149	191,421	(168,510)	18,321	944.8%	(213.6%)
Net foreign exchange gain	(209,901)	(142,405)	207,355	239	--%	(168.7%)
Total financial transactions, net	72,248	49,016	38,845	18,560	164.1%	26.2%
Other operating income	7,062	4,791	5,156	18,257	(73.8%)	(7.1%)
Net operating profit before provisions for loan losses	725,423	492,156	437,377	468,971	4.9%	12.5%
Provision for loan losses	(112,535)	(76,348)	(76,274)	(80,001)	(4.6%)	0.1%
Net operating profit	612,888	415,808	361,103	388,970	6.9%	15.1%
Personnel salaries and expenses	(154,400)	(104,751)	(94,557)	(104,061)	0.7%	10.8%
Administrative expenses	(90,397)	(61,329)	(59,336)	(62,710)	(2.2%)	3.4%
Depreciation and amortization	(37,610)	(25,516)	(26,163)	(19,260)	32.5%	(2.5%)
Op. expenses excl. Impairment and Other operating expenses	(282,407)	(191,596)	(180,056)	(186,031)	3.0%	6.4%
Impairment of property, plant and equipment	-	-	-	-	--%	--%
Other operating expenses	(24,565)	(16,666)	(14,165)	(9,931)	67.8%	17.7%
Total operating expenses	(306,972)	(208,262)	(194,221)	(195,962)	6.3%	7.2%
Operating income	305,917	207,546	166,882	193,008	7.5%	24.4%
Income from investments in associates and other companies	579	393	150	966	(59.3%)	162.0%
Income before tax	306,496	207,939	167,032	193,974	7.2%	24.5%
Income tax expense	(54,970)	(37,294)	(42,146)	(40,031)	(6.8%)	(11.5%)
Net income from ordinary activities	251,526	170,645	124,886	153,943	10.8%	36.6%
Net income discontinued operations ²	1,365	926	773	1,210	(23.5%)	19.8%
Net consolidated income	252,890	171,571	125,659	155,153	10.6%	36.5%
Net income attributable to:						
Non-controlling interest	500	339	229	638	(46.9%)	48.0%
Net income attributable to equity holders of the Bank	252,391	171,232	125,430	154,515	10.8%	36.5%



¹ The exchange rate used to calculate the figures in dollars was Ch\$678.44 / US\$1.
² Corresponds to the discontinued operations of Redbanc S.A., Transbank S.A. and Nexus S.A. Previous quarters have been included for comparison purposes, reclassifying from Income from investments in associates and other companies.

Annexes: Key Indicators

Profitability and efficiency	06M19	06M18	Change bp
Net interest margin (NIM) ¹	4.1%	4.5%	-35
Efficiency ratio ²	41.4%	39.6%	174
Return on avg. equity	18.2%	20.0%	-177
Return on avg. assets	1.5%	1.7%	-20
Core Capital ratio	10.4%	10.0%	41
BIS ratio	13.1%	12.8%	35
Return on RWA	1.9%	2.1%	-22

Asset quality ratios (%)	Jun-19	Jun-18	Change bp
NPL ratio ³	1.9%	2.2%	-36
Coverage of NPLs ratio ⁴	137.6%	123.9%	1,373
Cost of credit ⁵	1.0%	1.1%	-10

Structure (#)	Jun-19	Jun-18	Change (%)
Branches	380	376	1.1%
ATMs	1,037	1,074	(3.4%)
Employees	11,186	11,453	(2.3%)

Market capitalization (YTD)	Jun-19	Jun-18	Change (%)
Net income per share (Ch\$)	1.57	1.62	(2.9%)
Net income per ADR (US\$)	0.93	0.99	(6.4%)
Stock price (Ch\$/per share)	50.5	51.27	(1.5%)
ADR price (US\$ per share)	29.92	31.43	(4.8%)
Market capitalization (US\$m)	14,119	14,435	(2.2%)
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.