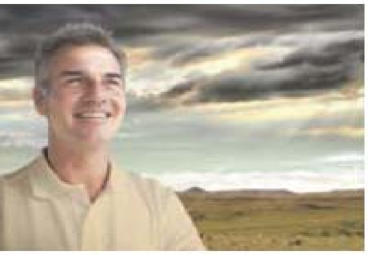



BANCO SANTANDER CHILE
THIRD QUARTER 2012
EARNINGS REPORT

INDEX

CONTACT INFORMATION

Robert Moreno
Manager, Investor Relations Department
Banco Santander Chile
Bandera 140 Piso 19
Santiago, Chile
Tel: (562) 320-8284
Fax: (562) 671-6554
Email: rmorenoh@santander.cl
Website: www.santander.cl

SECTION 1: SUMMARY OF RESULTS

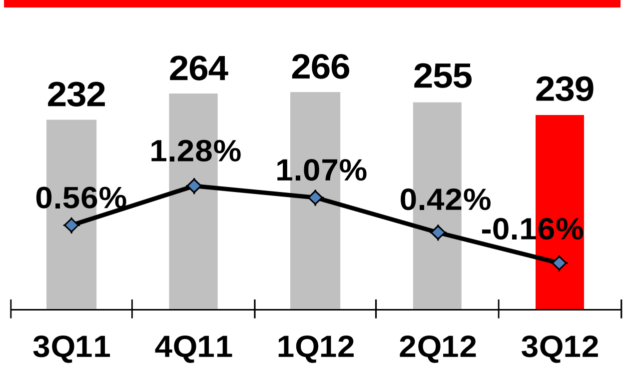
3Q12: Net income affected by deflation and one-time provision expense

Net income in the nine-month period ended September 30, 2012 totaled Ch$274,565 million (Ch$1.46 per share and US$1.24/ADR[1]). **3Q12 Net income** attributable to shareholders totaled Ch$50,563 million (Ch$0.27 per share and US$0.23[1]1/ADR). Compared to 2Q12 (from now on QoQ), net income decreased 52.2%. Compared to 3Q12 (from now on YoY), net income decreased 32.7%. This decline was mainly due to the lower inflation rate in the quarter that negatively affected net interest margins and a one-time provision expense.

Positive evolution of client margins offset by deflation in the quarter

In 3Q12, **Net interest income** decreased 6.4% QoQ and increased 2.9% YoY. The **Net interest margin** (NIM) in 3Q12 reached 4.7% compared to 5.0% in 2Q12 and 4.6% in 3Q11. In the quarter, the Bank's margins were negatively affected by deflation. The Bank has more assets than liabilities linked to inflation and, consequently, margins have a positive sensitivity to variations in inflation. In 3Q12, the variation of the Unidad de Fomento (an inflation indexed currency unit), was -0.16% compared to inflation of +0.42% in 2Q12 and +0.56% in 3Q11. This reduction signified a QoQ decrease of net interest income of approximately US$40 million or Ch$19,000 million. This was partially offset by higher client spreads and an improved funding mix. In 4Q12 UF inflation is expected to be greater than 1%, which should drive NIMs back to levels greater than 5%.

Net interest income (Ch$bn) & QuarterylInflation (%)



Provision expense includes a one-time expense of Ch$24.7 billion in the quarter

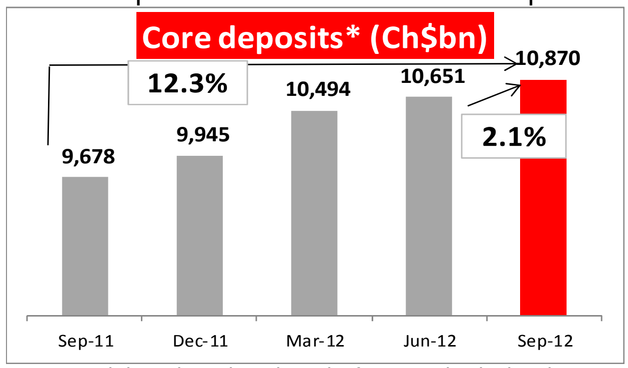
Net provision for loan losses in the quarter totaled Ch$119,459 million an increase of 52% QoQ and 32.2% YoY. As previously mentioned in the 2Q12 Earnings Report, in the current quarter, the Bank **recalibrated the consumer loan-provisioning model.** This resulted in an increase in the minimum provision set aside for consumer loans at origination given the higher risks observed in this portfolio. As a result, gross provision expenses in 3Q12 includes a **non-recurring provision expense** of Ch$24,753 million.

---

1 Earnings per ADR was calculated using the Observed Exchange Rate Ch$470.48 per US$ as of Sept. 30, 2012. The ratio of ordinary shares per ADR was modified form 1,039 share per ADR to 400 shares per ADR.

Solid growth of core deposits

Core deposits (demand deposits + time deposits from non-institutional sources), increased 2.1% QoQ and 12.3% YoY. Core deposits as a percentage of total deposits reached 77.2% compared to 73.3% as of June 2012 and 69.7% as of September 2011. This improved the Bank's funding mix, as non-institutional deposits tend to be cheaper and more stable than other sources of funding. **Total deposits** decreased 3.1% QoQ as the Bank, given its high structural liquidity, proactively reduced relatively more expensive institutional short-term deposits, which are not considered as structural funding by the Bank. YTD (as of August, 31st), the Bank's market share in terms of total deposits has increased 36 basis points.



* Demand deposits + time deposits from non-institutional sources

Selective loan growth

In 3Q12, total loans increased 0.7% QoQ and 4.7% YoY. Loan growth was driven by the favorable evolution of the Chilean economy and was mainly focused in the high-end of the retail market, SMEs and the middle-market. The Bank continued with its prudent approach to loan growth in the lower end of the consumer loan segment. **Loans to individuals** increased 0.8% QoQ in 3Q12 and 4.6% YoY. Loans to high-income individuals increased 2.0% QoQ in comparison to a decrease of 1.6% in the mass consumer market. **Lending to SMEs** (defined as companies that sell less than Ch$1,200 million per year) expanded 3.3% QoQ (8.8% YoY), reflecting the Bank's consistent focus on this growing segment. YTD (as of August 31), the Bank's market share in terms of total loans has decreased 19 basis points.

Solid levels of capital: Core capital at 10.6%, BIS at 13.9%

ROAE as of September 2012 reached 18.1%. **Core capital** reached 10.6% as of September 30, 2012 and the Bank's **BIS ratio** reached 13.9% at the same date. Voting common shareholders' equity is the sole component of our Tier I capital. Santander Chile has not issued new shares in more than 10 years.

Cost growth moderates as key project advance

Operating expenses in 3Q12 decreased 1.5% QoQ led by a 3.6% QoQ decrease in **personnel expenses.** The Bank continued with its projects of investing in a new Client Relationship Management system and the Transformation Initiatives aimed at enhancing productivity in retail banking. The installment of the new CRM and other initiatives should further limit cost growth in coming quarters.

Banco Santander Chile: Summary of Quarterly Results

(Ch$ million)	Quarter 3Q12	2Q12	3Q11	Change % 3Q12 / 3Q11	3Q 12 / 2Q12
Net interest income	238,731	254,940	232,057	2.9%	(6.4%)
Fee income	67,037	68,007	65,991	1.6%	(1.4%)
Core revenues	**305,768**	**322,947**	**298,048**	**2.6%**	**(5.3%)**
Financial transactions, net	19,222	25,640	23,001	(16.4%)	(25.0%)
Provision expense	(119,459)	(78,575)	(90,372)	32.2%	52.0%
Operating expenses	(135,665	(137,742)	(128,356)	5.7%	(1.5%)
Operating income, net of provisions and costs	**69,866**	**132,270**	**102,321**	**(31.7%)**	**(47.2%)**
Other operating & Non-op. Income	(19,303)	(26,575)	(27,168)	**(28.9%)**	**(27.4%)**
Net income attributable to shareholders	**50,563**	**105,695**	**75,153**	**(32.7%)**	**(52.2%)**
Net income/share (Ch$)	0.27	0.56	0.40	(32.7%)	(52.2%)
Net income/ADR (US$)[1]	0.23	0.44	0.31	(26.3%)	(48.2%)
Total loans	18,503,174	18,374,472	17,680,356	4.7%	0.7%
Deposits	14,088,770	14,537,663	13,892,003	1.4%	(3.1%)
Shareholders' equity	2,058,231	2,028,611	1,927,498	6.8%	1.5%
Net interest margin	4.7%	5.0%	4.6%		
Efficiency ratio	42.4%	41.0%	41.3%		
YTD return on average equity[2]	18.1%	22.2%	23.8%		
NPL / Total loans[3]	3.04%	2.88%	2.81%		
Coverage NPLs	98.3%	97.8%	104.8%		
Risk index[5]	2.98%	2.82%	2.94%		
Core capital ratio	10.6%	10.4%	10.2%		
BIS ratio	13.9%	13.7%	13.9%		
Branches	496	499	494		
ATMs	1,966	1,966	1,892		
Employees	11,692	11,621	11,706		

1. The change in earnings per ADR may differ from the change in earnings per share due to exchange rate movements. Earnings per ADR was calculated using the Observed Exchange Rate Ch$470.48 per US$ as of Sept. 30, 2012.
2. Annualized YTD Net income attributable to shareholders / Average equity attributable to shareholders.
3. NPLs: Non-performing loans: full balance of loans with one installment 90 days or more overdue.
4. PDLs: Past due loans; all loan installments that are more than 90 days overdue.
5. Risk Index: Loan loss allowances / Total loans: measures the percentage of loans the banks must provision for given their internal models and the Superintendency of Banks guidelines.

SECTION 2: BALANCE SHEET ANALYSIS

LOANS

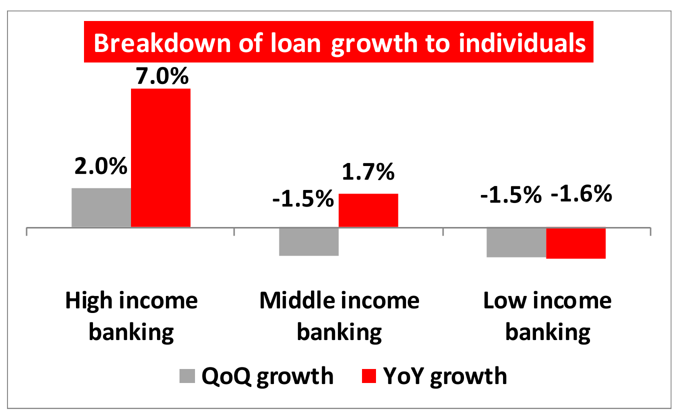
Selective loan growth

Loans	Quarter ended,			% Change	
(Ch$ million)	Sep-12	Jun-12	Sep-11	Sep. 12 / 11	Sep. 12 / Jun. 12
Total loans to individuals[1]	9,613,857	9,534,018	9,187,526	4.6%	0.8%
Consumer loans	3,039,998	2,987,880	2,925,659	3.9%	1.7%
Residential mortgage loans	5,208,217	5,221,914	5,016,420	3.8%	(0.3%)
SMEs	2,745,928	2,658,077	2,522,698	8.8%	3.3%
Total retail lending	**12,359,785**	**12,192,095**	**11,710,224**	**5.5%**	**1.4%**
Institutional lending	355,119	366,862	351,644	1.0%	(3.2%)
Middle-Market & Real estate	3,918,324	3,848,479	3,731,980	5.0%	1.8%
Corporate	1,874,749	2,006,270	1,905,005	(1.6%)	(6.6%)
Total loans [2]	**18,503,174**	**18,374,472**	**17,680,356**	**4.7%**	**0.7%**

1. Includes consumer loans, residential mortgage loans and other commercial loans to individuals.
2. Total loans gross of loan loss allowances. Total loans include other non-segmented loans and excludes interbank loans.

In 3Q12, total loans increased 0.7% QoQ and 4.7% YoY. Loan growth was driven by the favorable evolution of the Chilean economy and was mainly focused in the high-end of the retail market, SMEs and the middle-market. The Bank continued with its cautious approach to loan growth in the lower end of the consumer loan segment.

Loans to individuals, which include consumer, mortgage and commercial loans to individuals, increased of 0.8% QoQ in 3Q12 and 4.6% YoY. By product, **consumer loans** increased 1.7% QoQ (3.9% YoY) and **residential mortgage loans** decreased 0.3% QoQ (3.8% YoY). In the quarter, the Bank focused on expanding its loan portfolio in the mid-upper income segments, while remaining more selective in the mass consumer market. Loans to high-income individuals increased 2.0% QoQ in comparison to a decrease of 1.5% in the low-income segment. In the middle-income segment, loans decreased 1.5% QoQ. This was mainly due to a fall in mortgage loans. The mortgage market has been affected by aggressive pricing on the behalf of competitors. Santander Chile on the other hand has implemented stricter admission policies for residential mortgage loans. **Lending to SMEs** (defined as companies that sell less than Ch$1,200 million per year) expanded 3.3% QoQ (8.8% YoY), reflecting the Bank's consistent focus on this expanding segment.



In the quarter, the Bank also focused its loan growth in the middle-market segment (companies with annual sales between Ch$1,200 million and Ch$10,000 million per year), which increased 1.8% QoQ and 5.0% YoY. This segment continues to show healthy loan demand given the high level of investment expected this year in the Chilean economy, which is expected to reach approximately 28% of GDP.

In the large corporate segment (companies with sale over Ch$10,000 million per year or that are part of a large foreign or local economic group), loans decreased 6.6% QoQ. The sharp turn-around in the cost of external funding for companies in 3Q12 resulted in lower local loan demand from these clients and pre-payment of some large corporate loans. The Bank's non-lending businesses with these clients, especially cash management services continue to thrive.

YTD (as of August 31), the Bank's market share in terms of total loans has decreased 19 basis points.

FUNDING

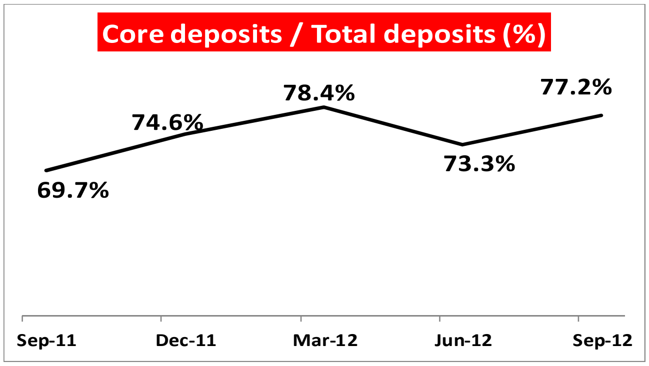
Core deposits grow 2.1% QoQ and 12.3% YoY

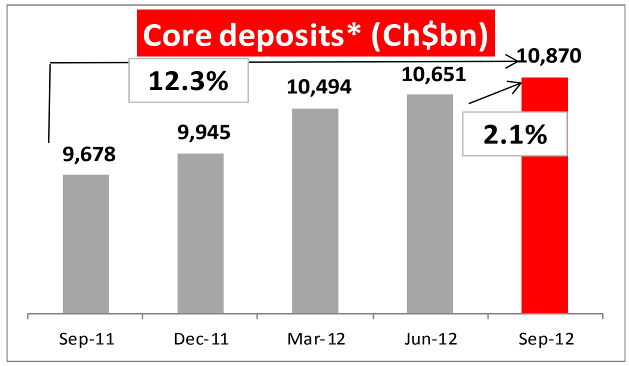
Funding	Quarter ended,			% Change	
(Ch$ million)	Sep-12	Jun-12	Sep-11	Sep. 12 / 11	Sep. 12 / Jun. 12
Demand deposits	4,601,160	4,624,570	4,496,757	2.3%	(0.5%)
Time deposits	9,487,610	9,913,093	9,395,246	1.0%	(4.3%)
Total deposits	**14,088,770**	**14,537,663**	**13,892,003**	**1.4%**	**(3.1%)**
Mutual funds (off-balance sheet)	3,080,130	2,944,482	2,852,379	8.0%	4.6%
Total customer funds	**17,168,900**	**17,482,145**	**16,744,382**	**2.5%**	**(1.8%)**
Loans to deposits[1]	**98.7%**	**96.5%**	**94.8%**		

1. (Loans - marketable securities that fund mortgage loans) / (Time deposits + demand deposits).

Customer funds (deposits + mutual funds) expanded 2.5% YoY and decreased 1.8% QoQ. **Total deposits** grew 1.4% YoY and decreased 3.1% QoQ as the Bank, given its high structural liquidity, proactively reduced more expensive institutional short-term deposits, which are not considered as structural funding by the Bank. **Core deposits** (demand deposits and time deposits from non-institutional sources), on the other hand, increased 12.3% YoY and 2.1% QoQ. Core deposits as a percentage of total deposits reached 77.2% compared to 73.3% as of June 2012 and 69.7% as of September 2011. This improved the Bank's funding mix, as non-institutional deposits tend to be cheaper and more stable than other sources of funding. YTD (as of August 31), the Bank's market share in terms of total deposits has increased 36 basis points.

It is important to note that the Bank follows Grupo Santander's policy of independent subsidiaries and **intergroup funding** represented less than 0.2% of our funding as of September 30, 2012.





* Demand deposits plus time deposits from non-institutional sources

Assets under management also improved as markets strengthened in 3Q12. Total assets under management increased 8.0% YoY and 4.6% QoQ. We expect this business to continue to be volatile in line with general market trends.

SHAREHOLDERS' EQUITY AND REGULATORY CAPITAL

Core capital ratio at 10.6%

Shareholders' Equity	Quarter ended,			Change %	
(Ch$ million)	**Sep-12**	**Jun-12**	**Sep-11**	**Sep. 12 / 11**	**Sep. 12 / Jun. 12**
Capital	891,303	891,303	891,303	0.0%	0.0%
Reserves	976,561	51,539	51,538	1794.8%	1794.8%
Valuation adjustment	(1,828)	3,946	594	--%	--%
Retained Earnings:	192,195	1,081,823	984,063	(80.5%)	(82.2%)
Retained earnings prior periods	-	925,022	750,989	--%	--%
Income for the period	274,565	224,002	332,963	(17.5%)	22.6%
Provision for mandatory dividend	(82,370)	(67,201)	(99,889)	(17.5%)	22.6%
Equity attributable to shareholders	**2,058,231**	**2,028,611**	**1,927,498**	**6.8%**	**1.5%**
Non-controlling interest	33,485	31,272	32,293	3.7%	7.1%
Total Equity	**2,091,716**	**2,059,883**	**1,959,791**	**6.7%**	**1.5%**
YTD ROAE	**18.1%**	**22.2%**	**23.8%**		

Shareholders' equity totaled Ch$2,058,231 million (US$4.2 billion) as of September 30, 2012. During 3Q12, the Bank reclassified all retained earnings from prior periods to reserves as part of its conservative capital policies. The prudent management of the Bank's capital ratios has led to strong capital ratios. **Core capital** reached 10.6% as of September 30, 2012 and the Bank's **BIS ratio** reached 13.9% at the same date. Voting common shareholders' equity is the sole component of our Tier I capital. Santander Chile has not issued new shares in more than 10 years.

Capital Adequacy	Quarter ended,			Change %	
(Ch$ million)	**Sep-12**	**Jun-12**	**Sep-11**	**Sep. 12 / 11**	**Sep. 12 / Jun. 12**
Tier I (Core Capital)	2,058,231	2,028,612	1,927,498	6.8%	1.5%
Tier II	642,650	659,788	715,184	(10.1%)	(2.6%)
Regulatory capital	**2,700,881**	**2,688,400**	**2,642,682**	**2.2%**	**0.5%**
Risk weighted assets	19,479,092	19,572,225	18,954,147	2.8%	(0.5%)
Tier I (Core capital) ratio	**10.6%**	**10.4%**	**10.2%**		
BIS ratio	**13.9%**	**13.7%**	**13.9%**		

SECTION 3: ANALYSIS OF QUARTERLY INCOME STATEMENT

NET INTEREST INCOME

Positive evolution of client margins offset by deflation in the quarter

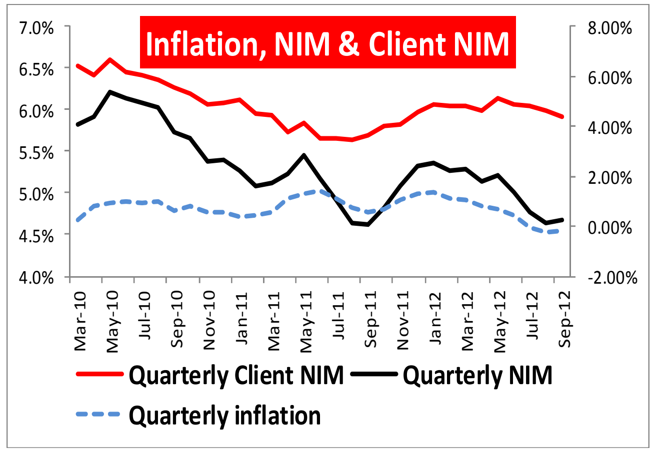
Net Interest Income / Margin	Quarter			Change %	
(Ch$ million)	**3Q12**	**2Q12**	**3Q11**	**3Q12 / 3Q11**	**3Q 12 / 2Q12**
Client net interest income[1]	**274,076**	**274,517**	**248,850**	**10.1%**	**(0.2%)**
Non-client net interest income[2]	(35,345)	(19,577)	(16,793)	110.5%	80.5%
Net interest income	**238,731**	**254,940**	**232,057**	**2.9%**	**(6.4%)**
Average interest-earning assets	20,410,407	20,362,279	20,068,323	1.7%	0.2%
Average loans	18,546,119	18,127,164	17,460,992	6.2%	2.3%
Interest earning asset yield[3]	8.0%	9.0%	8.4%		
Cost of funds[4]	3.3%	3.9%	3.8%		
Client net interest margin[5]	**5.9%**	**6.1%**	**5.7%**		
Net interest margin (NIM)[6]	**4.7%**	**5.0%**	**4.6%**		
Avg. equity + non-interest bearing demand deposits / Avg. interest earning assets	32.5%	33.2%	31.3%		
Quarterly inflation rate[7]	(0.16%)	0.42%	0.56%		
Central Bank reference rate	5.00%	5.00%	5.25%		
Avg. 10 year Central Bank yield (real)	2.42%	2.49%	2.63%		

1. Client net interest income is mainly net interest income from the Bank's loan portfolio. See footnote 2 at the end of this page.
2. Non-client interest income is net interest income mainly from the Bank's ALCO positions and treasury. See footnote 2 at the end of this page.
3. Interest income divided by interest earning assets.
4. Interest expense divided by interest bearing liabilities + demand deposits.
5. Client net interest income annualized divided by average loans
6. Net interest income divided by average interest earning assets annualized.
7. Inflation measured as the variation of the Unidad de Fomento in the quarter.

In 3Q12, **Net interest income** decreased 6.4% QoQ and increased 2.9% YoY. The **Net interest margin** (NIM) in 3Q12 reached 4.7% compared to 5.0% in 2Q12 and 4.6% in 3Q11. In order to improve the explanation of margins we have divided the analysis of net interest income between client interest income[2] and non-client net interest income.

2 In order to explain better the evolution of net interest income, we have divided net interest income between client net interest income and non-client net interest income. Client net interest income is net interest income from all client activities such as loans and deposits minus the internal transfer rate. Non-client interest income is net interest income from Bank's inflation gap, the financial cost of hedging, the financial cost of the Bank's structural liquidity position, net interest income from treasury positions and the interest expense of the Bank's financial investments classified as trading, since interest income from this portfolio is recognized as financial transactions net.

Client net interest income in 3Q12 was flat QoQ and increased 10.1% YoY. **Client net interest margin** (defined as client net interest income divided by average loans) reached 5.9% in 3Q12 compared to 6.1% in 2Q12 and 5.7% in 3Q11. Since the second half of 2011, the Bank has been implementing a **stricter spread policy** in light of the increase in credit risk, especially in the mass consumer market. For this reason, client net interest income has increased at twice the pace of average loan growth in the last twelve-month period. The growth of core deposits (See Funding) **improved the funding mix** and has also helped to sustain client margins.



This positive trend was offset by the **deflation** registered during the quarter**.** It is important to point out that the Bank has more assets than liabilities linked to inflation and, as a result, margins have a positive sensitivity to variations in inflation. In 3Q12, the variation of the Unidad de Fomento (an inflation indexed currency unit), was -0.16% compared to inflation of +0.42% in 2Q12 and +0.56% in 3Q11. The gap between assets and liabilities indexed to the UF averaged US$6.7 billion in 3Q12. Therefore, the reduction in inflation signified a QoQ decrease in net interest income of approximately US$40 million or Ch$19,000 million.

For the remainder of 2012, the evolution of margins should improve as inflation trends normalize. In 4Q12 inflation is expected to exceed 1% is expected which should drive NIMs back to levels greater than 5%. In 2013, the negative effects of possible regulations regarding maximum rates may have a negative impact on margins. The final law regulating this change is still being discussed in Congress. To counterbalance this affect we expect: (1) healthier loan growth both in terms of volumes and in terms of margins, post provision expense and, (2) an improved funding mix via healthy growth of core deposits.

Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl

PROVISION FOR LOAN LOSSES AND ASSET QUALITY

Non-recurring Ch$24.7 billion provision expenses recognized in 3Q12

Provision for loan losses (Ch$ million)	Quarter 3Q12	Quarter 2Q12	Quarter 3Q11	Change % 3Q12 / 3Q11	Change % 3Q 12 / 2Q12
Gross provisions	(32,952)	1,891	(18,628)	76.9%	(1842.6%)
Charge-offs	(96,256)	(88,009)	(77,466)	24.3%	9.4%
Gross provisions and charge-offs	**(129,208)**	**(86,118)**	**(96,094)**	**34.5%**	**50.0%**
Loan loss recoveries	9,749	7,543	5,722	70.4%	29.2%
Net provisions for loan losses	**(119,459)**	**(78,575)**	**(90,372)**	**32.2%**	**52.0%**
Total loans[1]	18,503,174	18,374,472	17,680,356	4.7%	0.7%
Total reserves (RLL)	552,138	518,331	520,566	6.1%	6.5%
Non-performing loans[2] (NPLs)	561,730	529,869	496,786	13.1%	6.0%
NPLs commercial loans	307,658	277,742	244,209	26.0%	10.8%
NPLs residential mortgage loans	149,936	150,505	140,273	6.9%	(0.4%)
NPLs consumer loans	104,136	101,622	112,304	(7.3%)	2.5%
Risk index[3] (RLL / Total loans)	2.98%	2.82%	2.94%		
NPL / Total loans	3.04%	2.88%	2.81%		
NPL / Commercial loans	3.00%	2.73%	2.51%		
NPL / Residential mortgage loans	2.88%	2.88%	2.80%		
NPL / consumer loans	3.43%	3.40%	3.84%		
Coverage of NPLs[4]	98.3%	97.8%	104.8%		
Coverage of commercial NPLs	80.0%	84.9%	98.3%		
Coverage of residential mortgage NPLs	24.5%	24.1%	25.7%		
Coverage of consumer NPLs	258.6%	242.4%	217.6%		

1. Excludes interbank loans.
2. NPLs: Non-performing loans: full balance of loans with one installment 90 days or more overdue.
3. Risk Index: Loan loss allowances / Total loans; measures the percentage of loans the banks must provision for given their internal models and the Superintendency of Banks guidelines.
4. Loan loss allowances / NPLs.

Net provision for loan losses in the quarter totaled Ch$119,459 million, an increase of 52% QoQ and 32.2% YoY. The net provision expense by loan product was as follows:

Net provisions for loan losses by segment (Ch$ million)	Quarter 3Q12	Quarter 2Q12	Quarter 3Q11	Change % 3Q12 / 3Q11	Change % 3Q 12 / 2Q12
Commercial loans	(30,791)	(16,024)	(19,079)	61.4%	92.2%
Residential mortgage loans	(4,488)	(3,855)	(14,444)	(68.9%)	16.4%
Consumer loans	(84,180)	(58,696)	(56,849)	48.1%	43.4%
Net provisions for loan losses	**(119,459)**	**(78,575)**	**(90,372)**	**32.2%**	**52.0%**

Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl

Net provision expense in consumer loans increased 43.4% QoQ and 48.1% YoY. Since 3Q11, the Bank has been implementing more prudent credit risk policies in consumer lending as asset quality has deteriorated above our expectations despite positive economic trends. This has been due to:

(i) Following the La Polar case, affecting Chile's 4th largest retailer in May 2011, the default rates in the mass consumer loan industry increased as banks and non-bank lenders tightened credit policies resulting in greater charge-offs as credit became less available;

(ii) In February 2012, the Ley de DICOM was passed which, among other provisions, eliminated from the negative credit bureau debtors with a negative credit history in an amount of Ch$2,400,000 (US$4,800) or less. This temporarily reduced the effectiveness of this negative credit bureau, a key component of our credit scoring systems. Before the law was passed 4.1 million people were listed in Dicom and after its implementation 2.9 million persons were removed from the list;

(iii) The Bank has a 24% market share in consumer banking and, therefore, these events, together with the strong growth in consumer lending in 2010 and the first half of 2011, resulted in a larger impact for the Bank compared to our main bank competitors.

To respond to this the Bank has:

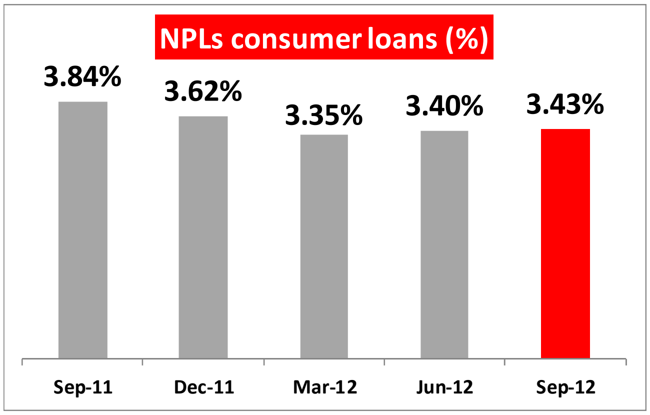
(i) **Recalibrated the consumer loan-provisioning model** that increased the minimum provision set aside for consumer loans at origination given the higher risks observed in this portfolio. As a result, gross provision expenses in 3Q12 includes a **non-recurring provision expense** of Ch$24,753 million.

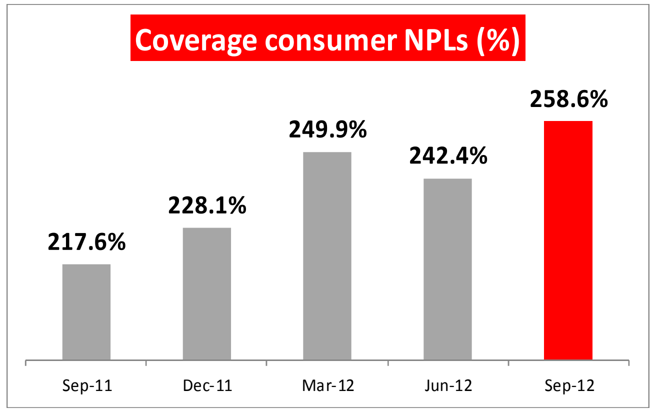
(ii) **Tightened admission and approval policies** in consumer lending. This mainly consisted of lowering the debt servicing levels for loan approvals and focusing loan growth in less riskier segments. This resulted in lower consumer loan growth and a fall in market share in 2012 (See Loans).

(iii) **Restricted renegotiation policies and strengthened collection efforts**. This resulted in an increase in charge-offs. Charge-offs increased 9.4% QoQ and 24.3% YoY. At the same time, **loan loss recoveries** increased 29.2% QoQ and 70.4% YoY in 3Q12.

It is important to point out that these efforts have led to a stabilization of non-performing loan (NPLs) in consumer banking and to an increase in the coverage. As of September 2012, the NPL ratio of consumer loans reached 3.43% compared to 3.40% as of June 2012 and 3.84% in September 2011. The coverage ratio of consumer loans reached 258.6% as of September 2012 compared to 242.2% as of June 2012 and 217.6% as of September 2011.

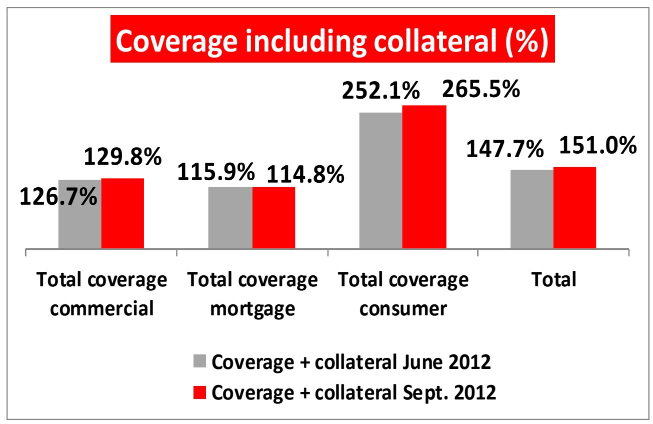
Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl





The 92.2% QoQ and the 61.4% QoQ increase in **commercial loan provision expense** was driven by an increase in provisions in the SME loan segment. The NPL ratio for commercial loans increased to 3.0% in September 2012 from 2.73% in June 2012 and 2.51% in September 2011. It is important to note that loans entering NPLs have a high level of collateral and this explains the lower level of NPL coverage. As of September 2012, the coverage ratio of commercial loans NPLs reached 129.8%.

Provision expense for mortgage residential loans increased 16.4% QoQ and decreased 68.9% YoY. Mortgage loan NPLS were stable at 2.88% and coverage of mortgage NPLs increased slightly to 24.5% as of September 2012. Including collateral, the coverage of residential mortgage NPLs reached 114.8%. The 63.9% YoY decrease of provisions in 3Q12 was mainly due to the Ch$10,000 million non-recurring provision recognized in 3Q11 as a consequence of the improvements made in the provisioning model for residential mortgage lending in that quarter (See 3Q11 Earnings Report-Annex 1 for more details).

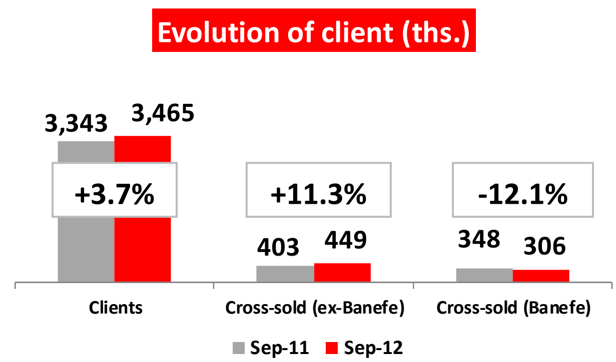


NET FEE INCOME

Lower business activity in retail banking lowers fee income

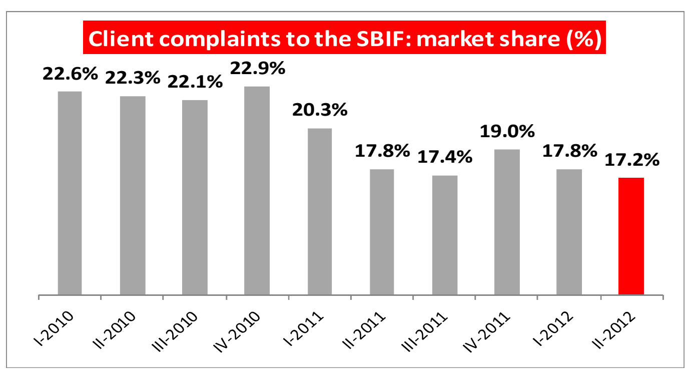
Fee Income	**Quarter**			**Change %**	
(Ch$ million)	**3Q12**	**2Q12**	**3Q11**	**3Q12 / 3Q11**	**3Q 12 / 2Q12**
Collection fees	14,819	16,449	14,683	0.9%	(9.9%)
Credit, debit & ATM card fees	13,104	13,639	14,384	(8.9%)	(3.9%)
Asset management	8,270	8,488	8,796	(6.0%)	(2.6%)
Insurance brokerage	8,138	8,015	7,955	2.3%	1.5%
Contingent operations	7,223	6,909	6,334	14.0%	4.5%
Checking accounts	7,144	7,350	7,256	(1.5%)	(2.8%)
Fees from brokerage	2,353	3,303	2,469	(4.7%)	(28.8%)
Lines of credit	2,228	2,418	2,763	(19.4%)	(7.9%)
Other Fees	3,758	1,436	1,351	178.2%	161.7%
Total fees	**67,037**	**68,006**	**65,991**	**1.6%**	**(1.4%)**

Net fee income decreased 1.4% QoQ and increased 1.6% YoY in 2Q12. The Bank continued to increase its client base and cross-selling indicators, especially in the middle-upper income segments while limiting client growth in the mass consumer segment. The Bank's total client base has increased 3.7% in the past twelve-months and the amount of cross-sold clients in all segments, excluding Banefe, has risen 11.3% YoY. This was offset by a decline in Banefe clients, as the Bank reduced its exposure to clients with unhealthy financial behavior. This also had a short-term impact on certain fess in the quarter, specifically credit card, checking account and line of credit fees. This was partially offset by positive fee growth from our corporate banking unit.



Cross-sold: For clients in Banefe cross-sold clients are clients with at least two products, one of which is a loan product plus direct deposit. In the Bank, excluding Banefe, a cross-sold client uses at least 4 products. The definition of cross-sold clients was changed in the quarter and the historical figures were restated.

The Bank's Transformation Plan continues to be implemented. This is the largest overhaul and reorganization of the Bank's middle and lower income business segments in the last decade. The installation of the new CRM, a corner-piece of this initiative, is starting to improve the Bank's client service indicators as reflected in the descending market share of client complaints to the Superintendency of Banks, SBIF, the industry's main regulator.



Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl

NET RESULTS FROM FINANCIAL TRANSACTIONS

Lower client treasury gains from Santander Global Connect

Results from Financial Transactions*	Quarter			Change %	
(Ch$ million)	3Q12	2Q12	3Q11	3Q12 / 3Q11	3Q 12 / 2Q12
Net income from financial operations	(19,161)	20,416	102,133	--%	--%
Foreign exchange profit (loss), net	38,383	5,224	(79,132)	--%	634.7%
Net results from financial transactions	**19,222**	**25,640**	**23,001**	**(16.4%)**	**(25.0%)**

* These results mainly include the mark-to-market of the Available for sale investment portfolio, realized and unrealized gains of Financial investments held for trading, the interest revenue generated by the Held for trading portfolio, gains or losses from the sale of charged-off loans and the mark-to-market of derivatives. The results recorded as Foreign exchange profits (loss), net mainly includes the translation gains or losses of assets and a liability denominated in foreign currency.

Net results from financial transactions totaled a gain of Ch$19,222 million in 3Q12, a 25.0% QoQ and a 16.4% YoY decrease. In order to understand more clearly these line items, we present them by business area in the table below.

Results from Financial Transactions (Ch$ million)	Quarter			Change %	
	3Q12	2Q12	3Q11	3Q12 / 3Q11	3Q 12 / 2Q12
Santander Global Connect[1]	9,467	14,610	16,259	(41.8%)	(35.2%)
Market-making	8,659	7,430	4,958	74.6%	16.5%
Client treasury services	**18,126**	**22,040**	**21,217**	**(14.6%)**	**(17.8%)**
Non-client treasury income	**1,096**	**3,600**	**1,784**	**(38.6%)**	**(69.5%)**
Net results from financial transactions	**19,222**	**25,640**	**23,001**	**(16.4%)**	**(25.0%)**

1. Santander Global Connect is the Bank's commercial platform for selling treasury products to our clients.

Client treasury services totaled Ch$18,126 million in 3Q12 and decreased 14.6% QoQ and 17.8% YoY mainly due to lower gains from Santander Global Connect, our platform for selling treasury products to our clients. In addition to lower volatility in some key macro indicators, we have been more conservative in our approval process for the sale of treasury products to smaller corporate clients. In addition, the Bank recognized a Ch$1,096 million gain from **Non-client treasury services,** reflecting that the bulk of our treasury income is client related.

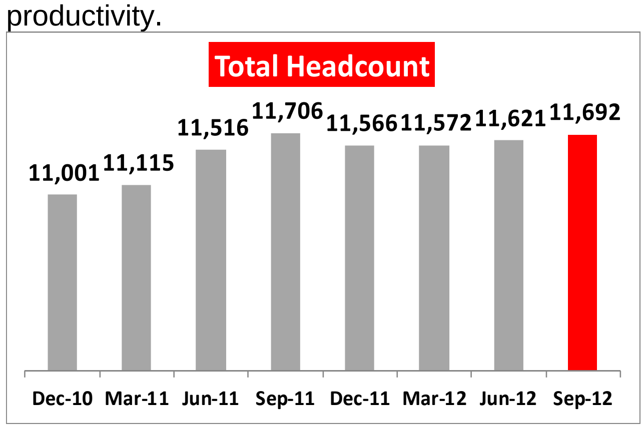
OPERATING EXPENSES AND EFFICIENCY

Cost growth moderates as key project begin to have an impact on efficiency

Operating Expenses	**Quarter**			**Change %**	
(Ch$ million)	**3Q12**	**2Q12**	**3Q11**	**3Q12 / 3Q11**	**3Q 12 / 2Q12**
Personnel expenses	(75,561)	(78,395)	(73,884)	2.3%	(3.6%)
Administrative expenses	(46,053)	(45,115)	(41,041)	12.2%	2.1%
Depreciation, amortization and impairment	(14,051)	(14,232)	(13,431)	4.6%	(1.3%)
Operating expenses	**(135,665)**	**(137,742)**	**(128,356)**	**5.7%**	**(1.5%)**
Efficiency ratio[1]	**42.4%**	**41.0%**	**41.3%**		

1. Operating expenses / Operating income. Operating income = Net interest income + Net fee income+ Net results from Financial transactions + Other operating income and expenses.

Operating expenses in 3Q12 decreased 1.5% QoQ and increased 5.7% YoY. The 3.6% QoQ decrease in **personnel expenses** reflects lower variable incentives paid to personnel. At the same time, headcount was flat QoQ with the exception of our collection areas that continued to be strengthened. The 2.3% YoY increase in **personnel expenses** also reflects the relatively stable YoY evolution of headcount. As of September 2012, headcount totaled 11,629 employees. Going forward personnel expense should grow at a slower pace than those observed in previous quarters as headcount remain stable and the different technologic tools being implemented should increase employee's productivity.



Administrative expenses increased 2.1% QoQ and 12.2% YoY in 3Q12, as the Bank continued with its projects of investing in a new Client Relationship Management system and the Transformation Initiatives aimed at enhancing productivity in retail banking.

OTHER INCOME AND EXPENSES

Other Income and Expenses	Quarter			Change %	
(Ch$ million)	3Q12	2Q12	3Q11	3Q12 / 3Q11	3Q 12 / 2Q12
Other operating income	8,074	3,072	2,194	268.0%	162.8%
Other operating expenses	(13,008)	(15,464)	(12,156)	7.0%	(15.9%)
Other operating income, net	**(4,934)**	**(12,392)**	**(9,962)**	**(50.5%)**	**(60.2%)**
Income from investments in other companies	143	660	546	(73.8%)	(78.3%)
Income tax expense	(12,276)	(14,027)	(16,629)	(26.2%)	(12.5%)
Income tax rate	18.9%	11.6%	17.9%		

Other operating income, net, totaled Ch$ -4,934 million in 3Q12. The lower loss compared to 2Q12 and 3Q11 was mainly due to a Ch$5,591 million from the sale of 11 branches. Branches are risk weighted at 100% and so, from a capital perspective, it is more efficient to rent them than to own them and the gains realized from these sales boost core capital levels.

The higher **income tax** rate in 3Q12 was mainly due to the deflation, which eliminated in the quarter any tax gains from the revaluation of capital due to CPI. For tax purposes, the Bank must revaluate its capital by the consumer price index. Since CPI inflation is usually positive, this results in a tax loss that lowers the Bank's effective tax rate. When there is deflation or very low inflation this does not occur.

Congress approved a law that raised the statutory corporate tax rate to 20% next year.

SECTION 4: CREDIT RISK RATINGS

International ratings

The Bank has credit ratings from three leading international agencies.

Moody's (Outlook negative)	Rating
Foreign currency bank deposits	Aa3
Senior bonds	Aa3
Subordinated debt	A1
Bank Deposits in Local Currency	Aa3
Bank financial strength	C+
Short-term deposits	P-1

Standard and Poor's (Outlook negative)	Rating
Long-term Foreign Issuer Credit	A
Long-term Local Issuer Credit	A
Short-term Foreign Issuer Credit	A-1
Short-term Local Issuer Credit	A-1

Fitch (Outlook negative)	Rating
Foreign Currency Long-term Debt	A+
Local Currency Long-term Debt	A+
Foreign Currency Short-term Debt	F1
Local Currency Short-term Debt	F1
Viability rating	a+

Local ratings:

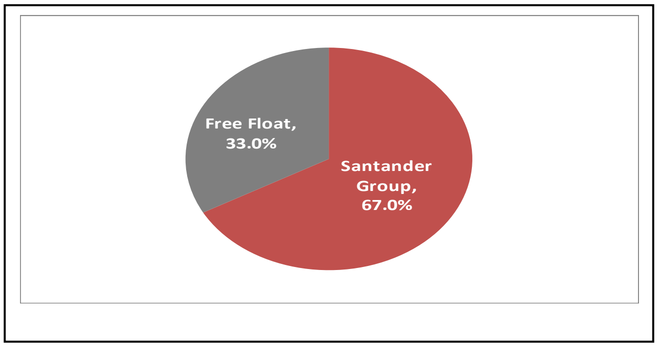
Our local ratings, the highest in Chile, are the following:

Local ratings	Fitch Ratings	Feller Rate
Shares	1CN1	1CN1
Short-term deposits	N1+	N1+
Long-term deposits	AAA	AAA
Mortgage finance bonds	AAA	AAA
Senior bonds	AAA	AAA
Subordinated bonds	AA	AA+
Outlook	Negative	Stable

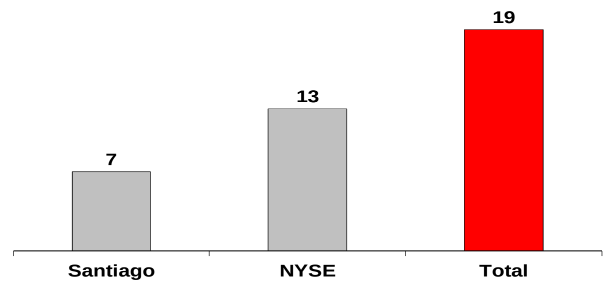
SECTION 5: SHARE PERFORMANCE

As of September 2012

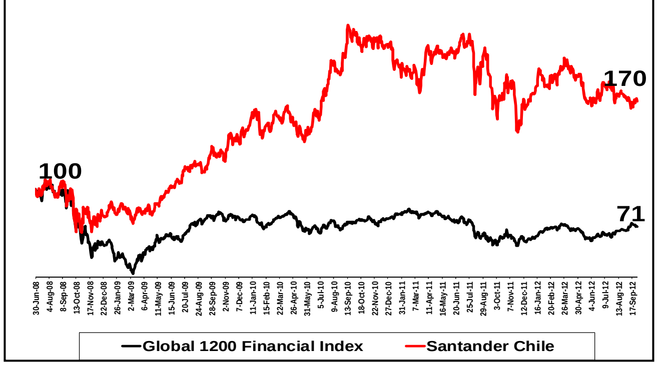
Ownership Structure:



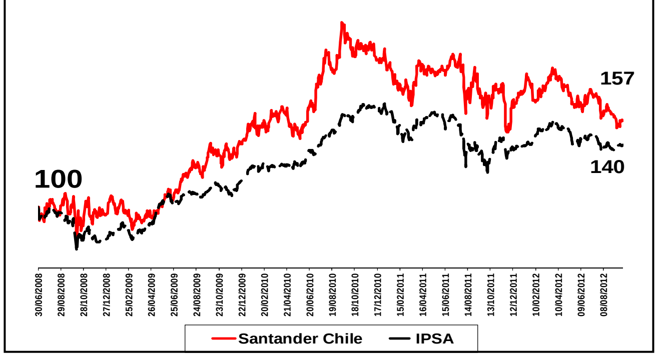
Average daily traded volumes 9M12
US$ million



ADR Price Evolution
Santander ADR vs. Global 1200 Financial Index
(Base 100 = 06/30/2008)



Local Share Price Evolution
Santander vs IPSA Index
(Base 100 = 06/30/2008)



ADR price[3] (US$) 9M12

09/30/12:	28.20
Maximum (9M12):	34.00
Minimum (9M12):	27.23

Local share price (Ch$) 9M12

09/30/12:	33.55
Maximum (9M12):	41.00
Minimum (9M12):	32.47

Market Capitalization: US$13,268 million

P/E 12 month trailing*:	16.8
P/BV (09/30/12)**:	3.07
Dividend yield***:	3.5%

* Price as of Sept. 30, 2012 / 12mth. earnings
** Price as of Sept. 30, 2012 / Book value as of 09/30/12
*** Based on closing price on record date of last dividend payment.

Dividends:

Year paid	Ch$/share	% of previous year earnings
2008:	1.06	65%
2009:	1.13	65%
2010:	1.37	60%
2011:	1.52	60%
2012:	1.39	60%

3 On Oct. 22, 2012, the ratio of common share per ADR was changed from 1,039 shares per ADR to 400 shares per ADR.

Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554, email: rmorenoh@santander.cl

ANNEX 1: BALANCE SHEET

Unaudited Balance Sheet	**Sep-12**	**Sep-12**	**Dec-11**	**Sept. 12 / Dec. 11**
Assets	US$ths	Ch$ million		**% Chg.**
Cash and balances from Central Bank	3,339,115	1,585,078	2,793,701	(43.3%)
Funds to be cleared	1,262,564	599,339	276,454	116.8%
Financial assets held for trading	437,346	207,608	409,763	(49.3%)
Investment collateral under agreements to repurchase	320,249	152,022	12,928	1075.9%
Derivatives	3,109,772	1,476,209	1,612,869	(8.5%)
Interbank loans	232,239	110,244	87,541	25.9%
Loans, net of loan loss allowances	**37,815,538**	**17,951,036**	**16,823,407**	**6.7%**
Available-for-sale financial assets	3,643,737	1,729,682	1,661,311	4.1%
Held-to-maturity investments	-	-	-	--%
Investments in other companies	18,193	8,636	8,728	(1.1%)
Intangible assets	158,201	75,098	80,739	(7.0%)
Fixed assets	316,467	150,227	153,059	(1.9%)
Current tax assets	2,694	1,279	37,253	(96.6%)
Deferred tax assets	382,956	181,789	147,754	23.0%
Other assets	1,499,505	711,815	546,470	30.3%
Total Assets	**52,538,576**	**24,940,062**	**24,651,977**	**1.2%**
Liabilities and Equity				
Demand deposits	9,692,774	4,601,160	4,413,815	4.2%
Funds to be cleared	849,282	403,154	89,486	350.5%
Investments sold under agreements to repurchase	250,358	118,845	544,381	(78.2%)
Time deposits and savings accounts	19,986,539	9,487,610	8,921,114	6.4%
Derivatives	2,842,368	1,349,272	1,292,148	4.4%
Deposits from credit institutions	3,110,225	1,476,424	1,920,092	(23.1%)
Marketable debt securities	9,680,118	4,595,152	4,623,239	(0.6%)
Other obligations	399,467	189,627	176,599	7.4%
Current tax liabilities	17,139	8,136	1,498	443.1%
Deferred tax liability	22,361	10,615	5,315	99.7%
Provisions	366,427	173,943	230,290	(24.5%)
Other liabilities	915,121	434,408	398,977	8.9%
Total Liabilities	**48,132,180**	**22,848,346**	**22,616,954**	**1.0%**
Equity				
Capital	1,877,613	891,303	891,303	0.0%
Reserves	2,057,217	976,561	51,539	1794.8%
Unrealized gain (loss) Available-for-sale financial assets	(3,851)	(1,828)	2,832	(164.5%)
Retained Earnings:	**404,877**	**192,195**	**1,055,548**	**(81.8%)**
Retained earnings previous periods	-	-	750,989	(100.0%)
Net income	578,397	274,565	435,084	(36.9%)
Provision for mandatory dividend	(173,520)	(82,370)	(130,525)	(36.9%)
Total Shareholders' Equity	**4,335,855**	**2,058,231**	**2,001,222**	**2.8%**
Minority Interest	70,539	33,485	33,801	(0.9%)
Total Equity	**4,406,396**	**2,091,716**	**2,035,023**	**2.8%**
Total Liabilities and Equity	**52,538,576**	**24,940,062**	**24,651,977**	**1.2%**

Figures in US$ have been translated at the exchange rate of Ch$474.70

Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl

ANNEX 2: YEAR-TO-DATE INCOME STATEMENTS

YTD Income Statement Unaudited	Sep-12 US$ths.	Sep-12 Ch$ million	Sep-11	Sept. 12 / Sept. 11 % Chg.
Interest income	2,877,681	1,366,035	1,271,278	7.5%
Interest expense	(1,277,211)	(606,292)	(563,124)	7.7%
Net interest income	**1,600,470**	**759,743**	**708,154**	**7.3%**
Fee and commission income	570,238	270,692	271,541	(0.3%)
Fee and commission expense	(141,051)	(66,957)	(62,111)	7.8%
Net fee and commission income	**429,187**	**203,735**	**209,430**	**(2.7%)**
Net income from financial operations	(69,393)	(32,941)	153,535	--%
Foreign exchange profit (loss), net	204,563	97,106	(75,265)	--%
Total financial transactions, net	**135,170**	**64,165**	**78,270**	**(18.0%)**
Other operating income	31,869	15,128	8,053	87.9%
Net operating profit before loan losses	**2,196,695**	**1,042,771**	**1,003,907**	**3.9%**
Provision for loan losses	**(582,083)**	**(276,315)**	**(195,920)**	**41.0%**
Net operating profit	**1,614,611**	**766,456**	**807,987**	**(5.1%)**
Personnel salaries and expenses	(470,647)	(223,416)	(207,380)	7.7%
Administrative expenses	(284,921)	(135,252)	(122,078)	10.8%
Depreciation and amortization	(84,940)	(40,321)	(39,638)	1.7%
Impairment	(185)	(88)	(109)	(19.3%)
Operating expenses	**(840,693)**	**(399,077)**	**(369,205)**	**8.1%**
Other operating expenses	(94,453)	(44,837)	(41,569)	7.9%
Total operating expenses	(935,146)	(443,914)	(410,774)	8.1%
Operating income	**679,465**	**322,542**	**397,213**	**(18.8%)**
Income from investments in other companies	2,633	1,250	1,673	(25.3%)
Income before taxes	**682,098**	**323,792**	**398,886**	**(18.8%)**
Income tax expense	(95,606)	(45,384)	(62,546)	(27.4%)
Net income from ordinary activities	**586,493**	**278,408**	**336,340**	**(17.2%)**
Net income discontinued operations	-	-	-	**--%**
Net income attributable to:				
Minority interest	8,096	3,843	3,377	13.8%
Net income attributable to shareholders	**578,397**	**274,565**	**332,963**	**(17.5%)**

Figures in US$ have been translated at the exchange rate of Ch$474.70

Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl

ANNEX 3: QUARTERLY INCOME STATEMENTS

Unaudited Quarterly Income Statement	3Q12	3Q12	2Q12	3Q11	3Q12 / 3Q11	3Q 12 / 2Q12
	US$ths.		Ch$mn		% Chg.	
Interest income	857,851	407,222	455,980	420,729	(3.2%)	(10.7%)
Interest expense	(354,942)	(168,491)	(201,040)	(188,672)	(10.7%)	(16.2%)
Net interest income	**502,909**	**238,731**	**254,940**	**232,057**	**2.9%**	**(6.4%)**
Fee and commission income	187,101	88,817	90,940	87,651	1.3%	(2.3%)
Fee and commission expense	(45,882)	(21,780)	(22,933)	(21,660)	0.6%	(5.0%)
Net fee and commission income	**141,220**	**67,037**	**68,007**	**65,991**	**1.6%**	**(1.4%)**
Net income from financial operations	(40,364)	(19,161)	20,416	102,133	--%	--%
Foreign exchange profit (loss), net	80,857	38,383	5,224	(79,132)	--%	634.7%
Total financial transactions, net	**40,493**	**19,222**	**25,640**	**23,001**	**(16.4%)**	**(25.0%)**
Other operating income	17,009	8,074	3,072	2,194	268.0%	162.8%
Net operating profit before loan losses	**701,631**	**333,064**	**351,659**	**323,243**	**3.0%**	**(5.3%)**
Provision for loan losses	**(251,652)**	**(119,459)**	**(78,575)**	**(90,372)**	**32.2%**	**52.0%**
Net operating profit	**449,979**	**213,605**	**273,084**	**232,871**	**(8.3%)**	**(21.8%)**
Personnel salaries and expenses	(159,176)	(75,561)	(78,395)	(73,884)	2.3%	(3.6%)
Administrative expenses	(97,015)	(46,053)	(45,115)	(41,041)	12.2%	2.1%
Depreciation and amortization	(29,600)	(14,051)	(14,198)	(13,354)	5.2%	(1.0%)
Impairment	-	-	(34)	(77)	--%	--%
Operating expenses	**(285,791)**	**(135,665)**	**(137,742)**	**(128,356)**	**5.7%**	**(1.5%)**
Other operating expenses	(27,403)	(13,008)	(15,464)	(12,156)	7.0%	(15.9%)
Total operating expenses	(313,194)	(148,673)	(153,206)	(140,512)	5.8%	(3.0%)
Operating income	**136,785**	**64,932**	**119,878**	**92,359**	**(29.7%)**	**(45.8%)**
Income from investments in other companies	301	143	660	546	(73.8%)	(78.3%)
Income before taxes	**137,087**	**65,075**	**120,538**	**92,905**	**(30.0%)**	**(46.0%)**
Income tax expense	(25,861)	(12,276)	(14,027)	(16,629)	(26.2%)	(12.5%)
Net income from ordinary activities	**111,226**	**52,799**	**106,511**	**76,276**	**(30.8%)**	**(50.4%)**
Net income discontinued operations	-	-	-	-	--%	--%
Net income attributable to:						
Minority interest	4,710	2,236	816	1,123	99.1%	174.0%
Net income attributable to shareholders	**106,516**	**50,563**	**105,695**	**75,153**	**(32.7%)**	**(52.2%)**

Figures in US$ have been translated at the exchange rate of Ch$474.70

Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl

Santander

ANNEX 4: QUARTERLY EVOLUTION OF MAIN RATIOS AND OTHER INFORMATION

	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
(Ch$ millions)					
Loans					
Consumer loans	2,925,659	2,943,846	2,963,104	2,987,880	3,039,998
Residential mortgage loans	5,016,420	5,115,663	5,162,473	5,221,914	5,208,217
Commercial loans	9,738,277	9,287,585	9,666,504	10,164,678	10,254,959
Total loans	**17,680,356**	**17,347,094**	**17,792,081**	**18,374,472**	**18,503,174**
Allowance for loan losses	(520,566)	(523,687)	(522,728)	(518,331)	(552,138)
Total loans, net of allowances	**17,159,790**	**16,823,407**	**17,269,353**	**17,856,141**	**17,951,034**
Loans by segment					
Individuals	9,187,526	9,289,345	9,376,934	9,534,018	9,613,857
SMEs	2,522,698	2,560,736	2,604,565	2,658,077	2,745,928
Total retail lending	**11,710,224**	**11,850,081**	**11,981,499**	**12,192,095**	**12,359,785**
Institutional lending	351,644	355,199	347,818	366,862	355,119
Middle-Market & Real estate	3,731,980	3,650,709	3,692,576	3,848,479	3,918,324
Corporate	1,905,005	1,494,752	1,881,429	2,006,270	1,874,749
Customer funds					
Demand deposits	4,496,757	4,413,815	4,566,890	4,624,570	4,601,160
Time deposits	9,395,246	8,921,114	8,825,599	9,913,093	9,487,610
Total deposits	**13,892,003**	**13,334,929**	**13,392,489**	**14,537,663**	**14,088,770**
Mutual funds (Off balance sheet)	2,852,379	2,941,773	2,995,292	2,944,482	3,080,130
Total customer funds	**16,744,382**	**16,276,702**	**16,387,781**	**17,482,145**	**17,168,900**
Loans / Deposits[1]	**94.8%**	**95.4%**	**98.4%**	**96.5%**	**98.7%**
Average balances					
Avg. interest earning assets	20,068,323	19,836,214	20,119,312	20,362,279	20,410,407
Avg. loans	17,460,992	17,494,801	17,537,743	18,127,164	18,546,119
Avg. assets	24,961,680	25,245,472	24,918,317	24,957,219	25,106,995
Avg. demand deposits	4,372,511	4,374,397	4,527,917	4,749,885	4,598,283
Avg equity	1,901,447	1,964,850	2,035,332	2,014,260	2,042,929
Avg. free funds	6,273,958	6,339,246	6,563,249	6,764,145	6,641,212
Capitalization					
Risk weighted assets	18,954,147	18,243,142	18,509,191	19,572,225	19,479,092
Tier I (Shareholders' equity)	1,927,498	2,001,222	2,065,994	2,028,612	2,058,231
Tier II	715,184	686,171	673,110	659,788	642,650
Regulatory capital	2,642,682	2,687,393	2,739,104	2,688,401	2,700,881
Tier I ratio	10.2%	11.0%	11.2%	10.4%	10.6%
BIS ratio	13.9%	14.7%	14.8%	13.7%	13.9%
Profitability & Efficiency					
Net interest margin	4.6%	5.3%	5.3%	5.0%	4.7%
Efficiency ratio	41.3%	38.5%	36.8%	41.0%	42.4%
Avg. Free funds / interest earning assets	31.3%	32.0%	32.6%	33.2%	32.5%
Return on avg. equity	15.8%	20.8%	23.3%	21.0%	9.9%
Return on avg. assets	1.2%	1.6%	1.9%	1.7%	0.8%

Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl

	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
Asset quality					
Non-performing loans (NPLs)[2]	496,786	511,357	519,283	529,869	561,730
Past due loans[3]	223,948	237,573	255,417	284,716	301,250
Risk index[4]	520,566	523,687	522,728	518,331	552,138
NPLs / total loans	2.81%	2.95%	2.92%	2.88%	3.04%
PDL / total loans	1.27%	1.37%	1.44%	1.55%	1.63%
Coverage of NPLs (Loan loss allowance / NPLs)	104.79%	102.41%	100.66%	97.82%	98.29%
Coverage of PDLs (Loan loss allowance / PDLs)	232.4%	220.4%	204.7%	182.1%	183.3%
Risk index (Loan loss allowances / Loans)	2.94%	3.02%	2.94%	2.82%	2.98%
Cost of credit (prov. expense / loans)	2.04%	2.00%	1.76%	1.71%	2.58%
Network					
Branches	494	499	499	499	496
ATMs	1,892	1,920	1,949	1,966	1,966
Employees	11,706	11,566	11,572	11,621	11,692
Market information (period-end)					
Net income per share (Ch$)	0.40	0.54	0.63	0.56	0.27
Net income per ADR (US$)	**0.31**	**0.42**	**0.51**	**0.44**	**0.23**
Stock price	37.5	37.4	40.54	37.34	33.55
ADR price	28.3	29.1	33.14	29.83	28.2
Market capitalization (US$mn)	13,328	13,728	15,613	14,053	13,285
Shares outstanding	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1
ADRs (1 ADR = 400 shares)	471.1	471.1	471.1	471.1	471.1
Other Data					
Quarterly inflation rate[5]	0.56%	1.28%	1.07%	0.42%	-0.16%
Central Bank monetary policy reference rate (nomina	5.25%	5.25%	5.00%	5.00%	5.00%
Avg. 10 year Central Bank yield (real)	2.63%	2.61%	2.45%	2.49%	2.42%
Avg. 10 year Central Bank yield (nominal)	5.64%	5.21%	5.40%	5.58%	5.31%
Observed Exchange rate (Ch$/US$) (period-end)	515.14	521.46	489.76	509.73	470.48

1 Ratio = Loans - marketable securities / Time deposits + demand deposits

2 Capital + future interest of all loans w ith one installment 90 days or more overdue.

3 Total installments plus lines of credit more than 90 days overdue

4 Based on internal credit models and SBIF guidelines. Banks must have a 100% coverage of risk index

5 Calculated using the variation of the Unidad de Fomento (UF) in the period

Investor Relations Department
Bandera 140 19th Floor, Santiago, Chile, Tel: 562-320-8284, fax: 562-671-6554,
email: rmorenoh@santander.cl