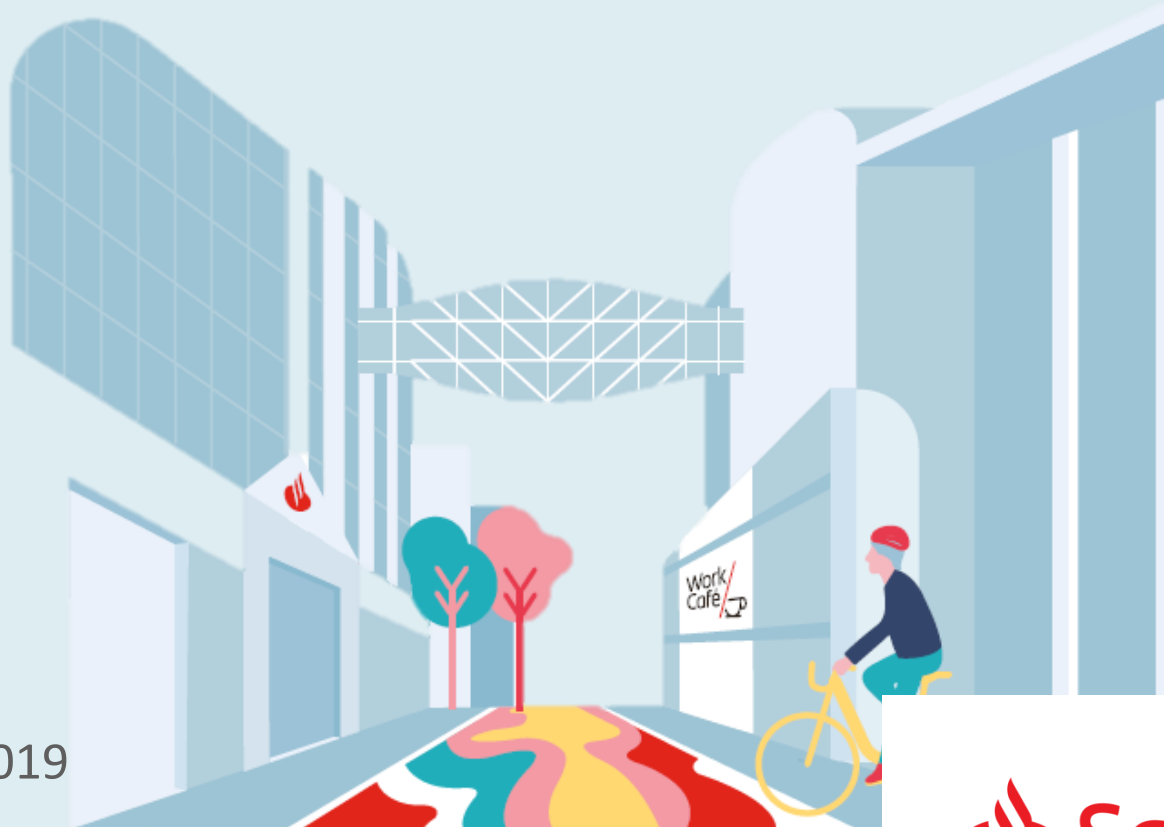


Banco Santander Chile

Positive outlook in a stable environment



September 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. 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.

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Macro-economic environment and financial system

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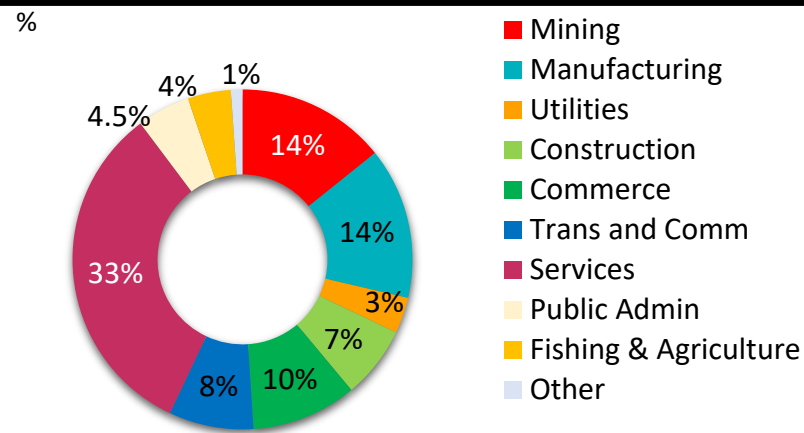
Summary

Chile: a stable and diversified economy

Chile: Key economic indicators^{1,2}

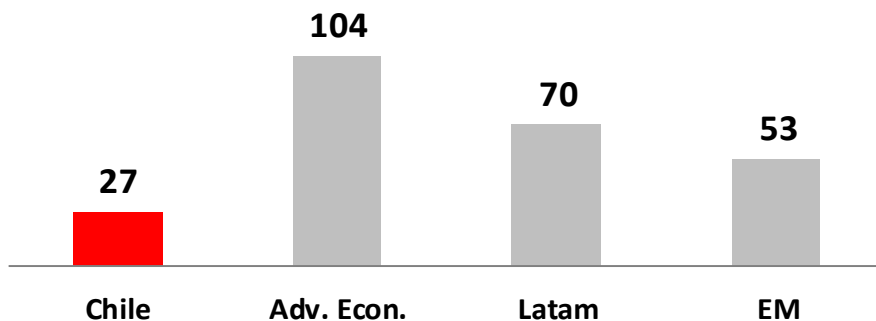
Population:	19.1mn
GDP ³ :	US\$296bn
GDP per capita (PPP):	US\$15,780
Exports / GDP:	25%
Investment / GDP :	23%
Net public debt / GDP:	8%
Sovereign ratings:	JCR: AA- / Mdy: A1/ SP: A+/ Fch: A

GDP by economic sector

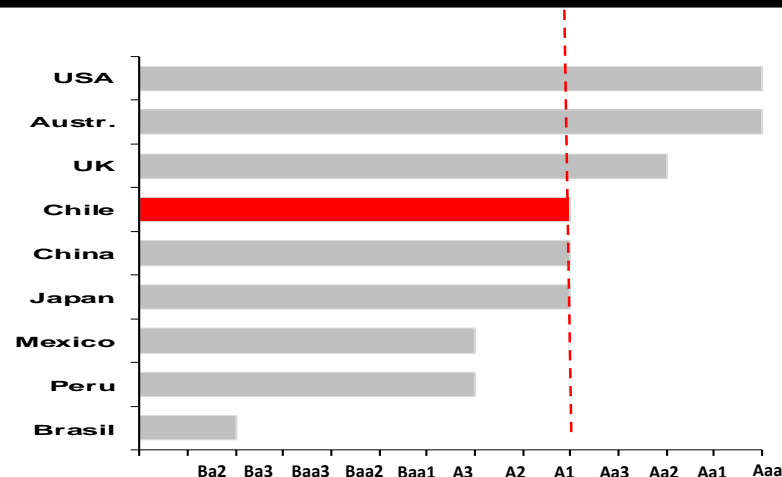


Low public debt^{1,2}

Gross public debt, % GDP



Moody's risk rating³

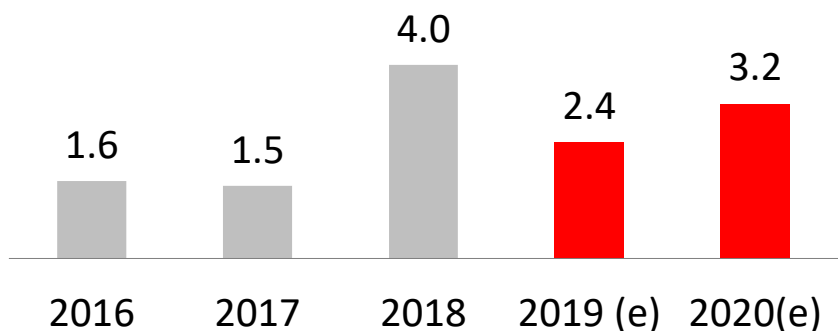


Macroeconomic environment

Economic growth is being driven by investment...

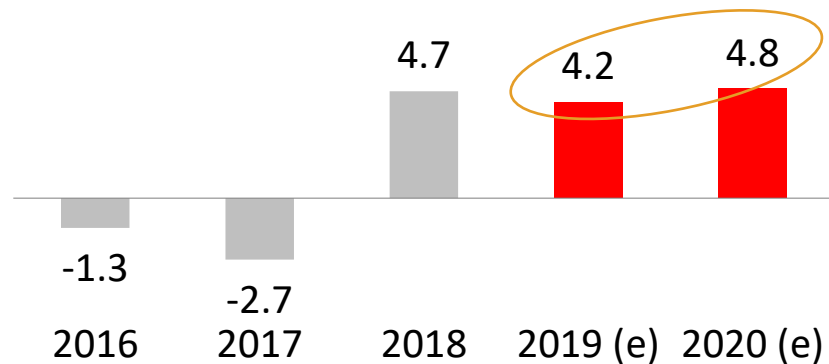
GDP

YoY real growth, %



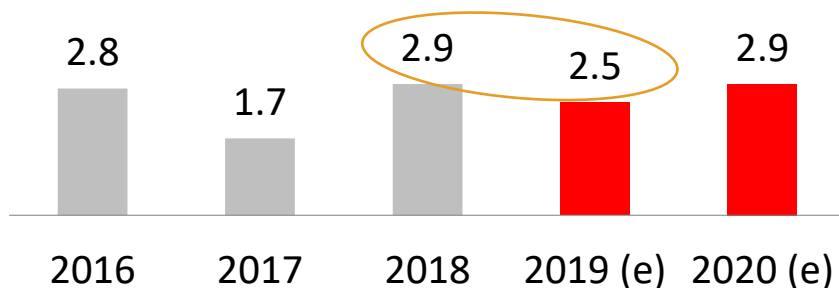
Investment

YoY real growth, %



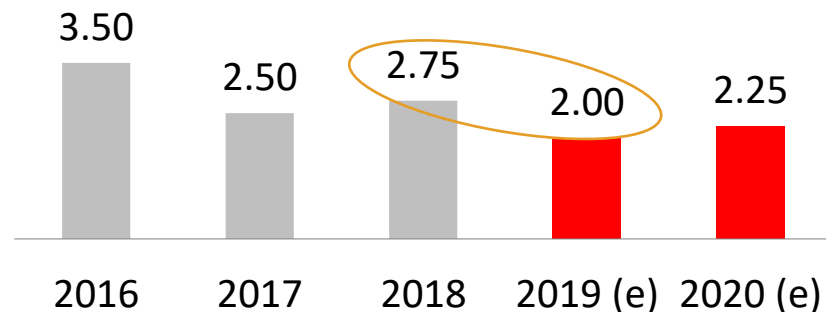
Inflation

Annual change in UF inflation, %



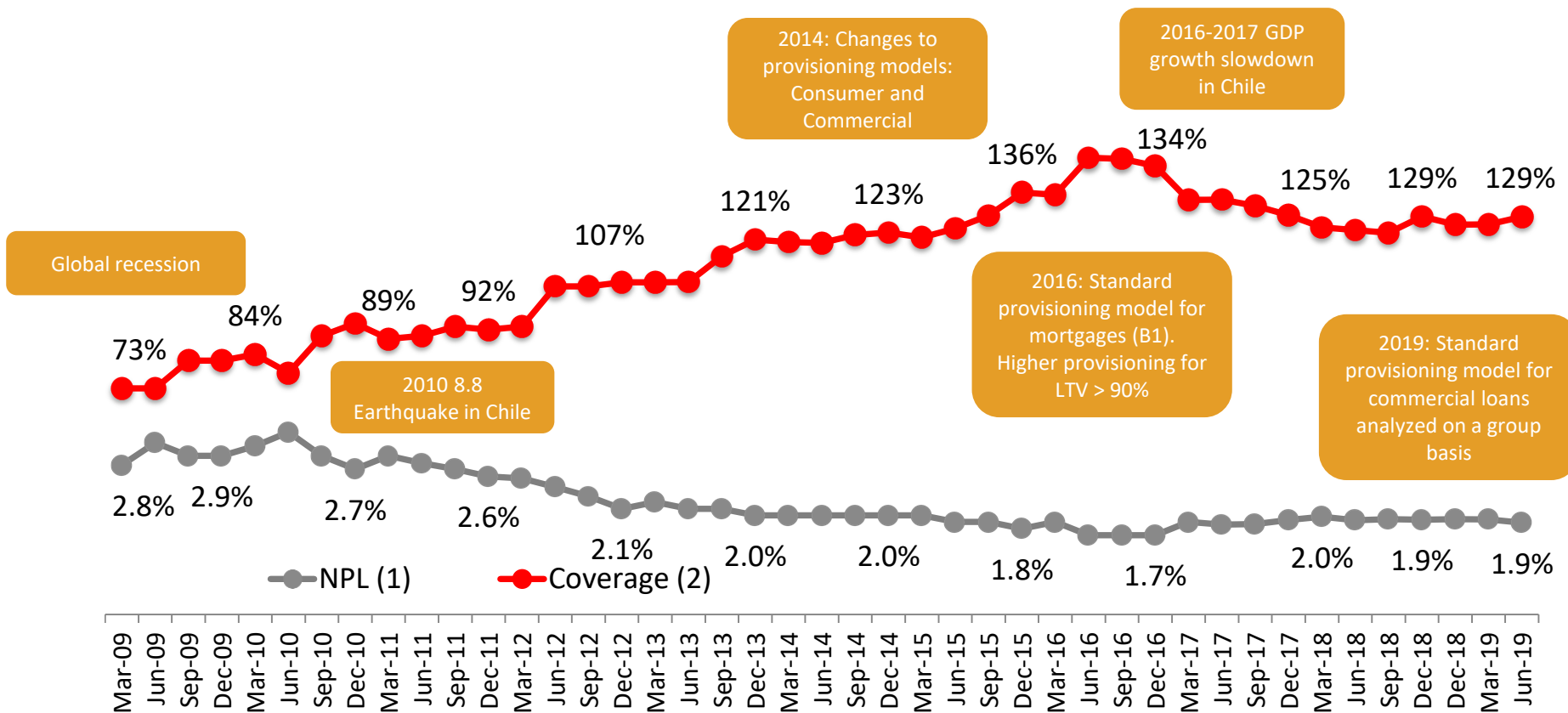
Central Bank ST Reference Rate

%



Asset quality has been stable throughout various cycles

Total loans: Non-performing loans (NPL) and coverage (%)



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Santander Chile is the nation's leading bank

Figures in US\$



Business and Results	06M19 (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 May 2019. Source: CMF 3. Average yearly market share over clients that enter a website with a passkey. Excludes Banco Estado. Source: CMF. YTD avg as of May 2019. 4. Excludes loans and deposits of Chilean banks held abroad. 5. Market share in terms of monetary amount of credit card purchases, as of May 2019.

Solid corporate governance standards

Board Committees

	Analysis & Resolution Committee	Human Resources Committee	Audit Committee	Asset & Liability Committee	Market Committee	Risk Committee	Strategy Committee
Claudio Melandri ★		Member			Member	Member	Member
Rodrigo Vergara ☆			Member	Member			
Orlando Poblete Iturrate ☆		Member	Member				
Juan Pedro Santa María Pérez	Member					Member	
Lucía Santa Cruz Sutil	Member					Member	Member
Ana Dorrego							
Rodrigo Echenique	Member						
Felix de Vicente Mingo		Member	Member	Member			Member
Alfonso Gomez Morales				Member	Member	Member	Member
Bianca Bustamante Bravo (Alternate)		Member				Member	
Oscar Von Chrismar (Alternate)				Member	Member	Member	

= Chairperson
 = Member
 ★ = Chairman of the Board
 ☆ = Vice-Chair of the Board

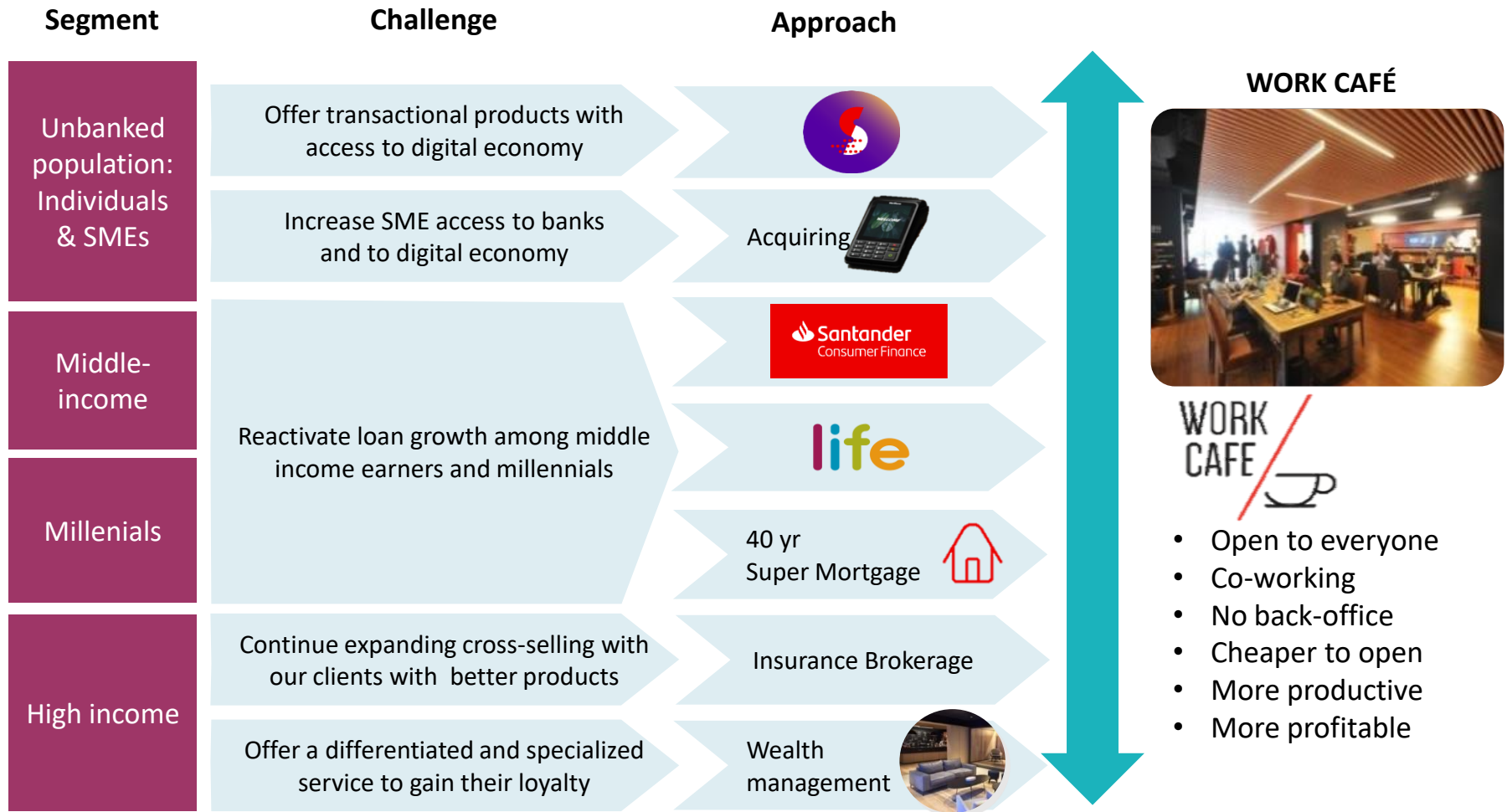
Corporate Governance Standards

- ✓ Board of Directors: 5 out of 11 Board members unrelated to Grupo Santander. Board approves Corporate Responsibility & Sustainability Policy and Strategy.
- ✓ Separation of functions: commercial areas separated from risk; main credit decisions taken by committees.
- ✓ Compliance: Regulated by SBIF/CMF of Chile, ECB and SEC. Comply with SEC and NYSE Guidelines & SOX.
- ✓ **DJSI Chile, MILA**

→ Independent Board members

Santander Group owns 67.2%. We are listed on the Santiago Stock Exchange and the NYSE

Investing US\$380 million in 2019-2021

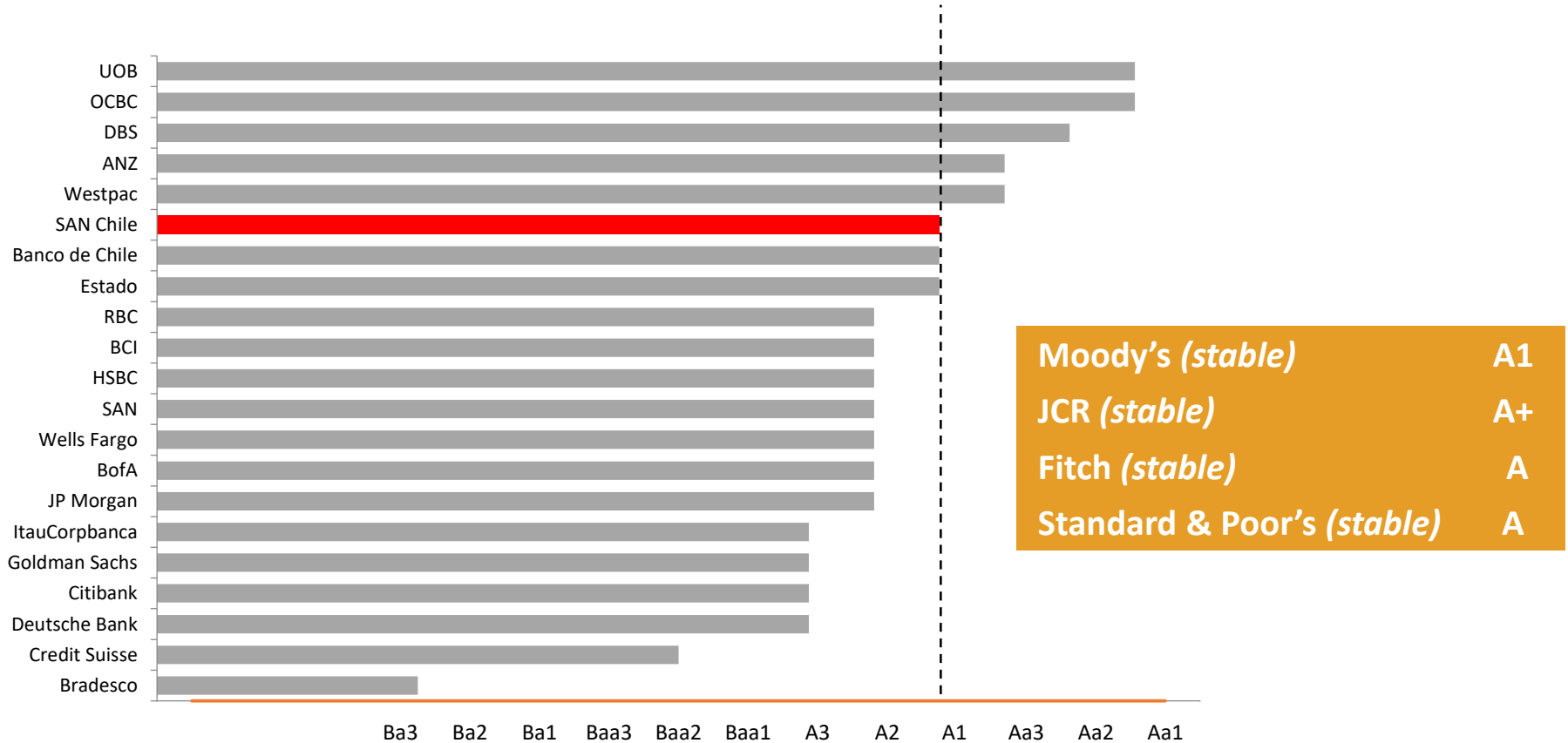


We have announced an investment plan of US\$380 million for the period of 2019-2021 in technology, branch upgrading and new products and services.

A leading bank

Among banks with best international rating

Risk rating, Moody's scale



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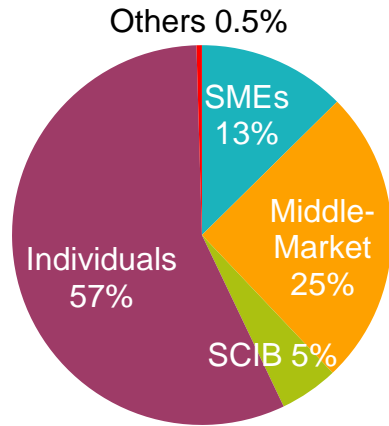
Recent results

Summary

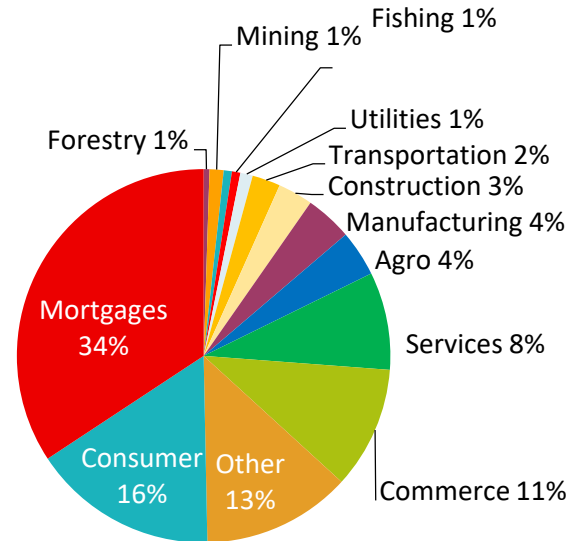
A diversified loan book

Figures as of Jun. 2019

Loans by Segment



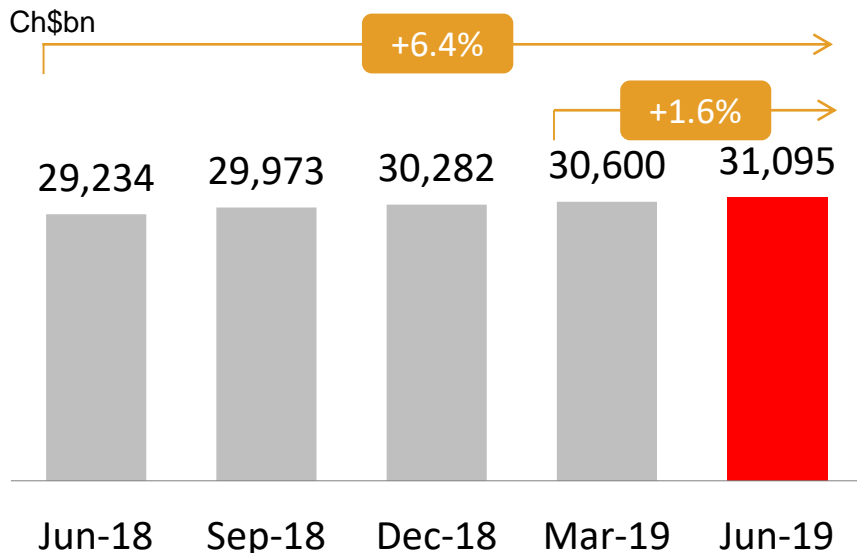
Loans by sector



- **57% Individuals / 43% companies**
- **High diversification by sector**
- **Individual:** focus on growing in the mid-high income segments. Selective growth in lower-end through digital offer
- **SMEs:** focus on larger SMEs, especially with a balanced flow of income (lending and non-lending products).
- **Middle-market:** focus on funding investment plans & non-lending business activities.
- **SCIB:** strong focus on non-lending activities

Loan growth driven by Retail banking

Total Loans



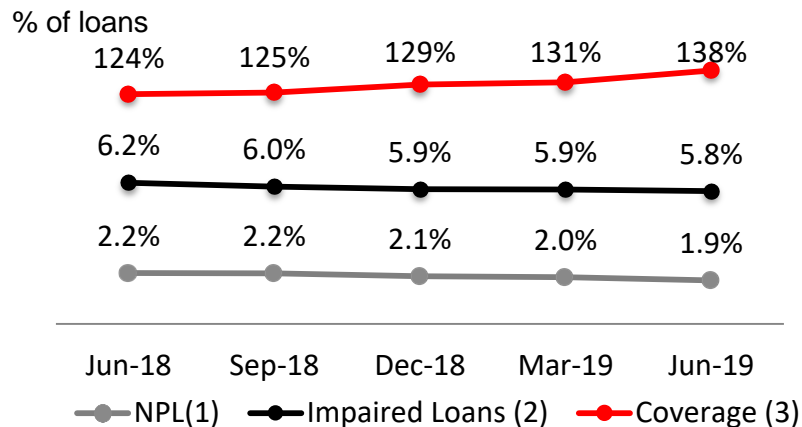
Ch\$ bn	6M19	YoY	QoQ
Individuals ¹	17,587	10.1%	2.5%
Consumer	4,989	7.5%	1.4%
Mortgages	10,658	11.9%	3.1%
SMEs	3,918	3.2%	2.2%
Retail	21,505	8.8%	2.5%
Middle Market	7,876	6.6%	(0.1%)
Corporate (SCIB)	1,563	(19.8%)	(1.7%)
Total²	31,095	6.4%	1.6%

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

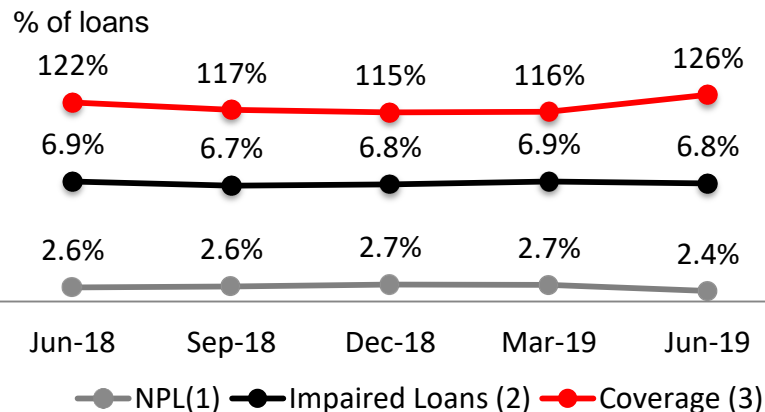
A healthy balance sheet

Positive evolution of asset quality

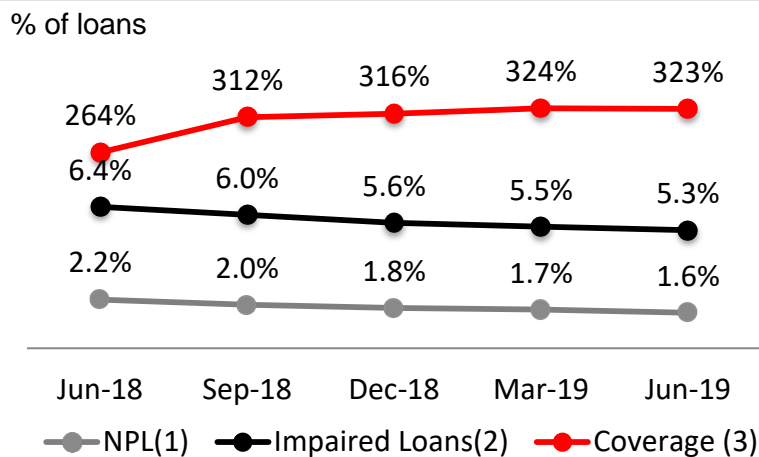
Total loans



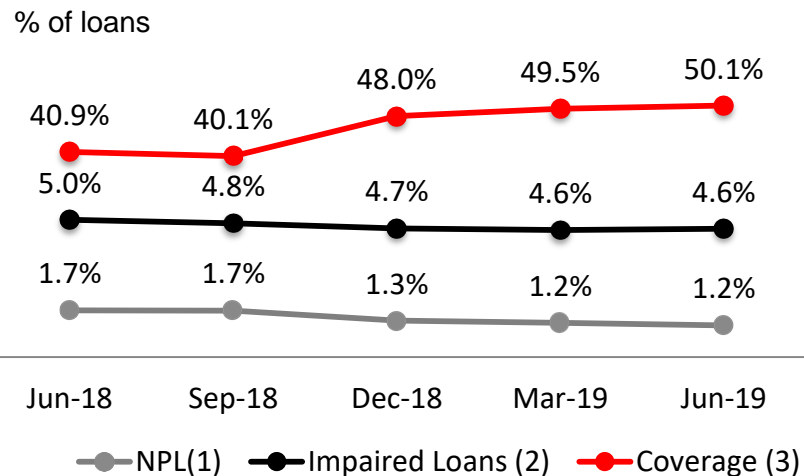
Commercial loans



Consumer loans

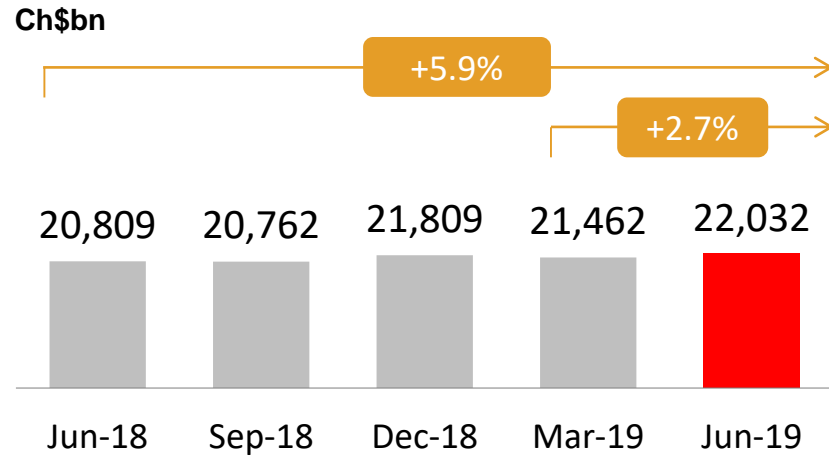


Mortgage loans



Positive evolution of funding mix

Total Deposits



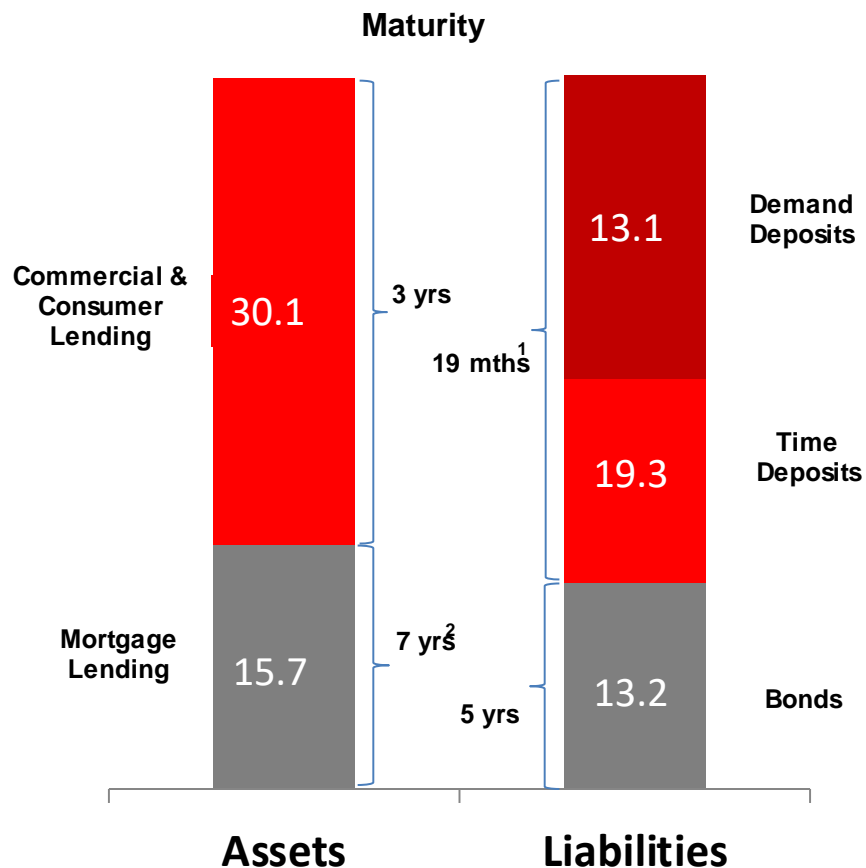
Ch\$ bn	6M19	YoY	QoQ
Demand	8,910	9.6%	4.5%
Time	13,123	3.5%	1.4%
Total Deposits	22,032	5.9%	2.7%
Mutual funds ¹	6,266	12.8%	7.7%

A healthy balance sheet

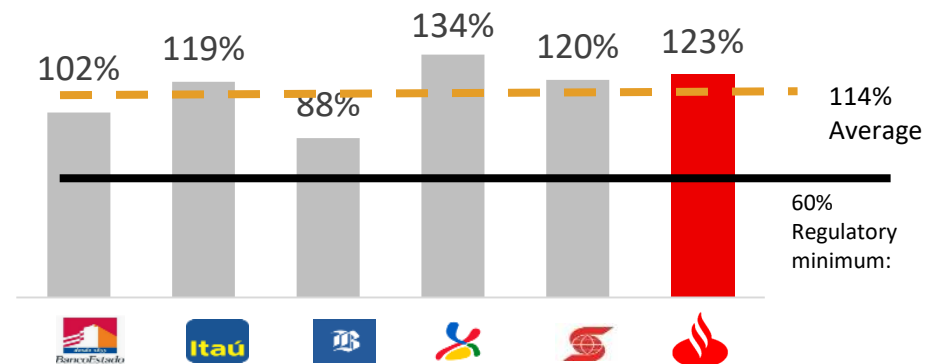
Solid balance structure and liquidity levels

Structural balance sheet

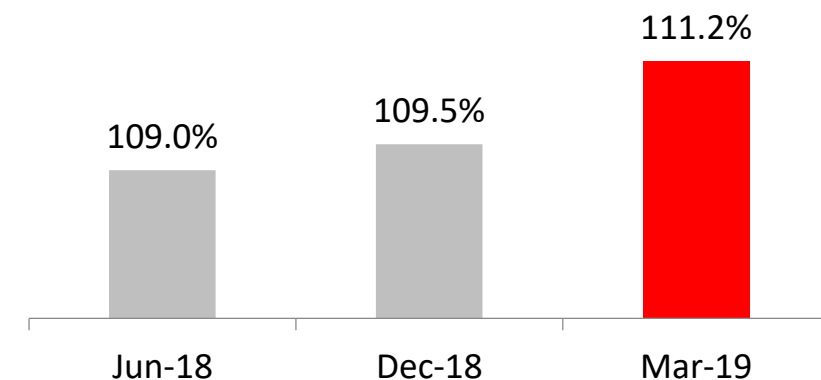
US\$bn Jun. 2019



Liquidity coverage ratio³



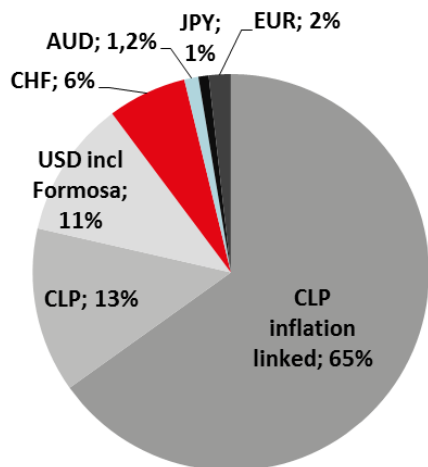
NSFR⁴



1. Assumes an actual duration for demand deposits of three years. 2. Includes pre-payment estimate. 3. LCR calculated following the new local Chilean models 4. NSFR: Internal methodology and not the local Chilean regulator's guidelines

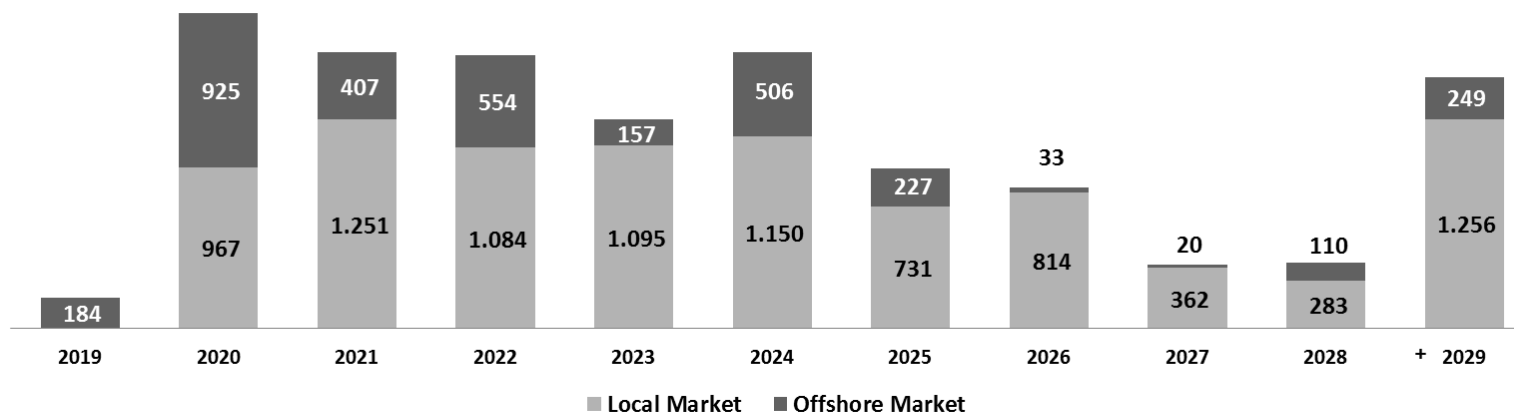
We are an active issuer in international markets

Bonds



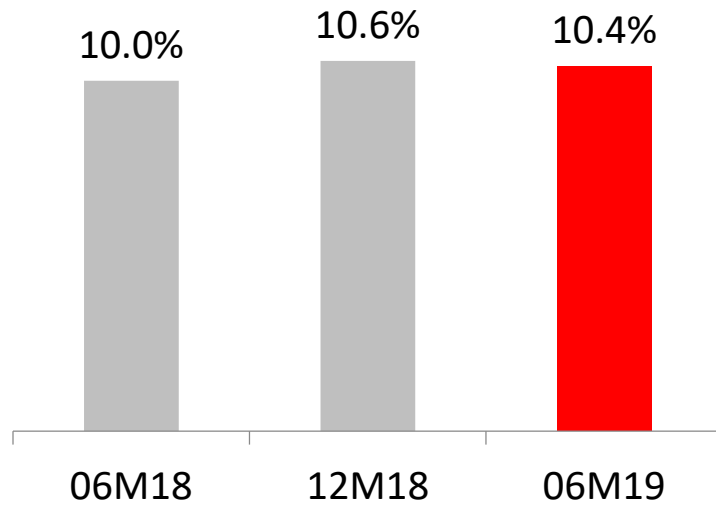
- Total outstanding: US\$13.2bn
- In 2019 we plan to issue US\$2-3bn and for 2020 we estimate issuances for US\$3-3.5bn
- High diversification by country
- MTN program: Private placements or public deals
- All foreign debt is swapped backed to local currency
- AT1 approved under the new Banking Law. Probably can issue in 2020

Maturity profile

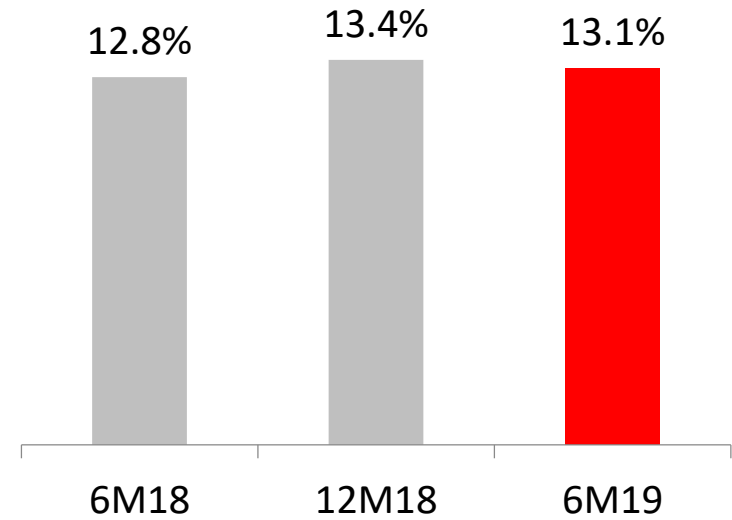


Well prepared for the transition to BIS III

Core capital



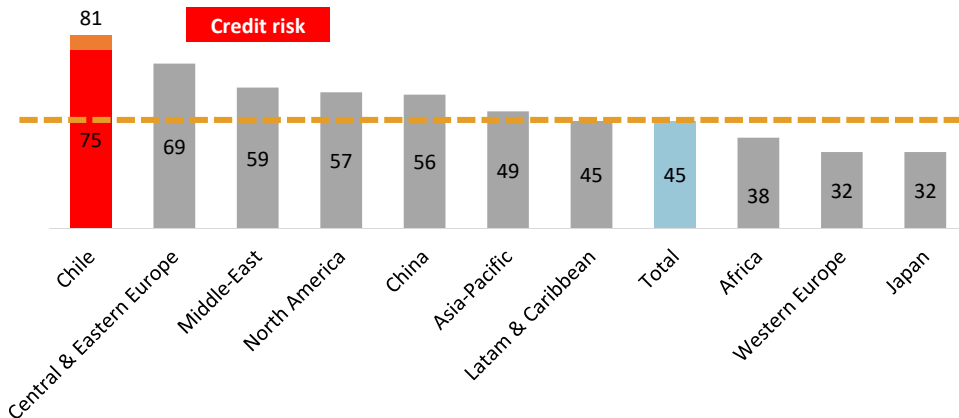
BIS I Ratio



A healthy balance sheet

New banking regulation institutes BIS III in Chile

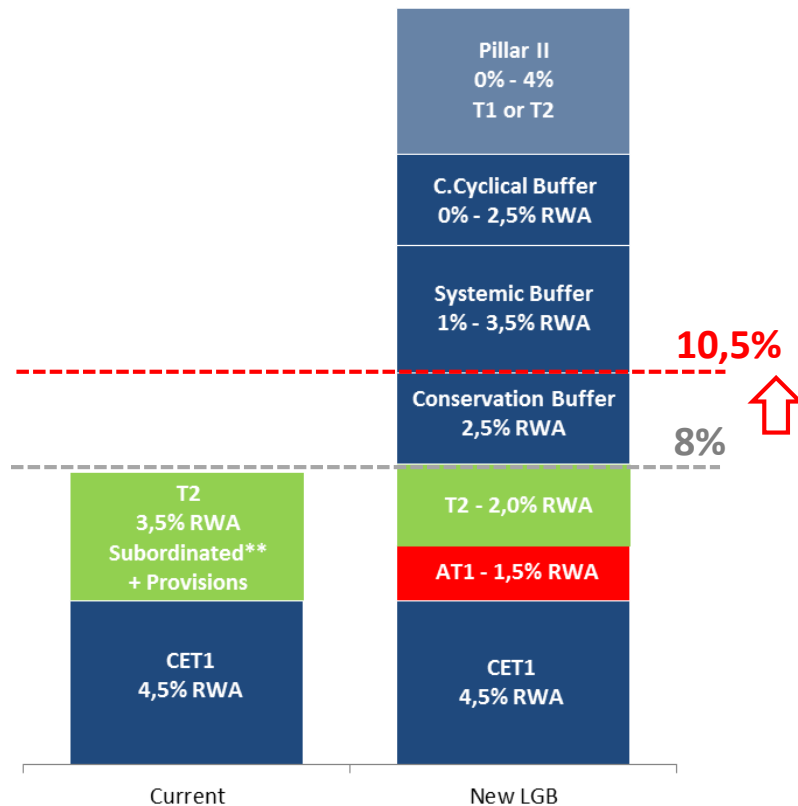
RWA Density Worldwide*



- New Banking Law passed at beginning of the year
- Hybrid instruments (AT1 and Preferred stock) will be recognized as capital
- A normal transition to BIS III should be positive for our capital ratios
- Systemic buffer requirements recently published

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

Introducing new capital requirements



** Subordinated bonds allowed up to 50% of the CET1

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Recent results

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

ROAE

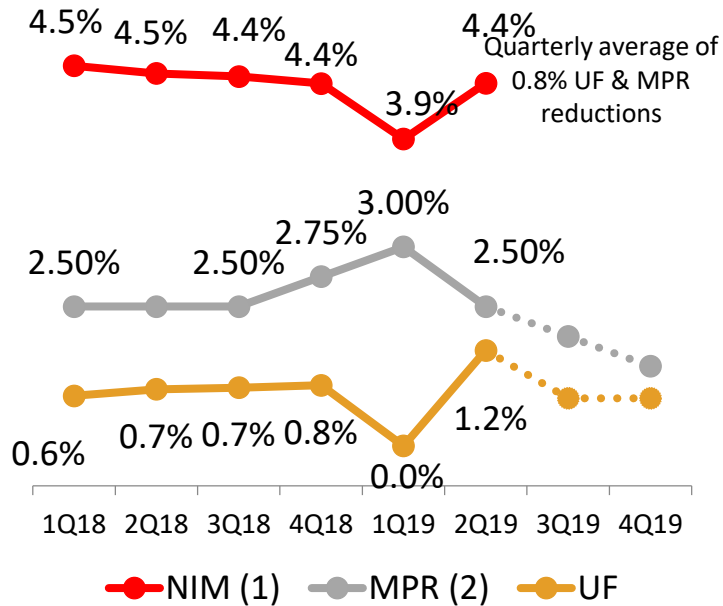
%

	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%

Recent results

Higher inflation in 2Q19 drives recovery in NIMs

NIM¹ & Inflation



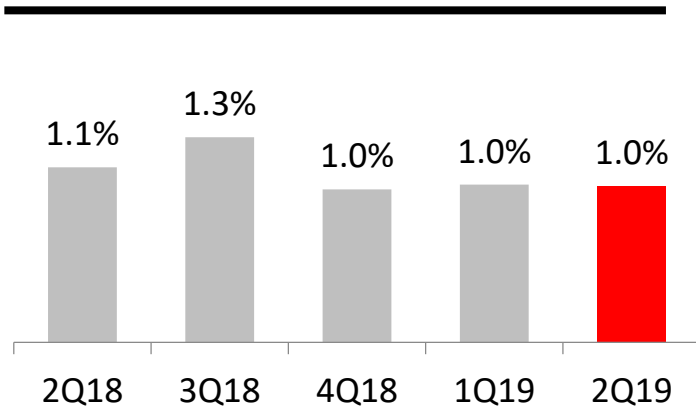
Net Interest Income

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

Lower cost of risk

Cost of Credit²



Ch\$ bn	6M19	YoY
Provision for loan losses¹	(152,622)	1.8%
NPLs ³	579,536	(-10.8%)
Impaired loans ⁴	1,810,842	0.4%
NPL ratio ⁵	1.9%	-30 bp
Impaired loan ratio ⁶	5.8%	-40 bp
NPL coverage ⁷	137.6%	

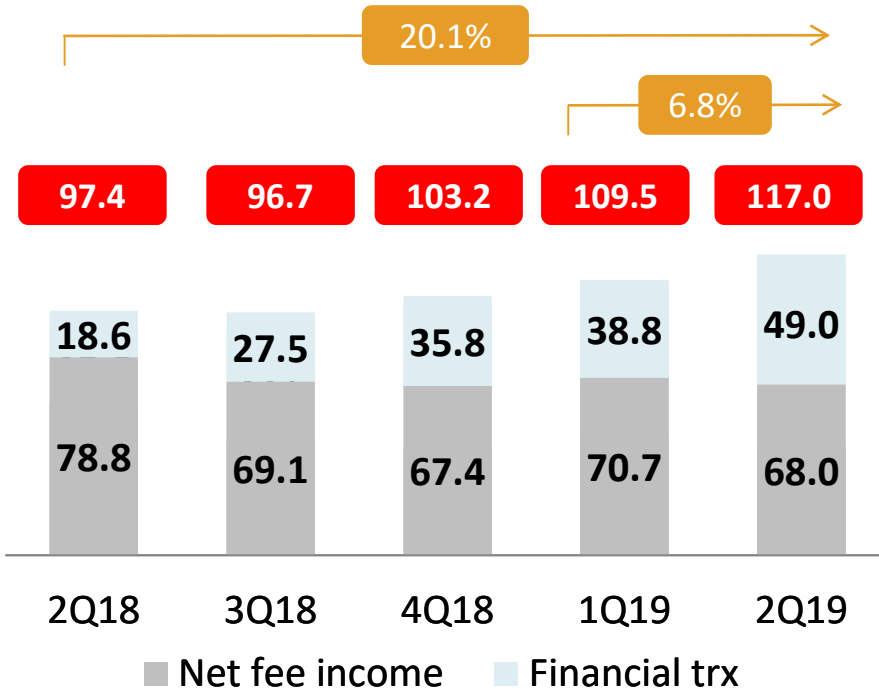
One-time provision expense for new standardized model for commercial loans analyzed on a group basis will be recognized in July 2019: Ch\$31bn

Recent results

Good growth in non-NII across business segments

Non-interest income (fee + financial trxs)

Ch\$bn



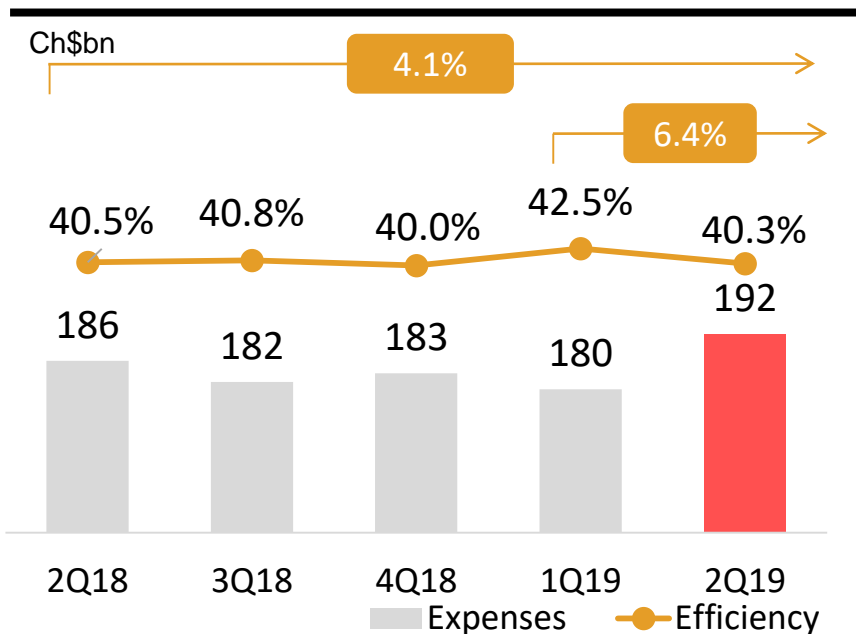
Non-interest income

Ch\$ bn	6M19	YoY
Retail	125.7	3.2%
Middle Market	28.1	10.3%
Corporate	62.1	49.4%
Subtotal	215.8	14.3%
Others ¹	10.7	47.2%
Total non-interest income	226.5	15.5%

Recent results

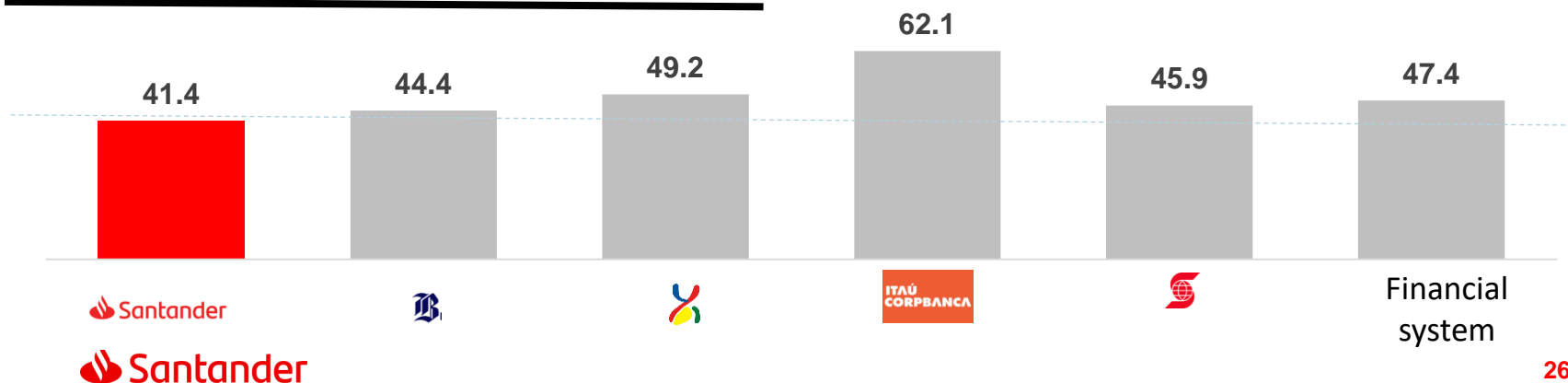
Investing to improve productivity and efficiency

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

Efficiency Ratio (%)



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Sound outlook for the rest of 2019

- ✓ GDP growth estimate of 2.4% in 2019, driven by investment growth of 4.2%
- ✓ UF inflation of 2.3% for 2019 with a lower rate environment
- ✓ Ambitious investment plan announced focusing on technology and new businesses with important launches made in the quarter
- ✓ Estimated loan growth of ~8% with growth accelerating in higher yielding retail loans
- ✓ We should be issuing US\$2-3bn this year and US\$3-3.5bn in 2020
- ✓ New banking law passed. AT1 should be approved in 2020
- ✓ NIMs of 4.2-4.3% in remaining quarters, depending on inflation and velocity of rate cuts
- ✓ Recurring cost of credit of 1.0% with stable asset quality.
- ✓ Strong efficiency levels led by improved productivity through digitalization
- ✓ ROE outlook for 2019:~18%*

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.

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

