

***Banco Santander Chile:
Solid results in 2014
Sound outlook for 2015***

December 2014

Chile



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.

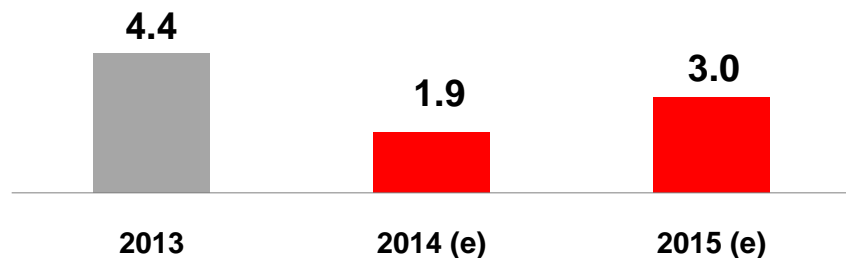
Note: the information contained in this presentation is not audited and is presented in Chilean Bank GAAP which is similar to IFRS, but there are some differences. Please refer to our 2013 20-F filed with the SEC for an explanation of the differences between Chilean Bank GAAP and IFRS. Nevertheless, 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

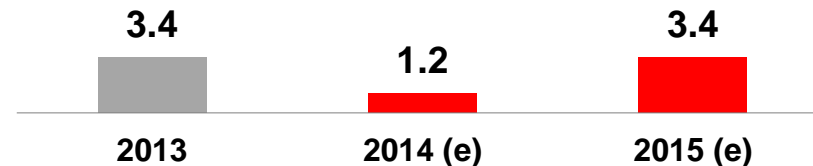
- **Despite recent deceleration, economy expected to rebound in 2015. Financial system with stable growth trends**
- **Santander Chile: leading bank with a solid balance sheet structure**
- **Strong results in 2014**
- **Positive medium-term outlook**

Economy is expected to rebound in 2015...

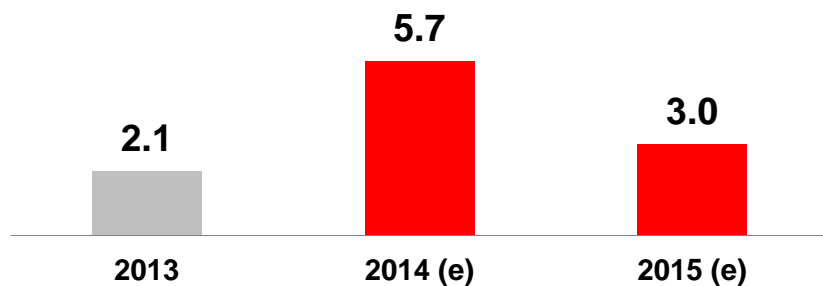
GDP (YoY growth, %)



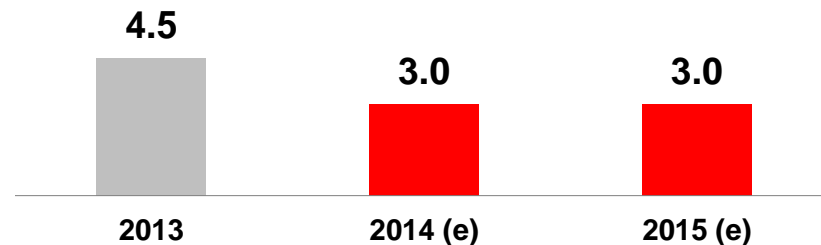
Internal Demand (YoY growth, %)



Inflation (YoY var. of UF, %)*



Central Bank Reference rate (%)

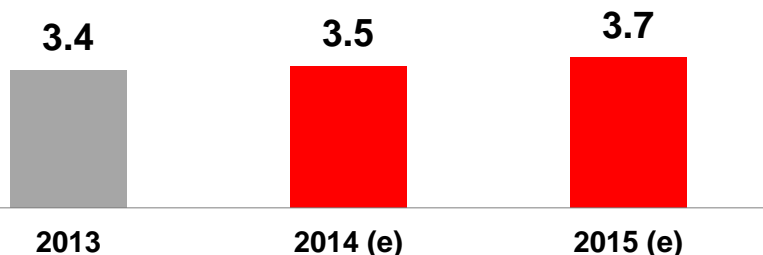


* Inflation measured by the annual change in the Unidad de Fomento (UF). Source: Banco Central de Chile. (e): Estimates Santander Chile

.... led by export growth, investment and total consumption

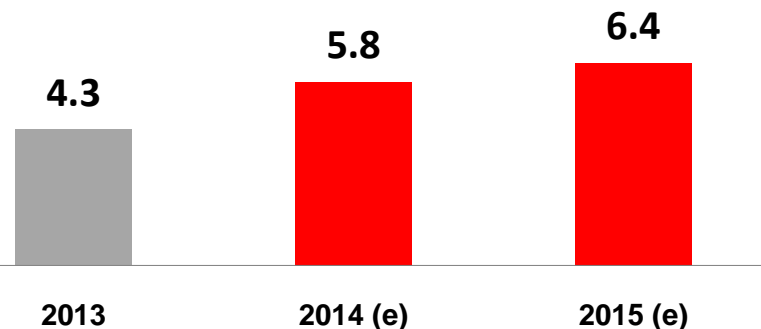
Higher GDP growth of Chile's main trade partners* ...

YoY real growth, %



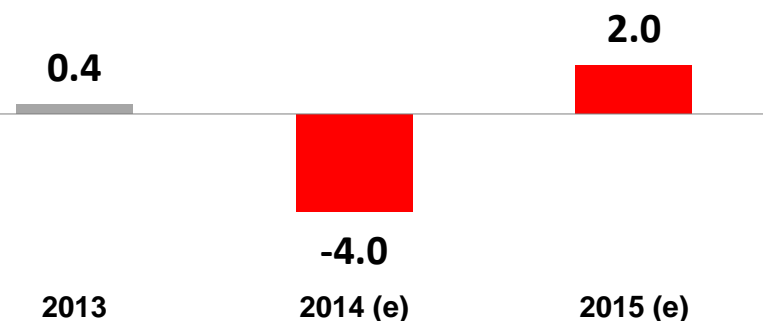
... and weaker Ch\$ should boost export growth

YoY real growth, %



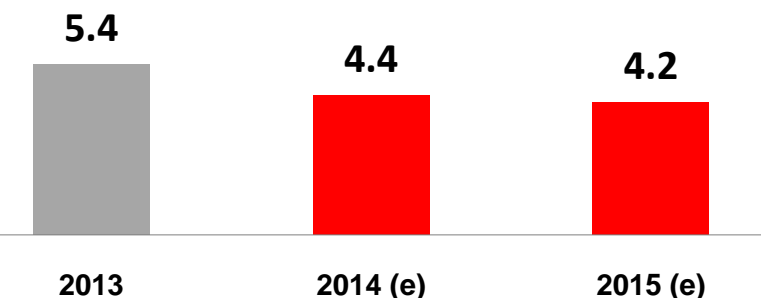
Investment expected to rebound, led by the energy and infrastructure sectors

YoY real growth, %



Consumption** should remain strong

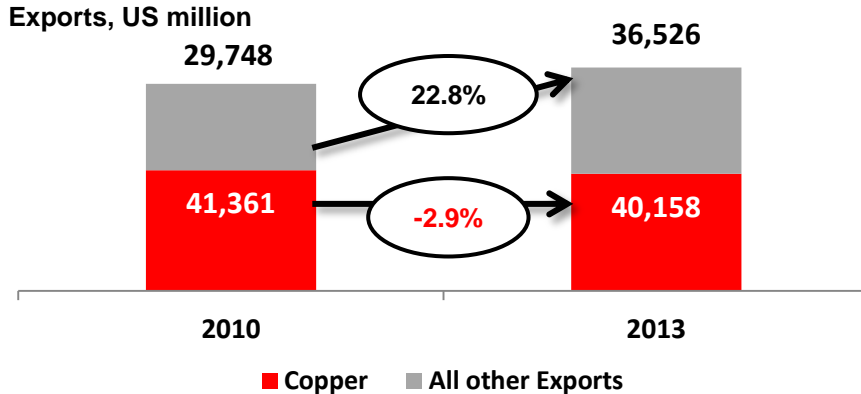
YoY real growth, %



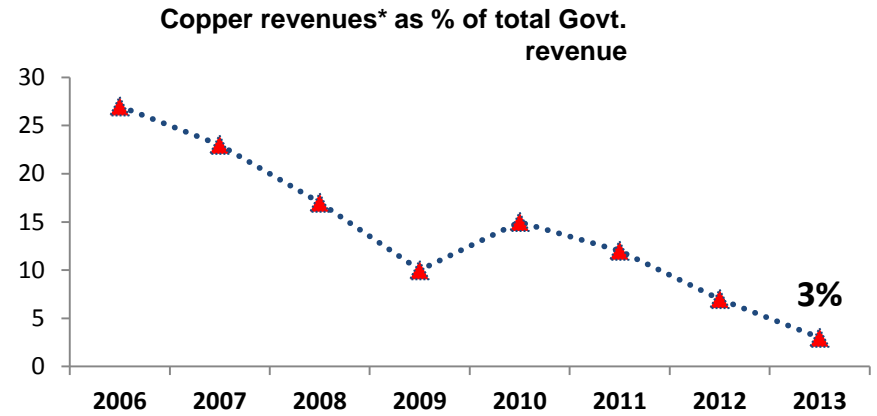
Source: Banco Central de Chile. (e): Estimates Santander Chile. * Trade-weighted GDP growth. ** Includes private and government consumption

Chile's reliance on copper has diminished

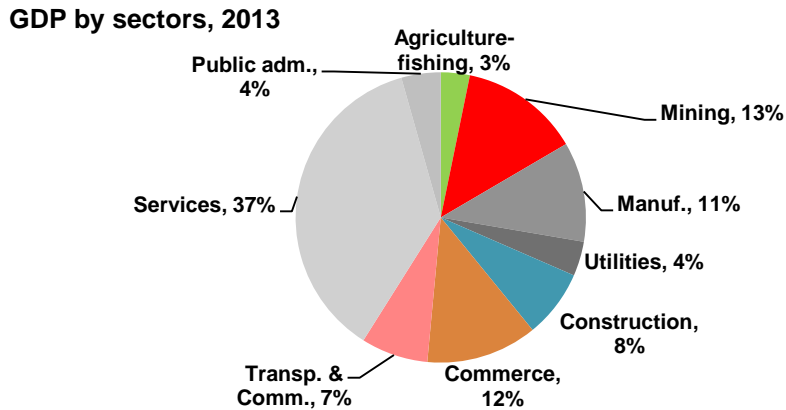
Copper exports have been flat...



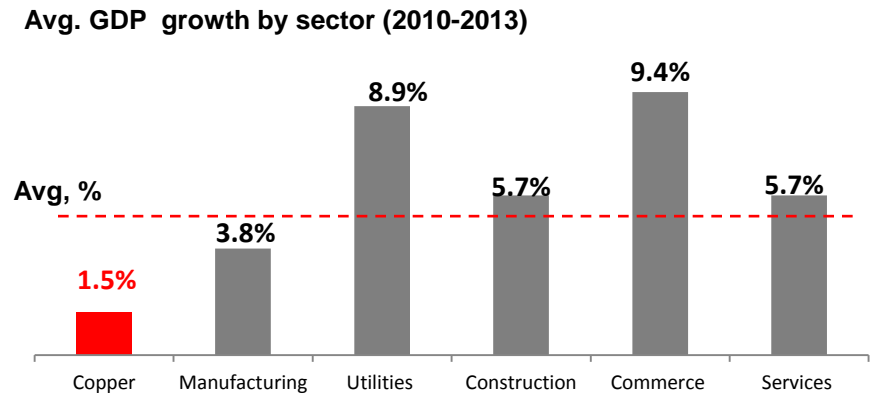
... decreasing weight of copper revenue



Chile has a diversified economy...



Copper contribution to GDP growth is low

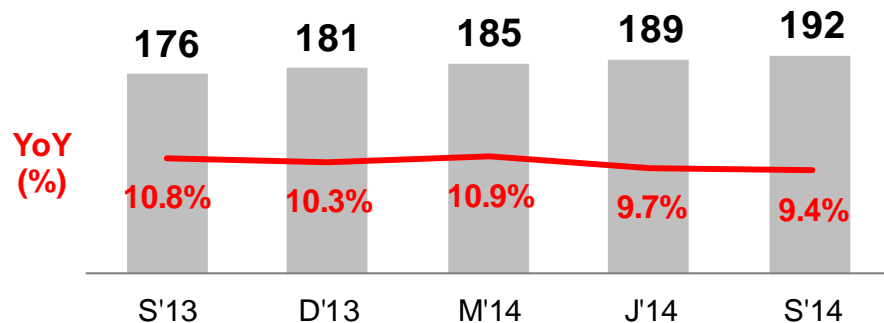


Source: Banco Central de Chile, Ministry of Finance, Moody's and IMF. *Refers to Codelco's contribution to govt. revenue

Financial system with stable growth trends

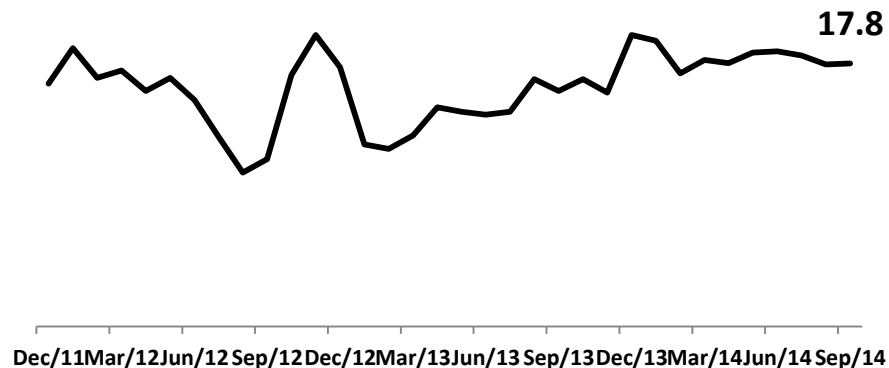
Total Loans

US\$bn*



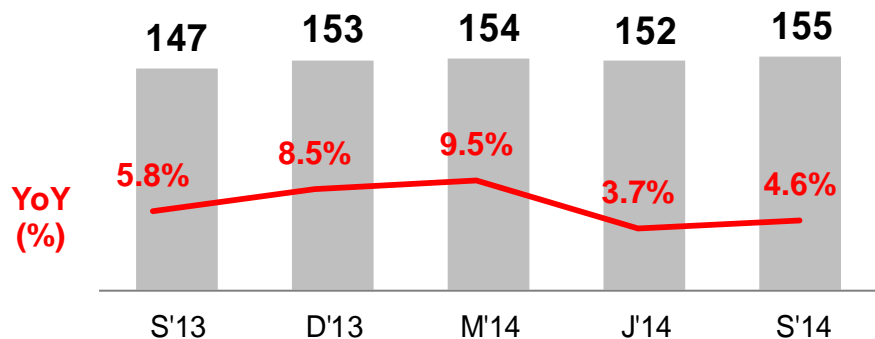
ROE

Quarterly avg, %



Total Deposits**

US\$bn*



- Loan growth less affected by lower investment as slowdown concentrated in reconstruction / large mining projects with little bank financing
- Deposit growth remains healthy, with some flow of funds away from time deposits to money market funds

* Converted using constant exchange rate as of September 2014. ** Demand and time deposits. Source: Superintendency of Banks of Chile. Excludes Corbanca Colombia

Agenda

- **Despite recent deceleration, economy expected to rebound in 2015. Financial system with stable growth trends**
- **Santander Chile: leading bank with a solid balance sheet structure**
- **Strong results in 2014**
- **Positive medium-term outlook**

Santander Chile is the nation's leading bank



Item	Amount	Mkt. share ¹	YTD Var.
Loans	US\$ 37.2bn	19.1%	-10bp
Loans to individuals	US\$ 19.0bn	22.1%	+0bp
Consumer installment loans	US\$ 3.8bn	21.3%	+10bp
Credit card loans	US\$ 2.2bn	22.6% ²	+30bp
Residential mortgage loans	US\$ 10.5bn	20.8%	+10bp
Loans to companies	US\$ 17.7bn	17.2%	-30bp
Net income	US\$ 688	22.5%	+210bp
Clients	3.6mn	21.1% ³	n/a
Deposits	US\$ 27.2bn	17.2%	+60bp
Checking accounts (\$)	US\$ 9.6bn	21.1%	+40p
Credit card transactions (\$)	US\$ 13.5bn	22.5% ²	+130bp
ATMs	1,692	20.9%	-10bp
Branches	475	19.9%	-18
Moody's	Aa3		
Fitch	A+		
S&P	A		

1. As of Sept.'14 or latest available figures. Excludes Corpbanca Colombia. 2. Includes non-banks. 3. Market share over checking accounts. Source: SBIF and Santander Chile estimates

Solid governance standards

Independent Board

	Asset and Liability Committee	Directors and Auditing Committee	Executive Credit Committee
Chairperson Oscar Von Chrismar	Member		Member
Vice Chair Marco Colodro Hadjes	Member	Member	Member
Vittorio Corbo Lioi	Financial Expert		
Victor Arbulu Crousillat		Member	
Mauricio Larrain Garcés	Member		Financial Expert
Roberto Zahler Mayanz	Member		
Lisandro Serrano Spoerer		Member	
Roberto Méndez Torres			Member

Corporate Governance Standards

- ✓ **Grupo Santander control 67.2% of the Bank**
- ✓ **Independent Board of Directors: 7 out of 11 Board members unrelated to Grupo Santander**
- ✓ **Participation in Main Committees: Active participation of Board members in main committees**
 - ✓ **ALCO: Funding, capital and liquidity**
 - ✓ **Audit Committee: Internal audit, related party transactions, internal controls, etc..**
- ✓ **Division of Functions: Risk management independent of commercial areas.**
- ✓ **Independence: Autonomous Internal Auditing Area**
- ✓ **Regulatory bodies: Santander Chile is regulated to different degrees by the SBIF, the SEC, Bank of Spain, NYSE and the ECB. SOX compliant**



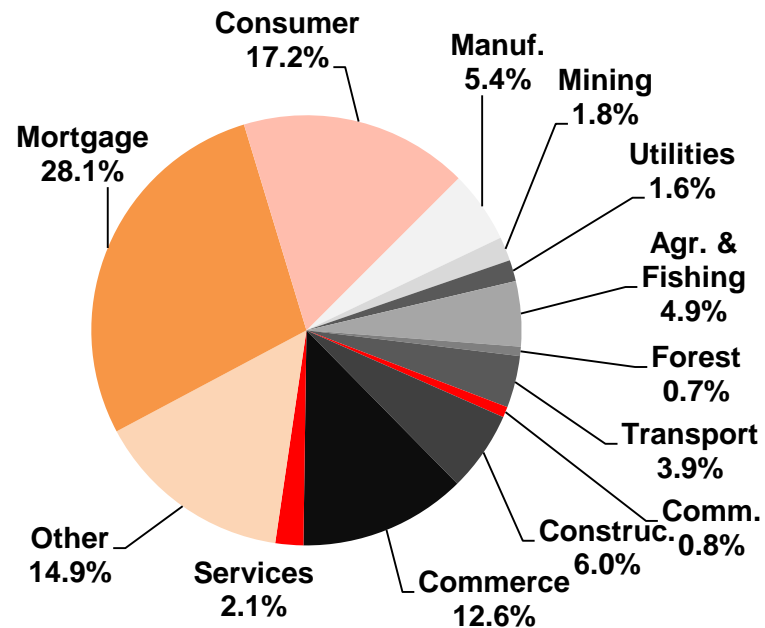
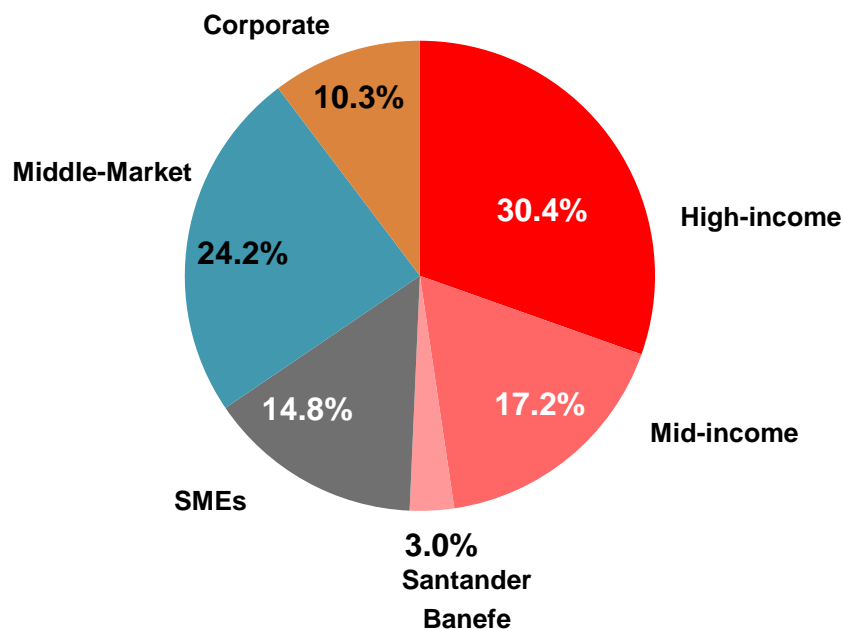
Diversified loan book

Figures as of Sept. 2014

Loans by client segment

Loans by economic sector

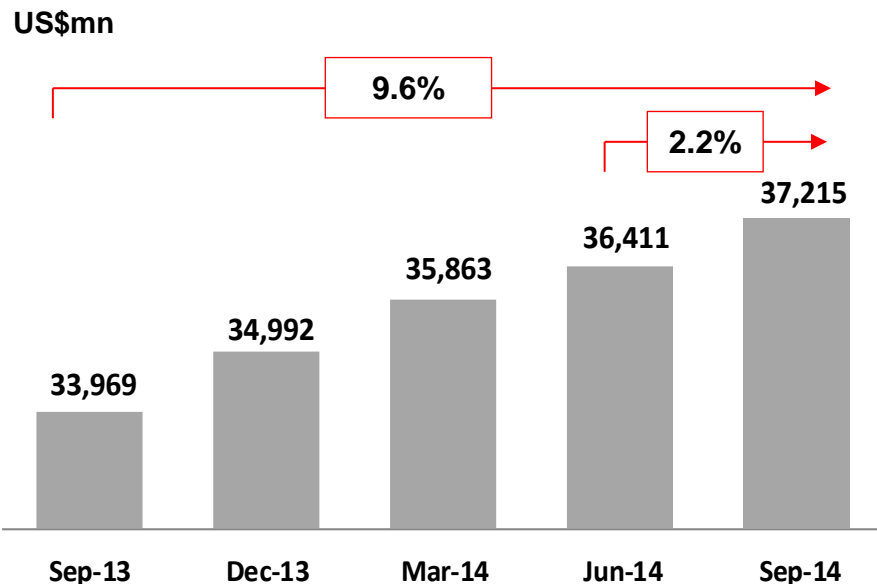
Loans as a percentage of the total, %



50% Individuals / 50% Companies

Positive loan growth, especially in segments with a higher risk-adjusted contribution

Total Loans



US\$mn

	Sep14	YoY (%)	QoQ (%)
Individuals¹	19,053	12.0%	2.7%
Mortgage	10,530	15.3%	3.3%
Consumer credit	6,383	11.5%	2.2%
SMEs	5,542	4.5%	0.7%
Middle Market	9,002	9.8%	4.1%
Corporates	3,826	3.9%	-1.1%
Total²	37,215	9.6%	2.2%

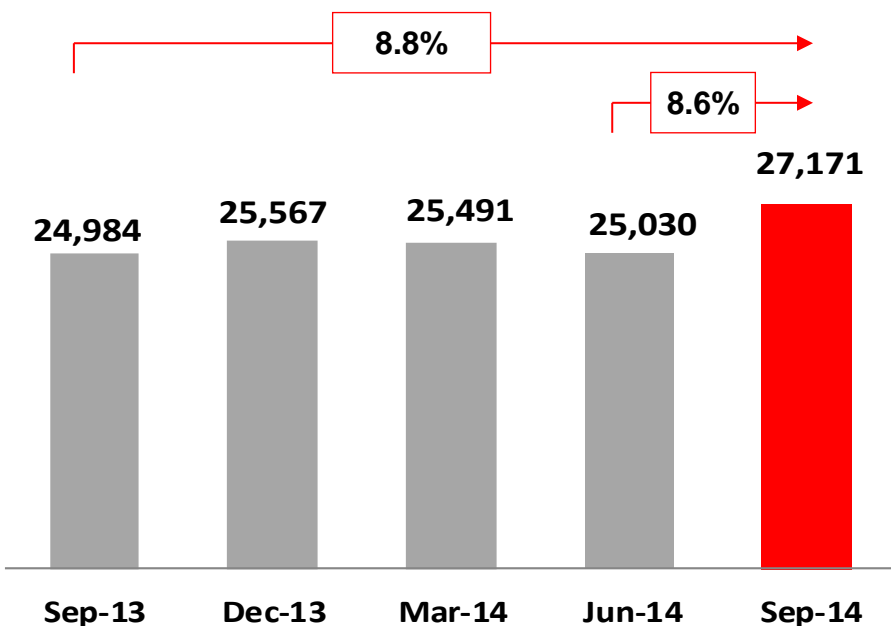
Loans to high income individuals +17% YoY

1. Loans to individuals includes all consumer, mortgage and commercial loans to individuals 2. Total loans includes other non-segmented loans

High levels of liquidity in the local market pushes strong deposit growth

Total Deposits

US\$mn

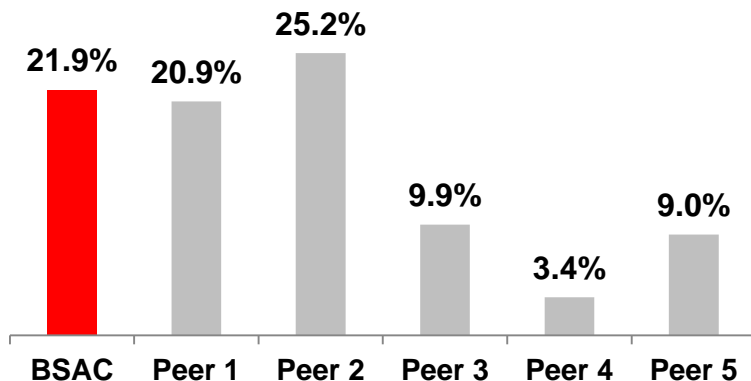


US\$mn

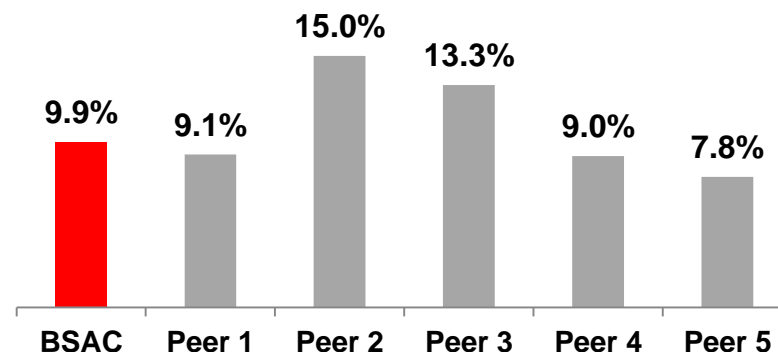
	9M'14	YoY	QoQ
Demand	9,569	8.9%	1.1%
Time	17,602	8.7%	13.1%
Total deposits	27,171	8.8%	8.6%

Market leaders in Core Deposits

Core deposit market share¹



Deposit market share w/ institutional investors¹



Growth of core deposits

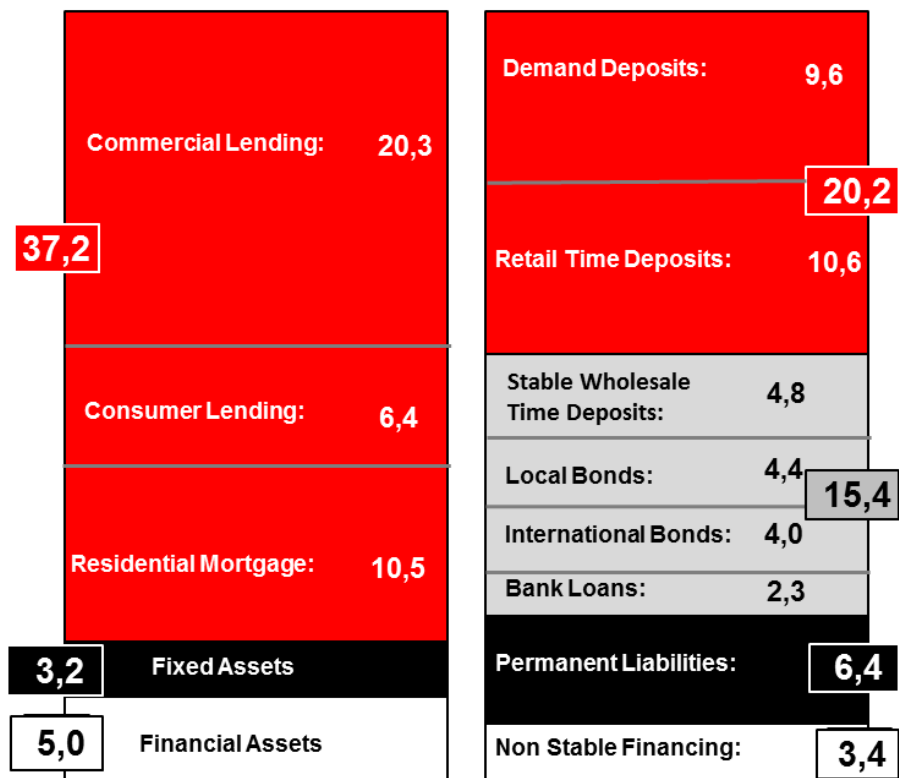
	2014 v/s 2009
Santander	89%
Peer 1	55%
Peer 2	60%
Peer 3	59%
Peer 4	84%

Santander Chile is leader in retail checking accounts and cash management services to corporates in the Chilean market

1. As of August 2014. Source of data used to calculate market share: DCV & SBIF. Institutional market share is over deposits cleared through the DCV.

Solid balance sheet structure and high structural liquidity levels

USD bn as of September 2014

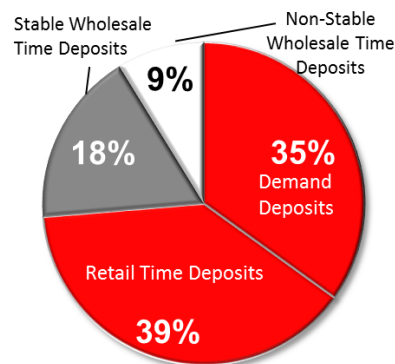


Assets <= 37,2 >= 37,2 Liabilities

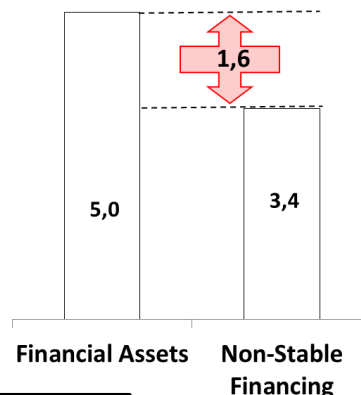
Non-Stable Wholesale Time Deposits = 2.4
 Commercial Papers = 0.7
 Close to Maturity Bonds = 0.3

Total Deposits

USD 27.2 bn

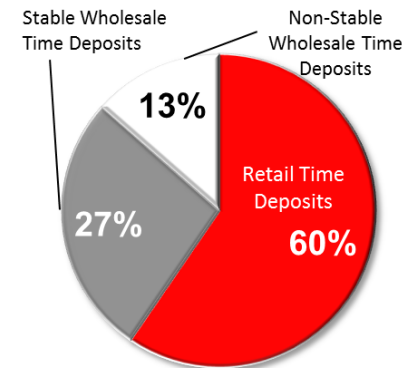


Structural Liquidity (USD bn)

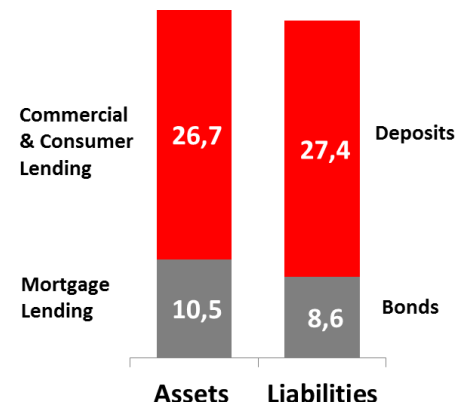


Total Time Deposits

USD 17.6 bn



Commercial Balance (USD bn)

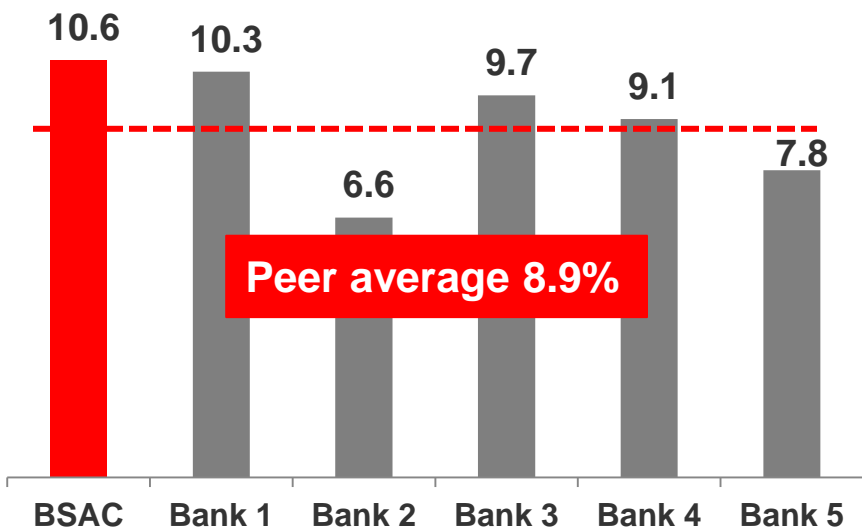


LTD = 132%
 LTD ex Mortgages = 94%

Strong capital base and risk ratings

High capital base*

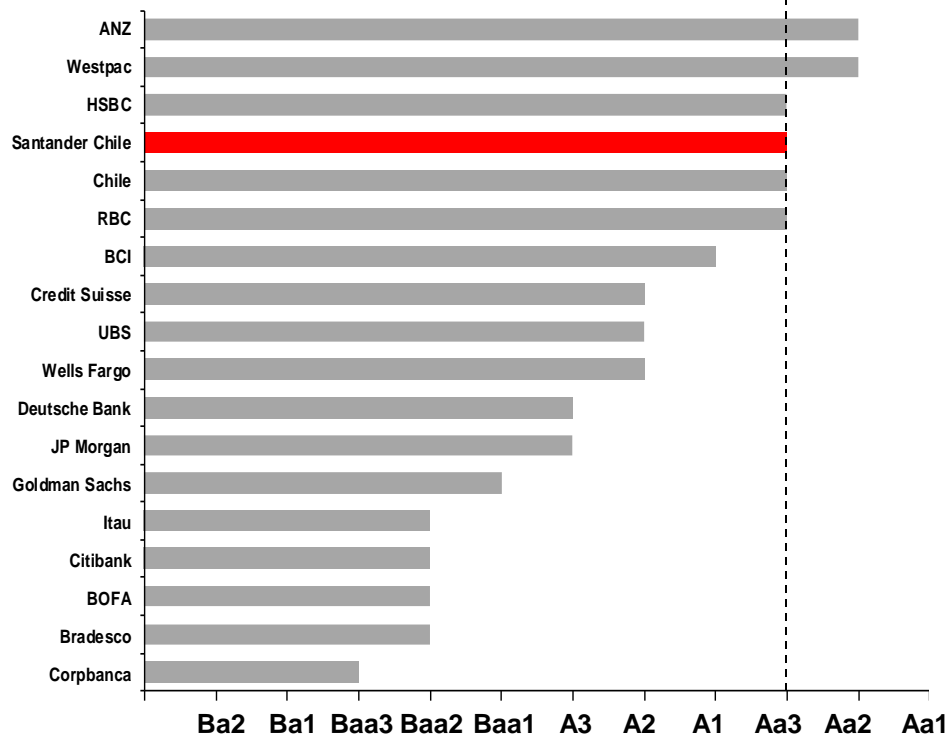
Core Capital ratios, %



Peer average 8.9%

Tier 1 = core capital

Risk ratings**



One of the highest credit risk ratings in the banking world

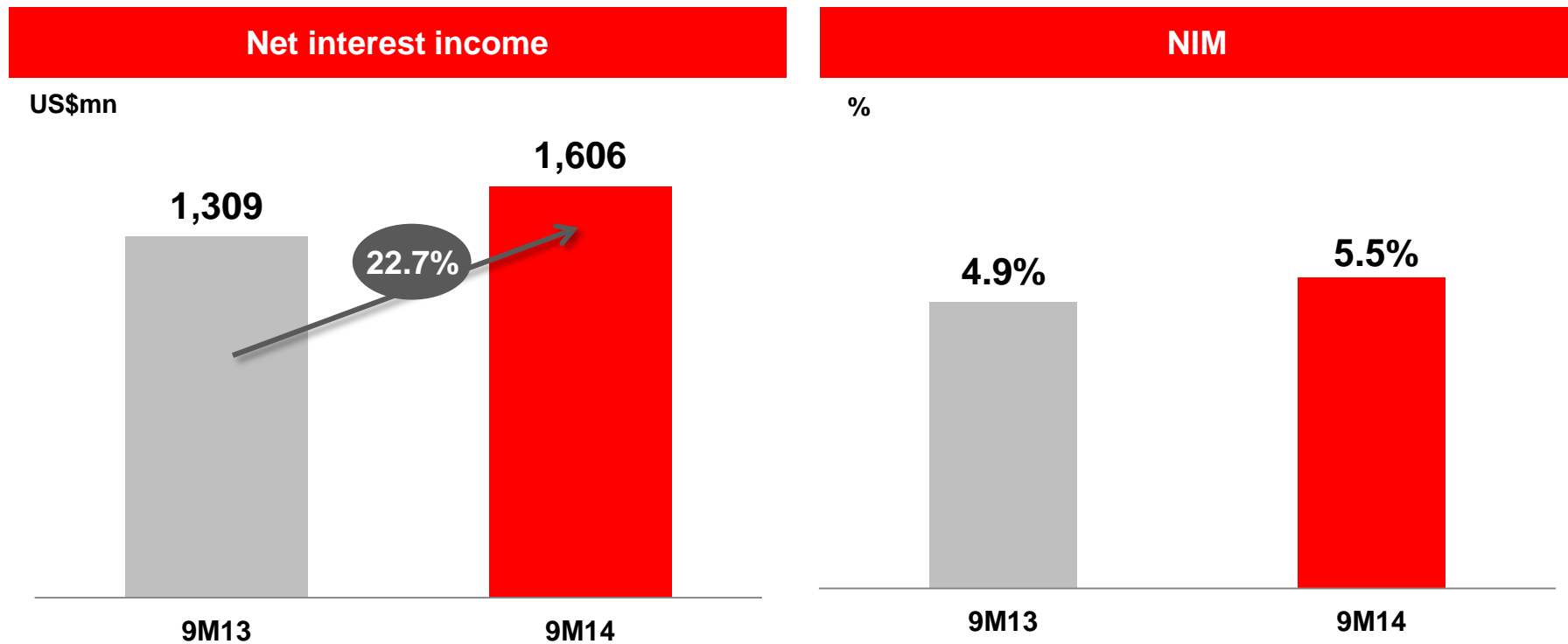
* Source: Superintendency of Banks as of July 2014, the latest date available.

**Source: Moody's

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Positive NIM trends due to higher inflation, better funding mix...

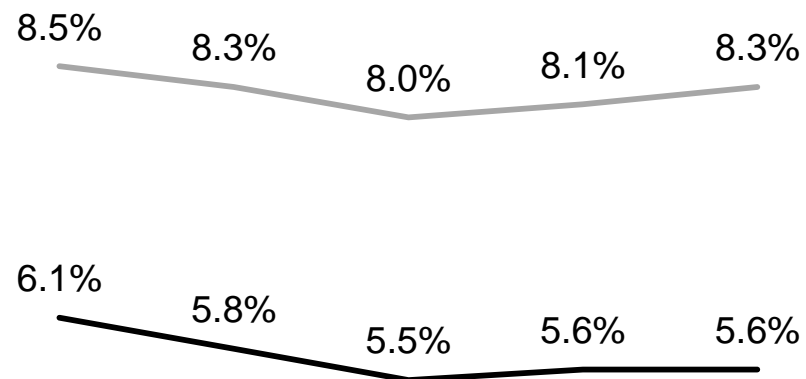


...and stable NIMs by business segment

Middle market and Corporate NIMs¹



Individual and SME NIMs¹



3Q13 4Q13 1Q14 2Q14 3Q14

— Middle-market — Corporate

3Q13 4Q13 1Q14 2Q14 3Q14

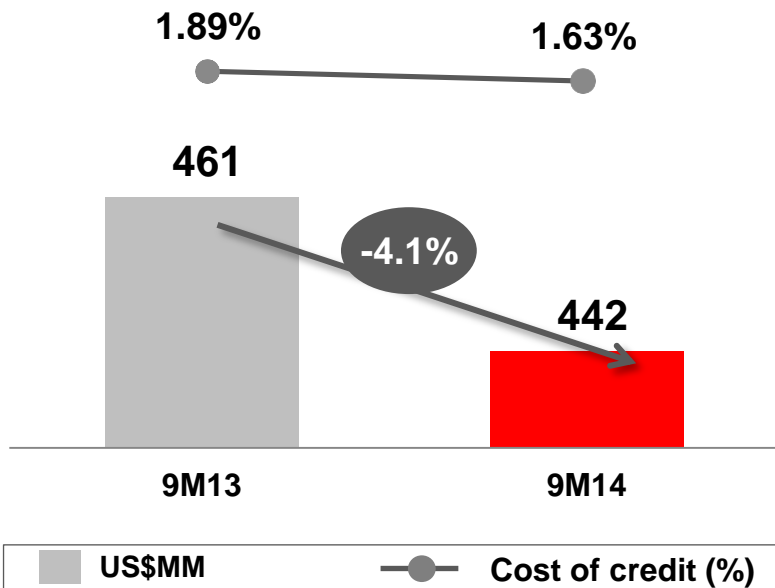
— Individuals — SMEs

Proactively increasing spreads and improving the funding mix

1. Segment NIM: Segment NII / average loans in each segment. Excludes the impact on margins of Financial Management and the impact of the UF gap on NIMs

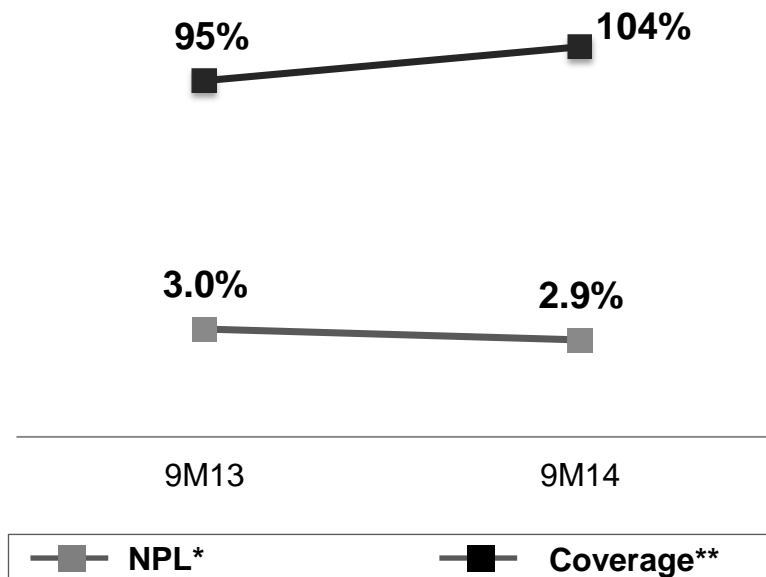
Sustained improvement of most asset quality metrics...

Provision expense & cost of credit



NPL and coverage ratio

% of loans

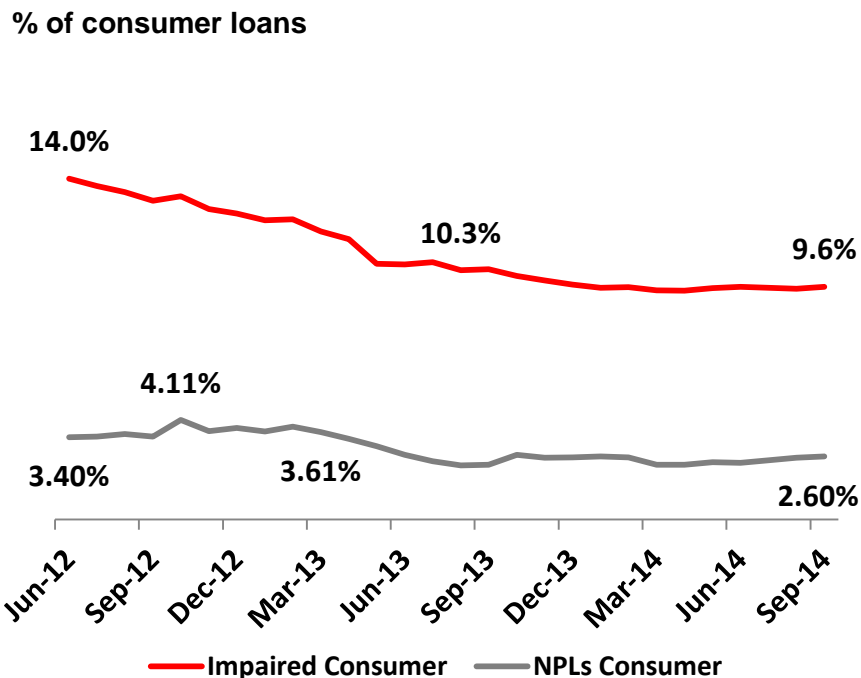


In 3Q14, the Bank improved the Consumer and SME credit models

* 90 days or more NPLs. ** Loan loss reserves over NPLs

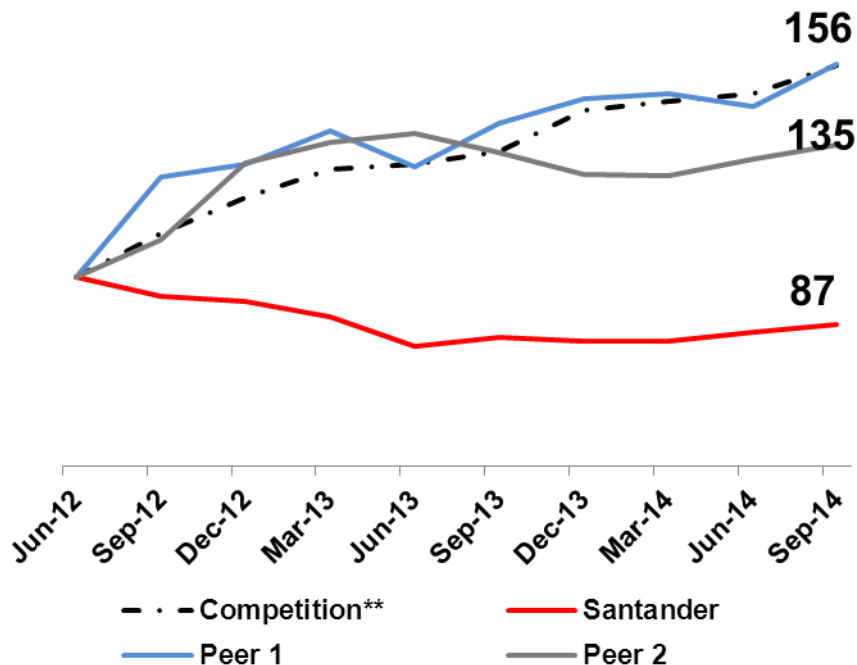
...led by steady improvements in consumer asset quality indicators

Impaired* + NP consumer loans



Evolution of impaired consumer loans

Base 100 = 06/2012



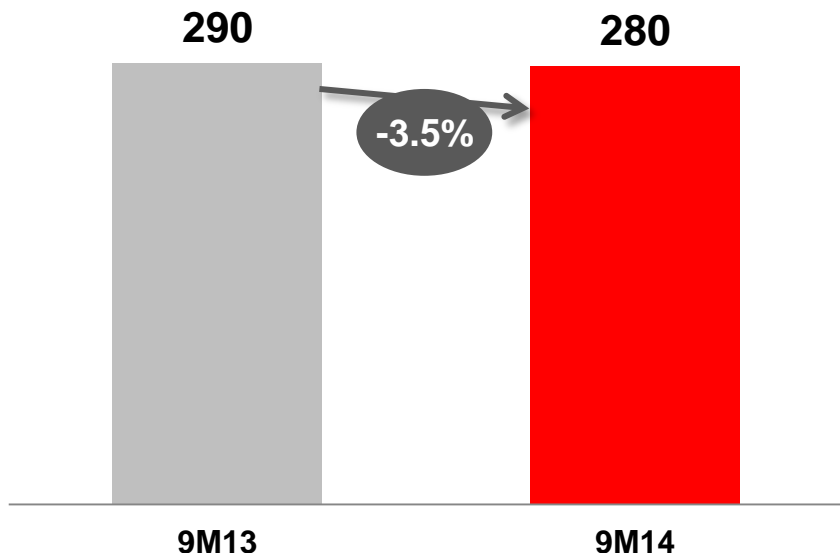
Risk reduction in consumer loans also reflects: (i) the portfolio mix change, (ii) improvements in risk models, (iii) origination focusing on pre-approved loans, and (iv) improvements in collection efforts

* Impaired consumer loans include NPLs and renegotiated loans. ** Competition is all banks excluding Santander Chile. Source: SBIF. As of Sept. 2014.

Fee income is beginning to stabilize...

Fee income

US\$mn



Fee income by segment

US\$mn

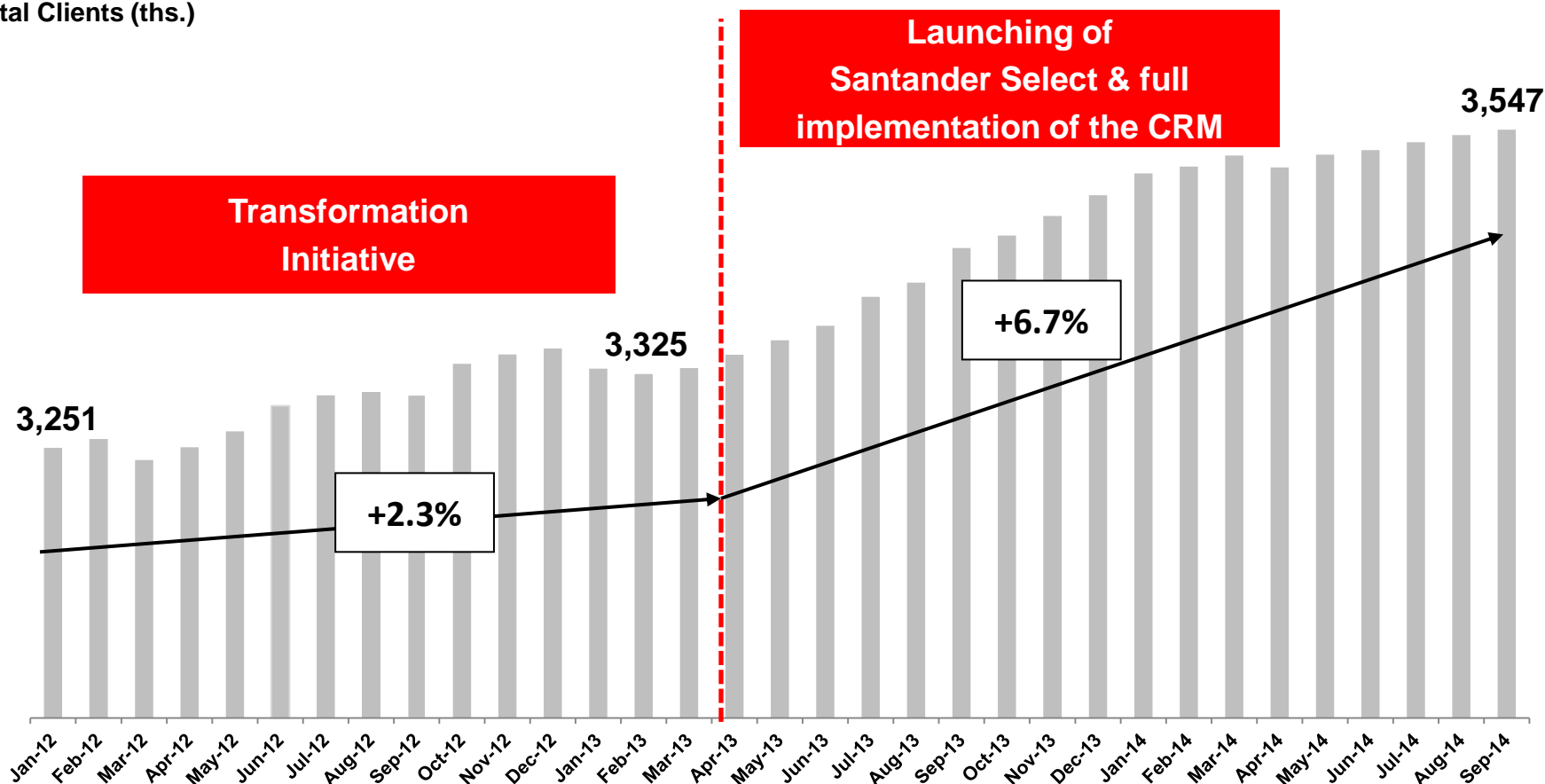
Segment	9M13	9M14	Var. %
Individuals	184	185	0.9%
SMEs	52	58	11.6%
Middle-market	37	37	-1.6%
Corporate	23	25	10.0%
Sub-total	295	304	3.1%
Others*	(5)	(24)	394.6%
Total fees	290	280	-3.5%

Growth in client base should drive fee income going forward

* Includes non-segmented fees and the effects of regulatory changes in mortgage insurance fees in 2014

...led by six consecutive quarters of positive net client growth

Total Clients (ths.)

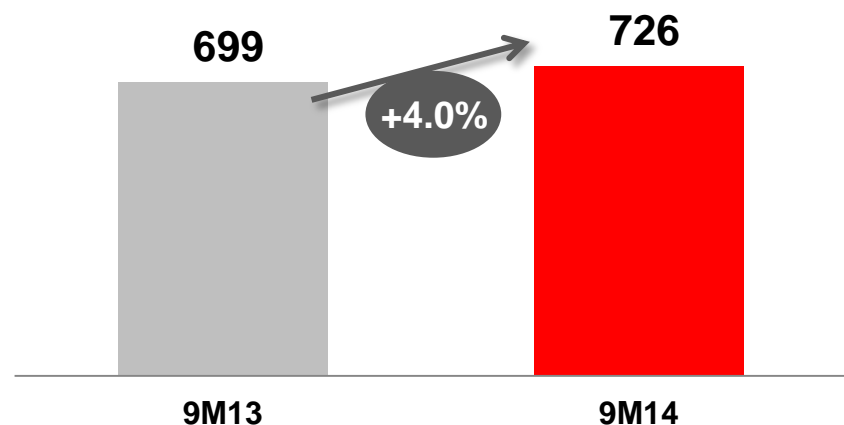


Santander Select clients increased 17% in the same period

Transformation Project enhancing productivity

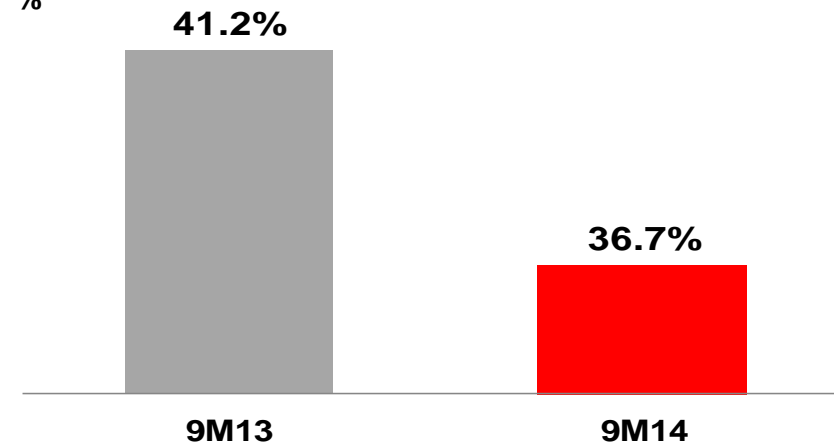
Operating expenses

US\$m



Efficiency ratio

%



Network

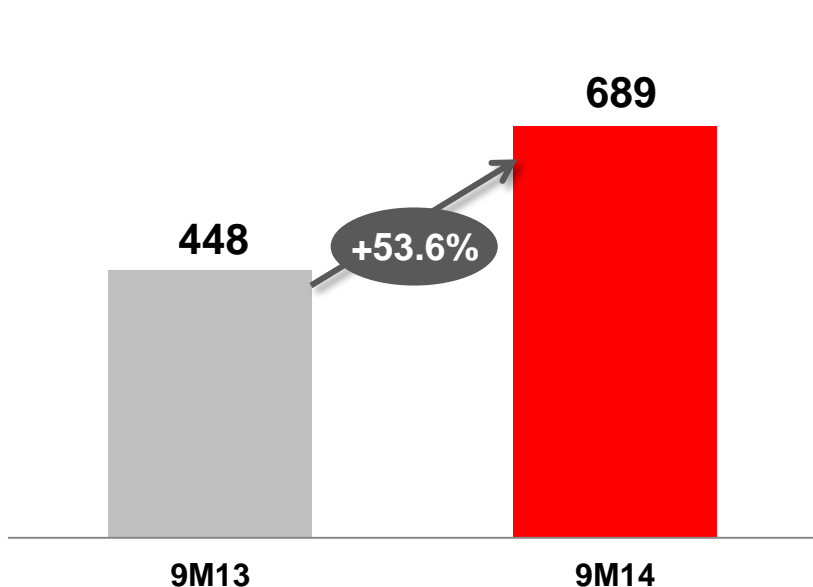
	9M'13	9M'14	%
▪ Branches	488	475	-2.7%
--Traditional	272	273	0.4%
--MM Centers	0	3	--%
--Select	44	47	0.8%
--Banefe	77	68	-11.7%
-- Others	95	84	-11.6%
ATMs	1,915	1,692	-11.1%
▪ Employees	11,626	11,493	-1.1%

- Productivity continues to rise with stable headcount and branch network and increasing usage of complementary channels
- In 3Q14, the Bank recognized a one-time charge of US\$60mn from the accelerated amortization of intangibles. This is not included in the figures above

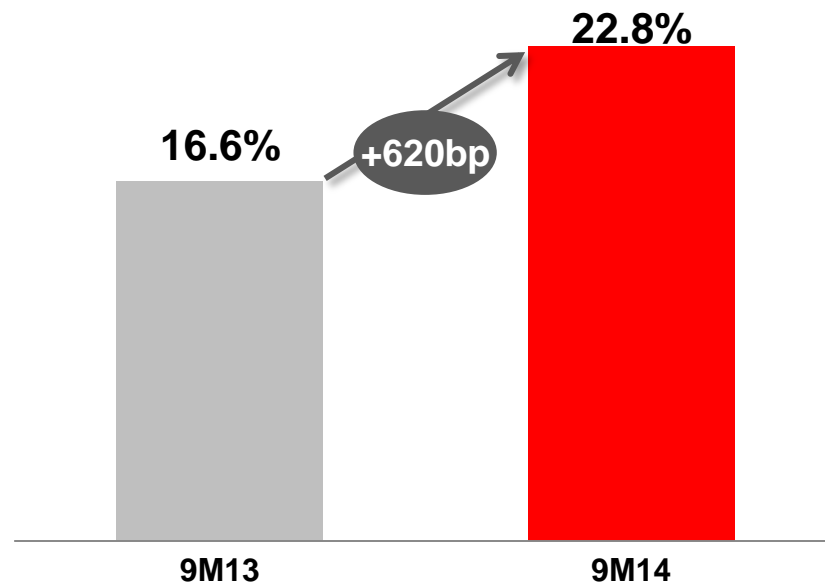
Net income up 53.6% YoY with an ROE of 22.8%

Net income

US\$mn



ROE¹



At current trends, normalized ROE with a 3% annual inflation is 19-20%

1. Net income annualized divided by average equity

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- **Despite recent deceleration, economy expected to rebound in 2015. Financial system with stable growth trends**
 - **Santander Chile: leading bank with a solid balance sheet structure**
 - **Strong results in 2014**
- **Positive medium-term outlook**

- **Chile: despite slight deceleration, economy expected to rebound in 2015**
- **Financial system with stable growth trends**
- **Santander Chile: Clear strategy with positive results:**
 - **Loan growth up 9.6% YoY, especially in segments with higher risk-adjusted contribution**
 - **Improving funding mix: 8.9% YoY growth of demand deposits**
 - **High Core Capital ratio: 10.6%**
 - **NIMs rising due to higher inflation, improved funding mix and stable business segment margins.**
 - **Cost of credit decreases to 1.63%**
 - **Transformation Project also enhancing productivity: efficiency ratio at 36.7%**



Sound outlook for 2015



Chile

Balance Sheet: Assets

Unaudited Balance Sheet Assets	Sep-14 US\$ths	Sep-14 Ch\$ million	Dec-13	Sept. 14 / Dec. 13 % Chg.
Cash and deposits in banks	2,421,333	1,448,635	1,571,810	(7.8%)
Cash items in process of collection	1,374,931	822,594	604,077	36.2%
Trading investments	1,017,355	608,663	287,567	111.7%
Investments under resale agreements	5,878.52	3,517	17,469	--%
Financial derivative contracts	4,455,228	2,665,474	1,494,018	78.4%
Interbank loans, net	202,489	121,145	125,395	(3.4%)
Loans and account receivables from customers, net	36,088,917	21,591,277	20,327,021	6.2%
Available for sale investments	2,725,286	1,630,484	1,700,993	(4.1%)
Held-to-maturity investments	-	-	-	--%
Investments in associates and other companies	28,600	17,111	9,681	76.7%
Intangible assets	51,446	30,779	66,703	(53.9%)
Property, plant and equipment	312,966	187,241	180,215	3.9%
Current tax assets	39,838	23,834	1,643	1350.6%
Deferred tax assets	404,184	241,815	230,215	5.0%
Other assets	590,464	353,263	400,025	(11.7%)
Total Assets	49,718,914	29,745,832	27,016,832	10.1%

Balance Sheet: Liabilities

Liabilities	Sep-14 US\$ths	Sep-14 Ch\$ million	Dec-13	Sept. 14 / Dec. 13 % Chg.
Deposits and other demand liabilities	9,568,966	5,724,921	5,620,763	1.9%
Cash items in process of being cleared	1,013,417	606,307	276,379	119.4%
Obligations under repurchase agreements	483,210	289,095	208,972	38.3%
Time deposits and other time liabilities	17,602,136	10,531,006	9,675,272	8.8%
Financial derivatives contracts	4,052,728	2,424,666	1,300,109	86.5%
Interbank borrowings	2,195,270	1,313,386	1,682,377	(21.9%)
Issued debt instruments	9,354,296	5,596,488	5,198,658	7.7%
Other financial liabilities	331,771	198,492	189,781	4.6%
Current taxes	0	0	50,242	(100.0%)
Deferred taxes	9,933	5,943	25,088	(76.3%)
Provisions	394,922	236,274	236,232	0.0%
Other liabilities	509,895	305,060	198,777	53.5%
Total Liabilities	45,516,544	27,231,638	24,662,650	10.4%
Equity				
Capital	1,489,776	891,303	891,303	0.0%
Reserves	2,185,868	1,307,761	1,130,991	15.6%
Valuation adjustments	(7,428)	(4,444)	(5,964)	(25.5%)
Retained Earnings:	481,569	288,113	309,348	(6.9%)
Retained earnings from prior years	-	-	-	--%
Net income	687,955	411,590	441,926	(6.9%)
Minus: Provision for mandatory dividend	(206,387)	(123,477)	(132,578)	(6.9%)
Total Shareholders' Equity	4,149,784	2,482,733	2,325,678	6.8%
Non-controlling interest	52,586	31,461	28,504	10.4%
Total Equity	4,202,370	2,514,194	2,354,182	6.8%
Total Liabilities and Equity	49,718,914	29,745,832	27,016,832	10.1%

Income Statement

YTD Income Statement Unaudited	Sep-14 US\$ths.	Sep-14 Ch\$ million	Sep-13	Sept. 14 / Sept. 13 % Chg.
Interest income	2,690,068	1,609,414	1,356,074	18.7%
Interest expense	(1,084,392)	(648,770)	(573,321)	13.2%
Net interest income	1,605,676	960,644	782,753	22.7%
Fee and commission income	450,323	269,419	258,141	4.4%
Fee and commission expense	(170,113)	(101,775)	(84,445)	20.5%
Net fee and commission income	280,210	167,644	173,696	(3.5%)
Net profit (loss) from financial operations	(82,483)	(49,348)	53,979	(191.4%)
Net foreign exchange gain	234,338	140,200	29,151	380.9%
Total financial transactions, net	151,855	90,852	83,130	9.3%
Other operating income	21,266	12,723	15,869	(19.8%)
Net operating profit before provisions for loan losses	2,059,007	1,231,863	1,055,448	16.7%
Provision for loan losses	(442,326)	(264,635)	(275,992)	(4.1%)
Net operating profit	1,616,681	967,228	779,456	24.1%
Personnel salaries and expenses	(414,553)	(248,019)	(229,911)	7.9%
Administrative expenses	(256,183)	(153,269)	(141,167)	8.6%
Depreciation and amortization	(55,695)	(33,321)	(46,626)	(28.5%)
Operating expenses	(726,431)	(434,609)	(417,704)	4.0%
Impairment	(61,194)	(36,611)	(213)	17088.3%
Other operating expenses	(82,082)	(49,108)	(41,135)	19.4%
Total operating expenses	(869,706)	(520,328)	(459,052)	13.3%
Operating income	746,975	446,900	320,404	39.5%
Income from investments in associates and other companies	2,238	1,339	1,494	(10.4%)
Income before taxes	749,213	448,239	321,898	39.2%
Income tax expense	(53,971)	(32,290)	(52,947)	(39.0%)
Net income	695,241	415,949	268,951	54.7%
Net income discontinued operations	-	-	-	--%
Net income attributable to:				
Non-controlling interest	7,286	4,359	1,007	332.9%
Net income attributable to shareholders	687,955	411,590	267,944	53.6%