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Claudio Melandri

Country Head Chile

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Agenda

1 Market and financial system

2 Strategy

3 Targets

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2 Strategy

3 Targets

Chile: a stable and diversified economy



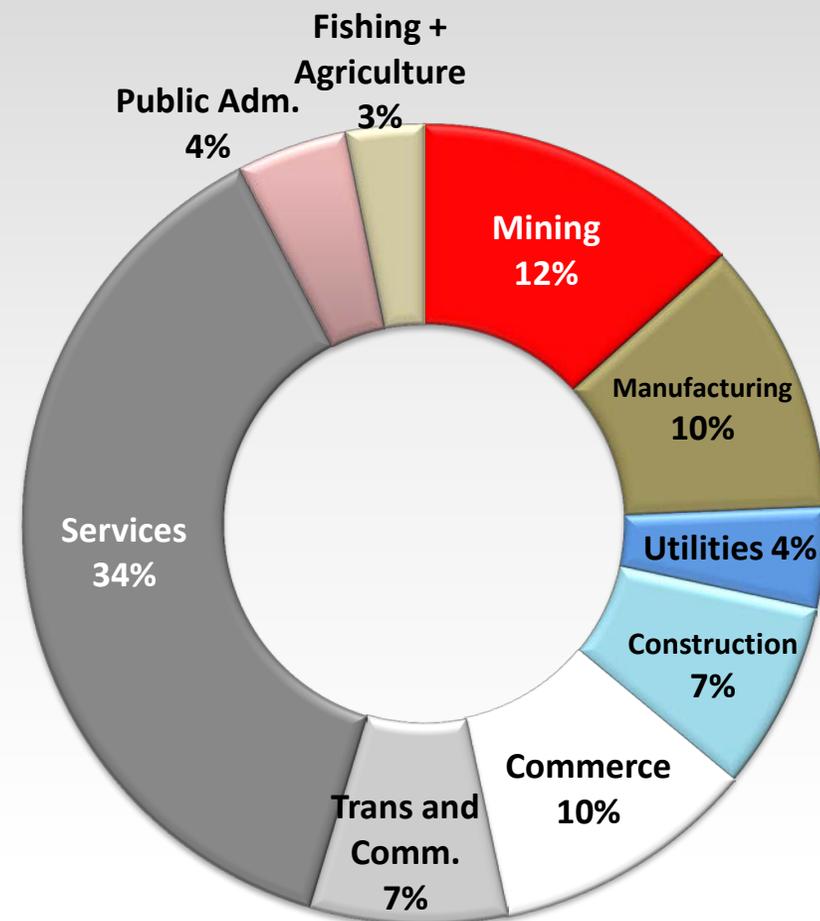
Demographic data

- Population (MM): 17.8
- GDP per capita (PPP) \$23,000
- Life expectancy 80 years
- % living in poverty: 14%

Economic figures

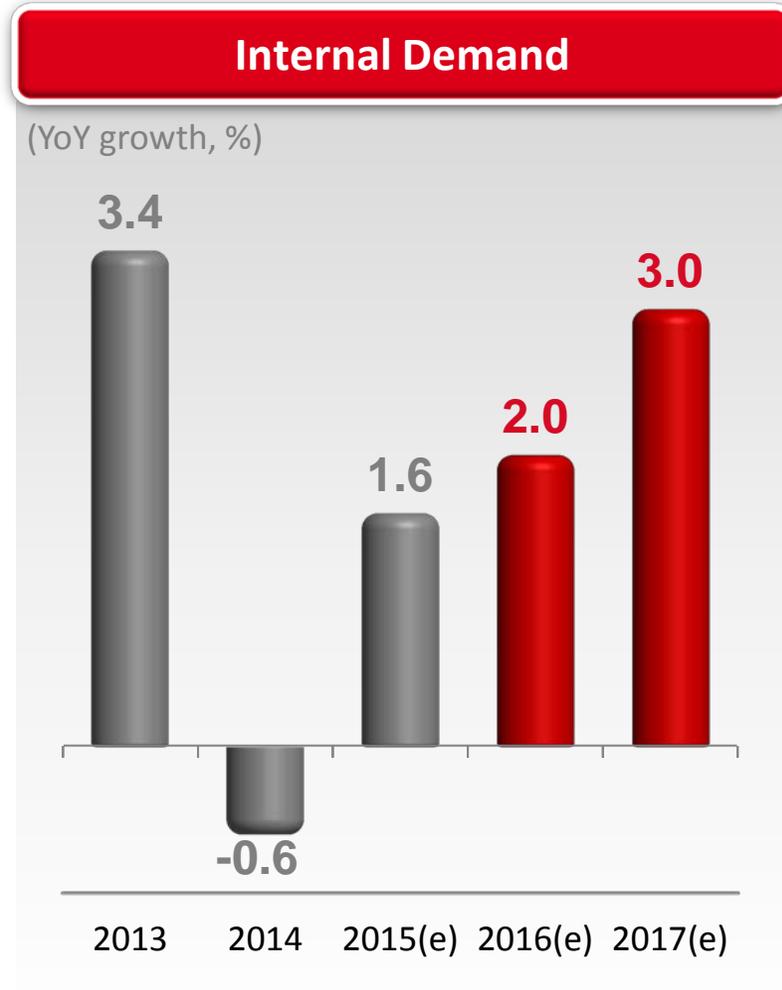
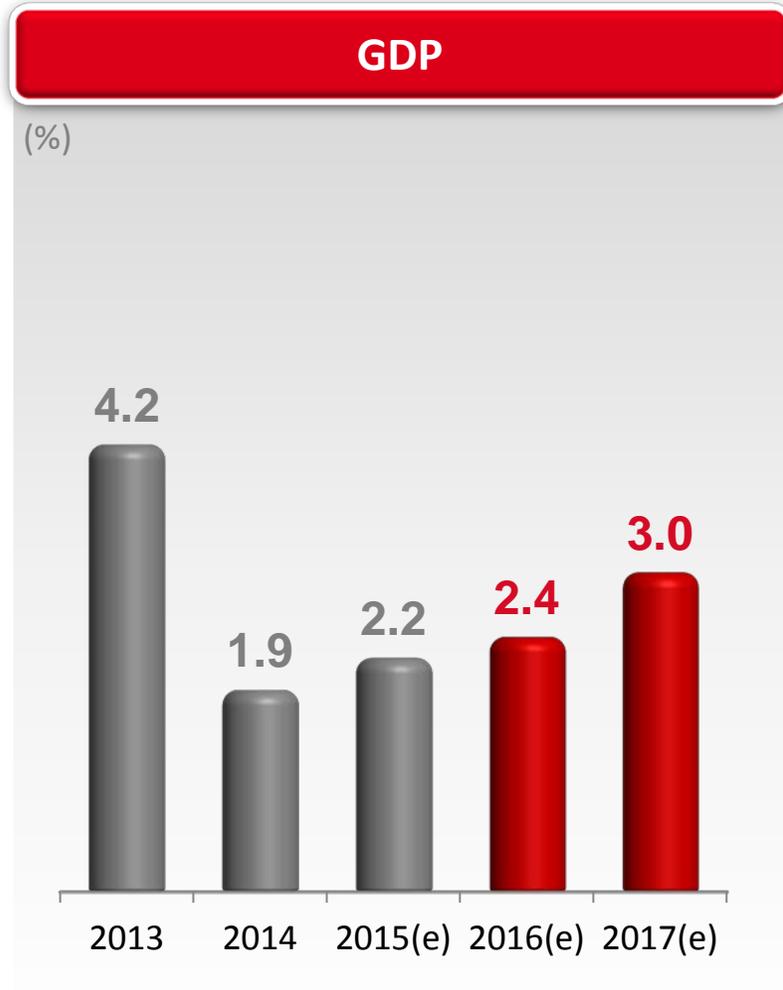
- GDP (USDbn): 258
- Exports / GDP: 30%
- Investment / GDP: 22%
- Net fiscal debt / GDP: 2%
- Loans/GDP: 79%
- Debt Servicing Ratio: 13.5%

GDP by sectors



Source: Central Bank of Chile, IMF and World Bank 2014

After a brief slowdown, solid growth figures are expected during 2015-2017

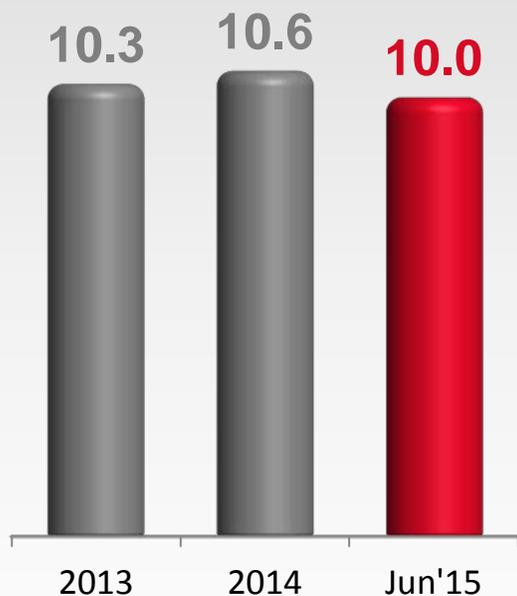


Source: Central Bank of Chile and Santander Chile estimates

Chilean financial system: profitable and with a healthy balance sheet

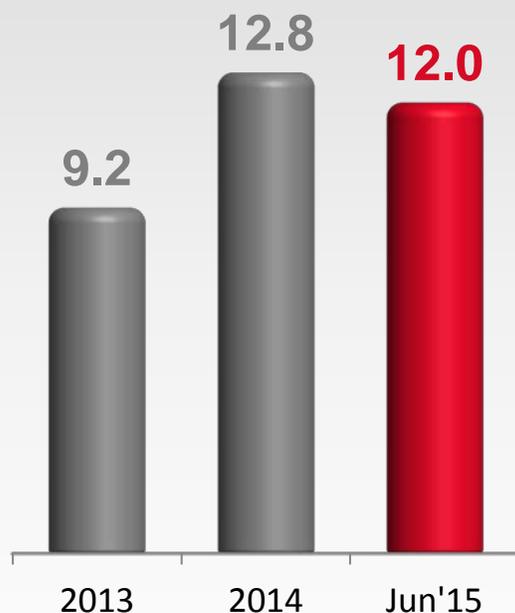
Loan growth

(YoY growth, %)



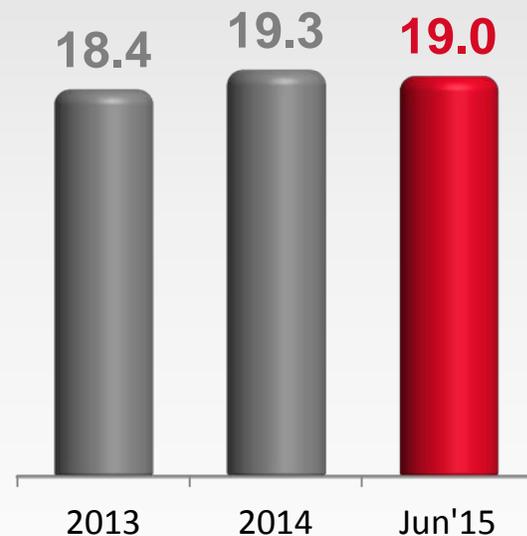
Savings growth

(YoY growth, %)



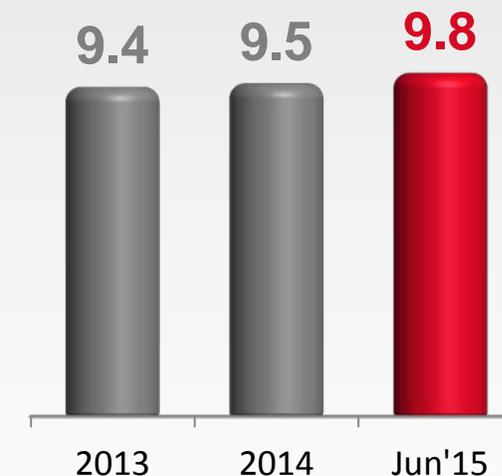
Pre Tax-ROE

(%)



Core Capital¹

(%)



(1) Core Capital: 100 % share holders' equity divided by risk weighted assets

Source: Superintendency of Banks of Chile (SBIF) and Santander Chile estimates. Growth in local currency terms. Savings includes bank deposits and assets under management

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2 **Strategy**

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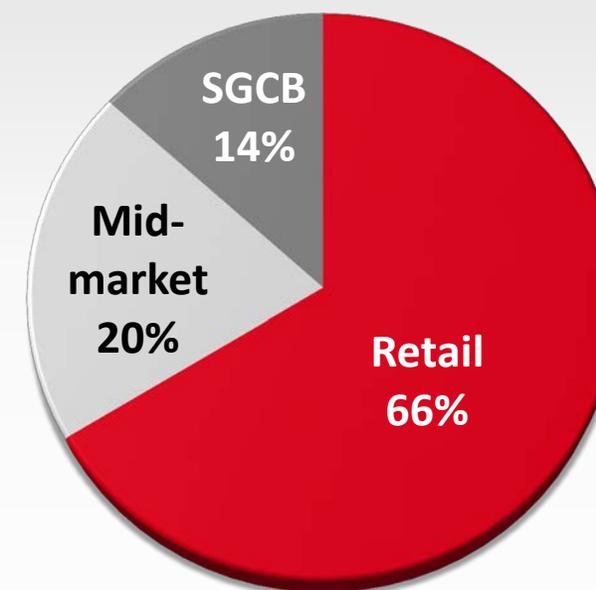
Santander Chile: the nation's leading retail and commercial bank

A leading banking franchise

1H'15	€MM ¹	Mkt share ²	Ranking
Total loans	34,100	19.4%	1°
Deposits	24,200	18.1%	2°
Customers	3.6 MM	22.6% ³	1°
Employees	12,276	19.3%	2°
Branches	479	20.1%	1°
FL CET1 ⁵	10.0%		1° ⁽⁴⁾
Efficiency ratio	42.2%		1°
RoTE	17.1%		2°

Customer-centric results

Gross income net of provisions in 1H15 by business unit (%)



Non customer gross income = 0.1% of total

(1) Final exchange rate m. Local x euro = 715 (2) As of June 2015 or latest available information and excludes Corpbanca Colombia (3) Share of current accounts (4) Among major peers (5) Core Capital, 100 % share holders equity divided by risk weighted assets

Reinforcing our customers focus and loyalty

Transforming the banking experience for our individual customers

Expanding our customers relations in SMEs

Increasing customer loyalty in the middle-market and large corporates



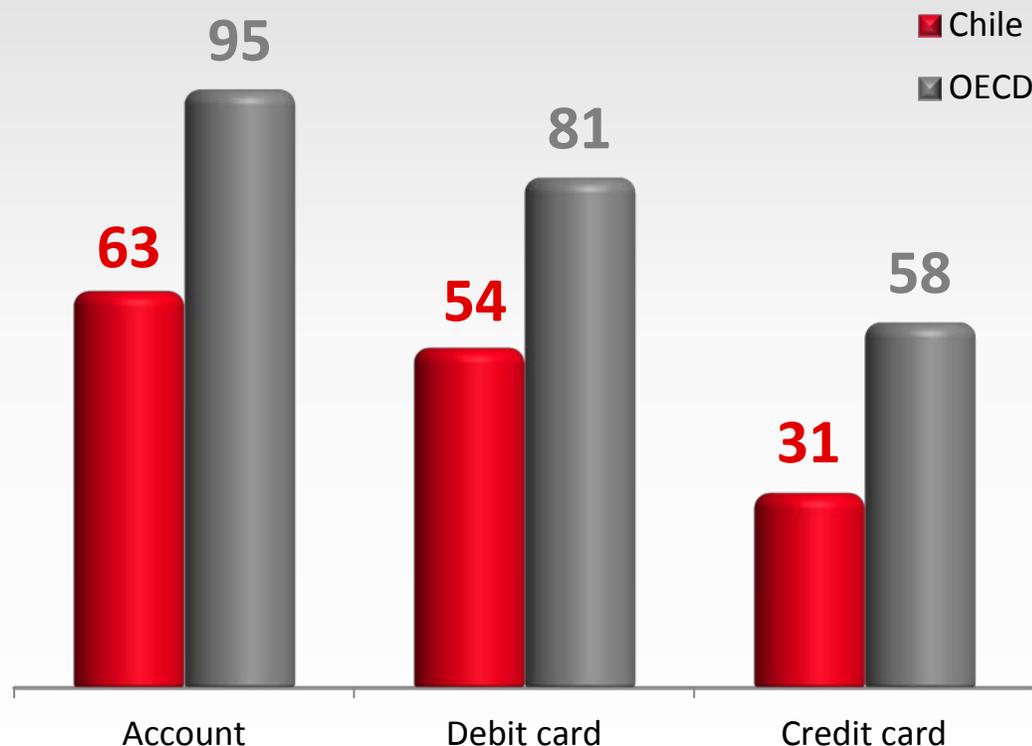
Solid profitability with controlled risks

Creating a bank that is Simple | Personal | Fair

High growth potential in retail, especially for mid-high income

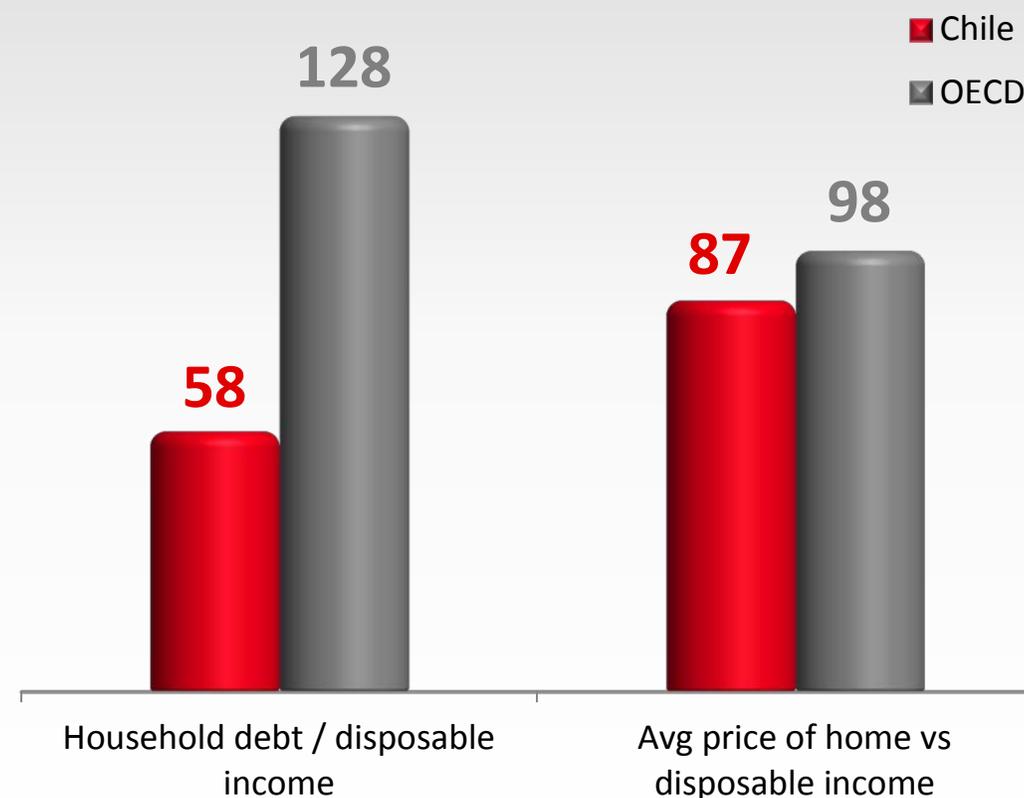
Chile: low penetration of bank products

(% of adults >25 yrs. with one of these products¹)



Chile: healthy household indebtedness levels²

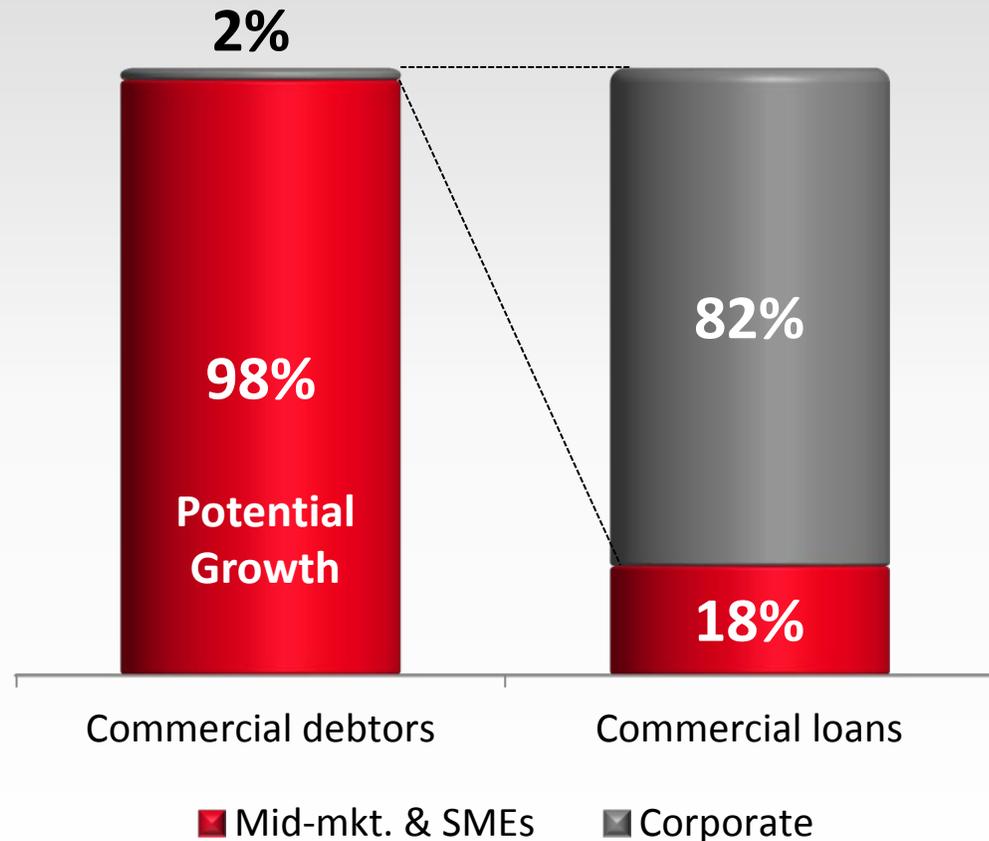
(%)



(1) Source: World Bank, weighted by size of world economies. (2) Source: Central Bank of Chile and OECD Data

High growth potential in Mid-market & SMEs

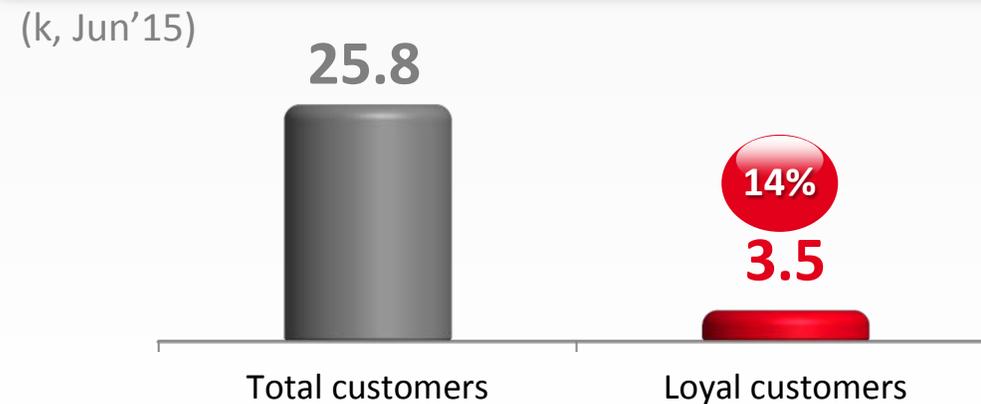
2% of companies have 82% of commercial loans¹



SMEs: total customers and loyal customers²

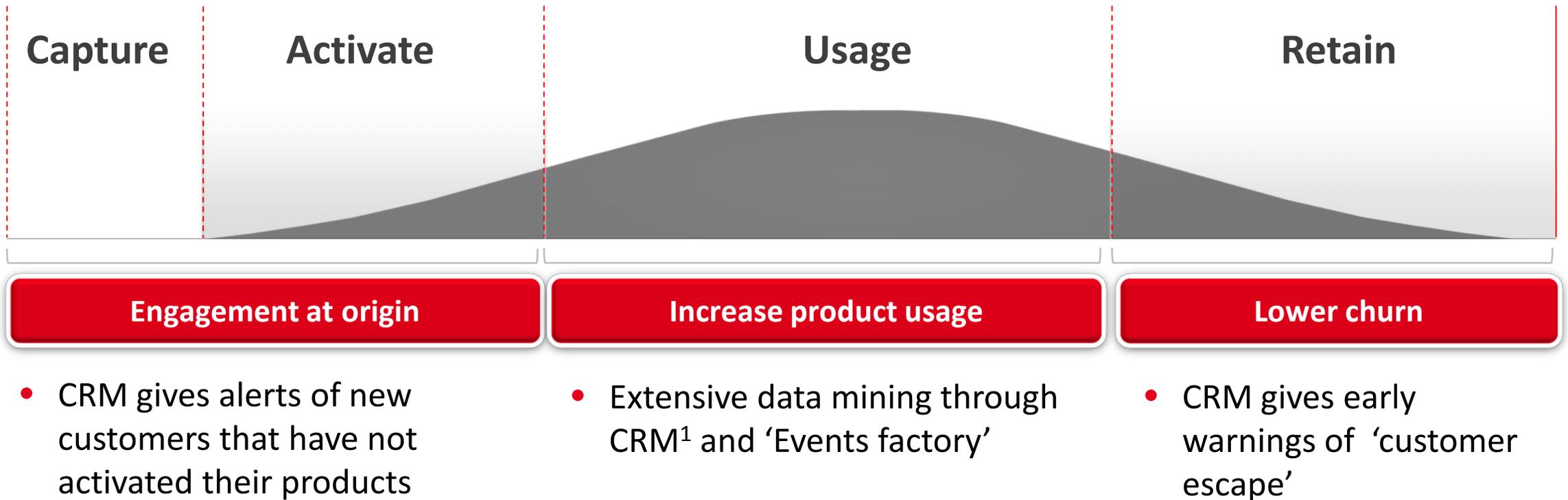


Middle-market: total customers and loyal customers²



(1) Source: SBIF. (2) Loyal in SME and Middle-market is based upon number of transactions, number of products and amount of business volumes

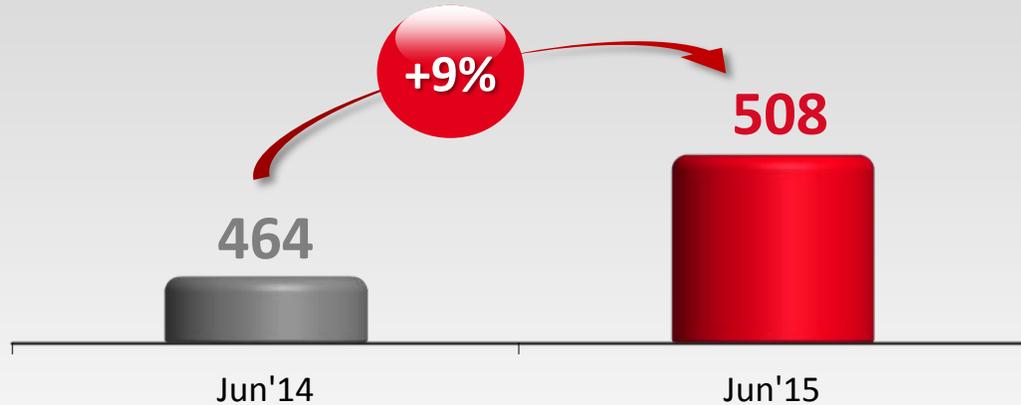
Creating a better customer experience in every phase of our relationship...



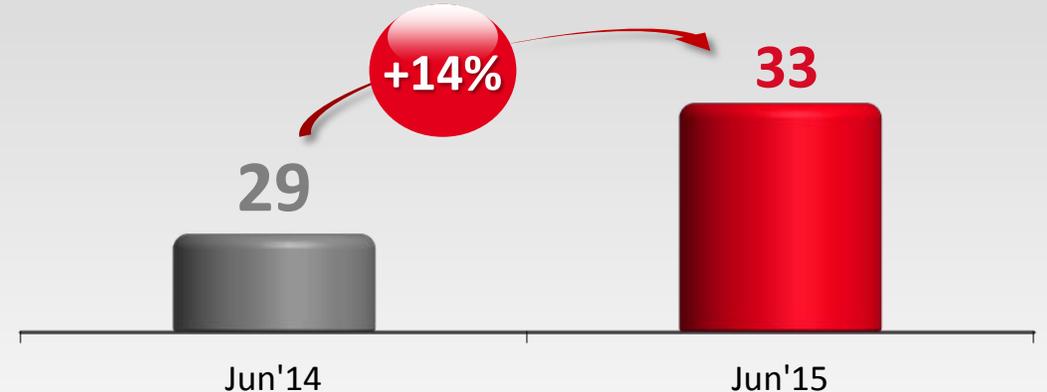
(1) Customer Relationship Management

...is resulting in increased customer loyalty

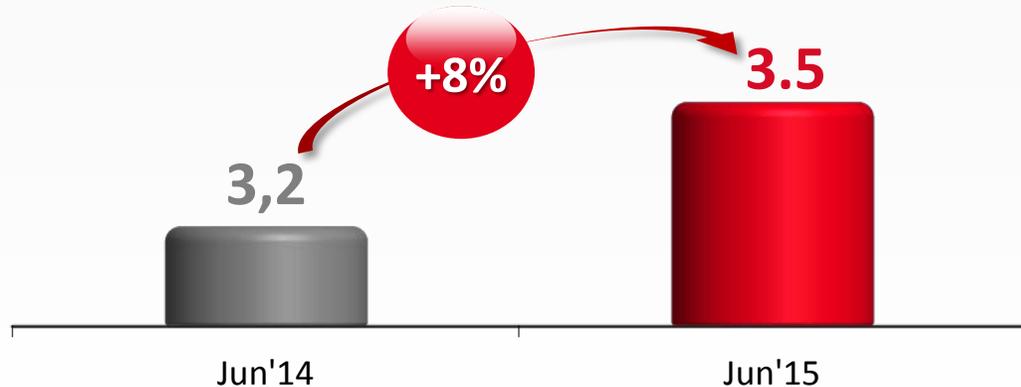
Loyal / transactional customers¹ (k)



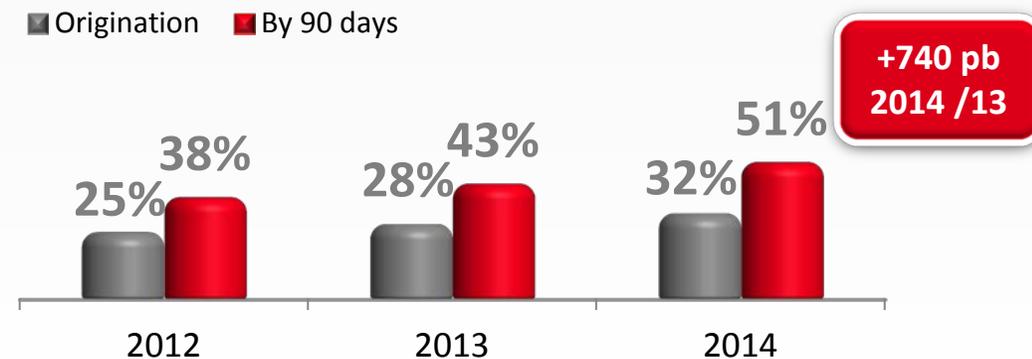
Loyal SME customers² (k)



Loyal middle-market² (k)

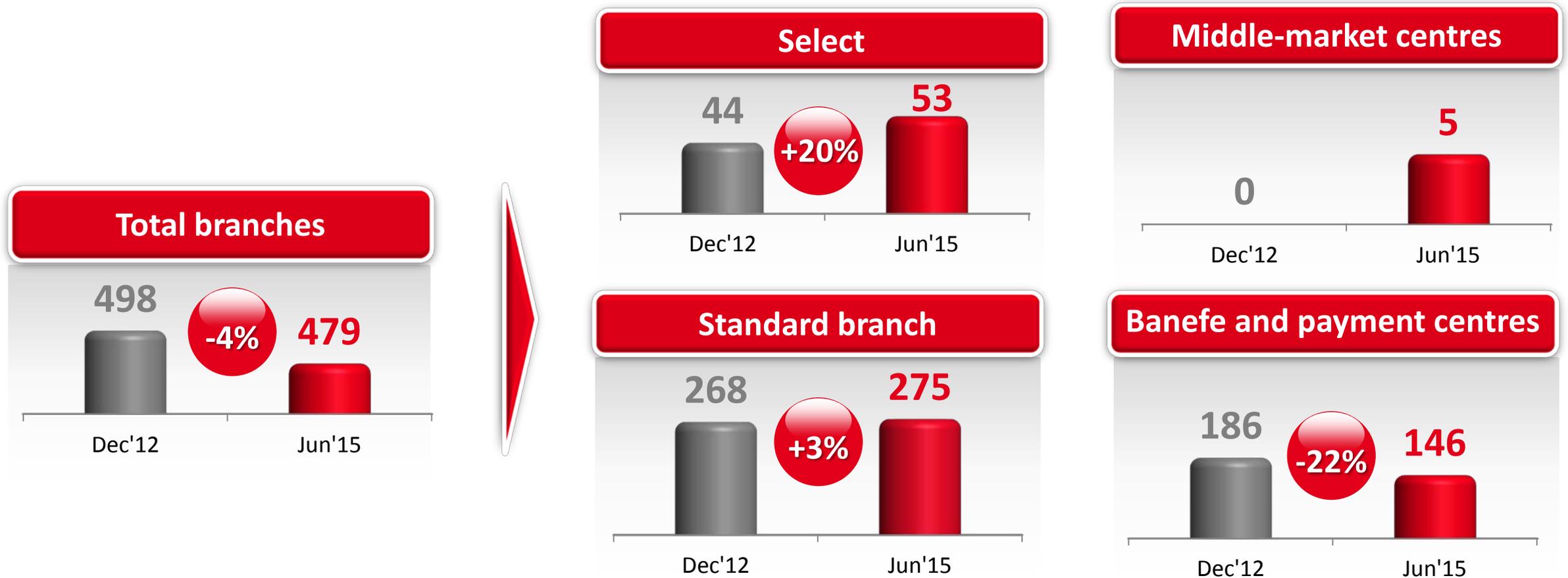


Activation of cards after origination³



(1) Customers with 4 products plus a minimum profitability level and a minimum usage indicator all differentiated by segment (2) Mid-market & SMEs cross-selling differentiated by client size using a point system that depends on number of products usage of products and income net of risks (3) % of customers that activate their cards following origination among individuals

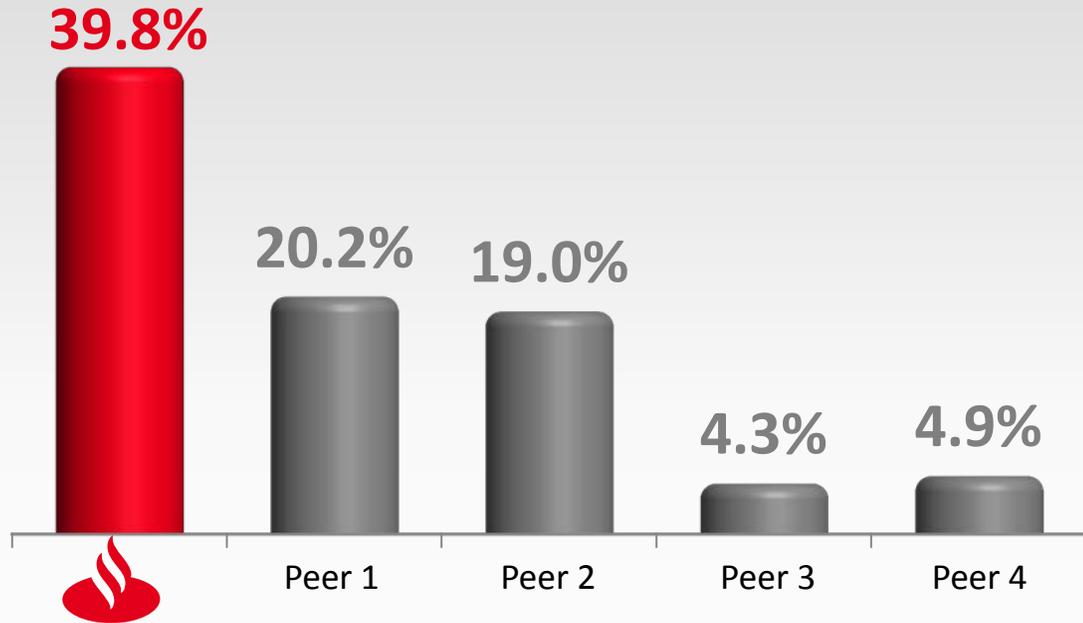
We are developing a new branch strategy that is more efficient and personal



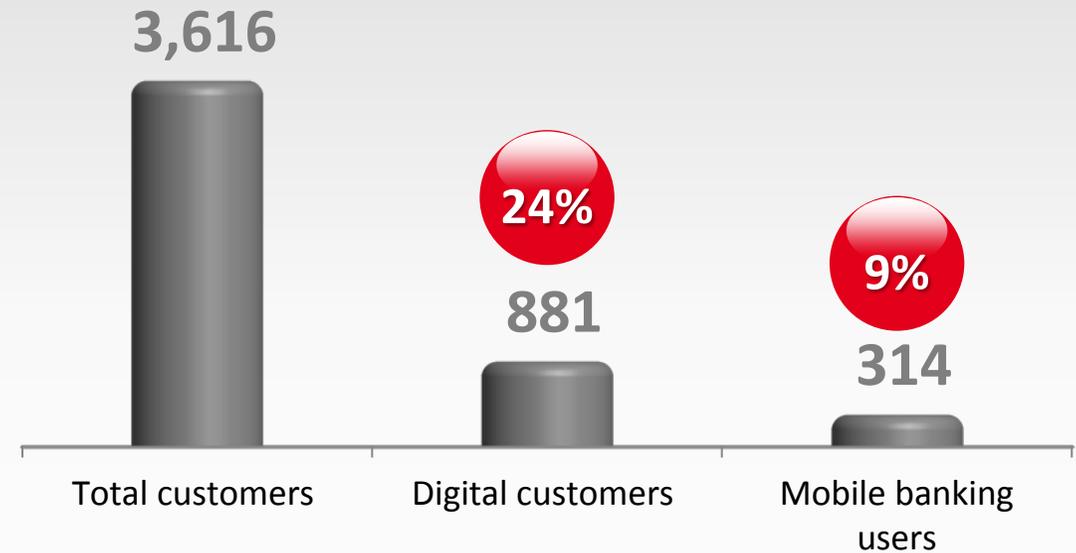
Greater focus on alternative distribution channels such as e-banking and mobile services, in line with the new digital strategy

There is room for continue expanding digital banking services

Internet usage market share (private banks)¹



Digital banking penetration³ (k)

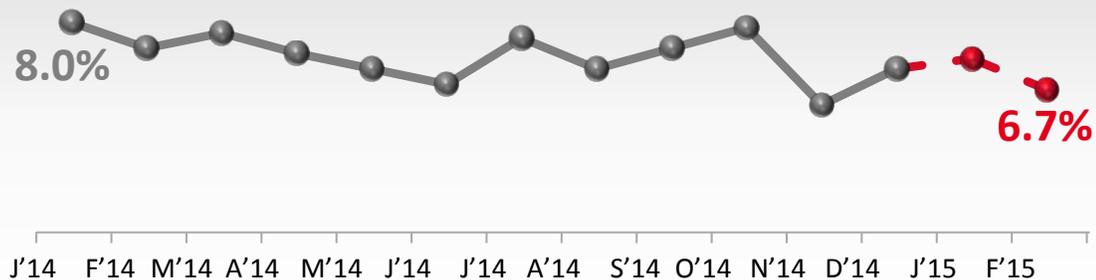


The next step is to continue incentivizing internet banking usage and enhance our mobile banking

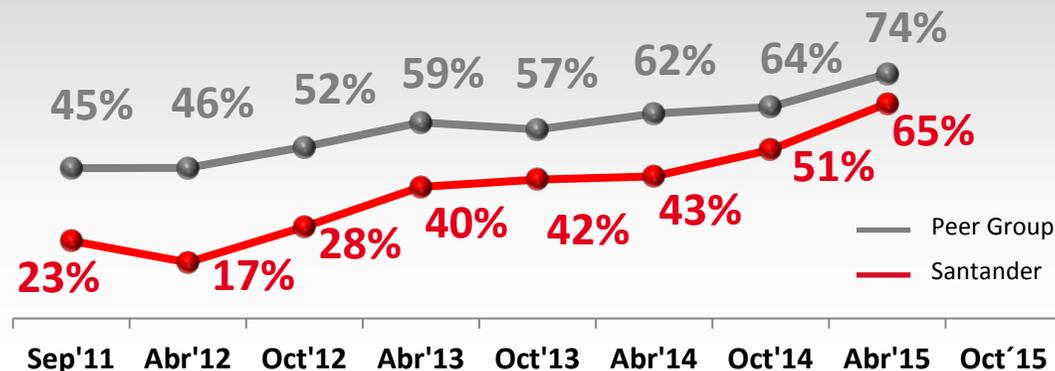
(1) Market share is calculated over total customers that entered a bank's website using their passcode. Average between Jan. 2014-May 2015 (2) Digital banking penetration according to regulatory reporting criteria (3) Santander customer base Source: SBIF, excludes Banco del Estado

Sustained improvements in customer service and digital banking usage

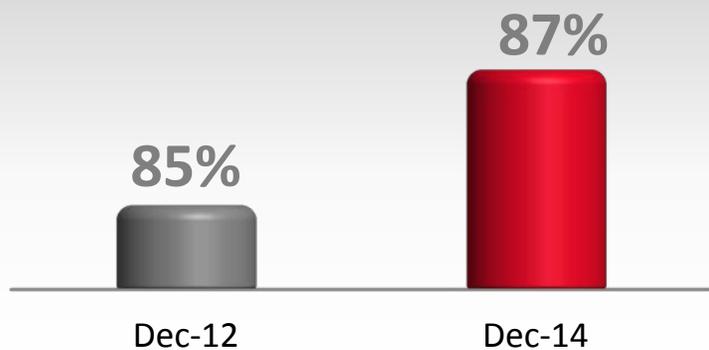
Churn rate among individuals¹



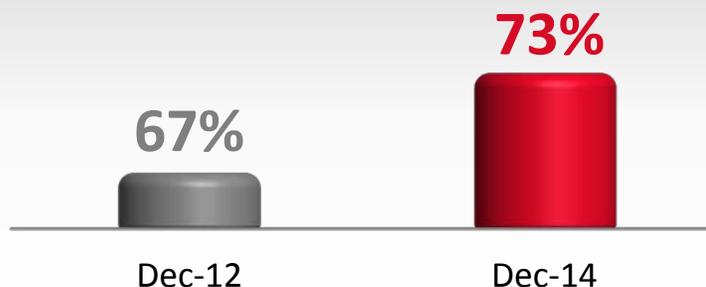
Customer satisfaction gap vs main peers⁵



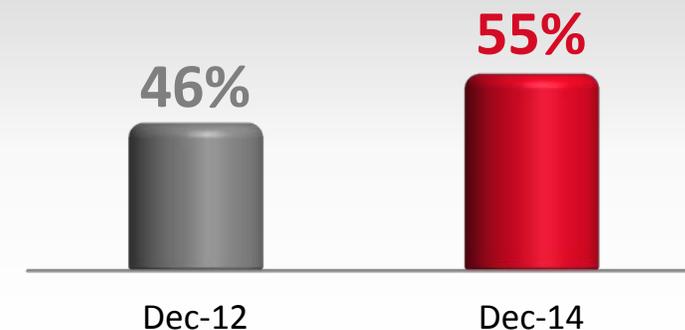
Remote transaction index²



Electronic payments³



Deposits taken electronically⁴



(1) % of individual customers that leave the bank over total individual customers

(2) Total transactions performed via Internet, ATM, Phone banking, POS and automatic bill payment over total transactions. (3) Payments and withdrawals via Internet & ATMs vs total payments and withdrawals.

(4) Deposits taken electronically over total deposits. (5) % of customers that are satisfied or very satisfied minus % of unsatisfied customers

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2018 Chile targets

		1H'15	2018
People	Great Place to Work bank ranking ⁴	n/a	3
Customers	Retail loyal customers (k)	508	614
	Loyal SMEs and Corporate (k)	36.9	42.9
	Digital customers ¹ (k)	881	1,050
	Ranking in customer satisfaction among peers ²	4	Top2
	Volume growth rates compared to peers ³	7% vs. 3%	>PG
	Fee income CAGR	5% ⁽⁶⁾	c.10% ⁽⁷⁾
Shareholders	RoTE	17.1%	16-17%
	FL CET1	10.0%	>10%
	NPL ratio	5.7%	<5.5%
	C/I ratio	42.2%	<42%
Communities	Number of scholarships 2016-2018 (k)		1.4
	Visits per year in our Sanodelucas.cl financial education program (k)		400

Note: Group criteria except FL CET1 (1) Usage of at least 1 electronic channel (2) Banco de Chile, BCI, Estado & Corpbanca. (3) Banco de Chile, BCI, Estado (4) Among companies with more than 3,500 employees (5) Forecast for full year 2015 (6) 1H'14-1H'15 (7) 2015-2018

Transparent performance metrics for 2016

Key metric	1H'15	2016	Improvement	Comment
Retail loyal customers (k)	507.6	548.9	+8.1%	<ul style="list-style-type: none"> In individuals, growth leveraged on CRM
Loyal SMEs and Corporate customers(k)	36.9	38.9	+5.7%	<ul style="list-style-type: none"> Business growth with focus in non-lending products and services
Online digital customers (k)	880.8	921.4	+4.6%	<ul style="list-style-type: none"> Transactionality should grow more than client base, increasing intensity of use
Customer satisfaction (rank)	Top 4	Top 3	+1	<ul style="list-style-type: none"> Global target: improve overall client satisfaction

Key takeaways



Chile: **stable economy** and **financial sector with high growth potential**



Santander Chile: **a leading and profitable player** in the local market



Santander Chile: **clear strategy focused on our customers**



Ambitious yet achievable **targets** for 2015-18 period



Simple | Personal | Fair