Santander

Unaudited Balance Sheets	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09	Dec. 09 / 08	Dec. 09 / Sept. 09
Ch$million									% Chg.	
Assets										
Cash and balances from Central Bank	647,710	1,280,559	854,459	855,411	1,092,151	942,065	906,871	2,043,459	138.9%	125.3%
Funds to be cleared	626,731	487,591	513,843	335,405	374,617	426,647	405,829	468,134	39.6%	15.4%
Financial assets held for trading	715,729	893,938	891,069	1,166,426	940,357	1,003,448	733,319	798,539	-31.5%	8.9%
Investment collateral under agreements to repurchase	4,655	11,697	8,805	-	7,008	13,212	16,086	14,020		-12.8%
Derivatives	1,427,176	1,233,562	1,296,402	1,846,509	1,598,218	1,502,295	1,428,496	1,393,878	-24.5%	-2.4%
Interbank loans	116,991	150,406	76,015	95,499	47,809	57,800	56,674	23,370	-75.5%	-58.8%
Loans, net of loan loss allowances	**12,184,550**	**12,954,140**	**13,515,005**	**14,311,349**	**13,704,412**	**13,087,295**	**13,245,608**	**13,378,379**	**-6.5%**	**1.0%**
Available-for-sale financial assets	1,457,900	1,080,216	1,316,741	1,580,240	1,276,382	1,444,802	1,903,217	1,830,090	15.8%	-3.8%
Held-to-maturity investments	-	-	-	-	-	-	-	-		
Investments in other companies	6,859	7,786	7,926	7,277	7,452	7,145	7,184	7,417	1.9%	3.2%
Intangible assets	57,727	58,526	65,090	68,232	68,248	69,356	64,858	77,260	13.2%	19.1%
Fixed assets	202,941	201,234	198,133	200,389	196,553	190,997	186,763	184,122	-8.1%	-1.4%
Current tax assets	4,859	18,235	12,654	18,715	8,310	4,826	4,519	4,541	-75.7%	0.5%
Deferred tax assets	77,063	83,280	124,800	88,825	85,691	94,369	105,422	95,229	7.2%	-9.7%
Other assets	648,287	586,288	662,024	508,655	579,639	561,407	541,467	452,558	-11.0%	-16.4%
Total Assets	**18,179,178**	**19,047,458**	**19,542,966**	**21,082,932**	**19,986,847**	**19,405,664**	**19,606,313**	**20,770,996**	**-1.5%**	**5.9%**
Liabilities and Equity										
Total non-interest bearing deposits	2,772,568	3,194,423	3,130,913	2,948,162	3,092,010	3,083,814	3,152,739	3,533,534	19.9%	12.1%
Funds to be cleared	381,921	297,611	308,345	142,552	246,100	195,249	254,983	275,474	93.2%	8.0%
Investments sold under agreements to repurchase	91,545	294,438	739,967	562,223	369,905	512,279	807,034	1,114,605	98.2%	38.1%
Time deposits and savings accounts	8,407,623	8,390,418	8,408,557	9,756,266	8,677,857	8,342,396	7,456,731	7,175,257	-26.5%	-3.8%
Derivatives	1,540,408	1,081,784	1,122,579	1,469,724	1,426,565	1,462,558	1,318,230	1,348,906	-8.2%	2.3%
Deposits from credit institutions	1,013,578	1,505,196	1,495,608	1,425,067	1,423,195	1,140,901	1,741,380	2,046,790	43.6%	17.5%
Marketable debt securities	2,196,889	2,405,006	2,372,389	2,651,372	2,632,433	2,622,275	2,717,508	2,924,676	10.3%	7.6%
Other obligations	113,873	165,833	130,521	131,318	120,780	149,046	145,925	146,911	11.9%	0.7%
Current tax liabilities	3,552	1,017	850	791	506	34,786	60,503	63,831	7969.7%	5.5%
Deferred tax liability	14,651	23,949	57,388	19,437	9,381	9,567	2,149	3,380	-82.6%	57.3%
Provisions	154,570	92,938	137,460	166,719	204,211	122,990	151,724	186,121	11.6%	22.7%
Other liabilities	138,199	295,128	220,667	293,733	212,461	201,864	211,372	263,396	-10.3%	24.6%
Total Liabilities	**16,829,377**	**17,747,741**	**18,125,244**	**19,567,364**	**18,415,404**	**17,877,725**	**18,020,278**	**19,082,881**	**-2.5%**	**5.9%**
Equity										
Capital	818,535	818,535	818,535	891,303	891,303	891,303	891,303	891,303	0.0%	0.0%
Reserves	(20,618)	(20,571)	(21,234)	51,539	(16,960)	(16,960)	(16,960)	51,539	0.0%	--%
Unrealized gain (loss) Available-for-sale financial assets	(21,155)	(45,900)	(31,204)	(7,552)	(7,856)	(14,199)	(33,001)	(26,804)	254.9%	-18.8%
Retained Earnings:	**552,360**	**523,964**	**627,264**	**554,399**	**676,553**	**636,875**	**713,806**	**742,278**	33.9%	4.0%
Retained earnings previous periods	581,651	381,030	381,030	237,788	721,340	508,045	508,045	440,401	85.2%	-13.3%
Net income	85,997	189,159	321,408	415,055	76,652	184,043	293,944	431,253	3.9%	46.7%
Provision for mandatory dividend	(115,288)	(46,225)	(75,174)	(98,444)	(121,439)	(55,213)	(88,183)	(129,376)	31.4%	46.7%
Total Shareholders' Equity	**1,329,122**	**1,276,028**	**1,393,361**	**1,489,689**	**1,543,040**	**1,497,019**	**1,555,148**	**1,658,316**	11.3%	6.6%
Minority Interest	20,679	23,689	24,361	25,879	28,403	30,920	30,887	29,799	15.1%	-3.5%
Total Equity	**1,349,801**	**1,299,717**	**1,417,722**	**1,515,568**	**1,571,443**	**1,527,939**	**1,586,035**	1,688,115	11.4%	6.4%
Total Liabilities and Equity	**18,179,178**	**19,047,458**	**19,542,966**	**21,082,932**	**19,986,847**	**19,405,664**	**19,606,313**	**20,770,996**	**-1.5%**	**5.9%**

YTD Income Statement Unaudited	2009 US$ths.	2009 Ch$ million nominal	2008	Dec. 09 / 08 % Chg.
Interest revenue	2,381,031	1,207,778	2,061,346	(41.4%)
Interest expense	(692,483)	(351,262)	(1,169,280)	(70.0%)
Net interest revenue	**1,688,548**	**856,516**	**892,066**	**(4.0%)**
Fee income	622,819	315,925	295,969	6.7%
Fee expense	(121,824)	(61,795)	(52,840)	16.9%
Net fee income	**500,996**	**254,130**	**243,129**	**4.5%**
Net gains from mark-to-market and trading	7,663	3,887	273,477	(98.6%)
Exchange differences, net	321,816	163,241	(187,042)	--%
Financial transactions, net	**329,479**	**167,128**	**86,435**	**93.4%**
Other operating income	65,536	33,243	18,222	82.4%
Total operating income	**2,584,558**	**1,311,017**	**1,239,852**	**5.7%**
Provision expense	**(658,151)**	**(333,847)**	**(287,983)**	**15.9%**
Total operating income net of provisions	**1,926,407**	**977,170**	**951,869**	**2.7%**
Personnel expenses	(442,551)	(224,484)	(246,775)	(9.0%)
Administrative expenses	(269,516)	(136,712)	(133,682)	2.3%
Depreciation and amortization	(91,913)	(46,623)	(47,627)	(2.1%)
Deterioration	(148)	(75)	(84)	(10.7%)
Operating expenses	**(804,128)**	**(407,894)**	**(428,168)**	**(4.7%)**
Other operating expenses	(87,541)	(44,405)	(41,594)	6.8%
Total operating expenses	(891,669)	(452,299)	(469,762)	(3.7%)
Net operating income	**1,034,738**	**524,871**	**482,107**	**8.9%**
Income attributable to investments in other companies	586	297	632	(53.0%)
Net income before taxes	**1,035,324**	**525,168**	**482,739**	**8.8%**
Income tax	(175,184)	(88,862)	(60,087)	47.9%
Net income from ordinary activities	**860,140**	**436,306**	**422,652**	**3.2%**
Net income discontinued operations	0	0	0	**--%**
Net income attributable to:				
Minority interest	9,962	5,053	7,597	(33.5%)
Net income attributable to shareholders	**850,178**	**431,253**	**415,055**	**3.9%**

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Unaudited Income Statement	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09	Dec. 09 / 08	Dec. 09 / Sept. 09
									% Chg.	
Interest revenue	397,894	498,504	624,168	540,779	246,791	338,744	279,880	342,363	-36.7%	22.3%
Interest expense	(209,888)	(278,255)	(372,561)	(308,576)	(59,518)	(112,133)	(62,627)	(116,984)	-62.1%	86.8%
Net interest revenue	**188,006**	**220,249**	**251,607**	**232,203**	**187,273**	**226,611**	**217,253**	**225,379**	-2.9%	3.7%
Fee income	70,668	74,106	74,497	76,699	77,163	78,677	79,584	80,501	5.0%	1.2%
Fee expense	(12,073)	(12,781)	(13,390)	(14,596)	(15,532)	(15,532)	(14,828)	(15,903)	9.0%	7.2%
Net fee income	**58,595**	**61,325**	**61,107**	**62,103**	**61,631**	**63,145**	**64,756**	**64,598**	4.0%	-0.2%
Net gains from mark-to-market and trading	(88,622)	163,277	96,599	102,222	19,429	(18,863)	51,447	(48,126)		
Exchange differences, net	101,981	(141,172)	(62,580)	(85,271)	49,386	48,519	(19,937)	85,273		
Total resutls from financial transactions, net	**13,359**	**22,105**	**34,019**	**16,951**	**68,815**	**29,656**	**31,510**	**37,147**	119.1%	17.9%
Other operating income, net	10,015	5,696	(170)	2,681	2,498	2,928	3,219	24,598	817.5%	664.2%
Total operating income	**269,975**	**309,375**	**346,563**	**313,938**	**320,217**	**322,340**	**316,738**	**351,722**	12.0%	11.0%
Provision expense	**(61,454)**	**(70,459)**	**(72,492)**	**(83,578)**	**(90,934)**	**(96,037)**	**(79,122)**	**(67,754)**	-18.9%	-14.4%
Total operating income net of provisions	**208,521**	**238,916**	**274,071**	**230,360**	**229,283**	**226,303**	**237,616**	**283,968**	23.3%	19.5%
Personnel expenses	(53,808)	(61,937)	(63,483)	(67,547)	(54,394)	(57,701)	(55,751)	(56,638)	-16.2%	1.6%
Administrative expenses	(30,694)	(34,873)	(35,510)	(32,605)	(33,448)	(34,258)	(34,955)	(34,051)	4.4%	-2.6%
Depreciation and amortization	(11,113)	(13,612)	(11,707)	(11,194)	(10,446)	(12,140)	(12,069)	(11,968)	6.9%	-0.8%
Deterioration	0	0	0	(84)	0	0	0	(75)	-10.7%	
Operating expenses	**(95,615)**	**(110,422)**	**(110,700)**	**(111,430)**	**(98,288)**	**(104,099)**	**(102,775)**	**(102,732)**	-7.8%	0.0%
Other operating expense	(8,631)	(11,143)	(12,581)	(9,241)	(35,531)	7,821	(1,922)	(14,773)	59.9%	668.6%
Total operating expenses	(104,246)	(121,565)	(123,281)	(120,671)	(133,819)	(96,278)	(104,697)	(117,505)	-2.6%	12.2%
Net operating income	**104,275**	**117,351**	**150,790**	**109,689**	**95,464**	**130,025**	**132,919**	**166,463**	51.8%	25.2%
Income attributable to investments in other companie	(262)	1,595	(42)	(659)	326	440	97	(566)	-14.1%	-683.5%
Net income before taxes	**104,013**	**118,946**	**150,748**	**109,030**	**95,790**	**130,465**	**133,016**	**165,897**	52.2%	24.7%
Income tax	(15,427)	(13,607)	(17,545)	(13,507)	(16,259)	(21,816)	(22,439)	(28,348)	109.9%	26.3%
Net income from ordinary activities	**88,586**	**105,339**	**133,203**	**95,523**	**79,531**	**108,649**	**110,577**	**137,549**	44.0%	24.4%
Net income discontinued operations	0	0	0	0	0	0	0	0		
Net income attributable to:										
Minority interest	2,589	2,177	954	1,876	2,879	1,258	676	240	-87.2%	-64.5%
Net income attributable to shareholders	**85,997**	**103,162**	**132,249**	**93,647**	**76,652**	**107,391**	**109,901**	**137,309**	**46.6%**	**24.9%**

(Ch$ millions)	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09
Loans								
Consumer loans	2,158,563	2,205,135	2,241,163	2,248,996	2,187,832	2,121,045	2,155,200	2,244,035
Residential mortgage loans	3,454,267	3,636,849	3,852,648	3,980,525	3,927,343	3,970,896	4,033,091	4,159,052
Commercial loans	6,808,174	7,357,979	7,679,640	8,356,033	7,870,502	7,309,545	7,395,336	7,324,777
Total loans	**12,421,004**	**13,199,963**	**13,773,451**	**14,585,554**	**13,985,677**	**13,401,486**	**13,583,627**	**13,727,864**
Allowance for loan losses	(236,454)	(245,823)	(258,446)	(274,205)	(281,265)	(314,191)	(338,020)	(349,485)
Total loans, net of allowances	**12,184,550**	**12,954,140**	**13,515,005**	**14,311,349**	**13,704,412**	**13,087,295**	**13,245,607**	**13,378,379**
Loans by segment								
Individuals	5,612,830	5,841,984	6,093,811	6,229,521	6,115,175	6,091,941	6,188,291	6,403,087
SMEs	2,201,005	2,314,975	2,418,645	2,471,356	2,385,720	2,370,029	2,423,328	2,483,100
Institutional lending	218,018	230,934	216,016	234,824	254,565	262,915	285,090	282,924
Total retail lending	**8,031,853**	**8,387,893**	**8,728,472**	**8,935,701**	**8,755,460**	**8,724,885**	**8,896,709**	**9,169,111**
Middle-Market & Real estate	2,516,708	2,703,058	2,831,381	2,895,035	2,727,232	2,472,244	2,466,786	2,470,136
Corporate	1,500,669	1,573,148	1,648,671	2,052,089	1,656,772	1,322,963	1,278,334	1,081,402
Customer funds								
Demand deposits	2,772,568	3,194,423	3,130,913	2,948,162	3,092,010	3,083,814	3,152,739	3,533,534
Time deposits	8,407,623	8,390,418	8,408,557	9,756,266	8,677,857	8,342,396	7,456,731	7,175,257
Total deposits	**11,180,191**	**11,584,841**	**11,539,470**	**12,704,428**	**11,769,867**	**11,426,210**	**10,609,470**	**10,708,791**
Mutual funds (Off balance sheet)	2,669,438	3,033,103	2,533,228	2,199,222	3,085,227	3,342,860	3,476,457	3,427,829
Total customer funds	**13,849,629**	**14,617,944**	**14,072,698**	**14,903,650**	**14,855,094**	**14,769,070**	**14,085,927**	**14,136,620**
Loans / Deposits1	**91.4%**	**93.2%**	**98.8%**	**93.9%**	**96.5%**	**94.3%**	**102.4%**	**100.9%**
Average balances								
Avg. interest earning assets	13,539,003	14,241,705	14,681,695	15,959,439	15,742,285	15,147,554	15,184,842	15,562,696
Avg. loans	12,277,279	12,807,117	13,444,859	14,295,443	14,312,882	13,733,919	13,479,883	13,647,750
Avg. assets	17,561,157	18,473,351	19,017,636	20,846,092	20,491,544	19,719,613	19,384,473	20,123,590
Avg. demand deposits	2,807,126	3,019,391	3,007,538	2,996,543	2,952,461	3,087,754	3,079,230	3,278,373
Avg equity	1,345,916	1,279,462	1,322,955	1,446,467	1,517,710	1,495,755	1,528,506	1,608,510
Avg. free funds	4,153,042	4,298,853	4,330,493	4,443,010	4,470,170	4,583,509	4,607,736	4,886,883
Capitalization								
Risk weighted assets	13,593,098	14,066,367	15,170,215	15,710,202	13,979,591	13,544,319	13,918,058	14,202,118
Tier I	1,398,183	1,350,580	1,477,245	1,578,043	1,543,039	1,497,019	1,555,148	1,658,316
Tier II	415,905	461,436	514,005	588,657	560,232	535,978	563,856	555,776
Regulatory capital	1,814,088	1,812,015	1,991,251	2,166,700	2,103,271	2,032,997	2,119,004	2,214,092
BIS ratio	13.3%	12.9%	13.1%	13.8%	15.0%	15.0%	15.2%	15.6%
Profitability & Efficiency								
Net interest margin	5.6%	6.2%	6.9%	5.8%	4.8%	6.0%	5.7%	5.8%
Efficiency ratio	36.6%	37.0%	33.1%	36.6%	34.5%	31.5%	32.6%	30.5%
Avg. Free funds / interest earning assets	30.7%	30.2%	29.5%	27.8%	28.4%	30.3%	30.3%	31.4%
Return on avg. equity	25.6%	32.3%	40.0%	25.9%	20.2%	28.7%	28.8%	34.1%
Return on avg. assets	2.0%	2.2%	2.8%	1.8%	1.5%	2.2%	2.3%	2.7%

	Mar-08	Jun-08	Sep-08	Dec-08	Mar-09	Jun-09	Sep-09	Dec-09
Asset quality								
Non-performing loans (NPLs)2	--	--	--	--	392,802	415,311	383,172	409,067
Past due loans3	135,354	147,874	154,651	160,824	169,220	181,645	175,426	193,250
Expected loss4	236,454	245,823	258,446	274,205	281,265	314,191	338,020	349,485
NPLs / total loans	--	--	--	--	2.81%	3.10%	2.82%	2.98%
PDL / total loans	1.09%	1.12%	1.12%	1.10%	1.21%	1.36%	1.29%	1.41%
Coverage of NPLs (Loan loss allowance / NPLs)	--	--	--	--	71.60%	75.65%	88.22%	85.43%
Loan loss allowance / PDLs	174.7%	166.2%	167.1%	170.5%	166.2%	173.0%	192.7%	180.8%
Expected loss (Loan loss allowances / Loans)	1.90%	1.86%	1.88%	1.88%	2.01%	2.34%	2.49%	2.55%
Cost of credit (prov. expense / loans)	1.98%	2.14%	2.11%	2.29%	2.60%	2.87%	2.33%	1.97%
Network								
Branches	495	497	501	506	500	501	502	498
ATMs	1,989	2,016	1,987	1,958	1,929	1,929	1,991	1,917
Market information (period-end)								
Net income per share (Ch$)	0.46	0.55	0.70	0.50	0.41	0.57	0.58	0.73
Net income per ADR (US$)	1.08	1.09	1.32	0.82	0.73	1.12	1.11	1.49
Stock price	21.9	21.4	21.9	20.5	19.1	23.9	30.4	30.7
ADR price	52.3	43.0	42.8	35.0	34.4	46.7	57.5	64.8
Market capitalization (US$mn)	9,479	7,801	7,761	6,353	6,230	8,468	10,436	11,749
Shares outstanding	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1
ADRs (1 ADR = 1,039 shares)	181.4	181.4	181.4	181.4	181.4	181.4	181.4	181.4
Other Data								
Quarterly inflation rate5	1.02%	2.17%	3.63%	2.21%	(2.30%)	(0.13%)	(0.47%)	0.52%
Avg. overnight interbank rate (nominal)	6.22%	6.39%	7.58%	8.24%	5.49%	1.40%	0.46%	0.43%
Avg. 10 year Central Bank yield (real)	2.84%	3.06%	3.39%	3.22%	2.60%	2.86%	2.88%	3.09%
Avg. 10 year Central Bank yield (nominal)	6.46%	6.98%	7.74%	6.50%	5.09%	5.63%	5.70%	6.13%
Observed Exchange rate (Ch$/US$) (period-end)	439.1	520.1	552.5	629.1	582.1	529.07	546.07	506.43

1 Ratio = Loans - marketable securities / Time deposits + demand deposits
2 Capital + future interest of all loans with one installment 90 days or more overdue.
3 All instalments overdue more than 90 days
4 Based on internal credit models and SBIF guidelines. Banks must have a 100% coverage of expected loss