

**BANCO SANTANDER - CHILE, AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED BALANCE SHEETS**  
(In millions of nominal Chilean pesos)

<b>Assets</b>	<b>Mar-08 US\$ths</b>	<b>Mar-08</b>	<b>Dec-07 (Reclassified)</b>	<b>Mar-07 (Reclassified)</b>	<b>March 2008 / 2007</b>	<b>March 2008 / Dec. 2007</b>
					<b>% Chg.</b>	
Cash and balances from Central Bank	1,474,579	647,473	1,108,444	864,270	(25.1%)	(41.6%)
Funds to be cleared	1,427,341	626,731	316,240	364,106	72.1%	98.2%
Financial assets held for trading	1,630,028	715,729	1,100,292	821,657	(12.9%)	(35.0%)
Investment collateral under agreements to repurchase	10,601	4,655	34,000	46,691	(90.0%)	(86.3%)
Derivatives	3,250,304	1,427,176	780,775	377,628	277.9%	82.8%
Interbank loans	266,440	116,991	45,960	168,554	(30.6%)	154.5%
<b>Loans, net of loan loss allowances</b>	<b>27,764,422</b>	<b>12,191,080</b>	<b>12,025,691</b>	<b>10,853,002</b>	<b>12.3%</b>	<b>1.4%</b>
Available-for-sale financial assets	3,320,276	1,457,900	779,634	360,745	304.1%	87.0%
Held-to-maturity investments	-	-	-	-	-	-
Investments in other companies	14,077	6,181	6,736	7,026	(12.0%)	(8.2%)
Intangible assets	132,253	58,071	56,187	42,479	36.7%	3.4%
Fixed assets	563,320	247,348	245,619	223,906	10.5%	0.7%
Current tax assets	9,631	4,229	2,253	1,115	279.3%	87.7%
Deferred tax assets	130,693	57,386	54,062	40,024	43.4%	6.1%
Other assets	1,496,235	656,983	476,613	319,806	105.4%	37.8%
<b>Total Assets</b>	<b>41,490,200</b>	<b>18,217,933</b>	<b>17,032,506</b>	<b>14,491,009</b>	<b>25.7%</b>	<b>7.0%</b>
<b>Liabilities and Equity</b>						
Total non-interest bearing deposits	6,316,582	2,773,548	2,868,769	2,491,571	11.3%	(3.3%)
Funds to be cleared	869,801	381,921	135,219	239,256	59.6%	182.4%
Investments sold under agreements to repurchase	210,852	92,583	310,388	374,022	(75.2%)	(70.2%)
Time deposits and savings accounts	19,147,835	8,407,623	7,887,897	7,281,003	15.5%	6.6%
Derivatives	3,508,183	1,540,408	778,217	375,290	310.5%	97.9%
Deposits from credit institutions	2,308,349	1,013,573	1,099,443	620,535	63.3%	(7.8%)
Marketable debt securities	5,003,277	2,196,889	2,166,110	1,573,763	39.6%	1.4%
Other obligations	197,447	86,697	147,867	70,047	23.8%	(41.4%)
Current tax liabilities	7,395	3,247	16,217	7,836	(58.6%)	(80.0%)
Deferred tax liability	32,615	14,321	3,677	478	2896.0%	289.5%
Provisions	344,141	151,109	44,015	41,356	265.4%	243.3%
Other liabilities	311,428	136,746	116,598	81,203	68.4%	17.3%
<b>Total Liabilities</b>	<b>38,257,906</b>	<b>16,798,665</b>	<b>15,574,417</b>	<b>13,156,360</b>	<b>27.7%</b>	<b>7.9%</b>
<b>Equity</b>						
Capital	1,864,162	818,535	818,535	761,853	7.4%	0.0%
Reserves	133,906	58,797	47,330	46,915	25.3%	24.2%
Unrealized gain (loss) Available-for-sale financial assets	(48,179)	(21,155)	(9,475)	(2,272)	831.1%	123.3%
Retained Earnings:						
Retained earnings previous periods	1,324,674	581,651	273,004	438,501	32.6%	113.1%
Net income	172,272	75,643	308,647	72,189	4.8%	(75.5%)
Provision for mandatory dividend	(262,561)	(115,288)	0	0	-	-
Minority Interest	48,020	21,085	20,047	17,464	20.7%	5.2%
<b>Total Equity</b>	<b>3,232,294</b>	<b>1,419,268</b>	<b>1,458,089</b>	<b>1,334,649</b>	<b>6.3%</b>	<b>(2.7%)</b>
<b>Total Liabilities and Equity</b>	<b>41,490,200</b>	<b>18,217,933</b>	<b>17,032,506</b>	<b>14,491,009</b>	<b>25.7%</b>	<b>7.0%</b>

**BANCO SANTANDER - CHILE, AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED INCOME STATEMENT**  
(In millions of nominal Chilean pesos)

Income Statement	1Q08	1Q08	4Q07	1Q07	1Q08/1Q07	1Q08/4Q07
Ch\$mnn nominal	US\$ths.		(reclassified)	(reclassified)	% Chg.	% Chg.
Interest revenue	906,290	397,943	456,548	276,051	44.2%	(12.8%)
Interest expense	(476,050)	(209,029)	(258,130)	(134,128)	55.8%	(19.0%)
<b>Net interest revenue</b>	<b>430,240</b>	<b>188,914</b>	<b>198,418</b>	<b>141,923</b>	<b>33.1%</b>	<b>(4.8%)</b>
Fee income	149,530	65,657	65,887	57,097	15.0%	(0.3%)
Fee expense	(27,496)	(12,073)	(13,126)	(10,257)	17.7%	(8.0%)
<b>Net fee income</b>	<b>122,034</b>	<b>53,584</b>	<b>52,761</b>	<b>46,840</b>	<b>14.4%</b>	<b>1.6%</b>
Net gains from mark-to-market and trading	(201,993)	(88,693)	(51,309)	22,779	--%	72.9%
Exchange differences, net	232,255	101,981	59,963	23,678	330.7%	70.1%
<b>Total market related income</b>	<b>30,263</b>	<b>13,288</b>	<b>8,654</b>	<b>46,457</b>	<b>(71.4%)</b>	<b>53.5%</b>
Other operating income	21,515	9,447	5,850	4,225	123.6%	61.5%
<b>Provision expense</b>	<b>(138,762)</b>	<b>(60,929)</b>	<b>(54,768)</b>	<b>(59,440)</b>	<b>2.5%</b>	<b>11.2%</b>
Personnel expenses	(100,979)	(44,339)	(49,572)	(37,518)	18.2%	(10.6%)
Administrative expenses	(88,132)	(38,698)	(38,403)	(34,921)	10.8%	0.8%
Depreciation and amortization	(26,131)	(11,474)	(11,600)	(9,394)	22.1%	(1.1%)
Other operating expenses	(20,256)	(8,894)	(11,717)	(8,859)	0.4%	(24.1%)
<b>Total operating expenses</b>	<b>(235,498)</b>	<b>(103,405)</b>	<b>(111,292)</b>	<b>(90,692)</b>	<b>14.0%</b>	<b>(7.1%)</b>
<b>Net operating income</b>	<b>(374,260)</b>	<b>100,899</b>	<b>99,623</b>	<b>89,313</b>	<b>13.0%</b>	<b>1.3%</b>
Income attributable to investments in other companies	(597)	(262)	(92)	134	--%	184.8%
Price level restatement	(20,208)	(8,873)	(16,641)	(2,149)	312.9%	(46.7%)
<b>Net income before taxes</b>	<b>208,987</b>	<b>91,764</b>	<b>82,890</b>	<b>87,298</b>	<b>5.1%</b>	<b>10.7%</b>
Income tax	(34,713)	(15,242)	(11,771)	(14,569)	4.6%	29.5%
<b>Net income from ordinary activities</b>	<b>174,274</b>	<b>76,522</b>	<b>71,119</b>	<b>72,729</b>	<b>5.2%</b>	<b>7.6%</b>
Net income attributable to minority interest	2,002	879	344	540	62.8%	155.5%
<b>Net income attributable to shareholders</b>	<b>172,272</b>	<b>75,643</b>	<b>70,775</b>	<b>72,189</b>	<b>4.8%</b>	<b>6.9%</b>

	Mar-07 (reclassified)	Jun-07 (reclassified)	Sep-07 (reclassified)	Dec-07 (reclassified)	Mar-08
Ch\$m nominal					
<b>Loans</b>					
Consumer loans	1,911,570	1,931,833	1,988,434	2,082,579	2,158,563
Residential mortgage loans	2,947,857	3,068,067	3,202,566	3,345,493	3,454,383
Commercial loans	6,193,586	6,098,230	6,454,812	6,830,385	6,822,116
<b>Total loans</b>	<b>11,053,013</b>	<b>11,098,130</b>	<b>11,645,812</b>	<b>12,258,457</b>	<b>12,435,062</b>
Allowance for loan losses	(200,011)	(211,112)	(221,070)	(232,766)	(243,982)
<b>Total loans, net of allowances</b>	<b>10,853,002</b>	<b>10,887,018</b>	<b>11,424,742</b>	<b>12,025,691</b>	<b>12,191,080</b>
<b>Loans by segment</b>					
Individuals	5,214,822	5,376,224	5,576,602	5,846,856	6,051,080
SMEs	1,864,258	1,905,480	2,013,521	2,126,067	2,200,282
Institutional lending	192,168	191,410	198,446	210,357	218,446
<b>Total retail lending</b>	<b>7,271,248</b>	<b>7,473,114</b>	<b>7,788,569</b>	<b>8,183,281</b>	<b>8,469,808</b>
Middle-Market & Real estate	2,348,975	2,302,678	2,355,899	2,470,934	2,516,708
Corporate	1,376,704	1,280,267	1,452,592	1,542,165	1,416,921
<b>Customer funds</b>					
Demand deposits	2,491,571	2,589,161	2,598,294	2,868,769	2,773,548
Time deposits	7,281,003	7,343,085	7,273,079	7,887,897	8,407,623
<b>Total deposits</b>	<b>9,772,574</b>	<b>9,932,246</b>	<b>9,871,373</b>	<b>10,756,666</b>	<b>11,181,171</b>
Mutual funds (Off balance sheet)	2,283,807	2,577,630	2,867,438	2,634,461	2,670,163
<b>Total customer funds</b>	<b>12,056,381</b>	<b>12,509,876</b>	<b>12,738,811</b>	<b>13,391,127</b>	<b>13,851,334</b>
<b>Average balances</b>					
Avg. interest earning assets	11,590,544	11,931,595	12,343,716	12,840,100	13,547,248
Avg. loans	10,965,469	11,121,879	11,345,844	11,908,379	12,285,523
Avg. assets	14,159,366	14,749,993	15,384,017	16,368,066	17,590,786
Avg. demand deposits	2,495,549	2,601,153	2,557,742	2,659,541	2,807,769
Avg equity	1,334,649	1,245,914	1,367,475	1,458,089	1,419,268
Avg. free funds	3,826,220	3,835,075	3,965,769	4,326,858	4,192,816
<b>Capitalization</b>					
Risk weighted assets	11,741,425	11,851,230	12,364,773	13,087,642	13,593,098
Tier I	1,244,996	1,075,377	1,110,290	1,129,395	1,398,183
Tier II	470,099	467,469	440,432	473,037	415,905
Regulatory capital	1,715,095	1,542,846	1,550,722	1,602,432	1,814,088
BIS ratio	14.6%	13.0%	12.5%	12.2%	13.3%
<b>Profitability &amp; Efficiency</b>					
Net interest margin	4.9%	5.8%	6.4%	6.2%	5.6%
Efficiency ratio	37.9%	39.1%	38.3%	41.9%	39.0%
Avg. Free funds / interest earning assets	33.0%	32.1%	32.1%	33.7%	30.9%
Return on avg. equity	21.6%	25.8%	24.9%	19.4%	21.3%
Return on avg. assets	2.0%	2.2%	2.2%	1.7%	1.7%
<b>Asset quality</b>					
Past due loans	97,937	105,668	112,130	116,654	135,354
PDL / total loans	0.89%	0.95%	0.96%	0.95%	1.09%
Coverage ratio	204.2%	199.8%	197.2%	199.5%	180.3%
Expected loss (Loan loss allowances / Loans)	1.81%	1.90%	1.90%	1.90%	1.96%
Cost of credit (prov. expense / loans)	2.15%	1.62%	1.62%	1.79%	1.96%
<b>Network</b>					
Branches	422	428	436	464	466
ATMS	1,635	1,744	1,808	2,004	1,989
Employees	8,691	8,913	9,057	9,174	9,180
<b>Market information (period-end)</b>					
Net income per share (Ch\$)	0.38	0.43	0.45	0.38	0.40
Net income per ADR (US\$)	0.74	0.84	0.92	0.79	0.95
Stock price	25.9	25.2	24.8	24.5	21.9
ADR price	49.9	49.5	50.6	51.0	52.3
Market capitalization (US\$m)	9,045	8,985	9,172	9,248	9,479
Shares outstanding	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
<b>Other Data</b>					
Quarterly inflation rate**	0.20%	1.00%	2.98%	2.31%	1.02%
Avg. overnight interbank rate (nominal)	5.09%	5.08%	5.45%	5.81%	6.22%
Avg. 10 year Central Bank yield (real)	2.69%	2.90%	3.08%	2.97%	2.84%
Observed Exchange rate (Ch/US\$) (period-end)	539.4	527.5	511.7	495.8	439.1

**BANCO SANTANDER - CHILE, AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED BALANCE SHEET**  
(In millions of nominal Chilean pesos)

Ch\$mn nominal	<b>Mar-07</b>	<b>Jun-07</b>	<b>Sep-07</b>	<b>Dec-07</b>
<b>Assets</b>	(reclassified)	(reclassified)	(reclassified)	(reclassified)
Cash and balances from Central Bank	864,270	861,227	717,875	1,108,444
Funds to be cleared	364,106	361,098	339,010	316,240
Financial assets held for trading	821,657	743,955	890,385	1,100,292
Investment collateral under agreements to repurchase	46,691	31,112	39,192	34,000
Derivatives	377,628	417,871	584,999	780,775
Interbank loans	168,554	350,393	182,051	45,960
<b>Loans, net of loan loss allowances</b>	<b>10,853,002</b>	<b>10,887,018</b>	<b>11,424,742</b>	<b>12,025,691</b>
Available-for-sale financial assets	360,745	674,293	807,492	779,634
Held-to-maturity investments	-	-	-	-
Investments in other companies	7,026	5,681	5,847	6,736
Intangible assets	42,479	49,856	52,883	56,187
Fixed assets	223,906	228,351	237,603	245,619
Current tax assets	1,115	878	1,451	2,253
Deferred tax assets	40,024	46,808	55,592	54,062
Other assets	319,806	416,320	430,797	476,613
<b>Total Assets</b>	<b>14,491,009</b>	<b>15,074,861</b>	<b>15,769,919</b>	<b>17,032,506</b>
<b>Liabilities and Equity</b>				
Total non-interest bearing deposits	2,491,571	2,589,161	2,598,294	2,868,769
Funds to be cleared	239,256	202,897	194,630	135,219
Investments sold under agreements to repurchase	374,022	230,344	403,471	310,388
Time deposits and savings accounts	7,281,003	7,343,085	7,273,079	7,887,897
Derivatives	375,290	363,622	568,581	778,217
Deposits from credit institutions	620,535	1,168,506	1,192,736	1,099,443
Marketable debt securities	1,573,763	1,718,795	1,894,377	2,166,110
Other obligations	70,047	52,409	118,870	147,867
Current tax liabilities	7,836	21,834	28,666	16,217
Deferred tax liability	478	476	540	3,677
Provisions	41,356	38,359	41,278	44,015
Other liabilities	81,203	99,459	87,922	116,598
<b>Total Liabilities</b>	<b>13,156,360</b>	<b>13,828,947</b>	<b>14,402,444</b>	<b>15,574,417</b>
<b>Equity</b>				
Capital	761,853	761,853	761,853	818,535
Reserves	46,915	65,096	99,437	47,330
Unrealized gain (loss) Available-for-sale financial assets	(2,272)	(4,445)	(3,873)	(9,475)
Retained Earnings:				
Retained earnings previous periods	438,501	252,872	252,872	273,004
Net income	72,189	152,676	237,872	308,647
Provision for mandatory dividend	0	0	0	0
Minority Interest	17,464	17,861	19,313	20,047
<b>Total Equity</b>	<b>1,334,649</b>	<b>1,245,914</b>	<b>1,367,475</b>	<b>1,458,089</b>
<b>Total Liabilities and Equity</b>	<b>14,491,009</b>	<b>15,074,861</b>	<b>15,769,919</b>	<b>17,032,506</b>

**BANCO SANTANDER - CHILE, AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED INCOME STATEMENT**

(In millions of nominal Chilean pesos)

Ch\$nominal	1Q07 (reclassified)	2Q07 (reclassified)	3Q07 (reclassified)	4Q07 (reclassified)
Interest revenue	276,051	362,350	461,908	456,548
Interest expense	(134,128 )	(188,142 )	(264,014 )	(258,130 )
<b>Net interest revenue</b>	<b>141,923</b>	<b>174,208</b>	<b>197,894</b>	<b>198,418</b>
Fee income	57,097	59,440	62,708	65,887
Fee expense	(10,257 )	(10,563 )	(11,114 )	(13,126 )
<b>Net fee income</b>	<b>46,840</b>	<b>48,877</b>	<b>51,594</b>	<b>52,761</b>
Net gains from mark-to-market and trading	22,779	33,339	(5,986 )	(51,309 )
Exchange differences, net	23,678	(11,995 )	30,369	59,963
<b>Total market related income</b>	<b>46,457</b>	<b>21,344</b>	<b>24,383</b>	<b>8,654</b>
Other operating income	4,225	8,507	6,083	5,850
Personnel expenses	(37,518 )	(42,742 )	(45,686 )	(49,572 )
Administrative expenses	(34,921 )	(37,275 )	(40,564 )	(38,403 )
Depreciation and amortization	(9,394 )	(10,013 )	(11,000 )	(11,600 )
Other operating expenses	(8,859 )	(8,913 )	(9,997 )	(11,717 )
<b>Total operating expenses</b>	<b>(90,692 )</b>	<b>(98,943 )</b>	<b>(107,247 )</b>	<b>(111,292 )</b>
<b>Provision expense</b>	<b>(59,440 )</b>	<b>(44,900 )</b>	<b>(47,217 )</b>	<b>(54,768 )</b>
<b>Net operating income</b>	<b>89,313</b>	<b>109,093</b>	<b>125,490</b>	<b>99,623</b>
Income attributable to investments in other companie	134	(728 )	(635 )	(92 )
Price level restatement	(2,149 )	(13,633 )	(23,902 )	(16,641 )
Net income before taxes	87,298	94,732	100,953	82,890
Income tax	(14,569 )	(13,964 )	(14,867 )	(11,771 )
<b>Net income from ordinary activities</b>	<b>72,729</b>	<b>80,768</b>	<b>86,086</b>	<b>71,119</b>
Net income attributable to minority interest	540	281	890	344
<b>Net income attributable to shareholders</b>	<b>72,189</b>	<b>80,487</b>	<b>85,196</b>	<b>70,775</b>