

ASSETS	31-Mar	31-Mar	31-Dec	31-Mar	% Change	% Change
	2005	2006	2005	2005	March 2006 / 2005	March 2006 / Dec. 2005
	US\$ thousands	Ch\$ millions	Ch\$ millions	Ch\$ millions		
Cash and due from banks						
Noninterest bearing	656,358	346,360	1,013,857	750,469	(53.8%)	(65.8%)
Interbank deposits-interest bearing	1,837,396	969,594	211,105	590,946	64.1%	359.3%
Total cash and due from banks	2,493,754	1,315,954	1,224,962	1,341,415	(1.9%)	7.4%
Financial investments						
Government securities	929,513	490,504	460,181	773,721	(36.6%)	6.6%
Investments purchased under agreements to resell	62,604	33,036	23,120	25,616	29.0%	42.9%
Other financial investments	1,663,402	877,777	674,976	423,653	107.2%	30.0%
Investment collateral under agreements to repurchase	186,979	98,669	91,218	523,919	(81.2%)	8.2%
Total financial investments	2,842,498	1,499,986	1,249,496	1,746,909	(14.1%)	20.0%
Loans, net						
Commercial loans	7,500,972	3,958,263	3,655,101	3,317,067	19.3%	8.3%
Consumer loans	2,805,297	1,480,355	1,392,012	1,156,130	28.0%	6.3%
Mortgage loans (Financed with mortgage bonds)	1,109,170	585,309	634,723	810,688	(27.8%)	(7.8%)
Foreign trade loans	1,117,129	589,509	511,756	588,552	0.2%	15.2%
Interbank loans	371,040	195,798	194,652	175,814	11.4%	0.6%
Leasing	1,316,530	694,733	663,862	536,217	29.6%	4.7%
Other outstanding loans	4,167,205	2,199,034	2,056,155	1,533,335	43.4%	6.9%
Past due loans	190,226	100,382	106,540	125,367	(19.9%)	(5.8%)
Contingent loans	1,769,168	933,590	929,472	869,201	7.4%	0.4%
Reserves	(282,570)	(149,112)	(147,866)	(174,006)	(14.3%)	0.8%
Total loans, net	20,064,167	10,587,861	9,996,408	8,938,365	18.5%	5.9%
Other assets						
Bank premises and equipment	415,975	219,510	221,375	208,019	5.5%	(0.8%)
Foreclosed assets	26,180	13,815	17,948	26,367	(47.6%)	(23.0%)
Investments in other companies	12,507	6,600	6,696	4,967	32.9%	(1.4%)
Assets to be leased	45,977	24,262	32,015	14,075	72.4%	(24.2%)
Other	976,460	515,278	347,922	583,126	(11.6%)	48.1%
Total other assets	1,477,099	779,465	625,956	836,554	(6.8%)	24.5%
TOTAL ASSETS	26,877,518	14,183,266	13,096,821	12,863,243	10.3%	8.3%

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

	31-Mar	31-Mar	31-Dec	31-Mar	% Change	% Change
	2005	2006	2005	2005	March 2006 / 2005	March 2006 / Dec. 2005
	US\$ thousands	Ch\$ millions	Ch\$ millions	Ch\$ millions		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Current accounts	2,807,326	1,481,426	1,455,924	1,346,977	10.0%	1.8%
Bankers drafts and other deposits	1,395,683	736,502	712,886	1,165,535	(36.8%)	3.3%
Total non-interest bearing deposits	4,203,009	2,217,928	2,168,810	2,512,512	(11.7%)	2.3%
Savings accounts and time deposits	11,870,517	6,264,072	5,906,711	4,603,981	36.1%	6.1%
Total deposits	16,073,526	8,482,000	8,075,522	7,116,493	19.2%	5.0%
Other interest bearing liabilities						
Banco Central de Chile borrowings						
Credit lines for renegotiation of loans	11,597	6,120	6,655	8,333	(26.6%)	(8.0%)
Other Banco Central borrowings	235,571	124,311	173,206	215,268	(42.3%)	(28.2%)
Total Banco Central borrowings	247,168	130,431	179,860	223,601	(41.7%)	(27.5%)
Investments sold under agreements to repurchase	182,769	96,447	49,779	474,004	(79.7%)	93.8%
Mortgage finance bonds	1,177,694	621,469	668,961	861,145	(27.8%)	(7.1%)
Other borrowings						
Bonds	849,373	448,214	415,243	364,103	23.1%	7.9%
Subordinated bonds	740,489	390,756	385,751	550,596	(29.0%)	1.3%
Borrowings from domestic financial institutions	0	0	2,528	746	(100.0%)	(100.0%)
Foreign borrowings	2,933,294	1,547,899	1,098,246	829,959	86.5%	40.9%
Other obligations	89,864	47,421	42,092	43,760	8.4%	12.7%
Total other borrowings	4,613,020	2,434,290	1,943,859	1,789,164	36.1%	25.2%
Total other interest bearing liabilities	6,220,651	3,282,637	2,842,460	3,347,914	(1.9%)	15.5%
Other liabilities						
Contingent liabilities	1,771,146	934,634	931,318	870,383	7.4%	0.4%
Other	627,044	330,891	164,225	452,361	(26.9%)	101.5%
Minority interest	2,877	1,518	1,464	1,317	15.3%	3.7%
Total other liabilities	2,401,067	1,267,043	1,097,007	1,324,061	(4.3%)	15.5%
Shareholders' equity						
Capital and reserves	2,060,171	1,087,152	842,122	1,020,815	6.5%	29.1%
Income for the year	122,103	64,434	239,710	53,960	19.4%	(73.1%)
Total shareholders' equity	2,182,274	1,151,586	1,081,832	1,074,775	7.1%	6.4%
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	26,877,518	14,183,266	13,096,821	12,863,243	10.3%	8.3%

BANCO SANTANDER CHILE
QUARTERLY INCOME STATEMENTS

Million of nominal Chilean pesos

	IQ 2006	IQ 2006	IVQ 2005	IQ 2005	% Change	% Change
	US\$ thousands	Ch\$ millions	Ch\$ millions	Ch\$ millions	IQ 2006/2005	IQ 2006 / IVQ 2005
Interest income and expense						
Interest income	422,644	223,029	293,199	165,014	35.2%	(23.9%)
Interest expense	(184,300)	(97,255)	(143,272)	(49,151)	97.9%	(32.1%)
Net interest income	238,344	125,774	149,927	115,863	8.6%	(16.1%)
Foreign exchange transactions, net	29,081	15,346	1,154	2,285	571.6%	1229.8%
Net financial income	267,425	141,120	151,081	118,148	19.4%	(6.6%)
Provision for loan losses	(48,268)	(25,471)	(16,635)	(16,995)	49.9%	53.1%
Fees and income from services						
Fees and other services income	88,194	46,540	48,314	37,735	23.3%	(3.7%)
Other services expense	(15,558)	(8,210)	(8,730)	(6,888)	19.2%	(6.0%)
Total fees and income from services, net	72,636	38,330	39,584	30,847	24.3%	(3.2%)
Other operating income, net						
Net gain (loss) from trading and mark-to-market	15,257	8,051	(16,596)	11,446	(29.7%)	--
Other, net	(14,671)	(7,742)	(7,895)	(5,962)	29.9%	(1.9%)
Total other operating income, net	586	309	(24,491)	5,484	(94.4%)	--
Operating expenses						
Personnel salaries and expenses	(64,440)	(34,005)	(36,774)	(33,509)	1.5%	(7.5%)
Administrative and other expenses	(48,960)	(25,836)	(27,425)	(22,263)	16.0%	(5.8%)
Depreciation and amortization	(17,199)	(9,076)	(11,562)	(8,726)	4.0%	(21.5%)
Total operating expenses	(130,599)	(68,917)	(75,761)	(64,498)	6.9%	(9.0%)
Other income and expenses						
Nonoperating income, net	(20,874)	(11,015)	141	(12,596)	(12.6%)	--
Income attributable to investments in other companies	455	240	74	214	12.1%	224.3%
Losses attributable to minority interest	(123)	(65)	63	(53)	22.6%	--
Total other income and expenses	(20,542)	(10,840)	278	(12,435)	(12.8%)	--
Gain (loss) from price-level restatement	5,268	2,780	(6,179)	5,964	(53.4%)	--
Income before income taxes	146,506	77,311	67,877	66,515	16.2%	13.9%
Income taxes	(24,402)	(12,877)	(10,661)	(12,555)	2.6%	20.8%
Net income	122,103	64,434	57,216	53,960	19.4%	12.6%

Financial Ratios

	1Q04	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06
Profitability									
Net interest margin*	4.3%	4.8%	4.5%	4.7%	4.2%	4.8%	4.6%	4.9%	4.3%
Net fees / operating expenses	43.2%	41.8%	44.0%	50.9%	47.8%	47.5%	50.3%	52.3%	55.6%
Return on average equity	19.7%	17.1%	22.7%	21.5%	20.5%	25.7%	26.8%	21.7%	22.8%
Capital ratio									
BIS	16.7%	13.6%	13.1%	14.9%	16.2%	13.4%	13.2%	12.9%	14.3%
Earnings per Share									
Net income (nominal Ch\$mn)	51,277	40,067	53,515	53,935	53,960	62,101	66,433	57,216	64,434
Net income per share (Nominal Ch\$)	0.27	0.21	0.28	0.29	0.29	0.33	0.35	0.30	0.34
Net income per ADS (US\$)	0.45	0.35	0.49	0.53	0.51	0.59	0.69	0.61	0.67
Shares outstanding in million	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1	188,446.1
Credit Quality									
Past due loans/total loans	1.98%	1.73%	1.58%	1.52%	1.38%	1.29%	1.17%	1.05%	0.93%
Reserves for loan losses/past due loans	104.8%	110.7%	120.3%	128.5%	135.1%	137.6%	129.4%	135.3%	145.2%
Efficiency									
Operating expenses/operating income	43.2%	46.9%	40.4%	46.0%	41.8%	39.1%	39.9%	45.6%	38.3%
Market information (period-end)									
Stock price	15.9	16.2	16.3	18.1	18.6	17.9	22.3	21.6	22.05
ADR price	26.9	26.7	27.94	33.86	33.13	32.3	43.87	44.6	43.6
Market capitalization (US\$mn)	4,879	4,843	5,068	6,141	6,009	5,858	7,957	8,089	7,908
Network									
ATMs	1,027	1,050	1,050	1,190	1,187	1,225	1,322	1,422	1,395
Branches	341	346	351	311	316	327	335	352	361
Other Data									
Exchange rate (Ch/US\$) (period-end)	623.21	636.59	606.96	559.83	586.45	578.92	533.69	514.21	527.7

* Net interest margin including results of foreign exchange transactions

Loans by client segment Ch\$ million	Dec-04	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	% Change	
							March 2006 / 2005	March 06 / Dec. 05
Banefe	396,640	416,080	434,742	459,058	491,424	514,790	23.7%	4.8%
Middle-upper income	2,967,258	3,129,214	3,305,448	3,521,901	3,711,684	3,856,865	23.3%	3.9%
Total individuals	3,363,899	3,545,293	3,740,190	3,980,959	4,203,108	4,371,655	23.3%	4.0%
SMEs	1,070,559	1,143,571	1,223,618	1,317,681	1,402,332	1,494,802	30.7%	6.6%
Total RETAIL	4,434,457	4,688,864	4,963,808	5,298,640	5,605,440	5,866,457	25.1%	4.7%
Institutional lending	149,625	157,546	154,948	175,508	181,999	183,052	16.2%	0.6%
Middle-market & real estate	1,721,460	1,855,576	1,899,395	1,943,136	1,963,468	2,125,214	14.5%	8.2%
Large Corporations	1,313,539	1,368,476	1,293,519	1,267,076	1,261,544	1,427,656	4.3%	13.2%

Excludes contingent loans