

	30-Jun	30-Jun	31-Mar	30-Jun	% Change	% Change
	2006	2006	2005	2005	June 2006 / 2005	June / March 2006
	US\$ thousands	Ch\$ millions	Ch\$ millions	Ch\$ millions		
ASSETS						
Cash and due from banks						
Noninterest bearing	1,562,762	855,315	346,360	1,157,554	(26.1%)	146.9%
Interbank deposits-interest bearing	1,335,713	731,049	969,594	189,353	286.1%	(24.6%)
Total cash and due from banks	2,898,474	1,586,364	1,315,954	1,346,907	17.8%	20.5%
Financial investments						
Trading	1,621,518	887,473	844,288	926,507	(4.2%)	5.1%
Available for sale	992,374	543,136	561,962	448,505	21.1%	(3.4%)
Held to maturity	0	0	0	0		
Investment collateral under agreements to repurchase	245,610	134,425	33,036	54,712	145.7%	306.9%
Total financial investments	2,859,502	1,565,034	1,439,286	1,429,724	9.5%	8.7%
Loans, net						
Commercial loans	7,319,835	4,006,219	3,958,263	3,379,584	18.5%	1.2%
Consumer loans	2,905,801	1,590,374	1,480,355	1,220,740	30.3%	7.4%
Mortgage loans (Financed with mortgage bonds)	1,014,191	555,077	585,309	739,747	(25.0%)	(5.2%)
Foreign trade loans	1,227,615	671,886	589,509	577,044	16.4%	14.0%
Interbank loans	268,084	146,725	195,798	184,657	(20.5%)	(25.1%)
Leasing	1,316,300	720,424	694,733	571,878	26.0%	3.7%
Other outstanding loans	4,281,334	2,343,217	2,199,034	1,700,658	37.8%	6.6%
Past due loans	161,808	88,559	100,382	121,798	(27.3%)	(11.8%)
Contingent loans	1,883,008	1,030,589	933,590	935,155	10.2%	10.4%
Reserves	(269,650)	(147,582)	(149,112)	(171,570)	(14.0%)	(1.0%)
Total loans, net	20,108,326	11,005,488	10,587,861	9,259,691	18.9%	3.9%
Derivatives	65,897	36,066	27,952	15,239	136.7%	29.0%
Other assets						
Bank premises and equipment	404,259	221,255	219,510	212,451	4.1%	0.8%
Foreclosed assets	23,347	12,778	13,815	23,291	(45.1%)	(7.5%)
Investments in other companies	12,136	6,642	6,600	4,843	37.1%	0.6%
Assets to be leased	37,920	20,754	24,263	14,612	42.0%	(14.5%)
Other	846,772	463,447	557,394	1,061,545	(56.3%)	(16.9%)
Total other assets	1,324,434	724,876	821,582	1,316,742	(44.9%)	(11.8%)
TOTAL ASSETS	27,256,633	14,917,828	14,192,635	13,368,303	11.6%	5.1%

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

	30-Jun	30-Jun	31-Mar	30-Jun	% Change	% Change
	2006	2006	2005	2005	June 2006 / 2005	June / March 2006
	US\$ thousands	Ch\$ millions	Ch\$ millions	Ch\$ millions		
LIABILITIES AND SHAREHOLDERS' EQUITY						
Deposits						
Current accounts	2,873,531	1,572,712	1,481,426	1,377,672	14.2%	6.2%
Bankers drafts and other deposits	1,452,270	794,842	736,502	1,159,641	(31.5%)	7.9%
Total non-interest bearing deposits	4,325,801	2,367,554	2,217,928	2,537,313	(6.7%)	6.7%
Savings accounts and time deposits	12,141,499	6,645,164	6,264,072	5,271,750	26.1%	6.1%
Total deposits	16,467,300	9,012,718	8,482,000	7,809,063	15.4%	6.3%
Other interest bearing liabilities						
Banco Central de Chile borrowings						
Credit lines for renegotiation of loans	10,510	5,752	6,120	7,667	(25.0%)	(6.0%)
Other Banco Central borrowings	303,424	166,067	124,311	24,605	574.9%	33.6%
Total Banco Central borrowings	313,934	171,819	130,431	32,272	432.4%	31.7%
Investments sold under agreements to repurchase	273,412	149,641	96,447	269,943	(44.6%)	55.2%
Mortgage finance bonds	1,083,183	592,837	621,469	859,624	(31.0%)	(4.6%)
Other borrowings						
Bonds	1,028,262	562,778	448,214	332,134	69.4%	25.6%
Subordinated bonds	714,374	390,984	390,756	544,151	(28.1%)	0.1%
Borrowings from domestic financial institutions	6,559	3,590	0	4,064	(11.7%)	
Foreign borrowings	2,991,451	1,637,251	1,547,899	942,265	73.8%	5.8%
Other obligations	97,455	53,338	47,421	40,934	30.3%	12.5%
Total other borrowings	4,838,101	2,647,941	2,434,290	1,863,548	42.1%	8.8%
Total other interest bearing liabilities	6,508,630	3,562,238	3,282,637	3,025,387	17.7%	8.5%
Derivatives	0	0	0	0		
Other liabilities						
Contingent liabilities	1,885,158	1,031,766	934,634	936,423	10.2%	10.4%
Other	410,515	224,679	340,260	639,510	(64.9%)	(34.0%)
Minority interest	2,635	1,442	1,518	1,485	(2.9%)	(5.0%)
Total other liabilities	2,298,308	1,257,887	1,276,412	1,577,418	(20.3%)	(1.5%)
Shareholders' equity						
Capital and reserves	1,717,867	940,206	1,087,152	840,374	11.9%	(13.5%)
Income for the year	264,528	144,779	64,434	116,061	24.7%	124.7%
Total shareholders' equity	1,982,395	1,084,985	1,151,586	956,435	13.4%	(5.8%)
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	27,256,633	14,917,828	14,192,635	13,368,303	11.6%	5.1%

BANCO SANTANDER CHILE
QUARTERLY INCOME STATEMENTS

Million of nominal Chilean pesos

	IIQ 2006	IIQ 2006	IQ 2006	IIQ 2005	% Change	% Change
	US\$ thousands	Ch\$ millions	Ch\$ millions	Ch\$ millions	IIQ 2006/2005	IIQ 2006 / IQ 2006
Interest income and expense						
Interest income	623,394	341,190	217,595	280,575	21.6%	56.8%
Interest expense	(306,848)	(167,941)	(91,706)	(135,320)	24.1%	83.1%
Net interest income	316,546	173,249	125,889	145,255	19.3%	37.6%
Provision for loan losses	(39,758)	(21,760)	(25,471)	(12,109)	79.7%	(14.6%)
Fees and income from services						
Fees and other services income	90,293	49,418	46,540	39,206	26.0%	6.2%
Other services expense	(17,634)	(9,651)	(8,210)	(7,301)	32.2%	17.6%
Total fee income.	72,659	39,767	38,330	31,905	24.6%	3.7%
Gains on financial transactions						
Net gain (loss) from trading and mark-to-market	71,789	39,291	43,307	(18,759)	--	(9.3%)
Foreign exchange transactions, net.	(54,357)	(29,750)	(19,997)	17,650	--	48.8%
Total gains on financial transactions.	17,433	9,541	23,310	(1,109)	--	(59.1%)
Operating expenses						
Personnel salaries and expenses	(71,499)	(39,132)	(34,005)	(34,244)	14.3%	15.1%
Administrative and other expenses	(50,441)	(27,607)	(25,836)	(23,976)	15.1%	6.9%
Depreciation and amortization	(18,065)	(9,887)	(9,076)	(8,926)	10.8%	8.9%
Total operating expenses	(140,005)	(76,626)	(68,917)	(67,146)	14.1%	11.2%
Other operating income, net						
Other operating income, net.	(16,687)	(9,133)	(7,770)	(4,528)	101.7%	17.5%
Other income and expenses						
Nonoperating income, net	(15,569)	(8,521)	(11,016)	(7,377)	15.5%	(22.6%)
Income attributable to investments in other companies	747	409	240	299	36.8%	70.4%
Losses attributable to minority interest	(37)	(20)	(65)	(71)	(71.8%)	(69.2%)
Total other income and expenses	(14,858)	(8,132)	(10,841)	(7,149)	13.8%	(25.0%)
Gain (loss) from price-level restatement	(18,722)	(10,247)	2,781	(10,741)	(4.6%)	--
Income before income taxes	176,608	96,659	77,311	74,378	30.0%	25.0%
Income taxes	(29,808)	(16,314)	(12,877)	(12,277)	32.9%	26.7%
Net income	146,800	80,345	64,434	62,101	29.4%	24.7%

BANCO SANTANDER CHILE
FIRST HALF INCOME STATEMENT

Million of nominal Chilean pesos

	IH 2006	IH 2006	IH 2005	% Change
	US\$ thousands	Ch\$ millions	Ch\$ millions	2006/2005
Interest income and expense				
Interest income	1,020,966	558,785	429,106	30.2%
Interest expense	(474,406)	(259,647)	(178,422)	45.5%
Net interest income	546,560	299,138	250,684	19.3%
Provision for loan losses	(86,297)	(47,231)	(29,104)	62.3%
Fees and income from services				
Fees and other services income	175,327	95,958	76,941	24.7%
Other services expense	(32,634)	(17,861)	(14,189)	25.9%
Total fee income	142,692	78,097	62,752	24.5%
Gains on financial transactions				
Net gain (loss) from trading and mark-to-market	150,918	82,599	29,832	176.9%
Foreign exchange transactions, net.	(90,894)	(49,747)	(7,609)	553.8%
Total gains on financial transactions.	60,024	32,852	22,223	47.8%
Operating expenses				
Personnel salaries and expenses	(133,630)	(73,137)	(67,753)	7.9%
Administrative and other expenses	(97,647)	(53,443)	(46,239)	15.6%
Depreciation and amortization	(34,649)	(18,964)	(17,652)	7.4%
Total operating expenses	(265,926)	(145,544)	(131,644)	10.6%
Other operating income, net				
Other operating income, net.	(30,884)	(16,903)	(9,657)	75.0%
Other income and expenses				
Nonoperating income, net	(35,696)	(19,537)	(19,973)	(2.2%)
Income attributable to investments in other companies	1,186	649	509	27.5%
Losses attributable to minority interest	(153)	(84)	(120)	(30.0%)
Total other income and expenses	(34,664)	(18,972)	(19,584)	(3.1%)
Gain (loss) from price-level restatement	(13,643)	(7,467)	(4,778)	56.3%
Income before income taxes	317,862	173,970	140,892	23.5%
Income taxes	(53,335)	(29,191)	(24,831)	17.6%
Net income	264,527	144,779	116,061	24.7%

Financial Ratios

	2Q04	3Q04	4Q04	1Q05	2Q05	3Q05	4Q05	1Q06	2Q 06
Profitability									
Return on average equity	17.1%	22.7%	21.5%	20.5%	25.7%	26.8%	21.7%	22.8%	28.7%
Capital ratio									
BIS	13.6%	13.1%	14.9%	16.2%	13.4%	13.2%	12.9%	14.3%	12.2%
Earnings per Share									
Net income (nominal Ch\$mn)	40,067	53,515	53,935	53,960	62,101	66,433	57,216	64,434	80,345
Net income per share (Nominal Ch\$)	0.21	0.28	0.29	0.29	0.33	0.35	0.30	0.34	0.43
Net income per ADS (US\$)	0.35	0.49	0.53	0.51	0.59	0.69	0.61	0.67	0.81
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	1.73%	1.58%	1.52%	1.38%	1.29%	1.17%	1.05%	0.93%	0.79%
Reserves for loan losses/past due loans	110.7%	120.3%	128.5%	135.1%	137.6%	129.4%	135.3%	145.2%	166.6%
Efficiency									
Operating expenses/operating income	46.9%	40.4%	46.0%	41.8%	39.1%	39.9%	45.6%	38.3%	35.9%
Market information (period-end)									
Stock price	16.2	16.3	18.1	18.6	17.9	22.3	21.6	22.05	20.84
ADR price	26.7	27.94	33.86	33.13	32.3	43.87	44.6	43.6	40.34
Market capitalization (US\$mn)	4,843	5,068	6,141	6,009	5,858	7,957	8,089	7,908	7,317
Network									
ATMs	1,050	1,050	1,190	1,187	1,225	1,322	1,422	1,395	1,443
Branches	346	351	311	316	327	335	352	361	367
Other Data									
Exchange rate (Ch/US\$) (period-end)	636.59	606.96	559.83	586.45	578.92	533.69	514.21	527.7	547.31

Loans by client segment Ch\$ million	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06	% Change June 2006 / 2005	% Change June 06 / March 05
Banefe	416,080	434,742	459,058	491,424	514,790	541,900	24.6%	5.3%
Middle-upper income	3,129,214	3,305,448	3,521,901	3,711,684	3,856,865	4,069,807	23.1%	5.5%
Total individuals	3,545,293	3,740,190	3,980,959	4,203,108	4,371,655	4,611,707	23.3%	5.5%
SMEs	1,143,571	1,223,618	1,317,681	1,402,332	1,494,802	1,604,724	31.1%	7.4%
Total RETAIL	4,688,864	4,963,808	5,298,640	5,605,440	5,866,457	6,216,431	25.2%	6.0%
Institutional lending	157,546	154,948	175,508	181,999	183,052	196,268	26.7%	7.2%
Middle-market & real estate	1,855,576	1,899,395	1,943,136	1,963,468	2,125,214	2,249,668	18.4%	5.9%
Large Corporations	1,368,476	1,293,519	1,267,076	1,261,544	1,427,656	1,310,135	1.3%	-8.2%

Excludes contingent loans

Client and non-client net interest revenue Ch\$ million	Mar-05	Jun-05	Sep-05	Dec-05	Mar-06	Jun-06	% Change June 2006 / 2005	% Change June 06 / March 05
Client net interest income	110,123	120,675	123,768	128,860	132,349	143,349	18.8%	8.3%
Non-client net interest income	(6,345)	24,580	21,806	22,524	(6,460)	29,900	21.6%	
Total net interest income	103,778	145,255	145,574	151,384	125,889	173,249	19.3%	37.6%