

BANCO SANTANDER CHILE
Form 6-K
March 03, 2006
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FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of March, 2006

Commission File Number: 001-14554

Banco Santander Chile

Santander Chile Bank

(Translation of Registrant's Name into English)

Bandera 140

Santiago, Chile

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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Yes _____ No X

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes _____ No X

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

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Banco Santander Chile

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1. Audited Financial Statements translated into English, as published in the *Estrategia* newspaper on February 24, 2006.

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Item 1

Banco Santander Chile and Subsidiaries**CONSOLIDATED FINANCIAL STATEMENTS AT December 31****ASSETS**

| | 2005 | 2004 |
|--|--------------------|--------------------|
| | Ch\$ | Ch\$ |
| | (Millions) | (Millions) |
| CASH AND DUE FROM BANKS | 1,224,961.9 | 982,575.8 |
| LOANS: | | |
| Commercial loans | 3,655,100.5 | 3,266,026.9 |
| Foreign trade loans | 511,755.8 | 512,428.4 |
| Consumer loans | 1,392,012.0 | 1,119,005.4 |
| Mortgage loans | 634,723.4 | 954,369.8 |
| Lease contracts | 663,861.7 | 520,401.2 |
| Contingent loans | 929,472.0 | 902,317.2 |
| Other outstanding loans | 2,056,155.1 | 1,385,582.7 |
| Past-due loans | 106,540.3 | 135,812.7 |
| Total loans | 9,949,620.8 | 8,795,944.3 |
| Reserves for loan losses | (147,865.7) | (179,558.4) |
| Total loans, net | 9,801,755.1 | 8,616,385.9 |
| OTHER LOANS OPERATIONS: | | |
| Interbank loans | 194,652.4 | 135,724.3 |
| Investments purchased under agreements to resell | 23,120.1 | 24,516.1 |
| Total other loans operations | 217,772.5 | 160,240.4 |
| INVESTMENTS: | | |
| Government securities | 460,181.3 | 972,661.3 |
| Other financial investments | 674,975.9 | 470,961.5 |
| Investment collateral under agreements to repurchase | 91,218.3 | 593,366.8 |
| Assets for leasing | 32,015.1 | 19,135.5 |
| Assets received or awarded in lieu of payment | 17,947.9 | 32,096.9 |
| Other not financial investments | 203.6 | 201.2 |
| Total investments | 1,276,542.1 | 2,088,423.2 |
| OTHER ASSETS: | 347,718.9 | 433,177.1 |
| FIXED ASSETS: | | |
| Bank premises and equipment | 221,374.9 | 221,610.6 |
| Investments in other companies | 6,696.0 | 5,068.0 |
| Total fixed assets | 228,070.9 | 226,678.6 |

| | | |
|---------------------|---------------------|---------------------|
| TOTAL ASSETS | 13,096,821.4 | 12,507,481.0 |
|---------------------|---------------------|---------------------|

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| | 2005 | 2004 |
|---|---------------------|---------------------|
| | Ch\$ | Ch\$ |
| | (Millions) | (Millions) |
| DEPOSITS AND OTHER LIABILITIES: | | |
| Current accounts | 1,455,924.4 | 1,335,112.1 |
| Savings accounts and time deposits | 5,951,272.3 | 4,658,482.8 |
| Bankers drafts and other deposits | 668,325.7 | 997,921.3 |
| Investments sold under agreements to repurchase | 49,778.9 | 448,464.9 |
| Mortgage finance bonds | 668,961.3 | 993,145.6 |
| Contingent liabilities | 931,318.3 | 904,057.2 |
| Total deposits and other liabilities | 9,725,580.9 | 9,337,183.9 |
| BONDS: | | |
| Bonds | 415,242.9 | 370,564.8 |
| Subordinated bonds | 385,750.8 | 549,876.0 |
| Total bonds | 800,993.7 | 920,440.8 |
| BORROWINGS FROM BANCO CENTRAL DE CHILE AND OTHER FINANCIAL INSTITUTIONS: | | |
| Chilean Central Bank credit lines for renegotiations of loans | 6,654.5 | 9,661.7 |
| Other Central Bank borrowings | 173,205.9 | 340,958.5 |
| Borrowings from domestic financial institutions | 2,528.4 | 29,778.5 |
| Foreign borrowings | 1,098,245.5 | 495,571.6 |
| Other obligations | 42,091.8 | 41,221.6 |
| Total borrowings from financial institutions | 1,322,726.1 | 917,191.9 |
| OTHER LIABILITIES: | 164,224.9 | 262,235.4 |
| Total liabilities | 12,013,525.6 | 11,437,052.0 |
| MINORITY INTEREST | 1,464.3 | 1,325.1 |
| SHAREHOLDERS EQUITY: | | |
| Capital and reserves | 857,432.5 | 857,750.5 |
| Fluctuations of financial investments | (15,310.9) | 5,361.6 |
| Income for the period | 239,709.9 | 205,991.8 |
| Total shareholders equity, net | 1,081,831.5 | 1,069,103.9 |
| TOTAL LIABILITIES AND SHAREHOLDERS EQUITY | 13,096,821.4 | 12,507,481.0 |

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For the periods between January 1, and December 31,

| | 2005 | 2004 |
|---|--------------------|--------------------|
| | Ch\$ | Ch\$ |
| | (Millions) | (Millions) |
| OPERATING INCOME | | |
| Interest income | 985,668.6 | 812,031.1 |
| Gain from trading and brokerage activities | 79,366.7 | 115,073.3 |
| Fees income | 169,786.4 | 153,720.3 |
| Gains from foreign exchange transactions | 2,684.4 | 7,915.0 |
| Other operating income | 15,290.6 | 11,276.2 |
| Total operating income | 1,252,796.7 | 1,100,015.9 |
| Less: | | |
| Interest expense | (439,789.7) | (326,743.2) |
| Losses from trading and brokerage activities | (71,997.6) | (77,130.5) |
| Fees expenses | (31,419.5) | (27,706.5) |
| Other operating expenses | (37,859.5) | (36,577.8) |
| Gross margin | 671,730.4 | 631,857.9 |
| Personnel salaries and expenses | (139,219.5) | (137,824.3) |
| Administrative expenses | (100,584.6) | (100,037.6) |
| Depreciation and amortization | (39,248.3) | (40,126.3) |
| Net margin | 392,678.0 | 353,869.7 |
| Reserve for loan losses | (63,532.0) | (83,677.7) |
| Operating income | 329,146.0 | 270,192.0 |
| OTHER INCOME AND EXPENSES: | | |
| Non-operating income | 20,869.0 | 34,835.8 |
| Non-operating expenses | (42,881.9) | (39,407.4) |
| Income attributable to investments in other companies | 678.3 | 556.0 |
| Loss from price-level restatement | (18,139.7) | (12,416.6) |
| Income before income taxes | 289,671.7 | 253,759.8 |
| Income taxes | (49,828.4) | (47,578.0) |
| Net income after taxes | 239,843.3 | 206,181.8 |
| Minority interests | (133.4) | (190.0) |
| NET INCOME | 239,709.9 | 205,991.8 |

ROBERTO JARA CABELLO
Accounting Manager

OSCAR VON CHRISMAR CARVAJAL
General Manager

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Banco Santander Chile

Date: March 3, 2006

By: /s/ Gonzalo Romero
Name: Gonzalo Romero
Title: General Counsel