Santiago, November 30, 2017
GG/121/2017

Mr. Eric Parrado Herrera
Superintendent of Banks and Financial Institutions

Ref.: MATERIAL FACT

Mr. Superintendent:

Pursuant to what is laid down in article 14 of the General Banking Law, articles 9 and 10 of the Securities Market Law N°18.045, and Chapter 18-10 of the Updated Compendium of Regulations of that Superintendency, we hereby report the following material fact:

On this date, the company has signed an agreement called the Agreement and Plan of Merger between City National Bank of Florida ("CNB"), a subsidiary of Banco de Crédito e Inversiones ("Bci"), incorporated and governed by the laws of Florida, USA, and Bci, on the one hand, and Totalbank ("Totalbank"), a state-owned bank incorporated and governed by the laws of Florida, USA, Banco Popular Español S.A. and Banco Santander S.A. ("Banco Santander"),on the other hand, in which the parties agreed on the merger by incorporation of Totalbank with CNB (the "Transaction"). The Transaction was unanimously agreed on by Bci's directors in a Board meeting held on November 28, 2017.

Further to the Transaction, CNB will acquire all the shares issued by Totalbank, with CNB becoming the absorbing company and legal successor of such bank, and Popular, a subisidiary of the Santander Group, receiving the sum of US$528,075,000 for its shareholding in Totalbank, and Popular no longer continuing as a shareholder of such bank. As is customary in operations of this kind, the price payable to Popular is subject to possible minor adjustments between the date of signing the agreement and the Transaction closing date.

The Agreement and Plan of Merger envisages, among other terms and conditions that are customary in operations of this kind, that the closing of the Transaction is subject to Bci and CNB securing regulatory authorization from the competent authorities needed in accordance with US and Chilean legislation and regulations. It is estimated that the Transaction will be closed in the second half of 2018.

As of September 30, 2017, TotalBank has total assets of US$3.042 billion, loans of US$2.170 billion and deposits of US$2.181 billion. This acquisition accounts for 7.0% of Bci's market capitalization as of November 29, 2017, and will be partly financed with own resources of CNB and Bci, and partly by issuing ordinary cash shares to essentially maintain the current capital ratios.

Lastly, the Board empowered CEO Eugenio Von Chrismar Carvajal, or whoever replaces him, to report this information to that Superintendency, a copy of which is also sent on this same date to the Superintendency of Securities and Insurance and to the stock markets.

Sincerely,

Ignacio Yarur Arrasate
Acting CEO

FCC/rdr