

## Banco del Estado de Chile's 'AA-' Debt Rating Remains Unchanged On The 15 Billion Yen Add-On

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MEXICO CITY (S&P Global Ratings) Aug. 10, 2016—S&P Global Ratings kept its 'AA-' debt rating to Banco del Estado de Chile's (Banco Estado; AA-/Stable/A-1+) following the ¥15 billion add-on to its June 2016 senior unsecured notes issuance with a maturity period of 10 years. The bank issued the notes under its \$3 billion medium-term program. The rating on the notes is the same as the long-term issuer credit rating on Banco Estado and reflects our view that the notes will rank pari passu with the bank's other senior unsecured debt. We expect the notes to be the bank's unsecured, unsubordinated, and unconditional obligations.

The ratings on Banco Estado reflect its strong business position, moderate capital and earnings, adequate risk position, above-average funding, and strong liquidity. The ratings also reflect our view that there is extremely high likelihood that the Chilean government would provide extraordinary and timely support to the bank in the event of a financial distress (please see " Full Analysis: Banco del Estado de Chile," March 28, 2016).

RELATED CRITERIA AND RESEARCH

- Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015
- Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Revised Market Risk Charges For Banks In Our Risk-Adjusted Capital

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Framework, June 22, 2012

- Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Bank Capital Methodology and Assumptions, Dec. 6, 2010
- Methodology For Mapping Short- And Long-Term Issuer Credit Ratings For Banks, May 4, 2010
- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Commercial Paper I: Banks, March 23, 2004

RATINGS LIST

Banco Estado

Issuer credit rating	AA-/Stable/A-1+
Sr. Unsec. debt due 2026	AA-

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.globalcreditportal.com](http://www.globalcreditportal.com) and at [www.spcapitaliq.com](http://www.spcapitaliq.com). All ratings affected by this rating action can be found on the S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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