

MATERIAL EVENT

Following the material event announcements of 25 and 30 July 2018 informing as to the voluntary delisting of the common shares representing the share capital of Banco Santander, S.A. ("**Banco Santander**" or the "**Bank**") from the Euronext regulated market ("**Euronext**"), managed by *Euronext Lisbon - Sociedad Gestora de Mercados* (the "**Shares**"), Banco Santander hereby informs that:

1. The execution of the sales facility, by means of which Banco Santander granted the holders of Shares traded on Euronext and integrated in the centralized system of *Interbolsa - Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. ("Interbolsa")* the possibility of selling the Shares on the Madrid stock exchange (Continuous Market) ("**Sales Facility**"), was concluded on 28 September 2018, in accordance with the terms of the relevant announcement of 30 July 2018.
2. The Shares of Banco Santander will continue to be traded on the Spanish stock exchanges of Madrid, Barcelona, Bilbao and Valencia, through the *Sistema de Interconexión Bursátil* (Continuous Market), in London (in the form of CDIs), in New York (in the form of ADRs) and in Warsaw.
3. The cancellation of the registration of the Bank's Shares in Interbolsa's centralized securities system will occur as soon as possible after the settlement of all stock exchange operations carried out during the period for which the Sales Facility was in force (*i.e.* until 28 September 2018, inclusive), being the abovementioned settlement scheduled to occur on 2 October 2018, or on a close date. This cancellation assumes that, after the last settlement, all Shares which continue to be registered in Portugal will be transferred to the Spanish centralized system managed by *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("Iberclear")*, and therefore the financial intermediaries which are still depositaries of the Shares must proceed, as soon as possible, to transfer such Shares to the Spanish centralized system (Iberclear) using the procedure that is established in the applicable regulations: notification to *Banco Santander Totta S.A. ("Santander Totta")*, acting in its capacity as interconnection financial intermediary of Banco Santander in Portugal, of the Shares which are to be transferred and the participating entity in Iberclear with which the Shares will be deposited. Santander Totta will provide instructions for the registration of the aforementioned Shares in the previously indicated participating entities of Iberclear, and shall subsequently cancel the Shares' registration in Interbolsa.

Boadilla del Monte (Madrid), 1 October 2018

IMPORTANT INFORMATION

This announcement does not constitute an offer to buy, to sell, to exchange, or a solicitation of offers to buy, to sell, or to exchange Banco Santander shares or any other security. The distribution of this announcement and/or the transfer of Banco Santander shares in some jurisdictions may be restricted by applicable law. Persons who have access to this announcement should be aware of, and comply with, any such restrictions. Any failure to



comply with those restrictions may constitute a breach of the securities laws of any such jurisdiction.