

## MATERIAL FACT ANNOUNCEMENT

Banco Santander, S.A. announces today an invitation to all holders of the securities identified in the annex of this document (the **Securities**) to tender such Securities for purchase by Banco Santander for cash (the **Invitation**). Said Securities are fixed rate securities listed on the AIAF Fixed Rate Market (securitization bonds) which correspond to 27 different series issued by specific securitization funds managed by Santander de Titulización, S.G.F.T., S.A. The nominal amount for the group of series to which the Invitation is directed is approximately 16.5 billion Euros.

The amount in cash that must be satisfied for each Security is equal to the purchase price for each series of Securities plus interests incurred since the immediately preceding interest payment date (date included) until the date of the liquidation of the tender offers (date excluded). The purchase price has been determined as a set amount for each euro (€) of the nominal value on the date of the liquidation of the Securities to which this Invitation is directed and that are in the table of the annex of this document.

Banco Santander will obtain the funds necessary to face its obligations to pay derived from the Invitation of its ordinary liquidity available.

Banco Santander reserves the right to modify the terms and conditions of the Invitation as well as to extend, re-open or terminate the Invitation at any moment.

The holders of the Securities can refer, or request to its corresponding mediators or participating entities (in the case that said owners are no participating entities in the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (**Iberclear**)) that they remit, the corresponding instructions of the tender offers to the offering agent, Acupay Systems LLC, from August 24, 2009. These instructions are irrevocable unless Banco Santander modifies the terms and conditions of the Invitation so that the conditions are less favourable to the holders.

In any case, said irrevocable instructions of the tender offers should be received by the offering agent on or before 5:00 pm (CET) on September 7, 2009.

The owners can obtain additional information of the Invitation on the internet at [www.acupay.com/SANtender](http://www.acupay.com/SANtender)

Banco Santander will announce that it has decided to accept the tender offers that have been correctly completely or partially executed on September 8, 2009 around 16:30pm (CET) and, in the event that they are accepted, will announce at that moment the final total nominal value of each of the series they have accepted to buy as a consequence of the tender offers. As of today, the date of liquidation of the tender offers will be September 14, 2009.

The intention of the Invitation is to improve the efficiency of the Group's capital structure and strengthen the balance of Grupo Santander.

Boadilla del Monte (Madrid), August 24, 2009

ANNEX

LIST OF SECURITIES

Series	Issuer	Securities*	ISIN	Purchase Price	Outstanding nominal amount**
1.	Fondo de Titulización de Activos Santander Hipotecario 1	Serie A €1,718,400,000 Bonos de titulización hipotecaria	ES0309364000	0.855	EUR 698,524,617
2.	Fondo de Titulización de Activos Santander Hipotecario 2	Serie A €1,801,500,000 Bonos de titulización hipotecaria	ES0382042002	0.840	EUR 1,132,286,346
3.	Fondo de Titulización de Activos Santander Hipotecario 3	Serie A3 €420,000,000 Bonos de titulización hipotecaria	ES0338093026	0.800	EUR 366,035,838
4.	Fondo de Titulización de Activos Santander Hipotecario 3	Serie A1 €13,300,000 Bonos de titulización hipotecaria	ES0338093000	0.800	EUR 376,129,776
5.	Fondo de Titulización de Activos Santander Hipotecario 3	Serie A2 - €1,540,000,000 Bonos de titulización hipotecaria	ES0338093018	0.800	EUR 1,342,131,406
6.	Fondo de Titulización de Activos Santander Financiación 1	Serie A - €1,738,500,000 Bonos de titulización de activos	ES0382043000	0.955	EUR 624,486,759
7.	Fondo de Titulización de Activos Pymes Banesto 2	Serie A2 €41,700,000 Bonos de titulización de activos	ES0372260010	0.860	EUR 450,892,554
8.	Fondo de Titulización Hipotecaria, Banesto 4	Serie A - €1,455,000,000 Bonos de titulización hipotecaria	ES0339774004	0.900	EUR 518,639,552

\* All the references in this column to amounts in EUR correspond to original nominal amount of the Securities. Such original amount may have been reduced due to prepayments in accordance with the terms of the Securities. The outstanding nominal amount of the Securities following any prepayment is reflected in the right column.

\*\* Between the date of this Material Fact Announcement and the estimated settlement date (September 14 2009), the outstanding nominal amount may be reduced in accordance with the terms of the Securities.

Series	Issuer	Securities *	ISIN	Purchase Price	Outstanding nominal amount**
9.	Financiación Banesto 1, Fondo de Titulización de Activos	Serie A €760,000,000 Bonos de titulización de activos	ES0337648002	0.955	EUR 361,505,400
10.	Fondo de Titulización de Activos Santander Consumer Spain Auto 07-1	Serie A - €1,902,000,000 Bonos de titulización de activos	ES0337709002	0.935	EUR 1,361,734,998
11.	Fondo de Titulización de Activos Ftpyme Santander 2	Serie A - €1,228,500,000 Bonos de titulización de activos	ES0338048004	0.950	EUR 314,855,213
12.	Fondo de Titulización de Activos Santander Consumer Spain Auto 06	Serie A - €1,282,500,000 Bonos de titulización de activos	ES0338057005	0.955	EUR 656,038,892
13.	Fondo de Titulización de Activos UCI 8	Serie A €80,200,000 Bonos de titulización de activos	ES0338446000	0.900	EUR 107,314,430
14.	Fondo de Titulización de Activos UCI 9	Serie A - €1,198,100,000 Bonos de titulización hipotecaria	ES0338222005	0.855	EUR 283,712,955
15.	Fondo de Titulización Hipotecaria UCI 10	Serie A - €679,000,000 - Bonos de titulización hipotecaria	ES0338146006	0.815	EUR 214,743,867
16.	Fondo de Titulización de Activos UCI 11	Serie A €821,100,000 Bonos de titulización de activos	ES0338340005	0.780	EUR 292,486,987
17.	Fondo de Titulización Hipotecaria UCI 12	Serie A €67,200,000 Bonos de titulización hipotecaria	ES0338147004	0.750	EUR 399,453,913
18.	Fondo de Titulización de Activos UCI 14	Serie A - €1,377,500,000 Bonos de titulización de activos	ES0338341003	0.690	EUR 740,739,605
19.	Fondo de Titulización de Activos, UCI 15	Serie A - €1,340,600,000 - Bonos de titulización de activos	ES0380957003	0.660	EUR 835,620,245

Series	Issuer	Securities *	ISIN	Purchase Price	Outstanding nominal amount**
20.	Fondo de Titulización de Activos UCI 16	Serie A2 - €1,247,600,000 Bonos de titulización de activos	ES0338186010	0.610	EUR 1,230,310,884
21.	Fondo de Titulización de Activos, UCI 17	Serie A2 €974,200,000 Bonos de titulización de activos	ES0337985016	0.610	EUR 974,200,000
22.	Fondo de Titulización de Activos, Hipotebansa X	Serie A €98,700,000 - Bonos de titulización hipotecaria	ES0338356001	0.925	EUR 218,310,047
23.	Fondo de Titulización de Activos, Hipotebansa 11	Serie A - €1,040,800,000 - Bonos de titulización hipotecaria	ES0338447008	0.905	EUR 333,796,650
24.	Fondo de Titulización de Activos, Santander Empresas 1	Serie A2 - €1,240,000,000 - Bonos de titulización de activos	ES0382041012	0.955	EUR 424,996,856
25.	Fondo de Titulización de Activos Santander Empresas 2	Serie A2 - €1,365,000,000 - Bonos de titulización de activos	ES0338058011	0.930	EUR 828,829,228
26.	Fondo de Titulización de Activos, Santander Empresas 3	Serie A3 - €27,500,000 - Bonos de titulización de activos	ES0337710026	0.900	EUR 418,927,848
27.	Fondo de Titulización de Activos, Santander Empresas 3	Serie A2 - €1,800,000,000 - Bonos de titulización de activos	ES0337710018	0.900	EUR 982,311,660

## **United States**

The Offers are not being made, and will not be made, directly or indirectly in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States and no offer of Securities may be made by any such use, means, instrumentality, or facility from or within the United States or to persons located in the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of the Tender Offer Memorandum and any other documents or materials relating to the Offers are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to persons located in the United States. Any purported tender of Securities in an Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Securities made by a person giving instructions from within the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Securities participating in an Offer will represent that it is not located in the United States and is not participating in such Offer from the United States or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Offer from the United States. For the purposes of this and the above paragraph, **United States** means United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Marina Islands), any state of the United States of America and the District of Columbia.

## **Italy**

The Offers are not being made and will not be made, directly or indirectly, in or into the Republic of Italy (**Italy**). Neither the Offers nor the Tender Offer Memorandum have been submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (CONSOB) pursuant to Italian laws and regulations. Accordingly, Securityholders are notified that, to the extent Securityholders are persons located or resident in Italy, the Offers are not available to them and they may not tender Securities in the Offers and, as such, any Tender Instructions received from such persons shall be ineffective and void, and neither the Tender Offer Memorandum nor any other documents or materials relating to the Offers or the Securities may be distributed or made available in Italy.

## **United Kingdom**

The communication of the Tender Offer Memorandum and any other documents or materials relating to the Offers is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Financial Promotion Order**)) or persons who are within Article 43 of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

## **Belgium**

None of the Tender Offer Memorandum nor any other documents or materials relating to the Offers have been submitted to or will be submitted for approval or recognition to the Belgian Banking, Finance and Insurance Commission (*Commission bancaire, financière et des assurances/Commissie voor het Bank-, Financier- en Assurantiewezen*) and, accordingly, the Offers may not be made in Belgium by way of a public offering, as defined in Article 3 of the Belgian Law of 1 April 2007 on public takeover bids or as defined in Article 3 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets (together, the **Belgian Public Offer Law**), each as amended or replaced from time to time. Accordingly, the Offers may not be advertised and the Offers will not be extended, and neither the Tender Offer Memorandum nor any other documents or materials relating to the Offers (including any memorandum, information circular, brochure or any similar documents) have been nor shall be distributed or made available, directly or indirectly, to any person in Belgium other than “qualified investors” in the sense of Article 10 of the Belgian Public Offer Law (as amended from time to time), acting on their own

account. Insofar as Belgium is concerned, the Tender Offer Memorandum is issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offers. Accordingly, the Tender Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

## **France**

The Offers are not being made, directly or indirectly, to the public in the Republic of France (**France**). Neither the Tender Offer Memorandum nor any other document or material relating to the Offers have been nor shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties and/or (ii) qualified investors (*Investisseurs Qualifiés*) other than individuals, in each case acting on their own account and all as defined in, and in accordance with, Articles L.411-2 and D.411-1 of the French *Code Monétaire et Financier*, are eligible to participate in the Offers. The Tender Offer Memorandum has not been and will not be submitted for clearance to nor approved by the *Autorité des Marchés Financiers*.