



NOTICE

Banco Santander, S.A. (“**Banco Santander**”) and Banco Popular Español, S.A.U. (“**Banco Popular**”), in connection with the merger by absorption of the latter by Banco Santander, approved by their respective boards of directors on 23 April 2018 (the “**Merger**”) and in compliance with the provisions of section 13 of the common draft terms of merger approved on the same date, inform that in connection with the fulfillment of the conditions precedent of the Merger:

On 11 September 2018, the Secretary of State for Economy and Business Support, by proxy of the Minister for Economy and Enterprise, signed the Ministerial Order authorizing the Merger, in accordance with additional provision 12th of Law 10/2014, of 26 June 2014, on the regulation, supervision and solvency of credit institutions.

On 2 August 2018, the Mexican National Banking and Securities Commission notified that its non-opposition to Banco Santander to kept indirectly holding, going forward exclusively through *Grupo Financiero Ve por Más* due to the elimination of Banco Popular from the holding chain, holdings on Banco Ve por Más, S.A., Institución de Banca Múltiple, Grupo Financiero Ve por Más (Banco Ve por Más), Casa de Bolsa Ve por Más, S.A. de C.V., Grupo Financiero Ve por Más (Casa de Bolsa Ve por Más) and Operadora de Fondos de Inversión Ve por Más, S.A. de C.V., Sociedad Operadora de Fondos de Inversión, Grupo Financiero Ve por Más (Operadora Ve por Más).

On 3 September 2018, the National Insurance and Finance Commission notified that it authorized Banco Santander to acquire Seguros Ve por Más, S.A. Grupo Financiero Ve por Más’ shares, held by Banco Popular until then, conditional upon the authorization of the Spanish Ministry of Economy, Industry and Competitiveness (currently, Ministry of Economy and Enterprise, authorization that has already been obtained) and of the Mexican Secretariat of Finance and Public Credit (already obtained as well).

On 12 September 2018, the Mexican Secretariat of Finance and Public Credit notified that it authorized Banco Santander to directly acquire Grupo Financiero Ve por Más, S.A. de C.V.’s shares, indirectly held until that date through Banco Popular.

On 27 July 2018, the General Directorate of Insurance and Pension Funds notified its non-opposition to the change in the holding chain of Banco Santander’s indirect holding on Allianz Popular Vida, Compañía de Seguros y Reaseguros, S.A.U. due to the Merger.

On 17 July 2018, the Bank of Spain notified its non-opposition to Banco Santander to directly acquire the holding on Sociedad Conjunta para la Emisión y Gestión de Medios de Pagos E.F.C., S.A. (Iberia Cards), indirectly held until that date through Banco Popular.

On 23 August 2018, the European Central Bank notified that it authorized Banco Santander to directly acquire the holding on Grupo Financiero Ve por Más, S.A. de C.V., indirectly held until that date through Banco Popular.

In connection with the merger by absorption of Banco Pastor, S.A.U. and Popular Banca Privada, S.A.U. by Banco Popular, its registration is expected for the upcoming days and, in any case, prior to the registration of the Merger.

Banco Santander and Banco Popular additionally notify that there are no authorizations pending to be obtained or waived prior to the registration of the Merger.

Boadilla del Monte / Madrid, on 20 September 2018