

MATERIAL FACT

Further to the Material Fact notifications regarding an agreement among certain shareholders, Banco Santander hereby announces that it has been formally notified that within the hereditary process following the death of Mr. Emilio Botín-Sanz de Sautuola y García de los Ríos, a total of 6,000,000 Banco Santander shares have been transferred to Ms. Paloma O'Shea y Artiñano from his not yet vested inheritance. Likewise, the information reported in due course detailing the shares contained in the syndication is as stated below:

Shares included in the syndication

The syndication involves a total of 73,732,624 shares of the Bank (0.5244% of its share capital) as per the following breakdown:

Inheritance (not yet vested) of Mr. Emilio Botín-Sanz de Sautuola y García de los Ríos	552,426
Ms. Ana Patricia Botín-Sanz de Sautuola O'Shea ⁽¹⁾	8,079,986
Ms. Paloma Botín-Sanz de Sautuola O'Shea ⁽²⁾	7,835,293
Mr. Emilio Botín-Sanz de Sautuola O'Shea ⁽³⁾	16,873,709
Ms. Carmen Botín-Sanz de Sautuola O'Shea	8,636,449
Mr. Francisco Javier Botín-Sanz de Sautuola O'Shea ⁽⁴⁾	16,288,313
PUENTEPUMAR, S.L.	0
LATIMER INVERSIONES, S.L. ⁽⁵⁾	553,508
CRONJE, S.L.U.	9,337,661
NUEVA AZIL, S.L.U.	5,575,279
TOTAL	73,732,624

(1) Indirectly 7,996,625 BS shares through Bafimar, S.L.

(2) Indirectly 6,628,291 BS shares through Bright Sky 2012, S.L.U.

(3) Indirectly 7,800,332 BS shares through Puente San Miguel, S.L.U.

(4) Indirectly 4,652,747 BS shares through Inversiones Zulú, S.L.U. and 6,794,391 BS shares through Agropecuaria El Castaño, S.L.U.

(5) The bare ownership of 553,508 shares corresponds to the Botín Foundation, but the voting rights are assigned to Latimer Inversiones, S.L. as their beneficial owner.

In all other aspects, the aforementioned syndication agreement remains unaltered.

Boadilla del Monte (Madrid), 6th February 2015