


Banco Santander, S.A. (Spain) - Mortgage Covered Bonds

Covered Bonds / Spain

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Reporting as of: 29/06/2018 All amounts in EUR (unless otherwise specified)

For information on how to read this report, see the latest [Moody's Global Covered Bond Monitoring Overview](#)

Data as provided to Moody's Investors Service (note 1)

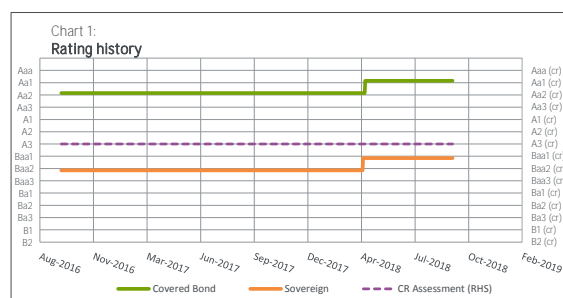
I. Programme Overview

Overview

Year of initial rating assignment:	2002	
Total outstanding liabilities:	EUR	20,319,500,000
Total assets in the Cover Pool:	EUR	51,968,765,060
Issuer name / CR Assessment:	Banco Santander S.A. / A3(cr)	
Group or parent name / CR Assessment:	n/a	
Main collateral type:	Residential	

Ratings

Covered bonds rating:	Aa1	
Entity used in Moody's EL & TPI analysis:	Banco Santander S.A. (Spain)	
CB anchor:	CR Assessment + 1 notch	
CR Assessment:	A3(cr)	
SUR:	n/a	
Unsecured claim used for Moody's EL analysis:	Yes	

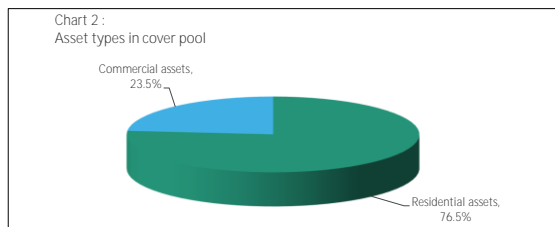


II. Value of the Cover Pool

Collateral quality		
Collateral Score:	14.3%	
Collateral Score excl. systemic risk:	n/a	

Cover Pool losses

Collateral Risk (Collateral Score post-haircut):	9.6%	31%
Market Risk:	21.3%	69%
	30.8%	(100%)



III. Over-Collateralisation Levels (notes 2 & 3)

Over-Collateralisation levels are provided on nominal basis

Current situation

Committed OC (Nominal):	25.0%
Current OC:	155.8%
OC consistent with current rating (note 4)	19.5%
Current OC based on "Cartera Elegible" collateral: 84.9%	

Sensitivity scenario CB anchor

	OC consistent with current rating
Scenario 1: CB anchor is lowered by 1 notch	25.0%

IV. Timely Payment Indicator & TPI Leeway

Timely Payment Indicator (TPI):	Probable
TPI Leeway:	2

Extract from TPI table - CB anchor is CR Assessment + 1 notch

CR Assessment	Probable
Aa3(cr)	Aaa
A1(cr)	Aaa
A2(cr)	Aaa
A3(cr)	Aaa
Baa1(cr)	Aaa
Baa2(cr)	Aa1
Baa3(cr)	Aa2
Ba1(cr)	A1

Covered bond rating capped by Spanish country ceiling of Aa1

Legal framework

Does a specific covered bond law apply for this programme:	Yes, Spain
Main country in which collateral is based:	Spain
Country in which issuer is based:	Spain

Timely payment

Refinancing period for principal payments of 6 months or greater:	No
Liquidity reserve to support timely payments on all issuances:	No

(note 1) The data reported in this PO is based on information provided by the issuer and may include certain assumptions made by Moody's. Moody's accepts no responsibility for the information provided to it and, whilst it believes the assumptions it has made are reasonable, cannot guarantee that they are or will remain accurate. Although Moody's encourages all issuers to provide reporting data in a consistent manner, there may be differences in the way that certain data is categorised by issuers. The data reporting template (which Issuers are requested to use) is available on request.

(note 2) This assumes the Covered Bonds rating is not constrained by the TPI. Also to the extent rating assumptions change following a downgrade or an upgrade of the Issuer, the necessary OC stated here may also change. This is especially significant in the case of CR assessments of A3(cr) or Baa1(cr), as the necessary OC following a 1 notch downgrade may then be substantially higher than the amount suggested here as market risks are considered more critically by Moody's at this time. In any event, the necessary OC amounts stated here are subject to change at anytime at Moody's discretion.

(note 3) This is the minimum OC calculated to be consistent with the current rating under Moody's expected loss model. However, the level of OC consistent with a given rating level may differ from this amount where ratings are capped under the TPI framework and, for example, where committee discretion is applied.

(note 4) The OC consistent with the current rating is the minimum level of over-collateralisation which is necessary to support the covered bond rating at its current level on the basis of the pool as per the cut-off date. The sensitivity run is based on certain assumptions, including that the Covered Bonds rating is not constrained by the TPI. Further, this sensitivity run is a model output only and therefore a simplification as it does not take into account certain assumptions that may change as an issuer is downgraded, and as a result the actual OC number consistent with the current rating may be higher than shown. The OC required may also differ from the model output in situations when committee discretion is applied. In any event, the OC amounts stated here are subject to change at any time at Moody's discretion.

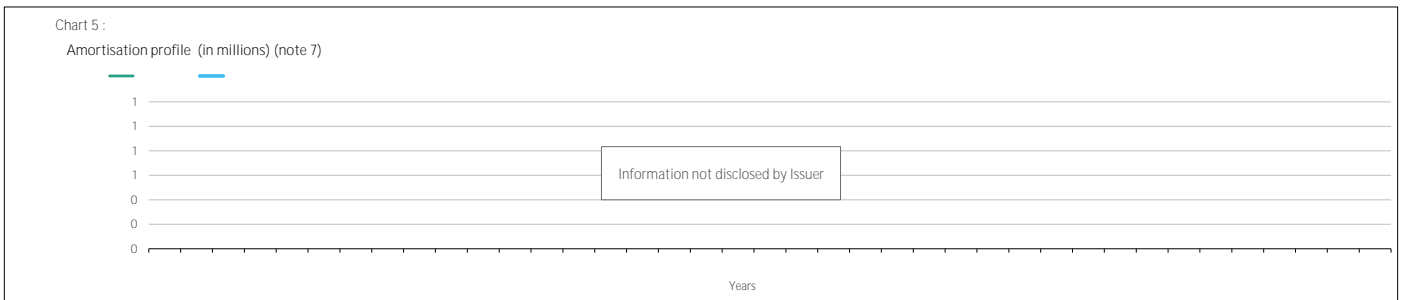
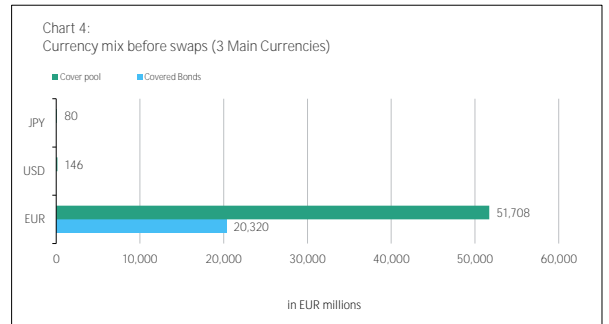
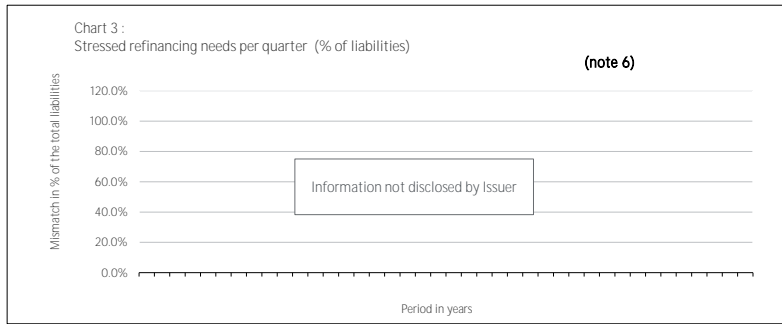
V. Asset Liability Profile

Interest Rate & Duration Mismatch (note 5)

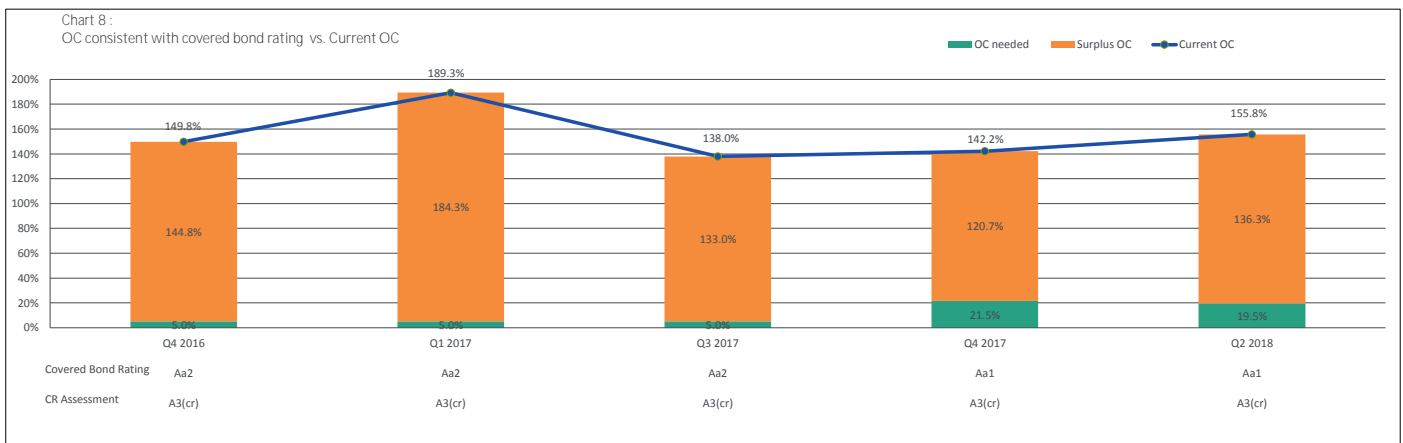
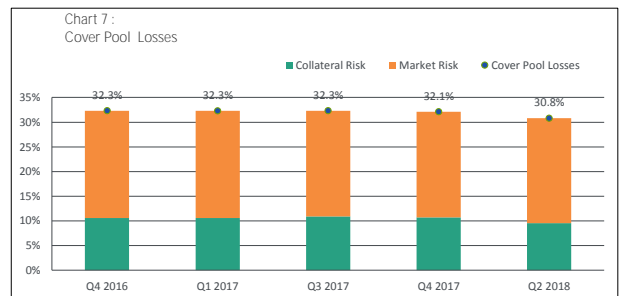
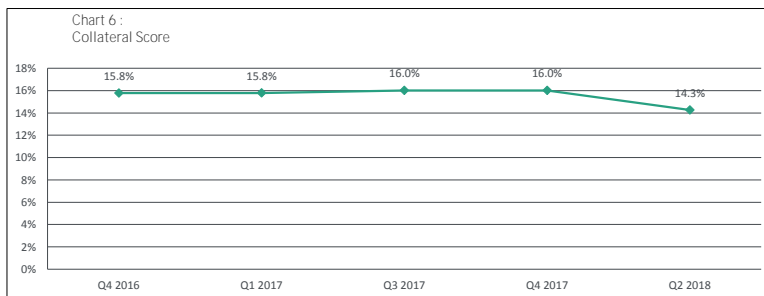
Fixed rate assets in the cover pool:	11.2%
Fixed rate covered bonds outstanding:	95.5%
WAL of outstanding covered bonds:	5.9 years
WAL of the cover pool:	0.0 years

Swap Arrangements

Interest rate swap(s) in the Cover Pool:	No
Intra-group interest rate swap(s) provider(s):	No
Currency swap(s) in the Cover Pool:	No
Intra-group currency swap(s) provider(s):	No



VI. Performance Evolution



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(note 5) This assumes no prepayment.

(note 6) Based on principal flows only. Assumptions include no prepayments, principal collections limited to the portion of assets that make up the amount of the liabilities plus committed OC, no further CB issuance and no further assets added to the cover pool.

(note 7) Assumptions include ##SwapIndicator## in place in Cover Pool, no prepayment and no further CB issuance.

VII. Cover Pool Information - Residential Assets

Overview

Asset type:	Residential
Asset balance:	39,750,990,669
Average loan balance:	78,932
Number of loans:	503,608
Number of borrowers:	n/d
Number of properties:	n/d
WA remaining term (in months):	297
WA seasoning (in months):	n/d

Details on LTV

WA unindexed LTV (*)	n/d
WA Indexed LTV:	58.3%
Valuation type:	Lending Value
LTV threshold:	n/a
Junior ranks:	n/d
Prior ranks:	n/a

Banco Santander updates periodically the property values of the cover pool.

Specific Loan and Borrower characteristics

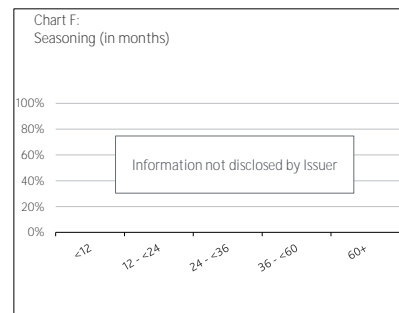
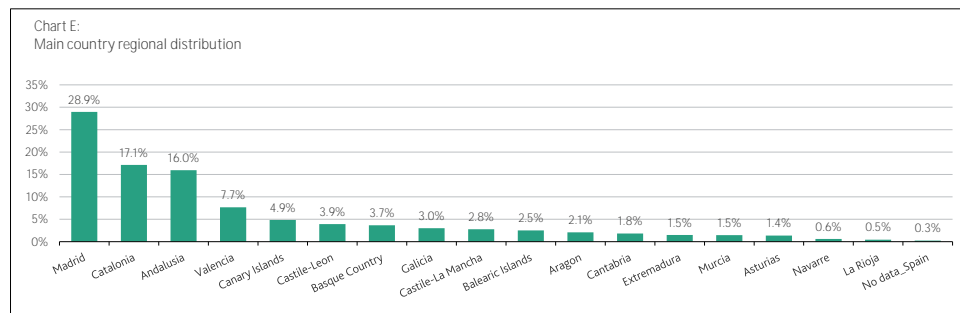
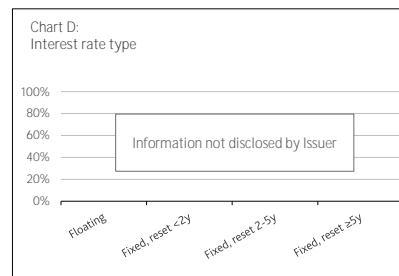
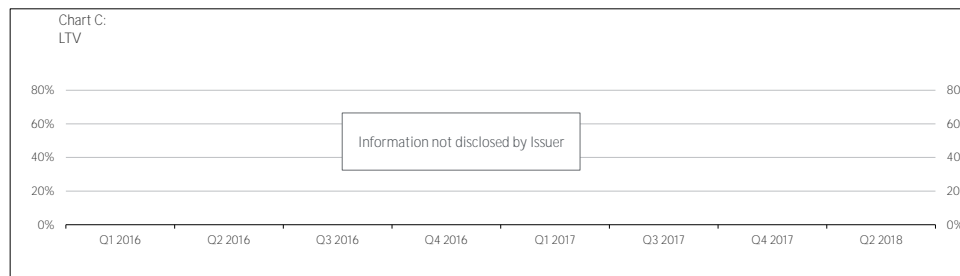
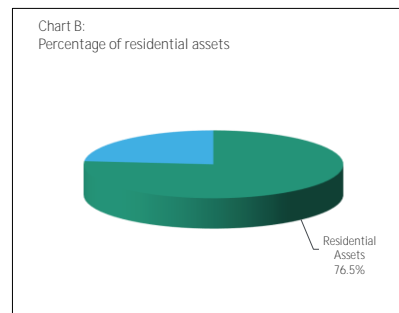
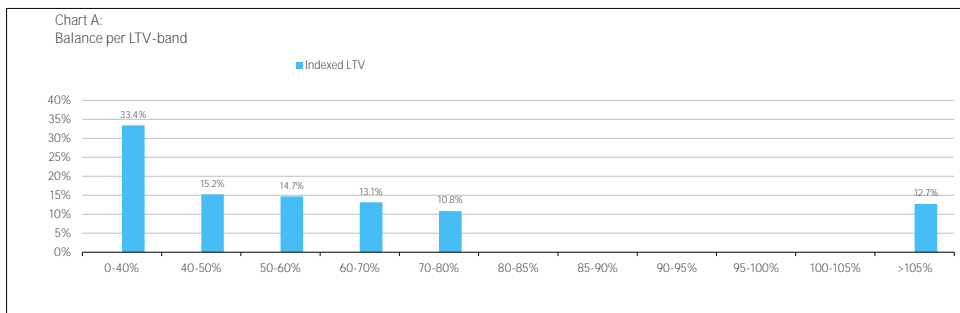
Loans with an external guarantee in addition to a mortgage:	n/a
Interest only Loans	0.0%
Loans for second homes / Vacation:	3.1%
Buy to let loans / Non owner occupied properties:	0.0%
Limited income verified:	n/d
Adverse credit characteristics (**)	0.0%

Performance

Loans in arrears (≥ 2months - < 6months):	n/d
Loans in arrears (≥ 6months - < 12months):	n/d
Loans in arrears (≥ 12months):	n/d
Loans in a foreclosure procedure:	n/d

Multi-Family Properties

Loans to tenants of tenant-owned Housing Cooperatives:	n/d
Other type of Multi-Family loans (***)	n/d



(note *) may be based on property value at time of origination or further advance or borrower refinancing.
 (note **) Typically borrowers with a previous personal bankruptcy or borrowers with record of court claims against them at time of origination.
 (note ***) This "other" type refers to loans directly to Housing Cooperatives and to Landlords of Multi-Family properties (not included in Buy to Let).

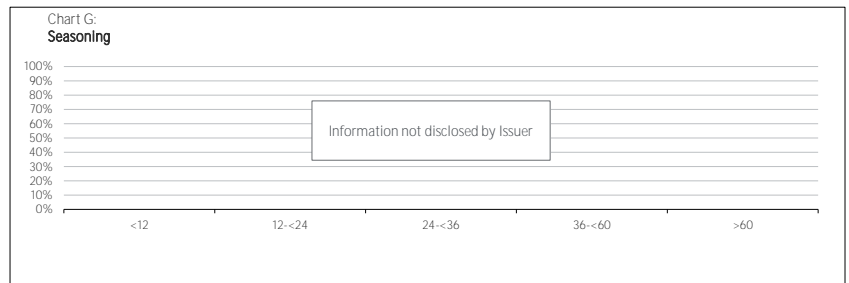
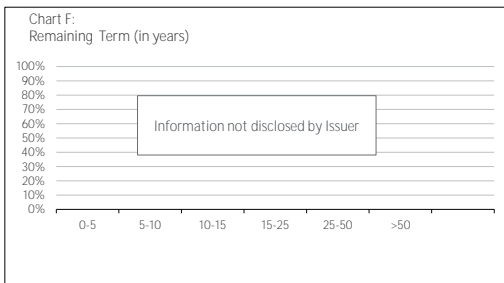
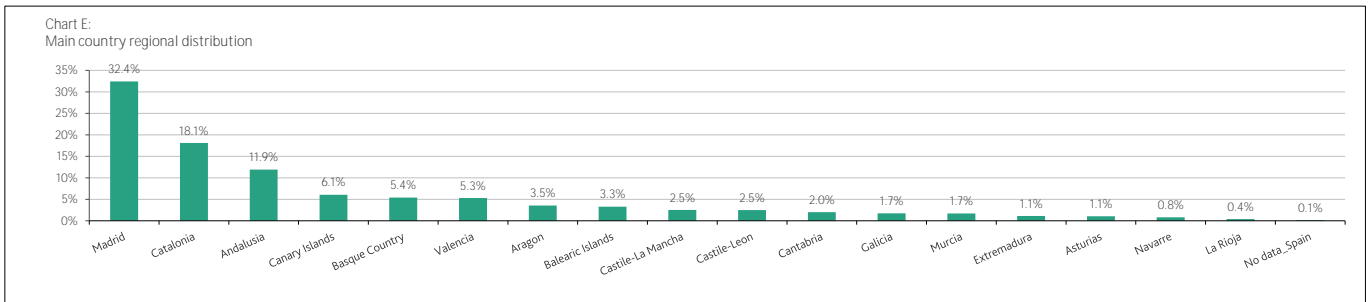
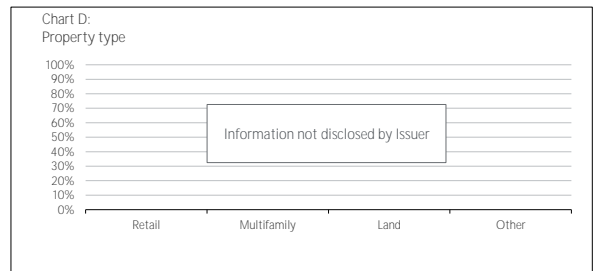
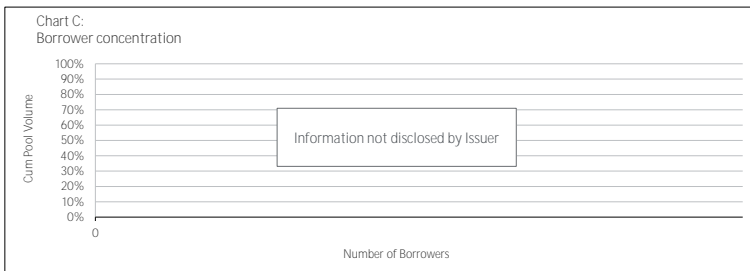
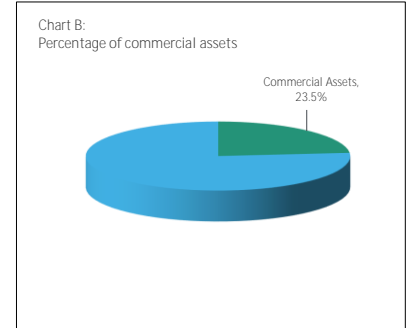
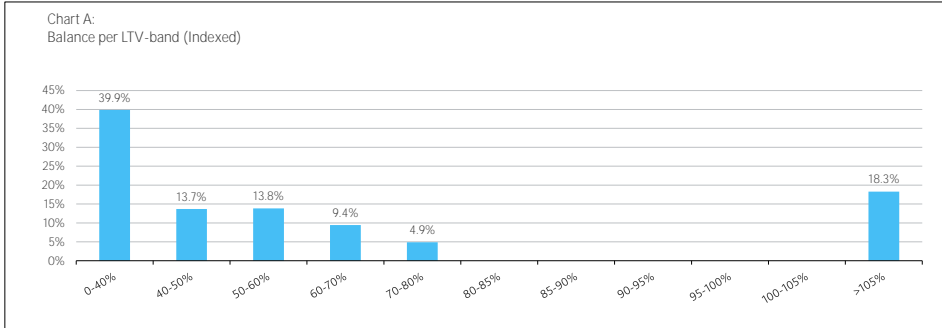
VIII. Cover Pool Information - Commercial Assets

Overview

Asset type:	Commercial
Asset balance:	12,217,774,391
Average loan balance:	396,913
Number of loans:	30,782
Number of borrowers:	n/d
Number of properties:	n/d
Largest 10 loans:	8.3%
Largest 10 borrowers:	12.0%
WA remaining term (in months):	138
WA seasoning (in months):	n/a
Main countries:	Spain (100%)

Specific Loan and Borrower characteristics

Bullet loans:	n/d
Loans in non-domestic currency:	n/d
Percentage of fixed rate loans:	n/d
Performance	
Loans in arrears ≥ 2 months:	n/d
Loans in a foreclosure procedure:	n/d
Details on LTV	
WA current LTV(*):	n/d
WA indexed LTV:	n/d
Valuation type:	Lending Value
LTV Threshold:	n/a
Junior ranks:	n/d
Prior and Equal ranks:	n/d



(note *) Based on original property valuation.

IX. Liabilities Information: Last 50 Issuances

ISIN	Series Number	Currency	Outstanding Amount	Issuance Date	Expected Maturity	Legal Final Maturity	Interest Rate Type	Coupon	Principal Payment
ES0413900517	Series 6/2017	EUR	350,000,000	26/06/2018	26/06/2023	26/06/2023	Floating rate	3m EURIBOR + 15 bps	BULLETT
ES0413900509	Series 5a	EUR	12,500,000	29/11/2017	29/11/2029	29/11/2029	Floating rate	6m EURIBOR + 16 bps	BULLETT
ES0413900491	Series 4a	EUR	2,000,000,000	26/06/2017	26/06/2022	26/06/2022	Fixed rate	0.160%	BULLETT
ES0413900475	Series 2a	EUR	350,000,000	26/06/2017	26/06/2022	26/06/2022	Fixed rate	0.130%	BULLETT
ES0413900483	Series 3a	EUR	2,000,000,000	26/06/2017	26/06/2021	26/06/2021	Fixed rate	0.030%	BULLETT
ES0413900467	Series 1a	EUR	250,000,000	20/12/2016	20/12/2021	20/12/2021	Fixed rate	0.450%	BULLETT
ES0413900442	Series 38a	EUR	150,000,000	27/06/2016	27/06/2020	27/06/2020	Floating rate	6m EURIBOR + 13 bps	BULLETT
ES0413900434	Series 37a	EUR	4,000,000,000	21/06/2016	21/06/2021	21/06/2021	Fixed rate	0.130%	BULLETT
ES0413900400	Series 35	EUR	142,000,000	24/05/2016	29/02/2036	29/02/2036	Fixed rate	2.040%	BULLETT
ES0413900400	Series 35	EUR	100,000,000	05/05/2016	29/02/2036	29/02/2036	Fixed rate	2.040%	BULLETT
ES0413900400	Series 35	EUR	107,000,000	28/04/2016	29/02/2036	29/02/2036	Fixed rate	2.040%	BULLETT
ES0413900400	Series 35	EUR	165,000,000	18/04/2016	29/02/2036	29/02/2036	Fixed rate	2.040%	BULLETT
ES0413900418	Series 36	EUR	100,000,000	22/03/2016	22/03/2028	22/03/2028	Fixed rate	1.520%	BULLETT
ES0413900400	Series 35	EUR	393,000,000	29/02/2016	29/02/2036	29/02/2036	Fixed rate	2.040%	BULLETT
ES0413900392	Series 34	EUR	1,000,000,000	25/01/2016	25/01/2026	25/01/2026	Fixed rate	1.500%	BULLETT
ES0413900384	Series 33	EUR	1,000,000,000	09/09/2015	09/09/2022	09/09/2022	Fixed rate	0.750%	BULLETT
ES0413900376	Series 32a	EUR	1,250,000,000	27/11/2014	27/11/2034	27/11/2034	Fixed rate	2.000%	BULLETT
ES0413900368	Series 31a	EUR	1,750,000,000	27/11/2014	27/11/2024	27/11/2024	Fixed rate	1.130%	BULLETT
ES0413900293	28	EUR	100,000,000	25/06/2012	25/06/2020	25/06/2020	Floating rate	3m EURIBOR + 320 bps	BULLETT
ES0413440282	-	EUR	500,000,000	14/06/2012	14/12/2018	14/12/2018	Fixed rate	4.500%	BULLETT
ES0413900236	23	EUR	100,000,000	11/02/2011	11/02/2019	11/02/2019	Floating rate	3m EURIBOR + 210 bps	BULLETT
ES0413900194	Series 19	EUR	100,000,000	08/01/2010	08/01/2022	08/01/2022	Floating rate	3m EURIBOR - 4.4 bps	BULLETT
-	-	EUR	100,000,000	02/08/2007	02/08/2019	02/08/2019	Floating rate	n/d	BULLETT
-	-	EUR	300,000,000	20/07/2007	20/07/2022	20/07/2022	Fixed rate	5.130%	BULLETT
ES0413900160	-	EUR	1,500,000,000	04/05/2007	04/05/2027	04/05/2027	Fixed rate	4.630%	BULLETT
ES0413900129	-	EUR	1,500,000,000	06/02/2006	06/02/2026	06/02/2026	Fixed rate	3.880%	BULLETT
ES0413900087	-	EUR	1,000,000,000	07/04/2005	07/04/2020	07/04/2020	Fixed rate	4.000%	BULLETT

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