

Corporate Action Notice

July 14, 2017

Cash Distribution Resulting from the Sale of Rights - **REVISED**

Banco Santander S.A.
DR CUSIP: 05964H105
DR ISIN: US05964H1059
DR Ticker Symbol: SAN
Ratio (DRs: Underlying Shares): 1:1

Banco Santander S.A. announced a distribution of Rights to its Ordinary shareholders. The Rights will be allocated as follows: one (1) Right will be issued for every one (1) Ordinary share held as of the local record date of July 7, 2017.

BNY Mellon will attempt to sell the rights in the local market. The proceeds from the sale of the rights, if any such proceeds are received, will be distributed to the Depositary Receipt ("DR") holders of Banco Santander S.A. net of withholding tax and net of fees. Spanish residents are subject to a Spanish withholding tax rate of 19%. DR holders will be advised of DTC's disclosure election procedure that will allow them to confirm if they are Spanish residents subject to the 19% Spanish tax withholding.

BNY Mellon requests to establish **July 20, 2017** as the DR record date. The payable date and cash distribution rate will be announced at a later date.

Foreign Exchange Rate: TBD
DR Payment Date: TBD

Gross Rate per DS	Spanish Tax Withholding rate per DS	Spanish Tax Withholding per DS	Depositary's Fee	Net Rate Per DS
TBD	0%	TBD	TBD	TBD
TBD	19%	TBD	TBD	TBD

Effective July 10, 2017, each Depositary Share ("DS") of Banco Santander will represent one (1) Share and one (1) Right. From July 10, 2017 through July 13, 2017, issuance and cancellation transactions of Banco Santander DRs will require the deposit or delivery, respectively, of both Shares and Rights. BNY Mellon's books will be closed for all issuance and cancellation transactions as of the close of business July 13, 2017. Accordingly, any Banco Santander DR holder wishing to obtain delivery of Rights must cancel such DR prior to the close of business on July 13, 2017.

The Banco Santander S.A. Rights Offering is being made pursuant to the Company's effective shelf registration statement on Form F-3 on file with the U.S. Securities and Exchange Commission (the "SEC"), including the base prospectus, dated June 22, 2017, included therein and a prospectus supplement filed with the SEC on the date hereof (collectively, the "Prospectus"). The Prospectus for the Rights Offering is available by contacting the information agent, D.F. King & Co., Inc., or by visiting the Company's website for the Rights Offering at www.santander.com. The Prospectus is also available by visiting the EDGAR system of the SEC at its website at www.sec.gov/edgar.shtml.

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To learn more about Depositary Receipts and issuer programs, please contact our marketing desks:

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