



MATERIAL FACT

Banco Santander, S.A. hereby announces that it has received formal notification from the Bank of Spain of its binding minimum requirement for own funds and eligible liabilities ("MREL") for the Resolution Group of Banco Santander, S.A. at a sub-consolidated level, as determined by the Single Resolution Board (SRB).

This MREL requirement has been set at EUR 114,482.84 million, which as a reference of this resolution group's risk weighted assets at 31 December 2016 would be 24.35%, and must be met by 1 January 2020.

The MREL requirement is in line with our expectations, and consistent with our funding plans. As of today, the aforementioned resolution group already complies with the MREL requirement. Future requirements will be subject to ongoing regulatory review.

Boadilla del Monte (Madrid), 24 May 2018