

## Key consolidated data

			Variation		2015
	1H '16	1H '15	Amount	%	
<b>Balance sheet (€ million)</b>					
Total assets	1,342,906	1,339,376	3,530	0.3	1,340,260
Net customer loans	783,457	799,233	(15,776)	(2.0)	790,848
Customer deposits	671,903	687,918	(16,015)	(2.3)	683,142
Managed and marketed customer funds	1,077,369	1,082,946	(5,577)	(0.5)	1,075,563
Total equity	100,346	101,952	(1,606)	(1.6)	98,753
Total managed and marketed funds	1,517,386	1,514,136	3,250	0.2	1,506,520
<b>Underlying income statement* (€ million)</b>					
Net interest income	15,194	16,319	(1,125)	(6.9)	32,189
Gross income	21,660	23,062	(1,403)	(6.1)	45,272
Net operating income	11,275	12,256	(981)	(8.0)	23,702
Underlying profit before taxes	5,685	5,988	(303)	(5.1)	10,939
Underlying attributable profit to the Group	3,280	3,426	(147)	(4.3)	6,566

(\*) - Currency-neutral basis

Net interest income: +3.0%; Gross income: +3.6%; Net operating income: +2.2%; Attributable profit: +8.9%

## Underlying EPS, profitability and efficiency (%)

EPS (euro)	0.22	0.24	(0.02)	(8.4)	0.45
RoE	7.45	7.51			7.23
RoTE	11.10	11.46			10.99
RoA	0.59	0.61			0.58
RoRWA	1.35	1.36			1.30
Efficiency ratio (with amortisations)	47.9	46.9			47.6

## Solvency and NPL ratios (%)

CET1 fully-loaded	10.36	9.83			10.05
CET1 phase-in	12.32	12.38			12.55
NPL ratio	4.29	4.64			4.36
Coverage ratio	72.5	70.1			73.1

## Market capitalisation and shares

Shares (millions)	14,434	14,317	118	0.8	14,434
Share price (euros)	3.429	6.264	(2.835)	(45.3)	4.558
Market capitalisation (€ million)	49,496	89,679	(40,184)	(44.8)	65,792
Tangible book value (euro)	4.13	4.18			4.07
Price / Tangible book value (X)	0.83	1.50			1.12
P/E ratio (X)	7.93	13.27			10.23

## Other data

Number of shareholders	3,794,920	3,203,349	591,571	18.5	3,573,277
Number of employees	191,138	190,262	876	0.5	193,863
Number of branches	12,589	12,910	(321)	(2.5)	13,030

## Information on total profit \*\*

Attributable profit to the Group (€ million)	2,911	4,261	(1,350)	(31.7)	5,966
EPS (euro)	0.19	0.30	(0.11)	(35.6)	0.40
RoE	7.03	8.42			6.57
RoTE	10.48	12.86			9.99
RoA	0.56	0.68			0.54
RoRWA	1.29	1.51			1.20
P/E ratio (X)	8.99	10.58			11.30

(\*) - Excluding non-recurring net capital gains and provisions (1H'16: -€368 million; 1H'15: €835 million; 2015: -€600 million)

(\*\*) - Including non-recurring net capital gains and provisions (1H'16: -€368 million; 1H'15: €835 million; 2015: -€600 million)

Note: The financial information in this report was approved by the Board of Directors at its meeting on July, 25 2016, following a favourable report from the Audit Committee on July, 20 2016.

## Income statement

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Net interest income</b>	<b>15,194</b>	<b>16,319</b>	<b>(1,125)</b>	<b>(6.9)</b>
Net fee income	4,946	5,110	(164)	(3.2)
Gains (losses) on financial transactions	870	1,068	(197)	(18.5)
Other operating income	649	565	84	14.8
Dividends	253	273	(20)	(7.4)
Income from equity-accounted method	195	200	(5)	(2.4)
Other operating income/expenses	201	93	109	117.5
<b>Gross income</b>	<b>21,660</b>	<b>23,062</b>	<b>(1,403)</b>	<b>(6.1)</b>
Operating expenses	(10,384)	(10,806)	422	(3.9)
General administrative expenses	(9,204)	(9,611)	407	(4.2)
<i>Personnel</i>	<i>(5,395)</i>	<i>(5,591)</i>	<i>196</i>	<i>(3.5)</i>
<i>Other general administrative expenses</i>	<i>(3,809)</i>	<i>(4,020)</i>	<i>211</i>	<i>(5.2)</i>
Depreciation and amortisation	(1,181)	(1,196)	15	(1.2)
<b>Net operating income</b>	<b>11,275</b>	<b>12,256</b>	<b>(981)</b>	<b>(8.0)</b>
Net loan-loss provisions	(4,613)	(5,071)	458	(9.0)
Impairment losses on other assets	(72)	(138)	65	(47.5)
Other income	(905)	(1,059)	155	(14.6)
<b>Underlying profit before taxes</b>	<b>5,685</b>	<b>5,988</b>	<b>(303)</b>	<b>(5.1)</b>
Tax on profit	(1,780)	(1,862)	82	(4.4)
<b>Underlying profit from continuing operations</b>	<b>3,906</b>	<b>4,126</b>	<b>(221)</b>	<b>(5.3)</b>
Net profit from discontinued operations	0	0	0	—
<b>Underlying consolidated profit</b>	<b>3,906</b>	<b>4,126</b>	<b>(220)</b>	<b>(5.3)</b>
Minority interests	626	700	(74)	(10.5)
<b>Underlying attributable profit to the Group</b>	<b>3,280</b>	<b>3,426</b>	<b>(147)</b>	<b>(4.3)</b>
Net capital gains and provisions*	(368)	835	(1,203)	—
<b>Attributable profit to the Group</b>	<b>2,911</b>	<b>4,261</b>	<b>(1,350)</b>	<b>(31.7)</b>
<b>Underlying EPS (euros)</b>	<b>0.22</b>	<b>0.24</b>	<b>(0.02)</b>	<b>(8.4)</b>
<b>Underlying diluted EPS (euros)</b>	<b>0.22</b>	<b>0.24</b>	<b>(0.02)</b>	<b>(8.5)</b>
<b>EPS (euros)</b>	<b>0.19</b>	<b>0.30</b>	<b>(0.11)</b>	<b>(35.6)</b>
<b>Diluted EPS (euros)</b>	<b>0.19</b>	<b>0.30</b>	<b>(0.11)</b>	<b>(35.7)</b>
Pro memoria:				
Average total assets	1,334,860	1,343,637	(8,777)	(0.7)
Average stockholders' equity	88,100	91,303	(3,203)	(3.5)

(\*) - In 1H'16, capital gains from the disposal of the stake in Visa Europe (€227 million), restructuring costs (-€475 million) and contribution to the SRF (-€120 million). In 1H'15, net result of the reversal of tax liabilities in Brazil (€835 million).

## Quarterly income statement

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Net interest income</b>	<b>8,038</b>	<b>8,281</b>	<b>7,983</b>	<b>7,888</b>	<b>7,624</b>	<b>7,570</b>
Net fee income	2,524	2,586	2,474	2,448	2,397	2,549
Gains (losses) on financial transactions	695	372	634	684	504	366
Other operating income	186	379	225	(126)	204	445
Dividends	33	239	75	107	44	209
Income from equity-accounted method	99	101	93	82	83	112
Other operating income/expenses	53	39	57	(315)	78	124
<b>Gross income</b>	<b>11,444</b>	<b>11,618</b>	<b>11,316</b>	<b>10,894</b>	<b>10,730</b>	<b>10,929</b>
Operating expenses	(5,377)	(5,429)	(5,342)	(5,422)	(5,158)	(5,227)
General administrative expenses	(4,785)	(4,826)	(4,731)	(4,810)	(4,572)	(4,632)
<i>Personnel</i>	<i>(2,755)</i>	<i>(2,836)</i>	<i>(2,717)</i>	<i>(2,799)</i>	<i>(2,683)</i>	<i>(2,712)</i>
<i>Other general administrative expenses</i>	<i>(2,030)</i>	<i>(1,989)</i>	<i>(2,015)</i>	<i>(2,011)</i>	<i>(1,889)</i>	<i>(1,920)</i>
Depreciation and amortisation	(592)	(603)	(611)	(612)	(586)	(595)
<b>Net operating income</b>	<b>6,067</b>	<b>6,189</b>	<b>5,974</b>	<b>5,472</b>	<b>5,572</b>	<b>5,703</b>
Net loan-loss provisions	(2,563)	(2,508)	(2,479)	(2,558)	(2,408)	(2,205)
Impairment losses on other assets	(60)	(78)	(110)	(215)	(44)	(29)
Other income	(454)	(605)	(606)	(526)	(389)	(515)
<b>Underlying profit before taxes</b>	<b>2,990</b>	<b>2,998</b>	<b>2,778</b>	<b>2,173</b>	<b>2,732</b>	<b>2,954</b>
Tax on profit	(922)	(939)	(787)	(471)	(810)	(970)
<b>Underlying profit from continuing operations</b>	<b>2,067</b>	<b>2,059</b>	<b>1,991</b>	<b>1,702</b>	<b>1,922</b>	<b>1,984</b>
Net profit from discontinued operations	0	0	(0)	—	—	0
<b>Underlying consolidated profit</b>	<b>2,067</b>	<b>2,059</b>	<b>1,991</b>	<b>1,702</b>	<b>1,922</b>	<b>1,984</b>
Minority interests	350	350	311	242	288	338
<b>Underlying attributable profit to the Group</b>	<b>1,717</b>	<b>1,709</b>	<b>1,680</b>	<b>1,460</b>	<b>1,633</b>	<b>1,646</b>
Net capital gains and provisions*	—	835	—	(1,435)	—	(368)
<b>Attributable profit to the Group</b>	<b>1,717</b>	<b>2,544</b>	<b>1,680</b>	<b>25</b>	<b>1,633</b>	<b>1,278</b>
<b>Underlying EPS (euros)</b>	<b>0.12</b>	<b>0.12</b>	<b>0.11</b>	<b>0.10</b>	<b>0.11</b>	<b>0.11</b>
<b>Underlying diluted EPS (euros)</b>	<b>0.12</b>	<b>0.12</b>	<b>0.11</b>	<b>0.10</b>	<b>0.11</b>	<b>0.11</b>
<b>EPS (euros)</b>	<b>0.12</b>	<b>0.18</b>	<b>0.11</b>	<b>(0.01)</b>	<b>0.11</b>	<b>0.08</b>
<b>Diluted EPS (euros)</b>	<b>0.12</b>	<b>0.17</b>	<b>0.11</b>	<b>(0.01)</b>	<b>0.11</b>	<b>0.08</b>

(\*) - Including

– In 2Q'16, capital gains from the disposal of the stake in Visa Europe (€227 million), restructuring costs (-€475 million) and contribution to the Single Resolution Fund (-€120 million).

– In 4Q'15, Banif's badwill in Portugal (€283 million), PPI (-€600 million), impairment of intangible assets (-€683 million) and goodwill and other assets (-€435 million)

– In 2Q'15, net result of the reversal of tax liabilities in Brazil (€835 million).

## Income statement

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Net interest income</b>	<b>15,194</b>	<b>14,752</b>	<b>442</b>	<b>3.0</b>
Net fee income	4,946	4,593	353	7.7
Gains (losses) on financial transactions	870	993	(122)	(12.3)
Other operating income	649	562	88	15.6
Dividends	253	265	(12)	(4.6)
Income from equity-accounted method	195	170	25	14.7
Other operating income/expenses	201	126	75	59.2
<b>Gross income</b>	<b>21,660</b>	<b>20,899</b>	<b>760</b>	<b>3.6</b>
Operating expenses	(10,384)	(9,867)	(518)	5.2
General administrative expenses	(9,204)	(8,754)	(450)	5.1
<i>Personnel</i>	(5,395)	(5,129)	(266)	5.2
<i>Other general administrative expenses</i>	(3,809)	(3,625)	(184)	5.1
Depreciation and amortisation	(1,181)	(1,113)	(68)	6.1
<b>Net operating income</b>	<b>11,275</b>	<b>11,032</b>	<b>243</b>	<b>2.2</b>
Net loan-loss provisions	(4,613)	(4,602)	(11)	0.2
Impairment losses on other assets	(72)	(134)	62	(46.1)
Other income	(905)	(960)	55	(5.8)
<b>Underlying profit before taxes</b>	<b>5,685</b>	<b>5,337</b>	<b>348</b>	<b>6.5</b>
Tax on profit	(1,780)	(1,681)	(99)	5.9
<b>Underlying profit from continuing operations</b>	<b>3,906</b>	<b>3,656</b>	<b>249</b>	<b>6.8</b>
Net profit from discontinued operations	0	0	0	—
<b>Underlying consolidated profit</b>	<b>3,906</b>	<b>3,656</b>	<b>250</b>	<b>6.8</b>
Minority interests	626	645	(19)	(2.9)
<b>Underlying attributable profit to the Group</b>	<b>3,280</b>	<b>3,011</b>	<b>269</b>	<b>8.9</b>
Net capital gains and provisions*	(368)	835	(1,203)	—
<b>Attributable profit to the Group</b>	<b>2,911</b>	<b>3,846</b>	<b>(935)</b>	<b>(24.3)</b>

(\*) - In 1H'16, capital gains from the disposal of the stake in Visa Europe (€227 million), restructuring costs (-€475 million) and contribution to the SRF (-€120 million). In 1H'15, net result of the reversal of tax liabilities in Brazil (€835 million).

## Quarterly income statement

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Net interest income</b>	<b>7,248</b>	<b>7,504</b>	<b>7,602</b>	<b>7,651</b>	<b>7,665</b>	<b>7,529</b>
Net fee income	2,260	2,333	2,337	2,359	2,413	2,533
Gains (losses) on financial transactions	660	333	615	667	503	367
Other operating income	188	374	222	(118)	204	446
Dividends	33	232	73	107	44	209
Income from equity-accounted method	84	87	86	79	84	112
Other operating income/expenses	72	55	63	(304)	76	125
<b>Gross income</b>	<b>10,356</b>	<b>10,543</b>	<b>10,776</b>	<b>10,559</b>	<b>10,784</b>	<b>10,875</b>
Operating expenses	(4,901)	(4,966)	(5,087)	(5,239)	(5,177)	(5,208)
General administrative expenses	(4,351)	(4,403)	(4,496)	(4,644)	(4,589)	(4,615)
<i>Personnel</i>	<i>(2,523)</i>	<i>(2,606)</i>	<i>(2,592)</i>	<i>(2,712)</i>	<i>(2,692)</i>	<i>(2,703)</i>
<i>Other general administrative expenses</i>	<i>(1,827)</i>	<i>(1,798)</i>	<i>(1,904)</i>	<i>(1,932)</i>	<i>(1,897)</i>	<i>(1,912)</i>
Depreciation and amortisation	(550)	(563)	(591)	(595)	(588)	(593)
<b>Net operating income</b>	<b>5,455</b>	<b>5,577</b>	<b>5,689</b>	<b>5,321</b>	<b>5,607</b>	<b>5,668</b>
Net loan-loss provisions	(2,320)	(2,282)	(2,382)	(2,499)	(2,427)	(2,187)
Impairment losses on other assets	(59)	(75)	(101)	(210)	(44)	(28)
Other income	(406)	(554)	(586)	(533)	(395)	(510)
<b>Underlying profit before taxes</b>	<b>2,671</b>	<b>2,666</b>	<b>2,620</b>	<b>2,078</b>	<b>2,742</b>	<b>2,943</b>
Tax on profit	(830)	(851)	(759)	(455)	(812)	(968)
<b>Underlying profit from continuing operations</b>	<b>1,841</b>	<b>1,815</b>	<b>1,861</b>	<b>1,623</b>	<b>1,930</b>	<b>1,976</b>
Net profit from discontinued operations	0	0	(0)	—	—	0
<b>Underlying consolidated profit</b>	<b>1,841</b>	<b>1,815</b>	<b>1,861</b>	<b>1,623</b>	<b>1,930</b>	<b>1,976</b>
Minority interests	325	320	300	238	289	338
<b>Underlying attributable profit to the Group</b>	<b>1,516</b>	<b>1,495</b>	<b>1,562</b>	<b>1,385</b>	<b>1,641</b>	<b>1,638</b>
Net capital gains and provisions*	—	835	—	(1,435)	—	(368)
<b>Attributable profit to the Group</b>	<b>1,516</b>	<b>2,330</b>	<b>1,562</b>	<b>(50)</b>	<b>1,641</b>	<b>1,270</b>

(\*)- Including

– In 2Q'16, capital gains from the disposal of the stake in Visa Europe (€227 million), restructuring costs (-€475 million) and contribution to the Single Resolution Fund (-€120 million).

– In 4Q'15, Banif's goodwill in Portugal (€283 million), PPI (-€600 million), impairment of intangible assets (-€683 million) and goodwill and other assets (-€435 million)

– In 2Q'15, net result of the reversal of tax liabilities in Brazil (€835 million).

**Exchange rates: 1 euro / currency parity**

	Average		Period-end		
	1H '16	1H '15	30.06.16	31.12.15	30.06.15
US\$	1.116	1.115	1.110	1.089	1.119
Pound sterling	0.778	0.732	0.827	0.734	0.711
Brazilian real	4.118	3.303	3.590	4.312	3.470
Mexican peso	20.151	16.875	20.635	18.915	17.533
Chilean peso	768.760	692.314	736.795	773.772	714.798
Argentine peso	15.968	9.831	16.612	14.140	10.168
Polish zloty	4.367	4.139	4.436	4.264	4.191

**Net fee income**

€ million

	1H '16	1H '15	Variation	
			Amount	%
Fees from services	2,998	3,056	(58)	(1.9)
Mutual & pension funds	372	439	(67)	(15.4)
Securities and custody	450	493	(43)	(8.7)
Insurance	1,126	1,122	4	0.3
<b>Net fee income</b>	<b>4,946</b>	<b>5,110</b>	<b>(164)</b>	<b>(3.2)</b>

## Operating expenses

€ million

	1H '16	1H '15	Variation	
			Amount	%
Personnel expenses	5,395	5,591	(196)	(3.5)
General expenses	3,809	4,020	(211)	(5.2)
Information technology	550	561	(11)	(2.0)
Communications	255	250	5	1.9
Advertising	304	330	(26)	(7.9)
Buildings and premises	867	936	(68)	(7.3)
Printed and office material	69	81	(12)	(15.1)
Taxes (other than profit tax)	232	263	(32)	(12.0)
Other expenses	1,533	1,599	(66)	(4.1)
<b>Personnel and general expenses</b>	<b>9,204</b>	<b>9,611</b>	<b>(407)</b>	<b>(4.2)</b>
Depreciation and amortisation	1,181	1,196	(15)	(1.2)
<b>Total operating expenses</b>	<b>10,384</b>	<b>10,806</b>	<b>(422)</b>	<b>(3.9)</b>





## Net loan-loss provisions

€ million

	1H '16	1H '15	Variation	
			Amount	%
Non performing loans	5,369	5,833	(465)	(8.0)
Country-risk	(3)	18	(20)	—
Recovery of written-off assets	(753)	(780)	27	(3.5)
<b>Total</b>	<b>4,613</b>	<b>5,071</b>	<b>(458)</b>	<b>(9.0)</b>

## Balance sheet

€ million

			Variation		31.12.15
	30.06.16	30.06.15	Amount	%	
<b>Assets</b>					
Cash, cash balances at central banks and other demand deposits	65,368	68,967	(3,599)	(5.2)	77,751
Financial assets held for trading	157,497	150,221	7,276	4.8	146,346
Debt securities	45,077	51,152	(6,075)	(11.9)	43,964
Equity instruments	14,237	18,272	(4,035)	(22.1)	18,225
Customer loans	8,747	5,789	2,958	51.1	6,081
Loans and advances to central banks and credit institutions	2,161	2,451	(290)	(11.8)	1,352
Derivatives	87,275	72,557	14,718	20.3	76,724
Financial assets designated at fair value	42,846	37,245	5,601	15.0	45,043
Customer loans	13,928	11,307	2,621	23.2	14,293
Loans and advances to central banks and credit institutions	24,810	21,086	3,724	17.7	26,403
Other (debt securities an equity instruments)	4,108	4,852	(744)	(15.3)	4,347
Financial assets available-for-sale	116,385	129,035	(12,650)	(9.8)	122,036
Debt securities	111,672	123,988	(12,316)	(9.9)	117,187
Equity instruments	4,713	5,047	(334)	(6.6)	4,849
Loans and receivables	842,878	844,907	(2,029)	(0.2)	836,156
Debt securities	13,672	6,846	6,826	99.7	10,907
Customer loans	760,781	782,137	(21,356)	(2.7)	770,474
Loans and advances to central banks and credit institutions	68,425	55,924	12,501	22.4	54,775
Investments held-to-maturity	4,820	—	4,820	—	4,355
Investments in subsidiaries, joint ventures and associates	3,411	3,559	(148)	(4.2)	3,251
Tangible assets	26,314	24,054	2,260	9.4	25,320
Intangible assets	29,146	31,652	(2,506)	(7.9)	29,430
<i>o/w: goodwill</i>	26,541	28,594	(2,053)	(7.2)	26,960
Other assets	54,241	49,736	4,505	9.1	50,572
<b>Total assets</b>	<b>1,342,906</b>	<b>1,339,376</b>	<b>3,530</b>	<b>0.3</b>	<b>1,340,260</b>
<b>Liabilities and shareholders' equity</b>					
Financial liabilities held for trading	118,582	107,888	10,694	9.9	105,218
Customer deposits	8,755	7,635	1,120	14.7	9,187
Debt securities issued	—	—	—	—	—
Deposits by central banks and credit institutions	960	6,226	(5,266)	(84.6)	2,255
Derivatives	87,254	73,750	13,504	18.3	76,414
Other	21,613	20,277	1,336	6.6	17,362
Financial liabilities designated at fair value	48,548	55,364	(6,816)	(12.3)	54,768
Customer deposits	25,425	31,756	(6,331)	(19.9)	26,357
Debt securities issued	2,995	4,024	(1,029)	(25.6)	3,373
Deposits by central banks and credit institutions	20,127	19,583	544	2.8	25,037
Other	1	1	—	—	1
Financial liabilities at amortised cost	1,031,650	1,029,054	2,596	0.3	1,039,343
Customer deposits	637,723	648,526	(10,803)	(1.7)	647,598
Debt securities issued	227,991	216,244	11,747	5.4	222,787
Deposits by central banks and credit institutions	138,366	138,891	(525)	(0.4)	148,081
Other	27,570	25,393	2,177	8.6	20,877
Liabilities under insurance contracts	644	648	(4)	(0.6)	627
Provisions	15,174	15,470	(296)	(1.9)	14,494
Other liabilities	27,962	29,000	(1,038)	(3.6)	27,057
<b>Total liabilities</b>	<b>1,242,560</b>	<b>1,237,424</b>	<b>5,136</b>	<b>0.4</b>	<b>1,241,507</b>
Shareholders' equity	103,637	101,904	1,733	1.7	102,402
Capital stock	7,217	7,158	59	0.8	7,217
Reserves	94,303	91,201	3,102	3.4	90,765
Attributable profit to the Group	2,911	4,261	(1,350)	(31.7)	5,966
Less: dividends	(794)	(716)	(78)	10.9	(1,546)
Other accumulated results	(15,027)	(10,407)	(4,620)	44.4	(14,362)
Minority interests	11,736	10,455	1,281	12.3	10,713
<b>Total equity</b>	<b>100,346</b>	<b>101,952</b>	<b>(1,606)</b>	<b>(1.6)</b>	<b>98,753</b>
<b>Total liabilities and equity</b>	<b>1,342,906</b>	<b>1,339,376</b>	<b>3,530</b>	<b>0.3</b>	<b>1,340,260</b>

NOTE: On November 19, 2015 Circular 5 of October 28 of the National Securities Market Commission was published. This modified Circular 1 of January 30, 2008, on the regular information of issuers with securities traded on regulated markets in their half-yearly financial reports, intermediate management declarations and, where appropriate, quarterly financial reports. This Circular modified the structure and presentation of certain items of financial statements, without such changes being significant. The information drawn up for 2015 has been restated under these criteria so that comparisons can be made.

## Balance sheet

€ million

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Assets</b>						
Cash, cash balances at central banks and other demand deposits	69,187	68,967	69,713	77,751	67,545	65,368
Financial assets held for trading	167,767	150,221	148,984	146,346	151,550	157,497
Debt securities	53,564	51,152	43,882	43,964	50,060	45,077
Equity instruments	15,412	18,272	15,257	18,225	14,584	14,237
Customer loans	5,726	5,789	8,235	6,081	6,866	8,747
Loans and advances to central banks and credit institutions	3,760	2,451	1,185	1,352	3,397	2,161
Derivatives	89,305	72,557	80,425	76,724	76,643	87,275
Financial assets designated at fair value	48,892	37,245	52,110	45,043	48,771	42,846
Customer loans	10,201	11,307	12,320	14,293	13,884	13,928
Loans and advances to central banks and credit institutions	33,496	21,086	35,306	26,403	30,714	24,810
Other (debt securities an equity instruments)	5,195	4,852	4,484	4,347	4,173	4,108
Financial assets available-for-sale	124,536	129,035	117,835	122,036	118,298	116,385
Debt securities	118,974	123,988	112,965	117,187	113,656	111,672
Equity instruments	5,562	5,047	4,870	4,849	4,642	4,713
Loans and receivables	847,383	844,907	818,712	836,156	824,174	842,878
Debt securities	7,250	6,846	9,788	10,907	12,487	13,672
Customer loans	778,038	782,137	756,465	770,474	752,702	760,781
Loans and advances to central banks and credit institutions	62,096	55,924	52,460	54,775	58,985	68,425
Investments held-to-maturity	—	—	4,405	4,355	4,566	4,820
Investments in subsidiaries, joint ventures and associates	3,564	3,559	3,278	3,251	3,350	3,411
Tangible assets	24,199	24,054	24,188	25,320	25,465	26,314
Intangible assets	31,706	31,652	29,854	29,430	28,693	29,146
<i>a/w: goodwill</i>	28,667	28,594	26,777	26,960	26,209	26,541
Other assets	52,455	49,736	51,349	50,572	51,788	54,241
<b>Total assets</b>	<b>1,369,689</b>	<b>1,339,376</b>	<b>1,320,427</b>	<b>1,340,260</b>	<b>1,324,200</b>	<b>1,342,906</b>
<b>Liabilities and shareholders' equity</b>						
Financial liabilities held for trading	125,507	107,888	112,461	105,218	108,567	118,582
Customer deposits	6,794	7,635	9,693	9,187	9,570	8,755
Debt securities issued	—	—	—	—	—	—
Deposits by central banks and credit institutions	6,227	6,226	3,798	2,255	976	960
Derivatives	92,439	73,750	80,572	76,414	78,608	87,254
Other	20,046	20,277	18,397	17,362	19,413	21,613
Financial liabilities designated at fair value	64,078	55,364	58,601	54,768	63,404	48,548
Customer deposits	40,190	31,756	27,094	26,357	28,484	25,425
Debt securities issued	3,958	4,024	3,352	3,373	3,445	2,995
Deposits by central banks and credit institutions	19,929	19,583	28,154	25,037	31,474	20,127
Other	—	1	1	1	1	1
Financial liabilities at amortised cost	1,031,385	1,029,054	1,009,566	1,039,343	1,012,407	1,031,650
Customer deposits	640,424	648,526	632,467	647,598	632,573	637,723
Debt securities issued	223,779	216,244	213,486	222,787	218,143	227,991
Deposits by central banks and credit institutions	142,408	138,891	141,623	148,081	138,323	138,366
Other	24,775	25,393	21,990	20,877	23,368	27,570
Liabilities under insurance contracts	670	648	644	627	656	644
Provisions	15,452	15,470	13,775	14,494	14,292	15,174
Other liabilities	30,492	29,000	26,693	27,057	26,093	27,962
<b>Total liabilities</b>	<b>1,267,584</b>	<b>1,237,424</b>	<b>1,221,740</b>	<b>1,241,507</b>	<b>1,225,419</b>	<b>1,242,560</b>
Shareholders' equity	99,987	101,904	103,307	102,402	103,264	103,637
Capital stock	7,030	7,158	7,158	7,217	7,217	7,217
Reserves	91,240	91,201	90,924	90,765	94,414	94,303
Attributable profit to the Group	1,717	4,261	5,941	5,966	1,633	2,911
Less: dividends	—	(716)	(716)	(1,546)	—	(794)
Other accumulated results	(8,072)	(10,407)	(14,987)	(14,362)	(15,949)	(15,027)
Minority interests	10,190	10,455	10,367	10,713	11,466	11,736
<b>Total equity</b>	<b>102,105</b>	<b>101,952</b>	<b>98,687</b>	<b>98,753</b>	<b>98,781</b>	<b>100,346</b>
<b>Total liabilities and equity</b>	<b>1,369,689</b>	<b>1,339,376</b>	<b>1,320,427</b>	<b>1,340,260</b>	<b>1,324,200</b>	<b>1,342,906</b>

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## Customer loans

€ million

	30.06.16	30.06.15	Variation		31.12.15
			Amount	%	
Spanish Public sector	16,556	16,034	522	3.3	13,993
Other residents	150,854	155,774	(4,920)	(3.2)	153,863
Commercial bills	8,587	8,471	116	1.4	9,037
Secured loans	89,542	93,731	(4,189)	(4.5)	92,478
Other loans	52,725	53,571	(847)	(1.6)	52,348
Non-resident sector	641,759	654,899	(13,140)	(2.0)	649,509
Secured loans	379,530	410,797	(31,267)	(7.6)	409,136
Other loans	262,229	244,102	18,127	7.4	240,373
<b>Gross customer loans</b>	<b>809,170</b>	<b>826,707</b>	<b>(17,537)</b>	<b>(2.1)</b>	<b>817,366</b>
Loan-loss allowances	25,713	27,474	(1,761)	(6.4)	26,517
<b>Net customer loans</b>	<b>783,457</b>	<b>799,233</b>	<b>(15,776)</b>	<b>(2.0)</b>	<b>790,848</b>
Pro memoria: Doubtful loans	35,204	39,154	(3,950)	(10.1)	36,133
Public sector	109	173	(64)	(36.9)	145
Other residents	14,580	18,167	(3,587)	(19.7)	16,301
Non-resident sector	20,515	20,814	(299)	(1.4)	19,686

## Customer loans

€ million

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
Spanish Public sector	17,392	16,034	15,207	13,993	14,624	16,556
Other residents	155,846	155,774	152,196	153,863	151,697	150,854
Commercial bills	8,188	8,471	8,228	9,037	8,034	8,587
Secured loans	96,271	93,731	93,404	92,478	90,803	89,542
Other loans	51,387	53,571	50,564	52,348	52,859	52,725
Non-resident sector	648,820	654,899	635,840	649,509	633,286	641,759
Secured loans	403,085	410,797	398,110	409,136	391,505	379,530
Other loans	245,736	244,102	237,730	240,373	241,781	262,229
<b>Gross customer loans</b>	<b>822,059</b>	<b>826,707</b>	<b>803,243</b>	<b>817,366</b>	<b>799,607</b>	<b>809,170</b>
Loan-loss allowances	28,094	27,474	26,224	26,517	26,155	25,713
<b>Net customer loans</b>	<b>793,965</b>	<b>799,233</b>	<b>777,020</b>	<b>790,848</b>	<b>773,452</b>	<b>783,457</b>
Pro memoria: Doubtful loans	40,711	39,154	36,864	36,133	35,281	35,204
Public sector	169	173	190	145	107	109
Other residents	19,327	18,167	17,130	16,301	15,608	14,580
Non-resident sector	21,215	20,814	19,544	19,686	19,566	20,515

**Credit risk management \***

€ million

	30.06.16	30.06.15	Variation		31.12.15
			Amount	%	
Non-performing loans	36,291	40,273	(3,982)	(9.9)	37,094
NPL ratio (%)	4.29	4.64	(0.35 p.)		4.36
Loan-loss allowances	26,317	28,233	(1,916)	(6.8)	27,121
<i>Specific</i>	17,667	19,444	(1,777)	(9.1)	17,707
<i>Generic</i>	8,650	8,790	(139)	(1.6)	9,414
Coverage ratio (%)	72.5	70.1	2.4 p.		73.1
Cost of credit (%) **	1.19	1.32	(0.13 p.)		1.25

(\*) - Excluding country-risk

 (\*\*)- 12 months net loan-loss provisions / average lending<sup>2</sup>

Note: NPL ratio: Non-performing loans / computable assets

**Credit risk management \***

€ million

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
Non-performing loans	41,919	40,273	37,856	37,094	36,148	36,291
NPL ratio (%)	4.85	4.64	4.50	4.36	4.33	4.29
Loan-loss allowances	28,894	28,233	26,918	27,121	26,756	26,317
<i>Specific</i>	20,427	19,444	18,416	17,707	17,817	17,667
<i>Generic</i>	8,467	8,790	8,502	9,414	8,940	8,650
Coverage ratio (%)	68.9	70.1	71.1	73.1	74.0	72.5
Cost of credit (%) **	1.38	1.32	1.26	1.25	1.22	1.19

(\*) - Excluding country-risk

 (\*\*) - 12 months net loan-loss provisions / average lending<sup>2</sup>

Note: NPL ratio: Non-performing loans / computable assets

## Non-performing loans by quarter

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
Balance at beginning of the period	41,709	41,919	40,273	37,856	37,094	36,148
Net entries	2,017	1,315	2,132	2,242	1,668	2,221
Increase in scope of consolidation	54	1	—	50	13	664
Exchange rate differences	853	(36)	(1,849)	968	72	869
Write-offs	(2,715)	(2,925)	(2,699)	(4,022)	(2,699)	(3,612)
<b>Balance at period-end</b>	<b>41,919</b>	<b>40,273</b>	<b>37,856</b>	<b>37,094</b>	<b>36,148</b>	<b>36,291</b>



## Managed and marketed customer funds

€ million

	30.06.16	30.06.15	Variation		31.12.15
			Amount	%	
Resident public sector	8,342	8,526	(184)	(2.2)	11,737
Other residents	158,608	164,045	(5,438)	(3.3)	157,611
Demand deposits	111,492	102,770	8,722	8.5	108,410
Time deposits	44,712	58,925	(14,213)	(24.1)	47,297
Other	2,403	2,350	53	2.2	1,904
Non-resident sector	504,953	515,346	(10,393)	(2.0)	513,795
Demand deposits	310,074	309,849	226	0.1	313,175
Time deposits	135,992	149,958	(13,967)	(9.3)	146,317
Other	58,887	55,539	3,348	6.0	54,303
<b>Customer deposits</b>	<b>671,903</b>	<b>687,918</b>	<b>(16,015)</b>	<b>(2.3)</b>	<b>683,142</b>
Debt securities issued	230,986	220,268	10,718	4.9	226,160
<b>On-balance-sheet customer funds</b>	<b>902,889</b>	<b>908,186</b>	<b>(5,297)</b>	<b>(0.6)</b>	<b>909,302</b>
<i>o/w: subordinated debt</i>	<i>22,717</i>	<i>19,833</i>	<i>2,884</i>	<i>14.5</i>	<i>21,151</i>
Mutual funds	137,428	135,582	1,846	1.4	129,077
Pension funds	10,979	11,503	(524)	(4.6)	11,376
Managed portfolios	26,073	27,675	(1,602)	(5.8)	25,808
<b>Other managed and marketed customer funds</b>	<b>174,480</b>	<b>174,760</b>	<b>(280)</b>	<b>(0.2)</b>	<b>166,260</b>
<b>Managed and marketed customer funds</b>	<b>1,077,369</b>	<b>1,082,946</b>	<b>(5,577)</b>	<b>(0.5)</b>	<b>1,075,563</b>

**Managed and marketed customer funds**

€ million

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
Resident public sector	12,706	8,526	8,886	11,737	8,248	8,342
Other residents	163,702	164,045	164,067	157,611	156,886	158,608
Demand deposits	94,580	102,770	105,730	108,410	109,269	111,492
Time deposits	65,118	58,925	56,134	47,297	45,908	44,712
Other	4,005	2,350	2,203	1,904	1,709	2,403
Non-resident sector	511,000	515,346	496,302	513,795	505,492	504,953
Demand deposits	299,008	309,849	302,251	313,175	305,319	310,074
Time deposits	156,089	149,958	139,295	146,317	141,170	135,992
Other	55,902	55,539	54,755	54,303	59,002	58,887
<b>Customer deposits</b>	<b>687,408</b>	<b>687,918</b>	<b>669,255</b>	<b>683,142</b>	<b>670,626</b>	<b>671,903</b>
Debt securities issued	227,737	220,268	216,838	226,160	221,588	230,986
<b>On-balance-sheet customer funds</b>	<b>915,145</b>	<b>908,186</b>	<b>886,093</b>	<b>909,302</b>	<b>892,214</b>	<b>902,889</b>
<i>o/w: subordinated debt</i>	<i>19,471</i>	<i>19,833</i>	<i>19,600</i>	<i>21,151</i>	<i>20,779</i>	<i>22,717</i>
Mutual funds	135,254	135,582	122,365	129,077	129,899	137,428
Pension funds	11,960	11,503	11,220	11,376	11,103	10,979
Managed portfolios	28,541	27,675	25,828	25,808	24,748	26,073
<b>Other managed and marketed customer funds</b>	<b>175,755</b>	<b>174,760</b>	<b>159,414</b>	<b>166,260</b>	<b>165,750</b>	<b>174,480</b>
<b>Managed and marketed customer funds</b>	<b>1,090,900</b>	<b>1,082,946</b>	<b>1,045,507</b>	<b>1,075,563</b>	<b>1,057,964</b>	<b>1,077,369</b>

## Eligible capital (phase-in)

€ million

	30.06.16	30.06.15	Variation		31.12.15
			Amount	%	
CET1	72,188	75,471	(3,283)	(4.4)	73,478
Basic capital	72,188	75,471	(3,283)	(4.4)	73,478
<b>Eligible capital</b>	<b>84,180</b>	<b>83,998</b>	<b>182</b>	<b>0.2</b>	<b>84,346</b>
Risk-weighted assets	586,020	609,485	(23,465)	(3.8)	585,609
<b>CET1 capital ratio</b>	<b>12.32</b>	<b>12.38</b>	<b>(0.06)</b>		<b>12.55</b>
<b>T1 capital ratio</b>	<b>12.32</b>	<b>12.38</b>	<b>(0.06)</b>		<b>12.55</b>
<b>BIS ratio</b>	<b>14.36</b>	<b>13.78</b>	<b>0.58</b>		<b>14.40</b>

**Eligible capital (fully loaded)**

€ million

	30.06.16	30.06.15	Variation		31.12.15
			Amount	%	
Capital stock and reserves	101,710	98,462	3,248	3.3	98,193
Attributable profit	2,911	4,261	(1,350)	(31.7)	5,966
Dividends	(1,262)	(1,150)	(112)	9.8	(2,268)
Other retained earnings	(16,603)	(10,817)	(5,786)	53.5	(15,448)
Minority interests	6,976	5,019	1,957	39.0	6,148
Goodwill and intangible assets	(27,976)	(30,280)	2,304	(7.6)	(28,254)
Treasury stock and other deductions	(5,036)	(5,683)	647	(11.4)	(5,633)
<b>Core CET1</b>	<b>60,721</b>	<b>59,813</b>	<b>907</b>	<b>1.5</b>	<b>58,705</b>
Preferred shares and other eligibles T1	5,606	5,690	(84)	(1.5)	5,504
<b>Tier 1</b>	<b>66,327</b>	<b>65,503</b>	<b>823</b>	<b>1.3</b>	<b>64,209</b>
Generic funds and eligible T2 instruments	13,045	9,749	3,295	33.8	11,996
<b>Eligible capital</b>	<b>79,371</b>	<b>75,253</b>	<b>4,119</b>	<b>5.5</b>	<b>76,205</b>
Risk-weighted assets	586,020	608,564	(22,544)	(3.7)	583,893
<b>CET1 capital ratio</b>	<b>10.36</b>	<b>9.83</b>	<b>0.53</b>		<b>10.05</b>
<b>T1 capital ratio</b>	<b>11.32</b>	<b>10.76</b>	<b>0.56</b>		<b>11.00</b>
<b>BIS ratio</b>	<b>13.54</b>	<b>12.37</b>	<b>1.17</b>		<b>13.05</b>

## Key data by principal segments

	Net operating income				Attributable profit to the Group			
	1H '16	1H '15	Var (%)	Var (%) w/o FX	1H '16	1H '15	Var (%)	Var (%) w/o FX
<b>Income statement (€ million)</b>								
<b>Continental Europe*</b>	3,175	3,278	(3.1)	(1.9)	1,419	1,200	18.2	20.2
o/w: Spain*	1,361	1,560	(12.8)	(12.8)	616	572	7.6	7.6
Santander Consumer Finance*	1,162	1,086	7.0	9.0	544	461	18.1	20.9
Poland	365	372	(1.9)	3.5	139	170	(18.3)	(13.8)
Portugal*	327	226	44.4	44.4	210	104	101.4	101.4
<b>United Kingdom</b>	1,433	1,510	(5.1)	0.9	843	1,016	(17.1)	(11.8)
<b>Latin America</b>	5,076	5,724	(11.3)	9.6	1,506	1,716	(12.2)	9.0
o/w: Brazil	3,091	3,650	(15.3)	5.6	788	929	(15.2)	5.7
Mexico	939	964	(2.6)	16.3	289	313	(7.7)	10.2
Chile	661	685	(3.6)	7.0	248	253	(2.1)	8.7
<b>USA</b>	2,305	2,442	(5.6)	(5.5)	240	473	(49.3)	(49.2)
<b>Operating areas*</b>	11,989	12,955	(7.5)	2.2	4,008	4,406	(9.0)	0.4
<b>Corporate Centre*</b>	(714)	(699)	2.2	2.2	(729)	(980)	(25.6)	(25.6)
<b>Total Group*</b>	11,275	12,256	(8.0)	2.2	3,280	3,426	(4.3)	8.9
<b>Net capital gains and provisions</b>					(368)	835	—	8.9
<b>Total Group</b>					2,911	4,261	(31.7)	8.9

(\*).- Not including net capital gains and provisions

	Gross loans w/o repos				Customer deposits w/o repos + mutual funds			
	30.06.16	30.06.15	Var (%)	Var (%) w/o FX	30.06.16	30.06.15	Var (%)	Var (%) w/o FX
<b>Activity (€ million)</b>								
<b>Continental Europe</b>	303,425	292,981	3.6	4.2	312,850	312,264	0.2	0.7
o/w: Spain	157,337	161,357	(2.5)	(2.5)	218,687	227,187	(3.7)	(3.7)
Santander Consumer Finance	82,272	72,780	13.0	14.3	32,983	31,812	3.7	4.6
Poland	20,342	19,229	5.8	12.0	24,182	23,918	1.1	7.0
Portugal	29,918	24,301	23.1	23.1	31,353	25,351	23.7	23.7
<b>United Kingdom</b>	251,977	283,740	(11.2)	3.2	211,699	232,883	(9.1)	5.6
<b>Latin America</b>	147,770	150,832	(2.0)	5.6	174,157	172,001	1.3	10.1
o/w: Brazil	72,096	75,902	(5.0)	(1.7)	91,507	89,379	2.4	5.9
Mexico	28,790	29,301	(1.7)	15.6	36,939	38,169	(3.2)	13.9
Chile	36,337	34,719	4.7	7.9	31,207	29,850	4.5	7.8
<b>USA</b>	87,467	83,759	4.4	3.6	66,113	65,474	1.0	0.2
<b>Operating areas</b>	790,639	811,313	(2.5)	4.1	764,819	782,621	(2.3)	4.0
<b>Total Group</b>	795,182	816,917	(2.7)	3.9	765,880	784,816	(2.4)	3.8

## Key data by principal segments

	RoTE *		Efficiency ratio	
	1H '16	1H '15	1H '16	1H '15
<b>Profitability and efficiency (%)</b>				
<b>Continental Europe</b>	<b>8.73</b>	<b>8.09</b>	<b>52.0</b>	<b>50.5</b>
o/w: Spain	9.33	10.07	55.1	52.3
Santander Consumer Finance	14.68	12.76	45.0	44.3
Poland	11.91	14.77	44.4	45.0
Portugal	14.68	8.70	48.1	52.0
<b>United Kingdom</b>	<b>9.95</b>	<b>12.69</b>	<b>52.5</b>	<b>52.5</b>
<b>Latin America</b>	<b>14.75</b>	<b>15.71</b>	<b>41.3</b>	<b>41.6</b>
o/w: Brazil	13.71	14.88	39.2	39.0
Mexico	13.61	13.28	40.5	42.4
Chile	17.19	16.94	41.7	42.2
<b>USA</b>	<b>3.91</b>	<b>9.11</b>	<b>40.2</b>	<b>36.9</b>
<b>Operating areas</b>	<b>9.75</b>	<b>11.33</b>	<b>45.8</b>	<b>44.8</b>
<b>Total Group</b>	<b>11.10</b>	<b>11.46</b>	<b>47.9</b>	<b>46.9</b>

(\*) - Not including net capital gains and provisions

	NPL ratio		Coverage ratio		Cost of credit	
	30.06.16	30.06.15	30.06.16	30.06.15	30.06.16	30.06.15
<b>Credit quality (%)</b>						
<b>Continental Europe</b>	<b>6.84</b>	<b>8.15</b>	<b>61.3</b>	<b>58.9</b>	<b>0.51</b>	<b>0.86</b>
o/w: Spain	6.06	6.91	47.6	46.8	0.45	0.84
Santander Consumer Finance	2.95	4.25	110.6	104.9	0.55	0.91
Poland	5.84	7.07	65.8	63.5	0.75	1.00
Portugal	10.46	8.80	61.9	54.2	0.21	0.38
<b>United Kingdom</b>	<b>1.47</b>	<b>1.61</b>	<b>36.5</b>	<b>40.3</b>	<b>0.03</b>	<b>0.08</b>
<b>Latin America</b>	<b>4.98</b>	<b>4.74</b>	<b>81.4</b>	<b>84.4</b>	<b>3.41</b>	<b>3.39</b>
o/w: Brazil	6.11	5.13	85.3	95.9	4.71	4.45
Mexico	3.01	3.81	102.3	87.5	2.96	2.89
Chile	5.28	5.73	55.5	51.6	1.59	1.68
<b>USA</b>	<b>2.24</b>	<b>2.20</b>	<b>220.6</b>	<b>224.2</b>	<b>3.77</b>	<b>3.39</b>
<b>Operating areas</b>	<b>4.32</b>	<b>4.68</b>	<b>72.0</b>	<b>69.4</b>	<b>1.20</b>	<b>1.33</b>
<b>Total Group</b>	<b>4.29</b>	<b>4.64</b>	<b>72.5</b>	<b>70.1</b>	<b>1.19</b>	<b>1.32</b>

	Employees		Branches	
	30.06.16	30.06.15	30.06.16	30.06.15
<b>Operating means</b>				
<b>Continental Europe</b>	<b>57,003</b>	<b>57,113</b>	<b>5,113</b>	<b>5,444</b>
o/w: Spain	23,309	24,322	3,119	3,490
Santander Consumer Finance	14,747	14,209	579	592
Poland	11,334	11,805	666	770
Portugal	6,466	5,433	734	576
<b>United Kingdom</b>	<b>26,010</b>	<b>26,354</b>	<b>850</b>	<b>901</b>
<b>Latin America</b>	<b>88,497</b>	<b>87,358</b>	<b>5,852</b>	<b>5,782</b>
o/w: Brazil	48,366	48,645	3,441	3,436
Mexico	17,703	17,339	1,389	1,356
Chile	12,307	12,309	469	479
<b>USA</b>	<b>17,871</b>	<b>17,253</b>	<b>774</b>	<b>783</b>
<b>Operating areas</b>	<b>189,381</b>	<b>188,078</b>	<b>12,589</b>	<b>12,910</b>
Corporate Centre	1,757	2,184		
<b>Total Group</b>	<b>191,138</b>	<b>190,262</b>	<b>12,589</b>	<b>12,910</b>

## Operating areas

€ million

			Variation	
	1H '16	1H '15	Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>15,550</b>	<b>16,671</b>	<b>(1,121)</b>	<b>(6.7)</b>
Net fee income	4,956	5,118	(162)	(3.2)
Gains (losses) on financial transactions	969	1,124	(155)	(13.8)
Other operating income *	653	556	96	17.3
<b>Gross income</b>	<b>22,127</b>	<b>23,469</b>	<b>(1,341)</b>	<b>(5.7)</b>
Operating expenses	(10,138)	(10,514)	376	(3.6)
General administrative expenses	(9,292)	(9,634)	342	(3.6)
<i>Personnel</i>	<i>(5,006)</i>	<i>(5,198)</i>	<i>192</i>	<i>(3.7)</i>
<i>Other general administrative expenses</i>	<i>(4,286)</i>	<i>(4,436)</i>	<i>150</i>	<i>(3.4)</i>
Depreciation and amortisation	(846)	(880)	34	(3.8)
<b>Net operating income</b>	<b>11,989</b>	<b>12,955</b>	<b>(966)</b>	<b>(7.5)</b>
Net loan-loss provisions	(4,610)	(5,072)	462	(9.1)
Other income	(917)	(967)	50	(5.2)
<b>Underlying profit before taxes</b>	<b>6,462</b>	<b>6,916</b>	<b>(453)</b>	<b>(6.6)</b>
Tax on profit	(1,821)	(1,835)	14	(0.7)
<b>Underlying profit from continuing operations</b>	<b>4,641</b>	<b>5,081</b>	<b>(440)</b>	<b>(8.7)</b>
Net profit from discontinued operations	0	0	(0)	(40.4)
<b>Underlying consolidated profit</b>	<b>4,641</b>	<b>5,081</b>	<b>(440)</b>	<b>(8.7)</b>
Minority interests	633	675	(42)	(6.2)
<b>Underlying attributable profit to the Group</b>	<b>4,008</b>	<b>4,406</b>	<b>(398)</b>	<b>(9.0)</b>
Net capital gains and provisions **	(120)	—	(120)	—
<b>Attributable profit to the Group</b>	<b>3,888</b>	<b>4,406</b>	<b>(518)</b>	<b>(11.8)</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

			Variation	
	30.06.16	30.06.15	Amount	%
<b>Balance sheet</b>				
Customer loans ***	778,760	793,222	(14,462)	(1.8)
Financial assets held for trading (w/o loans)	144,597	138,480	6,117	4.4
Financial assets available-for-sale	113,221	125,314	(12,092)	(9.6)
Central banks and credit institutions ***	138,392	114,400	23,992	21.0
Tangible and intangible assets	28,313	26,288	2,025	7.7
Other assets	128,755	105,355	23,400	22.2
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>1,332,039</b>	<b>1,303,060</b>	<b>28,979</b>	<b>2.2</b>
Customer deposits ***	670,842	685,723	(14,881)	(2.2)
Debt securities issued ***	195,693	191,207	4,486	2.3
Liabilities under insurance contracts	644	648	(4)	(0.7)
Central banks and credit institutions ***	206,268	191,211	15,057	7.9
Other liabilities	172,523	153,987	18,536	12.0
Stockholders' equity ****	86,069	80,284	5,785	7.2
<b>Other managed and marketed customer funds</b>	<b>174,480</b>	<b>174,760</b>	<b>(280)</b>	<b>(0.2)</b>
Mutual funds	137,428	135,582	1,846	1.4
Pension funds	10,979	11,503	(524)	(4.6)
Managed portfolios	26,073	27,675	(1,602)	(5.8)
<b>Managed and marketed customer funds</b>	<b>1,041,015</b>	<b>1,051,689</b>	<b>(10,674)</b>	<b>(1.0)</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

## Ratios (%) and other data

Underlying RoTE	9.75	11.33	(1.59 p.)	
Efficiency ratio (with amortisations)	45.8	44.8	1.02 p.	
NPL ratio	4.32	4.68	(0.36 p.)	
Coverage ratio	72.0	69.4	2.60 p.	
Number of employees	189,381	188,078	1,303	0.7
Number of branches	12,589	12,910	(321)	(2.5)

## Operating areas

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>8,259</b>	<b>8,413</b>	<b>8,121</b>	<b>8,025</b>	<b>7,792</b>	<b>7,757</b>
Net fee income	2,526	2,592	2,474	2,454	2,402	2,554
Gains (losses) on financial transactions	684	440	544	568	537	432
Other operating income *	205	351	233	(120)	223	430
<b>Gross income</b>	<b>11,674</b>	<b>11,795</b>	<b>11,372</b>	<b>10,926</b>	<b>10,953</b>	<b>11,174</b>
Operating expenses	(5,235)	(5,279)	(5,200)	(5,310)	(5,032)	(5,106)
General administrative expenses	(4,809)	(4,825)	(4,772)	(4,869)	(4,620)	(4,672)
<i>Personnel</i>	<i>(2,561)</i>	<i>(2,638)</i>	<i>(2,524)</i>	<i>(2,591)</i>	<i>(2,480)</i>	<i>(2,525)</i>
<i>Other general administrative expenses</i>	<i>(2,248)</i>	<i>(2,187)</i>	<i>(2,247)</i>	<i>(2,278)</i>	<i>(2,139)</i>	<i>(2,147)</i>
Depreciation and amortisation	(426)	(454)	(428)	(441)	(412)	(434)
<b>Net operating income</b>	<b>6,438</b>	<b>6,517</b>	<b>6,172</b>	<b>5,616</b>	<b>5,922</b>	<b>6,068</b>
Net loan-loss provisions	(2,562)	(2,510)	(2,478)	(2,585)	(2,409)	(2,201)
Other income	(417)	(551)	(568)	(612)	(428)	(489)
<b>Underlying profit before taxes</b>	<b>3,460</b>	<b>3,456</b>	<b>3,126</b>	<b>2,420</b>	<b>3,085</b>	<b>3,378</b>
Tax on profit	(927)	(907)	(743)	(601)	(846)	(975)
<b>Underlying profit from continuing operations</b>	<b>2,533</b>	<b>2,548</b>	<b>2,383</b>	<b>1,819</b>	<b>2,239</b>	<b>2,402</b>
Net profit from discontinued operations	0	0	(0)	—	—	0
<b>Underlying consolidated profit</b>	<b>2,533</b>	<b>2,548</b>	<b>2,383</b>	<b>1,819</b>	<b>2,239</b>	<b>2,402</b>
Minority interests	324	351	309	240	295	338
<b>Underlying attributable profit to the Group</b>	<b>2,209</b>	<b>2,198</b>	<b>2,075</b>	<b>1,579</b>	<b>1,944</b>	<b>2,064</b>
Net capital gains and provisions **	—	—	—	—	—	(120)
<b>Attributable profit to the Group</b>	<b>2,209</b>	<b>2,198</b>	<b>2,075</b>	<b>1,579</b>	<b>1,944</b>	<b>1,944</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*)- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans ***	788,337	793,222	773,108	787,254	769,988	778,760
Financial assets held for trading (w/o loans)	153,975	138,480	136,755	136,258	139,670	144,597
Financial assets available-for-sale	121,160	125,314	114,250	118,263	114,643	113,221
Central banks and credit institutions ***	130,152	114,400	135,217	126,763	136,738	138,392
Tangible and intangible assets	26,426	26,288	26,216	27,501	27,370	28,313
Other assets	116,413	105,355	117,179	124,230	128,344	128,755
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>1,336,462</b>	<b>1,303,060</b>	<b>1,302,725</b>	<b>1,320,269</b>	<b>1,316,754</b>	<b>1,332,039</b>
Customer deposits ***	684,808	685,723	667,240	677,937	668,997	670,842
Debt securities issued ***	195,519	191,207	184,059	188,796	189,130	195,693
Liabilities under insurance contracts	670	648	644	627	656	644
Central banks and credit institutions ***	201,917	191,211	217,595	224,860	214,626	206,268
Other liabilities	174,028	153,987	153,095	147,359	156,599	172,523
Stockholders' equity ****	79,520	80,284	80,093	80,690	86,745	86,069
<b>Other managed and marketed customer funds</b>	<b>175,755</b>	<b>174,760</b>	<b>159,414</b>	<b>166,260</b>	<b>165,750</b>	<b>174,480</b>
Mutual funds	135,254	135,582	122,365	129,077	129,899	137,428
Pension funds	11,960	11,503	11,220	11,376	11,103	10,979
Managed portfolios	28,541	27,675	25,828	25,808	24,748	26,073
<b>Managed and marketed customer funds</b>	<b>1,056,082</b>	<b>1,051,689</b>	<b>1,010,712</b>	<b>1,032,994</b>	<b>1,023,877</b>	<b>1,041,015</b>

(\*\*\*)- Including all on-balance sheet balances for this item

(\*\*\*\*)- Capital + reserves + profit + other accumulated results

## Other information

NPL ratio	4.87	4.68	4.52	4.39	4.36	4.32
Coverage ratio	68.3	69.4	70.5	72.6	73.3	72.0
Cost of credit	1.38	1.33	1.27	1.26	1.24	1.20



## Operating areas

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>15,550</b>	<b>15,104</b>	<b>446</b>	<b>3.0</b>
Net fee income	4,956	4,600	355	7.7
Gains (losses) on financial transactions	969	1,049	(80)	(7.6)
Other operating income *	653	552	100	18.1
<b>Gross income</b>	<b>22,127</b>	<b>21,306</b>	<b>822</b>	<b>3.9</b>
Operating expenses	(10,138)	(9,574)	(564)	5.9
General administrative expenses	(9,292)	(8,777)	(515)	5.9
<i>Personnel</i>	<i>(5,006)</i>	<i>(4,736)</i>	<i>(270)</i>	5.7
<i>Other general administrative expenses</i>	<i>(4,286)</i>	<i>(4,041)</i>	<i>(245)</i>	6.1
Depreciation and amortisation	(846)	(797)	(49)	6.1
<b>Net operating income</b>	<b>11,989</b>	<b>11,731</b>	<b>258</b>	<b>2.2</b>
Net loan-loss provisions	(4,610)	(4,603)	(7)	0.2
Other income	(917)	(864)	(53)	6.1
<b>Underlying profit before taxes</b>	<b>6,462</b>	<b>6,264</b>	<b>198</b>	<b>3.2</b>
Tax on profit	(1,821)	(1,653)	(168)	10.1
<b>Underlying profit from continuing operations</b>	<b>4,641</b>	<b>4,611</b>	<b>30</b>	<b>0.7</b>
Net profit from discontinued operations	0	0	(0)	(40.4)
<b>Underlying consolidated profit</b>	<b>4,641</b>	<b>4,611</b>	<b>30</b>	<b>0.7</b>
Minority interests	633	620	13	2.1
<b>Underlying attributable profit to the Group</b>	<b>4,008</b>	<b>3,991</b>	<b>17</b>	<b>0.4</b>
Net capital gains and provisions **	(120)	—	(120)	—
<b>Attributable profit to the Group</b>	<b>3,888</b>	<b>3,991</b>	<b>(103)</b>	<b>(2.6)</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*) - Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans ***	778,760	741,454	37,306	5.0
Financial assets held for trading (w/o loans)	144,597	129,610	14,988	11.6
Financial assets available-for-sale	113,221	121,125	(7,903)	(6.5)
Central banks and credit institutions ***	138,392	109,909	28,483	25.9
Tangible and intangible assets	28,313	25,525	2,788	10.9
Other assets	128,755	98,974	29,781	30.1
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>1,332,039</b>	<b>1,226,597</b>	<b>105,442</b>	<b>8.6</b>
Customer deposits ***	670,842	641,790	29,052	4.5
Debt securities issued ***	195,693	178,142	17,551	9.9
Liabilities under insurance contracts	644	648	(4)	(0.7)
Central banks and credit institutions ***	206,268	184,899	21,369	11.6
Other liabilities	172,523	144,942	27,581	19.0
Stockholders' equity ****	86,069	76,175	9,894	13.0
<b>Other managed and marketed customer funds</b>	<b>174,480</b>	<b>168,903</b>	<b>5,577</b>	<b>3.3</b>
Mutual funds	137,428	129,808	7,619	5.9
Pension funds	10,979	11,503	(524)	(4.6)
Managed portfolios	26,073	27,592	(1,518)	(5.5)
<b>Managed and marketed customer funds</b>	<b>1,041,015</b>	<b>988,836</b>	<b>52,179</b>	<b>5.3</b>

(\*\*\*) - Including all on-balance sheet balances for this item

(\*\*\*\*) - Capital + reserves + profit + other accumulated results

## Operating areas

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>7,468</b>	<b>7,636</b>	<b>7,740</b>	<b>7,788</b>	<b>7,833</b>	<b>7,717</b>
Net fee income	2,262	2,339	2,337	2,365	2,418	2,538
Gains (losses) on financial transactions	648	400	525	551	535	434
Other operating income *	207	345	230	(112)	222	431
<b>Gross income</b>	<b>10,586</b>	<b>10,720</b>	<b>10,833</b>	<b>10,591</b>	<b>11,007</b>	<b>11,120</b>
Operating expenses	(4,759)	(4,815)	(4,945)	(5,127)	(5,051)	(5,087)
General administrative expenses	(4,374)	(4,403)	(4,536)	(4,702)	(4,637)	(4,655)
Personnel	(2,329)	(2,407)	(2,399)	(2,504)	(2,490)	(2,516)
Other general administrative expenses	(2,045)	(1,996)	(2,137)	(2,199)	(2,147)	(2,139)
Depreciation and amortisation	(385)	(413)	(409)	(424)	(414)	(432)
<b>Net operating income</b>	<b>5,827</b>	<b>5,904</b>	<b>5,888</b>	<b>5,465</b>	<b>5,957</b>	<b>6,033</b>
Net loan-loss provisions	(2,319)	(2,284)	(2,381)	(2,526)	(2,428)	(2,182)
Other income	(367)	(497)	(539)	(614)	(434)	(483)
<b>Underlying profit before taxes</b>	<b>3,141</b>	<b>3,123</b>	<b>2,968</b>	<b>2,325</b>	<b>3,095</b>	<b>3,367</b>
Tax on profit	(835)	(819)	(715)	(586)	(848)	(973)
<b>Underlying profit from continuing operations</b>	<b>2,306</b>	<b>2,305</b>	<b>2,253</b>	<b>1,739</b>	<b>2,247</b>	<b>2,394</b>
Net profit from discontinued operations	0	0	(0)	—	—	0
<b>Underlying consolidated profit</b>	<b>2,306</b>	<b>2,305</b>	<b>2,253</b>	<b>1,739</b>	<b>2,247</b>	<b>2,394</b>
Minority interests	299	321	297	236	295	338
<b>Underlying attributable profit to the Group</b>	<b>2,007</b>	<b>1,984</b>	<b>1,956</b>	<b>1,504</b>	<b>1,952</b>	<b>2,056</b>
Net capital gains and provisions **	—	—	—	—	—	(120)
<b>Attributable profit to the Group</b>	<b>2,007</b>	<b>1,984</b>	<b>1,956</b>	<b>1,504</b>	<b>1,952</b>	<b>1,936</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans ***	735,849	741,454	754,567	763,643	768,955	778,760
Financial assets held for trading (w/o loans)	144,561	129,610	134,806	133,088	139,682	144,597
Financial assets available-for-sale	116,363	121,125	115,909	118,936	116,635	113,221
Central banks and credit institutions ***	125,081	109,909	139,573	130,105	139,984	138,392
Tangible and intangible assets	25,332	25,525	26,290	27,323	27,858	28,313
Other assets	107,862	98,974	117,936	123,630	130,603	128,755
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>1,255,047</b>	<b>1,226,597</b>	<b>1,289,082</b>	<b>1,296,725</b>	<b>1,323,717</b>	<b>1,332,039</b>
Customer deposits ***	640,122	641,790	652,539	658,927	669,100	670,842
Debt securities issued ***	181,932	178,142	182,462	185,239	190,340	195,693
Liabilities under insurance contracts	670	648	645	627	656	644
Central banks and credit institutions ***	194,080	184,899	220,360	225,070	217,877	206,268
Other liabilities	163,526	144,942	152,919	146,827	157,813	172,523
Stockholders' equity ****	74,717	76,175	80,157	80,035	87,931	86,069
<b>Other managed and marketed customer funds</b>	<b>168,325</b>	<b>168,903</b>	<b>167,874</b>	<b>173,055</b>	<b>172,545</b>	<b>174,480</b>
Mutual funds	128,597	129,808	129,944	135,517	135,891	137,428
Pension funds	11,960	11,503	11,220	11,376	11,103	10,979
Managed portfolios	27,768	27,592	26,709	26,163	25,551	26,073
<b>Managed and marketed customer funds</b>	<b>990,378</b>	<b>988,836</b>	<b>1,002,875</b>	<b>1,017,221</b>	<b>1,031,985</b>	<b>1,041,015</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

## Continental Europe

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>4,066</b>	<b>4,063</b>	<b>3</b>	<b>0.1</b>
Net fee income	1,760	1,720	40	2.3
Gains (losses) on financial transactions	415	495	(80)	(16.1)
Other operating income *	370	349	21	6.1
<b>Gross income</b>	<b>6,611</b>	<b>6,627</b>	<b>(16)</b>	<b>(0.2)</b>
Operating expenses	(3,436)	(3,348)	(88)	2.6
General administrative expenses	(3,219)	(3,118)	(101)	3.3
<i>Personnel</i>	<i>(1,655)</i>	<i>(1,620)</i>	<i>(35)</i>	<i>2.1</i>
<i>Other general administrative expenses</i>	<i>(1,565)</i>	<i>(1,498)</i>	<i>(67)</i>	<i>4.5</i>
Depreciation and amortisation	(217)	(230)	14	(6.0)
<b>Net operating income</b>	<b>3,175</b>	<b>3,278</b>	<b>(103)</b>	<b>(3.1)</b>
Net loan-loss provisions	(717)	(1,149)	432	(37.6)
Other income	(302)	(325)	23	(7.0)
<b>Underlying profit before taxes</b>	<b>2,156</b>	<b>1,805</b>	<b>351</b>	<b>19.5</b>
Tax on profit	(588)	(468)	(120)	25.7
<b>Underlying profit from continuing operations</b>	<b>1,568</b>	<b>1,337</b>	<b>231</b>	<b>17.3</b>
Net profit from discontinued operations	—	0	(0)	(100.0)
<b>Underlying consolidated profit</b>	<b>1,568</b>	<b>1,337</b>	<b>231</b>	<b>17.3</b>
Minority interests	150	137	13	9.2
<b>Underlying attributable profit to the Group</b>	<b>1,419</b>	<b>1,200</b>	<b>219</b>	<b>18.2</b>
Net capital gains and provisions **	(120)	—	(120)	—
<b>Attributable profit to the Group</b>	<b>1,299</b>	<b>1,200</b>	<b>99</b>	<b>8.2</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*) - Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans ***	293,891	280,580	13,311	4.7
Financial assets held for trading (w/o loans)	63,275	60,871	2,404	3.9
Financial assets available-for-sale	54,818	61,076	(6,258)	(10.2)
Central banks and credit institutions ***	69,798	60,460	9,338	15.4
Tangible and intangible assets	11,798	11,158	640	5.7
Other assets	41,475	33,725	7,751	23.0
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>535,055</b>	<b>507,870</b>	<b>27,185</b>	<b>5.4</b>
Customer deposits ***	264,410	263,955	455	0.2
Debt securities issued ***	52,056	47,923	4,133	8.6
Liabilities under insurance contracts	643	647	(4)	(0.7)
Central banks and credit institutions ***	116,157	101,541	14,616	14.4
Other liabilities	68,434	62,801	5,633	9.0
Stockholders' equity ****	33,355	31,003	2,352	7.6
<b>Other managed and marketed customer funds</b>	<b>70,180</b>	<b>71,426</b>	<b>(1,246)</b>	<b>(1.7)</b>
Mutual funds	51,444	50,915	529	1.0
Pension funds	10,979	11,503	(524)	(4.6)
Managed portfolios	7,757	9,008	(1,251)	(13.9)
<b>Managed and marketed customer funds</b>	<b>386,647</b>	<b>383,304</b>	<b>3,342</b>	<b>0.9</b>

(\*\*\*) - Including all on-balance sheet balances for this item

(\*\*\*\*) - Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

Underlying RoTE	8.73	8.09	0.64 p.
Efficiency ratio (with amortisations)	52.0	50.5	1.44 p.
NPL ratio	6.84	8.15	(1.31 p.)
Coverage ratio	61.3	58.9	2.40 p.
Number of employees	57,003	57,113	(110)
Number of branches	5,113	5,444	(331)

## Continental Europe

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>2,057</b>	<b>2,006</b>	<b>1,987</b>	<b>1,957</b>	<b>2,046</b>	<b>2,019</b>
Net fee income	842	878	855	841	878	883
Gains (losses) on financial transactions	404	90	321	371	307	108
Other operating income *	106	243	90	(219)	103	268
<b>Gross income</b>	<b>3,409</b>	<b>3,218</b>	<b>3,253</b>	<b>2,950</b>	<b>3,333</b>	<b>3,278</b>
Operating expenses	(1,670)	(1,679)	(1,689)	(1,699)	(1,726)	(1,710)
General administrative expenses	(1,560)	(1,557)	(1,565)	(1,591)	(1,615)	(1,605)
Personnel	(800)	(821)	(790)	(813)	(825)	(829)
Other general administrative expenses	(761)	(737)	(775)	(778)	(789)	(775)
Depreciation and amortisation	(109)	(121)	(124)	(109)	(111)	(106)
<b>Net operating income</b>	<b>1,739</b>	<b>1,539</b>	<b>1,564</b>	<b>1,251</b>	<b>1,608</b>	<b>1,568</b>
Net loan-loss provisions	(637)	(512)	(495)	(331)	(437)	(280)
Other income	(139)	(186)	(137)	(291)	(114)	(188)
<b>Underlying profit before taxes</b>	<b>963</b>	<b>842</b>	<b>932</b>	<b>629</b>	<b>1,057</b>	<b>1,100</b>
Tax on profit	(252)	(216)	(242)	(177)	(281)	(307)
<b>Underlying profit from continuing operations</b>	<b>712</b>	<b>625</b>	<b>690</b>	<b>452</b>	<b>776</b>	<b>793</b>
Net profit from discontinued operations	0	0	(0)	—	—	—
<b>Underlying consolidated profit</b>	<b>712</b>	<b>625</b>	<b>690</b>	<b>452</b>	<b>776</b>	<b>793</b>
Minority interests	72	65	65	59	69	80
<b>Underlying attributable profit to the Group</b>	<b>640</b>	<b>560</b>	<b>625</b>	<b>393</b>	<b>706</b>	<b>712</b>
Net capital gains and provisions **	—	—	—	—	—	(120)
<b>Attributable profit to the Group</b>	<b>640</b>	<b>560</b>	<b>625</b>	<b>393</b>	<b>706</b>	<b>592</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans ***	279,925	280,580	278,723	287,253	289,694	293,891
Financial assets held for trading (w/o loans)	74,811	60,871	57,922	60,151	65,000	63,275
Financial assets available-for-sale	60,661	61,076	59,142	60,913	57,583	54,818
Central banks and credit institutions ***	74,853	60,460	82,787	76,111	78,925	69,798
Tangible and intangible assets	11,241	11,158	11,172	11,798	11,780	11,798
Other assets	33,742	33,725	39,847	42,420	40,526	41,475
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>535,232</b>	<b>507,870</b>	<b>529,594</b>	<b>538,645</b>	<b>543,507</b>	<b>535,055</b>
Customer deposits ***	268,190	263,955	263,013	263,462	266,841	264,410
Debt securities issued ***	49,703	47,923	47,440	51,104	50,784	52,056
Liabilities under insurance contracts	669	647	643	626	655	643
Central banks and credit institutions ***	113,470	101,541	125,068	132,688	125,499	116,157
Other liabilities	72,885	62,801	61,140	58,251	65,840	68,434
Stockholders' equity ****	30,315	31,003	32,290	32,515	33,889	33,355
<b>Other managed and marketed customer funds</b>	<b>72,601</b>	<b>71,426</b>	<b>68,027</b>	<b>71,389</b>	<b>70,481</b>	<b>70,180</b>
Mutual funds	51,486	50,915	48,249	51,293	51,151	51,444
Pension funds	11,960	11,503	11,220	11,376	11,103	10,979
Managed portfolios	9,155	9,008	8,558	8,720	8,227	7,757
<b>Managed and marketed customer funds</b>	<b>390,494</b>	<b>383,304</b>	<b>378,480</b>	<b>385,954</b>	<b>388,106</b>	<b>386,647</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

### Other information

NPL ratio	8.52	8.15	7.89	7.27	7.08	6.84
Coverage ratio	58.6	58.9	60.4	64.2	65.4	61.3
Cost of credit	0.95	0.86	0.77	0.68	0.60	0.51

## Continental Europe

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>4,066</b>	<b>4,010</b>	<b>55</b>	<b>1.4</b>
Net fee income	1,760	1,706	54	3.2
Gains (losses) on financial transactions	415	491	(76)	(15.5)
Other operating income *	370	348	22	6.3
<b>Gross income</b>	<b>6,611</b>	<b>6,556</b>	<b>55</b>	<b>0.8</b>
Operating expenses	(3,436)	(3,318)	(118)	3.6
General administrative expenses	(3,219)	(3,089)	(130)	4.2
<i>Personnel</i>	<i>(1,655)</i>	<i>(1,605)</i>	<i>(50)</i>	<i>3.1</i>
<i>Other general administrative expenses</i>	<i>(1,565)</i>	<i>(1,485)</i>	<i>(80)</i>	<i>5.4</i>
Depreciation and amortisation	(217)	(228)	12	(5.2)
<b>Net operating income</b>	<b>3,175</b>	<b>3,238</b>	<b>(63)</b>	<b>(1.9)</b>
Net loan-loss provisions	(717)	(1,139)	422	(37.1)
Other income	(302)	(324)	22	(6.8)
<b>Underlying profit before taxes</b>	<b>2,156</b>	<b>1,775</b>	<b>381</b>	<b>21.5</b>
Tax on profit	(588)	(462)	(126)	27.4
<b>Underlying profit from continuing operations</b>	<b>1,568</b>	<b>1,313</b>	<b>255</b>	<b>19.4</b>
Net profit from discontinued operations	—	0	(0)	(100.0)
<b>Underlying consolidated profit</b>	<b>1,568</b>	<b>1,313</b>	<b>255</b>	<b>19.4</b>
Minority interests	150	133	17	12.5
<b>Underlying attributable profit to the Group</b>	<b>1,419</b>	<b>1,180</b>	<b>238</b>	<b>20.2</b>
Net capital gains and provisions **	(120)	—	(120)	—
<b>Attributable profit to the Group</b>	<b>1,299</b>	<b>1,180</b>	<b>118</b>	<b>10.0</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans ***	293,891	278,873	15,018	5.4
Financial assets held for trading (w/o loans)	63,275	60,807	2,468	4.1
Financial assets available-for-sale	54,818	60,719	(5,901)	(9.7)
Central banks and credit institutions ***	69,798	60,380	9,418	15.6
Tangible and intangible assets	11,798	11,148	650	5.8
Other assets	41,475	33,576	7,899	23.5
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>535,055</b>	<b>505,503</b>	<b>29,552</b>	<b>5.8</b>
Customer deposits ***	264,410	262,575	1,836	0.7
Debt securities issued ***	52,056	47,675	4,381	9.2
Liabilities under insurance contracts	643	647	(4)	(0.7)
Central banks and credit institutions ***	116,157	101,243	14,914	14.7
Other liabilities	68,434	62,578	5,856	9.4
Stockholders' equity ****	33,355	30,785	2,570	8.3
<b>Other managed and marketed customer funds</b>	<b>70,180</b>	<b>71,223</b>	<b>(1,043)</b>	<b>(1.5)</b>
Mutual funds	51,444	50,707	737	1.5
Pension funds	10,979	11,503	(524)	(4.6)
Managed portfolios	7,757	9,013	(1,255)	(13.9)
<b>Managed and marketed customer funds</b>	<b>386,647</b>	<b>381,472</b>	<b>5,174</b>	<b>1.4</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

## Continental Europe

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>2,036</b>	<b>1,975</b>	<b>1,971</b>	<b>1,948</b>	<b>2,048</b>	<b>2,018</b>
Net fee income	837	869	850	838	877	883
Gains (losses) on financial transactions	402	89	320	371	307	108
Other operating income *	106	243	90	(217)	102	268
<b>Gross income</b>	<b>3,381</b>	<b>3,175</b>	<b>3,232</b>	<b>2,940</b>	<b>3,334</b>	<b>3,277</b>
Operating expenses	(1,658)	(1,660)	(1,679)	(1,694)	(1,726)	(1,710)
General administrative expenses	(1,549)	(1,540)	(1,556)	(1,585)	(1,615)	(1,604)
Personnel	(793)	(811)	(785)	(810)	(825)	(829)
Other general administrative expenses	(756)	(729)	(772)	(775)	(789)	(775)
Depreciation and amortisation	(108)	(120)	(123)	(108)	(111)	(106)
<b>Net operating income</b>	<b>1,723</b>	<b>1,515</b>	<b>1,553</b>	<b>1,246</b>	<b>1,608</b>	<b>1,567</b>
Net loan-loss provisions	(633)	(506)	(492)	(330)	(437)	(280)
Other income	(139)	(185)	(138)	(290)	(114)	(188)
<b>Underlying profit before taxes</b>	<b>952</b>	<b>823</b>	<b>923</b>	<b>626</b>	<b>1,057</b>	<b>1,099</b>
Tax on profit	(249)	(213)	(240)	(177)	(281)	(307)
<b>Underlying profit from continuing operations</b>	<b>703</b>	<b>611</b>	<b>683</b>	<b>450</b>	<b>776</b>	<b>792</b>
Net profit from discontinued operations	0	0	(0)	—	—	—
<b>Underlying consolidated profit</b>	<b>703</b>	<b>611</b>	<b>683</b>	<b>450</b>	<b>776</b>	<b>792</b>
Minority interests	70	63	63	59	69	80
<b>Underlying attributable profit to the Group</b>	<b>633</b>	<b>548</b>	<b>619</b>	<b>391</b>	<b>707</b>	<b>712</b>
Net capital gains and provisions **	—	—	—	—	—	(120)
<b>Attributable profit to the Group</b>	<b>633</b>	<b>548</b>	<b>619</b>	<b>391</b>	<b>707</b>	<b>592</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*)- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans ***	277,426	278,873	278,089	286,639	289,032	293,891
Financial assets held for trading (w/o loans)	74,707	60,807	57,879	60,116	64,969	63,275
Financial assets available-for-sale	60,147	60,719	58,904	60,701	57,389	54,818
Central banks and credit institutions ***	74,667	60,380	82,800	75,968	79,005	69,798
Tangible and intangible assets	11,193	11,148	11,171	11,761	11,805	11,798
Other assets	33,455	33,576	39,783	42,317	40,485	41,475
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>531,595</b>	<b>505,503</b>	<b>528,626</b>	<b>537,503</b>	<b>542,685</b>	<b>535,055</b>
Customer deposits ***	266,196	262,575	262,178	262,652	266,020	264,410
Debt securities issued ***	49,445	47,675	47,476	51,183	50,788	52,056
Liabilities under insurance contracts	669	647	643	626	655	643
Central banks and credit institutions ***	112,786	101,243	125,121	132,517	125,691	116,157
Other liabilities	72,550	62,578	60,994	58,118	65,706	68,434
Stockholders' equity ****	29,948	30,785	32,214	32,408	33,824	33,355
<b>Other managed and marketed customer funds</b>	<b>72,231</b>	<b>71,223</b>	<b>67,885</b>	<b>71,247</b>	<b>70,371</b>	<b>70,180</b>
Mutual funds	51,183	50,707	48,099	51,171	51,026	51,444
Pension funds	11,960	11,503	11,220	11,376	11,103	10,979
Managed portfolios	9,088	9,013	8,566	8,700	8,242	7,757
<b>Managed and marketed customer funds</b>	<b>387,873</b>	<b>381,472</b>	<b>377,538</b>	<b>385,082</b>	<b>387,180</b>	<b>386,647</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

## Spain

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,602</b>	<b>1,813</b>	<b>(211)</b>	<b>(11.6)</b>
Net fee income	873	854	19	2.2
Gains (losses) on financial transactions	289	337	(47)	(14.1)
Other operating income *	267	267	0	0.1
<b>Gross income</b>	<b>3,032</b>	<b>3,271</b>	<b>(239)</b>	<b>(7.3)</b>
Operating expenses	(1,671)	(1,711)	40	(2.4)
General administrative expenses	(1,600)	(1,613)	14	(0.9)
<i>Personnel</i>	(824)	(840)	16	(1.9)
<i>Other general administrative expenses</i>	(775)	(774)	(2)	0.2
Depreciation and amortisation	(71)	(98)	26	(27.1)
<b>Net operating income</b>	<b>1,361</b>	<b>1,560</b>	<b>(199)</b>	<b>(12.8)</b>
Net loan-loss provisions	(360)	(630)	270	(42.9)
Other income	(119)	(116)	(4)	3.3
<b>Underlying profit before taxes</b>	<b>882</b>	<b>814</b>	<b>68</b>	<b>8.3</b>
Tax on profit	(256)	(232)	(25)	10.7
<b>Underlying profit from continuing operations</b>	<b>626</b>	<b>583</b>	<b>43</b>	<b>7.3</b>
Net profit from discontinued operations	—	—	—	—
<b>Underlying consolidated profit</b>	<b>626</b>	<b>583</b>	<b>43</b>	<b>7.3</b>
Minority interests	10	11	(1)	(5.4)
<b>Underlying attributable profit to the Group</b>	<b>616</b>	<b>572</b>	<b>43</b>	<b>7.6</b>
Net capital gains and provisions **	(100)	—	(100)	—
<b>Attributable profit to the Group</b>	<b>515</b>	<b>572</b>	<b>(57)</b>	<b>(9.9)</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans ***	156,467	158,383	(1,916)	(1.2)
Financial assets held for trading (w/o loans)	60,310	57,553	2,757	4.8
Financial assets available-for-sale	39,074	46,643	(7,569)	(16.2)
Central banks and credit institutions ***	50,676	43,566	7,110	16.3
Tangible and intangible assets	2,714	2,904	(190)	(6.5)
Other assets	16,575	11,503	5,073	44.1
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>325,816</b>	<b>320,551</b>	<b>5,265</b>	<b>1.6</b>
Customer deposits ***	174,784	184,294	(9,510)	(5.2)
Debt securities issued ***	20,994	26,752	(5,758)	(21.5)
Liabilities under insurance contracts	544	551	(7)	(1.3)
Central banks and credit institutions ***	58,952	45,010	13,942	31.0
Other liabilities	56,814	52,112	4,702	9.0
Stockholders' equity ****	13,728	11,832	1,896	16.0
<b>Other managed and marketed customer funds</b>	<b>63,529</b>	<b>62,224</b>	<b>1,305</b>	<b>2.1</b>
Mutual funds	46,907	45,471	1,437	3.2
Pension funds	10,079	10,587	(508)	(4.8)
Managed portfolios	6,543	6,167	377	6.1
<b>Managed and marketed customer funds</b>	<b>259,308</b>	<b>273,270</b>	<b>(13,962)</b>	<b>(5.1)</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

Underlying RoTE	9.33	10.07	(0.74 p.)
Efficiency ratio (with amortisations)	55.1	52.3	2.80 p.
NPL ratio	6.06	6.91	(0.85 p.)
Coverage ratio	47.6	46.8	0.80 p.
Number of employees	23,309	24,322	(1,013)
Number of branches	3,119	3,490	(371)

## Spain

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	957	856	837	780	819	783
Net fee income	414	440	415	419	424	449
Gains (losses) on financial transactions	302	35	242	205	224	65
Other operating income *	77	190	77	(165)	75	192
<b>Gross income</b>	<b>1,749</b>	<b>1,522</b>	<b>1,571</b>	<b>1,238</b>	<b>1,543</b>	<b>1,489</b>
Operating expenses	(855)	(856)	(863)	(860)	(837)	(834)
General administrative expenses	(810)	(803)	(806)	(824)	(801)	(799)
Personnel	(419)	(420)	(415)	(416)	(415)	(410)
Other general administrative expenses	(391)	(383)	(391)	(408)	(386)	(389)
Depreciation and amortisation	(45)	(53)	(57)	(36)	(36)	(35)
<b>Net operating income</b>	<b>894</b>	<b>666</b>	<b>708</b>	<b>379</b>	<b>706</b>	<b>655</b>
Net loan-loss provisions	(366)	(264)	(205)	(156)	(231)	(129)
Other income	(44)	(71)	(58)	(89)	(37)	(82)
<b>Underlying profit before taxes</b>	<b>483</b>	<b>331</b>	<b>444</b>	<b>134</b>	<b>438</b>	<b>444</b>
Tax on profit	(139)	(93)	(127)	(34)	(126)	(130)
<b>Underlying profit from continuing operations</b>	<b>345</b>	<b>238</b>	<b>317</b>	<b>99</b>	<b>312</b>	<b>314</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Underlying consolidated profit</b>	<b>345</b>	<b>238</b>	<b>317</b>	<b>99</b>	<b>312</b>	<b>314</b>
Minority interests	5	6	6	5	5	5
<b>Underlying attributable profit to the Group</b>	<b>340</b>	<b>232</b>	<b>311</b>	<b>94</b>	<b>307</b>	<b>308</b>
Net capital gains and provisions **	—	—	—	—	—	(100)
<b>Attributable profit to the Group</b>	<b>340</b>	<b>232</b>	<b>311</b>	<b>94</b>	<b>307</b>	<b>208</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans ***	157,709	158,383	156,121	155,204	154,848	156,467
Financial assets held for trading (w/o loans)	71,286	57,553	54,935	57,401	62,233	60,310
Financial assets available-for-sale	46,297	46,643	44,340	44,057	40,743	39,074
Central banks and credit institutions ***	58,415	43,566	63,644	53,582	58,806	50,676
Tangible and intangible assets	2,866	2,904	2,886	2,874	2,635	2,714
Other assets	11,228	11,503	17,086	13,920	15,547	16,575
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>347,801</b>	<b>320,551</b>	<b>339,011</b>	<b>327,039</b>	<b>334,813</b>	<b>325,816</b>
Customer deposits ***	189,734	184,294	181,636	174,828	176,049	174,784
Debt securities issued ***	27,647	26,752	23,916	22,265	23,103	20,994
Liabilities under insurance contracts	566	551	533	536	542	544
Central banks and credit institutions ***	56,589	45,010	70,172	68,995	67,354	58,952
Other liabilities	62,091	52,112	50,117	47,502	54,500	56,814
Stockholders' equity ****	11,174	11,832	12,637	12,913	13,264	13,728
<b>Other managed and marketed customer funds</b>	<b>63,173</b>	<b>62,224</b>	<b>59,543</b>	<b>63,931</b>	<b>63,236</b>	<b>63,529</b>
Mutual funds	45,936	45,471	43,145	46,563	46,447	46,907
Pension funds	10,992	10,587	10,308	10,455	10,194	10,079
Managed portfolios	6,244	6,167	6,090	6,914	6,594	6,543
<b>Managed and marketed customer funds</b>	<b>280,554</b>	<b>273,270</b>	<b>265,095</b>	<b>261,024</b>	<b>262,388</b>	<b>259,308</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

## Other information

NPL ratio	7.25	6.91	6.61	6.53	6.36	6.06
Coverage ratio	46.6	46.8	47.8	48.1	50.2	47.6
Cost of credit	0.97	0.84	0.71	0.62	0.54	0.45



## Santander Consumer Finance

€ million

			Variation	
	1H '16	1H '15	Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,644</b>	<b>1,504</b>	<b>140</b>	<b>9.3</b>
Net fee income	459	436	23	5.2
Gains (losses) on financial transactions	(6)	(8)	3	(30.2)
Other operating income *	17	19	(2)	(10.6)
<b>Gross income</b>	<b>2,113</b>	<b>1,950</b>	<b>163</b>	<b>8.4</b>
Operating expenses	(951)	(864)	(88)	10.1
General administrative expenses	(861)	(782)	(79)	10.0
Personnel	(402)	(379)	(23)	6.0
Other general administrative expenses	(458)	(403)	(56)	13.9
Depreciation and amortisation	(91)	(82)	(9)	11.1
<b>Net operating income</b>	<b>1,162</b>	<b>1,086</b>	<b>76</b>	<b>7.0</b>
Net loan-loss provisions	(184)	(299)	114	(38.3)
Other income	(80)	(58)	(22)	37.7
<b>Underlying profit before taxes</b>	<b>898</b>	<b>730</b>	<b>168</b>	<b>23.0</b>
Tax on profit	(269)	(207)	(62)	30.2
<b>Underlying profit from continuing operations</b>	<b>629</b>	<b>523</b>	<b>106</b>	<b>20.2</b>
Net profit from discontinued operations	—	0	(0)	(100.0)
<b>Underlying consolidated profit</b>	<b>629</b>	<b>523</b>	<b>106</b>	<b>20.2</b>
Minority interests	85	63	22	35.6
<b>Underlying attributable profit to the Group</b>	<b>544</b>	<b>461</b>	<b>83</b>	<b>18.1</b>
Net capital gains and provisions **	(11)	—	(11)	—
<b>Attributable profit to the Group</b>	<b>533</b>	<b>461</b>	<b>72</b>	<b>15.7</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*) - Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

			Variation	
	30.06.16	30.06.15	Amount	%
<b>Balance sheet</b>				
Customer loans ***	79,592	69,546	10,046	14.4
Financial assets held for trading (w/o loans)	31	59	(28)	(47.7)
Financial assets available-for-sale	3,524	1,841	1,683	91.4
Central banks and credit institutions ***	2,046	4,078	(2,031)	(49.8)
Tangible and intangible assets	675	767	(92)	(12.0)
Other assets	7,117	6,059	1,057	17.4
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>92,985</b>	<b>82,350</b>	<b>10,635</b>	<b>12.9</b>
Customer deposits ***	32,981	31,810	1,172	3.7
Debt securities issued ***	25,399	18,113	7,286	40.2
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions ***	22,312	20,573	1,739	8.5
Other liabilities	5,059	4,051	1,008	24.9
Stockholders' equity ****	7,233	7,803	(570)	(7.3)
<b>Other managed and marketed customer funds</b>	<b>7</b>	<b>7</b>	<b>(0)</b>	<b>(0.3)</b>
Mutual funds	2	2	(0)	(6.9)
Pension funds	5	5	0	2.0
Managed portfolios	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>58,388</b>	<b>49,930</b>	<b>8,458</b>	<b>16.9</b>

(\*\*\*) - Including all on-balance sheet balances for this item

(\*\*\*\*) - Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

Underlying RoTE	14.68	12.76	1.91 p.	
Efficiency ratio (with amortisations)	45.0	44.3	0.72 p.	
NPL ratio	2.95	4.25	(1.30 p.)	
Coverage ratio	110.6	104.9	5.70 p.	
Number of employees	14,747	14,209	538	3.8
Number of branches	579	592	(13)	(2.2)

**Santander Consumer Finance**

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>729</b>	<b>775</b>	<b>788</b>	<b>805</b>	<b>811</b>	<b>833</b>
Net fee income	220	216	223	218	230	228
Gains (losses) on financial transactions	0	(8)	3	(6)	(1)	(5)
Other operating income *	10	9	4	(19)	6	11
<b>Gross income</b>	<b>959</b>	<b>991</b>	<b>1,018</b>	<b>998</b>	<b>1,045</b>	<b>1,068</b>
Operating expenses	(422)	(442)	(443)	(467)	(483)	(468)
General administrative expenses	(384)	(398)	(398)	(422)	(435)	(425)
Personnel	(179)	(200)	(174)	(193)	(201)	(201)
Other general administrative expenses	(205)	(198)	(224)	(229)	(234)	(225)
Depreciation and amortisation	(38)	(44)	(45)	(46)	(48)	(43)
<b>Net operating income</b>	<b>537</b>	<b>549</b>	<b>575</b>	<b>530</b>	<b>562</b>	<b>600</b>
Net loan-loss provisions	(168)	(131)	(142)	(97)	(114)	(70)
Other income	(22)	(36)	(44)	(50)	(39)	(41)
<b>Underlying profit before taxes</b>	<b>348</b>	<b>382</b>	<b>389</b>	<b>383</b>	<b>410</b>	<b>488</b>
Tax on profit	(96)	(110)	(108)	(112)	(117)	(152)
<b>Underlying profit from continuing operations</b>	<b>251</b>	<b>272</b>	<b>281</b>	<b>271</b>	<b>293</b>	<b>336</b>
Net profit from discontinued operations	0	0	(0)	—	—	—
<b>Underlying consolidated profit</b>	<b>251</b>	<b>272</b>	<b>281</b>	<b>271</b>	<b>293</b>	<b>336</b>
Minority interests	31	31	40	35	42	43
<b>Underlying attributable profit to the Group</b>	<b>220</b>	<b>241</b>	<b>242</b>	<b>236</b>	<b>251</b>	<b>293</b>
Net capital gains and provisions **	—	—	—	—	—	(11)
<b>Attributable profit to the Group</b>	<b>220</b>	<b>241</b>	<b>242</b>	<b>236</b>	<b>251</b>	<b>282</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*) - Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans ***	68,690	69,546	70,067	73,709	76,235	79,592
Financial assets held for trading (w/o loans)	31	59	90	94	34	31
Financial assets available-for-sale	1,122	1,841	2,876	3,654	3,624	3,524
Central banks and credit institutions ***	3,316	4,078	1,697	2,297	2,142	2,046
Tangible and intangible assets	779	767	749	692	672	675
Other assets	6,455	6,059	6,295	8,087	6,539	7,117
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>80,392</b>	<b>82,350</b>	<b>81,774</b>	<b>88,534</b>	<b>89,247</b>	<b>92,985</b>
Customer deposits ***	30,989	31,810	31,789	32,595	33,195	32,981
Debt securities issued ***	18,984	18,113	20,457	23,347	22,433	25,399
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions ***	18,285	20,573	16,264	20,314	20,707	22,312
Other liabilities	4,273	4,051	4,934	4,325	4,640	5,059
Stockholders' equity ****	7,861	7,803	8,329	7,953	8,271	7,233
<b>Other managed and marketed customer funds</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
Mutual funds	2	2	2	2	2	2
Pension funds	5	5	5	5	5	5
Managed portfolios	—	—	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>49,980</b>	<b>49,930</b>	<b>52,253</b>	<b>55,950</b>	<b>55,635</b>	<b>58,388</b>

(\*\*\*) - Including all on-balance sheet balances for this item

(\*\*\*\*) - Capital + reserves + profit + other accumulated results

**Other information**

NPL ratio	4.52	4.25	4.15	3.42	3.28	2.95
Coverage ratio	103.6	104.9	107.2	109.1	111.9	110.6
Cost of credit	0.93	0.91	0.87	0.77	0.64	0.55

## Santander Consumer Finance

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,644</b>	<b>1,471</b>	<b>172</b>	<b>11.7</b>
Net fee income	459	433	26	5.9
Gains (losses) on financial transactions	(6)	(8)	3	(30.9)
Other operating income *	17	19	(2)	(10.9)
<b>Gross income</b>	<b>2,113</b>	<b>1,915</b>	<b>198</b>	<b>10.4</b>
Operating expenses	(951)	(849)	(102)	12.0
General administrative expenses	(861)	(768)	(92)	12.0
Personnel	(402)	(373)	(29)	7.9
Other general administrative expenses	(458)	(396)	(63)	15.9
Depreciation and amortisation	(91)	(81)	(10)	12.1
<b>Net operating income</b>	<b>1,162</b>	<b>1,066</b>	<b>96</b>	<b>9.0</b>
Net loan-loss provisions	(184)	(293)	109	(37.1)
Other income	(80)	(58)	(22)	38.5
<b>Underlying profit before taxes</b>	<b>898</b>	<b>715</b>	<b>183</b>	<b>25.6</b>
Tax on profit	(269)	(203)	(66)	32.6
<b>Underlying profit from continuing operations</b>	<b>629</b>	<b>512</b>	<b>117</b>	<b>22.9</b>
Net profit from discontinued operations	—	0	(0)	(100.0)
<b>Underlying consolidated profit</b>	<b>629</b>	<b>512</b>	<b>117</b>	<b>22.9</b>
Minority interests	85	62	23	37.0
<b>Underlying attributable profit to the Group</b>	<b>544</b>	<b>450</b>	<b>94</b>	<b>20.9</b>
Net capital gains and provisions **	(11)	—	(11)	—
<b>Attributable profit to the Group</b>	<b>533</b>	<b>450</b>	<b>83</b>	<b>18.4</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*) - Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans ***	79,592	68,815	10,777	15.7
Financial assets held for trading (w/o loans)	31	58	(27)	(46.2)
Financial assets available-for-sale	3,524	1,788	1,736	97.1
Central banks and credit institutions ***	2,046	4,045	(1,998)	(49.4)
Tangible and intangible assets	675	764	(89)	(11.7)
Other assets	7,117	6,003	1,114	18.6
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>92,985</b>	<b>81,471</b>	<b>11,514</b>	<b>14.1</b>
Customer deposits ***	32,981	31,531	1,451	4.6
Debt securities issued ***	25,399	17,889	7,510	42.0
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions ***	22,312	20,321	1,991	9.8
Other liabilities	5,059	4,026	1,033	25.7
Stockholders' equity ****	7,233	7,704	(471)	(6.1)
<b>Other managed and marketed customer funds</b>	<b>7</b>	<b>7</b>	<b>(0)</b>	<b>(0.3)</b>
Mutual funds	2	2	(0)	(6.9)
Pension funds	5	5	0	2.0
Managed portfolios	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>58,388</b>	<b>49,427</b>	<b>8,961</b>	<b>18.1</b>

(\*\*\*) - Including all on-balance sheet balances for this item

(\*\*\*\*) - Capital + reserves + profit + other accumulated results

## Santander Consumer Finance

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>716</b>	<b>756</b>	<b>781</b>	<b>801</b>	<b>813</b>	<b>831</b>
Net fee income	219	214	222	217	230	228
Gains (losses) on financial transactions	(0)	(8)	3	(6)	(1)	(5)
Other operating income *	10	9	4	(19)	6	11
<b>Gross income</b>	<b>944</b>	<b>971</b>	<b>1,010</b>	<b>994</b>	<b>1,047</b>	<b>1,066</b>
Operating expenses	(416)	(434)	(439)	(465)	(484)	(467)
General administrative expenses	(378)	(390)	(395)	(420)	(436)	(425)
Personnel	(176)	(196)	(172)	(192)	(202)	(201)
Other general administrative expenses	(202)	(194)	(222)	(228)	(234)	(224)
Depreciation and amortisation	(37)	(44)	(44)	(45)	(48)	(43)
<b>Net operating income</b>	<b>529</b>	<b>537</b>	<b>570</b>	<b>529</b>	<b>563</b>	<b>599</b>
Net loan-loss provisions	(165)	(128)	(141)	(97)	(114)	(70)
Other income	(22)	(36)	(44)	(50)	(39)	(41)
<b>Underlying profit before taxes</b>	<b>342</b>	<b>373</b>	<b>385</b>	<b>382</b>	<b>410</b>	<b>487</b>
Tax on profit	(95)	(108)	(107)	(112)	(117)	(152)
<b>Underlying profit from continuing operations</b>	<b>247</b>	<b>265</b>	<b>279</b>	<b>271</b>	<b>293</b>	<b>336</b>
Net profit from discontinued operations	0	0	(0)	—	—	—
<b>Underlying consolidated profit</b>	<b>247</b>	<b>265</b>	<b>279</b>	<b>271</b>	<b>293</b>	<b>336</b>
Minority interests	31	31	40	35	42	43
<b>Underlying attributable profit to the Group</b>	<b>216</b>	<b>234</b>	<b>239</b>	<b>236</b>	<b>252</b>	<b>292</b>
Net capital gains and provisions **	—	—	—	—	—	(11)
<b>Attributable profit to the Group</b>	<b>216</b>	<b>234</b>	<b>239</b>	<b>236</b>	<b>252</b>	<b>281</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans ***	67,798	68,815	70,186	73,928	76,246	79,592
Financial assets held for trading (w/o loans)	29	58	91	96	35	31
Financial assets available-for-sale	1,058	1,788	2,870	3,666	3,616	3,524
Central banks and credit institutions ***	3,296	4,045	1,710	2,317	2,152	2,046
Tangible and intangible assets	775	764	749	693	672	675
Other assets	6,367	6,003	6,305	8,102	6,539	7,117
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>79,322</b>	<b>81,471</b>	<b>81,911</b>	<b>88,802</b>	<b>89,260</b>	<b>92,985</b>
Customer deposits ***	30,660	31,531	31,813	32,659	33,173	32,981
Debt securities issued ***	18,753	17,889	20,515	23,445	22,460	25,399
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions ***	17,924	20,321	16,304	20,386	20,721	22,312
Other liabilities	4,242	4,026	4,937	4,332	4,638	5,059
Stockholders' equity ****	7,743	7,704	8,341	7,981	8,267	7,233
<b>Other managed and marketed customer funds</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
Mutual funds	2	2	2	2	2	2
Pension funds	5	5	5	5	5	5
Managed portfolios	—	—	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>49,420</b>	<b>49,427</b>	<b>52,335</b>	<b>56,111</b>	<b>55,640</b>	<b>58,388</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

## Poland

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>397</b>	<b>383</b>	<b>14</b>	<b>3.7</b>
Net fee income	193	210	(17)	(8.0)
Gains (losses) on financial transactions	55	72	(18)	(24.4)
Other operating income *	11	11	(0)	(0.8)
<b>Gross income</b>	<b>656</b>	<b>676</b>	<b>(20)</b>	<b>(3.0)</b>
Operating expenses	(291)	(304)	13	(4.3)
General administrative expenses	(263)	(281)	18	(6.5)
<i>Personnel</i>	<i>(150)</i>	<i>(163)</i>	<i>14</i>	<i>(8.5)</i>
<i>Other general administrative expenses</i>	<i>(114)</i>	<i>(118)</i>	<i>4</i>	<i>(3.7)</i>
Depreciation and amortisation	(28)	(23)	(5)	21.5
<b>Net operating income</b>	<b>365</b>	<b>372</b>	<b>(7)</b>	<b>(1.9)</b>
Net loan-loss provisions	(67)	(85)	17	(20.6)
Other income	(51)	(3)	(48)	—
<b>Profit before taxes</b>	<b>246</b>	<b>284</b>	<b>(38)</b>	<b>(13.3)</b>
Tax on profit	(51)	(50)	(0)	0.8
<b>Profit from continuing operations</b>	<b>196</b>	<b>234</b>	<b>(38)</b>	<b>(16.3)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>196</b>	<b>234</b>	<b>(38)</b>	<b>(16.3)</b>
Minority interests	57	64	(7)	(11.0)
<b>Attributable profit to the Group</b>	<b>139</b>	<b>170</b>	<b>(31)</b>	<b>(18.3)</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	19,524	18,329	1,195	6.5
Financial assets held for trading (w/o loans)	1,026	1,132	(106)	(9.4)
Financial assets available-for-sale	4,713	5,647	(934)	(16.5)
Central banks and credit institutions **	1,179	1,206	(28)	(2.3)
Tangible and intangible assets	239	235	4	1.8
Other assets	1,701	1,698	3	0.2
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>28,382</b>	<b>28,248</b>	<b>134</b>	<b>0.5</b>
Customer deposits **	21,136	20,181	955	4.7
Debt securities issued **	528	450	78	17.3
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	1,059	1,659	(600)	(36.2)
Other liabilities	3,361	3,591	(230)	(6.4)
Stockholders' equity ***	2,298	2,367	(69)	(2.9)
<b>Other managed and marketed customer funds</b>	<b>3,146</b>	<b>3,928</b>	<b>(782)</b>	<b>(19.9)</b>
Mutual funds	3,047	3,766	(719)	(19.1)
Pension funds	—	—	—	—
Managed portfolios	99	162	(63)	(38.7)
<b>Managed and marketed customer funds</b>	<b>24,810</b>	<b>24,559</b>	<b>250</b>	<b>1.0</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

RoTE	11.91	14.77	(2.86 p.)
Efficiency ratio (with amortisations)	44.4	45.0	(0.62 p.)
NPL ratio	5.84	7.07	(1.23 p.)
Coverage ratio	65.8	63.5	2.30 p.
Number of employees	11,334	11,805	(471)
Number of branches	666	770	(104)

## Poland

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>191</b>	<b>192</b>	<b>196</b>	<b>203</b>	<b>197</b>	<b>200</b>
Net fee income	100	110	103	109	96	97
Gains (losses) on financial transactions	54	19	18	22	25	30
Other operating income *	(4)	16	(9)	(42)	(6)	17
<b>Gross income</b>	<b>340</b>	<b>336</b>	<b>309</b>	<b>292</b>	<b>311</b>	<b>345</b>
Operating expenses	(151)	(153)	(146)	(143)	(145)	(146)
General administrative expenses	(139)	(142)	(136)	(133)	(131)	(132)
Personnel	(81)	(82)	(79)	(81)	(74)	(75)
Other general administrative expenses	(58)	(60)	(57)	(51)	(57)	(56)
Depreciation and amortisation	(12)	(11)	(11)	(11)	(14)	(14)
<b>Net operating income</b>	<b>190</b>	<b>182</b>	<b>162</b>	<b>149</b>	<b>166</b>	<b>199</b>
Net loan-loss provisions	(39)	(46)	(39)	(44)	(33)	(34)
Other income	(1)	(2)	3	(4)	(22)	(29)
<b>Profit before taxes</b>	<b>150</b>	<b>135</b>	<b>125</b>	<b>101</b>	<b>111</b>	<b>136</b>
Tax on profit	(27)	(23)	(26)	(24)	(23)	(28)
<b>Profit from continuing operations</b>	<b>122</b>	<b>112</b>	<b>99</b>	<b>77</b>	<b>88</b>	<b>108</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>122</b>	<b>112</b>	<b>99</b>	<b>77</b>	<b>88</b>	<b>108</b>
Minority interests	33	30	26	20	24	33
<b>Attributable profit to the Group</b>	<b>89</b>	<b>82</b>	<b>73</b>	<b>57</b>	<b>64</b>	<b>75</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	18,303	18,329	18,466	18,977	19,616	19,524
Financial assets held for trading (w/o loans)	1,258	1,132	1,032	894	858	1,026
Financial assets available-for-sale	5,355	5,647	5,500	5,305	5,515	4,713
Central banks and credit institutions **	1,186	1,206	1,085	1,153	719	1,179
Tangible and intangible assets	241	235	229	260	252	239
Other assets	2,206	1,698	1,854	2,523	1,589	1,701
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>28,548</b>	<b>28,248</b>	<b>28,166</b>	<b>29,112</b>	<b>28,549</b>	<b>28,382</b>
Customer deposits **	20,481	20,181	20,404	21,460	21,329	21,136
Debt securities issued **	340	450	501	498	547	528
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	1,540	1,659	1,396	1,152	670	1,059
Other liabilities	3,786	3,591	3,476	3,515	3,426	3,361
Stockholders' equity ***	2,402	2,367	2,388	2,487	2,577	2,298
<b>Other managed and marketed customer funds</b>	<b>3,960</b>	<b>3,928</b>	<b>3,607</b>	<b>3,209</b>	<b>3,249</b>	<b>3,146</b>
Mutual funds	3,813	3,766	3,500	3,106	3,158	3,047
Pension funds	—	—	—	—	—	—
Managed portfolios	147	162	107	103	91	99
<b>Managed and marketed customer funds</b>	<b>24,781</b>	<b>24,559</b>	<b>24,512</b>	<b>25,168</b>	<b>25,125</b>	<b>24,810</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Other information

NPL ratio	7.33	7.07	7.14	6.30	5.93	5.84
Coverage ratio	61.6	63.5	63.1	64.0	67.0	65.8
Cost of credit	1.00	1.00	0.96	0.87	0.82	0.75

## Poland

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>397</b>	<b>363</b>	<b>34</b>	<b>9.4</b>
Net fee income	193	199	(6)	(3.0)
Gains (losses) on financial transactions	55	68	(14)	(20.2)
Other operating income *	11	11	0	4.6
<b>Gross income</b>	<b>656</b>	<b>641</b>	<b>15</b>	<b>2.3</b>
Operating expenses	(291)	(288)	(3)	0.9
General administrative expenses	(263)	(266)	3	(1.3)
<i>Personnel</i>	(150)	(155)	5	(3.4)
<i>Other general administrative expenses</i>	(114)	(112)	(2)	1.7
Depreciation and amortisation	(28)	(22)	(6)	28.3
<b>Net operating income</b>	<b>365</b>	<b>352</b>	<b>12</b>	<b>3.5</b>
Net loan-loss provisions	(67)	(80)	13	(16.2)
Other income	(51)	(3)	(48)	—
<b>Profit before taxes</b>	<b>246</b>	<b>269</b>	<b>(23)</b>	<b>(8.5)</b>
Tax on profit	(51)	(48)	(3)	6.4
<b>Profit from continuing operations</b>	<b>196</b>	<b>222</b>	<b>(26)</b>	<b>(11.7)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>196</b>	<b>222</b>	<b>(26)</b>	<b>(11.7)</b>
Minority interests	57	60	(4)	(6.1)
<b>Attributable profit to the Group</b>	<b>139</b>	<b>161</b>	<b>(22)</b>	<b>(13.8)</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	19,524	17,317	2,208	12.8
Financial assets held for trading (w/o loans)	1,026	1,070	(44)	(4.1)
Financial assets available-for-sale	4,713	5,335	(622)	(11.7)
Central banks and credit institutions **	1,179	1,140	39	3.4
Tangible and intangible assets	239	222	17	7.8
Other assets	1,701	1,604	97	6.0
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>28,382</b>	<b>26,687</b>	<b>1,695</b>	<b>6.4</b>
Customer deposits **	21,136	19,066	2,070	10.9
Debt securities issued **	528	425	103	24.2
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	1,059	1,567	(508)	(32.4)
Other liabilities	3,361	3,392	(31)	(0.9)
Stockholders' equity ***	2,298	2,236	62	2.8
<b>Other managed and marketed customer funds</b>	<b>3,146</b>	<b>3,711</b>	<b>(565)</b>	<b>(15.2)</b>
Mutual funds	3,047	3,558	(511)	(14.4)
Pension funds	—	—	—	—
Managed portfolios	99	153	(54)	(35.1)
<b>Managed and marketed customer funds</b>	<b>24,810</b>	<b>23,203</b>	<b>1,607</b>	<b>6.9</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

## Poland

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>183</b>	<b>180</b>	<b>188</b>	<b>198</b>	<b>196</b>	<b>201</b>
Net fee income	96	103	99	106	96	97
Gains (losses) on financial transactions	52	17	17	22	25	30
Other operating income *	(4)	15	(8)	(40)	(6)	17
<b>Gross income</b>	<b>327</b>	<b>314</b>	<b>296</b>	<b>286</b>	<b>311</b>	<b>345</b>
Operating expenses	(145)	(143)	(141)	(140)	(145)	(146)
General administrative expenses	(134)	(133)	(130)	(130)	(131)	(132)
Personnel	(78)	(77)	(76)	(79)	(74)	(75)
Other general administrative expenses	(56)	(56)	(54)	(50)	(57)	(57)
Depreciation and amortisation	(11)	(11)	(10)	(10)	(14)	(14)
<b>Net operating income</b>	<b>182</b>	<b>171</b>	<b>156</b>	<b>146</b>	<b>166</b>	<b>199</b>
Net loan-loss provisions	(38)	(43)	(38)	(43)	(33)	(34)
Other income	(1)	(2)	3	(4)	(22)	(29)
<b>Profit before taxes</b>	<b>144</b>	<b>126</b>	<b>120</b>	<b>100</b>	<b>111</b>	<b>136</b>
Tax on profit	(26)	(21)	(25)	(24)	(23)	(28)
<b>Profit from continuing operations</b>	<b>117</b>	<b>104</b>	<b>95</b>	<b>76</b>	<b>88</b>	<b>108</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>117</b>	<b>104</b>	<b>95</b>	<b>76</b>	<b>88</b>	<b>108</b>
Minority interests	32	28	25	20	24	33
<b>Attributable profit to the Group</b>	<b>85</b>	<b>76</b>	<b>70</b>	<b>56</b>	<b>64</b>	<b>75</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	16,856	17,317	17,670	18,240	18,826	19,524
Financial assets held for trading (w/o loans)	1,159	1,070	987	859	824	1,026
Financial assets available-for-sale	4,931	5,335	5,262	5,099	5,292	4,713
Central banks and credit institutions **	1,092	1,140	1,039	1,108	691	1,179
Tangible and intangible assets	222	222	219	250	242	239
Other assets	2,031	1,604	1,774	2,425	1,525	1,701
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>26,291</b>	<b>26,687</b>	<b>26,950</b>	<b>27,982</b>	<b>27,400</b>	<b>28,382</b>
Customer deposits **	18,861	19,066	19,524	20,627	20,470	21,136
Debt securities issued **	313	425	479	479	525	528
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	1,418	1,567	1,336	1,107	643	1,059
Other liabilities	3,486	3,392	3,326	3,379	3,288	3,361
Stockholders' equity ***	2,212	2,236	2,285	2,390	2,474	2,298
<b>Other managed and marketed customer funds</b>	<b>3,647</b>	<b>3,711</b>	<b>3,452</b>	<b>3,085</b>	<b>3,118</b>	<b>3,146</b>
Mutual funds	3,512	3,558	3,349	2,986	3,031	3,047
Pension funds	—	—	—	—	—	—
Managed portfolios	135	153	102	99	88	99
<b>Managed and marketed customer funds</b>	<b>22,821</b>	<b>23,203</b>	<b>23,455</b>	<b>24,190</b>	<b>24,114</b>	<b>24,810</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results



## Poland

PLN million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,734</b>	<b>1,585</b>	<b>149</b>	<b>9.4</b>
Net fee income	842	868	(26)	(3.0)
Gains (losses) on financial transactions	239	299	(60)	(20.2)
Other operating income *	48	46	2	4.6
<b>Gross income</b>	<b>2,863</b>	<b>2,798</b>	<b>66</b>	<b>2.3</b>
Operating expenses	(1,270)	(1,259)	(12)	0.9
General administrative expenses	(1,149)	(1,164)	15	(1.3)
<i>Personnel</i>	(653)	(676)	23	(3.4)
<i>Other general administrative expenses</i>	(496)	(488)	(8)	1.7
Depreciation and amortisation	(122)	(95)	(27)	28.3
<b>Net operating income</b>	<b>1,593</b>	<b>1,539</b>	<b>54</b>	<b>3.5</b>
Net loan-loss provisions	(294)	(350)	57	(16.2)
Other income	(223)	(13)	(211)	—
<b>Profit before taxes</b>	<b>1,076</b>	<b>1,176</b>	<b>(100)</b>	<b>(8.5)</b>
Tax on profit	(221)	(208)	(13)	6.4
<b>Profit from continuing operations</b>	<b>855</b>	<b>968</b>	<b>(113)</b>	<b>(11.7)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>855</b>	<b>968</b>	<b>(113)</b>	<b>(11.7)</b>
Minority interests	247	263	(16)	(6.1)
<b>Attributable profit to the Group</b>	<b>607</b>	<b>705</b>	<b>(98)</b>	<b>(13.8)</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	86,614	76,820	9,795	12.8
Financial assets held for trading (w/o loans)	4,553	4,746	(194)	(4.1)
Financial assets available-for-sale	20,908	23,668	(2,760)	(11.7)
Central banks and credit institutions **	5,228	5,056	172	3.4
Tangible and intangible assets	1,059	983	76	7.8
Other assets	7,546	7,117	429	6.0
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>125,909</b>	<b>118,390</b>	<b>7,519</b>	<b>6.4</b>
Customer deposits **	93,761	84,580	9,181	10.9
Debt securities issued **	2,343	1,887	456	24.2
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	4,699	6,953	(2,255)	(32.4)
Other liabilities	14,910	15,048	(138)	(0.9)
Stockholders' equity ***	10,196	9,921	274	2.8
<b>Other managed and marketed customer funds</b>	<b>13,957</b>	<b>16,464</b>	<b>(2,507)</b>	<b>(15.2)</b>
Mutual funds	13,516	15,784	(2,267)	(14.4)
Pension funds	—	—	—	—
Managed portfolios	441	680	(239)	(35.1)
<b>Managed and marketed customer funds</b>	<b>110,062</b>	<b>102,931</b>	<b>7,131</b>	<b>6.9</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Poland

PLN million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	800	784	822	863	858	876
Net fee income	420	448	433	463	418	425
Gains (losses) on financial transactions	225	74	75	96	108	130
Other operating income *	(19)	65	(37)	(175)	(27)	76
<b>Gross income</b>	<b>1,427</b>	<b>1,371</b>	<b>1,293</b>	<b>1,247</b>	<b>1,357</b>	<b>1,507</b>
Operating expenses	(632)	(626)	(614)	(611)	(632)	(638)
General administrative expenses	(584)	(580)	(569)	(566)	(572)	(576)
Personnel	(341)	(335)	(332)	(347)	(324)	(330)
Other general administrative expenses	(243)	(245)	(237)	(219)	(249)	(247)
Depreciation and amortisation	(48)	(46)	(45)	(45)	(60)	(62)
<b>Net operating income</b>	<b>794</b>	<b>745</b>	<b>679</b>	<b>636</b>	<b>724</b>	<b>869</b>
Net loan-loss provisions	(164)	(187)	(164)	(186)	(144)	(149)
Other income	(3)	(9)	11	(16)	(97)	(126)
<b>Profit before taxes</b>	<b>627</b>	<b>549</b>	<b>526</b>	<b>435</b>	<b>483</b>	<b>593</b>
Tax on profit	(115)	(93)	(110)	(104)	(99)	(122)
<b>Profit from continuing operations</b>	<b>512</b>	<b>456</b>	<b>416</b>	<b>331</b>	<b>384</b>	<b>471</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>512</b>	<b>456</b>	<b>416</b>	<b>331</b>	<b>384</b>	<b>471</b>
Minority interests	140	123	110	86	103	144
<b>Attributable profit to the Group</b>	<b>372</b>	<b>333</b>	<b>306</b>	<b>245</b>	<b>281</b>	<b>327</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	74,776	76,820	78,386	80,918	83,517	86,614
Financial assets held for trading (w/o loans)	5,141	4,746	4,379	3,810	3,653	4,553
Financial assets available-for-sale	21,876	23,668	23,344	22,622	23,479	20,908
Central banks and credit institutions **	4,845	5,056	4,607	4,916	3,063	5,228
Tangible and intangible assets	984	983	973	1,108	1,074	1,059
Other assets	9,011	7,117	7,869	10,759	6,765	7,546
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>116,632</b>	<b>118,390</b>	<b>119,557</b>	<b>124,132</b>	<b>121,551</b>	<b>125,909</b>
Customer deposits **	83,671	84,580	86,613	91,504	90,810	93,761
Debt securities issued **	1,390	1,887	2,125	2,125	2,329	2,343
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	6,293	6,953	5,928	4,910	2,851	4,699
Other liabilities	15,466	15,048	14,756	14,989	14,587	14,910
Stockholders' equity ***	9,812	9,921	10,136	10,604	10,973	10,196
<b>Other managed and marketed customer funds</b>	<b>16,179</b>	<b>16,464</b>	<b>15,312</b>	<b>13,684</b>	<b>13,833</b>	<b>13,957</b>
Mutual funds	15,578	15,784	14,859	13,245	13,445	13,516
Pension funds	—	—	—	—	—	—
Managed portfolios	601	680	454	439	389	441
<b>Managed and marketed customer funds</b>	<b>101,240</b>	<b>102,931</b>	<b>104,050</b>	<b>107,314</b>	<b>106,972</b>	<b>110,062</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Portugal

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>370</b>	<b>283</b>	<b>87</b>	<b>30.9</b>
Net fee income	165	136	29	21.5
Gains (losses) on financial transactions	69	25	44	175.4
Other operating income *	26	28	(2)	(7.6)
<b>Gross income</b>	<b>630</b>	<b>472</b>	<b>158</b>	<b>33.6</b>
Operating expenses	(303)	(245)	(58)	23.6
General administrative expenses	(285)	(227)	(58)	25.4
<i>Personnel</i>	(175)	(144)	(32)	22.0
<i>Other general administrative expenses</i>	(110)	(84)	(26)	31.1
Depreciation and amortisation	(18)	(18)	(0)	1.3
<b>Net operating income</b>	<b>327</b>	<b>226</b>	<b>101</b>	<b>44.4</b>
Net loan-loss provisions	(29)	(43)	14	(33.3)
Other income	(23)	(45)	21	(47.3)
<b>Underlying profit before taxes</b>	<b>275</b>	<b>139</b>	<b>136</b>	<b>97.8</b>
Tax on profit	(64)	(35)	(29)	83.4
<b>Underlying profit from continuing operations</b>	<b>211</b>	<b>104</b>	<b>107</b>	<b>102.7</b>
Net profit from discontinued operations	—	—	—	—
<b>Underlying consolidated profit</b>	<b>211</b>	<b>104</b>	<b>107</b>	<b>102.7</b>
Minority interests	1	(0)	1	—
<b>Underlying attributable profit to the Group</b>	<b>210</b>	<b>104</b>	<b>106</b>	<b>101.4</b>
Net capital gains and provisions **	(9)	—	(9)	—
<b>Attributable profit to the Group</b>	<b>201</b>	<b>104</b>	<b>97</b>	<b>93.2</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans ***	27,889	23,097	4,792	20.7
Financial assets held for trading (w/o loans)	1,763	2,076	(314)	(15.1)
Financial assets available-for-sale	5,951	5,711	239	4.2
Central banks and credit institutions ***	2,268	1,753	516	29.4
Tangible and intangible assets	708	693	15	2.1
Other assets	8,305	6,084	2,220	36.5
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>46,883</b>	<b>39,415</b>	<b>7,468</b>	<b>18.9</b>
Customer deposits ***	29,964	23,796	6,168	25.9
Debt securities issued ***	4,488	2,608	1,880	72.1
Liabilities under insurance contracts	44	24	19	79.6
Central banks and credit institutions ***	8,164	9,794	(1,630)	(16.6)
Other liabilities	1,063	971	92	9.4
Stockholders' equity ****	3,160	2,221	940	42.3
<b>Other managed and marketed customer funds</b>	<b>2,686</b>	<b>2,876</b>	<b>(190)</b>	<b>(6.6)</b>
Mutual funds	1,389	1,555	(166)	(10.7)
Pension funds	894	910	(16)	(1.8)
Managed portfolios	403	411	(8)	(1.8)
<b>Managed and marketed customer funds</b>	<b>37,138</b>	<b>29,281</b>	<b>7,858</b>	<b>26.8</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

Underlying RoTE	14.68	8.70	5.97 p.
Efficiency ratio (with amortisations)	48.1	52.0	(3.89 p.)
NPL ratio	10.46	8.80	1.66 p.
Coverage ratio	61.9	54.2	7.70 p.
Number of employees	6,466	5,433	1,033
Number of branches	734	576	158

## Portugal

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>142</b>	<b>141</b>	<b>134</b>	<b>138</b>	<b>183</b>	<b>188</b>
Net fee income	68	67	66	62	90	74
Gains (losses) on financial transactions	15	10	16	123	54	15
Other operating income *	13	16	10	(5)	10	16
<b>Gross income</b>	<b>238</b>	<b>234</b>	<b>226</b>	<b>318</b>	<b>337</b>	<b>293</b>
Operating expenses	(123)	(122)	(124)	(125)	(154)	(149)
General administrative expenses	(114)	(113)	(115)	(116)	(145)	(140)
Personnel	(71)	(72)	(72)	(75)	(88)	(88)
Other general administrative expenses	(42)	(41)	(43)	(41)	(57)	(52)
Depreciation and amortisation	(10)	(9)	(9)	(9)	(9)	(9)
<b>Net operating income</b>	<b>115</b>	<b>112</b>	<b>102</b>	<b>193</b>	<b>183</b>	<b>144</b>
Net loan-loss provisions	(22)	(21)	(24)	(5)	(22)	(6)
Other income	(21)	(23)	23	(10)	(2)	(21)
<b>Underlying profit before taxes</b>	<b>72</b>	<b>67</b>	<b>101</b>	<b>178</b>	<b>158</b>	<b>116</b>
Tax on profit	(17)	(18)	(24)	(58)	(37)	(27)
<b>Underlying profit from continuing operations</b>	<b>55</b>	<b>49</b>	<b>77</b>	<b>120</b>	<b>122</b>	<b>89</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Underlying consolidated profit</b>	<b>55</b>	<b>49</b>	<b>77</b>	<b>120</b>	<b>122</b>	<b>89</b>
Minority interests	0	(0)	0	1	1	1
<b>Underlying attributable profit to the Group</b>	<b>55</b>	<b>49</b>	<b>77</b>	<b>119</b>	<b>121</b>	<b>89</b>
Net capital gains and provisions **	—	—	—	—	—	(9)
<b>Attributable profit to the Group</b>	<b>55</b>	<b>49</b>	<b>77</b>	<b>119</b>	<b>121</b>	<b>80</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans ***	23,045	23,097	23,029	28,221	27,655	27,889
Financial assets held for trading (w/o loans)	2,160	2,076	1,801	1,678	1,761	1,763
Financial assets available-for-sale	6,877	5,711	5,736	6,799	6,158	5,951
Central banks and credit institutions ***	2,017	1,753	1,715	2,104	2,633	2,268
Tangible and intangible assets	700	693	696	720	702	708
Other assets	6,013	6,084	6,381	10,046	8,738	8,305
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>40,813</b>	<b>39,415</b>	<b>39,358</b>	<b>49,568</b>	<b>47,647</b>	<b>46,883</b>
Customer deposits ***	23,529	23,796	24,091	29,173	29,146	29,964
Debt securities issued ***	2,732	2,608	2,566	4,994	4,700	4,488
Liabilities under insurance contracts	30	24	22	20	45	44
Central banks and credit institutions ***	11,043	9,794	9,384	11,307	9,643	8,164
Other liabilities	888	971	920	1,351	1,183	1,063
Stockholders' equity ****	2,591	2,221	2,376	2,724	2,929	3,160
<b>Other managed and marketed customer funds</b>	<b>2,870</b>	<b>2,876</b>	<b>2,801</b>	<b>2,842</b>	<b>2,745</b>	<b>2,686</b>
Mutual funds	1,530	1,555	1,489	1,512	1,444	1,389
Pension funds	962	910	906	915	902	894
Managed portfolios	379	411	406	416	399	403
<b>Managed and marketed customer funds</b>	<b>29,131</b>	<b>29,281</b>	<b>29,457</b>	<b>37,009</b>	<b>36,591</b>	<b>37,138</b>

(\*\*\*).- Including all on-balance sheet balances for this item

(\*\*\*\*).- Capital + reserves + profit + other accumulated results

### Other information

NPL ratio	8.96	8.80	8.86	7.46	8.55	10.46
Coverage ratio	52.4	54.2	56.2	99.0	87.7	61.9
Cost of credit	0.45	0.38	0.35	0.29	0.28	0.21

## Spain's real estate activity

€ million

			Variation	
	1H '16	1H '15	Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	(22)	(13)	(9)	69.1
Net fee income	0	1	(0)	(60.9)
Gains (losses) on financial transactions	(0)	78	(78)	—
Other operating income *	32	19	14	73.2
<b>Gross income</b>	<b>11</b>	<b>84</b>	<b>(74)</b>	<b>(87.5)</b>
Operating expenses	(108)	(123)	15	(12.1)
General administrative expenses	(102)	(115)	13	(11.4)
<i>Personnel</i>	(28)	(32)	4	(12.4)
<i>Other general administrative expenses</i>	(75)	(84)	9	(11.0)
Depreciation and amortisation	(6)	(7)	2	(23.6)
<b>Net operating income</b>	<b>(97)</b>	<b>(38)</b>	<b>(59)</b>	<b>153.3</b>
Net loan-loss provisions	(76)	(91)	14	(15.9)
Other income	(36)	(103)	67	(65.4)
<b>Profit before taxes</b>	<b>(210)</b>	<b>(232)</b>	<b>23</b>	<b>(9.9)</b>
Tax on profit	62	69	(7)	(10.2)
<b>Profit from continuing operations</b>	<b>(147)</b>	<b>(163)</b>	<b>16</b>	<b>(9.7)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>(147)</b>	<b>(163)</b>	<b>16</b>	<b>(9.7)</b>
Minority interests	(3)	0	(3)	—
<b>Attributable profit to the Group</b>	<b>(144)</b>	<b>(163)</b>	<b>19</b>	<b>(11.7)</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

			Variation	
	30.06.16	30.06.15	Amount	%
<b>Balance sheet</b>				
Customer loans **	2,302	3,323	(1,020)	(30.7)
Financial assets held for trading (w/o loans)	5	4	1	16.8
Financial assets available-for-sale	463	168	295	175.4
Central banks and credit institutions **	861	0	861	—
Tangible and intangible assets	6,016	5,804	212	3.7
Other assets	6,376	6,818	(442)	(6.5)
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>16,024</b>	<b>16,117</b>	<b>(93)</b>	<b>(0.6)</b>
Customer deposits **	114	245	(131)	(53.3)
Debt securities issued **	646	—	646	—
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	8,684	9,498	(813)	(8.6)
Other liabilities	1,799	1,841	(43)	(2.3)
Stockholders' equity ***	4,780	4,533	247	5.4
<b>Other managed and marketed customer funds</b>	<b>34</b>	<b>44</b>	<b>(10)</b>	<b>(23.3)</b>
Mutual funds	33	43	(10)	(23.5)
Pension funds	1	1	(0)	(4.8)
Managed portfolios	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>794</b>	<b>288</b>	<b>506</b>	<b>175.2</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

## Spain's real estate activity

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	(13)	0	(11)	(17)	(12)	(10)
Net fee income	0	1	(1)	0	0	(0)
Gains (losses) on financial transactions	44	34	43	31	0	(1)
Other operating income *	8	11	(5)	14	10	22
<b>Gross income</b>	<b>39</b>	<b>45</b>	<b>25</b>	<b>27</b>	<b>(1)</b>	<b>11</b>
Operating expenses	(66)	(57)	(58)	(54)	(54)	(54)
General administrative expenses	(62)	(53)	(57)	(51)	(52)	(51)
<i>Personnel</i>	(18)	(13)	(17)	(16)	(14)	(14)
<i>Other general administrative expenses</i>	(44)	(40)	(40)	(35)	(38)	(37)
Depreciation and amortisation	(4)	(3)	(1)	(3)	(3)	(3)
<b>Net operating income</b>	<b>(27)</b>	<b>(11)</b>	<b>(33)</b>	<b>(26)</b>	<b>(55)</b>	<b>(42)</b>
Net loan-loss provisions	(42)	(49)	(83)	(34)	(25)	(51)
Other income	(49)	(54)	(61)	(140)	(11)	(25)
<b>Profit before taxes</b>	<b>(119)</b>	<b>(114)</b>	<b>(176)</b>	<b>(199)</b>	<b>(92)</b>	<b>(118)</b>
Tax on profit	36	34	53	58	27	35
<b>Profit from continuing operations</b>	<b>(83)</b>	<b>(80)</b>	<b>(124)</b>	<b>(142)</b>	<b>(65)</b>	<b>(83)</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>(83)</b>	<b>(80)</b>	<b>(124)</b>	<b>(142)</b>	<b>(65)</b>	<b>(83)</b>
Minority interests	1	(1)	(8)	(2)	(1)	(2)
<b>Attributable profit to the Group</b>	<b>(85)</b>	<b>(79)</b>	<b>(116)</b>	<b>(140)</b>	<b>(63)</b>	<b>(81)</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	3,942	3,323	2,982	2,794	2,551	2,302
Financial assets held for trading (w/o loans)	6	4	4	5	5	5
Financial assets available-for-sale	167	168	169	104	102	463
Central banks and credit institutions **	0	0	755	698	643	861
Tangible and intangible assets	5,865	5,804	5,692	5,827	6,131	6,016
Other assets	6,488	6,818	6,561	6,412	6,542	6,376
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>16,467</b>	<b>16,117</b>	<b>16,163</b>	<b>15,840</b>	<b>15,974</b>	<b>16,024</b>
Customer deposits **	149	245	153	125	110	114
Debt securities issued **	—	—	0	0	—	646
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	10,538	9,498	10,304	10,335	9,377	8,684
Other liabilities	1,624	1,841	1,402	1,289	1,791	1,799
Stockholders' equity ***	4,156	4,533	4,304	4,092	4,696	4,780
<b>Other managed and marketed customer funds</b>	<b>139</b>	<b>44</b>	<b>40</b>	<b>36</b>	<b>35</b>	<b>34</b>
Mutual funds	138	43	39	35	35	33
Pension funds	1	1	1	1	1	1
Managed portfolios	—	—	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>288</b>	<b>288</b>	<b>193</b>	<b>160</b>	<b>145</b>	<b>794</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## United Kingdom

€ million

			Variation	
	1H '16	1H '15	Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>2,290</b>	<b>2,441</b>	<b>(152)</b>	<b>(6.2)</b>
Net fee income	538	578	(40)	(7.0)
Gains (losses) on financial transactions	163	144	20	13.7
Other operating income *	23	14	9	68.6
<b>Gross income</b>	<b>3,014</b>	<b>3,177</b>	<b>(163)</b>	<b>(5.1)</b>
Operating expenses	(1,581)	(1,667)	86	(5.1)
General administrative expenses	(1,422)	(1,507)	85	(5.6)
Personnel	(729)	(815)	85	(10.4)
Other general administrative expenses	(693)	(693)	(0)	0.0
Depreciation and amortisation	(159)	(159)	1	(0.4)
<b>Net operating income</b>	<b>1,433</b>	<b>1,510</b>	<b>(77)</b>	<b>(5.1)</b>
Net loan-loss provisions	(74)	(94)	19	(20.6)
Other income	(130)	(106)	(24)	22.6
<b>Profit before taxes</b>	<b>1,228</b>	<b>1,310</b>	<b>(82)</b>	<b>(6.3)</b>
Tax on profit	(365)	(276)	(88)	32.0
<b>Profit from continuing operations</b>	<b>863</b>	<b>1,034</b>	<b>(171)</b>	<b>(16.5)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>863</b>	<b>1,034</b>	<b>(171)</b>	<b>(16.5)</b>
Minority interests	20	17	3	15.8
<b>Attributable profit to the Group</b>	<b>843</b>	<b>1,016</b>	<b>(173)</b>	<b>(17.1)</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

			Variation	
	30.06.16	30.06.15	Amount	%
<b>Balance sheet</b>				
Customer loans **	259,852	287,896	(28,044)	(9.7)
Financial assets held for trading (w/o loans)	40,661	41,349	(688)	(1.7)
Financial assets available-for-sale	11,901	12,785	(885)	(6.9)
Central banks and credit institutions **	17,147	16,848	299	1.8
Tangible and intangible assets	2,646	3,175	(529)	(16.7)
Other assets	29,976	27,578	2,398	8.7
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>362,184</b>	<b>389,632</b>	<b>(27,448)</b>	<b>(7.0)</b>
Customer deposits **	212,152	230,233	(18,081)	(7.9)
Debt securities issued **	72,556	77,895	(5,339)	(6.9)
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	21,040	26,331	(5,291)	(20.1)
Other liabilities	40,880	39,385	1,495	3.8
Stockholders' equity ***	15,556	15,788	(232)	(1.5)
<b>Other managed and marketed customer funds</b>	<b>8,365</b>	<b>10,807</b>	<b>(2,442)</b>	<b>(22.6)</b>
Mutual funds	8,246	10,645	(2,399)	(22.5)
Pension funds	—	—	—	—
Managed portfolios	119	162	(43)	(26.7)
<b>Managed and marketed customer funds</b>	<b>293,073</b>	<b>318,935</b>	<b>(25,862)</b>	<b>(8.1)</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

RoTE	9.95	12.69	(2.74 p.)
Efficiency ratio (with amortisations)	52.5	52.5	(0.00 p.)
NPL ratio	1.47	1.61	(0.14 p.)
Coverage ratio	36.5	40.3	(3.80 p.)
Number of employees	26,010	26,354	(344)
Number of branches	850	901	(51)

## United Kingdom

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>1,194</b>	<b>1,247</b>	<b>1,250</b>	<b>1,251</b>	<b>1,154</b>	<b>1,136</b>
Net fee income	287	291	273	240	280	258
Gains (losses) on financial transactions	60	83	58	100	68	95
Other operating income *	10	4	23	10	11	12
<b>Gross income</b>	<b>1,551</b>	<b>1,626</b>	<b>1,605</b>	<b>1,600</b>	<b>1,513</b>	<b>1,501</b>
Operating expenses	(823)	(843)	(844)	(846)	(794)	(788)
General administrative expenses	(749)	(759)	(760)	(742)	(718)	(705)
Personnel	(396)	(418)	(391)	(387)	(371)	(358)
Other general administrative expenses	(352)	(341)	(369)	(355)	(346)	(346)
Depreciation and amortisation	(75)	(85)	(84)	(104)	(76)	(83)
<b>Net operating income</b>	<b>727</b>	<b>783</b>	<b>761</b>	<b>755</b>	<b>719</b>	<b>713</b>
Net loan-loss provisions	(76)	(18)	7	(21)	(7)	(68)
Other income	(56)	(51)	(130)	(118)	(59)	(71)
<b>Profit before taxes</b>	<b>596</b>	<b>714</b>	<b>639</b>	<b>616</b>	<b>654</b>	<b>574</b>
Tax on profit	(117)	(159)	(149)	(130)	(192)	(173)
<b>Profit from continuing operations</b>	<b>479</b>	<b>555</b>	<b>489</b>	<b>485</b>	<b>462</b>	<b>401</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>479</b>	<b>555</b>	<b>489</b>	<b>485</b>	<b>462</b>	<b>401</b>
Minority interests	8	9	10	10	9	11
<b>Attributable profit to the Group</b>	<b>471</b>	<b>545</b>	<b>480</b>	<b>475</b>	<b>453</b>	<b>390</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	279,334	287,896	284,003	282,673	267,628	259,852
Financial assets held for trading (w/o loans)	42,850	41,349	40,406	40,138	36,151	40,661
Financial assets available-for-sale	12,937	12,785	12,940	12,279	11,801	11,901
Central banks and credit institutions **	19,259	16,848	14,419	14,083	17,223	17,147
Tangible and intangible assets	3,094	3,175	3,043	3,025	2,787	2,646
Other assets	35,375	27,578	28,513	30,957	28,959	29,976
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>392,848</b>	<b>389,632</b>	<b>383,323</b>	<b>383,155</b>	<b>364,549</b>	<b>362,184</b>
Customer deposits **	220,684	230,233	227,212	231,947	217,282	212,152
Debt securities issued **	84,356	77,895	76,149	74,260	76,614	72,556
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	26,264	26,331	24,871	23,610	15,210	21,040
Other liabilities	45,703	39,385	38,500	36,162	37,176	40,880
Stockholders' equity ***	15,841	15,788	16,591	17,176	18,268	15,556
<b>Other managed and marketed customer funds</b>	<b>10,469</b>	<b>10,807</b>	<b>9,376</b>	<b>9,703</b>	<b>8,784</b>	<b>8,365</b>
Mutual funds	10,313	10,645	9,238	9,564	8,661	8,246
Pension funds	—	—	—	—	—	—
Managed portfolios	156	162	138	139	124	119
<b>Managed and marketed customer funds</b>	<b>315,509</b>	<b>318,935</b>	<b>312,737</b>	<b>315,910</b>	<b>302,681</b>	<b>293,073</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Other information

NPL ratio	1.75	1.61	1.51	1.52	1.49	1.47
Coverage ratio	41.2	40.3	39.6	38.2	36.5	36.5
Cost of credit	0.11	0.08	0.04	0.03	0.01	0.03



## United Kingdom

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>2,290</b>	<b>2,295</b>	<b>(5)</b>	<b>(0.2)</b>
Net fee income	538	543	(6)	(1.1)
Gains (losses) on financial transactions	163	135	28	20.9
Other operating income *	23	13	10	79.4
<b>Gross income</b>	<b>3,014</b>	<b>2,986</b>	<b>27</b>	<b>0.9</b>
Operating expenses	(1,581)	(1,567)	(14)	0.9
General administrative expenses	(1,422)	(1,417)	(5)	0.4
<i>Personnel</i>	(729)	(766)	36	(4.7)
<i>Other general administrative expenses</i>	(693)	(651)	(42)	6.4
Depreciation and amortisation	(159)	(150)	(9)	6.0
<b>Net operating income</b>	<b>1,433</b>	<b>1,420</b>	<b>13</b>	<b>0.9</b>
Net loan-loss provisions	(74)	(88)	14	(15.6)
Other income	(130)	(100)	(30)	30.4
<b>Profit before taxes</b>	<b>1,228</b>	<b>1,231</b>	<b>(4)</b>	<b>(0.3)</b>
Tax on profit	(365)	(260)	(105)	40.4
<b>Profit from continuing operations</b>	<b>863</b>	<b>972</b>	<b>(109)</b>	<b>(11.2)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>863</b>	<b>972</b>	<b>(109)</b>	<b>(11.2)</b>
Minority interests	20	16	4	23.2
<b>Attributable profit to the Group</b>	<b>843</b>	<b>955</b>	<b>(112)</b>	<b>(11.8)</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	259,852	247,803	12,049	4.9
Financial assets held for trading (w/o loans)	40,661	35,591	5,070	14.2
Financial assets available-for-sale	11,901	11,005	896	8.1
Central banks and credit institutions **	17,147	14,502	2,646	18.2
Tangible and intangible assets	2,646	2,733	(87)	(3.2)
Other assets	29,976	23,737	6,239	26.3
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>362,184</b>	<b>335,371</b>	<b>26,813</b>	<b>8.0</b>
Customer deposits **	212,152	198,170	13,982	7.1
Debt securities issued **	72,556	67,047	5,509	8.2
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	21,040	22,664	(1,624)	(7.2)
Other liabilities	40,880	33,901	6,980	20.6
Stockholders' equity ***	15,556	13,589	1,966	14.5
<b>Other managed and marketed customer funds</b>	<b>8,365</b>	<b>9,302</b>	<b>(937)</b>	<b>(10.1)</b>
Mutual funds	8,246	9,162	(916)	(10.0)
Pension funds	—	—	—	—
Managed portfolios	119	140	(21)	(14.8)
<b>Managed and marketed customer funds</b>	<b>293,073</b>	<b>274,519</b>	<b>18,553</b>	<b>6.8</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

## United Kingdom

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>1,139</b>	<b>1,156</b>	<b>1,151</b>	<b>1,160</b>	<b>1,142</b>	<b>1,148</b>
Net fee income	273	270	251	222	277	260
Gains (losses) on financial transactions	57	78	54	93	67	96
Other operating income *	9	3	21	9	11	12
<b>Gross income</b>	<b>1,480</b>	<b>1,507</b>	<b>1,477</b>	<b>1,484</b>	<b>1,497</b>	<b>1,516</b>
Operating expenses	(786)	(781)	(777)	(784)	(785)	(796)
General administrative expenses	(714)	(703)	(700)	(687)	(710)	(712)
Personnel	(378)	(388)	(359)	(359)	(367)	(362)
Other general administrative expenses	(336)	(315)	(340)	(329)	(343)	(350)
Depreciation and amortisation	(71)	(78)	(77)	(97)	(75)	(84)
<b>Net operating income</b>	<b>694</b>	<b>725</b>	<b>700</b>	<b>700</b>	<b>712</b>	<b>721</b>
Net loan-loss provisions	(72)	(16)	8	(19)	(6)	(68)
Other income	(53)	(47)	(120)	(109)	(58)	(72)
<b>Profit before taxes</b>	<b>569</b>	<b>663</b>	<b>587</b>	<b>571</b>	<b>647</b>	<b>581</b>
Tax on profit	(112)	(148)	(138)	(121)	(190)	(175)
<b>Profit from continuing operations</b>	<b>457</b>	<b>515</b>	<b>450</b>	<b>450</b>	<b>457</b>	<b>406</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>457</b>	<b>515</b>	<b>450</b>	<b>450</b>	<b>457</b>	<b>406</b>
Minority interests	8	9	9	9	9	11
<b>Attributable profit to the Group</b>	<b>450</b>	<b>506</b>	<b>441</b>	<b>440</b>	<b>448</b>	<b>395</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	245,807	247,803	253,764	251,020	256,311	259,852
Financial assets held for trading (w/o loans)	37,707	35,591	36,104	35,643	34,623	40,661
Financial assets available-for-sale	11,384	11,005	11,562	10,904	11,302	11,901
Central banks and credit institutions **	16,947	14,502	12,883	12,506	16,495	17,147
Tangible and intangible assets	2,723	2,733	2,719	2,686	2,669	2,646
Other assets	31,129	23,737	25,477	27,491	27,734	29,976
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>345,697</b>	<b>335,371</b>	<b>342,509</b>	<b>340,250</b>	<b>349,134</b>	<b>362,184</b>
Customer deposits **	194,196	198,170	203,020	205,974	208,094	212,152
Debt securities issued **	74,232	67,047	68,041	65,944	73,374	72,556
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	23,112	22,664	22,223	20,966	14,566	21,040
Other liabilities	40,218	33,901	34,401	32,113	35,604	40,880
Stockholders' equity ***	13,939	13,589	14,825	15,252	17,496	15,556
<b>Other managed and marketed customer funds</b>	<b>9,212</b>	<b>9,302</b>	<b>8,378</b>	<b>8,617</b>	<b>8,413</b>	<b>8,365</b>
Mutual funds	9,075	9,162	8,254	8,493	8,294	8,246
Pension funds	—	—	—	—	—	—
Managed portfolios	137	140	123	124	118	119
<b>Managed and marketed customer funds</b>	<b>277,640</b>	<b>274,519</b>	<b>279,439</b>	<b>280,535</b>	<b>289,881</b>	<b>293,073</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## United Kingdom

£ million

			Variation	
	1H '16	1H '15	Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,782</b>	<b>1,787</b>	<b>(4)</b>	<b>(0.2)</b>
Net fee income	418	423	(5)	(1.1)
Gains (losses) on financial transactions	127	105	22	20.9
Other operating income *	18	10	8	79.4
<b>Gross income</b>	<b>2,346</b>	<b>2,325</b>	<b>21</b>	<b>0.9</b>
Operating expenses	(1,231)	(1,220)	(11)	0.9
General administrative expenses	(1,107)	(1,103)	(4)	0.4
<i>Personnel</i>	(568)	(596)	28	(4.7)
<i>Other general administrative expenses</i>	(539)	(507)	(32)	6.4
Depreciation and amortisation	(124)	(117)	(7)	6.0
<b>Net operating income</b>	<b>1,115</b>	<b>1,105</b>	<b>10</b>	<b>0.9</b>
Net loan-loss provisions	(58)	(69)	11	(15.6)
Other income	(101)	(78)	(24)	30.4
<b>Profit before taxes</b>	<b>956</b>	<b>959</b>	<b>(3)</b>	<b>(0.3)</b>
Tax on profit	(284)	(202)	(82)	40.4
<b>Profit from continuing operations</b>	<b>672</b>	<b>756</b>	<b>(85)</b>	<b>(11.2)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>672</b>	<b>756</b>	<b>(85)</b>	<b>(11.2)</b>
Minority interests	16	13	3	23.2
<b>Attributable profit to the Group</b>	<b>656</b>	<b>744</b>	<b>(88)</b>	<b>(11.8)</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

			Variation	
	30.06.16	30.06.15	Amount	%
<b>Balance sheet</b>				
Customer loans **	214,768	204,809	9,959	4.9
Financial assets held for trading (w/o loans)	33,606	29,416	4,190	14.2
Financial assets available-for-sale	9,836	9,096	740	8.1
Central banks and credit institutions **	14,172	11,986	2,187	18.2
Tangible and intangible assets	2,187	2,259	(72)	(3.2)
Other assets	24,775	19,619	5,156	26.3
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>299,345</b>	<b>277,184</b>	<b>22,161</b>	<b>8.0</b>
Customer deposits **	175,343	163,788	11,556	7.1
Debt securities issued **	59,968	55,415	4,553	8.2
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	17,390	18,732	(1,342)	(7.2)
Other liabilities	33,788	28,019	5,769	20.6
Stockholders' equity ***	12,857	11,231	1,625	14.5
<b>Other managed and marketed customer funds</b>	<b>6,914</b>	<b>7,688</b>	<b>(775)</b>	<b>(10.1)</b>
Mutual funds	6,815	7,573	(757)	(10.0)
Pension funds	—	—	—	—
Managed portfolios	98	116	(17)	(14.8)
<b>Managed and marketed customer funds</b>	<b>242,224</b>	<b>226,890</b>	<b>15,334</b>	<b>6.8</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

## United Kingdom

£ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	887	900	896	903	889	893
Net fee income	213	210	196	173	216	203
Gains (losses) on financial transactions	45	60	42	72	52	75
Other operating income *	7	3	17	7	8	10
<b>Gross income</b>	<b>1,152</b>	<b>1,173</b>	<b>1,150</b>	<b>1,155</b>	<b>1,166</b>	<b>1,180</b>
Operating expenses	(612)	(608)	(605)	(610)	(611)	(619)
General administrative expenses	(556)	(547)	(545)	(535)	(553)	(554)
Personnel	(294)	(302)	(280)	(279)	(286)	(282)
Other general administrative expenses	(262)	(245)	(265)	(256)	(267)	(272)
Depreciation and amortisation	(56)	(61)	(60)	(75)	(59)	(65)
<b>Net operating income</b>	<b>540</b>	<b>565</b>	<b>545</b>	<b>545</b>	<b>554</b>	<b>561</b>
Net loan-loss provisions	(56)	(12)	6	(15)	(5)	(53)
Other income	(41)	(36)	(94)	(85)	(45)	(56)
<b>Profit before taxes</b>	<b>443</b>	<b>516</b>	<b>457</b>	<b>444</b>	<b>504</b>	<b>452</b>
Tax on profit	(87)	(115)	(107)	(94)	(148)	(136)
<b>Profit from continuing operations</b>	<b>356</b>	<b>401</b>	<b>350</b>	<b>350</b>	<b>356</b>	<b>316</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>356</b>	<b>401</b>	<b>350</b>	<b>350</b>	<b>356</b>	<b>316</b>
Minority interests	6	7	7	7	7	8
<b>Attributable profit to the Group</b>	<b>350</b>	<b>394</b>	<b>343</b>	<b>343</b>	<b>349</b>	<b>307</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	203,159	204,809	209,736	207,468	211,841	214,768
Financial assets held for trading (w/o loans)	31,165	29,416	29,840	29,459	28,616	33,606
Financial assets available-for-sale	9,409	9,096	9,556	9,012	9,341	9,836
Central banks and credit institutions **	14,007	11,986	10,648	10,336	13,633	14,172
Tangible and intangible assets	2,250	2,259	2,247	2,220	2,206	2,187
Other assets	25,728	19,619	21,057	22,721	22,922	24,775
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>285,718</b>	<b>277,184</b>	<b>283,084</b>	<b>281,217</b>	<b>288,559</b>	<b>299,345</b>
Customer deposits **	160,503	163,788	167,796	170,238	171,990	175,343
Debt securities issued **	61,352	55,415	56,236	54,503	60,644	59,968
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	19,102	18,732	18,367	17,329	12,039	17,390
Other liabilities	33,240	28,019	28,432	26,541	29,426	33,788
Stockholders' equity ***	11,521	11,231	12,253	12,606	14,460	12,857
<b>Other managed and marketed customer funds</b>	<b>7,614</b>	<b>7,688</b>	<b>6,924</b>	<b>7,122</b>	<b>6,953</b>	<b>6,914</b>
Mutual funds	7,501	7,573	6,822	7,019	6,855	6,815
Pension funds	—	—	—	—	—	—
Managed portfolios	113	116	102	102	98	98
<b>Managed and marketed customer funds</b>	<b>229,470</b>	<b>226,890</b>	<b>230,956</b>	<b>231,862</b>	<b>239,587</b>	<b>242,224</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

## Latin America

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>6,184</b>	<b>7,155</b>	<b>(971)</b>	<b>(13.6)</b>
Net fee income	2,082	2,287	(205)	(9.0)
Gains (losses) on financial transactions	363	331	32	9.7
Other operating income *	18	25	(8)	(30.3)
<b>Gross income</b>	<b>8,647</b>	<b>9,798</b>	<b>(1,151)</b>	<b>(11.8)</b>
Operating expenses	(3,570)	(4,074)	504	(12.4)
General administrative expenses	(3,251)	(3,710)	459	(12.4)
Personnel	(1,806)	(2,021)	215	(10.6)
Other general administrative expenses	(1,444)	(1,688)	244	(14.5)
Depreciation and amortisation	(320)	(364)	44	(12.2)
<b>Net operating income</b>	<b>5,076</b>	<b>5,724</b>	<b>(648)</b>	<b>(11.3)</b>
Net loan-loss provisions	(2,253)	(2,436)	183	(7.5)
Other income	(405)	(476)	71	(14.9)
<b>Profit before taxes</b>	<b>2,418</b>	<b>2,812</b>	<b>(394)</b>	<b>(14.0)</b>
Tax on profit	(621)	(775)	154	(19.8)
<b>Profit from continuing operations</b>	<b>1,796</b>	<b>2,037</b>	<b>(241)</b>	<b>(11.8)</b>
Net profit from discontinued operations	0	—	0	—
<b>Consolidated profit</b>	<b>1,796</b>	<b>2,037</b>	<b>(241)</b>	<b>(11.8)</b>
Minority interests	290	320	(31)	(9.5)
<b>Attributable profit to the Group</b>	<b>1,506</b>	<b>1,716</b>	<b>(210)</b>	<b>(12.2)</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	141,873	145,094	(3,222)	(2.2)
Financial assets held for trading (w/o loans)	38,044	34,585	3,460	10.0
Financial assets available-for-sale	28,815	34,670	(5,854)	(16.9)
Central banks and credit institutions **	49,887	35,811	14,076	39.3
Tangible and intangible assets	3,869	4,056	(187)	(4.6)
Other assets	37,107	30,279	6,828	22.5
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>299,596</b>	<b>284,495</b>	<b>15,101</b>	<b>5.3</b>
Customer deposits **	134,898	133,402	1,496	1.1
Debt securities issued **	45,148	43,574	1,574	3.6
Liabilities under insurance contracts	1	1	0	1.1
Central banks and credit institutions **	42,333	41,756	577	1.4
Other liabilities	53,825	43,404	10,421	24.0
Stockholders' equity ***	23,391	22,358	1,033	4.6
<b>Other managed and marketed customer funds</b>	<b>76,722</b>	<b>71,585</b>	<b>5,137</b>	<b>7.2</b>
Mutual funds	70,759	66,315	4,444	6.7
Pension funds	—	—	—	—
Managed portfolios	5,964	5,270	694	13.2
<b>Managed and marketed customer funds</b>	<b>256,768</b>	<b>248,561</b>	<b>8,207</b>	<b>3.3</b>

(\*\*) - Including all on-balance sheet balances for this item

(\*\*\*) - Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

RoTE	14.75	15.71	(0.96 p.)	
Efficiency ratio (with amortisations)	41.3	41.6	(0.29 p.)	
NPL ratio	4.98	4.74	0.24 p.	
Coverage ratio	81.4	84.4	(3.00 p.)	
Number of employees	88,497	87,358	1,139	1.3
Number of branches	5,852	5,782	70	1.2

## Latin America

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>3,545</b>	<b>3,610</b>	<b>3,334</b>	<b>3,263</b>	<b>3,044</b>	<b>3,140</b>
Net fee income	1,135	1,151	1,079	1,086	961	1,121
Gains (losses) on financial transactions	168	163	126	60	141	222
Other operating income *	(2)	27	23	(13)	(7)	25
<b>Gross income</b>	<b>4,846</b>	<b>4,952</b>	<b>4,562</b>	<b>4,396</b>	<b>4,139</b>	<b>4,507</b>
Operating expenses	(2,047)	(2,027)	(1,895)	(1,937)	(1,736)	(1,834)
General administrative expenses	(1,865)	(1,845)	(1,738)	(1,782)	(1,584)	(1,666)
Personnel	(1,002)	(1,020)	(956)	(978)	(868)	(938)
Other general administrative expenses	(863)	(826)	(782)	(804)	(716)	(728)
Depreciation and amortisation	(182)	(182)	(157)	(155)	(151)	(168)
<b>Net operating income</b>	<b>2,800</b>	<b>2,925</b>	<b>2,667</b>	<b>2,459</b>	<b>2,404</b>	<b>2,673</b>
Net loan-loss provisions	(1,210)	(1,226)	(1,241)	(1,273)	(1,105)	(1,149)
Other income	(203)	(273)	(264)	(153)	(189)	(217)
<b>Profit before taxes</b>	<b>1,386</b>	<b>1,426</b>	<b>1,163</b>	<b>1,034</b>	<b>1,110</b>	<b>1,308</b>
Tax on profit	(401)	(374)	(223)	(221)	(269)	(352)
<b>Profit from continuing operations</b>	<b>985</b>	<b>1,052</b>	<b>940</b>	<b>812</b>	<b>841</b>	<b>955</b>
Net profit from discontinued operations	—	—	—	—	—	0
<b>Consolidated profit</b>	<b>985</b>	<b>1,052</b>	<b>940</b>	<b>812</b>	<b>841</b>	<b>955</b>
Minority interests	145	176	156	119	137	152
<b>Attributable profit to the Group</b>	<b>840</b>	<b>876</b>	<b>783</b>	<b>693</b>	<b>703</b>	<b>803</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	146,660	145,094	129,593	133,138	131,830	141,873
Financial assets held for trading (w/o loans)	34,791	34,585	37,178	33,670	36,152	38,044
Financial assets available-for-sale	31,013	34,670	23,722	25,926	27,032	28,815
Central banks and credit institutions **	35,121	35,811	36,788	35,523	39,060	49,887
Tangible and intangible assets	4,116	4,056	3,416	3,522	3,549	3,869
Other assets	33,893	30,279	33,672	36,106	35,205	37,107
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>285,594</b>	<b>284,495</b>	<b>264,369</b>	<b>267,885</b>	<b>272,829</b>	<b>299,596</b>
Customer deposits **	135,772	133,402	118,044	122,413	125,348	134,898
Debt securities issued **	41,321	43,574	38,027	39,527	39,319	45,148
Liabilities under insurance contracts	1	1	1	1	1	1
Central banks and credit institutions **	38,413	41,756	42,517	42,393	41,879	42,333
Other liabilities	47,835	43,404	45,884	43,872	44,863	53,825
Stockholders' equity ***	22,251	22,358	19,896	19,678	21,418	23,391
<b>Other managed and marketed customer funds</b>	<b>70,073</b>	<b>71,585</b>	<b>62,030</b>	<b>65,690</b>	<b>68,191</b>	<b>76,722</b>
Mutual funds	64,919	66,315	57,561	61,096	63,275	70,759
Pension funds	—	—	—	—	—	—
Managed portfolios	5,153	5,270	4,470	4,594	4,916	5,964
<b>Managed and marketed customer funds</b>	<b>247,166</b>	<b>248,561</b>	<b>218,102</b>	<b>227,631</b>	<b>232,858</b>	<b>256,768</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Other information

NPL ratio	4.64	4.74	4.65	4.96	4.88	4.98
Coverage ratio	83.6	84.4	85.4	79.0	79.7	81.4
Cost of credit	3.53	3.39	3.33	3.36	3.39	3.41

## Latin America

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>6,184</b>	<b>5,789</b>	<b>395</b>	<b>6.8</b>
Net fee income	2,082	1,818	263	14.5
Gains (losses) on financial transactions	363	269	94	35.1
Other operating income *	18	23	(5)	(23.6)
<b>Gross income</b>	<b>8,647</b>	<b>7,899</b>	<b>747</b>	<b>9.5</b>
Operating expenses	(3,570)	(3,266)	(304)	9.3
General administrative expenses	(3,251)	(2,973)	(278)	9.3
Personnel	(1,806)	(1,624)	(182)	11.2
Other general administrative expenses	(1,444)	(1,349)	(96)	7.1
Depreciation and amortisation	(320)	(293)	(27)	9.1
<b>Net operating income</b>	<b>5,076</b>	<b>4,634</b>	<b>443</b>	<b>9.6</b>
Net loan-loss provisions	(2,253)	(1,984)	(270)	13.6
Other income	(405)	(380)	(26)	6.7
<b>Profit before taxes</b>	<b>2,418</b>	<b>2,270</b>	<b>148</b>	<b>6.5</b>
Tax on profit	(621)	(617)	(5)	0.7
<b>Profit from continuing operations</b>	<b>1,796</b>	<b>1,653</b>	<b>143</b>	<b>8.6</b>
Net profit from discontinued operations	0	—	0	—
<b>Consolidated profit</b>	<b>1,796</b>	<b>1,653</b>	<b>143</b>	<b>8.7</b>
Minority interests	290	271	19	7.0
<b>Attributable profit to the Group</b>	<b>1,506</b>	<b>1,382</b>	<b>124</b>	<b>9.0</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	141,873	134,503	7,370	5.5
Financial assets held for trading (w/o loans)	38,044	31,523	6,521	20.7
Financial assets available-for-sale	28,815	32,487	(3,672)	(11.3)
Central banks and credit institutions **	49,887	33,736	16,151	47.9
Tangible and intangible assets	3,869	3,684	186	5.0
Other assets	37,107	27,779	9,328	33.6
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>299,596</b>	<b>263,711</b>	<b>35,884</b>	<b>13.6</b>
Customer deposits **	134,898	122,457	12,441	10.2
Debt securities issued **	45,148	41,435	3,712	9.0
Liabilities under insurance contracts	1	1	0	4.6
Central banks and credit institutions **	42,333	39,240	3,093	7.9
Other liabilities	53,825	40,001	13,823	34.6
Stockholders' equity ***	23,391	20,576	2,815	13.7
<b>Other managed and marketed customer funds</b>	<b>76,722</b>	<b>67,272</b>	<b>9,450</b>	<b>14.0</b>
Mutual funds	70,759	62,171	8,587	13.8
Pension funds	—	—	—	—
Managed portfolios	5,964	5,101	862	16.9
<b>Managed and marketed customer funds</b>	<b>256,768</b>	<b>231,165</b>	<b>25,603</b>	<b>11.1</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Latin America

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>2,818</b>	<b>2,972</b>	<b>3,074</b>	<b>3,156</b>	<b>3,114</b>	<b>3,070</b>
Net fee income	887	931	970	1,024	983	1,099
Gains (losses) on financial transactions	137	131	112	51	141	222
Other operating income *	(0)	23	22	(5)	(6)	24
<b>Gross income</b>	<b>3,842</b>	<b>4,057</b>	<b>4,179</b>	<b>4,226</b>	<b>4,232</b>	<b>4,414</b>
Operating expenses	(1,614)	(1,652)	(1,719)	(1,836)	(1,772)	(1,798)
General administrative expenses	(1,470)	(1,503)	(1,575)	(1,688)	(1,617)	(1,633)
Personnel	(791)	(833)	(869)	(930)	(887)	(920)
Other general administrative expenses	(679)	(670)	(706)	(759)	(731)	(713)
Depreciation and amortisation	(144)	(149)	(144)	(148)	(155)	(165)
<b>Net operating income</b>	<b>2,228</b>	<b>2,406</b>	<b>2,460</b>	<b>2,390</b>	<b>2,460</b>	<b>2,617</b>
Net loan-loss provisions	(969)	(1,014)	(1,148)	(1,232)	(1,134)	(1,120)
Other income	(157)	(223)	(245)	(164)	(196)	(209)
<b>Profit before taxes</b>	<b>1,102</b>	<b>1,168</b>	<b>1,067</b>	<b>993</b>	<b>1,130</b>	<b>1,288</b>
Tax on profit	(315)	(302)	(209)	(219)	(274)	(347)
<b>Profit from continuing operations</b>	<b>787</b>	<b>866</b>	<b>858</b>	<b>775</b>	<b>856</b>	<b>941</b>
Net profit from discontinued operations	—	—	—	—	—	0
<b>Consolidated profit</b>	<b>787</b>	<b>866</b>	<b>858</b>	<b>775</b>	<b>856</b>	<b>941</b>
Minority interests	121	150	147	118	139	151
<b>Attributable profit to the Group</b>	<b>666</b>	<b>716</b>	<b>710</b>	<b>657</b>	<b>717</b>	<b>790</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	132,745	134,503	141,190	143,424	140,715	141,873
Financial assets held for trading (w/o loans)	30,670	31,523	39,563	35,073	37,664	38,044
Financial assets available-for-sale	28,794	32,487	26,830	28,556	29,253	28,815
Central banks and credit institutions **	32,575	33,736	42,655	40,604	42,914	49,887
Tangible and intangible assets	3,688	3,684	3,738	3,897	3,894	3,869
Other assets	30,289	27,779	37,392	39,361	38,126	37,107
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>258,760</b>	<b>263,711</b>	<b>291,367</b>	<b>290,916</b>	<b>292,566</b>	<b>299,596</b>
Customer deposits **	121,426	122,457	127,835	131,349	133,942	134,898
Debt securities issued **	38,738	41,435	44,298	44,670	43,193	45,148
Liabilities under insurance contracts	1	1	1	2	1	1
Central banks and credit institutions **	35,147	39,240	47,649	45,924	44,764	42,333
Other liabilities	43,388	40,001	49,884	47,698	47,561	53,825
Stockholders' equity ***	20,060	20,576	21,701	21,272	23,106	23,391
<b>Other managed and marketed customer funds</b>	<b>64,968</b>	<b>67,272</b>	<b>71,448</b>	<b>74,091</b>	<b>75,002</b>	<b>76,722</b>
Mutual funds	60,067	62,171	66,207	68,867	69,584	70,759
Pension funds	—	—	—	—	—	—
Managed portfolios	4,901	5,101	5,241	5,224	5,417	5,964
<b>Managed and marketed customer funds</b>	<b>225,132</b>	<b>231,165</b>	<b>243,581</b>	<b>250,111</b>	<b>252,137</b>	<b>256,768</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results



## Latin America. Results

€ million

	Gross income			Net operating income			Attributable profit to the Group		
	1H '16	1H '15	Var. (%)	1H '16	1H '15	Var. (%)	1H '16	1H '15	Var. (%)
Brazil	5,083	5,987	(15.1)	3,091	3,650	(15.3)	788	929	(15.2)
Mexico	1,578	1,672	(5.6)	939	964	(2.6)	289	313	(7.7)
Chile	1,133	1,186	(4.5)	661	685	(3.6)	248	253	(2.1)
Argentina	644	756	(14.9)	280	334	(16.3)	150	173	(13.3)
Uruguay	164	151	8.5	80	64	25.6	42	33	28.1
Peru	36	37	(3.6)	25	26	(2.9)	17	15	12.4
Colombia	8	7	11.8	2	2	6.4	(20)	1	—
Rest	1	1	10.2	(1)	(1)	(20.6)	(7)	(1)	582.1
<b>Total</b>	<b>8,647</b>	<b>9,798</b>	<b>(11.8)</b>	<b>5,076</b>	<b>5,724</b>	<b>(11.3)</b>	<b>1,506</b>	<b>1,716</b>	<b>(12.2)</b>

## Latin America. Results

€ million (currency-neutral basis)

	Gross income			Net operating income			Attributable profit to the Group		
	1H '16	1H '15	Var. (%)	1H '16	1H '15	Var. (%)	1H '16	1H '15	Var. (%)
Brazil	5,083	4,802	5.9	3,091	2,927	5.6	788	745	5.7
Mexico	1,578	1,400	12.7	939	807	16.3	289	262	10.2
Chile	1,133	1,068	6.0	661	617	7.0	248	228	8.7
Argentina	644	466	38.3	280	206	36.0	150	107	40.9
Uruguay	164	123	32.9	80	52	53.9	42	27	56.9
Peru	36	34	5.2	25	24	6.0	17	14	22.8
Colombia	8	6	40.3	2	2	33.6	(20)	1	—
Rest	1	0	11.8	(1)	(1)	(20.2)	(7)	(1)	588.1
<b>Total</b>	<b>8,647</b>	<b>7,899</b>	<b>9.5</b>	<b>5,076</b>	<b>4,634</b>	<b>9.6</b>	<b>1,506</b>	<b>1,382</b>	<b>9.0</b>

## Brazil

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>3,671</b>	<b>4,441</b>	<b>(770)</b>	<b>(17.3)</b>
Net fee income	1,277	1,390	(113)	(8.1)
Gains (losses) on financial transactions	99	90	9	10.2
Other operating income *	36	67	(30)	(45.2)
<b>Gross income</b>	<b>5,083</b>	<b>5,987</b>	<b>(904)</b>	<b>(15.1)</b>
Operating expenses	(1,993)	(2,337)	344	(14.7)
General administrative expenses	(1,799)	(2,103)	304	(14.4)
Personnel	(996)	(1,146)	150	(13.1)
Other general administrative expenses	(803)	(957)	154	(16.1)
Depreciation and amortisation	(194)	(234)	41	(17.3)
<b>Net operating income</b>	<b>3,091</b>	<b>3,650</b>	<b>(560)</b>	<b>(15.3)</b>
Net loan-loss provisions	(1,473)	(1,654)	182	(11.0)
Other income	(370)	(472)	102	(21.6)
<b>Profit before taxes</b>	<b>1,248</b>	<b>1,524</b>	<b>(276)</b>	<b>(18.1)</b>
Tax on profit	(368)	(483)	115	(23.8)
<b>Profit from continuing operations</b>	<b>880</b>	<b>1,041</b>	<b>(161)</b>	<b>(15.4)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>880</b>	<b>1,041</b>	<b>(161)</b>	<b>(15.4)</b>
Minority interests	92	111	(19)	(17.2)
<b>Attributable profit to the Group</b>	<b>788</b>	<b>929</b>	<b>(142)</b>	<b>(15.2)</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	68,034	72,083	(4,048)	(5.6)
Financial assets held for trading (w/o loans)	19,478	15,822	3,656	23.1
Financial assets available-for-sale	17,685	26,054	(8,370)	(32.1)
Central banks and credit institutions **	36,362	26,322	10,040	38.1
Tangible and intangible assets	2,647	2,672	(25)	(0.9)
Other assets	21,869	15,551	6,318	40.6
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>166,074</b>	<b>158,503</b>	<b>7,571</b>	<b>4.8</b>
Customer deposits **	68,672	67,207	1,465	2.2
Debt securities issued **	31,200	29,143	2,057	7.1
Liabilities under insurance contracts	1	1	0	1.1
Central banks and credit institutions **	22,141	25,887	(3,746)	(14.5)
Other liabilities	29,631	23,590	6,041	25.6
Stockholders' equity ***	14,428	12,674	1,753	13.8
<b>Other managed and marketed customer funds</b>	<b>55,908</b>	<b>49,878</b>	<b>6,030</b>	<b>12.1</b>
Mutual funds	52,385	46,614	5,771	12.4
Pension funds	—	—	—	—
Managed portfolios	3,522	3,264	258	7.9
<b>Managed and marketed customer funds</b>	<b>155,780</b>	<b>146,228</b>	<b>9,552</b>	<b>6.5</b>

(\*\*) - Including all on-balance sheet balances for this item

(\*\*\*) - Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

RoTE	13.71	14.88	(1.17 p.)
Efficiency ratio (with amortisations)	39.2	39.0	0.17 p.
NPL ratio	6.11	5.13	0.98 p.
Coverage ratio	85.3	95.9	(10.60 p.)
Number of employees	48,366	48,645	(279)
Number of branches	3,441	3,436	5

## Brazil

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>2,254</b>	<b>2,186</b>	<b>1,976</b>	<b>1,903</b>	<b>1,793</b>	<b>1,878</b>
Net fee income	707	683	622	631	573	704
Gains (losses) on financial transactions	24	66	6	(54)	3	97
Other operating income *	21	46	53	16	13	23
<b>Gross income</b>	<b>3,007</b>	<b>2,981</b>	<b>2,656</b>	<b>2,497</b>	<b>2,381</b>	<b>2,703</b>
Operating expenses	(1,187)	(1,151)	(1,056)	(1,059)	(947)	(1,046)
General administrative expenses	(1,068)	(1,034)	(960)	(978)	(857)	(942)
Personnel	(574)	(571)	(525)	(535)	(473)	(523)
Other general administrative expenses	(494)	(463)	(435)	(444)	(384)	(418)
Depreciation and amortisation	(118)	(116)	(96)	(81)	(90)	(104)
<b>Net operating income</b>	<b>1,820</b>	<b>1,830</b>	<b>1,600</b>	<b>1,438</b>	<b>1,434</b>	<b>1,657</b>
Net loan-loss provisions	(826)	(828)	(813)	(830)	(720)	(753)
Other income	(209)	(263)	(255)	(151)	(177)	(193)
<b>Profit before taxes</b>	<b>785</b>	<b>739</b>	<b>533</b>	<b>457</b>	<b>536</b>	<b>711</b>
Tax on profit	(253)	(230)	(99)	(107)	(137)	(231)
<b>Profit from continuing operations</b>	<b>532</b>	<b>509</b>	<b>434</b>	<b>350</b>	<b>399</b>	<b>481</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>532</b>	<b>509</b>	<b>434</b>	<b>350</b>	<b>399</b>	<b>481</b>
Minority interests	55	56	49	33	41	51
<b>Attributable profit to the Group</b>	<b>477</b>	<b>452</b>	<b>385</b>	<b>317</b>	<b>359</b>	<b>429</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	72,492	72,083	58,227	60,238	60,470	68,034
Financial assets held for trading (w/o loans)	14,720	15,822	14,836	13,360	15,620	19,478
Financial assets available-for-sale	23,071	26,054	15,086	15,814	16,072	17,685
Central banks and credit institutions **	23,937	26,322	25,576	26,692	27,182	36,362
Tangible and intangible assets	2,683	2,672	2,129	2,280	2,368	2,647
Other assets	17,036	15,551	19,127	20,150	20,402	21,869
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>153,938</b>	<b>158,503</b>	<b>134,982</b>	<b>138,534</b>	<b>142,114</b>	<b>166,074</b>
Customer deposits **	65,221	67,207	54,847	56,636	59,737	68,672
Debt securities issued **	27,068	29,143	25,031	26,171	26,468	31,200
Liabilities under insurance contracts	1	1	1	1	1	1
Central banks and credit institutions **	22,329	25,887	23,247	21,600	21,478	22,141
Other liabilities	27,084	23,590	21,795	24,085	22,363	29,631
Stockholders' equity ***	12,236	12,674	10,061	10,040	12,066	14,428
<b>Other managed and marketed customer funds</b>	<b>47,664</b>	<b>49,878</b>	<b>41,753</b>	<b>45,607</b>	<b>48,621</b>	<b>55,908</b>
Mutual funds	44,589	46,614	39,129	42,961	45,689	52,385
Pension funds	—	—	—	—	—	—
Managed portfolios	3,075	3,264	2,625	2,646	2,932	3,522
<b>Managed and marketed customer funds</b>	<b>139,953</b>	<b>146,228</b>	<b>121,631</b>	<b>128,414</b>	<b>134,826</b>	<b>155,780</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

## Other information

NPL ratio	4.90	5.13	5.30	5.98	5.93	6.11
Coverage ratio	95.2	95.9	96.0	83.7	83.7	85.3
Cost of credit	4.63	4.45	4.40	4.50	4.63	4.71

## Brazil

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>3,671</b>	<b>3,561</b>	<b>109</b>	<b>3.1</b>
Net fee income	1,277	1,115	162	14.5
Gains (losses) on financial transactions	99	72	27	37.5
Other operating income *	36	53	(17)	(31.7)
<b>Gross income</b>	<b>5,083</b>	<b>4,802</b>	<b>282</b>	<b>5.9</b>
Operating expenses	(1,993)	(1,874)	(118)	6.3
General administrative expenses	(1,799)	(1,686)	(113)	6.7
Personnel	(996)	(919)	(77)	8.4
Other general administrative expenses	(803)	(767)	(35)	4.6
Depreciation and amortisation	(194)	(188)	(6)	3.1
<b>Net operating income</b>	<b>3,091</b>	<b>2,927</b>	<b>163</b>	<b>5.6</b>
Net loan-loss provisions	(1,473)	(1,327)	(146)	11.0
Other income	(370)	(379)	9	(2.3)
<b>Profit before taxes</b>	<b>1,248</b>	<b>1,222</b>	<b>26</b>	<b>2.1</b>
Tax on profit	(368)	(387)	19	(5.0)
<b>Profit from continuing operations</b>	<b>880</b>	<b>835</b>	<b>45</b>	<b>5.4</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>880</b>	<b>835</b>	<b>45</b>	<b>5.4</b>
Minority interests	92	89	3	3.2
<b>Attributable profit to the Group</b>	<b>788</b>	<b>745</b>	<b>42</b>	<b>5.7</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	68,034	69,675	(1,641)	(2.4)
Financial assets held for trading (w/o loans)	19,478	15,293	4,185	27.4
Financial assets available-for-sale	17,685	25,184	(7,500)	(29.8)
Central banks and credit institutions **	36,362	25,443	10,919	42.9
Tangible and intangible assets	2,647	2,583	65	2.5
Other assets	21,869	15,032	6,837	45.5
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>166,074</b>	<b>153,209</b>	<b>12,865</b>	<b>8.4</b>
Customer deposits **	68,672	64,963	3,710	5.7
Debt securities issued **	31,200	28,169	3,031	10.8
Liabilities under insurance contracts	1	1	0	4.6
Central banks and credit institutions **	22,141	25,023	(2,881)	(11.5)
Other liabilities	29,631	22,802	6,829	29.9
Stockholders' equity ***	14,428	12,251	2,177	17.8
<b>Other managed and marketed customer funds</b>	<b>55,908</b>	<b>48,212</b>	<b>7,696</b>	<b>16.0</b>
Mutual funds	52,385	45,057	7,328	16.3
Pension funds	—	—	—	—
Managed portfolios	3,522	3,155	367	11.6
<b>Managed and marketed customer funds</b>	<b>155,780</b>	<b>141,344</b>	<b>14,436</b>	<b>10.2</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Brazil

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>1,760</b>	<b>1,801</b>	<b>1,871</b>	<b>1,931</b>	<b>1,870</b>	<b>1,801</b>
Net fee income	552	563	589	636	597	680
Gains (losses) on financial transactions	19	53	9	(44)	3	97
Other operating income *	16	37	47	19	14	23
<b>Gross income</b>	<b>2,347</b>	<b>2,455</b>	<b>2,516</b>	<b>2,542</b>	<b>2,483</b>	<b>2,600</b>
Operating expenses	(926)	(948)	(998)	(1,067)	(988)	(1,005)
General administrative expenses	(834)	(852)	(906)	(983)	(894)	(905)
<i>Personnel</i>	<i>(448)</i>	<i>(470)</i>	<i>(495)</i>	<i>(537)</i>	<i>(493)</i>	<i>(503)</i>
<i>Other general administrative expenses</i>	<i>(385)</i>	<i>(382)</i>	<i>(411)</i>	<i>(446)</i>	<i>(401)</i>	<i>(402)</i>
Depreciation and amortisation	(92)	(96)	(92)	(84)	(94)	(100)
<b>Net operating income</b>	<b>1,421</b>	<b>1,507</b>	<b>1,518</b>	<b>1,474</b>	<b>1,496</b>	<b>1,595</b>
Net loan-loss provisions	(645)	(682)	(762)	(829)	(751)	(722)
Other income	(163)	(216)	(237)	(162)	(185)	(185)
<b>Profit before taxes</b>	<b>613</b>	<b>609</b>	<b>519</b>	<b>483</b>	<b>559</b>	<b>688</b>
Tax on profit	(197)	(190)	(106)	(117)	(143)	(225)
<b>Profit from continuing operations</b>	<b>415</b>	<b>419</b>	<b>414</b>	<b>366</b>	<b>417</b>	<b>463</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>415</b>	<b>419</b>	<b>414</b>	<b>366</b>	<b>417</b>	<b>463</b>
Minority interests	43	46	46	36	43	49
<b>Attributable profit to the Group</b>	<b>372</b>	<b>373</b>	<b>368</b>	<b>331</b>	<b>374</b>	<b>414</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	70,594	69,675	72,680	72,352	69,357	68,034
Financial assets held for trading (w/o loans)	14,335	15,293	18,519	16,047	17,916	19,478
Financial assets available-for-sale	22,466	25,184	18,831	18,994	18,434	17,685
Central banks and credit institutions **	23,310	25,443	31,924	32,060	31,177	36,362
Tangible and intangible assets	2,613	2,583	2,657	2,739	2,716	2,647
Other assets	16,590	15,032	23,875	24,202	23,400	21,869
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>149,907</b>	<b>153,209</b>	<b>168,484</b>	<b>166,393</b>	<b>163,000</b>	<b>166,074</b>
Customer deposits **	63,513	64,963	68,460	68,025	68,517	68,672
Debt securities issued **	26,359	28,169	31,244	31,434	30,358	31,200
Liabilities under insurance contracts	1	1	1	2	1	1
Central banks and credit institutions **	21,744	25,023	29,018	25,944	24,635	22,141
Other liabilities	26,375	22,802	27,205	28,929	25,650	29,631
Stockholders' equity ***	11,915	12,251	12,558	12,059	13,839	14,428
<b>Other managed and marketed customer funds</b>	<b>46,416</b>	<b>48,212</b>	<b>52,117</b>	<b>54,779</b>	<b>55,767</b>	<b>55,908</b>
Mutual funds	43,422	45,057	48,841	51,601	52,404	52,385
Pension funds	—	—	—	—	—	—
Managed portfolios	2,995	3,155	3,276	3,178	3,363	3,522
<b>Managed and marketed customer funds</b>	<b>136,288</b>	<b>141,344</b>	<b>151,820</b>	<b>154,238</b>	<b>154,642</b>	<b>155,780</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Brazil

R\$ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>15,118</b>	<b>14,667</b>	<b>451</b>	<b>3.1</b>
Net fee income	5,259	4,591	668	14.5
Gains (losses) on financial transactions	409	297	111	37.5
Other operating income *	150	220	(70)	(31.7)
<b>Gross income</b>	<b>20,936</b>	<b>19,775</b>	<b>1,160</b>	<b>5.9</b>
Operating expenses	(8,207)	(7,719)	(488)	6.3
General administrative expenses	(7,409)	(6,945)	(464)	6.7
<i>Personnel</i>	<i>(4,102)</i>	<i>(3,784)</i>	<i>(318)</i>	8.4
<i>Other general administrative expenses</i>	<i>(3,306)</i>	<i>(3,161)</i>	<i>(146)</i>	4.6
Depreciation and amortisation	(798)	(774)	(24)	3.1
<b>Net operating income</b>	<b>12,729</b>	<b>12,056</b>	<b>673</b>	<b>5.6</b>
Net loan-loss provisions	(6,066)	(5,464)	(601)	11.0
Other income	(1,524)	(1,560)	35	(2.3)
<b>Profit before taxes</b>	<b>5,139</b>	<b>5,032</b>	<b>107</b>	<b>2.1</b>
Tax on profit	(1,515)	(1,595)	80	(5.0)
<b>Profit from continuing operations</b>	<b>3,624</b>	<b>3,437</b>	<b>187</b>	<b>5.4</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>3,624</b>	<b>3,437</b>	<b>187</b>	<b>5.4</b>
Minority interests	379	367	12	3.2
<b>Attributable profit to the Group</b>	<b>3,245</b>	<b>3,070</b>	<b>175</b>	<b>5.7</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	244,229	250,119	(5,890)	(2.4)
Financial assets held for trading (w/o loans)	69,921	54,899	15,022	27.4
Financial assets available-for-sale	63,484	90,406	(26,922)	(29.8)
Central banks and credit institutions **	130,531	91,334	39,197	42.9
Tangible and intangible assets	9,503	9,271	232	2.5
Other assets	78,504	53,960	24,544	45.5
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>596,171</b>	<b>549,990</b>	<b>46,182</b>	<b>8.4</b>
Customer deposits **	246,520	233,203	13,316	5.7
Debt securities issued **	112,002	101,122	10,880	10.8
Liabilities under insurance contracts	4	4	0	4.6
Central banks and credit institutions **	79,483	89,827	(10,344)	(11.5)
Other liabilities	106,370	81,855	24,515	29.9
Stockholders' equity ***	51,792	43,979	7,814	17.8
<b>Other managed and marketed customer funds</b>	<b>200,697</b>	<b>173,071</b>	<b>27,625</b>	<b>16.0</b>
Mutual funds	188,052	161,745	26,307	16.3
Pension funds	—	—	—	—
Managed portfolios	12,645	11,326	1,318	11.6
<b>Managed and marketed customer funds</b>	<b>559,218</b>	<b>507,397</b>	<b>51,822</b>	<b>10.2</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Brazil

R\$ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>7,248</b>	<b>7,419</b>	<b>7,705</b>	<b>7,952</b>	<b>7,701</b>	<b>7,417</b>
Net fee income	2,275	2,317	2,424	2,619	2,460	2,799
Gains (losses) on financial transactions	77	220	37	(181)	11	398
Other operating income *	67	153	195	79	56	94
<b>Gross income</b>	<b>9,666</b>	<b>10,109</b>	<b>10,362</b>	<b>10,468</b>	<b>10,227</b>	<b>10,708</b>
Operating expenses	(3,815)	(3,904)	(4,110)	(4,396)	(4,068)	(4,138)
General administrative expenses	(3,434)	(3,511)	(3,732)	(4,050)	(3,682)	(3,727)
Personnel	(1,847)	(1,937)	(2,040)	(2,213)	(2,030)	(2,072)
Other general administrative expenses	(1,587)	(1,573)	(1,692)	(1,837)	(1,651)	(1,655)
Depreciation and amortisation	(381)	(394)	(378)	(347)	(387)	(411)
<b>Net operating income</b>	<b>5,851</b>	<b>6,205</b>	<b>6,251</b>	<b>6,072</b>	<b>6,159</b>	<b>6,570</b>
Net loan-loss provisions	(2,657)	(2,808)	(3,138)	(3,415)	(3,093)	(2,972)
Other income	(672)	(888)	(975)	(667)	(762)	(763)
<b>Profit before taxes</b>	<b>2,523</b>	<b>2,509</b>	<b>2,139</b>	<b>1,990</b>	<b>2,304</b>	<b>2,835</b>
Tax on profit	(812)	(783)	(435)	(481)	(589)	(926)
<b>Profit from continuing operations</b>	<b>1,711</b>	<b>1,726</b>	<b>1,704</b>	<b>1,509</b>	<b>1,716</b>	<b>1,908</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>1,711</b>	<b>1,726</b>	<b>1,704</b>	<b>1,509</b>	<b>1,716</b>	<b>1,908</b>
Minority interests	177	191	190	147	175	204
<b>Attributable profit to the Group</b>	<b>1,534</b>	<b>1,536</b>	<b>1,514</b>	<b>1,362</b>	<b>1,540</b>	<b>1,704</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	253,417	250,119	260,905	259,729	248,979	244,229
Financial assets held for trading (w/o loans)	51,459	54,899	66,478	57,604	64,314	69,921
Financial assets available-for-sale	80,650	90,406	67,598	68,184	66,174	63,484
Central banks and credit institutions **	83,678	91,334	114,600	115,089	111,920	130,531
Tangible and intangible assets	9,380	9,271	9,538	9,831	9,749	9,503
Other assets	59,554	53,960	85,705	86,879	84,002	78,504
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>538,138</b>	<b>549,990</b>	<b>604,826</b>	<b>597,316</b>	<b>585,139</b>	<b>596,171</b>
Customer deposits **	227,998	233,203	245,756	244,196	245,962	246,520
Debt securities issued **	94,625	101,122	112,158	112,843	108,979	112,002
Liabilities under insurance contracts	3	4	4	5	4	4
Central banks and credit institutions **	78,056	89,827	104,167	93,134	88,435	79,483
Other liabilities	94,682	81,855	97,659	103,848	92,079	106,370
Stockholders' equity ***	42,774	43,979	45,081	43,290	49,679	51,792
<b>Other managed and marketed customer funds</b>	<b>166,625</b>	<b>173,071</b>	<b>187,089</b>	<b>196,645</b>	<b>200,192</b>	<b>200,697</b>
Mutual funds	155,875	161,745	175,328	185,236	188,119	188,052
Pension funds	—	—	—	—	—	—
Managed portfolios	10,750	11,326	11,761	11,408	12,072	12,645
<b>Managed and marketed customer funds</b>	<b>489,248</b>	<b>507,397</b>	<b>545,003</b>	<b>553,684</b>	<b>555,133</b>	<b>559,218</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results



## Mexico

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,173</b>	<b>1,217</b>	<b>(45)</b>	<b>(3.7)</b>
Net fee income	363	407	(44)	(10.9)
Gains (losses) on financial transactions	57	76	(19)	(24.7)
Other operating income *	(15)	(28)	14	(48.5)
<b>Gross income</b>	<b>1,578</b>	<b>1,672</b>	<b>(94)</b>	<b>(5.6)</b>
Operating expenses	(639)	(708)	69	(9.7)
General administrative expenses	(581)	(647)	65	(10.1)
<i>Personnel</i>	(311)	(341)	30	(8.7)
<i>Other general administrative expenses</i>	(270)	(306)	36	(11.7)
Depreciation and amortisation	(58)	(62)	4	(5.9)
<b>Net operating income</b>	<b>939</b>	<b>964</b>	<b>(25)</b>	<b>(2.6)</b>
Net loan-loss provisions	(435)	(435)	(0)	0.0
Other income	(18)	6	(23)	—
<b>Profit before taxes</b>	<b>486</b>	<b>535</b>	<b>(48)</b>	<b>(9.1)</b>
Tax on profit	(107)	(121)	14	(11.4)
<b>Profit from continuing operations</b>	<b>379</b>	<b>414</b>	<b>(35)</b>	<b>(8.4)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>379</b>	<b>414</b>	<b>(35)</b>	<b>(8.4)</b>
Minority interests	91	101	(11)	(10.6)
<b>Attributable profit to the Group</b>	<b>289</b>	<b>313</b>	<b>(24)</b>	<b>(7.7)</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	28,215	28,609	(394)	(1.4)
Financial assets held for trading (w/o loans)	15,128	15,391	(263)	(1.7)
Financial assets available-for-sale	6,739	3,986	2,753	69.1
Central banks and credit institutions **	8,102	5,338	2,764	51.8
Tangible and intangible assets	364	460	(96)	(20.9)
Other assets	6,080	7,529	(1,449)	(19.2)
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>64,628</b>	<b>61,312</b>	<b>3,316</b>	<b>5.4</b>
Customer deposits **	27,497	28,747	(1,250)	(4.3)
Debt securities issued **	5,410	5,901	(491)	(8.3)
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	10,159	8,473	1,685	19.9
Other liabilities	17,345	13,329	4,016	30.1
Stockholders' equity ***	4,218	4,862	(644)	(13.2)
<b>Other managed and marketed customer funds</b>	<b>11,359</b>	<b>12,557</b>	<b>(1,198)</b>	<b>(9.5)</b>
Mutual funds	11,359	12,557	(1,198)	(9.5)
Pension funds	—	—	—	—
Managed portfolios	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>44,266</b>	<b>47,205</b>	<b>(2,939)</b>	<b>(6.2)</b>

(\*\*) - Including all on-balance sheet balances for this item

(\*\*\*) - Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

RoTE	13.61	13.28	0.34 p.	
Efficiency ratio (with amortisations)	40.5	42.4	(1.85 p.)	
NPL ratio	3.01	3.81	(0.80 p.)	
Coverage ratio	102.3	87.5	14.80 p.	
Number of employees	17,703	17,339	364	2.1
Number of branches	1,389	1,356	33	2.4

**Mexico**

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	597	621	600	633	594	579
Net fee income	194	213	194	199	173	190
Gains (losses) on financial transactions	43	33	26	36	34	23
Other operating income *	(15)	(14)	(26)	(18)	(9)	(5)
<b>Gross income</b>	<b>819</b>	<b>854</b>	<b>794</b>	<b>850</b>	<b>792</b>	<b>786</b>
Operating expenses	(355)	(353)	(327)	(334)	(322)	(317)
General administrative expenses	(325)	(322)	(301)	(309)	(293)	(289)
<i>Personnel</i>	(168)	(173)	(163)	(158)	(152)	(159)
<i>Other general administrative expenses</i>	(157)	(148)	(138)	(151)	(140)	(130)
Depreciation and amortisation	(30)	(32)	(26)	(25)	(29)	(29)
<b>Net operating income</b>	<b>463</b>	<b>501</b>	<b>467</b>	<b>516</b>	<b>470</b>	<b>469</b>
Net loan-loss provisions	(211)	(224)	(227)	(215)	(221)	(214)
Other income	8	(2)	1	(10)	(6)	(11)
<b>Profit before taxes</b>	<b>260</b>	<b>274</b>	<b>241</b>	<b>291</b>	<b>243</b>	<b>244</b>
Tax on profit	(59)	(61)	(48)	(67)	(55)	(52)
<b>Profit from continuing operations</b>	<b>201</b>	<b>213</b>	<b>193</b>	<b>224</b>	<b>187</b>	<b>192</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>201</b>	<b>213</b>	<b>193</b>	<b>224</b>	<b>187</b>	<b>192</b>
Minority interests	48	53	50	51	45	46
<b>Attributable profit to the Group</b>	<b>153</b>	<b>160</b>	<b>143</b>	<b>173</b>	<b>143</b>	<b>146</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	29,112	28,609	28,198	30,158	28,702	28,215
Financial assets held for trading (w/o loans)	16,677	15,391	18,448	16,949	17,505	15,128
Financial assets available-for-sale	4,065	3,986	4,939	5,972	5,632	6,739
Central banks and credit institutions **	6,099	5,338	6,760	4,717	6,193	8,102
Tangible and intangible assets	493	460	363	396	380	364
Other assets	8,671	7,529	6,700	6,535	7,223	6,080
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>65,118</b>	<b>61,312</b>	<b>65,408</b>	<b>64,728</b>	<b>65,636</b>	<b>64,628</b>
Customer deposits **	30,965	28,747	26,540	28,274	28,214	27,497
Debt securities issued **	5,694	5,901	5,228	5,783	5,452	5,410
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	9,988	8,473	11,794	12,884	11,516	10,159
Other liabilities	13,608	13,329	16,801	12,829	15,820	17,345
Stockholders' equity ***	4,863	4,862	5,045	4,957	4,634	4,218
<b>Other managed and marketed customer funds</b>	<b>13,222</b>	<b>12,557</b>	<b>11,631</b>	<b>11,477</b>	<b>11,628</b>	<b>11,359</b>
Mutual funds	13,222	12,557	11,631	11,477	11,628	11,359
Pension funds	—	—	—	—	—	—
Managed portfolios	—	—	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>49,881</b>	<b>47,205</b>	<b>43,399</b>	<b>45,535</b>	<b>45,294</b>	<b>44,266</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*) - Capital + reserves + profit + other accumulated results

**Other information**

NPL ratio	3.71	3.81	3.54	3.38	3.06	3.01
Coverage ratio	88.4	87.5	93.0	90.6	97.5	102.3
Cost of credit	2.92	2.89	2.87	2.91	2.95	2.96

## Mexico

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,173</b>	<b>1,020</b>	<b>153</b>	<b>15.0</b>
Net fee income	363	341	22	6.4
Gains (losses) on financial transactions	57	64	(6)	(10.1)
Other operating income *	(15)	(24)	9	(38.5)
<b>Gross income</b>	<b>1,578</b>	<b>1,400</b>	<b>178</b>	<b>12.7</b>
Operating expenses	(639)	(593)	(46)	7.8
General administrative expenses	(581)	(541)	(40)	7.3
Personnel	(311)	(286)	(26)	9.1
Other general administrative expenses	(270)	(256)	(14)	5.4
Depreciation and amortisation	(58)	(52)	(6)	12.4
<b>Net operating income</b>	<b>939</b>	<b>807</b>	<b>132</b>	<b>16.3</b>
Net loan-loss provisions	(435)	(364)	(71)	19.5
Other income	(18)	5	(22)	—
<b>Profit before taxes</b>	<b>486</b>	<b>448</b>	<b>38</b>	<b>8.6</b>
Tax on profit	(107)	(101)	(6)	5.9
<b>Profit from continuing operations</b>	<b>379</b>	<b>347</b>	<b>33</b>	<b>9.4</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>379</b>	<b>347</b>	<b>33</b>	<b>9.4</b>
Minority interests	91	85	6	6.8
<b>Attributable profit to the Group</b>	<b>289</b>	<b>262</b>	<b>27</b>	<b>10.2</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	28,215	24,309	3,906	16.1
Financial assets held for trading (w/o loans)	15,128	13,077	2,050	15.7
Financial assets available-for-sale	6,739	3,387	3,352	99.0
Central banks and credit institutions **	8,102	4,535	3,567	78.6
Tangible and intangible assets	364	391	(27)	(6.9)
Other assets	6,080	6,397	(317)	(5.0)
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>64,628</b>	<b>52,097</b>	<b>12,531</b>	<b>24.1</b>
Customer deposits **	27,497	24,426	3,071	12.6
Debt securities issued **	5,410	5,014	396	7.9
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	10,159	7,200	2,959	41.1
Other liabilities	17,345	11,325	6,019	53.1
Stockholders' equity ***	4,218	4,131	87	2.1
<b>Other managed and marketed customer funds</b>	<b>11,359</b>	<b>10,670</b>	<b>689</b>	<b>6.5</b>
Mutual funds	11,359	10,670	689	6.5
Pension funds	—	—	—	—
Managed portfolios	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>44,266</b>	<b>40,110</b>	<b>4,156</b>	<b>10.4</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

## Mexico

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	498	521	543	575	586	587
Net fee income	162	179	176	181	171	192
Gains (losses) on financial transactions	36	28	24	33	34	24
Other operating income *	(12)	(12)	(23)	(16)	(9)	(5)
<b>Gross income</b>	<b>683</b>	<b>717</b>	<b>720</b>	<b>772</b>	<b>781</b>	<b>797</b>
Operating expenses	(296)	(297)	(297)	(304)	(318)	(322)
General administrative expenses	(271)	(270)	(273)	(281)	(289)	(293)
Personnel	(140)	(146)	(147)	(144)	(150)	(161)
Other general administrative expenses	(131)	(125)	(126)	(137)	(138)	(132)
Depreciation and amortisation	(25)	(26)	(24)	(23)	(29)	(29)
<b>Net operating income</b>	<b>387</b>	<b>420</b>	<b>423</b>	<b>467</b>	<b>464</b>	<b>475</b>
Net loan-loss provisions	(176)	(188)	(205)	(195)	(218)	(217)
Other income	6	(2)	1	(9)	(6)	(12)
<b>Profit before taxes</b>	<b>217</b>	<b>230</b>	<b>219</b>	<b>263</b>	<b>239</b>	<b>247</b>
Tax on profit	(50)	(52)	(44)	(61)	(54)	(53)
<b>Profit from continuing operations</b>	<b>168</b>	<b>179</b>	<b>175</b>	<b>202</b>	<b>185</b>	<b>194</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>168</b>	<b>179</b>	<b>175</b>	<b>202</b>	<b>185</b>	<b>194</b>
Minority interests	40	45	45	46	44	47
<b>Attributable profit to the Group</b>	<b>128</b>	<b>134</b>	<b>130</b>	<b>157</b>	<b>141</b>	<b>148</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	23,296	24,309	25,932	27,644	27,250	28,215
Financial assets held for trading (w/o loans)	13,345	13,077	16,966	15,536	16,619	15,128
Financial assets available-for-sale	3,253	3,387	4,542	5,474	5,347	6,739
Central banks and credit institutions **	4,881	4,535	6,217	4,324	5,880	8,102
Tangible and intangible assets	395	391	334	363	361	364
Other assets	6,939	6,397	6,162	5,990	6,857	6,080
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>52,109</b>	<b>52,097</b>	<b>60,153</b>	<b>59,332</b>	<b>62,314</b>	<b>64,628</b>
Customer deposits **	24,779	24,426	24,408	25,917	26,786	27,497
Debt securities issued **	4,557	5,014	4,808	5,301	5,176	5,410
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	7,993	7,200	10,846	11,810	10,933	10,159
Other liabilities	10,889	11,325	15,451	11,759	15,019	17,345
Stockholders' equity ***	3,891	4,131	4,640	4,544	4,400	4,218
<b>Other managed and marketed customer funds</b>	<b>10,581</b>	<b>10,670</b>	<b>10,697</b>	<b>10,520</b>	<b>11,040</b>	<b>11,359</b>
Mutual funds	10,581	10,670	10,697	10,520	11,040	11,359
Pension funds	—	—	—	—	—	—
Managed portfolios	—	—	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>39,916</b>	<b>40,110</b>	<b>39,912</b>	<b>41,739</b>	<b>43,001</b>	<b>44,266</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

## Mexico

Million pesos

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>23,631</b>	<b>20,545</b>	<b>3,087</b>	<b>15.0</b>
Net fee income	7,311	6,872	440	6.4
Gains (losses) on financial transactions	1,153	1,283	(129)	(10.1)
Other operating income *	(296)	(481)	185	(38.5)
<b>Gross income</b>	<b>31,800</b>	<b>28,218</b>	<b>3,582</b>	<b>12.7</b>
Operating expenses	(12,881)	(11,951)	(930)	7.8
General administrative expenses	(11,713)	(10,911)	(801)	7.3
<i>Personnel</i>	(6,275)	(5,753)	(522)	9.1
<i>Other general administrative expenses</i>	(5,437)	(5,158)	(280)	5.4
Depreciation and amortisation	(1,168)	(1,040)	(129)	12.4
<b>Net operating income</b>	<b>18,919</b>	<b>16,267</b>	<b>2,652</b>	<b>16.3</b>
Net loan-loss provisions	(8,763)	(7,336)	(1,427)	19.5
Other income	(356)	93	(449)	—
<b>Profit before taxes</b>	<b>9,800</b>	<b>9,025</b>	<b>775</b>	<b>8.6</b>
Tax on profit	(2,157)	(2,038)	(119)	5.9
<b>Profit from continuing operations</b>	<b>7,643</b>	<b>6,987</b>	<b>656</b>	<b>9.4</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>7,643</b>	<b>6,987</b>	<b>656</b>	<b>9.4</b>
Minority interests	1,825	1,709	116	6.8
<b>Attributable profit to the Group</b>	<b>5,818</b>	<b>5,278</b>	<b>540</b>	<b>10.2</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	582,206	501,609	80,597	16.1
Financial assets held for trading (w/o loans)	312,155	269,846	42,309	15.7
Financial assets available-for-sale	139,062	69,887	69,175	99.0
Central banks and credit institutions **	167,180	93,585	73,594	78.6
Tangible and intangible assets	7,518	8,071	(554)	(6.9)
Other assets	125,458	132,002	(6,543)	(5.0)
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>1,333,578</b>	<b>1,075,000</b>	<b>258,579</b>	<b>24.1</b>
Customer deposits **	567,398	504,032	63,367	12.6
Debt securities issued **	111,627	103,464	8,163	7.9
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	209,625	148,567	61,058	41.1
Other liabilities	357,899	233,697	124,202	53.1
Stockholders' equity ***	87,029	85,240	1,789	2.1
<b>Other managed and marketed customer funds</b>	<b>234,392</b>	<b>220,166</b>	<b>14,226</b>	<b>6.5</b>
Mutual funds	234,392	220,166	14,226	6.5
Pension funds	—	—	—	—
Managed portfolios	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>913,417</b>	<b>827,662</b>	<b>85,756</b>	<b>10.4</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Mexico

Million pesos

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>10,041</b>	<b>10,504</b>	<b>10,939</b>	<b>11,578</b>	<b>11,808</b>	<b>11,823</b>
Net fee income	3,259	3,613	3,541	3,642	3,445	3,867
Gains (losses) on financial transactions	718	564	487	657	679	474
Other operating income *	(249)	(232)	(463)	(329)	(186)	(110)
<b>Gross income</b>	<b>13,769</b>	<b>14,450</b>	<b>14,503</b>	<b>15,547</b>	<b>15,745</b>	<b>16,054</b>
Operating expenses	(5,973)	(5,978)	(5,978)	(6,131)	(6,402)	(6,479)
General administrative expenses	(5,467)	(5,444)	(5,501)	(5,664)	(5,817)	(5,896)
<i>Personnel</i>	<i>(2,819)</i>	<i>(2,934)</i>	<i>(2,969)</i>	<i>(2,907)</i>	<i>(3,030)</i>	<i>(3,246)</i>
<i>Other general administrative expenses</i>	<i>(2,648)</i>	<i>(2,510)</i>	<i>(2,533)</i>	<i>(2,757)</i>	<i>(2,787)</i>	<i>(2,650)</i>
Depreciation and amortisation	(506)	(533)	(476)	(467)	(586)	(583)
<b>Net operating income</b>	<b>7,795</b>	<b>8,472</b>	<b>8,526</b>	<b>9,416</b>	<b>9,343</b>	<b>9,576</b>
Net loan-loss provisions	(3,545)	(3,791)	(4,131)	(3,939)	(4,399)	(4,364)
Other income	130	(36)	17	(174)	(123)	(233)
<b>Profit before taxes</b>	<b>4,380</b>	<b>4,644</b>	<b>4,412</b>	<b>5,302</b>	<b>4,821</b>	<b>4,979</b>
Tax on profit	(999)	(1,039)	(882)	(1,223)	(1,097)	(1,060)
<b>Profit from continuing operations</b>	<b>3,381</b>	<b>3,606</b>	<b>3,530</b>	<b>4,080</b>	<b>3,724</b>	<b>3,919</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>3,381</b>	<b>3,606</b>	<b>3,530</b>	<b>4,080</b>	<b>3,724</b>	<b>3,919</b>
Minority interests	807	902	917	925	886	939
<b>Attributable profit to the Group</b>	<b>2,574</b>	<b>2,704</b>	<b>2,613</b>	<b>3,155</b>	<b>2,839</b>	<b>2,979</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	480,702	501,609	535,103	570,433	562,286	582,206
Financial assets held for trading (w/o loans)	275,379	269,846	350,088	320,576	342,933	312,155
Financial assets available-for-sale	67,130	69,887	93,721	112,964	110,338	139,062
Central banks and credit institutions **	100,717	93,585	128,292	89,225	121,327	167,180
Tangible and intangible assets	8,147	8,071	6,886	7,488	7,442	7,518
Other assets	143,174	132,002	127,145	123,603	141,501	125,458
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>1,075,250</b>	<b>1,075,000</b>	<b>1,241,236</b>	<b>1,224,289</b>	<b>1,285,828</b>	<b>1,333,578</b>
Customer deposits **	511,307	504,032	503,652	534,796	552,715	567,398
Debt securities issued **	94,023	103,464	99,205	109,387	106,804	111,627
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	164,927	148,567	223,811	243,694	225,602	209,625
Other liabilities	224,700	233,697	318,821	242,651	309,920	357,899
Stockholders' equity ***	80,293	85,240	95,747	93,761	90,787	87,029
<b>Other managed and marketed customer funds</b>	<b>218,327</b>	<b>220,166</b>	<b>220,719</b>	<b>217,086</b>	<b>227,797</b>	<b>234,392</b>
Mutual funds	218,327	220,166	220,719	217,086	227,797	234,392
Pension funds	—	—	—	—	—	—
Managed portfolios	—	—	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>823,657</b>	<b>827,662</b>	<b>823,577</b>	<b>861,269</b>	<b>887,316</b>	<b>913,417</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Chile

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	870	896	(25)	(2.8)
Net fee income	172	182	(10)	(5.4)
Gains (losses) on financial transactions	90	100	(10)	(10.4)
Other operating income *	0	8	(8)	(97.0)
<b>Gross income</b>	<b>1,133</b>	<b>1,186</b>	<b>(53)</b>	<b>(4.5)</b>
Operating expenses	(472)	(501)	29	(5.7)
General administrative expenses	(431)	(463)	32	(6.9)
<i>Personnel</i>	(267)	(277)	10	(3.5)
<i>Other general administrative expenses</i>	(164)	(186)	22	(11.8)
Depreciation and amortisation	(41)	(38)	(3)	8.7
<b>Net operating income</b>	<b>661</b>	<b>685</b>	<b>(25)</b>	<b>(3.6)</b>
Net loan-loss provisions	(237)	(258)	21	(8.2)
Other income	1	3	(2)	(71.8)
<b>Profit before taxes</b>	<b>425</b>	<b>431</b>	<b>(6)</b>	<b>(1.4)</b>
Tax on profit	(71)	(71)	0	(0.6)
<b>Profit from continuing operations</b>	<b>354</b>	<b>360</b>	<b>(6)</b>	<b>(1.6)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>354</b>	<b>360</b>	<b>(6)</b>	<b>(1.6)</b>
Minority interests	106	107	(1)	(0.5)
<b>Attributable profit to the Group</b>	<b>248</b>	<b>253</b>	<b>(5)</b>	<b>(2.1)</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	35,322	33,733	1,589	4.7
Financial assets held for trading (w/o loans)	3,217	2,918	299	10.2
Financial assets available-for-sale	3,273	2,831	443	15.6
Central banks and credit institutions **	3,469	2,711	758	27.9
Tangible and intangible assets	373	371	1	0.4
Other assets	4,387	3,930	456	11.6
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>50,041</b>	<b>46,495</b>	<b>3,546</b>	<b>7.6</b>
Customer deposits **	25,636	24,203	1,433	5.9
Debt securities issued **	8,419	8,464	(45)	(0.5)
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	7,305	5,801	1,503	25.9
Other liabilities	5,693	5,128	565	11.0
Stockholders' equity ***	2,988	2,898	89	3.1
<b>Other managed and marketed customer funds</b>	<b>8,044</b>	<b>7,792</b>	<b>252</b>	<b>3.2</b>
Mutual funds	5,603	5,786	(183)	(3.2)
Pension funds	—	—	—	—
Managed portfolios	2,441	2,006	435	21.7
<b>Managed and marketed customer funds</b>	<b>42,099</b>	<b>40,459</b>	<b>1,640</b>	<b>4.1</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

### Ratios (%) and other data

RoTE	17.19	16.94	0.25 p.	
Efficiency ratio (with amortisations)	41.7	42.2	(0.53 p.)	
NPL ratio	5.28	5.73	(0.45 p.)	
Coverage ratio	55.5	51.6	3.90 p.	
Number of employees	12,307	12,309	(2)	(0.0)
Number of branches	469	479	(10)	(2.1)

## Chile

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>398</b>	<b>498</b>	<b>460</b>	<b>435</b>	<b>421</b>	<b>449</b>
Net fee income	87	96	93	84	88	85
Gains (losses) on financial transactions	65	35	51	22	48	42
Other operating income *	4	4	2	2	(0)	1
<b>Gross income</b>	<b>553</b>	<b>633</b>	<b>606</b>	<b>543</b>	<b>556</b>	<b>577</b>
Operating expenses	(238)	(263)	(243)	(260)	(235)	(237)
General administrative expenses	(219)	(244)	(224)	(239)	(216)	(216)
Personnel	(128)	(149)	(138)	(153)	(128)	(139)
Other general administrative expenses	(91)	(95)	(86)	(86)	(88)	(76)
Depreciation and amortisation	(18)	(19)	(18)	(21)	(19)	(21)
<b>Net operating income</b>	<b>316</b>	<b>370</b>	<b>364</b>	<b>283</b>	<b>321</b>	<b>339</b>
Net loan-loss provisions	(132)	(126)	(153)	(157)	(109)	(127)
Other income	6	(3)	(4)	4	1	(1)
<b>Profit before taxes</b>	<b>190</b>	<b>241</b>	<b>207</b>	<b>130</b>	<b>213</b>	<b>211</b>
Tax on profit	(43)	(28)	(25)	(17)	(40)	(31)
<b>Profit from continuing operations</b>	<b>147</b>	<b>212</b>	<b>182</b>	<b>113</b>	<b>173</b>	<b>181</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>147</b>	<b>212</b>	<b>182</b>	<b>113</b>	<b>173</b>	<b>181</b>
Minority interests	41	65	57	36	52	55
<b>Attributable profit to the Group</b>	<b>106</b>	<b>147</b>	<b>125</b>	<b>78</b>	<b>122</b>	<b>126</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	34,510	33,733	31,874	32,338	33,350	35,322
Financial assets held for trading (w/o loans)	2,940	2,918	3,665	3,144	2,793	3,217
Financial assets available-for-sale	2,290	2,831	2,449	2,668	3,548	3,273
Central banks and credit institutions **	3,622	2,711	3,479	3,294	3,502	3,469
Tangible and intangible assets	382	371	343	355	354	373
Other assets	4,541	3,930	3,669	4,161	3,341	4,387
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>48,285</b>	<b>46,495</b>	<b>45,477</b>	<b>45,960</b>	<b>46,888</b>	<b>50,041</b>
Customer deposits **	26,499	24,203	23,211	24,347	24,679	25,636
Debt securities issued **	8,474	8,464	7,685	7,467	7,282	8,419
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	4,407	5,801	5,878	5,886	6,287	7,305
Other liabilities	5,712	5,128	5,843	5,280	5,519	5,693
Stockholders' equity ***	3,193	2,898	2,860	2,980	3,121	2,988
<b>Other managed and marketed customer funds</b>	<b>7,871</b>	<b>7,792</b>	<b>7,307</b>	<b>7,370</b>	<b>7,063</b>	<b>8,044</b>
Mutual funds	5,793	5,786	5,463	5,422	5,079	5,603
Pension funds	—	—	—	—	—	—
Managed portfolios	2,078	2,006	1,845	1,948	1,984	2,441
<b>Managed and marketed customer funds</b>	<b>42,845</b>	<b>40,459</b>	<b>38,204</b>	<b>39,184</b>	<b>39,024</b>	<b>42,099</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Other information

NPL ratio	5.88	5.73	5.60	5.62	5.45	5.28
Coverage ratio	52.0	51.6	52.8	53.9	54.6	55.5
Cost of credit	1.74	1.68	1.68	1.65	1.58	1.59



## Chile

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	870	807	64	7.9
Net fee income	172	164	8	5.0
Gains (losses) on financial transactions	90	90	(0)	(0.5)
Other operating income *	0	7	(7)	(96.7)
<b>Gross income</b>	<b>1,133</b>	<b>1,068</b>	<b>65</b>	<b>6.0</b>
Operating expenses	(472)	(451)	(21)	4.7
General administrative expenses	(431)	(417)	(14)	3.4
<i>Personnel</i>	(267)	(249)	(18)	7.1
<i>Other general administrative expenses</i>	(164)	(168)	3	(2.1)
Depreciation and amortisation	(41)	(34)	(7)	20.7
<b>Net operating income</b>	<b>661</b>	<b>617</b>	<b>43</b>	<b>7.0</b>
Net loan-loss provisions	(237)	(232)	(5)	2.0
Other income	1	3	(2)	(68.6)
<b>Profit before taxes</b>	<b>425</b>	<b>388</b>	<b>37</b>	<b>9.4</b>
Tax on profit	(71)	(64)	(7)	10.4
<b>Profit from continuing operations</b>	<b>354</b>	<b>324</b>	<b>30</b>	<b>9.2</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>354</b>	<b>324</b>	<b>30</b>	<b>9.2</b>
Minority interests	106	96	10	10.5
<b>Attributable profit to the Group</b>	<b>248</b>	<b>228</b>	<b>20</b>	<b>8.7</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	35,322	32,726	2,596	7.9
Financial assets held for trading (w/o loans)	3,217	2,831	386	13.6
Financial assets available-for-sale	3,273	2,746	527	19.2
Central banks and credit institutions **	3,469	2,630	839	31.9
Tangible and intangible assets	373	360	12	3.5
Other assets	4,387	3,813	574	15.0
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>50,041</b>	<b>45,106</b>	<b>4,934</b>	<b>10.9</b>
Customer deposits **	25,636	23,480	2,156	9.2
Debt securities issued **	8,419	8,211	207	2.5
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	7,305	5,628	1,677	29.8
Other liabilities	5,693	4,975	718	14.4
Stockholders' equity ***	2,988	2,812	176	6.3
<b>Other managed and marketed customer funds</b>	<b>8,044</b>	<b>7,560</b>	<b>485</b>	<b>6.4</b>
Mutual funds	5,603	5,614	(11)	(0.2)
Pension funds	—	—	—	—
Managed portfolios	2,441	1,946	495	25.4
<b>Managed and marketed customer funds</b>	<b>42,099</b>	<b>39,251</b>	<b>2,848</b>	<b>7.3</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Chile

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>364</b>	<b>443</b>	<b>448</b>	<b>432</b>	<b>423</b>	<b>447</b>
Net fee income	79	85	91	84	88	84
Gains (losses) on financial transactions	59	31	49	24	48	42
Other operating income *	3	4	2	2	(0)	1
<b>Gross income</b>	<b>506</b>	<b>563</b>	<b>590</b>	<b>541</b>	<b>559</b>	<b>574</b>
Operating expenses	(217)	(234)	(237)	(257)	(236)	(236)
General administrative expenses	(200)	(217)	(219)	(236)	(217)	(215)
Personnel	(117)	(133)	(135)	(151)	(128)	(139)
Other general administrative expenses	(84)	(84)	(84)	(86)	(88)	(76)
Depreciation and amortisation	(17)	(17)	(18)	(21)	(20)	(21)
<b>Net operating income</b>	<b>289</b>	<b>329</b>	<b>353</b>	<b>284</b>	<b>323</b>	<b>338</b>
Net loan-loss provisions	(120)	(112)	(148)	(154)	(110)	(127)
Other income	6	(3)	(4)	4	1	(1)
<b>Profit before taxes</b>	<b>174</b>	<b>214</b>	<b>202</b>	<b>133</b>	<b>214</b>	<b>210</b>
Tax on profit	(39)	(25)	(25)	(18)	(40)	(31)
<b>Profit from continuing operations</b>	<b>135</b>	<b>189</b>	<b>177</b>	<b>116</b>	<b>174</b>	<b>180</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>135</b>	<b>189</b>	<b>177</b>	<b>116</b>	<b>174</b>	<b>180</b>
Minority interests	38	58	55	36	52	54
<b>Attributable profit to the Group</b>	<b>97</b>	<b>131</b>	<b>122</b>	<b>79</b>	<b>122</b>	<b>125</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	31,657	32,726	33,954	33,961	34,534	35,322
Financial assets held for trading (w/o loans)	2,697	2,831	3,904	3,302	2,892	3,217
Financial assets available-for-sale	2,100	2,746	2,609	2,802	3,674	3,273
Central banks and credit institutions **	3,323	2,630	3,706	3,459	3,627	3,469
Tangible and intangible assets	351	360	365	373	367	373
Other assets	4,166	3,813	3,908	4,370	3,459	4,387
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>44,293</b>	<b>45,106</b>	<b>48,446</b>	<b>48,267</b>	<b>48,552</b>	<b>50,041</b>
Customer deposits **	24,308	23,480	24,726	25,569	25,555	25,636
Debt securities issued **	7,774	8,211	8,186	7,842	7,540	8,419
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	4,043	5,628	6,262	6,182	6,510	7,305
Other liabilities	5,240	4,975	6,224	5,545	5,715	5,693
Stockholders' equity ***	2,929	2,812	3,047	3,129	3,232	2,988
<b>Other managed and marketed customer funds</b>	<b>7,220</b>	<b>7,560</b>	<b>7,784</b>	<b>7,740</b>	<b>7,314</b>	<b>8,044</b>
Mutual funds	5,314	5,614	5,819	5,694	5,259	5,603
Pension funds	—	—	—	—	—	—
Managed portfolios	1,906	1,946	1,965	2,046	2,054	2,441
<b>Managed and marketed customer funds</b>	<b>39,302</b>	<b>39,251</b>	<b>40,697</b>	<b>41,151</b>	<b>40,409</b>	<b>42,099</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Chile

Ch\$ million

			Variation	
	1H '16	1H '15	Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>669,150</b>	<b>620,088</b>	<b>49,062</b>	<b>7.9</b>
Net fee income	132,503	126,191	6,312	5.0
Gains (losses) on financial transactions	69,120	69,449	(329)	(0.5)
Other operating income *	186	5,591	(5,405)	(96.7)
<b>Gross income</b>	<b>870,959</b>	<b>821,319</b>	<b>49,639</b>	<b>6.0</b>
Operating expenses	(363,117)	(346,752)	(16,365)	4.7
General administrative expenses	(331,681)	(320,711)	(10,970)	3.4
<i>Personnel</i>	<i>(205,416)</i>	<i>(191,797)</i>	<i>(13,619)</i>	<i>7.1</i>
<i>Other general administrative expenses</i>	<i>(126,265)</i>	<i>(128,914)</i>	<i>2,649</i>	<i>(2.1)</i>
Depreciation and amortisation	(31,436)	(26,041)	(5,395)	20.7
<b>Net operating income</b>	<b>507,842</b>	<b>474,567</b>	<b>33,274</b>	<b>7.0</b>
Net loan-loss provisions	(181,972)	(178,450)	(3,523)	2.0
Other income	731	2,332	(1,601)	(68.6)
<b>Profit before taxes</b>	<b>326,600</b>	<b>298,449</b>	<b>28,151</b>	<b>9.4</b>
Tax on profit	(54,575)	(49,422)	(5,153)	10.4
<b>Profit from continuing operations</b>	<b>272,025</b>	<b>249,027</b>	<b>22,998</b>	<b>9.2</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>272,025</b>	<b>249,027</b>	<b>22,998</b>	<b>9.2</b>
Minority interests	81,613	73,846	7,767	10.5
<b>Attributable profit to the Group</b>	<b>190,412</b>	<b>175,181</b>	<b>15,231</b>	<b>8.7</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

			Variation	
	30.06.16	30.06.15	Amount	%
<b>Balance sheet</b>				
Customer loans **	26,025,341	24,112,256	1,913,086	7.9
Financial assets held for trading (w/o loans)	2,370,026	2,085,549	284,477	13.6
Financial assets available-for-sale	2,411,741	2,023,435	388,307	19.2
Central banks and credit institutions **	2,555,930	1,938,043	617,887	31.9
Tangible and intangible assets	274,662	265,481	9,182	3.5
Other assets	3,232,082	2,809,455	422,627	15.0
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>36,869,784</b>	<b>33,234,218</b>	<b>3,635,565</b>	<b>10.9</b>
Customer deposits **	18,888,392	17,299,950	1,588,442	9.2
Debt securities issued **	6,203,020	6,050,147	152,874	2.5
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	5,382,135	4,146,852	1,235,283	29.8
Other liabilities	4,194,932	3,665,635	529,297	14.4
Stockholders' equity ***	2,201,304	2,071,635	129,669	6.3
<b>Other managed and marketed customer funds</b>	<b>5,926,964</b>	<b>5,569,920</b>	<b>357,044</b>	<b>6.4</b>
Mutual funds	4,128,341	4,136,125	(7,784)	(0.2)
Pension funds	—	—	—	—
Managed portfolios	1,798,623	1,433,795	364,827	25.4
<b>Managed and marketed customer funds</b>	<b>31,018,376</b>	<b>28,920,017</b>	<b>2,098,359</b>	<b>7.3</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Chile

Ch\$ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>279,722</b>	<b>340,367</b>	<b>344,624</b>	<b>332,114</b>	<b>325,329</b>	<b>343,821</b>
Net fee income	60,830	65,361	69,741	64,409	67,614	64,888
Gains (losses) on financial transactions	45,671	23,778	37,877	18,089	37,034	32,085
Other operating income *	2,611	2,980	1,560	1,282	(294)	480
<b>Gross income</b>	<b>388,834</b>	<b>432,486</b>	<b>453,802</b>	<b>415,894</b>	<b>429,684</b>	<b>441,275</b>
Operating expenses	(166,957)	(179,795)	(182,136)	(197,668)	(181,590)	(181,527)
General administrative expenses	(154,015)	(166,696)	(168,334)	(181,632)	(166,585)	(165,096)
Personnel	(89,753)	(102,044)	(103,697)	(115,785)	(98,758)	(106,658)
Other general administrative expenses	(64,262)	(64,652)	(64,637)	(65,847)	(67,827)	(58,438)
Depreciation and amortisation	(12,942)	(13,099)	(13,802)	(16,037)	(15,005)	(16,431)
<b>Net operating income</b>	<b>221,876</b>	<b>252,691</b>	<b>271,667</b>	<b>218,226</b>	<b>248,094</b>	<b>259,748</b>
Net loan-loss provisions	(92,461)	(85,988)	(113,450)	(118,563)	(84,383)	(97,590)
Other income	4,340	(2,008)	(2,938)	2,841	1,122	(391)
<b>Profit before taxes</b>	<b>133,755</b>	<b>164,694</b>	<b>155,280</b>	<b>102,503</b>	<b>164,833</b>	<b>161,767</b>
Tax on profit	(30,251)	(19,172)	(19,205)	(13,616)	(31,008)	(23,567)
<b>Profit from continuing operations</b>	<b>103,504</b>	<b>145,523</b>	<b>136,074</b>	<b>88,887</b>	<b>133,824</b>	<b>138,200</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>103,504</b>	<b>145,523</b>	<b>136,074</b>	<b>88,887</b>	<b>133,824</b>	<b>138,200</b>
Minority interests	29,047	44,798	42,529	27,838	39,853	41,760
<b>Attributable profit to the Group</b>	<b>74,457</b>	<b>100,724</b>	<b>93,545</b>	<b>61,049</b>	<b>93,971</b>	<b>96,441</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	23,324,691	24,112,256	25,017,101	25,022,327	25,444,315	26,025,341
Financial assets held for trading (w/o loans)	1,986,953	2,085,549	2,876,402	2,432,810	2,130,701	2,370,026
Financial assets available-for-sale	1,547,496	2,023,435	1,922,237	2,064,389	2,706,681	2,411,741
Central banks and credit institutions **	2,448,268	1,938,043	2,730,252	2,548,530	2,672,154	2,555,930
Tangible and intangible assets	258,454	265,481	268,891	274,935	270,191	274,662
Other assets	3,069,216	2,809,455	2,879,568	3,219,816	2,548,792	3,232,082
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>32,635,077</b>	<b>33,234,218</b>	<b>35,694,451</b>	<b>35,562,808</b>	<b>35,772,836</b>	<b>36,869,784</b>
Customer deposits **	17,910,204	17,299,950	18,218,198	18,839,110	18,828,541	18,888,392
Debt securities issued **	5,727,642	6,050,147	6,031,618	5,777,697	5,555,623	6,203,020
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	2,978,870	4,146,852	4,613,855	4,554,756	4,796,453	5,382,135
Other liabilities	3,860,523	3,665,635	4,585,752	4,085,568	4,210,734	4,194,932
Stockholders' equity ***	2,157,838	2,071,635	2,245,028	2,305,677	2,381,484	2,201,304
<b>Other managed and marketed customer funds</b>	<b>5,319,970</b>	<b>5,569,920</b>	<b>5,735,494</b>	<b>5,702,734</b>	<b>5,388,674</b>	<b>5,926,964</b>
Mutual funds	3,915,566	4,136,125	4,287,513	4,195,375	3,874,931	4,128,341
Pension funds	—	—	—	—	—	—
Managed portfolios	1,404,403	1,433,795	1,447,981	1,507,358	1,513,743	1,798,623
<b>Managed and marketed customer funds</b>	<b>28,957,816</b>	<b>28,920,017</b>	<b>29,985,311</b>	<b>30,319,540</b>	<b>29,772,839</b>	<b>31,018,376</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## USA

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>3,010</b>	<b>3,012</b>	<b>(2)</b>	<b>(0.1)</b>
Net fee income	576	533	43	8.1
Gains (losses) on financial transactions	28	154	(126)	(81.8)
Other operating income *	242	168	73	43.5
<b>Gross income</b>	<b>3,856</b>	<b>3,868</b>	<b>(12)</b>	<b>(0.3)</b>
Operating expenses	(1,551)	(1,425)	(126)	8.8
General administrative expenses	(1,400)	(1,299)	(101)	7.8
Personnel	(815)	(742)	(73)	9.9
Other general administrative expenses	(584)	(557)	(28)	5.0
Depreciation and amortisation	(151)	(126)	(25)	19.8
<b>Net operating income</b>	<b>2,305</b>	<b>2,442</b>	<b>(137)</b>	<b>(5.6)</b>
Net loan-loss provisions	(1,565)	(1,393)	(172)	12.3
Other income	(79)	(60)	(19)	31.7
<b>Profit before taxes</b>	<b>661</b>	<b>989</b>	<b>(328)</b>	<b>(33.2)</b>
Tax on profit	(247)	(316)	69	(21.7)
<b>Profit from continuing operations</b>	<b>414</b>	<b>673</b>	<b>(260)</b>	<b>(38.6)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>414</b>	<b>673</b>	<b>(260)</b>	<b>(38.6)</b>
Minority interests	174	200	(26)	(13.2)
<b>Attributable profit to the Group</b>	<b>240</b>	<b>473</b>	<b>(233)</b>	<b>(49.3)</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	83,144	79,652	3,493	4.4
Financial assets held for trading (w/o loans)	2,617	1,676	941	56.2
Financial assets available-for-sale	17,688	16,783	905	5.4
Central banks and credit institutions **	1,559	1,281	279	21.8
Tangible and intangible assets	10,000	7,899	2,101	26.6
Other assets	20,196	13,774	6,423	46.6
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>135,205</b>	<b>121,064</b>	<b>14,142</b>	<b>11.7</b>
Customer deposits **	59,382	58,133	1,249	2.1
Debt securities issued **	25,933	21,814	4,119	18.9
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	26,738	21,584	5,154	23.9
Other liabilities	9,384	8,397	988	11.8
Stockholders' equity ***	13,767	11,136	2,631	23.6
<b>Other managed and marketed customer funds</b>	<b>19,212</b>	<b>20,942</b>	<b>(1,729)</b>	<b>(8.3)</b>
Mutual funds	6,979	7,707	(728)	(9.4)
Pension funds	—	—	—	—
Managed portfolios	12,233	13,235	(1,001)	(7.6)
<b>Managed and marketed customer funds ****</b>	<b>84,192</b>	<b>83,078</b>	<b>1,114</b>	<b>1.3</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

(\*\*\*\*)- Excluding debt securities issued of Santander Consumer USA

### Ratios (%) and other data

RoTE	3.91	9.11	(5.20 p.)	
Efficiency ratio (with amortisations)	40.2	36.9	3.37 p.	
NPL ratio	2.24	2.20	0.04 p.	
Coverage ratio	220.6	224.2	(3.60 p.)	
Number of employees	17,871	17,253	618	3.6
Number of branches	774	783	(9)	(1.1)

## USA

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>1,463</b>	<b>1,549</b>	<b>1,550</b>	<b>1,554</b>	<b>1,548</b>	<b>1,462</b>
Net fee income	262	271	266	286	283	293
Gains (losses) on financial transactions	51	103	39	37	20	8
Other operating income *	92	77	96	102	116	126
<b>Gross income</b>	<b>1,868</b>	<b>2,000</b>	<b>1,952</b>	<b>1,979</b>	<b>1,968</b>	<b>1,888</b>
Operating expenses	(696)	(729)	(772)	(827)	(777)	(774)
General administrative expenses	(635)	(663)	(708)	(754)	(703)	(697)
Personnel	(363)	(379)	(388)	(413)	(416)	(400)
Other general administrative expenses	(272)	(284)	(320)	(342)	(287)	(297)
Depreciation and amortisation	(60)	(66)	(64)	(73)	(74)	(77)
<b>Net operating income</b>	<b>1,172</b>	<b>1,271</b>	<b>1,180</b>	<b>1,152</b>	<b>1,191</b>	<b>1,114</b>
Net loan-loss provisions	(639)	(754)	(750)	(959)	(861)	(704)
Other income	(18)	(42)	(37)	(51)	(66)	(13)
<b>Profit before taxes</b>	<b>514</b>	<b>475</b>	<b>393</b>	<b>142</b>	<b>264</b>	<b>397</b>
Tax on profit	(158)	(158)	(129)	(72)	(103)	(143)
<b>Profit from continuing operations</b>	<b>356</b>	<b>317</b>	<b>264</b>	<b>69</b>	<b>160</b>	<b>253</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>356</b>	<b>317</b>	<b>264</b>	<b>69</b>	<b>160</b>	<b>253</b>
Minority interests	100	100	78	51	79	95
<b>Attributable profit to the Group</b>	<b>257</b>	<b>217</b>	<b>186</b>	<b>18</b>	<b>82</b>	<b>159</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	82,418	79,652	80,789	84,190	80,836	83,144
Financial assets held for trading (w/o loans)	1,524	1,676	1,248	2,299	2,366	2,617
Financial assets available-for-sale	16,549	16,783	18,446	19,145	18,227	17,688
Central banks and credit institutions **	919	1,281	1,223	1,046	1,530	1,559
Tangible and intangible assets	7,975	7,899	8,585	9,156	9,254	10,000
Other assets	13,404	13,774	15,147	14,747	23,654	20,196
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>122,788</b>	<b>121,064</b>	<b>125,438</b>	<b>130,584</b>	<b>135,868</b>	<b>135,205</b>
Customer deposits **	60,162	58,133	58,970	60,115	59,526	59,382
Debt securities issued **	20,139	21,814	22,443	23,905	22,413	25,933
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	23,770	21,584	25,138	26,169	32,039	26,738
Other liabilities	7,605	8,397	7,571	9,073	8,720	9,384
Stockholders' equity ***	11,113	11,136	11,315	11,321	13,170	13,767
<b>Other managed and marketed customer funds</b>	<b>22,613</b>	<b>20,942</b>	<b>19,980</b>	<b>19,478</b>	<b>18,293</b>	<b>19,212</b>
Mutual funds	8,536	7,707	7,317	7,123	6,813	6,979
Pension funds	—	—	—	—	—	—
Managed portfolios	14,077	13,235	12,663	12,355	11,481	12,233
<b>Managed and marketed customer funds ****</b>	<b>86,077</b>	<b>83,078</b>	<b>83,427</b>	<b>84,238</b>	<b>82,288</b>	<b>84,192</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

(\*\*\*\*).- Excluding debt securities issued of Santander Consumer USA

## Other information

NPL ratio	2.20	2.20	2.20	2.13	2.19	2.24
Coverage ratio	211.5	224.2	218.3	225.0	221.1	220.6
Cost of credit	3.25	3.39	3.36	3.66	3.85	3.77

## USA

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>3,010</b>	<b>3,009</b>	<b>1</b>	<b>0.0</b>
Net fee income	576	532	44	8.2
Gains (losses) on financial transactions	28	154	(126)	(81.8)
Other operating income *	242	168	73	43.6
<b>Gross income</b>	<b>3,856</b>	<b>3,864</b>	<b>(8)</b>	<b>(0.2)</b>
Operating expenses	(1,551)	(1,424)	(127)	8.9
General administrative expenses	(1,400)	(1,298)	(102)	7.9
<i>Personnel</i>	(815)	(741)	(74)	10.0
<i>Other general administrative expenses</i>	(584)	(556)	(28)	5.0
Depreciation and amortisation	(151)	(126)	(25)	19.9
<b>Net operating income</b>	<b>2,305</b>	<b>2,440</b>	<b>(135)</b>	<b>(5.5)</b>
Net loan-loss provisions	(1,565)	(1,392)	(173)	12.4
Other income	(79)	(60)	(19)	31.9
<b>Profit before taxes</b>	<b>661</b>	<b>988</b>	<b>(327)</b>	<b>(33.1)</b>
Tax on profit	(247)	(315)	68	(21.7)
<b>Profit from continuing operations</b>	<b>414</b>	<b>673</b>	<b>(259)</b>	<b>(38.5)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>414</b>	<b>673</b>	<b>(259)</b>	<b>(38.5)</b>
Minority interests	174	200	(26)	(13.1)
<b>Attributable profit to the Group</b>	<b>240</b>	<b>473</b>	<b>(233)</b>	<b>(49.2)</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	83,144	80,276	2,869	3.6
Financial assets held for trading (w/o loans)	2,617	1,689	928	55.0
Financial assets available-for-sale	17,688	16,914	774	4.6
Central banks and credit institutions **	1,559	1,291	269	20.8
Tangible and intangible assets	10,000	7,961	2,039	25.6
Other assets	20,196	13,881	6,315	45.5
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>135,205</b>	<b>122,012</b>	<b>13,193</b>	<b>10.8</b>
Customer deposits **	59,382	58,588	794	1.4
Debt securities issued **	25,933	21,985	3,948	18.0
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	26,738	21,753	4,985	22.9
Other liabilities	9,384	8,462	922	10.9
Stockholders' equity ***	13,767	11,224	2,544	22.7
<b>Other managed and marketed customer funds</b>	<b>19,212</b>	<b>21,106</b>	<b>(1,893)</b>	<b>(9.0)</b>
Mutual funds	6,979	7,767	(788)	(10.1)
Pension funds	—	—	—	—
Managed portfolios	12,233	13,338	(1,105)	(8.3)
<b>Managed and marketed customer funds ****</b>	<b>84,192</b>	<b>83,729</b>	<b>463</b>	<b>0.6</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

(\*\*\*\*)- Excluding debt securities issued of Santander Consumer USA

## USA

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>1,476</b>	<b>1,534</b>	<b>1,544</b>	<b>1,524</b>	<b>1,529</b>	<b>1,481</b>
Net fee income	264	269	265	281	280	297
Gains (losses) on financial transactions	52	103	39	36	20	8
Other operating income *	92	76	96	100	115	127
<b>Gross income</b>	<b>1,883</b>	<b>1,981</b>	<b>1,945</b>	<b>1,942</b>	<b>1,944</b>	<b>1,912</b>
Operating expenses	(702)	(722)	(769)	(813)	(767)	(784)
General administrative expenses	(641)	(657)	(705)	(741)	(694)	(705)
Personnel	(366)	(375)	(386)	(405)	(410)	(405)
Other general administrative expenses	(275)	(281)	(319)	(336)	(284)	(300)
Depreciation and amortisation	(61)	(65)	(64)	(72)	(73)	(78)
<b>Net operating income</b>	<b>1,182</b>	<b>1,259</b>	<b>1,175</b>	<b>1,129</b>	<b>1,176</b>	<b>1,129</b>
Net loan-loss provisions	(644)	(748)	(748)	(944)	(851)	(715)
Other income	(19)	(41)	(37)	(50)	(65)	(14)
<b>Profit before taxes</b>	<b>519</b>	<b>469</b>	<b>391</b>	<b>135</b>	<b>261</b>	<b>400</b>
Tax on profit	(159)	(156)	(128)	(70)	(102)	(145)
<b>Profit from continuing operations</b>	<b>359</b>	<b>313</b>	<b>263</b>	<b>65</b>	<b>158</b>	<b>255</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>359</b>	<b>313</b>	<b>263</b>	<b>65</b>	<b>158</b>	<b>255</b>
Minority interests	100	99	77	50	78	96
<b>Attributable profit to the Group</b>	<b>259</b>	<b>214</b>	<b>186</b>	<b>15</b>	<b>81</b>	<b>160</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	79,871	80,276	81,524	82,560	82,896	83,144
Financial assets held for trading (w/o loans)	1,477	1,689	1,259	2,255	2,427	2,617
Financial assets available-for-sale	16,038	16,914	18,614	18,774	18,692	17,688
Central banks and credit institutions **	891	1,291	1,234	1,026	1,569	1,559
Tangible and intangible assets	7,728	7,961	8,663	8,979	9,490	10,000
Other assets	12,990	13,881	15,285	14,461	24,257	20,196
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>118,995</b>	<b>122,012</b>	<b>126,579</b>	<b>128,056</b>	<b>139,332</b>	<b>135,205</b>
Customer deposits **	58,303	58,588	59,506	58,951	61,044	59,382
Debt securities issued **	19,517	21,985	22,647	23,442	22,984	25,933
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	23,035	21,753	25,367	25,662	32,856	26,738
Other liabilities	7,370	8,462	7,640	8,898	8,942	9,384
Stockholders' equity ***	10,770	11,224	11,418	11,102	13,506	13,767
<b>Other managed and marketed customer funds</b>	<b>21,914</b>	<b>21,106</b>	<b>20,162</b>	<b>19,101</b>	<b>18,760</b>	<b>19,212</b>
Mutual funds	8,272	7,767	7,384	6,985	6,986	6,979
Pension funds	—	—	—	—	—	—
Managed portfolios	13,642	13,338	12,778	12,116	11,773	12,233
<b>Managed and marketed customer funds ****</b>	<b>83,418</b>	<b>83,729</b>	<b>84,186</b>	<b>82,607</b>	<b>84,385</b>	<b>84,192</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

(\*\*\*\*).- Excluding debt securities issued of Santander Consumer USA



## USA

US\$ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>3,358</b>	<b>3,357</b>	<b>1</b>	<b>0.0</b>
Net fee income	643	594	49	8.2
Gains (losses) on financial transactions	31	172	(141)	(81.8)
Other operating income *	269	188	82	43.6
<b>Gross income</b>	<b>4,302</b>	<b>4,311</b>	<b>(9)</b>	<b>(0.2)</b>
Operating expenses	(1,730)	(1,589)	(142)	8.9
General administrative expenses	(1,561)	(1,448)	(114)	7.9
Personnel	(909)	(827)	(82)	10.0
Other general administrative expenses	(652)	(621)	(31)	5.0
Depreciation and amortisation	(169)	(141)	(28)	19.9
<b>Net operating income</b>	<b>2,572</b>	<b>2,722</b>	<b>(151)</b>	<b>(5.5)</b>
Net loan-loss provisions	(1,746)	(1,553)	(193)	12.4
Other income	(88)	(67)	(21)	31.9
<b>Profit before taxes</b>	<b>737</b>	<b>1,102</b>	<b>(365)</b>	<b>(33.1)</b>
Tax on profit	(275)	(352)	76	(21.7)
<b>Profit from continuing operations</b>	<b>462</b>	<b>751</b>	<b>(289)</b>	<b>(38.5)</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>462</b>	<b>751</b>	<b>(289)</b>	<b>(38.5)</b>
Minority interests	194	223	(29)	(13.1)
<b>Attributable profit to the Group</b>	<b>268</b>	<b>528</b>	<b>(260)</b>	<b>(49.2)</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Customer loans **	92,307	89,122	3,185	3.6
Financial assets held for trading (w/o loans)	2,905	1,875	1,031	55.0
Financial assets available-for-sale	19,637	18,778	859	4.6
Central banks and credit institutions **	1,731	1,433	298	20.8
Tangible and intangible assets	11,102	8,838	2,264	25.6
Other assets	22,422	15,411	7,011	45.5
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>150,105</b>	<b>135,458</b>	<b>14,647</b>	<b>10.8</b>
Customer deposits **	65,926	65,045	881	1.4
Debt securities issued **	28,791	24,408	4,383	18.0
Liabilities under insurance contracts	—	—	—	—
Central banks and credit institutions **	29,685	24,150	5,535	22.9
Other liabilities	10,419	9,395	1,023	10.9
Stockholders' equity ***	15,285	12,461	2,824	22.7
<b>Other managed and marketed customer funds</b>	<b>21,330</b>	<b>23,432</b>	<b>(2,102)</b>	<b>(9.0)</b>
Mutual funds	7,748	8,623	(875)	(10.1)
Pension funds	—	—	—	—
Managed portfolios	13,581	14,808	(1,227)	(8.3)
<b>Managed and marketed customer funds ****</b>	<b>93,470</b>	<b>92,956</b>	<b>514</b>	<b>0.6</b>

(\*\*)- Including all on-balance sheet balances for this item

(\*\*\*)- Capital + reserves + profit + other accumulated results

(\*\*\*\*)- Excluding debt securities issued of Santander Consumer USA

## USA

US\$ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>1,646</b>	<b>1,711</b>	<b>1,723</b>	<b>1,701</b>	<b>1,706</b>	<b>1,652</b>
Net fee income	294	300	296	314	312	331
Gains (losses) on financial transactions	58	114	43	40	23	9
Other operating income *	103	85	107	112	128	142
<b>Gross income</b>	<b>2,101</b>	<b>2,210</b>	<b>2,169</b>	<b>2,167</b>	<b>2,168</b>	<b>2,133</b>
Operating expenses	(783)	(806)	(858)	(907)	(856)	(874)
General administrative expenses	(715)	(733)	(787)	(827)	(775)	(787)
Personnel	(408)	(419)	(431)	(452)	(458)	(452)
Other general administrative expenses	(306)	(314)	(356)	(375)	(317)	(335)
Depreciation and amortisation	(68)	(73)	(71)	(80)	(82)	(87)
<b>Net operating income</b>	<b>1,318</b>	<b>1,404</b>	<b>1,311</b>	<b>1,260</b>	<b>1,312</b>	<b>1,259</b>
Net loan-loss provisions	(719)	(834)	(834)	(1,053)	(949)	(797)
Other income	(21)	(46)	(41)	(56)	(72)	(16)
<b>Profit before taxes</b>	<b>579</b>	<b>524</b>	<b>436</b>	<b>150</b>	<b>291</b>	<b>446</b>
Tax on profit	(178)	(174)	(143)	(78)	(114)	(161)
<b>Profit from continuing operations</b>	<b>401</b>	<b>350</b>	<b>294</b>	<b>73</b>	<b>177</b>	<b>285</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>401</b>	<b>350</b>	<b>294</b>	<b>73</b>	<b>177</b>	<b>285</b>
Minority interests	112	111	86	55	87	107
<b>Attributable profit to the Group</b>	<b>289</b>	<b>239</b>	<b>207</b>	<b>17</b>	<b>90</b>	<b>178</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Customer loans **	88,673	89,122	90,508	91,658	92,031	92,307
Financial assets held for trading (w/o loans)	1,640	1,875	1,398	2,503	2,694	2,905
Financial assets available-for-sale	17,805	18,778	20,665	20,843	20,752	19,637
Central banks and credit institutions **	989	1,433	1,370	1,139	1,742	1,731
Tangible and intangible assets	8,580	8,838	9,618	9,968	10,536	11,102
Other assets	14,421	15,411	16,969	16,055	26,931	22,422
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>132,108</b>	<b>135,458</b>	<b>140,528</b>	<b>142,167</b>	<b>154,686</b>	<b>150,105</b>
Customer deposits **	64,728	65,045	66,064	65,447	67,771	65,926
Debt securities issued **	21,668	24,408	25,143	26,026	25,517	28,791
Liabilities under insurance contracts	—	—	—	—	—	—
Central banks and credit institutions **	25,574	24,150	28,163	28,490	36,476	29,685
Other liabilities	8,182	9,395	8,482	9,878	9,928	10,419
Stockholders' equity ***	11,957	12,461	12,676	12,326	14,994	15,285
<b>Other managed and marketed customer funds</b>	<b>24,329</b>	<b>23,432</b>	<b>22,384</b>	<b>21,206</b>	<b>20,827</b>	<b>21,330</b>
Mutual funds	9,184	8,623	8,198	7,755	7,756	7,748
Pension funds	—	—	—	—	—	—
Managed portfolios	15,146	14,808	14,186	13,451	13,071	13,581
<b>Managed and marketed customer funds ****</b>	<b>92,611</b>	<b>92,956</b>	<b>93,463</b>	<b>91,710</b>	<b>93,685</b>	<b>93,470</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

(\*\*\*\*).- Excluding debt securities issued of Santander Consumer USA

## Corporate Centre

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	(356)	(352)	(4)	1.0
Net fee income	(10)	(7)	(2)	32.1
Gains (losses) on financial transactions	(99)	(56)	(43)	76.2
Other operating income	(3)	9	(13)	—
Dividends	29	39	(10)	(26.2)
Income from equity-accounted method	(21)	(21)	(1)	4.2
Other operating income/expenses	(11)	(10)	(1)	13.3
<b>Gross income</b>	<b>(468)</b>	<b>(407)</b>	<b>(61)</b>	<b>15.1</b>
Operating expenses	(246)	(293)	46	(15.8)
<b>Net operating income</b>	<b>(714)</b>	<b>(699)</b>	<b>(15)</b>	<b>2.2</b>
Net loan-loss provisions	(3)	1	(5)	—
Other income	(60)	(230)	170	(74.0)
<b>Underlying profit before taxes</b>	<b>(777)</b>	<b>(928)</b>	<b>150</b>	<b>(16.2)</b>
Tax on profit	42	(27)	69	—
<b>Underlying profit from continuing operations</b>	<b>(736)</b>	<b>(955)</b>	<b>219</b>	<b>(23.0)</b>
Net profit from discontinued operations	0	0	0	—
<b>Underlying consolidated profit</b>	<b>(735)</b>	<b>(955)</b>	<b>219</b>	<b>(23.0)</b>
Minority interests	(7)	25	(32)	—
<b>Underlying attributable profit to the Group</b>	<b>(729)</b>	<b>(980)</b>	<b>251</b>	<b>(25.6)</b>
Net capital gains and provisions *	(248)	835	(1,083)	—
<b>Attributable profit to the Group</b>	<b>(977)</b>	<b>(145)</b>	<b>(832)</b>	<b>574.2</b>

(\*).- Including

(\*).- In 1H'16, capital gains from the disposal of the stake in Visa Europe (€227 million) and restructuring costs (-€475 million).

(\*).-In 1H'15, net result of the reversal of tax liabilities in Brazil (€835 million).

	30.06.16	30.06.15	Variation	
			Amount	%
<b>Balance sheet</b>				
Financial assets held for trading (w/o loans)	1,992	3,502	(1,510)	(43.1)
Financial assets available-for-sale	3,163	3,721	(558)	(15.0)
Goodwill	26,536	28,593	(2,057)	(7.2)
Capital assigned to Group areas	82,167	81,700	468	0.6
Other assets	26,085	35,926	(9,841)	(27.4)
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>139,944</b>	<b>153,442</b>	<b>(13,498)</b>	<b>(8.8)</b>
Customer deposits **	1,061	2,195	(1,134)	(51.7)
Debt securities issued **	35,292	29,061	6,231	21.4
Other liabilities	18,880	29,272	(10,392)	(35.5)
Stockholders' equity ***	84,710	92,913	(8,203)	(8.8)
<b>Other managed and marketed customer funds</b>	<b>0</b>	<b>—</b>	<b>0</b>	<b>—</b>
Mutual funds	0	—	0	—
Pension funds	0	—	0	—
Managed portfolios	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>36,353</b>	<b>31,256</b>	<b>5,097</b>	<b>16.3</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Resources

Number of employees	1,757	2,184	(427)	(19.6)
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## Corporate Centre

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	(220)	(132)	(139)	(137)	(169)	(187)
Net fee income	(2)	(6)	(0)	(6)	(5)	(5)
Gains (losses) on financial transactions	12	(68)	90	116	(32)	(67)
Other operating income	(19)	28	(8)	(6)	(18)	15
Dividends	1	38	24	9	2	27
Income from equity-accounted method	(12)	(8)	(16)	(6)	(16)	(5)
Other operating income/expenses	(8)	(2)	(15)	(9)	(4)	(8)
<b>Gross income</b>	<b>(230)</b>	<b>(177)</b>	<b>(56)</b>	<b>(32)</b>	<b>(223)</b>	<b>(244)</b>
Operating expenses	(142)	(150)	(142)	(112)	(126)	(120)
<b>Net operating income</b>	<b>(372)</b>	<b>(327)</b>	<b>(199)</b>	<b>(144)</b>	<b>(349)</b>	<b>(365)</b>
Net loan-loss provisions	(1)	2	(1)	26	1	(5)
Other income	(98)	(132)	(148)	(130)	(5)	(55)
<b>Underlying profit before taxes</b>	<b>(470)</b>	<b>(457)</b>	<b>(348)</b>	<b>(247)</b>	<b>(353)</b>	<b>(424)</b>
Tax on profit	5	(32)	(44)	131	36	6
<b>Underlying profit from continuing operations</b>	<b>(465)</b>	<b>(489)</b>	<b>(392)</b>	<b>(117)</b>	<b>(317)</b>	<b>(418)</b>
Net profit from discontinued operations	0	—	(0)	—	—	0
<b>Underlying consolidated profit</b>	<b>(465)</b>	<b>(489)</b>	<b>(392)</b>	<b>(117)</b>	<b>(317)</b>	<b>(418)</b>
Minority interests	26	(1)	2	2	(6)	(0)
<b>Underlying attributable profit to the Group</b>	<b>(491)</b>	<b>(489)</b>	<b>(395)</b>	<b>(119)</b>	<b>(311)</b>	<b>(418)</b>
Net capital gains and provisions *	—	835	—	(1,435)	—	(248)
<b>Attributable profit to the Group</b>	<b>(491)</b>	<b>346</b>	<b>(395)</b>	<b>(1,554)</b>	<b>(311)</b>	<b>(666)</b>

(\*).- Including

– In 2Q'16, capital gains from the disposal of the stake in Visa Europe (€227 million) and restructuring costs (-€475 million)

– In 4Q'15, Banif's badwill in Portugal (€283 million), PPI (-€600 million), impairment of intangible assets (-€683 million) and goodwill and other assets (-€435 million)

– In 2Q'15, net result of the reversal of tax liabilities in Brazil (€835 million).

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Balance sheet</b>						
Financial assets held for trading (w/o loans)	4,306	3,502	2,810	2,656	1,616	1,992
Financial assets available-for-sale	3,376	3,721	3,585	3,773	3,654	3,163
Goodwill	28,666	28,593	26,777	26,960	26,209	26,536
Capital assigned to Group areas	83,180	81,700	77,606	77,163	84,715	82,167
Other assets	36,002	35,926	35,827	37,583	20,060	26,085
<b>Total assets/liabilities &amp; shareholders' equity</b>	<b>155,531</b>	<b>153,442</b>	<b>146,605</b>	<b>148,136</b>	<b>136,255</b>	<b>139,944</b>
Customer deposits **	2,600	2,195	2,015	5,205	1,629	1,061
Debt securities issued **	32,218	29,061	32,779	37,364	32,459	35,292
Other liabilities	25,138	29,272	25,977	21,052	16,882	18,880
Stockholders' equity ***	95,576	92,913	85,833	84,515	85,286	84,710
<b>Other managed and marketed customer funds</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0</b>	<b>0</b>
Mutual funds	—	—	—	—	—	0
Pension funds	—	—	—	—	—	0
Managed portfolios	—	—	—	—	—	—
<b>Managed and marketed customer funds</b>	<b>34,818</b>	<b>31,256</b>	<b>34,794</b>	<b>42,569</b>	<b>34,087</b>	<b>36,353</b>

(\*\*).- Including all on-balance sheet balances for this item

(\*\*\*).- Capital + reserves + profit + other accumulated results

## Retail Banking

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>14,314</b>	<b>15,149</b>	<b>(836)</b>	<b>(5.5)</b>
Net fee income	4,214	4,336	(122)	(2.8)
Gains (losses) on financial transactions	257	694	(437)	(63.0)
Other operating income *	441	367	74	20.2
<b>Gross income</b>	<b>19,225</b>	<b>20,546</b>	<b>(1,321)</b>	<b>(6.4)</b>
Operating expenses	(9,045)	(9,329)	284	(3.0)
General administrative expenses	(8,248)	(8,545)	297	(3.5)
<i>Personnel</i>	<i>(4,439)</i>	<i>(4,602)</i>	<i>163</i>	<i>(3.5)</i>
<i>Other general administrative expenses</i>	<i>(3,809)</i>	<i>(3,942)</i>	<i>134</i>	<i>(3.4)</i>
Depreciation and amortisation	(797)	(784)	(13)	1.6
<b>Net operating income</b>	<b>10,180</b>	<b>11,217</b>	<b>(1,037)</b>	<b>(9.2)</b>
Net loan-loss provisions	(4,116)	(4,637)	521	(11.2)
Other income	(849)	(845)	(3)	0.4
<b>Underlying profit before taxes</b>	<b>5,216</b>	<b>5,734</b>	<b>(519)</b>	<b>(9.0)</b>
Tax on profit	(1,464)	(1,509)	45	(3.0)
<b>Underlying profit from continuing operations</b>	<b>3,752</b>	<b>4,226</b>	<b>(474)</b>	<b>(11.2)</b>
Net profit from discontinued operations	0	0	(0)	(40.4)
<b>Underlying consolidated profit</b>	<b>3,752</b>	<b>4,226</b>	<b>(474)</b>	<b>(11.2)</b>
Minority interests	557	605	(48)	(7.9)
<b>Underlying attributable profit to the Group</b>	<b>3,195</b>	<b>3,621</b>	<b>(426)</b>	<b>(11.8)</b>
Net capital gains and provisions **	(120)	—	(120)	—
<b>Attributable profit to the Group</b>	<b>3,075</b>	<b>3,621</b>	<b>(546)</b>	<b>(15.1)</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

## Retail Banking

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>7,496</b>	<b>7,653</b>	<b>7,396</b>	<b>7,312</b>	<b>7,154</b>	<b>7,160</b>
Net fee income	2,159	2,177	2,122	2,104	2,044	2,170
Gains (losses) on financial transactions	347	347	369	297	180	76
Other operating income *	178	189	193	(185)	173	268
<b>Gross income</b>	<b>10,180</b>	<b>10,366</b>	<b>10,080</b>	<b>9,528</b>	<b>9,552</b>	<b>9,673</b>
Operating expenses	(4,640)	(4,689)	(4,609)	(4,737)	(4,492)	(4,553)
General administrative expenses	(4,262)	(4,283)	(4,225)	(4,331)	(4,104)	(4,144)
<i>Personnel</i>	(2,263)	(2,339)	(2,236)	(2,303)	(2,201)	(2,238)
<i>Other general administrative expenses</i>	(1,998)	(1,944)	(1,988)	(2,029)	(1,903)	(1,905)
Depreciation and amortisation	(378)	(406)	(385)	(406)	(388)	(409)
<b>Net operating income</b>	<b>5,540</b>	<b>5,677</b>	<b>5,471</b>	<b>4,792</b>	<b>5,060</b>	<b>5,121</b>
Net loan-loss provisions	(2,318)	(2,319)	(2,321)	(2,289)	(2,161)	(1,955)
Other income	(372)	(473)	(479)	(426)	(416)	(432)
<b>Underlying profit before taxes</b>	<b>2,849</b>	<b>2,885</b>	<b>2,671</b>	<b>2,077</b>	<b>2,482</b>	<b>2,733</b>
Tax on profit	(757)	(752)	(610)	(507)	(673)	(791)
<b>Underlying profit from continuing operations</b>	<b>2,093</b>	<b>2,133</b>	<b>2,060</b>	<b>1,569</b>	<b>1,809</b>	<b>1,943</b>
Net profit from discontinued operations	0	0	(0)	—	—	0
<b>Underlying consolidated profit</b>	<b>2,093</b>	<b>2,133</b>	<b>2,060</b>	<b>1,569</b>	<b>1,809</b>	<b>1,943</b>
Minority interests	284	321	290	219	255	302
<b>Underlying attributable profit to the Group</b>	<b>1,808</b>	<b>1,812</b>	<b>1,770</b>	<b>1,350</b>	<b>1,554</b>	<b>1,641</b>
Net capital gains and provisions **	—	—	—	—	—	(120)
<b>Attributable profit to the Group</b>	<b>1,808</b>	<b>1,812</b>	<b>1,770</b>	<b>1,350</b>	<b>1,554</b>	<b>1,521</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

## Retail Banking

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>14,314</b>	<b>13,773</b>	<b>541</b>	<b>3.9</b>
Net fee income	4,214	3,888	326	8.4
Gains (losses) on financial transactions	257	651	(394)	(60.6)
Other operating income *	441	362	79	21.9
<b>Gross income</b>	<b>19,225</b>	<b>18,674</b>	<b>552</b>	<b>3.0</b>
Operating expenses	(9,045)	(8,470)	(574)	6.8
General administrative expenses	(8,248)	(7,762)	(486)	6.3
<i>Personnel</i>	<i>(4,439)</i>	<i>(4,188)</i>	<i>(251)</i>	<i>6.0</i>
<i>Other general administrative expenses</i>	<i>(3,809)</i>	<i>(3,574)</i>	<i>(234)</i>	<i>6.6</i>
Depreciation and amortisation	(797)	(708)	(89)	12.5
<b>Net operating income</b>	<b>10,180</b>	<b>10,203</b>	<b>(23)</b>	<b>(0.2)</b>
Net loan-loss provisions	(4,116)	(4,219)	103	(2.4)
Other income	(849)	(739)	(110)	14.9
<b>Underlying profit before taxes</b>	<b>5,216</b>	<b>5,246</b>	<b>(30)</b>	<b>(0.6)</b>
Tax on profit	(1,464)	(1,377)	(87)	6.3
<b>Underlying profit from continuing operations</b>	<b>3,752</b>	<b>3,869</b>	<b>(117)</b>	<b>(3.0)</b>
Net profit from discontinued operations	0	0	(0)	(40.4)
<b>Underlying consolidated profit</b>	<b>3,752</b>	<b>3,869</b>	<b>(117)</b>	<b>(3.0)</b>
Minority interests	557	561	(4)	(0.8)
<b>Underlying attributable profit to the Group</b>	<b>3,195</b>	<b>3,308</b>	<b>(113)</b>	<b>(3.4)</b>
Net capital gains and provisions **	(120)	—	(120)	—
<b>Attributable profit to the Group</b>	<b>3,075</b>	<b>3,308</b>	<b>(233)</b>	<b>(7.0)</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*)- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates

## Retail Banking

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>6,809</b>	<b>6,964</b>	<b>7,061</b>	<b>7,108</b>	<b>7,188</b>	<b>7,126</b>
Net fee income	1,929	1,959	2,002	2,025	2,058	2,156
Gains (losses) on financial transactions	338	313	349	303	175	82
Other operating income *	178	183	189	(178)	172	269
<b>Gross income</b>	<b>9,254</b>	<b>9,419</b>	<b>9,600</b>	<b>9,258</b>	<b>9,592</b>	<b>9,633</b>
Operating expenses	(4,204)	(4,266)	(4,378)	(4,572)	(4,510)	(4,534)
General administrative expenses	(3,864)	(3,898)	(4,012)	(4,182)	(4,121)	(4,127)
<i>Personnel</i>	(2,055)	(2,132)	(2,124)	(2,226)	(2,210)	(2,229)
<i>Other general administrative expenses</i>	(1,809)	(1,766)	(1,888)	(1,957)	(1,911)	(1,898)
Depreciation and amortisation	(340)	(368)	(366)	(390)	(390)	(407)
<b>Net operating income</b>	<b>5,050</b>	<b>5,153</b>	<b>5,222</b>	<b>4,686</b>	<b>5,082</b>	<b>5,098</b>
Net loan-loss provisions	(2,105)	(2,114)	(2,217)	(2,238)	(2,177)	(1,939)
Other income	(319)	(419)	(453)	(430)	(422)	(426)
<b>Underlying profit before taxes</b>	<b>2,627</b>	<b>2,619</b>	<b>2,553</b>	<b>2,018</b>	<b>2,482</b>	<b>2,734</b>
Tax on profit	(694)	(682)	(595)	(504)	(672)	(792)
<b>Underlying profit from continuing operations</b>	<b>1,932</b>	<b>1,937</b>	<b>1,958</b>	<b>1,514</b>	<b>1,811</b>	<b>1,941</b>
Net profit from discontinued operations	0	0	(0)	—	—	0
<b>Underlying consolidated profit</b>	<b>1,932</b>	<b>1,937</b>	<b>1,958</b>	<b>1,514</b>	<b>1,811</b>	<b>1,941</b>
Minority interests	266	295	280	215	255	303
<b>Underlying attributable profit to the Group</b>	<b>1,666</b>	<b>1,641</b>	<b>1,678</b>	<b>1,299</b>	<b>1,556</b>	<b>1,639</b>
Net capital gains and provisions **	—	—	—	—	—	(120)
<b>Attributable profit to the Group</b>	<b>1,666</b>	<b>1,641</b>	<b>1,678</b>	<b>1,299</b>	<b>1,556</b>	<b>1,519</b>

(\*).- Including dividends, income from equity-accounted method and other operating income/expenses

(\*\*).- Contribution to the Single Resolution Fund due to change in the scheduled contribution dates



## Global Corporate Banking

€ million

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,258</b>	<b>1,535</b>	<b>(277)</b>	<b>(18.0)</b>
Net fee income	742	781	(40)	(5.1)
Gains (losses) on financial transactions	712	352	361	102.6
Other operating income *	180	171	9	5.2
<b>Gross income</b>	<b>2,892</b>	<b>2,839</b>	<b>53</b>	<b>1.9</b>
Operating expenses	(985)	(1,062)	77	(7.2)
General administrative expenses	(942)	(974)	32	(3.3)
<i>Personnel</i>	(539)	(564)	26	(4.5)
<i>Other general administrative expenses</i>	(403)	(409)	7	(1.6)
Depreciation and amortisation	(44)	(88)	45	(50.6)
<b>Net operating income</b>	<b>1,906</b>	<b>1,776</b>	<b>130</b>	<b>7.3</b>
Net loan-loss provisions	(417)	(344)	(74)	21.4
Other income	(33)	(19)	(14)	74.8
<b>Profit before taxes</b>	<b>1,456</b>	<b>1,414</b>	<b>42</b>	<b>3.0</b>
Tax on profit	(419)	(395)	(24)	6.1
<b>Profit from continuing operations</b>	<b>1,037</b>	<b>1,019</b>	<b>18</b>	<b>1.8</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>1,037</b>	<b>1,019</b>	<b>18</b>	<b>1.8</b>
Minority interests	79	69	10	13.7
<b>Attributable profit to the Group</b>	<b>958</b>	<b>949</b>	<b>9</b>	<b>0.9</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

## Global Corporate Banking

€ million

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>776</b>	<b>759</b>	<b>736</b>	<b>730</b>	<b>650</b>	<b>608</b>
Net fee income	366	415	353	349	357	385
Gains (losses) on financial transactions	292	59	132	240	356	357
Other operating income *	20	151	46	51	40	140
<b>Gross income</b>	<b>1,455</b>	<b>1,384</b>	<b>1,267</b>	<b>1,370</b>	<b>1,403</b>	<b>1,489</b>
Operating expenses	(529)	(533)	(532)	(519)	(485)	(500)
General administrative expenses	(485)	(489)	(490)	(486)	(464)	(477)
<i>Personnel</i>	(279)	(285)	(271)	(273)	(266)	(273)
<i>Other general administrative expenses</i>	(206)	(203)	(219)	(214)	(198)	(204)
Depreciation and amortisation	(44)	(44)	(43)	(33)	(21)	(22)
<b>Net operating income</b>	<b>926</b>	<b>851</b>	<b>734</b>	<b>851</b>	<b>917</b>	<b>989</b>
Net loan-loss provisions	(201)	(143)	(75)	(262)	(223)	(194)
Other income	5	(24)	(28)	(46)	(0)	(33)
<b>Profit before taxes</b>	<b>729</b>	<b>685</b>	<b>632</b>	<b>543</b>	<b>694</b>	<b>762</b>
Tax on profit	(206)	(189)	(185)	(152)	(200)	(220)
<b>Profit from continuing operations</b>	<b>523</b>	<b>496</b>	<b>447</b>	<b>391</b>	<b>494</b>	<b>542</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>523</b>	<b>496</b>	<b>447</b>	<b>391</b>	<b>494</b>	<b>542</b>
Minority interests	38	31	27	23	41	38
<b>Attributable profit to the Group</b>	<b>485</b>	<b>464</b>	<b>420</b>	<b>368</b>	<b>454</b>	<b>504</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

## Global Corporate Banking

€ million (currency-neutral basis)

	1H '16	1H '15	Variation	
			Amount	%
<b>Income statement</b>				
<b>Net interest income</b>	<b>1,258</b>	<b>1,344</b>	<b>(86)</b>	<b>(6.4)</b>
Net fee income	742	712	30	4.2
Gains (losses) on financial transactions	712	319	393	123.0
Other operating income *	180	172	7	4.3
<b>Gross income</b>	<b>2,892</b>	<b>2,548</b>	<b>344</b>	<b>13.5</b>
Operating expenses	(985)	(981)	(4)	0.4
General administrative expenses	(942)	(899)	(42)	4.7
<i>Personnel</i>	(539)	(517)	(22)	4.3
<i>Other general administrative expenses</i>	(403)	(383)	(20)	5.3
Depreciation and amortisation	(44)	(82)	38	(46.6)
<b>Net operating income</b>	<b>1,906</b>	<b>1,567</b>	<b>340</b>	<b>21.7</b>
Net loan-loss provisions	(417)	(293)	(124)	42.4
Other income	(33)	(22)	(10)	46.2
<b>Profit before taxes</b>	<b>1,456</b>	<b>1,251</b>	<b>205</b>	<b>16.4</b>
Tax on profit	(419)	(346)	(73)	21.2
<b>Profit from continuing operations</b>	<b>1,037</b>	<b>905</b>	<b>132</b>	<b>14.5</b>
Net profit from discontinued operations	—	—	—	—
<b>Consolidated profit</b>	<b>1,037</b>	<b>905</b>	<b>132</b>	<b>14.5</b>
Minority interests	79	58	21	35.3
<b>Attributable profit to the Group</b>	<b>958</b>	<b>847</b>	<b>111</b>	<b>13.1</b>

(\*) - Including dividends, income from equity-accounted method and other operating income/expenses

## Global Corporate Banking

€ million (currency-neutral basis)

	1Q 15	2Q 15	3Q 15	4Q 15	1Q 16	2Q 16
<b>Income statement</b>						
<b>Net interest income</b>	<b>673</b>	<b>671</b>	<b>691</b>	<b>697</b>	<b>657</b>	<b>601</b>
Net fee income	333	379	336	339	359	382
Gains (losses) on financial transactions	266	54	133	217	360	353
Other operating income *	21	151	47	52	40	140
<b>Gross income</b>	<b>1,293</b>	<b>1,255</b>	<b>1,207</b>	<b>1,305</b>	<b>1,416</b>	<b>1,476</b>
Operating expenses	(489)	(492)	(508)	(501)	(486)	(499)
General administrative expenses	(448)	(451)	(467)	(469)	(465)	(477)
<i>Personnel</i>	(255)	(261)	(258)	(263)	(266)	(273)
<i>Other general administrative expenses</i>	(193)	(190)	(209)	(206)	(198)	(204)
Depreciation and amortisation	(41)	(41)	(41)	(32)	(21)	(22)
<b>Net operating income</b>	<b>804</b>	<b>763</b>	<b>699</b>	<b>805</b>	<b>930</b>	<b>977</b>
Net loan-loss provisions	(172)	(121)	(81)	(254)	(225)	(192)
Other income	1	(23)	(26)	(44)	(0)	(33)
<b>Profit before taxes</b>	<b>633</b>	<b>618</b>	<b>592</b>	<b>507</b>	<b>704</b>	<b>752</b>
Tax on profit	(176)	(170)	(172)	(139)	(203)	(217)
<b>Profit from continuing operations</b>	<b>457</b>	<b>448</b>	<b>420</b>	<b>367</b>	<b>502</b>	<b>535</b>
Net profit from discontinued operations	—	—	—	—	—	—
<b>Consolidated profit</b>	<b>457</b>	<b>448</b>	<b>420</b>	<b>367</b>	<b>502</b>	<b>535</b>
Minority interests	32	27	25	23	42	37
<b>Attributable profit to the Group</b>	<b>425</b>	<b>421</b>	<b>394</b>	<b>345</b>	<b>460</b>	<b>498</b>

(\*)- Including dividends, income from equity-accounted method and other operating income/expenses

**NPL ratio**

%

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Continental Europe</b>	<b>8.52</b>	<b>8.15</b>	<b>7.89</b>	<b>7.27</b>	<b>7.08</b>	<b>6.84</b>
Spain	7.25	6.91	6.61	6.53	6.36	6.06
Santander Consumer Finance	4.52	4.25	4.15	3.42	3.28	2.95
Poland	7.33	7.07	7.14	6.30	5.93	5.84
Portugal	8.96	8.80	8.86	7.46	8.55	10.46
<b>United Kingdom</b>	<b>1.75</b>	<b>1.61</b>	<b>1.51</b>	<b>1.52</b>	<b>1.49</b>	<b>1.47</b>
<b>Latin America</b>	<b>4.64</b>	<b>4.74</b>	<b>4.65</b>	<b>4.96</b>	<b>4.88</b>	<b>4.98</b>
Brazil	4.90	5.13	5.30	5.98	5.93	6.11
Mexico	3.71	3.81	3.54	3.38	3.06	3.01
Chile	5.88	5.73	5.60	5.62	5.45	5.28
<b>USA</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>	<b>2.13</b>	<b>2.19</b>	<b>2.24</b>
<b>Operating Areas</b>	<b>4.87</b>	<b>4.68</b>	<b>4.52</b>	<b>4.39</b>	<b>4.36</b>	<b>4.32</b>
<b>Total Group</b>	<b>4.85</b>	<b>4.64</b>	<b>4.50</b>	<b>4.36</b>	<b>4.33</b>	<b>4.29</b>

## Coverage ratio

%

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Continental Europe</b>	<b>58.6</b>	<b>58.9</b>	<b>60.4</b>	<b>64.2</b>	<b>65.4</b>	<b>61.3</b>
Spain	46.6	46.8	47.8	48.1	50.2	47.6
Santander Consumer Finance	103.6	104.9	107.2	109.1	111.9	110.6
Poland	61.6	63.5	63.1	64.0	67.0	65.8
Portugal	52.4	54.2	56.2	99.0	87.7	61.9
<b>United Kingdom</b>	<b>41.2</b>	<b>40.3</b>	<b>39.6</b>	<b>38.2</b>	<b>36.5</b>	<b>36.5</b>
<b>Latin America</b>	<b>83.6</b>	<b>84.4</b>	<b>85.4</b>	<b>79.0</b>	<b>79.7</b>	<b>81.4</b>
Brazil	95.2	95.9	96.0	83.7	83.7	85.3
Mexico	88.4	87.5	93.0	90.6	97.5	102.3
Chile	52.0	51.6	52.8	53.9	54.6	55.5
<b>USA</b>	<b>211.5</b>	<b>224.2</b>	<b>218.3</b>	<b>225.0</b>	<b>221.1</b>	<b>220.6</b>
<b>Operating Areas</b>	<b>68.3</b>	<b>69.4</b>	<b>70.5</b>	<b>72.6</b>	<b>73.3</b>	<b>72.0</b>
<b>Total Group</b>	<b>68.9</b>	<b>70.1</b>	<b>71.1</b>	<b>73.1</b>	<b>74.0</b>	<b>72.5</b>

**Cost of credit**

%

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Continental Europe</b>	<b>0.95</b>	<b>0.86</b>	<b>0.77</b>	<b>0.68</b>	<b>0.60</b>	<b>0.51</b>
Spain	0.97	0.84	0.71	0.62	0.54	0.45
Santander Consumer Finance	0.93	0.91	0.87	0.77	0.64	0.55
Poland	1.00	1.00	0.96	0.87	0.82	0.75
Portugal	0.45	0.38	0.35	0.29	0.28	0.21
<b>United Kingdom</b>	<b>0.11</b>	<b>0.08</b>	<b>0.04</b>	<b>0.03</b>	<b>0.01</b>	<b>0.03</b>
<b>Latin America</b>	<b>3.53</b>	<b>3.39</b>	<b>3.33</b>	<b>3.36</b>	<b>3.39</b>	<b>3.41</b>
Brazil	4.63	4.45	4.40	4.50	4.63	4.71
Mexico	2.92	2.89	2.87	2.91	2.95	2.96
Chile	1.74	1.68	1.68	1.65	1.58	1.59
<b>USA</b>	<b>3.25</b>	<b>3.39</b>	<b>3.36</b>	<b>3.66</b>	<b>3.85</b>	<b>3.77</b>
<b>Operating Areas</b>	<b>1.38</b>	<b>1.33</b>	<b>1.27</b>	<b>1.26</b>	<b>1.24</b>	<b>1.20</b>
<b>Total Group</b>	<b>1.38</b>	<b>1.32</b>	<b>1.26</b>	<b>1.25</b>	<b>1.22</b>	<b>1.19</b>

## Risk-weighted assets

€ million

	31.03.15	30.06.15	30.09.15	31.12.15	31.03.16	30.06.16
<b>Continental Europe</b>	<b>226,348</b>	<b>222,524</b>	<b>215,770</b>	<b>215,599</b>	<b>218,694</b>	<b>222,774</b>
Spain	111,376	106,999	103,608	101,686	101,302	102,302
Santander Consumer Finance	55,711	54,895	54,890	54,543	57,186	60,068
Poland	17,329	16,800	16,876	17,164	17,653	17,617
Portugal	15,804	16,001	15,988	19,956	19,654	19,250
Spain's real estate activity	14,892	16,558	16,576	14,770	15,328	15,865
<b>United Kingdom</b>	<b>114,165</b>	<b>121,925</b>	<b>118,058</b>	<b>117,184</b>	<b>111,321</b>	<b>108,624</b>
<b>Latin America</b>	<b>174,954</b>	<b>169,250</b>	<b>152,805</b>	<b>153,286</b>	<b>144,179</b>	<b>155,925</b>
Brazil	96,648	93,986	81,502	81,836	75,500	86,059
Mexico	29,254	28,727	26,834	27,519	26,717	25,780
Chile	32,252	30,258	28,236	28,412	28,805	30,397
<b>USA</b>	<b>88,309</b>	<b>82,555</b>	<b>82,810</b>	<b>87,262</b>	<b>83,938</b>	<b>85,334</b>
<b>Operating Areas</b>	<b>603,776</b>	<b>596,254</b>	<b>569,443</b>	<b>573,331</b>	<b>558,132</b>	<b>572,657</b>
<b>Corporate Centre</b>	<b>14,175</b>	<b>13,230</b>	<b>16,373</b>	<b>12,278</b>	<b>13,827</b>	<b>13,363</b>
<b>Total Group</b>	<b>617,951</b>	<b>609,484</b>	<b>585,816</b>	<b>585,609</b>	<b>571,959</b>	<b>586,020</b>