

THIS ENGLISH CONVENIENCE TRANSLATION OF THE POLISH LANGUAGE VERSION OF THE SUPPLEMENT TO THE INFORMATION MEMORANDUM HAS BEEN PREPARED AND IS BEING PROVIDED TO INVESTORS FOR CONVENIENCE PURPOSES ONLY. IT IS NOT, AND DOES NOT CONSTITUTE OR FORM A PART OF, THE SUPPLEMENT TO THE INFORMATION MEMORANDUM AS PREPARED IN THE POLISH LANGUAGE IN RELATION TO THE PUBLIC OFFERING AND INTENDED ADMISSION AND INTRODUCTION TO TRADING OF THE COMPANY'S NEW SHARES ON THE WARSAW STOCK EXCHANGE AND SHOULD NOT BE TREATED AS SUCH. THE COMPANY TAKES NO RESPONSIBILITY FOR THE ACCURACY OF THIS ENGLISH CONVENIENCE TRANSLATION OF THE POLISH LANGUAGE VERSION OF THE SUPPLEMENT TO THE INFORMATION MEMORANDUM, AND THE CONTENT HEREOF IS QUALIFIED IN ITS ENTIRETY BY THE SUPPLEMENT TO THE INFORMATION MEMORANDUM AS PREPARED IN THE POLISH LANGUAGE. THE POLISH LANGUAGE VERSION OF THE SUPPLEMENT TO THE INFORMATION MEMORANDUM IS THE ONLY LEGALLY BINDING DOCUMENT WHICH HAS BEEN PREPARED AND PUBLISHED IN RELATION TO THE PUBLIC OFFERING AND ADMISSION AND INTRODUCTION TO TRADING OF THE COMPANY'S NEW SHARES ON THE WARSAW STOCK EXCHANGE.

BANCO SANTANDER, S.A.



**SUPPLEMENT No. 1
to the Information Memorandum
prepared in connection with
the public offering of up to 165,913,707 ordinary registered shares
and
the intended application for the admission and introduction to trading
on the regulated market operated by the Warsaw Stock Exchange of up to 165,913,707 ordinary
registered shares
(the “Information Memorandum”)**

This Supplement No. 1 to the Information Memorandum (the “**Supplement**”) was prepared based on Art. 40 section 2 of the Public Offering Act and in accordance with section I.12 “*The procedure whereby the persons to whom a public offer of securities is addressed will be informed of changes, if any, to the data contained in a memorandum during its validity period*” of the Information Memorandum in connection with the fact that on 4 November 2016, the Executive Committee of Santander adopted a resolution on the final amount of the Increase.

Capitalised terms used herein have the meanings ascribed thereto in the Information Memorandum.

Information on the final amount of the Increase

The trading period for the bonus share rights granted to the Santander’s shareholders with regard to the October / November “*Santander Dividendo Elección*” scheme ended on 1 November 2016. The holders of 89.11% of the bonus share rights chose to receive New Shares. Thus, the definitive number of New Shares issued within the Increase is 147,848,122, which corresponds to 1.02% of the share capital of Santander, and the final amount of the Increase amounts to EUR 73,924,061. The shareholders holding the remaining 10.89% of the bonus share rights decided to accept the irrevocable commitment of Santander to purchase the bonus share rights.

Therefore, on 4 November 2016, the Executive Committee of Santander adopted a resolution pursuant to which the Increase was executed in an amount of EUR 73,924,061. After the Increase, the share capital of Santander amounts to EUR 7,291,170,350.50 and is represented by 14,582,340,701 ordinary shares with a nominal value of EUR 0.5 each.