

SANTANDER **SCRIP DIVIDEND SCHEME**

I am a shareholder, I have the choice*

The **Santander** Scrip Dividend scheme allows you to choose how you want to receive the compensation equivalent to your upcoming November dividend.

Choose the option that's best for you**:



- In cash, receive a fixed amount from the sale of your rights to the Bank

- In cash, receive the cash proceeds from the sale of rights in the open market at their trading price at the time of the sale.

- Receive newly issued Santander shares (the "Default option").

* Banco Santander will carry out a share capital increase to be charged to reserves and each shareholder will automatically receive, without charge, bonus share rights.

** Please consult your own tax advisor regarding the overall Spanish and non-Spanish tax consequences, including the consequences under Polish or foreign tax laws, of receiving the November dividend.



Santander[®]
SHAREHOLDERS

A clear example*

- 1 share = 1 right
- Spanish withholding tax 19.5%**

- Assumptions:

300 shares held

Santander stock price = €6.5***

Conversion ratio = 130*** (130 rights required to receive one new share)

Fixed price at which shareholders may sell their rights to Santander = €0.05 per right

1

Receive newly issued shares



NOT subject to Spanish withholding tax



You will receive 2 Santander shares equivalent to €15****.

2

Receive the cash proceeds from selling your rights in the market



NOT subject to Spanish withholding tax



The amount that you will receive will depend upon the market price of the rights at the time of their sale.

3

Receive cash amount by selling your rights to Santander



SUBJECT to Spanish withholding tax



You will receive €12.075.

* Please consult your own tax advisor for Spanish and non-Spanish tax advice. The numerical data used in this example are for illustrative purposes only. The final amounts to be received will depend upon the Santander stock price and the number of Santander shares outstanding and are subject to application of the formulas approved by the Santander General Shareholders' Meeting.

** A reduced tax rate may apply under an applicable tax treaty.

***The actual "Santander stock price" for purposes of the Santander Scrip Dividend scheme will be the price of Santander shares on the Spanish Stock Exchange in the five business days (October 9, 12, 13, 14 and 15) prior to the date on which the Executive Committee resolves to carry out the Santander Scrip Dividend scheme (October 16, 2015). The conversion ratio will depend upon this price, the number of the outstanding shares of Santander on October 16, 2015 and the size of the Santander Scrip Dividend scheme (to be set by the Executive Committee).

**** This amount includes the proceeds of the sale on the market of rights representing fractional share entitlements (40 in this example), assuming a sale price of €0.05 per right (fees not included) and values each new share at €6.5.

How and when I record my choice?

The reference date for assignment of the rights is set on 19 October 2015.

Please contact your investment firm to make your choice and to obtain information on the deadline for a notification of such a choice. Each depositary may set its own deadline taking into account that it must notify the Polish National Securities Depository of Choices of its clients by no later than 1:00 PM (Warsaw time) on 28 October 2015 (estimated date).

Please note: Santander Shareholder Relations is NOT able to record any Santander Scrip Dividend scheme elections. Please contact your investment firm directly to make your selection.

MORE INFORMATION

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