

ACTIVITY AND RESULTS

2014

3 February 2015

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Agenda

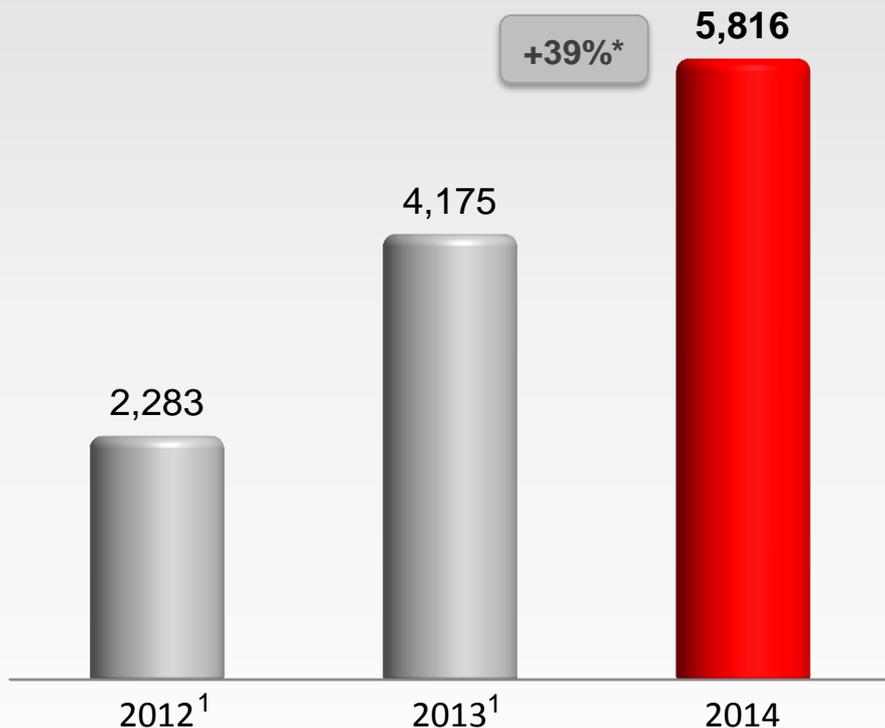
- **Group performance 2014**
- Business areas performance 2014
- Outlook
- Appendix



Strong profit growth amid normalisation process

EUR million

Attributable profit



(*) Excluding exchange rate impact: +49%

- Commercial **REVENUES** rose compared to the decline in 2013
- Good performance of operating **EXPENSES**, backed by efficiency plans
Efficiency ratio: 47.0% (-1.1 p.p.)
- Lower loan-loss **PROVISIONS**, with leeway towards normalisation
- **Profit before tax** increased in all countries
- Increased **PROFITABILITY** ratios
EPS: +24% RoTE²: 11.0% (+1.4 p.p.)

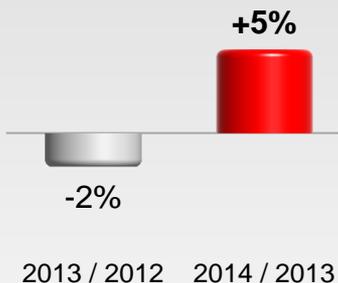
(1) Profit adjusted to the entry into force with retroactive effect, of the interpretation of the international accounting standard IFRIC 21, which means anticipating the recording of contributions to the deposit guarantee funds. Net impact on 2012: -EUR 12 mill.; 2013: -EUR 195 mill.

(2) 2014 pro-forma data taking into account the capital increase carried out in January 2015

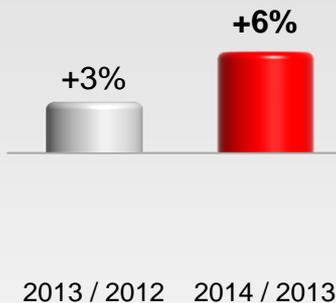


Faster growth in volumes and strengthened balance sheet

Loans



Deposits + mutual funds

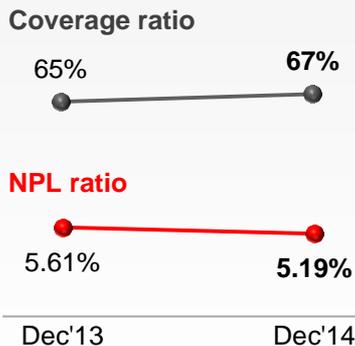


- Change of trend in **LOANS**. Growth to individuals and companies

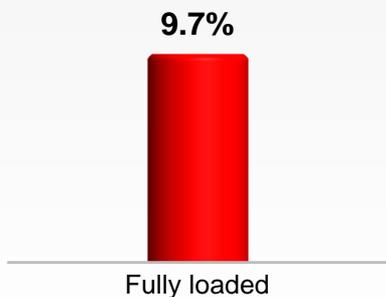
- Growth in customer **FUNDS** consistent with lower cost of liabilities

- Comfortable **LIQUIDITY**, meeting LCR and NSFR requirements ahead of schedule

NPL and coverage ratios



CET1⁽¹⁾ 2014



- Improved **CREDIT QUALITY** and lower cost of credit

- Solid **SOLVENCY** ratios, strengthened by capital increase

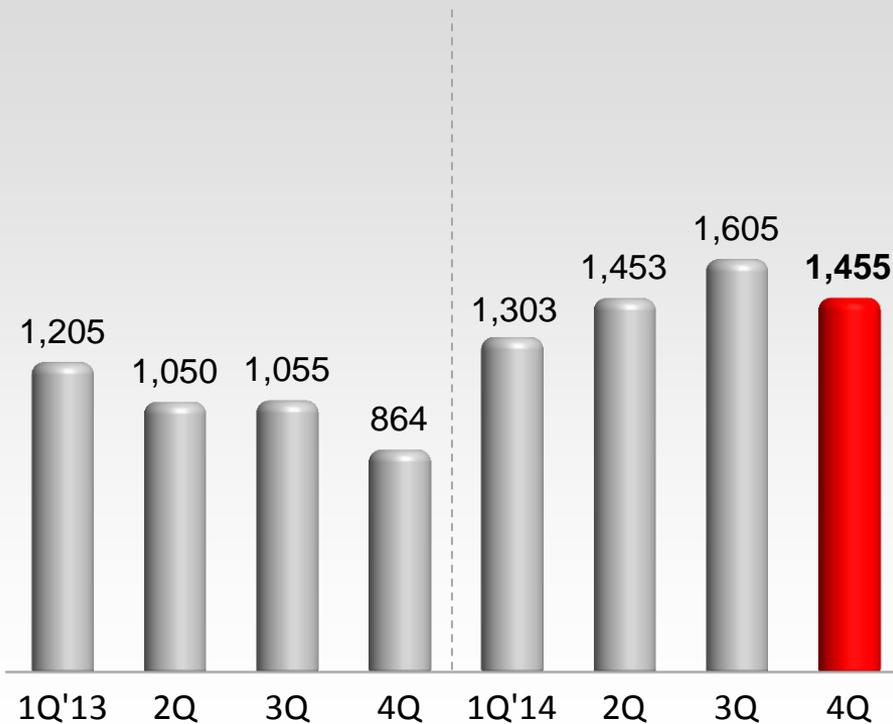
NOTE: Loans and deposits excluding repos and in constant currency
 (1) Pro-forma data taking into account the capital increase carried out in January 2015

Profit & Loss

In 4Q, further growth of commercial revenues and lower provisions. Profit declined due to lower trading gains, taxes and handling fees

Quarterly attributable profit

EUR million



Quarterly P&L

	4Q'14	Var. / 3Q'14	
		%	%*
NII + fee income	10,238	3.3	3.8
Trading gains	620	-34.8	-35.3
Gross income	11,040	0.7	1.1
Operating exp.	-5,216	2.9	3.3
Net op. income	5,824	-1.1	-0.7
LLPs	-2,452	-11.7	-11.5
PBT	2,580	0.9	1.2
Attributable profit	1,455	-9.3	-9.3

(*) Variation excluding exchange rate impact

Nota: 2013 profit adjusted to the entry into force with retroactive effect, of the interpretation of the international accounting standard IFRIC 21, which means anticipating the recording of contributions to the deposit guarantee funds.

**Profit growth is underscored by the three basic drivers.
Negative impact from exchange rates around 5 p.p.**

EUR million	2014	2013 ⁽¹⁾	Var. / 2013	
			%	%*
Net interest income + fee income	39,244	38,041	3.2	7.9
Gross income	42,612	41,920	1.7	6.2
Operating expenses	-20,038	-20,158	-0.6	3.0
Net operating income	22,574	21,762	3.7	9.1
Loan-loss provisions	-10,562	-12,340	-14.4	-10.5
Profit before tax	9,720	7,362	32.0	41.3
Attributable profit	5,816	4,175	39.3	49.3

(*) Variation excluding exchange rate impact

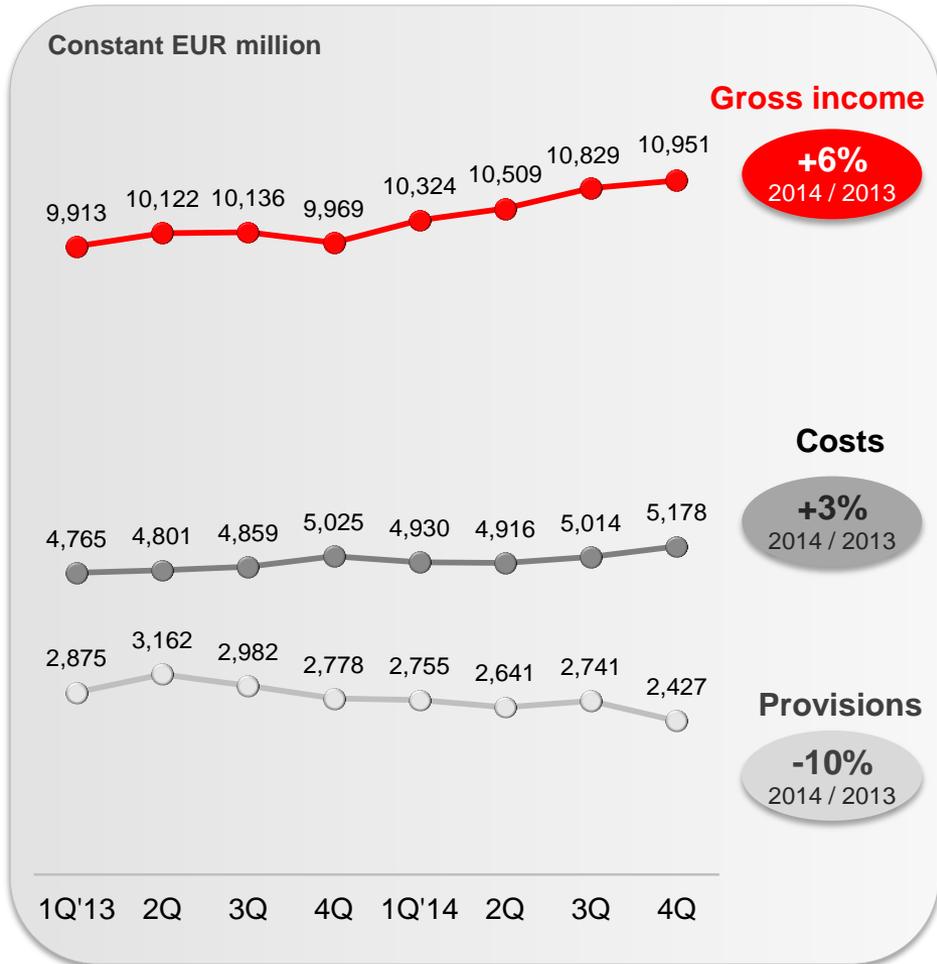
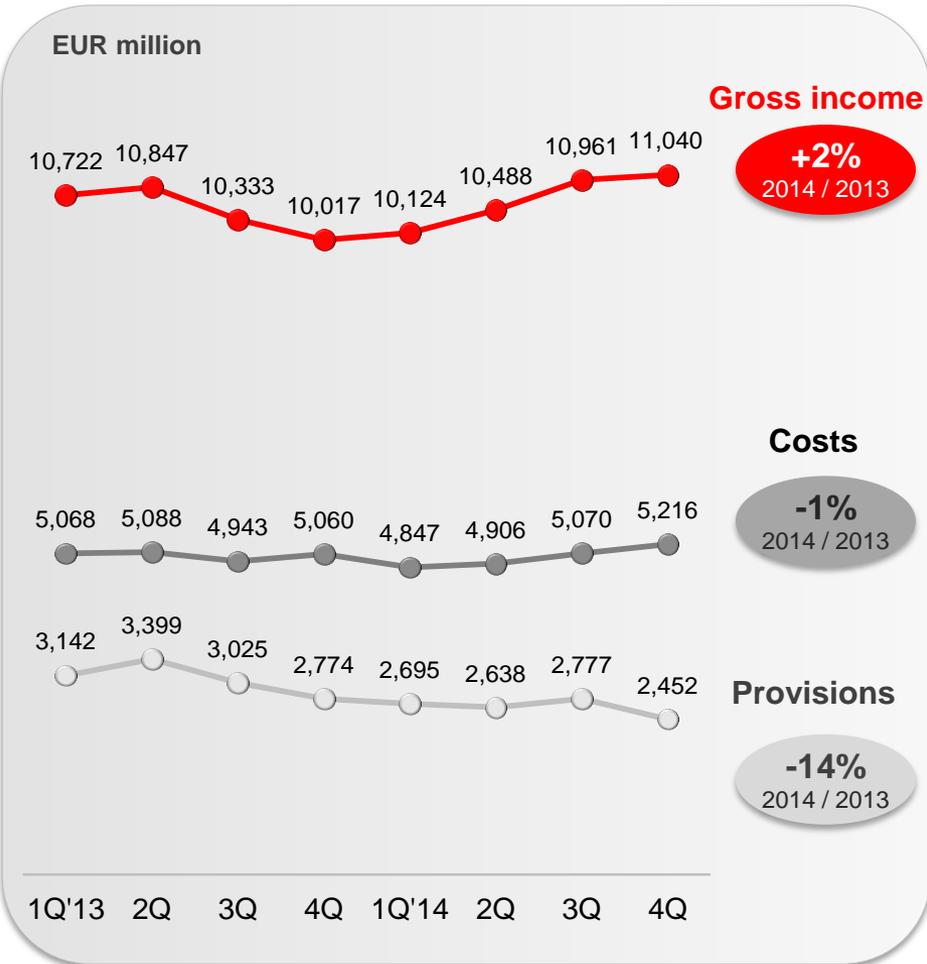
(1) Profit adjusted to the entry into force with retroactive effect, of the interpretation of the international accounting standard IFRIC 21, which means anticipating the recording of contributions to the deposit guarantee funds. Net impact on 2013 profit: -EUR 195 mill.

The capital gains obtained in the Insurance transaction were registered in the fourth quarter. Provisions in the same amount were made for restructuring costs and other

EUR million



**Good trend in gross income, costs and provisions.
Slight perimeter¹ impact in 4Q, mainly in gross income and costs**



(1) GetNet and GE Nordics

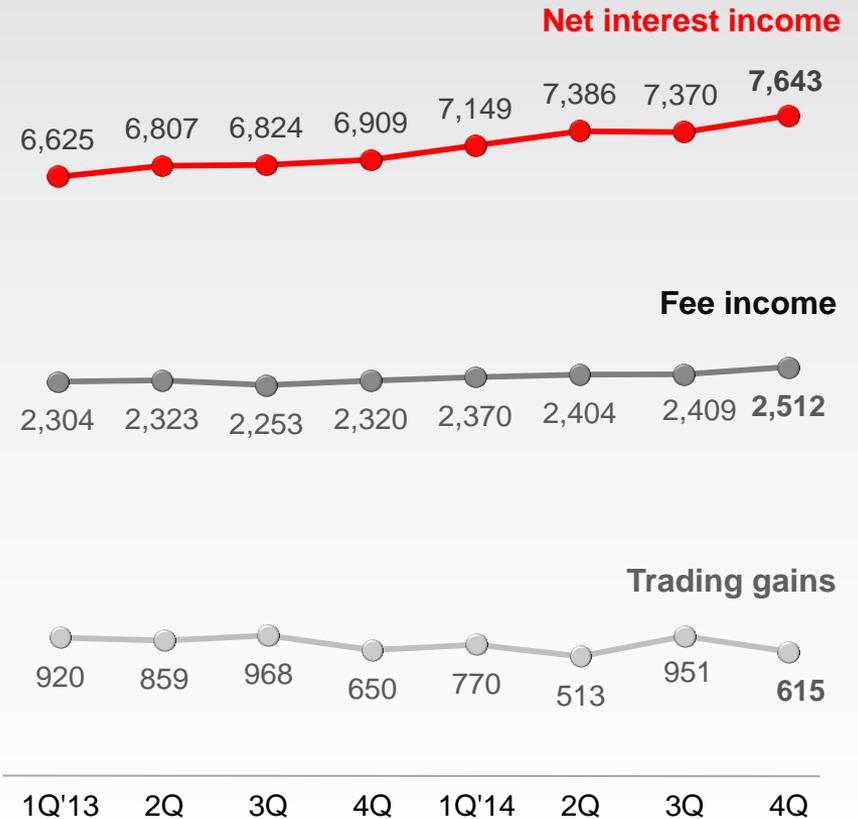
Higher quality gross income (NII and fee income account for 92% of gross income). Growth in 4Q driven by net interest income and fee income. Lower trading gains

2014 gross income structure



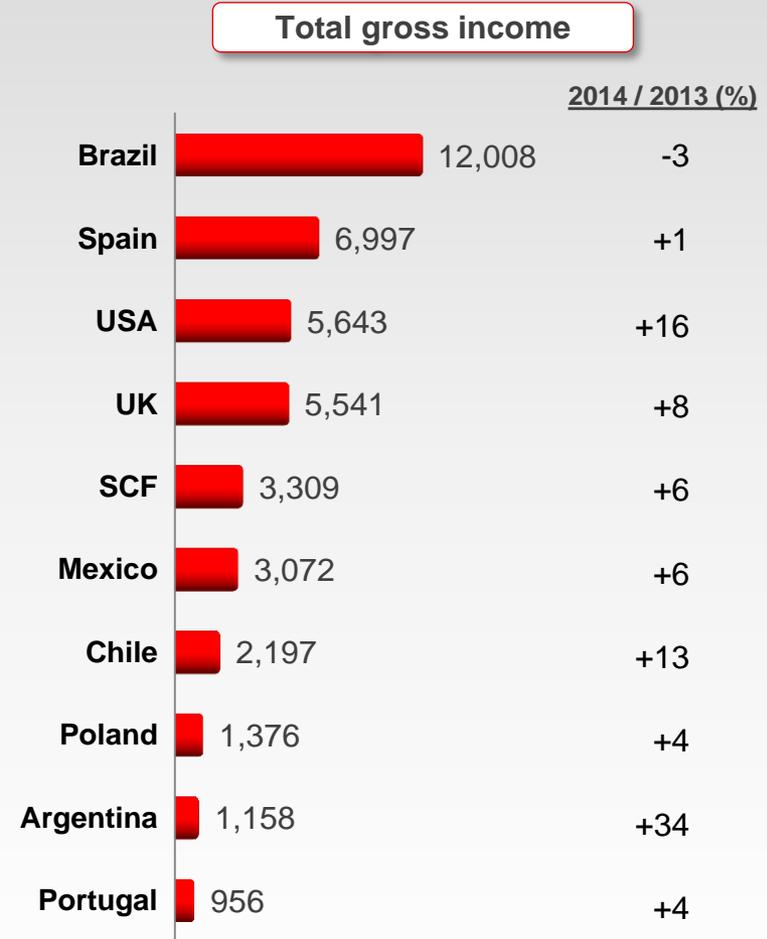
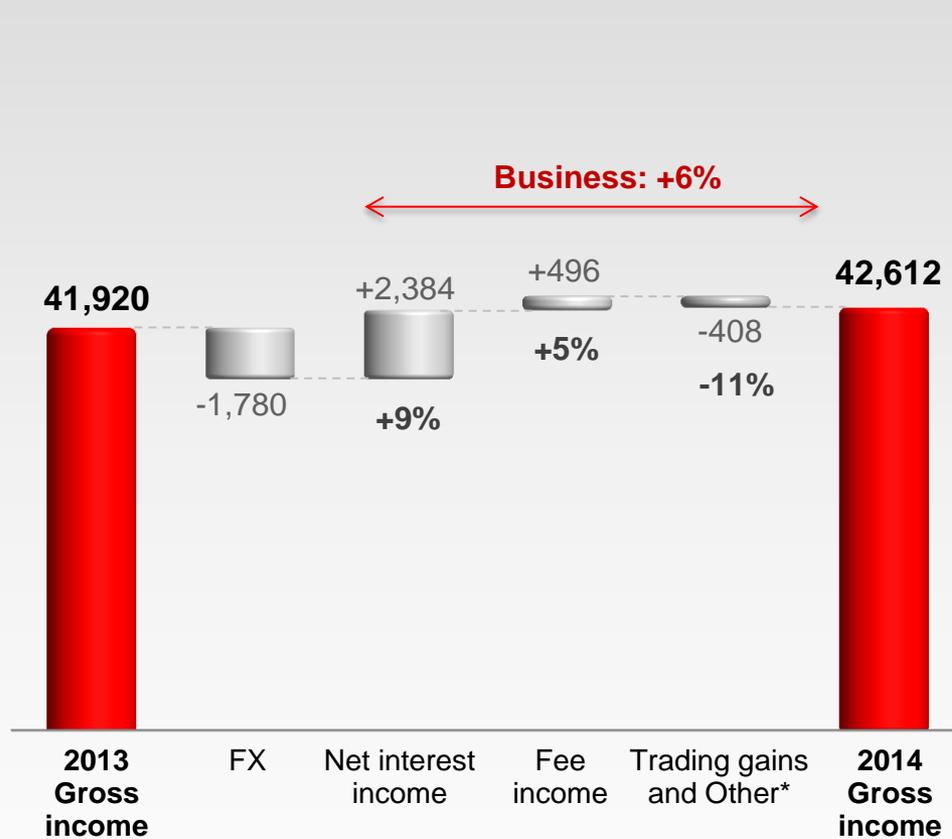
Gross income – Group

Constant EUR million



Over 2013, gross income growth driven mainly by net interest income. Growth in all countries except Brazil

EUR million and % change in constant euros

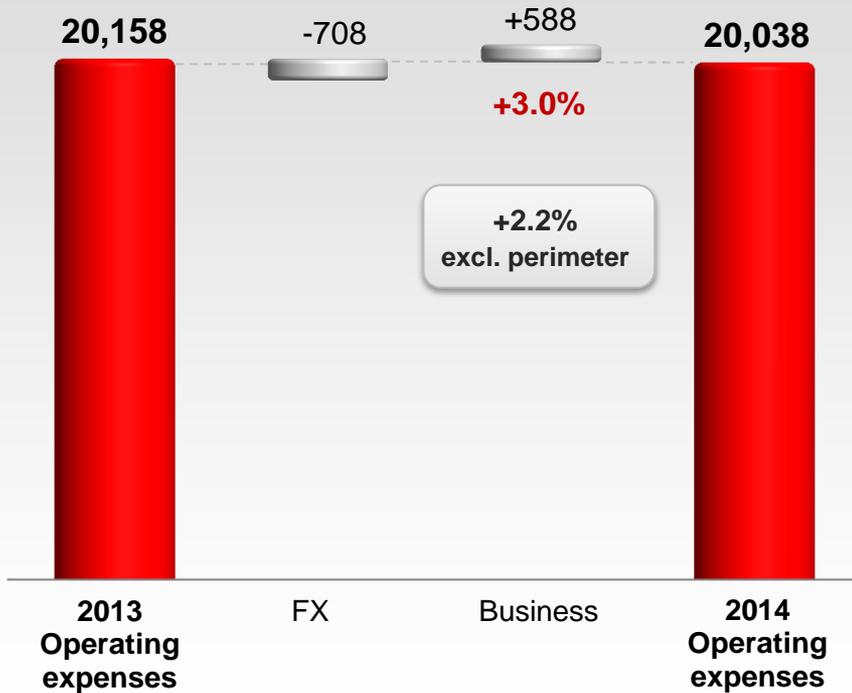


(*) "Other" includes income from equity method, dividends and other operating results

OPERATING EXPENSES. 2014/2013 performance and breakdown by country

**Group costs rose at below the average inflation rate (3.6%).
Of note were Brazil and Spain**

EUR million



Costs by unit. 2014 / 2013 change

	Costs (nominal) ¹	Costs (real terms) ²
Brazil	1.0	-5.3
Spain	-6.7	-6.5
Portugal	-0.9	-0.6
Poland	-2.2	-2.2
SCF	4.4	4.0
UK	5.3	3.8
Mexico	7.2	3.2
Chile	6.3	1.9
USA	7.6	6.0
Argentina	41.8	1.2
Total Group	3.0	-0.6

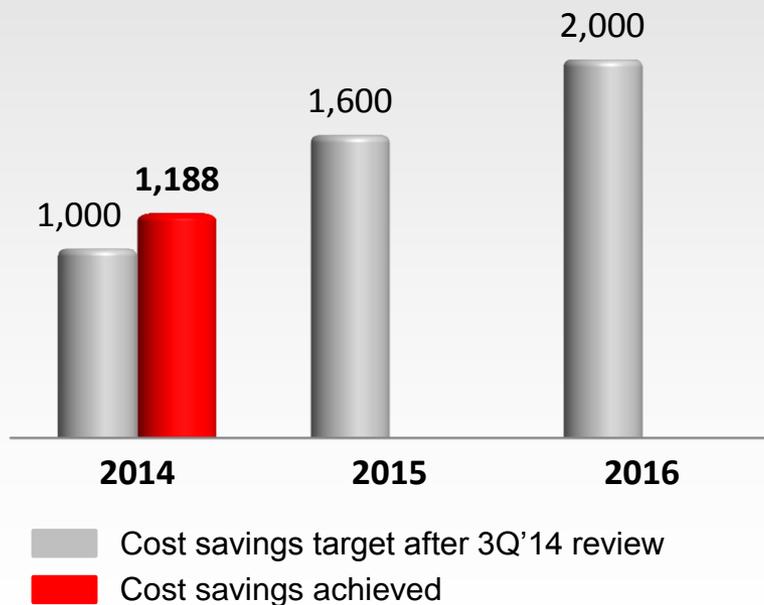
(1) In local currency. Excluding perimeter: Brazil (-0.6%); SCF (-0.5%) and Group (+2.2%)

(2) Nominal costs less 2014 average inflation

2014-16 efficiency and productivity Plan: the cost savings envisaged in the efficiency plan were surpassed in the first year

EUR million

Efficiency plan target



2014 cost savings

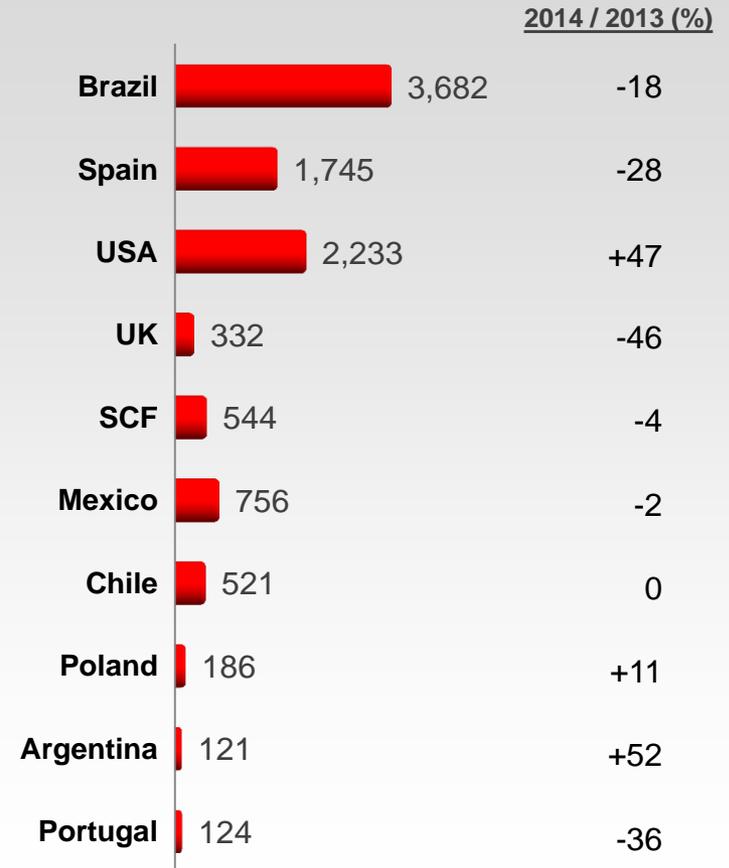
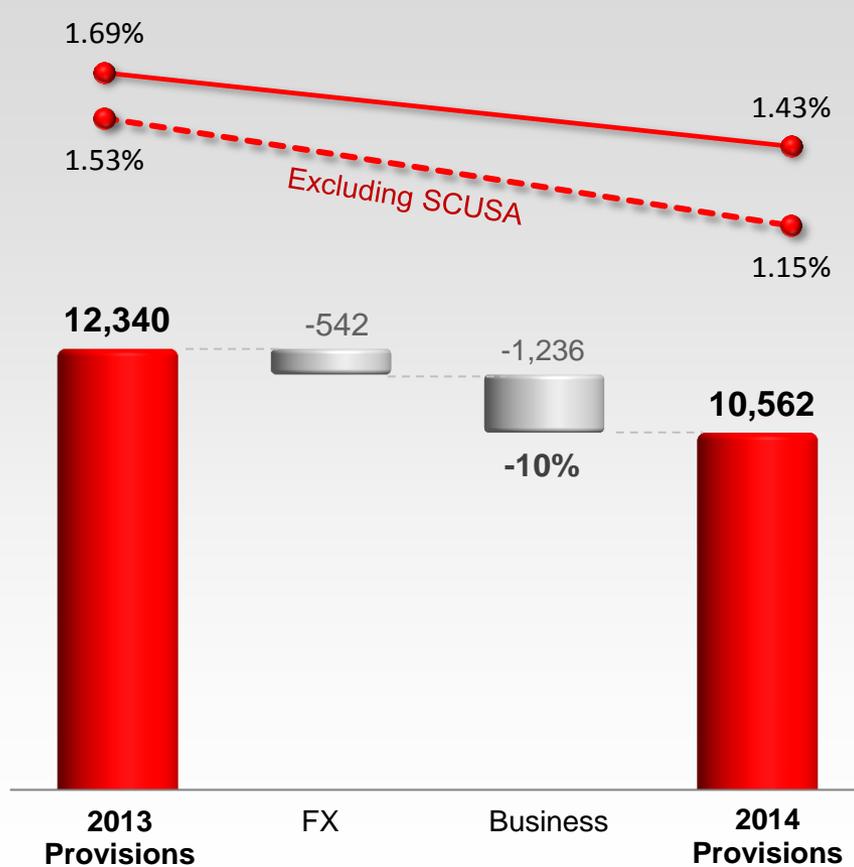
	Announced	Achieved
● Brazil (in real terms)	430	494
● Spain (integration and efficiency plan)	300	318
● Central Services / Holding (Zero based project in Central Divisions and factories)	50	82
● Other business units	220	294
	1,000	1,188

Note: Savings calculated over 2013 costs plus vegetative evolution (inflation, upward/downward movements, ongoing investments). Excluding perimeter and new projects

Lower cost of credit due to widespread decline in provisions in the large units

EUR million and % change in constant euros

Cost of credit

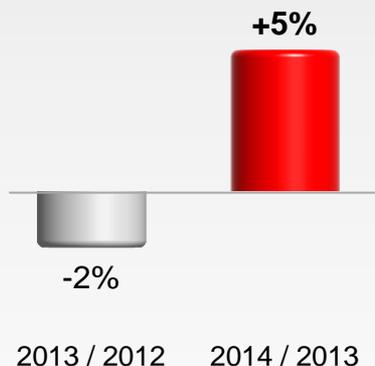


Balance Sheet

Change of trend in loans¹: they rose in 2014 from a 2% fall in 2013. All units increased (except Portugal), with faster growth in 4Q in some countries

Constant EUR billion

Loans



Gross loans by country (excluding repos)

Country	Dec'14	% q-o-q change	% y-o-y change
UK	250	+0.1	+3
Spain	162	+1	+2
Brazil	78	+6	+10
USA	71	+2	+4 ⁽²⁾
SCF	64	+4	+9
Chile	32	+3	+8
Mexico	27	+5	+18
Portugal	24	-1	-5
Poland	18	+0.4	+7
Argentina	6	+12	+23

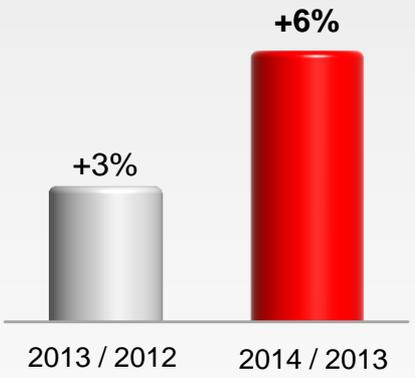
TOTAL Group	+2	+5
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(1) Gross loans excluding repos
 (2) Excluding sale of portfolios and securitisations: +7%

Customer funds¹, also grew faster (+6%) than in 2013 (+3%), and increased in all countries

Constant EUR billion

Deposits + mutual funds



Deposits (excluding repos) + mutual funds by country

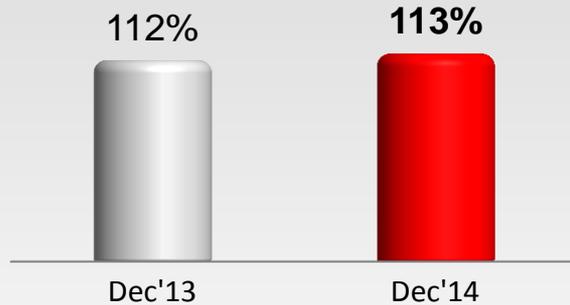
Country	Dec'14	% q-o-q change	% y-o-y change
UK	206	+1	+2
Spain	217	-1	+5
Brazil	92	+4	+12
USA	48	+2	+6
Chile	29	+7	+17
Mexico	36	+5	+13
Portugal	25	0	+5
Poland	24	+1	+10
Argentina	8	+12	+37
TOTAL Group		+1	+6

(1) Deposits excluding repos + managed and marketed mutual funds

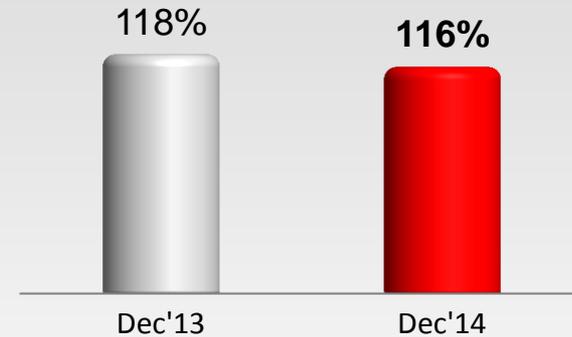


Comfortable liquidity position in the Group and the principal units. Compliance with regulatory ratios ahead of schedule

Loan to deposit ratio



Deposits + M/L term funds captured / net loans



LCR

- Above 100% at year-end in the Group and the main subsidiaries ...
- ... vs. the 60% required by 1-Oct-15

NSFR

- Above 100% at year-end in the Group and most of the large units
- Under observation. Required by 2018

The Group's credit quality continued to improve throughout 2014, accelerating in the second half of the year in the principal units

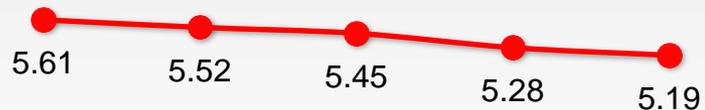
%

Group

Coverage ratio



NPL ratio



D'13 M'14 J'14 S'14 D'14*

NPL ratio

Spain



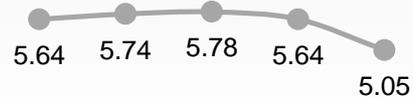
D'13 M'14 J'14 S'14 D'14

UK



D'13 M'14 J'14 S'14 D'14

Brazil



D'13 M'14 J'14 S'14 D'14

USA



D'13 M'14 J'14 S'14 D'14

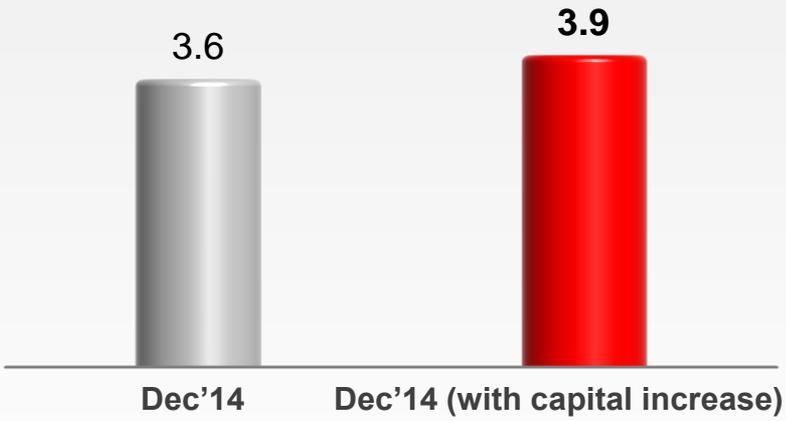
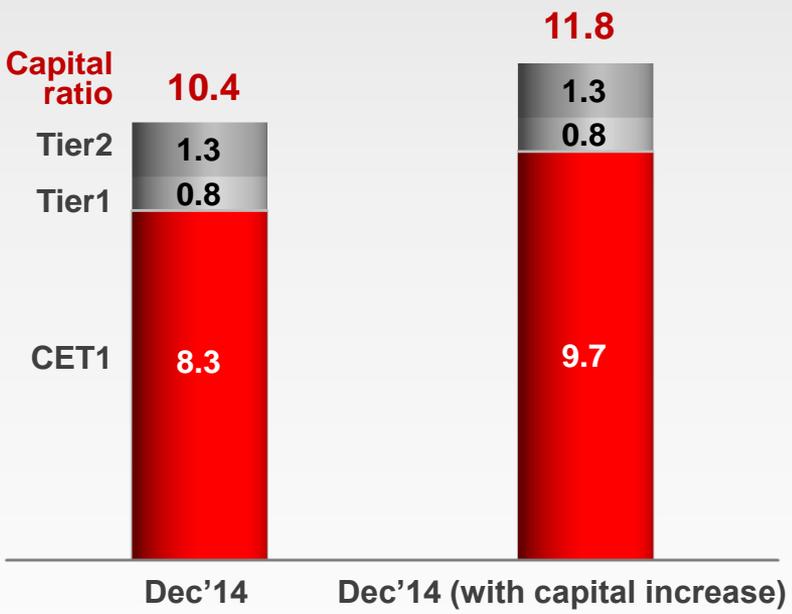
(*) NPL ratio of 5.12% excluding GE Nordics incorporation

Capital strengthened ahead of 2019 requirements

%

Fully-loaded capital ratios

Fully-loaded leverage ratio



Phased-in CET1 **11.0**

12.2

Phased-in Leverage ratio **4.4**

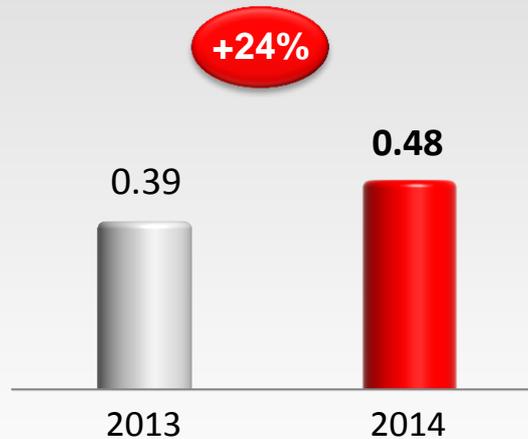
5.0

Profitability ratios improved in 2014

Efficiency (%)



EPS (euro)



RoTE¹ (%)



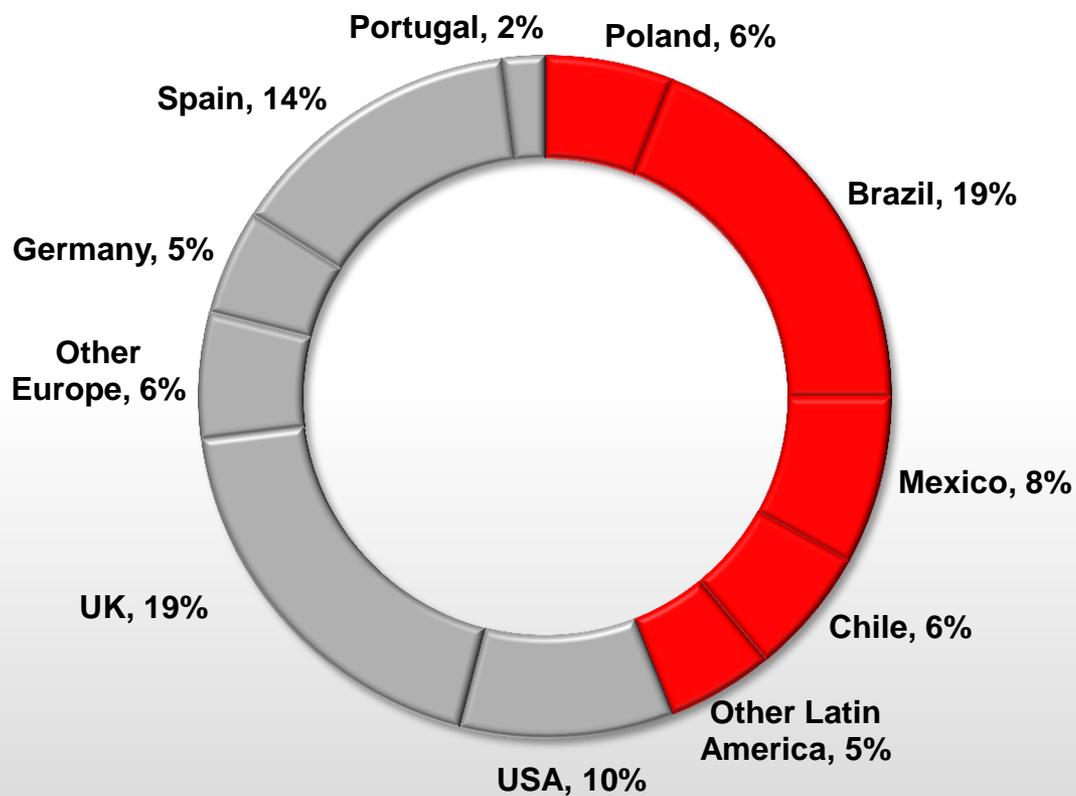
(1) RoTE: Group attributable profit / (Average of capital + reserves + retained profit + valuation adjustments - goodwill - other intangible assets). In 2014, pro-forma taking into account capital increase

Agenda

- Group performance 2014
- **Business areas performance 2014**
- Outlook
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High diversification by country in profit generation

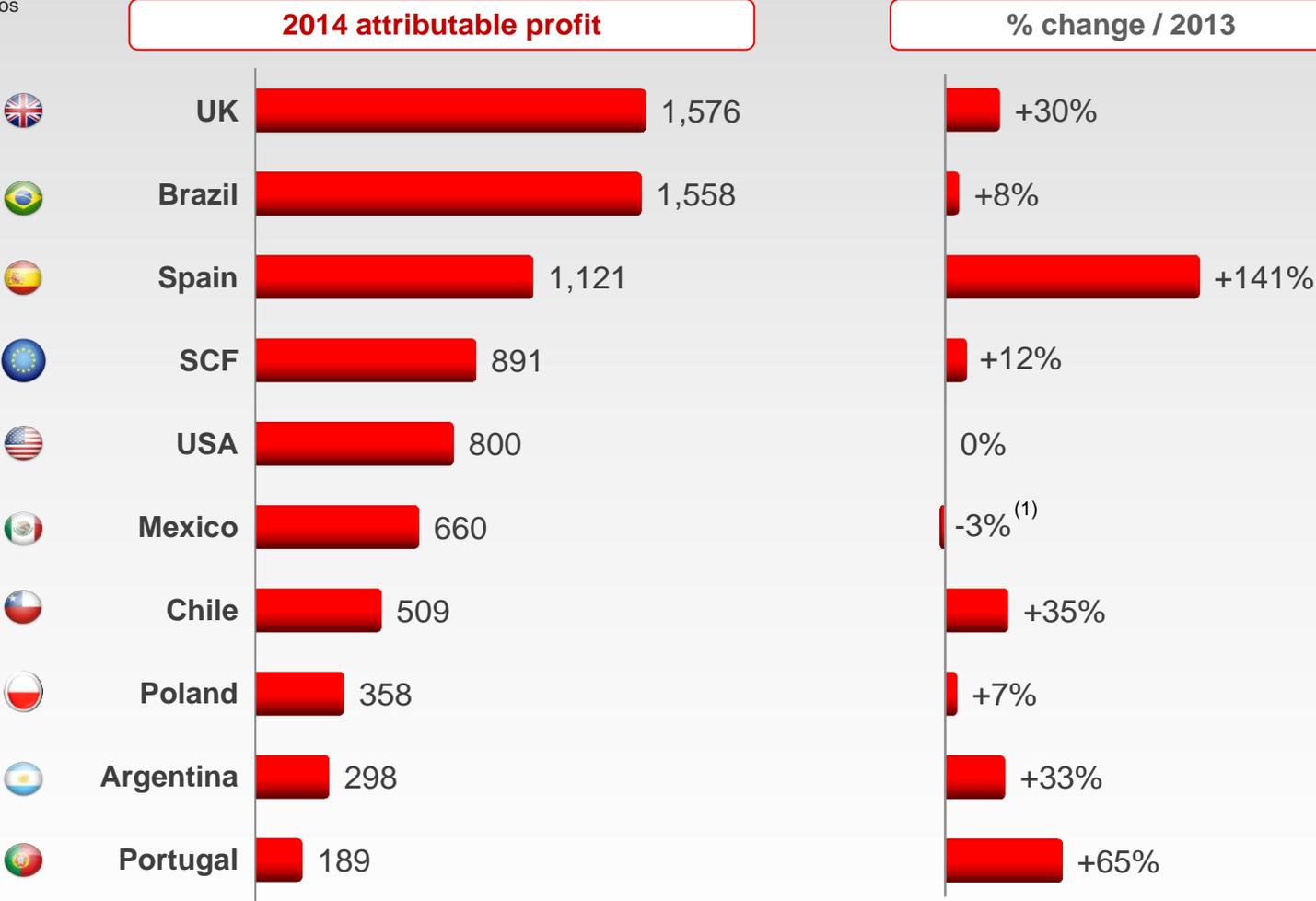
Attributable profit by geographic segment in 2014



Percentage over operating areas attributable profit, excluding Spain's run-off real estate

Attributable profit rose in all units, except Mexico (higher tax rate) and the US (higher minority interests in SCUSA)

EUR million and % change in constant euros



(1) Declined due to the higher tax rate. Profit before tax up 9%

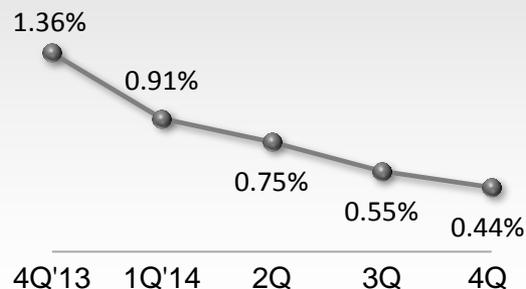
Activity

Volumes¹

Var. D'14 / D'13



Cost of new time deposits



P&L

EUR million

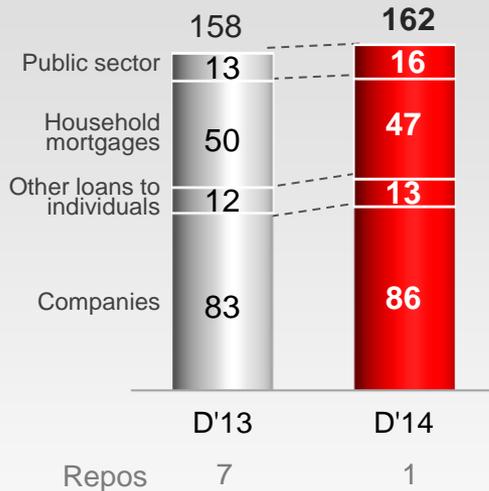
	4Q'14	%3Q'14	2014	%2013
NII + fee income	1,665	1.8	6,564	6.0
Gross income	1,690	-2.5	6,997	0.6
Operating expenses	-860	0.5	-3,482	-6.7
Net op. income	830	-5.5	3,515	9.2
LLPs	-320	-25.4	-1,745	-27.6
Attributable profit	299	-3.3	1,121	140.5

- **Growth in loans** (companies) and **deposits** (consistent with lower cost of funding)
- **Profit growth drivers: lower provisions, lower cost of funding and efficiency plan**
- In gross income, **net interest income up 9%**, but trading gains and dividends declined
- In **4Q**, impact of **lower trading gains (GBM)** and **tax charge on deposits**

(1) Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds

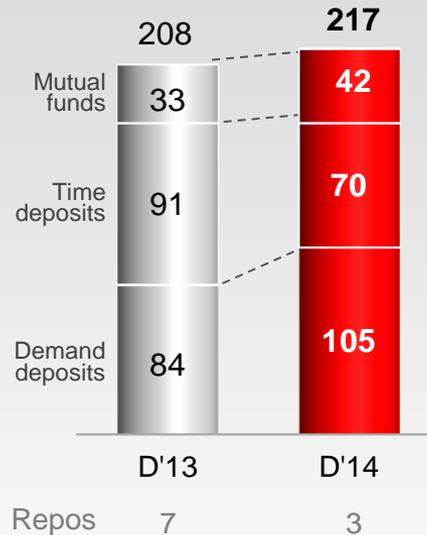
Higher volumes combined with a lower NPL ratio

Loans (EUR billion)



- Growth driven by companies (+5%)
- The increase in new mortgages did not offset amortisations

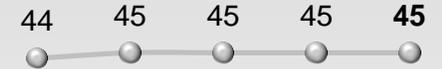
Customer Funds (EUR billion)



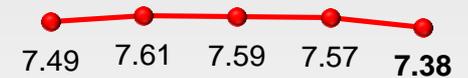
- Increased customer funds focusing on profitability
- Demand deposits up 25% and mutual funds 28%. Time deposits declined 22%

NPL and coverage ratios (%)

Coverage ratio



NPL ratio



- Sharp reduction of net NPL entries (-92% / 2013)
- NPL ratio improved in recent quarters

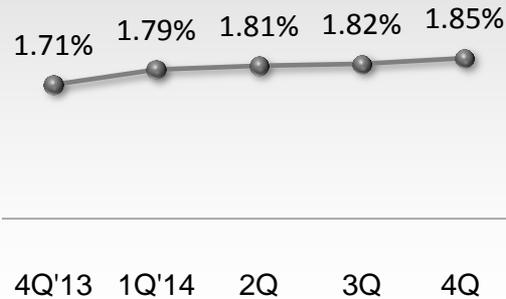
Activity

Volumes¹

Var. D'14 / D'13



Banking NIM²



P&L

£ million

	4Q'14	%3Q'14	2014	%2013
NII + fee income	1,101	2.9	4,240	12.4
Gross income	1,136	1.1	4,464	7.7
Operating expenses	-604	4.4	-2,329	5.3
Net op. income	532	-2.4	2,136	10.6
LLPs	-27	-60.8	-268	-45.7
Attributable profit	308	-5.6	1,270	30.2

- **Growth in corporate loans and customer deposits; resumed growth in residential mortgages**
- **Higher commercial revenues; with margin and volume improvements**
- **Continued investments in the retail branch network and digital and reinforced corporates and GBM**
- **Provisions reflect prudent risk management and benign UK economic environment**

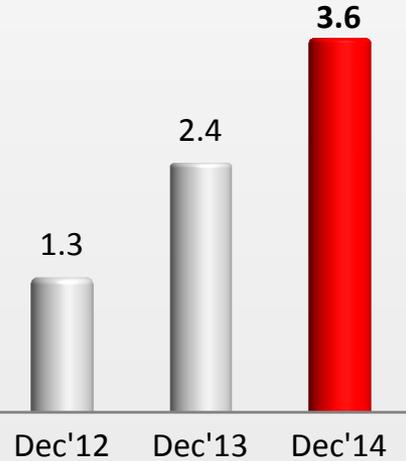
(1) Volumes in local currency. Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds

(2) In local criteria

Increasing Loyal customers through our 1|2|3 strategy ...

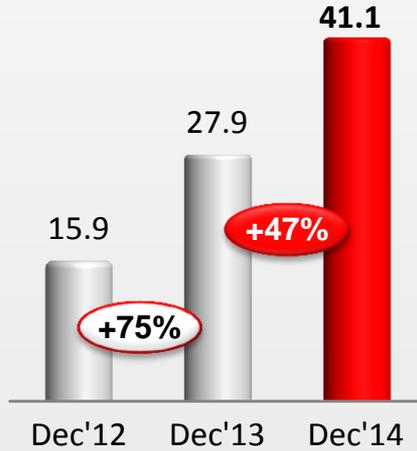
1|2|3 World Customers

Million



Current accounts

£ billion



- **First choice for customers switching¹** their current account provider to Santander UK (1 in 4)
- Increased **customer loyalty**; most improved in retail **customer satisfaction** since Dec'12

... and corporates

Corporate loans

£ billion



Business centres / Relationship Managers



- **Progress in business diversification**; rise in deposits and in loans to corporates (in a subdued market)
- **Building our commercial capability**; new investment in business centres and enhanced platforms

(1) Since the introduction in Sep'13 of the new system to guarantee customers the switching of their current account.

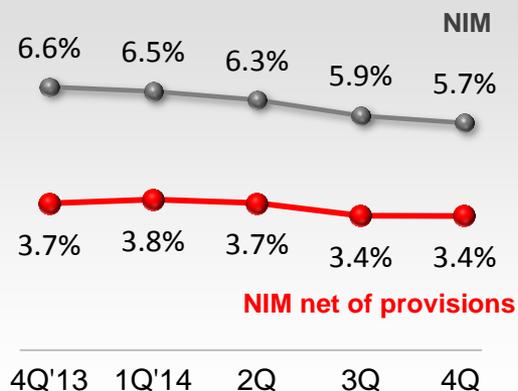
Activity

Volumes¹

Var. D'14 / D'13



Net Interest Margin



P&L

EUR million

	4Q'14	%3Q'14*	2014	%2013*
NII + fee income	2,969	3.8	11,795	-0.3
Gross income	2,978	-1.7	12,008	-2.9
Operating expenses	-1,296	5.6	-4,916	1.0
Net op. income	1,682	-6.6	7,092	-5.4
LLPs	-887	-2.2	-3,682	-17.7
Attributable profit	391	0.8	1,558	8.0

(*) Changes excluding fx impact

- **Faster pace of activity both in loans and customer funds**
- **Gross income impacted by change of mix and lower trading gains**
- **Fee income** improved for the third straight quarter
- **Profit up 8%** due to **lower provisions** and **costs** increasing at well below the inflation rate

(1) Local currency. Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds

Growth in loans with change of mix and a lower risk profile ...

Balances in EUR million and Dec'14 / Dec'13 change

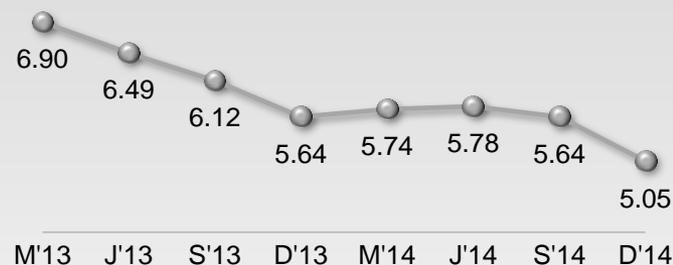


- **Growth** in segments where we are below our natural market share (**mortgages, agribusiness, BNDES²**)

- **Greater focus on large companies and SMEs recovery** in recent months

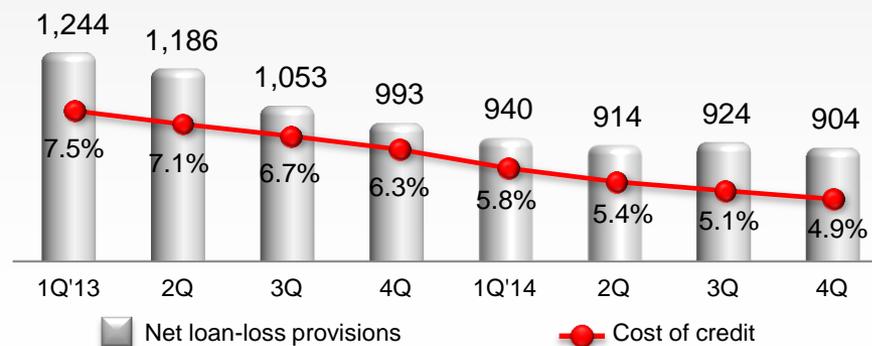
... which reflected in credit quality

NPL ratio (%)



Provisions and cost of credit

Constant EUR million



(1) Other = Consumer credit, payroll lending, automobile, cards, cheques and personal loans
 (2) BNDES = Brazilian Development Bank

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Good dynamics in results and volumes at year-end 2014

All core units grew profit before tax (10/10) and loans (9/10)

Comfortable liquidity and capital position, with no restrictions to grow

Focal points: organic growth and a more efficient use of capital

Risk management continues to be reinforced

Developing the Wide Risk Management Programme

Ongoing actions to increase customer linkage and satisfaction

All units aim to grow linked and transactional customers

Measures underway to drive operating excellence

Enhance team performance, streamline processes and improve customer service

Ambitious targets in the medium-term in key management variables



- Financial
- Non-financial

Our financial targets in the medium-term

		2014	2017 targets
Growth	Loans	+5%	Above peers*
	Operating excellence	Efficiency ratio	47%
Risk management	NPL ratio	5.19%	< 5%
Capital	CET1 fully-loaded	9.7%	10-11%
Profitability	RoTE	11%	12-14%
	EPS growth	+24%	Above peers*

(*) Wells Fargo, JPMorgan Chase, Citi, Bank of America, HSBC, BNP Paribas, UniCredit, Deutsche Bank, Banca Intesa, BBVA, ING, Société Générale, Lloyds Bank, Barclays, Standard Chartered, UBS, Itaú

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- Appendix

Appendix

Other geographic units results

Global segments results

Group balance sheet

Liquidity and funding

NPL and coverage ratios, and cost of credit

Spreads

Quarterly income statements

Other geographic units results

Activity

Volumes

Var. D'14 / D'13

+4%
/ 3Q'14

-2%
/ 3Q'14

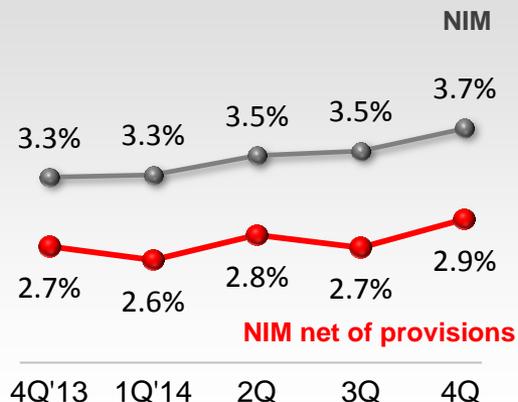
+9%

+14%

Gross loans

New loans

Net Interest Margin



P&L

EUR million

	4Q'14	%3Q'14	2014	%2013
NII + fee income	850	3.4	3,294	5.6
Gross income	862	5.0	3,309	6.4
Operating expenses	-376	6.3	-1,452	4.4
Net op. income	486	4.0	1,857	8.0
LLPs	-143	-4.3	-544	-3.7
Attributable profit	265	56.1	891	12.3

- **Double-digit growth in new lending** enabled market share gain
- **In the area as a whole:** management of spreads, costs control and lower cost of credit
- **The main units improved their profit in 2014**
- **GE Nordics integration in 4Q and joint-venture with PSA in 2015** to promote business

Nota: Not including Santander Consumer UK profit, as it is recorded in Santander UK results. If included, attributable profit in 4Q'14: EUR 292 mill. (+49%); 2014: EUR 1,004 mill. (+12% y-o-y)

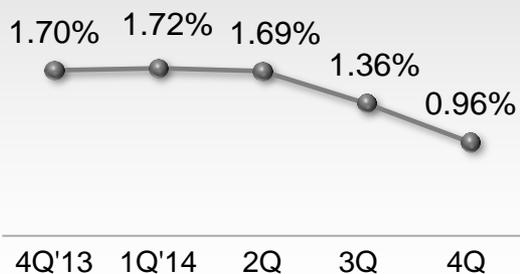
Activity

Volumes¹

Var. D'14 / D'13



Cost of new term deposits



P&L

EUR million

	4Q'14	%3Q'14	2014	%2013
NII + fee income	215	4.3	826	-0.6
Gross income	261	13.4	956	4.3
Operating expenses	-126	3.5	-491	-0.9
Net op. income	135	24.6	465	10.5
LLPs	-17	-45.7	-124	-35.7
Attributable profit	73	74.5	189	65.1

- **Sharp deposit capturing** with lower cost of funding and market share gain
- **Profit** continues to **normalise (+65% y-o-y)** backed by provisions
- Good performance of **net interest income (+6% y-o-y)** and **costs control**

(1) Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds

Activity

Volumes¹

Var. D'14 / D'13

+0.4%
/ 3Q'14

+1%
/ 3Q'14

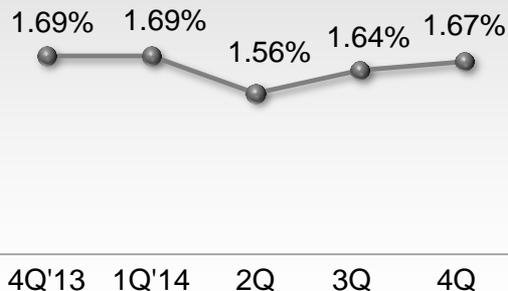
+7%

+10%

Loans

Funds

Stock deposit cost



P&L

EUR million

	4Q'14	%3Q'14*	2014	%2013*
Nil + fee income	302	-5.5	1,269	7.2
Gross income	353	6.2	1,376	4.1
Operating expenses	-143	0.9	-581	-2.2
Net op. income	210	10.1	795	9.3
LLPs	-57	29.4	-186	10.5
Attributable profit	94	3.4	358	6.9

(*) Changes excluding fx impact

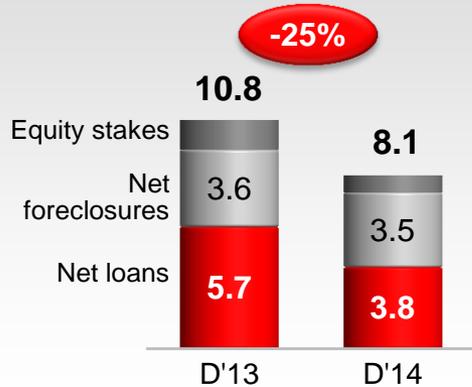
- **The rise in loans and deposits** underscored the success of the business strategy
- **Of note** was the **commercial revenues** growth (+7.2% y-o-y) and **costs control** (-2.2%)
- **PBT: +12% in 2014.** Attributable profit impacted by higher taxes and minority interests

(1) Local currency. Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds

Activity

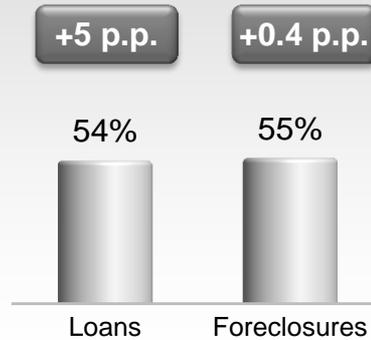
Total Balance

EUR billion and % change



Coverage ratios

2014 and D'14 / D'13 change



P&L

EUR million

	2014	2013	%2013
Gross income	-64	6	n.m.
Operating expenses	-216	-175	+23.4
Provisions	-553	-739	-25.1
Tax recovery	250	272	-8.2
Attributable profit	-583	-635	-8.2

- **Sharp exposure reduction. Mainly in loans (-34%)**
- **Increased coverage ratio** of loans and foreclosures in the year
- Lower losses due to **reduced need for provisions**

Activity

Santander Bank¹

Var. D'14 / D'13

+1%
/ 3Q'14+2%
/ 3Q'14

+1%

+7%

Loans²

Funds

SCUSA

Var. D'14 / D'13

+4%
/ 3Q'14-17%
/ 3Q'14

+13%

+25%

Gross loans

New loans

P&L

US\$ million

	4Q'14	%3Q'14	2014	%2013
NII + fee income	1,742	-2.9	7,063	11.5
Gross income	1,898	-1.7	7,483	16.0
Operating expenses	-709	3.7	-2,694	7.6
Net op. income	1,189	-4.7	4,789	21.3
LLPs	-718	-11.5	-2,961	46.8
Attributable profit	314	21.3	1,061	-0.2

- **In activity**, SCUSA increased new lending and servicing. Business growth in Santander Bank
- **Attributable profit** virtually unchanged from previous year. **Profit before minority interests up 4%**
- **Increased gross income offset the higher costs** (regulatory costs and franchise) and provisions
- Measures to **optimise** Santander Bank's **balance sheet** in order to **improve profitability ratios**

(1) Local currency. Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds.

(2) Excluding sale of portfolios and securitisations: +6%

Activity

Volumes¹

Var. D'14 / D'13

+5%
/ 3Q'14

+5%
/ 3Q'14

+18%

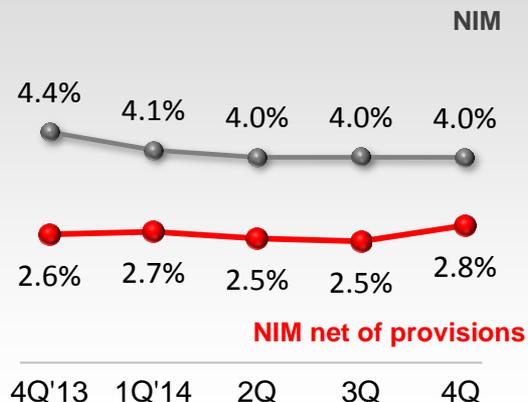
+13%



Loans

Funds

Net Interest Margin



P&L

EUR million

	4Q'14	%3Q'14*	2014	%2013*
NII + fee income	781	3.5	2,953	6.0
Gross income	793	0.0	3,072	6.0
Operating expenses	-322	0.6	-1,260	7.2
Net op. income	471	-0.5	1,812	5.2
LLPs	-177	-16.3	-756	-1.6
PBT	293	9.4	1,057	8.9
Attributable profit	186	10.8	660	-3.5

(*) Changes excluding fx impact

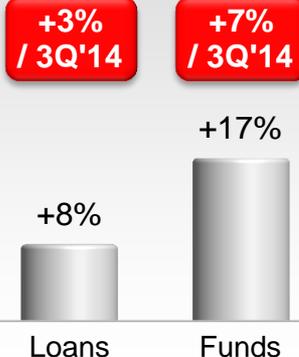
- **Expansion plan** resulted in y-o-y market share gain in loans and demand deposits
- **Higher commercial revenues** absorbed interest rates at their lowest levels and change of mix
- **Profit** affected in the year-on-year comparison due to the higher tax rate (from 8% to 20%)

(1) Local currency. Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds.

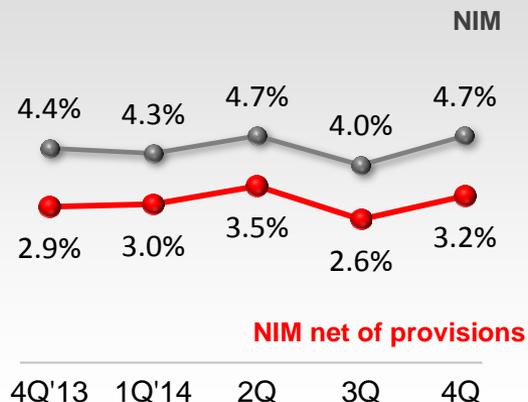
Activity

Volumes¹

Var. D'14 / D'13



Net Interest Margin



P&L

EUR million

	4Q'14	%3Q'14*	2014	%2013*
NII + fee income	577	20.1	2,063	15.0
Gross income	608	17.8	2,197	12.6
Operating expenses	-226	2.0	-854	6.3
Net op. income	382	29.6	1,343	17.0
LLPs	-156	16.6	-521	0.5
Attributable profit	162	71.7	509	34.8

(*) Changes excluding fx impact

- **Growth in target segments:** loans to companies (+8%), high-income (+16%) and demand deposits (+16%)
- **Solid profit underscored by commercial revenues** (higher volumes and lower cost of funding)
- **Moreover, higher inflation rate and lower taxes** (tax reform) put **profit at its highest level**

(1) Local currency. Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds.

Attributable profit

Constant EUR million



- **Focus on linkage, transactional business and target segments**
- **Volumes grew at double-digit rates**
- **P&L driven by higher gross income**

P&L

EUR million

	2014	2013
Gross income	-458	-948
Operating expenses	-763	-696
Provisions, tax and minority interests	-568	-427
Attributable profit	-1,789	-2,071

- **Lower losses** due to higher gross income: lower cost of issuances and higher trading gains due to hedging
- **Higher provisions** due to handling fees charges

Global segments P&L

Activity

EUR billion

Net loans



(*) +4% excluding FX impact

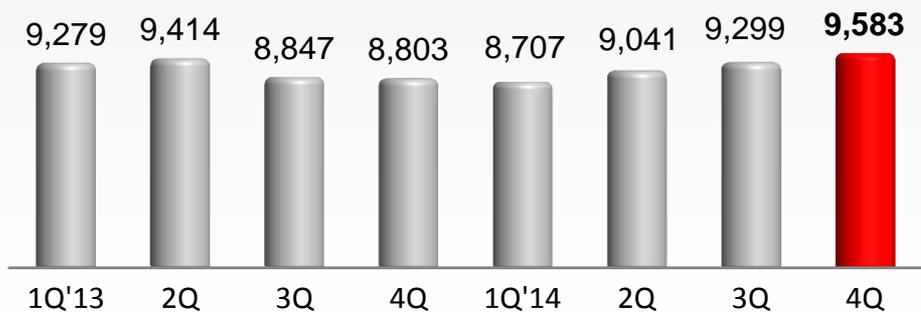
Deposits



(*) -1% excluding FX impact

Gross income

EUR million



P&L

EUR million

	4Q'14	%3Q'14*	2014	%2013*
NII + fee income	9,383	3.1	36,194	6.2
Gross income	9,583	3.5	36,631	5.2
Operating expenses	-4,363	4.2	-16,659	2.2
Net op. income	5,220	2.9	19,972	7.9
LLPs	-2,295	-10.9	-9,736	-5.9
Attributable profit	1,784	28.1	5,870	26.4

(*) Changes excluding fx impact

- Excluding exchange rate impact:
 - Recovery of **net interest income + fee income** (+6% / 2013)
 - **Costs** rose at below the inflation rate
 - **Provisions**: lower year-on-year

Includes Continental Europe, United Kingdom and USA (SCUSA)

Basic data

14

Countries

**Top 3¹ in
12 countries**

67

Agreements with manufacturers
for "captive" financing

19.2

Million customers

157,000

Dealers-participants

91,481

EUR million in loans

30,847

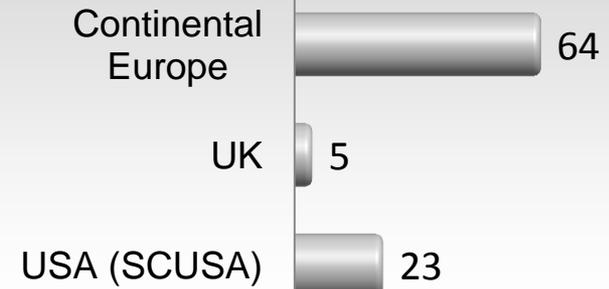
EUR million in deposits

1,367

EUR million in 2014
attributable profit

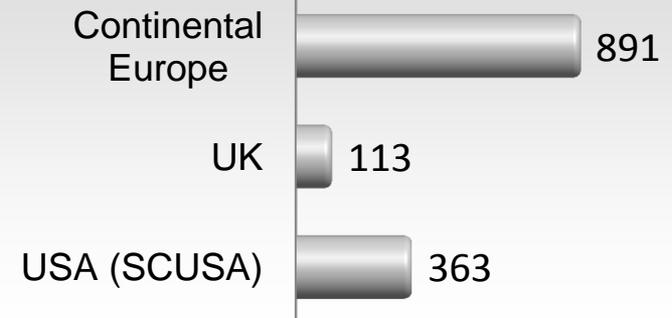
Gross loans (Dec'14): EUR 91 bill.

EUR billion



2014 Attributable profit: EUR 1,367 mill.

EUR million



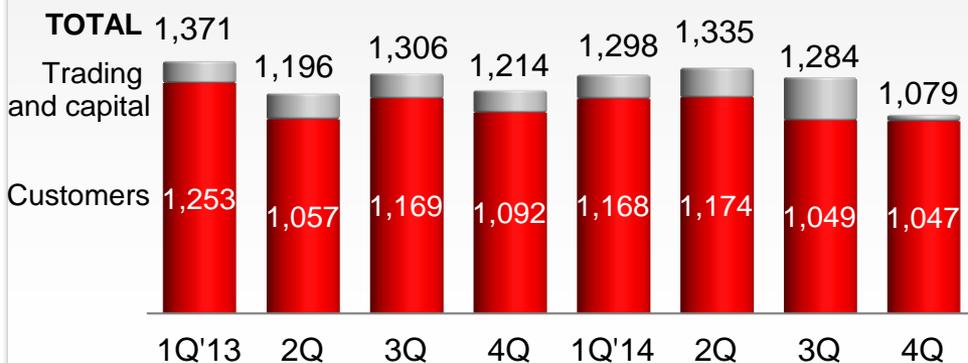
(1) Market share of new auto-lending and/or durable goods loans

Gross income

EUR million



(*) Excluding fx impact: total gross income, +3%; customer revenues +2%



P&L

EUR million

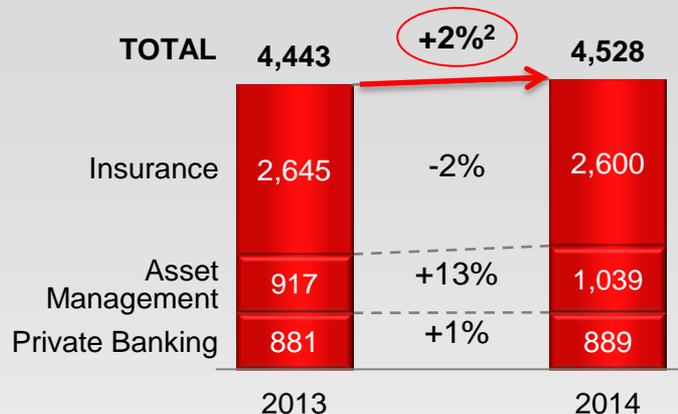
	4Q'14	%3Q'14*	2014	%2013*
Nil + fee income	1,040	9.4	3,947	13.4
Gross income	1,079	-15.3	4,997	2.5
Operating expenses	-467	0.0	-1,820	6.5
Net op. income	612	-24.1	3,177	0.4
LLPs	-108	-17.3	-546	-41.4
Attributable profit	286	-32.0	1,614	16.3

(*) Changes excluding fx impact

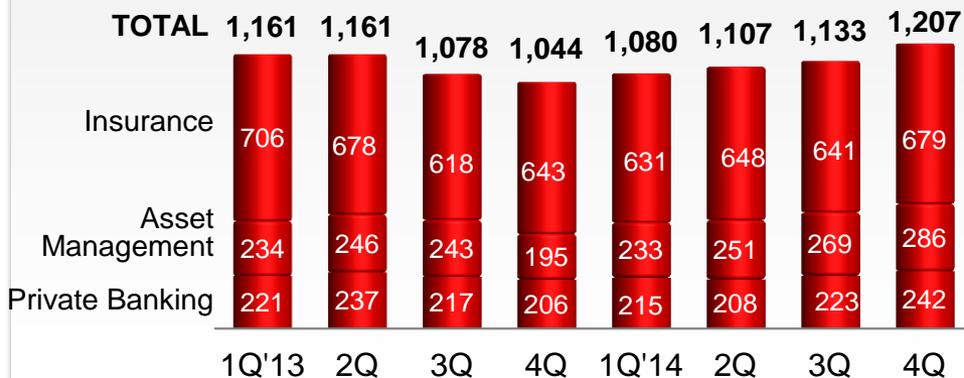
- **Customer revenues account for 89% of total gross income**
- Higher commercial revenues and lower trading gains, mainly in 4Q
- Excellent **efficiency ratio: 36%**
- **Provisions normalising**

Total revenues for the Group¹

EUR million



(2) At constant perimeter and fx rates: Total +7%; Insurance 3%; Asset Mgmt.+22%; Private Banking: +2%.



(1) Including fees paid to the Group retail networks

P&L

EUR million

	4Q'14	%3Q'14*	2014	%2013*
NII + fee income	285	3.3	1,072	4.3
Gross income	414	9.0	1,506	8.0
Operating expenses	-147	-0.7	-579	2.1
Net op. income	266	15.1	927	11.9
LLPs	-5	—	0	-99.2
Attributable profit	198	4.8	703	23.3

(*) Changes excluding fx impact

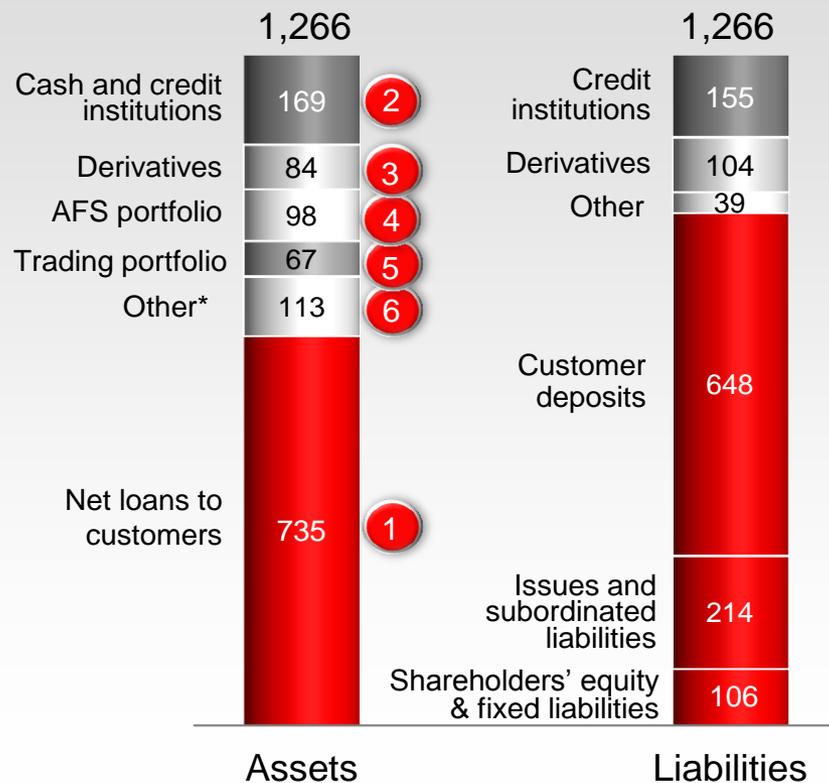
- **High gross income contribution to the Group (10% of operating areas total)**
- **At constant perimeter and fx rates, total gross income for the Group increased (+7% / 2013)**

Group balance sheet

Retail balance sheet, appropriate for a low risk business model, liquid and well capitalised

EUR billion

Balance sheet at December 2014



- 1 Lending: 58% of balance sheet
- 2 Cash, central banks and credit institutions: 13%
- 3 Derivatives (with counterparty on the liabilities side): 7% of balance sheet
- 4 Available for sale portfolio (AFS): 8%
- 5 Trading portfolio: 5%
- 6 Other (goodwill, fixed assets, accruals): 9%

(*) Other assets: Goodwill EUR 28 bill., tangible and intangible assets EUR 26 bill., other capital instruments at fair value EUR 1 bill., accruals and other accounts EUR 58 bill.

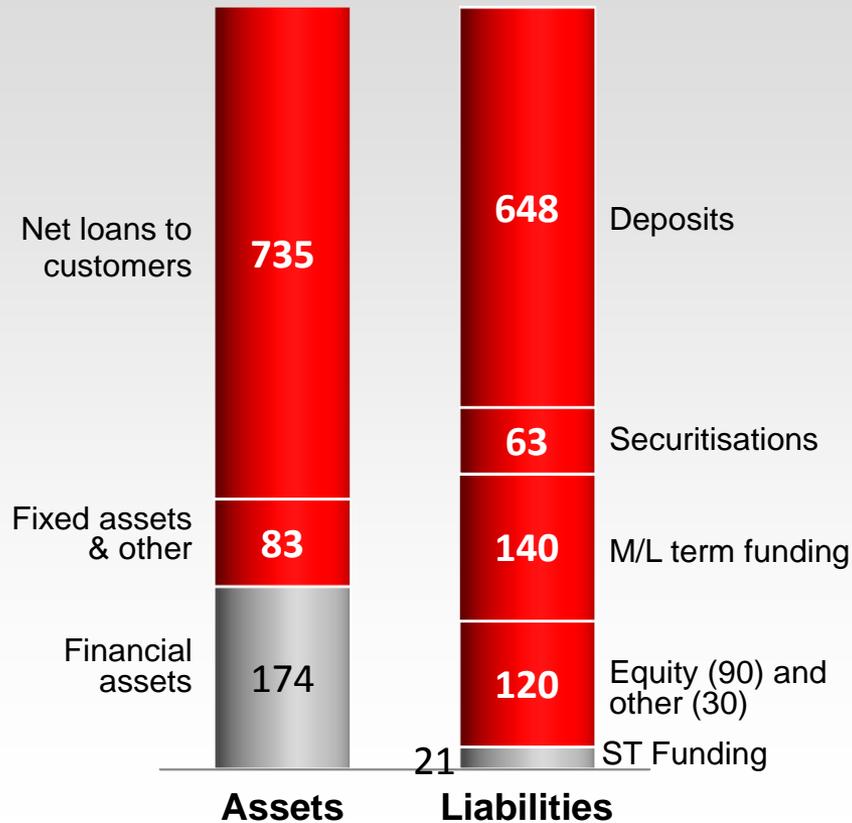
Liquidity and funding

Liquidity and funding

Well-funded balance sheet with high structural liquidity surplus

December 2014. EUR billion

Santander Group liquidity balance sheet



Commercial Gap: EUR 87 bill.

**Structural liquidity¹ surplus:
EUR 153 bill. (15% net liabilities)**

Note: Liquidity balance sheet for management purposes (net of trading derivatives and interbank balances). Provisional
(1) Financial assets – short term wholesale funding markets

Liquidity and funding

Adequate liquidity structure of stand-alone units

December 2014

Main units and liquidity ratios

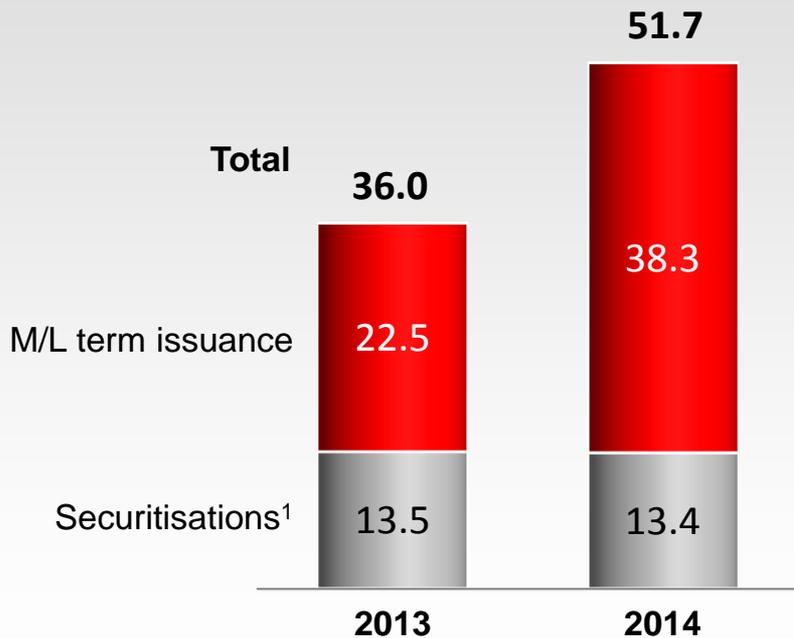
	LTD ratio (net loans / deposits)	Deposits + M/L term funding / net loans
Spain	88%	155%
Portugal	97%	115%
Santander Consumer Finance	196%	73%
Poland	84%	122%
UK	124%	107%
Brazil	109%	121%
Mexico	90%	117%
Chile	131%	99%
Argentina	81%	125%
USA	144%	106%
Total Group	113%	116%

Liquidity and funding

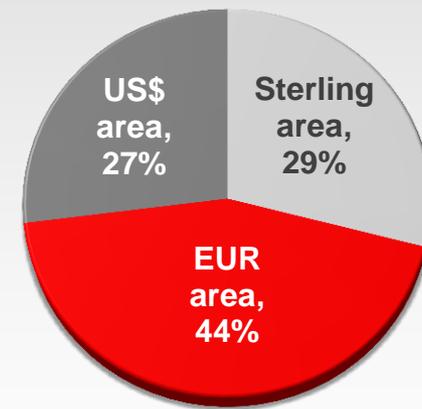
Higher recourse to wholesale funding in 2014, backed by improved market conditions: issuances outpaced maturities

December 2014

Issuances (EUR bn.)



Diversified issuances 2014



(1) Placed in the market and including structured finance
Note: 2013 data on a like-for-like basis

NPL, coverage ratios and cost of credit

NPL ratio

%

	31.03.13	30.06.13	30.09.13	31.12.13	31.03.14	30.06.14	30.09.14	31.12.14
Continental Europe	6.62	7.83	8.48	9.13	9.12	9.04	8.96	8.93
Spain	4.12	5.75	6.40	7.49	7.61	7.59	7.57	7.38
Portugal	6.88	7.41	7.86	8.12	8.26	8.16	8.49	8.89
Poland	7.39	8.08	7.75	7.84	7.35	7.42	7.43	7.42
Santander Consumer Finance	3.98	4.04	3.96	4.01	4.14	4.07	3.97	4.82
United Kingdom	2.03	2.01	1.98	1.98	1.88	1.91	1.80	1.79
Latin America	5.40	5.23	5.29	5.00	5.06	5.03	4.98	4.65
Brazil	6.90	6.49	6.12	5.64	5.74	5.78	5.64	5.05
Mexico	1.92	2.20	3.58	3.66	3.62	3.52	3.74	3.84
Chile	5.51	5.81	6.00	5.91	5.99	5.94	5.98	5.97
USA	3.01	2.96	3.04	3.09	2.88	2.93	2.68	2.54
Operating Areas	4.70	5.13	5.39	5.61	5.54	5.46	5.29	5.19
Total Group	4.75	5.15	5.40	5.61	5.52	5.45	5.28	5.19

Coverage ratio

%

	31.03.13	30.06.13	30.09.13	31.12.13	31.03.14	30.06.14	30.09.14	31.12.14
Continental Europe	71.0	63.3	61.1	57.3	58.0	58.3	58.1	57.2
Spain	50.3	43.1	45.0	44.0	44.6	44.9	45.5	45.5
Portugal	52.9	52.4	51.9	50.0	50.6	53.1	53.9	51.8
Poland	67.6	59.3	64.1	61.8	64.6	65.3	65.8	60.3
Santander Consumer Finance	108.7	106.9	109.2	105.3	105.1	105.2	106.4	100.1
United Kingdom	42.1	42.1	41.6	41.6	42.9	41.1	43.4	41.9
Latin America	87.4	86.1	83.6	85.4	86.1	86.3	83.5	84.7
Brazil	90.4	91.3	92.0	95.1	95.2	94.8	91.4	95.4
Mexico	157.1	142.7	99.0	97.5	98.6	96.6	90.1	86.1
Chile	53.9	49.9	49.7	51.1	50.7	51.7	52.3	52.4
USA	149.6	156.5	148.9	148.1	163.3	165.0	184.1	192.8
Operating Areas	75.0	69.6	67.2	64.6	66.0	66.4	67.0	66.6
Total Group	74.1	69.7	67.1	64.9	66.3	66.7	67.5	67.2

Cost of credit

%

	31.03.13	30.06.13	30.09.13	31.12.13	31.03.14	30.06.14	30.09.14	31.12.14
Continental Europe	3.13	2.33	1.71	1.23	1.21	1.14	1.08	1.02
Spain	1.23	1.26	1.36	1.36	1.37	1.31	1.21	1.06
Portugal	1.18	1.10	0.93	0.73	0.63	0.55	0.47	0.50
Poland	1.22	1.18	1.09	1.01	0.98	0.92	0.95	1.04
Santander Consumer Finance	1.26	1.15	1.13	0.96	0.89	0.87	0.85	0.90
United Kingdom	0.29	0.26	0.26	0.24	0.23	0.22	0.19	0.14
Latin America	5.07	4.87	4.73	4.53	4.24	3.95	3.77	3.59
Brazil	7.46	7.07	6.72	6.34	5.82	5.38	5.14	4.91
Mexico	2.46	2.73	3.27	3.47	3.59	3.58	3.26	2.98
Chile	1.95	2.00	1.96	1.92	1.82	1.76	1.71	1.75
USA	1.89	1.95	2.17	2.48	2.94	3.15	3.40	3.45
Operating Areas	2.49	2.15	1.85	1.65	1.61	1.55	1.50	1.44
Total Group	2.45	2.14	1.89	1.69	1.65	1.56	1.52	1.43

Cost of credit = 12 month loan-loss provisions / average lending

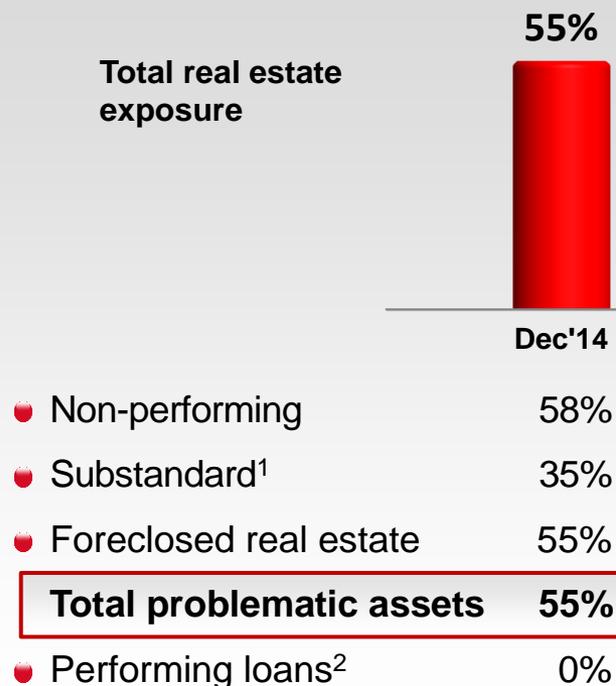
Coverage by borrowers' situation (December 2014)

EUR Million

	Gross risk	Coverage Fund	Net Risk
● Non-performing	6,965	4,064	2,901
● Substandard ¹	1,209	425	784
● Foreclosed real estate	7,904	4,371	3,533
● Total problematic assets	16,078	8,860	7,218
● Performing loans ²	101	0	101
Real estate exposure	16,179	8,860	7,319

Total coverage (problematic assets + performing loans)

provisions / exposure (%)



(1) 100% up-to-date with payments

(2) Performing loans: loans up-to-date with payments

LOANS with real estate purpose

EUR Million

	Dec'14	Dec'13	Var.
Finished buildings	3,577	4,673	-1,096
Buildings under constr.	130	614	-484
Developed land	2,641	3,124	-483
Building and other land	752	1,116	-364
Non mortgage guarantee	1,176	1,828	-652
Total	8,276	11,355	-3,079

Foreclosed REAL ESTATE (Dec. 2014)

EUR Million

	Gross amount	Coverage	Net amount
Finished buildings	2,269	43%	1,297
Buildings under constr.	716	46%	384
Developed land	2,450	61%	967
Building land	2,414	64%	865
Other land	55	64%	20
Total	7,904	55%	3,533

Spreads

Spreads on loans and deposits

%

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14
<u>Retail Banking Spain</u>								
Loan spreads	2.21	2.26	2.33	2.43	2.39	2.36	2.37	2.37
Deposit spreads	0.16	0.28	0.15	0.20	0.45	0.47	0.41	0.41
TOTAL	2.37	2.54	2.48	2.63	2.84	2.83	2.78	2.78
<u>Retail Banking Portugal</u>								
Loan spreads	2.44	2.44	2.44	2.42	2.44	2.39	2.36	2.35
Deposit spreads	(1.22)	(1.18)	(1.06)	(0.99)	(0.93)	(0.84)	(0.89)	(0.86)
TOTAL	1.22	1.26	1.38	1.43	1.51	1.55	1.47	1.49
<u>Retail Banking Poland</u>								
Loan spreads	2.41	2.45	2.43	2.53	2.51	2.47	2.45	2.36
Deposit spreads	0.73	0.72	0.73	0.98	1.12	1.22	1.16	0.82
TOTAL	3.14	3.17	3.16	3.51	3.63	3.69	3.61	3.18
<u>Santander Consumer Finance</u>								
Loan spreads	4.76	4.83	4.93	4.91	5.04	5.03	5.06	5.00
<u>Retail Banking United Kingdom</u>								
Loan spreads	2.78	2.80	2.85	2.84	2.83	2.76	2.69	2.61
Deposit spreads	(1.25)	(1.17)	(1.00)	(0.86)	(0.82)	(0.70)	(0.61)	(0.57)
TOTAL	1.53	1.63	1.85	1.98	2.01	2.06	2.08	2.04

Spreads on loans and deposits

%

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14
<u>Retail Banking Brazil</u>								
Loan spreads	13.09	12.51	11.93	11.82	11.76	11.60	10.98	10.79
Deposit spreads	0.72	0.75	0.84	0.95	0.90	0.92	1.00	0.96
TOTAL	13.81	13.26	12.77	12.77	12.66	12.52	11.98	11.75
<u>Retail Banking Mexico</u>								
Loan spreads	8.46	8.41	8.34	8.23	8.17	7.83	7.69	7.71
Deposit spreads	1.86	1.64	1.56	1.51	1.52	1.46	1.38	1.33
TOTAL	10.32	10.05	9.90	9.74	9.69	9.29	9.07	9.04
<u>Retail Banking Chile</u>								
Loan spreads	4.31	4.27	4.01	3.98	3.98	4.00	3.97	3.87
Deposit spreads	2.39	2.47	2.42	2.31	2.35	2.37	2.35	2.27
TOTAL	6.70	6.74	6.43	6.29	6.33	6.37	6.32	6.14
<u>Retail Banking USA</u>								
Loan spreads	2.51	2.52	2.52	2.49	2.44	2.57	2.61	2.50
Deposit spreads	0.34	0.33	0.57	0.41	0.73	0.65	0.64	0.55
TOTAL	2.85	2.85	3.09	2.90	3.17	3.22	3.25	3.05

Quarterly P&L

Santander Group

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	9,689	9,833	9,245	9,275	9,323	9,773	9,910	10,238	38,041	39,244
Gross income	10,722	10,847	10,333	10,017	10,124	10,488	10,961	11,040	41,920	42,612
Operating expenses	(5,068)	(5,088)	(4,943)	(5,060)	(4,847)	(4,906)	(5,070)	(5,216)	(20,158)	(20,038)
Net operating income	5,655	5,760	5,390	4,957	5,277	5,582	5,891	5,824	21,762	22,574
Net loan-loss provisions	(3,142)	(3,399)	(3,025)	(2,774)	(2,695)	(2,638)	(2,777)	(2,452)	(12,340)	(10,562)
Other	(372)	(549)	(509)	(629)	(433)	(508)	(558)	(792)	(2,059)	(2,292)
Profit before taxes	2,141	1,812	1,856	1,554	2,149	2,435	2,556	2,580	7,362	9,720
Consolidated profit	1,564	1,345	1,337	1,106	1,579	1,771	1,901	1,746	5,352	6,998
Attributable profit	1,205	1,050	1,055	864	1,303	1,453	1,605	1,455	4,175	5,816

Santander Group

Constant EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	8,928	9,130	9,076	9,229	9,519	9,790	9,779	10,156	36,364	39,244
Gross income	9,913	10,122	10,136	9,969	10,324	10,509	10,829	10,951	40,140	42,612
Operating expenses	(4,765)	(4,801)	(4,859)	(5,025)	(4,930)	(4,916)	(5,014)	(5,178)	(19,450)	(20,038)
Net operating income	5,148	5,321	5,277	4,944	5,394	5,593	5,814	5,773	20,690	22,574
Net loan-loss provisions	(2,875)	(3,162)	(2,982)	(2,778)	(2,755)	(2,641)	(2,741)	(2,427)	(11,798)	(10,562)
Other	(360)	(532)	(500)	(621)	(440)	(507)	(552)	(794)	(2,013)	(2,292)
Profit before taxes	1,913	1,627	1,795	1,545	2,200	2,446	2,522	2,552	6,880	9,720
Consolidated profit	1,391	1,205	1,298	1,104	1,617	1,779	1,876	1,725	4,998	6,998
Attributable profit	1,068	938	1,024	863	1,334	1,461	1,585	1,437	3,894	5,816

Continental Europe

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	2,878	2,950	2,859	2,841	2,973	3,077	3,013	3,123	11,527	12,185
Gross income	3,171	3,163	3,152	2,979	3,196	3,256	3,139	3,231	12,465	12,822
Operating expenses	(1,651)	(1,619)	(1,607)	(1,618)	(1,607)	(1,582)	(1,557)	(1,591)	(6,495)	(6,337)
Net operating income	1,520	1,543	1,545	1,361	1,589	1,673	1,582	1,640	5,969	6,485
Net loan-loss provisions	(901)	(993)	(946)	(763)	(791)	(770)	(737)	(582)	(3,603)	(2,880)
Other	(192)	(194)	(188)	(185)	(152)	(196)	(151)	(77)	(759)	(576)
Profit before taxes	427	356	411	413	647	707	694	981	1,607	3,030
Consolidated profit	331	290	327	301	499	536	518	693	1,250	2,247
Attributable profit	303	248	283	282	463	499	472	644	1,115	2,078

Spain

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	1,557	1,602	1,508	1,524	1,602	1,663	1,635	1,665	6,190	6,564
Gross income	1,798	1,780	1,742	1,634	1,792	1,782	1,733	1,690	6,954	6,997
Operating expenses	(953)	(941)	(936)	(902)	(894)	(873)	(855)	(860)	(3,734)	(3,482)
Net operating income	844	838	805	732	898	909	878	830	3,220	3,515
Net loan-loss provisions	(516)	(690)	(630)	(575)	(507)	(488)	(429)	(320)	(2,411)	(1,745)
Other	(36)	(29)	(59)	(11)	(33)	(51)	(9)	(81)	(135)	(173)
Profit before taxes	293	119	116	145	358	370	440	429	674	1,597
Consolidated profit	204	84	81	98	253	261	310	303	467	1,127
Attributable profit	203	84	81	98	251	261	309	299	466	1,121

Portugal

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	202	221	211	198	202	204	206	215	832	826
Gross income	231	233	228	224	228	237	230	261	916	956
Operating expenses	(124)	(122)	(123)	(126)	(122)	(121)	(122)	(126)	(495)	(491)
Net operating income	107	112	105	97	106	116	108	135	421	465
Net loan-loss provisions	(64)	(62)	(56)	(11)	(34)	(40)	(32)	(17)	(192)	(124)
Other	(13)	(17)	(6)	(42)	(30)	(29)	(20)	(20)	(78)	(99)
Profit before taxes	31	32	44	44	42	47	57	97	150	243
Consolidated profit	21	25	32	29	33	37	42	73	106	185
Attributable profit	21	25	32	37	36	39	42	73	114	189

Poland

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	278	290	302	310	317	328	322	302	1,180	1,269
Gross income	315	337	342	323	334	353	335	353	1,317	1,376
Operating expenses	(156)	(142)	(136)	(159)	(147)	(148)	(143)	(143)	(592)	(581)
Net operating income	159	195	206	165	188	205	192	210	725	795
Net loan-loss provisions	(42)	(51)	(35)	(39)	(43)	(42)	(44)	(57)	(167)	(186)
Other	(5)	6	(2)	(4)	(3)	(16)	8	22	(6)	11
Profit before taxes	112	149	169	121	142	147	156	175	552	620
Consolidated profit	90	123	135	96	115	120	122	127	445	485
Attributable profit	70	91	100	72	85	88	91	94	334	358

Poland

Constant EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	276	291	306	310	317	327	321	304	1,183	1,269
Gross income	313	337	348	323	334	351	335	355	1,321	1,376
Operating expenses	(155)	(142)	(139)	(159)	(147)	(147)	(143)	(144)	(594)	(581)
Net operating income	158	195	209	165	188	204	192	211	727	795
Net loan-loss provisions	(42)	(52)	(36)	(39)	(43)	(42)	(44)	(57)	(168)	(186)
Other	(5)	6	(2)	(4)	(3)	(16)	8	22	(6)	11
Profit before taxes	111	150	171	121	142	147	155	176	553	620
Consolidated profit	90	123	137	96	115	119	122	128	446	485
Attributable profit	70	91	101	72	85	87	91	94	335	358

Santander Consumer Finance

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	779	779	799	762	800	822	822	850	3,120	3,294
Gross income	776	775	801	759	800	827	821	862	3,111	3,309
Operating expenses	(351)	(341)	(345)	(353)	(366)	(357)	(354)	(376)	(1,391)	(1,452)
Net operating income	425	434	456	405	434	470	467	486	1,720	1,857
Net loan-loss provisions	(171)	(131)	(158)	(105)	(130)	(123)	(149)	(143)	(565)	(544)
Other	(21)	(29)	(15)	(5)	(14)	(17)	(71)	65	(70)	(37)
Profit before taxes	233	274	283	295	291	330	247	408	1,085	1,277
Consolidated profit	184	210	217	213	225	245	184	277	824	930
Attributable profit	176	201	208	209	219	237	170	265	794	891

United Kingdom

GBP million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	896	906	956	1,014	1,023	1,045	1,070	1,101	3,772	4,240
Gross income	973	1,048	1,022	1,100	1,100	1,105	1,124	1,136	4,144	4,464
Operating expenses	(560)	(567)	(538)	(547)	(574)	(571)	(579)	(604)	(2,212)	(2,329)
Net operating income	413	481	484	553	526	533	545	532	1,932	2,136
Net loan-loss provisions	(137)	(103)	(132)	(121)	(99)	(71)	(70)	(27)	(493)	(268)
Other	(35)	(87)	(22)	(55)	(38)	(51)	(58)	(108)	(200)	(256)
Profit before taxes	241	291	330	377	388	411	417	396	1,239	1,612
Consolidated profit	191	224	261	301	311	325	326	308	976	1,270
Attributable profit	191	224	261	301	311	325	326	308	976	1,270

United States

USD million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	1,488	1,558	1,631	1,658	1,728	1,798	1,794	1,742	6,334	7,063
Gross income	1,538	1,573	1,622	1,721	1,789	1,864	1,931	1,898	6,454	7,483
Operating expenses	(586)	(605)	(637)	(676)	(652)	(649)	(684)	(709)	(2,504)	(2,694)
Net operating income	952	968	985	1,045	1,137	1,215	1,248	1,189	3,949	4,789
Net loan-loss provisions	(337)	(462)	(561)	(657)	(749)	(684)	(811)	(718)	(2,018)	(2,961)
Other	(14)	(24)	(38)	(37)	(3)	(4)	(19)	40	(113)	14
Profit before taxes	601	481	386	351	385	527	418	512	1,819	1,842
Consolidated profit	413	349	288	244	276	362	324	390	1,294	1,352
Attributable profit	333	292	233	206	216	272	259	314	1,063	1,061

Brazil

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	3,563	3,484	2,899	2,992	2,828	2,979	3,018	2,969	12,937	11,795
Gross income	3,781	3,552	3,115	3,070	2,851	2,986	3,192	2,978	13,518	12,008
Operating expenses	(1,359)	(1,356)	(1,263)	(1,346)	(1,133)	(1,196)	(1,291)	(1,296)	(5,324)	(4,916)
Net operating income	2,422	2,196	1,852	1,724	1,719	1,791	1,900	1,682	8,194	7,092
Net loan-loss provisions	(1,471)	(1,372)	(1,065)	(985)	(905)	(933)	(958)	(887)	(4,894)	(3,682)
Other	(78)	(133)	(126)	(162)	(143)	(166)	(253)	(244)	(499)	(805)
Profit before taxes	873	691	661	577	671	693	689	551	2,802	2,604
Consolidated profit	652	525	469	392	469	504	520	433	2,039	1,926
Attributable profit	499	420	358	301	364	395	409	391	1,577	1,558

Brazil

Constant EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	3,011	3,009	2,843	2,969	2,938	2,922	2,912	3,023	11,832	11,795
Gross income	3,196	3,069	3,045	3,053	2,962	2,929	3,084	3,033	12,363	12,008
Operating expenses	(1,149)	(1,171)	(1,225)	(1,324)	(1,177)	(1,173)	(1,248)	(1,318)	(4,869)	(4,916)
Net operating income	2,047	1,898	1,820	1,729	1,785	1,756	1,836	1,715	7,494	7,092
Net loan-loss provisions	(1,244)	(1,186)	(1,053)	(993)	(940)	(914)	(924)	(904)	(4,476)	(3,682)
Other	(66)	(114)	(120)	(156)	(148)	(163)	(247)	(248)	(456)	(805)
Profit before taxes	738	598	647	579	698	679	665	563	2,562	2,604
Consolidated profit	551	455	461	397	487	495	502	442	1,864	1,926
Attributable profit	421	363	353	305	378	387	395	398	1,443	1,558

Mexico

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	725	730	730	718	699	720	752	781	2,903	2,953
Gross income	770	795	751	705	713	775	791	793	3,021	3,072
Operating expenses	(299)	(304)	(307)	(315)	(307)	(312)	(319)	(322)	(1,225)	(1,260)
Net operating income	472	490	444	390	407	463	471	471	1,796	1,812
Net loan-loss provisions	(142)	(184)	(257)	(218)	(179)	(191)	(210)	(177)	(801)	(756)
Other	26	(2)	(3)	(4)	(2)	(2)	6	(1)	17	2
Profit before taxes	355	305	184	168	226	271	267	293	1,012	1,057
Consolidated profit	315	263	162	193	178	214	217	242	933	851
Attributable profit	241	199	123	149	138	169	167	186	713	660

Mexico

Constant EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	686	672	707	721	718	727	741	767	2,785	2,953
Gross income	729	732	728	709	733	783	778	778	2,898	3,072
Operating expenses	(283)	(280)	(297)	(315)	(315)	(315)	(314)	(316)	(1,175)	(1,260)
Net operating income	446	452	431	394	418	468	464	462	1,723	1,812
Net loan-loss provisions	(134)	(170)	(247)	(218)	(183)	(193)	(207)	(173)	(768)	(756)
Other	24	(2)	(3)	(3)	(2)	(2)	6	(1)	17	2
Profit before taxes	336	280	181	174	233	274	263	288	971	1,057
Consolidated profit	298	241	160	196	183	217	214	238	895	851
Attributable profit	228	183	122	151	142	171	165	183	684	660

Chile

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	512	502	533	521	489	526	470	577	2,067	2,063
Gross income	550	560	573	566	533	551	505	608	2,249	2,197
Operating expenses	(232)	(245)	(231)	(218)	(201)	(210)	(217)	(226)	(926)	(854)
Net operating income	319	314	342	348	332	341	288	382	1,322	1,343
Net loan-loss provisions	(155)	(147)	(153)	(142)	(116)	(118)	(131)	(156)	(597)	(521)
Other	(1)	3	6	(4)	(7)	(3)	3	(18)	4	(24)
Profit before taxes	163	170	194	203	209	220	160	209	730	798
Consolidated profit	148	140	166	169	176	192	136	236	623	739
Attributable profit	103	97	116	119	123	132	92	162	435	509

Chile

Constant EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	422	419	471	481	488	528	475	571	1,794	2,063
Gross income	454	468	507	523	532	553	510	601	1,951	2,197
Operating expenses	(191)	(205)	(205)	(203)	(201)	(211)	(219)	(223)	(804)	(854)
Net operating income	263	263	302	320	331	342	292	378	1,147	1,343
Net loan-loss provisions	(127)	(123)	(136)	(131)	(116)	(118)	(132)	(154)	(518)	(521)
Other	(1)	3	5	(3)	(7)	(3)	3	(18)	4	(24)
Profit before taxes	134	142	171	186	209	221	162	206	633	798
Consolidated profit	122	117	146	155	176	192	137	234	540	739
Attributable profit	85	81	102	109	123	133	93	161	378	509

Corporate Activities

EUR million

	1Q 13	2Q 13	3Q 13	4Q 13	1Q 14	2Q 14	3Q 14	4Q 14	2013	2014
NII + Fee income	(588)	(526)	(541)	(618)	(542)	(495)	(466)	(471)	(2,273)	(1,974)
Gross income	(322)	(138)	(163)	(326)	(224)	(237)	10	(7)	(948)	(458)
Operating expenses	(177)	(176)	(176)	(167)	(191)	(197)	(194)	(181)	(696)	(763)
Net operating income	(499)	(314)	(339)	(493)	(416)	(434)	(183)	(188)	(1,644)	(1,221)
Net loan-loss provisions	(29)	(189)	14	2	1	(1)	0	2	(201)	2
Other	(66)	(89)	(124)	(158)	(72)	(67)	(90)	(342)	(436)	(571)
Ordinary profit before taxes	(594)	(591)	(448)	(648)	(487)	(502)	(273)	(529)	(2,282)	(1,790)
Ordinary consolidated profit	(543)	(521)	(432)	(569)	(408)	(444)	(262)	(671)	(2,064)	(1,785)
Ordinary attributable profit	(543)	(519)	(430)	(579)	(405)	(444)	(259)	(681)	(2,071)	(1,789)
Attributable profit	(543)	(519)	(430)	(579)	(405)	(444)	(259)	(681)	(2,071)	(1,789)

