

# ACTIVITY AND RESULTS

January - September 2015

*29 October 2015*

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## Agenda

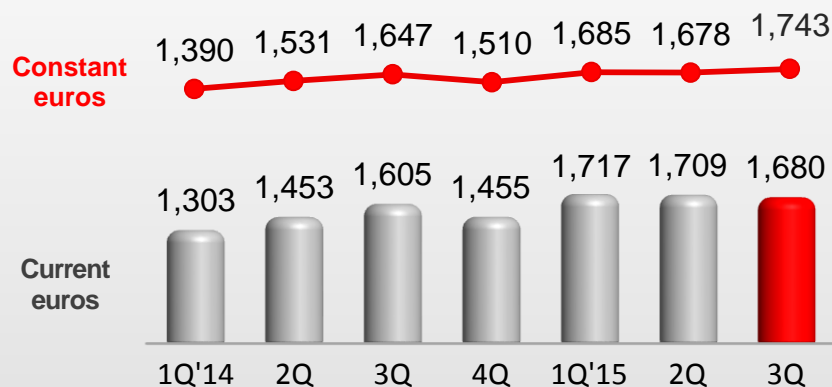
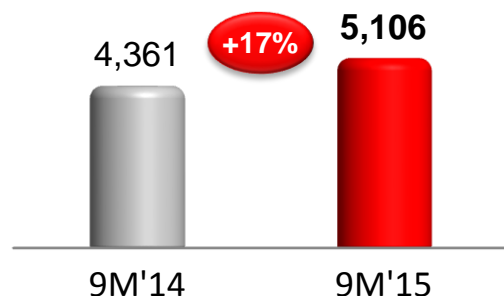
- **Group performance 9M'15**
- Business areas performance 9M'15
- Conclusions
- Appendix



## Higher ordinary attributable profit driven by the main P&L lines

EUR million

### Ordinary attributable profit<sup>1</sup>



### ● **PROFIT** up with growth in most units:

- **REVENUES** up driven by net interest income and fee income
- **COSTS** benefited from savings plans
- Loan-loss **PROVISIONS** down with improved cost of credit
- Positive impact of exchange rates and perimeter
- **Improved RoTE and TBV per share over 2014**

### ● In 3Q'15, negative impact of exchange rates

- **Stable efficiency, RoTE, EPS**

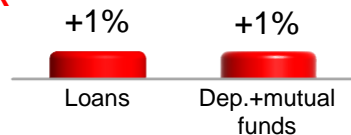
(1) 2015 data excluding EUR 835 million due to the net result of the reversal of tax liabilities in Brazil recorded in 2Q'15



## Volumes growth with improved credit quality and organic capital generation

### Quarter-on-quarter growth

Constant  
EUR



Current  
EUR

-3%      -4%

### Year-on-year growth

+7%      +7%

Loans      Dep.+mutual funds

+6%      +4%

- **LENDING** up year-on-year. Growth in loans to individuals and companies

- **FUNDS** rose year-on-year spurred by current accounts and mutual funds

### NPL and coverage ratios

Coverage ratio

68%      71%

NPL ratio

5.28%      4.50%

S'14

S'15

### CET1 Fully loaded

9.83%

9.85%

J'15

S'15

- **CREDIT QUALITY** indicators continued to improve

- **CAPITAL**: +13 b.p. of organic generation in the third quarter

- **TBV PER SHARE<sup>1</sup>**: +4% y-o-y

Note: Loans and deposits excluding repos

(1) TBV (Tangible Book Value)



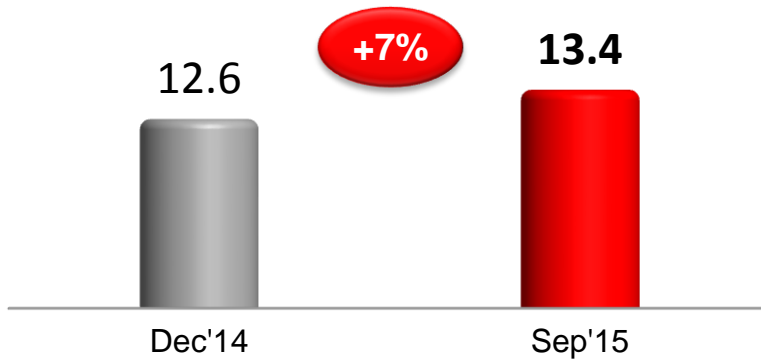
# 9M'15 Highlights. Customers and transformation programme

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Customers increased in the year, as announced at the Investor Day, underpinned by the various initiatives in commercial and multichannel transformation

Million

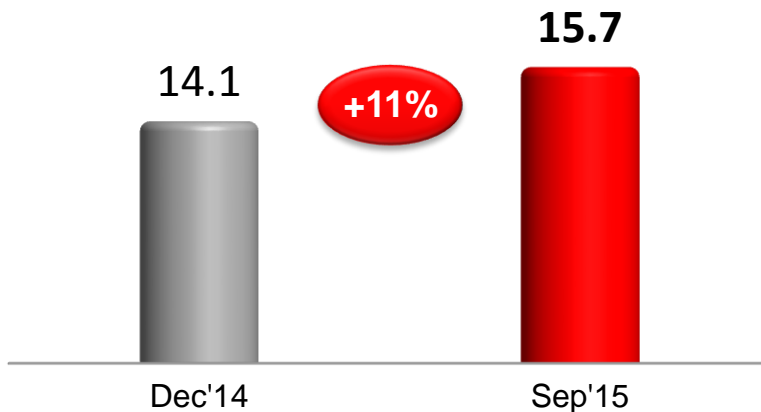
## Loyal customers



- Transforming our business model into one that is increasingly **SIMPLE, PERSONAL AND FAIR**

- Launching of differential value offers in several countries. Of note, the good reception given to the 1|2|3 account in Spain

## Digital customers



- Reinforcing **MULTICHANNELS** with better websites, new apps and functions for mobile devices

- Improving and streamlining **processes**

# Income Statement

EUR million

In the third quarter, negative impact of exchange rates

Year-to-date profit rose backed by revenues and lower provisions (favoured by fx and perimeter)

	3Q'15	%2Q'15	%2Q'15*
NII + fee income	10,457	-3.8	1.2
Gross income	11,316	-2.6	2.3
Operating expenses	-5,342	-1.6	2.6
<b>Net operating income</b>	<b>5,974</b>	<b>-3.5</b>	<b>2.0</b>
Loan-loss provisions	-2,479	-1.2	4.8
Ordinary PBT	2,778	-7.3	-2.2
<b>Ordinary attributable profit<sup>1</sup></b>	<b>1,680</b>	<b>-1.7</b>	<b>3.8</b>

(\*) Changes excluding exchange rate impact

	9M'15	%9M'14	%9M'14*
	31,886	9.9	7.6
	34,378	8.9	6.5
	-16,149	8.9	6.7
<b></b>	<b>18,229</b>	<b>8.8</b>	<b>6.4</b>
	-7,550	-6.9	-8.4
	8,766	22.8	18.0
<b></b>	<b>5,106</b>	<b>17.1</b>	<b>11.8</b>

(1) 2015 data excluding EUR 835 million due to the net result of the reversal of tax liabilities in Brazil recorded in 2Q'15

Note: The impact from non-recurring positive and negative results on 9M'14 profit was zero

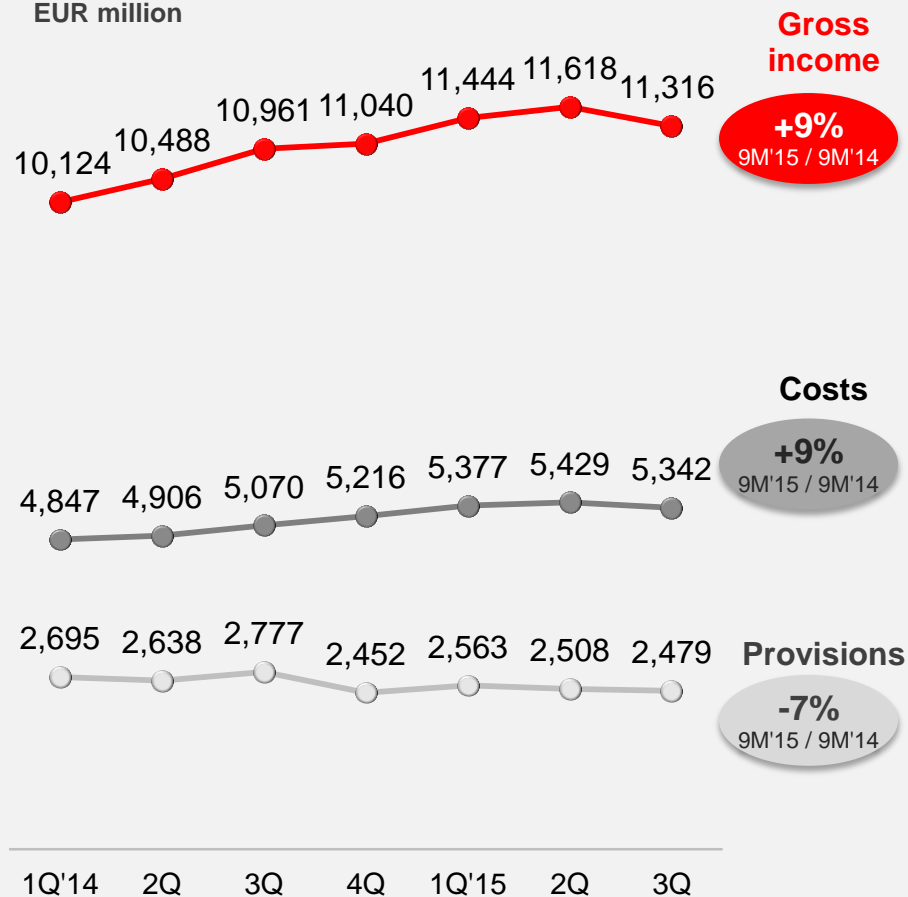


# Main P&L items performance

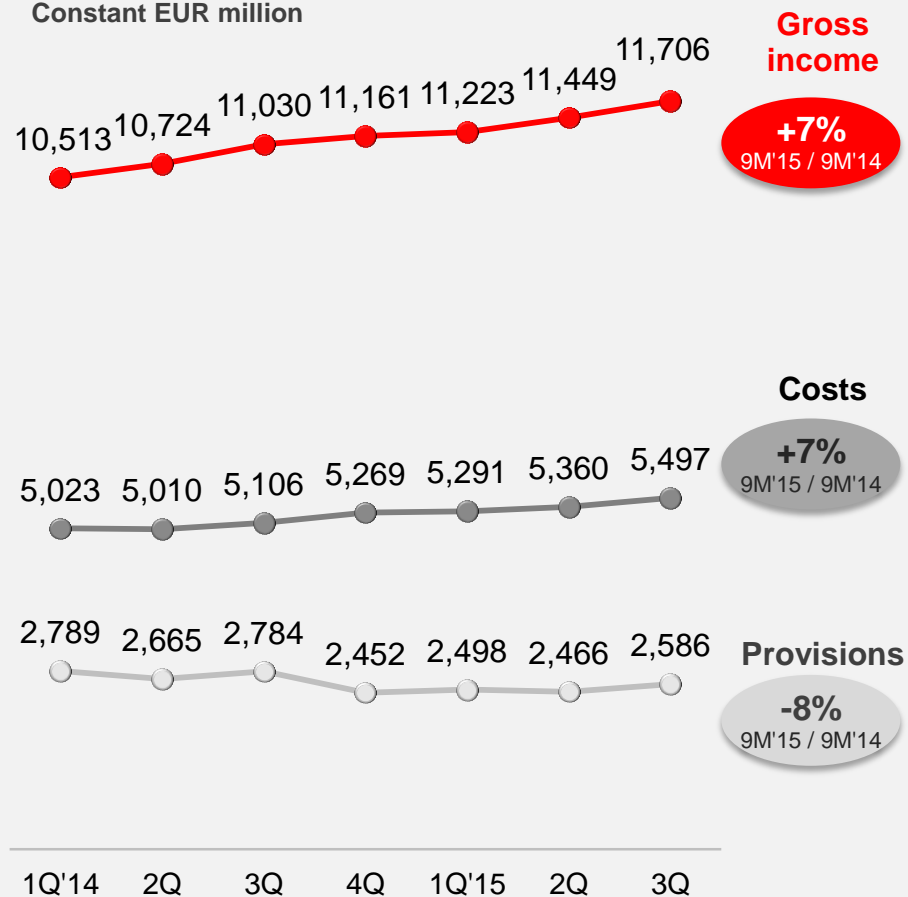
9

In constant euros, growth trend in gross income continued, with some seasonal factors in costs and provisions

EUR million



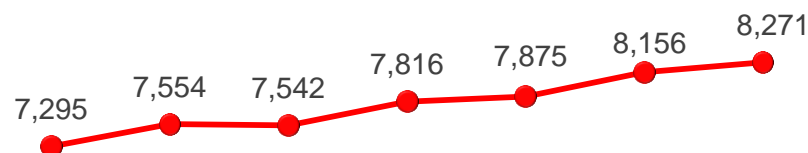
Constant EUR million



## Sustained gross income growth driven mainly by net interest income

### Gross income - Group

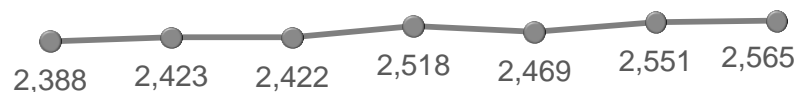
Constant EUR million



### Net interest income

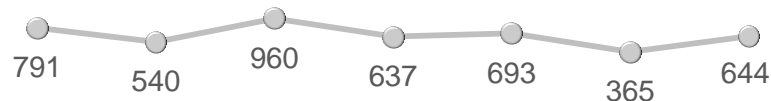
- Increase due to volumes and lower cost of funds
- Lending spreads impacted by change of mix and tougher competition

### Fee income



- Trend affected by environment and regulation
- Year-on-year growth due to Latin America and US

### Gains on financial transactions



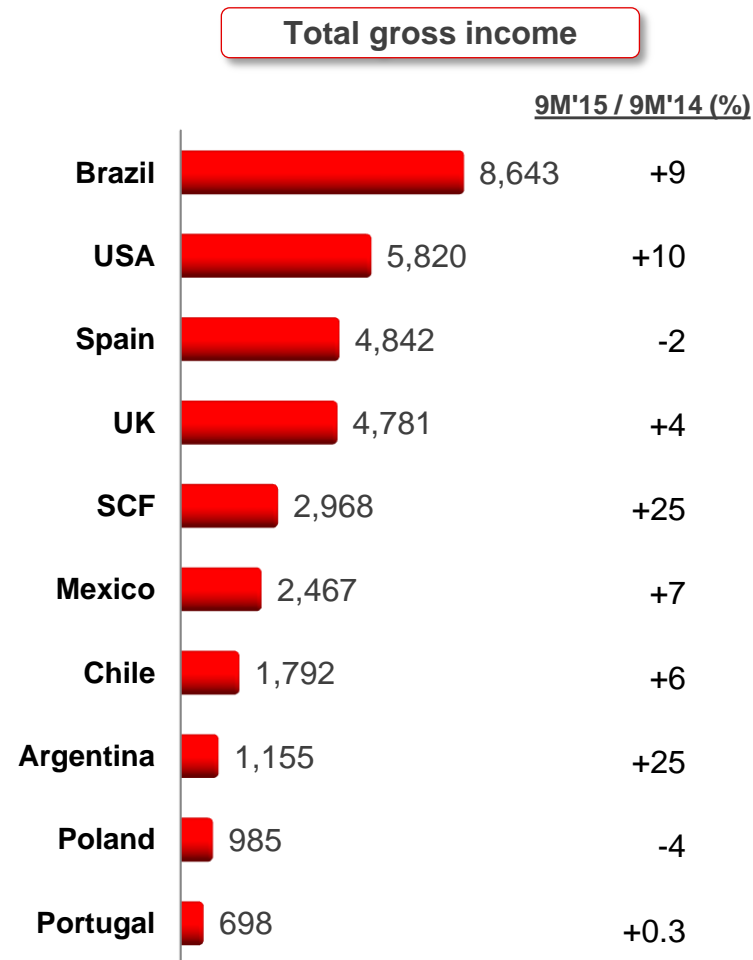
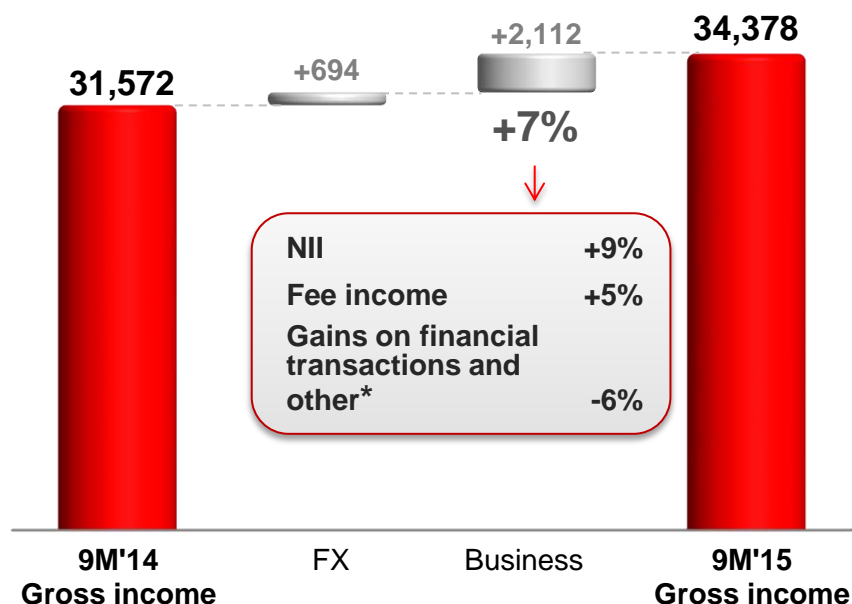
- Low structural weight in gross income
- Recovery in the quarter, mainly in Spain

1Q'14 2Q 3Q 4Q 1Q'15 2Q 3Q

# GROSS INCOME. 9M'15/9M'14 performance and breakdown by country 11

**General increase by country (8 of 10) fuelled by net interest income and fee income**

EUR million and % change in constant euros

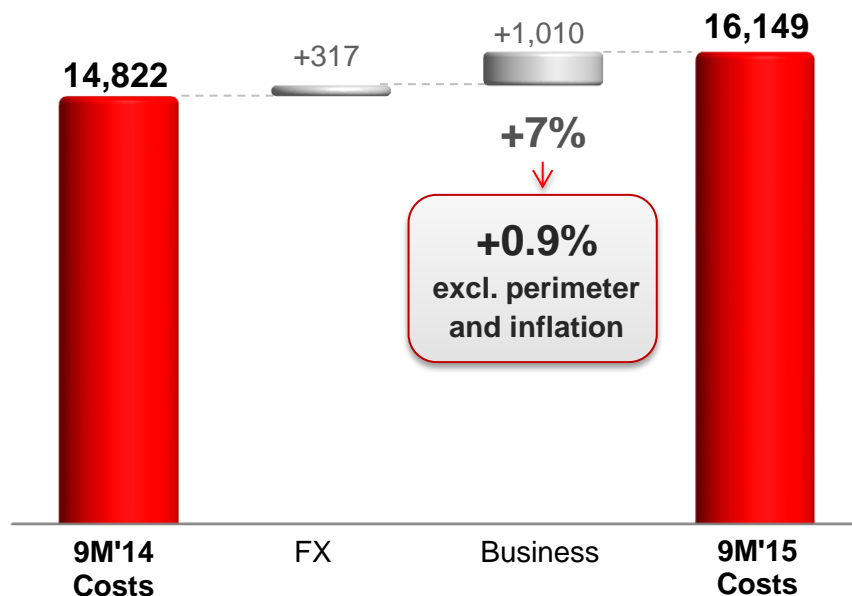


(\*) "Other" includes income from equity accounted method, dividends and other operating results

# OPERATING EXPENSES. 9M'15/9M'14 performance and detail by country <sup>12</sup>

**Operating expenses up 0.9% without perimeter and in real terms.  
Lower particularly in Brazil and Spain**

EUR million



Costs by unit. 9M'15 / 9M'14 % change

	Nominal	In real terms <sup>1</sup> and w/o perimeter
Brazil	4.7	-6.4
Spain	-2.3	-1.7
Portugal	-0.2	-0.5
Poland	1.7	2.7
SCF	20.0	0.2
UK	4.7	3.1
Mexico	5.7	2.5
Chile	9.2	4.5
USA	11.7	11.3
Argentina	41.8	9.1
Group	6.7	0.9

(1) Nominal costs less 9M'15 average inflation of each country. Group: 3.4%

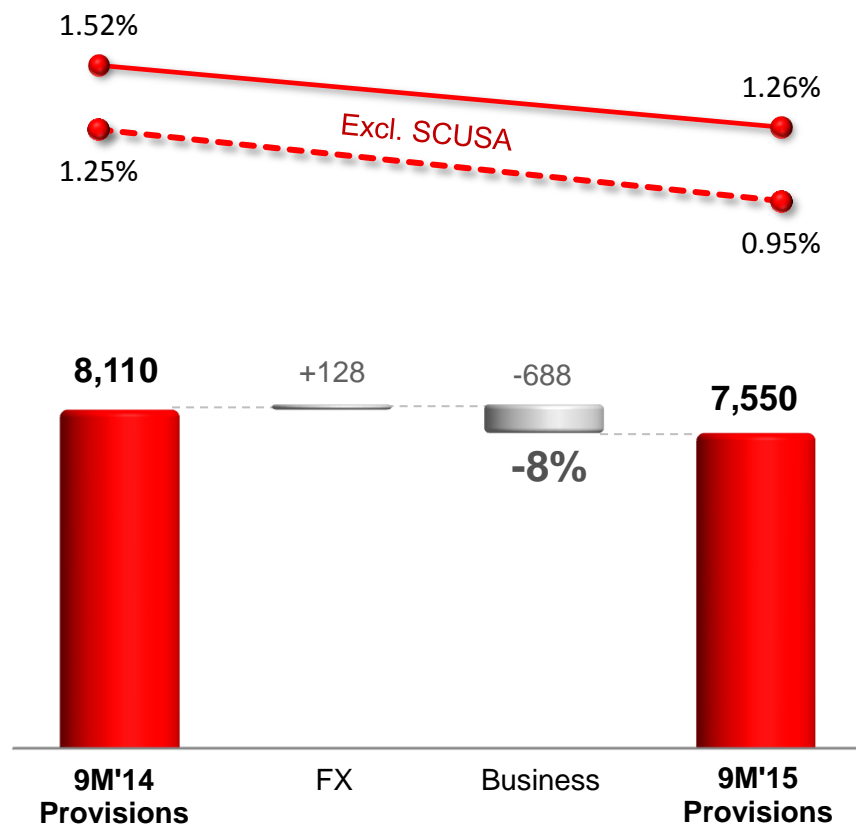
# PROVISIONS. 9M'15/9M'14 performance and detail by country

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Lower cost of credit due to drop in provisions and rise in volumes

EUR million and % change in constant euros

## Cost of credit

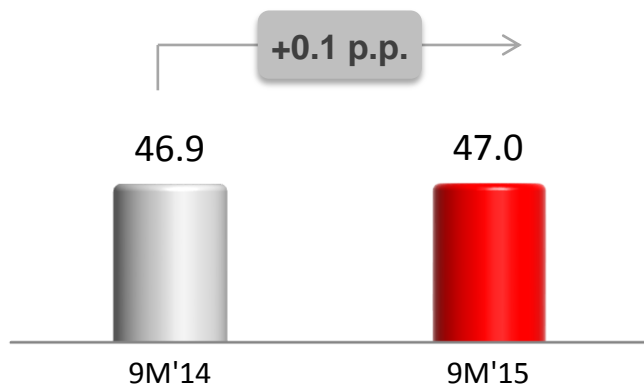


		9M'15 / 9M'14 (%)
Brazil	2,467	-1
USA	2,144	+6
Spain	835	-41
UK	86	-74
SCF	440	+10
Mexico	662	+11
Chile	410	+5
Argentina	98	-5
Poland	124	-4
Portugal	67	-37

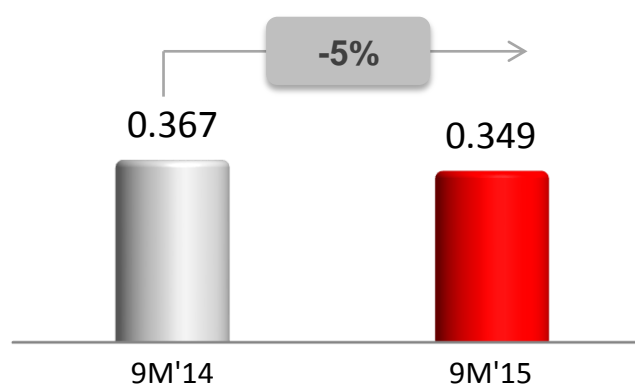
Note: Cost of credit = 12 month loan-loss provisions / average lending. Calculated in current euros

## Financial ratios performance

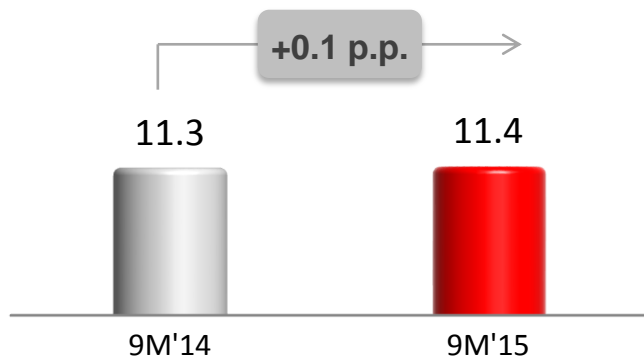
Efficiency (%)



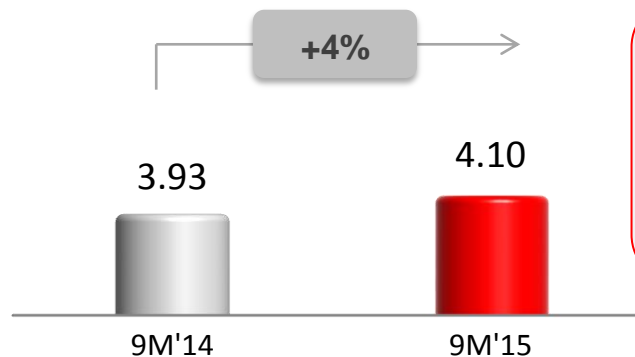
Ordinary EPS<sup>1</sup> (Euros)



Ordinary RoTE<sup>2</sup> (%)



Tangible book value per share<sup>3</sup> (Euros)



In 3Q'15: -8 cents

- Profit: +12 cents
- Valuation adjustments and other: -20 cents

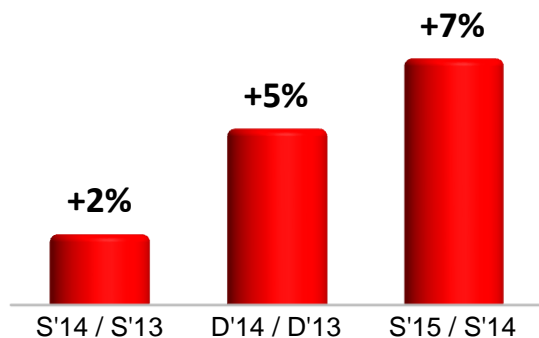
(1) EPS calculation includes the cost of AT1 issues, which is recorded against net equity in accordance with accounting rules  
 (2) RoTE: Group attributable profit / average of (capital + reserves + retained profit + valuation adjustments – goodwill – other intangible assets)  
 (3) Tangible book value per share = (Capital + reserves + retained profits + valuation adjustments – goodwill – intangible assets) / number of shares excluding treasury stock

# Balance Sheet

## Trend in loans<sup>1</sup> continues with general growth quarter-on-quarter and year-on-year

EUR million and % change in constant euros

### Loans



### Gross loans by country (excluding repos)

	Sep'15	Q-o-Q % var.	Y-o-Y % var.
UK	277	+1	+5
Spain	158	-2	-1
USA	85	+1	+8
SCF	73	+1	+20
Brazil	62	+5	+16
Chile	33	+4	+14
Mexico	29	+6	+21
Portugal	24	0	-1
Poland	19	+2	+9
Argentina	7	+14	+50
<b>TOTAL Group</b>		<b>+1</b>	<b>+7</b>

(1) Gross loans excluding repos



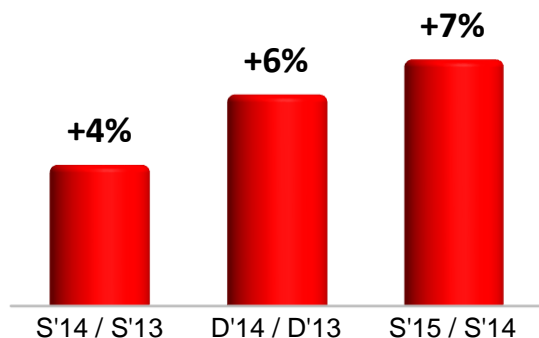
# Deposits + Mutual funds

17

**Customer funds<sup>1</sup> also rose quarter-on-quarter and year-on-year, with all units growing in 12 months**

EUR million and % change in constant euros

## Deposits + Mutual funds



## Deposits (excl. repos) + Mutual funds by country

	Sep'15	Q-o-Q % var.	Y-o-Y % var.
UK	227	+1	+5
Spain	222	-2	+2
Brazil	73	+5	+15
USA	66	+1	+11
Mexico	37	+4	+12
SCF	32	0	+4
Chile	29	+5	+13
Portugal	26	+1	+1
Poland	24	+1	+1
Argentina	10	+6	+44
<b>TOTAL Group</b>		<b>+1</b>	<b>+7</b>

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

The Group's credit quality continued to improve in the third quarter, mainly due to Spain, UK, SCF, Mexico and Chile

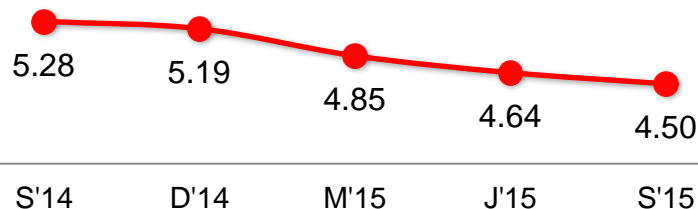
%

Group

Coverage ratio

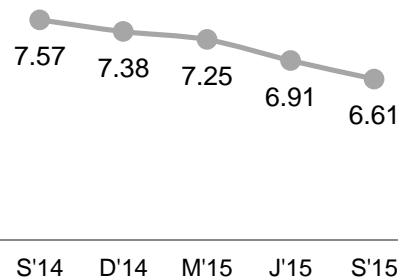


NPL ratio

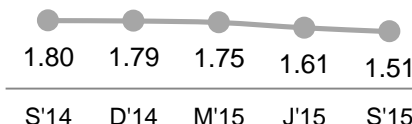


NPL ratio

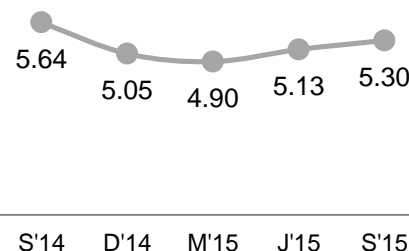
Spain



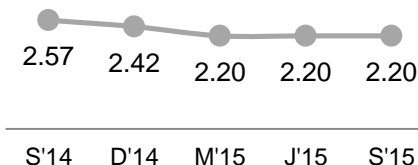
UK



Brazil

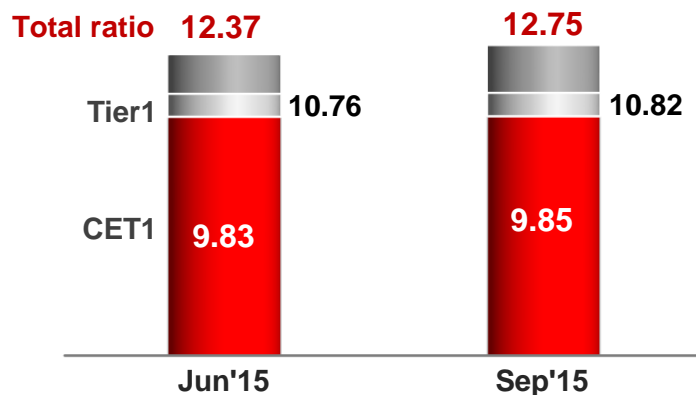


USA



## Organic capital generation of 13 b.p. in the quarter

### Capital ratios - fully loaded



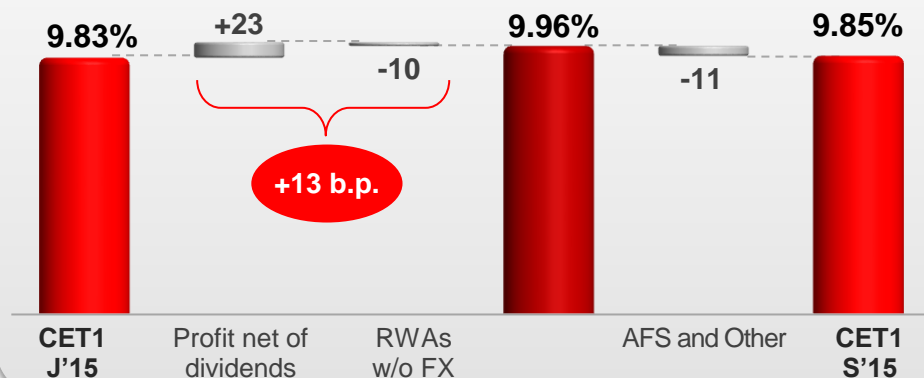
- Organic capital generation (profit and RWAs management) every quarter.  
In 9M'15: +45 b.p.

- Impact of AFS valuation in the year: -16 b.p.

- Total capital ratio: +20 b.p. due to UK T2 issue; +10 b.p. computability Chile T2 issue

- Leverage ratio<sup>1</sup> – fully loaded: 4.7%

### CET1 performance



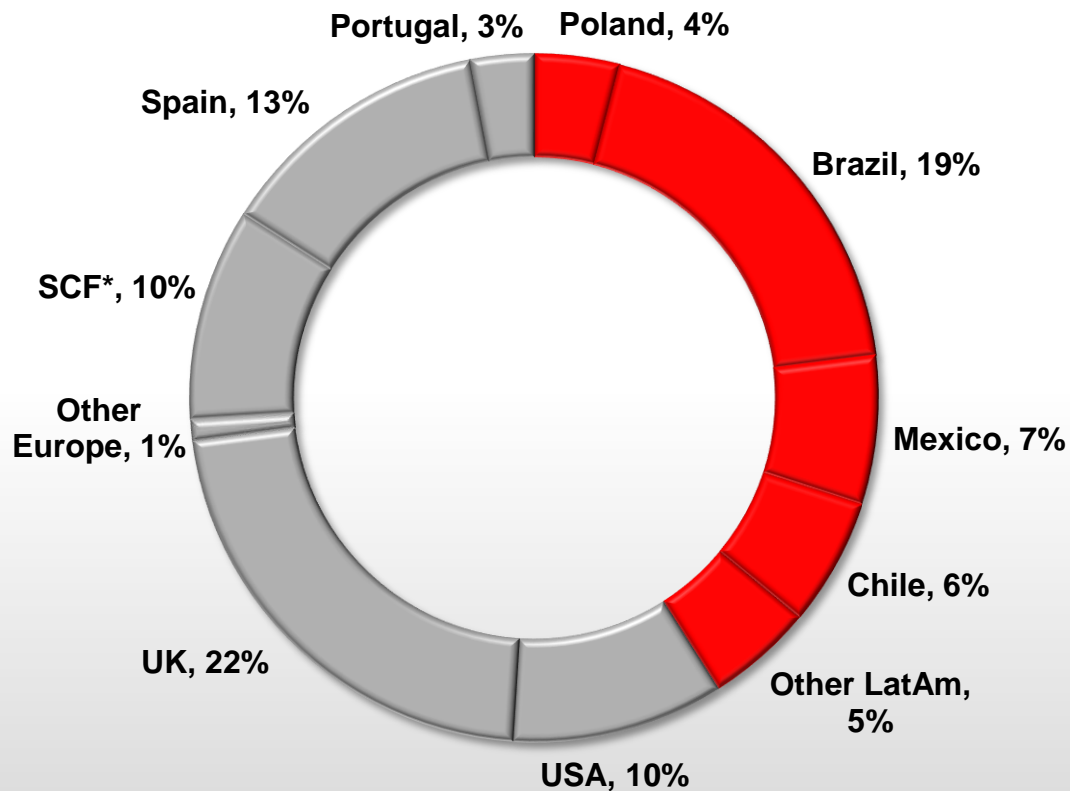
(1) According to that established in the delegated regulation 2015/621. Provisional data

## Agenda

- Group performance 9M'15
- **Business areas performance 9M'15**
- Conclusions
- Appendix

## High diversification by geography in profit generation

### Ordinary attributable profit by geographic segment in 9M'15



Percentage over operating areas ordinary attributable profit, excluding Spain's real estate activity

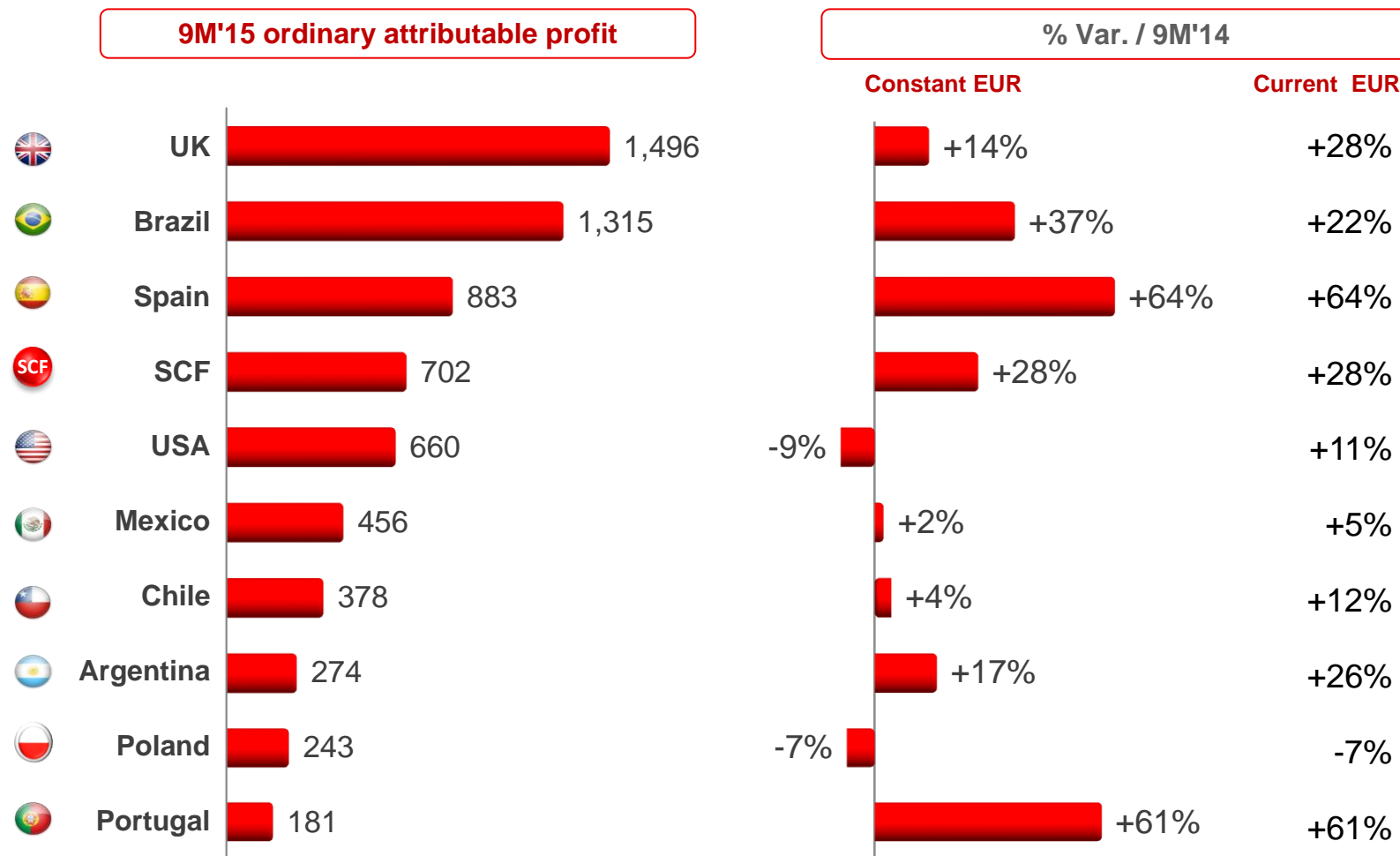
(\*) Excluding SCF UK

# ORDINARY ATTRIBUTABLE PROFIT. 9M'15 / 9M'14 performance

22

Attributable profit rose in most units, particularly in the large ones

EUR million



## Activity

Volumes<sup>1</sup>

Var. S'15 / S'14

**-2%**  
/ 2Q'15

**-2%**  
/ 2Q'15

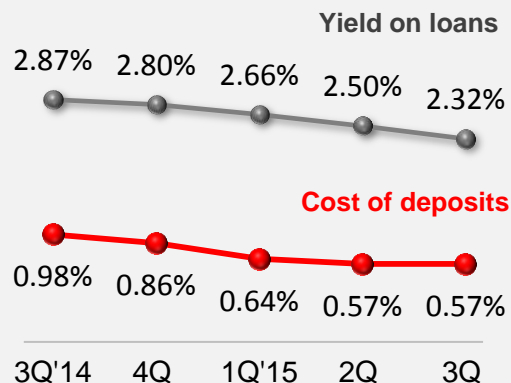
-1%

+2%

Loans

Funds

## Customer NIM



## P&amp;L

EUR million

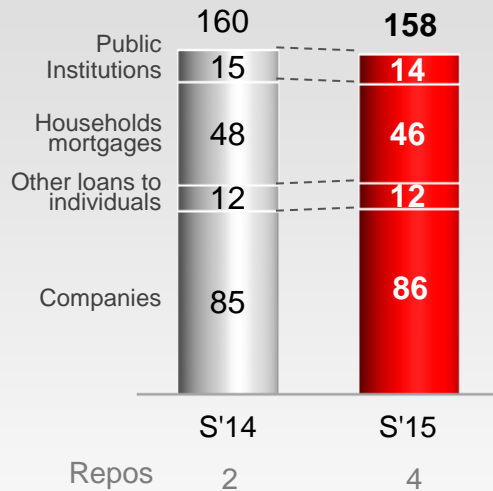
	3Q'15	%2Q'15	9M'15	%9M'14
NII + fee income	1,251	-3.5	3,919	-3.2
Gross income	1,570	3.2	4,842	-2.1
Operating expenses	-863	0.8	-2,574	-2.3
Net op. income	708	6.2	2,268	-1.9
LLPs	-205	-22.2	-835	-41.4
Attributable profit	311	33.9	883	64.2

- **New strategy** to engage customers with the **1I2I3 account** (>500,000 accounts at the end of Sep.)
- **Loans** still affected by deleveraging and **NII** under pressure due to **tough competition**
- **Funds from individuals rose** in 3Q. Drop due to lower balances from institutions
- **Profit rose** driven by lower provisions and costs (efficiency plan)
- **In the quarter**, recovery of gains on financial transactions and improved cost of credit

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

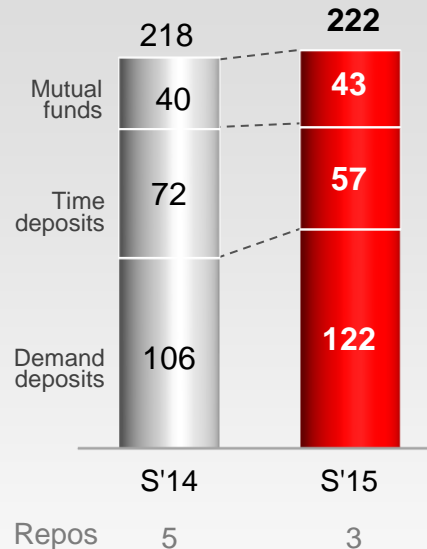
**Credit quality improved significantly in a still subdued growth environment.  
In funds, focus on greater engagement and profitability**

## Loans (EUR billion)



- **New lending: individuals (+34%) and companies<sup>1</sup> (+19%)**
- **New mortgage loans: +33%**

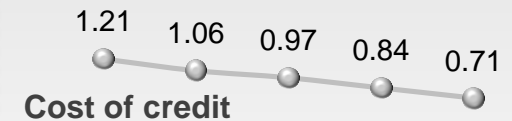
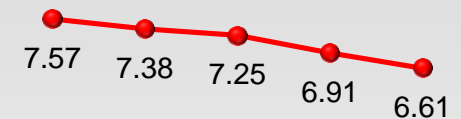
## Customer funds (EUR billion)



- **Demand deposits up 15% and mutual funds 6%**
- **Time deposits down 20%**

## NPL and Cost of credit (%)

### NPL Ratio



### Cost of credit

- **Lower NPLs** due to negative net entries
- **Continuous improvement of NPL ratio** and cost of credit



## Activity

### Volumes<sup>1</sup>

Var. S'15 / S'14

**+1%  
/ 2Q'15**

**+1%  
/ 2Q'15**

+5%

+5%

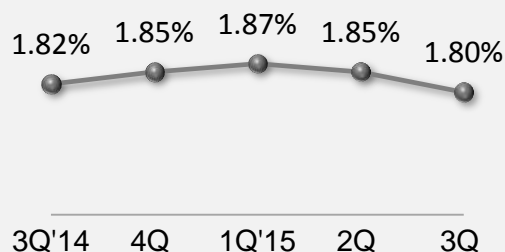


Loans



Funds

### Banking NIM<sup>2</sup>



## P&L

£ million

	3Q'15	%2Q'15	9M'15	%9M'14
NII + fee income	1,092	-1.6	3,301	5.2
Gross income	1,150	-2.0	3,475	4.4
Operating expenses	-605	-0.6	-1,824	4.7
Net op. income	545	-3.5	1,650	4.1
LLPs	6	—	-63	-73.9
<b>Attributable profit</b>	<b>343</b>	<b>-12.8</b>	<b>1,087</b>	<b>14.5</b>

- **Good evolution in loans and funds**, both in corporates and retail
- **Net interest income up 6% y-o-y** (volumes and margins). NIM performing as announced
- **Efficiency continued**, absorbing investments in business growth and digitalisation
- **Loan-loss provisions** reflect prudent risk management, **benign economic environment**
- **Additional conduct remediation provisions** taken in 3Q relate to wealth and investment products

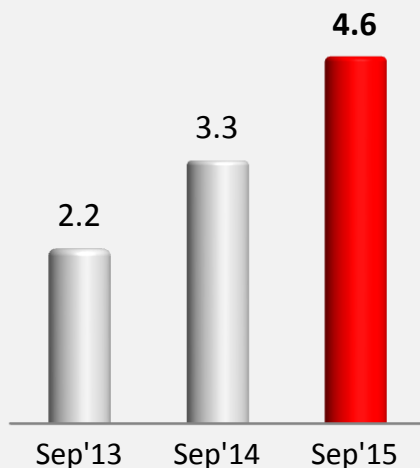
(1) Volumes in local currency. Loans excluding repos. Funds: deposits (excluding repos) + marketed mutual funds

(2) In local criteria

## Increasing loyal customers through our 1|2|3 strategy ...

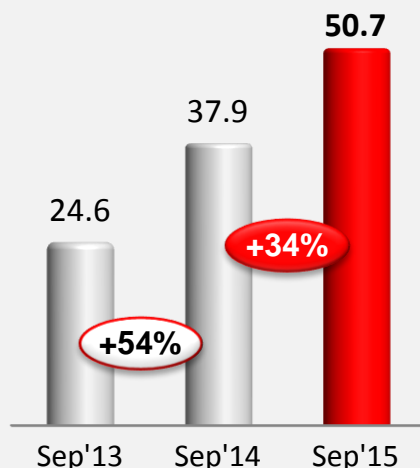
### 1|2|3 World Customers

Million



### Current accounts

£ billion

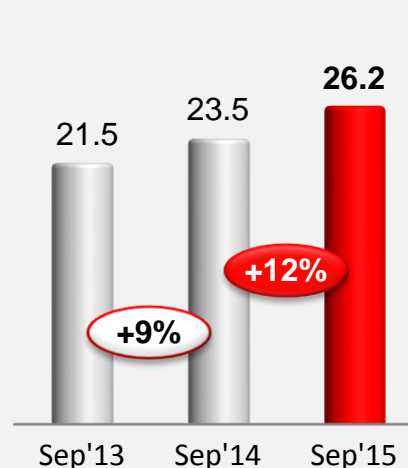


- **First choice for customers switching<sup>1</sup>** their current account provider to Santander UK (1 in 4)
- Significant increase in **customer satisfaction**, already above average of the three major competitors

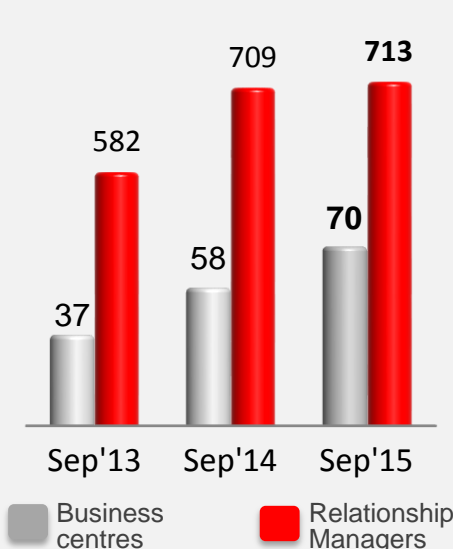
## ... and corporates

### Corporate loans

£ billion



### Business centres / Relationship Managers



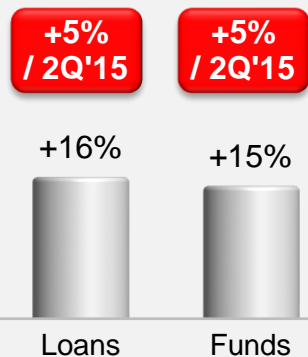
- **Progress in business diversification**; rise in deposits and in loans to corporates (in a subdued market)
- **Improved corporate customer satisfaction**, now ranking in line with peers

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

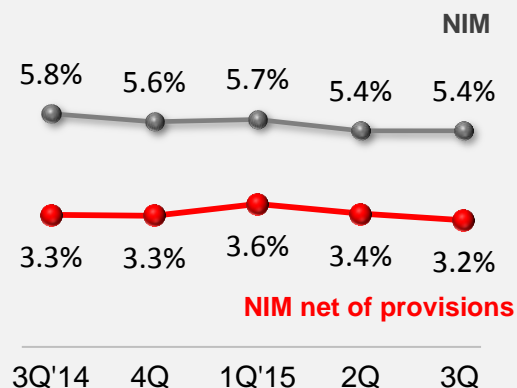
## Activity

Volumes<sup>1</sup>

Var. S'15 / S'14



## Net Interest Margin



## P&amp;L

EUR million

	3Q'15	%2Q'15*	9M'15	%9M'14*
NII + fee income	2,598	4.0	8,428	8.5
Gross income	2,656	2.5	8,643	8.8
Operating expenses	-1,056	5.3	-3,393	4.7
Net op. income	1,600	0.7	5,251	11.6
LLPs	-813	11.8	-2,467	-0.7
Ordinary attrib. profit <sup>2</sup>	385	-1.4	1,315	37.4

(\*) Changes excluding FX impact

- Lending up 1% in 3Q and 7% y-o-y without impact from dollar balances and perimeter (y-o-y)
- Y-o-y profit growth driven by all P&L lines
- Net interest income (+8%) and fee income (+10%), following a good third quarter
- Costs down 6% in real terms (rise in 3Q'15 around inflation of 9.5%)
- Lower provisions y-o-y, (higher in 3Q due to the corporate segment)

(1) Local currency. Loans excluding repos. Funds: deposits (excluding repos) + marketed mutual funds  
 (2) 2015 data excluding EUR 835 million due to the net result of the reversal of tax liabilities recorded in 2Q'15

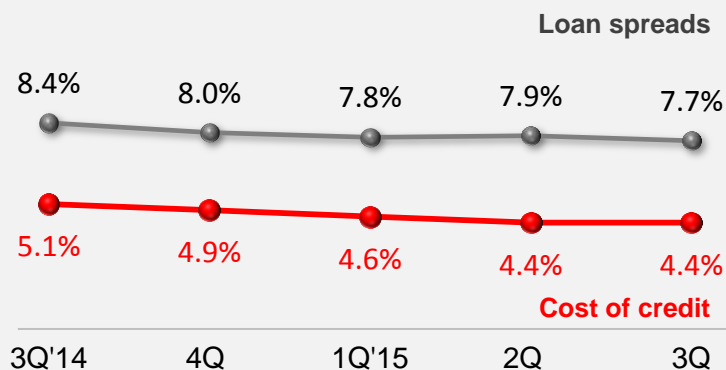
## Growth in loans with change of mix and a lower risk profile ...

EUR million and change in constant EUR

### Loans by segment

	Sep'15	/Sep'14	/Jun'15
Mortgage loans to individuals	6	28%	4%
Consumer loans to individuals	13	0%	0%
Consumer finance	6	-7%	-3%
SMEs	8	7%	1%
Companies	11	23%	5%
Large companies	17	37%	12%
<b>Total</b>	<b>61</b>	<b>16%</b>	<b>5%</b>

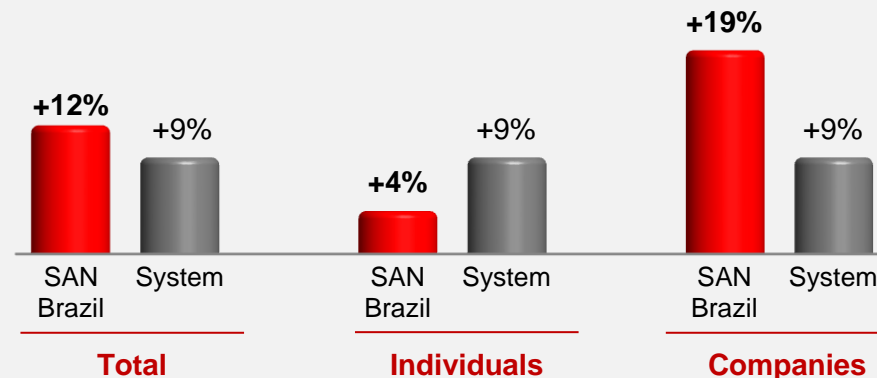
### Loan spreads and Cost of credit



## ... reflecting an NPL ratio performing better than the sector's

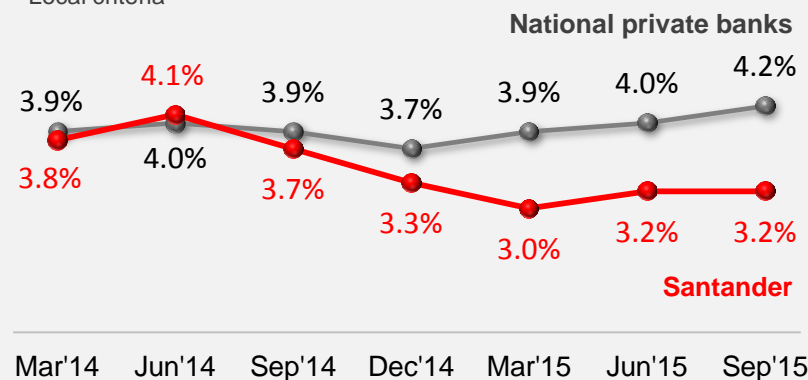
Local criteria <sup>(1)</sup>

### Loans – Var. Sep'15 / Sep'14



### NPL ratio – Over 90 days

Local criteria

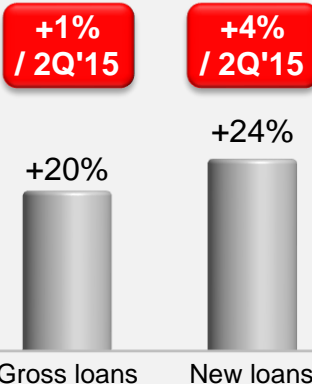


(1) Loans: local criteria figures exclude branches abroad

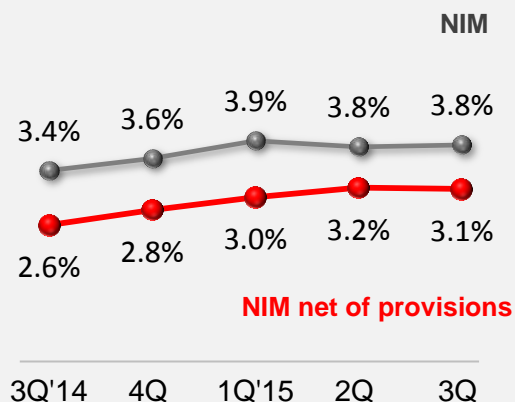
## Activity

### Volumes

Var. S'15 / S'14



### Net Interest Margin



## P&L

EUR million

	3Q'15	%2Q'15	9M'15	%9M'14
NII + fee income	1,011	2.1	2,951	24.1
Gross income	1,018	2.7	2,968	24.7
Operating expenses	-443	0.1	-1,306	20.0
Net op. income	575	4.8	1,662	28.7
LLPs	-142	8.2	-440	9.7
Attributable profit	242	0.3	702	27.6

- The **agreement** with PSA and the **integration** in the Nordic countries **strengthen** the area's **performance and potential**
- **Joint-venture<sup>1</sup>** with PSA moving forward as envisaged (by September France and Portugal were incorporated. Spain and Switzerland in October)
- **Increased new loans in the large units.** Total +24% (excluding perimeter: +9%)
- **Widespread rise in profit.** Of note were Nordic countries, Spain, Germany, Italy and Portugal

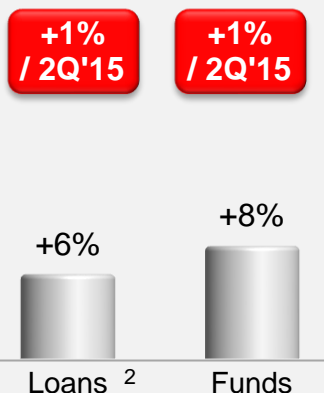
(1) Joint venture with PSA in the UK is registered in that country

Note: Not including Santander Consumer UK profit, as it is recorded in Santander UK results. Including it, 3Q'15 attributable profit: EUR 279 mill. (0% /2Q'15); 9M'15: EUR 817 mill. (+27% y-o-y)

## Activity

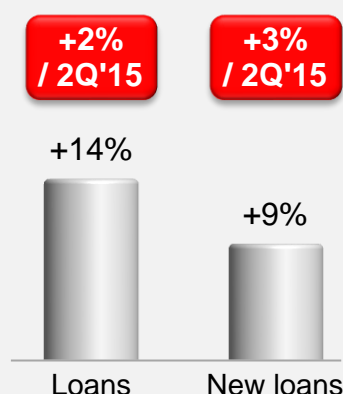
### Santander Bank<sup>1</sup>

Var. S'15 / S'14



### SCUSA

Var. S'15 / S'14



## P&L

\$ million

	3Q'15	%2Q'15	9M'15	%9M'14
NII + fee income	2,019	0.4	5,970	6.3
Gross income	2,169	-1.8	6,480	9.5
Operating expenses	-858	6.5	-2,447	11.7
Net op. income	1,311	-6.6	4,033	8.2
LLPs	-834	0.0	-2,387	6.4
Attributable profit	206	-13.7	735	-9.1

- **Santander Bank:** selective growth. **SCUSA:** strong growth in new loans and greater balances retention
- **PBT up 6%** driven by higher revenues and moderate rise in provisions
- **Revenues rose** driven by **more business and retention in SCUSA**. S. Bank affected by low interest rates
- **Sharp rise in costs** due to regulatory compliance and franchise development
- Higher **provisions** due to SCUSA (higher retained portfolio) which accounts for 97% of the US total

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

(2) Excluding sale of portfolios and securitisations: +8% y-o-y.

## Results

EUR million

	9M'15	9M'14
<b>NII + fee income</b>	-498	-513
<b>Gains on financial transactions</b>	34	537
<b>Operating expenses</b>	-435	-436
<b>Provisions</b>	-378	-128
<b>Taxes and minority interests</b>	-99	-7
<b>Attributable profit</b>	<b>-1,375</b>	<b>-563</b>

- **Higher losses** compared to 2014 due to:
  - **Lower gains on financial transactions**, mainly due to interest rates hedging
  - Higher **provisions** to reinforce the balance sheet
  - Lower **recovery of taxes**

## Agenda

- Group performance 9M'15
- Business areas performance 9M'15
- **Conclusions**
- Appendix





# Conclusions 9M'15

## Quality RESULTS

Higher commercial revenues,  
costs under control and lower provisions

VOLUMES growing,  
year-on-year and quarter-on-quarter

**Loans** increased y-o-y in 8 of 10 core units  
and **funds** up in all of them

Comfortable in LIQUIDITY AND CAPITAL

**Growth-focused** using capital **more efficiently**.  
Organic generation: 45 b.p. in 2015

RISKS quality continues to improve

**All ratios improved in the quarter:**  
NPL, coverage and cost of credit

PROFITABILITY  
and book value per share

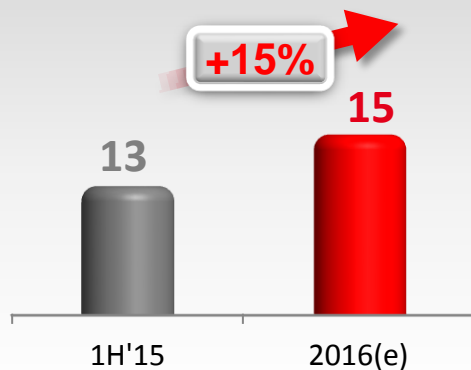
Efficiency and RoTE stable  
**TBV per share: +4%**

**On line to meet our targets for 2016 and 2018  
and become a bank that's Simple | Personal | Fair**

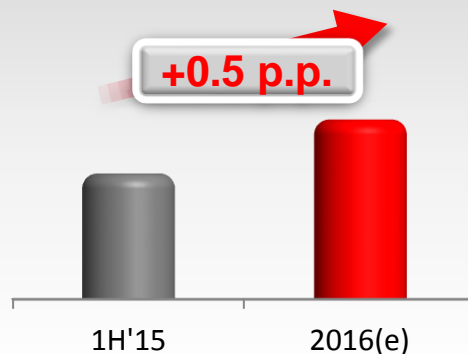
# 2016 objectives presented at the Investor Day

34

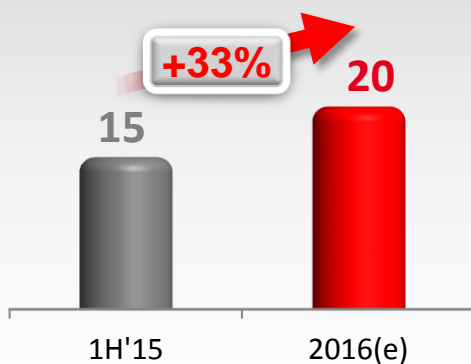
## Loyal retail and commercial customers (MM)



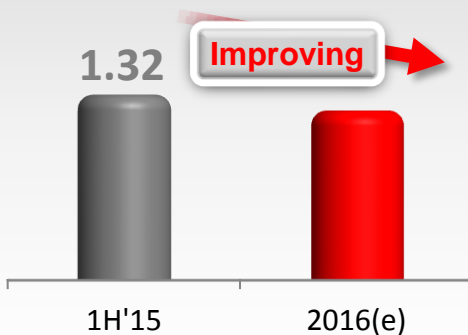
## Average SME and Corp. market share growth



## Digital customers (MM)

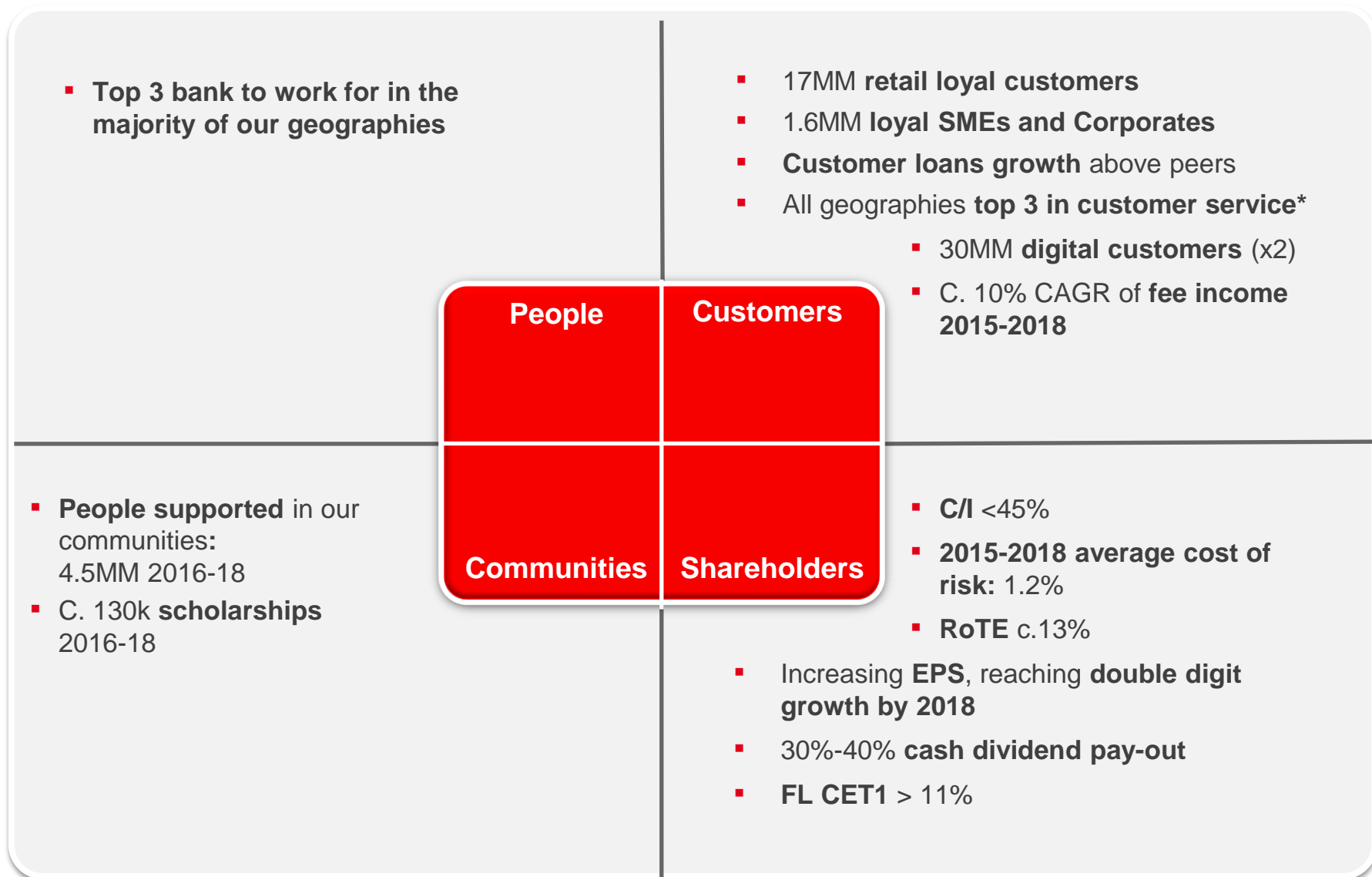


## Cost of risk (%)



## 2016 vs. 2015:

- Accelerating fee income growth
- Stable C/I
- Growth in dividend and EPS



\* Except the US – approaching peers

## Agenda

- Group performance 9M'15
- Business areas performance 9M'15
- Conclusions
- Appendix

## **Appendix**

**Other geographic units results**

**Global segments results**

**Group balance sheet**

**Liquidity and funding**

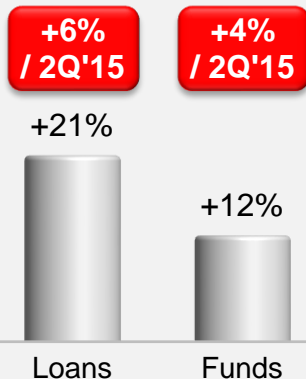
**NPL and coverage ratios, and cost of credit**

**Quarterly income statements**

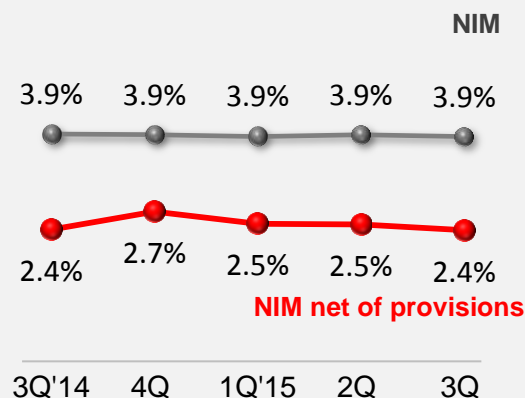
## Activity

### Volumes<sup>1</sup>

Var. S'15 / S'14



### Net Interest Margin



## P&L

EUR million

	3Q'15	%2Q'15*	9M'15	%9M'14*
NII + fee income	794	2.6	2,419	10.5
Gross income	794	0.4	2,467	7.4
Operating expenses	-327	0.0	-1,035	5.7
Net op. income	467	0.6	1,431	8.7
LLPs	-227	8.9	-662	11.4
Attributable profit	143	-3.3	456	2.4

(\*) Changes excluding FX impact

- **Expansion plan and commercial strategy** resulted in market share gains
- **Profit before tax rose y-o-y (+7%)** due to higher gross income and lower cost of credit
- **Higher commercial revenues** absorbed interest rates at their lowest and change of mix
- **In 3Q, good performance of net interest income** and higher provisions (volumes growth)

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

## Activity

Volumes<sup>1</sup>

Var. S'15 / S'14

+4%  
/ 2Q'15+5%  
/ 2Q'15

+14%

+13%

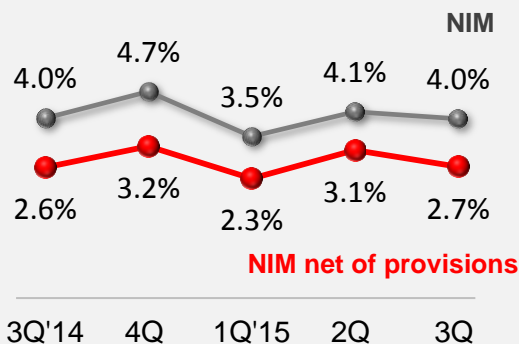
Loans

Funds

## Net Interest Margin

Inflation UF<sup>2</sup>

0.6% 1.9% -0.02% 1.5% 1.5%



NIM net of provisions

## P&amp;L

EUR million

	3Q'15	%2Q'15*	9M'15	%9M'14*
NII + fee income	554	2.1	1,632	2.9
Gross income	606	4.9	1,792	5.8
Operating expenses	-243	1.3	-743	9.2
Net op. income	364	7.5	1,049	3.5
LLPs	-153	31.9	-410	5.3
Attributable profit	125	-7.1	378	4.4

(\*) Changes excluding FX impact

- **Selective growth:** loans to companies and SMEs (+13%), high-income (+18%), demand deposits (+16%)
- **Gross income and profit y-o-y comparison moved to positive growth rates**, absorbing the lower UF inflation
- **Operating expenses** rose due to the automatic revision of the **wage agreement** (April) and **indexation to fx**
- **Improving cost of credit.** In 3Q higher provisions due to companies and exchange rates

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

(2) Chilean Unidad de Fomento

## Activity

### Volumes<sup>1</sup>

Var. S'15 / S'14

**+2%**  
/ 2Q'15

**+1%**  
/ 2Q'15

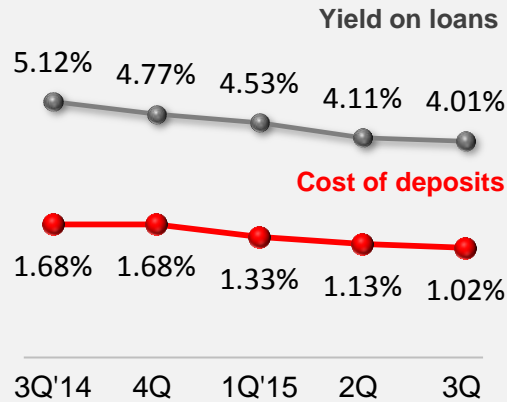
+9%

Loans

+1%

Funds

### Customer NIM



## P&L

EUR million

	3Q'15	%2Q'15*	9M'15	%9M'14*
NII + fee income	300	1.9	892	-8.2
Gross income	309	-5.7	985	-4.2
Operating expenses	-146	-2.0	-451	1.7
Net op. income	162	-8.8	534	-8.6
LLPs	-39	-11.9	-124	-4.4
Attributable profit	73	-8.2	243	-7.4

(\*) Changes excluding FX impact

- **Loans rose in a better economic environment.** In **funds** strategy on profitability after sharp increase in 2014
- **Profit and gross income** affected by lower interest rates (Lombard rate limit) and tougher regulation
- **Operating expenses under control, and lower LLPs with reduction of NPL ratio**
- In 3Q, **recovery of NII.** Profit down due to dividends collected in 2Q (seasonal)

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



## Activity

### Volumes<sup>1</sup>

Var. S'15 / S'14

**0%**  
/ 2Q'15

**+1%**  
/ 2Q'15

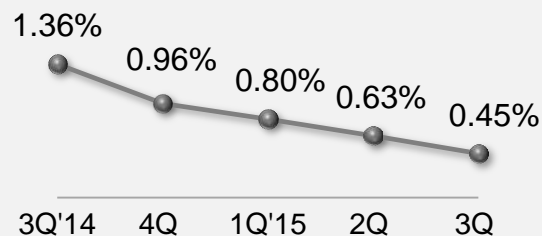
-1%

+1%

Loans

Funds

### Cost of new term deposits



## P&L

EUR million

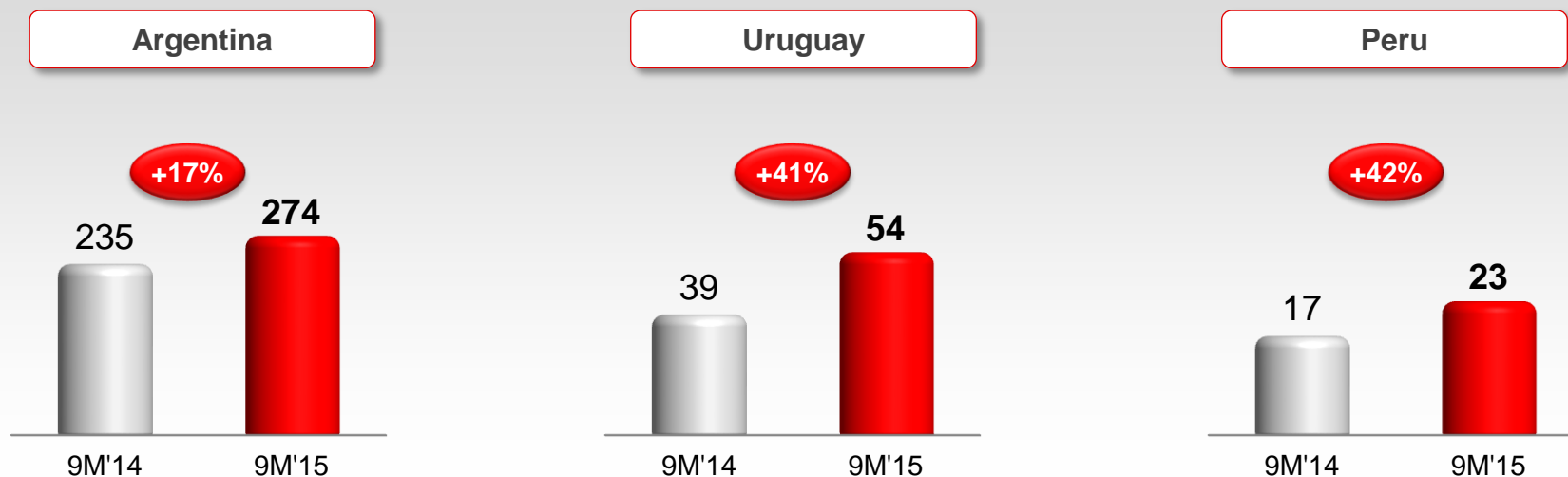
	3Q'15	%2Q'15	9M'15	%9M'14
NII + fee income	200	-3.8	619	1.1
Gross income	226	-3.4	698	0.3
Operating expenses	-124	1.4	-369	-0.2
<b>Net op. income</b>	<b>102</b>	<b>-8.8</b>	<b>328</b>	<b>0.9</b>
LLPs	-24	13.8	-67	-37.3
<b>Attributable profit</b>	<b>77</b>	<b>55.1</b>	<b>181</b>	<b>60.5</b>

- **Best in class in profit, credit quality and capital**
- **Gained market share** in loans and funds, consistent with the lower cost of funding
- **Sharp profit rise in the year-to-date**, backed by spreads management and lower cost of credit
- **In 3Q**, profit backed by disposal on non-domestic assets

(1) Loans and deposits excluding repos + marketed mutual funds

## Attributable profit performance

Constant EUR million

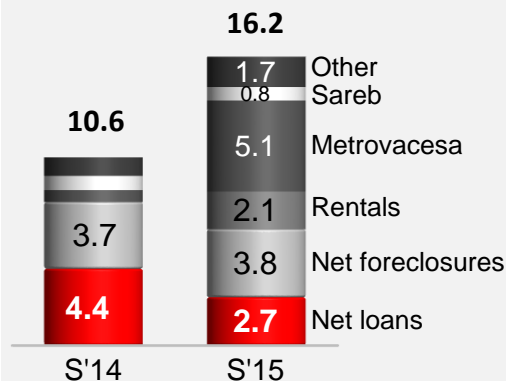


- Focus on loyalty, transactions and target segments
- Double-digit growth in volumes
- P&L underpinned by gross income growth

## Activity

### Balance sheet

EUR billion.



### Coverage ratios

S'15 and Var. S'15 / S'14



## P&L

EUR million

	9M'15	9M'14	%9M'14
Gross income	110	-14	—
Operating expenses	-181	-171	6.0
Provisions	-338	-521	-35.3
Tax recovery	122	200	-39.2
<b>Attributable profit</b>	<b>-280</b>	<b>-502</b>	<b>-44.2</b>

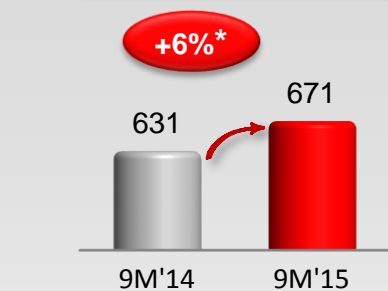
- Rise in the balance sheet, as Metrovacesa began to consolidate by the global integration method
- Reduction of net loans continued (-37% year-on-year)
- High coverage ratio
- Lower losses due to higher revenues and decline in provisions

## Global segments results

## Activity

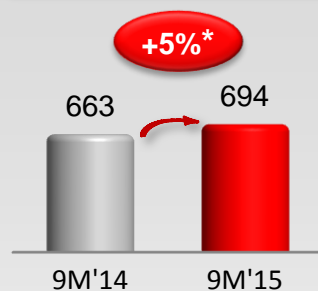
EUR billion

### Net loans



(\*) +7% excluding FX impact

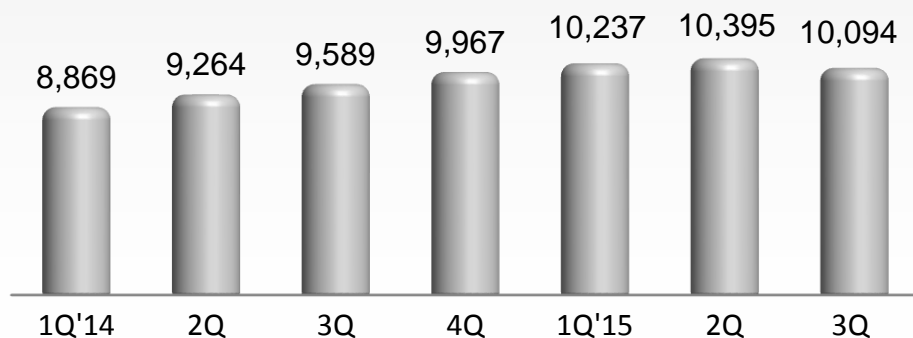
### Deposits + mutual funds



(\*) +7% excluding FX impact

## Gross income

EUR million



## P&L

EUR million

	3Q'15	%2Q'15*	9M'15*	%9M'14*
NII + fee income	9,567	1.8	29,136	6.7
Gross income	10,094	1.9	30,726	8.2
Operating expenses	-4,621	2.8	-13,980	6.5
Net op. income	5,473	1.1	16,746	9.6
LLPs	-2,289	4.6	-6,928	-8.4
Attrib. profit <sup>1</sup>	1,794	2.1	5,456	26.6

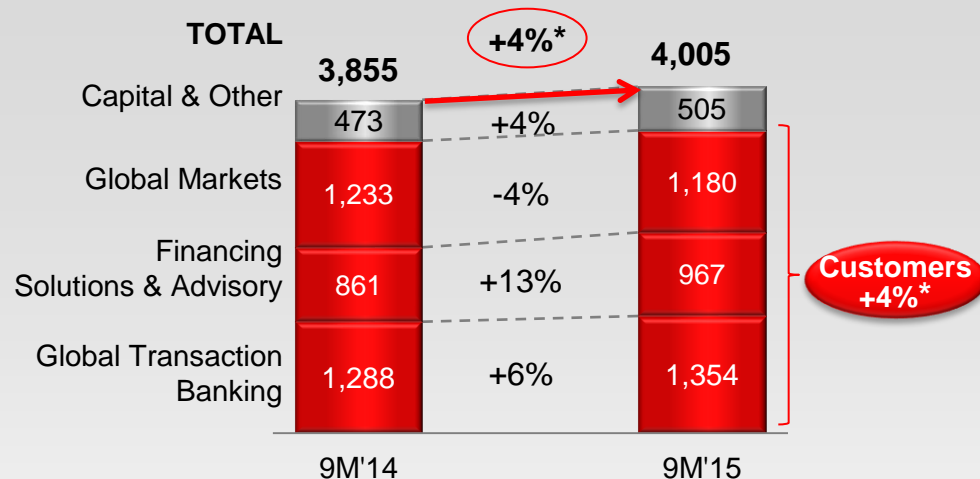
(\*) Changes excluding FX impact

- **Volumes growth**
- **Good y-o-y performance of net interest income (+7%) and fee income (+5%)**
- **Costs** (excluding perimeter) slightly rising above inflation rate
- **Lower provisions**

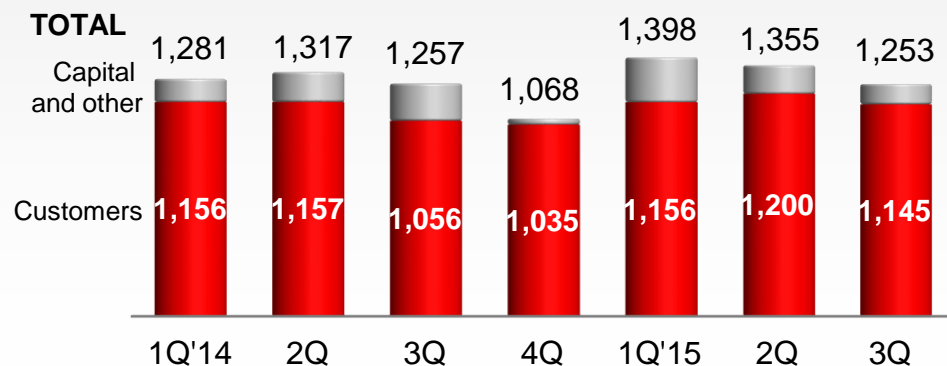
(1) 2015 data excluding EUR 835 million due to the net result of the reversal of tax liabilities in Brazil recorded in 2Q'15

## Gross income

EUR million



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



## P&L

EUR million

	3Q'15	%2Q'15*	9M'15*	%9M'14*
NII + fee income	1,040	-3.2	3,273	15.0
Gross income	1,253	-2.5	4,005	3.3
Operating expenses	-520	2.9	-1,553	10.3
Net op. income	732	-5.8	2,452	-0.6
LLPs	-107	-15.0	-449	1.6
<b>Attrib. profit</b>	<b>396</b>	<b>-7.1</b>	<b>1,304</b>	<b>-1.6</b>

(\*) Changes excluding FX impact

- **Customer revenues account for 87%** of total gross income. Good evolution of NII and fee income
- Excellent **efficiency ratio (39%)**
- Lower **y-o-y profit**, due to higher costs for investment in developing franchises

# Group balance sheet

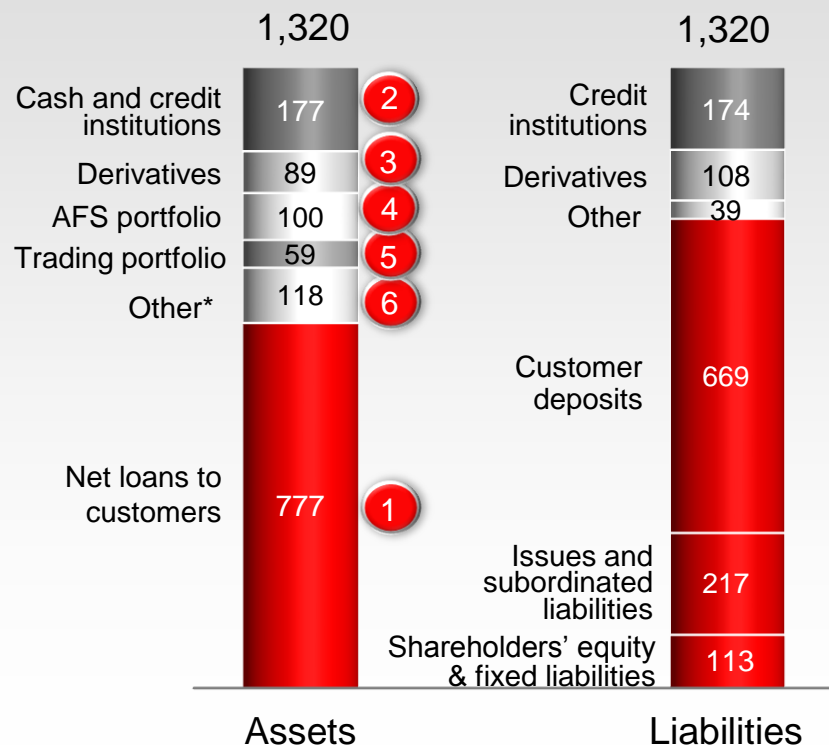
# Highlights of the Group balance sheet

48

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

EUR billion

**Balance sheet at September 2015**



1

Lending: 59% 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: 4%

6

Other (goodwill, fixed assets, accruals): 9%

Other assets: Goodwill EUR 27 bn., tangible and intangible assets EUR 27 bn., held-to-maturity portfolio EUR 4 bn., other financial instruments at fair value: EUR 1 bn.; accruals and other accounts EUR 59 bn.

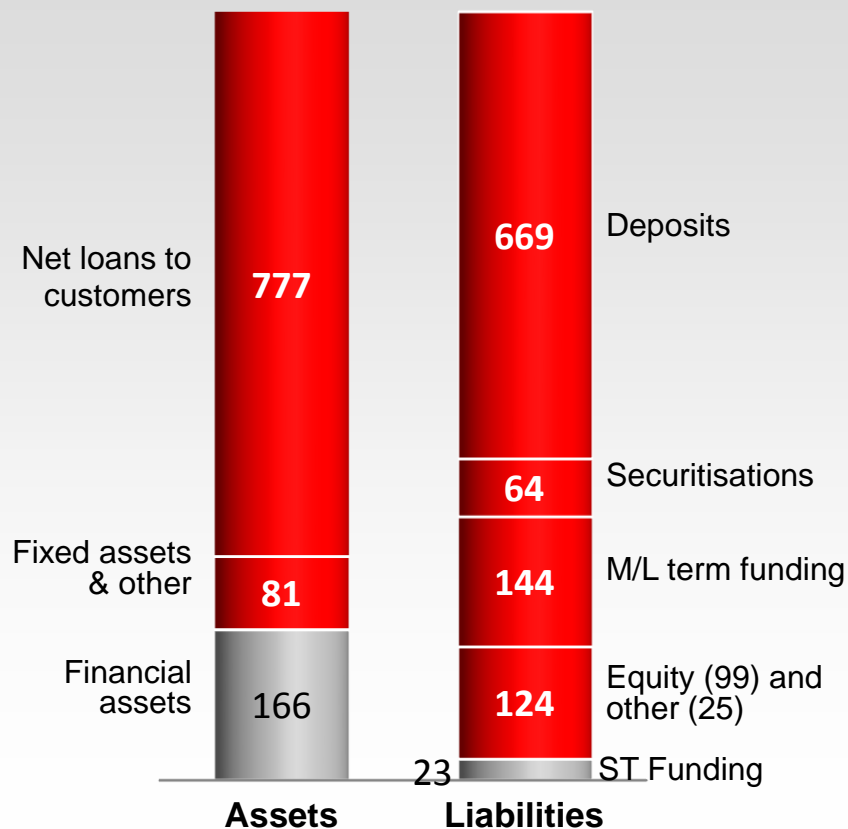


# Liquidity and funding

## Well-funded balance sheet with high structural liquidity surplus

Sep'15. EUR bn

Grupo Santander liquidity balance sheet



**Commercial Gap: EUR 108 bn.**

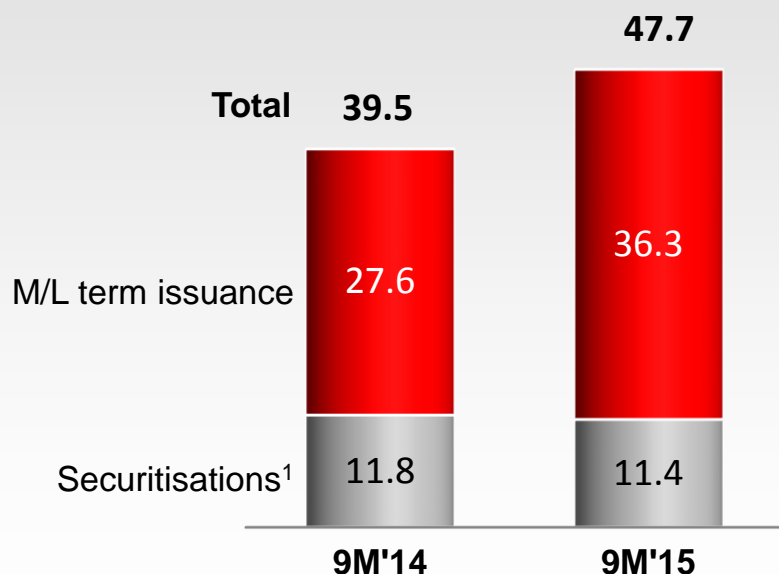
**Structural liquidity<sup>1</sup> surplus:  
EUR 142.4 bn. (14% net liabilities)**

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

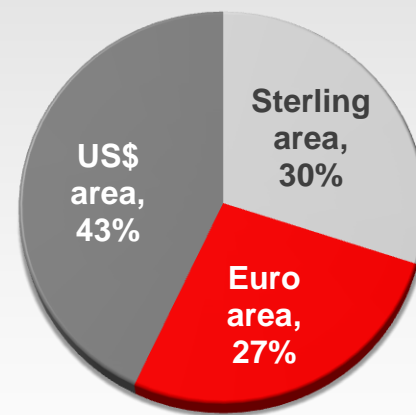
**Higher recourse to wholesale funding in the first nine months, backed by improved market conditions: issuances outpaced maturities**

Sep'15

Issuances (EUR bn.)



Diversified issuances – 9M'15



(1) Placed in the market and including structured finance

## NPL, coverage ratios and cost of credit

# NPL ratio

%

	31.03.14	30.06.14	30.09.14	31.12.14	31.03.15	30.06.15	30.09.15
<b>Continental Europe</b>	<b>9.08</b>	<b>9.00</b>	<b>8.92</b>	<b>8.88</b>	<b>8.52</b>	<b>8.15</b>	<b>7.89</b>
Spain	7.61	7.59	7.57	7.38	7.25	6.91	6.61
Santander Consumer Finance	4.14	4.07	3.97	4.82	4.52	4.25	4.15
Poland	7.35	7.42	7.43	7.42	7.33	7.07	7.14
Portugal	8.26	8.16	8.49	8.89	8.96	8.80	8.86
<b>United Kingdom</b>	<b>1.88</b>	<b>1.91</b>	<b>1.80</b>	<b>1.79</b>	<b>1.75</b>	<b>1.61</b>	<b>1.51</b>
<b>Latin America</b>	<b>5.19</b>	<b>5.18</b>	<b>5.13</b>	<b>4.79</b>	<b>4.64</b>	<b>4.74</b>	<b>4.65</b>
Brazil	5.74	5.78	5.64	5.05	4.90	5.13	5.30
Mexico	3.62	3.52	3.74	3.84	3.71	3.81	3.54
Chile	5.99	5.94	5.98	5.97	5.88	5.73	5.60
<b>USA</b>	<b>2.78</b>	<b>2.79</b>	<b>2.57</b>	<b>2.42</b>	<b>2.20</b>	<b>2.20</b>	<b>2.20</b>
<b>Operating Areas</b>	<b>5.54</b>	<b>5.46</b>	<b>5.29</b>	<b>5.19</b>	<b>4.87</b>	<b>4.68</b>	<b>4.52</b>
<b>Total Group</b>	<b>5.52</b>	<b>5.45</b>	<b>5.28</b>	<b>5.19</b>	<b>4.85</b>	<b>4.64</b>	<b>4.50</b>

# Coverage ratio

%

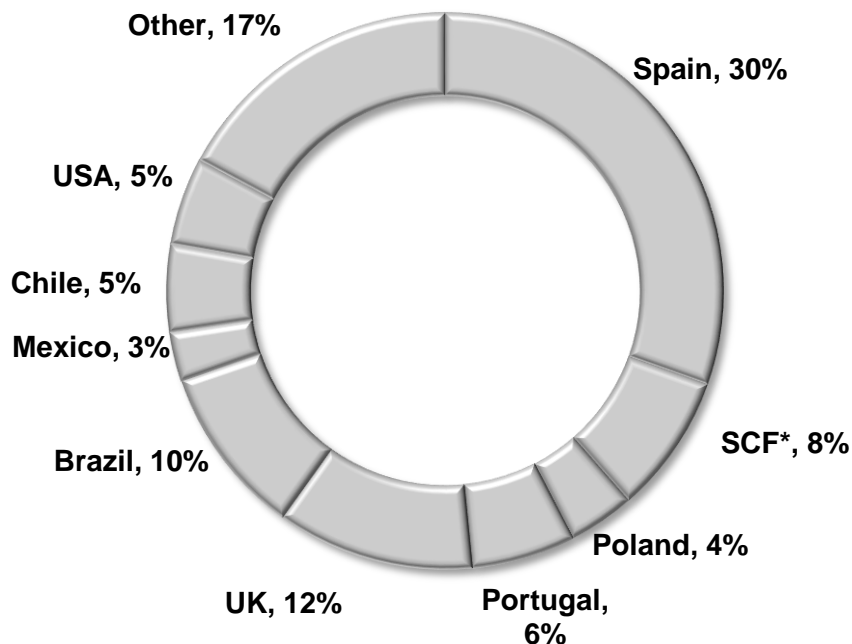
	31.03.14	30.06.14	30.09.14	31.12.14	31.03.15	30.06.15	30.09.15
<b>Continental Europe</b>	<b>58.0</b>	<b>58.4</b>	<b>58.1</b>	<b>57.2</b>	<b>58.6</b>	<b>58.9</b>	<b>60.4</b>
Spain	44.6	44.9	45.5	45.5	46.6	46.8	47.8
Santander Consumer Finance	105.1	105.2	106.4	100.1	103.6	104.9	107.2
Poland	64.6	65.3	65.8	60.3	61.6	63.5	63.1
Portugal	50.6	53.1	53.9	51.8	52.4	54.2	56.2
<b>United Kingdom</b>	<b>42.9</b>	<b>41.1</b>	<b>43.4</b>	<b>41.9</b>	<b>41.2</b>	<b>40.3</b>	<b>39.6</b>
<b>Latin America</b>	<b>85.9</b>	<b>86.0</b>	<b>83.4</b>	<b>84.5</b>	<b>83.6</b>	<b>84.4</b>	<b>85.4</b>
Brazil	95.2	94.8	91.4	95.4	95.2	95.9	96.0
Mexico	98.6	96.6	90.1	86.1	88.4	87.5	93.0
Chile	50.7	51.7	52.3	52.4	52.0	51.6	52.8
<b>USA</b>	<b>163.2</b>	<b>165.6</b>	<b>183.7</b>	<b>193.6</b>	<b>211.5</b>	<b>224.2</b>	<b>218.3</b>
<b>Operating Areas</b>	<b>66.0</b>	<b>66.4</b>	<b>67.0</b>	<b>66.6</b>	<b>68.3</b>	<b>69.4</b>	<b>70.5</b>
<b>Total Group</b>	<b>66.3</b>	<b>66.8</b>	<b>67.5</b>	<b>67.2</b>	<b>68.9</b>	<b>70.1</b>	<b>71.1</b>

# Non-performing loans and loan-loss allowances. 9M'15

55

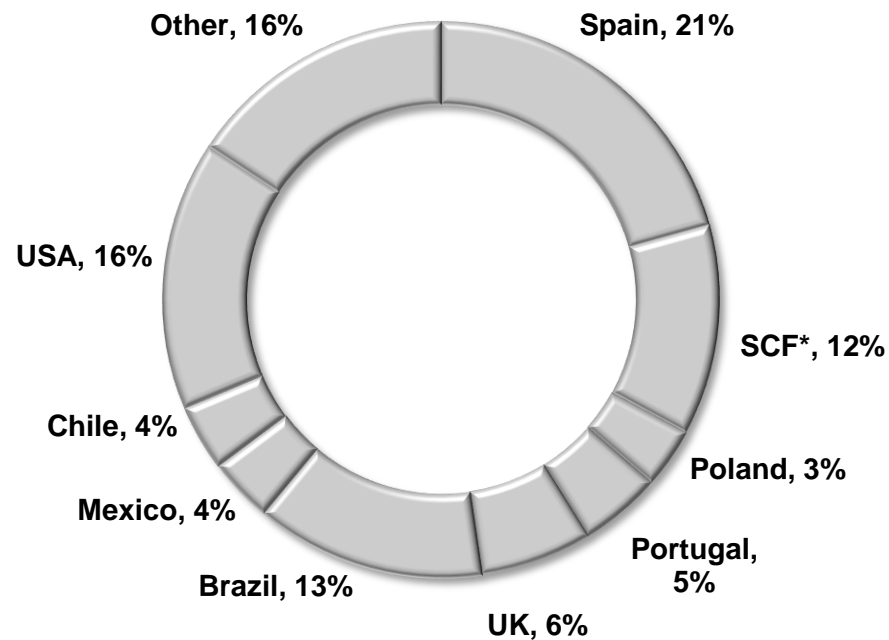
## Non-performing loans

100%: EUR 37,856 mill.



## Loan-loss allowances

100%: EUR 26,918 mill.



Percentage over Group's total  
(\*) Excluding SCF UK

# Cost of credit

%

	31.03.14	30.06.14	30.09.14	31.12.14	31.03.15	30.06.15	30.09.15
<b>Continental Europe</b>	<b>1.20</b>	<b>1.14</b>	<b>1.07</b>	<b>1.01</b>	<b>0.95</b>	<b>0.86</b>	<b>0.77</b>
Spain	1.37	1.31	1.21	1.06	0.97	0.84	0.71
Santander Consumer Finance	0.89	0.87	0.85	0.90	0.93	0.91	0.87
Poland	0.98	0.92	0.95	1.04	1.00	1.00	0.96
Portugal	0.63	0.55	0.47	0.50	0.45	0.38	0.35
<b>United Kingdom</b>	<b>0.23</b>	<b>0.22</b>	<b>0.19</b>	<b>0.14</b>	<b>0.11</b>	<b>0.08</b>	<b>0.04</b>
<b>Latin America</b>	<b>4.36</b>	<b>4.06</b>	<b>3.88</b>	<b>3.70</b>	<b>3.53</b>	<b>3.39</b>	<b>3.33</b>
Brazil	5.82	5.38	5.14	4.91	4.63	4.45	4.40
Mexico	3.59	3.58	3.26	2.98	2.92	2.89	2.87
Chile	1.82	1.76	1.71	1.75	1.74	1.68	1.68
<b>USA</b>	<b>2.82</b>	<b>3.03</b>	<b>3.27</b>	<b>3.31</b>	<b>3.25</b>	<b>3.39</b>	<b>3.36</b>
<b>Operating Areas</b>	<b>1.61</b>	<b>1.55</b>	<b>1.50</b>	<b>1.44</b>	<b>1.38</b>	<b>1.33</b>	<b>1.27</b>
<b>Total Group</b>	<b>1.65</b>	<b>1.56</b>	<b>1.52</b>	<b>1.43</b>	<b>1.38</b>	<b>1.32</b>	<b>1.26</b>

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



## Coverage by borrowers' situation (September 2015)

EUR million

	Gross risk	Coverage Fund	Net Risk
• Non-performing	6,322	3,795	2,527
• Substandard <sup>1</sup>	221	85	136
• Foreclosed real estate	8,285	4,476	3,809
• Total problematic assets	14,828	8,356	6,472
• Performing loans <sup>2</sup>	61	0	61
<b>Real estate exposure</b>	<b>14,889</b>	<b>8,356</b>	<b>6,533</b>

## Total coverage (problematic assets + performing loans)

provisions / exposure (%)



• Non-performing	60%
• Substandard <sup>1</sup>	38%
• Foreclosed real estate	54%
<b>Total problem. assets</b>	<b>56%</b>
• Performing loans <sup>2</sup>	0%

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

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

## LOANS

EUR Million

	Sep'15	Dec'14	Var.
Finished buildings	3,026	3,577	-551
Buildings under constr.	207	330	-123
Developed land	1,794	2,641	-847
Building and other land	721	752	-31
Non mortgage guarantee	856	1,176	-320
<b>Total</b>	<b>6,604</b>	<b>8,476</b>	<b>-1,872</b>

## Foreclosed REAL ESTATE (Sep. 2015)

EUR Million

	Gross amount	Coverage	Net amount
Finished buildings	2,354	43%	1,340
Buildings under constr.	796	44%	446
Developed land	2,636	60%	1,060
Building land	2,424	62%	932
Other land	76	60%	31
<b>Total</b>	<b>8,285</b>	<b>54%</b>	<b>3,809</b>

## Quarterly P&L

# Santander Group

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	9,323	9,773	9,910	10,238	10,563	10,867	10,457	29,006	31,886
Gross income	10,124	10,488	10,961	11,040	11,444	11,618	11,316	31,572	34,378
Operating expenses	(4,847)	(4,906)	(5,070)	(5,216)	(5,377)	(5,429)	(5,342)	(14,822)	(16,149)
<b>Net operating income</b>	<b>5,277</b>	<b>5,582</b>	<b>5,891</b>	<b>5,824</b>	<b>6,067</b>	<b>6,189</b>	<b>5,974</b>	<b>16,750</b>	<b>18,229</b>
Net loan-loss provisions	(2,695)	(2,638)	(2,777)	(2,452)	(2,563)	(2,508)	(2,479)	(8,110)	(7,550)
Other	(433)	(508)	(558)	(792)	(514)	(683)	(716)	(1,500)	(1,913)
<b>Ordinary profit before taxes</b>	<b>2,149</b>	<b>2,435</b>	<b>2,556</b>	<b>2,580</b>	<b>2,990</b>	<b>2,998</b>	<b>2,778</b>	<b>7,140</b>	<b>8,766</b>
<b>Ordinary consolidated profit</b>	<b>1,579</b>	<b>1,771</b>	<b>1,901</b>	<b>1,746</b>	<b>2,067</b>	<b>2,059</b>	<b>1,991</b>	<b>5,252</b>	<b>6,117</b>
<b>Ordinary attributable profit</b>	<b>1,303</b>	<b>1,453</b>	<b>1,605</b>	<b>1,455</b>	<b>1,717</b>	<b>1,709</b>	<b>1,680</b>	<b>4,361</b>	<b>5,106</b>

# Santander Group

Constant EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	9,683	9,976	9,964	10,334	10,344	10,707	10,835	29,623	31,886
Gross income	10,513	10,724	11,030	11,161	11,223	11,449	11,706	32,266	34,378
Operating expenses	(5,023)	(5,010)	(5,106)	(5,269)	(5,291)	(5,360)	(5,497)	(15,138)	(16,149)
<b>Net operating income</b>	<b>5,490</b>	<b>5,714</b>	<b>5,924</b>	<b>5,892</b>	<b>5,932</b>	<b>6,089</b>	<b>6,209</b>	<b>17,128</b>	<b>18,229</b>
Net loan-loss provisions	(2,789)	(2,665)	(2,784)	(2,452)	(2,498)	(2,466)	(2,586)	(8,238)	(7,550)
Other	(431)	(498)	(535)	(779)	(499)	(673)	(740)	(1,464)	(1,913)
<b>Ordinary profit before taxes</b>	<b>2,270</b>	<b>2,550</b>	<b>2,606</b>	<b>2,661</b>	<b>2,934</b>	<b>2,949</b>	<b>2,883</b>	<b>7,426</b>	<b>8,766</b>
<b>Ordinary consolidated profit</b>	<b>1,675</b>	<b>1,856</b>	<b>1,941</b>	<b>1,811</b>	<b>2,030</b>	<b>2,022</b>	<b>2,065</b>	<b>5,472</b>	<b>6,117</b>
<b>Ordinary attributable profit</b>	<b>1,390</b>	<b>1,531</b>	<b>1,647</b>	<b>1,510</b>	<b>1,685</b>	<b>1,678</b>	<b>1,743</b>	<b>4,569</b>	<b>5,106</b>

# Continental Europe

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	2,699	2,779	2,707	2,831	2,899	2,884	2,842	8,186	8,625
Gross income	3,029	3,146	3,080	3,249	3,409	3,218	3,253	9,254	9,880
Operating expenses	(1,634)	(1,611)	(1,584)	(1,614)	(1,670)	(1,679)	(1,689)	(4,830)	(5,037)
<b>Net operating income</b>	<b>1,394</b>	<b>1,534</b>	<b>1,496</b>	<b>1,635</b>	<b>1,739</b>	<b>1,539</b>	<b>1,564</b>	<b>4,424</b>	<b>4,843</b>
Net loan-loss provisions	(791)	(770)	(737)	(583)	(637)	(512)	(495)	(2,297)	(1,643)
Other	(197)	(215)	(188)	(93)	(139)	(186)	(137)	(600)	(462)
<b>Profit before taxes</b>	<b>407</b>	<b>550</b>	<b>571</b>	<b>959</b>	<b>963</b>	<b>842</b>	<b>932</b>	<b>1,527</b>	<b>2,737</b>
<b>Consolidated profit</b>	<b>318</b>	<b>415</b>	<b>425</b>	<b>663</b>	<b>712</b>	<b>625</b>	<b>690</b>	<b>1,158</b>	<b>2,027</b>
<b>Attributable profit</b>	<b>284</b>	<b>378</b>	<b>381</b>	<b>604</b>	<b>640</b>	<b>560</b>	<b>625</b>	<b>1,043</b>	<b>1,825</b>

# Spain

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	1,339	1,375	1,334	1,373	1,371	1,296	1,251	4,047	3,919
Gross income	1,620	1,665	1,661	1,690	1,749	1,522	1,570	4,946	4,842
Operating expenses	(897)	(877)	(859)	(863)	(855)	(856)	(863)	(2,633)	(2,574)
<b>Net operating income</b>	<b>722</b>	<b>788</b>	<b>802</b>	<b>827</b>	<b>894</b>	<b>666</b>	<b>708</b>	<b>2,313</b>	<b>2,268</b>
Net loan-loss provisions	(507)	(488)	(429)	(320)	(366)	(264)	(205)	(1,425)	(835)
Other	(41)	(63)	(18)	(89)	(44)	(71)	(58)	(123)	(174)
<b>Profit before taxes</b>	<b>174</b>	<b>237</b>	<b>354</b>	<b>417</b>	<b>483</b>	<b>331</b>	<b>444</b>	<b>765</b>	<b>1,259</b>
<b>Consolidated profit</b>	<b>122</b>	<b>166</b>	<b>252</b>	<b>293</b>	<b>345</b>	<b>238</b>	<b>317</b>	<b>540</b>	<b>900</b>
<b>Attributable profit</b>	<b>120</b>	<b>166</b>	<b>252</b>	<b>289</b>	<b>340</b>	<b>232</b>	<b>311</b>	<b>538</b>	<b>883</b>

# Santander Consumer Finance

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	776	801	801	832	949	990	1,011	2,377	2,951
Gross income	776	805	800	843	959	991	1,018	2,381	2,968
Operating expenses	(370)	(361)	(358)	(379)	(422)	(442)	(443)	(1,089)	(1,306)
<b>Net operating income</b>	<b>406</b>	<b>444</b>	<b>442</b>	<b>465</b>	<b>537</b>	<b>549</b>	<b>575</b>	<b>1,292</b>	<b>1,662</b>
Net loan-loss provisions	(130)	(123)	(149)	(143)	(168)	(131)	(142)	(401)	(440)
Other	(14)	(17)	(71)	65	(22)	(36)	(44)	(102)	(102)
<b>Profit before taxes</b>	<b>263</b>	<b>304</b>	<b>222</b>	<b>387</b>	<b>348</b>	<b>382</b>	<b>389</b>	<b>788</b>	<b>1,119</b>
<b>Consolidated profit</b>	<b>198</b>	<b>220</b>	<b>160</b>	<b>256</b>	<b>251</b>	<b>272</b>	<b>281</b>	<b>578</b>	<b>805</b>
<b>Attributable profit</b>	<b>192</b>	<b>213</b>	<b>146</b>	<b>245</b>	<b>220</b>	<b>241</b>	<b>242</b>	<b>550</b>	<b>702</b>



# Poland

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	317	328	322	302	291	301	300	967	892
Gross income	334	353	335	353	340	336	309	1,023	985
Operating expenses	(148)	(149)	(144)	(144)	(151)	(153)	(146)	(441)	(451)
<b>Net operating income</b>	<b>187</b>	<b>204</b>	<b>191</b>	<b>209</b>	<b>190</b>	<b>182</b>	<b>162</b>	<b>582</b>	<b>534</b>
Net loan-loss provisions	(43)	(42)	(44)	(57)	(39)	(46)	(39)	(129)	(124)
Other	(3)	(16)	8	22	(1)	(2)	3	(11)	(0)
<b>Profit before taxes</b>	<b>141</b>	<b>146</b>	<b>155</b>	<b>174</b>	<b>150</b>	<b>135</b>	<b>125</b>	<b>442</b>	<b>410</b>
<b>Consolidated profit</b>	<b>115</b>	<b>119</b>	<b>122</b>	<b>126</b>	<b>122</b>	<b>112</b>	<b>99</b>	<b>355</b>	<b>333</b>
<b>Attributable profit</b>	<b>84</b>	<b>87</b>	<b>91</b>	<b>93</b>	<b>89</b>	<b>82</b>	<b>73</b>	<b>262</b>	<b>243</b>

# Poland

PLN million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	1,327	1,367	1,344	1,271	1,220	1,232	1,255	4,038	3,708
Gross income	1,399	1,471	1,400	1,487	1,427	1,371	1,293	4,269	4,091
Operating expenses	(618)	(621)	(603)	(606)	(632)	(626)	(614)	(1,841)	(1,872)
<b>Net operating income</b>	<b>781</b>	<b>850</b>	<b>797</b>	<b>880</b>	<b>794</b>	<b>745</b>	<b>679</b>	<b>2,428</b>	<b>2,218</b>
Net loan-loss provisions	(180)	(174)	(184)	(238)	(164)	(187)	(164)	(538)	(515)
Other	(12)	(66)	33	90	(3)	(9)	11	(46)	(1)
<b>Profit before taxes</b>	<b>589</b>	<b>609</b>	<b>646</b>	<b>732</b>	<b>627</b>	<b>549</b>	<b>526</b>	<b>1,844</b>	<b>1,702</b>
<b>Consolidated profit</b>	<b>479</b>	<b>496</b>	<b>508</b>	<b>533</b>	<b>512</b>	<b>456</b>	<b>416</b>	<b>1,483</b>	<b>1,384</b>
<b>Attributable profit</b>	<b>352</b>	<b>362</b>	<b>379</b>	<b>393</b>	<b>372</b>	<b>333</b>	<b>306</b>	<b>1,092</b>	<b>1,011</b>

# Portugal

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	202	204	206	215	211	208	200	612	619
Gross income	228	237	230	261	238	234	226	695	698
Operating expenses	(124)	(123)	(123)	(128)	(123)	(122)	(124)	(370)	(369)
<b>Net operating income</b>	<b>105</b>	<b>114</b>	<b>106</b>	<b>133</b>	<b>115</b>	<b>112</b>	<b>102</b>	<b>325</b>	<b>328</b>
Net loan-loss provisions	(34)	(40)	(32)	(17)	(22)	(21)	(24)	(106)	(67)
Other	(30)	(29)	(20)	(20)	(21)	(23)	23	(79)	(21)
<b>Profit before taxes</b>	<b>40</b>	<b>45</b>	<b>55</b>	<b>96</b>	<b>72</b>	<b>67</b>	<b>101</b>	<b>140</b>	<b>240</b>
<b>Consolidated profit</b>	<b>32</b>	<b>36</b>	<b>40</b>	<b>72</b>	<b>55</b>	<b>49</b>	<b>77</b>	<b>108</b>	<b>181</b>
<b>Attributable profit</b>	<b>34</b>	<b>38</b>	<b>41</b>	<b>72</b>	<b>55</b>	<b>49</b>	<b>77</b>	<b>113</b>	<b>181</b>

# United Kingdom

GBP million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	1,023	1,045	1,070	1,101	1,100	1,110	1,092	3,139	3,301
Gross income	1,100	1,105	1,124	1,136	1,152	1,173	1,150	3,328	3,475
Operating expenses	(580)	(578)	(585)	(609)	(612)	(608)	(605)	(1,743)	(1,824)
<b>Net operating income</b>	<b>520</b>	<b>527</b>	<b>539</b>	<b>527</b>	<b>540</b>	<b>565</b>	<b>545</b>	<b>1,586</b>	<b>1,650</b>
Net loan-loss provisions	(99)	(71)	(70)	(27)	(56)	(12)	6	(240)	(63)
Other	(38)	(51)	(58)	(108)	(41)	(36)	(94)	(148)	(171)
<b>Profit before taxes</b>	<b>382</b>	<b>405</b>	<b>411</b>	<b>392</b>	<b>443</b>	<b>516</b>	<b>457</b>	<b>1,198</b>	<b>1,416</b>
<b>Consolidated profit</b>	<b>307</b>	<b>321</b>	<b>322</b>	<b>305</b>	<b>356</b>	<b>401</b>	<b>350</b>	<b>949</b>	<b>1,107</b>
<b>Attributable profit</b>	<b>307</b>	<b>321</b>	<b>322</b>	<b>305</b>	<b>350</b>	<b>394</b>	<b>343</b>	<b>949</b>	<b>1,087</b>

# United States

USD million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	1,830	1,894	1,890	1,838	1,940	2,011	2,019	5,614	5,970
Gross income	1,907	1,972	2,038	2,012	2,101	2,210	2,169	5,917	6,480
Operating expenses	(722)	(719)	(750)	(779)	(783)	(806)	(858)	(2,191)	(2,447)
<b>Net operating income</b>	<b>1,186</b>	<b>1,253</b>	<b>1,287</b>	<b>1,233</b>	<b>1,318</b>	<b>1,404</b>	<b>1,311</b>	<b>3,726</b>	<b>4,033</b>
Net loan-loss provisions	(748)	(684)	(811)	(718)	(719)	(834)	(834)	(2,243)	(2,387)
Other	(3)	(4)	(19)	43	(21)	(46)	(41)	(26)	(108)
<b>Profit before taxes</b>	<b>434</b>	<b>566</b>	<b>458</b>	<b>559</b>	<b>579</b>	<b>524</b>	<b>436</b>	<b>1,457</b>	<b>1,539</b>
<b>Consolidated profit</b>	<b>306</b>	<b>377</b>	<b>340</b>	<b>410</b>	<b>401</b>	<b>350</b>	<b>293</b>	<b>1,023</b>	<b>1,044</b>
<b>Attributable profit</b>	<b>246</b>	<b>287</b>	<b>275</b>	<b>334</b>	<b>289</b>	<b>239</b>	<b>206</b>	<b>808</b>	<b>735</b>

# Brazil

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	2,807	2,949	2,988	2,937	2,962	2,869	2,598	8,743	8,428
Gross income	2,826	2,952	3,158	2,943	3,007	2,981	2,656	8,936	8,643
Operating expenses	(1,140)	(1,204)	(1,299)	(1,298)	(1,187)	(1,151)	(1,056)	(3,644)	(3,393)
<b>Net operating income</b>	<b>1,686</b>	<b>1,748</b>	<b>1,858</b>	<b>1,645</b>	<b>1,820</b>	<b>1,830</b>	<b>1,600</b>	<b>5,292</b>	<b>5,251</b>
Net loan-loss provisions	(905)	(933)	(958)	(887)	(826)	(828)	(813)	(2,795)	(2,467)
Other	(143)	(166)	(253)	(244)	(209)	(263)	(255)	(561)	(727)
<b>Ordinary profit before taxes</b>	<b>639</b>	<b>650</b>	<b>647</b>	<b>514</b>	<b>785</b>	<b>739</b>	<b>533</b>	<b>1,936</b>	<b>2,057</b>
<b>Ordinary consolidated profit</b>	<b>444</b>	<b>471</b>	<b>487</b>	<b>403</b>	<b>532</b>	<b>509</b>	<b>434</b>	<b>1,403</b>	<b>1,474</b>
<b>Ordinary attributable profit</b>	<b>339</b>	<b>362</b>	<b>376</b>	<b>361</b>	<b>477</b>	<b>452</b>	<b>385</b>	<b>1,076</b>	<b>1,315</b>

# Brazil

R\$ million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	9,092	9,017	8,988	9,324	9,522	9,736	10,129	27,097	29,388
Gross income	9,156	9,026	9,514	9,344	9,666	10,109	10,362	27,696	30,137
Operating expenses	(3,694)	(3,684)	(3,917)	(4,116)	(3,815)	(3,904)	(4,110)	(11,294)	(11,829)
<b>Net operating income</b>	<b>5,462</b>	<b>5,343</b>	<b>5,597</b>	<b>5,228</b>	<b>5,851</b>	<b>6,205</b>	<b>6,251</b>	<b>16,402</b>	<b>18,307</b>
Net loan-loss provisions	(2,930)	(2,850)	(2,882)	(2,818)	(2,657)	(2,808)	(3,138)	(8,663)	(8,602)
Other	(462)	(508)	(770)	(772)	(672)	(888)	(975)	(1,739)	(2,534)
<b>Ordinary profit before taxes</b>	<b>2,070</b>	<b>1,985</b>	<b>1,945</b>	<b>1,638</b>	<b>2,523</b>	<b>2,509</b>	<b>2,139</b>	<b>6,000</b>	<b>7,171</b>
<b>Ordinary consolidated profit</b>	<b>1,440</b>	<b>1,442</b>	<b>1,466</b>	<b>1,283</b>	<b>1,711</b>	<b>1,726</b>	<b>1,704</b>	<b>4,347</b>	<b>5,141</b>
<b>Ordinary attributable profit</b>	<b>1,098</b>	<b>1,106</b>	<b>1,132</b>	<b>1,146</b>	<b>1,534</b>	<b>1,536</b>	<b>1,514</b>	<b>3,336</b>	<b>4,584</b>

# Mexico

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	688	706	741	768	791	834	794	2,134	2,419
Gross income	701	760	778	780	819	854	794	2,239	2,467
Operating expenses	(312)	(317)	(325)	(328)	(355)	(353)	(327)	(955)	(1,035)
<b>Net operating income</b>	<b>389</b>	<b>442</b>	<b>453</b>	<b>452</b>	<b>463</b>	<b>501</b>	<b>467</b>	<b>1,284</b>	<b>1,431</b>
Net loan-loss provisions	(179)	(191)	(210)	(177)	(211)	(224)	(227)	(579)	(662)
Other	(2)	(2)	6	(1)	8	(2)	1	2	6
<b>Profit before taxes</b>	<b>209</b>	<b>250</b>	<b>249</b>	<b>274</b>	<b>260</b>	<b>274</b>	<b>241</b>	<b>707</b>	<b>776</b>
<b>Consolidated profit</b>	<b>166</b>	<b>200</b>	<b>204</b>	<b>228</b>	<b>201</b>	<b>213</b>	<b>193</b>	<b>569</b>	<b>607</b>
<b>Attributable profit</b>	<b>126</b>	<b>154</b>	<b>154</b>	<b>172</b>	<b>153</b>	<b>160</b>	<b>143</b>	<b>434</b>	<b>456</b>



# Mexico

Million pesos

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	12,470	12,578	12,871	13,308	13,300	14,117	14,479	37,919	41,896
Gross income	12,712	13,548	13,516	13,491	13,769	14,450	14,503	39,777	42,722
Operating expenses	(5,659)	(5,656)	(5,647)	(5,667)	(5,973)	(5,978)	(5,978)	(16,962)	(17,929)
<b>Net operating income</b>	<b>7,053</b>	<b>7,892</b>	<b>7,870</b>	<b>7,824</b>	<b>7,795</b>	<b>8,472</b>	<b>8,526</b>	<b>22,815</b>	<b>24,793</b>
Net loan-loss provisions	(3,237)	(3,401)	(3,654)	(3,058)	(3,545)	(3,791)	(4,131)	(10,291)	(11,467)
Other	(28)	(34)	106	(13)	130	(36)	17	44	110
<b>Profit before taxes</b>	<b>3,788</b>	<b>4,458</b>	<b>4,322</b>	<b>4,753</b>	<b>4,380</b>	<b>4,644</b>	<b>4,412</b>	<b>12,567</b>	<b>13,437</b>
<b>Consolidated profit</b>	<b>3,003</b>	<b>3,561</b>	<b>3,542</b>	<b>3,959</b>	<b>3,381</b>	<b>3,606</b>	<b>3,530</b>	<b>10,106</b>	<b>10,517</b>
<b>Attributable profit</b>	<b>2,279</b>	<b>2,748</b>	<b>2,682</b>	<b>2,992</b>	<b>2,574</b>	<b>2,704</b>	<b>2,613</b>	<b>7,709</b>	<b>7,891</b>

# Chile

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	489	525	470	577	485	593	554	1,484	1,632
Gross income	532	550	504	608	553	633	606	1,586	1,792
Operating expenses	(204)	(213)	(220)	(229)	(238)	(263)	(243)	(637)	(743)
<b>Net operating income</b>	<b>328</b>	<b>336</b>	<b>284</b>	<b>379</b>	<b>316</b>	<b>370</b>	<b>364</b>	<b>949</b>	<b>1,049</b>
Net loan-loss provisions	(116)	(118)	(131)	(156)	(132)	(126)	(153)	(365)	(410)
Other	(7)	(3)	3	(18)	6	(3)	(4)	(7)	(1)
<b>Profit before taxes</b>	<b>206</b>	<b>216</b>	<b>156</b>	<b>205</b>	<b>190</b>	<b>241</b>	<b>207</b>	<b>577</b>	<b>638</b>
<b>Consolidated profit</b>	<b>173</b>	<b>189</b>	<b>132</b>	<b>234</b>	<b>147</b>	<b>212</b>	<b>182</b>	<b>494</b>	<b>541</b>
<b>Attributable profit</b>	<b>120</b>	<b>129</b>	<b>89</b>	<b>160</b>	<b>106</b>	<b>147</b>	<b>125</b>	<b>339</b>	<b>378</b>

# Chile

Ch\$ billion

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	369.5	399.2	359.3	432.0	340.6	405.7	414.4	1,128.0	1,160.6
Gross income	402.0	417.9	385.6	454.5	388.8	432.5	453.8	1,205.5	1,275.1
Operating expenses	(154.0)	(162.2)	(168.3)	(171.1)	(167.0)	(179.8)	(182.1)	(484.5)	(528.9)
<b>Net operating income</b>	<b>248.0</b>	<b>255.7</b>	<b>217.3</b>	<b>283.5</b>	<b>221.9</b>	<b>252.7</b>	<b>271.7</b>	<b>721.0</b>	<b>746.2</b>
Net loan-loss provisions	(87.7)	(89.6)	(100.0)	(116.6)	(92.5)	(86.0)	(113.4)	(277.3)	(291.9)
Other	(5.1)	(2.0)	2.1	(13.4)	4.3	(2.0)	(2.9)	(5.0)	(0.6)
<b>Profit before taxes</b>	<b>155.3</b>	<b>164.1</b>	<b>119.4</b>	<b>153.4</b>	<b>133.8</b>	<b>164.7</b>	<b>155.3</b>	<b>438.8</b>	<b>453.7</b>
<b>Consolidated profit</b>	<b>131.0</b>	<b>143.3</b>	<b>101.5</b>	<b>175.3</b>	<b>103.5</b>	<b>145.5</b>	<b>136.1</b>	<b>375.8</b>	<b>385.1</b>
<b>Attributable profit</b>	<b>90.9</b>	<b>98.1</b>	<b>68.3</b>	<b>119.7</b>	<b>74.5</b>	<b>100.7</b>	<b>93.5</b>	<b>257.4</b>	<b>268.7</b>

# Corporate Centre

EUR million

	1Q 14	2Q 14	3Q 14	4Q 14	1Q 15	2Q 15	3Q 15	9M 14	9M 15
NII + Fee income	(240)	(158)	(116)	(132)	(222)	(138)	(139)	(513)	(498)
Gross income	(25)	(83)	117	23	(230)	(177)	(56)	9	(463)
Operating expenses	(144)	(146)	(146)	(149)	(142)	(150)	(142)	(436)	(435)
<b>Net operating income</b>	<b>(170)</b>	<b>(229)</b>	<b>(29)</b>	<b>(126)</b>	<b>(372)</b>	<b>(327)</b>	<b>(199)</b>	<b>(428)</b>	<b>(898)</b>
Net loan-loss provisions	2	(2)	0	2	(1)	2	(1)	0	0
Other	(27)	(48)	(53)	(325)	(98)	(132)	(148)	(128)	(378)
<b>Ordinary profit before taxes</b>	<b>(195)</b>	<b>(278)</b>	<b>(82)</b>	<b>(449)</b>	<b>(470)</b>	<b>(458)</b>	<b>(348)</b>	<b>(555)</b>	<b>(1,275)</b>
<b>Ordinary consolidated profit</b>	<b>(187)</b>	<b>(265)</b>	<b>(111)</b>	<b>(588)</b>	<b>(465)</b>	<b>(490)</b>	<b>(392)</b>	<b>(564)</b>	<b>(1,347)</b>
<b>Ordinary attributable profit</b>	<b>(187)</b>	<b>(265)</b>	<b>(111)</b>	<b>(588)</b>	<b>(491)</b>	<b>(489)</b>	<b>(394)</b>	<b>(563)</b>	<b>(1,375)</b>
<b>Attributable profit</b>	<b>(187)</b>	<b>(265)</b>	<b>(111)</b>	<b>(588)</b>	<b>(491)</b>	<b>(489)</b>	<b>(394)</b>	<b>(563)</b>	<b>(1,375)</b>

