

TRANSLATION FROM ORIGINAL SPANISH VERSION

MATERIAL FACT

Banco Santander, S.A. announces today an invitation to all holders of the securities identified in the annexes of this document (the **Securities**) to tender such Securities for purchase by Banco Santander for cash (the **Invitation**). Said Securities are fixed rate securities (securitisation bonds) listed on the AIAF Fixed Rate Market which correspond to 33 different series issued by specific securitisation funds managed by Santander de Titulización, S.G.F.T., S.A. series to which the Invitation is directed which total outstanding principal amounts to six thousand million Euro. Banco Santander intends to accept offers up to a total maximum of (750) seven hundred and fifty million Euro. Such amount is indicative only and not binding on Banco Santander.

The holders of the Securities can refer, or request to its corresponding mediators or participating entities (in the case that said owners are not participating entities in *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear)*) they remit, the corresponding instructions of the tender offers (the **Tender Offers**) to the tender and information agent, Lucid Issuer Services Limited, as from April 16, 2012.

Tender Offers must specify the number of Securities of each offer, the outstanding principal amount of such Securities and the price at which such Securities are tendered in the relevant offer. The price shall be specified by each relevant securityholder as a percentage to the outstanding nominal amount of the relevant Securities tendered for purchase. Regarding the Senior Securities to which the Invitation is directed, an indicative minimum purchase price has been indicated for information purposes only and which is not binding on Banco Santander, therefore Banco Santander could accept or not Tender Offers made at this minimum price.

Tender Offers will be irrevocable unless Banco Santander modifies in terms less favourable to the holders, the terms and conditions. In any case, said irrevocable instructions of Tender Offers should be received by the tender and information agent on or before 5:00 pm (CET) on April 24, 2012.

The amount in cash that must be satisfied for each Security is equal to the sum of (i) the purchase price multiplied by the outstanding principal amount on the date of settlement of the Securities which purchase is accepted, plus (ii) interests incurred and not paid since the immediately preceding interest payment date (included) until the date of settlement of the Tender Offers (date excluded) in relation to such Securities.

The terms of the Tender Offers and the procedure to make the Tender Offers are regulated in the tender offer memorandum dated 16 April 2012 (the **Tender Offer Memorandum**) which (subject to the offering and selling restrictions set out therein) is available upon request from, amongst others, the tender and information agent Lucid Issuer Services Limited. If securityholders need information on the Invitation, you can contact Lucid at santander@lucid-is.com / +44 (0) 207 704 0880, To the attention of: David Shilson / Sunjeeve Patel.

Banco Santander has absolute discretion to decide to accept or not the Securities tendered for purchase, in accordance with the terms and conditions of the Tender Offer Memorandum.

Banco Santander will comply with the payment obligations derived from the Invitation, if any, with its own treasury.

Banco Santander reserves the right to modify the terms and conditions of the Invitation as well as to extend, re-open or terminate the Invitation at any moment.

Banco Santander will announce on April 25, 2012 the final amount of the Tender Offers accepted from each series, if applicable. As of right now, the date of settlement of the Tender Offers will be April 27, 2012 (the **Settlement Date**).

The rationale for the Invitation is to effectively manage the Group's outstanding liabilities and to strengthen its balance sheet. The Offers are also designed to provide liquidity to the Securityholders

Boadilla del Monte (Madrid), April 16, 2012

Senior Securities

<u>Issuer</u>	<u>Series¹</u>	<u>ISIN</u>	<u>Settlement Date Pool Factor</u>	<u>Current Denomination</u>	<u>Indicative Minimum Purchase Price</u>	<u>Settlement Date aggregate outstanding principal amount</u>
Fondo de Titulización de Activos, Hipotebansa X	Series A EUR 898,700,000.00	ES0338356001	0.1587902	EUR 15,879.02	88.00%	EUR 142,704,752.7
Fondo de Titulización de Activos, Hipotebansa XI	Series A EUR 1,040,800,000.00	ES0338447008	0.232851	EUR 23,285.10	85.00%	EUR 242,351,320.8
Fondo de Titulización de Activos Santander Hipotecario 1	Series A EUR 1,718,400,000.00	ES0309364000	0.2768957	EUR 27,689.57	83.00%	EUR 475,817,570.9
Fondo de Titulización de Activos Santander Hipotecario 2	Series A EUR 1,801,500,000.00	ES0382042002	0.4577053	EUR 45,770.53	79.00%	EUR 824,556,098.0
Fondo de Titulización de Activos Santander Hipotecario 3	Series A1 EUR 613,300,000.00	ES0338093000	0.4625603	EUR 46,256.03	70.00%	EUR 283,688,232.0
Fondo de Titulización de Activos Santander Hipotecario 3	Series A2 EUR 1,540,000,000.00	ES0338093018	0.657322	EUR 65,732.20	70.00%	EUR 1,012,275,880.0
Fondo de Titulización de Activos Santander Hipotecario 3	Series A3 EUR 420,000,000.00	ES0338093026	0.657322	EUR 65,732.20	70.00%	EUR 276,075,240.0
Fondo de Titulización de Activos Santander Público 1	Series A EUR 1,813,000,000.00	ES0338185004	0.183723	EUR 18,372.30	93.00%	EUR 333,089,799.0
Fondo de Titulización de Activos FTPyme Santander 1	Series B1(G) EUR 537,100,000.00	ES0339773014	0.2949358	EUR 29,493.58	91.00%	EUR 158,410,018.2
Fondo de Titulización de Activos FTPyme Santander 2	Series A EUR 1,228,500,000.00	ES0338048004	0.1075243	EUR 10,752.43	94.00%	EUR 132,093,602.6
Fondo de Titulización de Activos FTPyme Santander 2	Series B(G) EUR 373,500,000.00	ES0338048012	0.1075243	EUR 10,752.43	94.00%	EUR 40,160,326.1
Fondo de Titulización de Activos Santander Empresas 2	Series A2 EUR 1,365,000,000.00	ES0338058011	0.117917	EUR 11,791.70	97.00%	EUR 160,956,705.0
Fondo de Titulización de Activos, Santander Empresas 3	Series A2 EUR 1,800,000,000.00	ES0337710018	0.188462	EUR 18,846.20	93.00%	EUR 339,231,600.0
Fondo de Titulización de Activos, Santander Empresas 3	Series A3 EUR 627,500,000.00	ES0337710026	0.2305537	EUR 23,055.37	93.00%	EUR 144,672,446.8

¹ All references to an amount in EUR in this column are to the original principal amount of the Securities. Such principal amount may have been reduced by prepayments in accordance with the terms of such Securities. The aggregate outstanding principal amount of the Securities on the Settlement Date following any prepayments is reflected in the right-hand side column of this table.

<u>Issuer</u>	<u>Series¹</u>	<u>ISIN</u>	<u>Settlement Date Pool Factor</u>	<u>Current Denomination</u>	<u>Indicative Minimum Purchase Price</u>	<u>Settlement Date aggregate outstanding principal amount</u>
Fondo de Titulización de Activos Pymes Banesto 2	Series A2 EUR 541,700,000.00	ES0372260010	0.4171696	EUR 41,716.96	89.00%	EUR 225,980,772.3
Fondo de Titulización de Activos Santander Consumer Spain Auto 07-1	Series A EUR 1,902,000,000.00	ES0337709002	0.1149863	EUR 11,498.63	97.00%	EUR 218,703,942.6

Mezzanine Securities

<u>Issuer</u>	<u>Series²</u>	<u>ISIN</u>	<u>Settlement Date Pool Factor</u>	<u>Current Denomination</u>	<u>Settlement Date aggregate outstanding principal amount</u>
Fondo de Titulización de Activos Hipotecaria X	Series B EUR 18,300,000.00	ES0338356019	0.5458654	EUR 54,586.54	EUR 9,989,336.8
Fondo de Titulización de Activos, Hipotecaria XI	Series B EUR 21,200,000.00	ES0338447016	0.6858999	EUR 68,589.99	EUR 14,541,077.9
Fondo de Titulización de Activos Santander Hipotecario 2	Series D EUR 49,800,000.00	ES0382042036	1.0000000	EUR 100,000.00	EUR 49,800,000.0
Fondo de Titulización de Activos Santander Hipotecario 2	Series E EUR 19,600,000.00	ES0382042044	1.0000000	EUR 100,000.00	EUR 19,600,000.0
Fondo de Titulización de Activos Santander Hipotecario 3	Series E EUR 28,000,000.00	ES0338093067	1.0000000	EUR 100,000.00	EUR 28,000,000.0
Fondo de Titulización de Activos, Santander Empresas 1	Series D EUR 170,500,000.00	ES0382041046	1.0000000	EUR 100,000.00	EUR 170,500,000.0
Fondo de Titulización de Activos Santander Empresas 2	Series B EUR 84,100,000.00	ES0338058029	1.0000000	EUR 100,000.00	EUR 84,100,000.0
Fondo de Titulización de Activos Santander Empresas 2	Series C EUR 62,300,000.00	ES0338058037	1.0000000	EUR 100,000.00	EUR 62,300,000.0
Fondo de Titulización de Activos Santander Empresas 2	Series D EUR 59,500,000.00	ES0338058045	1.0000000	EUR 100,000.00	EUR 59,500,000.0
Fondo de Titulización de Activos Santander Empresas 2	Series E EUR 29,000,000.00	ES0338058052	1.0000000	EUR 100,000.00	EUR 29,000,000.0
Fondo de Titulización de Activos, Santander Empresas 3	Series E EUR 45,500,000.00	ES0337710067	1.0000000	EUR 100,000.00	EUR 45,500,000.0
Fondo de Titulización de Activos Santander Financiación 1	Series B EUR 25,700,000.00	ES0382043018	1.0000000	EUR 100,000.00	EUR 25,700,000.0
Fondo de Titulización de Activos Santander Financiación 1	Series D EUR 47,500,000.00	ES0382043034	1.0000000	EUR 100,000.00	EUR 47,500,000.0
Fondo de Titulización de Activos Pymes Banesto 2	Series B EUR 24,300,000.00	ES0372260028	1.0000000	EUR 100,000.00	EUR 24,300,000.0
Fondo de Titulización de Activos Pymes Banesto 2	Series C EUR 34,000,000.00	ES0372260036	1.0000000	EUR 100,000.00	EUR 34,000,000.0
Financiación Banesto 1 Fondo de Titulización de Activos	Series B EUR 24,000,000.00	ES0337648010	1.0000000	EUR 100,000.00	EUR 24,000,000.0
Financiación Banesto 1 Fondo de Titulización de Activos	Series C EUR 16,000,000.00	ES0337648028	1.0000000	EUR 100,000.00	EUR 16,000,000.0

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