Mortgage Covered Bonds

Investor Report (Ex- Banco Popular Portugal Programme)

					Report Reference Date: Report Frequency:	29-06-2018 Quarterly
1. Current Credit Ratings			Long Term			rm
Santander Totta S.A. Covered Bonds (Obrigações Hipotecárias - Mortgages Santander Totta S.A.	s - BPP Programme)	P-1 / PPP. /	A (high) (DBRS)	(Fitch (DBBC)	N/A	/s / S&P / Fitch / DBPS)
Portugal		bal / BBB- / BBB / BBB (Moody's / S&P / Fitch / DBRS) NP / A- / F2 , Bal / BBB- / BBB / BBB (Moody's / S&P / Fitch / DBRS) NP / A- / F2 ,			NP / A- / F2 / R-2 (high) (Mood	y's / S&P / Fitch / DBRS)
2. Covered Bonds Issues	Issue Date	Coupon	Maturity Date	Soft Bullet Date ¹	Remaining Term	Nominal Amount
Covered Bonds Outstanding Private Placements Covered Bonds Issues					0,14	525.000.000,00 €
Series 6 (PTBN100E0002)	2015-06-30	Floating Rate	2018-06-30	2019-06-30	0,00	225.000.000,00 €
Series 7 (PTBN1POE0001)	2015-09-28	Floating Rate	2018-09-28	2019-09-28	0,25	300.000.000,00 €
CRD Compliant (Yes/No)						Yes
3. Asset Cover Test					Remaining Term	Nominal Amount
Mortgage Credit Pool					24,44	809.651.690,99 €
Other Assets ² (Deposits and Securities at market value) ¹ Cash and Deposits					0,00	0,00
RMBS					0,00	0,00
Other securities					0,00	0,00
Total Cover Pool					24,44	809.651.690,99 €
Overcollateralization ³ with cash collateral (Current OC)						100,00% 54.22%
Committed Overcollateralization (Moody's)						0,00%
Required Overcollateralization (Fitch) - Minimum OC level to	o keep the current M	lortgage Covered Bon	nd Programme rating			0,00%
Required Overcollateralization (DBRS) - Minimum OC level t	to keep the current N	Mortgage Covered Bo	nd Programme rating			N/A
						5,20%
4. Other Triggers						
Net Present Value of Assets (incl. derivatives) ⁴						809.582.925,59 €
Net present value of liabilities (incl. derivatives) [*] Net Present Value of Assets (incl. derivatives) - Net present value	e of liabilities (incl.)	derivatives) >0				0,00 OK
Net Present Value of Assets (incl. derivatives) - Net present valu	e of liabilities (incl.	derivatives) ≥0 (stres	ss of + 200bps)			OK
Net Present Value of Assets (incl. derivatives) - Net present value	e of liabilities (incl.	derivatives) ≥0 (stres	ss of - 200bps)			OK
Other Assets $\leq 20\%$ (Cover Pool + Other Assets)	ands Nominal					OK
Estimated Interest from Mortgage Credit and Other Assets - Estin	mated Interest from	Covered Bonds >= 0	1			OK OK
Mortgage Credit + Other Assets WA Remaining Term - Covered B	Bonds WA Remaining	g Term >= 0				ОК
5. Currency Exposure Cover Pool Includes						
Assets in a currency different than Euro (yes/no)						No
Liabilities in a currency different than Euro (yes/no)						No
Cross currency swaps in place (yes/no)						No
						п/а
6. Mortgage Credit Pool						
Main Characteristics						
Number of Loans Aggregate Original Principal Balance (FUR)						10.321 1 088 973 139 77€
Aggregate Current Principal Balance (EUR)						809.651.690,99 €
Average Original Principal Balance per Ioan (EUR)						105.510,43 €
Average Current Principal Balance per loan (EUR)						78.447,02 €
Weight of the 5 largest borrowers (current principal balance) %						40.321.327,69 € 5.72%
Current principal balance of the 10 largest borrowers (EUR)						58.830.362,25 €
Weight of the 10 largest borrowers (current principal balance) %						7,27%
Weighted Average Seasoning (months)						98,36
Weighted Average Current Unindexed LTV ⁵ (%)						54,70%
Weighted Average Interest Rate (%)						1,17%
Weighted Average Spread (%)						1,40%
Max Maturity Date (yyyy-mm-dd)			Number of Loans	% Total Loans	Amount of Loans	17-03-2067
Yes			171	1,66%	12.216.579 €	1,51%
No			10.150	98,34%	797.435.112 €	98,49%
Insured Property ⁶			Number of Loans	% Total Loans	Amount of Loans	% Total Amount
No			10.321	. 100,00%) 0.00%	0 00 € 803.021.030,93 €	100,00%
Interest Rate Type			Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Fixed			341	3,30%	30.563.726,56 €	3,77%
Floating Renavment Type			9.980	96,70%	779.087.964,43 €	96,23%
Annuity / French			10.277	99,57%	801.259.667,53 €	98,96%
Linear			C	0,00%	0,00 €	0,00%
Increasing instalments			C	0,00%	0,00 €	0,00%
Bullet			1	0,01%	1.000.000,00 € 7 392 023 46 6	0,12%
Other			45	0,00%	7.392.023,46€ 0,00€	0,00%

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6. Mortgage Credit Pool (continued)				
Seasoning	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Up to 1 year	76	0,74%	14.165.765,09 €	1,75%
1 to 2 years	803	7,78%	116.432.088,28 €	14,38%
2 to 3 years	673	6,52%	91.091.181,74 €	11,25%
3 to 4 years	364	3,53%	46.557.621,71 €	5,75%
4 to 5 years	306	2,96%	25.843.350,43 €	3,19%
5 to 6 years	228	2,21%	18.915.5/1,/1€	2,34%
6 to 7 years	293	2,84%	25.938.210,63 €	3,20%
/ to 8 years	1.969	19,08%	133.943.976,11€	16,54%
8 to 9 years	1.792	17,36%	119.946.587,27€	14,81%
9 to 10 years	521	10,58%	88.400.000,10 €	10,93%
10 to 11 years	J21 4E2	5,05%	31.824.302,49 €	3,93%
11 to 12 years	455	4,39%	21.761.008,49€	2,09%
Pore than 12 years	Number of Loans	10,97 %	74.703.420,00 €	9,2370
	364	3 530%	35 031 080 87 £	4 33%
E to 8 years	471	3,33%	20.065.855.52.6	4,33%
8 to 10 years	298	2,89%	57 400 396 93 €	7.09%
10 to 12 years	449	4 35%	17 576 972 67 €	2 17%
12 to 12 years	494	4 79%	30 053 362 95 €	3 71%
14 to 16 years	640	6 20%	29 538 378 94 €	3,65%
16 to 18 years	586	5 68%	33.414.176 76 €	4 13%
18 to 20 years	440	4 26%	28.272.176 30 €	3 49%
20 to 22 years	603	5.84%	40,296.244.48 €	4.98%
22 to 24 years	558	5.41%	35,965.673.02 €	4.44%
24 to 26 years	526	5.10%	36.249.009.07 €	4.48%
26 to 28 years	833	8.07%	61.165.471.75€	7.55%
28 to 30 years	687	6,66%	54.709.473.65 €	6,76%
30 to 40 years	2695	26,11%	257,556,337,92 €	31,81%
More than 40 years	677	6,56%	63.357.080.16 €	7,83%
Current Unindexed LTV	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Up to 40%	3.044	29,49%	151.630.947 €	18,73%
40 to 50%	1.506	14,59%	147.038.299 €	18,16%
50 to 60%	1.713	16,60%	155.109.814 €	19,16%
60 to 70%	2.051	19,87%	175.018.258 €	21,62%
70 to 80%	2.007	19,45%	180.854.373 €	22,34%
More than 80%	0	0,00%	0€	0,00%
Loan Purpose	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Owner-occupied	9.601	93,02%	667.946.408,58 €	82,50%
Second Home	499	4,83%	34.279.779,88 €	4,23%
Buy to Let	52	0,50%	7.438.216,98 €	0,92%
Other	169	1,64%	99.987.285,55 €	12,35%
Property Type	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Residential	10.201	98,84%	716.310.058,26 €	88,47%
Flat	6.446	62,46%	410.823.858,94 €	50,74%
House	3.694	35,79%	297.367.844,17 €	36,73%
Other	61	0,59%	8.118.355,15 €	1,00%
Commercial	120	1,16%	93.341.632,73 €	11,53%
Geographical Distribution	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Portugal	10.321	100,00%	809.651.690,99 €	100,00%
Norte	2.792	27,05%	192.118.400,58 €	23,73%
Center	1.766	17,11%	112.491.829,36 €	13,89%
Lisbon	4.715	45,68%	440.063.542,88 €	54,35%
Alentejo	390	3,78%	20.224.203,28 €	2,50%
Algarve	657	6,37%	43.994.295,49 €	5,43%
Madeira	1	0,01%	759.419,40 €	0,09%
Azores	0	0,00%	0,00 €	0,00%
Delinquencies ⁷	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
> 30 to 60 days	32	0,31%	2.167.126,32 €	0,27%
> 60 to 90 days	21	0,20%	1.721.128,97 €	0,21%
> 90 days	0	0,00%	0,00 €	0,00%
Projected Outstanding Amount ^b			Amortisation Profile	Principal Balance
Millione			Date	•
900€			Jun-18	809.651.690,99 €
			Jun-19	762.423.504,54 €
800€ -			Jun-20	720.694.445,27 €
700 £			Jun-21	679.494.473,02 €
			Jun-22	638.506.513,25€
600 € -			Jun-23	0U1.8/9.3U5,54 €
			Jun 2E	500.5/U.8/U,85€
500€ ++			Jun 26	332.092.035,3/€
400 €			Jun-27	455.944.073,64 E
			Jun-37	340 51/ 072 00 C
300€ +			Jun-37	2340.214.072,90 € 234 730 270 52 €
			Jun-47	147 190 768 12 6
200 €			Jun-47	77,914,330,32 €
100 €			Jun-52	31,964,336,18 €
			Jun-57	8,420.387.13 €
O€ ┼ ╹ ╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷╹╷	┖╷┩╷┩╷┩╷┥╷┷╷┷╷┷╷ ┷╷╴╷╴		lup 62	1.050.410.20.6

^b Includes mortgage pool and other assets; assumes no prepayments (constant prepayment rate of x.yz%)

2018 2021 2024 2021 2030 2033 2036 2039 2042 2045 2048 2051 2054 2057 2060 2063 2066

1.058.418,38 €

6.395,99 € 0,00 €

Jun-62

Jun-67

Jun-68

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7. Expected Maturity Structure							
In EUR	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5-10 Years	>10 Years
Residencial Mortgages ^b	30.393.551,19	29.269.081,98	29.106.578,65	28.981.501,20	28.611.434,19	133.159.765,76	436.788.145,29
Commercial Mortgages	16.834.635,26	12.459.977,29	12.093.393,60	12.006.458,57	8.015.773,53	28.584.975,07	3.346.419,42
Other Assets ²	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total Cover Pool	47.228.186,45	41.729.059,27	41.199.972,24	40.987.959,77	36.627.207,72	161.744.740,83	440.134.564,71
Total Covered Bonds	525.000.000,00	0,00	0,00	0,00	0,00	0,00	0,00
^b Includes mortgage pool and other assets;	assumes no prepayments (cons	tant prepayment rate of	x.yz%)				

8. Liquidity Cushion	Nominal Amount
Liquidity Cushion (according to Fitch's definition) ^c	
Liquidity Cushion amount	N/A
Deposits with eligible financial institutions	N/A
Eligible securities	N/A
Liquidity Cushion requirement calculation	
Required Liquidity Cushion	N/A
Interest due month 1	N/A
Interest due month 2	N/A
Interest due month 3	N/A
^c At least equal to the interest payments due on the Covered Bonds Outstanding before swaps for the next 3 months	

9. Derivative Financial Instruments	Nominal Amount
Total Amount of Derivatives in the Cover pool	N/A
Of Which Interest Rate Derivatives ^b	N/A
Fixed to Floating Swaps	N/A
Interest Basis Swaps	N/A
Of Which Currency Swaps	N/A
^b External Counterparties (No)	

10. Corporate Finance Division - Long Term Funding Dfc@santander.pt https://www.santandertotta.pt/pt_PT/Investor-Relations/Santander-Totta/Emissao-de-Divida/2018 Other Reports on BST website ECBC Label Website https://coveredbondlabel.com/

¹ Soft Bullet Date (Extended Maturity)

If the covered bonds are not redeemed on the relevant maturity date, the maturity will automatically be extended on a monthly basis up to one year. In that event, the covered bonds can be redeemed in whole or in part on a monthly basis up to and including the Extended Maturity Date.

² Other Assets

In addition to the mortgage assets, other assets (or substitution assets) may be included in the cover pool up to an amount equal to 20% of the cover pool, subject to the following eligibility criteria:

Deposit with the Bank of Portugal in cash or ECB eligible securities, or
 Deposits held with credit institutions rated at least A-.

³ Overcollateralisation

The overcollateralisation ratios are calculated by dividing (i) the total outstanding balance of the assets included in the cover pool by (ii) the total nominal amount of the covered bonds (both excluding accrued interest). For clarification purposes, all assets included in the covered pool are eligible assets.

⁴ Net Present Value (NPV)

The NPV of the liabilities is obtained by discounting all future cash flows based on the funding curve of the issuer.

Substitution assets as well as any derivatives in the pool are marked at their market value.

NPV of liabilities cannot exceed the NPV of the portfolio assigned to the bond, including derivatives. Stress testing - Net present value is also calculated for a 200 bps shift upwards and downwards of the discounting curve.

⁵ Loan-to-Value

The Current indexed LTV is calculated by dividing de outstanding balance of the loan by the latest valuation amount of the underlying property (last physical valuation).

A full valuation of the underlying properties must have been performed by an independent appraiser, at origination or after, prior to the inclusion of the mortgage loan in the cover pool. Properties (both residential and commercial) should also be revalued regularly: - For commercial assets this must be done on an annual basis;

• • • commission subsets this interact or use of all allitual desits; • Residential properties must be revalued at least every 3 years - if the individual mortgage credit value exceeds € 500.000 • Also the value of the mortgage property should be checked on a frequent basis, at least every three years, in order to identify the properties that require appraisal by an expert (this procedure can be done using satisitcal models approved by the Bank of Portugal).

⁶ Insured Property

All mortgages must have property damage insurance covering fire and floods.

⁷ Delinquencies

A loan is considered to be delinquent if any payment is in arrears by more than 30 days. According to the Portuguese covered bonds legislation, any loan which is in arrears by more than 90 days must be removed from the pool and substituted by another loan which fulfils the eligibility criteria. Therefore, there are no NPL's included in the cover pool.