

Report Reference Date: **31-12-2015**
 Report Frequency: Quarterly

1. Credit Ratings ¹	Long Term				Short Term			
	Moody's	S&P	Fitch	DBRS	Moody's	S&P	Fitch	DBRS
Euro 12,500,000,000 Covered Bonds Programme	A1	n/a	BBB+	A	n/a	n/a	n/a	n/a
Banco Santander Totta, SA	Baa3	BB+	BBB	BBB (high)	NP	B	F2	R-1 (low)
Portugal	Ba1	BB+	BB+	BBB (low)	NP	B	B	R-2 (middle)

¹ Ratings as of Report Reference Date

2. Covered Bonds *	Issue Date	Coupon	Maturity Date	Soft Bullet Date	Remaining Term (years)	Nominal Amount
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Covered Bonds Outstanding					2,23	6.500.000.000,00
Syndicated Covered Bonds Issues						
Covered Bond 12 (PTBSQDOE0020)	01-04-2014	Fixed	03-04-2017	03-04-2018	1,26	1.000.000.000,00
Covered Bond 13 (PTBSQEOE0029)	11-06-2014	Fixed	11-06-2019	11-06-2020	3,45	750.000.000,00
Covered Bond 15 (PTBSRBOE0021)	27-10-2015	Fixed	27-10-2020	27-10-2021	4,83	750.000.000,00
Private Placements Covered Bonds Issues						
Covered Bond 9 - Tranche 2 (PTBTAJOE0013)	15-04-2013	Floating	15-04-2016	15-04-2017	0,29	750.000.000,00
Covered Bond 10 (PTBTCKOE0018)	26-07-2013	Floating	26-07-2016	26-07-2017	0,57	750.000.000,00
Covered Bond 11 - Tranche 1 (PTBSQBEOE0022)	19-12-2013	Floating	19-12-2016	19-12-2017	0,97	500.000.000,00
Covered Bond 11 - Tranche 2 (PTBSQAOE0023)	19-12-2013	Floating	19-12-2016	19-12-2017	0,97	500.000.000,00
Covered Bond 11 - Tranche 3 (PTBSQCOE0021)	13-01-2014	Fixed	13-01-2017	13-01-2018	1,04	750.000.000,00
Covered Bond 14 (PTBSRAOE0022)	04-03-2015	Fixed	04-03-2022	04-03-2023	6,18	750.000.000,00

CRD Compliant (Yes/No)

3. Asset Cover Test	Remaining Term (years)	Yes
Mortgage Credit Pool	24,56	7.663.238.722,35
Other Assets (Deposits and Securities at market value)²	0,00	0,00
Cash and Deposits	0,00	0,00
RMBS	0,00	0,00
Other securities	0,00	0,00
Total Cover Pool	24,56	7.663.238.722,35
% of ECB eligible assets		0,00%
Overcollateralization³ with cash collateral (OC)		17,90%
Committed overcollateralization (Fitch) - Minimum OC level to keep the current Mortgage Covered Bond Programme rating		15,00%
Committed overcollateralization (DBRS) - Minimum OC level to keep the current Mortgage Covered Bond Programme rating		15,00%
Legal minimum overcollateralization		5,26%

4. Other Triggers

Net Present Value of Assets (incl. derivatives) ⁴	7.189.397.041,51
Net present value of liabilities (incl. derivatives) ⁴	6.531.551.157,01
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0	OK
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0 (stress of + 200bps)	OK
Net Present Value of Assets (incl. derivatives) - Net present value of liabilities (incl. derivatives) ≥ 0 (stress of - 200bps)	OK
Other Assets ≤ 20% (Cover Pool + Other Assets)	OK
Deposits with a remaining term > 100 days ≤ 15% Covered Bonds Nominal	OK
Estimated Interest from Mortgage Credit and Other Assets - Estimated Interest from Covered Bonds >= 0	OK
Mortgage Credit + Other Assets WA Remaining Term - Covered Bonds WA Remaining Term >= 0	OK

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
Currency Exposure Detail	n/a

6. Mortgage Credit Pool

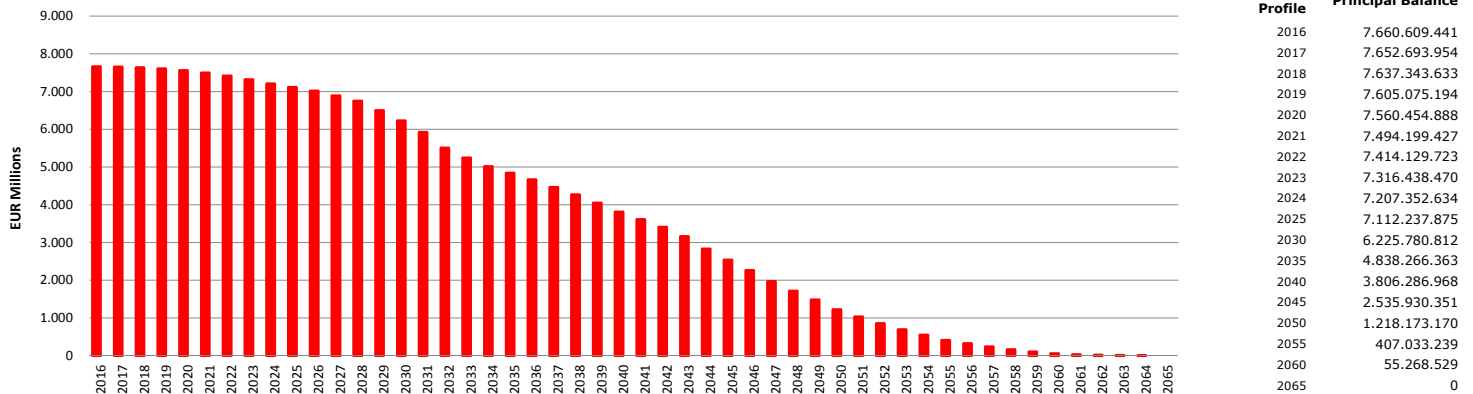
Main Characteristics				
Number of Loans				159,486
Aggregate Original Principal Balance (EUR)				10.951.316.169,56
Aggregate Current Principal Balance (EUR)				7.663.238.722,35
Average Original Principal Balance per loan (EUR)				68.666,32
Average Current Principal Balance per loan (EUR)				48.049,60
Current principal balance of the 5 largest borrowers				7.207.120,04
Weight of the 5 largest borrowers (current principal balance) %				0,09%
Current principal balance of the 10 largest borrowers				12.184.566,15
Weight of the 10 largest borrowers (current principal balance) %				0,16%
Weighted Average Seasoning (months)				106,39
Weighted Average Remaining Terms (months)				298,78
Weighted Average Current Unindexed LTV ⁵ (%)				53,67%
Weighted Average Current Indexed LTV ⁵ (%)				54,57%
Weighted Average Interest Rate (%)				1,31%
Weighted Average Spread (%)				1,24%
Max Maturity Date (yyyy-mm-dd)				2065-09-02
Subsized Loans				
	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Yes	31.777	19,92%	1.013.957.098	13,23%
No	127.709	80,08%	6.649.281.624	86,77%
Insured Property ⁶				
	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Yes	159.486	100,00%	7.663.238.722	100,00%
No	0	0,00%	0	0,00%
Interest Rate Type				
	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Fixed	5.339	3,35%	134.879.578	1,76%
Floating	154.147	96,65%	7.528.359.144	98,24%
Repayment Type				
	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Annuity / French	157.431	98,71%	7.535.595.822	98,33%
Linear	0	0,00%	0	0,00%
Increasing instalments	237	0,15%	2.679.994	0,03%
Bullet	0	0,00%	0	0,00%
Interest-only	1.794	1,12%	124.517.927	1,62%
Other	24	0,02%	444.979	0,01%

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6. Mortgage Credit Pool (continued)

	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Seasoning				
Up to 1 year	2.836	1,78%	242.353.592	3,16%
1 to 2 years	2.848	1,79%	229.982.650	3,00%
2 to 3 years	2.664	1,67%	187.151.983	2,44%
3 to 4 years	2.953	1,85%	197.762.170	2,58%
4 to 5 years	5.263	3,30%	365.315.915	4,77%
5 to 6 years	11.766	7,38%	857.441.219	11,19%
6 to 7 years	11.731	7,36%	752.834.025	9,82%
7 to 8 years	14.406	9,03%	822.260.704	10,73%
8 to 9 years	16.556	10,38%	948.875.428	12,38%
9 to 10 years	9.256	5,80%	475.403.830	6,20%
10 to 11 years	7.477	4,69%	316.229.978	4,13%
11 to 12 years	9.258	5,80%	405.725.976	5,29%
More than 12 Years	62.472	39,17%	1.861.901.251	24,30%
Remaining Term				
Up to 5 years	11.289	7,08%	102.494.282	1,34%
5 to 8 years	12.658	7,94%	243.691.951	3,18%
8 to 10 years	7.573	4,75%	204.253.451	2,67%
10 to 12 years	6.896	4,32%	222.008.340	2,90%
12 to 14 years	10.895	6,83%	391.333.899	5,11%
14 to 16 years	14.663	9,19%	574.871.972	7,50%
16 to 18 years	15.745	9,87%	682.026.158	8,90%
18 to 20 years	8.098	5,08%	404.129.770	5,27%
20 to 22 years	6.977	4,37%	376.227.003	4,91%
22 to 24 years	7.352	4,61%	417.194.548	5,44%
24 to 26 years	6.961	4,36%	432.935.287	5,65%
26 to 28 years	7.378	4,63%	453.940.805	5,92%
28 to 30 years	9.658	6,06%	621.409.416	8,11%
30 to 40 years	28.140	17,64%	2.129.688.601	27,79%
More than 40 years	5.203	3,26%	407.033.239	5,31%
Current Indexed LTV				
Up to 40%	57.640	36,14%	1.614.678.864	21,07%
40 to 50%	22.510	14,11%	1.091.384.510	14,24%
50 to 60%	25.850	16,21%	1.438.494.742	18,77%
60 to 70%	29.362	18,41%	1.805.270.716	23,56%
70 to 80%	24.124	15,13%	1.713.409.890	22,36%
More than 80%	0	0,00%	0	0,00%
Loan Purpose				
Owner-occupied	151.345	94,90%	7.200.953.652	93,97%
Second Home	8.120	5,09%	461.714.553	6,03%
Buy to let	21	0,01%	570.518	0,01%
Other	0	0,00%	0	0,00%
Property Type				
Residential				
Fiat	99.201	62,20%	4.449.599.719	58,06%
House	59.759	37,47%	3.184.833.459	41,56%
Other	526	0,33%	28.805.545	0,38%
Commercial				
Geographical Distribution				
North	51.198	32,10%	2.390.064.575	31,19%
Center	31.455	19,72%	1.444.456.632	18,85%
Lisbon	52.504	32,92%	2.694.714.243	35,16%
Alentejo	11.800	7,40%	468.593.858	6,11%
Algarve	9.295	5,83%	490.247.410	6,40%
Madeira	2.316	1,45%	132.888.281	1,73%
Azores	892	0,56%	41.678.243	0,54%
Delinquencies^a				
	Number of Loans			Total Loan Amount
> 30 days to 60 days	402			0,19%
> 60 days to 90 days	76			0,04%
> 90 days	0			0,00%

Projected Outstanding Amount^b



^aIncludes mortgage pool and other assets; assumes no prepayments.

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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
Residential Mortgages ^b	2.629.281	7.915.487	15.350.322	32.268.438	44.620.306	448.217.013	7.112.237.875
Commercial Mortgages	0	0	0	0	0	0	0
Other Assets ²	0	0	0	0	0	0	0
Cover Pool	2.629.281	7.915.487	15.350.322	32.268.438	44.620.306	448.217.013	7.112.237.875
Covered Bonds	2.500.000.000	1.750.000.000	0	750.000.000	750.000.000	750.000.000	0

^b Includes mortgage pool and other assets; assumes no prepayments.

8. Liquidity Cushion		Nominal Amount
Liquidity Cushion (according to Fitch's definition)^c		
Liquidity Cushion amount		0,00
Deposits with eligible financial institutions		0,00
Eligible securities		0,00
Liquidity Cushion requirement calculation		
Required Liquidity Cushion		0,00
Interest due month 1		0,00
Interest due month 2		0,00
Interest due month 3		0,00

^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		6.500.000.000,00
Of Which Interest Rate Derivatives^b		6.500.000.000,00
Fixed to Floating Swaps		0,00
Interest Basis Swaps		6.500.000.000,00
Of Which Currency Swaps		0,00

^b External Counterparties (No)

10. Contacts	
Corporate Finance Division - Long Term Funding	Dfc@santander.pt
Other Reports on BST website	https://www.santandertotta.pt/pt_PT/Investor-Relations/Emissao-de-Divida/2015.html
ECBC Label Website	https://coveredbondlabel.com/

Notes

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 assets is obtained by discounting all future cash flows with the IRS curve plus average spread for new transactions.
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 LTV is calculated by dividing the outstanding balance of the loan by the value of the underlying property (last physical valuation).
The Current indexed LTV is calculated by dividing the outstanding balance of the loan by the latest valuation amount of the underlying property (i.e. indexed value or 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;
- 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 statistical 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 fulfills the eligibility criteria. Therefore, there are no NPL's included in the cover pool.

*
This document does not contain information regarding the €100,000,000 Floating Rate Covered Bonds due January 2017 (ISIN: PTBAFDM0031), the €135,000,000 Floating Rate Covered Bonds due July 2017 (ISIN: PTBAFFOM0013) and the €50,000,000 Floating Rate Covered Bonds due October 2017 (ISIN: PTBAFSOM0026), which have been initially issued by Banif - Banco Internacional do Funchal, S.A. and in respect of which Banco Santander Totta, S.A. has become the relevant issuer upon the resolution measures passed by the Bank of Portugal with respect to Banif - Banco Internacional do Funchal, S.A. on 20 December 2015, as those covered bonds have never been subject to an investor report before and will be cancelled by Banco Santander Totta, S.A. in January 2016.