

Report Reference Date: **2012-09-28**  
Report Frequency: Quarterly

1. Credit Ratings <sup>1</sup>	Long Term		Short Term
	Euro 12,500,000,000 Covered Bonds Programme	Baa3 / BBB / BBB / A(low)	(Moody's / S&P / Fitch / DBRS)
Banco Santander Totta, SA	Ba1 / BB / BBB- / BBB(high)	(Moody's / S&P / Fitch / DBRS)	NP / B / F3 / R-1 (low) (Moody's / S&P / Fitch / DBRS)
Portugal	Ba3 / BB / BB+ / BBB(low)	(Moody's / S&P / Fitch / DBRS)	(P)NP / B / B / R-2 (middle) (Moody's / S&P / Fitch / DBRS)

<sup>1</sup> Most recent ratings

2. Covered Bonds	Issue Date	Coupon	Maturity Date	Soft Bullet Date	Remaining Term (years)	Nominal Amount
<b>Covered Bonds Outstanding</b>					<b>1,53</b>	<b>5.880.000.000,00</b>
Covered Bond 2 (PTCPP7OE0020)	21-10-2009	Fixed	21-10-2014	21-10-2015	2,06	1.000.000.000,00
Covered Bond 3 (PTCPPROE0027)	15-04-2010	Fixed	15-04-2013	15-04-2014	0,55	1.000.000.000,00
Covered Bond 4 - Tranche 1 (PTBSPG0E0028)	12-01-2011	Floating	12-01-2014	12-01-2015	1,29	750.000.000,00
Covered Bond 4 - Tranche 2 (PTBSPNOE0029)	21-01-2011	Floating	12-01-2014	12-01-2015	1,29	600.000.000,00
Covered Bond 4 - Tranche 4 (PTBSPLOE0039)	16-02-2011	Floating	12-01-2014	12-01-2015	1,29	225.000.000,00
Covered Bond 4 - Tranche 5 (PTBSPQOE0042)	30-03-2011	Floating	30-03-2014	30-03-2015	1,50	175.000.000,00
Covered Bond 5 (PTCPQ2OE0015)	23-05-2011	Floating	23-05-2014	23-05-2015	1,65	1.250.000.000,00
Covered Bond 6 (PTBTXFOE0010)	04-11-2011	Floating	04-11-2014	04-11-2015	2,10	250.000.000,00
Covered Bond 7 (PTBTXG0E0019)	04-11-2011	Floating	04-11-2014	04-11-2015	2,10	380.000.000,00
Covered Bond 8 (PTBTAHOE0015)	20-07-2012	Floating	20-07-2015	20-07-2016	2,81	250.000.000,00

3. Asset Cover Test	Remaining Term (years)	Nominal Amount
<b>Mortgage Credit Pool</b>	<b>25,11</b>	<b>7.383.698.347,71</b>
<b>Other Assets (Deposits and Securities at market value)<sup>2</sup></b>	<b>1,53</b>	<b>448.215.349,71</b>
Cash and Deposits	1,53	448.215.349,71
RMBS	0,00	0,00
Other securities	0,00	0,00
<b>Total Cover Pool</b>	<b>23,76</b>	<b>7.831.913.697,42</b>
% of ECB eligible assets		0,00%
<b>Overcollateralization with cash collateral (OC)</b>		33,20%
<b>Required overcollateralization (Moody's)</b> - Minimum OC level to keep the current Mortgage Covered Bond Programme rating		30%
<b>Required overcollateralization (DBRS)</b> - Minimum OC level to keep the current Mortgage Covered Bond Programme rating		30%
<b>Legal minimum overcollateralization</b>		<b>5,26%</b>

<sup>2</sup> Includes Liquidity Cushion (see section 5 below)

4. Mortgage Credit Pool		
<b>Portfolio Main Characteristics</b>		
Number of Loans		151.879
Aggregate Original Principal Balance (EUR)		9.679.827.298,19
Aggregate Current Principal Balance (EUR)		7.383.698.347,70
Average Original Principal Balance per loan (EUR)		63.733,81
Average Current Principal Balance per loan (EUR)		48.615,66
Weight of subsidized loans (number of loans) %		22,59%
Weight of subsidized loans (current principal balance) %		16,33%
Weight of residential mortgages (number of loans) %		100,00%
Weight of residential mortgages (current principal balance) %		100,00%
Weight of commercial mortgages (number of loans) %		0,00%
Weight of commercial mortgages (current principal balance) %		0,00%
Weight of insured property (number of loans) %		100,00%
Weight of insured property (current principal balance) %		100,00%
Weight of interest-only loans (number of loans) %		3,54%
Weight of interest-only loans (current principal balance) %		5,17%
Current principal balance of the 5 largest borrowers		8.689.425,87
Weight of the 5 largest borrowers (current principal balance) %		0,12%
Current principal balance of the 10 largest borrowers		14.784.260,52
Weight of the 10 largest borrowers (current principal balance) %		0,20%
Weighted Average Seasoning (months)		81,75
Weighted Average Remaining Terms (months)		305,51
Weighted Average Current Unindexed LTV (%)		55,07%
Weighted Average Current Indexed LTV (%)		55,35%
Weighted Average Interest Rate (%)		2,02%
Weighted Average Spread (%)		1,07%
Max Maturity Date (yyyy-mm-dd)		2062-05-02
<b>Portfolio Interest Rate Type</b>		
Fixed	Number of Loans	Total Loan Amount
	1,52%	1,33%
Floating	98,48%	98,67%
<b>Portfolio Seasoning</b>		
	Number of Loans	Total Loan Amount
Up to 1 year	0,75%	1,16%
1 to 2 years	4,32%	6,85%
2 to 3 years	7,14%	11,36%
3 to 4 years	6,41%	9,00%
4 to 5 years	12,13%	15,02%
5 to 6 years	8,86%	11,04%
6 to 7 years	5,48%	5,34%
7 to 8 years	4,71%	3,98%
8 to 9 years	6,87%	6,74%
9 to 10 years	6,28%	5,29%
10 to 11 years	9,39%	7,85%
11 to 12 years	6,05%	4,75%
More than 12 Years	21,63%	11,63%
<b>Portfolio Remaining Term</b>		
	Number of Loans	Total Loan Amount
Up to 5 years	4,90%	0,85%
5 to 8 years	6,22%	2,44%
8 to 10 years	6,12%	3,19%
10 to 12 years	6,45%	4,24%
12 to 14 years	4,76%	3,63%
14 to 16 years	4,94%	4,33%
16 to 18 years	8,83%	8,00%
18 to 20 years	10,83%	10,58%
20 to 22 years	7,32%	7,83%
22 to 24 years	4,01%	4,60%
24 to 26 years	4,05%	4,97%
26 to 28 years	4,09%	5,49%
28 to 30 years	3,39%	4,54%
30 to 40 years	19,02%	27,52%
More than 40 years	5,08%	7,81%

**4. Mortgage Credit Pool (continued)**

	Number of Loans	Total Loan Amount
<b>Portfolio Current Indexed LTV</b>		
Up to 40%	36,66%	21,38%
40 to 50%	12,77%	13,29%
50 to 60%	14,92%	17,44%
60 to 70%	17,33%	22,37%
70 to 80%	18,32%	25,51%
More than 80%	0,00%	0,00%
<b>Portfolio Loan Usage</b>		
Owner-occupied	95,13%	94,00%
Second Home	4,85%	5,99%
Buy to let	0,02%	0,01%
Other	0,00%	0,00%
<b>Portfolio Geographical Distribution</b>		
North	31,12%	30,37%
Center	19,58%	18,89%
Lisbon	33,88%	35,38%
Alentejo	7,38%	6,19%
Algarve	6,11%	6,97%
Madeira	1,39%	1,68%
Azores	0,53%	0,53%
<b>Portfolio Delinquencies</b>		
> 30 days to 60 days	0,47%	0,42%
> 60 days to 90 days	0,22%	0,20%

**5. Liquidity Cushion**

	Nominal Amount
<b>Liquidity Cushion (according to Fitch's definition) <sup>3</sup></b>	
Liquidity Cushion amount	0,00
Deposits with eligible financial institutions	0,00
Eligible securities	0,00
<b>Liquidity Cushion requirement calculation</b>	
Required Liquidity Cushion	0,00
Interest due month 1	0,00
Interest due month 2	0,00
Interest due month 3	0,00

<sup>3</sup> At least equal to the interest payments due on the Covered Bonds Outstanding before swaps for the next 3 months

**6. Derivative Financial Instruments**

	Nominal Amount (Eur)
<b>Interest Rate Swaps <sup>4</sup></b>	
Fixed to Floating Swaps	2.000.000.000,00
Interest Basis Swaps	5.880.000.000,00
<sup>4</sup> External counterparties (Yes/No)	No

**7. Other Triggers**

Other Assets <= 20% (Cover Pool + Other Assets) <sup>4</sup>	OK
Deposits with a remaining term > 100 days <= 15% Covered Bonds Nominal	N/A
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

<sup>4</sup> Considering Other Assets at Market Value

**8. Contacts**

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Other Reports on BST website

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[http://www.santandertotta.pt/pagina/content/0,1301,1384\\_32364\\_1\\_1\\_1341\\_4\\_0,00.html](http://www.santandertotta.pt/pagina/content/0,1301,1384_32364_1_1_1341_4_0,00.html)

**Notes****1 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.

Required overcollateralization is the minimum overcollateralization necessary to keep the current Mortgage Covered Bond Programme rating.

**2 Insured mortgages**

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

**3 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.

**4 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.

**5 Other Assets**

In addition to the mortgage assets, other assets (or substitute 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-.

**6 Loan-to-Value**

The Current Unindexed 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; however, it can be done on a more frequent basis (revaluations of residential properties may be done using a statistical model, approved by the Bank of Portugal).