

Report Reference Date: **29-06-2018**
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	A+	AA (low)	n/a	n/a	n/a	n/a
Banco Santander Totta, SA	Ba1	BBB-	BBB+	A	NP	A-	F2	R-1 (low)
Portugal	Ba1	BBB-	BBB	BBB	NP	A-	F2	R-2 (high)

¹ Ratings as of Report Reference Date

2. Covered Bonds	Issue Date	Coupon	Maturity Date	Soft Bullet Date	Remaining Term (years)	Nominal Amount
Covered Bonds Outstanding					5,73	7.700.000.000,00
Syndicated Covered Bonds Issues						
Covered Bond 13 (PTBSQEOE0029)	11-06-2014	Fixed	11-06-2019	11-06-2020	0,95	750.000.000,00
Covered Bond 15 (PTBSRBOE0021)	27-10-2015	Fixed	27-10-2020	27-10-2021	2,33	750.000.000,00
Covered Bond 22 (PTBSRIOE0024)	25-04-2017	Fixed	25-04-2024	25-04-2025	5,83	1.000.000.000,00
Covered Bond 23 (PTBSRJOM0023)	26-09-2017	Fixed	26-09-2027	26-09-2028	9,25	1.000.000.000,00
Private Placements Covered Bonds Issues						
Covered Bond 14 (PTBSRAOE0022)	04-03-2015	Fixed	04-03-2022	04-03-2023	3,68	750.000.000,00
Covered Bond 16 (PTBSRCOE0020)	24-02-2016	Fixed	24-02-2021	24-02-2022	2,66	200.000.000,00
Covered Bond 17 - (PTBSRD OE0029)	15-04-2016	Fixed	15-04-2023	15-04-2024	4,80	750.000.000,00
Covered Bond 18 - (PTBSRFOE0019)	26-07-2016	Fixed	26-07-2023	26-07-2024	5,08	750.000.000,00
Covered Bond 21 - (PTBSRH OE0025)	10-04-2017	Fixed	10-04-2027	10-04-2028	8,79	1.000.000.000,00
Covered Bond 20 - (PTBSRKOM0020)	07-12-2017	Fixed	07-12-2027	07-12-2028	9,45	750.000.000,00

CRD Compliant (Yes/No) **Yes**

3. Asset Cover Test	Remaining Term (years)	Nominal Amount
Mortgage Credit Pool	26,09	8.950.437.701,77
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	26,09	8.950.437.701,77
% of ECB eligible assets		0,00%

Overcollateralization³ with cash collateral (OC) **16,24%**

Committed overcollateralization (Fitch) - Minimum OC level to keep the current Mortgage Covered Bond Programme rating **14,00%**

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) ¹	8.909.830.701,90
Net Present Value of Liabilities (incl. derivatives) ¹	7.140.918.803,24
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

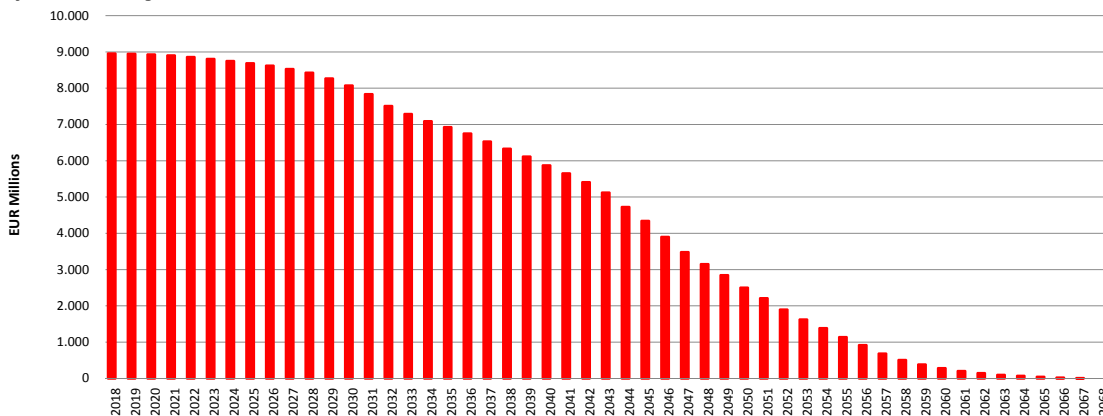
6. Mortgage Credit Pool	
Main Characteristics	
Number of Loans	168.662
Aggregate Original Principal Balance (EUR)	12.676.042.740,52
Aggregate Current Principal Balance (EUR)	8.950.437.701,77
Average Original Principal Balance per loan (EUR)	75.156,48
Average Current Principal Balance per loan (EUR)	53.067,30
Current principal balance of the 5 largest borrowers	8.416.368,68
Weight of the 5 largest borrowers (current principal balance) %	0,09%
Current principal balance of the 10 largest borrowers	15.123.403,31
Weight of the 10 largest borrowers (current principal balance) %	0,17%
Weighted Average Seasoning (months)	102,24
Weighted Average Remaining Terms (months)	317,34
Weighted Average Current Unindexed LTV ⁵ (%)	55,88%
Weighted Average Current Indexed LTV ⁵ (%)	56,32%
Weighted Average Interest Rate (%)	1,11%
Weighted Average Spread (%)	1,29%
Max Maturity Date (yyyy-mm-dd)	2068-07-02
Subsized Loans	
	Number of Loans % Total Loans Amount of Loans % Total Amount
Yes	24.673 14,63% 739.987.621 8,27%
No	143.989 85,37% 8.210.450.081 91,73%
Insured Property⁶	
	Number of Loans % Total Loans Amount of Loans % Total Amount
Yes	168.662 100,00% 8.950.437.702 100,00%
No	0 0,00% 0 0,00%
Interest Rate Type	
	Number of Loans % Total Loans Amount of Loans % Total Amount
Fixed	5.500 3,26% 259.421.682 2,90%
Floating	163.162 96,74% 8.691.016.020 97,10%
Repayment Type	
	Number of Loans % Total Loans Amount of Loans % Total Amount
Annuity / French	167.606 99,37% 8.864.033.930 99,03%
Linear	0 0,00% 0 0,00%
Increasing instalments	117 0,07% 1.309.928 0,01%
Bullet	0 0,00% 0 0,00%
Interest-only	926 0,55% 84.891.485 0,95%
Other	13 0,01% 202.359 0,00%

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6. Mortgage Credit Pool (continued)

	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
Seasoning				
Up to 1 year	9.095	5,39%	915.517.241	10,23%
1 to 2 years	8.562	5,08%	859.417.540	9,60%
2 to 3 years	6.381	3,78%	567.265.576	6,34%
3 to 4 years	3.758	2,23%	312.491.472	3,49%
4 to 5 years	2.233	1,32%	150.734.937	1,68%
5 to 6 years	2.454	1,45%	155.690.303	1,74%
6 to 7 years	2.926	1,73%	184.030.124	2,06%
7 to 8 years	7.321	4,34%	491.384.949	5,49%
8 to 9 years	12.506	7,41%	818.957.957	9,15%
9 to 10 years	10.327	6,12%	566.511.904	6,33%
10 to 11 years	18.897	11,20%	982.223.041	10,97%
11 to 12 years	14.593	8,65%	761.504.820	8,51%
More than 12 years	69.609	41,27%	2.184.707.838	24,41%
Remaining Term				
Up to 5 years	13.354	7,92%	118.370.482	1,32%
5 to 8 years	8.993	5,33%	181.665.064	2,03%
8 to 10 years	6.160	3,65%	175.268.909	1,96%
10 to 12 years	10.002	5,93%	308.151.732	3,44%
12 to 14 years	13.649	8,09%	482.139.735	5,39%
14 to 16 years	12.604	7,47%	507.068.585	5,67%
16 to 18 years	7.181	4,26%	339.323.905	3,79%
18 to 20 years	7.686	4,56%	410.804.378	4,59%
20 to 22 years	7.767	4,61%	436.727.950	4,88%
22 to 24 years	7.692	4,56%	462.342.655	5,17%
24 to 26 years	10.110	5,99%	596.355.039	6,66%
26 to 28 years	12.976	7,69%	817.851.458	9,14%
28 to 30 years	11.591	6,87%	827.676.213	9,25%
30 to 40 years	32.393	19,21%	2.710.704.563	30,29%
More than 40 years	6.504	3,86%	575.987.033	6,44%
Current Indexed LTV				
Up to 40%	55.787	33,08%	1.623.927.626	18,14%
40 to 50%	24.659	14,62%	1.227.966.431	13,72%
50 to 60%	27.374	16,23%	1.621.899.774	18,12%
60 to 70%	33.340	19,77%	2.275.282.807	25,42%
70 to 80%	27.502	16,31%	2.201.361.064	24,60%
More than 80%	0	0,00%	0	0,00%
Loan Purpose				
Owner-occupied	159.134	94,35%	8.354.930.358	93,35%
Second Home	9.518	5,64%	595.245.636	6,65%
Buy to let	10	0,01%	261.707	0,00%
Other	0	0,00%	0	0,00%
Property Type				
Residential				
Flat	108.861	64,54%	5.378.394.598	60,09%
House	59.306	35,16%	3.542.493.556	39,58%
Other	495	0,29%	29.549.549	0,33%
Commercial				
Geographical Distribution				
North	53.301	31,60%	2.721.544.677	30,41%
Center	31.718	18,81%	1.547.146.046	17,29%
Lisbon	58.362	34,60%	3.410.077.547	38,10%
Alentejo	11.610	6,88%	472.554.352	5,28%
Algarve	9.857	5,84%	572.774.389	6,40%
Madeira	2.711	1,61%	166.099.333	1,86%
Azores	1.103	0,65%	60.241.357	0,67%
Delinquencies⁷				
	Number of Loans		Total Loan Amount	
> 30 days to 60 days	187		6.607.137	
> 60 days to 90 days	32		897.184	
> 90 days	0		0	

Projected Outstanding Amount^b



Amortisation Profile

Year	Principal Balance
2018	8.949.662.218
2019	8.942.177.996
2020	8.926.994.458
2021	8.897.291.139
2022	8.856.172.269
2023	8.803.838.114
2024	8.743.236.654
2025	8.682.220.839
2030	8.067.167.214
2035	6.923.187.701
2040	5.869.895.496
2045	4.337.213.798
2050	2.497.888.873
2055	1.134.754.940
2060	278.229.956
2065	40.851.197
2068	0

^b Includes 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
Residencial Mortgages ^b	3.256.878	11.546.450	21.892.530	35.068.911	46.948.733	357.217.187	8.474.507.013
Commercial Mortgages	0	0	0	0	0	0	0
Other Assets ²	0	0	0	0	0	0	0
Cover Pool	3.256.878	11.546.450	21.892.530	35.068.911	46.948.733	357.217.187	8.474.507.013
Covered Bonds	750.000.000	0	950.000.000	750.000.000	750.000.000	4.500.000.000	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		7.700.000.000,00
Of Which Interest Rate Derivatives^b		7.700.000.000,00
Fixed to Floating Swaps		0,00
Interest Basis Swaps		7.700.000.000,00
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/2018.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.