

Report Reference Date: **30-09-2014**
 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	A3	n/a	BBB+	A (low)	n/a	n/a	n/a	n/a
Banco Santander Totta, SA	Ba1	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
Covered Bonds Outstanding					1,95	7.130.000.000,00
Syndicated Covered Bonds Issues						
Covered Bond 2 (PTCPP7OE0020)	21/10/2009	Fixed	21/10/2014	21/10/2015	0,06	1.000.000.000,00
Covered Bond 12 (PTBSQDOE0020)	01/04/2014	Fixed	03/04/2017	03/04/2018	2,51	1.000.000.000,00
Covered Bond 13 (PTBSQEOE0029)	11/06/2014	Fixed	11/06/2019	11/06/2020	4,70	750.000.000,00
Private Placements Covered Bonds Issues						
Covered Bond 7 (PTBTXGOE0019)	04/11/2011	Floating	04/11/2014	04/11/2015	0,10	130.000.000,00
Covered Bond 8 (PTBTAHOE0015)	20/07/2012	Floating	20/07/2015	20/07/2016	0,80	250.000.000,00
Covered Bond 9 - Tranche 1 (PTBTAIOE0014)	02/04/2013	Floating	02/04/2016	02/04/2017	1,51	500.000.000,00
Covered Bond 9 - Tranche 2 (PTBTAJOE0013)	15/04/2013	Floating	15/04/2016	15/04/2017	1,54	1.000.000.000,00
Covered Bond 10 (PTBTCKOE0018)	26/07/2013	Floating	26/07/2016	26/07/2017	1,82	750.000.000,00
Covered Bond 11 - Tranche 1 (PTBSQBOE0022)	19/12/2013	Floating	19/12/2016	19/12/2017	2,22	500.000.000,00
Covered Bond 11 - Tranche 2 (PTBSQAOE0023)	19/12/2013	Floating	19/12/2016	19/12/2017	2,22	500.000.000,00
Covered Bond 11 - Tranche 3 (PTBSQCOE0021)	13/01/2014	Fixed	13/01/2017	13/01/2018	2,29	750.000.000,00

3. Asset Cover Test	Remaining Term (years)	Nominal Amount
Mortgage Credit Pool	25,13	8.272.877.508,64
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	25,13	8.272.877.508,64
% of ECB eligible assets		0,00%
Overcollateralization³ with cash collateral (OC)		16,03%
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) ¹	7.494.470.209,00
Net present value of liabilities (incl. derivatives) ¹	7.236.489.617,00
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

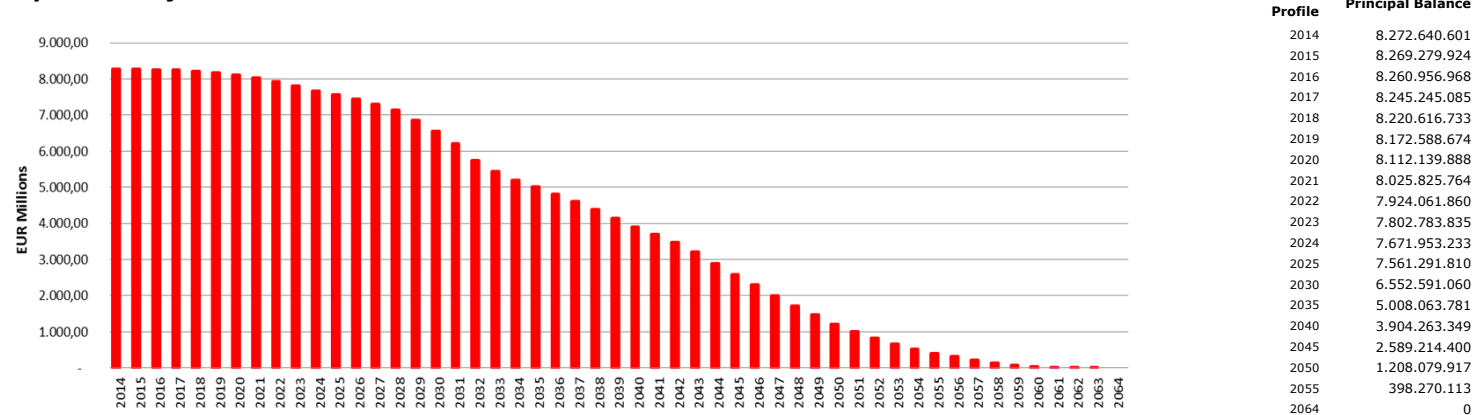
6. Mortgage Credit Pool	
Main Characteristics	
Number of Loans	168.050
Aggregate Original Principal Balance (EUR)	11.320.696.249,37
Aggregate Current Principal Balance (EUR)	8.272.877.508,64
Average Original Principal Balance per loan (EUR)	67.365,05
Average Current Principal Balance per loan (EUR)	49.228,67
Current principal balance of the 5 largest borrowers	8.384.058,96
Weight of the 5 largest borrowers (current principal balance) %	0,10%
Current principal balance of the 10 largest borrowers	14.065.276,28
Weight of the 10 largest borrowers (current principal balance) %	0,17%
Weighted Average Seasoning (months)	96,80
Weighted Average Remaining Terms (months)	305,78
Weighted Average Current Unindexed LTV ⁵ (%)	55,98%
Weighted Average Current Indexed LTV ⁵ (%)	56,65%
Weighted Average Interest Rate (%)	1,56%
Weighted Average Spread (%)	1,17%
Max Maturity Date (yyyy-mm-dd)	2064/10/02
Subsidized Loans	
Yes	33.762 20,09% 1.151.523.795 13,92%
No	134.288 79,91% 7.121.353.713 86,08%
Insured Property⁶	
Yes	168.050 100,00% 8.272.877.509 100,00%
No	0 0,00% 0 0,00%
Interest Rate Type	
Fixed	6.065 3,61% 153.291.939 1,85%
Floating	161.985 96,39% 8.119.585.570 98,15%
Repayment Type	
Annuitiy / French	167.651 99,76% 8.268.652.221 99,95%
Linear	0 0,00% 0 0,00%
Increasing instalments	371 0,22% 3.609.544 0,04%
Bullet	0 0,00% 0 0,00%
Interest-only	0 0,00% 0 0,00%
Other	28 0,02% 615.744 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	2.378	1,42%	173.289.268	2,09%
1 to 2 years	2.920	1,74%	210.945.132	2,55%
2 to 3 years	3.303	1,97%	225.056.727	2,72%
3 to 4 years	6.928	4,12%	504.858.658	6,10%
4 to 5 years	13.822	8,22%	1.031.613.639	12,47%
5 to 6 years	11.290	6,72%	727.410.503	8,79%
6 to 7 years	19.350	11,51%	1.126.417.407	13,62%
7 to 8 years	16.030	9,54%	967.133.800	11,69%
8 to 9 years	9.166	5,45%	462.505.990	5,59%
9 to 10 years	7.368	4,38%	316.637.691	3,83%
10 to 11 years	11.548	6,87%	530.600.753	6,41%
11 to 12 years	9.705	5,78%	378.600.329	4,58%
More than 12 Years	54.242	32,28%	1.617.807.614	19,56%
Remaining Term				
Up to 5 years	9.078	5,40%	86.457.604	1,05%
5 to 8 years	12.436	7,40%	233.089.284	2,82%
8 to 10 years	9.231	5,49%	248.009.899	3,00%
10 to 12 years	7.043	4,19%	226.900.918	2,74%
12 to 14 years	7.772	4,62%	295.170.577	3,57%
14 to 16 years	14.014	8,34%	557.309.976	6,74%
16 to 18 years	17.924	10,67%	781.718.763	9,45%
18 to 20 years	12.403	7,38%	601.860.519	7,28%
20 to 22 years	6.904	4,11%	373.558.104	4,52%
22 to 24 years	7.477	4,45%	426.555.299	5,16%
24 to 26 years	7.816	4,65%	482.059.387	5,83%
26 to 28 years	6.663	3,96%	424.125.646	5,13%
28 to 30 years	9.270	5,52%	578.822.385	7,00%
30 to 40 years	32.765	19,50%	2.404.366.837	29,06%
More than 40 years	7.254	4,32%	552.872.313	6,68%
Current Indexed LTV				
Up to 40%	55.525	33,04%	1.590.390.561	19,22%
40 to 50%	21.952	13,06%	1.067.511.613	12,90%
50 to 60%	25.712	15,30%	1.437.906.045	17,38%
60 to 70%	28.529	16,98%	1.744.058.245	21,08%
70 to 80%	36.332	21,62%	2.433.011.045	29,41%
More than 80%	0	0,00%	0	0,00%
Loan Purpose				
Owner-occupied	159.833	95,11%	7.792.237.889	94,19%
Second Home	8.194	4,88%	479.987.317	5,80%
Buy to let	23	0,01%	652.303	0,01%
Other	0	0,00%	0	0,00%
Property Type				
Residential				
Fiat	105.970	63,06%	4.892.362.438	59,14%
House	61.499	36,60%	3.348.286.798	40,47%
Other	581	0,35%	32.228.273	0,39%
Commercial				
Geographical Distribution				
North	53.607	31,90%	2.560.407.076	30,95%
Center	32.690	19,45%	1.537.823.950	18,59%
Lisbon	56.047	33,35%	2.931.814.432	35,44%
Alentejo	12.442	7,40%	508.963.152	6,15%
Algarve	9.929	5,91%	548.054.190	6,62%
Madeira	2.417	1,44%	142.108.330	1,72%
Azores	918	0,55%	43.706.379	0,53%
Delinquencies⁷				
> 30 days to 60 days		568		0,28%
> 60 days to 90 days		121		0,05%
> 90 days		0		0,00%

Projected Outstanding Amount⁸



⁸ 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
Residential Mortgages ^b	1.337.020	5.622.377	11.691.165	19.592.493	33.796.436	463.613.378	7.737.224.640
Commercial Mortgages	0	0	0	0	0	0	0
Other Assets ²	0	0	0	0	0	0	0
Cover Pool	1.337.020	5.622.377	11.691.165	19.592.493	33.796.436	463.613.378	7.737.224.640
Covered Bonds	1.380.000.000	2.250.000.000	2.750.000.000	0	750.000.000	0	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		7.130.000.000,00
Of Which Interest Rate Derivatives^b		7.130.000.000,00
Fixed to Floating Swaps		1.000.000.000,00
Interest Basis Swaps		7.130.000.000,00
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/2014.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.