

Report Reference Date: **30-09-2018**  
 Report Frequency: Quarterly

1. Credit Ratings <sup>1</sup>	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)

<sup>1</sup> Ratings as of Report Reference Date

2. Covered Bonds	Issue Date	Coupon	Maturity Date	Soft Bullet Date	Remaining Term (years)	Nominal Amount
<b>Covered Bonds Outstanding</b>					<b>5,47</b>	<b>7.700.000.000,00</b>
<b>Syndicated Covered Bonds Issues</b>						
Covered Bond 13 (PTBSQOE0029)	11-06-2014	Fixed	11-06-2019	11-06-2020	0,70	750.000.000,00
Covered Bond 15 (PTBSRBOE0021)	27-10-2015	Fixed	27-10-2020	27-10-2021	2,08	750.000.000,00
Covered Bond 22 (PTBSRIOE0024)	25-04-2017	Fixed	25-04-2024	25-04-2025	5,57	1.000.000.000,00
Covered Bond 23 (PTBSRJOM0023)	26-09-2017	Fixed	26-09-2027	26-09-2028	8,99	1.000.000.000,00
<b>Private Placements Covered Bonds Issues</b>						
Covered Bond 14 (PTBSRAOE0022)	04-03-2015	Fixed	04-03-2022	04-03-2023	3,43	750.000.000,00
Covered Bond 16 (PTBSRCOE0020)	24-02-2016	Fixed	24-02-2021	24-02-2022	2,41	200.000.000,00
Covered Bond 17 - (PTBSRDOE0029)	15-04-2016	Fixed	15-04-2023	15-04-2024	4,54	750.000.000,00
Covered Bond 18 - (PTBSRFOE0019)	26-07-2016	Fixed	26-07-2023	26-07-2024	4,82	750.000.000,00
Covered Bond 21 - (PTBSRHOE0025)	10-04-2017	Fixed	10-04-2027	10-04-2028	8,53	1.000.000.000,00
Covered Bond 20 - (PTBSRKOM0020)	07-12-2017	Fixed	07-12-2027	07-12-2028	9,19	750.000.000,00

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

3. Asset Cover Test	Remaining Term (years)	Nominal Amount
<b>Mortgage Credit Pool</b>	<b>25,86</b>	<b>8.976.222.191,05</b>
<b>Other Assets (Deposits and Securities at market value)<sup>2</sup></b>	<b>0,00</b>	<b>0,00</b>
Cash and Deposits	0,00	0,00
RMBS	0,00	0,00
Other securities	0,00	0,00
<b>Total Cover Pool</b>	<b>25,86</b>	<b>8.976.222.191,05</b>
% of ECB eligible assets		0,00%
<b>Overcollateralization<sup>3</sup> with cash collateral (OC)</b>		<b>16,57%</b>
<b>Committed overcollateralization (Fitch)</b> - Minimum OC level to keep the current Mortgage Covered Bond Programme rating		<b>14,00%</b>
<b>Committed overcollateralization (DBRS)</b> - Minimum OC level to keep the current Mortgage Covered Bond Programme rating		<b>15,00%</b>
<b>Legal minimum overcollateralization</b>		<b>5,26%</b>

4. Other Triggers	
Net Present Value of Assets (incl. derivatives) <sup>4</sup>	8.836.443.693,18
Net Present Value of Liabilities (incl. derivatives) <sup>4</sup>	7.857.193.331,01
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	
<b>Cover Pool Includes</b>	
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
<b>Currency Exposure Detail</b>	<b>n/a</b>

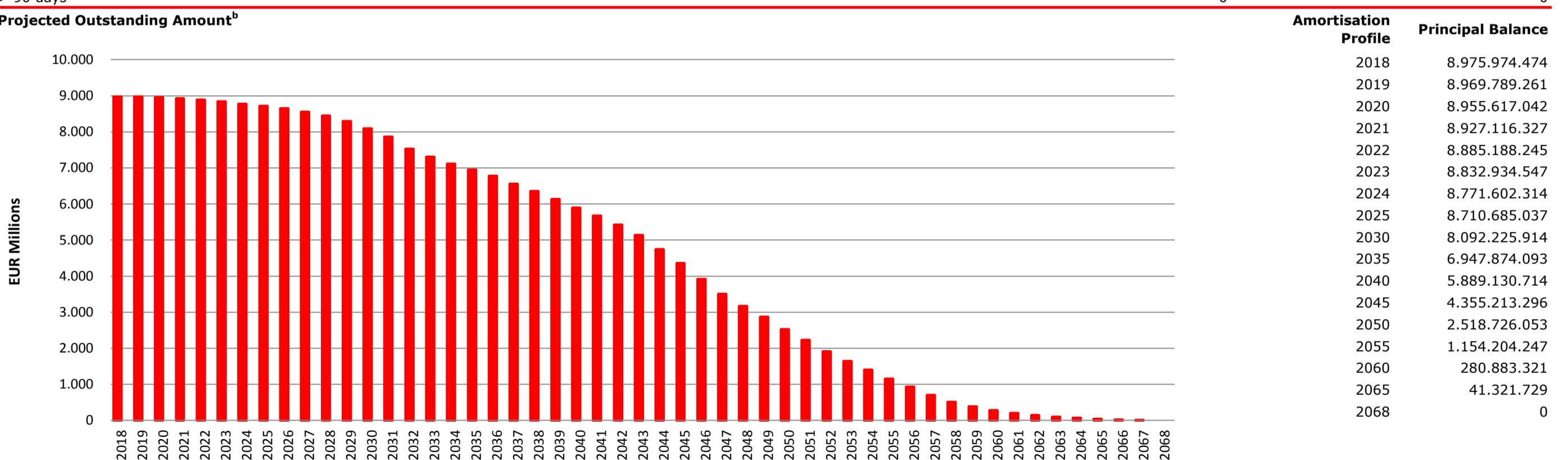
6. Mortgage Credit Pool	
<b>Main Characteristics</b>	
Number of Loans	171.878
Aggregate Original Principal Balance (EUR)	12.870.516.627,03
Aggregate Current Principal Balance (EUR)	8.976.222.191,05
Average Original Principal Balance per loan (EUR)	74.881,70
Average Current Principal Balance per loan (EUR)	52.224,38
Current principal balance of the 5 largest borrowers	8.069.671,26
Weight of the 5 largest borrowers (current principal balance) %	0,09%
Current principal balance of the 10 largest borrowers	14.346.686,35
Weight of the 10 largest borrowers (current principal balance) %	0,16%
Weighted Average Seasoning (months)	104,62
Weighted Average Remaining Terms (months)	314,64
Weighted Average Current Unindexed LTV <sup>5</sup> (%)	55,51%
Weighted Average Current Indexed LTV <sup>5</sup> (%)	55,91%
Weighted Average Interest Rate (%)	1,10%
Weighted Average Spread (%)	1,28%
Max Maturity Date (yyyy-mm-dd)	2068-07-02
<b>Subsidized Loans</b>	
	<b>Number of Loans</b> <b>% Total Loans</b> <b>Amount of Loans</b> <b>% Total Amount</b>
Yes	24.906 14,49% 729.185.777 8,12%
No	146.972 85,51% 8.247.036.414 91,88%
<b>Insured Property<sup>6</sup></b>	
	<b>Number of Loans</b> <b>% Total Loans</b> <b>Amount of Loans</b> <b>% Total Amount</b>
Yes	171.878 100,00% 8.976.222.191 100,00%
No	0 0,00% 0 0,00%
<b>Interest Rate Type</b>	
	<b>Number of Loans</b> <b>% Total Loans</b> <b>Amount of Loans</b> <b>% Total Amount</b>
Fixed	5.007 2,91% 215.529.896 2,40%
Floating	166.871 97,09% 8.760.692.295 97,60%
<b>Repayment Type</b>	
	<b>Number of Loans</b> <b>% Total Loans</b> <b>Amount of Loans</b> <b>% Total Amount</b>
Annuity / French	170.932 99,45% 8.900.859.203 99,16%
Linear	0 0,00% 0 0,00%
Increasing instalments	115 0,07% 1.199.893 0,01%
Bullet	0 0,00% 0 0,00%
Interest-only	815 0,47% 73.942.663 0,82%
Other	16 0,01% 220.432 0,00%

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

	Number of Loans	% Total Loans	Amount of Loans	% Total Amount
<b>Seasoning</b>				
Up to 1 year	7.944	4,62%	792.499.835	8,83%
1 to 2 years	9.004	5,24%	915.092.515	10,19%
2 to 3 years	6.562	3,82%	589.099.849	6,56%
3 to 4 years	4.468	2,60%	373.424.667	4,16%
4 to 5 years	2.372	1,38%	170.729.265	1,90%
5 to 6 years	2.360	1,37%	152.417.446	1,70%
6 to 7 years	2.580	1,50%	158.178.857	1,76%
7 to 8 years	5.667	3,30%	370.354.140	4,13%
8 to 9 years	11.783	6,86%	785.822.605	8,75%
9 to 10 years	10.248	5,96%	573.947.092	6,39%
10 to 11 years	16.750	9,75%	868.095.228	9,67%
11 to 12 years	17.156	9,98%	889.353.332	9,91%
More than 12 Years	74.984	43,63%	2.337.207.360	26,04%
<b>Remaining Term</b>				
Up to 5 years	14.832	8,63%	129.697.700	1,44%
5 to 8 years	9.393	5,46%	186.081.254	2,07%
8 to 10 years	6.563	3,82%	184.641.517	2,06%
10 to 12 years	10.850	6,31%	334.287.228	3,72%
12 to 14 years	15.375	8,95%	541.268.432	6,03%
14 to 16 years	11.078	6,45%	451.268.168	5,03%
16 to 18 years	6.937	4,04%	328.713.658	3,66%
18 to 20 years	7.910	4,60%	419.267.683	4,67%
20 to 22 years	8.102	4,71%	454.532.207	5,06%
22 to 24 years	7.694	4,48%	458.642.084	5,11%
24 to 26 years	11.268	6,56%	651.486.555	7,26%
26 to 28 years	12.640	7,35%	808.462.034	9,01%
28 to 30 years	11.126	6,47%	795.770.811	8,87%
30 to 40 years	31.950	18,59%	2.681.529.067	29,87%
More than 40 years	6.160	3,58%	550.573.794	6,13%
<b>Current Indexed LTV</b>				
Up to 40%	59.020	34,34%	1.681.810.988	18,74%
40 to 50%	25.298	14,72%	1.246.811.712	13,89%
50 to 60%	27.386	15,93%	1.626.568.931	18,12%
60 to 70%	34.118	19,85%	2.317.519.025	25,82%
70 to 80%	26.056	15,16%	2.103.511.535	23,43%
More than 80%	0	0,00%	0	0,00%
<b>Loan Purpose</b>				
Owner-occupied	162.269	94,41%	8.378.205.539	93,34%
Second Home	9.600	5,59%	597.766.596	6,66%
Buy to let	9	0,01%	250.056	0,00%
Other	0	0,00%	0	0,00%
<b>Property Type</b>				
<b>Residential</b>				
Flat	110.997	64,58%	5.389.629.923	60,04%
House	60.394	35,14%	3.558.093.104	39,64%
Other	487	0,28%	28.499.164	0,32%
<b>Commercial</b>				
<b>Geographical Distribution</b>				
North	54.222	31,55%	2.728.290.003	30,39%
Center	32.303	18,79%	1.550.355.687	17,27%
Lisbon	59.797	34,79%	3.425.891.740	38,17%
Alentejo	11.739	6,83%	472.132.364	5,26%
Algarve	9.942	5,78%	570.933.015	6,36%
Madeira	2.744	1,60%	166.746.446	1,86%
Azores	1.131	0,66%	61.872.936	0,69%
<b>Delinquencies<sup>7</sup></b>				
		<b>Number of Loans</b>		<b>Total Loan Amount</b>
> 30 days to 60 days		204		9.104.082
> 60 days to 90 days		21		684.917
> 90 days		0		0

**Projected Outstanding Amount<sup>b</sup>**



<sup>b</sup> 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 <sup>b</sup>	4.074.583	12.096.679	24.416.735	38.484.658	50.892.561	371.286.826	8.474.970.149
Commercial Mortgages	0	0	0	0	0	0	0
Other Assets <sup>2</sup>	0	0	0	0	0	0	0
<b>Cover Pool</b>	<b>4.074.583</b>	<b>12.096.679</b>	<b>24.416.735</b>	<b>38.484.658</b>	<b>50.892.561</b>	<b>371.286.826</b>	<b>8.474.970.149</b>
<b>Covered Bonds</b>	<b>750.000.000</b>	<b>0</b>	<b>950.000.000</b>	<b>750.000.000</b>	<b>1.500.000.000</b>	<b>3.750.000.000</b>	<b>0</b>

<sup>b</sup> Includes mortgage pool and other assets; assumes no prepayments.

## 8. Liquidity Cushion

	Nominal Amount
<b>Liquidity Cushion (according to Fitch's definition)<sup>c</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>c</sup> 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
<b>Total Amount of Derivatives in the Cover pool</b>	<b>7.700.000.000,00</b>
<b>Of Which Interest Rate Derivatives<sup>b</sup></b>	<b>7.700.000.000,00</b>
Fixed to Floating Swaps	0,00
Interest Basis Swaps	7.700.000.000,00
<b>Of Which Currency Swaps</b>	<b>0,00</b>

<sup>b</sup> External Counterparties (No)

## 10. Contacts

Corporate Finance Division - Long Term Funding  
Other Reports on BST website  
ECBC Label Website

[Dfc@santander.pt](mailto:Dfc@santander.pt)  
[https://www.santandertotta.pt/pt\\_PT/Investor-Relations/Emissao-de-Divida/2018.html](https://www.santandertotta.pt/pt_PT/Investor-Relations/Emissao-de-Divida/2018.html)  
<https://coveredbondlabel.com/>

## Notes

### <sup>1</sup> 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.

### <sup>2</sup> 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-

### <sup>3</sup> 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.

### <sup>4</sup> 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.

### <sup>5</sup> 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).

### <sup>6</sup> Insured Property

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

### <sup>7</sup> 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.