

Issuer Filing Information

Santander International Debt, S.A. Unipersonal

ISSUER FILING INFORMATION

Type of Information:	Issuer Filing Information
Date of Announcement:	25 April 2016
Issuer Name:	Santander International Debt, S.A. Unipersonal ("Santander International")
Name and Title of Representative:	Antonio Torío Director
Address of Head Office:	Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte, Madrid, Spain
Telephone:	+34-912893685
Contact Person:	Attorney-in-Fact: Hironori Shibata, Attorney-at-law Hiroto Ando, Attorney-at-law Aina Ono, Attorney-at-law Anderson Mori & Tomotsune Address: Akasaka K-Tower 2-7, Motoakasaka 1-chome Minato-ku, Tokyo Telephone: +81-3-6888-1000
Matters related to Financial Instruments Exchange Market, etc.:	Not Applicable
Address of Website for Announcement:	http://www.jpx.co.jp/english/equities/products/tpbm/announcement/index.html

Notes to Investors:

1. The TOKYO PRO-BOND Market is a market for professional investors, etc. (*Tokutei Toushika tou*) as defined in Article 2, Paragraph 3, Item 2(b)(2) of the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA") (the "**Professional Investors, Etc.**"). Notes listed on the market ("**Listed Notes**") may involve high investment risk. Investors should be aware of the listing eligibility and timely disclosure requirements that apply to issuers of Listed Notes on the TOKYO PRO-BOND Market and associated risks such as the fluctuation of market prices and shall bear responsibility for their investments. Prospective investors should make investment decisions after having carefully considered the contents of this Issuer Filing Information.
2. Where this Issuer Filing Information (a) contains any false statement on important matters, or (b) lacks information on: (i) important matters that should be announced or (ii) a material fact that is necessary to avoid misleading content, a person who, at the time of announcement of this Issuer Filing Information, is an officer (meaning an officer stipulated in Article 21, Paragraph 1 of the FIEA (meaning a director (*torishimari-yaku*), accounting advisor (*kaikei-sanyo*), corporate auditor (*kansa-yaku*) or executive officer (*shikkou-yaku*), or a person equivalent to any of these) (the "**Officer**") of Santander International) that announced this Issuer Filing Information shall be liable to compensate persons who acquired the securities for any damage or loss arising from the false statement or lack of information in accordance with the provision of Article 22 of the FIEA applied mutatis mutandis in Article 27-34 of the FIEA. However, this shall not apply to cases where the person who acquired the securities was aware of the existence of the false statement or the lack of information at the time of subscription for acquisition of the securities. Additionally, such Officer shall not be required to assume the liability prescribed above, where he/she proves that he/she was not aware of, and was unable to obtain knowledge of, even with due care, the existence of the false statement or the lack of information.
3. The regulatory framework for the TOKYO PRO-BOND Market is different in fundamental aspects from the

general regulatory framework applicable to other exchange markets in Japan. Investors should be aware of the rules and regulations of the TOKYO PRO-BOND Market, which are available on Japan Exchange Group, Inc. website.

4. Tokyo Stock Exchange, Inc. does not express opinions or issue guarantees, etc. regarding the content of this Issuer Filing Information (including but not limited to, whether this Issuer Filing Information (a) contains a false statement or (b) lacks information on: (i) important matters that should be announced or (ii) a material fact that is necessary to avoid misleading content) and shall not be liable for any damage or loss.
5. All prospective investors who consider purchasing the notes of Santander International issued or to be issued under the Program Information dated 25 November 2015 (as amended and/or supplemented) (the "**Notes**") should read the relevant Specified Securities Information before making an investment decision. Among other things, all prospective investors should be aware that the Notes are subject to certain selling restriction as set forth in the relevant Specified Securities Information.

Santander International Debt, S.A. (Sole-Shareholder Company)

Financial Statements and Directors' Report
for the year ended 31 December 2015,
together with Independent Auditor's Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 16). In the event of a discrepancy, the Spanish-language version prevails.

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 16). In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Sole Shareholder of
Santander International Debt, S.A. (Sole-Shareholder Company),

Report on the Financial Statements

We have audited the accompanying financial statements of Santander International Debt, S.A. (Sole-Shareholder Company), which comprise the balance sheet as at 31 December 2015, and the statement of profit or loss, statement of changes in equity, statement of cash flows and notes to the financial statements for the year then ended.

Directors' Responsibility for the Financial Statements

The directors are responsible for preparing the accompanying financial statements so that they present fairly the equity, financial position and results of Santander International Debt, S.A. (Sole-Shareholder Company) in accordance with the regulatory financial reporting framework applicable to the Company in Spain (identified in Note 2-a to the accompanying financial statements) and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the audit regulations in force in Spain. Those regulations require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the equity and financial position of Santander International Debt, S.A. (Sole-Shareholder Company) as at 31 December 2015, and its results and its cash flows for the year then ended in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, with the accounting principles and rules contained therein.

Emphasis of Matter

We draw attention to Note 14 to the accompanying financial statements, which indicates that the Company carries out most of its transactions with its sole shareholder and other companies in the Santander Group, with which it holds significant balances, and, therefore, this circumstance should be taken into account in any interpretation or analysis of the accompanying financial statements for 2015. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

The accompanying directors' report for 2015 contains the explanations which the directors consider appropriate about the Company's situation, the evolution of its business and other matters, but is not an integral part of the financial statements. We have checked that the accounting information in the directors' report is consistent with that contained in the financial statements for 2015. Our work as auditors was confined to checking the directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the Company's accounting records.

DELOITTE, S.L.

Registered in ROAC under no. S0692



Ana Maria Grande Moro

30 March 2016

**Santander International
Debt, S.A. (Sole-Shareholder
Company)**

Financial Statements and Directors' Report
for the year ended 31 December 2015

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 10). In the event of a discrepancy, the Spanish-language version prevails.

SANTANDER INTERNATIONAL DEBT, S.A. (SOLE-SHAREHOLDER COMPANY)

BALANCE SHEET AS AT 31 DECEMBER 2015
(Thousands of Euros)

ASSETS	Notes	2015	2014 (*)	EQUITY AND LIABILITIES	Notes	2015	2014 (*)
NON-CURRENT ASSETS:				EQUITY:			
Non-current investments in Group companies and associates		10,976,910	13,448,253	SHAREHOLDERS' EQUITY		8,457	7,547
Loans to companies	5	10,976,910	13,448,253	Share capital	8	8,457	7,547
Derivatives	6	3,319	7,488	Registered share capital		180	180
				Reserves		180	180
				Legal and bylaw reserves		7,367	5,900
				Other reserves		36	36
				Profit for the year		7,331	5,664
						910	1,467
				NON-CURRENT LIABILITIES:		10,998,711	13,481,550
				Non-current payables		9,783,245	11,930,884
				Debt instruments and other marketable securities	9	9,779,926	11,923,496
				Derivatives	6	3,319	7,488
				Non-current payables to Group companies and associates	9 & 11	1,216,466	1,560,566
				CURRENT LIABILITIES:		7,449,396	6,826,213
CURRENT ASSETS:				Current payables		6,578,305	6,282,205
Current investments in Group companies and associates		7,480,754	6,887,057	Debt instruments and other marketable securities	9	6,589,867	6,282,205
Loans to companies		7,410,379	6,796,717	Derivatives	6	8,438	-
Derivatives	5	8,438	-	Current payables to Group companies and associates	9 & 11	458,100	531,262
Current prepayments and accrued income	6	15	28	Trade and other payables	10	51	88
Cash and cash equivalents	7	70,360	70,312	Sundry accounts payable		43	84
				Other accounts payable to public authorities		8	4
				Current accruals and deferred income	11	11,940	12,658
TOTAL ASSETS		18,456,564	20,315,310	TOTAL EQUITY AND LIABILITIES		18,456,564	20,315,310

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 16 and Appendices I, II and III are an integral part of the balance sheet as at 31 December 2015.

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 16). In the event of a discrepancy, the Spanish-language version prevails.

SANTANDER INTERNATIONAL DEBT, S.A. (SOLE-SHAREHOLDER COMPANY)

STATEMENT OF PROFIT OR LOSS FOR 2015

(Thousands of Euros)

	Notes	2015	2014 (*)
Revenue:		569.408	757.940
Revenue from marketable securities and other financial instruments-		569.408	757.940
Group companies and associates	5	564.720	754.875
Other revenue		4.688	3.065
Expenses incurred in relation to marketable securities and other financial instruments:	9	(567.020)	(756.001)
On debts to Group companies and associates		(70.655)	(80.600)
On debts to third parties		(496.365)	(675.401)
Other operating expenses:		(602)	(603)
Outside services	12	(602)	(603)
PROFIT FROM OPERATIONS		1.786	1.336
Exchange differences		(486)	760
FINANCIAL PROFIT (LOSS)		(486)	760
PROFIT BEFORE TAX		1.300	2.096
Income tax	11	(390)	(629)
PROFIT FOR THE YEAR		910	1.467

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 16 and Appendices I, II and III are an integral part of the statement of profit or loss for 2015.

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 16). In the event of a discrepancy, the Spanish-language version prevails.

SANTANDER INTERNATIONAL DEBT, S.A. (SOLE-SHAREHOLDER

STATEMENT OF CHANGES IN EQUITY FOR 2015 A) STATEMENT OF RECOGNISED INCOME AND EXPENSE (Thousands of Euros)

	2015	2014 (*)
PROFIT PER STATEMENT OF PROFIT OR LOSS	910	1.467
Income and expense recognised directly in equity:	-	-
Arising from revaluation of financial instruments	-	-
Arising from cash flow hedges	-	-
Grants, donations and legacies received	-	-
Arising from actuarial gains and losses and other adjustments	-	-
Tax effect	-	-
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	-	-
Transfers to profit or loss:	-	-
Arising from revaluation of financial instruments	-	-
Arising from cash flow hedges	-	-
Grants, donations and legacies received	-	-
Tax effect	-	-
TOTAL TRANSFERS TO PROFIT OR LOSS	-	-
TOTAL RECOGNISED INCOME AND EXPENSE	910	1.467

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 16 and Appendices I, II and III are an integral part of the statement of recognised income and expense for 2015.

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 16). In the event of a discrepancy, the Spanish-language version prevails.

SANTANDER INTERNATIONAL DEBT, S.A. (SOLE-SHAREHOLDER COMPANY)

STATEMENT OF CHANGES IN EQUITY FOR 2015

B) STATEMENT OF CHANGES IN TOTAL EQUITY

(Thousands of Euros)

	Share Capital	Reserves	Profit for the Year	Total
BALANCE AT 2013 YEAR-END (*)	180	3.486	2.414	6.080
Adjustments due to changes in policies in 2013 and prior years	-	-	-	-
Adjustments due to errors in 2013 and prior years	-	-	-	-
ADJUSTED BALANCE AT BEGINNING OF 2014 (*)	180	3.486	2.414	6.080
Total recognised income and expense	-	-	1.467	1.467
Transactions with shareholders or owners	-	-	-	-
Other changes in equity	-	2.414	(2.414)	-
2014 ENDING BALANCE (*)	180	5.900	1.467	7.547
Adjustments due to changes in policies in 2014	-	-	-	-
Adjustments due to errors in 2014	-	-	-	-
ADJUSTED BALANCE AT BEGINNING OF 2015	180	5.900	1.467	7.547
Total recognised income and expense	-	-	910	910
Transactions with shareholders or owners	-	-	-	-
Other changes in equity	-	1.467	(1.467)	-
BALANCE AT 2015 YEAR-END	180	7.367	910	8.457

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 16 and Appendices I, II and III are an integral part of the statement of changes in total equity for 2015.

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 16). In the event of a discrepancy, the Spanish-language version prevails.

SANTANDER INTERNATIONAL DEBT, S.A. (SOLE-SHAREHOLDER

STATEMENT OF CASH FLOWS FOR 2015

(Thousands of Euros)

	2015	2014 (*)
CASH FLOWS FROM OPERATING ACTIVITIES:	20.097	24.415
Profit for the year before tax	1.300	2.096
Adjustments for	(1.902)	(2.699)
Finance income	(569.408)	(757.940)
Finance costs	567.020	756.001
Exchange differences	486	(760)
Changes in working capital	(742)	6.398
Other current assets	13	(28)
Trade and other payables	(37)	57
Other non-current assets and liabilities	(718)	6.369
Other cash flows from operating activities	21.441	18.620
Interest paid	(605.360)	(793.358)
Interest received	642.735	830.217
Other amounts received (paid)	(15.934)	(18.239)
CASH FLOWS FROM INVESTING ACTIVITIES:	2.263.317	2.215.876
Payments due to investment	(4.393.012)	(5.013.874)
Group companies and associates	(4.393.012)	(5.013.874)
Proceeds from disposal	6.656.329	7.229.750
Group companies and associates	6.656.329	7.229.750
CASH FLOWS FROM FINANCING ACTIVITIES:	(2.292.478)	(2.226.878)
Proceeds and payments relating to equity instruments	-	-
Proceeds and payments relating to financial liability instruments	(2.292.478)	(2.226.878)
Proceeds from issue of debt instruments and other marketable securities	4.403.416	5.027.921
Redemption of debt instruments and other marketable securities	(6.695.894)	(7.254.799)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	9.112	8.184
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	48	21.597
Cash and cash equivalents at beginning of year	70.312	48.715
Cash and cash equivalents at end of year	70.360	70.312

(*) Presented for comparison purposes only.

The accompanying Notes 1 to 16 and Appendices I, II and III are an integral part of the statement of cash flows for 2015.

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain (see Notes 2 and 16). In the event of a discrepancy, the Spanish-language version prevails.

Santander International Debt, S.A. (Sole-Shareholder Company)

Notes to the financial statements for the year ended 31 December 2015

1. Company activities

Santander International Debt, S.A. (Sole-Shareholder Company) ("the Company") is a Spanish public limited liability company incorporated for an indefinite period of time on 21 April 2004. Its registered office is at Avenida de Cantabria, s/n, Boadilla del Monte (Madrid).

Its sole company object is to issue ordinary or senior debt jointly and severally guaranteed by its sole shareholder Banco Santander, S.A. (see Notes 8 and 9) in accordance with Additional Provision Two of Law 13/1985, of 25 May, on the investment ratios, capital and reporting obligations of financial intermediaries, as amended by Additional Provision Three of Law 19/2003, of 4 July, on the legal regime for capital movements, business transactions abroad and certain measures for the prevention of money laundering. The Company carries on its business activities both in Spain and abroad.

The Company forms part of the Santander Group, the parent of which is Banco Santander, S.A. (see Note 8), with registered office at Paseo de Pereda 9-12, Santander, which files consolidated financial statements. The consolidated financial statements for 2015 of the Santander Group were formally prepared by the directors of Banco Santander, S.A. at the Board of Directors Meeting held on 12 February 2016, and have not yet been approved by the shareholders at the Annual General Meeting.

The Company has no employees and, therefore, has the organisation and resources required to perform its activities through management and services contracts entered into with Santander Group companies (see Note 12). Consequently, the Company's management and operations and these financial statements should be considered within the context of the Group to which it belongs.

In view of the business activity carried on by the Company, it does not have any environmental liability, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position or results. Therefore, no specific disclosures relating to environmental issues are included in these notes to the financial statements.

2. Basis of presentation of the financial statements

a) Regulatory financial reporting framework applicable to the Company

The regulatory financial reporting framework applicable to the Company consists of:

- i. The Spanish Commercial Code and all other Spanish corporate law.
- ii. The Spanish National Chart of Accounts approved by Royal Decree 1514/2007, of 16 November, and its subsequent amendments.

iii. The mandatory rules approved by the Spanish Accounting and Audit Institute in order to implement the Spanish National Chart of Accounts and the relevant secondary legislation.

iv. All other applicable Spanish accounting legislation.

b) Fair presentation

These financial statements, which were obtained from the Company's accounting records, were formally prepared by the Company's directors at the Board of Directors Meeting held on 18 March 2016, in accordance with the regulatory financial reporting framework applicable to the Company (see Note 2-a) and, in particular, with the accounting principles and rules contained therein and, accordingly, present fairly the Company's equity and financial position at 31 December 2015 and the results of its operations, cash flows and changes in equity in the year then ended.

These financial statements have not yet been approved by the Company's sole shareholder. However, the Company's directors consider that they will be approved without any changes. The financial statements for 2014 were approved by the sole shareholder on 17 June 2015.

Comparison with IFRSs

Article 537 of the Consolidated Spanish Limited Liability Companies Law provides that companies that have issued securities listed on a regulated market of any European Union Member State and that, pursuant to current legislation, only publish separate financial statements, must disclose in the notes to the financial statements the main changes, if any, that would have arisen in equity and in the statement of profit or loss had, for the preparation of these financial statements, International Financial Reporting Standards as adopted under the regulations of the European Union ("EU-IFRSs") been applied, indicating the measurement bases applied.

The Company's equity at 31 December 2015 and its statement of profit or loss for the year then ended would not have included any changes had EU-IFRSs been applied rather than the Spanish National Chart of Accounts in the preparation of these financial statements.

c) Comparative information

For comparison purposes the Company's directors present, in addition to the figures for 2015 for each item in the balance sheet, statement of profit or loss, statement of changes in equity, statement of cash flows and notes to the financial statements, the figures for 2014. Consequently, the figures for 2014 included in these notes to the financial statements are presented for comparison purposes only and, therefore, do not constitute the Company's statutory financial statements for 2015.

d) Accounting policies and measurement bases

These financial statements were prepared in accordance with the generally accepted accounting principles and measurement bases described in Note 3. All the obligatory accounting principles and measurement bases with a significant effect on the financial statements were applied. No non-obligatory accounting principles were applied.

e) Key issues in relation to the measurement and estimation of uncertainty

All the information in these notes to the financial statements is the responsibility of the Company's directors. In this regard, it should be noted that in preparing these financial statements certain estimates were made by the Company's directors in order to measure certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

- The assessment of possible impairment losses on certain assets (see Notes 5 and 6).
- The assessment of certain debt instruments and other held-for-trading liabilities (see Notes 6 and 9).

Although these estimates were made on the basis of the best information available at 31 December 2015, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively, recognising the effects of the change in estimates in the statements of profit or loss for the years affected.

f) Grouping of items

Certain items in the balance sheet, statement of profit or loss, statement of changes in equity and statement of cash flows are grouped together to facilitate their understanding; however, whenever the amounts involved are material, the information is broken down in the related notes to the financial statements.

g) Changes in accounting policies

In 2015 there were no changes in accounting policies with respect to those applied in 2014.

h) Correction of errors

In preparing these financial statements no significant errors were detected that would have made it necessary to restate the amounts included in the financial statements for 2014.

3. Accounting policies

These financial statements were prepared in accordance with the generally accepted accounting principles and measurement bases described below:

a) Revenue and expense recognition

In general, revenue and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

In accordance with Ruling number 2 published in Official Gazette No. 79 of the Spanish Accounting and Audit Institute (ICAC), and pursuant to the ICAC resolution dated 16 May 1991, establishing general criteria for determining revenue and defining ordinary activities, the Company recognises income obtained from financial assets used to pay the interest accrued on outstanding issues under "Revenue" in the accompanying statement of profit or loss. Also, since they are directly related to the aforementioned income, the finance costs corresponding to the remuneration of the outstanding issues are included under "Expenses Incurred in relation to Marketable Securities and Other Financial Instruments" in the accompanying statement of profit or loss, and the two items (financial revenue and expenses) form part of the Company's profit or loss from operations.

b) Financial instruments

i. Definitions

A "financial instrument" is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

An "equity instrument" is a contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii. Classification of financial assets for presentation and measurement purposes

Financial assets are classified in the following categories:

- a. Loans and receivables: financial assets arising from the sale of goods or the rendering of services in the ordinary course of the Company's business, or financial assets which, not having commercial substance, are not equity instruments or derivatives, have fixed or determinable payments and are not traded in an active market.
- b. Financial assets held for trading: financial derivatives tied to certain deposits made using the funds obtained from certain issues of structured notes (see Notes 5 and 6). These types of structures are known as hybrid financial instruments.

Hybrid financial instruments are instruments that combine a non-derivative host contract and an embedded derivative that is not independently transferable and has the effect that some of the cash flows of the hybrid instrument vary in a way similar to the cash flows of a stand-alone derivative.

The Company recognises, measures and presents the host contract (either the deposit or the issue) and the embedded derivative separately when the following circumstances arise simultaneously:

- The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.
- A separate instrument with the same terms as those of the embedded derivative would meet the definition of a derivative.
- The hybrid instrument is not measured at fair value through profit or loss.

For accounting purposes, the embedded derivative is treated as a derivative financial instrument and the host contract is accounted for based on its nature (at amortised cost, in the case of issues performed and deposits made). This assessment is only performed upon initial recognition, unless there is a change in the terms of the contract that significantly modifies the cash flows that will be generated, in which case the embedded derivative must be reassessed.

iii. Initial recognition

Financial assets are initially recognised at the fair value of the consideration given, plus any directly attributable transaction costs and are subsequently measured at amortised cost.

Upon arrangement, the balance of "Derivatives" in the accompanying balance sheets includes the initial measurement of the option embedded in the deposits made.

iv. Subsequent measurement

Loans and receivables are measured at amortised cost.

The embedded derivatives are recognised at fair value, and any positive or negative changes in fair value are recognised in the statement of profit or loss.

At least at each reporting date the Company tests financial assets not measured at fair value through profit or loss for impairment. Objective evidence of impairment is considered to exist when the recoverable amount of the financial asset is lower than its carrying amount. When this occurs, the impairment loss is recognised in the statement of profit or loss.

The Company calculates valuation adjustments relating to trade and other receivables by analysing the age of the transactions based on the history of the counterparty analysed, the credit rating and the analysis of current, relevant events occurring in the market that might affect the counterparty to the transaction.

The Company derecognises a financial asset when the rights to the cash flows from the financial asset expire or have been transferred and substantially all the risks and rewards of ownership of the financial asset have also been transferred, such as in the case of firm asset sales, factoring of trade receivables in which the Company does not retain any credit or interest rate risk and sales of financial assets under an agreement to repurchase them at fair value.

v. Financial liabilities

Financial liabilities include accounts payable by the Company that have arisen from the purchase of goods or services in the normal course of business and also those which, not having commercial substance, cannot be classed as derivative financial instruments.

Accounts payable are initially recognised at the fair value of the consideration received, adjusted by the directly attributable transaction costs. These liabilities are subsequently measured at amortised cost.

Liability derivative financial instruments are measured at fair value using the same methods as those described above for held-for-trading financial assets (see Note 3-b-ii).

The Company derecognises financial liabilities when the obligations giving rise to them cease to exist.

c) Current/Non-current classification

Current assets are assets associated with the Company's normal operating cycle, which in general is considered to be one year; other assets which are expected to mature, be disposed of or be realised within twelve months from the end of the reporting period; financial assets held for trading, except for financial derivatives that will be settled in a period exceeding one year; and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle, financial liabilities held for trading, except for financial derivatives that will be settled in a period exceeding one year; and, in general, all obligations that will mature or be extinguished at short term. All other liabilities are classified as non-current liabilities.

d) Related party transactions

The Company performs all its transactions with related parties on an arm's length basis. The transfer prices are adequately supported and, therefore, the Company's directors consider that there are no material risks in this connection that might give rise to significant liabilities in the future.

e) Foreign currency transactions

The Company's functional currency is the euro. Therefore, transactions performed in currencies other than the euro are deemed to be "foreign currency transactions" and are recognised by applying the exchange rates prevailing at the date each transaction is performed.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to euros at the rates then prevailing. Any resulting gains or losses are recognised directly in the statement of profit or loss.

f) Income tax

The Company forms part of the consolidated tax group headed by Banco Santander, S.A. (see Notes 8 and 11).

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). In accordance with Additional Provision Three of Spanish Law 19/2003, of 4 July, the return on debt instruments and other marketable securities is deemed to be a deductible expense for the issuing company.

The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carryforwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These relate to temporary differences, which are those amounts expected to be payable or recoverable in the future as a result of differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss).

Deferred tax assets are recognised to the extent that it is considered probable that the Company will have taxable profits in the future against which the deferred tax assets can be utilised.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised in equity.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits.

Under the applicable legislation, the tax losses of a given year can be carried forward for tax purposes for offset against the taxable profits obtained in the 18 years immediately succeeding the year in which they were incurred. However, the amount ultimately qualifying for carryforward may be modified as a result of any tax audits of the years in which the losses arose. In accordance with the accounting principle of prudence, the accompanying balance sheets do not include the tax benefit that might arise from offsetting the reported tax losses in the future.

The Spanish Income Tax Law was amended on 27 November 2014. The amendments introduced, which came into force on 1 January 2015, included the elimination of the aforementioned 18-year time limit.

g) Provisions and contingencies

When preparing these financial statements the Company's directors made a distinction between:

- a. Provisions: credit balances covering present obligations arising from past events with respect to which it is probable that an outflow of resources embodying economic benefits that is uncertain as to its amount and/or timing will be required to settle the obligations; and
- b. Contingent liabilities: possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the Company's control.

The financial statements include the provisions that are deemed necessary to cover the matters with respect to which it is considered that it is more likely than not that the obligation will have to be met. Contingent liabilities, if any, are not recognised in the financial statements, but rather are disclosed, unless the possibility of an outflow in settlement is considered to be remote.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the information available on the event and its consequences. Where discounting is used, adjustments made to provisions are recognised as interest cost on an accrual basis at the end of each reporting period.

The compensation to be received from a third party on settlement of the obligation is recognised as an asset, provided that there are no doubts that the reimbursement will take place, unless there is a legal relationship whereby a portion of the risk has been externalised as a result of which the Company is not liable; in this situation, the compensation will be taken into account for the purpose of estimating the amount of the related provision that should be recognised.

At 31 December 2015, there were no court or out-of-court proceedings or claims of any nature in progress against the Company. However, if such proceedings or court or out-of-court claims were to take place in the future, the Company's directors consider the possibility of the Company incurring losses as a result to be remote, since such losses would be fully covered by the Company's sole shareholder in its capacity as the joint and several guarantor of the issues launched (see Note 1).

4. Distribution of profit

The proposed distribution of the profit for 2015 that the Company's directors will submit for approval by the sole shareholder is as follows:

	Thousands of Euros
Profit for the year	910
	910
Distribution to:	
Other reserves - voluntary reserves	910
	910

5. Non-current and current investments in Group companies and associates

"Non-Current Investments in Group Companies and Associates" and "Current Investments in Group Companies and Associates" in the accompanying balance sheets include the repayment value of the fixed-term deposits arranged by the Company with its sole shareholder, Banco Santander, S.A., for the purpose of financing the payment of the interest accrued on subordinated or senior debt issues (see Note 9). Appendix I contains a detail of these deposits.

The interest earned on the fixed-term deposits, amounting to EUR 564,720 thousand in 2015 (2014: EUR 754,875 thousand), is recognised under "Revenue - Revenue from Marketable Securities and Other Financial Instruments - Group Companies and Associates" in the accompanying statements of profit or loss. Of this amount, EUR 268,238 thousand had not yet been collected at 2015 year-end (2014 year-end: EUR 341,565 thousand) and, accordingly, are recognised under "Current Investments in Group Companies and Associates - Loans to Companies" on the asset side of the accompanying balance sheets (see Note 14).

The average effective annual interest rate earned on these assets in 2015 was 1.96% (2014: 2.91%).

In accordance with Spanish National Chart of Accounts Standard no. 9 on financial instruments, in relation to the disclosure of the fair value of these instruments in the notes to the financial statements, it should be noted that the deposits earn interest at market rates, based on their features and purpose, which is to deploy the funds raised from the debt instrument issues and cater for the subsequent redemption thereof. Consequently, in view of the correlation between the Company's total financial assets and liabilities as regards their terms and conditions, maturities and interest rates, the net total effect of the difference between their fair values and their carrying amounts is not material.

6. Non-current and current financial derivatives

Certain debt issues launched by the Company contain embedded financial derivatives which, pursuant to current legislation, the Company separated and recognised separately from the issue with which they are associated. The proceeds from these issues were deposited at Banco Santander, S.A., and used as the underlying for financial derivatives entered into on the same terms as those of the related issues, but with the opposite sign (see Notes 5 and 9).

The fair value of the options embedded in the deposits held at Banco Santander, S.A. and the issues launched amounted to EUR 11,757 thousand at 31 December 2015 (31 December 2014: 7,488 thousand). Of these amounts, EUR 3,319 thousand were recognised under "Non-Current Investments in Group Companies and Associates - Derivatives" on the asset side and "Non-Current Payables - Derivatives" on the liability side of the accompanying balance sheet as at 31 December 2015 (31 December 2014: EUR 7,488 thousand). Also, EUR 8,438 thousand were recognised under "Non-Current Investments in Group Companies and Associates - Derivatives" on the asset side and "Non-Current Payables - Derivatives" on the liability side of the accompanying balance sheet as at 31 December 2015.

The net balance resulting from the positive and negative changes in the value of the options embedded in the deposits and issues is zero. Following is a detail of the options held by the Company at the end of 2015 and 2014:

	Thousands of Euros			
	2015		2014	
	Notional Amount	Fair Value	Notional Amount	Fair Value
Options purchased (Note 14)	612,928	11,757	249,466	7,488
Options sold	612,928	11,757	249,466	7,488

7. Cash and cash equivalents

The balance of "Cash and Cash Equivalents" in the accompanying balance sheets includes the current accounts held by the Company at Banco Santander, S.A. (see Note 14), the detail being as follows:

	Thousands of Euros	
	2015	2014
Current accounts:		
In euros	33,040	35,133
In US dollars	35,737	33,486
In Canadian dollars	65	70
In pounds sterling	1,104	1,297
In Mexican pesos	10	10
In Japanese yen	349	264
In Australian dollars	2	2
In Norwegian krone	53	50
	70,360	70,312

In 2015 and 2014 these current accounts did not earn any interest.

8. Shareholders' equity

The changes in "Shareholders' Equity" in 2015 and 2014 are presented in the accompanying statements of changes in equity (statements of changes in total equity).

Share capital

At 31 December 2015, the Company's share capital amounted to EUR 180 thousand and was represented by 1,806 fully subscribed and paid registered shares of EUR 100 par value each, which are not officially listed. All the shares have the same voting and dividend rights. Under the Company's bylaws, the inter vivos transfer of shares for consideration requires the prior written communication to the directors of the intention to perform such transfer. The directors must in turn report this transfer to the Company's shareholders within a period of ten days. Shareholders have pre-emption rights and may exercise them within the 30 calendar days following notification. After this period and within 20 calendar days thereafter, the Company may opt to allow the reported transfer of shares or acquire the shares for itself. Were this final period to end without the shareholders or the Company exercising their pre-emption rights, the transfer may be performed without further restriction under the terms and conditions reported to the directors. If the transfer is to a spouse, ascendants, descendants or siblings of the transferor, there are no restrictions on transfer.

All the Company's shares are owned by Banco Santander, S.A. and, therefore, in accordance with the Consolidated Spanish Limited Liability Companies Law, the Company is a sole-shareholder public limited liability company.

In accordance with Article 16.1 of Legislative Royal Decree 1/2010, of 2 July, approving the Consolidated Spanish Limited Liability Companies Law, it is hereby stated that the only contracts in force between the Company and its sole shareholder are those detailed in Note 14.

Legal reserve

Under the Consolidated Spanish Limited Liability Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose. At 31 December 2015, the legal reserve had reached the legally required minimum.

Other reserves

The reserves recognised under "Other Reserves" in the accompanying balance sheets are unrestricted as to their use.

9. Non-current and current payables

"Non-Current Payables" and "Current Payables" on the liability side of the accompanying balance sheets include the value of the various senior debt or ordinary debt issues launched by the Company and jointly and severally guaranteed by its sole shareholder Banco Santander, S.A. (see Notes 1, 8 and 14), net of the related issuance expenses and issue premiums of each series outstanding at year-end (see Appendix II). At 31 December 2015, the aforementioned issues were fully subscribed and paid.

In 2015 the Company launched a total of 59 new issues.

In 2015 the Company redeemed certain issues as detailed below:

	Issues (Series)
Redemption on maturity	141, 141-2, 172, 172-2, 175, 185, 187, 187-2, 187-3, 188, 202, 206, 207, 208, 209, 213, 215, 217, 224, 237, 242, 244, 246, 250, 251, 252, 253, 256, 259, 268, 269, 271, 271-2, 272, 287, 292, 295, 296, 297, 300, 300-2 and 310.
Early redemption - total	20 & 150

The Company's Board of Directors approved a programme to issue senior and subordinated bonds and debentures for a maximum amount of EUR 32,000,000 thousand. The basic prospectus of this programme was renewed on 15 June 2015.

The main features of each of the series outstanding at 31 December 2015 and 2014 are detailed in Appendix III. These series are listed on the Luxembourg, Irish or Mexican Stock Exchanges or on the SCOACH (a European stock exchange for structured products).

All the outstanding issues are jointly and severally guaranteed by the sole shareholder, Banco Santander, S.A. (see Note 1). This guarantee was formally arranged as part of the financial guarantees granted by the bank, which amounted to EUR 18,862,487 thousand at 2015 year-end (2014 year-end: EUR 20,949,479 thousand) (see Note 14).

"Non-Current Payables to Group Companies and Associates" and "Current Payables to Group Companies and Associates" on the liability side of the accompanying balance sheets include issues acquired by Santander Group companies amounting to EUR 1,620,642 thousand at 31 December 2015 (31 December 2014: EUR 2,026,114 thousand). These issues bore interest of EUR 70,655 thousand in 2015 (2014: EUR 80,600 thousand), which is recognised under "Expenses Incurred in Relation to Marketable Securities and Other Financial Instruments – On

Debts to Group Companies and Associates" in the accompanying statements of profit or loss. Of this amount, EUR 50,405 thousand had not yet been paid at 2015 year-end (2014 year-end: EUR 58,104 thousand) and, accordingly, are recognised under "Current Payables to Group Companies and Associates" on the liability side of the accompanying balance sheets (see Note 14).

In 2015 the issues subscribed by non-Santander Group third parties bore interest of EUR 496,365 thousand (2014: EUR 675,401 thousand) (of which EUR 30,755 thousand relate to the amortisation of the finance costs of these issues (2014: EUR 35,040 thousand)), which is recognised under "Expenses Incurred in Relation to Marketable Securities and Other Financial Instruments - On Debts to Third Parties" in the accompanying statements of profit or loss. At 2015 year-end, EUR 209,257 thousand of this amount were unpaid (2014 year-end: EUR 270,654 thousand) and were recognised under "Current Payables - Debt Instruments and Other Marketable Securities" on the liability side of the accompanying balance sheets.

The average annual interest rate on these liabilities in 2015 was 1.87% (2014: 2.72%).

The fair value of these issues was calculated based on their market price (in the case of listed issues) and by discounting the related cash flows (in the case of unlisted issues).

10. Trade and other payables

The detail of "Trade and Other Payables" in the accompanying balance sheets is as follows:

	Thousands of Euros	
	2015	2014
Sundry accounts payable - Payable for services received	35	76
Sundry accounts payable - Payable to Group companies (Note 14)	8	8
Other accounts payable to public authorities (Note 11)	8	4
	51	88

Disclosures on the periods of payment to suppliers

Set forth below are the disclosures required by Final Provision Two of Law 31/2014, of 3 December, amending the Consolidated Spanish Limited Liability Companies Law to improve corporate governance and Law 15/2010, of 5 July, amending Law 3/2004 of 29 December. These disclosures were prepared by the Company's directors by applying the Spanish Accounting and Audit Institute Resolution of 29 January 2016.

	2015
	Days
Average period of payment to suppliers	25.2
Ratio of transactions settled	25.9
Ratio of transactions not yet settled	44.8
	Thousands of Euros
Total payments made	1,222
Total payments outstanding	12

The figures shown in the foregoing table in relation to the average period of payment to suppliers relate to suppliers that because of their nature are trade creditors for the supply of goods and services and, therefore, they include the figures relating to "Trade and Other Payables - Sundry Accounts Payable" under current liabilities in the accompanying balance sheet. In addition, as permitted by the Single Additional Provision of the aforementioned Spanish Accounting and Audit Institute Resolution, for this first reporting period in which this Resolution is applicable no comparative information is presented, as these are considered to be initial financial statements solely for the purpose of applying the principle of consistency and the requirement of comparability.

"Average period of payment to suppliers" means the period of payment or delay in payment of trade payables. This average period of payment to suppliers is calculated as the quotient whose numerator is the sum of the ratio of transactions settled multiplied by the total amount of the payments made and the ratio of transactions not yet settled multiplied by the total amount of outstanding payments, and whose denominator is the result of adding the total amount of the payments made to the total amount of the payments outstanding.

The ratio of transactions settled is calculated as the quotient whose numerator is the result of the sum of the products of multiplying the amounts paid by the number of days of payment (the number of calendar days between the end of the maximum payment period and the date of effective payment of the transaction) and whose denominator is the total amount of the payments made.

Also, the ratio of transactions not yet settled is calculated as the quotient whose numerator is the result of the sum of the products of multiplying the amount of the transactions not yet settled by the number of days in which payment has not been made (the number of calendar days between the end of the maximum payment period and the reporting date) and whose denominator is the total amount of the outstanding payments.

11. Tax matters

The detail of the tax payables at 31 December 2015 and 2014 is as follows:

	Thousands of Euros	
	2015	2014
Tax withholdings payable	7	2
VAT payable	1	2
Total payables to public authorities (Note 10)	8	4

The Company forms part of the consolidated tax group headed by Banco Santander, S.A. (see Note 8).

"Non-Current Payables to Group Companies and Associates" on the liability side of the accompanying balance sheets includes tax credit and tax loss carryforwards amounting to EUR 3,129 thousand at 2015 year-end (2014 year-end: EUR 2,510 thousand) which were used by the Group in prior years to offset taxable profits of the Company and which the Company must pay Banco Santander, S.A.

Although the Company has not yet filed its individual income tax return for 2015, following is the reconciliation of the accounting profit to the taxable profit for 2015 and 2014:

	Thousands of Euros	
	2015	2014
Profit before tax	1,300	2,096
Taxable profit	1,300	2,096
Tax rate	30%	30%
Gross tax payable	390	629
Income tax expense	390	629

"Current Payables to Group Companies and Associates" on the liability side of the accompanying balance sheet as at 31 December 2015 includes the balance payable to the Group for the gross income tax expense, amounting to EUR 390 thousand (31 December 2014: EUR 629 thousand).

At 31 December 2015 and 2014, the Company did not have any tax loss carryforwards.

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute-of-limitations period has expired. The Company has the last four years open for review by the tax authorities for all the taxes applicable to it. In view of the varying interpretations that can be made of the tax legislation applicable to the Company's operations, the outcome of future tax audits of the open years by the tax authorities could give rise to contingent tax liabilities which cannot be objectively quantified. However, the Company's directors and its tax advisers consider that the possibility of such contingent liabilities arising is remote and, in any case, the tax charge which might arise therefrom would not have a material effect on these financial statements.

12. Other operating expenses

The detail of "Outside Services" in the accompanying statements of profit or loss is as follows:

	Thousands of Euros	
	2015	2014
Independent professional services	395	399
Outsourcing (Note 14)	92	92
Other operating expenses charged by Group companies (Note 14)	94	94
Other expenses	21	18
	602	603

"Independent Professional Services" in the foregoing detail includes mainly the fees paid to Issuer Solutions, S.L. for services relating to the identification and gathering of information on natural and legal persons resident for tax purposes in Spain and permanent establishments holding the securities issued.

Also, "Independent Professional Services" in the foregoing table includes the fees in 2015 and 2014 for the financial audit and other services provided by the Bank's auditors, Deloitte, S.L., or by a company related to these auditors as a result of a relationship of control, common ownership or common management. These fees were as follows:

	Thousands of Euros	
	2015	2014
Audit services (*)	43	69
Other attest services	150	72
Total audit and related services	193	141
Tax counselling services	-	-
Other services	8	8
Total professional services	201	149

(*) Relates to the statutory audit and to the limited review of the interim financial statements.

The services commissioned from the Company's auditors meet the independence requirements stipulated by Legislative Royal Decree 1/2011, of 1 July, approving the Consolidated Spanish Audit Law, and by the Sarbanes-Oxley Act of 2002 adopted by the Securities and Exchange Commission (SEC). Accordingly, they did not involve the performance of any work that is incompatible with the audit function.

The Company did not have any employees on its payroll in 2015 and 2014. Administrative services were provided by Gesban, Servicios Administrativos Globales, S.L. (a Santander Group company). The expenses incurred in this connection in 2015 and 2014 are recognised under "Outsourcing" in the table at the beginning of Note 12. EUR 8 thousand of this amount had not yet been paid at 2015 year-end (2014 year-end: EUR 8 thousand) and are recognised under "Trade and Other Payables - Sundry Accounts Payable" in the accompanying balance sheets as at 31 December 2015 and 2014 (see Note 14). Additionally, the Company commissioned services from Santander Back-Offices Globales Mayoristas, S.A. and Santander Operaciones Retail, S.A., Santander Group companies. The expenses incurred in this connection are recognised under "Other Expenses Charged by Group Companies" in the table at the beginning of Note 12 (see Note 14). The breakdown by Company is as follows:

	Thousands of Euros	
	2015	2014
Gesban Servicios Administrativos Globales, S.L.	92	92
Santander Operaciones Retail, S.A.	7	7
Santander Back-Offices Globales Mayoristas, S.A.	87	87
	186	186

13. Information on the nature and level of risk of financial instruments

Qualitative information

The Company's financial risk management is centralised in the Santander Group's Financial Department, which has established the mechanisms required to control exposure to interest rate fluctuations and credit and liquidity risk. The main financial risks affecting the Company are as follows:

a. Credit risk:

The Company holds its cash and other financial assets with its sole shareholder, Banco Santander, S.A., a financial institution of proven solvency.

b. Liquidity risk:

The Company, for the purpose of ensuring liquidity and enabling it to meet all the payment obligations arising from its business activities, has the cash and other financial assets disclosed in its balance sheet, whose maturities, of both the principal and interest, are established contractually so that they coincide with the financial liabilities issued.

c. Market risk (including interest rate and other price risks):

Both the Company's investments and its financial liabilities are tied to the same benchmark rate and the same currency at all times, thereby mitigating price, interest rate and foreign currency risk.

Quantitative information

a. Credit risk:

At 31 December 2015, the Company had positions with its sole shareholder, Banco Santander, S.A., equal to 99.9% of its total assets.

b. Interest rate risk:

At 31 December 2015, a portion of the Company's financial assets and liabilities were tied to Euribor. Therefore, the Company does not quantify the effect of possible changes in interest rates.

14. Related party transactions and balances

Related party transactions

Set forth below are the figures relating to the Company's transactions with related parties. It carries out most of its transactions with its sole shareholder and other companies in the Santander Group, with which it holds significant balances:

	Thousands of Euros	
	2015	2014
BALANCE SHEET:		
Assets-		
Non-current investments in Group companies and associates (Notes 5 and 6)	10,975,810	13,448,253
Current investments in Group companies and associates (Note 5)	7,410,379	6,796,717
Cash and cash equivalents (Note 7)	70,360	70,312
Liabilities-		
Non-current payables to Group companies and associates (Notes 9 and 11)	1,215,466	1,550,566
Current payables to Group companies and associates (Notes 9 and 11)	459,100	531,262
Trade and other payables - Sundry accounts payable (Note 10)	8	8
STATEMENT OF PROFIT OR LOSS:		
Income-		
Revenue - Revenue from marketable securities and other financial instruments (Note 5)	564,720	754,875
Expenses-		
Expenses incurred in relation to marketable securities and other financial instruments - On debts to Group companies and associates (Note 9)	70,655	80,600
Other operating expenses - Outsourcing (Note 12)	92	92
Other operating expenses - Other expenses charged by Group companies (Note 12)	94	94
MEMORANDUM ITEMS:		
Financial guarantees (Note 9)	18,862,487	20,949,479
Derivatives (Note 6)	612,928	249,466

In accordance with Article 16.1 of Legislative Royal Decree 1/2010, of 2 July, approving the Consolidated Spanish Limited Liability Companies Law, the nature and terms and conditions of the contracts between the Company and its sole shareholder are expressly detailed herein:

- Term deposits at Banco Santander, S.A. (see Note 5).
- Financial derivatives arranged with Banco Santander, S.A. (see Note 6).
- Current accounts with Banco Santander, S.A. (see Note 7).
- Debt issues acquired by Banco Santander, S.A. (see Note 9).
- Financial guarantees of Banco Santander, S.A. (see Note 9).

Remuneration and other benefits of the Board of Directors and senior executives

The Company is organised and structured in such a way that the main strategic and business decisions are taken by the members of the Board of Directors and, therefore, at 31 December 2015 and 2014, the Company did not have any senior executives other than the members of the Board of Directors.

In 2015 and 2014 the Company's directors did not receive any remuneration, salaries or attendance fees of any kind.

Also, at 31 December 2015 and 2014, the Company had not granted any advances or loans to former or current members of the Company's Board of Directors and it did not have any pension, life insurance or guarantee obligations to them.

Article 229 of the Consolidated Spanish Limited Liability Companies Law requires that directors declare any direct or indirect conflict of interest that they might have with respect to the Company at which they discharge duties as directors. At the end of 2015 the Company's directors, as defined in the Consolidated Spanish Limited Liability Companies Law, had not notified the Board of Directors of any direct or indirect conflict of interest that they or persons related to them might have with the Company.

In addition, it is hereby stated that none of the persons related to them, as defined in Article 231 of the Consolidated Spanish Limited Liability Companies Law, perform, as independent professionals or as employees, any activities that were identical, similar or complementary to the activity that constitutes the Company's object.

Pursuant to Additional Provision Twenty-Six of Organic Law 3/2007, of 22 March, for the effective equality of women and men, it is hereby stated that of the four members of the Company's Board of Directors three are men and one is a woman.

15. Events after the reporting period

From 2015 year-end to the date of preparation of these financial statements, the Company carried out issues for a total amount of approximately EUR 1,585,682 thousand. Also during the same period, the Company redeemed series for a total amount of approximately EUR 613,818 thousand.

Except as indicated in the preceding paragraph, from 2015 year-end to the date of preparation of these financial statements, no other events took place which might have a material effect thereon.

16. Explanation added for translation to English

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Company in Spain (see Note 2-a). Certain accounting practices applied by the Company that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Appendix I

Detail of fixed-term deposits at 31 December 2015 and 2014 (see Note 5)

Related Series	Currency	Interest Rate	Maturity Date	2015		2014	
				Thousands of Currency	Thousands of Euros	Thousands of Currency	Thousands of Euros
20	EUR	Fixed/floating	05/09/35	-	-	18,722	18,722
54	NOK	Fixed	14/07/16	499,857	52,052	6,114	55,282
59	EUR	Floating	13/09/21	109,980	109,980	109,980	109,980
59-2	EUR	Floating	13/09/21	9,985	9,985	9,985	9,985
61	EUR	Floating	31/10/29	99,980	99,980	99,980	99,980
67	JPY	Fixed	27/12/16	2,996,883	22,865	142	20,635
90	MXN	Fixed	13/07/22	654,000	34,577	2,048	36,602
102	EUR	Fixed	30/05/23	29,970	29,970	29,970	29,970
141	EUR	Fixed	10/03/15	-	-	997,360	997,360
141-2	EUR	Fixed	10/03/15	-	-	11,979	11,979
145	EUR	Floating	30/09/16	27,985	27,985	27,985	27,985
150	USD	Floating	26/07/20	-	-	33,910	41,170
159	EUR	Fixed	04/10/17	996,290	996,290	996,290	996,290
159-2	EUR	Fixed	04/10/17	9,978	9,978	9,978	9,978
159-3	EUR	Fixed	04/10/17	99,978	99,978	99,978	99,978
159-4	EUR	Fixed	04/10/17	29,978	29,978	29,978	29,978
164	EUR	Floating	08/04/19	15,985	15,985	15,985	15,985
165	EUR	Floating	03/05/19	5,985	5,985	5,985	5,985
166	EUR	Fixed	17/02/28	103,429	103,429	103,428	103,428
172	EUR	Fixed	18/05/15	-	-	994,376	994,376
172-2	EUR	Fixed	18/05/15	-	-	39,979	39,979
175	EUR	Floating	29/06/15	-	-	19,962	19,962
185	USD	Fixed/floating	10/02/15	-	-	28,636	34,767
187	EUR	Fixed	01/12/15	-	-	1,116,163	1,116,163
187-2	EUR	Fixed	01/12/15	-	-	33,774	33,774
187-3	EUR	Fixed	01/12/15	-	-	47,479	47,479
188	GBP	Fixed	01/12/15	-	-	265,818	207,046
201	EUR	Fixed	27/03/17	996,973	996,973	996,973	996,973
201-2	EUR	Fixed	27/03/17	19,379	19,379	19,379	19,379
201-3	EUR	Fixed	27/03/17	99,978	99,978	99,978	99,978
202	USD	Floating	16/04/15	-	-	182,691	221,805
206	USD	Fixed	27/07/15	-	-	8,050	9,774
207	USD	Fixed	06/07/15	-	-	46,404	56,339
208	USD	Fixed	22/06/15	-	-	38,888	47,214
209	USD	Fixed	13/07/15	-	-	6,650	8,074
210	EUR	Fixed	04/03/16	62,949	62,949	62,949	62,949
211	USD	Floating	27/07/17	19,105	17,549	12,961	15,736
213	USD	Fixed	27/07/15	-	-	19,409	23,565
215	USD	Fixed	24/08/15	-	-	104,230	126,546
216	USD	Floating	24/08/17	92,203	84,691	62,552	75,944
217	USD	Fixed	28/09/15	-	-	49,708	60,351
218	USD	Fixed	28/09/17	91,326	83,885	61,956	75,221
219	EUR	Floating by year	11/04/16	36,108	36,108	36,108	36,108
223	EUR	Fixed	21/03/16	2,491,943	2,491,943	2,491,943	2,491,943
223-2	EUR	Fixed	21/03/16	99,978	99,978	99,978	99,978
224	USD	Floating by coupon	09/11/15	-	-	80,897	98,217
225	USD	Floating	09/11/17	59,190	54,367	40,155	48,752
226	EUR	Floating by year	23/08/16	66,718	66,718	66,718	66,718
235	EUR	Floating	07/10/16	37,871	37,871	37,871	37,871
237	USD	Fixed	28/12/15	-	-	9,007	10,936
238	EUR	Fixed/floating	28/11/16	35,329	35,329	35,329	35,329

Related Series	Currency	Interest Rate	Maturity Date	2015		2014	
				Thousands of Currency	Thousands of Euros	Thousands of Currency	Thousands of Euros
239	USD	Fixed	29/01/16	108,448	99,612	73,572	89,324
240	EUR	Fixed	24/01/20	994,806	994,806	994,806	994,806
240-2	EUR	Fixed	24/01/20	205,974	205,974	205,974	205,974
240-3	EUR	Fixed	24/01/20	67,381	67,381	67,381	67,381
242	USD	Fixed	14/02/15	-	-	21,143	25,670
243	EUR	Floating	16/07/17	25,538	25,538	25,538	25,538
244	USD	Fixed	14/03/15	-	-	81,997	99,553
245	EUR	Fixed	01/06/23	269,713	269,713	269,713	269,713
246	GBP	Fixed	31/08/15	-	-	32,609	25,399
247	USD	Fixed/floating	15/03/16	15,914	14,617	10,796	13,107
248	USD	Fixed	14/03/16	379,965	349,008	257,771	312,960
249	EUR	Fixed/floating	03/06/25	5,204	5,204	5,204	5,204
250	USD	Fixed	08/04/15	-	-	29,142	35,381
251	GBP	Fixed	30/03/15	-	-	163,154	127,081
252	EUR	Floating	28/09/15	-	-	39,981	39,981
253	EUR	Floating	25/03/15	-	-	299,684	299,684
255	EUR	Floating	28/02/17	24,161	24,161	24,161	24,161
256	USD	Fixed	14/06/15	-	-	41,810	50,761
257	USD	Floating	09/04/15	39,006	35,828	26,462	32,128
258	USD	Floating	06/05/16	13,883	12,751	9,418	11,434
259	USD	Fixed	13/05/15	-	-	45,393	55,112
262	NOK	Fixed	30/08/18	799,854	83,292	9,783	88,460
263	GBP	Fixed	14/06/17	14,684	20,006	24,203	18,852
264	USD	Fixed/floating	14/06/16	14,151	12,998	9,601	11,656
265	EUR	Floating	09/07/16	50,981	50,981	50,981	50,981
266	EUR	Fixed	31/01/22	100,681	100,681	100,681	100,681
267	EUR	Fixed	31/01/24	100,481	100,481	100,481	100,481
268	USD	Fixed	29/07/15	-	-	52,828	64,139
269	USD	Fixed	26/07/15	-	-	124,240	150,840
270	EUR	Floating by coupon	20/03/17	34,412	34,412	34,412	34,412
271	GBP	Fixed	20/09/15	-	-	47,648	37,113
271-2	GBP	Fixed	20/09/15	-	-	11,022	8,585
272	EUR	Fixed	31/08/15	-	-	24,974	24,974
273	USD	Fixed/floating	11/09/16	15,867	14,574	10,764	13,069
274	USD	Floating	23/09/16	262,237	240,872	177,904	215,993
275	EUR	Fixed	29/06/15	38,949	38,949	38,949	38,949
277	USD	Floating	07/10/16	235,380	216,202	159,684	193,872
278	USD	Floating	21/10/16	277,248	254,660	188,087	228,357
279	EUR	Fixed/floating	16/12/17	20,541	20,541	20,541	20,541
280	USD	Floating	04/11/16	321,316	295,137	217,984	264,654
281	EUR	Floating	07/11/16	29,076	29,076	29,076	29,076
283	USD	Floating	05/12/16	404,442	371,491	274,377	333,121
284	USD	Floating	30/12/16	142,937	131,291	96,970	117,731
285	USD	Floating	27/12/16	67,898	62,367	46,063	55,925
286	USD	Floating	27/01/17	117,366	107,804	79,622	96,669
287	EUR	Floating	04/02/15	-	-	499,981	499,981
288	EUR	Floating	17/02/17	19,681	19,681	19,681	19,681
289	USD	Floating	10/03/17	89,654	82,350	60,822	73,844
290	USD	Floating	10/03/17	116,508	107,016	79,040	95,962
291	USD	Fixed	27/02/24	25,001	22,964	16,961	20,592
292	EUR	Floating	10/04/15	-	-	299,978	299,978
293	EUR	Floating	17/03/16	179,979	179,979	179,979	179,979
294	EUR	Fixed	25/03/17	1,494,389	1,494,389	1,494,389	1,494,389
295	EUR	Floating	01/04/15	-	-	99,979	99,979
296	EUR	Floating	26/03/15	-	-	49,979	49,979
297	EUR	Floating	01/10/15	-	-	79,955	79,955
298	USD	Floating	02/04/17	80,346	73,800	54,507	66,177

Related Series	Currency	Interest Rate	Maturity Date	2015		2014	
				Thousands of Currency	Thousands of Euros	Thousands of Currency	Thousands of Euros
299	GBP	Floating	28/04/19	3,200	4,360	5,274	4,108
300	EUR	Floating	16/10/15	-	-	124,979	124,979
300-2	EUR	Floating	16/10/15	-	-	49,978	49,978
301	USD	Floating	30/04/17	29,480	27,078	19,999	24,281
302	USD	Floating	06/06/19	15,637	14,363	10,609	12,880
303	EUR	Floating	23/05/16	99,979	99,979	99,979	99,979
304	GBP	Floating	30/05/17	14,223	19,379	23,445	18,261
305	EUR	Floating	06/06/17	99,979	99,979	99,979	99,979
306	USD	Fixed	08/08/19	6,599	6,062	4,477	5,436
307	USD	Floating	29/09/17	25,001	22,964	16,961	20,592
308	USD	Fixed	29/09/19	30,000	27,556	20,353	24,710
309	USD	Fixed	10/09/19	24,273	22,295	16,467	19,992
310	USD	Fixed	14/09/15	-	-	6,766	8,215
311	GBP	Fixed	23/09/17	34,391	46,858	56,686	44,153
312	USD	Floating	07/10/17	50,001	45,927	33,921	41,184
313	EUR	Floating	10/10/16	99,978	99,978	99,978	99,978
314	EUR	Floating	07/11/16	999,979	999,979	999,979	999,979
314-2	EUR	Floating	07/11/16	102,479	102,479	-	-
314-3	EUR	Floating	06/11/16	25,006	25,006	-	-
315	USD	Fixed	01/12/17	49,916	45,849	33,864	41,113
316	GBP	Fixed	28/11/17	15,427	21,019	25,428	19,804
317	USD	Floating	30/12/17	7,067	6,491	4,794	5,819
318	EUR	Floating	23/01/17	99,979	99,979	-	-
319	EUR	Floating	26/01/16	250,054	250,054	-	-
320	EUR	Floating	28/01/16	199,974	199,974	-	-
321	USD	Floating	27/02/18	58,674	53,894	-	-
322	EUR	Floating	24/02/27	69,979	69,979	-	-
323	EUR	Floating	04/03/20	299,879	299,879	-	-
323-2	EUR	Floating	04/03/20	139,997	139,997	-	-
323-3	EUR	Floating	04/03/20	59,982	59,982	-	-
323-4	EUR	Floating	04/03/20	104,996	104,996	-	-
323-5	EUR	Floating	04/03/20	50,102	50,102	-	-
323-6	EUR	Floating	04/03/20	49,981	49,981	-	-
323-7	EUR	Floating	04/03/20	50,005	50,005	-	-
323-8	EUR	Floating	04/03/20	125,045	125,045	-	-
323-9	EUR	Floating	04/03/20	50,002	50,002	-	-
323-10	EUR	Floating	04/03/20	55,005	55,005	-	-
323-11	EUR	Floating	04/03/20	19,969	19,969	-	-
323-12	EUR	Floating	04/03/20	94,055	94,055	-	-
324	EUR	Floating	05/03/27	149,975	149,975	-	-
325	EUR	Fixed	06/03/30	51,973	51,973	-	-
326	USD	Fixed	11/03/20	13,941	12,805	-	-
327	EUR	Fixed	13/03/19	49,979	49,979	-	-
328	EUR	Fixed	18/03/25	34,980	34,980	-	-
329	USD	Floating	27/03/18	15,654	14,379	-	-
330	USD	Floating	27/03/20	15,893	14,598	-	-
331	USD	Fixed	27/03/18	51,269	47,092	-	-
332	GBP	Fixed	27/03/18	7,528	10,256	-	-
333	USD	Fixed	02/04/20	23,006	21,132	-	-
334	USD	Fixed	08/04/18	29,616	27,203	-	-
335	EUR	Fixed	10/04/17	79,899	79,899	-	-
336	USD	Floating	30/04/18	20,073	18,438	-	-
337	EUR	Fixed	13/05/30	24,973	24,973	-	-
338	USD	Floating by year	22/05/20	9,983	9,169	-	-
339	USD	Floating	22/05/18	39,995	36,736	-	-
340	USD	Fixed	06/07/19	39,878	36,629	-	-
341	USD	Floating by year	14/08/20	23,433	21,524	-	-

Related Series	Currency	Interest Rate	Maturity Date	2015		2014	
				Thousands of Currency	Thousands of Euros	Thousands of Currency	Thousands of Euros
342	USD	Floating	14/08/18	17,123	15,727	-	-
343	USD	Fixed	19/08/19	64,396	59,149	-	-
344	USD	Floating	31/08/18	9,719	8,927	-	-
345	USD	Floating by year	31/08/20	21,165	19,441	-	-
346	EUR	Floating by year	31/08/20	6,945	6,945	-	-
347	GBP	Fixed	21/09/17	40,367	55,000	-	-
348	USD	Floating by coupon	05/12/16	24,914	22,884	-	-
348-2	USD	Floating by coupon	05/12/16	19,111	17,554	-	-
349	USD	Floating	29/09/18	3,182	2,922	-	-
350	USD	Floating by year	29/09/20	2,725	2,503	-	-
351	USD	Fixed	06/10/16	11,514	10,576	-	-
352	HKD	Fixed	16/10/20	205,000	24,296	-	-
353	USD	Floating	29/10/18	10,535	9,676	-	-
354	USD	Floating by year	29/10/20	11,713	10,758	-	-
355	GBP	Fixed	18/11/20	20,943	28,535	-	-
356	USD	Floating	30/11/18	8,906	8,180	-	-
357	USD	Floating by year	30/11/20	6,763	6,212	-	-
358	JPY	Fixed	09/12/20	25,230,026	192,493	-	-
359	EUR	Fixed	14/12/22	1,245,027	1,245,027	-	-
360	EUR	Fixed	23/12/30	39,973	39,973	-	-
361	USD	Floating	29/12/18	12,102	11,122	-	-
362	USD	Fixed	29/12/20	31,276	28,733	-	-
Total fixed-term deposits:					18,106,194		19,895,917
Long-term fixed-term deposits - Principal					10,972,491		13,440,765
Short-term fixed-term deposits - Principal					7,133,703		6,455,152
Accrued interest receivable					268,238		341,565

Appendix II

Debt issues at 31 December 2015 and 2014 - Detail by maturity (Note 9) (*)

Series	ISIN	Currency	Issue Date	Maturity Date	2015				2014			
					Fair Value		Carrying Amount		Fair Value		Carrying Amount	
					In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros
20 (****)	XS0226420734	EUR	05/09/05	-	-	-	-	23,572	23,572	20,000	20,000	
54 (****)	XS0259360351	NOK	14/07/06	508,485	52,951	500,000	52,067	522,555	57,792	500,000	55,298	
59 (****)	XS0266336139	EUR	13/09/06	104,174	104,174	110,000	110,000	99,605	99,605	110,000	110,000	
59-2 (****)	XS02663361-2	EUR	22/12/06	9,470	9,470	10,000	10,000	9,055	9,055	10,000	10,000	
61 (****)	XS0271245184	EUR	31/10/06	88,261	88,261	100,000	100,000	81,456	81,456	100,000	100,000	
67 (****)	XS0278545677	JPY	27/12/06	3,045,240	23,234	3,000,000	22,889	3,085,556	21,246	3,000,000	20,657	
90 (****)	XS0310314868	MXN	13/07/07	628,282	33,217	654,000	34,577	608,080	34,032	654,000	36,602	
102 (****)	XS0363956565	EUR	30/05/08	33,392	33,392	30,000	30,000	34,587	34,587	30,000	30,000	
141 (****)	XS0491850265	EUR	10/03/10	-	-	-	-	1,017,353	1,017,353	1,000,000	1,000,000	
145 (****)	XS0491850265	EUR	28/09/12	-	-	-	-	8,415	8,415	12,000	12,000	
145 (****)	XS0504445205	EUR	30/09/10	28,092	28,092	28,000	28,000	27,832	27,832	28,000	28,000	
150 (****)	XS0527996788	USD	26/07/10	-	-	-	-	47,290	38,951	50,000	41,183	
159 (****)	XS0544546780	EUR	04/10/10	1,066,445	1,066,445	1,000,000	1,000,000	1,095,820	1,095,820	1,000,000	1,000,000	
159-2 (****)	XS0544546780	EUR	28/09/12	10,664	10,664	10,000	10,000	10,958	10,958	10,000	10,000	
159-3 (****)	XS0544546780	EUR	13/12/12	106,664	106,664	100,000	100,000	109,582	109,582	100,000	100,000	
159-4 (****)	XS0544546780	EUR	28/12/12	-	-	30,000	30,000	32,875	32,875	30,000	30,000	
164 (****)	XS0570096593	EUR	07/04/11	15,955	15,955	16,000	16,000	15,872	15,872	16,000	16,000	
165 (****)	XS0570099001	EUR	29/04/11	5,974	5,974	6,000	6,000	5,939	5,939	6,000	6,000	
166 (****)	XS0589920205	EUR	17/02/11	142,404	142,404	104,000	104,000	152,218	152,218	104,000	104,000	
172 (****)	XS0624668801	EUR	18/05/11	-	-	-	-	1,014,700	1,014,700	1,000,000	1,000,000	
172-2 (****)	XS0624668801	EUR	28/09/12	-	-	-	-	40,588	40,588	40,000	40,000	
175 (****)	XS0640370648	EUR	29/06/11	-	-	-	-	20,087	20,087	20,000	20,000	
185 (****)	XS0741948425	USD	10/02/12	-	-	-	-	43,444	35,783	43,220	35,598	
187 (****)	XS0713861127	EUR	01/12/11	-	-	-	-	1,145,545	1,145,545	1,116,200	1,116,200	
187-2 (****)	XS0713861127	EUR	27/12/11	-	-	-	-	34,689	34,689	33,800	33,800	
187-3 (****)	XS0713861127	EUR	28/09/12	-	-	-	-	48,749	48,749	47,500	47,500	
188 (****)	XS0713861473	GBP	01/12/15	-	-	-	-	163,692	210,158	161,300	207,087	
201 (****)	XS0759014375	EUR	27/03/17	1,145,680	1,145,680	1,000,000	1,000,000	1,075,240	1,075,240	1,000,000	1,000,000	
201-2 (****)	XS0759014375	EUR	28/09/12	20,286	20,286	19,400	19,400	20,860	20,860	19,400	19,400	
201-3 (****)	XS0759014375	EUR	13/12/12	104,568	104,568	100,000	100,000	107,524	107,524	100,000	100,000	
202 (****)	XS0770378619	USD	16/04/15	-	-	-	-	282,295	232,440	277,671	228,705	

Series	ISIN	Currency	Issue Date	Maturity Date	2015				2014			
					Fair Value		Carrying Amount		Fair Value		Carrying Amount	
					In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros
206 (****)	XS0807814073	USD	27/07/12	27/07/15	-	-	-	-	12,119	9,982	12,165	10,020
207 (****)	XS0800733569	USD	06/07/12	06/07/15	-	-	-	-	71,130	58,587	70,001	57,656
208 (****)	XS0794399328	USD	21/06/12	22/06/15	-	-	-	-	59,824	49,274	58,667	48,321
209 (****)	XS0801635680	USD	12/07/12	13/07/15	-	-	-	-	10,217	8,415	10,001	8,237
210 (****)	DE000A1G7EU2	EUR	04/09/12	04/03/16	63,294	62,968	62,968	62,968	64,532	64,532	62,968	62,968
211 (****)	XS0807814586	USD	27/07/12	27/07/17	18,849	18,115	19,722	18,115	21,008	17,303	19,722	16,244
213 (****)	XS0807814826	USD	27/07/12	27/07/15	-	-	-	-	30,039	24,742	29,295	24,129
215 (****)	XS0818626219	USD	24/08/12	24/08/15	-	-	-	-	162,595	133,922	157,203	129,481
216 (****)	XS0818626300	USD	24/08/12	24/08/17	98,730	90,686	95,135	87,384	101,336	83,466	96,815	78,358
217 (****)	XS0832425317	USD	28/09/12	28/09/15	-	-	-	-	76,866	63,311	74,987	61,763
218 (****)	XS0832424930	USD	28/09/12	28/09/17	98,004	90,019	94,190	86,516	100,459	82,744	94,508	77,580
219 (****)	DE000A1G8TZ7	EUR	11/10/12	11/04/16	36,446	36,446	36,127	36,127	37,115	37,115	36,127	36,127
223 (****)	XS0828735893	EUR	21/09/12	21/03/16	2,624,921	2,624,921	2,500,000	2,500,000	2,623,250	2,623,250	2,500,000	2,500,000
223-2 (****)	XS0828735893	EUR	13/12/12	21/03/16	100,958	100,958	100,000	100,000	104,930	104,930	100,000	100,000
224 (****)	XS0851341593	USD	09/11/12	09/11/15	-	-	-	-	126,714	104,369	122,018	100,500
225 (****)	XS0851342054	USD	09/11/12	09/11/17	63,633	58,448	61,049	56,075	65,177	53,683	61,049	50,283
226 (****)	DE000A1G98E1	EUR	23/11/12	23/08/16	68,596	68,596	66,737	66,737	68,967	68,967	66,737	66,737
235 (****)	DE000A1HB9Y5	EUR	07/01/13	07/10/16	38,567	38,567	37,890	37,890	39,225	39,225	37,890	37,890
237 (****)	XS0867952136	EUR	28/12/12	28/12/15	-	-	-	-	13,330	10,979	13,278	10,936
238 (****)	DE000A1HEGB8	EUR	28/02/13	28/11/16	35,857	35,857	35,348	35,348	35,818	35,818	35,348	35,348
239 (****)	XS0877623941	USD	29/01/13	29/01/16	110,347	101,356	110,129	101,156	112,615	92,756	110,129	90,708
240 (****)	XS0877984459	EUR	24/01/13	24/01/20	1,127,880	1,127,880	1,000,000	1,000,000	1,159,170	1,159,170	1,000,000	1,000,000
240-2 (****)	XS0877984459	EUR	01/03/13	24/01/20	236,854	236,854	210,000	210,000	243,426	243,426	210,000	210,000
240-3 (****)	XS0877984459	EUR	27/05/14	24/01/20	76,019	76,019	67,400	67,400	78,128	78,128	67,400	67,400
242 (****)	XS0886312189	USD	14/02/13	14/02/15	26,657	26,657	25,557	25,557	31,567	26,000	31,508	25,951
243 (****)	DE000A1HF4H7	EUR	16/04/13	16/07/17	15,890	14,596	15,914	14,617	26,160	26,160	25,557	25,557
244 (****)	XS0899339781	USD	14/03/13	14/03/15	386,362	354,883	385,779	354,348	122,522	100,916	122,114	100,579
245 (****)	XS0893400475	EUR	01/03/13	01/06/23	5,401	5,401	5,204	5,204	350,742	350,742	270,000	270,000
246 (****)	XS0914004705	GBP	30/05/13	31/08/15	-	-	-	-	20,207	25,943	20,000	25,677
247 (****)	XS0900374041	USD	15/03/13	15/03/16	15,890	14,596	15,914	14,617	16,393	13,502	15,914	13,107
248 (****)	XS0899343387	USD	14/03/13	03/06/25	386,362	354,883	385,779	354,348	391,083	322,118	385,779	317,749
249 (****)	XS0899571334	EUR	03/06/13	03/06/25	5,401	5,401	5,204	5,204	6,407	6,407	5,204	5,204
250 (****)	XS0910503662	USD	08/04/13	08/04/15	-	-	-	-	43,603	35,914	43,416	35,760
251 (****)	XS0906881031	GBP	28/03/13	30/03/15	-	-	-	-	100,322	128,799	100,000	128,386
252 (****)	XS0907504889	EUR	28/03/13	28/09/15	-	-	-	-	40,398	40,398	40,000	40,000
253 (****)	XS0907861214	EUR	25/03/13	25/03/15	-	-	-	-	301,092	301,092	300,000	300,000
255 (****)	DE000A1HHHTY6	EUR	28/05/13	28/02/17	24,807	24,807	24,180	24,180	24,962	24,962	24,180	24,180
256 (****)	XS0942124305	USD	14/06/13	14/06/15	-	-	-	-	62,660	51,610	62,279	51,296

Series	ISIN	Currency	Issue Date	Maturity Date	2015				2014			
					Fair Value		Carrying Amount		Fair Value		Carrying Amount	
					In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros
257 (****)	XS0911303609	USD	08/04/13	09/04/15	45,356	41,661	39,006	35,828	47,525	39,144	39,006	32,128
258 (****)	XS0923952278	USD	06/05/13	06/05/16	13,840	12,713	13,883	12,751	13,871	11,425	13,883	11,434
259 (****)	XS0926826503	USD	13/05/13	13/05/15	-	-	-	-	68,015	56,021	67,614	55,691
262 (****)	XS0935924414	NOK	30/08/13	30/08/17	864,352	90,009	800,000	83,307	882,273	97,575	800,000	88,476
263 (****)	XS0942440057	GBP	14/06/13	14/06/17	15,185	20,689	15,000	20,437	15,446	19,830	15,000	19,258
264 (****)	XS0943724616	USD	14/06/13	14/06/16	14,119	12,968	14,151	12,998	16,842	13,872	14,151	11,656
265 (****)	XS0949902976	EUR	09/10/13	09/07/16	51,263	51,263	51,000	51,000	51,992	51,992	51,000	51,000
266 (****)	XS0951908804	EUR	19/07/13	31/01/22	119,217	119,217	100,700	100,700	124,507	124,507	100,700	100,700
267 (****)	XS0951906428	EUR	19/07/13	31/01/24	124,758	124,758	100,500	100,500	130,393	130,393	100,500	100,500
268 (****)	XS0954232483	USD	29/07/13	29/07/15	-	-	-	-	79,348	65,355	78,672	64,799
269 (****)	XS0954232640	USD	26/07/13	26/07/15	-	-	-	-	186,689	153,767	184,500	152,376
270 (****)	XS0954232640	EUR	20/09/13	20/03/17	35,231	35,231	34,431	34,431	35,685	34,431	34,431	34,431
271 (****)	XS0971559769	GBP	20/09/13	20/09/15	-	-	-	-	29,464	37,828	29,216	37,509
271-2 (****)	XS0971559769	GBP	31/10/13	20/09/15	-	-	-	-	6,831	8,770	6,773	8,696
272 (****)	XS0965682072	EUR	30/08/13	31/08/15	-	-	-	-	25,211	25,211	25,000	25,000
273 (****)	XS0969670396	USD	11/09/13	11/09/16	15,797	14,510	15,867	14,574	16,084	13,248	15,867	13,069
274 (****)	XS0972122443	USD	23/09/13	23/09/16	269,223	247,288	267,074	245,314	274,253	225,890	267,224	219,977
275 (****)	DE000A1HPV1	EUR	05/11/13	29/06/15	39,958	39,958	38,968	38,968	40,459	40,459	38,968	38,968
277 (****)	XS0975256172	USD	07/10/13	07/10/16	241,843	222,139	239,721	220,190	246,260	202,833	239,721	197,447
278 (****)	XS0980213457	USD	21/10/13	21/10/16	284,876	261,666	282,357	259,352	290,248	239,064	282,357	232,565
279 (****)	DE000A1HR6Y9	EUR	16/12/13	16/12/17	20,531	20,531	20,541	20,541	22,870	22,870	20,541	20,541
280 (****)	XS0985956787	EUR	04/11/13	04/11/16	330,292	303,382	327,233	300,572	336,586	277,231	327,233	269,527
281 (****)	XS0987343331	EUR	07/11/13	07/11/16	29,783	29,783	29,629	29,629	30,083	30,083	29,629	29,629
283 (****)	XS0997713721	USD	05/12/13	05/12/16	416,145	382,240	411,882	378,325	424,199	349,394	411,882	339,249
284 (****)	XS0997791362	USD	30/12/13	30/12/16	147,180	135,188	145,584	133,723	149,917	123,480	145,584	119,911
285 (****)	XS1007039396	USD	27/12/13	27/12/16	69,184	63,548	68,960	63,341	69,947	57,612	68,960	56,799
286 (****)	XS1019331641	USD	27/01/14	27/01/17	120,236	110,440	119,544	109,804	119,182	98,165	135,790	98,463
287 (****)	XS1022793951	EUR	05/05/14	04/02/15	-	-	-	-	500,190	500,190	500,000	500,000
288 (****)	XS1030896200	EUR	19/05/14	17/02/17	20,001	20,001	20,000	20,000	20,045	20,045	20,000	20,000
289 (****)	XS1033979441	USD	10/03/14	10/03/17	91,855	84,371	91,326	83,885	91,048	74,992	103,737	75,221
290 (****)	XS1033980373	USD	10/03/14	10/03/17	119,042	109,343	118,674	109,005	120,278	99,068	134,802	97,746
291 (****)	XS1035600391	USD	27/02/14	27/02/24	25,175	23,124	25,001	22,964	25,465	20,974	28,398	20,592
292 (****)	XS1041097301	EUR	10/04/14	10/04/15	-	-	-	-	300,099	300,099	300,000	300,000
293 (****)	XS1041095784	EUR	17/03/14	17/03/16	180,029	180,029	180,000	180,000	180,319	180,319	180,000	180,000
294 (****)	XS1046276504	EUR	25/03/14	25/03/17	1,520,303	1,520,303	1,500,000	1,500,000	1,527,120	1,527,120	1,500,000	1,500,000
295 (****)	XS1046849391	EUR	01/04/14	01/04/15	-	-	-	-	100,002	100,002	100,000	100,000
296 (****)	XS1046573389	EUR	26/03/14	26/03/15	-	-	-	-	50,001	50,001	50,000	50,000
297 (****)	XS1046874662	EUR	01/04/14	01/10/15	-	-	-	-	80,029	80,029	80,000	80,000
298 (****)	XS1048933250	USD	02/04/14	02/04/17	80,169	73,638	80,346	73,800	79,124	65,171	91,265	66,177

Series	ISIN	Currency	Issue Date	Maturity Date	2015				2014			
					Fair Value		Carrying Amount		Fair Value		Carrying Amount	
					In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros
299 (****)	XS1058136869	GBP	28/04/14	28/04/19	3,184	4,339	3,250	4,428	3,364	4,319	3,479	4,173
300 (****)	XS1055934902	EUR	16/04/14	16/10/15	-	-	-	-	125,304	125,304	125,000	125,000
300-2 (****)	XS1055934902	EUR	16/09/14	16/10/15	-	-	-	-	50,121	50,121	50,000	50,000
301 (****)	XS1060199830	USD	30/04/14	30/04/17	29,297	26,910	29,480	27,078	29,322	24,151	33,486	24,281
302 (****)	XS1068865630	USD	06/06/14	06/06/19	15,395	14,140	15,791	14,504	14,937	12,303	17,937	13,006
303 (****)	XS10692256716	EUR	23/05/14	23/05/16	100,191	100,191	100,000	100,000	100,511	100,511	100,000	100,000
304 (****)	XS1071816281	GBP	29/05/14	30/05/17	14,387	19,603	14,392	19,609	14,794	18,994	15,404	18,477
305 (****)	XS1073131176	EUR	06/06/14	06/06/17	99,511	99,511	100,000	100,000	99,106	99,106	100,000	100,000
306 (****)	XS1093513262	USD	08/08/14	08/08/19	6,512	5,982	6,744	6,195	6,301	5,190	7,661	5,555
307 (****)	XS1105398942	USD	29/09/14	29/09/17	24,660	22,651	25,001	22,964	24,774	20,405	28,398	20,592
308 (****)	XS1105395765	USD	29/09/14	29/09/19	28,892	26,538	30,000	27,556	27,935	23,009	34,078	24,710
309 (****)	XS1106541623	USD	10/09/14	10/09/19	24,265	22,288	24,669	22,659	24,820	20,443	28,022	20,319
310 (****)	XS1106885988	USD	12/09/14	14/09/15	-	-	-	-	10,037	8,267	11,360	8,237
311 (****)	XS1111080484	GBP	23/09/14	23/09/17	34,856	47,490	35,109	47,836	35,729	45,871	37,579	45,075
312 (****)	XS1115419498	USD	07/10/14	07/10/17	49,404	45,379	50,001	45,927	49,699	40,935	56,797	41,184
313 (****)	XS1117050119	EUR	10/10/14	10/10/16	99,578	99,578	100,000	100,000	99,899	99,899	100,000	100,000
314 (****)	XS1132059541	EUR	06/11/14	07/11/16	1,128,131	1,128,131	1,000,000	1,000,000	999,980	999,980	1,000,000	1,000,000
314-2 (****)	XS1132059541	EUR	06/05/15	07/11/16	-	-	102,500	102,500	-	-	-	-
314-3 (****)	XS1132059541	EUR	06/05/15	06/11/16	-	-	25,000	25,000	-	-	-	-
315 (****)	XS1143089867	USD	01/12/14	01/12/17	49,523	45,489	50,001	45,489	50,544	41,631	56,797	41,184
316 (****)	XS1143082771	GBP	28/11/14	28/11/17	15,397	20,978	15,489	21,104	15,780	20,259	16,578	19,885
317 (****)	XS1158112232	USD	30/12/14	30/12/17	7,013	6,441	7,067	6,491	6,843	5,636	8,025	5,819
318 (****)	XS1169583173	EUR	23/01/15	23/01/17	99,418	99,418	100,000	100,000	-	-	-	-
319 (****)	XS1169932289	EUR	26/01/15	26/01/16	249,966	249,966	250,000	250,000	-	-	-	-
320 (****)	XS1171573188	EUR	28/01/15	28/01/16	199,994	199,994	200,000	200,000	-	-	-	-
321 (****)	XS1189112706	USD	27/02/15	27/02/18	58,174	53,434	58,674	53,894	-	-	-	-
322 (****)	XS1190889680	EUR	24/02/15	24/02/27	67,462	67,462	70,000	70,000	-	-	-	-
323 (****)	XS1195284705	EUR	04/03/15	04/03/20	297,582	297,582	300,000	300,000	-	-	-	-
323-2 (****)	XS1195284705	EUR	10/03/15	04/03/20	38,871	138,871	140,000	140,000	-	-	-	-
323-3 (****)	XS1195284705	EUR	24/04/15	04/03/20	59,516	59,516	60,000	60,000	-	-	-	-
323-4 (****)	XS1195284705	EUR	27/04/15	04/03/20	104,153	104,153	105,000	105,000	-	-	-	-
323-5 (****)	XS1195284705	EUR	30/04/15	04/03/20	49,957	49,957	50,000	50,000	-	-	-	-
323-6 (****)	XS1195284705	EUR	20/05/15	04/03/20	49,957	49,957	50,000	50,000	-	-	-	-
323-7 (****)	XS1195284705	EUR	20/05/15	04/03/20	49,957	49,957	50,000	50,000	-	-	-	-
323-8 (****)	XS1195284705	EUR	20/05/15	04/03/20	123,992	123,992	125,000	125,000	-	-	-	-
323-9 (****)	XS1195284705	EUR	02/06/15	04/03/20	49,957	49,957	50,000	50,000	-	-	-	-
323-10 (****)	XS1195284705	EUR	02/06/15	04/03/20	54,556	54,556	55,000	55,000	-	-	-	-

Series	ISIN	Currency	Issue Date	Maturity Date	2015				2014			
					Fair Value		Carrying Amount		Fair Value		Carrying Amount	
					In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros
323-11 (****)	XS1195284705	EUR	02/06/15	04/03/20	19,838	19,838	20,000	20,000	-	-	-	-
323-12 (****)	XS1195284705	EUR	09/12/15	04/03/20	94,234	94,234	95,000	95,000	-	-	-	-
324 (****)	XS1196054669	EUR	05/03/15	05/03/27	138,749	138,749	150,000	150,000	-	-	-	-
325 (****)	XS1197278473	EUR	06/03/15	06/03/30	48,171	48,171	52,000	52,000	-	-	-	-
326 (****)	XS1198665298	USD	11/03/15	11/03/20	13,716	12,598	14,139	12,987	-	-	-	-
327 (****)	XS1198979129	EUR	13/03/15	13/03/19	49,991	49,991	50,000	50,000	-	-	-	-
328 (****)	XS1204190729	EUR	18/03/15	18/03/25	32,992	32,992	35,000	35,000	-	-	-	-
329 (****)	XS1206970722	USD	27/03/15	27/03/18	15,534	14,268	15,654	14,379	-	-	-	-
330 (****)	XS1206972777	USD	27/03/15	27/03/20	15,606	14,335	16,152	14,836	-	-	-	-
331 (****)	XS1207115632	USD	27/03/15	27/03/18	50,952	46,801	51,692	47,397	-	-	-	-
332 (****)	XS1207319473	GBP	27/03/15	27/03/18	7,474	10,183	7,562	10,303	-	-	-	-
333 (****)	XS1208851896	USD	02/04/15	02/04/20	22,601	20,760	23,225	21,332	-	-	-	-
334 (****)	XS1212705872	USD	08/04/15	08/04/18	29,469	27,068	30,000	27,556	-	-	-	-
335 (****)	XS1214654854	EUR	10/04/15	10/04/17	80,142	80,142	80,000	80,000	-	-	-	-
336 (****)	XS1221956359	USD	30/04/15	30/04/18	19,809	18,195	20,073	18,438	-	-	-	-
337 (****)	XS1228798283	EUR	13/05/15	13/05/30	21,990	21,990	25,000	25,000	-	-	-	-
338 (****)	XS1234388095	USD	22/05/15	22/05/20	9,908	9,100	9,983	9,169	-	-	-	-
339 (****)	XS1234453923	USD	22/05/15	22/05/18	39,133	35,944	39,995	36,736	-	-	-	-
340 (****)	XS1254145086	USD	06/07/15	06/07/19	40,481	37,182	40,001	36,742	-	-	-	-
341 (****)	XS1272763746	USD	14/08/15	14/08/20	22,399	20,574	23,433	21,524	-	-	-	-
342 (****)	XS1272763407	USD	14/08/15	14/08/18	16,939	15,559	17,123	15,727	-	-	-	-
343 (****)	XS1275996459	USD	19/08/15	19/08/19	63,494	58,321	65,003	59,707	-	-	-	-
344 (****)	XS1281765195	USD	31/08/15	31/08/18	9,605	8,822	9,719	8,927	-	-	-	-
345 (****)	XS1281765278	USD	31/08/15	31/08/20	21,248	19,517	21,338	19,599	-	-	-	-
346 (****)	XS1280574044	EUR	31/08/15	31/08/20	4,161	4,161	7,000	7,000	-	-	-	-
347 (****)	XS1282108148	GBP	21/09/15	21/09/17	40,251	54,841	40,541	55,237	-	-	-	-
348 (****)	XS1284535637	USD	08/09/15	05/12/16	43,866	40,292	25,001	22,964	-	-	-	-
348-2 (****)	XS1284535637	USD	25/09/15	05/12/16	-	-	19,164	17,603	-	-	-	-
349 (****)	XS1296578120	USD	29/09/15	29/09/18	3,067	2,817	3,182	2,922	-	-	-	-
350 (****)	XS1296578393	USD	29/09/15	29/09/20	2,612	2,399	2,784	2,557	-	-	-	-
351 (****)	XS1299032794	USD	06/10/15	06/10/16	11,471	10,537	11,567	10,624	-	-	-	-
352 (****)	XS1300733657	HKD	16/10/15	16/10/20	211,314	25,044	205,000	24,296	-	-	-	-
353 (****)	XS1311326380	USD	29/10/15	29/10/18	10,184	9,354	10,535	9,676	-	-	-	-
354 (****)	XS1311326463	USD	29/10/15	29/10/20	11,631	10,683	11,808	10,846	-	-	-	-
355 (****)	XS1319833361	GBP	18/11/15	18/11/20	21,798	29,699	21,128	28,787	-	-	-	-

Series	ISIN	Currency	Issue Date	Maturity Date	2015			2014		
					Fair Value		Carrying Amount	Fair Value		Carrying Amount
					In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros	In Thousands of Currency	In Thousands of Euros
356 (****)	XS1324219358	USD	30/11/15	30/11/18	8,819	8,101	8,906	8,180	-	-
357 (****)	XS1324216842	USD	30/11/15	30/11/20	6,910	6,347	6,923	6,359	-	-
358 (****)	XS1328831067	JPY	09/12/15	09/12/20	25,814,158	196,949	25,300,000	193,027	-	-
359 (****)	XS1330948818	EUR	14/12/15	14/12/22	1,238,738	1,238,738	1,250,000	1,250,000	-	-
360 (****)	XS1334178859	EUR	23/12/15	23/12/30	38,160	38,160	40,000	40,000	-	-
361 (****)	XS1336103590	USD	29/12/15	29/12/18	11,901	10,932	12,102	11,113	-	-
362 (****)	XS1336103327	USD	29/12/15	29/12/20	31,738	29,153	31,793	29,202	-	-
Principal of long-term issues:					18,659,397	11,021,483		20,902,228	13,520,175	
Long-term issue expenses:						(9,217)			(7,210)	
Long-term issue premiums (**):						(20,003)			(41,413)	
Principal of short-term issues:					7,178,435				6,489,019	
Short-term issue expenses:						(128)			-	
Short-term issue premiums (**):						(9,392)			(4,939)	
Issues - Accrued interest payable					259,662				328,758	
Total:					18,420,840				20,284,390	
Of which: -										
Group companies						1,671,047				2,081,199
Third parties						16,749,793				18,203,191

(*) Including debt repurchased by its sole shareholder, Banco Santander, S.A. and Group companies.

(**) In addition, EUR 11,940 thousand of unearned income relating to issue premiums are recognised under "Current Accruals and Deferred Income" in the accompanying balance sheet as at 31 December 2015 (31 December 2014: EUR 12,658 thousand).

(***) The fair value of these issues was calculated based on their market price.

(****) The fair value of these issues was calculated using the internal valuation models.

Appendix III

Main features of debt issues outstanding:

Series	Number of Securities	Par Value per Security	Percentage Issued	Rate of Return	Redemption Option (*)
Series 54	500	1,000,000	100%	- Annual rate of 4.725% - Payable on 14 July of each year	-
Series 59	2,400	50,000	100%	- Floating - Payable quarterly on 13 March, 13 June, 13 September and 13 December	-
Series 61	2,000	50,000	100%	- 3-month Euribor + 0.13% - Payable quarterly on 31 January, 30 April, 31 July and 31 October	-
Series 67	30	100,000	100%	- Annual rate of 1.865% - Payable on 27 December of each year	-
Series 90	1,100	1,000,000	100%	- Monthly 28-day Interbank Equilibrium Interest Rate (TIIE) + 0.1%. Payable on day 3 of each month until maturity - Possibility of converting the coupon rate to a fixed rate of 8.35% on 13/07/11; payable on 13 July and 13 January until maturity	-
Series 102	600	50,000	100%	- Annual rate of 5.49% for the first 10 years and 6% from year 11. - Payable on 30 May of each year	Redeemable from 30/05/18
Series 145	560	50,000	100%	- 3-month Euribor + 0.65% payable quarterly	-
Series 159	20,000	50,000	99.85%	- Annual rate of 4.125%	-
Series 161	10,000	50,000	99.88%	- 3-month Euribor + 1.45%, payable quarterly	-
Series 164	320	50,000	100%	- 3-month Euribor + 0.90%, payable quarterly	-
Series 165	120	50,000	100%	- 3-month Euribor + 0.90%, payable quarterly	-
Series 166	1,040	100,000	99.75%	- Fixed quarterly rate of 5.78%	-
Series 201	10,000	100,000	99.95%	- Fixed annual rate of 4%	Redeemable at any time
Series 210	62,968	1,000	100%	- 2.65% on the short coupon, 2.9% in the second year, 3.15% in the third year and 3.4% in the fourth year - Payable annually	-
Series 211	13,148	1,500	100%	- 3M USD EUR + 2% on the first to the fourth coupons, 3M USD EUR + 2.4% on the fifth to the eighth coupons and 3M USD EUR + 2.8% on the rest - Payable every four months	Redeemable annually

Series	Number of Securities	Par Value per Security	Percentage Issued	Rate of Return	Redemption Option (*)
Series 219	36,127	1,000	100%	- 2.65% in the first year, 2.9% in the second year, 3.15% in the third year and 3.4% in the fourth year. - Payable annually	-
Series 223	25,000	100,000	99.85%	- Fixed rate of 4.625% - Payable annually	-
Series 225	40,699	1,500	100%	- 2% on the first to the fourth coupons, 2.4% on the fifth to the eighth coupons, 2.8% on the ninth to the twelfth coupons, 3.2% on the thirteenth to the sixteenth coupons and 3.6% on the rest - Payable quarterly	Redeemable on 9 May 2013, 9 November 2013, 9 May 2014, 9 May 2015, 9 November 2015, 9 May 2016 and 9 May 2017
Series 226	66,737	1,000	100%	- 2.6% in the first year, 2.85% in the second year, 3.15% in the third year and 3.35% in the fourth year - Payable annually	-
Series 235	37,890	1,000	100%	- 2.15% in the first year, 2.40% in the second, 2.65% in the third and 3.15% in the remaining nine months - Payable annually	-
Series 238	35,348	1,000	100%	- 2.65% on the first coupon and 6M Euribor on the rest, with a 2% floor - Payable half-yearly	-
Series 239	73,419	1,500	100%	- Fixed rate of 3.25% - Payable annually	-
Series 240	10,000	100,000	98.50%	- Fixed rate of 4% - Payable annually	-
Series 243	25,557	1,000	100%	- 6M Euribor, with a 2.20% floor and a 4% cap - Payable half-yearly	-
Series 245	2,700	1,000	100%	- Fixed rate of 4.875% - Payable annually	-
Series 247	10,609	1,500	100%	- 4% on the first coupon, floating rate of 4% or 0% on the rest, depending on certain conditions - Payable half-yearly	-
Series 248	257,186	1,500	99.85%	- Fixed rate of 2.15% - Payable quarterly	-
Series 249	5,204	1,000	100%	- Fixed rate of 1.040%; the last coupon is subject to stock market listing. - Payable annually	-
Series 255	24,180	1,000	100%	- 2% on the first coupon, 2.10% on the second, 2.30% on the third and 2.50% on the fourth - Payable annually	-

Series	Number of Securities	Par Value per Security	Percentage Issued	Rate of Return	Redemption Option (*)
Series 257	26,004	1,500	98.50%	- Minimum of 0.5%, maximum subject to the benchmark index - Payable annually	-
Series 258	9,255	1,500	100%	- Floating, minimum rate 4.30%*CPI and maximum rate 8% - Payable annually	-
Series 262	800	1,000,000	100%	- Fixed rate of 4.50% - Payable annually	-
Series 263	15,000	1,000	98.00%	- Fixed rate of 3.10% - Payable annually	-
Series 264	9,434	1,500	99.85%	- 0.5% on first and second coupons. 0.5% plus the benchmark index on the rest of the coupons - Payable annually	-
Series 265	510	100,000	100%	- 3-month Euribor + 1.95% - Payable quarterly	-
Series 266	1,007	100,000	100%	- Fixed rate of 4.58% - Payable annually	-
Series 267	1,005	100,000	100%	- Fixed rate of 4.82% - Payable annually	-
Series 270	34,431	1,000	100%	- First interest period: 2%, second interest period: 2.1%, third interest period: 2.2%, fourth interest period: 2.3% - Payable annually	-
Series 273	10,578	1,500	100%	- First coupon: 3% Second and subsequent coupons: MAX (0.0%; MIN (4.00%; SHARE X (10Y US CMS - 2Y US CMY))) - Payable half-yearly	-
Series 274	178,149	1,500	100%	- 3-month US Libor + 2.15% - Payable quarterly	-
Series 275	38,968	1,000	100%	- First interest period: 2%, second interest period: 2.1%, third interest period: 2.2%, fourth interest period: 2.3% - Payable annually	-
Series 277	159,814	1,500	100%	- 3-month US Libor + 2.15% - Payable quarterly	-
Series 278	188,238	1,500	100%	- 3-month US Libor + 2.15% - Payable quarterly	-
Series 279	20,541	1,000	100%	- First coupon: 2%, second to fourth coupons: MAX (Minimum coupon, Min (125%* EUR Y-O-Y Inflation, Maximum coupon)) - Payable annually	-

Series	Number of Securities	Par Value per Security	Percentage Issued	Rate of Return	Redemption Option (*)
Series 280	38,968	1,000	100%	- 3-month US Libor + 2.15% - Payable quarterly	-
Series 281	29,629	1,000	100%	- 3-month Euribor + 1.45% - Payable quarterly	-
Series 283	274,588	1,500	100%	- 3-month Euribor + 2.15% - Payable on 5 March, 5 June, 5 September and 5 December	-
Series 284	79,696	1,500	100%	- 3-month Euribor + 2.15% - Payable quarterly	-
Series 285	45,973	1,500	100%	- 3-month US Libor + 1.41% - Payable quarterly	-
Series 286	79,696	1,500	100.00%	- Year 1: 1% - Year 2: 2% - Year 3: 3% - Payable annually	Redeemable in January 2015 and January 2016
Series 288	20,000	1,000	100.00%	- 3M EURIBOR + 0.70% - Payable quarterly	Redeemable in February 2015 and February 2016
Series 289	60,884	1,500	100.00%	- Year 1: 1% - Year 2: 2% - Year 3: 3% - Payable annually	Redeemable on 10/03/15 and 10/03/16
Series 290	79,116	1,500	100.00%	- 3M USD LIBOR + 1.30% - Payable quarterly	Redeemable on 10/03/15 and 10/03/16
Series 291	16,667	1,500	100.00%	- Fixed rate: 4.01% - Payable annually	Redeemable on 27/02/19
Series 293	1,800	100,000	100.00%	- Year 1: 3M EURIBOR + 0.55% - Year 2: 3M EURIBOR + 0.70% - Payable quarterly	-
Series 294	15,000	100,000	100.00%	- Fixed rate: 1.375% - Payable annually	-
Series 298	53,564	1,500	100.00%	- MAX[1.15%; MIN (3.15%;leverage x 12M USD LIBOR)] - Payable quarterly	-
Series 299	3,250	1,000	100.00%	- 2.35% in the first to third years, 2.850% in the fourth and 3.35% in the fifth - Payable annually	-

Series	Number of Securities	Par Value per Security	Percentage Issued	Rate of Return	Redemption Option (*)
Series 301	19,653	1,500	100.00%	- MAX[1.15%; MIN (3.15%;leverage x 12M USD LIBOR)] - Payable quarterly	-
Series 302	10,527	1,500	100.00%	- 2.25% in the first to third years, 2.50% in the fourth and 2.75% in the fifth - Payable annually	Redeemable on 06/06/17 and 06/06/18
Series 303	1,000	100,000	100.00%	- 3M EURIBOR + 0.70% - Payable quarterly	-
Series 304	14,392	1,000	100.00%	- Fixed rate: 1.9% - Payable annually	-
Series 305	1,000	100,000	100.00%	- 3M EURIBOR + 0.6% - Payable quarterly	-
Series 306	4496	1,500	100.00%	2.05% from 08/08/15 to 08/08/17, 2.30% from 08/08/17 to 08/08/18 and 2.55% in the final year. - Payable annually	Redeemable on 08/08/17 and 08/08/18
Series 307	16,667	1,500	99.00%	- MAX (1.20%; MIN (2.70%; 3M USD LIBOR)) - Payable quarterly	-
Series 308	20,000	1,500	98.06%	- First to third coupons: 2.05%, fourth coupon: 2.3% and fifth coupon: 2.55% - Payable annually	Redeemable on 29/09/17 and 29/09/18
Series 309	16,446	1,500	98.50%	- Fixed rate: 2.43% - Payable annually	-
Series 311	35,109	1,000	98.00%	- Fixed rate: 1.75% - Payable annually	-
Series 312	33,334	1,500	99.25%	- MAX (1.50%; MIN (2.50%; 3M USD LIBOR)) - Payable quarterly	-
Series 313	1,000	100,000	100.00%	- 3M EURIBOR + 0.25% - Payable quarterly	-
Series 314	10,000	100,000	100.00%	- 3M EURIBOR + 0.37% - Payable quarterly	-
Series 315	33,334	1,500	99.88%	- Fixed rate: 1.85% - Payable annually	-
Series 316	15,489	1,000	99.70%	- Fixed rate: 1.9% - Payable annually	-

Series	Number of Securities	Par Value per Security	Percentage Issued	Rate of Return	Redemption Option (*)
Series 317	4,711	1,500	98.80%	MAX^[1.00%; MIN (2.00%; 3M USD LIBOR)] - Payable quarterly	-
Series 318	1,000	100,000	100.00%	- 3M EURIBOR + 0.35% - Payable quarterly	-
Series 319	2,500	100,000	100.00%	- 3M EURIBOR + 0.27% - Payable quarterly	-
Series 320	2,000	100,000	100.00%	- 3M EURIBOR + 0.23% - Payable quarterly	-
Series 321	39,116	1,500	99.28%	- MAX[1%; MIN (2.25%; USD LIBOR*300%)] - Payable quarterly	-
Series 322	700	100,000	100.00%	- Fixed rate until 02/21, inclusive: 1.4% - Fixed rate until maturity: 2.26% - Payable annually	-
Series 323	3,000	100,000	99.97%	- 3M EURIBOR + 0.60% - Payable quarterly	-
Series 324	1,500	100,000	100.00%	- Fixed rate from 2015 to 2021: 1.45% - Fixed rate from 2022 to 2027: 2.32% - Payable annually	-
Series 325	520	100,000	100.00%	- Fixed rate: 1.7% - Payable annually	Redeemable on 06/03/25
Series 326	9,426	1,500	98.75%	- Fixed rate: 2.30% - Payable annually	-
Series 327	500	100,000	100.00%	- Fixed rate: 0.625% - Payable annually	-
Series 328	350	100,000	99.81%	- Fixed rate: 1.11% - Payable annually	-
Series 329	10,436	1,500	99.10%	- MAX [1%; MIN (2.25%; 3M USD LIBOR)] - Payable quarterly	-
Series 330	10,768	1,500	98.54%	- USD LIBOR + SPREAD - Payable quarterly	-
Series 331	34,401	1,500	99.40%	- Fixed rate: 1.90% - Payable annually	-
Series 332	7,562	1,000	99.75%	- Fixed rate: 1.75% - Payable annually	-

Series	Number of Securities	Par Value per Security	Percentage Issued	Rate of Return	Redemption Option (*)
Series 333	15,483	1,500	99.20%	- Fixed rate: 2.40% - Payable annually	-
Series 334	20,000	1,500	98.80%	- Fixed rate: 1.60% - Payable annually	-
Series 335	80,000	1,000	99.90%	- Fixed rate: 0.41% - Payable annually	-
Series 336	13,382	1,500	99.44%	- MAX [1%; MIN (2.25%; 3M USD LIBOR)] - Payable quarterly	-
Series 337	250	100,000	100.00%	- Fixed rate: 1.37% - Payable annually	-
Series 338	6,655	1,500	98.50%	- 1.68% on the first coupon, 1.93% on the second, 2.18% on the third, 2.43% on the fourth and 2.68% on the fifth. - Payable annually	-
Series 339	26,663	1,500	99.15%	- MAX [1.25%; MIN (2.50%; 3M USD LIBOR)] - Payable quarterly	-
Series 340	26,667	1,500	99.75%	- Fixed rate: 2.30% - Payable annually	-
Series 341	15,622	1,500	99.04%	- 2% from the first to the third year, 2.75% in the fourth year and 3.5% in the fifth year - Payable annually	-
Series 342	11,415	1,500	99.11%	- MAX [1.25%; MIN (2.50%; 3M USD LIBOR)] - Payable quarterly	-
Series 343	43,335	1,500	99.10%	- Fixed rate: 2.20% - Payable annually	-
Series 344	6,479	1,500	99.20%	- MAX [1.25%; MIN (2.50%; 3M USD LIBOR)] - Payable quarterly	-
Series 345	14,225	1,500	99.30%	- 2% from the first to the third year, 2.75% in the fourth year and 3.5% in the fifth year - Payable annually	-
Series 346	70	100,000	99.50%	- 0.65% from the first to the third year, 0.90% in the fourth year and 1.15% in the fifth year - Payable annually	-
Series 347	40,541	1,000	99.61%	- Fixed rate: 1.60% - Payable annually	-
Series 348	16,667	1,500	99.75%	- 1.00% in the first period and 3.63% in the second period - Payable annually	-

Series	Number of Securities	Par Value per Security	Percentage Issued	Rate of Return	Redemption Option (*)
Series 349	2,121	1,500	98.84%	- MAX [1.00%; MIN (2.00%; 3M USD LIBOR)] - Payable quarterly	-
Series 350	1,856	1,500	98.68%	- 1.85% from the first to the third year and 2.35% in the fourth and fifth years, subject to exercise of the Early Redemption Date - Payable annually	-
Series 351	7,711	1,500	99.75%	- Fixed rate: 0.60% - Payable annually	-
Series 352	205	1,000,000	100.00%	- Fixed rate: 2.52% - Payable annually	-
Series 353	7,023	1,500	99.35%	- MAX [1.15%; MIN (2.15%; 3M USD LIBOR)] - Payable quarterly	-
Series 354	7,872	1,500	99.40%	- 1.85% from the first to the third year and 2.35% in the fourth and fifth years, subject to exercise of the Issuer Call - Payable annually	Redeemable on 29/10/18 and 29/10/19
Series 355	21,128	1,000	99.20%	- Fixed rate: 2.50% - Payable annually	-
Series 356	5,937	1,500	98.55%	- MAX [1.25%; MIN (2.25%; 3M USD LIBOR)] - Payable quarterly	-
Series 357	4,615	1,500	98.00%	- 2% from the first to the third year, 2.25% in the fourth year and 2.5% in the fifth year - Payable annually	-
Series 358	253	100,000,000	99.73%	- Fixed rate: 0.543% - Payable annually	-
Series 359	12,500	100,000	99.87%	- Fixed rate: 1.375% - Payable annually	-
Series 360	400	100,000	100.00%	- Fixed rate: 1.98% - Payable annually	-
Series 361	81	150,000	99%	MAX^[1.25%; MIN (2.25%; 3M USD LIBOR)] - Payable quarterly	-
Series 362	21,195	1,500	100%	- 2.15% from the first to the third year, 2.5% in the fourth year and 2.85% in the fifth year - Payable annually	-

(*) Redeemable on the dates shown, at the request of the holder.

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

Santander International Debt, S.A. (Sole-Shareholder Company)

Directors' Report for the year ended 31 December 2015

Company performance in 2015

In 2015 Santander International Debt, S.A. (Sole-Shareholder Company) recorded post-tax profit of EUR 910 thousand.

Treasury share transactions

The Company did not acquire or dispose of any of its own treasury shares or those of its Parent, Banco Santander, S.A., in 2015.

Outlook for the Company

The outlook for the Company in 2016 is that its performance will be similar to that of 2015.

Main business risks

All of the Company's shares are owned by Banco Santander, S.A. Its sole object is the issuance of ordinary and senior debt secured by Banco Santander, S.A. Consequently, its risk factors are confined to the guaranteeing entity itself.

Research and development activities

The Company did not incur any research and development expenditure in 2015.

Events after the reporting period

From 2015 year-end to the date of preparation of these financial statements, the Company carried out issues for a total amount of approximately EUR 1,585,682 thousand. Also during the same period, the Company redeemed series for a total amount of approximately EUR 613,818 thousand.

Except as indicated in the preceding paragraph, no other events took place after the reporting period which might have a material effect on the Company's operations or on the disclosures in the notes to the financial statements.

Use of financial instruments

The financial instruments used by the Company were mainly financial assets such as fixed-term deposits with Group companies and associates and financial liabilities such as ordinary and senior debt issues. Transactions were performed with financial derivatives in 2015, the net result of which was zero.

Annual corporate governance report

As permitted by Article 9.4 of Spanish Ministry of Economy and Competitiveness Order ECC/461/2013, of 20 March, Santander International Debt, S.A. (Sole-Shareholder Company), a company with registered office in Spain, whose voting rights are held in full directly by Banco Santander, S.A., has not prepared an Annual Corporate Governance Report, since this was prepared and submitted to the Spanish National Securities Market Commission (CNMV) by Banco Santander, S.A., as head of the Santander Group, on 12 February 2016.

Payments to suppliers

The average period of payment to suppliers in 2015 was 25.2 days.