

Issuer Filing Information

Santander International Debt, S.A. Unipersonal

ISSUER FILING INFORMATION

Type of Information:	Issuer Filing Information
Date of Announcement:	1 May 2017
Issuer Name:	Santander International Debt, S.A. Unipersonal ("Santander International")
Name and Title of Representative:	Antonio Torío Director
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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 Tousehika 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) (each an "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 2016 (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)**

Independent auditor's report,
financial statements and Directors' Report
for the year ended 31 December 2016



This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

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

Report on financial statements

We have audited the accompanying financial statements of the company Santander International Debt, S.A. (Sole-Shareholder Company), which comprise the balance sheet as at December 31, 2016, the statement of profit or loss, the statement of changes in equity, the statement of cash flows and related notes for the year then ended.

Director's Responsibility for the financial statements

The company's Directors are responsible for the preparation of these financial statements, so that present fairly the equity, financial position and financial performance of Santander International Debt, S.A. (Sole-Shareholder Company), in accordance with the financial reporting framework applicable to the entity in Spain, as identified in Note 2 to the accompanying financial statements, and for such internal control that is determined to be 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 legislation governing the audit practice in Spain. This legislation requires 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 judgment, 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 Company 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 presentation of the financial statements taken as a whole.

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



This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

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 December 31, 2016, and its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework and, in particular, with the accounting principles and criteria included therein.

Emphasis of matter

We draw attention to what is stated in Note 14 of the accompanying financial statements, which indicates that significant balances and transactions of Santander International Debt, S.A. (Sole-Shareholder Company) during the year 2016 have corresponded to transactions with companies in the Santander Group. Our opinion is not modified in respect of this matter.

Other Matter

The Company's financial statements, corresponding to the year ended December 31, 2015, were audited by other auditor that expressed an unmodified opinion on those financial statements on March 30, 2016.

Report on other legal and regulatory requirements

The accompanying directors' report for 2016 contains the explanations which the Directors consider appropriate regarding the company's situation, the development of its business and other matters and does not form an integral part of the financial statements. We have verified that the accounting information contained in the directors' report is in agreement with that of the financial statements for 2016. Our work as auditors is limited to checking the directors' report in accordance with the scope mentioned in this paragraph and does not include a review of information other than that obtained from the company's accounting records.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by:
Gema M^a Ramos Pascual

April 18, 2017

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

Financial statements and Directors' Report for
the year ended 31 December 2016

SANTANDER INTERNATIONAL DEBT, S.A. (SOLE-SHAREHOLDER COMPANY)
BALANCE SHEET OF DECEMBER 31, 2016
(Thousand Euros)

ASSETS	Notes	2016	2015 (*)	EQUITY AND LIABILITIES	Notes	2016	2015 (*)
NON-CURRENT ASSETS		9,585,764	10,975,810	EQUITY		8,106	8,457
Non-Current investments in Group companies and associates		9,585,764	10,975,810	SHAREHOLDER'S EQUITY	8	8,106	8,457
Loans to companies	5	9,580,640	10,972,491	Share Capital		180	180
Derivatives	6	5,124	3,319	Registered share capital		180	180
				Reserves		8,277	7,367
				Legal and bylaw reserves		36	36
				Other reserves		8,241	7,331
				Profit for the year		(351)	910
				NON CURRENT LIABILITIES		9,585,759	11,010,651
				Non-current payables		8,618,609	9,783,245
				Debt instruments and other marketable securities	9	8,613,485	9,779,926
				Derivatives	6	5,124	3,319
				Non-current payables to Group companies and associates	9 & 11	939,389	1,215,466
				Non-current accruals and deferred income	9	27,761	11,940
				PASIVO CORRIENTE:		5,620,890	7,437,456
				Current payables		5,256,719	6,978,305
				Debt instruments and other marketable securities	9	5,256,473	6,969,867
				Derivatives	6	246	8,438
				Current payables to Group companies and associates	9	358,909	459,100
				Trade and other payables	10	98	51
				Sundry accounts payable		94	43
				Other accounts payable to public authorities		4	8
				Current accruals and deferred income	9	5,164	-
TOTAL ASSETS		15,214,755	18,456,564	TOTAL EQUITY AND LIABILITIES		15,214,755	18,456,564

(*) Presented for comparison purposes only

The accompanying Notes 1 to 16 and Appendixes I,II and III are an integral part of the balance sheet as of 31 December 2016
Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails

SANTANDER INTERNATIONAL DEBT, S.A. (SOLE-SHAREHOLDER COMPANY)
STATEMENT OF PROFIT OR LOSS FOR 2016
(Thousand Euros)

	Note	2016	2015 (*)
Revenue		392,482	569,408
Revenue from marketable securities and other financial instruments		392,482	569,408
Group companies and associates	5	376,821	564,720
Other Income	9	15,661	4,688
Expenses incurred in relation to marketable securities and other financial instruments	9	(392,047)	(567,020)
On debts to Group companies and associates		(55,772)	(70,655)
On debts to third parties		(336,275)	(496,365)
Other operating expenses		(429)	(602)
Outside services	12	(419)	(602)
Other expenses		(10)	-
Profit/Loss from operations		6	1,786
Exchange differences		(357)	(486)
Financial Profit		(357)	(486)
Profit before tax		(351)	1,300
Income tax	11	-	(390)
Profit for the year		(351)	910

(*) Presented for comparison purposes only

The accompanying Notes 1 to 16 and Appendixes I,II and III are an integral part of the statement of profit or loss as of 31 December 2016
Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails

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

STATEMENT OF CHANGES IN EQUITY FOR 2016

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE

(Thousand Euros)

	2016	2015 (*)
PROFIT PER STATEMENT OF PROFIT OR LOSS	(351)	910
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	(351)	910

(*) Presented for comparison purposes only

The accompanying Notes 1 to 16 and Appendixes I,II and III are an integral part of the statement of changes in equity as of 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails

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

STATEMENT OF CHANGES IN EQUITY FOR 2016

B) STATEMENT OF CHANGES IN EQUITY FOR 2016

(Thousand Euros)

	Share Capital	Reserves	Previous years Profit/Losses	Profit of the year	Total
2014 ENDING BALANCE (*)	180	5,900	-	1,467	7,547
Adjustments due to changes in policies in 2014 and prior years	-	-	-	-	-
Adjustments due to errors in 2014 and prior years	-	-	-	-	-
ADJUSTED BALANCE AT BEGINNING OF 2015 (*)	180	5,900	-	1,467	7,547
Total recognized income and expense	-	-	-	910	910
Transactions with shareholders or owners:					
Share capital increases	-	-	-	-	-
Share capital decreases	-	-	-	-	-
Transactions with shareholders or owners	-	-	-	-	-
Dividend distributions	-	-	-	-	-
Other changes in equity	-	1,467	-	- 1,467	-
2015 ENDING BALANCE (*)	180	7,367	-	910	8,457
Adjustments due to changes in policies in 2015 and prior years	-	-	-	-	-
Adjustments due to errors in 2015 and prior years	-	-	-	-	-
ADJUSTED BALANCE AT BEGINNING OF 2016	180	7,367	-	910	8,457
Total recognized income and expense	-	-	-	351	351
Transactions with shareholders or owners:					
Share capital increases	-	-	-	-	-
Share capital decreases	-	-	-	-	-
Transactions with shareholders or owners	-	-	-	-	-
Dividend distributions	-	-	-	-	-
Other changes in equity	-	910	-	- 910	-
2016 ENDING BALANCE	180	8,277	-	351	8,106

(*) Presented for comparison purposes only

The accompanying Notes 1 to 16 and Appendixes I,II and III are an integral part of the statement of changes in equity as of 31 December 2016
Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails

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

STATEMENT OF CASH FLOWS FOR 2016

(Thousand Euros)

	2016	2015 (*)
CASH FLOWS FROM OPERATING ACTIVITIES	216,153	20,097
Profit for the year before tax	(351)	1,300
Adjustments for	51,518	(1,902)
Finance income	(119,246)	(569,408)
Finance costs	171,121	567,020
Exchange differences	(357)	486
Changes in working capital	(47)	(742)
Trade and other receivables	15	13
Trade and other payables	(47)	(37)
Other non-current assets and liabilities	-	(718)
Other cash flows from operating activities	165,033	21,441
Interest paid	(220,926)	(605,360)
Interest received	273,236	642,735
Other amounts received (paid)	112,723	(15,934)
CASH FLOWS FROM INVESTING ACTIVITIES	3,078,152	2,263,317
Payments due to Investment	(4,087,598)	(4,393,012)
Group companies and associates	(4,087,598)	(4,393,012)
Proceeds from disposal	7,165,750	6,656,329
Group companies and associates	7,165,750	6,656,329
CASH FLOWS FROM FINANCING ACTIVITIES	(3,302,251)	(2,292,478)
Proceeds and payments relating to equity instruments	-	-
Proceeds and payments relating to liability instruments	(3,302,251)	(2,292,478)
Proceeds from issue of debt instruments and other marketable securities	3,766,962	4,403,416
Redemption of debt instruments and other marketable securities	(7,069,213)	(6,695,894)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(357)	9,112
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	(8,303)	48
Cash and cash equivalents at beginning of the year	70,360	70,312
Cash and cash equivalents at end of the year	62,057	70,360

(*) Presented for comparison purposes only

The accompanying Notes 1 to 16 and Appendixes I, II and III are an integral part of the statement of cash flows as of 31 December 2016
 Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails

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

Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

1. Company Activity

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

Its sole object is to issue commercial paper jointly and severally guaranteed by its sole shareholder, Banco Santander, S.A. (Notes 8 and 9), pursuant to Law 6/2011, April 11, on investment ratios, capital and disclosure requirements in financial statements, as worded in Additional Provision Three of Law 19/2003, July 4, on capital movements, business transactions abroad and certain measures to prevent money laundering. The Company carries on its business both in Spain and abroad.

The Company forms part of the Santander Group, which is parented by Banco Santander, S.A. (Note 7), with registered office at Paseo de Pereda, 9-12, Santander, this being the company that files the Group's consolidated financial statements. The Santander Group's 2016 consolidated financial statements were formally prepared by Banco Santander, S.A. at the Board of Directors Meeting held on 21 February 2017, and have not been yet approved by the shareholders at the Annual General Meeting.

The Company has no employees. The organization and resources necessary to run its business derive from management agreements and contracts for services entered into with companies of the Santander Group (Note 12). Consequently, the Company's management, operations and financial statements must be considered in the context of the Group to which it belongs.

In view of business activities carried on by the Company, it has no environmental liabilities, expenses, assets, provisions or contingencies that could be significant with respect to its equity, financial situation and results. For this reason, no specific disclosures relating to environmental matters are included in these notes to the financial statements.

2. Basis of presentation of the financial statements

a) Financial reporting framework applicable to the Company

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

- i. Spanish Commercial Code and all other Spanish corporate legislation.
- ii. Spanish National Chart of Accounts approved by Royal Decree 1514/2007, of 16 November, and its subsequent amendments.
- iii. Royal Decree 1362/2007, of 19 October, developing Law 24/1988, of 28 July, on the Stock Market.

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

Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

- iv. The mandatory regulations approved by the Spanish Institute of Accounting and Auditing in order to implement the Spanish National Chart of Accounts and related legislation.
- v. All other applicable Spanish accounting legislation.

b) Fair presentation

These financial statements, which have been obtained from the Company's accounting records, were have been formally prepared by the Company's directors at the Board of Directors Meeting held on 30 March 2017, in accordance with the applicable regulatory reporting framework 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 2016 and the results of its operations, cash flows and changes in equity for the year then ended.

The Company's directors have applied the going concern principle when preparing the 2016 financial statements on the understanding that there is no intention to liquidate or close the Company, no instructions to that effect having been received from the sole shareholder and the Company being expected to remain operational for at least one more annual period as from the date the financial statements are issued.

The financial statements have not been approved yet by the Company's sole shareholder. Nonetheless, the Company's directors expect them to be approved without changes.

Comparative impacts with respect to IFRS

Article 537 of the Consolidated Spanish Limited Liability Companies Law stipulates that companies that have issued securities listed in a regulated market in any European Union Member State and that, under legislation in force, only publish individual financial statements, must disclose in the notes to the financial statements the main changes, if any, that would arise in their equity and in the statement of profit or loss if the International Financial Reporting Standards as adopted through European Union Regulations ("IFRS-EU") were applied, indicating the measurement bases applied.

Had IFRS-EU been applied during the preparation of these financial statements, instead of the standards laid down in the Spanish National Chart of Accounts, there would have been no changes to the Company's equity as of 31 December 2016, nor to its statement of profit or loss for the year then ended.

c) Comparative information

The information contained in the financial statements related to the year ended 31 December 2015 is presented, solely and exclusively, for comparative purposes with respect to the information for the year ended 31 December 2016.

d) Accounting policies and measurement bases

Theses financial statements have been prepared in accordance with the generally accepted accounting principles and measurement bases described in Note 3. No mandatory accounting principle or measurement bases, having a significant effect on the financial statements, has not been applied. No non-mandatory accounting principles have been applied.

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

Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

e) Critical measurement issues and estimates of uncertainty

All the information contained in these notes to the financial statements is the responsibility of the Company's directors. In this regard, it should be noted that when preparing these financial statements, certain estimates made by the Company's directors have been used to measure some 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
- The assessment of certain obligations and other marketable liabilities

Although these estimates have been made based on the best information available at the year end, future events may cause upward or downward adjustments in the coming years, which will be made, in any event, prospectively; this means recognizing the effects of the change in estimate in the statement of profit or loss for the years affected.

f) Groupings of items

Certain items presented in the balance sheet, statement of profit or loss, statement of changes in equity and statement of cash flow are grouped together to facilitate their understanding; However, when amounts involved are material, a breakdown is included in the related notes to the financial statements.

g) Changes in accounting policies

In 2016, there were no significant changes in the accounting policies with respect to those applied in 2015.

h) Correction of errors

During the preparation of the accompanying financial statements, no significant errors were detected resulting in the restatement of amounts included in financial statements for 2015.

3. Accounting principles and measurement standards applied

The generally accepted accounting principles and measurement standards bases to prepare these financial statements are described below:

a) Revenue and expense recognition

In general, income and expense are recognized 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.

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

Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

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 recognizes income obtained from financial assets used to pay the interest accrued on outstanding issues under "Revenue" in the accompanying statement of profit or loss. Moreover, as they are directly related to the aforementioned income, financial costs corresponding to 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, both items forming part of the Company's operating results.

b) Financial instruments

i. Definitions

A "financial instrument" is any contract giving rise to a financial asset in one company and, simultaneously, a financial liability or equity instrument in another entity.

An "equity instrument" is a legal business that reflects a residual interest in the assets of the issuing entity net of all its liabilities.

ii. Classification of financial assets for presentation and measurement purposes

Financial assets are classified, for presentation and measurement purposes, as:

a. "Loans and receivables", and relate to financial assets arising on the sale of goods or the rendering of services in the ordinary course of Company's business, or financial assets which, not having commercial substance, are not equity or derivative instruments, whose collections arise in fixed or determinable amounts, 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 (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:

a. The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.

b. A separate instrument with the same terms as those of the embedded derivative would meet the definition of a derivative.

c. The hybrid instrument is not measured at fair value through profit or loss.

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

Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

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 recognized at the fair value of the consideration received, adjusted by the directly attributable transaction costs and, subsequently, measured at amortized cost.

Upon arrangement, the balance of "Derivatives" in the accompanying balance sheet 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 deemed to exist when the recoverable amount of the financial assets is lower than its carrying amount. In this case, the impairment loss is recognized in the statement of profit or loss.

The approach used by the Company to calculate value adjustments related to trade and other receivables consists of analyzing the age of the transactions based on the counterparty's track record and credit rating, and on analyses of current and relevant market events that could affect the counterparty in the transaction.

The Company derecognizes financial assets 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, among others.

v. Financial liabilities

Financial liabilities are the Company's creditors and payables arising from the purchase of goods and services in the ordinary course of the Company's business, or financial liabilities not arising from business transactions that cannot be classified as derivative financial instruments.

Creditors and payables are initially recognized at the fair value of the consideration received, adjusted by the directly attributable transaction costs. These liabilities are subsequently measured at amortized cost.

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

Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

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

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

c) Current and non-current items

Current assets are assets that relate to the Company's ordinary operating cycle, which in general is considered to be one year, as well as other assets which are expected to mature, be disposed or be realized in the short term as from the year end, and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are those associated with the ordinary operating cycle and, in general, all obligations that will mature or be extinguished in the 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. Transfer prices are adequately evidenced and, therefore, the Company's directors consider that there are no significant transfer pricing risks that could give rise to material 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 thus deemed to be denominated in foreign currency and are registered at the exchange rates prevailing on the transaction dates.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currency are translated to euros applying the exchange rate then prevailing. Any resulting gains or losses are recognized directly in the statement of profit or loss for the year.

f) Income tax

The Company forms part of the tax consolidated group headed by Banco Santander, S.A. (Notes 8 and 12).

Tax expense (Income tax) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income). Pursuant to 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.

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Notes to the financial statements for the year ended 31 December 2016

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The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Deductions and other tax benefits, excluding tax withholdings and pre-payments, and tax-loss carry forwards 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 due to differences between the carrying amount of the assets and liabilities and their tax bases, plus tax loss and tax credit carry forwards. Such amounts are measured by applying, to the relevant temporary difference or credit the tax rate that are expected to apply in the period when the asset is realized or the liability is settled.

Deferred tax liabilities are recognized for all temporary taxable differences, except from those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that does not affect either taxable income or the reported income (loss) and is not a business combination.

Deferred tax assets are only recognized to the extent that it is considered probable that the Company will have future taxable income against which the deferred tax asset can be utilized.

Deferred tax assets and liabilities, resulting from transactions charged or credited directly to equity, are also recognized in equity.

The deferred tax asset recognized 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, unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that they will be recovered through future taxable income.

In accordance with Law 27/2014, of 27 November, on Corporate Income Tax, as amended by Royal Decree-Law 3/2016, of 2 December, on tax measures to consolidate public finances and other urgent social measures, tax losses for one period may be offset for tax purposes against any profits obtained in consecutive years subject to no time limit, although the final amount to be offset may change as a result of tax inspections of the periods in which the relevant amounts were generated. For prudence, the accompanying balance sheet does not reflect any tax benefits that may arise from the future offset of tax losses declared.

g) Provisions and contingencies

When preparing these financial statements, the Company's directors distinguish between:

- a. Provisions: creditor balances that cover 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 de obligations.

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Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

- b. Contingent liabilities: possible obligations resulting from past events 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

These financial statements include the provisions that are deemed necessary to cover the matters with respect to which is considered that it is more likely than not that the obligation will have to be met. Contingent liabilities, if any, are not recognized 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. Any adjustments arising on the updating of such provisions are reflected as interest cost on an accrual basis at the end of each reporting period.

The compensation to be received from a third party when the obligation is settled is recognized as an asset, provided there are no doubts that the reimbursement will take place, except in the event that there is a legal relationship whereby a part of the risk has been externalized and by virtue 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 recognized.

As of 31 December 2016, there were no court or out-of-court proceedings or claims of any nature in progress against the Company. However, the Company's directors consider the possibility of the Company incurring losses that may arise as a result of a claim in or out of court in connection with securities issues matured to be remote, since such losses would be fully covered by the Company's sole shareholder and its capacity as the joint and several guarantor of the issues launched (Note 1).

4. Distribution of profit

The proposed distribution of the profit for 2016 that the Company's directors will submit for approval by the sole shareholder is as follows:

	Thousand Euros
Profit/(loss) for the year	(351)
	(351)
Application:	
Retained earnings	(351)
	(351)

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Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

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

These items on the accompanying balance sheet reflect the repayment value of the fixed-term deposits arranged by the Company with its sole shareholder Banco Santander, S.A., the purpose of which is to finance the payment of interest accruing on subordinated or senior debt issues (Note 9). Appendix 1 provides a breakdown of these deposits.

Interest earned on these fixed-terms deposits amounted, as of December 2016 and 2015, to 376,821 thousand euros and 564,720 thousand euros, respectively, recognised under "Revenue – Revenue from marketable securities and other financial instruments – Group companies and associates" in the accompanying statement of income or loss. As of 31 December 2016 and 2015, 119,246 thousand euros and 268,238 thousand euros, respectively, had not been yet collected, recognized under "Current investments in Group companies and associates – Loans to companies" in assets on the accompanying balance sheet (Note 14).

The annual average effective interest rate on these assets was 1.84% and 1.96% in 2016 and 2015, respectively.

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 these deposits earn interest at market rates, based on their features and purpose, which is to deploy the funds raised from these debt instrument issues (Note 9) 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 derivative financial instruments

Certain debt issues completed by the Company include embedded derivatives which, under prevailing legislation, are segregated and recognised separately from the issue to which they relate. The Company uses the funds obtained from these issues to arrange deposits at Banco Santander, S.A., derivatives being tied to these deposits on the same terms as the related issues but with opposite signs (Notes 5 and 9).

As of 31 December 2016 and 2015, the fair value of the embedded options, including those tied to the deposits arranged at Banco Santander, S.A. and to the issues completed, amounted to 5,370 thousand euros and 11,757 thousand euros, respectively. Of these totals, 5,124 thousand euros and 3,319 thousand euros are recognised under "Non-current investments in Group companies and associates – Derivatives" and "Non-current payables – Derivatives" in the accompanying balance sheet at 31 December 2016 and 2015, respectively. Additionally, 246 thousand euros and 8,438 thousand euros are recognised under "Current investments in Group companies and associates – Derivatives" and "Current payables – Derivatives" in the accompanying balance sheet at 31 December 2016 and 2015, respectively.

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The net balance resulting from positive and negative variance in the value of the options embedded in the deposits and issues is zero. The breakdown of options held by the Company at 31 December 2016 and 2015 is as follows::

	Thousand Euros			
	2016		2015	
	Notional amount	Fair value	Notional amount	Fair value
Options purchased (Note 14)	1,221,555	5,370	612,928	11,757
Options sold (Note 14)	1,221,555	5,370	612,928	11,757

7. Cash and cash equivalents

The balance of "Cash and cash equivalents" in the accompanying balance sheet includes the current accounts held by the Company at Banco Santander, S.A. (Note 14):

	Thousand Euros	
	2016	2015
Current accounts:		
In euros	55,225	33,040
In US dollars	5,883	35,737
In Canadian dollars	70	65
In pounds sterling	541	1,104
In Mexican pesos	8	10
In Japanese yen	301	349
In Australian dollars	2	2
In Norwegian krone	27	53
	62,057	70,360

These current accounts earned no interest during 2016 and 2015.

8. Shareholders' equity

Changes in Shareholders' equity during 2016 and 2015, is presented in the accompanying Statement of changes in equity.

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Notes to the financial statements for the year ended 31 December 2016

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Share capital

As of December 2016 and 2015, the Company's share capital amounts to 180 thousand euros, represented by 1,806 fully subscribed and paid registered shares, not officially listed, of 100 euros par value each. All the shares have the same voting and dividend rights. In accordance with the Company's By-laws, the *inter vivos* transfer of the shares for valuable consideration is conditional on prior written notification to the directors of the intention to transfer shares; in turn, the directors must notify all the Company's shareholders within a 10-day period. Shareholders will have a pre-emptive right to purchase the shares which may be exercised within 30 calendar days as from the notification date. After that period and within 20 calendar days thereafter, the Company may opt to allow the reported transfer of shares to 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 or 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, whereby the revised Consolidated Spanish Limited Liability Companies Law was introduced, 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

In accordance with the Consolidated Spanish Limited Liability Companies Law, 10% of net profits for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of share capital. The legal reserve can be used to increase share capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Except for this purpose, until the legal reserve exceeds 20% of the share capital, this reserve can only be used to offset losses, provided that other available reserves are insufficient for this purpose. As of 31 December 2016 and 2015, the legal reserve has reached the legally required minimum.

Other reserves

The reserves recognized under "Other reserves" in the accompanying balance sheet are unrestricted as to their use.

9. Non-current and current payables

The balance in this balance sheet liabilities item reflects the value of the Company's issues of ordinary or senior debt guaranteed jointly and severally by its sole shareholder Banco Santander, S.A. (Notes 1, 8 and 14), net of the relevant expenses and premiums for each series outstanding at each year end (Appendix II). The issues were fully subscribed and paid-up at 31 December 2016.

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Notes to the financial statements for the year ended 31 December 2016

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The Company launched a total of 49 new issues in 2016.

	Issues (Series)
Redemption at maturity	54, 67, 145, 210, 219, 223, 226, 235, 238, 239, 247, 248, 257, 258, 264, 165, 173, 274, 277, 278, 280, 281, 283, 284, 285, 293, 303, 313, 314, 319, 320, 348, 351, 223-2, 314-2, 314-3, 348-2
Partial early redemption	216, 218, 238

The Company's Board of Directors approved a programme for the issuance of senior and subordinated bonds and debentures for a maximum amount of 32,000,000 thousand euros. The programme prospectus was renewed on 9 June 2016.

The main features of each of the series outstanding at 31 December 2016 and 2015 are described in Appendix III. These issues are listed on the Luxembourg, Irish or Mexican Stock Exchanges, or on the SCOACH (a European stock exchange for structured products).

All issues outstanding are jointly and severally guaranteed by the sole shareholder Banco Santander, S.A. (Note 1). This guarantee forms part of the "Financial Guarantees" granted to the Company by the Bank, amounting to 15,592,769 thousand euros and 18,862,487 thousand euros at 31 December 2016 and 2015, respectively (Note 14).

Non-current payables to Group companies and associates" and "Current payables to Group companies and associates" in the accompanying balance sheet include the issues acquired by Santander Group companies in the amount of 1,259,454 thousand euros and 1,620,642 thousand euros at 31 December 2016 and 2015, respectively. Interest accrued on these issues amounts to 55,772 thousand euros and 70,655 thousand euros, respectively, in 2016 and 2015, recognised under "Expenses incurred in relation to marketable securities and other financial instruments – On debts to Group companies and associates" in the accompanying statement of income or loss. Of these amounts, as of 31 December 2016 and 2015, 38,844 thousand euros and 50,405 thousand euros, respectively, had not yet been paid, recognised under "Current payables to Group companies and associates" (Note 14).

Issues subscribed by third parties unrelated to the Santander Group bore interest of 336,275 thousand euros and 496,365 thousand euros (of which 25,443 thousand euros and 30,755 thousand euros related to the amortisation of financial expenses on the issues) in 2016 and 2015, respectively, recognised under "Expenses incurred in relation to marketable securities and other financial instruments – On debts to third parties" in the accompanying statement of income or loss. Of these amounts, as of 31 December 2016 and 2015, 132,276 thousand euros and 209,257 thousand euros, respectively, had not yet been paid, recognised under "Current payables - Debt instruments and other marketable securities" in the accompanying balance sheet.

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During 2016, deposits contracted with Banco Santander began to be remunerated at the same interest rate paid on the associated issue, the nominal amounts not having changed. For this reason, Banco Santander paid the difference between the coupon pending accrual on the issue and the interest pending accrual on the deposits to maturity in both cases, thus covering the various cash flows. This amount will be apportioned to the maturity date of each deposit, thus aligning the accrual with the accrual of the premium and the issue expenses. These accruals are recognised under “Non-current accruals and deferred income” in the amount of 27,761 thousand euros and “Current accruals and deferred income” in the amount of 5,164 thousand euros, respectively.

During 2016, the accrued amount charged to the income statement totalled 15,661 thousand euros, recognised under “Revenue from marketable securities and other financial instruments – Other revenue”.

The average annual interest rate on these liabilities, during 2016 and 2015, has been 1.70% and 1.87%, respectively.

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

10. Trade and other payables

The detail of “Trade and other payables” in the accompanying balance sheet is as follows:

	Thousand Euros	
	2016	2015
Sundry accounts payable - Payable for services received	87	35
Sundry accounts payable - Payable to Group companies (Note 14)	7	8
Other accounts payable to public authorities	4	8
	98	51

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.

	2016 Days	2015 Days
Average period of payment to suppliers	5.62	25.2
Ratio of transactions settled	5.62	25.9
Ratio of transactions not settled yet	-	44.8

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	2016	2015
	Thousand Euros	Thousand Euros
Total payments made	1,295	1,222
Total outstanding payments	-	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.

"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 payments (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 situation

The Company forms part of the Consolidated Tax Group headed by Banco Santander, S.A. (Note 8).

"Non-current payables to Group companies and associates" in balance sheet liabilities as of 31 December 2015, reflects the tax credits applied by the Group in prior years to offset the Company's taxable income, which are payable by the Company to the Bank in the amount of 3,129 thousand euros. The above amount was paid in full to the tax consolidated group in 2016. No tax credits were recognised by the Group in 2016.

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Although the Company has not yet filled the individual income tax return for 2016, set out below is the reconciliation of the accounting profit to the taxable of the year, as well as the corresponding to the year ended on 31 December 2015.

	Thousand Euros	
	2016	2015
Accounting profit before tax	(351)	1,300
Taxable profit	(351)	1,300
Tax Rate	30%	30%
Gross tax payable	-	(390)
Income tax expense	-	(390)

The Company records no tax-loss carry forwards at 31 December 2016.

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 have 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 "Other operating Expenses – Outside Services" in the accompanying statement of profit or loss is as follows:

	Thousand Euros	
	2016	2015
Independent professional services	233	395
Outsourcing – Group (Note 14)	82	186
Other expenses	104	21
	419	602

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

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The epigraph “Independent Professional Services” include, among other concepts, the fees related to the audit services and other services provided by the Company’s auditor, or by a Company related to the auditor as a result of a relationship of control, common ownership or common management, during 2016 and 2015, as follows:

	Thousand Euros	
	2016	2015
Audit services	59	43
Other attest services	-	150
Total audit and related services	59	193
Tax advisory services	-	-
Other services	-	8
	59	201

The services commissions from the Company’s auditors meet the Independence requirements stipulated by Law 22/2015, of 20 July, of 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 has not had any employees on its payroll during 2016 and 2015. Administrative services have been provided by Gesban Servicios Administrativos Globales, S.L. (a Santander Group Company. Of these amounts, as of 31 December 2016 and 2015, 7 thousand euros and 8 thousand euros, respectively, had not been paid yet, recognized under “Trade and Other Payables - Sundry Accounts payable” in the accompanying balance sheet (Note 14). Additionally, the Company has contracted back-office services with Santander Back Office Globales Mayoristas, S.A. and Santander Operaciones Retail, S.A., Santander Group Companies. The expenses incurred in this connection are recognized under the previous detail “Outsourcing – Group” (Note 14), being the breakdown by Company as follows:

	Thousand Euros	
	2016	2015
Gesban Servicios Administrativos Globales, S.L.	76	92
Geoban, S.A.	6	-
Santander Operaciones Retail, S.A. (*)	-	7
Santander Back-Office Globales Mayoristas, S.A.	-	87
	82	186

(*) Extinguished Company

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Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

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

Qualitative information

The Company's financial risk management is centralised in the Santander Group's Finance Department, which has put in place the mechanisms necessary to control exposure to interest rate, credit and liquidity risks. Set out below are the Company's principal financial risks:

a. Credit risk:

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

b. Liquidity risk:

The Company has cash and other financial assets to ensure liquidity and to be able to meet payment commitments in the course of business. Principal and interest maturities are established contractually so that they match financial commitments issued and reflected in the balance sheet. The Company also receives financial support from its sole shareholder Banco Santander, S.A., as the guarantor of its issues. Note 8 provides details of the volume of outstanding guarantees.

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

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

Quantitative information

a. Credit risk:

At 31 December 2016 and 2015, the Company holds financial assets with its sole shareholder Banco Santander, S.A. equal to 100% of its assets.

b. Interest rate risk:

The Company's investments and financial liabilities are tied at all times to the same benchmark index, thereby mitigating price and interest rate risk, so interest rate risk is not quantified.

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Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

14. Related-party transactions and balances

Related-party transactions

Set out below is a breakdown of the Company's balances with related parties at 31 December 2016 and 2015:

	Thousand Euros	
	2016	2015
BALANCE		
Activo		
Non-Current investments in Group companies and associates - Loans to companies (Notes 5)	9,580,640	10,972,491
Non-Current investments in Group companies and associates - Derivatives (Notes 6)	5,124	3,319
Current investments in Group companies and associates - Loans to companies (Note 5)	5,566,688	7,401,941
Current investments in Group companies and associates - Derivatives (Note 6)	246	8,438
Cash and Cash equivalents (Note 7)	62,057	70,360
Liabilities		
Non-current payables to Group companies and associates (Notes 9 y 11)	939,389	1,215,466
Current payables to Group companies and associates (Note 9)	358,909	459,100
Trade and other payables - Sundry accounts payable (Note 10)	7	8
Non-current accruals and deferred income (Note 9)	27,761	11,940
Current accruals and deferred income (Note 9)	5,164	-
STATEMENT OF PROFIT OR LOSS		
Revenue		
Revenue from marketable securities and other financial instruments - Group companies and associates (Note 5)	376,821	564,720
Revenue from marketable securities and other financial instruments - Other Income (Note 9)	15,661	4,688
Gastos		
Expenses incurred in relation to marketable securities and other financial instruments - On debts to Group companies and associates (Note 9)	55,772	70,655
Other operating expenses - Outsourcing (Note 12)	82	186
Other operating expenses - Other expenses with Group companies	10	-
CUENTAS DE ORDEN		
Financial guarantees (Note 9)	15,592,769	18,862,487
Derivatives (Note 6)	1,221,555	612,928

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

- Fixed-term deposits at Banco Santander, S.A. (Note 4).
- Financial derivatives contracted with Banco Santander, S.A. (Note 6).
- Debt issues acquired by Banco Santander, S.A. (Note 9).
- Current accounts with Banco Santander, S.A. (Note 7).
- Financial guarantees issued by Banco Santander, S.A. (Note 9).

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Notes to the financial statements for the year ended 31 December 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Remuneration and other benefits of the Board of Directors and key senior management

The Company is organized 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, as of 31 December 2016 and 2015, the Company did not have any senior executives other than the members of the Board of Directors.

During 2016 and 2015, the Company's Directors did not receive any kind of remuneration, salary or per diems.

At 31 December 2016 and 2015, no advances, loans or pension, life insurance or guarantee commitments had been granted to or incurred with former or current members of the Company's Board of Directors.

At 31 December 2016, the Company's Board of Directors is composed by four men.

As of 31 December 2016, the Company's Directors and their related persons, as defined in Article 231 of the Consolidated Spanish Limited Liability Companies Law, declare that they have no conflict of interest that must be reported in these notes, pursuant to Article 229 of the aforementioned Law.

As regards the other information required by Article 260 of the Consolidated Spanish Limited Liability Companies Law and not included in these notes to the financial statements, it should be noted that the circumstances envisaged in that article do not apply to the Company.

15. Events after the reporting date

From the 2016 year end to the date of these financial statements there have been no other post-balance sheet events that could have a significant effect.

16. Explanation added for translation to English

These financial statements are presented on the basis of accounting principles generally accepted in Spain. Certain accounting practices applied by the Company that conform with generally accepted accounting principles may not conform with generally accepted accounting principles in other countries.

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Appendix I - Detail of fixed-term deposits at 31 December 2016 and 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. In the event of discrepancy, the Spanish version prevails.

Related series	Currency	Interest rate	Maturity date	31 December 2016		31 December 2015	
				Thousand Currency	Thousand Euross	Thousand Currency	Thousand Euross
Non-current investments							
54	NOK	Fixed	07/14/16	-	-	499,857	52,052
59	EUR	Floating	09/13/21	110,000	110,000	109,980	109,980
59-2	EUR	Floating	09/13/21	10,000	10,000	9,985	9,985
61	EUR	Floating	10/31/29	100,000	100,000	99,980	99,980
67	JPY	Fixed	12/27/16	-	-	2,996,883	22,865
90	MXN	Fixed	07/13/22	654,000	30,039	654,000	34,577
102	EUR	Fixed	05/30/23	30,000	30,000	29,970	29,970
145	EUR	Floating	09/30/16	-	-	27,985	27,985
159	EUR	Fixed	10/04/17	1,000,000	1,000,000	996,290	996,290
159-2	EUR	Fixed	10/04/17	10,000	10,000	9,978	9,978
159-3	EUR	Fixed	10/04/17	100,000	100,000	99,978	99,978
159-4	EUR	Fixed	10/04/17	30,000	30,000	29,978	29,978
164	EUR	Floating	04/08/19	16,000	16,000	15,985	15,985
165	EUR	Floating	05/03/19	6,000	6,000	5,985	5,985
166	EUR	Fixed	02/17/28	104,000	104,000	103,428	103,429
201	EUR	Fixed	03/27/17	1,000,000	1,000,000	996,972	996,973
201-2	EUR	Fixed	03/27/17	19,400	19,400	19,378	19,379
201-3	EUR	Fixed	03/27/17	100,000	100,000	99,978	99,978
210	EUR	Fixed	03/04/16	-	-	62,948	62,949
211	USD	Floating	07/27/17	19,722	18,710	19,105	17,549
216	USD	Floating	08/24/17	94,910	90,038	92,203	84,691
218	USD	Fixed	09/28/17	90,514	85,869	91,325	83,885
219	EUR	Floating per year	04/11/16	-	-	36,107	36,108
223	EUR	Fixed	03/21/16	-	-	2,491,943	2,491,943
223-2	EUR	Fixed	03/21/16	-	-	99,978	99,978
225	USD	Floating	11/09/17	61,048	57,915	59,189	54,367
226	EUR	Floating per year	08/23/16	-	-	66,717	66,718
235	EUR	Floating	10/07/16	-	-	37,870	37,871
238	EUR	Fixed/Floating	11/28/16	-	-	35,328	35,329
239	USD	Fixed	01/29/16	-	-	108,448	99,612
240	EUR	Fixed	01/24/20	1,000,000	1,000,000	994,806	994,806
240-2	EUR	Fixed	01/24/20	210,000	210,000	205,974	205,974
240-3	EUR	Fixed	01/24/20	67,400	67,400	67,380	67,381
243	EUR	Floating	07/16/17	25,557	25,557	25,537	25,538
245	EUR	Fixed	06/01/23	270,000	270,000	269,713	269,713
247	USD	Fixed/Floating	03/15/16	-	-	15,913	14,617
248	USD	Fixed	03/14/16	-	-	379,964	349,008
249	EUR	Fixed/Floating	06/03/25	5,204	5,204	5,204	5,204
255	EUR	Floating	02/28/17	24,180	24,180	24,160	24,161
257	USD	Floating	04/11/16	-	-	39,006	35,828
258	USD	Floating	05/06/16	-	-	13,882	12,751
262	NOK	Fixed	08/30/18	800,000	88,045	799,854	83,292
263	GBP	Fixed	06/14/17	15,000	17,520	14,683	20,006
264	USD	Fixed/Floating	06/14/16	-	-	14,151	12,998
265	EUR	Floating	07/09/16	-	-	50,981	50,981
266	EUR	Fixed	01/31/22	100,700	100,700	100,681	100,681
267	EUR	Fixed	01/31/24	100,500	100,500	100,481	100,481
270	EUR	Floating per coupon	03/20/17	34,431	34,431	34,411	34,412
273	USD	Fixed/Floating	09/11/16	-	-	15,867	14,574
274	USD	Floating	09/23/16	-	-	262,237	240,872
275	EUR	Fixed	05/05/17	38,968	38,968	38,948	38,949
277	USD	Floating	10/07/16	-	-	235,379	216,202

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

Appendix I - Detail of fixed-term deposits at 31 December 2016 and 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. In the event of discrepancy, the Spanish version prevails.

Related series	Currency	Interest rate	Maturity date	31 December 2016		31 December 2015	
				Thousand Currency	Thousand Euross	Thousand Currency	Thousand Euross
Non-current investments							
278	USD	Floating	10/21/16	-	-	277,247	254,660
279	EUR	Fixed/Floating	12/16/17	20,541	20,541	20,541	20,541
280	USD	Floating	11/04/16	-	-	321,315	295,137
281	EUR	Floating	11/07/16	-	-	29,076	29,076
283	USD	Floating	12/05/16	-	-	404,441	371,491
284	USD	Floating	12/30/16	-	-	142,936	131,291
285	USD	Floating	12/27/16	-	-	67,898	62,367
286	USD	Floating	01/27/17	119,544	113,409	117,365	107,804
288	EUR	Floating	02/17/17	20,000	20,000	19,681	19,681
289	USD	Floating	03/10/17	91,326	86,639	89,654	82,350
290	USD	Floating	03/10/17	118,674	112,583	116,508	107,016
291	USD	Fixed	02/27/24	25,001	23,717	25,000	22,964
293	EUR	Floating	03/17/16	-	-	179,978	179,979
294	EUR	Fixed	03/25/17	1,500,000	1,500,000	1,494,389	1,494,389
298	USD	Floating	04/02/17	80,346	76,222	80,346	73,800
299	GBP	Floating	04/28/19	3,250	3,796	3,199	4,360
301	USD	Floating	04/30/17	29,479	27,966	29,479	27,078
302	USD	Floating	06/06/19	15,790	14,980	15,637	14,363
303	EUR	Floating	05/23/16	-	-	99,978	99,979
304	GBP	Floating	05/30/17	14,392	16,810	14,223	19,379
305	EUR	Floating	06/06/17	100,000	100,000	99,979	99,979
306	USD	Fixed	08/08/19	6,744	6,398	6,599	6,062
307	USD	Floating	09/29/17	25,001	23,717	25,000	22,964
308	USD	Fixed	09/29/19	30,000	28,460	30,000	27,556
309	USD	Fixed	09/10/19	24,669	23,403	24,272	22,295
311	GBP	Fixed	09/23/17	35,109	41,007	34,391	46,858
312	USD	Floating	10/07/17	50,001	47,435	50,001	45,927
313	EUR	Floating	10/10/16	-	-	99,978	99,978
314	EUR	Floating	11/07/16	-	-	999,978	999,979
314-2	EUR	Floating	11/07/16	-	-	102,478	102,479
314-3	EUR	Floating	11/06/16	-	-	25,005	25,006
315	USD	Fixed	12/01/17	50,001	47,435	49,916	45,849
316	GBP	Fixed	11/28/17	15,489	18,091	15,426	21,019
317	USD	Floating	12/30/17	7,067	6,704	7,066	6,491
318	EUR	Floating	01/23/17	100,000	100,000	99,978	99,979
319	EUR	Floating	01/26/16	-	-	250,053	250,054
320	EUR	Floating	01/28/16	-	-	199,973	199,974
321	USD	Floating	02/27/18	58,674	55,663	58,674	53,894
322	EUR	Floating	02/24/27	70,000	70,000	69,978	69,979
323	EUR	Floating	03/04/20	300,000	300,000	299,879	299,879
323-2	EUR	Floating	03/04/20	140,000	140,000	139,997	139,997
323-3	EUR	Floating	03/04/20	60,000	60,000	59,981	59,982
323-4	EUR	Floating	03/04/20	105,000	105,000	104,996	104,996
323-5	EUR	Floating	03/04/20	50,000	50,000	50,102	50,102
323-6	EUR	Floating	03/04/20	50,000	50,000	49,981	49,981
323-7	EUR	Floating	03/04/20	50,000	50,000	50,005	50,005
323-8	EUR	Floating	03/04/20	125,000	125,000	125,045	125,045
323-9	EUR	Floating	03/04/20	50,000	50,000	50,002	50,002
323-10	EUR	Floating	03/04/20	55,000	55,000	55,004	55,005
323-11	EUR	Floating	03/04/20	20,000	20,000	19,968	19,969
323-12	EUR	Floating	03/04/20	95,000	95,000	94,054	94,055
323-13	EUR	Floating	03/04/20	94,000	94,000	-	-

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

Appendix I - Detail of fixed-term deposits at 31 December 2016 and 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. In the event of discrepancy, the Spanish version prevails.

Related series	Currency	Interest rate	Maturity date	31 December 2016		31 December 2015	
				Thousand Currency	Thousand Euross	Thousand Currency	Thousand Euross
Non-current investments							
323-14	EUR	Floating	03/04/20	20,000	20,000	-	-
324	EUR	Floating	03/05/27	150,000	150,000	149,974	149,975
325	EUR	Fixed	03/06/30	52,000	52,000	51,973	51,973
326	USD	Fixed	03/11/20	14,139	13,413	13,940	12,805
327	EUR	Fixed	03/13/19	50,000	50,000	49,978	49,979
328	EUR	Fixed	03/18/25	35,000	35,000	34,980	34,980
329	USD	Floating	03/27/18	15,654	14,851	15,654	14,379
330	USD	Floating	03/27/20	16,152	15,323	15,893	14,598
331	USD	Fixed	03/27/18	51,602	48,953	51,268	47,092
332	GBP	Fixed	03/27/18	7,562	8,832	7,527	10,256
333	USD	Fixed	04/02/20	23,225	22,033	23,005	21,132
334	USD	Fixed	04/08/18	30,000	28,460	29,615	27,203
335	EUR	Fixed	04/10/17	80,000	80,000	79,899	79,899
336	USD	Floating	04/30/18	20,073	19,043	20,073	18,438
337	EUR	Fixed	05/13/30	25,000	25,000	24,973	24,973
338	USD	Floating per year	05/22/20	9,983	9,470	9,982	9,169
339	USD	Floating	05/22/18	39,995	37,942	39,994	36,736
340	USD	Fixed	07/06/19	40,001	37,948	39,878	36,629
341	USD	Floating per year	08/14/20	23,433	22,230	23,433	21,524
342	USD	Floating	08/14/18	17,123	16,244	17,122	15,727
343	USD	Fixed	08/19/19	65,003	61,666	64,395	59,149
344	USD	Floating	08/31/18	9,719	9,220	9,718	8,927
345	USD	Floating per year	08/31/20	21,338	20,242	21,165	19,441
346	EUR	Floating per year	08/31/20	7,000	7,000	6,944	6,945
347	GBP	Fixed	09/21/17	40,541	47,351	40,367	55,001
348	USD	Floating por coupon	12/05/16	-	-	24,913	22,884
348-2	USD	Floating por coupon	12/05/16	-	-	19,110	17,553
349	USD	Floating	09/29/18	3,182	3,018	3,181	2,922
350	USD	Floating per year	09/29/20	2,784	2,641	2,724	2,503
351	USD	Fixed	10/06/16	-	-	11,514	10,576
352	HKD	Fixed	10/16/20	205,000	25,076	205,000	24,296
353	USD	Floating	10/29/18	10,535	9,994	10,534	9,676
354	USD	Floating per year	10/29/20	11,808	11,202	11,712	10,758
355	GBP	Fixed	11/18/20	21,128	24,677	20,942	28,534
356	USD	Floating	11/30/18	8,906	8,448	8,905	8,180
357	USD	Floating per year	11/30/20	6,923	6,567	6,762	6,212
358	JPY	Fixed	12/09/20	25,300,000	205,024	25,230,025	192,495
359	EUR	Fixed	12/14/22	1,500,000	1,500,000	1,245,026	1,245,027
360	EUR	Fixed	12/23/30	40,000	40,000	39,972	39,973
361	USD	Floating	12/29/18	12,102	11,481	12,102	11,122
362	USD	Fixed	12/29/20	31,793	30,161	31,275	28,732
363	USD	Floating	02/23/19	9,647	9,151	-	-
364	USD	Floating per year	02/23/21	14,208	13,479	-	-
365	EUR	Floating	02/22/17	50,000	50,000	-	-
366	EUR	Floating	03/08/19	50,000	50,000	-	-
367	EUR	Fixed	03/03/21	1,000,000	1,000,000	-	-
368	EUR	Floating	03/08/18	300,000	300,000	-	-
368-2	EUR	Floating	03/08/18	100,000	100,000	-	-
368-3	EUR	Floating	03/08/18	40,000	40,000	-	-
368-4	EUR	Floating	03/08/18	60,000	60,000	-	-
369	EUR	Floating	03/11/21	50,000	50,000	-	-
370	EUR	Floating	09/18/17	100,000	100,000	-	-

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

Appendix I - Detail of fixed-term deposits at 31 December 2016 and 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. In the event of discrepancy, the Spanish version prevails.

Related series	Currency	Interest rate	Maturity date	31 December 2016		31 December 2015	
				Thousand Currency	Thousand Euross	Thousand Currency	Thousand Euross
Non-current investments							
371	EUR	Floating	06/22/17	110,000	110.000	-	-
372	USD	Floating per year	03/23/21	4,946	4.692	-	-
373	USD	Floating	03/23/18	6,221	5.901	-	-
374	USD	Floating	03/30/21	16,302	15.465	-	-
375	USD	Fixed	04/04/18	10,980	10.416	-	-
376	USD	Floating	04/25/21	120,507	114.322	-	-
377	USD	Fixed	04/12/17	40,001	37.948	-	-
378	USD	Floating	05/23/21	50,370	47.785	-	-
379	EUR	Fixed	04/21/31	41,000	41.000	-	-
380	USD	Fixed	04/25/17	11,591	10.996	-	-
381	EUR	Fixed	05/04/26	40,000	40.000	-	-
382	EUR	Floating	05/06/19	300,000	300.000	-	-
384	USD	Fixed	06/30/19	17,250	16.365	-	-
383	EUR	Fixed	07/08/31	50,000	50.000	-	-
385	EUR	Fixed	07/20/33	21,500	21.500	-	-
386	EUR	Fixed	07/20/31	80,000	80.000	-	-
387	EUR	Floating	07/26/18	100,000	100.000	-	-
388	EUR	Fixed	08/16/32	170,000	170.000	-	-
389	USD	Floating	10/07/19	28,439	26.979	-	-
390	USD	Floating	10/07/21	40,737	38.646	-	-
391	EUR	Fixed	09/20/31	61,000	61.000	-	-
392	USD	Fixed	11/04/19	89,952	85.335	-	-
393	USD	Floating	11/04/21	92,088	87.362	-	-
394	EUR	Floating	11/14/18	200,000	200.000	-	-
395	USD	Fixed	05/15/20	30,000	28.460	-	-
396	USD	Fixed	12/05/19	27,603	26.186	-	-
397	USD	Floating	12/05/21	50,754	48.149	-	-
398	USD	Fixed	12/05/19	8,127	7.710	-	-
399	USD	Floating	12/02/21	13,500	12.807	-	-
400	USD	Fixed	12/23/19	11,322	10.741	-	-
401	USD	Floating	12/23/21	25,658	24.341	-	-
402	USD	Floating	12/27/21	12,000	11.384	-	-
Total fixed-term deposits:					15,028,082		18,106,194
Current fixed-term deposits – Principal					9,580,640		10,972,491
Non-Current fixed-term deposits – Principal					5,447,442		7,133,703
Current accrued interest Receivable					119,246		268,238

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

Appendix II - Debt issues at 31 December 2016 and 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. In the event of discrepancy, the Spanish version prevails.

Series	ISIN	Currency	Issue Date	Maturity Date	31 december 2016				31 december 2015			
					Fair Value		Book Value		Fair Value		Book Value	
					Thousand Currency	Thousand Euross						
54	X50259360351	NOK	07/14/06	07/14/16	-	-	-	-	508,485	52,951	500,000	52,067
59	X50266336139	EUR	09/13/06	09/13/21	105,982	105,982	110,000	110,000	104,174	104,174	110,000	110,000
59-2	XS02663361-2	EUR	12/22/06	09/13/21	9,635	9,635	10,000	10,000	9,470	9,470	10,000	10,000
61	X50271245184	EUR	10/31/06	10/31/29	93,214	93,214	100,000	100,000	88,261	88,261	100,000	100,000
67	X50278545677	JPY	12/27/06	12/27/16	-	-	-	-	3,045,240	23,234	3,000,000	22,889
90	X50310314868	MXN	07/13/07	07/13/22	647,254	29,729	654,000	30,039	628,282	33,217	654,000	34,577
102	XS0363956565	EUR	05/30/08	05/30/23	32,238	32,238	30,000	30,000	33,392	33,392	30,000	30,000
145	7(50504445205	EUR	09/30/10	09/30/16	-	-	-	-	28,092	28,092	28,000	28,000
159	X50544546780	EUR	10/04/10	10/04/17	1,032,870	1,032,870	1,000,000	1,000,000	1,066,445	1,066,445	1,000,000	1,000,000
159-2	X50544546780	EUR	09/28/12	10/04/17	10,329	10,329	10,000	10,000	10,664	10,664	10,000	10,000
159-3	X50544546780	EUR	12/13/12	10/04/17	103,287	103,287	100,000	100,000	106,664	106,664	100,000	100,000
159-4)450544546780	EUR	12/28/12	10/04/17	30,986	30,986	30,000	30,000	31,998	31,998	30,000	30,000
164	X50570096593	EUR	04/07/11	04/08/19	16,151	16,151	16,000	16,000	15,955	15,955	16,000	16,000
165	X50570099001	EUR	04/29/11	05/03/19	6,053	6,053	6,000	6,000	5,974	5,974	6,000	6,000
166	XS0589920205	EUR	02/17/11	02/17/28	149,692	149,692	104,000	104,000	142,404	142,404	104,000	104,000
201	XS0759014375	EUR	03/27/12	03/27/17	1,009,715	1,009,715	1,000,000	1,000,000	1,145,680	1,143,680	1,000,000	1,000,000
201-2	X50759014375	EUR	09/28/12	03/27/17	19,588	19,588	19,400	19,400	20,286	20,286	19,400	19,400
201-3	X50759014375	EUR	12/13/12	03/27/17	100,972	100,972	100,000	100,000	104,568	104,568	100,000	100,000
210	DE000A1G7EU2	EUR	09/04/12	03/04/16	-	-	-	-	63,294	63	62,968	62,968
211	X50807814586	USD	07/27/12	07/27/17	20,088	19,057	19,722	18,710	20,521	18,849	19,722	18,115
216	X50818626300	USD	08/24/12	08/24/17	96,671	91,709	94,910	90,038	98,730	90,686	95,135	87,384
218	X50832424930	USD	09/28/12	09/28/17	93,362	88,571	90,514	85,869	98,004	90,019	94,190	86,516
219	DE000A1G8TZ7	EUR	10/11/12	04/11/16	-	-	-	-	36,446	36,446	36,127	36,127
223	X50828735893	EUR	21/09/20)2	03/21/16	-	-	-	-	2,624,921	2,624,921	2,500,000	2,500,000
223-2	X50828735893	EUR	12/13/12	03/21/16	-	-	-	-	100,958	101	100,000	100,000
225	XS0851342054	USD	11/09/12	11/09/17	62,543	59,334	61,048	57,915	63,633	58	61,049	56,075
226	DE000A1G98F.1	EUR	11/23/12	08/23/16	-	-	-	-	68,596	68,596	66,737	66,737
235	DE000A1141393(5	EUR	01/07/13	10/07/16	-	-	-	-	38,567	38,567	37,890	37,890
238	DE000AIIIEGB8	EUR	02/28/13	11/28/16	-	-	-	-	35,857	35,857	35	35,348
239	XS0877623941	USD	01/29/13	01/29/16	-	-	-	-	110	101,356	110,129	101
240	X50877984459	EUR	01/24/13	01/24/20	1,115,030	1,115,030	1,000,000	1,000,000	1,127,880	1,127,880	1,000,000	1,000,000
240-2	3(50877984459	EUR	03/01/13	01/24/20	234,156	234,156	210,000	210,000	236,854	236,854	210,000	210,000
240-3	XS0877984459	EUR	05/27/14	01/24/20	75,153	75,153	67,400	67,400	76,019	76,019	67,400	67
243	DE000A114F4137	EUR	04/16/13	07/16/17	26,082	26,082	25,557	25,557	26,657	26,657	25,557	25,557
245	3(80893943505	EUR	03/01/13	06/01/23	341,357	341,357	270,000	270,000	335,348	335,348	270,000	270,000
247	X50900374041	USD	03/15/13	03/15/16	-	-	-	-	15,890	14,596	15,914	15
248	XS0899343387	USD	03/14/13	06/03/25	-	-	-	-	386,362	354,883	385,779	354,348
249	X80899571334	EUR	06/03/13	06/03/25	4,771	4,771	5,204	5,204	5,401	5,401	5,204	5,204
255	DE000AIIIIITY6	EUR	05/28/13	02/28/17	24,274	24,274	24,180	24,180	24,807	24,807	24,180	24,180
257	X50911303609	USD	04/08/13	04/09/15	-	-	-	-	45,356	41,661	39,006	35,828
258	XS0923952278	USD	05/06/13	05/06/16	-	-	-	-	13,840	12,713	13,883	12,751
262	X50935924414	NOK	05/30/13	08/30/18	836,712	92,085	800,000	88,045	864,352	90,009	800,000	83,307
263	X50942440057	GBP	06/14/13	06/14/17	15,058	17,588	15,000	17,520	15,185	20,689	15	20,437
264	XS0943724616	USD	06/14/13	06/14/16	-	-	-	-	14,119	12,968	14,151	13
265	X50949902976	EUR	10/09/13	07/09/16	-	-	-	-	51,263	51,263	51,000	51,000
266	X50951908804	EUR	07/19/13	01/31/22	120,419	120,419	100,700	100,700	119,217	119	101	100,700
267	X50951906428	EUR	07/19/13	01/31/24	127,308	127,308	100,500	100,500	124,758	124,758	100,500	100,500
270	DE000AIHNOQ6	EUR	09/20/13	03/20/17	34,707	34,707	34,431	34,431	35,231	35,231	34,431	34,431

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

Appendix II - Debt issues at 31 December 2016 and 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. In the event of discrepancy, the Spanish version prevails.

Series	ISIN	Currency	Issue Date	Maturity Date	31 december 2016				31 december 2015			
					Fair Value		Book Value		Fair Value		Book Value	
					Thousand Currency	Thousand Euross						
273	X50969670396	USD	09/11/13	09/11/16	-	-	-	-	15,797	14,510	15,867	14,574
274	X50972122443	USD	09/23/13	09/23/16	-	-	-	-	269,223	247	267	245,314
275	DE000A111QPV I	EUR	11/05/13	05/05/17	39,392	39,392	38,968	38,968	39,958	39,958	38,968	38,968
277	X50975256172	USD	10/07/13	10/07/16	-	-	-	-	241,843	222,139	239,721	220,190
278	X50980213457	USD	10/21/13	10/21/16	-	-	-	-	284,876	261,666	282	259,352
279	DE000AIHR6V9	EUR	12/16/13	12/16/17	20,595	20,595	20,541	20,541	20,531	20,531	20,541	20,541,
280	3(50985956787	USD	11/04/13	11/04/16	-	-	-	-	330,292	303,382	327	300,572
281	X50987343331	EUR	07/11/2013	11/07/16	-	-	-	-	29,783	29,783	29,629	29,629
283	XS0997713721	USD	12/05/13	12/05/16	-	-	-	-	416,145	382,240	411,882	378,325
284	X50997791362	USD	12/30/13	12/30/16	-	-	-	-	147,180	135,188	146	133,723
285	X51007039396	USD	12/27/13	12/27/16	-	-	-	-	69,184	63,548	68,960	63,341
286	7(51019331641	USD	01/27/14	01/27/17	119,600	113,462	119,544	113,409	120,236	110,440	119,544	109,804
288	X51030896200	EUR	05/19/14	02/17/17	20,006	20,006	20,000	20,000	20,001	20,001	20,000	20,000
289	X51033979441	USD	03/10/14	03/10/17	91,490	86,795	91,326	86,639	91,855	84,371	91,326	83,885
290	X51033980373	USD	03/10/14	03/10/17	118,761	112,666	118,674	112,583	119,042	109,343	118,674	109,005
291	X51035600391	USD	02/27/14	02/27/24	24,629	23,364	25,001	23,717	25,175	23,124	25,001	22,964
293	X51041095784	EUR	03/17/14	03/17/16	-	-	-	-	180,029	180,029	180,000	180,000
294	X51046276504	EUR	03/25/14	03/25/17	1,505,453	1,505,453	1,500,000	1,500,000	1,520,303	1,520,303	1,500,000	1,500,000
298	X51048933250	USD	04/02/14	04/02/17	80,437	76,308	80,346	76,222	80,169	73,638	80	73,800
299	X51058136869	GBP	04/28/14	04/28/19	3,204	3,743	3,250	3,796	3,184	4,339	3,250	4,428
301	X81060199830	USD	04/30/14	04/30/17	29,480	27,967	29,479	27,966	29,297	26,910	29,480	27,078
302	XS1068865630	USD	06/06/14	06/06/19	15,582	14,783	15,790	14,980	15,395	14,140	15,791	14,504
303	XS1069236716	EUR	05/23/14	05/23/16	-	-	-	-	100,191	100,191	100,000	100,000
304	X51071816281	GBP	05/29/14	05/30/17	14,379	16,795	14,392	16,810	14,387	19,603	14,392	19,609
305	X51073131176	EUR	06/06/14	06/06/17	99,856	99,856	100,000	100,000	99,511	99,511	100,000	100,000
306	XS1093513262	USD	08/08/14	08/08/19	6,607	6,268	6,744	6,398	6,512	5,982	6,744	6,195
307	X51105398942	USD	09/29/14	09/29/17	24,863	23,586	25,001	23,717	24,660	22,651	25,001	22,964
308	X51105395765	USD	09/29/14	09/29/19	29,314	27,809	30,000	28,460	28,892	26,538	30,000	27,556
309	XS1106541623	USD	09/10/14	09/10/19	24,282	23,035	24,669	23,403	24,265	22,288	24,669	22,659
311	XSI111080484	GBP	09/23/14	09/23/17	35,002	40,882	35,109	41,007	34,856	47,490	35,109	47,836
312	XSI 115419498	USD	10/07/14	10/07/17	49,825	47,268	50,001	47,435	49,404	45,379	50,001	45,927
313-1	X5111 7050119	EUR	10/10/14	10/10/16	-	-	-	-	99,578	99,578	100,000	100,000
314	XSI 132059541	EUR	11/06/14	11/07/16	-	-	-	-	1,000,560	1,000,560	1,000,000	1,000,000
314-2	XSI 132059541	EUR	05/06/15	11/07/16	-	-	-	-	102,557	102,557	102,500	102,500
314-3	XS1132059541	EUR	05/06/15	11/06/16	-	-	-	-	25,014	25,014	25,000	25,000
315	XSI143089867	USD	12/01/14	12/01/17	49,905	47,344	50,001	47,435	49,523	45	50,001	46
316	XSI 143082771	GBP	11/28/14	11/28/17	15,442	18,036	15,489	18,091	15,397	20,978	15,489	21,104
317	XS1158112232	USD	12/30/14	12/30/17	7,067	6,704	7,067	6,704	7,013	6,441	7,067	6,491
318	XSI 169583173	EUR	01/23/15	01/23/17	99,969	99,969	100,000	100,000	99,418	99,418	100,000	100,000
319	7(51169932289	EUR	01/26/15	01/26/16	-	-	-	-	249,966	249,966	250,000	250,000
320	XS1171573188	EUR	01/28/15	01/28/16	-	-	-	-	199,994	199,994	200,000	200,000
321	7(51189112706	USD	02/27/15	02/27/18	58,712	55,699	58,674	55,663	58,174	53,434	58,674	53,894
322	7(51190889680	EUR	02/24/15	02/24/27	70,622	70,622	70,000	70,000	67,462	67,462	70,000	70,000
323	XS1195284705	EUR	03/04/15	03/04/20	302,043	302,043	300,000	300,000	297,582	297,582	300,000	300,000
323-2	7(51195284705	EUR	03/10/15	03/04/20	140,953	140,953	140,000	140,000	38,871	138,871	140,000	140,000
323-3	XS1195284705	EUR	04/24/15	03/04/20	60,409	60,409	60,000	60,000	59,516	59,516	60,000	60,000
323-4	X51195284705	SUR	04/27/15	03/04/20	105,715	105,715	105,000	105,000	104,153	104,153	105,000	105,000
323-5	XS1195284705	EUR	04/30/15	03/04/20	50,341	50,341	50,000	50,000	49,957	49,957	50,000	50,000

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

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Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	ISIN	Currency	Issue Date	Maturity Date	31 december 2016				31 december 2015			
					Fair Value		Book Value		Fair Value		Book Value	
					Thousand Currency	Thousand Euross						
323-6	XS1195284705	EUR	05/20/15	03/04/20	50,341	50,341	50,000	50,000	49,957	49,957	50,000	50,000
323-7	XS1195284705	EUR	05/20/15	03/04/20	50,341	50,341	50,000	50,000	49,957	49,957	50,000	50
323-8	XS1195284705	EUR	05/20/15	03/04/20	125,851	125,851	125,000	125,000	123,992	123,992	125,000	125,000
323-9	XS1195284705	EUR	06/02/15	03/04/20	50,341	50,341	50,000	50,000	49,957	49,957	50,000	50,000
323-10	XS1195284705	EUR	06/02/15	03/04/20	55,375	55,375	55,000	55,000	54,556	54,556	55,000	55,000
323-11	XS1195284705	EUR	06/02/15	03/04/20	20,136	20,136	20,000	20,000	19,838	19,838	20,000	20,000
323-12	XS1195284705	EUR	12/09/15	03/04/20	95,647	95,647	95,000	95,000	94,234	94,234	95,000	95,000
323-13	XS1195284705	EUR	12/05/16	03/04/20	94,640	94,640	94,000	94,000	-	-	-	-
323-14	XS1195284705	EUR	12/05/16	03/04/20	20,136	20,136	20,000	20,000	-	-	-	-
324	XS1196054669	EUR	03/05/15	03/05/27	151,938	151,938	150,000	150,000	138,749	138,749	150,000	150,000
325	XS1197278473	EUR	03/06/15	03/06/30	51,081	51,081	52,000	52,000	48,171	48,171	52,000	52,000
326	XS1198665298	USD	03/11/15	03/11/20	13,740	13,035	14,139	13,413	13,716	12,598	14,139	12,987
327	XS1198979129	EUR	03/13/15	03/13/19	50,577	50,577	50,000	50,000	49,991	49,991	50,000	50,000
328	XS1204190729	EUR	03/18/15	03/18/25	33,363	33,363	35,000	35,000	32,992	32,992	35,000	35,000
329	XS1206970722	USD	03/27/15	03/27/18	15,648	14,845	15,654	14,851	15,534	14,268	15,654	14,379
330	XS1206972777	USD	03/27/15	03/27/20	15,857	15,043	16,152	15,323	15,606	14,335	16,152	14,836
331	XS1207115632	USD	03/27/15	03/27/18	51,392	48,754	51,602	48,953	50,952	46,801	51,602	47,397
332	XS1207319473	GBP	03/27/15	03/27/18	7,518	8,781	7,562	8,832	7,474	10,183	7,562	10,303
333	XS1208851896	USD	04/02/15	04/02/20	22,618	21,457	23,225	22,033	22,601	20,760	23,225	21,332
334	XS1212705872	USD	04/08/15	04/08/18	29,747	28,220	30,000	28,460	29,469	27,068	30,000	27,556
335	XS1214654854	EUR	04/10/15	04/10/17	80,272	80,272	80,000	80,000	80,142	80,142	80,000	80,000
336	7(51221956359	USD	04/30/15	04/30/18	20,076	19,046	20,073	19,043	19,809	18,195	20,073	18,438
337	XS1228798283	EUR	05/13/15	05/13/30	23,293	23,293	25,000	25,000	21,990	21,990	25,000	25,000
338	7(51234388095	USD	05/22/15	05/22/20	9,676	9,179	9,983	9,470	9,908	9,100	9,983	9,169
339	XS1234453923	USD	05/22/15	05/22/18	39,507	37,480	39,995	37,942	39,133	35,944	39,995	36,736
340	XS1254145086	USD	07/06/15	07/06/19	39,898	37,851	40,001	37,948	40,481	37,182	40,001	36,742
341	XS1272763746	USD	08/14/15	08/14/20	22,768	21,600	23,433	22,230	22,399	20,574	23,433	21,524
342	XS1272763407	USD	08/14/15	08/14/18	16,845	15,980	17,123	16,244	16,939	15,559	17,123	15,727
343	XS1275996459	USD	08/19/15	08/19/19	63,744	60,472	65,003	61,666	63,494	58,321	65,003	59,707
344	XS1281765195	USD	08/31/15	08/31/18	9,549	9,060	9,719	9,220	9,605	8,822	9,719	8,927
345	7(51281765278	USD	08/31/15	08/31/20	20,716	19,652	21,338	20,242	21,248	19,517	21,338	19,599
346	XS1280574044	EUR	08/31/15	08/31/20	7,064	7,064	7,000	7,000	4,161	4,161	7,000	7,000
347	XS1282108148	GBP	09/21/15	09/21/17	40,391	47,176	40,541	47,351	40,251	54,841	40,541	55,237
348	XS1284535637	USD	09/08/15	12/05/16	-	-	-	-	24,832	22,809	25,001	22,964
348-2	7(81284535637	USD	09/25/15	12/05/16	-	-	-	-	19,034	17,484	19,164	17,603
349	XS1296578120	USD	09/29/15	09/29/18	3,111	2,951	3,182	3,018	3,067	2,817	3,182	2,922
350	XS1296578393	USD	09/29/15	09/29/20	2,662	2,526	2,784	2,641	2,612	2,399	2,784	2,557
351	7(51299032794	USD	10/06/15	10/06/16	-	-	-	-	11,471	10,537	11,567	10,624
352	XS1307233657	HKD	10/16/15	10/16/20	199,623	24,418	205,000	25,076	211,314	25,044	205,000	24,296
353	XS1311326380	USD	10/29/15	10/29/18	10,308	9,779	10,535	9,994	10,184	9,354	10,535	9,676
354	XS1311326463	USD	10/29/15	10/29/20	11,310	10,729	11,808	11,202	11,631	10,683	11,808	10,846
355	7(51319833361	GBP	11/18/15	11/18/20	22,122	25,838	21,128	24,677	21,798	29,699	21,128	28,787
356	XS1324219358	USD	11/30/15	11/30/18	8,706	8,259	8,906	8,448	8,819	8,101	8,906	8,180
357	XS1324216842	USD	11/30/15	11/30/20	6,810	6,461	6,923	6,567	6,910	6,347	6,923	6,359
358	XS1328831067	JPY	12/09/15	12/09/20	25,579,059	207,285	25,300,000	205,024	25,814,158	196,949	25,300,000	193,027
359	XS1330948818	EUR	12/14/15	12/14/22	1,565,040	1,565,040	1,500,000	1,500,000	1,238,738	1,238,738	1,250,000	1,250,000
360	XS1334178859	EUR	12/23/15	12/23/30	42,389	42,389	40,000	40,000	38,160	38,160	40,000	40,000
361	X81336103590	USD	12/29/15	12/29/18	11,814	11,208	12,102	11,481	11,901	10,932	12,102	11,113

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Series	ISIN	Currency	Issue Date	Maturity Date	31 december 2016				31 december 2015			
					Fair Value		Book Value		Fair Value		Book Value	
					Thousand Currency	Thousand Euross						
362	XS1336103327	USD	12/29/15	12/29/20	30,558	28,990	31,793	30,161	31,738	29,153	31,793	29,202
363	XS1365096673	USD	11/23/16	02/23/19	9,410	8,926	9,647	9,151	-	-	-	-
364	XS1365097648	USD	06/23/16	02/23/21	13,510	12,817	14,208	13,479	-	-	-	-
365	XS1364810371	EUR	11/22/16	02/22/17	50,000	50,000	50,000	50,000	-	-	-	-
366	XS1373983383	EUR	12/08/16	03/08/19	50,633	50,633	50,000	50,000	-	-	-	-
367	XS1370695477	EUR	06/23/16	03/03/21	1,041,530	1,041,530	1,000,000	1,000,000	-	-	-	-
368	XS1373211900	EUR	12/08/16	03/08/18	301,221	301,221	300,000	300,000	-	-	-	-
368-2	XS1373211900	EUR	12/08/16	03/08/18	100,407	100,407	100,000	100,000	-	-	-	-
368-3	XS1373211900	EUR	12/08/16	03/08/18	40,163	40,163	40,000	40,000	-	-	-	-
368-4	XS1373211900	EUR	12/08/16	03/08/18	60,244	60,244	60,000	60,000	-	-	-	-
369	XS1374859822	EUR	12/12/16	03/11/21	51,849	51,849	50,000	50,000	-	-	-	-
370	XS1377971434	EUR	12/19/16	09/18/18	99,915	99,915	100,000	100,000	-	-	-	-
371	XS1379864009	EUR	12/22/16	06/22/17	110,345	110,345	110,000	110,000	-	-	-	-
372	XS1382789136	USD	06/23/16	03/23/21	4,696	4,455	4,946	4,692	-	-	-	-
373	XS1382789649	USD	12/23/16	03/23/18	6,141	5,825	6,221	5,901	-	-	-	-
374	XS1385387375	USD	12/30/16	03/30/21	15,843	15,029	16,302	15,465	-	-	-	-
375	XS1385941908	USD	06/23/16	04/04/18	10,887	10,328	10,980	10,416	-	-	-	-
376	XS1390245089	USD	10/25/16	04/25/21	116,445	110,468	120,507	114,322	-	-	-	-
377	XS1390245162	USD	06/23/16	04/12/17	40,146	38,086	40,001	37,948	-	-	-	-
378	XS1411541847	USD	11/23/16	05/23/21	48,172	45,700	50,370	47,785	-	-	-	-
379	XS1394912627	EUR	06/23/16	04/21/31	41,970	41,970	41,000	41,000	-	-	-	-
380	XS1396745611	USD	06/23/16	04/25/17	11,633	11,036	11,591	10,996	-	-	-	-
381	XS1400667884	EUR	05/04/16	05/04/26	39,611	39,611	40,000	40,000	-	-	-	-
382	XS1402346990	EUR	11/07/16	05/06/19	302,087	302,087	300,000	300,000	-	-	-	-
383	XS1435355414	USD	07/08/16	07/08/31	17,791	16,878	50,000	50,000	-	-	-	-
384	XS1436217589	EUR	06/30/16	06/30/19	49,797	49,797	17,250	16,365	-	-	-	-
385	XS1446798495	EUR	07/20/16	07/20/33	22,236	22,236	21,500	21,500	-	-	-	-
386	XS1446798578	EUR	07/20/16	07/20/31	82,208	82,208	80,000	80,000	-	-	-	-
387	XS1453477348	EUR	10/26/16	07/26/18	100,135	100,135	100,000	100,000	-	-	-	-
388	XS1471693611	EUR	08/16/16	08/16/32	172,785	172,785	170,000	170,000	-	-	-	-
389	XS1497677978	USD	10/07/16	10/07/19	28,323	26,869	28,439	26,979	-	-	-	-
390	XS1497678190	USD	10/07/16	10/07/21	39,922	37,873	40,737	38,646	-	-	-	-
391	XS1489195773	EUR	09/20/16	09/20/31	60,653	60,653	61,000	61,000	-	-	-	-
392	XS1510534081	USD	11/04/16	11/04/19	89,586	84,988	89,952	85,335	-	-	-	-
393	XS1510534164	USD	11/04/16	11/04/21	90,245	85,614	92,088	87,362	-	-	-	-
394	XS1513059623	EUR	11/14/16	11/14/18	199,870	199,870	200,000	200,000	-	-	-	-
395	XS1516348262	USD	11/16/16	05/15/20	29,514	27,999	30,000	28,460	-	-	-	-
396	XS1526109985	USD	12/05/16	12/05/19	27,491	26,080	27,603	26,186	-	-	-	-
397	XS1526110058	USD	12/05/16	12/05/21	49,738	47,185	50,754	48,149	-	-	-	-
398	XS1523958764	USD	12/05/16	12/05/19	8,094	7,679	8,127	7,710	-	-	-	-
399	XS1525851017	USD	12/02/16	12/02/21	13,230	12,551	13,500	12,807	-	-	-	-
400	XS1536792150	USD	12/23/16	12/23/19	11,276	10,697	11,322	10,741	-	-	-	-
401	XS1536792234	USD	12/23/16	12/23/21	25,144	23,854	25,658	24,341	-	-	-	-
402	XS1537896224	USD	12/27/16	12/27/21	11,760	11,156	12,000	11,384	-	-	-	-

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

Appendix II - Debt issues at 31 December 2016 and 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. In the event of discrepancy, the Spanish version prevails.

Total debt issues	15,503,561		15,028,082		18,225,756		17,887,571
Non-Current Debt issues - Principal:			9,580,640				11,021,483
Non-current Issue Expenses:			(8,884)				(9,217)
Non-current Share premium:			(18,883)				(20,003)
Current Debt issues - Principal:			5,447,442				7,178,435
Current Issue Expenses:			(702)				(128)
Current Share premium:			(2,478)				(9,392)
Debt Issues - Accrued interest not paid			171,121				259,662
Total:			15,168,256				18,420,840
From which:							
With Group Companies			1,298,298				1,671,047
With Third Parties			13,869,958				16,749,793

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 54	500	1,000,000	100%	4.725% annual.	-
				Payable on July 14 each year	
Series 59	2,400	50,000	100%	Floating	-
				Three-Monthly payable on march, june, september and december 13	
Series 61	2,000	50,000	100%	Euribor 3 months + 0.13%.	-
				Three-Monthly payable on january, april, july and october 31	
Series 67	30	100,000	100%	1,865% annual	-
				Payable on december 27 each year	
Series 90	1,100	1,000,000	100%	28-month-days TIIE + 0.1%; payable on day 3 of each month until maturity.	-
				Possibility to convert on 13/07/11 the coupon on a fixed interest of 8.35%, payable on july 13 until maturity.	
Series 102	600	50,000	100%	5.49% annual during the 10 first years, and 6% from year 11. Payable on May 30, each year	Amortizable from 30/05/2018
Series 145	560	50,000	100%	Euribor 3 monthgs + 0.65%, three-monthly payable	-
Series 159	20,000	50,000	99.85%	4.125% annual	-
Series 161	10,000	50,000	99.88%	Euribor 3 months + 1.45% three-Monthly payable	-
Series 164	320	50,000	100%	Euribor 3 months + 0.90% Three-Monthly payable.	-
Series 165	120	50,000	100%	Euribor 3 months +0.90% Three-Monthly payable.	-
Series 166	1,040	100,000	99.75%	5.78% fixed three-monthly	-
Series 201	10,000	100,000	99.95%	4% fixed annual	Amortizable en cualquier momento
Series 210	62,968	1,000	100%	Short coupon 2.65%, second year 2.9%, third year 3.15% and fourth year 3.4%.	-
				Annually payable.	
Series 211	13,148	1,500	100%	From first to fourth coupon EUR 3M USD+2%, from fifth to eighth EUR 3M USD+2.4% and rest EUR 3M USD+2.8%	Amortizable anual
				Four-Monthly payable	
Series 219	36,127	1,000	100%	First year 2.65%, second year 2.9%, third year 3.15% and fourth year 3.4%.	-
				Annually payable.	
Series 223	25,000	100,000	99.85%	Fixed rate 4,625%.	-
				Annually payable.	

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 225	40,699	1,500	100%	First to fourth coupon 2%, fifth to eighth 2.4%, ninth to twelfth 2.8%, from thirteenth to sixteenth 3.2% and rest 3.6%. Three-Monthly payable	Redeemable 9 may 2013, 9 novembre 2013, 9 may 2014, 9 may 2015, 9 novembre 2015, 9 may 2016, 9 mayde 2017.
Series 226	66,737	1,000	100%	First year 2.6%, second year 2.85%, third year 3.15% fourth year 3.35%. Annually payable.	-
Series 235	37,890	1,000	100%	2.15% first year, 2.40% second year, 2.65% third year and resting 9 months 3.15%. Annually payable.	-
Series 238	35,348	1,000	100%	First coupon 2.65% rest Euribor 6M, 2% floor Six-Monthly payable.	-
Series 239	73,419	1,500	100%	Fixed rate 3.25%. Annually payable.	-
Series 240	10,000	100,000	98.50%	Fixed rate 4%. Annually payable.	-
Series 243	25,557	1,000	100%	Euribor 6M 2,20% floor and 4% cap. Six-Monthly payable.	-
Series 245	2,700	1,000	100%	Fixed rate 4.875%. Annually payable.	-
Series 247	10,609	1,500	100%	First coupon del 4%, following floating coupons, that could be 4% ór 0% depending on conditions Six-Monthly payable	-
Series 248	257,186	1,500	99.85%	Fixed rate 2.15%. Three-Monthly payable.	-
Series 249	5,204	1,000	100%	Fixed rate 1.040%; last coupon depending on Stock value Annually payable.	-
Series 255	24,180	1,000	100%	First coupon 2%, second 2.10%, third 2.30% and fourth 2.50%. Annually payable.	-
Series 257	26,004	1,500	98.50%	Minimum 0.5%, maximum depending on referenced Index. Annually payable.	-
Series 258	9,255	1,500	100%	Floating, minimum rate 4.30%*CPI and maximum rate 8%. Annually payable.	-
Series 262	800	1,000,000	100%	Fixed rate 4.50%. Annually payable.	-

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 263	15,000	1,000	98.00%	Fixed rate 3.10%.	
				Annually payable.	
Series 264	9,434	1,500	99.85%	First and second coupon 0.5%. Resting coupons 0.5% plus referenced index.	
				Annually payable.	
Series 265	510	100,000	100%	Euribor 3 months + 1.95	
				Three-Monthly payable	
Series 266	1,007	100,000	100%	Fixed rate 4.58%	
				Annually payable.	
Series 267	1,005	100,000	100%	Fixed rate 4.82%	
				Annually payable	
Series 270	34,431	1,000	100%	1P: 2%, 2P: 2.1%, 3P: 2.2% 4P: 2.3%	
				Annually payable	
Series 273	10,578	1,500	100%	1º Coupon: 3%	
				2º coupon and following: MAX (0.0%; MIN (4.00%; PARTICIPATION X (USCMS 10Y -USCMY -2Y)))	
				Six-Monthly payable	
Series 274	178,149	1,500	100%	US Libor 3 months + 2.15	
				Three-Monthly payable	
Series 275	38,968	1,000	100%	1P: 2%, 2P: 2.1%, 3P: 2.2% 4P: 2.3%	
				Annually payable	
Series 277	159,814	1,500	100%	US Libor 3 months + 2.15	
				Three-Monthly payable	
Series 278	188,238	1,500	100%	US Libor 3 months + 2.15	
				Three-Monthly payable	
Series 279	20,541	1,000	100%	First coupon: 2%, second to fourth coupon: MAX (Minimum coupon, Min (125%* EUR Y O Y Inflation, Maximum coupon))	
				Annually payable	
Series 280	38,968	1,000	100%	US Libor 3 months + 2.15	
				Three-Monthly payable	
Series 281	29,629	1,000	100%	Euribor 3 months + 1.45	
				Three-Monthly payable	
Series 283	274,588	1,500	100%	Euribor 3 months + 2.15	
				Payable on 5Mar, 5Jun, 5Sept y 5Dic	
Series 284	79,696	1,500	100%	Euribor 3 months + 2.15	
				Three-Monthly payable	
Series 285	45,973	1,500	100%	US Libor 3 months + 1.41	
				Three-Monthly payable	

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 286	79,696	1,500	100.00%	Year 1: 1%	Redeemable January 2015 y January 2016
				Year 2: 2%	
				Year 3: 3%	
				Annually payable.	
Series 288	20,000	1,000	100.00%	EURIBOR 3M + 0.70%	Redeemable February 2015 and February 2016
				Three-Monthly payable.	
Series 289	60,884	1,500	100.00%	Year 1: 1%	Redeemable 10-03-15 and 10/03/2016
				Year 2: 2%	
				Year 3: 3%	
				Annually payable	
Series 290	79,116	1,500	100.00%	USDLIBOR3M + 1.30%	Redeemable 10-03-15 and 10/03/2016
				Three-Monthly payable.	
Series 291	16,667	1,500	100.00%	Fixed rate: 4.01%	Redeemable 27-02-2019
				Annually payable	
Series 293	1,800	100,000	100.00%	Year 1: EURIBOR 3M + 0.55%	-
				Year 2: EURIBOR 3M + 0.70%	
				Three-Monthly payable	
Series 294	15,000	100,000	100.00%	Fixed rate: 1.375%	-
				Annually payable.	
Series 298	53,564	1,500	100.00%	MAX[1.15%; MIN (3.15%;leverage x USDLIBOR12M)]	-
				Three-Monthly payable	
Series 299	3,250	1,000	100.00%	First Year to Third Year 2.35%, fourth year 2.850% and fifth year 3.35%.	-
				Annually payable	
Series 301	19,653	1,500	100.00%	MAX[1.15%; MIN (3.15%;leverage x USDLIBOR12M)]	-
				Three-Monthly payable	
Series 302	10,527	1,500	100.00%	First Year to third Year 2.25%, fourth year 2.50% fifth year 2.75%.	Redeemable 06-06-2017 and 06/06/2018
				Annually payable	
Series 303	1,000	100,000	100.00%	EURIBOR3M+ 0.70%	-
				Three-Monthly payable	
Series 304	14,392	1,000	100.00%	Fixed rate: 1.9%	-
				Annually payable	
Series 305	1,000	100,000	100.00%	EURIBOR3M + 0.6%	-
				Three-Monthly payable	

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 306	4496	1,500	100.00%	From 08-08-2015 to 08-08-2017 2.05%, from 08-08-2017 to 08-08-2018 2.30% and last Year del 2.55%. Annually payable	Redeemable 08-08-2017 and 08/08/2018
Series 307	16,667	1,500	99.00%	MAX (1.20%; MIN (2.70% ; USD LIBOR 3M)) Three-Monthly payable	-
Series 308	20,000	1,500	98.06%	First to third coupon: 2.05%, fourth coupon: 2.3% and fifth coupon: 2.55%. Annually payable	Redeemable 29-09-2017 and 29/09/2018
Series 309	16,446	1,500	98.50%	Fixed rate: 2.43% Annually payable	-
Series 311	35,109	1,000	98.00%	Fixed rate: 1.75% Annually payable	-
Series 312	33,334	1,500	99.25%	MAX (1.50% ; MIN (2.50%; USD LIBOR 3M)) Three-Monthly payable	-
Series 313	1,000	100,000	100.00%	EURIBOR3M+ 0.25% Three-Monthly payable	-
Series 314	10,000	100,000	100.00%	EURIBOR3M+ 0.37% Three-Monthly payable	-
Series 315	33,334	1,500	99.88%	Fixed rate: 1.85% Annually payable	-
Series 316	15,489	1,000	99.70%	Fixed rate: 1.9% Annually payable	-
Series 317	4,711	1,500	98.80%	MAX(1.00%;MIN(2.00%; USDLIBOR 3M)) Three-Monthly payable	-
Series 318	1,000	100,000	100.00%	EURIBOR3M + 0.35% Three-Monthly payable	-
Series 319	2,500	100,000	100.00%	EURIBOR3M + 0.27% Three-Monthly payable	-
Series 320	2,000	100,000	100.00%	EURIBOR3M + 0.23% Three-Monthly payable	-
Series 321	39,116	1,500	99.28%	MAX [1%; MIN (2.25%; USDLIBOR*300%) Three-Monthly payable	-
Series 322	700	100,000	100.00%	Fixed rate until 02/21 included: 1.4% Fixed rate until maturity: 2.26% Annually payable	-
Series 323	3,000	100,000	99.97%	EURIBOR3M + 0.60% Three-Monthly payable	-
Series 324	1,500	100,000	100.00%	Fixed rate de 2015 a 2021: 1.45% Fixed rate de 2022 a 2027: 2.32% Annually payable	-

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 325	520	100,000	100.00%	Fixed rate: 1.7% Payable	Redeemable 06/03/2025
Series 326	9,426	1,500	98.75%	Fixed rate: 2.30% Annually payable	-
Series 327	500	100,000	100.00%	Fixed rate: 0.625% Annually payable	-
Series 328	350	100,000	99.81%	Fixed rate: 1.11% Annually payable	-
Series 329	10,436	1,500	99.10%	MAX[1%; MIN(2.25%; USDLIBOR3M) Three-Monthly payable	-
Series 330	10,768	1,500	98.54%	USDLIBOR+ MARGEN Three-Monthly payable	-
Series 331	34,401	1,500	99.40%	Fixed rate: 1.90% Annually payable	-
Series 332	7,562	1,000	99.75%	Fixed rate: 1.75% Annually payable	-
Series 333	15,483	1,500	99.20%	Fixed rate: 2.40% Annually payable	-
Series 334	20,000	1,500	98.80%	Fixed rate: 1.60% Annually payable	-
Series 335	80,000	1,000	99.90%	Fixed rate: 0.41% Annually payable	-
Series 336	13,382	1,500	99.44%	MAX[1%; MIN(2.25%; USDLIBOR3M) Three-Monthly payable	-
Series 337	250	100,000	100.00%	Fixed rate: 1.37% Annually payable	-
Series 338	6,655	1,500	98.50%	First coupon 1.68%; second 1.93%; third 2.18%; fourth 2.43% and fifth 2.68%. Annually payable	-
Series 339	26,663	1,500	99.15%	MAX[1.25%; MIN(2.50%; USDLIBOR3M) Three-Monthly payable	-
Series 340	26,667	1,500	99.75%	Fixed rate: 2.30% Annually payable	-
Series 341	15,622	1,500	99.04%	From first to third Year 2%, 2.75% fourth Year and 3.5% on fifth year Annually payable	-
Series 342	11,415	1,500	99.11%	MAX[1.25%; MIN(2.50%; USDLIBOR3M) Three-Monthly payable	-
Series 343	43,335	1,500	99.10%	Fixed rate: 2.20% Annually payable	-

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 344	6,479	1,500	99.20%	MAX[1.25%; MIN(2.50%; USDLIBOR3M) Three-Monthly payable	-
Series 345	14,225	1,500	99.30%	From first to third Year 2%, 2.75% fourth Year and 3.5% fifth year Annually payable	-
Series 346	70	100,000	99.50%	From first to third year 0.65%, 0.90% fourth year Year and 1.15% fifth year Annually payable	-
Series 347	40,541	1,000	99.61%	Fixed rate: 1.60% Annually payable	-
Series 348	16,667	1,500	99.75%	During first period 1.00% and during the second 3.63% Annually payable	-
Series 349	2,121	1,500	98.84%	MAX[1.00%; MIN(2.00%; USDLIBOR3M) Three-Monthly payable	-
Series 350	1,856	1,500	98.68%	From first to third year 1.85% and during fourth year and fifth year 2.35% Subject to exercise of the Early Redemption Date Annually payable	-
Series 351	7,711	1,500	99.75%	Fixed rate: 0.60% Annually payable	-
Series 352	205	1,000,000	100.00%	Fixed rate: 2.52% Annually payable	-
Series 353	7,023	1,500	99.35%	MAX[1.15%; MIN(2.15%; USDLIBOR3M) Three-Monthly payable	-
Series 354	7,872	1,500	99.40%	From first to third year 1.85% and during fourth year and fifth year 2.35% Subject to exercise of the Issuer Call Annually payable	Redeemable 29/10/2018 and 29/10/2019
Series 355	21,128	1,000	99.20%	Fixed rate: 2.50% Annually payable	-
Series 356	5,937	1,500	98.55%	MAX[1.25%; MIN(2.25%; USDLIBOR3M) Three-Monthly payable	-
Series 357	4,615	1,500	98.00%	From first to third year 2%, 2.25% fourth year Year and 2.5% fifth year Annually payable	-
Series 358	253	100,000,000	99.73%	Fixed rate: 0.543% Annually payable	-
Series 359	12,500	100,000	99.87%	Fixed rate: 1.375% Annually payable	-
Series 360	400	100,000	100.00%	Fixed rate: 1.98% Annually payable	-

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 361	81	150,000	99%	MAX^[1.25%;MIN(2.25%; USDLIBOR 3M)] Three-Monthly payable	-
Series 362	21,195	1,500	100%	From first to third year 2.15%, 2.5% fourth year Year and 2.85% fifth year Annually payable	-
Series 363	6,431	1,500	99.48%	Max [1.40% ; Min (2.40% ; USLIBOR3M)] Three-Monthly payable	-
Series 364	9,472	1,500	99.39%	1º--- 2.00 % 2º--- 2.00 % 3º--- 2.00 % 4º--- 2.25% 5º--- 2.50% Annually payable	-
Series 365	500	100,000	100%	EURIBOR3M + 0.20% Three-Monthly payable	-
Series 366	500	100,000	100%	EURIBOR 3M + 0.90% Three-Monthly payable	-
Series 367	10,000	100,000	99.808%	1.375% Annually payable	-
Series 368	3,000	100,000	100.326%	EURIBOR 3M + 0.58% Three-Monthly payable	-
Series 369	500	100,000	100%	EURIBOR 3M + 1.25% Three-Monthly payable	-
Series 370	1,000	100,000	100%	EURIBOR 3M + 0.45% Three-Monthly payable	-
Series 371	1,100	100,000	99.975%	EURIBOR 3M + 0.40% Three-Monthly payable	-
Series 372	3,297	1,500	98.38%	1º coupon 2% 2º coupon 2% 3º coupon 2% 4º coupon 2,25% 5º coupon 2,5% Annually payable	- - -

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

Appendix III: Issue features

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 373	4,147	1,500	98.96%	Max [0.90% ; Min (1.90% ; USLIBOR3M)]	-
				Three-Monthly payable	
Series 374	10,868	1,500	98.54%	Max [% ; Min (1.90% ; USLIBOR3M)]	-
				Three-Monthly payable	
Series 375	7,320	1,500	99.15%	1.65%	-
				Annually payable	
Series 376	80,338	1,500	98.42%	Max [2.25% ; Min (4.25% ; USLIBOR3M)]	-
				Three-Monthly payable	
Series 377	26,667	1,500	100%	1.24%	-
				Annually payable	
Series 378	33,580	1,500	98.60%	Max [2.00% ; Min (4.00% ; USLIBOR3M)]	-
				Three-Monthly payable	
Series 379	410	100,000	100%	1.71%	-
				Annually payable	
Series 380	7,727	1,500	100%	1.10%	-
				Annually payable	
Series 381	400	100,000	99.815%	1.40%	-
				Annually payable	
Series 382	3,000	100,000	99.970%	EURIBOR 3M + 0.65%	-
				Three-Monthly payable	
Series 383	500	100,00	99.67%	1.778%	-
				Annually payable	
Series 384	11,500	1,500	99.711%	1.80%	-
				Annually payable	
Series 385	215	100,000	99.71%	1.84%	-
				Annually payable	
Series 386	800	100,000	99.87%	1.75%	
				Annually payable	
Series 387	1,000	100,000	99.90%	EURIBOR3M + 0.45%	
				Three-Monthly payable	
Series 388	1,700	100,00	99.72%	1.70%	
				Annually payable	
Series 389	18,959	1,500	99.05%	1.80%	
				Annually payable	
Series 390	27,158	1,500	98.84%	USLIBOR3M + 1%	-
				Three-Monthly payable	
Series 391	610	100,000	100%	1.50%	-
				Annually payable	
Series 392	59,968	1,500	99.05%	1.80%	-
				Annually payable	

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

Appendix III: Issue features

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Series	Nº Securities	Par Value	Issue Percentage	Interest Rate Payable	Redemption Option (*)
Series 393	61,392	1,500	98.84%	USDLIBOR 3M +1%	-
				Three-Monthly payable	
Series 394	2,000	100,00	100%	EURIBOR 3M + 0.22%	-
				Three-Monthly payable	
Series 395	20,000	1,500	99.71%	2.00%	-
				Six-Monthly payable	
Series 396	18,402	1,500	99.14%	1.70%	-
				Annually payable	
Series 397	33,836	1,500	99.00%	USDLIBOR 3M+0.90%	-
				Three-Monthly payable	
Series 398	5,418	1,500	95.86%	1.80%	-
				Annually payable	
Series 399	9,000	1,500	99.90%	Euribor6m+0.90%	-
				Six-Monthly payable	
Series 400	7,548	1,500	98.43%	1.80%	-
				Annually payable	
Series 401	17,105	1,500	98.96%	USDLIBOR 3M+0.90%	-
				Three-Monthly payable	
Series 402	8,000	1,500	99.50%	USDLIBOR 6M+0.82%	-
				Six-Monthly payable	

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

Directors' Report for 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Company's performance in 2016

In 2016, Santander International Debt, S.A. (Sole-Shareholder Company) recorded a post-tax loss of EUR 351 thousand.

Dealings in treasury shares

The Company had no dealings in treasury shares or in the shares of its parent company Banco Santander, S.A. during 2016.

Prospects

In 2017, the Company is expected to perform in a similar manner to 2016.

Main business risks

The Company is wholly owned by Banco Santander, S.A. for the sole purpose of issuing ordinary or senior debt secured by Banco Santander S.A. Consequently, its risk factors are confined to the guarantor itself.

Research and development activities

The Company did not engage in any research and development during 2016.

Events after the reporting date

From the 2016 year end to the date of these financial statements, the Company launched issues for an approximate total amount of EUR 158,990. Series were also redeemed during this period in an approximate total amount of EUR 3,158,217 thousand.

Except for the matter referred to above, there have been no other events since the balance sheet date that could have a material impact on the Company's business and on the information included in the notes to the financial statements.

Use of financial instruments

The financial instruments employed by the Company consisted basically of financial assets such as fixed-term deposits with Group companies and associates and financial liabilities such as ordinary or senior debt issues. Transactions involving financial derivatives were contracted during 2016, the net result being 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 Issuances, 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 by Banco Santander, S.A., as head of Santander Group, on 21 February 2017.

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

Directors' Report for 2016

Translation of financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Company in Spain. In the event of discrepancy, the Spanish version prevails.

Payment to suppliers

The average payment period during 2016 was 5.62 days.