

29 January 2020

# 2019 Earnings Presentation

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# Important information

## Non-IFRS and alternative performance measures

In addition to the financial information prepared in accordance with International Financial Reporting Standards (“IFRS”) and derived from our financial statements, this presentation contains certain financial measures that constitute alternative performance measures (“APMs”) as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415en) and other non-IFRS measures (“Non-IFRS Measures”). The financial measures contained in this presentation that qualify as APMs and non-IFRS measures have been calculated using the financial information from Santander Group but are not defined or detailed in the applicable financial reporting framework and have neither been audited nor reviewed by our auditors. We use these APMs and non-IFRS measures when planning, monitoring and evaluating our performance. We consider these APMs and non-IFRS measures to be useful metrics for management and investors to facilitate operating performance comparisons from period to period. While we believe that these APMs and non-IFRS measures are useful in evaluating our business, this information should be considered as supplemental in nature and is not meant as a substitute of IFRS measures. In addition, other companies, including companies in our industry, may calculate or use such measures differently, which reduces their usefulness as comparative measures. For further details of the APMs and Non-IFRS Measures used, including its definition or a reconciliation between any applicable management indicators and the financial data presented in the consolidated financial statements prepared under IFRS, please see the 2018 Annual Financial Report, filed with the Comisión Nacional del Mercado de Valores of Spain (CNMV) on 28 February 2019, as well as the section “Alternative performance measures” of the annex to the Banco Santander, S.A. (“Santander”) 2019 4Q Financial Report, published as Relevant Fact on 29 January 2020. These documents are available on Santander’s website ([www.santander.com](http://www.santander.com)).

The businesses included in each of our geographic segments and the accounting principles under which their results are presented here may differ from the included businesses and local applicable accounting principles of our public subsidiaries in such geographies. Accordingly, the results of operations and trends shown for our geographic segments may differ materially from those of such subsidiaries

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# Index



**Growth  
Profitability  
Strength:  
performance  
in 2019**



**Group &  
Business  
areas review**



**Our business  
model delivers  
profitable  
growth**



**Key takeaways**





# Delivering Growth, Profitability and Strength in a responsible way

2019 (vs. 2018)

 **Growth**

Loyal customers

**21.6 mn** (+9%)

Customer revenues

**€47.1 bn** (+4%<sup>1</sup>)

 **Profitability**

Underlying RoTE

**11.8 %** (-29 bps)

Underlying RoRWA

**1.61 %** (+5bps<sup>2</sup>)

 **Strength**

FL CET1

**11.65 %** (+35 bps)

NPL ratio

**3.3 %** (-41 bps)

Proposed<sup>3</sup> **increasing cash DPS to €20 cents** (c.+3% YoY) and **total 2019 DPS of €23 cents**

# Profitable growth and solid organic capital generation...

EUR mn	Change vs. 2018		
	2019	%	% constant €
Net interest income	35,283	3	4
Net fee income	11,779	3	5
<b>Customer revenue</b>	47,062	3	4
Trading and other income	2,432	-6	-8
<b>Total income</b>	49,494	2	3
Operating expenses	-23,280	2	3
<b>Net operating income</b>	26,214	2	3
Loan-loss provisions	-9,321	5	5
Other results	-1,964	-2	0
<b>Underlying PBT</b>	14,929	1	2
<b>Underlying attributable profit</b>	<b>8,252</b>	<b>2</b>	<b>3</b>
<b>Attributable profit</b>	6,515	-17	-16

**All-time record year in revenues**

**Underlying profit growth +5%<sup>1</sup> in 4Q'19 vs. 4Q'18**

**Strong organic capital generation: CET1 at 11.65% and increasing cash DPS**

# ...supported by a disciplined execution against our strategic priorities



Improve operating  
performance

Simplified **regional**  
**management structure**

**Europe c.€200mn<sup>1</sup> cost reduction**  
(20% of c.€1bn plan)

**Popular integration**  
successfully concluded



Optimise capital  
allocation

**Mexico minorities** acquisition

**High return businesses investments**  
(eg. Insurance, acquiring, etc.)

**Custody business** partnership and  
**Puerto Rico** retail bank disposal<sup>2</sup>



Accelerate digitalisation  
through SGP

**Santander Global Platform** creation

**Ebury** strategic partnership<sup>2</sup>  
(base for Global Trade Services)




**Openbank** expansion in Europe



Building a Responsible Bank

Recognised as the **most sustainable bank in the world** by Dow Jones Sustainability Index in 2019

# Strong operating performance across our regions...

2019 <sup>1</sup> (vs. 2018)		Loyal customers (mn)	Loans (EUR bn)	Underlying profit (EUR mn)	RoTE (%)	
	Europe	9.9 +6%	651 +2%	4,878 -3%	10% -86bps	Stable revenues and executing cost synergy opportunities
	North America	3.5 +22%	131 +10%	1,667 +21%	13% <sup>2</sup> +112bps	Improving capabilities and high operational leverage
	South America	7.9 +7%	131 +9%	3,924 +18%	21% +179bps	Double-digit earnings growth and returns



# ...with Global Businesses driving network effects and contributing 26% of Group's earnings



## Corporate & Investment Banking

Underlying profit **€1.8bn** +10%

RoRWA **1.8%** +18 bps

**Customer-centric & capital-light** model



## Wealth Management & Insurance

Underlying profit **€1.0bn** +11%

RoRWA **8.9%** +1 p.p.

**Closing the gap** to our natural market share



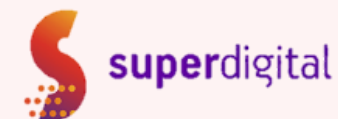
## Santander Global Platform

**International SMEs / GTS**

**Ebury**<sup>1</sup>

**+40%**  
Revenues CAGR<sup>2</sup>

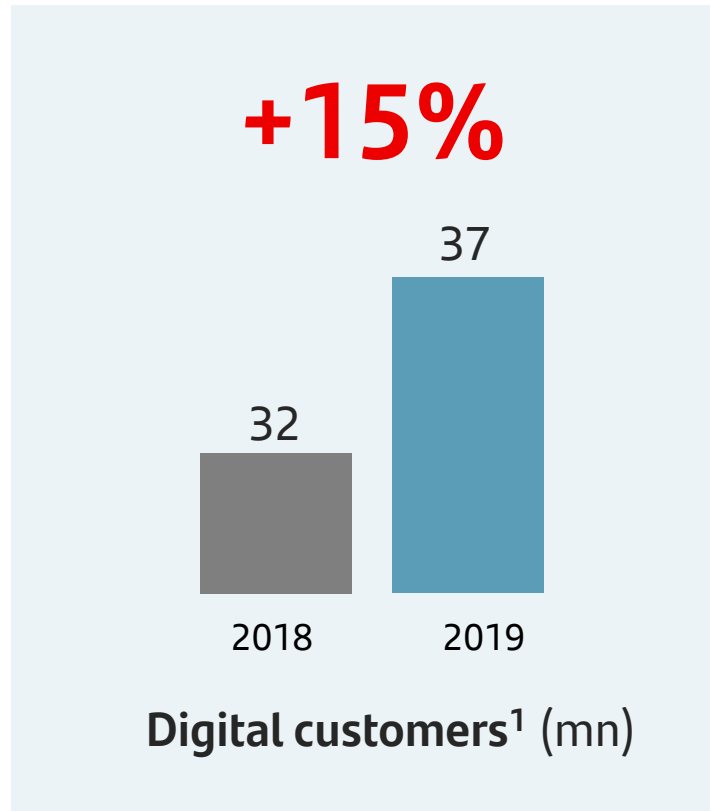
**Individuals – Mass market**



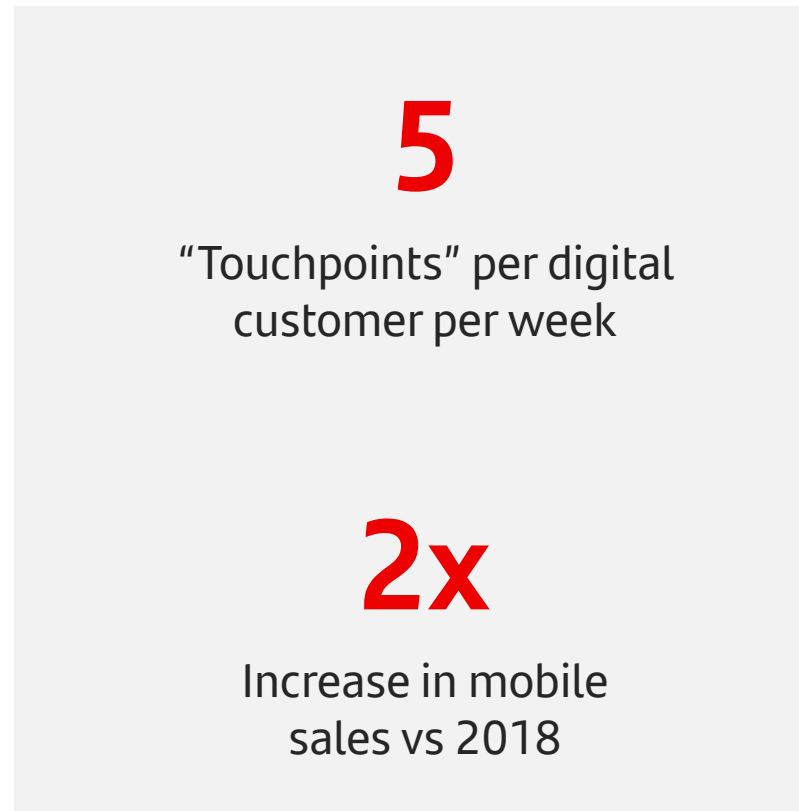
**640k**  
active  
customers  
**+59% YoY**

# Returns on digitalisation and SGP supporting exponential growth of mobile channel and fueling engagement and digital sales

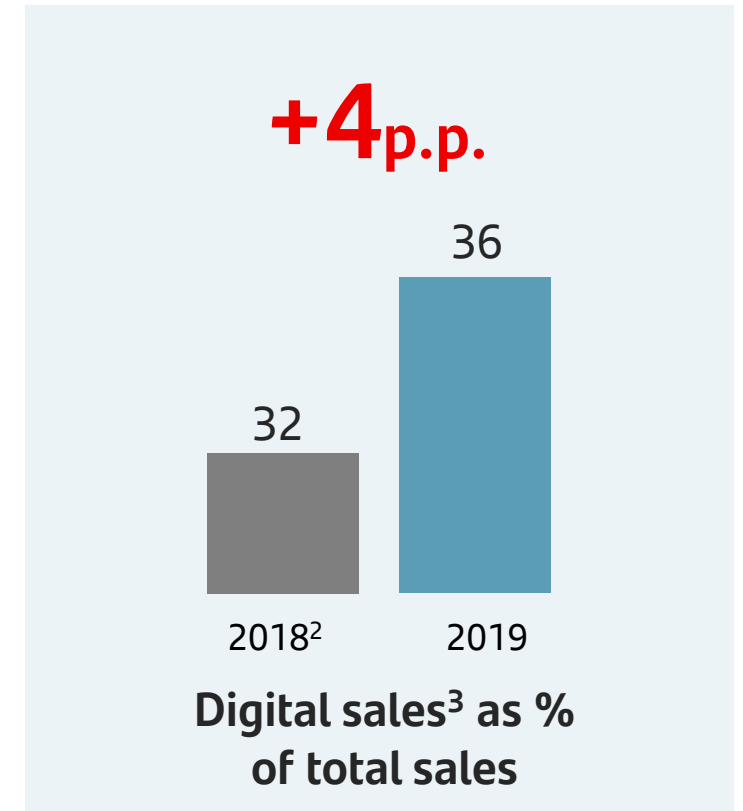
More **digital**  
customers...



...engaging and transacting  
more through mobile...



...resulting in increased  
**digital sales**



# Increasing digital sales improve profitability as a result of lower unit costs

## Digital vs. branch channel: unit cost comparison examples

### Serving our customers...



Cost of money transfer

- 99%



Cost of bill payments

- 99%



### ...and delivering our products more efficiently



Cost of selling a mortgage

- 50%<sup>1</sup>



Cost of opening an account

- 72%



# Improved operating performance and optimised capital allocation resulted in additional c.€20 bn RWAs above CoE in 2019...

## Underlying RoRWA

2018

2019


 Europe<sup>1</sup>

1.59%

1.61%



North America

1.74%

1.90%



South America

3.37%

3.45%

# +5bps<sup>1</sup>

annual increase in  
Group RoRWA

# 10%

Reduction in RWAs  
with returns below  
CoE<sup>2</sup>



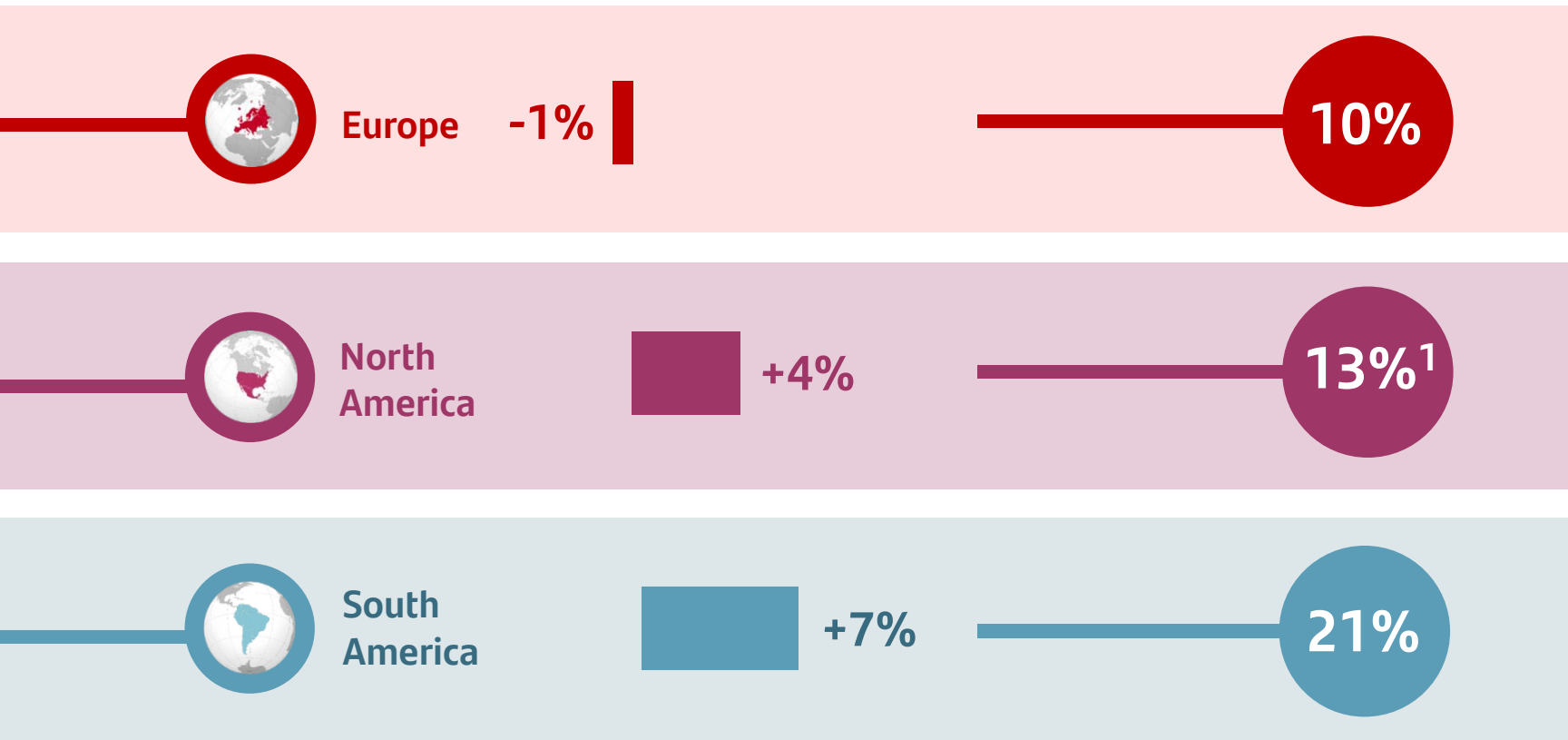
## ...by continuing with an accretive capital rebalancing

More **capital allocated...**

*RWA YoY change in constant euros*

...to regions with **higher returns**

*2019 underlying RoTE*



**>70%**

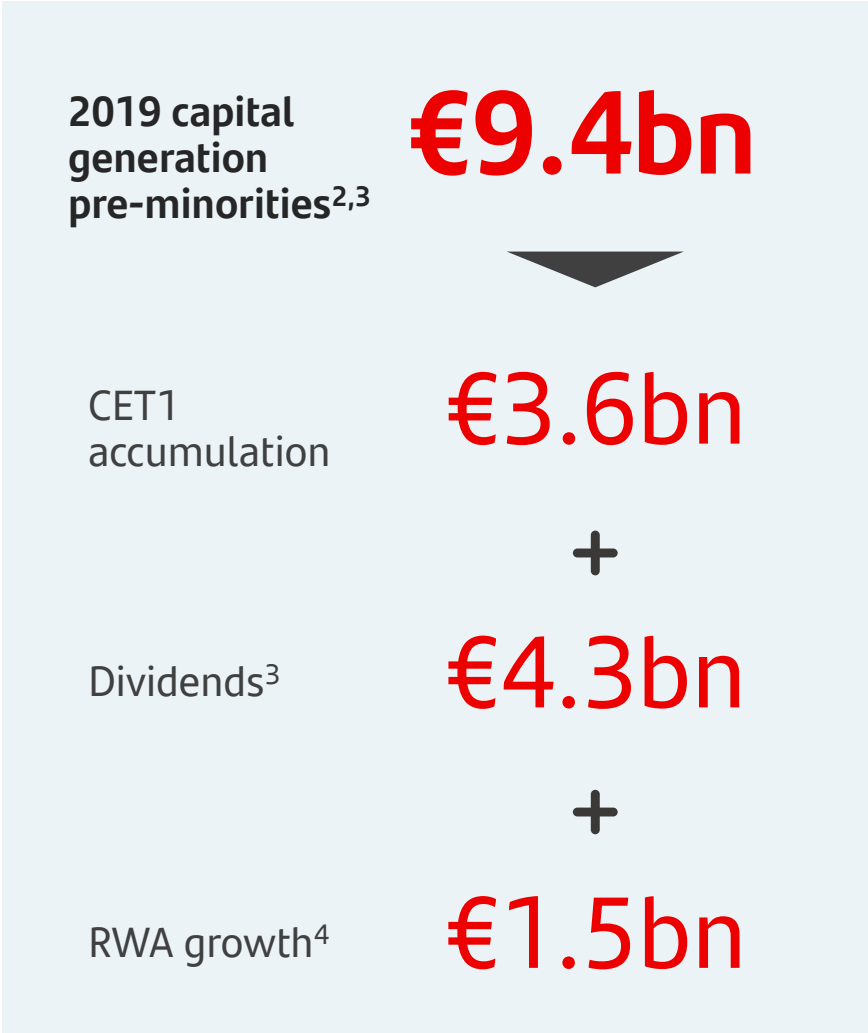
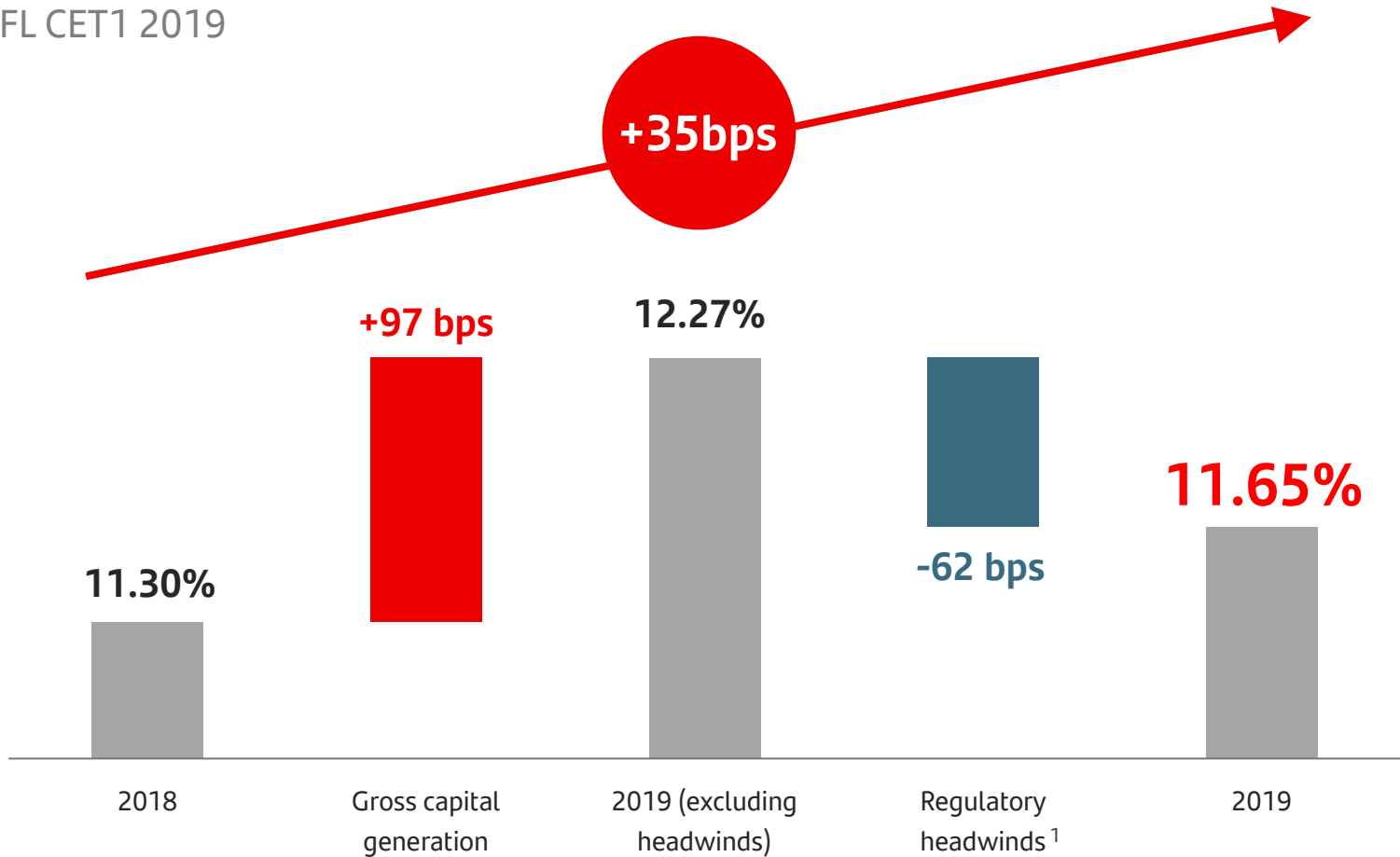
of our capital delivered  
double digit returns

**>30%**

of our capital delivered  
a >20% RoTE

# 2019 a record-high year in terms of gross capital generation, partially offset by regulatory headwinds

FL CET1 2019

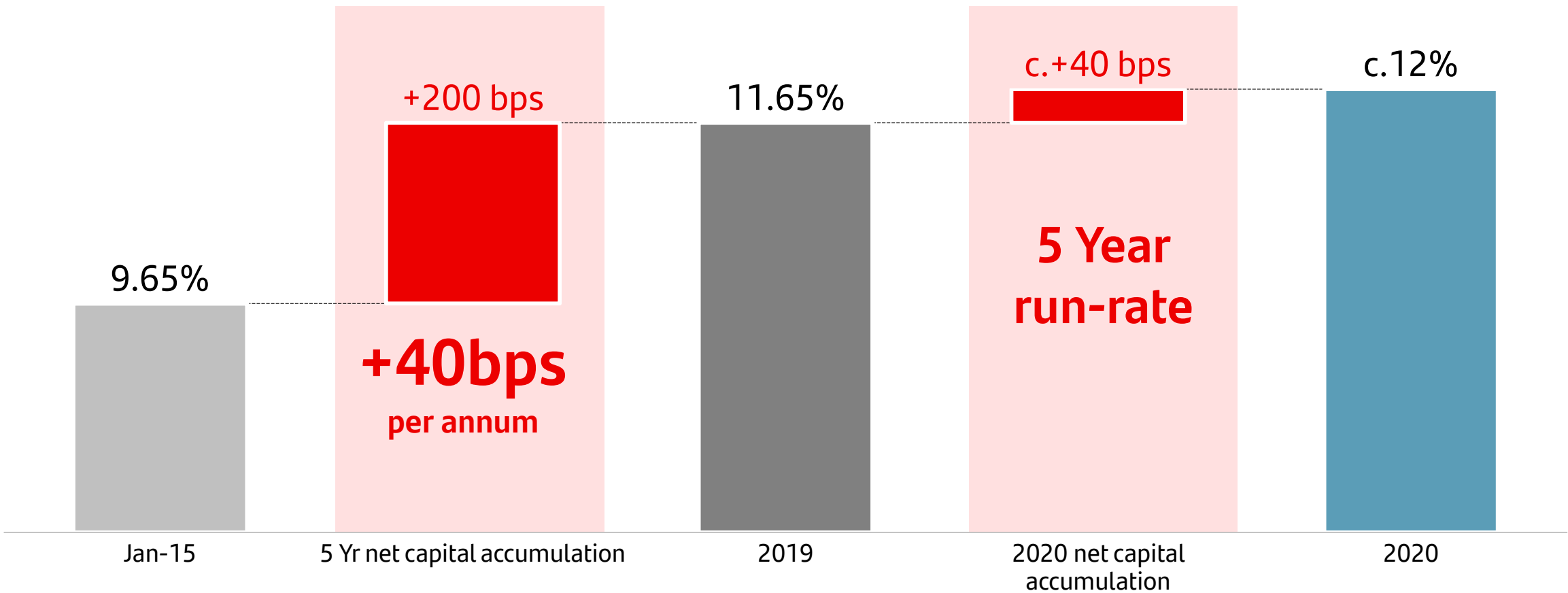


(1) Impacts: 19bps IFRS16; 43 bps TRIM & others  
 (2) Not considering other elements in the CET1 YoY change: OCI, cost of FX hedges, AT1 coupons, etc.  
 (3) Including dividends paid to minorities by subsidiaries, otherwise dividends 3.4Bn and total capital generation €8.5bn  
 (4) Capital consumption coming from RWA inflation

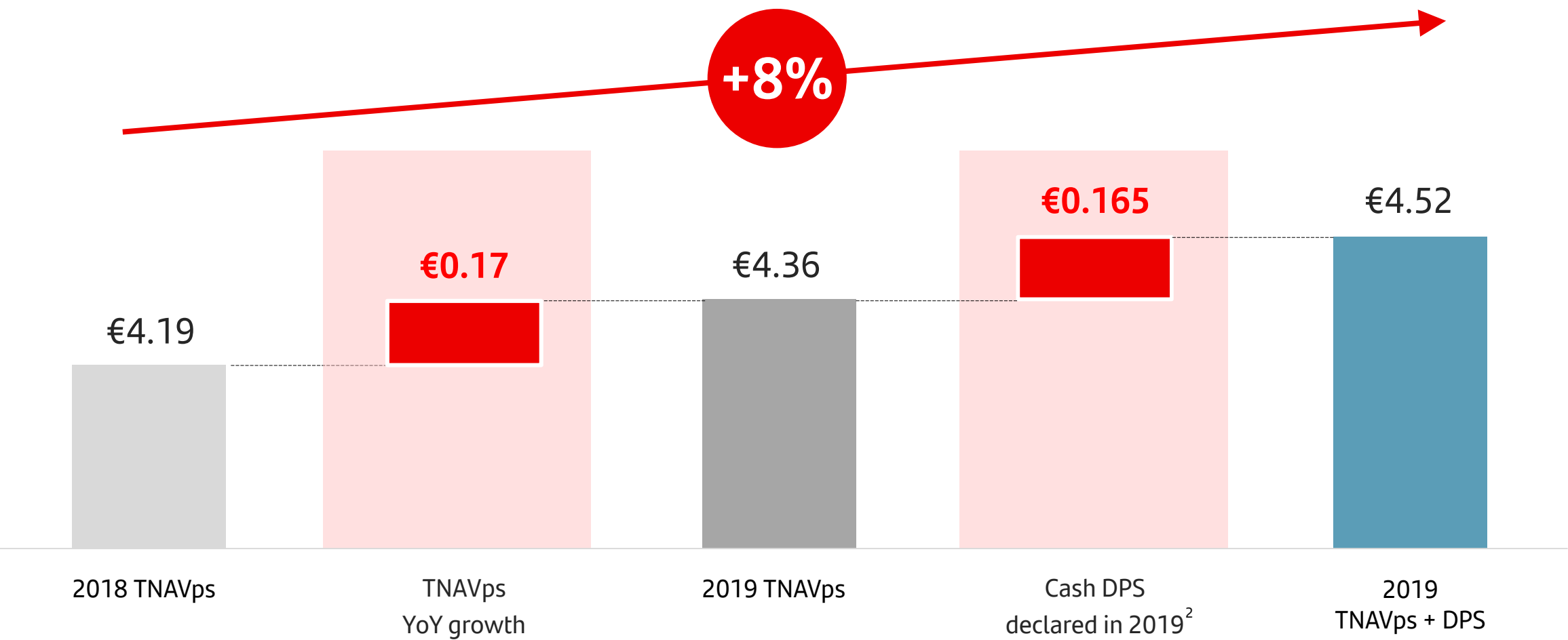


# Expect our CET1 reach c.12% by end-2020 based on continued profitability improvement

FL CET1 Jan 2015-2020



Delivery on our GPS<sup>1</sup> targets has resulted in +8% increase in tangible book value and cash dividend on a per share basis...



...and we continue to do business in a more responsible and sustainable way

## Culture

### Engagement

**86%** of employees proud to work for SAN  
(+5pp vs peers<sup>1</sup>)

### Women

**40%** Group Board  
**22%** Group leadership  
(+2pp vs. 2018)



Leader

**Most sustainable bank in the world**

Dow Jones index<sup>2</sup>

## Sustainability

**€18bn**

mobilised in Green finance  
(+7% vs. 2018)

**€1bn**

Santander first green bond issuance

## Communities

**1.2mn**

people helped through our community programs

**66k**

scholarships granted

## Financial inclusion

**1.6mn**

people financially empowered

**€277mn**

credit to microentrepreneurs<sup>3</sup>  
(+73% vs. 2018)



Note: figures as of 2019 (not audited yet) and changes on a YoY basis (2019 vs. 2018)

(1) Source: Mercer benchmark

(2) Dow Jones Sustainability index 2019

(3) Microentrepreneurs are already included in the people financially empowered metric

# Index

1

Growth  
Profitability  
Strength:  
performance  
in 2019

2

**Group &  
Business  
areas review**

3

Our business  
model delivers  
profitable  
growth

4

Key takeaways

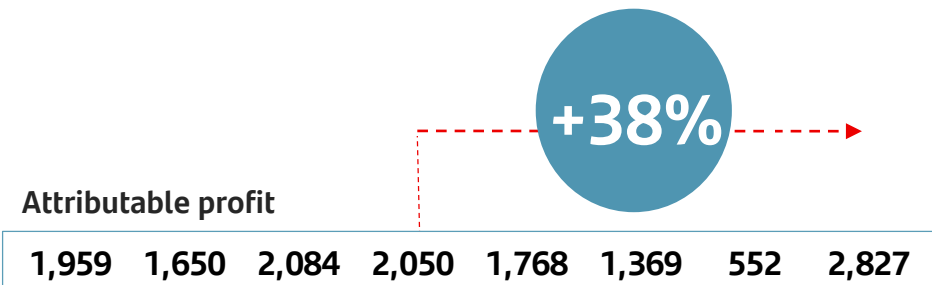
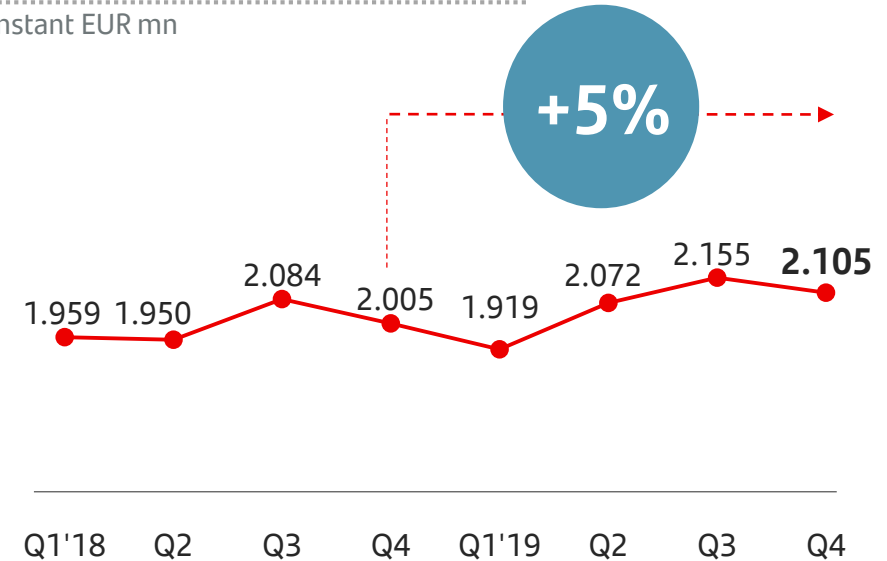


# Sound operating performance driving solid results in the year and vs Q4'18

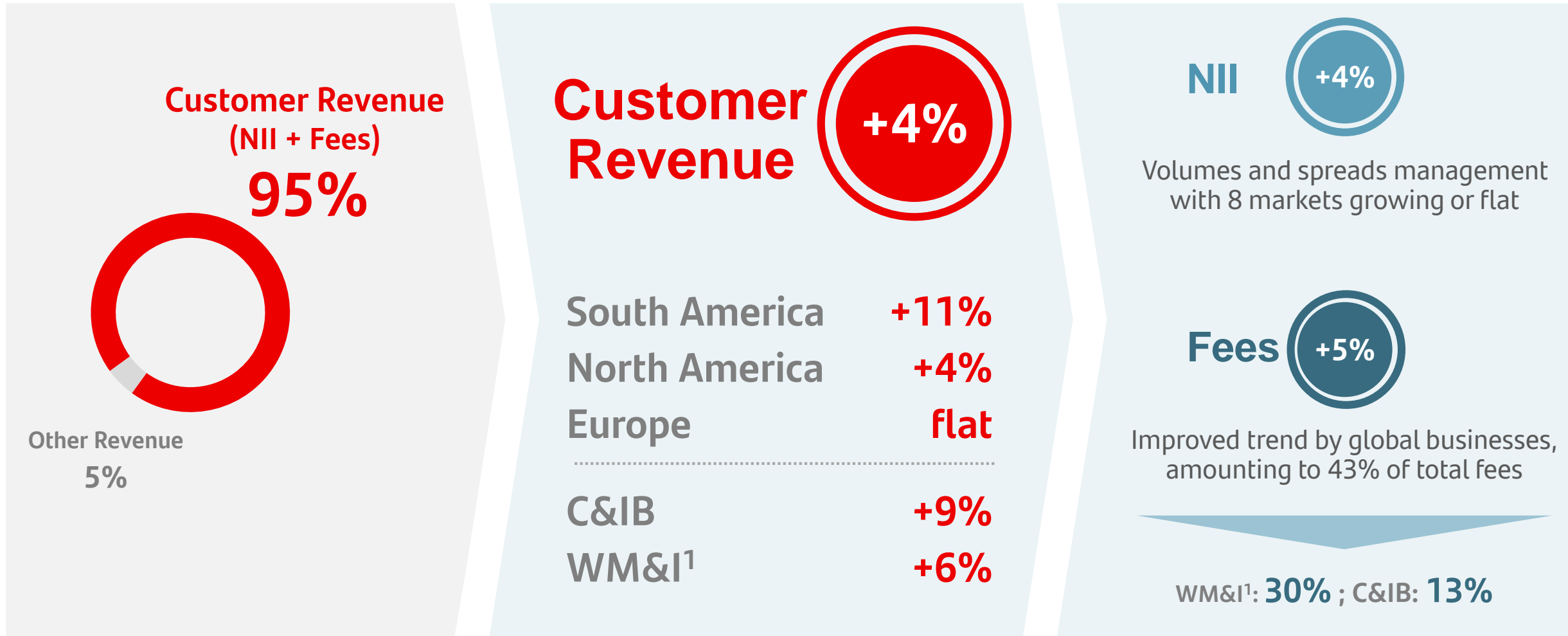
EUR mn	2019	% vs. 2018	
		Euros	Constant euros
Net interest income	35,283	3	4
Net fee income	11,779	3	5
Customer revenue	47,062	3	4
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Other results	-1,964	-2	0
Underlying PBT	14,929	1	2
<b>Underlying attributable profit</b>	<b>8,252</b>	<b>2</b>	<b>3</b>
Net capital gains and provisions <sup>1</sup>	-1,737	---	---
<b>Attributable profit</b>	<b>6,515</b>	<b>-17</b>	<b>-16</b>

## Underlying attributable profit

Constant EUR mn














# High quality revenue: customer revenues delivers 95% of the total and grew 4% YoY driven by the Americas and Global Businesses





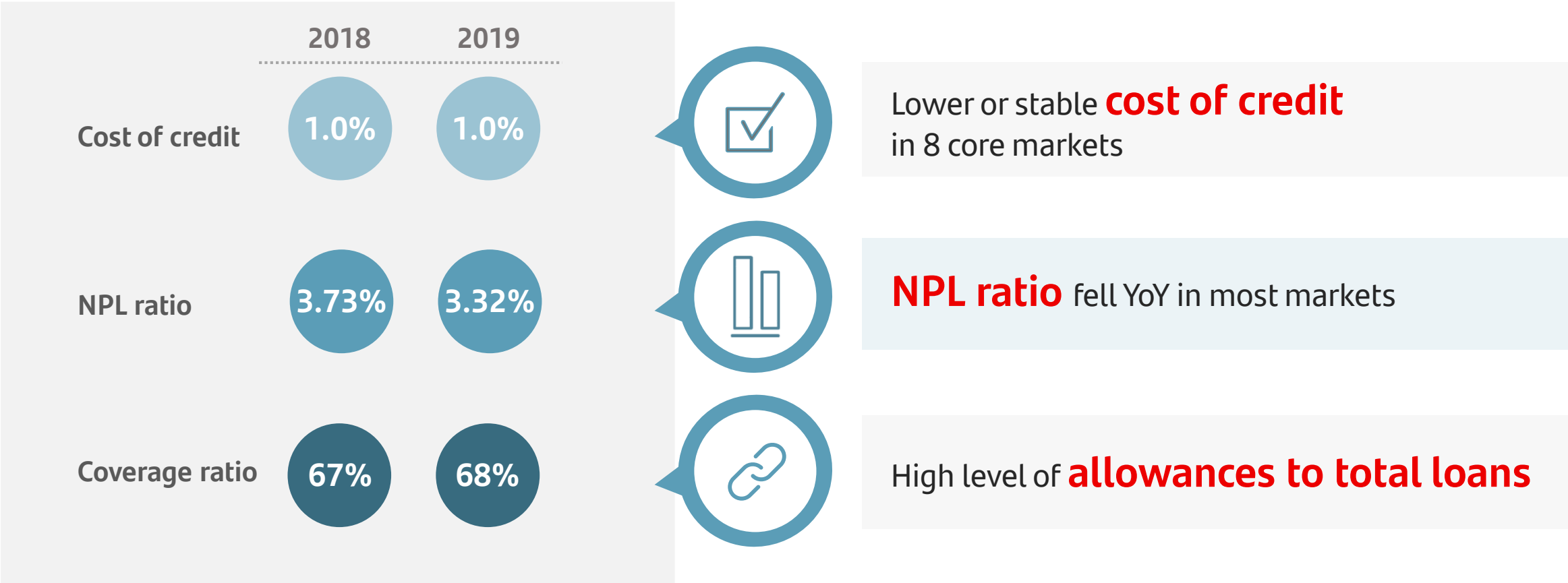
# We continue leveraging our scale and global capabilities to improve productivity and generate new efficiencies

YoY change in constant euros		Nominal costs	Costs in real terms		
Europe		-1.3%	-2.4%	 -8%	<b>Operating as "One Europe"</b>
				 -3%	
				 -4%	
North America		5.1%	2.6%	 2%	<b>Synergies as a region and joint investments</b>
				 4%	
South America <sup>1</sup>		4.6%	1.0%	 1%	<b>Regional revenues and cost management</b>
				 0%	
Group		3.4%	-0.4%		

# Sound credit quality underpinned by lower NPL and high coverage ratios. Cost of credit remains at very low levels



## Better credit quality ratios



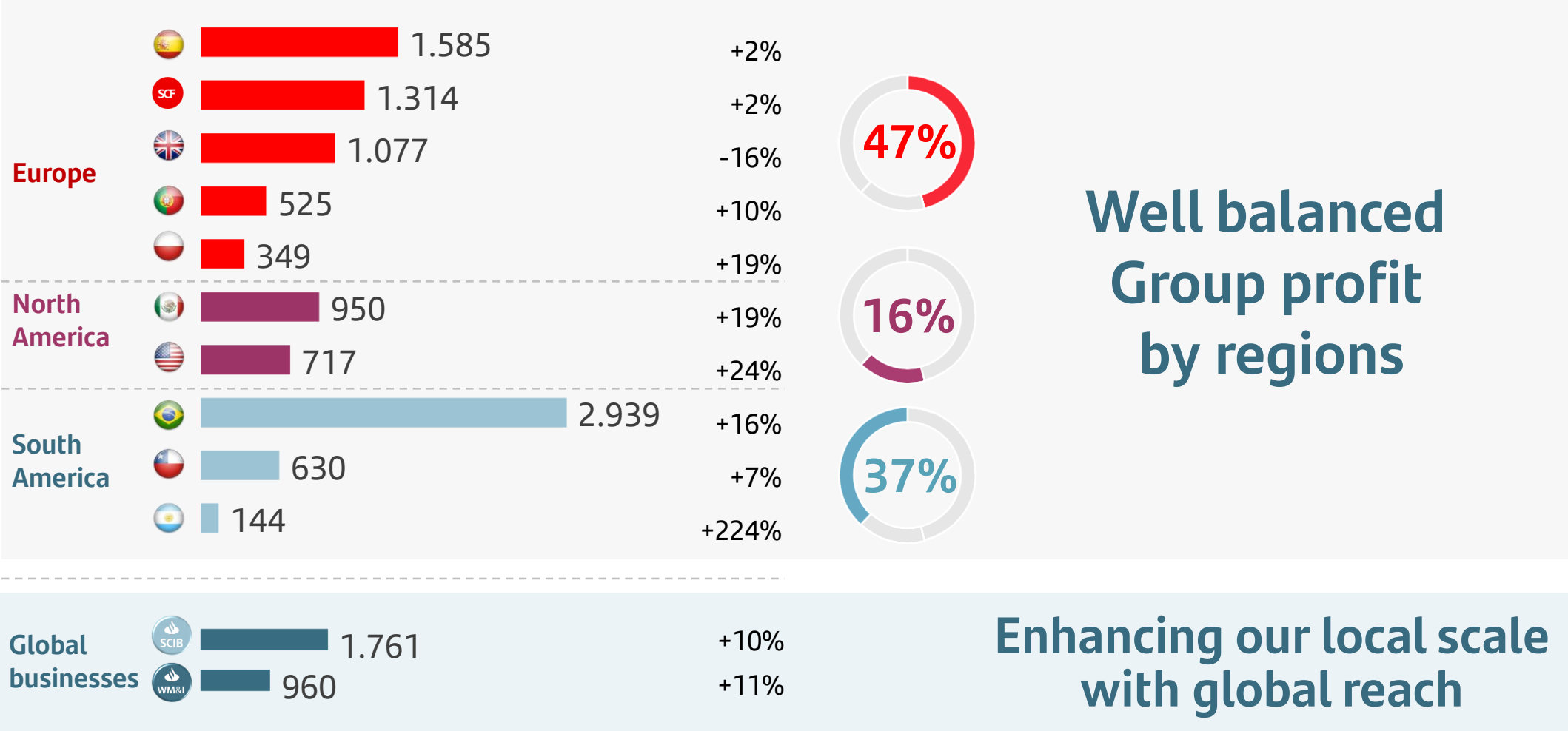
# Business areas review



# Overall profit growth by regions and markets

## 2019 Underlying attributable profit

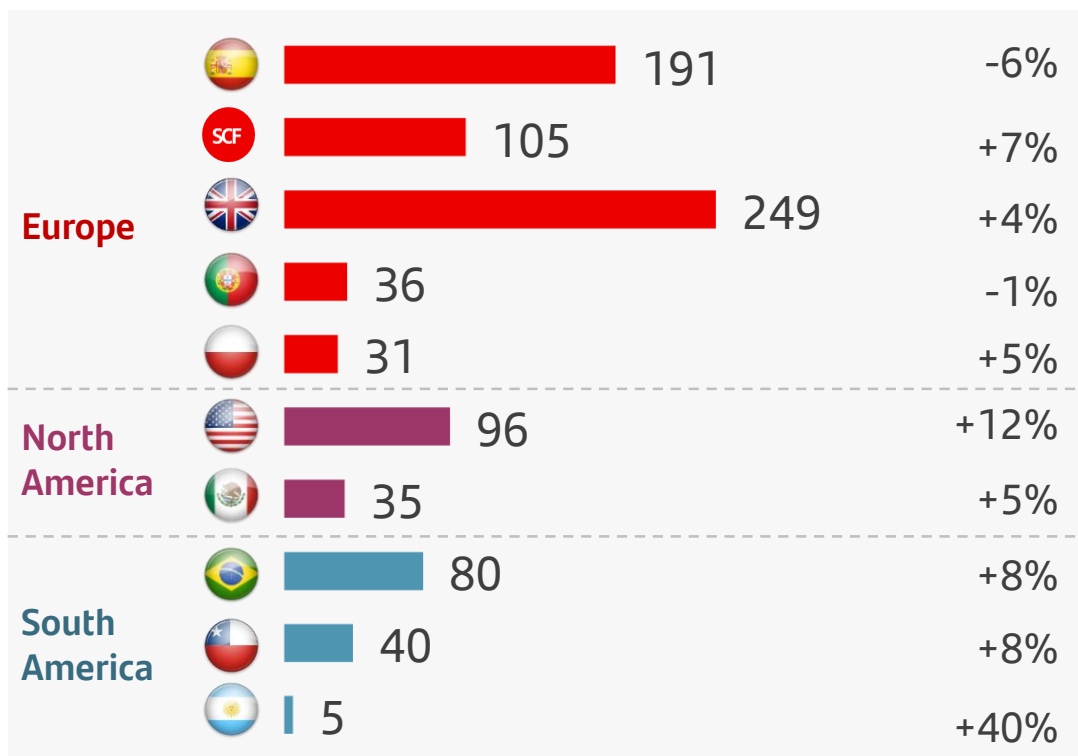
EUR mn and % change vs. 2018 in constant EUR



# Volume growth driven by the Americas and our consumer businesses

## 2019 Loans and advances to customers

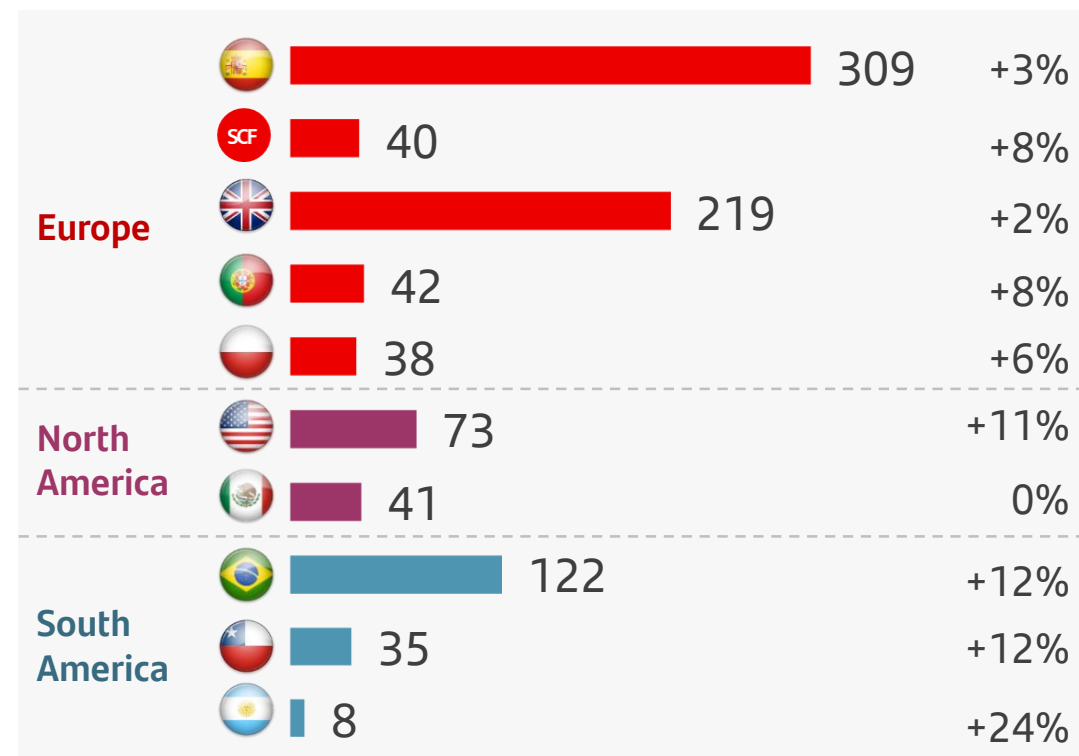
EUR bn and % change vs. 2018 in constant EUR



**+4%**

## 2019 Customer funds

EUR bn and % change vs. 2018 in constant EUR



**+6%**



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>32</b>	+2 pp
Digital customers (mn)	<b>4.7</b>	+10%
NPL ratio (%)	<b>6.94</b>	-38 bps
Cost of credit (%)	<b>0.43</b>	+5 bps
Efficiency ratio (%)	<b>53.6</b>	-340 bps
RoTE (%)	<b>10.5</b>	+6 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>934</b>	-3.4	<b>3,919</b>	-4.3 <span>-2%</span>
Net fee income	<b>620</b>	0.9	<b>2,481</b>	-5.5
Total income	<b>1,811</b>	-8.9	<b>7,506</b>	-1.4
Operating expenses	<b>-977</b>	-2.1	<b>-4,021</b>	-7.3 <span>-6%</span>
LLPs	<b>-176</b>	-15.9	<b>-856</b>	8.5
<b>PBT</b>	<b>557</b>	<b>-18.1</b>	<b>2,174</b>	<b>5.4</b>
<b>Underlying att. profit</b>	<b>400</b>	<b>-18.5</b>	<b>1,585</b>	<b>2.0</b> <span>+4%</span>
(*) EUR mn <span>Changes excluding IFRS 16 impact</span>				



## Successful integration of Banco Popular

Sustained progress in our **digital strategy** reaching 60% digital/active customers and +41% YoY in accesses

Continue boosting our **SME and Corporate** segment leveraging our international business (+15% YoY)



Active margin management, reflected in YoY **customer NII growth**, offset by lower ALCO volumes and IFRS 16 impact

**Fee income down** due to lower activity at SCIB and the move toward more conservative mutual funds

**Continued delivery in costs** (EUR -317 mn). Trend to be maintained in 2020





KEY DATA	2019	% 2018
Active customers (mn)	<b>19.3</b>	-
NPL ratio (%)	<b>2.30</b>	+1 bps
Cost of credit (%)	<b>0.48</b>	+10 bps
Efficiency ratio (%)	<b>43.3</b>	+14 bps
RoTE (%)	<b>15.3</b>	-57 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>960</b>	-1.3	<b>3,848</b>	3.9
Net fee income	<b>195</b>	-8.2	<b>823</b>	3.2
Total income	<b>1,185</b>	-1.3	<b>4,710</b>	2.6
Operating expenses	<b>-499</b>	-0.8	<b>-2,038</b>	2.9
LLPs	<b>-148</b>	1.2	<b>-477</b>	32.4
<b>PBT</b>	<b>504</b>	<b>-14.9</b>	<b>2,215</b>	<b>4.2</b>
<b>Underlying att. profit</b>	<b>319</b>	<b>-5.3</b>	<b>1,314</b>	<b>2.2</b>

(\*) EUR mn and % change in constant euros



**Market share gains in auto finance.** New lending +5% YoY, significantly higher than new car sales in Europe

Reinforce leadership with 2 new strategic agreements<sup>1</sup> and **best-in-class profitability (RoRWA: 2.3%)**



**PBT +4% YoY** (volumes) with **costs rising** at a **slower pace than business** growth, due to efficiency projects

**LLPs** up due to increased volumes, change of product-mix (Spain) and lower bad debt sales (Nordics). **Cost of credit** at **historic lows**



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>32</b>	+2 pp
Digital customers (mn)	<b>5.8</b>	+6%
NPL ratio (%)	<b>1.01</b>	-7 bps
Cost of credit (%)	<b>0.10</b>	+3 bps
Efficiency ratio (%)	<b>60.0</b>	+470 bps
RoTE (%)	<b>7.3</b>	-205 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>961</b>	0.8	<b>3,788</b>	-7.9
Net fee income	<b>226</b>	-0.5	<b>866</b>	-5.9
Total income	<b>1,220</b>	3.8	<b>4,727</b>	-8.7
Operating expenses	<b>-712</b>	-0.5	<b>-2,835</b>	-0.9
LLPs	<b>-96</b>	21.7	<b>-253</b>	46.2
<b>PBT</b>	<b>345</b>	2.8	<b>1,455</b>	-20.0
<b>Underlying att. profit</b>	<b>249</b>	<b>-4.0</b>	<b>1,077</b>	<b>-16.0</b>

(\*) EUR mn and % change in constant euros



**Strongest net mortgage growth** in a decade; as well as robust customer deposits increases across the business

Delivering on our **multi-year transformation programme** to improve future returns



NII impacted by **competitive pressures** (spreads, mortgages and SVR attrition); fees by investments and overdrafts (regulatory changes)

**Costs down** with delivery on transformation plan efficiency savings (**-2.7% in real terms**) and **asset quality remains very good**

KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>33</b>	+4 pp
Digital customers (mn)	<b>4.2</b>	+45%
Efficiency ratio (%)	<b>41.8</b>	+15 bps
Underlying profit (EUR mn)	<b>950</b>	+19%
RoTE (%)	<b>20.6</b>	+37 bps



Enhanced our **distribution and attention model** reflected in strong customer growth

**c.21% RoTE** supported by **double-digit profit growth** (customer revenue & large credit quality improvement)

Santander México **stake** at **91.65%** (from 74.96%)



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>19</b>	-
Digital customers (ks)	<b>1,010</b>	+6%
Efficiency ratio (%)	<b>43.3</b>	-10 bps
Underlying profit (EUR mn)	<b>717</b>	+24%
RoTE (%) <sup>1</sup>	<b>8.7</b>	+111 bps



**Better customer experience and deeper relationships** driving above market volume growth<sup>2</sup>

**SBNA and SC USA collaboration** in prime auto finance has originated **~USD 7 bn** in 2019

**Revenue growth** and **improvement in asset quality** resulting in **excellent YoY profit growth**



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>22</b>	-
Digital customers (mn)	<b>13.5</b>	+18%
NPL ratio (%)	<b>5.32</b>	+7 bps
Cost of credit (%)	<b>3.93</b>	-13 bps
Efficiency ratio (%)	<b>33.0</b>	-71 bps
RoTE (%)	<b>21.2</b>	+147 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>2,534</b>	2.3	<b>10,072</b>	6.0
Net fee income	<b>974</b>	3.7	<b>3,798</b>	11.5
Total income	<b>3,565</b>	4.5	<b>13,951</b>	7.4
Operating expenses	<b>-1,242</b>	12.6	<b>-4,606</b>	5.1
LLPs	<b>-813</b>	11.3	<b>-3,036</b>	5.2
<b>PBT</b>	<b>1,305</b>	<b>-6.9</b>	<b>5,606</b>	<b>11.0</b>
<b>Underlying att. profit</b>	<b>689</b>	<b>-6.8</b>	<b>2,939</b>	<b>16.4</b>

(\*) EUR mn and % change in constant euros



**Successful strategy** focused on customer service, combined with an effective and profitable model

**Selective market share gains** with solid increases (loans to individual, consumer finance & demand deposits)



Profitability increased in the year (**RoTE of 21%**) due to **higher revenue** (volumes and fee income with some margin pressure)

**Efficiency** and **cost of credit** ratios **improvement**

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**Our business  
model delivers  
profitable  
growth**

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Key takeaways





## Our purpose

To help people and businesses prosper



## Our aim as a bank

To be the **best open financial services platform**, by acting **responsibly** and earning the **lasting loyalty** of our people, customers, shareholders and communities



## Our how

Everything we do should be **Simple, Personal and Fair**



# Our business model based on Scale, Customer Focus and Diversification drives predictable and profitable growth



## Scale

**c.145 mn**  
total customers in Europe  
and the Americas


**Top 3 bank<sup>2</sup>**  
in 9 markets



## Customer Focus

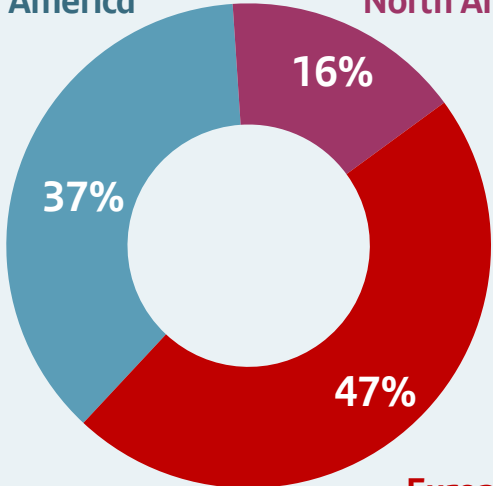
**Top 3** | in NPS<sup>1</sup> in 6 countries

**+72%** | Loyal customers 2014 - 2019



## Diversification

2019 underlying attributable profit by region<sup>3</sup>



Region	Profit Share
Europe	47%
South America	37%
North America	16%

(1) Customer Satisfaction internal benchmark of active customers audited by Stiga / Deloitte  
(2) Market share in lending as of 3Q19 including only private owned banks. UK benchmark covers mortgage market  
(3) Operating areas excluding Corporate Centre and SGP

# Disciplined execution has delivered predictable and profitable growth since 2014

Strong performance in the last 5 years...

...supported by investments

 **Growth**

EPS<sup>1</sup> **+22%**

TNAVps<sup>2</sup> **+19%**

 **Profitability**

RoTE **+84 bps**

RoRWA **+34 bps**

 **Strength**

FL CET1 **+€22 bn<sup>3</sup>**

while increasing **2.3x** Cash DPS<sup>4</sup>

**>€2bn**

Transformation charges

**€5bn**

Investment in digital and technology p.a.

(1) In constant €; Adjusting for share count increase coming from scrip dividends;

(2) Adjusting for share count increase coming from scrip dividends

(3) FL CET1 (€mn) accumulated since 2014; Including January 2015 ABB (€7.5bn)

(4) €20 cents cash dividend in 2019 compared to €8.6 cents in 2014 (coming from the cash take-up of the 2014 €60 cents scrip dividend) - Board intends to propose to the 2020 AGM that the total payment of the remuneration against 2019 results will be 0.23 euros per share, out of which 0.20 euros per share will be paid in cash

# Our business model and track record support delivery of our mid-term goals

	2019	'19 Investor Day Mid-term goals
Loyal customers <sup>1</sup>	22mn	c.26mn
Digital customers <sup>2</sup>	37mn	c.50mn
Digital sales <sup>3</sup>	36%	>50%
C/I	47%	42-45%
FL CET1	11.65%	11-12%
Underlying RoTE	11.8%	13-15%
Underlying RoRWA	1.61%	1.8-2.0%
Pay-out	40-50%	40-50%

## High-single digit EPS

3Y-CAGR<sup>4</sup>

# Execution of our three-pillar plan to drive profitable growth in a responsible way



**Improve operating performance**



**Optimise capital allocation**






**Accelerate digitalisation through Santander Global Platform**



**Continue building a more Responsible Bank**

# Improving operating performance leveraging One Santander

	Europe		North America		South America	
						
	2019	Mid-term goal	2019	Mid-term goal	2019	Mid-term goal
Underlying RoTE	<b>10%</b>	<b>12-14%</b>	<b>13%<sup>1</sup></b>	<b>14-16%<sup>2</sup></b>	<b>21%</b>	<b>20-22%</b>
Efficiency	<b>53%</b>	<b>47-49%</b>	<b>43%</b>	<b>39-41%</b>	<b>36%</b>	<b>33-35%</b>
	<b>Building one European banking platform, with enhanced profitability</b>		<b>Investing together to improve commercial capabilities</b>		<b>Natural reweighting and high profitable growth opportunity</b>	

# Ongoing capital allocation optimisation to improve profitability



Rebalancing to more  
profitable regions and  
businesses

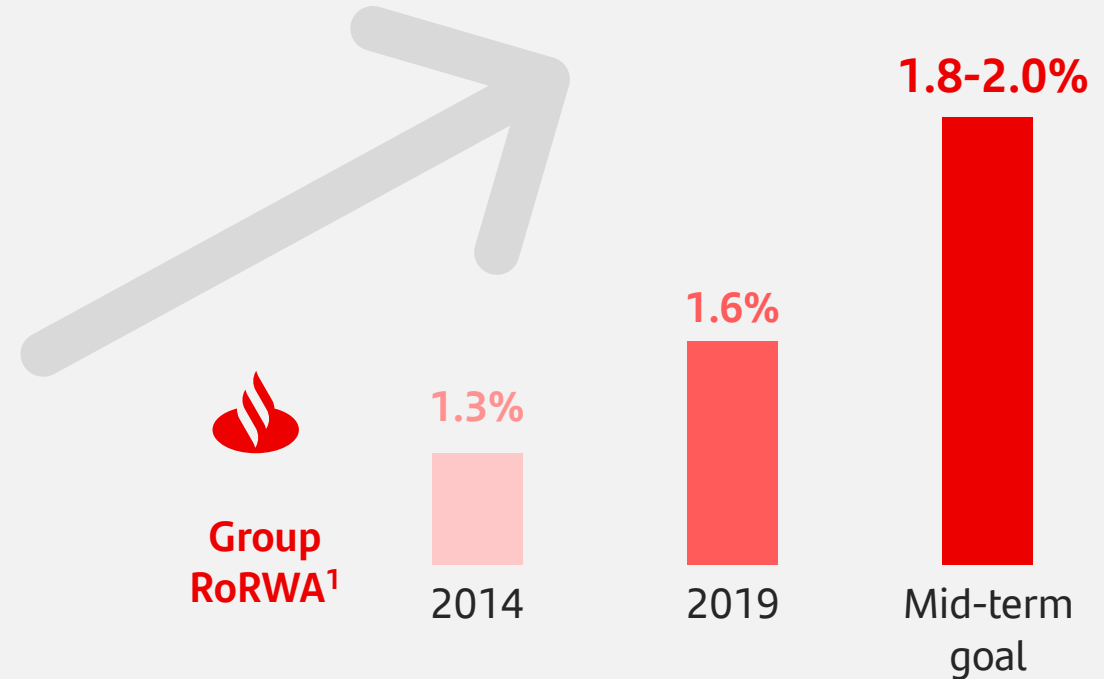


Improved pricing,  
processes and  
governance



Active management and  
senior team alignment

Strong profitability improvement leading  
to higher capital generation capacity



# Accelerating digitalisation and building Santander Global Platform



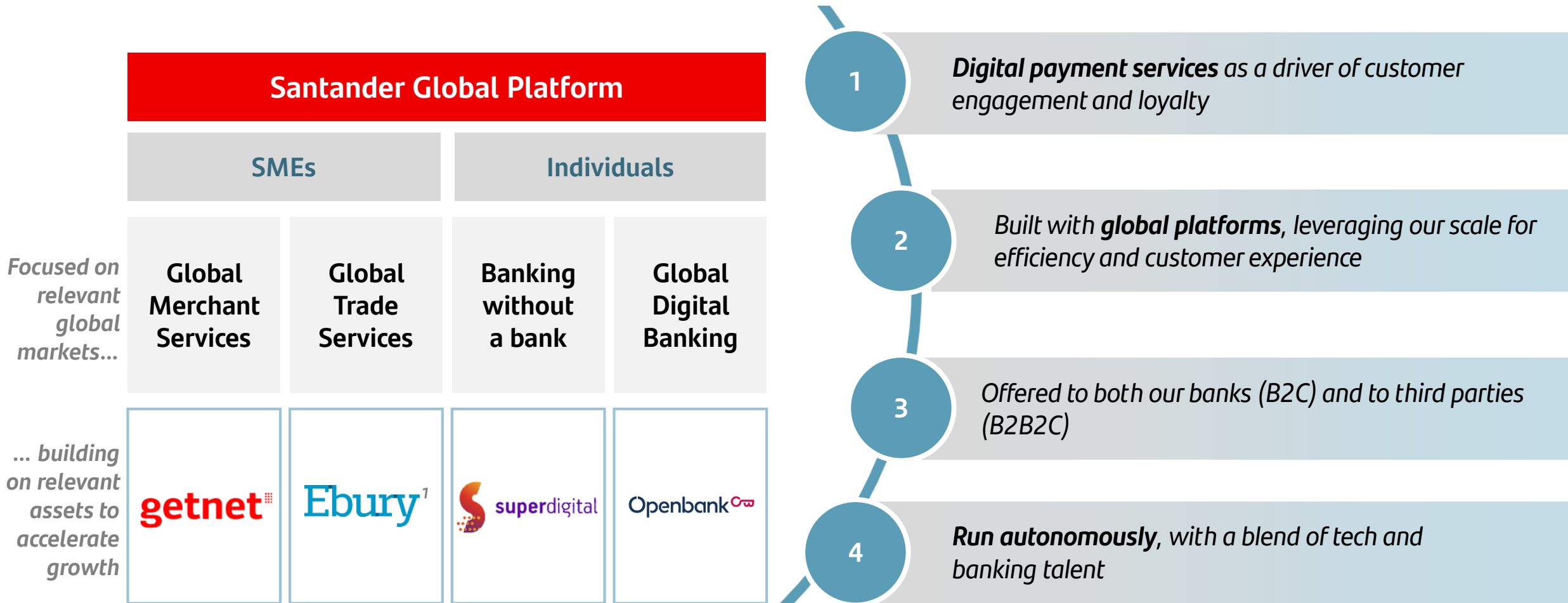
Accelerate the transformation of our 'core Banks'



Provide faster and better global payments and solutions

Moving towards ONE SANTANDER to build simpler, faster and better services

# Best-in-class Global payments and digital banking solutions to SMEs and Individuals





# Bringing best-in-class Global payments solutions to SMEs



Digitalisation  
& SGP

## Global Merchant Services

Leveraging Getnet to build Global Merchant Services

**€42bn**

Revenue pool for global merchant services<sup>1</sup>

**c.7%**

Expected revenue pool CAGR<sup>2</sup>

High growth  
and large  
addressable  
market...

**getnet**

High engagement

**2x**

Market share  
in Brazil in 5 years

High growth

**+30%**

2013-2019 transaction  
volume CAGR

...with engaging  
propositions  
showing high  
growth..

Scaling from **1** to **8** markets

... and ambitious  
mid-term goals

## Global Trade Services

One global platform to serve international SMEs

**\$200bn**

Revenue pool for Global Transaction Banking services

**>200k**

SAN SME customers trading internationally

**Ebury** <sup>3</sup>

High engagement

**+20%**

2017-2019 transactions  
per customer CAGR

High growth

**+45%**

Revenue growth YoY

Scale to serve over **20** markets



- (1) EMEA + Americas revenue pools in merchant acquiring services incl. Net MDR & rental terminals
- (2) CAGR 2018-2023
- (3) 50.1% stake; Transaction closing expected in mid-2020 subject to regulatory approvals

# Offering fully digital banking solutions to individuals



Digitalisation  
& SGP



Financial inclusion platform to cost-effectively serve the bottom of the pyramid

**>300mn**

Underserved<sup>1</sup>  
population in LatAm

**c.60mn**

Middle class<sup>2</sup> expansion  
by 2030 (+20%)

High growth  
and large  
addressable  
market...



*High engagement*

**1.8x**

Transactions growth over  
customers<sup>3</sup> growth

*High growth*

**+105%**

Annual  
transaction growth

...with engaging  
propositions  
showing high  
growth..

Targeting **>5mn** active  
customers in **7** markets



Our global, full-service digital bank

**1bn**

Population in the  
markets the Group operates

**68%**

Of total assets in Europe  
held in current accounts



*High engagement*

**4.4**

Average products  
per loyal customer

*High growth*

**+134%**

Mortgage sales  
growth over last 12m

... and ambitious  
mid-term goals

Scale from **4** to **10** markets  
in Europe and Americas



- (1) Including 200mn+ unbanked and 100mn+ underbanked
- (2) USD \$10-50 per capita daily income (PPP); Source: Interamerican Development Bank, 2016
- (3) Active customers (30 days)

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**Key takeaways**



# Key takeaways

## In 2019 we have delivered

### Growth:

- All-time **record year in revenues** of €49bn (+3%<sup>2</sup>)
- **High growth in customers**: loyal (+9%) and digital (+15%)

### Profitability:

- **Underlying RoTE** at 11.8% and underlying RoRWA at 1.61% (+5bps<sup>3</sup>)
- **Underlying quarterly profit growth** (+5%<sup>2</sup> YoY in Q4)

### Strength:

- **Strong capital generation**, closing FL CET1 at 11.65%
- **Very comfortable with capital level and buffers** over regulatory requirements



**Increase cash DPS to  
€20 cents (c.+3% YoY)  
and total  
2019 DPS of €23 cents<sup>1</sup>**



**Targeting high-single digit  
EPS CAGR over the next 3  
years**

# Appendix



# Appendix

**Net capital gains and provisions**

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# Net capital gains and provisions

Q1'19	
Capital gains Prisma (Argentina)	+150
Restructuring costs (-66 UK; -12 Poland)	-78
Property sales (Corporate Centre)	-180
<b>Group total</b>	<b>-108</b>

Q2'19	
Restructuring costs (-600 Spain; -26 UK)	-626
PPI <sup>1</sup> (UK)	-80
<b>Group total</b>	<b>-706</b>

Q3'19	
PPI <sup>1</sup> (UK)	-103
Restructuring costs (-12 UK; -8 Poland)	-20
FX impact in Prisma trading gains	-20
<b>Subtotal (impacting capital)</b>	<b>-143</b>
UK goodwill (Corporate Centre)	-1,491
<b>Group total</b>	<b>-1,634</b>

Q4'19	
Custody sale (net)	+693
Tax reform in Brazil	+551
Real estate (net)	-225
Restructuring costs (-90 Brazil; -23 UK; -16 SCF; -8 USA; -3 Poland)	-140
Intangibles and others	-168
<b>Group total</b>	<b>+711</b>

**-1,737**  
FY19

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KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>36</b>	+3 pp
Digital customers (mn)	<b>13.8</b>	+9%
NPL ratio (%)	<b>3.25</b>	-42 bps
Cost of credit (%)	<b>0.28</b>	+4 bps
Efficiency ratio (%)	<b>52.6</b>	+6 bps
RoTE (%)	<b>10.0</b>	-86 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>3,531</b>	-1.2	<b>14,201</b>	-0.1
Net fee income	<b>1,319</b>	-0.2	<b>5,260</b>	-3.3
Total income	<b>5,292</b>	-1.1	<b>21,001</b>	-1.3
Operating expenses	<b>-2,733</b>	-0.7	<b>-11,044</b>	-1.3
LLPs	<b>-498</b>	-0.1	<b>-1,839</b>	16.9
<b>PBT</b>	<b>1,852</b>	<b>-5.9</b>	<b>7,350</b>	<b>-1.9</b>
<b>Underlying att. profit</b>	<b>1,238</b>	<b>-4.7</b>	<b>4,878</b>	<b>-3.4</b>

(\*) EUR mn and % change in constant euros



**Extracting additional synergies** from the integration and transformation processes

**Cross-border approach:** simplifying our business model and adapting our technology platforms

**Leveraging digital transformation** to improve customer experience



**Resilient revenue** in a very low interest rate environment

**Costs decreased 2.4% in real terms** reflecting the first savings from our optimisation processes, especially in Spain

**Cost of credit remained at very low levels** (0.28%) despite higher provisions

# NORTH AMERICA



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>31</b>	+4 pp
Digital customers (mn)	<b>5.2</b>	+35%
NPL ratio (%)	<b>2.20</b>	-59 bps
Cost of credit (%)	<b>2.76</b>	-36 bps
Efficiency ratio (%)	<b>42.8</b>	-3 bps
RoTE (%) <sup>1</sup>	<b>13.0</b>	+112 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>2,265</b>	-0.4	<b>8,926</b>	3.9
Net fee income	<b>427</b>	-5.5	<b>1,776</b>	4.4
Total income	<b>2,949</b>	-1.9	<b>11,604</b>	5.1
Operating expenses	<b>-1,314</b>	3.0	<b>-4,968</b>	5.1
LLPs	<b>-1,050</b>	3.4	<b>-3,656</b>	0.6
<b>PBT</b>	<b>554</b>	<b>-12.7</b>	<b>2,776</b>	<b>12.8</b>
<b>Underlying att. profit</b>	<b>389</b>	<b>-0.7</b>	<b>1,667</b>	<b>21.3</b>

(\*) EUR mn and % change in constant euros



Capturing **new opportunities** and developing the USMX trade corridor where revenue grew (SCIB: +41%; Corporate: +23%)

Cooperation between the Technology, HR, Legal and Audit areas to align policies and **streamline operations**



**Increased profitability** supported by double-digit profit growth

**Higher customer revenue** (volumes) with **better asset quality** (NPL and cost of credit). Costs reflect Mexico's **investment plan**

# SOUTH AMERICA



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>26</b>	-
Digital customers (mn)	<b>17.3</b>	+15%
NPL ratio (%)	<b>4.86</b>	+6 bps
Cost of credit (%)	<b>2.92</b>	-8 bps
Efficiency ratio (%)	<b>36.1</b>	-98 bps
RoTE (%)	<b>20.6</b>	+179 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>3,356</b>	3.2	<b>13,316</b>	9.3
Net fee income	<b>1,228</b>	3.2	<b>4,787</b>	14.6
Total income	<b>4,714</b>	4.8	<b>18,425</b>	10.7
Operating expenses	<b>-1,762</b>	11.1	<b>-6,656</b>	10.2
LLPs	<b>-1,015</b>	12.3	<b>-3,789</b>	7.4
<b>PBT</b>	<b>1,688</b>	-7.3	<b>7,232</b>	12.2
<b>Underlying att. profit</b>	<b>947</b>	-3.8	<b>3,924</b>	18.4

(\*) EUR mn and % change in constant euros



Centred on leveraging our products and services with **strong expected medium-term growth**

Focus on **profitable growth** and risk control, covering customer needs and **exporting positive experiences**



Improving profitability (**RoTE c.21%**) and **double-digit profit growth** in all countries except Chile

Good performance in **customer revenue** boosted by higher volumes (9-13%) and **efficiency ratio improvement**



P&L*	2019	2018
NII	-1,252	-987
Gains/Losses on FT	-297	11
Operating expenses	-373	-426
LLPs and other provisions	-273	-216
Tax and minority interests	166	13
<b>Underlying att. profit</b>	<b>-2,096</b>	<b>-1,686</b>

(\*) EUR mn



**Higher loss in NII** due to higher stock of issuances and IFRS 16 impact

**FX hedging cost** reflected in results from financial transactions

**Operating expenses reflect** the **streamlining and simplification measures**

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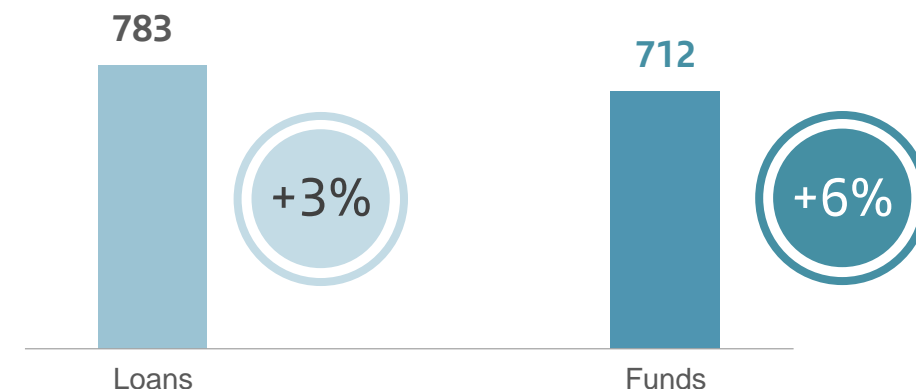
# Retail Banking

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	8,296	0.1	33,157	3.3
Net fee income	2,266	1.0	9,094	4.9
Total income	10,924	-1.1	43,523	3.8
Operating expenses	-4,969	2.9	-19,481	2.6
LLPs	-2,456	0.8	-9,154	7.4
PBT	3,042	-10.5	13,265	4.7
<b>Underlying att. profit</b>	<b>1,886</b>	<b>-4.8</b>	<b>7,748</b>	<b>6.5</b>

(\*) EUR mn and % change in constant euros

## Activity

EUR bn and % change YoY in constant euros



Continued focus on **customer loyalty and digital transformation**

We continued to launch new products and services that cover our customers' needs

# Corporate & Investment Banking: +17% YoY collaboration revenues

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	712	7.1	2,721	14.0
Net fee income	380	-9.1	1,528	1.0
Total income	1,443	15.0	5,284	7.4
Operating expenses	-606	9.4	-2,276	9.4
LLPs	-127	--	-155	-23.0
PBT	680	-2.8	2,767	8.9
Underlying att. profit	425	-6.2	1,761	10.0

(\*) EUR mn and % change in constant euros

## Total income

Constant EUR mn

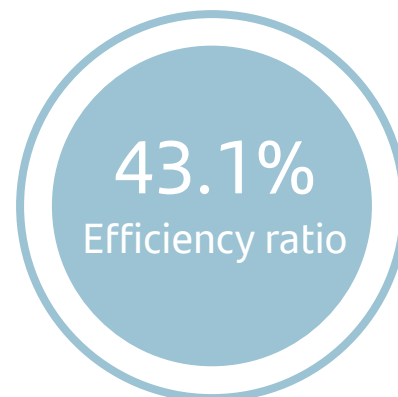
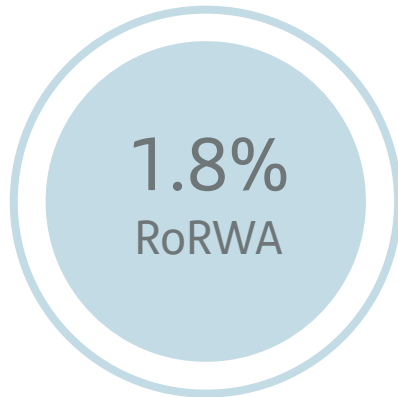
	4.920	+7%	5.284
Capital & Other	491	-13%	428
Global Markets	1.403	+12%	1.578
Global Debt Financing	1.377	+6%	1.453
Global Transaction Banking	1.649	+11%	1.825
	2018		2019



**YoY profit growth driven** by value added businesses

We aim to continue to be **strategic partners** for our global customers...

... **leveraging our strengths in LatAm and Europe**





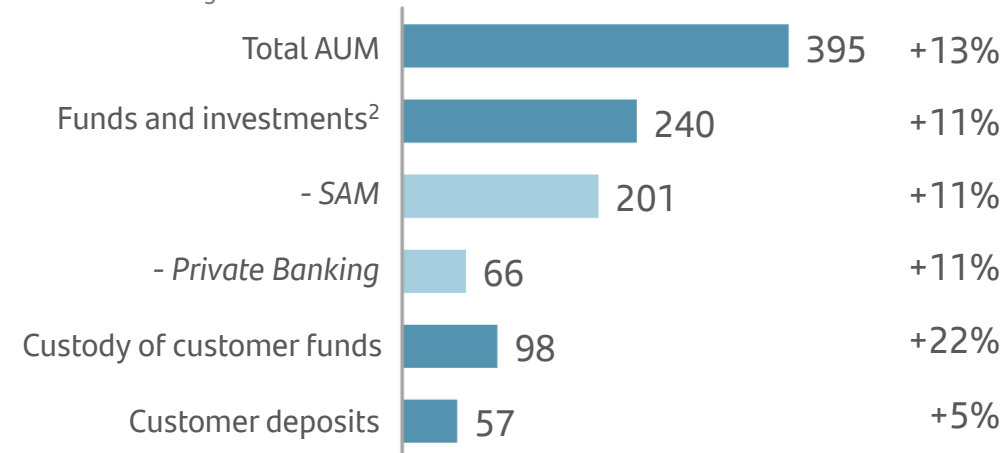
# Wealth Management & Insurance: +20% YoY collaboration revenues<sup>3</sup>

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	143	0.4	565	7.8
Net fee income	328	9.8	1,201	5.2
Total income	588	6.4	2,223	6.3
Operating expenses	-234	4.8	-911	3.3
LLPs	21	--	25	--
PBT	371	14.6	1,325	11.0
<b>Underlying att. profit</b>	<b>263</b>	<b>9.5</b>	<b>960</b>	<b>11.1</b>

(\*) EUR mn and % change in constant euros

## Activity

EUR bn and % change YoY in constant euros



**Strategic initiatives** focused on:

Global Private Banking platform and digital investments

Increasing market share in SAM and Insurance - complete value proposition



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KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>46</b>	+1 pp
Digital customers (ks)	<b>775</b>	+6%
NPL ratio (%)	<b>4.83</b>	-111 bps
Cost of credit (%)	<b>-0.02</b>	-11 bps
Efficiency ratio (%)	<b>45.3</b>	-258 bps
RoTE (%)	<b>12.8</b>	+77 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>213</b>	-0.4	<b>856</b>	-0.2
Net fee income	<b>98</b>	2.3	<b>390</b>	3.6
Total income	<b>332</b>	0.0	<b>1,375</b>	2.3
Operating expenses	<b>-156</b>	0.8	<b>-623</b>	-3.2
LLPs	<b>-4</b>	--	<b>8</b>	--
<b>PBT</b>	<b>192</b>	<b>8.0</b>	<b>750</b>	<b>9.3</b>
<b>Underlying att. profit</b>	<b>140</b>	<b>11.7</b>	<b>525</b>	<b>9.6</b>

(\*) EUR mn



**Market shares** in new lending to companies and mortgages at around 20%

The Bank maintained the **best risk ratings** by the rating agencies, aligned with or above the sovereign's



**Underlying attributable profit increased 10% YoY** due to improved efficiency and low cost of credit

**NPL ratio <5%**, sharply falling during the year (management of non-productive assets implemented following Popular acquisition)



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>53</b>	+1 pp
Digital customers (ks)	<b>2,510</b>	+14%
NPL ratio (%)	<b>4.31</b>	+3 bps
Cost of credit (%)	<b>0.72</b>	+7 bps
Efficiency ratio (%)	<b>40.4</b>	-261 bps
RoTE (%) <sup>1</sup>	<b>19.6</b>	+67 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>307</b>	2.3	<b>1,171</b>	18.6
Net fee income	<b>117</b>	-2.1	<b>467</b>	4.0
Total income	<b>459</b>	3.2	<b>1,717</b>	16.4
Operating expenses	<b>-169</b>	-3.7	<b>-693</b>	9.3
LLPs	<b>-51</b>	-15.3	<b>-217</b>	35.6
<b>PBT</b>	<b>205</b>	11.1	<b>681</b>	24.3
<b>Underlying att. profit</b>	<b>104</b>	<b>9.2</b>	<b>349</b>	<b>18.9</b>

(\*) EUR mn and % change in constant euros



Focus on **achieving synergies** and reducing cost of deposits following DB Polska acquisition

Named the best bank in Poland, with **several awards** in both traditional and online banking



**Double digit underlying profit** growth reflecting acquisition as well as **solid underlying trends**, both in volumes terms and P&L

**Cost control** and **efficiency** improvement though results impacted by **increased Banking Tax and BFG** contributions



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>33</b>	+4 pp
Digital customers (mn)	<b>4.2</b>	+45%
NPL ratio (%)	<b>2.19</b>	-24 bps
Cost of credit (%)	<b>2.49</b>	-26 bps
Efficiency ratio (%)	<b>41.8</b>	+15 bps
RoTE (%)	<b>20.6</b>	+37 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>816</b>	0.9	<b>3,157</b>	8.5
Net fee income	<b>197</b>	-7.6	<b>829</b>	4.2
Total income	<b>1,054</b>	3.5	<b>3,998</b>	7.7
Operating expenses	<b>-445</b>	4.7	<b>-1,671</b>	8.1
LLPs	<b>-222</b>	-1.8	<b>-863</b>	-1.3
<b>PBT</b>	<b>395</b>	<b>8.3</b>	<b>1,459</b>	<b>13.2</b>
<b>Underlying att. profit</b>	<b>291</b>	<b>22.9</b>	<b>950</b>	<b>19.4</b>

(\*) EUR mn and % change in constant euros



**Enhanced our distribution and attention model** supported by our investment plan

**Strong loyal and digital customer growth**

Focus on **selective loan growth** (individuals and corporates) and cost of deposits management



**c.21% RoTE** supported by **double-digit profit growth** (customer revenue and large credit quality improvement)

**Stake** in Santander México rose from 74.96% to **91.65%**



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>19</b>	-
Digital customers (ks)	<b>1,010</b>	+6%
NPL ratio (%)	<b>2.20</b>	-72 bps
Cost of credit (%)	<b>2.85</b>	-42 bps
Efficiency ratio (%)	<b>43.3</b>	-10 bps
RoTE (%) <sup>1</sup>	<b>8.7</b>	+111 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>1,449</b>	-1.2	<b>5,769</b>	1.5
Net fee income	<b>230</b>	-3.6	<b>947</b>	4.6
Total income	<b>1,894</b>	-4.6	<b>7,605</b>	3.8
Operating expenses	<b>-869</b>	2.2	<b>-3,297</b>	3.6
LLPs	<b>-828</b>	4.9	<b>-2,792</b>	1.2
<b>PBT</b>	<b>158</b>	<b>-41.6</b>	<b>1,317</b>	<b>12.2</b>
<b>Underlying att. profit</b>	<b>98</b>	<b>-37.1</b>	<b>717</b>	<b>23.9</b>

(\*) EUR mn and % change in constant euros



**Better customer experience and deeper relationships** driving above market volume growth<sup>2</sup>

**SBNA and SC collaboration** in prime auto finance has originated **~USD 7 bn** in 2019



**Increased profitability** driven by continued improvement risk-adjusted returns in Auto and focused on funding costs

**Revenue growth** and **improvement in asset quality** resulting in **excellent YoY profit growth**



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>46</b>	-
Digital customers (ks)	<b>1,247</b>	+15%
NPL ratio (%)	<b>4.64</b>	-2 bps
Cost of credit (%)	<b>1.08</b>	-11 bps
Efficiency ratio (%)	<b>40.6</b>	-71 bps
RoTE (%)	<b>18.1</b>	-26 bps

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>464</b>	6.4	<b>1,867</b>	-0.3
Net fee income	<b>102</b>	6.2	<b>404</b>	-0.9
Total income	<b>638</b>	4.6	<b>2,539</b>	4.0
Operating expenses	<b>-246</b>	0.7	<b>-1,031</b>	2.2
LLPs	<b>-130</b>	28.0	<b>-443</b>	-2.8
<b>PBT</b>	<b>274</b>	<b>-1.2</b>	<b>1,129</b>	<b>4.8</b>
<b>Underlying att. profit</b>	<b>157</b>	<b>3.0</b>	<b>630</b>	<b>6.8</b>

(\*) EUR mn and % change in constant euros



Customer satisfaction improvement: **2<sup>nd</sup> position in NPS**, increasing **loyal and digital customers**

**Growth in account openings** hit a **record high** in the year, driven by *Santander Life* and the effort in digitalisation



**Profit growth** boosted by revenue, cost control and improved cost of credit

**NII evolution impacted** by lower inflation and historically low interest rates more than offset by gains on financial transactions



KEY DATA	2019	% 2018
Loyal / active customers (%)	<b>47</b>	-
Digital customers (ks)	<b>2,196</b>	+5%
NPL ratio (%)	<b>3.39</b>	+22 bps
Cost of credit (%)	<b>5.09</b>	+164 bps
Efficiency ratio (%)	<b>57.9</b>	-423 bps
RoTE (%)	<b>22.2</b>	+11 pp

P&L*	Q4'19	% Q3'19	2019	% 2018
NII	<b>250</b>	6.9	<b>940</b>	126.7
Net fee income	<b>118</b>	4.8	<b>446</b>	84.3
Total income	<b>359</b>	12.8	<b>1,316</b>	101.6
Operating expenses	<b>-209</b>	19.6	<b>-762</b>	87.9
LLPs	<b>-53</b>	-3.2	<b>-235</b>	88.9
<b>PBT</b>	<b>43</b>	<b>-23.5</b>	<b>217</b>	<b>120.6</b>
<b>Underlying att. profit</b>	<b>47</b>	<b>42.9</b>	<b>144</b>	<b>223.7</b>

(\*) EUR mn and % change in constant euros



**Volumes** and **profit evolution** continued to be very conditioned on the **economic environment**

Maintained **high dollar liquidity ratio**

**NPL** ratio remains relatively stable in a low credit growth environment in real terms



**Strong growth** across all lines impacted by **high inflation** and very **high interest rates**

Profit rose due to **greater NII** (elevated interest rates and higher volumes of Central Bank notes) and **efficiency improvement**

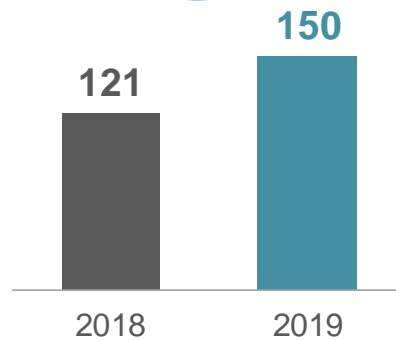
# Uruguay and Andean Region

South America  
other markets



## URUGUAY

+24%

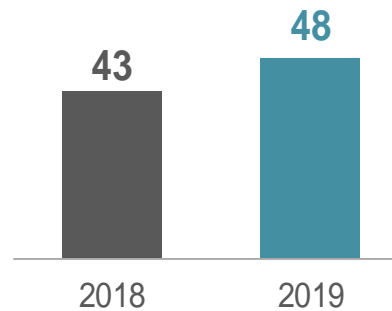


30%  
RoTE



## PERU

+11%

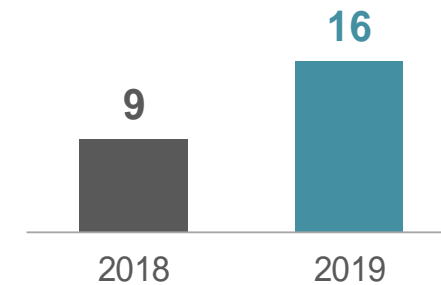


21%  
RoTE



## COLOMBIA

+81%



12%  
RoTE



**Increased volumes** and activity reflected in **profit growth** (NII and fee income growth) and **efficiency improvement**



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**Balance sheet and capital management**

Yield on loans and cost of deposits

NPL and coverage ratios and cost of credit

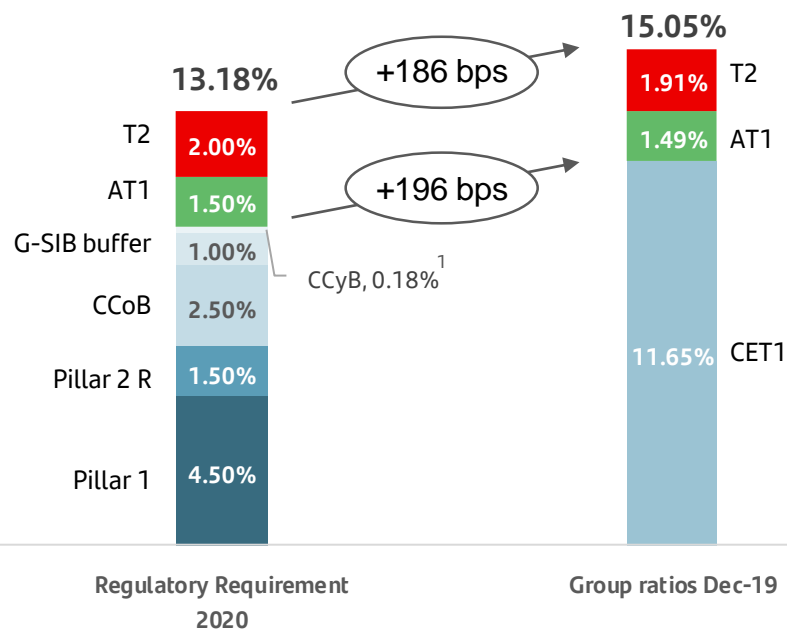
Responsible Banking

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# Santander's capital levels, both phased-in and fully loaded, exceed minimum regulatory requirements

## SREP capital requirements (phased-in) and MDA

Dec-19

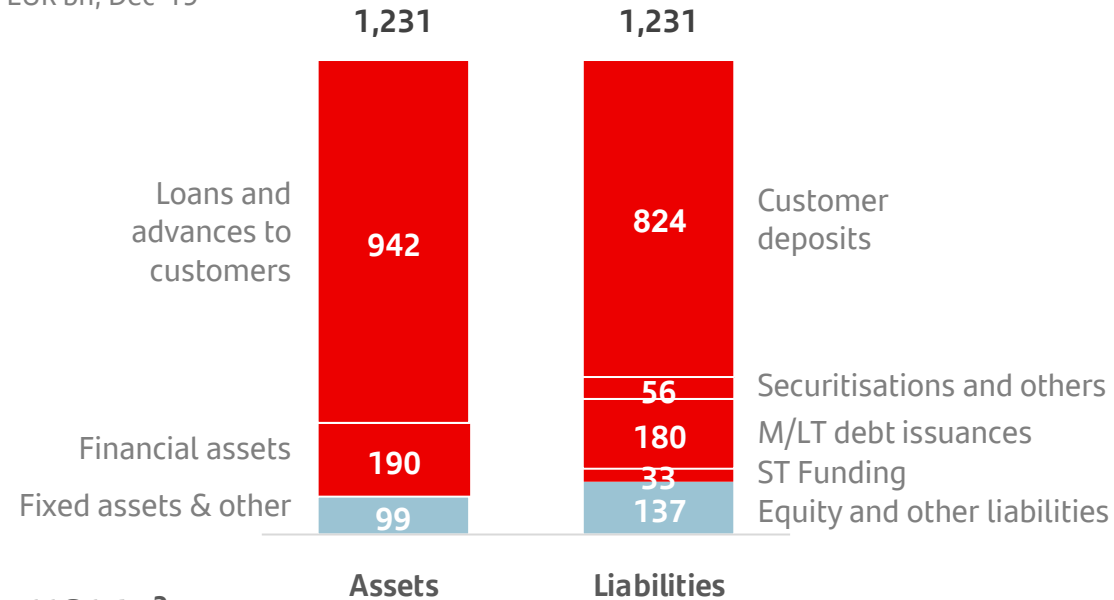


- The **minimum CET1** to be maintained by the Group is **9.68%**
- AT1 and T2 **issuance to targets** (AT1: 1.5%; T2: 2% of RWAs) is **close to zero** assuming constant RWAs
- As of Dec-19, **Santander S.A. meets MREL requirements<sup>2</sup>** following the MREL eligible issuances over the last two years
- The distance to the **MDA** for 2019 is **186 bps<sup>3</sup>**, as at Dec-19

Santander has a highly liquid balance sheet with a large contribution from customer deposits and diversified MLT wholesale debt instruments

## Liquidity Balance Sheet

EUR bn, Dec-19



## HQLAs<sup>2</sup>

EUR bn, Dec-19

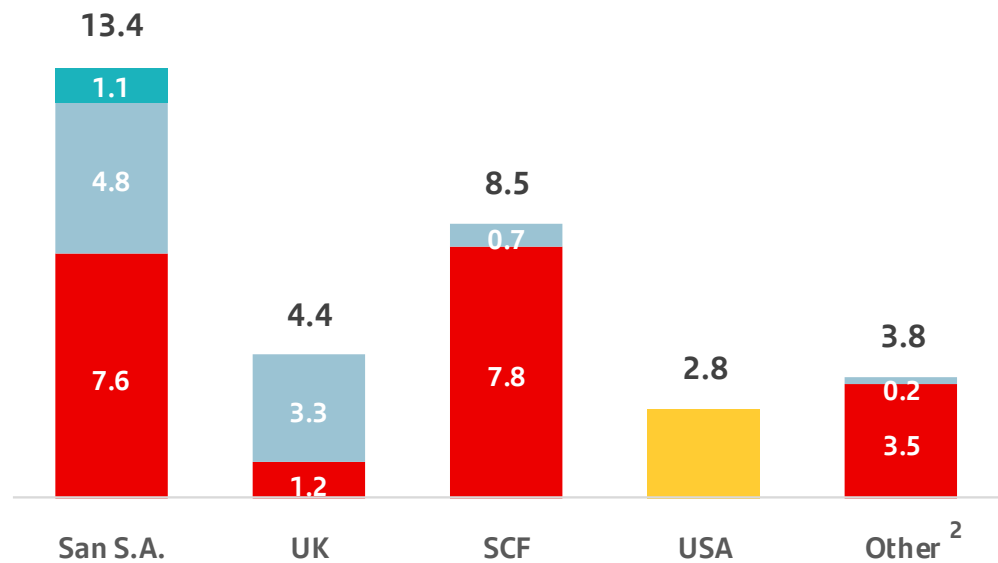
HQLAs Level 1	198.9
HQLAs Level 2	14.9
▶ Level 2A	7.1
▶ Level 2B	7.8

	LCR	NSFR	LTD
	Nov-19	Sep-19	Dec-19
 Group	163%	112%	114%
 <sup>1</sup>	148%	124%	119%
	137%	104%	101%
 <sup>1</sup>	175%	105%	77%

In the year, the Group issued EUR 33 bn<sup>1</sup> of MLT debt and is able to cover its very manageable maturity profile

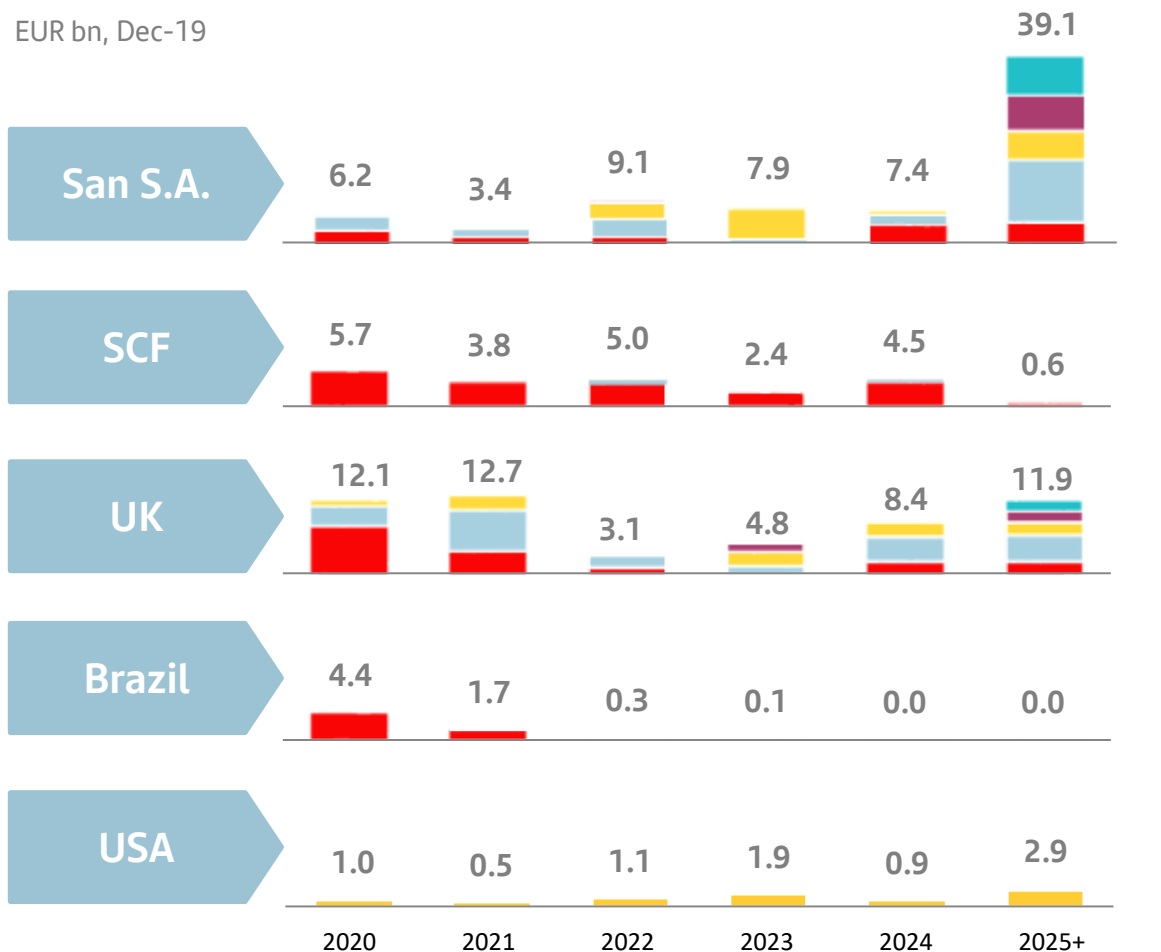
Public market issuances in 2019

EUR bn, Dec-19



Maturity profile

EUR bn, Dec-19



■ Senior Debt ■ Covered bond ■ Senior TLAC ■ Subordinated ■ Preferred stock



(1) Data include public issuances from all units with period-average exchange rates. Excludes securitisations  
(2) Other public market issuances in Brazil, Chile, Mexico and Poland

# 2020-2021 issuance funding plan by main issuers

EUR bn	2020				2021			
	Snr Preferred + Covered Bonds	Snr Non-Preferred	Hybrids	Total	Snr Preferred + Covered Bonds	Snr Non-Preferred	Hybrids	Total
Santander S.A.	4-5	7-8	1-2	12-15	4-5	4-5	1-2	9-12
SCF	6-8			6-8	7-9			7-9
Santander UK	6-8	2-3		8-11	8-10	2-3		10-13
SHUSA		1-2		1-2		1-2		1-2
Total	16-21	10-13	1-2	27-36	19-24	7-10	1-2	27-36
Maturities:				32.7	Maturities: 24.3			

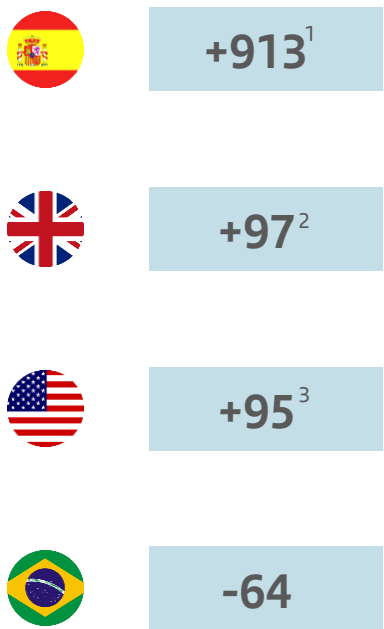
**Funding plan for Banco Santander S.A. contemplates the following:**

- Build up the stock of TLAC in order to manage increasing requirements
- Pre-finance 2017 issuances which lose TLAC eligibility in 2021
- Continue fulfilling the 1.5% AT1 and 2% T2 buffers subject to RWA growth
- This issuance plan contemplates full repayment of TLTRO maturities

# We actively manage interest rate risk and our ALCO portfolios to optimise results while maintaining an appropriate risk profile

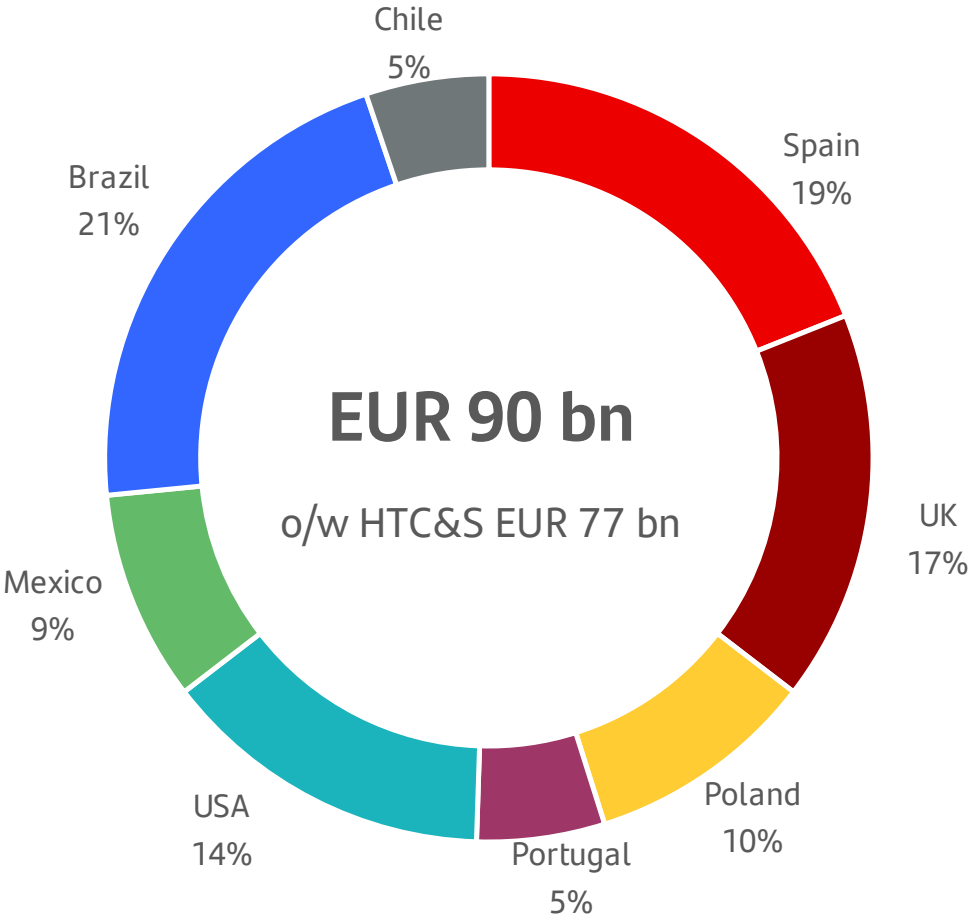
## Mostly positive interest rate sensitivity in Europe

Net interest income sensitivity to a +100 bp parallel shift  
EUR mn, Nov-19



## ALCO portfolios reflect our geographic diversification

Distribution of ALCO portfolios by country  
%, Dec-19



(1) Parent bank  
(2) Ring-fenced bank  
(3) SBNA

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# Yield on loans (%)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19
<b>EUROPE</b>	<b>2.79</b>	<b>2.78</b>	<b>2.78</b>	<b>2.78</b>	<b>2.78</b>	<b>2.76</b>	<b>2.71</b>	<b>2.68</b>
Spain	2.00	2.00	2.03	2.05	2.06	2.08	2.02	2.01
Santander Consumer Finance	4.60	4.55	4.51	4.45	4.51	4.48	4.41	4.26
United Kingdom	2.82	2.79	2.80	2.80	2.72	2.68	2.64	2.59
Portugal	1.86	1.81	1.74	1.83	1.79	1.76	1.70	1.64
Poland	4.18	4.13	4.10	4.07	4.14	4.15	4.17	4.17
<b>NORTH AMERICA</b>	<b>9.25</b>	<b>9.45</b>	<b>9.31</b>	<b>10.16</b>	<b>9.81</b>	<b>9.72</b>	<b>9.48</b>	<b>9.25</b>
US	8.13	8.35	8.08	9.26	8.69	8.54	8.30	8.01
Mexico	12.09	12.35	12.49	12.66	12.74	12.82	12.67	12.64
<b>SOUTH AMERICA</b>	<b>13.18</b>	<b>13.06</b>	<b>12.33</b>	<b>13.29</b>	<b>12.56</b>	<b>13.36</b>	<b>12.31</b>	<b>12.26</b>
Brazil	15.64	16.08	15.62	15.73	15.80	15.80	15.30	14.47
Chile	7.52	7.53	7.35	7.43	5.98	8.44	6.93	7.39
Argentina	18.65	19.03	20.57	24.54	24.23	23.99	23.95	26.26



# Cost of deposits (%)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19
<b>EUROPE</b>	<b>0.48</b>	<b>0.47</b>	<b>0.44</b>	<b>0.43</b>	<b>0.42</b>	<b>0.43</b>	<b>0.41</b>	<b>0.41</b>
Spain	0.34	0.29	0.22	0.19	0.14	0.14	0.13	0.13
Santander Consumer Finance	0.65	0.61	0.60	0.59	0.60	0.60	0.60	0.58
United Kingdom	0.64	0.64	0.64	0.68	0.68	0.70	0.70	0.69
Portugal	0.18	0.18	0.15	0.18	0.14	0.12	0.11	0.10
Poland	0.68	0.78	0.83	0.89	0.89	0.89	0.78	0.74
<b>NORTH AMERICA</b>	<b>1.46</b>	<b>1.55</b>	<b>1.68</b>	<b>1.70</b>	<b>1.94</b>	<b>1.93</b>	<b>1.99</b>	<b>1.75</b>
US	0.48	0.59	0.69	0.78	0.95	0.88	0.67	0.86
Mexico	3.48	3.57	3.64	3.66	3.95	4.09	4.13	3.68
<b>SOUTH AMERICA</b>	<b>3.66</b>	<b>3.78</b>	<b>3.67</b>	<b>4.35</b>	<b>4.19</b>	<b>4.43</b>	<b>3.82</b>	<b>3.41</b>
Brazil	5.02	4.44	4.66	4.57	4.71	4.72	4.57	3.71
Chile	1.78	1.73	1.75	1.84	1.62	2.01	1.63	1.47
Argentina	5.25	6.32	7.79	11.25	9.92	11.08	10.87	12.29

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# Coverage ratio by stage

	Exposure <sup>1</sup>	Coverage	
EUR bn	Dec-19	Dec-19	Dec-18
Stage 1	898	0.5%	0.5%
Stage 2	53	8.7%	9.2%
Stage 3	34	41.7%	42.4%

# NPL ratio (%)

	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19
<b>EUROPE</b>	<b>4.08</b>	<b>3.97</b>	<b>3.90</b>	<b>3.67</b>	<b>3.61</b>	<b>3.48</b>	<b>3.47</b>	<b>3.25</b>
Spain	7.74	7.62	7.55	7.32	7.29	7.02	7.23	6.94
Santander Consumer Finance	2.48	2.44	2.45	2.29	2.33	2.24	2.25	2.30
United Kingdom	1.17	1.13	1.12	1.08	1.17	1.13	1.08	1.01
Portugal	8.29	7.55	7.43	5.94	5.77	5.00	4.90	4.83
Poland	4.77	4.58	4.23	4.28	4.39	4.21	4.35	4.31
<b>NORTH AMERICA</b>	<b>2.80</b>	<b>2.82</b>	<b>2.83</b>	<b>2.79</b>	<b>2.33</b>	<b>2.29</b>	<b>2.21</b>	<b>2.20</b>
US	2.86	2.91	3.00	2.92	2.41	2.32	2.18	2.20
Mexico	2.68	2.58	2.41	2.43	2.12	2.21	2.30	2.19
<b>SOUTH AMERICA</b>	<b>4.83</b>	<b>4.82</b>	<b>4.83</b>	<b>4.81</b>	<b>4.83</b>	<b>4.81</b>	<b>4.81</b>	<b>4.86</b>
Brazil	5.26	5.26	5.26	5.25	5.26	5.27	5.33	5.32
Chile	5.00	4.86	4.78	4.66	4.67	4.52	4.48	4.64
Argentina	2.54	2.40	2.47	3.17	3.50	3.79	3.64	3.39
<b>TOTAL GROUP</b>	<b>4.02</b>	<b>3.92</b>	<b>3.87</b>	<b>3.73</b>	<b>3.62</b>	<b>3.51</b>	<b>3.47</b>	<b>3.32</b>

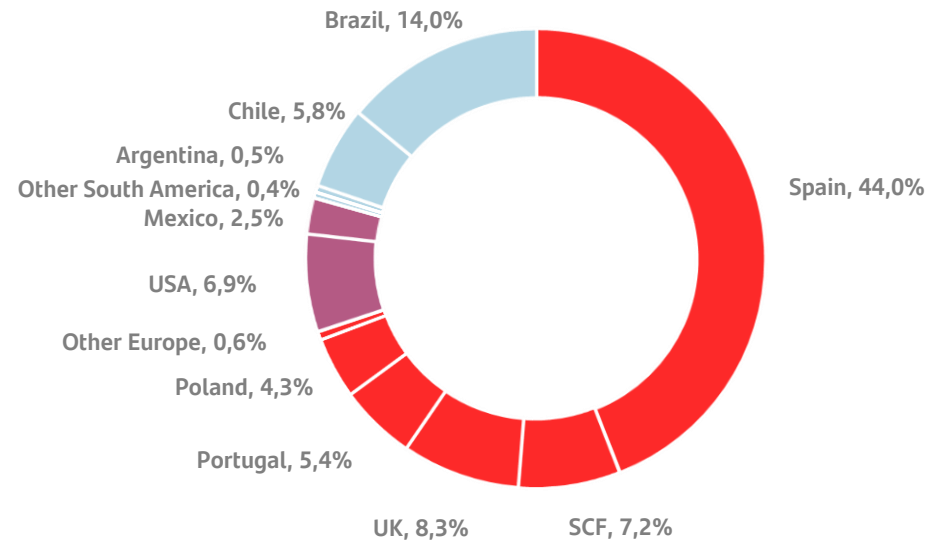
# Coverage ratio (%)

	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19
<b>EUROPE</b>	<b>54.4</b>	<b>52.9</b>	<b>52.1</b>	<b>50.1</b>	<b>49.5</b>	<b>49.9</b>	<b>48.2</b>	<b>49.8</b>
Spain	49.8	47.5	46.4	43.7	43.3	42.9	40.6	41.1
Santander Consumer Finance	107.2	107.7	106.4	106.4	105.3	105.9	104.2	106.1
United Kingdom	34.4	33.8	33.0	32.9	30.9	31.9	34.1	36.5
Portugal	53.9	52.7	53.4	50.5	50.7	52.9	51.5	52.8
Poland	72.0	72.1	71.6	67.1	67.6	69.7	69.0	66.8
<b>NORTH AMERICA</b>	<b>153.5</b>	<b>146.5</b>	<b>139.4</b>	<b>137.4</b>	<b>153.4</b>	<b>150.3</b>	<b>155.6</b>	<b>153.0</b>
US	169.1	156.9	145.5	142.8	161.0	158.4	166.6	161.8
Mexico	113.5	116.1	120.5	119.7	130.1	126.9	125.2	128.3
<b>SOUTH AMERICA</b>	<b>96.5</b>	<b>94.4</b>	<b>94.1</b>	<b>94.6</b>	<b>94.1</b>	<b>93.0</b>	<b>89.7</b>	<b>88.4</b>
Brazil	110.4	108.7	109.1	106.9	107.7	105.5	101.1	99.8
Chile	61.0	60.0	59.6	60.6	59.7	59.1	57.3	56.0
Argentina	121.3	121.5	124.0	135.0	118.6	126.4	134.0	124.0
<b>TOTAL GROUP</b>	<b>70.0</b>	<b>68.6</b>	<b>67.9</b>	<b>67.4</b>	<b>67.8</b>	<b>68.1</b>	<b>67.3</b>	<b>67.9</b>

# Non-performing loans and loan-loss allowances. December 2019

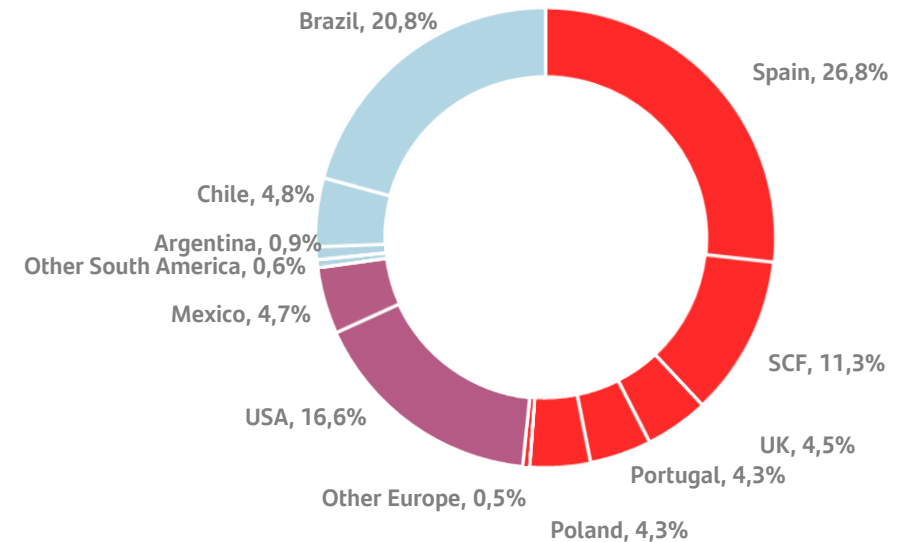
## Non-performing loans

100%: EUR 33,799 mn



## Loan-loss allowances

100%: EUR 22,965 mn



# Cost of credit (%)

	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19
<b>EUROPE</b>	<b>0.24</b>	<b>0.25</b>	<b>0.26</b>	<b>0.24</b>	<b>0.24</b>	<b>0.24</b>	<b>0.25</b>	<b>0.28</b>
Spain	0.35	0.36	0.41	0.38	0.40	0.41	0.41	0.43
Santander Consumer Finance	0.36	0.37	0.40	0.38	0.38	0.36	0.38	0.48
United Kingdom	0.11	0.10	0.09	0.07	0.07	0.06	0.08	0.10
Portugal	0.08	0.10	0.03	0.09	0.03	0.03	0.00	(0.02)
Poland	0.69	0.71	0.69	0.65	0.61	0.66	0.71	0.72
<b>NORTH AMERICA</b>	<b>3.22</b>	<b>2.96</b>	<b>2.92</b>	<b>3.12</b>	<b>2.97</b>	<b>2.95</b>	<b>2.93</b>	<b>2.76</b>
US	3.29	3.02	3.00	3.27	3.11	3.09	3.09	2.85
Mexico	2.95	2.78	2.72	2.75	2.62	2.61	2.55	2.49
<b>SOUTH AMERICA</b>	<b>3.15</b>	<b>3.10</b>	<b>3.00</b>	<b>2.99</b>	<b>2.89</b>	<b>2.87</b>	<b>2.90</b>	<b>2.92</b>
Brazil	4.35	4.30	4.17	4.06	3.88	3.84	3.85	3.93
Chile	1.22	1.18	1.18	1.19	1.13	1.10	1.06	1.08
Argentina	2.06	2.47	2.92	3.45	4.02	4.33	4.86	5.09
<b>TOTAL GROUP</b>	<b>1.04</b>	<b>0.99</b>	<b>0.98</b>	<b>1.00</b>	<b>0.97</b>	<b>0.98</b>	<b>1.00</b>	<b>1.00</b>

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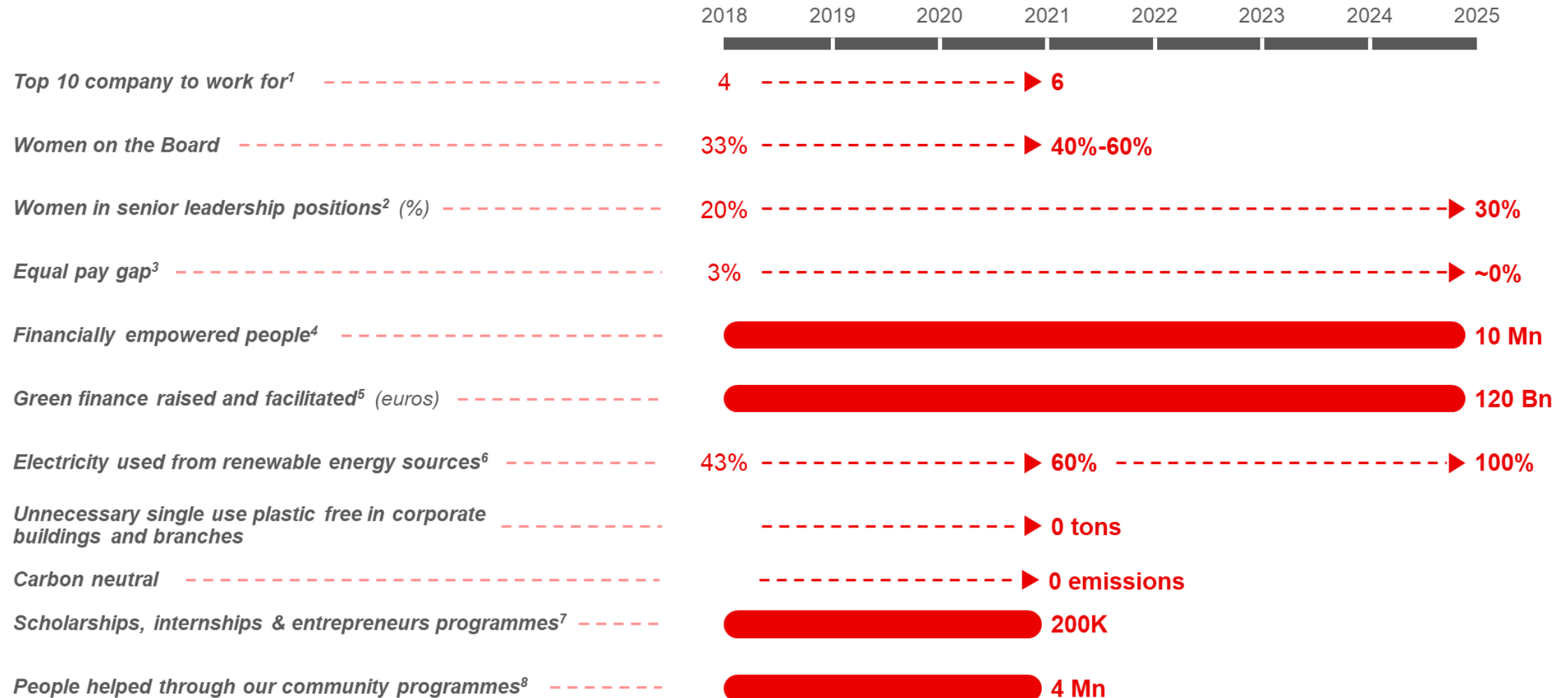
Quarterly income statements



# Santander Responsible banking

We are building a more responsible bank aligned with our commitments

---> From...To....  
 Cumulative target



(1) According to a well-known external source in each country (e.g. Great Place to Work, Merco); (2) Senior positions represent 1% of total workforce; (3) Compares employees of the same job, level and function; (4) Mostly unbanked and underbanked, empowered through products, services and social investment initiatives – to get access to the financial system, receive tailored finance and increase knowledge and resilience through financial education; (5) Includes SAN overall contribution to green finance: project finance, syndicated loans, green bonds, capital finance, export finance, advisory, structuring and other products to help our clients transition to a low carbon economy. Commitment from 2019 to 2030 is 220Bn; (6) For countries where it is possible to certify the source of the electricity for the Group's properties; (7) Supported through SAN Universities (students who receive a Santander scholarship, are interns in an SME or participate in entrepreneurship programmes supported by SAN); (8) Excluding people helped through SAN Universities and financial education initiatives

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# Santander Group (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	8,454	8,477	8,349	9,061	8,682	8,954	8,806	8,841	34,341	35,283
Net fee income	2,955	2,934	2,640	2,956	2,931	2,932	2,955	2,961	11,485	11,779
Gains (losses) on financial transactions and other	742	600	731	525	472	465	705	790	2,598	2,432
<b>Total income</b>	<b>12,151</b>	<b>12,011</b>	<b>11,720</b>	<b>12,542</b>	<b>12,085</b>	<b>12,351</b>	<b>12,466</b>	<b>12,592</b>	<b>48,424</b>	<b>49,494</b>
Operating expenses	(5,764)	(5,718)	(5,361)	(5,936)	(5,758)	(5,829)	(5,722)	(5,971)	(22,779)	(23,280)
<b>Net operating income</b>	<b>6,387</b>	<b>6,293</b>	<b>6,359</b>	<b>6,606</b>	<b>6,327</b>	<b>6,522</b>	<b>6,744</b>	<b>6,621</b>	<b>25,645</b>	<b>26,214</b>
Net loan-loss provisions	(2,282)	(2,015)	(2,121)	(2,455)	(2,172)	(2,141)	(2,435)	(2,573)	(8,873)	(9,321)
Other gains (losses) and provisions	(416)	(487)	(488)	(605)	(471)	(486)	(465)	(542)	(1,996)	(1,964)
<b>Underlying profit before tax</b>	<b>3,689</b>	<b>3,791</b>	<b>3,750</b>	<b>3,546</b>	<b>3,684</b>	<b>3,895</b>	<b>3,844</b>	<b>3,506</b>	<b>14,776</b>	<b>14,929</b>
<b>Underlying consolidated profit</b>	<b>2,409</b>	<b>2,412</b>	<b>2,356</b>	<b>2,369</b>	<b>2,358</b>	<b>2,542</b>	<b>2,529</b>	<b>2,397</b>	<b>9,546</b>	<b>9,826</b>
<b>Underlying attributable profit</b>	<b>2,054</b>	<b>1,998</b>	<b>1,990</b>	<b>2,022</b>	<b>1,948</b>	<b>2,097</b>	<b>2,135</b>	<b>2,072</b>	<b>8,064</b>	<b>8,252</b>
Net capital gains and provisions*	—	(300)	—	46	(108)	(706)	(1,634)	711	(254)	(1,737)
<b>Attributable profit</b>	<b>2,054</b>	<b>1,698</b>	<b>1,990</b>	<b>2,068</b>	<b>1,840</b>	<b>1,391</b>	<b>501</b>	<b>2,783</b>	<b>7,810</b>	<b>6,515</b>

(\*) Including:

in Q2'18, costs associated to integrations (mainly restructuring costs), net of tax impacts, in Spain, the Corporate Centre and Portugal  
in Q4'18, goodwill in Poland for the integration of Deutsche Bank Polska's retail and SMEs businesses  
in Q1'19, capital gains from Prisma, capital losses due to property sales and restructuring costs

in Q2'19, restructuring costs in Spain and the UK and PPI

in Q3'19, restructuring costs in the UK and Poland, PPI, deterioration of goodwill ascribed to the UK and impact of devaluation of the ARS on the capital gain from Prisma registered in Q1'19

in Q4'19, net capital gains related to the agreement with Crédit Agricole S.A. to integrate the custody businesses, net positive results related to tax reform in Brazil, net capital losses related to real estate stakes (Spain), restructuring costs, provisions related to intangible assets and other

# Santander Group (Constant EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	8,205	8,356	8,631	8,894	8,548	8,854	8,920	8,960	34,086	35,283
Net fee income	2,809	2,849	2,762	2,837	2,869	2,894	3,004	3,012	11,258	11,779
Gains (losses) on financial transactions and other	730	572	787	546	471	474	699	787	2,635	2,432
<b>Total income</b>	<b>11,744</b>	<b>11,778</b>	<b>12,179</b>	<b>12,277</b>	<b>11,888</b>	<b>12,223</b>	<b>12,624</b>	<b>12,759</b>	<b>47,978</b>	<b>49,494</b>
Operating expenses	(5,590)	(5,617)	(5,560)	(5,755)	(5,665)	(5,758)	(5,821)	(6,036)	(22,522)	(23,280)
<b>Net operating income</b>	<b>6,154</b>	<b>6,161</b>	<b>6,619</b>	<b>6,522</b>	<b>6,223</b>	<b>6,465</b>	<b>6,803</b>	<b>6,723</b>	<b>25,456</b>	<b>26,214</b>
Net loan-loss provisions	(2,233)	(1,982)	(2,213)	(2,424)	(2,136)	(2,120)	(2,460)	(2,606)	(8,852)	(9,321)
Other gains (losses) and provisions	(394)	(463)	(515)	(601)	(461)	(487)	(468)	(548)	(1,973)	(1,964)
<b>Underlying profit before tax</b>	<b>3,527</b>	<b>3,716</b>	<b>3,890</b>	<b>3,497</b>	<b>3,626</b>	<b>3,858</b>	<b>3,875</b>	<b>3,570</b>	<b>14,631</b>	<b>14,929</b>
<b>Underlying consolidated profit</b>	<b>2,309</b>	<b>2,367</b>	<b>2,455</b>	<b>2,351</b>	<b>2,326</b>	<b>2,516</b>	<b>2,549</b>	<b>2,436</b>	<b>9,483</b>	<b>9,826</b>
<b>Underlying attributable profit</b>	<b>1,959</b>	<b>1,950</b>	<b>2,084</b>	<b>2,005</b>	<b>1,919</b>	<b>2,072</b>	<b>2,155</b>	<b>2,105</b>	<b>7,998</b>	<b>8,252</b>
Net capital gains and provisions*	—	(300)	—	46	(152)	(704)	(1,603)	722	(254)	(1,737)
<b>Attributable profit</b>	<b>1,959</b>	<b>1,650</b>	<b>2,084</b>	<b>2,050</b>	<b>1,768</b>	<b>1,369</b>	<b>552</b>	<b>2,827</b>	<b>7,744</b>	<b>6,515</b>

(\*) Including: in Q2'18, costs associated to integrations (mainly restructuring costs), net of tax impacts, in Spain, the Corporate Centre and Portugal  
in Q4'18, goodwill in Poland for the integration of Deutsche Bank Polska's retail and SMEs businesses  
in Q1'19, capital gains from Prisma, capital losses due to property sales and restructuring costs  
in Q2'19, restructuring costs in Spain and the UK and PPI  
in Q3'19, restructuring costs in the UK and Poland, PPI, deterioration of goodwill ascribed to the UK and impact of devaluation of the ARS on the capital gain from Prisma registered in Q1'19  
in Q4'19, net capital gains related to the agreement with Crédit Agricole S.A. to integrate the custody businesses, net positive results related to tax reform in Brazil, net capital losses related to real estate stakes (Spain), restructuring costs, provisions related to intangible assets and other

# Europe (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	3,502	3,508	3,562	3,631	3,561	3,580	3,530	3,531	14,204	14,201
Net fee income	1,372	1,382	1,354	1,327	1,327	1,304	1,310	1,319	5,435	5,260
Gains (losses) on financial transactions and other	477	282	503	355	337	304	455	443	1,618	1,540
<b>Total income</b>	<b>5,352</b>	<b>5,173</b>	<b>5,419</b>	<b>5,314</b>	<b>5,225</b>	<b>5,188</b>	<b>5,295</b>	<b>5,292</b>	<b>21,257</b>	<b>21,001</b>
Operating expenses	(2,841)	(2,825)	(2,735)	(2,764)	(2,802)	(2,789)	(2,719)	(2,733)	(11,165)	(11,044)
<b>Net operating income</b>	<b>2,510</b>	<b>2,348</b>	<b>2,684</b>	<b>2,550</b>	<b>2,423</b>	<b>2,399</b>	<b>2,576</b>	<b>2,559</b>	<b>10,091</b>	<b>9,957</b>
Net loan-loss provisions	(457)	(403)	(406)	(306)	(457)	(387)	(497)	(498)	(1,572)	(1,839)
Other gains (losses) and provisions	(195)	(194)	(205)	(435)	(198)	(231)	(130)	(209)	(1,028)	(768)
<b>Underlying profit before tax</b>	<b>1,859</b>	<b>1,751</b>	<b>2,072</b>	<b>1,809</b>	<b>1,768</b>	<b>1,781</b>	<b>1,949</b>	<b>1,852</b>	<b>7,491</b>	<b>7,350</b>
<b>Underlying consolidated profit</b>	<b>1,359</b>	<b>1,276</b>	<b>1,498</b>	<b>1,339</b>	<b>1,276</b>	<b>1,306</b>	<b>1,418</b>	<b>1,370</b>	<b>5,472</b>	<b>5,371</b>
<b>Underlying attributable profit</b>	<b>1,260</b>	<b>1,162</b>	<b>1,384</b>	<b>1,242</b>	<b>1,163</b>	<b>1,191</b>	<b>1,286</b>	<b>1,238</b>	<b>5,048</b>	<b>4,878</b>

# Europe (Constant EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	3,500	3,501	3,577	3,639	3,555	3,574	3,559	3,514	14,216	14,201
Net fee income	1,372	1,382	1,358	1,330	1,326	1,303	1,317	1,314	5,442	5,260
Gains (losses) on financial transactions and other	480	282	505	357	338	304	456	443	1,623	1,540
<b>Total income</b>	<b>5,351</b>	<b>5,164</b>	<b>5,440</b>	<b>5,325</b>	<b>5,218</b>	<b>5,181</b>	<b>5,331</b>	<b>5,271</b>	<b>21,281</b>	<b>21,001</b>
Operating expenses	(2,844)	(2,823)	(2,748)	(2,771)	(2,798)	(2,785)	(2,740)	(2,720)	(11,185)	(11,044)
<b>Net operating income</b>	<b>2,508</b>	<b>2,342</b>	<b>2,692</b>	<b>2,554</b>	<b>2,420</b>	<b>2,396</b>	<b>2,591</b>	<b>2,551</b>	<b>10,096</b>	<b>9,957</b>
Net loan-loss provisions	(455)	(403)	(406)	(308)	(456)	(387)	(498)	(497)	(1,572)	(1,839)
Other gains (losses) and provisions	(195)	(193)	(206)	(435)	(198)	(231)	(132)	(208)	(1,029)	(768)
<b>Underlying profit before tax</b>	<b>1,858</b>	<b>1,746</b>	<b>2,080</b>	<b>1,811</b>	<b>1,766</b>	<b>1,777</b>	<b>1,961</b>	<b>1,846</b>	<b>7,494</b>	<b>7,350</b>
<b>Underlying consolidated profit</b>	<b>1,358</b>	<b>1,271</b>	<b>1,503</b>	<b>1,341</b>	<b>1,275</b>	<b>1,303</b>	<b>1,428</b>	<b>1,365</b>	<b>5,473</b>	<b>5,371</b>
<b>Underlying attributable profit</b>	<b>1,259</b>	<b>1,158</b>	<b>1,389</b>	<b>1,244</b>	<b>1,161</b>	<b>1,188</b>	<b>1,295</b>	<b>1,234</b>	<b>5,051</b>	<b>4,878</b>

# Spain (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	969	1,026	1,044	1,054	1,009	1,009	967	934	4,093	3,919
Net fee income	669	671	651	633	623	624	614	620	2,624	2,481
Gains (losses) on financial transactions and other	247	163	370	117	224	216	408	258	898	1,107
<b>Total income</b>	<b>1,885</b>	<b>1,860</b>	<b>2,065</b>	<b>1,804</b>	<b>1,857</b>	<b>1,849</b>	<b>1,989</b>	<b>1,811</b>	<b>7,615</b>	<b>7,506</b>
Operating expenses	(1,112)	(1,093)	(1,065)	(1,068)	(1,025)	(1,020)	(999)	(977)	(4,338)	(4,021)
<b>Net operating income</b>	<b>773</b>	<b>767</b>	<b>1,000</b>	<b>737</b>	<b>832</b>	<b>829</b>	<b>990</b>	<b>834</b>	<b>3,277</b>	<b>3,485</b>
Net loan-loss provisions	(217)	(220)	(213)	(140)	(242)	(228)	(210)	(176)	(789)	(856)
Other gains (losses) and provisions	(131)	(102)	(132)	(60)	(112)	(143)	(100)	(100)	(425)	(455)
<b>Underlying profit before tax</b>	<b>425</b>	<b>446</b>	<b>655</b>	<b>537</b>	<b>478</b>	<b>458</b>	<b>681</b>	<b>557</b>	<b>2,063</b>	<b>2,174</b>
<b>Underlying consolidated profit</b>	<b>326</b>	<b>335</b>	<b>486</b>	<b>408</b>	<b>356</b>	<b>338</b>	<b>491</b>	<b>400</b>	<b>1,555</b>	<b>1,585</b>
<b>Underlying attributable profit</b>	<b>326</b>	<b>335</b>	<b>486</b>	<b>408</b>	<b>356</b>	<b>338</b>	<b>491</b>	<b>400</b>	<b>1,554</b>	<b>1,585</b>

# Santander Consumer Finance (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	915	928	937	943	941	971	977	960	3,723	3,848
Net fee income	215	188	206	189	214	201	213	195	798	823
Gains (losses) on financial transactions and other	10	10	13	56	13	(18)	14	30	90	39
<b>Total income</b>	<b>1,140</b>	<b>1,126</b>	<b>1,157</b>	<b>1,187</b>	<b>1,167</b>	<b>1,154</b>	<b>1,203</b>	<b>1,185</b>	<b>4,610</b>	<b>4,710</b>
Operating expenses	(510)	(508)	(476)	(495)	(508)	(527)	(504)	(499)	(1,989)	(2,038)
<b>Net operating income</b>	<b>630</b>	<b>618</b>	<b>681</b>	<b>692</b>	<b>659</b>	<b>627</b>	<b>699</b>	<b>686</b>	<b>2,622</b>	<b>2,672</b>
Net loan-loss provisions	(120)	(69)	(124)	(47)	(122)	(59)	(147)	(148)	(360)	(477)
Other gains (losses) and provisions	24	13	5	(166)	24	(12)	42	(33)	(125)	20
<b>Underlying profit before tax</b>	<b>534</b>	<b>562</b>	<b>561</b>	<b>479</b>	<b>561</b>	<b>556</b>	<b>594</b>	<b>504</b>	<b>2,137</b>	<b>2,215</b>
<b>Underlying consolidated profit</b>	<b>388</b>	<b>411</b>	<b>405</b>	<b>357</b>	<b>402</b>	<b>401</b>	<b>420</b>	<b>394</b>	<b>1,561</b>	<b>1,618</b>
<b>Underlying attributable profit</b>	<b>322</b>	<b>345</b>	<b>331</b>	<b>295</b>	<b>324</b>	<b>334</b>	<b>338</b>	<b>319</b>	<b>1,293</b>	<b>1,314</b>



# Santander Consumer Finance (Constant EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	910	923	933	940	940	968	977	964	3,706	3,848
Net fee income	214	188	206	189	214	201	213	195	797	823
Gains (losses) on financial transactions and other	10	10	14	56	13	(18)	14	30	90	39
<b>Total income</b>	<b>1,134</b>	<b>1,121</b>	<b>1,153</b>	<b>1,184</b>	<b>1,166</b>	<b>1,151</b>	<b>1,204</b>	<b>1,189</b>	<b>4,592</b>	<b>4,710</b>
Operating expenses	(508)	(506)	(474)	(494)	(508)	(526)	(504)	(501)	(1,981)	(2,038)
<b>Net operating income</b>	<b>627</b>	<b>615</b>	<b>678</b>	<b>690</b>	<b>658</b>	<b>626</b>	<b>699</b>	<b>688</b>	<b>2,611</b>	<b>2,672</b>
Net loan-loss provisions	(120)	(70)	(123)	(48)	(121)	(60)	(147)	(149)	(360)	(477)
Other gains (losses) and provisions	24	13	5	(166)	24	(12)	42	(33)	(124)	20
<b>Underlying profit before tax</b>	<b>531</b>	<b>558</b>	<b>560</b>	<b>477</b>	<b>561</b>	<b>554</b>	<b>595</b>	<b>506</b>	<b>2,126</b>	<b>2,215</b>
<b>Underlying consolidated profit</b>	<b>386</b>	<b>408</b>	<b>404</b>	<b>356</b>	<b>402</b>	<b>399</b>	<b>420</b>	<b>396</b>	<b>1,553</b>	<b>1,618</b>
<b>Underlying attributable profit</b>	<b>320</b>	<b>342</b>	<b>330</b>	<b>293</b>	<b>324</b>	<b>332</b>	<b>338</b>	<b>320</b>	<b>1,286</b>	<b>1,314</b>

# United Kingdom (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	1,023	1,029	1,016	1,011	975	944	908	961	4,078	3,788
Net fee income	219	240	230	224	216	207	217	226	912	866
Gains (losses) on financial transactions and other	29	50	55	8	15	32	(5)	33	142	74
<b>Total income</b>	<b>1,270</b>	<b>1,319</b>	<b>1,300</b>	<b>1,242</b>	<b>1,206</b>	<b>1,183</b>	<b>1,119</b>	<b>1,220</b>	<b>5,132</b>	<b>4,727</b>
Operating expenses	(725)	(715)	(697)	(700)	(739)	(703)	(681)	(712)	(2,837)	(2,835)
<b>Net operating income</b>	<b>545</b>	<b>605</b>	<b>603</b>	<b>542</b>	<b>467</b>	<b>479</b>	<b>438</b>	<b>508</b>	<b>2,295</b>	<b>1,892</b>
Net loan-loss provisions	(66)	(36)	(26)	(43)	(61)	(19)	(77)	(96)	(171)	(253)
Other gains (losses) and provisions	(59)	(44)	(63)	(155)	(50)	(25)	(43)	(66)	(321)	(184)
<b>Underlying profit before tax</b>	<b>420</b>	<b>524</b>	<b>514</b>	<b>344</b>	<b>357</b>	<b>435</b>	<b>318</b>	<b>345</b>	<b>1,803</b>	<b>1,455</b>
<b>Underlying consolidated profit</b>	<b>297</b>	<b>382</b>	<b>364</b>	<b>254</b>	<b>260</b>	<b>333</b>	<b>252</b>	<b>255</b>	<b>1,296</b>	<b>1,100</b>
<b>Underlying attributable profit</b>	<b>290</b>	<b>375</b>	<b>358</b>	<b>249</b>	<b>254</b>	<b>327</b>	<b>246</b>	<b>249</b>	<b>1,272</b>	<b>1,077</b>

# United Kingdom (GBP mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	904	901	907	896	850	825	820	827	3,608	3,322
Net fee income	193	210	205	198	189	181	195	194	807	759
Gains (losses) on financial transactions and other	25	44	49	7	13	28	(4)	29	125	65
<b>Total income</b>	<b>1,122</b>	<b>1,156</b>	<b>1,160</b>	<b>1,101</b>	<b>1,052</b>	<b>1,034</b>	<b>1,011</b>	<b>1,050</b>	<b>4,540</b>	<b>4,146</b>
Operating expenses	(641)	(626)	(622)	(620)	(644)	(615)	(615)	(612)	(2,510)	(2,487)
<b>Net operating income</b>	<b>481</b>	<b>530</b>	<b>538</b>	<b>481</b>	<b>407</b>	<b>419</b>	<b>396</b>	<b>437</b>	<b>2,030</b>	<b>1,659</b>
Net loan-loss provisions	(58)	(32)	(24)	(38)	(53)	(17)	(68)	(83)	(152)	(222)
Other gains (losses) and provisions	(52)	(39)	(56)	(137)	(43)	(22)	(39)	(58)	(284)	(161)
<b>Underlying profit before tax</b>	<b>371</b>	<b>460</b>	<b>458</b>	<b>306</b>	<b>311</b>	<b>380</b>	<b>288</b>	<b>296</b>	<b>1,595</b>	<b>1,276</b>
<b>Underlying consolidated profit</b>	<b>262</b>	<b>335</b>	<b>325</b>	<b>225</b>	<b>227</b>	<b>291</b>	<b>228</b>	<b>219</b>	<b>1,147</b>	<b>965</b>
<b>Underlying attributable profit</b>	<b>257</b>	<b>328</b>	<b>319</b>	<b>221</b>	<b>222</b>	<b>286</b>	<b>223</b>	<b>214</b>	<b>1,125</b>	<b>945</b>

# Portugal (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	222	213	211	211	216	213	214	213	858	856
Net fee income	98	91	92	96	98	99	96	98	377	390
Gains (losses) on financial transactions and other	22	42	20	26	44	42	22	21	110	129
<b>Total income</b>	<b>341</b>	<b>346</b>	<b>323</b>	<b>334</b>	<b>357</b>	<b>354</b>	<b>331</b>	<b>332</b>	<b>1,344</b>	<b>1,375</b>
Operating expenses	(159)	(165)	(157)	(162)	(157)	(154)	(155)	(156)	(644)	(623)
<b>Net operating income</b>	<b>182</b>	<b>181</b>	<b>165</b>	<b>171</b>	<b>200</b>	<b>200</b>	<b>176</b>	<b>175</b>	<b>700</b>	<b>751</b>
Net loan-loss provisions	(8)	(0)	(11)	(12)	13	(1)	(0)	(4)	(32)	8
Other gains (losses) and provisions	(9)	(22)	13	36	(20)	(13)	2	21	18	(9)
<b>Underlying profit before tax</b>	<b>166</b>	<b>159</b>	<b>166</b>	<b>195</b>	<b>193</b>	<b>186</b>	<b>178</b>	<b>192</b>	<b>686</b>	<b>750</b>
<b>Underlying consolidated profit</b>	<b>127</b>	<b>103</b>	<b>115</b>	<b>136</b>	<b>135</b>	<b>126</b>	<b>125</b>	<b>140</b>	<b>481</b>	<b>527</b>
<b>Underlying attributable profit</b>	<b>127</b>	<b>103</b>	<b>114</b>	<b>136</b>	<b>135</b>	<b>125</b>	<b>125</b>	<b>140</b>	<b>479</b>	<b>525</b>

# Poland (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	247	240	243	265	281	284	298	307	996	1,171
Net fee income	112	114	111	115	113	117	119	117	453	467
Gains (losses) on financial transactions and other	(26)	44	13	10	(18)	39	24	34	40	80
<b>Total income</b>	<b>333</b>	<b>398</b>	<b>367</b>	<b>390</b>	<b>377</b>	<b>440</b>	<b>442</b>	<b>459</b>	<b>1,488</b>	<b>1,717</b>
Operating expenses	(154)	(163)	(157)	(165)	(173)	(176)	(175)	(169)	(640)	(693)
<b>Net operating income</b>	<b>178</b>	<b>236</b>	<b>210</b>	<b>224</b>	<b>204</b>	<b>263</b>	<b>267</b>	<b>290</b>	<b>848</b>	<b>1,024</b>
Net loan-loss provisions	(46)	(41)	(33)	(41)	(43)	(64)	(59)	(51)	(161)	(217)
Other gains (losses) and provisions	(13)	(34)	(26)	(61)	(34)	(34)	(24)	(34)	(135)	(127)
<b>Underlying profit before tax</b>	<b>119</b>	<b>160</b>	<b>151</b>	<b>122</b>	<b>127</b>	<b>166</b>	<b>183</b>	<b>205</b>	<b>552</b>	<b>681</b>
<b>Underlying consolidated profit</b>	<b>89</b>	<b>131</b>	<b>114</b>	<b>88</b>	<b>89</b>	<b>130</b>	<b>139</b>	<b>153</b>	<b>422</b>	<b>511</b>
<b>Underlying attributable profit</b>	<b>63</b>	<b>92</b>	<b>80</b>	<b>61</b>	<b>61</b>	<b>89</b>	<b>95</b>	<b>104</b>	<b>296</b>	<b>349</b>

# Poland (PLN mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	1,031	1,025	1,047	1,139	1,209	1,216	1,288	1,317	4,242	5,030
Net fee income	469	487	478	493	488	499	514	504	1,928	2,005
Gains (losses) on financial transactions and other	(110)	183	54	41	(76)	168	104	147	168	343
<b>Total income</b>	<b>1,390</b>	<b>1,695</b>	<b>1,579</b>	<b>1,674</b>	<b>1,622</b>	<b>1,883</b>	<b>1,906</b>	<b>1,968</b>	<b>6,338</b>	<b>7,379</b>
Operating expenses	(646)	(693)	(676)	(710)	(745)	(755)	(754)	(726)	(2,725)	(2,979)
<b>Net operating income</b>	<b>745</b>	<b>1,002</b>	<b>904</b>	<b>963</b>	<b>877</b>	<b>1,128</b>	<b>1,152</b>	<b>1,242</b>	<b>3,613</b>	<b>4,399</b>
Net loan-loss provisions	(191)	(175)	(143)	(177)	(186)	(272)	(256)	(217)	(687)	(931)
Other gains (losses) and provisions	(55)	(146)	(113)	(261)	(145)	(146)	(106)	(147)	(575)	(544)
<b>Underlying profit before tax</b>	<b>499</b>	<b>681</b>	<b>648</b>	<b>525</b>	<b>546</b>	<b>710</b>	<b>791</b>	<b>878</b>	<b>2,352</b>	<b>2,925</b>
<b>Underlying consolidated profit</b>	<b>371</b>	<b>557</b>	<b>489</b>	<b>379</b>	<b>385</b>	<b>556</b>	<b>600</b>	<b>655</b>	<b>1,796</b>	<b>2,195</b>
<b>Underlying attributable profit</b>	<b>262</b>	<b>391</b>	<b>344</b>	<b>263</b>	<b>264</b>	<b>379</b>	<b>409</b>	<b>446</b>	<b>1,259</b>	<b>1,498</b>

# Other Europe (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	127	71	111	147	139	159	166	155	456	620
Net fee income	60	77	64	71	62	56	52	63	272	234
Gains (losses) on financial transactions and other	196	(27)	32	139	60	(7)	(8)	68	340	112
<b>Total income</b>	<b>382</b>	<b>122</b>	<b>207</b>	<b>357</b>	<b>261</b>	<b>209</b>	<b>211</b>	<b>286</b>	<b>1,068</b>	<b>966</b>
Operating expenses	(181)	(181)	(182)	(174)	(200)	(208)	(205)	(219)	(718)	(833)
<b>Net operating income</b>	<b>202</b>	<b>(59)</b>	<b>24</b>	<b>183</b>	<b>61</b>	<b>0</b>	<b>5</b>	<b>66</b>	<b>350</b>	<b>133</b>
Net loan-loss provisions	0	(36)	1	(24)	(2)	(16)	(3)	(23)	(59)	(44)
Other gains (losses) and provisions	(7)	(4)	(0)	(28)	(7)	(4)	(7)	4	(40)	(14)
<b>Underlying profit before tax</b>	<b>194</b>	<b>(99)</b>	<b>25</b>	<b>131</b>	<b>52</b>	<b>(19)</b>	<b>(5)</b>	<b>48</b>	<b>251</b>	<b>76</b>
<b>Underlying consolidated profit</b>	<b>132</b>	<b>(86)</b>	<b>15</b>	<b>96</b>	<b>33</b>	<b>(21)</b>	<b>(8)</b>	<b>27</b>	<b>157</b>	<b>31</b>
<b>Underlying attributable profit</b>	<b>132</b>	<b>(87)</b>	<b>15</b>	<b>94</b>	<b>32</b>	<b>(22)</b>	<b>(8)</b>	<b>26</b>	<b>154</b>	<b>28</b>

# Other Europe (Constant EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	129	72	111	147	139	159	166	155	459	620
Net fee income	62	78	65	71	62	57	52	63	276	234
Gains (losses) on financial transactions and other	197	(26)	33	140	60	(7)	(8)	67	344	112
<b>Total income</b>	<b>388</b>	<b>124</b>	<b>209</b>	<b>358</b>	<b>262</b>	<b>209</b>	<b>210</b>	<b>285</b>	<b>1,079</b>	<b>966</b>
Operating expenses	(184)	(184)	(184)	(175)	(200)	(208)	(205)	(219)	(727)	(833)
<b>Net operating income</b>	<b>204</b>	<b>(59)</b>	<b>25</b>	<b>183</b>	<b>61</b>	<b>1</b>	<b>5</b>	<b>66</b>	<b>353</b>	<b>133</b>
Net loan-loss provisions	(0)	(36)	1	(24)	(2)	(16)	(3)	(23)	(59)	(44)
Other gains (losses) and provisions	(8)	(4)	(0)	(28)	(7)	(4)	(7)	4	(40)	(14)
<b>Underlying profit before tax</b>	<b>196</b>	<b>(99)</b>	<b>26</b>	<b>131</b>	<b>53</b>	<b>(19)</b>	<b>(5)</b>	<b>48</b>	<b>253</b>	<b>76</b>
<b>Underlying consolidated profit</b>	<b>134</b>	<b>(86)</b>	<b>15</b>	<b>96</b>	<b>34</b>	<b>(21)</b>	<b>(8)</b>	<b>27</b>	<b>159</b>	<b>31</b>
<b>Underlying attributable profit</b>	<b>133</b>	<b>(87)</b>	<b>16</b>	<b>94</b>	<b>32</b>	<b>(22)</b>	<b>(8)</b>	<b>26</b>	<b>156</b>	<b>28</b>



# North America (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	1,869	1,933	2,065	2,286	2,173	2,230	2,259	2,265	8,154	8,926
Net fee income	402	408	407	399	439	463	448	427	1,615	1,776
Gains (losses) on financial transactions and other	138	197	194	178	142	226	277	257	707	902
<b>Total income</b>	<b>2,409</b>	<b>2,538</b>	<b>2,666</b>	<b>2,863</b>	<b>2,753</b>	<b>2,918</b>	<b>2,983</b>	<b>2,949</b>	<b>10,476</b>	<b>11,604</b>
Operating expenses	(1,078)	(1,103)	(1,134)	(1,173)	(1,172)	(1,214)	(1,267)	(1,314)	(4,488)	(4,968)
<b>Net operating income</b>	<b>1,331</b>	<b>1,435</b>	<b>1,532</b>	<b>1,690</b>	<b>1,581</b>	<b>1,705</b>	<b>1,716</b>	<b>1,634</b>	<b>5,988</b>	<b>6,636</b>
Net loan-loss provisions	(779)	(634)	(876)	(1,159)	(804)	(793)	(1,009)	(1,050)	(3,449)	(3,656)
Other gains (losses) and provisions	(26)	(62)	(74)	(40)	(64)	(31)	(79)	(31)	(202)	(205)
<b>Underlying profit before tax</b>	<b>526</b>	<b>739</b>	<b>581</b>	<b>491</b>	<b>713</b>	<b>881</b>	<b>628</b>	<b>554</b>	<b>2,337</b>	<b>2,776</b>
<b>Underlying consolidated profit</b>	<b>397</b>	<b>535</b>	<b>423</b>	<b>383</b>	<b>526</b>	<b>664</b>	<b>481</b>	<b>422</b>	<b>1,738</b>	<b>2,092</b>
<b>Underlying attributable profit</b>	<b>298</b>	<b>393</b>	<b>318</b>	<b>296</b>	<b>386</b>	<b>503</b>	<b>388</b>	<b>389</b>	<b>1,304</b>	<b>1,667</b>

# North America (Constant EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	2,034	2,063	2,136	2,359	2,203	2,234	2,250	2,240	8,592	8,926
Net fee income	435	436	419	411	444	463	446	422	1,701	1,776
Gains (losses) on financial transactions and other	152	210	201	182	144	227	276	255	745	902
<b>Total income</b>	<b>2,621</b>	<b>2,708</b>	<b>2,756</b>	<b>2,953</b>	<b>2,791</b>	<b>2,924</b>	<b>2,972</b>	<b>2,917</b>	<b>11,038</b>	<b>11,604</b>
Operating expenses	(1,174)	(1,176)	(1,171)	(1,208)	(1,188)	(1,216)	(1,262)	(1,301)	(4,729)	(4,968)
<b>Net operating income</b>	<b>1,447</b>	<b>1,532</b>	<b>1,585</b>	<b>1,745</b>	<b>1,603</b>	<b>1,708</b>	<b>1,709</b>	<b>1,616</b>	<b>6,309</b>	<b>6,636</b>
Net loan-loss provisions	(850)	(674)	(910)	(1,201)	(815)	(795)	(1,006)	(1,040)	(3,634)	(3,656)
Other gains (losses) and provisions	(28)	(66)	(78)	(41)	(65)	(31)	(79)	(30)	(213)	(205)
<b>Underlying profit before tax</b>	<b>569</b>	<b>792</b>	<b>596</b>	<b>504</b>	<b>723</b>	<b>883</b>	<b>625</b>	<b>545</b>	<b>2,462</b>	<b>2,776</b>
<b>Underlying consolidated profit</b>	<b>430</b>	<b>573</b>	<b>434</b>	<b>394</b>	<b>533</b>	<b>665</b>	<b>479</b>	<b>416</b>	<b>1,831</b>	<b>2,092</b>
<b>Underlying attributable profit</b>	<b>322</b>	<b>421</b>	<b>326</b>	<b>305</b>	<b>392</b>	<b>504</b>	<b>387</b>	<b>384</b>	<b>1,374</b>	<b>1,667</b>

# United States (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	1,221	1,281	1,337	1,553	1,407	1,453	1,460	1,449	5,391	5,769
Net fee income	214	219	208	217	234	244	238	230	859	947
Gains (losses) on financial transactions and other	143	170	190	196	174	222	278	215	699	889
<b>Total income</b>	<b>1,578</b>	<b>1,670</b>	<b>1,735</b>	<b>1,967</b>	<b>1,815</b>	<b>1,920</b>	<b>1,977</b>	<b>1,894</b>	<b>6,949</b>	<b>7,605</b>
Operating expenses	(736)	(738)	(749)	(796)	(775)	(805)	(847)	(869)	(3,019)	(3,297)
<b>Net operating income</b>	<b>842</b>	<b>931</b>	<b>986</b>	<b>1,171</b>	<b>1,039</b>	<b>1,115</b>	<b>1,130</b>	<b>1,025</b>	<b>3,930</b>	<b>4,309</b>
Net loan-loss provisions	(579)	(445)	(649)	(945)	(611)	(568)	(786)	(828)	(2,618)	(2,792)
Other gains (losses) and provisions	(23)	(50)	(69)	(57)	(58)	(26)	(76)	(39)	(199)	(200)
<b>Underlying profit before tax</b>	<b>240</b>	<b>436</b>	<b>268</b>	<b>169</b>	<b>370</b>	<b>521</b>	<b>267</b>	<b>158</b>	<b>1,113</b>	<b>1,317</b>
<b>Underlying consolidated profit</b>	<b>173</b>	<b>297</b>	<b>174</b>	<b>122</b>	<b>260</b>	<b>383</b>	<b>196</b>	<b>109</b>	<b>767</b>	<b>947</b>
<b>Underlying attributable profit</b>	<b>124</b>	<b>209</b>	<b>124</b>	<b>91</b>	<b>181</b>	<b>284</b>	<b>154</b>	<b>98</b>	<b>549</b>	<b>717</b>

# United States (USD mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	1,500	1,526	1,555	1,780	1,598	1,633	1,623	1,604	6,361	6,457
Net fee income	263	261	241	248	266	275	264	255	1,013	1,059
Gains (losses) on financial transactions and other	176	203	222	225	197	250	310	238	825	996
<b>Total income</b>	<b>1,940</b>	<b>1,990</b>	<b>2,018</b>	<b>2,252</b>	<b>2,061</b>	<b>2,158</b>	<b>2,198</b>	<b>2,096</b>	<b>8,199</b>	<b>8,513</b>
Operating expenses	(905)	(879)	(869)	(908)	(881)	(905)	(942)	(963)	(3,562)	(3,690)
<b>Net operating income</b>	<b>1,035</b>	<b>1,111</b>	<b>1,148</b>	<b>1,344</b>	<b>1,180</b>	<b>1,253</b>	<b>1,256</b>	<b>1,134</b>	<b>4,637</b>	<b>4,823</b>
Net loan-loss provisions	(712)	(528)	(758)	(1,092)	(694)	(637)	(876)	(918)	(3,089)	(3,126)
Other gains (losses) and provisions	(28)	(60)	(81)	(65)	(66)	(29)	(85)	(43)	(235)	(223)
<b>Underlying profit before tax</b>	<b>295</b>	<b>523</b>	<b>308</b>	<b>187</b>	<b>420</b>	<b>586</b>	<b>295</b>	<b>172</b>	<b>1,313</b>	<b>1,474</b>
<b>Underlying consolidated profit</b>	<b>213</b>	<b>356</b>	<b>200</b>	<b>135</b>	<b>295</b>	<b>431</b>	<b>216</b>	<b>118</b>	<b>905</b>	<b>1,060</b>
<b>Underlying attributable profit</b>	<b>153</b>	<b>251</b>	<b>143</b>	<b>101</b>	<b>206</b>	<b>319</b>	<b>170</b>	<b>107</b>	<b>648</b>	<b>803</b>

# Mexico (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	649	653	728	733	766	777	798	816	2,763	3,157
Net fee income	187	188	199	181	204	218	210	197	756	829
Gains (losses) on financial transactions and other	(5)	27	3	(18)	(32)	4	(1)	42	8	13
<b>Total income</b>	<b>831</b>	<b>868</b>	<b>931</b>	<b>897</b>	<b>939</b>	<b>999</b>	<b>1,007</b>	<b>1,054</b>	<b>3,527</b>	<b>3,998</b>
Operating expenses	(342)	(364)	(385)	(378)	(397)	(409)	(420)	(445)	(1,469)	(1,671)
<b>Net operating income</b>	<b>489</b>	<b>504</b>	<b>546</b>	<b>519</b>	<b>542</b>	<b>590</b>	<b>586</b>	<b>609</b>	<b>2,058</b>	<b>2,327</b>
Net loan-loss provisions	(200)	(189)	(227)	(215)	(193)	(225)	(223)	(222)	(830)	(863)
Other gains (losses) and provisions	(3)	(12)	(5)	17	(6)	(5)	(3)	8	(3)	(5)
<b>Underlying profit before tax</b>	<b>286</b>	<b>303</b>	<b>313</b>	<b>321</b>	<b>343</b>	<b>360</b>	<b>361</b>	<b>395</b>	<b>1,224</b>	<b>1,459</b>
<b>Underlying consolidated profit</b>	<b>224</b>	<b>237</b>	<b>249</b>	<b>261</b>	<b>266</b>	<b>280</b>	<b>286</b>	<b>313</b>	<b>971</b>	<b>1,145</b>
<b>Underlying attributable profit</b>	<b>173</b>	<b>183</b>	<b>194</b>	<b>205</b>	<b>205</b>	<b>219</b>	<b>234</b>	<b>291</b>	<b>755</b>	<b>950</b>

# Mexico (MXN mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	14,945	15,080	16,086	16,573	16,703	16,694	17,231	17,393	62,685	68,021
Net fee income	4,312	4,355	4,390	4,098	4,455	4,695	4,535	4,188	17,153	17,873
Gains (losses) on financial transactions and other	(114)	623	71	(407)	(687)	83	(31)	906	173	270
<b>Total income</b>	<b>19,143</b>	<b>20,058</b>	<b>20,546</b>	<b>20,264</b>	<b>20,471</b>	<b>21,471</b>	<b>21,735</b>	<b>22,487</b>	<b>80,011</b>	<b>86,164</b>
Operating expenses	(7,870)	(8,418)	(8,504)	(8,534)	(8,655)	(8,786)	(9,076)	(9,501)	(33,326)	(36,017)
<b>Net operating income</b>	<b>11,273</b>	<b>11,640</b>	<b>12,043</b>	<b>11,730</b>	<b>11,816</b>	<b>12,685</b>	<b>12,659</b>	<b>12,987</b>	<b>46,685</b>	<b>50,146</b>
Net loan-loss provisions	(4,610)	(4,357)	(5,020)	(4,853)	(4,211)	(4,850)	(4,813)	(4,725)	(18,840)	(18,599)
Other gains (losses) and provisions	(72)	(272)	(115)	383	(120)	(105)	(59)	175	(77)	(110)
<b>Underlying profit before tax</b>	<b>6,591</b>	<b>7,011</b>	<b>6,908</b>	<b>7,259</b>	<b>7,485</b>	<b>7,729</b>	<b>7,787</b>	<b>8,437</b>	<b>27,769</b>	<b>31,438</b>
<b>Underlying consolidated profit</b>	<b>5,155</b>	<b>5,484</b>	<b>5,491</b>	<b>5,892</b>	<b>5,804</b>	<b>6,028</b>	<b>6,167</b>	<b>6,682</b>	<b>22,021</b>	<b>24,681</b>
<b>Underlying attributable profit</b>	<b>3,995</b>	<b>4,233</b>	<b>4,281</b>	<b>4,626</b>	<b>4,472</b>	<b>4,713</b>	<b>5,059</b>	<b>6,219</b>	<b>17,135</b>	<b>20,462</b>

# South America (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	3,298	3,259	2,952	3,382	3,222	3,425	3,314	3,356	12,891	13,316
Net fee income	1,189	1,151	903	1,254	1,178	1,178	1,204	1,228	4,497	4,787
Gains (losses) on financial transactions and other	123	131	28	4	88	45	59	130	286	322
<b>Total income</b>	<b>4,610</b>	<b>4,541</b>	<b>3,883</b>	<b>4,640</b>	<b>4,487</b>	<b>4,647</b>	<b>4,577</b>	<b>4,714</b>	<b>17,674</b>	<b>18,425</b>
Operating expenses	(1,716)	(1,645)	(1,353)	(1,843)	(1,645)	(1,664)	(1,586)	(1,762)	(6,558)	(6,656)
<b>Net operating income</b>	<b>2,894</b>	<b>2,896</b>	<b>2,530</b>	<b>2,797</b>	<b>2,842</b>	<b>2,984</b>	<b>2,991</b>	<b>2,953</b>	<b>11,117</b>	<b>11,769</b>
Net loan-loss provisions	(1,010)	(948)	(810)	(968)	(903)	(956)	(916)	(1,015)	(3,736)	(3,789)
Other gains (losses) and provisions	(152)	(181)	(153)	(177)	(154)	(151)	(193)	(249)	(663)	(748)
<b>Underlying profit before tax</b>	<b>1,732</b>	<b>1,767</b>	<b>1,566</b>	<b>1,652</b>	<b>1,785</b>	<b>1,876</b>	<b>1,882</b>	<b>1,688</b>	<b>6,717</b>	<b>7,232</b>
<b>Underlying consolidated profit</b>	<b>1,077</b>	<b>1,084</b>	<b>895</b>	<b>1,020</b>	<b>1,093</b>	<b>1,205</b>	<b>1,184</b>	<b>1,107</b>	<b>4,076</b>	<b>4,588</b>
<b>Underlying attributable profit</b>	<b>920</b>	<b>926</b>	<b>747</b>	<b>858</b>	<b>926</b>	<b>1,035</b>	<b>1,016</b>	<b>947</b>	<b>3,451</b>	<b>3,924</b>

# South America (Constant EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	2,887	3,016	3,149	3,134	3,064	3,328	3,408	3,516	12,186	13,316
Net fee income	1,009	1,039	1,007	1,120	1,111	1,140	1,248	1,288	4,177	4,787
Gains (losses) on financial transactions and other	95	91	74	20	84	53	55	131	279	322
<b>Total income</b>	<b>3,991</b>	<b>4,146</b>	<b>4,230</b>	<b>4,274</b>	<b>4,259</b>	<b>4,521</b>	<b>4,711</b>	<b>4,935</b>	<b>16,642</b>	<b>18,425</b>
Operating expenses	(1,444)	(1,473)	(1,502)	(1,621)	(1,540)	(1,594)	(1,669)	(1,853)	(6,040)	(6,656)
<b>Net operating income</b>	<b>2,547</b>	<b>2,673</b>	<b>2,728</b>	<b>2,653</b>	<b>2,719</b>	<b>2,927</b>	<b>3,042</b>	<b>3,081</b>	<b>10,602</b>	<b>11,769</b>
Net loan-loss provisions	(891)	(875)	(869)	(894)	(856)	(933)	(943)	(1,058)	(3,529)	(3,789)
Other gains (losses) and provisions	(127)	(152)	(176)	(172)	(144)	(152)	(195)	(257)	(628)	(748)
<b>Underlying profit before tax</b>	<b>1,528</b>	<b>1,646</b>	<b>1,683</b>	<b>1,588</b>	<b>1,720</b>	<b>1,841</b>	<b>1,904</b>	<b>1,766</b>	<b>6,445</b>	<b>7,232</b>
<b>Underlying consolidated profit</b>	<b>946</b>	<b>1,005</b>	<b>978</b>	<b>989</b>	<b>1,055</b>	<b>1,180</b>	<b>1,197</b>	<b>1,156</b>	<b>3,918</b>	<b>4,588</b>
<b>Underlying attributable profit</b>	<b>802</b>	<b>854</b>	<b>828</b>	<b>829</b>	<b>894</b>	<b>1,012</b>	<b>1,029</b>	<b>989</b>	<b>3,313</b>	<b>3,924</b>



# Brazil (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	2,482	2,424	2,377	2,475	2,459	2,520	2,560	2,534	9,758	10,072
Net fee income	920	872	776	929	931	924	970	974	3,497	3,798
Gains (losses) on financial transactions and other	42	27	27	(8)	21	9	(7)	57	89	81
<b>Total income</b>	<b>3,445</b>	<b>3,323</b>	<b>3,180</b>	<b>3,396</b>	<b>3,411</b>	<b>3,453</b>	<b>3,522</b>	<b>3,565</b>	<b>13,345</b>	<b>13,951</b>
Operating expenses	(1,169)	(1,100)	(1,036)	(1,196)	(1,125)	(1,102)	(1,137)	(1,242)	(4,500)	(4,606)
<b>Net operating income</b>	<b>2,276</b>	<b>2,224</b>	<b>2,145</b>	<b>2,201</b>	<b>2,286</b>	<b>2,351</b>	<b>2,385</b>	<b>2,323</b>	<b>8,845</b>	<b>9,345</b>
Net loan-loss provisions	(822)	(750)	(665)	(726)	(710)	(761)	(753)	(813)	(2,963)	(3,036)
Other gains (losses) and provisions	(154)	(170)	(174)	(198)	(167)	(153)	(178)	(205)	(697)	(704)
<b>Underlying profit before tax</b>	<b>1,300</b>	<b>1,303</b>	<b>1,306</b>	<b>1,276</b>	<b>1,409</b>	<b>1,438</b>	<b>1,454</b>	<b>1,305</b>	<b>5,185</b>	<b>5,606</b>
<b>Underlying consolidated profit</b>	<b>758</b>	<b>726</b>	<b>695</b>	<b>749</b>	<b>816</b>	<b>856</b>	<b>862</b>	<b>777</b>	<b>2,927</b>	<b>3,311</b>
<b>Underlying attributable profit</b>	<b>674</b>	<b>643</b>	<b>615</b>	<b>659</b>	<b>721</b>	<b>762</b>	<b>767</b>	<b>689</b>	<b>2,592</b>	<b>2,939</b>

# Brazil (BRL mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	9,898	10,383	10,874	10,747	10,516	11,095	11,272	11,534	41,903	44,416
Net fee income	3,670	3,738	3,577	4,032	3,980	4,070	4,271	4,429	15,017	16,750
Gains (losses) on financial transactions and other	169	119	128	(32)	91	41	(31)	254	384	355
<b>Total income</b>	<b>13,737</b>	<b>14,241</b>	<b>14,579</b>	<b>14,747</b>	<b>14,587</b>	<b>15,206</b>	<b>15,511</b>	<b>16,216</b>	<b>57,304</b>	<b>61,521</b>
Operating expenses	(4,662)	(4,716)	(4,756)	(5,188)	(4,810)	(4,857)	(5,007)	(5,636)	(19,323)	(20,310)
<b>Net operating income</b>	<b>9,075</b>	<b>9,525</b>	<b>9,823</b>	<b>9,559</b>	<b>9,777</b>	<b>10,350</b>	<b>10,504</b>	<b>10,580</b>	<b>37,981</b>	<b>41,211</b>
Net loan-loss provisions	(3,276)	(3,220)	(3,070)	(3,155)	(3,037)	(3,347)	(3,314)	(3,690)	(12,721)	(13,387)
Other gains (losses) and provisions	(615)	(727)	(793)	(859)	(716)	(673)	(785)	(928)	(2,994)	(3,103)
<b>Underlying profit before tax</b>	<b>5,184</b>	<b>5,578</b>	<b>5,960</b>	<b>5,545</b>	<b>6,024</b>	<b>6,330</b>	<b>6,405</b>	<b>5,962</b>	<b>22,266</b>	<b>24,721</b>
<b>Underlying consolidated profit</b>	<b>3,021</b>	<b>3,114</b>	<b>3,185</b>	<b>3,250</b>	<b>3,491</b>	<b>3,769</b>	<b>3,795</b>	<b>3,546</b>	<b>12,570</b>	<b>14,601</b>
<b>Underlying attributable profit</b>	<b>2,687</b>	<b>2,758</b>	<b>2,822</b>	<b>2,863</b>	<b>3,082</b>	<b>3,353</b>	<b>3,376</b>	<b>3,147</b>	<b>11,130</b>	<b>12,958</b>

# Chile (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	490	495	481	477	440	500	462	464	1,944	1,867
Net fee income	111	117	101	95	103	97	102	102	424	404
Gains (losses) on financial transactions and other	40	30	49	49	56	59	82	71	168	268
<b>Total income</b>	<b>640</b>	<b>642</b>	<b>632</b>	<b>622</b>	<b>600</b>	<b>656</b>	<b>646</b>	<b>638</b>	<b>2,535</b>	<b>2,539</b>
Operating expenses	(259)	(273)	(257)	(259)	(255)	(269)	(260)	(246)	(1,047)	(1,031)
<b>Net operating income</b>	<b>381</b>	<b>369</b>	<b>374</b>	<b>363</b>	<b>344</b>	<b>387</b>	<b>386</b>	<b>392</b>	<b>1,488</b>	<b>1,508</b>
Net loan-loss provisions	(121)	(115)	(117)	(120)	(102)	(105)	(106)	(130)	(473)	(443)
Other gains (losses) and provisions	22	32	19	31	37	(1)	15	12	103	63
<b>Underlying profit before tax</b>	<b>282</b>	<b>287</b>	<b>276</b>	<b>274</b>	<b>279</b>	<b>281</b>	<b>295</b>	<b>274</b>	<b>1,118</b>	<b>1,129</b>
<b>Underlying consolidated profit</b>	<b>222</b>	<b>231</b>	<b>220</b>	<b>226</b>	<b>219</b>	<b>237</b>	<b>234</b>	<b>229</b>	<b>899</b>	<b>919</b>
<b>Underlying attributable profit</b>	<b>150</b>	<b>157</b>	<b>152</b>	<b>153</b>	<b>148</b>	<b>163</b>	<b>162</b>	<b>157</b>	<b>612</b>	<b>630</b>

# Chile (CLP mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	362,502	366,847	370,827	370,410	333,439	383,545	363,195	386,260	1,470,585	1,466,440
Net fee income	81,758	86,556	78,318	73,959	78,010	74,473	80,052	85,052	320,592	317,587
Gains (losses) on financial transactions and other	29,304	22,193	37,699	38,131	42,713	45,387	63,719	58,999	127,326	210,818
<b>Total income</b>	<b>473,564</b>	<b>475,595</b>	<b>486,844</b>	<b>482,500</b>	<b>454,162</b>	<b>503,405</b>	<b>506,966</b>	<b>530,311</b>	<b>1,918,503</b>	<b>1,994,844</b>
Operating expenses	(191,398)	(202,047)	(198,556)	(200,524)	(193,440)	(206,641)	(204,239)	(205,576)	(792,525)	(809,897)
<b>Net operating income</b>	<b>282,166</b>	<b>273,549</b>	<b>288,288</b>	<b>281,976</b>	<b>260,722</b>	<b>296,763</b>	<b>302,727</b>	<b>324,735</b>	<b>1,125,978</b>	<b>1,184,948</b>
Net loan-loss provisions	(89,852)	(84,920)	(90,252)	(93,034)	(77,584)	(80,828)	(83,231)	(106,535)	(358,059)	(348,178)
Other gains (losses) and provisions	16,034	23,790	14,617	23,614	28,393	(417)	11,726	10,140	78,054	49,841
<b>Underlying profit before tax</b>	<b>208,348</b>	<b>212,419</b>	<b>212,652</b>	<b>212,555</b>	<b>211,531</b>	<b>215,518</b>	<b>231,222</b>	<b>228,340</b>	<b>845,974</b>	<b>886,611</b>
<b>Underlying consolidated profit</b>	<b>164,447</b>	<b>171,185</b>	<b>169,725</b>	<b>174,910</b>	<b>165,949</b>	<b>182,169</b>	<b>183,336</b>	<b>190,253</b>	<b>680,267</b>	<b>721,707</b>
<b>Underlying attributable profit</b>	<b>111,006</b>	<b>116,570</b>	<b>117,196</b>	<b>118,562</b>	<b>112,355</b>	<b>125,176</b>	<b>126,756</b>	<b>130,587</b>	<b>463,334</b>	<b>494,874</b>

# Argentina (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	214	234	(6)	327	213	298	180	250	768	940
Net fee income	129	133	(6)	192	116	125	88	118	448	446
Gains (losses) on financial transactions and other	34	63	(58)	(46)	2	(33)	(31)	(8)	(7)	(70)
<b>Total income</b>	<b>377</b>	<b>430</b>	<b>(70)</b>	<b>472</b>	<b>331</b>	<b>389</b>	<b>237</b>	<b>359</b>	<b>1,209</b>	<b>1,316</b>
Operating expenses	(219)	(208)	(1)	(324)	(202)	(229)	(122)	(209)	(751)	(762)
<b>Net operating income</b>	<b>158</b>	<b>222</b>	<b>(71)</b>	<b>148</b>	<b>129</b>	<b>161</b>	<b>115</b>	<b>150</b>	<b>458</b>	<b>554</b>
Net loan-loss provisions	(49)	(75)	(7)	(99)	(73)	(70)	(39)	(53)	(231)	(235)
Other gains (losses) and provisions	(17)	(41)	4	9	(22)	3	(28)	(54)	(45)	(101)
<b>Underlying profit before tax</b>	<b>92</b>	<b>107</b>	<b>(73)</b>	<b>58</b>	<b>34</b>	<b>94</b>	<b>47</b>	<b>43</b>	<b>183</b>	<b>217</b>
<b>Underlying consolidated profit</b>	<b>66</b>	<b>71</b>	<b>(71)</b>	<b>17</b>	<b>10</b>	<b>63</b>	<b>24</b>	<b>47</b>	<b>83</b>	<b>145</b>
<b>Underlying attributable profit</b>	<b>66</b>	<b>71</b>	<b>(71)</b>	<b>17</b>	<b>10</b>	<b>63</b>	<b>23</b>	<b>47</b>	<b>82</b>	<b>144</b>

# Argentina (ARS mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	5,172	6,385	7,820	8,507	10,117	14,548	18,638	19,924	27,885	63,227
Net fee income	3,121	3,660	4,472	5,022	5,486	6,131	8,976	9,403	16,275	29,996
Gains (losses) on financial transactions and other	824	1,683	(799)	(1,972)	102	(1,596)	(2,372)	(847)	(265)	(4,713)
<b>Total income</b>	<b>9,117</b>	<b>11,729</b>	<b>11,492</b>	<b>11,557</b>	<b>15,704</b>	<b>19,083</b>	<b>25,243</b>	<b>28,480</b>	<b>43,896</b>	<b>88,510</b>
Operating expenses	(5,291)	(5,722)	(7,738)	(8,523)	(9,602)	(11,210)	(13,861)	(16,583)	(27,275)	(51,256)
<b>Net operating income</b>	<b>3,826</b>	<b>6,006</b>	<b>3,755</b>	<b>3,034</b>	<b>6,102</b>	<b>7,872</b>	<b>11,382</b>	<b>11,897</b>	<b>16,621</b>	<b>37,254</b>
Net loan-loss provisions	(1,196)	(2,021)	(2,546)	(2,615)	(3,441)	(3,459)	(4,538)	(4,391)	(8,379)	(15,829)
Other gains (losses) and provisions	(411)	(1,077)	(849)	721	(1,067)	131	(2,040)	(3,831)	(1,616)	(6,807)
<b>Underlying profit before tax</b>	<b>2,218</b>	<b>2,908</b>	<b>360</b>	<b>1,140</b>	<b>1,594</b>	<b>4,544</b>	<b>4,805</b>	<b>3,674</b>	<b>6,626</b>	<b>14,617</b>
<b>Underlying consolidated profit</b>	<b>1,600</b>	<b>1,950</b>	<b>(644)</b>	<b>99</b>	<b>497</b>	<b>3,056</b>	<b>2,574</b>	<b>3,636</b>	<b>3,005</b>	<b>9,762</b>
<b>Underlying attributable profit</b>	<b>1,589</b>	<b>1,935</b>	<b>(649)</b>	<b>107</b>	<b>490</b>	<b>3,043</b>	<b>2,519</b>	<b>3,600</b>	<b>2,982</b>	<b>9,653</b>

# Other South America (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	112	106	100	103	109	108	112	108	421	437
Net fee income	29	29	31	38	29	32	44	34	128	138
Gains (losses) on financial transactions and other	7	11	9	8	8	9	16	10	36	43
<b>Total income</b>	<b>148</b>	<b>146</b>	<b>141</b>	<b>150</b>	<b>146</b>	<b>149</b>	<b>172</b>	<b>153</b>	<b>585</b>	<b>619</b>
Operating expenses	(70)	(65)	(59)	(65)	(63)	(64)	(67)	(64)	(259)	(257)
<b>Net operating income</b>	<b>78</b>	<b>81</b>	<b>81</b>	<b>84</b>	<b>83</b>	<b>85</b>	<b>105</b>	<b>88</b>	<b>326</b>	<b>362</b>
Net loan-loss provisions	(17)	(9)	(22)	(22)	(18)	(20)	(18)	(20)	(70)	(75)
Other gains (losses) and provisions	(3)	(2)	(2)	(18)	(2)	(1)	(2)	(2)	(24)	(7)
<b>Underlying profit before tax</b>	<b>59</b>	<b>71</b>	<b>58</b>	<b>44</b>	<b>63</b>	<b>64</b>	<b>86</b>	<b>66</b>	<b>231</b>	<b>280</b>
<b>Underlying consolidated profit</b>	<b>31</b>	<b>55</b>	<b>51</b>	<b>29</b>	<b>47</b>	<b>48</b>	<b>64</b>	<b>54</b>	<b>166</b>	<b>213</b>
<b>Underlying attributable profit</b>	<b>31</b>	<b>55</b>	<b>51</b>	<b>29</b>	<b>47</b>	<b>47</b>	<b>64</b>	<b>54</b>	<b>165</b>	<b>212</b>

# Other South America (Constant EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	104	99	94	99	105	107	113	113	397	437
Net fee income	27	27	30	37	27	31	44	36	121	138
Gains (losses) on financial transactions and other	7	10	9	8	8	9	16	10	34	43
<b>Total income</b>	<b>138</b>	<b>137</b>	<b>134</b>	<b>144</b>	<b>140</b>	<b>148</b>	<b>172</b>	<b>159</b>	<b>552</b>	<b>619</b>
Operating expenses	(65)	(61)	(56)	(62)	(60)	(63)	(67)	(67)	(244)	(257)
<b>Net operating income</b>	<b>73</b>	<b>76</b>	<b>78</b>	<b>82</b>	<b>80</b>	<b>85</b>	<b>106</b>	<b>92</b>	<b>308</b>	<b>362</b>
Net loan-loss provisions	(16)	(7)	(20)	(21)	(17)	(20)	(18)	(21)	(64)	(75)
Other gains (losses) and provisions	(2)	(2)	(2)	(18)	(2)	(1)	(2)	(3)	(24)	(7)
<b>Underlying profit before tax</b>	<b>55</b>	<b>67</b>	<b>56</b>	<b>43</b>	<b>61</b>	<b>64</b>	<b>86</b>	<b>69</b>	<b>220</b>	<b>280</b>
<b>Underlying consolidated profit</b>	<b>28</b>	<b>52</b>	<b>49</b>	<b>28</b>	<b>45</b>	<b>47</b>	<b>64</b>	<b>56</b>	<b>157</b>	<b>213</b>
<b>Underlying attributable profit</b>	<b>28</b>	<b>52</b>	<b>49</b>	<b>28</b>	<b>45</b>	<b>47</b>	<b>64</b>	<b>56</b>	<b>155</b>	<b>212</b>



# Santander Global Platform (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	18	20	20	20	22	23	23	23	79	92
Net fee income	1	1	1	4	2	1	2	2	7	6
Gains (losses) on financial transactions and other	(4)	(3)	(3)	(2)	(5)	(4)	(1)	(7)	(12)	(17)
<b>Total income</b>	<b>16</b>	<b>18</b>	<b>19</b>	<b>21</b>	<b>19</b>	<b>20</b>	<b>24</b>	<b>18</b>	<b>74</b>	<b>81</b>
Operating expenses	(23)	(39)	(32)	(49)	(41)	(67)	(60)	(72)	(142)	(240)
<b>Net operating income</b>	<b>(7)</b>	<b>(21)</b>	<b>(13)</b>	<b>(28)</b>	<b>(22)</b>	<b>(47)</b>	<b>(36)</b>	<b>(54)</b>	<b>(68)</b>	<b>(159)</b>
Net loan-loss provisions	0	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(1)
Other gains (losses) and provisions	(1)	(0)	(1)	(0)	(1)	(0)	(1)	(4)	(2)	(6)
<b>Underlying profit before tax</b>	<b>(7)</b>	<b>(21)</b>	<b>(13)</b>	<b>(28)</b>	<b>(23)</b>	<b>(47)</b>	<b>(37)</b>	<b>(58)</b>	<b>(70)</b>	<b>(166)</b>
<b>Underlying consolidated profit</b>	<b>(9)</b>	<b>(14)</b>	<b>(10)</b>	<b>(22)</b>	<b>(11)</b>	<b>(40)</b>	<b>(26)</b>	<b>(43)</b>	<b>(54)</b>	<b>(120)</b>
<b>Underlying attributable profit</b>	<b>(9)</b>	<b>(14)</b>	<b>(10)</b>	<b>(22)</b>	<b>(11)</b>	<b>(40)</b>	<b>(26)</b>	<b>(43)</b>	<b>(54)</b>	<b>(120)</b>

# Corporate Centre (EUR mn)

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	2018	2019
Net interest income	(234)	(243)	(251)	(259)	(296)	(304)	(319)	(333)	(987)	(1,252)
Net fee income	(9)	(9)	(24)	(28)	(14)	(13)	(9)	(15)	(69)	(50)
Gains (losses) on financial transactions and other	7	(7)	9	(10)	(90)	(106)	(85)	(34)	(1)	(315)
<b>Total income</b>	<b>(236)</b>	<b>(258)</b>	<b>(266)</b>	<b>(297)</b>	<b>(399)</b>	<b>(423)</b>	<b>(413)</b>	<b>(381)</b>	<b>(1,057)</b>	<b>(1,617)</b>
Operating expenses	(105)	(107)	(107)	(106)	(97)	(96)	(90)	(89)	(426)	(373)
<b>Net operating income</b>	<b>(341)</b>	<b>(365)</b>	<b>(373)</b>	<b>(403)</b>	<b>(497)</b>	<b>(519)</b>	<b>(504)</b>	<b>(471)</b>	<b>(1,483)</b>	<b>(1,990)</b>
Net loan-loss provisions	(37)	(30)	(28)	(21)	(8)	(5)	(14)	(10)	(115)	(36)
Other gains (losses) and provisions	(43)	(50)	(55)	47	(55)	(72)	(61)	(49)	(101)	(237)
<b>Underlying profit before tax</b>	<b>(420)</b>	<b>(446)</b>	<b>(456)</b>	<b>(377)</b>	<b>(559)</b>	<b>(595)</b>	<b>(579)</b>	<b>(529)</b>	<b>(1,699)</b>	<b>(2,262)</b>
<b>Underlying consolidated profit</b>	<b>(416)</b>	<b>(468)</b>	<b>(450)</b>	<b>(351)</b>	<b>(526)</b>	<b>(592)</b>	<b>(529)</b>	<b>(458)</b>	<b>(1,685)</b>	<b>(2,105)</b>
<b>Underlying attributable profit</b>	<b>(415)</b>	<b>(469)</b>	<b>(450)</b>	<b>(352)</b>	<b>(517)</b>	<b>(592)</b>	<b>(529)</b>	<b>(459)</b>	<b>(1,686)</b>	<b>(2,096)</b>

# Glossary



# Glossary - Acronyms

- **AFS:** Available for sale
- **AuM:** Assets under Management
- **bn:** Billion
- **bp:** basic point
- **CET1:** Common equity tier 1
- **C&I:** Commercial and Industrial
- **CIB:** Corporate & Investment Bank
- **CoE:** Cost of Equity
- **DGF:** Deposit guarantee fund
- **DPS:** Dividend per share
- **GDP:** Gross domestic product
- **GTS:** Global trade services
- **FL:** Fully-loaded
- **FX:** Foreign exchange
- **EPS:** Earning per share
- **ESG:** Environmental, social and governance
- **LTV:** Loan to Value
- **LLPs:** Loan-loss provisions
- **LLPs:** Loan-loss provisions
- **M/LT:** Medium- and long-term
- **mn:** million
- **MDR:** Merchant Discount Rate
- **MXN:** Mexican Pesos
- **n.a.:** Not available
- **NII:** Net interest income
- **NIM:** Net interest margin
- **n.m.:** Not meaningful
- **NPL:** Non-performing loans
- **PBT:** Profit before tax
- **P&L:** Profit and loss
- **pp:** percentage point
- **PPP:** Pre-provision profit
- **QoQ:** Quarter-on-Quarter
- **RE:** Real Estate
- **Repos:** Repurchase agreements
- **ROF:** Gains on financial transactions
- **RoRWA:** Return on risk-weighted assets
- **RoTE:** Return on tangible equity
- **RWA:** Risk-weighted assets
- **SBNA:** Santander Bank NA
- **SCF:** Santander Consumer Finance
- **SC USA:** Santander Consumer USA
- **SME:** Small and Medium Enterprises
- **SRF:** Single Resolution Fund
- **ST:** Short term
- **SVR:** Standard variable rate
- **TDR:** Troubled debt restructuring
- **TLAC:** Total loss absorbing capacity
- **TNAV:** Tangible net asset value
- **UF:** Unidad de fomento (Chile)
- **YoY:** Year-on-Year
- **UX:** User experience

# Glossary – definitions

## PROFITABILITY AND EFFICIENCY

- **RoTE:** Return on tangible capital: Group attributable profit / average of: net equity (excluding minority interests) – intangible assets (including goodwill)
- **RoRWA:** Return on risk-weighted assets: consolidated profit / average risk-weighted assets
- **Efficiency:** Operating expenses / gross income. Operating expenses defined as general administrative expenses + amortisations

## CREDIT RISK

- **NPL ratio:** Non-performing loans and customer advances, customer guarantees and contingent liabilities / total risk. Total risk is defined as: normal and non-performing balances of customer loans and advances, customer guarantees and contingent liabilities
- **NPL coverage ratio:** Provisions to cover losses due to impairment of customer loans and advances, customer guarantees and contingent liabilities / non-performing balances of customer loans and advances, customer guarantees and contingent liabilities
- **Cost of credit:** Provisions to cover losses due to impairment of loans in the last 12 months / average customer loans and advances of the last 12 months

## CAPITALISATION

- **Tangible net asset value per share – TNAVps:** Tangible stockholders' equity / number of shares (excluding treasury shares). Tangible stockholders' equity calculated as shareholders equity + accumulated other comprehensive income - intangible assets

Notes: 1) The averages for the RoTE and RoRWA denominators are calculated on the basis of 13 months from December to December.

2) For periods of less than a year, and in the event of non-recurring results existing, the profit used to calculate the RoTE is the annualised underlying attributable profit (excluding non-recurring results), to which are added non-recurring results without annualising them.

3) For periods of less than a year, and in the event of non-recurring results existing, the profit used to calculate the RoRWA is the annualised underlying consolidated result (excluding non-recurring results), to which is added non-recurring results without annualising them.

4) The risk-weighted assets included in the RoRWA denominator are calculated in accordance with the criteria defined by the Capital Requirements Regulation (CRR).

# Thank you

Our purpose is to help people  
and business prosper

Our culture is based on believing  
that everything we do should be

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