

Final Terms dated 7 April 2017

Banco Santander, S.A.

Issue of EUR 52,000,000 Floating Rate Instruments due March 2022

Series 2-Second Ranking Senior Tranche 5 (to be consolidated and form a single series with the existing EUR 100,000,000 Floating Rate Instruments due March 2022 issued on 21 March 2017 as Series 2-Second Ranking Senior Tranche 1 (the "Tranche 1 Notes"), and EUR 100,000,000 Floating Rate Instruments due March 2022 issued on 4 April 2017 as Series 2-Second Ranking Senior Tranche 2 (the "Tranche 2 Notes"), and EUR 80,000,000 Floating Rate Instruments due March 2022 issued on 4 April 2017 as Series 2-Second Ranking Senior Tranche 3 (the "Tranche 3 Notes"), and EUR 70,000,000 Floating Rate Instruments due March 2022 issued on 6 April 2017 as Series 2-Second Ranking Senior Tranche 4 (the "Tranche 4 Notes" and together with the Tranche 1 Notes, the Tranche 2 Notes and the Tranche 3 Notes, the "**Existing Instruments**")) under the €25,000,000,000 Programme for the Issuance of Debt Instruments

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Instruments in Ireland or any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC), as amended, (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Instruments. Accordingly, any person making or intending to make an offer in that Relevant Member State of the Instruments may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Instruments in any other circumstances.

The Base Prospectus together with the relevant Final Terms have been published on the websites on the Irish Stock Exchange (www.ise.ie) and the Central Bank of Ireland (<http://www.centralbank.ie>) in an agreed electronic format.

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Terms and Conditions**") set forth in the Base Prospectus dated 6 March 2017 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC, as amended (which includes the amendments made by Directive 2010/73/EU)) (the "**Prospectus Directive**"). Full information on the Issuer and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Base Prospectus dated 6 March 2017. The Base Prospectus is available for viewing at the head office of the Issuer (being Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte, Madrid, Spain), the offices of the Issue and Paying Agent, The Bank of New York Mellon, London Branch at One Canada Square, London E14 5AL and at the offices of each Paying Agent and copies may be obtained from the addresses specified above. The Base Prospectus has been published on the websites on the Irish Stock Exchange (www.ise.ie) and the Central Bank of Ireland (<http://www.centralbank.ie>).

1. Issuer: Banco Santander, S.A.
2. (i) Series Number: 2 - Second Ranking Senior
- (ii) Tranche Number: 5

The Instruments will be consolidated and form a single series with the Existing Instruments, such consolidation to become effective as from the exchange of the Temporary Global Note for the Permanent

- Global Note (the “**Exchange Date**”), which is expected to be on or about 21 May 2017.
3. Specified Currency: Euros (“**EUR**”)
 4. Aggregate Principal Amount:
 - (i) Series: EUR 402,000,000
 - (ii) Tranche: EUR 52,000,000
 5. Issue Price: 100.001 per cent. of the Aggregate Principal Amount of the Tranche plus 21 days accrued interest of EUR 20,961.20 from, and including, 21 March 2017 (the “**Interest Commencement Date**”) to, but excluding, the Issue Date.
 6. Specified Denominations: EUR 100,000
 7. Calculation Amount: EUR 100,000
 8.
 - (i) Issue Date: 11 April 2017
 - (ii) Interest Commencement Date: 21 March 2017
 9. Maturity Date: Interest Payment Date falling in March 2022
 10. Interest Basis: Floating Rate: 3-month EURIBOR + 1.02 per cent. per annum
 11. Redemption/Payment Basis: Redemption at par
 12. Put/Call Options: Call Option – TLAC/MREL Disqualification Event (further particulars specified below)
 13.
 - (i) Status of the Instruments: Second Ranking Senior Instruments
 14. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Instrument Provisions: Not Applicable
16. Reset Instrument Provisions: Not Applicable
17. Floating Rate Instrument Provisions: Applicable (*Condition 4C of the Terms and Conditions of the Instruments will apply*)
 - (i) Interest Payment Date(s): 21 June, 21 September, 21 December and 21 March in each year and adjusted in accordance with the Modified Following Business Day Convention
 - (ii) Manner in which the Rate(s) of Interest is/are to be determined: Screen Rate Determination
 - (iii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the

	Issue and Paying Agent):	
(iv)	Margin Plus Rate:	Not Applicable
(v)	Specified Percentage Multiplied by Rate:	Not Applicable
(vi)	Difference in Rates:	Not Applicable
(vii)	Screen Rate Determination	
	— Reference Rate:	3-month EURIBOR
	— Interest Determination Date(s):	Two days prior to the first day of each Accrual Period
	— Relevant Screen Page:	Reuters EURIBOR01
	— Relevant Time:	11.00 a.m. Brussels time
(ix)	Margin(s):	+ 1.02 per cent. per annum
(x)	Minimum Rate of Interest:	0.00 per cent. per annum
(xi)	Maximum Rate of Interest:	Not Applicable
(xii)	Day Count Fraction:	Actual/360
(xiii)	Specified Percentage:	Not Applicable
(xiv)	Constant maturity swap rate:	Not Applicable
(xv)	Step Up Provisions:	Not Applicable
18.	Zero Coupon Instrument Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

19.	Call Option:	Not Applicable
20.	Put Option	Not Applicable
21.	Maturity Redemption Amount of each Instrument	EUR 100,000 per Instrument of EUR 100,000 of Specified Denomination
22.	Early Redemption Amount, Early Redemption Amount (Tax) and Early Redemption Amount (TLAC/MREL Disqualification Event)	
	Early Redemption Amount(s) of each Instrument payable on redemption for taxation reasons, and on a TLAC/MREL Disqualification Event :	EUR 100,000 per Instrument of EUR 100,000 of Specified Denomination

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

23.	Form of Instruments:	Bearer
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		Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument.
24.	New Global Note:	Yes
25.	Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature):	No
26.	Relevant Financial Centre:	TARGET
27.	Relevant Financial Centre Day:	TARGET
28.	Amount of each instalment (Instalment Amount), date on which each payment is to be made (Instalment Date):	Not Applicable
29.	Commissioner:	Mr. Jesús Merino Merchán
30.	Waiver of Set-off:	Applicable
31.	Substitution and Variation:	Applicable

DISTRIBUTION

32.	(i) If syndicated, names of Managers	Not Applicable
	(ii) Date of Subscription Agreement	Not Applicable
33.	If non-syndicated, name and address of Dealer/Manager:	ABN AMRO Bank N.V. Capital Markets Solutions Gustav Mahlerlaan 10 C.00.06 1082 PP Amsterdam (The Netherlands) Tel: +31 203 83 6947 Email: mail_abnamro_syndicate@nl.abnamro.com Attention: MTN Desk
34.	Stabilisation Manager:	Not Applicable
35.	US Selling Restrictions: (Categories of potential investors to which the Instruments are offered)	Reg. S Compliance Category 2; TEFRA D
36.	Prohibition of Sales to EEA Retail Investors:	Not Applicable
37.	Public Offer:	Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue and admission to trading on the Irish Stock Exchange of the Instruments described herein pursuant to the €25,000,000,000 Programme for the Issuance of Debt Instruments of Banco Santander, S.A.

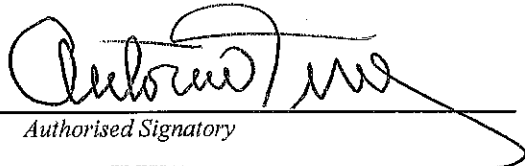
RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

CONFIRMED

BANCO SANTANDER, S.A.

By:



Authorised Signatory

Date _____

PART B- OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

Application has been made by the Issuer (or on its behalf) for the Instruments to be listed on the Official List of the Irish Stock Exchange and application is expected to be made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the Regulated Market of the Irish Stock Exchange with effect from the Issue Date.

2 RATINGS

The Instruments to be issued have been rated:

S&P: BBB+

Moody's: Baa2

Fitch: A-

These credit ratings have been issued by Standard & Poor's Credit Market Services Europe Limited, Moody's Investor Services España, S.A. and Fitch Ratings España, S.A.U.

Each of Standard & Poor's Credit Market Services Europe Limited, Moody's Investor Services España, S.A., and Fitch Ratings España, S.A.U. is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such each of Standard & Poor's Credit Market Services Europe Limited, Moody's Investor Services España, S.A., and Fitch Ratings España, S.A.U. is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.

A list of rating agencies registered under the CRA Regulation can be found at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in paragraph 5.4 (*Placing and Underwriting*) of the Base Prospectus for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer. The Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4 OPERATIONAL INFORMATION

ISIN:	Until the Instruments are consolidated, become fungible with and form a single Series with the Existing Instruments, the Instruments will have the temporary ISIN XS1590817612. After that, the Instruments will have the same ISIN as the Existing Instruments, which is XS1578916261
Common Code:	Until the Instruments are consolidated, become fungible with and form a single Series with the Existing Instruments, the Instruments will have the temporary Common Code 159081761. After that, the Instruments will have the same Common Code as the Existing Instruments, which is 157891626
WKN:	Not applicable
Any other clearing system other than Euroclear and Clearstream Banking,	Not applicable

société anonyme and the relevant identification numbers:

Delivery:

Delivery against payment

Names and addresses of additional Paying Agent(s) (if any):

Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility:

Yes. Note that the designation "yes" simply means that the Instruments are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Instruments will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

