

Final Terms dated 31 May 2017

**Banco Santander, S.A.**

Issue of EUR 50,000,000,000 Fixed Rate Instruments due 5 June 2024  
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](http://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](http://www.ise.ie)) and the Central Bank of Ireland (<http://www.centralbank.ie>).

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|----|-----------------------------|---|
| 1. | Issuer:                     | Banco Santander, S.A.                           |
| 2. | (i) Series Number:          | 9 - Second Ranking Senior                       |
|    | (ii) Tranche Number:        | 1   |
| 3. | Specified Currency:         | Euros (“ <b>EUR</b> ”)                          |
| 4. | Aggregate Principal Amount: |   |
|    | (i) Series:                 | EUR 50,000,000,000                              |
|    | (ii) Tranche:               | EUR 50,000,000,000                              |
| 5. | Issue Price:                | 100 per cent. of the Aggregate Principal Amount |
| 6. | Specified Denominations:    | EUR 100,000                                     |
| 7. | Calculation Amount:         | EUR 100,000                                     |
| 8. | (i) Issue Date:             | 5 June 2017                                     |

|     |                                  |  |
|-----|----------------------------------|--|
|     | (ii) Interest Commencement Date: | Issue Date   |
| 9.  | Maturity Date:                   | 5 June 2024  |
| 10. | Interest Basis:                  | Fixed at 1.482 % per annum, payable annually in arrear                               |
| 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  | Applicable from (and including) the Issue Date to (but excluding) the Maturity Date.   |
|     | (i) Rate of Interest:   | 1.482 % per annum, payable annually in arrear  |
|     | (ii) Interest Payment Date(s):  | 5 June in each year, from and including 5 June 2018 to and including the Maturity Date, adjusted in accordance with the Following Business Day Convention. |
|     | (iii) Fixed Coupon Amount (s):  | EUR 1,482 per 100,000 Specified Denomination on each Interest Payment Date, No adjustments shall be made to the Fixed Coupon Amount.                       |
|     | (iv) Day Count Fraction:  | Act/Act  |
|     | (v) Determination Dates:  | Not Applicable   |
|     | (vi) Party responsible for calculating the Rate of Interest and/or Interest Amount (if not the Issue and Paying Agent): | Not Applicable   |
|     | (vii) Step Up Provisions:   | Not Applicable   |
| 16. | Reset Instrument Provisions   | Not Applicable   |
| 17. | Floating Rate Instrument Provisions   | Not Applicable   |

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|-----|-----------------------------------|----------------|
| 18. | Zero Coupon Instrument Provisions | Not Applicable |
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#### PROVISIONS RELATING TO REDEMPTION

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|-----|---|---|
| 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

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|-----|---|--|
| 23. | Form of Instruments:  | Bearer   |
|     |   | 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 2   |
| 27. | Relevant Financial Centre Day:  | TARGET 2   |
| 28. | Amount of each instalment (Instalment Amount), date on which each payment is to be made (Instalment Date):              | Not Applicable   |
| 29. | Commissioner:   | Mr. Luis Coronel de Palma Martínez-Agulló  |
| 30. | Waiver of Set-off:  | Applicable   |
| 31. | Substitution and Variation:   | Applicable   |

#### DISTRIBUTION

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|-----|--------------------------------------|----------------|
| 32. | (i) If syndicated, names of Managers | Not Applicable |
|     | (ii) Date of Subscription Agreement  | Not Applicable |

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|-----|--|---|
| 33. | If non-syndicated, name and address of Dealer/Manager:   | HSBC Bank plc 8 Canada Square<br>London E14 5HQ<br>United Kingdom |
| 34. | Stabilisation Manager:   | Not Applicable  |
| 35. | US Selling Restrictions:<br>(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.

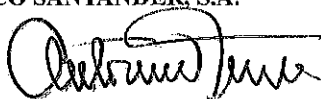
### **RESPONSIBILITY**

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

### **CONFIRMED**

**BANCO SANTANDER, S.A.**

By:



*Authorised Signatory*

Date 31 May 2017

## **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 YIELD**

Indication of yield: 1.482 per cent per annum.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### **5 OPERATIONAL INFORMATION**

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|--------------|----------------|
| ISIN:        | XS1618151366   |
| Common Code: | 161815136      |
| WKN:         | Not applicable |

|   |  |
|---|--|
| Any other clearing system other than Euroclear and Clearstream Banking, <i>société anonyme</i> and the relevant identification numbers: | Not applicable   |
| 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. |