

PRESS RELEASE

23 JULY 2009

Santander announces results of exchange offers for certain of the Group's outstanding Euro, Sterling and Yen Tier 1 hybrid securities and Upper Tier 2 securities

On 9 July 2009, Banco Santander, S.A. and Santander Financial Exchanges Limited announced a capital markets transaction to improve the efficiency of the Group's capital structure and strengthen the balance sheet. The transaction comprised offers to exchange Tier 1 Hybrid Securities and Upper Tier 2 securities of Santander and its subsidiaries for new capital instruments.

The exchange offers relating to the Euro, the majority of the Sterling and the Yen denominated securities expired on 22 July 2009. **Santander has accepted all securities validly offered for exchange.** As at the expiration date, the aggregate participation rate for the relevant exchange offers was 54% of the outstanding securities. The exchange offers relating to the remaining securities continue and results will be announced following expiration of those exchange offers.

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