SANTANDER HOLDINGS USA, INC.

Fixed Income Investor Presentation

Fourth Quarter 2016

March 20, 2017

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Disclaimer

This presentation of Santander Holdings USA, Inc. ("SHUSA") contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the financial condition, results of operations, business plans and future performance of SHUSA. Words such as "may," "could," "should," "looking forward," "will," "would," "believe," "expect," "hope," "anticipate," "estimate," "intend," "plan," "assume" or similar expressions are intended to indicate forward-looking statements.

Although SHUSA believes that the expectations reflected in these forward-looking statements are reasonable as of the date on which the statements are made, these statements are not guarantees of future performance and involve risks and uncertainties based on various factors and assumptions, many of which are beyond SHUSA's control. Among the factors that could cause SHUSA's financial performance to differ materially from that suggested by the forward-looking statements are: (1) the effects of regulation and policies of the Board of Governors of the Federal Reserve System (the "Federal Reserve"), the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency and the Consumer Financial Protection Bureau, including changes in trade, monetary and fiscal policies and laws, including interest rate policies of the Federal Reserve, the failure to adhere to which could subject SHUSA to formal or informal regulatory compliance and enforcement actions; banking, capital and liquidity, regulations and policies and the application and interpretations thereof by regulatory bodies, and the impact of changes in and interpretations of generally accepted accounting principles in the United States of America; (2) the strength of the United States economy in general and regional and local economies in which SHUSA conducts operations in particular, which may affect, among other things, the level of non-performing assets, charge-offs, and provisions for credit losses; (3) the ability of certain European member countries to continue to service their debt and the risk that a weakened European economy could negatively affect U.S.-based financial institutions, counterparties with which SHUSA does business, as well as the stability of global financial markets; (4) inflation, interest rate, market and monetary fluctuations, which may, among other things, reduce net interest margins, impact funding sources and affect the ability to originate and distribute financial products in the primary and secondary markets; (5) adverse movements and volatility in debt and equity capital markets and adverse changes in the securities markets, including those related to the financial condition of significant issuers in SHUSA's investment portfolio; (6) SHUSA's ability to manage changes in the value and quality of its assets, changing market conditions that may force management to alter the implementation or continuation of cost savings or revenue enhancement strategies and the possibility that revenue enhancement initiatives may not be successful in the marketplace or may result in unintended costs; (7) SHUSA's ability to grow revenue, manage expenses, attract and retain highly-skilled people and raise capital necessary to achieve its business goals and comply with regulatory requirements and expectations; (8) SHUSA's ability to effectively mange its capital, including approval of its capital plan by regulators; (9) changes in debt ratings assigned to SHUSA and its subsidiaries; (10) SHUSA's ability to timely develop competitive new products and services in a changing environment that are responsive to the needs of SHUSA's customers and are profitable to SHUSA, the acceptance of such products and services by customers, and the potential for new products and services to impose additional costs on SHUSA and expose SHUSA to increased operational risk; (11) changes or potential changes to the competitive environment, including changes due to regulatory and technological changes, the effects of industry consolidation and perceptions of SHUSA as a suitable service provider or counterparty; (12) the ability of SHUSA and its third-party vendors to convert and maintain SHUSA's data processing and related systems on a timely and acceptable basis and within projected cost estimates; (13) SHUSA's ability to control operational risks, data security breach risks and outsourcing risks, and the possibility of errors in quantitative models SHUSA uses to manage its business and the possibility that SHUSA's controls will prove insufficient, fail or be circumvented; (14) the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act, enacted in July 2010, which is a significant development for the industry, the full impact of which will not be known until the rule-making processes mandated by the legislation are complete, although the impact has involved and will involve higher compliance costs that have affected and will affect SHUSA's revenue and earnings negatively; (15) SHUSA's ability to promote a strong culture of risk management, operating controls, compliance oversight and governance that meets regulatory expectations; (16) competitors of SHUSA that may have greater financial resources or lower costs, may innovate more effectively, or may develop products and technology that enable those competitors to compete more successfully than SHUSA;

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Disclaimer (cont.)

(17) acts of terrorism or domestic or foreign military conflicts; and acts of God, including natural disasters; (18) the outcome of ongoing tax audits by federal, state and local income tax authorities that may require SHUSA to pay additional taxes or recover fewer overpayments compared to what has been accrued or paid as of period-end; (19) adverse publicity, whether specific to SHUSA or regarding other industry participants or industry-wide factors, or other reputational harm; and (20) SHUSA's success in managing the risks involved in the foregoing.

Because this information is intended only to assist investors, it does not constitute investment advice or an offer to invest, and in making this presentation available, SHUSA gives no advice and makes no recommendation to buy, sell, or otherwise deal in shares or other securities of Banco Santander, S.A. ("Santander"), SHUSA, Santander Bank, N.A. ("Santander Bank" or "SBNA"), or Santander Consumer Holdings USA, Inc. ("SC") in any other securities or investments. It is not our intention to state, indicate, or imply in any manner that current or past results are indicative of future results or expectations. As with all investments, there are associated risks, and you could lose money investing. Prior to making any investment, a prospective investor should consult with its own investment, accounting, legal, and tax advisers to evaluate independently the risks, consequences, and suitability of that investment. No offering of securities shall be made in the United States except pursuant to registration under the U.S. Securities Act of 1933, as amended, or an exemption therefrom.

In this presentation, we may sometimes refer to certain non-GAAP figures or financial ratios to help illustrate certain concepts. These ratios, each of which is defined in this document, if utilized, may include Pre-Tax Pre-Provision Income, the Tangible Common Equity to Tangible Assets Ratio, and the Texas Ratio. This information supplements our results as reported in accordance with GAAP and should not be viewed in isolation from, or as a substitute for, our GAAP results, among others. We believe that this additional information and the reconciliations we provide may be useful to investors, analysts, regulators and others as they evaluate the impact of these items on our results for the periods presented due to the extent to which the items are indicative of our ongoing operations. Where applicable, we provide GAAP reconciliations for such additional information.

On February 18, 2014, the Federal Reserve issued the final rule implementing certain of the enhanced prudential standards mandated by Section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Final Rule") to strengthen regulatory oversight of foreign banking organizations ("FBOs"). Under the Final Rule, FBOs with over $50 billion of U.S. non-branch assets, including Santander, were required to consolidate U.S. subsidiary activities under an intermediate holding company ("IHC"). Due to its U.S. non-branch total consolidated asset size, Santander was subject to the Final Rule. As a result of this rule, Santander transferred substantially all of its equity interests in U.S. bank and non-bank subsidiaries previously outside SHUSA to SHUSA, which became an IHC effective July 1, 2016. These subsidiaries included Santander BanCorp, Banco Santander International ("BSI"), Santander Investment Services, Inc. ("SIS"), Santander Securities LLC ("SSLLC"), as well as several other subsidiaries.

As these entities were and are solely owned and controlled by Santander prior to and after July 1, 2016, in accordance with Accounting Standards Codification 805, the transaction has been accounted for under the common control guidance which requires SHUSA to recognize the assets and liabilities transferred at their historical cost of the transferring entity at the date of transfer. Additionally, as this transaction represents a change in reporting entity, the guidance requires retrospective combination of the entities for all periods presented in the financial statements as if the combination had been in effect since the inception of common control. The entities transferred approximately $14.1 billion of assets and approximately $11.8 billion of liabilities to SHUSA on July 1, 2016. The transfer added approximately $69.9 million and $68.8 million of net income to SHUSA for the nine-month periods ended September 30, 2016 and 2015 after the financial statements have been recast to reflect the operations of the commonly controlled entities for all periods presented as a change in reporting entity. **Historical financial information in this presentation has not been consistently recast to reflect the above financial reporting requirements.**

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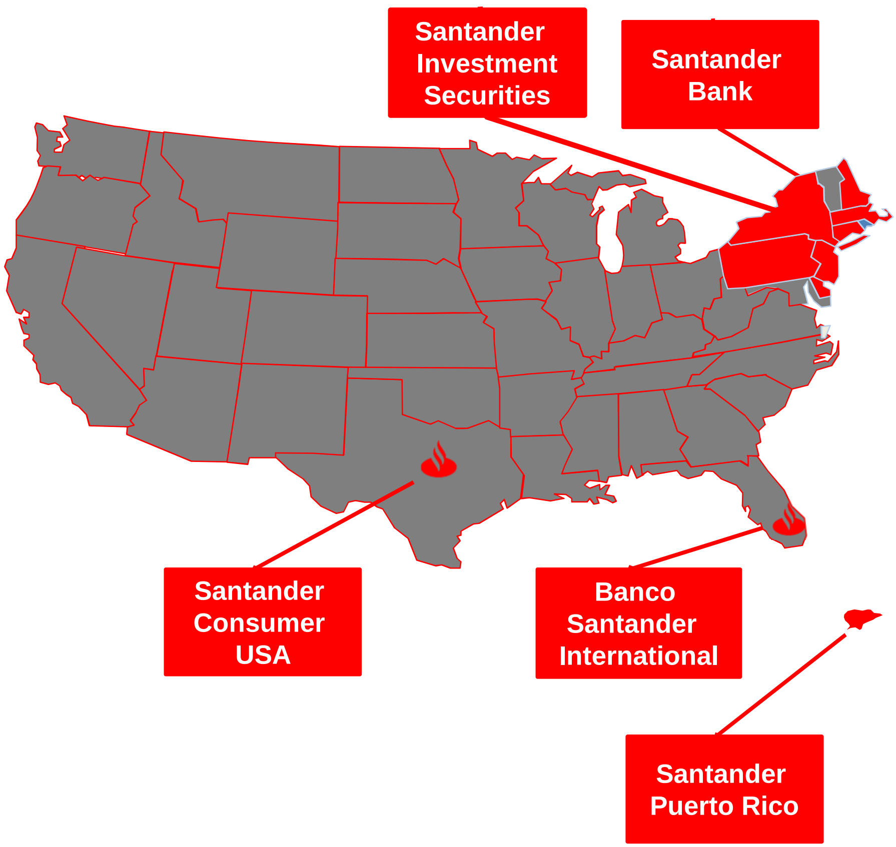
Introduction

SHUSA is a bank holding company ("BHC") headquartered in Boston, MA and is wholly owned by Santander (NYSE: SAN)

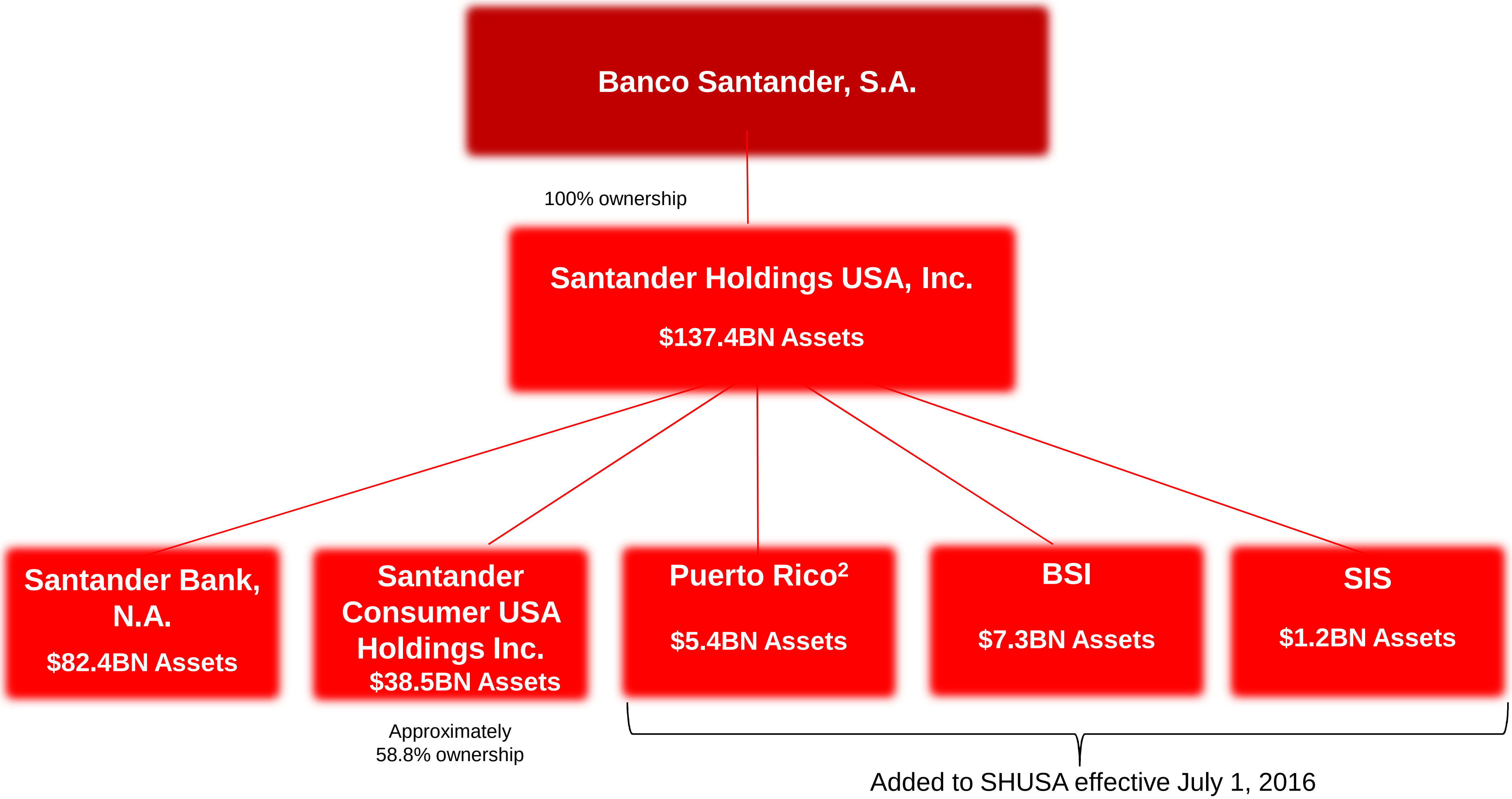


- SHUSA consists of:
  - Well-established banking franchises in the Northeast and Puerto Rico
  - A nationwide auto finance business
  - A wholesale broker-dealer in New York
  - International private banking business
- Regulated by the Federal Reserve
- SEC registered[1]

[12]SHUSA's SEC filings are accessible on the SEC website at www.sec.gov. Filings are also accessible through SHUSA's website at www.santanderus.com

Corporate Structure[1]

SHUSA is the intermediate holding company (IHC) for Santander's U.S. operations



[1]Balances as of December 31, 2016
[2]Puerto Rico = includes Banco Santander Puerto Rico and SSLLC

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2016 Executive Summary[1]

Earnings

- 2016 net income of $641MM[2]
- SHUSA 2016 net interest margin of 5.66%
- SBNA NIM improved from 2.19% at 4Q15 to 2.30% at 4Q16

Balance Sheet

- During 2016, SHUSA's balance sheet increased by $9.7BN mainly due to the IHC consolidation completed in 3Q16

Liquidity and Funding

- SHUSA maintains an LCR[3] in excess of the regulatory requirement
- Holding company held $3.9BN in high quality liquid assets as of 4Q16
- SHUSA's funding needs are expected to be driven by TLAC requirements

Capital

- Common Equity Tier 1 ("CET1") ratio of 14.5% as of 4Q16 growing through retained earnings and the contribution of the new IHC entities

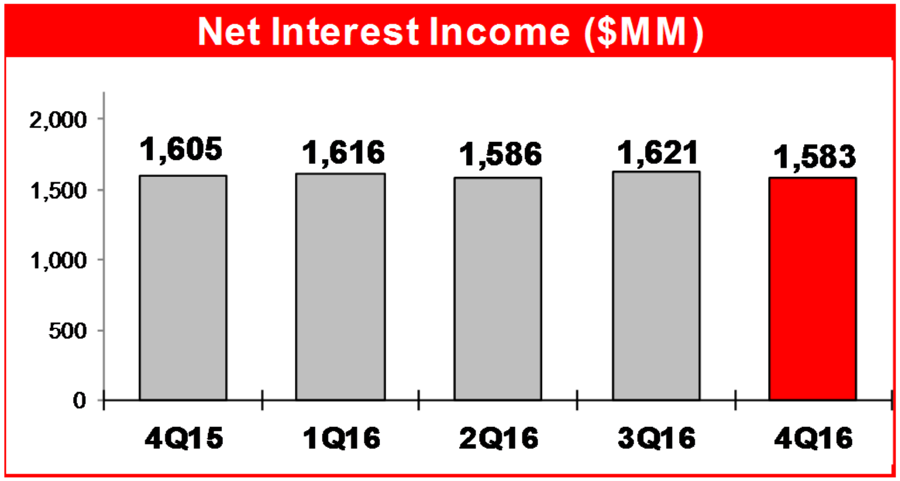
Credit Quality

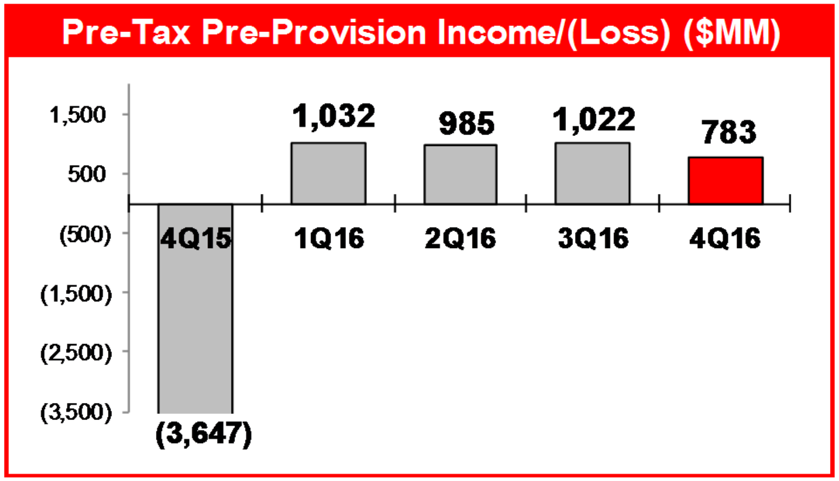
- SBNA's non-performing loans and criticized balances steadily decreased during 2016; 4Q16 increase in annualized charge offs due to two commercial clients
- In 2016 120 SC asset-backed securities ("ABS") tranches totaling $9.7BN were upgraded by Moody's, S&P, and Fitch
- SC delinquency and gross losses increased YoY driven by 2015 originations

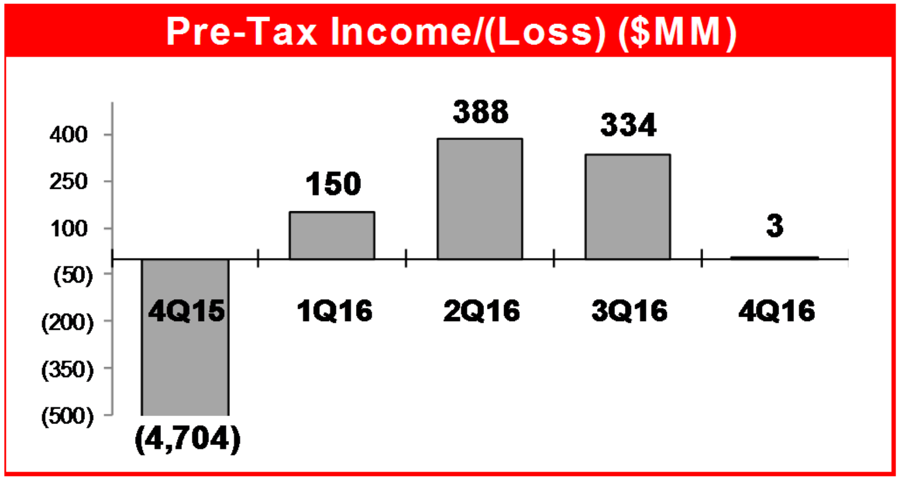
[1]Data as of 12/31/16 unless otherwise noted
[2]Includes non controlling interest
[3]Liquidity coverage ratio

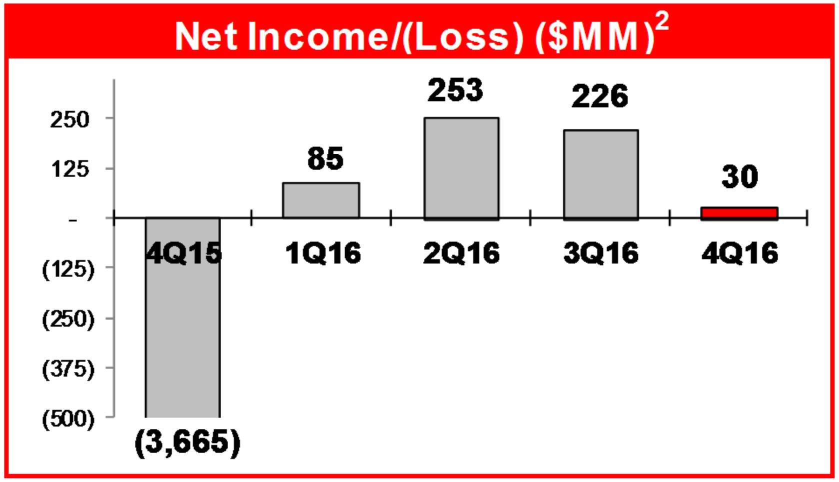
Quarterly Profitability[1]

4Q16 results impacted by one-time charges









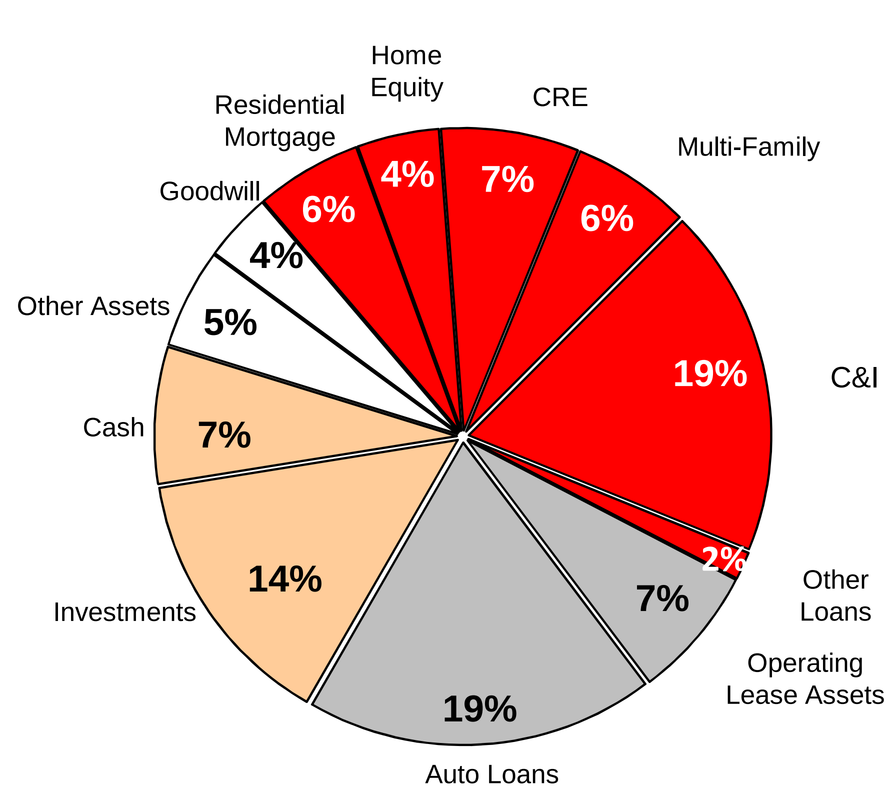
[1]Periods prior to 3Q16 have not been re-cast for the IHC consolidation. Refer to SHUSA 2016 Form 10-K for annual results re-casted for IHC consolidation

[2] Net Income includes noncontrolling interest

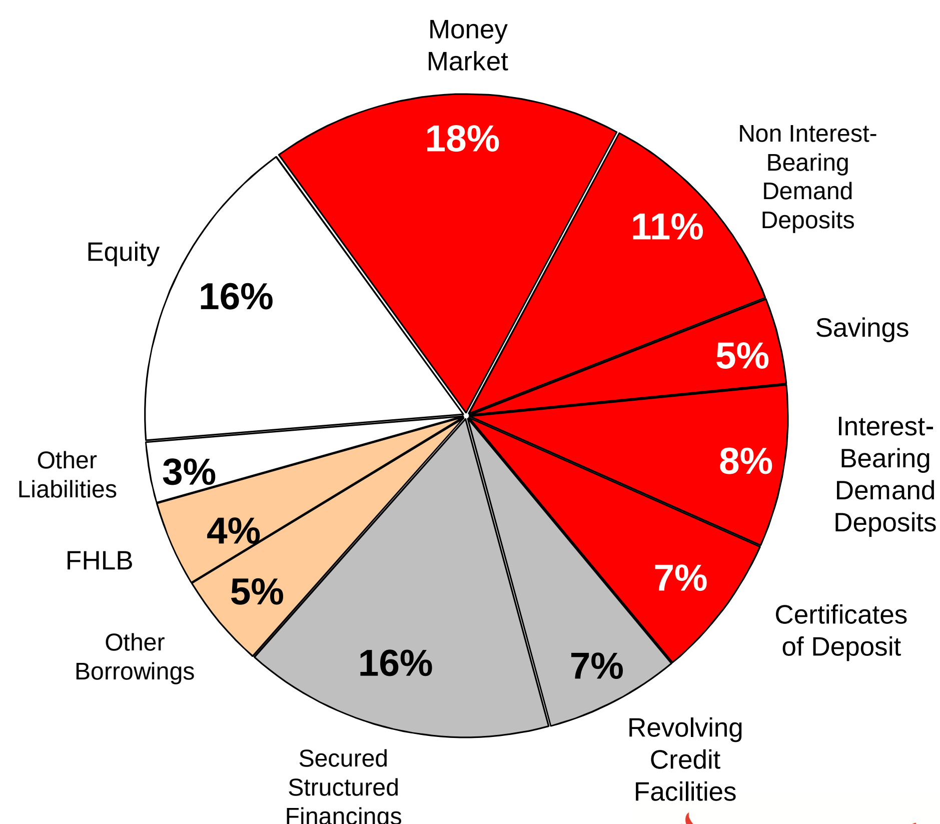
Balance Sheet Overview[1]

SHUSA balance sheet reflects subsidiary banks funded by core deposits and an auto finance company funded with secured wholesale funds

$137.4BN Assets



$115.0BN Liabilities
$22.4BN Equity

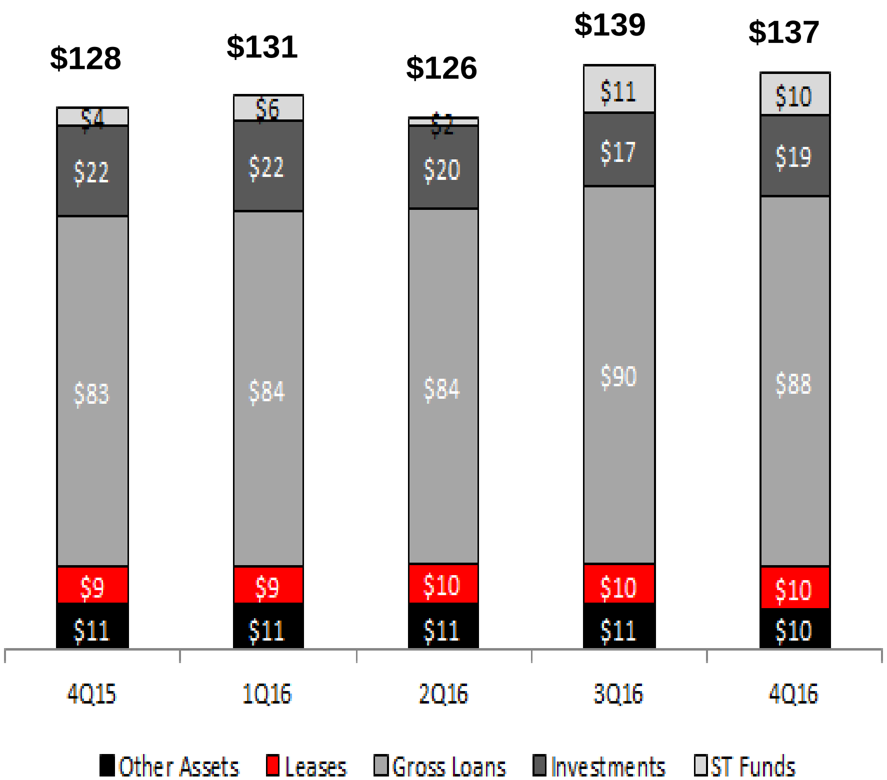


[1]Balances as of December 31, 2016

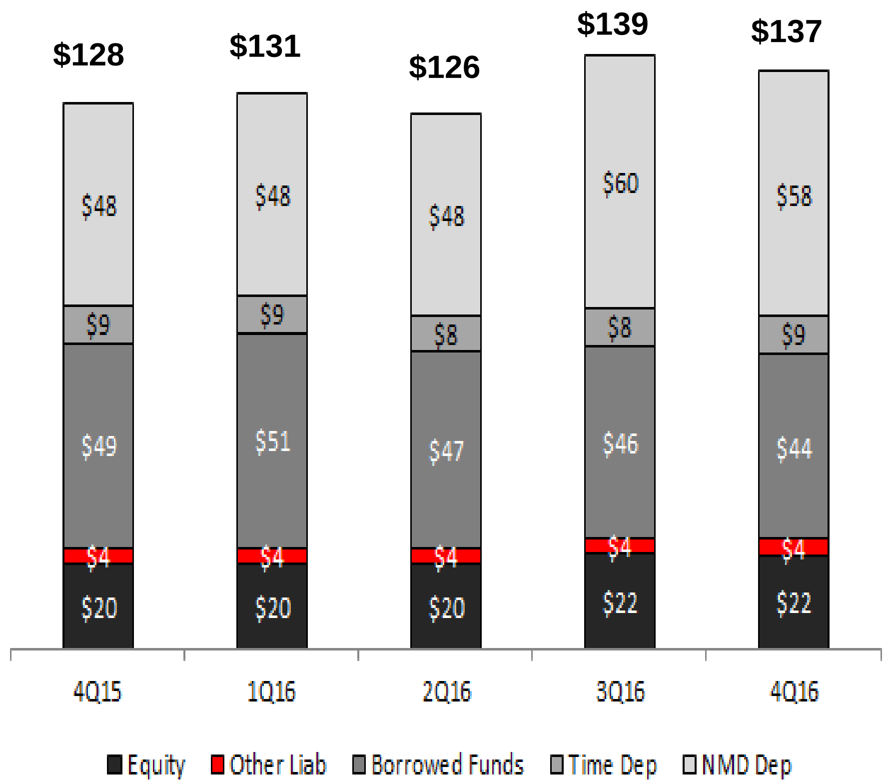
Balance Sheet Trends: Overview

Balance sheet increase in Q316 driven by the IHC consolidation

Assets



Liabilities & Equity



$ in billions

[1]Periods prior to 3Q16 have not been re-cast for the IHC consolidation. Refer to the SHUSA 2016 Form 10-K for annual results re-casted for the IHC consolidation.

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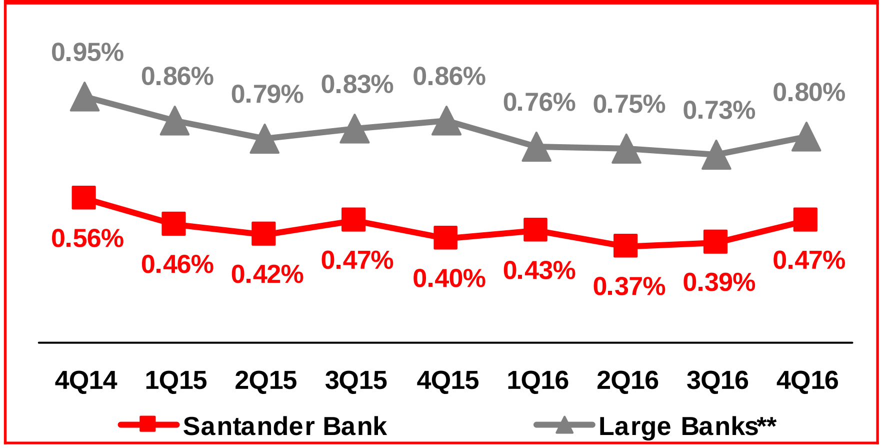
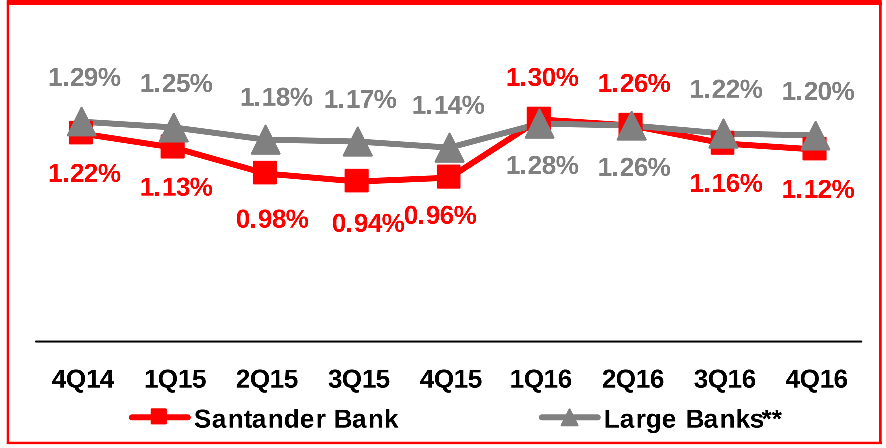
SBNA: Asset Quality

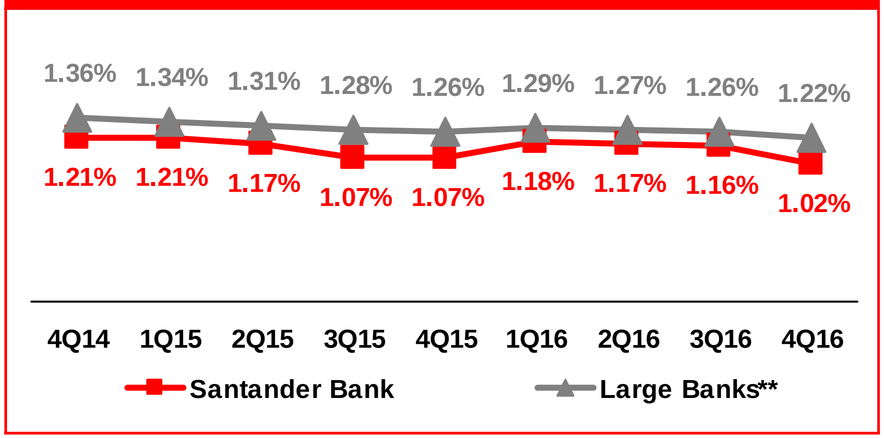
Delinquency[1]



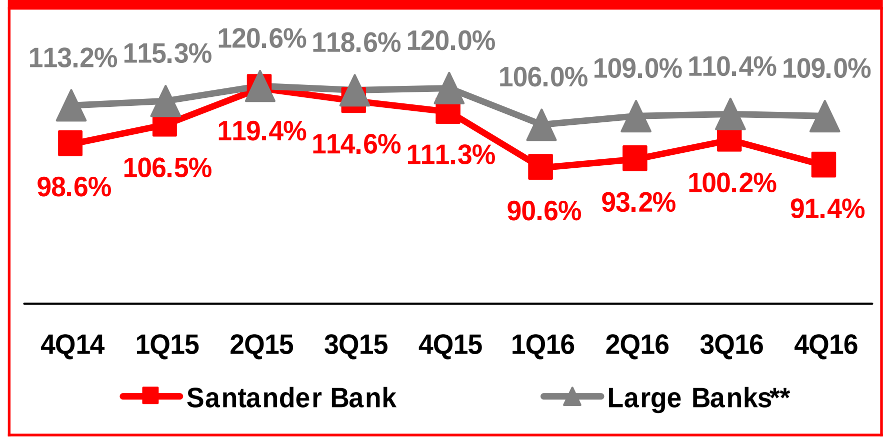
Non-Performing Loan Ratio



ALLL to Total Loans



Reserve Coverage (ALLL/NPL[2])



**Source: SNL Bank level data; Large Bank = BAC, COF, C, KEY, BMO, HSBA, PNC, RBS, JPM, UNB, TD, USB, and WFC

[1]Delinquency = accruing loans 30-89 DPD plus accruing loans 90+ DPD.
[2]NPLs= Nonaccruing loans *plus* accruing loans 90+ DPD.

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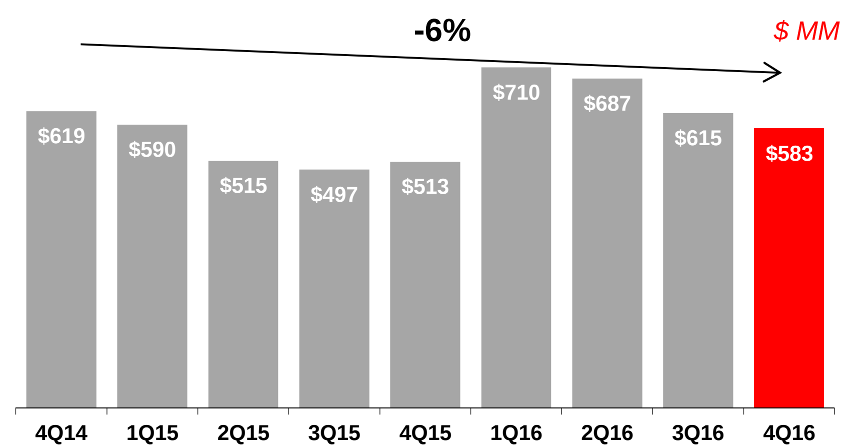
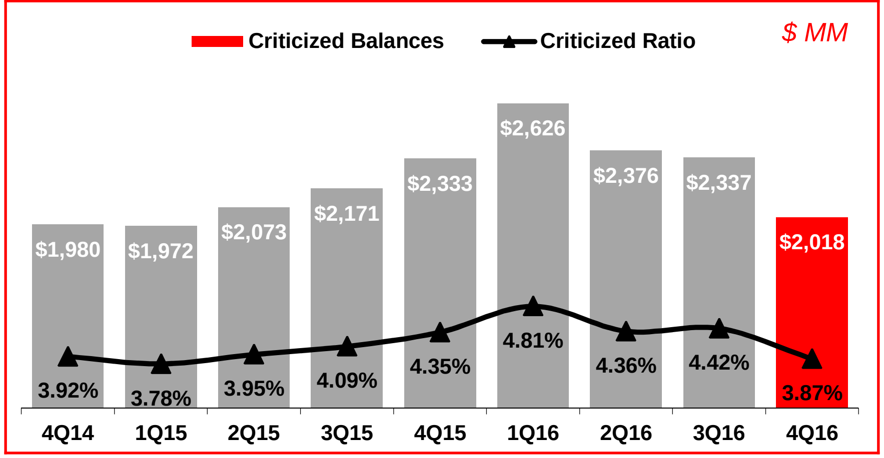
SBNA: Asset Quality (cont.)

NPLs and criticized balances continue their downward trend; 4Q16 charge off increase due to two commercial clients

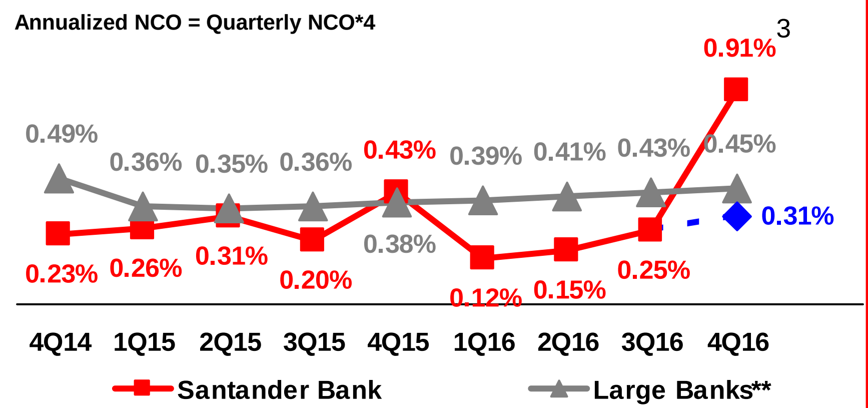
Non-Performing Loans[1]



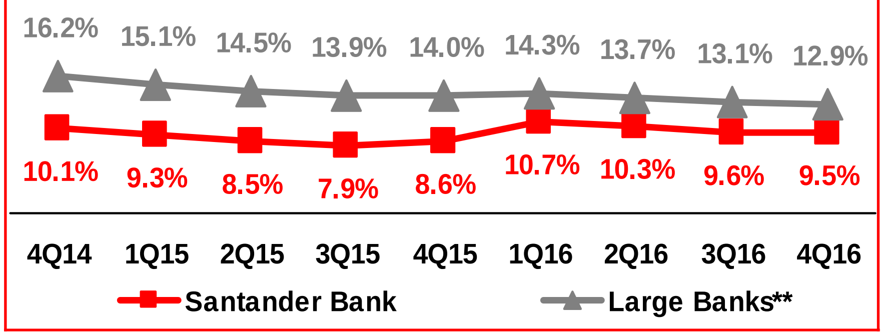
Criticized Balances[2]



Annualized Net Charge off Ratio



Texas Ratio[4]



****Source: SNL Bank level data; Large Bank = BAC, COF, C, KEY, BMO, HSBA, PNC, RBS, JPM, UNB, TD, USB, and WFC**

[1]NPLs = Nonaccruing loans *plus* accruing loans 90+ DPD;.

[2]Criticized = loans that are categorized as special mention, substandard, doubtful, or loss.

[3]4Q16 impacted by two commercial clients. Excluding these clients the charge-off ratio would be 0.31%.

[4]See Appendix for definition and non-GAAP measurement reconciliation.

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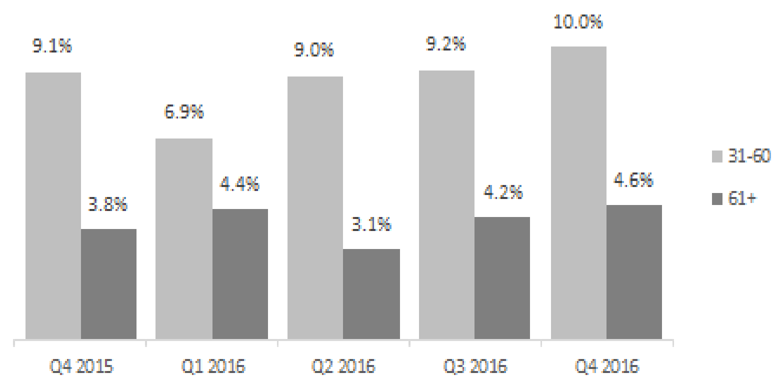
SC: Asset Quality – Loss and Delinquency

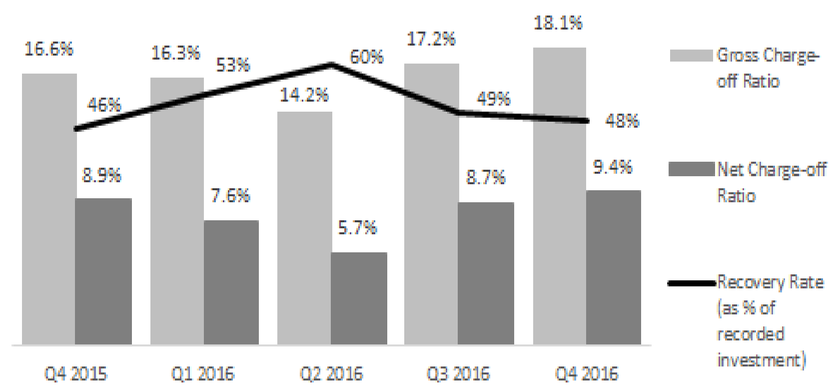
YoY delinquency and gross losses increased driven by 2015 originations which were more nonprime in nature and slower portfolio growth

- Recovery rates and net losses in Q2 2016 benefited by proceeds from bankruptcy sales[1]

Delinquency[2]



Credit[2]



SOURCE: SC Fourth Quarter and Full Year 2016 Presentation, January 25, 2017

[1] Excluding bankruptcy sales, recovery rates would have been 59%
[2]Indivusally Acquired Retail Installment Contracts Held For Investment

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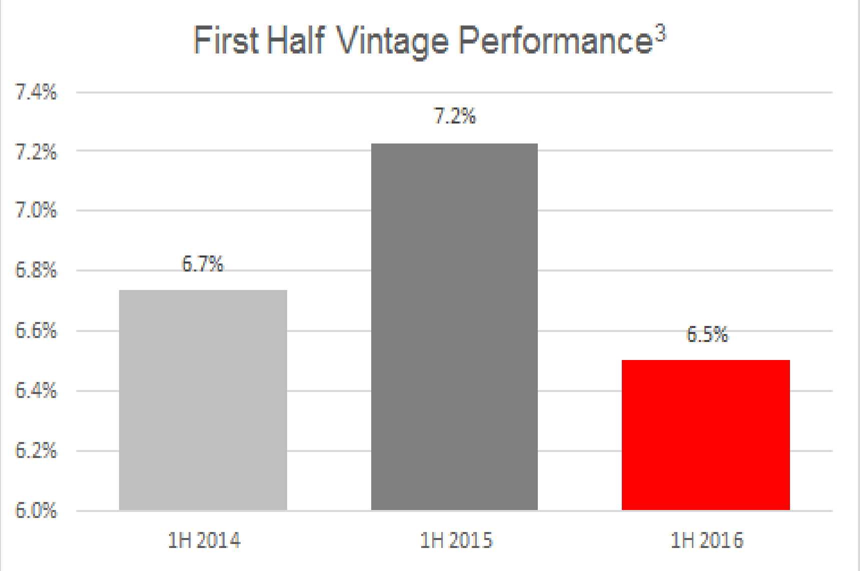
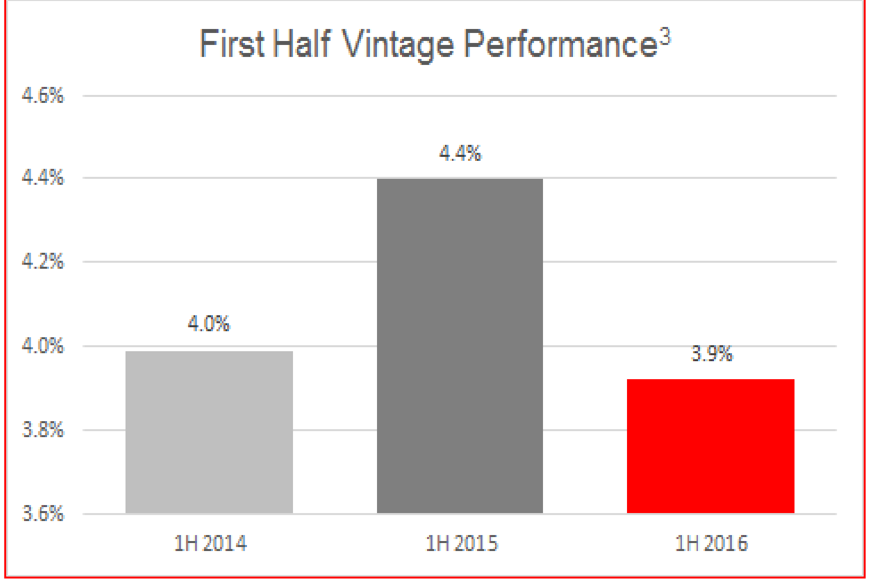
SC: Asset Quality – Loss Performance

Early indications show the first half of the 2016 vintage is outperforming the 2015 vintage on a gross and net loss basis[1]

Gross Losses



Net Losses[2]



SOURCE: SC Fourth Quarter and Full Year 2016 Presentation, January 25, 2017

*Retained originations only
[1]As of the end of the year each vintage was originated
[2]Auction fees included in net losses. Financial statements reflect auction fees in repossession expense, therefore, net losses included on this slide are higher .
[3]First half vintage describes January through June vintage performance through the end of December for each year.

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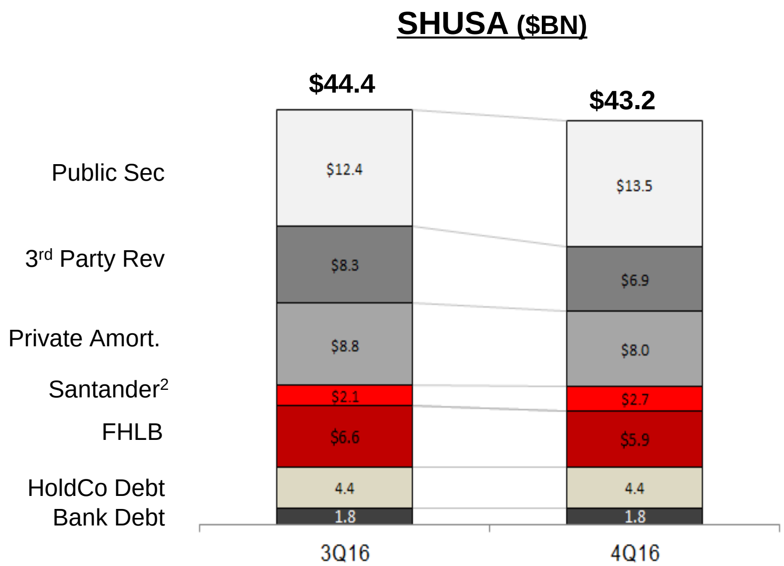
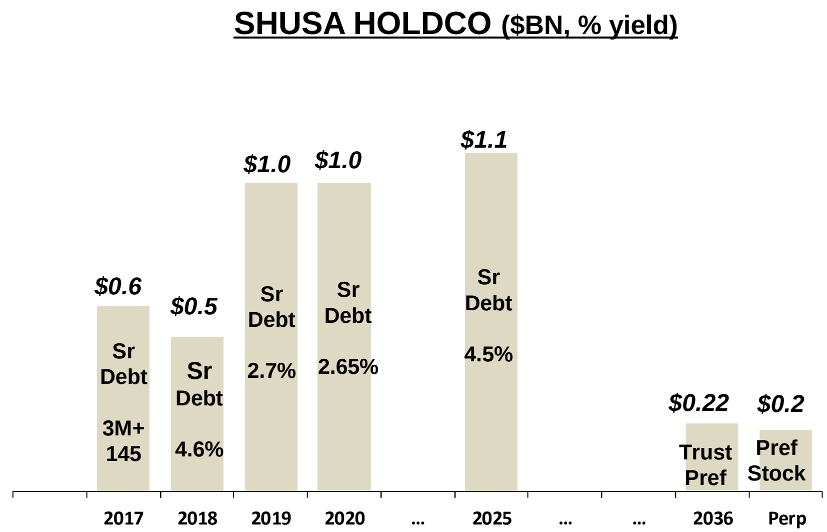
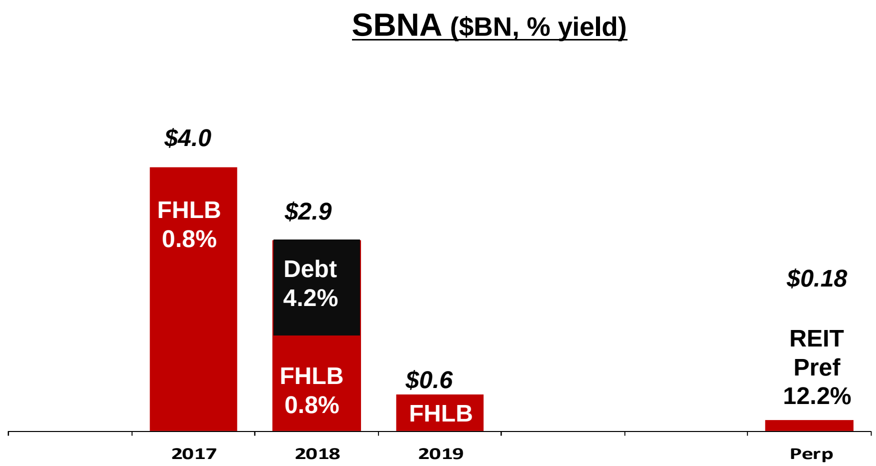
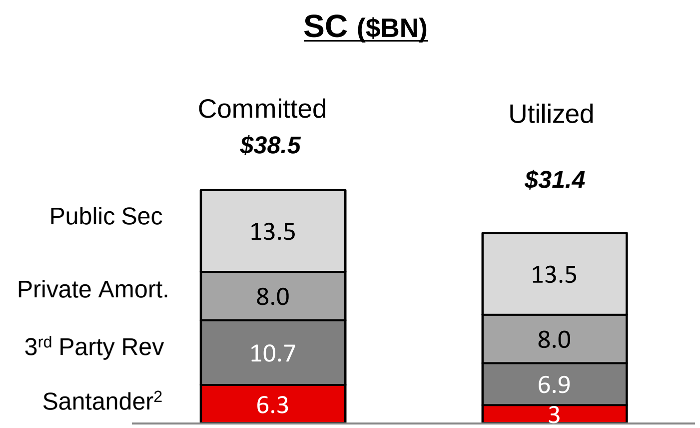
Wholesale Funding Profile[1]

Holding company funding will be driven by total loss-absorbing capacity ("TLAC") requirement and liquidity risk management









[1]As of December 31, 2016.
[2]$0.3BN difference in Santander balance between SHUSA and SC charts reflects $0.3BN facility between SHUSA and SC that is eliminated at the consolidated level.

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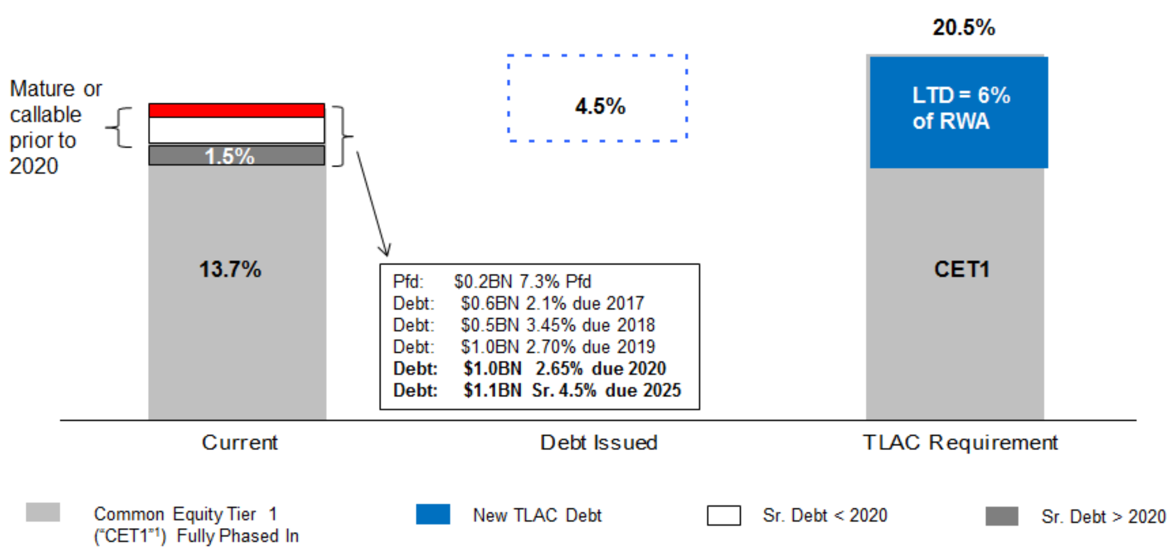
Federal Reserve (FRB) Final TLAC Rule

SHUSA will be required to meet TLAC and LTD requirements by January 1, 2019

- TLAC requirement of 20.5% of risk weighted assets ("RWA") and LTD requirement of 6.0% of RWA
- SHUSA expects to issue approximately $5BN-$6BN by 2019 to meet the LTD requirement
- On March 1, 2017, SHUSA notified the public[1] of language changes being made to its debt indenture to comply with the FRB LTD debt requirements. The changes to the debt indenture will apply solely to newly-created debt securities

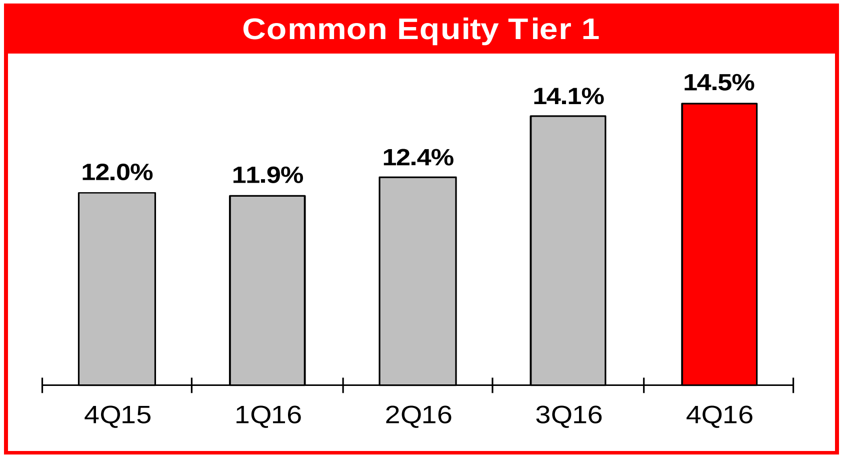
Illustration

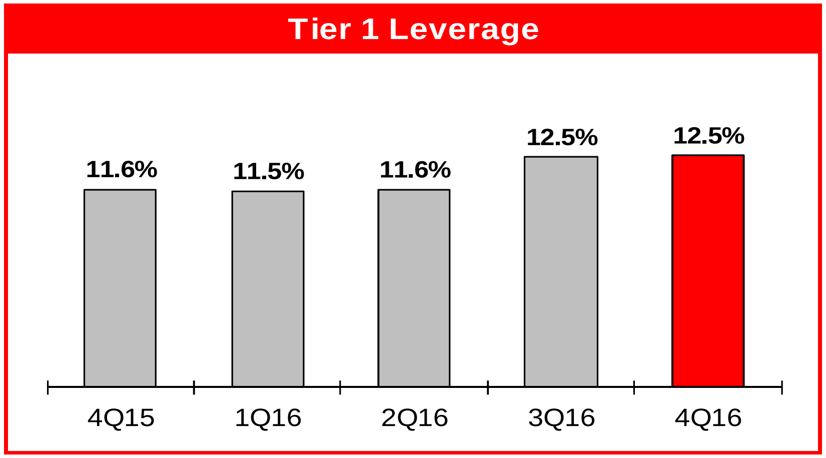


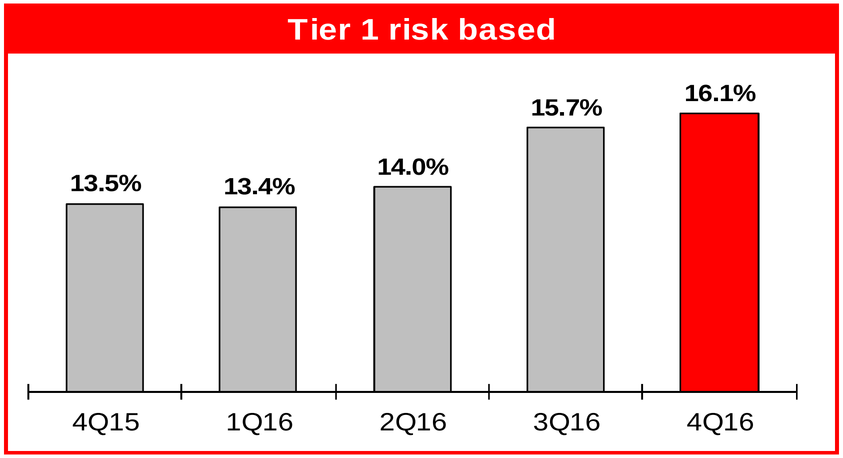
[12]SHUSA Form 8-K filed March 1, 2017

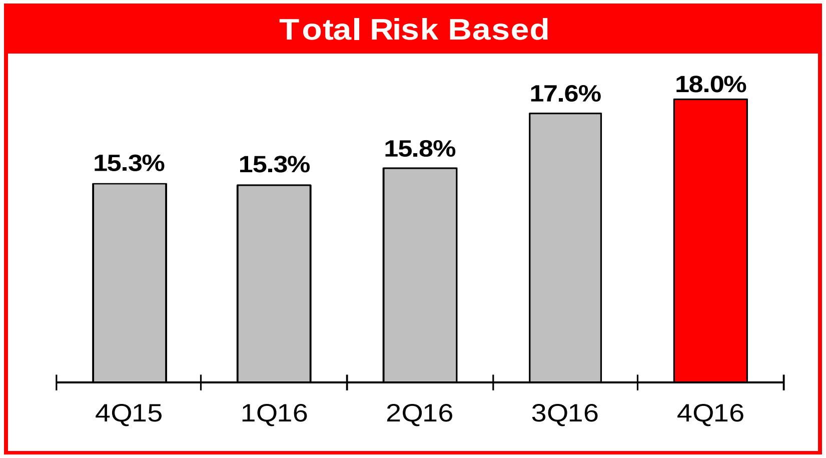
Capital Ratios[1,2]

Under fully phased-in US Basel III rule,[3] CET1 ratio as of 4Q16 was 13.7%









[1]Capital ratios calculated under the U.S. Basel III framework on a transitional basis
[2]Periods prior to 3Q16 have not been re-cast for the IHC consolidation
[3]Fully phased-in under the standardized approach - see SHUSA 2016 Form 10-K

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Rating Agencies

STANDARD &POOR'S

- On August 5, 2016, S&P affirmed SHUSA's and SBNA's ratings of A-2/BBB+/stable

MOODY'S

- On October 18, 2016, Moody's downgraded SHUSA's senior debt rating by 1 notch from Baa2 to Baa3 and moved SHUSA's outlook from negative to stable
- On October 18, 2016, Moody's affirmed SBNA's ratings at P-1/Baa2 and the outlook at stable

	Santander Bank		SHUSA		Banco Santander	
December 31, 2016	S&P	Moody's	S&P	Moody's	S&P	Moody's
Short Term Deposits	A-2	P-1	N/A	N/A	A-2	P-2
Senior Debt	BBB+	Baa2	BBB+	Baa3	A-	A3
Outlook	Stable	Stable	Stable	Stable	Positive*	Stable

*S&P raised Banco Santander's outlook from Stable to Positive on February 9, 2017

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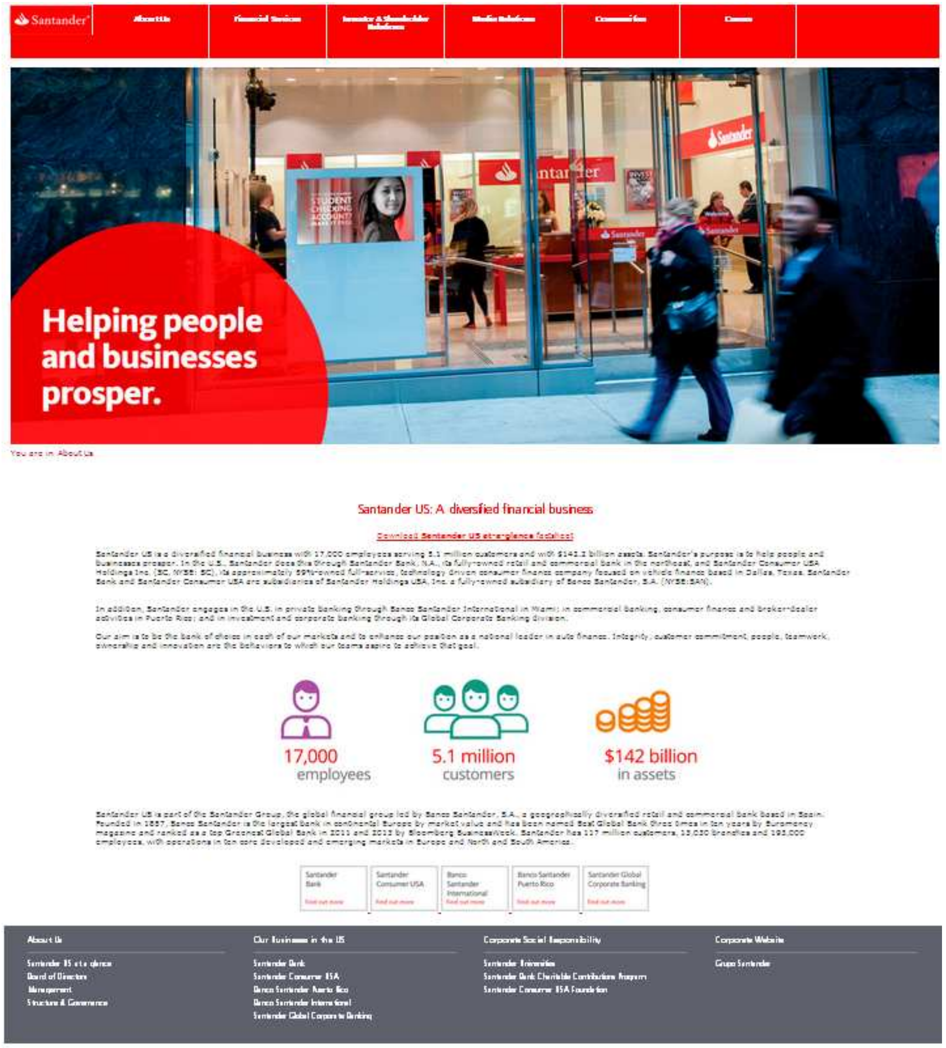
Appendix

Santander U.S. Web site

WWW.SANTANDERUS.COM



SantanderUS.com At-a-Glance

- **Up-to-date key Santander US information in one institutional website**
- **6 sections:**
  - **About Us**
    - **Structure and governance**
    - **Board of Directors**
    - **Management**
  - **Financial Services**
  - **Investor and Shareholder Relations (includes link to SEC filings and fixed-income investor presentations)**
  - **Media Relations**
  - **Communities**
  - **Careers**
- **Links to U.S. business units**

Consolidating Balance Sheet

(US $ millions)	Bank	SC	Other[1]	IHC Entities[2]	SHUSA
	December 31, 2016				
Assets					
Cash and cash equivalents	$ 4,906	$ 160	(28)	4,998	$ 10,036
Investments	17,503	-	990	922	19,415
Loans	51,638	27,072	(427)	7,536	85,819
Less allowance for loan losses	(533)	(3,591)	407	(97)	(3,814)
Total loans, net	**51,105**	**23,641**	**942**	**7,439**	**82,005**
Goodwill	3,403	74	967	11	4,455
Other assets	5,446	14,663	817	534	21,460
Total assets	**$ 82,363**	**$ 38,538**	**$ 3,688**	**$ 13,904**	**$ 137,371**
Liabilities and Stockholders' Equity					
Deposits	$ 60,192	-	(3,043)	10,091	$ 67,240
Borrowings and other debt obligations	7,755	31,324	4,126	319	43,524
Other liabilities	998	1,975	101	1,154	4,228
Total liabilities	**68,945**	**33,299**	**1,184**	**11,564**	**114,992**
Stockholders' equity including noncontrolling interest	13,418	5,239	1,382	2,340	22,379
Total liabilities and stockholders' equity	**$ 82,363**	**$ 38,538**	**$ 2,566**	**$ 13,904**	**$ 137,371**

(1) Includes holding company, eliminations, IHC eliminations and purchase accounting marks related to SC consolidation
(2)The IHC entities are presented within "other" in the company's financial statement segment presentation due to immateriality.

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Consolidating Income Statement

(US $ Millions)	For the year ended December 31, 2016				
	Bank	SC	Other[1]	IHC Entities	SHUSA
Interest income	$ 2,209	$ 5,255	$ 173	353	$ 7,990
Interest expense	(477)	(806)	(110)	(32)	(1,425)
Net interest income	**1,732**	**4,449**	**63**	**321**	**6,565**
Fees & other income/(expense)	928	1,431	(113)	452	2,698
Other non interest income	58	-	-	-	58
Net revenue	**2,718**	**5,880**	**(50)**	**773**	**9,321**
G & A expense	(2,160)	(2,235)	(197)	(530)	(5,122)
Other expenses	(193)	(17)	(37)	(17)	(264)
Provision for credit losses	(132)	(2,468)	(309)	(71)	(2,980)
Income/(loss) before taxes	**233**	**1,160**	**(593)**	**155**	**955**
Income tax (expense)/benefit	(81)	(394)	166	(5)	(314)
Net income/(loss)[2]	**$ 152**	**$ 766**	**$ (427)**	**$ 150**	**$ 641**

(1)Includes holding company activities, IHC eliminations, eliminations and purchase accounting marks related to SC consolidation.
(2) SHUSA net income includes non-controlling interest.
(3)The IHC entities are presented within "other" in the company's financial statement segment presentation due to immateriality.

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Quarterly Trended Statement of Operations[1]

(US $ Millions)	4Q15[1]	1Q16[1]	2Q16[1]	3Q16	4Q16
Interest income	$ 1,933	$ 1,970	$ 1,942	$1,971	$ 1,932
Interest expense	(328)	(354)	(356)	(350)	(349)
Net interest income	**1,605**	**1,616**	**1,586**	**1,621**	**1,583**
Fees & other income	518	575	585	728	623
Equity investment income/(expense	(3)	(4)	(1)	-	(6)
Other non interest income/(loss)	-	26	31	-	-
Net revenue	**2,120**	**2,213**	**2,201**	**2,349**	**2,200**
G&A expense	(1,227)	(1,109)	(1,144)	(1,281)	(1,353)
Other expenses	(4,540)	(72)	(72)	(46)	(64)
Provision for credit losses	(1,057)	(882)	(597)	(688)	(780)
Income/(loss) before taxes	**(4,704)**	**150**	**388**	**334**	**3**
Income tax (expense)/benefit	1,039	(65)	(135)	(108)	27
Net income/(loss)[(2)]	**$ (3,665)**	**$ 85**	**$ 253**	**$ 226**	**$ 30**

[1]Periods prior to 3Q16 have not been re-cast for the IHC consolidation. Refer to SHUSA 2016 Form 10-K for annual results re-casted for IIHC consolidation.
[2]Represents net income/(loss) including noncontrolling interest.

Annually Trended Statement of Operations

(US $ Millions)	2012	2013	2014	2015	2016
Interest income	$ 3,081	$2,707	$7,331	$ 8,138	$ 7,990
Interest expense	(949)	(837)	(1,088)	(1,237)	(1,425)
Net interest income	**2,132**	**1,870**	**6,243**	**6,901**	**6,565**
Fees & other income	1,013	1,111	2,607	2,886	2,709
Equity investment (expense)/income	429	438	8	(9)	(11)
Other non interest income	102	3	2,444	19	58
Net revenue	**3,676**	**3,422**	**11,302**	**9,797**	**9,321**
G&A expense	(1,995)	(2,215)	(3,777)	(4,723)	(5,122)
Other expenses	(492)	(170)	(358)	(4,649)	(264)
Provisions for credit losses	(473)	(108)	(2,460)	(4,080)	(2,980)
Income/(loss) before taxes	**716**	**929**	**4,707**	**(3,655)**	**955**
Income tax (expense)/benefit	32	(145)	(1,673)	600	(314)
Net income[1]/(loss)	**$ 748**	**$ 784**	**$3,034**	**$(3,055)**	**$ 641**

	2012	2013	2014	2015	2016
Net interest margin	**2.43%**	**2.30%**	**6.21%**	**6.11%**	**5.66%**

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Non-GAAP to GAAP Reconciliations[1]

$ Millions		4Q15		1Q16		2Q16		3Q16		4Q16
SHUSA Pre-Tax Pre-Provision Income/(Loss)										
Pre-tax income/(loss), as reported	$	(4,704)	$	150	$	388	$	334	$	3
Add back:										
Provision for credit losses		1,057		882		597		688		780
Pre-Tax Pre-Provision Income/(Loss)	$	(3,647)	$	1,032	$	985	$	1,022	$	783

$ Millions		2012		2013		2014		2015		2016
SHUSA Pre-Tax Pre-Provision Income										
Pre-tax income, as reported	$	716	$	977	$	4,707	$	(3,655)	$	955
Add back:										
Provision for credit losses		473		108		2,460		4,080		2,980
Pre-Tax Pre-Provision Income	$	1,189	$	1,085	$	7,167	$	425	$	3,935

[1]Periods prior to 3Q16 have not been re-cast for the IHC consolidation. Refer to SHUSA Form 10-K for annual results re-casted for IHC consolidation

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Non-GAAP to GAAP Reconciliations[1,2]

$ Millions	4Q15	1Q16	2Q16	3Q16	4Q16
Common Equity Tier 1 to Risk-Weighted Assets(1)					
Tier 1 Common	$ 12,973	$ 12,644	$ 12,750	$ 15,153	$ 15,136
Risk-Weighted Assets	108,455	106,446	106,446	107,310	104,334
Ratio	12.0%	11.9%	12.4%	14.1%	14.5%
Tier 1 Leverage(1)					
Tier 1 Capital	$ 14,657	$ 14,281	$ 14,401	$ 16,866	$ 16,844
Average total assets for leverage capital	126,636	123,964	124,498	135,155	$ 134,534
Ratio	11.6%	11.5%	11.6%	12.5%	12.5%
Tier 1 Risk-Based(1)					
Tier 1 Capital	$ 14,657	$ 14,281	$ 14,401	$ 16,866	$ 16,844
Risk-Weighted Assets	108,455	106,446	102,967	107,310	$ 104,334
Ratio	13.5%	13.4%	14.0%	15.7%	16.1%
Total Risk-Based(1)					
Risk-Based Capital	$ 16,637	$ 16,288	$ 16,270	$ 18,834	$ 18,775
Risk-Weighted Assets	108,455	106,446	102,967	107,310	$ 104,334
Ratio	15.4%	15.3%	15.8%	17.6%	18.0%

[1]Periods prior to 3Q16 have not been recast for the IHC consolidation . Refer to SHUSA 2016 Form 10-K for annual results re-casted for IHC consolidation.

[2]Basel III ratios on a transition basis under the standardized approach starting in 2Q15.

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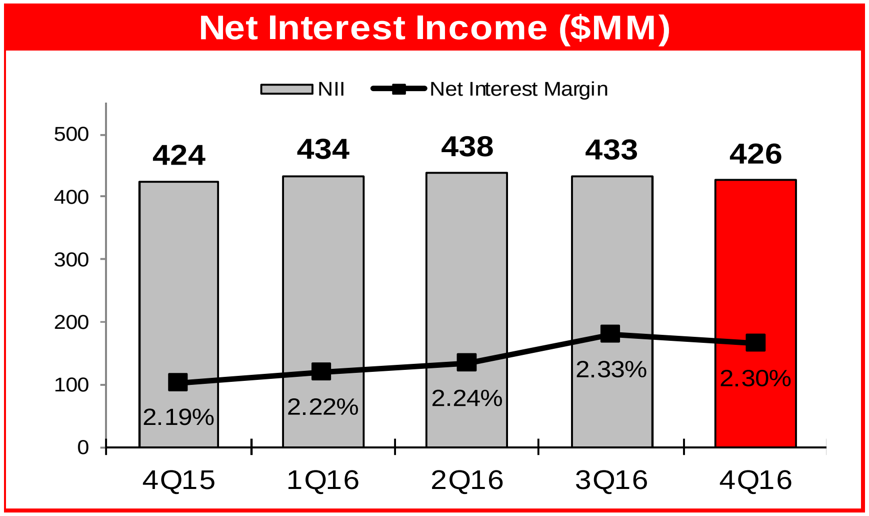
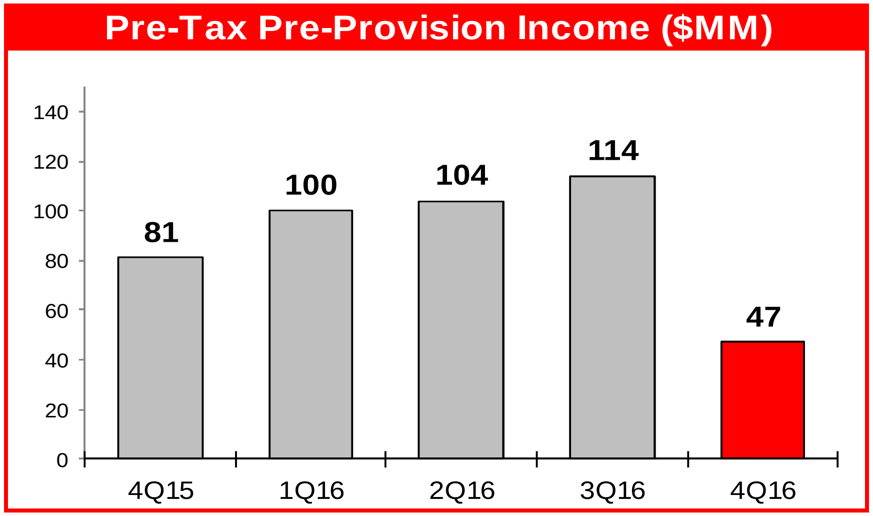
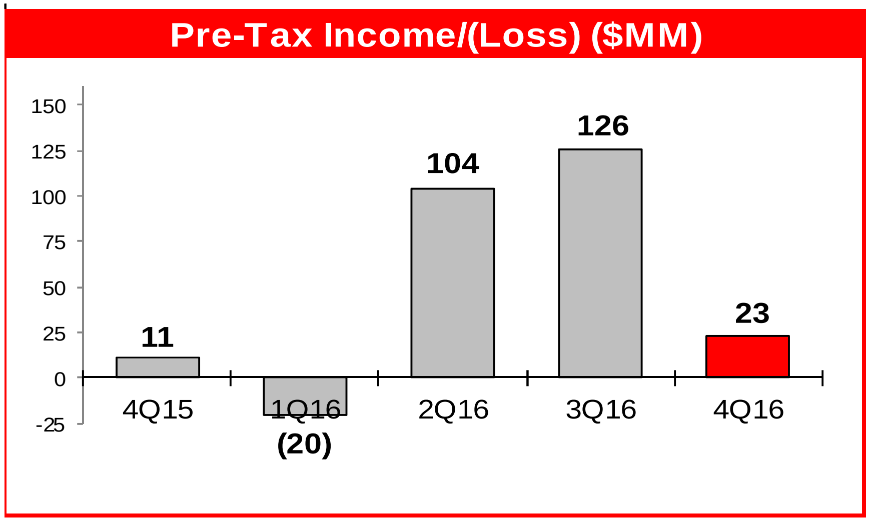
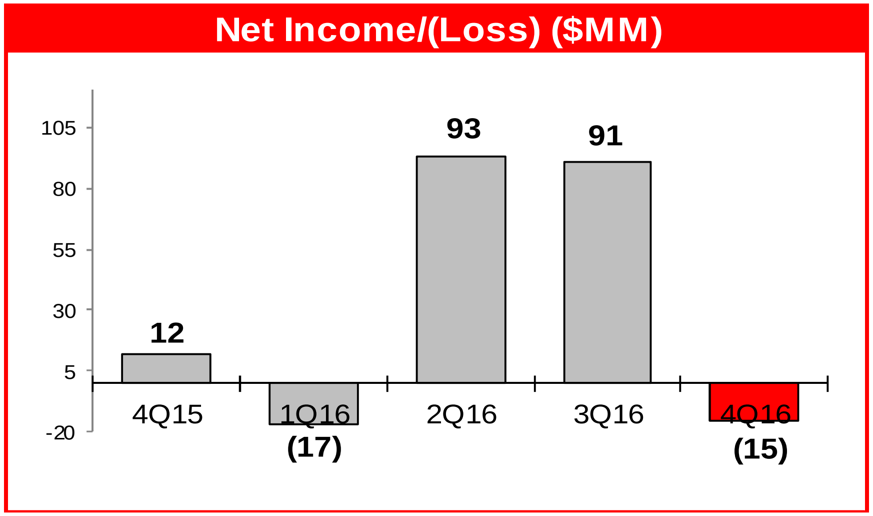
SBNA: Quarterly Profitability









US $ millions

[1]See non-GAAP to GAAP reconciliation of Pre-Tax Pre-Provision Income

SBNA: Quarterly Trended Statement of Operations

(US$ in Millions)	4Q15	1Q16	2Q16	3Q16	4Q16
Interest income	$ 564	$ 576	$ 565	$ 541	$ 527
Interest expense	(140)	(142)	(127)	(108)	(101)
Net interest income	**424**	**434**	**438**	**433**	**426**
Fees & other income	276	227	240	248	213
Other non-interest (loss)/income	-	26	31	-	-
Net revenue	**700**	**687**	**709**	**681**	**639**
General & administrative expenses	(603)	(537)	(540)	(539)	(544)
Other expenses	(16)	(50)	(65)	(28)	(48)
Release of/(Provision for) credit losses	(70)	(120)	-	12	(24)
Income/(loss) before taxes	**11**	**(20)**	**104**	**126**	**23**
Income tax (expense)/benefit	1	3	(11)	(35)	(38)
Net income/(loss)	**$ 12**	**$ (17)**	**$ 93**	**$ 91**	**$ (15)**

	4Q15	1Q16	2Q16	3Q16	4Q16
Net interest margin	**2.19%**	**2.22%**	**2.24%**	**2.33%**	**2.30%**

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SBNA: Quarterly Average Balance Sheet

Quarterly Averages

(In millions)	4Q16 Average Balance	4Q16 Yield/ Rate	3Q16 Average Balance	3Q16 Yield/ Rate	Change Average Balance	Change Yield/ Rate	4Q15 Average Balance	4Q15 Yield/ Rate
Deposits and investments	$ 22,102	1.18%	$ 22,018	1.32%	$ 84	-0.14%	$ 25,320	1.70%
Loans	52,988	3.50%	53,530	3.51%	(542)	-0.01%	53,661	3.43%
Allowance for loan losses	(597)	---	(633)	---	36	---	(567)	---
Other assets	10,147	---	10,597	---	(450)	---	11,190	---
TOTAL ASSETS	$ 84,640	2.50%	$ 85,512	2.54%	$ (872)	-0.04%	$ 89,604	2.53%
Interest-bearing demand deposits	9,845	0.23%	9,780	0.24%	65	-0.01%	11,451	0.51%
Noninterest-bearing demand deposits	11,861	---	11,439	---	422	---	9,804	---
Savings	4,053	0.12%	4,099	0.12%	(46)	0.00%	3,932	0.12%
Money market	27,398	0.46%	26,977	0.48%	421	-0.02%	25,791	0.52%
Certificates of deposit	8,074	0.95%	8,357	0.91%	(283)	0.04%	8,152	0.90%
Borrowed funds	8,140	2.10%	9,438	2.06%	(1,298)	0.04%	15,143	1.89%
Other liabilities	1,709	---	1,791	---	(82)	---	1,846	---
Equity	13,560	---	13,631	---	(71)	---	13,485	---
TOTAL LIABILITIES & SE	$ 84,640	0.47%	$ 85,512	0.50%	$ (872)	-0.03%	$ 89,604	0.62%
NET INTEREST MARGIN		2.30%		2.33%		-0.03%		2.19%

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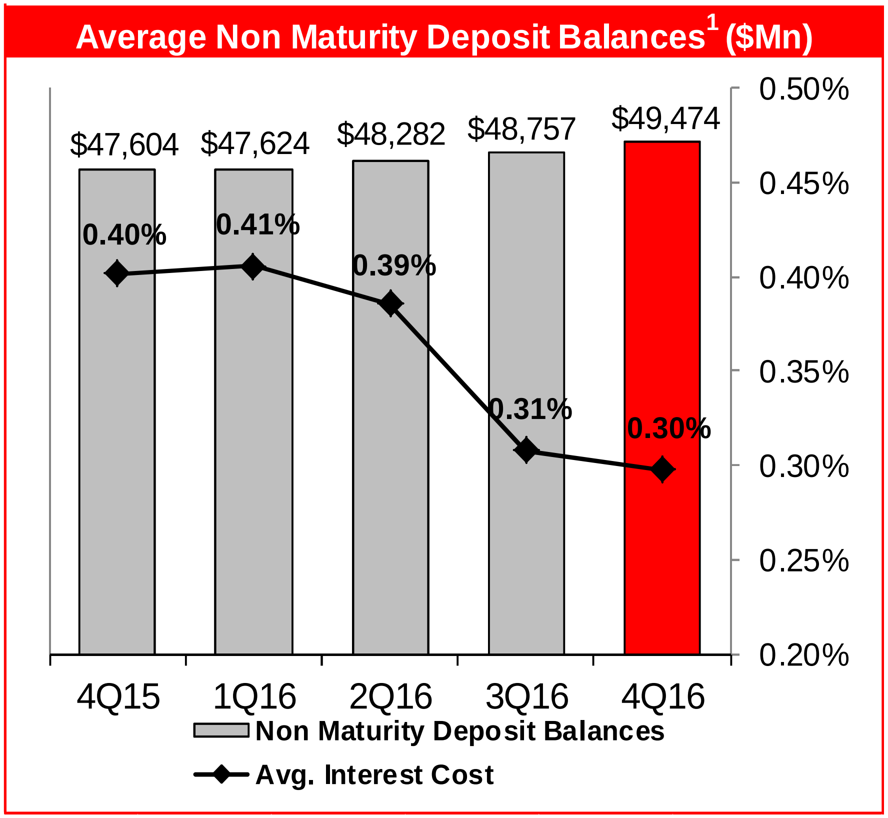
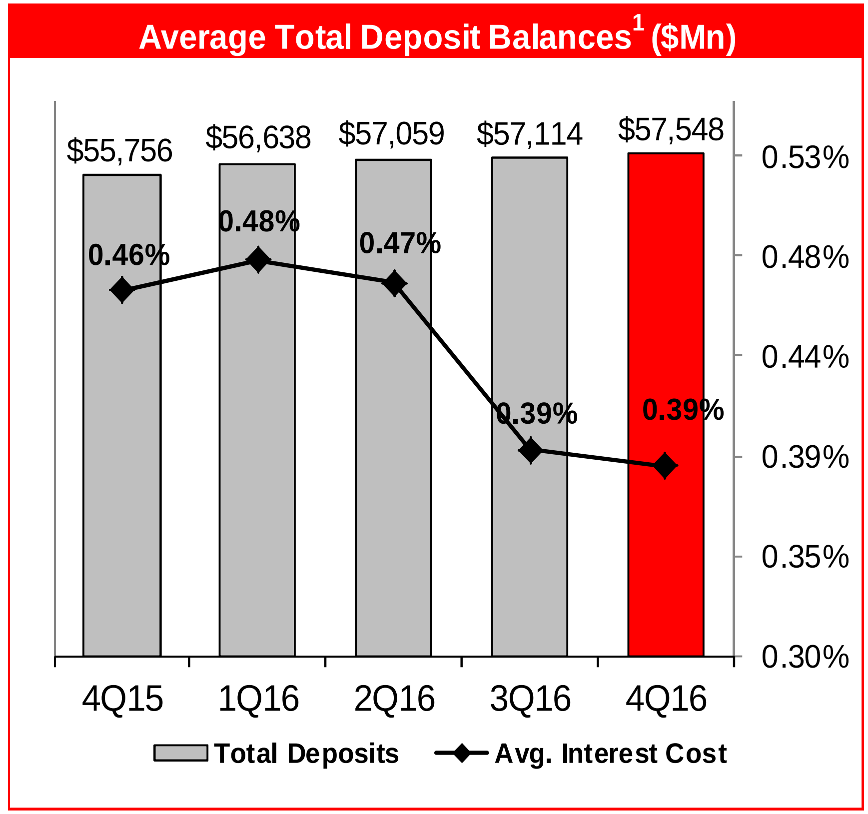
SBNA: Funding – Deposits*



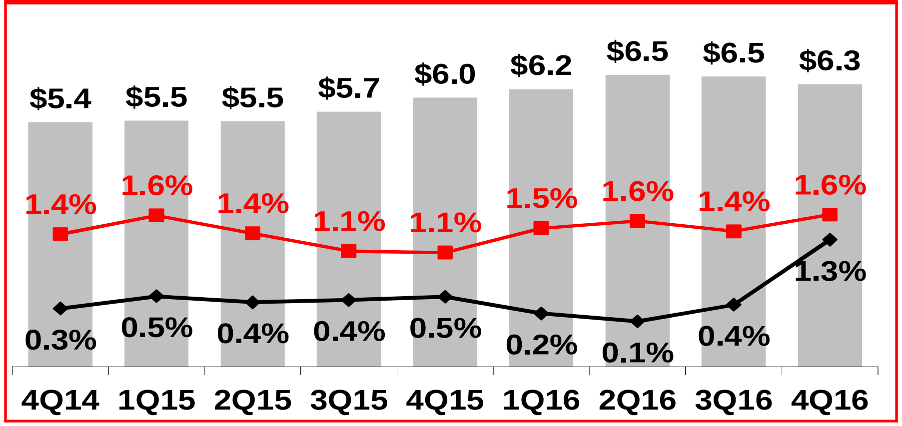


*SBNA total deposits less the SHUSA cash deposit held at SBNA.

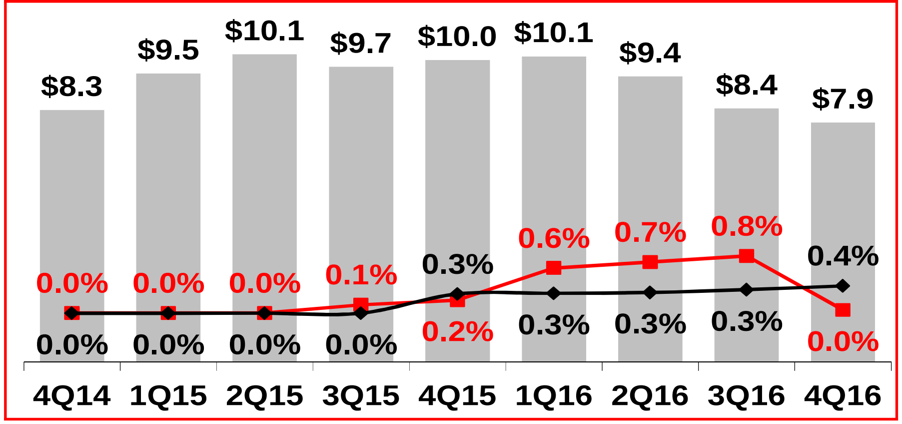
[1]Represents average quarterly balances

SBNA: Asset Quality

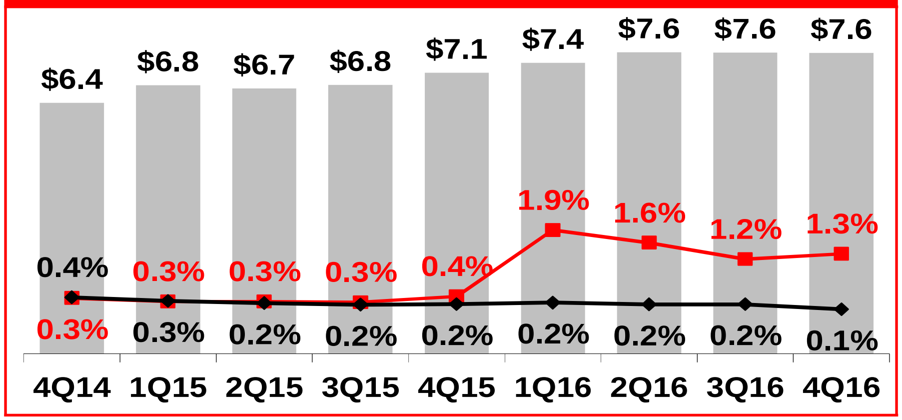
Commercial Banking[1]



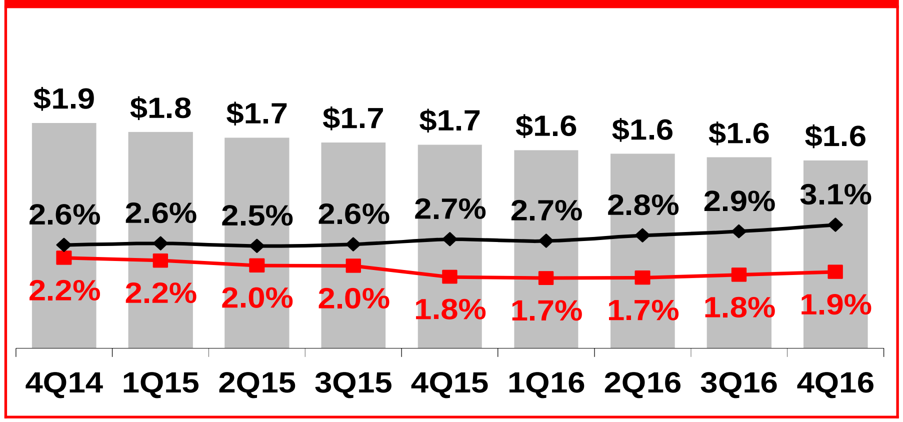
Global Corporate Banking[2]



Other Commercial[3]



Other Consumer[4]



Outstandings | NPL* to Total Loans | Net Charge-Offs**

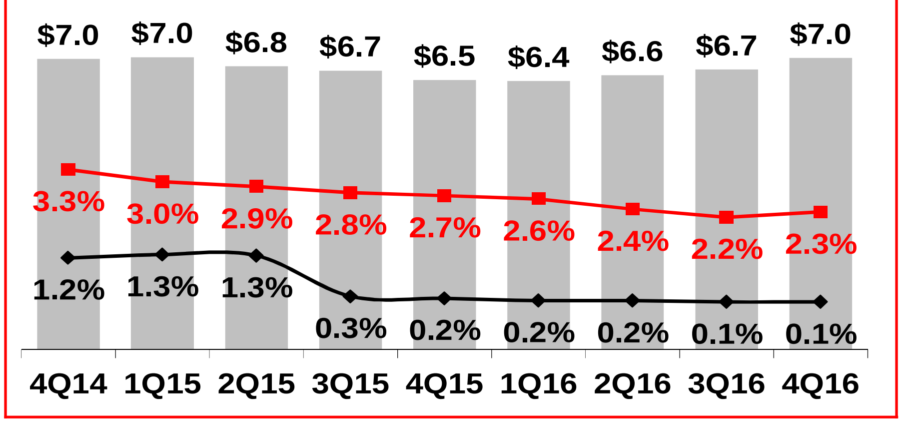
*NPL = Nonaccruing loans *plus* accruing loans 90+ DPD
**NCO = Rolling 12-month average for that quarter and the prior 3 quarters

US $ Billions

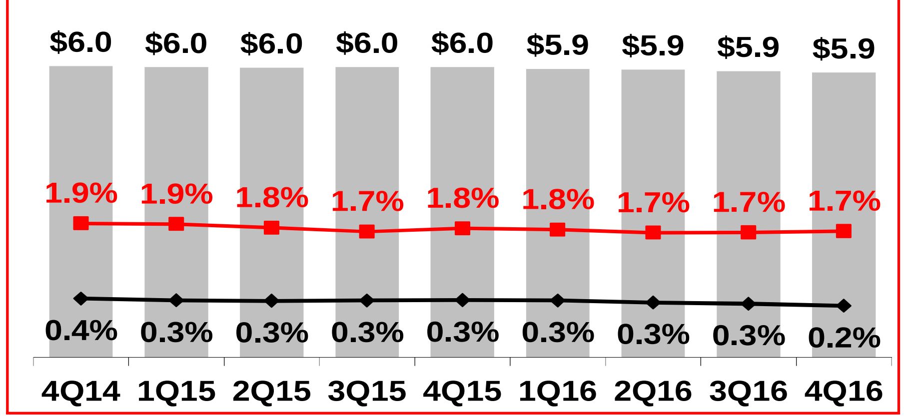
[1]Commercial Banking = Non-CRE total for Business Banking, Middle Market, Equipment Finance & Leasing and Commercial Banking NCE.
[2]Global Corporate Banking = Non-CRE total for Global Corporate Banking.
[3]Other Commercial = Non CRE total for all other Commercial Business segments.
[4]Other Consumer = Direct Consumer, Indirect Consumer, RV/Marine, Credit Cards, SFC, & RDM Run-off.

SBNA: Asset Quality

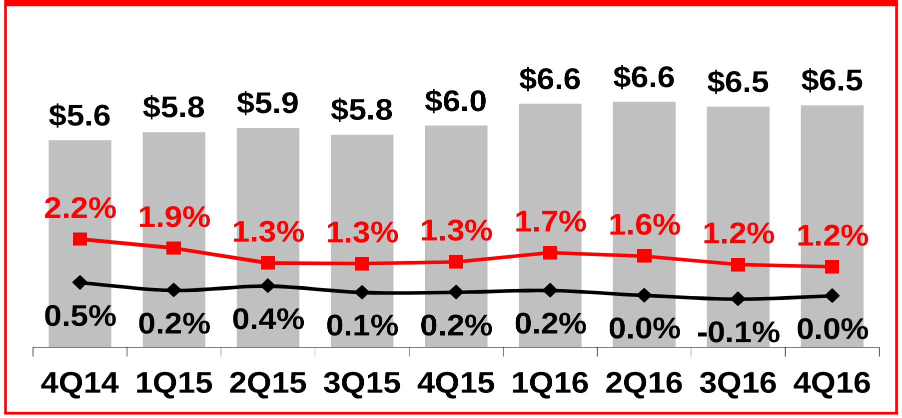
Mortgages



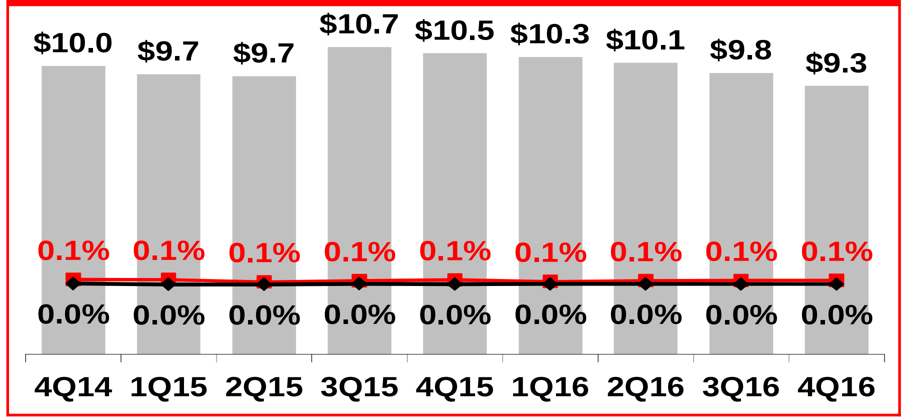
Home Equity



Commercial Real Estate[1]



Santander Real Estate Capital



Outstandings NPL* to Total Loans Net Charge-Offs**

*NPL = Nonaccruing loans *plus* accruing loans 90+ DPD
**NCO = Rolling 12-month average for that quarter and the prior 3 quarters

US $ Billions

[1]Commercial Real Estate is comprised of the commercial real estate, continuing care retirement communities and non-owner occupied real estate secured commercial loans (SREC segment included in separate graph).

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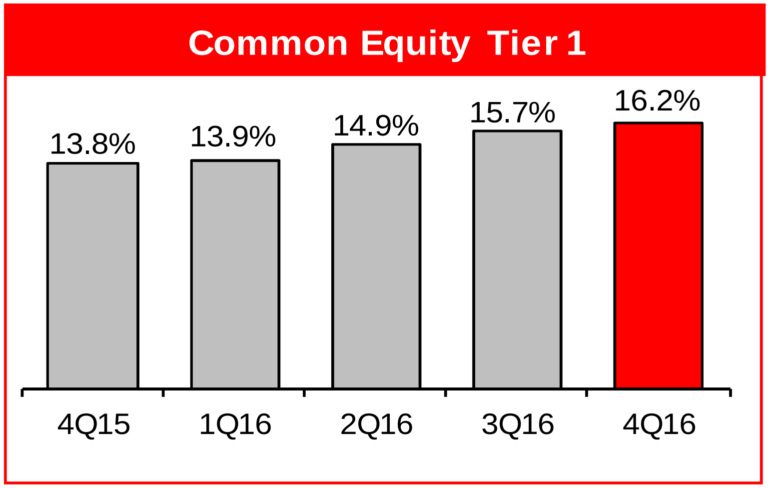
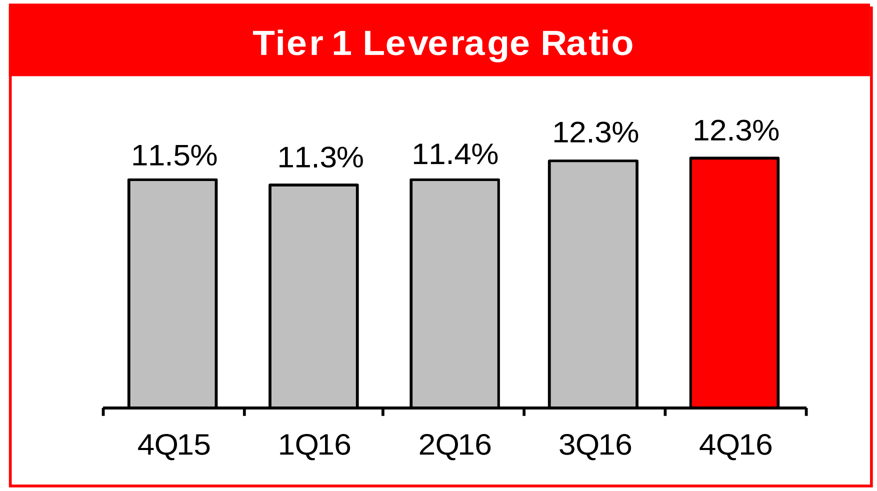
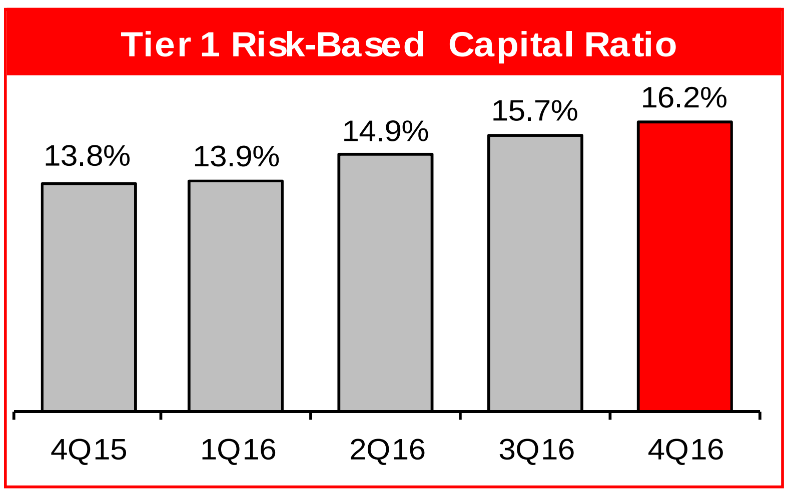
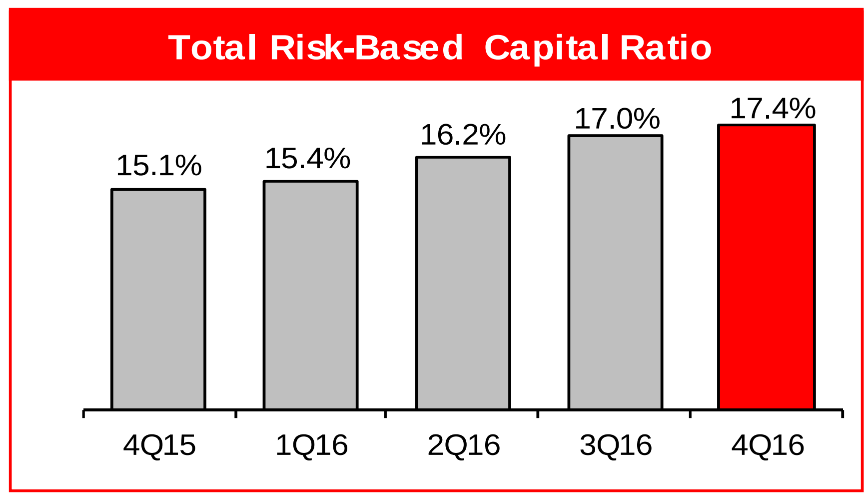
SBNA: Capital Ratios

Under fully phased-in US Basel III rule[1], CET1 ratio as of 4Q16 was 15.8%









[1]Fully phased-in under the standardized approach - see SHUSA 2016 Form 10-K.

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SBNA: Non-GAAP to GAAP Reconciliations[1]

$ Millions	4Q15	1Q16	2Q16	3Q16	4Q16
Tier 1 Common to Risk-Weighted Assets					
Tier 1 Common Capital	$ 9,858	$ 9,813	$ 9,876	$ 10,025	$ 10,006
Risk-Weighted Assets	71,395	70,512	66,357	64,015	61,886
Ratio	13.8%	13.9%	14.9%	15.7%	16.2%
Tier 1 Leverage					
Tier 1 Capital	$ 9,858	$ 9,813	$ 9,876	$ 10,025	$ 10,006
Average total assets for leverage capital purposes	86,028	87,066	86,358	81,815	81,076
Ratio	11.5%	11.3%	11.4%	12.3%	12.3%
Tier 1 Risk-Based					
Tier 1 Capital	$ 9,858	$ 9,813	$ 9,876	$ 10,025	$ 10,006
Risk-Weighted Assets	71,395	70,512	66,357	64,015	61,886
Ratio	13.8%	13.9%	14.9%	15.7%	16.2%
Total Risk-Based					
Risk-Based Capital	$ 10,776	$ 10,827	$ 10,771	$ 10,874	$ 10,759
Risk-Weighted Assets	71,395	70,512	66,357	64,015	61,886
Ratio	15.1%	15.4%	16.2%	17.0%	17.4%

[1]Basel III ratios on a transition basis under the standardized approach starting in 2Q15.

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SBNA: Non-GAAP to GAAP Reconciliations (cont.)

$ Millions	4Q15	1Q16	2Q16	3Q16	4Q16
Santander Bank Texas Ratio					
Total Equity	$ 13,326	$ 13,456	$ 13,576	$ 13,610	$ 13,418
Less:					
Goodwill and other intangibles (excluding MSRs)	(3,732)	(3,723)	(3,716)	(3,681)	(3,664)
Preferred stock	-	-	-	-	-
Add: Allowance for loan losses	572	643	640	616	533
Total Equity and Loss Allowances for Texas Ratio	$ 10,166	$ 10,376	$ 10,500	$ 10,545	$ 10,287
Nonperforming Assets	$ 550	$ 747	$ 748	$ 648	$ 618
90+ DPD accruing	2	2	2	3	3
Accruing TDRs	323	364	364	356	353
Total Nonperforming Assets	$ 875	$ 1,113	$ 1,114	$ 1,007	$ 974
Texas Ratio	8.6%	10.7%	10.6%	9.5%	9.5%

SBNA: Non-GAAP to GAAP Reconciliations (cont.)

$ Millions	4Q15	1Q16	2Q16	3Q16	4Q16
Santander Bank Pre-Tax Pre-Provision Income					
Pre-tax income, as reported	$ 11	$ (20)	$ 104	$ 126	$ 23
Add back:					
Provision for credit losses	70	120	-	(12)	24
Pre-Tax Pre-Provision Income	$ 81	$ 100	$ 104	$ 114	$ 47

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