

SANTANDER HOLDINGS USA, INC.

Fixed Income Investor Presentation

Second Quarter 2019

August 21, 2019

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," "will," "believe," "expect," "anticipate," "estimate," "intend," "plan," "goal" 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 forward-looking statements are: (1) the effects of regulation and/or policies of the Board of Governors of the Federal Reserve System (the "Federal Reserve"), the Federal Deposit Insurance Corporation (the "FDIC"), the Office of the Comptroller of the Currency (the "OCC") and the Consumer Financial Protection Bureau (the "CFPB"), and other changes in monetary and fiscal policies and regulations, including policies that affect market interest rates and money supply, as well as in the impact of changes in and interpretations of generally accepted accounting principles in the United States of America ("GAAP"), the failure to adhere to which could subject SHUSA to formal or informal regulatory compliance and enforcement actions and result in fines, penalties, restitution and other costs and expenses, changes in our business practices, and reputational harm; (2) the slowing or reversal of the current U.S. economic expansion and the strength of the U.S. 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) SHUSA's ability to manage credit risk that may increase to the extent our loans are concentrated by loan type, industry segment, borrower type or location of the borrower or collateral; (4) inflation, interest rate, market and monetary fluctuations, which may, among other things, reduce net interest margins, and impact funding sources and the ability to originate and distribute financial products in the primary and secondary markets; (5) Santander Consumer USA Inc.'s ("SC's") agreement with Fiat Chrysler Automobiles US LLC ("FCA") may not result in currently anticipated levels of growth, is subject to performance conditions that could result in termination of the agreement, and is also subject to an option giving FCA the right to acquire an equity participation in the Chrysler Capital portion of SC's business; (6) the pursuit of protectionist trade or other related policies, including tariffs by the U.S., its global trading partners, and/or other countries; (7) 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; (8) 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; (9) SHUSA's ability to effectively manage its capital and liquidity, including approval of its capital plans by its regulators and its ability to continue to receive dividends from its subsidiaries or other investments; (10) changes in credit ratings assigned to SHUSA or its subsidiaries; (11) the ability to manage risks inherent in our businesses, including through effective use of systems and controls, insurance, derivatives and capital management; (12) 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 success of our marketing efforts to customers, and the potential for new products and services to impose additional unexpected costs, losses or other liabilities not anticipated at their initiation, and expose SHUSA to increased operational risk; (13) competitors of SHUSA may have greater financial resources or lower costs, or be subject to different regulatory requirements than SHUSA, may innovate more effectively, or may develop products and technology that enable those competitors to compete more successfully than SHUSA and cause SHUSA to lose business or market share; (14) consumers and small businesses may decide not to use banks for their financial transactions, which could impact our net income; (15) changes in customer spending, investment or savings behavior; (16) loss of customer deposits that could increase our funding costs; (17) the ability of SHUSA and its third-party vendors to convert, maintain and upgrade, as necessary, SHUSA's data processing and other information technology ("IT") infrastructure on a timely and acceptable basis, within projected cost estimates and without significant disruption to our business; (18) 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, including as a result of cyber-attacks, technological failure, human error, fraud or malice, and the possibility that SHUSA's controls will prove insufficient, fail or be circumvented;

Disclaimer (cont.)

(19) 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, including economic instability and recessionary conditions in Europe and the eventual exit of the United Kingdom from the European Union; (20) changes to income tax laws and regulations and 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; (21) the costs and effects of regulatory or judicial proceedings, including possible business restrictions resulting from such proceedings; and (22) adverse publicity and negative public opinion, whether specific to SHUSA or regarding other industry participants or industry-wide factors, or other reputational harm; and (23) acts of terrorism or domestic or foreign military conflicts; and acts of God, including natural disasters.

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"), SC or 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. 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.

The enhanced prudential standards mandated by Section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "DFA") (the "Final Rule") were enacted by the Federal Reserve System (the "Federal Reserve") 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 is 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 the Company to the Company, which became an IHC effective July 1, 2016. These subsidiaries included Santander BanCorp ("SBC"), Banco Santander International ("BSI"), Santander Investment Securities, Inc. ("SIS"), Santander Securities LLC ("SSLLC"), as well as several other subsidiaries.

Effective July 2, 2018, Santander transferred Santander Asset Management, LLC ("SAM") to SHUSA. The contribution of SAM to the Company transferred approximately \$5.4 million of assets, \$1.0 million of liabilities, and \$4.4 million of equity to SHUSA. Although SAM is an entity under common control, its results of operations, financial condition, and cash flows are immaterial to the historical financial results of SHUSA. As a result, SHUSA elected to report the results of SAM on a prospective basis beginning July 2, 2018. As a result of the consolidation of SAM SHUSA's net income is understated \$0.6 million for the three month period ended June 30, 2018. This amount is immaterial to the overall presentation of the Company's financial statements for each of the periods presented.

2Q 2019 Executive Summary¹

Earnings

- 2Q19 net income of \$407MM² vs. \$360MM² for 2Q18
- 1H19 net income of \$646MM² vs. \$620MM² for 1H18

Balance Sheet

- SHUSA's balance sheet increased QoQ from \$138.9BN to \$143.9BN, primarily due to growth in commercial and industrial ("C&I") and auto loans at SBNA
- SBNA originated \$1.9BN of prime auto loans through the program with SC
- Loan growth at SBNA funded through deposits and FHLB³ advances

Liquidity and Funding

- SHUSA, on an unconsolidated basis, held \$4.2BN in high-quality liquid assets ("HQLA")
- SHUSA's LCR⁴ of 166%
- On June 7, 2019, SHUSA issued \$1.0BN five-year debt at 3.50%
- In July 2019, SHUSA redeemed \$0.76BN and issued \$0.72BN floating rate private debt

Capital

- CET1⁵ ratio of 15.04%
- SHUSA paid a regular dividend of \$75MM to Santander
- SC repurchased \$87MM of its stock, completing its 2Q19 program

Credit Quality

- SBNA's credit metrics remain in line with large bank peers
- SC's 30-59 days delinquency ratio declined 20bps YoY while >59 days delinquency ratio increased 20bps YoY
- SC's TDR balances declined \$0.4BN vs. 1Q19 and have declined \$1.6BN vs. 2Q18

¹Data as of June 30, 2019 unless otherwise noted.

²Includes noncontrolling interest. Refer to page 23 for additional detail.

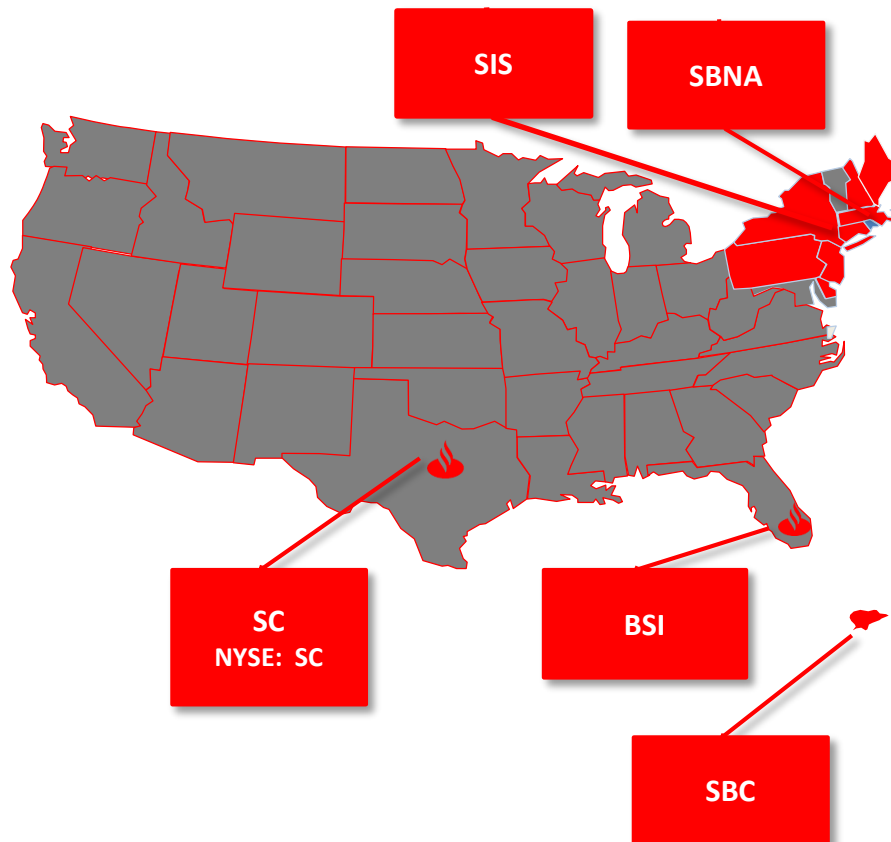
³Federal Home Loan Bank

⁴Liquidity coverage ratio

⁵Common Equity Tier 1

Introduction

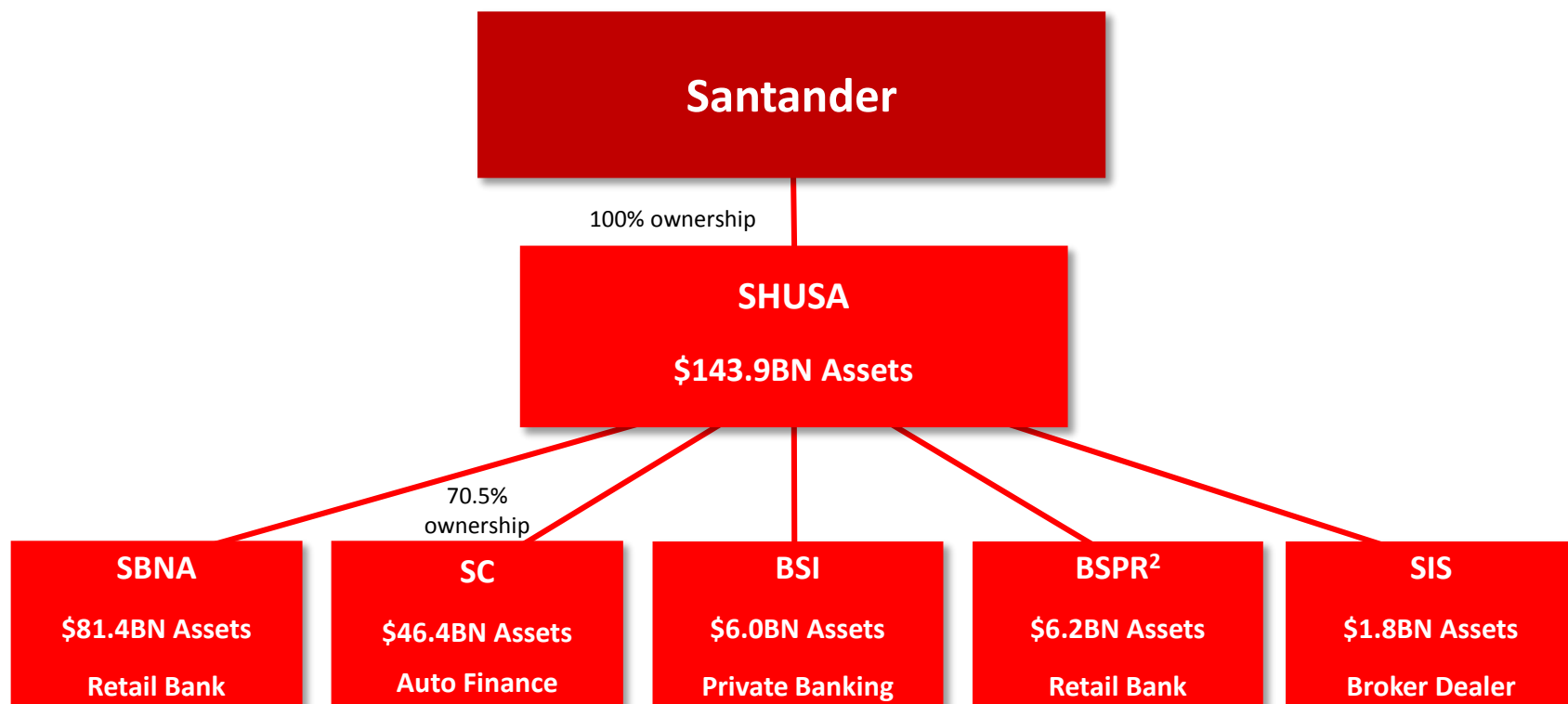
SHUSA is a bank holding company wholly owned by Santander (NYSE: SAN)



- SHUSA and its subsidiaries include:
 - Well-established banking franchises in the Northeast U.S. and Puerto Rico
 - A nationwide auto finance business
 - An international private banking business
 - A wholesale broker-dealer
- Headquartered in Boston
- Regulated by the Federal Reserve
- SEC registered¹
- Bloomberg ticker: SOV
- Website www.santanderus.com

¹SHUSA's SEC filings are accessible on the SEC website at www.sec.gov and are also accessible through SHUSA's website at www.santanderus.com.

SHUSA ownership of SC increased from 69.8% to 70.5% during 2Q19



¹Balances as of June 30, 2019.

²Banco Santander Puerto Rico.

Management Changes

- On July 24, 2019, SHUSA, SBNA, and SC announced the following management changes effective September 16, 2019:

At SHUSA/SBNA:

- **Timothy Wennes** will become President and Chief Executive Officer (“CEO”) of SBNA. He joins SBNA from MUFG Union Bank in California. Mr. Wennes succeeds Duke Dayal, who was named Chief Financial Officer (“CFO”) of Santander UK on July 10, 2019.
- **Juan Carlos Alvarez** will become SHUSA and SBNA CFO. Mr. Alvarez currently serves as the CFO at SC. Mr. Alvarez succeeds Mr. Dayal in this role.

At SC:

- **Fahmi Karam**, SC’s Head of Pricing and Analytics, will succeed Mr. Alvarez as CFO of SC. He will continue to lead the Pricing and Analytics group in addition to his new role.
- **Shawn Allgood**, currently Executive Vice President at Chrysler Capital, succeeds Richard Morrin as Head of Chrysler Capital and Auto Relationships at SC. Mr. Morrin has resigned to assume a CEO role with a privately held company outside of the auto finance industry.

Santander US Key Initiatives

SHUSA

- Integrate U.S. operations and support functions to improve efficiency
- Optimize balance sheet and capital across U.S. businesses

SBNA

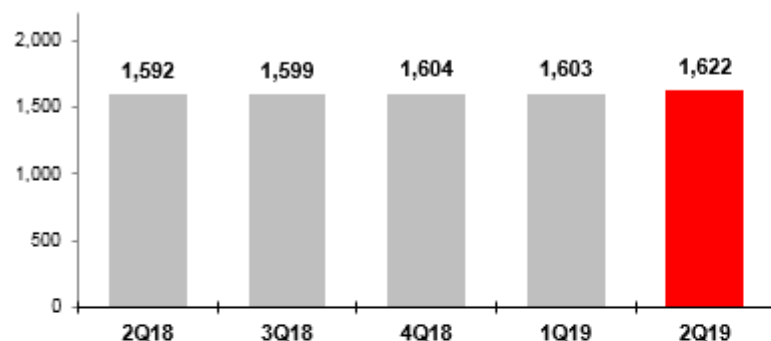
- Continue to improve loyalty and the customer experience across digital and physical channels
- Invest in people, products and technology in Corporate Investment Banking and Commercial Banking
- Enhance earning asset mix

SC

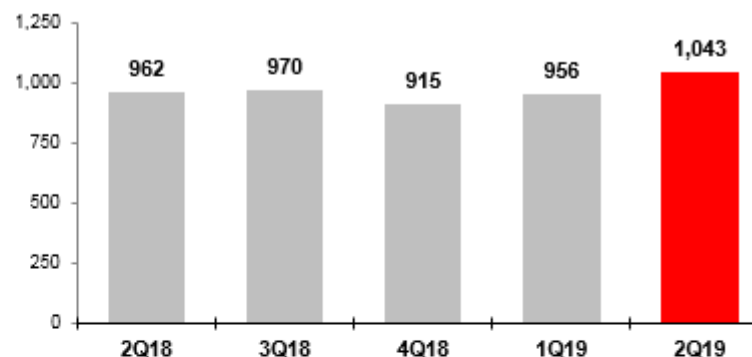
- Increase non-prime originations ensuring appropriate risk-return profile
- Leverage SBNA for prime originations
- Enhance dealer and customer experience to drive originations growth

2Q19 net income improved QoQ and YoY

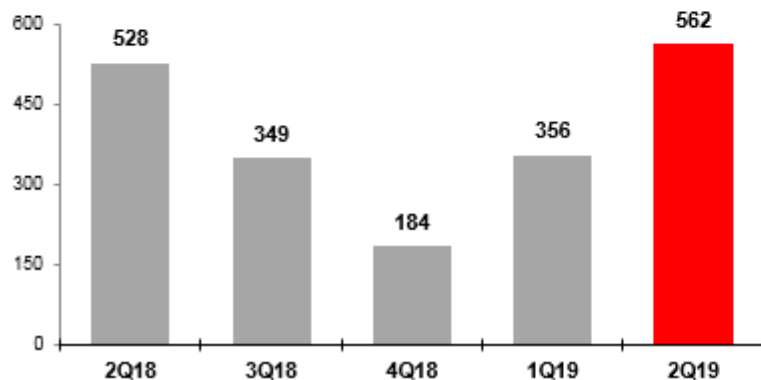
Net Interest Income (\$MM)



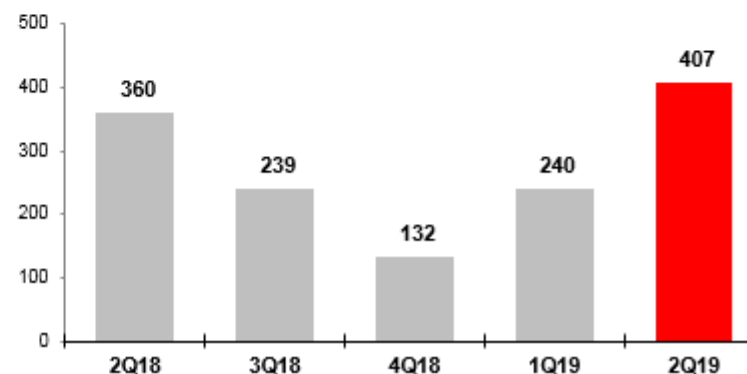
Pre-Tax Pre-Provision Income (\$MM)



Pre-Tax Income/(Loss) (\$MM)



Net Income (\$MM)¹



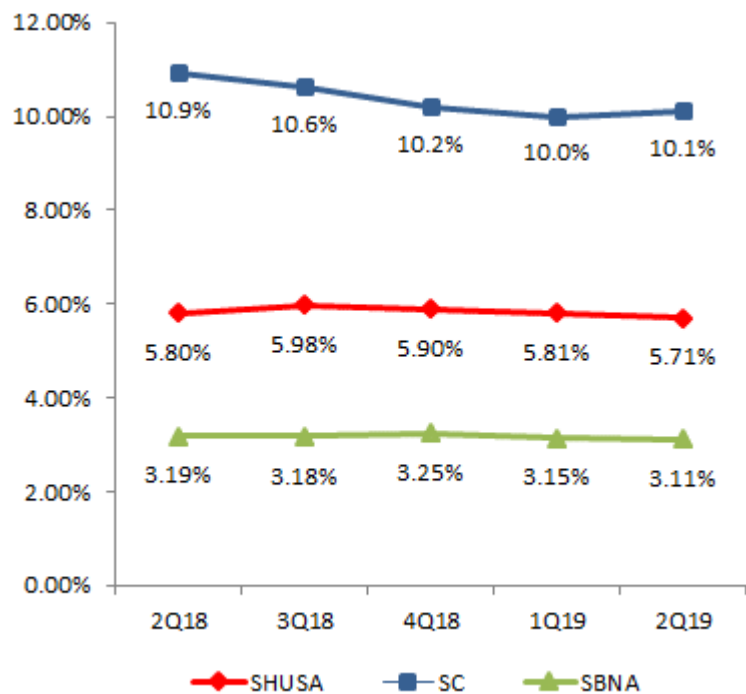
¹Net income includes noncontrolling interest. Refer to page 23 for additional detail.

²See Page 21 for the consolidating income statement.

Net Interest Margin (“NIM”) and Interest Rate Risk (“IRR”) Sensitivity

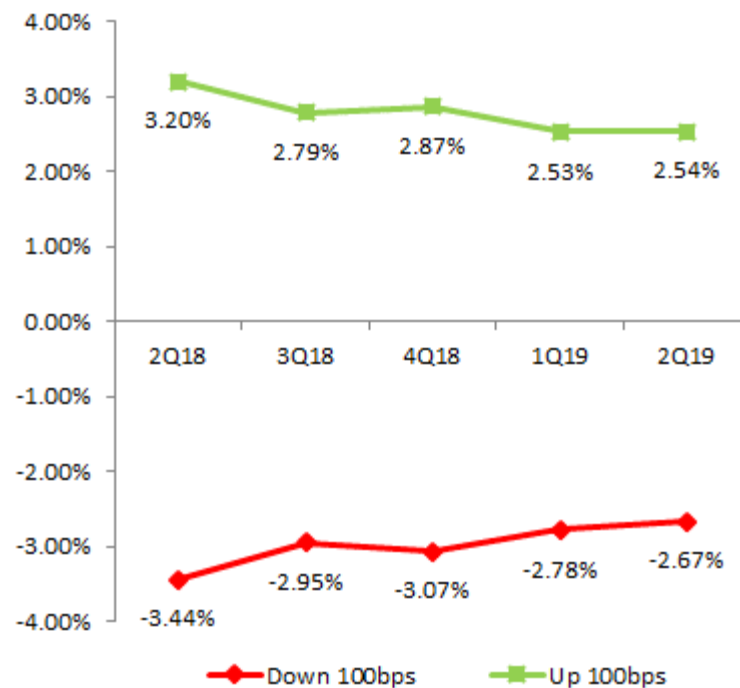
SHUSA’s asset sensitive position has decreased modestly since 4Q18

NIM



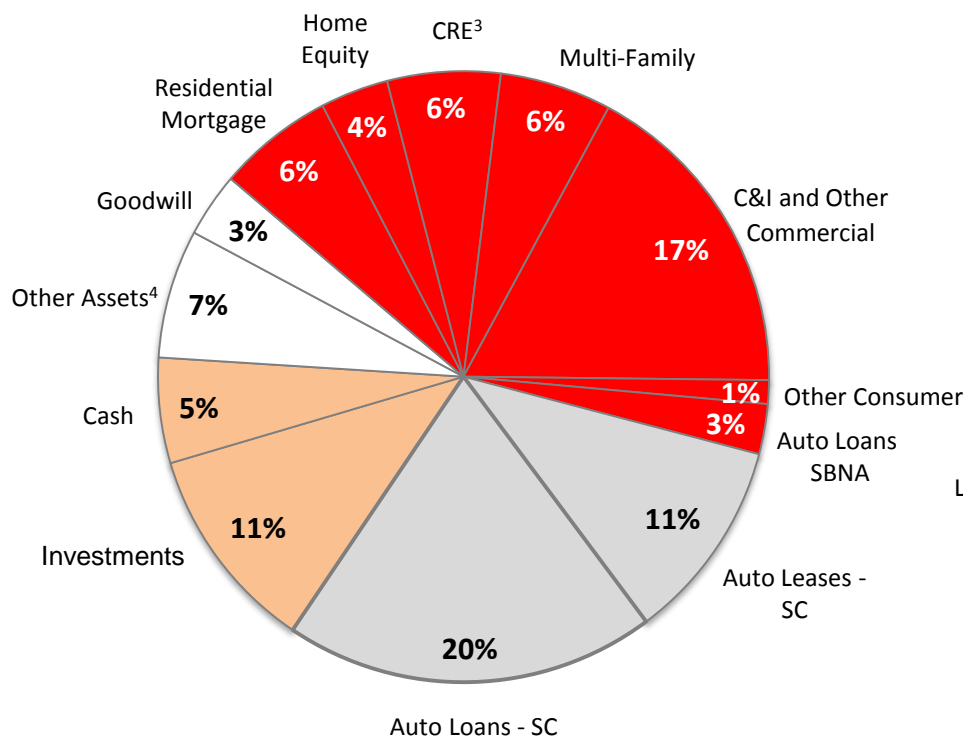
SHUSA IRR

(Change in annual net interest income for parallel rate movements)

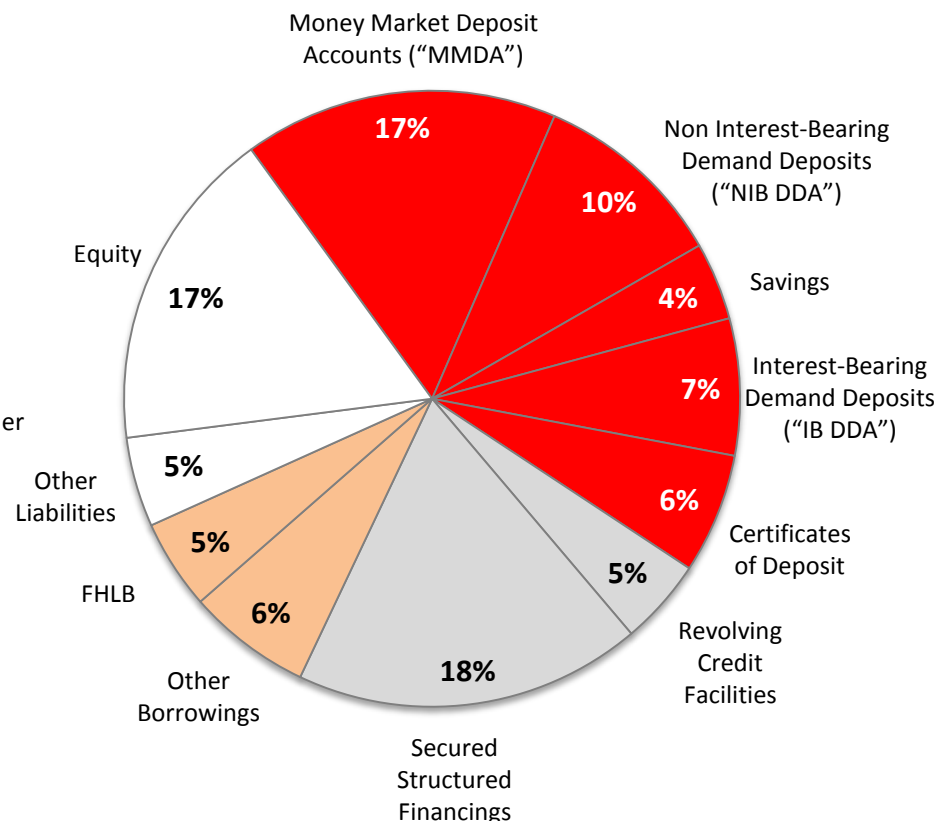


SHUSA's balance sheet reflects the combination of depository institutions funded by core deposits and an auto finance company financed with diversified wholesale funding sources

\$143.9BN Assets



\$119.4BN Liabilities
\$24.5BN Equity



¹Balances as of June 30, 2019.

²See page 22 for the consolidating balance sheet.

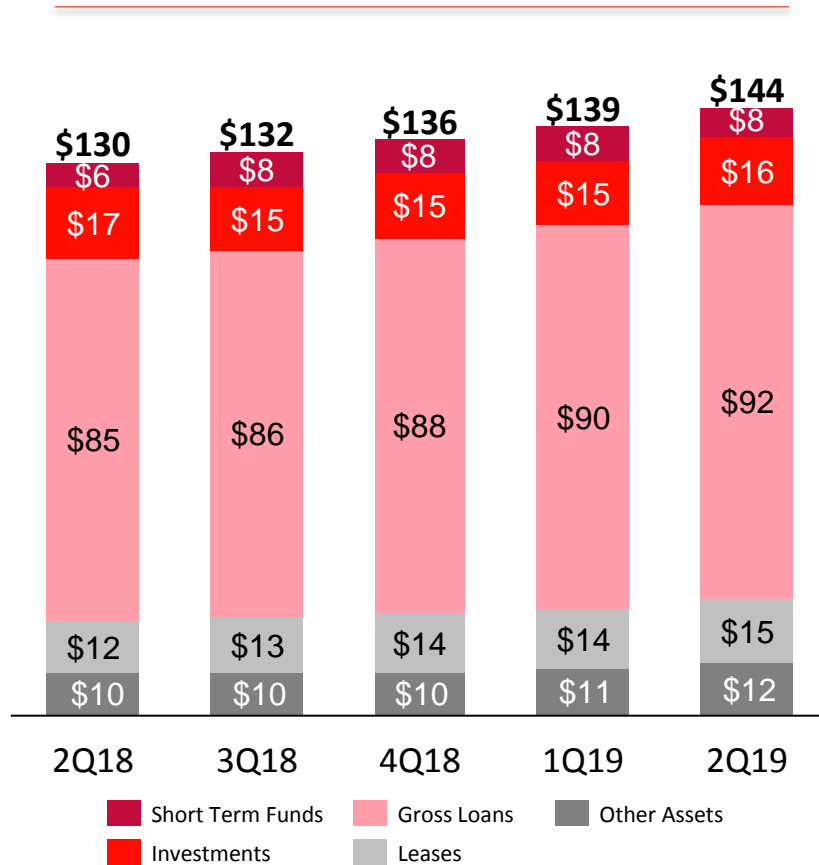
³Commercial real estate ("CRE").

⁴Includes loans held for sale and allowance for loan and lease losses.

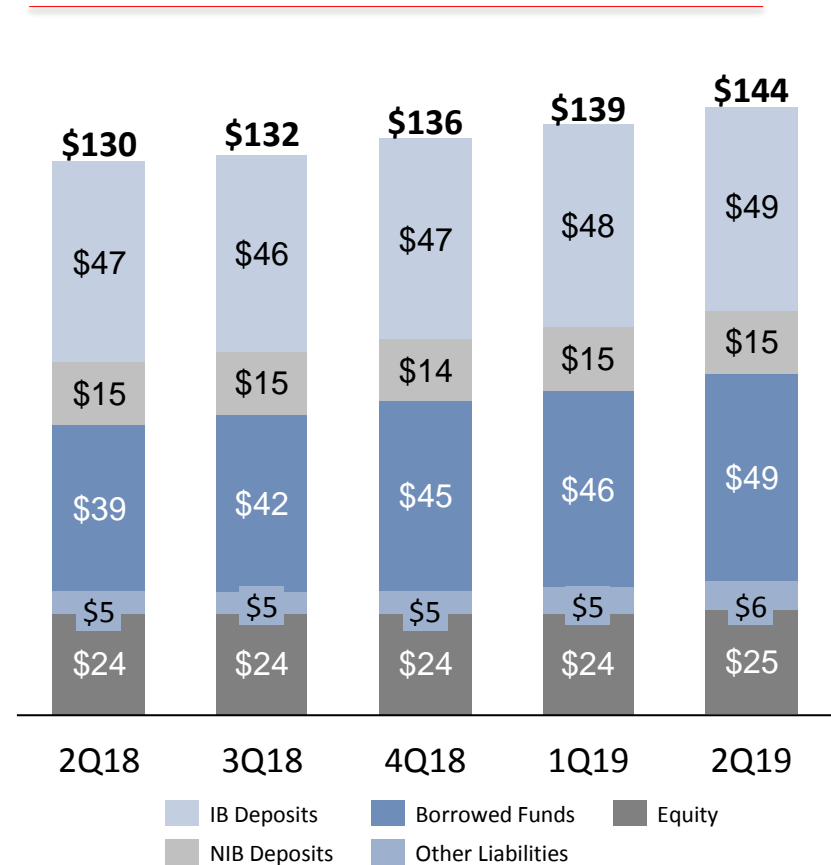
Balance Sheet Trend

Balance sheet trend reflects loan and lease growth funded by deposits and borrowed funds

Assets (\$BN)



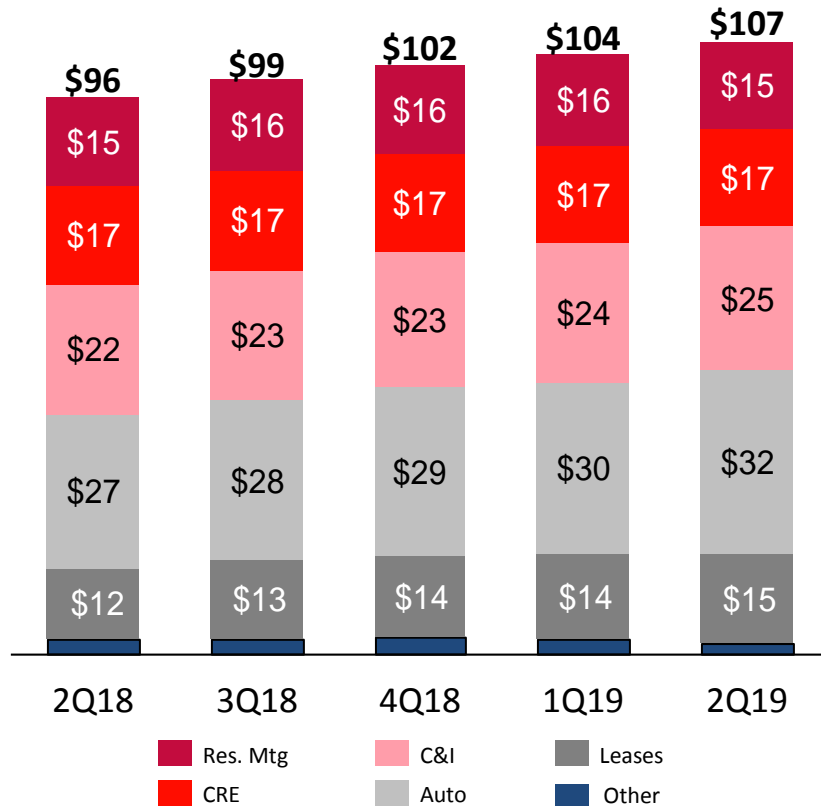
Liabilities and Equity (\$BN)



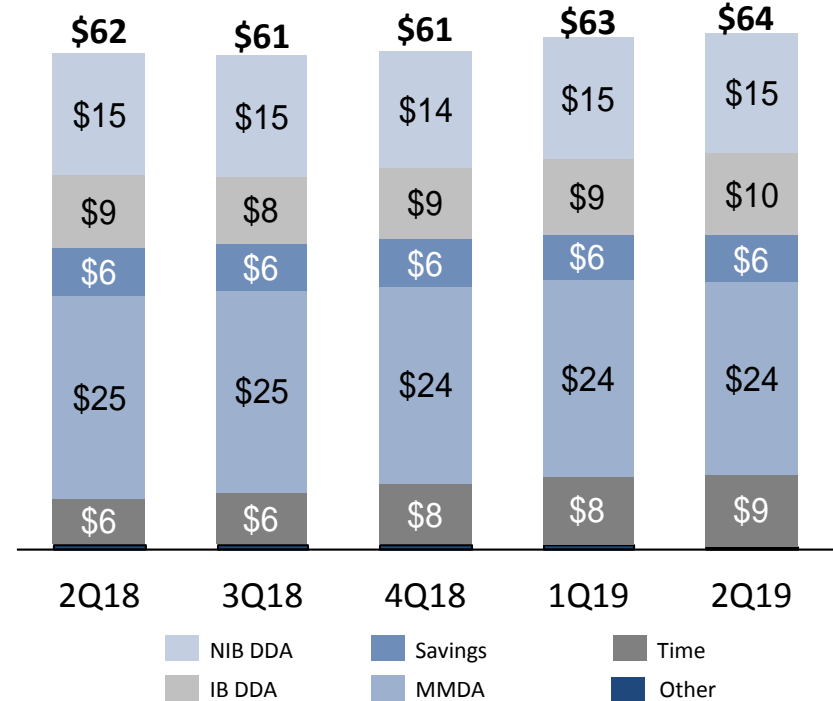
Balance Sheet Trend (cont.)

- *Loan increase primarily due to SBNA C&I and prime auto loans¹*
- *Deposit growth in core customers*

Loans and Leases (\$BN)

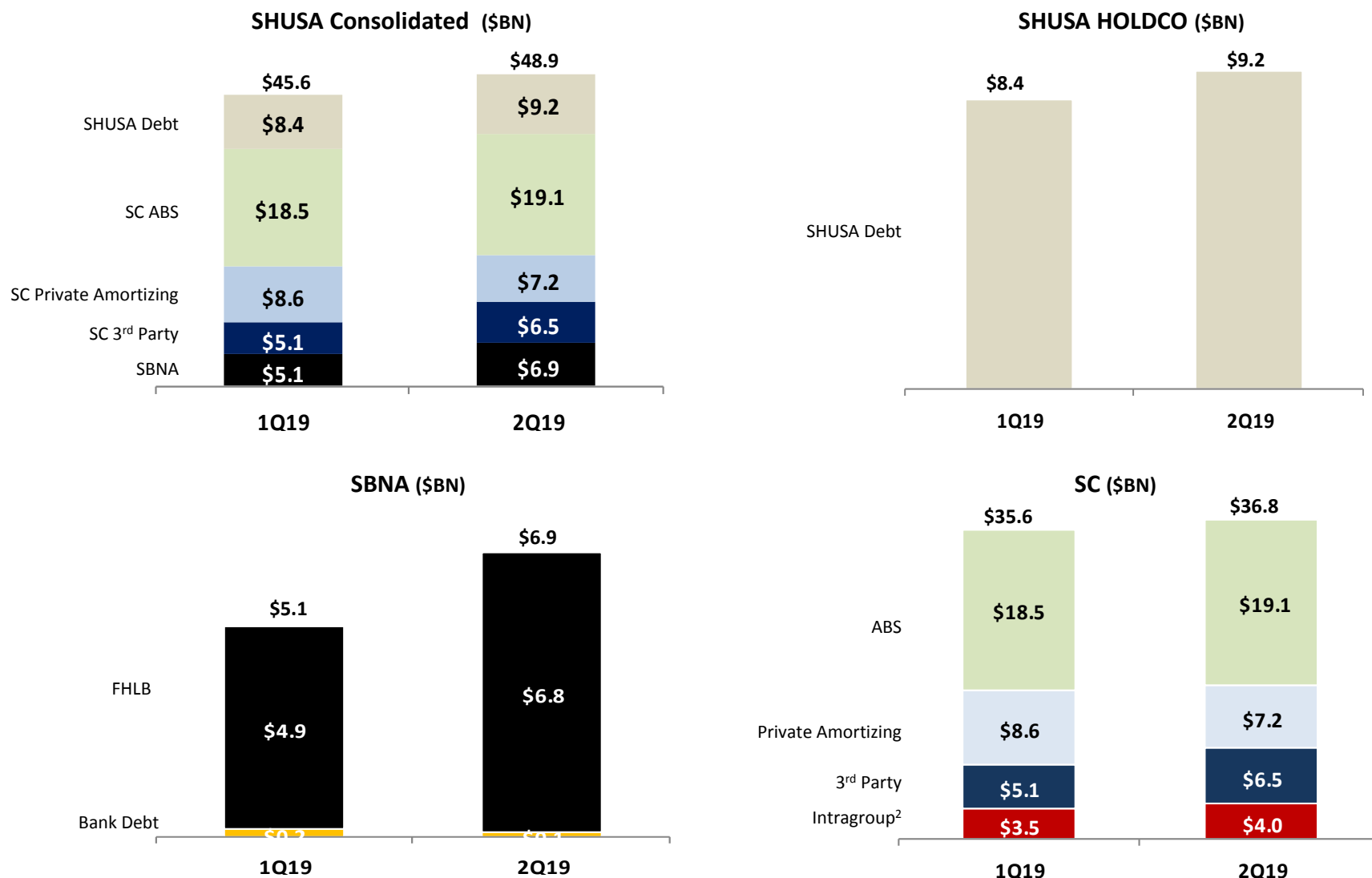


Deposits (\$BN)



¹See slides 32 and 33 for trend detail on SBNA loan portfolio

Public issuances consist of SHUSA unsecured debt and SC auto asset-backed securities

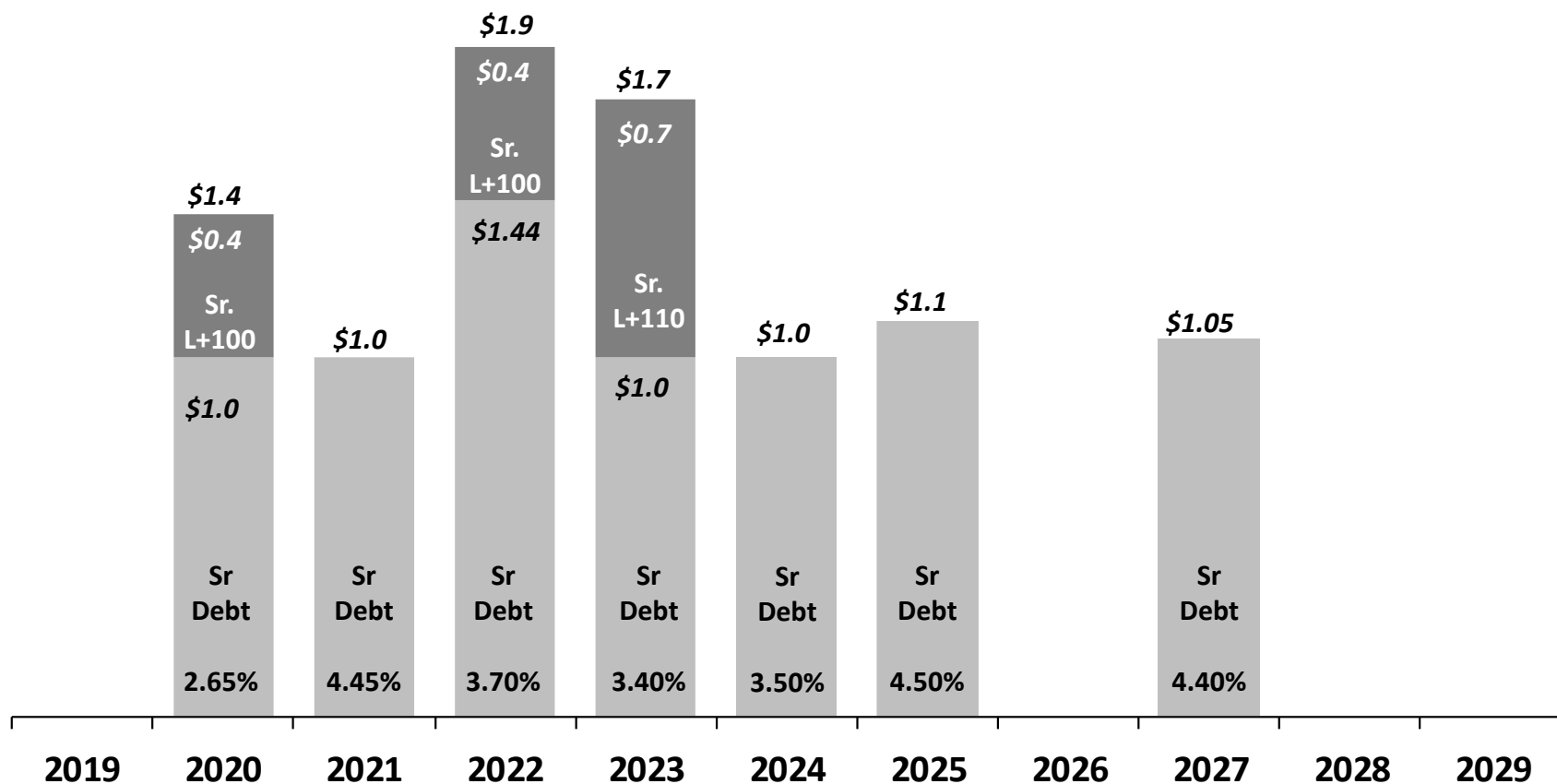


¹As of June 30, 2019.

²Intragroup balance includes lending from SHUSA to SC, which is eliminated in consolidation.

SHUSA Debt and Total Loss Absorbing Capacity (“TLAC”) Rule

- In June 2019 SHUSA issued \$1.0BN 3.50% debt due 2024 and in July 2019 redeemed \$0.7BN floating rate debt due 2019 and issued \$0.7BN floating rate debt due 2023
- As of 2Q19 SHUSA met the Federal Reserve TLAC and Long term Debt (“LTD”) requirements with 21.2% TLAC and 6.2% LTD¹



L = 3 month U.S. Libor.



Public issuance

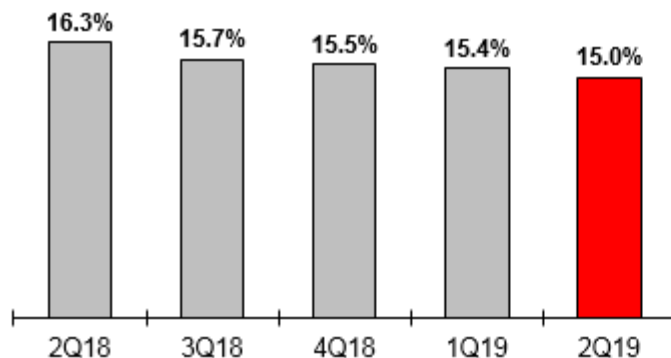
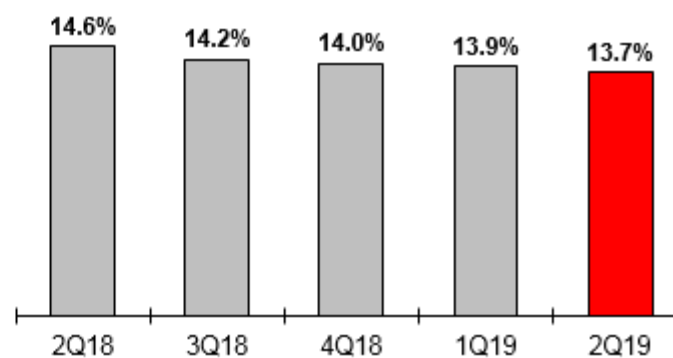
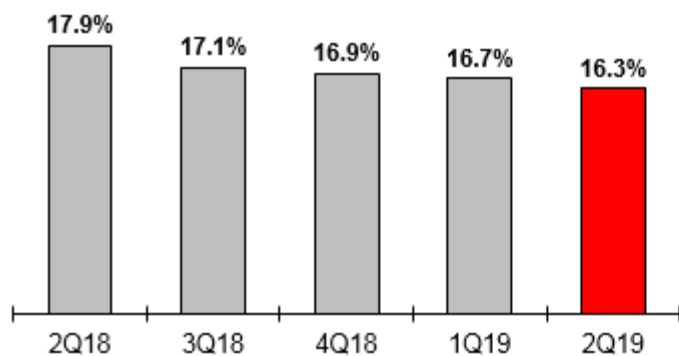
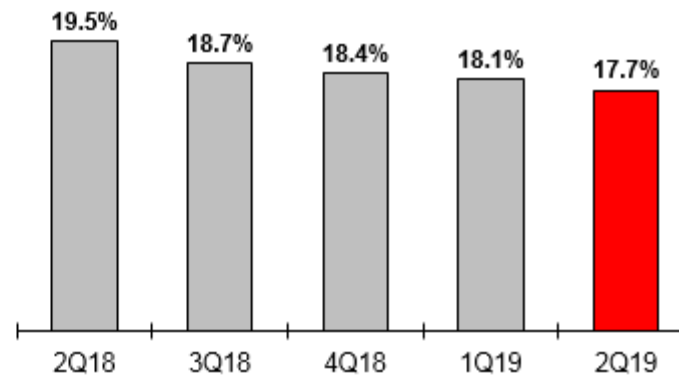


Private placement



¹SHUSA's requirement is 20.5% for TLAC and 6.0% for LTD as a percentage of risk-weighted assets

- *SHUSA capital ratios remain at the top of peers²*
- *Modest decline in ratios due to asset growth and regulator approved capital actions*

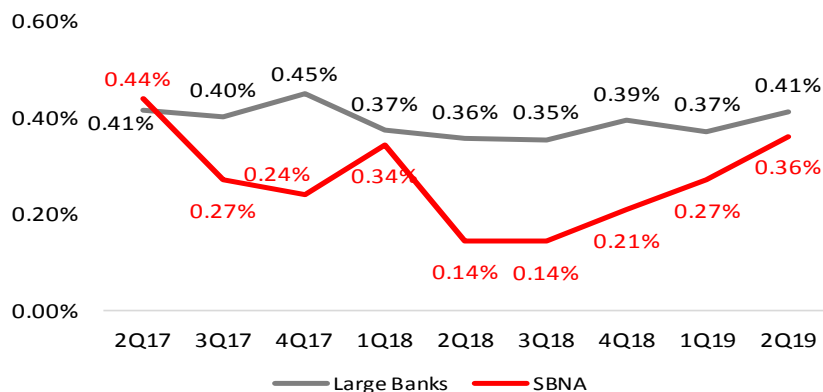
CET1**Tier 1 Leverage Ratio****Tier 1 Risk-Based Capital Ratio****Total Risk-Based Capital Ratio**

¹Capital ratios calculated under the U.S. Basel III framework on a transitional basis.

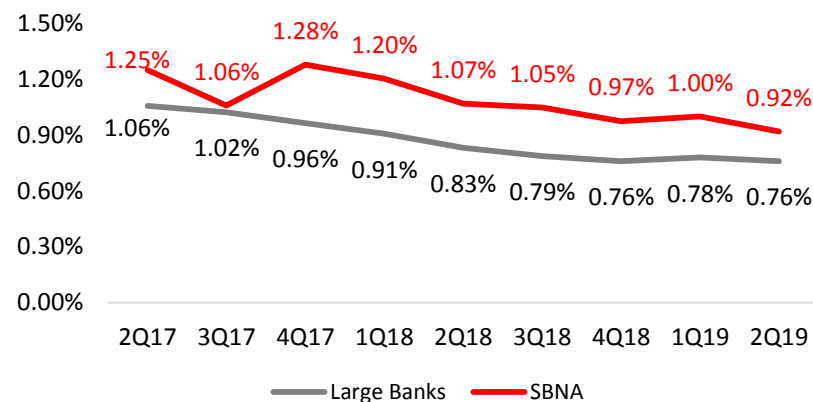
²See page 24 for comparison of SHUSA capital ratios to peers.

SBNA asset quality metrics remain in line with large bank peers

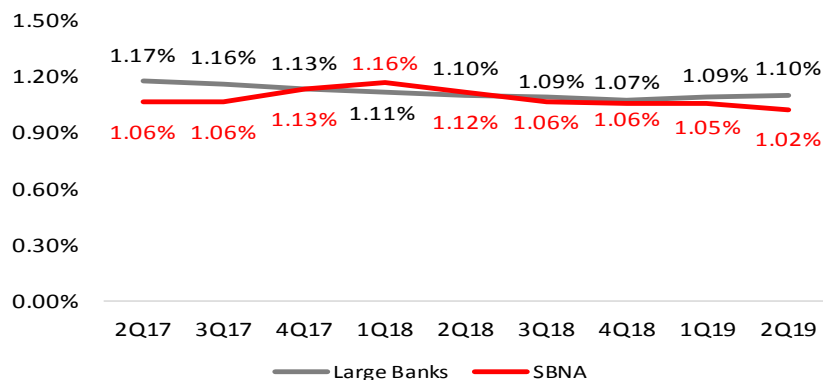
Annualized Net Charge off Ratio



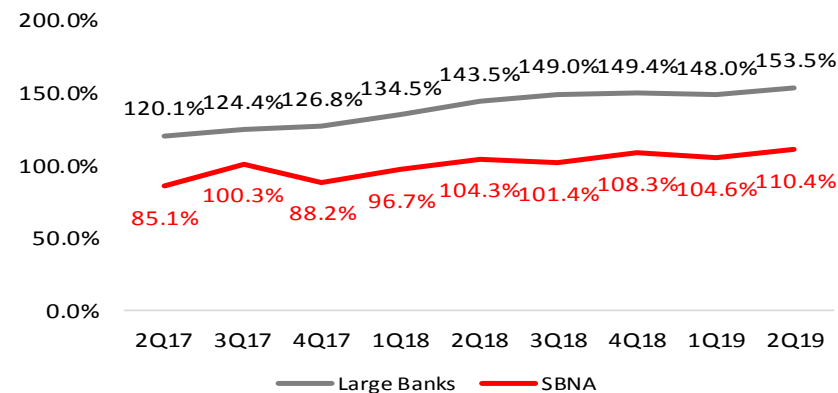
NPL Ratio¹



ALLL² to Total Loans



Reserve Coverage (ALLL/NPL)



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

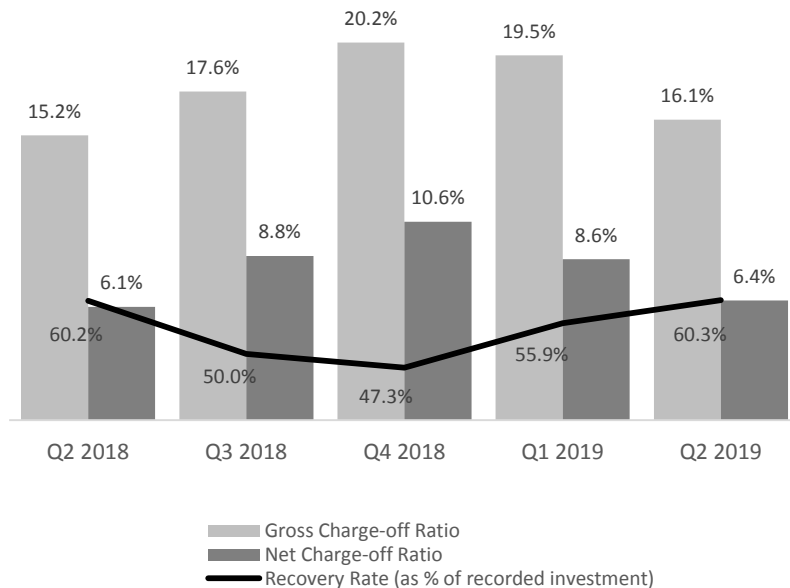
¹NPLs = Non accruing loans plus accruing loans 90+ days past due ("DPD").

²ALLL = Allowance for loan and lease losses.

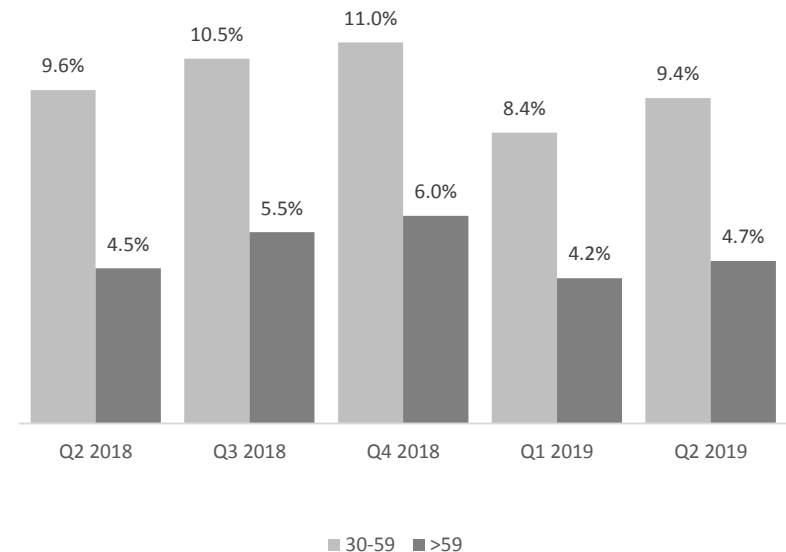
Asset Quality: SC – Loss and Delinquency

- *YoY gross charge-offs increased 90 basis points while YoY net charge-offs increased 30 basis points*
- *YoY 30-59 day delinquency rates decreased 20 basis points while YoY >59 day delinquency rates increased 20 basis points*

Credit: Individually Acquired Retail Installment Contracts (“RICs”),
Held for Investment



Delinquency: Individually Acquired RICs
Held for Investment



Rating Agencies

**STANDARD
& POOR'S**

On August 9, 2018, S&P affirmed SHUSA's ratings at BBB+/A-2 and SBNA's ratings at A-/A-2. The outlook for both remains Stable.

MOODY'S

On December 14, 2017, Moody's upgraded SBNA's long-term rating by 1 notch from Baa2 to Baa1. SHUSA's rating remained at Baa3.

FitchRatings

On July 15, 2019, Fitch affirmed the ratings for SHUSA and SBNA at BBB+/F-2 and the outlook at Stable.

July 2019	SBNA			SHUSA			SANTANDER		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch	S&P	Moody's	Fitch
Short Term Deposits	A-2	P-1	F-2	A-2	N/A	F-2	A-1	P-1	F-2
Long-Term Deposits	A-2	A2	A-	N/A	N/A	N/A	A-1	A2	A-
Senior Debt	A-	Baa1	BBB+	BBB+	Baa3	BBB+	A	A2	A-
Outlook	Stable	Stable	Stable	Stable	Stable	Stable	Stable	Stable	Stable

Appendix

Consolidating Income Statement

(US \$ Millions)

	For the three-month period ended June 30, 2019				
	SBNA	SC	Other ⁽¹⁾	IHC Entities ⁽²⁾	SHUSA
Interest income	\$ 719	\$ 1,324	\$ 13	\$ 120	\$ 2,176
Interest expense	(172)	(332)	(34)	(16)	(554)
Net interest income	547	992	(21)	104	1,622
Fees & other income/(expense)	142	714	(16)	121	961
Other non interest income	2	-	-	-	2
Net revenue/(loss)	691	1,706	(37)	225	2,585
General, administrative and other expenses	(539)	(795)	(53)	(155)	(1,542)
Other expenses	-	-	-	-	-
Provision for credit losses	(47)	(431)	1	(4)	(481)
Income/(loss) before taxes	105	480	(89)	66	562
Income tax (expense)/benefit	(20)	(112)	(3)	(20)	(155)
Net income/(loss)	85	368	(92)	46	407
Less: Net Income Attributable to NCI	-	111	-	-	111
Net income Attributable to SHUSA	\$ 85	\$ 257	\$ (92)	\$ 46	\$ 296

¹Includes holding company activities, IHC eliminations, eliminations and purchase accounting marks related to SC consolidation.

²The entities acquired in the formation of the IHC are presented within "other" in SHUSA's financial statement segment presentation due to immateriality.

(US \$ millions)

	June 30, 2019				
	SBNA	SC	Other ⁽¹⁾	IHC Entities ⁽²⁾	SHUSA
Assets					
Cash and cash equivalents	\$ 4,603	\$ 100	\$ (120)	\$ 3,436	\$ 8,019
Investments available-for-sale at fair value	9,214	95	249	2,344	11,902
Investments held-to-maturity	2,956	-	-	-	2,956
Other investment securities ⁽³⁾	949	-	2	5	956
Loans held for investment ("HFI")	53,819	28,961	(58)	7,250	89,972
Less ALLL	(560)	(3,122)	4	(106)	(3,784)
Total loans HFI, net	53,259	25,839	(54)	7,144	86,188
Goodwill	3,403	74	967	-	4,444
Other assets	7,019	20,304	518	1,604	29,445
Total assets	\$ 81,403	\$ 46,412	\$ 1,562	\$ 14,533	\$ 143,910
Liabilities and Stockholder's Equity					
Deposits	\$ 58,319	\$ -	\$ (4,069)	\$ 9,470	\$ 63,720
Borrowings and other debt obligations	6,900	36,765	5,169	73	48,907
Other liabilities	2,448	2,310	152	1,868	6,778
Total liabilities	67,667	39,075	1,252	11,411	119,405
Stockholder's equity including noncontrolling interest	13,736	7,337	310	3,122	24,505
Total liabilities and stockholder's equity	\$ 81,403	\$ 46,412	\$ 1,562	\$ 14,533	\$ 143,910

¹Includes holding company eliminations, IHC eliminations and purchase accounting marks related to SC consolidation.

²The entities acquired in the formation of the IHC are presented within "other" in SHUSA's financial statement segment presentation due to immateriality.

³Other investment securities include trading securities.

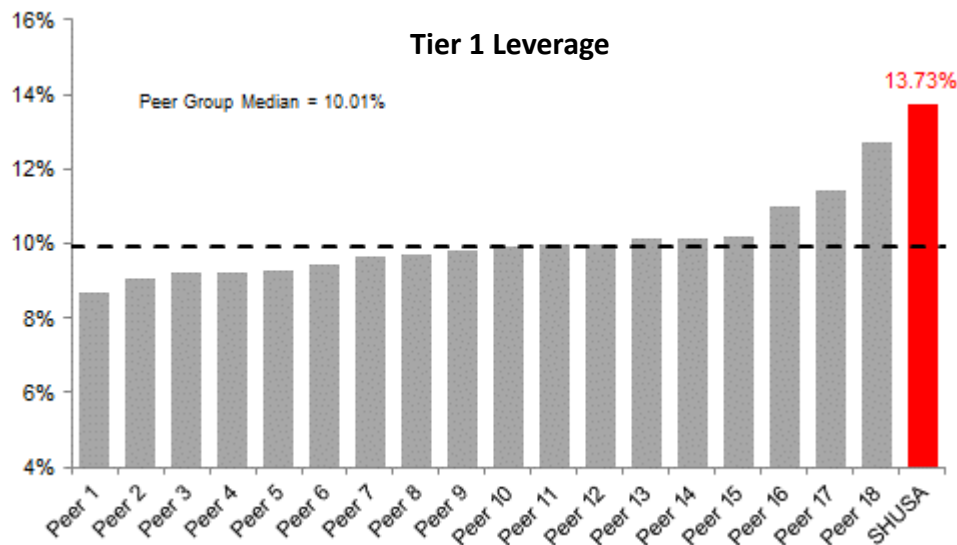
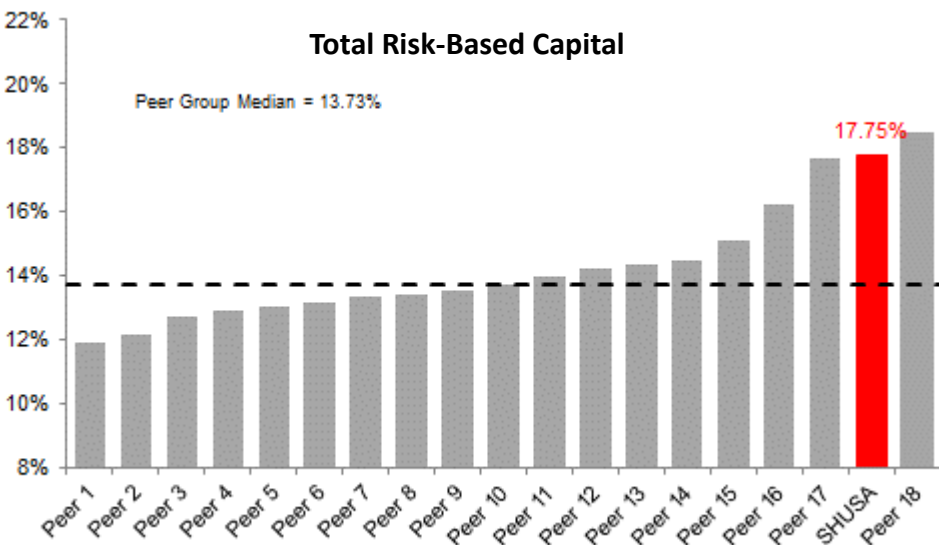
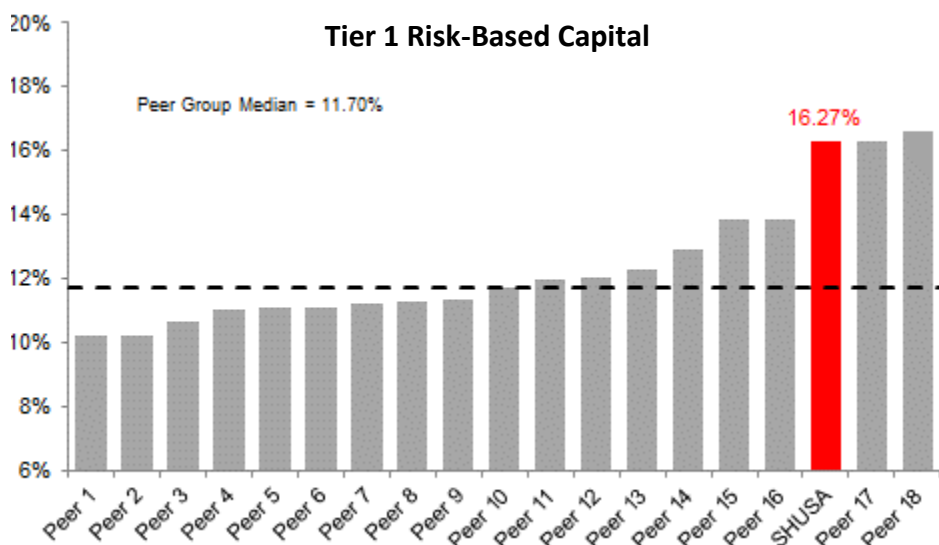
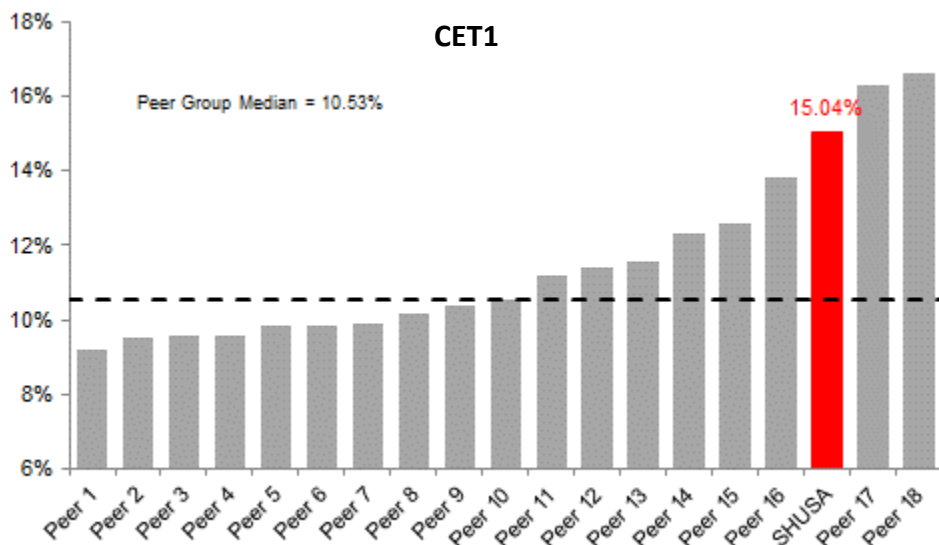
Quarterly Trended Statement of Operations

(US \$ Millions)

	2Q18	3Q18	4Q18	1Q19	2Q19
Interest income	\$ 2,001	\$ 2,043	\$ 2,095	\$ 2,141	2,176
Interest expense	(409)	(444)	(491)	(538)	(554)
Net interest income	1,592	1,599	1,604	1,603	1,622
Fees & other income	819	824	807	897	961
Other non interest income	-	(2)	(5)	(2)	2
Net revenue	2,411	2,421	2,406	2,498	2,585
General, administrative, and other expenses	(1,449)	(1,451)	(1,491)	(1,542)	(1,542)
Provision for credit losses	(434)	(621)	(731)	(600)	(481)
Income before taxes	528	349	184	356	562
Income tax (expense)/benefit	(168)	(110)	(52)	(116)	(155)
Net income	\$ 360	\$ 239	\$ 132	\$ 240	\$ 407
Less: Net Income Attributable to NCI	104	72	32	73	111
Net income Attributable to SHUSA	\$ 256	\$ 167	\$ 100	\$ 167	\$ 296

Capital Ratios Peer Comparison (as of 6/30/19)

24



---- Peer Median

Peer data from SNL



Peers: ALLY, BBT, BBVA, BMO, BNP, COF, CIT, CFG, CMA, DFS, FITB, HBAN, KEY, MTB, MUFG, RF, STI, TD

Non-GAAP to GAAP Reconciliations

\$ Millions

SHUSA Pre-Tax Pre-Provision Income

Pre-tax income, as reported

Add back:

Provision for credit losses

Pre-tax pre-provision Income

	2Q18	3Q18	4Q18	1Q19	2Q19
Pre-tax income, as reported	\$ 528	\$ 349	\$ 184	\$ 356	\$ 562
Provision for credit losses	434	621	731	600	481
Pre-tax pre-provision Income	<u>\$ 962</u>	<u>\$ 970</u>	<u>\$ 915</u>	<u>\$ 956</u>	<u>\$ 1,043</u>

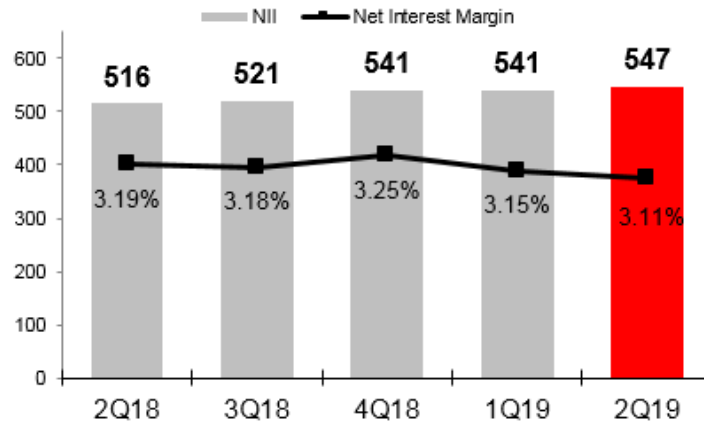
Non-GAAP to GAAP Reconciliations (cont.)

\$ Millions

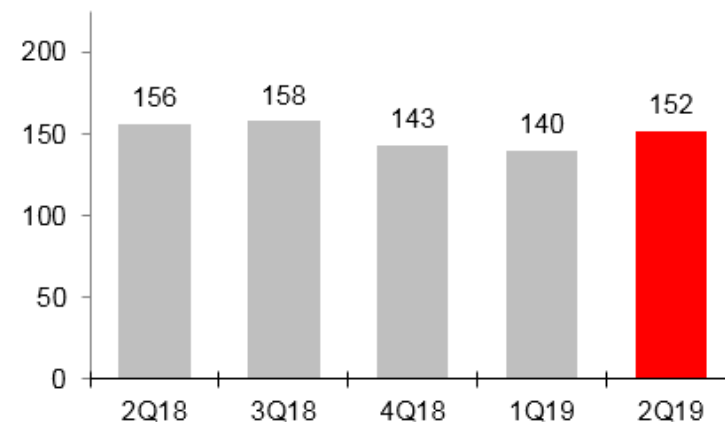
	2Q18	3Q18	4Q18	1Q19	2Q19
CET 1 to Risk-Weighted Assets					
CET 1 capital	\$ 16,611	\$ 16,471	\$ 16,759	\$ 16,979	\$ 17,277
Risk-weighted assets	102,023	104,988	107,916	110,469	114,877
Ratio	16.3%	15.7%	15.5%	15.4%	15.0%
Tier 1 Leverage					
Tier 1 capital	\$ 18,253	\$ 17,935	\$ 18,193	\$ 18,397	\$ 18,695
Average total assets for leverage capital purposes	125,275	126,656	129,681	132,154	136,165
Ratio	14.6%	14.2%	14.0%	13.9%	13.7%
Tier 1 Risk-Based					
Tier 1 capital	\$ 18,253	\$ 17,935	\$ 18,193	\$ 18,397	\$ 18,695
Risk-weighted assets	102,023	104,988	107,916	110,469	114,877
Ratio	17.9%	17.1%	16.9%	16.7%	16.3%
Total Risk-Based					
Risk-based capital	\$ 19,941	\$ 19,665	\$ 19,807	\$ 20,039	\$ 20,391
Risk-weighted assets	102,023	104,988	107,916	110,469	114,877
Ratio	19.5%	18.7%	18.4%	18.1%	17.7%

SBNA: Quarterly Profitability

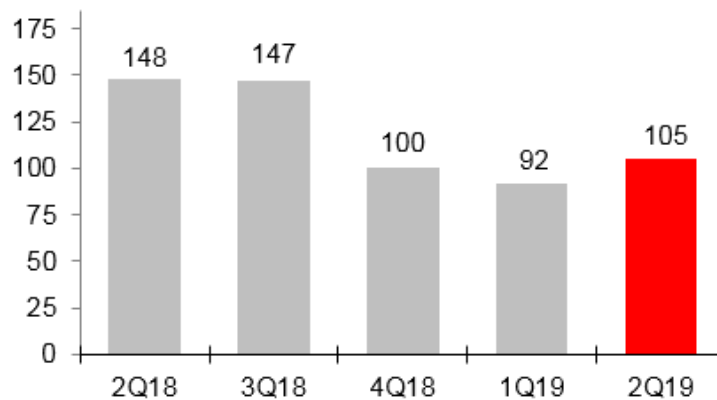
Net Interest Income (\$MM)



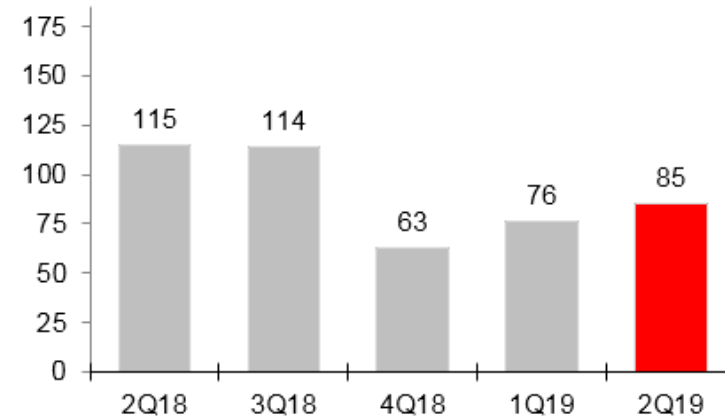
Pre-Tax Pre-Provision Income (\$MM)



Pre-Tax Income (\$MM)



Net Income (\$MM)



US \$ millions

SBNA: Quarterly Trended Statement of Operations

(US\$ in Millions)

	2Q18	3Q18	4Q18	1Q19	2Q19
Interest income	\$ 621	\$ 640	\$ 680	\$ 698	\$ 719
Interest expense	\$ (105)	\$ (119)	\$ (139)	\$ (157)	\$ (172)
Net interest income	\$ 516	\$ 521	\$ 541	\$ 541	\$ 547
Fees & other income	\$ 138	\$ 122	\$ 138	\$ 130	\$ 142
Other non-interest income	\$ -	\$ (1)	\$ (5)	\$ (2)	\$ 2
Net revenue	\$ 654	\$ 642	\$ 674	\$ 669	\$ 691
General, administrative & other expense	\$ (498)	\$ (484)	\$ (531)	\$ (529)	\$ (539)
Release of/(provision for) credit losses	\$ (8)	\$ (11)	\$ (43)	\$ (48)	\$ (47)
Income before taxes	\$ 148	\$ 147	\$ 100	\$ 92	\$ 105
Income tax expense	\$ (33)	\$ (33)	\$ (37)	\$ (16)	\$ (20)
Net income/(loss)	\$ 115	\$ 114	\$ 63	\$ 76	\$ 85
	2Q18	3Q18	4Q18	1Q19	2Q19
Net interest margin before provision	3.19%	3.18%	3.25%	3.15%	3.11%

SBNA: Quarterly Average Balance Sheet

29

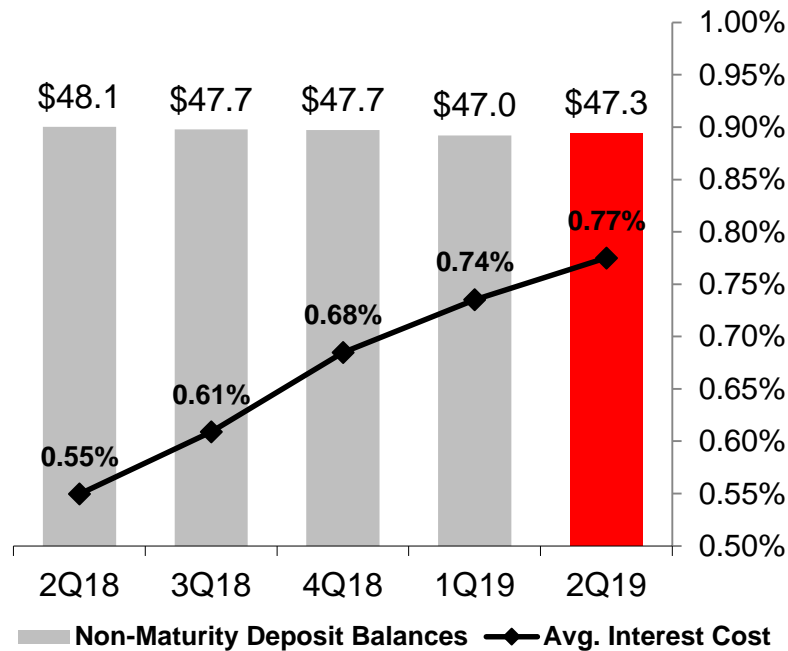
Quarterly Averages

(In millions)

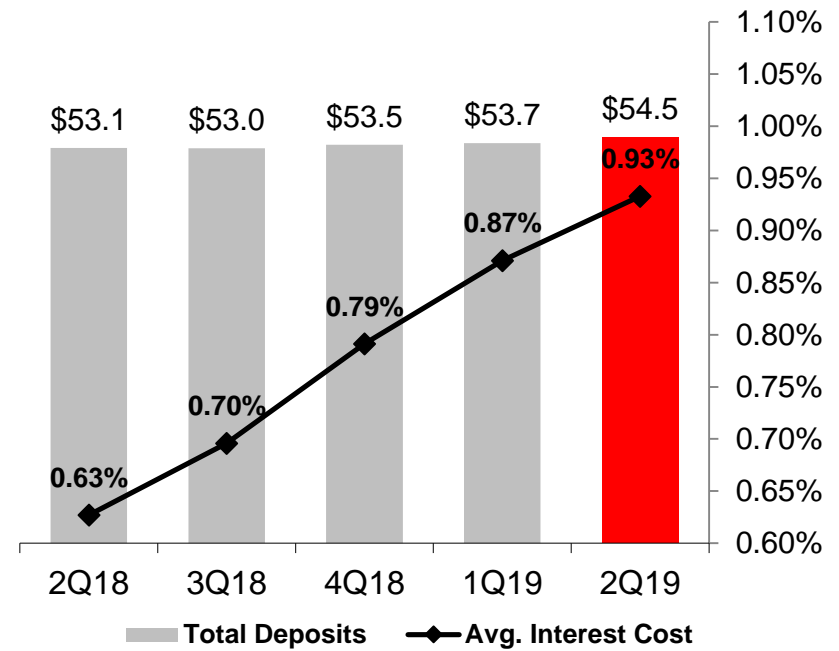
	2Q19		1Q19		Change		2Q18	
	Average Balance	Yield/Rate	Average Balance	Yield/Rate	Average Balance	Yield/Rate	Average Balance	Yield/Rate
Deposits and investments	\$ 15,997	2.40%	\$ 15,996	2.60%	\$ 1	-0.20%	\$ 17,684	2.34%
Loans	54,330	4.59%	52,622	4.51%	1,708	0.08%	47,903	4.35%
Allowance for loan losses	(560)	---	(546)	---	(14)	---	(546)	---
Other assets	9,322	---	9,108	---	214	---	8,586	---
TOTAL ASSETS	\$ 79,089	3.64%	\$ 77,180	3.62%	\$ 1,909	0.02%	\$ 73,627	3.39%
Interest-bearing demand deposits	8,791	0.71%	8,444	0.69%	347	0.02%	7,974	0.34%
Noninterest-bearing demand deposits	12,514	---	12,320	---	194	---	11,808	---
Savings	3,885	0.06%	3,817	0.69%	68	-0.63%	4,041	0.34%
Money market	25,576	1.24%	25,984	1.15%	(408)	0.09%	28,265	0.90%
Certificates of deposit	7,213	2.00%	6,660	1.86%	553	0.14%	5,028	1.41%
Borrowed funds	5,317	3.07%	4,373	3.27%	944	-0.20%	1,391	4.79%
Other liabilities	2,101	---	2,068	---	33	---	1,608	---
Equity	13,692	---	13,514	---	178	---	13,512	---
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	\$ 79,089	0.87%	\$ 77,180	0.81%	\$ 1,909	0.06%	\$ 73,627	0.57%
NIM		3.11%		3.15%		-0.04%		3.19%

SBNA: Funding – Deposits*

Average Non-Maturity Deposit Balances¹ (\$Bn)

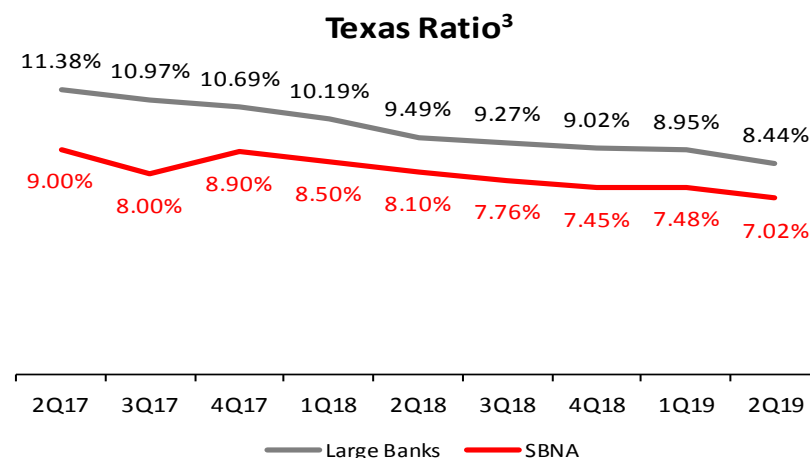
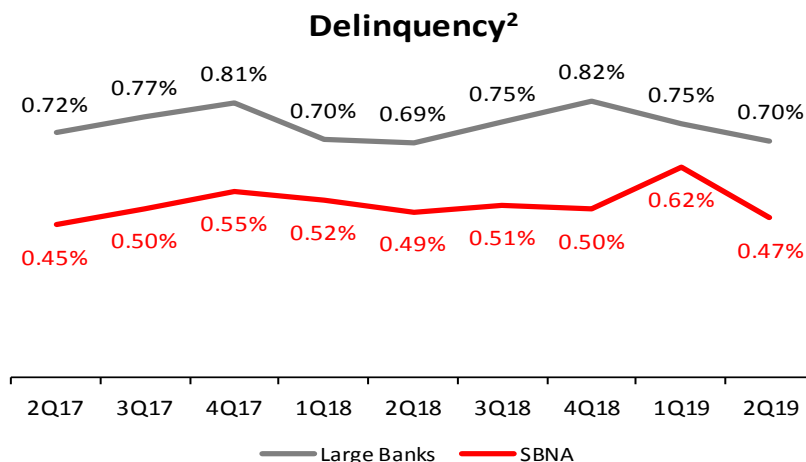
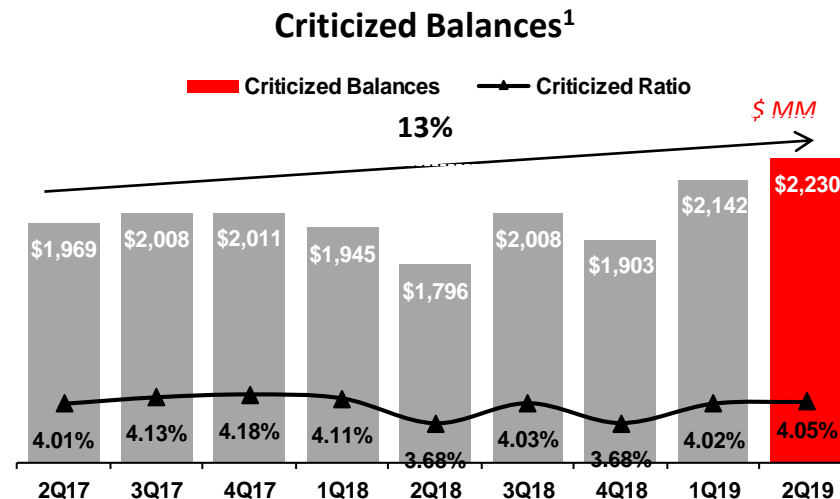
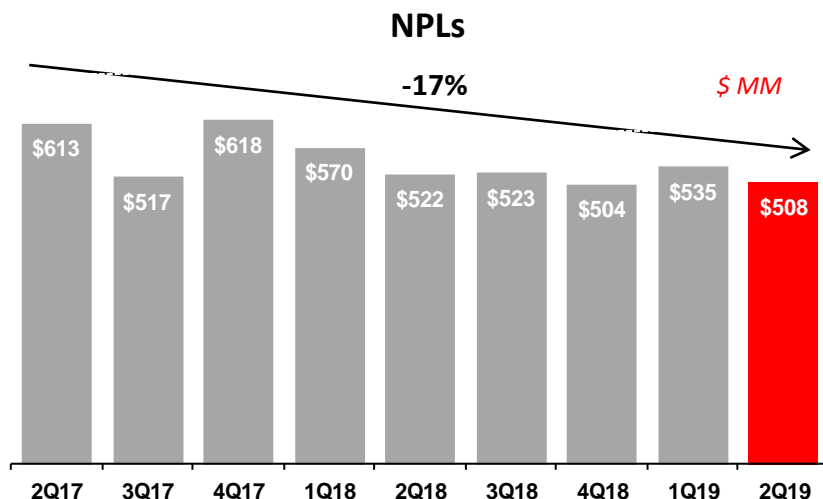


Average Total Deposit Balances¹ (\$Bn)



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

¹Represents average quarterly balances.



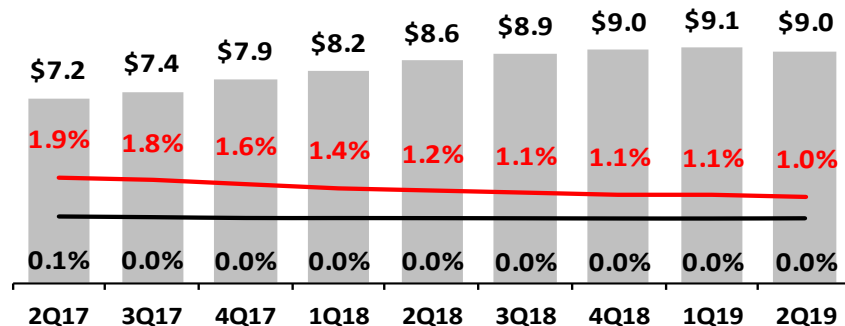
**Source: SNL Bank level data; Large Bank = BAC, COF, C, KEY, BMO, HSBA, PNC, RBS, JPM, UNB, TD, USB, and WFC

¹Criticized = loans that are categorized as special mention, substandard, doubtful, or loss.

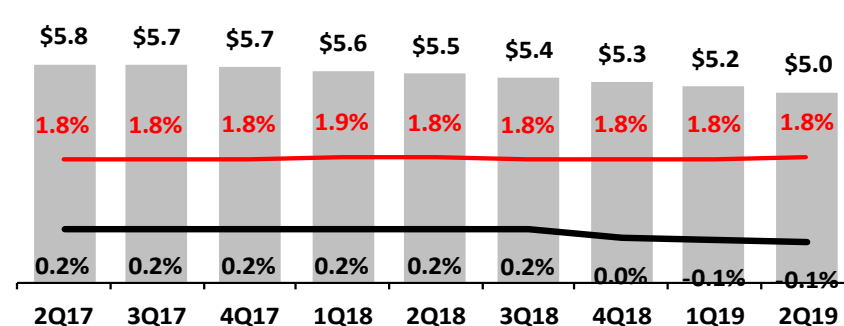
²Delinquency = accruing loans 30-89 DPD plus accruing loans 90+ DPD.

³See below for detail and non-GAAP measurement reconciliation of Texas Ratio.

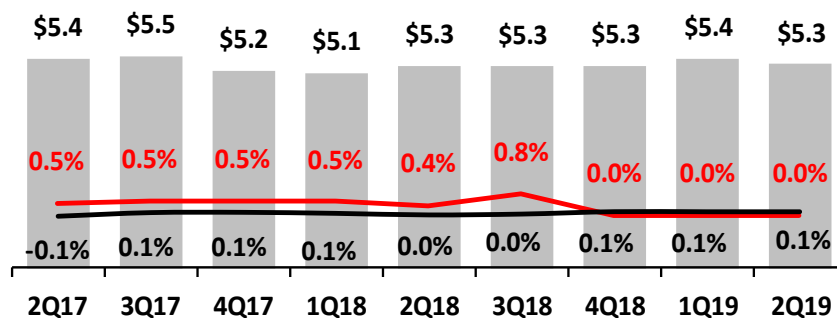
Mortgages



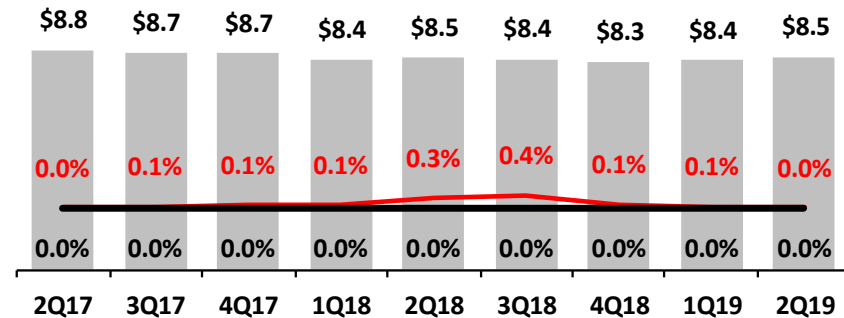
Home Equity



CRE¹



Santander Real Estate Capital ("SREC")

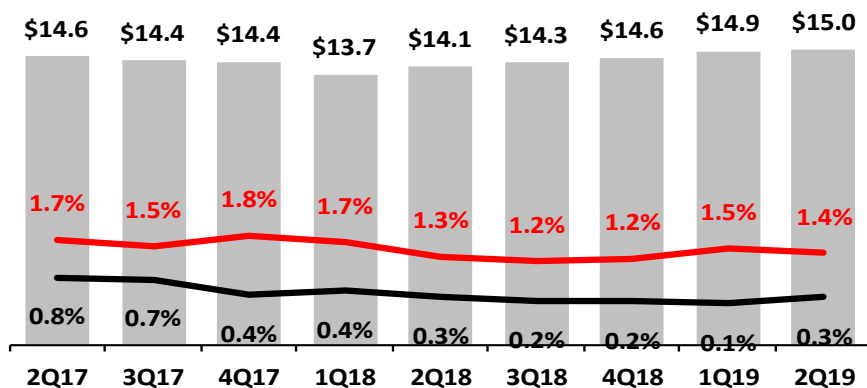


Outstandings
 NPLs* to Total Loans
 Net Charge-Offs**

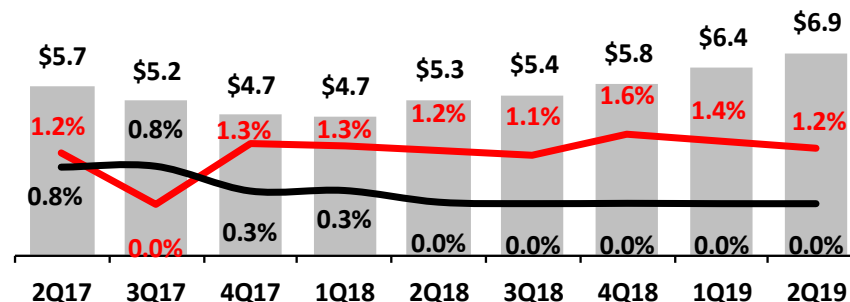
*NPL = Nonaccruing loans *plus* accruing loans 90+ DPD **NCO = Rolling 12-month average for that quarter and the prior 3 quarters

¹Commercial real estate ("CRE") is comprised of the commercial real estate and continuing care retirement communities business segments (SREC segment included in separate graph).

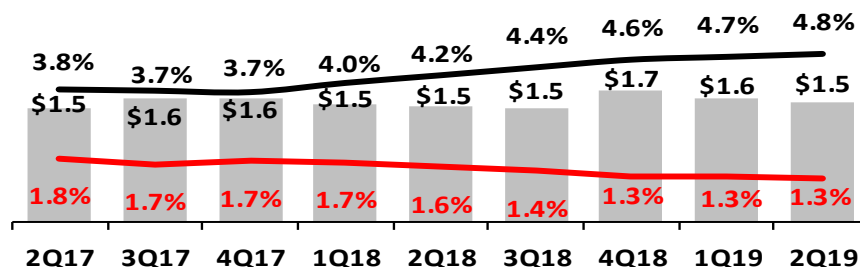
Commercial Banking¹



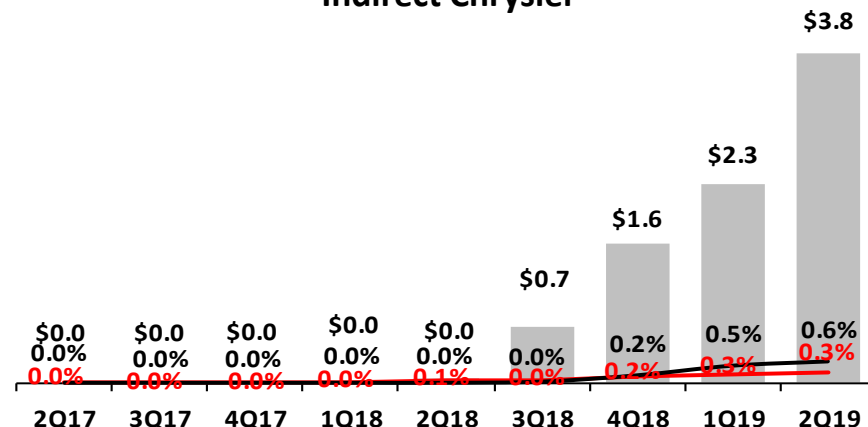
Corporate and Investment Banking



Other Consumer²



Indirect Chrysler³



Outstandings

NPLs* to Total Loans

Net Charge-Offs**

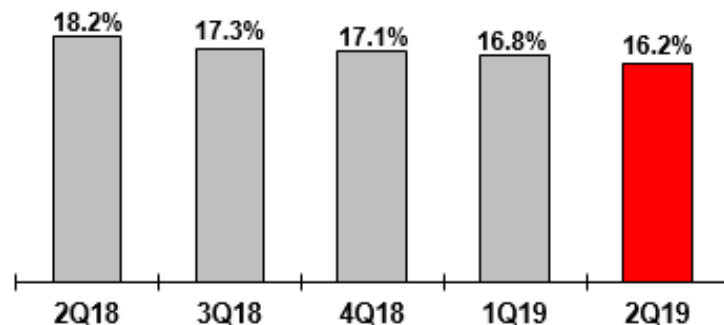
*NPL = Nonaccruing loans plus accruing loans 90+ DPD **NCO = Rolling 12-month average for that quarter and the prior 3 quarters

¹Commercial Banking = Equipment Finance & Leasing, Commercial Equipment Vehicle Finance-Strategic, Financial Institutions Coverage, International Trade Banking, Middle Market, Asset-Based Lending, Institutional-NonProfit, Government Banking, Life Sciences & Technology, Professional & Business Services, Energy Finance, Mortgage Warehouse, Other Non-Core Commercial, Chrysler Auto Finance, Footprint Dealer Floorplan and Commercial Banking Not Classified Elsewhere and all other Commercial Business segments.

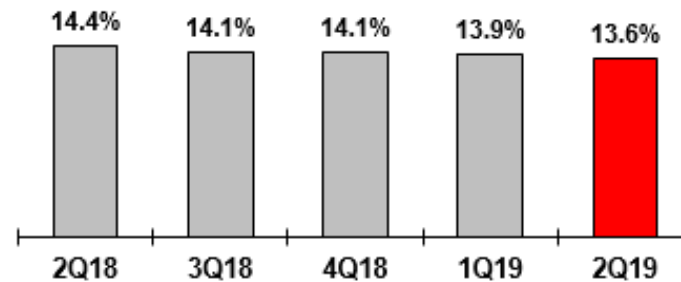
²Other Consumer = Direct Consumer, Indirect Consumer, Recreational Vehicle/Marine, Credit Cards, & Retail. run-off.

³Indirect Chrysler = Prime auto loans originated by SBNA through program with SC.

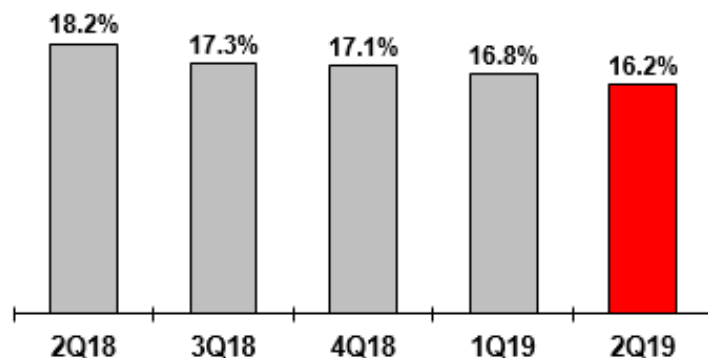
CET1



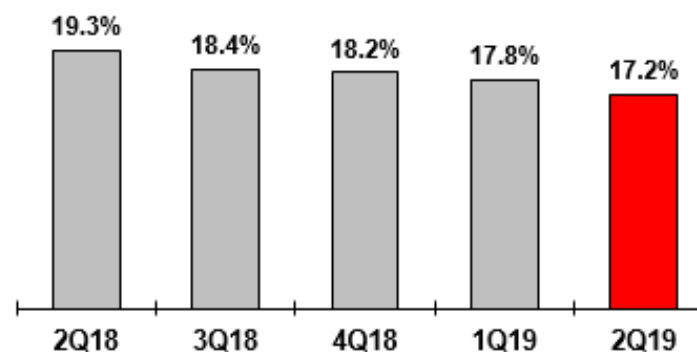
Tier 1 Leverage Ratio



Tier 1 Risk-Based Capital Ratio



Total Risk-Based Capital Ratio



¹Capital ratios calculated under the U.S. Basel III framework on a transitional basis.

\$ Millions

	2Q18	3Q18	4Q18	1Q19	2Q19
CET 1 to Risk-Weighted Assets					
CET 1 Capital	\$ 10,135	\$ 9,952	\$ 10,179	\$ 10,239	\$ 10,303
Risk-weighted assets	55,779	57,609	59,394	61,057	63,635
Ratio	18.2%	17.3%	17.1%	16.8%	16.2%
Tier 1 Leverage					
Tier 1 capital	\$ 10,135	\$ 9,952	\$ 10,179	\$ 10,239	\$ 10,303
Average total assets for leverage capital purposes	70,222	70,694	72,309	73,903	75,719
Ratio	14.4%	14.1%	14.1%	13.9%	13.6%
Tier 1 Risk-Based					
Tier 1 capital	\$ 10,135	\$ 9,952	\$ 10,179	\$ 10,239	\$ 10,303
Risk-weighted assets	55,779	57,609	59,394	61,057	63,635
Ratio	18.2%	17.3%	17.1%	16.8%	16.2%
Total Risk-Based					
Risk-based capital	\$ 10,766	\$ 10,577	\$ 10,820	\$ 10,890	\$ 10,952
Risk-weighted assets	55,779	57,609	59,394	61,057	63,635
Ratio	19.3%	18.4%	18.2%	17.8%	17.2%

\$ Millions

SBNA Texas Ratio

	2Q18	3Q18	4Q18	1Q19	2Q19
Total Equity	\$ 13,476	\$ 13,241	\$ 13,408	\$ 13,561	\$ 13,736
Less:					
Goodwill and other intangibles (excluding MSRs ¹)	(3,581)	(3,589)	(3,636)	(3,607)	(3,632)
Preferred stock	-	-	-	-	-
Add: Allowance for loan losses	545	531	546	560	560
Total equity and loss allowances for Texas Ratio	\$ 10,440	\$ 10,183	\$ 10,318	\$ 10,514	\$ 10,664
Nonperforming assets	\$ 537	\$ 541	\$ 526	\$ 558	\$ 528
90+ DPD accruing	0	0	7	7	6
Accruing TDRs	284	244	232	232	215
Total nonperforming assets	\$ 821	\$ 785	\$ 765	\$ 797	\$ 749
Texas ratio	7.9%	7.7%	7.4%	7.6%	7.0%

¹Mortgage servicing rights.

\$ Millions

SBNA Pre-Tax Pre-Provision Income

Pre-tax income, as reported

Add back:

(Release of)/provision for credit losses

Pre-tax pre-provision income

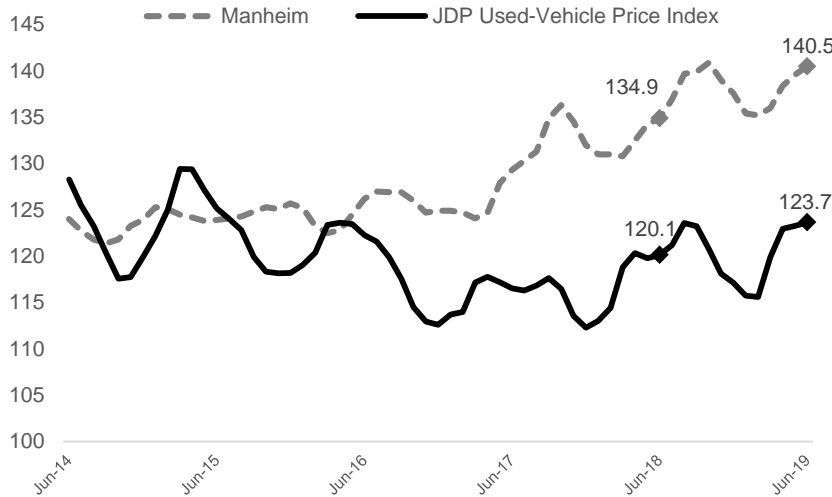
2Q18	3Q18	4Q18	1Q19	2Q19
\$ 148	\$ 147	\$ 100	\$ 92	\$ 105
8	11	43	48	47
\$ 156	\$ 158	\$ 143	\$ 140	\$ 152

SC: Auto Industry Analysis

SEVERITY

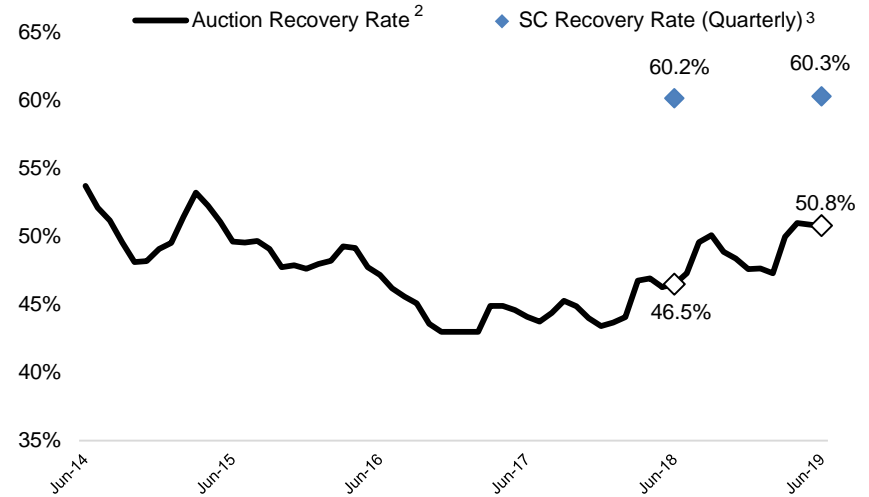
Used Vehicle Indices¹

Manheim: Seasonally Adjusted JD Power: Not Seasonally Adjusted



SC Recovery Rates

%

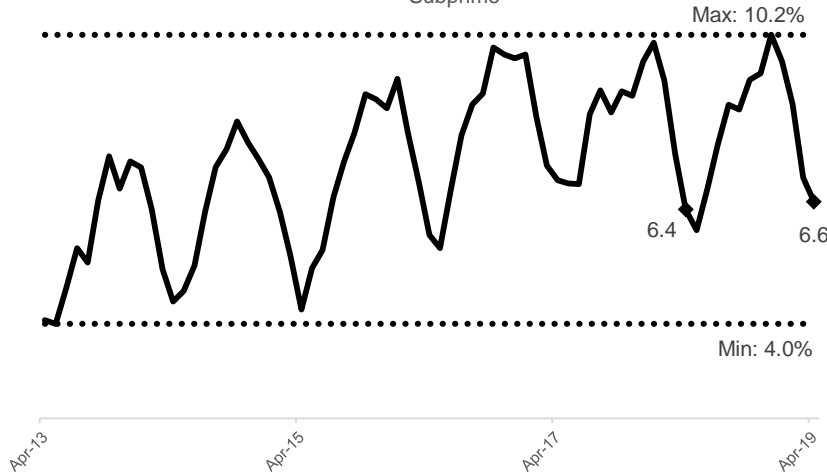


CREDIT

Industry Net Loss Rates⁴

%

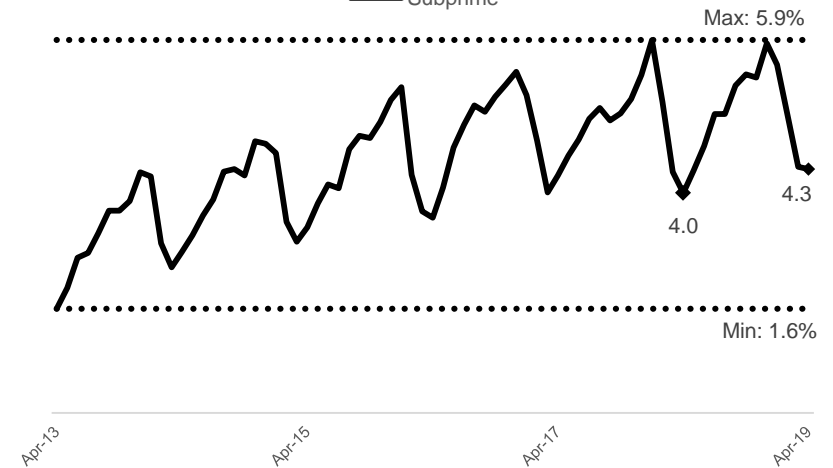
Subprime



Industry 60+ Day Delinquency Rates⁴

%

Subprime



¹ Manheim, Inc. : indexed to a basis of 100 at 1995 levels; JD Power Used-Vehicle Price Index (not seasonally adjusted)

² Auction Only - includes all auto-related recoveries including inorganic/purchased receivables from auction lanes only

³ Recovery Rate – Per the financial statements includes insurance proceeds, bankruptcy/deficiency sales, and timing impacts

⁴ Standard & Poor's Rating Services (ABS Auto Trust Data – two-months lag on data, as of April 30, 2019)

SOURCE: SC Second Quarter 2019 presentation in its Form 8-K filed on July 24, 2019.

See <http://investors.santanderconsumerusa.com/financial-info/quarterly-results>.



SC: TDR Balance Composition by Vintage

