



Media Statement

Statement on Results of the Federal Reserve's Comprehensive Capital Analysis and Review (CCAR)

BOSTON – June 29, 2016 – The Board of Governors of the Federal Reserve System (Federal Reserve) disclosed today the results of its Comprehensive Capital Analysis and Review (CCAR). The results show that Santander Holdings USA, Inc.'s (SHUSA) capital ratios would be expected to remain significantly above minimum regulatory requirements under severely adverse economic stress scenarios.

SHUSA's Common Equity Tier 1 ratio was 12.0% at December 31, 2015. Under the Federal Reserve's supervisory severely adverse scenario in the CCAR quantitative results, SHUSA's Common Equity Tier 1 ratio would decline to a minimum of 11.9% during the forecast horizon, according to the Federal Reserve's estimate, which is well above the 4.5% required minimum. Further, according to the Federal Reserve's estimates, all of SHUSA's regulatory capital ratios would remain significantly above the required minimums incorporated in CCAR. However, despite strong capital levels, the Federal Reserve objects to the company's proposed capital plan on a qualitative basis.

SHUSA Chief Executive Officer Scott Powell said, "Our results confirm that Santander Holdings USA has strong capital levels that are well above the required minimums. We have made progress, but our internal capital planning, stress testing, internal controls, governance and oversight require further improvement to meet our regulators' expectations." He added, "We are financially sound. These results do not affect our ability to serve our customers. We remain committed to enhancing their experience, helping people and businesses prosper and managing our business to the highest standards in a way that is Simple, Personal and Fair."

SHUSA non-executive Chairman T. Timothy Ryan, Jr. commented, "SHUSA's Board is disappointed that we have failed the qualitative part of CCAR, but this conclusion was not unexpected. SHUSA and its subsidiaries have a comprehensive plan to strengthen the areas the Federal Reserve identified. Our expectation is that improvement will continue and 2017 will bring more positive results."

Powell added, "As a company, we have devoted extensive talent and resources to this critical effort and our colleagues have demonstrated great commitment to improving our CCAR capital plan. The qualitative results the Federal Reserve rightfully expects from Santander are within reach and we will meet these expectations. We have already begun preparing for next year's stress test and we are well on our way to making the enhancements necessary to improve our qualitative assessment."

Santander Holdings USA, Inc. (SHUSA) is a wholly-owned subsidiary of Banco Santander, S.A. (NYSE: SAN). Banco Santander is a diversified global retail and commercial bank offering a wide range of financial products with more than 117 million customers worldwide. SHUSA owns 100% of Santander Bank, N.A., a retail and commercial bank with more than 670 branches and 9,800 employees in the U.S. northeast, and approximately 59% of the common stock of Santander Consumer USA Holdings Inc. (NYSE: SC), a Dallas, Texas-based national consumer lending company.

Media Contacts:

Raschelle Burton

617-316-3940

Raschelle.burton@santander.us

Ann Davis

617-757-5891

ann.davis@santander.us

Nancy Orlando

617-757-5765

nancy.orlando@santander.us

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