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## Press Release

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### **OVER 350 BUSINESS LEADERS DISCUSS ECONOMY AT JOINT SANTANDER AND GREATER BOSTON CHAMBER OF COMMERCE EVENT**

#### ***Nearly 82% of Attending Corporate Executives and Business Owners Plan to Expand Operations or Increase Hiring over Next 12 Months***

**BOSTON, March 20, 2014** – Santander Bank, N.A., one of the largest retail banks in the United States by deposits, and the Greater Boston Chamber of Commerce today hosted their 14<sup>th</sup> annual meeting for the business community focused on the region’s economic outlook. Attending corporate executives and business owners were surveyed regarding their expectations for the local economy in 2014 as well as plans for their respective businesses over the coming year.

Roman Blanco, president and CEO of Santander US, said: “Massachusetts is at the forefront of the recovering US economy. Unemployment has fallen, tax revenues are up and average home prices have risen—all very positive trends. This region is poised for continued growth.”

Attendees of the annual Economic Outlook Breakfast responded to a series of economic and business-related questions during a real-time poll.

“It’s encouraging to see that 82% of business leaders plan to expand their business in the year ahead—that’s a 25% increase over last year,” said Michael A. Lee, managing director of Commercial Banking and Real Estate at Santander. “Today’s results support the optimistic trajectory we’ve been seeing in business sentiment.”

Nearly 46% of respondents plan to increase their capital spending in 2014 and respondents cited attracting new customers, retaining existing customers and the cost of health insurance and other employee benefits as the most significant challenges facing them over the next two years. The poll was conducted in real-time with attendees using automated response devices. In addition to questions about the U.S. and Massachusetts economies, the survey queried attendees about their local and international business expansion plans, employer hiring plans and top challenges facing regional enterprises.

“We’re seeing median household income rising and unemployment coming down. That bodes well for the local economy,” said Steve Andrews, senior vice president and director of fixed income at Santander. “Indicators show that Massachusetts is adding new jobs and that office vacancies are declining—a clear sign that the economy is on the right track.”

Following the survey, attendees listened to a panel discussion about regional business issues. The panel included Brian Kavoojian, founder and president of Charles River Realty Investors; Lee Pelton, president



of Emerson College; Shirley Singleton, president, CEO and chairman of Edgewater Technology; and Kevin Tabb, president and CEO of Beth Israel Deaconess Medical Center.

**About Santander**

**Santander Bank, N.A.** is a top 25 retail bank in the United States by deposits. Its main corporate offices are in Boston and it operates principally in Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania and Rhode Island. Santander’s 9,469 employees serve its 1.8 million customers through the Bank’s 706 branches, 2,084 ATMs, call centers, website and mobile app. Supervised by the Office of the Comptroller of the Currency and a member of the Federal Deposit Insurance Corporation, Santander in the United States is a wholly-owned, financially autonomous subsidiary of Banco Santander (NYSE: SAN), a global commercial and retail bank. For more information about Santander, visit [www.santanderbank.com](http://www.santanderbank.com) or call 877-768-2265.

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## Santander - Greater Boston Chamber of Commerce 2014 Economic Outlook Survey Results

**1. Many economists are predicting continued economic growth for the nation and for Greater Boston in 2014. Thinking about your business, do you have plans to expand operations and/or increase hiring this year?**

	<b>Responses (percent)</b>
Yes, we expect significant growth	14.17%
Yes, we expect some growth	68.02%
No growth anticipated	14.57%
We plan to somewhat cut operations and/or hiring	2.43%
We plan to significantly cut operations and/or hiring	0.81%
<b>Total</b>	<b>100%</b>



**2. Which of the following factors have the most influence on your hiring plans?  
Please select up to three.**

	<b>Responses (percent)</b>
Projected sales	24.71%
Current staffing levels	20.43%
Skills of workers as compared to your company's needs	15.16%
Labor costs – (i.e. Wages, Health insurance, Unemployment insurance, etc.)	7.74%
Tax policy	0.99%
Current economic outlook	12.69%
Firm's financial health	18.29%
<b>Total</b>	<b>100%</b>

**3. Which of the following best describes your business's capital expense spending plan in 2014?**

	<b>Responses (percent)</b>
Increase spending	46.06%
Decrease spending	10.79%
No change	43.15%
<b>Total</b>	<b>100%</b>



**4. In 2014, Massachusetts residents will elect a new governor. What do you consider to be the biggest business issues facing this state that candidates should be paying attention to? Please select up to three.**

	<b>Responses (percent)</b>
Attracting & retaining businesses	19.91%
Job creation	17.34%
Affordable housing	7.74%
Competition from neighboring states	3.01%
Attracting and retaining skilled labor	9.17%
Transportation infrastructure	12.18%
Cost of healthcare	6.45%
Overall cost of living	12.18%
Funding public education	5.87%
Tax policy	6.16%
<b>Total</b>	<b>100%</b>

**5. Thinking about your business, what are the most challenging issues you expect to face in the next two years? Please select up to three.**

	<b>Responses (percent)</b>
Regulatory costs and burdens	11.74%
Cost of fuel & energy	2.82%
Cost of health insurance/other employee benefits	13.52%
Attracting new customers	26.30%
Retaining existing customers	19.76%
Hiring qualified employees	12.78%
Pressure from larger competitors	11.29%
Corporate taxes	1.78%
<b>Total</b>	<b>100%</b>



**6. The current unemployment rate in Massachusetts is 6.8%, yet a number of unfilled positions exist due in part to a disconnect between required job skills and the available workforce. What do you see as the best opportunity to address this issue going forward? Please select up to three.**

	<b>Responses (percent)</b>
Increased availability of college internships	15.34%
Expanded partnerships between community colleges and industry	26.38%
Enhanced state workforce training programs	15.80%
Development of new university degree programs	11.66%
Increased investment in K-12 STEM education	21.17%
Broader access to skilled foreign graduates and workers	9.66%
<b>Total</b>	<b>100%</b>

**7. A major transportation bill was passed in 2013 that is designed to help strengthen the state's transportation system. Which area of transportation infrastructure is most important to your business?**

	<b>Responses (percent)</b>
Highways and roads	55.23%
Subway	21.76%
Airport	9.21%
Commuter rail	11.30%
Cargo	2.51%
<b>Total</b>	<b>100%</b>



**8. Last year, Congress enacted 72 new laws – the lowest in any first year of a Congressional session since 1973. In your opinion, how much is the continued gridlock in Washington impacting the regional and national economy?**

	<b>Responses (percent)</b>
Significantly	64.68%
Moderately	26.19%
Not at all	9.13%
<b>Total</b>	<b>100%</b>

**9. Greater Boston has seen a significant boom in the housing market over the past year, resulting in increased competition for housing and rising prices. To what extent do you foresee this affecting your ability to attract and retain workers?**

	<b>Responses (percent)</b>
Significantly	28.11%
Moderately	44.98%
Not at all	26.91%
<b>Total</b>	<b>100%</b>

**10. The Massachusetts Legislature is currently debating legislation that could increase the minimum wage in Massachusetts. What impact, if any, would this wage hike have on your business?**

	<b>Responses (percent)</b>
Significant impact	13.25%
Moderate impact	25.64%
No impact	61.11%
<b>Total</b>	<b>100%</b>

**11. How likely are you to expand your business outside the US over the next year?**

	<b>Responses (percent)</b>
Highly likely	14.04%
Likely	15.32%
Not sure	14.04%
We have no plans to expand our business globally	56.60%
<b>Total</b>	<b>100%</b>

**12. What might inhibit your international expansion plans? Please select up to three.**

	<b>Responses (percent)</b>
Lack of access to local market intelligence in geographic target areas	25.57%
Securing legal, accounting or financial experts who are experienced in foreign trade	18.03%
Managing currency risk	7.87%
Language barriers	8.85%
Lack of available workers experienced in global trade	11.15%
Geopolitical risks	13.44%
We are already fully prepared to expand internationally	15.08%
<b>Total</b>	<b>100%</b>

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