

**SECOND SUPPLEMENT**

**(dated 21 May 2015)**

**to the**

**BASE PROSPECTUS**

**(dated 14 August 2014)**



**BANCO SANTANDER TOTTA, S.A.**

**(incorporated with limited liability in Portugal)**

**€12,500,000,000**

**COVERED BONDS PROGRAMME**

This supplement dated 21 May 2015 (the “**Supplement**”) to the base prospectus dated 14 August 2014 and supplemented on 26 February 2015 (the “**Base Prospectus**”), constitutes a supplement to the Base Prospectus for the purposes of Articles 135-C, 142 and 238 of the Portuguese Securities Code prepared in connection with the Covered Bonds Programme (the “**Programme**”) established by Banco Santander Totta, S.A. (the “**Issuer**”, fully identified in the Base Prospectus). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

Each of the Issuer, the members of its Board of Directors, the members of its Audit Board (see “*Management and Statutory Bodies*” in the Base Prospectus) and its Statutory Auditor (see “*Management and Statutory Bodies*” in the Base Prospectus) hereby declares that, to the best of its knowledge (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus. To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or incorporated by reference in the Base Prospectus, the statements in this Supplement will prevail.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

## **I. GENERAL AMENDMENT**

1. This Supplement is a supplement to the Base Prospectus and references to, and the definitions in, the Base Prospectus shall be amended accordingly.

## **II. COVER PAGE**

2. The last paragraph of page 2 of the cover page of the Base Prospectus, with the wording:

“The Issuer has been assigned a long-term debt rating of “Ba1” with a stable outlook from Moody’s Investors Service Ltd. (“**Moody’s**”), “BB” with a credit watch stable from Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”), “BBB” from Fitch Ratings Limited (“**Fitch**”) and “BBB (high)” from DBRS, Inc. (“**DBRS**”)” shall be amended as follows:

“The Issuer has been assigned a long-term debt rating of “Ba1” with a positive outlook from Moody’s Investors Service Ltd. (“**Moody’s**”), “BB” with a positive outlook from Standard & Poor’s Credit Market Services Europe Limited (“**S&P**”), “BBB” from Fitch Ratings Limited (“**Fitch**”) and “BBB (high)” with stable outlook from DBRS, Inc. (“**DBRS**”).”.

## **III. RISK FACTORS**

3. The first paragraph of the section headed “**Portugal may be subject to further rating reviews by the rating agencies, with implications on the funding of the economy and on the Issuer’s activity**”, in the chapter headed “**Risks Factors**” of the Base Prospectus, with the wording:

“Current ratings are as follows: S&P: BB as of 13 January 2012, with credit watch stable as of 9 May 2014; Moody’s: Ba1 (stable outlook) as of 25 July 2014; Fitch: BB+ (positive outlook) as of 11 April 2014; DBRS: BBB (low) (stable) as of 26 May 2014.” shall be amended as follows:

“Current ratings are as follows: S&P: BB as of 13 January 2012, with credit watch positive as of 20 March 2015; Moody’s: Ba1 as of 27 July 2014, with credit watch stable as of 27 July 2014; Fitch: BB+ as of 24 November 2011, with credit watch positive as of 27 March 2015; DBRS: BBB (low) as of 30 January 2012, with credit watch stable as of 15 May 2015.”.

## **IV. RESPONSIBILITY STATEMENTS**

4. The third paragraph of the chapter headed “Responsibility Statements” in the Base Prospectus, the wording:

“Deloitte & Associados – SROC, S.A., registered with the CMVM with number 231, with registered office at Edifício Atrium Saldanha, Praça Duque de Saldanha, 1 – 6º, 1050-094 Lisbon, Portugal (the Statutory Auditor and Auditor of the Issuer), audited the consolidated financial statements of the Issuer as of and for the years ended 31 December 2012 and 2013 and declare that, to the best of their knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus, as supplemented after the date hereof, regarding such consolidated financial statements is in accordance with the facts and contains no omissions likely to affect the import of such information. The respective Legal Certification of Accounts and Auditors’ Reports are incorporated by

reference in this Base Prospectus, as supplemented after the date hereof, (see *Documents Incorporated by Reference*).” shall be amended as follows:

“Deloitte & Associados – SROC, S.A., registered with the CMVM with number 231, with registered office at Edifício Atrium Saldanha, Praça Duque de Saldanha, 1 – 6º, 1050-094 Lisbon, Portugal (the Statutory Auditor and Auditor of the Issuer), audited the consolidated financial statements of the Issuer as of and for the years ended 31 December 2012, 2013 and 2014 and declare that, to the best of their knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus, as supplemented after the date hereof, regarding such consolidated financial statements is in accordance with the facts and contains no omissions likely to affect the import of such information. The respective Legal Certification of Accounts and Auditors’ Reports are incorporated by reference in this Base Prospectus, as supplemented after the date hereof, (see *Documents Incorporated by Reference*).”.

## V. OVERVIEW OF THE COVERED BONDS PROGRAMME

5. The first paragraph of the section headed “**Listing and Admission to Trading**”, in the chapter headed “**Overview of the Covered Bonds Programme**” of the Base Prospectus, with the wording:

“This document dated 14 August 2014, as supplemented on 26 February 2015, has been approved by the CMVM as a base prospectus and application was made to Euronext for the admission of Covered Bonds issued under the Programme to trading on the regulated market Euronext Lisbon (“**Euronext Lisbon**”).” shall be amended as follows:

“This document dated 14 August 2014, as supplemented on 26 February 2015 and on 21 May 2015, has been approved by the CMVM as a base prospectus and application was made to Euronext for the admission of Covered Bonds issued under the Programme to trading on the regulated market Euronext Lisbon (“**Euronext Lisbon**”).”.

## VI. DOCUMENTS INCORPORATED BY REFERENCE

6. In the chapter headed “**Documents Incorporated by Reference**” of the Base Prospectus, the following wording shall be included as new paragraph (c):

“(c) the audited consolidated financial statements of the Issuer in respect of the financial year ended 31 December 2014, which shall be approved at the shareholders meeting to be held on 29 May 2015, together with the auditors’ reports prepared in connection therewith (English and Portuguese language versions available at [www.santandertotta.com](http://www.santandertotta.com) and at [www.cmvm.pt](http://www.cmvm.pt)), including the information set out at the following pages in particular:

Consolidated financial statements	Pages 82 to 87 (out of 234)
Consolidated balance sheets as of 31 December 2014 and 2013	Page 83 (out of 234)
Consolidated statements of income for the years ended 31 December 2014 and 2013	Page 84 (out of 234)
Consolidated statements of income and other comprehensive income for the years ended December 31 2014 and 2013	Page 85 (out of 234)

Consolidated statement of changes in shareholder's equity for the years ended 31 December 2014 and 2013	Page 86 (out of 234)
Consolidated statements of cash flows for the years ended 31 December 2014 and 2013	Page 87 (out of 234)
Notes to the consolidated financial statements	Pages 88 to 230 (out of 234)
Legal certification of accounts and audit report	Pages 231 to 234 (out of 234)

\*These pages concern the English language version of the audited consolidated financial statements published on 20 May 2015.

Previous paragraph (c) shall be referred as the new paragraph (d), previous paragraph (d) shall be referred as the new paragraph (e) and previous paragraph (e) shall be referred as the new paragraph (f).

## VII. DESCRIPTION OF THE ISSUER

7. The paragraph under the heading “**Recent Developments**”, in the chapter “**Description of the Issuer**” of the Base Prospectus, with the wording:

“On 20 March 2014 BST informed the market that it had requested S&P to cease rating the Covered Bonds. On 30 July 2014 BST informed the market that Moody’s had upgraded the rating of its Covered Bonds from “Baa1” to “A3”. On 7 July 2014 BST informed the market that Fitch had upgraded the rating of its Covered Bonds from “BBB” to “BBB+” with positive outlook. Furthermore, BST informed the market that on 17 December 2014 DBRS reviewed the rating of the following Covered Bonds from “A (low)” to “A”: PTBTAH0E0015 - COVERED BONDS DUE 2015 – SÉRIE 8; PTBTAIOE0014 - COVERED BONDS DUE 2016 – SÉRIE 9-T 1; PTBTAJOE0013 - COVERED BONDS DUE 2016 – SÉRIE 9-T 2; PTBTCKOE0018 - COVERED BONDS DUE 2016 – SÉRIE 10; PTBSQBOE0022 - COVERED BONDS DUE 2016 – SÉRIE 11– T 1; PTBSQAOE0023 - COVERED BONDS DUE 2016 – SÉRIE 11– T 2; PTBSQCOE0021 - COVERED BONDS DUE 2017 – SÉRIE 11– T 3; PTBSQDOE0020 - COVERED BONDS DUE 2017 – SÉRIE 12; PTBSQEOE0029 - COVERED BONDS DUE 2019 – SÉRIE 13.” shall be amended as follows:

“On 20 March 2014 BST informed the market that it had requested S&P to cease rating the Covered Bonds. On 30 July 2014 BST informed the market that Moody’s had upgraded the rating of its Covered Bonds from “Baa1” to “A3” and on 17 March 2015 Moody’s assigned a positive outlook to the rating of the Covered Bonds. On 7 July 2014 BST informed the market that Fitch had upgraded the rating of its Covered Bonds from “BBB” to “BBB+” with positive outlook. Furthermore, BST informed the market that on 17 December 2014 DBRS reviewed the rating of the following Covered Bonds from “A (low)” to “A”: PTBTAH0E0015 - COVERED BONDS DUE 2015 – SÉRIE 8; PTBTAIOE0014 - COVERED BONDS DUE 2016 – SÉRIE 9-T 1; PTBTAJOE0013 - COVERED BONDS DUE 2016 – SÉRIE 9-T 2; PTBTCKOE0018 - COVERED BONDS DUE 2016 – SÉRIE 10; PTBSQBOE0022 - COVERED BONDS DUE 2016 – SÉRIE 11– T 1; PTBSQAOE0023 - COVERED BONDS DUE 2016 – SÉRIE 11– T 2; PTBSQCOE0021 - COVERED BONDS DUE 2017 – SÉRIE 11– T 3; PTBSQDOE0020 - COVERED

BONDS DUE 2017 – SÉRIE 12; PTBSQEOE0029 - COVERED BONDS DUE 2019 – SÉRIE 13.”.

## VIII. GENERAL INFORMATION

8. The paragraph under the heading “**Significant or material change**”, in the chapter “**General Information**” of the Base Prospectus, with the wording:

“There has been no significant change in the financial or trading position of the Issuer since 30 June 2014 and no material adverse change in the financial position or prospects of the Issuer since 31 December 2013.” shall be amended as follows:

“There has been no significant change in the financial or trading position of the Issuer since 31 December 2014 and no material adverse change in the financial position or prospects of the Issuer since 31 December 2014.”.

9. The second paragraph of the section headed “**Accounts**”, in the chapter “**General Information**” of the Base Prospectus, with the wording:

“The financial statements of the Issuer in respect of the financial years ended 31 December 2012 and 31 December 2013 and the unaudited financial statements of the Issuer in respect of the first semester of 2014 ended 30 June 2014 are incorporated by reference in this Base Prospectus.” shall be amended as follows:

“The financial statements of the Issuer in respect of the financial years ended 31 December 2012, 31 December 2013, 31 December 2014 and the unaudited financial statements of the Issuer in respect of the first semester of 2014 ended 30 June 2014 are incorporated by reference in this Base Prospectus.”.