

Ms. Elke König
Chair
Single Resolution Board
Treurenberg 22
B-1049 Brussels

Madrid, 7 June 2017

Subject: Proposal to the Single Resolution Board (SRB) of the preferred offer

Dear Elke,

In accordance with the Process Letter, Banco Santander SA has submitted a binding offer today June 7th at 3:12 AM. The sealed envelope has been opened by the notary public [REDACTED], who has certified that the purchase price offered by Banco Santander for the sale of the shares of Banco Popular Español SA is € 1.00.

Following the review of the content of the offer, the FROB's Governing Committee has agreed to put forward to the SRB Banco Santander SA as awardee of the competitive sale process of Banco Popular Español, to be designated as purchaser in the Decision of the Single Resolution Board in its Executive Session concerning the adoption of a resolution scheme in respect of Banco Popular Español, SA.

Attached please find the scanned copy of the binding offer as well as a certificate of the Governing Committee's agreement.

Yours sincerely,

