

Final Terms dated 18 October 2007

Santander Issuances, S.A. Unipersonal

Issue of MXN 1,696,000,000 Subordinated

4.555 per cent. UDI-Linked Instruments due 2017

Guaranteed by Banco Santander, S.A.

under the €32,000,000,000 Programme for the Issuance of Debt Instruments

guaranteed by Banco Santander, S.A.

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 16 November 2006 and the First Supplement to the Base Prospectus dated 12 June 2007, the Second Supplement to the Base Prospectus dated 12 July 2007 and the Third Supplement to the Base Prospectus dated 9 October 2007 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Base Prospectus dated 16 November 2006 as so supplemented. The Base Prospectus and the Supplements to the Base Prospectus are available for viewing at the registered office of each of the Issuers and the head office of the Guarantor (being Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte, Madrid, Spain), the offices of the Issue and Paying Agent, The Bank of New York at One Canada Square, London E14 5AL and at the offices of the Paying Agent and Listing Agent, The Bank of New York (Luxembourg) at Aerogolf Center, 1A, Hoehenhof, L-1736 Senningerberg, Luxembourg, and on the website www.bourse.lu and copies may be obtained from the addresses specified above.

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|----|------|-----------------------------------|---------------------------------------|
| 1. | (i) | Issuer: | Santander Issuances, S.A. Unipersonal |
| | (ii) | Guarantor: | Banco Santander, S.A. |
| 2. | (i) | Series Number: | 21 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Mexican Pesos (MXN) |
| 4. | | Aggregate Principal Amount: | |
| | (i) | Series: | MXN 1,696,000,000 |
| | (ii) | Tranche: | MXN 1,696,000,000 |

5. Issue Price: 100.00 per cent. of the Aggregate Principal Amount.
6. Specified Denominations: MXN 1,000,000.
7. (i) Issue Date: 24 October 2007.
(ii) Interest Commencement Issue Date.
Date (if different from the Issue Date):
8. Maturity Date: 24 October 2017.
9. Interest Basis: 4.555 per cent. fixed rate.
10. Redemption/Payment Basis: Index-linked Redemption.
11. ~~Change of Interest or~~ Not Applicable.
~~Redemption/Payment Basis:~~
12. Put/Call Options: Not Applicable.
13. (i) Status of the Instruments: Subordinated.
(ii) Status of the Guarantee: Subordinated.
(iii) Date approval for issuance of Instruments and Guarantee obtained: Issuer's shareholder's and board resolutions: 18 October 2007
Guarantor's Executive Committee resolution: 15 October 2007
14. Method of distribution: Syndicated.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. **Fixed Rate Instrument Provisions** Applicable.
- (i) Rate(s) of Interest: 4.555 per cent. per annum.
- The amount of interest payable in respect of each Instrument will be 4.555 per cent. per annum of the amount in MXN equal to the product of (i) the UDI-Linked Notional Amount and (ii) the UDI Index Level on the applicable Interest Determination Date payable semi-annually in arrear.

"Calculation Agent" means The Bank of New

York;

"**Index**" means *Unidades de Inversión* (UDI) or any successor Index;

"**Index Sponsor**" means *Banco de México* or any successor Index Sponsor;

"**Interest Determination Date**" means for each Interest Period, two Business Days prior to the applicable Interest Payment Date;

"**UDI Index Level**" means the official value of the Index for the purposes of determining the inflation-adjusted value of MXN, which is measured by the change in the Mexican National Consumer Price Index pursuant to the Decree approved by the Congress of Mexico and published in the Official Daily of the Federation on April 1, 1995, published by the Index Sponsor on its website (<http://www.banxico.org.mx> or any successor or replacement website). However, if for any reason the UDI Index Level is not determined and published by the index sponsor on the relevant Interest Determination Date or Observation Date, or if UDI is replaced by another inflation-indexed monetary unit that is reported, sanctioned, recognised, published, announced or adopted (or any other similar action) by the relevant governmental authority, and such event makes the inflation-indexed replacement monetary unit impossible to obtain, the Calculation Agent or its replacement, as the case may be, will determine the UDI Index Level on the relevant Interest Determination Date or on the Observation Date in its sole discretion and in good faith; and

"**UDI-Linked Notional Amount**" means the Nominal Amount of each Instrument divided by the Initial UDI Index Level.

- (ii) Interest Commencement Issue Date.
Date:
- (iii) Interest Payment Date(s): 24 April and 24 October in each year from 24 April 2008 to and including 24 October 2017 adjusted in accordance with the Following Business Day Convention (but there shall be no

adjustment for interest accrual).

- (iv) Fixed Coupon Amount(s): Not Applicable.
 - (v) Day Count Fraction: Actual/360
 - (vi) Determination Dates: Not Applicable.
 - (vii) Broken Amount(s): Not Applicable.
 - (viii) Other terms relating to the method of calculating interest for Fixed Rate Instruments: Not Applicable.
16. **Floating Rate Instrument Provisions** Not Applicable.

17. **Non-Interest Bearing Instrument Provisions** Not Applicable.

18. **Index-Linked Instrument/ other Variable-Linked Interest Instrument Provisions** Not Applicable.

19. **Other Rates Provisions:** Not Applicable.

PROVISIONS IN RELATION TO REDEMPTION

20. **Call Option:** Not Applicable.

21. **Put Option** Not Applicable.

22. **Maturity Redemption Amount of each Instrument** In respect of each Instrument, an amount equal to the product of (i) the UDI-Linked Notional Amount and (ii) the UDI Index Level on the Observation Date, as calculated by the Calculation Agent.

"**Observation Date**" means five Business Days prior to the stated Maturity Date.

23. **Early Redemption Amount (Tax)** Condition 7.02 shall not apply to the Instruments.

In respect of each Instrument, an amount equal to the product of (i) the UDI-Linked Notional Amount and (ii) the UDI Index Level on the Valuation Date, as calculated by the Calculation Agent.

"Valuation Date" means 5 Business Days prior to the date of Early Redemption.

Early Redemption Amount(s) of each Instrument payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): 100 per cent. of the Nominal Amount of each Instrument.

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

24. **Form of Instruments:** Bearer.
Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument.
25. Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature): No.
26. Details relating to Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Instruments and interest due on late payment: Not Applicable.
27. Business Day: Mexico City, New York City and TARGET.
28. Relevant Financial Centre: Mexico City, New York City and TARGET.
29. Relevant Financial Centre Day: Mexico City, New York City and TARGET.
30. Details relating to Instalment Instruments: amount of each Instrument, date on which each payment is made: Not Applicable.
31. Temporary Commissioner: Mr Jesús Merino.
32. Other final terms: Not Applicable.

DISTRIBUTION

33. (i) If syndicated, names of Managers and underwriting commitment: Joint Bookrunners:
Banco Santander de Negócios Portugal, S.A.
Avenida Eng. Duarte Pacheco
Amoreiras, Torre 1, 6º Andar
1099-024 Lisbon
Portugal
- Citigroup Global Markets Limited
Citigroup Centre
Canada Square
London E14 5LB
- (Underwriting Commitment: Citigroup Global Markets Limited, MXN 1,696,000,000. Banco Santander de Negócios Portugal, S.A. has no underwriting commitments but may procure subscribers for the Instruments.)
- (ii) Date of Subscription Agreement 18 October 2007.
34. If non-syndicated, name and address of Dealer/Manager: Not Applicable.
35. Stabilising Manager(s): Citigroup Global Markets Limited.
36. Additional Selling Restrictions: **Mexico**
- Until the Issue Date, the Instruments have not been registered with the Mexican National Securities Registry (*Registro Nacional de Valores*) and, therefore, the Instruments may not be offered or sold publicly in Mexico. The Instruments, however, may be offered in Mexico to institutional and accredited investors pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law (*Ley del Mercado de Valores*).
- No later than 24 April 2008 (the "**Registration Date**"), the Issuer shall register the Instruments with the Mexican National Securities Registry (*Registro Nacional de Valores*) kept at the Mexican Banking and Securities Commission (*Comisión Nacional Bancarías y de Valores*) (the "**Registration Process**").

OPERATIONAL INFORMATION

37. ISIN: XS0327601711
38. Common Code: 032760171
39. New Global Note Not Applicable.
40. New Global Note intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable.
41. Any Clearing System other than Euroclear and Clearstream, Luxembourg: S.D. Indeval S.A. de C.V., Institucion para el Deposito de Valores ("**Indeval**").
- Indeval is a privately owned securities depository and clearinghouse, authorized by the Mexican Ministry of Finance and Public Credit to operate as the central custodian for securities in Mexico. Securities maintained in deposit at Indeval (directly or through the crediting by Euroclear or Clearstream for the benefit of Indeval), as the Instruments are expected to be, may be credited or debited to Mexican custodians that are Indeval participants, who in turn may credit or debit the securities, through book entries, to Mexican purchasers.
42. Names and addresses of additional Paying Agent(s) (if any): Not Applicable.
43. Settlement Procedures: Payment against delivery.
- CREDIT LINKED INSTRUMENTS:** Not Applicable.

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required to list and have admitted to trade the issue of Instruments described herein pursuant to the €32,000,000,000 Programme for the Issuance of Debt Instruments of Santander International Debt, S.A. Unipersonal and Santander Issuances, S.A. Unipersonal guaranteed by Banco Santander, S.A.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

SANTANDER ISSUANCES, S.A. UNIPERSONAL

By:



Date: 18 October 2007

BANCO SANTANDER, S.A.

By:



Date: 18 October 2007

PART B — OTHER INFORMATION

1. LISTING

- (i) Listing: Luxembourg and Mexico.
- (ii) Admission to trading: Application has been made for the Instruments to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and the Sistema Internacional de Cotizaciones (SIC) maintained by the Bolsa Mexicana de Valores S.A. de C.V. (the "Mexican Stock Exchange") which will permit the Instruments to be traded at the SIC by institutional and accredited investors, as such terms are defined in the Regulations of the Mexican Stock Exchange, with effect from the Issue Date.

2. RATINGS

- Ratings: The Instruments to be issued have been rated:
- S & P: AA-
Moody's: Aa2
Fitch: AA-

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in paragraph 5.4.3 of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: The net proceeds of the Issue will be used for the general funding purposes of the Group.
- (ii) Estimated net proceeds: MXN 1,696,000,000
- (iii) Estimated total expenses: EUR 5,350 in Listing and Admission to Trading expenses

5. INFORMATION RELATING TO THE UDI INDEX

- (i) The UDI or The UDI or Unidades de Inversión is a MXN equivalent unit of account indexed to inflation on a daily basis, as measured by the change in the Mexican National Consumer Price Index pursuant to the Decree approved by the Congress of Mexico and published in the Official Daily of the Federation on April 1, 1995, for the purposes of determining the inflation-adjusted value of MXN and published by the Index Sponsor on its website <http://www.banxico.org.mx/>. Neither this website nor any material it includes by reference are being incorporated into these Final Terms or the Base Prospectus.

The Index Sponsor determines, composes and calculates the UDI without regard to the Instruments. The Index Sponsor has no obligation to take into account the interests of the Instrumentholders, or those of anyone else having an interest in the Instruments in determining, composing or calculating the UDI. The Index Sponsor is not responsible for and has not participated in the determination of the terms, price or amount of the Instruments and will not be responsible for or participate in any determination or calculation regarding the Maturity Redemption Amount of each Instrument payable on the Maturity Date or any other amount payable on the Instruments.

The Index Sponsor currently published the UDI on the 9th and the 24th day of every month for the 10 Mexico City Business Days following the date of initial publication.

Neither the Issuer nor any of its affiliates accepts any responsibility for the calculation, maintenance or publication of the UDI.

- (ii) Historical Levels of the UDI The historical levels reflected in the table below are based on the criteria identified above and on actual UDI Index Levels on the relevant date. There can be no assurance, however, that these levels will be replicated in the future or that the historical levels of the UDI will serve as a reliable indicator of its future levels.

Year	UDI Index Level as of December 31
1995	1.33783700
1996	1.71051400
1997	2.00029400
1998	2.36200500
1999	2.67126700
2000	2.90915800
2001	3.05527300
2002	3.22577800
2003	3.35200300
2004	3.53471600
2005	3.63753200
2006	3.78895400

The Initial UDI Index Level as of 24 October 2007 is MXN 3.887405 = UDI 1.00.

(iii) Risk Factors

The Level of Inflation in Mexico may Decrease Below the Current Level which may Adversely Affect the Payment Amount on the Instruments

The level of inflation in Mexico may decrease below the current level and historically increasing Mexican inflation trends may not continue. As a result, the UDI Index Level as calculated on the Observation Date, the relevant Interest Determination Date or the Valuation Date may be lower than it would have been had historical trends continued, which may result in a lower Maturity Redemption Amount or Early Redemption Amount and lower Interest Payments.

The Instruments are Not Principal Protected and Instrumentholders may Receive Less than the Nominal Amount of the Instruments on the Maturity Date

The amount payable on the Maturity Date is the Maturity Redemption Amount, which is, in respect of each Instrument, the product of (i) the UDI Linked Notional Amount and (ii) the UDI Index Level on Observation Date. The UDI is a MXN equivalent unit of account indexed to inflation published by the Index Sponsor. If the Index on the Observation Date is below the initial UDI Index Level, the Maturity Redemption Amount will be less than the Nominal Amount.

The Issuer has compiled all information regarding the Index discussed in these Final Terms from publicly available information.

The Issuer accepts responsibility as to the correct reproduction of such information, but does not accept any further or other responsibility, including any responsibility for the calculation, maintenance or publication of, or for any error, omission or disruption in, the Index, and does not make any representation or give any warranty that the publicly available information about the Index is accurate or complete.

The information set forth below reflects the policies of, and is subject to change by, the Index Sponsor. The Index Sponsor owns the copyright and all other rights to the Index. The Index Sponsor does not have any obligation to continue to publish, and may discontinue publication of, the index at anytime.

The Issuer does not intend to provide any post-issuance information with respect to the Index described in the base prospectus or these Final Terms, if not otherwise required

by all applicable laws and regulations.