

Announcement on the consent to the merger of Bank Zachodni WBK and Kredyt Bank

4 December 2012

At the meeting on 4 December 2012, the Polish Financial Supervision Authority (KNF) unanimously consented to the merger of **Bank Zachodni WBK SA** and **Kredyt Bank SA** through the transfer of the entire assets of Kredyt Bank SA to Bank Zachodni WBK SA.

In its decision, KNF particularly took into account the merger plan, the 3-year business plan of the merged bank incl. details about preparation and the planned progress of the merger process relating to e.g. protection of customers' and minority shareholders' interests as well as the additional obligations associated with prudent and stable operation of the merged entity undertaken by Banco Santander SA, Spain in connection with the intended significant expansion of Santander Group's market share in Poland, specifically with regard to:

- ordering the structure and activities of the subsidiaries of Santander Group in Poland, including the obligation to use the available means to ensure that Santander Consumer Bank SA becomes an entity directly controlled by the merged bank by 31 March 2014, and making Santander Consumer Finance SA an entity directly controlled by Santander Consumer Bank SA within nine months after enactment of the updated Recommendation T;
- position of the merged bank within Santander Group;
- ensuring that at least a half of the Supervisory Board members of the merged bank are independent;
- increasing the free-float of the bank's shares on Warsaw Stock Exchange to at least 25% by 1 April 2013 and 30% (or ultimately more than 30%) by 31 December 2014, and then maintaining the free-float at the same level at least or considering a further increase of the free-float to 40%;
- introducing the shares of Banco Santander SA to the trading on Warsaw Stock Exchange by 31 December 2014.

At the same time, KNF unanimously stated that there were no grounds to object to the intended direct acquisition by KBC Group NV, Belgium, through KBC Bank NV, of Bank Zachodni WBK shares ensuring more than 10%, but not more than 20%, of votes at the General Meeting.