

S&P/BMV IPC Index Announcement: Preliminary Information regarding Banco Santander SA's Exchange Offer

MEXICO CITY, AUGUST 23, 2019: Banco Santander SA ("Santander Spain") intends to acquire the remaining 24.95% stake not yet held in Banco Santander Mexico ("Santander Mexico"). Santander Spain already owns 100% of Santander Mexico Series F (Ticker: BSMXF) and 49% of Santander Mexico Series B (Ticker: BSMXB). Under the terms of the offer, Series B shareholders are entitled to receive 0.337 shares of Santander Spain, which represents a total consideration of approximately MXN 54.4 billion.

The exchange offer and withdrawal rights for tenders of Santander Mexico shares is scheduled to expire at 1:00 p.m. eastern time (12:00 p.m. Mexico City time) on September 6, 2019 (the "expiration date"). However, the offer may be extended to a later expiration date. Santander Spain will announce the results of the exchange offer by means of a public announcement to be issued by no later than 8:00 a.m. Eastern time (7:00 a.m. Mexico City time) on the first business day following the expiration date.

For index implementation purposes, if Santander Spain announces the results of the exchange offer by September 9, 2019 as is currently expected, S&P Dow Jones Indices ("S&P DJI") will modify the Investible Weight Factor ("IWF") of BSMXB to account for Santander's increased ownership effective with the rebalance prior to the open of Monday, September 23, 2019.

Impact on the S&P/BMV IPC Index

The S&P/BMV Index (the "Index") will be rebalanced effective prior to the open of Monday, September 23, 2019. Preliminary rebalance results for the Index will be announced after the close on Friday, September 6, 2019.

BSMXB, a current constituent of the Index, will continue to be considered for inclusion if it meets all of the eligibility criteria as is published in the methodology as of the preliminary announcement date.

Final rebalance results for the S&P/BMV IPC Index will be announced after the close Friday, September 13, 2019. S&P DJI will continue to monitor the exchange offer event. If the IWF of BSMXB falls below 10% as a result of the exchange offer, it will be removed and replaced by the highest ranked non-component effective for the rebalance.

Please note: This is a preliminary announcement regarding intended treatment and timing for the event based on current information available. Final handling will be confirmed to clients via end-of-day corporate action files.

S&P Dow Jones Indices

INDEX ANNOUNCEMENT

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