ABS

FTA Santander Consumer Auto Spain 2014-1

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Ratings

Debt	Par Amount [1]	Credit Enhancement [2][3][4][5][6]	Investor Interest Rate (p.a.)	CUSIP/ISIN	Step-Up Provision	Rating [8]	Rating Action
Class A	€703,000,000	12.50%	2.00%	ES0305053003	NA	A (sf)	Provisional Rating - Finalised
Class B	€27,400,000	8.90%	2.50%	ES0305053011	NA	BBB (sf)	Provisional Rating - Finalised
Class C	€15,200,000	6.90%	3.50%	ES0305053029	NA	BB (low) (sf)	Provisional Rating - Finalised
Class D	€14,400,0000	5.00%	5.00%	ES0305053037	NA	B (low) (sf)	Provisional Rating - Finalised
Class E[7]	€38,000,000	-	5.00%	ES0305053045	NA	C (sf)	Provisional Rating - Finalised

Notes:

(1) As of the Issue Date.
(2) Credit enhancement represents a percentage of total collateral and the reserve fund. Credit enhancement does not include excess spread and the liquidity reserve.
(3) The rated Class A notes credit enhancement consists of subordination of the Class B, Class C, Class D notes and the reserve fund.
(4) The rated Class B notes credit enhancement consists of subordination of the Class C, Class D notes and the reserve fund.
(5) The rated Class C notes credit enhancement consists of subordination of the Class D notes and the reserve fund.
(6) The rated Class D notes credit enhancement consists of subordination of the reserve fund.
(7) The Class E notes proceeds were used to fund the reserve fund at closing.
(8) The rating for the Class A notes address the payment of timely distribution of scheduled interest and ultimate principal. The rating for the Class B, Class C, Class D and Class E notes address the ultimate payment of interest and principal.

Transaction Summary

DBRS Ratings Limited (DBRS) has finalised ratings of the Class A, Class B, Class C, Class D and Class E notes (the Rated Notes) issued by FTA Santander Consumer Auto Spain 2014-1 (the Issuer or the Fund) as presented above. The Fund has been established as a securitisation fund under Spanish securitisation law. Proceeds from the Rated Notes were used to purchase the initial portfolio of receivables (the Portfolio) and fund the reserve fund. The securitised portfolio consists of auto loan receivables to finance the purchase of new and used vehicles granted by Santander Consumer E.F.C., S.A. (the Seller or the Servicer or SCF). The portfolio of auto loan receivables is composed of loans granted to private individuals and commercial entities resident or registered in Spain. The Fund is managed by Santander de Titulización, SGFT (the Management Company). The portfolio is serviced by SCF.

The transaction has a revolving period of four years where principal collections may be used by the Issuer to purchase new receivables from the Seller. Throughout the revolving period no principal will be paid under the notes unless an early amortisation event or a mandatory amortisation event occurs.

The Class A notes 12.50% credit enhancement consists of the subordination of the Class B (3.60%), Class C (2.00%), Class D (1.90%) and the reserve fund (5.00%). The Class A notes also benefit from the interest deferral of the Class B notes to principal payment under the Class A notes. Interest deferral will occur upon breach of certain triggers explained below. The Class A notes principal amortisation will be fully sequential in respect of the Class B, Class C and Class D notes, with no principal paid under Class B, Class C and Class D notes until Class A notes are redeemed in full.

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The Class B notes benefit from 8.90% credit enhancement that consists of 2.00% of the Class C notes, 1.90% of the Class D notes and 5.00% reserve fund. Upon amortisation of the Class A notes in full, the Class B notes will start to amortise.

The Class C notes 6.90% credit enhancement consists of 1.90% of the Class D notes and 5.00% of the reserve fund. The Class C notes will start to amortise once Class A and Class B notes are redeemed in full.

The Class D notes 5% credit enhancement consists of the reserve fund. The Class D notes will start to amortise once Class A, Class B and Class C notes are redeemed in full.

The Class E notes were issued to fund the €38 million reserve fund. The amortisation of the Class E notes will be in accordance with the amortisation mechanism of the reserve fund detailed below. The reserve fund covers senior fees, interest and principal on the Class A, Class B, Class C and Class D notes.

Notable Features

- The securitised pool is revolving.
- The amortisation of the notes will start upon an early amortisation event, at the end of the revolving period or upon the occurrence of a mandatory amortisation event.
- Full sequential amortisation mechanism.
- 100% of loans in the portfolio are tied to fixed interest rates and monthly instalments.
- 78.29% of the loan receivables were granted to finance the purchase of new cars.
- The transaction includes a liquidity reserve and commingling reserve that will be made available upon breach of certain triggers detailed below.

Strengths

- The portfolio is serviced by a financially strong and experienced entity.
- The portfolio is granular with 73,909 loans and 73,512 borrowers. The top 10 borrowers concentration stands at 0.11%.
- The initial portfolio is 10.31 months seasoned.
- The initial portfolio yields a weighted average interest rate of 8.74%.
- Loan receivables are well-distributed geographically across Spain with no concentration by autonomous community higher than 20.00%
- The notes benefit from the credit support of the reserve fund.
- The Class A notes benefit from the interest deferral of the Class B notes to the payment of principal of Class A notes upon breach of certain triggers explained below.

Weaknesses and Mitigants

- Macroeconomic conditions in Spain remain weak, with uncertainty in the financial markets and unemployment at 24.47% as of Q2 2014 (INE data). **Mitigant(s)**: (1) The rated notes are able to withstand stressed cash flow assumptions relating to defaults and recovery values, (2) the reserve fund provides credit support to Class A, Class B, Class C and Class D and (3) a sovereign stress was applied to the base case.
- The transaction includes a four-year revolving period where the Seller may sell additional receivables to the Issuer each quarter. **Mitigant(s):** (1) Eligibility criteria and concentration limits are in place that restrict the portfolio concentration at borrower, contract terms, vehicle type, scoring and geographical distribution. (2) The review of the

origination policies of SCF. (3) The early amortisation event and mandatory redemption event.

- The transaction is unhedged. **Mitigant(s)**: Interest rate risk in this transaction is limited. All the loans receivables in the portfolio pay fixed interest rates while the notes pay fixed.
- The rated Class B notes interest may be deferred upon breach of certain performance triggers, making payment of interest on Class B notes subordinated to the payments of principal of the Class A notes. **Mitigant(s)**: The reserve fund provides credit support to Class B notes.
- SCF allows certain loan modifications on their auto loan products. **Mitigants(s):** (1) Loan modifications to the portfolio of receivables are limited by the permitted variations explained below. (2) DBRS has stressed cash flow assumptions to account for the permitted variations in the portfolio.
- Upon insolvency of the Servicer or the Servicer not being able to meet its obligation in respect to the transfer collections to the Issuer, payment shortfalls under the notes may occur. **Mitigant(s):** (1) The transaction documents envisage representation and warranties in respect to commingling. (2) The transaction will fund a commingling and liquidity reserve upon breach of certain triggers detailed below.

Rating Rationale

The ratings of the Class A notes address the timely payment of interest and full payment of principal by the legal final maturity date in accordance with the terms and conditions of the notes. The ratings of the Class B. Class C, Class D and Class E notes address the ultimate payment of interest and full payment of principal by the legal final maturity date in accordance with the terms and conditions of the notes. DBRS based the rating primarily on the review of the analytical considerations listed below:

- The transaction's capital structure and the form and sufficiency of available credit enhancement.
- Relevant credit enhancement in the form of subordination and excess spread. Credit enhancement levels are sufficient to support DBRS-projected expected cumulative net loss assumptions under various stressed cash flow assumptions for the rated Series.
- The ability of the transaction to withstand stressed cash flow assumptions and repay investors according to the terms of the transaction documents.
- SCF capabilities with respect to originations, underwriting, servicing and financial strength.
- The credit quality of the collateral and ability of the Servicer to perform collection activities on the collateral.
- The legal structure and presence of legal opinions addressing the assignment of the assets to the issuer and the consistency with the DBRS Legal Criteria for European Structured Finance Transactions.

Sovereign Assessment

DBRS rates the Kingdom of Spain A (low) with a Stable Trend. For more information, please refer to the most recent published press release by DBRS on www.dbrs.com.

Transaction Parties and Relevant Dates

Transaction Parties

Type	Name	Rating
Issuer	FTA Santander Consumer Spain Auto 2014-1	NA
Originator/Seller	Santander Consumer E.F.C.,S.A.	DBRS Private Rating
Servicer	Santander Consumer E.F.C.,S.A.	DBRS Private Rating
Servicer's Owner	Banco Santander S.A.	A/Neg/R-1(low)/Stb
Back-Up Servicer Facilitator	Banco Santander S.A.	A/Neg/R-1(low)/Stb
Account Bank	Santander Consumer Finance S.A.	DBRS Private Rating
Commingling Reserve	Santander Consumer Finance S.A.	DBRS Private Rating
Liquidity Reserve	Santander Consumer Finance S.A.	DBRS Private Rating
Subordinated Loan Provider	Santander Consumer E.F.C.,S.A.	DBRS Private Rating
Joint Lead Managers	Santander Global Banking and Markets Credit Agricole CIB, Spanish Branch	NA NA
Management Company	Santander de Titulización, SGFT	NA

Relevant Dates

Type	Date
Issue Date	28 November 2014
Portfolio Assignment Date	28 November 2014
Cut-Off Date	20 October 2014
First Payment Date	20 March 2015
Payment Frequency	Quarterly
Payment Dates	20th March, June, September and December each year
Revolving Period Maturity Date	20 December 2018
Call Date	NA
Early Amortisation Date	NA
Ramp-up Completion Date	NA
Legal Final Maturity Date	20 June 2032

Origination and Servicing

DBRS conducted an operational review of SCF's (the bank) Spanish auto loan operations in Madrid, Spain in September 2014.

DBRS considers SCF's origination practices to be above other Spanish lenders and the servicing practices to be consistent with those observed among other Spanish lenders.

SCF is headquartered in Madrid, Spain, and is a subsidiary of Santander Consumer Finance SA (SCF SA), whose ultimate parent is Banco Santander SA, Spain, one of the 13 leading banks in the world by market capitalisation and the largest bank in the EU. SCF was established in 1963 as Banco de Fomento, SA and latterly the name was officially changed to SCF.

As of December 2013, SCF SA's entire portfolio totalled €63 billion with the SCF SA subsidiary in Germany (Santander Consumer Bank AG) being the largest contributor to the portfolio. SCF in Spain contributes 11% of the portfolio. In 2014, SCF contributed €2.11 billion of new business compared to €1.6 billion in 2009.

DBRS does not publicly rate SCF although a private rating has been assigned to both SCF and its immediate parent SCF SA. Banco Santander SA's public long-term rating is 'A' as at October 2014.

For more information on Banco Santander please see the agency's website at www.dbrs.com.

Origination and Underwriting

Origination and Sourcing

SCF offers private financing facilities for vehicles including cars, motorbikes and leisure, and is a large non-captive car financer in Spain with a market share of 16.9% and a penetration rate of 41.6%.

SCF has agreements with several significant car manufacturers and this enables SCF to finance new and used cars in Spain.

Loans are sourced through SCF's dealer/intermediary network and the standard application forms completed by the customer are sent to SCF's headquarters in Madrid along with the necessary supporting documentation via the internet. SCF has over 15,000 business providers in Spain, of which 42% provided business within the last 12 months.

Underwriting Process

The dealer acts as the finance agent for SCF and enters into a general broker agreement that includes the use of an online software system, the requirement for the Dealer to send the finance application to SCF while arranging the finance contract between the customer and SCF together with an automated payment method between SCF and the dealers.

Credit approval is provided to the dealer through the software system which is administered by SCF.

The credit approval process is centralised in Madrid with a team of 15 analysts and includes allocation of credit scoring and various database searches. These searches incorporate the credit bureau data from Experian ASNEF or Experian, and are carried out on all borrowers. The credit bureau data provides SCF with information concerning existing loan and leasing agreements, existing bank accounts, previous financial defaults, insolvency proceedings and declarations of insolvency. The information from the external databases is automatically requested by SCF during the credit scoring phase.

For the purposes of credit scoring, the models that SCF uses take into account different variables such as marital status, profession, age, historical experience with SCF amongst others. Different scorecards are in place for each product. The models were developed with FICO and Experian, but controlled by SCF and only used SCF data. Each model has been approved and is supervised by the Bank of Spain.

During the credit scoring process the applicant receives points per variable according to the SCF policy. All results are added and the sum gives SCF a prediction of the risk of granting a loan to the applicant. This scoring process is treated as strictly confidential externally. No information regarding the weighting or values of single criteria, or cut-off limits of scoring results are communicated externally to customers, partners or rating agencies. However, information according to data protection law is given to the applicant if requested.

Approval authority limits are set centrally in Madrid and vary depending on the type of loan, customer, vehicle and other parameters. 85% of applications are automated while the remainder as manually reviewed.

Summary Strengths

- Major Spanish non-captive auto loan lender.
- Parent support through Europe's largest bank.
- Robust Governance and Internal Control process in place.
- Experienced senior management team and underwriting team in place.

Servicing

Servicing is centralised in Madrid including all general administrative activities and customer services, with the former being heavily automated due to the standardised nature of the product. SCF handles new business, checks contracts and documents, and also pays out the balance of the loan. The recoveries department was set up in 2009 to manage all defaults through to the sale or write-off of the asset or loan. Furthermore, the back office function deals with telephone and written support for transactions, together with processing of returned direct debits and calculation of fees. All incoming payments are also processed from within the back office, together with the registration and processing of after-sales insurance.

Nearly all payments are made via direct debit, consistent with the wider Spanish market. The bank also uses a robust workflow and document management systems.

Throughout the life cycle of the contract, if the loan falls into arrears, a specific process is followed. Following one day past due (dpd) and up to 90 dpd, the collections team sends out letters and make phone calls to the borrower to achieve payment. In this is unsuccessful, field agents will also visit the borrower and can also liquidate the asset before the loan is 180 dpd.

If payment is still not achieved then a court or enforcement order will be obtained and action will be taken to recovery the loss or the asset. SCF utilise a network of lawyers across the country to assist in the judicial process. Throughout the whole process, SCF will continue to promote payment arrangements and payment plans to assist the customer to retain to an up-to-date status.

Summary Strengths

- Majority of payments made via direct debit.
- Centralised servicing and dedicated arrears management teams with experienced staff.

Opinion on Back-Up Servicer: There is no back-up servicer on the securitisation. DBRS believes the servicer's current financial condition helps mitigate the risks of a potential disruption in servicing due to a servicer event of default particularly insolvency. DBRS also notes that

Banco Santander, SA has been named as the back-up servicer facilitator on the transaction responsible for identifying and engaging a suitable replacement servicer, if necessary

Collateral Analysis Details

Data Quality

The sources of information used include the SCF and the Management Company.

SCF provided historical 90+, 180+ and 360+ static cumulative gross losses and 90+ recovery data for its entire auto loan portfolio. The historical gross vintage data has been presented from Q1 2003 through to Q2 2014 split by new and used vehicles. The historical recovery vintage data was also presented by new and used vehicles beginning in Q1 2006 through Q2 2014.

The Management Company also provided gross loss vintage performance data from previous SCF auto loan securitisations beginning in Q1 2013 through Q2 2013.

The set of historical data analysed by DBRS is detailed below:

- Stratification tables as at the cut-off date.
- Quarterly default vintage analysis from Q1 2003 to Q2 2014.
- Quarterly recovery vintage analysis from Q1 2006 to Q2 2014.
- Dynamic delinquencies data by buckets for new and used vehicles starting as of September 2009 through May 2014.
- Prepayment data from January 2003 to May 2014.
- Historical gross losses for the prior securitised SCF auto loan transactions.

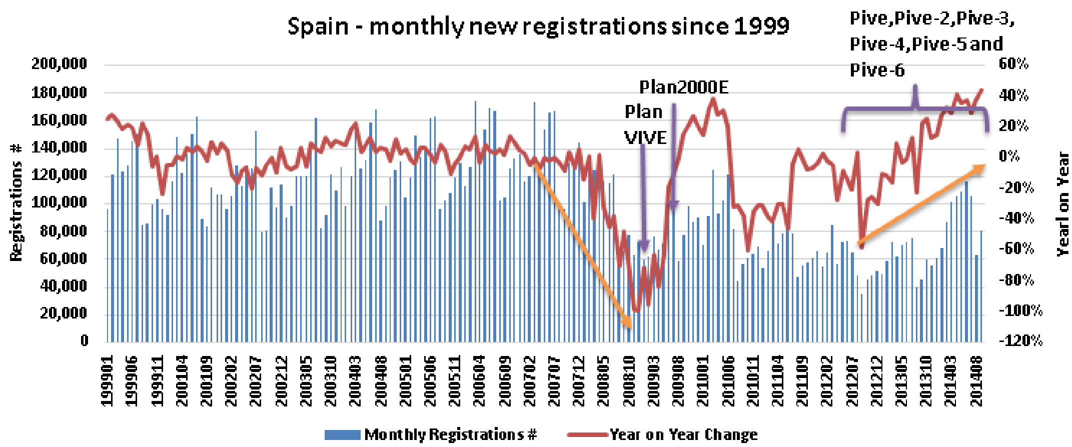
DBRS was also provided with an indicative amortisation schedule for the portfolio and loan by-loan information.

DBRS considers the information available to it for the purposes of providing this rating was of satisfactory quality.

Sector Analysis

Auto Market in Spain

As of September 2014, auto sales in Spain increased to reach 838,990 for all types of vehicles and 654,364 for passenger cars. The number of registrations for passenger cars is expected to reach 840,000 units by the end-2014. The number of registrations in 2014 is significantly higher than the number of registrations in 2012 and 2013, but remains low when compared to the average number of registrations of 1.4 million registered between 1999 and 2008.



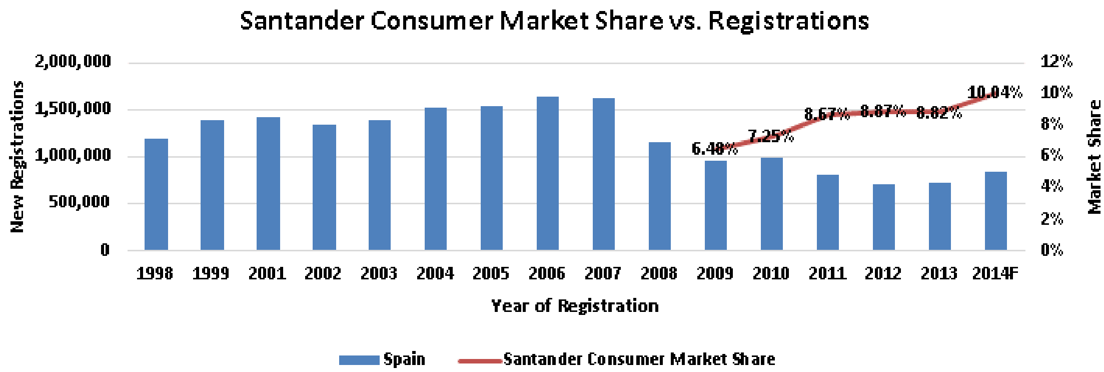
Source: ACEA and DGT.

The current economic situation in Spain remains weak with a high unemployment rate (24.47% Q2 2014), uncertainty in the financial market and lending at very low levels. To incentivise the auto market, the government of Spain put in place several scrapping subsidies that resulted in an increase of the number of registrations. The most recent set of measures were launched under the 'Pive' program which started with the first subsidy in September 2012 through June 2014. The Pive program aims to help passenger cars and light commercial vehicles buyers to obtain a €2,000 subsidy for the purchase of a new car against the retirement of the buyer's old car (>10 or >12 years). The subsidy has helped to boost new registrations by approximately 715,000 units since September 2012. The last two Pive programs alone (Pive-5 and Pive-6) accounted for approximately 350,000 units, which explains the spike in registrations in 2014. It is expected that the government of Spain will continue to support the auto market by scrapping measures such as Pive program.

Scrapping Measures	Pive-6	Pive-5	Pive-4	Pive-3	Pive-2	Pive	Plan 2000E	Plan VIVE	Plan Renove
Subsidy	€ 2,000	€ 2,000	€ 2,000	€ 2,000	€ 2,000	€ 2,000	€ 2,000	Interest	€ 480.81
Subsidy Provider	€ 1,000 Goverment € 1,000 Manufacturer	€ 1,000 Goverment € 1,000 Manufacturer	€ 1,000 Goverment € 1,000 Manufacturer	€ 1,000 Goverment € 1,000 Manufacturer	€ 1,000 Goverment € 1,000 Manufacturer	€ 1,000 Goverment € 1,000 Manufacturer	€ 1,000 Goverment € 1,000 Manufacturer	Goverment	Goverment
Total Subsidy	€ 175,000,000	€ 175,000,000	€ 70,000,000	€ 70,000,000	€ 150,000,000	€ 75,000,000	€ 100,000,000	€ 1.2 billion	No limit
Vehicle Sale Price	€ 25,000	€ 25,000	€ 25,000	€ 25,000	€ 25,000	€ 25,000	€ 30,000	€ 30,000	No limit
Subsidised Vehicle	Passanger Cars (M1) and Light Commercial Cars (N1)	Passanger Cars (M1) and Light Commercial Cars (N1)	Passanger Cars (M1) and Light Commercial Cars (N1)	Passanger Cars (M1) and Light Commercial Cars (N1)	Passanger Cars (M1) and Light Commercial Cars (N1)	Passanger Cars (M1) and Light Commercial Cars (N1)	Not Required	Not Required	Not Required
Replaced Vehicle Age	>10 years	>10 years	>10 years	>10 years	>10 years	>12 years	< 120 gr. CO2	Not Required	>10 years
Target Fleet (units)	175,000	175,000	70,000	70,000	150,000	75,000	100,000	-	-
Start Date	Jun-14	Jan-14	Oct-13	Jul-13	Jan-13	Sep-12	May-09	Nov-08	1994
Duration (months)	12	12	12	12	12	12	12	6	1994-2007

In Spain, 8 out of 10 car sales, on average, will use finance to purchase a new vehicle. Most of the captive and non-captive lenders have tightened their credit policies which made it more difficult for credit to flow in the market. Despite this fact, government support and improvement in consumer expenditure resulted in high volumes of financed vehicles.

The market share of SCF in auto loans remained stable over the last three years with a market share of 8.82% as of 2013. For 2014 market share is expected to reach 10.04%.



Source: ACEA and SCF.

Collateral Analysis

The Portfolio

The securitised portfolio consists of auto loans receivables granted by SCF, through its dealer network in Spain, to private and commercial customers. The initial portfolio of receivables of €760 million were sold to the Issuer by the Seller upon closing. The receivables comprises all rights, title and claims from loan instalment payments including interest, principal and any recovery proceeds in respect to the initial and additional loan portfolio.

The final portfolio characteristics as of 26 November 2014 include:

- The portfolio is very granular with 73,909 loans and 73,512 borrowers. The top 10 borrowers represent 0.11%.
- 10.31 months weighted average seasoning and 58.44 months weighted average remaining term. 97.56% of the portfolio was originated in 2013 and 2014.
- 77.09% of the portfolio are auto loan receivables to finance the purchase of new vehicles. 7.14% of the loans were granted to foreigners resident in Spain.
- The portfolio consists of 14.19% of auto loan receivables granted to private individuals classified as self-employed and 5.11% as not employed.
- 100% of the loan receivables are tied to fixed rates. The initial portfolio of receivables pays a weighted average fixed interest rate of 8.74%.
- 100% of loan receivables pay monthly instalments and amortise according to the French amortisation method.
- The weighted average down payment as percentage of the vehicle purchase price is 29.4%.
- 33.21% of the vehicles are registered securities (Registro de Venta a Plazos de Bienes Muebles).
- The portfolio is geographically well-distributed across the largest autonomous communities in Spain. The top three regions are Andalusia (18.56%), Catalonia (14.35%) and Madrid (14.23%) and account for 47.14% of the portfolio.

- The top three concentration by vehicle brand are Hyundai (19.53%), Kia (17.02%) and Opel (11.70%).

Loan Eligibility Criteria

The transaction documents include the eligibility criteria applied to select the portfolio. The main criteria are highlighted below:

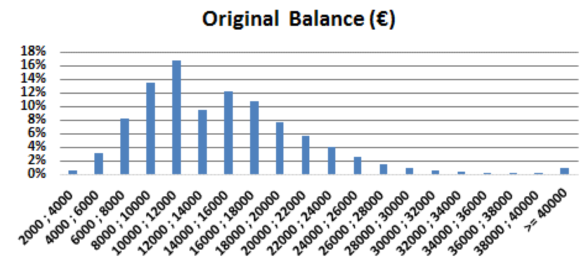
- People resident in Spain and not employed at SCF.
- The loan is issued in euros.
- No loan is the result of a refinanced or restructured loan.
- None of the loans had had a payment holiday.
- The loan has at least one paid instalment.
- The instalments are paid by direct debit.
- The loan is drawn in full.
- The legal maturity of the loan is not later than 25 August 2028.
- The loan interest rate is not lower than 5%.
- The loan has a monthly payment frequency.
- The loan does not allow for interest or principal deferrals.
- The loan was not granted to purchase demo vehicles from the dealers.
- The loan was not granted to purchase rent a car vehicles.
- At loan origination the borrower is employed.

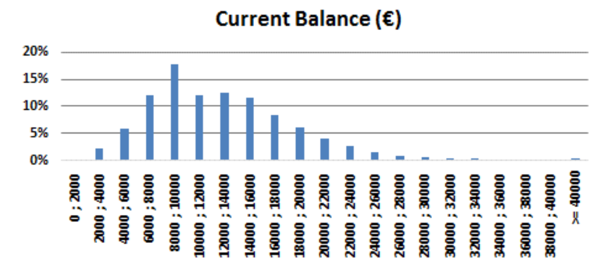
New loan receivables added to the portfolio will comply with the loan eligibility criteria above and the following Global Eligibility Criteria:

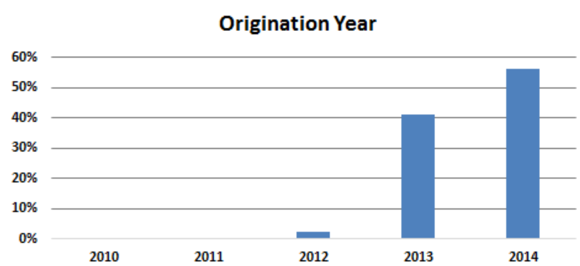
Global Eligibility Criteria	Ratio
Maximum concentration of used vehicles	30%
Maximum borrower concentration	0.05%
Maximum concentration of loans granted to commercial customers	8%
Maximum weighted average portfolio term	72 months
Maximum loan concentration with a term higher than 96 months	10%
Maximum concentration per autonomous community	30%
Maximum top three autonomous communities	60%
Maximum concentration of loans with an outstanding balance greater than €50,000	1.5%
Maximum concentration to Off-Road vehicles	15%
Maximum concentration of loans with a deposit 5% lower than the purchase price of the vehicle	10%
Maximum concentration of loans with a deposit 20% lower than the purchase price of the vehicle	50%
Maximum concentration of loans on new vehicles with a scoring lower than 545	15%
Maximum concentration of loans on used vehicles with a scoring lower than 539	20%
Maximum concentration of loans in respect to borrowers classified as not employed	7%
Minimum weighted average rate of the loans	7%
Maximum concentration to self-employed borrowers	18%

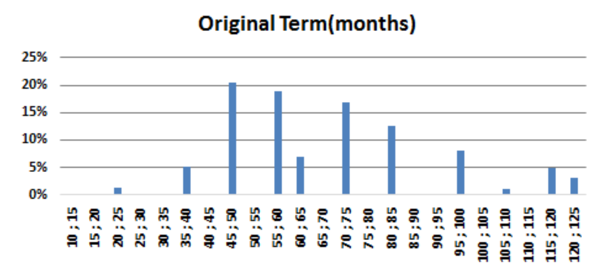
The charts below outline the main characteristics of the initial portfolio:

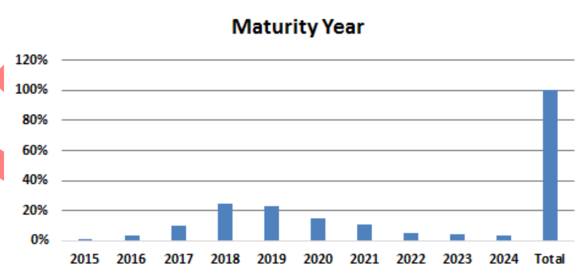
Receivables

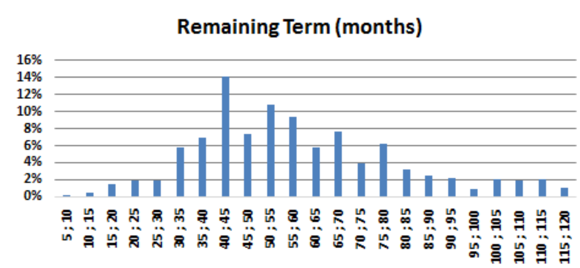


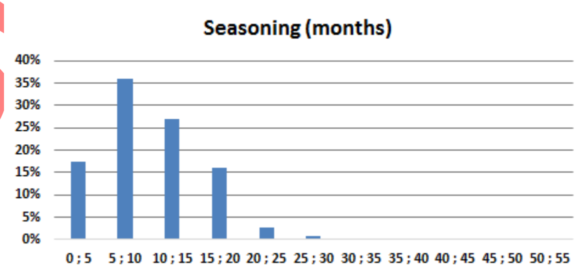


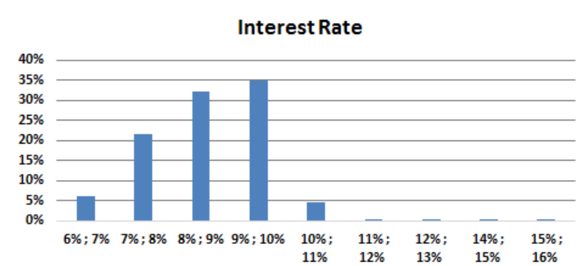




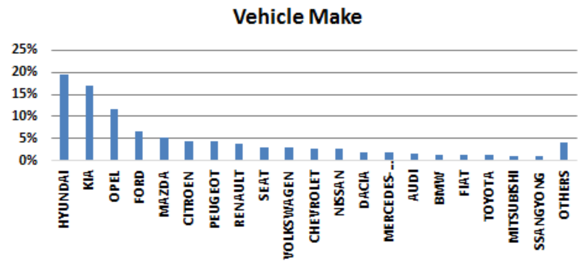




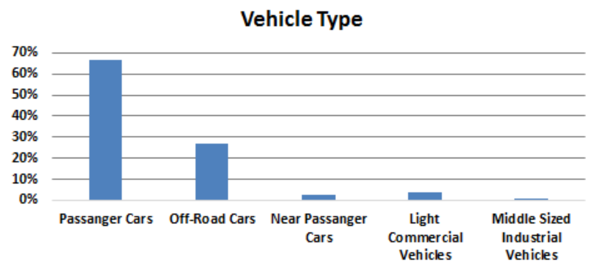


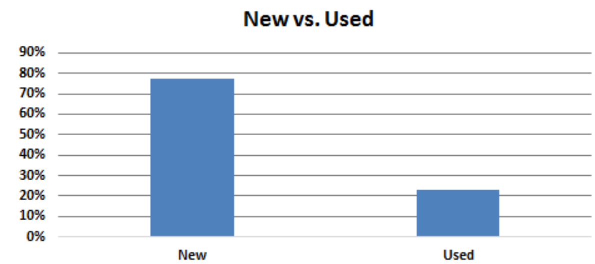


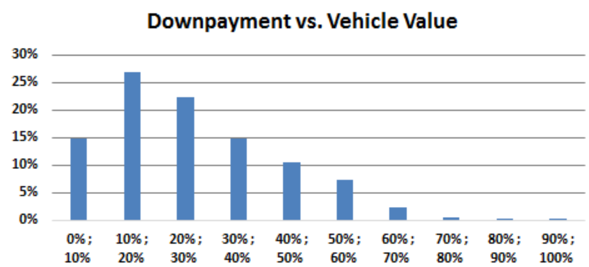
Vehicles

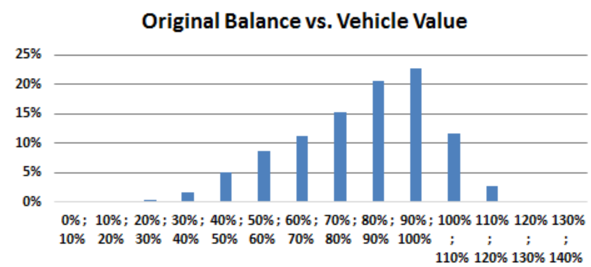

Vehicle Make
25%
20%
15%
10%
5%
0%
HYUNDAI
KIA
OPEL
FORD
MAZDA
CITROEN
PEUGEOT
RENAULT
SEAT
VOLKSWAGEN
CHEVROLET
NISSAN
DACIA
MERCEDES-...
AUDI
BMW
FIAT
TOYOTA
MITSUBISHI
SSANGYONG
OTHERS


Registred Security
80%
70%
60%
50%
40%
30%
20%
10%
0%
No
Yes

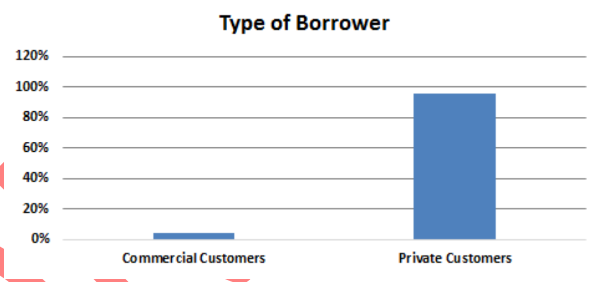

Vehicle Type
70%
60%
50%
40%
30%
20%
10%
0%
Passanger Cars
Off-Road Cars
Near Passanger Cars
Light Commercial Vehicles
Middle Sized Industrial Vehicles

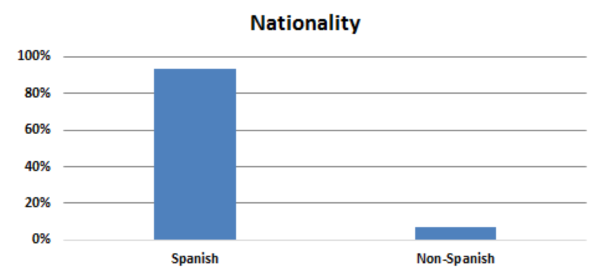

New vs. Used
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
New
Used

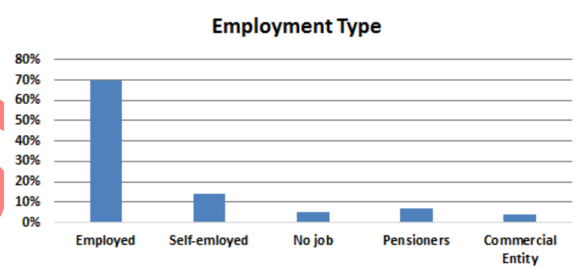

Downpayment vs. Vehicle Value
30%
25%
20%
15%
10%
5%
0%
0% ; 10%
10% ; 20%
20% ; 30%
30% ; 40%
40% ; 50%
50% ; 60%
60% ; 70%
70% ; 80%
80% ; 90%
90% ; 100%

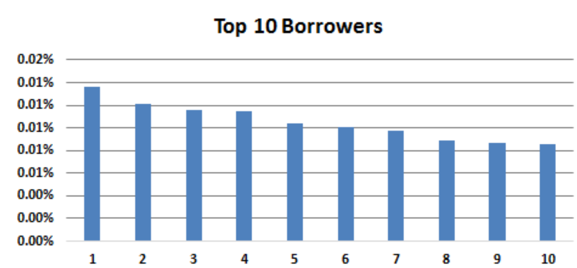

Original Balance vs. Vehicle Value
25%
20%
15%
10%
5%
0%
0% ; 10%
10% ; 20%
20% ; 30%
30% ; 40%
40% ; 50%
50% ; 60%
60% ; 70%
70% ; 80%
80% ; 90%
90% ; 100%
100% ; 110%
110% ; 120%
120% ; 130%
130% ; 140%

Borrower


Type of Borrower
120%
100%
80%
60%
40%
20%
0%
Commercial Customers
Private Customers

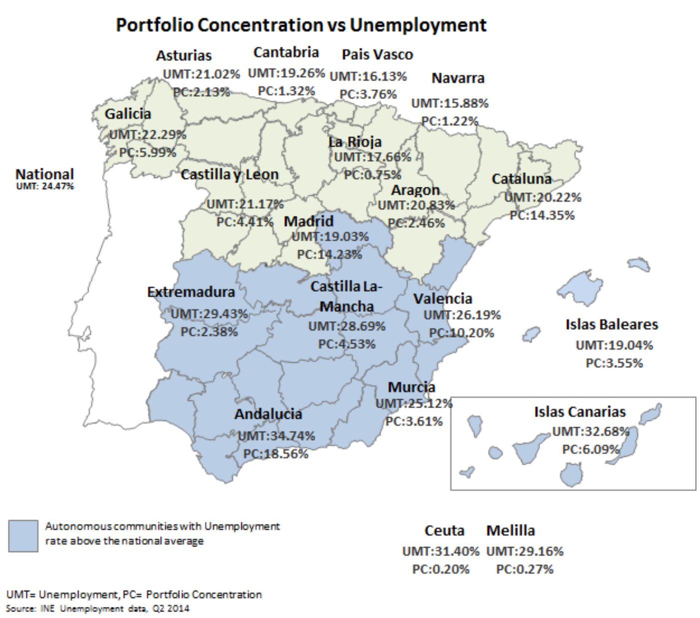

Nationality
100%
80%
60%
40%
20%
0%
Spanish
Non-Spanish


Employment Type
80%
70%
60%
50%
40%
30%
20%
10%
0%
Employed
Self-emloyed
No job
Pensioners
Commercial Entity


Top 10 Borrowers
0.02%
0.01%
0.01%
0.01%
0.01%
0.01%
0.00%
0.00%
0.00%
1
2
3
4
5
6
7
8
9
10

Geographical Concentrations

Regions	Unemployment (INE Q2 2014)	% Current Balance
Andalucía	34.74%	18.56%
Cataluña	20.22%	14.35%
Madrid	19.03%	14.23%
Valencia	26.19%	10.20%
Islas Canarias	32.68%	6.09%
Galicia	22.29%	5.99%
Castilla-La Mancha	28.69%	4.53%
Castilla y León	21.17%	4.41%
País Vasco	16.13%	3.76%
Murcia	25.12%	3.61%
Islas Baleares	19.04%	3.55%
Aragón	20.83%	2.46%
Extremadura	29.43%	2.38%
Asturias	21.02%	2.13%
Cantabria	19.26%	1.32%
Navarra	15.88%	1.22%
La Rioja	17.66%	0.75%
Melilla	29.16%	0.27%
Ceuta	31.40%	0.20%
National	24.50%	100.00%



Renegotiation capabilities

The Servicer can conduct variations on the terms of the securitised loan receivables upon request of the Management's Company consent. Non-consented permitted variations can be conducted but are subject to the following limit concentrations:

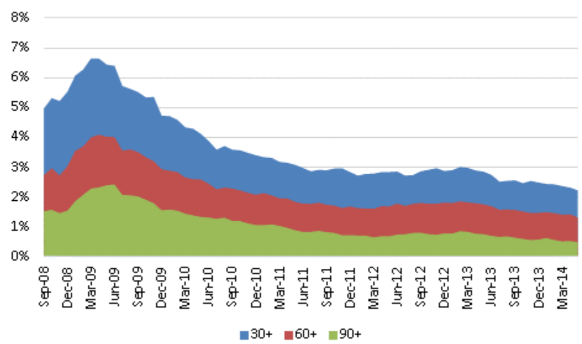
- The minimum interest rate is not lower than 5%. Renegotiation of interest rate will not result in the weighted average fixed interest rate of the portfolio lower than 7.00%.
- The percentage of loans that benefit from a maturity extension does not exceed 10.00% of the initial balance of the portfolio and the maximum maturity is no later than 20 December 2031.

Historical Performance

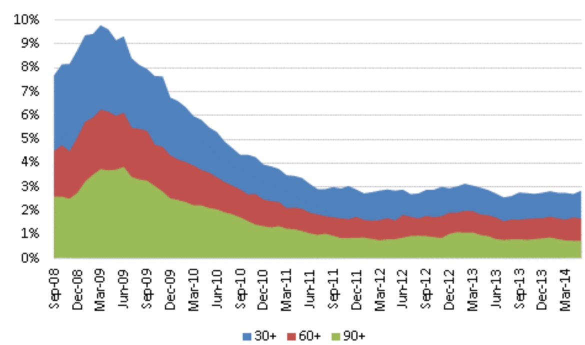
Delinquencies

DBRS was provided with delinquency data by buckets for the entire auto loan portfolio of SCF ranging from September 2008 to May 2014 and split by new and used vehicles. Overall, historical arrears have declined as a result of tighter lending criteria implemented by the Servicer since 2009. 60+ days arrears for auto new declined from 4% in June 2009 to 1.32% as of May 2014. 60+ in arrears for auto used declined from 6.25% in April 2009 to 1.68% as of May 2014.

Dynamic cumulative delinquencies – New

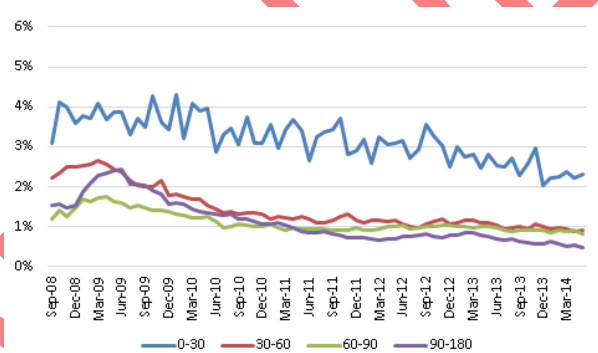


Dynamic cumulative delinquencies - Used

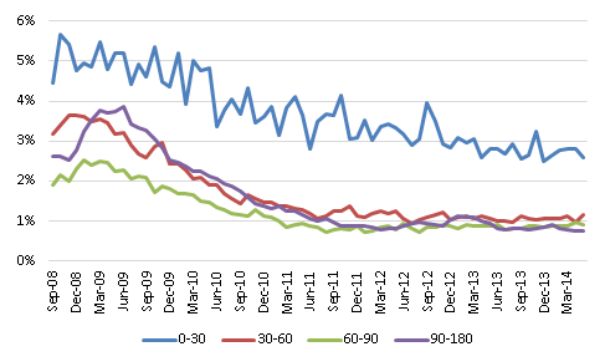


The delinquencies by buckets also followed downward trend with 90 to 60 days in arrears bucket decline from 1.76% in April 2009 to 0.83% as of May 2014.

Dynamic delinquencies by buckets – New



Dynamic delinquencies by buckets – Used



Prepayments

DBRS was also provided with prepayment data for the entire SCF auto loan portfolio ranging from January 2003 to May 2014 and split by new and used vehicles. The data shows a decline in prepayments starting in early 2009 to today. This decline in prepayments is explained by the beginning of the economic turmoil in Spain in 2008 which resulted in a high unemployment rate and low consumer confidence.

Annual CPR – New

Annual CPR – Used

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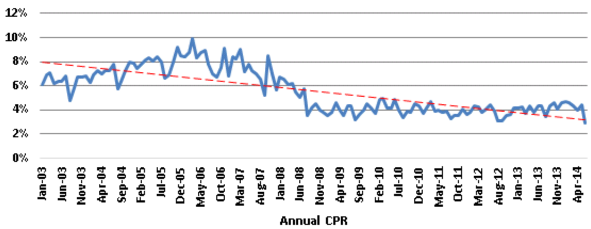
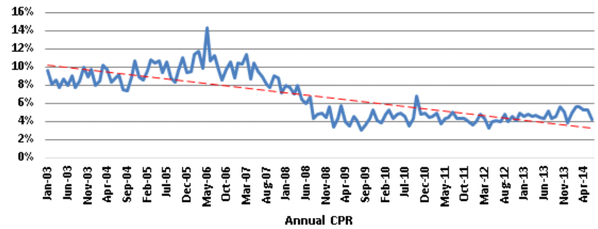


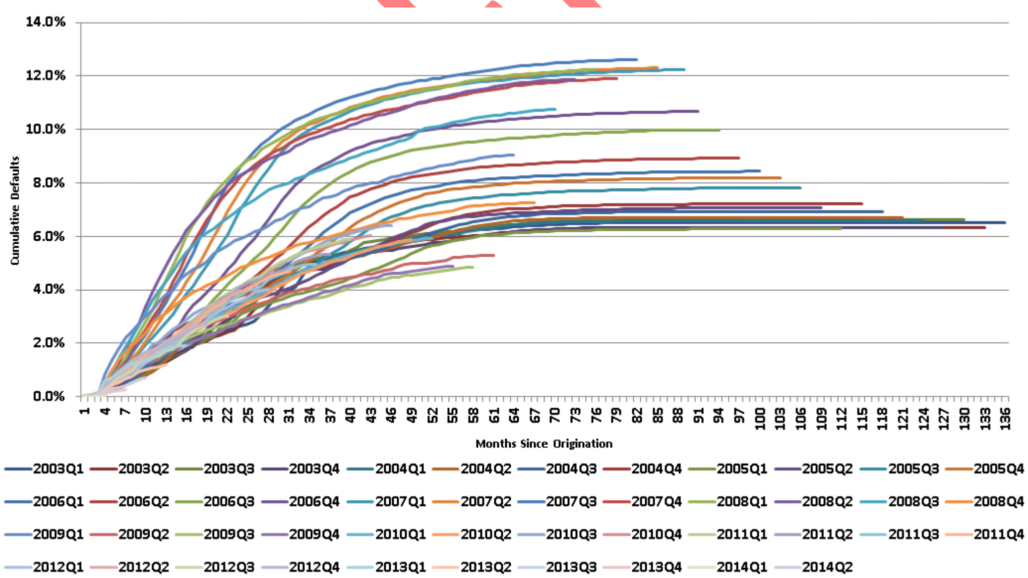


The annual prepayment rate for new vehicles as of May 2014 stands at 2.93% and 4.15% for used vehicles.

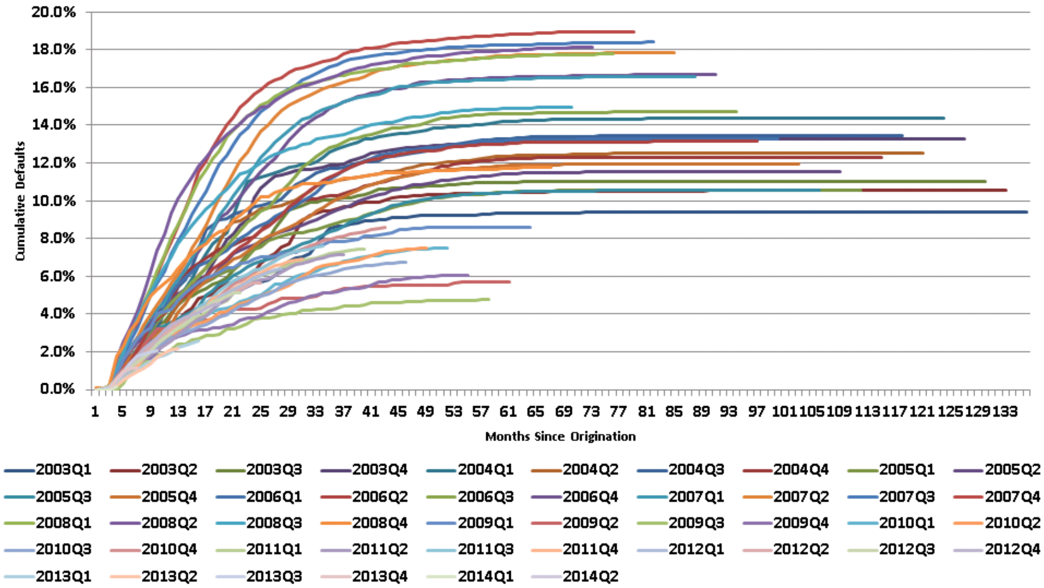
Default

The graphs below represent 90+ quarterly static gross losses beginning in Q1 2003 until Q2 2014 segregated by new and used vehicles. The data has been grouped into vintages by the origination date of the loan.

New



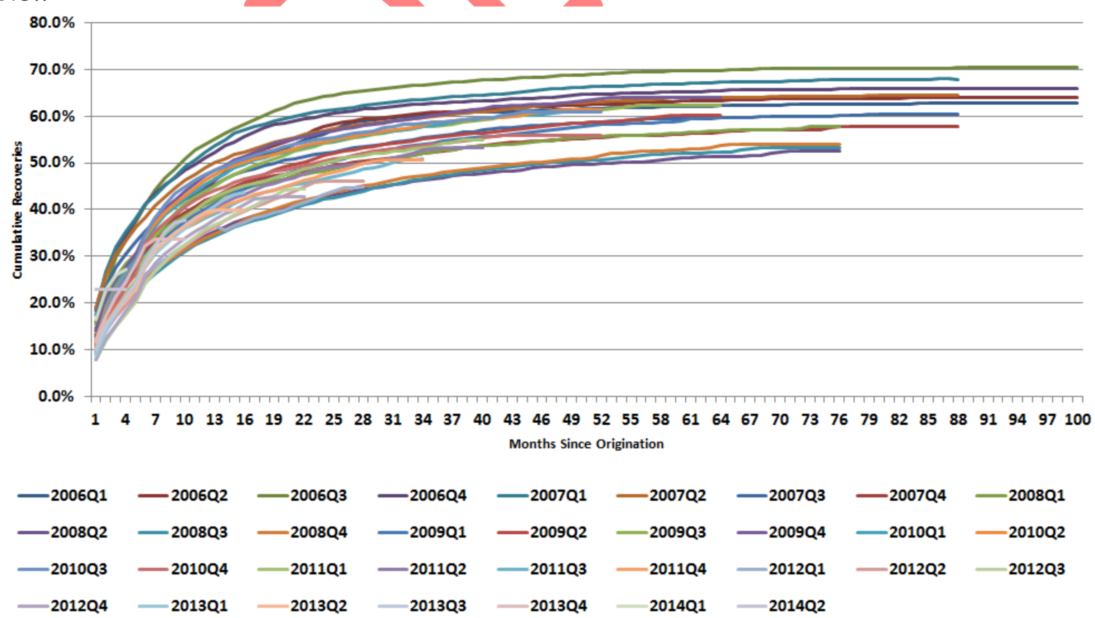
Used



Recovery

DBRS also received 90+ quarterly cumulative recovery static data beginning in Q1 2006 until Q2 2014 segregated by new and used vehicles. The data has been grouped into vintages by the origination date of the loan.

New



Used

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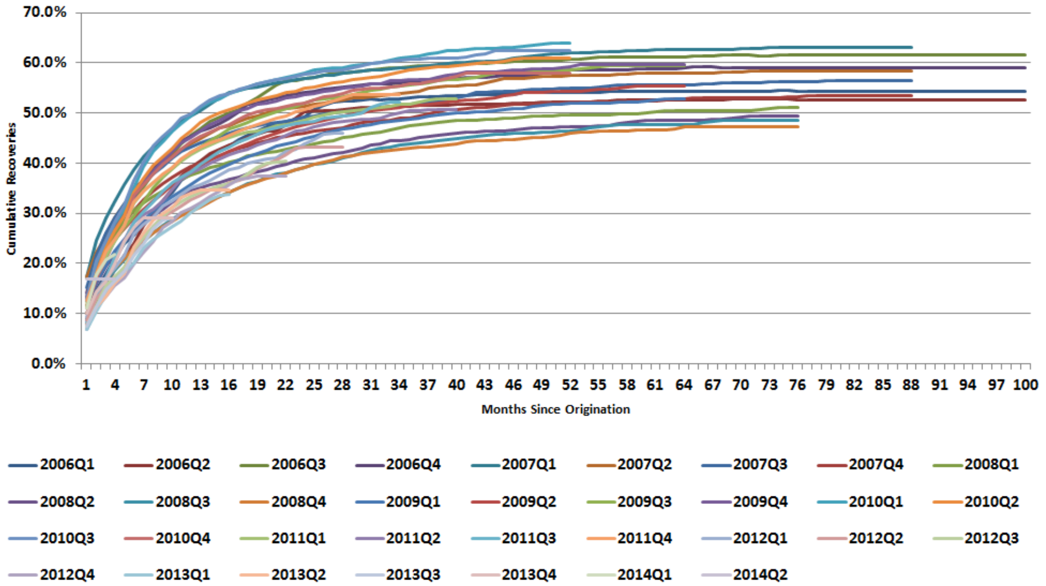
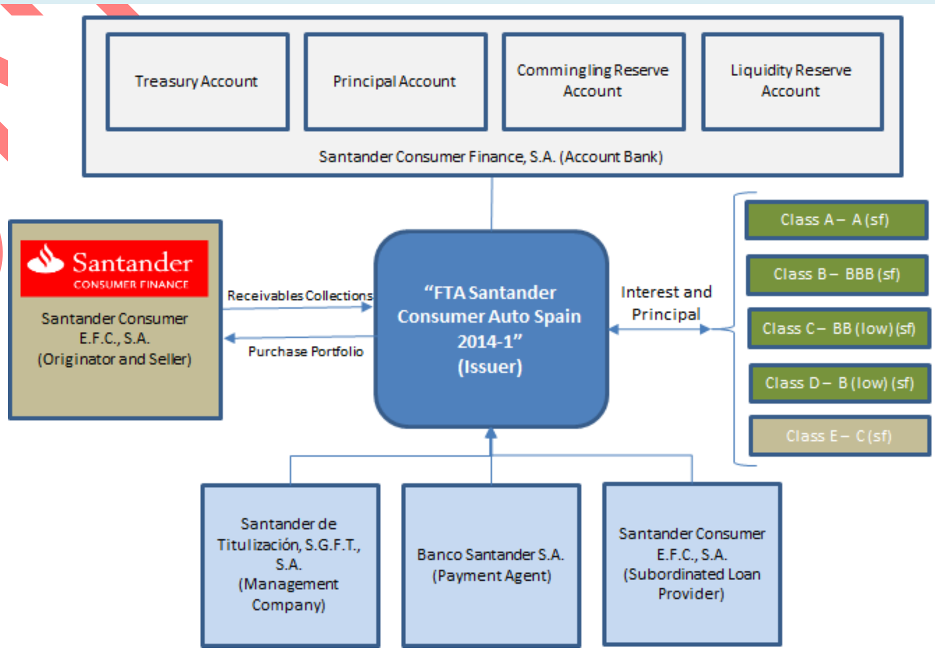


Transaction Structure

Transaction Diagram



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Available Funds

The available funds on each payment date include:

- Principal collections including any Retention Amount from prior payment date.
- Interest collections.
- Returns on the bank account.
- The reserve fund.
- The commingling reserve.
- The liquidity reserve.
- Any other amount collected including recoveries from the sale of vehicles or pledges.

During the revolving period, the **Principal Available Funds** refers to the available funds that are applied to purchase additional receivables, to credit the Retention Amount or to pay the Class A notes upon the occurrence of a mandatory redemption event. After the revolving period or upon the occurrence of an early amortisation event, the Principal Available Funds refers to the available funds above that are used to amortise the Class A, Class B, Class C and Class D notes in amount equal to the lower of:

a) The positive difference on each payment date between (1) the outstanding amount of Class A, Class B, Class C and Class D notes and (2) the outstanding amount of the portfolio of receivables excluding the defaulted receivables.
b) The remaining available funds after payment of steps (1) to (3) of the waterfall are paid in full.

Revolving Period:
The transaction has a four-year revolving period where new receivables will be purchased on each payment date up to the maximum portfolio receivable amount (€760 million).

Upon breach of an early amortisation event, the revolving period will end and the Class A, Class B, Class C and Class D notes will start to amortise. Early amortisation events are:

- The average delinquency ratio in the last three months is higher than 2.91%.
- The ratio of defaulted loans is higher than:
  - 2.25% after the 4th payment date.
  - 3.50% after the 8th payment date.
  - 4.25% after the 12th payment date.
  - 4.75% after the 16th payment date.
- The reserve fund is not replenished to its target level.
- Tax reasons.
- There is an interest payment shortfall on the Class A, Class B, Class C and Class D notes for a period of 2 business days.
- SCF is declared insolvent or bankrupt.
- SCF is substituted as Servicer.
- The cumulative amount of renegotiated loans are:
  - 2.50% between closing date and 31 December 2015.
  - 2.50% between 31 December 2015 and 31 December 2016.
  - 2.50% between 31 December 2016 and 31 December 2017.

- 2.50% between 31 December 2017 and 31 December 2018.

Priority of Payments

The available funds are combined into a unique waterfall.

Pre-Enforcement Priority of Payments:

(1) Senior fees and expenses.
(2) Interest on Class A.
(3) Interest on Class B, unless deferred.
(4) Principal Available Funds:
   (a) During the revolving period (i) to repurchase new receivables, (ii) to credit the Retention Amount up to 5.00% of the outstanding amount of Class A, Class B, Class C and Class D notes and (iii) any amount in excess, to pay principal on the Class A notes (mandatory redemption event).
   (b) After the revolving period to pay the Class A and Class B notes. The amortisation of Class A and Class B notes will be fully sequential, with no payment on Class B notes until Class A notes are fully paid.
(5) Interest on Class B, if deferred.
(6) Interest on Class C.
(7) Interest on Class D.
(8) Upon amortisation of the Class B notes, Principal Available Funds will be used to amortise Class C and Class D notes. The amortisation of the Class C and Class D notes will be fully sequential, with no payment of principal on the Class D notes until the Class C notes are redeemed in full.
(9) Replenishment of the reserve fund up to its target level.
(10) Interest on Class E.
(11) Principal on Class E.
(12) Interest on subordinated loan.
(13) Principal on subordinated loan.
(14) Variable payment amount to the Class D.

Upon SCF ceasing to be the Servicer, there will be a fee that will be paid in step (1) of the waterfall. DBRS has stressed senior fees to account for the substitution of the Servicer.

Class B notes interest rate deferral
On any interest payment date, interest on Class B notes will be deferred to step V of the waterfall upon the occurrence of Principal Deficit higher than the sum of (1) 50% the outstanding balance of Class B notes plus (2) 100% the outstanding amount of the Class C and Class D notes.

A **Principal Deficit** means the positive difference between (1) the outstanding balance of the Class A, Class B, Class C and Class D notes and (2) the performing outstanding balance of receivables plus any Retention Amount.

Upon liquidation of the Fund at the legal final maturity date or early termination of the Fund, the following items will be distributed through the Post-Enforcement Priority of Payments:

(1) The available funds.
(2) Amounts received by the Fund after the sale of the remaining portfolio.
(3) Credit line to pay down the outstanding balance of the notes.

Post-Enforcement Priority of Payments:

(1) Payment of taxes and ordinary and extraordinary expenses.
(2) Interest on Class A.
(3) Principal on Class A.
(4) Interest on Class B.
(5) Principal on Class B.
(6) Interest on Class C.
(7) Principal on Class C.
(8) Interest on Class D.
(9) Principal on Class D.
(10) Reimbursement of any amount drawn under the commingling reserve and liquidity reserve.
(11) Interest on Class E.
(12) Principal on Class E.
(13) Interest on subordinated loan.
(14) Repayment of the subordinated loan.
(15) Variable payment amount to the Class E.

The Post-Enforcement Priority of Payments applies to scenarios when the issuer is in default such as the insolvency of the Issuer and Issuer default in the payment of the interest on the notes.

Delinquent Receivables means any receivable which has been in arrears for more than 90 days. **Defaulted Receivables** means any receivable which has been in arrears for more than 12 months or receivables that the Management Company deems as defaulted according to the information provided by the Servicer.

Reserves

Reserve Fund
At closing, the Seller issued the Class E notes to fund the €38 million reserve fund. The reserve fund will cover senior fees, interest and principal shortfalls on the Class A, Class B, Class C and Class D notes.

On each payment date the required reserve fund will be equal to the higher of:
(1) 10% the outstanding balance of the Class A, Class B, Class C and Class D notes.
(2) €19 million or 2.5% the initial outstanding balance of the Class A, Class B, Class C and Class D notes.

The reserve fund will not amortise if any of the following events occur:
- The revolving period has not ended.
- The reserve fund is not at its required level.
- Four years have not elapsed since closing.

The Class E notes will amortise in accordance to amortisation of the reserve fund.

Commingling Reserve

Upon insolvency of the Servicer transfer of collections to the Issuer may be delayed. To mitigate this risk, the transaction documents envisage a commingling reserve that will be funded upon breach of the following triggers:

(1) The long-term senior unsecured debt rating of SCF SA is downgraded below BBB (low).
(2) Santander Consumer Finance S.A. ceases to have 95% ownership over SCF.

The commingling reserve amount to be funded will be equal to 1.15 multiplied by collections in the previous period.

Liquidity Reserve

Upon a substitution of the Servicer and to mitigate any delays of the transfer of collections to the Issuer, the transaction will have in place a liquidity reserve upon breach of the following triggers:

(1) The long-term senior unsecured debt rating of Santander Consumer Finance S.A. is downgraded below BBB (low).
(2) SCF SA ceases to have 95% ownership over Santander Consumer.

The liquidity reserve amount to be funded will be equal to 1.40% the outstanding balance of the Class A and Class B notes. The liquidity reserve will cover steps (1) to (3) of the pre-enforcement priority of payments.

Transaction Accounts

The Management Company will open the principal treasury account, principal account, commingling account and liquidity reserve account at SCF SA under the name of the Fund.

The treasury account will hold the available funds on each payment date. The principal account will hold the amounts credited as Retention Amount. Both the treasury account and principal account will return 1.75% guaranteed interest.

Hedging Agreement

As the loan receivables within the portfolio pay a fixed rate of interest and the notes pay fixed rate, DBRS deems the interest rate risk in this transaction to be very limited.

Cash Flow Analysis

Cash Flow Scenarios

DBRS undertook a cash flow analysis to ensure timely payment of interest and full payment of principal by the Legal Final Maturity Date at each assigned rating level. The DBRS cash flow model assumptions focused on the amount and timing of defaults and recoveries, prepayment speeds and interest rates. Based on a combination of these assumptions, a total of nine cash flow scenarios were applied to test the performance of the notes:

Scenario	Prepayments	Default timing
1	Slow	Base
2	Mid	Base
3	Fast	Base
4	Slow	Front

5	Mid	Front
6	Fast	Front
7	Slow	Back
8	Mid	Back
9	Fast	Back

Base Case Default and Recoveries

The expected base case default was calculated as a weighted average of forecasted defaults and has been set at approximately 9.62%. The expected recovery rate was calculated by averaging the projected recoveries of the various portfolio components and was deemed to be approximately 49.41%. The average recovery time lag is assumed to be 24 months. The table below details probability of default (PD), loss given default (LGD) and cumulative net loss (CNL) rates for the Class A at A (sf), the Class B at BBB (sf) , the Class C to BB (low) (sf) and the Class D to B (low) (sf).

	Rating	PD	LGD	CNLs
Class A	A (sf)	24.06%	50.59%	12.17%
Class B	BBB (sf)	16.84%	50.59%	8.52%
Class C	BB (low)(sf)	12.43%	50.59%	6.29%
Class D	B (low) (sf)	9.62%	50.59%	4.87%

The Class E notes were assigned a rating of C (sf) due to the high probability of being impaired throughout the life of the transactions.

Prepayment Speeds

Four prepayment speeds scenarios have been assumed and range from 0% to 15%.

Timing of Defaults

DBRS estimated the default timing patterns and created base-, front- and back-loaded default curves. The portfolio's amortisation profile shows a weighted average life for the initial portfolio of receivables of about three years. The front-, base and back-loaded default distributions are listed below:

Months	Base Losses	Front-Loaded Losses	Back-Loaded Losses
6	10.00%	20.00%	10.00%
12	25.00%	30.00%	15.00%
18	25.00%	20.00%	15.00%
24	20.00%	10.00%	25.00%
30	10.00%	10.00%	20.00%
36	10.00%	10.00%	15.00%

Risk Sensitivity

DBRS expects a lifetime base case probability of default and loss given default for each rated pool based on a review of historical data. Adverse changes to asset performance may cause stresses to base case assumptions and therefore have a negative effect on credit ratings. The table below illustrates the sensitivity of the ratings to various percentage changes in certain rating as-assumptions.

Class A Notes

Increase in LGD %	Increase in Default Rate % 0	25	50
0	A	A	BBB (High)
25	A	BBB (High)	BBB (Low)
50	BBB (High)	BBB (Low)	BB

Class B Notes

Increase in LGD %	Increase in Default Rate % 0	25	50
0	BBB	BBB	BBB (Low)
25	BBB	BBB (Low)	BB (Low)
50	BBB (Low)	BB (Low)	B

Class C Notes

Increase in LGD %	*Increase in Default Rate %* 0	25	50
0	BB (Low)	BB (Low)	BB (Low)
25	BB (Low)	BB (Low)	B (Low)
50	BB (Low)	B (Low)	CCC

Class D Notes

Increase in LGD %	*Increase in Default Rate %* 0	25	50
0	B (Low)	B (Low)	B (Low)
25	B (Low)	B (Low)	CCC
50	B (Low)	CCC	CC

Legal Structure

Law(s) Impacting Transaction

The bonds and the Transaction documents are governed by Spanish law.

The receivables comprising the collateral portfolio have been assigned to the Issuer pursuant to the *Escritura de Constitución* (Issuer Deed of Formation) in a true sale transaction in accordance with Spanish securitisation regulations Law 19/1992 and Royal Decree 926/1998. An ownership interest in the receivables payment obligations is conveyed to the Issuer by way of an assignment agreement. The bonds are unsecured creditors of the Issuer. In Spain there is no nationwide registry where the asset securitisation fund's creditors can record their security interest in assets other than real property and vehicles/equipment. Thus, a security interest in favour of the bonds is not possible. However, given the limitation on the Issuer's activities, and the special bankruptcy protection given by Spanish laws to the Issuer, the lack of a security interest in the portfolio is not a concern.

The Originator's counsel(s) rendered Spanish legal opinions with respect to (1) corporate good standing of Originator, Issuer and Management Company, (2) enforceability of documents against Originator and Issuer, (3) validity and perfection of the assignment from the Seller to the Issuer as well as of the formalities thereof in order for the assignment of the portfolio to be enforceable against the debtors and any other third party and (4) tax regime of the Issuer and the bonds.

Set-Off

Upon an insolvency of the Originator, borrowers may invoke the right to set off the amount they owe the Originator at any given time, by any amounts due and payable to them from the Originator. Set-offs in Spanish transactions tend to be limited as only unpaid instalments that are viewed as fully due and payable prior to the declaration of insolvency might be offset against the deposits held by the originators.

Transaction Counterparty Risk

Originator/Servicer

SCF is both the originator and servicer for the transaction. SCF may be replaced as servicer following termination by the Management Company, insolvency of servicer and/or Bank of Spain intervention.

Bank Accounts

SCF SA acts as the treasury account and principal account bank counterparty. The transaction documents incorporate downgrade mechanisms in respect to both accounts in line with DBRS legal criteria. The rating trigger for both accounts has been set at BBB.

Commingling Risk

Borrowers pay by direct debit into the Servicer's accounts. The collections are transferred from the Servicer's account to the Issuer's treasury account two days upon receipt of the funds. In the event of insolvency of SCF and, until notification is delivered to the relevant borrowers to redirect their payment, it is possible that payment collections may be commingled with other funds belonging to SCF.

DBRS believes that two days transfer of collections and SCF's current financial condition and the commingling reserve mechanism mitigates the risk of a disruption in servicing following a servicer event of default including insolvency.

Methodologies Applied

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The following are the primary methodologies DBRS applied to assign a rating to the above referenced transaction, which can be found on under the heading Methodologies, Alternatively, please contact info@dbrs.com, or contact the primary analysts whose information is listed in this report:

- Rating European Consumer and Commercial Asset-Backed Securitisations.
- Legal Criteria for European Structured Finance Transactions.
- Operational Risk Assessment for European Structured Finance Servicers.

Monitoring and Surveillance

Please refer to DBRS Master European Structured Finance Surveillance Methodology.

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Note:

All figures are in euros unless otherwise noted.

This report is based on information as of November 2014, unless otherwise noted. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.