STANDARD & POOR'S

STRUCTURED FINANCE

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ABS Of Auto Loans Presale Report

Fondo de Titulización de Activos Santander Consumer Spain Auto 06

€1,360.2 Million Floating-Rate Notes

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Class	Prelim. rating*	Prelim. amount (Mil. €)	Available credit support over the issued amount backed by auto loans (%)	Interest	Legal final maturity
A	AAA	1,282.5	5.76	Three-month EURIBOR plus a margin	Oct. 20, 2016
B	AA	22.3	4.11	Three-month EURIBOR plus a margin	Oct. 20, 2016
C	A	22.3	2.46	Three-month EURIBOR plus a margin	Oct. 20, 2016
D	BBB	22.9	0.76	Three-month EURIBOR plus a margin	Oct. 20, 2016
E	CCC-	10.2	N/A	Three-month EURIBOR plus a margin	Oct. 20, 2016

**The rating on each class of securities is preliminary as of Oct. 2, 2006 and subject to change at any time. Final credit ratings are expected to be assigned on the closing date subject to a satisfactory review of the transaction documents and legal opinion, and completion of a corporate overview. Standard & Poor's ratings address timely interest and ultimate principal.N/A—Not applicable.*

Transaction Participants	
Originator	Santander Consumer, E.F.C., S.A.
Arranger	Santander de Titulización, S.G.F.T.
Seller	Santander Consumer, E.F.C., S.A.
Servicer	Santander Consumer, E.F.C., S.A.
Interest swap counterparty	Santander Consumer Finance, S.A.
Transaction accounts provider	Santander Consumer Finance, S.A.
Trustee	Santander de Titulización, S.G.F.T.

Supporting Ratings	
Institution/role	Ratings
Santander Consumer Finance, S.A. as transaction accounts provider and interest swap counterparty	AA-/Positive/A-1+

Transaction Key Features*	
Expected closing date	Oct. 13, 2006
Collateral	Portfolio of loans granted to individuals and enterprises for the purpose of buying new or used cars
Principal outstanding (Mil. €)	1,466.69
Country of origination	Spain
Concentration	Andalusia (26.19%); major borrower (0.04%)
Average loan size balance (€)	8,410.14
Loan size range (€)	29.14 to 148,238.54
Weighted-average seasoning (months)	17.0
Weighted-average asset life remaining (years)	3.6
Floating/fixed-rate loans	100% fixed-rate
Weighted-average interest rate (%)	6.34
Arrears	0
Redemption profile	Amortizing
Cash reserve	Initial cash reserve of 0.76% of the issuance amount backed by auto loans that will increase during the revolving period up to 1.5%, the required level
Revolving period (years)	2.5
*Preliminary pool data as of Sept. 13, 2006.	

Transaction Summary

Preliminary credit ratings have been assigned to the €1,360.2 million floating-rate notes to be issued by Fondo de Titulización de Activos Santander Consumer Spain Auto 06. The notes are backed by auto loan receivables originated by Santander Consumer, E.F.C., S.A., a subsidiary of Santander Consumer Finance, S.A. (SCF).

SCF is the European consumer finance subsidiary of Spain's largest bank, Banco Santander Central Hispano, S.A. (Santander; AA-/Positive/A-1+).

The issuer will purchase from SCF auto loan receivables and, in turn, issue five classes of notes. The class E notes will not be backed by the receivables**.** The proceeds of these notes will be used to fund the initial reserve fund.

The pool to be securitized comprises loans to individuals and enterprises to buy new and used vehicles.

Notable Features

This is SCF's second securitization in Spain. The previous transaction**,** Santander Consumer Finance Spain 02-1, Fondo de Titulización de Activos, also rated by Standard & Poor's, closed in December 2002.

In this new transaction, SCF will securitize not only loans to individuals to buy new vehicles (as with the previous transaction), but also loans to individuals to buy used vehicles, and loans to enterprises to buy new and used vehicles.

The key features of this transaction include the following:

- The swap agreement will provide credit enhancement to the transaction by providing additional excess spread and adjusted notional.
- There is a 2.5-year revolving period, during which any principal collections will be used to purchase new loans, subject to eligibility criteria.

Strengths, Concerns, And Mitigating Factors

Strengths
• SCF is one of the leading lenders in the Spanish auto loan market. • The weighted-average seasoning of the portfolio is relatively high at 17 months and the weighted-average interest rate is also relatively high at 6.34%. • Principal collections can be used to pay interest on all classes of notes, although in some circumstances interest payments on the class B and C notes will be subordinated to a lower position in the priority of payments. • There is excess spread in the transaction.

Concerns
• There is a 2.5-year revolving period, which can potentially alter the credit quality and characteristics of the portfolio. • The cash reserve is due to reach its required amount during the revolving period, but because it is amortizing, this could result in reduced credit enhancement when the structure needs it most. • The loans pay a fixed rate of interest but the notes pay a floating rate of interest. • Collections from the securitized portfolio are placed in the same account as nonsecuritized loans.

Mitigating factors

- The eligibility criteria ensure that the characteristics of the portfolio remain within established parameters during the revolving period.
- The cash reserve will increase to its required level in a short period and will not amortize for the first three years of the transaction. It will not reduce when arrears are in excess of 1.5% or if the cash reserve is not at its required level on the previous interest payment date. Standard & Poor's has taken into account this structural feature in its cash flow analysis.
- The issuer and SCF will enter into an interest rate swap agreement to hedge against any interest rate mismatch.
- Collections from the securitized portfolio are collected into SCF's account and transferred daily to a segregated account in the name of the issuer at SCF. Commingling has been stressed in the cash flow analysis.

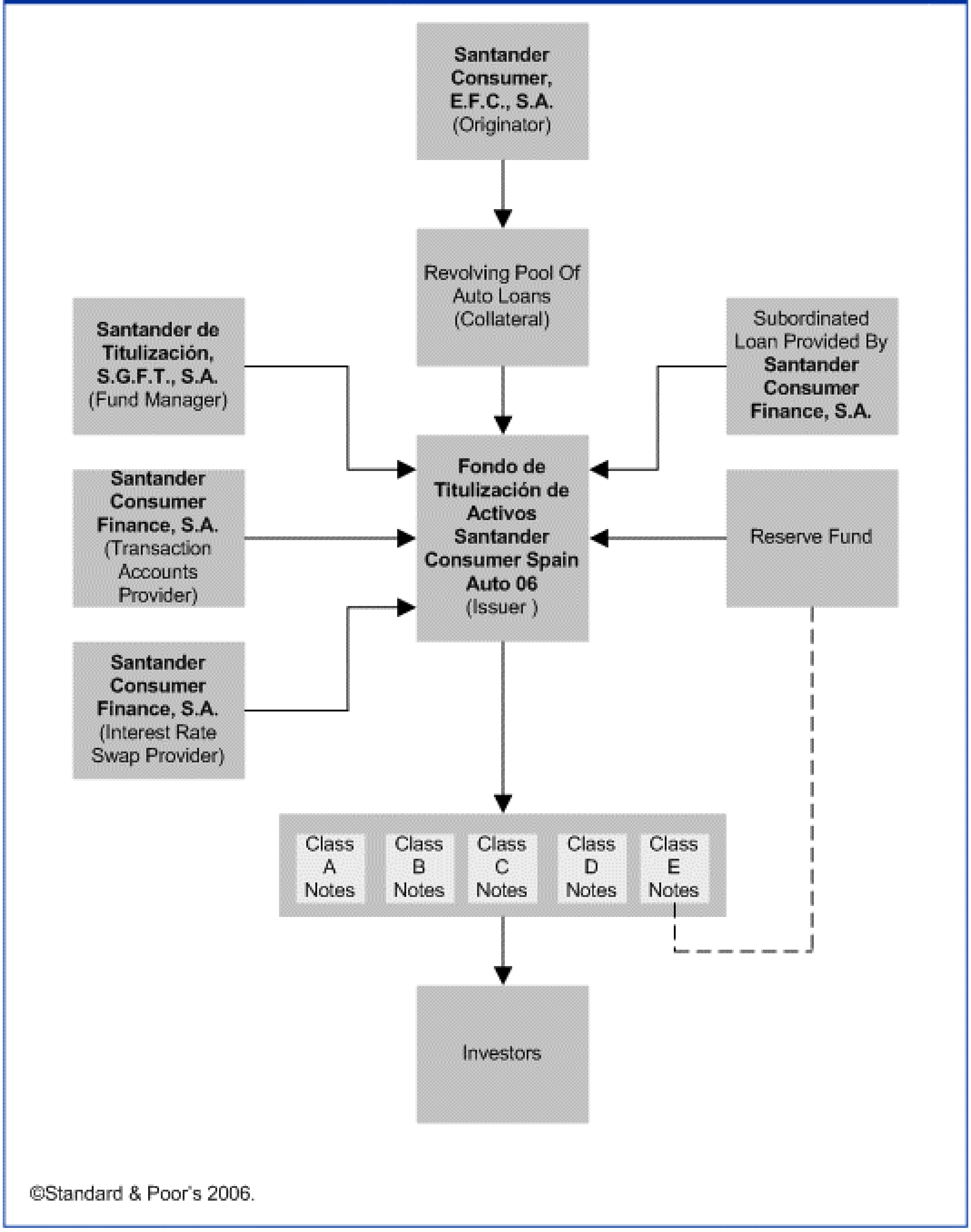
Transaction Structure

At closing, the originator will issue credit rights that Santander de Titulizacion, S.G.F.T., S.A.—the "*gestora*" (fund manager equivalent)—will purchase on the issuer's behalf.

Each credit right will represent, in equal amount and rate, the securitized auto loan. During a revolving period of 2.5 years, Santander Consumer Spain Auto 06 will buy additional eligible credit rights with the amounts due to the amortization of the loans.

The total original amount of the auto loans to be purchased is expected to be €1,360.2 million. To fund the purchase of collateral, Santander Consumer Spain Auto 06 will issue four classes of notes. The proceeds of the fifth class, the class E notes, will be used to fund the initial reserve fund (see chart).

Fondo de Titulización de Activos Santander Consumer Spain Auto 06 Structure



Santander Consumer Spain Auto 06 is a "*fondo de titulización de activos*", whose sole purposes are to buy the collateral from SCF, issue the notes, and carry out related activities.

Santander Consumer, E.F.C., S.A, a subsidiary of Santander Consumer Finance, S.A. (the originator)

Santander Consumer, E.F.C. is a subsidiary of Santander Consumer Finance (SCF). SCF is the European consumer finance subsidiary of Spain's largest bank, Banco Santander Central Hispano.

SCF's core status within its parent group Santander is underpinned by (i) its full ownership by, and integration into, Santander, with which it shares a brand name and image, and (ii) the importance of its contribution to Santander's European retail banking division. SCF contributes about 16% of the attributable profit of the Santander group's continental European banking division, which, in turn, represented 54% of the group's total attributable profit at year-end 2005. SCF's strategy to build a pan-European consumer finance franchise is instrumental for the Santander group's European ambitions.

Building on its well-established presence in Germany, Spain, and Italy (where SCF commands 16%, 26%, and 6% shares in the auto financing market, respectively), the bank has led an active acquisition strategy in the past few years. Consequently, it is now present in 12 countries in Europe (including Eastern Europe).

In September 2006, Standard & Poor's conducted a review of SCF's origination and underwriting processes and its collection and default management procedures.

Collateral Description

Key features of the provisional collateral pool are shown in table 1.

Table 1*	
Number of receivables	174,395
Aggregate principal balance (€)	1,466.69
Average principal balance (€)	8,410
Weighted-average seasoning (months)	17.00
Weighted-average interest rate (%)	6.34
Range of interest rates (%)	4.00-9.99
**Provisional pool data as of Sept. 13, 2006.*	

The pool consists of unsecured loans to individuals (92.03% of the current amount) and enterprises resident in Spain that are originated and serviced by SCF.

All of the loans in the provisional pool (also to be included in the final pool) are fully amortizing and pay in monthly installments.

All of the loans pay a fixed rate of interest, with most paying between 4.00% and 6.99%. The weighted-average interest rate is 6.34%. A minimum weighted-average interest rate of 4.00% is a condition of loan purchases under this transaction.

In terms of geographic diversification, 51.48% of the portfolio is concentrated in Andalusia, Madrid, and Catalonia. These concentrations are within the expected limits.

Eligibility criteria of the collateral

During the revolving period, the issuer can purchase additional underlying loans. These underlying loans are subject to individual and pool eligibility criteria tests.

For individual loans, the main eligibility criteria are as follows:

- The loans must be originated by SCF according to its usual business procedures.
- The borrower must be an individual or enterprise with residence in Spain.
- The purpose of the loan must be to buy a vehicle (industrial or nonindustrial).
- Each loan must have already paid two installments and is not in arrears.
- The loan must have a monthly payment frequency.
- There must be no possible deferral payments.
- There must be no employees or managers as borrowers.
- The outstanding amount of the loans must rank between €500 and €200,000.
- The loan must be denominated in euros.
- The loan must be fixed-rate with a minimum interest of 5%.
- Payments must be made by direct debit.
- The outstanding balance of the loan must be smaller than the total value of the vehicle that is bought.
- The maturity date of the loan must be no later than Sept. 25, 2014.
- The concentration per borrower must be no more than 0.05%.

For the portfolio, the additional eligibility criteria are as follows:

- The seasoning must be higher than six months.
- The credit rights of more than €50,000 must not represent more than 0.75% of the outstanding balance of the credit rights at each payment date during the revolving period.

- At each payment date during the revolving period, the maximum concentration of enterprises must be 10% of the outstanding balance of the credit rights.
- At each payment date during the revolving period, the maximum concentration per borrower must be 0.05% of the outstanding balance of the credit rights.
- At each payment date during the revolving period, the Spanish region with the highest concentration must not exceed 26.5% of the outstanding balance of the credit rights.
- At each payment date during the revolving period, the three Spanish regions with the highest concentration must not exceed 60% of the outstanding balance of the credit rights.
- The minimum remaining life must be at least 43 months.
- The composition of the pool must be as follows: (i) nonindustrial vehicles: more than 75.00% (ii) industrial vehicles: less than 12.00%, (iii) buses: less than 0.05%, (iv) four-wheel drives: less than 6.00%, (v) other nonindustrial vehicles: less than 7.00%, and (vi) new vehicles: more than 86.00%.

Credit Structure

Interest rates

The loans pay monthly interest based on a rate that has been fixed at origination. The notes will pay based on three-month EURIBOR plus a margin to be determined.

Cash collection arrangements

The collateral will be serviced by SCF, which will collect the amounts due under the auto loans. The servicer will transfer daily the collected installments to the issuer's transaction accounts. To take commingling into account, Standard & Poor's stressed collections at the equivalent of one month's collection with a prepayment rate at least equal to the historical rate for the 'AAA' scenario. The subordinated notes are linked to the rating on SCF.

Transaction account s

All of the issuer's accounts (treasury and principal accounts) will be held at SCF.

During the revolving period, all the amounts due to the amortization of the loans will be deposited in the principal account. These amounts will be used, on each interest payment date within that period of time, to buy more auto loans.

During the life of the transaction, the interest and principal of the loans (when the revolving period is finished) will be deposited in the treasury account, along with the reserve fund, the swap amounts, the amounts due to the subordinated loans, and any other amount due to the issuer.

The amounts held in the treasury and principal accounts will receive a guaranteed interest rate equal to three-month EURIBOR.

For permitted investments, up to 20% of the amounts held in the treasury and principal account can be invested in short-term, fixed-rate assets rated 'A-1' if the investment takes 30 days, or in assets rated 'A-1+' if the investment takes until the following payment date.

Downgrade language

There is appropriate downgrade language for the paying agent:

- If the rating of SCF falls below 'A-1', the *gestora* must, within 30 days, replace it with an entity whose short-term rating is at least 'A-1'.
- If the rating on SCF falls below 'A-1+', and the amounts held in the two accounts exceed 20% of the outstanding amount, an excess fund account must be opened at an 'A-1+' rated entity where the excess amounts will be deposited.

Interest swap agreement

On behalf of Santander Consumer Spain Auto 06, the *gestora* will enter into a swap agreement with SCF. This swap will provide protection against adverse interest rate resetting and movements. It will also provide the issuer with robust interest cash flows.

The issuer will pay the swap counterparty the interest rate on the collateral multiplied by the outstanding balance of the performing loans, i.e., those under three months past due.

The issuer will receive three-month EURIBOR plus the weighted-average margin of the class A to D notes, plus a spread of 300 bps over an adjustable notional.

The adjustable notional will be equal to the maximum of:

- The performing balance of the assets; and
- The minimum of (i) the sum of interest collected during the period divided by the interest rate of the swap counterparty multiplied by 360 days, and (ii) the outstanding balance of the assets at the last payment period.

The adjustable notional adapts to the performance of the pool. If the pool is performing well, the notional will be the performing balance of assets. As soon as delinquencies materialize, the notional described in (i) above will prevail. In this case, the counterparty will pay the issuer the exact amount of interest that the issuer has received during the current period.

Finally, if the notional described in (ii) above is the adjusted notional of the payment period, this means that interest risk has materialized. The net payment of the swap in this case would be positive for the issuer.

As the swap is providing enhancement to the fund, if the swap counterparty is downgraded, then it will have 30 days to either find a substitute with a minimum short-term rating of 'A-1', find a guarantor with a minimum short-term rating of 'A-1', or post collateral according to Standard & Poor's terms and conditions.

Revolving period

The structure has a revolving period, which will begin at the closing date and end on April 20, 2009, inclusive. During this time, all principal proceeds will be used to purchase new assets for the pool. The revolving period will terminate early if:

- Cumulative delinquencies (loans in arrears of more than 90 days) are greater than 1.5% of the outstanding balance of the assets;
- There is a principal deficiency;
- The cumulative default ratio exceeds 0.13%, 0.26%, 0.39%, 0.52%, 0.65%, 0.78%, 0.91%, 1.04%, 1.17%, and 1.25% of the outstanding balance of the credit rights during the 10 payment dates of the revolving period, respectively;
- The reserve fund is not at its required amount, that is between 0.76% and 1.50%;
- There is a change in the law;
- During two consecutive payment dates the outstanding balance of the credit rights is less than 90% of the outstanding balance of the class A to D notes;
- During the two days after the payment date, interest on the class A to D notes remains unpaid due to a lack of available funds;
- There is a termination under the swap and no replacement, guarantor, or alternative solution can be found within 15 business days;
- SCF becomes insolvent; or
- SCF is substituted as servicer.

Priority of payments

The issuer pays in arrears the floating-rate interest due to the noteholders on each quarterly interest payment date. For these payments, the issuer can use the interest swap proceeds, interest earned on the transaction accounts, the reserve fund, and, if necessary, principal received under the auto loans, and any other proceeds received in connection with the auto loans.

All interest and principal received can be mixed to pay principal and interest due under the notes to pay, in the following order:

- Santander Consumer Spain Auto 06's ordinary and extraordinary expenses;
- Any swap settlement amount, other than a termination payment for reasons of default by the swap counterparty;
- Class A note interest;
- Class B note interest, unless it is deferred;
- Class C note interest, unless it is deferred;
- Class D note interest, unless it is deferred;
- Sequential amortization of the class A, B, C, and D notes. During the revolving period, the amounts due to amortize the notes will be used to buy eligible credit rights;
- Class B note interest, if deferred;
- Class C note interest, if deferred;
- Class D note interest, if deferred;
- Replenishment of the reserve fund;
- Class E note interest;
- Swap termination payment resulting from a default by the swap counterparty; and
- Subordinated amounts, including interest and principal due on the loans extended to the issuer by SCF at closing to finance the initial expenses and the partial acquisition of credit rights.

A trigger will be implemented so that in a stressful economic environment the more senior notes will be amortized before the payment of the interest on the subordinated classes of notes.

This trigger will be as follows:

- Interest on the class B notes: if the cumulative ratio of defaulted loans is equal to or greater than 7.37%, and the class A notes are not yet fully amortized, interest on the class B notes will be postponed.
- Interest on the class C notes: if the cumulative ratio of defaulted loans is equal to or greater than 5.27%, and the class A and B notes are not yet fully amortized, interest on the class C notes will be postponed.
- Interest on the class D notes: if the cumulative ratio of defaulted loans is equal to or greater than 3.91% and the class A, B, and C notes are not yet fully amortized, interest on the class D notes will be postponed.

At the last payment date, the priority of payments will be as follows:

- Santander Consumer Spain Auto 06's ordinary and extraordinary expenses;
- Any swap settlement amount, other than a termination payment for reasons of default by the swap counterparty;
- Class A note interest;
- Amortization of the class A notes;
- Class B note interest;
- Amortization of the class B notes;
- Class C note interest;
- Amortization of the class C notes;
- Class D note interest;
- Amortization of the class D notes;
- Class E note interest;
- Amortization of the class E notes;
- Swap termination payment resulting from a default by the swap counterparty; and
- Subordinated amounts, including interest and principal due on the loans extended to the issuer by SCF at closing to finance the initial expenses and the partial acquisition of credit rights.

Standard & Poor's Stress Test

The analysis of the underlying portfolio has been carried out in accordance with Standard & Poor's criteria for analyzing assets of this type.

Key Performance Indicators

Continual surveillance will be maintained on the transaction until the notes mature or are otherwise retired. To do this, regular servicer reports detailing the performance of the underlying collateral will be analyzed, supporting ratings will be monitored, pool cuts will be assessed, and regular contact will be made with the *gestora* to ensure that minimum servicing standards are being sustained and that any material changes in the servicer's operations are communicated and assessed.

Some of the key indicators analyzed will be:

- Arrears levels, especially the cumulative ratio of loans that are three months past due; and
- The cumulative default ratio.

Criteria Referenced

- "*Global Interest Rate and Currency Swaps: Calculating the Collateral Required Amount*" (published on Feb. 26, 2004).
- "*European Legal Criteria for Structured Finance Transactions*" (published on March 23, 2005).
- "*European Consumer Finance Criteria*" (published in March 2000).
- "*Auto Loan Criteria*" (published in 1999).
- "*Servicer Evaluations Ranking Criteria*" (published in January 2006).

Related Articles

- "*European ABS H2 2006 Outlook*" (published on July 24, 2006).
- "*Rating Transitions 2005: Activity More Muted, But Upgrades Still Dominate In European Structured Finance*" (published on Jan. 11, 2006).
- "*Why Structured Finance Ratings Can Change Over Time*" (published on July 27, 2006).
- "*Analyses: Santander Consumer Finance, S.A.*" (published on May 23, 2006)
- "*European Auto ABS Performance Report*" (published quarterly).

All criteria and related articles are available on RatingsDirect, the real-time Web-based source for Standard & Poor's credit ratings, research, and risk analysis, at www.ratingsdirect.com. The criteria can also be found on Standard & Poor's Web site at www.standardandpoors.com.