

Santander

Fact Sheet 1Q11

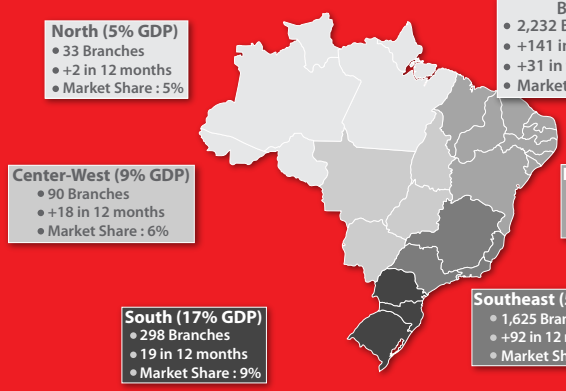
Corporate Profile

Santander is the third largest Brazilian private bank in total assets, Its operations are located across the country and strategically concentrated in the South and Southeast, areas that account for approximately 73% of Brazil's GDP.

It is controlled by Santander Group, the largest international financial group with a significant presence in Brazil. Currently, Santander Brazil represents 25% of the profits of the Santander Group, which considers Brazil as one of the most attractive markets in the world, given its enormous growth potential and low penetration of banking products and services.

Market Share

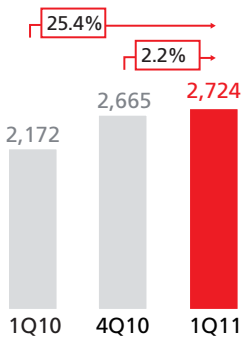
Number of branches March/2011



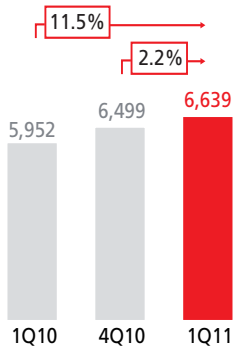
* Refers to the total participation of branches network in the region

Highlights (IFRS)

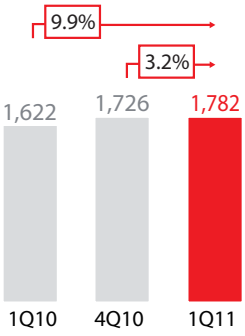
Net Profit
R$ million



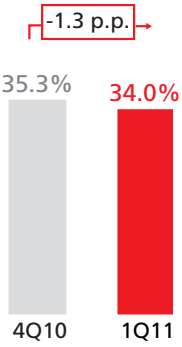
Net Interest Income
R$ million



Net Fees
R$ million



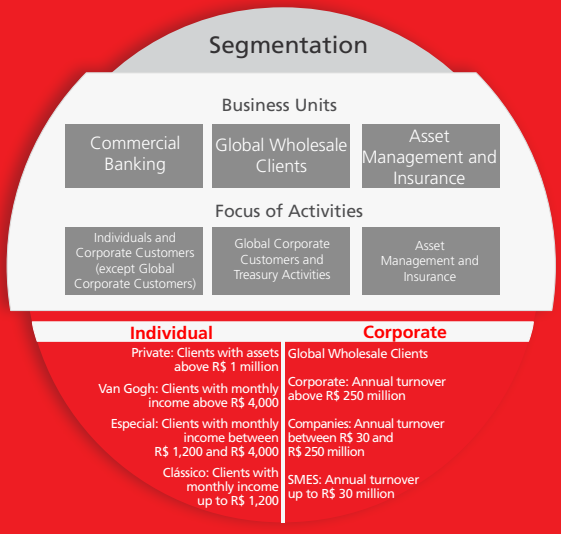
Efficiency Ratio
(%)



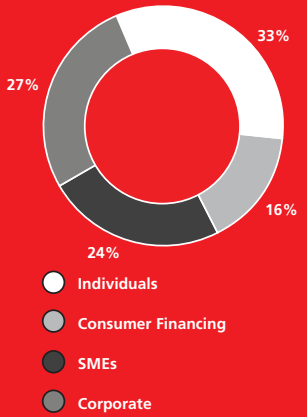
Strategy

Santander's goal is to be the best multiple bank in Brazil in terms of creating value for its shareholders and satisfying its clients and employees, as well as brand recognition and attractiveness. The Bank strives to be a relationship bank and the primary bank of its retail and wholesale customers based on sustainable practices, serving them with its full range of products. Santander believes it can achieve these goals through the following strategies:

- Improve operating efficiency by benefiting from integration synergies and implementing best practices
- Expand product offering and distribution channels in Commercial Banking
- Capitalize on the Bank's strong market position in the wholesale business
- Further develop a transparent and sustainable business platform
- Continue growing the Bank's insurance business



Credit Portfolio - IFRS (%) - 1Q11
Distribution by Segment



Santander Fact Sheet 1Q11

Highlights of the Period (IFRS)

RESULTS

- **Profit before taxes in 1Q11 reached R$ 2,724 million**, an expansion of 25.4% in twelve months and an increase of 2.2% compared to 4Q10.
- **Net Profit was R$ 2,071 million in 1Q11,** an increase of 17.5% (or R$ 308 million) compared to the R$ 1,763 million in the same period of 2010. In the quarter, an increase of 8.0%.

INDICATORS

- Evolution of **performance indicators** in three months (1Q11/4Q10):
  - Efficiency ratio: 34.0% in 1Q11, improvement of 1.3 p.p.
  - Recurrence ratio: 60.2% in 1Q11, up 1.7 p.p.
  - ROAE: 19.4% in 1Q11, improvement of 0.6 p.p.
- **Soundness indicators**:
  - BIS Ratio: 22.7% in March 2011, an increase of 0.5 p.p. in three months and a decrease of 1.7 p.p. in twelve months.
  - Coverage ratio: 98.1% in March 2011, decrease of 0.2 p.p. in three months and 4.7 p.p. in twelve months.

BALANCE SHEET

- **Total Assets of R$ 383,988 million,** an increase of 21.5% in twelve months
- **Loan portfolio summed R$ 164,598 million,** up 17.6% in twelve months. **Expanded Credit portfolio up 21.9% in the same period,** totaling R$ 177,953 million.
- **Savings deposits totaled R$ 30,195 million,** a jump of 17.1% in twelve months
- **Shareholders' Equity reached R$ 45,772 million** (excluding goodwill of R$ 28,312 million)

SANTANDER SHARES – BOVESPA: SANB11 (UNIT), SANB3 (ON), SANB4 (PN) AND NYSE (BSBR)

- Market Capitalization[1] on 03/31/2011: R$ 76 billion or US$ 47 billion
- Total shares (thousand): 399,044,117
- Net Profit[2] per share in 1Q11:
  - 1000 Shares - R$ 20.80
  - 10 Units - R$ 21.80

1. Market capitalization: total shares (ON + PN)/105 (Unit = 50 PN + 55 ON) x Unit's closing price and exchange rate of R$/US$ of 1.6230
2. 1Q11 net profit annualized (quarterly net profit x 4). Calculation does not consider the difference in the dividend payout between common and preferred shares.

Management Analysis - IFRS

March 31, 2011 and 2010

	1Q11	1Q10	Var. 1Q11x1Q10
RESULTS (R$ million)			
Net interest income	6,639	5,952	11.5%
Net fees	1,782	1,622	9.9%
Allowance for loan losses	(2,059)	(2,522)	-18.4%
Administrative and personnel expenses	(2,959)	(2,655)	11.5%
Net profit	**2,071**	**1,763**	**17.5%**
BALANCE SHEET (R$ million)			
Total assets	383,988	316,049	21.5%
Securities	93,812	74,829	25.4%
Loan portfolio[1]	164,598	139,910	17.6%
Individuals	53,456	43,992	21.5%
Consumer financing	26,939	25,509	5.6%
SMEs	39,176	30,681	27.7%
Corporate	45,026	39,728	13.3%
Expanded Credit Portfolio[2]	177,953	145,974	21.9%
Funding from Clients[3]	168,236	133,757	25.8%
Total Equity	74,716	70,729	5.6%
Total equity excluding goodwill[4]	45,772	41,669	9.8%

	1Q11	1Q10	Var. 1Q11x1Q10
PERFORMANCE INDICATORS (%)			
Return on shareholders' equity - annualized	11.7%	10.5%	1.2 p.p.
Return on shareholders' average equity excluding goodwill[4] - annualized	19.4%	18.0%	1.4 p.p.
Return on average asset - annualized	2.2%	2.2%	0.0 p.p.
Efficiency Ratio[5]	34.0%	32.6%	1.4 p.p.
Recurrence[6]	60.2%	61.1%	-0.9 p.p.
BIS ratio excluding goodwill[4]	22.7%	24.4%	-1.7 p.p.
PORTFOLIO QUALITY INDICATORS (%)			
Delinquency[7] - IFRS	6.1%	7.0%	-0.9 p.p.
Delinquency[8] (more than 90 days) - BR GAAP	4.0%	5.4%	-1.4 p.p.
Delinquency[9] (more than 60 days) - BR GAAP	5.0%	6.4%	-1.4 p.p.
Coverage ratio[10]	98.1%	102.8%	-4.7 p.p.

1 - Management information.
2 - Includes other Credit Risk. Transactions with clients (Debentures, FIDC, CRI, Floating Rate Notes and Promissory Notes).
3 - Include savings, demand deposits, time deposits, debenture, LCA and LCI.
4 - Goodwill from the acquisition of Banco Real and Real Seguros Vida e Previdência.
5 - General expenses / total income.
6 - Net commissions / General expenses.
7 - Portfolio overdue by more than 90 days plus loans with high default risk / credit portfolio.
8 - Portfolio overdue by more than 90 days / Credit Portfolio BR GAAP.
9 - Portfolio overdue by more than 60 days / Credit Portfolio BR GAAP.
10 - Allowance for Loan Losses / Portfolio overdue by more than 90 days plus loans with high default risk.



Sustainable Development

Banco Santander's procedures, products, policies and relationship are in line with sustainability concepts. Santander believes that its commitment to sustainability and transparency will enable it to create business that will sustain the growth of its operations in the long term. Through the program called "Caminhos e Desafios" (Path and Challenges), Santander seeks to engage clients in sustainability issues, by sharing its practices and learning. The objective is to assist organizations in their efficient path to sustainability, which may provide cost savings and improvement in operational performance.

For further information on Banco Santander's sustainable development initiatives, access: http://www.santander.com.br/sustentabilidade (available only in Portuguese)

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