

**SUPPLEMENT DATED 16 AUGUST 2019
TO THE BASE PROSPECTUS DATED 4 DECEMBER 2018**



Santander UK plc

(incorporated in England and Wales with limited liability, registered number 2294747)

This supplement (the "**Supplement**", which definition shall also include all information incorporated by reference herein) is prepared as a supplement to, and must be read in conjunction with the Base Prospectus dated 4 December 2018 as supplemented on 7 February 2019, 14 March 2019, 10 May 2019 and 29 July 2019 relating to the Notes and Certificates Programme (the "**Base Prospectus**").

This Supplement together with the Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC, as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area) (the "**Prospectus Directive**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with the Base Prospectus and any other supplements to the Base Prospectus prepared by Santander UK plc as issuer under the Notes and Certificates Programme (the "**Issuer**").

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**") as Irish competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Securities which are to be admitted to trading on the regulated market of the Irish Stock Exchange plc, trading as Euronext Dublin, or other regulated markets for the purposes of Directive 2014/65/EU (the "**Markets in Financial Instruments Directive**") or which are to be offered to the public in a Member State of the European Economic Area.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Issuer has requested the Central Bank of Ireland, in accordance with Article 18 of the Prospectus Directive, provide to the United Kingdom Financial Conduct Authority, in its capacity as United Kingdom competent authority, a certificate of approval attesting that this Supplement has been drawn up in accordance with the Prospectus Directive.

This Supplement has been prepared for the purpose of: (i) incorporating by reference into the Base Prospectus the unaudited condensed consolidated financial information of the Issuer for the six months ended 30 June 2019 (as described in Schedule 1 hereto) and (ii) updating the Summary of the Programme contained in the Base Prospectus (as described in Schedule 2 hereto).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference in the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus prior to the date of this Supplement, the statement referred to in (a) above will prevail.

If any documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of

this Supplement or the Base Prospectus for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference or attached to this Supplement.

Any non-incorporated parts of a document referred to herein are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Prospectus to which this Supplement relates.

Save as disclosed in this Supplement, no significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

There has been no significant change in the financial position of Santander UK plc and its subsidiaries since 30 June 2019 (being the date to which the most recent financial information was prepared).

In accordance with Article 16.2 of the Prospectus Directive, investors who have agreed to purchase or subscribe for securities before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances by sending a written notice of withdrawal (which must include the full name and address of the person or entity wishing to exercise such statutory withdrawal right and identify the transferable securities to which that statutory withdrawal right relates) by electronic mail to structurednotesafm@santander.co.uk. The final date for any such withdrawal is 20 August 2019.

SCHEDULE 1

DOCUMENTS INCORPORATED BY REFERENCE

The Issuer has published its unaudited interim financial report for the six months ended 30 June 2019 (the “**2019 Half Yearly Report**”).

The unaudited condensed consolidated interim financial statements of the Issuer for the six months ended 30 June 2019, which appear on pages 33 to 54 (inclusive) of the 2019 Half Yearly Report are hereby incorporated in and form part of the Base Prospectus and are available for viewing at <https://www.santander.co.uk/uk/about-santander-uk/investor-relations/santander-uk-plc>.

SCHEDULE 2

SUPPLEMENT TO THE SUMMARY

The Summary contained in the Base Prospectus is hereby amended by deletion of Element B.12 and its replacement with the following:

B.12 Selected historical key financial information			
The audited consolidated balance sheet as at 31 December 2018 and 31 December 2017 and audited consolidated income statement for each of the years ended 31 December 2018 and 31 December 2017 have been extracted without any adjustment from, and should be read in conjunction with the Issuer's consolidated financial statements in respect of those dates and periods.			
Consolidated balance sheet (extracted from the Issuer's Annual Report for the year ended 31 December 2018):			
		31 December 2018	31 December 2017
		£m	£m
Assets			
Cash and balances at central banks		19,747	32,771
Trading assets		-	30,555
Derivative financial instruments		5,259	19,942
Other financial assets at fair value through profit or loss		5,617	2,096
Loans and advances to customers ⁽¹⁾		201,289	199,340
Loans and advances to banks ⁽¹⁾		2,799	3,463
Reverse repurchase agreements- non trading ⁽¹⁾		21,127	2,614
Other financial assets at amortised cost ⁽²⁾		7,229	-
Financial assets at fair value through other comprehensive income ⁽²⁾		13,302	-
Financial investments ⁽²⁾		-	17,611
Interests in other entities		88	73
Intangible assets		1,808	1,742
Property, plant and equipment		1,832	1,598
Current tax assets		153	-
Retirement benefit assets		842	449
Other assets		2,280	2,511
Total assets		283,372	314,765
Liabilities			
Trading liabilities		-	31,109
Derivative financial instruments		1,369	17,613
Other financial liabilities at fair value through profit or loss		6,286	2,315
Deposits by customers		178,090	183,648
Deposits by banks ⁽¹⁾		17,221	12,708
Repurchase agreements- non trading ⁽¹⁾		10,910	1,076
Debt securities in issue		46,692	42,633
Subordinated liabilities		3,601	3,793
Other liabilities		2,448	2,730
Provisions		509	558
Current tax liabilities		-	3
Deferred tax liabilities		223	88
Retirement benefit obligations		114	286
Total liabilities		267,463	298,560
Equity			
Share capital		3,119	3,119
Share premium		5,620	5,620
Other equity instruments		1,991	2,281
Retained earnings		4,744	4,732
Other reserves		284	301
Total shareholders' equity		15,758	16,053
Non-controlling interests		151	152
Total equity		15,909	16,205
Total liabilities and equity		283,372	314,765
<p>(1) From 1 January 2018, the non-trading repurchase agreements and non-trading reverse repurchase agreements that are held at amortised cost are now presented as separate lines in the balance sheet. Comparatives are represented accordingly.</p> <p>(2) On adoption of IFRS 9, the 'financial investments' balance sheet line item was split between 'other financial assets at amortised cost' and 'financial assets at FVOCI'. This approach aligns the balance sheet line items to the IFRS 9 accounting classifications and provides a clearer understanding of our financial position.</p>			

<i>Condensed Consolidated Balance Sheet Assets and Liabilities of the Issuer (extract from Issuer's financial statements for the six months ended 30 June 2019)</i>			
	30 June 2019 (unaudited) £m	31 December 2018 (unaudited) £m	
Assets			
Cash and balances at central banks	21,936		19,747
Financial assets at fair value through profit or loss:			
– Derivative financial instruments	5,445		5,259
– Other financial assets at fair value through profit or loss	745		5,617
Financial assets at amortised cost:			
– Loans and advances to customers	202,516		201,289
– Loans and advances to banks	2,065		2,799
– Reverse repurchase agreements – non trading	22,409		21,127
– Other financial assets at amortised cost	7,137		7,229
Financial assets at fair value through other comprehensive income	13,438		13,302
Interests in other entities	96		88
Intangible assets	1,793		1,808
Property, plant and equipment	2,069		1,832
Current tax assets	180		153
Retirement benefit assets	779		842
Other assets	3,919		2,280
Total assets	284,527		283,372
Liabilities			
Financial liabilities at fair value through profit or loss:			
– Derivative financial instruments	1,775		1,369
– Other financial liabilities at fair value through profit or loss	1,633		6,286
Financial liabilities at amortised cost:			
– Deposits by customers	180,617		178,090
– Deposits by banks	16,489		17,221
– Repurchase agreements – non trading	14,771		10,910
– Debt securities in issue	44,574		46,692
– Subordinated liabilities	3,645		3,601
Other liabilities	3,904		2,448
Provisions	547		509
Deferred tax liabilities	256		223
Retirement benefit obligations	252		114
Total liabilities	268,463		267,463
Equity			
Share capital	3,105		3,119
Share premium	5,620		5,620
Other equity instruments	1,991		1,991
Retained earnings	4,658		4,744
Other reserves	531		284
Total shareholders' equity	15,905		15,758
Non-controlling interests	159		151
Total equity	16,064		15,909
Total liabilities and equity	284,527		283,372
Consolidated income statement (extracted from the Issuer's Annual Report for the year ended 31 December 2018):			
		31 December 2018 £m	31 December 2017 £m
Interest and similar income		6,066	5,905
Interest expense and similar charges		(2,463)	(2,102)

	Net interest income	3,603	3,803
	Fee and commission income	1,170	1,222
	Fee and commission expense	(421)	(415)
	Net fee and commission income	749	807
	Net trading and other income	182	302
	Total operating income	4,534	4,912
	Operating expenses before credit impairment losses, provisions and charges	(2,579)	(2,499)
	Credit impairment losses	(153)	(203)
	Provisions for other liabilities and charges	(257)	(393)
	Total operating impairment losses, provisions and charges	(410)	(596)
	Profit before tax	1,545	1,817
	Tax on profit	(441)	(561)
	Profit after tax	1,104	1,256
	Attributable to:		
	Equity holders of the parent	1,082	1,235
	Non-controlling interests	22	21
	<i>Condensed Consolidated Income Statement (extracted from the Issuer's financial statements for the half year ended 30 June 2019)</i>		
		Half year to 30 June 2019 (unaudited) £m	Half year to 30 June 2018 ⁽¹⁾ (unaudited) £m
	Interest and similar income	2,970	3,001
	Interest expense and similar charges	(1,302)	(1,190)
	Net interest income	1,668	1,811
	Fee and commission income	539	584
	Fee and commission expense	(204)	(204)
	Net fee and commission income	335	380
	Net trading and other income	118	121
	Total operating income	2,121	2,312
	Operating expenses before impairment losses, provisions and charges	(1,257)	(1,283)
	Credit impairment losses	(69)	(91)
	Provisions for other liabilities and charges	(206)	(33)
	Total operating impairment losses, provisions and charges	(275)	(124)
	Profit before tax	589	905
	Tax on profit	(170)	(233)
	Profit after tax for the period	419	672
	Attributable to:		
	Equity holders of the parent	410	660
	Non-controlling interests	9	12
	Profit after tax for the period	419	672
	¹ Adjusted to reflect the amendment to IAS 12.		
	<i>Statements of no significant or material adverse change</i>		
	There has been no significant change in the financial position of the Santander UK Group (including Santander UK plc) since 30 June 2019 and there has been no material adverse change in the prospects of Santander UK plc since 31 December 2018.		