

**SUPPLEMENT DATED 29 JULY 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 and 10 May 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 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 31 July 2019.

SCHEDULE 1

DOCUMENTS INCORPORATED BY REFERENCE

Santander UK Group Holdings plc, the immediate parent company of the Issuer, has published its unaudited quarterly management statement for the six months ended 30 June 2019 (the “**Quarterly Management Statement**”).

The content of Appendix 2 appearing on page 13 of such Quarterly Management Statement, which contains the unaudited consolidated financial information of the Issuer for the six months ended 30 June 2019 is hereby incorporated in, and forms part of the Base Prospectus.

The relevant section of the Quarterly Management Statement listed above is available for viewing at: https://www.santander.co.uk/csdlv/r/BlobServer?blobtable=MungoBlobs&blobkey=id&blobcol=urldata&blobheader=application%2Fpdf&blobheadervalue1=inline%3Bfilename%3DSantander+UK+QMS+Q219_FIN_AL.pdf&blobwhere=1314026597176&blobheadername1=Content-Disposition.

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 £m	31 December 2017 £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	
(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.			
(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.			

	Summary of segmental balance sheet assets and liabilities (extracted from the Quarterly Management Statement of Santander UK Group Holdings plc for the six months ended 30 June 2019)		
		30 June 2019 (unaudited) £bn	31 December 2018 (unaudited) £bn
	Customer loans		
	Retail Banking	174.6	172.8
	Corporate & Commercial Banking	17.4	17.7
	Corporate & Investment Banking	4.1	4.6
	Corporate Centre	4.2	4.5
	Total customer loans	200.3	199.6
	Other assets	84.2	83.8
	Total assets	284.5	283.4
	Customer Deposits		
	Retail Banking	142.8	142.1
	Corporate & Commercial Banking	18.0	17.6
	Corporate & Investment Banking	6.1	4.8
	Corporate Centre	2.8	2.8
	Total customer deposits	169.7	167.3
	Medium Term Funding	46.9	48.9
	Other liabilities	51.8	51.2
	Total Liabilities	268.4	267.4
	Shareholders' equity	15.9	15.8
	Non-controlling interest	0.2	0.2
	Total liabilities and equity	284.5	283.4
	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
	Summarised consolidated income statement (extracted from the Quarterly Management Statement of Santander UK Group Holdings plc for the six months ended 30 June 2019)		
		Six months ended 30 June 2019 (unaudited) £m	Six months ended 30 June 2018 (unaudited) £m
	Net interest income	1,668	1,811
	Non-interest income ¹	453	501
	Total operating income	2,121	2,312
	Operating expenses before credit impairment losses,	(1,257)	(1,283)

	provisions and charges		
	Credit impairment losses	(69)	(91)
	Provisions for other liabilities and charges	(206)	(33)
	Total operating impairment losses, provisions and charges	(275)	(124)
	Profit/(loss) before tax	589	905
	Tax on profit	(170)	(233)
	Profit after tax for the period	419	672
	¹ Comprised of 'Net fee and commission income' and 'Net trading and other income'.		
	<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.		