

**SUPPLEMENT DATED 1 AUGUST 2018
TO THE BASE PROSPECTUS DATED 5 DECEMBER 2017**



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 5 December 2017 as supplemented on 12 February 2018, 9 March 2018, 30 April 2018 and 21 June 2018 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 2018 (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 2018 (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 3 August 2018.

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 2018 (the “QMS”). The content of Appendix 3 appearing on page 21 of the QMS, which contains the consolidated quarterly financial information of the Issuer, is hereby incorporated in and forms part of the Base Prospectus.

The relevant section of the QMS referred to 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+Q218.pdf&blobwhere=1314025364157&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 2016 and 31 December 2017 for each of the years ended 31 December 2016 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 financial report for the year ended 31 December 2017)		
		31 December 2017 £m	31 December 2016 £m ⁽¹⁾
	Assets		
	Cash and balances at central banks	32,771	17,107
	Trading assets	30,555	30,035
	Derivative financial instruments	19,942	25,471
	Financial assets designated at fair value	2,096	2,140
	Loans and advances to banks	5,927	4,348
	Loans and advances to customers	199,490	199,738
	Financial investments	17,611	17,466
	Interests in other entities	73	61
	Intangible assets	1,742	1,685
	Property, plant and equipment	1,598	1,491
	Retirement benefit assets	499	398
	Other assets	2,511	2,571
	Total assets	314,765	302,511
	Liabilities		
	Deposits by banks	13,784	9,769
	Deposits by customers	183,648	177,172
	Trading liabilities	31,109	15,560
	Derivative financial instruments	17,613	23,103
	Financial liabilities designated at fair value	2,315	2,440
	Debt securities in issue	42,633	50,346
	Subordinated liabilities	3,793	4,303
	Other liabilities	2,730	3,221
	Provisions	558	700
	Current tax liabilities	3	54
	Deferred tax liabilities	88	128
	Retirement benefit obligations	286	262
	Total liabilities	298,560	287,058
	Equity		
	Share capital	3,119	3,119
	Share premium	5,620	5,620
	Other equity instruments	2,281	1,785
	Retained earnings	4,732	4,225
	Other reserves	301	524
	Total shareholders' equity	16,053	15,303
	Non-controlling interests	152	150
	Total equity	16,205	15,453
	Total liabilities and equity	314,765	302,511
	(1) Restated to reflect the change in accounting policy to business combinations between entries under common control.		
	Consolidated Income Statement (extracted from the Issuer's annual financial report for the year ended 31 December 2017)		
		31 December 2017 £m	31 December 2016 £m
	Interest and similar income	5,905	6,467
	Interest expense and similar charges	(2,102)	(2,885)
	Net interest income	3,803	3,582
	Fee and commission income	1,222	1,188

Fee and commission expense	(415)	(418)
Net fee and commission income	807	770
Net trading and other income	302	443
Total operating income	4,912	4,795
operating expenses before impairment losses, provisions and charges	(2,499)	(2,414)
Impairment losses on loans and advances	(203)	(67)
Provisions for other liabilities and charges	(393)	(397)
Total operating impairment losses, provisions and charges	(596)	(464)
Profit before tax	1,817	1,917
Tax on profit	(561)	(598)
Profit after tax for the year	1,256	1,319
Attributable to:		
Equity holders of the parent	1,235	1,292
Non-controlling interests	21	27
Profit after tax	1,256	1,319
1. Summary balance sheet (extracted from the Quarterly Management Statement)		
	Six months ended 30 June 2018 (unaudited) £bn	Year ended 31 December 2017 (unaudited) £bn
Assets		
Customer loans		
Retail Banking	171.3	169.0
Commercial Banking	19.0	19.4
Corporate & Investment Banking	5.5	6.0
Corporate Centre	5.2	5.9
Total customer loans	201.0	200.3
Other assets	115.6	114.5
Total assets	316.6	314.8
Liabilities		
Customer deposits		
Retail Banking	147.6	149.3
Commercial Banking	17.0	18.7
Corporate & Investment Banking	4.5	4.5
Corporate Centre	3.5	3.4
Total customer deposits	172.6	175.9
Medium Term Funding	44.8	40.6
Other liabilities	82.6	82.0
Total Liabilities	300.0	298.5
Shareholders' equity	16.4	16.1
Non-controlling interest	0.2	0.2
Total liabilities and equity	316.6	314.8
Summary consolidated income statement (extracted from the Quarterly Management Statement)		
	Six Months Ended 30 June 2018 (unaudited) £m	Six Months Ended 30 June 2017 (unaudited) £m
Net interest income	1,811	1,922
Non-interest income	501	591
Total operating income	2,312	2,513
Total operating expenses before impairment losses, provisions and charges	(1,283)	(1,215)
Impairment losses on loans and advances	(91)	(48)
Provisions for other liabilities and charges	(33)	(186)
Total operating impairment loss, provisions and charges	(124)	(234)
Profit/(loss) before tax	905	1,064
Tax on profit	(256)	(323)
Profit/(loss) after tax for the period	649	741
Statements of no significant or material adverse change		

There has been no significant change in the financial position of the Issuer since 30 June 2018 and there has been no material adverse change in the prospects of the Issuer since 31 December 2017.