



First quarter report 2015

**Santander Consumer Bank Nordics (group)
and
Santander Consumer Bank AS**

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Management review of first quarter 2015

This review will give a high level update of the past quarter and our views on the future for both Santander Consumer Bank AS (hereafter SCB AS) and the Santander Consumer Bank Group (hereafter the Group). The Group consists of SCB AS, Santander Consumer Finance Oy, and special entities for funding as listed in note 12.

Highlights

- The Group's profit before tax was NOK 365 M in Q1 2015 compared to NOK 304 M in Q1 2014
- Increase in deposits of NOK 3 089 M in Q1 2015 for the Group
- The Group's net loans to customers increased by NOK 87 M in Q1 2015
- The Board of director and the general meeting approved the merger plan between SCB AS and Santander Consumer Bank AB (former GE Money Bank AB, hereafter SCB AB) in March and April 2015. The merger is expected to take place second half of 2015.

Financial overview

The Group's profit before tax of NOK 365 M in Q1 2015 against NOK 304 M in Q1 2014 is an increase of 20%. The increase is mainly due to lower costs on funding, as a result of lower interest rate levels and credit spreads.

Total assets for the Group were NOK 95 132 M for Q1 2015 where loans to customers represented 86% (NOK 81 792 M). For Q1 2014 the total assets for the Group were NOK 82 871 M of which loans to customers represented 88% (NOK 72 405 M). The increased loans to costumers resulted in an increased revenue of NOK 102 M in Q1 2015 compared to Q1 2014. The major cost drivers in Q1 2015 compared to Q1 2014 were salaries, administration expenses and increased credit losses.

SCB AS accounts show a profit before tax of NOK 256 M in Q1 2015 compared to NOK 252 M in Q1 2014. The total assets was NOK 85 619 M in Q1 2015 compared to NOK 74 975 M in Q1 2014.

Risk management

The bank leverages from pan-Nordic initiatives and strategies, resulting in highly homogeneous risk practices across the business units while at the same time taking into consideration the local market's needs and climate.

Credit Risk

The Group's Credit Risk profile at Q1 2015 remains unchanged from Year End 2014 despite continuing loan growth. The consolidated Non-Performing Loans (NPL) Ratio remained flat at 1.48% for the first quarter of 2015, unchanged from 1.48% at Year End 2014.

Q1 2015 Loan Loss Provisions (LLP) of NOK 241 M represents a rise above Q1 2014 levels of NOK 166 M. Consolidated Loan Loss Reserves (LLR) increased to NOK 1,701 M in Q1 2015 from NOK 1,617 M at Year End 2014. Both the higher level of LLP and increase in LLR are attributable to portfolio growth and LLR model calibration. The NPL Coverage Ratio rose to 104.6% in Q1 from 102.5% at Year End 2014.

Liquidity and Interest Rate Risk

Interest rate risk in the Group is measured using the net interest margin and market value of equity. Both interest rate metrics were within limits for all countries at Q1 2015.

Liquidity Risk in Santander is measured using the Minimum Liquidity Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio.

Overall, the Group's liquidity profile improved throughout the first quarter in 2015 as preparations for meeting CRD IV's liquidity requirements continued. Higher liquidity buffers and exposure to interest rate changes within defined limits are expected to continue in 2015.

Foreign currency risk

The Group operates in countries with various currencies and will inevitably be exposed to currency risks. The Group's strategy is to strive for a composition of the balance sheet that minimises currency risk by ensuring that the assets and liabilities are denominated in the same currency. When the Group is raising funding through the international debt markets, such as EMTN or securitizations,

any open currency exposure should be managed through the use of derivatives.

Funding

The main funding pillars of the bank are issuance of asset backed securities, senior unsecured bonds, deposits and parent company funding. The Group has during the last years taken significant steps to diversify its funding sources, and has further developed its deposits and senior unsecured funding capabilities.

Issuance of asset backed securities is an important funding source for the Group which it plans to continue to utilize during the course of 2015. This is strictly a financing operation, and is not intended to give any change in risk exposure nor give any capital relief for the bank.

The Group is well established in the Norwegian senior unsecured bond market and has also issued senior unsecured bonds under its Euro Medium Term Note program (EMTN). The EMTN program is guaranteed by SCF S.A. During first quarter 2015, the bank issued NOK 2,000 M of bonds in the Norwegian market. Customer deposits have over the last couple of years become an important funding source for the Group. The customer deposits volume increased during the first quarter 2015 by NOK 3 089 M.

The Group is also financed through loans and drawing rights from the parent bank and companies within Grupo Santander. These loans are priced at market rates. Credit markets and access to funding have been regarded as satisfactory during first quarter of 2015.

Solvency and capital adequacy

New legislation on capital requirements for credit institutions were enforced in Norway as of 1 July 2013 as a result of the Basel III standards and the European Commission's proposal for a legal framework to implement the Basel III standards in the EU (the CRD IV framework). The Group and SCB AS are compliant with a Core Equity Tier1 Capital exceeding the minimum of 10.0%. The Group applies the standard approach in Basel III.

The ICAAP (internal capital adequacy assessment process) is integrated in the Grupo's planning and budgeting processes as well as the risk assessment processes under the internal control regulations. In addition to Credit risk, Market risk and Operational risk the ICAAP also covers business risk and other risks not covered in other solvency reporting. A report based on the ICAAP is annually prepared and presented to the Norwegian FSA.

The Group has been able to maintain strong solvency ratios above tightening regulatory requirements.

Outlook for 2015

From a macro point of view we see a continuous positive evolution in Sweden and Denmark. Finland is somewhat under stress due to political disputes with Russia, and the Norwegian economy is expected to experience some impact of lower oil price and reduced investments in the oil sector. As of now, we see few indications of this materializing in negative trends on key performance indicators.

Consumer confidence overall is healthy, giving a promising outlook for our product base, specifically consumer loans and credit cards. Car sales are expected to keep a flat trend, or potentially show a slight reduction. The Group will continue to leverage our pan-Nordic footprint, with the best example being our increased cooperation with auto importers and auto dealers with a pan Nordic presence.

From a funding and liquidity standpoint, the focus remains on ensuring good access to diversified funding sources and to meet the CRD IV liquidity requirements. Securitizations, customer deposits, senior unsecured bonds and intra group funding form the four key funding pillars. From a capital perspective the bank has a capital plan which secures being above the minimum regulatory requirement levels.

Santander Consumer Finance S.A.'s (SCF S.A.) acquisition of SCB AB in 2014 will result in a broader market presence in 2015 than in 2014. The acquisition is part of SCF S.A.'s strategy of growing in the Nordic region. The merger between SCB AS and SCB AB is expected to generate synergies when capturing larger parts of the consumer market.

We always strive to optimize and perfect our setup for system and process support, our innovation capabilities and margin management. The bank plans for another year of sustainable growth in both top and bottom line.

Profit and loss account

Group			SCB AS					
Q1 / YTD 2015	Q1 / YTD 2014	FY 2014	<i>All amounts in thousands of NOK</i>			Q1 / YTD 2015	Q1 / YTD 2014	FY 2014
						Note		
			Interest income and similar income					
-1 138	4 056	33 981	Interest and similar income on loans to and receivables from credit institutions			196 289	193 768	731 905
1 294 859	1 198 018	4 989 041	Interest and similar income on loans to and receivables from customers			759 229	608 670	2 789 164
38 509	39 873	152 515	Operational leasing income			-	-	-
15 109	3 570	33 234	Interest and similar income on comm.paper, bonds and other securities			64 935	77 214	276 757
1 347 340	1 245 518	5 208 770	Total interest income and similar income			1 020 453	879 653	3 797 826
			Interest expenses and similar expenses					
112 388	173 228	614 815	Interest and similar expenses on debt to credit institutions			88 213	137 145	490 633
109 783	82 013	382 732	Interest and similar expenses on deposits from and debt to customers			109 783	82 013	382 732
106 088	103 748	422 574	Interest and similar expenses on issued commercial papers and bonds			37 050	7 577	78 106
41 449	47 150	215 562	Interest on subordinated loan capital			50 017	51 746	210 285
15 405	23 261	79 850	Other interest expenses and similar expenses			12 701	20 386	70 121
385 113	429 400	1 715 534	Total interest expenses and similar expenses			297 764	298 867	1 231 878
962 226	816 118	3 493 237	Net interest and credit commission income			722 689	580 786	2 565 948
			Commission income					
699	522	1 650	Guarantee commissions			540	444	1 573
97 571	88 596	390 642	Other commissions and fees			114 066	116 685	473 511
98 270	89 118	392 292	Total commission income and income from banking services			114 606	117 129	475 084
			Commission Expenses					
62 789	50 363	198 202	Other fees and commission expenses			58 460	47 969	188 208
62 789	50 363	198 202	Total commission expenses and expenses from banking services			58 460	47 969	188 208
			Net value change and gain/loss on foreign exchange and securities					
26 783	-	98 546	Gain on foreign exchange and securities			12 504	11 427	112 527
-	-34 098	-	Loss on foreign exchange and securities			-	-	-
26 783	-34 098	98 546	Total value change and gain/loss on foreign exchange and securities			12 504	11 427	112 527
			Other operating income					
11 139	9 436	36 863	Other operating income			6 847	6 718	391 306
11 139	9 436	36 863	Total other operating income			6 847	6 718	391 306
			Salary and administrative expenses					
195 537	164 819	624 980	Salaries, fees and other personnel expenses			172 715	145 881	545 779
126 260	109 482	434 691	<i>Of which: - Salaries</i>			108 701	94 974	412 454
25 698	22 802	99 175	<i>- Pensions</i>			22 554	20 305	60 118
43 579	32 535	91 115	<i>- Social costs</i>			41 459	30 603	73 207
155 317	110 708	558 999	Administrative expenses			137 162	92 414	495 726
350 854	275 527	1 183 979	Total salary and administrative expenses			309 877	238 296	1 041 505
			Depreciation					
16 394	24 296	71 016	Depreciation			14 733	22 658	63 933
-	-	131 169	Impairment of intangible assets			-	-	131 169
29 204	30 446	118 574	Depreciation operational leasing			-	-	-
45 598	54 742	320 759	Total depreciation			14 733	22 658	195 102
33 489	29 550	147 731	Other operating expenses			25 000	20 955	100 588
			Losses on loans, guarantees etc.					
240 886	166 355	849 460	Loan losses			192 807	133 839	689 349
240 886	166 355	849 460	Total losses on loans, guarantees etc.			192 807	133 839	689 349
364 803	304 036	1 320 807	Operating result			255 770	252 344	1 330 114
86 031	85 882	364 400	Taxes expense			67 822	68 991	297 631
278 772	218 154	956 408	Profit after tax			187 948	183 353	1 032 483
			Allocation of profit after tax					
278 772	218 154	956 408	Transferred to other earned equity			187 948	183 353	1 032 483
278 772	218 154	956 408	Total allocations			187 948	183 353	1 032 483

Other Comprehensive income

Group			SCB AS			
<i>All amounts in thousands of NOK</i>						
278 772	218 154	956 408	Profit after tax for the period	187 948	183 353	1 032 483
<i>Items not to be recycled to profit and loss</i>						
-	-136 512	-126 581	Actuarial gain/loss on post-employment benefit obligations	-	-	-126 581
-	28 406	34 177	- Tax relating to pension	-	-	34 177
<i>Items to be recycled to profit and loss</i>						
-71 038	-112 310	153 885	Net exchange differences on translating foreign operations	-2 674	-3 969	-24 893
19 180	30 324	-41 549	- Tax relating to exchange differences	720	1 072	6 721
-10 680	23 222	-18 305	Value change of government bonds held for sale	-10 680	23 222	-18 305
2 884	-6 270	4 942	- Tax relating to government bonds	2 884	-6 270	4 942
-10 552	-	564	Cash flow hedge EMTN	-10 552	-	564
2 849	-	-152	- Tax relating to cash flow hedge from EMTN	2 849	-	-152
25 901	176 433	-112 533	Net investment hedge	-	-	-
-6 993	-47 637	30 384	- Tax relating to net investment hedge	-	-	-
18 861	-	-113 855	Cash flow hedge SPV	-	-	-
-5 092	-	30 741	- Tax relating to cash flow hedge in SPV	-	-	-
244 090	173 810	798 127	Total comprehensive income for the period	170 494	197 407	908 956

Balance sheet – Assets

Group			SCB AS					
Q1 / YTD 2015	Q1 / YTD 2014	FY 2014	<i>All amounts in thousands of NOK</i>		Note	Q1 / YTD 2015	Q1 / YTD 2014	FY 2014
Cash and receivables on central banks								
56 610	50 059	56 463	Cash and receivables on central banks			56 610	50 059	56 463
56 610	50 059	56 463	Total cash and receivables on central banks			56 610	50 059	56 463
Deposits with and receivables on financial institutions								
5 131 785	4 548 032	5 967 460	Deposits with and receivables on financial institutions			2 548 161	2 931 022	2 920 380
5 131 785	4 548 032	5 967 460	Total deposits with and loans to financial institutions			2 548 161	2 931 022	2 920 380
Loans to customers								
2 693 198	2 538 446	2 686 198	Credit Card			2 693 198	2 538 446	2 686 198
6 574 046	4 973 234	6 408 752	Unsecured loans			4 447 198	3 021 771	4 223 525
60 759 528	54 101 324	60 814 274	Installment loans			50 672 642	45 813 942	50 675 058
13 467 056	11 959 723	13 412 702	Financial leasing			12 530 782	11 291 715	12 489 405
83 493 828	73 572 727	83 321 927	Total loans before specific -and generic write-downs			70 343 820	62 665 874	70 074 187
658 340	98 775	588 251	- Specific write-downs			588 039	60 969	515 299
1 042 998	1 069 017	1 028 653	- Generic write-downs			746 822	822 892	718 979
81 792 490	72 404 934	81 705 023	Net loans		3, 4	69 008 958	61 782 014	68 839 909
13 071	19 051	12 945	Repossessed assets			6 286	5 561	5 372
Commercial papers, bonds and other fixed-income securities								
2 989 336	1 057 799	2 042 744	Commercial papers and bonds		8, 9, 11	9 281 662	7 240 623	8 453 870
2 989 336	1 057 799	2 042 744	Total commercial papers, bonds and other fixed-income securities			9 281 662	7 240 623	8 453 870
1 274 444	473 338	2 263 768	Financial derivatives		9	585 769	143 368	1 015 493
1 274 444	473 338	2 263 768	Total financial derivatives			585 769	143 368	1 015 493
Ownership interests in group companies								
-	-	-	Ownership interest in credit institutions			1 129 906	1 071 681	1 173 851
-	-	-	Sum ownership interests in group companies			1 129 906	1 071 681	1 173 851
Intangible assets								
477 879	445 420	496 870	Goodwill			118 406	112 359	123 415
207 564	184 265	210 572	Deferred tax assets			76 660	37 020	75 846
230 736	350 150	243 665	Other intangible assets			220 097	338 788	232 023
916 179	979 835	951 106	Total intangible assets			415 163	488 167	431 284
Fixed assets								
42 558	42 009	39 880	Machinery, fittings and vehicles			35 685	35 707	33 158
427 312	436 977	468 580	Operational leasing			-	-	-
469 870	478 986	508 459	Total fixed assets			35 685	35 707	33 158
Other assets								
1 978 576	2 013 278	2 162 931	Consignment			884 268	867 744	872 528
337 010	348 308	285 265	Other assets		11	1 511 440	211 072	1 566 469
2 315 586	2 361 586	2 448 196	Total other assets			2 395 708	1 078 816	2 438 996
Prepayments and earned income								
172 566	197 664	295 444	Prepayments and earned but not invoiced income			155 242	147 595	271 115
172 566	197 664	295 444	Total prepayments and earned income			155 242	147 595	271 115
95 131 937	82 571 285	96 251 608	Total assets			85 619 148	74 974 611	85 639 890

Balance sheet – Liabilities

Group			SCB AS				
Q1 / YTD 2015	Q1 / YTD 2014	FY 2014	<i>All amounts in thousands of NOK</i>	Note	Q1 / YTD 2015	Q1 / YTD 2104	FY 2014
			Debt to credit institutions				
28 200 176	34 563 403	30 351 149	Loans and deposits from credit institutions with an agreed term		40 676 347	49 186 799	45 376 534
28 200 176	34 563 403	30 351 149	Total loans and deposits from financial institutions		40 676 347	49 186 799	45 376 534
			Deposits from and debt to customers				
21 178 165	11 601 040	18 089 036	Deposits from and debt to customers repayable on notice		21 178 165	11 601 040	18 089 036
21 178 165	11 601 040	18 089 036	Total deposits from customers		21 178 165	11 601 040	18 089 036
576 009	179 717	1 014 378	Financial derivatives	9	557 121	109 441	998 622
576 009	179 717	1 014 378	Total financial derivatives		557 121	109 441	998 622
			Debt established by issuing securities				
30 270 443	22 672 822	32 247 948	Bonds and other long term loan raising	10	9 231 750	1 655 000	7 399 366
30 270 443	22 672 822	32 247 948	Total debt established by issuing securities		9 231 750	1 655 000	7 399 366
			Other debt				
704 360	920 999	667 940	Other debt		546 167	803 251	627 149
704 360	920 999	667 940	Total other debt		546 167	803 251	627 149
			Provisions and liabilities				
1 006 171	937 495	895 570	Incurred expenses and deferred revenue		920 493	624 416	777 511
338 815	219 919	346 362	Pension liabilities		338 815	219 919	346 362
466 161	441 459	529 540	Deferred tax		466 161	441 459	529 540
1 811 147	1 598 872	1 771 472	Total provisions and liabilities		1 725 469	1 285 793	1 653 413
			Subordinated loan capital				
2 895 524	2 856 726	2 857 663	Subordinated loan capital	11	2 895 524	2 856 726	2 857 663
2 895 524	2 856 726	2 857 663	Total subordinated loan capital		2 895 524	2 856 726	2 857 663
85 635 824	74 393 580	86 999 585	Total liabilities		76 810 543	67 498 050	77 001 782
			Paid-in equity				
5 448 469	4 448 469	5 448 469	Share capital		5 448 469	4 448 469	5 448 469
891 314	891 314	891 314	Share capital premium		891 314	891 314	891 314
-	550 000	-	Paid in, not registered share capital		-	550 000	-
6 339 783	5 889 783	6 339 783	Total paid-in equity		6 339 783	5 889 783	6 339 783
			Earned equity				
3 156 329	2 287 922	2 912 240	Other equity		2 468 822	1 586 778	2 298 325
3 156 329	2 287 922	2 912 240	Total earned equity		2 468 822	1 586 778	2 298 325
9 496 112	8 177 706	9 252 023	Total equity	6	8 808 605	7 476 561	8 638 108
95 131 937	82 571 285	96 251 608	Total liabilities and equity		85 619 148	74 974 611	85 639 890

Santander Consumer Bank

Lysaker, 5th May 2015

The Board of Directors of Santander Consumer Bank

Erik Kongelf

(Chairman)

Bruno Montalvo Wilmot

(Deputy Chairman)

Maria Rosario Vacas Rolan

Francisco Javier Anton San
Pablo

Bjørn Elvestad

Henning Strøm

Vibeke Hamre Krey

(Employee Representative)

Michael Hvidsten

(Chief Executive Officer)

Statement of changes in equity (Group)

<i>All amounts in thousands of NOK</i>	Share capital	Share capital premium	Other equity (OCI)	Retained earnings	Total
Balance at 1 January 2015	5 448 469	891 314	- 190 631	3 102 871	9 252 023
Net profit for the year				278 772	278 772
Actuarial gain/loss on post-employment benefit obligations			-		-
- Tax relating to pension			-		-
Net exchange differences on translating foreign operations			-71 038		-71 038
- Tax relating to exchange differences			19 180		19 180
Value change of government bonds held for sale			-10 680		-10 680
- Tax relating to government bonds			2 884		2 884
Cash flow hedge EMTN			-10 552		-10 552
- Tax relating to cash flow hedge from EMTN			2 849		2 849
Net investment hedge			25 901		25 901
- Tax relating to net investment hedge			-6 993		-6 993
Cash flow hedge SPV			18 861		18 861
- Tax relating to cash flow hedge in SPV			-5 092		-5 092
Total comprehensive income	-	-	-34 681	278 772	244 090
Share dividend					-
Capital increase					-
Other changes (Paid in, not registered share capital)					-
Balance at 31 March 2015	5 448 469	891 314	-225 312	3 381 642	9 496 112

<i>All amounts in thousands of NOK</i>	Share capital	Share capital premium	Other equity - OCI	Retained earnings	Total
Balance at 1 January 2014	4 448 469	891 314	-32 350	2 146 463	7 453 896
Net profit for the year				956 408	956 408
Actuarial gain/loss on post-employment benefit obligations			-126 581		-126 581
- Tax relating to pension			34 177		34 177
Net exchange differences on translating foreign operations			153 885		153 885
- Tax relating to exchange differences			-41 549		-41 549
Value change of government bonds held for sale			-18 305		-18 305
- Tax relating to government bonds			4 942		4 942
Cash flow hedge EMTN			564		564
- Tax relating to cash flow hedge from EMTN			-152		-152
Net investment hedge			-112 533		-112 533
- Tax relating to net investment hedge			30 384		30 384
Cash flow hedge SPV			-113 855		-113 855
- Tax relating to cash flow hedge in SPV			30 741		30 741
Total comprehensive income	-	-	-158 281	956 408	798 127
Capital increase	1 000 000				1 000 000
Balance at 31 December 2014	5 448 469	891 314	-190 631	3 102 871	9 252 023

- 1) Total shares registered as of March 31. 2015 was 444,85 million.
- 2) Restricted capital as of March 31. 2015 was NOK 5 448 M, unrestricted capital was NOK 4 048 M. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

All shares are owned by Santander Consumer Finance S.A. The annual consolidated accounts and the address of Santander Consumer S.A. in which Santander Consumer Bank AS is included is published on www.santanderconsumer.com

Statement of changes in equity (SCB AS)

<i>All amounts in thousands of NOK</i>	Share capital	Share capital premium	Other equity (OCI)	Retained earnings	Total
Balance at 1 January 2015	5 448 469	891 314	-228 915	2 527 241	8 638 108
Profit for the period				187 948	187 948
Actuarial gain/loss on post-employment benefit obligations			-		-
- Tax relating to pension			-		-
Conversion differences foreign currencies (branches)			-2 674		-2 674
- Tax relating to exchange differences			720		720
Value change of government bonds held for sale			-10 680		-10 680
- Tax relating to government bonds			2 884		2 884
Cash flow hedge EMTN			-10 552		-10 552
- Tax relating to cash flow hedge from EMTN			2 849		2 849
Total comprehensive income for the period	-	-	-17 454	187 948	170 494
Capital increase					-
Share dividend					-
Other changes (Paid in, not registered share capital)					-
Balance at 31 March 2015	5 448 469	891 314	-246 369	2 715 189	8 808 605

<i>All amounts in thousands of NOK</i>	Share capital	Share capital premium	Other equity -OCI	Retained earnings	Total
Balance at 1 January 2014	4 448 469	891 314	-105 387	1 494 758	6 729 154
Profit for the period				1 032 483	1 032 483
Actuarial gain/loss on post-employment benefit obligations			-126 581		-126 581
- Tax relating to pension			34 177		34 177
Conversion differences foreign currencies (branches)			-24 893		-24 893
- Tax relating to exchange differences			6 719		6 719
Value change of government bonds held for sale			-18 305		-18 305
- Tax relating to government bonds			4 942		4 942
Cash flow hedge EMTN			564		564
- Tax relating to cash flow hedge from EMTN			-152		-152
Total comprehensive income for the period	-	-	-123 528	1 032 483	908 954
Share dividend					
Capital increase	1 000 000				1 000 000
Balance at 31 December 2014	5 448 469	891 314	-228 915	2 527 241	8 638 108

1) Total shares registered as of March 31. 2015 was 444, 85 million.

2) Restricted capital as of March 31. 2015 was NOK 5 448 M, unrestricted capital was NOK 3 360 M. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

All shares are owned by Santander Consumer Finance S.A. The annual consolidated accounts and the address of Santander Consumer S.A. in which Santander Consumer Bank AS is included is published on www.santanderconsumer.com.

Cash flow statement

Group			SCB AS			
Q1 / YTD 2015	Q1 / YTD 2014	FY 2014	<i>All amounts in thousands of NOK</i>	Q1 / YTD 2015	Q1 / YTD 2104	FY 2014
Cash flow from operations						
364 803	304 036	1 320 807	Profit before income taxes	255 770	252 344	1 330 114
(304 039)	(345 868)	(288 457)	Taxes paid in the period	(264 118)	(280 042)	(271 141)
45 598	54 742	320 759	Depreciation and impairment	14 733	22 658	195 102
(87 467)	(1 667 170)	(11 239 756)	Change in loans to customers	(169 049)	(1 347 137)	(8 497 798)
(126)	(712)	5 394	Change in repossessed assets	(914)	(249)	(60)
(946 592)	(62 149)	(1 047 094)	Change in commercial papers and bonds	(827 792)	1 608 476	395 229
550 955	267 535	(688 233)	Change in financial derivatives, net.	(11 776)	6 076	23 130
132 610	(303 332)	(389 942)	Change in consignment and other assets	43 288	45 031	(1 315 149)
122 878	(15 307)	(113 087)	Change in prepayments and earned income	115 873	(26 381)	(149 900)
(2 150 973)	102 725	(4 109 529)	Change in loans and deposits from financial institutions	(4 700 186)	(1 687 290)	(5 497 555)
3 089 129	2 384 997	8 872 993	Change in loans and deposits from customers	3 089 129	2 384 997	8 872 993
340 459	644 739	45 812	Change in other debt	183 136	523 766	67 623
7 548	6 425	(11 771)	Differences in pensions and payments to scheme	7 548	6 425	(11 771)
23 731	(89 952)	(4 733)	Change in other provisions	49 390	(24 245)	224 305
1 188 516	1 280 709	(7 326 838)	Net cash flow from operations	(2 214 968)	1 484 431	(4 634 877)
Cash flow from investments						
(7 009)	(55 516)	(94 287)	Net purchase/sale of fixed assets (incl. op. leasing assets)	(17 260)	(26 627)	(87 075)
(7 009)	(55 516)	(94 287)	Net cash flow from investments	(17 260)	(26 627)	(87 075)
Cash flow from financing						
37 861	(627)	-	Receipt on subordinated loan capital	37 861	(627)	-
(1 977 505)	(2 033 691)	7 541 435	Receipts on issued bonds	1 832 384	(2 050 014)	3 694 352
-	-	-	Paid out dividend	-	-	-
-	550 000	1 000 000	Paid in share capital	-	550 000	1 000 000
(1 939 644)	(1 484 317)	8 541 435	Net cash flow from financing	1 870 246	(1 500 641)	4 694 352
(77 391)	(51 610)	(5 213)	Exchange gains / (losses) on cash and cash equivalents	(10 090)	(293)	(19 768)
(835 528)	(310 734)	1 115 097	Net change in cash and cash equivalents	(372 072)	(43 130)	(47 368)
6 023 922	4 908 825	4 908 825	Cash and cash equivalents at the beginning of the period	2 976 843	3 024 211	3 024 211
5 188 395	4 598 091	6 023 922	Cash and cash equivalents at the end of the period	2 604 771	2 981 081	2 976 843



**Santander Consumer Bank Group
NOTES**

1. Basis of preparation

The accounts show the activities of the company in Norway, Sweden and Denmark (Santander Consumer Bank AS). In the group accounts, the Finnish subsidiary (Santander Consumer Finance OY) and the special purpose entities (as listed in note 12) are included. All figures and notes were prepared under the assumption that the business is a going concern.

The Santander Consumer Bank interim accounts for the first quarter of 2015 are prepared in accordance with IAS 34 Interim Financial reporting as endorsed by EU.

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2. Accounting policies

The Group's accounting policies are consistent with those of the previous financial year as described in the 2014 Annual Report except as described below.

Management's estimates and assumptions of future events that will significantly affect the carrying amounts of assets and liabilities underlie the preparation of the consolidated financial statements. The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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3. Risk Classification

The tables below show the past due portfolio at certain aging intervals. The purpose of the note is to show the credit risk associated with the loans to customers.

<i>All amounts in thousands of NOK</i>	Gross outstanding			Write Downs		
	31.03.2015	31.03.2014	31.12.2014	31.03.2015	31.03.2014	31.12.2014
Current - not past due date	76 877 360	67 068 773	77 161 711	872 294	471 110	864 729
Current - past due date	5 341 016	5 350 677	4 885 829	175 923	158 228	168 900
Total impaired loans	1 275 451	1 153 276	1 274 387	653 121	538 454	583 274
Total loans	83 493 828	73 572 726	83 321 927	1 701 338	1 167 792	1 616 904

Ageing of past due but not impaired loans	Gross outstanding			Write Downs		
	31.03.2015	31.03.2014	31.12.2014	31.03.2015	31.03.2014	31.12.2014
Ageing of past due but not impaired loans						
1 - 29 days	4 360 393	4 220 304	3 876 728	76 634	48 594	67 404
30 - 59 days	750 291	874 843	760 961	54 440	53 122	55 694
60 - 89 days	230 332	255 530	248 140	44 849	56 512	45 803
Total loans due but not impaired	5 341 016	5 350 677	4 885 829	175 923	158 228	168 900

<i>Ageing of impaired loans</i>	Gross outstanding			Write Downs		
	31.03.2015	31.03.2014	31.12.2014	31.03.2015	31.03.2014	31.12.2014
90 - 119 days	112 828	123 039	128 756	41 649	35 029	44 184
120 - 149 days	90 765	86 947	82 975	33 204	26 087	29 340
150 - 179 days	68 863	68 645	60 187	27 482	43 157	25 866
180 + days	498 513	583 959	500 576	321 158	302 252	283 373
Economic doubtful*	504 484	290 687	501 893	229 628	131 929	200 511
Total impaired loans	1 275 451	1 153 276	1 274 387	653 121	538 454	583 274

* Economic doubtful contracts are loans where there is a reasonable doubt of full repayment due to reasons other than payment arrears

SCB portfolio consist 89% of Auto Finance and 11% Unsecured finance (credit card and consumer loan); where for auto finance the underlying assets serve as collateral.

Auto Finance, collateral is held as security. Carrying amount in relationship with object value and financed amount is influenced by specific mileage, use and maintenance among others, which varies from object to object. This value is embedded into Write Downs calculation as part of recoveries.

4. Losses and Write downs

All amounts in thousands of NOK

Specific - and generic write-downs	31.03.2015	31.03.2014	31.12.2014
Individual write-downs 01.01.	588 251	92 045	92 045
+/- Rate adjustment opening balance	-7 937	1 919	7 782
Reclassification between specific and generic write down	-	-	467 333
+ Individual write-downs for the period	78 026	4 811	21 091
= Specific write-downs period end	658 340	98 775	588 251
Group write-downs	31.03.2015	31.03.2014	31.12.2014
Group write-downs 01.01	1 028 653	1 061 253	1 061 253
+/- Rate adjustment opening balance	-15 405	-9 125	35 757
Reclassification between specific and generic write down	-	-	-467 333
+/- Write-downs for the year	29 750	16 890	398 976
= Generic write-downs period end	1 042 998	1 069 017	1 028 653
Total Write down in Balance Sheet	1 701 338	1 167 792	1 616 904
Loan losses expenses	31.03.2015	31.03.2014	31.12.2014
Change in write down 2014	84 434	14 494	463 606
+/- Fx rate adjustment opening balance	23 342	7 207	-43 539
+ Total recognized losses	154 567	161 764	617 492
- Recoveries on recognized losses	-21 457	-17 110	-188 100
= Loan losses in the period	240 886	166 355	849 460

Write-downs calculated separately for each business unit, using internal parameters.

-Specific write-downs calculated by arrears following portfolio ageing and specific assessment of the exposure by specific contracts, also referred to as non-performing loans.

-Generic write-downs calculated by arrears, including incurred but not reported impaired loans following portfolio ageing, and reserves based on macro parameters.

5. Interest expense

The table show average interest rate in the first quarter of 2015. Average interest is calculated as actual interest expense through the year in percent of weighted average balance.

All amounts in thousands of NOK

To credit institutions	Q1 2015	Q1 2014	2014
Interest expenses	112 388	173 228	614 818
Average loan	29 275 663	34 512 040	32 405 914
Average nominal interest rate	1,54 %	2,01 %	1,90 %

To customers	Q1 2015	Q1 2014	2014
Interest expenses	109 783	82 013	382 732
Average deposit	19 633 600	10 408 542	13 652 540
Average nominal interest rate	2,24 %	3,15 %	2,80 %

To bondholders	Q1 2015	Q1 2014	2014
Interest expenses	106 088	103 748	422 574
Average issued notes and bonds	31 259 195	23 689 668	28 477 231
Average nominal interest rate	1,36 %	1,75 %	1,48 %

Subordinated loan capital	Q1 2015	Q1 2014	2014
Interest expenses	41 449	47 150	215 562
Average subordinated loan capital	2 876 594	2 857 039	2 857 663
Average nominal interest rate	5,76 %	6,60 %	7,54 %

Total	Q1 2015	Q1 2014	2014
Interest expenses	369 708	406 138	1 635 686
Loan	83 045 052	71 467 289	77 393 347
Average nominal interest rate	1,78 %	2,27 %	2,11 %

6. Capital adequacy

All amounts in thousands of NOK

	31.03.2015	31.03.2014	31.12.2014
Balance sheet equity			
Paid in equity	5 448 469	4 998 469	5 448 469
Share premium	891 314	891 314	891 314
Retained earnings	3 381 642	2 364 617	3 102 871
Other reserves	-225 312	-76 695	-190 631
Total Equity	9 496 113	8 177 706	9 252 023
Common Equity Tier 1 Capital			
Cash-flow hedge adjustment	-6 065		
(-) Year to date profit not-eligible (Not audited)	-278 772	-218 154	-
Goodwill	-477 879	-445 420	-496 870
Other intangible assets	-230 736	-350 150	-243 665
Deferred tax assets	-207 564	-184 265	-210 572
Total common Equity Tier 1 Capital	8 295 097	6 979 716	8 300 916

Tier 1 Capital			
Paid in Tier 1 capital instruments	2 250 000	2 250 000	2 250 000
Total Tier 1 Capital	10 545 097	9 229 716	10 550 916
Total Capital			
Paid up subordinated loans	615 170	575 170	575 170
Subordinated loans not eligible	-192 000	-140 000	-234 000
Total Capital	10 968 267	9 664 886	10 892 086
Risk exposure			
Regional governments or local authorities	69 271	58 685	71 116
Institutions	1 335 312	1 141 561	1 659 640
Corporates	5 681 734	5 814 503	5 556 252
Retail	58 511 566	51 916 110	58 168 760
Exposures in default	617 105	1 581 753	686 137
Other Exposures	2 971 093	3 057 288	3 265 045
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	69 186 081	63 569 900	69 406 949
Foreign exchange	-	617 419	353 540
Risk exposure amount for position, foreign exchange and commodities risks	-	617 419	353 540
Basic indicator approach	6 076 410	5 334 296	6 084 906
Risk exposure amount for operational risk	6 076 410	5 334 296	6 084 906
Standardized method	360 464	-	289 340
Risk exposure amount for credit valuation adjustment	360 464	-	289 340
Allowance which apply on the standardized approach for credit risk (Since Q3 2014 it has been included in Credit Risk risk weighted exposure)	-	-1 069 017	-
Deductions of risk exposure amount	-	-1 069 017	-
Total risk exposure amount	75 622 955	68 452 597	76 134 735
Common equity tier 1 capital ratio	11,01 %	10,20 %	10,90 %
Tier 1 capital ratio	13,99 %	13,48 %	13,86 %
Total capital ratio	14,55 %	14,12 %	14,31 %

Financial information in accordance with the capital requirement regulation is published at www.santander.no. Information according to Pillar 3 will be published at www.santander.no.

7. Segment information

Financial management in Santander is oriented towards the various geographical markets. Monitoring of the overall profitability of the geographic areas are important dimensions of the strategic priorities and allocation of resources in the SCB Group. Reported figures for the various segments reflect the SCB Group's total sales of products and services in the geographical area.

Segment information is based on the internal financial reporting as it is reported to SCB Group management. SCB Group management uses the segment reporting as an element to assess historical and expected future development and allocation of resources.

Reporting from the segments is based on Santander's governance model and the SCB Group's accounting policies. The figures are based on a number of assumptions and estimates. The Segments are responsible for profits after tax, with the corresponding return on allocated capital according to the SCB Group's governance model. All the SCB Group's trade activities are divided into the reported segments with corresponding balances, income and expenses. Deficit liquidity from the segments is funded by the SCB Group treasury at market conditions. Surplus liquidity is transferred to the SCB Group treasury at market conditions.

Internal agreements at market conditions or simulated market conditions are made when segments cooperate on the delivery of financial services to customers. Services provided by the Group's central functions and staff are charged segments based on an allocation agreement.

The following products are offered by each reportable segment:

Norway - car financing, leasing, consignment, consumer loans, credit cards and deposits.

Sweden - car financing, leasing, consignment, consumer loans and deposits.

Denmark - car financing, leasing, consignment, consumer loans and deposits.

Finland - car financing, leasing, consignment and consumer loans

31 March 2015 (Q1 and YTD)

<i>All amounts in thousands of NOK</i>	Norway	Sweden	Denmark	Finland	Eliminations*	Total Group
Net interest income	485 103	119 054	161 791	196 278	-	962 226
Net commission and bank service income	4 793	13 243	10 985	6 461	-	35 482
Value change on securities and fx.	8 925	-	-186	-	18 044	26 783
Other operating income	5 813	1 578	345	3 404	-	11 139
Operating expenses, salaries, depreciation	-235 824	-53 611	-61 506	-79 000	-	-429 941
Losses on loans, guarantees etc.	-140 797	-33 388	-30 549	-36 153	-	-240 886
Operating result	128 014	46 876	80 880	90 989	18 044	364 803
Total tax	-38 907	-10 313	-18 602	-18 210	-	-86 031
Profit after tax	89 107	36 563	62 278	72 780	18 044	278 772
Cash and receivables on central banks	56 610	-	-	-	-	56 610
Deposits and loans to financial institutions	2 960 448	950 859	487 109	733 369	-	5 131 785
Net loans to costumers	40 059 770	13 142 197	15 806 534	12 783 989	-	81 792 490
Repossessed assets	6 286	-	-	6 785	-	13 071
Commercial papers and bonds	2 989 336	-	-	-	-	2 989 336
Financial derivatives	1 256 091	-	18 352	-	-	1 274 444
Shares in subsidiaries	1 129 906	-	-	-	-1 129 906	-
Other assets	4 130 226	825 432	345 756	1 908 460	-3 335 673	3 874 202
Total assets	52 588 673	14 918 488	16 657 752	15 432 602	-4 465 579	95 131 937
Debt to credit institutions	7 477 163	4 946 832	10 197 586	9 139 047	-3 560 452	28 200 176
Deposits repayable on notice	11 423 181	5 089 251	4 665 733	-	-	21 178 165
Financial derivatives	557 121	-	18 888	-	-	576 009
Debt issued by securities	19 718 234	4 512 548	1 484 170	4 555 490	-	30 270 443
Other liabilities	4 730 167	318 056	223 721	272 546	-133 458	5 411 031
Allocated capital	8 682 807	51 801	67 655	1 465 520	-771 669	9 496 113
Total liabilities and equity	52 588 673	14 918 488	16 657 752	15 432 602	-4 465 579	95 131 937

8. Classification of financial instruments

All amounts in thousands of NOK

Classification of financial assets 31 March 2015	Financial assets at fair value through P&L	Available for sale financial assets at fair value	Held to maturity investments	Loans and receivables	Book value
Cash and receivables on central banks	-	-	-	56 610	56 610
Deposits and loans to financial institutions	-	-	-	5 131 785	5 131 785
Net loans to customers	-	-	-	81 792 490	81 792 490
Commercial papers and bonds	-	2 989 336	-	-	2 989 336
Financial derivatives	1 274 444	-	-	-	1 274 444
Consignments	-	-	-	1 978 576	1 978 576
Other Assets	-	-	-	337 010	337 010
Total financial assets	1 274 444	2 989 336	-	89 296 471	93 560 251

Non-financial assets 1 571 686

Total assets **95 131 937**

Classification of financial liabilities 31 March 2015	Financial liabilities at fair value through P&L	Financial liabilities measured at amortized cost	Book value
Loans and deposits from credit institutions	-	28 200 176	28 200 176
Deposits repayable on notice	-	21 178 165	21 178 165
Financial derivatives	576 009	-	576 009
Bonds and other long term loan raising	-	30 270 443	30 270 443
Other subordinated loan capital	-	2 895 524	2 895 524
Total financial liabilities	576 009	82 544 308	83 120 317

Non-financial liabilities and equity 12 011 619

Total liabilities **95 131 937**

Classification of financial assets 31 December 2014	Financial assets at fair value through P&L	Available for sale financial assets at fair value	Held to maturity investments	Loans and receivables	Book value
Cash and receivables on central banks	-	-	-	56 463	56 463
Deposits and loans to financial institutions	-	-	-	5 967 460	5 967 460
Net loans to customers	-	-	-	81 705 023	81 705 023
Commercial papers and bonds	-	2 042 744	-	-	2 042 744
Financial derivatives	2 263 768	-	-	-	2 263 768
Consignments	-	-	-	2 162 931	2 162 931
Other Assets	-	-	-	285 265	285 265
Total financial assets	2 263 768	2 042 744	-	90 177 142	94 483 654

Non-financial assets 1 767 954

Total assets **96 251 608**

Classification of financial liabilities 31 December 2014	Financial liabilities at fair value through P&L	Financial liabilities measured at amortized cost	Booked value
Loans and deposits from credit institutions	-	30 351 149	30 351 149
Deposits repayable on notice	-	18 089 036	18 089 036
Financial derivatives	1 014 378	-	1 014 378
Bonds and other long term loan raising	-	32 247 948	32 247 948
Other subordinated loan capital	-	2 857 663	2 857 663
Total financial liabilities	1 014 378	83 545 796	84 560 174
		Non-financial liabilities and equity	11 691 434
		Total liabilities	96 251 608

For the financial assets and liabilities above the fair value is a reasonable approximation to the book value.

9. Valuation hierarchy

Financial instruments measured at fair value

<i>All amounts in million NOK</i>		Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Financial assets					
<i>name</i>	<i>type</i>				
Bilkreditt 3	Front swap BK3	-	139 662	-	139 662
Bilkreditt 4	Front swap BK4	-	130 674	-	130 674
Bilkreditt 4	Fixed amort.profile BK4	-	130 194	-	130 194
Bilkreditt 5	Front swap BK5	-	103 121	-	103 121
Bilkreditt 5	Fixed amort.profile BK5	-	101 410	-	101 410
Bilkreditt 6	Front swap BK6	-	315 218	-	315 218
Bilkreditt 6	Fixed amort.profile BK6	-	323 996	-	323 996
TIVOLI	Basis swap (Back)	-	15 751	-	15 751
EMTN Bond	DKK fixed to float	-	14 419	-	14 419
Total financial derivatives		-	1 274 444	-	1 274 444
Government bonds	bonds	2 989 336		-	2 989 336
Total commercial papers and bonds		2 989 336	-	-	2 989 336
Total		2 989 336	1 274 444	-	4 263 779

Financial liabilities

<i>All amounts in million NOK</i>		Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
<i>name</i>	<i>type</i>				
Bilkreditt 4	Pass-through swap BK4	-	130 674	-	130 674
Bilkreditt 5	Pass-through swap BK5	-	103 121	-	103 121
Bilkreditt 6	Pass-through swap BK6	-	315 218	-	315 218
TIVOLI	Basis swap (Front)	-	16 210	-	16 210
EMTN Bond	DKK fixed to fixed	-	10 786	-	10 786
Total financial derivatives		-	576 008	-	576 008
Total		-	576 008	-	576 008

Fair value shall be a representative price based on what a corresponding asset or liability would have been traded for at normal market conditions. Highest level of quality in relation to fair value is based on quoted prices in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory authority and these prices represent actual and regularly occurring transactions at arm's length.

Level 1: Instruments at this level obtain fair value from quoted prices in active markets for identical assets or liabilities that the entity has access by the reporting date. Examples of instruments at Level 1 are listed government bonds.

Level 2: Instruments at this level is not considered to have an active market. Fair value obtained from observable market data; this includes mainly prices based on identical instruments, but where the instrument is not sufficiently high trading frequency, as well as prices based on corresponding assets and price leading indicators that can be confirmed from market information. Examples of instruments at Level 2 are securities priced out of interest rate paths.

The fair value at level 2 is calculated by discounting future cash flows. The cash flows are mainly known due to contractual conditions, in addition to a marked regulated interest rate element. (e.g. EURIBOR)

Level 3: Instruments at Level 3 contain no observable market data or traded on markets that are considered inactive. The price is based mainly on own calculations, where actual fair value may deviate if the instrument were to be traded.

10. Issued Securities

All amounts in thousands NOK

	31.03.2015	31.03.2014	31.12.2014
Senior unsecured issued securities	9 231 750	1 655 000	7 399 366
Asset backed issued securities	21 038 693	21 017 822	24 848 582
Total issued securities	30 270 443	22 672 822	32 247 948

Santander Consumer Bank AS issued bonds on the Oslo Stock exchange in February to a value of 2 000 000 (thousands NOK)

The additional change in balance sheet value of senior unsecured issued securities is the revaluation of the euro bonds

Santander Consumer Bank AS issued bonds on the Irish stock exchange in April to a value of 6 527 627 (thousands NOK)

11. Receivables and liabilities to related parties

Debt to related parties:

<i>Amounts in thousands of NOK</i>	31.03.15	31.03.14	31.12.14
Balance sheet line: "Loans and deposits from credit institutions with an agreed term"			
<i>Santander Benelux</i>	19 247 670	25 016 252	21 633 569
<i>Santander Consumer Finance S.A.</i>	8 104 219	9 428 883	7 603 003
Total	27 351 889	34 445 135	29 236 572

Balance sheet line: "Subordinated loan capital" - Bonds			
MNOK 180, maturity Sept 2016, 3 months NIBOR +0.55% (Banco Santander S.A)	180 000	180 000	180 000
MNOK 80, maturity Oct 2017, 3 months NIBOR +1.00% (SCF S.A)	80 000	80 000	80 000
MNOK 210, maturity June 2019, 6 months NIBOR +3.43% (Santander Benelux)	250 000	210 000	210 000
MEUR 13 maturity Dec 2020 12 months EURIBOR +3,20% (SCF S.A)	105 184	105 183	117 546
Hybrid capital - perpetual bond, 3M NIBOR + 6,50% (SCF S.A)	2 250 000	2 250 000	2 250 000
Total	2 865 184	2 825 183	2 837 546

The interest rate on intercompany loans are priced in accordance with marked conditions for parties at arm's length.

12. Transactions with related parties

All amounts in thousands of NOK

The group is controlled by Santander Consumer Finance S.A. which owns 100% of the company's shares. The group's ultimate parent is Grupo Santander. All companies within Grupo Santander are considered related parties. In addition, the SPV (securitization of car loans) are also considered as related Parties.

Transactions with related parties are mostly interest on funding from the parent company, ultimate parent or from Santander Benelux.

The following transactions were carried out with related parties:

	31.03.15	31.03.14	31.12.14
Interest income	61 695	60 738	306 501
Interest expenses	-164 065	-288 586	-1 004 749
Fees	-	-1 823	2 806
Net transactions	-102 370	-229 671	-695 442

Santander Consumer Bank Group has had transactions with the following related parties as of 31 March 2015

Banco Santander S.A
Santander Benelux B.V.
Santander Consumer Finance S.A.
Santander Insurance Europe Ltd.
Santander Insurance Services Ireland Ltd.



**Santander Consumer Bank AS
NOTES**

1. Basis of preparation

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All figures and notes were prepared under the assumption that the business is a going concern.

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3. Risk Classification

The tables below show the past due portfolio at certain aging intervals. The purpose of the note is to show the credit risk associated with the loans to customers.

<i>All amounts in thousands of NOK</i>	Gross outstanding			Write Downs		
	31.03.2015	31.03.2014	31.12.2014	31.03.2015	31.03.2014	31.12.2014
Current - not past due date	65 195 941	57 588 220	65 220 780	626 967	302 903	609 194
Current - past due date	3 987 166	4 029 263	3 713 251	125 075	114 203	114 761
Total impaired loans	1 160 712	1 048 391	1 140 156	582 819	466 754	510 323
Total loans	70 343 820	62 665 874	70 074 187	1 334 862	883 860	1 234 278

<i>Ageing of past due loans</i>	Gross outstanding			Write Downs		
	31.03.2015	31.03.2014	31.12.2014	31.03.2015	31.03.2014	31.12.2014
1 - 29 days	3 226 755	3 235 187	2 968 726	54 847	32 489	46 100
30 - 59 days	586 313	592 128	577 324	40 768	34 561	39 197
60 - 89 days	174 099	201 948	167 201	29 460	47 153	29 463
Total loans due but not impaired	3 987 166	4 029 263	3 713 251	125 075	114 203	114 761

<i>Ageing of impaired loans</i>	Gross outstanding			Write Downs		
	31.03.2015	31.03.2014	31.12.2014	31.03.2015	31.03.2014	31.12.2014
90 - 119 days	96 320	101 166	90 674	26 825	20 640	24 527
120 - 149 days	74 319	77 082	67 818	24 664	18 457	21 310
150 - 179 days	60 486	61 572	48 044	22 269	34 353	19 567
180 + days	497 577	583 248	499 775	320 351	301 933	282 738
Economic doubtful*	432 010	225 323	433 845	188 710	91 372	162 181
Total impaired loans	1 160 712	1 048 391	1 140 156	582 819	466 754	510 323

* Economic doubtful contracts are loans where there is a reasonable doubt of full repayment due to reasons other than payment arrears

SCB portfolio consist 90% of Auto Finance and 10% Unsecured finance (credit card and consumer loan); where for auto finance the underlying assets serve as collateral.

Auto Finance, collateral is held as security. Carrying amount in relationship with object value and financed amount is influenced by specific mileage, use and maintenance among others, which varies from object to object. This value is embedded into Write Downs calculation as part of recoveries.

4. Losses and Write downs

All amounts in thousands of NOK

Specific - and generic write-downs	31.03.2015	31.03.2014	31.12.2014
Individual write-downs 01.01.	515 299	55 498	55 498
+/- Rate adjustment opening balance	-3 768	-556	2 051
Reclassification between specific and generic write down	-	-	433 522
+ Individual write-downs for the period	76 508	6 027	24 228
= Specific write-downs period end	588 039	60 969	515 299
Generic write-downs	31.03.2015	31.03.2014	31.12.2014
Group write-downs 01.01	718 979	787 172	787 172
+/- Rate adjustment opening balance	-5 256	-2 891	12 693
Reclassification between specific and generic write down	-	-	-433 522
+/- Write-downs for the year	33 099	38 610	352 636
= Generic write-downs period end	746 822	822 892	718 979
Total Write down in Balance Sheet	1 334 861	883 861	1 234 278
Loan losses expenses	31.03.2015	31.03.2014	31.12.2014
Change in write down 2014	100583	41191	391 608
+/- Fx rate adjustment opening balance	9 024	3 447	-14 744
+ Total recognized losses	101 281	102 908	402 251
- Recoveries on recognized losses	-18 081	-13 707	-89 766
= Loan losses	192 807	133 839	689 349

Write-downs calculated separately for each business unit, using internal parameters.

-Specific write-downs calculated by arrears following portfolio ageing and specific assessment of the exposure by specific contracts, also referred to as non-performing loans.

-Generic write-downs calculated by arrears, including incurred but not reported impaired loans following portfolio ageing, and reserves based on macro parameters.

5. Interest expense

The table show average interest rate in the first quarter of 2015. Average interest is calculated as actual interest expense through the year in percent of weighted average balance.

All amounts in thousands of NOK

	Q1 2015	Q1 2014	2014
To credit institutions			
Interest expenses	88 213	137 145	490 633
Average loan	43 026 440	50 030 444	48 125 312
Average nominal interest rate	0,82 %	1,10 %	1,02 %
To customers			
Interest expenses	109 783	82 013	382 732
Average deposit	19 633 600	10 408 542	13 652 540
Average nominal interest rate	2,24 %	3,15 %	2,80 %
To bondholders			
Interest expenses	37 050	7 577	78 106
Average issued notes and bonds	8 315 558	2 680 007	5 552 190
Average nominal interest rate	1,78 %	1,13 %	1,41 %
Subordinated loan capital			
Interest expenses	50 017	51 746	210 285
Average subordinated loan capital	2 876 594	2 857 039	2 857 663
Average nominal interest rate	6,96 %	7,24 %	7,36 %
Total			
Interest expenses	285 063	278 481	1 161 756
Loan	73 852 192	65 976 031	70 187 704
Average nominal interest rate	1,54 %	1,69 %	1,66 %

6. Capital adequacy

All amounts in thousands of NOK

	31.03.2015	31.03.2014	31.12.2014
Balance sheet equity			
Paid in equity	5 448 469	4 998 469	5 448 469
Share premium	891 314	891 314	891 314
Retained earnings	2 715 189	1 678 111	2 527 241
Other reserves	-246 369	-91 333	-228 915
Total Equity	8 808 603	7 476 561	8 638 108
Common Equity Tier 1 Capital			
Cash-flow hedge adjustment	7 703		
(-) Year to date profit not-eligible (Not audited)	-187 948	-183 353	-
Goodwill	-118 406	-112 359	-123 415
Other intangible assets	-220 097	-37 020	-232 023
Deferred tax assets	-76 660	-338 788	-75 846
Total common Equity Tier 1 Capital	8 213 195	6 805 041	8 206 825

Santander Consumer Bank

Tier 1 Capital			
Paid in Tier 1 capital instruments	2 250 000	2 250 000	2 250 000
Total Tier 1 Capital	10 463 195	9 055 041	10 456 825
Total Capital			
Paid up subordinated loans	615 170	575 170	575 170
Subordinated loans not eligible	-192 000	-140 000	-234 000
Total Capital	10 886 365	9 490 211	10 797 995
Risk exposure			
Regional governments or local authorities	68 473	60 018	70 167
Institutions	1 725 259	3 298 984	1 872 856
Corporates	11 407 753	4 590 319	11 434 287
Retail	49 060 321	44 479 561	48 735 876
Exposures in default	572 667	1 481 134	624 858
Other Exposures	2 592 920	1 267 679	2 748 641
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	65 427 393	55 177 695	65 486 684
Foreign exchange (zero if under threshold)	-	257 686	-
Risk exposure amount for position, foreign exchange and commodities risks	-	257 686	-
Basic indicator approach	4 971 326	4 189 380	5 010 803
Risk exposure amount for operational risk	4 971 326	4 189 380	5 010 803
Standardized method (introduced September 2014)	166 982	-	289 340
Risk exposure amount for credit valuation adjustment	166 982	-	289 340
Allowance which apply on the standardized approach for credit risk (Since Q3 2014 it has been included in Credit Risk risk weighted exposure)	-	-822 892	-
Deductions of risk exposure amount	-	-822 892	-
Total risk exposure amount	70 565 701	58 801 870	70 786 827
Common equity tier 1 capital ratio	11,63 %	11,57 %	11,59 %
Tier 1 capital ratio	14,82 %	15,40 %	14,77 %
Total capital ratio	15,42 %	16,14 %	15,25 %

Financial information in accordance with the capital requirement regulation is published at www.santander.no. Information according to Pillar 3 will be published at www.santander.no.

7. Segment information

Financial management in Santander is oriented towards the various geographical markets. Monitoring of the overall profitability of the geographic areas are important dimensions of the strategic priorities and allocation of resources in SCB AS reported figures for the various segments reflect SCB AS' total sales of products and services in the geographical area. Segment information is based on the internal financial reporting as it is reported to SCB AS management. SCB AS management uses the segment reporting as an element to assess historical and expected future development and allocation of resources. Reporting from the segments is based on Santander's governance model and the SCB AS' accounting policies. The figures are based on a number of assumptions and estimates. The Segments are responsible for profits after tax, with the corresponding return on allocated capital according to SCB AS' governance model. All SCB AS' trade activities are divided into the reported segments with corresponding balances, income and expenses.

Deficit liquidity from the segments is funded by SCB AS' Treasury at market conditions. Surplus liquidity is transferred to SCB AS' Treasury at market conditions. Internal agreements at market conditions or simulated market conditions are made when segments cooperate on the delivery of financial services to customers. Services provided by SCB AS' central functions and staff are charged segments based on an allocation agreement.

The following products are offered by each reportable segment:

Norway - car financing, leasing, consignment, consumer loans, credit cards and deposits.

Sweden - car financing, leasing, consignment, consumer loans and deposits.

Denmark - car financing, leasing, consignment, consumer loans and deposits.

31 March 2015 (Q1 and YTD)

<i>All amounts in thousands of NOK</i>	Norway	Sweden	Denmark	Eliminations*	Total Group
Net interest income	462 170	110 972	149 547	-	722 689
Net commission - and banking services income	19 648	19 806	16 693	-	56 146
Value change and gain/loss on fx and securities	9 770	-	2 734	-	12 504
Other operating income	5 813	1 578	-544	-	6 847
Operating expenses, salaries, depreciation	-234 492	-53 611	-61 506	-	-349 609
Losses on loans, guarantees etc.	-134 895	-31 868	-26 043	-	-192 807
Operating result	128 014	46 876	80 880	-	255 770
Total tax	-38 907	-10 313	-18 602	-	-67 822
Profit after tax	89 107	36 563	62 278	-	187 948
Cash and receivables on central banks	56 610	-	-	-	56 610
Deposits with and loans to financial institutions	1 569 993	637 833	340 334	-	2 548 161
Net loans	40 059 770	13 142 216	15 806 972	-	69 008 958
Repossessed assets	6 286	-	-	-	6 286
Commercial papers and bonds	6 156 028	1 044 521	2 081 112	-	9 281 662
Financial derivatives	567 416	-	18 352	-	585 769
Ownership interests in group companies	1 129 906	-	-	-	1 129 906
Other assets	4 192 964	840 884	346 031	-2 378 083	3 001 797
Total assets	53 738 973	15 665 455	18 592 803	-2 378 083	85 619 148
Debt to credit institutions	19 113 170	10 203 022	13 617 443	-2 257 287	40 676 348
Deposits from customers	11 423 181	5 089 251	4 665 733	-	21 178 165
Financial derivatives	557 121	-	-	-	557 121
Debt issued by securities	9 231 750	-	-	-	9 231 750
Other liabilities	4 725 582	321 397	241 980	-121 800	5 167 159
Allocated capital	8 688 170	51 785	67 646	1 004	8 808 604
Total liabilities and equity	53 738 973	15 665 455	18 592 803	-2 378 083	85 619 148

* Eliminations of other assets and debt to credit institutions are mainly intercompany loans between Norway and Denmark

8. Classification of financial instruments

All amounts in thousands of NOK

Classification of financial assets 31 March 2015	Financial assets at fair value through P&L	Available for sale financial assets at fair value	Held to maturity investments	Loans and receivables	Book value
Cash and receivables on central banks	-	-	-	56 610	56 610
Deposits and loans to financial institutions	-	-	-	2 548 161	2 548 161
Net loans to costumers	-	-	-	69 008 958	69 008 958
Commercial papers and bonds	-	2 989 336	6 292 326	-	9 281 662
Financial derivatives	585 769	-	-	-	585 769
Ownership interest in credit institutions	1 129 906	-	-	-	1 129 906
Consignments	-	-	-	884 268	884 268
Other Assets	-	-	-	1 511 440	1 511 440
Total financial assets	1 715 674	2 989 336	6 292 326	74 009 437	85 006 773

Non-financial assets 612 375

Total assets **85 619 148**

Classification of financial liabilities 31 December 2014	Financial liabilities at fair value through P&L	Financial liabilities measured at amortized cost	Book value
Loans and deposits from credit institutions	-	40 676 347	40 676 347
Deposits repayable on notice	-	21 178 165	21 178 165
Financial derivatives	557 121	-	557 121
Bonds and other long term loan raising	-	9 231 750	9 231 750
Subordinated loan capital	-	2 895 524	2 895 524
Total financial liabilities	557 121	73 981 787	74 538 908

Non-financial liabilities and equity 11 080 240

Total liabilities **85 619 148**

Classification of financial assets 31 December 2014	Financial assets at fair value through P&L	Available for sale financial assets at fair value	Held to maturity investments	Loans and receivables	Book value
Cash and receivables on central banks	-	-	-	56 463	56 463
Deposits and loans to financial institutions	-	-	-	2 920 380	2 920 380
Net loans to costumers	-	-	-	68 839 908	68 839 908
Commercial papers and bonds	-	2 042 744	6 411 126	-	8 453 870
Financial derivatives	1 015 493	-	-	-	1 015 493
Ownership interest in credit institutions	1 173 851	-	-	-	1 173 851
Consignments	-	-	-	872 528	872 528
Other Assets	-	-	-	1 566 469	1 566 469
Total financial assets	2 189 344	2 042 744	6 411 126	74 255 748	84 898 962

Non-financial assets 740 928

Total assets **85 639 890**

Classification of financial liabilities 31 December 2014	Financial liabilities at fair value through P&L	Financial liabilities measured at amortized cost	Booked value
Loans and deposits from credit institutions	-	45 376 534	45 376 534
Deposits repayable on notice	-	18 089 036	18 089 036
Financial derivatives	998 622	-	998 622
Bonds and other long term loan raising	-	7 399 366	7 399 366
Subordinated loan capital	-	2 857 663	2 857 663
Total financial liabilities	998 622	73 722 599	74 721 221
		Non-financial liabilities and equity	10 918 669
		Total liabilities	85 639 890

For the financial assets and liabilities above the fair value is a reasonable approximation to the book value.

9. Valuation hierarchy

Financial instruments measured at fair value

<i>All amounts in million NOK</i>		Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Financial assets					
<i>name</i>	<i>type</i>				
Bilkreditt 4	Fixed amort.profile BK4	-	130 194	-	130 194
Bilkreditt 5	Fixed amort.profile BK5	-	101 410	-	101 410
Bilkreditt 6	Fixed amort.profile BK6	-	323 996	-	323 996
TIVOLI	Basis swap (Back)	-	15 751	-	15 751
EMTN Bond	DKK fixed to float	-	14 419	-	14 419
Total financial derivatives		-	585 768	-	585 768
<i>name</i>	<i>type</i>				
Government bonds*	bonds	2 989 336	-	-	2 989 336
Total commercial papers and bonds		2 989 336	-	-	2 989 336
Total		2 989 336	585 768	-	3 575 104

Financial liabilities

<i>name</i>	<i>type</i>	Quoted Market price Level 1	Using observable Inputs Level 2	With Significant unobservable inputs Level 3	Total
Bilkreditt 4	Pass-through swap BK4	-	130 674	-	130 674
Bilkreditt 5	Pass-through swap BK5	-	103 121	-	103 121
Bilkreditt 6	Pass-through swap BK6	-	315 218	-	315 218
EMTN Bond	DKK fixed to fixed	-	8 109	-	8 109
Total financial derivatives		-	557 122	-	557 122
Total		-	557 122	-	557 122

Fair value shall be a representative price based on what a corresponding asset or liability would have been traded for at normal market conditions. Highest level of quality in relation to fair value is based on quoted prices in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory authority and these prices represent actual and regularly occurring transactions at arm's length.

Level 1: Instruments at this level obtain fair value from quoted prices in active markets for identical assets or liabilities that the entity has access by the reporting date. Examples of instruments at Level 1 are listed government bonds.

Level 2: Instruments at this level is not considered to have an active market. Fair value obtained from observable market data; this includes mainly prices based on identical instruments, but where the instrument is not sufficiently high trading frequency, as well as prices based on corresponding assets and price leading indicators that can be confirmed from market information. Examples of instruments at Level 2 are securities priced out of interest rate paths.

The fair value at level 2 is calculated by discounting future cash flows. The cash flows are mainly known due to contractual conditions, in addition to a marked regulated interest rate element. (e.g. EURIBOR)

Level 3: Instruments at Level 3 contain no observable market data or traded on markets that are considered inactive. The price is based mainly on own calculations, where actual fair value may deviate if the instrument were to be traded.

10. Issued Securities

All amounts in thousands NOK

	31.03.2015	31.03.2014	31.12.2014
Senior unsecured issued securities	9 231 750	1 655 000	7 399 366
Asset backed issued securities	-	-	-
Total issued securities	9 231 750	1 655 000	7 399 366

Santander Consumer Bank AS issued bonds on the Oslo Stock exchange in February to a value of 2 000 000 (thousands NOK)

The additional change in balance sheet value of senior unsecured issued securities is the revaluation of the euro bonds

Santander Consumer Bank AS issued bonds on the Irish stock exchange in April to a value of 6 527 627 (thousands NOK)

11. Receivables and liabilities to related parties

Debt to related parties:

<i>Amounts in thousands of NOK</i>	31.03.15	31.03.14	31.12.14
Balance sheet line: "Loans and deposits from credit institutions with an agreed term"			
<i>Santander Benelux</i>	19 247 670	25 076 227	21 633 569
<i>Santander Consumer Finance S.A.</i>	268 023	1 166 791	180 840
<i>Debt to SPV on future cash flow of securitized loans</i>	21 133 228	23 097 279	23 557 823
Total	40 648 921	49 340 297	45 372 232

Balance sheet line: "Subordinated loan capital" - Bonds

MNOK 180, maturity Sept 2016, 3 months NIBOR +0.55% (Banco Santander S.A)	180 000	180 000	180 000
MNOK 80, maturity October 2017, 3 months NIBOR +1.00% (SCF S.A)	80 000	80 000	80 000
MNOK 210, maturity June 2019, 6 months NIBOR +3.43% (Santander Benelux)	250 000	210 000	210 000
MEUR 13 maturity December 2020 12 months EURIBOR +3,20% (SCF S.A)	105 184	105 183	117 546
Hybrid capital - perpetual bond, 3M NIBOR + 6,50% (SCF S.A)	2 250 000	2 250 000	2 250 000
Total	2 865 184	2 825 183	2 837 546

Receivables on related parties:

<i>Amounts in thousands of NOK</i>	31.03.14	31.03.14	31.12.14
Balance sheet line: "commercial papers and bonds"			
<i>B and C notes issued by SPVs</i>	6 269 866	6 182 824	6 451 550
Balance sheet line: "Deposits with and receivables on financial institutions"			
<i>Subordinated loan to SPVs</i>	1 991 622	2 148 833	2 202 248
Balance sheet line : "other assets"			
Loan to subsidiary (Santander Consumer Bank OY)	1 305 525	-	1 356 300

The interest rate on intercompany loans are priced in accordance with marked conditions for parties at arm's length.

12. Transactions with related parties

All amounts in thousands of NOK

The group is controlled by Santander Consumer Finance S.A. which owns 100% of the company's shares. The group's ultimate parent is Grupo Santander. All companies within Grupo Santander are considered related parties. In addition, the SPV (securitization of car loans) are also considered as related Parties.

Transactions with related parties are mostly interest on funding from the parent company, ultimate parent or from Santander Benelux. SCB AS has transactions with the SPVs through funding and cash flows as agreed in the securitization process.

The following transactions were carried out with related parties:

	31.03.15	31.03.14	31.12.14
Interest income	302 680	331 642	1 655 091
Interest expenses	-141 552	-262 013	-907 639
Fees	29 196	34 404	126 184
Net transactions	190 324	104 033	873 636

Santander Consumer Bank AS has had transactions with the following related parties as of 31 March 2015

Banco Santander S.A
 Santander Benelux B.V.
 Santander Consumer Finance S.A.
 Santander Consumer Bank OY
 Santander Insurance Europe Ltd.
 Santander Insurance Services Ireland Ltd.

SPV:

SCF RAHOITUSPALVELUT Ltd.
 SCF AJONEUROHALLINTO Ltd.
 SCF Ajoneuvohallinta Ltd.
 SCF Rahoituspalvelut 2013 Ltd.
 Bilkreditt 1 Ltd.
 Bilkreditt 2 Ltd.
 Bilkreditt 3 Ltd.
 Bilkreditt 4 Ltd.
 Bilkreditt 5 Ltd.
 Bilkreditt 6 Ltd.
 Dansk Auto Finansiering 1 Ltd.
 SV Autofinans 1 Ltd.
 SV Autofinans Warehousing 1 Ltd.
 SCF Ajoneuvohallinto Ltd..
 SCF Rahoituspalvelut Ltd..

About Santander

Santander Consumer Bank AS is owned by Santander Consumer Finance, which is part of Grupo Santander, one of the world's largest banks. Santander Consumer Finance is among the leaders in Europe within car- and consumer finance. The division is present in 13 countries across Europe. The Nordic region is considered a key growth area.

Based on a business model that focuses on retail banking products and services for private customers, SMEs, and companies, the Santander Group currently serves more than 117 million customers through a global network of 12,951 branches, the largest in the international banking sector. It has 734 billion euros in customer loans, 3.2 million shareholders, and 185 405 employees.

Santander Consumer Bank AS provides financing in the areas of car finance, credit cards and consumer loans. The bank is market leader in Norway within car finance, and has business in Sweden, Finland and Denmark and has a vision to be one of the leading players in the Nordic region. The Group has more than 650 employees throughout the region and total assets of NOK 95.1 billions.