



Third quarter report 2015

**Santander Consumer Bank Nordics -group
and
Santander Consumer Bank AS**

Table of contents

Management review of third quarter 2015	3
Profit and loss account - GROUP	6
Balance sheet – Assets – GROUP	8
Balance sheet – Liabilities – GROUP	9
Cash Flow – GROUP	10
Equity statement – GROUP	11
Profit and loss account – AS	13
Balance sheet – Assets – AS	15
Balance sheet – Liabilities – AS	16
Cash Flow – AS	17
Equity statement – AS	18
1. Basis of preparation	21
2. Accounting policies	21
3. Risk Classification	21
4. Losses and write-downs	22
5. Interest expense	22
6. Capital adequacy	23
7. Segment information	24
8. Classification of financial instruments	25
9. Valuation hierarchy	26
10. Issued Securities	26
11. Receivables and liabilities to related parties	27
12. Transactions with related parties	27
13. Merger	28
1. Basis of preparation	30
2. Accounting policies	30
3. Risk Classification	30
4. Losses and Write downs	31
5. Interest expense	31
6. Capital adequacy	32
7. Segment information	33
8. Classification of financial instruments	34
9. Valuation hierarchy	35
10. Issued Securities	35
11. Receivables and liabilities to related parties	36
12. Transactions with related parties	36
13. Merger	37

Management review of third quarter 2015

This review will give an 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

- Santander Consumer Bank AS and Santander Consumer Bank AB (SCB AB) merged 1st July 2015.
- The Group's profit before tax year to date Q3 was NOK 1 325 M, compared to NOK 965 M year to date in Q3 2014
- Increase in deposits of NOK 17 987 M since 31.12.2014 for the Group. Total NOK 36 076 M per Q3 2015 for the Group.
- The Group's net loans to customers increased by NOK 29 035 M year to date in 2015, where NOK 18 755 M from the Merger with Santander Consumer Bank AB
- EMTN issuance of SEK 1,5 billion in Q3 2015
- Capital increase of NOK 1,1 billion in Q3 2015

Financial overview

In the income statement of SCB AS, only income and expenses from the operations of the former AB from the merger date (July 1, 2015) and onwards are included.

The Group's profit before tax of NOK 1 325 M year to date Q3 2015 is an increase of 37% compared to the same period last year. The increase in results are due to a higher net loan balance, and lower costs on funding. The increase in net loans can be divided into NOK 18 755 M from the merger, and NOK 15 909 M from organic growth. The lower costs of funding is a result of lower interest rate levels and credit spreads.

Total assets for the Group were NOK 129 832 M per Q3 2015 where loans to customers represented 85% (NOK 110 740 M). Per Q3 2014 the total assets for the Group were NOK 85 619 M of which loans to customers represented 89% (NOK 76 075 M). The increased loans to costumers resulted in an increased revenue of NOK 769 M year to date Q3 2015 compared to year to date Q3 2014. The major cost drivers year to date Q3 2015 compared to year to date Q3 2014 were salaries and administration expenses mainly due to the merger.

SCB AS accounts show a profit before tax of NOK 975 M year to date Q3 2015 compared to NOK 1 084 M year to date Q3 2014. The total assets was NOK 120 962 M per Q3 2015 compared to NOK 78 850 M per Q3 2014. The reason for the decrease in profits in SCB AS is costs preparing for the merger with SCB AB, as well as increased losses in the period.

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 markets' needs and climate.

Credit Risk

The Group's Credit Risk profile at Q3 2015 remains stable in terms of fundamental performance for the secured and unsecured portfolio respectively from Year End 2014 despite continuing loan growth and the change in portfolio mix. The consolidated Non-Performing Loans (NPL) Ratio has increased to 5,8% for the third quarter of 2015, to compare with 1.5% at Year End 2014. The increase is due to the consolidation of the former SCB AB portfolios in July 2015 that carry a high NPL stock due to differences in default definition and loss accounting practices. The Loan Loss Provisions (LLP) for the third quarter of 2015 was NOK 638 M, compared to NOK 521 M for the same period in 2014. Consolidated Loan Loss Reserves (LLR) increased to NOK 6 677 M per Q3 2015 from NOK 1 617 M at Year End 2014, reflecting also the consolidation of the former SCB AB portfolios.

Liquidity and Interest Rate Risk

The Group manages interest rate risk by aiming to match the interest rate risk of the liabilities with the interest rate risk of the underlying assets (loan to customers). Interest rate risk in the Group is measured of the net interest rate position, by calculating the effect of a +/-100bps change in interest rates on the market value of equity. Both interest rate metrics were at satisfactory levels for all countries during Q2 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 third quarter of 2015 as preparations for meeting CRD IV's liquidity requirements continued. The Liquidity Coverage Ratio requirements will become effective from October 1st 2015, requiring 60%. As of end September 2015 the Liquidity Coverage Ratio in the Group was 77%.

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 minimizes currency risk by ensuring that the assets and liabilities are denominated in the same currency. When the Group raises funding through the international debt markets, such as EMTN or securitizations, any open currency exposure is hedged through the use of derivatives. The open currency exposure as of end of Q3 2015 was NOK equivalent 171 M in SEK, DKK and EUR exposures, which is within the limit of NOK 400 M.

Funding

The main funding pillars of the Group are deposits, issuance of senior unsecured bonds and asset backed securities, and parent company funding. The Group has during the last years taken significant steps to become self-funded and to diversify its funding sources, with particular focus in 2015 on expanding deposits and senior unsecured funding.

Customer deposits are a strategic priority for the Group. Deposit-taking capabilities have been developed, to-date, in Norway, Sweden and Denmark. Total outstanding volumes of NOK 36 076 M across the 3 countries, representing an increase of NOK 17 987 M year-to-date 2015. The increase in Q3 include the balance NOK 7 121 M from the merger.

The Group is well-established in the Norwegian senior unsecured bond market and has increased issuance under its Euro Medium Term Note program (EMTN), which is guaranteed by the parent Santander Consumer Finance S.A. Year-to-date, the bank has issued EUR 750 million of senior unsecured bonds in the Euro-market and SEK 3.5 billion senior unsecured bonds in the Swedish bond market under the EMTN program and NOK 2 billion senior unsecured bonds in the Norwegian market (see note 10 for further details).

Issuance of asset backed securities is also an important funding source for the Group, with plans to continue its use during the remainder of 2015. This is strictly a funding operation, and is not intended to give any change in risk exposure nor give any capital relief to the bank.

The Group is also funded through loans and drawing rights from the parent bank and companies within Grupo Santander. These loans are priced at market rates and denominated in local currencies.

Credit markets and access to funding have been regarded as satisfactory year-to-date 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, Tier 1 and Tier 2 requirements. The Group applies the standard approach in Basel III.

The ICAAP (internal capital adequacy assessment process) is integrated into Grupo Santander'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 covers other risks not included in other solvency reporting. ICAAP report 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 into negative trends for 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 was completed on the 1st of July 2015.

The Group always strive to optimize and perfect our setup for system and process support, our innovation capabilities and margin management. The bank plans for further sustainable growth in Q4 as well as in 2016, both top and bottom line.

Profit and loss account - GROUP

<i>All amounts in thousands of NOK</i>						
	Note	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	Financial year 2014
Interest income and similar income						
Interest and similar income on loans to and receivables from credit institutions		3 741	-2 337	12 020	2 842	33 981
Interest and similar income on loans to and receivables from customers		1 876 357	1 263 359	4 475 490	3 706 076	4 989 041
Operational leasing income		35 221	36 968	108 998	114 828	152 515
Interest and similar income on comm.paper, bonds and other securities		-16 255	9 273	13 003	20 462	33 234
Total interest income and similar income		1 899 065	1 307 263	4 609 511	3 844 208	5 208 770
Interest expenses and similar expenses						
Interest and similar expenses on debt to credit institutions		94 273	151 816	302 814	492 631	614 815
Interest and similar expenses on deposits from customers		132 921	101 043	344 253	277 227	382 732
Interest and similar expenses on issued commercial papers and bonds		69 027	96 264	315 893	298 947	422 574
Interest on subordinated loan capital		49 403	44 792	141 149	138 297	215 562
Other interest expenses and similar expenses		15 307	20 098	41 265	61 060	79 850
Total interest expenses and similar expenses	5	360 931	414 013	1 145 376	1 268 162	1 715 534
Net interest and credit commission income		1 538 134	893 249	3 464 135	2 576 046	3 493 237
Commission income						
Guarantee commissions		790	417	1 957	1 368	1 650
Other commissions and fees		159 822	103 509	364 695	285 877	390 642
Total commission income and income from banking services		160 612	103 926	366 652	287 245	392 292
Commission Expenses						
Other fees and commission expenses		65 101	47 223	182 840	148 687	198 202
Total commission expenses and expenses from banking services		65 101	47 223	182 840	148 687	198 202
Net value change and gain/loss on foreign exchange and securities						
Gain on foreign exchange and securities		-	46 730	19 437	-	98 546
Loss on foreign exchange and securities		-6 463	-	-	-14 037	-
Total value change and gain/loss on foreign exchange and securities		-6 463	46 730	19 437	-14 037	98 546
Other operating income						
Other operating income		11 433	9 307	35 618	27 703	36 863
Total other operating income		11 433	9 307	35 618	27 703	36 863
Salary and administrative expenses						
Salaries, fees and other personnel expenses		379 740	172 392	780 511	496 641	624 980
<i>Of which: - Salaries</i>		<i>256 255</i>	<i>124 175</i>	<i>520 538</i>	<i>315 405</i>	<i>434 691</i>
<i>- Pensions</i>		<i>55 143</i>	<i>24 328</i>	<i>96 345</i>	<i>88 920</i>	<i>99 175</i>
<i>- Social costs</i>		<i>68 342</i>	<i>23 889</i>	<i>163 628</i>	<i>92 316</i>	<i>91 115</i>
Administrative expenses		258 619	121 564	606 248	373 931	558 999
Total salary and administrative expenses		638 359	293 956	1 386 759	870 572	1 183 979
Depreciation						
Depreciation		21 042	11 816	55 481	56 771	71 016
Impairment of intangible assets		-	-	-	131 169	131 169
Depreciation operational leasing		28 204	29 041	84 309	88 817	118 574
Total depreciation		49 247	40 858	139 791	276 757	320 759
Other operating expenses		44 996	33 374	213 463	95 087	147 731
Losses on loans, guarantees etc.						
Loan losses		344 885	208 667	637 993	520 707	849 460
Total losses on loans, guarantees etc.	4	344 885	208 667	637 993	520 707	849 460
Operating result		561 127	429 134	1 324 997	965 148	1 320 807
Taxes expense		135 126	95 045	324 146	249 082	364 400
Profit after tax		426 001	334 089	1 000 851	716 066	956 408
Allocation of profit after tax						
Transferred to other earned equity		426 001	334 089	1 000 851	716 066	956 408
Total allocations		426 001	334 089	1 000 851	716 066	956 408

Santander Consumer Bank

<i>All amounts in thousands of NOK</i>	Note	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	Financial year 2014
Profit after tax for the period		426 001	334 089	1 000 851	716 066	956 408
<i>Items not to be recycled to profit and loss</i>						
Actuarial gain/loss on post-employment benefit obligations		-752	-332	26 153	15 072	-126 581
- Tax relating to pension		7 204	955	-7 061	-3 204	34 177
<i>Items to be recycled to profit and loss</i>						
Net exchange differences on translating foreign operations		183 561	-15 902	131 258	-6 052	153 885
- Tax relating to exchange differences		-49 552	3 946	-35 431	1 287	-41 549
Value change of government bonds held for sale		-8 008	12 707	8 797	7 747	-18 305
- Tax relating to government bonds		2 162	-2 986	-2 375	-1 647	4 942
Cash flow hedge EMTN		4 109	-	-21 173	-	564
- Tax relating to cash flow hedge from EMTN		-1 109	-	5 717	-	-152
Net investment hedge		-97 206	-39 324	-83 889	-87 881	-112 533
- Tax relating to net investment hedge		26 246	5 573	22 650	18 683	30 384
Cash flow hedge SPV		4 433	-	30 272	-	-113 855
- Tax relating to cash flow hedge in SPV		-1 197	-	-8 173	-	30 741
Total comprehensive income for the period		495 890	298 726	1 067 595	660 071	798 127

Balance sheet – Assets – GROUP

<i>All amounts in thousands of NOK</i>	Note	Q3 2015	Q3 2014	Financial year 2014
Cash and receivables on central banks				
Cash and receivables on central banks		56 866	56 384	56 463
Total cash and receivables on central banks		56 866	56 384	56 463
Deposits with and receivables on financial institutions				
Deposits with and receivables on financial institutions		5 226 399	4 847 679	5 967 460
Total deposits with and loans to financial institutions		5 226 399	4 847 679	5 967 460
Loans to customers				
Credit Card		9 115 406	2 623 163	2 686 198
Unsecured loans		25 804 164	5 723 621	6 408 752
Installment loans		68 055 848	56 636 149	60 814 274
Financial leasing		14 441 096	12 410 706	13 412 702
Total loans before specific -and generic write-downs		117 416 514	77 393 639	83 321 927
- Specific write-downs		4 723 104	1 110 541	588 251
- Generic write-downs		1 953 854	1 207 779	1 028 653
Net loans	3 , 4	110 739 556	76 075 319	81 705 023
Repossessed assets		8 325	11 008	12 945
Commercial papers, bonds and other fixed-income securities				
Commercial papers and bonds	8 , 9 , 11	7 263 661	1 058 046	2 042 744
Total commercial papers, bonds and other fixed-income securities		7 263 661	1 058 046	2 042 744
Financial derivatives	9	2 150 334	311 057	2 263 768
Total financial derivatives		2 150 334	311 057	2 263 768
Ownership interests in other entities				
Other ownership interests		776	-	-
Ownership interests in other entities		776	-	-
Intangible assets				
Goodwill		758 986	446 178	496 870
Deferred tax assets		252 124	122 670	210 572
Other intangible assets		238 901	207 330	243 665
Total intangible assets		1 250 011	776 178	951 106
Fixed assets				
Machinery, fittings and vehicles		65 714	41 248	39 880
Operational leasing		420 795	414 241	468 580
Total fixed assets		486 509	455 489	508 459
Other assets				
Consignment		2 414 929	1 620 723	2 162 931
Other assets	11	24 963	248 414	285 265
Total other assets		2 439 893	1 869 137	2 448 196
Prepayments and earned income				
Prepayments and earned but not invoiced income		209 211	158 601	295 444
Total prepayments and earned income		209 211	158 601	295 444
Total assets		129 831 540	85 618 898	96 251 608

Balance sheet - Liabilities - GROUP

<i>All amounts in thousands of NOK</i>		Q3 2015	Q3 2014	Financial year 2014
	Note			
Debt to credit institutions				
Loans and deposits from credit institutions with an agreed term	11	33 930 388	28 079 618	30 351 149
Total loans and deposits from financial institutions		33 930 388	28 079 618	30 351 149
Deposits from and debt to customers				
Deposits from customers repayable on notice		36 076 469	15 122 795	18 089 036
Total deposits from customers		36 076 469	15 122 795	18 089 036
Financial derivatives	9	1 051 871	234 838	1 014 378
Total financial derivatives		1 051 871	234 838	1 014 378
Debt established by issuing securities				
Bonds and other long term loan raising	10	36 902 147	27 965 327	32 247 948
Total debt established by issuing securities		36 902 147	27 965 327	32 247 948
Other debt				
Other debt		742 817	704 507	667 940
Total other debt		742 817	704 507	667 940
Provisions and liabilities				
Incurring expenses and deferred revenue		1 522 607	946 784	895 570
Pension liabilities		426 923	213 428	346 362
Deferred tax		691 091	372 959	529 540
Total provisions and liabilities		2 640 622	1 533 171	1 771 472
Subordinated loan capital				
Subordinated loan capital	11	3 924 158	2 864 675	2 857 663
Total subordinated loan capital		3 924 158	2 864 675	2 857 663
Total liabilities		115 268 474	76 504 931	86 999 585
Paid-in equity				
Share capital		9 652 418	5 448 469	5 448 469
Share capital premium		891 314	891 314	891 314
Total paid-in equity		10 543 732	6 339 783	6 339 783
Earned equity				
Other equity		4 019 334	2 774 184	2 912 240
Total earned equity		4 019 334	2 774 184	2 912 240
Total equity	6	14 563 066	9 113 967	9 252 023
Total liabilities and equity		129 831 540	85 618 898	96 251 608

Cash Flow – GROUP

<i>All amounts in thousands of NOK</i>	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	Financial year 2014
Cash flow from operations					
Profit before income taxes	561 127	429 134	1 324 997	965 148	1 320 807
Taxes paid in the period	(90 430)	(146 962)	(401 881)	(288 457)	(288 457)
Depreciation and impairment	49 247	31 805	139 791	276 757	320 759
Change in loans to customers	(6 875 773)	(815 135)	(10 279 771)	(5 337 555)	(11 239 756)
Change in repossessed assets	3 517	2 750	4 620	7 331	5 394
Change in commercial papers and bonds	(3 777 083)	(39 597)	(12 722 649)	(62 396)	(1 047 094)
Change in financial derivatives, net.	(472 206)	311 082	150 927	484 936	(688 233)
Change in consignment and other assets	(164 768)	286 114	57 543	189 116	(389 942)
Change in prepayments and earned income	(32 527)	(3 258)	86 233	23 756	(113 087)
Change in loans and deposits from financial institutions	1 382 326	(5 559 424)	(5 301 585)	(6 381 060)	(4 109 529)
Change in loans and deposits from customers	5 595 109	2 071 470	10 867 354	5 906 752	8 872 993
Change in other debt	(460 100)	(119 071)	(362 516)	104 931	45 812
Differences in expensed pensions and payments in/out of the pension scheme	53 713	5 981	34 611	(9 643)	(11 771)
Change in other provisions	412 299	617 200	627 037	47 567	(4 733)
Net cash flow from operations	(3 815 549)	(2 927 911)	(15 775 288)	(4 072 817)	(7 326 838)
Cash flow from investments					
Net purchase/sale of fixed assets (incl. op. leasing assets)	(91 730)	(58 971)	(113 076)	(171 857)	(94 287)
Net cash flow from investments	(91 730)	(58 971)	(113 076)	(171 857)	(94 287)
Cash flow from financing					
Receipt on subordinated loan capital	311 924	6 969	350 983	7 323	-
Receipts on issued bonds	1 530 255	2 951 088	12 231 481	3 258 814	7 541 435
Paid out dividend	-	-	-	-	-
Paid in share capital	1 100 000	450 000	1 100 000	1 000 000	1 000 000
Net cash flow from financing	2 942 179	3 408 057	13 682 464	4 266 137	8 541 435
Exchange gains / (losses) on cash and cash equivalents	156 591	(24 896)	138 359	(30 988)	(5 213)
Net change in cash and cash equivalents	(808 509)	396 279	(2 067 540)	(4 762)	1 115 097
Cash and cash equivalents at the beginning of the period	4 764 891	4 507 784	6 023 922	4 908 825	4 908 825
Cash from merger on the 1.july 2015	1 326 883	-	1 326 883	-	-
Cash and cash equivalents at the end of the period	5 283 265	4 904 063	5 283 265	4 904 063	6 023 922

Equity statement – GROUP

Q3 2015

<i>All amounts in thousands of NOK</i>	Share capital	Share capital premium	Other equity (OCI)	Retained earnings	Total
Balance at 30 June 2015	5 448 469	891 314	(193 776)	3 677 721	9 823 728
Net profit for the year	-	-	-	426 001	426 001
Actuarial gain/loss on post-employment benefit obligations	-	-	(752)	-	(752)
- Tax relating to pension	-	-	7 204	-	7 204
Net exchange differences on translating foreign operations	-	-	183 561	-	183 561
- Tax relating to exchange differences	-	-	(49 552)	-	(49 552)
Value change of government bonds held for sale	-	-	(8 008)	-	(8 008)
- Tax relating to government bonds	-	-	2 162	-	2 162
Cash flow hedge EMTN	-	-	4 109	-	4 109
- Tax relating to cash flow hedge from EMTN	-	-	(1 109)	-	(1 109)
Net investment hedge	-	-	(97 206)	-	(97 206)
- Tax relating to net investment hedge	-	-	26 246	-	26 246
Cash flow hedge SPV	-	-	4 433	-	4 433
- Tax relating to cash flow hedge in SPV	-	-	(1 197)	-	(1 197)
Total comprehensive income	-	-	69 889	426 001	495 890
Capital increase	1 100 000	-	-	-	1 100 000
Equity from the merger	3 103 949	-	39 500	-	3 143 449
Balance at 30 September 2015	9 652 418	891 314	(84 387)	4 103 722	14 563 066

YTD Q3 2015

<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	-	-	-	1 000 851	1 000 851
Actuarial gain/loss on post-employment benefit obligations	-	-	26 153	-	26 153
- Tax relating to pension	-	-	(7 061)	-	(7 061)
Net exchange differences on translating foreign operations	-	-	131 258	-	131 258
- Tax relating to exchange differences	-	-	(35 431)	-	(35 431)
Value change of government bonds held for sale	-	-	8 797	-	8 797
- Tax relating to government bonds	-	-	(2 375)	-	(2 375)
Cash flow hedge EMTN	-	-	(21 173)	-	(21 173)
- Tax relating to cash flow hedge from EMTN	-	-	5 717	-	5 717
Net investment hedge	-	-	(83 889)	-	(83 889)
- Tax relating to net investment hedge	-	-	22 650	-	22 650
Cash flow hedge SPV	-	-	30 272	-	30 272
- Tax relating to cash flow hedge in SPV	-	-	(8 173)	-	(8 173)
Total comprehensive income	-	-	66 744	1 000 851	1 067 595
Capital increase	1 100 000	-	-	-	1 100 000
Equity from the merger	3 103 949	-	39 500	-	3 143 449
Balance at 30 September 2015	9 652 418	891 314	(84 387)	4 103 722	14 563 066

Financial Year 2014

<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

Santander Consumer Bank

1) Total shares registered as at September 30, 2015, was 865 244 930.

2) Restricted capital as at September 30, 2015, was NOK 9 652 M, unrestricted capital was NOK 4 911 M. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

In July 2015 the Company issued 310 394 930 shares in relations with the merger between Santander Consumer Bank AS and Santander Consumer Bank AB.

In July 2015 he company issued 110 000 000 shares in relation to a capital increase.

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.

Profit and loss account - AS

<i>All amounts in thousands of NOK</i>		Q3	Q3	YTD Q3	YTD Q3	Financial year
	Note	2015	2014	2015	2014	2014
Interest income and similar income						
Interest and similar income on loans to and receivables from credit institutions		161 947	169 901	548 688	529 447	731 905
Interest and similar income on loans to and receivables from customers		1 391 158	747 044	2 957 653	2 070 666	2 789 164
Operational leasing income		-	-	-	-	-
Interest and similar income on comm.paper, bonds and other securities		26 629	62 503	152 694	210 222	276 757
Total interest income and similar income		1 579 734	979 448	3 659 035	2 810 335	3 797 826
Interest expenses and similar expenses						
Interest and similar expenses on debt to credit institutions		76 732	122 875	242 144	393 821	490 633
Interest and similar expenses on deposits from customers		132 921	101 043	344 253	277 227	382 732
Interest and similar expenses on issued commercial papers and bonds		22 693	24 783	140 447	46 525	78 106
Interest on subordinated loan capital		56 252	53 072	156 489	157 119	210 285
Other interest expenses and similar expenses		12 518	17 142	33 092	53 158	70 121
Total interest expenses and similar expenses	5	301 115	318 915	916 424	927 850	1 231 878
Net interest and credit commission income		1 278 619	660 533	2 742 611	1 882 485	2 565 948
Commission income						
Guarantee commissions		622	417	1 522	1 292	1 573
Other commissions and fees		171 173	120 950	406 066	350 473	473 511
Total commission income and income from banking services		171 795	121 367	407 589	351 765	475 084
Commission Expenses						
Other fees and commission expenses		60 818	44 430	170 247	142 061	188 208
Total commission expenses and expenses from banking services		60 818	44 430	170 247	142 061	188 208
Net value change and gain/loss on foreign exchange and securities						
Gain on foreign exchange and securities		-	-	8 371	23 441	112 527
Loss on foreign exchange and securities		-5 436	-4 040	-	-	-
Total value change and gain/loss on foreign exchange and securities		-5 436	-4 040	8 371	23 441	112 527
Other operating income						
Other operating income		6 593	370 991	21 817	384 503	391 306
Total other operating income		6 593	370 990	21 817	384 503	391 306
Salary and administrative expenses						
Salaries, fees and other personnel expenses		356 828	152 796	711 003	436 707	545 779
<i>Of which: - Salaries</i>		<i>238 965</i>	<i>109 067</i>	<i>467 169</i>	<i>307 148</i>	<i>412 454</i>
<i>- Pensions</i>		<i>51 261</i>	<i>21 728</i>	<i>86 289</i>	<i>52 762</i>	<i>60 118</i>
<i>- Social costs</i>		<i>66 601</i>	<i>22 001</i>	<i>157 545</i>	<i>76 796</i>	<i>73 207</i>
Administrative expenses		240 967	107 456	551 415	319 309	495 726
Total salary and administrative expenses		597 795	260 252	1 262 419	756 016	1 041 505
Depreciation						
Depreciation		19 495	10 214	50 780	51 896	63 933
Impairment of intangible assets		-	-	-	131 169	131 169
Total depreciation		19 495	10 214	50 780	183 065	195 102
Other operating expenses		37 677	23 454	190 782	68 368	100 588
Losses on loans, guarantees etc.						
Loan losses		300 511	164 261	531 478	408 935	689 349
Total losses on loans, guarantees etc.	4	300 511	164 261	531 478	408 935	689 349
Operating result		435 274	646 239	974 683	1 083 749	1 330 114
Taxes expense		112 468	77 104	258 307	199 031	297 631
Profit after tax		322 806	569 134	716 376	884 718	1 032 483
Allocation of profit after tax						
Transferred to other earned equity		322 806	569 134	716 376	884 718	1 032 483
Total allocations		322 806	569 134	716 376	884 718	1 032 483

Santander Consumer Bank

<i>All amounts in thousands of NOK</i>	Note	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	Financial year 2014
Profit after tax for the period		322 806	569 134	716 376	884 718	1 032 483
<i>Items not to be recycled to profit and loss</i>						
Actuarial gain/loss on post-employment benefit obligations		-752	-332	26 153	15 072	-126 581
- Tax relating to pension		7 204	955	-7 061	-3 204	34 177
<i>Items to be recycled to profit and loss</i>						
Net exchange differences on translating foreign operations		17 321	1 632	12 653	-10 933	-24 893
- Tax relating to exchange differences		-4 667	-1 073	-3 407	2 324	6 721
Value change of government bonds held for sale		-8 008	12 707	8 797	7 747	-18 305
- Tax relating to government bonds		2 162	-2 986	-2 375	-1 647	4 942
Cash flow hedge EMTN		4 109	-	-21 173	-	564
- Tax relating to cash flow hedge from EMTN		-1 109	-	5 717	-	-152
Total comprehensive income for the period		339 064	580 037	735 679	894 077	908 956

Balance sheet – Assets – AS

<i>All amounts in thousands of NOK</i>				
	Note	Q3 2015	Q3 2014	Financial year 2014
Cash and receivables on central banks				
Cash and receivables on central banks		56 866	56 384	56 463
Total cash and receivables on central banks		56 866	56 384	56 463
Deposits with and receivables on financial institutions				
Deposits with and receivables on financial institutions		2 617 507	3 172 059	2 920 380
Total deposits with and loans to financial institutions		2 617 507	3 172 059	2 920 380
Loans to customers				
Credit Card		11 030 243	2 623 163	2 686 198
Unsecured loans		27 776 819	3 775 866	4 223 525
Installment loans		50 076 953	47 654 273	50 675 058
Financial leasing		12 915 799	11 632 274	12 489 405
Total loans before specific -and generic write-downs		101 799 814	65 685 575	70 074 187
- Specific write-downs		4 650 262	71 887	515 299
- Generic write-downs		1 619 149	938 570	718 979
Net loans	3 , 4	95 530 404	64 675 118	68 839 909
Repossessed assets		5 551	5 240	5 372
Commercial papers, bonds and other fixed-income securities				
Commercial papers and bonds	8 , 9 , 11	13 832 416	7 165 866	8 453 870
Total commercial papers, bonds and other fixed-income securities		13 832 416	7 165 866	8 453 870
Financial derivatives	9	1 074 449	136 776	1 015 493
Total financial derivatives		1 074 449	136 776	1 015 493
Ownership interests in group companies and other entities				
Ownership interest in group companies		1 236 490	1 054 025	1 173 851
Other ownership interests		776	-	-
Ownership interests in group companies and other entities		1 237 265	1 054 025	1 173 851
Intangible assets				
Goodwill		365 604	110 845	123 415
Deferred tax assets		150 279	33 654	75 846
Other intangible assets		228 000	197 994	232 023
Total intangible assets		743 883	342 493	431 284
Fixed assets				
Machinery, fittings and vehicles		58 933	35 190	33 158
Total fixed assets		58 933	35 190	33 158
Other assets				
Consignment		1 211 589	690 475	872 528
Other assets	11	4 406 396	1 374 599	1 566 469
Total other assets		5 617 986	2 065 074	2 438 996
Prepayments and earned income				
Prepayments and earned but not invoiced income		186 697	142 173	271 115
Total prepayments and earned income		186 697	142 173	271 115
Total assets		120 961 958	78 850 397	85 639 890

Balance sheet - Liabilities - AS

<i>All amounts in thousands of NOK</i>				
	Note	Q3 2015	Q3 2014	Financial year 2014
Debt to credit institutions				
Loans and deposits from credit institutions with an agreed term	11	42 833 629	43 549 719	45 376 534
Total loans and deposits from financial institutions		42 833 629	43 549 719	45 376 534
Deposits from and debt to customers				
Deposits from customers repayable on notice		36 076 469	15 122 795	18 089 036
Total deposits from customers		36 076 469	15 122 795	18 089 036
Financial derivatives	9	1 039 356	125 141	998 622
Total financial derivatives		1 039 356	125 141	998 622
Debt established by issuing securities				
Bonds and other long term loan raising	10	20 256 260	6 489 500	7 399 366
Total debt established by issuing securities		20 256 260	6 489 500	7 399 366
Other debt				
Other debt		668 030	670 422	627 149
Total other debt		668 030	670 422	627 149
Provisions and liabilities				
Incurred expenses and deferred revenue		1 428 803	818 527	777 511
Pension liabilities		426 923	213 428	346 362
Deferred tax		691 091	372 959	529 540
Total provisions and liabilities		2 546 818	1 404 914	1 653 413
Subordinated loan capital				
Subordinated loan capital	11	3 924 158	2 864 675	2 857 663
Total subordinated loan capital		3 924 158	2 864 675	2 857 663
Total liabilities		107 344 721	70 227 166	77 001 782
Paid-in equity				
Share capital		9 652 418	5 448 469	5 448 469
Share capital premium		891 314	891 314	891 314
Total paid-in equity		10 543 732	6 339 783	6 339 783
Earned equity				
Other equity		3 073 504	2 283 448	2 298 325
Total earned equity		3 073 504	2 283 448	2 298 325
Total equity	6	13 617 236	8 623 231	8 638 108
Total liabilities and equity		120 961 958	78 850 397	85 639 890

Cash Flow – AS

<i>All amounts in thousands of NOK</i>	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	Financial year 2014
Cash flow from operations					
Profit before income taxes	435 274	646 238	974 683	1 083 749	1 330 114
Taxes paid in the period	(97 597)	-	(369 048)	(271 141)	(271 141)
Depreciation and impairment	19 495	10 205	50 780	183 065	195 102
Change in loans to customers	(5 107 789)	(703 775)	(7 935 733)	(4 240 241)	(8 497 798)
Change in repossessed assets	674	(414)	(178)	72	(60)
Change in commercial papers and bonds	(2 368 027)	108 155	(4 689 217)	1 683 233	395 229
Change in financial derivatives, net.	(43 824)	15 071	(18 222)	28 367	23 130
Change in consignment and other assets	(514 307)	220 456	(3 129 750)	(941 227)	(1 315 149)
Change in prepayments and earned income	(31 777)	3 077	84 418	(20 959)	(149 900)
Change in loans and deposits from financial institutions	(2 027 563)	(2 768 049)	(11 423 729)	(7 324 370)	(5 497 555)
Change in loans and deposits from customers	5 595 109	2 071 471	10 867 354	5 906 752	8 872 993
Change in other debt	(413 476)	(237 972)	(396 512)	57 265	67 623
Differences in expensed pensions and payments in/out of the pension scheme	53 713	5 982	34 611	(9 643)	(11 771)
Change in other provisions	402 143	371 528	651 293	343 917	224 305
Net cash flow from operations	(4 097 952)	(258 027)	(15 299 250)	(3 521 161)	(4 634 878)
Cash flow from investments					
Net purchase/sale of fixed assets (incl op. leasing assets)	(39 167)	(16 003)	(61 111)	(62 668)	(87 075)
Net cash flow from investments	(39 167)	(16 003)	(61 111)	(62 668)	(87 075)
Cash flow from financing					
Receipt on subordinated loan capital	311 924	6 968	350 983	7 323	-
Receipts on issued bonds	1 530 255	207 750	12 231 481	2 784 486	3 694 352
Paid out dividend	-	-	-	-	-
Paid in share capital	1 100 000	450 000	1 100 000	1 000 000	1 000 000
Net cash flow from financing	2 942 179	664 718	13 682 464	3 791 809	4 694 352
Exchange gains / (losses) on cash and cash equivalents	50 459	4 320	48 544	(3 747)	(19 768)
Net change in cash and cash equivalents	(1 144 481)	395 008	(1 629 353)	204 232	(47 369)
Cash and cash equivalents at the beginning of the period	2 491 971	2 833 535	2 976 843	3 024 211	3 024 211
Cash from merger on the 1.july 2015	1 326 883	-	1 326 883	-	-
Cash and cash equivalents at the end of the period	2 674 373	3 228 443	2 674 373	3 228 443	2 976 843

Equity statement – AS

Q3 2015

<i>All amounts in thousands of NOK</i>	Share capital	Share capital premium	Other equity (OCI)	Retained earnings	Total
Balance at 30 June 2015	5 448 469	891 314	(225 870)	2 920 811	9 034 723
Profit for the period	-	-	-	322 806	322 806
Actuarial gain/loss on post-employment benefit obligations	-	-	(752)	-	(752)
- Tax relating to pension	-	-	7 204	-	7 204
Conversion differences foreign currencies (branches)	-	-	17 321	-	17 321
- Tax relating to exchange differences	-	-	(4 667)	-	(4 667)
Value change of government bonds held for sale	-	-	(8 008)	-	(8 008)
- Tax relating to government bonds	-	-	2 162	-	2 162
Cash flow hedge EMTN	-	-	4 109	-	4 109
- Tax relating to cash flow hedge from EMTN	-	-	(1 109)	-	(1 109)
Total comprehensive income	-	-	16 259	322 806	339 064
Capital increase	1 100 000	-	-	-	1 100 000
Equity from the merger	3 103 949	-	39 500	-	3 143 449
Balance at 30 September 2015	9 652 418	891 314	(170 112)	3 243 616	13 617 236

YTD Q3 2015

<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	-	-	-	716 376	716 376
Actuarial gain/loss on post-employment benefit obligations	-	-	26 153	-	26 153
- Tax relating to pension	-	-	(7 061)	-	(7 061)
Conversion differences foreign currencies (branches)	-	-	12 653	-	12 653
- Tax relating to exchange differences	-	-	(3 407)	-	(3 407)
Value change of government bonds held for sale	-	-	8 797	-	8 797
- Tax relating to government bonds	-	-	(2 375)	-	(2 375)
Cash flow hedge EMTN	-	-	(21 173)	-	(21 173)
- Tax relating to cash flow hedge from EMTN	-	-	5 717	-	5 717
Total comprehensive income	-	-	19 304	716 376	735 679
Capital increase	1 100 000	-	-	-	1 100 000
Equity from the merger	3 103 949	-	39 500	-	3 143 449
Balance at 30 September 2015	9 652 418	891 314	(170 112)	3 243 616	13 617 236

Financial Year 2014

<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
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 at September 30, 2015, was 865 244 930.

2) Restricted capital as at September 30, 2015, was NOK 9 652 M, unrestricted capital was NOK 4 911 M. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

In July 2015 the Company issued 310 394 930 shares in relations with the merger between Santander Consumer Bank AS and Santander Consumer Bank AB. In July 2015 the company issued 110 000 000 shares in relation to a capital increase. 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.

Santander Consumer Bank

Lysaker, 4th November 2015

The Board of Directors of Santander Consumer Bank

Erik Kongelf
(Chairman)

Bruno Montalvo Wilmot
(Deputy Chairman)

Manuel Angel Menendez
Barrero

Francisco Javier Anton San
Pablo

Niels Christian Aall

Henning Strøm

Vibeke Hamre Krey
(Employee Representative)

Ola Tillberg
(Employee Representative)

Michael Hvidsten
(Chief Executive Officer)



**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 third quarter of 2015 are prepared in accordance with IAS 34 Interim Financial reporting as endorsed by EU.

The annual report for 2014 may be obtained by contacting Santander Consumer Bank AS, Strandveien 18, Lysaker – or by visiting www.santander.no.

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.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014, with the exception of changes in methodology that are required in determining the provision for income taxes. The estimates and assumptions that are deemed critical to the consolidated financial statements are listed in the Santander Consumer Bank 2014 annual report.

The merger between SCB AS and SCB AB is presented at an entity level merger to continuity. The assets and liabilities are carried forward to book value. The merger will be accounted from the legal merger date (1st of July), and the P&L from the liquidated entity was allocated towards equity in the merged entity. Historic comparable figures will not be disclosed. The Bank use NRS 9 as a basis for this treatment (IAS 8.12).

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>	Balance			Write Downs		
	30.09.2015	30.09.2014	31.12.2014	Q3 2015	Q3 2014	31.12.2014
Current - not past due date	104 623 263	71 416 658	77 161 711	1 102 268	602 684	864 729
Current - past due date	6 032 871	4 797 495	4 885 829	285 039	158 826	168 900
Total impaired loans	6 760 380	1 179 487	1 274 387	5 289 651	556 809	583 274
Total loans	117 416 514	77 393 639	83 321 927	6 676 958	1 318 319	1 616 904
<i>Ageing of past due but not impaired loans</i>	30.09.2015	30.09.2014	31.12.2014	Q3 2015	Q3 2014	31.12.2014
Ageing of past due but not impaired loans						
1 - 29 days	4 798 594	3 804 846	3 876 728	132 612	62 326	67 404
30 - 59 days	926 635	738 432	760 961	83 091	53 087	55 694
60 - 89 days	307 643	254 217	248 140	69 335	43 413	45 803
Total loans due but not impaired	6 032 871	4 797 495	4 885 829	285 039	158 826	168 900
<i>Ageing of impaired loans</i>	30.09.2015	30.09.2014	31.12.2014	Q3 2015	Q3 2014	31.12.2014
90 - 119 days	172 247	133 294	128 756	68 045	41 332	44 184
120 - 149 days	150 949	65 655	82 975	86 481	27 605	29 340
150 - 179 days	130 809	63 173	60 187	84 899	25 246	25 866
180 + days	5 484 549	537 782	500 576	4 739 287	288 580	283 373
Economic doubtful*	821 826	379 582	501 893	310 939	174 047	200 511
Total impaired loans	6 760 380	1 179 487	1 274 387	5 289 651	556 809	583 274

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

After the acquisition of GE Money Bank AB, the SCB portfolio now consists of 71% of Auto Finance and 29% 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

	30.09.2015	30.09.2014	31.12.2014		
Specific - write-downs					
Individual write-downs 01.01.	588 251	92 045	92 045		
+/- Rate adjustment opening balance	209 176	2 725	7 782		
+ Acquired through legal merger 01.07	4 267 387				
Reclassification between specific and generic write down	-351 696		467 333		
+ Individual write-downs for the period	9 985	15 771	21 091		
= Specific write-downs period end	4 723 104	110 541	588 251		
Group write-downs					
Group write-downs 01.01	1 028 653	1 061 253	1 061 253		
+/- Rate adjustment opening balance	87 650	-20 031	35 757		
+ Acquired through legal merger 01.07	372 937				
Reclassification between specific and generic write down	351 696		-467 333		
+/- Write-downs for the year	112 918	166 557	398 976		
= Generic write-downs period end	1 953 854	1 207 779	1 028 653		
Total Write down in Balance Sheet	6 676 958	1 318 320	1 616 904		
Loan losses expenses	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	31.12.2014
Change in write down 2014	103 572	64 930	151 643	165 022	463 606
+/- Fx rate adjustment opening balance	-44 345	17 536	-28 740	17 306	-43 539
+ Total recognized losses	348 725	145 055	691 917	452 963	617 492
- Recoveries on recognized losses	-63 067	-18 854	-176 827	-114 584	-188 100
= Loan losses in the period	344 885	208 667	637 993	520 707	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 third quarter of 2015. Average interest is calculated as actual interest expense through the year in percent of weighted average balance.

All amounts in million NOK

	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	2014
To credit institutions					
Interest expenses	94	152	303	493	615
Average loan	28 799	30 578	32 141	31 270	32 406
Average nominal interest rate	1,31 %	1,99 %	1,26 %	2,10 %	1,90 %
To deposit holders					
Interest expenses	133	101	344	277	383
Average deposit	29 719	14 087	27 083	12 169	13 653
Average nominal interest rate	1,79 %	2,87 %	1,69 %	3,04 %	2,80 %
To bondholders					
Interest expenses	69	96	316	299	423
Average issued notes and bonds	36 510	26 490	34 575	26 336	28 477
Average nominal interest rate	0,76 %	1,45 %	1,22 %	1,51 %	1,48 %
Subordinated loan capital					
Interest expenses	49	45	141	138	216
Average subordinated loan capital	3 410	2 861	3 391	2 861	15 858
Average nominal interest rate	5,79 %	6,26 %	5,55 %	6,45 %	1,36 %
Total					
Interest expenses	346	394	1 104	1 207	1 636
Loan	98 438	74 016	97 189	72 637	90 393
Average nominal interest rate	1,40 %	2,13 %	1,51 %	2,22 %	1,81 %

6. Capital adequacy

<i>All amounts in thousands of NOK</i>	30.09.2015	30.09.2014	31.12.2014
Balance sheet equity			
<i>Paid in equity</i>	9 652 418	5 448 469	5 448 469
<i>Share premium</i>	891 314	891 314	891 314
<i>Retained earnings</i>	3 102 871	2 146 463	2 146 463
<i>Profit of the year</i>	1 000 851	716 066	956 408
<i>Other reserves</i>	(84 387)	(88 345)	(190 631)
<i>Total Equity</i>	14 563 066	9 113 967	9 252 023
Common Equity Tier 1 Capital			
<i>Cash-flow hedge adjustment</i>	(6 642)		
<i>(-) Year to date profit not-eligible (Not audited)</i>	(1 000 851)	(716 066)	-
<i>Goodwill</i>	(758 986)	(446 178)	(496 870)
<i>Other intangible assets</i>	(238 901)	(207 330)	(243 665)
<i>Deferred tax assets</i>	(252 124)	(122 670)	(210 572)
<i>Total common Equity Tier 1 Capital</i>	12 305 563	7 621 723	8 300 916
Tier 1 Capital			
<i>Paid in Tier 1 capital instruments</i>	2 250 000	2 250 000	2 250 000
<i>Total Tier 1 Capital</i>	14 555 563	9 871 723	10 550 916
Total Capital			
<i>Paid up subordinated loans</i>	1 576 170	575 170	575 170
<i>Subordinated loans not eligible</i>	(228 000)	(218 000)	(234 000)
<i>Total Capital</i>	15 903 733	10 228 893	10 892 086
Risk exposure			
<i>Regional governments or local authorities</i>	64 970	70 900	71 116
<i>Institutions</i>	1 448 491	1 252 140	1 659 640
<i>Corporates</i>	5 416 494	5 127 399	5 556 252
<i>Retail</i>	80 060 267	54 419 683	58 168 760
<i>Exposures in default</i>	1 869 425	605 683	686 137
<i>Covered bonds</i>	451 251		
<i>Other Exposures</i>	3 839 601	2 494 235	3 265 045
<i>Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries</i>	93 150 501	63 970 040	69 406 949
<i>Foreign exchange (zero if under threshold)</i>		321 689	353 540
<i>Risk exposure amount for position, foreign exchange and commodities risks</i>	-	321 689	353 540
<i>Basic indicator approach</i>	6 076 410	5 334 296	6 084 906
<i>Risk exposure amount for operational risk</i>	6 076 410	5 334 296	6 084 906
<i>Standardized method</i>	207 398	103 374	289 340
<i>Risk exposure amount for credit valuation adjustment</i>	207 398	103 374	289 340
<i>Allowance which apply on the standardized approach for credit risk (Since Q3 2014 it has been included in Credit Risk risk weighted exposure)</i>			
<i>Deductions of risk exposure amount</i>	-	-	-
Total risk exposure amount	99 434 309	69 729 398	76 134 735
Core equity tier 1 capital ratio	12,38 %	10,93 %	10,90 %
Tier 1 capital ratio	14,64 %	14,16 %	13,86 %
Total capital ratio	15,99 %	14,67 %	14,31 %

Financial information in accordance with the capital requirement regulation is published at www.santander.no. Pillar 3 information is 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 are 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, credit cards and deposits.

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

Finland - car financing, leasing, consignment and consumer loans

30 September 2015 (Only Q3)

<i>All amounts in thousands of NOK</i>	Norway	Sweden	Denmark	Finland	Eliminations*	Total Group
Net interest income	662 023	349 230	303 554	212 724	10 602	1 538 133
Net commission income and income from banking services	27 704	25 876	34 105	7 826	-	95 511
Value change and gain/loss on foreign exchange and securities	(8 967)	894	(372)	-	1 981	(6 464)
Other operating income	5 634	1 741	228	3 830	-	11 433
Operating expenses, salaries, depreciation	(321 572)	(196 280)	(137 689)	(77 061)	-	(732 602)
Losses on loans, guarantees etc.	(235 600)	(40 145)	(35 090)	(34 050)	-	(344 885)
Operating result	129 223	141 315	164 736	113 269	12 583	561 127
Total tax	(33 236)	(38 155)	(44 479)	(22 654)	3 398	(135 126)
Profit after tax	95 987	103 160	120 257	90 616	15 981	426 001

30 September 2015 (YTD)

<i>All amounts in thousands of NOK</i>	Norway	Sweden	Denmark	Finland	Eliminations*	Total Group
Net interest income	1 639 557	582 503	638 886	603 188	-	3 464 135
Net commission income and income from banking services	49 665	50 777	61 235	22 135	-	183 813
Value change and gain/loss on foreign exchange and securities	-2 182	894	-525	-	21 250	19 437
Other operating income	16 880	4 938	2 828	10 971	-	35 618
Operating expenses, salaries, depreciation	-884 615	-341 266	-280 297	-233 833	-	(1 740 012)
Losses on loans, guarantees etc.	-374 959	-96 218	-93 418	-73 398	-	(637 993)
Operating result	444 346	201 627	328 710	329 064	21 250	1 324 997
Total tax	-120 879	-54 439	-88 752	-65 813	5 738	(324 146)
Profit after tax	323 466	147 188	239 958	263 251	26 988	1 000 851
Cash and receivables on central banks	56 866	-	-	-	-	56 866
Deposits with and loans to financial institutions	3 171 598	954 557	545 395	554 850	-	5 226 399
Net loans	45 715 959	27 231 115	22 583 160	15 209 323	-	110 739 556
Repossessed assets	5 551	-	-	2 775	-	8 325
Commercial papers and bonds	4 092 677	1 871 740	1 299 244	-	-	7 263 661
Financial derivatives	2 141 052	(2 732)	12 013	-	-	2 150 334
Ownership interests in group companies and other entities	1 236 703	562	-	-	(1 236 490)	776
Other assets	11 633 825	921 181	659 751	1 852 416	(10 681 550)	4 385 623
Total assets	68 054 230	30 976 423	25 099 563	17 619 364	(11 918 040)	129 831 540
Debt to credit institutions	9 944 832	6 616 798	16 130 964	12 250 575	(11 012 780)	33 930 388
Deposits from customers	13 790 805	14 723 244	7 562 420	-	-	36 076 469
Financial derivatives	1 039 356	-	12 515	-	-	1 051 871
Debt issued by securities	24 724 506	8 065 862	803 023	3 308 755	-	36 902 147
Other liabilities	5 137 180	1 478 670	475 663	251 000	(34 914)	7 307 598
Equity	13 417 552	91 849	114 977	1 809 033	(870 345)	14 563 066
Total liabilities and equity	68 054 230	30 976 423	25 099 563	17 619 364	(11 918 040)	129 831 540

8. Classification of financial instruments

All amounts in thousands of NOK

Classification of financial assets 30 September 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	-	-	-	56 866	56 866
Deposits with and receivables on financial institutions	-	-	-	5 226 399	5 226 399
Net loans to costumers	-	-	-	110 739 556	110 739 556
Commercial papers and bonds	-	7 263 661	-	-	7 263 661
Financial derivatives	2 150 334	-	-	-	2 150 334
Ownership interests in other entities	-	776	-	-	776
Consignments	-	-	-	2 414 929	2 414 929
Other Assets	-	-	-	24 963	24 963
Total financial assets	2 150 334	7 264 437	-	118 462 714	127 877 484

Non-financial assets 1 954 056

Total assets 129 831 540

Classification of financial liabilities 30 September 2015	Financial liabilities at fair value through P&L	Financial liabilities measured at amortized cost	Booked value
Loans and deposits from credit institutions	-	33 930 388	33 930 388
Deposits from and debt to customers repayable on notice	-	36 076 469	36 076 469
Financial derivatives	1 051 871	-	1 051 871
Bonds and other long term loan raising	-	36 902 147	36 902 147
Other subordinated loan capital	-	3 924 158	3 924 158
Total financial liabilities	1 051 871	110 833 163	111 885 034

Non-financial liabilities and equity 17 946 506

Total liabilities 129 831 540

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 with and receivables on financial institutions	-	-	-	5 967 460	5 967 460
Net loans to costumers	-	-	-	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 from and debt to customers 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

9. Valuation hierarchy

Financial instruments measured at fair value

<i>All amounts in million NOK</i>		Quoted	Using	With	Total
		market price Level 1	observable inputs Level 2	significant unobservable inputs Level 3	
Financial assets					
<i>Name</i>	<i>Type</i>				
Bilkreditt 3	Front swap BK3	-	46 602	-	46 602
Bilkreditt 4	Front swap BK4	-	195 187	-	195 187
Bilkreditt 4	Fixed amort.profile BK4	-	206 120	-	206 120
Bilkreditt 5	Front swap BK5	-	230 748	-	230 748
Bilkreditt 5	Fixed amort.profile BK5	-	237 002	-	237 002
Bilkreditt 6	Front swap BK6	-	603 347	-	603 347
Bilkreditt 6	Fixed amort.profile BK6	-	618 224	-	618 224
TIVOLI	Basis swap (Back)	-	12 013	-	12 013
EMTN Bond	DKK fixed to float	-	3 823	-	3 823
EMTN Bond	EMTN SEK	-	-2 732	-	-2 732
Total financial derivatives		-	2 150 334	-	2 150 334
Government bonds and Treasury Bills	Bonds	2 751 150		-	2 751 150
Covered Bonds	Bonds	4 512 511		-	4 512 511
Total commercial papers and bonds		7 263 661		-	7 263 661
Total		7 263 661	2 150 334	-	9 413 995
Financial liabilities					
<i>Name</i>	<i>Type</i>				
Bilkreditt 4	Pass-through swap BK4	-	195 187	-	195 187
Bilkreditt 5	Pass-through swap BK5	-	230 748	-	230 748
Bilkreditt 6	Pass-through swap BK6	-	603 347	-	603 347
TIVOLI	Basis swap (Front)	-	12 515	-	12 515
EMTN Bond	DKK fixed to fixed	-	4 580	-	4 580
EMTN2 Bond	DKK fixed to fixed	-	971	-	971
EMTN2 Bond	DKK Fixed to float	-	4 523	-	4 523
Total financial derivatives		-	1 051 871	-	1 051 871
Total		-	1 051 871	-	1 051 871

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

<i>All amounts in thousands NOK</i>	30.09.15	30.09.14	31.12.14
Senior unsecured issued securities	20 256 260	6 489 500	7 399 366
Asset backed issued securities	16 645 887	21 475 827	24 848 582
Total issued securities	36 902 147	27 965 327	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)

An additional NOK 200 000 (thousands NOK) was issued on the Oslo Stock exchange in May

Santander Consumer Bank AS issued bonds on the Irish stock exchange in April to a value of EUR 750 M (6 593 250 thousands NOK)

Santander Consumer Bank AS issued bonds on Stockholm stock exchange in June to a value of SEK 2 000 M (1 907 976 thousands NOK)

Santander Consumer Bank AS issued bonds on the Irish stock exchange in July to a value of EUR 170 M (1 530 255 thousands NOK)

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

11. Receivables and liabilities to related parties

Debt to related parties:

<i>Amounts in thousands of NOK</i>	30.09.15	30.09.14	31.12.14
Balance sheet line: "Loans and deposits from credit institutions with an agreed term"			
<i>Santander Benelux</i>	14 187 648	18 596 278	21 633 569
<i>Santander Consumer Finance S.A.</i>	17 875 938	9 483 340	7 380 931
<i>Banco Madesant</i>	1 866 802		
Total	33 930 388	28 079 618	29 014 500
Balance sheet line: "Subordinated loan capital" - Bonds			
MNOK 180, maturity September 2016, 3 months NIBOR +0.55% (Banco Santander S.A)	180 000	180 000	180 000
MNOK 80, maturity October 2017, 3 months NIBOR +1.75% (Santander Consumer Finance S.A)	80 000	80 000	80 000
MNOK 250, maturity March 2025, 3 months NIBOR + 2.258% (Santander Consumer Finance S.A)	250 000	210 000	210 000
MEUR 13 maturity December 2020 12 months EURIBOR +3,20% (Santander Consumer Finance S.A)	123 819	105 183	117 546
Hybrid capital - perpetual bond, 3M NIBOR + 6,50% (Santander Consumer Finance S.A)	2 281 040	2 289 492	2 250 000
MNOK 250, maturity July 2025, 3 months NIBOR+3.135% (Santander Consumer Finance S.A)	250 000	-	-
MSEK 750, maturity December 2024, 3 months STIBOR+2.283% (Santander Consumer Finance S.A)	759 300	-	-
Total	3 924 159	2 864 675	2 837 546

The interest rate on intercompany loans are priced in accordance with marked conditions for parties at arm's length. Financial information in accordance with the capital requirement regulation is published at www.santander.no

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 is 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:

	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	Financial year 2014
Interest income	7 747	659	17 414	13	306 501
Interest expenses	(234 380)	(207 537)	(530 867)	(659 430)	(1 004 749)
Fees	84 879	25 856	209 552	87 818	2 806
Net transactions	(141 754)	(181 022)	(303 901)	(571 600)	(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.
Banco Madesant

13. Merger

On July 1, the legal cross border merger with the sister company Santander Consumer Bank AB, organizational number 516401-9936 ("AB") was completed. At the completion of the merger, all assets and liabilities of AB was transferred to SCB AS measured at the Group book values (i.e. book values according to IFRS) as of the merger date. As consideration for the net assets transferred to SCB AS, SCB AS issued 310 394 930 new shares to its parent company Santander Consumer Finance S.A. The issued shares has a nominal value of NOK 10, increasing the share capital in SCB AS with KNOK 3 103 949. The merger lead to a merger difference of KNOK 39 805 recognized in other equity.

The table below summarizes the assets and liabilities recognized in the balance sheet of SCB AS at the date of the merger.

<i>All amounts in thousands NOK</i>	1 July 2015
Deposits with and loans to financial institutions	1 326 883
Net loans	18 754 762
Goodwill	218 172
Deferred tax assets	81 547
Other intangible- and fixed assets	11 422
Other assets	49 240
Total assets	20 442 025
Loans and deposits from financial institutions	8 880 824
Deposits from customers	7 120 079
Other debt	437 394
Deferred tax liability	47 620
Provision for pension	96 842
Subordinated loan capital	715 512
Total liabilities	17 298 271
Net assets transferred to SCB AS	3 143 754
Share issuance	-3 103 949
Merger difference	39 805

In the income statement of SCB AS, only income and expenses from the operations of the former AB from the merger date (July 1, 2015) and onwards are included.



**Santander Consumer Bank AS
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 third quarter of 2015 are prepared in accordance with IAS 34 Interim Financial reporting as endorsed by EU.

The annual report for 2014 may be obtained by contacting Santander Consumer Bank AS, Strandveien 18, Lysaker – or by visiting www.santander.no.

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.

In preparing these condensed interim financial statements, the significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014, with the exception of changes in methodology that are required in determining the provision for income taxes. The estimates and assumptions that are deemed critical to the consolidated financial statements are listed in the Santander Consumer Bank 2014 annual report.

The merger between SCB AS and SCB AB is presented at an entity level merger to continuity. The assets and liabilities are carried forward to book value. The merger will be accounted from the legal merger date (1st of July), and the P&L from the liquidated entity was allocated towards equity in the merged entity. Historic comparable figures will not be disclosed. The Bank use NRS 9 as a basis for this treatment (IAS 8.12).

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>	30.09.2015	Balance		Q3 2015	Write Downs	
		30.09.2014	31.12.2014		Q3 2014	31.12.2014
Current - not past due date	90 447 024	61 095 493	65 220 780	815 129	409 307	609 194
Current - past due date	4 714 892	3 537 319	3 713 251	237 126	112 104	114 761
Total impaired loans	6 637 898	1 052 763	1 140 156	5 217 155	489 046	510 323
Total loans	101 799 814	65 685 575	70 074 187	6 269 410	1 010 457	1 234 278

<i>Ageing of past due loans</i>	30.09.2015	30.09.2014	31.12.2014	Q3 2015	Q3 2014	31.12.2014
1 - 29 days	3 682 425	2 807 426	2 968 726	107 925	44 019	46 100
30 - 59 days	766 276	564 339	577 324	70 398	38 193	39 197
60 - 89 days	266 192	165 555	167 201	58 803	29 891	29 463
Total loans due but not impaired	4 714 892	3 537 319	3 713 251	237 126	112 104	114 761

<i>Ageing of impaired loans</i>	30.09.2015	30.09.2014	31.12.2014	Q3 2015	Q3 2014	31.12.2014
90 - 119 days	153 527	92 247	90 674	57 605	25 289	24 527
120 - 149 days	133 455	58 070	67 818	77 368	21 074	21 310
150 - 179 days	123 509	53 052	48 044	78 399	19 203	19 567
180 + days	5 484 341	536 766	499 775	4 738 761	288 336	282 738
Economic doubtful*	743 065	312 627	433 845	265 022	135 143	162 181
Total impaired loans	6 637 898	1 052 763	1 140 156	5 217 155	489 046	510 323

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

After the acquisition of GE Money Bank AB, the SCB portfolio now consists of 71% of Auto Finance and 29% 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

	30.09.2015	30.09.2014	31.12.2014		
Specific - write-downs					
Individual write-downs 01.01.	515 299	55 498	55 498		
+/- Rate adjustment opening balance	184 492	1 649	2 051		
+ Acquired through legal merger 01.07	4 267 387	-	-		
Reclassification between specific and generic write down	-351 696	-	433 522		
+ Individual write-downs for the period	34 779	14 740	24 228		
= Specific write-downs period end	4 650 261	71 887	515 299		
Generic write-downs					
Group write-downs 01.01	718 979	787 172	787 172		
+/- Rate adjustment opening balance	91 577	-9 772	12 693		
+ Acquired through legal merger 01.07	372 937	-	-		
Reclassification between specific and generic write down	351 696	-	(433 522)		
+/- Write-downs for the year	83 960	161 170	352 636		
= Generic write-downs period end	1 619 149	938 570	718 979		
Total Write down in Balance Sheet	6 269 410	1 010 457	1 234 278		
Loan losses expenses	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	31.12.2014
Change in write down 2015	84 510	81 238	126 721	167 787	391 608
+/- Fx rate adjustment opening balance	(13 240)	6 663	(7 982)	8 123	(14 744)
+ Total recognized losses	287 745	91 905	523 095	291 484	402 251
- Recoveries on recognized losses	(58 503)	(15 545)	(110 356)	(58 459)	(89 766)
= Loan losses	300 511	164 261	531 478	408 935	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 third quarter of 2015. Average interest is calculated as actual interest expense through the year in percent of weighted average balance.

All amounts in million NOK

	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	2014
To credit institutions					
Interest expenses	77	123	242	394	491
Average loan	39 407	44 838	44 105	47 212	48 125
Average nominal interest rate	0,78 %	1,10 %	0,73 %	1,11 %	1,02 %
To deposit holders					
Interest expenses	133	101	344	277	383
Average deposit	29 719	14 087	27 083	12 169	13 653
Average nominal interest rate	1,79 %	2,87 %	1,69 %	3,04 %	2,80 %
To bondholders					
Interest expenses	23	25	140	47	78
Average issued notes and bonds	19 037	6 386	13 828	5 097	5 552
Average nominal interest rate	0,48 %	1,55 %	1,35 %	1,22 %	1,41 %
Subordinated loan capital					
Interest expenses	56	53	156	157	210
Average subordinated loan capital	3 410	2 861	3 391	2 861	2 858
Average nominal interest rate	6,60 %	7,42 %	6,15 %	7,32 %	7,36 %
Total					
Interest expenses	289	302	883	875	1 162
Loan	91 574	68 172	88 407	67 340	70 188
Average nominal interest rate	1,26 %	1,77 %	1,33 %	1,73 %	1,66 %

6. Capital adequacy

<i>All amounts in thousands of NOK</i>		30.09.2015	30.09.2014	31.12.2014
Balance sheet equity				
	<i>Paid in equity</i>	9 652 418	5 448 469	5 448 469
	<i>Share premium</i>	891 314	891 314	891 314
	<i>Retained earnings</i>	2 527 241	1 494 758	1 494 758
	<i>Profit of the year</i>	716 376	884 718	1 032 483
	<i>Other reserves</i>	(170 112)	(96 028)	(228 915)
	Total Equity	13 617 236	8 623 231	8 638 108
Common Equity Tier 1 Capital				
	<i>Cash-flow hedge adjustment</i>	-	-	-
	<i>(-) Year to date profit not-eligible (Not audited)</i>	(716 376)	(884 718)	-
	<i>Goodwill</i>	(365 604)	(110 845)	(123 415)
	<i>Other intangible assets</i>	(228 000)	(197 994)	(232 023)
	<i>Deferred tax assets</i>	(150 279)	(33 654)	(75 846)
	Total common Equity Tier 1 Capital	12 156 978	7 396 019	8 206 825
Tier 1 Capital				
	<i>Paid in Tier 1 capital instruments</i>	2 250 000	2 250 000	2 250 000
	Total Tier 1 Capital	14 406 978	9 646 019	10 456 825
Total Capital				
	<i>Paid up subordinated loans</i>	1 576 170	575 170	575 170
	<i>Subordinated loans not eligible</i>	(228 000)	(218 000)	(234 000)
	Total Capital	15 755 148	10 003 189	10 797 995
Risk exposure				
	<i>Regional governments or local authorities</i>	63 791	69 326	70 167
	<i>Institutions</i>	1 628 376	3 031 044	1 872 856
	<i>Corporates</i>	13 277 088	4 558 712	11 434 287
	<i>Retail</i>	68 408 971	46 057 755	48 735 876
	<i>Exposures in default</i>	1 818 025	546 723	624 858
	<i>Covered bonds</i>	451 251	-	-
	<i>Other Exposures</i>	7 024 413	2 247 677	2 748 641
	Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	92 671 916	56 511 237	65 486 684
	<i>Foreign exchange (zero if under threshold)</i>	-	-	-
	Risk exposure amount for position, foreign exchange and commodities risks	-	-	-
	<i>Basic indicator approach</i>	4 971 326	4 189 380	5 010 803
	Risk exposure amount for operational risk	4 971 326	4 189 380	5 010 803
	<i>Standardized method (introduced September 2014)</i>	207 398	103 374	289 340
	Risk exposure amount for credit valuation adjustment	207 398	103 374	289 340
	<i>Allowance which apply on the standardized approach for credit risk (Since Q3 2014 it has been included in Credit Risk risk weighted exposure)</i>	-	-	-
	Deductions of risk exposure amount	-	-	-
	Total risk exposure amount	97 850 639	60 803 991	70 786 827
	Core equity tier 1 capital ratio	12,42 %	12,16 %	11,59 %
	Tier 1 capital ratio	14,72 %	15,86 %	14,77 %
	Total capital ratio	16,10 %	16,45 %	15,25 %

Financial information in accordance with the capital requirement regulation is published at www.santander.no. Pillar 3 information is 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 are 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, credit cards and deposits.

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

30 September 2015 (Only Q3)

<i>All amounts in thousands of NOK</i>	Norway	Sweden	Denmark	Eliminations*	Total Group
Net interest income	644 535	341 372	292 712	-	1 278 619
Net commission income and income from banking services	39 552	32 356	39 069	-	110 977
Value change and gain/loss on foreign exchange and securities	(8 973)	894	2 644	-	(5 436)
Other operating income	5 634	1 741	(782)	-	6 593
Operating expenses, salaries, depreciation	(321 002)	(196 280)	(137 686)	-	(654 967)
Losses on loans, guarantees etc.	(230 523)	(38 767)	(31 221)	-	(300 511)
Operating result	129 223	141 315	164 736	-	435 274
Total tax	(29 834)	(38 155)	(44 479)	-	(112 468)
Profit after tax	99 389	103 160	120 257	-	322 806

30 September 2015 (YTD)

<i>All amounts in thousands of NOK</i>	Norway	Sweden	Denmark	Eliminations*	Total Group
Net interest income	1 579 204	558 676	604 731	-	2 742 611
Net commission income and income from banking services	90 171	70 033	77 138	-	237 342
Value change and gain/loss on foreign exchange and securities	(1 279)	894	8 756	-	8 371
Other operating income	16 880	4 938	(1)	-	21 817
Operating expenses, salaries, depreciation	(882 420)	(341 266)	(280 294)	-	(1 503 980)
Losses on loans, guarantees etc.	(358 209)	(91 648)	(81 620)	-	(531 478)
Operating result	444 346	201 627	328 710	-	974 683
Total tax	(115 116)	(54 439)	(88 752)	-	(258 307)
Profit after tax	329 229	147 188	239 958	-	716 376

Cash and receivables on central banks	56 866	-	-	-	56 866
Deposits with and loans to financial institutions	1 532 764	682 249	402 495	-	2 617 507
Net loans	45 715 959	27 231 154	22 583 292	-	95 530 404
Repossessed assets	5 551	-	-	-	5 551
Commercial papers and bonds	7 258 981	3 000 418	3 573 017	-	13 832 416
Financial derivatives	1 065 168	(2 732)	12 013	-	1 074 449
Ownership interests in group companies and other entities	1 236 703	562	-	-	1 237 265
Other assets	4 943 145	930 762	708 489	25 104	6 607 500
Total assets	61 815 136	31 842 412	27 279 305	25 104	120 961 958

Debt to credit institutions	11 736 531	12 004 154	19 065 798	27 146	42 833 629
Deposits from customers	13 790 805	14 723 244	7 562 420	-	36 076 469
Financial derivatives	1 039 356	-	-	-	1 039 356
Debt issued by securities	16 712 860	3 543 400	-	-	20 256 260
Other liabilities	5 124 072	1 479 783	536 119	(968)	7 139 007
Equity	13 411 511	91 832	114 968	(1 075)	13 617 236
Total liabilities and equity	61 815 136	31 842 412	27 279 305	25 104	120 961 958

* 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 30 September 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	-	-	-	56 866	56 866
Deposits with and receivables on financial institutions	-	-	-	2 617 507	2 617 507
Net loans to costumers	-	-	-	95 530 404	95 530 404
Commercial papers and bonds	-	7 263 661	6 568 755	-	13 832 416
Financial derivatives	1 074 449	-	-	-	1 074 449
Ownership interests in group companies and other entities	1 236 490	776	-	-	1 237 265
Consignments	-	-	-	1 211 589	1 211 589
Other Assets	-	-	-	4 406 396	4 406 396
Total financial assets	2 310 939	7 264 437	6 568 755	103 822 763	119 966 894
				Non-financial assets	995 064
				Total assets	120 961 958
Classification of financial liabilities 30 September 2015	Financial liabilities at fair value through P&L	Financial liabilities measured at amortized cost	Booked value		
Loans and deposits from credit institutions	-	42 833 629	42 833 629		
Deposits from and debt to customers repayable on notice	-	36 076 469	36 076 469		
Financial derivatives	1 039 356	-	1 039 356		
Bonds and other long term loan raising	-	20 256 260	20 256 260		
Subordinated loan capital	-	3 924 158	3 924 158		
Total financial liabilities	1 039 356	103 090 517	104 129 873		
				Non-financial liabilities and equity	16 832 085
				Total liabilities	120 961 958
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 with and receivables on 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 from and debt to customers 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	-	206 120	-	206 120
Bilkreditt 5	Fixed amort.profile BK5	-	237 002	-	237 002
Bilkreditt 6	Fixed amort.profile BK6	-	618 224	-	618 224
TIVOLI	Basis swap (Back)	-	12 013	-	12 013
EMTN Bond	DKK fixed to float	-	3 823	-	3 823
SEK EMTN Bond	SEK IRS	-	-2 732	-	(2 732)
Total financial derivatives		-	1 074 449	-	1 074 449
<i>Name</i>	<i>Type</i>				
Government bonds and Treasury Bills	Bonds	2 751 150	-	-	2 751 150
Covered Bonds	Bonds	4 512 511	-	-	4 512 511
Total commercial papers and bonds		7 263 661	-	-	7 263 661
Total		7 263 661	1 074 449	-	8 338 110
Financial liabilities					
<i>Name</i>	<i>Type</i>				
Bilkreditt 4	Pass-through swap BK4	-	195 187	-	195 187
Bilkreditt 5	Pass-through swap BK5	-	230 748	-	230 748
Bilkreditt 6	Pass-through swap BK6	-	603 347	-	603 347
EMTN Bond	DKK fixed to fixed	-	4 580	-	4 580
EMTN2 Bond	DKK fixed to fixed	-	4 523	-	4 523
EMTN2 Bond	DKK Fixed to Float	-	971	-	971
Total financial derivatives		-	1 039 356	-	1 039 356
Total		-	1 039 356	-	1 039 356

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.

* Government bonds are included in the balance sheet line "commercial papers and bonds". The balance sheet line also include B and C tranche bonds from the SPVs that are not booked at fair value.

10. Issued Securities

<i>All amounts in thousands NOK</i>	30.09.15	30.09.14	31.12.14
Senior unsecured issued securities	20 256 260	6 489 500	7 399 366
Asset backed issued securities	-	-	-
Total issued securities	20 256 260	6 489 500	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)

An additional NOK 200 000 (thousands NOK) was issued on the Oslo Stock exchange in May

Santander Consumer Bank AS issued bonds on the Irish stock exchange in April to a value of EUR 750 M (6 593 250 thousands NOK)

Santander Consumer Bank AS issued bonds on Stockholm stock exchange in June to a value of SEK 2 000 M (1 907 976 thousands NOK)

Santander Consumer Bank AS issued bonds on the Irish stock exchange in July to a value of EUR 170 M (1 530 255 thousands NOK)

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

11. Receivables and liabilities to related parties

Debt to related parties:

<i>Amounts in thousands of NOK</i>	30.09.15	30.09.14	31.12.14
Balance sheet line: "Loans and deposits from credit institutions with an agreed term"			
<i>Santander Benelux</i>	14 187 648	18 596 278	21 633 569
<i>Santander Consumer Finance S.A.</i>	10 623 472	191 463	180 840
<i>Debt to SPV on future cash flow of securitized loans</i>	18 022 509	24 761 978	23 557 823
Total	42 833 629	43 549 719	45 372 232
Balance sheet line: "Subordinated loan capital" - Bonds			
MNOK 180, maturity September 2016, 3 months NIBOR +0.55% (Banco Santander S.A)	180 000	180 000	180 000
MNOK 80, maturity October 2017, 3 months NIBOR +1.75% (Santander Consumer Finance S.A)	80 000	80 000	80 000
MNOK 250, maturity March 2025, 3 months NIBOR + 2.258% (Santander Consumer Finance S.A)	250 000	210 000	210 000
MEUR 13 maturity December 2020 12 months EURIBOR +3,20% (Santander Consumer Finance S.A)	123 819	105 183	117 546
Hybrid capital - perpetual bond, 3M NIBOR + 6,50% (Santander Consumer Finance S.A)	2 281 040	2 289 492	2 250 000
MNOK 250, maturity July 2025, 3 months NIBOR+3.135% (Santander Consumer Finance S.A)	250 000	-	-
MSEK 750, maturity December 2024, 3 months STIBOR+2.283% (Santander Consumer Finance S.A)	759 300	-	-
Total	3 924 159	2 864 675	2 837 546

Receivables on related parties:

<i>Amounts in thousands of NOK</i>	30.06.15	30.06.14	31.12.14
Balance sheet line: "commercial papers and bonds"			
<i>B and C notes issued by SPVs</i>	6 568 755	6 107 820	6 451 550
Balance sheet line: "Deposits with and receivables on financial institutions"			
<i>Subordinated loan to SPVs</i>	1 844 659	2 245 306	2 202 248
Balance sheet line : "other assets"			
Loan to subsidiary (Santander Consumer Bank OY)	4 437 705	1 217 850	1 356 300

The interest rate on intercompany loans are priced in accordance with marked conditions for parties at arm's length. Financial information in accordance with the capital requirement regulation is published at www.santander.no

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 is 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:

	Q3 2015	Q3 2014	YTD Q3 2015	YTD Q3 2014	Financial year 2014
Interest income	232 276	254 257	750 646	811 241	1 655 091
Interest expenses	(447 798)	(434 448)	(1 195 288)	(1 387 068)	(907 639)
Fees	81 973	24 585	202 525	86 716	126 184
Net transactions	(133 550)	(155 606)	(242 117)	(489 111)	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.	Bilkreditt 4 Ltd.
SCF AJONEUROHALLINTO Ltd.	Bilkreditt 5 Ltd.
SCF Ajoneuvohallinta Ltd.	Bilkreditt 6 Ltd.
SCF Rahoituspalvelut 2013 Ltd.	Dansk Auto Finansiering 1 Ltd.
Bilkreditt 1 Ltd.	SV Autofinans 1 Ltd.
Bilkreditt 2 Ltd.	SV Autofinans Warehousing 1 Ltd.
Bilkreditt 3 Ltd.	SCF Ajoneuvohallinto Ltd..
	SCF Rahoituspalvelut Ltd..

13. Merger

On July 1, the legal cross border merger with the sister company Santander Consumer Bank AB, organizational number 516401-9936 ("AB") was completed. At the completion of the merger, all assets and liabilities of AB was transferred to SCB AS measured at the Group book values (i.e. book values according to IFRS) as of the merger date. As consideration for the net assets transferred to SCB AS, SCB AS issued 310 394 930 new shares to its parent company Santander Consumer Finance S.A. The issued shares has a nominal value of NOK 10, increasing the share capital in SCB AS with KNOK 3 103 949. The merger lead to a merger difference of KNOK 39 805 recognized in other equity.

The table below summarizes the assets and liabilities recognized in the balance sheet of SCB AS at the date of the merger.

<i>All amounts in thousands NOK</i>	1 July 2015
Deposits with and loans to financial institutions	1 326 883
Net loans	18 754 762
Goodwill	218 172
Deferred tax assets	81 547
Other intangible- and fixed assets	11 422
Other assets	49 240
Total assets	20 442 025
Loans and deposits from financial institutions	8 880 824
Deposits from customers	7 120 079
Other debt	437 394
Deferred tax liability	47 620
Provision for pension	96 842
Subordinated loan capital	715 512
Total liabilities	17 298 271
Net assets transferred to SCB AS	3 143 754
Share issuance	-3 103 949
Merger difference	39 805

In the income statement of SCB AS, only income and expenses from the operations of the former AB from the merger date (July 1, 2015) and onwards are included.

About Santander Consumer Bank

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 1 500 employees throughout the region and total assets of NOK 129,8 billions.

Santander Consumer Bank AS merged with Santander Consumer Bank AB on the 1st of July 2015.