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Quarterly Report

Q3 2023

Highlights Q3 2023

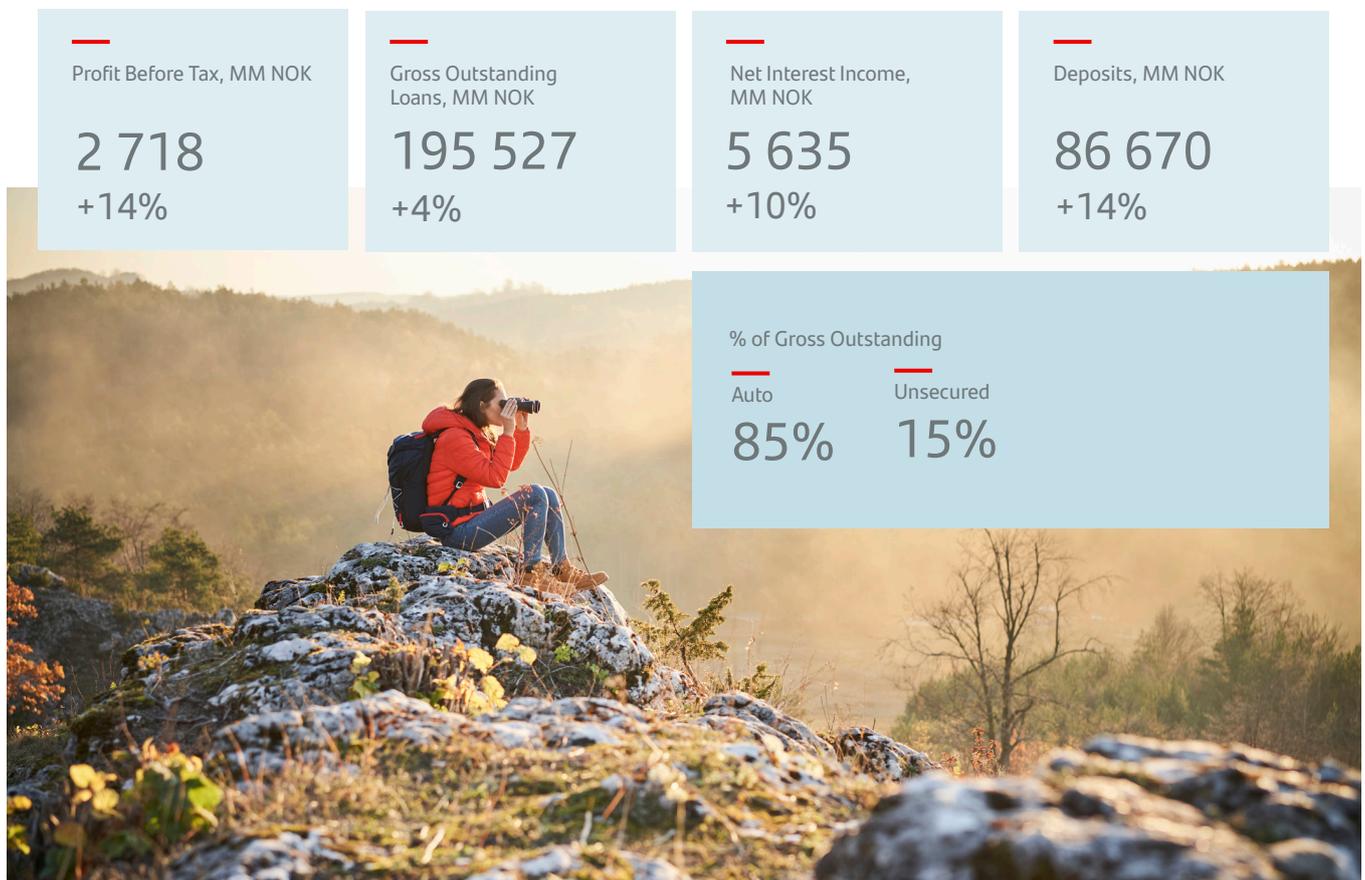
As of Q3 2023, the Group's outstanding loans increased with 8 126 MM NOK (4%) compared to year end 2022. The main driver for the increase is strong performance of Auto portfolio and FX as a result of weaker NOK towards SEK, DKK, and EUR. Deposits with high inflows in all three markets, is up 14% vs year end 2022, increasing the Bank's self-funding ratio.

The Group's new business volume has decreased with -2 032 MM NOK (-3%) in Q3 2023 compared to Q3 2022. The development is driven by reduced sales (-6%) within our Consumer and Direct products (Consumer Loans) as a result

of increased prices implemented to improve profitability. However, Auto sales decreased (-2%) compared to a record high 2022.

Net interest income increased with 10% as of Q3 2023 compared to the same period last year. A significantly weaker NOK and impact from increasing interest rates, mainly from Auto portfolio, had a positive impact on the Group's net interest income.

The Group's profit before tax was 2 718 MM NOK as of Q3 2023, an increase of 14 % compared to the same period last year driven by higher net interest income and lower net impairment losses, offset by higher operating expenses.





Chief Executive Officer's letter

Delivering value for our customers and partners

Every day we proudly serve 1.6 million customers and partners across the four Nordic countries. We follow our principles of being Simple, Personal, and Fair, with the purpose of making people and businesses prosper. Our aim is to be the best open financial services platform by acting responsibly and earning the lasting loyalty of our people, customers, shareholders, and communities.



"It is especially encouraging to see that the transition towards battery electric vehicles continues with full force"

Michael Hvidsten,
CEO Santander Consumer Bank Nordics

In the third quarter of 2023, we have delivered solid results. Both our interest income and profit before tax are up, compared to the same period last year. It is however important to note that a weaker NOK compared to DKK, SEK and EUR is an important part of the reason.

Within auto finance, our largest outstanding loan volume, the Group continues to deliver strong performance, despite reduced consumer confidence. It is especially encouraging to see that the transition towards battery electric vehicles continues with full force regardless of the easing of government subsidies. We are proud of our contribution in this area, helped by our strong auto partnerships in the region.

As we adapt to a macroeconomic situation where higher interest rates and tighter household budgets are part of the new normal, we closely monitor the impact on customers and partners. In a recent survey conducted by Santander, 46 percent say that they are to some extent stressed about their own finances. Although the participants are Norwegian, there is reason to believe the sentiment is similar in the whole of the Nordic region.

In the same survey, 44 percent say that it is more important than before to have a good overview of their own personal finances. As always, we focus on advising our customers to make sensible choices, and our experience is that our customers take a great deal of responsibility to adapt their costs. Compared to year end 2022, our customer deposits are up by 14 percent, highlighting both our customers' ability to set aside money and our attractive product offering.

We are fully aware of the important part we play in supporting our partners and customers, and our teams across the Nordic region is working hard every day to deliver on our promise of making people and businesses prosper.

Q3 Financial Report of the Board of Directors 2023

Key figures Santander Consumer Bank Group

All amounts in million NOK

	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	2022
Net interest income	1 895	1 658	5 635	5 115	6 754
<i>Growth*</i>	14%	-5%	10%	-4%	-5%
Gross margin	2 011	1 755	5 982	5 264	7 056
<i>Growth*</i>	15%	-2%	14%	-6%	-5%
Profit before tax	775	892	2 718	2 382	3 584
<i>Growth*</i>	-13%	7%	14%	1%	7%
Profit after tax	524	663	2 107	1 860	2 707
<i>Growth*</i>	-21%	5%	13%	5%	5%
Total assets	215 343	199 443	215 343	199 443	202 894
<i>Growth*</i>	8%	5%	8%	5%	5%
Net loans to customers	190 779	181 354	190 779	181 354	182 976
<i>Growth*</i>	5%	5%	5%	5%	7%
Customer deposits	86 670	74 079	86 670	74 079	75 925
<i>Growth*</i>	17%	-5%	17%	-5%	4%

* Year on year

Financial performance

Financial Performance for September YTD 2023

Profit before tax for the Group amounted to 2 718 MM NOK, up 14% compared to the same period last year. Higher gross margin compared to the same period last year is offset by higher operating expenses.

In this period, the Group's financial results showed a net interest income of 5 635 MM NOK, representing an increase of 520 MM NOK (10%) compared to Q3 YTD 2022. The change in net interest income was due to higher interest income of 3 625 MM NOK, offset by higher interest expenses of 3 105 MM NOK compared to Q3 YTD 2022. In 2023, both interest income and the cost of funds have substantially increased following the significant increase in XIBOR rates in all Nordic markets.

Of the total increase in interest income, approximately 3 018 MM NOK was due to increased interest income from the Auto business driven by both higher volumes and yields. The Group's interest income from the Unsecured business increased with approximately 262 MM NOK, driven by higher yields compared to Q3 YTD 2022, offset by lower volumes. Other items and positive impact from FX make up the additional increase in net interest income.

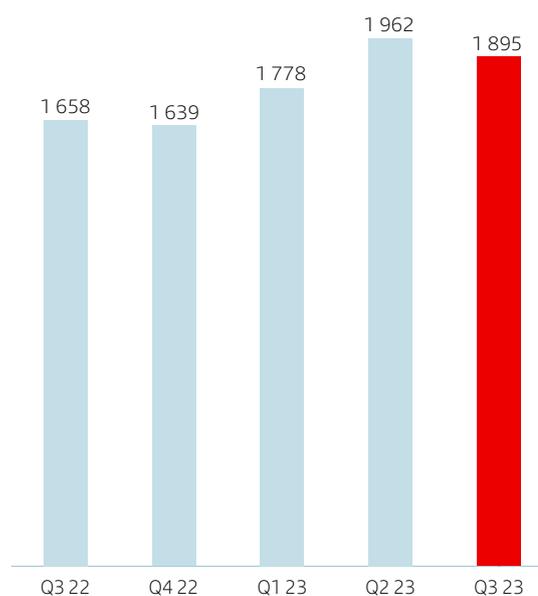
Operating expenses for the period as of Q3 2023 were 2 481 MM NOK compared to 2 063 MM NOK in Q3 2022. The increase in operating expenses is mainly driven by negative FX impact, higher number of FTEs and increased inflation. Also, a positive one-off related to VAT true up in Finland of 90 MM NOK was recognized as of Q3 2022.

Other income and costs ended at -132 MM NOK compared to -45 MM NOK as of Q3 2022 due to a non-recurring cost recognized this year.

Net impairment losses improved by 124 MM NOK, compared to Q3 2022, due to higher gains from portfolio sales of written off loans in June 2023 compared to June 2022.

Net interest income

MM NOK



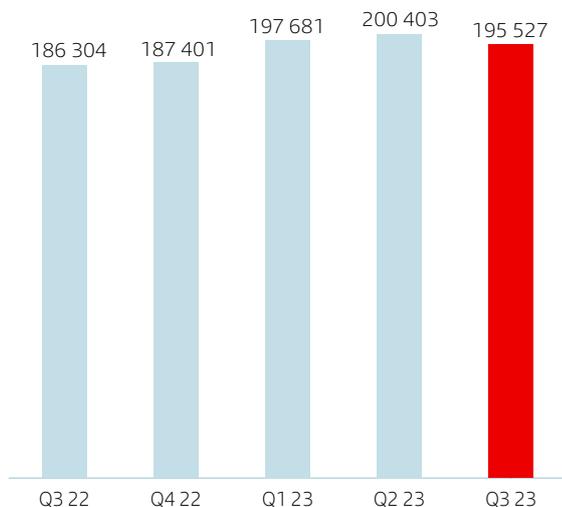
Loans and deposits performance

Loans to Customers

The Group's gross outstanding loans to customers came to 195 527 MM NOK per Q3 2023. This is an increase of 4% (8 126 MM NOK) compared to end of 2022.

Gross loans to customers

MM NOK



Auto financing

The Group maintained its position as market leader in the Nordic auto finance market with a strong focus on partnerships with dealers and importers.

During 2023, the new car sales have shifted from private towards commercial customers. With manufacturers catching up on their production and delivering their orders, new car sales are up compared to last year. As of September, 572 280



new units have been registered. Personal Cars (PC) and Light Commercial Vehicles (LCV) registrations in the Nordic markets increased with 4.0% compared to the same period last year. Used car sales decreased by 0.5% to 2 403 044 units compared to the previous year. In total, car sales have increased by 0.4%, but with major variations between the months and countries as well as between the new and used car sales market.

During 2022, lack of consumer confidence and rising energy costs were causing ongoing decline in sales, whereas 2023 sees different movements in the market. The demand for Battery Electric Vehicles (BEV) continues to rise, whereas new Hybrid vehicles sales are in decline. Furthermore, the impact of tax changes in Sweden and Norway are having an impact on sales in those markets. With consumer confidence being low and rising interest rates causing private customers to order less cars, a shift towards commercial sales and leasing is visible.

Financing the green transition

The Corporate Average Fuel Economy (CAFE) Standards have come into effect, penalizing manufacturers who have a higher average CO₂ emission. To meet the requirements, manufacturers increased production and registration of cars with a zero and low CO₂ emission, especially in markets with higher demand for BEVs (including Norway and Sweden). Manufacturers can meet the demands, supplies are increasing, and delivery times have been reduced. With new orders declining due to the economic situation, the dealer stocks are starting to fill.

The BEV and Hybrid car adoption in the Nordic market is among the highest in the world. Norway and Sweden have led the BEV sales, although the first quarter of 2023 marked a change as incentives in Sweden were reduced and removed, and taxation in Norway increased. Denmark and Finland doubled their new BEV sales despite a declining overall market. During 2023, 47% of all new cars financed by Santander are BEVs, and 23% are hybrids. Finance penetration for BEVs is higher than that for non-BEVs, helped by the strong partnerships the Group has across the region.

The Nordic market

The Swedish market, which is the largest in the Nordic, experienced a growing share of BEVs with sales increasing by 42% versus September YTD 2022 while total new car sales increased by 5.4% and the used car sales market decreased by 1.1%. The Swedish market is becoming less attractive due to the SEK exchange rate reducing profit margins for most manufacturers. The removal of a government climate bonus, which benefited low emission cars by amounts up to 70 000 SEK, is negatively impacting BEV orders and sales during Q1 2023 after significantly increasing registrations in December 2022. Since Q2 2023, a recovery of the market has been seen, mostly driven by commercial customers.

In the Norwegian market, sales have decreased substantially mainly due to tax changes coming into effect in January, and the December 2022 registrations were at record levels (over 20% of the annual registrations in a single month). New car registration decreased by 7.0% during 2023, after an initial decrease of almost 38% during January and February. EU-regulations caused many manufacturers to increase their efforts in one of Europe's largest BEV markets.

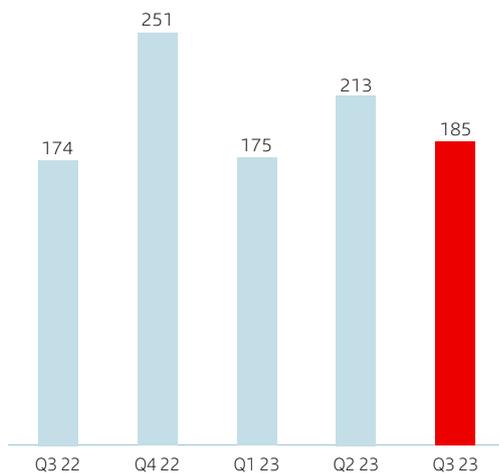
The Norwegian currency has weakened versus the Euro and other major currencies, causing profits for manufacturers to dwindle, and forcing price increases initially. Tesla moved against that trend setting an example for other manufacturers to decrease prices again, a visible change during Q2 2023. Used car sales remained flat as supply dries up, and used BEVs can be more easily (and profitably) sold in other European markets, reducing the need to export to Norway.

In the Danish market as per September 2023, sales increased by 9.4% for new vehicles and declined by 1.98% for used vehicles compared to YTD 2022. Denmark is the only Nordic market where diesel still has a significant market share. With the Danish Krone pegged to the Euro, the profit margins make the market more attractive, and deliveries have picked up. During this period, the new vehicles sales have increased, and BEV sales have doubled.

The Finnish market experienced a recent boost in new car sales of 8.6% YTD. Visible growth of 4.0% in used car registration resulted in the total car registration increasing by 4.6%. Finland is experiencing imports from Sweden and Norway (due to the favorable FX for Finland) and is catching up on deliveries. However, new orders are reported at record low level. The BEV and (mild)-Hybrid vehicles make up about 72% of car registrations in 2023. Consumer confidence reached the lowest level ever recorded during the last months of 2022 and customer orders continue to decline during 2023.

Sales of new cars (PC and LCV*)

Units in thousands (Market total)



*Personal Cars and Light Commercial Vehical

Innovation changes the market

In all markets, there is an increased trend of dealer consolidation where the distribution of a brand is concentrated on fewer owners, often private importers taking over from manufacturers. The Swedish Hedin Group purchasing the major Finnish dealer group Laakkonen is one example of the consolidation trend across the Nordics.

Sweden has become the testing ground for the Agent Model, where manufacturers sell directly to consumers and the dealerships solely operate as a delivery point. Where BEV manufacturers already operate direct to consumer (e.g., Tesla, Nio, Lynk&Co), this is a major change for traditional manufacturers. Mercedes was the first manufacturer to change, while others recently announced their intentions to change as well (e.g., Stellantis, Nissan Sweden).

Finance has become a more integrated part of the car sales offer in terms of finance bundled with services such as insurance, maintenance, and other relevant products. The Group expects this trend to continue with more flexible "mobility" models, including flexible finance periods and the possibility to trade in and exchange cars based on an agreed residual value.

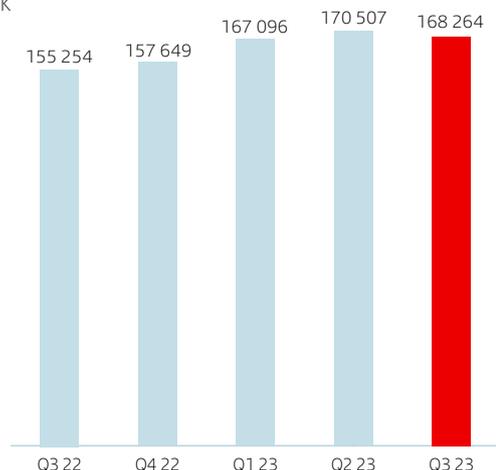
Nordic market leader

The competition has increased with parties such as leasing companies entering car financing in different market segments, causing pressure on the margins. The Group has maintained its position as market leader in the Nordic auto finance market. The main focus is on partnerships with dealers and importers and OEM-owned national sales companies. Important partnerships have been renewed, and the Group has ensured operations and processes have been optimized to protect margins and increase focus on market developments.

Overall, in the Nordics, the Group is the market leader, but positions vary by month and by market. In the Swedish car finance market, which is dominated by captive lenders for the two largest brands (Volvo and Volkswagen), the Group became the leader in Private Lease financing during 2022 for the first time and is currently on top for 2023 as well (per September 2023). Total outstanding auto financing is 168 264 MM NOK, an increase of 7% compared the end of 2022.

Gross Auto Financing

MM NOK



Future expectations

The impact of the new emission target for car sales in Europe will continue to be significant. To avoid large penalties, there is a need to reach lower average emission targets each year. The manufacturers continue to invest in new technology, consolidate, and create partnerships between brands.

Incentives for low emission cars are being rolled back in some of the markets, such as tax benefits that are significantly reduced in Sweden and Norway. BEV sales will continue to grow as supply and consumer demand remain high.

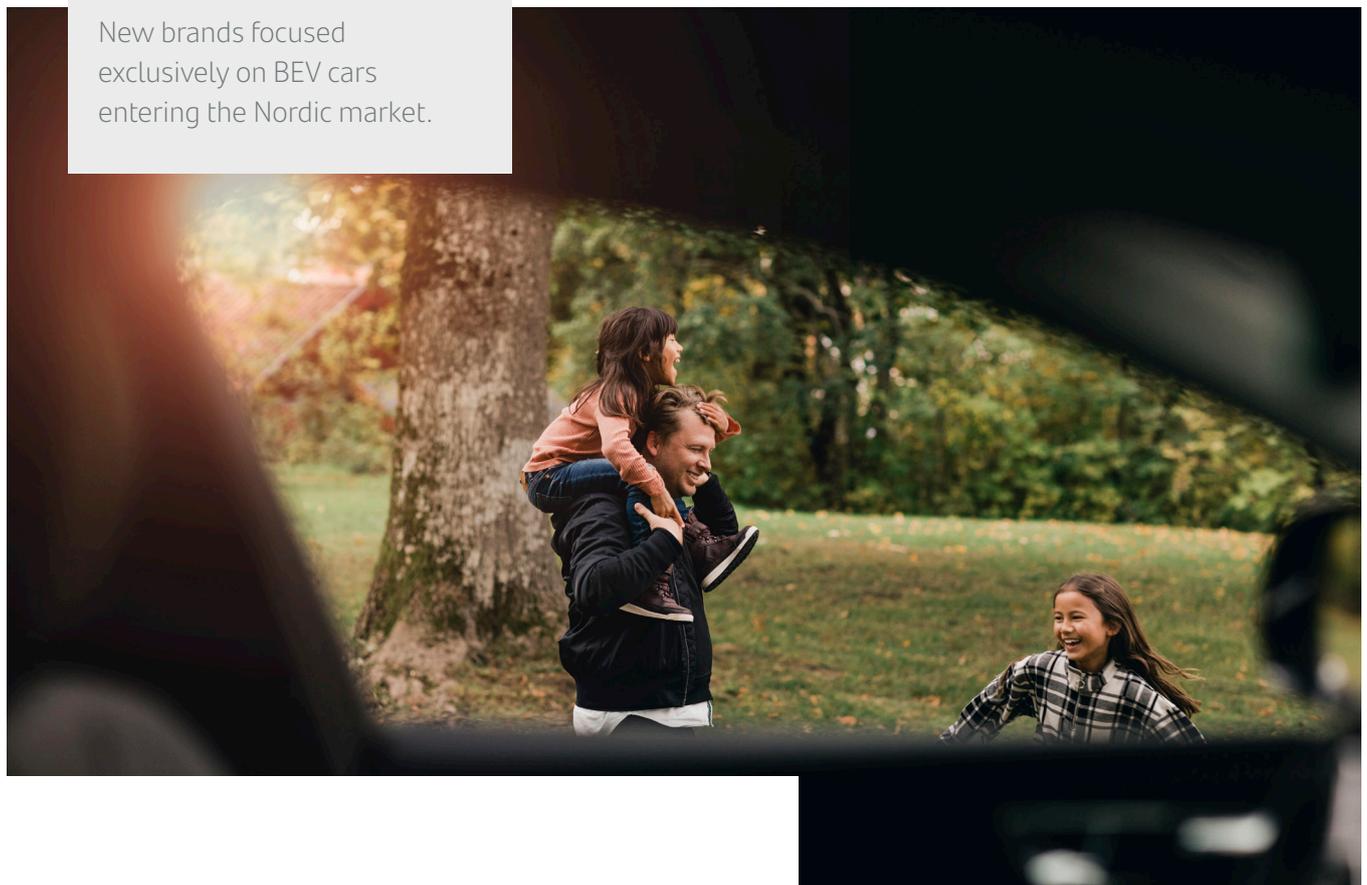
Increased regulations and global unrest, inflation and rising interest rates continue to impact consumer confidence and sales. Built up order banks from manufacturers will soften the sales impact with deliveries continuing while new orders are at significantly lower levels. Some (smaller) manufacturers may choose to exit from certain markets and sell their importerships to private importers or exit completely. At the same time there is an opportunity with regards to car brands, as many new, mostly Chinese brands are entering the Nordic market, exclusively focusing on BEV cars.

The rising interest rates will stabilize over time but will have short term impact on profitability and customer's ability to borrow. In auto finance, bundled products will continue, but the growth for mobility solutions is delayed as mobility has reduced since the COVID-19 pandemic changed consumer behavior. In the largest cities, we anticipate increased focus from governments on reducing car traffic and providing incentives for other mobility solutions such as car sharing and public transportation.

OEMs are expected to grow their online presence, enabling customers to order cars and car related services online. Dealer relationships will change when alternative distribution models are implemented. The Group will support partners during this transformation and integrate financial solutions into their web platform.

The Group has a strong position in the Nordic market and will further strengthen this position with its existing and new partnerships and is well positioned to meet the changes predicted within the auto area.

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New brands focused exclusively on BEV cars entering the Nordic market.



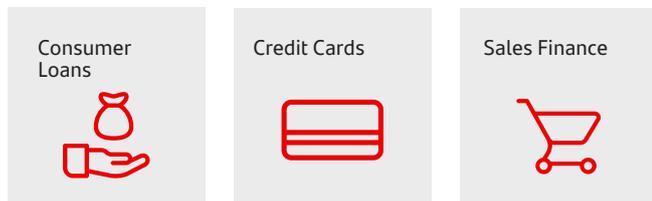
Unsecured lending

During Q3 2023, Consumer Loans financing remain the main unsecured financing product. The Group's Consumer loans portfolio in Q3 2023 has decreased by -3,2% in outstanding volumes compared to Q4 2022. The Swedish Market is still the lead shareholder of the total Consumer loan portfolio with 46% of the total Nordic Market, but showed a decrease of -9,7% vs Q4 2022 (Norway -6,5%, Denmark +10,9% and Finland -2,7%).

The Group's Consumer Loans sales decreased by -1,2% in Q3 2023 compared to Q4 2022 driven by negative performance in Sweden and Finland, partly offset by positive performance in Norway and Denmark.

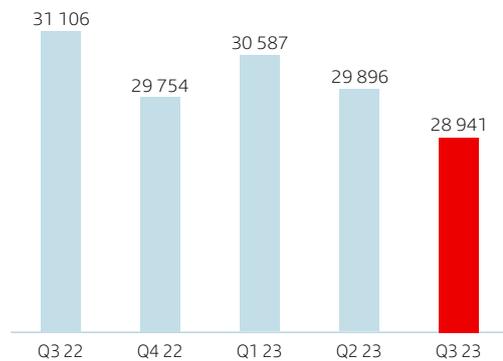
The Group's Credit Card portfolio has decreased by -1,7% in Q3 2023 compared to Q4 2022. Norway decreasing by -3,4% with 73% of the total Nordic Credit Card portfolio on book, partly offset by Denmark up with +15,7%. Sweden had a decrease in portfolio of -6,0%

The Nordic Sales Finance portfolio is down by -0,6% in Q3 2023 compared to Q4 2022 mainly driven by a decreasing portfolio on Checkout Lending in Norway (-13,7%), and Sweden (-7,1%). Durables showed a growth in both Denmark (+20,8%), and Finland (+13,2%). The portfolio on Sales Finance had a distribution of 45% Durables, and 55% Checkout Lending in end of period Q3 2023.

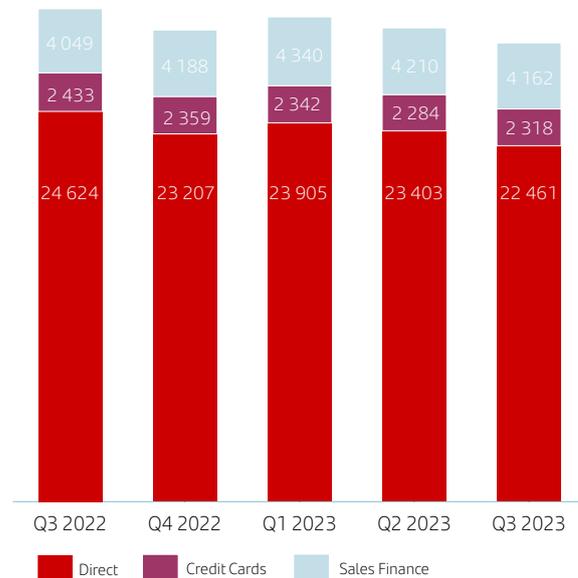


Gross Consumer Financing

MM NOK



Consumer Finance per product



Consumer Loans

The Group's main priority for Q3 2023 is a continued focus on profitability to maintain a strong position and a robust portfolio in a challenging macro environment. The Group has also put extra effort in Denmark and Sweden on finalizing IT migrations and securing compliance and improved processes for the customers.

Adapting to new market conditions

The Group has continuous focus on adapting to changing market dynamics, especially regarding increased funding costs and challenging macro-economic factors. With inflation rates continuing at a high level and continuous interest rate increases in all markets, the Group is adapting to a new norm with higher costs of funds. The Group has done several adjustments across the region to secure profitability on both new business and portfolio and has solid plans on how to navigate going forward in an unpredictable macro environment.

The Consumer loans market in the Nordics is primarily driven by legislation aimed at protecting consumers, well in line with the Group's Responsible Banking agenda¹. Additional tightening in the regulatory landscape related to credit worthiness and affordability will strengthen the competition in the market even more going forward.

The Group continues to focus on optimizing the Nordic capabilities and protecting the portfolio by continuing the work with harmonizing the product offer and optimize digital processes across the Nordics. The Group is convinced this will secure its attractiveness as a large player in the region.

Checkout lending

Changing consumer behavior

The Group observed a shift in consumer spending where, notably, Do It Yourself (DIY), Home Electronics and furniture retailers have gained traction. The Group has established a strong presence in the region with extensive retail coverage in the above-mentioned segments, positioning itself for future growth once the market recovers.

In addition, the Group has observed that the significant shift in sales from physical stores to e-commerce continues. The e-commerce share of the Group's total transactions is now significant. The move to e-commerce will be beneficial for the Group, as it has established robust solutions in all markets within the region.

A Nordic offering

The Group has successfully managed to defend and grow the position as a leading player with a positive merchant base growth across the markets.

Financing the green transition

The work continues within the Group to expand and grow the green energy products within financing of solar panels and heating systems to support the Groups Responsible Banking agenda.

The Group has a solid partner base in Denmark and Finland, which has the potential to expand into other Nordic countries in the future, in line with the Groups agenda.

Credit cards

Nordic consumers are among the fastest in the world in terms of adoption of mobile payment solution and checkout options. The Group focuses on optimizing customer journeys with mobile wallet solutions across the region. The Group has also introduced several initiatives to ensure that we continue to meet and go beyond consumer expectations, from a product, platform, and experience point of view.

Financing the green transition

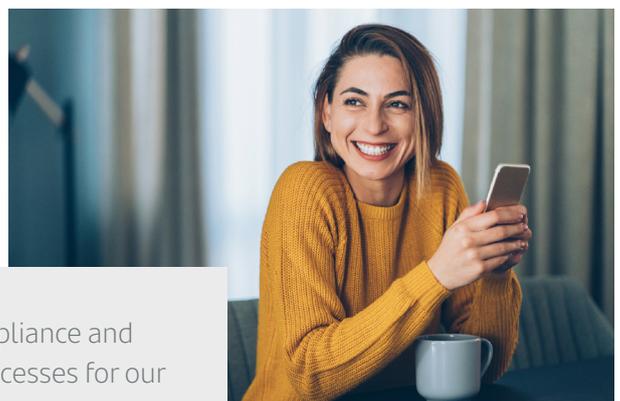
The Group continues to work on expanding the green transaction by offering Eco card, Biometric features, and Virtual card.

Improving product offering

The Group has consolidated the card payment infrastructure in the region to minimize costs and streamline products and processes across the region, which is important for attractiveness and competitiveness. The Group has invested in repositioning the future Cards and Payments offering in the region.

Digital first

The use of the physical card will continue to be a part of the Payment ecosystem for years to come. However, as the adoption of digital payment solutions evolve, so does the possibilities of giving customers more control of their exposure. The Group's My Cards App is being launched in all countries, which gives cardholders the possibility to manage their own risk and exposure, while creating a possibility of safe and instant issuance of a new virtual card, or pushing the Cards to Payment solutions.



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Securing compliance and improving processes for our customers.

Deposits

With a changing macroenvironment due to high inflation and increasing interest rates, the Group has increased the use of deposits as its primary funding source. Improving customer experience remains a high priority.

Total outstanding volume for the Group is 86 670 MM NOK as of Q3 2023, representing an increase of 10 746 MM NOK (14%) compared to Q4 2022. Of this, approximately 7.9 BN NOK represents real growth, while 2.9 BN NOK is due to a weaker Norwegian kroner. The Group operates deposit platforms in three of its four home markets: Denmark, Norway, and Sweden.

Volumes in the Danish platform have grown to represent the largest share of deposits within the three markets. Outstanding balances as of Q3 2023 were 34 227 MM NOK, ending the quarter 4 331 MM NOK (14%) higher compared to Q4 2022.

Denmark offers a diverse product range, including a demand product, a notification product, and fixed rate deposits of varying tenors. The notification product requires customers to notify any withdrawals 31 days in advance of the actual withdrawal. The fixed rate products provide customers with the choice of three tenors (6, 12 and 24 months).

In Norway, the Group had an outstanding balance of 28 691 MM NOK as of end Q3 2023, representing a 3 560 MM NOK (14%) increase compared to Q4 2022. Like Denmark, Norway offers a demand product, a notification product and fixed rate deposits. The floating rate products use a tiered pricing model to manage pricing competitively and to reward small savers. The fixed rate products currently include terms of 6 versus 12 months.

Sweden offers both a demand product and a notification product. In addition, the unit has an ongoing cooperation with a broker. While the Group's strategy is focused on maintaining its in-house products, the cooperation provides additional flexibility for managing the Swedish deposits portfolio. Outstanding volumes in Sweden stood at 23 752 MM NOK as of end of Q3 2023, which is 2 854 MM NOK (14%) higher compared to Q4 2022.

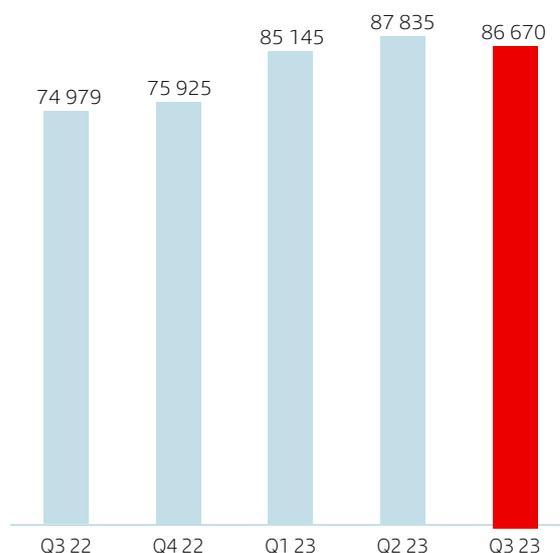
Helping people prosper

The Group continues to focus on improving customer experience through the optimization of mobile responsive onboarding solutions, net banks, apps, chat bots and a range of product offerings.

The Group is a member of the Norwegian Banks' Guarantee Fund. Customer Deposits are covered according to the local guarantee limits, providing our deposits customers a guaranteed amount per debtor of 100 000 EUR in the Danish and Swedish market and 2 MM NOK in the Norwegian market.

Gross customer deposits

MM NOK



Insurance

The insured customer base continued to grow to more than 500 000 insured customers across the Nordic countries. The COVID-19 pandemic and the macro situation in Europe has increased the awareness among consumers and partners of the importance of insurance. With insurance income representing 6.2% of total revenue in 2023, it is firmly positioned as a strategic priority for the Group. Insurance continues to play an increasing role in the Group's fiscal and strategic goals.

Enhancing digital capabilities

The Group continues to focus on improving the customer experience through the optimization of its current and new products.

As the market progresses towards a highly digital customer journey, the Group has decided to ramp up the internal IT capabilities during 2022-2025 to cater for new digital products as well as to decrease the time to market for the Group's products and services. This is expected to translate into increased sustainable insurance revenue for the Group.

Digital point of sales for the Finnish market

Historically, the Group has solely utilized telemarketing to sell insurance products in the Finnish market. In 2022, the Group made the decision to introduce a new point of sale solution for Finnish dealers, with the aim of enhancing the overall customer experience and improving customer retention. But as sales have not proved to be as expected, the Group decided to implement a digital point of sale solution like the one operating in Norway, which went live in June 2023.

Improved digital channels

To ensure the best possible customer journey, the Group has decided to start an optimization project, focusing on our current digital sales channels.

Incorporating behavioral economics into the digital journey is expected not only to increase customer satisfaction but also the Group's conversion rate. The project will be ongoing for all of 2023.

New product development

The Group is launching new innovative products to meet the customer needs of tomorrow and support our Partners in their business requirements.

Initial roll out will take place in the Norwegian market, with rest of the Nordic region to follow.

Sales Development

Insurance sales performance continues to be in a positive development, ensuring more customers are covered from unwanted financial exposure.

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 Launching new innovative products to meet the customer needs of tomorrow.



Risk Management

The Group's risk management function, underpinned by a strong risk culture and a solid governance structure, is key to ensure that the Group remain a robust, safe and sustainable bank that helps people and businesses prosper.

Credit Risk

Credit quality indicators have maintained the positive trend observed in the previous quarter.

Cost of Credit

0.34

▼ 16 bps vs. Q3.22

NPL Ratio

2.73%

▲ 3 bps vs. Q3.22

Coverage Ratio

89.9%

▼ 9pp vs. Q3.22

Structural and Liquidity risk

Robust liquidity buffer with ratios above regulatory limits.

LCR

184%

▲ 54 pp vs. Q3.22

NSFR

113.22%

▲ 6 pp vs. Q3.22

Operational Risk

The Group's efforts have been focused on addressing the deficiencies and recommendations related to AML that were identified by the N-FSA. Most of the corrective orders have been successfully executed, and the Bank consistently provides updates on the progress in this regard.

Capital Risk

Capital ratios above regulatory requirements.

CET1 %

17.62%

▼ 86 bps vs. Q3.22

Executive summary of Q3 2023

From a macroeconomic perspective the beginning of the second half of the year has been influenced by many of the same challenges and risks that were prevalent in previous quarters, arising from the macroeconomic environment.

Norway stands out as a resilient player. Even though the impact of the Central Bank's rate adjustments on the broader economy and inflation seems to be somewhat contained, the path toward reaching the 2% inflation target appears lengthy. Despite its current economic strength, there are discernible market signs pointing to a potential period of deceleration on the horizon. In **Sweden**, economic forecasts revolve around subdued trends and a surge in unemployment as households and businesses adapt to a sustained increase in interest rates. **Denmark** has experienced an extended period of robust economic growth. However, mild economic contraction is anticipated in the latter part of the year. **Finland's** economic outlook remains challenging, despite a positive first half of the year. The expectation is that inflation will continue decreasing throughout the rest of this year, approaching the 2% target by the close of 2024.

Inflationary pressures – amplified by weakened exchange rates, rising borrowing costs and relative uncertainty – continue to influence the trajectories of the economies in the four Nordic countries.

In an increasingly competitive environment, all market players have been compelled to adapt their business strategies, with the aim of retaining and attracting customers amidst ever-evolving economic conditions.

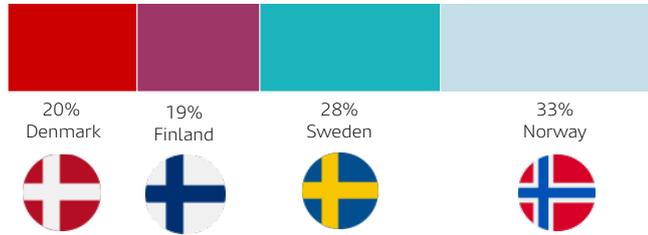
The Group's geographic and business diversification across the Nordics, combined with its prudent risk management model and supported by its risk culture, positions us to face these challenges with resilience.

The Group proactively identifies and mitigates risks under a holistic and forward-looking approach. It closely monitors the development of its credit portfolios, paying particular attention to any changes in customer behaviour in order to identify potential portfolio deterioration at an early stage. This proactive approach ensures that the Group is well-prepared to promptly identify customers in need of assistance or support, in full alignment with our commitment to operate in a simple, personal, and fair way.

Credit Risk

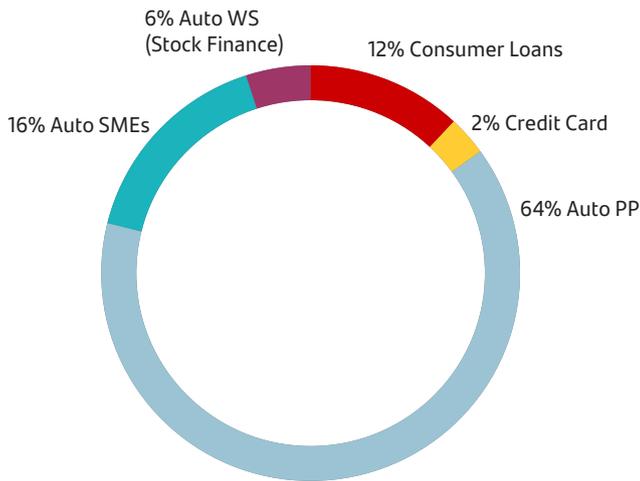
Total risk by country

The Group maintains a portfolio with good diversification across the Nordic countries:



Total risk by product

The Group maintains a portfolio with good diversification across products:



Total Risk 195.5 MM NOK

Non-Performing Loans

The Group's Credit Risk profile in Q3 2023 remained stable for the total portfolio, in line with business strategy.

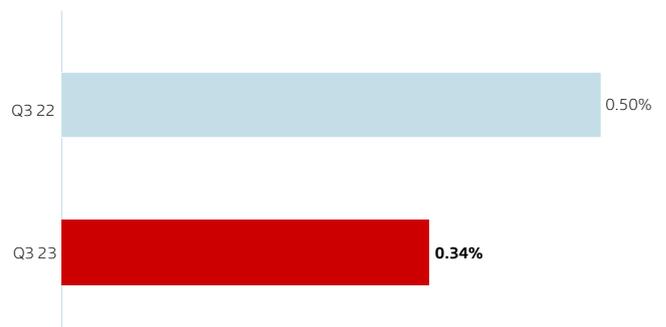
The consolidated **Non-Performing Loans (NPL) Ratio** ended at 2.73% (1.49% for the secured portfolio and 9.87% for unsecured) in Q3 2023, compared to 2.70% in Q3 2022 (1.43% for Secured and 9.05% for Unsecured).



Cost of Credit

At the end of the quarter, the Group's strong reserve base reflects the evolution of its portfolio mix, which has tilted towards secured lending, and its stable to improved quality. This evolution of the portfolio is aligned with the Group's risk appetite and its prudent risk management model.

The aggregate loan loss reserves decreased, moving from 5 019 MM NOK in Q3 2022 to 4 805 MM NOK in Q3 2023. Within the total reserves as of Q3 2023, 4 748 MM NOK is allocated to loans to customers, while 57 MM NOK is associated with off-balance exposures. The Group continue to maintain a robust reserve against potential future loan losses, which includes a macro-economic and inflationary forward-looking overlay. As of the end of Q3 2023, the overlay amounts to 113 MM NOK, compared to 79MM NOK for the same period ended in 2022.



Liquidity Risk and interest rate risk

Liquidity Risk in the Group is measured using the Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), and Liquidity Stress Testing. Both LCR and NSFR are regulatory metrics used to measure short and long-term liquidity risk. The Group has a strong liquidity position, managed at Nordic level to ensure efficient use of liquidity across the Group.

As of September 2023, the Group's LCR was 183.60 % and the NSFR was 113.22%. Both metrics are comfortably exceeding the regulatory requirements. The Group has a credit line with the parent company and can utilize this to manage short term liquidity needs and to the extent external funding might become unavailable or is considered unfavorable.

The Group's balance sheet composition is designed to ensure that interest rate risk is managed at prudent levels and within established limits. The Group's policy is to not actively take on interest rate risk in its operations, and to continuously monitor the sensitivity of its net interest income (NIM) and equity value (MVE) to changes in interest rates. At the end of September 2023, the exposure to interest changes on both metrics are within the defined limits.

—
184%

Liquidity Coverage Ratio (LCR) remained above regulatory thresholds in 2023

Foreign currency risk

The Group is exposed to currency risks through its activities in the Swedish, Danish, and Finnish markets and from funding activities in the Euro-markets. The main source of currency exposure is retained earnings in EUR, which are accumulated in the Finnish subsidiary to meet its solvency targets. The Group minimizes currency risk by ensuring assets are funded by liabilities in the same currency. Accumulated earnings in SEK and DKK are spotted to NOK when needed to minimize the open exposure. The risk is measured through an FX exposure report, covering all significant currencies for the Group.

The total open currency exposure as of September 2023 was 3 547 MM NOK equivalent for consolidated SEK, DKK, and EUR exposures, which is comfortably within the defined FX exposure limits for the Group in 2023.

Operational risk

The Group defines operational risk as the risk of losses from defects or failures in internal processes, people, systems, or external events. It covers risk categories such as fraud, technological, cyber, legal and conduct risk. However, it does not include events arising due to strategic or reputational risk. Operational risk is inherent to all products, activities, processes, and systems. It is generated in all business and support areas. Our operational risk management and control model is based on a continual process of identifying, evaluating, reporting, and mitigating sources of risk, regardless of whether they have materialized or not, ensuring that risk management priorities are established appropriately.

Furthermore, the Group has directed its efforts and resources not only to address identified deficiencies, making it a top priority, but also to strengthen internal processes and routines. The Group has diligently worked on resolving the final corrective orders related to AML, and this commitment remains a high priority moving forward.

The Group, along with the rest of the banking industry, is actively addressing the challenges posed by the evolving legal landscape, including the implementation of the "Lov om finansavtaler" (Finansavtaleloven). In this sense, the Group is continuously enhancing its fraud detection systems to detect and prevent fraudulent activities and minimize potential losses.

Funding

The Group continues to pursue a diversified funding strategy. Over the past few years, diversification efforts have proven advantageous for the Group, providing stability during both the COVID-19 pandemic and ongoing conflict in Ukraine. As a result, the Group's deposit base and access to parent liquidity have remained consistent throughout the year.

Self-funding strategy

A solid funding platform

During the last decade, the Group has developed multiple funding channels ranging from deposit products across three of its four markets to unsecured bonds in the Norwegian, Danish, Swedish, and European bond markets, including Swedish and Norwegian green bonds, and securitization transactions with assets from Finland. Parent funding provides a buffer where needed. The Group aims to maintain a consistent self-funding strategy, with variations due to seasonal fluctuations and timing of transactions.

Total outstanding bond and certificate issuance decreased in Q3 2023, standing at 29 947 MM NOK or 19% of total funding per Q3 2023. Senior unsecured issuance and certificates outstanding Q3 2023 include 2 000 MM EUR in the Euro market, 3 000 MM SEK in the Swedish market, and 4 800 MM NOK in the Norwegian market. Given strong deposits liquidity, the Group have temporarily scaled back our presence in the certificates of deposits market in Norway and currently do not have any outstanding certificates as of Q3 2023.

The weighted average remaining term to maturity, excluding certificate issuances, is approximately 2.0 years. This number fluctuates somewhat and typically remains around 2 years.

The Green Bond program

Santander Group has published its updated Green, Social and Sustainability Funding Global Framework. This new framework substitutes and replaces the previous Green Bond framework from the Group, aligning our structure with the best practices of the ESG / sustainable capital markets.

Ratings

The Group is rated by Fitch (A-/F2/Outlook Stable) and Moody's (A2/P1/Outlook Stable).

Asset-Backed Securities (ABS)

The Group accessed the asset-backed securities market in Q2 2023 with a 450 MM EUR transaction backed by Finnish assets. Securitizing the Finnish portfolio has been a consistent source of funding. While the Group's overall funding from securitizations has decreased since 2016 due to the change in securitization law in Norway, which has prevented issuing ABS backed by Scandinavian assets, the Finnish program has provided approximately 10% of the Group's funding since 2016. Total outstanding volumes in securitizations currently equals 13 269 MM NOK.

The Group looks to utilize its securitization capabilities more frequently going forward, once Norwegian legislation is harmonized with the new Securitization Regulation (Regulation (EU) 2017/2402), together with the amendment to the Capital Requirements Regulation (Regulation (EU) 2017/2401). The new Securitization Regulation establishes a standardized framework for securitization and creates a specific framework for simple, transparent, and standardized securitizations. In June 2019, the Norwegian Ministry of Finance (MoF) released a consultation paper on the adoption of the new regulations. In December 2020, the MoF published a proposal to implement the EU Securitization Regulation into Norwegian law. The proposal was adopted by the Norwegian Parliament on April 23, 2021, and is expected to enter into force once the relevant EU regulations have been implemented in the EEA Agreement. The exact timing of the latter is currently unknown but is likely to occur during 2024.

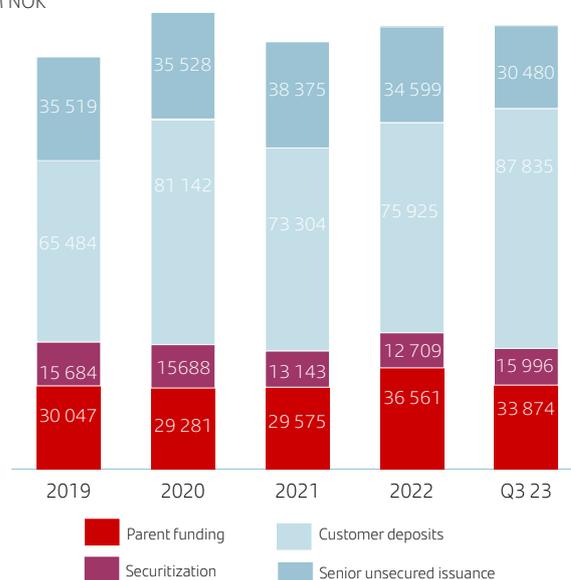
Once adopted, the legislation will align the Norwegian securitization legal framework with that under which European financial institutions currently operate.

Intragroup Funding

Loans and drawing rights from the parent bank and companies within Banco Santander provide any remaining funding needs. These loans are priced at market rates, denominated in the local Nordic currencies, and are currently concentrated in the shorter-end maturities.

Funding composition

MM NOK



Solvency and capital adequacy

Capital position

The Group is jointly supervised by the Norwegian FSA and the European Central Bank (together the Joint Supervisory Team) and must comply with capital requirements for banks in Norway both at consolidated level (the Group) and at stand-alone level (SCB AS).

The Group closed Q3 2023 with a common equity Tier 1 (CET1) ratio of 17.62%, down from 18.69% in Q4 2022. The corresponding number for SCB AS was a ratio of 16.76%, down from 17.92%. The total risk weighted assets have increased during the year leading to lower CET1 ratios. This is mainly explained by exchange rate effects (NOK weakening versus SEK, DKK, and EUR) and, to a lesser degree, by volume growth.

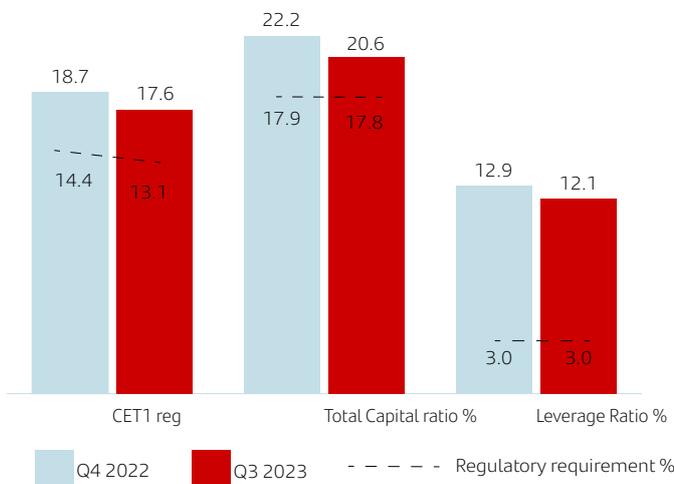
Despite this decrease, the Group remains in a solid capital position with a good buffer towards the minimum capital requirements (including Pillar 2 Guidance). This is driven by the reduction in CET1 minimum requirement as Pillar 2 Requirement does not need to be entirely met by CET1 capital from January 1, 2023.

The leverage ratios for the Group and SCB AS closed Q3 2023 at 12.11% and 11.93%, respectively and are well above the regulatory requirement of 3% in force with the implementation of the "Banking Package" in Norway.

Strong capital position in Q3 2023 with a good margin above capital requirements

Capital adequacy

SCB Group



SCB Group

Actuals	Q4 2022	Q3 2023
CET1 capital ratio	18,69%	17,62%
Tier 1 capital ratio	20,39%	19,22%
Total capital ratio	22,19%	20,91%
Leverage ratio	12,94%	12,11%
Capital requirements	Q4 2022	Q3 2023
CET1 capital ratio	14,35%	13,11%
Minimum Core Equity	4,50%	4,50%
Pillar 2 Requirement	3,30%	1,52%
Pillar 2 Guidance	1,50%	1,50%
Countercyclical Buffer (combined)	1,32%	1,88%
Conservation Buffer	2,50%	2,50%
Systemic Risk Buffer (combined)	1,23%	1,20%
Tier 1 capital ratio	15,85%	15,12%
Total capital ratio	17,85%	17,80%
Leverage ratio	3,00%	3,00%

SCB AS

Actuals	Q4 2022	Q3 2023
CET1 capital ratio	17,92%	16,76%
Tier 1 capital ratio	19,73%	18,48%
Total capital ratio	21,66%	20,28%
Leverage ratio	12,98%	11,93%
Capital requirements	Q4 2022	Q3 2023
CET1 capital ratio	14,41%	13,16%
Minimum Core Equity	4,50%	4,50%
Pillar 2 Requirement	3,30%	1,52%
Pillar 2 Guidance	1,50%	1,50%
Countercyclical Buffer (combined)	1,35%	1,92%
Conservation Buffer	2,50%	2,50%
Systemic Risk Buffer (combined)	1,25%	1,22%
Tier 1 capital ratio	15,91%	15,17%
Total capital ratio	17,91%	17,85%
Leverage ratio	3,00%	3,00%

Current and future capital requirements

From January 1, 2023, the Group is subject to the revised Pillar 2 requirement of 2.7% of RWAs which can be covered by a minimum of 56.25% of CET1 capital and a minimum of 75% of Tier 1 capital. The Pillar 2 Guidance remained unchanged at 1.5% and still needs to be entirely covered by CET1 capital.

After a period of more than one year building up the countercyclical buffer requirements (CCyB), Nordic regulators have concluded the communicated increases and no hikes are expected in the short/medium term. Systemic Risk Buffer (SyRB) requirement remains at 4.5% in Norway and 0% in Sweden, Denmark, and Finland. Going forward, the Finnish FSA has announced that SyRB in Finland will increase to 1% as of April 1, 2024.

The CCyB and SyRB are calculated based on a weighted average of the requirement in each country based on share of total risk weighted assets (RWAs). The Group continuously updates developments on buffer requirements in its capital planning and is well positioned to meet present and future changes in capital requirements.

Regulatory

The Group uses the advanced IRB-approach for the private auto portfolios in Norway, Sweden, and Finland. In July 2021, the Group submitted updated IRB models to the Joint Supervisory Team incorporating new regulations and guidelines. The submitted models have not yet been approved by the regulators.

The Group received its MREL requirement from the Norwegian FSA in June 2022, which constitute internal MREL requirements and, as such, are to be satisfied within own funds and eligible liabilities issued directly or indirectly to the ultimate Parent Company, Banco Santander, S.A. The Group has started to build its MREL debt last year and expects to be fully compliant with the MREL requirement by the deadline of January 1, 2024.

For further details regarding Capital Adequacy, please see (Note 7) "Capital adequacy".

Regulatory changes

The regulatory framework for the financial sector is constantly changing, and the number of initiatives from regulators continues to be high, both on EU level and nationally. The Group works continuously to ensure compliance and has frameworks to secure monitoring and implementation of new legislation. The Group strives to take on an active role in legislative processes through Finans Norge and other finance associations and networks.

Consumer protection

Consumer protection is an area of focus from European and Nordic regulators and supervisors.

The remaining requirements in the new Norwegian Financial Agreements Act that was effective January 1, 2023, entered into force July 1, 2023, as did the new Norwegian Loan Distribution Act and Regulations. The Loan Distribution Act does not apply to the Bank as such, but it affects partners mediating our products in Norway. In Finland, the proposals from 2022 for amendments to the consumer protection legislation, including changing the responsibility for supervision of credit institutions from the Regional State Agency, AVI, to the Finnish Financial Supervisory Authority, was effective July 1, 2023 and with this, the supervision of the Bank's subsidiary in Finland, Santander Consumer Finance Oy, has changed from AVI to the Finnish FSA.

The combat against money laundering and terror financing continues

The combat against money laundering and terror financing continues to be an area of high focus from European and Nordic regulators and supervisors.

Regulatory developments of relevance are amendments to the EBA Guidelines on ML/TF risk factors, new EBA Guidelines on de-risking, the EBA's Fourth Opinion on ML/TF risks across EU and the IMF's "Nordic-Baltic Regional Report" on ML risks in the Nordic-Baltic region to be considered along with local FSA's risk reports for the annual AML Business Risk Assessments. In relation to existing AML-framework, the Commission has recently proposed an anti-corruption package which includes a new Directive on the fight against corruption and a new EU sanction regime.

Sustainable finance

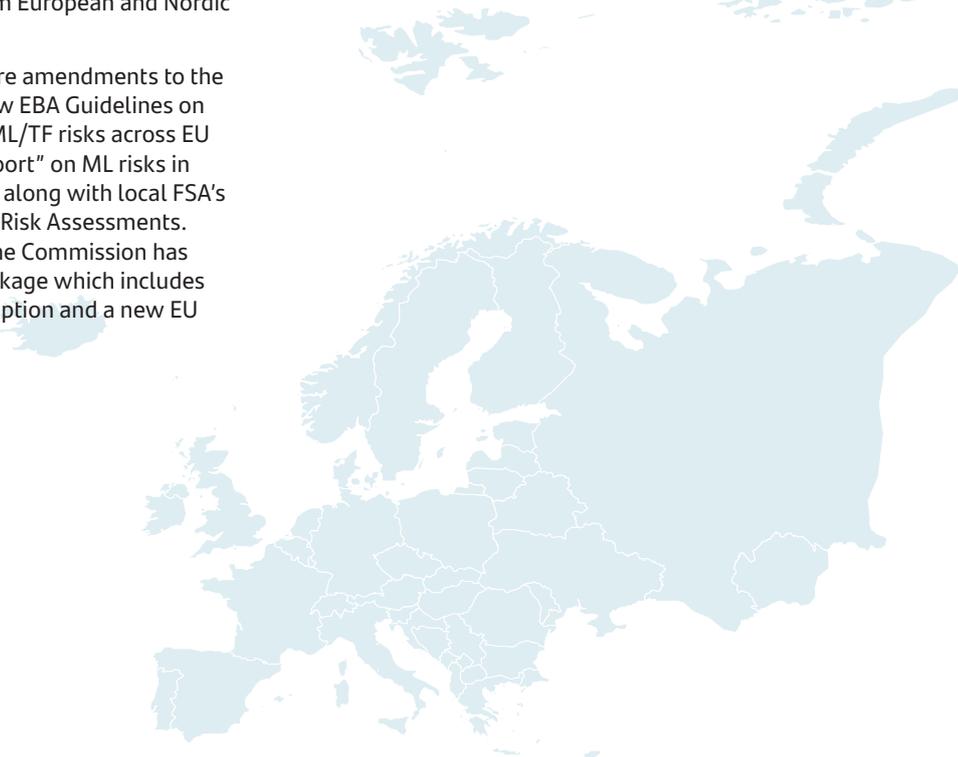
The European Commission has adopted a series of legislative proposals to achieve the goal of climate neutrality in the EU by 2050 and the intermediate target of an at least 55% net reduction in greenhouse gas emissions by 2030.

On July 31, 2023, the Commission adopted the first set of European Sustainability Reporting Standards (ESRS) through a delegated regulation supplementing the Accounting Directive as amended by the CSRD by specifying the European sustainability reporting standards that companies will have to use to prepare their sustainability reporting.

Capital and Funding

Implementation of EU's securitization legislation

A key regulatory development for the Group and its self-funding is the implementation of EU's securitization legislation that was presented by the Ministry of Finance in 2020. Once the regulation is adopted, it will enable the Group to carry out securitizations once again in Norway, Denmark, and Sweden.



Strategic priorities to stay in the lead

Economic and banking sector landscape

According to the European Central Bank (ECB), inflation is gradually decreasing but is anticipated to persist at elevated levels for an extended period. The Governing Council is resolute in its commitment to restoring inflation to the 2% medium-term target promptly. To bolster efforts toward this goal, the Council, during its meeting on September 14, 2023, opted to increase the three key ECB interest rates by 25 basis points.

The decision to raise the interest rates reflects the Governing Council's evaluation of the inflation outlook, considering economic and financial data, underlying inflation dynamics, and the effectiveness of monetary policy transmission. According to the September 2023 ECB staff projections, average inflation for the euro area is expected to be 5.6% in 2023, 3.2% in 2024, and 2.1% in 2025. This marks an upward revision for 2023 and 2024, primarily due to increased energy prices. Although certain indicators have eased, underlying price pressures remain high. The forceful impact of previous interest rate hikes is continuing, tightening financing conditions and suppressing demand, vital in bringing inflation back to target. In result in the upcoming months, the economy is expected to maintain a subdued stance, reflecting its stagnation during the first half of the year and recent indicators signaling weakness in the third quarter. However, there is a degree of optimism surrounding the gradual pickup in economic momentum, primarily driven by expectations of rising real incomes, facilitated by declining inflation, increasing wages, and a resilient labor market, which are anticipated to bolster consumer spending.

The near-term growth prospects for the euro zone have deteriorated, but there is a more positive outlook for the medium term as both domestic and foreign demand are anticipated to rebound. The annual average real GDP growth is predicted to decelerate, with estimates of 0.7% for 2023, followed by a recovery to 1.0% in 2024 and 1.5% in 2025. These projections constitute downward revisions from prior estimates, largely attributable to the deteriorating short-term outlook, marked by worsening survey indicators, tightening financing conditions, and the appreciation of the euro exchange rate.

The ramifications of monetary policy tightening continue to reverberate throughout broader financing conditions, as funding becomes less cost-effective for financial institutions.



This phenomenon is partly attributed to shifts in deposit behavior, wherein savers opt for time deposits offering more favorable interest rates, as well as the gradual phasing out of the ECB's targeted longer-term refinancing operations.

For the Nordic economies, high inflation and FX rates for local currencies against the Euro continue to weigh on domestic demand and growth until the expected rebound to growth in 2024.

The trend of new banking sector entrants and other competitors targeting specific parts of the bank value chains continues to fuel competition and contestability within financial products and services. Whilst a threat, advancements in technology and regulatory barriers to entrants continue to insulate banks from much of these competitive pressures and which can also serve as enablers of growth.²

Corporate strategy

The Group's overarching commitment is to do business in a responsible and sustainable way. This is reinforced by the corporate purpose to help people and businesses prosper and underpinned by a value platform that ensures everything the Group does is simple, personal, and fair.

² ECB Economic Bulletin Issue 6, 2023

The Group has a clearly defined strategic ambition of being the leading Nordic consumer finance platform. This means striving to meet all customer and partner needs in a seamless and collaborative manner.

The aim is to generate long-term, sustainable value creation for the Group's shareholder, Banco Santander. Within this context, the Group also strives to generate value for a broader group of stakeholders including employees, customers, partners, and society at large.

As part of the Group's corporate strategy, four long-term primary measures reflect the commitment to delivering long term stakeholder value.

- No. 1 customer & partner satisfaction in core markets
- Employee satisfaction greater than 8.5%
- Cost-to-income below 35%
- RoRWA (Return on Risk Weighted Assets) greater than 2%

To support and guide strategic execution in pursuit of these measures, the following three strategic pillars have been defined:

Grow selectively	Sustainable profitability at the core of existing and new business propositions.
Operate Efficiently	Efficient, robust and scalable operating model and resource allocation.
Work collaboratively	Modern organisational model underpinned by collaboration and engagement.

Strategic focus areas

During Q3 2023, the Group continued to operationalize and execute on its corporate strategy.

In response to the ongoing challenging market conditions in Q3 2023, the Bank remained focused on disciplined cost rationalization initiatives and business transformation. These efforts were complemented by efficient interest rate management to uphold affordable and competitive pricing for the Bank's products whilst delivering on stakeholder value.

Acting responsibly and sustainably lies at the heart of the Group's corporate strategy. In support of this, the Group published its Sustainability Report for 2022 in mid-September 2023, outlining how the Group is supporting Grupo Santander's Responsible Banking ambitions and targets. The report - developed in alignment with the established international standards Task Force on Climate Disclosures (TCFD) and Global Reporting Initiative (GRI 2021) - is available on the Group's webpages.

Provision of Sustainable Finance aiding consumers transition to the low carbon economy was identified as a key material topic within the Sustainability Report and a key strategic focus area for the Group. In Q3, the Group financed the purchase of 9 430 new battery electric vehicles ("BEVs"), representing 11.6% of all BEVs purchased in the Nordic region during the quarter.

Lysaker, November 17, 2023

The Board of Directors of Santander Consumer Bank

Jørn Olav Borchgrevink
Chair

Federico Ysart
Deputy Chair

Pedro de Elejabeitia
Board member

Anne Karin Kvam
Board member

Rámon Billordo
Board member

Tone Bergsaker Strømsnes
Employee Representative

Rolf Larsen
Employee Representative

Michael Hvidsten
Chief Executive Officer

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Profit and Loss - Santander Consumer Bank Nordic Group

<i>All amounts in millions of NOK</i>	Note	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	FY 2022
Total interest income*		3 402	2 072	9 593	5 969	8 410
Total interest expenses		-1 507	-413	-3 958	-854	-1 656
Net interest income	9	1 895	1 658	5 635	5 115	6 754
Fee and commission income		151	130	456	392	617
Fee and commission expenses		-67	-49	-220	-158	-250
Value change and gain/loss on foreign exchange and securities		-11	-9	-24	-16	-45
Other operating income		135	92	385	275	388
Other operating expenses		-93	-67	-249	-343	-407
Gross margin	9	2 011	1 755	5 982	5 264	7 056
Salaries and personnel expenses		-386	-324	-1 105	-965	-1 295
Administrative expenses		-394	-304	-1 162	-905	-1 072
Depreciation and amortisation		-71	-63	-214	-192	-255
Net operating income before impairment losses on loans		1 160	1 063	3 501	3 202	4 434
Other income and costs		-1	60	-132	-45	-58
Impairment losses on loan, guarantees etc.	3, 4, 5, 13	-384	-231	-651	-775	-792
Profit before tax		775	892	2 718	2 382	3 584
Income tax expense		-250	-229	-611	-522	-877
Profit after tax		524	663	2 107	1 860	2 707
Allocation of profit after tax						
Transferred to other earned equity		474	628	1 966	1 760	2 567
Transferred to additional Tier 1 capital	16	50	34	141	99	140
Total allocations		524	663	2 107	1 860	2 707
Profit after tax		524	663	2 107	1 860	2 707
<i>Items not to be recycled to profit and loss</i>						
Actuarial gain/loss on post-employment benefit obligations		-1	-	4	37	49
<i>Items to be recycled to profit and loss</i>						
Net exchange differences on translating foreign operations		-201	148	356	308	247
Measured at FVTOCI		-1	-0	2	0	-0
Cash flow hedge		-62	45	-74	94	72
Net investment hedge		40	-31	-76	-65	-52
Other comprehensive income for the period net of tax		-225	162	212	374	315
Total comprehensive income for the period		300	824	2 319	2 234	3 022

* Total interest income calculated using the effective interest method

Balance Sheet - Santander Consumer Bank Nordic Group

<i>All amounts in millions of NOK</i>	Note	Q3 2023	Q3 2022	2022
Assets				
Cash on hand	10	0	-	-
Cash and receivables on central banks	10	1 494	2 680	5 680
Deposits with and receivables on financial institutions	10	6 748	6 448	3 663
Loans to customers	3, 4, 5, 10, 12	190 779	181 354	182 976
Commercial papers and bonds	10	9 479	4 348	5 177
Financial derivatives	10, 11	487	630	586
Other ownership interests	10, 11	14	20	12
Other financial assets	10	666	-	811
Intangible assets		1 313	1 274	1 280
Fixed assets		1 765	932	918
Repossessed assets		31	30	27
Other assets		2 565	1 726	1 762
Total assets		215 343	199 443	202 894
Liabilities				
Debt to credit institutions	10, 15	30 340	33 419	36 561
Deposits from customers		86 670	74 079	75 925
Debt established by issuing securities	10, 14	43 216	49 964	47 308
Financial derivatives	10, 11	587	640	586
Tax payable		302	365	126
Other financial liabilities		342	230	546
Deferred tax		1 718	1 629	1 490
Pension liabilities		4	9	5
Other liabilities		3 351	3 442	3 122
Subordinated loan capital	10, 15	2 478	2 475	2 422
Senior non-preferred loans	10, 15	15 636	3 204	4 067
Total liabilities		184 644	169 455	172 157
Equity				
Share capital		10 618	10 618	10 618
Share capital premium		1 926	1 926	1 926
Additional Tier 1 capital		2 250	2 250	2 250
Other equity		15 301	14 745	15 551
OCI items		603	450	391
Total equity		30 698	29 989	30 736
Total liabilities and equity		215 343	199 443	202 894

Cash Flow - Santander Consumer Bank Nordic Group

<i>All amounts in millions of NOK</i>	Note	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	FY 2022
Cash flow from operations						
Profit before tax		775	892	2 718	2 382	3 584
Adjustments for:						
- Depreciation, amortisation and impairment on fixed and intangible assets		71	63	214	192	255
- Net interest income	9	-1 895	-1 658	-5 635	-5 115	-6 754
- Value change and gain/loss on foreign exchange and securities		11	9	24	16	45
- Dividends on financial assets at FVOCI		-	-	-	-	8
Changes in:						
- Loans to customers	12	1 336	-2 346	-886	-6 004	-10 137
- Operating lease assets		-281	17	-842	86	79
- Repossessed assets		5	7	-2	35	36
- Other assets		-829	959	2 055	1 356	527
- Deposits from customers		438	363	7 937	-1 293	1 722
- Other liabilities and provisions		1 166	-906	-2 332	-1 212	-926
Interests received		3 402	2 072	9 593	5 969	8 344
Dividends received		-	-	-	-0	-0
Interests paid		-1 507	-413	-3 958	-854	-1 656
Net income taxes paid		-64	-114	-349	15	-788
Net cash flow from operations		2 629	-1 056	8 539	-4 428	-5 660
Cash flow from investments						
Purchase of bonds		-43 011	-9 167	-103 411	-34 561	-46 123
Proceeds from matured bonds		38 486	9 501	99 239	40 073	50 743
Purchase of fixed and intangible assets		-56	-36	-145	-94	-171
Proceeds from sale of fixed and intangible assets		3	0	10	5	6
Net cash flow from investments		-4 578	298	-4 308	5 424	4 455
Cash flow from financing						
Proceeds from issued securities		999	1 496	6 130	11 584	11 060
Repayments of issued securities		-2 919	-3 115	-13 452	-15 339	-16 648
Payments related to lease liabilities		-3	-0	-40	-44	-65
Change in loans and deposits from credit institutions		-2 948	2 864	-7 741	2 381	6 314
Proceeds from issue of subordinated loans	15	4	4	5	4	2
Repayment of subordinated loans	15	-	-	-	-	-
Proceeds from issue of senior non-preferred loans	15	5 739	1 963	11 586	3 204	4 082
Repayment of senior non-preferred loans	15	-	-	-	-	-
Dividend payments		-	-	-2 216	-2 000	-2 000
Interest payments on additional Tier 1 capital	16	-50	-34	-141	-99	-140
Net cash flow from financing		821	3 177	-5 869	-310	2 605

	Q3	Q3	YTD Q3	YTD Q3	FY
Note	2023	2022	2023	2022	2022
Exchange gains / (losses) on cash and cash equivalents	-154	138	537	267	-230
Net change in cash and cash equivalents	-1 282	2 557	-1 101	953	1 169
Cash and cash equivalents at the beginning of the period	9 525	6 571	9 344	8 175	8 175
Cash and cash equivalents at the end of the period	8 243	9 128	8 243	9 128	9 344

Statement of changes in equity - Santander Consumer Bank Nordic Group

Q3 2023

<i>All amounts in millions of NOK</i>	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 July 2023	10 618	1 926	2 250	14 827	944	22	87	-212	-14	30 449
Profit for the period	-	-	50	474	-	-	-	-	-	524
OCI movements (net of tax)	-	-	-	-	-201	-1	-62	40	-1	-225
Interest payments additional Tier 1 capital	-	-	-50	-	-	-	-	-	-	-50
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2023	10 618	1 926	2 250	15 301	743	22	25	-171	-15	30 698

YTD Q3 2023

<i>All amounts in millions of NOK</i>	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 of January 2023	10 618	1 926	2 250	15 551	387	20	99	-96	-19	30 736
Profit for the period	-	-	141	1 966	-	-	-	-	-	2 107
OCI movements (net of tax)	-	-	-	-	356	2	-74	-76	4	212
Interest payments additional Tier 1 capital	-	-	-141	-	-	-	-	-	-	-141
Dividend	-	-	-	-2 216	-	-	-	-	-	-2 216
Balance at 30 September 2023	10 618	1 926	2 250	15 301	743	22	25	-171	-15	30 698

Total shares registered as at September 30, 2023, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at September 30, 2023, was 10 618 MM NOK. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

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

Financial Year 2022

<i>All amounts in millions of NOK</i>	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured at FVTOCI	Cash flow investment hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 January 2022	10 618	1 926	2 250	14 985	140	20	27	-43	-68	29 855
Profit for the period	-	-	140	2 567	-	-	-	-	-	2 707
OCI movements (net of tax)	-	-	-	-	247	-0	72	-53	49	315
Interest payments additional Tier 1 capital	-	-	-140	-	-	-	-	-	-	-140
Dividend	-	-	-	-2 000	-	-	-	-	-	-2 000
Balance at 31 December 2022	10 618	1 926	2 250	15 551	387	20	99	-96	-19	30 736

Total shares registered as at December 31, 2022, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at December 31, 2022, was 10 618 MM NOK. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

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Profit and Loss - Santander Consumer Bank AS

<i>All amounts in millions of NOK</i>	Note	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	FY 2022
Total interest income*		3 090	1 786	8 684	5 126	7 277
Total interest expenses		-1 459	-381	-3 826	-798	-1 544
Net interest income	9	1 632	1 406	4 858	4 328	5 733
Fee and commission income		127	115	390	346	520
Fee and commission expenses		-62	-45	-205	-143	-229
Value change and gain/loss on foreign exchange and securities		-9	-3	-26	-5	-29
Other operating income		106	65	298	190	274
Other operating expenses		-67	-40	-163	-255	-292
Gross margin		1 727	1 497	5 151	4 462	5 977
Salaries and personnel expenses		-332	-285	-942	-832	-1 118
Administrative expenses		-320	-267	-984	-864	-977
Depreciation and amortisation		-65	-58	-196	-176	-233
Net operating income before impairment losses on loans		1 010	886	3 029	2 590	3 649
Other income and costs		-2	59	-136	-39	-60
Impairment losses on loan, guarantees etc.	3, 4, 5, 13	-313	-228	-538	-708	-659
Profit before tax		695	717	2 356	1 843	2 929
Income tax expense		-234	-164	-550	-414	-713
Profit after tax		461	553	1 805	1 429	2 216
Allocation of profit after tax						
Transferred to other earned equity		411	518	1 665	1 329	2 076
Transferred to additional Tier 1 capital	16	50	34	141	99	140
Total allocations		461	553	1 805	1 429	2 216
Profit after tax		461	553	1 805	1 429	2 216
<i>Items not to be recycled to profit and loss</i>						
Actuarial gain/loss on post-employment benefit obligations		-1	-	4	37	49
<i>Items to be recycled to profit and loss</i>						
Net exchange differences on translating foreign operations		-4	3	4	9	9
Measured at FVTOCI		-1	-0	2	0	-0
Cash flow hedge		-21	6	-15	-5	-18
Net investment hedge		-	-	-	-	-
Other comprehensive income for the period net of tax		-26	9	-5	40	39
Total comprehensive income for the period		434	562	1 800	1 469	2 255

*Total interest income calculated using the effective interest method

Balance Sheet - Santander Consumer Bank AS

<i>All amounts in millions of NOK</i>	Note	Q3 2023	Q3 2022	2022
Assets				
Cash on hand	10	0	-	-
Cash and receivables on central banks	10	1 494	2 680	5 680
Deposits with and receivables on financial institutions	10	5 217	4 345	2 276
Loans to customers	3, 4, 5, 10, 12	155 077	145 327	147 337
Commercial papers and bonds	10	9 479	4 374	4 704
Financial derivatives	10, 11	25	-	-
Loans to subsidiaries and SPV's	10, 15	18 718	17 552	17 728
Investments in subsidiaries		1 817	1 734	1 717
Other ownership interests	10, 11	14	20	12
Other financial assets	10	118	-	311
Intangible assets		846	834	845
Fixed assets		1 369	502	517
Reposessed assets		6	5	5
Other assets		2 014	1 383	1 317
Total assets		196 194	178 756	182 448
Liabilities				
Debt to credit institutions	10, 15	29 090	31 057	33 078
Deposits from customers		86 670	74 079	75 925
Debt established by issuing securities	10, 14	29 947	35 872	34 599
Financial derivatives	10, 11	-	-	0
Tax payable		302	278	126
Other financial liabilities		261	225	374
Deferred tax		2 021	1 917	1 721
Pension liabilities		4	9	5
Other liabilities		2 844	2 887	2 636
Subordinated loan capital	10, 15	2 478	2 475	2 422
Senior non-preferred loans	10, 15	15 636	3 204	4 067
Total liabilities		169 254	152 004	154 952
Equity				
Share capital		10 618	10 618	10 618
Share capital premium		1 926	1 926	1 926
Additional Tier 1 capital		2 250	2 250	2 250
Other equity		12 136	11 941	12 687
OCI items		10	17	15
Total equity		26 940	26 752	27 496
Total liabilities and equity		196 194	178 756	182 448

Cash Flow - Santander Consumer Bank AS

<i>All amounts in millions of NOK</i>	Note	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	FY 2022
Cash flow from operations						
Profit before tax		695	717	2 356	1 843	2 929
Adjustments for:						
- Depreciation, amortisation and impairment on fixed and intangible assets		65	58	196	176	233
- Net interest income	9	-1 632	-1 406	-4 858	-4 328	-5 733
- Value change and gain/loss on foreign exchange and securities		9	3	26	5	29
- Dividends on financial assets at FVOCI		-	-	-	-	8
Changes in:						
- Loans to customers	12	167	-2 022	-3 457	-7 317	-11 745
- Operating lease assets		-286	-2	-875	45	18
- Repossessed assets		5	-2	-1	12	12
- Other assets		50	148	-319	20	-95
- Deposits from customers		438	363	7 937	-1 293	1 722
- Other liabilities and provisions		192	102	185	525	489
Interests received		3 090	1 786	8 684	5 126	7 250
Dividends received		-	-	-	-0	-0
Interests paid		-1 459	-381	-3 826	-798	-1 544
Net income taxes paid		-48	-56	-265	47	-597
Net cash flow from operations		1 287	-690	5 782	-5 938	-7 023
Cash flow from investments						
Purchase of bonds		-43 011	-9 082	-103 411	-33 197	-44 352
Proceeds from matured bonds		38 486	9 074	98 727	36 926	47 552
Purchase of fixed and intangible assets		-52	-35	-141	-90	-168
Proceeds from sale of fixed and intangible assets		1	0	2	2	3
Net cash flow from investments		-4 576	-43	-4 822	3 641	3 035
Cash flow from financing						
Proceeds from issued securities		999	999	999	6 305	6 041
Repayments of issued securities		-743	-954	-7 947	-10 091	-10 487
Payments related to lease liabilities		-3	-0	-40	-44	-65
Change in loans and deposits from credit institutions		-3 326	1 274	-4 919	4 881	7 603
Proceeds from issue of subordinated loans	15	4	4	5	4	2
Repayment of subordinated loans	15	-	-	-	-	-
Proceeds from issue of senior non-preferred loans	15	5 739	1 963	11 586	3 204	4 082
Repayment of senior non-preferred loans	15	-	-	-	-	-
Dividend payments		-	-	-2 216	-2 000	-2 000
Interest payments on additional Tier 1 capital	16	-50	-34	-141	-99	-140
Net cash flow from financing		2 620	3 250	-2 672	2 160	5 035

	Q3	Q3	YTD Q3	YTD Q3	FY
Note	2023	2022	2023	2022	2022
Exchange gains / (losses) on cash and cash equivalents	-58	74	468	191	-62
Net change in cash and cash equivalents	-728	2 591	-1 245	54	985
Cash and cash equivalents at the beginning of the period	7 440	4 434	7 957	6 972	6 972
Cash and cash equivalents at the end of the period	6 712	7 025	6 712	7 025	7 957

Statement of changes in equity - Santander Consumer Bank AS

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 July 2023	10 618	1 926	2 250	11 725	5	22	2	21	-14	26 556
Profit for the period	-	-	50	411	-	-	-	-	-	461
OCI movements (net of tax)	-	-	-	-	-4	-1	-21	-	-1	-26
Interest payments additional Tier 1 capital	-	-	-50	-	-	-	-	-	-	-50
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2023	10 618	1 926	2 250	12 136	1	22	-18	21	-15	26 940

YTD Q3 2023

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 of January 2023	10 618	1 926	2 250	12 687	-3	20	-3	21	-19	27 496
Profit for the period	-	-	141	1 665	-	-	-	-	-	1 805
OCI movements (net of tax)	-	-	-	-	4	2	-15	-	4	-5
Interest payments additional Tier 1 capital	-	-	-141	-	-	-	-	-	-	-141
Dividend	-	-	-	-2 216	-	-	-	-	-	-2 216
Balance at 30 September 2023	10 618	1 926	2 250	12 136	1	22	-18	21	-15	26 940

Total shares registered as at September 30, 2023, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at September 30, 2023, was 10 618 MM NOK. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

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Financial Year 2022

<i>All amounts in millions of NOK</i>	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 January 2022	10 618	1 926	2 250	12 612	-12	20	15	21	-68	27 382
Profit for the period	-	-	140	2 076	-	-	-	-	-	2 216
OCI movements (net of tax)	-	-	-	-	9	-0	-18	-	49	39
Interest payments additional Tier 1 capital	-	-	-140	-	-	-	-	-	-	-140
Dividend	-	-	-	-2 000	-	-	-	-	-	-2 000
Balance at 31 December 2022	10 618	1 926	2 250	12 687	-3	20	-3	21	-19	27 496

Total shares registered as at December 31, 2022, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at December 31, 2022, was 10 618 MM NOK. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

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Lysaker, November 17, 2023

The Board of Directors of Santander Consumer Bank

Jørn Olav Borchgrevink
Chair

Federico Ysart
Deputy Chair

Pedro de Elejabeitia
Board member

Anne Karin Kvam
Board member

Rámon Billordo
Board member

Tone Bergsaker Strømsnes
Employee Representative

Rolf Larsen
Employee Representative

Michael Hvidsten
Chief Executive Officer

Notes and financial statements

Santander Consumer Bank Nordic Group



Note 1 - Basis of preparation

The Group accounts include Santander Consumer Bank AS (the Bank), the Finnish subsidiary Santander Consumer Finance Oy (SCF Oy) and Special Purpose Vehicles ("SPV").

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

The Groups interim accounts for the third quarter of 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Groups last annual report as at and for the year ended December 31, 2022.

The annual report for 2022 may be obtained by contacting Santander Consumer Bank AS, Strandveien 18, Lysaker – or by visiting www.santanderconsumer.no.

These interim financial statements were authorised by the Board of Directors on November 17, 2023.

Note 2 - Accounting principles

The accounting policies of the Group are consistent with those applied in the 2022 annual financial statements.

Note 3 - Credit risk exposure

All amounts in millions of NOK

Maximum exposure to credit risk - Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Group's maximum exposure to credit risk on these assets.

Loans not past due date includes exposures that are not in arrears and not in default. Standard monitoring includes exposures in early arrears.

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Unsecured loans	ECL	ECL	ECL		ECL	ECL	ECL	
Credit grade								
Loans not past due date	23 775	979	-	24 754	25 511	1 515	-	27 026
Standard monitoring	448	770	-	1 218	443	534	-	976
Special monitoring	-	111	-	111	-	235	-	235
Default	-	-	2 858	2 858	-	-	2 813	2 813
Gross carrying amount	24 223	1 860	2 858	28 941	25 954	2 284	2 813	31 050
Loss allowance	-461	-379	-1 835	-2 675	-663	-424	-1 828	-2 915
Carrying amount	23 762	1 482	1 022	26 266	25 291	1 859	984	28 135
Loss allowance (off balance exposures)	-25	-7	-25	-57	-34	-8	-27	-70
Loss allowance (%)				9,24%				9,39%

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Secured loans	ECL	ECL	ECL		ECL	ECL	ECL	
Credit grade								
Loans not past due date	155 724	4 099	22	159 845	146 905	2 350	18	149 273
Standard monitoring	2 249	1 922	-	4 171	2 290	1 259	-	3 550
Special monitoring	-	106	-	106	-	222	-	222
Default	-	-	2 465	2 465	-	-	2 209	2 209
Gross carrying amount	157 973	6 126	2 487	166 587	149 196	3 832	2 226	155 254
Loss allowance	-562	-360	-1 151	-2 073	-738	-286	-1 010	-2 034
Carrying amount	157 411	5 766	1 336	164 514	148 457	3 547	1 216	153 220
Loss allowance (%)				1,24%				1,31%

Secured contracts consist of vehicles that act as guarantees for the loan and lease contracts. The Group has a robust process to repossess the vehicle and recoup losses on non-performing contracts. The leased vehicles are owned by the Group and hence are easier to repossess. No significant changes have been made to the collateral and repossession policies during 2023. The loan-to-value (LTV) ratio is considered a useful measure to evaluate the quality of the collateral, i.e. the credit extended divided by the appraised value of the collateral.

	Q3 2023				Q3 2022				Total
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3		
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL		
Commercial papers and bonds									
Credit grade									
Investment grade	9 479	-	-	9 479	4 349	-	-	4 349	
Standard monitoring	-	-	-	-	-	-	-	-	
Special monitoring	-	-	-	-	-	-	-	-	
Default	-	-	-	-	-	-	-	-	
Gross carrying amount	9 479	-	-	9 479	4 349	-	-	4 349	
Loss allowance	-0	-	-	-0	-0	-	-	-0	
Carrying amount	9 479	-	-	9 479	4 348	-	-	4 348	
Loss allowance (%)				0,00%				0,01%	

Maximum exposure to credit risk - Financial instruments not subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets and liabilities not subject to impairment (i.e. FVTPL):

Maximum exposure to credit risk	Q3 2023	Q3 2022
Financial derivatives Assets	487	630
Financial derivatives Liabilities	587	640

Note 4 - Risk classification

All amounts in millions of NOK

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

	Gross outstanding			Loss reserves		
	Q3 2023	Q3 2022	FY 2022	Q3 2023	Q3 2022	FY 2022
Current - not past due date	184 769	176 711	177 236	-1 380	-1 781	-1 327
Current - past due date	5 414	4 554	5 248	-382	-330	-379
Total impaired loans	5 345	5 039	4 917	-2 986	-2 839	-2 718
Total gross loans to customers	195 527	186 304	187 401	-4 748	-4 950	-4 425

<i>Ageing of past due but not impaired loans</i>	Gross outstanding			Loss reserves		
	Q3 2023	Q3 2022	FY 2022	Q3 2023	Q3 2022	FY 2022
1 - 29 days	3 904	3 350	3 809	-151	-115	-145
30 - 59 days	991	804	924	-143	-140	-144
60 - 89 days	519	400	515	-88	-75	-90
Total loans due but not impaired	5 414	4 554	5 248	-382	-330	-379

<i>Ageing of impaired loans</i>	Gross outstanding			Loss reserves		
	Q3 2023	Q3 2022	FY 2022	Q3 2023	Q3 2022	FY 2022
90 - 119 days	449	347	413	-169	-139	-161
120 - 149 days	341	336	314	-133	-157	-122
150 - 179 days	307	194	179	-131	-81	-71
180 + days	3 078	2 855	2 675	-1 959	-1 801	-1 697
Economic doubtful*	1 170	1 307	1 336	-594	-662	-668
Total impaired loans	5 345	5 039	4 917	-2 986	-2 839	-2 718

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

Note 5 - Loss allowance

All amounts in millions of NOK

The following tables explain the changes in the loss allowance between the beginning and the end of the reporting period due to these factors:

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
Unsecured loans								
Loss allowance at 1 January	476	400	1 667	2 543	622	388	1 874	2 884
Transfers:								
Transfer from Stage 1 to Stage 2	-107	577	-	470	-119	689	-	571
Transfer from Stage 1 to Stage 3	-4	-	64	60	-5	-	66	60
Transfer from Stage 2 to Stage 3	-	-393	663	270	-	-302	527	225
Transfer from Stage 2 to Stage 1	52	-377	-	-325	80	-389	-	-309
Transfer from Stage 3 to Stage 2	-	95	-186	-90	-	69	-165	-96
Transfer from Stage 3 to Stage 1	0	-	-3	-3	0	-	-3	-3
Assets remaining in same Stage	-80	-5	66	-19	-66	261	686	881
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-66	-28	-44	-138	-246	-260	-622	-1 128
<i>of which 'accounts that have closed in the period'</i>	-66	-28	-44	-138	-246	-260	-622	-1 128
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-450	-450	-	-	-569	-569
New financial assets originated or purchased	163	-	-	163	328	-	-	328
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	27	110	57	194	70	-32	35	73
Loss allowance at 30 September	461	379	1 835	2 675	663	424	1 828	2 915

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
Secured loans								
Loss allowance at 1 January	510	320	1 052	1 882	822	247	995	2 064
Transfers:								
Transfer from Stage 1 to Stage 2	-69	631	-	562	-81	607	-	525
Transfer from Stage 1 to Stage 3	-19	-	184	165	-26	-	181	155
Transfer from Stage 2 to Stage 3	-	-309	783	474	-	-288	630	342
Transfer from Stage 2 to Stage 1	55	-256	-	-201	54	-303	-	-249
Transfer from Stage 3 to Stage 2	-	163	-471	-308	-	182	-446	-263
Transfer from Stage 3 to Stage 1	0	-	-1	-1	0	-	-2	-2
Assets remaining in same Stage	-67	-50	192	75	-316	-97	236	-177
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-89	-60	-173	-323	-137	-50	-160	-347
<i>of which 'accounts that have closed in the period'</i>	-89	-60	-173	-323	-137	-50	-160	-347
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-461	-461	-	-	-413	-413
New financial assets originated or purchased	225	-	-	225	441	-	-	441
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	17	-79	46	-17	-19	-12	-11	-43
Loss allowance at 30 September	562	360	1 151	2 073	738	286	1 010	2 034

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
Commercial papers and bonds								
Loss allowance at 1 January	0	-	-	0	-	-	-	-
Transfers:								
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-	-	-	-	-
Transfer from Stage 2 to Stage 3	-	-	-	-	-	-	-	-
Transfer from Stage 2 to Stage 1	-	-	-	-	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-	-	-	-	-
Transfer from Stage 3 to Stage 1	-	-	-	-	-	-	-	-
Assets remaining in same Stage	0	-	-	0	0	-	-	0
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-0	-	-	-0	-	-	-	-
<i>of which 'accounts that have closed in the period'</i>	-0	-	-	-0	-	-	-	-
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-
New financial assets originated or purchased	0	-	-	0	0	-	-	0
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	0	-	-	0
Loss allowance at 30 September	0	-	-	0	0	-	-	0

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
Off balance exposure								
Loss allowance at 1 January	33	6	26	65	29	9	29	66
Transfers:								
Transfer from Stage 1 to Stage 2	-1	8	-	7	-1	8	-	7
Transfer from Stage 1 to Stage 3	-0	-	12	12	-0	-	15	15
Transfer from Stage 2 to Stage 3	-	-1	5	4	-	-2	6	4
Transfer from Stage 2 to Stage 1	1	-7	-	-6	2	-12	-	-11
Transfer from Stage 3 to Stage 2	-	6	-8	-3	-	7	-12	-5
Transfer from Stage 3 to Stage 1	0	-	-1	-1	0	-	-1	-1
Assets remaining in same Stage	-6	-0	10	4	-13	2	14	2
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-12	-4	-16	-32	-4	-3	-20	-27
<i>of which 'accounts that have closed in the period'</i>	-12	-4	-16	-32	-4	-3	-20	-27
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-2	-2	-	-	-3	-3
New financial assets originated or purchased	8	-	-	8	21	-	-	21
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	0	0	0	0	0	-0	0	0
Loss allowance at 30 September	25	7	25	57	34	8	27	70

The Group does not have any engagements where no ECL provision has been made due to the value of the collateral.

Note 6 - Liquidity coverage ratio

Liquidity Coverage Ratio (LCR) measures the capability to meet obligations in the next 30 days by means of liquidity assets. It is defined as $LCR = \text{liquid assets} / \text{net liquidity outflows}$. The minimum LCR level (CRD IV) is 100% for SEK, DKK and EUR, and 50% for NOK. With a stable basis of High Quality Liquid Assets, the Group fulfills the minimum LCR requirements.

Liquidity Coverage Ratio (LCR) %	Q3 2023	Q3 2022	Q4 2022
Liquidity Coverage Ratio (LCR) Total	183%	179%	185%
Liquidity Coverage Ratio (LCR) NOK	84%	106%	86%
Liquidity Coverage Ratio (LCR) SEK	235%	210%	299%
Liquidity Coverage Ratio (LCR) DKK	271%	207%	220%
Liquidity Coverage Ratio (LCR) EUR	220%	331%	140%

Note 7 - Capital adequacy

All amounts in millions of NOK

Balance sheet equity	Q3 2023	Q3 2022	FY 2022
Paid in equity	10 618	10 618	10 618
Share premium	1 926	1 926	1 926
Other equity	15 301	14 745	15 551
Tier 1 Capital	2 250	2 250	2 250
Other reserves	603	450	391
Total Equity	30 698	29 989	30 736

Common Equity Tier 1 Capital

(-) Profit not eligible as capital	-2 107	-1 860	-2 216
Cash-flow hedge adjustment	-25	-13	-3
IRB Expected Loss - Reserves	-599	-499	-552
Goodwill	-894	-846	-835
Other intangible assets	-171	-97	-97
Deferred tax assets	-	-	-
Adjustment Prudent Valuation (AVA)	-2	-5	-5
Insufficient coverage for NPE	-6	-	-
Tier 1 Capital	-2 250	-2 250	-2 250
Total common Equity Tier 1 Capital	24 645	24 420	24 777

Tier 1 Capital

Paid in Tier 1 capital instruments	2 250	2 250	2 250
Total Tier 1 Capital	26 895	26 670	27 027

Total Capital

Paid up subordinated loans	2 469	2 468	2 417
Subordinated loans not eligible	-106	-6	-31
Total Capital	29 258	29 132	29 414

Risk exposure on Standard Approach

Regional governments or local authorities	68	67	68
Institutions	1 686	1 354	1 203
Corporates	14 101	9 050	10 606
Retail Standard Approach	55 598	54 676	54 498
Exposures in default SA	2 754	3 370	3 338
Covered bonds	144	176	149
Other Exposures	5 181	3 718	3 547
Total Risk exposure amount on Standard Approach	79 531	72 411	73 409

Risk exposure on Internal Rating Based Approach	Q3 2023	Q3 2022	FY 2022
Retail Other	42 887	42 440	42 050
Total Risk exposure amount on Internal Rating Based Approach	42 887	42 440	42 050
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	122 418	114 851	115 459
Foreign exchange (zero if under threshold)	3 547	3 031	3 165
Risk exposure amount for position, foreign exchange and commodities risks	3 547	3 031	3 165
Basic indicator approach	13 924	14 261	13 924
Risk exposure amount for operational risk	13 924	14 261	13 924
Standardized method	18	6	24
Risk exposure amount for credit valuation adjustment	18	6	24
Total risk exposure amount	139 908	132 149	132 572
Total exposure for Leverage Ratio			
Derivatives: Add-on under market-to-market method	1 674	744	949
Off-balance sheet items with 10% CCF	2 839	3 125	3 062
Off-balance sheet items with 20% CCF	895	919	776
Off-balance sheet items with 50% CCF	21	38	38
Adjusted On balance sheet exposure	216 737	201 181	204 096
Total exposure for Leverage Ratio	222 165	206 006	208 920
Minimum Regulatory Capital			
Minimum Core Equity	4,50%	4,50%	4,50%
Pillar 2 Requirement	1,52%	3,30%	3,30%
Pillar 2 Guidance	1,50%	1,50%	1,50%
Countercyclical Buffer (combined)	1,88%	0,93%	1,32%
Conservation Buffer	2,50%	2,50%	2,50%
Systemic Risk Buffer	1,20%	1,18%	1,23%
Minimum Regulatory Capital ratio (CET1)	13,11%	13,91%	14,35%
Minimum Regulatory Capital			
Minimum Core Equity	6 296	5 947	5 966
Pillar 2 Requirement	4 000	4 361	4 375
Pillar 2 Guidance	2 099	1 982	1 989
Countercyclical Buffer (combined)	2 633	1 228	1 750
Conservation Buffer	3 498	3 304	3 314
Systemic Risk Buffer (combined)	1 685	1 556	1 635
Minimum Regulatory Capital amount	20 209	18 377	19 028

	Q3 2023	Q3 2022	FY 2022
Surplus of Core Equity Tier 1 capital	4 436	6 042	5 749
Common equity tier 1 capital ratio	17,62%	18,48%	18,69%
CET1 regulatory requirements	13,11%	13,91%	14,35%
Tier 1 capital ratio	19,22%	20,18%	20,39%
Tier 1 regulatory requirements	15,12%	15,41%	15,85%
Total capital ratio	20,91%	22,04%	22,19%
Total capital regulatory requirements	17,80%	17,41%	17,85%
Leverage ratio	12,11%	12,95%	12,94%
LR regulatory requirements	3,00%	3,00%	3,00%

From December 2015, the Group is calculating credit risk capital requirement using advanced internal rating based models (IRB- A models) for part of its exposures.

Since December 2018, the Group has reported capital ratios using IFRS9 transitional rules. From Q1 2022, the Group is only reporting capital ratios under the fully loaded approach.

Financial information in accordance with the capital requirement regulation is published at www.santanderconsumer.no. The Pillar 3 Disclosure report is published at www.santanderconsumer.no.

Note 8 - Segment information

All amounts in millions of NOK

Financial management in the Group 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 Group. Reported figures for the various segments reflect the 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 the Group management. The 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 the Group's governance model and the 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 Group's governance model. All the 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 Group treasury at market conditions. Surplus liquidity is transferred to the 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.

Product segmentation per country (gross lending before expected losses)

Q3 2023

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	5 012	48 277	11 532	-	64 821
Sweden	11 647	23 791	19 418	-	54 856
Denmark	7 305	28 363	3 737	1 275	40 680
Finland	4 977	28 856	2 613	402	36 848
Total	28 941	129 288	37 299	1 678	197 205

Q3 2022

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	5 597	42 811	11 969	-	60 376
Sweden	13 896	20 980	18 016	-	52 891
Denmark	6 541	26 454	3 276	344	36 615
Finland	5 016	28 948	2 801	436	37 201
Total	31 050	119 193	36 061	779	187 083

Profit and Loss per Country	Q3 2023					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	1 349	928	813	599	-287	3 402
Total interest expenses	-696	-537	-226	-337	289	-1 507
Net interest income	654	391	587	262	2	1 895
Fee and commission income	48	46	34	41	-18	151
Fee and commission expenses	-41	-12	-9	-22	18	-67
Value change and gain/loss on foreign exchange and securities	4	-6	-7	-2	-0	-11
Other operating income	13	22	71	29	-	135
Other operating expenses	-20	-11	-35	-26	-	-93
Gross margin	657	429	641	282	2	2 011
Salaries and personnel expenses	-136	-106	-90	-53	-	-386
Administrative expenses	-130	-103	-87	-72	-2	-394
Depreciation and amortisation	-32	-20	-12	-7	-	-71
Net operating income before impairment losses on loans	359	200	451	150	-0	1 160
Other income and costs	-3	1	1	0	-	-1
Impairment losses on loan, guarantees etc.	-55	-113	-145	-70	-	-384
Profit before tax	300	88	306	80	-0	775
Income tax expense	-147	-18	-70	-16	-	-250
Profit after tax	154	70	237	64	-0	524

Profit and Loss per Country	Q3 2022					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	837	526	431	975	-696	2 072
Total interest expenses	-216	-149	-22	-723	696	-413
Net interest income	621	376	409	252	0	1 658
Fee and commission income	46	51	18	38	-23	130
Fee and commission expenses	-26	-13	-6	-27	23	-49
Value change and gain/loss on foreign exchange and securities	-1	-2	-1	-6	0	-9
Other operating income	10	9	46	27	-	92
Other operating expenses	-12	-9	-19	-26	-	-67
Gross margin	637	413	446	258	1	1 755
Salaries and personnel expenses	-126	-92	-67	-39	-	-324
Administration expenses	-116	-86	-65	-37	-0	-304
Depreciation and amortisation	-31	-17	-11	-5	-	-63
Net operating income before impairment losses on loans	365	218	304	177	0	1 063
Other income and costs	42	18	-0	0	-	60
Impairment losses on loan, guarantees etc.	-35	-98	-95	-3	-	-231
Profit before tax	371	137	209	174	0	892
Income tax expense	-107	-11	-46	-65	-	-229
Profit after tax	264	126	163	109	0	663

Profit and Loss per Country	YTD Q3 2023					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	3 843	2 592	2 250	1 959	-1 049	9 593
Total interest expenses	-1 829	-1 416	-581	-1 186	1 054	-3 958
Net interest income	2 013	1 176	1 669	773	4	5 635
Fee and commission income	142	147	101	112	-45	456
Fee and commission expenses	-132	-39	-34	-60	45	-220
Value change and gain/loss on foreign exchange and securities	-3	-9	-14	1	1	-24
Other operating income	50	70	177	87	-	385
Other operating expenses	-45	-31	-87	-85	-	-249
Gross margin	2 026	1 313	1 812	826	5	5 982
Salaries and personnel expenses	-386	-304	-252	-163	-	-1 105
Administrative expenses	-443	-298	-242	-174	-4	-1 162
Depreciation and amortisation	-97	-61	-38	-19	-	-214
Net operating income before impairment losses on loans	1 100	649	1 280	471	1	3 501
Other income and costs	-118	-	-17	3	-	-132
Impairment losses on loan, guarantees etc.	58	-234	-363	-114	-	-651
Profit before tax	1 040	416	900	361	1	2 718
Income tax expense	-245	-86	-219	-61	-	-611
Profit after tax	795	330	681	300	1	2 107

Profit and Loss per Country	YTD Q3 2022					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	2 381	1 494	1 276	2 203	-1 385	5 969
Total interest expenses	-490	-291	-39	-1 422	1 388	-854
Net interest income	1 891	1 203	1 237	780	3	5 115
Fee and commission income	126	154	66	97	-52	392
Fee and commission expenses	-88	-42	-16	-64	52	-158
Value change and gain/loss on foreign exchange and securities	4	-5	-3	-12	1	-16
Other operating income	33	24	134	85	-	275
Other operating expenses	-167	-28	-60	-88	-	-343
Gross margin	1 798	1 306	1 358	798	4	5 264
Salaries and personnel expenses	-356	-270	-206	-133	-	-965
Administration expenses	-383	-293	-188	-38	-3	-905
Depreciation and amortisation	-88	-56	-32	-16	-	-192
Net operating income before impairment losses on loans	971	687	932	610	1	3 202
Other income and costs	-10	-9	-20	-6	-	-45
Impairment losses on loan, guarantees etc.	-126	-327	-255	-67	-	-775
Profit before tax	835	351	658	538	1	2 382
Income tax expense	-226	9	-197	-108	-	-522
Profit after tax	609	359	461	430	1	1 860

Balance Sheet per Country	Q3 2023					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Cash on hand	0	-	-	-	-	0
Cash and receivables on central banks	67	1 427	-	-	-	1 495
Deposits with and receivables on financial institutions	1 474	791	2 952	1 532	-	6 749
Total gross loans to customers	64 821	54 856	39 405	36 445	-	195 527
Write-downs	-1 187	-1 386	-1 433	-743	-	-4 749
Commercial papers and bonds	3 046	5 530	903	353	-354	9 478
Financial derivatives	25	-	-	462	-	487
Investments in subsidiaries	1 817	-	-	-	-1 817	0
Other assets	39 250	1 420	2 515	15 687	-52 518	6 355
Total assets	109 313	62 640	44 342	53 737	-54 689	215 343
Debt to credit institutions	6 977	33 437	8 658	19 979	-38 712	30 340
Deposits from customers	28 691	23 752	34 227	-	-	86 670
Debt established by issuing securities	27 145	2 734	69	13 621	-353	43 216
Financial derivatives	-	-	-	587	-	587
Other liabilities	19 652	2 749	1 262	14 490	-14 323	23 831
Equity	26 848	-33	126	5 059	-1 302	30 698
Total liabilities and equity	109 313	62 640	44 342	53 737	-54 689	215 343

Balance Sheet per Country	Q3 2022					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Cash and receivables on central banks	66	2 614	-	-	-	2 680
Deposits with and receivables on financial institutions	1 845	981	1 565	2 057	-	6 448
Total gross loans to customers	60 376	52 891	36 271	36 765	-	186 304
Write-downs	-1 523	-1 436	-1 253	-738	-	-4 950
Commercial papers and bonds	2 399	1 258	716	935	-961	4 348
Financial derivatives	-	-	-	630	-	630
Investments in subsidiaries	1 734	-	-	-	-1 734	-0
Other assets	30 116	614	1 522	31 026	-59 294	3 983
Total assets	95 013	56 922	38 821	70 676	-61 988	199 443
Debt to credit institutions	7 553	27 613	7 332	20 337	-29 416	33 419
Deposits from customers	23 185	20 682	30 213	-	-	74 079
Debt established by issuing securities	30 986	5 338	0	14 600	-960	49 964
Financial derivatives	-	-	-	640	-	640
Other liabilities	6 641	3 245	1 218	30 574	-30 325	11 353
Equity	26 648	45	58	4 525	-1 288	29 988
Total liabilities and equity	95 013	56 922	38 821	70 676	-61 989	199 443

Note 9 - Net interest income

All amounts in millions of NOK

	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	FY 2022
Interest and similar income on loans to and receivables from credit institutions	74	9	194	14	52
Interest and similar income on loans to and receivables from customers	3 253	2 041	9 182	5 901	8 267
Interest and similar income on comm. paper, bonds and other securities	54	6	136	12	39
Interest and similar income on loans to subsidiaries, branches and SPVs	8	15	24	42	52
Other interest income and similar income	14	-	58	-	-
Total interest income	3 402	2 072	9 593	5 969	8 410
Interest and similar expenses on debt to credit institutions	-340	-85	-909	-137	-313
Interest and similar expenses on deposits from and debt to customers	-683	-169	-1 752	-370	-723
Interest and similar expenses on issued securities	-294	-121	-772	-264	-450
Interest on subordinated loan capital	-33	-18	-92	-47	-71
Interest on senior non-preferred loans	-132	-11	-346	-14	-46
Other interest expenses and similar expenses	-25	-10	-87	-21	-53
Total interest expense	-1 507	-413	-3 958	-854	-1 656
Net interest income	1 895	1 658	5 635	5 115	6 754

The tables show average interest rate on interest bearing debt. Average interest is calculated as actual interest expense through the year in percent of weighted average balance.

	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	FY 2022
To credit institutions					
Interest expenses	-340	-85	-909	-137	-313
Average loan over the period	33 451	31 931	33 451	31 931	33 502
Average nominal interest rate	4,07%	1,06%	3,62%	0,57%	0,93%

	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	FY 2022
To customers					
Interest expenses	-683	-169	-1 752	-370	-723
Average deposit over the period	81 297	73 692	81 297	73 692	74 614
Average nominal interest rate	3,36%	0,92%	2,87%	0,67%	0,97%

	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022	FY 2022
To bondholders					
Interest expenses	-294	-121	-772	-264	-450
Average issued notes and bonds	45 262	50 741	45 262	50 741	49 413
Average nominal interest rate	2,60%	0,96%	2,28%	0,69%	0,91%

	Q3 2023	Q3 2022	YTD	YTD	FY 2022
			Q3 2023	Q3 2022	
Subordinated loan capital					
Interest expenses	-33	-18	-92	-47	-71
Average subordinated loan capital	2 450	2 469	2 450	2 469	2 443
Average nominal interest rate	5,40%	2,93%	5,00%	2,55%	2,91%

	Q3 2023	Q3 2022	YTD	YTD	FY 2022
			Q3 2023	Q3 2022	
Senior non-preferred loans					
Interest expenses	-132	-11	-346	-14	-46
Average senior non-preferred loans	9 852	1 602	9 852	1 602	2 034
Average nominal interest rate	5,34%	2,69%	4,69%	1,17%	2,27%

	Q3 2023	Q3 2022	YTD	YTD	FY 2022
			Q3 2023	Q3 2022	
Total of tables above					
Interest expenses	-1 482	-404	-3 871	-833	-1 603
Average loan	172 311	160 435	172 311	160 435	162 005
Average nominal interest rate	3,44%	1,01%	3,00%	0,69%	0,99%

Note 10 - Classification of financial instruments

All amounts in millions of NOK

Classification of financial assets 30 September 2023	Financial assets	Financial assets	Amortized cost	Book value
	at fair value	at fair value		
	through P&L	through OCI		
Cash on hand	-	-	0	0
Cash and receivables on central banks	-	-	1 494	1 494
Deposits with and receivables on financial institutions	-	-	6 748	6 748
Loans to customers	-	-	190 779	190 779
Commercial papers and bonds	-	-	9 479	9 479
Financial derivatives	487	-	-	487
Other ownership interests	-	14	-	14
Other financial assets	-	-	666	666
Total financial assets	487	14	209 167	209 669

Non-financial assets	5 674
Total assets	215 343

Classification of financial liabilities 30 September 2023	Financial liabilities	Financial liabilities	Amortized cost	Book value
	at fair value	at fair value		
	through P&L	through OCI		
Debt to credit institutions	-	-	30 340	30 340
Deposits from customers	-	-	86 670	86 670
Debt established by issuing securities	-	-	43 216	43 216
Financial derivatives	587	-	-	587
Other financial liabilities	-	-	342	342
Subordinated loan capital	-	-	2 478	2 478
Senior non-preferred loans	-	-	15 636	15 636
Total financial liabilities	587	-	178 682	179 269

Non-financial liabilities and equity	36 073
Total liabilities and equity	215 343

Classification of financial assets 30 September 2022	Financial assets	Financial assets	Amortized cost	Book value
	at fair value	at fair value		
	through P&L	through OCI		
Cash and receivables on central banks	-	-	2 680	2 680
Deposits with and receivables on financial institutions	-	-	6 448	6 448
Loans to customers	-	-	181 354	181 354
Commercial papers and bonds	-	-	4 348	4 348
Financial derivatives	630	-	-	630
Other ownership interests	-	20	-	20
Total financial assets	630	20	194 830	195 481

Non-financial assets	3 962
Total assets	199 443

Classification of financial liabilities 30 September 2022	Financial liabilities	Financial liabilities	Amortized cost	Book value
	at fair value	at fair value		
	through P&L	through OCI		
Debt to credit institutions	-	-	33 419	33 419
Deposits from customers	-	-	74 079	74 079
Debt established by issuing securities	-	-	49 964	49 964
Financial derivatives	640	-	-	640
Other financial liabilities	-	-	230	230
Subordinated loan capital	-	-	2 475	2 475
Senior non-preferred loans	-	-	3 204	3 204
Total financial liabilities	640	-	163 371	164 011

Non-financial liabilities and equity	35 433
Total liabilities and equity	199 443

Note 11 - Valuation Hierarchy

All amounts in millions of NOK

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access to at that date. When available, the fair value of an instrument is measured using the quoted price in an active market for that instrument. If there is no quoted price in an active market, then the instruments fair value is measured using valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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 is obtained from relevant observable market data. This includes prices based on identical instruments, as well as prices based on similar assets and price indicators that are observable for the asset or liability. 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 known from contractual conditions, in addition to a marked regulated interest rate element (e.g. EURIBOR).

Level 3:

Instruments at Level 3 have no observable market inputs, or they traded on markets that are considered inactive. The price is based mainly on calculations based on internal data and the best information available given the circumstances.

			Quoted market price	Using observable inputs	With significant unobservable inputs	Total
			Level 1	Level 2	Level 3	
Q3 2023						
Financial instruments measured at fair value						
Financial assets						
<i>Name</i>	<i>Type</i>	<i>Notional</i>				
KIMI9A Fixed	Interest Rate Swap	MM EUR 170	-	57	-	57
KIMI9B Fixed	Interest Rate Swap	MM EUR 18	-	6	-	6
KIMI10	Interest Rate Cap	MM EUR 238	-	169	-	169
KIMI11	Interest Rate Swap	MM EUR 426	-	38	-	38
KIMI12	Interest Rate Cap	MM EUR 450	-	192	-	192
FX Swap EUR SEK	Cross Currency Swap	MM EUR 26	-	16	-	16
FX Swap EUR SEK	Cross Currency Swap	MM EUR 41	-	9	-	9
FX Swap EUR SEK	Cross Currency Swap	MM EUR 43	-	0	-	0
Total financial trading derivatives			-	487	-	487

<i>Name</i>	<i>Type</i>	Quoted	Using	With	<i>Total</i>
		market price Level 1	observable inputs Level 2	significant unobservable inputs Level 3	
VN Norge	Equity	-	14	-	14
Norsk Gjeldsinformasjon AS	Equity	-	-	0	0
Vipps AS	Equity	-	-	0	0
Total other ownership interests		-	14	0	14
Total Assets		-	501	0	502

Financial liabilities

<i>Name</i>	<i>Type</i>	<i>Notional</i>				
KIMI9A Pass Through	Interest Rate Swap	MM EUR 142	-	62	-	62
KIMI9B Pass Through	Interest Rate Swap	MM EUR 14	-	6	-	6
KIMI10 Pass Through	Interest Rate Cap	MM EUR 223	-	169	-	169
KIMI11 Pass Through	Interest Rate Swap	MM EUR 378	-	177	-	177
KIMI12 Pass Through	Interest Rate Cap	MM EUR 450	-	173	-	173
Total financial derivatives			-	587	-	587
Total Liabilities			-	587	-	587

Derivatives designated for hedge accounting - assets

<i>Name</i>	<i>Type</i>	<i>Notional</i>				
KIMI9A	Interest Rate Swap	MM EUR 142	-	62	-	62
KIMI9B	Interest Rate Swap	MM EUR 14	-	6	-	6
KIMI11	Interest Rate Swap	MM EUR 378	-	159	-	159
SV EMTN MEUR 350	Cross Currency Swap	MM EUR 350	-	109	-	109
SNP EUR MEUR 200	Cross Currency Swap	MM EUR 200	-	55	-	55
Total derivatives designated for hedging - assets*			-	390	-	390

			Quoted	Using	With	Total
			market	observable	significant	
			price	inputs	unobservable	
			Level 1	Level 2	Level 3	
Derivatives designated for hedge accounting - liabilities						
Name	Type	Notional				
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	110	-	110
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	80	-	80
SNP EUR MEUR 170	Cross Currency Swap	MM EUR 170	-	14	-	14
SNP EUR MEUR 330	Cross Currency Swap	MM EUR 330	-	158	-	158
Total derivatives designated for hedging - liabilities*			-	363	-	363

* Derivatives designated for hedge accounting are included in the balance sheet line "Other Assets" for the derivatives that represent an asset and in "Other liabilities" for derivatives that represent a liability for the entity.

Q3 2022			Quoted	Using	With	Total
			market	observable	significant	
			price	inputs	unobservable	
			Level 1	Level 2	Level 3	
Financial instruments measured at fair value						
Financial assets						
Name	Type	Notional				
KIMI8A Fixed	Interest Rate Swap	MM EUR 153	-	24	-	24
KIMI8B Fixed	Interest Rate Swap	MM EUR 17	-	3	-	3
KIMI9A Fixed	Interest Rate Swap	MM EUR 309	-	103	-	103
KIMI9B Fixed	Interest Rate Swap	MM EUR 31	-	11	-	11
KIMI10	Interest Rate Cap	MM EUR 435	-	284	-	284
KIMI11	Interest Rate Swap	MM EUR 550	-	205	-	205
Total financial trading derivatives			-	630	-	630
Name	Type					
VN Norge	Equity		-	20	-	20
Norsk Gjeldsinformasjon AS	Equity		-	-	0	0
Total other ownership interests			-	20	-	20
Total Assets			-	651	-	651

			Quoted	Using	With	Total
			market	observable	significant	
Financial liabilities			price	inputs	unobservable	
			Level 1	Level 2	Level 3	
Name	Type	Notional				
KIMI8A Pass Through	Interest Rate Swap	MM EUR 148	-	25	-	25
KIMI8B Pass Through	Interest Rate Swap	MM EUR 16	-	3	-	3
KIMI9A Pass Through	Interest Rate Swap	MM EUR 305	-	105	-	105
KIMI9B Pass Through	Interest Rate Swap	MM EUR 31	-	11	-	11
KIMI10 Pass Through	Interest Rate Cap	MM EUR 435	-	292	-	292
KIMI11 Pass Through	Interest Rate Swap	MM EUR 550	-	205	-	205
Total financial derivatives			-	640	-	640
Total Liabilities			-	640	-	640

Derivatives designated for hedge accounting - assets

Name	Type	Notional				
Kimi8A	Interest Rate Swap	MM EUR 148	-	25	-	25
Kimi8B	Interest Rate Swap	MM EUR 16	-	3	-	3
Kimi9A	Interest Rate Swap	MM EUR 305	-	104	-	104
Kimi9B	Interest Rate Swap	MM EUR 31	-	11	-	11
Total derivatives designated for hedging - assets*			-	142	-	142

Derivatives designated for hedge accounting - liabilities

Name	Type	Notional				
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 200	-	9	-	9
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	110	-	110
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	125	-	125
SV EMTN MEUR 350	Cross Currency Swap	MM EUR 350	-	93	-	93
Total derivatives designated for hedging - liabilities*			-	336	-	336

* Derivatives designated for hedge accounting are included in the balance sheet line "Other Assets" for the derivatives that represent an asset and in "Other liabilities" for derivatives that represent a liability for the entity.

Note 12 - Loans to customers

All amounts in millions of NOK

	Q3 2023	Q3 2022	FY 2022
Credit Card	4 599	4 944	4 928
Unsecured loans	24 341	26 106	24 825
Auto loans	166 587	155 254	157 649
- Installment loans	129 288	119 193	121 748
- Finance leases	37 299	36 061	35 901
Total gross loans to customers	195 527	186 304	187 401
- Loan loss allowance - Stage 1	-1 023	-1 401	-986
- Loan loss allowance - Stage 2	-739	-710	-720
- Loan loss allowance - Stage 3	-2 986	-2 839	-2 719
Total net loans to customers	190 779	181 354	182 976

Note 13 - Impairment losses on loan, guarantees etc.

All amounts in millions of NOK

The following table explains the changes in the loan loss provisions between the beginning and the end of the reporting period due to these factors:

	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022
Change in loss allowance - Unsecured loans	-25	59	-15	43
Change in loss allowance - Secured loans	-40	146	-120	89
Change in loss allowance - Commercial papers and bonds	1	0	-0	-0
+ Total realized losses	-369	-549	-1 216	-1 347
- Recoveries on previously realized losses	50	76	229	208
- Gain on sold portfolios	-1	37	471	232
Impairment losses on loan, guarantees etc.	-384	-231	-651	-775

Note 14 - Issued securities

All amounts in millions of NOK

	Q3 2023	Q3 2022	FY 2022
Senior unsecured issued securities	29 947	35 872	34 599
Asset backed issued securities	13 269	14 092	12 709
Total issued securities	43 216	49 964	47 308

Issued securities by currency in NOK	Q3 2023	Q3 2022	FY 2022
DKK	-	-	-
EUR	35 431	40 197	38 511
NOK	4 820	4 611	3 814
SEK	2 965	5 156	4 983
Total issued securities	43 216	49 964	47 308

Note 15 - Receivables and liabilities to related parties

All amounts in millions of NOK

	Q3 2023	Accrued Interest		Accrued Interest	
		Q3 2023	Q3 2022	Q3 2022	FY 2022
Debt to related parties:					
Santander Consumer Finance S.A.	30 160	180	33 170	54	36 450
Total	30 160	180	33 170	54	36 450

	Q3 2023	Accrued Interest		Accrued Interest	
		Q3 2023	Q3 2022	Q3 2022	FY 2022
Balance sheet line: "Subordinated loan capital" - Bonds					
MNOK 500, maturity September 2027, 3 months NIBOR + 1.66% (Santander Consumer Finance S.A)	500	2	500	1	500
MSEK 750, maturity December 2029, 3 months STIBOR + 2.08% (Santander Consumer Finance S.A)	735	2	734	1	709
MSEK 750, maturity December 2030, 3 months STIBOR + 2.29% (Santander Consumer Finance S.A)	735	1	734	1	709
MNOK 500, maturity June 2031, fixed rate 2.62% (Santander Consumer Finance S.A)	500	4	500	4	500
Total	2 469	9	2 468	7	2 417

Balance sheet line: "Senior non-preferred loans"	Q3 2023	Accrued	Q3 2022	Accrued	FY 2022	Accrued
		Interest		Interest		Interest
MSEK 600, maturity April 2026, 3 months STIBOR + 1.04% (Santander Consumer Finance S.A)	588	5	588	3	567	3
MNOK 650, maturity May 2026, 3 months NIBOR + 1.37% (Santander Consumer Finance S.A)	650	4	650	3	650	3
MSEK 1000, maturity August 2026, 3 months STIBOR + 1.50% (Santander Consumer Finance S.A)	979	5	979	3	945	3
MSEK 1000, maturity September 2026, 3 months STIBOR + 1.75% (Santander Consumer Finance S.A)	979	0	979	0	945	1
MSEK 1000, maturity November 2026, 3 months STIBOR + 2.18% (Santander Consumer Finance S.A)	979	6	-	-	945	4
MEUR 500, maturity January 2027, fixed rate 4.51% (Santander Consumer Finance S.A)	5 625	177	-	-	-	-
MEUR 500, maturity September 2028, fixed rate 4.87% (Santander Consumer Finance S.A)	5 629	8	-	-	-	-
Total	15 429	207	3 196	8	4 052	15

The interest rate on intercompany loans are carried out on market terms.

Financial information in accordance with the capital requirement regulation is published at www.santanderconsumer.no

Note 16 - Transactions with related parties

All amounts in millions of NOK

The Group is controlled by Santander Consumer Finance S.A. which owns 100% of the company's shares. The Group's ultimate parent is Grupo Santander. All companies within Grupo Santander are considered to be related parties.

Transactions with related parties are mostly interest expenses on funding from the parent company and the ultimate parent company.

The following transactions were carried out with related parties:

Profit and loss	Q3 2023	Q3 2022	YTD	YTD	FY 2022
			Q3 2023	Q3 2022	
Interest income	2	0	9	3	3
Interest expenses	-588	-125	-1 552	-206	-475
Interest payments additional Tier 1 capital	-50	-34	-141	-99	-140
Fees	-	-	-	-	-
Other	-242	-352	62	-708	-701
Net transactions	-879	-512	-1 621	-1 011	-1 313

Assets	Q3 2023	Q3 2022	FY 2022
Deposits with and receivables on financial institutions	31	11	5
Financial derivatives	63	26	21
Other financial assets	664	837	741
Other assets	163	-	-
Total assets	921	874	767

Liabilities	Q3 2023	Q3 2022	FY 2022
Debt to credit institutions	30 340	33 224	36 561
Debt established by issuing securities	233	233	219
Financial derivatives	519	497	462
Other financial liabilities	-	-	-
Other liabilities	471	418	398
Subordinated loan capital	18 114	5 679	6 489
Total liabilities	49 678	40 052	44 128

The Group had transactions with the following related parties as at 30 September 2023 :

Banco Santander S.A.
 CACEIS Bank Spain SAU
 Santander Consumer Finance Global Services S.L.
 Santander Consumer Finance S.A.
 Santander Consumer Mobility Services S.A.
 Santander Global Services S.L.
 Santander Global Technology and Operations, S.L. Unipersonal

Santander Seguros Y Reaseguros S.A.

Santander Totta Seguros, Companhia de Seguros de Vida S.A

Notes and financial statements

Santander Consumer Bank AS



Note 1 - Basis of preparation

Santander Consumer Bank AS (the Bank) is a limited liability company incorporated in Norway. The interim financial statements show the activities of the Bank in Norway, Sweden and Denmark.

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

The Banks interim accounts for the third quarter of 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Banks last annual report as at and for the year ended December 31, 2022.

The annual report for 2022 may be obtained by contacting Santander Consumer Bank AS, Strandveien 18, Lysaker – or by visiting www.santanderconsumer.no.

These interim financial statements were authorised by the Board of Directors on November 17, 2023.

Note 2 - Accounting principles

The accounting policies of the Bank are consistent with those applied in the 2022 annual financial statements.

Note 3 - Credit risk exposure

All amounts in millions of NOK

Maximum exposure to credit risk - Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Bank's maximum exposure to credit risk on these assets.

Loans not past due date includes exposures that are not in arrears and not in default. Standard monitoring includes exposures in early arrears.

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Unsecured loans	ECL	ECL	ECL		ECL	ECL	ECL	
Credit grade								
Loans not past due date	19 692	807	-	20 499	21 168	1 465	-	22 633
Standard monitoring	301	579	-	881	282	444	-	726
Special monitoring	-	109	-	109	-	232	-	232
Default	-	-	2 475	2 475	-	-	2 443	2 443
Gross carrying amount	19 993	1 496	2 475	23 964	21 450	2 141	2 443	26 034
Loss allowance	-374	-292	-1 624	-2 291	-539	-395	-1 569	-2 502
Carrying amount	19 619	1 204	850	21 673	20 911	1 746	874	23 532
Loss allowance (off balance exposures)	-25	-7	-25	-57	-34	-8	-27	-70
Loss allowance (%)				9,56%				9,61%

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Secured loans	ECL	ECL	ECL		ECL	ECL	ECL	
Credit grade								
Loans not past due date	126 907	3 525	22	130 454	117 486	1 954	18	119 457
Standard monitoring	1 281	1 465	-	2 747	1 358	901	-	2 260
Special monitoring	-	87	-	87	-	189	-	189
Default	-	-	1 831	1 831	-	-	1 599	1 599
Gross carrying amount	128 188	5 077	1 853	135 118	118 844	3 044	1 617	123 505
Loss allowance	-474	-298	-943	-1 714	-609	-245	-856	-1 709
Carrying amount	127 715	4 779	910	133 404	118 235	2 799	761	121 795
Loss allowance (%)				1,27%				1,38%

Secured contracts consist of vehicles that act as guarantees for the loan and lease contracts. The Bank has a robust process to repossess the vehicle and recoup losses on non-performing contracts. The leased vehicles are owned by the Bank and hence are easier to repossess. No significant changes have been made to the collateral and repossession policies during 2023. The loan-to-value (LTV) ratio is considered a useful measure to evaluate the quality of the collateral, i.e. the credit extended divided by the appraised value of the collateral.

	Q3 2023				Q3 2022			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Commercial papers and bonds								
Credit grade								
Investment grade	9 479	-	-	9 479	4 374	-	-	4 374
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross carrying amount	9 479	-	-	9 479	4 374	-	-	4 374
Loss allowance	-0	-	-	-0	-0	-	-	-0
Carrying amount	9 479	-	-	9 479	4 374	-	-	4 374
Loss allowance (%)				0,00%				0,01%

Maximum exposure to credit risk - Financial instruments not subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets and liabilities not subject to impairment (i.e. FVTPL):

Maximum exposure to credit risk	Q3 2023	Q3 2022
Financial derivatives Assets	25	-
Financial derivatives Liabilities	-	-

Note 4 - Risk classification

All amounts in millions of NOK

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

	Gross outstanding			Loss reserves		
	Q3 2023	Q3 2022	FY 2022	Q3 2023	Q3 2022	FY 2022
Current - not past due date	151 105	142 471	143 529	-1 155	-1 520	-1 113
Current - past due date	3 650	3 008	3 546	-283	-267	-291
Total impaired loans	4 327	4 060	4 000	-2 567	-2 425	-2 335
Total gross loans to customers	159 082	149 539	151 075	-4 005	-4 212	-3 739

<i>Ageing of past due but not impaired loans</i>	Gross outstanding			Loss reserves		
	Q3 2023	Q3 2022	FY 2022	Q3 2023	Q3 2022	FY 2022
1 - 29 days	2 517	2 113	2 454	-108	-89	-105
30 - 59 days	730	590	693	-106	-115	-112
60 - 89 days	402	305	399	-69	-63	-73
Total loans due but not impaired	3 650	3 008	3 546	-283	-267	-291

<i>Ageing of impaired loans</i>	Gross outstanding			Loss reserves		
	Q3 2023	Q3 2022	FY 2022	Q3 2023	Q3 2022	FY 2022
90 - 119 days	342	249	312	-139	-114	-134
120 - 149 days	256	267	228	-110	-139	-99
150 - 179 days	238	131	136	-111	-63	-58
180 + days	2 528	2 299	2 180	-1 688	-1 505	-1 448
Economic doubtful*	965	1 114	1 144	-520	-604	-595
Total impaired loans	4 327	4 060	4 000	-2 567	-2 425	-2 335

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

Note 5 - Loss allowance

All amounts in millions of NOK

The following tables explain the changes in the loss allowance between the beginning and the end of the reporting period due to these factors:

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
Unsecured loans								
Loss allowance at 1 January	388	330	1 477	2 194	510	365	1 657	2 532
Transfers:								
Transfer from Stage 1 to Stage 2	-79	508	-	430	-102	611	-	510
Transfer from Stage 1 to Stage 3	-4	-	49	45	-4	-	55	51
Transfer from Stage 2 to Stage 3	-	-310	564	254	-	-255	449	195
Transfer from Stage 2 to Stage 1	47	-280	-	-233	74	-353	-	-279
Transfer from Stage 3 to Stage 2	-	42	-141	-99	-	36	-120	-84
Transfer from Stage 3 to Stage 1	0	-	-3	-3	0	-	-3	-3
Assets remaining in same Stage	-70	12	40	-18	13	276	668	956
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-47	-24	-41	-112	-226	-258	-619	-1 104
<i>of which 'accounts that have closed in the period'</i>	-47	-24	-41	-112	-226	-258	-619	-1 104
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-374	-374	-	-	-512	-512
New financial assets originated or purchased	123	-	-	123	261	-	-	261
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	16	15	53	84	14	-27	-6	-20
Loss allowance at 30 September	374	292	1 624	2 291	539	395	1 569	2 502

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Secured loans	ECL	ECL	ECL		ECL	ECL	ECL	
Loss allowance at 1 January	421	265	858	1 544	651	210	853	1 714
Transfers:								
Transfer from Stage 1 to Stage 2	-56	426	-	370	-69	507	-	438
Transfer from Stage 1 to Stage 3	-17	-	166	149	-24	-	164	141
Transfer from Stage 2 to Stage 3	-	-243	624	381	-	-239	537	298
Transfer from Stage 2 to Stage 1	33	-205	-	-172	42	-257	-	-215
Transfer from Stage 3 to Stage 2	-	144	-359	-215	-	159	-372	-213
Transfer from Stage 3 to Stage 1	0	-	-1	-1	0	-	-2	-2
Assets remaining in same Stage	-39	-49	138	49	-272	-88	165	-195
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-72	-48	-131	-251	-99	-40	-130	-269
<i>of which 'accounts that have closed in the period'</i>	-72	-48	-131	-251	-99	-40	-130	-269
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-377	-377	-	-	-372	-372
New financial assets originated or purchased	189	-	-	189	364	-	-	364
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	15	6	26	47	15	-8	13	20
Loss allowance at 30 September	474	298	943	1 714	609	245	856	1 709

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Commercial papers and bonds	ECL	ECL	ECL		ECL	ECL	ECL	
Loss allowance at 1 January	0	-	-	0	-	-	-	-
Transfers:								
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-	-	-	-	-
Transfer from Stage 2 to Stage 3	-	-	-	-	-	-	-	-
Transfer from Stage 2 to Stage 1	-	-	-	-	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-	-	-	-	-
Transfer from Stage 3 to Stage 1	-	-	-	-	-	-	-	-
Assets remaining in same Stage	0	-	-	0	0	-	-	0
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-0	-	-	-0	-	-	-	-
<i>of which 'accounts that have closed in the period'</i>	-0	-	-	-0	-	-	-	-
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-
New financial assets originated or purchased	0	-	-	0	0	-	-	0
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	0	-	-	0
Loss allowance at 30 September	0	-	-	0	0	-	-	0

	Q3 2023				Q3 2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Off balance exposure	ECL	ECL	ECL		ECL	ECL	ECL	
Loss allowance at 1 January	33	6	26	65	29	9	29	66
Transfers:								
Transfer from Stage 1 to Stage 2	-1	8	-	7	-1	8	-	7
Transfer from Stage 1 to Stage 3	-0	-	12	12	-0	-	15	15
Transfer from Stage 2 to Stage 3	-	-1	5	4	-	-2	6	4
Transfer from Stage 2 to Stage 1	1	-7	-	-6	2	-12	-	-11
Transfer from Stage 3 to Stage 2	-	6	-8	-3	-	7	-12	-5
Transfer from Stage 3 to Stage 1	0	-	-1	-1	0	-	-1	-1
Assets remaining in same Stage	-6	-0	10	4	-13	2	14	2
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-12	-4	-16	-32	-4	-3	-20	-27
<i>of which 'accounts that have closed in the period'</i>	-12	-4	-16	-32	-4	-3	-20	-27
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-2	-2	-	-	-3	-3
New financial assets originated or purchased	8	-	-	8	21	-	-	21
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	0	0	0	0	0	-0	0	0
Loss allowance at 30 September	25	7	25	57	34	8	27	70

The Bank does not have any engagements where no ECL provision has been made due to the value of the collateral.

Note 6 - Liquidity Coverage Ratio

Liquidity Coverage Ratio (LCR) measures the capability to meet obligations in the next 30 days by means of liquidity assets. It is defined as $LCR = \text{liquid assets} / \text{net liquidity outflows}$. The minimum LCR level (CRD IV) is 100% for SEK, DKK and EUR, and 50% for NOK. With a stable basis of High Quality Liquid Assets, the Bank fulfills the minimum LCR requirements.

Liquidity Coverage Ratio (LCR) %	Q3 2023	Q3 2022	Q4 2022
Liquidity Coverage Ratio (LCR) Total	177%	163%	203%
Liquidity Coverage Ratio (LCR) NOK	84%	106%	86%
Liquidity Coverage Ratio (LCR) SEK	235%	215%	301%
Liquidity Coverage Ratio (LCR) DKK	271%	207%	220%
Liquidity Coverage Ratio (LCR) EUR	159%	201%	285%

Note 7 - Capital adequacy

All amounts in millions of NOK

Balance sheet equity	Q3 2023	Q3 2022	FY 2022
Paid in equity	10 618	10 618	10 618
Share premium	1 926	1 926	1 926
Other equity	12 136	11 941	12 687
Tier 1 Capital	2 250	2 250	2 250
Other reserves	10	17	15
Total Equity	26 940	26 752	27 496
Common Equity Tier 1 Capital			
(-) Profit not eligible as capital	-1 805	-1 429	-2 216
Cash-flow hedge adjustment	-	-31	-18
IRB Expected Loss - Reserves	-301	-173	-258
Goodwill	-428	-406	-400
Other intangible assets	-171	-97	-96
Deferred tax assets	-	-	-
Adjustment Prudent Valuation (AVA)	-2	-4	-4
Insufficient coverage for NPE	-6	-	-
Tier 1 Capital	-2 250	-2 250	-2 250
Total common Equity Tier 1 Capital	21 978	22 362	22 253
Tier 1 Capital			
Paid in Tier 1 capital instruments	2 250	2 250	2 250
Total Tier 1 Capital	24 228	24 612	24 503
Total Capital			
Paid up subordinated loans	2 469	2 468	2 417
Subordinated loans not eligible	-106	-6	-31
Total Capital	26 591	27 075	26 890
Risk exposure on Standard Approach			
Regional governments or local authorities	65	62	63
Institutions	978	627	600
Corporates	11 828	7 993	9 108
Retail Standard Approach	48 287	47 161	46 913
Exposures in default SA	2 270	2 859	2 918
Covered bonds	144	176	149
Other Exposures	24 484	21 673	21 801
Total Risk exposure amount on Standard Approach	88 055	80 549	81 552

Risk exposure on Internal Rating Based Approach	Q3 2023	Q3 2022	FY 2022
Retail Other	31 369	30 384	30 286
Total Risk exposure amount on Internal Rating Based Approach	31 369	30 384	30 286
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	119 424	110 933	111 838
Foreign exchange (zero if under threshold)	-	-	637
Risk exposure amount for position, foreign exchange and commodities risks	-	-	637
Basic indicator approach	11 671	12 314	11 671
Risk exposure amount for operational risk	11 671	12 314	11 671
Standardized method	18	6	24
Risk exposure amount for credit valuation adjustment	18	6	24
Total risk exposure amount	131 114	123 253	124 171
Total exposure for Leverage Ratio			
Derivatives: Add-on under market-to-market method	1 060	300	447
Off-balance sheet items with 10% CCF	2 628	2 894	2 850
Off-balance sheet items with 20% CCF	884	898	766
Off-balance sheet items with 50% CCF	21	38	38
Adjusted On balance sheet exposure	198 511	181 454	184 622
Total exposure for Leverage Ratio	203 105	185 584	188 723
Minimum Regulatory Capital			
Minimum Core Equity	4,50%	4,50%	4,50%
Pillar 2 Requirement	1,52%	3,30%	3,30%
Pillar 2 Guidance	1,50%	1,50%	1,50%
Countercyclical Buffer (combined)	1,92%	0,96%	1,35%
Conservation Buffer	2,50%	2,50%	2,50%
Systemic Risk Buffer	1,22%	1,21%	1,25%
Minimum Regulatory Capital ratio (CET1)	13,16%	13,97%	14,41%
Minimum Regulatory Capital			
Minimum Core Equity	5 900	5 546	5 588
Pillar 2 Requirement	1 993	4 067	4 098
Pillar 2 Guidance	1 967	1 849	1 863
Countercyclical Buffer (combined)	2 518	1 181	1 682
Conservation Buffer	3 278	3 081	3 104
Systemic Risk Buffer (combined)	1 598	1 488	1 558
Minimum Regulatory Capital amount	17 254	17 213	17 892

	Q3 2023	Q3 2022	FY 2022
Surplus of Core Equity Tier 1 capital	4 724	5 149	4 361
Common equity tier 1 capital ratio	16,76%	18,14%	17,92%
CET1 regulatory requirements	13,16%	13,97%	14,41%
Tier 1 capital ratio	18,48%	19,97%	19,73%
Tire 1 regulatory requirements	15,17%	15,47%	15,91%
Total capital ratio	20,28%	21,97%	21,66%
Total capital regulatory requirements	17,85%	17,47%	17,91%
Leverage ratio	11,93%	13,26%	12,98%
LR regulatory requirements	3,00%	3,00%	3,00%

From December 2015, the Bank is calculating credit risk capital requirement using advanced internal rating based models (IRB- A models) for part of its exposures.

Since December 2018, the Bank has reported capital ratios using IFRS9 transitional rules. From Q1 2022, the Bank is only reporting capital ratios under the fully loaded approach.

Financial information in accordance with the capital requirement regulation is published at www.santanderconsumer.no. The Pillar 3 Disclosure report is published at www.santanderconsumer.no.

Note 8 - Segment information

All amounts in millions of NOK

Financial management in the Bank 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 Bank. Reported figures for the various segments reflect the Bank'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 the Bank management. The Bank 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 the Bank's governance model and the Bank'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 Bank's governance model. All the Bank's trade activities are divided into the reported segments with corresponding balances, income and expenses. Deficit liquidity from the segments are funded by the Bank treasury at market conditions. Surplus liquidity is transferred to the Bank 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 Bank's central functions and staff are charged segments based on an allocation agreement.

Product segmentation per country (gross lending before expected losses)

Q3 2023

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	5 012	48 277	11 532	-	64 821
Sweden	11 647	23 791	19 418	-	54 856
Denmark	7 305	28 363	3 737	1 275	40 680
Total	23 964	100 432	34 687	1 275	160 357

Q3 2022

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	5 597	42 811	11 969	-	60 376
Sweden	13 896	20 980	18 016	-	52 891
Denmark	6 541	26 454	3 276	344	36 615
Total	26 034	90 245	33 260	344	149 882

Profit and Loss per Country	Q3 2023				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	1 349	928	813	-	3 090
Total interest expenses	-696	-537	-226	-	-1 459
Net interest income	654	391	587	-	1 632
Fee and commission income	48	46	34	-	127
Fee and commission expenses	-41	-12	-9	-	-62
Value change and gain/loss on foreign exchange and securities	4	-6	-7	-	-9
Other operating income	13	22	71	-	106
Other operating expenses	-20	-11	-35	-	-67
Gross margin	657	429	641	-	1 727
Salaries and personnel expenses	-136	-106	-90	-	-332
Administrative expenses	-130	-103	-87	-	-320
Depreciation and amortisation	-32	-20	-12	-	-65
Net operating income before impairment losses on loans	359	200	451	-	1 010
Other income and costs	-3	1	1	-	-2
Impairment losses on loan, guarantees etc.	-55	-113	-145	-	-313
Profit before tax	300	88	306	-	695
Income tax expense	-147	-18	-70	-	-234
Profit after tax	154	70	237	-	461

Profit and Loss per Country	Q3 2022				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	837	519	431	-	1 786
Total interest expenses	-216	-143	-22	-	-381
Net interest income	621	376	409	-	1 406
Fee and commission income	46	51	18	-	115
Fee and commission expenses	-26	-12	-6	-	-45
Value change and gain/loss on foreign exchange and securities	-1	-2	-1	-	-3
Other operating income	10	9	46	-	65
Other operating expenses	-12	-9	-19	-	-40
Gross margin	637	413	446	-	1 497
Salaries and personnel expenses	-126	-92	-67	-	-285
Administration expenses	-116	-86	-65	-	-267
Depreciation and amortisation	-31	-17	-11	-	-58
Net operating income before impairment losses on loans	365	218	304	-	886
Other income and costs	42	18	-0	-	59
Impairment losses on loan, guarantees etc.	-35	-98	-95	-	-228
Profit before tax	371	137	209	-	717
Income tax expense	-107	-11	-46	-	-164
Profit after tax	264	126	163	-	553

Profit and Loss per Country	YTD Q3 2023				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	3 843	2 592	2 250	-	8 684
Total interest expenses	-1 829	-1 416	-581	-	-3 826
Net interest income	2 013	1 176	1 669	-	4 858
Fee and commission income	142	147	101	-	390
Fee and commission expenses	-132	-39	-34	-	-205
Value change and gain/loss on foreign exchange and securities	-3	-9	-14	-	-26
Other operating income	50	70	177	-	298
Other operating expenses	-45	-31	-87	-	-163
Gross margin	2 026	1 313	1 812	-	5 151
Salaries and personnel expenses	-386	-304	-252	-	-942
Administrative expenses	-443	-298	-242	-	-984
Depreciation and amortisation	-97	-61	-38	-	-196
Net operating income before impairment losses on loans	1 100	649	1 280	-	3 029
Other income and costs	-118	-	-17	-	-136
Impairment losses on loan, guarantees etc.	58	-234	-363	-	-538
Profit before tax	1 040	416	900	-	2 356
Income tax expense	-245	-86	-219	-	-550
Profit after tax	795	330	681	-	1 805

Profit and Loss per Country	YTD Q3 2022				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	2 381	1 469	1 276	-	5 126
Total interest expenses	-490	-269	-39	-	-798
Net interest income	1 891	1 200	1 237	-	4 328
Fee and commission income	126	154	66	-	346
Fee and commission expenses	-88	-39	-16	-	-143
Value change and gain/loss on foreign exchange and securities	4	-5	-3	-	-5
Other operating income	33	24	134	-	190
Other operating expenses	-167	-28	-60	-	-255
Gross margin	1 798	1 306	1 358	-	4 462
Salaries and personnel expenses	-356	-270	-206	-	-832
Administration expenses	-383	-293	-188	-	-864
Depreciation and amortisation	-88	-56	-32	-	-176
Net operating income before impairment losses on loans	971	687	932	-	2 590
Other income and costs	-10	-9	-20	-	-39
Impairment losses on loan, guarantees etc.	-126	-327	-255	-	-708
Profit before tax	835	351	658	-	1 843
Income tax expense	-226	9	-197	-	-414
Profit after tax	609	359	461	-	1 429

Balance Sheet per Country	Q3 2023				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Cash on hand	0	-	-	-	0
Cash and receivables on central banks	67	1 427	-	-	1 494
Deposits with and receivables on financial institutions	1 474	791	2 952	-	5 217
Total gross loans to customers	64 821	54 856	39 405	0	159 082
Write-downs	-1 187	-1 386	-1 433	-	-4 006
Commercial papers and bonds	3 046	5 530	903	-	9 479
Financial derivatives	25	-	-	-	25
Investments in subsidiaries	1 817	-	-	-	1 817
Other assets	39 250	1 420	2 515	-20 100	23 086
Total assets	109 313	62 639	44 341	-20 100	196 194
Debt to credit institutions	6 977	33 437	8 658	-19 983	29 090
Deposits from customers	28 691	23 752	34 227	-	86 670
Debt established by issuing securities	27 145	2 734	69	-	29 947
Financial derivatives	-	-	-	-	-
Other liabilities	19 652	2 749	1 262	-117	23 547
Equity	26 848	-34	126	-	26 940
Total liabilities and equity	109 313	62 639	44 341	-20 100	196 194

Balance Sheet per Country	Q3 2022				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Cash and receivables on central banks	66	2 614	-	-	2 680
Deposits with and receivables on financial institutions	1 845	935	1 565	-	4 345
Total gross loans to customers	60 376	52 473	36 271	419	149 539
Write-downs	-1 523	-1 436	-1 253	-	-4 212
Commercial papers and bonds	2 399	1 258	716	-	4 374
Financial derivatives	-	-	-	-	-
Investments in subsidiaries	1 734	-	-	-	1 734
Other assets	30 116	614	1 522	-11 955	20 296
Total assets	95 013	56 458	38 821	-11 536	178 756
Debt to credit institutions	7 553	27 613	7 332	-11 440	31 057
Deposits from customers	23 185	20 682	30 213	-	74 079
Debt established by issuing securities	30 986	4 886	0	-	35 872
Financial derivatives	-	-	-	-	-
Other liabilities	6 641	3 232	1 218	-96	10 995
Equity	26 648	45	58	-	26 752
Total liabilities and equity	95 013	56 458	38 821	-11 536	178 756

Note 9 - Net interest income

All amounts in millions of NOK

			YTD	YTD	FY 2022
	Q3 2023	Q3 2022	Q3 2023	Q3 2022	
Interest and similar income on loans to and receivables from credit institutions	50	8	135	13	44
Interest and similar income on loans to and receivables from customers	2 813	1 732	7 930	4 993	7 034
Interest and similar income on comm. paper, bonds and other securities	54	8	135	16	34
Interest and similar income on loans to subsidiaries, branches and SPVs	159	38	435	104	165
Other interest income and similar income	14	-	49	-	-
Total interest income	3 090	1 786	8 684	5 126	7 277
Interest and similar expenses on debt to credit institutions	-430	-100	-1 116	-173	-374
Interest and similar expenses on deposits from and debt to customers	-677	-163	-1 739	-357	-706
Interest and similar expenses on issued securities	-107	-77	-318	-191	-292
Interest on subordinated loan capital	-33	-18	-92	-47	-71
Interest on senior non-preferred loans	-132	-11	-346	-14	-46
Other interest expenses and similar expenses	-80	-12	-216	-16	-56
Total interest expense	-1 459	-381	-3 826	-798	-1 544
Net interest income	1 632	1 406	4 858	4 328	5 733

The tables show average interest rate on interest bearing debt. Average interest is calculated as actual interest expense through the year in percent of weighted average balance.

To credit institutions			YTD	YTD	FY 2022
	Q3 2023	Q3 2022	Q3 2023	Q3 2022	
Interest expenses	-430	-100	-1 116	-173	-374
Average loan over the period	31 084	29 729	31 084	29 729	30 739
Average nominal interest rate	5,53%	1,34%	4,79%	0,78%	1,22%

To customers			YTD	YTD	FY 2022
	Q3 2023	Q3 2022	Q3 2023	Q3 2022	
Interest expenses	-677	-163	-1 739	-357	-706
Average deposit over the period	81 297	73 692	81 297	73 692	74 614
Average nominal interest rate	3,33%	0,89%	2,85%	0,65%	0,95%

To bondholders			YTD	YTD	FY 2022
	Q3 2023	Q3 2022	Q3 2023	Q3 2022	
Interest expenses	-107	-77	-318	-191	-292
Average issued notes and bonds	32 273	37 123	32 273	37 123	36 487
Average nominal interest rate	1,33%	0,83%	1,31%	0,69%	0,80%

	Q3 2023	Q3 2022	YTD	YTD	FY 2022
			Q3 2023	Q3 2022	
Subordinated loan capital					
Interest expenses	-33	-18	-92	-47	-71
Average subordinated loan capital	2 450	2 469	2 450	2 469	2 443
Average nominal interest rate	5,40%	2,93%	5,00%	2,55%	2,91%

	Q3 2023	Q3 2022	YTD	YTD	FY 2022
			Q3 2023	Q3 2022	
Senior non-preferred loans					
Interest expenses	-132	-11	-346	-14	-46
Average senior non-preferred loans	9 852	1 602	9 852	1 602	2 034
Average nominal interest rate	5,34%	2,69%	4,69%	1,17%	2,27%

	Q3 2023	Q3 2022	YTD	YTD	FY 2022
			Q3 2023	Q3 2022	
Total of tables above					
Interest expenses	-1 379	-368	-3 610	-782	-1 488
Average loan	156 956	144 615	156 956	144 615	146 317
Average nominal interest rate	3,51%	1,02%	3,07%	0,72%	1,02%

Note 10 - Classification of financial instruments

All amounts in millions of NOK

Classification of financial assets 30 September 2023	Financial assets	Financial assets	Amortized cost	Book value
	at fair value	at fair value		
	through P&L	through OCI		
Cash on hand	-	-	0	0
Cash and receivables on central banks	-	-	1 494	1 494
Deposits with and receivables on financial institutions	-	-	5 217	5 217
Loans to customers	-	-	155 077	155 077
Commercial papers and bonds	-	-	9 479	9 479
Financial derivatives	25	-	-	25
Loans to subsidiaries and SPV's	-	-	18 718	18 718
Other ownership interests	-	14	-	14
Other financial assets	-	-	118	118
Total financial assets	25	14	190 103	190 142
			Non-financial assets	6 052
			Total assets	196 194

Classification of financial liabilities 30 September 2023	Financial liabilities	Financial liabilities	Amortized cost	Book value
	at fair value	at fair value		
	through P&L	through OCI		
Debt to credit institutions	-	-	29 090	29 090
Deposits from customers	-	-	86 670	86 670
Debt established by issuing securities	-	-	29 947	29 947
Financial derivatives	-	-	-	-
Other financial liabilities	-	-	261	261
Subordinated loan capital	-	-	2 478	2 478
Senior non-preferred loans	-	-	15 636	15 636
Total financial liabilities	-	-	164 082	164 082
			Non-financial liabilities and equity	32 112
			Total liabilities and equity	196 194

Classification of financial assets 30 September 2022	Financial assets	Financial assets	Amortized cost	Book value
	at fair value through P&L	at fair value through OCI		
Cash and receivables on central banks	-	-	2 680	2 680
Deposits with and receivables on financial institutions	-	-	4 345	4 345
Loans to customers	-	-	145 327	145 327
Commercial papers and bonds	-	-	4 374	4 374
Financial derivatives	-	-	-	-
Loans to subsidiaries and SPV's	-	-	17 552	17 552
Other ownership interests	-	20	-	20
Total financial assets	-	20	174 278	174 299
				Non-financial assets 4 457
				Total assets 178 756

Classification of financial liabilities 30 September 2022	Financial liabilities	Financial liabilities	Amortized cost	Book value
	at fair value through P&L	at fair value through OCI		
Debt to credit institutions	-	-	31 057	31 057
Deposits from customers	-	-	74 079	74 079
Debt established by issuing securities	-	-	35 872	35 872
Financial derivatives	-	-	-	-
Other financial liabilities	-	-	225	225
Subordinated loan capital	-	-	2 475	2 475
Senior non-preferred loans	-	-	3 204	3 204
Total financial liabilities	-	-	146 913	146 913
				Non-financial liabilities and equity 31 843
				Total liabilities and equity 178 756

Note 11 - Valuation Hierarchy

All amounts in millions of NOK

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access to at that date. When available, the fair value of an instrument is measured using the quoted price in an active market for that instrument. If there is no quoted price in an active market, then the instrument's fair value is measured using valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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 to 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 is obtained from relevant observable market data. This includes prices based on identical instruments, as well as prices based on similar assets and price indicators that are observable for the asset or liability. 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 known from contractual conditions, in addition to a marked regulated interest rate element (e.g. EURIBOR).

Level 3:

Instruments at Level 3 have no observable market inputs, or they traded on markets that are considered inactive. The price is based mainly on calculations based on internal data and the best information available given the circumstances.

Q3 2023

			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Financial instruments measured at fair value						
Financial assets						
Name	Type	Notional				
FX Swap EUR SEK	Cross Currency Swap	MM EUR 26	-	16	-	16
FX Swap EUR SEK	Cross Currency Swap	MM EUR 41	-	9	-	9
FX Swap EUR SEK	Cross Currency Swap	MM EUR 43	-	0	-	0
Total financial trading derivatives			-	25	-	25
Name	Type					
VN Norge	Equity		-	14	-	14
Norsk Gjeldsinformasjon AS	Equity		-	-	0	0
Vipps AS	Equity		-	-	0	0
Total other ownership interests			-	14	0	14
Total Assets			-	14	0	14

				Quoted	Using	With	Total
				market	observable	significant	
				price	inputs	unobservable	
				Level 1	Level 2	Level 3	
Financial liabilities							
Name	Type	Notional					
				-	-	-	-
Total Liabilities				-	-	-	-

				Quoted	Using	With	Total
				market	observable	significant	
				price	inputs	unobservable	
				Level 1	Level 2	Level 3	
Derivatives designated for hedge accounting - assets							
Name	Type	Notional					
SV EMTN MEUR 350	Cross Currency Swap	MM EUR 350		-	109	-	109
SNP EUR MEUR 200	Cross Currency Swap	MM EUR 200		-	55	-	55
Total derivatives designated for hedging - assets*				-	163	-	163

Derivatives designated for hedge accounting - liabilities							
				Quoted	Using	With	Total
				market	observable	significant	
				price	inputs	unobservable	
				Level 1	Level 2	Level 3	
Name	Type	Notional					
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150		-	110	-	110
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150		-	80	-	80
SNP EUR MEUR 170	Cross Currency Swap	MM EUR 170		-	14	-	14
SNP EUR MEUR 330	Cross Currency Swap	MM EUR 330		-	158	-	158
Total derivatives designated for hedging - liabilities*				-	363	-	363

* Derivatives designated for hedge accounting are included in the balance sheet line "Other Assets" for the derivatives that represent an asset and in "Other liabilities" for derivatives that represent a liability for the entity.

Q3 2022			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Financial instruments measured at fair value						
Financial assets						
Name	Type					
VN Norge	Equity		-	20	-	20
Norsk Gjeldsinformasjon AS	Equity		-	-	0	0
Total other ownership interests			-	20	-	20
Total Assets			-	20	-	20
Financial liabilities						
Total Liabilities			-	-	-	-
Derivatives designated for hedge accounting - assets						
			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Total derivatives designated for hedging - assets*			-	-	-	-
Derivatives designated for hedge accounting - liabilities						
Name	Type	Notional				
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 200	-	9	-	9
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 150	-	110	-	110
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	125	-	125
SV EMTN MEUR 350	Cross Currency Swap	MM EUR 350	-	93	-	93
Total derivatives designated for hedging - liabilities*			-	336	-	336

* Derivatives designated for hedge accounting are included in the balance sheet line "Other Assets" for the derivatives that represent an asset and in "Other liabilities" for derivatives that represent a liability for the entity.

Note 12 - Loans to customers

All amounts in millions of NOK

	Q3 2023	Q3 2022	FY 2022
Credit Card	4 599	4 944	4 928
Unsecured loans	19 364	21 090	19 873
Auto loans	135 118	123 505	126 275
- Installment loans	100 432	90 245	93 106
- Finance leases	34 687	33 260	33 170
Total gross loans to customers	159 082	149 539	151 075
- Loan loss allowance - Stage 1	-848	-1 148	-809
- Loan loss allowance - Stage 2	-590	-639	-595
- Loan loss allowance - Stage 3	-2 567	-2 425	-2 335
Total net loans to customers	155 077	145 327	147 337

Note 13 - Impairment losses on loan, guarantees etc.

All amounts in millions of NOK

The following table explains the changes in the loan loss provisions between the beginning and the end of the reporting period due to these factors:

	Q3 2023	Q3 2022	YTD Q3 2023	YTD Q3 2022
Change in loss allowance - Unsecured loans	-15	53	-6	78
Change in loss allowance - Secured loans	-42	149	-123	43
Change in loss allowance - Commercial papers and bonds	1	0	-0	-0
+ Total realized losses	-298	-498	-978	-1 212
- Recoveries on previously realized losses	42	67	194	188
- Gain on sold portfolios	-1	-	374	195
Impairment losses on loan, guarantees etc.	-313	-228	-538	-708

Note 14 - Issued securities

All amounts in millions of NOK

	Q3 2023	Q3 2022	FY 2022
Senior unsecured issued securities	29 947	35 872	34 599
Total issued securities	29 947	35 872	34 599

Issued securities by currency in NOK	Q3 2023	Q3 2022	FY 2022
DKK	-	-	-
EUR	22 163	26 105	25 802
NOK	4 820	4 611	3 814
SEK	2 965	5 156	4 983
Total issued securities	29 947	35 872	34 599

Note 15 - Receivables and liabilities to related parties

All amounts in millions of NOK

	Q3 2023	Accrued	Q3 2022	Accrued	FY 2022	Accrued
		Interest		Interest		Interest
Debt to related parties:						
Santander Consumer Finance S.A.	28 919	171	30 561	53	32 979	99
Debt to SPV on future cash flow of securitized loans	-	-	419	-	-	-
Total	28 919	171	30 980	53	32 979	99

	Q3 2023	Accrued	Q3 2022	Accrued	FY 2022	Accrued
		Interest		Interest		Interest
Balance sheet line: "Subordinated loan capital" - Bonds						
MNOK 500, maturity September 2027, 3 months NIBOR + 1.66% (Santander Consumer Finance S.A)	500	2	500	1	500	2
MSEK 750, maturity December 2029, 3 months STIBOR + 2.08% (Santander Consumer Finance S.A)	735	2	734	1	709	1
MSEK 750, maturity December 2030, 3 months STIBOR + 2.29% (Santander Consumer Finance S.A)	735	1	734	1	709	1
MNOK 500, maturity June 2031, fixed rate 2.62% (Santander Consumer Finance S.A)	500	4	500	4	500	0
Total	2 469	9	2 468	7	2 417	4

Balance sheet line: "Senior non-preferred loans"	Q3 2023	Accrued Interest		Accrued Interest		
		Q3 2023	Q3 2022	Q3 2022	FY 2022	Accrued Interest FY 2022
MSEK 600, maturity April 2026, 3 months STIBOR + 1.04% (Santander Consumer Finance S.A)	588	5	588	3	567	3
MNOK 650, maturity May 2026, 3 months NIBOR + 1.37% (Santander Consumer Finance S.A)	650	4	650	3	650	3
MSEK 1000, maturity August 2026, 3 months STIBOR + 1.50% (Santander Consumer Finance S.A)	979	5	979	3	945	3
MSEK 1000, maturity September 2026, 3 months STIBOR + 1.75% (Santander Consumer Finance S.A)	979	0	979	0	945	1
MSEK 1000, maturity November 2026, 3 months STIBOR + 2.18% (Santander Consumer Finance S.A)	979	6	-	-	945	4
MEUR 500, maturity January 2027, fixed rate 4.51% (Santander Consumer Finance S.A)	5 625	177	-	-	-	-
MEUR 500, maturity September 2028, fixed rate 4.87% (Santander Consumer Finance S.A)	5 629	8	-	-	-	-
Total	15 429	207	3 196	8	4 052	15

Receivables on related parties:	Q3 2023	Accrued Interest		Accrued Interest		
		Q3 2023	Q3 2022	Q3 2022	FY 2022	Accrued Interest FY 2022
Balance sheet line: "Commercial papers and bonds" <i>B and C notes issued by SPVs</i>	-	-	451	0	-	-
Balance sheet line: "Loans to subsidiaries and SPV's" <i>Loan to subsidiary (Santander Consumer Finance Oy)</i>	18 582	136	17 519	33	17 675	53

The interest rate on intercompany loans are carried out on market terms.

Financial information in accordance with the capital requirement regulation is published at www.santanderconsumer.no

Note 16 - Transactions with related parties

All amounts in millions of NOK

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

Transactions with related parties are mostly interest expenses on funding from the parent company and the ultimate parent company. The Bank 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:

Profit and loss			YTD	YTD	FY 2022
	Q3 2023	Q3 2022	Q3 2023	Q3 2022	
Interest income	59	28	173	88	113
Interest expenses	-578	-124	-1 499	-205	-453
Interest payments additional Tier 1 capital	-50	-34	-141	-99	-140
Fees	-	1	-	2	3
Other	-228	-137	70	-332	-287
Net transactions	-797	-266	-1 397	-545	-765

Assets	Q3 2023	Q3 2022	FY 2022
Deposits with and receivables on financial institutions	4	4	3
Loans to customers	18 718	18 718	17 728
Commercial papers and bonds	-	-	-
Financial derivatives	25	-	-
Investments in subsidiaries	1 817	1 817	1 717
Other financial assets	118	118	294
Other assets	218	218	65
Total assets	20 900	20 875	19 805

Liabilities	Q3 2023	Q3 2022	FY 2022
Debt to credit institutions	29 090	29 090	33 078
Debt established by issuing securities	233	233	219
Financial derivatives	-	-	-
Other financial liabilities	-	-	-
Other liabilities	469	469	388
Subordinated loan capital	18 114	18 114	6 489
Total liabilities	47 905	47 905	40 174

The Bank had transactions with the following related parties as at 30 September 2023 :

Banco Santander S.A.

CACEIS Bank Spain SAU

Santander Consumer Finance Global Services S.L.

Santander Consumer Finance Oy

Santander Consumer Finance S.A.

Santander Consumer Mobility Services S.A.

Santander Global Services S.L.

Santander Global Technology and Operations, S.L. Unipersonal

Santander Seguros Y Reaseguros S.A.

Santander Totta Seguros, Companhia de Seguros de Vida S.A

