Quarterly Report

Q2 2023

Santander Consumer Bank

Highlights Q2 2023

As of Q2 2023, the Group's net outstanding loans increased with 12 654 MM NOK (7%) compared to year end 2022. However, the growth is mainly driven by FX as a result of weaker NOK towards SEK, DKK, and EUR. In local currency the gross outstanding is in line with 2022.

The Group's new business volume has decreased with 243 MM NOK (1%) in Q2 2023 compared to Q2 2022. The development is driven by reduced sales within our Consumer and Direct products (Consumer Loans) as a result of increased prices implemented to improve profitability. In regard to Auto sales, they are in line with last year.

Net interest income increased with 8% in Q2 2023 compared to Q2 2022. 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.

With a changing macroenvironment, the Group has increased the use of deposits as its primary funding source. In Q2 2023, total outstanding volume increased with 11 911 MM NOK (16%) compared to Q4 2022. Of this, approximately 7.6 BN NOK represents real growth.

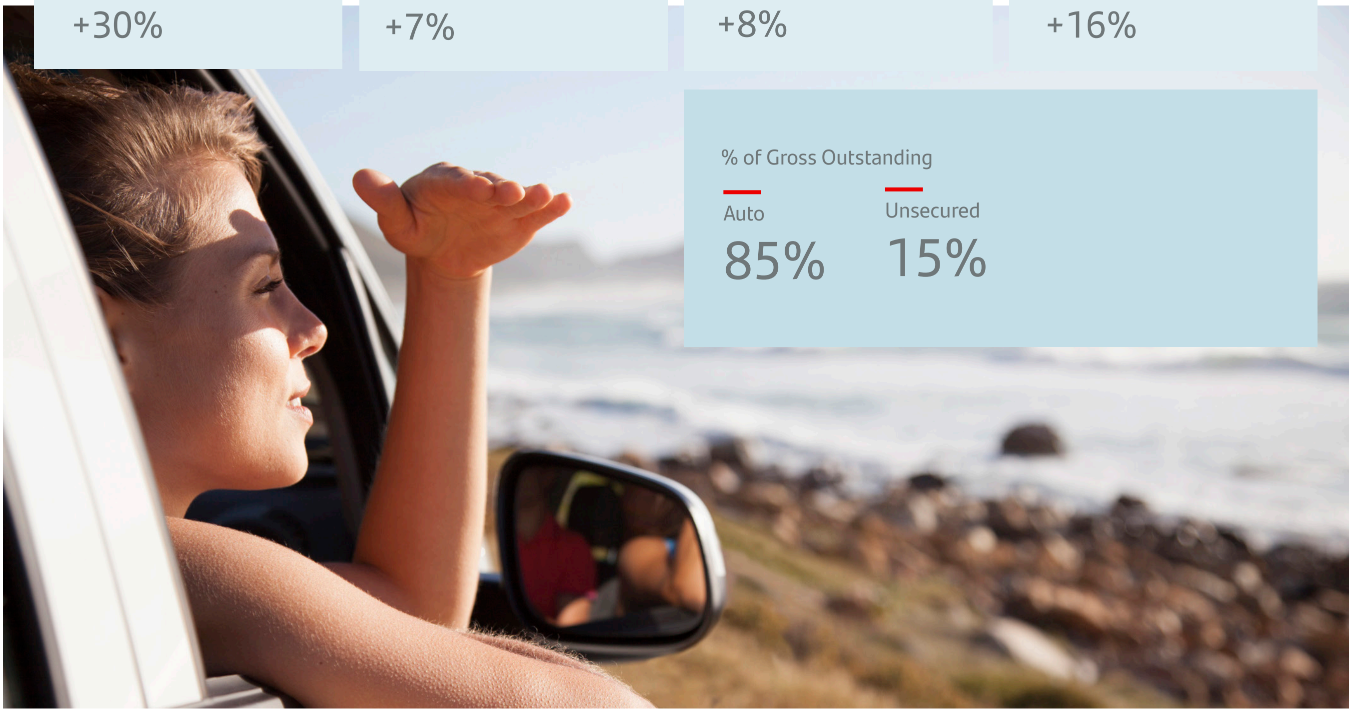
The Group's profit before tax was 1 943 MM NOK in Q2 2023, an increase of 30% compared to the same period last year driven by higher net interest income and other income and costs.

Profit Before Tax, MM NOK
1 943
+30%

Gross Outstanding Loans, MM NOK
200 403
+7%

Net Interest Income, MM NOK
3 740
+8%

Deposits, MM NOK
87 835
+16%



% of Gross Outstanding

Auto
85%

Unsecured
15%

Chief Executive Officer's letter

Helping people and businesses prosper

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.

"A stark reminder of the need to continue the transition to a low carbon economy"

Michael Hvidsten,
CEO Santander Consumer Bank Nordics

As we move past the second quarter of 2023, inflation is still high and interest rates have continued to rise. Yet, there are some positive signs on the horizon. Inflation has been moving downwards in both Europe and the US. As we follow the development closely, we continue to advice our customers on what choices are available so that they can make a decision that works best for them.

In the second quarter of 2023, we have delivered robust 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.

While many experience challenging economic times, it is encouraging to see increased customers deposits, highlighting both our customer's ability to set aside money and our attractive product offering.

In the Nordics our main mission is to finance mobility. While there are major differences between the Nordic countries, the overall auto market has proven resilient despite the macroeconomic environment. In what is also a price sensitive market, this is welcoming news. We are proud to continue creating value for our customers and partners.

This summer we have witnessed record temperatures and wildfires around the globe. It serves as a stark reminder of the need to continue the transition to a low carbon economy. This is something we are fully committed to. We continue financing the green shift within mobility and home energy solutions. We will soon release our second Sustainability Report, disclosing our results and highlighting our goals going forward.

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.

Q2 Financial Report of the Board of Directors 2023

Key figures Santander Consumer Bank Group

All amounts in million NOK

	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	2022
Net interest income	**1 962**	**1 735**	**3 740**	**3 457**	**6 754**
*Growth**	13%	-2%	8%	-4%	-5%
Gross margin	**2 085**	**1 727**	**3 972**	**3 509**	**7 056**
*Growth**	21%	-7%	13%	-8%	-5%
Profit before tax	**1 272**	**940**	**1 943**	**1 490**	**3 584**
*Growth**	35%	32%	30%	-2%	7%
Profit after tax	**1 022**	**736**	**1 582**	**1 197**	**2 707**
*Growth**	39%	41%	32%	6%	5%
Total assets	**216 699**	**191 531**	**216 699**	**191 531**	**202 894**
*Growth**	13%	0%	13%	0%	5%
Net loans to customers	**195 630**	**176 221**	**195 630**	**176 221**	**182 976**
*Growth**	11%	2%	11%	2%	7%
Customer deposits	**87 835**	**72 513**	**87 835**	**72 513**	**75 925**
*Growth**	21%	-10%	21%	-10%	4%

** Year on year*

Financial performance

Financial Performance for June YTD 2023

Profit before tax for the Group amounted to 1 943 MM NOK, up 30% compared to the same period last year. Higher gross margin compared to the same period last year are offset by higher operating expenses.

In this period, the Group's financial results showed a net interest income of 3 740 MM NOK, representing an increase of 283 MM NOK, representing an increase of 8% compared to Q2 YTD 2022. The change in net interest income was due to higher interest income of 2 294 MM NOK, offset by higher interest expenses of 2 011 MM NOK compared to Q2 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 1 687 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 53 MM NOK, driven by lower volumes, but higher yields compared to Q2 YTD 2022. Other items and positive impact from FX make up the additional increase in net interest income.

The Group had a trading loss of 15 MM NOK compared to a trading loss of 7 MM NOK in Q2 2022. The change in trading gains from 2023 to 2022 is mainly due to higher impact from FX effects on open positions in foreign currencies last year.

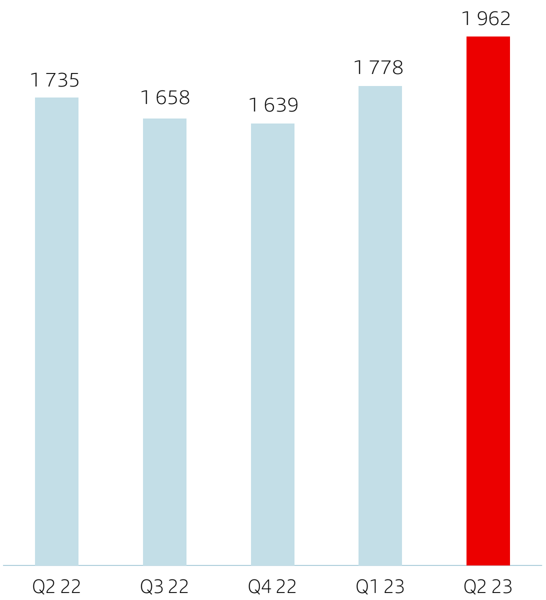
Operating expenses for the period were 1 630 MM NOK compared to 1 371 MM NOK in Q2 2022. The increase was mainly driven by negative FX impact.

Other income and costs ended at -131 MM NOK compared to -104 MM NOK in Q2 2022 due a non-recurring cost recognized this year.

Net impairment losses improved by 276 MM NOK, compared to Q2 2022, due to higher gains from portfolio sales of written off loans in June 2023 compared to June 2022.

Net interest income

MM NOK

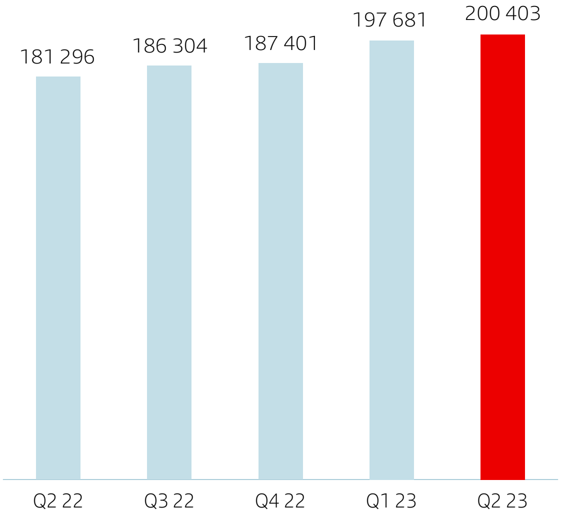


Loans and deposits performance

Loans to Customers

The Group's gross outstanding loans to customers came to 200 403 MM NOK per June 2023. This is an increase of 7% (13 002 MM NOK) compared to December 2022.

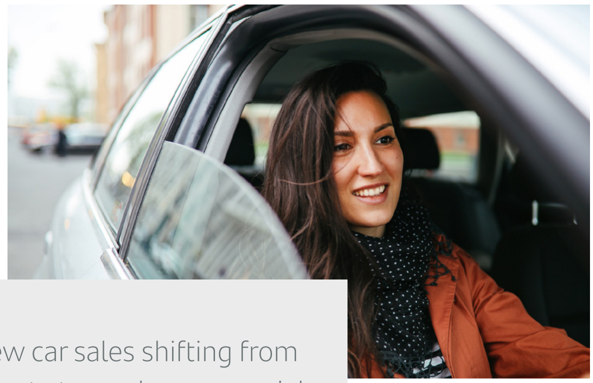
Gross loans to customers
MM NOK



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 June, 387 749 units have been registered. Personal Cars (PC) and Light Commercial Vehicles (LCV) in the Nordic markets saw an increase of 3.1% compared to the same period last year. Used car sales decreased by 1.9% to 1 567 541 units compared to the previous year. In total, car sales have decreased by 1.0%, but with major variations between the months and countries as well as between the new and used car sales market.



New car sales shifting from private towards commercial

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 updated. Denmark and Finland doubled their new BEV sales despite a declining overall market. During 2023, 39% of all new cars financed by Santander are BEVs, and 19% are hybrids. Finance penetration is similar for BEVs as 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 BEV sales increasing by 33% versus June YTD 2022 while total new car sales increased by 0.2% and the used car sales market decreased by 3.8%. 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. During Q2 2023, a recovery of the market has been seen, mostly driven by commercial customers.

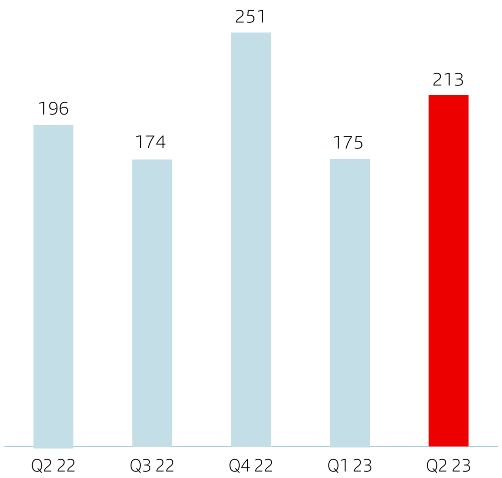
In the Norwegian market, sales have decreased substantially mainly due to tax changes coming into effect in January, and the December 2022 registrations were at record levels (over 20% of the annual registrations in a single month). New car registration decreased by 2.0% during 2023, after an initial decrease of almost 38% during January and February. EU-regulation 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. 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 June 2023, sales increased by 10.4% for new vehicles and declined by 1.9% 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 uplift in new car sales of 7.7% YTD. Visible growth of 2.6% in used car registration resulted in the total car registration being up by 3.3%. The BEV and (mild)-Hybrid vehicles made up 70% of car registrations in 2022. Consumer confidence reached the lowest level ever recorded during the last months of 2022 and customer orders continue to decline.

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 we see increased 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 an example of further consolidation 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

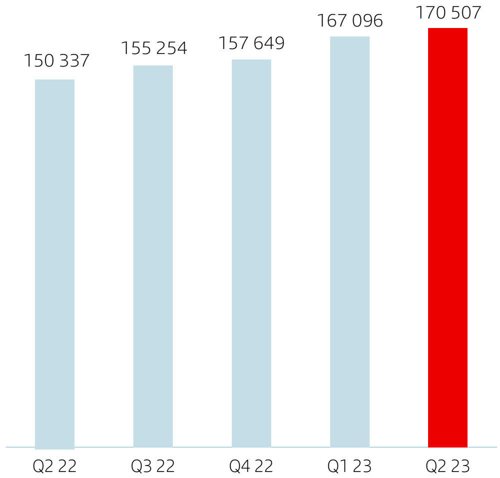
The competition has increased with parties such as leasing companies entering car financing in different market segments, causing pressure on the margins. The Group has maintained its position as market leader in the Nordic auto finance market. The main focus is on partnerships with dealers and importers 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.

Total outstanding auto financing is 170 507 MM NOK, an increase of 8% 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.

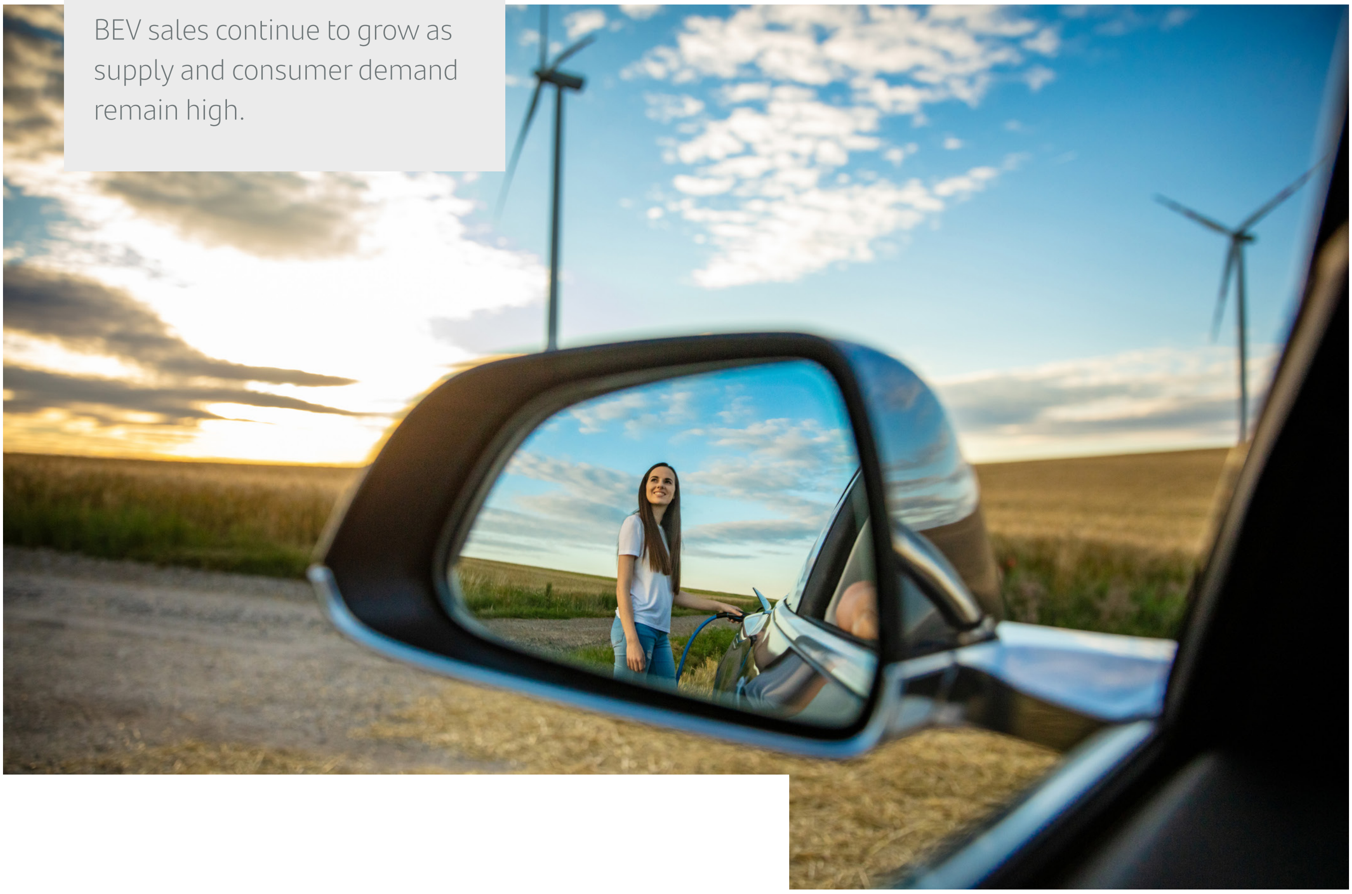
Increased regulations and the impacts of the war in Ukraine continue to impact consumer confidence and sales. Built up order banks from manufacturers will soften the sales impact with deliveries continuing while new orders are at lower levels. Some (smaller) manufacturers may choose to exit from certain 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 partnerships and is well positioned to meet the changes foreseen within the auto area.

BEV sales continue to grow as supply and consumer demand remain high.



Unsecured lending

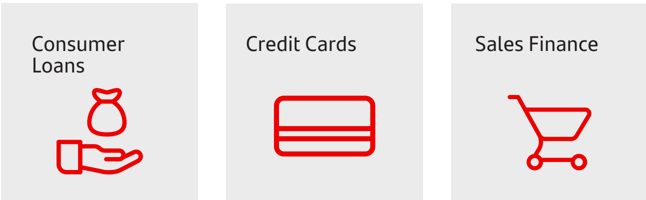
The Group's unsecured portfolio consist of Consumer Loans, Checkout Lending and Card & Payments.

During Q2 2023, Consumer Loans financing remain the main unsecured financing product. The Groups Consumer loans portfolio in Q2 2023 has increased by +0.8% in outstanding volumes compared to Q4 2022. The Swedish market is still the lead shareholder of the total Consumer loan portfolio with 47% of the total Nordic market and showed a decrease of -4.3% vs Q4 2022 (Norway -9.6%, Denmark +13.4% and Finland +3.4%).

The Group's Consumer Loans sales increased by +1.5% in Q2 2023 compared to Q4 2022 driven by higher sales in all markets, especially in Denmark and Sweden.

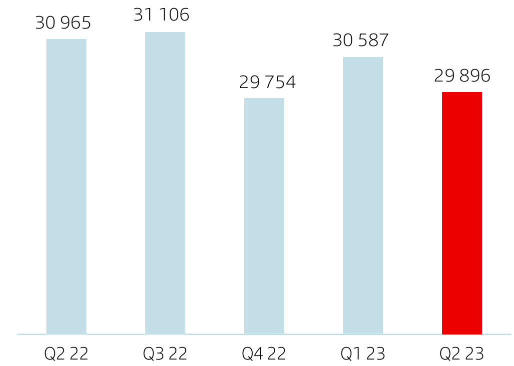
The Group's Credit Card portfolio has decreased by -3.2% in Q2 2023 compared to Q4 2022. Norway decreasing by -5.8% with 72% of the total Nordic Credit Card portfolio, partly offset by Denmark up with +15.9% with 13% of the total portfolio.

The Nordic Sales Finance portfolio is up by +0.5% in Q2 2023 compared to Q4 2022 mainly driven by an increasing portfolio on Durables in Denmark and Finland (+16.9%) offset by a decrease on Checkout Lending in Norway and Sweden (-9.8%), with 55% of the total Nordic Sales Finance portfolio.

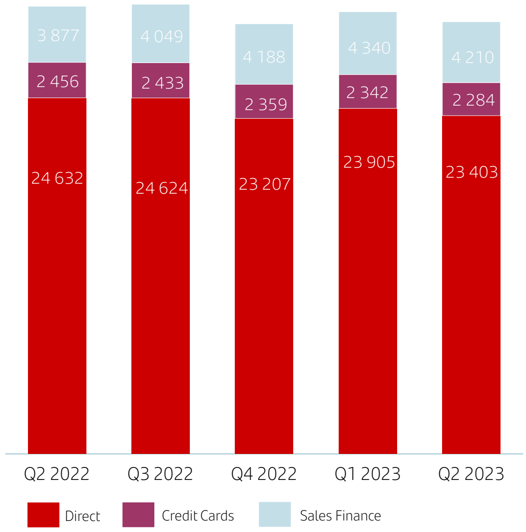


Gross Consumer Financing

MM NOK



Consumer Finance per product



Consumer Loans

Securing profitability to maintain strong position and a robust portfolio in a challenging macro environment have been The Groups main priority during Q2 across the region. The Group has also put extra effort in Denmark and Sweden on finalizing IT migrations and securing compliance and improved processes for the customers.

The macroeconomic environment with accelerating inflation and rapid key interest rate hikes have contributed to deterioration in the Nordic economic outlook. Consequently, the Group continue to observe a fast transformation into a debt consolidation market.

Adapting to new market conditions

The Group has continuous focus on adapting to changing market dynamics, especially regarding increased funding costs and challenging macroeconomic 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 agenda[1]. Additional tightening in the regulatory landscape related to credit worthiness and affordability will tighten the competition even more going forward.

The Group has secured optimized pricing for different customer segments, applied new PSD2 data (EU's revised Payment Services Directive) in underwriting and further automated, simplified and strengthened the application processes in the region. This work continues and will remain high priority to optimize pricing in the region.

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. The Group is convinced this will secure its attractiveness as a large player in the region.

[1] Santander Responsible Banking - our Approach

Checkout lending

In Q2 2023, the market dynamics continues to be characterized by the turmoil in the economy and aftermath of the COVID-19 pandemic, which becomes evident for a product segment centered in a retail environment. The macro environment has a negative effect on the product segment affecting the conditions for the customers. The Group continued the growth within the green energy sector.

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 but with a slower growth in 2023. 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 and have a strong position for future growth.

Financing the green transition

The work continues within the Group to expand and grow the green energy products within 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.

Continued move from physical stores to e-commerce

Credit cards

The retail volumes continue to grow in Q2 2023, with an increased transaction rate of 16% and average tickets sizes increasing by 8% compared to the same period last year. Consumer confidence is growing, and it is again showing in the number of applications, as the focus on travel is increasing again.

Improving product offering

The Group is revisiting the card value proposition to make it even more attractive to segments besides travel. The Group is also improving the product offering through eco cards, biometric features, virtual cards, and optimizing customer journeys with mobile wallet solutions across the region.

The Group has consolidated the card payment infrastructure in the region to minimize costs and streamline products and processes. The old legacy core systems are now decommissioned as planned, providing Nordic consolidated capabilities 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 and has made plans for strong growth and increased profitability in this business area in the years to come.

Nordic consumers are among the fastest in the world in terms of adoption of mobile payment solution and checkout options. The Group has had a high focus on the continued adoption to the payment's ecosystem, ensuring continued secure and fast payment options. The Group has introduced several initiatives to ensure that we continue to meet and go beyond consumer expectations, from a product, platform, and experience point of view.

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, regardless of where you are in the world.

Deposits

Since 2022, the focus for Deposits has been on growing balances, while maintaining a loyal customer base.

Managing balances against a changing macroeconomic backdrop

With a changing macro environment 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 87 835 MM NOK as of Q2 2023, representing an increase of 11 911 MM NOK (16%) compared to Q4 2022. Of this, approximately 7.6 BN NOK represents real growth, while 4.4 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 Q2 2023 were 34 678 MM NOK, ending the quarter 4 782 MM NOK (16%) higher compared to Q4 2022.

Denmark has the most diverse product range by offering a demand product, a notification product, and term deposits. The notification product requires customers to notify any withdrawals 31 days in advance of the actual withdrawal. In the Danish market, the Group also offers a deposit product with fixed interest rates. Two additional term products were launched in March 2023. In total, three term products are now offered customers (6, 12, and 24 months).

In Norway, the Group had an outstanding balance of 29 095 MM NOK as of end Q2 2023, representing a 3 965 MM NOK (16%) increase compared to Q4 2022. Norway offers both a demand product and a notification product. Both products use a tiered structure in its pricing model to manage pricing competitively and to reward small savers.

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 24 062 MM NOK as of end of Q2 2023, which is 3 164 MM NOK (15%) higher compared to Q4 2022.

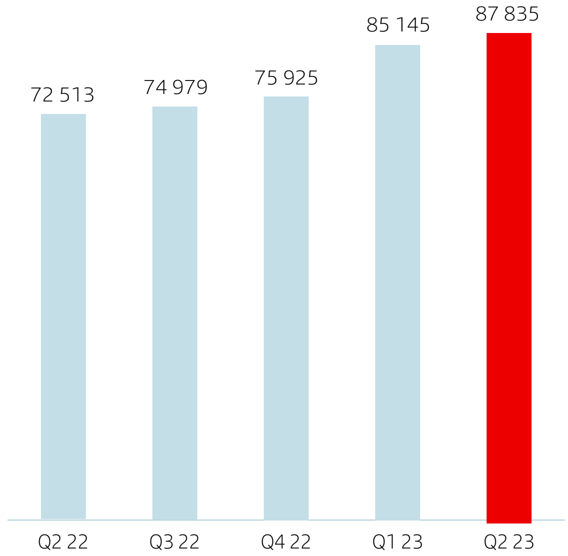
Helping people prosper

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

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 2022, it is firmly positioned as a strategic priority for the Group.

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.

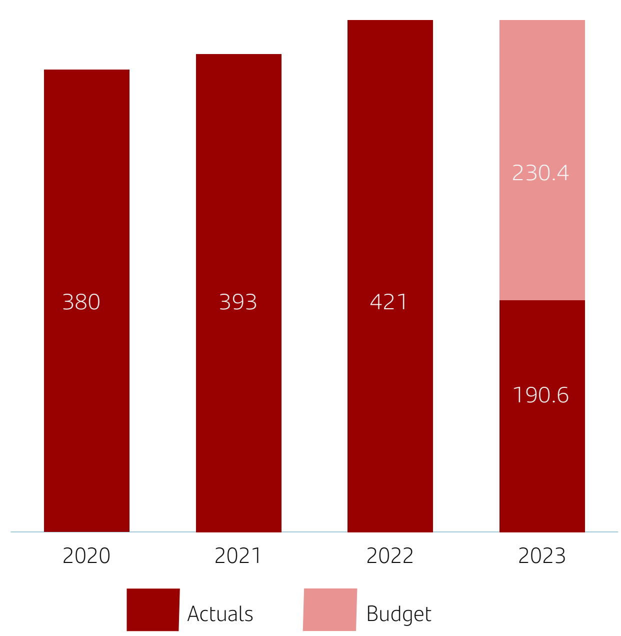
Improved digital channels

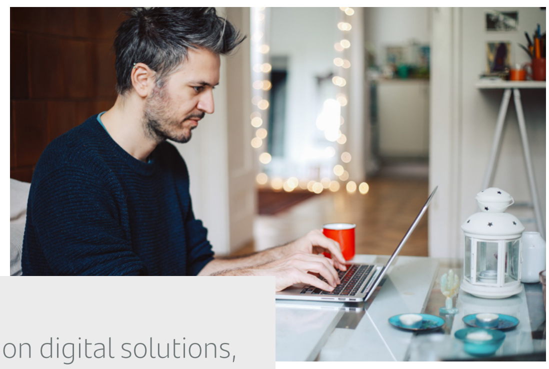
To ensure the best possible customer journey, the Group has decided to start an optimization project, focusing on our current digital sales channels.

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.

Insurance income

MM NOK





Full focus on digital solutions, ensuring the best possible customer journey

Risk Management

The Group's risk management function, underpinned by a strong risk culture and a solid governance structure, is key to making sure we 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	NPL Ratio	Coverage Ratio
0.31	2.75%	90.1%
▼ 22 bps vs. Q2.22	▼ 18 bps vs. Q2.22	▼ 640 bps vs. Q2.22

Structural and Liquidity risk

Robust liquidity buffer with ratios above regulatory limits.

LCR	NSFR
172%	111%
▼ 8 pp vs. Q2.22	▲ 2 pp vs. Q2.22

Operational Risk

Over the past few months, having responded to the N-FSA in early February, the Group has focused on addressing the recommendations and deficiencies identified, outlining the actions taken and providing an updated mitigation plan.

Capital Risk

Capital ratios above regulatory requirements.

CET1 %
17.32%
▼ 137 bps vs. Q4.22

Executive summary of Q2 2023

The second quarter mirrors the challenges and risks observed in previous quarters, stemming from the macroeconomic environment. High inflation, rising borrowing costs, and substantial uncertainty remain the prevailing factors influencing the evolution of the economies in the four Nordic countries. Additionally, market turbulence in the aftermath of several bank failures and a significant weakening of the Swedish krona and Norwegian krone against the euro have added to the complexity of the economic landscape.

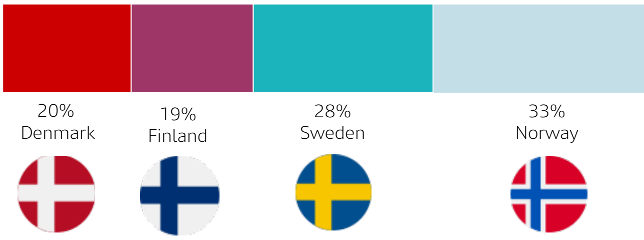
The weak exchange rates in Norway and Sweden have further exacerbated the situation, as they contribute to higher inflation by increasing the cost of imported goods. This additional strain on household economies adds to the already stretched financial circumstances, putting more pressure on individuals and their ability to meet their financial obligations.

The Group is closely monitoring its lending portfolios, paying close attention to any changes in payment behavior from customers who may be experiencing difficulties. This monitoring allows for early identification and appropriate support for customers who may require assistance. The overall atmosphere of economic uncertainty and financial strain has created a generally depressed consumer sentiment. People are inclined to be more cautious with their spending and may be more hesitant to make large purchases or take on additional financial commitments.

Credit Risk

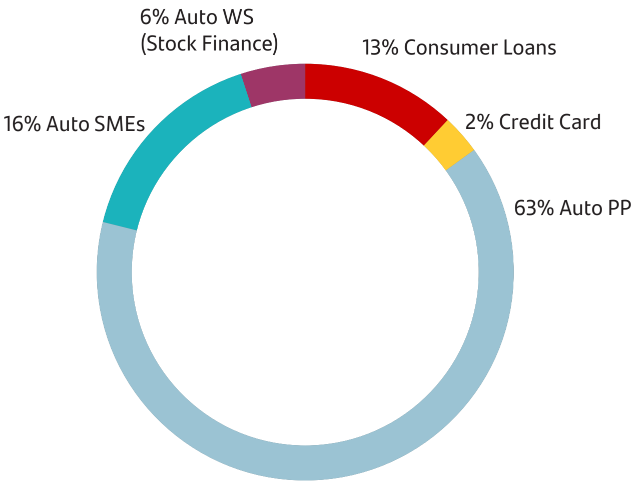
Total risk by country

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



Total risk by product

The group maintains a portfolio with a good diversification across products:



Total Risk 200.4 MM NOK

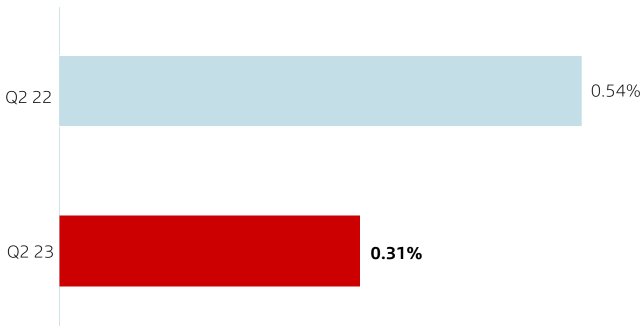
Non-Performing Loans

The Group’s Credit Risk profile in Q2 remained stable for the total portfolio, in line with business strategy. The consolidated Non-Performing Loans (NPL) Ratio ended at 2.75% (1.47% for Secured and 9.56% for Unsecured portfolios) in Q2 2023, compared to 2.93% in Q2 2022 (1.58% for Secured and 9.52% for Unsecured). The NPL-ratio has decreased slightly over the course of the year in line with credit risk strategy and was impacted favorably by credit risk performance, most notably in the first three quarters in scope.

Cost of Credit

The Group's strong reserve base at the end of Q2 reflects the changes in portfolio mix and the stable to improved quality of the portfolio, based on its risk appetite and prudent risk management model.

The total loan loss reserves have decreased from 5 144 MM NOK per Q2 2022 to 4 836 MM NOK per Q2 2023. The total reserves as of Q2 2023 of 4 836 MM NOK include 4 773 MM NOK related to loans to customers and 63 MM NOK connected to off-balance exposures. Included in the reserves as at Q2 2023 is a macroeconomic and inflationary forward-looking overlay of 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 June 2023, the Group's LCR was 172.21 % and the NSFR was 111.12%. 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 not to actively take on interest rate risk in its operations and continuously monitor the sensitivity of its net interest income (NIM) and equity value (MVE) to changes in interest rates. The exposure to interest changes on both metrics are within defined limits per end of June 2023.

172%

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 exposures 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 June 2023 was 3 735 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-risk, 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.

The Financial Supervisory Authority of Norway (NFSA) published a report on November 2, 2022, from their ICT and AML onsite inspection carried out in September 2021. The report included 4 corrective orders in terms of mediation of some of the deficiencies. The work to close the deficiencies indicated in the corrective orders has been a main priority for the Group. 1 February 2023, The Board of Directors sent the NFSA a response to all orders, detailing the progress that has been made in all areas. On 18 April this year the Bank received the NFSA's response in which they consider 3 of the 4 corrective orders as completed. The remaining item from the corrective order is related to customer remediation and continues to be a main priority.

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.

Overall, excluding the NFSA's conclusions on AML and the imposed fine, the Group's operational risk profile remained stable during the first half 2023 and is expected to remain stable within medium-low risk profile in the second half of 2023.

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.

New Kimi transaction of 450 MM EUR (Kimi XII)

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 Q2 2023, standing at 30 480 MM NOK or 18% of total funding per Q2 2023. Senior unsecured issuance and certificates outstanding Q1 2023 include 2 000 MM EUR in the Euro market, 3 750 MM SEK in the Swedish market, and 3 800 MM NOK in the Norwegian market. Given strong deposits liquidity, we have temporarily scaled back our presence in the certificates of deposits market in Norway and Sweden and currently do not have any outstanding certificates as of Q2 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 (A3/P2/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 us from 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 15 996 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 2023.

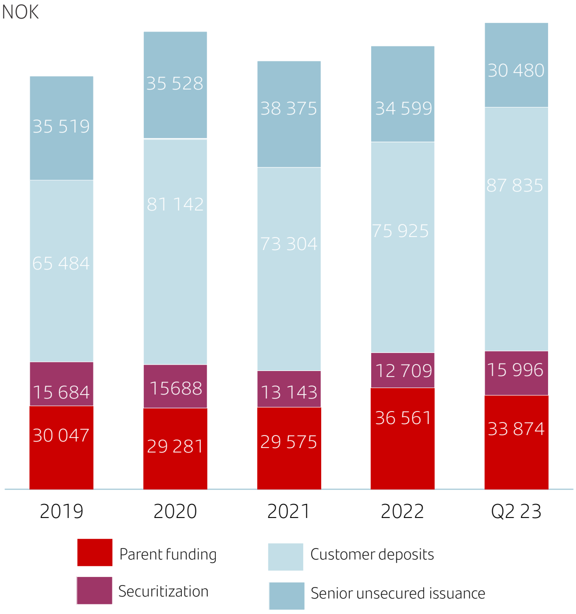
Once adopted, the legislation will align the Norwegian securitization legal framework with that under which European financial institutions currently operate.

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 Q2 2023 with a common equity Tier 1 (CET1) ratio of 17.32%, down from 18.69% in Q4 2022. The corresponding number for SCB AS was a ratio of 16.42%, down from 17.92%. The total risk weighted assets have increased during H1 2023 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.

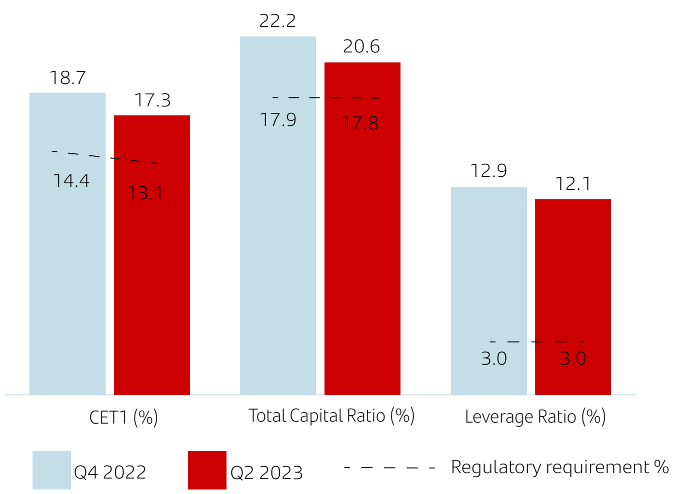
Despite this decrease, the Group remains in a solid capital position with a good buffer towards the minimum capital requirements (including Pillar 2 Guidance). This is driven by the reduction in CET1 minimum requirement as Pillar 2 Requirement does not need to be entirely met by CET1 capital from January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

The leverage ratios for the Group and SCB AS closed Q2 2023 at 12.13% and 12.05%, respectively and are well above the regulatory requirement of 3% in force with the implementation of the “Banking Package” in Norway.

Capital position remains solid in Q2 2023

Capital adequacy

SCB Group



SCB Group

Actuals	Q4 2022	Q2 2023
CET1 capital ratio	18,69%	17,32%
Tier 1 capital ratio	20,39%	18,89%
Total capital ratio	22,19%	20,56%
Leverage ratio	12,94%	12,13%
Capital requirements	**Q4 2022**	**Q2 2023**
CET1 capital ratio	14,35%	13,08%
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%	1,87%
Conservation Buffer	2,50%	2,50%
Systemic Risk Buffer (combined)	1,23%	1,20%
Tier 1 capital ratio	15,85%	15,09%
Total capital ratio	17,85%	17,77%
Leverage ratio	3,00%	3,00%

SCB AS

Actuals	Q4 2022	Q2 2023
CET1 capital ratio	17,92%	16,42%
Tier 1 capital ratio	19,73%	18,10%
Total capital ratio	21,66%	19,89%
Leverage ratio	12,98%	12,05%
Capital requirements	**Q4 2022**	**Q2 2023**
CET1 capital ratio	14,41%	13,15%
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%	1,91%
Conservation Buffer	2,50%	2,50%
Systemic Risk Buffer (combined)	1,25%	1,21%
Tier 1 capital ratio	15,91%	15,16%
Total capital ratio	17,91%	17,84%
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 now 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.

Following communications from Nordic regulators, countercyclical buffer requirements (CCyB) have increased during Q2 2023. The CCyB has increased from 1% to 2% in Sweden. No changes in CCyB for the remaining countries. CCyB in Norway and Sweden is currently at 2.5% and CCyB in Finland is expected to remain unchanged at 0%. 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 new Norwegian Financial Agreements Act entered into force January 1, 2023. The Act will considerably impact financial institutions in Norway, including the Group, and further enhance consumer protection. The Act implements provisions from several EU legislative acts such as directives on mortgages, payment services, and payment accounts. During Q3 2022, the Ministry of Finance also adopted several new regulations to the Act. Certain transitional rules have also been adopted, on amongst others the new Act's provisions on changes to interest rate terms in credit agreements, with stepwise effective dates.

During Q2 2023, a public consultation on proposal for new Regulation to the Norwegian Loan Distribution Act was also issued.

In Sweden, the SFSA issued its consumer protection report for 2023 where a focus on unaffordable lending is highlighted. 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 approved during Q1 2023 and will enter into effect Q2 2023. 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.

In Norway, the Financial Supervisory Authority carried out several onsite inspections within the area during 2022 and issued decisions on administrative fines and corrective orders to several financial institutions both in 2022 and 2023. In Sweden, the Financial Supervisory Authority has also initiated a review of several banks to control compliance with the Anti-Money Laundering (AML) legislation. In April, the Financial Supervisory Authority of Finland published a new supervision strategy on AML. On November 22, 2022, EBA published its final guidelines on remote customer onboarding. The guidelines will apply six months after its publication in the EU official journal. During Q2 2023, the FSAs in Norway, Sweden and Denmark have all communicated that they will apply the Guidelines in their supervisory practices.

In July 2021, the European Commission presented an ambitious package of legislative proposals to strengthen the EU's anti-money laundering and countering the financing of terrorism (AML/CFT) rules. The aim is to improve the detection of suspicious transactions and activities, and close loopholes used by criminals to launder illicit proceeds or finance terrorist activities through the financial system. The package also includes the proposal for the creation of a new EU authority to fight money laundering. The legislative package will be discussed by the European Parliament and Council. The Commission has stated that it is hopeful for a speedy legislative process and that the AML authority should be operational in 2024 and will start the work of direct supervision slightly later, once the directive has been transposed and the new rules start to apply.

Data Privacy and protection

Data privacy and data protection also continues to be an area of high focus from European and Nordic regulators and supervisors.

During Q2 2023, the European Data Protection Board (the EDPB) has published final guidelines 9/2022 on personal data breach notification following public consultation, which replace the WP250 Guidelines on personal data breach notification, and updated guidelines on right to access.

The Norwegian Data Protection Authority has published new/updated guidelines on transfer of personal data to third countries and cyber-attacks and GDPR.

EU's Digital Operational Resilience Act (DORA) was adopted November 28, 2022, and must be implemented within January 2025. DORA comprises both a directive and a regulation and is part of a larger digital finance regulatory initiative, which aims to "develop a European approach that fosters technological development and ensures financial stability and consumer protection". The package also includes a digital finance strategy, a proposal for distributed ledger technology and a proposal on markets for crypto assets. The most important aim of DORA is to prevent and mitigate the impact of cyber threats on financial entities.

The EU acknowledges that financial institutions and payment systems provide essential services in the European society. Thus, Europe risks being severely impacted by a disruption of the technological services on which financial institutions and payment systems rely, regardless of whether those disruptions are the result of natural disasters or actions by hostile powers. DORA aims to enhance and streamline the financial entities' conduct of ICT risk management, establish a thorough testing of ICT systems, increase supervisors' awareness of cyber risks and ICT-related incidents faced by financial entities, as well as introduce powers for financial supervisors to oversee risks stemming from financial entities' dependency on ICT third-party service providers.

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.

The act, which implements the EU Taxonomy Regulation, entered into force in Norway January 1, 2023. The EU Taxonomy is the first step of the EU Commission Action Plan on Financing Sustainable Growth and is a framework to facilitate environmentally and socially sustainable investments. Sustainable finance has an important role in mobilizing the necessary capital to deliver on the policy objectives under the European Green Deal as well as the EU's international commitments on climate and sustainability objectives.

On December 20, 2022, The Norwegian Ministry of Finance confirmed that the Law on Sustainable Finance (Lov om bærekraftig finans) will enter into force on January 1, 2023, and where the requirements of Article 8 shall be applied in relation to financial reporting as of December 31, 2023.

The EU Council gave its final approval to the Corporate Sustainability Reporting Directive (CSRD) on November 10, 2022. The CSRD amend the existing ESG-reporting requirements under the NFRD. It is expected that the directive will enter into force in the EU during 2023, and it is announced that Norway aims at following the implementation timeline set out by the EU.

In Norway, the Transparency Act entered into force on July 1, 2022. The act is a result of increased expectations among authorities, civil society, and consumers that companies act with increased responsibility in their value chains. Similar legislative initiatives are under development in the EU and several European countries. All enterprises within the scope of the act must carry out due diligence assessments of fundamental human rights and decent working conditions, in line with the OECD's guidelines for multinational companies. The duty to carry out due diligence is an essential obligation pursuant to the act. This must be conducted regularly and be in proportion to the size of the business, the nature of the business, the context in which the business takes place, and the severity and likelihood of negative consequences for human rights and decent working conditions.

In Denmark, the Consumer Ombudsman issued a "quick guide" on how to market products in a manner that does not conflict with the Danish Marketing Act's ban on greenwashing. A more extensive guide is expected in 2023.

On March 22, the Commission proposed the Green Claims Directive regulating common criteria against greenwashing and misleading environmental claims.

On April 5, the Commission launched a four-week feedback period on a new set of EU taxonomy criteria for economic activities making a substantial contribution to one or more of the non-climate environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems).

The Council of the European Union and the European Parliament has reached a provisional agreement on the establishment of the European Green Bond Standard (EuGB).

Capital and Funding

Implementation of EU's securitization legislation

Another regulatory development, which is key 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), the Euro area's real GDP expanded marginally by 0.1% in Q1 2023. Factors such as lower energy prices, reduced supply bottlenecks, and fiscal support for businesses and households have contributed to the economy's resilience. However, private domestic demand, particularly consumption, is likely to have remained weak. Business and consumer confidence have been gradually recovering but are still weaker compared to the period before Russia's unwarranted war against Ukraine. While the manufacturing sector is working through a backlog of orders, its prospects are deteriorating. On the other hand, the services sector is experiencing stronger growth due to the reopening of the economy. The labor market's strength has positively impacted household incomes, leading to a record low unemployment rate.

To prevent medium-term inflationary pressures, governments are expected to promptly and collectively roll back energy-related support measures as the energy crisis subsides. Fiscal policies are likely going to have focus on improving productivity and gradually reducing high public debt. Downside risks to growth include ongoing financial market tensions and Russia's war against Ukraine. However, if past adverse supply shocks are sustainably reversed and the labor market remains resilient, higher-than-expected growth could occur.

The funding cost of banks increased significantly over the first quarter of 2023, reflecting movements in market rates and higher deposit rates. As a result, bank lending rates for both businesses and households rose further in February 2023, following the upward adjustments in key ECB interest rates. Consequently, banks observed a decrease in lending demand from both businesses and households. The decline in loan demand from businesses marked the most significant drop since the global financial crisis, while the decline from households was the largest since 2003. The primary reason cited for the decline in loan demand was the overall level of interest rates, which acted as the main driver in the context of monetary policy tightening.

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

High inflation and FX rates in the Nordics continue to influence both domestic growth and demand

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.

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.

[2] ECB Economic Bulletin Issue 3, 2023

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 Q2 2023, the Group continued to operationalize and execute on its corporate strategy.

In response to the ongoing challenging market conditions in Q2, the Bank kept focus on disciplined cost rationalization initiatives. These efforts were complemented by efficient interest rate management to uphold affordable and competitive pricing for the Bank's products while delivering on stakeholder's value.

Acting responsibly and sustainably lies at the heart of the Group's corporate strategy. The Group's inaugural Nordic Sustainability Report 2022 is planned to be published during Q3, outlining how the Group is supporting Grupo Santander's Responsible Banking ambitions and targets. The report will be developed in alignment with the established international standards - Task Force on Climate Disclosures (TCFD) and updated Global Reporting Initiative (GRI). The report will be available on the Group's webpages.

Green Finance was identified as a key material topic within the Sustainability Report and a key strategic focus area for the Group. In Q2, the Group financed the purchase of 8 410 new electric vehicles (EVs), representing 9.5% of all EVs purchased in the Nordic region during the quarter.

Furthermore, the Group has released its first inaugural Transparency Act report. In accordance with the corresponding Norwegian legislation that came into effect in 2022 and pursuant to its requirements, the first disclosure was published June 26, 2023. Operating as One Bank, the report's scope covers not only the Norwegian entity, but assumes whole areal of the Group's operations, including Sweden, Denmark, and Finland. The report can be downloaded on the Group's webpages.

Transparency Act Statement released June 30, 2023

Lysaker, 18th August 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 Representantive

Rolf Larsen
Employee Representantive

Michael Hvidsten
Chief Executive Officer

Table of Contents

Profit and Loss - Santander Consumer Bank Nordic Group

All amounts in millions of NOK	**Note**	**Q2 2023**	**Q2 2022**	**YTD Q2 2023**	**YTD Q2 2022**	**FY 2022**
Total interest income*		3 325	1 972	6 191	3 897	8 410
Total interest expenses		-1 363	-237	-2 452	-440	-1 656
Net interest income	9	**1 962**	**1 735**	**3 740**	**3 457**	**6 754**
Fee and commission income		172	144	305	262	617
Fee and commission expenses		-83	-58	-153	-109	-250
Value change and gain/loss on foreign exchange and securities		-17	8	-14	-7	-45
Other operating income		126	97	250	182	388
Other operating expenses		-75	-200	-156	-276	-407
Gross margin	9	**2 085**	**1 727**	**3 972**	**3 509**	**7 056**
Salaries and personnel expenses		-373	-310	-719	-641	-1 295
Administrative expenses		-404	-246	-768	-601	-1 072
Depreciation and amortisation		-72	-64	-143	-128	-255
Net operating income before impairment losses on loans		**1 236**	**1 107**	**2 341**	**2 138**	**4 434**
Other income and costs		-125	1	-131	-104	-58
Impairment losses on loan, guarantees etc.	3, 4, 5, 13	160	-169	-268	-544	-792
Profit before tax		**1 272**	**940**	**1 943**	**1 490**	**3 584**
Income tax expense		-250	-204	-360	-293	-877
Profit after tax		**1 022**	**736**	**1 582**	**1 197**	**2 707**
Allocation of profit after tax						
Transferred to other earned equity		977	704	1 492	1 132	2 567
Transferred to additional Tier 1 capital	16	44	32	91	65	140
Total allocations		**1 022**	**736**	**1 582**	**1 197**	**2 707**
Profit after tax		**1 022**	**736**	**1 582**	**1 197**	**2 707**
Items not to be recycled to profit and loss						
Actuarial gain/loss on post-employment benefit obligations		5	37	5	37	49
Items to be recycled to profit and loss						
Net exchange differences on translating foreign operations		162	268	557	160	247
Measured at FVTOCI		1	-0	3	0	-0
Cash flow hedge		13	29	-12	49	72
Net investment hedge		-32	-60	-116	-34	-52
Other comprehensive income for the period net of tax		**148**	**274**	**437**	**212**	**315**
Total comprehensive income for the period		**1 170**	**1 011**	**2 019**	**1 409**	**3 022**

** Total interest income calculated using the effective interest method*

Balance Sheet - Santander Consumer Bank Nordic Group

All amounts in millions of NOK	Note	Q2 2023	Q2 2022	2022
Assets				
Cash and receivables on central banks	10	1 572	1 698	5 680
Deposits with and receivables on financial institutions	10	7 953	4 873	3 663
Loans to customers	3, 4, 5, 10, 12	195 630	176 221	182 976
Commercial papers and bonds	10	5 018	4 593	5 177
Financial derivatives	10, 11	561	315	586
Other ownership interests	10, 11	15	20	12
Other financial assets	10	684	-	811
Intangible assets		1 356	1 262	1 280
Fixed assets		1 548	939	918
Repossessed assets		37	36	27
Other assets		2 325	1 574	1 762
Total assets		**216 699**	**191 531**	**202 894**
Liabilities				
Debt to credit institutions	10, 15	33 874	30 143	36 561
Deposits from customers		87 835	72 513	75 925
Debt established by issuing securities	10, 14	46 476	50 370	47 308
Financial derivatives	10, 11	704	317	586
Tax payable		238	294	126
Other financial liabilities		423	250	546
Deferred tax		1 061	1 404	1 490
Pension liabilities		6	9	5
Other liabilities		2 953	3 350	3 122
Subordinated loan capital	10, 15	2 495	2 451	2 422
Senior non-preferred loans	10, 15	10 186	1 232	4 067
Total liabilities		**186 250**	**162 332**	**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		14 827	14 117	15 551
OCI items		828	288	391
Total equity		**30 449**	**29 199**	**30 736**
Total liabilities and equity		**216 699**	**191 531**	**202 894**

Cash Flow - Santander Consumer Bank Nordic Group

All amounts in millions of NOK	Note	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Cash flow from operations						
Profit before tax		1 272	940	1 943	1 490	3 584
Adjustments for:						
- Depreciation, amortisation and impairment on fixed and intangible assets		72	64	143	128	255
- Net interest income	9	-1 962	-1 735	-3 740	-3 457	-6 754
- Value change and gain/loss on foreign exchange and securities		17	-8	14	7	45
- Dividends on financial assets at FVOCI		-	-	-	-	8
Changes in:						
- Loans to customers	12	-1 460	-2 813	-2 232	-3 639	-10 137
- Operating lease assets		-358	5	-561	40	79
- Repossessed assets		-5	15	-7	33	36
- Other assets		670	-321	2 763	-122	527
- Deposits from customers		2 151	-483	7 519	-1 632	1 722
- Other liabilities and provisions		28	564	-3 381	440	-926
Interests received		3 256	1 972	6 076	3 897	8 344
Dividends received		-	-0	-	-0	-0
Interests paid		-1 363	-237	-2 452	-440	-1 656
Net income taxes paid		-192	-136	-285	-292	-788
Net cash flow from operations		**2 125**	**-2 174**	**5 801**	**-3 546**	**-5 660**
Cash flow from investments						
Purchase of bonds		-32 157	-12 079	-60 141	-24 602	-46 123
Proceeds from matured bonds		34 002	12 693	60 550	29 698	50 743
Purchase of fixed and intangible assets		-60	-39	-90	-57	-171
Proceeds from sale of fixed and intangible assets		0	0	7	5	6
Net cash flow from investments		**1 786**	**576**	**327**	**5 044**	**4 455**
Cash flow from financing						
Proceeds from issued securities		5 306	4 641	5 141	9 660	11 060
Repayments of issued securities		-2 555	-3 345	-10 542	-11 593	-16 648
Payments related to lease liabilities		-13	-19	-37	-44	-65
Change in loans and deposits from credit institutions		-6 269	-964	-4 856	-375	6 314
Proceeds from issue of subordinated loans	15	-	-	1	-	2
Repayment of subordinated loans	15	-4	-	-	-	-
Proceeds from issue of senior non-preferred loans	15	70	1 229	5 832	1 229	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	-44	-32	-91	-65	-140
Net cash flow from financing		**-3 509**	**1 509**	**-6 768**	**-3 187**	**2 605**

	Note	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Exchange gains / (losses) on cash and cash equivalents		164	270	821	86	-230
Net change in cash and cash equivalents		567	181	181	-1 604	1 169
Cash and cash equivalents at the beginning of the period		8 957	6 390	9 344	8 175	8 175
Cash and cash equivalents at the end of the period		**9 525**	**6 571**	**9 525**	**6 571**	**9 344**

Statement of changes in equity - Santander Consumer Bank Nordic Group

Q2 2023

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
Balance at 1 April 2023	**10 618**	**1 926**	**2 250**	**13 850**	**782**	**21**	**75**	**-179**	**-19**	**29 323**
Profit for the period	-	-	44	977	-	-	-	-	-	1 022
OCI movements (net of tax)	-	-	-	-	162	1	13	-32	5	148
Interest payments additional Tier 1 capital	-	-	-44	-	-	-	-	-	-	-44
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	**10 618**	**1 926**	**2 250**	**14 827**	**944**	**22**	**87**	**-212**	**-14**	**30 449**

YTD Q2 2023

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
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	-	-	91	1 492	-	-	-	-	-	1 582
OCI movements (net of tax)	-	-	-	-	557	3	-12	-116	5	437
Interest payments additional Tier 1 capital	-	-	-91	-	-	-	-	-	-	-91
Dividend	-	-	-	-2 216	-	-	-	-	-	-2 216
Balance at 30 June 2023	**10 618**	**1 926**	**2 250**	**14 827**	**944**	**22**	**87**	**-212**	**-14**	**30 449**

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

Restricted capital as at June 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

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
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.

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

Profit and Loss - Santander Consumer Bank AS

All amounts in millions of NOK	**Note**	**Q2 2023**	**Q2 2022**	**YTD Q2 2023**	**YTD Q2 2022**	**FY 2022**
Total interest income*		3 017	1 691	5 594	3 340	7 277
Total interest expenses		-1 313	-228	-2 368	-417	-1 544
Net interest income	9	**1 705**	**1 464**	**3 226**	**2 923**	**5 733**
Fee and commission income		154	129	262	232	520
Fee and commission expenses		-77	-52	-143	-99	-229
Value change and gain/loss on foreign exchange and securities		-43	8	-17	-1	-29
Other operating income		95	67	192	125	274
Other operating expenses		-45	-170	-97	-214	-292
Gross margin		**1 788**	**1 446**	**3 423**	**2 965**	**5 977**
Salaries and personnel expenses		-315	-264	-610	-547	-1 118
Administrative expenses		-344	-292	-664	-597	-977
Depreciation and amortisation		-66	-58	-131	-117	-233
Net operating income before impairment losses on loans		**1 064**	**832**	**2 019**	**1 703**	**3 649**
Other income and costs		-125	1	-134	-98	-60
Impairment losses on loan, guarantees etc.	3, 4, 5, 13	141	-146	-224	-480	-659
Profit before tax		**1 081**	**687**	**1 661**	**1 126**	**2 929**
Income tax expense		-224	-146	-316	-250	-713
Profit after tax		**857**	**541**	**1 345**	**876**	**2 216**
Allocation of profit after tax						
Transferred to other earned equity		813	509	1 254	811	2 076
Transferred to additional Tier 1 capital	16	44	32	91	65	140
Total allocations		**857**	**541**	**1 345**	**876**	**2 216**
Profit after tax		**857**	**541**	**1 345**	**876**	**2 216**
Items not to be recycled to profit and loss						
Actuarial gain/loss on post-employment benefit obligations		5	37	5	37	49
Items to be recycled to profit and loss						
Net exchange differences on translating foreign operations		6	6	8	6	9
Measured at FVTOCI		1	-0	3	0	-0
Cash flow hedge		20	4	5	-11	-18
Net investment hedge		-	-0	-	-	-
Other comprehensive income for the period net of tax		**32**	**46**	**21**	**32**	**39**
Total comprehensive income for the period		**890**	**587**	**1 366**	**907**	**2 255**

**Total interest income calculated using the effective interest method*

Balance Sheet - Santander Consumer Bank AS

All amounts in millions of NOK	Note	Q2 2023	Q2 2022	2022
Assets				
Cash and receivables on central banks	10	1 572	1 698	5 680
Deposits with and receivables on financial institutions	10	5 868	2 736	2 276
Loans to customers	3, 4, 5, 10, 12	157 427	141 687	147 337
Commercial papers and bonds	10	5 018	4 422	4 704
Financial derivatives	10, 11	-	-	-
Loans to subsidiaries and SPV's	10, 15	19 535	17 027	17 728
Investments in subsidiaries		1 870	1 693	1 717
Other ownership interests	10, 11	15	20	12
Other financial assets	10	-	-	311
Intangible assets		872	835	845
Fixed assets		1 134	502	517
Repossessed assets		11	3	5
Other assets		1 679	1 351	1 317
Total assets		**195 000**	**171 974**	**182 448**
Liabilities				
Debt to credit institutions	10, 15	33 107	29 511	33 078
Deposits from customers		87 835	72 513	75 925
Debt established by issuing securities	10, 14	30 480	35 148	34 599
Financial derivatives	10, 11	-	-	0
Tax payable		238	224	126
Other financial liabilities		261	246	374
Deferred tax		1 375	1 682	1 721
Pension liabilities		6	9	5
Other liabilities		2 461	2 733	2 636
Subordinated loan capital	10, 15	2 495	2 451	2 422
Senior non-preferred loans	10, 15	10 186	1 232	4 067
Total liabilities		**168 445**	**145 749**	**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		11 725	11 423	12 687
OCI items		36	8	15
Total equity		**26 556**	**26 224**	**27 496**
Total liabilities and equity		**195 000**	**171 974**	**182 448**

Cash Flow - Santander Consumer Bank AS

All amounts in millions of NOK	Note	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Cash flow from operations						
Profit before tax		1 081	687	1 661	1 126	2 929
Adjustments for:						
- Depreciation, amortisation and impairment on fixed and intangible assets		66	58	131	117	233
- Net interest income	9	-1 705	-1 464	-3 226	-2 923	-5 733
- Value change and gain/loss on foreign exchange and securities		43	-8	17	1	29
- Dividends on financial assets at FVOCI		-	-	-	-	8
Changes in:						
- Loans to customers	12	-2 178	-3 495	-3 632	-5 232	-11 745
- Operating lease assets		-374	10	-589	34	18
- Repossessed assets		-6	10	-6	21	12
- Other assets		116	-165	-372	39	-95
- Deposits from customers		2 151	-483	7 519	-1 632	1 722
- Other liabilities and provisions		712	659	-7	408	489
Interests received		2 955	1 691	5 490	3 340	7 250
Dividends received		-	-0	-	-0	-0
Interests paid		-1 313	-228	-2 368	-417	-1 544
Net income taxes paid		-123	-87	-218	-234	-597
Net cash flow from operations		**1 426**	**-2 815**	**4 400**	**-5 353**	**-7 023**
Cash flow from investments						
Purchase of bonds		-32 157	-11 011	-60 141	-23 479	-44 352
Proceeds from matured bonds		34 002	11 711	60 037	27 156	47 552
Purchase of fixed and intangible assets		-60	-37	-89	-55	-168
Proceeds from sale of fixed and intangible assets		0	0	2	2	3
Net cash flow from investments		**1 786**	**663**	**-190**	**3 624**	**3 035**
Cash flow from financing						
Proceeds from issued securities		-	-	-	5 019	6 041
Repayments of issued securities		-1 005	-1 626	-7 220	-8 591	-10 487
Payments related to lease liabilities		-13	-19	-37	-44	-65
Change in loans and deposits from credit institutions		-2 569	1 961	-1 646	3 595	7 603
Proceeds from issue of subordinated loans	15	-	-	1	-	2
Repayment of subordinated loans	15	-4	-	-	-	-
Proceeds from issue of senior non-preferred loans	15	70	1 229	5 832	1 229	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	-44	-32	-91	-65	-140
Net cash flow from financing		**-3 565**	**1 512**	**-5 376**	**-857**	**5 035**

	Note	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Exchange gains / (losses) on cash and cash equivalents		147	179	650	47	-62
Net change in cash and cash equivalents		-204	-461	-517	-2 538	985
Cash and cash equivalents at the beginning of the period		7 644	4 895	7 957	6 972	6 972
Cash and cash equivalents at the end of the period		**7 440**	**4 434**	**7 440**	**4 434**	**7 957**

Statement of changes in equity - Santander Consumer Bank AS

Q2 2023

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
Balance at 1 April 2023	**10 618**	**1 926**	**2 250**	**10 913**	**-2**	**21**	**-18**	**21**	**-19**	**25 711**
Profit for the period	-	-	44	813	-	-	-	-	-	857
OCI movements (net of tax)	-	-	-	-	6	1	20	-	5	32
Interest payments additional Tier 1 capital	-	-	-44	-	-	-	-	-	-	-44
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2023	**10 618**	**1 926**	**2 250**	**11 725**	**5**	**22**	**2**	**21**	**-14**	**26 556**

YTD Q2 2023

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
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	-	-	91	1 254	-	-	-	-	-	1 345
OCI movements (net of tax)	-	-	-	-	8	3	5	-	5	21
Interest payments additional Tier 1 capital	-	-	-91	-	-	-	-	-	-	-91
Dividend	-	-	-	-2 216	-	-	-	-	-	-2 216
Balance at 30 June 2023	**10 618**	**1 926**	**2 250**	**11 725**	**5**	**22**	**2**	**21**	**-14**	**26 556**

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

Restricted capital as at June 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, is published on www.santanderconsumer.com.

Financial Year 2022

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
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.

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

Lysaker, 18th August 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 Representantive

Rolf Larsen
Employee Representantive

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 second 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 August 18, 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.

	Q2 2023				Q2 2022			
Unsecured loans	**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**
Credit grade								
Loans not past due date	24 703	1 105	-	**25 808**	25 162	1 595	-	**26 757**
Standard monitoring	400	698	-	**1 097**	452	583	-	**1 035**
Special monitoring	-	133	-	**133**	-	221	-	**221**
Default	-	-	2 857	**2 857**	-	-	2 947	**2 947**
Gross carrying amount	**25 103**	**1 936**	**2 857**	**29 896**	**25 613**	**2 399**	**2 947**	**30 959**
Loss allowance	-480	-391	-1 826	**-2 697**	-631	-400	-1 895	**-2 925**
Carrying amount	**24 623**	**1 545**	**1 032**	**27 199**	**24 982**	**1 999**	**1 052**	**28 034**
Loss allowance (off balance exposures)	-30	-6	-27	**-63**	-32	-8	-29	**-69**
Loss allowance (%)				**9,02%**				**9,45%**

	Q2 2023				Q2 2022			
Secured loans	**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**
Credit grade								
Loans not past due date	159 961	3 942	27	**163 931**	142 054	2 241	18	**144 314**
Standard monitoring	2 156	1 806	-	**3 962**	2 210	1 239	-	**3 449**
Special monitoring	-	131	-	**131**	-	208	-	**208**
Default	-	-	2 484	**2 484**	-	-	2 366	**2 366**
Gross carrying amount	**162 117**	**5 879**	**2 511**	**170 507**	**144 264**	**3 688**	**2 385**	**150 337**
Loss allowance	-565	-359	-1 151	**-2 076**	-725	-260	-1 165	**-2 150**
Carrying amount	**161 552**	**5 520**	**1 359**	**168 431**	**143 539**	**3 429**	**1 220**	**148 187**
Loss allowance (%)				**1,22%**				**1,43%**

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.

	Q2 2023				Q2 2022			
	Stage 1	**Stage 2**	**Stage 3**		**Stage 1**	**Stage 2**	**Stage 3**	
	12-month	**Lifetime**	**Lifetime**		**12-month**	**Lifetime**	**Lifetime**	
Commercial papers and bonds	**ECL**	**ECL**	**ECL**	**Total**	**ECL**	**ECL**	**ECL**	**Total**
Credit grade								
Investment grade	5 019	-	-	**5 019**	4 593	-	-	**4 593**
Standard monitoring	-	-	-	**-**	-	-	-	**-**
Special monitoring	-	-	-	**-**	-	-	-	**-**
Default	-	-	-	**-**	-	-	-	**-**
Gross carrying amount	**5 019**	**-**	**-**	**5 019**	**4 593**	**-**	**-**	**4 593**
Loss allowance	-1	-	-	**-1**	-0	-	-	**-0**
Carrying amount	**5 018**	**-**	**-**	**5 018**	**4 593**	**-**	**-**	**4 593**
Loss allowance (%)				**0,02%**				**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	**Q2 2023**	**Q2 2022**
Financial derivatives Assets	561	315
Financial derivatives Liabilities	704	317

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		
	Q2 2023	**Q2 2022**	**FY 2022**	**Q2 2023**	**Q2 2022**	**FY 2022**
Current - not past due date	189 954	171 483	177 236	-1 432	-1 693	-1 327
Current - past due date	5 081	4 484	5 248	-363	-323	-379
Total impaired loans	5 368	5 329	4 917	-2 977	-3 059	-2 718
Total gross loans to customers	**200 403**	**181 296**	**187 401**	**-4 773**	**-5 075**	**-4 425**

	Gross outstanding			Loss reserves		
Ageing of past due but not impaired loans	**Q2 2023**	**Q2 2022**	**FY 2022**	**Q2 2023**	**Q2 2022**	**FY 2022**
1 - 29 days	3 659	3 313	3 809	-146	-121	-145
30 - 59 days	893	757	924	-131	-130	-144
60 - 89 days	530	414	515	-87	-72	-90
Total loans due but not impaired	**5 081**	**4 484**	**5 248**	**-363**	**-323**	**-379**

	Gross outstanding			Loss reserves		
Ageing of impaired loans	**Q2 2023**	**Q2 2022**	**FY 2022**	**Q2 2023**	**Q2 2022**	**FY 2022**
90 - 119 days	482	324	413	-179	-130	-161
120 - 149 days	370	248	314	-149	-113	-122
150 - 179 days	388	190	179	-173	-87	-71
180 + days	2 900	1 780	2 675	-1 858	-1 148	-1 697
Economic doubtful*	1 228	2 788	1 336	-618	-1 580	-668
Total impaired loans	**5 368**	**5 329**	**4 917**	**-2 977**	**-3 059**	**-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:

	Q2 2023				Q2 2022			
Unsecured loans	**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**
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	-75	409	-	**334**	-86	491	-	**405**
Transfer from Stage 1 to Stage 3	-3	-	46	**43**	-4	-	45	**42**
Transfer from Stage 2 to Stage 3	-	-273	462	**188**	-	-208	367	**159**
Transfer from Stage 2 to Stage 1	37	-263	-	**-226**	56	-275	-	**-218**
Transfer from Stage 3 to Stage 2	-	67	-128	**-62**	-	44	-102	**-58**
Transfer from Stage 3 to Stage 1	0	-	-2	**-2**	0	-	-2	**-2**
Assets remaining in same Stage	-59	-8	33	**-34**	-181	-18	107	**-92**
Methodological changes	-	-	-	**-**	-	-	-	**-**
Financial assets derecognised that are not write-offs	-45	-19	-28	**-93**	-44	-11	-35	**-90**
of which 'accounts that have closed in the period'	*-45*	*-19*	*-28*	***-93***	*-44*	*-11*	*-35*	***-90***
of which 'foreclosed'	-	-	-	**-**	-	-	-	**-**
of which 'sold'	-	-	-	**-**	-	-	-	**-**
of which 'change of perimeter'	-	-	-	**-**	-	-	-	**-**
Write-offs	-	-	-315	**-315**	-	-	-400	**-400**
New financial assets originated or purchased	110	-	-	**110**	202	-	-	**202**
Changes in PDs/LGDs/EADs	-	-	-	**-**	-	-	-	**-**
Modification of contractual cash flows of financial assets	-	-	-	**-**	-	-	-	**-**
FX and other movements	39	80	92	**211**	65	-13	42	**94**
Loss allowance at 30 June	**480**	**391**	**1 826**	**2 697**	**631**	**400**	**1 895**	**2 925**

	Q2 2023				Q2 2022			
Secured loans	**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**
Loss allowance at 1 January	**510**	**320**	**1 052**	**1 882**	**822**	**247**	**995**	**2 064**
Transfers:								
Transfer from Stage 1 to Stage 2	-47	442	-	**395**	-55	393	-	**338**
Transfer from Stage 1 to Stage 3	-14	-	132	**118**	-17	-	117	**100**
Transfer from Stage 2 to Stage 3	-	-209	533	**323**	-	-188	407	**219**
Transfer from Stage 2 to Stage 1	39	-175	-	**-136**	36	-201	-	**-165**
Transfer from Stage 3 to Stage 2	-	113	-313	**-201**	-	110	-276	**-166**
Transfer from Stage 3 to Stage 1	0	-	-1	**-1**	0	-	-1	**-1**
Assets remaining in same Stage	-45	-31	128	**51**	-236	-68	200	**-105**
Methodological changes	-	-	-	**-**	-	-	-	**-**
Financial assets derecognised that are not write-offs	-59	-42	-116	**-217**	-96	-33	-103	**-232**
of which 'accounts that have closed in the period'	*-59*	*-42*	*-116*	**-217**	*-96*	*-33*	*-103*	**-232**
of which 'foreclosed'	-	-	-	**-**	-	-	-	**-**
of which 'sold'	-	-	-	**-**	-	-	-	**-**
of which 'change of perimeter'	-	-	-	**-**	-	-	-	**-**
Write-offs	-	-	-323	**-323**	-	-	-152	**-152**
New financial assets originated or purchased	154	-	-	**154**	311	-	-	**311**
Changes in PDs/LGDs/EADs	-	-	-	**-**	-	-	-	**-**
Modification of contractual cash flows of financial assets	-	-	-	**-**	-	-	-	**-**
FX and other movements	29	-59	60	**30**	-39	-2	-22	**-63**
Loss allowance at 30 June	**565**	**359**	**1 151**	**2 076**	**725**	**260**	**1 165**	**2 150**

	Q2 2023				Q2 2022			
Commercial papers and bonds	**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**
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**	-	-	-	**-**
of which 'accounts that have closed in the period'	*-0*	-	-	***-0***	-	-	-	**-**
of which 'foreclosed'	-	-	-	**-**	-	-	-	**-**
of which 'sold'	-	-	-	**-**	-	-	-	**-**
of which 'change of perimeter'	-	-	-	**-**	-	-	-	**-**
Write-offs	-	-	-	**-**	-	-	-	**-**
New financial assets originated or purchased	1	-	-	**1**	0	-	-	**0**
Changes in PDs/LGDs/EADs	-	-	-	**-**	-	-	-	**-**
Modification of contractual cash flows of financial assets	-	-	-	**-**	-	-	-	**-**
FX and other movements	0	-	-	**0**	0	-	-	**0**
Loss allowance at 30 June	**1**	**-**	**-**	**1**	**0**	**-**	**-**	**0**

	Q2 2023				Q2 2022			
Off balance exposure*	**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**
Loss allowance at 1 January	**33**	**6**	**26**	**65**	**29**	**9**	**29**	**66**
Transfers:								
Transfer from Stage 1 to Stage 2	-1	4	-	**3**	-1	5	-	**5**
Transfer from Stage 1 to Stage 3	-0	-	9	**9**	-0	-	10	**10**
Transfer from Stage 2 to Stage 3	-	-1	4	**3**	-	-1	4	**3**
Transfer from Stage 2 to Stage 1	1	-5	-	**-4**	1	-8	-	**-7**
Transfer from Stage 3 to Stage 2	-	4	-6	**-2**	-	4	-7	**-3**
Transfer from Stage 3 to Stage 1	0	-	-1	**-1**	0	-	-1	**-1**
Assets remaining in same Stage	-2	-0	7	**4**	-7	1	10	**4**
Methodological changes	-	-	-	**-**	-	-	-	**-**
Financial assets derecognised that are not write-offs	-7	-2	-10	**-20**	-2	-2	-13	**-18**
of which 'accounts that have closed in the period'	*-7*	*-2*	*-10*	***-20***	*-2*	*-2*	*-13*	***-18***
of which 'foreclosed'	-	-	-	**-**	-	-	-	**-**
of which 'sold'	-	-	-	**-**	-	-	-	**-**
of which 'change of perimeter'	-	-	-	**-**	-	-	-	**-**
Write-offs	-	-	-1	**-1**	-	-	-2	**-2**
New financial assets originated or purchased	6	-	-	**6**	12	-	-	**12**
Changes in PDs/LGDs/EADs	-	-	-	**-**	-	-	-	**-**
Modification of contractual cash flows of financial assets	-	-	-	**-**	-	-	-	**-**
FX and other movements	0	0	0	**1**	0	-0	0	**0**
Loss allowance at 30 June	**30**	**6**	**27**	**63**	**32**	**8**	**29**	**69**

* Provisions related to off-balance credit exposures are recognized in the financial statement line other income and costs.

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 = liquid assets / 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) %	Q2 2023	Q2 2022	Q4 2022
Liquidity Coverage Ratio (LCR) Total	172%	164%	185%
Liquidity Coverage Ratio (LCR) NOK	102%	86%	86%
Liquidity Coverage Ratio (LCR) SEK	241%	240%	299%
Liquidity Coverage Ratio (LCR) DKK	156%	185%	220%
Liquidity Coverage Ratio (LCR) EUR	307%	362%	140%

Note 7 - Capital adequacy

All amounts in millions of NOK

Balance sheet equity	Q2 2023	Q2 2022	FY 2022
Paid in equity	10 618	10 618	10 618
Share premium	1 926	1 926	1 926
Other equity	14 827	14 117	15 551
Tier 1 Capital	2 250	2 250	2 250
Other reserves	828	288	391
Total Equity	**30 449**	**29 199**	**30 736**
Common Equity Tier 1 Capital			
(-) Profit not eligible as capital	-1 582	-1 197	-2 216
Cash-flow hedge adjustment	-87	-	-3
IRB Expected Loss - Reserves	-608	-397	-552
Goodwill	-927	-821	-835
Other intangible assets	-124	-90	-97
Deferred tax assets	-	-	-
Adjustment Prudent Valuation (AVA)	-2	-5	-5
Tier 1 Capital	-2 250	-2 250	-2 250
Total common Equity Tier 1 Capital	**24 869**	**24 439**	**24 777**
Tier 1 Capital			
Paid in Tier 1 capital instruments	2 250	2 250	2 250
Total Tier 1 Capital	**27 119**	**26 689**	**27 027**
Total Capital			
Paid up subordinated loans	2 490	2 448	2 417
Subordinated loans not eligible	-81	-	-31
Total Capital	**29 528**	**29 137**	**29 414**
Risk exposure on Standard Approach			
Regional governments or local authorities	70	64	68
Institutions	1 476	768	1 203
Corporates	15 423	8 598	10 606
Retail Standard Approach	57 649	53 786	54 498
Exposures in default SA	2 626	3 639	3 338
Covered bonds	199	147	149
Other Exposures	4 969	3 728	3 547
Total Risk exposure amount on Standard Approach	**82 411**	**70 729**	**73 409**

Risk exposure on Internal Rating Based Approach	Q2 2023	Q2 2022	FY 2022
Retail Other	43 491	40 889	42 050
Total Risk exposure amount on Internal Rating Based Approach	**43 491**	**40 889**	**42 050**
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	**125 902**	**111 619**	**115 459**
Foreign exchange (zero if under threshold)	3 735	2 983	3 165
Risk exposure amount for position, foreign exchange and commodities risks	**3 735**	**2 983**	**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	23	4	24
Risk exposure amount for credit valuation adjustment	**23**	**4**	**24**
Total risk exposure amount	**143 584**	**128 867**	**132 572**
Total exposure for Leverage Ratio			
Derivatives: Add-on under market-to-market method	1 517	633	949
Off-balance sheet items with 10% CCF	3 089	3 141	3 062
Off-balance sheet items with 20% CCF	933	936	776
Off-balance sheet items with 50% CCF	38	38	38
Adjusted On balance sheet exposure	217 917	193 896	204 096
Total exposure for Leverage Ratio	**223 495**	**198 644**	**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)	1,87%	0,41%	1,32%
Conservation Buffer	2,50%	2,50%	2,50%
Systemic Risk Buffer	1,20%	1,23%	1,23%
Minimum Regulatory Capital ratio (CET1)	**13,08%**	**13,44%**	**14,35%**
Minimum Regulatory Capital			
Minimum Core Equity	6 461	5 799	5 966
Pillar 2 Requirement	4 000	4 253	4 375
Pillar 2 Guidance	2 154	1 933	1 989
Countercyclical Buffer (combined)	2 681	529	1 750
Conservation Buffer	3 590	3 222	3 314
Systemic Risk Buffer (combined)	1 716	1 586	1 635
Minimum Regulatory Capital amount	**20 602**	**17 321**	**19 028**

	Q2 2023	Q2 2022	FY 2022
Surplus of Core Equity Tier 1 capital	4 267	7 118	5 749
Common equity tier 1 capital ratio	**17,32%**	**18,96%**	**18,69%**
CET1 regulatory requirements	13,08%	13,44%	14,35%
Tier 1 capital ratio	**18,89%**	**20,71%**	**20,39%**
Tier 1 regulatory requirements	15,09%	14,94%	15,85%
Total capital ratio	**20,56%**	**22,61%**	**22,19%**
Total capital regulatory requirements	17,77%	16,94%	17,85%
Leverage ratio	**12,13%**	**13,44%**	**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)

Q2 2023

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	4 929	48 853	11 479	-	**65 260**
Sweden	12 289	23 825	19 259	-	**55 373**
Denmark	7 433	29 493	3 880	1 028	**41 834**
Finland	5 245	30 863	2 857	422	**39 387**
Total	**29 896**	**133 032**	**37 475**	**1 450**	**201 854**

Q2 2022

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	5 694	42 479	12 073	-	**60 246**
Sweden	14 209	20 186	16 523	-	**50 918**
Denmark	6 218	25 511	3 149	331	**35 209**
Finland	4 838	27 688	2 727	442	**35 695**
Total	**30 959**	**115 864**	**34 472**	**773**	**182 069**

Profit and Loss per Country	Q2 2023					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	1 297	928	792	729	-421	**3 325**
Total interest expenses	-623	-490	-199	-474	423	**-1 363**
Net interest income	**674**	**438**	**593**	**256**	**1**	**1 962**
Fee and commission income	58	50	47	32	-14	**172**
Fee and commission expenses	-53	-12	-12	-20	14	**-83**
Value change and gain/loss on foreign exchange and securities	-8	-29	-6	26	0	**-17**
Other operating income	13	25	58	30	-	**126**
Other operating expenses	-10	-10	-26	-29	-	**-75**
Gross margin	**673**	**462**	**653**	**295**	**2**	**2 085**
Salaries and personnel expenses	-117	-108	-90	-58	-	**-373**
Administrative expenses	-156	-105	-83	-59	-1	**-404**
Depreciation and amortisation	-32	-20	-13	-6	-	**-72**
Net operating income before impairment losses on loans	**369**	**229**	**466**	**172**	**0**	**1 236**
Other income and costs	-116	-0	-8	0	-	**-125**
Impairment losses on loan, guarantees etc.	207	18	-84	19	-	**160**
Profit before tax	**460**	**247**	**374**	**190**	**0**	**1 272**
Income tax expense	-79	-51	-94	-26	-	**-250**
Profit after tax	**381**	**196**	**280**	**164**	**0**	**1 022**

Profit and Loss per Country	Q2 2022					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	783	493	424	599	-326	**1 972**
Total interest expenses	-149	-79	-7	-330	327	**-237**
Net interest income	**633**	**414**	**417**	**269**	**1**	**1 735**
Fee and commission income	43	56	31	29	-14	**144**
Fee and commission expenses	-34	-15	-3	-18	14	**-58**
Value change and gain/loss on foreign exchange and securities	8	-0	0	-1	1	**8**
Other operating income	10	8	49	30	-	**97**
Other operating expenses	-138	-12	-20	-30	-	**-200**
Gross margin	**521**	**452**	**474**	**279**	**2**	**1 727**
Salaries and personnel expenses	-111	-90	-62	-46	-	**-310**
Administration expenses	-141	-97	-54	47	-1	**-246**
Depreciation and amortisation	-29	-19	-10	-5	-	**-64**
Net operating income before impairment losses on loans	**240**	**246**	**347**	**274**	**1**	**1 107**
Other income and costs	1	-1	1	1	-	**1**
Impairment losses on loan, guarantees etc.	25	-81	-89	-23	-	**-169**
Profit before tax	**265**	**164**	**258**	**252**	**1**	**940**
Income tax expense	-53	-36	-57	-58	-	**-204**
Profit after tax	**212**	**128**	**201**	**194**	**1**	**736**

Profit and Loss per Country			YTD Q2 2023			
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	2 494	1 664	1 436	1 360	-763	**6 191**
Total interest expenses	-1 134	-879	-355	-849	765	**-2 452**
Net interest income	**1 360**	**785**	**1 082**	**511**	**2**	**3 740**
Fee and commission income	94	101	67	70	-28	**305**
Fee and commission expenses	-90	-27	-26	-38	28	**-153**
Value change and gain/loss on foreign exchange and securities	-6	-4	-7	2	1	**-14**
Other operating income	37	48	106	58	-	**250**
Other operating expenses	-25	-20	-52	-59	-	**-156**
Gross margin	**1 369**	**883**	**1 171**	**545**	**4**	**3 972**
Salaries and personnel expenses	-250	-199	-161	-109	-	**-719**
Administrative expenses	-314	-195	-155	-102	-2	**-768**
Depreciation and amortisation	-64	-41	-26	-12	-	**-143**
Net operating income before impairment losses on loans	**741**	**449**	**829**	**321**	**1**	**2 341**
Other income and costs	-115	-1	-18	3	-	**-131**
Impairment losses on loan, guarantees etc.	114	-121	-217	-43	-	**-268**
Profit before tax	**740**	**327**	**593**	**281**	**1**	**1 943**
Income tax expense	-99	-67	-150	-45	-	**-360**
Profit after tax	**641**	**260**	**444**	**236**	**1**	**1 582**

Profit and Loss per Country			YTD Q2 2022			
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	1 545	969	845	1 228	-689	**3 897**
Total interest expenses	-275	-142	-16	-699	692	**-440**
Net interest income	**1 270**	**827**	**829**	**529**	**3**	**3 457**
Fee and commission income	81	103	48	59	-29	**262**
Fee and commission expenses	-62	-29	-10	-37	29	**-109**
Value change and gain/loss on foreign exchange and securities	5	-4	-2	-6	0	**-7**
Other operating income	23	14	88	57	-	**182**
Other operating expenses	-155	-19	-41	-62	-	**-276**
Gross margin	**1 161**	**893**	**911**	**540**	**3**	**3 509**
Salaries and personnel expenses	-230	-178	-139	-94	-	**-641**
Administration expenses	-267	-207	-123	-1	-3	**-601**
Depreciation and amortisation	-57	-39	-21	-11	-	**-128**
Net operating income before impairment losses on loans	**607**	**469**	**628**	**434**	**0**	**2 138**
Other income and costs	-52	-27	-19	-6	-	**-104**
Impairment losses on loan, guarantees etc.	-91	-229	-160	-64	-	**-544**
Profit before tax	**463**	**213**	**449**	**364**	**0**	**1 490**
Income tax expense	-119	19	-151	-43	-	**-293**
Profit after tax	**345**	**233**	**298**	**321**	**0**	**1 197**

Balance Sheet per Country	Q2 2023					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Cash and receivables on central banks	67	1 505	-	-	-	**1 572**
Deposits with and receivables on financial institutions	3 036	384	2 447	2 085	-	**7 953**
Total gross loans to customers	65 260	55 373	40 806	38 965	-	**200 403**
Write-downs	-1 191	-1 391	-1 429	-762	-	**-4 773**
Commercial papers and bonds	2 072	2 629	317	419	-419	**5 018**
Financial derivatives	-	-	-	561	-	**561**
Investments in subsidiaries	1 870	-	-	-	-1 870	**0**
Other assets	34 093	704	2 342	36 552	-67 727	**5 965**
Total assets	**105 207**	**59 203**	**44 483**	**77 820**	**-70 016**	**216 699**
Debt to credit institutions	9 441	28 873	8 563	20 312	-33 314	**33 874**
Deposits from customers	29 095	24 062	34 678	-	-	**87 835**
Debt established by issuing securities	26 967	3 476	37	16 414	-419	**46 476**
Financial derivatives	-	-	-	704	-	**704**
Other liabilities	13 293	2 736	1 117	35 160	-34 945	**17 361**
Equity	26 412	57	88	5 230	-1 339	**30 448**
Total liabilities and equity	**105 208**	**59 204**	**44 484**	**77 820**	**-70 017**	**216 698**

Balance Sheet per Country	Q2 2022					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Cash and receivables on central banks	65	1 632	-	-	-	**1 698**
Deposits with and receivables on financial institutions	1 206	720	867	2 079	-	**4 873**
Total gross loans to customers	60 246	50 918	34 879	35 253	-	**181 296**
Write-downs	-1 755	-1 425	-1 176	-719	-	**-5 075**
Commercial papers and bonds	2 257	1 330	835	1 687	-1 515	**4 593**
Financial derivatives	-	-	-	315	-	**315**
Investments in subsidiaries	1 693	-	-	-	-1 693	**-0**
Other assets	27 170	736	1 428	31 166	-56 668	**3 832**
Total assets	**90 882**	**53 912**	**36 832**	**69 780**	**-59 876**	**191 531**
Debt to credit institutions	8 890	23 751	5 859	18 194	-26 551	**30 143**
Deposits from customers	22 216	20 504	29 793	-	-	**72 513**
Debt established by issuing securities	29 266	6 458	-0	16 160	-1 514	**50 370**
Financial derivatives	-	-	-	317	-	**317**
Other liabilities	4 560	3 084	1 021	30 877	-30 554	**8 989**
Equity	25 951	115	159	4 232	-1 258	**29 199**
Total liabilities and equity	**90 882**	**53 912**	**36 832**	**69 780**	**-59 876**	**191 531**

Note 9 - Net interest income

All amounts in millions of NOK

	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest and similar income on loans to and receivables from credit institutions	50	2	120	5	52
Interest and similar income on loans to and receivables from customers	3 190	1 954	5 929	3 860	8 267
Interest and similar income on comm. paper, bonds and other securities	32	3	82	5	39
Interest and similar income on loans to subsidiaries, branches and SPVs	8	14	16	27	52
Other interest income and similar income	44	-	44	-	-
Total interest income	**3 325**	**1 972**	**6 191**	**3 897**	**8 410**
Interest and similar expenses on debt to credit institutions	-317	-35	-569	-52	-313
Interest and similar expenses on deposits from and debt to customers	-600	-105	-1 069	-201	-723
Interest and similar expenses on issued securities	-266	-73	-478	-143	-450
Interest on subordinated loan capital	-31	-15	-59	-29	-71
Interest on senior non-preferred loans	-120	-3	-215	-3	-46
Other interest expenses and similar expenses	-30	-4	-62	-11	-53
Total interest expense	**-1 363**	**-237**	**-2 452**	**-440**	**-1 656**
Net interest income	**1 962**	**1 735**	**3 740**	**3 457**	**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.

To credit institutions	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-317	-35	-569	-52	-313
Average loan over the period	35 218	30 293	35 218	30 293	33 502
Average nominal interest rate	**3,60%**	**0,47%**	**3,23%**	**0,35%**	**0,93%**

To customers	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-600	-105	-1 069	-201	-723
Average deposit over the period	81 880	72 909	81 880	72 909	74 614
Average nominal interest rate	**2,93%**	**0,58%**	**2,61%**	**0,55%**	**0,97%**

To bondholders	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-266	-73	-478	-143	-450
Average issued notes and bonds	46 892	50 944	46 892	50 944	49 413
Average nominal interest rate	**2,27%**	**0,58%**	**2,04%**	**0,56%**	**0,91%**

Subordinated loan capital	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-31	-15	-59	-29	-71
Average subordinated loan capital	2 458	2 457	2 458	2 457	2 443
Average nominal interest rate	**5,05%**	**2,49%**	**4,78%**	**2,37%**	**2,91%**

Senior non-preferred loans	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-120	-3	-215	-3	-46
Average senior non-preferred loans	7 126	616	7 126	616	2 034
Average nominal interest rate	**6,74%**	**2,12%**	**6,03%**	**1,06%**	**2,27%**

Total of tables above	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-1 334	-233	-2 389	-429	-1 603
Average loan	173 574	157 219	173 574	157 219	162 005
Average nominal interest rate	**3,07%**	**0,59%**	**2,75%**	**0,55%**	**0,99%**

Note 10 - Classification of financial instruments

All amounts in millions of NOK

Classification of financial assets 30 June 2023	Financial assets at fair value through P&L	Financial assets at fair value through OCI	Amortized cost	Book value
Cash and receivables on central banks	-	-	1 572	1 572
Deposits with and receivables on financial institutions	-	-	7 953	7 953
Loans to customers	-	-	195 630	195 630
Commercial papers and bonds	-	-	5 018	5 018
Financial derivatives	561	-	-	561
Other ownership interests	-	15	-	15
Other financial assets	-	-	684	684
Total financial assets	**561**	**15**	**210 858**	**211 433**

Non-financial assets	5 266
Total assets	**216 699**

Classification of financial liabilities 30 June 2023	Financial liabilities at fair value through P&L	Financial liabilities at fair value through OCI	Amortized cost	Book value
Debt to credit institutions	-	-	33 874	33 874
Deposits from customers	-	-	87 835	87 835
Debt established by issuing securities	-	-	46 476	46 476
Financial derivatives	704	-	-	704
Other financial liabilities	-	-	423	423
Subordinated loan capital	-	-	2 495	2 495
Senior non-preferred loans	-	-	10 186	10 186
Total financial liabilities	**704**	**-**	**181 289**	**181 993**

Non-financial liabilities and equity	34 706
Total liabilities and equity	**216 699**

Classification of financial assets 30 June 2022	Financial assets at fair value through P&L	Financial assets at fair value through OCI	Amortized cost	Book value
Cash and receivables on central banks	-	-	1 698	1 698
Deposits with and receivables on financial institutions	-	-	4 873	4 873
Loans to customers	-	-	176 221	176 221
Commercial papers and bonds	-	-	4 593	4 593
Financial derivatives	315	-	-	315
Other ownership interests	-	20	-	20
Total financial assets	**315**	**20**	**187 385**	**187 720**

Non-financial assets	3 811
Total assets	**191 531**

Classification of financial liabilities 30 June 2022	Financial liabilities at fair value through P&L	Financial liabilities at fair value through OCI	Amortized cost	Book value
Debt to credit institutions	-	-	30 143	30 143
Deposits from customers	-	-	72 513	72 513
Debt established by issuing securities	-	-	50 370	50 370
Financial derivatives	317	-	-	317
Other financial liabilities	-	-	250	250
Subordinated loan capital	-	-	2 451	2 451
Senior non-preferred loans	-	-	1 232	1 232
Total financial liabilities	**317**	**-**	**156 959**	**157 276**

Non-financial liabilities and equity	34 255
Total liabilities and equity	**191 531**

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.

Q2 2023 **Financial instruments measured at fair value**			**Quoted market price Level 1**	**Using observable inputs Level 2**	**With significant unobservable inputs Level 3**	**Total**
Financial assets						
Name	***Type***	***Notional***				
KIMI8A Fixed	Interest Rate Swap	MM EUR 75	-	6	-	**6**
KIMI8B Fixed	Interest Rate Swap	MM EUR 8	-	1	-	**1**
KIMI9A Fixed	Interest Rate Swap	MM EUR 170	-	80	-	**80**
KIMI9B Fixed	Interest Rate Swap	MM EUR 18	-	8	-	**8**
KIMI10	Interest Rate Cap	MM EUR 238	-	197	-	**197**
KIMI11	Interest Rate Swap	MM EUR 426	-	28	-	**28**
KIMI12	Interest Rate Cap	MM EUR 450	-	240	-	**240**
Total financial trading derivatives			**-**	**561**	**-**	**561**

Name	Type		Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
VN Norge	Equity		-	14	-	**14**
Norsk Gjeldsinformasjon AS	Equity		-	-	0	**0**
Vipps AS	Equity		-	-	0	**0**
Total other ownership interests			**-**	**14**	**0**	**15**
Total Assets			**-**	**575**	**0**	**576**

Financial liabilities

Name	Type	Notional				
KIMI8A Pass Through	Interest Rate Swap	MM EUR 70	-	5	-	**5**
KIMI8B Pass Through	Interest Rate Swap	MM EUR 9	-	1	-	**1**
KIMI9A Pass Through	Interest Rate Swap	MM EUR 167	-	85	-	**85**
KIMI9B Pass Through	Interest Rate Swap	MM EUR 17	-	9	-	**9**
KIMI10 Pass Through	Interest Rate Cap	MM EUR 238	-	197	-	**197**
KIMI11 Pass Through	Interest Rate Swap	MM EUR 426	-	187	-	**187**
KIMI12 Pass Through	Interest Rate Cap	MM EUR 450	-	221	-	**221**
Total financial derivatives			**-**	**704**	**-**	**704**
Total Liabilities			**-**	**704**	**-**	**704**

Derivatives designated for hedge accounting - assets

Name	Type	Notional				
KIMI8A	Interest Rate Swap	MM EUR 70	-	5	-	**5**
KIMI8B	Interest Rate Swap	MM EUR 9	-	1	-	**1**
KIMI9A	Interest Rate Swap	MM EUR 167	-	85	-	**85**
KIMI9B	Interest Rate Swap	MM EUR 17	-	9	-	**9**
KIMI11	Interest Rate Swap	MM EUR 426	-	179	-	**179**
SV EMTN MEUR 350	Cross Currency Swap	MM EUR 350	-	183	-	**183**
SNP EUR MEUR 200	Cross Currency Swap	MM EUR 200	-	87	-	**87**
Total derivatives designated for hedging - assets*			**-**	**548**	**-**	**548**

Derivatives designated for hedge accounting - liabilities			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Name	***Type***	***Notional***				
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	103	-	**103**
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	135	-	**135**
Total derivatives designated for hedging - liabilities*			**-**	**239**	**-**	**239**

* 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.

Q2 2022

Financial instruments measured at fair value			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Financial assets						
Name	***Type***	***Notional***				
KIMI7 Pass Through	Interest Rate Swap	MM EUR 47	-	0	-	**0**
KIMI8A Fixed	Interest Rate Swap	MM EUR 153	-	15	-	**15**
KIMI8B Fixed	Interest Rate Swap	MM EUR 17	-	2	-	**2**
KIMI9A Fixed	Interest Rate Swap	MM EUR 309	-	65	-	**65**
KIMI9B Fixed	Interest Rate Swap	MM EUR 31	-	7	-	**7**
KIMI10	Interest Rate Cap	MM EUR 435	-	180	-	**180**
KIMI11	Interest Rate Swap	MM EUR 550	-	46	-	**46**
Total financial trading derivatives			**-**	**315**	**-**	**315**
Name	***Type***					
VN Norge	Equity		-	20	-	**20**
Total other ownership interests			**-**	**20**	**-**	**20**
Total Assets			**-**	**335**	**-**	**335**

Financial liabilities			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Name	***Type***	***Notional***				
KIMI8A Pass Through	Interest Rate Swap	MM EUR 148	-	16	-	**16**
KIMI8B Pass Through	Interest Rate Swap	MM EUR 16	-	2	-	**2**
KIMI9A Pass Through	Interest Rate Swap	MM EUR 305	-	64	-	**64**
KIMI9B Pass Through	Interest Rate Swap	MM EUR 31	-	7	-	**7**
KIMI10 Pass Through	Interest Rate Cap	MM EUR 435	-	180	-	**180**
KIMI11 Pass Through	Interest Rate Swap	MM EUR 550	-	48	-	**48**
Total financial derivatives			**-**	**317**	**-**	**317**
Total Liabilities			**-**	**317**	**-**	**317**

Derivatives designated for hedge accounting - assets

Name	***Type***	***Notional***				
Kimi8A	Interest Rate Swap	MM EUR 148	-	16	-	**16**
Kimi8B	Interest Rate Swap	MM EUR 16	-	2	-	**2**
Kimi9A	Interest Rate Swap	MM EUR 305	-	66	-	**66**
Kimi9B	Interest Rate Swap	MM EUR 31	-	7	-	**7**
Total derivatives designated for hedging - assets*			**-**	**91**	**-**	**91**

Derivatives designated for hedge accounting - liabilities

Name	***Type***	***Notional***				
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 200	-	1	-	**1**
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	73	-	**73**
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	82	-	**82**
SV EMTN MEUR 350	Cross Currency Swap	MM EUR 350	-	42	-	**42**
KIMI7	Interest Rate Swap	MM EUR 47	-	0	-	**0**
Total derivatives designated for hedging - liabilities*			**-**	**197**	**-**	**197**

* 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

	Q2 2023	Q2 2022	FY 2022
Credit Card	4 601	4 928	4 928
Unsecured loans	25 295	26 031	24 825
Auto loans	170 507	150 337	157 649
- Installment loans	*133 032*	*115 864*	*121 748*
- Finance leases	*37 475*	*34 472*	*35 901*
Total gross loans to customers	**200 403**	**181 296**	**187 401**
- Loan loss allowance - Stage 1	-1 045	-1 356	-986
- Loan loss allowance - Stage 2	-750	-659	-720
- Loan loss allowance - Stage 3	-2 978	-3 060	-2 719
Total net loans to customers	**195 630**	**176 221**	**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:

	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022
Change in loss allowance - Unsecured loans	31	-25	10	-16
Change in loss allowance - Secured loans	-2	-19	-80	-57
Change in loss allowance - Commercial papers and bonds	-1	-0	-1	-0
+ Total realized losses	-436	-405	-847	-798
- Recoveries on previously realized losses	97	85	179	132
- Gain on sold portfolios	471	195	471	195
Impairment losses on loan, guarantees etc.	**160**	**-169**	**-268**	**-544**

Note 14 - Issued securities

All amounts in millions of NOK

	Q2 2023	Q2 2022	FY 2022
Senior unsecured issued securities	30 480	35 148	34 599
Asset backed issued securities	15 996	15 222	12 709
Total issued securities	**46 476**	**50 370**	**47 308**

Issued securities by currency in NOK	Q2 2023	Q2 2022	FY 2022
DKK	-	-	-
EUR	38 908	40 605	38 511
NOK	3 816	3 606	3 814
SEK	3 753	6 159	4 983
Total issued securities	**46 476**	**50 370**	**47 308**

Note 15 - Receivables and liabilities to related parties

All amounts in millions of NOK

Debt to related parties:	Q2 2023	Accrued Interest Q2 2023	Q2 2022	Accrued Interest Q2 2022	FY 2022	Accrued Interest FY 2022
Santander Consumer Finance S.A.	33 693	181	29 991	20	36 450	111
Total	**33 693**	**181**	**29 991**	**20**	**36 450**	**111**

Balance sheet line: "Subordinated loan capital" - Bonds	Q2 2023	Accrued Interest Q2 2023	Q2 2022	Accrued Interest Q2 2022	FY 2022	Accrued Interest FY 2022
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)	745	2	724	1	709	1
MSEK 750, maturity December 2030, 3 months STIBOR + 2.29% (Santander Consumer Finance S.A)	745	1	724	1	709	1
MNOK 500, maturity June 2031, fixed rate 2.62% (Santander Consumer Finance S.A)	500	0	500	0	500	0
Total	**2 490**	**5**	**2 448**	**3**	**2 417**	**4**

Balance sheet line: "Senior non-preferred loans"	Q2 2023	Accrued Interest Q2 2023	Q2 2022	Accrued Interest Q2 2022	FY 2022	Accrued Interest FY 2022
MSEK 600, maturity April 2026, 3 months STIBOR + 1.04% (Santander Consumer Finance S.A)	596	5	579	1	567	3
MNOK 650, maturity May 2026, 3 months NIBOR + 1.37% (Santander Consumer Finance S.A)	650	4	650	2	650	3
MSEK 1000, maturity August 2026, 3 months STIBOR + 1.50% (Santander Consumer Finance S.A)	993	5	-	-	945	3
MSEK 1000, maturity September 2026, 3 months STIBOR + 1.75% (Santander Consumer Finance S.A)	993	0	-	-	945	1
MSEK 1000, maturity November 2026, 3 months STIBOR + 2.18% (Santander Consumer Finance S.A)	993	6	-	-	945	4
MEUR 500, maturity January 2027, fixed rate 4.51% (Santander Consumer Finance S.A)	5 823	117	-	-	-	-
Total	**10 049**	**137**	**1 229**	**3**	**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	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest income	4	0	7	2	3
Interest expenses	-540	-53	-964	-81	-475
Interest payments additional Tier 1 capital	-44	-32	-91	-65	-140
Fees	-	-	-	-	-
Other	155	-174	304	-355	-701
Net transactions	**-426**	**-259**	**-743**	**-499**	**-1 313**

Assets	Q2 2023	Q2 2022	FY 2022
Deposits with and receivables on financial institutions	365	2	5
Financial derivatives	37	-	21
Other financial assets	624	28	741
Other assets	270	138	-
Total assets	**1 297**	**168**	**767**

Liabilities	Q2 2023	Q2 2022	FY 2022
Debt to credit institutions	33 874	-	36 561
Debt established by issuing securities	279	212	219
Financial derivatives	605	-	462
Other financial liabilities	58	-	-
Other liabilities	309	1 391	398
Subordinated loan capital	12 681	-	6 489
Total liabilities	**47 806**	**1 604**	**44 128**

The Group had transactions with the following related parties as at 30 June 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 second 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 August 18, 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.

	Q2 2023				Q2 2022			
Unsecured loans	**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**
Credit grade								
Loans not past due date	20 348	928	-	**21 276**	20 998	1 548	-	**22 546**
Standard monitoring	255	516	-	**771**	279	501	-	**780**
Special monitoring	-	131	-	**131**	-	218	-	**218**
Default	-	-	2 472	**2 472**	-	-	2 577	**2 577**
Gross carrying amount	**20 603**	**1 575**	**2 472**	**24 651**	**21 277**	**2 267**	**2 577**	**26 121**
Loss allowance	-388	-308	-1 614	**-2 309**	-511	-372	-1 634	**-2 517**
Carrying amount	**20 215**	**1 268**	**858**	**22 341**	**20 766**	**1 894**	**943**	**23 604**
Loss allowance (off balance exposures)	-30	-6	-27	**-63**	-32	-8	-29	**-69**
Loss allowance (%)				**9,37%**				**9,64%**

	Q2 2023				Q2 2022			
Secured loans	**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**
Credit grade								
Loans not past due date	128 936	3 426	27	**132 389**	113 958	1 841	18	**115 817**
Standard monitoring	1 125	1 353	-	**2 479**	1 257	890	-	**2 148**
Special monitoring	-	107	-	**107**	-	167	-	**167**
Default	-	-	1 813	**1 813**	-	-	1 790	**1 790**
Gross carrying amount	**130 061**	**4 886**	**1 840**	**136 788**	**115 215**	**2 898**	**1 808**	**119 922**
Loss allowance	-470	-298	-934	**-1 702**	-600	-221	-1 017	**-1 838**
Carrying amount	**129 591**	**4 588**	**906**	**135 086**	**114 615**	**2 678**	**791**	**118 084**
Loss allowance (%)				**1,24%**				**1,53%**

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.

	Q2 2023				Q2 2022			
Commercial papers and bonds	**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**
Credit grade								
Investment grade	5 019	-	-	**5 019**	4 422	-	-	**4 422**
Standard monitoring	-	-	-	**-**	-	-	-	**-**
Special monitoring	-	-	-	**-**	-	-	-	**-**
Default	-	-	-	**-**	-	-	-	**-**
Gross carrying amount	**5 019**	**-**	**-**	**5 019**	**4 422**	**-**	**-**	**4 422**
Loss allowance	-1	-	-	**-1**	-0	-	-	**-0**
Carrying amount	**5 018**	**-**	**-**	**5 018**	**4 422**	**-**	**-**	**4 422**
Loss allowance (%)				**0,02%**				**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	**Q2 2023**	**Q2 2022**
Financial derivatives Assets	-	-
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		
	Q2 2023	**Q2 2022**	**FY 2022**	**Q2 2023**	**Q2 2022**	**FY 2022**
Current - not past due date	153 858	138 731	143 529	-1 197	-1 442	-1 113
Current - past due date	3 269	2 928	3 546	-267	-262	-291
Total impaired loans	4 312	4 383	4 000	-2 548	-2 651	-2 335
Total gross loans to customers	**161 438**	**146 042**	**151 075**	**-4 011**	**-4 356**	**-3 739**

	Gross outstanding			Loss reserves		
Ageing of past due but not impaired loans	**Q2 2023**	**Q2 2022**	**FY 2022**	**Q2 2023**	**Q2 2022**	**FY 2022**
1 - 29 days	2 211	2 062	2 454	-102	-97	-105
30 - 59 days	664	557	693	-100	-107	-112
60 - 89 days	394	308	399	-65	-59	-73
Total loans due but not impaired	**3 269**	**2 928**	**3 546**	**-267**	**-262**	**-291**

	Gross outstanding			Loss reserves		
Ageing of impaired loans	**Q2 2023**	**Q2 2022**	**FY 2022**	**Q2 2023**	**Q2 2022**	**FY 2022**
90 - 119 days	351	250	312	-145	-118	-134
120 - 149 days	273	193	228	-122	-99	-99
150 - 179 days	292	142	136	-145	-73	-58
180 + days	2 375	1 408	2 180	-1 594	-940	-1 448
Economic doubtful*	1 021	2 390	1 144	-541	-1 421	-595
Total impaired loans	**4 312**	**4 383**	**4 000**	**-2 548**	**-2 651**	**-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:

	Q2 2023				Q2 2022			
Unsecured loans	**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**
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	-55	358	-	**303**	-75	440	-	**365**
Transfer from Stage 1 to Stage 3	-3	-	35	**32**	-3	-	38	**35**
Transfer from Stage 2 to Stage 3	-	-217	395	**178**	-	-178	319	**141**
Transfer from Stage 2 to Stage 1	33	-194	-	**-161**	52	-251	-	**-199**
Transfer from Stage 3 to Stage 2	-	30	-100	**-71**	-	22	-74	**-52**
Transfer from Stage 3 to Stage 1	0	-	-2	**-2**	0	-	-2	**-2**
Assets remaining in same Stage	-51	4	16	**-31**	-109	-8	94	**-22**
Methodological changes	-	-	-	**-**	-	-	-	**-**
Financial assets derecognised that are not write-offs	-32	-16	-26	**-74**	-31	-10	-33	**-73**
of which 'accounts that have closed in the period'	*-32*	*-16*	*-26*	**-74**	*-31*	*-10*	*-33*	**-73**
of which 'foreclosed'	-	-	-	**-**	-	-	-	**-**
of which 'sold'	-	-	-	**-**	-	-	-	**-**
of which 'change of perimeter'	-	-	-	**-**	-	-	-	**-**
Write-offs	-	-	-259	**-259**	-	-	-368	**-368**
New financial assets originated or purchased	83	-	-	**83**	158	-	-	**158**
Changes in PDs/LGDs/EADs	-	-	-	**-**	-	-	-	**-**
Modification of contractual cash flows of financial assets	-	-	-	**-**	-	-	-	**-**
FX and other movements	25	13	80	**117**	8	-8	4	**3**
Loss allowance at 30 June	**388**	**308**	**1 614**	**2 309**	**511**	**372**	**1 634**	**2 517**

	Q2 2023				Q2 2022			
Secured loans	**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**
Loss allowance at 1 January	**421**	**265**	**858**	**1 544**	**651**	**210**	**853**	**1 714**
Transfers:								
Transfer from Stage 1 to Stage 2	-38	294	-	**256**	-46	330	-	**284**
Transfer from Stage 1 to Stage 3	-13	-	119	**107**	-16	-	107	**92**
Transfer from Stage 2 to Stage 3	-	-163	422	**259**	-	-155	346	**191**
Transfer from Stage 2 to Stage 1	23	-140	-	**-117**	28	-170	-	**-142**
Transfer from Stage 3 to Stage 2	-	100	-242	**-142**	-	96	-227	**-131**
Transfer from Stage 3 to Stage 1	0	-	-1	**-1**	0	-	-1	**-1**
Assets remaining in same Stage	-27	-29	91	**34**	-209	-62	139	**-132**
Methodological changes	-	-	-	**-**	-	-	-	**-**
Financial assets derecognised that are not write-offs	-47	-33	-87	**-168**	-69	-26	-82	**-176**
of which 'accounts that have closed in the period'	*-47*	*-33*	*-87*	***-168***	*-69*	*-26*	*-82*	***-176***
of which 'foreclosed'	-	-	-	**-**	-	-	-	**-**
of which 'sold'	-	-	-	**-**	-	-	-	**-**
of which 'change of perimeter'	-	-	-	**-**	-	-	-	**-**
Write-offs	-	-	-264	**-264**	-	-	-125	**-125**
New financial assets originated or purchased	128	-	-	**128**	254	-	-	**254**
Changes in PDs/LGDs/EADs	-	-	-	**-**	-	-	-	**-**
Modification of contractual cash flows of financial assets	-	-	-	**-**	-	-	-	**-**
FX and other movements	23	4	37	**65**	7	-3	6	**10**
Loss allowance at 30 June	**470**	**298**	**934**	**1 702**	**600**	**221**	**1 017**	**1 838**

	Q2 2023				Q2 2022			
Commercial papers and bonds	**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**
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**	-	-	-	**-**
of which 'accounts that have closed in the period'	*-0*	-	-	***-0***	-	-	-	**-**
of which 'foreclosed'	-	-	-	**-**	-	-	-	**-**
of which 'sold'	-	-	-	**-**	-	-	-	**-**
of which 'change of perimeter'	-	-	-	**-**	-	-	-	**-**
Write-offs	-	-	-	**-**	-	-	-	**-**
New financial assets originated or purchased	1	-	-	**1**	0	-	-	**0**
Changes in PDs/LGDs/EADs	-	-	-	**-**	-	-	-	**-**
Modification of contractual cash flows of financial assets	-	-	-	**-**	-	-	-	**-**
FX and other movements	0	-	-	**0**	0	-	-	**0**
Loss allowance at 30 June	**1**	**-**	**-**	**1**	**0**	**-**	**-**	**0**

	Q2 2023				Q2 2022			
Off balance exposure*	**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**
Loss allowance at 1 January	**33**	**6**	**26**	**65**	**29**	**9**	**29**	**66**
Transfers:								
Transfer from Stage 1 to Stage 2	-1	4	-	**3**	-1	5	-	**5**
Transfer from Stage 1 to Stage 3	-0	-	9	**9**	-0	-	10	**10**
Transfer from Stage 2 to Stage 3	-	-1	4	**3**	-	-1	4	**3**
Transfer from Stage 2 to Stage 1	1	-5	-	**-4**	1	-8	-	**-7**
Transfer from Stage 3 to Stage 2	-	4	-6	**-2**	-	4	-7	**-3**
Transfer from Stage 3 to Stage 1	0	-	-1	**-1**	0	-	-1	**-1**
Assets remaining in same Stage	-2	-0	7	**4**	-7	1	10	**4**
Methodological changes	-	-	-	**-**	-	-	-	**-**
Financial assets derecognised that are not write-offs	-7	-2	-10	**-20**	-2	-2	-13	**-18**
of which 'accounts that have closed in the period'	*-7*	*-2*	*-10*	***-20***	*-2*	*-2*	*-13*	***-18***
of which 'foreclosed'	-	-	-	**-**	-	-	-	**-**
of which 'sold'	-	-	-	**-**	-	-	-	**-**
of which 'change of perimeter'	-	-	-	**-**	-	-	-	**-**
Write-offs	-	-	-1	**-1**	-	-	-2	**-2**
New financial assets originated or purchased	6	-	-	**6**	12	-	-	**12**
Changes in PDs/LGDs/EADs	-	-	-	**-**	-	-	-	**-**
Modification of contractual cash flows of financial assets	-	-	-	**-**	-	-	-	**-**
FX and other movements	0	0	0	**1**	0	-0	0	**0**
Loss allowance at 30 June	**30**	**6**	**27**	**63**	**32**	**8**	**29**	**69**

* Provisions related to off-balance credit exposures are recognized in the financial statement line other income and costs.

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 = liquid assets / 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) %	**Q2 2023**	**Q2 2022**	**Q4 2022**
Liquidity Coverage Ratio (LCR) Total	172%	143%	203%
Liquidity Coverage Ratio (LCR) NOK	102%	86%	86%
Liquidity Coverage Ratio (LCR) SEK	242%	251%	301%
Liquidity Coverage Ratio (LCR) DKK	156%	185%	220%
Liquidity Coverage Ratio (LCR) EUR	341%	151%	285%

Note 7 - Capital adequacy

All amounts in millions of NOK

Balance sheet equity	Q2 2023	Q2 2022	FY 2022
Paid in equity	10 618	10 618	10 618
Share premium	1 926	1 926	1 926
Other equity	11 725	11 423	12 687
Tier 1 Capital	2 250	2 250	2 250
Other reserves	36	8	15
Total Equity	**26 556**	**26 224**	**27 496**

Common Equity Tier 1 Capital			
(-) Profit not eligible as capital	-1 345	-876	-2 216
Cash-flow hedge adjustment	-2	-25	-18
IRB Expected Loss - Reserves	-302	-93	-258
Goodwill	-443	-394	-400
Other intangible assets	-124	-89	-96
Deferred tax assets	-	-	-
Adjustment Prudent Valuation (AVA)	-2	-4	-4
Tier 1 Capital	-2 250	-2 250	-2 250
Total common Equity Tier 1 Capital	**22 088**	**22 493**	**22 253**

Tier 1 Capital			
Paid in Tier 1 capital instruments	2 250	2 250	2 250
Total Tier 1 Capital	**24 338**	**24 743**	**24 503**

Total Capital			
Paid up subordinated loans	2 490	2 448	2 417
Subordinated loans not eligible	-81	-	-31
Total Capital	**26 747**	**27 191**	**26 890**

Risk exposure on Standard Approach			
Regional governments or local authorities	66	58	63
Institutions	651	403	600
Corporates	12 927	7 814	9 108
Retail Standard Approach	49 809	46 412	46 913
Exposures in default SA	2 178	3 171	2 918
Covered bonds	199	147	149
Other Exposures	25 056	21 186	21 801
Total Risk exposure amount on Standard Approach	**90 886**	**79 190**	**81 552**

Risk exposure on Internal Rating Based Approach	Q2 2023	Q2 2022	FY 2022
Retail Other	31 322	29 354	30 286
Total Risk exposure amount on Internal Rating Based Approach	**31 322**	**29 354**	**30 286**
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	**122 208**	**108 545**	**111 838**
Foreign exchange (zero if under threshold)	584	654	637
Risk exposure amount for position, foreign exchange and commodities risks	**584**	**654**	**637**
Basic indicator approach	11 671	12 314	11 671
Risk exposure amount for operational risk	**11 671**	**12 314**	**11 671**
Standardized method	23	4	24
Risk exposure amount for credit valuation adjustment	**23**	**4**	**24**
Total risk exposure amount	**134 487**	**121 517**	**124 171**

Total exposure for Leverage Ratio			
Derivatives: Add-on under market-to-market method	786	254	447
Off-balance sheet items with 10% CCF	2 892	2 899	2 850
Off-balance sheet items with 20% CCF	922	923	766
Off-balance sheet items with 50% CCF	38	38	38
Adjusted On balance sheet exposure	197 305	174 914	184 622
Total exposure for Leverage Ratio	**201 942**	**179 028**	**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)	1,91%	0,41%	1,35%
Conservation Buffer	2,50%	2,50%	2,50%
Systemic Risk Buffer	1,21%	1,24%	1,25%
Minimum Regulatory Capital ratio (CET1)	**13,15%**	**13,45%**	**14,41%**

Minimum Regulatory Capital			
Minimum Core Equity	6 052	5 468	5 588
Pillar 2 Requirement	2 044	4 010	4 098
Pillar 2 Guidance	2 017	1 823	1 863
Countercyclical Buffer (combined)	2 574	501	1 682
Conservation Buffer	3 362	3 038	3 104
Systemic Risk Buffer (combined)	1 632	1 504	1 558
Minimum Regulatory Capital amount	**17 682**	**16 344**	**17 892**

	Q2 2023	Q2 2022	FY 2022
Surplus of Core Equity Tier 1 capital	4 407	6 149	4 361
Common equity tier 1 capital ratio	**16,42%**	**18,51%**	**17,92%**
CET1 regulatory requirements	13,15%	13,45%	14,41%
Tier 1 capital ratio	**18,10%**	**20,36%**	**19,73%**
Tire 1 regulatory requirements	15,16%	14,95%	15,91%
Total capital ratio	**19,89%**	**22,38%**	**21,66%**
Total capital regulatory requirements	17,84%	16,95%	17,91%
Leverage ratio	**12,05%**	**13,82%**	**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)

Q2 2023

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	4 929	48 853	11 479	-	**65 260**
Sweden	12 289	23 825	19 259	-	**55 373**
Denmark	7 433	29 493	3 880	1 028	**41 834**
Total	**24 651**	**102 170**	**34 618**	**1 028**	**162 467**

Q2 2022

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	5 694	42 479	12 073	-	**60 246**
Sweden	14 209	20 186	16 523	-	**50 918**
Denmark	6 218	25 511	3 149	331	**35 209**
Total	**26 121**	**88 176**	**31 746**	**331**	**146 374**

Profit and Loss per Country			Q2 2023		
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	1 297	928	792	-	**3 017**
Total interest expenses	-623	-490	-199	-	**-1 313**
Net interest income	**674**	**438**	**593**	**-**	**1 705**
Fee and commission income	58	50	47	-	**154**
Fee and commission expenses	-53	-12	-12	-	**-77**
Value change and gain/loss on foreign exchange and securities	-8	-29	-6	-	**-43**
Other operating income	13	25	58	-	**95**
Other operating expenses	-10	-10	-26	-	**-45**
Gross margin	**673**	**462**	**653**	**-**	**1 788**
Salaries and personnel expenses	-117	-108	-90	-	**-315**
Administrative expenses	-156	-105	-83	-	**-344**
Depreciation and amortisation	-32	-20	-13	-	**-66**
Net operating income before impairment losses on loans	**369**	**229**	**466**	**-**	**1 064**
Other income and costs	-116	-0	-8	-	**-125**
Impairment losses on loan, guarantees etc.	207	18	-84	-	**141**
Profit before tax	**460**	**247**	**374**	**-**	**1 081**
Income tax expense	-79	-51	-94	-	**-224**
Profit after tax	**381**	**196**	**280**	**-**	**857**

Profit and Loss per Country			Q2 2022		
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	783	485	424	-	**1 691**
Total interest expenses	-149	-71	-7	-	**-228**
Net interest income	**633**	**413**	**417**	**-**	**1 464**
Fee and commission income	43	56	31	-	**129**
Fee and commission expenses	-34	-14	-3	-	**-52**
Value change and gain/loss on foreign exchange and securities	8	-0	0	-	**8**
Other operating income	10	8	49	-	**67**
Other operating expenses	-138	-11	-20	-	**-170**
Gross margin	**521**	**451**	**474**	**-**	**1 446**
Salaries and personnel expenses	-111	-90	-62	-	**-264**
Administration expenses	-141	-97	-54	-	**-292**
Depreciation and amortisation	-29	-19	-10	-	**-58**
Net operating income before impairment losses on loans	**240**	**246**	**347**	**-**	**832**
Other income and costs	1	-1	1	-	**1**
Impairment losses on loan, guarantees etc.	25	-81	-89	-	**-146**
Profit before tax	**265**	**164**	**258**	**-**	**687**
Income tax expense	-53	-36	-57	-	**-146**
Profit after tax	**212**	**128**	**201**	**-**	**541**

Profit and Loss per Country	YTD Q2 2023				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	2 494	1 664	1 436	-	**5 594**
Total interest expenses	-1 134	-879	-355	-	**-2 368**
Net interest income	**1 360**	**785**	**1 082**	**-**	**3 226**
Fee and commission income	94	101	67	-	**262**
Fee and commission expenses	-90	-27	-26	-	**-143**
Value change and gain/loss on foreign exchange and securities	-6	-4	-7	-	**-17**
Other operating income	37	48	106	-	**192**
Other operating expenses	-25	-20	-52	-	**-97**
Gross margin	**1 369**	**883**	**1 171**	**-**	**3 423**
Salaries and personnel expenses	-250	-199	-161	-	**-610**
Administrative expenses	-314	-195	-155	-	**-664**
Depreciation and amortisation	-64	-41	-26	-	**-131**
Net operating income before impairment losses on loans	**741**	**449**	**829**	**-**	**2 019**
Other income and costs	-115	-1	-18	-	**-134**
Impairment losses on loan, guarantees etc.	114	-121	-217	-	**-224**
Profit before tax	**740**	**327**	**593**	**-**	**1 661**
Income tax expense	-99	-67	-150	-	**-316**
Profit after tax	**641**	**260**	**444**	**-**	**1 345**

Profit and Loss per Country	YTD Q2 2022				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	1 545	950	845	-	**3 340**
Total interest expenses	-275	-126	-16	-	**-417**
Net interest income	**1 270**	**824**	**829**	**-**	**2 923**
Fee and commission income	81	103	48	-	**232**
Fee and commission expenses	-62	-27	-10	-	**-99**
Value change and gain/loss on foreign exchange and securities	5	-4	-2	-	**-1**
Other operating income	23	14	88	-	**125**
Other operating expenses	-155	-19	-41	-	**-214**
Gross margin	**1 161**	**892**	**911**	**-**	**2 965**
Salaries and personnel expenses	-230	-178	-139	-	**-547**
Administration expenses	-267	-207	-123	-	**-597**
Depreciation and amortisation	-57	-39	-21	-	**-117**
Net operating income before impairment losses on loans	**607**	**469**	**628**	**-**	**1 703**
Other income and costs	-52	-27	-19	-	**-98**
Impairment losses on loan, guarantees etc.	-91	-228	-160	-	**-480**
Profit before tax	**463**	**213**	**449**	**-**	**1 126**
Income tax expense	-119	19	-151	-	**-250**
Profit after tax	**345**	**233**	**298**	**-**	**876**

Balance Sheet per Country	Q2 2023				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Cash and receivables on central banks	67	1 505	-	-	**1 572**
Deposits with and receivables on financial institutions	3 036	384	2 447	-	**5 868**
Total gross loans to customers	65 260	55 373	40 806	0	**161 438**
Write-downs	-1 191	-1 391	-1 429	-	**-4 011**
Commercial papers and bonds	2 072	2 629	317	-	**5 018**
Financial derivatives	-	-	-	-	**-**
Investments in subsidiaries	1 870	-	-	-	**1 870**
Other assets	34 093	704	2 342	-13 894	**23 245**
Total assets	**105 207**	**59 203**	**44 483**	**-13 894**	**195 000**
Debt to credit institutions	9 441	28 873	8 563	-13 769	**33 107**
Deposits from customers	29 095	24 062	34 678	-	**87 835**
Debt established by issuing securities	26 967	3 476	37	-	**30 480**
Financial derivatives	-	-	-	-	**-**
Other liabilities	13 293	2 736	1 117	-124	**17 022**
Equity	26 411	57	88	-	**26 556**
Total liabilities and equity	**105 207**	**59 203**	**44 483**	**-13 894**	**195 000**

Balance Sheet per Country	Q2 2022				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Cash and receivables on central banks	65	1 632	-	-	**1 698**
Deposits with and receivables on financial institutions	1 206	663	867	-	**2 736**
Total gross loans to customers	60 246	50 388	34 879	530	**146 043**
Write-downs	-1 755	-1 425	-1 176	-	**-4 356**
Commercial papers and bonds	2 257	1 330	835	-	**4 422**
Financial derivatives	-	-	-	-	**-**
Investments in subsidiaries	1 693	-	-	-	**1 693**
Other assets	27 170	736	1 428	-9 595	**19 738**
Total assets	**90 882**	**53 324**	**36 832**	**-9 065**	**171 974**
Debt to credit institutions	8 890	23 751	5 859	-8 989	**29 511**
Deposits from customers	22 216	20 504	29 793	-	**72 513**
Debt established by issuing securities	29 266	5 882	-0	-	**35 148**
Financial derivatives	-	-	-	-	**-**
Other liabilities	4 560	3 073	1 021	-76	**8 578**
Equity	25 951	115	159	-	**26 224**
Total liabilities and equity	**90 882**	**53 324**	**36 832**	**-9 065**	**171 974**

Note 9 - Net interest income

All amounts in millions of NOK

	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest and similar income on loans to and receivables from credit institutions	30	2	85	5	44
Interest and similar income on loans to and receivables from customers	2 755	1 651	5 117	3 262	7 034
Interest and similar income on comm. paper, bonds and other securities	50	4	81	7	34
Interest and similar income on loans to subsidiaries, branches and SPVs	146	34	276	66	165
Other interest income and similar income	36	-	36	-	-
Total interest income	**3 017**	**1 691**	**5 594**	**3 340**	**7 277**
Interest and similar expenses on debt to credit institutions	-381	-47	-686	-73	-374
Interest and similar expenses on deposits from and debt to customers	-596	-102	-1 061	-194	-706
Interest and similar expenses on issued securities	-104	-59	-210	-114	-292
Interest on subordinated loan capital	-31	-15	-59	-29	-71
Interest on senior non-preferred loans	-120	-3	-215	-3	-46
Other interest expenses and similar expenses	-81	-1	-137	-4	-56
Total interest expense	**-1 313**	**-228**	**-2 368**	**-417**	**-1 544**
Net interest income	**1 705**	**1 464**	**3 226**	**2 923**	**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	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-381	-47	-686	-73	-374
Average loan over the period	33 093	28 956	33 093	28 956	30 739
Average nominal interest rate	**4,61%**	**0,65%**	**4,15%**	**0,51%**	**1,22%**

To customers	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-596	-102	-1 061	-194	-706
Average deposit over the period	81 880	72 909	81 880	72 909	74 614
Average nominal interest rate	**2,91%**	**0,56%**	**2,59%**	**0,53%**	**0,95%**

To bondholders	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-104	-59	-210	-114	-292
Average issued notes and bonds	32 540	36 761	32 540	36 761	36 487
Average nominal interest rate	**1,28%**	**0,64%**	**1,29%**	**0,62%**	**0,80%**

Subordinated loan capital	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-31	-15	-59	-29	-71
Average subordinated loan capital	2 458	2 457	2 458	2 457	2 443
Average nominal interest rate	**5,05%**	**2,49%**	**4,78%**	**2,37%**	**2,91%**

Senior non-preferred loans	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-120	-3	-215	-3	-46
Average senior non-preferred loans	7 126	616	7 126	616	2 034
Average nominal interest rate	**6,74%**	**2,12%**	**6,03%**	**1,06%**	**2,27%**

Total of tables above	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022	FY 2022
Interest expenses	-1 232	-226	-2 231	-413	-1 488
Average loan	157 097	141 699	157 097	141 699	146 317
Average nominal interest rate	**3,14%**	**0,64%**	**2,84%**	**0,58%**	**1,02%**

Note 10 - Classification of financial instruments

All amounts in millions of NOK

Classification of financial assets 30 June 2023	Financial assets at fair value through P&L	Financial assets at fair value through OCI	Amortized cost	Book value
Cash and receivables on central banks	-	-	1 572	1 572
Deposits with and receivables on financial institutions	-	-	5 868	5 868
Loans to customers	-	-	157 427	157 427
Commercial papers and bonds	-	-	5 018	5 018
Financial derivatives	-	-	-	-
Loans to subsidiaries and SPV's	-	-	19 535	19 535
Other ownership interests	-	15	-	15
Other financial assets	-	-	-	-
Total financial assets	**-**	**15**	**189 420**	**189 435**

Non-financial assets	5 566
Total assets	**195 000**

Classification of financial liabilities 30 June 2023	Financial liabilities at fair value through P&L	Financial liabilities at fair value through OCI	Amortized cost	Book value
Debt to credit institutions	-	-	33 107	33 107
Deposits from customers	-	-	87 835	87 835
Debt established by issuing securities	-	-	30 480	30 480
Financial derivatives	-	-	-	-
Other financial liabilities	-	-	261	261
Subordinated loan capital	-	-	2 495	2 495
Senior non-preferred loans	-	-	10 186	10 186
Total financial liabilities	**-**	**-**	**164 365**	**164 365**

Non-financial liabilities and equity	30 635
Total liabilities and equity	**195 000**

Classification of financial assets 30 June 2022	Financial assets at fair value through P&L	Financial assets at fair value through OCI	Amortized cost	Book value
Cash and receivables on central banks	-	-	1 698	1 698
Deposits with and receivables on financial institutions	-	-	2 736	2 736
Loans to customers	-	-	141 687	141 687
Commercial papers and bonds	-	-	4 422	4 422
Financial derivatives	-	-	-	-
Loans to subsidiaries and SPV's	-	-	17 027	17 027
Other ownership interests	-	20	-	20
Total financial assets	**-**	**20**	**167 570**	**167 590**

Non-financial assets	4 384
Total assets	**171 974**

Classification of financial liabilities 30 June 2022	Financial liabilities at fair value through P&L	Financial liabilities at fair value through OCI	Amortized cost	Book value
Debt to credit institutions	-	-	29 511	29 511
Deposits from customers	-	-	72 513	72 513
Debt established by issuing securities	-	-	35 148	35 148
Financial derivatives	-	-	-	-
Other financial liabilities	-	-	246	246
Subordinated loan capital	-	-	2 451	2 451
Senior non-preferred loans	-	-	1 232	1 232
Total financial liabilities	**-**	**-**	**141 101**	**141 101**

Non-financial liabilities and equity	30 873
Total liabilities and equity	**171 974**

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 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.

Q2 2023 **Financial instruments measured at fair value**		**Quoted market price Level 1**	**Using observable inputs Level 2**	**With significant unobservable inputs Level 3**	**Total**
Financial assets					
Name	***Type***				
VN Norge	Equity	-	14	-	**14**
Norsk Gjeldsinformasjon AS	Equity	-	-	0	**0**
Vipps AS	Equity	-	-	0	**0**
Total other ownership interests		**-**	**14**	**0**	**15**
Total Assets		**-**	**14**	**0**	**15**
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
Name	***Type***	***Notional***				
SV EMTN MEUR 350	Cross Currency Swap	MM EUR 350	-	183	-	**183**
SNP EUR MEUR 200	Cross Currency Swap	MM EUR 200	-	87	-	**87**
Total derivatives designated for hedging - assets*			**-**	**270**	**-**	**270**

Derivatives designated for hedge accounting - liabilities						
Name	***Type***	***Notional***				
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	135	-	**135**
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	103	-	**103**
Total derivatives designated for hedging - liabilities*			**-**	**239**	**-**	**239**

* 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.

Q2 2022

Financial instruments measured at fair value		Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Financial assets					
Name	***Type***				
VN Norge	Equity	-	20	-	**20**
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	-	1	-	**1**
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 150	-	73	-	**73**
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	82	-	**82**
SV EMTN MEUR 350	Cross Currency Swap	MM EUR 350	-	42	-	**42**
Total derivatives designated for hedging - liabilities*			**-**	**197**	**-**	**197**

* 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

	Q2 2023	Q2 2022	FY 2022
Credit Card	4 601	4 928	4 928
Unsecured loans	20 050	21 193	19 873
Auto loans	136 788	119 922	126 275
- Installment loans	*102 170*	*88 176*	*93 106*
- Finance leases	*34 618*	*31 746*	*33 170*
Total gross loans to customers	**161 438**	**146 043**	**151 075**
- Loan loss allowance - Stage 1	-858	-1 111	-809
- Loan loss allowance - Stage 2	-606	-593	-595
- Loan loss allowance - Stage 3	-2 548	-2 652	-2 335
Total net loans to customers	**157 427**	**141 687**	**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:

	Q2 2023	Q2 2022	YTD Q2 2023	YTD Q2 2022
Change in loss allowance - Unsecured loans	35	15	9	26
Change in loss allowance - Secured loans	10	-66	-81	-106
Change in loss allowance - Commercial papers and bonds	-1	-0	-1	-0
+ Total realized losses	-359	-367	-680	-714
- Recoveries on previously realized losses	81	77	152	121
- Gain on sold portfolios	375	195	375	195
Impairment losses on loan, guarantees etc.	**142**	**-146**	**-224**	**-480**

Note 14 - Issued securities

All amounts in millions of NOK

	Q2 2023	Q2 2022	FY 2022
Senior unsecured issued securities	30 480	35 148	34 599
Total issued securities	**30 480**	**35 148**	**34 599**

Issued securities by currency in NOK	Q2 2023	Q2 2022	FY 2022
DKK	-	-	-
EUR	22 912	25 502	25 802
NOK	3 816	3 606	3 814
SEK	3 753	6 039	4 983
Total issued securities	**30 480**	**35 148**	**34 599**

Note 15 - Receivables and liabilities to related parties

All amounts in millions of NOK

Debt to related parties:	Q2 2023	Accrued Interest Q2 2023	Q2 2022	Accrued Interest Q2 2022	FY 2022	Accrued Interest FY 2022
Santander Consumer Finance S.A.	32 932	175	28 957	20	32 979	99
Debt to SPV on future cash flow of securitized loans	-0	-	530	-	-	-
Total	**32 932**	**175**	**29 488**	**20**	**32 979**	**99**

Balance sheet line: "Subordinated loan capital" - Bonds	Q2 2023	Accrued Interest Q2 2023	Q2 2022	Accrued Interest Q2 2022	FY 2022	Accrued Interest FY 2022
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)	745	2	724	1	709	1
MSEK 750, maturity December 2030, 3 months STIBOR + 2.29% (Santander Consumer Finance S.A)	745	1	724	1	709	1
MNOK 500, maturity June 2031, fixed rate 2.62% (Santander Consumer Finance S.A)	500	0	500	0	500	0
Total	**2 490**	**5**	**2 448**	**3**	**2 417**	**4**

Balance sheet line: "Senior non-preferred loans"	Q2 2023	Accrued Interest Q2 2023	Q2 2022	Accrued Interest Q2 2022	FY 2022	Accrued Interest FY 2022
MSEK 600, maturity April 2026, 3 months STIBOR + 1.04% (Santander Consumer Finance S.A)	596	5	579	1	567	3
MNOK 650, maturity May 2026, 3 months NIBOR + 1.37% (Santander Consumer Finance S.A)	650	4	650	2	650	3
MSEK 1000, maturity August 2026, 3 months STIBOR + 1.50% (Santander Consumer Finance S.A)	993	5	-	-	945	3
MSEK 1000, maturity September 2026, 3 months STIBOR + 1.75% (Santander Consumer Finance S.A)	993	0	-	-	945	1
MSEK 1000, maturity November 2026, 3 months STIBOR + 2.18% (Santander Consumer Finance S.A)	993	6	-	-	945	4
MEUR 500, maturity January 2027, fixed rate 4.51% (Santander Consumer Finance S.A)	5 823	117	-	-	-	-
Total	**10 049**	**137**	**1 229**	**3**	**4 052**	**15**

Receivables on related parties:	Q2 2023	Accrued Interest Q2 2023	Q2 2022	Accrued Interest Q2 2022	FY 2022	Accrued Interest FY 2022
Balance sheet line: "Commercial papers and bonds"						
B and C notes issued by SPVs	-	-	449	0	-	-
Balance sheet line :"Loans to subsidiaries and SPV's"						
Loan to subsidiary (Santander Consumer Finance Oy)	19 496	39	16 998	29	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 Banks'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	**Q2 2023**	**Q2 2022**	**YTD Q2 2023**	**YTD Q2 2022**	**FY 2022**
Interest income	60	29	114	61	113
Interest expenses	-519	-53	-921	-81	-453
Interest payments additional Tier 1 capital	-44	-32	-91	-65	-140
Fees	-	1	-	2	3
Other	197	-85	298	-195	-287
Net transactions	**-307**	**-141**	**-600**	**-279**	**-765**

Assets	**Q2 2023**	**Q2 2022**	**FY 2022**
Loans to customers	19 535	19 535	17 728
Deposits with and receivables on financial institutions	12	12	3
Commercial papers and bonds	-	-	-
Investments in subsidiaries	1 870	1 870	1 717
Other financial assets	-	-	294
Other assets	314	314	65
Total assets	**21 731**	**21 731**	**19 805**

Liabilities	**Q2 2023**	**Q2 2022**	**FY 2022**
Debt to credit institutions	33 107	33 107	33 078
Debt established by issuing securities	279	279	219
Financial derivatives	-	-	-
Other financial liabilities	58	-	-
Other liabilities	307	307	388
Subordinated loan capital	12 681	12 681	6 489
Total liabilities	**46 433**	**46 375**	**40 174**

The Bank had transactions with the following related parties as at 30 June 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

SPV:

Svensk Autofinans WH 1 Ltd

Santander
Consumer Bank