



06

Santander Consumer Bank
Summary of Annual Report

03	INDEX
04	REPORT OF THE BOARD OF DIRECTORS
09	PROFIT AND LOSS ACCOUNT
10	BALANCE SHEET
13	CASH FLOW STATEMENT
14	NOTES TO THE ANNUAL ACCOUNTS
22	AUDITOR'S REPORT
23	ORGANISATION CHART

Report of the Board of Directors 2006

2006 has been a good year for the company. Several major projects that will be of major importance for the realisation of the company's long-term goals, have been commenced and completed. A favourable economic environment has contributed to a high level of activity and good results.

With new owners, through Santander Consumer Finance, the organisation is characterised by dynamism and the ability to deliver. Santander Consumer Bank achieved a profit before tax for 2006 of NOK 396 million against NOK 276 million the previous year. The result is not directly comparable, since the results from Bankia Bank's business were only included in the company's result for part of 2005. Total assets amounted to NOK 23,502 million at the end of the year.

COMPANY SITUATION

Santander Consumer Bank is a wholly owned subsidiary of Santander Consumer Finance, which is part of Grupo Santander, one of the world's leading banking groups. Santander Consumer Bank carries on business in Norway, Sweden and will open in Finland during the first quarter of 2007. The business in Sweden is operated as a branch, while the business in Finland is to be run through a subsidiary. Santander Consumer Bank has its head office in Lysaker, Norway.

BUSINESS

Santander Consumer Finance is one of the leading companies in Europe within motor and consumer finance. The goal of Santander Consumer Bank is to realise Santander's visions in the Nordic market. This means that the business will be gradually expanded with new products and geographic areas. The company's main products will be motor and leisure finance, as well as credit cards and consumer loans.

In 2006 it was resolved to establish operations in Finland, initially in motor finance. The company was set up just before year end and recruiting has commenced. A full start up is planned by the end of the first quarter of 2007. The goal is to develop the company to be one of the top 3 by size.

It was also decided in 2006 to expand the business in Sweden by adding credit card finance, a business that is expected to be operational in the second quarter of 2007, to Santander's existing significant motor finance operation. As part of developing the product range in Norway a project was initiated to start consumer loans. This resulted in the product "Best Credit" being launched in the third quarter of 2006 with a good market response. In addition a new product, stock financing, aimed at car dealers was launched at the end of 2006. The product is a combination of financing and stock management.

MARKET CONDITIONS

The Norwegian and Nordic economies developed well in 2006 with low unemployment and interest rate levels. In spite of rising interest rates the economic situation is expected to be favourable in 2007. During 2006 there was good growth in the company's main products. Motor and leisure finance in Norway experienced strong growth in new sales, totalling 14%, with particular strength in leisure and used car finance. Credit cards achieved sales growth of 25%. Motor finance in Sweden saw weak growth, mainly due to a lack of sales resources.



The market shares for the respective areas are
(as at the third quarter of 2006)

Motor Norway	30.0%
Motor Sweden	8.2%
Credit card, Norway	4.4%

The figures are based on statistics from the respective trade associations.

ANNUAL ACCOUNTS, ETC.

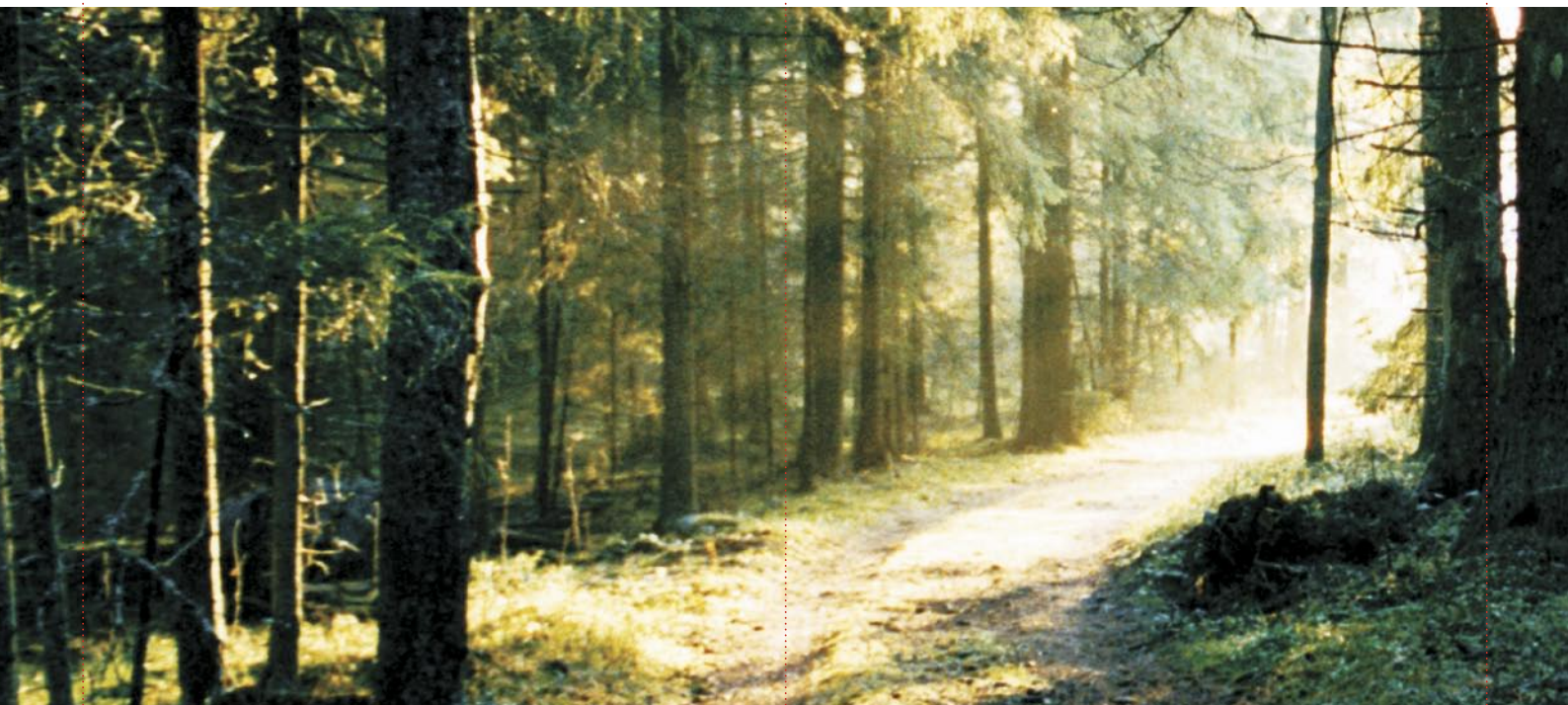
In the opinion of the Board the annual accounts provide a true and fair view of the company's result for 2006 and its financial position as at 31.12.06. The profit before tax for 2006 was NOK 396 million and the profit after tax was NOK 283 million. The business in Finland has not been consolidated as it does not have material impact on the overall result.

It is proposed to transfer the result for the year to other equity. Under § 8-1 of the Companies Act the company can pay a dividend of NOK 407.8 million in 2006.

Net cashflow from operations amounted to NOK 471 million in 2006.

Total assets amounted at the year end to NOK 23.5 billion.

In accordance with the Accounting Act § 3-3a we confirm that the Financial Statements have been prepared under the assumption of going concern.



RISK MANAGEMENT

Santander Consumer Bank use a credit-score systems as the basis for its credit decisions. The models are adapted to the different products.

Realised losses totalled NOK 52.2 million in 2006 – corresponding to 0.24% of average loans. In the case of motor finance net credit losses were 0.13%, which is lower than what can be expected over time, estimated at 0.30–0.40%. The risk profile for motor finance is low since the facilities are secured by a charge over the vehicle and in part by pre-paid rentals. Realised losses for credit cards amounted to 2.15% with an expected normal level of 2.50–2.75%. Since credit card lending involves no asset-backed security, the risk profile will be higher than for motor finance. This is reflected in the pricing of the product. The total loss write-downs as at 31.12.06 amounted to NOK 162.6 million

Net defaulted and other doubtful facilities (after deducting loan write-downs) amounted to NOK 114.4 million. Gross defaulted facilities amounted to 1% of gross loans. Repossessed assets as a result of defaulted leasing contracts, stood at NOK 10.2 million at the year end.

The board considers the risk situation and the provisions made to be satisfactory.

Santander Consumer Bank is exposed to foreign exchange risk to a limited extent. The company's liquidity requirements are mainly met through drawing facilities with the parent

company and the group on market terms. The interest risk is covered on an ongoing basis.

Internal controls are considered to be satisfactory.

SOLVENCY

The company's primary capital amounted to NOK 2,334 million as at 31.12.2006, which gives a capital ratio of 10.05%. Core capital was NOK 2,034 million, which gives a core capital ratio of 8.76%.

ORGANISATION AND ENVIRONMENT

At year end 287 people were employed in the company, of whom 55 people worked in Sweden and 3 in Finland. In 2006 2,418 sick leave days were registered in the Norwegian business, equivalent to 4.98%, while there were 512 sick leave days in the Swedish business. Sick leave here amounted to 3.56%. The Board is not aware of any personal injuries in the workplace in 2006.

The working environment in the company is considered to be good.

The company has a working environment committee, a coordination committee and an equal opportunities committee. The meetings required by law have been held.

Santander Consumer Bank is concerned that employees experience equal treatment between the sexes. Work on creating the conditions for this will be continued in 2007.



The company has an employment and remuneration policy that does not discriminate between the sexes. At the year end there were 163 women employees (57%) and 124 men (43%).

2006 has been a year characterised by a high level of activity in all parts of the business. The Board wishes to thank all employees for a good effort and good result in 2006.

Santander Consumer Bank's business does not directly pollute the external environment, but through financing cars and consumption could be said to do so indirectly.

OUTLOOK

2007 is expected to be a further good year of strong growth and good profitability. 2007 will be affected by the fact that several major projects are in a start up phase with associated cost and result consequences. In spite of this, strong profit growth is expected. Santander Consumer Bank has as its ambition to be one of the leading companies in the Nordic region in motor, leisure and consumer finance. Pursuant to this the company will maintain its focus on the development of existing and new products and new geographic markets.

Lysaker, 14th of February

José Manuel Varela
(Chairman)

Pierantonio Rumignani
(Deputy Chairman)

Odd Lunde

Bjørn Elvestad

Erik Kongelf
(Managing Director)

Vidar Skinnes
(Employee Representative)



06

PROFIT AND LOSS ACCOUNT

(All amounts in thousands)

NOTE

2006

2005

Interest income and similar income

Interest and similar income on loans to and receivables from credit institutions

47,659 11,176

Interest and similar income on loans to and receivables from customers

1,395,395 1,086,032

Total interest income and similar income

1,443,055 1,097,208

Interest expenses and similar expenses

Interest and similar expenses on debt to credit institutions

1,18 572,873 353,996

Interest and similar expenses on deposits from and debt to customers

18 17,829 16,379

Interest on subordinated loan capital

1,15 15,056 12,360

Other interest expenses and similar expenses

822 7,387

Total interest expenses and similar expenses

606,581 390,123

Net interest and credit commission income

836,474 707,085

Commission income

Guarantee commissions

66 55

Other commissions and fees

34,575 17,646

Total commission income and income from banking services

34,642 17,701

Commission expenses

Other fees and commission expenses

72,020 87,448

Total commission expenses and expenses from banking services

72,020 87,448

Net value change and gain/loss on foreign exchange

Net value change and gain/loss on foreign exchange

2,066 -73

Total value change and gain/loss on foreign exchange

2,066 -73

Other operating income

Other operating income

29,421 23,496

Total other operating income

29,421 23,496

Other operating expenses

Salaries, fees and other personnel expenses

1 198,502 165,601

Of which: - Salaries

20 141,240 116,270

- Pensions

13 17,505 17,022

- Social costs

39,757 32,310

Administration expenses

120,679 106,155

Rent and other operating costs leased properties

15,046 14,409

Ordinary depreciation

12,913 15,478

Other operating expenses

35,034 39,007

Total other operating expenses

382,173 340,650

Losses on loans, guarantess etc

Loan losses

2 52,282 44,583

Total losses on loans, guarantees etc

52,282 44,583

Operating result

396,126 275,529

Taxes charge

6 113,133 79,030

Profit after tax

282,993 196,499

Allocation of profit after tax

Transferred to other earned equity

14 282,993 196,499

Total allocations

282,993 196,499

BALANCE SHEET – ASSETS

(All amounts in thousands)

NOTE

31.12.06

31.12.05

Cash and receivables on central banks

Cash and receivables on central banks

5

1,300,966

Total cash and receivables on central banks

5

1,300,966

Deposits with and receivables on financial institutions

Deposits with Norwegian financial institutions

205,469

159,285

Total deposits with and loans to financial institutions

205,469

159,285

Loans to customers

Credit cards

1,071,227

794,748

Installment loans

15,555,797

13,565,609

Financial leasing

7

6,674,915

6,324,724

Draft facilities

-

1,701

Total loans before individual and group write-downs

23,301,939

20,686,782

- Individual write-downs

2,3,5

33,245

42,033

- Group write-downs

2,3,5

129,326

127,035

Net loans

23,139,368

20,517,714

Repossessed assets

4

10,115

8,919

Ownership interests in group companies

Ownership interest in credit institutions

21

24,962

-

Sum ownership interest in group companies

24,962

-

Intangible assets

Other intangible assets

7

46,457

31,466

Total intangible assets

46,457

31,466

Fixed assets

Machinery, fittings and vehicles

7

13,803

12,724

Total fixed assets

13,803

12,724

Other assets

Other assets

35,922

315,969

Prepayments and earned income

Earned income not received and prepaid expenses not incurred

25,976

67,782

Total prepayments and earned income

25,976

67,782

Total assets

23,502,076

22,414,825

BALANCE SHEET – LIABILITIES AND EQUITY

(All amounts in thousands)

	NOTE	31.12.06	31.12.05
Debt to credit institutions			
Loans and deposits from credit institutions with an agreed term	1,18	19,848,629	19,032,632
Total loans and deposits from financial institutions		19,848,629	19,032,632
Deposits from and debt to customers			
Deposits from and debt to customers repayable on notice	18	611,534	606,486
Total deposits from customers		611,534	606,486
Other debt			
Other debt	1	221,860	258,427
Total other debt		221,860	258,427
Allocations for expenses incurred and liabilities			
Expenses incurred and earned income not received		205,167	239,370
Pension liabilities	13	45,537	49,985
Deferred tax	6	141,807	95,792
Total allocations for liabilities		392,511	385,147
Subordinated loan capital			
Other subordinated loan capital	1,15	380,000	370,000
Total subordinated loan capital		21,454,535	20,652,691
EQUITY CAPITAL			
Share capital			
Share capital	16	334,084	334,084
Share premium capital		891,314	891,314
Total paid-in equity		1,225,398	1,225,398
Earned equity			
Other equity		822,143	536,735
Total earned equity		822,143	536,735
Total equity	14	2,047,541	1,762,134
Total liabilities and equity		23,502,076	22,414,825
Conditional liabilities			
Guarantee liabilities	19	19,245	14,691

Lysaker, 14th of February



José Manuel Varela



Pierantonio Rumignani



Odd Lunde



Bjørn Elvestad



Erik Kongelf



Vidar Skinnnes



06

CASH FLOW STATEMENT

(All amounts in thousands)

	2006	2005
Operations		
Interest receipts	1,575,038	2,240,334
Interest payments	-605,759	-408,899
Other receipts	-140,638	-89,207
Operating payments	-350,196	-389,214
Inngått på tidligere konstatert tap	33,081	35,512
Taxes paid	-40,573	-11,341
Net cash flow from operations	470,954	1,377,185
Financial activities		
Increase in lending	-2,763,089	12,105,356
Increase in other receivables	228,644	-168,566
Increase in prepayments	-15,700	35,237
Net cash flow from financial activities	-2,550,146	11,972,027
Investments		
Increase in real assets	-14,043	-11,798
Increase in other operating assets	-24,962	24,991
Net cash flow from investment activities	-39,005	13,193
Long-term financing		
Increase in deposits from customers	5,048	-405,228
Increase in share capital	-881,208	-935,975
Increase in equity capital	870,129	718,391
Increase in loans from credit institutions	815,919	-10,127,469
Increase / ?	10,000	-
Increase in debt	-3,133	-227,458
Expenses incurred	33,171	-5,367
Group transfers / dividends	13,494	-24,745
Net cash flow from long-term financing activities	863,419	-12,444,634
Net cash flow for the period	-1,254,777	917,771
Net change in cash and cash equivalents		
Holding of cash and cash equivalents at start of period	1,460,252	542,481
Holding of cash and cash equivalents at end of period	205,474	1,460,252

NOTES TO THE ANNUAL ACCOUNTS

ACCOUNTING PRINCIPLES

The annual accounts of Santander Consumer Bank AS have been presented in accordance with the provisions of the Accounting Act, the regulations of the Banking, Insurance and Securities Commission and generally accepted accounting principles. The accounts have been prepared on a going concern basis.

Elcon Finans AS was demerged with accounting effect from 01.01.2005. The business areas motor loans and motor leasing were retained in Elcon Finans AS, while factoring and equipment leasing were separated out.

The company subsequently merged with Bankia Bank AS on 20 December 2005 and changed its name at the same time to Santander Consumer Bank AS. Accounting and tax continuity was maintained, since the merger in reality was a reorganisation under unchanged ownership. The merger took effect for accounting purposes from 1 May and the results of Bankia Bank have been incorporated from the same date. The results of Bankia Bank for the period 01.01 – 30.04.05 have been charged directly against equity. The basis for the operations in 2006 has been 12 months. As a consequence, the profit and loss account is not comparable for these two years.

ACCRUAL OF INTEREST, COMMISSIONS AND FEES

As a result of the implementation of the lending regulations, loans are accounted for (loans and financial leasing) at amortised cost using the effective interest rate method, commissions and fees and similar paid and received are included in the calculation of the effective interest rate. The expected term of the contracts is used in calculating the effective interest rate.

LOANS, DEFAULTED LOANS AND LOSS PROVISIONS

Loans are valued at nominal values with the exception of loans at risk and defaulted loans where there are objective indications that a fall in value has occurred.

In the motor business loans are defined as in default when payment has been delayed for more than 90 days and the delay is not due to an accidental situation with the customer. For the credit card business, including Best

Credit, loans are regarded as in default and at risk when the customer has missed three payment dates. If a customer has several contracts but only one is in default, the whole engagement with the customer is reported as in default. At risk loans are not necessarily in default but the customer's financial situation and the value of the security involves a risk of loss.

If there are objective indications that a loss or a fall in value has occurred, the loss is measured as the difference between the asset's balance sheet value and the present value of estimated future cash flows (excluding future credit losses that have not occurred), discounted by the financial asset's original effective interest rate (i.e. the effective interest rate calculated at the time of first payment). The asset's balance sheet value is reduced through the use of a provision account. The loss amount is included in the result.

The company writes down loans on both an individual and group basis.

Losses that are expected as a result of future events, irrespective of the degree of likelihood, are not included. Realised losses and recoveries on previous realised losses are posted to the result as they occur. Loans that are fully written down as a result of a loss being realised are removed from the balance sheet and are not included in gross loans.

Financial leasing is classified as lease financing and treated for accounting purposes as lending. Contracts with a residual value are depreciated to this residual value over their term. The interest portion of the lease payment is posted as interest income in accordance with the principles described under the section on loans, while the repayment portion reduces the leasing loan. For tax purposes leased assets are depreciated using the declining balance method. Sales gains on leasing are posted under other operating income.

SOFTWARE

Capitalised software is entered under intangible assets and depreciated on a linear basis over an estimated life of 3–7 years. Capitalisation takes place if the conditions set out in the preliminary Norwegian Accounting Standard

are present. The cost of maintaining the financial value of computer systems is expensed directly.

OPERATING ASSETS

Aktivert programvare er ført som immaterielle eiendeler og avskrives lineært etter en anslått levetid, 3–7 år. Aktivering skjer når forutsetningene i henhold til Foreløpig Norsk Regnskapsstandard er til stede. Utgifter til å opprettholde økonomisk verdi av Edb-systemer kostnadsføres direkte.

PENSION LIABILITIES

Pensions are recorded using the Norwegian accounting standard for pensions. The branch in Sweden has only defined contribution schemes. A distinction is made between insured and uninsured schemes. The company has used the transition rule in NAS 6A, which means that unamortised estimate differences are set at zero at the start of the year. The background to this is that the company forms part of a group that prepares consolidated accounts in accordance with IFRS.

The starting point for calculating pension costs is a linear allocation of pension earnings against the likely accumulated liability at the date of retirement. Pension liabilities are calculated as the present value of future probable payments. The assumptions used in the calculation are assessed continuously and may be changed over time. Such changes may be:

- Changes in pension plans
- Changes in financial assumptions
- Changes in actuarial assumptions
- Differences between the expected and actual return on pension funds

The financial consequences of changes in pension plans are accrued over the remaining term. Other changes or differences are accrued in the profit and loss account over the average remaining term or valued together against the amount of the highest value of aggregate pension liabilities and aggregate pension funds at the start of the accounting year. For cases where the difference represents more than 10% of this base, the excess is accrued in the profit and loss account over the average remaining earning period in the scheme.

DEBT

Long term debt is accounted for at amortised cost using the effective interest rate method.

TAX

The year's tax charge consists of tax payable for the income year and changes in deferred tax and deferred tax allowances. Any changes in deferred tax and deferred tax allowances are shown as the year's tax charge in the profit and loss account together with tax payable for the income year.

Deferred tax is calculated at 28 per cent on the basis of temporary differences between accounting and tax values at the end of the accounting year. Deferred tax allowances are entered as an asset in the balance sheet when it is likely that the tax-reducing element can be utilised.

CHANGES IN ACCOUNTING PRINCIPLES

The accounting effect of changes in accounting principles is charged directly against equity, while changes as a result of changes in accounting estimates are posted to the profit and loss account. The company has not changed any of the accounting principles during 2006.

BRANCHES

Separate accounts are maintained for the branch in Sweden. The branch's accounts are included in the company's accounts. In translating exchange rates the mid-price as at 31.12. is used for all balance sheet items. Income and costs are translated at the average transaction rate. The branches are treated as independent units in relation to NAS.

STOCKS IN SUBSIDIARIES

There has not been prepared consolidated accounts for the company, since the results for Santander Consumer Finance Oy has no significance in assessing the corporation's situation and results. The company was formally founded in December 2006, but the business operations will not start until 2007.

◀ NOTE 1 – INFORMATION ON CONNECTED PARTIES ▶

(All amounts in thousands)

Receivables and liabilities to companies in the same group 31.12.2006	31.12.06	Interest 2006	31.12.05
Santander Consumer Group			
DEBT:			
Loans from credit institutions	19,818,832	571,632	18,970,954
Other debt	84,046	-	46,933
Subordinated loan capital	380,000	15,056	370,000
<hr/>			
Salaries and fees to officers and Managing Director		2006	2005
Fees paid to Board of Directors		315	371
Fees paid to Supervisory Board		83	121
Fees paid to Control Committee		135	331
Loans and guarantees to executives		-	-
Salary and fees to Managing Director		2,265	2,167
Other remuneration to Managing Director		149	151
Audit fees and advisory services		2006	2005
Audit services		640	569
Other certification services		-	369
Tax advice		96	10
Other non-audit services		25	43

◀ NOTE 2 – LOSSES AND WRITE-DOWNS ▶

(All amounts in thousands)

Loan losses expenses		2006	2005
Write-downs 31.12.		162,571	169,068
+/- Rate adjustment opening balance		-1,792	-126
- Write-downs 01.01.		169,068	164,547
+ Total recognised losses		93,652	78,437
- Recoveries on recognised losses		33,081	38,249
= Loan losses		52,282	44,583
Individual- and by group write-downs		2006	2005
Individual write-downs 01.01.		42,033	24,660
+/- Rate adjustment opening balance		1,566	-437
- Recognised losses covered by earlier write-downs		36,209	24,426
- Reversal of earlier individual write-downs		12,231	25,532
+ Individual write-downs for the period		38,087	67,768
= Individual write-downs 31.12.		33,245	42,033
		2006	2005
Group write-downs 01.01.		127,035	139,577
+/- Rate adjustment opening balance		226	311
+/- Write-downs for the year		2,065	-12,853
= Group write-downs 31.12.		129,326	127,035

◀ NOTE 3 – NON-PERFORMING- AND LOSS EXPOSED LOANS ▶

<i>(All amounts in thousands)</i>	2006	2005
Gross non-performing- and other loss exposed loans	276,997	292,685
Individual write-downs	33,245	42,033
Group write-downs	129,326	127,035
Net non performing- and other loss exposed loans	114,426	123,617

The results for the years 2003 and 2004 are omitted as they were based on the loss regulations and they were only valid for Elcon Finans before the demerger.

◀ NOTE 4 – REPROSESSED ASSETS ▶

<i>(All amounts in thousands)</i>	31.12.06	31.12.05
Car Leasing	10,208	8,919
Other leasing subjects	-	-
Net	10,208	8,919

Acquired assets show an increase in 2006 for 1,3 M NOK.

◀ NOTE 5 – RISK CLASSIFICATION ▶

<i>(All amounts in thousands)</i>	Very good	Good	Medium	Less good	Default	Total
Gross loans	17,394,136	3,519,937	1,422,638	453,187	512,041	23,301,939
Write downs	-	14,285	10,769	23,943	113,574	162,571
Net 31.12.06	17,394,136	3,505,652	1,411,869	429,244	398,467	23,139,368

The company makes use of a risk classification system, which is based on objective valuation when granting/amending loans.

◀ NOTE 6 – TAX ▶

<i>(All amounts in thousands)</i>	2006
Tax payable	
Profit before taxes	396,126
Permanent differences	7,920
Change in temporary differences	-164,340
Net tax basis for the year	239,706
Deferred tax receivable	31.12.06
Property, plant and equipment	550,292
Pension liabilities	-45,537
Other temporary differences	1,699
Basis for deferred tax receivable	506,454
Deferred tax (+) / deferred tax receivable (-)	141,807
	31.12.05
	406,083
	-49,985
	-13,984
	342,114
	95,792

For calculation of deferred tax / deferred tax benefit a 28% rate has been used.

Tax expenses	2006
Tax payable	67,118
Change in deferred tax	46,015
Taxes charge	113,133
Excess provision for tax payable in earlier years	-
Total tax expenses	113,133

NOTE 7 – FIXED ASSETS, INTANGIBLE ASSETS AND LEASE FINANCING

(All amounts in thousands)

	Machines, fittings, vehicles	Intangible assets	Lease financing: -operating assets
Acquisition cost 01.01.	31,034	68,098	9,411,237
Rate difference opening balance	446	-	101,498
Additions during the year	7,516	23,103	3,007,650
Disposals during the year	2,222	-	2,370,900
Acquisition cost 31.12.	36,774	91,201	10,149,484
Acc. ordinary depreciation 01.01.	-18,310	-36,633	-2,795,024
Rate difference 01.01.	-	-	-24,520
Year's ordinary depreciation	-5,853	-8,091	-1,483,232
Rate difference year's dep'n avge. Rate	-311	-20	-
Reversed depreciation sold	1,502	-	1,118,143
Accumulated depreciation 31.12.	-22,971	-44,744	-3,184,633
Book value in the balance sheet 31.12.2006	13,803	46,457	6,964,851

Rates of depreciation which have been employed:

Furniture and fixtures	10%
Transport equipment	20–25%
Machinery and Electronic processing equipment	25%

Intangible assets include software, and is based on linear depreciation over 3–7 years from the time the software was taken into use.

NOTE 8 – LIQUIDITY RISK/REMAINING TERM ON BALANCE SHEET ITEMS 31.12.06

(All amounts in thousands)

	= < 1 month	1–3 months	3–12 months	1–5 years	> 5 years	No maturity	Total
Loans / rec. on banks	205,469	-	-	-	-	-	205,469
- Of which foreign currency	45,509	-	-	-	-	-	45,509
Loans to customers	582,726	1,128,379	5,028,501	14,704,678	1,695,084	-	23,139,368
- Of which for. Currency	127,234	247,588	1,017,402	2,484,853	128,916	-	4,005,993
Other assets	157,239	-	-	-	-	-	157,239
- including foreign currency*	126,393	-	-	-	-	-	126,393
Total assets	945,435	1,128,379	5,028,501	14,704,678	1,695,084	-	23,502,076
Debt to banks	7,353,221	4,571,360	6,304,048	1,620,000	-	-	19,848,629
- Of which foreign currency	959,221	2,551,360	492,048	-	-	-	4,002,629
Deposits from customers	611,534	-	-	-	-	-	611,534
Other debt	614,372	-	-	-	-	-	614,372
- including foreign currency*	53,350	-	-	-	-	-	53,350
Subordinated loan capital	-	-	-	200,000	180,000	-	380,000
Equity	-	-	-	-	-	2,047,541	2,047,541
- including foreign currency*	-	-	-	-	-	89,051	89,051
Total liabilities and equity	8,579,127	4,571,360	6,304,048	1,820,000	180,000	2,047,541	23,502,076

◀ NOTE 9 – INTEREST RISK AND INTEREST ADJUSTMENTS PERIODS 31.12.06 ▶

<i>(Alle beløp i tusen kroner)</i>	= < 1 month	>1<= 3 months	> 3 < 12 months	> 1 year < 5 year	> 5 year	No maturity	Total	Interest sensitivity
Loans / rec. on banks	205,469	-	-	-	-	-	205,469	171
Loans to customers	8,725,540	14,269,706	36,004	106,071	2,047	-	23,139,368	25,347
Other assets	-	-	-	-	-	157,239	157,239	-
Total assets	8,931,009	14,269,706	36,004	106,071	2,047	157,239	23,502,076	25,518
Debt to banks	8,393,221	9,347,360	2,108,048	-	-	-	19,848,629	28,983
Deposits from customers	611,534	-	-	-	-	-	611,534	508
Other debt	-	-	-	-	-	614,372	614,372	-
Subordinated loan capital	-	380,000	-	-	-	-	380,000	472
Equity	-	-	-	-	-	2,047,541	2,047,541	-
Total liabilities and equity	9,004,755	9,727,360	2,108,048	-	-	2,661,913	23,502,076	29,963
Interest rate exposure on balance sheet items	-73,746	4,542,346	-2,072,044	-106,071	2,047	-2,504,673	-	-4,445
Interest rate exposure on financial derivatives	-	-	-	-	-	-	-	-
Net interest rate exposure	-73,746	4,542,346	-2,072,044	-106,071	2,047	-2,504,673	-	-4,445

Interest rate sensitivity states the value as the present value of the financial consequence of an interest rate increase of 1% point per 31.12.2006.

◀ NOTE 10 – NET FOREIGN CURRENCY POSITION ▶

<i>(All amounts in thousands)</i>	SEK	EUR
Net position	89,051	3,000
Converted to NOK	81,221	24,962

◀ NOTE 11 – LOANS AND LOSSES BY MAIN SECTORS ▶

<i>(All amounts in thousands)</i>	Loans 31.12.06	Provisions 31.12.06	Loans 31.12.05	Provisions 31.12.05
Public sector	126,972	-	133,332	-
Agriculture and forestry	67,481	-	74,861	-
Industry	442,081	-	462,947	-
Building and construction	1,155,522	915	1,114,299	2,000
Trade in goods	1,285,574	800	1,307,486	-
Proprietary management	162,891	-	138,414	-
Various	2,594,534	2,100	2,404,127	4,204
Transportation	1,360,132	15,035	1,525,106	4,000
Private individuals	12,038,336	2,154	10,108,432	6,732
Foreign	4,068,417	12,241	3,418,008	25,097
Total	23,301,939	33,245	20,686,782	42,033

NOTE 12 – LOANS BY GEOGRAPHIC REGION

(All amounts in thousands)

	Loan 31.12.06	Guaranties 31.12.06	Loan 31.12.05	Guaranties 31.12.05
Eastern Norway	9,543,029	17,498	8,714,439	13,304
Southern – Norway	2,901,436	142	2,593,226	142
Western Norway	3,104,663	297	2,612,239	297
Mid – Norway	1,436,507	768	1,343,366	651
Northern – Norway	2,250,911	540	2,001,955	297
Foreign	4,065,392	-	3,421,557	-
Total	23,301,939	19,245	20,686,782	14,691

The distribution is undertaken on the basis of the customers' registered addresses.

NOTE 13 – PENSION EXPENSES

(All amounts in thousands)

	2006	2005
Pension expenses		
Present value of year's pension earnings	11,624	9,997
Interest cost on accrued liability	8,192	7,773
Return on pension funds	-7,711	-6,727
Difference between actual and estimated values	11	-22
One-time effects allocated to profit and loss account	-	-
Administration costs	588	483
Accrual payroll tax	1,754	1,618
Correction Bankia due to merger	-	1,230
Net pension expenses	14,458	14,352
Pension liabilities in balance sheet	31.12.06	31.12.05
Pension funds at market value	152,506	130,274
Estimated pension liability	209,070	180,240
Net pension funds	56,564	49,966
Difference not posted to P&L	-16,581	-6,212
Payroll tax	5,555	6,231
Capitalised net pension funds/liability	45,537	49,985

Santander Consumer Bank has service pension scheme under the Taxes Act through Vital. In addition employees can take an early retirement pension at the age of 62. This scheme only applies to employees in Norway and forms part of a group agreement. The scheme provides for a pension age of 67 and a pension of 70% of the pension basis based on the number of years' earnings and salary level at pension age. The agreement also includes a disability pension, a spouse's pension and a child pension. In addition there are pension commitments to certain employees additional to the ordinary collective agreement. T

assumptions have been used in calculating future pensions:

	2006	2005
Discount rate	4.7%	4.7%
Expected return	5.7%	5.7%
Salary growth	3.5%	3.5%
G-adjustment	3.0%	3.0%
Increase in pensions being paid	3.0%	3.0%
Withdrawal disposition early retirement (AFP)	40.0%	40.0%

NOTE 14 – CHANGES IN EQUITY

(All amounts in thousands)

	Share capital	Share capital premium	Other equity	Total
Equity as at 31.12.2005	334,084	891,314	536,735	1,762,134
Conversion differences foreign currencies (branches)	-	-	2,415	2,415
Profit for the year	-	-	282,993	282,993
Equity as at 31.12.2006	334,084	891,314	822,143	2,047,541

◀ NOTE 15 – SUBORDINATED LOAN CAPITAL ▶

(All amounts in thousands)

	31.12.06	31.12.05	Interest 06
Santander Consumer Finance S.A.	380,000	370,000	15,056

The subordinated loan capital consists of two loans. One subordinated loan of 200 M NOK with term till August 2010 with a floating interest rate of 1.00% point above NIBOR 6 months, and one subordinated loan of 180 M NOK with term till 2016 with a floating interest rate of 0.55% point above NIBOR 3 months. The loans can be redeemed by borrower when the remaining term is 5 years.

◀ NOTE 16 – OWNERSHIP ▶

The share capital is divided into 33,408,412 shares, of NOK 10,- par value. All the share are owned by Santander Consumer Finance.

◀ NOTE 17 – CAPITAL ADEQUACY ▶

(All amounts in thousands)

	31.12.2006	31.12.2005
Core capital	2,034,383	1,775,065
Eligible supplementary capital	300,000	330,000
Total primary capital	2,334,383	2,105,065
Risk weighted volume	23,236,357	20,796,985
Capital ratio	10.05%	10.12%
Core capital ratio	8.76%	8.54%

◀ NOTE 18 – INTEREST EXPENSES ▶

(All amounts in thousands)

	31.12.2006	31.12.2005
To credit institutions		
Interest expenses	572,873	357,918
Average loan	19,807,762	16,400,778
Average nominal interest rate	2.86%	2.14%
To customers		
Interest expenses	17,829	16,354
Average deposit	630,119	771,103
Average nominal interest rate	2.79%	2.15%

◀ NOTE 19 – GUARANTEE LIABILITIES ▶

Santander Consumer Bank has as at 31.12.2006 a guarantee liability of 19.2 M NOK.

◀ NOTE 20 – TOTAL EMPLOYEES ▶

Santander Consumer Bank has had on average of 278 employees in 2006, where 55 work at offices abroad.

◀ NOTE 21 – OWNERSHIP INTERESTS IN GROUP COMPANIES ▶

Santander Consumer Bank AS owns 100% of the stocks in Santander Consumer Finance OY. The stocks are booked according to cost price.

Translation from the original Norwegian version

To the Annual Shareholders' Meeting of Santander Consumer Bank AS

AUDITOR'S REPORT FOR 2006

We have audited the annual financial statements of Santander Consumer Bank AS as of 31 December 2006, showing a profit of TNOK 282.993. We have also audited the information in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit. The financial statements comprise the balance sheet, the statements of income and cash flows, and the accompanying notes. The rules of the Norwegian Accounting Act and generally accepted accounting practice in Norway have been applied to produce the financial statements. These financial statements are the responsibility of the Company's Board of Directors and Managing Director. Our responsibility is to express an opinion on these financial statements and on the other information according to the requirements of the Norwegian Act on Auditing and Auditors.

We conducted our audit in accordance with the Norwegian Act on Auditing and Auditors and generally accepted auditing practice in Norway, including standards on auditing adopted by Den Norske Revisorforening. These auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and generally accepted auditing practice an audit also comprises a review of the management of the Company's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- the financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of the Company as of 31 December 2006, and the results of its operations and its cash flows for the year then ended, in accordance with generally accepted accounting practice in Norway
- the company's management has fulfilled its duty to produce a proper and clearly set out registration and documentation of accounting information in accordance with the law and generally accepted bookkeeping practice in Norway
- the information in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit, is consistent with the financial statements and complies with the law and regulations.

Oslo, 14 February 2007
Deloitte AS

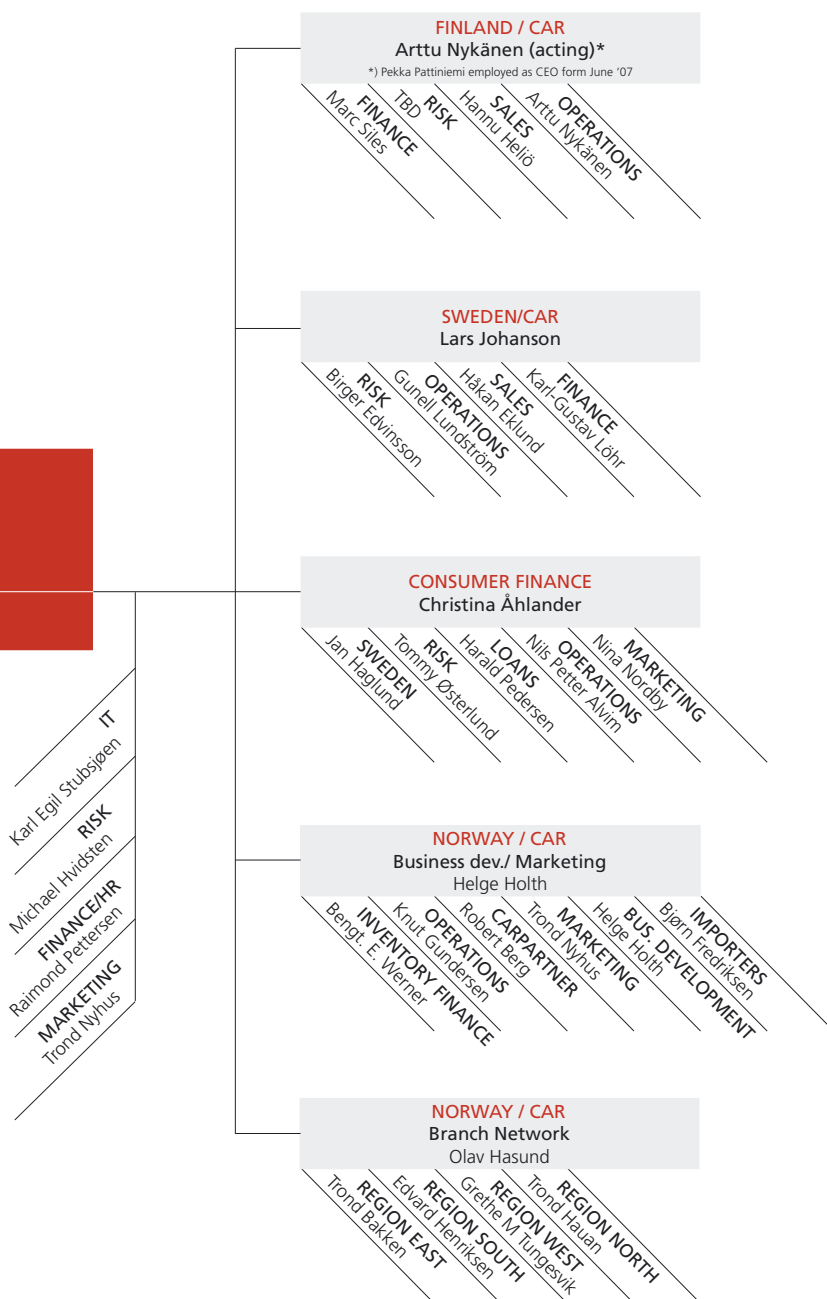
Terje Boasson (signed)
State Authorised Public Accountant (Norway)

Audit. Tax & Legal. Consulting. Financial Advisory.

Member of
Deloitte Touche Tohmatsu

Org.nr.: 980 211 282

Santander Consumer Bank AS





150
YEARS

Photo: Getty Images
Design: Innoventure Design Center



 **Santander**
CONSUMER BANK

IdÉENS VERDI

santander.no

SANTANDER ER REPRESENTERT I OVER 40 LAND