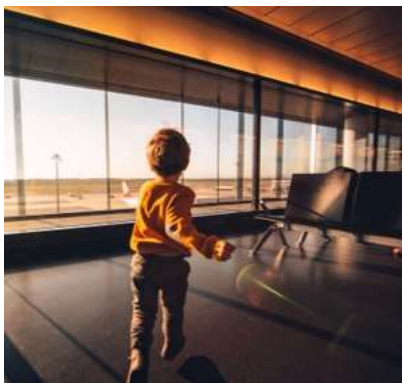


Q3 Financial Report 2021

Santander Consumer Bank Nordic Group
and Santander Consumer Bank AS



At a glance

Highlights Q3

The Group's gross outstanding loans has in YTD Q3 decreased by 2% (4.0 Bn NOK) compared to year end 2020, mainly driven by FX. In local currencies we have an increasing Auto portfolio due to good cooperation with dealers and partners. In the Consumer Loans portfolio, we see a downward market trend in all markets due to regulatory changes and Covid impacts. Our portfolio has to a large extent followed the market.

The total market of New car sales has decreased by 17% in Q3 compared to Q2 2021. The main reason behind this is the ongoing global shortage of semiconductors that especially has had a negative effect on the supply of new cars in Denmark, Finland and Sweden. SCB saw an increase in new business sales on Auto of +7% in the same period driven by high volumes in Sweden from our partners.

Deposits from customers have decreased with 4% compared to year end 2020, mainly FX driven.

Net interest income has decreased by 7% in YTD Q3 2021 compared to YTD Q3 2020. This is mainly driven by shift in portfolio mix, with lower assets on high yield unsecured products vs higher assets on lower yield secured products.

Opex is reduced by 284 MM NOK, mainly driven by less restructuring costs than per Q3 2020.

Better net impairment losses in YTD Q3 2021 with 1 083 MM NOK, compared to 1 299 MM NOK in Q3 2020. The main driver for this is the significantly improved risk performance, especially in Denmark.

The Group's profit before tax was 2 363 MM NOK in YTD Q3 2021, reflecting an increase of 4% compared to the same period last year.

2 363

4%

PBT

177 150

-2%

Gross Outstanding Loans

5 336

-7%

Net Interest Income

77 588

-4%

Deposits

81%

Auto

19%

Unsecured

% of Gross Outstanding

Responsibility is good

Every day we proudly serve 1.5 million customers 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.



In Santander we believe responsibility is good. We understand the responsibility we have in supporting customers, business partners and society as whole. A central pillar in our strategy is therefore Responsible banking. Our aim is to deliver on all relevant development goals and establish a sustainable end-to-end value chain. The financial sector already operates within a strong set of regulations, with more being implemented.

One example is the EU taxonomy for sustainable activities that guides us toward more green investment. On a local level it is the implementation of debt registers to ensure that private households have a sound and sustainable level of debt. We have been an outspoken supporter of this, believing it is in everyone interest to have this kind of transparency.

Our results for the third quarter provide an interesting look into behavior in the reopened Nordic societies. Major restrictions have been lifted in our Nordic region and life is to a large degree back to normal as we enter the final period of 2021.

As travel has resumed, the use of cards is up. The shift in consumer behavior from shopping in physical stores to e-commerce has long been anticipated and based on our customers behavior after the re-opening, it is safe to say that the change is here to stay.

The auto market has bounced back to high sales. While the supply of new cars is challenged due to global shortage of semiconductors, we are pleased to see our market share continues to be strong, with some great news coming out of the local markets. In Norway we increased our already strong market share the last quarter, a testament to great co-operation with partners and a solid product delivered to our customers.

It is really encouraging to see that the revolution of electric vehicles continues with full speed in our region, and the Groups finance penetration on EVs continues to be higher and growing faster than for other vehicles. We see this as an important part of our responsible banking-strategy.

A handwritten signature in black ink, appearing to read 'Michael Hvidsten'. The signature is written in a cursive, flowing style.

Michael Hvidsten, CEO

Financial performance

KEY FINANCIAL PERFORMANCE FOR THE THIRD QUARTER OF 2021

The Group's results for the third quarter show a decrease in net interest income and a decrease in gross margin compared to Q3 2020. The result is reflecting the gradual shift in the portfolio from higher yielding unsecured loans to lower yielding auto loans which has had a negative impact on interest income. The pandemic is still affecting customer behavior, creating variations in the Nordic Markets for the Unsecured and Auto segments.

FIGURES SANTANDER CONSUMER BANK GROUP

All amounts in millions of NOK	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	2020
Net interest income	1 744	1 889	5 336	5 746	7 638
Growth*	-8%	3%	-7%	7%	6%
Gross margin	1 798	1 958	5 605	5 855	7 816
Growth*	-8%	2%	-4%	3%	3%
Profit before tax	836	714	2 363	2 280	2 701
Growth*	17%	8%	4%	-23%	-25%
Profit after tax	634	554	1 765	1 808	2 130
Growth*	14%	14%	-2%	-20%	-26%
Total assets	190 220	208 503	190 220	208 503	198 892
Growth*	-9%	15%	-9%	15%	10%
Net Loans to customers	172 237	181 089	172 237	181 089	176 263
Growth*	-5%	12%	-5%	12%	9%
Customer deposits	77 588	77 652	77 588	77 652	81 142
Growth*	0%	20%	0%	20%	24%

* Year on year

The Group's financial results for the Year to date third quarter of 2021 show a decrease in net interest income of 7% compared to same period last year, whilst net loans to customers decreased by 5% in the same period. A gradual shift from high yield unsecured products to secured products has had a negative impact on the interest income, but some of the negative impact was offset by lower cost of funding mainly due to lower interest rates from deposits.

Net fee and commission income increased compared to the year to date third quarter last year. The increase was driven by improved insurance sale. The Gross Margin ended down 4% compared to Year to date Q3 2020.

Operating expenses for the period were 2.168 MM NOK compared to 2.452 MM NOK year to date Q3 2020. Salary expenses decreased by 1% as a consequence of the restructuring in 2020. The administrative expenses saw a significant reduction due to lower restructuring costs in 2021. Depreciation and amortization increased by 43 MM NOK, mainly due to increased investment in IT.

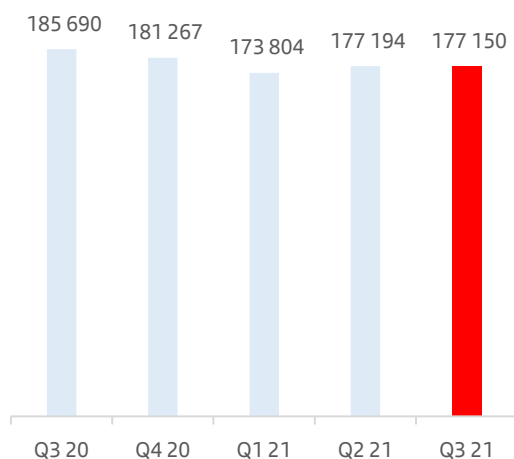
Net Loan-Loss Provisions decreased by 17% compared to year to date third quarter 2020. The decrease reflected a significantly improved risk performance in the underlying portfolios and the recognition of 85 MM NOK in specific reserves due to the COVID-19 situation booked in Q2 2020. There has been no sale of non-performing loans thus far in 2021.

The Group's profit before tax as of year to date Q3 2021 was 2.363 MM NOK, an increase of 4% compared to year to date Q3 2020 due to the reasons outlined

Loans and deposits performance

LOANS TO CUSTOMERS

The Group's outstanding loans to customers were 177.2 Bn NOK at Q3 2021, a decrease of 2% or 4.1 Bn NOK compared to Q4 2020. A strengthened NOK against SEK, DKK and EUR lead to a decrease of 4.7 Bn NOK. We see an increase in the underlying lending in local currencies of 0.6 Bn NOK compared to year end 2020, mainly in the Norwegian and Swedish markets.



GROSS LOANS TO CUSTOMERS

MM NOK

Loans to Customers

2%

Decrease

AUTO AND LEISURE FINANCING

Where the demand for new and used cars has remained strong, the supply of new cars has decreased due to shortage of raw materials (semiconductor shortage). New car sales were down 17% in Q3 compared to Q2 2021. Manufacturers have prioritized production of electrical vehicles to meet CAFÉ regulations (which particularly benefits Norway) and de-prioritized distribution to lower profit markets (impacting for example Denmark).

A volatile market, with major variations between the countries

In Denmark, the new car market drop has accelerated with a -17% change versus last year in September. Year to date (YTD) sales demonstrate growth versus the low sales experienced during 2020 (up 4.8%). Used car sales have also declined, mainly due the supply side constraints. Financing of used cars has demonstrated growth. Prices have increased rapidly as less new cars are available and there is a shortage of used cars due to the high demand. Used cars now represent 80% of financed vehicles for the Group.

In Finland, the surge of COVID-19 at the start of the year reduced consumer confidence, which was followed by strong recovery in Q2. Q3 was characterised by a lack of new car supply. Overall there was an increase of new vehicle sales year to date of 7%, versus Q3 2020. Used car sales declined during Q3 versus strong sales in 2020 but is positive year to date (+2%).

The Swedish market has been influenced by tax changes on emissions per April 1st, 2021 and company car taxation on July 1st, in addition to the supply constraints limiting sales of new cars. Despite recent limited supply, the total new car market has grown to 261.011 vehicles, up by 17% versus year to date Q3 2020. The Group has increased its finance penetration of both new and used cars, benefiting from the strong partnerships the Group has.

The Norwegian market continues to grow with new EVs being launched, also prompting new entrants to choose the Norwegian market as their point of entry into the region. More than 15 new brands have indicated that they will start sales in 2021/2022. As manufacturers prioritize EV production to meet CAFÉ regulations, new car sales in Norway increased by 31% versus Q3 2020, reaching 154.941 vehicles. The Group's number of financed vehicles grew even faster, up by 36%.

Impact on the used car market

Used vehicles sales initially benefited from the recovery of the economy and shortage of new vehicles. During Q3, the supply of used vehicles dropped, impacting sales. By Q3 2021, used car sales were at 2.188.932, up by 0.2% versus Q3 2020.

Leisure sales throughout the Nordics increased on the back of the economic recovery. Demand for boats, motorcycles, campers and

caravans all increased. The Group increased New Business Volume for leisure by 22% (2021 YTD vs 2020 YTD).

The Group financed 66.598 new and 137.145 used cars in 2021 (YTD), up 18.0% and 2.6% respectively compared to the same period in 2020. Balancing growth and profitability are a key priority for the Group.

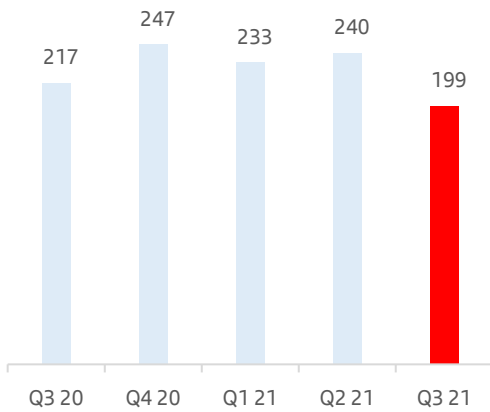
The pandemic pushes market innovation

The Group continues to execute on several initiatives to help customer as well as partners on their digital journey. There is an increased demand from partners for customized integrated digital solutions for sales and finance and online sales options for customers is increasing in each of the Nordic markets.

Expectations for the full year 2021 vary due to the uncertainties in the market and the development of COVID-19. The current outlook for total new car sales is between 900.000 and 950.000 units for 2021. Present outstanding volume is 143.9 Bn NOK vs 148.3 Bn NOK in Q3 2020, a decrease of 1%. Continued good performance will depend on the finance penetrations achieved with dealer and manufacturer partners as well market circumstances such as the development of COVID-19 across the region. Despite the shortage of vehicles in the markets, the expectation is that used and new cars sales will achieve pre-COVID-19 levels by the end of 2021.

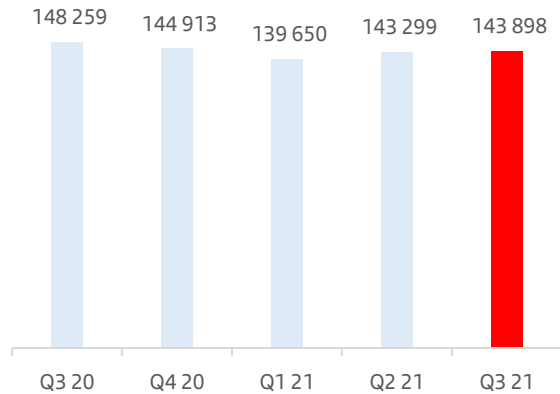
SALES OF NEW CARS (PC AND LCV*)

Units in thousands (Market in total)



GROSS AUTO FINANCING

MM NOK



*Personal cars and Light commercial vehicles

Financing the green shift

All Nordic markets are experiencing an increase in the sale of hybrid and electric vehicles. Norway continues to lead the way with 57% of all new car sales being electric vehicles. Sweden's share is increasing the fastest and is currently at 13% of total sales. Executing on the Group's Responsible Banking initiatives, the Group's finance penetration on EVs continues to be higher and growing faster than for other vehicles. In 2021, 30% of new vehicles financed by the Group are electrical vehicles (up to 40% in September 2021).

The EU legislation regarding emissions (CAFE) phased-in from 2020, fully effective from 2021, sets mandatory Co2 emission reduction targets for new cars sold in Europe; Max 95g Co2/km with a fee to be paid by the manufacturer if the target is not met, partially to be offset by sales of low emission vehicles. Manufacturers continue to launch new EVs and plug-in hybrid electrical vehicles to meet these targets. Together with increased digitalization, technology and changes in customers' behaviour, these are elements, which will drive the transformation of the auto industry going forward. The Group have several initiatives to support their partners in this transformation. The Group continues to invest in capabilities to implement local and EU regulations and guidelines (e.g. EBA, European Banking Authority) (see "Regulatory Changes" for further reading). It is anticipated that emission-based taxation will increase; The Swedish increase of incentives for low emission and increased taxation on high emission vehicles per April 1st 2021 being one example. Removing car tax on zero emission vehicles in Finland per October 1st, 2021 being another.

The Group is expanding its partnerships, which will present new opportunities and a strengthened position across the region, especially with new entrants into the Nordic markets. Some of the existing Captive Agreements are approaching their renewal phase and preparations are being made to ensure continued success in this area.



UNSECURED LENDING

Consumer Loans

Consumer loan financing continued to represent the Group's main unsecured financing product in Q3. The Group's Consumer loans portfolio decreased by 11,8% in outstanding volumes compared to Q3 2020. Due to COVID-19 effects and availability of saved disposable income, this product has been severely affected throughout the pandemic period. The Norwegian portfolio has experienced the largest portfolio decrease of 23% compared to Q3 2020.

The Groups Consumer loan sales dropped by 9,8% compared to Q3 2020. The Danish market has experienced the largest decrease with a 16.6% reduction of sales compared to Q3 2020. However other products within Consumer financing have experienced substantial growth from Q2 2021 to Q3 2021. Credit cards & Durables has seen a 24.2% and 3.1% increase in Q3 compared with Q2.

Adjusting to tightening regulations

Tightening in the regulatory landscape together with the pandemic has affected this business area significantly this year. These challenges have affected the market dynamics in the region forcing the Group to adapt, improve and optimize products and processes. The market continues its transformation towards a debt consolidation market and is a result of changing regulatory requirements across the region.

The Group has been adapting to the regulatory development and ensured that relevant and responsible measures have been taken and, at the same time, improved and optimized processes and customer journeys, with special focus upon Denmark, given that this market has been most impacted. With solid plans for reshaping the product and processes in this market, the Group experienced a 14% growth in Q3 versus last year.

Finland removed the temporary regulations connected to COVID-19 at the end of September, and the Finnish market is therefore facing an upwards sales trend. The Justice Ministry have communicated that they have started a new legislative working group to review legislation on a permanent basis to reduce over-indebtedness. The Group expects that the Finnish market will see a tightening of regulations going forward and will therefore tune, adjust and introduce new products in the months to come to stay competitive and drive sustainable growth.

Sweden is at the moment the most stable market but with fierce competition on price. The Group recognizes that debt consolidation is becoming more relevant in this market. Regulations are also tightening in Sweden and in Q4 2021 the Group will implement stricter affordability calculations in the underwriting process to be in line with regulations. To stay competitive, the Group will also meet the changes in the market with several interesting development initiatives to be implemented first half of 2022. These will strengthen the Group's position in a highly competitive market. This includes introducing new products towards the prime segment and tuning existing products to the rapid growing debt consolidation segment.

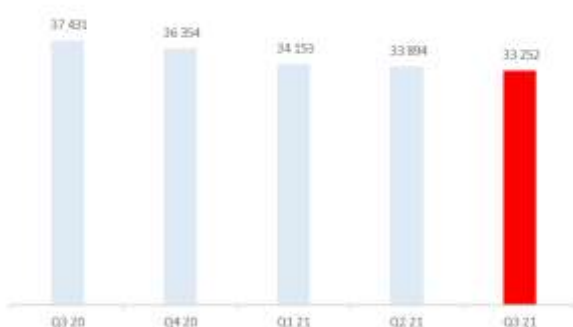
The Norwegian consumer loans market is mainly a debt consolidation market due to tight regulations on unsecured lending. The total unsecured market in Norway is decreasing and the Group has experienced market share loss due to these dynamics. The Group is working hard to regain competitiveness and to grow in the coming months and have identified and formed several strong initiatives and mitigating actions that will be implemented. The Group believes that the plan is solid and will provide positive results.

Brokers continue to gain market shares across the region and the Group is upgrading systems, products, and processes to handle an increased share of broker introduced business. This channel is an important part of the Group's strategy and the Group will continue to strive to be the preferred bank provider to brokers.

Competition in the Consumer loans market is increasing in correlation with the decreasing effect of the pandemic. The Group is well positioned after a long period with pandemic and increased regulatory tightening in the markets and believe that the challenges ahead will create opportunities.

GROSS CONSUMER FINANCING

MM NOK



CHECKOUT LENDING

The Group's Sales Finance business has continued to be affected by the pandemic during Q3 2021. Spending categories have shifted. The Group observes a continuation of consumer spending within the Do it Yourself (DIY) and Home electronics retailers across the region.

Compared to the lock down situation in beginning of the year, physical stores are now open again. Despite this, the shift from physical stores to e-commerce has demonstrated a substantial growth year to date.

In this context, the Group is well positioned with good coverage of retailers in the DIY and Home Electronics segments across the region. The move to e-commerce will of course benefit the Group, given that solutions are in place in most countries within the region.

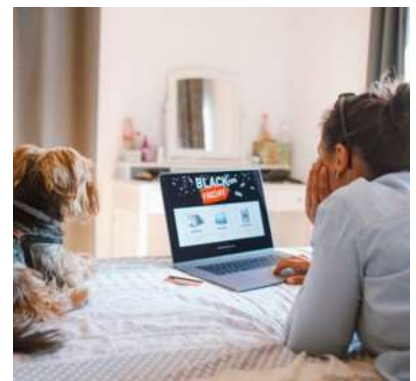
To meet that change and to stay competitive in the region the Group is continuing its focus towards becoming a true regional player with the ability to offer our merchants a single set of products through one endpoint/API. This is an area the Group believes will add great value to Nordic retailers. During Q3, the Group has managed to show tangible progress on the journey towards becoming a regional player with a successful launch of target architecture for Checkout Lending Sweden.

To further strengthen market position, the Group has entered into agreements with new merchants as well as renewing agreements with existing merchants across the Nordics. During the third quarter the bank has seen an especially strong growth of new merchants in Denmark and Finland.

Such new agreements are fully aligned with gaining traction within new target segments, such as Green energy financing – primarily the financing of solar panels and ground water heating systems. The Group considers this to be an attractive and growing market segment which fits well with its Responsible Banking agenda, and the Group anticipates further business growth in this sector.

Future Expectations

Looking ahead for the rest of 2021, the Group is preparing for retail peak season with Black Friday and Christmas-shopping. The Group also has many interesting development initiatives that when implemented will help drive growth and further strengthen its position in the region. Pay by Invoice and Renewal programs are examples. In addition, the Group also sees a potential consolidation phase taking place in 2021/2022. This trend has already started with key players across the region pulling out of the market. The Group expects that the lifted restrictions in the region will bring growth in terms of shopping appetite. These factors add to a market outlook for the rest of 2021 that looks promising for our Sales Finance business in the Nordics.



CARDS & PAYMENTS

New business volume experienced a positive trend in Q3, due to the lifting of COVID-restrictions across the region. A solid growth of roughly 18% in Q3 compared to the same period last year is a clear signal that our customers are starting to travel again. With more and more countries opening in Europe and the removal of travel restrictions, the increase in travel related spending is expected to keep rising in the months to come.

Implementing new technology

The Group has finalized a Swedish migration project during Q3 and old legacy core systems are now being decommissioned as planned, providing streamlined and consolidated capabilities across the region on Cards and payments.

This opens possibilities and opportunities for creating efficiency, new platforms, better product offerings and improved value proposition for our customers. On a Nordic level, the Group is well positioned to face the challenges ahead and the strategy and initiatives for growth are solid. After finalizing the major migration project, the Group can now focus on implementing its strategy and proactively solve and meet the challenges ahead. The outlook for the coming years is promising.



DEPOSITS

Following strong growth in 2020, volumes in deposits have reached a mature level. Maintaining these levels and a loyal customer base remain a strategic priority for the Group.

4%

Decrease

Managing balances in a market on the verge of change

With the pandemic triggering a slowdown in consumer spending, availability of deposits had been high across the Nordics in 2020. As a result, after achieving strong growth in its deposits portfolios last year, the focus for 2021 is stabilization and positioning for market changes as economies begin to normalize.

Total outstanding volumes for the Group is 77 588 MM NOK as of Q3 2021, representing a decrease of 3 554 MM NOK (-4%) compared to year end 2020. The Group operates deposit platforms in three of its four home markets: Denmark, Norway and Sweden.

Over the past year, volumes in the Danish platform have grown to represent the largest share of deposits within the three markets. Outstanding balances as of Q3 2021 were 30 014 MM NOK, ending the quarter 2% higher than year-end 2020. The high level of balances reflects the dynamics in the Danish deposit market, where the Group is one of the few banks offering non-negative yields.

The Danish business also 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 Bank also offers its only deposit product with fixed interest rates, with a term of two years.

In Q3, the Norwegian business launched a notification product to complement its demand product offering and to align its product offerings with Sweden and Denmark. The business also launched a tiered structure to its pricing to manage pricing competitively and to reward small savers. The Norwegian business had an outstanding balance of 24 359 MM NOK as at end Q3 2021, representing an 11% reduction compared to year-end 2020.

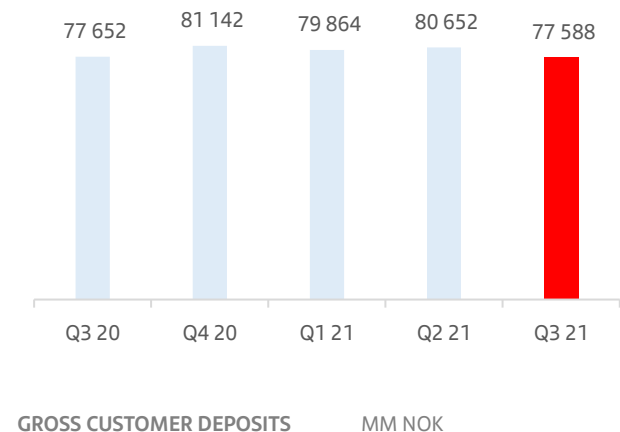
The Swedish business unit has offers both a demand product and a notification product. In addition, the unit has an ongoing cooperation with a broker. The cooperation expands the number of customer channels, which provides additional flexibility in managing the

Swedish deposits portfolio. Outstanding volumes in Sweden stood at 23 215 MM NOK as at the end of Q3 2021, which is approximately 4% lower compared to year-end 2020.

Helping people prosper

The Group continues to focus on improving the customer experience, through the optimization of mobile responsive onboarding solutions, net banks, apps and chat bots. In the Danish market, a new Netbank and App were launched in 2020. In addition, new features, such as saving goals and the possibility to view personal balances in third party banks, were introduced in the Danish market through the Group's new financial tool named Prosper. The Group will look to roll-out similar customer solutions for the Norwegian and Swedish platforms.

The Bank is 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.



Risk Management

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

Credit Risk

The Group's Credit Risk profile in Q3 2021 remains stable for the total portfolio, in line with business strategy. The consolidated Non-Performing Loans (NPL) Ratio ended at 2.75% (1.23% for Secured and 9.43% for Unsecured portfolios) in Q3 2021, compared to 2.76% in Q4 2020 (1.38% for Secured and 8.26% for Unsecured). The NPL ratio has remained mostly stable during the last year.

The total loan loss reserves have slightly decreased from 5 050 MM NOK per Q4 2020 to 4 958 MM NOK per Q3 2021. The total reserves as of Q3 2021 of 4 958 MM NOK include 4 913 MM NOK related to loans to customers and 45 MM NOK connected to off-balance exposures. On December 2020, a reserve of 402 MM NOK was booked to cover for potential losses derived from the current pandemic. The Group is continuously reassessing the COVID-19 impact and it will continue to adopt new measures as necessary.

The reserve is distributed in three different categories: macroeconomic scenario deterioration of 162 MM NOK, payment holidays expected loss of 208 MM NOK and sector degradation of 32 MM NOK. The macroeconomic scenario refers to the overall worsening of the macroeconomic indicators that lead to increased losses. Payment holidays (PH) reserves are booked to cover the potential losses for customers that cannot deliver on upcoming payments after the PH requested are expired, whilst sector degradation reserves are booked to cover for potential losses due to sectors more heavily affected by COVID-19, i.e. Transportation and Rent-a-Car. Upon analysis off the COVID-19 overlay, no changes are required during Q3 2021.

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 and the liquidity risk management has been further strengthened during the start of 2021, and continues to be strong during Q3 2021. As of September 2021, the Group's LCR was 194 % and the NSFR was 109.26 %. Both metrics are comfortably exceeding the regulatory requirements.

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 policy is not to actively take on interest rate risk in its operations and continuously monitors the sensitivity of its net interest income and equity value to changes in interest rates. The exposure to interest changes on both metrics are within defined limits per end of September 2021. 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 liquidity situation of the Group has been healthy and stable throughout the start of 2021 and continues to be so during Q3 2021.

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 similar currency. The risk is measured through an FX exposure report, covering all significant currency for the Group. When raising funds through international debt markets, any net open currency exposure is managed through derivatives. The total open currency exposure as of end of Q3 2021 was 2 339 MM NOK equivalent for consolidated SEK, DKK, and EUR exposures, which is comfortably inside the defined FX exposure limits for the Group in 2021.

Operational risk

The Group defines operational risk as "the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events". It includes events that may arise due to legal or regulatory risk, system failures or fraud but does not include events arising due to strategic or reputational risk. The aim pursued by the Group in operational risk control and management is primarily to identify, measure/assess, control/mitigate and report on these risks. Operational risk is reduced through securing a good internal control environment. The Group uses Basic Indicator Approach for the calculation of regulatory capital for operational risk. Apart from reacting to incidents, the Group continuously strives to improve the internal control environment to cover the full scope of its activities and implement preventive controls remediating inherent risks. In general, Operational Risk management is at a satisfactory level, and the Group is prepared to continue operating within a medium-low range of operational risk appetite in 2021.

Funding

The Group continues to pursue a diversified funding strategy. Developments in the markets due to COVID-19 have resulted in a shift towards higher deposits and some reduction in capital markets and parent funding. The self-funding ratio remains strong and growing

83%

Self-funding

SELF-FUNDING RATIO

A diversified funding platform

Over the past nine years, the Group has developed multiple funding channels ranging from deposit products across three of its four markets, unsecured bonds in the Norwegian, Danish, Swedish and European bond markets, including green bonds in the Swedish market, and securitization transactions with assets from all four Nordic countries. 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.

Self-funding sources totaled 83% per Q3 2021, with parent company loans providing the remaining 17%. Customer deposits is the largest funding source, comprising 51% of total funding at end of Q3 2021 and have a total outstanding volume of 77 588 MM NOK across the three Nordic markets where the Group is present. Unsecured issuance has been moderated to offset the strong inflow from deposits.

Total outstanding bond and certificate issuance stand at 38 096 MM NOK or 25% of total funding. Senior unsecured issuance and certificates outstanding end of Q3 2021 include 2 500 MM EUR in the Euro market, 7 605 MM SEK in the Swedish market, 750 MM DKK in the Danish market and 5 318 MM NOK in the Norwegian market. The Group has temporarily scaled back its presence in the certificates of deposits market in Norway and Sweden, and currently do not have any outstanding certificates as of end Q3 2021.

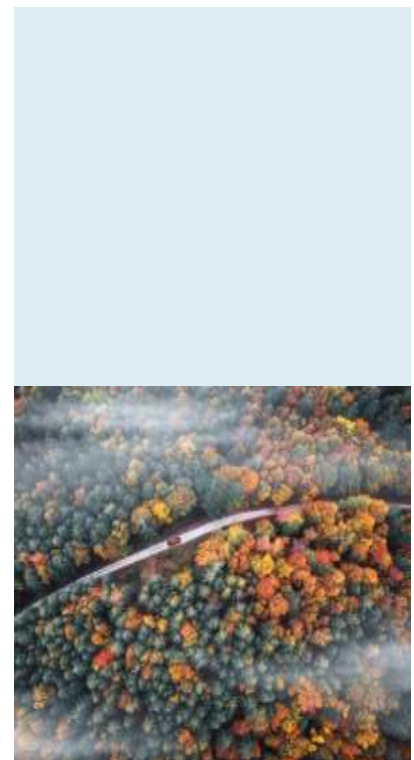
The weighted average remaining term to maturity, excluding certificate issuances, is 2.17 years. This number fluctuates somewhat and typically remains around 2 years.

Loans and drawing rights from the parent bank and companies within Grupo 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 maturities.

The Green Bond program

The Bank launched its inaugural Green Bond issuance in February 2020, following the publication of the Green Bond Framework in December 2019. The transaction was issued in the Swedish market, with a size of 1 000 MM SEK. Year-to-date 2021, the Bank has issued an additional 1 500 MM SEK in Green Bonds. Consistent with the Framework, the transactions are supported solely by the sizeable EV portfolio in the Norwegian market.

While providing an opportunity to further diversify the Group's funding base, the Green Bond program also forms a key part of the Group's Responsible Banking strategy, and it represents a contribution to the environmental progress of the communities in which the Group operates.



Ratings

The Group is rated by Fitch (A-/F2/Outlook Negative) and Moody's (A3/P2/Outlook Stable). The rating was first received in 2016 and has been maintained at the same level since then. However, due to challenges presented from the COVID-19 situation, Fitch placed the Bank on Negative Outlook in April 2020. Fitch took a similar action for multiple banks across the sector. At the same time, Fitch upgraded the Group's senior debt from A- to A which indicates financial stability and strong ability to repay senior unsecured debt. In Q2 2021, Fitch revised the Negative Outlook to Stable. The Outlook revision follows the same rating action on both the Group's parent, Santander Consumer Finance S.A. and the ultimate parent, Banco Santander S.A.

Securitizations

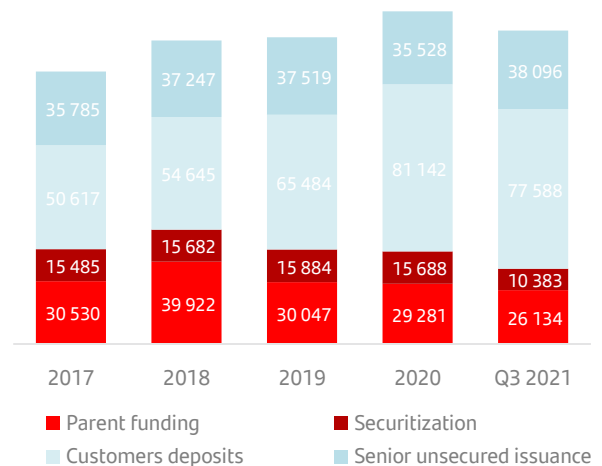
The Group has not issued any asset-backed transactions year-to-date Q3 2021. Securitisation issuance in Norway has been paused due to the change in Norwegian law in 2016. Securitizing the Finnish portfolio, however, remains a consistent source of funding, since Santander Consumer Finance OY was not impacted by the regulatory change. As a result, the amount of funding received from the securitisation markets has remained stable over the past five years, providing approximately 10% of the Group's funding since 2016. Total outstanding volumes in securitisations currently equals 10 383 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 Securitisation Regulation into Norwegian law, which was approved by the Parliament on 23rd of March 2021. The legislation awaits the adoption by the EEA, and once incorporated, the Norwegian securitisation legal framework will be aligned with that of other European financial institutions.

FUNDING COMPOSITION

MM NOK



Solvency and Capital Adequacy

Strong capital position in Q3 with a good margin above the minimum regulatory capital requirements. The Group is well positioned to meet the expected increase in countercyclical buffers.

Capital position

The Group maintained a strong capital position with a common equity Tier 1 ratio (CET1) of 19.69% at the end of September 2021. This is a slight increase from 19.39% at the end of 2020 and well above the CET1 regulatory requirement of 12.88% including Pillar 2 Guidance.

The solid capital position is still driven by no dividend distributions for profits from years 2019 and 2020. Since the outbreak of COVID-19 pandemic, the Board of Directors has not proposed any dividend distribution following communications from regulators. In September, however, the Ministry of Finance in Norway has announced that the risk related to economic downturn due to COVID-19 was reduced and that ordinary guidelines with regards to dividend distribution could apply again after September 30th, 2021.

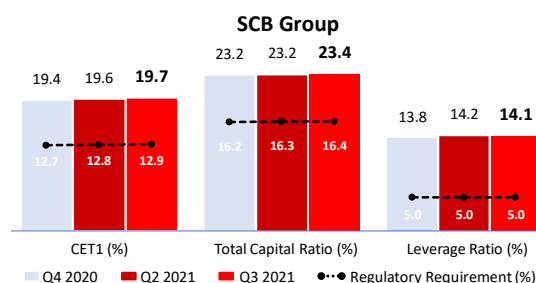
Based on the communication above and the Bank's capital plan, the General Meeting approved on November 10th a dividend distribution of 1.7 Bn NOK with payment to take place during Q4 2021. The dividend corresponds to NOK 1.761 per share and relates to distributable profits from the financial year ending 31 December 2020.

Capital adequacy with IFRS9 transitional rules

The CET1 ratio for SCB Group has slightly improved from December 2020 driven by a decrease in risk weighted assets (RWA) mostly explained by a stronger NOK. With a strengthening of the Norwegian krone (NOK), RWA in the other currencies will decrease when translated into NOK all else being equal. For SCB AS, the CET1 ratio is at a similar level when compared to year-end 2020. The decrease in Q2 2021 was driven by an increase in intercompany lending to the Finnish subsidiary SCF Oy.

The leverage ratio for the SCB Group and SCB AS at September 2021 closed at 14.12% and 14.93%, respectively, which is substantially above the minimum regulatory leverage requirement of 5%.

SCB Group			
Actuals	Q4 2020	Q2 2021	Q3 2021
CET1 capital ratio	19.4 %	19.6 %	19.7 %
Tier 1 capital ratio	21.1 %	21.3 %	21.4 %
Total capital ratio	23.2 %	23.2 %	23.4 %
Leverage ratio	13.8 %	14.2 %	14.1 %
Capital requirements	Q4 2020	Q2 2021	Q3 2021
CET1 capital ratio	12.7 %	12.8 %	12.9 %
Minimum Core Equity	4.5 %	4.5 %	4.5 %
Pillar 2 Requirement	3.3 %	3.3 %	3.3 %
Pillar 2 Guidance	1.0 %	1.0 %	1.0 %
Countercyclical Buffer (combined)	0.3 %	0.3 %	0.3 %
Conservation Buffer	2.5 %	2.5 %	2.5 %
Systemic Risk Buffer (combined)	1.2 %	1.3 %	1.3 %
Tier 1 capital ratio	14.2 %	14.3 %	14.4 %
Total capital ratio	16.2 %	16.3 %	16.4 %
Leverage ratio	5.0 %	5.0 %	5.0 %



SCB AS			
Actuals	Q4 2020	Q2 2021	Q3 2021
CET1 capital ratio	19.8 %	19.0 %	19.7 %
Tier 1 capital ratio	21.6 %	20.8 %	21.5 %
Total capital ratio	23.9 %	22.8 %	23.6 %
Leverage ratio	15.1 %	14.8 %	14.9 %
Capital requirements	Q4 2020	Q2 2021	Q3 2021
CET1 capital ratio	13.8 %	14.0 %	13.9 %
Minimum Core Equity	4.5 %	4.5 %	4.5 %
Pillar 2 Requirement	3.3 %	3.3 %	3.3 %
Pillar 2 Guidance	1.0 %	1.0 %	1.0 %
Countercyclical Buffer (combined)	0.5 %	0.5 %	0.5 %
Conservation Buffer	2.5 %	2.5 %	2.5 %
Systemic Risk Buffer (combined)	2.0 %	2.2 %	2.1 %
Tier 1 capital ratio	15.3 %	15.5 %	15.4 %
Total capital ratio	17.3 %	17.5 %	17.4 %
Leverage ratio	5.0 %	5.0 %	5.0 %

Current and future capital requirements

During Q3 2021, regulators in the Nordics have continued to communicate their expectations towards increasing the countercyclical buffers ("CCyB"). In Norway, the CCyB will be increased from 1% to 1.5% with effect from June 2022. Norges Bank has further communicated its expectation to raise the CCyB to 2% from December 2022. In Denmark, the CCyB will be increased from 0% to 1% with effect from September 2022. The Danish Systemic Risk Council has further communicated its expectation to increase the buffer to 2% from December 2022. In Sweden, the Swedish FSA has stated its aim to commence a gradual hike of the Swedish CCyB during the second half of 2021 with effect from 2022. The Group has considered, in its capital planning, that buffer requirements are expected to return to pre-Covid levels in a near future and is well positioned to meet such increase in capital requirements.

Regulatory

The Norwegian FSA confirmed that the new capital regulation under CRD5, CRR2 and BRRD2 (the Banking Package) will not be introduced in Norway during 2021. Norway is, in cooperation with other EEA/EFTA States, working to incorporate it into the EEA Agreement as quickly as possible. The bank is well positioned to meet the regulatory changes and do not expect the changes to have material impact on the bank's capital position.

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 regulation and guidelines.

The Group has not received any MREL requirements from the Norwegian FSA or issued any internal MREL debt.

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



Regulatory Changes

There are several ongoing regulatory initiatives in the financial sector, mainly EU-driven, but also nationally. The Group works continuously to ensure compliance and strives to take an active role in legislative processes through Finans Norge and other finance associations and networks.

Risk Reduction Package

In 2019 the EU adopted the “Risk Reduction Package”/ “the EU Banking Package”, including changes to the EU’s Capital Requirements Legislation, the Bank Recovery and Resolution Directive, CRR II, CRD V, BRRD II, which entered into force in the EU in the first half of 2021. The legislation is EEA relevant and is expected to be implemented in the EEA agreement and come into force in Norway during 2022.

Sustainable Finance

In July 2020, the framework regulation for the establishment of an EU Taxonomy entered into force. The Taxonomy is a framework to facilitate environmentally and socially sustainable investments, and it will be applicable in the EU from 1 January 2022.

The EU Taxonomy is the first step of the EU Commission Action Plan on Financing Sustainable Growth. Detailed requirements follow under delegated acts and other relevant regulations. Sustainable finance has an important role in mobilising 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.

Consumer Lending

In Norway, the Norwegian Financial Supervisory Authority continues to have focus on consumer lending. A consolidated regulation on requirements on sound lending practices for house mortgages and consumer loans entered into force in January 2021 (the Norwegian Lending Regulation). The Norwegian Supervisory Authority also issued a new circular with guidelines to the Norwegian Lending Regulation, which is mainly a continuation of existing practices but in some areas entailed stricter requirements.

The proposal for a new Norwegian Financial Agreements Act is also expected to enter into force next year.

In Sweden, the Swedish Financial Supervisory Authority has announced that it will have a greater focus on consumer protection during 2021, and new guidelines on consumer credits was issued in September this year. The guidelines provide clarified rules on the information to be included in credit assessments of consumers, how this information should be collected, verified, and considered in order to assess the consumer’s ability to pay.

The new guidelines entail information about the Swedish Financial Supervision Authority’s view on how the requirements of the Swedish Consumer Credit Act should be interpreted.

EBA Guidelines on loan origination and monitoring

On 29th of May 2020, the European Banking Authority (EBA) issued new guidelines on loan origination and monitoring. Both Danish, Norwegian and Swedish Supervisory Authorities have stated that they will comply with the Guidelines and that they will apply from 30 June 2021. The guidelines specify the internal governance arrangements for granting and monitoring of credit facilities throughout their lifecycle. They introduce requirements for borrowers’ creditworthiness assessment and bring together the EBA’s prudential and consumer protection objectives.

The aim is to ensure that banks have robust and prudent standards for credit risk taking, management and monitoring, and that newly originated loans are of high credit quality. The guidelines also aim to ensure that the banks’ practices are aligned with consumer protection rules and AML requirements. The bank has an ongoing project to ensure implementation of the guidelines in relevant areas.

Strategic priorities to stay in the lead

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 Banking sector landscape

Prior to the onset of COVID-19 in March 2020, the macroeconomic environment was characterized by low growth and low interest rates. The COVID-19 pandemic has reinforced those pre-existing conditions whilst adding some additional challenges – increased unemployment and increased credit risk. The combination of these factors have served to assert additional pressure on bank sector profitability.

On a relative basis, the Nordic region has held up well and remains an economically strong and stable region. Forecasts of 2021 GDP point to growth of 3.7% in Norway, 4.1% in Sweden, 3.3% in Denmark and 3.2% in Finland (Bloomberg L.P.).

The continued trend of new banking sector entrants and other competitors targeting specific parts of the Group's value chains, is increasing competition and contestability within financial products and services. Whilst a threat, the advancements in technology and regulation does enable banks to develop new business and operational models that can leverage existing strengths to support future growth.

Group strategy

The Group's overarching commitment is to do business in a responsible and sustainable way. This is further underpinned by the value platform of acting in a simple, personal and fair manner in everything the Group does.

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

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

As part of the Group corporate strategy, four long-term primary measures were determined that reflects the commitment to delivering long term stakeholder value:

- No. 1 customer and partner satisfaction in core markets
- Employee satisfaction greater than 85%
- 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 – Continue to build on the Group's strengths, focusing on extracting greater value from existing business and, taking a disciplined approach to new business opportunities.



Operate efficiently – Deliver a modern infrastructure platform, simplify and standardize processes and products and, optimize the allocation of resources to enhance productivity and performance.

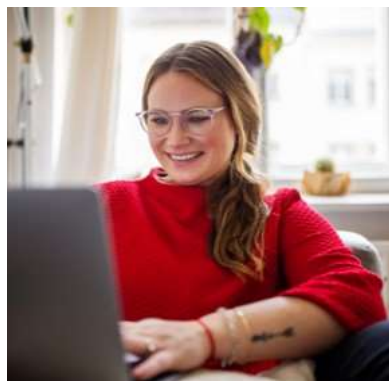


Work collaboratively – Embrace the full potential of collaboration, both internally and externally, in order to deliver a value proposition that customers and partners desire, in a cost effective, seamless and timely manner.

Strategic focus areas

During Q3 2021, the Group made further progress on operationalizing and executing on its corporate strategy established in 2020. Key areas of progress made include:

- Operationalized the new organization, following the process in Q1 and Q2 to reorganize the Group, in service of both diminishing the presence of operational siloes and increasing efficiencies.
- Continued to progress its Responsible Banking agenda in support of the Group's strategic aspiration and its "Net Zero by 2050" sustainability ambition.
- Continued to support mobility electrification by financing the purchase of 20 985 new electric vehicles ("EVs") per September 2021 YTD, representing 15,06% of all EVs purchased in the Nordic region.
- Maintained good progress with respect to digital capability transformation, ensuring that the Group possesses a modern and scalable infrastructure that will enable greater connectivity to customers and partners whilst releasing desired efficiencies.
- Introduced FlexiWorking, a new work model that allows employees to combine working at our offices with working from home, with the aim to support a healthy work life balance while ensuring serving our customers remains our top priority.



Lysaker, 15th November 2021

The Board of Directors of Santander Consumer Bank

Henning Strøm
Chair

Federico Ysart
Deputy Chair

Javier Anton
Board Member

Anne Kvam
Board Member

Ramón Billordo
Board Member

Tina Stiegler
Board Member

Tone Bergsaker Strømsnes
Employee Representative

Sara Norberg
Employee Representative

Michael Hvidsten
Chief Executive Officer

Profit and Loss - Santander Consumer Bank Nordic Group

<i>All amounts in millions of NOK</i>	Note	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Total interest income		1 954	2 205	6 020	6 801	9 008
Total interest expenses		-210	-316	-684	-1 055	-1 369
Net interest income	9	1 744	1 889	5 336	5 746	7 638
Fee and commission income		136	155	432	417	553
Fee and commission expenses		-60	-79	-179	-214	-291
Value change and gain/loss on foreign exchange and securities		-9	1	40	-91	-92
Other operating income		76	76	235	216	310
Other operating expenses		-90	-84	-259	-219	-302
Gross margin	9	1 798	1 958	5 605	5 855	7 816
Salaries and personnel expenses		-325	-344	-1 049	-1 064	-1 439
Administrative expenses		-320	-404	-930	-1 241	-1 735
Depreciation and amortisation		-60	-50	-190	-147	-196
Net operating income		1 092	1 160	3 437	3 403	4 446
Other income and costs		52	22	9	176	237
Impairment losses on loan, guarantees etc.	3, 4, 5, 13	-309	-468	-1 083	-1 299	-1 983
Profit before tax		836	714	2 363	2 280	2 701
Income tax expense		-202	-160	-598	-472	-571
Profit after tax		634	554	1 765	1 808	2 130
Allocation of profit after tax						
Transferred to other earned equity		605	509	1 677	1 678	1 994
Translation differences from foreign currencies		-	14	-	24	-
Transferred to additional Tier 1 capital	16	29	31	88	106	136
Total allocations		634	554	1 765	1 808	2 130
Profit after tax		634	554	1 765	1 808	2 130
<i>Items not to be recycled to profit and loss</i>						
Actuarial gain/loss on post-employment benefit obligations		-	-	62	1	-4
<i>Items to be recycled to profit and loss</i>						
Net exchange differences on translating foreign operations		-38	66	-226	409	208
Measured at FVTOCI		3	-	2	7	7
Cash flow hedge		-12	3	5	-12	-
Net investment hedge		8	-21	138	-168	-141
Other comprehensive income for the period net of tax		-39	49	-20	238	71
Total comprehensive income for the period		594	603	1 745	2 046	2 201

Balance Sheet - Santander Consumer Bank Nordic Group

<i>All amounts in millions of NOK</i>	Note	Q3 2021	Q3 2020	2020
Assets				
Cash and receivables on central banks	10	3 051	4 218	3 363
Deposits with and receivables on financial institutions	10	4 188	10 544	7 238
Loans to customers	3, 4, 5, 10, 12	172 237	181 089	176 263
Commercial papers and bonds	10	6 458	7 304	6 813
Financial derivatives	10, 11	18	15	18
Reposessed assets		60	49	16
Other ownership interests	10, 11	40	38	38
Intangible assets		1 276	1 288	1 315
Fixed assets		1 039	1 311	1 247
Other assets		1 855	2 647	2 581
Total assets		190 220	208 503	198 892
Liabilities				
Debt to credit institutions	10, 15	26 280	45 378	29 363
Deposits from customers		77 588	77 652	81 142
Debt established by issuing securities	10, 14	48 479	48 830	51 216
Financial derivatives	10, 11	10	10	25
Tax payable		11	51	221
Other financial liabilities		374	380	490
Deferred tax		1 226	1 228	1 166
Pension liabilities		55	143	147
Other liabilities		2 884	3 229	3 129
Subordinated loan capital	10, 15	2 502	2 571	2 821
Total liabilities		159 408	179 472	169 720
Equity				
Share capital		10 618	10 618	10 618
Share capital premium		1 926	1 926	1 926
Additional Tier 1 capital		2 250	2 250	2 250
Other equity		15 913	13 920	14 253
OCI items		105	316	125
Total equity		30 812	29 030	29 172
Total liabilities and equity		190 220	208 503	198 892

Cash Flow - Santander Consumer Bank Nordic Group

<i>All amounts in millions of NOK</i>	Note	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Cash flow from operations						
Profit before tax		836	714	2 363	2 280	2 701
Adjustments for:						
- Depreciation, amortisation and impairment on fixed and intangible assets		97	89	299	260	350
- Net interest income	9	-1 744	-1 889	-5 336	-5 746	-7 638
- Value change and gain/loss on foreign exchange and securities		9	-1	-40	91	92
- Dividends on financial assets at FVOCI		-	-	-	-	-
Changes in:						
- Loans to customers	12	-1 044	71	-536	-8 408	-7 841
- Operating lease assets		60	-29	144	-138	-99
- Repossessed assets		24	-38	-42	-38	-5
- Other assets		200	-102	726	-1 054	-987
- Deposits from customers		-2 558	1 651	-1 473	7 647	12 435
- Other liabilities and provisions		110	-30	-440	721	808
Interests received		1 956	2 209	6 020	6 852	9 057
Dividends received		-1	-	-	-	-17
Interests paid		-210	-282	-684	-1 015	-1 365
Net income taxes paid		-107	-38	-434	-106	-782
Net cash flow from operations		-2 372	2 326	567	1 347	6 708
Cash flow from investments						
Purchase of bonds		-4 649	-2 504	-7 059	-8 113	-10 161
Proceeds from matured bonds		2 026	4 729	7 213	13 185	15 607
Purchase of shares		-	-	-	-1 072	-369
Purchase of fixed and intangible assets		-47	-86	-138	-174	-286
Proceeds from sale of fixed and intangible assets		9	5	9	6	8
Net cash flow from investments		-2 660	2 144	26	3 832	4 799
Cash flow from financing						
Proceeds from issued securities		193	911	6 355	8 147	13 972
Repayments of issued securities		-3 419	-5 417	-7 553	-16 342	-15 995
Change in loans and deposits from credit institutions		3 952	2 912	-2 042	13 598	-3 293
Proceeds from issue of subordinated loans	15	-	-	-	-	500
Repayment of subordinated loans	15	-	-	-250	-	-250
Dividend payments		-	-	-	-	-
Interest payments on additional Tier 1 capital	16	-29	-38	-88	-106	-136
Net cash flow from financing		697	-1 632	-3 580	5 297	-5 201
Exchange gains / (losses) on cash and cash equivalents		-85	58	-376	253	261
Net change in cash and cash equivalents		-4 421	2 896	-3 362	10 729	6 306
Cash and cash equivalents at the beginning of the period		11 659	11 866	10 601	4 034	4 034
Cash and cash equivalents at the end of the period		7 238	14 762	7 238	14 762	10 601

Statement of changes in equity - Santander Consumer Bank Nordic Group

Q3 2021										
All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 July 2021	10 618	1 926	2 250	15 308	229	37	6	-63	-64	30 246
Profit for the period	-	-	29	605	-	-	-	-	-	634
Adjustment of equity from merger with Forso	-	-	-	-	-	-	-	-	-	-
OCI movements (net of tax)	-	-	-	-	-38	3	-12	8	-	-39
Interest payments additional Tier 1 capital	-	-	-29	-	-	-	-	-	-	-29
Capital increase	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2021	10 618	1 926	2 250	15 913	192	40	-7	-55	-64	30 812

YTD Q3 2021										
All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 January 2021	10 618	1 926	2 250	14 253	418	38	-11	-193	-126	29 172
Profit for the period	-	-	88	1 677	-	-	-	-	-	1 765
Adjustment of equity from merger with Forso	-	-	-	-17	-	-	-	-	-	-17
OCI movements (net of tax)	-	-	-	-	-226	2	5	138	62	-20
Interest payments additional Tier 1 capital	-	-	-88	-	-	-	-	-	-	-88
Capital increase	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 30 September 2021	10 618	1 926	2 250	15 913	192	40	-7	-55	-64	30 812

Total shares registered as at September 30, 2021, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at September 30, 2021, 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 2020

<i>All amounts in millions of NOK</i>	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 January 2020	9 652	891	2 250	12 242	209	31	-11	-52	-122	25 090
Profit for the period	-	-	136	1 994	-	-	-	-	-	2 130
Equity from merger with Forso	-	-	-	17	-	-	-	-	-	17
OCI movements (net of tax)	-	-	-	-	208	7	-	-141	-4	70
Interest payments additional Tier 1 capital	-	-	-136	-	-	-	-	-	-	-136
Capital increase	965	1 035	-	-	-	-	-	-	-	2 000
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2020	10 618	1 926	2 250	14 253	418	38	-11	-193	-126	29 172

Total shares registered as at December 31, 2020, was 965 241 842, each with a par value of 11 NOK

Restricted capital as at December 31, 2020, 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

<i>All amounts in millions of NOK</i>	Note	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Total interest income		1 649	1 882	5 111	5 756	7 618
Total interest expenses		-199	-303	-638	-996	-1 288
Net interest income	9	1 450	1 579	4 473	4 760	6 330
Fee and commission income		122	138	384	369	487
Fee and commission expenses		-53	-73	-162	-198	-267
Value change and gain/loss on foreign exchange and securities		-14	-3	15	-96	-74
Other operating income		46	42	138	116	173
Other operating expenses		-52	-50	-150	-125	-167
Gross margin		1 498	1 633	4 698	4 826	6 481
Salaries and personnel expenses		-286	-308	-909	-929	-1 252
Administrative expenses		-265	-309	-771	-898	-1 351
Depreciation and amortisation		-52	-43	-163	-126	-169
Net operating income		894	973	2 855	2 873	3 710
Other income and costs		50	10	4	10	195
Impairment losses on loan, guarantees etc.	3, 4, 5, 13	-272	-407	-954	-1 034	-1 686
Profit before tax		672	576	1 905	1 849	2 219
Income tax expense		-169	-135	-495	-403	-493
Profit after tax		503	441	1 410	1 446	1 726
Allocation of profit after tax						
Transferred to other earned equity		474	410	1 322	1 339	1 591
Transferred to additional Tier 1 capital	16	29	31	88	106	136
Total allocations		503	441	1 410	1 446	1 726
Profit after tax						
		503	441	1 410	1 446	1 726
<i>Items not to be recycled to profit and loss</i>						
Actuarial gain/loss on post-employment benefit obligations		-	-	62	1	-4
<i>Items to be recycled to profit and loss</i>						
Net exchange differences on translating foreign operations		2	34	-71	74	75
Measured at FVTOCI		3	-	2	7	7
Cash flow hedge		-14	-55	4	-56	-1
Net investment hedge		-2	-	-1	-	22
Other comprehensive income for the period net of tax		-11	-21	-5	26	99
Total comprehensive income for the period		492	420	1 406	1 472	1 825

Balance Sheet - Santander Consumer Bank AS

<i>All amounts in millions of NOK</i>	Note	Q3 2021	Q3 2020	2020
Assets				
Cash and receivables on central banks	10	3 051	4 218	3 363
Deposits with and receivables on financial institutions	10	3 206	7 871	5 261
Loans to customers	3, 4, 5, 10, 12	136 664	139 786	137 157
Commercial papers and bonds	10	6 314	5 588	6 094
Financial derivatives	10, 11	-	-	-
Reposessed assets		15	27	-3
Loans to subsidiaries and SPV's	10, 15	18 697	14 842	14 163
Investments in subsidiaries		1 663	1 778	1 733
Other ownership interests	10, 11	40	38	38
Intangible assets		856	825	876
Fixed assets		581	750	714
Other assets		1 802	2 698	2 531
Total assets		172 889	178 421	171 927
Liabilities				
Debt to credit institutions	10, 15	21 896	28 740	20 428
Deposits from customers		77 588	77 652	81 142
Debt established by issuing securities	10, 14	38 096	37 786	35 528
Financial derivatives	10, 11	-	-	8
Tax payable		11	51	199
Other financial liabilities		364	367	477
Deferred tax		1 473	1 483	1 462
Pension liabilities		55	143	147
Other liabilities		2 404	2 713	2 577
Subordinated loan capital	10, 15	2 502	2 571	2 821
Total liabilities		144 389	151 507	144 789
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		13 732	12 214	12 364
OCI items		-25	-94	-20
Total equity		28 501	26 915	27 138
Total liabilities and equity		172 889	178 421	171 927

Cash Flow - Santander Consumer Bank AS

<i>All amounts in millions of NOK</i>	Note	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Cash flow from operations						
Profit before tax		672	576	1 905	1 849	2 219
Adjustments for:						
- Depreciation, amortisation and impairment on fixed and intangible assets		68	53	207	155	209
- Net interest income	9	-1 450	-1 579	-4 473	-4 760	-6 330
- Value change and gain/loss on foreign exchange and securities		14	3	-15	93	74
- Dividends on financial assets at FVOCI		-	-	-	-	-
Changes in:						
- Loans to customers	12	-1 640	-508	-3 664	-8 292	-8 324
- Operating lease assets		34	-13	76	-50	-34
- Repossessed assets		1	-19	-17	-20	9
- Other assets		310	-197	729	-1 180	-1 013
- Deposits from customers		-2 558	1 651	-1 473	7 647	12 668
- Other liabilities and provisions		-51	354	-476	683	863
Interests received		1 705	1 885	5 111	5 805	7 664
Dividends received		-1	-	-	-	-17
Interests paid		-199	-284	-638	-1 014	-1 363
Net income taxes paid		-107	-38	-316	-106	-703
Net cash flow from operations		-3 202	1 885	-3 042	809	5 921
Cash flow from investments						
Purchase of bonds		-4 394	-1 451	-6 450	-5 971	-7 852
Proceeds from matured bonds		2 026	1 791	6 047	8 139	11 262
Acquisition of Forso AB		-	-	-	-1 072	-1 020
Merge Forso AB		-	-	-	-	1 043
Purchase of fixed and intangible assets		-47	-84	-134	-170	-281
Proceeds from sale of fixed and intangible assets		4	3	4	3	4
Net cash flow from investments		-2 410	259	-533	930	3 157
Cash flow from financing						
Proceeds from issued securities		52	911	6 513	11 703	6 933
Repayments of issued securities		-1 298	-637	-2 808	-12 130	-8 488
Change in loans and deposits from credit institutions		2 874	-510	-1 852	7 242	-1 730
Proceeds from issue of subordinated loans	15	-	-	-	-	500
Repayment of subordinated loans	15	-	-	-250	-	-250
Dividend payments		-	-	-	-	-
Interest payments on additional Tier 1 capital	16	-29	-38	-88	-106	-136
Net cash flow from financing		1 599	-274	1 514	6 709	-3 171
Exchange gains / (losses) on cash and cash equivalents		-73	70	-306	100	109
Net change in cash and cash equivalents		-4 087	1 939	-2 367	8 547	6 016
Cash and cash equivalents at the beginning of the period in Forso		-	1 043	-	1 043	-
Cash and cash equivalents at the beginning of the period		10 344	9 107	8 624	2 499	2 499
Cash and cash equivalents at the end of the period		6 257	12 089	6 257	12 089	8 624

Statement of changes in equity - Santander Consumer Bank AS

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
Balance at 1 of July 2021	10 618	1 926	2 250	13 258	-11	37	2	23	-64	28 038
Profit for the period	-	-	29	474	-	-	-	-	-	503
Adjustment of equity from merger with Forso	-	-	-	-	-	-	-	-	-	-
OCI movements (net of tax)	-	-	-	-	2	3	-14	-2	-	-11
Interest payments additional Tier 1 capital	-	-	-29	-	-	-	-	-	-	-29
Capital increase	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 30 of September 2021	10 618	1 926	2 250	13 732	-10	40	-12	21	-64	28 501

YTD Q3 2021

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 2021	10 618	1 926	2 250	12 364	62	38	-16	22	-126	27 138
Profit for the period	-	-	88	1 322	-	-	-	-	-	1 410
Adjustment of equity from merger with Forso	-	-	-	46	-	-	-	-	-	46
OCI movements (net of tax)	-	-	-	-	-71	2	4	-1	62	-5
Interest payments additional Tier 1 capital	-	-	-88	-	-	-	-	-	-	-88
Capital increase	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 30 of September 2021	10 618	1 926	2 250	13 732	-10	40	-12	21	-64	28 501

Total shares registered as at September 30, 2021, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at September 30, 2021, 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 2020

<i>All amounts in millions of NOK</i>	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
					from foreign currencies					
Balance at 1 January 2020	9 652	891	2 250	10 774	-13	31	-15	-	-122	23 448
Profit for the period	-	-	136	1 591	-	-	-	-	-	1 726
OCI movements (net of tax)	-	-	-	-	75	7	-1	22	-4	99
Interest payments additional Tier 1 capital	-	-	-136	-	-	-	-	-	-	-136
Capital increase	965	1 035	-	-	-	-	-	-	-	2 000
Dividend	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2020	10 618	1 926	2 250	12 364	62	38	-16	22	-126	27 138

Total shares registered as at December 31, 2020, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at December 31, 2020, 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, 15th November 2021

The Board of Directors of Santander Consumer Bank

Henning Strøm
Chair

Federico Ysart
Deputy Chair

Javier Anton
Board Member

Anne Kvam
Board Member

Ramón Billordo
Board Member

Tina Stiegler
Board Member

Tone Bergsaker Strømsnes
Employee Representative

Sara Norberg
Employee Representative

Michael Hvidsten
Chief Executive Officer

1 | Notes

Santander Consumer Bank Nordic Group



Note 1 - Basis of preparation

The Group accounts include Santander Consumer Bank AS (the Company), the Finnish subsidiary Santander Consumer Finance OY (SCF OY) and the Special Purpose Vehicles ("SPV") as listed in note 33 of the 2020 financial statements for the Company.

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

The Santander Consumer Bank interim accounts for the third quarter of 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last annual report as at and for the year ended December 31, 2020.

The annual report for 2020 may be obtained by contacting Santander Consumer Bank AS, Strandveien 18, Lysaker – or by visiting www.santanderconsumer.no.

These interim financial statements were authorised by the Board of Directors on November 15, 2021.

Note 2 - Accounting principles

The accounting policies of the Group are consistent with those applied in the 2020 annual financial statements.

Note 3 - Credit risk exposure

All amounts in millions of NOK

Maximum exposure to credit risk - Financial instruments subject to impairment

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

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

	Q3 2021				Q3 2020			
	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
Unsecured loans								
Credit grade								
Loans not past due date	26 977	1 289	-	28 266	31 191	1 290	-	32 481
Standard monitoring	724	861	-	1 584	893	975	-	1 868
Special monitoring	-	312	-	312	-	225	-	225
Default	-	-	3 082	3 082	-	-	2 857	2 857
Gross carrying amount	27 701	2 462	3 082	33 244	32 084	2 490	2 857	37 431
Loss allowance	-642	-394	-1 949	-2 984	-577	-348	-1 748	-2 673
Carrying amount	27 059	2 068	1 133	30 259	31 507	2 142	1 109	34 758
Loss allowance (off balance exposures)	-20	-8	-18	-46	-23	-8	-17	-48
Loss allowance (%)				8,98%				7,14%

	Q3 2021				Q3 2020			
	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
Secured loans								
Credit grade								
Loans not past due date	135 941	1 734	-	137 676	138 229	2 273	-	140 502
Standard monitoring	2 885	1 189	-	4 074	3 866	1 382	-	5 248
Special monitoring	-	393	-	393	-	435	-	435
Default	-	-	1 763	1 763	-	-	2 074	2 074
Gross carrying amount	138 826	3 317	1 763	143 907	142 095	4 090	2 074	148 259
Loss allowance	-788	-201	-940	-1 929	-678	-211	-1 039	-1 928
Carrying amount	138 039	3 116	823	141 978	141 416	3 879	1 035	146 330
Loss allowance (%)				1,34%				1,30%

	Q3 2021				Q3 2020				Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	
Commercial papers and bonds									
Credit grade									
Investment grade	6 458	-	-	6 458	7 304	-	-	7 304	
Standard monitoring	-	-	-	-	-	-	-	-	
Special monitoring	-	-	-	-	-	-	-	-	
Default	-	-	-	-	-	-	-	-	
Gross carrying amount	6 458	-	-	6 458	7 304	-	-	7 304	
Loss allowance	-	-	-	-	-	-	-	-	
Carrying amount	6 458	-	-	6 458	7 304	-	-	7 304	
Loss allowance (%)				0,00%				0,00%	

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

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

Maximum exposure to credit risk	Q3 2021	Q3 2020
Financial derivatives Assets	18	-
Financial derivatives Liabilities	10	10

Note 4 - Risk classification

All amounts in millions of NOK

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

	Gross outstanding			Loss reserves		
	Q3 2021	Q3 2020	FY 2020	Q3 2021	Q3 2020	FY 2020
Current - not past due date	166 646	173 656	169 789	-1 667	-1 500	-1 846
Current - past due date	5 659	7 104	6 518	-339	-346	-379
Total impaired loans	4 845	4 930	4 960	-2 907	-2 804	-2 825
Total gross loans to customers	177 150	185 690	181 267	-4 913	-4 649	-5 050

<i>Ageing of past due but not impaired loans</i>	Gross outstanding			Loss reserves		
	Q3 2021	Q3 2020	FY 2020	Q3 2021	Q3 2020	FY 2020
1 - 29 days	4 325	5 545	4 948	-117	-119	-127
30 - 59 days	948	1 119	1 115	-149	-150	-164
60 - 89 days	387	441	455	-73	-76	-87
Total loans due but not impaired	5 659	7 105	6 518	-339	-346	-378

<i>Ageing of impaired loans</i>	Gross outstanding			Loss reserves		
	Q3 2021	Q3 2020	FY 2020	Q3 2021	Q3 2020	FY 2020
90 - 119 days	252	268	302	-124	-130	-140
120 - 149 days	204	217	240	-107	-109	-115
150 - 179 days	169	198	180	-89	-100	-91
180 + days	2 331	2 135	2 213	-1 503	-1 322	-1 379
Economic doubtful*	1 888	2 112	2 025	-1 084	-1 144	-1 100
Total impaired loans	4 845	4 930	4 960	-2 907	-2 804	-2 825

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

Note 5 - Loss allowance

All amounts in millions of NOK

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

	Q3 2021				Q3 2020			
	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
Unsecured loans								
Loss allowance at 1 January	712	452	1 838	3 002	476	355	1 515	2 346
Transfers:								
Transfer from Stage 1 to Stage 2	-111	783	-	673	-142	929	-	787
Transfer from Stage 1 to Stage 3	-8	-	100	93	-6	-	141	135
Transfer from Stage 2 to Stage 3	-	-381	660	279	-	-608	903	295
Transfer from Stage 2 to Stage 1	65	-502	-	-436	64	-596	-	-531
Transfer from Stage 3 to Stage 2	-	68	-177	-109	-	46	-209	-163
Transfer from Stage 3 to Stage 1	-	-	-1	-1	-	-	-2	-2
Assets remaining in same Stage	-77	4	217	143	72	235	191	498
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-79	-29	-91	-199	-46	-14	-657	-717
<i>of which 'accounts that have closed in the period'</i>	-79	-29	-91	-199	-46	-14	-657	-717
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-496	-496	-	-	-246	-246
New financial assets originated or purchased	123	-	-	123	103	-	-	103
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	16	-2	-101	-88	56	-	113	168
Loss allowance at 30 September	642	394	1 949	2 984	577	348	1 748	2 673

	Q3 2021				Q3 2020			
	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
Secured loans								
Loss allowance at 1 January	794	240	968	2 002	538	220	835	1 593
Transfers:								
Transfer from Stage 1 to Stage 2	-66	478	-	412	-78	487	-	409
Transfer from Stage 1 to Stage 3	-16	-	191	175	-15	-	252	237
Transfer from Stage 2 to Stage 3	-	-167	499	332	-	-225	616	391
Transfer from Stage 2 to Stage 1	52	-350	-	-299	71	-393	-	-322
Transfer from Stage 3 to Stage 2	-	73	-345	-272	-	54	-355	-302
Transfer from Stage 3 to Stage 1	-	-	-8	-8	-	-	-43	-43
Assets remaining in same Stage	-132	-17	250	100	-19	101	141	223
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-168	-56	-271	-495	-96	-41	-135	-271
<i>of which 'accounts that have closed in the period'</i>	-168	-56	-271	-495	-96	-41	-135	-271
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-386	-386	-	-	-343	-343
New financial assets originated or purchased	358	-	-	358	264	6	35	304
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-34	-1	42	8	13	3	37	53
Loss allowance at 30 September	788	201	940	1 929	678	211	1 039	1 928

	Q3 2021				Q3 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Commercial papers and bonds	ECL	ECL	ECL		ECL	ECL	ECL	
Loss allowance at 1 January	-	-	-	-	1	-	-	1
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	-	-	-	-	1	-	-	1
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-	-	-	-	-	-	-	-
<i>of which 'accounts that have closed in the period'</i>	-	-	-	-	-	-	-	-
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-
New financial assets originated or purchased	-	-	-	-	-	-	-	-
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
Loss allowance at 30 September	-	-	-	-	1	-	-	1

	Q3 2021				Q3 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Off balance exposure*	ECL	ECL	ECL		ECL	ECL	ECL	
Loss allowance at 1 January	21	7	18	46	46	14	22	82
Transfers:								
Transfer from Stage 1 to Stage 2	-2	17	-	15	-4	32	-	27
Transfer from Stage 1 to Stage 3	-0	-	7	7	-	-	11	10
Transfer from Stage 2 to Stage 3	-	-2	9	8	-	-4	10	6
Transfer from Stage 2 to Stage 1	2	-16	-	-14	5	-39	-	-34
Transfer from Stage 3 to Stage 2	-	4	-13	-9	-	3	-12	-9
Transfer from Stage 3 to Stage 1	-	-	-0	-0	-	-	-	-
Assets remaining in same Stage	1	-0	7	8	-17	4	4	-9
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-4	-2	-9	-15	-11	-1	-17	-30
<i>of which 'accounts that have closed in the period'</i>	-4	-2	-9	-15	-11	-1	-17	-30
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-1	-1	-	-	-	-
New financial assets originated or purchased	1	-	-	1	4	-	-	4
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-0	-	-0	-0	1	-	-	1
Loss allowance at 30 September	20	8	18	45	23	8	17	48

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

Note 6 - Liquidity coverage ratio

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

Liquidity Coverage Ratio (LCR) %	Q3 2021	Q3 2020	Q4 2020
Liquidity Coverage Ratio (LCR) Total	194%	175%	237%
Liquidity Coverage Ratio (LCR) NOK	87%	285%	130%
Liquidity Coverage Ratio (LCR) SEK	170%	122%	175%
Liquidity Coverage Ratio (LCR) DKK	519%	290%	1097%
Liquidity Coverage Ratio (LCR) EUR	165%	154%	283%

Note 7 - Capital adequacy

All amounts in millions of NOK

	Q3 2021	Q3 2020	FY 2020
Balance sheet equity			
Paid in equity	10 618	10 618	10 618
Share premium	1 926	1 926	1 926
Other equity	15 913	13 920	14 253
Tier 1 Capital	2 250	2 250	2 250
Other reserves	105	316	125
Total Equity	30 812	29 030	29 172
Common Equity Tier 1 Capital			
(-) Profit not eligible as capital	-1 765	-1 808	-
Cash-flow hedge adjustment	-	-	-
IRB Expected Loss - Reserves	-459	-426	-410
Goodwill	-805	-874	-834
Other intangible assets	-471	-414	-482
Deferred tax assets	-	-	-
Adjustment Prudent Valuation (AVA)	-5	-6	-6
Tier 1 Capital	-2 250	-2 250	-2 250
Total common Equity Tier 1 Capital (with full IFRS9 impact)	25 057	23 252	25 191
Capital adjustment according to IFRS9 Transitional rules	229	320	320
Total common Equity Tier 1 Capital with IFRS9 transitional rules)	25 285	23 572	25 511
Tier 1 Capital			
Paid in Tier 1 capital instruments	2 250	2 250	2 250
Total Tier 1 Capital (with full IFRS9 impact)	27 307	25 502	27 441
Total Tier 1 Capital (after IFRS9 transitional rules)	27 535	25 822	27 761
Total Capital			
Paid up subordinated loans	2 496	2 567	2 816
Subordinated loans not eligible	-	-36	-23
Total Capital (with full IFRS9 impact)	29 803	28 033	30 234
Total Capital (with IFRS9 transitional rules)	30 032	28 354	30 554
Risk exposure on Standard Approach			
Regional governments or local authorities	60	69	73
Institutions	562	1 009	988
Corporates	7 192	9 785	11 180
Retail Standard Approach	55 406	62 465	59 065
Exposures in default SA	3 315	1 658	1 209
Covered bonds	57	141	100
Other Exposures	4 655	4 162	4 030
Total Risk exposure amount on Standard Approach	71 247	79 288	76 645

	Q3 2021	Q3 2020	FY 2020
Risk exposure on Internal Rating Based Approach			
Retail Other	40 364	39 193	37 864
Total Risk exposure amount on Internal Rating Based Approach	40 364	39 193	37 864
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	111 611	118 481	114 509
Foreign exchange (zero if under threshold)	2 339	2 627	2 472
Risk exposure amount for position, foreign exchange and commodities risks	2 339	2 627	2 472
Basic indicator approach	14 247	13 730	14 247
Risk exposure amount for operational risk	14 247	13 730	14 247
Standardized method	29	54	46
Risk exposure amount for credit valuation adjustment	29	54	46
Total risk exposure amount (with full IFRS9 impact)	128 226	134 893	131 275
Risk Exposure adjustment according to IFRS9 Transitional rules	200	280	280
Total risk exposure amount (with IFRS9 transitional rules)	128 426	135 173	131 555
Total exposure for Leverage Ratio			
Derivatives: Add-on under market-to-market method	391	440	518
Off-balance sheet items with 10% CCF	3 028	3 128	3 012
Off-balance sheet items with 20% CCF	455	-	323
Off-balance sheet items with 50% CCF	38	38	38
Adjusted On balance sheet exposure	190 830	206 159	197 161
Total exposure for Leverage Ratio (with full IFRS9 impact)	194 741	209 766	201 052
Exposure adjustment according to IFRS9 Transitional rules	301	421	421
Total exposure for Leverage Ratio (with IFRS9 transitional rules)	195 042	210 187	201 473
Minimum Regulatory Capital			
Minimum Core Equity	4,50%	4,50%	4,50%
Pillar 2 Requirement	3,30%	3,30%	3,30%
Pillar 2 Guidance	1,00%	1,00%	1,00%
Countercyclical Buffer (combined)	0,29%	0,27%	0,26%
Conservation Buffer	2,50%	2,50%	2,50%
Systemic Risk Buffer	1,29%	3,00%	1,18%
Minimum Regulatory Capital ratio (CET1)	12,88%	14,57%	12,74%
Minimum Regulatory Capital			
Minimum Core Equity	5 770	6 070	5 907
Pillar 2 Requirement	4 231	4 451	4 332
Pillar 2 Guidance	1 282	1 349	1 313
Countercyclical Buffer (combined)	368	364	341
Conservation Buffer	3 206	3 372	3 282
Systemic Risk Buffer (combined)	1 657	4 047	1 549
Minimum Regulatory Capital amount (full IFRS9 impact)	16 515	19 654	16 724
Surplus of Core Equity Tier 1 capital (full IFRS9 impact)	8 542	3 598	8 466

	Q3 2021	Q3 2020	FY 2020
Minimum Regulatory Capital amount (with IFRS9 transitional rules)	16 540	19 695	16 760
Surplus of Core Equity Tier 1 capital (after IFRS9 transitional rules)	8 745	3 877	8 751
Common equity tier 1 capital ratio (full IFRS9 impact)	19,54%	17,24%	19,19%
Common equity tier 1 capital ratio (with IFRS9 transitional rules)	19,69%	17,44%	19,39%
CET1 regulatory requirements	12,88%	14,57%	12,74%
Tier 1 capital ratio (full IFRS9 impact)	21,30%	18,91%	20,90%
Tier 1 capital ratio (with IFRS9 transitional rules)	21,44%	19,10%	21,10%
Tire 1 regulatory requirements	14,38%	16,07%	14,24%
Total capital ratio (full IFRS9 impact)	23,24%	20,78%	23,03%
Total capital ratio (with IFRS9 transitional rules)	23,38%	20,98%	23,23%
Total capital regulatory requirements	16,38%	18,07%	16,24%
Leverage ratio (full IFRS9 impact)	14,02%	12,16%	13,65%
Leverage ratio (with IFRS9 transitional rules)	14,12%	12,29%	13,78%
LR regulatory requirements	5,00%	5,00%	5,00%

Specification of IFRS Transition rules (based on initial impact)

IFRS 9 Increase in Loss Reserves	-601	-601	-601
- whereof Internal Rating Based	-	-	-
Tax impact from increased loss reserves	144	144	144
Deferred tax assets impact on capital	-	-	-
Initial IFRS9 net impact on capital	-457	-457	-457
Base amount for IFRS9 transitional rule on capital	457	457	457
Transition %	50%	70%	70%
Capital adjustment due to Transitional rule	229	320	320

Std Approach value adjustments Spec Reserves	-601	-601	-601
- whereof Retail (75%RW)	-600	-600	-600
- whereof Covered Bonds (10%RW)	-2	-2	-2
Deferred tax assets impact on Risk Exposure Amount (250%RW) *	20	20	20
Initial IFRS9 net impact on Risk Exposure Amount	-400	-400	-400
Base amount for IFRS9 transitional rule on Risk Exposure Amount	400	400	400
Transition %	50%	70%	70%
Risk Exposure adjustment due to Transitional rule	200	280	280

Impact from Transitional rules on capital ratios (same impact for Tier 1 and 2) 0,15% 0,20% 0,20%

* IFRS9 impact on Deferred Tax Assets relates to subsidiary in Finland

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.

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

Note 8 - Segment information

All amounts in millions of NOK

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

Segment information is based on the internal financial reporting as it is reported to the Group management. The Group management uses the segment reporting as an element to assess historical and expected future development and allocation of resources. Reporting from the segments is based on the Group's governance model and the Group's accounting policies. The figures are based on a number of assumptions and estimates.

The Segments are responsible for profits after tax, with the corresponding return on allocated capital according to the Group's governance model. All the Group's trade activities are divided into the reported segments with corresponding balances, income and expenses. Deficit liquidity from the segments are funded by the Group treasury at market conditions. Surplus liquidity is transferred to the Group treasury at market conditions. Internal agreements at market conditions or simulated market conditions are made when segments cooperate on the delivery of financial services to customers. Services provided by the Group's central functions and staff are charged segments based on an allocation agreement.

Product segmentation per country (gross lending before expected losses)

	Q3 2021				
	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	6 560	40 108	12 018	-	58 686
Sweden	15 921	19 846	12 257	-	48 024
Denmark	6 162	25 033	3 005	381	34 580
Finland	4 601	28 781	2 859	461	36 702
Total	33 244	113 768	30 139	842	177 992

	Q3 2020				
	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	8 519	38 193	11 919	-	58 630
Sweden	16 621	20 818	8 517	-	45 956
Denmark	7 546	28 209	3 378	478	39 610
Finland	4 746	34 114	3 112	558	42 529
Total	37 431	121 333	26 925	1 036	186 726

Profit and Loss per Country

	Q3 2021					Total Group
	Norway	Sweden	Denmark	Finland	Eliminations	
Total interest income	702	519	443	445	-156	1 954
Total interest expenses	-120	-75	-17	-153	156	-210
Net interest income	581	444	426	292	-0	1 744
Fee and commission income	62	47	13	29	-15	136
Fee and commission expenses	-29	-18	-8	-19	15	-60
Value change and gain/loss on foreign exchange and securities	-18	4	-0	5	-0	-9
Other operating income	9	4	32	31	-	76
Other operating expenses	-25	-8	-20	-38	-	-90
Gross margin	580	473	444	300	-0	1 798
Salaries and personnel expenses	-130	-80	-76	-39	-	-325
Administrative expenses	-101	-118	-47	-55	0	-320
Depreciation and amortisation	-23	-18	-11	-9	-	-60
Net operating income	327	258	309	198	-0	1 092
Other income and costs	49	-0	1	2	-	52
Impairment losses on loan, guarantees etc.	-92	-110	-71	-36	-	-309
Profit before taxes	285	148	239	164	-0	836
Income tax expense	-85	-32	-53	-33	-	-202
Profit after tax	201	116	186	131	-0	634

Profit and Loss per Country

	YTD Q3 2021					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	2 293	1 543	1 332	1 422	-570	6 020
Total interest expenses	-397	-241	-51	-566	570	-684
Net interest income	1 896	1 302	1 282	856	0	5 336
Fee and commission income	171	136	77	98	-51	432
Fee and commission expenses	-87	-62	-20	-61	51	-179
Value change and gain/loss on foreign exchange and securities	22	-1	-6	25	-0	40
Other operating income	35	14	89	97	-	235
Other operating expenses	-59	-25	-66	-109	-	-259
Gross margin	1 978	1 365	1 356	906	-0	5 605
Salaries and personnel expenses	-389	-291	-230	-140	0	-1 049
Administrative expenses	-318	-273	-181	-158	-1	-930
Depreciation and amortisation	-71	-56	-37	-27	-	-190
Net operating income	1 201	746	909	581	-0	3 437
Other income and costs	4	-2	2	5	-	9
Impairment losses on loan, guarantees etc.	-464	-319	-171	-128	-	-1 083
Profit before taxes	741	424	740	458	-0	2 363
Income tax expense	-242	-90	-163	-103	-	-598
Profit after tax	499	334	577	355	-0	1 765

Balance Sheet per Country

	Q3 2021					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Cash and receivables on central banks	65	2 986	-	-	-	3 051
Deposits with and receivables on financial institutions	452	955	1 903	878	-	4 188
Total gross loans to customers	58 686	48 024	34 199	36 241	-	177 150
Write-downs	-1 685	-1 365	-1 195	-668	-	-4 913
Commercial papers and bonds	2 869	1 196	2 248	629	-485	6 458
Financial derivatives	-	-	-	18	-	18
Investments in subsidiaries	1 663	-	-	-	-1 663	-0
Other assets	26 740	508	1 430	21 823	-46 233	4 269
Total assets	88 791	52 303	38 586	58 920	-48 381	190 220
Debt to credit institutions	2 948	17 759	6 685	24 163	-25 275	26 280
Deposits from customers	24 359	23 215	30 014	-	-	77 588
Debt established by issuing securities	29 969	8 257	1 034	9 703	-485	48 479
Financial derivatives	0	-	-	10	-	10
Other liabilities	3 118	3 035	787	21 510	-21 399	7 052
Equity	28 398	37	66	3 533	-1 222	30 812
Total liabilities and equity	88 791	52 303	38 586	58 920	-48 381	190 220

Profit and Loss per Country

	Q3 2020					Total Group
	Norway	Sweden	Denmark	Finland	Eliminations	
Total interest income	870	541	511	464	-180	2 205
Total interest expenses	-206	-107	-25	-154	176	-316
Net interest income	663	434	486	310	-4	1 889
Fee and commission income	51	48	40	33	-17	155
Fee and commission expenses	-33	-30	-14	-19	17	-79
Value change and gain/loss on foreign exchange and securities	-4	-1	4	-	2	1
Other operating income	9	4	30	34	-	76
Other operating expenses	-16	-11	-24	-33	-	-84
Gross margin	669	444	522	325	-2	1 958
Salaries and personnel expenses	-147	-79	-80	-36	-2	-344
Administration expenses	-119	-123	-70	-95	3	-404
Depreciation and amortisation	-27	-11	-5	-7	-	-50
Net operating income	377	232	367	187	-2	1 160
Other income and costs	8	3	-1	-1	14	22
Impairment losses on other assets	-	-	-	-	-	-
Impairment losses on loan, guarantees etc.	-4	-85	-318	-60	-	-467
Profit before taxes	380	149	48	125	12	714
Income tax expense	-92	-30	-14	-25	-	-161
Profit after tax	288	119	34	101	12	554

Profit and Loss per Country

	YTD Q3 2020					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	2 865	1 569	1 539	1 423	-594	6 801
Total interest expenses	-708	-330	-90	-518	591	-1 055
Net interest income	2 157	1 239	1 449	904	-3	5 746
Fee and commission income	134	149	88	99	-54	417
Fee and commission expenses	-101	-84	-27	-55	54	-214
Value change and gain/loss on foreign exchange and securities	-97	2	1	4	-	-91
Other operating income	23	26	84	100	-17	216
Other operating expenses	-39	-25	-61	-94	-	-219
Gross margin	2 077	1 306	1 535	958	-21	5 855
Salaries and personnel expenses	-469	-235	-238	-121	-1	-1 063
Administration expenses	-310	-373	-273	-289	4	-1 241
Depreciation and amortisation	-80	-34	-15	-18	-	-147
Net operating income	1 219	663	1 009	530	-17	3 403
Other income and costs	11	4	-5	-2	168	175
Impairment losses on other assets	-	-	-	-	-	-
Impairment losses on loan, guarantees etc.	-245	-211	-613	-230	-	-1 299
Profit before taxes	985	456	391	298	151	2 280
Income tax expense	-218	-96	-92	-66	-	-472
Profit after tax	766	361	299	231	151	1 808

Balance Sheet per Country

	Q3 2020					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Cash and receivables on central banks	65	4 153	-	-	-	4 218
Deposits with and receivables on financial institutions	5 090	1 221	1 757	2 475	-	10 544
Total gross loans to customers	58 630	45 956	39 132	41 972	-	185 690
Write-downs	-1 565	-962	-1 405	-669	-	-4 601
Commercial papers and bonds	2 279	1 015	2 293	3 291	-1 575	7 304
Financial derivatives	-	-	-	15	-	15
Investments in subsidiaries	2 510	351	-	-	-2 861	-
Other assets	24 914	792	1 953	18 612	-40 939	5 333
Total assets	91 924	52 527	43 730	65 697	-45 374	208 503
Debt to credit institutions	5 653	14 318	14 307	33 992	-22 893	45 378
Deposits from customers	28 134	23 410	26 108	-	-	77 652
Debt established by issuing securities	28 032	10 511	1 907	9 954	-1 576	48 830
Financial derivatives	-	-	-	10	-	10
Other liabilities	2 994	3 864	963	18 358	-18 576	7 603
Equity	27 110	423	445	3 382	-2 330	29 030
Total liabilities and equity	91 924	52 527	43 730	65 697	-45 374	208 503

Note 9 - Net interest income

All amounts in millions of NOK

	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Interest and similar income on loans to and receivables from credit institutions	1	2	26	11	18
Interest and similar income on loans to and receivables from customers	1 936	2 191	5 944	6 742	8 900
Interest and similar income on comm. paper, bonds and other securities	1	-	4	19	21
Interest and similar income on loans to subsidiaries, branches and SPVs	16	11	47	29	69
Other interest income and similar income	-	-	-	-	-
Total interest income	1 954	2 204	6 020	6 801	9 008
Interest and similar expenses on debt to credit institutions	-10	-32	-51	-100	-153
Interest and similar expenses on deposits from and debt to customers	-103	-188	-338	-598	-759
Interest and similar expenses on issued securities	-78	-78	-236	-297	-376
Interest on subordinated loan capital	-14	-15	-42	-52	-67
Other interest expenses and similar expenses	-5	-3	-17	-9	-14
Total interest expense	-210	-316	-684	-1 055	-1 369
Net interest income	1 744	1 888	5 336	5 746	7 638

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

	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
To credit institutions					
Interest expenses	-10	-32	-51	-100	-153
Average loan over the period	27 821	37 776	27 821	37 776	29 768
Average nominal interest rate	0,14%	0,34%	0,25%	0,35%	0,52%

	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
To customers					
Interest expenses	-103	-188	-338	-598	-759
Average deposit over the period	79 365	71 568	79 365	71 568	73 313
Average nominal interest rate	0,52%	1,05%	0,57%	1,11%	1,04%

	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
To bondholders					
Interest expenses	-78	-78	-236	-297	-376
Average issued notes and bonds	49 847	51 116	49 847	51 116	52 309
Average nominal interest rate	0,62%	0,61%	0,63%	0,77%	0,72%

Subordinated loan capital			YTD	YTD	FY 2020
	Q3 2021	Q3 2020	Q3 2021	Q3 2020	
Interest expenses	-14	-15	-42	-52	-67
Average subordinated loan capital	2 662	2 496	2 662	2 496	2 621
Average nominal interest rate	2,12%	2,47%	2,11%	2,76%	2,56%

Total of tables above			YTD	YTD	FY 2020
	Q3 2021	Q3 2020	Q3 2021	Q3 2020	
Interest expenses	-205	-313	-667	-1 046	-1 356
Loan	159 695	162 957	159 695	162 957	158 012
Average nominal interest rate	0,51%	0,77%	0,56%	0,86%	0,86%

Note 10 - Classification of financial instruments

All amounts in millions of NOK

Classification of financial assets 30 September 2021	Financial assets	Financial assets	Amortized cost	Book value
	at fair value through P&L	at fair value through OCI		
Cash and receivables on central banks	-	-	3 051	3 051
Deposits with and receivables on financial institutions	-	-	4 188	4 188
Loans to customers	-	-	172 237	172 237
Commercial papers and bonds	-	-	6 458	6 458
Financial derivatives	18	-	-	18
Other ownership interests	-	40	-	40
Total financial assets	18	40	185 933	185 991
			Non financial assets	4 229
			Total assets	190 220

Classification of financial liabilities 30 September 2021	Financial liabilities	Financial liabilities	Amortized cost	Book value
	at fair value through P&L	at fair value through OCI		
Debt to credit institutions	-	-	26 280	26 280
Deposits from customers	-	-	77 588	77 588
Debt established by issuing securities	-	-	48 479	48 479
Financial derivatives	10	-	-	10
Other financial liabilities	-	-	374	374
Subordinated loan capital	-	-	2 502	2 502
Total financial liabilities	10	-	155 222	155 233
			Non financial liabilities and equity	34 987
			Total liabilities and equity	190 220

Classification of financial assets 30 September 2020	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	-	-	4 218	4 218
Deposits with and receivables on financial institutions	-	-	10 544	10 544
Loans to customers	-	-	181 089	181 089
Commercial papers and bonds	-	-	7 304	7 304
Financial derivatives	15	-	-	15
Other ownership interests	-	38	-	38
Total financial assets	15	38	203 155	203 208
			Non financial assets	5 295
			Total assets	208 503

Classification of financial liabilities 30 September 2020	Financial liabilities at fair value through P&L	Financial liabilities at fair value through OCI	Amortized cost	Book value
Debt to credit institutions	-	-	45 378	45 378
Deposits from customers	-	-	77 652	77 652
Debt established by issuing securities	-	-	48 830	48 830
Financial derivatives	10	-	-	10
Other financial liabilities	-	-	380	380
Subordinated loan capital	-	-	2 571	2 571
Total financial liabilities	10	-	174 811	174 821
			Non financial liabilities and equity	33 682
			Total liabilities and equity	208 503

Note 11 - Valuation Hierarchy

All amounts in millions of NOK

			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Q3 2021						
Financial instruments measured at fair value						
Financial assets						
Name	Type	Notional				
KIMI7 Pass Through	Interest Rate Swap	MM EUR 116	-	2	-	2
KIMI8A Pass Through	Interest Rate Swap	MM EUR 285	-	1	-	1
KIMI8B Pass Through	Interest Rate Swap	MM EUR 31	-	0	-	0
KIMI9A Pass Through	Interest Rate Swap	MM EUR 566	-	7	-	7
KIMI9A Fixed	Interest Rate Swap	MM EUR 564	-	6	-	6
KIMI9B Fixed	Interest Rate Swap	MM EUR 31	-	1	-	1
KIMI8A Fixed	Interest Rate Swap	MM EUR 279	-	1	-	1
KIMI8B Fixed	Interest Rate Swap	MM EUR 31	-	0	-	0
Total financial trading derivatives			-	18	-	18
Name	Type					
VISA	Equity		-	40	-	40
Total other ownership interests			-	40	-	40
Total Assets			-	58	-	58
Financial liabilities						
Name	Type	Notional				
KIMI7 Fixed	Interest Rate Swap	MM EUR 117	-	2	-	2
KIMI9A Pass Through	Interest Rate Swap	MM EUR 31	-	0	-	0
KIMI9B Pass Through	Interest Rate Swap	MM EUR 566	-	8	-	8
Total financial derivatives			-	10	-	10
Total Liabilities			-	10	-	10

			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Derivatives designated for hedge accounting - assets						
Name	Type	Notional				
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 200	-	24	-	24
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	3	-	3
Kimi9A	Cross Currency Swap	MM EUR 31	-	0	-	0
Kimi9B	Cross Currency Swap	MM EUR 566	-	0	-	0
Total derivatives designated for hedging - assets*			-	27	-	27

Derivatives designated for hedge accounting - liabilities

Name	Type	Notional				
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	8	-	8
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	17	-	17
KIMI7	Interest Rate Swap	MM EUR 203	-	2	-	2
KIMI8A	Interest Rate Swap	MM EUR 446	-	1	-	1
KIMI8B	Interest Rate Swap	MM EUR 42	-	0	-	0
Total derivatives designated for hedging - liabilities*			-	28	-	28

* 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.

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.

Q3 2020

			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Financial instruments measured at fair value						
Financial assets						
Name	Type	Notional				
KIMI6 Pass Through	Interest Rate Swap	MM EUR 44	-	1	-	1
KIMI7 Pass Through	Interest Rate Swap	MM EUR 203	-	12	-	12
KIMI8A Pass Trough	Interest Rate Swap	MM EUR 446	-	2	-	2
KIMI8B Pass Trough	Interest Rate Swap	MM EUR 42	-	-	-	-
Total financial trading derivatives			-	15	-	15
Name	Type					
VISA	Equity		-	38	-	38
Total other ownership interests			-	38	-	38
Total Assets			-	53	-	53
Financial liabilities						
Name	Type	Notional				
KIMI6 Fixed	Interest Rate Swap	MM EUR 53	-	1	-	1
KIMI7 Fixed	Interest Rate Swap	MM EUR 194	-	8	-	8
KIMI8A Fixed	Interest Rate Swap	MM EUR 423	-	1	-	1
KIMI8B Fixed	Interest Rate Swap	MM EUR 42	-	-	-	-
Total financial derivatives			-	10	-	10
Total Liabilities			-	10	-	10

			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Derivatives designated for hedge accounting - assets						
Name	Type	Notional				
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 200	-	52	-	52
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	9	-	9
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	3	-	3
Total derivatives designated for hedging - assets*			-	65	-	65

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	-	15	-	15
KIMI6	Interest Rate Swap	MM EUR 44	-	1	-	1
KIMI7	Interest Rate Swap	MM EUR 203	-	12	-	12
KIMI8A	Interest Rate Swap	MM EUR 446	-	3	-	3
KIMI8B	Interest Rate Swap	MM EUR 42	-	-	-	-
Total derivatives designated for hedging - liabilities*			-	30	-	30

* 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.

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.

Note 12 - Loans to customers

All amounts in millions of NOK

	Q3 2021	Q3 2020	FY 2020
Credit Card	5 467	9 455	6 055
Unsecured loans	27 785	27 977	30 299
Auto loans	143 898	148 259	144 913
- <i>Installment loans</i>	113 758	121 333	117 716
- <i>Finance leases</i>	30 140	26 925	27 197
Total gross loans to customers	177 150	185 690	181 267
- Loan loss allowance - Stage 1	-1 430	-1 255	-1 506
- Loan loss allowance - Stage 2	-594	-559	-692
- Loan loss allowance - Stage 3	-2 889	-2 787	-2 806
Total net loans to customers	172 237	181 089	176 263

Note 13 - Impairment losses on loan, guarantees etc.

All amounts in millions of NOK

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

	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020
Change in loss allowance - Unsecured loans	-5	-216	-72	-127
Change in loss allowance - Secured loans	-4	7	42	-230
Change in loss allowance - Commercial papers and bonds	-	-	-	-1
+ Total realized losses	-381	86	-1 259	-938
- Recoveries on previously realized losses	81	-345	207	-227
- Gain on sold portfolios	-	-	-	224
Impairment losses on loan, guarantees etc.	-309	-468	-1 083	-1 299

Note 14 - Issued securities

All amounts in millions of NOK

	Q3 2021	Q3 2020	FY 2020
Issued certificates	-	418	-
Senior unsecured issued securities	38 096	37 368	35 528
Asset backed issued securities	10 383	11 044	15 688
Total issued securities	48 479	48 830	51 216

Issued securities by currency in NOK	Q3 2021	Q3 2020	FY 2020
DKK	1 020	1 848	1 761
EUR	34 494	31 987	36 703
NOK	4 708	6 058	5 329
SEK	8 257	8 937	7 423
Total issued securities	48 479	48 830	51 216

Note 15 - Receivables and liabilities to related parties

All amounts in millions of NOK

		Accrued Interest		Accrued Interest		Accrued Interest
Debt to related parties:	Q3 2021	Q3 2021	Q3 2020	Q3 2020	FY 2020	FY 2020
Santander Consumer Finance S.A.	26 133	2	44 472	13	29 278	3
Total	26 133	2	44 472	13	29 278	3

		Accrued Interest		Accrued Interest		Accrued Interest
Balance sheet line: "Subordinated loan capital" - Bonds	Q3 2021	Q3 2021	Q3 2020	Q3 2020	FY 2020	FY 2020
MNOK 250, maturity March 2025, 3 months NIBOR + 2.2575%* (Santander Consumer Finance S.A)	-	-	250	-	-	-
MNOK 250, maturity July 2025, 3 months NIBOR + 3.135%* (Santander Consumer Finance S.A)	-	-	250	1	250	1
MNOK 500, maturity September 2027, 3 months NIBOR + 1.66% (Santander Consumer Finance S.A)	500	1	500	2	500	2
MSEK 750, maturity December 2029, 3 months STIBOR + 2.08% (Santander Consumer Finance S.A)	748	1	784	-	783	1
MSEK 750, maturity December 2030, 3 months STIBOR + 2.29% (Santander Consumer Finance S.A)	748	-	784	1	783	-
MNOK 500, maturity June 2031, 3 months NIBOR + 2.62% (Santander Consumer Finance S.A)	500	4	-	-	500	1
Total	2 496	6	2 568	4	2 816	5

* Subordinated loan at MSEK 250 with maturity March 2025 was redeemed by exercising the call option in December 2020.

* Subordinated loan at MNOK 250 with maturity July 2025 was redeemed by exercising the call option in January 2021.

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:

	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Interest income	1	-	4	6	7
Interest expenses	-19	-37	-59	-107	-133
Interest payments additional Tier 1 capital	-29	-31	-88	-106	-136
Fees	-	-	-	-	-
Other	-10	-7	-26	-30	-18
Net transactions	-57	-75	-169	-237	-280

The Group had transactions with the following related parties per 30 September 2021:

Banco Santander S.A.
Santander Consumer Finance S.A.
Santander Global Facilities S.L.
Santander Global Technology and Operations S.L.
Santander Seguros Y Reaseguros S.A.

2 | Notes

Santander Consumer Bank AS



Note 1 - Basis of preparation

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

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

The Santander Consumer Bank interim accounts for the third quarter of 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last annual report as at and for the year ended December 31, 2020.

The annual report for 2020 may be obtained by contacting Santander Consumer Bank AS, Strandveien 18, Lysaker – or by visiting www.santanderconsumer.no.

These interim financial statements were authorised by the Board of Directors on November 15, 2021.

Note 2 - Accounting principles

The accounting policies of the Company are consistent with those applied in the 2020 annual financial statements.

Note 3 - Credit risk exposure

All amounts in millions of NOK

Maximum exposure to credit risk - Financial instruments subject to impairment

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

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

	Q3 2021				Q3 2020			
	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
Unsecured loans								
Credit grade								
Loans not past due date	23 050	1 242	-	24 292	27 126	1 259	-	28 385
Standard monitoring	510	768	-	1 278	650	871	-	1 521
Special monitoring	-	304	-	304	-	207	-	207
Default	-	-	2 769	2 769	-	-	2 572	2 572
Gross carrying amount	23 560	2 314	2 769	28 642	27 776	2 337	2 572	32 685
Loss allowance	-540	-363	-1 785	-2 689	-479	-316	-1 606	-2 401
Carrying amount	23 020	1 951	983	25 953	27 298	2 021	966	30 284
Loss allowance (off balance exposures)	-20	-8	-18	-46	-23	-8	-17	-48
Loss allowance (%)				9,39%				7,35%

	Q3 2021				Q3 2020			
	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
Secured loans								
Credit grade								
Loans not past due date	106 803	1 225	-	108 028	104 306	1 432	-	105 738
Standard monitoring	1 706	769	-	2 475	2 340	854	-	3 194
Special monitoring	-	370	-	370	-	419	-	419
Default	-	-	1 395	1 395	-	-	1 682	1 682
Gross carrying amount	108 509	2 363	1 395	112 267	106 646	2 705	1 682	111 033
Loss allowance	-624	-163	-769	-1 556	-493	-163	-875	-1 531
Carrying amount	107 885	2 200	625	110 711	106 153	2 542	807	109 502
Loss allowance (%)				1,39%				1,38%

* Secured loans include secured auto loans and finance leases where the underlying assets serve as collateral.

	Q3 2021				Q3 2020			
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Commercial papers and bonds								
Credit grade								
Investment grade	6 314	-	-	6 314	5 588	-	-	5 588
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross carrying amount	6 314	-	-	6 314	5 588	-	-	5 588
Loss allowance	-	-	-	-	-	-	-	-
Carrying amount	6 314	-	-	6 314	5 588	-	-	5 588
Loss allowance (%)				0,00%				0,00%

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

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

Maximum exposure to credit risk	Q3 2021	Q3 2020
Financial derivatives Assets	-	-
Financial derivatives Liabilities	0	-

Note 4 - Risk classification

All amounts in millions of NOK

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

	Gross outstanding			Loss reserves		
	Q3 2021	Q3 2020	FY 2020	Q3 2021	Q3 2020	FY 2020
Current - not past due date	132 994	134 755	132 900	-1 396	-1 203	-1 545
Current - past due date	3 753	4 710	4 299	-277	-280	-309
Total impaired loans	4 163	4 253	4 287	-2 573	-2 497	-2 522
Total gross loans to customers	140 909	143 718	141 486	-4 245	-3 980	-4 376

Ageing of past due but not impaired loans	Gross outstanding			Loss reserves		
	Q3 2021	Q3 2020	FY 2020	Q3 2021	Q3 2020	FY 2020
1 - 29 days	2 777	3 562	3 154	-91	-92	-100
30 - 59 days	689	812	802	-123	-123	-134
60 - 89 days	287	335	343	-63	-65	-75
Total loans due but not impaired	3 753	4 710	4 299	-277	-280	-309

Ageing of impaired loans	Gross outstanding			Loss reserves		
	Q3 2021	Q3 2020	FY 2020	Q3 2021	Q3 2020	FY 2020
90 - 119 days	202	224	246	-106	-116	-120
120 - 149 days	175	183	203	-96	-95	-102
150 - 179 days	148	167	156	-81	-88	-82
180 + days	2 098	1 918	2 002	-1 377	-1 213	-1 269
Economic doubtful*	1 541	1 762	1 680	-913	-986	-949
Total impaired loans	4 163	4 253	4 287	-2 573	-2 497	-2 522

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

Note 5 - Loss allowance

All amounts in millions of NOK

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

	Q3 2021				Q3 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		12-month ECL	Lifetime ECL	Lifetime ECL	
Unsecured loans								
Loss allowance at 1 January	608	421	1 687	2 716	431	329	1 449	2 209
Transfers:								
Transfer from Stage 1 to Stage 2	-94	713	-	619	-132	832	-	700
Transfer from Stage 1 to Stage 3	-7	-	84	77	-6	-	137	131
Transfer from Stage 2 to Stage 3	-	-347	603	256	-	-547	848	301
Transfer from Stage 2 to Stage 1	58	-459	-	-401	58	-548	-	-490
Transfer from Stage 3 to Stage 2	-	59	-160	-101	-	41	-198	-157
Transfer from Stage 3 to Stage 1	-	-	-1	-1	-	-	-2	-2
Assets remaining in same Stage	-47	7	167	127	58	225	165	448
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-67	-27	-87	-181	-39	-14	-656	-709
of which 'accounts that have closed in the period'	-67	-27	-87	-181	-39	-14	-656	-709
of which 'foreclosed'	-	-	-	-	-	-	-	-
of which 'sold'	-	-	-	-	-	-	-	-
of which 'change of perimeter'	-	-	-	-	-	-	-	-
Write-offs	-	-	-464	-464	-	-	-240	-240
New financial assets originated or purchased	109	-	-	109	73	-	-	73
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-20	-3	-43	-66	36	-2	103	137
Loss allowance at 30 September	540	363	1 785	2 689	479	316	1 606	2 401

	Q3 2021				Q3 2020			
	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
Secured loans								
Loss allowance at 1 January	599	197	817	1 613	387	161	693	1 241
Transfers:								
Transfer from Stage 1 to Stage 2	-53	377	-	324	-63	401	-	338
Transfer from Stage 1 to Stage 3	-13	-	178	164	-11	-	212	201
Transfer from Stage 2 to Stage 3	-	-140	388	248	-	-186	473	287
Transfer from Stage 2 to Stage 1	38	-279	-	-241	54	-327	-	-273
Transfer from Stage 3 to Stage 2	-	65	-276	-211	-	42	-278	-236
Transfer from Stage 3 to Stage 1	-	-	-8	-8	-	-	-27	-27
Assets remaining in same Stage	-119	-11	226	96	-9	99	86	176
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-106	-46	-234	-386	-65	-29	-95	-189
<i>of which 'accounts that have closed in the period'</i>	-106	-46	-234	-386	-65	-29	-95	-189
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-313	-313	-	-	-241	-241
New financial assets originated or purchased	288	-	-	288	181	5	28	214
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-10	-	-8	-19	19	-3	24	40
Loss allowance at 30 September	624	163	769	1 556	493	163	875	1 531

	Q3 2021				Q3 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Commercial papers and bonds	ECL	ECL	ECL		ECL	ECL	ECL	
Loss allowance at 1 January	-	-	-	-	1	-	-	1
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	-	-	-	-	1	-	-	1
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-	-	-	-	-	-	-	-
<i>of which 'accounts that have closed in the period'</i>	-	-	-	-	-	-	-	-
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-	-	-	-	-	-
New financial assets originated or purchased	-	-	-	-	-	-	-	-
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	-	-	-	-
Loss allowance at 30 September	-	-	-	-	1	-	-	1

	Q3 2021				Q3 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Off balance exposure*	ECL	ECL	ECL		ECL	ECL	ECL	
Loss allowance at 1 January	21	7	18	46	46	14	22	82
Transfers:								
Transfer from Stage 1 to Stage 2	-2	17	-	15	-4	32	-	27
Transfer from Stage 1 to Stage 3	-0	-	7	7	-	-	11	10
Transfer from Stage 2 to Stage 3	-	-2	9	8	-	-4	10	6
Transfer from Stage 2 to Stage 1	2	-16	-	-14	5	-39	-	-34
Transfer from Stage 3 to Stage 2	-	4	-13	-9	-	3	-12	-9
Transfer from Stage 3 to Stage 1	-	-	-0	-0	-	-	-	-
Assets remaining in same Stage	1	-0	7	8	-17	4	4	-9
Methodological changes	-	-	-	-	-	-	-	-
Financial assets derecognised that are not write-offs	-4	-2	-9	-15	-11	-1	-17	-30
<i>of which 'accounts that have closed in the period'</i>	-4	-2	-9	-15	-11	-1	-17	-30
<i>of which 'foreclosed'</i>	-	-	-	-	-	-	-	-
<i>of which 'sold'</i>	-	-	-	-	-	-	-	-
<i>of which 'change of perimeter'</i>	-	-	-	-	-	-	-	-
Write-offs	-	-	-1	-1	-	-	-	-
New financial assets originated or purchased	1	-	-	1	4	-	-	4
Changes in PDs/LGDs/EADs	-	-	-	-	-	-	-	-
Modification of contractual cash flows of financial assets	-	-	-	-	-	-	-	-
FX and other movements	-	-	-	-	1	-	-	1
Loss allowance at 30 September	20	8	18	46	23	8	17	48

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

Note 6 - Liquidity Coverage Ratio

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

Liquidity Coverage Ratio (LCR) %	Q3 2021	Q3 2020	Q4 2020
Liquidity Coverage Ratio (LCR) Total	258%	254%	252%
Liquidity Coverage Ratio (LCR) NOK	87%	285%	130%
Liquidity Coverage Ratio (LCR) SEK	176%	150%	190%
Liquidity Coverage Ratio (LCR) DKK	519%	669%	1097%
Liquidity Coverage Ratio (LCR) EUR	9770%	5856%	2484%

Note 7 - Capital adequacy

All amounts in millions of NOK

	Q3 2021	Q3 2020	FY 2020
Balance sheet equity			
Paid in equity	10 618	10 618	10 618
Share premium	1 926	1 926	1 926
Other equity	13 732	12 214	12 364
Tier 1 Capital	2 250	2 250	2 250
Other reserves	-25	-94	-20
Total Equity	28 501	26 915	27 138
Common Equity Tier 1 Capital			
(-) Profit not eligible as capital	-1 410	-1 446	-
Cash-flow hedge adjustment	-9	-	-6
IRB Expected Loss - Reserves	-182	-192	-159
Goodwill	-387	-420	-401
Other intangible assets	-469	-406	-475
Deferred tax assets	-	-	-
Adjustment Prudent Valuation (AVA)	-4	-4	-5
Tier 1 Capital	-2 250	-2 250	-2 250
Total common Equity Tier 1 Capital (with full IFRS9 impact)	23 789	22 197	23 841
Capital adjustment according to IFRS9 Transitional rules	187	262	262
Total common Equity Tier 1 Capital (with IFRS9 transitional rules)	23 976	22 459	24 103
Tier 1 Capital			
Paid in Tier 1 capital instruments	2 250	2 250	2 250
Total Tier 1 Capital (with full IFRS9 impact)	26 039	24 447	26 091
Total Tier 1 Capital (with IFRS9 transitional rules)	26 226	24 709	26 353
Total Capital			
Paid up subordinated loans	2 496	2 549	2 816
Subordinated loans not eligible	-	-36	-23
Total Capital (with full IFRS9 impact)	28 536	26 960	28 884
Total Capital (with IFRS9 transitional rules)	28 722	27 222	29 146
Risk exposure on Standard Approach			
Regional governments or local authorities	53	63	67
Institutions	366	821	593
Corporates	6 373	10 664	10 969
Retail Standard Approach	47 944	50 132	50 845
Exposures in default SA	2 724	1 425	1 134
Covered bonds	57	141	100
Other Exposures	23 540	21 987	19 635
Total Risk exposure amount on Standard Approach	81 058	85 234	83 343

	Q3 2021	Q3 2020	FY 2020
Risk exposure on Internal Rating Based Approach			
Retail Other	28 185	25 201	24 942
Total Risk exposure amount on Internal Rating Based Approach	28 185	25 201	24 942
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	109 243	110 435	108 285
Foreign exchange (zero if under threshold)	-	-	920
Risk exposure amount for position, foreign exchange and commodities risks	-	-	920
Basic indicator approach	12 354	12 208	12 354
Risk exposure amount for operational risk	12 354	12 208	12 354
Standardized method	30	65	55
Risk exposure amount for credit valuation adjustment	30	65	55
Total risk exposure amount (with full IFRS9 impact)	121 626	122 708	121 614
Risk Exposure adjustment according to IFRS9 Transitional rules	186	261	261
Total risk exposure amount (with IFRS9 transitional rules)	121 812	122 969	121 874
Total exposure for Leverage Ratio			
Derivatives: Add-on under market-to-market method	272	362	366
Off-balance sheet items with 10% CCF	2 826	2 924	2 828
Off-balance sheet items with 20% CCF	445	-	310
Off-balance sheet items with 50% CCF	38	38	38
Adjusted On balance sheet exposure	171 869	180 682	170 994
Total exposure for Leverage Ratio (with full IFRS9 impact)	175 449	184 006	174 535
Exposure adjustment according to IFRS9 Transitional rules	249	348	348
Total exposure for Leverage Ratio (with IFRS9 transitional rules)	175 698	184 354	174 884
Minimum Regulatory Capital			
Minimum Core Equity	4,50%	4,50%	4,50%
Pillar 2 Requirement	3,30%	3,30%	0,00%
Pillar 2 Guidance	1,00%	1,00%	0,00%
Countercyclical Buffer (combined)	0,47%	0,36%	0,45%
Conservation Buffer	2,50%	2,50%	2,50%
Systemic Risk Buffer	2,10%	3,00%	2,04%
Minimum Regulatory Capital ratio (CET1)	13,87%	14,66%	9,49%

	Q3 2021	Q3 2020	FY 2020
Minimum Regulatory Capital			
Minimum Core Equity	5 473	5 522	5 473
Pillar 2 Requirement	4 014	4 049	-
Pillar 2 Guidance	1 216	1 227	-
Countercyclical Buffer (combined)	568	442	547
Conservation Buffer	3 041	3 068	3 040
Systemic Risk Buffer (combined)	2 256	3 681	2 475
Minimum Regulatory Capital amount (full IFRS9 impact)	16 868	17 989	11 535
Surplus of Core Equity Tier 1 capital (full IFRS9 impact)	6 807	4 208	12 306
Minimum Regulatory Capital amount (with IFRS9 transitional rules)	16 893	18 027	11 560
Surplus of Core Equity Tier 1 capital (after IFRS9 transitional rules)	6 968	4 432	12 543
Common equity tier 1 capital ratio (full IFRS9 impact)	19,56%	18,09%	19,60%
Common equity tier 1 capital ratio (with IFRS9 transitional rules)	19,68%	18,26%	19,78%
CET1 regulatory requirements	13,87%	14,66%	9,49%
Tier 1 capital ratio (full IFRS9 impact)	21,41%	19,92%	21,45%
Tier 1 capital ratio (with IFRS9 transitional rules)	21,53%	20,09%	21,62%
Tire 1 regulatory requirements	15,37%	16,20%	15,29%
Total capital ratio (full IFRS9 impact)	23,46%	21,97%	23,75%
Total capital ratio (with IFRS9 transitional rules)	23,58%	22,14%	23,91%
Total capital regulatory requirements	17,37%	18,20%	17,29%
Leverage ratio (full IFRS9 impact)	14,84%	13,29%	14,95%
Leverage ratio (with IFRS9 transitional rules)	14,93%	13,40%	15,07%
LR regulatory requirements	5,00%	5,00%	5,00%
Specification of IFRS Transition rules (based on initial impact)			
IFRS 9 Increase in Loss Reserves	-498	-498	-498
- whereof Internal Rating Based	-	-	-
Tax impact from increased loss reserves	124	124	124
Deferred tax assets impact on capital	-	-	-
Initial IFRS9 net impact on capital	-374	-374	-374
Base amount for IFRS9 transitional rule on capital	374	374	374
Transition %	50%	70%	70%
Capital adjustment due to Transitional rule	187	262	262

	Q3 2021	Q3 2020	FY 2020
Std Approach value adjustments Spec Reserves	-498	-498	-498
- whereof Retail (75%RW)	-496	-496	-496
- whereof Covered Bonds (10%RW)	-2	-2	-2
Deferred tax assets impact on Risk Exposure Amount (250%RW) *)	-	-	-
Initial IFRS9 net impact on Risk Exposure Amount	-372	-372	-372
Base amount for IFRS9 transitional rule on Risk Exposure Amount	372	372	372
Transition %	50%	70%	70%
Risk Exposure adjustment due to Transitional rule	186	261	261

Impact from Transitional rules on capital ratios (same impact for Tier 1 and 2)	0,12%	0,17%	0,17%
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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.

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

Note 8 - Segment information

All amounts in millions of NOK

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

Segment information is based on the internal financial reporting as it is reported to the Bank management. The Bank management uses the segment reporting as an element to assess historical and expected future development and allocation of resources. Reporting from the segments is based on the Bank's governance model and the Bank's accounting policies. The figures are based on a number of assumptions and estimates.

The Segments are responsible for profits after tax, with the corresponding return on allocated capital according to the Bank's governance model. All the Bank's trade activities are divided into the reported segments with corresponding balances, income and expenses. Deficit liquidity from the segments are funded by the Bank treasury at market conditions. Surplus liquidity is transferred to the Bank treasury at market conditions. Internal agreements at market conditions or simulated market conditions are made when segments cooperate on the delivery of financial services to customers. Services provided by the Bank's central functions and staff are charged segments based on an allocation agreement.

Product segmentation per country (gross lending before expected losses)

	Q3 2021				
	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	6 560	40 108	12 018	-	58 686
Sweden	15 921	19 846	12 257	-	48 024
Denmark	6 162	25 033	3 005	381	34 580
Total	28 642	84 987	27 280	381	141 290

	Q3 2020				
	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	8 519	38 192	11 919	-	58 630
Sweden	16 621	20 818	8 517	-	45 956
Denmark	7 545	28 208	3 378	478	39 609
Total	32 685	87 219	23 814	478	144 196

Profit and Loss per Country

	Q3 2021				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	702	504	443	-	1 649
Total interest expenses	-120	-61	-17	-	-199
Net interest income	581	442	426	-	1 450
Fee and commission income	62	46	13	-	122
Fee and commission expenses	-29	-16	-8	-	-53
Value change and gain/loss on foreign exchange and securities	-18	4	-0	-	-14
Other operating income	9	4	32	-	46
Other operating expenses	-25	-8	-20	-	-52
Gross margin	580	473	444	-	1 498
Salaries and personnel expenses	-130	-80	-76	-	-286
Administrative expenses	-101	-118	-47	-	-265
Depreciation and amortisation	-23	-18	-11	-	-52
Net operating income	327	258	309	-	894
Other income and costs	49	-0	1	-	50
Impairment losses on loan, guarantees etc.	-92	-109	-71	-	-272
Profit before taxes	285	148	239	-	672
Income tax expense	-85	-32	-53	-	-169
Profit after tax	201	116	186	-	503

Profit and Loss per Country

	YTD Q3 2021				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	2 293	1 485	1 332	-	5 111
Total interest expenses	-397	-190	-51	-	-638
Net interest income	1 896	1 296	1 282	-	4 473
Fee and commission income	171	135	77	-	384
Fee and commission expenses	-87	-55	-20	-	-162
Value change and gain/loss on foreign exchange and securities	22	-1	-6	-	15
Other operating income	35	14	89	-	138
Other operating expenses	-59	-25	-66	-	-150
Gross margin	1 978	1 364	1 356	-	4 698
Salaries and personnel expenses	-389	-291	-230	-	-909
Administrative expenses	-318	-273	-181	-	-771
Depreciation and amortisation	-71	-56	-37	-	-163
Net operating income	1 201	745	909	-	2 855
Other income and costs	4	-2	2	-	4
Impairment losses on loan, guarantees etc.	-464	-318	-171	-	-954
Profit before taxes	741	424	740	-	1 905
Income tax expense	-242	-90	-163	-	-495
Profit after tax	499	334	577	-	1 410

Balance Sheet per Country

	Q3 2021				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Cash and receivables on central banks	65	2 986	-	-	3 051
Deposits with and receivables on financial institutions	452	851	1 903	-	3 206
Total gross loans to customers	58 686	46 942	34 199	1 082	140 909
Write-downs	-1 685	-1 365	-1 195	-	-4 245
Commercial papers and bonds	2 869	1 196	2 248	-	6 314
Financial derivatives	-	-	-	-	-
Investments in subsidiaries	1 663	-	-	-	1 663
Other assets	26 740	508	1 430	-6 688	21 991
Total assets	88 791	51 117	38 586	-5 605	172 889
Debt to credit institutions	2 948	17 759	6 685	-5 495	21 896
Deposits from customers	24 359	23 215	30 014	-	77 588
Debt established by issuing securities	29 969	7 093	1 034	-	38 096
Financial derivatives	0	-	-	-	0
Other liabilities	3 118	3 014	787	-110	6 809
Equity	28 398	37	66	-	28 501
Total liabilities and equity	88 791	51 118	38 586	-5 605	172 889

Profit and Loss per Country

	Q3 2020				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	870	508	511	-6	1 883
Total interest expenses	-206	-77	-25	6	-303
Net interest income	664	430	486	-	1 580
Fee and commission income	51	47	40	-	138
Fee and commission expenses	-34	-26	-14	-	-73
Value change and gain/loss on foreign exchange and securities	-4	-1	4	-2	-3
Other operating income	9	4	30	-	42
Other operating expenses	-16	-11	-24	-	-51
Gross margin	669	444	522	-2	1 633
Salaries and personnel expenses	-147	-79	-80	-2	-308
Administration expenses	-119	-123	-70	2	-309
Depreciation and amortisation	-27	-11	-5	-	-44
Net operating income	377	231	367	-2	973
Other income and costs	8	3	-1	-	10
Impairment losses on other assets	-	-	-	-	-
Impairment losses on loan, guarantees etc.	-4	-84	-318	-	-407
Profit before taxes	381	149	48	-2	576
Income tax expense	-92	-30	-14	-	-136
Profit after tax	288	119	34	-2	440

Profit and Loss per Country

	YTD Q3 2020				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	2 820	1 436	1 505	-6	5 756
Total interest expenses	-687	-225	-90	6	-996
Net interest income	2 134	1 211	1 415	-	4 760
Fee and commission income	134	147	88	-	369
Fee and commission expenses	-101	-71	-26	-	-198
Value change and gain/loss on foreign exchange and securities	-97	2	1	-2	-96
Other operating income	23	9	84	-	116
Other operating expenses	-39	-25	-61	-	-125
Gross margin	2 054	1 273	1 501	-2	4 826
Salaries and personnel expenses	-466	-230	-232	-	-929
Administration expenses	-291	-354	-253	-	-898
Depreciation and amortisation	-79	-33	-14	-	-127
Net operating income	1 218	655	1 002	-2	2 873
Other income and costs	11	4	-5	-	10
Impairment losses on other assets	-	-	-	-	-
Impairment losses on loan, guarantees etc.	-237	-201	-596	-	-1 034
Profit before taxes	992	458	401	-2	1 849
Income tax expense	-215	-99	-89	-	-403
Profit after tax	777	359	312	-2	1 446

Balance Sheet per Country

	Q3 2020				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Cash and receivables on central banks	65	4 153	-	-	4 218
Deposits with and receivables on financial institutions	5 090	1 024	1 757	-	7 871
Total gross loans to customers	58 630	43 444	39 132	-	141 206
Write-downs	-1 565	-962	-1 405	2 512	-1 420
Commercial papers and bonds	2 279	1 015	2 293	-	5 588
Financial derivatives	-	-	-	-	-
Investments in subsidiaries	2 510	351	-	-1 082	1 778
Other assets	24 914	792	1 953	-8 480	19 180
Total assets	91 923	49 817	43 730	-7 050	178 421
Debt to credit institutions	5 653	14 318	14 307	-5 538	28 740
Deposits from customers	28 134	23 410	26 108	-	77 652
Debt established by issuing securities	28 032	7 847	1 907	-	37 786
Financial derivatives	-	-	-	-	-
Other liabilities	2 994	3 819	963	-447	7 329
Equity	27 110	423	445	-1 064	26 914
Total liabilities and equity	91 923	49 817	43 730	-7 050	178 421

Note 9 - Net interest income

All amounts in millions of NOK

	Q3 2021	Q3 2020	YTD		FY 2020
			Q3 2021	Q3 2020	
Interest and similar income on loans to and receivables from credit institutions	1	2	24	9	114
Interest and similar income on loans to and receivables from customers	1 605	1 813	4 969	5 516	7 289
Interest and similar income on comm. paper, bonds and other securities	2	25	6	100	24
Interest and similar income on loans to subsidiaries, branches and SPVs	40	41	112	131	191
Other interest income and similar income	-	-	-	-	-
Total interest income	1 649	1 881	5 111	5 756	7 618
Interest and similar expenses on debt to credit institutions	-19	-34	-73	-100	-153
Interest and similar expenses on deposits from and debt to customers	-101	-187	-331	-598	-759
Interest and similar expenses on issued securities	-63	-63	-187	-239	-297
Interest on subordinated loan capital	-14	-15	-42	-52	-67
Other interest expenses and similar expenses	-2	-3	-4	-7	-12
Total interest expense	-199	-302	-638	-996	-1 288
Net interest income	1 450	1 579	4 473	4 760	6 330

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	Q3 2021	Q3 2020	YTD		FY 2020
			Q3 2021	Q3 2020	
Interest expenses	-19	-34	-73	-100	-153
Average loan over the period	21 162	25 274	21 162	25 274	21 118
Average nominal interest rate	0,36%	0,54%	0,46%	0,53%	0,72%

To customers	Q3 2021	Q3 2020	YTD		FY 2020
			Q3 2021	Q3 2020	
Interest expenses	-101	-187	-331	-598	-759
Average deposit over the period	79 365	71 568	79 365	71 568	73 313
Average nominal interest rate	0,51%	1,05%	0,56%	1,11%	1,04%

To bondholders	Q3 2021	Q3 2020	YTD		FY 2020
			Q3 2021	Q3 2020	
Interest expenses	-63	-63	-187	-239	-297
Average issued notes and bonds	36 812	37 652	36 812	37 652	36 523
Average nominal interest rate	0,68%	0,66%	0,68%	0,85%	0,81%

Subordinated loan capital	Q3 2021	Q3 2020	YTD	YTD	FY 2020
			Q3 2021	Q3 2020	
Interest expenses	-14	-15	-42	-52	-67
Average subordinated loan capital	2 662	2 496	2 662	2 496	2 621
Average nominal interest rate	2,12%	2,47%	2,11%	2,76%	2,56%

Total of tables above	Q3 2021	Q3 2020	YTD	YTD	FY 2020
			Q3 2021	Q3 2020	
Interest expenses	-197	-300	-633	-989	-1 276
Loan	140 000	136 991	140 000	136 991	133 575
Average nominal interest rate	0,56%	0,88%	0,60%	0,96%	0,96%

Note 10 - Classification of financial instruments

All amounts in millions of NOK

Classification of financial assets 30 September 2021	Financial assets	Financial assets	Amortized cost	Book value
	at fair value through P&L	at fair value through OCI		
Cash and receivables on central banks	-	-	3 051	3 051
Deposits with and receivables on financial institutions	-	-	3 206	3 206
Loans to customers	-	-	136 664	136 664
Commercial papers and bonds	-	-	6 314	6 314
Financial derivatives	-	-	-	-
Loans to subsidiaries and SPV's	-	-	18 697	18 697
Other ownership interests	-	40	-	40
Total financial assets	-	40	167 932	167 972

Non financial assets	4 918
Total assets	172 889

Classification of financial liabilities 30 September 2021	Financial liabilities	Financial liabilities	Amortized cost	Book value
	at fair value through P&L	at fair value through OCI		
Debt to credit institutions	-	-	21 896	21 896
Deposits from customers	-	-	77 588	77 588
Debt established by issuing securities	-	-	38 096	38 096
Financial derivatives	-	-	-	-
Other financial liabilities	-	-	364	364
Subordinated loan capital	-	-	2 502	2 502
Total financial liabilities	-	-	140 446	140 446

Non financial liabilities and equity	32 444
Total liabilities and equity	172 889

Classification of financial assets 30 September 2020	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	-	-	4 218	4 218
Deposits with and receivables on financial institutions	-	-	7 871	7 871
Loans to customers	-	-	139 786	139 786
Commercial papers and bonds	-	-	5 588	5 588
Financial derivatives	-	-	-	-
Loans to subsidiaries and SPV's	-	-	14 842	14 842
Other ownership interests	-	38	-	38
Total financial assets	-	38	172 305	172 343
				Non financial assets
				6 078
				Total assets
				178 421

Classification of financial liabilities 30 September 2020	Financial liabilities at fair value through P&L	Financial liabilities at fair value through OCI	Amortized cost	Book value
Debt to credit institutions	-	-	28 740	28 740
Deposits from customers	-	-	77 652	77 652
Debt established by issuing securities	-	-	37 786	37 786
Financial derivatives	-	-	-	-
Other financial liabilities	-	-	367	367
Subordinated loan capital	-	-	2 571	2 571
Total financial liabilities	-	-	147 116	147 116
				Non financial liabilities and equity
				31 305
				Total liabilities and equity
				178 421

Note 11 - Valuation Hierarchy

All amounts in millions of NOK

Q3 2021

Financial instruments measured at fair value		Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Name	Type				
VISA	Equity	-	40	-	40
Total other ownership interests		-	40	-	40
Total Assets		-	40	-	40

Derivatives designated for hedge accounting - assets

Name	Type	Notional				
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 200	-	24	-	24
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	3	-	3
Total derivatives designated for hedging - assets*			-	27	-	27

Derivatives designated for hedge accounting - liabilities

Name	Type	Notional				
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	8	-	8
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	17	-	17
Total derivatives designated for hedging - liabilities*			-	25	-	25

* 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.

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.

Q3 2020

		Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Financial instruments measured at fair value					
<i>Name</i>	<i>Type</i>				
VISA	Equity	-	38	-	38
Total other ownership interests		-	38	-	38
Total Assets		-	38	-	38

Derivatives designated for hedge accounting - assets

<i>Name</i>	<i>Type</i>	<i>Notional</i>				
DK EMTN MEUR 200	Cross Currency Swap	MM EUR 200	-	52	-	52
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	9	-	9
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	3	-	3
Total dervatives designated for hedging - assets*			-	65	-	65

			Quoted market price Level 1	Using observable inputs Level 2	With significant unobservable inputs Level 3	Total
Derivatives designated for hedge accounting - liabilities						
Name	Type	Notional				
DK EMTN MEUR 150	Cross Currency Swap	MM EUR 150	-	15	-	15
Total derivatives designated for hedging - liabilities*			-	15	-	15

* 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.

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.

Note 12 - Loans to customers

All amounts in millions of NOK

	Q3 2021	Q3 2020	FY 2020
Credit Card	5 467	8 904	6 055
Unsecured loans	23 184	23 782	25 652
Auto loans	112 258	111 033	109 779
- <i>Installment loans</i>	84 978	87 219	85 525
- <i>Finance leases</i>	27 281	23 814	24 254
Total gross loans to customers	140 909	143 718	141 486
- Loan loss allowance - Stage 1	-1 164	-971	-1 207
- Loan loss allowance - Stage 2	-526	-480	-618
- Loan loss allowance - Stage 3	-2 555	-2 481	-2 504
Total net loans to customers	136 664	139 786	137 157

Note 13 - Impairment losses on loan, guarantees etc.

All amounts in millions of NOK

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

	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020
Change in loss allowance - Unsecured loans	-5	-178	-53	-29
Change in loss allowance - Secured loans	-10	-16	35	-190
Change in loss allowance - Commercial papers and bonds	-	-	-	-1
+ Total realized losses	-330	135	-1 122	-801
- Recoveries on previously realized losses	73	-349	186	-239
- Gain on sold portfolios	-	-	-	224
Impairment losses on loan, guarantees etc.	-272	-408	-954	-1 035

Note 14 - Issued securities

All amounts in millions of NOK

	Q3 2021	Q3 2020	FY 2020
Issued certificates	-	418	-
Senior unsecured issued securities	38 096	37 368	35 528
Total issued securities	38 096	37 786	35 528

Issued securities by currency in NOK	Q3 2021	Q3 2020	FY 2020
DKK	1 020	1 848	1 761
EUR	25 275	22 033	21 015
NOK	4 708	6 058	5 329
SEK	7 093	7 847	7 423
Total issued securities	38 096	37 786	35 528

Note 15 - Receivables and liabilities to related parties

All amounts in millions of NOK

		Accrued Interest		Accrued Interest		Accrued Interest
Debt to related parties:	Q3 2021	Q3 2021	Q3 2020	Q3 2020	FY 2020	FY 2020
Santander Consumer Finance S.A.	20 674	2	25 333	11	18 231	1
Debt to SPV on future cash flow of securitized loans	1 082	-	2 512	-	2 127	-
Total	21 756	2	27 845	11	20 358	1

		Accrued Interest		Accrued Interest		Accrued Interest
Balance sheet line: "Subordinated loan capital" - Bonds	Q3 2021	Q3 2021	Q3 2020	Q3 2020	FY 2020	FY 2020
MNOK 250, maturity March 2025, 3 months NIBOR +2.2575%* (Santander Consumer Finance S.A)	-	-	250	-	-	-
MNOK 250, maturity July 2025, 3 months NIBOR +3.135%* (Santander Consumer Finance S.A)	-	-	250	1	250	1
MNOK 500, maturity September 2027, 3 months NIBOR + 1.66% (Santander Consumer Finance S.A)	500	1	500	2	500	2
MSEK 750, maturity December 2029, 3 months STIBOR +2.08% (Santander Consumer Finance S.A)	748	1	784	-	783	1
MSEK 750, maturity December 2030, 3 months STIBOR +2.29% (Santander Consumer Finance S.A)	748	-	784	1	783	-
MNOK 500, maturity June 2031, 3 months NIBOR + 2.62% (Santander Consumer Finance S.A)	500	4	-	-	500	1
Total	2 496	6	2 568	4	2 816	5

* Subordinated loan at MSEK 250 with maturity March 2025 was redeemed by exercising the call option in December 2020.

* Subordinated loan at MNOK 250 with maturity July 2025 was redeemed by exercising the call option in January 2021.

		Accrued Interest		Accrued Interest		Accrued Interest
Receivables on related parties:	Q3 2021	Q3 2021	Q3 2020	Q3 2020	FY 2020	FY 2020
Balance sheet line: "Commercial papers and bonds" <i>B and C notes issued by SPVs</i>	464	-	487	-	486	-
Balance sheet line : "Loans to subsidiaries and SPV's" <i>Loan to subsidiary (Santander Consumer Bank OY)</i>	18 642	55	14 791	51	14 093	70

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

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

Note 16 - Transactions with related parties

All amounts in millions of NOK

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

Transactions with related parties are mostly interest expenses on funding from the parent company and the ultimate parent company. The Bank has transactions with the SPVs through funding and cash flows as agreed in the securitization process.

The following transactions were carried out with related parties:

	Q3 2021	Q3 2020	YTD Q3 2021	YTD Q3 2020	FY 2020
Interest income	43	54	132	170	217
Interest expenses	-19	-44	-57	-98	-122
Interest payments additional Tier 1 capital	-29	-31	-88	-106	-136
Fees	2	4	6	13	16
Other	-9	6	-26	7	6
Net transactions	-13	-11	-33	-14	-19

The Bank had transactions with the following related parties per 30 September 2021:

Santander Consumer Finance S.A.
Santander Seguros Y Reaseguros S.A.
Banco Santander S.A.
Santander Global Facilities S.L.
Santander Global Technology and Operations S.L.
Santander Consumer Finance OY

SPV:
Svensk Autofinans WH 1 Ltd



Strandveien 18, 1325 Lysaker, Norway