Quarterly Report

Q1 2024

Santander

Highlights Q1 2024

As of Q1 2024, the Group's[1] outstanding loans increased with 1 102 MM NOK (+0.5%) compared to year end 2023. Auto shows an increase of 794 MM NOK (+0.5%) driven by FX as all countries have a slight decrease in local currency. Consumer also increases by 308 MM NOK (1.1%) due to increased sales. Deposits with increased inflows in all three markets, especially Denmark, is up 5.8% vs. year end 2023, increasing the Bank's self-funding ratio.

The Group's new business volume has decreased with -2 406 MM NOK (-11%) in Q1 2024 compared to Q1 2023. The development is driven by reduced sales of -2 474 MM NOK (-14%) within our Auto portfolio compared to Q1 2023 which was record high, slightly offset by Consumer products which had an increase of 68.6 MM NOK (+1.6%).

Net interest income increased by 9.3% as of Q1 2024 compared to the same period last year. A significantly weaker NOK and impact from increasing interest rates, mainly from Auto portfolio, had a positive impact on the Group's net interest income.

The Group's profit before tax was 789 MM NOK as of Q1 2024, an increase of 18% compared to the same period last year driven by higher net interest income offset by higher impairment losses.

Profit Before Tax, MM NOK
789
+18%

Gross Outstanding Loans, MM NOK
195 747
0%

Net Interest income, MM NOK
1 941
+9%

Deposits, MM NOK
93 706
+6%

% of Gross Outstanding

Auto
85%

Unsecured
15%

[1] The Group refers to Santander Consumer Bank AS including its subsidiary in Finland, Santander Consumer Finance OY.

Chief Executive Officer's letter

Delivering value for our customers and partners

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

In Q1 2024, Santander in the Nordics have delivered stable results. Our profit before tax increased by 18% compared to the same period last year.

In auto finance, our biggest product, consumer behavior is impacted by the macro-economic situation. New and used car sales are declining moderately compared to last year. There are, however, major variations between the months and countries. The Group has maintained its position as market leader, including the leadership in private lease financing. This is in no small part due to the strong partnerships we have in the Nordic countries.

We are closely following the market development and believe the expectations for a more positive macro-economic outlook will benefit the total auto market sales as we move through 2024.

Consumer loans new business volume had a strong growth in all markets in Q1 2024. This is due to a relevant and stable product offering during a challenging macro-economic situation where other players have left the market.

The Bank continues to increase its self-funding ratio, with outstanding deposit up 6 percent compared to year end 2023, highlighting both our attractive product offering and our customers' ability to save money.

Doing business in a responsible way

Our aim is to do business in a more responsible and sustainable way, and we are working to abide by the ever-changing regulatory landscape and stakeholders' needs.

One example is the essential work of combating money laundering. This is at the very top of our agenda, resulting in a strong AML-program in the Bank that ensures us being in line with the regulatory expectations.

Another example is the continued effort to expose and reduce the risk of fraud. Spoofing, phishing and other fraud attempts has become big business, and we do what we can to protect the Bank and our customers' assets. We put a high emphasis on educating our employees and customers on preventive measures and stand together with the entire industry to spotlight this important topic.

Focus on the green transition within transportation continues to be high on our agenda. While incentives for low emission cars are being rolled back in some of the markets, battery electric vehicles (BEV) sales will continue to grow as supply and consumer demand remain high. During Q1 2024, 41% of all new cars financed by Santander are BEVs, and 23% are hybrids.

"The Group has maintained its position as market leader, including the leadership in private lease financing."

Michael Hvidsten,
CEO Santander Consumer Bank Nordics

Q1 2024 Financial Report of the Board of Directors

Key figures Santander Consumer Bank Group

All amounts in million NOK

	Q1 2024	Q1 2023	2023
Net interest income	**1 941**	**1 778**	**7 685**
*Growth**	9%	3%	14%
Gross margin	**2 071**	**1 887**	**8 189**
*Growth**	10%	6%	16%
Profit before tax	**789**	**671**	**3 706**
*Growth**	18%	22%	3%
Profit after tax	**608**	**561**	**2 821**
*Growth**	8%	22%	4%
Total assets	**214 756**	**215 132**	**212 057**
*Growth**	0%	18%	5%
Net Loans to customers	**190 883**	**192 915**	**190 212**
*Growth**	-1%	15%	4%
Customer deposits	**93 706**	**85 145**	**88 546**
*Growth**	10%	20%	17%

** Year on year*

Financial performance

Financial Performance for Q1 2024

Profit before tax for the Group amounted to 789 MM NOK, up 18% compared to the same period last year. The main driver for the increased result was higher net interest income offset by higher impairment losses.

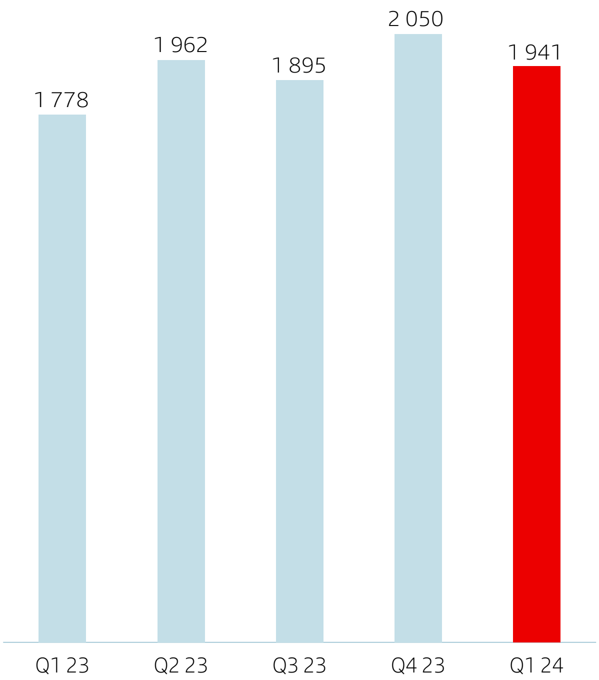
This quarter, the Group's financial results showed a net interest income of 1 941 MM NOK, representing an increase of 163 MM NOK (9%) compared to Q1 2023. The change in net interest income was due to higher interest income of 755 MM NOK (+26%), offset by higher interest expenses of 592 MM NOK (+54%) compared to Q1 2023. Comparing the periods, both interest income and interest expenses have substantially increased following the significant increase in XIBOR rates in all Nordic markets. FX had a positive impact on net interest income of 43 MM NOK compared to Q1 2023.

Of the total increase in interest income (755 MM NOK), 598 MM NOK was due to increased interest income from the Auto business driven mainly by higher yields with 557 MM NOK. The Group's interest income from the Unsecured business increased with 51 MM NOK, driven by higher yields compared to Q1 2023 of 108 MM NOK, but offset by lower volumes with an impact of -57 MM NOK. Higher interest income on liquidity assets and FX makes up the additional increase in interest income with 105 MM NOK compared to Q1 2023.

Operating expenses for the period amounted to a total of 807 MM NOK compared to 782 MM NOK in Q1 2023. The increase in operating expenses is mainly driven by negative FX impact and general inflation.

Net impairment losses experienced a year-on-year increase of 81 MM NOK from Q1 2023 to Q1 2024, following the normalized trend observed at the end of previous year and due to the challenges coming from the macroeconomic side.

Net interest income
MM NOK



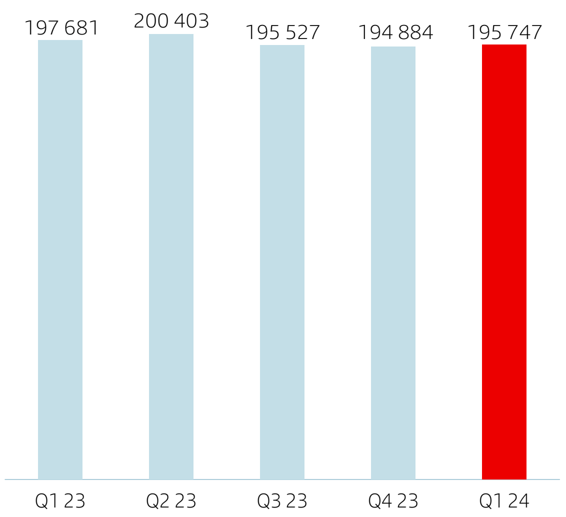
Loans and deposits performance

Loans to Customers

The Group's gross outstanding loans to customers ended at 195 747 MM NOK per March 2024. This is an increase of 0.4% (864 MM NOK) compared to December 2023. Gross outstandings in Auto had a growth of 555 MM NOK driven by FX as all countries have a slight decrease in local currency. Gross outstandings in Unsecured had a growth of 308 MM NOK with positive FX impact of 586 MM NOK.

Gross loans to customers

MM NOK



Auto financing

The Group maintained its position as market leader in the Nordic auto finance market with a strong focus on partnerships with dealers and importers. During 2023, the new car sales have shifted from private towards commercial customers, a trend which continues in 2024. New car sales are under pressure with less new orders coming in. In Q1 2024, 163 471 new units have been registered in the market in total. Personal Cars (PC) and Light Commercial Vehicles (LCV) registrations in the Nordic markets decreased by 6.7% compared to last year. Used car sales decreased by 0.6% to 744 311 units compared to the previous year. In total, car sales have decreased by 1.8%, but with major variations between the months and countries as well as between the new and used car sales market.

The demand for Battery Electric Vehicles (BEV) continues to rise, whereas new Hybrid vehicles sales are in decline. Where interest rates have stabilized, the new car prices have not. Especially in the BEV market price changes have been more frequent, mostly downwards for manufacturers to protect their position, share and meet their Corporate Average Fuel Economy (CAFE) obligations. With consumer confidence being low and less orders coming in from private customers, a shift towards commercial sales and leasing is visible and stocks of dealers and manufacturers are increasing.

Financing the green transition

The CAFE Standards have come into effect, penalizing manufacturers who have a higher average CO2 emission. To meet the requirements, manufacturers increased production and registration of cars with a zero and low CO2 emission, especially in markets with higher demand for BEVs (including Norway and Sweden). Manufacturers can meet the demands, supplies are increasing, and delivery times have been reduced. With new orders declining due to the economic situation, the dealer stocks are high. The BEV and Hybrid car adoption in the Nordic market is among the highest in the world. Norway and Sweden have led the BEV sales, although the first quarter of 2024 marked a change, and the share is not growing as rapidly. Denmark and Finland doubled their new BEV sales despite an overall declining market. During Q1 2024, 41% of all new cars financed by Santander are BEVs, and 23% are hybrids. Finance penetration for BEVs is higher than for non-BEVs, helped by the strong partnerships the Group has across the region.

The Nordic market

The Swedish market, which is the largest in the Nordic, experienced a decreasing share of BEVs with sales decreasing by 10% versus Q1 2023, while total new car sales decreased by 2.2%, while the used car sales market increased by 4.5%. The removal of government subsidies changed the demand for BEVs. In general, the Swedish market has become less attractive due to the SEK exchange rate reducing profit margins for most manufacturers. Consolidation in the dealer network continues and a few major players are continuing to grow their share. The Group has managed to secure agreements with the major players.

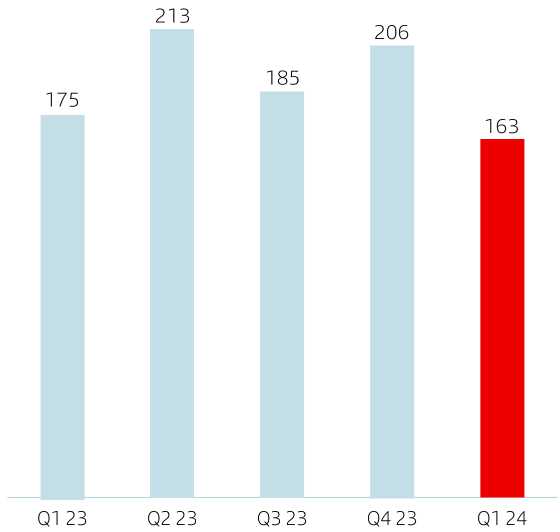
In the Norwegian market, sales have decreased substantially mainly with the deliveries of BEVs are reduced. New car registration decreased by 16% during Q1 2024. The Norwegian currency has weakened versus the Euro and other major currencies, causing profits for manufacturers to dwindle. Despite the challenges, prices for new BEVs continue to decrease in order for manufacturers to maintain market share. Decreasing prices and a higher demand for lower priced vehicles caused the average financed ticket to decrease as well. Used car sales decreased by 7.8% as supply dries up, and used BEVs can be more easily (and profitably) sold in other European markets, reducing the need to export to Norway.

In the Danish market, sales decreased by 4.4% for new vehicles and declined by 7.4% for used vehicles compared to Q1 2023. Denmark is the only Nordic market where petrol and diesel cars reached over 50% of the total market in Q1 2024. With the Danish Krone pegged to the Euro, the profit margins make the market more attractive, and deliveries have picked up. During this period, the new vehicles sales have decreased, however BEV sales have increased by 28%.

The Finnish market experienced a decline in new car sales of 11.3%. The growth of 3.2% in used car registration resulted in the total car registration increasing by 1.3%. Finland is experiencing imports from Sweden and Norway (due to the favorable FX for Finland) and is catching up on deliveries. However, new orders are reported at a record low level. The BEV and (mild)-Hybrid vehicles make up about 73% of car registrations in 2024. Consumer confidence remains extremely low and customer orders have hardly seen any change in 2024.

Sales of new cars (PC and LCV*)

Units in thousands (Market total)



*Personal Cars and Light Commercial Vehical

Innovation changes the market

In all markets, there is an increased trend in dealer consolidation where the distribution of a brand is concentrated on fewer owners, often private importers taking over from manufacturers. The Danish Group Nic Christiansen becoming the importer for Ford in Denmark is one example of the consolidation trend across the Nordics.

Sweden has become the testing ground for the Agent Model, where manufacturers sell directly to consumers and the dealerships solely operate as a delivery point. Where BEV manufacturers already operate directly to consumers (e.g., Tesla, Nio, Lynk&Co), this is a major change for traditional manufacturers. Mercedes was the first manufacturer to change, while the Group is well positioned for the change by implementing the Agent model with Nissan in Q1 2024.

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

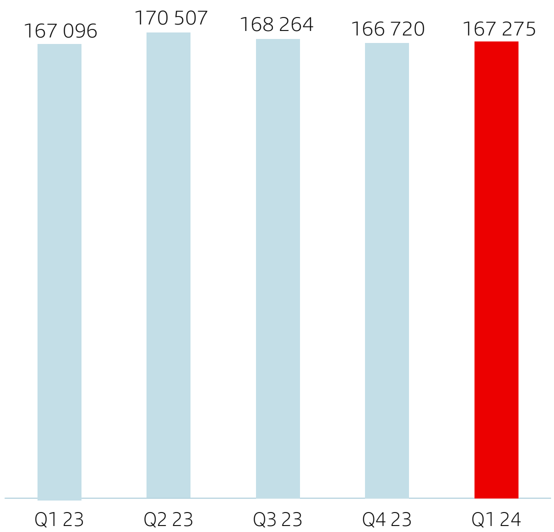
Nordic market leader

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

Overall, in the Nordics, the Group is the market leader, but positions vary by month and by market. In the Swedish car finance market, which is dominated by captive lenders for the two largest brands (Volvo and Volkswagen), the Group has maintained the leadership in Private Lease financing. Total outstanding auto financing is 167 275 MM NOK, an increase of 0.3% compared to the end of 2023.

Gross Auto Financing

MM NOK



Decrease in new car sales, but the Group maintains its strong position.

Future expectations

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

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

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

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

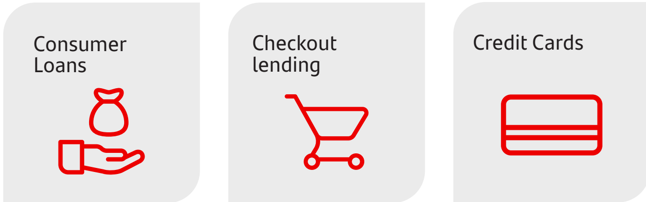
OEMs are expected to change their operating models and grow their online presence, enabling customers to order cars and car related services online. Dealer relationships will change when alternative distribution models are implemented. The Group will support partners during this transformation and integrate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

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

Unsecured lending

Unsecured lending continues to be of strategic importance to the Group, with the focus for 2024 being the Group's Responsible Banking Agenda as well as continuing to improve customer experience with a focus on profitable growth.

During Q1 2024, Consumer Loans financing remained the main unsecured finance product. The Group's Consumer loans new business volume has had a strong growth in all markets in Q1 2024. The Group's Consumer Loan portfolio in Q1 2024 increased by +0.9% in outstanding volumes compared to Q4 2023. The Swedish Market is still the lead shareholder of the total Consumer loan portfolio with 44% of the total Nordic Market and there has been a stable growth within Consumer Loans portfolio in the Nordic countries.

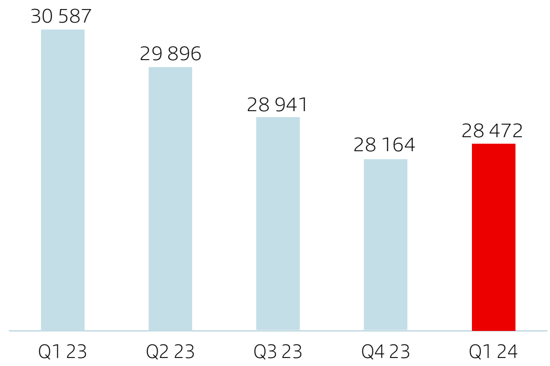


The Group's Credit Card portfolio has been stable compared to last year. Norway stands for the Group's largest portfolio while Denmark stands for the largest increase.

The Nordic Checkout Lending portfolio was up +1.1% in Q1 2024 compared to Q4 2023 following continuous growth in the Swedish market. During the first quarter the Durables portfolio delivered growth of +4.9%, much due to the positive impact from FX.

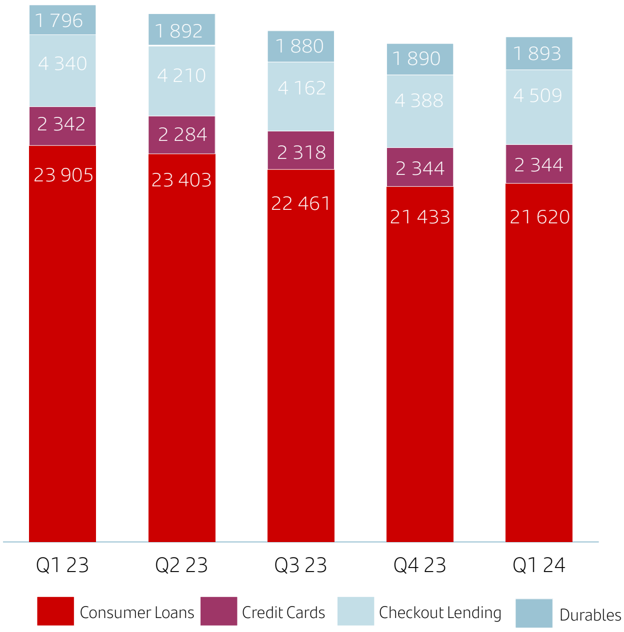
Gross Consumer Financing

MM NOK



Consumer Financing per product

MM NOK



Consumer Loans

The Consumer Loans segment offers unsecured loans. The Group's main priority for 2024 is customer experience and profitable growth.

Adapting to new market conditions

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

The Consumer loans market in the Nordics is primarily driven by legislation aimed at protecting consumers, well in line with the Group's Responsible Banking Agenda. Additional tightening in the regulatory landscape related to credit worthiness and affordability will strengthen the competition in the market even more. The Group continues to focus on optimizing the Nordic capabilities and protecting the portfolio by continuing the work with harmonizing the product offer and optimizing digital processes across the Nordics. The Group is convinced this will secure its attractiveness as a large player in the region.

Future expectations

The Group expects continuous growth in the broker channel, increased consumer protection from the Financial Supervisory Authority's (FSA), increased competition on price and continuous focus on digitalization and optimizing customer journeys.

Checkout lending

Within Checkout Lending, i.e. Retail Finance, the Group has successfully managed to defend and grow its position as a leading player with a positive merchant base growth across the markets, and with Sweden having the largest increase in new business volume in Q1 2024.

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

Future expectations

In 2024, the Group expects a continued increase of e-commerce share of sale volumes across all retail segments. The work continues within the Group to expand and grow green energy products to support the Group's Responsible Banking Agenda.

Credit card

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

Quick and Secure

Santander has customer safety as the highest of priorities. Financial crime and fraud are continuing to increase all over Europe as the Group moves away from cash to digital payments. Most payments today are done digitally, through apps, wallets, and online payment solutions.

While the focus has been to provide seamless and frictionless solutions, the Group now sees a need to add friction and restrictions to secure customers from new emerging threats. These changes in process and procedures are being carried out in this first quarter.

Deposits

In Q1 2024, the Group's strong growth in Deposits continued. Balances grew 6% compared to year end 2023.

Total outstanding volume for the Group is 93 706 MM NOK end of Q1 2024, representing an increase of 5 160 MM NOK (6%) compared to year end 2023. The Group operates deposit platforms in three of its four home markets: Denmark, Norway, and Sweden.

Volumes in the Danish platform have grown to represent the largest share of deposits within the three markets. Outstanding balances end of Q1 2024 were 39 142 MM NOK, closing the quarter 4 017 MM NOK (11%) higher compared to year end 2023.

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

In Norway, the Group had an outstanding balance of 29 006 MM NOK end of Q1 2024, representing a 218 MM NOK (1%) increase compared to year end 2024. Like Denmark, Norway offers a demand product, a notification product and fixed rate deposits. The floating rate products use a tiered pricing model to manage pricing competitively and to reward small savers. The fixed rate products currently include terms of 6 and 12 months.

Similarly, Sweden offers a demand product, a notification product and fixed rate deposits. The fixed rate products currently include terms of 6 and 12 months. In addition, the unit has an ongoing cooperation with a broker. While the Group's strategy is focused on maintaining its in-house products, the cooperation provides additional flexibility for managing the Swedish deposits portfolio. Outstanding volumes in Sweden stood at 25 558 MM NOK end of Q1 2024, which is 924 MM NOK (4%) higher compared to year end 2023.

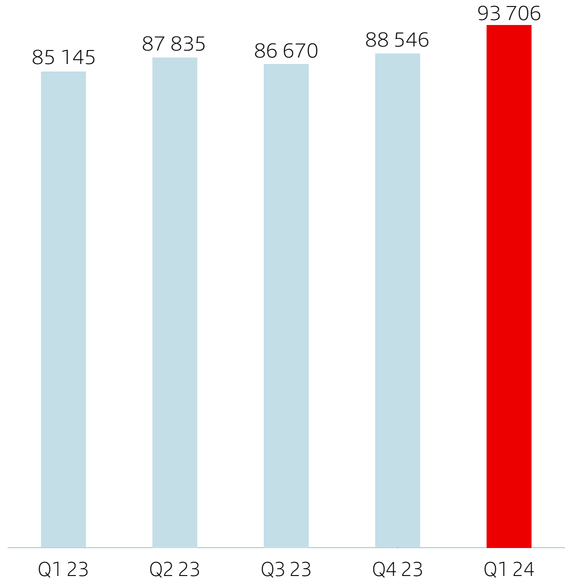
Helping people prosper

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

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

Gross customer deposits

MM NOK



Insurance

The insured customer base has expanded, surpassing 500,000 across the Group. The macroeconomic landscape in Europe heightened awareness among both consumers and partners regarding the significance of insurance coverage. Net insurance income represents 4.7% of the Group's gross margin, consolidating Insurance as a strategic focus for the Group. Its growing contribution to both fiscal performance and strategic objectives underscores its increasing importance for the Group.

Insurance Distribution Directive (IDD)

In line with the Group's commitment to regulatory compliance and industry standards, the Group has diligently achieved full compliance with the Insurance Distribution Directive (IDD). This comprehensive adherence encompasses the certification of all relevant employees, ensuring a thorough understanding and implementation of these critical directives across all operations.

The successful certification underscores the Group's unwavering commitment to regulatory compliance and ethical conduct. It positions the Group strongly in a dynamic regulatory environment and reinforces the Group's dedication to responsible and compliant practices in all facets of our operations.

Introducing Digital Sales for Finland

In the past, the Group's approach to driving insurance sales in Finland centered solely on telemarketing. However, in 2023, the Group initiated a strategic transformation by implementing a digital point-of-sale solution. This forward-thinking approach, effectively launched in June 2023, seeks to reshape the customer experience, and strengthen our long-term customer retention.

During 2024, the Group will continue to optimize the digital touch points in all markets to ensure a best-in-class customer journey and coverage for the Group's customers.

New & Enhanced Product Offerings

In the Danish market, the Group has successfully launched a new Guaranteed Asset Protection (GAP) product. Initially sold through telemarketing channels, this product will be introduced into the auto dealer network. This strategic expansion aims to broaden accessibility, offering customers innovative solutions through multiple touchpoints in line with the Group's commitment to customer-centric financial services.

To strengthen the Group's position in the Norwegian market, the Bank has launched a new ancillary product tailored explicitly for the auto dealer network. This initiative not only ensures comprehensive coverage for customers but also strengthens collaboration with the auto dealer network.

Throughout 2024, the Group will embark on an expansive initiative to enhance all Customer Protection Insurance (CPI) products. These comprehensive improvements are meticulously designed to elevate customer value across the board. The strategic enhancements underscore the Group's dedication to constantly refining and optimizing our product suite to better serve our customers' evolving needs.

Risk Management

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

Credit Risk

Throughout the first quarter of 2024, the credit quality indicators have exhibited a consistently solid performance

Cost of Credit	NPL Ratio	Coverage Ratio
0.52%	3.04%	82.22%
▲ 6 bps vs. Q1.23	▲ 34 bps vs. Q1.23	▼ 8.29 pp vs. Q1.23

Structural and Liquidity risk

The Bank has a robust liquidity buffer with ratios above regulatory and risk appetite limits

LCR	NSFR
261%	110%
▲ 103 pp vs. Q1.23	▲ 1 pp vs. Q1.23

Operational Risk

The Group's operational risk profile remained in line with the previous quarter, with lower losses year-on-year. The Group is continuously enhancing its control environment, especially in critical areas like IT, fraud, and cybersecurity. The completion of the annual Risk Control Self-Assessment reflects the Group's efforts, resulting in improvements from the previous year.

Capital Risk

Capital ratios above regulatory requirements.

CET1 %
18.86%
▲ 98 bps vs. Q1.23

Risk Management Framework

The primary role of the risk management function is to protect our customers, business, colleagues, shareholders, and the communities that we serve, while ensuring that we can support our strategy and provide sustainable growth. The Group uses a comprehensive and forward-looking risk management approach that spans across the organization and encompasses all risk types. This approach is underpinned by our risk culture, "Risk Pro", embedded in our three lines of defense model, and aligned with Santander's core values. The Group's Risk Management Framework fosters continuous monitoring, promotes risk awareness, and advocates for prudent operational and strategic decision-making. Moreover, it ensures a consistent methodology for identifying, assessing, managing, and reporting the risks assumed by the Group, in accordance with its Risk Appetite.

Executive Summary and outlook as of Q1 2024

The outset of 2024 has been marked by challenges, stemming from both the macroeconomic and geopolitical environment.

From a macroeconomic standpoint, the key demands include prolonged high inflation, persistently elevated interest rates, and notable uncertainty prevailing across global markets. Although the outlook is positive, these factors collectively continue to exert considerable influence on the economic dynamics of the four Nordic countries. On the geopolitical front, ongoing disruptions, and instability worldwide, including conflicts in Ukraine and the Middle East, along with the upcoming presidential election in the United States, may further complicate efforts to align inflation with the 2% target, and pose an additional challenge to financial stability.

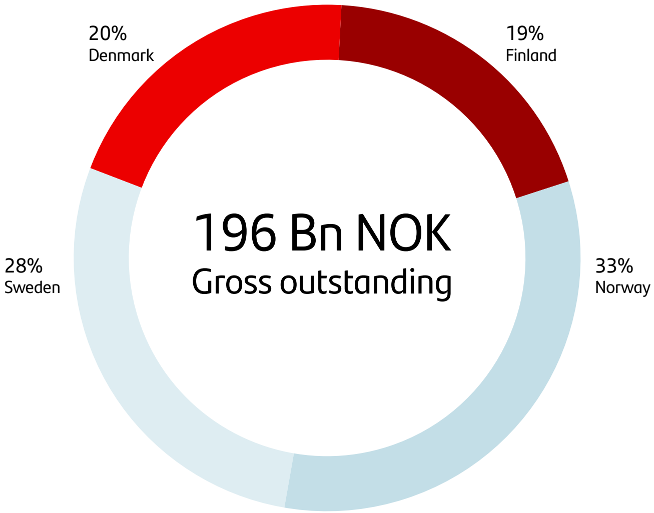
Santander remains vigilant and agile in responding to these challenges as they can have far-reaching implications on economic policies and market dynamics. The Group's diversification across products, and proactive risk management through extensive analytics and model-based decisions - focusing on product suitability and comprehensive portfolio management - are essential for maintaining a medium-low risk profile amidst the current macroeconomic and geopolitical context.

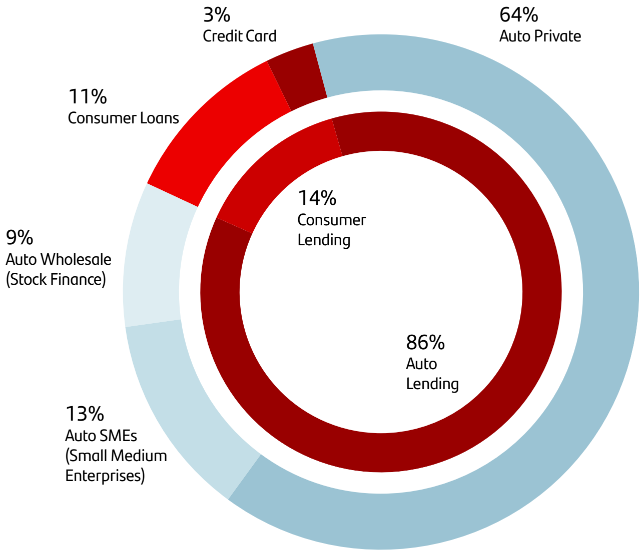
Credit Risk

The credit risk profile of the Group remained strong across the entire portfolio, underscoring the resilience of its customer base and the effectiveness of its robust control environment. This includes continuous monitoring of the credit portfolio to quickly detect any potential decline in credit quality, or changes in customer payment behaviour. This proactive approach enables the Bank to implement necessary measures promptly, effectively mitigating risks.

At the end of the first quarter, total risk reached NOK 196 Bn, showing a slight increase quarter-on-quarter and remaining relatively stable year-on-year, maintaining good diversification across the four Nordic countries:

Total risk by country and product





Non-Performing Loans

The Non-Performing Loans (NPL) Ratio stood at 3.04% in Q1 2024, including 1.72% for the secured portfolio and 10.81% for unsecured, compared to 2.70% in Q1 2023 (1.49% for secured and 9.43% for unsecured).

Non-Performing Loans

Cost of Credit

In the first quarter of 2024, Loan Loss Provisions (LLP) reached NOK 508 million, showing a year-on-year increase, and driving the cost of credit up to 0.52%. This performance aligns with expectations and reflects the evolution of its portfolio mix, which has tilted towards secured lending. Despite ongoing challenges and uncertainty, the Group anticipates its credit portfolio to continue along a similar path as in previous quarters, gradually returning to more normalized levels, supported by a robust reserve base.

The Group continues to maintain robust Loan Loss Reserves (LLR) against potential future loan losses. Total LLR reached NOK 4 899 million, increasing year-on-year from 4 834MM NOK. Within the total reserves, 4 864 MM NOK is allocated to loans to customers, while 35 MM NOK is associated with off balance exposures.

For further information, see Note 1 (Risk Management) and Note 4 (Credit Risk Exposure).

Cost of Credit

Liquidity Risk and interest rate risk

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

As of March 2024, the Group's LCR was 261.41 % and the NSFR was 109.85%. Both metrics are comfortably exceeding the regulatory requirements. The Group has a credit line with the parent company and can utilize this to manage short term liquidity needs, if external funding becomes unavailable or is considered unfavourable.

The Group also measures asset encumbrance. The main source of asset encumbrance in the Group are Auto Asset Backed Securities issued and retained or placed in the market. In addition, the Bank can execute repurchase agreements encumbering assets to obtain liquidity. The Total Encumbered Assets as of March 2024, were 12 081 MM NOK, representing an Asset Encumbrance Ratio of 5.63%.

The Group's balance sheet composition is designed to ensure that interest rate risk is managed at prudent levels, and within established limits. The Group's policy is to not actively take on interest rate risk in its operations, and to continuously monitor the sensitivity of its net interest income (NIM) and equity value (MVE) to changes in interest rates. As of the end of March 2024, the exposure to interest changes on both metrics are within the defined limits.

261%

The Liquidity Coverage Ratio (LCR) remained above regulatory thresholds in Q1 2024

Foreign Currency Risk

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

The total open currency exposure as of March 2024 was the equivalent of 3 698 MM NOK for consolidated SEK, DKK, and EUR exposures. This is comfortably within the defined FX exposure limits for the Group in 2024.

Operational Risk

Operational Risk, as defined by the Group, encompasses the potential losses from deficiencies or failures in internal processes, personnel, systems, or external events. It is inherent to all products, activities, processes, and systems and, is generated in all business and support areas. It covers risk categories such as fraud, technological issues, cyber threats, legal matters, and conduct-related risks.

The Group maintains a continuous focus on these areas. Particular emphasis is placed on the evolving landscape of external fraud, where the Group is continually enhancing its detection systems to identify and prevent fraudulent activities and minimize potential losses; as well as on improving the financial crime prevention program.

Additionally, along with the rest of the banking industry, the Group is actively addressing the challenges posed by the evolving and stringent regulatory landscape, including the implementation of the Norwegian Financial Contracts Act (Lov om finansavtaler, Finansavtaleloven).

The Group's operational risk management and control model is based on a continual process of identifying, evaluating, reporting, and mitigating sources of risk, regardless of whether they have materialized or not, and ensuring that risk management priorities are established appropriately. The Group also strives to continually enhance its control environment. In this regard, the follow-up activities connected to the annual Risk Control Self-Assessment (RCSA) were finalized in the first quarter, resulting in improvements from last year's assessment.

Climate & Environmental Risk

Climate-related and environmental risk management, under both a physical and transitional perspective, is key to fulfilling the Group's objectives. The Group takes aiding customers' and households' transition to a low-carbon economy seriously. In keeping with its sustainability commitments and the objectives of the Paris Agreement, the Group offers financial products and services to environmentally and socially responsible businesses.

Ongoing efforts are focused on further embedding climate-related and environmental risk in the Group's key second line of defence processes - such as the Top Risks identification process, Risk Appetite Statement, Risk Map, and Risk Strategy, key strategic exercises (findings from these exercises fuel the Internal Capital and Liquidity Adequacy Assessment Processes (ICAAP and ILAAP)), and medium-term financial planning. Mobilization for the EU's Corporate Sustainability Reporting Directive (CSRD) effective from 2024 includes the commencement of a Double Materiality Assessment in Q1 2024 to identify impacts on the environment and society, as well as ESG-related risks and opportunities that may influence the Group. The management of this risk is continuously evolving. The Group is taking a comprehensive and holistic approach and aims to fully integrate it within all phases of the risk cycle, and to meet the expectations of its supervisors and stakeholders.

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As an area of growing focus, building internal capabilities through training (ensuring that employees have the necessary knowledge and skills) is an important step in effectively managing climate-related and environmental risk. The Group's Risk Pro culture has proved to be a key tool for raising awareness among employees.

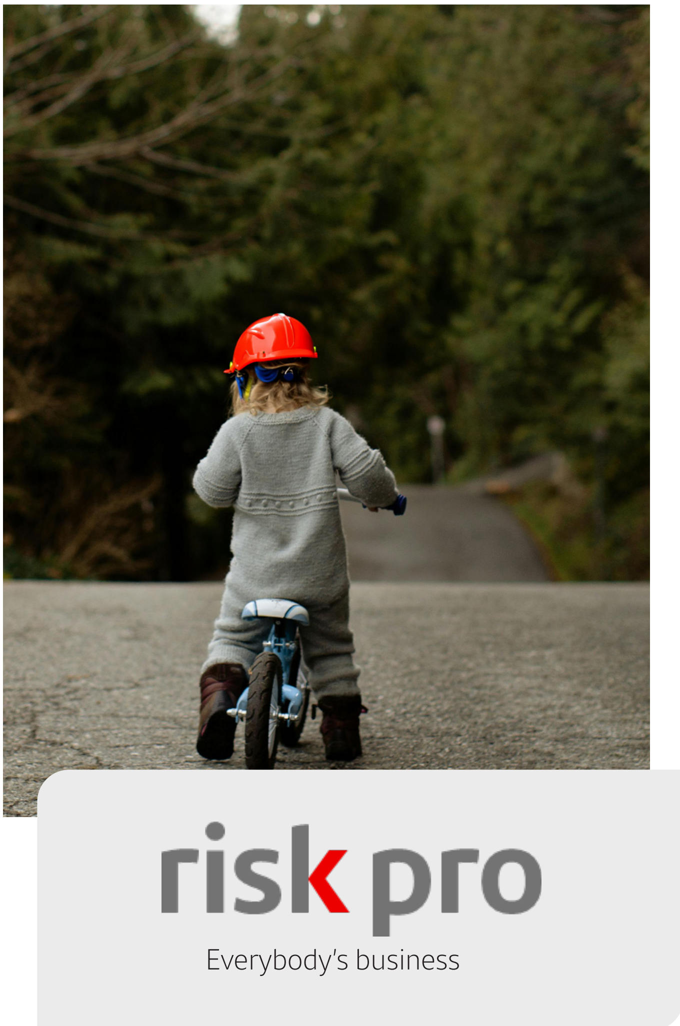
Risk Pro: The Group's risk culture

Santander's strong risk culture is deeply rooted in the principle: Risk is Everyone's Business. All employees are risk managers and are responsible for identifying and addressing the risks they encounter, regardless of their level or role. The Group's Risk Pro culture is embedded in all steps of the employee lifecycle: recruitment, onboarding, growth and development, day-to-day operations, and leadership across all functions. Operational Risk Coordinators across the Bank are continuously being empowered to support employees in managing risks.

The Group maintains focus on deepening employees' understanding of the risks they face in their daily work, and ensuring they are fully equipped to manage them, specially within the first line of defence. The Group has reinforced and widened the scope of mandatory trainings, covering important Risk areas. In 2024, the Risk Pro Academy format was transformed to a more interactive, engaging, and open concept of "Risk Pro Talks", inviting everyone in the Bank to join discussions on relevant Risk topics with subject matter experts. At the same time, all trainings performed as a part of the Risk Pro Academy remain available in recording on the Bank Risk site for review at any point in time.

The Group has also continued pursuing consistent, recurrent and multifaced "Risk Pro Communications" featuring a tone from the top and focusing on increasing outreach to the first line of defence, as well as incorporating relevant messages from all other functions. Another key step in building risk culture has been the integration of the 10% Risk goal in all employees' goals and objectives.

Having a robust risk culture is one of the key success factors that allows the Group to effectively respond to changes in economic cycles, new customer demands, increased competition, and heightened regulatory pressure. It is an integral part of what defines the Group and the way it operates: **Simple, Personal and Fair**.



Funding

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

Self-funding strategy

A solid funding platform

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

Senior unsecured issuances and commercial papers outstandings per Q1 2024 include 2 000 MM EUR in the Euro bond market, 4 500 MM SEK in the Swedish bond market, and 4 500 MM NOK in the Norwegian bond market and 800 MM NOK in the Norwegian commercial paper market. Given strong deposits liquidity, the Group have temporarily scaled back our presence in the commercial paper market in Sweden.

The weighted average remaining term to maturity, excluding commercial papers, is approximately 1.33 years.

The Green Bond program

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

Ratings

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

Asset-Backed Securities (ABS)

The Group has not issued any asset-backed securities in 2024. While the Group's overall funding from securitizations has decreased since 2016 due to the change in securitization law in Norway, which has prevented issuing ABS backed by Scandinavian assets, the Finnish program has provided approximately 10% of the Group's funding since 2016. Total outstanding volumes in securitizations currently equals 11 265 MM NOK.

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

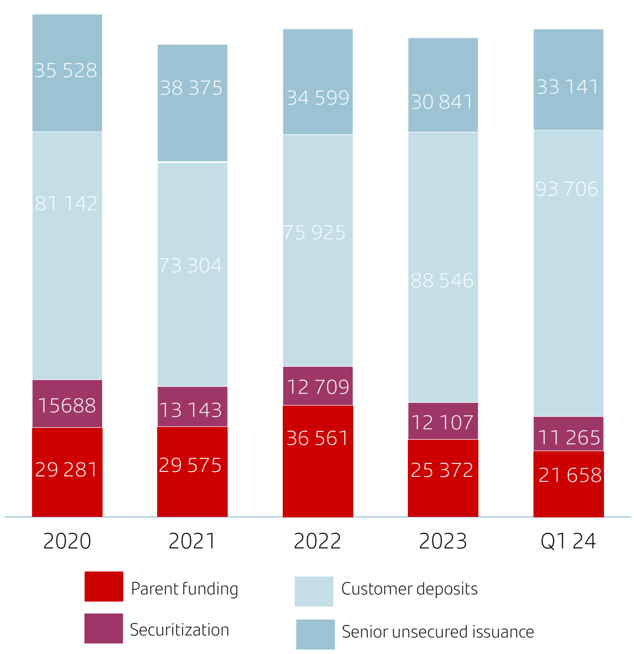
Once adopted, the legislation will align the Norwegian securitization legal framework with that under which European financial institutions currently operate.

Intragroup Funding

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

Funding composition

MM NOK



Solvency and capital adequacy

Capital ratios closed the first quarter of 2024 with a good margin above the minimum capital regulatory requirements. The Group is well positioned to meet present and future changes in capital requirements.

Capital position

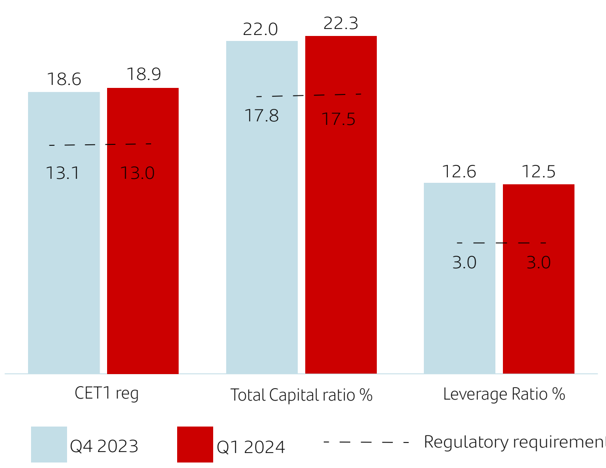
The Group is jointly supervised by the Norwegian FSA and the European Central Bank (together the Supervisory college) and must comply with capital requirements for banks in Norway both at consolidated level (the Group) and at standalone level (SCB AS).

The Group closed Q1 2024 with a common equity Tier 1 (CET1) ratio of 18.86%, slightly up from 18.61% in Q4 2023. The total risk weighted assets have decreased due to the exclusion of the structural FX position on risk weighted assets for market risk as approved by the regulator. On Bank level, the CET1 ratio ended at 16.80%, down from 17.27%. The main driver was the increase in risk weighted assets for credit risk mainly explained by exchange rate effects (NOK weakening versus DKK and EUR). The Group remains in a solid capital position with a good buffer towards the minimum capital requirements (including Pillar 2 Guidance).

The leverage ratios for the Group and Bank closed Q1 2024 at 12.51% and 11.85%, respectively, and are well above the regulatory requirement of 3%.

Capital adequacy

SCB Group



SCB Group

Actuals	Q1 2023	Q1 2024
CET1 capital ratio	**18,61%**	**18,86%**
Tier 1 capital ratio	**20,26%**	**20,53%**
Total capital ratio	**22,02%**	**22,29%**
Leverage ratio	**12,61%**	**12,51%**
Capital requirements	**Q1 2023**	**Q1 2024**
CET1 capital ratio	**13,07%**	**12,95%**
Minimum Core Equity	4,50%	4,50%
Pillar 2 Requirement	1,52%	1,35%
Pillar 2 Guidance	1,50%	1,50%
Countercyclical Buffer (combined)	1,88%	1,89%
Conservation Buffer	2,50%	2,50%
Systemic Risk Buffer (combined)	1,17%	1,21%
Tier 1 capital ratio	**15,08%**	**14,90%**
Total capital ratio	**17,76%**	**17,50%**
Leverage ratio	**3,00%**	**3,00%**

SCB AS

Actuals	Q1 2023	Q1 2024
CET1 capital ratio	**17,27%**	**16,80%**
Tier 1 capital ratio	**19,03%**	**18,52%**
Total capital ratio	**20,90%**	**20,33%**
Leverage ratio	**12,09%**	**11,85%**
Capital requirements	**Q1 2023**	**Q1 2024**
CET1 capital ratio	**13,13%**	**12,90%**
Minimum Core Equity	4,50%	4,50%
Pillar 2 Requirement	1,52%	1,35%
Pillar 2 Guidance	1,50%	1,50%
Countercyclical Buffer (combined)	1,92%	1,89%
Conservation Buffer	2,50%	2,50%
Systemic Risk Buffer (combined)	1,19%	1,17%
Tier 1 capital ratio	**15,14%**	**14,85%**
Total capital ratio	**17,82%**	**17,45%**
Leverage ratio	**3,00%**	**3,00%**

Current and future capital requirements

During 2023, Nordic authorities have concluded the increases in the countercyclical buffer (CCyB) requirements which bring up the levels to 2.5% in Norway and Denmark and to 2% in Sweden. No other changes in CCyB are expected in the short/medium term. Systemic Risk Buffer (SyRB) requirement remains at 4.5% in Norway and 0% in Sweden, Denmark, and Finland. Going forward, the Finnish FSA has announced that SyRB in Finland will increase to 1% as of April 1, 2024.

Since January 1, 2024, the Group is subject to the revised Pillar 2 requirement of 2.4% of RWAs which can be covered by a minimum of 56.25% of CET1 capital and a minimum of 75% of Tier 1 capital. The Pillar 2 Guidance remains unchanged at 1.5% and still needs to be entirely covered by CET1 capital.

Also, since January 1, 2024, the Group is subject to and compliant with the new internal Minimum Requirement for own funds and Eligible Liabilities (MREL) requirements set forth by the Norwegian FSA. Since 2022, the Group has progressively built up its MREL debt with own funds and eligible liabilities issued indirectly to the ultimate Parent Company, Banco Santander, S.A.

Lastly, it is expected that amendments to the Regulation (EU) No 575/2013 (CRR3) will apply in the EU from 1 January 2025, while the amendments to the Directive 2013/36/EU (CRD6) will be implemented nationally in EU states within 18 months after CRR3/CRD6 has been formally adopted and published

in the Official Journal of the EU. The Norwegian Ministry of Finance indicated that it is working with the aim of making arrangements so that corresponding EEA rules can enter into force in Norway at the same time as the rules are put into use in the EU.

The Group continuously updates regulatory capital developments on its capital planning and is well positioned to meet present and future changes in regulatory requirements.

Regulatory

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

For further details regarding Capital Adequacy see Note 7.

Regulatory changes in the financial sector

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

Consumer protection

Consumer protection is a continuous focus area from European and Nordic regulators and supervisors. In Norway, Sweden, Denmark and Finland working groups have been established to prepare for the national implementations of EU's new Consumer Credit Directive.

In Finland, the first stage of the positive credit information register has been implemented, and as of February 1, 2024, lenders in the Finnish market report on consumer credits to the register. Starting April 1, 2024, lenders will also be able to retrieve information from the positive credit register. Additionally, on February 14, 2024, the Finnish Ministry of Justice notified that they had appointed a working group to prepare proposal for changes to the law on the positive credit information register to enable the inclusion of housing companies' debt information in the register as well. With such a change, lenders will be able to retrieve all debt information needed in connection with credit worthiness assessments directly from the register.

AML/CFT and Sanctions

The combat against money laundering and terror financing continues to be of high focus from the EU and Nordic regulators and supervisors. During the first quarter, agreement was made both on EU's sixth AML directive as well as on the EU Single rulebook. Publication of the agreed EU AML Package of legislation is expected summer 2024, with a subsequent 36-month implementation deadline.

The AMLA regulation establishes the new European Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA) which will be located in Frankfurt and begin operations mid-2025. AMLA is to directly supervise obliged institutions, expected from 2026.

The AML Regulation and the EU Single rulebook will be directly applicable across the EU to unify the AML regulatory

framework across countries and ensure more uniform application of AML regulations in the EU. More detailed requirements for customer due diligence procedures are expected. Adaption of internal routines to new rules is needed.

International financial sanctions oblige the Group to screen customers towards sanctions lists and to freeze the assets of listed persons or entities. On February 23, 2024 the EU adopted the 13th package of sanctions against Russia. The 12th sanction package was implemented into Norwegian law on March 19, 2024, and the 13th package is expected to be implemented shortly. From a practical perspective, sufficient customer due diligence in AML KYC is a prerequisite to comply with the sanctions' framework, and the Group expects more detailed requirements on due diligence under the AML Single Rulebook.

In January and March 2024, the European Commission updated the list of high-risk third countries having strategic deficiencies in their regime on anti-money laundering and countering the financing of terrorism. Some countries, e.g. United Arab Emirates, have been delisted while others such as Kenya and Namibia have been listed. The update reflects the changes made by FATF to their list of high-risk jurisdictions in February 2024. Due customer diligence measures must be applied accordingly, cf. the Norwegian money laundering regulation section 4-10 (3).

In Finland, the FIN-FSA has published new regulations and guidelines (4/2023) on Customer Due Diligence related to sanctions and national freezing orders compliance, which entered in force on March 1, 2024. In Sweden, the S-FSA has implemented new routines for AML-reporting that apply from January 1, 2024.

ICT and Data Protection

ICT risk and data protection also continues to be an area of high focus for European and Nordic regulators and supervisors.

The work with delegated acts under EU's new Digital Operational Resilience Act (DORA) continues, and the European Commission have in the first quarter of 2024 adopted several delegated acts, including regulatory technical standards (RTS) specifying the criteria for the classification of ICT-related incidents and cyber threats and an RTS specifying ICT risk management tools, methods, processes, and policies.

On March 13, 2024, the European Parliament formally adopted the EU Artificial Intelligence Act (AI Act). The AI Act is general in nature and will apply to all sectors, including the financial sector. It will enter into force twenty days after the publication of the Act in the official Journal, and most provisions will be fully applicable in 2026.

Sustainable finance

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

ESG risks, in particular environmental risks through transition and physical risk drivers, continue to be high on the agenda for European regulators. In February, the European Banking Authority (EBA) launched a public consultation on draft Guidelines on the management of Environmental, Social and Governance (ESG) risks. The draft Guidelines set out requirements for financial institutions for the identification, measurement, management and monitoring of ESG risks, including plans aimed at addressing the risks arising from the transition towards an EU climate-neutral economy. The consultation runs until April 18, 2024.

In February, the N-FSA adopted amendments to regulations to the Act on Sustainable Finance which implements technical screening criteria for environmental goals 3 to 6 in the EU Taxonomy Regulation. The amendments entered into force immediately.

On March 15, 2024, the Norwegian Ministry of Finance published a proposal of new legal provisions on sustainability reporting, transposing the Corporate Sustainability Reporting Directive (CSRD) into Norwegian law.

Governance

Following the remarks from the EFTA Surveillance Authority (ESA) on Norway's administrative practice concerning ownership in financial undertakings, the Norwegian Ministry of Finance has published a proposal for amendments to the Financial Institutions Act. The amendments aim to accommodate ESA's comments on the wording of section 6-3 of the Financial Institutions Act.

Strategic priorities to stay in the lead

Economic and banking sector landscape

The economy remains weak, driven by lower consumer spending, moderate investment, and reduced exports due to a decline in external demand and competitiveness. However, surveys conducted by the European Central Bank (ECB) suggest a gradual recovery in 2024, driven by rising wages and declining inflation. The unemployment rate is at its lowest since the inception of the Euro, but job vacancies have declined. Economic growth is expected to increase to 0.6% in 2024, 1.5% in 2025, and 1.6% in 2026. Governments are expected to roll back energy-related support measures, make the Euro area economy more competitive, and reduce public debt.

Inflation fell to 2.6% in February and is expected to continue to decline. Domestic price pressures remain high, but there are signs that wage growth is moderating, and profits are absorbing some of the rising labor costs. Annual average headline inflation in the Eurozone is expected to decrease from 5.4% in 2023 to 2.3% in 2024, 2.0% in 2025, and 1.9% in 2026.

In summary, compared to the December 2023 projections:

- The outlook for GDP growth in the Euro area has been revised down for 2024, but it remains broadly unchanged for 2025 and 2026.
- Global growth has been revised up for this year in March 2024.
- Global trade is projected to recover this year and grow further in line with global activity. However, it is expected to remain below its historical trend over the projection horizon.
- Global inflation is projected to decline over the same period.[2]

Corporate strategy

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

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

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

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

- No. 1 customer & partner satisfaction rate in core markets
- Employee satisfaction greater than 8 (on a scale of 1-10)
- Cost-to-income below 35%
- RoRWA (Return on Risk Weighted Assets) greater than 2%.

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

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

[2] OECD Economic Outlook, Volume 2023 Issue 2

Strategic focus areas

During Q1 2024, the Group continued to operationalize and execute on its corporate strategy:

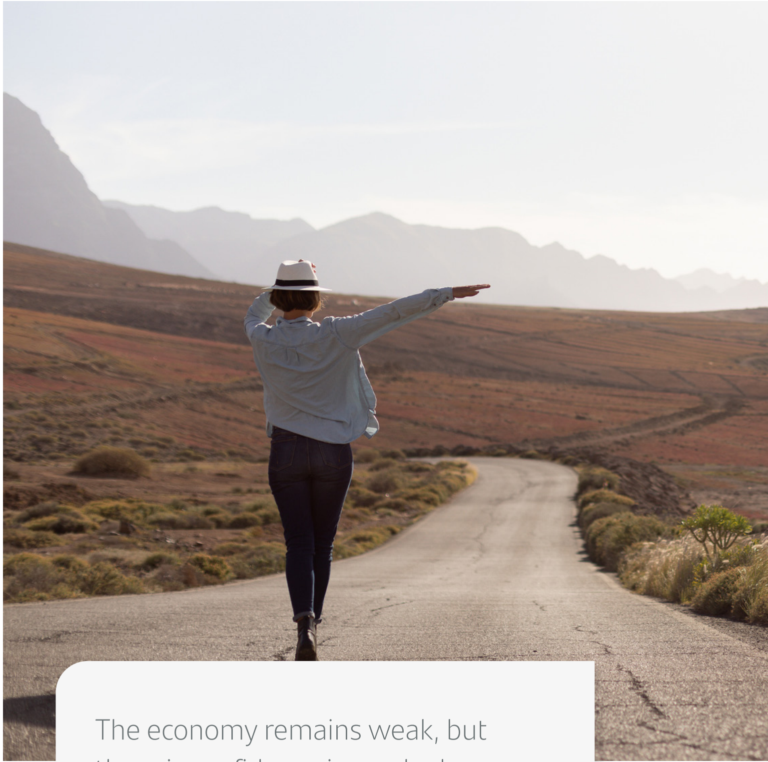
The Group is progressing several cost rationalization initiatives to improve its efficiency as well as progressing its activities to standardize and simplify its operating model and product offerings.

Acting responsibly and sustainably lies at the heart of the Group's corporate strategy. The Group is mobilizing and preparing for Corporate Sustainability Reporting Directive (CSRD) and the FY2024 sustainability statement. It is also advancing its Double Materiality Assessment, discussions with both internal and external stakeholders, as well as its evaluation of the applicable disclosure requirements under the European Sustainability Reporting Standards (ESRS).

Additionally, the Group is currently in the process of finalizing its 2023/2024 Transparency Act statement, to be published prior to June 30, 2024. The statement will be made available on the Group's official webpages.

Sustainable Finance is a key material topic within the Sustainability Report and a key strategic focus area for the Group. In Q1 2024, the Group financed the purchase of 6 155 new battery electric vehicles (BEVs), representing 9.5% of all EVs purchased in the Nordic region during the quarter. Furthermore, the Group is placing focus in increasing its activities within the financing of green home energy solutions.

The Group is proud to announce the successful implementation of Positive Credit Register (PCR) project in Finland. This new register will enable Group's credit risk function to carry out more accurate customer credit scoring process for all private customer credit applications through all channels, by utilizing the customer credit and income data from PCR repository. Implementation of the project was completed within the deadlines and in accordance with the regulatory requirements set by the Finnish Financial Supervisory Authority (FSA).



The economy remains weak, but there is confidence in gradual recovery

Lysaker, 16th May 2024

The Board of Directors of Santander Consumer Bank

Jørn Borchgrevink
Chair

Federico Ysart
Deputy Chair

Pedro de Elejabeitia
Board member

Anne Kvam
Board member

Rámon Billordo
Board member

Tone Bergsaker Strømsnes
Employee Representative

Rolf Larsen
Employee Representative

Michael Hvidsten
Chief Executive Officer

Table of Contents

Profit and Loss - Santander Consumer Bank Nordic Group

All amounts in millions of NOK	Note	Q1 2024	Q1 2023	FY 2023
Total interest income*		3 621	2 866	13 388
Total interest expenses		-1 680	-1 088	-5 704
Net interest income	9	**1 941**	**1 778**	**7 685**
Fee and commission income		169	133	603
Fee and commission expenses		-118	-71	-296
Value change and gain/loss on foreign exchange and securities		39	4	-5
Other operating income		135	124	562
Other operating expenses		-95	-81	-361
Gross margin	9	**2 071**	**1 887**	**8 189**
Salaries and personnel expenses		-405	-347	-1 511
Administrative expenses		-321	-364	-1 544
Depreciation and amortisation		-81	-71	-337
Net operating income before impairment losses on loans		**1 265**	**1 105**	**4 797**
Other income and costs		33	-6	-146
Impairment losses on loan, guarantees etc.	3, 4, 5, 13	-509	-428	-946
Profit before tax		**789**	**671**	**3 706**
Income tax expense		-181	-110	-885
Profit after tax		**608**	**561**	**2 821**
Allocation of profit after tax				
Transferred to other earned equity		553	515	2 626
Transferred to additional Tier 1 capital	16	54	46	194
Total allocations		**608**	**561**	**2 821**
Profit after tax		**608**	**561**	**2 821**
Items not to be recycled to profit and loss				
Actuarial gain/loss on post-employment benefit obligations		-	-	10
Items to be recycled to profit and loss				
Net exchange differences on translating foreign operations		255	395	307
Measured at FVTOCI		2	2	2
Cash flow hedge		-11	-24	-146
Net investment hedge		-49	-84	-68
Other comprehensive income for the period net of tax		**197**	**289**	**106**
Total comprehensive income for the period		**805**	**849**	**2 927**

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

Balance Sheet - Santander Consumer Bank Nordic Group

All amounts in millions of NOK	Note	Q1 2024	Q1 2023	2023
Assets				
Cash on hand	10	0	-	0
Cash and receivables on central banks	10	2 238	1 854	1 127
Deposits with and receivables on financial institutions	10	6 094	7 103	3 366
Loans to customers	3, 4, 5, 10, 12	190 883	192 915	190 212
Commercial papers and bonds	10	6 281	6 812	10 319
Financial derivatives	10, 11	252	520	231
Other ownership interests	10, 11	16	14	14
Other financial assets	10	2 119	802	598
Deferred tax assets		268	-	247
Intangible assets		1 395	1 329	1 388
Fixed assets		2 380	1 178	2 121
Repossessed assets		20	31	27
Other assets		2 809	2 575	2 407
Total assets		**214 756**	**215 132**	**212 057**
Liabilities				
Debt to credit institutions	10, 15	21 658	40 006	25 372
Deposits from customers		93 706	85 145	88 546
Debt established by issuing securities	10, 14	44 406	42 817	42 949
Financial derivatives	10, 11	358	633	336
Tax payable		129	140	168
Other financial liabilities		599	399	662
Deferred tax		2 432	1 646	2 349
Pension liabilities		4	5	4
Other liabilities		2 926	2 462	3 361
Subordinated loan capital	10, 15	2 531	2 525	2 521
Senior non-preferred loans	10, 15	16 304	10 031	16 038
Total liabilities		**185 053**	**185 809**	**182 304**
Equity				
Share capital		10 618	10 618	10 618
Share capital premium		1 926	1 926	1 926
Additional Tier 1 capital		2 250	2 250	2 250
Other equity		14 215	13 850	14 462
OCI items		694	680	497
Total equity		**29 703**	**29 323**	**29 752**
Total liabilities and equity		**214 756**	**215 132**	**212 057**

Cash Flow - Santander Consumer Bank Nordic Group

All amounts in millions of NOK	Note	Q1 2024	Q1 2023	FY 2023
Cash flow from operations				
Profit before tax		789	671	3 706
Adjustments for:				
- Depreciation, amortisation and impairment on fixed and intangible assets		81	71	337
- Net interest income	9	-1 941	-1 778	-7 685
- Value change and gain/loss on foreign exchange and securities		-39	-4	5
Changes in:				
- Loans to customers	12	2 792	-786	837
- Operating lease assets		-178	-207	-1 195
- Repossessed assets		8	-2	2
- Other assets		-1 180	1 802	2 714
- Deposits from customers		3 450	5 345	9 344
- Other liabilities and provisions		-772	-3 184	-2 424
Interests received		3 621	2 820	13 388
Interests paid		-1 680	-1 088	-5 704
Net income taxes paid		-284	-93	-516
Net cash flow from operations		**4 665**	**3 568**	**12 811**
Cash flow from investments				
Purchase of bonds		-47 720	-28 030	-154 999
Proceeds from matured bonds		51 921	26 696	150 074
Purchase of fixed and intangible assets		-30	-30	-295
Proceeds from sale of fixed and intangible assets		3	7	12
Net cash flow from investments		**4 173**	**-1 358**	**-5 209**
Cash flow from financing				
Proceeds from issued securities		2 877	-	7 349
Repayments of issued securities		-2 939	-7 801	-14 977
Payments related to lease liabilities		-29	-24	-48
Change in loans and deposits from credit institutions		-4 070	1 159	-13 265
Proceeds from issue of subordinated loans	15	4	4	1
Proceeds from issue of senior non-preferred loans	15	-	5 579	11 773
Repayment of senior non-preferred loans	15	-125	-	-
Dividend payments		-800	-2 216	-3 716
Interest payments on additional Tier 1 capital	16	-54	-46	-194
Net cash flow from financing		**-5 136**	**-3 345**	**-13 076**
Exchange gains / (losses) on cash and cash equivalents		137	749	624
Net change in cash and cash equivalents		3 839	-387	-4 850
Cash and cash equivalents at the beginning of the period		4 493	9 344	9 344
Cash and cash equivalents at the end of the period		**8 332**	**8 957**	**4 493**

Statement of changes in equity - Santander Consumer Bank Nordic Group

Q1 2024

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
Balance at 1 January 2024	**10 618**	**1 926**	**2 250**	**14 462**	**694**	**22**	**-47**	**-164**	**-9**	**29 752**
Profit for the period	-	-	54	553	-	-	-	-	-	608
OCI movements (net of tax)	-	-	-	-	255	2	-11	-49	-	197
Interest payments additional Tier 1 capital	-	-	-54	-	-	-	-	-	-	-54
Dividend	-	-	-	-800	-	-	-	-	-	-800
Balance at 31 March 2024	**10 618**	**1 926**	**2 250**	**14 215**	**950**	**24**	**-58**	**-213**	**-9**	**29 703**

Total shares registered as at March 31, 2024, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at March 31, 2024, was 10 618 MM NOK. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

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Financial Year 2023

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured at FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
Balance at 1 January 2023	**10 618**	**1 926**	**2 250**	**15 551**	**387**	**20**	**99**	**-96**	**-19**	**30 736**
Profit for the period	-	-	194	2 626	-	-	-	-	-	2 821
OCI movements (net of tax)	-	-	-	-	307	2	-146	-68	10	106
Interest payments additional Tier 1 capital	-	-	-194	-	-	-	-	-	-	-194
Dividend	-	-	-	-3 716	-	-	-	-	-	-3 716
Balance at 31 December 2023	**10 618**	**1 926**	**2 250**	**14 462**	**694**	**22**	**-47**	**-164**	**-9**	**29 752**

Total shares registered as at December 31, 2023, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at December 31, 2023, was 10 618 MM NOK. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

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Profit and Loss - Santander Consumer Bank AS

All amounts in millions of NOK	**Note**	**Q1 2024**	**Q1 2023**	**FY 2023**
Total interest income*		3 401	2 577	11 688
Total interest expenses		-1 738	-1 055	-5 159
Net interest income	9	**1 663**	**1 522**	**6 529**
Fee and commission income		157	108	543
Fee and commission expenses		-110	-66	-276
Value change and gain/loss on foreign exchange and securities		60	26	-14
Other operating income		109	96	447
Other operating expenses		-70	-51	-224
Gross margin		**1 811**	**1 635**	**7 005**
Salaries and personnel expenses		-350	-295	-1 292
Administrative expenses		-272	-320	-1 330
Depreciation and amortisation		-73	-65	-301
Net operating income before impairment losses on loans		**1 116**	**955**	**4 082**
Other income and costs		33	-9	-165
Impairment losses on loan, guarantees etc.	3, 4, 5, 13	-413	-366	-793
Profit before tax		**736**	**580**	**3 125**
Income tax expense		-172	-92	-781
Profit after tax		**564**	**488**	**2 344**
Allocation of profit after tax				
Transferred to other earned equity		510	441	2 150
Transferred to additional Tier 1 capital	16	54	46	194
Total allocations		**564**	**488**	**2 344**
Profit after tax		**564**	**488**	**2 344**
Items not to be recycled to profit and loss				
Actuarial gain/loss on post-employment benefit obligations		-	-	10
Items to be recycled to profit and loss				
Net exchange differences on translating foreign operations		3	2	-1
Measured at FVTOCI		2	2	2
Cash flow hedge		-2	-15	-17
Net investment hedge		-	-	-
Other comprehensive income for the period net of tax		**3**	**-11**	**-5**
Total comprehensive income for the period		**567**	**477**	**2 338**

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

Balance Sheet - Santander Consumer Bank AS

All amounts in millions of NOK	Note	Q1 2024	Q1 2023	2023
Assets				
Cash on hand	10	0	-	0
Cash and receivables on central banks	10	2 238	1 854	1 127
Deposits with and receivables on financial institutions	10	4 689	5 790	2 174
Loans to customers	3, 4, 5, 10, 12	155 827	155 088	155 255
Commercial papers and bonds	10	6 281	6 812	10 319
Financial derivatives	10, 11	18	-	0
Loans to subsidiaries and SPV's	10, 15	19 369	18 779	18 659
Investments in subsidiaries		1 872	1 827	1 806
Other ownership interests	10, 11	16	14	14
Other financial assets	10	1 713	305	190
Deferred tax assets		-	-	-
Intangible assets		911	859	924
Fixed assets		1 965	760	1 700
Repossessed assets		4	5	8
Other assets		2 661	2 055	2 138
Total assets		**197 566**	**194 147**	**194 316**
Liabilities				
Debt to credit institutions	10, 15	20 480	35 483	24 296
Deposits from customers		93 706	85 145	88 546
Debt established by issuing securities	10, 14	33 141	30 891	30 841
Financial derivatives	10, 11	12	102	0
Tax payable		129	140	168
Other financial liabilities		537	235	584
Deferred tax		2 522	1 930	2 419
Pension liabilities		4	5	4
Other liabilities		2 562	1 948	2 973
Subordinated loan capital	10, 15	2 531	2 525	2 521
Senior non-preferred loans	10, 15	16 304	10 031	16 038
Total liabilities		**171 928**	**168 436**	**168 392**
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		10 831	10 913	11 121
OCI items		13	4	10
Total equity		**25 637**	**25 711**	**25 924**
Total liabilities and equity		**197 566**	**194 147**	**194 316**

Cash Flow - Santander Consumer Bank AS

All amounts in millions of NOK	Note	Q1 2024	Q1 2023	FY 2023
Cash flow from operations				
Profit before tax		736	580	3 125
Adjustments for:				
- Depreciation, amortisation and impairment on fixed and intangible assets		73	65	301
- Net interest income	9	-1 663	-1 522	-6 529
- Value change and gain/loss on foreign exchange and securities		-60	-26	14
- Dividends on financial assets at FVOCI		-	-	-
Changes in:				
- Loans to customers	12	1 351	-1 467	-2 250
- Operating lease assets		-200	-220	-1 217
- Repossessed assets		4	0	-3
- Other assets		-1 897	-494	-268
- Deposits from customers		3 450	5 345	9 344
- Other liabilities and provisions		-120	-808	596
Interests received		3 401	2 535	11 688
Dividends received		-	-	-
Interests paid		-1 738	-1 055	-5 159
Net income taxes paid		-259	-93	-441
Net cash flow from operations		**3 076**	**2 840**	**9 200**
Cash flow from investments				
Purchase of bonds		-47 720	-28 030	-154 999
Proceeds from matured bonds		51 921	26 199	149 560
Purchase of fixed and intangible assets		-28	-30	-288
Proceeds from sale of fixed and intangible assets		1	2	4
Net cash flow from investments		**4 174**	**-1 859**	**-5 723**
Cash flow from financing				
Proceeds from issued securities		2 874	-	2 199
Repayments of issued securities		-1 576	-6 038	-8 360
Payments related to lease liabilities		-25	-24	-48
Change in loans and deposits from credit institutions		-4 000	797	-10 335
Proceeds from issue of subordinated loans	15	4	4	1
Repayment of subordinated loans	15	-	-	-
Proceeds from issue of senior non-preferred loans	15	-	5 579	11 773
Repayment of senior non-preferred loans	15	-125	-	-
Dividend payments		-800	-2 216	-3 716
Interest payments on additional Tier 1 capital	16	-54	-46	-194
Net cash flow from financing		**-3 703**	**-1 945**	**-8 681**
Exchange gains / (losses) on cash and cash equivalents		80	651	550
Net change in cash and cash equivalents		3 626	-313	-4 655
Cash and cash equivalents at the beginning of the period		3 302	7 957	7 957
Cash and cash equivalents at the end of the period		**6 928**	**7 644**	**3 302**

Statement of changes in equity - Santander Consumer Bank AS

Q1 2024

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 2024	**10 618**	**1 926**	**2 250**	**11 121**	**-4**	**22**	**-20**	**21**	**-9**	**25 924**
Profit for the period	-	-	54	510	-	-	-	-	-	564
OCI movements (net of tax)	-	-	-	-	3	2	-2	-	-	3
Interest payments additional Tier 1 capital	-	-	-54	-	-	-	-	-	-	-54
Dividend	-	-	-	-800	-	-	-	-	-	-800
Balance at 31 March 2024	**10 618**	**1 926**	**2 250**	**10 831**	**-1**	**24**	**-22**	**21**	**-9**	**25 637**

Total shares registered as at March 31, 2024, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at March 31, 2024, was 10 618 MM NOK. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

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Financial Year 2023

All amounts in millions of NOK	Share Capital	Share Capital Premium	Additional Tier 1 Capital	Other Equity	Translation differences from foreign currencies	Measured FVTOCI	Cash flow hedge	Net investment hedge	Actuarial gain/loss	Total
Balance at 1 January 2023	**10 618**	**1 926**	**2 250**	**12 687**	**-3**	**20**	**-3**	**21**	**-19**	**27 496**
Profit for the period	-	-	194	2 150	-	-	-	-	-	2 344
OCI movements (net of tax)	-	-	-	-	-1	2	-17	-	10	-5
Interest payments additional Tier 1 capital	-	-	-194	-	-	-	-	-	-	-194
Dividend	-	-	-	-3 716	-	-	-	-	-	-3 716
Balance at 31 December 2023	**10 618**	**1 926**	**2 250**	**11 121**	**-4**	**22**	**-20**	**21**	**-9**	**25 924**

Total shares registered as at December 31, 2023, was 965 241 842, each with a par value of 11 NOK.

Restricted capital as at December 31, 2023, was 10 618 MM NOK. The split between restricted and unrestricted capital is in accordance with the Norwegian limited companies act.

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

Lysaker, 16th May 2024

The Board of Directors of Santander Consumer Bank

Jørn Borchgrevink
Chair

Federico Ysart
Deputy Chair

Pedro de Elejabeitia
Board member

Anne Kvam
Board member

Rámon Billordo
Board member

Tone Bergsaker Strømsnes
Employee Representative

Rolf Larsen
Employee Representative

Michael Hvidsten
Chief Executive Officer

Notes and financial statements

Santander Consumer Bank Nordic Group

Santander

Note 1 - Basis of preparation

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

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

The Groups interim accounts for the first quarter of 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Groups last annual report as at and for the year ended December 31, 2023.

The annual report for 2023 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 May 16, 2024.

Note 2 - Accounting principles

The accounting policies of the Group are consistent with those applied in the 2023 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.

	Q1 2024				Q1 2023			
Unsecured loans	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**
Credit grade								
Loans not past due date	23 189	683	-	**23 872**	25 193	1 218	-	**26 411**
Standard monitoring	724	714	-	**1 439**	419	735	-	**1 154**
Special monitoring	-	84	-	**84**	-	164	-	**164**
Default	-	-	3 077	**3 077**	-	-	2 856	**2 856**
Gross carrying amount	**23 913**	**1 481**	**3 077**	**28 472**	**25 613**	**2 117**	**2 856**	**30 586**
Loss allowance	-422	-254	-1 979	**-2 655**	-488	-421	-1 811	**-2 720**
Carrying amount	**23 491**	**1 227**	**1 099**	**25 817**	**25 125**	**1 696**	**1 045**	**27 866**
Loss allowance (off balance exposures)	-19	-8	-9	**-36**	-34	-6	-26	**-67**
Loss allowance (%)				**9,32%**				**8,89%**

Note 3 - Credit risk exposure (continued)

	Q1 2024				Q1 2023			
Secured loans	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**
Credit grade								
Loans not past due date	154 614	4 996	93	**159 703**	157 090	3 657	6	**160 752**
Standard monitoring	2 515	2 208	-	**4 724**	2 035	1 660	-	**3 696**
Special monitoring	-	59	3	**63**	-	169	-	**169**
Default	-	-	2 785	**2 785**	-	-	2 478	**2 478**
Gross carrying amount	**157 129**	**7 264**	**2 881**	**167 275**	**159 125**	**5 486**	**2 485**	**167 096**
Loss allowance	-558	-387	-1 264	**-2 209**	-547	-340	-1 160	**-2 046**
Carrying amount	**156 571**	**6 878**	**1 618**	**165 066**	**158 578**	**5 146**	**1 325**	**165 050**
Loss allowance (%)				**1,32%**				**1,22%**

Secured contracts consist of vehicles that act as guarantees for the loan and lease contracts. The Group has a robust process to repossess the vehicle and recoup losses on non-performing contracts. The leased vehicles are owned by the Group and hence are easier to repossess. No significant changes have been made to the collateral and repossession policies during 2024. The loan-to-value (LTV) ratio is considered a useful measure to evaluate the quality of the collateral, i.e. the credit extended divided by the appraised value of the collateral.

	Q1 2024				Q1 2023			
Commercial papers and bonds	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**
Credit grade								
Investment grade	6 281	-	-	**6 281**	6 812	-	-	**6 812**
Gross carrying amount	**6 281**	**-**	**-**	**6 281**	**6 812**	**-**	**-**	**6 812**
Loss allowance	-0	-	-	**-0**	-0	-	-	**-0**
Carrying amount	**6 281**	**-**	**-**	**6 281**	**6 812**	**-**	**-**	**6 812**
Loss allowance (%)				**0,01%**				**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	Q1 2024	Q1 2023
Financial derivatives Assets	252	520
Financial derivatives Liabilities	358	633

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		
	Q1 2024	**Q1 2023**	**FY 2023**	**Q1 2024**	**Q1 2023**	**FY 2023**
Current - not past due date	183 610	187 463	183 405	-1 197	-1 432	-1 157
Current - past due date	6 178	4 878	5 873	-424	-363	-434
Total impaired loans	5 959	5 340	5 607	-3 243	-2 971	-3 081
Total gross loans to customers	**195 747**	**197 681**	**194 884**	**-4 864**	**-4 766**	**-4 672**

	Gross outstanding			Loss reserves		
Ageing of past due but not impaired loans	**Q1 2024**	**Q1 2023**	**FY 2023**	**Q1 2024**	**Q1 2023**	**FY 2023**
1 - 29 days	4 473	3 480	4 214	-142	-140	-136
30 - 59 days	1 082	859	1 049	-168	-131	-177
60 - 89 days	623	539	610	-114	-92	-121
Total loans due but not impaired	**6 178**	**4 878**	**5 873**	**-424**	**-363**	**-434**

	Gross outstanding			Loss reserves		
Ageing of impaired loans	**Q1 2024**	**Q1 2023**	**FY 2023**	**Q1 2024**	**Q1 2023**	**FY 2023**
90 - 119 days	618	479	503	-234	-187	-188
120 - 149 days	389	377	383	-140	-155	-146
150 - 179 days	334	296	257	-132	-124	-109
180 + days	3 368	2 739	3 172	-2 154	-1 756	-2 026
Economic doubtful*	1 249	1 449	1 292	-582	-749	-611
Total impaired loans	**5 959**	**5 340**	**5 607**	**-3 243**	**-2 971**	**-3 081**

* 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:

	Q1 2024				Q1 2023			
	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	**427**	**272**	**1 900**	**2 599**	**476**	**400**	**1 667**	**2 543**
Transfers:								
Transfer to Stage 1	15	-108	-4	**-97**	18	-128	-1	**-111**
Transfer to Stage 2	-38	240	-57	**145**	-40	256	-63	**153**
Transfer to Stage 3	-1	-148	248	**99**	-2	-142	269	**125**
Assets remaining in same Stage	-24	-10	38	**3**	-33	-5	6	**-32**
Financial assets derecognised that are not write-offs	-14	-4	-17	**-35**	-23	-10	-15	**-47**
Write-offs	-	-	-167	**-167**	-	-	-142	**-142**
New financial assets originated or purchased	45	-	-	**45**	53	-	-	**53**
FX and other movements	13	12	39	**63**	38	49	90	**178**
Loss allowance at 31 March	**422**	**254**	**1 979**	**2 655**	**488**	**421**	**1 811**	**2 720**
Secured loans								
Loss allowance at 1 January	**587**	**305**	**1 181**	**2 073**	**510**	**320**	**1 052**	**1 882**
Transfers:								
Transfer to Stage 1	26	-120	-1	**-95**	20	-89	-1	**-70**
Transfer to Stage 2	-70	379	-161	**148**	-23	276	-149	**104**
Transfer to Stage 3	-6	-137	378	**235**	-6	-99	322	**217**
Assets remaining in same Stage	-26	-16	52	**11**	-18	-17	66	**31**
Financial assets derecognised that are not write-offs	-25	-17	-54	**-96**	-28	-20	-59	**-107**
Write-offs	-	-	-156	**-156**	-	-	-115	**-115**
New financial assets originated or purchased	62	-	-	**62**	74	-	-	**74**
FX and other movements	10	-9	23	**24**	19	-31	44	**32**
Loss allowance at 31 March	**558**	**387**	**1 264**	**2 209**	**547**	**340**	**1 160**	**2 046**
Off balance exposure								
Loss allowance at 1 January	**19**	**5**	**9**	**34**	**33**	**6**	**26**	**65**
Transfers:								
Transfer to Stage 1	-	-3	-1	**-4**	1	-3	1	**-3**
Transfer to Stage 2	-1	6	-1	**4**	-0	4	-3	**1**
Transfer to Stage 3	-	-0	2	**2**	-	-0	7	**7**
Assets remaining in same Stage	-2	0	1	**-0**	-1	-0	3	**2**
Financial assets derecognised that are not write-offs	-1	-1	-1	**-3**	-1	-1	-6	**-8**
Write-offs	-	-	-0	**-0**	-	-	-1	**-1**
New financial assets originated or purchased	3	-	-	**3**	3	-	-	**3**
FX and other movements	0	0	0	**0**	1	0	0	**1**
Loss allowance at 31 March	**19**	**8**	**9**	**36**	**34**	**6**	**26**	**67**

Note 5 - Loss allowance (continued)

At 31 March 2024, there are no loss allowance recognized on commercial papers and bonds (Q1 2023: 1).

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

Note 6 - Liquidity coverage ratio

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

Liquidity Coverage Ratio (LCR) %	**Q1 2024**	**Q1 2023**	**Q4 2023**
Liquidity Coverage Ratio (LCR) Total	261%	158%	166%
Liquidity Coverage Ratio (LCR) NOK	138%	121%	107%
Liquidity Coverage Ratio (LCR) SEK	227%	204%	179%
Liquidity Coverage Ratio (LCR) DKK	257%	126%	223%
Liquidity Coverage Ratio (LCR) EUR	441%	225%	249%

Note 7 - Capital adequacy

All amounts in millions of NOK

Balance sheet equity	**Q1 2024**	**Q1 2023**	**FY 2023**
Paid in equity	10 618	10 618	10 618
Share premium	1 926	1 926	1 926
Other equity	14 215	13 850	14 462
Tier 1 Capital	2 250	2 250	2 250
Other reserves	694	680	497
Total Equity	**29 703**	**29 323**	**29 752**

Common Equity Tier 1 Capital			
(-) Profit not eligible as capital	-608	-561	-800
Cash-flow hedge adjustment	270	-	210
IRB Expected Loss - Reserves	-712	-404	-679
Goodwill	-927	-902	-889
Other intangible assets	-49	-83	-57
Adjustment Prudent Valuation (AVA)	-2	-2	-2
Insufficient coverage for NPE	-28	-	-10
Tier 1 Capital	-2 250	-2 250	-2 250
Total common Equity Tier 1 Capital	**25 397**	**25 122**	**25 276**

Note 7 - Capital adequacy (continued)

Tier 1 Capital	Q1 2024	Q1 2023	FY 2023
Paid in Tier 1 capital instruments	2 250	2 250	2 250
Total Tier 1 Capital	**27 647**	**27 372**	**27 526**
Total Capital			
Paid up subordinated loans	2 522	2 516	2 515
Subordinated loans not eligible	-156	-56	-131
Total Capital	**30 012**	**29 832**	**29 909**
Risk exposure on Standard Approach			
Regional governments or local authorities	67	69	70
Institutions	1 433	1 309	1 339
Corporates	12 156	13 725	11 848
Retail Standard Approach	55 962	56 646	54 915
Exposures in default SA	3 776	3 372	3 813
Covered bonds	145	151	144
Other Exposures	6 768	4 578	5 684
Total Risk exposure amount on Standard Approach	**80 306**	**79 850**	**77 813**

Risk exposure on Internal Rating Based Approach	Q1 2024	Q1 2023	FY 2023
Retail Other	43 089	43 364	43 444
Total Risk exposure amount on Internal Rating Based Approach	**43 089**	**43 364**	**43 444**
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	**123 396**	**123 214**	**121 257**
Foreign exchange (zero if under threshold)	-	3 351	3 731
Risk exposure amount for position, foreign exchange and commodities risks	**-**	**3 351**	**3 731**
Basic indicator approach	-	13 924	-
Standard approach	11 294	-	10 850
Risk exposure amount for operational risk	**11 294**	**13 924**	**10 850**
Standardized method	-	12	-
Risk exposure amount for credit valuation adjustment	**-**	**12**	**-**
Total risk exposure amount	**134 690**	**140 501**	**135 838**
Total exposure for Leverage Ratio			
Derivatives: Add-on under market-to-market method	1 316	1 286	1 431
Off-balance sheet items with 10% CCF	2 479	3 574	2 360
Off-balance sheet items with 20% CCF	878	973	755
Off-balance sheet items with 50% CCF	69	38	66
Adjusted On balance sheet exposure	216 226	216 543	213 616
Total exposure for Leverage Ratio	**220 969**	**222 413**	**218 227**

Note 7 - Capital adequacy (continued)

Minimum Regulatory Capital	Q1 2024	Q1 2023	FY 2023
Minimum Core Equity	4,50%	4,50%	4,50%
Pillar 2 Requirement	1,35%	1,52%	1,52%
Pillar 2 Guidance	1,50%	1,50%	1,50%
Countercyclical Buffer (combined)	1,89%	1,53%	1,88%
Conservation Buffer	2,50%	2,50%	2,50%
Systemic Risk Buffer	1,21%	1,06%	1,17%
Minimum Regulatory Capital ratio (CET1)	**12,95%**	**12,61%**	**13,07%**

Minimum Regulatory Capital			
Minimum Core Equity	6 061	6 323	6 113
Pillar 2 Requirement	1 818	4 000	2 065
Pillar 2 Guidance	2 020	2 108	2 038
Countercyclical Buffer (combined)	2 546	2 145	2 548
Conservation Buffer	3 367	3 513	3 396
Systemic Risk Buffer (combined)	1 629	1 494	1 595
Minimum Regulatory Capital amount	**17 443**	**19 581**	**17 754**

Surplus of Core Equity Tier 1 capital	7 954	5 541	7 522
Common equity tier 1 capital ratio	**18,86%**	**17,88%**	**18,61%**
CET1 regulatory requirements	12,95%	12,61%	13,07%
Tier 1 capital ratio	**20,53%**	**19,48%**	**20,26%**
Tier 1 regulatory requirements	14,90%	14,62%	15,08%
Total capital ratio	**22,28%**	**21,23%**	**22,02%**
Total capital regulatory requirements	17,50%	17,30%	17,76%
Leverage ratio	**12,51%**	**12,31%**	**12,61%**
LR regulatory requirements	3,00%	3,00%	3,00%

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

The Group reports capital ratios under the fully loaded approach.

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

Note 8 - Segment information

All amounts in millions of NOK

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

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

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

Product segmentation per country (gross lending before expected losses)

Q1 2024

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	4 916	47 137	11 687	-	**63 741**
Sweden	10 987	23 951	20 357	-	**55 295**
Denmark	7 485	29 435	3 989	1 842	**42 751**
Finland	5 083	28 299	2 420	390	**36 192**
Total	**28 472**	**128 822**	**38 453**	**2 232**	**197 979**

Q1 2023

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	5 208	47 559	11 464	-	**64 230**
Sweden	13 092	22 730	19 623	-	**55 445**
Denmark	7 086	28 782	3 586	631	**40 086**
Finland	5 200	30 507	2 844	425	**38 976**
Total	**30 586**	**129 579**	**37 517**	**1 056**	**198 737**

Note 8 - Segment information (continued)

Profit and Loss per Country	Q1 2024					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	1 552	1 026	823	750	-531	**3 621**
Total interest expenses	-845	-598	-295	-471	529	**-1 680**
Net interest income	**707**	**428**	**528**	**279**	**-2**	**1 941**
Fee and commission income	59	50	48	27	-14	**169**
Fee and commission expenses	-37	-12	-61	-23	14	**-118**
Value change and gain/loss on foreign exchange and securities	38	21	1	-21	1	**39**
Other operating income	12	27	71	25	-	**135**
Other operating expenses	-11	-13	-46	-26	-	**-95**
Gross margin	**768**	**501**	**542**	**262**	**-1**	**2 071**
Salaries and personnel expenses	-150	-112	-88	-54	-	**-405**
Administrative expenses	-106	-91	-75	-51	2	**-321**
Depreciation and amortisation	-30	-26	-17	-8	-	**-81**
Net operating income before impairment losses on loans	**480**	**273**	**362**	**148**	**1**	**1 265**
Other income and costs	-1	3	31	0	-	**33**
Impairment losses on loan, guarantees etc.	-106	-157	-150	-96	-	**-509**
Profit before tax	**374**	**119**	**243**	**53**	**1**	**789**
Income tax expense	-86	-24	-61	-10	-	**-181**
Profit after tax	**288**	**94**	**182**	**43**	**1**	**608**

Profit and Loss per Country	Q1 2023					
	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Total interest income	1 197	736	644	631	-341	**2 866**
Total interest expenses	-510	-389	-156	-375	343	**-1 088**
Net interest income	**686**	**347**	**489**	**255**	**1**	**1 778**
Fee and commission income	36	51	21	38	-13	**133**
Fee and commission expenses	-38	-15	-13	-18	13	**-71**
Value change and gain/loss on foreign exchange and securities	2	25	-1	-23	1	**4**
Other operating income	25	23	48	28	-	**124**
Other operating expenses	-15	-10	-26	-30	-	**-81**
Gross margin	**696**	**421**	**518**	**250**	**2**	**1 887**
Salaries and personnel expenses	-133	-91	-71	-51	-	**-347**
Administration expenses	-158	-90	-72	-43	-1	**-364**
Depreciation and amortisation	-32	-20	-13	-6	-	**-71**
Net operating income before impairment losses on loans	**372**	**220**	**362**	**150**	**1**	**1 105**
Other income and costs	1	-0	-10	3	-	**-6**
Impairment losses on loan, guarantees etc.	-93	-139	-134	-62	-	**-428**
Profit before tax	**280**	**81**	**219**	**91**	**1**	**671**
Income tax expense	-20	-17	-55	-18	-	**-110**
Profit after tax	**260**	**64**	**164**	**72**	**1**	**561**

Note 9 - Net interest income

All amounts in millions of NOK

	Q1 2024	Q1 2023	FY 2023
Interest and similar income on loans to and receivables from credit institutions	51	70	272
Interest and similar income on loans to and receivables from customers	3 468	2 739	12 779
Interest and similar income on comm. paper, bonds and other securities	88	50	236
Interest and similar income on loans to subsidiaries, branches and SPVs	1	8	27
Other interest income and similar income	13	-	74
Total interest income	**3 621**	**2 866**	**13 388**
Interest and similar expenses on debt to credit institutions	-245	-252	-1 212
Interest and similar expenses on deposits from and debt to customers	-834	-469	-2 542
Interest and similar expenses on issued securities	-307	-212	-1 081
Interest on subordinated loan capital	-35	-28	-128
Interest on senior non-preferred loans	-198	-95	-548
Other interest expenses and similar expenses	-60	-32	-193
Total interest expense	**-1 680**	**-1 088**	**-5 704**
Net interest income	**1 941**	**1 778**	**7 685**

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	**Q1 2024**	**Q1 2023**	**FY 2023**
Interest expenses	-245	-252	-1 212
Average loan over the period	23 515	38 283	30 966
Average nominal interest rate	**4,16%**	**2,63%**	**3,91%**

To customers	**Q1 2024**	**Q1 2023**	**FY 2023**
Interest expenses	-834	-469	-2 542
Average deposit over the period	91 126	80 535	82 235
Average nominal interest rate	**3,66%**	**2,33%**	**3,09%**

To bondholders	**Q1 2024**	**Q1 2023**	**FY 2023**
Interest expenses	-307	-212	-1 081
Average issued notes and bonds	43 677	45 062	45 128
Average nominal interest rate	**2,81%**	**1,88%**	**2,40%**

Note 9 - Net interest income (continued)

Subordinated loan capital	Q1 2024	Q1 2023	FY 2023
Interest expenses	-35	-28	-128
Average subordinated loan capital	2 526	2 473	2 471
Average nominal interest rate	**5,55%**	**4,49%**	**5,16%**

Senior non-preferred loans	Q1 2024	Q1 2023	FY 2023
Interest expenses	-198	-95	-548
Average senior non-preferred loans	16 171	7 049	10 053
Average nominal interest rate	**4,90%**	**5,37%**	**5,45%**

Total of tables above	Q1 2024	Q1 2023	FY 2023
Interest expenses	-1 619	-1 056	-5 510
Loan	177 015	173 403	170 854
Average nominal interest rate	**3,66%**	**2,44%**	**3,23%**

Note 10 - Classification of financial instruments

All amounts in millions of NOK

Classification of financial assets 31 March 2024	At fair value through P&L	At fair value through OCI	Amortized cost	Book value
Cash on hand	-	-	0	0
Cash and receivables on central banks	-	-	2 238	2 238
Deposits with and receivables on financial institutions	-	-	6 094	6 094
Loans to customers	-	-	190 883	190 883
Commercial papers and bonds	-	-	6 281	6 281
Financial derivatives	252	-	-	252
Other ownership interests	-	16	-	16
Other financial assets	356	-	1 763	2 119
Total financial assets	**609**	**16**	**207 259**	**207 884**

Classification of financial liabilities 31 March 2024				
Debt to credit institutions	-	-	21 658	21 658
Deposits from customers	-	-	93 706	93 706
Debt established by issuing securities	-	-	44 406	44 406
Financial derivatives	358	-	-	358
Other financial liabilities	180	-	420	599
Subordinated loan capital	-	-	2 531	2 531
Senior non-preferred loans	-	-	16 304	16 304
Total financial liabilities	**537**	**-**	**179 025**	**179 562**

At 31 March 2024, total non-financial assets and non-financial liabilities and equity amounts to 6 872 and 35 194, respectively.

Note 10 - Classification of financial instruments (continued)

Classification of financial assets 31 March 2023	At fair value through P&L	At fair value through OCI	Amortized cost	Book value
Cash and receivables on central banks	-	-	1 854	1 854
Deposits with and receivables on financial institutions	-	-	7 103	7 103
Loans to customers	-	-	192 915	192 915
Commercial papers and bonds	-	-	6 812	6 812
Financial derivatives	520	-	-	520
Other ownership interests	-	14	-	14
Other financial assets	-	-	802	802
Total financial assets	**520**	**14**	**209 486**	**210 019**

Classification of financial liabilities 31 March 2023				
Debt to credit institutions	-	-	40 006	40 006
Deposits from customers	-	-	85 145	85 145
Debt established by issuing securities	-	-	42 817	42 817
Financial derivatives	633	-	-	633
Other financial liabilities	-	-	399	399
Subordinated loan capital	-	-	2 525	2 525
Senior non-preferred loans	-	-	10 031	10 031
Total financial liabilities	**633**	**-**	**180 923**	**181 556**

At 31 March 2023, total non-financial assets and non-financial liabilities and equity amounts to 5 113 and 33 576, respectively.

Note 11 - Valuation Hierarchy

All amounts in millions of NOK

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

Level 1:
Instruments at this level obtain fair value from quoted prices in active markets for identical assets or liabilities that the entity has access by the reporting date. Examples of instruments at Level 1 are listed government bonds.

Level 2:
Instruments at this level is not considered to have an active market. Fair value is obtained from relevant observable market data. This includes prices based on identical instruments, as well as prices based on similar assets and price indicators that are observable for the asset or liability. Examples of instruments at Level 2 are securities priced out of interest rate paths. The fair value at level 2 is calculated by discounting future cash flows. The cash flows are known from contractual conditions, in addition to a marked regulated interest rate element (e.g. EURIBOR).

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

Note 11 - Valuation Hierarchy (continued)

	Notional Q1 2024	Q1 2024	Notional Q1 2023	Q1 2023
Financial instruments measured at fair value – assets				
Type				
Interest Rate Swap	MM EUR 113	29	MM EUR767	292
Interest Rate Cap	MM EUR 576	205	MM EUR 298	228
Cross Currency Swap	MM DKK 549	18	-	-
Total financial trading derivatives		**252**		**520**
Equity		16		13
Total other ownership interests		**16**		**13**
Total Assets		**268**		**533**
Financial instruments measured at fair value – liabilities				
Interest Rate Swap	MM EUR 1 109	249	MM EUR 756	295
Interest Rate Swap	MM NOK 1 500	0	-	-
Interest Rate Swap	MM DKK 1 000	10	-	-
Interest Rate Cap	MM EUR 164	97	MM EUR 298	235
Cross Currency Swap	MM EUR 81	1	MM EUR 150	102
Total financial derivatives		**358**		**633**
Total Liabilities		**358**		**633**
Derivatives designated for hedge accounting – assets				
Interest Rate Swap	MM EUR 407	130	MM EUR 309	117
Cross Currency Swap	MM EUR 1 050	343	MM EUR 350	20
Total derivatives designated for hedging - assets*		**473**		**138**
Derivatives designated for hedge accounting – liabilities				
Cross Currency Swap	MM EUR 300	114	MM EUR 500	250
Total derivatives designated for hedging - liabilities*		**114**		**250**

There are no financial instruments measured at Level 1 and 3 in the fair value hierarchy. All financial instruments are recognized using observable inputs (Level 2).

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

Note 12 - Loans to customers

All amounts in millions of NOK

	Q1 2024	Q1 2023	FY 2023
Credit Card	4 818	4 884	4 786
Unsecured loans	23 654	25 701	23 378
Auto loans	167 275	167 096	166 720
- Installment loans	*128 822*	*129 579*	*127 934*
- Finance leases	*38 453*	*37 517*	*38 786*
Total gross loans to customers	**195 747**	**197 681**	**194 884**
- Loan loss allowance - Stage 1	-980	-1 034	-1 014
- Loan loss allowance - Stage 2	-640	-761	-577
- Loan loss allowance - Stage 3	-3 243	-2 971	-3 081
Total net loans to customers	**190 883**	**192 915**	**190 212**

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:

	Q1 2024	Q1 2023
Change in loss allowance - Unsecured loans	-4	-22
Change in loss allowance - Secured loans	-85	-78
Change in loss allowance - Off balance exposure*	-2	-
+ Total realized losses	-488	-411
- Recoveries on previously realized losses	70	82
Impairment losses on loan, guarantees etc.	**-509**	**-428**

*In previous year the allowance for off balance sheet exposures was reported as "Other income and cost" in the Profit and loss statement. From Q4 2023 the allowances are reported under "Impairment losses on loan, guarantees etc.".

Note 14 - Issued securities

All amounts in millions of NOK

	Q1 2024	Q1 2023	FY 2023
Issued certificates	803	-	802
Senior unsecured issued securities	32 337	30 891	30 039
Asset backed issued securities	11 265	11 926	12 107
Total issued securities	**44 406**	**42 817**	**42 949**

Note 14 - Issued securities (continued)

Issued securities by currency in NOK	Q1 2024	Q1 2023	FY 2023
EUR	34 426	34 175	34 268
NOK	5 326	3 813	5 623
SEK	4 654	4 828	3 058
Total issued securities	**44 406**	**42 817**	**42 949**

Note 15 - Receivables and liabilities to related parties

All amounts in millions of NOK

	Q1 2024	Accrued Interest Q1 2024	Q1 2023	Accrued Interest Q1 2023	FY 2023	Accrued Interest FY 2023
Debt to related parties:						
Santander Consumer Finance S.A.	21 529	129	39 830	176	25 208	164
Total	**21 529**	**129**	**39 830**	**176**	**25 208**	**164**
Balance sheet line: "Subordinated loan capital" – Bonds						
Santander Consumer Finance S.A.						
MNOK 500, maturity September 2027, 3 months NIBOR + 1.66%	500	2	500	2	500	2
MSEK 750, maturity December 2029, 3 months STIBOR + 2.08%	761	3	758	2	757	3
MSEK 750, maturity December 2030, 3 months STIBOR + 2.29%	761	1	758	1	757	1
MNOK 500, maturity June 2031, fixed rate 2.62%	500	4	500	4	500	1
Total	**2 522**	**10**	**2 516**	**9**	**2 515**	**6**
Balance sheet line: "Senior non-preferred loans"						
Santander Consumer Finance S.A.						
MSEK 600, maturity April 2026, 3 months STIBOR + 1.04%	609	5	606	4	606	5
MNOK 650, maturity May 2026, 3 months NIBOR + 1.37%	650	5	650	3	650	5
MSEK 1000, maturity August 2026, 3 months STIBOR + 1.50%	1 014	6	1 010	4	1 010	6
MSEK 1000, maturity September 2026, 3 months STIBOR + 1.75%	1 014	1	1 010	0	1 010	0
MSEK 1000, maturity November 2026, 3 months STIBOR + 2.18%	1 014	6	1 010	5	1 010	6
MEUR 500, maturity January 2027, fixed rate 4.51%	5 822	52	5 677	50	5 632	239
MEUR 500, maturity September 2028, fixed rate 4.87%	5 954	151	-	-	5 783	77
Total	**16 078**	**226**	**9 965**	**67**	**15 700**	**339**

In December 2023 Santander Consumer Bank AS and Santander Consumer Finance S.A. entered into an unfunded Risk Participation Agreement (RPA) which transfers the mezzanine risk of a DKK 13.6 billion reference portfolio consisting of Danish auto loans, from Santander Consumer Bank AS to Santander Consumer Finance S.A.

The Risk Participation Agreement allowed Santander Consumer Finance S.A to issue a synthetic securitization by issuing Credit Linked Notes (CLN) on the mezzanine risk purchased by third-party investors, referencing the Danish auto portfolio. The Risk Participation fee Santander Consumer Bank AS need to pay Santander Consumer Finance S.A matches the coupon on the CLN and the issuance of the CLNs allowed Santander Consumer Finance S.A. to achieve significant risk transfer (SRT). The reference portfolio consisting of Danish auto loans is not derecognized from the balance sheet of Santander Consumer Bank AS.

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

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

Note 16 - Transactions with related parties

All amounts in millions of NOK

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

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

The following transactions were carried out with related parties:

Profit and loss	Q1 2024	Q1 2023	FY 2023
Interest income	-	3	19
Interest expenses	-550	-423	-2 118
Interest payments additional Tier 1 capital	-54	-46	-194
Value change and gain/loss on foreign exchange and securities	52	-	-85
Other	270	149	-69
Net transactions	**-282**	**-317**	**-2 447**

Assets	Q1 2024	Q1 2023	FY 2023
Deposits with and receivables on financial institutions	87	25	37
Financial derivatives	223	15	192
Other financial assets	362	669	528
Other assets	439	20	267
Total assets	**1 112**	**729**	**1 023**

Liabilities	Q1 2024	Q1 2023	FY 2023
Debt to credit institutions	21 658	40 006	25 372
Debt established by issuing securities	257	267	307
Financial derivatives	324	441	293
Other financial liabilities	146	-	-
Other liabilities	193	364	438
Subordinated loan capital	18 772	12 556	18 355
Total liabilities	**41 350**	**53 633**	**44 765**

The Group had transactions with the following related parties as at 31 March 2024 :

Banco Santander S.A.

CACEIS Bank Spain SAU

Santander Consumer Finance Global Services S.L.

Santander Consumer Finance S.A.

Santander Global Services S.L.

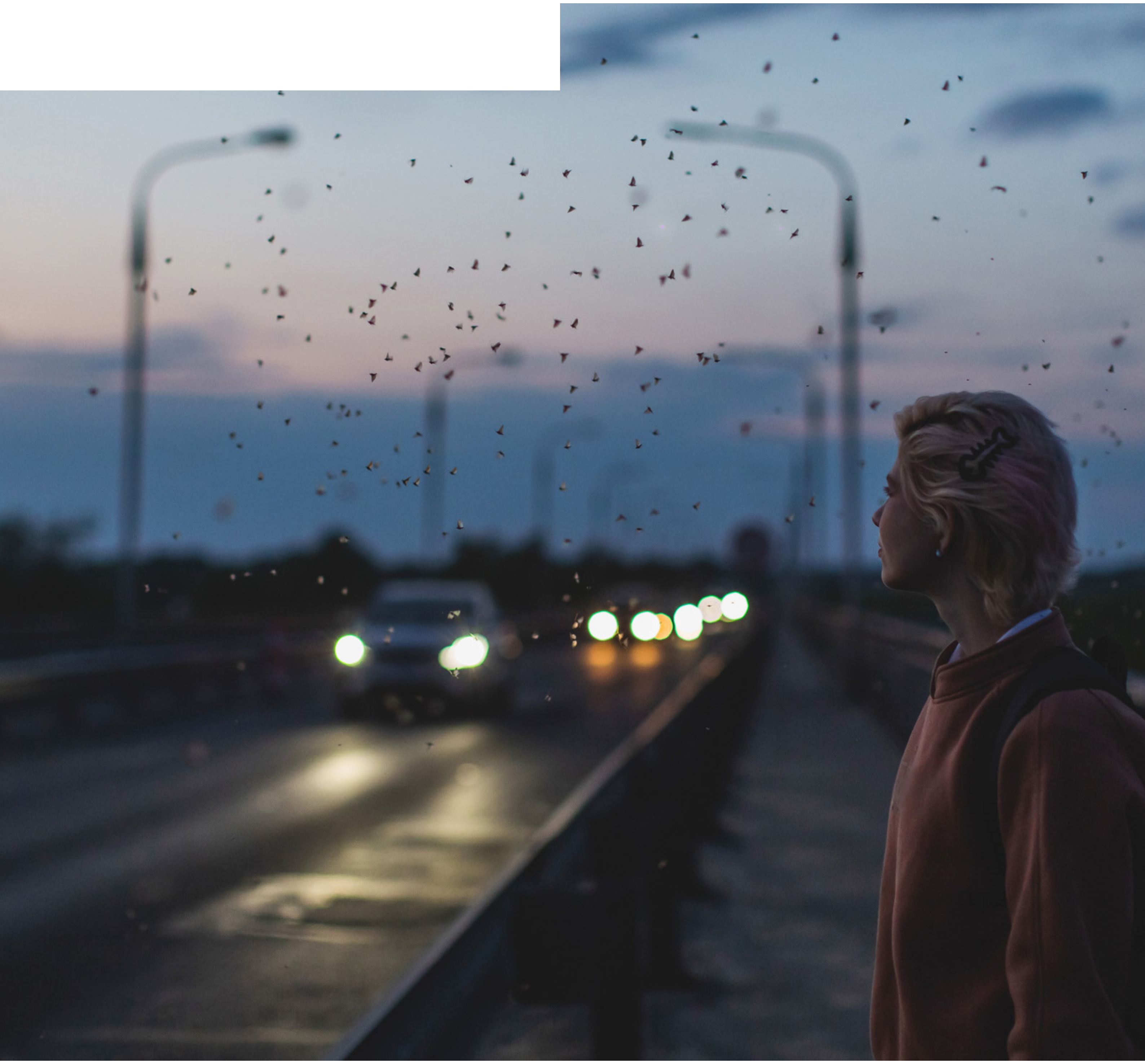
Santander Global Technology and Operations, S.L. Unipersonal

Santander Seguros Y Reaseguros S.A.

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

Notes and financial statements

Santander Consumer Bank AS



Note 1 - Basis of preparation

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

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

The Banks interim accounts for the first quarter of 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Banks last annual report as at and for the year ended December 31, 2023.

The annual report for 2023 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 May 16, 2024.

Note 2 - Accounting principles

The accounting policies of the Bank are consistent with those applied in the 2023 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.

	Q1 2024				Q1 2023			
Unsecured loans	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**	**Stage 1 12-month ECL**	**Stage 2 Lifetime ECL**	**Stage 3 Lifetime ECL**	**Total**
Credit grade								
Loans not past due date	19 092	594	-	**19 686**	20 817	1 058	-	**21 875**
Standard monitoring	482	527	-	**1 009**	298	557	-	**855**
Special monitoring	-	82	-	**82**	-	162	-	**162**
Default	-	-	2 612	**2 612**	-	-	2 494	**2 494**
Gross carrying amount	**19 574**	**1 203**	**2 612**	**23 389**	**21 115**	**1 776**	**2 494**	**25 386**
Loss allowance	-352	-188	-1 727	**-2 267**	-395	-342	-1 610	**-2 347**
Carrying amount	**19 222**	**1 016**	**885**	**21 123**	**20 720**	**1 435**	**884**	**23 038**
Loss allowance (off balance exposures)	-19	-8	-9	**-36**	-34	-6	-26	**-67**
Loss allowance (%)				**9,69%**				**9,25%**

Note 3 - Credit risk exposure (continued)

	Q1 2024				Q1 2023			
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Secured loans	**ECL**	**ECL**	**ECL**	**Total**	**ECL**	**ECL**	**ECL**	**Total**
Credit grade								
Loans not past due date	127 457	3 899	93	**131 449**	126 292	3 137	6	**129 435**
Standard monitoring	1 491	1 501	-	**2 992**	1 070	1 227	-	**2 298**
Special monitoring	-	55	3	**58**	-	143	-	**143**
Default	-	-	2 057	**2 057**	-	-	1 869	**1 869**
Gross carrying amount	**128 949**	**5 455**	**2 153**	**136 556**	**127 362**	**4 507**	**1 876**	**133 745**
Loss allowance	-498	-308	-1 047	**-1 852**	-457	-280	-958	**-1 695**
Carrying amount	**128 451**	**5 147**	**1 107**	**134 704**	**126 906**	**4 227**	**917**	**132 049**
Loss allowance (%)				**1,36%**				**1,27%**

Secured contracts consist of vehicles that act as guarantees for the loan and lease contracts. The Bank has a robust process to repossess the vehicle and recoup losses on non-performing contracts. The leased vehicles are owned by the Bank and hence are easier to repossess. No significant changes have been made to the collateral and repossession policies during 2024. The loan-to-value (LTV) ratio is considered a useful measure to evaluate the quality of the collateral, i.e. the credit extended divided by the appraised value of the collateral.

	Q1 2024				Q1 2023			
	Stage 1	Stage 2	Stage 3		Stage 1	Stage 2	Stage 3	
	12-month	Lifetime	Lifetime		12-month	Lifetime	Lifetime	
Commercial papers and bonds	**ECL**	**ECL**	**ECL**	**Total**	**ECL**	**ECL**	**ECL**	**Total**
Credit grade								
Investment grade	6 281	-	-	**6 281**	6 812	-	-	**6 812**
Gross carrying amount	**6 281**	**-**	**-**	**6 281**	**6 812**	**-**	**-**	**6 812**
Loss allowance	-0	-	-	**-0**	-0	-	-	**-0**
Carrying amount	**6 281**	**-**	**-**	**6 281**	**6 812**	**-**	**-**	**6 812**
Loss allowance (%)				**0,01%**				**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	**Q1 2024**	**Q1 2023**
Financial derivatives Assets	18	-
Financial derivatives Liabilities	12	102

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		
	Q1 2024	**Q1 2023**	**FY 2023**	**Q1 2024**	**Q1 2023**	**FY 2023**
Current - not past due date	151 166	151 583	150 755	-1 038	-1 204	-1 006
Current - past due date	4 015	3 178	3 921	-308	-269	-325
Total impaired loans	4 765	4 370	4 559	-2 773	-2 569	-2 649
Total gross loans to customers	**159 946**	**159 130**	**159 234**	**-4 119**	**-4 042**	**-3 979**

	Gross outstanding			Loss reserves		
Ageing of past due but not impaired loans	**Q1 2024**	**Q1 2023**	**FY 2023**	**Q1 2024**	**Q1 2023**	**FY 2023**
1 - 29 days	2 802	2 145	2 741	-102	-99	-103
30 - 59 days	765	633	732	-121	-100	-129
60 - 89 days	448	400	448	-85	-71	-93
Total loans due but not impaired	**4 015**	**3 178**	**3 921**	**-308**	**-269**	**-325**

	Gross outstanding			Loss reserves		
Ageing of impaired loans	**Q1 2024**	**Q1 2023**	**FY 2023**	**Q1 2024**	**Q1 2023**	**FY 2023**
90 - 119 days	477	363	375	-199	-154	-153
120 - 149 days	254	291	274	-104	-130	-116
150 - 179 days	241	233	199	-106	-105	-91
180 + days	2 751	2 249	2 614	-1 854	-1 510	-1 748
Economic doubtful*	1 042	1 234	1 097	-511	-669	-540
Total impaired loans	**4 765**	**4 370**	**4 559**	**-2 773**	**-2 569**	**-2 649**

* 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:

	Q1 2024				Q1 2023			
	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	**360**	**210**	**1 669**	**2 239**	**388**	**330**	**1 477**	**2 194**
Transfers:								
Transfer to Stage 1	14	-79	-4	**-69**	17	-91	-1	**-75**
Transfer to Stage 2	-29	175	-40	**106**	-30	216	-48	**138**
Transfer to Stage 3	-1	-110	200	**89**	-1	-116	230	**113**
Assets remaining in same Stage	-22	-7	33	**4**	-25	1	-2	**-27**
Financial assets derecognised that are not write-offs	-11	-3	-16	**-30**	-16	-8	-14	**-39**
Write-offs	-	-	-142	**-142**	-	-	-112	**-112**
New financial assets originated or purchased	35	-	-	**35**	40	-	-	**40**
FX and other movements	6	1	26	**33**	24	11	81	**116**
Loss allowance at 31 March	**352**	**188**	**1 727**	**2 267**	**395**	**342**	**1 610**	**2 347**
Secured loans								
Loss allowance at 1 January	**517**	**243**	**980**	**1 741**	**421**	**265**	**858**	**1 544**
Transfers:								
Transfer to Stage 1	19	-97	-1	**-79**	11	-71	-1	**-61**
Transfer to Stage 2	-57	294	-121	**116**	-19	195	-113	**63**
Transfer to Stage 3	-6	-106	302	**190**	-5	-78	265	**182**
Assets remaining in same Stage	-20	-14	36	**2**	-9	-17	46	**20**
Financial assets derecognised that are not write-offs	-22	-13	-40	**-75**	-22	-16	-46	**-84**
Write-offs	-	-	-129	**-129**	-	-	-79	**-79**
New financial assets originated or purchased	56	-	-	**56**	61	-	-	**61**
FX and other movements	11	0	18	**30**	19	3	28	**50**
Loss allowance at 31 March	**498**	**308**	**1 047**	**1 852**	**457**	**280**	**958**	**1 695**
Off balance exposure								
Loss allowance at 1 January	**19**	**5**	**9**	**34**	**33**	**6**	**26**	**65**
Transfers:								
Transfer to Stage 1	0	-3	-1	**-4**	1	-3	-1	**-3**
Transfer to Stage 2	-1	6	-1	**4**	-0	4	-3	**1**
Transfer to Stage 3	-	-0	2	**2**	-	-	7	**7**
Assets remaining in same Stage	-2	0	1	**-0**	-1	-0	3	**2**
Financial assets derecognised that are not write-offs	-1	-1	-1	**-3**	-1	-1	-6	**-8**
Write-offs	-	-	-0	**-0**	-	-	-1	**-1**
New financial assets originated or purchased	3	-	-	**3**	3	-	-	**3**
FX and other movements	0	0	0	**0**	1	0	0	**1**
Loss allowance at 31 March	**19**	**8**	**9**	**36**	**34**	**6**	**26**	**67**

Note 5 - Loss allowance (continued)

At 31 March 2024, there are no loss allowance recognized on commercial papers and bonds (Q1 2023: 1).

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

Note 6 - Liquidity Coverage Ratio

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

Liquidity Coverage Ratio (LCR) %	**Q1 2024**	**Q1 2023**	**Q4 2023**
Liquidity Coverage Ratio (LCR) Total	205%	162%	164%
Liquidity Coverage Ratio (LCR) NOK	138%	121%	107%
Liquidity Coverage Ratio (LCR) SEK	227%	205%	180%
Liquidity Coverage Ratio (LCR) DKK	257%	126%	223%
Liquidity Coverage Ratio (LCR) EUR	291%	248%	208%

Note 7 - Capital adequacy

All amounts in millions of NOK

Balance sheet equity	**Q1 2024**	**Q1 2023**	**FY 2023**
Paid in equity	10 618	10 618	10 618
Share premium	1 926	1 926	1 926
Other equity	10 831	10 913	11 121
Tier 1 Capital	2 250	2 250	2 250
Other reserves	13	4	10
Total Equity	**25 637**	**25 711**	**25 924**

Common Equity Tier 1 Capital			
(-) Profit not eligible as capital	-564	-488	-800
Cash-flow hedge adjustment	1	-3	-1
IRB Expected Loss - Reserves	-354	-169	-350
Goodwill	-444	-432	-426
Other intangible assets	-49	-82	-56
Adjustment Prudent Valuation (AVA)	-2	-2	-2
Insufficient coverage for NPE	-24	-	-9
Tier 1 Capital	-2 250	-2 250	-2 250
Total common Equity Tier 1 Capital	**21 952**	**22 285**	**22 031**

Tier 1 Capital			
Paid in Tier 1 capital instruments	2 250	2 250	2 250
Total Tier 1 Capital	**24 202**	**24 535**	**24 281**

Note 7 - Capital adequacy (continued)

Tier 1 Capital	Q1 2024	Q1 2023	FY 2023
Subordinated loans not eligible	-156	-56	-131
Total Capital	**26 567**	**26 994**	**26 664**

Risk exposure on Standard Approach			
Regional governments or local authorities	63	64	67
Institutions	890	770	871
Corporates	10 001	11 591	9 658
Retail Standard Approach	48 888	48 759	47 902
Exposures in default SA	2 560	2 826	2 736
Covered bonds	145	151	144
Other Exposures	26 849	23 864	24 887
Total Risk exposure amount on Standard Approach	**89 397**	**88 025**	**86 264**

Risk exposure on Internal Rating Based Approach			
Retail Other	31 761	31 230	32 111
Total Risk exposure amount on Internal Rating Based Approach	**31 761**	**31 230**	**32 111**
Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	**121 158**	**119 255**	**118 374**
Basic indicator approach	-	11 671	-
Standard approach	9 531	-	9 205
Risk exposure amount for operational risk	**9 531**	**11 671**	**9 205**
Standardized method	-	12	-
Risk exposure amount for credit valuation adjustment	**-**	**12**	**-**
Total risk exposure amount	**130 689**	**130 939**	**127 579**

Total exposure for Leverage Ratio			
Derivatives: Add-on under market-to-market method	930	854	1 077
Off-balance sheet items with 10% CCF	2 304	3 353	2 194
Off-balance sheet items with 20% CCF	870	961	752
Off-balance sheet items with 50% CCF	69	38	66
Adjusted On balance sheet exposure	199 982	196 417	196 804
Total exposure for Leverage Ratio	**204 154**	**201 624**	**200 893**

Minimum Regulatory Capital			
Minimum Core Equity	4,50%	4,50%	4,50%
Pillar 2 Requirement	1,35%	1,52%	1,52%
Pillar 2 Guidance	1,50%	1,50%	1,50%
Countercyclical Buffer (combined)	1,89%	1,58%	1,92%
Conservation Buffer	2,50%	2,50%	2,50%
Systemic Risk Buffer	1,17%	1,10%	1,19%
Minimum Regulatory Capital ratio (CET1)	**12,90%**	**12,70%**	**13,13%**

Note 7 - Capital adequacy (continued)

Minimum Regulatory Capital	Q1 2024	Q1 2023	FY 2023
Minimum Core Equity	5 881	5 892	5 741
Pillar 2 Requirement	1 764	4 000	1 939
Pillar 2 Guidance	1 960	1 964	1 914
Countercyclical Buffer (combined)	2 468	2 067	2 444
Conservation Buffer	3 267	3 273	3 189
Systemic Risk Buffer (combined)	1 524	1 443	1 523
Minimum Regulatory Capital amount	**16 865**	**18 640**	**16 751**

	Q1 2024	Q1 2023	FY 2023
Surplus of Core Equity Tier 1 capital	5 087	3 645	5 280
Common equity tier 1 capital ratio	**16,80%**	**17,02%**	**17,27%**
CET1 regulatory requirements	12,90%	12,70%	13,13%
Tier 1 capital ratio	**18,52%**	**18,74%**	**19,03%**
Tire 1 regulatory requirements	14,85%	14,71%	15,14%
Total capital ratio	**20,33%**	**20,62%**	**20,90%**
Total capital regulatory requirements	17,45%	17,39%	17,82%
Leverage ratio	**11,85%**	**12,17%**	**12,09%**
LR regulatory requirements	3,00%	3,00%	3,00%

The Bank is calculating credit risk capital requirement using advanced internal rating based models (IRB- A models) for part of its exposures.
The Bank reports capital ratios under the fully loaded approach.

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

Note 8 - Segment information

All amounts in millions of NOK

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

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

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

Product segmentation per country (gross lending before expected losses)

Q1 2024

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	4 916	47 137	11 687	-	**63 741**
Sweden	10 987	23 951	20 357	-	**55 295**
Denmark	7 485	29 435	3 989	1 842	**42 751**
Total	**23 389**	**100 523**	**36 033**	**1 842**	**161 787**

Q1 2023

	Unsecured loans	Secured loans	Finance leases	Operating leases	Total
Norway	5 208	47 559	11 464	-	**64 230**
Sweden	13 092	22 730	19 623	-	**55 445**
Denmark	7 086	28 782	3 586	631	**40 086**
Total	**25 386**	**99 072**	**34 673**	**631**	**159 761**

Note 8 - Segment information (continued)

Profit and Loss per Country	Q1 2024				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	1 552	1 026	823	-	**3 401**
Total interest expenses	-845	-598	-295	-	**-1 738**
Net interest income	**707**	**428**	**528**	**-**	**1 663**
Fee and commission income	59	50	48	-	**157**
Fee and commission expenses	-37	-12	-61	-	**-110**
Value change and gain/loss on foreign exchange and securities	38	21	1	-	**60**
Other operating income	12	27	71	-	**109**
Other operating expenses	-11	-13	-46	-	**-70**
Gross margin	**768**	**501**	**542**	**-**	**1 811**
Salaries and personnel expenses	-150	-112	-88	-	**-350**
Administrative expenses	-106	-91	-75	-	**-272**
Depreciation and amortisation	-30	-26	-17	-	**-73**
Net operating income before impairment losses on loans	**480**	**273**	**362**	**-**	**1 116**
Other income and costs	-1	3	31	-	**33**
Impairment losses on loan, guarantees etc.	-106	-157	-150	-	**-413**
Profit before tax	**374**	**119**	**243**	**-**	**736**
Income tax expense	-86	-24	-61	-	**-172**
Profit after tax	**288**	**94**	**182**	**-**	**564**

Profit and Loss per Country	Q1 2023				
	Norway	Sweden	Denmark	Eliminations	Total Bank
Total interest income	1 197	736	644	-	**2 577**
Total interest expenses	-510	-389	-156	-	**-1 055**
Net interest income	**686**	**347**	**489**	**-**	**1 522**
Fee and commission income	36	51	21	-	**108**
Fee and commission expenses	-38	-15	-13	-	**-66**
Value change and gain/loss on foreign exchange and securities	2	25	-1	-	**26**
Other operating income	25	23	48	-	**96**
Other operating expenses	-15	-10	-26	-	**-51**
Gross margin	**696**	**421**	**518**	**-**	**1 635**
Salaries and personnel expenses	-133	-91	-71	-	**-295**
Administration expenses	-158	-90	-72	-	**-320**
Depreciation and amortisation	-32	-20	-13	-	**-65**
Net operating income before impairment losses on loans	**372**	**220**	**362**	**-**	**955**
Other income and costs	1	-0	-10	-	**-9**
Impairment losses on loan, guarantees etc.	-93	-139	-134	-	**-366**
Profit before tax	**280**	**81**	**219**	**-**	**580**
Income tax expense	-20	-17	-55	-	**-92**
Profit after tax	**260**	**64**	**164**	**-**	**488**

Note 9 - Net interest income

All amounts in millions of NOK

	Q1 2024	Q1 2023	FY 2023
Interest and similar income on loans to and receivables from credit institutions	35	55	194
Interest and similar income on loans to and receivables from customers	3 011	2 361	10 944
Interest and similar income on comm. paper, bonds and other securities	88	31	235
Interest and similar income on loans to subsidiaries, branches and SPVs	255	129	250
Other interest income and similar income	13	-	65
Total interest income	**3 401**	**2 577**	**11 688**
Interest and similar expenses on debt to credit institutions	-425	-305	-1 142
Interest and similar expenses on deposits from and debt to customers	-831	-466	-2 524
Interest and similar expenses on issued securities	-146	-106	-446
Interest on subordinated loan capital	-35	-28	-128
Interest on senior non-preferred loans	-198	-95	-548
Other interest expenses and similar expenses	-102	-56	-372
Total interest expense	**-1 738**	**-1 055**	**-5 159**
Net interest income	**1 663**	**1 522**	**6 529**

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	Q1 2024	Q1 2023	FY 2023
Interest expenses	-425	-305	-1 142
Average loan over the period	22 388	34 281	28 687
Average nominal interest rate	**7,59%**	**3,56%**	**3,98%**

To customers	Q1 2024	Q1 2023	FY 2023
Interest expenses	-831	-466	-2 524
Average deposit over the period	91 126	80 535	82 235
Average nominal interest rate	**3,65%**	**2,31%**	**3,07%**

To bondholders	Q1 2024	Q1 2023	FY 2023
Interest expenses	-146	-106	-446
Average issued notes and bonds	31 991	32 745	32 720
Average nominal interest rate	**1,83%**	**1,30%**	**1,36%**

Note 9 - Net interest income (continued)

Subordinated loan capital	Q1 2024	Q1 2023	FY 2023
Interest expenses	-35	-28	-128
Average subordinated loan capital	2 526	2 473	2 471
Average nominal interest rate	**5,55%**	**4,49%**	**5,16%**

Senior non-preferred loans	Q1 2024	Q1 2023	FY 2023
Interest expenses	-198	-95	-548
Average senior non-preferred loans	16 171	7 049	10 053
Average nominal interest rate	**4,90%**	**5,37%**	**5,45%**

Total of tables above	Q1 2024	Q1 2023	FY 2023
Interest expenses	-1 635	-999	-4 787
Loan	164 202	157 083	156 166
Average nominal interest rate	**3,98%**	**2,54%**	**3,07%**

Note 10 - Classification of financial instruments

All amounts in millions of NOK

Classification of financial assets 31 March 2024	At fair value through P&L	At fair value through OCI	Amortized cost	Book value
Cash and receivables on central banks	-	-	2 238	2 238
Deposits with and receivables on financial institutions	-	-	4 689	4 689
Loans to customers	-	-	155 827	155 827
Commercial papers and bonds	-	-	6 281	6 281
Financial derivatives	18	-	-	18
Loans to subsidiaries and SPV's	-	-	19 369	19 369
Other ownership interests	-	16	-	16
Other financial assets	4	-	1 710	1 713
Total financial assets	**22**	**16**	**190 115**	**190 153**

Classification of financial liabilities 31 March 2024				
Debt to credit institutions	-	-	20 480	20 480
Deposits from customers	-	-	93 706	93 706
Debt established by issuing securities	-	-	33 141	33 141
Financial derivatives	12	-	-	12
Other financial liabilities	146	-	391	537
Subordinated loan capital	-	-	2 531	2 531
Senior non-preferred loans	-	-	16 304	16 304
Total financial liabilities	**158**	**-**	**166 553**	**166 711**

At 31 March 2024, total non-financial assets and non-financial liabilities and equity amounts to 7 413and 30 855, respectively.

Note 10 - Classification of financial instruments (continued)

Classification of financial assets 31 March 2023	At fair value through P&L	At fair value through OCI	Amortized cost	Book value
Cash and receivables on central banks	-	-	1 854	1 854
Deposits with and receivables on financial institutions	-	-	5 790	5 790
Loans to customers	-	-	155 088	155 088
Commercial papers and bonds	-	-	6 812	6 812
Loans to subsidiaries and SPV's	-	-	18 779	18 779
Other ownership interests	-	14	-	14
Other financial assets	-	-	305	305
Total financial assets	**-**	**14**	**188 628**	**188 642**

Classification of financial liabilities 31 March 2023	through P&L	through OCI	Amortized cost	Book value
Debt to credit institutions	-	-	35 483	35 483
Deposits from customers	-	-	85 145	85 145
Debt established by issuing securities	-	-	30 891	30 891
Financial derivatives	102	-	-	102
Other financial liabilities	-	-	235	235
Subordinated loan capital	-	-	2 525	2 525
Senior non-preferred loans	-	-	10 031	10 031
Total financial liabilities	**102**	**-**	**164 311**	**164 413**

At 31 March 2023, total non-financial assets and non-financial liabilities and equity amounts to 5 505 and 29 734, respectively.

Note 11 - Valuation Hierarchy

All amounts in millions of NOK

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

Level 1:
Instruments at this level obtain fair value from quoted prices in active markets for identical assets or liabilities that the entity has access by the reporting date. Examples of instruments at Level 1 are listed government bonds.

Level 2:
Instruments at this level is not considered to have an active market. Fair value is obtained from relevant observable market data. This includes prices based on identical instruments, as well as prices based on similar assets and price indicators that are observable for the asset or liability. Examples of instruments at Level 2 are securities priced out of interest rate paths. The fair value at level 2 is calculated by discounting future cash flows. The cash flows are known from contractual conditions, in addition to a marked regulated interest rate element (e.g. EURIBOR).

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

Note 11 - Valuation Hierarchy (continued)

	Notional Q1 2024	Q1 2024	Notional Q1 2023	Q1 2023
Financial instruments measured at fair value - assets				
Type				
Cross Currency Swap	MM DKK 549	18		-
Total financial trading derivatives		**18**		**-**
Equity		16		13
Total other ownership interests		**16**		**13**
Total Assets		**34**		**13**
Financial instruments measured at fair value - liabilities				
Interest Rate Swap	MM NOK 1 500	0	-	-
Interest Rate Swap	MM DKK 1 000	10	-	-
Cross Currency Swap	MM EUR 81	0	MM EUR 150	102
Total financial derivatives		**12**	**-**	**102**
Total Liabilities	**-**	**12**	**-**	**102**
Derivatives designated for hedge accounting - assets				
Cross Currency Swap	MM EUR 1 050	343	MM EUR 350	**20**
Total derivatives designated for hedging - assets*	**-**	**343**	**-**	**20**
Derivatives designated for hedge accounting - liabilities				
Cross Currency Swap	MM EUR 300	114	MM EUR 500	**250**
Total derivatives designated for hedging - liabilities*	**-**	**114**	**-**	**250**

There are no financial instruments measured at Level 1 and 3 in the fair value hierarchy. All financial instruments are recognized using observable inputs (Level 2).

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

Note 12 - Loans to customers

All amounts in millions of NOK

	Q1 2024	Q1 2023	FY 2023
Credit Card	4 818	4 884	4 786
Unsecured loans	18 571	20 501	18 574
Auto loans	136 556	133 745	135 874
- Installment loans	*100 523*	*99 072*	*99 515*
- Finance leases	*36 033*	*34 673*	*36 359*
Total gross loans to customers	**159 946**	**159 130**	**159 234**
- Loan loss allowance - Stage 1	-849	-852	-876
- Loan loss allowance - Stage 2	-496	-622	-454
- Loan loss allowance - Stage 3	-2 774	-2 569	-2 649
Total net loans to customers	**155 827**	**155 088**	**155 255**

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:

	Q1 2024	Q1 2023
Change in loss allowance - Unsecured loans	8	-25
Change in loss allowance - Secured loans	-76	-91
Change in loss allowance - Off balance exposure*	-2	-
+ Total realized losses	-403	-321
- Recoveries on previously realized losses	59	72
Impairment losses on loan, guarantees etc.	**-413**	**-366**

*In previous year the allowance for off balance sheet exposures was reported as "Other income and cost" in the Profit and loss statement. From Q4 2023 the allowances are reported under "Impairment losses on loan, guarantees etc.".

Note 14 - Issued securities

All amounts in millions of NOK

	Q1 2024	Q1 2023	FY 2023
Issued certificates	803	-	802
Senior unsecured issued securities	32 337	30 891	30 039
Total issued securities	**33 141**	**30 891**	**30 841**

Issued securities by currency in NOK	**Q1 2024**	**Q1 2023**	**FY 2023**
DKK	-	-	-
EUR	23 161	22 249	22 161
NOK	5 326	3 813	5 623
SEK	4 654	4 828	3 058
Total issued securities	**33 141**	**30 891**	**30 841**

Note 15 - Receivables and liabilities to related parties

All amounts in millions of NOK

Debt to related parties:	**Q1 2024**	**Accrued Interest Q1 2024**	**Q1 2023**	**Accrued Interest Q1 2023**	**FY 2023**	**Accrued Interest FY 2023**
Santander Consumer Finance S.A.	20 358	123	35 338	145	24 143	154
Total	**20 358**	**123**	**35 338**	**145**	**24 143**	**154**
Balance sheet line: "Subordinated loan capital" - Bonds						
Santander Consumer Finance S.A						
MNOK 500, maturity September 2027, 3 months NIBOR + 1.66%	500	2	500	2	500	2
MSEK 750, maturity December 2029, 3 months STIBOR + 2.08%	761	3	758	2	757	3
MSEK 750, maturity December 2030, 3 months STIBOR + 2.29%	761	1	758	1	757	1
MNOK 500, maturity June 2031, fixed rate 2.62%	500	4	500	4	500	1
Total	**2 522**	**10**	**2 516**	**9**	**2 515**	**6**
Balance sheet line: "Senior non-preferred loans"						
Santander Consumer Finance S.A						
MSEK 600, maturity April 2026, 3 months STIBOR + 1.04%	609	5	606	4	606	5
MNOK 650, maturity May 2026, 3 months NIBOR + 1.37%	650	5	650	3	650	5
MSEK 1000, maturity August 2026, 3 months STIBOR + 1.50%	1 014	6	1 010	4	1 010	6
MSEK 1000, maturity September 2026, 3 months STIBOR + 1.75%	1 014	1	1 010	0	1 010	0
MSEK 1000, maturity November 2026, 3 months STIBOR + 2.18%	1 014	6	1 010	5	1 010	6
MEUR 500, maturity January 2027, fixed rate 4.51%	5 822	52	5 677	50	5 632	239
MEUR 500, maturity September 2028, fixed rate 4.87%	5 954	151	-	-	5 783	77
Total	**16 078**	**226**	**9 965**	**67**	**15 700**	**339**

Note 15 - Receivables and liabilities to related parties (continued)

Receivables on related parties:	Q1 2024	Accrued Interest Q1 2024	Q1 2023	Accrued Interest Q1 2023	FY 2023	Accrued Interest FY 2023
Balance sheet line :"Loans to subsidiaries and SPV's"						
Loan to subsidiary (Santander Consumer Finance Oy)	19 300	68	18 712	67	18 469	190

In December 2023 Santander Consumer Bank AS and Santander Consumer Finance S.A. entered into an unfunded Risk Participation Agreement (RPA) which transfers the mezzanine risk of a DKK 13.6 billion reference portfolio consisting of Danish auto loans, from Santander Consumer Bank AS to Santander Consumer Finance S.A.

The Risk Participation Agreement allowed Santander Consumer Finance S.A to issue a synthetic securitization by issuing Credit Linked Notes (CLN) on the mezzanine risk purchased by third-party investors, referencing the Danish auto portfolio. The Risk Participation fee Santander Consumer Bank AS need to pay Santander Consumer Finance S.A matches the coupon on the CLN and the issuance of the CLNs allowed Santander Consumer Finance S.A. to achieve significant risk transfer (SRT). The reference portfolio consisting of Danish auto loans is not derecognized from the balance sheet of Santander Consumer Bank AS.

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

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

Note 16 - Transactions with related parties

All amounts in millions of NOK

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

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

The following transactions were carried out with related parties:

Profit and loss	Q1 2024	Q1 2023	FY 2023
Interest income	60	54	250
Interest expenses	-564	-402	-2 130
Interest payments additional Tier 1 capital	-54	-46	-194
Other	345	101	-146
Net transactions	**-213**	**-293**	**-2 220**

Note 16 - Transactions with related parties (continued)

Assets	Q1 2024	Q1 2023	FY 2023
Loans to customers	19 369	18 779	18 659
Deposits with and receivables on financial institutions	10	4	2
Financial derivatives	18	-	-
Investments in subsidiaries	1 872	1 827	1 806
Other financial assets	11	230	167
Other assets	408	55	243
Total assets	**21 688**	**20 896**	**20 877**

Liabilities	Q1 2024	Q1 2023	FY 2023
Debt to credit institutions	20 480	35 483	24 296
Debt established by issuing securities	257	267	307
Financial derivatives	12	27	-
Other financial liabilities	146	-	-
Other liabilities	211	353	463
Subordinated loan capital	18 772	12 556	18 355
Total liabilities	**39 878**	**48 686**	**43 422**

The Bank had transactions with the following related parties as at 31 March 2024 :

CACEIS Bank Spain SAU

Santander Consumer Finance Oy

Santander Consumer Finance S.A.

Banco Santander S.A.

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

Santander Seguros Y Reaseguros S.A.

Santander Global Services S.L.

Santander Global Technology and Operations, S.L. Unipersonal

Santander Consumer Finance Global Services S.L.

Santander