2013
Annual report

Santander Consumer Bank Nordics (Group)
Santander Consumer Bank AS
Organization number 983 521 592

50 years of growth

2013 marked the 50th anniversary of the bank, and we successfully continued on our stellar growth path by delivering another year of record results

We finished the year in the same manner as we started it, by further cementing our position as the leading auto finance player in the Nordic region. It was also the year when we, by launching in Denmark, completed the roll out of consumer loans to all four countries. Further on, as a key component of our self funding strategy, we launched customer deposits in Norway and Sweden, completed our first warehousing securitisation in Sweden, and have industrialised securitisations throughout the cluster through repeated transactions. Santander Consumer Bank Nordic increased total assets in 2013 to NOK 81Bn at year end. Profit before tax reaced a record NOK 1.393Bn. Key drivers for these numbers are normalised funding costs, rigorous opex control, robust risk management and commercial execution. This aside, the number one success factor is the trust and lojalty our customers and partners put in us every day, combined with the relentless efforts by our employees. For 2014 we see further opportunities, by building and expanding our base of products and services, all with sustainable growth as a number one priority.

Michael Hvidsten
CEO

IN SHORT 2013

2013 has been a very good year for Santander Consumer Bank (SCB). Despite adverse financial and economic developments during most of the year, ordinary profit before taxes (PBT) for the group increased from NOK 1.136 M in 2012 to NOK 1.394 M in 2013. PBT represents a Return on Net Earning Assets (ROA) of 2,02 %.

PROFIT BEFORE TAX 2013:

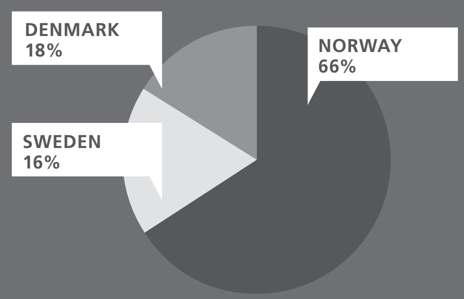
1.394

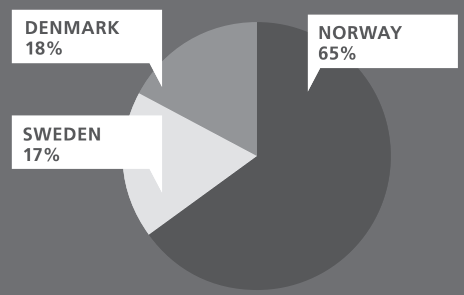
Santander's guidelines focus on integrating three main considerations into the business:

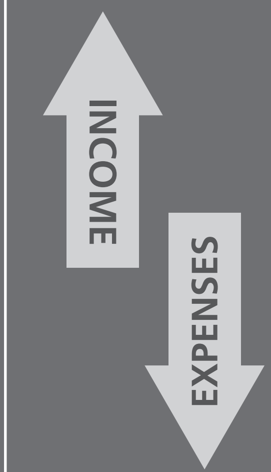
ENVIRONMENTAL
SOCIAL
ETHICAL

RECONCILIATIONS OF INFORMATION ON REPORTABLE SEGMENTS TO IFRS MEASURES
As a percentage of total for all reportable segments.

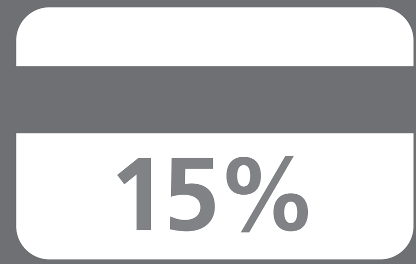
Net interest income:







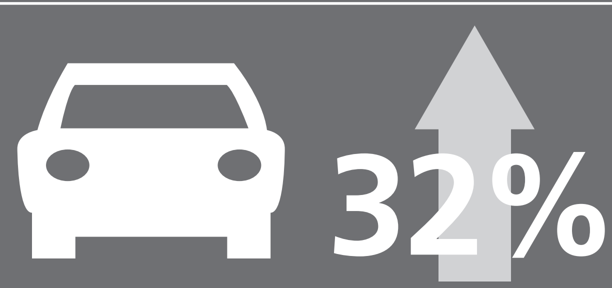
The financial statements show the activities of the company in the following countries:



THE CREDIT CARD BUSINESS OPERATES ONLY IN NORWAY, AND THE BUSINESS HAS 300.000 CARDS AND HAS EXPERIENCED A ROBUST GROWTH OF 15 % IN ITS LENDING PORTFOLIO DURING 2013.

Santander Consumer Bank was certified as "Miljøfyrtårn", a Norwegian municipal environment certification in 2009. The bank is compliant with all requirements regarding health, environment and safety, procurement, transportation, waste handling and energy consumption.

Total net outstanding loans/leasing for Norway is NOK 33.800 M.



SANTANDER CONSUMER BANK HAS DURING 2013 STRENGTHENED ITS MARKET POSITION IN THE AUTO MARKET IN NORWAY AND IS LEADER WITH A MARKET SHARE OF 32%.

KEY FIGURES

Santander consumer bank as
All amounts in thousands of NOK

Balance sheet total	81 214 715
Profit before tax	1 392 500
Net loans to customers	70 737 764
Deposits from customers	9 216 043
Total Equity	7 453 896

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Report of the Board of Directors 2013

2013 has been a very good year for Santander Consumer Bank (SCB). Despite adverse financial and economic developments during most of the year, ordinary profit before taxes (PBT) for the group increased from NOK 1.136 M in 2012 to NOK 1.393 M in 2013. PBT represents a Return on Net Earning Assets (ROA) of 2,02%.

Total assets of the Nordic group amounted to NOK 81,2 MM year-end against NOK 64,6 MM in 2012.

In the area of Auto finance Santander is the market leader in the Nordic countries.

COMPANY SITUATION

Santander Consumer Bank is a wholly-owned subsidiary of Santander Consumer Finance S.A. which is part of Grupo Santander, one of the world's leading banking groups. At the end of 2013, Santander Consumer Bank had branches in Sweden and Denmark, as well as a wholly-owned subsidiary in Finland. Santander Consumer Bank's head office is in Lysaker, Norway. SCB is organised as a Nordic cluster with central staff functions and 5 Business units i.e.

- Norway
- Sweden
- Denmark
- Finland
- Credit Cards

BUSINESS

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

NORWAY

The market for new and used cars has been good and with a growth of 2% compared to 2012. The business unit has performed well in 2013 concluding on new vendor agreements. SCB has during 2013 strengthen its market position in the Auto Market in Norway and is leader with a market share of 32%.

For Consumer Loans new business volume and portfolio development have been satisfactory both with regards to underlying performance and portfolio growth. The product area is delivering robust key figures and is growing strongly.

Total net outstanding loans/leasing for Norway is NOK 33.800 M.

SWEDEN

The Swedish economy experienced weak growth in 2013 with a GDP increase of 1%. Repo rate was lowered by 25 bps to 0,75% in December 2013. Unemployment rates have been stable at 8%. New car sales decreased by 3,76%. Net outstanding at year for the auto division (including Stock Finance) amounted to MNOK 12.180 a growth of 8,26% compared to the preceding year. Net outstanding for Consumer Loans (launched June 2012) amounted to MNOK 420.

New business volume for the auto division (excluding Stock Finance) ended at MNOK 6.442 for 2013 compared to MNOK 5.664 for 2012. That represents an increase of 13,73%. New business volume for Consumer Loans amounted to MNOK 412 which was slightly behind the budget of MNOK 425.

Market share for Q3 ended at 10,1%. We have no available market data for Q4 yet. SCB is among the 3 largest within the area of car financing.

Deposits was launched during summer of 2013. At year end customers had deposited MNOK 2.293 with Santander.

DENMARK

The Business Unit started up as a branch in 2007 and has expanded strongly since then, partly through organic growth and an acquisition in 2007. The main activity in SCB is car financing and leasing. The car market in Denmark in 2013 was the biggest ever, and for SCB a number of new dealer agreements were concluded. SCB is market leader with a market share of 23%. In 2013 the Danish unit extended the product area with Consumer Loans. Total net outstanding at year end amounted to MNOK 12.150.

FINLAND

The Business Unit started up early 2007 as a fully owned subsidiary of SCB AS. In January 2009 GE Money Oy was acquired and thereby strongly increasing Santanders market presence in car finance and adding a large new business area through consumer loans.

The car market in 2013 decreased more than 6%. SCF Oy is nr 1 in the market with a market share of av. 28,5% followed by OP-Pohjola with 27% market-share.

In the Consumer Loan business new business volume has increased 7% during 2013 compared with 2012 and the balance stabilized to approximately 1.965 MNOK.

Net outstanding amounted to MNOK 8.250 and the PBT increase with 45% from 2012.

CREDIT CARDS

The credit card business operates only in Norway. The business has 300.000 cards and has experienced a robust growth of 15% in its lending portfolio during 2013.

The year has also been characterized by many different activities to increase the efficiency of the business introducing asynchronous Bank ID for Mobile Applications, and encouraging the customer to use self-services on MyPage. We have also made our services available through new devices like MobileBank and TabletBank.

Related to that we have launched a new, easier and secure sign-in solution for our new devices to increase the customer experience and lower the barrier for usage.

We estimate our market share to approximately 6%.

FUNDING

The bank has during the last years taken significant steps to diversify its funding sources, and has further developed its securitization capabilities in 2013 and securitized parts of the Norwegian, Danish, Swedish as well as the Finnish car loan portfolio. The bank is planning to continue to securitize parts of the portfolios in order to secure long term funding at attractive levels. The securitization is strictly a financing operation, and is not intended to give any change in risk exposure nor give any capital relief for the bank. The bank has also established itself as an issuer of senior bond debt in the Norwegian market and has established a Euro Medium Term Note program. The bank plans to continue using the capital markets as a source of financing going forward.

Santander Consumer Bank re-launched customer deposits as a product to Norwegians in early 2013, and followed up with offering this product also to Swedish customers in second half of the year. Hence, the customer deposits volume increased significantly during the year, and by year-end 2013 the total volume was around NOK 9.2 billion.

The bank is also financed through loans and drawing rights from the parent bank and companies within Grupo Santander. These loans are priced at market prices.

The credit spreads have traded in significantly during 2013.The access to liquidity has not been hindered by the recent turmoil in the financial markets, and liquidity risk is receiving full attention by the bank.

The board of Directors considers the liquidity and funding needs to have been adequately met throughout the year.

SOLVENCY

New legislation on capital requirements for credit institutions were enforced in Norway as of 1 July 2013 as a result of the Basel III standards and the European Commission's proposal for a legal framework to implement the Basel III standards in the EU (the CRD IV framework). Santander Consumer Bank is compliant with a core capital of exceeding the minimum of 9.5%. Santander Consumer Bank applies the standard approach in Basel II.

At group level, the net equity and subordinated capital amounted to MNOK 8.728 as of 31.12.2013, which gives a capital ratio of 13.06%. Core capital was MNOK 6.478, which gives a core capital ratio of 9.69%.

The net equity and subordinated capital for Santander Consumer Bank amounted to MNOK 8.485, which gives a capital ratio of 14.6%. Core capital amounted to MNOK 6.235, which gives a core capital ratio of 10.73%.

The ICAAP (internal capital adequacy assessment process) is integrated in the company's planning and budgeting processes as well as the risk assessment processes under the internal control regulations. In addition to Credit risk, Market risk and Operational risk the ICAAP also covers business risk and other risks not covered in other solvency reporting. A report based on the ICAAP is annually prepared and presented to the FSA.

ANNUAL ACCOUNTS

For SCB Nordic Group profit before taxes reached NOK 1.393. M against NOK 1.136 M in 2012 representing a growth of 22.7%.

Total net loans to customers have increased by 20.8% which reflects a high activity level in all the Nordic countries. Total assets at year end amounted to NOK 81.215 M compared to NOK 64.605 M the year before.

Net interest income and credit commissions have grown mainly due to net loans to customers. Net commissions and other commission income however have had a robust growth as a result of increasing insurance commissions.

The increase in salaries and administrative expenses comes mostly from external fees and expenses related to the securitization projects and business growth.

Total loan loss provisioning is on the same level as last year. Net loan losses is equivalent to 0,73% of the net average loan portfolio.

In the opinion of the Board the annual accounts provide a true and fair view of the company's result for 2013 and its financial position as at 31.12.13. Profit after tax for SCB AS in 2013 was NOK 809 M, and for the Group NOK 1.016. M.

It is proposed to transfer the profit for the year to other equity.

In 2013 net cash flow from operations amounted to MNOK - 6.339 in the Nordic Group and MNOK - 1.372 in SCB. The reason for negative cash flow from operations is the growth in loans to customers.

In accordance with § 3-3a of the Accounting Act we confirm that the accounts have been prepared under the going concern assumption and this also corresponds with the Board's opinion.

RISK MANAGEMENT

Santander Consumer Bank (SCB) is organized as a Nordic cluster with central support functions and five business units:

- Car and Leisure Financing Norway
- Car and Leisure Financing Sweden
- Car and Leisure Financing Finland
- Car and Leisure Financing Denmark
- Credit Card Norway

The central support functions are located at the headquarters in Norway; all business units have their own local support functions too.

Santander Consumer Bank AS organizational structure is designed to support the credit risk management of the bank. The bank leverages from pan-Nordic initiatives and strategies, resulting in highly homogeneous credit risk practices across the business units while at the same time taking into consideration the local market's needs and climate.

Credit risk management is divided into "Standardised" and "Non-Standarised" risk areas.

Standardised (Retail) exposures are managed through a highly automated credit approval process, based on Advanced-IRB (IRB-A) Approach scorecards for the underwriting of new applications as part of the bank's Basel II roll-out program. At the end of December 2013 SCB has submitted an application to Banco de España to use Pillar I Internal Ratings Based (IRB) Advanced approach for the majority of its retail business and the application for the remaining retail portfolios will be sent during 2014 and 2015 following the internal roll out plan.

The Non-Standardised risk segment is defined as auto and stock finance, offered to corporate clients with a consolidated group turnover exceeding 50 MEUR (million EUR) and/or clients with credit exposure of over 0.5 MEUR (5 MNOK).

Santander Consumer Bank AS segmentation ensures enhanced understanding and monitoring of products and portfolios.

Improving underlying credit quality of new business, stable portfolio performance and continuous improvement of collection processes, together with macroeconomic environment results on a further decrease of gross non-performing loans to gross loan amounts ratio from 1.76% in 2012 to 1.61% in 2013 at group level and from 1.83% to 1.72% for SCB AS.

The level of write-downs increased to NOK 1.153 M at group level and for SCB AS NOK 843 M driven by additional provisioning in connection with portfolio growth in specific business units and individual exposures.

In 2013 credit losses at Nordic group level came to NOK 513 M and for SCB AS NOK 460 M. At group level this corresponds to 0,75% of 12 months average gross loan amounts, compared to 0,89% in 2012. The absolute increase in losses was driven by higher levels of write downs and write offs, yet the growth of the portfolio has compensated for the higher levels credit losses during 2013.

The board considers the risk situation and the provisions to be satisfactory for the risk profile of the portfolio. Internal controls are considered to be sufficient.

ORGANISATION

At year end, the Santander Consumer Bank had 644 employees (exclusive temporary hired employees), of which 98 worked in Sweden, 92 in Denmark, 114 in Finland and 340 in Norway. In 2013 the sick leave rate was around 3.5 percent. The Board is not aware of any personal injuries in the workplace in 2013.

The working environment in the Company is considered to be good, and is assessed yearly through an employee opinion survey, Santander Spirit Survey, that had response rate of over 90 percent and overall score on AA+.

The Company has a Working Environment Committee and Liaison Committee. Statutory meetings are held and the co-operation between the management and employee representatives is good.

Health, safety and environment, are important elements in the group policy for people and organisation. Preventive working environment measures should be adopted to promote employees' safety, health, well-being and working capacity. Santander Consumer Bank is committed to gender-balanced participation in its talent and management development programs and has flexible schemes that make it easier to combine a career with family life.

SCB is proactive in ensuring that employees perceive a policy of gender equality, and no discrimination has been reported. The Company has participated in Grupo Santander's worldwide Gender Diversity Policy. At 2013 year end 52.2% of employees were women. There were two women in the Board of Directors, and two women in the Senior Management Team.

2013 has been characterised as a year with a high level of activity in all parts of the company. The Board wishes to thank all employees for a good effort and good results in 2013.

Santander Consumer Bank's business does not pollute the external environment.

SOCIAL RESPONSIBILITY, HUMAN RIGHTS AND SERTIFICATIONS

Santander Consumer Bank acknowledges the importance of the bank's obligation to the society to provide financial infrastructure and support economic stability. The Bank's guidelines focus on integrating three main considerations into the business: environmental, social and ethical and categorize risks connected to these considerations as compliance and reputational risks.

The main principles for these considerations are expressed in Santander's General Code of Conduct. It catalogues the ethics principles and rules of conduct by which all activities of Santander employees should be governed, and therefore comprises the central component of the Group's Compliance program. The General Code is thus applicable to members of the Board and to all employees. Furthermore, the bank's solvency needs are assessed on an annual basis with regards to all material risks the Group faces in an internal capital assessment process (ICAAP).

The Santander Internal Audit's responsibility is to independently supervise the efficiency of the regulatory compliance program adopted by the bank, therefore ensuring that the compliance program achieves the objectives intended by it. The ICAAP is also subject to internal audit on an annual basis. During 2013, the internal audit has assessed several areas of business at Santander Consumer Bank's Nordic operations.

Legal and Compliance is responsible for making the General Code available to employees. During 2013, Santander Consumer Bank has provided anti-money laundering training for all employees. As a socially responsible organization, it is strategic objective for Santander to have an advanced effective system for the prevention of money laundering and the financing of terrorism that is constantly adapted to the latest international regulations and has the capacity to respond to the appearance of new techniques employed by criminal organizations.

The Group has established corporate systems at all its units and business areas based on decentralized computer software which makes it possible to present directly to the account branches or the relationship managers the transactions and customers which need to be analyzed because of their risk. The aforementioned tools are supplemented by other tools used centrally by the teams of analysts in the prevention units and, based on certain risk profiles and changes in certain customer operational behavior patterns, they enable transactions that might be linked to money laundering or terrorist financing to be analyzed, identified on a preventative basis and monitored.

Santander Consumer Bank's parent company, Banco Santander is a founder member, along with ten other large international banks, of the Wolfsberg Group. The Wolfsberg Group's objective is to establish international standards to increase the effectiveness of programmes to combat money laundering and terrorist financing in the financial community. Various initiatives have been developed which have addressed, inter alia, issues such as the prevention of money laundering in private banking and correspondent banking, and the financing of terrorism as regulatory authorities and experts in this area consider that the Wolfsberg Group and the principles and guidelines set by it represent an important step in the fight against money laundering, corruption, terrorism and other serious crimes.

Guidelines, procedures and standards for corporate responsibility will still be an area of focus going forward.

Santander Consumer Bank's direct impact on the climate and the environment is mainly related to waste from office operations.

Santander Consumer Bank was certified as "Miljøfyrtårn", a Norwegian municipal environment certification in 2009. The bank is compliant with all requirements regarding health, environment and safety, procurement, transportation, waste handling and energy consumption.

The company acknowledges equal opportunities without consideration for race, gender, religion or other status, and is actively working for a safe, including and engaging working environment.

We are a socially responsible company which supports professionals who take part in charitable initiatives. As a part of the social responsibility program the employees were in 2013 encouraged to give a donation to SOS children community in Latvia. The company matched the employees' donations and doubled the amount.

OUTLOOK FOR 2014

The Nordic countries are continuously doing well in the aftermath of the financial crisis, though with country-wise differences. As the rest of Europe is starting to show robust signs of slow by steady recovery, we consider the macro outlook for the region to be positive.

Car sales are expected to have a flat evolution across the cluster in 2014. Cards & Consumer Loans are expected to follow the trend of previous years, with an estimated moderate growth of 5%. Santander Nordic will leverage its' now pan-Nordic footprint even further in the unsecured lending segment. As for customer deposits we will expand the product offering to all countries within the cluster.

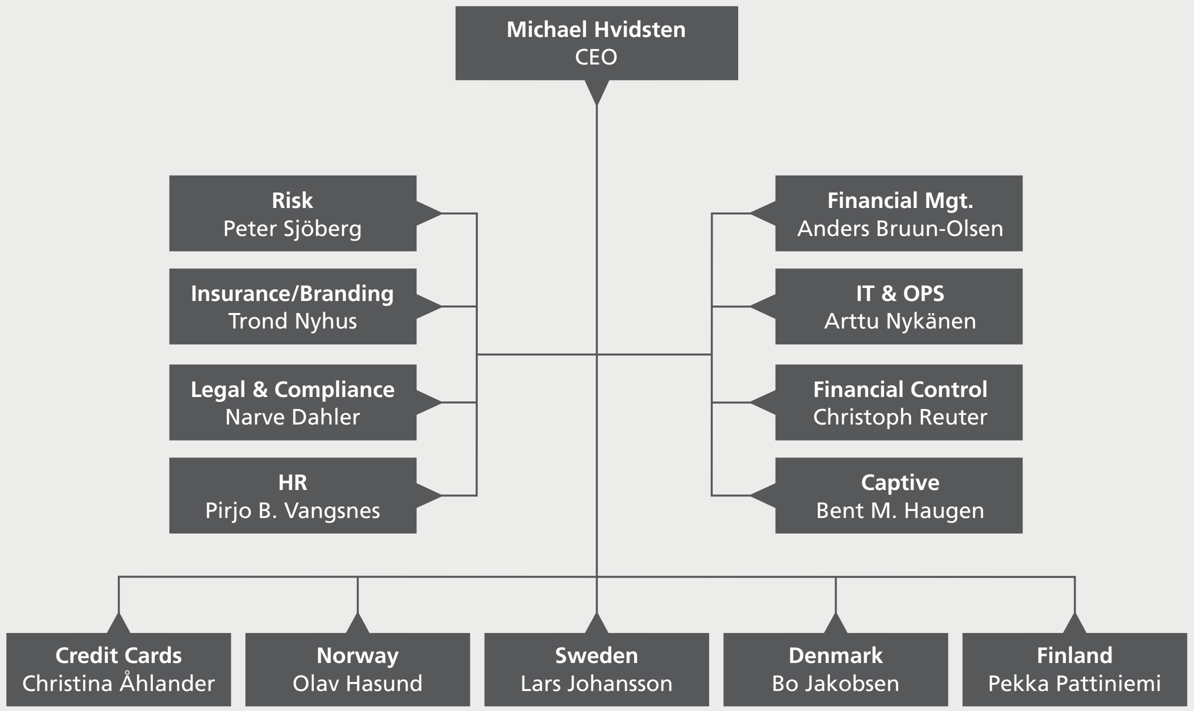
The focus on funding and liquidity remains. Even though overall spreads have been on a positive trend, the evolution needs to be monitored proactively. To safeguard our stable funding with longer durations, the bank will remain focused on an increased level of self funding with asset backed funding, deposits and commercial paper programs as the primary sources.

The strategy of continuously looking for efficiency gains, margin control and risk management remains in place. Santander Nordic plans for another year of sustainable growth in both top and bottom line.

Lysaker, March 25th 2014

Erik Kongelf (Chairman)	Bruno Montalvo Wilmot (Deputy Chairman)	Henning Strøm
Maria Rosario Vacas Roldan	Bjørn Elvestad	Vibeke Hamre Krey (Employee Representative)
Francisco Javier Anton San Pablo	Michael Hvidsten (Chief Executive Officer)	

SCB Nordic organisation



SCB employs a pan-Nordic management structure.
The Nordic management team has significant industry knowledge and experience.

ACCOUNTS

Santander Consumer Bank Nordics (group)
Santander Consumer Bank AS

PROFIT AND LOSS ACCOUNT

Group		All amounts in thousands of NOK		Santander Consumer Bank AS	
31.12.12	**31.12.13**		Note	**31.12.13**	31.12.12
		Interest income and similar income			
165 224	191 299	Interest and similar income on loans to and receivables from credit institutions		566 864	185 039
4 086 377	4 375 772	Interest and similar income on loans to and receivables from customers		2 496 286	2 652 129
-	10 833	Interest and similar income on comm.paper, bonds and other securities		301 346	340 560
4 251 602	4 577 904	Total interest income and similar income		3 364 496	3 177 729
		Interest expenses and similar expenses			
1 252 775	960 218	Interest and similar expenses on debt to credit institutions	20	838 887	1 080 961
8 209	128 646	Interest and similar expenses on deposits from and debt to customers	20	128 646	8 209
291 599	324 093	Interest and similar expenses on issued commercial papers and bonds	20	12 130	23 781
47 953	75 313	Interest on subordinated loan capital	16	57 349	30 394
3 645	66 308	Other interest expenses and similar expenses		65 729	3 549
1 604 181	1 554 578	Total interest expenses and similar expenses		1 102 741	1 146 894
2 647 420	3 023 326	Net interest and credit commission income		2 261 754	2 030 835
		Commission income			
2 319	4 114	Guarantee commissions		1 903	1 815
253 413	341 486	Other commissions and fees		415 175	302 369
255 731	345 599	Total commission income and income from banking services		417 078	304 184
		Commission Expenses			
130 049	161 858	Other fees and commission expenses		176 392	161 072
130 049	161 858	Total commission expenses and expenses from banking services		176 392	161 072
		Net value change and gain/loss on foreign exchange and securities			
-20 420	-11 318	Net value change and gain/loss on foreign exchange and securities		-5 357	-2 396
-20 420	- 11 318	Total value change and gain/loss on foreign exchange and securities		-5 357	-2 396
		Other operating income			
41 892	39 191	Other operating income		27 232	32 766
41 892	39 191	Total other operating income		27 232	32 766
		Salary and administration expenses			
552 758	619 570	Salaries, fees and other personnel expenses		493 184	441 737
400 883	470 486	Of which: - Salaries	1	359 414	306 913
68 514	69 524	- Pensions	14	60 808	59 195
83 362	79 560	- Social costs		72 963	75 629
324 200	420 960	Administration expenses		364 548	265 188
876 958	1 040 530	Total salary and administration expenses		857 732	706 925

PROFIT AND LOSS ACCOUNT

Group		All amounts in thousands of NOK		Santander Consumer Bank AS	
31.12.12	**31.12.13**		Note	**31.12.13**	31.12.12
		Ordinary depreciation			
75 819	83 402	Ordinary depreciation	7	77 258	70 484
108 798	112 791	Ordinary depreciation operational leasing		-	-
184 616	196 193	Total depreciation		77 258	70 484
82 969	92 249	Other operating expenses		71 276	65 229
		Losses on loans, guarantees etc			
514 359	513 469	Loan losses	2	419 702	402 554
514 359	513 469	Total losses on loans, guarantees etc		419 702	402 554
1 135 673	1 392 500	Operating result		1 098 347	959 125
308 683	376 458	Taxes charge	6	289 812	270 604
826 989	1 016 043	Profit after tax		808 534	688 522
		Allocation of profit after tax			
826 989	1 016 043	Transferred to other earned equity		808 534	688 522
826 989	1 016 043	Total allocations		808 534	688 522
		Statement of other comprehensive income			
		Items that will not be reclassified subsequently to profit or loss:			
-	-136 512	Remeasurement of defined benefit obligation		-136 512	-
-	37 020	Income tax relating to remeasurement of defined benefit obligation		37 020	-
		Items that may be reclassified subsequently to profit or loss:			
-	144 101	Net investment hedge		-	-
12 118	-67 157	Net exchange differences on translating foreign operations		-1 399	-4 040
839 107	993 495	Total comprehensive income of the year, net of income tax		707 643	684 482

Profit is 100% attributible to the parent-company

BALANCE SHEET - ASSETS

Group		All amounts in thousands of NOK		Santander Consumer Bank AS	
31.12.12	**31.12.13**		Note	**31.12.13**	31.12.12
		Cash and receivables on central banks			
0	0	Cash and receivables on central banks		0	0
0	0	Total cash and receivables on central banks		0	0
		Deposits with and receivables on financial institutions			
3 028 126	4 908 825	Deposits with and receivables on financial institutions		3 024 211	1 574 650
3 028 126	4 908 825	Total deposits with and loans to financial institutions		3 024 211	1 574 650
		Loans to customers			
2 173 483	2 461 641	Credit Card		2 461 641	2 173 483
3 439 098	4 639 197	Unsecured loans		2 689 660	1 722 365
43 529 244	53 063 747	Installment loans		45 027 852	37 417 193
10 433 222	11 726 477	Financial leasing	7	11 098 395	9 979 257
59 575 046	71 891 062	Total loans before individual -and groupwise write-downs		61 277 547	51 292 298
110 802	92 045	- Individual write-downs	2,3,5	55 498	74 784
912 643	1 061 253	- Groupwise write-downs	2,3,5	787 172	659 449
58 551 601	70 737 764	Net loans		60 434 877	50 558 066
28 434	18 339	**Repossessed assets**	4	5 312	16 096
		Commercial papers, bonds and other fixed-income securities			
0	995 650	Commercial papers and bonds	24	8 849 099	4 585 388
0	995 650	Total commercial papers, bonds and other fixed-income securities		8 849 099	4 585 388
183 414	862 151	Financial derivatives		200 479	142 735
183 414	862 151	Total financial derivatives		200 479	142 735
		Ownership interests in group companies			
0	0	Ownership interest in credit institutions	22,27	1 085 701	953 971
0	0	Sum ownership interests in group companies		1 085 701	953 971
		Intangible assets			
423 907	421 600	Goodwill	7	113 934	100 084
133 542	201 412	Deferred tax assets	6	37 020	0
267 180	352 445	Other intangible assets	7	339 840	255 313
824 629	975 458	Total intangible assets		490 794	355 396
		Fixed assets			
32 641	35 332	Machinery, fittings and vehicles	7	30 686	28 136
394 617	440 585	Operational leasing		0	0
427 258	475 917	Total fixed assets		30 686	28 136
		Other assets			
1 231 159	1 775 409	Consignment		699 441	565 072
190 316	282 845	Other assets		424 407	93 190
1 421 476	2 058 254	Total other assets		1 123 847	658 262
		Prepayments and earned income			
140 263	182 357	Earned income not received and prepaid expenses not incurred		121 214	99 969
140 263	182 357	Total prepayments and earned income		121 214	99 969
64 605 200	**81 214 715**	**Total assets**		**75 366 222**	**58 972 669**

BALANCE SHEET - LIABILITIES AND EQUITY

Group		All amounts in thousands of NOK		Santander Consumer Bank AS	
31.12.12	**31.12.13**		Note	**31.12.13**	31.12.12
39 993 959	34 460 678	Loans and deposits from credit institutions with an agreed term	1,16,20,27	50 874 089	50 838 563
39 993 959	34 460 678	Total loans and deposits from financial institutions		50 874 089	50 838 563
		Deposits from and debt to customers			
282 299	9 216 043	Deposits from and debt to customers repayable on notice	20	9 216 043	282 299
282 299	9 216 043	Total deposits from customers		9 216 043	282 299
195 963	300 995	Financial derivatives		160 477	0
195 963	300 995	Total financial derivatives		160 477	0
		Debt established by issuing securities			
0	0	Certificates and other short term loan raising	24	0	0
15 423 115	24 706 513	Bonds and other long term loan raising	24	3 705 014	249 854
15 423 115	24 706 513	Total debt established by issuing securities		3 705 014	249 854
		Other debt			
645 893	622 128	Other debt	6	559 526	257 662
645 893	622 128	Total other debt		559 526	257 662
		Allocations for expenses incurred and liabilities			
716 253	905 516	Expenses incurred and earned income not received		572 973	435 464
114 606	223 071	Pension liabilities	14	223 071	114 606
417 528	468 524	Deferred tax	6	468 524	417 528
1 248 387	1 597 110	Total allocations for liabilities		1 264 567	967 597
		Subordinated loan capital			
655 183	2 857 352	Other subordinated loan capital	16	2 857 352	655 183
655 183	2 857 352	Total subordinated loan capital		2 857 352	655 183
58 444 799	73 760 819	Total liabilities		68 637 068	53 251 158
		Paid-in equity			
3 648 469	4 448 469	Share capital	18	4 448 469	3 648 469
891 314	891 314	Share capital premium		891 314	891 314
200 000	0	Paid-in, not registered share capital		0	200 000
4 739 783	5 339 783	Total paid-in equity		5 339 783	4 739 783
		Earned equity			
1 420 618	2 114 113	Other equity		1 389 371	981 728
1 420 618	2 114 113	Total earned equity		1 389 371	981 728
6 160 401	7 453 896	Total equity		6 729 154	5 721 511
64 605 200	**81 214 715**	**Total liabilities and equity**		**75 366 222**	**58 972 669**
		Conditional liabilities			
146 312	123 706	Guarantee liabilities	21	123 121	145 830

Erik Kongelf
(Chairman)

Bruno Montalvo Wilmot
(Deputy Chairman)

Henning Strøm

Maria Rosario Vacas Roldan

Bjørn Elvestad

Vibeke Hamre Krey
(Employee Representative)

Francisco Javier Anton San Pablo

Michael Hvidsten
(Chief Executive Officer)

CASHFLOW STATEMENT GROUP

Group 31.12.12	31.12.13	All amounts in thousands of NOK	Santander Consumer Bank AS 31.12.13	31.12.12
		Operating activities		
-5 732 904	-12 860 265	Net receipts/payments on loans to customers	-10 119 617	-9 168 402
5 552 915	4 524 491	Interest received from customers	2 323 127	3 882 975
23 472	8 933 744	Net receipts on deposits from customers	8 933 744	23 472
-8 209	-128 646	**Interest paid to customers**	-128 646	-8 209
2 247 867	-7 413 980	Net receipts/payments on loans to/from credit institutions	-1 414 035	10 914 886
0	43 290	Interest received from credit institutions	556 864	0
-2 386 762	-960 218	Interest paid to credit institutions	-838 887	-1 347 783
283 311	-992 149	Net receipts/payments on the sale of financial assets for investment	-992 149	283 311
3 197	10 833	Interest received on bonds and derivatives	301 346	97 185
323 712	345 599	Received on commissions and fees	417 078	304 184
-160 486	-161 858	**Payments on commissions and fees**	-176 392	-161 072
-55 232	-92 249	Payments to operations	-71 276	-65 229
-873 267	-1 040 530	Payments on pensions, payroll, and administration	-857 732	-706 925
-209 475	-406 929	Taxes paid	-285 709	-194 281
-518 977	-474 893	Other receipts/payments	988 582	-353 792
-1 510 839	-10 673 760	**Net cash flow from operating activities**	-1 363 701	3 500 320
		Investment activities		
-6 227 414	-6 587 049	Payments on purchase of fixed assets	-6 375 581	-5 650 465
6 147 184	3 398 324	**Receipts on sale of fixed assets**	3 300 994	5 573 009
0		Receipts on the sale of long-term investments in shares	0	0
0		Payments on the acquisition of long-term investments in shares	0	0
6 161		Dividends received on long-term investments in shares	0	6 161
-74 069	-3 188 724	Net cash flow from investment activities	-3 074 588	-71 295
		Funding activities		
4 932 788	9 283 398	Receipts on issued bonds	3 455 160	0
0		Payments on redeemed bonds		0
0	-324 093	Interest payment on issued bonds	-12 130	-2 172 929
	2 202 169	Receipts on subordinated loan capital	2 202 169	0
	-75 313	Interest payment on subordinated loan capital	-57 349	0
-571 000	-300 000	**Paid out dividends**	-300 000	-571 000
240 918	600 000	Paid in share capital	600 000	296 969
4 602 706	11 386 161	Net cash flow from funding activities	5 887 850	-2 446 960
3 017 798	-2 476 323	Net cash flow	1 449 561	982 065
896 992	3 028 126	Cash at beginning of the period	1 574 650	592 585
10 328	8 299	**Effect of exchange rates on cash and cash equivalents**	8 299	0
3 017 798	-2 476 323	Net receipts of cash	1 449 561	982 065
3 028 126	4 908 825	Cash at end of the period	3 024 211	1 574 650

STAT EMENT OF CHANGES IN EQUITY GROUP

All amounts in thousands of NOK	Share Capital [1]	Share premium reserve	Other equity	Retained earnings	Total equity [2]
Balance at 1 January 2013	3 848 469	891 314	-9 803	1 430 420	6 160 401
Net profit for the year	-	-	-	1 016 043	1 016 043
Currency translation differences during the year	-	-	-	-	-
Acturaial gain/loss on post employment benefit obligations	-	-	-136 512	-	-136 512
Income tax relating to components of post employment benefit obligations	-	-	37 020	-	37 020
Net investment hedge	-	-	144 102	-	144 102
Net exchange differences on translating foreign operations	-	-	-67 157	-	-67 157
Other (fx-difference capital increase 2011)	-	-	-	-	-
Other comprehensive income, net of tax	-	-	-22 548	-	-22 548
Total comprehensive income	-	-	-22 548	1 016 043	993 495
Share dividend	-	-	-	-300 000	-300 000
Capital increase	600 000	-	-	-	600 000
Other changes (Paid in, not registered share capital)	-	-	-	-	-
Balance at 31 December 2013	4 448 469	891 314	-32 350	2 146 463	7 453 896

All amounts in thousands of NOK	Share Capital [1]	Share premium reserve	Other equity	Retained earnings	Total equity [2]
Balance at 1 January 2012	3 548 477	891 314	2 315	1 174 431	5 616 537
Net profit for the year	-	-	-	826 989	826 989
Currency translation differences during the year	-	-	-12 118	-	-12 118
Other	-8	-	-	-	-8
Other comprehensive income, net of tax	-8	-	-12 118	-	-12 125
Total comprehensive income	-8	-	-12 118	826 989	814 864
Share dividend	-	-	-	-571 000	-571 000
Capital increase	100 000	-	-	-	100 000
Other changes	200 000	-	-	-	200 000
Balance at 31 December 2012	3 848 469	891 314	-9 803	1 430 420	6 160 401

[1] Total shares registered were 444,85 million.
[2] Restricted capital is MNOK 4 448,5, unrestricted capital is MNOK 3 005,4.

STATEMENT OF CHANGES IN EQUITY SANTANDER CONSUMER BANK AS

All amounts in thousands of NOK	Share Capital [1]	Share premium reserve	Other equity	Retained earnings	Total equity [2]
Balance at 1 January 2013	3 848 469	891 314	-4 496	986 224	5 721 511
Net profit for the year	-	-	-	808 534	808 534
Currency translation differences during the year	-	-	-100 891	-	-100 891
Other (fx-difference capital increase 2011)	-	-	-	-	-
Other comprehensive income, net of tax	-	-	-100 891	-	-
Total comprehensive income	-	-	-100 891	808 534	808 534
Share dividend	-	-	-	-300 000	-300 000
Capital increase	600 000	-	-	-	600 000
Other changes (Paid in, not registered share capital)	-	-	-	-	-
Balance at 31 December 2013	4 448 469	891 314	-105 387	1 494 758	6 729 154

All amounts in thousands of NOK	Share Capital [1]	Share premium reserve	Other equity	Retained earnings	Total equity [2]
Balance at 1 January 2012	3 548 477	891 314	-456	868 702	5 308 037
Net profit for the year	-	-		688 522	688 522
Currency translation differences during the year	-	-	-4 040	-	-4 040
Other (describe)	-8	-	-	-	-8
Other comprehensive income, net of tax	-8	-	-4 040	-	-8
Total comprehensive income	-8	-	-4 040	688 522	688 514
Share dividend	-	-	-	-571 000	-571 000
Capital increase	100 000	-	-	-	100 000
Other changes (describe if applicable)	200 000	-	-	-	200 000
Balance at 31 December 2012	3 848 469	891 314	-4 496	986 224	5 721 511

[1] Total shares registered were 444,85 million.
[2] Restricted capital was NOK 4 448,5 million, unrestricted capital was NOK 3 005,4 million.

ACCOUNTING PRINCIPLES

SANTANDER CONSUMER BANK GROUP

1. General information about Santander Consumer Bank
Santander Consumer Bank AS (the Company) is a limited liability company incorporated in Norway. The company's principal offices are located at Lysaker, Norway. The company is as wholly-owned subsidiary of Santander Consumer Finance S.A. which is part of Grupo Santander. Key figures from Grupo Santander are available at www.santander.com.

The financial statements show the activities of the company in Norway, Sweden and Denmark (Santander Consumer Bank AS). In the group accounts, the Finnish subsidiary (Santander Consumer Finance OY) and the special purpose vehicles (SPVs) Bilkreditt 1 ltd, Bilkreditt 2 ltd, Bilkreditt 3 ltd, Bilkreditt 4 ltd, Bilkreditt 5 ltd, SCF Rahoituspalvelut ltd, SCF Ajoneurohallinto ltd, SCF Ajoneuvohallinta ltd, SCF Rahoituspalvelut 2013 ltd, Dansk Auto Finansiering 1 ltd., and Svensk Autofinans 1 ltd. related to the securitized portfolios are included. The principal activities of the Group are described in note 11.

The 2013 consolidated financial statements of the Group and the 2013 financial statements of the Company were approved by the Board of Directors on 25. March 2014, and are subject to approval by the Annual General Meeting on 25. March 2014.

2. Summary of significant accounting policies
The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The consolidated financial statements have been prepared under the historical cost convention, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss or amortized cost.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in section 3.

2.2. Changes in accounting policy and disclosures
2.2.1. New and amended standards adopted by the group
The following standards have been adopted by the group for the first time for the financial year beginning on or after 1 January 2013 and are considered material to the group:

Amendment to IAS 1, 'Financial statement presentation' regarding other comprehensive income: The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).

IAS 19, 'Employee benefits' was revised in June 2011. The standard eliminates the option of deferring the recognition of actuarial gains and losses on defined benefit pension plans, the so called "corridor method". The present value of pension obligations and the fair value of pension plan assets must be recognized in the balance sheet. The changes on the group's accounting policies has been as follows: to immediately recognize all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Comparative figures for 2012 have not been restated as the effect is judged immaterial. See note 14 for the impact on the financial statements.

Amendment to IFRS 7, 'Financial instruments: Disclosures', on asset and liability offsetting. This amendment includes new disclosures to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP. See note 28.

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Adoption has not had any significant effect on the group's financial results.

2.2.2. New standards and interpretations not yet adopted
A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2013, and have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The group is yet to assess IFRS 9's full impact.

2.3. Consolidation
The consolidated financial statement requires consolidation of the Finnish subsidiary and the special purpose vehicles.

2.3.1. Subsidiaries
Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group.

The acquisition method is used when consolidating subsidiaries. The consideration transferred when acquisitioning a business is measured at fair value, which is calculated as the sum of the fair value of the assets transferred, equity interests issued and liabilities incurred in exchange for control. Assets, incurred liabilities and contingent liabilities are measured at fair value at the acquisition date. Goodwill is measured as the excess of the sum of the consideration transferred over the net identifiable assets acquired and liabilities assumed as at the acquisition date. If the net identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the excess is recognized immediately as gain.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform to the group's accounting policies.

2.3.2. Special purpose entities
When the group incorporates special purpose entities, or holds ownership interests therein, to enable its customers to access certain investments, or for the transfer of risks or other purposes, it determines, using internal criteria and procedures, and taking into consideration the applicable legislation, whether control (as defined above) exists and, therefore, whether these entities should be consolidated (IFRS 10). These criteria and procedures take into account, inter alia, the risks and rewards retained by the group and, accordingly, all relevant matters are taken into consideration, including any guarantees granted or any losses associated with the collection of the related assets retained by the group. These entities include the securitization special purpose vehicles, which are fully consolidated in the case of the SPVs over which, based on the aforementioned analysis, it is considered that the group continues to exercise control.

2.4. Recognition of income and expenses
The group recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the group's activities. The most significant criteria used by the group to recognize its income and expenses are summarized as follows:

Interest income, interest expenses and similar items are generally recognized on an accrual basis using the effective interest method. This implies that interest is recorded when incurred, with the addition of amortized fees which are regarded as an integral part of the effective interest rate. The effective interest rate is set by discounting contractual cash flows based on the expected life of the asset; either car leasing contract or consumer loan. Cash flows include fees and transaction costs which are not paid directly by the customer, plus any residual value at the expiry of the asset's expected life. Interest taken to income on impaired loans corresponds to the effective interest rate on the written-down value.

Fees which are not included in effective interest rate calculations, as well as commissions are recorded during the period when the services are rendered or the transactions are completed.

Fee and commission income and expenses are recognized in the profit and loss accounts using criteria that vary according to their nature. The main criteria are as follows:

- Fee and commission income and expenses relating to financial assets and financial liabilities measured at fair value through profit or loss are recognized over the term.
- Those arising from transactions or services that are performed over a period of time are recognized over the life of these transactions or services.
- Those relating to services provided in a single act are recognized when the single act is carried out.

Non-finance income and expenses are recognized for accounting purposes on an accrual basis.

2.5. Financial assets and liabilities
Financial assets and liabilities are recorded in the balance sheet at the time the banking group becomes a party to the instruments' contractual obligations.

2.5.1. Classification
The group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

(b) Loans and receivables carried at amortized cost
This category includes the investment arising from ordinary lending activities, such as the cash amounts of loans drawn down and not yet repaid by customers or the deposits placed with other institutions, whatever the legal instrument, unquoted debt securities and receivables from the purchasers of goods, or the users of services, constituting part of the group's business. The consolidated entities generally intend to hold the loans and credits granted by them until their final maturity and, therefore, they are presented in the consolidated balance sheet at their amortized cost.

(c) Available-for-sale financial assets
Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

2.5.2. Recognition and measurement
Loans and receivables carried at amortized cost are recognized at the transaction price plus direct transaction expenses. Recognition and subsequent measurement follow the effective interest method. Upon subsequent measurement, amortized cost is set at the net present value of contractual cash

flows based on the expected life of the financial instrument, discounted by the effective interest rate. Interest income on financial instruments classified as lending is included in profit and loss using the effective interest method under 'Net interest and credit commission income'.

Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the income statement. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within "Total value change and gain/loss on foreign exchange and securities". Dividend income from financial assets at fair value through profit or loss is recognized in the income statement as part of other income when the group's right to receive payments is established.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortized cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognized in other comprehensive income. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the income statement as 'Gains and losses from investment securities'.

2.5.3. Impairment of financial assets
A financial asset is considered to be impaired -and therefore its carrying amount is adjusted to reflect the effect of impairment- when there is objective evidence that events have occurred which:

- In the case of debt instruments (loans and debt securities), give rise to an adverse impact on the future cash flows that were estimated at the transaction date.
- In the case of equity instruments, mean that their carrying amount may not be fully recovered.

As a general rule, the carrying amount of impaired financial instruments is adjusted with a charge to the consolidated income statement for the period in which the impairment becomes evident, and the reversal, if any, of previously recognized impairment losses is recognized in the consolidated income statement for the period in which the impairment is reversed or reduced.

Balances are deemed to be impaired, and the interest accrual is suspended, when there are reasonable doubts as to their full recovery and/or the collection of the related interest for the amounts and on the dates initially agreed upon, after taking into account the guarantees received by the consolidated entities to secure (fully or partially) collection of the related balances. Collections relating to impaired loans and advances are used to recognize the accrued interest and the remainder, if any, to reduce the principal amount outstanding.

For the purpose of determining impairment losses on loans to customers, the group monitors its debtors as described below:

- Individually for significant debt instruments and for instruments which, although not material, are not susceptible to being classified in a group of financial assets with similar credit risk characteristics
- Collectively, by grouping together instruments having similar credit risk characteristics indicative of the debtors' ability to pay all principal and interest amounts in accordance with the contractual terms. The credit risk characteristics considered for the purpose of grouping the assets are, inter alia, instrument type, debtor's industry and geographical location, type of guarantee or collateral, age of past-due amounts and any other relevant factor for the estimation of future cash flows.

If there is objective evidence that a loan or group of loans has been subject to a fall in value, a write-down will be calculated for the fall in value that is equal to the difference between capitalized value and the net present value of estimated future cash flows, discounted by the financial asset's original effective interest (i.e. the effective interest calculated at initial rates). In estimating the future cash flows of debt instruments the following factors are taken into account:

- All the amounts that are expected to be obtained over the remaining life of the instrument; including, where appropriate, those which may result from the collateral provided for the instrument (less the costs for obtaining and subsequently selling the collateral). The impairment loss takes into account the likelihood of collecting accrued past-due interest receivable.
- The various types of risk to which each instrument is subject; and
- The circumstances in which collections will foreseeably be made.

The group classifies transactions on the basis of the nature of the obligors, transaction status, type of guarantee or collateral and age of past-due amounts. For each risk group it establishes the minimum impairment losses ("identified losses") that must be recognized.

Objective evidence that a loan has fallen in value includes significant problems for the debtor, non-payment or other significant breach of contract, and if it is considered likely that a debtor will enter debt negotiations or if other concrete events have occurred. The company follows Grupo Santander's 12 month expected losses write-down model including write downs on incurred but not recognized (IBNR) exposures, taking into account the historical experience of impairment and other circumstances known at the time of assessment. For these purposes, inherent losses are losses incurred at the reporting date, calculated using statistical methods that have not yet been allocated to specific transactions.

2.5.4. Derecognition
Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. As part of the funding strategy, the group enters into agreements where car loan portfolios are transferred to counterparties the special purpose vehicles where the banking group retains the risk and returns associated with the transferred portfolio by guaranteeing for

ACCOUNTING PRINCIPLES

risk of default in the portfolio or entering into a total return swap. Parts of or the entire risk and returns associated with the ownership are retained by the group. If the major part of risk and returns is retained, the financial asset is not derecognized, but recorded at a value limited to the group's continuing involvement.

Financial liabilities are derecognized at the time the rights to the contractual obligations have been fulfilled, cancelled or expired.

2.6. Offsetting financial assets
Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.7. Derivative financial instruments and hedging activities
Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The group designates certain derivatives as either:

a) hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedge);
b) hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge); or
c) hedges of a net investment in a foreign operation (net investment hedge).

The group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

2.8. Leases
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.8.1. Santander Consumer Bank as lessor
Santander Consumer Bank offers car leasing. Financial leasing is classified as lease financing and is accounted for as lending. Contracts with residual value are depreciated to agreed residual value, distributed over the lease term. The interest part of the leasing fee is entered as interest income in the profit and loss account according to the principles described under the point for loans, whereas the repayment of the principal reduces the balance sheet value. In taxation terms, the leasing objects depreciate according to the diminishing balance method. Sales profits from leasing are entered under other operating profits.

Contracts in which Santander Consumer Bank AS guarantees residual value, are classified as operating leasing. Income from leasing fees consists of interest and repayment of principal and is classified under the item interest income in the profit and loss account. Operating lease income is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging the lease that are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term. Operating equipment is included under the item fixed assets in the balance sheet.

2.8.2. Santander Consumer Bank as lessee
The group leases certain property, plant and equipment. Payments made under these operating leases, net of any incentives received from the lessor, are charged to the income statement on a straight-line basis over the period of the lease.

2.9. Foreign currency translation
The Group's functional currency is Norwegian kroner (NOK). Therefore, all balances and transactions denominated in currencies other than NOK are deemed to be denominated in foreign currency.

Foreign currency balances are translated to NOK in two consecutive stages:
1) Translation of foreign currency to the functional currency (currency of the main economic environment in which the entity operates, further described in section 2.9.1), and
2) Translation to NOK of the balances held in the functional currencies of entities whose functional currency is not NOK (further described in section 2.9.2).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in other comprehensive income.

2.9.1. Translation of foreign currency to the functional currency
Foreign currency transactions performed by consolidated entities (or entities accounted for using the equity method), as for the Swedish and Danish branches and SPVs, are initially recognized in their respective currencies.
- Monetary items in foreign currency are subsequently translated to their functional currencies using the closing rate.
- Non-monetary items measured at historical cost are translated to the functional currency at the exchange rate at the date of acquisition.
- Non-monetary items measured at fair value are translated at the exchange rate at the date when the fair value was determined.
- Income and expenses are translated at the average exchange rates for the year for all the transactions performed during the year. When applying this criterion, the Group considers whether there have been significant changes in the exchange rates in the year which, in view of their

materiality with respect to the consolidated financial statements taken as a whole, would make it necessary to use the exchange rates at the transaction date rather than the aforementioned average exchange rates.

The exchange differences arising on the translation of foreign currency balances to the functional currency are generally recognized at their net amount under Exchange differences in the consolidated income statement, except for exchange differences arising on financial instruments at fair value through profit or loss, which are recognized in the consolidated income statement without distinguishing them from other changes in fair value, and for exchange differences arising on non-monetary items measured at fair value through equity, which are recognized under 'Net value change and gain/loss on foreign exchange and securities'.

2.9.2. Translation of functional currencies to Norwegian kroner
If the functional currency is not the euro, as for the Finnish subsidiary and SPVs, the balances in the financial statements of the consolidated entities (or entities accounted for using the equity method) are translated to euros as follows:

- Assets and liabilities, at the closing rates.
- Income and expenses, at the average exchange rates for the year.
- Equity items, at the historical exchange rates.

The exchange differences arising on the translation to NOK of the financial statements denominated in functional currencies other than NOK are recognized under 'Other equity' in the consolidated balance sheet as part of other comprehensive income.

2.10. Property, plant and equipment
Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

- IT equipment 3 years
- Vehicles 5-7 years
- Furniture, fittings and equipment 5-10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within

2.11. Intangible assets
2.11.1. Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over Santander Consumer Bank's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquire and the fair value of the non-controlling interest in the acquire.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each or groups of the cash generating units that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed. Note 7.

2.11.2. Computer software
Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognized as intangible assets when the following criteria are met:

- Management intends to complete the software product and use it
- There is an ability to use the software as it can be demonstrated how the software product will generate probable future economic benefits and the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software product, include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Computer software development costs recognized as assets are amortized over their estimated useful lives (3-10 years). Note 7.

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- There is an ability to use the software as it can be demonstrated how the software product will generate probable future economic benefits and the expenditure attributable to the software product during its development can be reliably measured.

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Directly attributable costs that are capitalized as part of the software product, include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Computer software development costs recognized as assets are amortized over their estimated useful lives (3-10 years). Note 7.

2.12. Pension benefit plans
The group operates various post-employment schemes, including both defined benefit and defined contribution pension plans. The Norwegian company and the Swedish branch has both defined contribution and defined benefit schemes, whilst the Danish branch have only defined contribution schemes.

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using demographic assumptions based on the current population. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. The fixing of the input parameters in the actuary's calculation at year-end is disclosed in note 14. The major part of the assets covering the pension liabilities is invested in liquid assets and valued at quoted prices at year-end. The expected return on plan assets is fixed taking into account the asset composition and based on long-term expectations on the return on the different asset classes. The expected return is also disclosed in note 14.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognized immediately in income.

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.13. Current and deferred income tax
The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. It is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The amount is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized on deductible temporary differences arising from the subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.14. Cash and cash equivalents
The cash flow statements show cash flows grouped according to source and use. Cash is defined as cash, deposits with central banks and deposits with credit institutions with no agreed period of notice. The cash flow statement has been prepared in accordance with the direct method.

2.15. Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

2.16. Dividends
Dividend income is recognized when the right to receive payment is established. Dividend distribution to the company's shareholders is recognized as a liability in the group's financial statements in the period in which the dividends are approved by the company's shareholders.

2.17. Capital adequacy
Capital adequacy calculations are subject to special consolidation rules governed by the Consolidation Regulations. Primary capital and nominal amounts used in calculating risk-weighted volume will deviate from figures in the group's accounts, as associated companies which are presented in the accounts according to the equity method are included in capital adequacy calculations according to the gross method. Valuation rules used in the statutory accounts form the basis for the consolidation. See note 19.

3. Critical accounting estimates and judgments
Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

- The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy based on value-in-use calculations. These calculations require the use of estimates.
- The group is subject to income taxes in different jurisdictions. Judgment is required in determining the provision for income taxes (note 6). Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.
- The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions (note 13). Any changes in these assumptions will impact the carrying amount of pension obligations.
- Impairment of loans requires judgment in determining future cash flows for individual and grouping of loans (note 5).

4. Financial risk management
The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance. The group uses derivative financial instruments to hedge certain risk exposures. Risk management is carried out by a central risk department under policies approved by the board of directors. The risk department identifies, evaluates and hedges financial risks in close co-operation with the group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

4.1. Credit risk/counterparty risk
Counterparty credit risk is considered to be the most significant risk for the bank. Credit risk is to be kept at a level that over time corresponds to the average of companies within the Santander Consumer Finance group, taken into account differences among the companies with regard to collection and product mix. The company has established credit policies that ensure a good diversification among the customers with regard to geography, occupation, or age among others. Single large credit exposures are to be reported to the Board. Credit process and policies describe the guiding principles for the type of customer that Santander wants. Processes are divided into "Standardised" and "Non-Standardised"; where Standardised credit follows a standard, very much automated credit approval process and Non-Standardised (Credits which do not meet the score requirements, larger credit and credit limits, as well as stock finance) are handled individually. Such credits are granted according to delegated credit authorities in accordance with current credit policy.

The assessment of customers or transactions using rating or scoring systems constitutes a judgment of their credit quality, which is quantified through the probability of default (PD), in accordance with Basel II terminology. In addition to customer assessment, the quantification of credit risk requires the estimation of other parameters, such as exposure at default (EAD) and the percentage of EAD that will not be recovered (loss given default or LGD). Therefore, other relevant factors are taken into account in estimating the risk involved in transactions, such as the quantification of off-balance-sheet exposures, which depends on the type of product, or the analysis of expected recoveries, which is related to existing guarantees and other characteristics of the transaction: type of product, term, etc. These factors are the main credit risk parameters. Their combination facilitates calculation of the probable loss or expected loss (EL). This loss is considered to be an additional cost of the activity which is reflected in the risk premium and must be charged in the transaction price.

4.2. Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The group's strategy is to not take on market risk in excess of what follows directly from the operation of the bank.

Market risk comprises three types of risk; interest rate risk, currency risk, and other price risk.

4.2.1. Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk affects, loans, deposits, debt securities, most financial assets and liabilities held for trading and derivatives. Note 9.

The Group seeks to limit interest risk between asset and debt items by balancing time to interest regulation for the items. Treasury Policy limits interest risk exposure for each of the currencies the bank has operations in. Interest rate risk is assessed based on two methods; the Net Interest Margin (NIM) and the Market Value of balance sheet equity (MVE). SCB monitor the sensitivity of NIM and MVE for a +/- 100 bp parallel shift in market interest rates.

4.2.2. Currency risk
Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
The Group strives for a composition of the balance sheet that minimizes currency risk by ensuring that assets, liabilities and incoming and outgoing cash flows are, to a large extent, denominated in the same currency. Practical considerations and requirements laid down by the parent company will play a central role in connection with the management of currency risk.

For Santander Consumer Bank currency risk is connected to currency positions as a result of operations in Sweden, Finland, and Denmark. Treasury policy limits possible exposure for each currency and the same limit applies to the total net currency position. Treasury policy further specifies that currency risk should be minimized as far as possible through asset and debt items being in the same currency.

Routines which ensure that the bank's currency exposure is continuously monitored and controlled are in place. Treasury policy limits possible exposure in currency upwards at NOK 100 million for each currency and a NOK 200 million limit applies to the total net currency position. Treasury policy further specifies that currency risk should be minimized as far as possible through asset and debt items being in the same currency, as far as possible.

4.2.3. Other price risk
Other price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market.

4.3. Liquidity risk
Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The risk includes the risk of having limited or no access to funding markets which are paramount to the bank. The group's liquidity situation is monitored continuously. Treasury Policy lays down minimum levels for available liquidity and trigger levels for obtaining new liquidity. Santander Consumer Bank has a goal of establishing more financing from outside the Santander group through securitization. Reducing Santander Group dependencies and establishing the group as an issuer in the Nordic and International debt capital markets gives the bank on a standalone basis a better position to cope with a short to medium term liquidity crisis. The short dated nature of the bank's assets also constitutes a significant liquidity risk reducing factor. This gives a possibility to generate liquidity by reducing new business should the need arise. Note 8.

4.4. Operational risk
The Group defines operational risk as "the risk of loss resulting from inadequate or failed internal processes, human resources or systems or from external events". Unlike other risks, this is generally a risk that is not associated with products or businesses, but is found in processes and/or assets and is generated internally (people, systems, processes) or as a result of external risks, such as natural disasters. The aim pursued by the Group in operational risk control and management is primarily to identify, measure/assess, control/mitigate and report on this risk.

The Group's priority is to identify and eliminate any clusters of operational risk, irrespective of whether losses have been incurred. Measurement of this risk also contributes to the establishment of priorities in operational risk management. For the purpose of calculating regulatory capital for operational risk, the basis method is used. In the group's risk assessments, no areas of operational risk have been identified that involve a loss potential in excess of that covered under Pillar 1. The company's review of the risk situation is timed so that it can coincide as far as possible with the company's plan and budget processes, so that any conclusions and risk-reducing measures can be taken into consideration in the company's plans. The company has satisfactory monitoring and follow-up of operational risks. This is based both on the checks that were carried out in the company's own internal audit (contracted out to a third party) and on the checks carried out by the group's internal audit function. The company's own risk assessments carried out in connection with the annual internal checking process were also used as a basis for evaluation. The bank has securitized a significant part of its Norwegian, Swedish and Finnish car loan portfolios and is currently in a new process of securitizing a portion of its Danish car loan portfolio. The securitization has not and will not affect front or back systems in any significant way. All systems remain the same but there are some additional information extracted for management and reporting purposes. The quality of the institution's risk management process is otherwise considered to be good and under development as a result of Basel II IRB project.

5. Capitalization policy and capital adequacy
The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Furthermore, the Basel Committee proposed a new international regulatory framework for capital and liquidity for banks in 2010 (Basel III). The EU will implement the regulations in its new capital requirements directive, CRD IV, and capital requirements regulation, CRR. Their implementation has been delayed, though the new regulations are expected to enter into force as from 1 January 2014.

New legislation on capital requirements for credit institutions was in force in Norway as of 1 July 2013 as a result of the Basel III standards and the European Commission's proposal. Based on requirements from the European Banking Authority, EBA, Finanstilsynet requires that all Norwegian credit institutions have a common equity Tier 1 capital ratio of minimum 9 per cent from 30 June 2012. See note 19.

NOTES

Santander Consumer Bank Group

NOTES - SANTANDER CONSUMER BANK GROUP

NOTE 1 Information on related parties

Remuneration
Santander Consumer Bank has established a Remuneration Committee, and the Company did establish Remuneration Guidelines in 2011 to be aligned with FSA regulations. The Guidelines were updated in 2013 in accordance with the changes in the variable remuneration scheme to Senior Management Team.

The Guidelines apply to employees in the Company's operations in Norway, Denmark, Finland and Sweden. In addition there are special regulations for Senior Management, employees with duties of material importance to risk exposure, employees heading the main control functions and directors.

The overall objectives is to support the Company's strategies for recruiting, retaining, developing and rewarding employees who contribute to creating shareholder value at the Company and to support the Company's performance culture. The Guidelines are intended to ensure the credibility, effectiveness and fairness of the Company's remuneration practices and the adequacy, proportionality and balance of the ratio of fixed versus variable salary. Additionally, the Guidelines intend to ensure that the overall remuneration structure reflects sound and effective risk management principles. As a result, a key element in these Guidelines is to counteract risk-taking that exceeds the level of tolerated risk at the Bank while, at the same time, offer a flexible remuneration structure.

The Guidelines are further intended to ensure that the total variable remuneration that the Company is committed to pay out will not conflict with the requirement of maintaining a sound capital base.

Fixed salary to Senior Management Team is approved by the Corporate Compensation Committee and fixed salary to CEO Nordic is approved by the Board of Directors. Variable compensation to Identified Staff shall each year after being approved by the Corporate Compensation Committee be presented to the Remuneration Committee for approval before implementation. Variable compensation to the rest of the Senior Management Team is approved by the Corporate Compensation Committee only.

Senior Management Team is included in the Corporate Bonus Scheme (CBS). The CBS is decided by the Banco Santander S.A. Board of Directors and the Group Remuneration Committee on an annual basis. For each participant of the bonus scheme there is a Base Bonus level which is the reference bonus.

Principles for Variable Remuneration to Identified Staff
50% of the CBS bonus is awarded in shares and 50% of the bonus is deferred. The scheme consists of four equal elements; 1) cash bonus, 2) unrestricted shares subject to 1 year of holding, 3) cash bonus with three years deferral and 4) shares with deferral over three years subject to 1 year of holding

Conditions for variable remuneration are to be based on a combination of an individual appraisal of each employee, the performance of the Company and Business Unit (except for those in Control functions), as well as the business of the Bank as a whole measured over a two year period, but the pool calculation is still measured against annual results, hereunder Annual Targets set each year in compliance with legislation.

The variable remuneration is based on the different methods for measuring results, such as Net Income, Risk adjusted PBT, Risk adjusted VMG targets etc. In addition, non-financial measures are employed, such as Employee satisfaction with leadership style and work environment, Compliance and Level of delivery of non-financial targets.

Remuneration for members of the Board of directors etc is to be decided by the Supervisory Board (Representantskapet) subject to approval of the General Assembly.

Pension schemes
The Company offers different pension and insurance schemes in the Nordic countries:

Norway
1. Defined Benefit - Up to approximately 70 per cent of the final salary maximized to 12 G (G = Grunnbeløp, Base amount 1G as of 31.12.13 amounted to NOK 85 245)
2. Contribution Benefit - Contribution is 5 per cent of salary between 1 G and 6 G, plus 8 per cent of salary between 6 G and 12 G
3. Pensions Scheme for wages above 12 G - Approximately 70 per cent of the final salary that exceeds 12 G

Sweden
The pension scheme is accordingly to the collective agreement and is defined by promising different per cent of the pension entitling salary:
1. 10% on salary up to 7,5 "Inkomstbasbelopp" (IBB as of 31.12.2013 is SEK 56 600)
2. 65% of the salary-parts between 7,5 and 20 IBB
3. 32.5% on salary-parts between 20 and 30 IBB

The pension is normally paid from the age of 65.

Denmark
Pensions Scheme with employer contribution 11.0% of salary, and employee contribution 5.25% of salary (Optional additional payment).

Finland
Does not offer any Company pension scheme. Individual agreements may occur based on former agreements.

Key management compensation:
Key management includes directors (executive and non-executive) and members of the Executive Committee. The compensation paid or payable to key management for employee services is shown below:

All amounts in thousands of NOK	Salary	Bonus	Pension	Other benefits	Total 2013	Total 2012
CEO	2 598	108	271	412	3 389	2 683*

*The current CEO, Michael Hvidsten, took over as of March 28 2012. CEO has a notice period of 6 months. Thereafter upon the company's dismissal of the CEO, the CEO is entitled to a monthly Severance Pay equivalent to his monthly gross base salary for a period of 6 months. Furthermore the CEO is entitled to a monthly Salary Guarantee equivalent to his monthly gross base salary for a period of additional 6 months.

OTHER KEY MANAGEMENT

All amou'nts in thousands of NOK	2013	2012
Salary	13 351	11 669
Bonus	519	2 306
Pension	6 956	1 869
Other benefits	2 976	2 360
Total	23 801	18 204

In addition to the above amounts, the group is committed to pay the members of the Excecutive Committee in the event of a change of control in the group.

BOARD OF DIRECTORS

All amounts in thousands of NOK		2013	2012
Erik Kongelf	Chairman	-	-
Bruno Montalvo Wilmot	Deputy Chairman	-	-
Javier Anton San Pablo	Member	-	-
Eduardo Garcia Arroyo	Member	-	-
Bjørn Elvestad	Member	200 000	200 000
Odd Lundes dødsbo	Member	100 000	200 000
Henning Strøm	Member	100 000	-
Vibeke Hamre Krey	Employee representative	200 000	200 000
Stine Camilla Rygh	Deputy Employee representative	100 000	-

SUPERVISORY BOARD

All amounts in thousands of NOK	Fees 2013	Fees 2012
Total	70 000	27 500

CONTROL COMMITTEE

All amounts in thousands of NOK		2013	2012
Finn Myhre	Chairman	-	65 000
Egil Dalviken	Deputy Chairman	20 000	20 000
Tone Bjørnhov	Member	20 000	20 000
Terje Sommer	Deputy Member	-	-
Total		40 000	105 000

AUDIT SERVICES AND ADVISORY SERVICES (WITHOUT VAT)

All amounts in thousands of NOK	2013	2012
Audit services	1 477	1 123
Other certification services	48	284
Tax advice	217	73
Other non-audit services	420	190
Total	2 163	1 670

STAFF

All amounts in thousands of NOK	2013		2012	
	Norway	Abroad	Norway	Abroad
Number of employees as of 31.12	340	304	312	276
Man-labour year as of 31.12	322	284	285	254

NOTE 2 Loan loss reserves

LOAN LOSSES EXPENSES

All amounts in thousands of NOK	2013	2012
Write-downs 31.12	1 153 298	1 023 444
+/- Rate adjustment opening balance	-57 793	20 105
Adjustment purchase of portfolio/corretion		
- Write-downs 01.01.	1 023 444	923 047
+ Total recognised losses	607 695	516 968
- Recoveries on recognised losses	166 287	123 109
= Loan losses	513 469	514 359

INDIVIDUAL- AND GROUP WRITE-DOWNS

All amounts in thousands of NOK	2013	2012
Individual write-downs 01.01.	110 802	102 782
+/- Rate adjustment opening balance	12 611	-9 763
Reclassification between individual to group loan loss reserves	-32 634	-
- Recognised losses covered by earlier write-downs	-	-
- Reversal of earlier individual write-downs	-	-
+ Individual write-downs for the period	1 266	17 782
= Individual write-downs 31.12	92 045	110 802

GROUP WRITE-DOWNS

All amounts in thousands of NOK	2013	2012
Group write-downs 01.01	912 642	820 266
+/- Rate adjustment opening balance	45 182	-10 342
Reclassification between individual to group loan loss reserves	32 634	-
+/- Write-downs for the year	70 795	102 718
= Group write-downs 31.12	1 061 253	912 643

Write-downs calculated separately for each business unit, using internal parameters.
- Individual write-downs calculated by arrears following portfolio ageing and specific assessment of the exposure.
- Group write-downs calculated by arrears, including incurred but not reported impaired loans following portfolio ageing.

Write-downs held in balance fully cover 12 months of expected losses arising from impaired loans and incurred but not reported.

NOTE 3 Non-performing- and loss exposed loans

All amounts in thousands of NOK	31.12.13	31.12.12	31.12.11	31.12.10	31.12.09
Gross non-performing- and other loss exposed loans	1 190 238	1 078 384	1 026 820	1 087 731	1 009 714
Individual write-downs	92 045	110 802	102 781	96 286	141 329
Group write-downs	1 061 253	912 642	820 266	861 899	891 595
Net non performing- and other loss exposed loans	36 940	54 941	103 773	129 546	-23 210

NOTE 4 Repossessed assets

All amounts in thousands of NOK	31.12.13	31.12.12
Car Leasing	18 339	28 434
Other leasing subjects	-	-
Net	18 339	28 434

The company classifies vehicles as repossessed assets where it is a court ruling or consent regarding transfer of property of the object. Repossessed assets are booked at fair value. Differences between booked value and fair value are recognized in profit and loss when the object is made ready for sale. At realization the difference between assumed fair value and selling price is recognized against profit and loss.

NOTE 5 Risk classification

	Balance		Write Downs	
All amounts in thousands of NOK	31.12.13	31.12.12	31.12.13	31.12.12
Ageing of past due but not impaired loans				
1 - 29 days	4 358 847	3 891 418	48 935	41 182
30 - 59 days	883 506	940 453	51 844	41 063
60 - 89 days	252 206	282 084	55 007	49 719
Total loans due but not impaired	5 494 560	5 113 955	155 785	131 965
Current	65 206 265	53 382 707	500 166	443 562
Total impaired loans	1 190 238	1 078 384	497 341	447 922
Total loans	71 891 063	59 575 046	1 153 293	1 023 448
Ageing of impaired loans				
90 - 119 days	163 173	158 417	39 551	38 286
120 - 149 days	97 378	97 484	27 812	23 721
150 - 179 days	87 878	74 620	43 130	37 196
180 + days	673 880	612 515	285 588	280 241
Economic Doubtful	167 930	135 348	101 261	68 478
Total impaired loans	1 190 238	1 078 384	497 341	447 922

SCB portfolio consist 90% of Auto Finance and 10% Unsecured finance (credit card and consumer loan); where for auto finance, generally objects serve as collateral. On Auto Finance, collateral is held as security. Carrying amount in relationship with object value and financed amount is influenced by specific mileage, use and maintenance among others, which varies from object to object. These variables are embedded into Write Downs calculation as part of Loss Given Default.

NOTE 6 Tax

All amounts in thousands of NOK	2013	2012
Current tax on profits for the year	327 191	317 942
Adjustments in respect of prior years	2 159	-8 046
Fx loss in group profit		174
Total current tax	329 350	310 070
Origination and reversal of temporary differences	64 803	-1 387
Impact of change in the Norwegian tax rate	-17 353	-
Impact of change in the Danish tax rate		-
Currency effects	-343	
Total deferred tax	47 108	-1 387
Income tax expence	376 458	308 683

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits on the consolidated entities as follows:

All amounts in thousands of NOK	2013	2012
Profit before tax	1 393 673	1 135 672
Estimated income tax at nominal tax rate 28%	390 228	317 988
Tax effects of:		
- Different tax rates in other countries		-6 178
- Income not subject to tax	-7	
- Non deductible expences	2 614	2 042
- Utilisation of previously unrecognised tax losses		0
- Remeasurement of deferred tax due to change in Norwegian tax rate	-18 194	0
- Remeasurement of deferred tax due to change in Danish tax rate		0
Adjustments in respect of prior years	2 159	-5 826
Currency effects	-343	657
Tax charge	376 458	308 683

The tax charge/credit relating to components of other comprehensive income is as follows:

All amounts in thousands of NOK	Before tax	Tax (charge) /credit	After tax
Remeasurement of post employment benefit liabilities	-16 162	-4 525	-11 637
New assumptions pension Norway	-100 418	-27 113	-73 305
Changes of accounting principle pension Sweden	-19 932	-5 382	-14 550
Cash flow hedges	-	-	-
Currency translation differences	-	-	-
Other comprehensive income	-136 512	-37 020	-99 492
Current tax	-	-	-
Deferred tax	-	-	-

All amounts in thousands of NOK	2013	2012
Deferred tax assets at 1 January	133 542	106 965
Changes recognised in income statement	30 850	26 577
Changes recognised in other comprehensive income	37 020	-
Deferred tax assets at 31 December	201 412	133 542
Deferred taxes at 1 January	417 528	418 915
Changes recognised in income statement	47 451	-1 387
Deferred taxes at 31 December	468 524	417 528
Deferred tax liability (net)	267 112	283 986

All amounts in thousands of NOK	2013	2012
Fixed assets	1 950 489	1 568 028
Net pension commitments	-223 071	-114 000
Financial instruments	-	-
Net other taxable temporary differences	-601 006	-439 791
Other comprehensive income	-136 512	-
Losses and credit allowances carried forward	-	-
Total deferred tax liabilities	989 900	1 014 237
Fixed assets	526 632	439 048
Net pension commitments	(60 229)	-31 920
Financial instruments	-	-
Net other taxable temporary differences	-162 272	-123 141
Other comprehensive income	-37 020	-
Losses and credit allowances carried forward	-	-
Total deferred taxes	267 112	283 986

Tax effect of different tax rates in other countries
The Group has operations in a number of countries whose tax rates are different from that in Norway (28 percent).

Change in tax rate
Relevant deferred tax balances have been re-measured as a result of the change in Norwegian tax rate from 28% to 27% and Danish tax rate from 25% to 24,5% that was substantively enacted in 2013 and that will be effective from 1 January 2014, the relevant deferred tax balances have been re-measured. For Finland the deferred tax balance have been re-measured as a result of change in the Finnish tax-rate from 24,5% to 20% effective from 1 January 2014. Further reductions to the Danish tax rate have been annonced. The changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum to 23,5% by 2015 with a futher reduction by 1,5% to 22% in 2016.

Estimated taxes on tax-related losses which cannot be utilised
No deferred taxes are calculated on tax-related losses if the Group considers the future probability of such losses to be uncertain.

NOTE 7 Fixed assets, intangible assets and lease financing

All amounts in thousands of NOK	Machines, fittings, own vehicles	Intangible assets	Lease financing: - operating assets	Total	Goodwill
Acquisition cost 1.1	70 599	458 758	16 046 283	16 575 640	423 907
Rate difference opening balance	4 375	12 773	623 363	640 511	-2 307
Acquisition cost 1.1 rate 31.12	74 974	471 531	16 669 646	17 216 151	421 600
Additions during the year	16 084	173 630	6 577 412	6 767 125	-
Disposals during the year	-11 420	-55 874	-5 362 258	-5 429 552	-
Acquisition cost 31.12	79 637	589 287	17 884 801	18 553 725	421 600
Acc. ordinary depreciation 1.1	-37 958	-191 578	-5 218 444	-5 447 980	-
Rate difference 01.01	-2 108	-2 936	-222 484	-227 528	-
Acc. ordinary depreciation 1.1 rate 31.12	-40 066	-194 514	-5 440 928	-5 675 508	-
Year's ordinary depresiation	-12 335	-72 619	-4 697 818	-4 782 772	-
Write-downs	-	-	-	-	-
Reversed depreciation on disposals	8 095	31 922	1 961 227	2 001 245	-
Acc. depreciation 31.12	-44 306	-235 211	-8 177 518	-8 457 036	-
Book value in the balance sheet 31.12	35 331	354 076	9 707 282	10 096 689	421 600
Method on measurement	Acquisition cost	Acquisition cost	Acquisition cost		Acquisition cost
Depreciation method	Linear	Linear	Linear		-
Plan of depreciation and useful life	3 – 7 years	3 – 7 years	4 – 5 years		-

Intangible assets include software. The useful life is evaluated annually.
Goodwill is related to the purchase of the portfolio from Eik Sparebank in 2007 and purchase of GE Money Oy in 2009.

NOTE 8 Liquidity risk/remaining term on balance sheet items

All amounts in thousands of NOK	=< 1 mnd	1 - 3 mnd	3 - 12 mnd	1 - 5 år	>5 år	No maturity	Total
Loans/rec. on banks	5 904 475	-	-	-	-	-	5 904 475
- Of which foreign currency	2 205 320	-	-	-	-	-	2 205 320
Loans to customers	7 831 051	5 220 747	21 169 036	33 158 208	3 358 723	-	70 737 764
- Of which foreign currency	3 910 259	2 639 943	9 800 559	16 646 568	1 312 677	-	34 310 007
Other assets	-	-	-	-	-	4 572 476	4 560 304
- Of which foreign currency	-	-	-	-	-	2 959 912	2 959 912
Total assets	13 735 526	5 220 747	21 169 036	33 158 208	3 358 723	4 572 476	81 214 715
Debt to banks	5 585 952	5 314 776	6 881 227	15 351 927	1 326 796	-	34 460 678
- Of which foreign currency	4 625 521	3 260 749	4 437 413	10 388 875	29 588	-	22 742 147
Deposits from customers	1 474 567	552 963	1 658 888	5 345 305	184 321	-	9 216 043
- Of which foreign currency	383 020	143 632	430 897	1 388 446	47 877	-	2 393 872
Issued notes and bonds	1 100 765	2 112 432	7 958 098	13 535 218	-	-	24 706 513
- Of which foreign currency	538 448	1 033 314	3 892 770	6 205 079	-	-	11 669 611
Other debt	-	-		-	-	2 520 233	2 520 233
- Of which foreign currency	-	-	-	-	-	885 538	885 538
Subordinated loan capital	-	-	-	260 000	315 183	-	575 183
- Of which foreign currency	-	-	-	-	105 183	-	105 183
Hybrid capital	32 169	-	-	-	-	2 250 000	2 282 169
- Of which foreign currency	-	-	-	-	-	-	-
Equity	-	-	-	-	-	7 453 896	7 450 078
- Of which foreign currency	-	-	-	-	-	1 623 740	1 623 740
Total liabilities and equity	8 193 453	7 980 171	16 498 213	34 492 450	1 826 299	12 224 129	81 214 715

The Board of Santander Consumer Bank AS has decided limits for the liquidity risk to ensure the bank has a solid liquidity position. The limits for liquidity risk are reviewed at least on a yearly basis. The bank manages the liquidity position by matching maturities of the assets and the liabilities. The average duration of the asset side is low with a duration below two years. The liabilities side is financed by customer deposits, secured bonds, unsecured bonds and intragroup loans.

NOTE 9 Interest risk and interest adjustments

The Board of Santander Consumer Bank AS has decided limits for maximum interest rate risk exposure. The general policy is to keep interest rate risk as low as possible by doing funding with the same repricing terms as the assets. The bank is not actively taking interest rate risk, and the banks investment portfolio is placed at short term fixed rate. Eventual exposures of interest rate risk are hedged with intragroup loans or with interest hedging instruments. Interest rate risk exposure is regularly reported to the Board of Santander Consumer Bank AS.

INTEREST RATE EXPOSURE

All amounts in thousands of NOK	=< 1 month	>1<= 3 months	>3 <=12 months	>1< 5 years	> 5 years	No maturity	Total
Cash and receivables on central banks		996	-	-	-	-	996
Loans/receivables on banks	4 909	-	-	-	-	-	4 909
Loans to customers	28 060	27 223	6 112	6 681	326	2 335	70 738
Assets without maturity	-	-	-	-	-	4 572	4 572
Total assets	32 969	28 219	6 112	6 681	326	6 907	81 215
Debt to banks	15 398	5 214	1 535	2 313	-	9 999	34 460
Deposits from customers	1 475	4 516	3 226	-	-	-	9 216
Issued notes and bonds	24 707	-	-	-	-	-	24 707
Other debt	-	-	-	-	-	2 520	2 520
Subordinated loan capital	80	180	315	-	-	-	575
Hybrid capital	2 282	-	-	-	-	-	2 282
Equity	-	-	-	-	-	7 454	7 454
Total liablilties and equity	43 942	9 910	5 076	2 313	-	19 973	81 215
Net interest rate exposure on balance sheet items		-	1 036	4 368	326	-13 074	-
Interest rate risk derivatives	-	-					-
Net interest rate risk exposure	-	-	1 036	4 368	326	-13 074	-

NORWAY IN NOK

	1M	3M	6M	12M	2 Y	3 Y	4 Y	5 Y	>5 Y	Non Interest Bearing	Total
Asset	7 156	29 962	1 685	1 224	113	61	10	5	4	1 867	42 086
Liability	20 252	11 048	1 342	1 480	415	-	150	-	-	7 398	42 086
Net balance	-13 096	18 915	343	-257	-302	61	-140	5	4	-5 532	-
Net OBS	-	-	-	-	-	-	-	-	-	-	-
Repricing gap	-13 096	18 915	343	-257	-302	61	-140	5	4	-5 532	-
Cumulative gap	-13 096	5 819	6 161	5 905	5 602	5 664	5 523	5 528	5 532	-	

A +1,00% parallell increase in market rates will result in a 19,43 million NOK loss in Norway.

SWEDEN IN SEK

	1M	3M	6M	12M	2 Y	3 Y	4 Y	5 Y	>5 Y	Non Interest Bearing	Total
Asset	13 847	435	2	6	3	1	1	0	1	180	14 476
Liability	8 790	4 483	380	510	-	-	-	-	-	313	14 476
Net balance	5 056	-4 047	-378	-504	3	1	1	-	1	-133	-
Net OBS	-	-	-	-	-	-	-	-	-	-	-
Repricing gap	5 056	-4 047	-378	-504	3	1	1	-	1	-133	-
Cumulative gap	5 056	1 009	631	127	130	131	132	132	133	-	-

A +1,00% parallell increase in market rates will result in a 9,65 million SEK increase in profit in Sweden.

DENMARK IN DKK

	1M	3M	6M	12M	2 Y	3 Y	4 Y	5 Y	>5 Y	Non Interest Bearing	Total
Asset	7 263	239	342	625	1 010	743	518	331	329	82	11 483
Liability	5 715	2 055	200	930	710	920	250	440	-	262	11 483
Net balance	1 548	-1 816	142	-305	300	-177	268	-109	329	-181	-
Net OBS	-	-	-	-	-	-	-	-	-	-	-
Repricing gap	1 548	-1 816	142	-305	300	-177	268	-109	329	-181	-
Cumulative gap	1 548	-268	-126	-431	-130	-307	-39	-148	181	-	-

A +1,00% parallell increase in market rates will result in a 18,38 million DKK loss in Denmark

FINLAND IN EUR

	1M	3M	6M	12M	2 Y	3 Y	4 Y	5 Y	>5 Y	Non Interest Bearing	Total
Asset	490	103	140	228	295	123	82	52	1	25	1 538
Liability	514	120	102	131	286	119	-	25	-	240	1 538
Net balance	-24	-17	38	97	9	4	82	27	1	-216	-
Net OBS	56	-17	-23	-16	-	-	-	-	-	-	-
Repricing gap	32	-35	15	80	9	4	82	27	1	-216	-
Cumulative gap	32	-2	13	93	102	106	188	215	216	-	-

A +1,00% parallell increase in market rates will result in a 4,83 million EUR loss in Finland.

OFF-BALANCE POSTS DISTRIBUTED BY TIME FOR INTEREST RATE ADJUSTMENT

All amounts in thousands of NOK	0 - 1 mnd.	1 - 3 mnd.	3 - 12 mnd	1 - 5 år	> 5 år
Off balance (notional amounts)					
Renterisiko finansielle derivater (Bilkreditt 1 Limited), Basis	-	-	-	-	-
Renterisiko finansielle derivater (Bilkreditt 1 Limited) BtB	-	-	-	-	-
Renterisiko finansielle derivater (Bilkreditt 2 Limited), Basis	1 972	-349	-1 624	-	-
Renterisiko finansielle derivater (Bilkreditt 2 Limited), BtB	-1 972	349	1 624	-	-
Renterisiko finansielle derivater (Bilkreditt 3 Limited) CCS	-	-	-	-	-
Renterisiko finansielle derivater (Bilkreditt 4 Limited) CCS front swap	-	-	-	-	-
Renterisiko finansielle derivater (Bilkreditt 4 Limited) CCS back swap	-	-	-	-	-
Renterisiko finansielle derivater (Bilkreditt 4 Limited) CCS (1M Euribor vs. 3M Nibor)	-	-	-	-	-
Renterisiko finansielle derivater (Bilkreditt 5 Limited) CCS front swap	-	-	-	-	-
Renterisiko finansielle derivater (Bilkreditt 5 Limited) CCS back swap	-	-	-	-	-
Renterisiko finansielle derivater (Bilkreditt 5 Limited (1M Euribor vs. 3M Nibor)	-	-	-	-	-
Renterisiko finansielle derivater (Dansk Autofinans 1 Limited), Basis	2 276	- 80	-364	-1 578	-254
Renterisiko finansielle derivater (Dansk Autofinans 1 Limited), BtB	-2 276	80	364	1 578	254
Renterisiko finansielle derivater SCF Rahoituspalvelut Limited,), Basis	1 090	-147	-489	-454	-
Renterisiko finansielle derivater SCF Rahoituspalvelut Limited,), B2B	-1 090	147	489	454	-
Renterisiko finansielle derivater IRS Swap, Finland)	472	-144	-328	-	-

Financial instruments measured at fair value

FINANCIAL ASSETS

All amounts in thousands of NOK	Quoted market price Level 1	Using observable inputs Level 2	Using observable inputs Level 2	Total
Bilkreditt 1 Limited, BtB	-	-	25 010	25 010
Bilkreditt 2 Limited, BtB	-	-	42 346	42 346
Dansk Autofinans 1 Limited, BtB	-	-	11 209	11 209
Bilkreditt 3 limited, Currency Swap	-	47 466	-	47 466
Bilkreditt 4 limited, Currency Swap	-	74 864	-	74 864
Bilkreditt 5 limited, Currency Swap	-	10 793	-	10 793
SCF Rahoituspalvelut Limited, B2B swap	-	-	5 183	5 183
IRS swap	-	-	-	-
Total	-	133 123	83 748	216 871

FINANCIAL LIABILLITIES

All amounts in thousands of NOK	Quoted market price Level 1	Using observable inputs Level 2	Using observable inputs Level 2	Total
Bilkreditt 1 Limited, Basis Swap	-	-	25 261	25 261
Bilkreditt 2 Limited, Basis Swap	-	-	42 877	42 877
Dansk Autofinans 1 Limited, BtB	-	-	12 451	12 451
Bilkreditt 3 limited, Swap	-	50 204	-	50 204
Bilkreditt 4 limited, Swap	-	88 854	-	88 854
Bilkreditt 5 limited, Swap	-	8 968	-	8 968
SCF Rahoituspalvelut limited, Basis		-	5 347	5 347
IRS swap	589	-	-	589
Total	589	148 026	85 935	234 551

RECONCILIATION OF FAIR VALUE MEASUREMENTS CATEGORIZED WITHIN LEVEL 3

All amounts in thousands of NOK	Opening balance	Total gains or losses for the period	Closing balance
Bilkreditt 1 Limited, BtB swap	79 862	-54 851	25 010
Bilkreditt 1 Limited, Basis Swap	-80 832	55 571	-25 261
Bilkreditt 2 Limited, BtB swap	62 873	-20 528	42 346
Bilkreditt 2 Limited, Basis Swap	-64 023	21 146	-42 877
Bilkreditt 3 limited, Currency Swap	15 183	32 283	47 466
Bilkreditt 3 limited, Swap	-20 489	-29 715	-50 204
Bilkreditt 4 limited, Currency Swap	-	74 864	74 864
Bilkreditt 4 limited, Swap	-	-88 854	-88 854
Bilkreditt 5 limited, Currency Swap	-	10 793	10 793
Bilkreditt 5 limited, Swap	-	-8 968	-8 968
Dansk Autofinans 1 Limited, BtB	-	11 209	11 209
Dansk Autofinans 1 Limited, BtB	-	-12 451	-12 451
SCF Rahoituspalvelut Limited, B2B swap	11 931	-6 748	5 183
SCF Rahoituspalvelut limited, Basis	-12 475	7 128	-5 347
IRS swap	-4 581	3 992	-589
Total	-12 550	-5 129	-17 679

NOTE 10 Net foreign currency position

	Balance		Net positions	
All amounts in thousands of NOK	Asset	Debt	in currency	in NOK
SEK	11 184 901	11 153 010	33 783	31 891
DKK	7 034 785	6 927 051	96 088	107 734
EUR	12 838 583	12 624 759	25 568	213 824
Total 2013	31 058 269	30 704 819	-	353 449
Total 2012	25 378 856	25 157 972	-	220 884

NOTE 11 Segment information

The group's chief operating decision maker is the board of directors. Management has determined the operating segments based in the information reviewed by the strategic steering committee for the purposes of allocating resources and assessing performance.

The operating segment are divided into the different geografical markets the Group operates within. The segments are; Norway, Sweden, Denmark and Finland. Internal income and expenses are allocated to the individual segments on an arm's-length basis.

Norway - car financing, leasing, consignement, consumer loans, credit cards and deposits.
Sweden - car financing, leasing, consignement, consumer loans and deposits.
Denmark - car financing, leasing, consignement, consumer loans and deposits.
Finland - car financing, leasing, consignement, consumer loans, durables and deposits.

31 DECEMBER 2013

3 023 326	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Net interest income	1 628 560	345 716	423 511	626 248	-710	3 023 326
Net commission income and income from banking services	73 598	44 331	30 087	35 725	-	183 742
Value change and gain/loss on foreign exchange and securities	-29 857	5 012	14 014	-24	-463	-11 318
Oher operating income	18 961	8 007	1 751	10 472	-	39 191
Operating expences, salaries, depreciation	670 602	192 385	145 206	320 780	-	1 328 972
Losses on loans, guarantees etc	303 262	67 991	88 903	53 312	-	513 469
Operating result	717 399	142 690	235 255	298 329	-1 173	1 392 500
Total tax	257 770	32 042	-	86 646	-	376 458
Profit after tax	459 629	110 649	235 255	211 683	-1 173	1 016 042
						-
Cash and receivables on central banks	995 650	-	-	-		995 650
Deposits with and loans to financial institutions	2 863 836	970 964	543 144	530 882	-	4 908 825
Net loans	36 427 758	12 028 460	12 021 201	10 260 346	-	70 737 764
Commercial papers and bonds	-	-	-	-	-	-
Financial derivatives	845 759	-	11 209	5 183	-	862 151
Shares, interests and primary capital certificates	1 085 701	-	-	-	-1 085 701	-
Other assets	451 105	673 655	326 853	1 943 012	315 699	3 710 324
Total assets	42 669 810	13 673 079	12 902 407	12 739 422	-770 003	81 214 715
						-
Debt to credit institutions	11 710 177	6 497 552	9 104 144	7 140 451	8 354	34 460 678
Deposits from customers	6 822 170	2 393 872	-	-		9 216 043
Financial derivatives	282 608	-	12 451	5 936		300 995
Debt issued by securities	13 036 902	4 478 977	3 476 112	3 714 521		24 706 513
Other liabilities	4 233 901	249 725	187 331	430 095	-24 462	5 076 590
Allocated capital	6 584 050	52 952	122 369	1 448 419	-753 894	7 453 896
Total liabilities and equity	42 669 810	13 673 079	12 902 407	12 739 422	-770 003	81 214 715

31 DECEMBER 2012

All amounts in thousands of NOK	Norway	Sweden	Denmark	Finland	Eliminations	Total Group
Net interest income	1 470 461	315 524	320 872	540 563	-	2 647 420
Net commission income and income from banking services	61 110	22 590	21 868	20 114	-	125 682
Value change and gain/loss on foreign exchange and securities	-13 353	-475	-3 262	-3 330	-	-20 420
Oher operating income	24 276	7 645	845	9 126	-	41 892
Operating expences, salaries, depreciation	598 898	134 785	113 307	297 554	-	1 144 543
Losses on loans, guarantees etc	277 219	68 432	76 314	92 394	-	514 359
Operating result	666 377	142 068	150 703	176 525	-	1 135 673
Total tax	247 526	24 095	-	37 062	-	308 683
Profit after tax	418 851	117 973	150 703	139 462	-	826 989
Cash and receivables on central banks	-	-	-	-	-	-
Deposits with and loans to financial institutions	2 937 867	357 119	-	332 251	-599 111	3 028 126
Net loans	32 273 586	9 834 685	8 370 340	8 072 990	-	58 551 601
Commercial papers and bonds	-	-	-	-	-	-
Financial derivatives	142 735	-	-	40 679	-	183 414
Shares, interests and primary capital certificates	953 971	-	-	-	-953 971	-
Other assets	347 553	537 898	284 317	1 348 477	323 815	2 842 060
Total assets	36 655 712	10 729 703	8 654 657	9 794 396	-1 229 267	64 605 201
Debt to credit institutions	17 650 845	7 412 931	8 431 594	6 498 588	-	39 993 959
Deposits from customers	282 299	-	-	-	-	282 299
Financial derivatives	150 160	-	-	45 803	-	195 963
Debt issued by securities	10 693 213	2 987 985	-	1 741 917		15 423 115
Other liabilities	2 356 630	210 807	142 042	439 102	-599 119	2 549 463
Allocated capital	5 941 415	235 952	231 723	1 068 986	-1 317 675	6 160 401
Total liabilities and equity	37 074 563	10 847 676	8 805 360	9 794 396	-1 916 794	64 605 201

NOTE 12 Loans and losses by main sectors

All amounts in thousands of NOK	Loans 31.12.13	Write-down 31.12.13	Loans 31.12.12	Write-down 31.12.12
Public sector	486 774	-29	259 522	-40
Agriculture and forestry	597 947	-116	141 399	-26
Industry	933 164	-637	388 982	-64
Building and construction	2 990 771	-3 868	1 286 109	-244
Trade in goods	4 524 609	-4 100	3 360 433	-336
Proprietary management	375 495	-218	288 528	-52
Various	4 679 473	-3 661	2 953 842	-524
Transportation	2 598 896	-1 921	1 759 087	-331
Private individuals	54 703 932	-77 495	22 816 535	-38 053
Foreign	-	-	26 320 609	-71 132
Sum	71 891 062	-92 045	59 575 046	-110 802

Only individual write-downs on loans are listed. Loans originating from the foreign branches are included in sector Foreign.

NOTE 13 Loans by geographic region

All amounts in thousands of NOK	Loan 31.12.13	Guarantees 31.12.13	Loan 31.12.12	Guarantees 31.12.12
Eastern Norway	20 735 236	85 020	17 306 471	88 640
Western Norway	5 761 628	5 773	4 546 409	7 273
Southern Norway	4 852 685	13 420	5 597 857	13 781
Mid Norway	3 738 144	12 144	3 459 077	12 356
Northern Noraw	1 986 204	5 763	1 967 336	6 475
Sweden, Denmark and Finland	34 817 166	-	26 697 896	-
Sum	71 891 062	122 121	59 575 046	128 526

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

NOTE 14 Pension expenses

Santander Consumer Bank has a service pension scheme under the Act of Occupational Pension through DnB Liv. In addition employees can take an early retirement pension at the age of 62. This scheme only applies to employees in Norway and Sweden, and forms part of a group agreement. The scheme gives the right to defined future benefits, which are mainly dependent on number of years worked, salary level at time of retirement and the amount of payment from national insurance fund. The agreement also includes a disability pesion, a spouse's pension and a child pension. In addition there are pension commitments to certain employees additional to the ordinary collective agreement. This applies to employees with a lower pension age, employees with salary above 12 G and supplementary pensions. Pension costs from defined contribution schemes amounts to TNOK 32 361 incl payroll tax.

For Sweden the BTP plan is a complete occupational pension plan. It is a defined benefit pension plan, with benefits in case of sickness death and retirement. The employee has a sickpension from 18 years of age and retirement pension from 28 years of age. From age 28 the employer also pays 2 % of the salary for BTPK to Valcentralen. It is a defined contribution pension, which is a part of the BTP plan. The employee who has a salary above 10 income basic amount, 569 000 SEK 2014, can chose alternative BTP. All retirement and survivors pension premiums above 7,5 income basic amount 426 750 SEK, can be placed into different funds in SPP. The employee can also choose repayment cover and family pension and beneficiary in case of death.

PENSION EXPENSES

All amounts in thousands of NOK	2013	2012	2012 (Restated from IAS19 to IAS19R)
Present value of year's pension earnings	16 773	19 081	19 081
Interest cost on accrued liability	10 422	10 303	5 348
Return on pension funds	-6 946	-8 496	-
Administration costs	4 203	1 181	1 181
Actuarial (gain) /loss	-	8 961	-57 699
Accrual payroll tax	-	3 185	3 681
Net Pension expenses	24 453	34 215	-28 407

PENSION LIABILITIES IN BALANCE SHEET

All amounts in thousands of NOK	31.12.13	31.12.12	31.12.12
Pension funds at market value	207 701	187 705	187 705
Estimated pension liability	430 772	318 473	301 719
Net pension liability	223 071	130 768	114 015
Difference not posted to P&L	-	-16 162	-6 780
Capitalised net pension liability	223 071	114 606	107 235
Payroll tax included with	3 999	14 089	14 089

THE MOVEMENT IN THE DEFINED BENEFIT OBLIGATION OVER THE YEAR IS AS FOLLOWS

All amounts in thousands of NOK	Present value of obligation	Fair value of plan assets	Total
At 1 January 2012 (Restated)	315 821	-175 072	140 749
Current service cost	19 081		19 081
Interest expence	10 303		10 303
Past service cost and gains and losses on settlement			-
	29 384	-	29 384
Remeasurements:			
- Return on plan assets		-8 496	-8 496
- Loss from change in demographic assumptions			-
- Loss from change in financial assumptions			-
- Experience (gains)/losses	-50 363	3 408	-46 955
- Change in asset ceiling			-
	-50 363	-5 088	-55 451
Exchange differences			-
Contributions:			
- Employers		-14 026	-14 026
- Plan participants	-7 212	6 482	-730
Payments from plans:			
- Benefit payments			-
- Settlements			-
Acquired in a business combination			-
Others	14 680		14 680
	7 468	-7 544	-76
At 31 December 2012 (Restated)	302 310	-187 705	114 605

THE MOVEMENT IN THE DEFINED BENEFIT OBLIGATION OVER THE YEAR IS AS FOLLOWS

All amounts in thousands of NOK	Present value of obligation	Fair value of plan assets	Total
At 1 January 2013	294 940	-187 705	107 235
Current service cost	36 705		36 705
Interest expence	10 422	-6 945	3 477
Past service cost and gains and losses on settlement			-
	47 128	-6 945	40 183
Remeasurements:			
- Return on plan assets		-39 631	-39 631
- Loss from change in demographic assumptions	71 937		71 937
- Loss from change in financial assumptions	21 130		21 130
- Experience (gains)/losses	46 982		46 982
- Change in asset ceiling			-
	140 048	-39 631	100 418
Exchange differences			-
Contributions:			
- Employers	-4 338	-24 630	-28 968
- Plan participants			-
Payments from plans:			
- Benefit payments	-11 771	11 771	-
- Settlements			-
Acquired in a business combination			-
Others	4 203		4 203
	-11 906	-12 859	-24 765
At 31 December 2013	470 210	-247 139	223 071

The defined benefit obligation and plan assets are composed by country as follows:

All amounts in thousands of NOK	2013 Norge	 Sverige	 Total	2012 (Restaded from IAS19 to IAS19R) Norge	 Sverige	 Total
Present value of obligation	410 839	59 370	470 210	294 940	-	294 940
Fair value of plan assets	-07 701	-9 438	-47 139	-87 705	-	-87 705
	203 138	19 932	223 071	107 235	-	107 235
Impact of minimum funding requirement/asset ceiling	-	-	-	-	-	-
Total	203 138	19 932	223 071	107 235	-	107 235

The following assumptions have been used calculating future pensions:

All amounts in thousands of NOK	31.12.13 Norge	 Sverige	31.12.12 Norge	 Sverige
Discount rate	3,90%	3,75%	3,80%	n/a
Inflation	-	2,00%	-	n/a
Salary growth rate	3,75%	4,00%	3,50%	n/a
Pension growth rate	3,37%	3,00%	3,25%	n/a
Rate of social security increases	3,50%	-	-	-
G-adjustments	-	-	3,25%	-
Expected return	-	-	4,00%	-

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 65:

All amounts in thousands of NOK	31.12.13 Norge	 Sverige	31.12.12 Norge	 Sverige
Retiring at the end of the reporting period:				
- Male	2	0	1	1
- Female	0	0	0	0
Retiring 20 years after the end of the reporting period:				
- Male	54	20	53	17
- Female	83	11	79	11

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

IMPACT ON DEFINED BENEFIT OBLIGATION - NORWAY

All amounts in thousands of NOK	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1,00%	Decrease by 20,13%	Increase by 27,11%
Salary growth rate	1,00%	Increase by 12,16%	Decrease by 10,02%

IMPACT ON DEFINED BENEFIT OBLIGATION - SWEDEN

All amounts in thousands of NOK	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1,00%	Decrease by 18,29%	Increase by 17,11%
Salary growth rate	1,00%	Increase by 15,45%	Decrease by 10,95%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the pension liability recognised whitin the statement of financial position.

Plan assets are comprised as follows:

All amounts in thousands of NOK	2013	2012
Local equities	1,4%	1,2%
Spanish equities	0,0%	0,0%
Other countries equities	8,9%	9,0%
Corporate bonds	35,9%	37,1%
Government securities	16,3%	15,2%
Property	14,3%	18,6%
Cash and short term investments	22,1%	17,5%
Loans	0,0%	0,0%
Other investments	1,1%	1,4%
Total	100,0%	100,0%

NOTE 15 Finance leases

Finance leases

Santander Consumer Bank AS owns assets leased to customers under finance lease agreements. Finance lease agreements are reported as receivables from the lessee included in "Financial leasing " in the balance sheet at an amount equal to the net investment in the lease. The leased assets mainly comprise cars.

Reconciliation of gross investments and present value of future minimum lease payments:

GROSS INVESTMENT

All amounts in thousands of NOK	2013	2012
Due in less than 1 year	271 642	4 317 641
Due in 1 - 5 years	6 031 188	1 750 391
Due later than 5 years	274 581	-
Total gross investment	6 577 412	6 068 032
Present value of future minimum lease payments receivable		
Due in less than 1 year	412 480	4 121 719
Due in 1 - 5 years	5 407 322	1 660 039
Due later than 5 years	275 866	-
Total present value of future minimum lease payments receivable	6 095 668	5 781 758
Unearned finance income	-	-
Unguaranteed residual values accruing to the benefit of the lessor	-	-
Accumulated allowance for uncollectible minimum lease payments receivable	-	2 192
Contingent rents recognised as income in the period	-	-

Operating leases

Assets subject to operating leases mainly comprise cars. In the balance sheet they are reported as fixed assets.

CARRYING AMOUNT OF LEASED ASSETS

All amounts in thousands of NOK	2013	2012
Acquisition value	465 535	566 216
Accumulated depreciations	-24 947	-171 600
Accumulated impairment charges	-	-
Carrying amount at end of year	440 588	394 617
- of which repossessed leased property, carrying amount	5 009	19 354

NOTE 16 Receivables and liabilities to companies in the same group

SANTANDER CONSUMER GROUP

All amounts in thousands of NOK	31.12.13	Interest 2013	31.12.12	Interest 2012
Depth				
A Loans from creditinstitutions	34 452 324	960 218	39 699 811	1 081 246
Of which				
Santander Benelux	26 027 611	-	31 856 960	-
SantanderConsumer Finance S.A.	8 230 438	-	8 057 088	-
Accrued interest /other debt	-	-	122 235	-
B Hybrid Capital	2 250 000	32 169	-	-
C Subordinated Loan Capital	575 183	25 180	655 183	30 394
Of which				
Banco Santander	180 000	-	180 000	-
Santander Benelux	210 000	-	210 000	-
SantanderConsumer Finance S.A.	185 183	-	265 183	-
Accrued interest/other debt	33 278	-	617	-

SUBORDINATED LOAN CAPITAL

All amounts in thousands of NOK	2013	2012
MNOK 180, maturity September 2016, 3 months NIBOR +0.55%	180 000	180 000
MNOK 80, maturity October 2017, 3 months NIBOR +1.00%	80 000	80 000
MNOK 80, maturity September 2018, 3 months NIBOR +2.4%	-	80 000
MNOK 210, maturity June 2019, 6 months NIBOR +3.43%	210 000	210 000
MNOK 105 maturity Desember 2020 12 months EURIBOR +3,20%	105 183	105 183
Total subordinated loan capital	575 183	655 183

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

NOTE 17 Transaction with related parties

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.

The following transactions were carried out with related parties:

All amounts in thousands of NOK	2013	2012
Sales of goods and services	-	-
Services	14 170	12 744
Total	14 170	12 744
Purchase of goods and services		
Services	82	648
Total	82	678
Year-end balances arising from sales/purchases of goods/services		
Receivables from related parties	190	-
Payables to related parties	37 083 232	40 569 231
Total	37 083 422	40 569 231

NOTE 18 Ownership

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 Conusmer Bank AS is included, is published on www.santanderconsumer.com.

NOTE 19 Capital adequacy

All amounts in thousands of NOK	31.12.13	31.12.12
Core capital	8 728 439	5 328 444
Eligible supplementary capital	431 732	557 804
Total primary capital	9 160 170	5 886 247

MINIMUM CAPITAL REQUIREMENT (PILAR I)

All amounts in thousands of NOK	31.12.13	31.12.12
Credit risk	4 976 025	4 058 083
Market risk	28 276	17 671
Operational risk	426 744	379 136
Deductions in capital requirement	-84 900	-73 011
Total minimum capital requirement (pilar I)	5 346 144	4 381 879
Capital ratio	13,71%	10,75%
Core capital ratio	13,06%	9,73%

Financial information in accordance with the capital requirement regulation is published at www.santander.no.
Information according to Pilar 3 will be published at www.santander.no.

NOTE 20 Interest Expenses

The table show average interest rate as of 31.12.
Average interest is calculated as actual interestcost through the year in percent of average balance.

TO CREDIT INSTITUTIONS

All amounts in thousands of NOK	2013	2012
Interest expenses	960 218	1 252 775
Average loan	41 296 830	40 360 774
Average nominal interest rate	2,30%	3,06%

TO CUSTOMERS

All amounts in thousands of NOK	2013	2012
Interest expenses	128 646	8 209
Average deposit	3 785 999	249 302
Average nominal interest rate	3,35%	3,24%

TO BONDHOLDERS

All amounts in thousands of NOK	2013	2012
Interest expenses	324 093	291 599
Average issued notes and bonds	9 486 576	10 804 205
Average nominal interest rate	3,36%	2,67%

NOTE 21 Guarantee liabilities

Santander Consumer Bank has as at 31.12.2013 a guarantee liability of 123,7 MNOK (31.12.12: 146,3 MNOK). This is mainly payment guarantees.

NOTE 22 Ownership interests in group companies

Santander Consumer Bank AS owns 100% of the stocks in Santander Consumer Finance OY. Santander Consumer Bank AS retains most of the risk and rewards of the sale of loans to the securitization-vehicles Bilkreditt 1 ltd, Bilkreditt 2 ltd, Bilkreditt 3 ltd, Bilkreditt 4 ltd, Bilkreditt 5 ltd, Svensk Autofinans 1 ltd, Svensk Autofinans WH ltd, Dansk Auto Finansiering 1 ltd, SCF Ajoneurohallinto ltd, SCF Rahoituspalvelut ltd, SCF Ajoneuvohallinta ltd and SCF Rahoituspalvelut 2013 ltd., all registered in Ireland, and therefore consolidates these into the group accounts.

To reduce the risk related to changes in foreign exchange values it is established a hedge loan of MEUR 138. The ownership in SantanderConsumer Finance OY is booked at historical cost adjusted for the effect of the hedge, according to IAS 39.

NOTE 23 Classification of financial instruments

CLASSIFICATION OF FINANCIAL ASSETS 31 DECEMBER 2013

All amounts in thousands of NOK	Financial assets at fair value through P&L	Held to maturity investments	Loans and receivables	Securitization assets	Book value	Fair value
Deposits with and receivables on financial institutions						
Deposits with Norwegian financial institutions	-	-	4 908 825	-	4 908 825	4 908 825
Total deposits with and loans to financial institutions	-	-	4 908 825	-	4 908 825	4 908 825
Loans to customers						
Credit cards	-	-	2 461 641	-	2 461 641	2 461 641
Unsecured loans	-	-	4 639 197	-	4 639 197	4 639 197
Instalment loans	-	-	53 063 747	-	53 063 747	53 063 747
Financial leasing	-	-	11 726 477	-	11 726 477	11 726 477
Total loans before individual and group write-downs	-	-	71 891 062	-	71 891 062	71 891 062
-Individual write-downs	-	-	92 045		92 045	92 045
-Group write-downs	-	-	1 061 253	-	1 061 253	1 061 253
Net loans	-	-	70 737 764	-	70 737 764	70 737 764
Financial derivatives						
Financial derivatives	862 151	-	-	-	862 151	862 151
Sum financial derivatives	862 151	-	-	-	862 151	862 151
Commercial papers, bonds and other fixed-income securities						
Commercial papers and bonds	-	995 650	-	-	995 650	995 650
Total commercial papers, bonds and other fixed-income securities	-	995 650	-	-	995 650	995 650
Other assets						
Operational leasing	-	-	18 339	-	18 339	18 339
Sum other assets	-	-	18 339	-	18 339	18 339
Total financial assets	862 151	995 650	75 664 928	-	77 522 730	77 522 730

CLASSIFICATION OF FINANCIAL LIABILITIES 31 DECEMBER 2013

All amounts in thousands of NOK	Financial liabilities at fair value through P&L	Financial liabilities measured at amortised cost	Securitization liabilities	Booked value	Fair value
Debt to credit institutions					
Loans and deposits from credit institutions	-	34 460 678	-	34 460 678	34 460 678
Total loans and deposits from financial institutions	-	34 460 678	-	34 460 678	34 460 678
Deposits from and debt to customers					
Deposits from and debt to customers repayable on notice	-	9 216 043	-	9 216 043	9 216 043
Total deposits from customers	-	9 216 043	-	9 216 043	9 216 043
Financial derivatives					
Financial derivatives	300 995	-	-	300 995	300 995
Total financial derivatives	300 995	-	-	300 995	300 995
Debt established by issuing securities					
Bonds and other long term loan raising	-	-	24 706 513	24 706 513	24 706 513
Total debt established by issuing securities	-	-	24 706 513	24 706 513	24 706 513
Subordinated loan capital					
Other subordinated loan capital	-	2 857 352	-	2 857 352	2 857 352
Total subordinated loan capital	-	2 857 352	-	2 857 352	2 857 352
Total financial liabilities	300 995	46 534 073	24 706 513	71 541 581	71 541 581

CLASSIFICATION OF FINANCIAL ASSETS 31 DECEMBER 2012

All amounts in thousands of NOK	Financial assets at fair value through Profit & Loss - Held for trading	Held to maturity investments	Loans and receivables	Securitization liabilities	Booked value	Fair value
Deposits with and receivables on financial institutions						
Deposits with Norwegian financial institutions	-	-	3 028 126	-	3 028 126	3 028 126
Total deposits with and loans to financial institutions	-	-	3 028 126	-	3 028 126	3 028 126
Loans to customers						
Credit cards	-	-	2 173 483	-	2 173 483	2 173 483
Unsecured loans	-	-	3 439 098	-	3 439 098	3 439 098
Instalment loans	-	-	43 529 244	-	43 529 244	43 529 244
Financial leasing	-	-	10 433 222	-	10 433 222	10 433 222
Total loans before individual and group write-downs	-	-	59 575 047	-	59 575 047	59 575 047
-Individual write-downs	-	-	110 802	-	110 802	110 802
-Group write-downs	-	-	912 643	-	912 643	912 643
Net loans	-	-	58 551 602	-	58 551 602	58 551 602
Financial derivatives						
Financial derivatives	183 414	-	-	-	183 414	183 414
Sum financial derivatives	183 414	-	-	-	183 414	183 414
Total financial assets	183 414	-	61 579 728	-	61 763 142	61 763 142

CLASSIFICATION OF FINANCIAL LIABILITIES 31 DECEMBER 2012

All amounts in thousands of NOK	Financial liabilities at fair value through Profit & Loss - Held for trading	Financial liabilities measured at amortised cost	Securitization liabilities	Booked value	Fair value
Debt to credit institutions					
Loans and deposits from credit institutions	-	39 993 959	-	39 993 959	39 993 959
Total loans and deposits from financial institutions	-	39 993 959	-	39 993 959	39 993 959
Deposits from and debt to customers	-	-	-	-	-
Deposits from and debt to customers repayable on notice	-	282 299	-	282 299	282 299
Total deposits from customers	-	282 299	-	282 299	282 299
Financial derivatives					
Financial derivatives	195 963	-	-	195 963	195 963
Sum financial derivatives	195 963	-	-	195 963	195 963
Debt established by issuing securities	-	-	-	-	-
Certificates and other short term loan raising	-	-	-	-	-
Bonds and other long term loan raising	-	15 423 115	-	15 423 115	15 423 115
Total debt established by issuing securities	-	15 423 115		15 423 115	15 423 115
Subordinated loan capital	-	-	-	-	-
Other subordinated loan capital	-	655 183	-	655 183	655 183
Total subordinated loan capital	-	655 183	-	655 183	655 183
Total financial liabilities	195 963	56 354 556	-	56 550 519	56 550 519

NOTE 24 Issued securities

All amounts in thousands of NOK	2013	2012
Issued commercial papers	-	-
Issued bonds	24 706 513	15 423 115
Total liability issued securities	24 706 513	15 423 115

CHANGES IN LIABILITY ISSUED SECURITIES

All amounts in thousands of NOK	Book value 31.12.12	New issues/ repurchase	Payments	Amortisation	Book value 31.12.13
Issued commercial papers					
Issued bonds	15 423 115	19 475 248	-10 191 850	-	24 706 512
Total liability issued securities	15 423 115	12 530 584	-7 598 362	566	24 706 512

SPECIFICATION OF ISSUED SECURITIES - BONDS

All amounts in thousands of NOK

ISIN number	Issuer	Net nominal value	Currency	Interest	Call date	Book value 31.12.13
n/a	Santander Consumer Bank AS	400 000	NOK	Floating	18.11.2015	400 000
n/a	Santander Consumer Bank AS	450 000	NOK	Floating	18.11.2016	450 000
XS0595990978	Bilkreditt 1 ltd	3 965 000	NOK	Floating	25.06.25	-
XS0595991273	Bilkreditt 1 ltd	4 677 000	NOK	Floating	25.06.25	-
n/a	Bilkreditt 1 ltd	2 013 440	NOK	Floating	25.06.25	2 013 440
XS0706720496	Bilkreditt 2 ltd	2 740 933	NOK	Floating	25.04.26	1 151 984
n/a	Bilkreditt 2 ltd	1 003 580	NOK	Floating	25.04.26	1 003 580
XS0808637218	Bilkreditt 3 ltd	670 000	EUR	Floating	25.04.27	3 064 356
A2 (n/a)	Bilkreditt 3 ltd	1 096 100	NOK	Floating	25.04.27	853 538
n/a	Bilkreditt 3 ltd	1 061 345	NOK	Floating	25.04.27	1 061 345
XS0963557698	Bilkreditt 4 ltd	357 013	EUR	Floating		2 985 703
XS0963558159	Bilkreditt 4 ltd	250 000	NOK	Floating		250 000
n/a	Bilkreditt 4 ltd	281 967	NOK	Floating		281 967
XS0973570053	Bilkreditt 5 ltd	494 000	EUR	Floating		4 131 322
XS0973570137	Bilkreditt 5 ltd	381 900	NOK	Floating		381 900
n/a	Bilkreditt 5 ltd	281 628	NOK	Floating		281 628
XS0846727690	Svensk Autofinans 1	3 963 045	SEK	Floating	30.08.29	1 623 964
n/a	Svensk Autofinans 1	592 178	SEK	Floating	30.08.29	559 016
n/a	SAF WH 1 Ltd	3 024 379	SEK	Floating		2 855 014
n/a	SAF WH 1 Ltd	354 815	SEK	Floating		334 945
IE00B9HGKD62	Dansk Auto Finansiering 1 Ltd.	3 100 350	DKK	Floating		3 476 112
IE00B9JL8Q83	Dansk Auto Finansiering 1 Ltd. B1	1 459 310	DKK	Floating		1 636 178
IE00B8T2LN25	Dansk Auto Finansiering 1 Ltd. B2	299 000	DKK	Floating		335 239
SCFKIMICLASA	Rahoituspalvelut Ltd.	402 435	EUR	Floating	25.01.20	502 781
n/a	Rahoituspalvelut Ltd.	79 524	EUR	Floating	25.01.20	665 059
XS0973934192	Rahoituspalvelut 2013 Ltd.	439 000	EUR	Fixed	25.05.21	3 211 740
XS0973934358	Rahoituspalvelut 2013 Ltd.	48 800	EUR	Fixed	25.05.21	408 114
n/a	Rahoituspalvelut 2013 Ltd.	25 555	EUR	Fixed	25.05.21	213 716
Amortisation						
Totals issued bonds						34 132 642
Repurchase						
Repurchased own issued bonds						9 426 128
Total repurchased own securities						9 426 128
Total issued securities						24 706 513

NOTE 25 Risk Management

Credit risk/counterparty risk

Counterparty credit risk is considered to be the most significant risk for the bank. Credit risk is to be kept at a level that over time corresponds to the average of companies within the Santander Consumer Finance group, taken into account differences among the companies with regard to collection and product mix. The company has established credit policies that ensure a good diversification among the customers with regard to geography, occupation, or age among others. Single large credit exposures are to be reported to the Board.

Credit process and policies describe the guiding principles for the type of customer that Santander wants. Processes are divided into "Standardised" and "Non-Standardised"; where Standardised credit follows a standard, very much automated credit approval process and Non-Standardised (Credits which do not meet the score requirements, larger credit and credit limits, as well as stock finance) are handled individually. Such credits are granted according to delegated credit authorities in accordance with current credit policy.

The assessment of customers or transactions using rating or scoring systems constitutes a judgment of their credit quality, which is quantified through the probability of default (PD), in accordance with Basel II terminology. In addition to customer assessment, the quantification of credit risk requires the estimation of other parameters, such as exposure at default (EAD) and the percentage of EAD that will not be recovered (loss given default or LGD). Therefore, other relevant factors are taken into account in estimating the risk involved in transactions, such as the quantification of off-balance-sheet exposures, which depends on the type of product, or the analysis of expected recoveries, which is related to existing guarantees and other characteristics of the transaction: type of product, term, etc. These factors are the main credit risk parameters. Their combination facilitates calculation of the probable loss or expected loss (EL). This loss is considered to be an additional cost of the activity which is reflected in the risk premium and must be charged in the transaction price.

Market risk

Santander Consumer Bank's strategy is to not take on market risk in excess of what follows directly from the operation of the company. Market risk for the company is connected to currency positions as a result of operations in Sweden, Finland, and Denmark. Treasury policy limits possible exposure for each currency and the same limit applies to the total net currency position. Treasury policy further specifies that currency risk should be minimised as far as possible through asset and debt items being in the same currency, as far as possible. As a result of the modest size of the positions, a more detailed assessment of sensitivities is not considered to be necessary.

Santander Consumer Bank does not have a trading portfolio or positions in securities, commodities etc. Risk that follows from the company's net currency position is considered low in relation to the company's size, and is considered to involve an increased capital requirement in excess of the Pillar 1 requirement with 10% of maximum allowed net position from currency in treasury policy; currently this corresponds to 10 mill NOK, particularly as unused credit card limits are not included in the Pillar I capital requirement.

Liquidity risk

Santander Consumer Bank's liquidity situation is monitored continuously. Treasury Policy lays down minimum levels for available liquidity and trigger levels for obtaining new liquidity. Santander Consumer Bank has a goal of establishing more financing from outside the Santander group. During autumn 2010 Santander Consumer Bank started to issue bonds and commercial papers in the Norwegian debt capital market. Reducing Santander Groupo dependencies and establishing Santander Consumer Bank as an issuer in the Nordic and International debt capital markets gives the bank on a standalone basis a better position to cope with a short to medium term liquidity crisis. The short dated nature of the bank's assets also constitute a significant liquidity risk reducing factor. This gives a possibility to generate liquidity by reducing new business should the need arise.

Operational risk

For operational risk, the basis method is used. In the company's risk assessments, no areas of operational risk have been identified that involve a loss potential in excess of that covered under Pillar 1. The company's review of the risk situation is timed so that it can coincide as far as possible with the company's plan and budget processes, so that any conclusions and risk-reducing measures can be taken into consideration in the company's plans.

The company has satisfactory monitoring and follow-up of operational risks. This is based both on the checks that were carried out in the company's own internal audit (contracted out to a third party) and on the checks carried out by the group's internal Audit function. The company's own risk assessments carried out in connection with the annual internal control process were also used as a basis for evaluation. The bank securitized a significant part of its Norwegian car loan portfolio in March and November this year and is currently in a new process of securitizing a portion of its Finnish car loan portfolio. The securitization has not and will not affect front or back systems in any significant way. All systems remain the same but there are some additional information extracted for management and reporting purposes. The quality of the institutions risk management process is otherwise considered to be good but are still under further development as a result of Basel II IRB project.

NOTE 26 Securitization

The Group securitizes auto loans by selling portfolios of eligible auto loans to a SPV, which finances the purchase by issuing bonds in the market with security in the assets.

All securitized assets are transferred to related parties, as all the SPV's buying the assets are consolidated into the group accounts. There are not transfers of securitized assets to unrelated parties.

NOTE 27 Hedging of net investment in foreign operations

Hedged risk is the FX-Risk arrising from Net Investment in the subsidiary located in Finland and operating in Euros. Hedging instrumen is loans nominated in EUR.

2013

	Carrying amount[1]		Carrying amount[1] in P & L
All amounts in thousands of NOK	Assets	Liabilities	
Hedging instrument (loan)			
NL00042	-	108 719	-
NL00075	-	108 719	-
NL00074	-	41 815	-
NL00076	-	334 520	-
NL00080	-	125 445	-
NL00115	-	225 801	-
NL00114	-	83 630	-
NL00119	-	158 897	-
NL00118	-	83 630	-
NL00120	-	83 630	-
Net Investment in SCF Oy designated as hedged item	1 354 806	-	-
Total	1 354 806	1 354 806	-

All amounts in thousands of NOK	2013
Amount reclassified from equity to profit or loss for the period	
Amount recognised in other comprehensive income	144 100 600
Ineffectiveness recognised in profit or loss	
Fair value of hedging instrument	1 354 806

NOTE 28 Offsetting financial assets and financial liabilities

a) Assets

The following financial assets are subject to offsetting, enforceable master netting arrangements and similar agreements:

AS AT 31 DECEMBER 2013:

All amounts in thousands of NOK	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of recognised financial assets presented in the balance sheet	Financial instruments	Cash collateral received	Net amount
Derivative financial assets	25 233 807	24 576 599	-	-	-	647 208
Cash and cash equivalents	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-
Total	25 233 807	24 576 599	-	-	-	647 208

b) Liabilies

The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements:

AS AT 31 DECEMBER 2013:

All amounts in thousands of NOK	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of recognised financial assets presented in the balance sheet	Financial instruments	Cash collateral received	Net amount
Derivative financial assets	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-
Total	-	-	-	-	-	-

NOTES

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NOTE 1 Information on related parties

Remuneration

Santander Consumer Bank has established a Remuneration Committee, and the Company did establish Remuneration Guidelines in 2011 to be aligned with FSA regulations. The Guidelines were updated in 2013 in accordance with the changes in the variable remuneration scheme to Senior Management Team.

The Guidelines apply to employees in the Company's operations in Norway, Denmark, Finland and Sweden. In addition there are special regulations for Senior Management, employees with duties of material importance to risk exposure, employees heading the main control functions and directors.

The overall objectives is to support the Company's strategies for recruiting, retaining, developing and rewarding employees who contribute to creating shareholder value at the Company and to support the Company's performance culture. The Guidelines are intended to ensure the credibility, effectiveness and fairness of the Company's remuneration practices and the adequacy, proportionality and balance of the ratio of fixed versus variable salary. Additionally, the Guidelines intend to ensure that the overall remuneration structure reflects sound and effective risk management principles. As a result, a key element in these Guidelines is to counteract risk-taking that exceeds the level of tolerated risk at the Bank while, at the same time, offer a flexible remuneration structure.

The Guidelines are further intended to ensure that the total variable remuneration that the Company is committed to pay out will not conflict with the requirement of maintaining a sound capital base.

Fixed salary to Senior Management Team is approved by the Corporate Compensation Committee and fixed salary to CEO Nordic is approved by the Board of Directors. Variable compensation to Identified Staff shall each year after being approved by the Corporate Compensation Committee be presented to the Remuneration Committee for approval before implementation. Variable compensation to the rest of the Senior Management Team is approved by the Corporate Compensation Committee only.

Senior Management Team is included in the Corporate Bonus Scheme (CBS). The CBS is decided by the Banco Santander S.A. Board of Directors and the Group Remuneration Committee on an annual basis. For each participant of the bonus scheme there is a Base Bonus level which is the reference bonus.

Principles for Variable Remuneration to Identified Staff

50% of the CBS bonus is awarded in shares and 50% of the bonus is deferred. The scheme consists of four equal elements; 1) cash bonus, 2) unrestricted shares subject to 1 year of holding, 3) cash bonus with three years deferral and 4) shares with deferral over three years subject to 1 year of holding

Conditions for variable remuneration are to be based on a combination of an individual appraisal of each employee, the performance of the Company and Business Unit (except for those in Control functions), as well as the business of the Bank as a whole measured over a two year period, but the pool calculation is still measured against annual results, hereunder Annual Targets set each year in compliance with legislation.

The variable remuneration is based on the different methods for measuring results, such as Net Income, Risk adjusted PBT, Risk adjusted VMG targets etc. In addition, non-financial measures are employed, such as Employee satisfaction with leadership style and work environment, Compliance and Level of delivery of non-financial targets.

Remuneration for members of the Board of directors etc is to be decided by the Supervisory Board (Representantskapet) subject to approval of the General Assembly.

Pension schemes

The Company offers different pension and insurance schemes in the Nordic countries:

Norway

1. Defined Benefit - Up to approximately 70 per cent of the final salary maximized to 12 G (G = Grunnbeløp, Base amount 1G as of 31.12.13 amounted to NOK 85 245)
2. Contribution Benefit - Contribution is 5 per cent of salary between 1 G and 6 G, plus 8 per cent of salary between 6 G and 12 G
3. Pensions Scheme for wages above 12 G - Approximately 70 per cent of the final salary that exceeds 12 G

Sweden

The pension scheme is accordingly to the collective agreement and is defined by promising different per cent of the pension entitling salary:

1. 10% on salary up to 7,5 "Inkomstbasbelopp" (IBB IBB as of 31.12.2013 is SEK 56 600)
2. 65% of the salary-parts between 7,5 and 20 IBB
3. 32.5% on salary-parts between 20 and 30 IBB

The pension is normally paid from the age of 65.

Denmark

Pensions Scheme with employer contribution 11.0% of salary, and employee contribution 5.25% of salary (Optional additional payment).

Finland

Does not offer any Company pension scheme. Individual agreements may occur based on former agreements.

Key management compensation:

Key management includes directors (executive and non-executive)and members of the Executive Committee.
The compensation paid or payable to key management for employee services is shown below:

All amounts in thousands of NOK	Salary	Bonus	Pension	Other benefits	Total 2013	Total 2012
Chief Executive Officer	2 598	108	271	412	3 389	2 683*

*The current CEO, Michael Hvidsten, took over as of March 28 2012. CEO has a notice period of 6 months. Thereafter upon the company's dismissal of the CEO, the CEO is entitled to a monthly Severance Pay equivalent to his monthly gross base salary for a period of 6 months. Furthermore the CEO is entitled to a monthly Salary Guarantee equivalent to his monthly gross base salary for a period of additional 6 months.

OTHER KEY MANAGEMENT

All amounts in thousands of NOK	2013	2012
Salary	11 609	10 144
Bonus	441	1 983
Pension	6 956	1 869
Other benefits	2 874	2 266
Total	21 878	16 262

In addition to the above amounts, the group is committed to pay the members of the Excecutive Committee in the event of a change of control in the group.

BOARD OF DIRECTORS

All amounts in thousands of NOK		2013	2012
Erik Kongelf	Chairman	-	-
Bruno Montalvo Wilmot	Deputy Chairman	-	-
Javier Anton San Pablo	Member	-	-
Eduardo Garcia Arroyo	Member	200 000	200 000
Bjørn Elvestad	Member	100 000	200 000
Odd Lundes dødsbo	Member	100 000	-
Henning Strøm	Member	200 000	200 000
Vibeke Hamre Krey	Employee representative	100 000	-
Stine Camilla Rygh	Deputy Employee representative	100 000	-

SUPERVISORY BOARD

All amounts in thousands of NOK	Fees 2013	Fees 2012
Total	70 000	27 500

CONTROL COMMITTEE

All amounts in thousands of NOK		2013	2012
Finn Myhre	Chairman	-	65 000
Egil Dalviken	Deputy Chairman	20 000	20 000
Tone Bjørnhov	Member	20 000	20 000
Terje Sommer	Deputy Member	-	-
Total		40 000	105 000

AUDIT SERVICES AND ADVISORY SERVICES (WITHOUT VAT)*

All amounts in thousands of NOK		2013	2012
Audit services	Chairman	838	820
Other certification services	Deputy Chairman	48	284
Tax advice	Member	99	73
Other non-audit services	Deputy Member	420	190
Total		1 406	1 367

*All amounts in thousands of NOK

AUDIT SERVICES AND ADVISORY SERVICES (WITHOUT VAT)*

All amounts in thousands of NOK		2013	2012
Audit services	Chairman	838	820
Other certification services	Deputy Chairman	48	284
Tax advice	Member	99	73
Other non-audit services	Deputy Member	420	190
Total		1 406	1 367

STAFF

	2013		2012	
All amounts in thousands of NOK	Norway	Abroad	Norway	Abroad
Number of employees as of 31.12	340	190	312	162
Man-labour year as of 31.12	322	179	285	155

NOTE 2 Loan loss reserves

LOAN LOSSES EXPENSES

All amounts in thousands of NOK	2013	2012
Write-downs 31.12	842 670	734 232
+/- Rate adjustment opening balance	-19 117	3 761
Adjustment purchase of portfolio/corretion		
- Write-downs 01.01.	734 232	607 594
+ Total recognised losses	414 415	339 971
- Recoveries on recognised losses	84 034	67 817
= Loan losses	419 702	402 554

INDIVIDUAL- AND GROUP WRITE-DOWNS

All amounts in thousands of NOK	31.12.13	31.12.12
Individual write-downs 01.01.	74 783	64 206
+/- Rate adjustment opening balance	6 176	-462
Reclassification between individual to group loan loss reserves	-32 634	-
- Recognised losses covered by earlier write-downs	-	-
- Reversal of earlier individual write-downs	-	-
+ Individual write-downs for the period	7 173	11 039
= Individual write-downs 31.12	55 498	74 783

GROUP WRITE-DOWNS

All amounts in thousands of NOK	2013	2012
Group write-downs 01.01	659 449	543 388
+/- Rate adjustment opening balance	12 941	-3 299
Reclassification between individual to group loan loss reserves	32 634	-
+/- Write-downs for the year	82 149	119 360
= Group write-downs 31.12	787 172	659 449

Write-downs calculated separately for each business unit, using internal parameters.
- Individual write-downs calculated by arrears following portfolio ageing and specific assessment of the exposure.
- Group write-downs calculated by arrears, including incurred but not reported impaired loans following portfolio ageing.

Write-downs held in balance fully cover 12 months of expected losses arising from impaired loans and incurred but not reported.

NOTE 3 Non-performing- and loss exposed loans

All amounts in thousands of NOK	31.12.13	31.12.12	31.12.11	31.12.10	31.12.09
Gross non-performing- and other loss exposed loans	1 063 538	947 972	899 447	908 742	826 673
Individual write-downs	55 498	74 783	64 206	44 845	141 329
Group write-downs	787 172	659 449	543 390	487 591	309 435
Net non performing- and other loss exposed loans	220 868	213 740	291 851	376 306	375 909

NOTE 4 Non-performing- and loss exposed loans

All amounts in thousands of NOK	31.12.13	31.12.12
Car Leasing	5 312	16 096
Other leasing subjects	-	-
Net	5 312	16 096

The company classifies vehicles as repossessed assets where it is a court ruling or consent regarding transfer of property of the object. Repossessed assets are booked at fair value. Differences between booked value and fair value are recognized in profit and loss when the object is made ready for sale. At realization the difference between assumed fair value and selling price is recognized against profit and loss.

NOTE 5 Risk classification

	Balance		Write Downs	
All amounts in thousands of NOK	31.12.13	31.12.12	31.12.13	31.12.12
Ageing of past due but not impaired loans				
1 - 29 days	3 169 613	2 959 224	36 284	26 744
30 - 59 days	704 577	696 573	33 543	27 729
60 - 89 days	192 569	221 744	46 445	39 945
Total loans due but not impaired	4 066 760	3 877 541	116 272	94 418
Current	56 147 250	46 466 785	305 333	266 496
Total impaired loans	1 063 538	947 972	421 064	373 321
Total loans	61 277 547	51 292 298	842 670	734 235
	31.12.13	31.12.12	31.12.13	31.12.12
Ageing of impaired loans				
90 - 119 days	129 581	110 956	22 236	19 042
120 - 149 days	87 271	80 790	17 945	15 404
150 - 179 days	76 863	61 197	37 494	29 312
180 + days	672 955	606 861	285 426	279 867
Economic Doubtful	96 871	88 169	57 964	29 696
Total impaired loans	1 063 541	947 972	421 064	373 321

SCB portfolio consist 92% of Auto Finance and 8% Unsecured finance (credit card and consumer loan); where for auto finance, generally objects serve as collateral.On Auto Finance, collateral is held as security. Carrying amount in relationship with object value and financed amount is influenced by specific mileage, use and maintenance among others, which varies from object to object. These variables are embedded into Write Downs calculation as part of Loss Given Default.

NOTE 6 Tax

All amounts in thousands of NOK	2013	2012
Current tax on profits for the year	244 500	274 688
Adjustments in respect of prior years	2 159	-2 697
Total current tax	246 659	271 991
Origination and reversal of temporary differences	64 803	-1 387
Impact of change in the Norwegian tax rate	-17 353	-
Impact of change in the Danish tax rate	-	-
Currency effects	-4 298	-
Total deferred tax (+) / deferred tax receivable (-)	43 153	-1 387
Income tax expence	289 812	270 604

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits on the consolidated entities as follows:

All amounts in thousands of NOK	2013	2012
Profit before tax	1 098 347	959 125
Estimated income tax at nominal tax rate 28%	307 537	268 555
Tax effects of:		
- Different tax rates in other countries	-	-
- Income not subject to tax	-7	-8
- Non deductible expences	2 614	2 057
- Utilisation of previously unrecognised tax losses	-	-
- Remeasurement of deferred tax due to change in Norwegian tax rate	-18 194	-
- Remeasurement of deferred tax due to change in Danish tax rate	-	-
Adjustments in respect of prior years	2 159	-
Currency effects	-4 298	-
Tax charge	289 812	270 604

The tax charge/credit relating to components of other comprehensive income is as follows:

	2013		
All amounts in thousands of NOK	Before tax	Tax (charge) /credit	After tax
Remeasurement of post employment benefit liabilities	-16 162	-4 525	-11 637
New assumptions pension Norway	-100 418	-27 113	-73 305
Changes of accounting principle pension Sweden	-19 932	-5 382	-14 550
Cash flow hedges	-	-	-
Currency translation differences	-	-	-
Other comprehensive income	-136 512	-37 020	-99 492
Current tax			
Deferred tax			

All amounts in thousands of NOK	2013	2012
Deferred tax assets 1 January	-	-
Changes recognised in other comprehensive income	37 020	-
Deferred tax assets at 31 December	37 020	-
Deferred taxes at 1 January	417 528	418 915
Changes recognised in income statement	47 451	-1 387
Deferred tax liability at 31 December	468 524	417 528
Deferred tax liability (net)	431 504	417 528

All amounts in thousands of NOK	2013	2012
Fixed assets	1 950 489	1 590 919
Net pension commitments	-223 071	-98 064
Financial instruments	-	-
Net other taxable temporary differences	7 854	3 270
Other comprehensive income	-136 512	-
Losses and credit allowances carried forward	-	-
Total deferred tax liability	1 598 760	1 496 125
Fixed assets	526 632	445 457
Net pension commitments	-60 229	-27 458
Financial instruments	-	-
Net other taxable temporary differences	2 121	- 916
Other comprehensive income	-37 020	-
Changes recognized in income statement	-	-1 387
Losses and credit allowances carried forward	-	-
Total deferred taxes	431 504	417 528

Tax effect of different tax rates in other countries
The Group has operations in a number of countries whose tax rates are different from that in Norway (28%).

Change in tax rate
Relevant deferred tax balances have been re-measured as a result of the change in Norwegian tax rate from 28% to 27% and Danish tax rate from 25% to 24,5% that was substantively enacted in 2013 and that will be effective from 1 January 2014, the relevant deferred tax balances h ave been re-measured. Further reductions to the Danish tax rate have been annonced. The changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum to 23,5% by 2015 with a futher reduction by 1,5% to 22% in 2016.

Estimated taxes on tax-related losses which cannot be utilised
No deferred taxes are calculated on tax-related losses if the Group considers the future probability of such losses to be uncertain.

NOTE 7 Fixed assets, intangible assets and lease financing

All amounts in thousands of NOK	Machines, fittings, own vehicles	Intangible assets	Lease financing: - operating assets	Total	Goodwill
Acquisition cost 1.1	61 996	436 607	14 547 701	15 046 303	100 084
Rate difference opening balance	3 309	9 712	578 302	591 323	13 851
Acquisition cost 1.1 rate 31.12	65 304	446 319	15 126 003	15 637 627	113 935
Additions during the year	13 489	170 165	6 368 539	6 552 193	-
Disposals during the year	-9 756	-55 874	-5 169 806	-5 235 436	-
Acquisition cost 31.12	69 038	560 610	16 324 736	16 954 384	113 935
Acc. ordinary depreciation 1.1	-33 859	-181 294	-4 367 819	-4 582 972	-
Rate difference 01.01	-1 663	-3 145	-209 044	-213 852	-
Acc. ordinary depreciation 1.1 rate 31.12	-35 522	-184 439	-4 576 863	-4 796 824	-
Year's ordinary depresiation	-10 150	-68 253	-2 321 482	-2 399 884	-
Write-downs	-	-	-	-	-
Reversed depreciation on disposals	7 321	31 922	1 865 216	1 904 459	-
Acc. depreciation 31.12	-38 351	-220 770	-5 033 128	-5 292 249	-
Book value in the balance sheet 31.12	30 687	339 840	11 291 608	11 662 135	113 935
Method on measurement	Acquisition cost	Acquisition cost	Acquisition cost		Acquisition cost
Depreciation method	Linear	Linear	Linear		-
Plan of depreciation and useful life	3 – 7 years	3 – 7 years	4 – 5 years		-

*) Accruals and IFRS adjustments are deducted, NOK 193 247. The total balance of financial leasing equals NOK 11 098 361.

Intangible assets include software. The useful life is evaluated annually.
Goodwill is related to purchase of the portfolio from Eik Sparebank in 2007.

NOTE 8 Liquidity risk/remaining term on balance sheet items

All amounts in thousands of NOK	=< 1 mnd	1 - 3 mnd	3 - 12 mnd	1 - 5 år	>5 år	No maturity	Total
Loans/rec. on banks	4 019 861	-	-	-	-	-	4 019 861
- Of which foreign currency	1 674 438	-	-	-	-	-	1 674 438
Loans to customers	6 449 086	4 172 325	18 080 785	28 595 185	3 137 498	-	60 434 877
- Of which foreign currency	2 531 050	1 593 831	6 737 041	12 106 782	1 080 957	-	24 049 661
Commercial papers and bonds	313 486	604 441	2 402 423	4 533 089			7 853 449
Other assets	-	-	-	-	-	3 058 033	3 058 033
- Of which foreign currency	-	-	-	-	-	2 097 419	2 097 419
Total assets	10 782 433	4 776 766	20 483 208	33 128 274	3 137 498	3 058 033	75 366 222
Debt to banks	7 860 687	8 286 564	9 761 954	22 655 198	2 309 684	-	50 874 087
- Of which foreign currency	3 174 798	2 480 163	2 728 003	7 189 947	28 785	-	15 601 696
Deposits from customers	1 474 567	552 963	1 658 888	5 345 305	184 321	-	9 216 043
- Of which foreign currency	383 020	143 632	430 897	1 388 446	47 877	-	2 393 872
Issued notes and bonds	147 893	285 156	1 133 389	2 138 576	-	-	3 705 014
- Of which foreign currency	58 410	112 623	447 633	785 379	-	-	1 404 045
Other debt	-	-	-	-	-	1 984 570	1 984 570
- Of which foreign currency	-	-	-	-	-	449 507	449 507
Subordinated loan capital	-	-	-	260 000	315 183	-	575 183
- Of which foreign currency	-	-	-	-	105 183	-	105 183
Hybrid capital	32 169	-	-	-	-	2 250 000	2 282 169
- Of which foreign currency	-	-	-	-	-	-	-
Equity	-	-	-	-	-	6 729 371	6 729 371
- Of which foreign currency	-	-	-	-	-	175 321	175 321
Total liabilities and equity	9 515 316	9 124 683	12 554 231	30 399 079	2 809 188	10 963 941	75 366 222

The Board of Santander Consumer Bank AS has decided limits for the liquidity risk to ensure the bank has a solid liquidity position. The limits for liquidity risk are reviewed at least on a yearly basis. The bank manages the liquidity position by matching maturities of the assets and the liabilities. The average duration of the asset side is low with a duration below two years. The liabilities side is financed by customer deposits, secured bonds, unsecured bonds and intragroup loans.

NOTE 9 Interest risk and interest adjustments

The Board of Santander Consumer Bank AS has decided limits for maximum interest rate risk exposure. The general policy is to keep interest rate risk as low as possible by doing funding with the same repricing terms as the assets. The bank is not actively taking interest rate risk, and the banks investment portfolio is placed at short term fixed rate. Eventual exposures of interest rate risk are hedged with intragroup loans or with interest hedging instruments. Interest rate risk exposure is regularly reported to the Board of Santander Consumer Bank AS.

INTEREST RATE EXPOSURE

All amounts in thousands of NOK	=< 1 month	>1<= 3 months	>3 <=12 months	>1< 5 years	> 5 years	No maturity	Total
Cash and receivables on central banks		996	-	-	-	-	996
Loans/receivables on banks	3 024	-	-	-	-	-	3 024
Loans to customers	24 852	26 887	3 511	2 730	327	2 128	60 435
Commercial papers and bonds	7 853	-	-	-	-	-	7 853
Assets without maturity	-	-	-	-	-	3 058	3 058
Total assets	35 729	27 883	3 511	2 730	327	5 186	75 366
Debt to banks	24 153	8 453	1 509	1 879	-	14 879	50 874
Deposits from customers	1 475	4 516	3 226	-	-	-	9 216
Issued notes and bonds	2 855	850	-	-	-	-	3 705
Other debt	-	-	-	-	-	1 985	1 985
Subordinated loan capital	80	180	315	-	-	-	575
Hybrid capital	2 282	-	-	-	-	-	2 282
Equity	-	-	-	-	-	6 729	6 729
Total liablilties and equity	30 845	13 999	5 050	1 879	-	23 593	75 366
Net interest rate exposure on balance sheet items	-7 674	17 799	-840	1 721	327	-11 334	-
Interest rate risk derivatives							-
Net interest rate risk exposure	-7 674	17 799	-840	1 721	327	-11 334	-

NORWAY IN NOK

	1M	3M	6M	12M	2 Y	3 Y	4 Y	5 Y	>5 Y	Non Interest Bearing	Total
Asset	7 156	29 962	1 685	1 224	113	61	10	5	4	1 867	42 086
Liability	20 252	11 048	1 342	1 480	415	-	150	-	-	7 398	42 086
Net balance	-13 096	18 915	343	-257	-302	61	-140	5	4	-5 532	-
Net OBS	-	-	-	-	-	-	-	-	-	-	-
Repricing gap	-13 096	18 915	343	-257	-302	61	-140	5	4	-5 532	-
Cumulative gap	-13 096	5 819	6 161	5 905	5 602	5 664	5 523	5 528	5 532	-	-

A +1,00% parallell increase in market rates will result in a 19,43 million NOK loss in Norway.

SWEDEN IN SEK

	1M	3M	6M	12M	2 Y	3 Y	4 Y	5 Y	>5 Y	Non Interest Bearing	Total
Asset	13 847	435	2	6	3	1	1	0	1	180	14 476
Liability	8 790	4 483	380	510	-	-	-	-	-	313	14 476
Net balance	5 056	-4 047	-378	-504	3	1	1	0	1	-133	-
Net OBS	-	-	-	-	-	-	-	-	-	-	-
Repricing gap	5 056	-4 047	-378	-504	3	1	1	0	1	-133	-
Cumulative gap	5 056	1 009	631	127	130	131	132	132	133	-	-

A +1,00% parallell increase in market rates will result in a 9,65 million SEK increase in profit in Sweden.

DENMARK IN DKK

	1M	3M	6M	12M	2 Y	3 Y	4 Y	5 Y	>5 Y	Non Interest Bearing	Total
Asset	7 263	239	342	625	1 010	743	518	331	329	82	11 483
Liability	5 715	2 055	200	930	710	920	250	440	-	262	11 483
Net balance	1 548	-1 816	142	-305	300	-177	268	-109	329	-181	-
Net OBS	-	-	-	-	-	-	-	-	-	-	-
Repricing gap	1 548	-1 816	142	-305	300	-177	268	-109	329	-181	-
Cumulative gap	1 548	-268	-126	-431	-130	-307	-39	-148	181	-	-

A +1,00% parallell increase in market rates will result in a 18,38 million DKK loss in Denmark

Off-Balance posts distributed by time for interest rate adjustment

All amounts in thousands of NOK	0 - 1 mnd.	1 - 3 mnd.	3 - 12 mnd	1 - 5 år	> 5 år
Off balance (notional amounts)					
Renterisiko finansielle derivater (Bilkreditt 1 Limited), Basis	-	-	-		
Renterisiko finansielle derivater (Bilkreditt 1 Limited) BtB	-	-	-		
Renterisiko finansielle derivater (Bilkreditt 2 Limited), Basis	1 972	-349	-1 624		
Renterisiko finansielle derivater (Bilkreditt 2 Limited), BtB	-1 972	349	1 624		
Renterisiko finansielle derivater (Bilkreditt 3 Limited) CCS	-				
Renterisiko finansielle derivater (Bilkreditt 4 Limited) CCS front swap	-				
Renterisiko finansielle derivater (Bilkreditt 4 Limited) CCS back swap	-				
Renterisiko finansielle derivater (Bilkreditt 4 Limited) CCS (1M Euribor vs. 3M Nibor)	-				
Renterisiko finansielle derivater (Bilkreditt 5 Limited) CCS front swap	-				
Renterisiko finansielle derivater (Bilkreditt 5 Limited) CCS back swap	-				
Renterisiko finansielle derivater (Bilkreditt 5 Limited (1M Euribor vs. 3M Nibor)	-				
Renterisiko finansielle derivater (Dansk Autofinans 1 Limited), Basis	2 276	-80	-364	-1 578	-254
Renterisiko finansielle derivater (Dansk Autofinans 1 Limited), BtB	-2 276	80	364	1 578	254
Renterisiko finansielle derivater SCF Rahoituspalvelut Limited,), Basis					
Renterisiko finansielle derivater SCF Rahoituspalvelut Limited,), B2B					
Renterisiko finansielle derivater IRS Swap, Finland)					

Financial instruments measured at fair value

FINANCIAL ASSETS

All amounts in thousands of NOK	Quoted market price Level 1	Using observable inputs Level 2	Using observable inputs Level 3	Total
Bilkreditt 1 Limited, BtB	-	-	25 010	25 010
Bilkreditt 2 Limited, BtB	-	-	42 346	42 346
Dansk Autofinans 1 Limited, BtB	-	-	11 209	11 209
Bilkreditt 3 limited, Currency Swap	-	47 466	-	47 466
Bilkreditt 4 limited, Currency Swap	-	74 864	-	74 864
Bilkreditt 5 limited, Currency Swap	-	10 793	-	10 793
Total	-	133 123	78 566	211 689

FINANCIAL LIABILITIES

All amounts in thousands of NOK	Quoted market price Level 1	Using observable inputs Level 2	Using observable inputs Level 2	Total
Financial liabilities	-	-	-	-
Bilkreditt 1 Limited, Basis Swap	-	-	25 261	25 261
Bilkreditt 2 Limited, Basis Swap	-	-	42 877	42 877
Dansk Autofinans 1 Limited, BtB	-	-	12 451	12 451
Bilkreditt 3 limited, Swap	-	50 204	-	50 204
Bilkreditt 4 limited, Swap	-	88 854	-	88 854
Bilkreditt 5 limited, Swap	-	8 968	-	8 968
Total	-	148 026	80 589	228 615

Reconciliation of fair value measurements categorized within Level 3

All amounts in thousands of NOK	Opening balance	Total gains or losses for the period	Closing balance
Bilkreditt 1 Limited, BtB swap	79 862	-54 851	25 010
Bilkreditt 1 Limited, Basis Swap	-80 832	55 571	-25 261
Bilkreditt 2 Limited, BtB swap	62 873	-20 528	42 346
Bilkreditt 2 Limited, Basis Swap	-64 023	21 146	-42 877
Bilkreditt 3 limited, Currency Swap	15 183	32 283	47 466
Bilkreditt 3 limited, Swap	-20 489	-29 715	-50 204
Bilkreditt 4 limited, Currency Swap	-	74 864	74 864
Bilkreditt 4 limited, Swap	-	-88 854	-88 854
Bilkreditt 5 limited, Currency Swap	-	10 793	10 793
Bilkreditt 5 limited, Swap	-	-8 968	-8 968
Dansk Autofinans 1 Limited, BtB	-	11 209	11 209
Dansk Autofinans 1 Limited, BtB	-	-12 451	-12 451
Total	-7 426	-9 501	-16 927

NOTE 10 Net foreign currency position

	Balance		Net positions	
All amounts in thousands of NOK	Asset	Debt	in currency	in NOK
SEK	11 184 901	11 153 010	33 783	31 891
DKK	7 034 785	6 927 051	96 088	107 734
EUR	1 063 943	1 212 837	-17 804	-148 894
Total 2013	19 283 629	19 292 898		-9 269
Total 2012	10 532 753	10 608 137		231 013

NOTE 11 Segment information

"The group's chief operating decision maker is the board of directors. Management has determined the operating segments based in the information reviewed by the strategic steering committee for the purposes of allocating resources and assessing performance.

The operating segment are divided into the different geografical markets the company operates within. The segments are; Norway, Sweden and Denmark. Internal income and expenses are allocated to the individual segments on an arm's-length basis.

Norway - car financing, leasing, consignement, consumer loans, credit cards and deposits.
Sweden - car financing, leasing, consignement, consumer loans and deposits.
Denmark - car financing, leasing, consignement, consumer loans and deposits.
Finland - car financing, leasing, consignement, consumer loans, durables and deposits.

31 DECEMBER 2013

All amounts in thousands of NOK	Norway	Sweden	Denmark	Eliminations	Total Group
Net interest income	1 381 242	324 960	382 394	-	2 088 596
Net commission income and income from banking services	128 217	57 960	54 510	-	240 687
Value change and gain/loss on foreign exchange and securities	136 090	5 012	23 697	3 002	167 801
Oher operating income	18 961	8 007	263	-	27 232
Operating expences, salaries, depreciation	668 676	192 385	145 206	-	1 006 266
Losses on loans, guarantees etc	278 434	60 864	80 404	-	419 702
Operating result	717 399	142 690	235 255	3 002	1 098 347
Total tax	257 770	32 042	-	-	289 812
Profit after tax	459 629	110 649	235 255	3 002	808 534
Cash and receivables on central banks	995 650	-	-	-	995 650
Deposits with and loans to financial institutions	1 758 692	881 405	384 114	-	3 024 211
Net loans	36 385 148	12 028 465	12 021 264	-	60 434 877
Commercial papers and bonds	5 276 660	559 046	2 017 743	-	7 853 449
Financial derivatives	263 921	-	-	-63 442	200 479
Shares, interests and primary capital certificates	1 085 701	-	-	-	1 085 701
Other assets	732 969	692 336	338 517	8 033	1 771 854
Total assets	46 498 741	14 161 253	14 761 638	-55 410	75 366 222
Debt to credit institutions	27 843 241	8 591 060	14 439 788	-	50 874 089
Deposits from customers	6 822 170	2 393 872	-	-	9 216 043
Financial derivatives	214 471	-	12 451	-66 444	160 477
Debt issued by securities	850 000	2 855 014	-	-	3 705 014
Other liabilities	4 250 499	268 371	187 038	-24 462	4 681 446
Allocated capital	6 518 361	52 936	122 361	35 497	6 729 154
Total liabilities and equity	46 498 741	14 161 253	14 761 638	-55 410	75 366 222

31 DECEMBER 2012

All amounts in thousands of NOK	Norway	Sweden	Denmark	Eliminations	Total Group
Net interest income	1 157 685	311 386	320 872	240 891	2 030 834
Net commission income and income from banking services	94 638	26 606	21 868	-	143 113
Value change and gain/loss on foreign exchange and securities	242 232	-475	-3 262	-240 891	-2 396
Oher operating income	24 276	7 645	845	-	32 766
Operating expences, salaries, depreciation	594 547	134 785	113 307	-	842 638
Losses on loans, guarantees etc	257 923	68 317	76 314	-	402 554
Operating result	666 362	142 061	150 703	-	959 125
Total tax	247 526	24 095	-	-1 017	270 604
Profit after tax	418 836	117 965	150 703	1 017	688 522
Cash and receivables on central banks	-	-	-	-	-
Deposits with and loans to financial institutions	708 944	253 854	-	611 852	1 574 650
Net loans	25 648 564	9 834 690	8 370 340	6 704 472	50 558 066
Commercial papers and bonds	3 017 020	507 023	-	1 061 345	4 585 388
Financial derivatives	142 735	-	-	-	142 735
Shares, interests and primary capital certificates	953 971	-	-	-	953 971
Other assets	728 200	509 557	284 317	-364 215	1 157 859
Total assets	31 199 434	11 105 124	8 654 657	8 013 454	58 972 669
Debt to credit institutions	24 892 810	10 804 253	8 431 594	6 709 906	50 838 563
Deposits from customers	282 299	-	-	-	282 299
Financial derivatives	-	-	-	-	-
Debt issued by securities	-811 491	-	-	1 061 345	249 854
Other liabilities	1 313 292	182 905	142 042	242 204	1 880 443
Allocated capital	5 941 362	235 931	231 723	-687 504	5 721 511
Total liabilities and equity	31 618 271	11 223 089	8 805 360	7 325 950	58 972 669

NOTE 12 Loans and losses by main sectors

All amounts in thousands of NOK	Loans 31.12.13	Write-down 31.12.13	Loans 31.12.12	Write-down 31.12.12
Public sector	486 774	-29	259 522	-40
Agriculture and forestry	530 442	-97	141 399	-26
Industry	738 561	-95	388 982	-64
Building and construction	2 524 129	-525	1 286 109	-244
Trade in goods	3 986 093	-2 650	3 360 433	-336
Proprietary management	313 843	-131	288 528	-52
Various	3 779 664	-1 981	2 953 842	-524
Transportation	2 375 407	-1 261	1 759 087	-331
Private individuals	46 542 634	-48 729	23 341 498	-34 494
Foreign	-	-	17 512 898	-38 673
Sum	61 277 547	-55 498	51 292 298	-74 784

Only individual write-downs on loans are listed. Loans originating from the foreign branches are included in sector Foreign.

NOTE 13 Loans by geographic region

All amounts in thousands of NOK	Loans 31.12.13	Write-down 13.12.13	Loans 31.12.12	Write-down 31.12.12
Eastern Norway	20 735 236	85 020	17 385 925	88 640
Western Norway	5 761 628	5 773	4 546 409	7 273
Southern Norway	4 852 685	13 420	5 597 857	13 781
Mid Norway	3 738 144	12 144	3 459 077	12 356
Northern Noraw	1 986 204	5 763	1 967 336	6 475
Sweden and Denmark	24 203 651	-	18 335 693	-
Sum	61 277 547	122 121	51 292 298	128 526

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

NOTE 14 Pension expenses

Santander Consumer Bank has a service pension scheme under the Act of Occupational Pension through DnB Liv. In addition employees can take an early retirement pension at the age of 62. This scheme only applies to employees in Norway and Sweden and forms part of a group agreement. The scheme gives the right to defined future benefits, which are mainly dependent on number of years worked, salary level at time of retirement and the amount of payment from national insurance fund. The agreement also includes a disability pension, a spouse's pension and a child pension. In addition there are pension commitments to certain employees additional to the ordinary collective agreement. This applies to employees with a lower pension age, employees with salary above 12 G and supplementary pensions. Pension costs from defined contribution schemes amounts to TNOK 32 361 incl payroll tax.

For Sweden the BTP plan is a complete occupational pension plan. It is a defined benefit pension plan, with benefits in case of sickness death and retirement. The employee has a sickpension from 18 years of age and retirement pension from 28 years of age. From age 28 the employer also pays 2 % of the salary for BTPK to Valcentralen. It is a defined contribution pension, which is a part of the BTP plan. The employee who has a salary above 10 income basic amount, 569 000 SEK 2014, can chose alternative BTP. All retirement and survivors pension premiums above 7,5 income basic amount 426 750 SEK, can be placed into different funds in SPP. The employee can also choose repayment cover and family pension and beneficiary in case of death.

PENSION EXPENSES

All amounts in thousands of NOK	2013	2012	2012 (Restated from IAS19 to IAS19R)
Present value of year's pension earnings	16 773	19 081	19 081
Interest cost on accrued liability	10 422	10 303	5 348
Return on pension funds	-6 946	-8 496	-
Administration costs	4 203	1 181	1 181
Actuarial (gain) /loss	-	8 961	-57 699
Accrual payroll tax	-	3 185	3 681
Net Pension expenses	24 453	34 215	-28 407

PENSION LIABILITIES IN BALANCE SHEET

All amounts in thousands of NOK	31.12.13	31.12.12	31.12.12
Pension funds at market value	207 701	187 705	187 705
Estimated pension liability	430 772	318 473	301 719
Net pension liability	223 071	130 768	114 015
Difference not posted to P&L	-	-16 162	-6 780
Capitalised net pension liability	223 071	114 606	107 235
Payroll tax included with	3 999	14 089	14 089

The movement in the defined benefit obligation over the year is as follows:

All amounts in thousands of NOK	Present value of obligation	Fair value of plan assets	Total
At 1 January 2012 (Restated)	315 821	-175 072	140 749
At 1 January 2012 (Restated)	19 081		19 081
Current service cost	10 303		10 303
Interest expence			-
Past service cost and gains and losses on settlement	29 384	-	29 384
Remeasurements:		-8 496	-8 496
- Return on plan assets			-
- Loss from change in demographic assumptions			-
- Loss from change in financial assumptions	-50 363	3 408	-46 955
- Experience (gains)/losses			-
- Change in asset ceiling	-50 363	-5 088	-55 451
			-
Exchange differences			
Contributions:		-14 026	-14 026
- Employers	-7 212	6 482	-730
- Plan participants			
Payments from plans:			-
- Benefit payments			-
- Settlements			-
Acquired in a business combination	14 680		14 680
Others	7 468	-7 544	-76
At 31 December 2012 (Restated)	302 310	-187 705	114 605

THE MOVEMENT IN THE DEFINED BENEFIT OBLIGATION OVER THE YEAR IS AS FOLLOWS

All amounts in thousands of NOK	Present value of obligation	Fair value of plan assets	Total
At 1 January 2013	294 940	-187 705	107 235
Current service cost	36 705		36 705
Interest expence	10 422	-6 945	3 477
Past service cost and gains and losses on settlement			-
	47 128	-6 945	40 183
Remeasurements:			
- Return on plan assets		-39 631	-39 631
- Loss from change in demographic assumptions	71 937		71 937
- Loss from change in financial assumptions	21 130		21 130
- Experience (gains)/losses	46 982		46 982
- Change in asset ceiling			-
	140 048	-39 631	100 418
Exchange differences			-
Contributions:			
- Employers	-4 338	-24 630	-28 968
- Plan participants			-
Payments from plans:			
- Benefit payments	-11 771	11 771	-
- Settlements			-
Acquired in a business combination			-
Others	4 203		4 203
	-11 906	-12 859	-24 765
At 31 December 2013	470 210	-247 139	223 071

The defined benefit obligation and plan assets are composed by country as follows:

	2013			2012 (Restaded)		
All amounts in thousands of NOK	Norge	Sverige	Total	Norge	Sverige	Total
Present value of obligation	410 839	59 370	470 210	294 940	-	294 940
Fair value of plan assets	-207 701	-39 438	-247 139	-187 705	-	-187 705
	203 138	19 932	223 071	107 235	-	107 235
Impact of minimum funding requirement/asset ceiling	-	-	-	-	-	-
Total	203 138	19 932	223 071	107 235	-	107 235

The following assumptions have been used calculating future pensions:

	31.12.13		31.12.12	
All amounts in thousands of NOK	Norge	Sverige	Norge	Sverige
Discount rate	3,90%	3,75%	3,80%	n/a
Inflation	-	2,00%	-	n/a
Salary growth rate	3,75%	4,00%	3,50%	n/a
Pension growth rate	3,37%	3,00%	3,25%	n/a
Rate of social security increases	3,50%	-	-	-
G-adjustments	-	-	3,25%	-
Expected return	-	-	4,00%	-

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 65:

	31.12.13		31.12.12	
All amounts in thousands of NOK	Norge	Sverige	Norge	Sverige
Retiring at the end of the reporting period:				
- Male	2	0	1	1
- Female	0	0	0	0
Retiring 20 years after the end of the reporting period:				
- Male	54	20	53	17
- Female	83	11	79	11

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

IMPACT ON DEFINED BENEFIT OBLIGATION - NORWAY

All amounts in thousands of NOK	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1,00%	Decrease by 20,13%	Increase by 27,11%
Salary growth rate	1,00%	Increase by 12,16%	Decrease by 10,02%

IMPACT ON DEFINED BENEFIT OBLIGATION - SWEDEN

All amounts in thousands of NOK	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1,00%	Decrease by 18,29%	Increase by 17,11%
Salary growth rate	1,00%	Increase by 15,45%	Decrease by 10,95%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the pension liability recognised whitin the statement of financial position.

Plan assets are comprised as follows:

All amounts in thousands of NOK	2013	2012
Local equities	1,4%	1,2%
Spanish equities	0,0%	0,0%
Other countries equities	8,9%	9,0%
Corporate bonds	35,9%	37,1%
Government securities	16,3%	15,2%
Property	14,3%	18,6%
Cash and short term investments	22,1%	17,5%
Loans	0,0%	0,0%
Other investments	1,1%	1,4%
Total	100,0%	100,0%

NOTE 15 Finance leases

Finance leases

Santander Consumer Bank AS owns assets leased to customers under finance lease agreements. Finance lease agreements are reported as receivables from the lessee included in "Financial leasing " in the balance sheet at an amount equal to the net investment in the lease. The leased assets mainly comprise cars.

Reconciliation of gross investments and present value of future minimum lease payments:

All amounts in thousands of NOK	2013	2012
Gross investment		
Due in less than 1 year	5 961	3 998 595
Due in 1 - 5 years	6 154 457	1 495 710
Due later than 5 years	208 121	
Total gross investment	6 368 539	5 494 305
Present value of future minimum lease payments receivable		
Due in less than 1 year	5 905	3 902 560
Due in 1 - 5 years	5 705 170	1 394 462
Due later than 5 years	191 503	
Total present value of future minimum lease payments receivable	5 902 578	5 297 022
Unearned finance income		

Unguaranteed residual values accruing to the benefit of the lessor.
Accumulated allowance for uncollectible minimum lease payments receivable.
Contingent rents recognised as income in the period.

NOTE 16 Receivables and liabilities to companies in the same group

SANTANDER CONSUMER GROUP

All amounts in thousands of NOK	31.12.13	Interest 2013	31.12.12	Interest 2012
Depth				
A Loans from creditinstitutions *	27 130 096	838 887	33 390 429	1 081 246
Of which				
Santander Benelux	26 027 611	-	31 856 960	-
SantanderConsumer Finance S.A.	1 086 363	-	1 533 469	-
Accrued interest /other debt	-	-	99 847	-
B Hybrid Capital	2 250 000	32 169	-	-
C Subordinated Loan Capital	575 183	25 180	655 183	30 394
Of which				
Banco Santander	180 000	-	180 000	-
Santander Benelux	210 000	-	210 000	-
SantanderConsumer Finance S.A.	185 183	-	265 183	-
Accrued interest /other debt	33 278	-	617	-

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

SUBORDINATED LOAN CAPITAL

All amounts in thousands of NOK	2013	2012
MNOK 180, maturity September 2016, 3 months NIBOR +0.55%	180 000	180 000
MNOK 80, maturity October 2017, 3 months NIBOR +1.00%	80 000	80 000
MNOK 80, maturity September 2018, 3 months NIBOR +2.4%	-	80 000
MNOK 210, maturity June 2019, 6 months NIBOR +3.43%	210 000	210 000
MNOK 105 maturity Desember 2020 12 months EURIBOR +3,20%	105 183	105 183
Total subordinated loan capital	575 183	655 183

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

NOTE 17 Transaction with related parties

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.

The following transactions were carried out with related parties:

All amounts in thousands of NOK	2013	2012
Sales of goods and services		
Services	14 170	12 744
Total	14 170	12 744
Purchase of goods and services		
Services	82	648
Total	82	648
Year-end balances arising from sales/purchases of goods/services		
Receivables from related parties	190	-
Payables to related parties	29 939 158	34 045 683
Total	29 939 348	34 045 683

NOTE 18 Ownership

The share capital is divided into 444.846.912 shares, of NOK 10,- par value. 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.

NOTE 19 Capital Adequacy

All amounts in thousands of NOK	31.12.13	31.12.12
Core capital	8 485 357	5 358 786
Eligible supplementary capital	431 732	557 804
Total primary capital	8 917 089	5 916 590
Minimum capital requirement (pilar I)		
Credit risk	4 364 152	3 565 889
Market risk	11 911	15 669
Operational risk	335 150	291 198
Deductions in capital requirement	-62 974	-52 756
Total minimum capital requirement (pilar I)	4 648 240	3 820 000
Capital ratio	15,35%	12,39%
Core capital ratio	14,60%	11,22%

Financial information in accordance with the capital requirement regulation is published at www.santander.no. Information according to Pilar 3 will be published at www.santander.no.

NOTE 20 Interest Expenses

The table show average interest rate as of 31.12. Average interest is calculated as actual interestcost through the year in percent of average balance.

TO CREDIT INSTITUTIONS

All amounts in thousands of NOK	2013	2012
Interest expenses	838 887	1 080 961
Average loan	34 417 573	33 603 782
Average nominal interest rate	2,41%	3,17%

TO CUSTOMERS

All amounts in thousands of NOK	2013	2012
Interest expenses	128 646	8 209
Average deposit	3 785 999	249 302
Average nominal interest rate	3,35%	3,24%

TO BONDHOLDERS

All amounts in thousands of NOK	2013	2012
Interest expenses	12 130	23 781
Average issued notes and bonds	297 597	618 541
Average nominal interest rate	4,00%	3,78%

NOTE 21 Guarantee liabilities

Santander Consumer Bank AS has as at 31.12.2013 a guarantee liability of MNOK 123,1 (31.12.12: MNOK 145,8).
This is mainly payment guarantees.

NOTE 22 Investments in subsidiaries

Santander Consumer Bank AS owns 100% of the stocks in Santander Consumer Finance OY. The address is Hermannin Rantatie 10, 00580 Helsinki, Finland. To reduce the risk related to changes in foreign exchange values it is established a hedge loan on EUR 138 millions.

As of 31.12.2012 the following changes on the hedge loan and the owner interests in Santander Consumer Finance OY are booked:		
Adjustment of the hedge loan on EUR 138 million to the exchange value as of 31.12.13:	MNOK	-
Historical cost price of the stocks in Santander Consumer Finance OY	MNOK	1 159,00
+ Adjusted value on the shares due to the hedge loan	MNOK	-73,31
= Book value of the stocks in Santander Consumer Finance OY	MNOK	1 085,69

COMPANY NAME

	Share Capital	Number of shares	Book value	Equity	Result 2013	Result 2012
	(1,2)		(1)	(1)	(1)	(1,2)
Santander Consumer Finance OY	908 830	600 000	1 085 692	1 448 419	211 683	139 462

(1) amounts in thousands of NOK
(2) Incl share capital premium
(3) Incl merged company SCF Rahoituspalvelut LTD, SCF Ajoneurohallinto LTD, SCF Ajoneuvohallinta LTD and SCF Rahoituspalvelut 2013 LTD.

NOTE 23 Classification of financial instruments

CLASSIFICATION OF FINANCIAL ASSETS 31 DECEMBER 2013

All amounts in thousands of NOK	Financial assets at fair value through P&L	Held to maturity investments	Loans and receivables	Securitization assets	Book value	Fair value
Deposits with and receivables on financial institutions						
Deposits with Norwegian financial institutions	-		3 024 211	-	3 024 211	3 024 211
Total deposits with and loans to financial institutions	-	-	3 024 211		3 024 211	3 024 211
Loans to customers						
Credit cards	-	-	2 461 641	-	2 461 641	2 461 641
Unsecured loans	-	-	2 689 660	-	2 689 660	2 689 660
Instalment loans	-	-	45 027 852	-	45 027 852	45 027 852
Financial leasing	-	-	11 098 395	-	11 098 395	11 098 395
Total loans before individual and group write-downs	-	-	61 277 547	-	61 277 547	61 277 547
-Individual write-downs			55 498		55 498	55 498
-Group write-downs			787 172	-	787 172	787 172
Net loans	-	-	60 434 877	-	60 434 877	60 434 877
Comm papers, bonds and other fixed-income securities						
Commercial papers and bonds		995 650	-	7 853 449	7 853 449	8 849 099
Total comm. papers, bonds, other fixed-income securities	-	-	-	7 853 449	7 853 449	8 849 099
Financial derivatives						
Financial derivatives	200 479	-	-	-	200 479	200 479
Sum financial derivatives	200 479	-	-	-	200 479	200 479
Other assets						
Operational leasing			5 312		5 312	5 312
Sum other assets	-	-	5 312	-	5 312	5 312
Total financial assets	200 479	995 650	63 464 400	7 853 449	72 513 978	72 513 978

CLASSIFICATION OF FINANCIAL LIABILITIES 31 DECEMBER 2013

All amounts in thousands of NOK	Financial liabilities at fair value through P&L	Financial liabilities measured at amortised cost	Securitization liabilities	Booked value	Fair value
Debt to credit institutions					
Loans and deposits from credit institutions	-	50 874 089	-	50 874 089	50 874 089
Total loans and deposits from financial institutions	-	50 874 089	-	50 874 089	50 874 089
Deposits from and debt to customers					
Deposits from and debt to customers repayable on notice	-	9 216 043	-	9 216 043	9 216 043
Total deposits from customers	-	9 216 043	-	9 216 043	9 216 043
Financial derivatives					
Financial derivatives	160 477	-	-	160 477	160 477
Total financial derivatives	160 477	-	-	160 477	160 477
Debt established by issuing securities					
Bonds and other long term loan raising	-	-	3 705 014	3 705 014	3 705 014
Total debt established by issuing securities	-	-	3 705 014	3 705 014	3 705 014
Subordinated loan capital					
Other subordinated loan capital	-	2 857 352	-	2 857 352	2 857 352
Total subordinated loan capital	-	2 857 352	-	2 857 352	2 857 352
Total financial liabilities	160 477	62 947 484	-	66 812 975	66 812 975

CLASSIFICATION OF FINANCIAL ASSETS 31 DECEMBER 2012

All amounts in thousands of NOK	Financial assets at fair value through Profit & Loss - Held for trading	Held to maturity investments	Loans and receivables	Securitization liabilities	Booked value	Fair value
Deposits with and receivables on financial institutions						
Deposits with Norwegian financial institutions	-	-	1 574 650	-	1 574 650	1 574 650
Total deposits with and loans to financial institutions	-	-	1 574 650	-	1 574 650	1 574 650
Loans to customers						
Credit cards	-	-	2 173 483	-	2 173 483	2 173 483
Unsecured loans	-	-	1 722 365	-	1 722 365	1 722 365
Instalment loans	-	-	37 417 193	-	37 417 193	37 417 193
Financial leasing	-	-	9 979 257	-	9 979 257	9 979 257
Total loans before individual and group write-downs	-	-	51 292 298	-	51 292 298	51 292 298
-Individual write-downs	-	-	74 784	-	74 784	74 784
-Group write-downs	-	-	659 449	-	659 449	659 449
Net loans	-	-	50 558 065	-	50 558 065	50 558 065
Comm papers, bonds and other fixed-income securities						
Commercial papers and bonds	-	-	4 585 388	-	4 585 388	4 585 388
Total comm. papers, bonds and other fixed-income securities	-	-	4 585 388	-	4 585 388	4 585 388
Financial derivatives						
Financial derivatives	142 735	-	-	-	142 735	142 735
Sum financial derivatives	142 735	-	-	-	142 735	142 735
Total financial assets	142 735	-	56 718 103	-	56 860 838	56 860 838

CLASSIFICATION OF FINANCIAL LIABILITIES 31 DECEMBER 2012

All amounts in thousands of NOK	Financial liabilities at fair value through Profit & Loss - Held for trading	Financial liabilities measured at amortised cost	Securitization liabilities	Booked value	Fair value
Debt to credit institutions					
Loans and deposits from credit institutions	-	50 838 563	-	50 838 563	50 838 563
Total loans and deposits from financial institutions	-	50 838 563	-	50 838 563	50 838 563
Deposits from and debt to customers					
Deposits from and debt to customers repayable on notice		282 299	-	282 299	282 299
Total deposits from customers	-	282 299	-	282 299	282 299
Debt established by issuing securities					
Certificates and other short term loan raising	-	-	-	-	-
Bonds and other long term loan raising	-	249 854	-	249 854	249 854
Total debt established by issuing securities	-	249 854	-	249 854	249 854
Subordinated loan capital					
Other subordinated loan capital	-	655 183	-	655 183	655 183
Total subordinated loan capital	-	655 183	-	655 183	655 183
Total financial liabilities	-	52 025 899	-	52 025 899	52 025 899

NOTE 24 Issued securities

All amounts in thousands of NOK	2013	2012
Issued commercial papers	-	-
Issued bonds	850 000	249 854
Total liability issued securities	850 000	249 854

CHANGES IN LIABILITY ISSUED SECURITIES

All amounts in thousands of NOK	Book value 31.12.12	New issues/ repurchase	Payments	Amortisation	Book value 31.12.13
Issued commercial papers					
Issued bonds	249 854	850 000	-249 854	-	850 000
Total liability issued securities	249 854	850 000	-249 854	-	850 000

BONDS

ISIN number	Issuer	Net nominal value	Currency	Interest	Call date	Book value 31.12.13
n/a	Santander Consumer Bank AS	400 000	NOK		18.11.2015	400 000
n/a	Santander Consumer Bank AS	450 000	NOK		18.11.2016	450 000
Totals issued bonds						850 000

REPURCHASE

Repurchased own issued bonds	-
Total repurchased own securities	-
Total issued securities	850 000

NOTE 25 Risk Management

Credit risk/counterparty risk
Counterparty credit risk is considered to be the most significant risk for the bank. Credit risk is to be kept at a level that over time corresponds to the average of companies within the Santander Consumer Finance group, taken into account differences among the companies with regard to collection and product mix. The company has established credit policies that ensure a good diversification among the customers with regard to geography, occupation, or age among others. Single large credit exposures are to be reported to the Board.

Credit process and policies describe the guiding principles for the type of customer that Santander wants. Processes are divided into "Standardised" and "Non-Standardised"; where Standardised credit follows a standard, very much automated credit approval process and Non-Standardised (Credits which do not meet the score requirements, larger credit and credit limits, as well as stock finance) are handled individually. Such credits are granted according to delegated credit authorities in accordance with current credit policy.

The assessment of customers or transactions using rating or scoring systems constitutes a judgment of their credit quality, which is quantified through the probability of default (PD), in accordance with Basel II terminology. In addition to customer assessment, the quantification of credit risk requires the estimation of other parameters, such as exposure at default (EAD) and the percentage of EAD that will not be recovered (loss given default or LGD). Therefore, other relevant factors are taken into account in estimating the risk involved in transactions, such as the quantification of off-balance-sheet exposures, which depends on the type of product, or the analysis of expected recoveries, which is related to existing guarantees and other characteristics of the transaction: type of product, term, etc. These factors are the main credit risk parameters. Their combination facilitates calculation of the probable loss or expected loss (EL). This loss is considered to be an additional cost of the activity which is reflected in the risk premium and must be charged in the transaction price.

Market risk
Santander Consumer Bank's strategy is to not take on market risk in excess of what follows directly from the operation of the company. Market risk for the company is connected to currency positions as a result of operations in Sweden, Finland, and Denmark. Treasury policy limits possible exposure for each currency and the same limit applies to the total net currency position. Treasury policy further specifies that currency risk should be minimised as far as possible through asset and debt items being in the same currency, as far as possible. As a result of the modest size of the positions, a more detailed assessment of sensitivities is not considered to be necessary.

Santander Consumer Bank does not have a trading portfolio or positions in securities, commodities etc. Risk that follows from the company's net currency position is considered low in relation to the company's size, and is considered to involve an increased capital requirement in excess of the Pillar 1 requirement with 10% of maximum allowed net position from currency in treasury policy; currently this corresponds to 10 mill NOK, particularly as unused credit card limits are not included in the Pillar I capital requirement.

Liquidity risk
Santander Consumer Bank's liquidity situation is monitored continuously. Treasury Policy lays down minimum levels for available liquidity and trigger levels for obtaining new liquidity. Santander Consumer Bank has a goal of establishing more financing from outside the Santander group. During autumn 2010 Santander Consumer Bank started to issue bonds and commercial papers in the Norwegian debt capital market. Reducing Santander Groupo dependencies and establishing Santander Consumer Bank as an issuer in the Nordic and International debt capital markets gives the bank on a standalone basis a better position to cope with a short to medium term liquidity crisis. The short dated nature of the bank's assets also constitute a significant liquidity risk reducing factor. This gives a possibility to generate liquidity by reducing new business should the need arise.

Operational risk
For operational risk, the basis method is used. In the company's risk assessments, no areas of operational risk have been identified that involve a loss potential in excess of that covered under Pillar 1. The company's review of the risk situation is timed so that it can coincide as far as possible with the company's plan and budget processes, so that any conclusions and risk-reducing measures can be taken into consideration in the company's plans.

The company has satisfactory monitoring and follow-up of operational risks. This is based both on the checks that were carried out in the company's own internal audit (contracted out to a third party) and on the checks carried out by the group's internal Audit function. The company's own risk assessments carried out in connection with the annual internal control process were also used as a basis for evaluation. The bank securitized a significant part of its Norwegian car loan portfolio in March and November this year and is currently in a new process of securitizing a portion of its Finnish car loan portfolio. The securitization has not and will not affect front or back systems in any significant way. All systems remain the same but there are some additional information extracted for management and reporting purposes. The quality of the institution"s risk management process is otherwise considered to be good but are still under further development as a result of Basel II IRB project.

NOTE 26 Securitization

The company securitizes auto loan to customers by selling the loans to a special purpose company, which funds the purchase by issuing bonds with security in the assets. The portfolio of auto loans consists of financing of motor vehicles (including but not limited to cars, light commercial vehicles, motor homes, motorcycles) and the related collateral. At 31.12.2013, Santander Consumer Bank AS has sold auto loan portfolio to eight different SPV's.

According to IAS 39, no derecognition of these sold assets is done in the company, as the company retains basically all the risk and reward of the transferred assets. The risk is retained through the company's ownership in the most subordinated tranche of the issued notes. Through the priority of payments, these notes take on all the losses before the prioritized notes. The reward is retained as the company receives all cash that is left from the month after all the note holder and service providers have been paid. This payment represents the net interest income from customers, as the company would have owned the loans.

As the company continues to recognize the transferred assets on the balance sheet, a liability to transfer the future cash flows from the customers arises. This liability is initially booked at the consideration received.

The table below shows the amount of un-derecognised securitized loans as of 31.12.2013 and the size of the liability in relation to securitization:

All amounts in thousands of NOK	2013	2012
Derecognized		
Retained in the balance sheet	26 743 861	17 368 226
Related liabilities	-23 743 993	-10 658 317
Total	2 999 869	6 709 910

NOTE 27 Hedging of net investment in foreign operations

The risk that is hedged is a fx-risk regarding the fair value in Subsidiary Santander Consumer Finance OY Finland.
The instruments that are used are loans in EUR.

2013

	Carrying amount [1]				Fair value [1]	
All amounts in thousands of NOK	Assets	Liabilities	Gain/loss recognised in P & L	Gain/loss recognised in carrying amount of investment	Assets	Liabilities
Hedging instrument (loan)						
NL00042	-	108 719	-	-	-	108 719
NL00074	-	41 815	-	-	-	41 815
NL00075	-	108 719	-	-	-	108 719
NL00076	-	334 520	-	-	-	334 520
NL00080	-	125 445	-	-	-	125 445
NL00114	-	83 630	-	-	-	83 630
NL00115	-	225 801	-	-	-	225 801
NL00119	-	158 897	-	-	-	158 897
Fx-rate effect	-		144 101	-	-	-
Investment (underlying object)	-	-	-	-	-	-
Investment in S. Consumer OY	1 085 701	-	--	-	1 085 701	-
Fx-rate effect	-	-	131 730			
Total	1 085 701	1 187 546	12 370	-	1 085 701	1 187 546

2012

	Carrying amount [1]				Fair value [1]	
All amounts in thousands of NOK	Assets	Liabilities	Gain/loss recognised in P & L	Gain/loss recognised in carrying amount of investment	Assets	Liabilities
Hedging instrument (loan)						
NL00042 Deposit	-	95 528	-	-	-	95 528
NL00074 Deposit	-	36 742	-	-	-	36 742
NL00076 Deposit	-	293 932	-	-	-	293 932
NL00080 Deposit	-	110 225	-	-	-	110 225
NL00095 Deposit	-	382 112	-	-	-	382 112
NL00075 Subordinated loan	-	95 528	-	-	-	95 528
Fx-rate effect	-	-	53 958	-	-	-
Investment (underlying object)						
Fair value in S. Consumer OY	953 971	-	-	-	953 971	-
Fx-rate effect	-	-	52 669	-	-	-
Total	953 971	1 014 065	1 289	-	953 971	1 014 065

NOTE 28 Offsetting financial assets and financial liabilities

a) Assets
The following financial assets are subject to offsetting, enforceable master netting arrangements and similar agreements:

AS AT 31 DECEMBER 2013:

				Related amounts not set off in the balance sheet		
All amounts in thousands of NOK	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of recognised financial assets presented in the balance sheet	Financial instruments	Cash collateral received	Net amount
Derivative financial assets	7 560 176	7 217 931				342 786
Cash and cash equivalents	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-
Total	7 560 176	7 217 931	-	-	-	342 786

b) Liabilities
The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements:

AS AT 31 DECEMBER 2013:

				Related amounts not set off in the balance sheet		
All amounts in thousands of NOK	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of recognised financial assets presented in the balance sheet	Financial instruments	Cash collateral received	Net amount
Derivative financial assets	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-
-T-rade receivables	-	-	-	-	-	-
Total	-	-	-	-	-	-

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To the Annual Shareholders' Meeting of Santander Consumer Bank AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Santander Consumer Bank AS, which comprise the financial statements of the parent company and the financial statements of the group. The financial statements of the parent company and the financial statements of the group comprise the statement of financial position as at December 31, 2013, and profit and loss account, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors and the Managing Director's Responsibility for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by EU, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of Santander Consumer Bank AS and of the group as at December 31, 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

AUDITOR'S REPORT

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report and the statement on Corporate Social Responsibility

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors report and in the statement on Corporate Social Responsibility concerning the financial statements, the going concern assumption and the proposal for the allocation of the profit is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, March 25, 2014
Deloitte AS

Jørn Borchgrevink
State Authorised Public Accountant (Norway)

KONTROLLKOMITEENS UTTALELSE

Santander Consumer Bank AS

Kontrollkomitéen

Kontrollkomitéens uttalelse

Til Representantskapet og Generalforsamlingen i Santander Consumer Bank AS

Kontrollkomitéen i Santander Consumer Bank AS har gjennom regnskapsåret 2013 ført tilsyn med banken i henhold til Forretningsbankloven § 13 og forskrift om instruks for kontrollkomiteer fastsatt av Finanstilsynet 18. desember 1995.

Kontrollkomitéen har gjennomgått årsregnskapet for 2013 for Santander Consumer Bank AS, styrets årsberetning for 2013 og revisors beretning for 2013.

Komitéen finner at styrets vurdering av bankens økonomiske stilling er dekkende, og anbefaler at bankens årsregnskap for 2013 fastsettes.

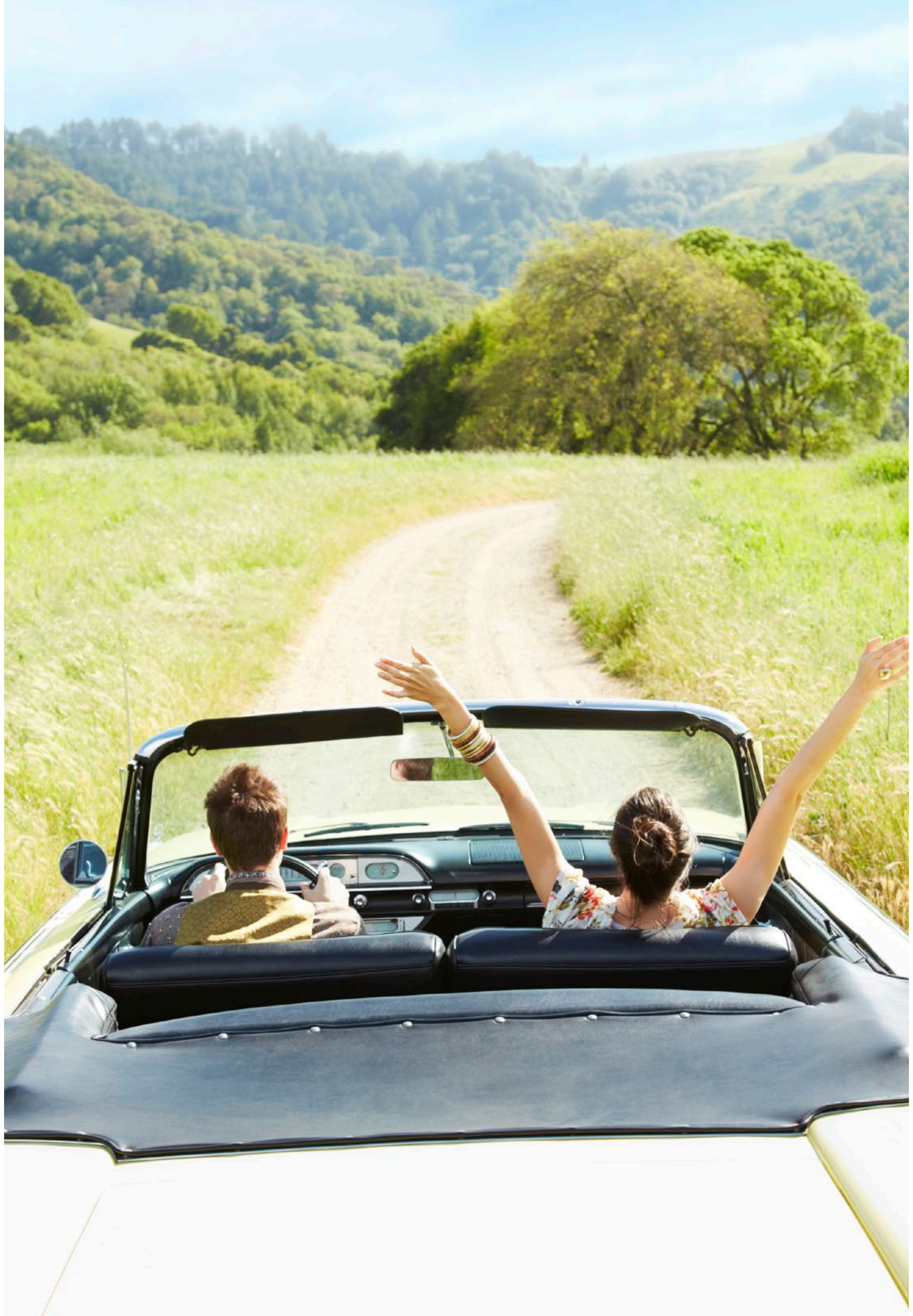
Lysaker, 25. mars 2014

Finn Myhre
Leder

Terje Sømmer
Medlem

Tone Bjørnov
Medlem

Egil Dalviken
Varamedlem



Santander Consumer Bank

Santander Consumer Bank AS is a wholly-owned subsidiary of Santander Consumer Finance S.A. which is part of Grupo Santander, one of the world's leading banking groups. Santander Consumer Finance number one in the Eurozone within car and leisure finance. The company is represented in 14 countries in Europe, and the Nordic region is an area of prioritization.

Santander Consumer Bank AS's main products are auto and leisure finance, as well as consumer loans and credit cards (Gebyrfri Visa, Flexi Visa and Santander Red). The company is the Norwegian market leader in auto finance, and holds substantial operations in Sweden, Finland and Denmark.

The goal of Santander Consumer Bank AS is to be one of the leading companies in the Nordics. The company has 600 employees in Norway, Sweden, Finland and Denmark, and its total assets is NOK 65 billion.

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Santander
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