Q2 Interim report 2026

KLP Kommunekreditt AS

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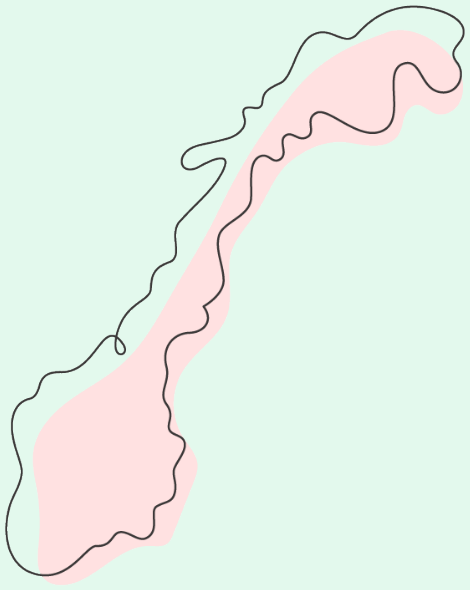
KLP Kommunekreditt AS



Interim Financial Statements Q2 2026

Main features by second quarter end:

- Slight decline in lending volume during the quarter
- Lower net interest income year-on-year
- No realised loan losses

Objective

The Company's objective is financing KLP Banken's loans to municipalities, county administrations and enterprises carrying out public sector assignments. Loans to companies must be guaranteed by municipalities, county administrations or the central government under the Norwegian Local Government Act. Guarantees are to be of the ordinary surety type covering both repayments and interest. The lending business is principally funded issuing covered bonds (OMF).

KLP Kommunekreditt AS is a wholly owned subsidiary of KLP Banken AS. The KLP Banken AS is owned by Kommunal Landspensjonskasse (KLP).

Income statement

Operating profit before tax for the second quarter amounted to NOK 21.8 (21.0)[1] million. Compared with the same period last year, there was a decline in net interest income and net results from financial instruments. In addition, operating expenses increased.

Net interest income for the second quarter amounted to NOK 20.5 (22.6) million. Lower lending margins on the loan portfolio resulted in reduced net interest income compared with the previous year, despite solid lending volumes.

Net gains and losses on financial instruments for the second quarter amounted to NOK 5.7 (2.7)million. This mainly includes costs related to repurchases of issued debt and value changes in liquidity placements. Realised and unrealised value changes in the Company's liquidity placements had a positive profit effect of NOK 6.2 (2.8) million in the second quarter.

Operating expenses amounted to NOK -4.5 (-4.2) million for the second quarter. The Company has had no loan losses and maintains very low loss provisions.

Lending and total assets

Customer lending as of 30.06.2026 amounted to NOK 21.7 (19.8) billion. So far this year, customer lending has declined by NOK 0.6 billion. Borrowers consist of municipalities, county authorities and entities with municipal guarantees. Total assets amounted to NOK 27.4 (22.3) billion at the end of the quarter.

Liquid investments

The cover pool related to the Company's funding is subject to strict requirements. In addition to lending to the public sector, it consists of secure securities and bank deposits. The securities portfolio comprises certificates and bonds with very high credit quality, primarily covered bonds.

As of 30.06.2026, the market value of the Company's interest-bearing securities portfolio was NOK 4.1 (1.6) billion.

Funding

The Company's funding consists of covered bonds (OMF) and loans from KLP Banken AS. Intragroup funding amounted to NOK 0.5 (2.1) billion at the end of the quarter. Outstanding covered bond debt totalled NOK 25.7 (19.1) billion.

During the second quarter, NOK 3.0 billion was issued in existing covered bond programmes, while no new covered bonds were issued. Net repurchases or sales from the Company's own holdings of previous issuances amounted to NOK -0.8 (-0.3) billion in the second quarter. All covered bond issuances are rated Aaa by Moody's.

Risk management and capital adequacy

KLP Kommunekreditt AS has established a risk management framework to ensure that risks are identified, analysed and managed through policies, limits, procedures and instructions. The Company maintains a conservative risk profile, with earnings primarily generated through lending and funding activities and liquidity management. This implies low market risk.

Interest rate risk arising from lending and funding activities is mitigated through the use of derivatives. The Company is required to maintain adequate long-term funding within established limits. Credit risk is very low, as lending is limited to exposures with municipal risk. Liquidity is placed with banks meeting high credit quality requirements and in securities in accordance with Board-approved credit guidelines.

Common equity Tier 1 (CET1) capital under the capital adequacy rules amounted to NOK 1,063 (1,010) million at the end of the second quarter of 2026. Loans to municipalities and county authorities carry a regulatory risk weight of 20 percent. The CET1 ratio and total capital adequacy ratio were 20.3 (22.2) percent at the end of the quarter. The minimum requirement for total capital adequacy is 17.5 percent. The leverage ratio was 3.9 (4.5) percent, compared with a minimum requirement of 3.0 percent.

[1] Figures in parenthesis refer to the corresponding period last year.

Outlook

The presence of KLP Kommunekreditt AS together with KLP in the market for public sector lending contributes to competition and thereby enables the public sector to access long-term financing on favourable terms. Aggregate growth over recent years indicates a solid market position. High credit quality in the loan portfolios is expected to support favourable funding terms. Regulatory requirements for capital and liquidity applicable to banks and financial institutions necessitate sustainable earnings to ensure ongoing compliance with such requirements.

The market for lending to the municipal sector continues to grow, and a significant proportion of new borrowing is financed through the securities market rather than directly by financial institutions. KLP Kommunekreditt AS is well capitalised and benefits from its position as a stable, long-term lender in a low-risk market. The extent to which the Company can finance lending growth on terms that support sufficient profitability will largely depend on the general development of the financial markets. In connection with the Norwegian state budget for 2026, the Parliament requested the government to assess whether loans to municipalities should carry the same regulatory risk weight as loans to the central government (0 percent). To date, the government has not followed up this request.

Norwegian municipalities have developed a comprehensive range of public services. Increased life expectancy, demographic developments, income growth and climate risk are expected to result in substantial investment levels in the public sector in the years ahead. The Norwegian Association of Local and Regional Authorities (KS) has indicated in its annual budget survey that investment levels and new borrowing in 2026 are expected to remain broadly in line with 2025 levels. However, developments so far this year suggest that the growth in municipal debt has been somewhat lower than in the previous year. Demand for loans financing climate adaptation projects is also expected to increase going forward.

The Board assumes that there will continue to be a need for significant long-term and stable financing beyond what the securities market alone can provide to public sector borrowers. KLP Banken's expertise in municipal finance shall, irrespective of balance sheet size, be utilised in KLP's asset management mandate. Together, KLP Kommunekreditt AS and KLP will remain key providers of lending for public sector investment purposes.

Oslo, 13 August 2026

AAGE E. SCHAANNING
Chair

JANICKE E. FALKENBERG

INGER HEGNA

ROAR W. BAKKEN

CARL STEINAR LOUS
Managing Director

Statement pursuant to section § 5-6 of the securities trading act

We hereby confirm that the half yearly financial statement for the company for the period 1 January through 30 June 2026 to the best of our knowledge have been prepared in accordance with current applicable accounting standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company taken as a whole.

To the best of our knowledge, the half-yearly report gives a true and fair overview of important events that occurred during the accounting period and their impact on the half-yearly financial statement, and a description of the principal risks and uncertainties facing the company over the next accounting period.

Oslo, 13 August 2026

AAGE E. SCHAANNING
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CARL STEINAR LOUS
Managing Director

Income statement

KLP Kommunekreditt AS

NOTE	NOK THOUSAND	Q2 2026	Q2 2025	01.01.2026-30.06.2026	01.01.2025-30.06.2025	01.01.2025-31.12.2025
	Interest income, effective interest method	273,564	263,514	539,475	509,386	1,031,363
	Other interest income	78,678	64,277	142,090	146,826	261,267
3	**Total interest income**	**352,242**	**327,791**	**681,565**	**656,212**	**1,292,631**
	Interest expense, effective interest method	-284,083	-272,259	-546,394	-540,979	-1,054,810
	Other interest expenses	-47,611	-32,932	-93,676	-66,844	-147,163
3	**Total interest expense**	**-331,694**	**-305,191**	**-640,070**	**-607,823**	**-1,201,973**
3	**Net interest income**	**20,548**	**22,600**	**41,494**	**48,389**	**90,658**
13	Net gain/ (loss) financial instruments	5,745	2,659	5,541	5,886	7,787
	Total net gain/(loss) on financial instruments	**5,745**	**2,659**	**5,541**	**5,886**	**7,787**
	Other operating expenses	-4,529	-4,241	-10,510	-9,090	-20,661
14	Net loan losses	3	-3	8	-10	-36
	Total operating expenses	**-4,527**	**-4,244**	**-10,502**	**-9,100**	**-20,697**
	Operating profit/loss before tax	**21,767**	**21,016**	**36,534**	**45,176**	**77,748**
	Tax ordinary income	999	-293	3,537	-1,278	216
	Profit/loss for the period	**22,766**	**20,723**	**40,071**	**43,897**	**77,964**
	Total other income and expenses	**0**	**0**	**0**	**0**	**0**
	Comprehensive income for the period	**22,766**	**20,723**	**40,071**	**43,897**	**77,964**

Balance

KLP Kommunekreditt AS

NOTE	NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
	ASSETS			
5	Loans to and receivables from credit institutions	1,471,784	902,878	600,019
4, 5	Loans to and receivables from customers	21,684,384	19,750,613	22,489,653
5	Fixed-income securities	4,149,954	1,592,898	1,873,879
5	Financial derivatives	74,491	80,779	52,603
9	Other assets	13,025	18,696	581
	Total assets	**27,393,639**	**22,345,864**	**25,016,736**

NOTE	NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
	LIABILITIES AND OWNERS EQUITY			
	LIABILITIES			
5, 8	Liabilities to credit institutions	500,980	2,054,015	901,704
5, 6	Liabilities created on issuance of securities	25,681,713	19,124,023	22,952,861
5	Financial derivatives	19,087	23,747	20,909
	Deferred tax liabilities	0	1,304	18,409
10	Other liabilities	85,056	86,962	32,935
10	Provision for accrued costs and liabilities	0	0	37
	Total liabilities	**26,286,837**	**21,290,050**	**23,926,855**
	EQUITY			
	Share capital	391,500	391,500	391,500
	Share premium	363,500	363,500	363,500
	Other accrued equity	311,731	256,917	334,881
	Profit for the period	40,071	43,897	0
	Total equity	**1,106,802**	**1,055,814**	**1,089,881**
	Total liabilities and equity	**27,393,639**	**22,345,864**	**25,016,736**

Statement of changes in equity

KLP Kommunekreditt AS

NOK THOUSAND	Share capital	Share premium	Other accrued equity	Total owners' equity
Equity 1 January 2026	**391,500**	**363,500**	**334,881**	**1,089,881**
Profit for the period	0	0	40,071	40,071
Other income and expenses	0	0	0	0
Total comprehensive income for the period	**0**	**0**	**40,071**	**40,071**
Group contribution received	0	0	82,075	82,075
Group contribution made	0	0	-105,225	-105,225
Total transactions with the owners	**0**	**0**	**-23,149**	**-23,149**
Equity 30 June 2026	**391,500**	**363,500**	**351,802**	**1,106,802**

NOK THOUSAND	Share capital	Share premium	Other accrued equity	Total owners' equity
Equity 1 January 2025	**391,500**	**363,500**	**274,237**	**1,029,237**
Profit for the period	0	0	43,897	43,897
Other income and expenses	0	0	0	0
Total comprehensive income for the period	**0**	**0**	**43,897**	**43,897**
Group contribution received	0	0	61,410	61,410
Group contribution made	0	0	-78,731	-78,731
Total transactions with the owners	**0**	**0**	**-17,321**	**-17,321**
Equity 30 June 2025	**391,500**	**363,500**	**300,814**	**1,055,814**

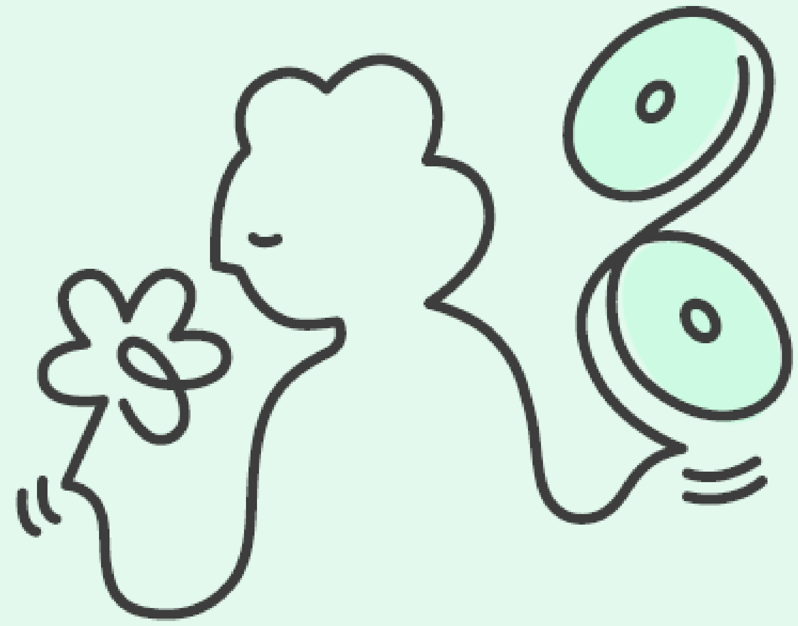
NOK THOUSAND	Share capital	Share premium	Other accrued equity	Total owners' equity
Equity 1 January 2025	**391,500**	**363,500**	**274,237**	**1,029,237**
Income for the year	0	0	77,964	77,964
Other income and expenses	0	0	0	0
Total comprehensive income for the period	**0**	**0**	**77,964**	**77,964**
Group contribution received	0	0	61,410	61,410
Group contribution made	0	0	-78,731	-78,731
Total transactions with the owners	**0**	**0**	**-17,321**	**-17,321**
Equity 31 December 2025	**391,500**	**363,500**	**334,881**	**1,089,881**

Statement of cash flow

KLP Kommunekreditt AS

NOK THOUSAND	01.01.2026-30.06.2026	01.01.2025-30.06.2025	01.01.2025-31.12.2025
OPERATING ACTIVITIES			
Payments received from customers - interest	537,692	481,645	969,664
Payments made on issuance of loans to customers	-274,133	-1,706,648	-4,846,912
Receipts related to repayment and redemption of loans to customers	1,046,492	675,373	1,131,134
Receipts on loans from credit institutions	4,500,000	0	5,000,000
Repayments and redemption of securities debt	0	-4,000,000	-5,000,000
Change in securities debt, own funds	-1,812,374	2,099,893	1,955,156
Net payment of interest on loans credit institions	-500,184	-494,891	-990,564
Receipts in internal funding	800,000	1,300,000	4,600,000
Disbursements in internal funding	-1,200,000	-200,000	-4,650,000
Net payment of interest on internal funding	-14,426	-34,893	-67,102
Payments on the purchase of securities	-3,888,614	-602,163	-3,380,462
Receipts on sale of securities	1,614,066	2,588,424	5,103,054
Receipts of interest from securities	47,430	78,565	89,818
Disbursements on operations	-12,380	-10,983	-21,369
Net receipts/disbursements from operating activities	25,243	20,795	-14,455
Interest from credit institutions	10,873	12,350	33,758
Net cash flow from operating activities	**879,685**	**207,468**	**-88,281**
INVESTMENT ACTIVITIES			
Net cash flow from investment activities	**0**	**0**	**0**

NOK THOUSAND	01.01.2026-30.06.2026	01.01.2025-30.06.2025	01.01.2025-31.12.2025
FINANCING ACTIVITIES			
Payment on group contribution	-23,149	-17,321	-17,321
Net cash flows from financing activities	**-23,149**	**-17,321**	**-17,321**
Net cash flow during the period	**856,535**	**190,147**	**-105,601**
Cash and cash equivalents at the start of the period	588,740	694,341	694,341
Cash and cash equivalents at the end of the period	1,445,275	884,488	588,740
Net receipts/disbursements	**856,535**	**190,147**	**-105,601**
Liquidity holdings comprise:			
Deposits with and receivables from banks with no agreed term	1,445,275	884,488	588,740
Total liquidity holdings at the end of the reporting period	**1,445,275**	**884,488**	**588,740**
Total interest received	**595,994**	**572,560**	**1,093,240**
Total interest paid	**-514,610**	**-529,784**	**-1,057,666**



Notes to the accounts

KLP KOMMUNEKREDITT AS

Note 1 General information

KLP Kommunekreditt AS was formed on 25 August 2009. The company is a credit enterprise that provides or acquires public sector loans that are guaranteed by the Norwegian municipalities. Borrowers provide surety covering both repayments and interest.

The object of the Company is primarily to finance activities by issuing covered bonds with security in public sector guarantees loans. Parts of these loans are listed on Oslo Børs (Stock Exchange).

KLP Kommunekreditt AS is registered and domiciled in Norway. It's head office is at Beddingen 8 in Trondheim, and the company has a branch office in Dronning Eufemiasgate 10 in Oslo.

The company is a wholly owned subsidiary of KLP Banken AS which is in turn wholly-owned by Kommunal Landspensjonskasse (KLP). KLP is a mutual insurance company.

Note 2 Accounting principles

The interim report includes the interim Financial Statements of KLP Kommunekreditt AS for the period 01.01.2026-30.06.2026.

The financial statements for KLP Kommunekreditt AS have been prepared in accordance with IFRS Accounting Standards®) as adopted by the EU with some additions that follow The Norwegian Accounting Act and the Regulations concerning annual accounts for banks, mortgage firms and finance companies (the Accounting Regulations). The interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting".

The interim Financial Statements has not been audited.

Other accounting principles and calculations are the same in the interim financial statement as in the annual report for 2025 please see the annual report for further information

Note 3 Net interest income

NOK THOUSAND	Q2 2026	Q2 2025	01.01.2026-30.06.2026	01.01.2025-30.06.2025	01.01.2025-31.12.2025
Interest income on loans to customers	266,018	249,836	524,863	489,924	997,605
Interest income on loans to credit institutions	7,547	13,678	14,612	19,462	33,758
Total interest income, effective interest method	**273,564**	**263,514**	**539,475**	**509,386**	**1,031,363**
Interest income on fixed-income securities	28,707	27,520	42,591	70,940	97,875
Other interest income	49,971	36,757	99,499	75,887	163,393
Total other interest income	**78,678**	**64,277**	**142,090**	**146,826**	**261,267**
Total interest income	**352,242**	**327,791**	**681,565**	**656,212**	**1,292,631**
Interest expenses on debt from KLP Banken AS	-6,875	-23,503	-13,702	-37,083	-66,983
Interest expenses on issued securities	-277,208	-248,756	-532,692	-503,896	-987,827
Total interest expenses, effective interest method	**-284,083**	**-272,259**	**-546,394**	**-540,979**	**-1,054,810**
Other interest expenses	-47,611	-32,932	-93,676	-66,844	-147,163
Total other interest expenses	**-47,611**	**-32,932**	**-93,676**	**-66,844**	**-147,163**
Total interest expense	**-331,694**	**-305,191**	**-640,070**	**-607,823**	**-1,201,973**
Net interest income	**20,548**	**22,600**	**41,494**	**48,389**	**90,658**

Note 4 Loans to customers

NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
Principal on lending	21,565,901	19,617,201	22,338,082
Write-downs	-205	-187	-213
Accrued interest	190,289	183,456	203,118
Fair value hedging	-71,601	-49,857	-51,333
Loans to and receivables from customers	**21,684,384**	**19,750,613**	**22,489,653**

All lending comprises loans to, or loans guaranteed by, Norwegian municipalities and county administrations, including loans to local government enterprises and intermunicipal (public sector lending). Guarantees are of the ordinary surety type covering both repayments and interest.

Note 5 Fair value hierarchy

Fair value shall be a representative price based on what a corresponding asset or liability would have been traded for on the balance sheet day. A financial instrument is considered to be listed in an active market if the listed price is simply and regularly available from a stock market, dealer, broker, industry grouping, price setting service or regulatory authority, and these prices represent actual and regularly occurring transactions at arm's length. If the market for the security is not active, or the security is not listed on a stock market or similar, valuation techniques are used to set fair value. These are based for example on information on recently completed transactions carried out on business terms and conditions, reference to trading in similar instruments and pricing using externally collected yield curves and yield spread curves. As far as possible the estimates are based on externally observable market data and to the least extent possible on company-specific information

The different financial instruments are thus priced in the following way:

Fixed-income securities - government

Nordic Bond Pricing is used as a source for pricing Norwegian government bonds.

Fixed-income securities - other than government

Norwegian fixed-income securities are generally priced based on rates from Nordic Bond Pricing. Securities

not covered by Nordic Bond Pricing are priced theoretically. The theoretical price should be based on the discounted value of the security's future cash flows. Discounting is done using a swap curve adjusted for credit spread and liquidity spread. The credit spread should, to the extent possible, be based on a comparable bond from the same issuer. Liquidity spread is determined at the discretion of the evaluator.

Financial derivatives

These transactions are valued based on the applicable swap curve at the time of valuation. Derivative contracts are to be used only to hedge balance amounts and to enable payments obligations to be met. Derivative contracts may be struck only with counterparties with high credit quality.

Fair value of loans to Norwegian local administrations

Fair value of lending without fixed interest rates is considered virtually the same as book value since the contract terms are continuously changed in step with market interest rates. Fair value of fixed rate loans is calculated by discounting contractual cash flows by the marked rate including a relevant risk margin on the reporting date. This is measured at Level 2 in accordance with the fair value hierarchy.

Fair value of loans to and receivables from credit institutions

All receivables from credit institutions (bank deposits) are at variable interest rates. Fair value of these is considered virtually the same as book value since the contract terms are continuously changed in step with marked interest rates. This is measured at Level 2 in accordance with the fair value hierarchy.

Fair value of liabilities to credit institutions

These transactions are valued using a valuation model, including relevant credit spread adjustments obtained from the market. This is measured at Level 2 in accordance with the fair value hierarchy.

Liabilities created on issuance of covered bonds

Fair value in this category is determined on the basis of internal valuation models based on external observable data. This is measured at Level 2 in accordance with the fair value hierarchy.

NOK THOUSAND	Level 1	Level 2	Level 3	30.06.2026	30.06.2025	31.12.2025
FINANCIAL ASSETS AT FAIR VALUE						
Fixed-income securities	1,113,722	3,036,232	0	4,149,954	1,592,898	1,873,879
Financial derivatives	0	74,491	0	74,491	80,779	52,603
Total financial assets at fair value	**1,113,722**	**3,110,723**	**0**	**4,224,446**	**1,673,677**	**1,926,483**
LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS						
Financial derivatives	0	19,087	0	19,087	23,747	20,909
Liabilities at fair value through profit and loss	**0**	**19,087**	**0**	**19,087**	**23,747**	**20,909**

NOK THOUSAND	Level 1	Level 2	Level 3	Fair value 30.06.2026	Book value 30.06.2026	Fair value 30.06.2025	Book value 30.06.2025	Fair value 31.12.2025	Book value 31.12.2025
FINANCIAL ASSETS AT AMORTISED COST									
Loans to and receivables from credit institutions		1,471,784		1,471,784	1,471,784	902,878	902,878	600,019	600,019
Lending to the retail market		21,714,036		21,714,036	21,684,384	19,751,838	19,750,613	22,522,157	22,489,653
Total financial assets at amortized cost	**0**	**23,185,820**	**0**	**23,185,820**	**23,156,168**	**20,654,716**	**20,653,491**	**23,122,176**	**23,089,672**
FINANCIAL LIABILITIES AT AMORTISED COST									
Liabilities to credit institutions		500,980		500,980	500,980	2,054,015	2,054,015	901,704	901,704
Covered bonds issued		25,809,483		25,809,483	25,681,713	19,213,745	19,124,023	23,056,409	22,952,861
Total financial liabilities at amortized cost	**0**	**26,310,463**	**0**	**26,310,463**	**26,182,693**	**21,267,759**	**21,178,038**	**23,958,113**	**23,854,565**

Level 1: Instruments at this level obtain fair value from listed prices in an active market for identical assets or liabilities to which the entity has access at the reporting date. Examples of instruments in Level 1 are stock market listed securities.

Level 2: Instruments at this level obtain fair value from observable market data. This includes prices based on identical instruments, but where the instrument does not maintain a high enough trading frequency and is not therefore considered to be traded in an active market, as well as prices based on corresponding assets and price-leading indicators that can be confirmed from market information. Example instruments at Level 2 are fixed-income securities priced on the basis of interest rate paths.

Level 3: Instruments at Level 3 contain non-observable market data or are traded in markets considered to be inactive. The price is based generally on discrete calculations where the actual fair value may deviate if the instrument were to be traded.

Note 5 discloses the fair value of financial assets and financial liabilities that are recognised at amortised cost. Financial assets measured at amortised cost comprise lending to and due to credit institutions, and retail customers. The stated fair value of these assets is determined on terms qualifying for level 2. Financial liabilities recognised at amortised cost consist of debt securities issued. The stated fair value of these liabilities is determined by methods qualifying for level 2.

There have been no transfers between Level 1 and Level 2.

Note 6 Debt securities issued

NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
Bond debt, nominal amount	27,450,000	18,950,000	22,950,000
Adjustments	-41,125	-18,501	-22,196
Accrued interest	207,838	192,524	178,058
Own holdings, nominal amount	-1,935,000	0	-153,000
Total debt securities issued	**25,681,713**	**19,124,023**	**22,952,861**
Interest rate on borrowings through the issuance of securities on the reporting date:	4.90%	5.03%	4.63%

The interest rate is calculated as a weighted average of the act/360 basis. It includes interest rate effects and amortisation costs.

NOK THOUSAND	Balance sheet 31.12.2025	Issued	Matured/ redeemed	Other adjustments	Balance sheet 30.06.2026
Bond debt, nominal amount	22,950,000	4,500,000	0	0	27,450,000
Adjustments	-22,196	0	0	-18,929	-41,125
Accrued interest	178,058	0	0	29,781	207,838
Own holdings, nominal amount	-153,000	0	-1,782,000	0	-1,935,000
Total debt securities issued	**22,952,861**	**4,500,000**	**-1,782,000**	**10,852**	**25,681,713**

Note 7 Over-collateralisation

NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
SECURITY POOL			
Loans to customers	21,714,242	19,752,025	22,522,408
Financial derivatives (net)	55,361	56,984	31,676
Additional collateral [1]	7,163,323	1,760,406	1,799,804
Total security pool	**28,932,926**	**21,569,415**	**24,353,888**
Outstanding covered bonds incl. own funds and premium/discount	27,765,084	19,213,745	23,211,017
Coverage of the security pool	**104.2%**	**112.3%**	**104.9%**
Over-collateralisation	4.2%	12.3%	4.9%

[1] Additional collateral includes loans and receivables from credit institutions, bonds and certificates. Liquid assets used in the LCR liquidity reserve are not included in additional collateral.

Section 11-7 of the Regulations on Financial Institutions lays down a requirement for over-collateralisation by at least 2 percent of the value of the outstanding covered bonds.

Note 8 Liabilities to credit institutions

30.06.2026 NOK THOUSAND	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2027	500,000	980	500,980
Total liabilities to credit institutions		**500,000**	**980**	**500,980**

Interest rate on debt to credit institutions at the reporting date: 4.41%

The interest rate is calculated as a weighted average of the act/360 basis.

30.06.2025 NOK THOUSAND	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2026	400,000	783	400,783
Debt to KLP Banken AS	15.12.2026	500,000	979	500,979
Debt to KLP Banken AS	15.12.2026	550,000	1,077	551,077
Debt to KLP Banken AS	15.12.2026	200,000	392	200,392
Debt to KLP Banken AS	15.12.2026	400,000	783	400,783
Total liabilities to credit institutions		**2,050,000**	**4,015**	**2,054,015**

Interest rate on debt to credit institutions at the reporting date: 4.70%

The interest rate is calculated as a weighted average of the act/360 basis.

31.12.2025 NOK THOUSAND	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2027	400,000	810	400,810
Debt to KLP Banken AS	15.12.2027	500,000	894	500,894
Total liabilities to credit institutions		**900,000**	**1,704**	**901,704**

Interest rate on debt to credit institutions at the reporting date: 4.29%

The interest rate is calculated as a weighted average of the act/360 basis.

Note 9 Other assets

NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
Intercompany receivables	10,316	16,558	0
Prepaid expenses	2,117	1,267	0
Miscellaneous receivables	593	871	581
Total other assets	**13,025**	**18,696**	**581**

Note 10 Other liabilities and provision for accrued costs

NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
Creditors	52	0	113
Intercompany payables	651	592	341
Short-term balances with credit institutions	68,800	66,900	31,900
Other liabilities	15,553	19,470	581
Total other liabilities	**85,056**	**86,962**	**32,935**
VAT	0	0	37
Total accrued costs and liabilities	**0**	**0**	**37**

Note 11 Capital adequacy

NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
Share capital and share premium fund	755,000	755,000	755,000
Other owners' equity	311,731	256,917	334,881
Total owners' equity	**1,066,731**	**1,011,917**	**1,089,881**
Adjustments due to requirements for proper valuation	-4,150	-1,593	-1,874
Core capital/Tier 1 capital	**1,062,581**	**1,010,324**	**1,088,007**
Supplementary capital/Tier 2 capital	0	0	0
Supplementary capital/Tier 2 capital	**0**	**0**	**0**
Total eligible own funds (Tier 1 and Tier 2 capital)	1,062,581	1,010,324	1,088,007
Capital requirement	419,194	363,785	400,258
Surplus of own funds (Tier 1 and Tier 2 capital)	**643,387**	**646,538**	**687,749**
Estimate basis credit risk:			
Institutions	304,030	190,838	116,828
Local and regional authorities (incl. municipalities/county administations)	4,571,648	4,068,171	4,639,482
Covered bonds	187,238	102,576	71,202
Other items	2,709	2,138	581
Calculation basis credit risk	**5,065,625**	**4,363,723**	**4,828,094**
Credit risk	405,250	349,098	386,248
Operating risk	13,335	14,132	13,335
Credit valuation adjustments (CVA)	609	556	675
Total capital requirement assets	**419,194**	**363,785**	**400,258**
Core capital adequacy ratio	20.3%	22.2%	21.7%
Supplementary capital ratio	0.0%	0.0%	0.0%
Capital adequacy ratio	**20.3%**	**22.2%**	**21.7%**
Leverage ratio	**3.9%**	**4.5%**	**4.4%**

CAPITAL REQUIREMENT PER 30.06.2026	Core capital/ Tier 1 capital	Supplementary capital/Tier 2 capital	Own funds
Minimum requirement excl. buffers	4.5%	3.5%	8.0%
Protective buffer	2.5%	0.0%	2.5%
Systemic risk buffer	4.5%	0.0%	4.5%
Counter-cyclical capital buffer	2.5%	0.0%	2.5%
Current capital requirement including buffers	**14.0%**	**3.5%**	**17.5%**
Capital requirement leverage ratio	**3.0%**	**0.0%**	**3.0%**

Note 12 Contingent liabilites

NOK THOUSAND	30.06.2026	30.06.2025	31.12.2025
Loan commitment	20,000	350,501	47,040
Total contingent liabilities	**20,000**	**350,501**	**47,040**

Note 13 Net gain/(loss) on financial instruments

NOK THOUSAND	Q2 2026	Q2 2025	01.01.2026-30.06.2026	01.01.2025-30.06.2025	01.01.2025-31.12.2025
Net gain/(loss) on fixed-income securities	6,215	2,805	7,293	6,032	12,495
Net gain/(loss) financial derivatives and realised amortisation linked to lending	0	0	-103	0	-1,481
Net gain/(loss) financial derivatives and realised repurchase of own debt	-470	-146	-1,649	-146	-3,227
Total net gain/(loss) on financial instruments	**5,745**	**2,659**	**5,541**	**5,886**	**7,787**

Note 14 Loan loss provision

Changes in provisions for expected losses in second quarter of 2026 are related to changes in lending volume. No other changes have been made to the assumptions or input to the model for calculating loss provisions in the second quarter of 2026.

Refer to Note 7 and Note 2 in the annual report for more details of the model.

EXPECTED CREDIT LOSS (ECL) - LOANS TO CUSTOMERS - PUBLIC LENDING

NOK THOUSAND	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2026	30.06.2025	31.12.2025
	Stage 1	Stage 2	Stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Allowance 01.01.	213	0	0	213	177	177
Transfer to stage 1	0	0	0	0	0	0
Transfer to stage 2	0	0	0	0	0	0
Transfer to stage 3	0	0	0	0	0	0
Net changes	-5	0	0	-4	-5	-8
New losses	11	0	0	11	27	65
Write-offs	-14	0	0	-14	-13	-20
Allowance 30.06. / 31.12.	**205**	**0**	**0**	**205**	**187**	**213**
Change 01.01.- 30.06. / 31.12.	-8	0	0	-8	10	36

BOOK VALUE OF LOANS AND RECEIVABLES FOR CUSTOMERS - PUBLIC LENDING

NOK THOUSAND	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	30.06.2026	30.06.2025	31.12.2025
	Stage 1	Stage 2	Stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Lending 01.01.	22,541,200	0	0	22,541,200	18,770,141	18,770,141
Transfer to stage 1	0	0	0	0	0	0
Transfer to stage 2	0	0	0	0	0	0
Transfer to stage 3	0	0	0	0	0	0
Net changes	-444,951	0	0	-444,951	-476,042	-1,015,805
New lending	1,182,572	0	0	1,182,572	2,895,699	6,845,946
Write-offs	-1,522,631	0	0	-1,522,631	-1,389,141	-2,059,083
Lending 30.06. / 31.12.	**21,756,191**	**0**	**0**	**21,756,191**	**19,800,657**	**22,541,200**
Fair value hedging	-71,601	0	0	-71,601	-49,857	-51,333
Recognised loan loss provisions	-205	0	0	-205	-187	-213
Book value of loans to public lending 30.06. / 31.12.	**21,684,384**	**0**	**0**	**21,684,384**	**19,750,613**	**22,489,653**

Quarterly earnings trend

NOK MILLION	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
Interest income	352.2	329.3	319.9	316.5	327.8
Interest expense	-331.7	-308.4	-306.7	-287.4	-305.2
Net interest income	**20.5**	**20.9**	**13.1**	**29.1**	**22.6**
Net gain/(loss) financial instruments	5.7	-0.2	0.3	1.6	2.7
Total net gain/(loss) financial instruments	**5.7**	**-0.2**	**0.3**	**1.6**	**2.7**
Other operating expenses	-4.5	-6.0	-4.9	-6.6	-4.2
Total operating expenses	**-4.5**	**-6.0**	**-4.9**	**-6.7**	**-4.2**
Operating profit/loss before tax	**21.8**	**14.8**	**8.5**	**24.0**	**21.0**
Tax ordinary income	1.0	2.5	2.5	-1.0	-0.3
Profit/loss for the period	**22.8**	**17.3**	**11.0**	**23.1**	**20.7**

Key figures accumulated

NOK MILLION	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
Profit before tax	36.5	14.8	77.7	69.2	45.2
Net interest income	41.5	20.9	90.7	77.5	48.4
Other operating expenses	-10.5	-6.0	-20.7	-15.7	-9.1
Net gain/(loss) financial instruments	5.5	-0.2	7.8	7.5	5.9
Loans to and receivables from customers	21,684.4	21,923.2	22,489.7	20,634.8	19,750.6
Non-performing loans	0.0	0.0	0.0	0.0	0.0
Total liabilities created on issuance of securities	25,681.7	23,448.7	22,952.9	19,667.5	19,124.0
Other loans	501.0	500.9	901.7	1,653.3	2,054.0
Total assets	27,393.6	25,129.9	25,016.7	22,537.3	22,345.9
Average total assets	26,205.2	25,073.3	24,041.9	22,802.1	22,706.4
Equity	1,106.8	1,084.0	1,089.9	1,078.9	1,055.8
Net interest rate	0.16%	0.08%	0.38%	0.34%	0.21%
Profit from ordinary operations as a % of average total assets	0.14%	0.06%	0.32%	0.30%	0.20%
Return on equity before tax	6.70%	5.42%	7.55%	8.97%	8.78%
Capital adequacy	20.3%	21.1%	21.7%	21.9%	22.2%
Liquidity coverage ratio (LCR)	1,537%	485%	2,265%	873%	747%

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