

Q1 Interim report 2025

KLP Boligkreditt AS



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KLP Boligkreditt AS

Interim Financial Statements 1/2025

Main features by quarter end:

- Increased P&L
- Stable lending volume
- No recognized loan losses

Objective

The Company's objective is to finance KLP Banken's mortgage loans at preferable terms, mainly through the issuance of covered bonds.

KLP Boligkreditt AS is a wholly owned subsidiary of KLP Banken AS. KLP Banken AS is owned by Kommunal Landspensjonskasse gjensidig forsikringsselskap (KLP).

Income statement

The operating profit before tax for the first quarter was NOK 11.5 (8.0)¹ million. The change in profit is mainly due to increased net interest income and negative P&L effects on financial instruments.

Net interest and credit commission income in the first quarter was NOK 34.1 (25.5) million. The change is mainly related to higher loan margins due to reduced financing costs.

Net effects of financial instruments at the end of the quarter were NOK -4.4 (-0.4) million. This mainly includes costs associated with repurchasing issued bonds and changes in the value of liquid investments. Restructuring of the loan portfolio is done regularly in order to adjust the average maturity. This can result in both losses and gains. Accounting effects from repurchasing own debt amount to NOK -4.8 (-1.4) million so far this year. Realized and unrealized changes in the market value of the liquidity portfolio have given an P&L effect of NOK 0.4 (1.0) million.

Operating costs for the first quarter were NOK -18.2 (-17.1) million. The company has not had any loan losses and has very low loss provisions.

Lending and total assets

The company's loans to customers as of March 31, 2025, amounted to NOK 12.7 (12.5) billion. Loans have been purchased from the parent company KLP Banken AS for NOK 1.0 (0.7) billion so far in 2025. Total assets was NOK 14.0 (13.7) billion.

¹ Figures in parenthesis are from the corresponding period last year.

Liquid investments

KLP Boligkreditt AS has strict requirements for the assets that can be included in the collateral pool. In addition to mortgage loans, the collateral pool consists of securities and deposits in other banks. The securities include certificates and bonds with very high credit-quality, mainly investments in covered bonds. As of March 31, 2025, the company's interest-bearing securities had a market value of NOK 0.8 (0.8) billion.

Borrowing

The company's external financing consists of issued covered bonds (OMF) and loans from KLP Banken AS. The company had NOK 2.4 (1.4) billion in intra-group debt at the end of the first quarter. Outstanding OMF debt was NOK 10.5 (11.3) billion. New covered bonds have been issued for NOK 2.0 (1.0) billion so far in 2025. Net repurchases and sales of previous issues amounted to NOK -2.0 (-0.8) billion. All OMF issuances have an Aaa rating from Moody's.

Risk and capital adequacy

KLP Boligkreditt AS has established a risk management framework to ensure that risks are identified, analyzed, and managed through guidelines, limits, routines, and instructions. The company should have a cautious risk profile, and earnings should primarily result from lending and deposit activities as well as liquidity management. This means that the company should have low market risk. Interest rate risk arising from lending and deposit activities is reduced using derivatives. The company shall have sufficient long-term financing within established limits. The credit risk in the company is very low, and the company's loans are limited to loans secured by residential property. The company's liquidity is placed in banks with high credit-quality requirements and in securities in accordance with board-approved credit lines.

Core capital according to the capital adequacy regulations at the end of the first quarter of 2025 was NOK 1,059 (1,027) million. Loans for residential purposes are risk-weighted at 35 percent according to government capital adequacy regulations. KLP Boligkreditt AS has a core capital ratio and capital adequacy ratio of 21.3 (21.0) percent as at the first quarter. The minimum requirement for total capital adequacy is 17.5 percent. The leverage ratio was 7.6 (7.5) percent. The requirement here is 3.0 percent.

Oslo, 6 May 2025

The Board of Directors of
KLP Boligkreditt AS

AAGE E. SCHAANNING

Chair

JANICKE E. FALKENBERG

KRISTIN WANGEN

JONAS V. KÅRSTAD

CHRISTOPHER A. N. STEEN

Managing Director

Income statement

KLP Boligkreditt AS

NOTE	NOK THOUSANDS	Q1 2025	Q1 2024	2024
	Interest income, effective interest method	175 468	175 078	703 772
	Other interest income	10 340	7 774	39 264
3	Total interest income	185 809	182 853	743 036
	Interest expense, effective interest method	-151 691	-157 355	-631 523
3	Total interest expense	-151 691	-157 355	-631 523
3	Net interest income	34 117	25 498	111 513
15	Net gain/(loss) on financial instruments	-4 402	-355	-659
	Total net gain/(loss) on financial instruments	-4 402	-355	-659
	Other operating expenses	-18 201	-17 079	-61 685
16	Net loan losses	35	-67	-26
	Total operating expenses	-18 166	-17 145	-61 711
	Operating profit/loss before tax	11 549	7 998	49 143
	Tax ordinary income	101	-709	-6 609
	Profit for the period	11 650	7 289	42 533
	Other income and expenses	0	0	0
	Comprehensive income for the period	11 650	7 289	42 533

Balance

KLP Boligkreditt AS

NOTE	NOK THOUSANDS	31.03.2025	31.03.2024	31.12.2024
ASSETS				
5	Loans to credit institutions	414 856	355 141	331 192
4,5	Loans to customers	12 726 320	12 533 616	12 669 545
5,6,14	Fixed-income securities	838 476	809 039	828 687
11	Other assets	8 223	6 343	3 092
	Total assets	13 987 874	13 704 139	13 832 517
LIABILITIES AND OWNERS EQUITY				
LIABILITIES				
5,9	Debt to credit institutions	2 405 224	1 377 185	2 193 926
5,7	Debt securities issued	10 491 316	11 279 035	10 549 732
	Deferred tax liabilities	3 581	3 335	14 146
12	Other liabilities	16 618	9 731	4 661
12	Provision for accrued costs and liabilities	0	46	0
	Total liabilities	12 916 739	12 669 333	12 762 466
EQUITY				
	Share capital	430 000	430 000	430 000
	Share premium	530 463	530 463	530 463
	Other accrued equity	99 022	67 054	109 588
	Unallocated profit/loss	11 650	7 289	0
	Total owners' equity	1 071 135	1 034 806	1 070 051
	Total liabilities and equity	13 987 874	13 704 139	13 832 517

Statement of changes in equity

KLP Boligkreditt AS

2025 NOK THOUSANDS	Share capital	Share premium	Other accrued equity	Total owners' equity
Equity 1 January 2025	430 000	530 463	109 588	1 070 051
Profit for the period	0	0	11 650	11 650
Other income and expenses	0	0	0	0
Total comprehensive income for the period	0	0	11 650	11 650
Group contribution received	0	0	37 458	37 458
Group contribution made	0	0	-48 024	-48 024
Total transactions with the owners	0	0	-10 565	-10 565
Equity 31 March 2025	430 000	530 463	110 672	1 071 135

2024 NOK THOUSANDS	Share capital	Share premium	Other accrued equity	Total owners' equity
Equity 1 January 2024	380 000	480 463	71 256	931 719
Profit for the period	0	0	7 289	7 289
Other income and expenses	0	0	0	0
Total comprehensive income for the period	0	0	7 289	7 289
Group contribution received	0	0	14 898	14 898
Group contribution made	0	0	-19 100	-19 100
Paid-up equity in the period	50 000	50 000	0	100 000
Total transactions with the owners	50 000	50 000	-4 202	95 798
Equity 31 March 2024	430 000	530 463	74 343	1 034 806

2024 NOK THOUSANDS	Share capital	Share premium	Other accrued equity	Total owners' equity
Equity 1 January 2024	380 000	480 463	71 256	931 719
Income for the year	0	0	42 533	42 533
Other income and expenses	0	0	0	0
Total comprehensive income for the period	0	0	42 533	42 533
Group contribution received	0	0	14 898	14 898
Group contribution made	0	0	-19 100	-19 100
Paid-up equity in the period	50 000	50 000	0	100 000
Total transactions with the owners	50 000	50 000	-4 202	95 798
Equity 31 December 2024	430 000	530 463	109 588	1 070 051

Statement of cash flow

KLP Boligkreditt AS

NOK THOUSANDS	Q1 2025	Q1 2024	2024
OPERATING ACTIVITIES			
Payments received from customers - interest	171 121	169 162	685 391
Receipts related to repayment and redemption of loans to customers	950 571	913 710	4 030 960
Receipts on loans from credit institutions	2 000 000	1 000 000	1 000 000
Repayment and redemption of loans	-1 830 000	0	-2 500 000
Change in securities debt, own funds	-232 598	-827 780	944 031
Net payment of interest on loans	-129 918	-143 732	-567 828
Receipts in internal funding	1 111 100	803 388	6 413 070
Repayment in internal funding	-899 867	-1 111 763	-5 906 396
Net payment of interest on internal funding	-22 325	-14 051	-63 734
Payments on the purchase of securities	-59 749	-310 331	-670 314
Receipts on sale of securities	50 000	20 000	360 220
Receipts of interest from securities	10 685	6 469	37 924
Disbursements on operations	-17 980	-18 487	-61 366
Net receipts/disbursements from operating activities	-6 094	3 689	2 595
Net interest investment accounts	4 272	4 803	19 192
Net cash flow from operating activities	1 099 218	495 077	3 723 744
INVESTMENT ACTIVITIES			
Disbursements on loans customers	-1 011 100	-702 448	-3 955 728
Net cash flow from investment activities	-1 011 100	-702 448	-3 955 728
FINANCING ACTIVITIES			
Change in owners' equity	0	100 000	100 000
Group contribution paid	-10 565	-4 202	-4 202
Net cash flows from financing activities	-10 565	95 798	95 798
Net cash flow during the period	77 553	-111 573	-136 187
Cash and cash equivalents at the start of the period	320 386	456 573	456 573
Cash and cash equivalents at the end of the period	397 939	345 000	320 386
Net receipts/disbursements	77 553	-111 573	-136 187
Liquidity holdings comprise:			
Deposits with and receivables from banks with no agreed term	397 939	345 000	320 386
Total liquidity holdings at the end of the reporting period	397 939	345 000	320 386
Total interest received	186 078	180 434	742 506
Total interest paid	-152 243	-157 783	-631 562

Notes to the accounts

KLP Boligkreditt AS

Note 1 General information

KLP Boligkreditt AS was formed on 30 October 2013. The company is a housing credit enterprise, and finance the activity primary through issuing covered bonds.

KLP Boligkreditt AS is registered and domiciled in Norway. Its head office is at Beddingen 8 in Trondheim, with a branch office in Dronning Eufemiasgate 10, 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 Boligkreditt AS for the period 1 January 2025 – 31 March 2025. The interim Financial Statements has not been audited.

The financial statements for KLP Boligkreditt 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".

Other accounting principles and calculations are the same in the interim financial statement as in the annual report for 2024, please see the annual report for further information.

Note 3 Net interest income

NOK THOUSANDS	Q1 2025	Q1 2024	2024
Interest income on loans to customers	171 179	169 847	684 581
Interest income on loans to credit institutions	4 289	5 232	19 191
Total interest income, effective interest method	175 468	175 078	703 772
Interest income on fixed-income securities	10 340	7 774	39 264
Total other interest income	10 340	7 774	39 264
Total interest income	185 809	182 853	743 036
Interest expenses on debt from KLP Banken AS	-22 390	-13 296	-64 670
Interest expenses on issued securities	-129 301	-144 059	-566 852
Total interest expenses, effective interest method	-151 691	-157 355	-631 523
Total interest expense	-151 691	-157 355	-631 523
Net interest income	34 117	25 498	111 513

Note 4 Loans to customers

NOK THOUSANDS	31.03.2025	31.03.2024	31.12.2024
Principal on lending	12 698 849	12 504 785	12 642 167
Write-downs	-53	-129	-88
Accrued interest	27 524	28 960	27 466
Loans to and receivables from customers	12 726 320	12 533 616	12 669 545

Note 5 Categories of financial instruments

NOK THOUSANDS	31.03.2025		31.03.2024		31.12.2024	
	Capitalized value	Fair value	Capitalized value	Fair value	Capitalized value	Fair value
FINANCIAL ASSETS AT FAIR VALUE						
Fixed-income securities	838 476	838 476	809 039	809 039	828 687	828 687
Total financial assets at fair value	838 476	838 476	809 039	809 039	828 687	828 687
FINANCIAL ASSETS AT AMORTIZED COST						
Loans to and receivables from credit institutions	414 856	414 856	355 141	355 141	331 192	331 192
Loans to and receivables from customers	12 726 320	12 726 320	12 533 616	12 533 616	12 669 545	12 669 545
Total financial assets at amortized cost	13 141 176	13 141 176	12 888 757	12 888 757	13 000 738	13 000 738
Total financial assets	13 979 651	13 979 651	13 697 796	13 697 796	13 829 425	13 829 425
FINANCIAL LIABILITIES AT AMORTIZED COST						
Liabilities to credit institutions	2 405 224	2 405 224	1 377 185	1 377 185	2 193 926	2 193 926
Covered bonds issued	10 491 316	10 513 539	11 279 035	11 295 709	10 549 732	10 568 742
Total financial liabilities at amortized cost	12 896 540	12 918 763	12 656 220	12 672 894	12 743 659	12 762 669
Total financial liabilities	12 896 540	12 918 763	12 656 220	12 672 894	12 743 659	12 762 669

Fair value shall be a representative price based on what a corresponding asset or liability would have been traded for on the balance sheet date. 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.

Fair value of loans to retail costumers

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.

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.

Fair value of liabilities to credit institutions

These transactions are valued using a valuation model, including relevant credit spread adjustments obtained from the market.

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.

Note 6 Fair value hierarchy

31.03.2025 NOK THOUSANDS	Level 1	Level 2	Level 3	Total
ASSETS BOOKED AT FAIR VALUE				
Fixed-income securities	29 729	808 747	0	838 476
Total assets at fair value	29 729	808 747	0	838 476

31.03.2024 NOK THOUSANDS	Level 1	Level 2	Level 3	Total
ASSETS BOOKED AT FAIR VALUE				
Fixed-income securities	19 815	789 224	0	809 039
Total assets at fair value	19 815	789 224	0	809 039

31.12.2024 NOK THOUSANDS	Level 1	Level 2	Level 3	Total
ASSETS BOOKED AT FAIR VALUE				
Fixed-income securities	29 731	798 957	0	828 687
Total assets at fair value	29 731	798 957	0	828 687

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 recognized at amortized cost. Financial assets measured at amortized 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 recognized at amortized 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 7 **Debt securities issued - stock exchange listed covered bonds and certificates**

NOK THOUSANDS	31.03.2025	31.03.2024	31.12.2024
Bond debt, nominal amount	10 670 000	13 000 000	10 500 000
Adjustments	5 227	-3 817	-4 779
Accrued interest	56 089	54 852	54 511
Own holdings, nominal amount	-240 000	-1 772 000	0
Total debt securities issued	10 491 316	11 279 035	10 549 732
Interest rate on borrowings through the issuance of securities on the reporting date:	4.92%	5.07%	5.05%
The interest rate is calculated as a weighted average of the act/360 basis. It includes interest rate effects and amortization costs.			

NOK THOUSANDS	Balance sheet 31.12.2024	Issued	Matured/ redeemed	Other adjustments	Balance sheet 31.03.2025
Bond debt, nominal amount	10 500 000	2 000 000	-1 830 000	0	10 670 000
Adjustments	-4 779	0	0	10 006	5 227
Accrued interest	54 511	0	0	1 578	56 089
Own holdings, nominal amount	0	0	-240 000	0	-240 000
Total debt securities issued	10 549 732	2 000 000	-2 070 000	11 584	10 491 316

Note 8 Over-collateralisation

NOK THOUSANDS	31.03.2025	31.03.2024	31.12.2024
SECURITY POOL			
Loans to customers ¹	12 707 068	12 509 428	12 670 853
Additional collateral ²	1 179 328	2 838 745	903 440
Total security pool	13 886 397	15 348 173	13 574 293
Outstanding covered bonds incl. own funds and premium/discount	10 754 033	13 071 603	10 568 742
Coverage of the security pool	129.1%	117.4%	128.4%

¹ Excluding mortgage loans that do not qualify for security pool.

² Additional collateral includes loans to and receivables from credit institutions and 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 5 percent of the value of the outstanding covered bonds.

Note 9 Liabilities to credit institutions

31.03.2025 NOK THOUSANDS				
	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2026	1 900 000	3 230	1 903 230
Debt to KLP Banken AS	15.12.2026	100 000	170	100 170
Debt to KLP Banken AS	15.12.2026	301 233	444	301 677
Debt to KLP Banken AS	15.12.2026	100 000	147	100 147
Total liabilities to credit institutions		2 401 233	3 991	2 405 224

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

4.08 %

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

31.03.2024 NOK THOUSANDS				
	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2025	1 050 000	1 934	1 051 934
Debt to KLP Banken AS	15.12.2025	100 000	130	100 130
Debt to KLP Banken AS	15.12.2025	224 951	171	225 121
Total liabilities to credit institutions		1 374 951	2 234	1 377 185

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

3.90 %

31.12.2024 NOK THOUSANDS				
	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2026	2 050 000	3 690	2 053 690
Debt to KLP Banken AS	15.12.2026	140 000	236	140 236
Total liabilities to credit institutions		2 190 000	3 926	2 193 926

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

4.05 %

Note 10 Transactions with related parties

31.03.2025 NOK THOUSANDS		
	KLP Banken AS	Other group companies
Interest incomes	2 620	1 495
Interest expenses	-22 390	0
Purchase of services	-17 315	0
Other receivables	5 461	1 495
Bank deposits	226 936	0
Borrowing	-2 405 224	0
Other debt	-6 153	0
Purchase of loans from KLP Banken AS	1 011 100	0

31.03.2024 NOK THOUSANDS		
	KLP Banken AS	Other group companies
Interest incomes	2 673	1 943
Interest expenses	-13 296	0
Purchase of services	-15 781	0
Other receivables	2 966	1 943
Bank deposits	216 436	0
Borrowing	-1 377 185	0
Other debt	-4 446	0
Purchase of loans from KLP Banken AS	702 448	0

31.12.2024 NOK THOUSANDS		
	KLP Banken AS	Other group companies
Interest incomes	10 840	6 209
Interest expenses	-64 670	0
Purchase of services	-56 223	-20
Other receivables	1 614	1 478
Bank deposits	224 373	0
Borrowing	-2 193 926	0
Other debt	-4 566	-20
Purchase of loans from KLP Banken AS	3 955 728	0

There are no direct salary costs in KLP Boligkreditt AS. Personnel costs (administrative services) are allocated from KLP Banken AS.

Transactions with related parties are carried out on general market terms, with the exception of the Company's share of common functions, which is allocated at cost. Allocation is based on actual use. All internal receivables are settled as they arise.

Note 11 Other assets

NOK THOUSANDS	31.03.2025	31.03.2024	31.12.2024
Intercompany receivables	6 956	4 909	3 092
Prepaid expenses	1 267	1 433	0
Total other assets	8 223	6 343	3 092

Note 12 Other liabilities and provision for accrued costs

NOK THOUSANDS	31.03.2025	31.03.2024	31.12.2024
Creditors	0	374	75
Intercompany payables	6 153	4 446	4 586
Other liabilities	10 465	4 911	0
Total other liabilities	16 618	9 731	4 661
VAT	0	46	0
Total accrued costs and liabilities	0	46	0

Note 13 Capital adequacy

NOK THOUSANDS	31.03.2025	31.03.2024	31.12.2024
Share capital and share premium fund	960 463	960 463	960 463
Other owners' equity	99 022	67 054	109 588
Total owners' equity	1 059 486	1 027 518	1 070 050
Adjustments due to requirements for proper valuation	-838	-809	-829
Core capital/Tier 1 capital	1 058 647	1 026 709	1 069 222
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)	1 058 647	1 026 709	1 069 222
Capital requirement	397 959	391 022	395 315
Surplus of own funds (Tier 1 and Tier 2 capital)	660 688	635 687	673 907
Estimate basis credit risk:			
Institutions	84 264	71 879	66 761
Retail	367 960	371 331	380 294
Investments with mortgage security in real estate	4 282 497	4 213 037	4 256 870
Investments fallen due	0	1 258	0
Covered bonds	80 875	78 922	79 896
Other holdings	1 756	2 089	480
Calculation basis credit risk	4 817 353	4 738 517	4 784 301
Credit risk	385 388	379 081	382 744
Operating risk	12 571	11 940	12 571
Total capital requirement assets	397 959	391 022	395 315
Core capital adequacy ratio	21.3 %	21.0 %	21.6 %
Supplementary capital ratio	0.0 %	0.0 %	0.0 %
Capital adequacy ratio	21.3 %	21.0 %	21.6 %
Leverage ratio	7.6 %	7.5 %	7.7 %

CAPITAL REQUIREMENT PER 31.03.2025	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 14 Fixed-income securities

NOK THOUSANDS	31.03.2025		31.03.2024		31.12.2024	
	Acquisition cost	Market value	Acquisition cost	Market value	Acquisition cost	Market value
Certificates	29 683	29 729	19 789	19 819	29 678	29 731
Bonds	805 199	808 747	783 888	789 219	795 145	798 957
Total fixed-income securities	834 882	838 476	803 677	809 039	824 823	828 687

Fixed income securities are brought to account at market value, including accrued but not due interests.

Note 15 Net gain/(loss) on financial instruments

NOK THOUSANDS	Q1 2025	Q1 2024	2024
Net gain/(loss) on fixed-income securities	396	1 005	890
Net gain/(loss) financial derivatives and realized repurchase of own debt	-4 798	-1 360	-1 549
Total net gain/(loss) financial instruments	-4 402	-355	-659

Note 16 Loan loss provision

There has not been done any changes in the model for calculation of the expected loss provisions in the first quarter.

The total loan loss provisions have decreased with 39 percent since fourth quarter of 2024. Although the percentage decrease is large, the amounts involved are relatively small in relation to the total lending volume. The decrease is NOK 35 000 kroner.

Refer to Note 8 and Note 2 in the annual report for more details of the model.

Expected credit loss (ECL) - loans to customers - mortgage

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	31.03.2025	31.03.2024	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	46	42	0	88	63	63
Transfers to stage 1	3	-3	0	0	0	0
Transfers to stage 2	-1	1	0	0	0	0
Transfers to stage 3	0	0	0	0	0	0
Net changes	-21	-12	0	-32	69	36
New losses	2	0	0	2	1	15
Write-offs	-2	-1	0	-5	-3	-10
Change in risk model	0	0	0	0	0	-16
Closing balance ECL	27	26	0	53	129	88
Changes in the period 01.01-31.03./31.12	-20	-16	0	-35	67	26

Book value of loans to and receivables for customers - mortgage

NOK THOUSANDS	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	31.03.2025	31.03.2024	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Lending 01.01.	12 318 131	351 502	0	12 669 633	12 745 511	12 745 510
Transfers to stage 1	63 458	-63 458	0	0	0	0
Transfers to stage 2	-44 140	44 140	0	0	0	0
Transfers to stage 3	0	0	0	0	0	0
Net changes	-109 996	-1 399	0	-111 395	-168 997	-435 830
New lending	943 086	0	0	943 086	665 961	3 328 891
Write-offs	-748 657	-26 295	0	-774 952	-708 729	-2 968 937
Lending	12 421 882	304 491	0	12 726 373	12 533 746	12 669 634
Recognised loan loss provisions	-27	-26	0	-53	-129	-88
Book value of loans to mortgages	12 421 856	304 465	0	12 726 320	12 533 616	12 669 546

Quarterly earnings trend

NOK MILLIONS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Interest income	185.8	189.1	187.1	183.9	182.9
Interest expense	-151.7	-158.8	-159.4	-155.9	-157.4
Net interest income	34.1	30.3	27.7	28.0	25.5
Net gain/ (loss) on financial instruments	-4.4	-1.3	0.6	0.4	-0.4
Total net gain/(loss) on financial instruments	-4.4	-1.3	0.6	0.4	-0.4
Other operating expenses	-18.2	-15.2	-15.9	-13.5	-17.1
Total operating expenses	-18.2	-15.2	-15.9	-13.5	-17.1
Operating profit/loss before tax	11.5	13.8	12.4	14.9	8.0
Tax ordinary income	0.1	-2.0	-1.7	-2.2	-0.7
Profit for the period	11.6	11.8	10.7	12.7	7.3

Key figures accumulated

NOK MILLIONS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Pre-tax income	11.5	49.1	35.3	22.9	8.0
Net interest income	34.1	111.5	81.2	53.5	25.5
Other operating expenses	-18.2	-61.7	-46.5	-30.6	-17.1
Net gain/ (loss) financial instruments	-4.4	-0.7	0.6	0.1	-0.4
Housing mortgage lending	12 726.3	12 669.5	12 603.6	12 556.9	12 533.6
Non-performing loans	0.0	0.0	0.0	0.0	0.0
Total liabilities created on issuance of securities	10 491.3	10 549.7	10 549.5	11 148.8	11 279.0
Other borrowing	2 405.2	2 193.9	2 153.0	1 551.6	1 377.2
Total assets	13 987.9	13 832.5	13 777.6	13 761.9	13 704.1
Average total assets	13 910.2	13 784.3	13 756.9	13 749.0	13 720.1
Equity	1 071.1	1 070.1	1 058.2	1 047.5	1 034.8
Interest net	0.25 %	0.81 %	0.59 %	0.39 %	0.19 %
Profit/loss from ordinary operation before taxes	0.08 %	0.36 %	0.26 %	0.17 %	0.06 %
Return on equity	4.32 %	4.87 %	4.66 %	4.54 %	3.17 %
Capital adequacy ratio	21.3 %	21.6 %	20.9 %	20.9 %	21.0 %
Liquidity coverage ratio (LCR)	1 033 %	1 031 %	1 043 %	731 %	744 %

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