

Q1 Interim Report 2026

KLP Kommunekreditt AS

The KLP logo is rendered in a large, white, serif font. The '1' is positioned above the 'K', and the 'P' is to the right of the 'L'. The background of the entire page is a blurred photograph of a woman with blonde hair, wearing a light-colored top, sitting on a sofa and smiling. A blue blanket is draped over her lap and the sofa.

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KLP Kommunekreditt AS

Q1 2026

Interim Financial Statements 1/2026

Main features by first 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 first quarter amounted to NOK 14.8 (24.2)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 first quarter amounted to NOK 20.9 (25.8) 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 first quarter amounted to NOK -0.2 (3.2) 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 1.1 (3.2) million in the first quarter.

Operating expenses amounted to NOK -6.0 (-4.8) million for the first quarter. The Company has had no loan losses and maintains very low loss provisions.

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

Lending and total assets

Customer lending as of 31 March 2026 amounted to NOK 21.9 (19.4) 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 25.1 (23.7) 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 31 March 2026, the market value of the Company's interest-bearing securities portfolio was NOK 2.3 (3.5) billion.

Funding

The Company's funding consists of covered bonds (OMF) and loans from KLP Banken AS. Intragroup funding amounted to NOK 0.5 (1.6) billion at the end of the quarter. Outstanding covered bond debt totalled NOK 23.4 (21.0) billion.

During the first quarter, NOK 1.5 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 -1.0 (0.0) billion in the first 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 1,064 (1,008) million at the end of the first 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 21.1 (21.6) percent at the end of the quarter. The minimum requirement for total capital adequacy is 17.5 percent. The leverage ratio was 4.2 (4.2) percent, compared with a minimum requirement of 3.0 percent.

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 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, 7 May 2026

AAGE E. SCHAANNING
Chair

JANICKE E. FALKENBERG

INGER HEGNA

ROAR W. BAKKEN

CARL STEINAR LOUS
Managing Director

Income statement

KLP Kommunekreditt AS

NOTE	NOK THOUSAND	Q1 2026	Q1 2025	2025
	Interest income, effective interest method	265 910	245 872	1 031 363
	Other interest income	63 412	82 549	261 267
3	Total interest income	329 322	328 421	1 292 631
	Interest expense, effective interest method	-262 310	-268 720	-1 054 810
	Other interest expenses	-46 066	-33 912	-147 163
3	Total interest costs	-308 376	-302 632	-1 201 973
3	Net interest income	20 946	25 788	90 658
15	Net gain/(loss) on financial instruments	-204	3 227	7 787
	Total net gain/(loss) on financial instruments	-204	3 227	7 787
	Other operating expenses	-5 980	-4 849	-20 661
13	Net loan losses	5	-7	-36
	Total operating expenses	-5 975	-4 856	-20 697
	Operating profit/loss before tax	14 767	24 160	77 748
	Tax ordinary income	2 539	-985	216
	Profit for the period	17 305	23 175	77 964
	Other income and expenses	0	0	0
	Comprehensive income for the period	17 305	23 175	77 964

Balance

KLP Kommunekreditt AS

NOTE	NOK THOUSAND	31.03.2026	31.03.2025	31.12.2025
ASSETS				
5	Loans to and receivables from credit institutions	834 373	628 008	600 019
4,5	Loans to and receivables from customers	21 923 212	19 419 248	22 489 653
5,6	Fixed-income securities	2 286 697	3 532 536	1 873 879
5,6	Financial derivatives	75 709	75 634	52 603
11	Other assets	9 946	13 485	581
	Total assets	25 129 937	23 668 910	25 016 736
LIABILITIES AND OWNERS EQUITY				
LIABILITIES				
5,9	Liabilities to credit institutions	500 938	1 552 932	901 704
5,7	Liabilities created on issuance of securities	23 448 736	20 985 677	22 952 861
5,6	Financial derivatives	26 067	20 317	20 909
	Deferred tax liabilities	0	1 304	18 409
12	Other liabilities	70 118	73 589	32 935
12	Provision for accrued costs and liabilities	41	0	37
	Total liabilities	24 045 901	22 633 819	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
	Unallocated profit/loss	17 305	23 175	0
	Total owners' equity	1 084 036	1 035 091	1 089 881
	Total liabilities and equity	25 129 937	23 668 910	25 016 736

Statement of changes in equity

KLP Kommunekreditt AS

2026 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	17 305	17 305
Other income and expenses	0	0	0	0
Total comprehensive income for the period	0	0	17 305	17 305
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 31 March 2026	391 500	363 500	329 036	1 084 036

2025 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	23 175	23 175
Other income and expenses	0	0	0	0
Total comprehensive income for the period	0	0	23 175	23 175
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 March 2025	391 500	363 500	280 091	1 035 091

2025 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	Q1 2026	Q1 2025	2025
OPERATIONAL ACTIVITIES			
Payments received from customers - interest	240 157	215 406	969 664
Payments made on issuance of loans to customers	-148 210	-752 078	-4 846 912
Receipts related to repayment and redemption of loans to customers	699 321	48 580	1 131 134
Receipts on loans from credit institutions	1 500 000	0	5 000 000
Repayments and redemption of securities debt	0	-2 114 000	-5 000 000
Change in securities debt, own funds	-1 007 001	2 099 534	1 955 156
Net payment of interest on loans credit institutions	-242 670	-246 985	-990 564
Receipts in internal funding	300 000	800 000	4 600 000
Disbursements in internal funding	-700 000	-200 000	-4 650 000
Net payment of interest on internal funding	-7 593	-12 472	-67 102
Payments on the purchase of securities	-1 915 546	-163 003	-3 380 462
Receipts on sale of securities	1 494 066	215 000	5 103 054
Receipts of interest from securities	23 351	43 620	89 818
Disbursements on operations	-3 894	-6 744	-21 369
Net receipts/disbursements from operating activities	6	1 767	-14 455
Interest from credit institutions	5 133	3 814	33 758
Net cash flow from operating activities	237 121	-67 561	-88 281
INVESTMENT ACTIVITIES			
Net cash flow from investment activities	0	0	0
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	213 972	-84 882	-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	802 711	609 459	588 740
Net receipts/disbursements	213 972	-84 882	-105 601
Liquidity holdings comprise:			
Deposits with and receivables from banks with no agreed term	802 711	609 459	588 740
Total liquidity holdings at the end of the reporting period	802 711	609 459	588 740
Total interest received	268 642	262 840	1 093 240
Total interest paid	-250 263	-259 457	-1 057 666

Notes to the financial statement

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 1 January 2026 –31 March 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	Q1 2026	Q1 2025	2025
Interest income on loans to customers	258 845	240 088	997 605
Interest income on loans to credit institutions	7 065	5 784	33 758
Total interest income, effective interest method	265 910	245 872	1 031 363
Interest income on fixed-income securities	13 884	43 420	97 875
Other interest income	49 528	39 129	163 393
Total other interest income	63 412	82 549	261 267
Total interest income	329 322	328 421	1 292 631
Interest expenses on debt from KLP Banken AS	-6 826	-13 581	-66 983
Interest expenses on issued securities	-255 484	-255 139	-987 827
Total interest expenses, effective interest method	-262 310	-268 720	-1 054 810
Other interest expenses	-46 066	-33 912	-147 163
Total other interest expenses	-46 066	-33 912	-147 163
Total interest expenses	-308 376	-302 632	-1 201 973
Net interest income	20 946	25 788	90 658

Note 4 **Loans to customers**

NOK THOUSAND	31.03.2026	31.03.2025	31.12.2025
Principal on lending	21 785 295	19 293 982	22 338 082
Write-downs	-208	-184	-213
Accrued interest	221 806	199 859	203 118
Fair value hedging	-83 681	-74 409	-51 333
Loans to and receivables from customers	21 923 212	19 419 248	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 Categories of financial instruments

NOK THOUSAND	31.03.2026		31.03.2025		31.12.2025	
	Capitalized value	Fair value	Capitalized value	Fair value	Capitalized value	Fair value
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS						
Fixed-income securities	2 286 697	2 286 697	3 532 536	3 532 536	1 873 879	1 873 879
Financial derivatives	75 709	75 709	75 634	75 634	52 603	52 603
Total financial assets at fair value through profit and loss	2 362 406	2 362 406	3 608 169	3 608 169	1 926 483	1 926 483
FINANCIAL ASSETS FAIR VALUE HEDGING AT AMORTIZED COST						
Lending to Norwegian municipalities	2 544 545	2 569 928	1 869 275	1 882 353	2 635 076	2 667 580
Total financial assets fair value hedging at amortized cost	2 544 545	2 569 928	1 869 275	1 882 353	2 635 076	2 667 580
FINANCIAL ASSETS AT AMORTIZED COST						
Loans to and receivables from credit institutions	834 373	834 373	628 008	628 008	600 019	600 019
Lending to Norwegian municipalities	19 378 667	19 378 667	17 549 974	17 549 974	19 854 577	19 854 577
Total financial assets at amortized cost	20 213 040	20 213 040	18 177 982	18 177 982	20 454 595	20 454 595
Total financial assets	25 119 991	25 145 375	23 655 426	23 668 504	25 016 154	25 048 658
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS						
Financial derivatives	26 067	26 067	20 317	20 317	20 909	20 909
Total financial liabilities at fair value through profit and loss	26 067	26 067	20 317	20 317	20 909	20 909
FINANCIAL LIABILITIES FAIR VALUE AT HEDGING AMORTIZED COST						
Covered bonds issued	2 193 203	2 210 576	1 696 318	1 711 260	2 203 168	2 220 402
Total financial liabilities fair value hedging amortized cost	2 193 203	2 210 576	1 696 318	1 711 260	2 203 168	2 220 402
FINANCIAL LIABILITIES AT AMORTIZED COST						
Liabilities to credit institutions	500 938	500 938	1 552 932	1 552 932	901 704	901 704
Covered bonds issued	21 255 534	21 329 646	19 289 358	19 344 295	20 749 694	20 836 007
Total financial liabilities at amortized cost	21 756 471	21 830 584	20 842 290	20 897 227	21 651 398	21 737 712
Total financial liabilities	23 975 741	24 067 227	22 558 926	22 628 805	23 875 475	23 979 023

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, cf. Note 6.

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, cf. Note 6.

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, cf. Note 6.

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, cf. Note 6.

Note 6 Fair value hierarchy

31.03.2026 NOK THOUSAND	Level 1	Level 2	Level 3	Total
ASSETS BOOKED AT FAIR VALUE				
Fixed-income securities	119 074	2 167 623	0	2 286 697
Financial derivatives	0	75 709	0	75 709
Total assets at fair value	119 074	2 243 332	0	2 362 406
LIABILITIES BOOKED AT FAIR VALUE				
Financial derivatives (liabilities)	0	26 067	0	26 067
Total financial liabilities at fair value	0	26 067	0	26 067

31.03.2025 NOK THOUSAND	Level 1	Level 2	Level 3	Total
ASSETS BOOKED AT FAIR VALUE				
Fixed-income securities	128 825	3 403 710	0	3 532 536
Financial derivatives	0	75 634	0	75 634
Total assets at fair value	128 825	3 479 344	0	3 608 169
LIABILITIES BOOKED AT FAIR VALUE				
Financial derivatives (liabilities)	0	20 317	0	20 317
Total financial liabilities at fair value	0	20 317	0	20 317

31.12.2025 NOK THOUSAND	Level 1	Level 2	Level 3	Total
ASSETS BOOKED AT FAIR VALUE				
Fixed-income securities	477 750	1 396 129	0	1 873 879
Financial derivatives	0	52 603	0	52 603
Total assets at fair value	477 750	1 448 732	0	1 926 483
LIABILITIES BOOKED AT FAIR VALUE				
Financial derivatives (liabilities)	0	20 909	0	20 909
Total financial liabilities at fair value	0	20 909	0	20 909

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 therefore not 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 and according to the rules on hedge accounting. Financial assets measured at amortized cost and hedge accounting comprise lending to and due to credit institutions, Norwegian municipalities and retail

customers. The stated fair value of these assets is determined on terms qualifying for Level 2. Financial liabilities recognized at amortized cost and hedge accounting 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 THOUSAND	31.03.2026	31.03.2025	31.12.2025
Bond debt, nominal amount	24 450 000	20 836 000	22 950 000
Adjustments	-47 392	-42 112	-22 196
Accrued interest	189 129	191 789	178 058
Own holdings, nominal amount	-1 143 000	0	-153 000
Total debt securities issued	23 448 736	20 985 677	22 952 861
Interest rate on borrowings through the issuance of securities on the reporting date:	4.56%	4.97%	4.63%

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

NOK THOUSAND	Balance sheet 31.12.2025	Issued	Matured/ redeemed	Other adjustments	Balance sheet 31.03.2026
Bond debt, nominal amount	22 950 000	1 500 000	0	0	24 450 000
Adjustments	-22 196	0	0	-25 196	-47 392
Accrued interest	178 058	0	0	11 071	189 129
Own holdings, nominal amount	-153 000	0	-990 000	0	-1 143 000
Total debt securities issued	22 952 861	1 500 000	-990 000	-14 125	23 448 736

Note 8 Over-collateralisation

NOK THOUSAND	31.03.2026	31.03.2025	31.12.2025
SECURITY POOL			
Loans to customers	21 948 804	19 439 732	22 522 408
Financial derivatives (net)	49 626	55 332	31 676
Additional collateral ¹	3 864 758	3 725 232	1 799 804
Total security pool	25 863 188	23 220 296	24 353 888
Outstanding covered bonds incl. own funds and premium/discount	24 733 907	21 055 555	23 211 017
Coverage of the security pool	104.6%	110.3 %	104.9 %
Over-collateralisation	4.6%	10.3%	4.9%

¹ Additional collateral includes loans and receivables from credit institutions and bonds and certificates. 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 9 Liabilities to credit institutions

31.03.2026 NOK THOUSAND				
	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2027	500 000	938	500 938
Total liabilities to credit institutions		500 000	938	500 938

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

4.22 %

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

31.03.2025 NOK THOUSAND				
	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2026	400 000	757	400 757
Debt to KLP Banken AS	15.12.2026	550 000	1 040	551 040
Debt to KLP Banken AS	15.12.2026	200 000	378	200 378
Debt to KLP Banken AS	15.12.2026	400 000	757	400 757
Total liabilities to credit institutions		1 550 000	2 932	1 552 932

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

4.54 %

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 10 Financial assets and liabilities subject to net settlement

31.03.2026 NOK THOUSAND		Related sums that are not presented net		
	Gross financial assets/liabilities	Financial instruments	Security in cash	Net recognised value
ASSETS				
Financial derivatives	75 709	-26 067	-44 827	9 531
Total	75 709	-26 067	-44 827	9 531
LIABILITIES				
Financial derivatives	26 067	-26 067	-19	0
Total	26 067	-26 067	-19	0

31.03.2025 NOK THOUSAND		Related sums that are not presented net		
	Gross financial assets/liabilities	Financial instruments	Security in cash	Net recognised value
ASSETS				
Financial derivatives	75 634	-20 317	0	55 317
Total	75 634	-20 317	0	55 317
LIABILITIES				
Financial derivatives	20 317	-20 317	0	0
Total	20 317	-20 317	0	0

31.12.2025 NOK THOUSAND		Related sums that are not presented net		
	Gross financial assets/liabilities	Financial instruments	Security in cash	Net recognised value
ASSETS				
Financial derivatives	52 603	-20 909	0	31 694
Total	52 603	-20 909	0	31 694
LIABILITIES				
Financial derivatives	20 909	-20 909	0	0
Total	20 909	-20 909	0	0

The purpose of the note is to show the potential effect of netting agreements at the KLP Kommunekreditt AS. The note shows derivative positions in the financial statement.

Note 11 Other assets

NOK THOUSAND	31.03.2026	31.03.2025	31.12.2025
Intercompany receivables	8 763	10 959	0
Prepaid expenses	634	1 901	0
Miscellaneous receivables	549	624	581
Total other assets	9 946	13 485	581

Note 12 Other liabilities and provision for accrued costs

NOK THOUSAND	31.03.2026	31.03.2025	31.12.2025
Creditors	166	0	113
Intercompany payables	2 986	1 237	341
Short-term balances with credit institutions	50 500	53 200	31 900
Other liabilities	16 467	19 151	581
Total other liabilities	70 118	73 589	32 935
VAT	41	0	37
Total accrued costs and liabilities	41	0	37

Note 13 Capital adequacy

NOK THOUSAND	31.03.2026	31.03.2025	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	-2 287	-3 533	-1 874
Core capital/Tier 1 capital	1 064 444	1 008 384	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)	1 064 444	1 008 384	1 088 007
Capital requirement	402 769	374 127	400 258
Surplus of own funds (Tier 1 and Tier 2 capital)	661 675	634 258	687 749
ESTIMATE BASIS CREDIT RISK:			
Institutions	177 266	134 686	116 828
Local and regional authorities	4 520 656	4 056 473	4 639 482
Covered bonds	160 186	272 671	71 202
Other items	1 183	2 525	581
Calculation basis credit risk	4 859 291	4 466 356	4 828 094
Credit risk	388 743	357 308	386 248
Operating risk	13 335	15 314	13 335
Credit valuation adjustment (CVA)	691	1 504	675
Total capital requirement assets	402 769	374 127	400 258
Core capital adequacy ratio	21.1 %	21.6 %	21.7 %
Supplementary capital ratio	0.0 %	0.0 %	0.0 %
Capital adequacy ratio	21.1 %	21.6 %	21.7 %
Leverage ratio	4.2 %	4.2 %	4.4 %

CAPITAL REQUIREMENT PER 31.03.2026	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 incl. buffers	14.0 %	3.5 %	17.5 %
Capital requirement leverage ratio	3.0 %	0.0 %	3.0 %

Note 14 Contingent liabilities

NOK THOUSAND	31.03.2026	31.03.2025	31.12.2025
Loan commitment	228 604	584 267	47 040
Total contingent liabilities	228 604	584 267	47 040

Note 15 Net gain/(loss) on financial instruments

NOK THOUSAND	Q1 2026	Q1 2025	2025
Net gain/(loss) on fixed-income securities	1 078	3 227	12 495
Net gain/(loss) financial derivatives and realized amortization linked to lending	-103	0	-1 481
Net gain/(loss) financial derivatives and realized repurchase of own debt	-1 179	0	-3 227
Total net gain/(loss) on financial instruments	-204	3 227	7 787

Note 16 Loan loss provision

Changes in provisions for expected losses in first 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 first 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)	31.03.2026	31.03.2025	31.12.2025
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	213	0	0	213	177	177
Transfers to stage 1	0	0	0	0	0	0
Transfers to stage 2	0	0	0	0	0	0
Transfers to stage 3	0	0	0	0	0	0
Net changes	-2	0	0	-2	-2	-9
New losses	6	0	0	6	10	65
Write-offs	-10	0	0	-10	-2	-20
Closing balance ECL	208	0	0	208	184	213
Changes in the period 01.01-31.03./31.12	-5	0	0	-5	7	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)	31.03.2026	31.03.2025	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
Transfers to stage 1	0	0	0	0	0	0
Transfers to stage 2	0	0	0	0	0	0
Transfers to stage 3	0	0	0	0	0	0
Net changes	-132 090	0	0	-132 090	-185 575	-1 015 805
New lending	629 877	0	0	629 877	1 069 721	6 845 946
Write-offs	-1 031 885	0	0	-1 031 885	-160 446	-2 059 083
Lending	22 007 101	0	0	22 007 101	19 493 841	22 541 200
Fair value hedging	-83 681	0	0	-83 681	-74 409	-51 333
Recognised loan loss provisions	-208	0	0	-208	-184	-213
Book value of loans to public lending	21 923 212	0	0	21 923 212	19 419 248	22 489 653

Quarterly earnings trend

NOK MILLION	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
Interest income	329.3	319.9	316.5	327.8	328.4
Interest expense	-308.4	-306.7	-287.4	-305.2	-302.6
Net interest income	20.9	13.1	29.1	22.6	25.8
Net gain/(loss) financial instruments	-0.2	0.3	1.6	2.7	3.2
Total net gain/(loss) on financial instruments	-0.2	0.3	1.6	2.7	3.2
Other operating expenses	-6.0	-4.9	-6.6	-4.2	-4.8
Total operating expenses	-6.0	-4.9	-6.6	-4.2	-4.8
Operating profit/loss before tax	14.8	8.5	24.1	21.0	24.2
Tax ordinary income	2.5	2.5	-1.0	-0.3	-1.0
Profit for the period	17.3	11.0	23.1	20.7	23.2

Key figures - accumulated

NOK MILLION	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025
Pre-tax income	14.8	77.7	69.2	45.2	24.2
Net interest income	20.9	90.7	77.5	48.4	25.8
Other operating income	0.0	0.0	0.0	0.0	0.0
Other operating cost	-6.0	-20.7	-15.7	-9.1	-4.8
Net gain/(loss) financial instruments	-0.2	7.8	7.5	5.9	3.2
Lending with public sector guarantee	21 923.2	22 489.7	20 634.8	19 750.6	19 419.2
Non-performing loans	0.0	0.0	0.0	0.0	0.0
Total liabilities created on issuance of securities	23 448.7	22 952.9	19 667.5	19 124.0	20 985.7
Other borrowing	500.9	901.7	1 653.3	2 054.0	1 552.9
Total assets	25 129.9	25 016.7	22 537.3	22 345.9	23 668.9
Average total assets	25 073.3	24 041.9	22 802.1	22 706.4	23 368.0
Equity	1 084.0	1 089.9	1 078.9	1 055.8	1 035.1
Interest net	0.08 %	0.38 %	0.34 %	0.21 %	0.11 %
Profit/loss from ordinary operation before taxes	0.06 %	0.32 %	0.30 %	0.20 %	0.10 %
Return on equity	5.42 %	7.55 %	8.97 %	8.78 %	9.39 %
Capital adequacy ratio	21.1 %	21.7 %	21.9 %	22.2 %	21.6 %
Liquidity coverage ratio (LCR)	485 %	2 265 %	873 %	747 %	368 %

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