

Q4 Interim Report 2025

KLP Kommunekreditt AS

The KLP logo is rendered in a large, white, serif typeface. The letter 'K' is stylized with a long, sweeping horizontal stroke that extends to the left. The 'L' is a simple vertical stroke, and the 'P' features a small, elegant loop at the top. The logo is positioned in the upper left quadrant of the page, overlaid on a blurred background image of a woman walking.

KLP

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KLP Kommunekreditt AS

Q4 2025

Interim Financial Statements 4/2025

Main features by fourth quarter end:

- Strong increase in lending volume
- Lower net interest income
- No realized 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 fourth quarter amounted to NOK 8.5 (13.4)¹ million. Profit before tax at year-end was NOK 77.7 (77.0) million. Compared with last year, net interest income decreased, while net gains on financial instruments increased correspondingly.

Net interest income for the fourth quarter totaled NOK 13.1 (25.8) million. Net interest income at year-end amounted to NOK 90.7 (108.6) million. Lower lending margins on the loan portfolio have reduced net interest income compared with last year, despite solid lending growth.

Net gains and losses on financial instruments for the fourth quarter amounted to NOK 0.3 (-6.8) million. For the year as a whole, net gains on financial instruments were NOK 7.8 (-10.4) million. This primarily includes costs related to repurchases of issued debt and value changes in the liquidity portfolio. Realized and unrealized value changes in the liquidity portfolio contributed NOK 12.5 (-0.3) million in 2025. Accounting losses from repurchases of the company's own debt amounted to NOK -3.2 (-10.0) million.

Operating expenses for the fourth quarter were NOK -20.7 (-21.2) million. 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 December 2025 amounted to NOK 22.5 (18.7) billion. Net lending growth in the fourth quarter was NOK 3.8 billion. Borrowers consist of municipalities, county authorities, and entities with municipal guarantees. Total assets were NOK 25.0 (23.1) billion.

Liquidity investments

The cover pool associated with the company's funding activities is subject to strict requirements. In addition to public-sector loans, the cover pool consists of secure securities and bank deposits. The securities portfolio consists of certificates and bonds with very high credit quality, primarily covered bonds. As of 31 December 2025, the market value of the interest-bearing securities portfolio was NOK 1.9 (3.6) billion.

Funding

The company's funding consists of covered bonds (OMF) and loans from KLP Banken AS. Intragroup funding amounted to NOK 0.9 (1.0) billion at the end of the quarter. Outstanding covered bond debt totaled NOK 23.0 (21.0) billion. New covered bond issuances in 2025 amounted to NOK 5.0 billion. Net repurchases or sales of holdings from previous issuances amounted to NOK -1.4 (-4.4) billion as of the fourth 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, analyzed and managed through policies, limits, procedures and instructions. The company maintains a conservative risk profile, and earnings are primarily derived from lending activities and liquidity management. This implies low market risk. Interest rate risk arising from lending and funding activities is reduced 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 or county authority risk. Liquidity is placed with banks of high credit quality and in securities in line with Board-approved credit mandates.

Common equity Tier 1 (CET1) capital according to capital adequacy rules amounted to NOK 1,088 (1,026) million at year-end 2025. Loans to municipalities and county authorities carry a risk weight of 20 percent under regulatory capital requirements. The CET1 and total capital ratios were 21.7 (22.7) percent as of the fourth quarter. The minimum requirement for total capital adequacy is 17.5 percent. The leverage ratio was 4.4 (4.5) percent. The legal requirement is 3.0 percent.

Oslo, 3 February 2026

AAGE E. SCHAANNING

Chair

JANICKE E. FALKENBERG

INGER HEGNA

JONAS V. KÅRSTAD

CARL STEINAR LOUS

Managing Director

Income statement

KLP Kommunekreditt AS

NOTE	NOK THOUSAND	Q4 2025	Q4 2024	2025	2024
	Interest income, effective interest method	263 584	243 130	1 031 363	984 871
	Other interest income	56 292	90 523	261 267	269 668
3	Total interest income	319 876	333 653	1 292 631	1 254 539
	Interest expense, effective interest method	-262 535	-275 075	-1 054 810	-1 017 952
	Other interest expenses	-44 201	-32 764	-147 163	-128 028
3	Total interest costs	-306 736	-307 838	-1 201 973	-1 145 980
3	Net interest income	13 140	25 814	90 658	108 559
17	Net gain/(loss) on financial instruments	330	-6 798	7 787	-10 448
	Total net gain/(loss) on financial instruments	330	-6 798	7 787	-10 448
	Other operating expenses	-4 922	-5 563	-20 661	-21 157
18	Net loan losses	-18	-7	-36	3
	Total operating expenses	-4 940	-5 570	-20 697	-21 155
	Operating profit/loss before tax	8 530	13 446	77 748	76 956
	Tax ordinary income	2 453	2 024	216	2 997
	Profit for the period	10 984	15 470	77 964	79 953
	Other income and expenses	0	0	0	0
	Comprehensive income for the period	10 984	15 470	77 964	79 953

Balance

KLP Kommunekreditt AS

NOTE	NOK THOUSAND	31.12.2025	31.12.2024
ASSETS			
5	Loans to and receivables from credit institutions	600 019	705 779
4,5	Loans to and receivables from customers	22 489 653	18 687 981
5,6,15	Fixed-income securities	1 873 879	3 587 455
5,6	Financial derivatives	52 603	83 757
12	Other assets	581	2 025
	Total assets	25 016 736	23 066 996
LIABILITIES AND OWNERS EQUITY			
LIABILITIES			
5,9	Liabilities to credit institutions	901 704	951 824
5,7	Liabilities created on issuance of securities	22 952 861	20 976 533
5,6	Financial derivatives	20 909	38 057
	Deferred tax liabilities	18 409	18 625
13	Other liabilities	32 935	52 720
13	Provision for accrued costs and liabilities	37	0
	Total liabilities	23 926 855	22 037 759
EQUITY			
	Share capital	391 500	391 500
	Share premium	363 500	363 500
	Other accrued equity	334 881	274 237
	Total owners' equity	1 089 881	1 029 237
	Total liabilities and equity	25 016 736	23 066 996

Statement of changes in equity

KLP Kommunekreditt AS

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

2024 NOK THOUSAND	Share capital	Share premium	Other accrued equity	Total owners' equity
Equity 1 January 2024	391 500	363 500	214 212	969 212
Income for the year	0	0	79 953	79 953
Other income and expenses	0	0	0	0
Total comprehensive income for the period	0	0	79 953	79 953
Group contribution received	0	0	70 651	70 651
Group contribution made	0	0	-90 578	-90 578
Total transactions with the owners	0	0	-19 927	-19 927
Equity 31 December 2024	391 500	363 500	274 237	1 029 237

Statement of cash flow

KLP Kommunekreditt AS

NOK THOUSAND	2025	2024
OPERATIONAL ACTIVITIES		
Payments received from customers - interest	969 664	978 918
Payments made on issuance of loans to customers	-4 846 912	-2 062 280
Receipts related to repayment and redemption of loans to customers	1 131 134	2 393 715
Receipts on loans from credit institutions	5 000 000	6 250 000
Repayments and redemption of securities debt	-5 000 000	-5 000 000
Change in securities debt, own funds	1 955 156	333 063
Net payment of interest on loans credit institutions	-990 564	-951 937
Receipts in internal funding	4 600 000	1 500 000
Disbursements in internal funding	-4 650 000	-1 250 000
Net payment of interest on internal funding	-67 102	-33 070
Payments on the purchase of securities	-3 380 462	-3 520 132
Receipts on sale of securities	5 103 054	1 449 349
Receipts of interest from securities	89 818	101 362
Disbursements on operations	-21 369	-21 719
Net receipts/disbursements from operating activities	-14 455	-12 032
Interest from credit institutions	33 758	23 675
Net cash flow from operating activities	-88 281	178 912
INVESTMENT ACTIVITIES		
Net cash flow from investment activities	0	0
FINANCING ACTIVITIES		
Payment on group contribution	-17 321	-19 927
Net cash flows from financing activities	-17 321	-19 927
Net cash flow during the period	-105 601	158 985
Cash and cash equivalents at the start of the period	694 341	535 356
Cash and cash equivalents at the end of the period	588 740	694 341
Net receipts/disbursements	-105 601	158 985
Liquidity holdings comprise:		
Deposits with and receivables from banks with no agreed term	588 740	694 341
Total liquidity holdings at the end of the reporting period	588 740	694 341
Total interest received	1 093 240	1 103 956
Total interest paid	-1 057 666	-985 007

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 2025 –31 December 2025.

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 2024 please see the annual report for further information.

Note 3 Net interest income

NOK THOUSAND	Q4 2025	Q4 2024	2025	2024
Interest income on loans to customers	255 498	236 488	997 605	961 196
Interest income on loans to credit institutions	8 086	6 642	33 758	23 675
Total interest income, effective interest method	263 584	243 130	1 031 363	984 871
Interest income on fixed-income securities	13 546	50 463	97 875	116 937
Other interest income	42 746	40 061	163 393	152 731
Total other interest income	56 292	90 523	261 267	269 668
Total interest income	319 876	333 653	1 292 631	1 254 539
Interest expenses on debt from KLP Banken AS	-7 741	-8 149	-66 983	-33 323
Interest expenses on issued securities	-254 794	-266 926	-987 827	-984 629
Total interest expenses, effective interest method	-262 535	-275 075	-1 054 810	-1 017 952
Other interest expenses	-44 201	-32 764	-147 163	-128 028
Total other interest expenses	-44 201	-32 764	-147 163	-128 028
Total interest expenses	-306 736	-307 838	-1 201 973	-1 145 980
Net interest income	13 140	25 814	90 658	108 559

Note 4 Loans to customers

NOK THOUSAND	31.12.2025	31.12.2024
Principal on lending	22 338 082	18 594 965
Write-downs	-213	-177
Accrued interest	203 118	175 177
Fair value hedging	-51 333	-81 984
Loans to and receivables from customers	22 489 653	18 687 981

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	31.12.2025		31.12.2024	
	Capitalized value	Fair value	Capitalized value	Fair value
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS				
Fixed-income securities	1 873 879	1 873 879	3 587 455	3 587 455
Financial derivatives	52 603	52 603	83 757	83 757
Total financial assets at fair value through profit and loss	1 926 483	1 926 483	3 671 212	3 671 212
FINANCIAL ASSETS FAIR VALUE HEDGING AT AMORTIZED COST				
Lending to Norwegian municipalities	2 635 076	2 667 580	1 921 836	1 936 594
Total financial assets fair value hedging at amortized cost	2 635 076	2 667 580	1 921 836	1 936 594
FINANCIAL ASSETS AT AMORTIZED COST				
Loans to and receivables from credit institutions	600 019	600 019	705 779	705 779
Lending to Norwegian municipalities	19 854 577	19 854 577	16 766 145	16 766 145
Total financial assets at amortized cost	20 454 595	20 454 595	17 471 924	17 471 924
Total financial assets	25 016 154	25 048 658	23 064 972	23 079 730
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS				
Financial derivatives	20 909	20 909	38 057	38 057
Total financial liabilities at fair value through profit and loss	20 909	20 909	38 057	38 057
FINANCIAL LIABILITIES FAIR VALUE AT HEDGING AMORTIZED COST				
Covered bonds issued	2 203 168	2 220 402	1 679 351	1 691 807
Total financial liabilities fair value hedging amortized cost	2 203 168	2 220 402	1 679 351	1 691 807
FINANCIAL LIABILITIES AT AMORTIZED COST				
Liabilities to credit institutions	901 704	901 704	951 824	951 824
Covered bonds issued	20 749 694	20 836 007	19 297 182	19 343 808
Total financial liabilities at amortized cost	21 651 398	21 737 712	20 249 006	20 295 632
Total financial liabilities	23 875 475	23 979 023	21 966 414	22 025 497

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

31.12.2025 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

31.12.2024 NOK THOUSAND	Level 1	Level 2	Level 3	Total
ASSETS BOOKED AT FAIR VALUE				
Fixed-income securities	99 103	3 488 353	0	3 587 455
Financial derivatives	0	83 757	0	83 757
Total assets at fair value	99 103	3 572 109	0	3 671 212
LIABILITIES BOOKED AT FAIR VALUE				
Financial derivatives (liabilities)	0	38 057	0	38 057
Total financial liabilities at fair value	0	38 057	0	38 057

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	31.12.2025	31.12.2024
Bond debt, nominal amount	22 950 000	22 950 000
Adjustments	-22 196	-42 953
Accrued interest	178 058	183 486
Own holdings, nominal amount	-153 000	-2 114 000
Total debt securities issued	22 952 861	20 976 533
Interest rate on borrowings through the issuance of securities on the reporting date:	4.63%	5.10%
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 31.12.2024	Issued	Matured/ redeemed	Other adjustments	Balance sheet 31.12.2025
Bond debt, nominal amount	22 950 000	5 000 000	-5 000 000	0	22 950 000
Adjustments	-42 953	0	0	20 756	-22 196
Accrued interest	183 486	0	0	-5 428	178 058
Own holdings, nominal amount	-2 114 000	0	1 961 000	0	-153 000
Total debt securities issued	20 976 533	5 000 000	-3 039 000	15 328	22 952 861

Note 8 Over-collateralisation

NOK THOUSAND	31.12.2025	31.12.2024
SECURITY POOL		
Loans to customers	22 522 408	18 715 951
Financial derivatives (net)	31 676	45 704
Additional collateral ¹	1 799 804	5 886 869
Total security pool	24 353 888	24 648 525
Outstanding covered bonds incl. own funds and premium/discount	23 211 017	23 158 712
Coverage of the security pool	104.9%	106.4 %

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

31.12.2025 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.

31.12.2024 NOK THOUSAND				
	Due date	Nominal	Accrued interest	Book value
Debt to KLP Banken AS	15.12.2026	550 000	1 146	551 146
Debt to KLP Banken AS	15.12.2026	400 000	677	400 677
Total liabilities to credit institutions		950 000	1 824	951 824
Interest rate on debt to credit institutions at the reporting date:				4.69 %
The interest rate is calculated as a weighted average of the act/360 basis.				

Note 10 Financial assets and liabilities subject to net settlement

31.12.2025 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

31.12.2024 NOK THOUSAND		Related sums that are not presented net		
	Gross financial assets/liabilities	Financial instruments	Security in cash	Net recognised value
ASSETS				
Financial derivatives	83 757	-38 057	0	45 699
Total	83 757	-38 057	0	45 699
LIABILITIES				
Financial derivatives	38 057	-38 057	0	0
Total	38 057	-38 057	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 Transactions with related parties

NOK THOUSAND	31.12.2025	31.12.2024
Interest incomes	10 214	10 499
Interest expenses	-66 983	-33 323
Purchase of services	-12 712	-12 991
Other receivables	0	1 571
Bank deposits	234 590	224 376
Borrowing	-901 704	-951 824
Other debt	-341	-1 134

All transactions are against KLP Banken AS.

There are no direct salary cost in KLP Kommunekreditt 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 12 Other assets

NOK THOUSAND	31.12.2025	31.12.2024
Intercompany receivables	0	1 571
Miscellaneous receivables	581	454
Total other assets	581	2 025

Note 13 Other liabilities and provision for accrued costs

NOK THOUSAND	31.12.2025	31.12.2024
Creditors	113	113
Intercompany payables	341	1 134
Short-term balances with credit institutions	31 900	46 513
Other liabilities	581	4 960
Total other liabilities	32 935	52 720
VAT	37	0
Total accrued costs and liabilities	37	0

Note 14 Capital adequacy

NOK THOUSAND	31.12.2025	31.12.2024
Share capital and share premium fund	755 000	755 000
Other owners' equity	334 881	274 237
Total owners' equity	1 089 881	1 029 237
Adjustments due to requirements for proper valuation	-1 874	-3 587
Core capital/Tier 1 capital	1 088 007	1 025 650
Supplementary capital/Tier 2 capital	0	0
Supplementary capital/Tier 2 capital	0	0
Total eligible own funds (Tier 1 and Tier 2 capital)	1 088 007	1 025 650
Capital requirement	400 258	362 060
Surplus of own funds (Tier 1 and Tier 2 capital)	687 749	663 590
ESTIMATE BASIS CREDIT RISK:		
Institutions	116 828	148 935
Local and regional authorities	4 639 482	3 890 649
Covered bonds	71 202	272 571
Other items	581	454
Calculation basis credit risk	4 828 094	4 312 609
Credit risk	386 248	345 009
Operating risk	13 335	15 314
Credit valuation adjustment (CVA)	675	1 737
Total capital requirement assets	400 258	362 060
Core capital adequacy ratio	21.7 %	22.7 %
Supplementary capital ratio	0.0 %	0.0 %
Capital adequacy ratio	21.7 %	22.7 %
Leverage ratio	4.4 %	4.5 %

CAPITAL REQUIREMENT PER 31.12.2025	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 incl. buffers	14.0 %	3.5 %	17.5 %
Capital requirement leverage ratio	3.0 %	0.0 %	3.0 %

Note 15 Fixed-income securities

NOK THOUSAND	31.12.2025		31.12.2024	
	Acquisition cost	Fair value	Acquisition cost	Fair value
Certificates	698 952	714 434	98 925	99 103
Bonds	1 151 138	1 159 446	3 471 466	3 488 353
Total fixed-income securities	1 850 090	1 873 879	3 570 391	3 587 455

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

Note 16 **Contingent liabilities**

NOK THOUSAND	31.12.2025	31.12.2024
Loan commitment	47 040	5 242
Total contingent liabilities	47 040	5 242

Note 17 **Net gain/(loss) on financial instruments**

NOK THOUSAND	Q4 2025	Q4 2024	2025	2024
Net gain/(loss) on fixed-income securities	4 892	-6 587	12 495	-258
Net gain/(loss) financial derivatives and realized amortization linked to lending	-1 481	0	-1 481	-189
Net gain/(loss) financial derivatives and realized repurchase of own debt	-3 081	-211	-3 227	-10 001
Total net gain/(loss) on financial instruments	330	-6 798	7 787	-10 448

Note 18 **Loan loss provision**

Changes in provisions for expected losses in fourth quarter of 2025 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 fourth quarter of 2025.

Refer to Note 8 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)	31.12.2025	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3
Opening balance ECL 01.01.	177	0	0	177	180
Transfers to stage 1	0	0	0	0	0
Transfers to stage 2	0	0	0	0	0
Transfers to stage 3	0	0	0	0	0
Net changes	-9	0	0	-9	-11
New losses	65	0	0	65	24
Write-offs	-20	0	0	-20	-16
Closing balance ECL	213	0	0	213	177
Changes in the period 01.01-31.12.	36	0	0	36	-3

Book value of loans and receivables for customers - public lending

NOK THOUSAND	12 months ECL	Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	31.12.2025	31.12.2024
	stage 1	stage 2	stage 3	Total stage 1-3	Total stage 1-3
Lending 01.01.	18 770 141	0	0	18 770 141	19 087 958
Transfers to stage 1	0	0	0	0	0
Transfers to stage 2	0	0	0	0	0
Transfers to stage 3	0	0	0	0	0
Net changes	-1 015 805	0	0	-1 015 805	-1 167 223
New lending	6 845 946	0	0	6 845 946	2 529 768
Write-offs	-2 059 083	0	0	-2 059 083	-1 680 362
Lending	22 541 200	0	0	22 541 200	18 770 141
Fair value hedging	-51 333	0	0	-51 333	-81 984
Recognised loan loss provisions	-213	0	0	-213	-177
Book value of loans to public lending	22 489 653	0	0	22 489 653	18 687 981

Quarterly earnings trend

NOK MILLION	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Interest income	319.9	316.5	327.8	328.4	333.7
Interest expense	-306.7	-287.4	-305.2	-302.6	-307.8
Net interest income	13.1	29.1	22.6	25.8	25.8
Net gain/(loss) financial instruments	0.3	1.6	2.7	3.2	-6.8
Total net gain/(loss) on financial instruments	0.3	1.6	2.7	3.2	-6.8
Other operating expenses	-4.9	-6.6	-4.2	-4.8	-5.6
Total operating expenses	-4.9	-6.6	-4.2	-4.8	-5.6
Operating profit/loss before tax	8.5	24.1	21.0	24.2	13.5
Tax ordinary income	2.5	-1.0	-0.3	-1.0	2.0
Profit for the period	11.0	23.1	20.7	23.2	15.5

Key figures - accumulated

NOK MILLION	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Pre-tax income	77.7	69.2	45.2	24.2	77.0
Net interest income	90.7	77.5	48.4	25.8	108.6
Other operating income	0.0	0.0	0.0	0.0	0.0
Other operating cost	-20.7	-15.7	-9.1	-4.8	-21.2
Net gain/(loss) financial instruments	7.8	7.5	5.9	3.2	-10.4
Lending with public sector guarantee	22 489.7	20 634.8	19 750.6	19 419.2	18 688.0
Non-performing loans	0.0	0.0	0.0	0.0	0.0
Total liabilities created on issuance of securities	22 952.9	19 667.5	19 124.0	20 985.7	20 976.5
Other borrowing	901.7	1 653.3	2 054.0	1 552.9	951.8
Total assets	25 016.7	22 537.3	22 345.9	23 668.9	23 067.0
Average total assets	24 041.9	22 802.1	22 706.4	23 368.0	22 127.6
Equity	1 089.9	1 078.9	1 055.8	1 035.1	1 029.2
Interest net	0.38 %	0.34 %	0.21 %	0.11 %	0.49 %
Profit/loss from ordinary operation before taxes	0.32 %	0.30 %	0.20 %	0.10 %	0.35 %
Return on equity	7.55 %	8.97 %	8.78 %	9.39 %	7.94 %
Capital adequacy ratio	21.7 %	21.9 %	22.2 %	21.6 %	22.7 %
Liquidity coverage ratio (LCR)	2 265 %	873 %	747 %	368 %	1 113 %

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