

Q1 2019 Presentation KLP Banken Group

Q1 2019 - financial highlights and cover pool



KLP

Content

- Financial highlights
- Cover Pool Report – KLP Boligkreditt AS
- Cover Pool Report – KLP Kommunekreditt AS



Overview - group

Profitability

NOK MILLIONS, YTD	Q1 2019	Q1 2018
Profit before tax	24	24
Total income	85	83
Operating expenses	56	56
ROE, annualised b.t.	18,0 %	18,3 %

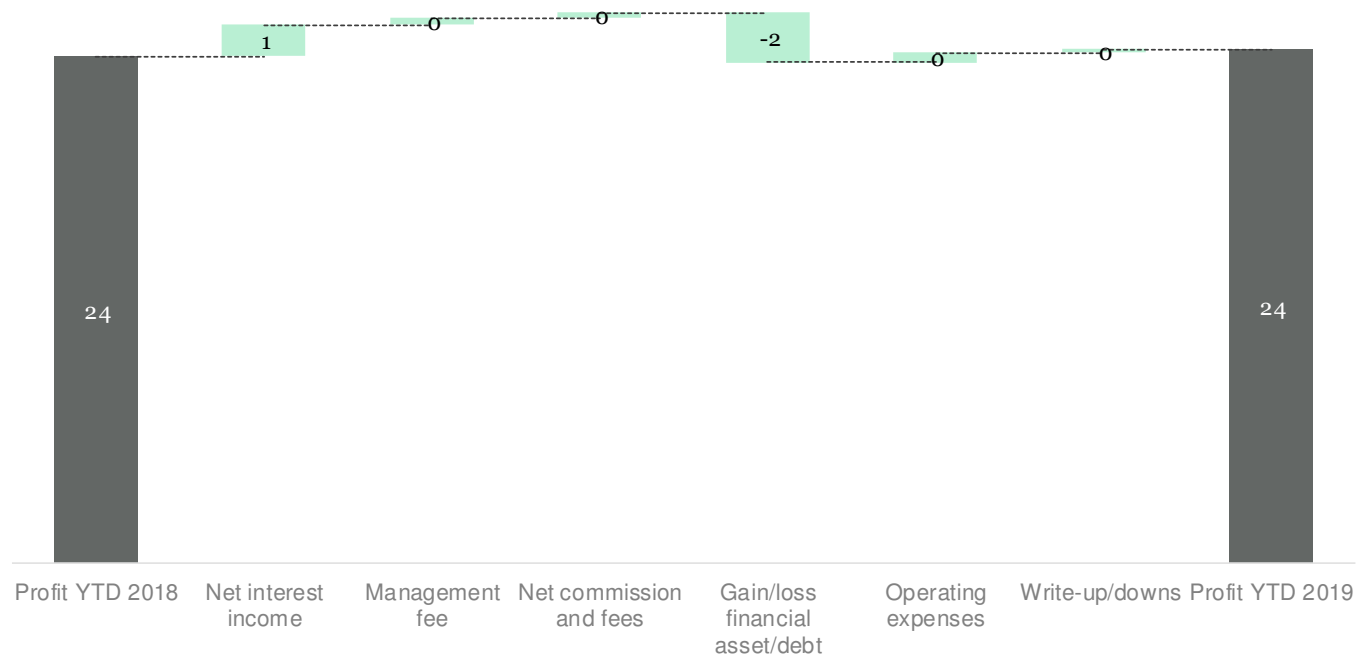
Balance sheet

NOK MILLIONS	31.03.2019	31.03.2018
Mortgage loans	17,0	15,1
Public sector loans	16,5	15,9
Customer deposits	11,0	9,7
Capital adequacy (CET 1)	19,0 %	20,6 %

Profit development

Group profit before tax

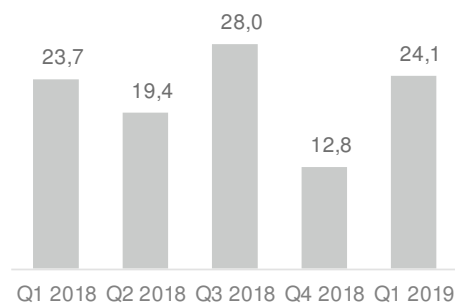
NOK millions, YTD this year vs. YTD last year



Profit development

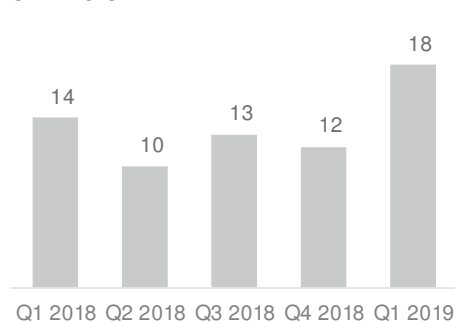
Group PBT

NOK millions



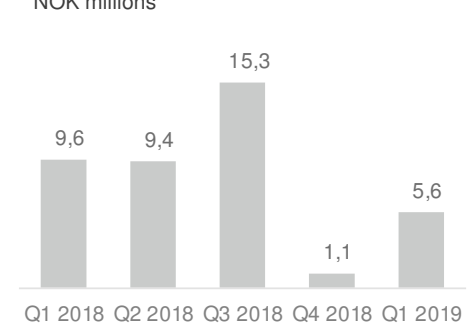
Retail market PBT

NOK millions



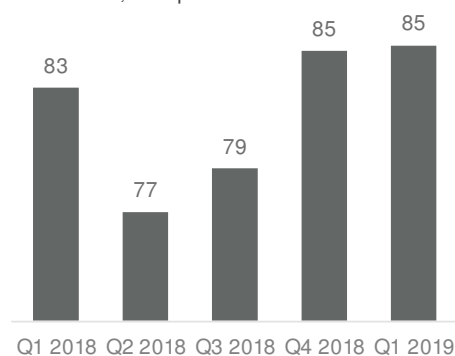
Public sector PBT

NOK millions



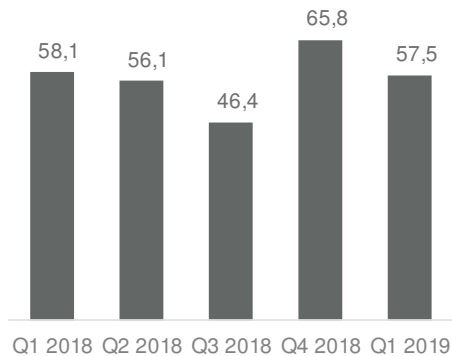
Total income

NOK millions, Group



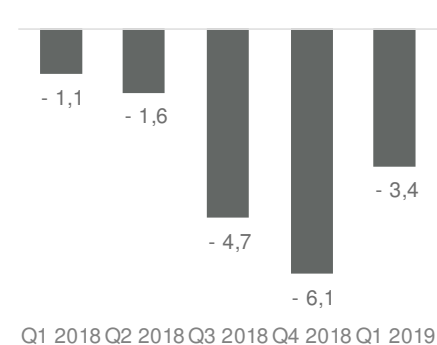
Operating expenses

NOK millions, Group



Financial gains/losses

NOK millions, Group



Profit development

Delinquent loans, mortgage and public sector

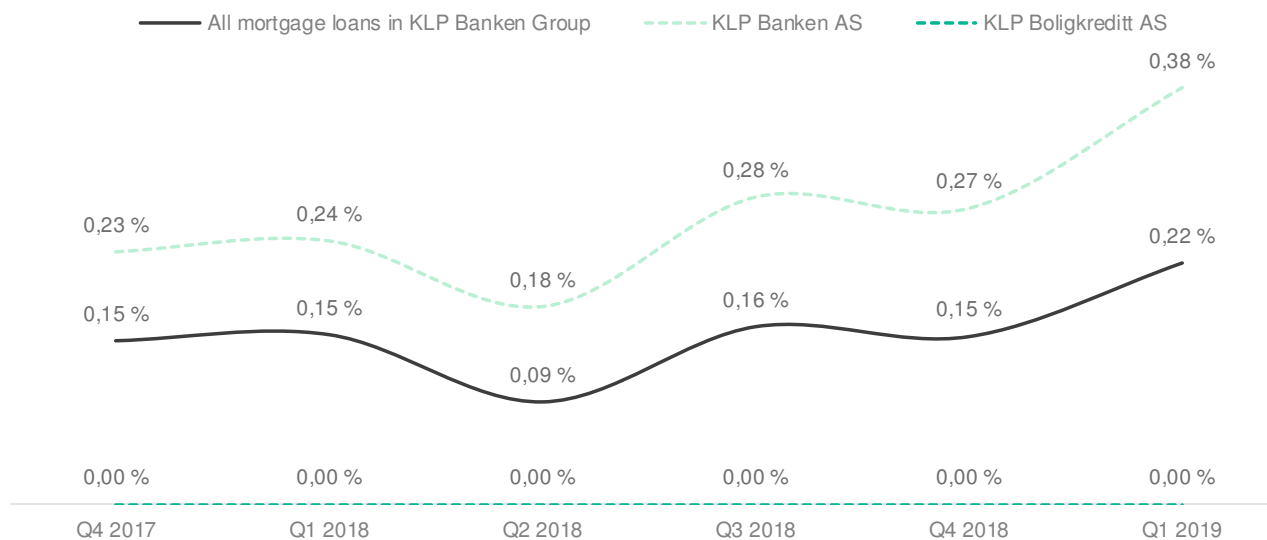
NOK MILLIONS	31.03.2019
Delinquencies in % of Group total lending	0,18 %

Loss provisions

NOK MILLIONS	2017	2018	2019
Mortgage loans	3	7	2
Public sector loans	-	-0,0	-0,0

Retail loan delinquencies

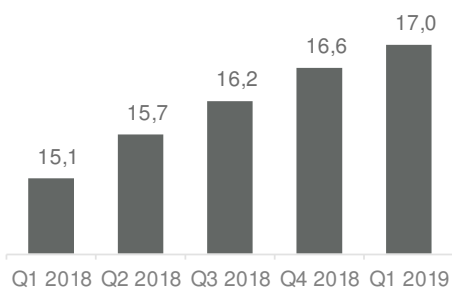
>90 days, % of company total lending balance



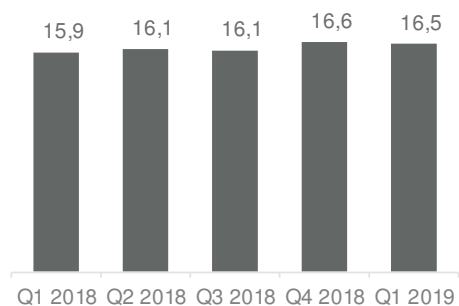
Business volumes

NOK BILLIONS	MORTGAGE LOANS	PUBLIC SECTOR LOANS	CUSTOMER DEPOSITS*
KLP Banken AS	9,8		11,0
KLP Boligkreditt AS	7,1		
KLP Kommunekreditt AS		16,5	
Total	17,0	16,5	11,0

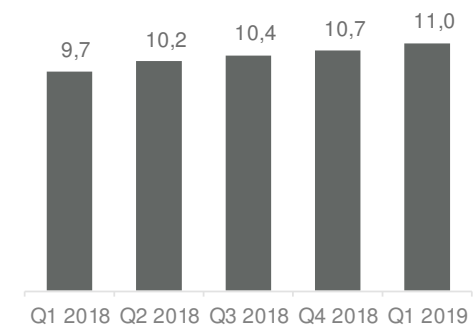
Mortgage loans
NOK billions



Public sector loans
NOK billions



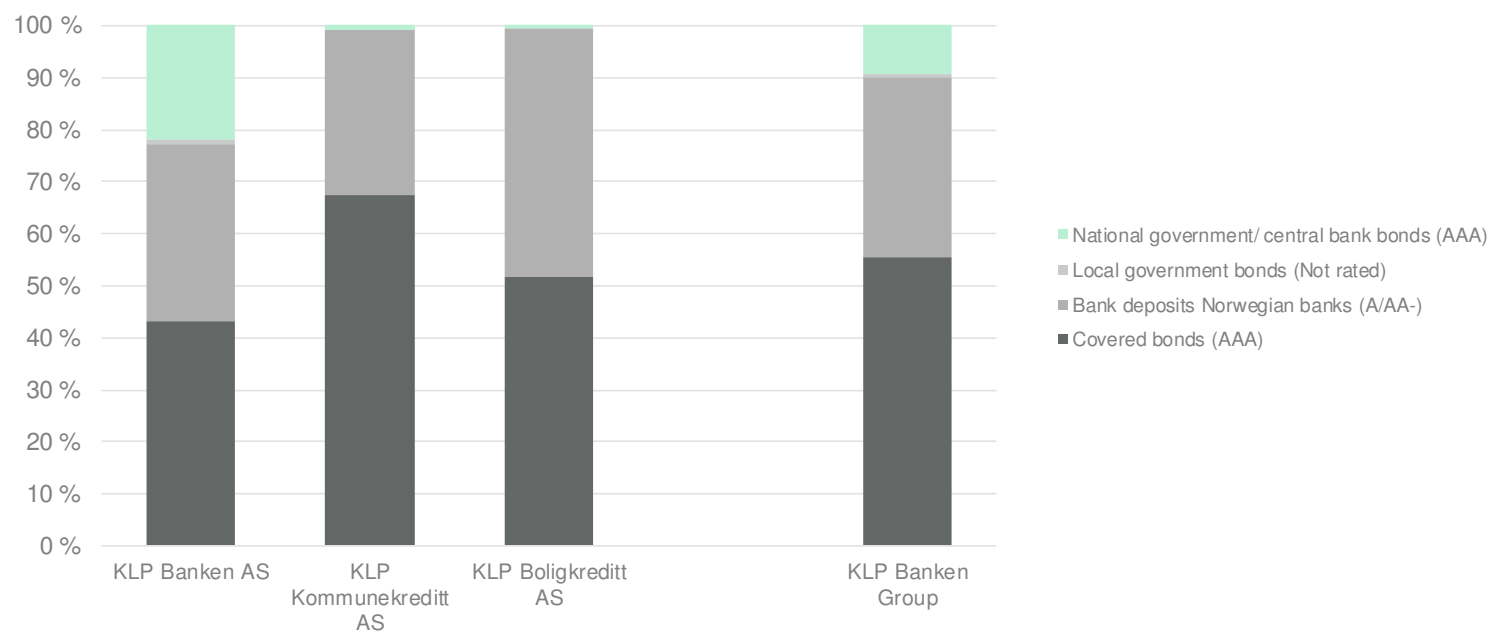
Deposits
NOK billions



Liquidity placements

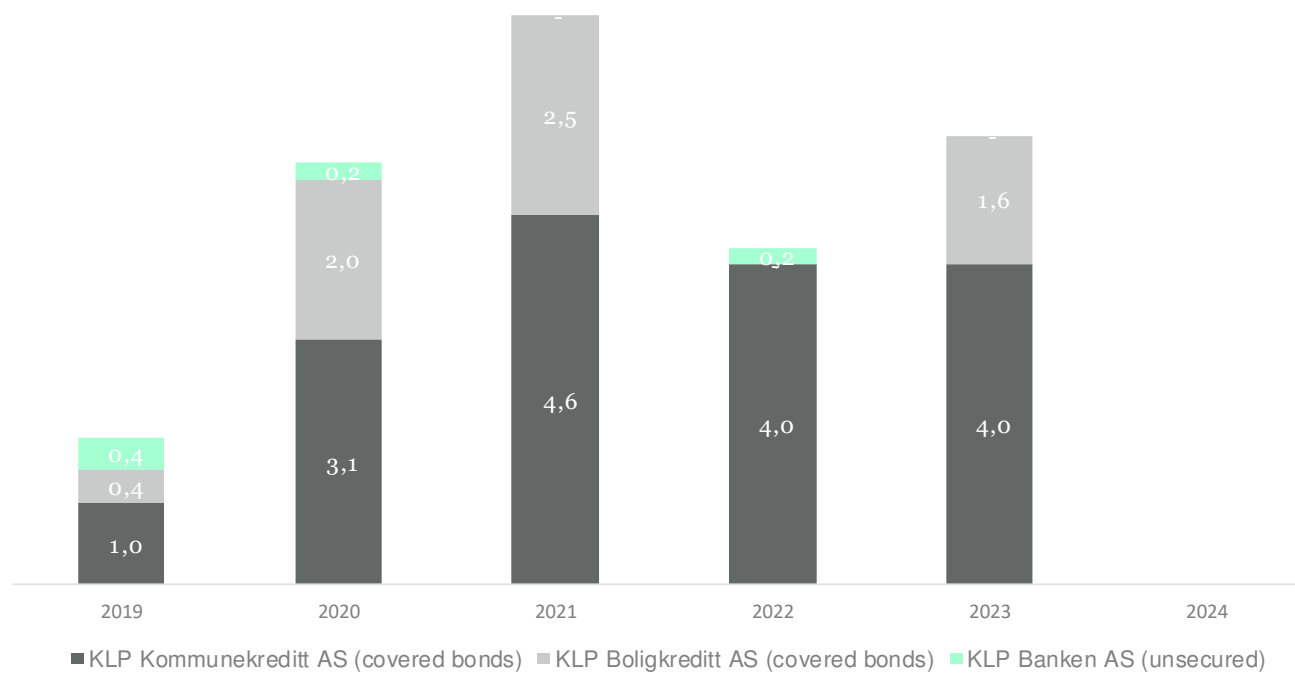
Composition of liquidity placements

Quarter end



Issued bond debt

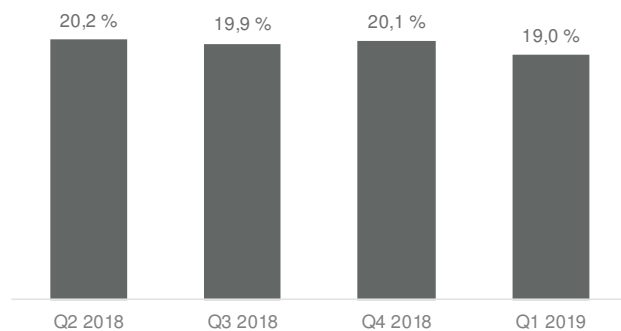
Maturity profile of issued bond debt
NOK billions



Core capital adequacy

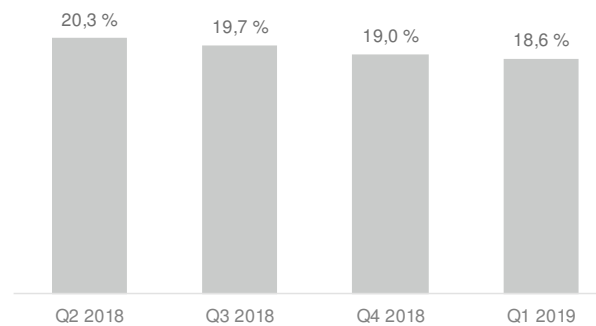
KLP Banken Group

CET1



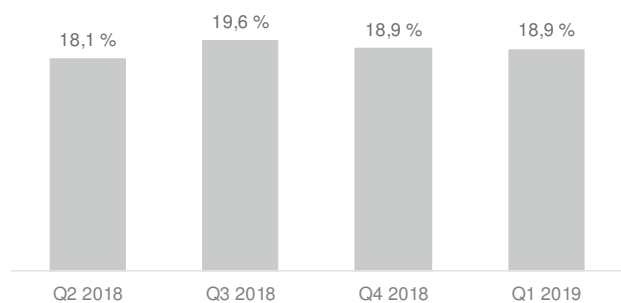
KLP Banken AS

CET1



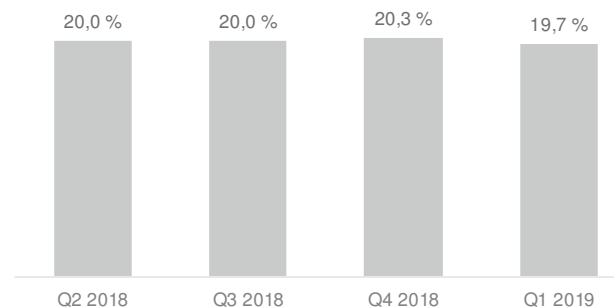
KLP Boligkreditt AS

CET1



KLP Kommunekreditt AS

CET1



P&Ls

KLP Banken Group

NOK MILLIONS, YTD	Q1 2019	Q1 2018	2018
Net interest income	66	65	249
Management fee	15	14	58
Net commission and fees	4	4	17
Gain/loss financial asset/debt	-3	-1	-12
Operating expenses	-56	-56	-220
Write-up/downs	-2	-2	-7
Earnings before tax	24	24	85

KLP Banken AS

NOK MILLIONS, YTD	Q1 2019	Q1 2018	2018
Net interest income	36	33	128
Management fee	15	14	58
Net commission and fees	4	4	17
Gain/loss financial asset/debt	2	2	-2
Operating expenses	-40	-41	-159
Write-up/downs	-2	-2	-7
Earnings before tax	15	10	36

Numbers do not include effects from group contribution

KLP Boligkreditt AS

NOK MILLIONS, YTD	Q1 2019	Q1 2018	2018
Net interest income	16	13	55
Gain/loss financial asset/debt	0	1	-1
Other income	-	-0	-0
Operating expenses	-11	-10	-45
Earnings before tax	5	4	9

KLP Kommunekreditt AS

NOK MILLIONS, YTD	Q1 2019	Q1 2018	2018
Net interest income	14	19	66
Gain/loss financial asset/debt	-6	-4	-12
Other income	-	0	-0
Operating expenses	-5	-5	-16
Earnings before tax	4	10	37



Balance sheets

KLP Banken Group

NOK MILLIONS	31.05.2019	30.06.2018	31.12.2018
Lending to credit institutions	1 120	1 485	1 439
Loans to customers	33 645	32 046	33 474
Interest bearing securities	3 555	2 108	2 015
Other assets	149	178	160
Total assets	38 468	35 817	37 089
Borrowing from credit inst.	-	-	-
Bond debt	25 009	23 084	24 040
Deposits	11 084	10 218	10 662
Other debt	213	407	249
Total liabilities	36 306	33 709	34 951
Equity	2 162	2 108	2 138
Total liabilities and equity	38 468	35 817	37 089

KLP Boligkreditt AS

NOK MILLIONS	31.05.2019	30.06.2018	31.12.2018
Lending to credit institutions	334	147	148
Loans to customers	7 264	7 560	7 228
Interest bearing securities	288	5	288
Other assets	1	9	4
Total assets	7 887	7 721	7 669
Borrowing from credit inst.	854	1 506	1 037
Bond debt	6 516	5 703	6 116
Deposits	-	-	-
Other debt	4	5	8
Total liabilities	7 375	7 215	7 161
Equity	512	506	508
Total liabilities and equity	7 887	7 721	7 669

KLP Banken AS

NOK MILLIONS	31.03.2019	31.03.2018	31.12.2018
Lending to credit institutions	1 752	1 383	2 108
Loans to customers	9 890	9 786	9 488
Interest bearing securities	1 238	996	1 000
Other assets	1 270	1 117	1 272
Total assets	14 150	13 283	13 868
Borrowing from credit inst.	-	-	-
Bond debt	859	1 438	1 015
Deposits	11 031	9 733	10 662
Other debt	204	87	146
Total liabilities	12 095	11 257	11 822
Equity	2 055	2 026	2 045
Total liabilities and equity	14 150	13 283	13 868

KLP Kommunekreditt AS

NOK MILLIONS	31.03.2019	31.03.2018	31.12.2018
Lending to credit institutions	718	242	650
Loans to customers	16 660	16 091	16 759
Interest bearing securities	1 545	1 540	727
Other assets	83	92	71
Total assets	19 007	17 966	18 206
Borrowing from credit inst.	380	275	430
Bond debt	17 277	16 804	16 909
Deposits	-	-	-
Other debt	596	158	117
Total liabilities	18 254	17 237	17 456
Equity	753	729	750
Total liabilities and equity	19 007	17 966	18 206



Content

- Financial highlights
- Cover Pool Report – KLP Boligkreditt AS
- Cover Pool Report – KLP Kommunekreditt AS



Overview

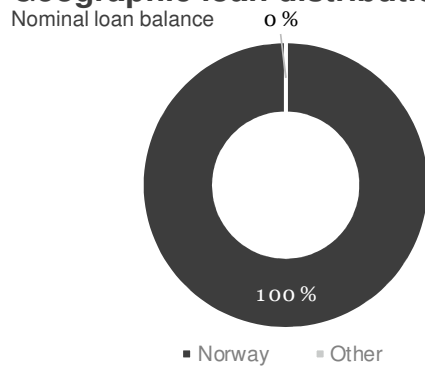
Key data

NOK MILLIONS	31.03.2019
Total loan balance	6 981 446 992
Bank deposits	264 833 837
Norwegian AAA-rated covered bonds	683 000 000
Total cover pool	7 929 280 828
Covered bonds issued	6 908 000 000
Over-collateralisation	14,8 %
No. of loans	5 585
Average loan balance	1 250 035
WA Seasoning (months)	47,6
WA Remaining terms (months)	258,7
WA Indexed LTV	52,6 %
WA Unindexed LTV	50,6 %
Percentage variable mortgages	100,0 %

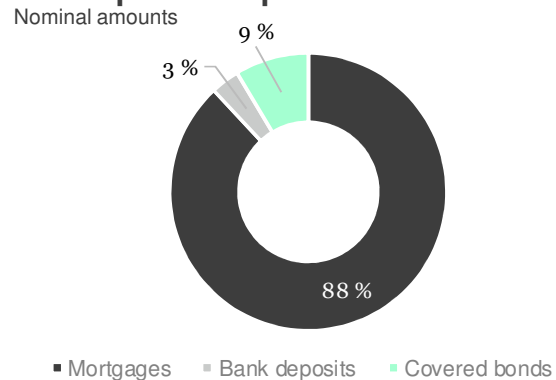
Ratings

CURRENT RATING	Moody's
KLP Banken AS	A2
KLP Boligkreditt covered bond rating	Aaa

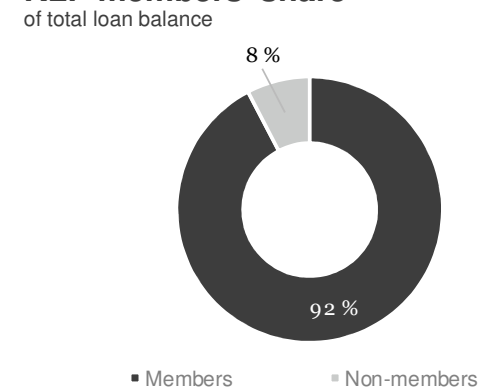
Geographic loan distribution



Cover pool composition



KLP members' share



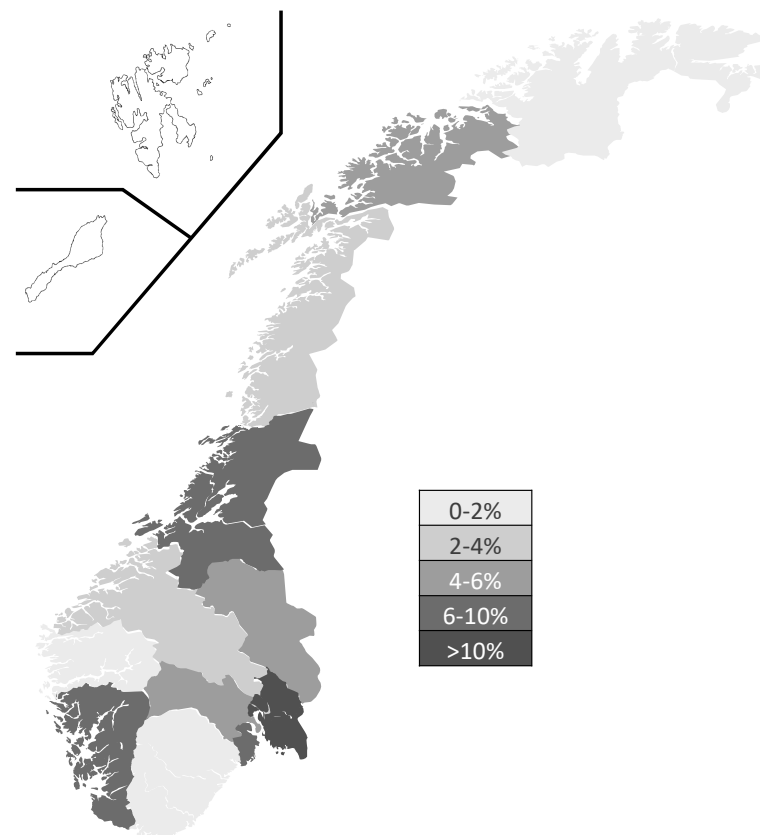
Geographical distribution

Geographical mortgage distribution

COUNTY	NOK
Akershus	1 345 768 357
Østfold	802 971 284
Oslo	756 525 601
Hordaland	576 530 386
Vestfold	520 956 823
Rogaland	462 897 327
Trøndelag	427 177 259
Buskerud	374 456 866
Troms	289 322 634
Hedmark	288 809 941
Nordland	263 185 302
Møre og Romsdal	245 744 689
Oppland	194 091 683
Telemark	139 114 262
Finnmark	96 985 058
Vest-Agder	90 498 703
Aust-Agder	70 502 765
Sogn og fjordane	35 190 036
Svalbard	718 016
Total loan balance	6 981 446 992

Geographical loan distribution

% of total loan balance



Loan-to-value

Unindexed LTV distribution

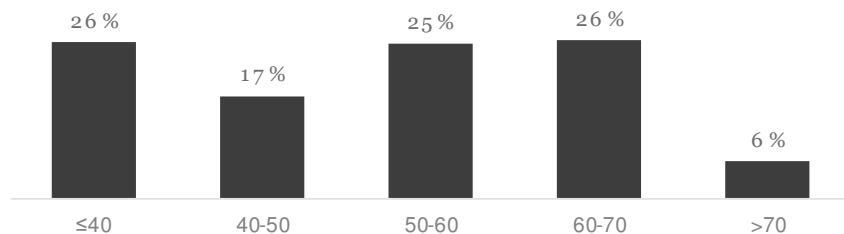
LTV INTERVAL	NOK
≤40	1 793 479 956
40-50	1 176 261 178
50-60	1 777 547 648
60-70	1 805 130 975
>70	429 027 236
Total loan balance	6 981 446 992

Indexed LTV distribution

LTV INTERVAL	NOK
≤40	1 445 198 380
40-50	1 157 336 061
50-60	1 839 971 241
60-70	1 998 964 638
>70	539 976 671
Total loan balance	6 981 446 992

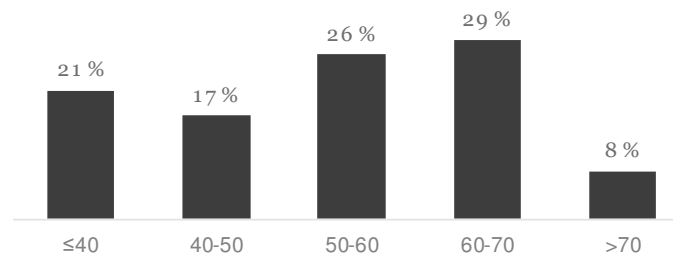
LTV-distribution

Unindexed, % of total



LTV-distribution

Indexed, % of total



Seasoning

Remaining terms

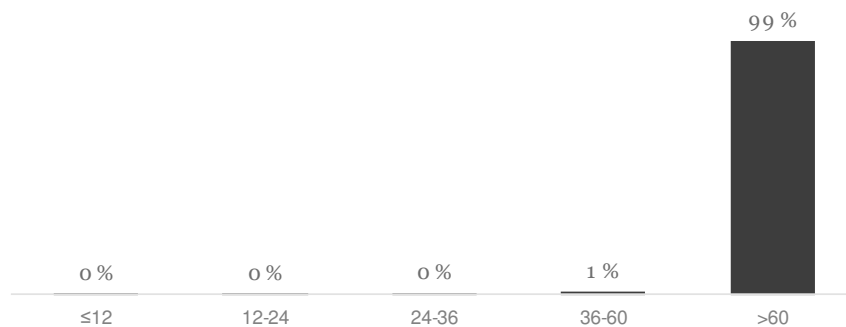
MONTHS	NOK
≤12	3 573 084
12-24	9 429 216
24-36	19 136 108
36-60	72 489 135
>60	6 876 819 449
Total loan balance	6 981 446 992

Seasoning

MONTHS	NOK
≤12	1 210 181 820
12-24	1 542 523 172
24-36	1 068 249 317
36-60	1 466 379 139
>60	1 694 113 543
Total loan balance	6 981 446 992

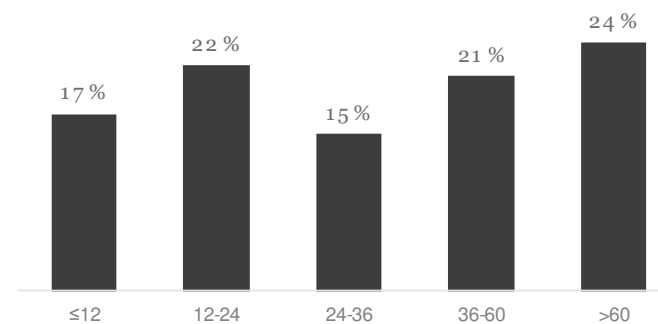
Remaining terms

Months, % of total



Seasoning

Months, % of total



Interest and repayment

Interest rate structure

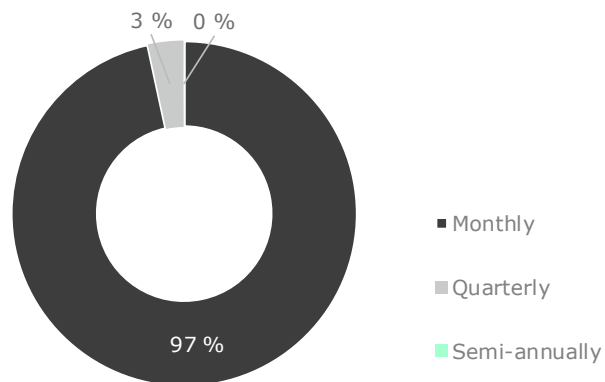
FREQUENCY	NOK
Monthly	6 747 135 687
Quarterly	226 691 578
Semi-annually	7 619 727
Total loan balance	6 981 446 992

Repayment structure

TYPE	NOK
Annuity	6 772 181 984
Constant amortisation	209 265 008
Total loan balance	6 981 446 992

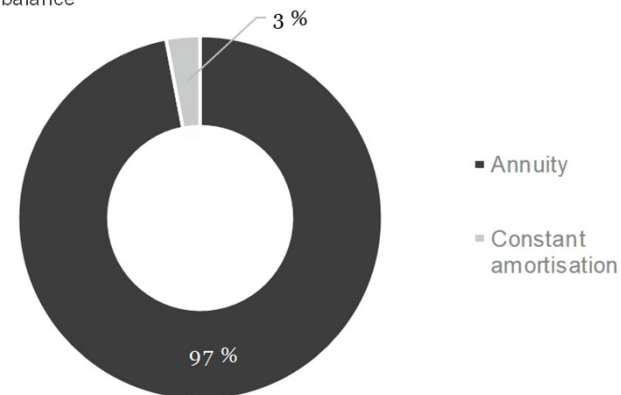
Interest payment frequency

% of total loan balance



Payment profile

% of total loan balance



Delinquencies

NOK	LOAN BALANCE	AMOUNT IN ARREARS	LOAN BALANCE IN % OF COVER POOL LOANS
7< >30 days	65 920 007	194 965	0,9 %
30< >90 days	-	-	0,0 %
>90 days	-	-	0,0 %
Total	65 920 007	194 965	0,9 %

Content

- Financial highlights
- Cover Pool Report – KLP Boligkreditt AS
- Cover Pool Report – KLP Kommunekreditt AS



Overview

Key data	
Amounts in NOK	31.03.2019
Total nominal loan balance	16 537 396 159
Bank deposits	717 219 720
AAA-rated bonds	2 099 000 000
Total cover pool	19 353 615 879
Covered bonds issued	18 343 000 000
Over-collateralisation	5,5 %
No. of loans	737
Average loan size	22 438 801
WA life (years)	12
WA Remaining terms (months)	256
Largest debtor/guarantor (in % of pool)	3,3 %

All loans are either made directly to or are guaranteed by Norwegian municipalities or county administrations.

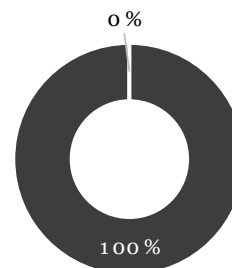
The pool only includes loans with an unconditional and irrevocable on-demand guarantee of payment covering both interest and principal.

All covered bonds are issued in NOK.

KLP KOMMUNEKREDITT AS RATINGS	Moody's
Covered bond rating	Aaa

Geographic loan distribution

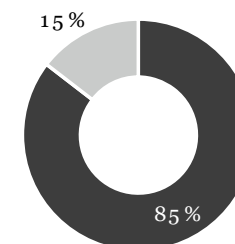
Nominal loan balance



■ Norway ■ Others

Cover pool composition

Nominal amounts



■ Public sector loans ■ Substitution assets

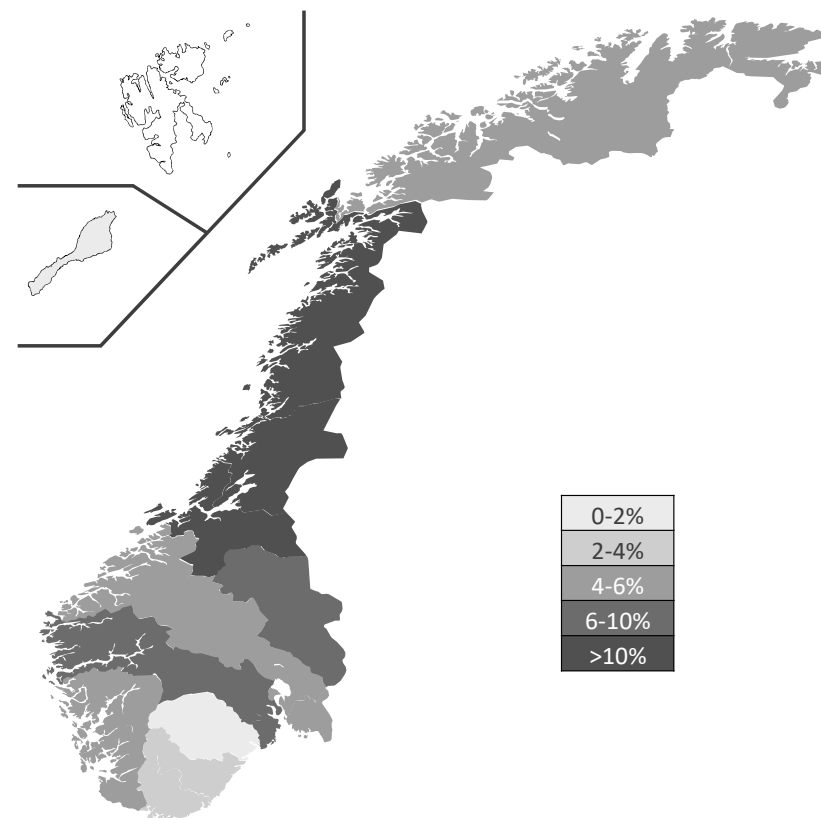
Geographical distribution

Geographical distribution

COUNTY	NOK
Trøndelag	2 158 981 551
Nordland	1 972 101 896
Vestfold	1 439 474 444
Buskerud	1 373 442 742
Hedmark	1 281 802 713
Sogn og Fjordane	1 024 627 418
Møre og Romsdal	888 670 647
Finnmark	869 865 825
Hordaland	854 146 621
Rogaland	784 447 407
Østfold	753 711 757
Akershus	742 531 791
Oppland	721 322 481
Troms	672 575 481
Vest-Agder	458 904 934
Aust-Agder	337 976 127
Telemark	174 252 076
Svalbard	28 560 247
Oslo	-
Total loan balance	16 537 396 159

Geographical loan distribution

% of total loan balance



Debtor and collateral concentration

TOP 10 LARGEST DEBTORS NOK

Debtor 1	779 930 375
Debtor 2	564 458 320
Debtor 3	526 693 572
Debtor 4	429 000 000
Debtor 5	396 535 086
Debtor 6	337 720 150
Debtor 7	333 062 940
Debtor 8	309 615 386
Debtor 9	289 927 813
Debtor 10	273 231 994

Top 10 total loan balance **4 240 175 636**

Largest 10 in percent of total loan balance 25,6 %

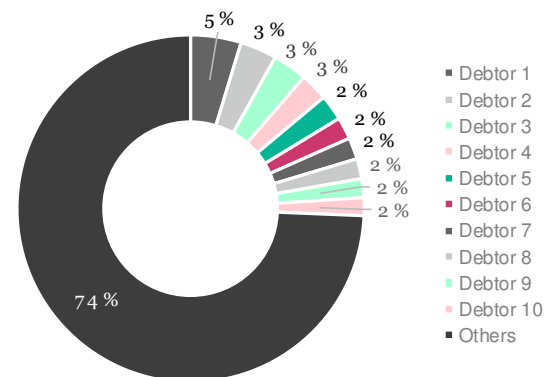
COLLATERAL TYPE NOK

Direct claim against municipality	13 827 028 020
Loan with guarantee of municipality	1 553 434 686
Loan with guarantee of county	613 424 605
Direct claim against county	543 508 847

Total loan balance **16 537 396 159**

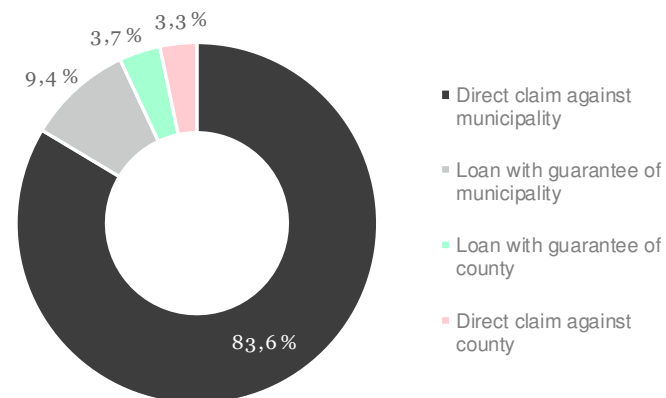
Debtor concentration

% of total loan balance



Collateral concentration

% of total loan balance



Interest and repayment structure

Repayment structure

NOK	LOAN BALANCE	SHARE	NO. OF LOANS
Constant Amortisation	14 229 357 543	86 %	683
Annuity	50 884 688	0 %	3
Partial Bullet	482 453 269	3 %	12
Bullet	1 774 700 659	11 %	39
Total	16 537 396 159	100 %	737

Loan size

NOK	LOAN BALANCE	SHARE	NO. OF LOANS
< 10 mill.	1 354 987 784	8 %	377
> 10 mill. - < 25 mill.	2 983 049 232	18 %	183
> 25 mill. - < 100 mill.	8 717 624 357	53 %	162
> 100 mill. - < 250 mill.	1 602 977 358	10 %	9
< 250 mill.	1 878 757 428	11 %	6
Total	16 537 396 159	100 %	737

Rate reset period

NOK	LOAN BALANCE	SHARE	ACC %
< 1 month	10 238 321 898	62 %	62 %
> 1 month - < 3 month	2 506 751 212	15 %	77 %
> 3 month - < 1 yr	944 173 611	6 %	83 %
> 1 yr - < 2 yr	468 100 483	3 %	86 %
> 2 yr - < 5 yr	1 708 502 814	10 %	96 %
> 5 yr	671 546 141	4 %	100 %
Total	16 537 396 159	100 %	

Interest rate type

NOK	LOAN BALANCE	SHARE	NO. OF LOANS
Variable	13 264 630 329	80 %	647
Fixed	3 272 765 829	20 %	90
Total	16 537 396 159	100 %	737

Delinquencies

NOK	LOAN BALANCE	AMOUNT IN ARREARS	LOAN BALANCE IN % OF COVER POOL LOANS
0< >30 days	2 430 000	224 846	0,0 %
30< >60 days	-	-	0,0 %
60< >90 days	-	-	0,0 %
>90 days	-	-	0,0 %
Total	2 430 000	224 846	0,0 %

Contacts

Christopher Steen

CEO KLP Boligkreditt AS / Head of Treasury KLP Banken Group

christopher.steen@klp.no

+ 47 952 24 953

Linda Bruneel

Business Controller

Linda.bruneel@klp.no

+ 47 986 23 977

Birgitte Elvrum

Business Controller

Birgitte.elvrum@klp.no

+ 47 907 74 226



Disclaimer

This material does not constitute an offering circular in whole or part and you must read the actual offering circular related to the Covered Bond program and the notes which may be issued from time to time thereunder as referred to in this material (respectively the "Program" and the "Notes") before making an investment decision. The offering circular for the Program is available from the Arranger. You should consult the offering circular for more complete information about KLP Kommunekreditt AS / KLP Boligkreditt AS and the Programs.

This material is presented solely for information purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments and should not be treated as giving investment advice. It has no regard to the specific investment objectives, financial situation or particular needs of any recipient. No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein. It should not be regarded by recipients as a substitute for the exercise of own judgment. Any opinions expressed in this material are subject to change without notice and KLP Kommunekreditt AS / KLP Boligkreditt AS is not under any obligation to update or keep current the information contained herein. In addition, institutions mentioned in this material, their affiliates, agents, directors, partners and employees may make purchases and/or sales of the Notes as principal or agent or may act as market maker or provide investment banking or other services in respect of the Program or the Notes which may be issued from time to time thereunder. KLP Kommunekreditt AS / KLP Boligkreditt AS, the Arranger and the Dealers and their respective affiliates, agents, directors, partners and employees accept no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this material.

KLP Kommunekreditt AS / KLP Boligkreditt AS cannot guarantee that the information contained herein is without fault or entirely accurate. The information in this material is based on sources that KLP Kommunekreditt AS / KLP Boligkreditt AS believes to be reliable. KLP Kommunekreditt AS / KLP Boligkreditt AS can however not guarantee that all the information is correct. Furthermore, information and opinions may change without notice. KLP Kommunekreditt AS / KLP Boligkreditt AS is under no obligation to make amendments or changes to this publication if errors are found or opinions or information change. KLP Kommunekreditt AS / KLP Boligkreditt AS accepts no responsibility for the accuracy of its sources.

The Notes are not to be offered or sold in any jurisdiction in circumstances in which the distribution of this document or the Notes would be prohibited in such jurisdiction. This document must not be acted on or relied on by persons who are not eligible to invest in the Notes. Any investment or investment activity to which this communication relates is available only to persons eligible to invest in the Notes and will be engaged in only with such persons.

Furthermore, you should consult with your own legal, regulatory, tax, business, investment, financial and accounting advisers to the extent that you deem it necessary, and make your own investment, hedging and trading decisions (including decisions regarding the suitability of an investment in the Notes which may be offered from time to time under the Program) based upon your own judgment and advice from such advisers as you deem necessary, and not upon any view expressed in this presentation.



ALP