

**Report for 1st quarter
2026**

KBN

Kommunalbanken AS

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About KBN

With total assets of over NOK 500 billion, Kommunalbanken AS (KBN) is one of the largest financial institutions in Norway. KBN provides loans to municipalities, county authorities and companies with municipal guarantee that carry out local government tasks. Our ambition is to contribute to the development of sustainable communities.

KBN is 100% owned by the Norwegian state. KBN was first established in 1927 and is today the largest lender to the local government sector.

Our total financing* of the sector is in excess of
NOK 386bn

We finance the local communities of tomorrow

KBN has a strong market position and seeks to use this to promote communities that are sustainable, both economically, socially and environmentally. We are committed to ensuring municipalities make future oriented choices when investing, and we offer a slightly lower interest rate on loans for projects that are ambitious from a climate perspective. We also use some of our resources to improve knowledge of interest rates, as well as economy and debt management, and climate change and risk for municipalities' elected representatives and administrative teams.

One of the largest Norwegian borrowers

KBN finances its lending to the local government sector by borrowing money directly in the capital markets. KBN is today one of the largest Norwegian borrowers in the international capital markets, with a yearly borrowing program of around NOK 100 billion. KBNs green bonds finance the transition to a low-carbon, climate resilient future in Norwegian local societies. KBN has more than ten years' history as an issuer of green bonds.

AAA-rating

KBN has a conservative risk profile and is one of the few AAA-rated financial institutions in the world. KBN has never suffered any losses on its lending. As a state-owned company with a public mandate, strong capital base, robust operations and low risk appetite, KBN holds the highest possible credit rating from both Standard and Poor's and Moody's.

* Aggregate customer financing is the sum of KBN's lending portfolio and KBN's portfolio of municipal bonds in the liquidity portfolio, which are included as a part of KBN's financing of customers.

Key figures

(Amounts in NOK 1 000 000)	1st quarter 2026	1st quarter 2025	2025
RESULTS			
Net interest income	593	552	2 466
Core earnings ¹	317	292	1 381
Profit after tax	351	437	1 894
Cost/income ratio (percent) ²	17.5 %	18.6 %	18.4 %
Return on equity after tax ³	6.4 %	8.5 %	9.5 %
Return on equity after tax (core earnings) ⁴	6.5 %	6.3 %	7.6 %
Return on assets after tax ⁵	0.3 %	0.3 %	0.4 %
LOANS TO CUSTOMERS			
New disbursements	12 539	13 936	42 907
Aggregate loans to customers ⁶	374 135	373 942	374 007
Aggregate customer financing ⁷	386 250	379 674	384 400
12 month lending growth in percent ⁸	0.1 %	4.7 %	1.1 %
12 month aggregate financing growth in percent ⁹	1.7 %	6.3 %	2.4 %
Green loans to customers ¹⁰	75 374	72	75 733
Share of green loans in lending portfolio	21%	20%	21%
Share of municipalities with green loans ¹¹	46%	45%	46%
LIQUIDITY PORTFOLIO⁶	121 178	134 408	119 235
DEBT SECURITIES ISSUED			
New long-term debt securities issued	37 865	60 401	128 049
Green debt securities issued ⁶	48 446	44 170	51 120
Aggregate debt securities issued ⁶	467 771	485 529	482 652
TOTAL ASSETS	534 298	556 258	533 239
EQUITY			
Equity	23 031	22 494	22 954
Common equity Tier 1 capital adequacy ratio	19.0 %	17.6 %	19.0 %
Leverage ratio	4.3 %	4.0 %	4.2 %
LIQUIDITY COVERAGE RATIO (LCR)¹²			
Total	258%	226%	228%
NOK	80%	93%	109%
EUR	259%	294%	298%
USD	203%	178%	212%
OTHER KEY FIGURES			
Market share excl. Husbanken ¹³	47.4 %	48.5 %	48.2 %
Market share overall financing of customers excl. Husbanken ¹⁴	49.0 %	49.6 %	49.7 %
Percentage of women employed in KBN	35 %	34 %	34 %
Emissions in tons CO ₂ equivalents ¹⁵	9.9	5.3	52.0

Footnotes

¹ Profit after tax adjusted for net unrealised gain/(loss) on financial instruments (in accordance with note 2) adjusted for estimated tax at 25% tax rate, and adjusted for Portion allocated to owners of additional Tier 1 capital. This result measure is included to give relevant information about the company's underlying operations.

² Operating expenses as a percentage of sum Net interest income and Total other operating income adjusted for Net unrealised gain/(loss) on financial instruments (in accordance with note 2).

³ Share of the Profit for the year allocated to shareholders as a percentage of average equity (annualized). Average equity is calculated based on monthly equity, not including Profit for the year, less dividends from the time the dividends are paid out, as well as addition or reduction of the company's share capital during the year.

⁴ Core earnings as a percentage of average equity (annualized).

⁵ Share of Profit for the year allocated to shareholders as a percentage of average assets (annualized). Average assets are calculated based on monthly assets.

⁶ Principal amounts.

⁷ Principal amounts. Aggregate customer financing is the sum of KBN's lending portfolio and KBN's portfolio of municipal bonds in the liquidity portfolio, which are included as a part of KBN's financing of customers.

⁸ 12-month lending growth based on aggregate loans to customers (principal amounts).

⁹ 12-month growth based on aggregate customer financing (principal amount).

¹⁰ Aggregate green loans to customers in accordance with Green bond framework. In addition, the Bank holds small portfolio of green loans to customers that were granted prior to the introduction of the framework and are no longer financed by green bonds. Total aggregate green loans to customers are NOK 78.2 billion.

¹¹ Percentage of municipalities in KBN's lending portfolio with green loans, based on total aggregate green loans to customers.

¹² Liquidity coverage ratio (LCR) is a measure for the regulatory liquidity reserve. LCR is defined as liquid assets as a percentage of net payments in a given stress period of 30 days.

¹³ KBN's market share based on total loans to customers of sector code 6500 divided by total lending to the same sector, based on Statistics Norway's K2 reporting. Lending from Husbanken is not included as KBN does not compete for these loans.

¹⁴ KBN's market share based on total customer financing of sector code 6500 divided by total lending to the same sector, based on Statistics Norway's K2 reporting. Lending from Husbanken is not included as KBN does not compete for these loans.

¹⁵ KBN's climate accounting is based on the Greenhouse Gas Protocol Corporate Standard. Own emissions consist of calculations within scope 1 and scope 2 in this climate statement, as well as indirect emissions in scope 3 from waste management and travel activities.

See also the overview and description of alternative performance measures published on kbn.com

The Board of Directors' Report

Revenue growth in turbulent times

KBN's net interest income totalled NOK 593 million in the first quarter of 2026, compared to NOK 552 million in the same period in 2025. KBN's aggregate customer financing¹ increased with NOK 2 billion in the first quarter of 2026. The green loan portfolio remained unchanged during the quarter. Green lending represented 21 % of KBN's total lending portfolio at the end of the quarter.

Results for the quarter

KBN's core earnings² totalled NOK 317 million in the first quarter of 2026, compared to NOK 292 million in the same period in 2025. KBN's net interest income totalled NOK 593 million in the first quarter of 2026, as compared to NOK 552 million in the same period in 2025. Rising 3-month NIBOR, together with favourable conditions for converting US dollars into Norwegian kroner have contributed positively to the KBN's net interest income. Norges Bank kept its key policy rate unchanged at its March monetary policy committee meeting. The rate now stands at 4 %, while 3-month NIBOR at the end of the quarter was 4.34 %.

KBN's result for the accounting period in the first quarter of 2026 was a profit of NOK 351 million, compared to a profit of NOK 437 million in the same period in 2025. In the first quarter of 2026, KBN recognised a net gain on financial instruments totalling NOK 3 million, as compared to a net gain of NOK 162 million in the same period in 2025. KBN's net gains/losses on financial instruments comprise the sum of the realised and unrealised gains and losses recognised by KBN. There was a net realised gain from market transactions of NOK 9 million for the first quarter of 2026 as compared to NOK 21 million in the same period in 2025. Unrealised loss amounted to NOK 6 million in the first quarter of 2026, compared to unrealised gains of NOK 141 million in the same period in 2025.

KBN's fixed rate lending and associated hedging instruments contributed a net unrealised loss of NOK 110 million in the first quarter of 2026, compared to net unrealised gain on fixed rate lending and associated hedging instruments amounted to NOK 53 million in the same period in 2025. The loss is attributed to a widening of credit spreads during the quarter, following the escalation of the conflict in Iran. KBN started to apply hedge accounting to all its new fixed rate lending with effect from 1 January 2022. KBN's introduction of hedge accounting to its fixed rate lending will over time reduce the size of the portfolio of fixed rate loans carried at fair value, and this will reduce the net unrealised gains and losses included in KBN's earnings. At the end of the first quarter of 2026, 28 % of KBN's portfolio of fixed lending was carried at fair value.

KBN's liquidity portfolio and associated hedging instruments contributed a net unrealised loss of NOK 14 million for the first quarter of 2026, while KBN's own bonds and associated hedging instruments contributed

¹ Principal amounts. Aggregate customer financing is the sum of KBN's lending portfolio and KBN's portfolio of municipal bonds in the liquidity portfolio, which are included as a part of KBN's financing of customers.

² Profit after tax adjusted for net unrealised gain/(loss) on financial instruments (in accordance with note 2) adjusted for estimated tax at 25% tax rate, and adjusted for Portion allocated to owners of additional Tier 1 capital. This result measure is included to give relevant information about the company's underlying operations.

a net unrealised gain of NOK 119 million to its result from ordinary activities in the same period. KBN's unrealised gains and losses are expected to reverse as the instruments approach maturity.

KBN's provision for expected credit losses is relatively limited. This is because the Norwegian Local Government Act states that municipalities cannot be declared insolvent. KBN's liquidity management portfolio is also of very high credit quality. KBN increased its provision for expected credit losses by NOK 6 million in the first quarter of 2026, bringing the total to NOK 44 million at the end of the quarter.

KBN's total operating costs for the first quarter of 2026 were NOK 100 million, which is consistent with the same period in 2025.

KBN's annualised return on equity in the first quarter of 2026 was 6.4 %, compared to 8.5 % in the first quarter of 2025. Based on its core earnings, KBN's annualised return on equity in the first quarter of 2026 was 6.5 %, compared to 6.3 % in the first quarter of 2025. The return target set by KBN's Board of Directors for the 2026-2028 period is at 6.5 %.

KBN's total comprehensive income in the first quarter of 2026 was NOK 92 million, compared to NOK 437 million in the first quarter of 2025. There was an unrealised loss from changes to KBN's own credit risk of NOK 345 million in the first quarter of 2026, compared to an unrealised loss of NOK 1 million in the first quarter of 2025. The loss is attributable to a widening of credit spreads on KBN's issued bond debt.

Table 1: Result for the period and total comprehensive income

<i>(Amounts in NOK 1 000 000)</i>	1st quarter 2026	1st quarter 2025	2025
Net interest income	593	552	2 466
Fees and commission expenses	28	27	117
Net gain/(loss) on financial instruments	3	162	501
Increased/(reduced) provision for expected credit loss	6	10	4
Operating expenses	100	100	437
Income tax	112	140	515
Profit for the period	351	437	1 894
<i>(Amounts in NOK 1 000 000)</i>	1st quarter 2026	1st quarter 2025	2025
Profit for the period	351	437	1 894
Change in fair value of liabilities due to changes in own credit risk	(345)	(1)	(224)
Actuarial gain/(loss) on pension liability	0	0	19
Tax	86	0	51
Total comprehensive income for the period	92	437	1 740

KBN's total assets at the end of the first quarter of 2026 amounted to NOK 534 billion, up from NOK 533 billion at the end of 2025.

Lending

KBN's lending portfolio totalled NOK 374 billion³ at the end of the first quarter of 2026, while aggregate customer financing⁴ totalled NOK 386 billion⁵ at the end of the first quarter of 2026. KBN's aggregate customer financing increased by NOK 2 billion in the first quarter of 2026, as compared to an increase of NOK 4 billion in the first quarter of 2025. High competition, particularly from the capital markets, was the main reason for lower growth in the first quarter of 2026 compared with the same period in 2025.

KBN's green loan portfolio remained unchanged during the quarter, compared to growth of NOK 6 billion in the same period in 2025. At the end of the first quarter of 2026, KBN's green lending represented 21 % of its overall lending portfolio.

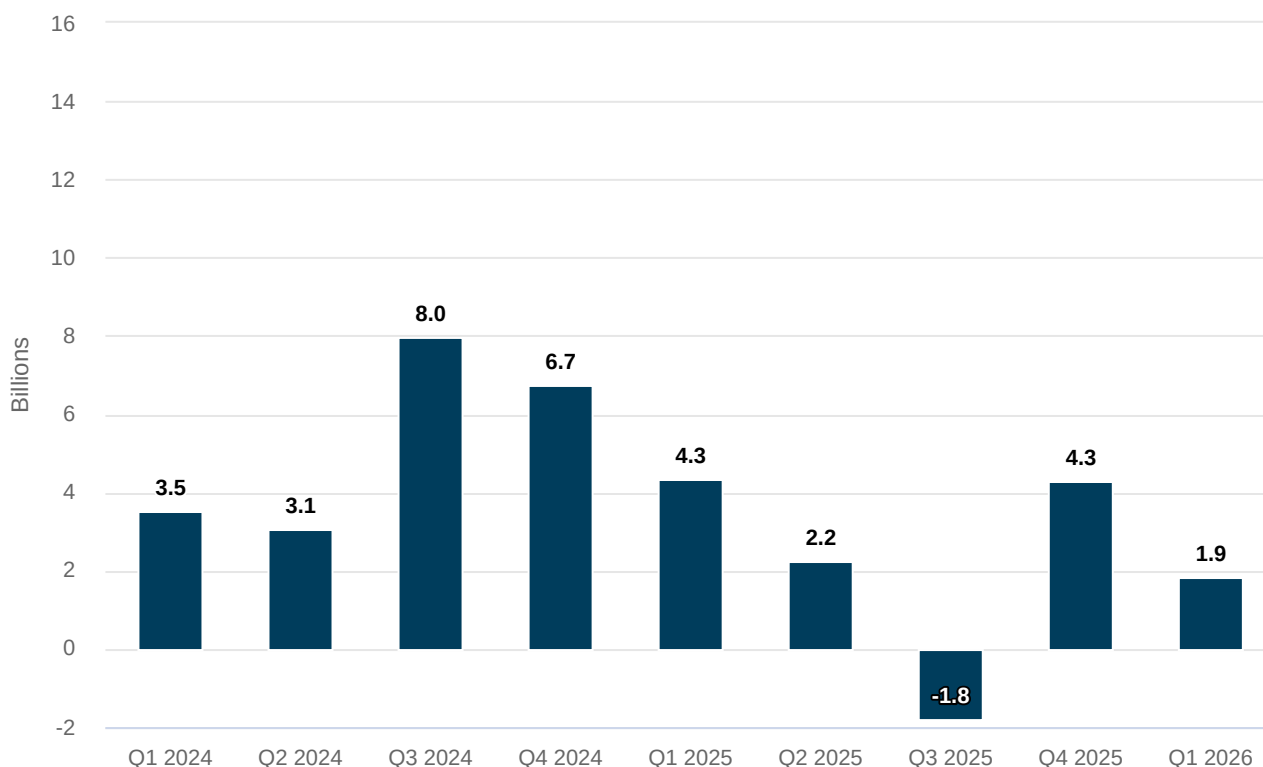
The annual rate of debt growth in the local government sector as at the end of March 2026 was calculated to be 4.3 %. After adjusting for borrowing from the Norwegian State Housing Bank, the rate of debt growth was 3.9 %. After adjusting for borrowing from the Norwegian State Housing Bank, KBN's market share based on its aggregate customer financing⁶ as at the end of the first quarter of 2026 was 49.0 %.

³ Principal amount

⁴ Aggregate customer financing is the sum of KBN's lending portfolio and KBN's portfolio of municipal bonds in the liquidity portfolio, which are included as a part of KBN's financing of customers.

⁵ Principal amount

⁶ KBN's market share based on total loans to customers of sector code 6500 divided by total lending to the same sector, based on Statistics Norway's K2 reporting, plus foreign ownership of local government sector outstanding securities. Lending from the Norwegian State Housing Bank is not included as KBN does not compete for these loans.

Chart 1: Quarterly growth in aggregate customer financing in billion kroner

Financial markets

The rate of inflation in Norway was running at 3.6 % at the most recent assessment in March, while core inflation was 3.0 %. The goal of monetary policy is for the annual rate of growth in the consumer price index to be as close as possible to 2 % annual growth.

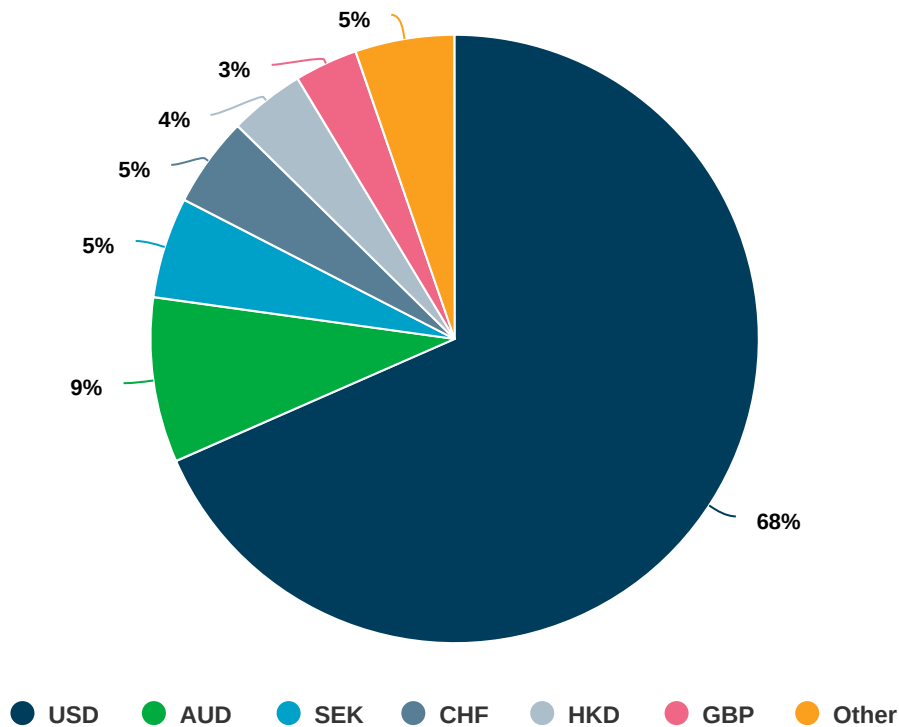
The new conflict in the Middle East led to significant volatility in both interest rate and foreign exchange markets towards the end of the first quarter of 2026, resulting in higher-than-normal uncertainty regarding future developments both domestically and internationally. Credit spreads in both the municipal and OMF-markets widened towards the end of the quarter.

Funding

KBN enjoyed good access to the international capital markets and completed all its funding transactions as planned. KBN's new borrowings in the first quarter of 2026 totalled approximately NOK 38 billion through 19 bond issues in 8 currencies, as compared to NOK 60 billion in the same period in 2025. The size of the annual funding programme in Norwegian kroner depends on funding maturities over the next twelve months, projected lending growth, and exchange-rate developments.

KBN continues to enjoy low borrowing costs and good market access thanks to its AAA/Aaa rating.

Chart 2: New borrowings by currency in 2025



Liquidity management

KBN's liquidity portfolio totalled NOK 121 billion⁷ at the end of the first quarter of 2026, as compared to NOK 134 billion at the end of the first quarter of 2025. Investments denominated in foreign currencies represented 55 % of the portfolio at the end of the first quarter of 2026. Fluctuations in the value of the Norwegian krone relative to other currencies will therefore result in fluctuations in the size of the liquidity portfolio in NOK terms.

The liquidity portfolio is largely held in zero-risk weighted assets that are particularly liquid. KBN's liquidity portfolio is managed with the aim of matching its financing requirements, including lending growth, for the subsequent twelve months, and it is managed on the basis of a low-risk investment strategy.

Capital

Table 2: Capital adequacy key figures

As at 31 March 2026	Volume in NOK billion	Capital adequacy	Requirements
Common equity Tier 1 capital adequacy ratio	19.0	19.0 %	14.3 %
Tier 1 capital adequacy ratio	22.4	22.5 %	16.0 %
Total capital ratio	23.2	23.3 %	18.3 %

⁷ Principal amount

As at the end of the quarter, KBN's Pillar 2 requirement consisting of 1.1 % of the basis for calculation under Pillar 1. The Pillar 2 requirement is intended to address risks that the undertaking is exposed to and that are not, or are only partially, covered by the general capital requirements in Pillar 1. The requirement must be satisfied with at least 56.25 % common equity Tier 1 capital and at least 75 % Tier 1 capital.

KBN's leverage ratio at the end of the first quarter of 2026 was 4.3 %, as compared to the requirement of 3.0 %.

KBN's capital adequacy at the end of the first quarter of 2026 was in excess of the requirements set by the authorities.

Capital adequacy figures are sensitive to large fluctuations in exchange rates, particularly the USD-NOK rate, because these impact the size of KBN's balance sheet through the conversion into NOK. In addition, changes in the value of KBN's outstanding currency hedging instruments lead to fluctuations in cash collateral that influence KBN's capital adequacy key figures. KBN has internal buffers that are intended to ensure its capital adequacy does not fall below the regulatory requirements as a result of such exchange rate fluctuations.

Greenhouse gas accounting in 2026

KBN has a long-term goal of reducing its own emissions by at least 55 % by 2030 compared to the 2019 level. KBN has calculated that its own CO₂e emissions⁸ in the of 2026 were 10 tonnes of CO₂e, representing a 71 % decrease from the 2019 level and an increase from 5 tonnes of CO₂e in the of 2025. In other words, the 2030 reduction goal has already been achieved in 2025. The reduction is due to lower energy consumption in new office premises as well as reduced travel activity.

Future prospects

At its monetary policy committee meeting in March 2026, Norges Bank stated that a more restrictive monetary policy is required to bring inflation back to the target of 2% within a reasonable timeframe. Norges Bank stated that price growth has been higher than projected so far in 2026 and assesses that there may be a need to raise the policy rate at one of the upcoming monetary policy committee meeting. The future path of the interest rate thereafter will depend on economic developments.

There is greater uncertainty than normal and worsening expectations regarding the outlook for the global economy, including due to the effect of changes to the USA's economic policy and the new conflict in the Middle East.

KBN has good access to liquidity and will continue to provide its customers with attractive financing for local government sector projects across Norway.

⁸ KBN's greenhouse gas accounting is based on the Greenhouse Gas Protocol Corporate Standard. For the purposes of this greenhouse gas accounting, KBN's own emissions consist of calculations regarding its Scope 1 and Scope 2 emissions, as well as its indirect emissions in Scope 3 from waste and business travel.

Oslo, 30 April 2026

The Board of Directors and Chief Executive Officer of Kommunalbanken AS


Brit Kristin Sæbø Rugland
CHAIR


Eyvind Aven
BOARD MEMBER

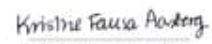

Toril Hovdenak
BOARD MEMBER

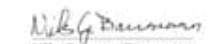

Ida Espolin Jøhnson
BOARD MEMBER


Ida Texmo Prytz
BOARD MEMBER


Pål Rokke
BOARD MEMBER


Stian Roquist
BOARD MEMBER


Kristine Fausa Aasberg
EMPLOYEE REPRESENTATIVE


Nils Gunnar Baumann
EMPLOYEE REPRESENTATIVE


Jannicke Trumpy Granquist
ADMINISTRERENDE DIREKTØR

Financial statement

INCOME STATEMENT

(Amounts in NOK 1 000 000)	Note	1st quarter 2026	1st quarter 2025	2025
Interest income from assets measured at amortised cost		4 690	5 068	19 983
Interest income from assets measured at fair value		1 065	1 537	5 754
Total interest income		5 755	6 606	25 737
Interest expense		5 162	6 053	23 271
Net interest income	<u>1</u>	593	552	2 466
Fees and commission expenses		28	27	117
Net gain/(loss) on financial instruments	<u>2</u>	3	162	501
Increased/(reduced) provision for expected credit loss	<u>6</u>	6	10	4
Total other operating income		(31)	125	380
Salaries and administrative expenses		66	63	247
Depreciation of fixed and intangible assets		11	12	54
Other operating expenses		22	25	136
Total operating expenses		100	100	437
Profit before tax		463	577	2 409
Income tax		112	140	515
Profit for the period		351	437	1 894
Portion allocated to shareholder		313	397	1 733
Portion allocated to owners of additional Tier 1 capital		38	40	161

STATEMENT OF COMPREHENSIVE INCOME

(Amounts in NOK 1 000 000)	Note	1st quarter 2026	1st quarter 2025	2025
Profit for the period		351	437	1 894
Other comprehensive income				
<i>Items which will not be reclassified to profit or loss</i>				
Change in fair value of liabilities due to changes in own credit risk	<u>9</u>	(345)	(1)	(224)
Actuarial gain/(loss) on pension liability		0	0	19
Tax		86	0	51
Total other comprehensive income		(259)	(0)	(154)
Total comprehensive income for the period		92	437	1 740
Portion allocated to shareholder		54	397	1 579
Portion allocated to owners of additional Tier 1 capital		38	40	161

Statement of financial position

(Amounts in NOK 1 000 000)	Note	31 March 2026	31 March 2025	31 December 2025
Assets				
Deposits with credit institutions	<u>3</u>	26 108	33 071	22 862
Loans to customers	<u>3,4,5,</u> <u>6</u>	371 858	372 112	373 655
Commercial paper and bonds	<u>3,4,6,</u> <u>7,8</u>	121 545	134 410	120 109
<i>Hereof commercial paper and bonds lent</i>	<u>7</u>	0	12 787	6 766
Financial derivatives	<u>3,4</u>	13 629	14 542	14 380
Deferred tax asset		861	1 814	771
Other assets		296	308	1 462
Total assets		534 298	556 258	533 239
Liabilities and equity				
Due to credit institutions	<u>3,4</u>	6 578	18 343	4 554
Commercial paper issued	<u>3,4,9</u>	19 103	4 221	5 793
Debt securities issued	<u>3,4,9</u>	464 388	480 110	482 499
Financial derivatives	<u>3,4</u>	19 802	30 210	16 197
Other liabilities		216	93	175
Payable taxes		403	0	288
Pension commitments		(8)	11	(8)
Subordinated loan capital	<u>3,4,9</u>	784	776	787
Total liabilities		511 267	533 764	510 285
Share capital		3 895	3 895	3 895
Additional Tier 1 capital		3 484	3 484	3 484
Retained earnings		15 651	15 115	15 575
Total equity		23 031	22 494	22 954
Total liabilities and equity		534 298	556 258	533 239

Statement of changes in equity

(Amounts in NOK 1 000 000)

	1. January - 31 March 2026				
	Share capital	Additional Tier 1 capital	Financial liabilities, changes in own credit risk	Other equity	Total equity
Equity as of 31 December 2025	3 895	3 484	(338)	15 913	22 954
Profit for the period	0	0	0	351	351
Other comprehensive income after tax - financial liabilities, changes in own credit risk	0	0	(259)	0	(259)
Other comprehensive income after tax - actuarial gain/loss	0	0	0	0	0
Interest paid on additional Tier 1 capital	0	0	0	(15)	(15)
Issuance of additional Tier 1 capital	0	0	0	0	0
Dividends for 2025	0	0	0	0	0
Equity as of 31 March 2026	3 895	3 484	(597)	16 248	23 031

	1. January - 31 March 2025				
	Share capital	Additional Tier 1 capital	Financial liabilities, changes in own credit risk	Other equity	Total equity
Equity as of 31 December 2024	3 895	3 484	(170)	14 865	22 075
Profit for the period	0	0	0	437	437
Other comprehensive income after tax - financial liabilities, changes in own credit risk	0	0	(0)	0	(0)
Other comprehensive income after tax - actuarial gain/loss	0	0	0	0	0
Interest paid on additional Tier 1 capital	0	0	0	(18)	(18)
Issuance of additional Tier 1 capital	0	0	0	0	0
Dividends for 2024	0	0	0	0	0
Equity as of 31 March 2025	3 895	3 484	(170)	15 285	22 494

	1. January - 31 December 2025				
	Share capital	Additional Tier 1 capital	Financial liabilities, changes in own credit risk	Other equity	Total equity
Equity as of 31 December 2024	3 895	3 484	(170)	14 866	22 075
Profit for the period	0	0	0	1 894	1 894
Other comprehensive income after tax - financial liabilities, changes in own credit risk	0	0	(168)	0	(168)
Other comprehensive income after tax - actuarial gain/loss	0	0	0	14	14
Interest paid on additional Tier 1 capital	0	0	0	(158)	(158)
Call of Tier 1 capital	0	(1 196)	0	(4)	(1 200)
Issuance of additional Tier 1 capital	0	1 196	0	0	1 196
Dividends for 2024	0	0	0	(700)	(700)
Equity as of 31 December 2025	3 895	3 484	(338)	15 913	22 954

The Board of Directors has proposed a dividend of NOK 760 million for the financial year 2025. The General Meeting decides on the dividend distribution. The dividend is included in KBN's equity until the decision at the General Meeting, but is deducted when calculating capital adequacy. The General Meeting is scheduled to take place on 10 June, 2026.

Statement of cash flows

(Amounts in NOK 1 000 000)	1st quarter 2026	1st quarter 2025	2025
Cash flows from operating activities			
Interest received	5 348	6 263	25 913
Interest paid	(4 999)	(5 935)	(22 905)
Fees and commissions paid	(57)	(88)	(113)
Cash payments for operations	(88)	(88)	(383)
Paid taxes	0	0	0
Net disbursement of loans to customers	(128)	(4 091)	(4 143)
Net (payment)/disbursement short-term investments	(1 771)	5 139	1 680
Net payment/(disbursement) from purchase/sale of securities	(4 940)	576	15 157
Net (payment)/disbursement other assets	1 191	60	54
Net payment/(disbursement) other liabilities	43	(82)	(17)
Net (payment)/disbursement financial derivatives	(11 353)	(14 566)	(31 526)
Net cash flows from operating activities	(16 754)	(12 811)	(16 283)
Cash flows from investing activities			
Disbursement from sale of fixed assets	(8)	(8)	(40)
Net cash flows from investing activities	(8)	(8)	(40)
Cash flows from financing activities			
Payments on issued commercial paper	52 704	46 577	84 610
Repayment of commercial paper issued	(39 278)	(68 207)	(104 386)
Lease payments	(2)	(2)	(9)
Payments on issued debt securities	37 865	60 401	128 049
Repayment of debt securities issued	(34 604)	(25 873)	(91 065)
Proceeds from issuance of additional Tier 1 capital	0	0	1 196
Repayment of Tier 1 capital	0	0	(1 200)
Interest Paid on additional Tier 1 capital	(15)	(18)	(158)
Dividends paid	0	0	(700)
Net cash flows from financing activities	16 669	12 878	16 337
Net cash flows	(93)	58	14
Adjustment of exchange rate changes	(3)	(40)	(4)
Net cash flows after effects of exchange rate changes	(96)	18	10
Cash and cash equivalents at 1 January	253	243	243
Net changes of cash and cash equivalents	(96)	18	10
Cash and cash equivalents at end of period	158	261	253
Whereof			
Deposits with credit institutions without agreed time to maturity	158	261	253

Notes to the financial statement

Accounting policies

Kommunalbanken AS (KBN) prepares its financial statements in accordance IFRS® Accounting Standards as adopted by the EU. The condensed interim financial statements as of 31 March 2026 are prepared in accordance with IAS 34 Interim Financial Reporting and follow the same accounting policies and methods of computation as presented in the annual financial statements for 2025. The interim financial statement does not include all the information required in a full annual financial statement and should be read in conjunction with the annual financial statement for 2025.

The company has only one operating segment. There is thus no segment information beyond the note information provided on lending to customers and the business as a whole.

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgments and assumptions that affect the reported amounts of assets and liabilities, and revenues and expenses. Estimates and judgments are based on historical experience and expectations about future developments.

The fair value of financial instruments not traded in an active market or lacking readily available quoted prices on the balance sheet date is determined using valuation models. When inputs into valuation models cannot be directly derived from observable market data, management makes assessments and uses assumptions related to credit risk and liquidity risk in financial instruments. Although judgmental assessments and assumptions are largely based on actual market conditions on the balance sheet date, they may introduce uncertainty into the recognised amounts.

Note 1 Net interest income

<i>(Amounts in NOK 1 000 000)</i>	1st quarter 2026	1st quarter 2025	2025
Deposits with credit institutions	91	107	654
Other money market deposits	0	0	1
Loans to customers	3 841	3 896	15 773
Financial derivatives, hedge accounting loans to customers	117	184	741
Commercial paper and bonds	649	893	2 832
Financial derivatives, hedge accounting loans to customers	(8)	(12)	(18)
<i>Interest income from assets measured at amortised cost</i>	<i>4 690</i>	<i>5 068</i>	<i>19 983</i>
Loans to customers	217	290	1 029
Commercial paper and bonds	542	630	2 528
Financial derivatives	306	617	2 008
Other interest income	0	0	189
<i>Interest income from assets measured at fair value</i>	<i>1 065</i>	<i>1 537</i>	<i>5 754</i>
Total interest income	5 755	6 606	25 737
Due to credit institutions	22	35	186
Commercial paper issued	125	121	278
Debt securities issued	2 600	2 360	10 412
Financial derivatives, hedge accounting debt securities issued	392	1 327	4 117
<i>Interest expenses from debt measured at amortised cost</i>	<i>3 139</i>	<i>3 843</i>	<i>14 994</i>
Debt securities issued	960	1 039	4 222
Financial derivatives	1 057	1 165	4 031
Subordinated loan capital	6	6	24
<i>Interest expenses from debt measured at fair value</i>	<i>2 023</i>	<i>6</i>	<i>8 278</i>
Total interest expenses	5 162	6 053	23 271
Net interest income	593	552	2 466

Other interest income in 2025 includes interest compensation on previously paid taxes that have been refunded. The interest compensation represents interest (the time value of money) and therefore does not fall within the scope of IAS 12.

Note 2 Net gain/(loss) on financial instruments

(Amounts in NOK 1 000 000)

Net gain/(loss) on financial instruments	1st quarter 2026	1st quarter 2025	2025
Loans to customers	(2 120)	200	1 740
Commercial paper and bonds	(468)	321	632
Financial derivatives	237	3 708	5 568
Debt securities issued	2 344	(4 065)	(7 421)
Subordinated loan capital	9	(2)	(18)
Net gain/(loss) on financial instruments	3	162	501
Whereof net unrealised gain/(loss) on financial instruments	(6)	141	469
Whereof net realised gain/(loss) on market transactions	9	21	32

Specification of net gain/(loss) on financial instruments including hedging instruments	1st quarter 2026	1st quarter 2025	2025
Loans to customers, including hedging instruments	(110)	53	324
Commercial paper and bonds, including hedging instrument	(5)	42	170
Debt securities issued and subordinated loan capital, including hedging instruments	119	67	7
Net gain/(loss) on financial instruments	3	162	501

Specification of net gain/(loss) on financial instruments in fair value hedge	1st quarter 2026	1st quarter 2025	2025
Loan to customers	(1 647)	(113)	322
Financial derivatives, in hedge accounting loans to customers	1 604	96	(275)
Commercial paper and bonds	(20)	(1)	12
Financial derivatives, in hedge accounting commercial paper and bonds	19	1	(12)
Debt securities issued	1 356	(2 853)	(5 780)
Financial derivatives, in hedge accounting debt securities issued	(1 355)	2 838	5 777
Net gain/(loss) on financial instruments in fair value hedge	(43)	(32)	44

Changes in fair value of liabilities due to changes in own credit risk are not included in the line net gain/(loss) on financial instruments in the table above. Such fair value changes are recognised in other comprehensive income in the statement of comprehensive income. The change in fair value arising from debt securities issued presented in the above table, is due to changes in parameters other than own credit risk.

Changes in fair value are the result of changes in market parameters - mainly prices on bonds, interest rates, credit spreads, basis swap spreads and FX rates, and are reflected in carrying amounts in the statement of financial position and in the income statement. As KBN has limited currency and interest rate risk, the changes in relevant parameters will mostly be symmetric on the asset and liabilities sides of the statement of financial position and will therefore only to a small extent cause net effects in the income statement. Changes in credit spreads for investments in the liquidity portfolio, fixed interest-rate loans to customers measured at fair value and issued debt securities, as well as changes in basis swap spreads, may on the other hand lead to significant effect in income statement and in the statement of comprehensive income.

KBN hedges currency risk. The bank's guidelines require hedging of all currency risk associated with positions in foreign currency. However, short-term net positions may arise related to income statement and balance sheet items in USD and EUR. KBN's framework for currency risk in these currencies is set at 1.6% of regulatory capital. This means that net income effects from short-term exchange rate fluctuations are limited. Effects from the currency conversion of principal amounts from non-derivative interest-bearing instruments in foreign currency as well as from interest and fees are presented net in the income statement. This includes certificates and bonds and debt securities issued. Corresponding changes in fair value from FX derivatives used as hedging instruments in the economic hedging of the mentioned currency exposure, are presented net along with exchange differences from the hedged item. In the tables above, only the effects of exchange rate changes on fair value changes and changes in hedging value are presented.

Note 3 Classification of financial instruments

(Amounts in NOK 1 000 000)

At 31 March 2026	Total	At fair value			At amortised cost	
		Fair value option	Mandatorily at fair value	Fair value hedge	Designated at hedge accounting	Hold to collect
Deposits with credit institutions	26 108	0	0	0	0	26 108
Loans to customers	371 858	37 500	0	0	96 968	237 390
Commercial paper and bonds	121 545	64 363	0	0	2 528	54 654
Financial derivatives	13 629	0	10 927	2 703	0	0
Total financial assets	533 140	101 864	10 927	2 703	99 496	318 151
Due to credit institutions	6 578	0	0	0	0	6 578
Commercial paper issued	19 103	0	0	0	0	19 103
Debt securities issued	464 388	154 994	0	0	243 328	66 065
Financial derivatives	19 802	0	13 837	5 965	0	0
Subordinated loan capital	784	784	0	0	0	0
Total financial liabilities	510 655	155 779	13 837	5 965	243 328	91 747

At 31 March 2025	Total	At fair value			At amortised cost	
		Fair value option	Mandatorily at fair value	Fair value hedge	Designated at hedge accounting	Hold to collect
Deposits with credit institutions	33 071	0	0	0	0	33 071
Other money market deposits	0	0	0	0	0	0
Loans to customers	372 112	49 834	0	0	83 065	239 213
Commercial paper and bonds	134 410	73 780	0	0	2 061	58 569
Financial derivatives	14 542	0	11 994	2 549	0	0
Total financial assets	554 135	123 613	11 994	2 549	85 126	330 853
Due to credit institutions	18 343	0	0	0	0	18 343
Commercial paper issued	4 221	0	0	0	0	4 221
Debt securities issued	480 110	164 768	0	0	274 474	40 868
Financial derivatives	30 210	0	21 486	8 724	0	0
Subordinated loan capital	776	776	0	0	0	0
Total financial liabilities	533 660	165 545	21 486	8 724	274 474	63 432

At 31 December 2025	Total	At fair value			At amortised cost	
		Fair value option	Mandatorily at fair value	Fair value hedge	Designated at hedge accounting	Hold to collect
Other money market deposits	22 862	0	0	0	0	22 862
Loans to customers	373 655	39 325	0	0	101 579	232 750
Commercial paper and bonds	120 109	68 796	0	0	2 540	48 774
Financial derivatives	14 380	0	11 152	3 227	0	0
Total financial assets	531 006	108 121	11 152	3 227	104 119	304 386
Due to credit institutions	4 554	0	0	0	0	4 554
Commercial paper issued	5 793	0	0	0	0	5 793
Debt securities issued	482 499	161 203	0	0	260 931	60 366
Financial derivatives	16 197	0	9 996	6 201	0	0
Subordinated loan capital	787	787	0	0	0	0
Total financial liabilities	509 831	161 990	9 996	6 201	260 931	70 713

Note 4 Financial instruments measured at fair value

Methods used for the determination of fair value is categorised within three levels, which reflect different degrees of valuation uncertainty:

Level 1 - Quoted prices in active markets for identical assets and liabilities

Level 2 - Valuation techniques with observable inputs

Level 3 - Valuation techniques where inputs are to a significant degree unobservable

See Note 9 in the Annual Report for further information about valuation techniques, inputs, value change analysis and sensitivities. Level 2 includes fixed rate loans to customers granted before 1 January 2022. Fixed rate loans to customers are granted on an individual basis and are not traded in an active market. Fair value is calculated using the discounted cash flows method where discount rates are derived from observable money market interest rate yield curves. Discount rates are adjusted for credit and liquidity risk linked to the relevant securities based on observable credit spreads for Norwegian municipalities at the balance sheet date. For fixed rate loans to customers with an installment structure, a discretionary liquidity premium is added to the valuation, but this does not constitute a significant part of the input data in the valuation.

Financial instruments measured at fair value in KBN's Statement of financial position are distributed in the following levels:

(Amounts in NOK 1 000 000)

At 31 March 2026	Level 1	Level 2	Level 3	Total
Loans to customers	0	37 500	0	37 500
Commercial paper and bonds	61 967	72	2 324	64 363
Financial derivatives	0	13 236	393	13 629
Total financial assets measured at fair value	61 967	50 808	2 718	115 493
Debt securities issued	16 834	116 431	21 730	154 994
Financial derivatives	0	16 048	3 754	19 802
Subordinated loan capital	0	0	784	784
Total financial liabilities measured at fair value	16 834	132 478	26 268	175 581

At 31 March 2025	Level 1	Level 2	Level 3	Total
Loans to customers	0	49 834	0	49 834
Commercial paper and bonds	64 811	3 793	5 176	73 780
Financial derivatives	0	14 360	182	14 542
Total financial assets measured at fair value	64 811	67 987	5 358	138 156
Debt securities issued	9 299	137 097	18 372	164 768
Financial derivatives	0	26 496	3 713	30 210
Subordinated loan capital	0	0	776	776
Total financial liabilities measured at fair value	9 299	163 593	22 862	195 754

At 31 December 2025	Level 1	Level 2	Level 3	Total
Loans to customers	0	39 325	0	39 325
Commercial paper and bonds	64 932	2 857	1 007	68 796
Financial derivatives	0	13 930	450	14 380
Total financial assets measured at fair value	64 932	56 113	1 457	122 501
Debt securities issued	15 921	124 892	20 389	161 203
Financial derivatives	0	12 690	3 507	16 197
Subordinated loan capital	0	0	787	787
Total financial liabilities measured at fair value	15 921	137 582	24 683	178 187

Reconciliation of changes in Level 3

	Commercial paper and bonds	Debt securities issued	Subordinated loan capital	Financial derivatives
Carrying amount 31 December 2025	1 007	20 389	787	(3 057)
Purchase	0	0	0	(79)
Sale	0	0	0	0
Issue	0	3 191	0	0
Settlement	0	(1 471)	0	(41)
Transfer into Level 3	1 346	0	0	0
Transfer out of Level 3	0	0	0	0
Net unrealised gain/(loss) recognised in the period	(29)	(380)	(3)	(183)
Carrying amount 31 March 2026	2 324	21 730	784	(3 361)

	Commercial paper and bonds	Debt securities issued	Subordinated loan capital	Financial derivatives
Carrying amount 31 December 2024	6 207	17 565	769	(4 051)
Purchase	458	0	0	4
Sale	(744)	0	0	0
Issue	0	1 746	0	0
Settlement	(468)	(255)	0	1
Transfer into Level 3	152	0	0	0
Transfer out of Level 3	(330)	0	0	0
Net unrealised gain/(loss) recognised in the period	(99)	(684)	8	515
Carrying amount 31 March 2025	5 176	18 372	776	(3 531)

	Commercial paper and bonds	Debt securities issued	Subordinated loan capital	Financial derivatives
Carrying amount 31 December 2024	6 207	17 565	769	(4 051)
Purchase	458	0	0	(21)
Sale	(1 242)	0	0	0
Issue	0	5 501	0	0
Settlement	(1 380)	(2 172)	0	(66)
Transfer into Level 3	1 393	0	0	0
Transfer out of Level 3	(4 295)	0	0	0
Net unrealised gain/(loss) recognised in the period	(133)	(504)	19	1 081
Carrying amount 31 December 2025	1 007	20 389	787	(3 057)

The transfers into and out of Level 3 are mainly due to changes in market conditions that affect the assessment of inputs to the valuation techniques during the reporting period, in addition to new issuances classified as Level 3. In 2026, net assets amounting to NOK 0.2 billion have been transferred from Level 2 to Level 1, whilst there have been no transfers from Level 1 to Level 2.

Effects from the currency conversion of principal amounts from non-derivative interest-bearing instruments in foreign currency and from interest and fees, are presented net in the income statement. Corresponding changes in fair value from currency derivatives used as hedging instruments in the economic hedging of the mentioned currency exposure, are presented net along with FX differences from the hedged item.

Net unrealised fair value changes for loans to customers, commercial paper issued, debt securities issued as well as subordinated loans are included in the income statement in net gain/(loss) on financial instruments, with the exception of unrealised fair value changes due to a change in own credit risk. Unrealised fair value changes due to a change in own credit risk are included in the statement of comprehensive income as other comprehensive income.

Sensitivity analysis, level 3

The table below shows the impact of a 10 bp increase in the discount rate for financial assets and liabilities in Level 3.

<i>(Amounts in NOK 1 000 000)</i>	31 March 2026		31 March 2025		31 December 2025	
	Carrying amount	Impact of changes in key assumptions	Carrying amount	Impact of changes in key assumptions	Carrying amount	Impact of changes in key assumptions
Commercial paper and bonds	2 324	(3)	5 176	(10)	1 007	(2)
Financial derivatives	(3 361)	(18)	(3 531)	(6)	(3 057)	(14)
Debt securities issued	(21 730)	18	(18 372)	6	(20 389)	7
Subordinated loan capital	(784)	2	(776)	2	(787)	2
Total		(1)		(8)		(7)

Note 5 Loans to customers

<i>(Amounts in NOK 1 000 000)</i>	31 March 2026	31 March 2025	31 December 2025
Principal amount	374 135	373 942	374 007
Accrued interest	3 823	3 689	3 625
Fair value adjustment	(3 286)	(3 917)	(2 813)
Value adjustment in fair value hedges	(2 784)	(1 572)	(1 137)
Expected credit loss	(40)	(42)	(37)
Total loans to customers	371 848	372 100	373 645
Other loans	10	12	10
Total loans	371 858	372 112	373 655

Note 6 Expected credit loss

The below table shows expected credit loss as part of the carrying amount of loans to customers and commercial paper and bonds at the end of the period.

<i>(Amounts in NOK 1 000 000)</i>	31 March 2026		31 March 2025		31 December 2025	
	Carrying amount	Expected credit loss	Carrying amount	Expected credit loss	Carrying amount	Expected credit loss
Loans to customers	334 357	40	322 279	42	334 330	37
Commercial paper and bonds	57 182	4	60 630	3	51 313	2
Total	391 539	44	382 908	45	385 643	39

The below table shows a specification of the period's change in expected credit loss that is recognised in the income statement.

<i>(Amounts in NOK 1 000 000)</i>	1st quarter 2026	1st quarter 2025	2025
Loans to customers	3.4	10.2	5.1
Commercial paper and bonds	2.2	(0.4)	(1.5)
Increased/(reduced) provision for expected credit loss	5.6	9.8	3.6

All assets are allocated to stage 1 at initial recognition. On subsequent reporting dates, stage 1 allocation means that there has been no significant increase in credit risk since initial recognition for that particular asset. An allocation to stage 2 on a subsequent reporting date represents a significant increase in credit risk since initial recognition, while stage 3 implies that the asset is credit impaired. Stage 1 requires the calculation of a 12-month expected credit loss that is recognised in the income statement and statement of financial position. Assets allocated to stages 2 and 3 require the calculation of a lifetime expected credit loss, recognised in the income statement and statement of financial position. The assets are allocated back to lower stages if the credit risk is since reduced. Actual credit losses have never taken place during KBN's history.

All exposures are assessed to be in stage 1, both as of 31 March 2026, 31 March 2025 and 31 December 2025.

Note 7 Commercial paper and bonds

(Amounts in NOK 1 000 000)

Commercial paper and bonds by type of issuer	31 March 2026	31 March 2025	31 December 2025
Domestic			
Issued by public bodies ¹	13 622	18 131	14 359
Hereof bonds issued by Norwegian municipalities	12 197	5 774	10 491
Issued by other borrowers	31 149	25 289	28 034
Foreign			
Issued by public bodies ¹	50 273	65 845	50 965
Issued by other borrowers	26 501	25 145	26 751
Total commercial paper and bonds	121 545	134 410	120 109
Hereof			
Commercial paper and bonds lent	0	12 787	6 766
Commercial paper and bonds pledged as collateral	5 233	5 193	5 170

¹Issued by or guaranteed by sovereigns, central banks, regional authorities and multilateral development bank

Commercial paper and bonds by time to maturity	31 March 2026	31 March 2025	31 December 2025
Under 1 year	37 341	37 995	33 699
1-5 years	81 779	92 594	83 841
> 5 years	2 425	3 820	2 569
Total commercial paper and bonds	121 545	134 410	120 109
Average duration (years)*	2.3	2.0	2.5

*Average duration shown in the table above applies to Commercial paper and bonds, but not to money market deposits. These are presented on the line Deposits with credit institutions. Including such deposits, the average duration of liquid assets is 2.5 years as of December 31, 2025.

Note 8 Credit exposure in commercial paper and bonds

Amounts in the tables below represent actual credit exposure.

(Amounts in NOK 1 000 000)	Exposure as at 31 March 2026								
	< 1 year				> 1 year				Total
Time to maturity	A-1	A-2	A-3	Not rated	A	AA	AAA	Not rated	
Sovereigns and central banks	9 230	0	0	0	0	6 500	6 057	0	21 786
Multilateral development banks	3 007	0	0	0	0	456	9 274	0	12 738
Regional authorities	9 310	0	0	3 310	1 527	1 624	3 511	10 089	29 371
Financial institutions	664	0	0	0	198	0	0	0	862
Corporates	1 206	0	0	0	638	0	0	0	1 844
Covered Bonds	10 614	0	0	0	0	423	43 908	0	54 944
Total	34 031	0	0	3 310	2 363	9 003	62 750	10 089	121 545

(Amounts in NOK 1 000 000)	Exposure as at 31 March 2025								
Time to maturity	< 1 year				> 1 year				
Risk class	A-1	A-2	A-3	Not rated	A	AA	AAA	Not rated	Total
Sovereigns and central banks	5 365	0	0	0	3 159	7 441	8 374	0	24 339
Multilateral development banks	1 179	0	0	0	0	1 074	12 886	0	15 139
Regional authorities	9 111	0	0	11 273	0	14 690	3 450	5 974	44 498
Financial institutions	1 156	0	0	0	256	110	1 772	0	3 294
Corporates	1 056	0	0	0	1 281	0	0	0	2 338
Covered Bonds	8 856	0	0	0	0	433	35 513	0	44 802
Total	26 722	0	0	11 273	4 697	23 749	61 995	5 974	134 410

(Amounts in NOK 1 000 000)	Exposure as at 31 December 2025								
Time to maturity	< 1 year				> 1 year				
Risk class	A-1	A-2	A-3	Not rated	A	AA	AAA	Not rated	Total
Sovereigns and central banks	3 948	0	0	0	0	6 798	10 034	0	20 780
Multilateral development banks	2 325	0	0	0	0	468	11 222	0	14 016
Regional authorities	9 441	0	0	4 506	2 482	1 912	3 234	8 954	30 528
Financial institutions	682	0	0	0	0	0	0	0	682
Corporates	1 404	0	0	0	545	0	0	0	1 949
Covered Bonds	11 392	0	0	0	0	453	40 309	0	52 154
Total	29 193	0	0	4 506	3 027	9 631	64 799	8 954	120 109

Note 9 Debt securities issued and commercial paper issued

(Amounts in NOK 1 000 000)	31 March 2026	31 March 2025	31 December 2025
Debt securities issued (nominal amounts incl. fees) as at 1 January	482 652	481 504	481 504
New issuance	37 865	60 401	128 049
Redemptions	(34 604)	(25 873)	(91 065)
Amortisation (incl. fees)	204	245	685
Effects of exchange rate changes	(18 345)	(30 747)	(36 521)
Debt securities issued (nominal amounts incl. fees) as at end of period	467 771	485 529	482 652
Accrued interest	6 854	6 398	8 085
Fair value adjustment	(10 237)	(11 817)	(8 238)
<i>Of which value adjustment that is due to change in own credit risk</i>	796	227	451
<i>Of which value adjustment that is due to other reasons, fair value</i>	(6 690)	(6 131)	(5 702)
<i>Of which value adjustment that is due to other reasons, hedge accounting</i>	(4 343)	(5 914)	(2 987)
Total Debt securities issued	464 388	480 110	482 499

(Amounts in NOK 1 000 000)	Commercial paper issued	Debt securities issued	Subordinated loan capital
Carrying amount 31 December 2025	5 793	482 499	787
<i>Cash flows</i>			
Payments from issuance	52 704	37 865	0
Redemptions	(39 278)	(34 604)	0
<i>Changes that are not related to cash flows</i>			
Change due to accrued interest and amortisation	125	(1 028)	6
Changes in fair value	0	(1 999)	(9)
Repurchase, related to issue of Tier 1 capital	0	0	0
Effects of exchange rate changes on nominal amounts incl. fees	(241)	(18 345)	0
Carrying amount 31 March 2026	19 103	464 388	784

(Amounts in NOK 1 000 000)	Commercial paper issued	Debt securities issued	Subordinated loan capital
Carrying amount 31 December 2024	26 713	472 917	769
<i>Cash flows</i>			
Payments from issuance	46 577	60 401	0
Redemptions	(68 207)	(25 873)	0
<i>Changes that are not related to cash flows</i>			
Change due to accrued interest and amortisation	121	(653)	6
Changes in fair value	0	4 066	2
Repurchase, related to issue of Tier 1 capital	0	0	0
Effects of exchange rate changes on nominal amounts incl. fees	(983)	(30 747)	0
Carrying amount 31 March 2025	4 221	480 110	776

(Amounts in NOK 1 000 000)	Commercial paper issued	Debt securities issued	Subordinated loan capital
Carrying amount 31 December 2024	26 713	472 917	769
<i>Cash flows</i>			
Payments from issuance	84 610	128 049	0
Redemptions	(104 386)	(91 065)	0
<i>Changes that are not related to cash flows</i>			
Change due to accrued interest and amortisation	278	1 474	0
Changes in fair value	0	7 645	18
Repurchase, related to issue of Tier 1 capital	0	0	0
Effects of exchange rate changes on nominal amounts incl. fees	(1 422)	(36 521)	0
Carrying amount 31 December 2025	5 793	482 499	787

Note 10 Primary capital

(Amounts in NOK 1 000 000)	30 June 2025	30 June 2024	31 December 2024
Equity	22 166	21 510	22 075
Additional Tier 1 capital included in equity	(3 484)	(3 484)	(3 484)
Equity included in common equity Tier 1 capital	18 682	18 025	18 590
<i>Deductions:</i>			
Deferred tax asset that exceeds 10 % of common equity Tier 1 capital	0	(387)	(176)
Intangible assets	(146)	(155)	(153)
Dividends payable	(328)	(351)	(700)
Prudent valuation adjustments (AVA)	(161)	(135)	(127)
Adjustments unrealised loss (gains) due to changes in own credit risk	66	173	170
Total common equity Tier 1 capital	18 112	17 171	17 604
Other approved Tier 1 capital	3 484	3 484	3 484
Total Tier 1 capital	21 597	20 655	21 088
<i>Supplementary capital</i>			
Subordinated loan capital	800	800	800
Total supplementary capital	800	800	800
Total primary capital	22 397	21 455	21 888

*Only non-reversible deferred tax assets should be deducted here

Primary capital has been calculated under Capital Requirements Regulation (CRR). Unrealised gain/(loss) on liabilities that is due to changes in own credit risk is related to debt securities issued.

Note 11 Capital adequacy

<i>(Amounts in NOK 1 000 000)</i>	31 March 2026			31 March 2025	31 December 2025
	Carrying amount	Risk weighted assets	Minimum capital requirements and capital adequacy	Minimum capital requirements and capital adequacy	Minimum capital requirements and capital adequacy
Credit risk					
Sovereigns and central banks	21 786	0	0	0	0
Regional governments and local authorities	390 738	77 532	6 203	6 241	6 234
<i>Of which are Norwegian municipalities</i>	385 279	77 532	6 203	6 241	6 234
Corporates	1 844	922	74	94	78
Public sector entities	8 651	0	0	0	0
Multilateral development banks	12 753	0	0	0	0
Financial institutions	18 543	4 035	323	522	345
<i>Of which counterparty exposure on derivatives</i>	12 527	2 549	204	434	235
Claims secured by residential property	21	21	2	2	2
Covered bonds	55 020	6 469	518	379	478
Other assets	983	2 253	180	370	162
Total credit risk	510 340	91 232	7 299	7 606	7 299
Credit Valuation Adjustment	0	4 438	355	350	274
Operational risk		4 203	336	248	336
Minimum capital requirements		99 873	7 990	8 205	7 910
Total capital ratio			23.3 %	21.7 %	23.3 %
Tier 1 capital adequacy ratio			22.5 %	21.0 %	22.5 %
Common equity Tier 1 capital adequacy ratio			19.0 %	17.6 %	19.0 %
Leverage ratio			4.3 %	4.0 %	4.2 %

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