Report for 2nd quarter 2026

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 390bn

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)	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
RESULTS					
Net interest income	615	1 208	568	1 121	2 466
Core earnings[1]	352	669	305	597	1 381
Profit after tax	516	867	378	815	1 894
Cost/income ratio (percent)[2]	18.5 %	18.0 %	20.7 %	19.7 %	18.4 %
Return on equity after tax[3]	9.9 %	8.2 %	7.3 %	7.9 %	9.5 %
Return on equity after tax (core earnings)[4]	7.3 %	6.9 %	6.6 %	6.5 %	7.6 %
Return on assets after tax[5]	0.4 %	0.3 %	0.3 %	0.3 %	0.4 %
LOANS TO CUSTOMERS					
New disbursements	11 693	21 788	10 468	24 404	42 907
Aggregate loans to customers[6]	377 160	377 160	375 281	375 281	374 007
Aggregate customer financing[7]	390 398	390 398	381 906	381 906	384 400
12 month lending growth in percent[8]	0.5 %	0.5 %	4.8 %	4.8 %	1.1 %
12 month aggregate financing growth in percent[9]	2.2 %	2.2 %	5.9 %	5.9 %	2.4 %
Green loans to customers[10]	76 958	76 958	73 166	73 166	75 733
Share of green loans in lending portfolio	21%	21%	20%	20%	21%
Share of municipalities with green loans[11]	47%	47%	45%	45%	46%
LIQUIDITY PORTFOLIO[6]	123 626	123 626	130 108	130 108	119 235
DEBT SECURITIES ISSUED					
New long-term debt securities issued	36 407	74 272	42 382	102 601	128 049
Green debt securities issued[6]	49 983	49 983	46 950	46 950	51 120
Aggregate debt securities issued[6]	472 273	472 273	509 544	509 544	482 652
TOTAL ASSETS	558 145	558 145	561 651	561 651	533 239
EQUITY					
Equity	22 623	22 623	22 166	22 166	22 954
Common equity Tier 1 capital adequacy ratio	18.9 %	18.9 %	17.6 %	17.6 %	19.0 %
Leverage ratio	4.2 %	4.2 %	3.9 %	3.9 %	4.2 %
LIQUIDITY COVERAGE RATIO (LCR)[12]					
Total	332%	332%	314%	314%	228%
NOK	77%	77%	88%	88%	109%
EUR	682%	682%	795%	795%	298%
USD	242%	242%	228%	228%	212%
OTHER KEY FIGURES					
Market share excl. Husbanken[13]	48.9 %	48.9 %	48.6 %	48.6 %	48.2 %
Market share overall financing of customers excl. Husbanken[14]	49.1 %	49.1 %	49.9 %	49.9 %	49.7 %
Percentage of women employed in KBN	35%	35%	34%	34%	34%
Emissions in tons CO_2 equivalents[15]	11.8	21.7	15.5	20.9	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 80 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

Strong quarterly results supported by contributions from hedging contracts

KBN's net interest income totalled NOK 615 million in the second quarter of 2026, compared to NOK 568 million in the same period in 2025. Stronger earnings from hedging contracts used to convert exposures into Norwegian kroner were the main drivers of the increase in income. KBN's aggregate customer financing[1] increased with NOK 4 billion in the second quarter of 2026. Green lending represented 21 % of KBN's total lending portfolio at the end of the quarter.

Results for the quarter

KBN's core earnings[2] totalled NOK 352 million in the second quarter of 2026, compared to NOK 305 million in the same period in 2025. KBN's net interest income totalled NOK 615 million in the second quarter of 2026, as compared to NOK 568 million in the same period in 2025. Improved earnings from hedging contracts for conversion into Norwegian kroner have contributed positively to the KBN's net interest income. Norges Bank increased its key policy rate by 0.25 of a percentage point at its June monetary policy committee meeting. The rate now stands at 4.25 %, while 3-month NIBOR at the end of the quarter was 4.57 %.

KBN's result for the accounting period in the second quarter of 2026 was a profit of NOK 516 million, compared to a profit of NOK 378 million in the same period in 2025. In the second quarter of 2026, KBN recognised a net gain on financial instruments totalling NOK 178 million, as compared to a net gain of NOK 44 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 13 million for the second quarter of 2026 as compared to NOK 4 million in the same period in 2025. Unrealised gains amounted to NOK 166 million in the second quarter of 2026, compared to unrealised gains of NOK 40 million in the same period in 2025.

KBN's fixed rate lending and associated hedging instruments contributed a net unrealised gain of NOK 119 million in the second quarter of 2026, compared to net unrealised gain of NOK 134 million in the same period in 2025. The gain is attributed to a tightening of credit spreads during the quarter, following the widening due to the conflict in Iran in the first quarter. 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 second quarter of 2026, 27 % of KBN's portfolio of fixed lending was carried at fair value.

[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.

KBN's liquidity portfolio and associated hedging instruments contributed a net unrealised gain of NOK 45 million for the second quarter of 2026, while KBN's own bonds and associated hedging instruments contributed a net unrealised gain of NOK 1 million in 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 decreased its provision for expected credit losses by NOK 5 million in the second quarter of 2026, bringing the total to NOK 40 million at the end of the quarter.

KBN's total operating costs for the second quarter of 2026 were NOK 111 million, which is consistent with the same period in 2025.

Results for the first six months of 2026

KBN's core earnings[2] for the first six months of 2026 totalled NOK 669 million, compared to NOK 597 million in the first six months of 2025. KBN's net interest income in the first six months of 2026 was NOK 1 208 million, as compared to NOK 1 121 million in the first six months of 2025. Improved earnings from hedging contracts for conversion into Norwegian kroner made a positive contribution to the Bank's net interest income.

KBN's result for the accounting period in the first six months of 2026 was a profit of NOK 867 million as compared to a profit of NOK 815 million in the first six months of 2025. KBN recognised net gains on financial instruments totalling NOK 181 million in the first six months of 2026, compared with NOK 206 million in the first six months of 2025.

KBN's total operating costs for the first six months of 2026 were NOK 210 million, compared to NOK 211 million in the first six months of 2025. KBN's cost-to-income ratio[3] for the first six months of 2026 was 18.0 %, compared to 19.7 % in the first six months of 2025.

KBN's annualised return on equity in the first six months of 2026 was 8.2 %, compared to 7.9 % in the first six months of 2025. Based on its core earnings, KBN's annualised return on equity in the first six months of 2026 was 6.9 %, compared to 6.5 % in the first six months 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 six months of 2026 was NOK 552 million, compared to NOK 919 million in the first six months of 2025. There was an unrealised loss from changes to KBN's own credit risk of NOK 420 million in the first six months of 2026, compared to an unrealised gain of NOK 139 million in the first six months of 2025. The loss is attributable to a tightening of credit spreads on KBN's issued bond debt.

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

Table 1: Result for the period and total comprehensive income

(Amounts in NOK 1 000 000)	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
Net interest income	615	1 208	568	1 121	2 466
Fees and commission expenses	33	61	33	60	117
Net gain/(loss) on financial instruments	178	181	44	206	501
Increased/(reduced) provision for expected credit loss	(5)	1	1	11	4
Operating expenses	111	210	112	211	437
Income tax	138	250	89	229	515
Profit for the period	**516**	**867**	**378**	**815**	**1 894**
(Amounts in NOK 1 000 000)	**2nd quarter 2026**	**January - June 2026**	**2nd quarter 2025**	**January - June 2025**	**2025**
Profit for the period	516	867	378	815	1 894
Change in fair value of liabilities due to changes in own credit risk	(75)	(420)	139	139	(224)
Actuarial gain/(loss) on pension liability	0	0	0	0	19
Tax	19	105	(35)	(35)	51
Total comprehensive income for the period	**460**	**552**	**482**	**919**	**1 740**

KBN's total assets at the end of the second quarter of 2026 amounted to NOK 558 billion, up from NOK 533 billion at the end of 2025.

Lending

KBN's lending portfolio totalled NOK 377 billion[4] at the end of the second quarter of 2026, while aggregate customer financing[5] totalled NOK 390 billion[6] at the end of the second quarter of 2026. KBN's aggregate customer financing increased by NOK 4 billion in the second quarter of 2026, as compared to an increase of NOK 2 billion in the second quarter of 2025. Competition remains high, particularly from the capital markets.

KBN's green loan portfolio increased by NOK 2 billion in the second quarter of 2026, compared to growth of NOK 1 billion in the same period in 2025. At the end of the second 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 June 2026 was calculated to be 3.6 %. After adjusting for borrowing from the Norwegian State Housing Bank, the rate of debt growth was 3.4 %. After adjusting for borrowing from the Norwegian State Housing Bank, KBN's market share based on its aggregate customer financing[7] as at the end of the second quarter of 2026 was 49.1 %.

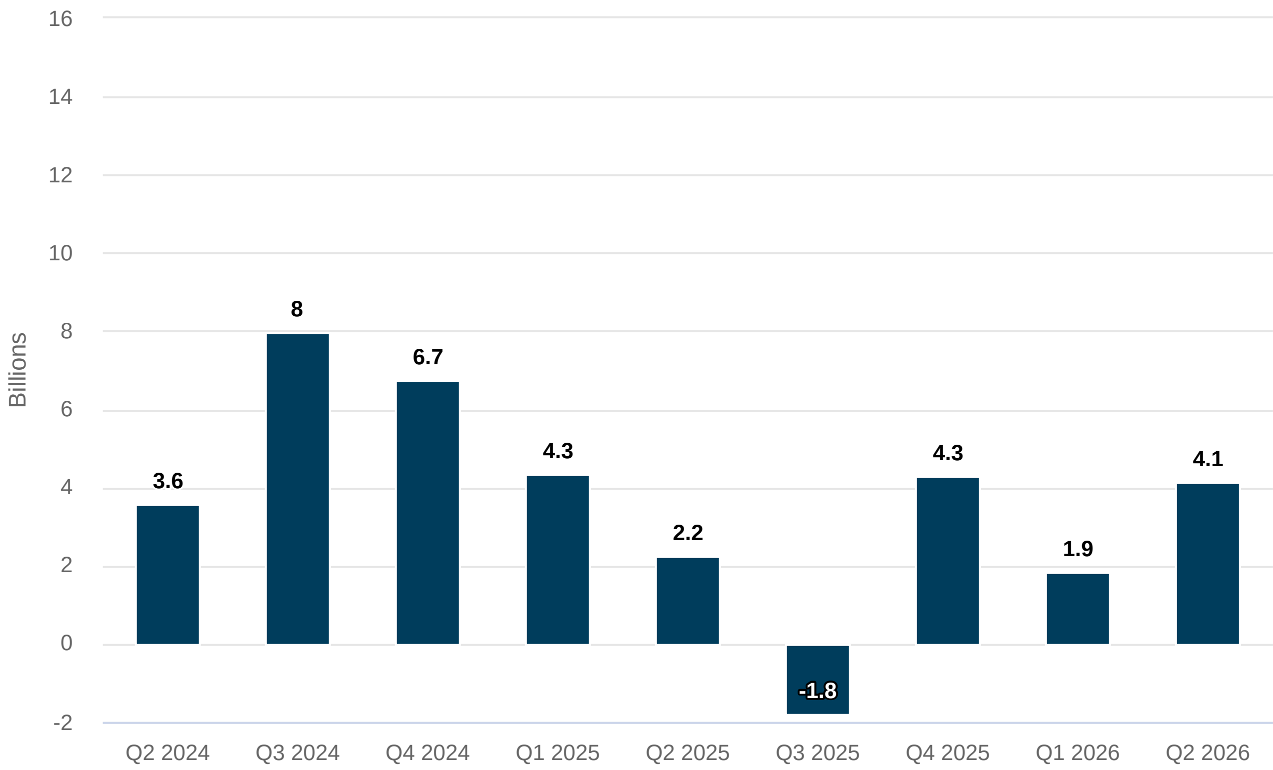
[4] Principal amount

[5] 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.

[6] Principal amount

[7] 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 2.7 % at the most recent assessment in June, while core inflation was 2.7 %. 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.

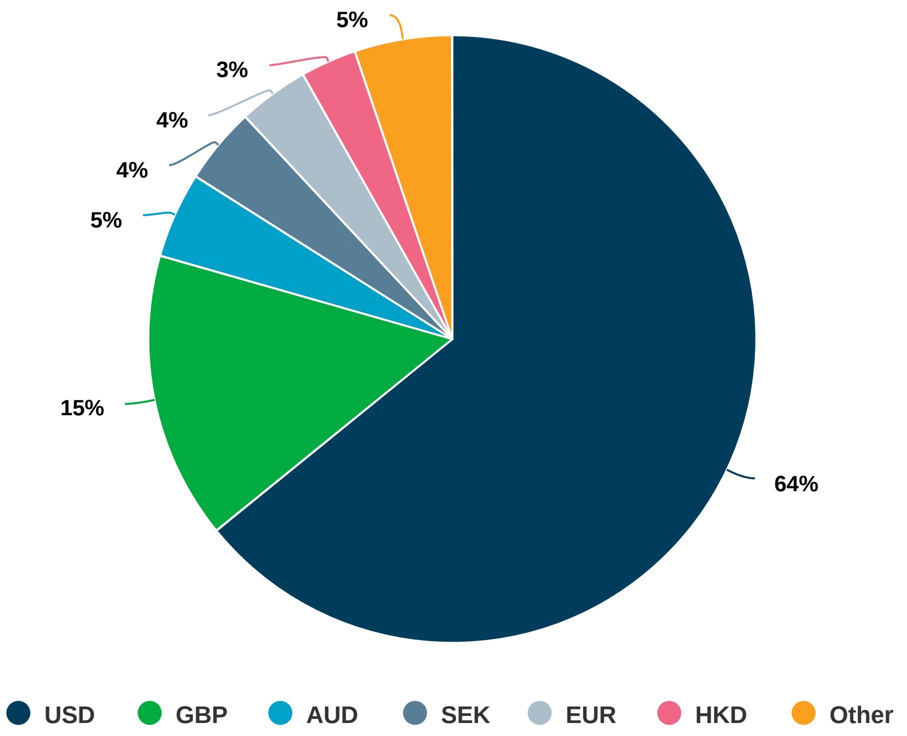
The ongoing conflict in the Middle East led to significant volatility in both interest rate and foreign exchange markets towards the end of quarter, resulting in higher-than-normal uncertainty regarding future developments both domestically and internationally. Credit spreads in both the municipal and OMF-markets tightened 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 six months of 2026 totalled approximately NOK 74 billion through 43 bond issues in 9 currencies, as compared to NOK 103 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 2026



Liquidity management

KBN's liquidity portfolio totalled NOK 124 billion[8] at the end of the second quarter of 2026, as compared to NOK 130 billion at the end of the second quarter of 2025. Investments denominated in foreign currencies represented 54 % of the portfolio at the end of the second 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 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 30 June 2026	Volume in NOK billion	Capital adequacy	Requirements
Common equity Tier 1 capital adequacy ratio	19.2	18.9 %	14.1 %
Tier 1 capital adequacy ratio	22.7	22.3 %	15.9 %
Total capital ratio	23.5	23.1 %	18.1 %

[8] 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 second quarter of 2026 was 4.2 %, as compared to the requirement of 3.0 %.

KBN's capital adequacy at the end of the second 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 CO_2e emissions[9] in the first six months of 2026 were 22 tonnes of CO_2e, representing a 71 % decrease from the 2019 level and a small increase from 21 tonnes of CO_2e in the first six months of 2025. In other words, the 2030 reduction goal has already been achieved.

Future prospects

At its monetary policy committee meeting in June 2026, Norges Bank stated that a more restrictive monetary policy is still 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. The latest inflation data indicate that inflation has fallen to 2.7 % following the previous monetary policy meeting. The future path of the interest rate thereafter will depend on economic developments.

There continues to be significant uncertainty regarding the outlook for the global economy, partly due to the renewed escalation of the 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.

[9] 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.

Board statement

The Board of Directors confirms that, to the best of its knowledge, the company's interim accounts for the period from 1 January to 30 June 2026 have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and that the information presented in the financial statements gives a true and fair view of the company's assets, liabilities, financial position and earnings for the company as a whole.

The Board of Directors confirms that, to the best of its knowledge, the interim report provides a true and fair view of important events during the accounting period and their influence on the interim accounts, and of the most important risks and uncertainties facing the company in the next accounting period.

Oslo, 6 August 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 Johnson
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	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
Interest income from assets measured at amortised cost		*4 911*	*9 601*	*5 074*	*10 142*	*19 983*
Interest income from assets measured at fair value		*1 053*	*2 119*	*1 408*	*2 945*	*5 754*
Total interest income		5 965	11 720	6 482	13 087	25 737
Interest expense		5 350	10 512	5 913	11 967	23 271
Net interest income	1	**615**	**1 208**	**568**	**1 121**	**2 466**
Fees and commission expenses		33	61	33	60	117
Net gain/(loss) on financial instruments	2	178	181	44	206	501
Increased/(reduced) provision for expected credit loss	6	(5)	1	1	11	4
Total other operating income		**150**	**119**	**10**	**135**	**380**
Salaries and administrative expenses		59	126	64	126	247
Depreciation of fixed and intangible assets		11	23	13	25	54
Other operating expenses		40	62	35	60	136
Total operating expenses		**111**	**210**	**112**	**211**	**437**
Profit before tax		**654**	**1 117**	**467**	**1 044**	**2 409**
Income tax		138	250	89	229	515
Profit for the period		**516**	**867**	**378**	**815**	**1 894**
Portion allocated to shareholder		476	789	335	733	1 733
Portion allocated to owners of additional Tier 1 capital		40	78	43	83	161

STATEMENT OF COMPREHENSIVE INCOME

(Amounts in NOK 1 000 000)	Note	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
Profit for the period		516	867	378	815	1 894
Other comprehensive income						
Items which will not be reclassified to profit or loss						
Change in fair value of liabilities due to changes in own credit risk	9	(75)	(420)	139	139	(224)
Actuarial gain/(loss) on pension liability		0	0	0	0	19
Tax		19	105	(35)	(35)	51
Total other comprehensive income		**(56)**	**(315)**	**104**	**104**	**(154)**
Total comprehensive income for the period		**460**	**552**	**482**	**919**	**1 740**
Portion allocated to shareholder		420	475	440	837	1 579
Portion allocated to owners of additional Tier 1 capital		40	78	43	83	161

Statement of financial position

(Amounts in NOK 1 000 000)	Note	30 June 2026	30 June 2025	31 December 2025
Assets				
Deposits with credit institutions	3	33 123	36 400	22 862
Loans to customers	3,4,5, 6	375 460	375 557	373 655
Commercial paper and bonds	3,4,6, 7,8	123 912	130 773	120 109
Hereof commercial paper and bonds lent	7	3 891	5 665	6 766
Financial derivatives	3,4	24 733	16 936	14 380
Deferred tax asset		658	1 692	771
Other assets		261	293	1 462
Total assets		**558 145**	**561 651**	**533 239**
Liabilities and equity				
Due to credit institutions	3,4	22 362	4 608	4 554
Commercial paper issued	3,4,9	25 120	4 109	5 793
Debt securities issued	3,4,9	471 207	508 682	482 499
Financial derivatives	3,4	15 686	21 200	16 197
Other liabilities		105	102	175
Payable taxes		279	0	288
Pension commitments		(8)	11	(8)
Subordinated loan capital	3,4,9	771	773	787
Total liabilities		**535 522**	**539 485**	**510 285**
Share capital		3 895	3 895	3 895
Additional Tier 1 capital		3 484	3 484	3 484
Retained earnings		15 244	14 787	15 575
Total equity		**22 623**	**22 166**	**22 954**
Total liabilities and equity		**558 145**	**561 651**	**533 239**

Statement of changes in equity

(Amounts in NOK 1 000 000)

	1. January - 30 June 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	867	867
Other comprehensive income after tax - financial liabilities, changes in own credit risk	0	0	(315)	0	(315)
Other comprehensive income after tax - actuarial gain/loss	0	0	0	0	0
Interest paid on additional Tier 1 capital	0	0	0	(122)	(122)
Issuance of additional Tier 1 capital	0	0	0	0	0
Dividends for 2025	0	0	0	(760)	(760)
Equity as of 30 June 2026	**3 895**	**3 484**	**(653)**	**15 897**	**22 623**

	1. January - 30 June 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	815	815
Other comprehensive income after tax - financial liabilities, changes in own credit risk	0	0	104	0	104
Other comprehensive income after tax - actuarial gain/loss	0	0	0	0	0
Interest paid on additional Tier 1 capital	0	0	0	(128)	(128)
Issuance of additional Tier 1 capital	0	0	0	0	0
Dividends for 2024	0	0	0	(700)	(700)
Equity as of 30 June 2025	**3 895**	**3 484**	**(66)**	**14 853**	**22 166**

	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)**	**14 865**	**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)**	**15 912**	**22 954**

Statement of cash flows

(Amounts in NOK 1 000 000)	January - June 2026	January - June 2025	2025
Cash flows from operating activities			
Interest received	11 524	13 028	25 913
Interest paid	(9 750)	(11 591)	(22 905)
Fees and commissions paid	(111)	(101)	(113)
Cash payments for operations	(188)	(186)	(383)
Paid taxes	(40)	0	0
Net disbursement of loans to customers	(3 152)	(5 417)	(4 143)
Net (payment)/disbursement short-term investments	7 436	(11 346)	1 680
Net payment/(disbursement) from purchase/sale of securities	(7 048)	4 930	15 157
Net (payment)/disbursement other assets	1 244	75	54
Net payment/(disbursement) other liabilities	(65)	(83)	(17)
Net (payment)/disbursement financial derivatives	(18 238)	(28 925)	(31 526)
Net cash flows from operating activities	**(18 388)**	**(39 615)**	**(16 283)**
Cash flows from investing activities			
Disbursment from sale of fixed assets	(16)	(18)	(40)
Net cash flows from investing activities	**(16)**	**(18)**	**(40)**
Cash flows from financing activities			
Payments on issued commercial paper	107 388	70 383	84 610
Repayment of commercial paper issued	(88 394)	(91 780)	(104 386)
Lease payments	(4)	(4)	(9)
Payments on issued debt securities	74 272	102 601	128 049
Repayment of debt securities issued	(74 026)	(39 992)	(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	(122)	(128)	(158)
Dividends paid	(760)	(700)	(700)
Net cash flows from financing activities	**18 353**	**40 380**	**16 337**
Net cash flows	**(51)**	**746**	**14**
Adjusment of exchange rate changes	(1)	(30)	(4)
Net cash flows after effects of exchange rate changes	**(52)**	**716**	**10**
Cash and cash equivalents at 1 January	253	243	243
Net changes of cash and cash equivalents	(52)	716	10
Cash and cash equivalents at end of period	**202**	**959**	**253**
Whereof			
Deposits with credit institutions without agreed time to maturity	*202*	*959*	*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 30 June 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

(Amounts in NOK 1 000 000)	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
Deposits with credit institutions	117	208	116	223	654
Other money market deposits	0	0	1	1	1
Loans to customers	3 965	7 807	4 000	7 896	15 773
Financial derivatives, hedge accounting loans to customers	168	286	204	389	741
Commercial paper and bonds	652	1 301	761	1 654	2 832
Financial derivatives, hedge accounting loans to customers	8	0	(9)	(20)	(18)
Interest income from assets measured at amortised cost	*4 911*	*9 601*	*5 074*	*10 142*	*19 983*
Loans to customers	212	429	263	553	1 029
Commercial paper and bonds	566	1 108	638	1 269	2 528
Financial derivatives	276	582	507	1 123	2 008
Other interest income	0	0	0	0	189
Interest income from assets measured at fair value	*1 053*	*2 119*	*1 408*	*2 945*	*5 754*
Total interest income	**5 965**	**11 720**	**6 482**	**13 087**	**25 737**
Due to credit institutions	27	49	40	76	186
Commercial paper issued	186	311	65	186	278
Debt securities issued	2 755	5 355	2 554	4 914	10 412
Financial derivatives, hedge accounting debt securities issued	277	668	1 075	2 402	4 117
Interest expenses from debt measured at amortised cost	*3 245*	*6 383*	*3 734*	*7 577*	*14 994*
Debt securities issued	1 056	2 016	1 096	2 136	4 222
Financial derivatives	1 044	2 101	1 077	2 242	4 031
Subordinated loan capital	6	12	6	12	24
Interest expenses from debt measured at fair value	*2 106*	*4 129*	*2 179*	*4 390*	*8 278*
Total interest expenses	**5 350**	**10 512**	**5 913**	**11 967**	**23 271**
Net interest income	**615**	**1 208**	**568**	**1 121**	**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	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
Loans to customers	862	(1 258)	2 282	2 482	1 740
Commercial paper and bonds	(20)	(487)	395	716	632
Financial derivatives	(280)	(42)	660	4 367	5 568
Debt securities issued	(380)	1 965	(3 278)	(7 343)	(7 421)
Subordinated loan capital	(5)	4	(14)	(16)	(18)
Net gain/(loss) on financial instruments	**178**	**181**	**44**	**206**	**501**
Whereof net unrealised gain/(loss) on financial instruments	166	160	40	181	469
Whereof net realised gain/(loss) on market transactions	13	21	4	25	32

Specification of net gain/(loss) on financial instruments including hedging instruments	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
Loans to customers, including hedging instruments	119	9	134	187	324
Commercial paper and bonds, including hedging instrument	58	53	23	65	170
Debt securities issued and subordinated loan capital, including hedging instruments	1	120	(112)	(45)	7
Net gain/(loss) on financial instruments	**178**	**181**	**44**	**206**	**501**

Specification of net gain/(loss) on financial instruments in fair value hedge	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
Loan to customers	441	(1 206)	1 373	1 260	322
Financial derivatives, in hedge accounting loans to customers	(434)	1 169	(1 325)	(1 229)	(275)
Commercial paper and bonds	4	(16)	23	21	12
Financial derivatives, in hedge accounting commercial paper and bonds	(4)	15	(22)	(20)	(12)
Debt securities issued	539	1 895	(2 112)	(4 965)	(5 780)
Financial derivatives, in hedge accounting debt securities issued	(524)	(1 879)	2 115	4 953	5 777
Net gain/(loss) on financial instruments in fair value hedge	**22**	**(21)**	**52**	**20**	**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 fair value			At amortised cost	
At 30 June 2026	**Total**	**Fair value option**	**Mandatorily at fair value**	**Fair value hedge**	**Designated at hedge accounting**	**Hold to collect**
Deposits with credit institutions	**33 123**	0	0	0	0	33 123
Loans to customers	**375 460**	36 203	0	0	100 387	238 870
Commercial paper and bonds	**123 912**	68 987	0	0	2 197	52 727
Financial derivatives	**24 733**	0	22 238	2 495	0	0
Total financial assets	**557 227**	**105 191**	**22 238**	**2 495**	**102 584**	**324 720**
Due to credit institutions	**22 362**	0	0	0	0	22 362
Commercial paper issued	**25 120**	0	0	0	0	25 120
Debt securities issued	**471 207**	167 172	0	0	250 561	53 474
Financial derivatives	**15 686**	0	10 033	5 653	0	0
Subordinated loan capital	**771**	771	0	0	0	0
Total financial liabilities	**535 146**	**167 943**	**10 033**	**5 653**	**250 561**	**100 956**

		At fair value			At amortised cost	
At 30 June 2025	**Total**	**Fair value option**	**Mandatorily at fair value**	**Fair value hedge**	**Designated at hedge accounting**	**Hold to collect**
Deposits with credit institutions	**36 400**	0	0	0	0	36 400
Loans to customers	**375 557**	45 508	0	0	94 658	235 391
Commercial paper and bonds	**130 773**	81 600	0	0	2 546	46 628
Financial derivatives	**16 936**	0	13 916	3 020	0	0
Total financial assets	**559 666**	**127 108**	**13 916**	**3 020**	**97 204**	**318 419**
Due to credit institutions	**4 608**	(0)	0	0	0	4 608
Commercial paper issued	**4 109**	0	0	0	0	4 109
Debt securities issued	**508 682**	172 263	0	0	275 775	60 645
Financial derivatives	**21 200**	0	13 364	7 836	0	0
Subordinated loan capital	**773**	773	0	0	0	0
Total financial liabilities	**539 373**	**173 036**	**13 364**	**7 836**	**275 775**	**69 362**

		At fair value			At amortised cost	
At 31 December 2025	**Total**	**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 30 June 2026	Level 1	Level 2	Level 3	Total
Loans to customers	0	36 203	0	36 203
Commercial paper and bonds	66 758	0	2 230	68 987
Financial derivatives	0	24 295	437	24 733
Total financial assets measured at fair value	**66 758**	**60 499**	**2 667**	**129 923**
Debt securities issued	21 005	123 486	22 681	167 172
Financial derivatives	0	12 011	3 675	15 686
Subordinated loan capital	0	0	771	771
Total financial liabilities measured at fair value	**21 005**	**135 497**	**27 127**	**183 629**

At 30 June 2025	Level 1	Level 2	Level 3	Total
Loans to customers	0	45 508	0	45 508
Commercial paper and bonds	66 675	9 217	5 709	81 600
Financial derivatives	0	16 599	337	16 936
Total financial assets measured at fair value	**66 675**	**71 324**	**6 045**	**144 044**
Debt securities issued	11 247	142 779	18 237	172 263
Financial derivatives	0	17 421	3 779	21 200
Subordinated loan capital	0	0	773	773
Total financial liabilities measured at fair value	**11 247**	**160 201**	**22 788**	**194 236**

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	(83)
Sale	0	0	0	0
Issue	0	5 021	0	0
Settlement	(102)	(3 051)	0	(77)
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	(22)	322	(16)	(21)
Carrying amount 30 June 2026	**2 230**	**22 681**	**771**	**(3 238)**

	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	8
Sale	(744)	0	0	0
Issue	0	3 267	0	0
Settlement	(827)	(1 436)	0	(25)
Transfer into Level 3	1 059	0	0	0
Transfer out of Level 3	(330)	0	0	0
Net unrealised gain/(loss) recognised in the period	(114)	(1 159)	4	626
Carrying amount 30 June 2025	**5 709**	**18 237**	**773**	**(3 443)**

	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 0.3 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.

	30 June 2026		30 June 2025		31 December 2025	
(Amounts in NOK 1 000 000)	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	2 230	(3)	5 709	(12)	1 007	(2)
Financial derivatives	(3 238)	(21)	(3 443)	(6)	(3 057)	(14)
Debt securities issued	(22 681)	22	(18 237)	6	(20 389)	7
Subordinated loan capital	(771)	1	(773)	2	(787)	2
Total		**(0)**		**(10)**		**(7)**

Note 5 Loans to customers

(Amounts in NOK 1 000 000)	30 June 2026	30 June 2025	31 December 2025
Principal amount	377 160	375 281	374 007
Accrued interest	3 534	3 518	3 625
Fair value adjustment	(2 865)	(3 009)	(2 813)
Value adjustment in fair value hedges	(2 343)	(199)	(1 137)
Expected credit loss	(36)	(45)	(37)
Total loans to customers	**375 450**	**375 547**	**373 645**
Other loans	9	11	10
Total loans	**375 460**	**375 557**	**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.

	30 June 2026		30 June 2025		31 December 2025	
(Amounts in NOK 1 000 000)	Carrying amount	Expected credit loss	Carrying amount	Expected credit loss	Carrying amount	Expected credit loss
Loans to customers	339 257	36	330 049	45	334 330	37
Commercial paper and bonds	54 924	4	49 173	1	51 313	2
Total	**394 181**	**40**	**379 223**	**46**	**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.

(Amounts in NOK 1 000 000)	2nd quarter 2026	January - June 2026	2nd quarter 2025	January - June 2025	2025
Loans to customers	(4.3)	(0.9)	2.9	13.1	5.1
Commercial paper and bonds	(0.4)	1.8	(1.5)	(1.9)	(1.5)
Increased/(reduced) provision for expected credit loss	**(4.7)**	**0.9**	**1.4**	**11.2**	**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 30 June 2026, 30 June 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	**30 June 2026**	**30 June 2025**	**31 December 2025**
Domestic			
Issued by public bodies[1]	17 875	14 046	14 359
Hereof bonds issued by Norwegian municipalities	13 330	6 705	10 491
Issued by other borrowers	29 914	24 739	28 034
Foreign			
Issued by public bodies [1]	45 845	65 144	50 965
Issued by other borrowers	30 278	26 844	26 751
Total commercial paper and bonds	**123 912**	**130 773**	**120 109**
Hereof			
Commercial paper and bonds lent	3 891	5 665	6 766
Commercial paper and bonds pledged as collateral	4 496	5 313	5 170

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

Commercial paper and bonds by time to maturity	**30 June 2026**	**30 June 2025**	**31 December 2025**
Under 1 year	28 073	38 969	33 699
1-5 years	87 920	87 620	83 841
> 5 years	7 918	4 184	2 569
Total commercial paper and bonds	**123 912**	**130 773**	**120 109**
Average duration (years)*	2.9	2.6	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 2.8 years as of June 30, 2026.*

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 30 June 2026									
Time to maturity	< 1 year					> 1 year				
Risk class	**A-1**	**A-2**	**A-3**	**Not rated**	**BBB**	**A**	**AA**	**AAA**	**Not rated**	**Total**
Sovereigns and central banks	2 812	0	0	94	0	0	6 610	8 584	0	**18 100**
Multilateral development banks	3 215	0	0	0	0	0	440	10 186	0	**13 841**
Regional authorities	5 458	0	0	7 104	0	1 718	3 285	3 356	10 858	**31 779**
Financial institutions	674	0	0	0	0	0	0	0	253	**927**
Corporates	1 259	0	0	0	201	726	0	0	0	**2 186**
Covered Bonds	7 457	0	0	0	0	0	430	49 191	0	**57 079**
Total	**20 875**	**0**	**0**	**7 199**	**201**	**2 444**	**10 765**	**71 317**	**11 112**	**123 912**

(Amounts in NOK 1 000 000)	Exposure as at 30 June 2025									
Time to maturity	< 1 year					> 1 year				
Risk class	**A-1**	**A-2**	**A-3**	**Not rated**	**BBB**	**A**	**AA**	**AAA**	**Not rated**	**Total**
Sovereigns and central banks	9 041	0	0	0	0	2 101	6 741	10 390	0	28 273
Multilateral development banks	1 976	0	0	0	0	0	467	13 405	0	15 848
Regional authorities	9 459	0	0	5 881	0	378	8 889	3 503	6 959	35 069
Financial institutions	875	0	0	0	0	265	116	0	0	1 256
Corporates	574	0	0	0	0	1 285	0	0	0	1 859
Covered Bonds	11 163	0	0	0	0	0	458	36 846	0	48 468
Total	**33 088**	**0**	**0**	**5 881**	**0**	**4 029**	**16 672**	**64 144**	**6 959**	**130 773**

(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**	**BBB**	**A**	**AA**	**AAA**	**Not rated**	**Total**
Sovereigns and central banks	3 948	0	0	0	0	0	6 798	10 034	0	**20 780**
Multilateral development banks	2 325	0	0	0	0	0	468	11 222	0	**14 016**
Regional authorities	9 441	0	0	4 506	0	2 482	1 912	3 234	8 954	**30 528**
Financial institutions	682	0	0	0	0	0	0	0	0	**682**
Corporates	1 404	0	0	0	0	545	0	0	0	**1 949**
Covered Bonds	11 392	0	0	0	0	0	453	40 309	0	**52 154**
Total	**29 193**	**0**	**0**	**4 506**	**0**	**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)	**30 June 2026**	**30 June 2025**	**31 December 2025**
Debt securities issued (nominal amounts incl. fees) as at 1 January	**482 652**	**481 504**	**481 504**
New issuance	74 272	102 601	128 049
Redemptions	(74 026)	(39 992)	(91 065)
Amortisation (incl. fees)	307	360	685
Effects of exchange rate changes	(10 933)	(34 928)	(36 521)
Debt securities issued (nominal amounts incl. fees) as at end of period	**472 273**	**509 544**	**482 652**
Accrued interest	8 717	7 817	8 085
Fair value adjustment	(9 782)	(8 679)	(8 238)
Of which value adjustmenst that is due to change in own credit risk	871	88	451
Of which value adjustmenst that is due to other reasons, fair value	*(5 772)*	*(4 965)*	*(5 702)*
Of which value adjustmenst that is due to other reasons, hedge accounting	*(4 882)*	*(3 802)*	*(2 987)*
Total Debt securities issued	**471 207**	**508 682**	**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**
Cash flows			
Payments from issuance	107 388	74 272	0
Redemptions	(88 394)	(74 026)	0
Changes that are not related to cash flows			
Change due to accrued interest and amortisation	311	939	(12)
Changes in fair value	0	(1 545)	(4)
Repurchace, related to issue of Tier 1 capital	0	0	0
Effects of exchange rate changes on nominal amounts incl. fees	22	(10 933)	0
Carrying amount 30 June 2026	**25 120**	**471 207**	**771**

(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**
Cash flows			
Payments from issuance	70 383	102 601	0
Redemptions	(91 780)	(39 992)	0
Changes that are not related to cash flows			
Change due to accrued interest and amortisation	186	881	(12)
Changes in fair value	0	7 204	16
Effects of exchange rate changes on nominal amounts incl. fees	(1 393)	(34 928)	(0)
Carrying amount 30 June 2025	**4 109**	**508 682**	**773**

(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**
Cash flows			
Payments from issuance	84 610	128 049	0
Redemptions	(104 386)	(91 065)	0
Changes that are not related to cash flows			
Change due to accrued interest and amortisation	278	1 474	0
Changes in fair value	0	7 645	18
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 2026	30 June 2025	31 December 2025
Equity	22 623	22 166	22 954
Additional Tier 1 capital included in equity	(3 484)	(3 484)	(3 484)
Equity included in common equity Tier 1 capital	**19 139**	**18 682**	**19 469**
Deductions:			
Deferred tax asset that exceeds 10 % of common equity Tier 1 capital	0	0	0
Intangible assets	(112)	(146)	(126)
Dividends payable	(369)	(328)	(760)
Prudent valuation adjustments (AVA)	(127)	(161)	(131)
Adjustments unrealised loss (gains) due to changes in own credit risk	653	66	338
Total common equity Tier 1 capital	**19 184**	**18 112**	**18 791**
Other approved Tier 1 capital	3 484	3 484	3 484
Total Tier 1 capital	**22 669**	**21 597**	**22 275**
Supplementary capital			
Subordinated loan capital	800	800	800
Total supplementary capital	**800**	**800**	**800**
Total primary capital	**23 469**	**22 397**	**23 075**

**Only non-reversible deferred tax assets should be dedeucted 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

(Amounts in NOK 1 000 000)	30 June 2026			30 June 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	18 100	0	0	0	0
Regional governments and local authorities	398 474	79 087	6 327	6 269	6 234
Of which are Norwegian municipalities	*393 044*	*79 087*	*6 327*	*6 272*	*6 234*
Corporates	2 186	1 143	91	74	78
Public sector entities	6 894	0	0	0	0
Multilateral development banks	13 859	0	0	0	0
Financial institutions	17 988	4 366	349	408	345
Of which counterparty exposure on derivatives	*11 518*	*2 670*	*214*	*254*	*235*
Claims secured by residential property	10	10	1	2	2
Covered bonds	57 192	6 835	547	439	478
Other assets	776	1 740	139	347	162
Total credit risk	**515 480**	**93 180**	**7 454**	**7 540**	**7 299**
Credit Valuation Adjustment		**4 189**	**335**	**339**	**274**
Operational risk		**4 203**	**336**	**355**	**336**
Minimum capital requirements		**101 572**	**8 126**	**8 234**	**7 910**
Total capital ratio			**23.1 %**	**21.8 %**	**23.3 %**
Tier 1 capital adequacy ratio			**22.3 %**	**21.0 %**	**22.5 %**
Common equity Tier 1 capital adequacy ratio			**18.9 %**	**17.6 %**	**19.0 %**
Leverage ratio			**4.2 %**	**3.9 %**	**4.2 %**

Contact information

Kommunalbanken AS
P.O.Box 1210 Vika, 0110 Oslo

Address:
Filipstad Brygge 1, 0252 Oslo

Phone: +47 21 50 20 00
E-mail: post@kbn.com

www.kbn.com