

Report for 4th quarter 2025



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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 381bn**

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. KBN's 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)	4th quarter 2025	2025	4th quarter 2024	2024
RESULTS				
Net interest income	757	2 466	554	2 253
Core earnings ¹	477	1 381	293	1 276
Profit after tax	634	1 894	280	1 474
Cost/income ratio (percent) ²	15.6 %	18.4 %	18.3 %	17.1 %
Return on equity after tax ³	13.3 %	9.5 %	5.5 %	7.4 %
Return on equity after tax (core earnings) ⁴	10.7 %	7.6 %	6.7 %	7.2 %
Return on assets after tax ⁵	0.5 %	0.4 %	0.2 %	0.3 %
LOANS TO CUSTOMERS				
New disbursements	12 539	42 907	16 314	46 692
Aggregate loans to customers ⁶	374 007	374 007	369 859	369 859
Aggregate customer financing ⁷	381 201	381 201	375 356	375 356
12 month lending growth in percent ⁸	1.1 %	1.1 %	4.5 %	4.5 %
12 month aggregate financing growth in percent ⁹	1.6 %	1.6 %	6.0 %	6.0 %
Green loans to customers ¹⁰	75 733	75 733	65 969	65 969
Share of green loans in lending portfolio	21.0%	21.0%	18.5%	18.5%
Share of municipalities with green loans ¹¹	46.0%	46.0%	44.4%	44.4%
LIQUIDITY PORTFOLIO⁶				
	119 235	119 235	139 954	139 954
DEBT SECURITIES ISSUED				
New long-term debt securities issued	14 209	128 049	9 065	91 909
Green debt securities issued ⁶	51 120	51 120	52 787	52 787
Aggregate debt securities issued ⁶	482 652	482 652	481 504	481 504
TOTAL ASSETS				
	533 239	533 239	567 644	567 644
EQUITY				
Equity	22 954	22 954	22 075	22 075
Common equity Tier 1 capital adequacy ratio	19.0 %	19.0 %	18.1 %	18.1 %
Leverage ratio	4.2 %	4.2 %	3.9 %	3.9 %
LIQUIDITY COVERAGE RATIO (LCR)¹²				
Total	228%	228%	236%	236%
NOK	109%	109%	97%	97%
EUR	298%	298%	261%	261%
USD	212%	212%	334%	334%
OTHER KEY FIGURES				
Market share excl. Husbanken ¹³	48.2 %	48.2 %	49.4 %	49.4 %
Market share overall financing of customers excl. Husbanken ¹⁴	49.7 %	49.7 %	50.2 %	50.2 %
Percentage of women employed in KBN	34.0 %	34.0 %	33.0 %	33.0 %
Emissions in tons CO ₂ equivalents ¹⁵	23.1	55.5	23.3	82.5

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 78.6 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

Extraordinary income related to a tax appeal boosts the bank's net interest income

KBN's net interest income totalled NOK 757 million in the fourth quarter of 2025, compared to NOK 554 million in the same period in 2024. The Tax Appeals Committee issued its decision 18 December 2025 in KBN's appeal concerning the tax treatment and timing of financial instruments for the fiscal years 2014-2021. The Committee ruled in favor of the Bank on the key questions relating to the classification of previously taxable income. As a result of the decision, KBN has received a refund of approximately NOK 1 billion in previously paid taxes, together with interest compensation. The deferred tax asset recognised on the balance sheet was reduced by NOK 1 billion as a direct consequence. Isolated, this contributed to increasing the Bank's Common Equity Tier 1 adequacy ratio by approximately 0.4 percentage points. In the fourth quarter of 2025, the bank recognised a total of NOK 189 million in interest compensation related to the tax appeal, which contributes positively to net interest income. Adjusted for this interest compensation, net interest income increased by NOK 14 million from the fourth quarter of 2024 to the fourth quarter of 2025.

KBN's aggregate customer financing¹ increased with NOK 1 billion in the fourth quarter of 2025. The growth in green lending amounted to NOK 1 billion this quarter. Green lending represented 21.0 % of KBN's total lending portfolio at the end of the quarter.

Results for the quarter

KBN's core earnings² totalled NOK 477 million in the fourth quarter of 2025, compared to NOK 293 million in the same period in 2024. The aforementioned interest compensation related to the tax appeal contributes positively to the Bank's core earnings. KBN's net interest income totalled NOK 757 million in the fourth quarter of 2025, as compared to NOK 554 million in the same period in 2024. Norges Bank kept its key policy rate unchanged at its December monetary policy committee meeting. The rate now stands at 4 %, while the money market interest rate at the end of the quarter was 4.07 %.

KBN's result for the accounting period in the fourth quarter of 2025 was a profit of NOK 634 million, compared to a profit of NOK 280 million in the same period in 2024. In the fourth quarter of 2025, KBN recognised a net gain on financial instruments totalling NOK 161 million, as compared to a net loss of NOK 62 million in the same period in 2024. 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 4 million for the fourth quarter of 2025 as compared to NOK 10 million in the same period in 2024. Unrealised gains amounted to NOK 158 million in the fourth quarter of 2025, compared to unrealised loss of NOK 71 million in the same period in 2024.

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 fixed rate lending and associated hedging instruments contributed a net unrealised gain of NOK 153 million in the fourth quarter of 2025. Net unrealised loss on fixed rate lending and associated hedging instruments amounted to NOK 44 million in the same period in 2024. 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 fourth quarter of 2025, 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 gain of NOK 48 million for the fourth quarter of 2025, while KBN's own bonds and associated hedging instruments contributed a net unrealised loss of NOK 43 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 decreased its provision for expected credit losses by NOK 2 million in the fourth quarter of 2025, bringing the total to NOK 39 million at the end of the quarter.

KBN's total operating costs for the fourth quarter of 2025 were NOK 115 million, compared to NOK 98 million in the same period in 2024. This increase was in accordance with the plans adopted by KBN and was primarily due to a higher level of activity in developing and improvements of operations.

Preliminary annual accounts for 2025

KBN's core earnings³ in 2025 totalled NOK 1 381 million, compared to NOK 1 276 million in 2024. The interest compensation from the tax appeal contributes positively to the bank's core earnings. Adjusted for this, KBN's core earnings in 2025 amounted to NOK 1 193 million. KBN's net interest income in 2025 was NOK 2 466 million, compared to NOK 2 253 million in 2024. Interest compensation related to the tax appeal amounted to a total of NOK 189 million in net interest income in 2025. Adjusted for this, net interest income increased by NOK 24 million from 2024 to 2025.

KBN's result for the accounting period in 2025 was a profit of NOK 1 894 million compared to a profit of NOK 1 474 million in 2024. KBN recognised net gains on financial instruments totalling NOK 501 million in 2025, compared with NOK 157 million in 2024.

KBN's total operating costs in 2025 were NOK 437 million, compared to NOK 383 million in 2024. This increase was in accordance with the plans adopted by KBN and was primarily due to a higher level of activity in developing and improvements of operations. KBN's cost-to-income ratio⁴ for 2025 was 18.4 %, compared to 17.1 % in 2024.

³ 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.

⁴ 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).

KBN's annualised return on equity in 2025 was 9.5 %, compared to 7.4 % in 2024. Based on its core earnings, KBN's annualised return on equity in 2025 was 7.6 %, compared to 7.2 % in 2024. The interest compensation related to the tax appeal contributes positively to the return on equity in 2025. The return target set by KBN's Board of Directors for the 2025-2027 period is at least 7 %.

KBN's total comprehensive income in 2025 was NOK 1 740 million, compared to NOK 1 254 million in 2024. There was an unrealised loss from changes to KBN's own credit risk of NOK 224 million, compared to an unrealised loss of NOK 305 million in 2024.

Table 1: Result for the period and total comprehensive income

(Amounts in NOK 1 000 000)	4th quarter 2025	2025	4th quarter 2024	2024
Net interest income	757	2 466	554	2 253
Fees and commission expenses	29	117	31	125
Net gain/(loss) on financial instruments	161	501	(62)	157
Increased/(reduced) provision for expected credit loss	(2)	4	(4)	(9)
Operating expenses	115	437	98	383
Income tax	143	515	87	437
Profit for the period	634	1 894	280	1 474
(Amounts in NOK 1 000 000)	4th quarter 2025	2025	4th quarter 2024	2024
Profit for the period	634	1 894	280	1 474
Change in fair value of liabilities due to changes in own credit risk	(149)	(224)	(78)	(305)
Actuarial gain/(loss) on pension liability	19	19	11	11
Tax	32	51	17	73
Total comprehensive income for the period	536	1 740	230	1 254

Lending

KBN's lending portfolio totalled NOK 374 billion⁵ at the end of the fourth quarter of 2025, while aggregate customer financing⁶ totalled NOK 381 billion⁷ at the end of the fourth quarter of 2025. KBN's aggregate customer financing increased by NOK 1 billion in the fourth quarter of 2025, as compared to an increase of NOK 7 billion in the fourth quarter of 2024. The main reason for the reduction in growth in KBN's aggregate customer financing was the favourable terms and low prices available to local government sector borrowers in the capital markets.

KBN's portfolio of green loans increase by NOK 1 billion in the fourth quarter of 2025, as compared to NOK 6 billion in the same period in 2024. KBN's green lending in the fourth quarter of 2025 included green loans for the county of Nordland and the municipality of Oslo. At the end of the fourth quarter of 2025, KBN's green lending represented 21.0 % of its overall lending portfolio.

The annual rate of debt growth in the local government sector as at the end of December 2025 was calculated to be 6.3 %. After adjusting for borrowing from the Norwegian State Housing Bank, the rate of

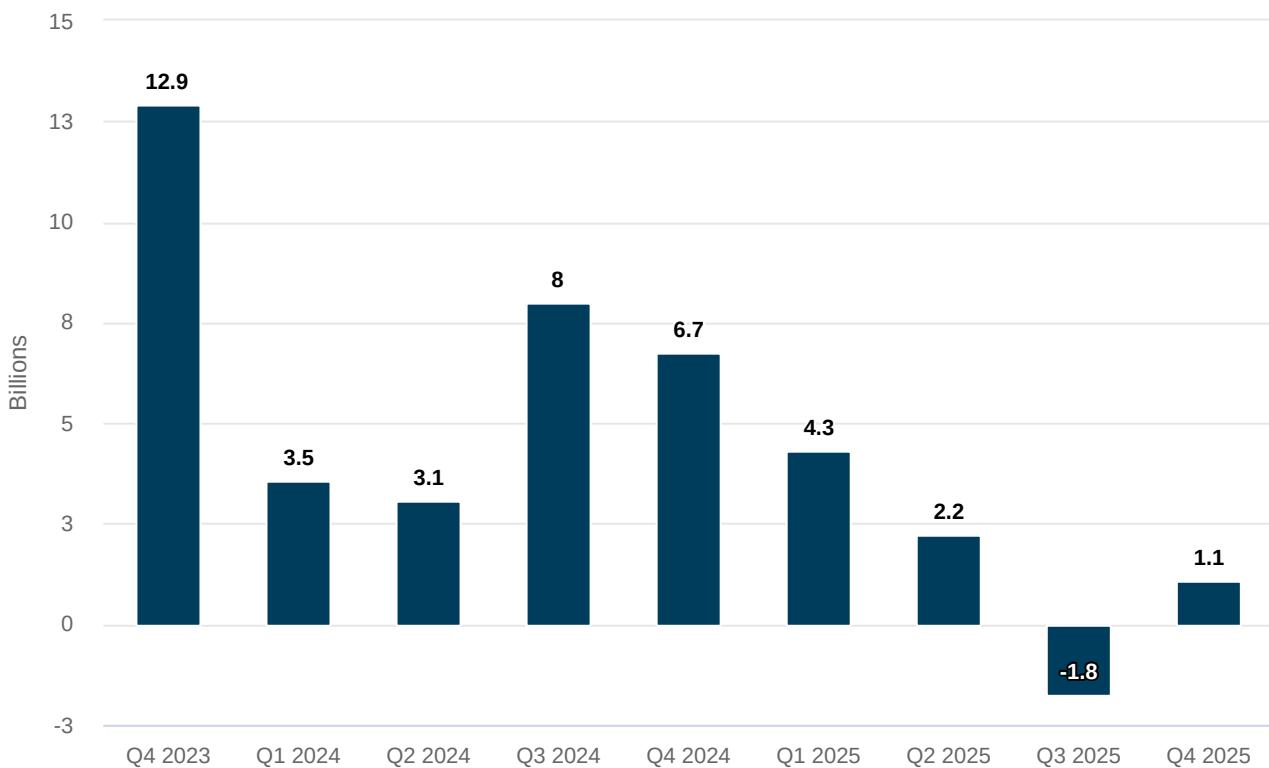
⁵ Principal amount

⁶ 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.

⁷ Principal amount

debt growth was 5.7 %. After adjusting for borrowing from the Norwegian State Housing Bank, KBN's market share based on its aggregate customer financing⁸ as at the end of the fourth quarter of 2025 was 49.7 %.

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



Financial markets

The rate of inflation in Norway was running at 3.2 % at the most recent assessment in December, while core inflation was 3.1 %. 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 change in economic policy following the change of President in the USA has led to significant fluctuations in the fixed income and foreign exchange markets in whole of 2025, and there is significantly more uncertainty than usual regarding future growth both nationally and internationally.

Following a weakening of the US dollar in the first half of the year, the exchange rate against both the US dollar and the euro was approximately unchanged at the end of the fourth quarter of 2025 as at the end of the previous quarter, although there were periods of significant volatility within the quarter. Credit spreads on local government and covered bonds declined throughout the quarter.

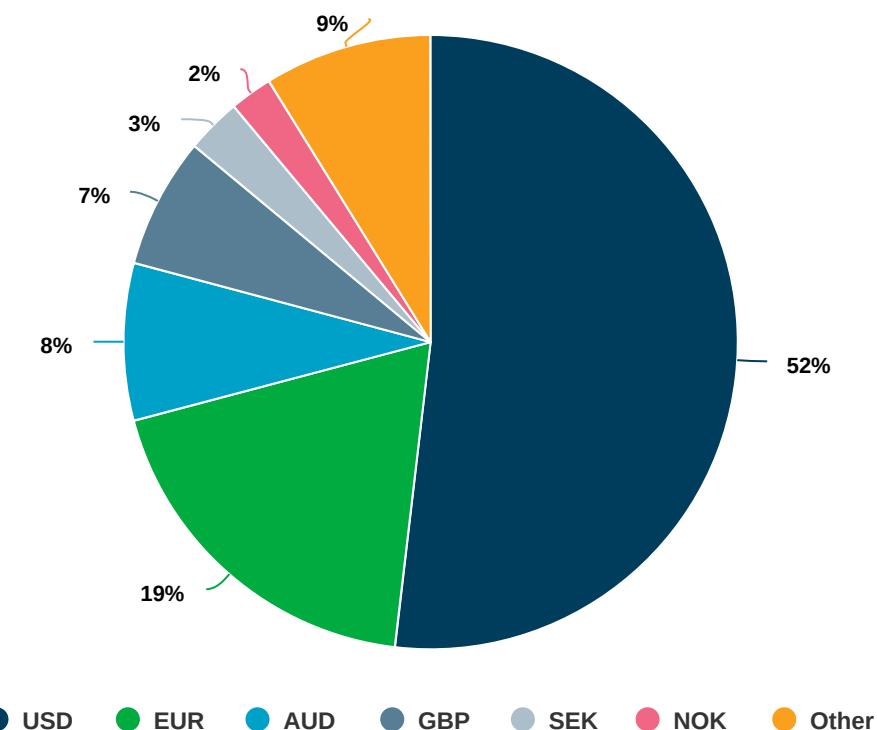
⁸ KBN's market share based on total loans to customers of sector code 6500 divided by total lending to the same sector, based on Statistics Norway's K2 reporting, plus foreign ownership of local government sector outstanding securities. Lending from the Norwegian State Housing Bank is not included as KBN does not compete for these loans.

Funding

KBN enjoyed good access to the international capital markets in the whole of 2025 and completed all its funding transactions as planned. KBN's new borrowings in the whole of 2025 totalled approximately NOK 128 billion through 56 bond issues in 9 currencies, as compared to NOK 92 billion in the whole of 2024. 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 119 billion⁹ at the end of the fourth quarter of 2025, as compared to NOK 140 billion at the end of the fourth quarter of 2024. 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.

The liquidity portfolio is largely held in zero-risk weighted assets that are particularly liquid. Investments denominated in foreign currencies represented 50 % of the portfolio at the end of the fourth quarter of

⁹ Principal amount

2025. 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.

Capital

Table 2: Capital adequacy key figures

As at 31 December 2025	Volume in NOK billion	Capital adequacy	Requirements
Common equity Tier 1 capital adequacy ratio	18.8	19.0 %	14.3 %
Tier 1 capital adequacy ratio	22.3	22.5 %	16.0 %
Total capital ratio	23.1	23.3 %	18.3 %

KBN's total assets at the end of the fourth quarter of 2025 amounted to NOK 533 billion, down from NOK 568 billion at the end of 2024. The decrease is primarily due to a decrease in the NOK value of balance sheet assets.

KBN received the Financial Authority of Norway's (Finanstilsynet's) decision regarding its Pillar 2 requirement (SREP) on 3 December 2025. The Financial Supervisory Authority of Norway determined that KBN will have a Pillar 2 requirement consisting of 1.1 % of the basis for calculation under Pillar 1. KBN's Pillar 2 requirement has thus decreased by 0.6 percentage points. 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 fourth quarter of 2025 was 4.2 %, as compared to the requirement of 3.0 %.

KBN's capital adequacy at the end of the fourth quarter of 2025 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 2025

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 emissions¹⁰ in the whole of 2025 were 56 tonnes of CO₂e, representing a 71 % decrease from the 2019 level and a decrease from 83 tonnes of CO₂e in the whole of

¹⁰ 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.

2024. 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 December 2025, Norges Bank stated that a restrictive monetary policy was still required, but that the outlook for the coming year indicates lower inflation than previously expected. Norges Bank stated that a cautious normalisation of the policy rate would pave the way for inflation to return to the target of 2 % without restricting the economy more than necessary. The future path of the policy 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.

In connection with the 2026 National Budget, the Norwegian Parliament adopted a resolution requesting "The Government to assess whether loans to municipalities should have the same risk weight as loans to the central government in the capital requirements regulations. In this context, the Government is also asked to assess whether Kommunalbanken's risk weight should be changed and whether Kommunalbanken should be given the status of promotional bank." Clarification on this matter is of importance to KBN.

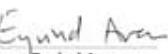
KBN has good access to liquidity and will continue to provide its customers with attractive financing for local government sector projects across Norway.

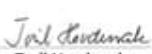
The Board of Directors proposes a dividend for 2025 of NOK 760 million. This represents 40 % of KBN's profit for the period in 2025 and 55 % of its core earnings.

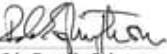
Oslo, 12 February 2026

The Board of Directors and Chief Executive Officer of Kommunalbanken AS


Brit Kristin Sæbø Rugland
CHAIR


Eyvind Aven
BOARD MEMBER

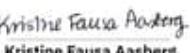

Toril Hovdenak
BOARD MEMBER

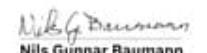

Ida Espolin Johnson
BOARD MEMBER

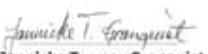

Ida Texmo Prytz
BOARD MEMBER


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	4th quarter 2025	2025	4th quarter 2024	2024
Interest income from assets measured at amortised cost		4 788	19 983	5 017	19 557
Interest income from assets measured at fair value		1 462	5 754	1 820	7 375
Total interest income		6 249	25 737	6 836	26 931
Interest expense		5 492	23 271	6 282	24 678
Net interest income	1	757	2 466	554	2 253
Fees and commission expenses		29	117	31	125
Net gain/(loss) on financial instruments	2	161	501	(62)	157
Increased/(reduced) provision for expected credit loss	6	(2)	4	(4)	(9)
Total other operating income		135	380	(89)	41
Salaries and administrative expenses		61	247	48	221
Depreciation of fixed and intangible assets		13	54	12	48
Other operating expenses		41	136	38	115
Total operating expenses		115	437	98	383
Profit before tax		777	2 409	367	1 911
Income tax		143	515	87	437
Profit for the period		634	1 894	280	1 474
Portion allocated to shareholder		595	1 733	239	1 312
Portion allocated to owners of additional Tier 1 capital		39	161	41	162

STATEMENT OF COMPREHENSIVE INCOME

(Amounts in NOK 1 000 000)	Note	4th quarter 2025	2025	4th quarter 2024	2024
Profit for the period		634	1 894	280	1 474
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	(149)	(224)	(78)	(305)
Actuarial gain/(loss) on pension liability		19	19	11	11
Tax		32	51	17	73
Total other comprehensive income		(97)	(154)	(50)	(220)
Total comprehensive income for the period		536	1 740	230	1 254
Portion allocated to shareholder		498	1 579	189	1 091
Portion allocated to owners of additional Tier 1 capital		39	161	41	162

Statement of financial position

(Amounts in NOK 1 000 000)	Note	31 December 2025	31 December 2024
Assets			
Deposits with credit institutions	<u>3</u>	22 862	37 787
Loans to customers	<u>3,4,5,</u> <u>6</u>	373 655	367 495
Commercial paper and bonds	<u>3,4,6,</u> <u>7,8</u>	120 109	139 971
<i>Hereof commercial paper and bonds lent</i>	<u>7</u>	6 766	7 688
Financial derivatives	<u>3,4</u>	14 380	20 133
Deferred tax asset		771	1 954
Other assets		1 462	303
Total assets		533 239	567 644
Liabilities and equity			
Due to credit institutions	<u>3,4</u>	4 554	17 539
Commercial paper issued	<u>3,4,9</u>	5 793	26 713
Debt securities issued	<u>3,4,9</u>	482 499	472 917
Financial derivatives	<u>3,4</u>	16 197	27 443
Other liabilities		175	177
Payable taxes		288	0
Pension commitments		(8)	11
Subordinated loan capital	<u>3,4,9</u>	787	769
Total liabilities		510 285	545 569
Share capital		3 895	3 895
Additional Tier 1 capital		3 484	3 484
Retained earnings		15 575	14 696
Total equity		22 954	22 075
Total liabilities and equity		533 239	567 644

Statement of changes in equity

(Amounts in NOK 1 000 000)

	Share capital	Additional Tier 1 capital	1. January - 31 December 2025	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	(161)	(161)
Issuance of additional Tier 1 capital	0	0		0	0	0
Dividends for 2024	0	0		0	(700)	(700)
Equity as of 31 December 2025	3 895	3 484		(338)	15 913	22 954

	Share capital	Additional Tier 1 capital	1. January - 31 December 2024	Financial liabilities, changes in own credit risk	Other equity	Total equity
Equity as of 31 December 2023	3 895	3 484		59	14 245	21 684
Profit for the period	0	0		0	1 474	1 474
Other comprehensive income after tax - financial liabilities, changes in own credit risk	0	0		(229)	0	(229)
Other comprehensive income after tax - actuarial gain/loss	0	0		0	8	8
Interest paid on additional Tier 1 capital	0	0		0	(162)	(162)
Issuance of additional Tier 1 capital	0	0		0	0	0
Dividends for 2023	0	0		0	(700)	(700)
Equity as of 31 December 2024	3 895	3 484		(170)	14 866	22 075

Statement of cash flows

(Amounts in NOK 1 000 000)	2025	2024
Cash flows from operating activities		
Interest received	25 913	26 751
Interest paid	(22 905)	(23 392)
Fees and commissions paid	(113)	(122)
Cash payments for operations	(383)	(336)
Paid taxes	0	0
Net disbursement of loans to customers	(4 143)	(15 805)
Net (payment)/disbursement short-term investments	1 680	10 686
Net payment/(disbursement) from purchase/sale of securities	15 157	(18 131)
Net (payment)/disbursement other assets	54	0
Net payment/(disbursement) other liabilities	(17)	(8)
Net (payment)/disbursement financial derivatives	(31 526)	32 142
Net cash flows from operating activities	(16 283)	11 784
Cash flows from investing activities		
Disbursement from sale of fixed assets	(40)	(45)
Net cash flows from investing activities	(40)	(45)
Cash flows from financing activities		
Payments on issued commercial paper	84 610	132 316
Repayment of commercial paper issued	(104 386)	(148 789)
Lease payments	(9)	(10)
Payments on issued debt securities	128 049	91 909
Repayment of debt securities issued	(91 065)	(86 499)
Interest Paid on additional Tier 1 capital	(161)	(162)
Dividends paid	(700)	(700)
Net cash flows from financing activities	16 337	(11 935)
Net cash flows	14	(196)
Adjustment of exchange rate changes	(4)	83
Net cash flows after effects of exchange rate changes	11	(113)
Cash and cash equivalents at 1 January	243	356
Net changes of cash and cash equivalents	11	(113)
Cash and cash equivalents at end of period	253	243
Whereof		
<i>Deposits with credit institutions without agreed time to maturity</i>	253	243
<i>Due to credit institutions without agreed time to maturity</i>	0	0

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 December 2025 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 2024. 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 2024.

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)	4th quarter 2025	2025	4th quarter 2024	2024
Deposits with credit institutions	205	654	171	673
Other money market deposits	0	1	0	0
Loans to customers	3 880	15 773	3 894	15 027
Financial derivatives, hedge accounting loans to customers	143	741	189	636
Commercial paper and bonds	566	2 832	771	3 243
Financial derivatives, hedge accounting loans to customers	(7)	(18)	(7)	(22)
<i>Interest income from assets measured at amortised cost</i>	4 788	19 983	5 017	19 557
Loans to customers	230	1 029	330	1 408
Commercial paper and bonds	601	2 528	580	2 043
Financial derivatives	442	2 008	909	3 924
Other interest income	189	189	0	0
<i>Interest income from assets measured at fair value</i>	1 462	5 754	1 820	7 375
Total interest income	6 249	25 737	6 836	26 931
Due to credit institutions	59	186	68	132
Commercial paper issued	45	278	173	589
Debt securities issued	2 748	10 412	2 333	8 328
Financial derivatives, hedge accounting debt securities issued	729	4 117	1 853	8 753
<i>Interest expenses from debt measured at amortised cost</i>	3 581	14 994	4 428	17 801
Debt securities issued	1 052	4 222	1 087	4 448
Financial derivatives	854	4 031	762	2 405
Subordinated loan capital	6	24	6	24
<i>Interest expenses from debt measured at fair value</i>	1 911	8 278	6	6 877
Total interest expenses	5 492	23 271	6 282	24 678
Net interest income	757	2 466	554	2 253

The Tax Appeals Committee issued its decision 18 December 2025 in KBN's appeal concerning the tax treatment and timing of financial instruments. The Committee ruled in favor of the Bank on the key questions relating to the classification of previously taxable income. As a result of the decision, KBN has received a refund of approximately NOK 1 billion in previously paid taxes, together with interest compensation. The accounting effects of the decision have been recognised in the Bank's 2025 income statement and balance sheet.

The compensation represents interest (the time value of money) and does not fall within the scope of IAS12. The interest compensation is presented under Other interest income in income statement and Note 1.

Note 2 Net gain/(loss) on financial instruments

(Amounts in NOK 1 000 000)

Net gain/(loss) on financial instruments	4th quarter 2025	2025	4th quarter 2024	2024
Loans to customers	456	1 740	(1 903)	(972)
Commercial paper and bonds	(11)	632	(532)	481
Financial derivatives	(928)	5 568	(2 334)	3 866
Debt securities issued	650	(7 421)	4 699	(3 218)
Subordinated loan capital	(5)	(18)	9	2
Net gain/(loss) on financial instruments	161	501	(62)	157
Whereof net unrealised gain/(loss) on financial instruments	158	469	(71)	47
Whereof net realised gain/(loss) on market transactions	4	32	10	110

Specification of net gain/(loss) on financial instruments including hedging instruments	4th quarter 2025	2025	4th quarter 2024	2024
Loans to customers, including hedging instruments	153	324	(44)	259
Commercial paper and bonds, including hedging instrument	52	170	(32)	89
Debt securities issued and subordinated loan capital, including hedging instruments	(43)	7	15	(190)
Net gain/(loss) on financial instruments	161	501	(62)	157

Specification of net gain/(loss) on financial instruments in fair value hedge	4th quarter 2025	2025	4th quarter 2024	2024
Loan to customers	89	322	(1 367)	(1 441)
Financial derivatives, in hedge accounting loans to customers	(59)	(275)	1 378	1 453
Commercial paper and bonds	2	12	(21)	(18)
Financial derivatives, in hedge accounting commercial paper and bonds	(2)	(12)	21	18
Debt securities issued	(70)	(5 780)	2 688	(2 958)
Financial derivatives, in hedge accounting debt securities issued	64	5 777	(2 689)	2 878
Net gain/(loss) on financial instruments in fair value hedge	24	44	10	(68)

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 December 2025	Total	Fair value option	At fair value		At amortised cost		Hold to collect
			Mandatorily at fair value	Fair value hedge	Designated at hedge accounting		
Deposits with credit institutions	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

At 31 December 2024	Total	Fair value option	At fair value		At amortised cost		Hold to collect
			Mandatorily at fair value	Fair value hedge	Designated at hedge accounting		
Other money market deposits	37 787	0	0	0		0	37 787
Loans to customers	367 495	58 136	0	0		71 923	237 436
Commercial paper and bonds	139 971	76 002	0	0		2 152	61 818
Financial derivatives	20 133	0	18 070	2 063		0	0
Total financial assets	565 386	134 138	18 070	2 063		74 075	337 041
Due to credit institutions	17 539	0	0	0		0	17 539
Commercial paper issued	26 713	0	0	0		0	26 713
Debt securities issued	472 917	160 426	0	0		280 955	31 536
Financial derivatives	27 443	0	16 543	10 900		0	0
Subordinated loan capital	769	769	0	0		0	0
Total financial liabilities	545 381	161 195	16 543	10 900		280 955	75 788

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 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

At 31 December 2024	Level 1	Level 2	Level 3	Total
Loans to customers	0	58 136	0	58 136
Commercial paper and bonds	68 733	1 062	6 207	76 002
Financial derivatives	0	19 989	144	20 133
Total financial assets measured at fair value	68 733	79 186	6 351	154 271
Debt securities issued	11 046	131 815	17 565	160 426
Financial derivatives	0	23 248	4 196	27 443
Subordinated loan capital	0	0	769	769
Total financial liabilities measured at fair value	11 046	155 063	22 529	188 638

Reconciliation of changes in Level 3

	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)

	Commercial paper and bonds	Debt securities issued	Subordinated loan capital	Financial derivatives
Carrying amount 31 December 2023	10 760	24 911	770	(2 264)
Purchase	2 476	0	0	6
Sale	(1 244)	0	0	0
Issue	0	2 047	0	0
Settlement	(5 160)	(10 673)	0	149
Transfer into Level 3	1 083	0	0	0
Transfer out of Level 3	(1 919)	0	0	0
Net unrealised gain/(loss) recognised in the period	212	1 280	(2)	(1 943)
Carrying amount 31 December 2024	6 207	17 565	769	(4 051)

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 2025, net assets amounting to NOK 2.0 billion has been transferred from Level 1 to Level 2, and net assets amounting to NOK 0.3 billion has been transferred from Level 2 to Level 1.

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.

(Amounts in NOK 1 000 000)	31 December 2025		31 December 2024	
	Carrying amount	Impact of changes in key assumptions	Carrying amount	Impact of changes in key assumptions
Commercial paper and bonds	1 007	(2)	6 207	(14)
Financial derivatives	(3 057)	(14)	(4 051)	(7)
Debt securities issued	(20 389)	7	(17 565)	7
Subordinated loan capital	(787)	2	(769)	2
Total		(7)		(11)

Note 5 Loans to customers

(Amounts in NOK 1 000 000)	31 December 2025	31 December 2024
Principal amount	374 007	369 859
Accrued interest	3 625	3 342
Fair value adjustment	(2 813)	(4 231)
Value adjustment in fair value hedges	(1 137)	(1 459)
Expected credit loss	(37)	(32)
Total loans to customers	373 645	367 480
Other loans	10	15
Total loans	373 655	367 495

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.

(Amounts in NOK 1 000 000)	31 December 2025		31 December 2024	
	Carrying amount	Expected credit loss	Carrying amount	Expected credit loss
Loans to customers	334 330	37	309 359	32
Commercial paper and bonds	51 313	2	63 969	3
Total	385 643	39	373 329	35

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)	4th quarter 2025	2025	4th quarter 2024	2024
Loans to customers	(1.5)	5.1	(4.3)	(8.9)
Commercial paper and bonds	(0.3)	(1.5)	0.5	0.4
Increased/(reduced) provision for expected credit loss	(1.8)	3.6	(3.8)	(8.6)

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 December 2025 and 31 December 2024.

Note 7 Commercial paper and bonds

(Amounts in NOK 1 000 000)

Commercial paper and bonds by type of issuer	31 December 2025	31 December 2024
Domestic		
Issued by public bodies ¹	14 359	15 039
Hereof bonds issued by Norwegian municipalities	7 268	5 533
Issued by other borrowers	28 034	27 074
Foreign		
Issued by public bodies ¹	50 965	68 185
Issued by other borrowers	26 751	29 673
Total commercial paper and bonds	120 109	139 971
Hereof		
Commercial paper and bonds lent	6 766	7 688
Commercial paper and bonds pledged as collateral	5 170	4 318

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

Commercial paper and bonds by time to maturity	31 December 2025	31 December 2024
Under 1 year	33 699	31 632
1-5 years	83 841	106 376
> 5 years	2 569	1 962
Total commercial paper and bonds	120 109	139 971
Average duration (years)*	2.5	2.3

*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 December 2025								Total
	< 1 year				> 1 year				
Time to maturity	A-1	A-2	A-3	Not rated	A	AA	AAA	Not rated	
Risk class									
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

(Amounts in NOK 1 000 000)		Exposure as at 31 December 2024								
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		7 191	0	0	0	3 248	6 652	7 125	0	24 216
Multilateral development banks		1 424	0	0	0	0	1 132	12 985	0	15 541
Regional authorities		6 518	0	0	10 147	0	17 422	4 020	5 359	43 467
Financial institutions		309	0	0	0	264	399	0	0	972
Corporates		1 351	0	0	0	1 786	0	0	0	3 137
Covered Bonds		4 692	0	0	0	0	450	47 497	0	52 638
Total		21 485	0	0	10 147	5 298	26 055	71 627	5 359	139 971

Note 9 Debt securities issued and commercial paper issued

(Amounts in NOK 1 000 000)		31 December 2025	31 December 2024
Debt securities issued (nominal amounts incl. fees) as at 1 January		481 504	438 407
New issuance		128 049	91 909
Redemptions		(91 065)	(86 499)
Amortisation (incl. fees)		685	433
Effects of exchange rate changes		(36 521)	37 253
Debt securities issued (nominal amounts incl. fees) as at end of period		482 652	481 504
Accrued interest		8 085	7 296
Fair value adjustment		(8 238)	(15 883)
Of which value adjustment that is due to change in own credit risk		451	227
Of which value adjustment that is due to other reasons, fair value		(5 702)	(7 343)
Of which value adjustment that is due to other reasons, hedge accounting		(2 987)	(8 767)
Total Debt securities issued		482 499	472 917

(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

(Amounts in NOK 1 000 000)		Commercial paper issued	Debt securities issued	Subordinated loan capital
Carrying amount 31 December 2023		41 318	424 593	770
<i>Cash flows</i>				
Payments from issuance		132 316	91 909	0
Redemptions		(148 789)	(86 499)	0
<i>Changes that are not related to cash flows</i>				
Change due to accrued interest and amortisation		589	2 138	0
Changes in fair value		0	3 523	(2)
Repurchase, related to issue of Tier 1 capital		0	0	0
Effects of exchange rate changes on nominal amounts incl. fees		1 280	37 253	0
Carrying amount 31 December 2024		26 713	472 917	769

Note 10 Primary capital

(Amounts in NOK 1 000 000)	31 December 2025	31 December 2024
Equity	22 954	22 075
Additional Tier 1 capital included in equity	(3 484)	(3 484)
Equity included in common equity Tier 1 capital	19 469	18 590
Deductions:		
Deferred tax asset that exceeds 10 % of common equity Tier 1 capital	0	(176)
Intangible assets	(126)	(153)
Dividends payable	(760)	(700)
Prudent valuation adjustments (AVA)	(131)	(127)
Adjustments unrealised loss (gains) due to changes in own credit risk	338	170
Total common equity Tier 1 capital	18 791	17 604
Other approved Tier 1 capital	3 484	3 484
Total Tier 1 capital	22 275	21 088
<i>Supplementary capital</i>		
Subordinated loan capital	800	800
Total supplementary capital	800	800
Total primary capital	23 075	21 888

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)	31 December 2025	31 December 2024		
	Carrying amount	Risk weighted assets	Minimum capital requirements and capital adequacy	Minimum capital requirements and capital adequacy
Credit risk				
Sovereigns and central banks	20 780	0	0	0
Regional governments and local authorities	393 275	77 928	6 234	6 132
<i>Of which are Norwegian municipalities</i>	<i>387 142</i>	<i>77 928</i>	<i>6 234</i>	<i>6 132</i>
Corporates	1 950	975	78	126
Public sector entities	8 998	0	0	0
Multilateral development banks	14 021	0	0	0
Financial institutions	19 232	4 308	345	320
<i>Of which counterparty exposure on derivatives</i>	<i>14 425</i>	<i>2 936</i>	<i>235</i>	<i>145</i>
Claims secured by residential property	21	21	2	2
Covered bonds	52 226	5 980	478	442
Other assets	2 093	2 031	162	365
Total credit risk	512 597	91 243	7 299	7 386
Credit Valuation Adjustment	0	3 427	274	144
Operational risk		4 203	336	248
Minimum capital requirements		98 873	7 910	7 778
Total capital ratio			23.3 %	22.5 %
Tier 1 capital adequacy ratio			22.5 %	21.7 %
Common equity Tier 1 capital adequacy ratio			19.0 %	18.1 %
Leverage ratio			4.2 %	3.9 %

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