

Kommunalbanken Norway (KBN)

USD1.5 billion 5-Year RegS/144A Benchmark



Final Terms

Issuer:	Kommunalbanken Norway (KBN), 100% owned by Kingdom of Norway
Ratings:	Aaa / AAA (Stable / Stable - Moody's / S&P)
Format:	RegS / 144A
Coupon:	3.750%, Fixed, S/A, 30/360
Size:	USD1.5 billion
Price Date:	07 January 2026
Payment Date:	14 January 2026 (T+5)
Maturity Date:	14 January 2031
Re-Offer Spread:	SOFR MS + 37bps CT5 + 12.6bps
Joint Lead Managers:	BMO Capital Markets, Deutsche Bank, Morgan Stanley, RBC Capital Markets

Issue Highlights

- This is KBN's first benchmark transaction of 2026.
- The deal generated significant investor demand, which enabled a 3bps spread compression from IPTs through the bookbuild process.
- In spite of the revision in pricing, KBN was able to secure a notable USD1.5bn deal size, with the final orderbook closing in excess of USD5.2 billion (excluding JLM interest).
- The transaction attracted interest from a spectrum of high-quality investors globally. There was strong participation from Central Banks / Official Institutions and Banks / Bank Treasuries, which took 67% and 28% of allocations respectively.
- KBN is targeting an estimated total issuance programme of USD10 billion equivalent in 2026.

Issue Details

- On Wednesday 7th January 2026, Kommunalbanken Norway ("KBN"), rated Aaa / AAA (both stable) by Moody's / S&P, priced a new USD1.5 billion 5-Year RegS/144a Benchmark at SOFR MS+37bps, equivalent to CT5+12.6bps.
- KBN reacted swiftly to the constructive market tone to return to the USD market in 2026 with the announcement of a new USD 5-Year Benchmark at 12.45 CET on Tuesday 6th January. Initial Price Thoughts (IPTs) of SOFR MS+40bps area were released alongside the mandate.
- The transaction generated a strong reception from the outset attracting Indications of Interest in excess of USD3.8 billion (excl. JLM interest) at 08.58 CET the following morning. At this time, books were officially opened, with price guidance 2bps tighter vs. IPTs at SOFR MS+38bps area.
- Strong momentum continued throughout the European morning with high quality demand coming from across the investor spectrum. At 10.54 CET, the deal was launched for USD1.5 billion size with spread 1bp tighter at SOFR MS+37bps. At this time, orders were reported over USD4.8 billion (excl. JLM interest).
- Despite the spread revision, the orderbook continued to grow, closing over USD5.2 billion (excluding JLM interest).
- The transaction was well supported by high quality investors, with allocations split between Central Banks & Official Institutions (67%), Banks & Bank Treasuries (28%) and Asset Managers / Insurance accounts (5%).
- In terms of geography, support was well-diversified across EMEA (53%), Americas (32%) and APAC (15%).

Reactions

Massimo Antonelli, Head of International SSA, BMO Capital Markets

"Congratulations to the KBN team for a fantastic USD 1.5bn 5Y outing to kick-off the 2026 funding program. Pricing at SOFR MS +37 / CT +12.6 is flat to fair value and we are delighted to see the ongoing great sponsorship that KBN continues to enjoy from investors globally."

Neal Ganatra, Head of SSA Syndicate, Deutsche Bank

"KBN's latest 5-year USD 1.5 billion benchmark is a resounding success, underscoring their enduring strength and the investment community's trust. This transaction once again proves KBN's capacity to engage the market effectively and secure strong investor participation, and we are proud to have partnered with them again."

Robert Matthews, Executive Director, Morgan Stanley

"Morgan Stanley is proud to have partnered with KBN as a Joint Lead Manager on its successful 5-year USD benchmark offering. The high-quality, well-diversified orderbook reflects KBN's established following with global SSA investors and the continued depth of the USD SSA market, enabling an efficient funding outcome."

James Taunton, Head of Public Sector Origination, Europe, RBC Capital Markets

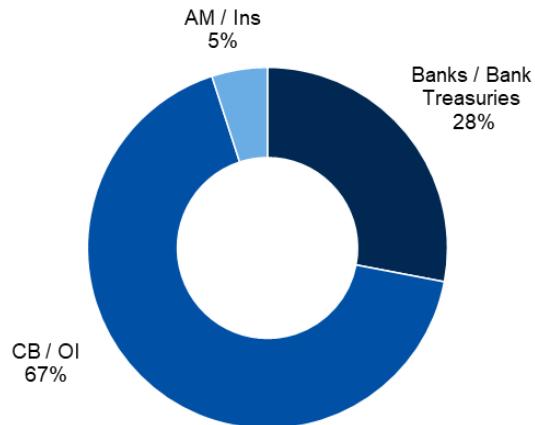
"Congratulations to the KBN team on such an impressive start to their 2026 funding programme, with this highly successful USD 1.5 billion 5-Year USD Benchmark. The final orderbook of USD 5.2 billion, against such a busy market backdrop, is once again a demonstration of the continued global investor support for the KBN credit and is a real testament to the ongoing investor relations work conducted by the team over the years. RBC was delighted to support KBN in achieving this outstanding result."

Issuer Overview

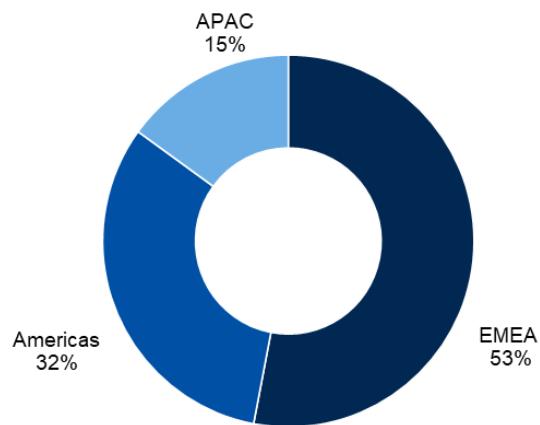
- Established by an act of Parliament in 1926 as a state administrative body, KBN gained its current status and structure through a conversion act in 1999. KBN is a direct continuation of its predecessor Norges Kommunalbank and has for more than 90 years been the main provider of credit to the local government sector in Norway.
- KBN is defined as a state instrumentality with a public policy mandate from the central government to provide low-cost finance to the Norwegian local government sector. The Norwegian Central Government is 100% owner of KBN.

Sales Distribution

By Investor Type



By Geography



Source: Joint Bookrunners

Joint Lead Managers:



Morgan Stanley



Capital Markets