

3rd quarter report 2023

Unaudited



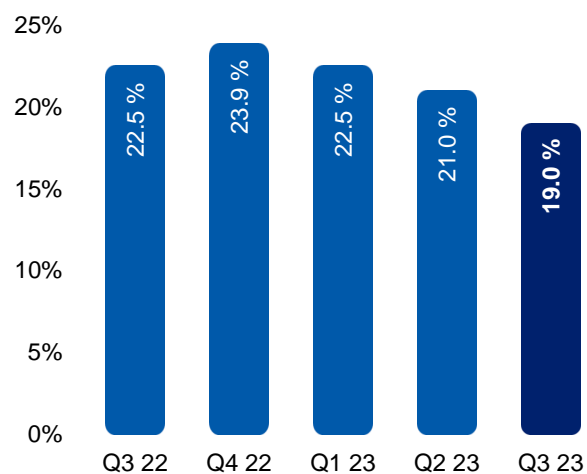
Key figures

		Q3 2023	Q3 2022	1.1-30.09 2023	1.1-30.09 2022	2022
Profitability						
1)	Profit after tax	22	25	72	74	91
2)	Net interest in % of average total assets	0.47 %	0.52 %	0.73 %	0.52 %	0.50 %
3)	Profit before tax in % of total assets	0.08 %	0.12 %	0.28 %	0.35 %	0.46 %
4)	Cost-to-income ratio	8.6 %	6.3 %	8.1 %	6.5 %	7.0 %
5)	Return on equity	4.4 %	5.0 %	7.4 %	5.0 %	4.8 %
Balance sheet						
6)	Lending to customers	32 348	26 595	32 348	26 595	25 383
7)	Loss in % of gross loans	-0.01 %	0.00 %	-0.01 %	0.00 %	-0.01 %
8)	Defaults in % of gross loans	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
9)	Total assets	33 144	27 065	33 144	27 065	25 695
10)	Average total assets	29 419	26 573	29 419	26 411	25 726
11)	Covered bonds issued	25 770	23 270	25 770	23 270	21 870
12)	Overcollateralisation	14.3 %	11.5 %	14.3 %	11.5 %	11.6 %
Capital and liquidity						
13)	CET 1 Capital ratio	19.0 %	22.5 %	19.0 %	22.5 %	23.9 %
14)	T1 Capital ratio	19.0 %	22.5 %	19.0 %	22.5 %	23.9 %
15)	Total capital ratio	19.0 %	22.5 %	19.0 %	22.5 %	23.9 %
16)	Leverage ratio	5.7 %	6.9 %	5.7 %	6.9 %	7.3 %
17)	LCR	N.M.	N.M.	N.M.	N.M.	N.M.

Definitions

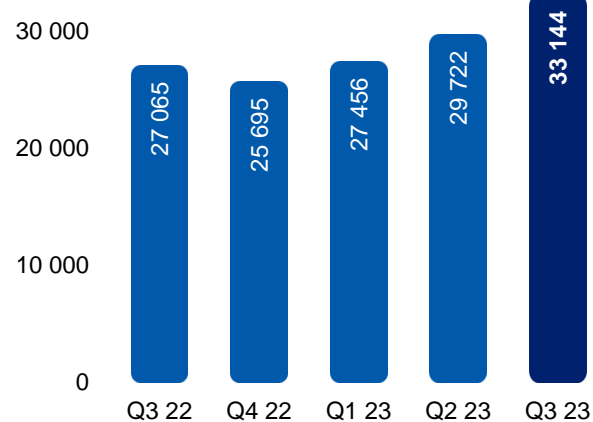
- 2) Net interest income, % of average total assets
- 4) Sum operating expenses before losses, in % of net income
- 5) Return on equity after tax, % of average equity
- 7) Loan losses of the period divided by the average loan volume of the period
- 8) Exposure overdue more than 90 consecutive days in % of gross loans
- 10) Average total assets per month
- 11) Covered bonds face value
- 12) Cover pool in % of issued of cover bonds
- 13) Common Equity Tier 1 Capital ratio
- 14) Tier 1 Capital ratio
- 15) Total capital ratio
- 16) Leverage ratio
- 17) Liquidity coverage ratio (*N.M. indicates there are no LCR eligible outflows as per the reporting date*)

CET1 capital ratio



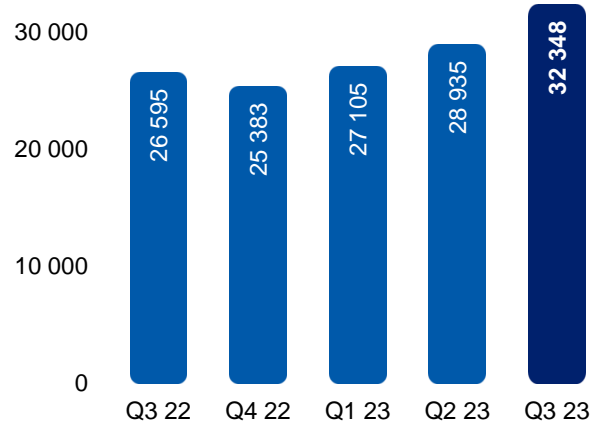
Total assets

MNOK

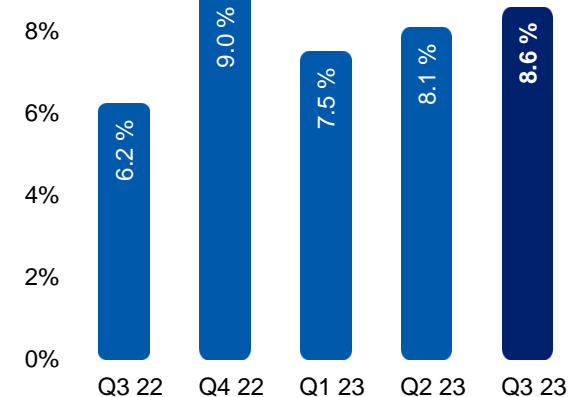


Lending

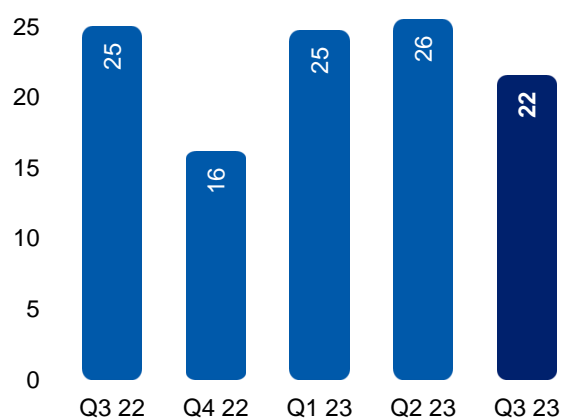
MNOK



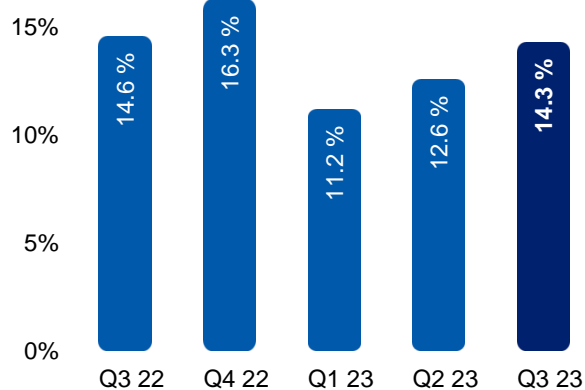
Cost-to-income ratio



Profit after tax



Overcollateralisation



Directors' report

3rd Quarter 2023

OBOS Boligkreditt AS ("The company") is registered in Oslo and is a wholly owned subsidiary of OBOS-banken. OBOS Boligkreditt started operations in 2016 and is licensed to operate as a mortgage company and to issue covered bonds. The company is OBOS-banken's most important source of long-term market funding and an important part of the bank's funding strategy. Its assets consist of retail mortgage loans and housing co-operative loans originally underwritten by OBOS-banken.

Quarterly report

The income statement and balance sheet are compared with last year's figures (in parenthesis).

Income statement

The company's net interest income amounted to NOK 35 (35) million at quarter-end, compared to NOK 38 million in the previous quarter.

Operating expenses amounted to NOK 3 (2) million in the quarter. These expenses are mainly related to payments for services provided by the parent bank. The cost-to-income ratio was 8.6 per cent in the quarter, compared to 6.3 per cent in the third quarter of 2022.

Profit before loan losses and taxes was NOK 30 (32) million in the quarter. Net loan losses were NOK -2 (0) million. Profit after tax was NOK 22 million (25).

Balance sheet

OBOS Boligkreditt AS had eight bond loans outstanding at quarter-end with total debt securities issued of NOK 28 311 million face value, compared to seven bond loans and NOK 23 255 million face value outstanding at third quarter-end 2022. All covered bonds issued by the company have been assigned Aaa-rating by Moody's.

Total assets at quarter-end amounted to NOK 33 144 (27 065) million. Lending to customers amounted to NOK 32 348 (26 595) million. All loans are at the time of acquisition from OBOS-banken within 80 per cent of the property's estimated value. There are no substitute assets forming part of the cover pool. Overcollateralisation, calculated as the value of the cover pool relative to the value of outstanding covered bond loan debt, was 14.3 per cent at quarter end, compared to 14.6 per cent at the corresponding quarter last year. At the end of the quarter, the mortgages in the cover pool had an unindexed weighted average loan-to-value ratio of 34.7 per cent.

Total equity amounted to NOK 1 981 (1 964) at the quarter-end. Total own funds for the purposes of capital adequacy amounted to NOK 1 879 (1 876) million. Risk weighted assets amounted to NOK 9 907 (8 354) million, the CET 1 capital ratio was 19.0 (22.5) per cent. OBOS Boligkreditt AS uses the standardised approach to calculate capital requirements for credit risk.

OBOS Boligkreditt AS' liquidity portfolio, consisting of loans and receivables to credit institutions, certificates and bonds, amounted to NOK 773 (452) million at quarter-end. There were no LCR eligible outflows as per the reporting date, and OBOS Boligkreditt is thus reporting an LCR of 0 (0) per cent.

Macroeconomic developments and outlook

Consumer price growth in Norway's key trading partner countries has declined in recent months but still remains above central bank targets of 2 percent. Norges Bank reports that long-term inflation expectations in the USA and the Eurozone are close to their targets. Oil prices have risen, while gas prices have remained stable. Internationally, central banks have increased policy interest rates to curb inflation. Despite a global economic slowdown, labour markets remain tight, and growth prospects are somewhat weaker than previously anticipated.

In Norway, the Norwegian Krone has strengthened, partly due to rising oil prices and interest rate hikes. Corporate and mortgage loan rates have also increased. Economic growth in Norway has slowed, but the labour market remains strong. Economic capacity utilization has declined but is still relatively high. Companies expect an upturn in activity, but with significant variations between sectors, especially with declines in the retail trade, construction, and industry. Inflation is high but is expected to moderate somewhat in the future.

Monetary policy in Norway is aimed at achieving an annual consumer price growth rate close to 2 percent over time. Due to persistent high inflation, Norges Bank decided on September 21 to raise interest rates by 0.25 percentage points to 4.25 percent, with the prospect of further rate hikes in the future to bring inflation back to target. At the same time, there is uncertainty about the economic outlook, and interest rates will be adjusted in line with future economic conditions.

New home sales have declined, and the commencement of new housing construction has significantly decreased in the third quarter. In the resale housing market, the number of unsold homes is

increasing. Based on the economic situation, a weaker development in housing prices is expected in the coming autumn, and it is evident that the rate hikes have started to impact housing prices.

Capital requirements in the form of the countercyclical capital buffer increased to 2.5% with effect from March 31, 2023. The increase in the systemic risk buffer as of December 31, 2022, was postponed and announced to increase by December 31, 2023. Thus, the systemic risk buffer is still 3.0% for OBOS Boligkreditt. OBOS Boligkreditt has a very high capital adequacy compared to the minimum requirements.

A high level of interest rates, combined with high price growth, creates uncertainty around default

development, but OBOS Boligkreditt does not yet see any negative trend.

OBOS Boligkreditt's portfolio has an average loan to value (LTV) ratio at a low 35 percent. With a maximum allowed LTV of 80 percent, there is significant headroom for a severe drop in house prices. The parent bank holds significant volumes of loans which qualify for transfer to OBOS Boligkreditt. Combined with good cost control, outlook is stable for OBOS Boligkreditt AS.

Oslo 30.10.2023

The Board of Directors of OBOS Boligkreditt AS

Income statement

(NOK million)

			1.1 - 30.09	1.1 - 30.09	
	NOTE	Q3 2023	Q3 2022	2023	2022
Interest income calculated using the effective interest method		361	175	933	662
Interest income from instruments using fair value		7	2	13	5
Interest expenses calculated using the effective interest method		-330	-138	-828	-319
Interest expenses from instruments using fair value		-3	-3	-9	-9
Net interest income	8	35	35	109	103
Commission and banking service expenses		0	0	0	0
Net commission expenses		0	0	0	0
Net gain/(loss) and change in value of fin. Instruments	9	-2	0	-6	1
Net operating income		33	34	102	103
Salaries and other personnel cost		0	0	0	0
Administration cost		0	0	0	0
Other operating expenses		-2	-2	-8	-6
Total operating expenses		-3	-2	-8	-7
Profit before loan losses and taxes		30	32	94	96
Net loan losses	3	-2	0	-2	-1
Profit before tax		28	32	92	95
Income tax expense		-6	-7	-20	-21
Profit after tax		22	25	72	74
Attributable to					
Retained earnings		22	25	72	74
Total		22	25	72	91

Statement of comprehensive income

(NOK million)

			1.1 - 30.09	1.1 - 30.09	
	NOTE	Q3 2023	Q3 2022	2023	2022
Profit after tax		22	25	72	74
Losses on loans and guarantees, fair value	3	0	0	1	0
Income tax expense on items that can be reclassified		0	0	0	0
Items that can be reclassified to profit or loss		0	0	1	0
Net change in values from own credit risk		-1	2	1	12
Income tax expense on items that will not be reclassified		0	0	0	-3
Items that will not be reclassified to profit or loss		-1	1	1	9
Comprehensive income for the periode		0	1	2	9
Total comprehensive income after tax		21	26	74	83
Attributable to					
Retained earnings		21	26	74	83
Total		21	26	74	97

Balance sheet

(NOK million)

	NOTE	30.09.2023	30.09.2022	31.12.2022
ASSETS				
Loans and receivables to credit institutions		113	183	31
Loans and receivables to customers	5,6,7	32 348	26 595	25 383
Certificates and bonds	7	660	268	269
Receivables		2	2	0
Deferred tax asset		0	4	0
Other assets		20	13	11
TOTAL ASSETS		33 144	27 065	25 695
LIABILITIES AND EQUITY				
Loans from credit institutions	6	2 775	1 753	1 742
Financial derivatives	7	56	43	31
Debt securities issued	4,6,7	28 311	23 255	21 891
Other liabilities		1	1	97
Deferred tax		21	24	0
Tax payable		0	0	26
TOTAL LIABILITIES		31 163	25 075	23 788
Share capital		131	131	131
Share premium		1 369	1 369	1 369
Retained earnings		481	491	407
TOTAL EQUITY		1 981	1 991	1 907
TOTAL LIABILITIES AND EQUITY		33 144	27 065	25 695

Statement of changes in equity

(NOK million)

	Share Capital	Share Premium	Retained earnings	Total equity
Equity as at 01.01.2022	131	1 369	407	1 907
Result for the period 01.01.2021 - 30.09.2022			74	74
Losses on loans and guarantees, fair value			0	0
Income tax expense on items that can be reclassified			0	0
Net change in values from own credit risk			12	12
Income tax expense on items that will not be reclassified			-3	-3
Total comprehensive income 01.01.2022 - 30.09.2022			83	83
Equity as at 30.09.2022	131	1 369	491	1 991
Proposed dividend			-97	-97
Result for the period 01.10.2022 - 31.12.2022			7	7
Effect of IFRS 9 implementation			6	6
Equity as at 31.12.2022	131	1 369	407	1 907
Result for the period 01.01.2023 - 30.09.2023			72	72
Losses on loans and guarantees, fair value			1	1
Income tax expense on items that can be reclassified			0	0
Net change in values from own credit risk			1	1
Income tax expense on items that will not be reclassified			0	0
Total comprehensive income 01.01.2023 - 30.09.2023			74	74
Equity as at 30.09.2023	131	1 369	481	1 981

Cash flow statement

(NOK million)

	NOTE	30.09.2023	30.09.2022	31.12.2022
Profit before tax		92	95	118
Interest income calculated using the effective interest method	8	-933	-429	-662
Interest payments from customers and credit institutions		819	422	651
Net payments on loans to customers		-3 852	3 957	5 163
Payment on certificates and bonds		-391	-228	-229
Interest from certificates and bonds/bond funds		15	51	39
Other net gain/(loss) on derivatives	9	-21	-50	-40
Payment for other assets		-9	16	18
Payment for other debt		-76	46	36
Net gain/(loss) on financial instruments	9	6	-1	0
Net loan losses		1	1	1
Taxes paid		-26	-38	-38
Change in accrued interests		48	39	59
Change in other accruals		-1	-1	0
(A) Net cash flow from operating activities		-4 330	3 881	5 118
Purchase of loan portfolio		-3 053	-5 079	-5 079
Sale of loan portfolio		52	193	203
(B) Net cash flow from investment activities		-3 001	-4 886	-4 876
Net new lines of credit		1 032	236	226
Debt securities issued	4	10 000	4 000	4 000
Repayment of covered bonds	4	-3 600	-3 000	-4 400
Issue of share capital		-	-	-
Change in other time limits related to financing activities		-22	-63	-52
(C) Net cash flow from financing activities		7 411	1 173	-226
(A) + (B) + (C) Net cash flow for the period		80	168	16
Cash and cash equivalents at beginning of period		31	15	15
Cash and cash equivalents at end of period		111	183	31
Net change in cash and cash equivalents		80	168	16
Liquidity reserves specified				
Loans and receivables to credit institutions		111	183	31
Cash and cash equivalents		111	183	31

Quarterly changes in income statement

(NOK million)

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Interest income calculated using the effective interest method	361	301	271	233	175
Interest income from instruments using fair value	7	4	3	2	2
Interest expenses calculated using the effective interest method	-330	-263	-234	-205	-138
Interest expenses from instruments using fair value	-3	-3	-3	-3	-3
Net interest income	35	38	36	27	35
Commission and banking service expenses	0	0	0	0	0
Net Commission expenses	0	0	0	0	0
Net gain/(loss) and change in value of fin. instruments	-2	-3	-2	-1	0
Net operating income	33	35	34	26	34
Salaries and other personnel cost	0	0	0	0	0
Administration cost	0	0	0	0	0
Other operating expenses	-2	-3	-3	-2	-2
Total operating expenses	-3	-3	-3	-2	-2
Profit before loan losses and taxes	30	32	32	23	32
Net loan losses	-2	0	0	0	0
Profit before tax	28	33	32	23	32
Income tax expense	-6	-7	-7	-7	-7
Profit after tax	22	26	25	16	25
Attributable to					
Retained earnings	22	26	25	16	25
Total	22	26	25	16	25

Quarterly changes in statement of comprehensive income

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Profit after tax	22	26	25	16	25
Losses on loans and guarantees, fair value	0	0	1	0	0
Income tax expense on items that can be reclassified	0	0	0	0	0
Items that can be reclassified to profit or loss	0	0	1	0	0
Net change in values from own credit risk	-1	1	1	-3	2
Income tax expense on items that will not be reclassified	0	0	0	1	0
Items that will not be reclassified to profit or loss	-1	1	1	-3	1
Comprehensive income for the periode	0	1	2	-3	1
Total comprehensive income after tax	21	26	26	14	26
Attributable to					
Retained earnings	21	26	26	14	26
Total	21	26	26	14	26

Quarterly changes in balance sheet

(NOK million)

	30.09.2023	30.06.2023	31.03.2023	31.12.2022	30.09.2022
Assets					
Loans and receivables to credit institutions	113	95	51	31	183
Loans and receivables to customers	32 348	28 935	27 105	25 383	26 595
Certificates and bonds	660	668	269	269	268
Receivables	2	1	0	0	2
Deferred tax asset	0	0	0	0	4
Other assets	20	22	31	11	13
Total Assets	33 144	29 722	27 456	25 695	27 065
Liabilities and equity					
Loans from credit institutions	2 775	1 908	938	1 742	1 753
Financial derivatives	56	55	26	31	43
Debt securities issued	28 311	25 784	24 447	21 891	23 255
Other liabilities	1	0	105	97	1
Deferred tax	21	15	7	0	24
Tax payable	0	0	0	26	0
Total Liabilities	31 163	27 762	25 523	23 788	25 075
Share capital	131	131	131	131	131
Share premium	1 369	1 369	1 369	1 369	1 369
Retained earnings	481	460	434	407	491
Total Equity	1 981	1 960	1 934	1 907	1 991
Total Liabilities and Equity	33 144	29 722	27 456	25 695	27 065

Notes

Note 1 – Basis for preparation

Accounting principles

The interim report for OBOS Boligkreditt has been prepared in accordance with IAS 34 and comprises of the period 01.01.2023-30.09.2023. The accounts have been prepared in accordance with simplified IFRS. The annual report for 2022 provides a comprehensive description of the accounting principles applied in the preparation of the financial statements. All amounts in the accounts and notes are stated in Norwegian kroner (NOK) million, which is the company's functional currency. The accounts have not been audited.

Accounting estimates and discretionary assessments

OBOS Boligkreditt prepares accounting estimates and makes discretionary assessments based on historical experience, assumptions about the future and other factors. The accounting estimates are evaluated continuously and may deviate from the results achieved. However, they are based on the best estimate available at the time of the financial reporting. A detailed description of the most important areas where accounting estimates and discretionary assessments are applied can be found in the annual report for 2022 in note 2.

Note 2 – Capital adequacy

(NOK million)

Net own funds	30.09.2023	30.09.2022	31.12.2022
Share capital	131	131	131
Share premium	1 369	1 369	1 369
Retained earnings	407	407	407
Total equity	1 907	1 907	1 907
Adjustments in common tier 1 capital	-29	-31	-28
Common equity tier 1 capital	1 879	1 876	1 880
Additional Tier 1 capital			
Tier 1 capital	1 879	1 876	1 880
Tier 2 instruments			
Own funds	1 879	1 876	1 880
Minimum requirement own funds	30.09.2023	30.09.2022	31.12.2022
Institutions	2	3	1
Corporates	0	0	0
Retail	0	25	18
Secured by mortgages on immovable property	759	614	586
Exposures in default	4	2	1
Covered bonds	4	1	1
Other items	0	0	0
Credit risk	769	646	607
Operational risk	23	23	0
CVA-risk	0	0	0
Minimum requirement own funds	793	668	630
Risk weighted assets	9 907	8 354	7 879
Capital adequacy ratio			
Common tier 1 capital ratio	19.0 %	22.5 %	23.9 %
Tier 1 capital ratio	19.0 %	22.5 %	23.9 %
Capital adequacy ratio	19.0 %	22.5 %	23.9 %

Note 3 – Impairment and losses

(NOK million)

Changes in provisions and write-downs under IFRS 9 on loans

Provisions for losses are calculated based on the expected credit loss (ECL) using the 3-step method in IFRS 9, as described in Note 2 in the 2022 annual report.

Total	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss at 01.01	2	3	0	5	2	1	1	4
Transfers to Stage 1 from stage 2 and 3	2	-2	-0	-	0	-0	-0	-
Transfers to Stage 2 from stage 1 and 3	-0	0	-0	-	-0	0	-0	-
Transfers to Stage 3 from stage 1 and 2	-0	-0	0	-	-	-0	0	-
Changes in expected credit loss for loans which have not transferred	-2	1	1	-1	-0	2	0	1
New loans	1	0	0	2	0	0	-	0
Disposal of loans	-0	-0	-0	-1	-0	-0	-0	-1
Change in risk model / parameters	1	0	0	2	-	-	0	0
Expected credit loss at 30.09	3	2	1	7	2	2	0	5
Net change 01.01 - 30.09	1	-1	1	2	-0	1	-0	1
Expected credit loss at 30.09 in percentage of gross lending at 30.09	0.01 %	0.73 %	1.16 %	0.01 %	0.01%	2.43%	2.4%	0.02%

Total estimated Stage 1 losses on assets measured at fair value

The table below show changes in fair value and expected losses on loans to customers measured at fair value through profit or loss, which are reversed over other comprehensive income.

	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	2	-	-	2	2	-	-	2
Net change in expected losses	1	-	-	1	-0	-	-	-0
Closing balance	3	-	-	3	2	-	-	2

Net change in losses on stage 1 on loans measured at fair value, is reversed over other comprehensive income for OBOS Boligkreditt AS.

Housing co-operatives segment	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss at 01.01	1	-	-	1	3	-	-	3
Transfers to Stage 1 from stage 2 and 3	-	-	-	-	-	-	-	-
Transfers to Stage 2 from stage 1 and 3	-	-	-	-	-	-	-	-
Transfers to Stage 3 from stage 1 and 2	-	-	-	-	-	-	-	-
Changes in expected credit loss for loans which have not transferred	-0	-	-	-0	-0	-	-	-0
New loans	1	-	-	1	0	-	-	0
Disposal of loans	-0	-	-	-0	-0	-	-	-0
Change in risk model / parameters	1	-	-	1	-	-	-	-
Expected credit loss at 30.09	2	-	-	2	3	-	-	3
Net change 01.01 - 30.09	1	-	-	1	0	-	-	0
Expected credit loss at 30.09 in percentage of gross lending at 30.09	0.00 %	0.00 %	0.00 %	0.00 %	0.02%	0.00%	0.00%	0.02%

Housing co-operatives segment estimated Stage 1 losses on assets measured at fair value

The table below show changes in fair value and expected losses on loans to customers measured at fair value through profit or loss, which are reversed over other comprehensive income.

	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	1	-	-	1	1	-	-	1
Net change in expected losses	1	-	-	1	0	-	-	0
Closing balance	2	-	-	2	1	-	-	1

Net change in losses on stage 1 on loans measured at fair value, is reversed over other comprehensive income for OBOS Boligkreditt AS.

Retail segment

Retail segment	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Expected credit loss at 01.01	1	3	0	4	-1	1	1	0
Transfers to Stage 1 from stage 2 and 3	2	-2	-0	-	0	-0	-0	-
Transfers to Stage 2 from stage 1 and 3	-0	0	-0	-	-0	0	-0	-
Transfers to Stage 3 from stage 1 and 2	-0	-0	0	-	-	-0	0	-
Changes in expected credit loss for loans which have not transferred	-2	1	1	-1	-0	2	0	1
New loans	0	0	0	1	0	0	-	0
Disposal of loans	-0	-0	-0	-0	-0	-0	-0	-1
Change in risk model / parameters	0	0	0	1	-	-	0	0
Expected credit loss at 30.09	1	2	1	5	-1	2	0	1
Net change 01.01 - 30.09	0	-1	1	1	-0	1	-0	1
Expected credit loss at 30.09 in percentage of gross lending at 30.09	0.01 %	0.73 %	1.33 %	0.03 %	-0.02%	2.43%	0.00%	0.02%

Retail segment estimated Stage 1 losses on assets measured at fair value

The table below show changes in fair value and expected losses on loans to customers measured at fair value through profit or loss, which are reversed over other comprehensive income.

	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance	1	-	-	1	1	-	-	1
Net change in expected losses	0	-	-	0	-0	-	-	-0
Closing balance	1	-	-	1	1	-	-	1

Net change in losses on stage 1 on loans measured at fair value, is reversed over other comprehensive income for OBOS Boligkreditt AS.

Changes in gross lending and transfers between stages inn IFRS 9

Total	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross lending at 01.01	25 259	113	15	25 386	25 562	67	33	25 662
Transfers to Stage 1 from stage 2 and 3	71	-59	-12	-	11	-8	-4	-
Transfers to Stage 2 from stage 1 and 3	-52	54	-2	-	-56	56	-0	-
Transfers to Stage 3 from stage 1 and 2	-34	-3	37	-	-3	-2	5	-
Changes in carrying amount which have not transferred	-609	-1	-1	-611	-826	-2	-2	-830
New loans	10 168	13	8	10 189	4 835	0	-	4 836
Disposal of loans	-2 598	-14	-1	-2 613	-3 043	-16	-12	-3 071
Gross lending at 30.09	32 205	103	44	32 351	26 482	96	19	26 598
Loss write-down				-7				-5
Net lending recognised at amortised cost in the balance sheet at 30.09				32 345				26 593
Loans valued at fair value				3				2
Capitalised lending at 30.09				32 348				26 595

Housing co-operatives segment	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross lending as at 01.01	17 426	-	-	17 426	17 080	-	-	17 080
Transfers to Stage 1 from stage 2 and 3	-	-	-	-	-	-	-	-
Transfers to Stage 2 from stage 1 and 3	-	-	-	-	-	-	-	-
Transfers to Stage 3 from stage 1 and 2	-	-	-	-	-	-	-	-
Changes in carrying amount which have not transferred	-355	-	-	-355	-561	-	-	-561
New loans	7 029	-	-	7 029	2 711	-	-	2 711
Disposal of loans	-1 094	-	-	-1 094	-1 340	-	-	-1 340
Gross lending at 30.09	23 007	-	-	23 007	17 889	-	-	17 889
Loss write-down				-2				-3
Net lending recognised at amortised cost in the balance sheet at 30.09				23 005				17 886
Loans valued at fair value				2				1
Capitalised lending at 30.09				23 007				17 887

Retail segment	01.01.2023 - 30.09.2023				01.01.2022 - 30.09.2022			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross lending at 01.01	7 832	113	15	7 960	8 482	67	33	8 582
Transfers to Stage 1 from stage 2 and 3	71	-59	-12	-	11	-8	-4	-
Transfers to Stage 2 from stage 1 and 3	-52	54	-2	-	-56	56	-0	-
Transfers to Stage 3 from stage 1 and 2	-34	-3	37	-	-3	-2	5	-
Changes in carrying amount which have not transferred	-254	-1	-1	-256	-264	-2	-2	-269
New loans	3 139	13	8	3 160	2 125	0	-	2 125
Disposal of loans	-1 504	-14	-1	-1 519	-1 703	-16	-12	-1 731
Gross lending at 30.09	9 198	103	44	9 345	8 593	96	19	8 708
Loss write-down				-5				-1
Net lending recognised at amortised cost in the balance sheet at 30.09				9 340				8 707
Loans valued at fair value				1				1
Capitalised lending at 30.09				9 341				8 708

Note 4 – Debt securities issued

(NOK million)

	Balance 30.09.2023	New issues 2023	Maturity/ buy backs 2023	Other changes 2023	Balance 31.12.2022
Changes in debt securities					
Debt securities issued nominal value	28 270	10 000	-3 600	-	21 870
Net premium / discount on bonds payable	-	-7	-6	13	-
Bond interest receivable / payable	-	3	-19	16	-
Accrued interest	128	-	-	44	84
Amortisation	-28	-	-	-2	-26
Fair value adjustment	-59	-	-	-22	-36
Total debt securities	28 311	9 996	-3 625	49	21 891

Method:

Debt securities is classified at amortised cost or at fair value by "fair value option". Book value at amortised cost corresponds to cost adjusted for amortisation.

Loans issued in NOK as at 30.09.2023

ISIN	Type	Due date	Face value	Book value	Accrued interest	Book value incl. accrued interest	Maturity	Interest rate
Bonds at amortised cost								
NO0010841232	FRN	19.06.2024	3 000	3 001	5	3 007	0.7	5.20 %
NO0010872757	FRN	13.06.2025	4 000	3 989	10	4 000	1.7	5.09 %
NO0010922842	FRN	04.02.2026	4 000	3 998	32	4 030	2.4	4.93 %
NO0011160962	FRN	02.09.2026	2 750	2 748	10	2 759	2.9	4.92 %
NO0012493941	FRN	07.05.2027	4 000	3 991	32	4 022	3.6	5.17 %
NO0012811266	FRN	17.02.2028	4 000	3 996	26	4 022	4.4	5.17 %
NO0012918186	FRN	22.09.2028	6 000	5 997	8	6 005	5.0	5.34 %
Bonds at fair value								
NO0010851645	¹⁾ Fixed	15.05.2029	520	461	5	466	5.6	2.42 %
Total debt securities			28 270	28 183	128	28 311	3.2	5.09 %

All bond loans are listed on Nordic ABM. They have a bullet structure and fall due on the maturity date. See obos.no for further information and agreements on each of the above-mentioned bond loans.

1) The bond is hedged from fixed to floating interest rate.

Note 5 – Cover pool

(NOK million)

Cover pool	30.09.2023	30.09.2022	31.12.2022
Mortgages ¹⁾	32 218	26 581	25 365
Ineligible loans	-7	-3	-1
Total Cover pool²⁾	32 211	26 577	25 363
Debt through the issuance of securities (excl. accrued interest)	28 183	23 193	21 808
The cover pool's overcollateralization	14.3 %	14.6 %	16.3 %
Regional distribution of mortgages	Housing co-ops and Retail		
Oslo	21 080	17 238	16 474
Viken	5 836	4 871	4 579
Innlandet	1 606	1 342	1 313
Vestland	887	879	855
Vestfold og Telemark	727	784	738
Rogaland	732	582	556
Trøndelag	976	487	473
Møre og Romsdal	192	181	177
Troms og Finnmark	145	165	154
Agder	28	41	38
Nordland	10	12	9
Total Mortgages	32 218	26 581	25 365

1) The cover pool's composition is defined in Finansforetaksloven §11-8. OBOS-banken use Eiendomsverdi or a real estate agent to define the value of the object being used to calculate the loan-to-value ratio. Mortgages transferred to OBOS Boligkreditt have a loan-to-value ratio under 75%. All mortgages over 30 days in default are transferred from OBOS Boligkreditt to OBOS-banken. Therefore, there are no mortgages in default in OBOS Boligkreditt. For information on market-, credit- and liquidity risk see the latest annual report. There have been no significant changes in these aspects since last year.

2) According to Finansforetaksforskriften §11-7 the minimum value of the cover pool should be 105 per cent of the value of the bonds conferring a preferential claim of the cover pool. Overcollateralization consistent with current rating is 107. For maturity structure of the cover pool see the cover pool report published on the website.

Covered bonds ISIN	Type	Due date	Face value
NO0010841232	FRN	19.06.2024	4 000
NO0010872757	FRN	13.06.2025	4 000
NO0010922842	FRN	04.02.2026	4 000
NO0011160962	FRN	02.09.2026	2 750
NO0012493941	FRN	07.05.2027	4 000
NO0012811266	FRN	17.02.2028	4 000
NO0012918186	FRN	22.09.2028	2 500
NO0010851645	Fixed	15.05.2029	520
Total debt securities			25 770

Criteria for extending the maturity of a standard or premium covered bond:

The maturity of a standard or premium covered bond can with the consent of the Norwegian Financial Supervisory Authority be extended for 12 months when:

a) There is reason to assume the credit institution is expected to be affected by a crisis in the near future, cf. Finansforetaksloven §20-15 second paragraph and there is no reasonable prospect that other measures can prevent the institution from being affected by a crisis, or

b) The ministry of Finance has made a decision pursuant to Finansforetaksloven §20-15 first paragraph or §20-29 first paragraph. An extended maturity can only be used if there is reasonable reason to assume that the obligations can be covered within 12 months.

Note 6 – Assets and liabilities measured at amortised cost

(NOK million)

For all items booked at amortised cost, the book value is approximately equal to the fair value. This applies to the following balance sheet items: Loans and receivables to credit institutions, Loans and receivables to customers and Debt securities issued.

Note 7 – Assets and liabilities measured at fair value

(NOK million)

OBOS Boligkreditt uses the following valuation hierarchy for financial instruments measured at fair value:

Level 1: Market price (non-adjusted) quoted in an active market for identical assets or liabilities.

Level 2: Market price that is not listed, but is observable for assets or liabilities either directly (for example in the form of prices) or indirectly (for example derived from prices)

Level 3: Information that is not based on observable market data.

There was no movement between level 1 and 2 during the periods.

Method for calculating fair value of financial instruments measured at fair value:

Certificates, bonds and debt securities

The bank obtains market prices and credit spreads from independent brokers in major financial institutions in order to calculate fair value.

Financial derivatives

The fair value of financial derivatives is calculated based on discounted cash flows based on exchange rates and current interest rate curves at the balance sheet date.

Loans and receivables to customers

Mortgages to customers mainly consists of loans to the private market. Mortgages to customers, at a floating interest rate, has contractual cash flows that are only payment of interest and principal on given dates and is held in a business model for the purpose of receiving both contractual cash flows and sales. This is because the OBOS-Bank sells mortgages with floating interest rates to OBOS Boligkreditt AS. These loans are recognized at fair value through comprehensive income. The bank calculates contractual cash flows on fixed-rate loans discounted by market interest rates including a credit premium at the balance sheet date. The yield curve is derived from observable market interest rates.

As at 30.09.2023	Level 1	Level 2	Level 3	Total
Assets				
Certificates and bonds	-	660	-	660
Financial derivatives	-	-	-	-
Assets valued at fair value through OCI				
Loans and receivables to customers			32 351	32 351
Total assets	-	660	32 351	33 011
Liabilities				
Debt securities issued	-	466	-	466
Financial derivatives		-56		-56
Total liabilities	-	410	-	410

As at 30.09.2022	Level 1	Level 2	Level 3	Total
Assets				
Certificates and bonds	-	268	-	268
Financial derivatives	-	-	-	-
Assets valued at fair value through OCI				
Loans and receivables to customers			26 598	26 598
Total assets	-	268	26 598	26 866
Liabilities				
Debt securities issued	-	475	-	475
Financial derivatives		-43		-43
Total liabilities	-	431	-	431

Note 8 – Net interest and credit commission income

(NOK million)

	Q3 2023	Q3 2022	1.1 - 30.09 2023	1.1 - 30.09 2022	2022
Interest and similar income from loans to credit institutions, amortised cost	1	0	3	0	1
Interest and similar income from loans to customers, amortised cost	360	174	930	428	661
Other interest and similar income, amortised cost	0	0	0	0	0
Total Interest income calculated using the effective interest method	361	175	933	429	662
Interest and similar income from certificates and bonds, fair value	7	2	13	2	5
Total Interest income, fair value	7	2	13	2	5
Interest and similar expenses from loans to credit institutions, amortised cost	-23	-16	-55	-29	-46
Interest and similar expenses of issued securities, amortised cost	-306	-122	-769	-287	-474
Other interest and similar expenses, amortised cost	-1	-1	-3	-3	-4
Total Interest expenses calculated using the effective interest method	-330	-138	-828	-319	-524
Interest and similar expenses of issued securities, fair value	-3	-3	-9	-9	-13
Total Interest expenses, fair value	-3	-3	-9	-9	-13
Net interest and credit commission income	35	35	109	103	130

Note 9 – Net gain/(loss) and change in value of financial instruments

(NOK million)

	Q3 2023	Q3 2022	1.1 - 30.09 2023	1.1 - 30.09 2022	2022
Net gain/(loss) and change in value on certificates and bonds	2	-1	1	-1	-1
Net interest income on derivatives ¹	-3	0	-7	2	1
Other net gain/(loss) and change in value on derivatives	-3	-5	-21	-50	-40
Net gain/(loss) and change in value on fixed rate covered bonds ²	3	5	21	49	39
Net gain/(loss) and change in value of financial instruments	-2	0	-6	1	0

1) Net interest income (/expenses) from derivatives that have been entered into as hedging agreements against the ordinary portfolios of OBOS Boligkreditt's fixed rate covered bonds is classified as net gain/(loss) and change in value of financial instruments in accounting terms. Net interest income on derivatives is included in relevant key figures.

2) OBOS Boligkreditt has used the Fair Value Option (FVO) when valuing fixed rate covered bonds in accordance with IFRS 9. The principle implies that changes in value as a result of changes in own credit risk are recognized in the OBOS-banken group's comprehensive income. The amount that has been deducted from OBOS Boligkreditt's result and transferred to/from the Group is -1.1 million Norwegian kroner on 30 September 2023.

Note 10 – Subsequent events

No significant events have occurred subsequent to September 30, 2023 that would have an impact on the financial statements for the third quarter of 2023.

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