

2nd Quarter Report 2024

Unaudited



Foto: Nadia Frantsen

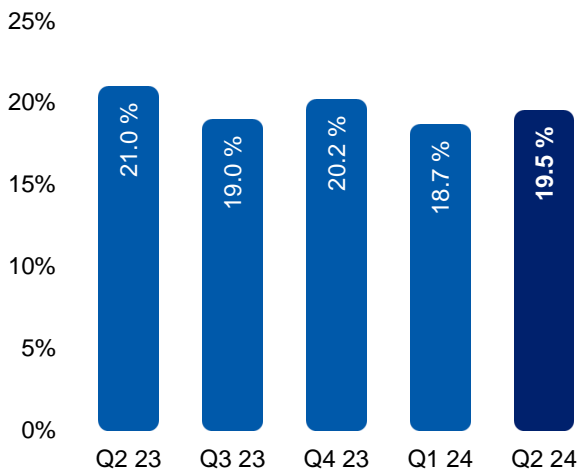
Key Figures and Alternative Performance Measures

	Q2 2024	Q2 2023	1.1 – 30.06 2024	1.1 – 30.06 2023	2023
Profitability					
1) Profit after tax	44	26	79	50	98
2) Net interest in % of average total assets	0.73 %	0.56 %	0.68 %	0.54 %	0.52 %
3) Profit before tax in % of total assets	0.15 %	0.11 %	0.27 %	0.22 %	0.39 %
4) Cost-to-income ratio	5.4 %	8.1 %	5.8 %	7.8 %	8.1 %
5) Return on equity	8.3 %	5.3 %	7.4 %	5.2 %	5.0 %
Balance sheet					
6) Lending to customers	36 772	28 935	36 772	28 935	32 139
7) Loss in % of gross loans	0.00 %	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	37 754	29 722	37 754	29 722	32 773
10) Average total assets	35 264	28 589	35 264	27 708	29 234
11) Covered bonds issued	32 520	25 770	32 520	25 770	28 270
12) Overcollateralisation	12.5 %	12.6 %	12.5 %	12.6 %	13.4 %
Capital and liquidity					
13) CET 1 Capital ratio	19.5 %	21.0 %	19.5 %	21.0 %	20.2 %
14) T1 Capital ratio	19.5 %	21.0 %	19.5 %	21.0 %	20.2 %
15) Total capital ratio	19.5 %	21.0 %	19.5 %	21.0 %	20.2 %
16) Leverage ratio	5.8 %	6.3 %	5.8 %	6.3 %	6.0 %
17) LCR	N.M.	N.M.	N.M.	N.M.	N.M.

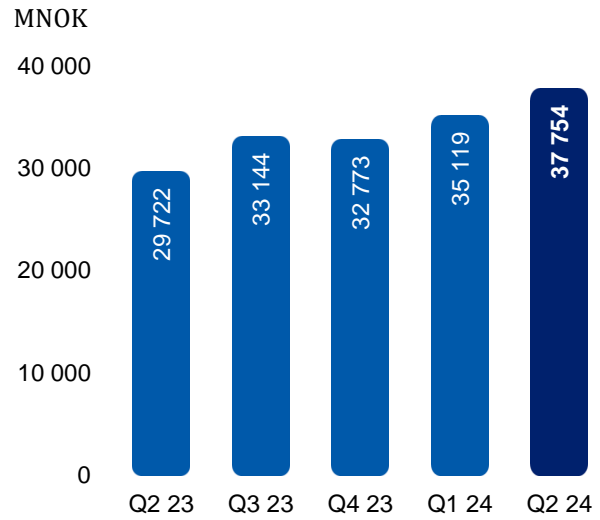
Definitions

- 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)

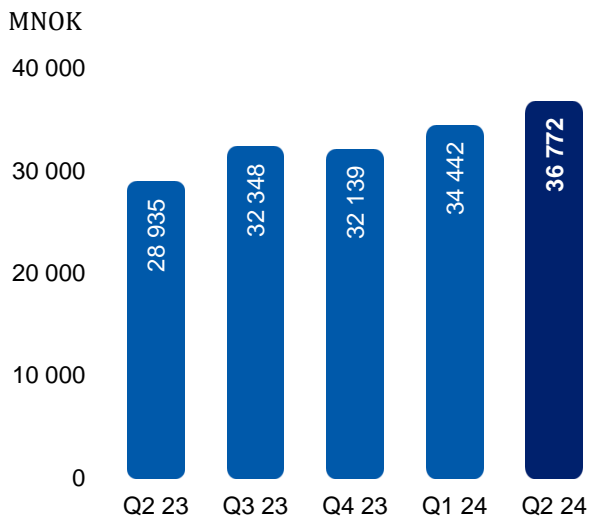
CET1 Capital Ratio



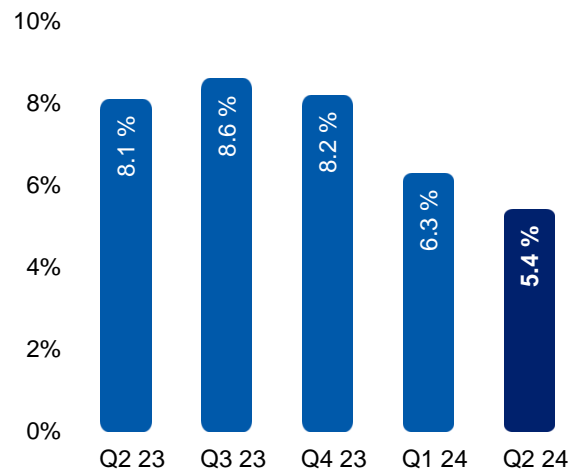
Total Assets



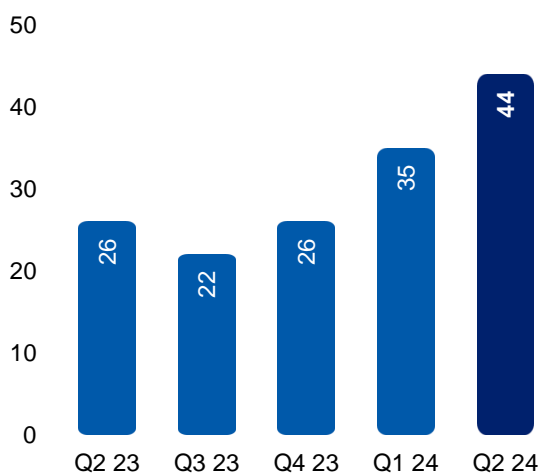
Lending



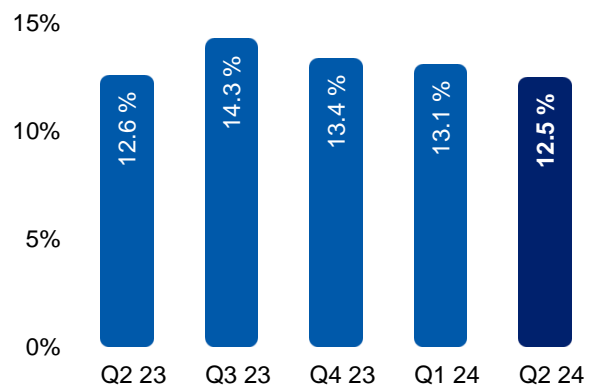
Cost-to-Income Ratio



Profit After Tax



Overcollateralisation



Directors' Report: Second Quarter

OBOS Boligkreditt AS ("The company"), registered in Oslo, is a wholly owned subsidiary of OBOS-banken. Operating since in 2016, it is licensed as a mortgage company and can issue covered bonds. The company is a key source of long-term market funding for OBOS-banken and an essential part of its funding strategy. Its assets include retail mortgage and housing co-operative loans initially 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 64 (38) million at quarter-end, compared to NOK 55 million in the previous quarter.

Operating expenses amounted to NOK 3 (3) million in the quarter. These expenses are mainly related to payments for services provided by the parent bank. The cost-to-income ratio was 5.4 per cent in the quarter, compared to 8.1 per cent in the second quarter of 2023.

Profit before loan losses and taxes was NOK 57 (32) million in the quarter. Net loan losses were NOK 1 (0) million. Profit after tax was NOK 44 million (26).

Balance Sheet

OBOS Boligkreditt AS had eight bond loans outstanding at quarter-end with total debt securities issued of NOK 32 520 million face value, compared to eight bond loans and NOK 25 770 million face value outstanding at second quarter-end 2023. All covered bonds issued by the company have been assigned Aaa-rating by Moody's. The green framework for bond issuances was updated and received second-party approval in June 2024.

Total assets at quarter-end amounted to NOK 37 754 (29 722) million. Lending to customers amounted to NOK 36 772 (28 935) 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 12.5 per cent at quarter end, compared to 11.3 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 35.9 per cent.

Total equity amounted to NOK 2 283 (1 960) at the quarter-end. Total own funds for the purposes of capital adequacy amounted to NOK 2 175 (1 878) million. Risk weighted assets amounted to NOK 11 136 (8 958) million, the CET 1 capital ratio was 19.5 (21.0) 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 961 (763) 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

In the second quarter of this year, price growth slowed more than Norges Bank had estimated, and unemployment slightly increased, partly due to more Ukrainian refugees registering with NAV. Norges Bank expects Norwegian economic activity to rise in the third quarter, driven by lower price growth and high wage growth.

On June 19, Norges Bank kept the policy rate unchanged at 4.5 %. The interest rate is expected to remain at this level longer than previously estimated and is expected to decline early next year. The central bank's inflation target of 2 percent is anticipated to be reached by the end of 2027, although economic uncertainty remains.

According to Eiendom Norge, house prices have increased by 8 percent this year. Norges Bank expects further house price growth due to anticipated lower interest rates, increased real wage growth, and limited new housing construction. While new home sales have risen slightly in 2024, it will take time for these projects to be completed. Boligprodusentene reports that 40.000 fewer homes than needed will be completed over the next four years.

The parent company, OBOS-banken AS, has made a capital infusion of NOK 200 million this quarter into the company. The current minimum requirement for common equity tier 1 capital ratio is 14 percent for OBOS Boligkreditt, and the company is well-capitalised compared to these minimum requirements. The portfolio's average loan-to-value (LTV) ratio stands at 35.9 percent, significantly below the maximum allowed LTV of 80 percent, providing a cushion against a significant decline in house prices. Additionally, the parent bank holds a considerable volume of loans eligible for transfer to OBOS Boligkreditt.

OBOS Boligkreditt continues to see a change in forbearance development in the second quarter of 2024. The key policy interest rate continues to be at a high level, and there is an expectation of some increased loss levels as the interest rate continues to take effect over a longer period.

Combined with good cost control, outlook is stable for OBOS Boligkreditt AS. The board assesses that OBOS Boligkreditt is well-prepared to handle new regulatory requirements, as well as the uncertainty surrounding the development of defaults in the future.

Oslo, 15 July 2024

The Board of Directors of OBOS Boligkreditt AS

Income Statement

(NOK million)

	NOTE	Q2 2024	Q2 2023	1.1 - 30.06 2024	1.1 - 30.06 2023	2023
Interest income calculated using the effective interest method		484	301	950	571	1366
Interest income from instruments using fair value		11	4	19	6	21
Interest expenses calculated using the effective interest method		-428	-263	-844	-497	-1224
Interest expenses from instruments using fair value		-3	-3	-6	-6	-13
Net interest income	8	64	38	119	74	151
Commission and banking service expenses		0	0	0	0	-1
Net commission expenses		0	0	0	0	-1
Net gain/(loss) and change in value of fin. Instruments	9	-3	-3	-7	-4	-9
Net operating income		61	35	112	70	141
Salaries and other personnel cost		0	0	0	0	0
Administration cost		0	0	0	0	-1
Other operating expenses		-3	-3	-6	-5	-11
Total operating expenses		-3	-3	-6	-5	-11
Profit before loan losses and taxes		57	32	105	64	130
Net loan losses	3	-1	0	-4	0	-4
Profit before tax		57	33	101	64	126
Income tax expense		-12	-7	-22	-14	-28
Profit after tax		44	26	79	50	98
Attributable to						
Retained earnings		44	26	79	50	98
Total		44	26	79	50	98

Statement of Comprehensive Income

(NOK million)

	NOTE	Q2 2024	Q2 2023	1.1 - 30.06 2024	1.1 - 30.06 2023	2023
Profit after tax		44	26	79	50	98
Losses on loans and guarantees, fair value	3	0	0	0	1	1
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	0	1	1
Net change in values from own credit risk		-1	1	-3	2	0
Income tax expense on items that will not be reclassified		0	0	1	0	0
Items that will not be reclassified to profit or loss		-1	1	-2	2	0
Comprehensive income for the periode		-1	1	-2	2	1
Total comprehensive income after tax		43	26	77	53	99
Attributable to						
Retained earnings		43	26	77	53	99
Total		43	26	77	53	99

Balance Sheet

(NOK million)

	NOTE	30.06.2024	30.06.2023	31.12.2023
ASSETS				
Loans and receivables to credit institutions		125	95	4
Loans and receivables to customers	5,6,7	36 772	28 935	32 139
Certificates and bonds	7	837	668	612
Receivables		1	1	0
Deferred tax asset		0	0	0
Other assets		19	22	18
TOTAL ASSETS		37 754	29 722	32 773
LIABILITIES AND EQUITY				
Loans from credit institutions	6	2 764	1 908	2 368
Financial derivatives	7	45	55	30
Debt securities issued	4,6,7	32 637	25 784	28 341
Other liabilities		1	0	0
Deferred tax		23	15	1
Tax payable		0	0	27
TOTAL LIABILITIES		35 470	27 762	30 767
Share capital		141	131	131
Share premium		1 559	1 369	1 369
Retained earnings		583	460	507
TOTAL EQUITY		2 283	1 960	2 007
TOTAL LIABILITIES AND EQUITY		37 754	29 722	32 773

Statement of Changes in Equity

(NOK million)

	Share Capital	Share Premium	Retained earnings	Total equity
Equity as at 01.01.2023	131	1 369	407	1 907
Result for the period 01.01.2023 - 30.06.2023			50	50
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			2	2
Income tax expense on items that will not be reclassified			-0	-0
Total comprehensive income 01.01.2023 - 30.06.2023			53	53
Equity as at 30.06.2023	131	1369	460	1960
Result for the period 01.07.2023 - 31.12.2023			46	46
Effect of IFRS 9 implementation			1	1
Equity as at 31.12.2023	131	1 369	507	2 007
Issue of share capital	10	190	-	200
Result for the period 01.01.2024 - 30.06.2024			79	79
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			-3	-3
Income tax expense on items that will not be reclassified			1	1
Total comprehensive income 01.01.2024 - 30.06.2024			77	77
Equity as at 30.06.2024	141	1 559	583	2 283

Cash Flow Statement

(NOK million)

	NOTE	30.06.2024	30.06.2023	31.12.2023
Profit before tax		101	64	126
Interest income calculated using the effective interest method	8	-950	-571	-1 366
Interest payments from customers and credit institutions		918	567	1 252
Net payments on loans to customers		-683	-548	5 337
Payment on certificates and bonds		-224	-399	-344
Interest from certificates and bonds/bond funds		2	13	-13
Other net gain/(loss) on derivatives	9	-9	-18	4
Payment for other assets		-1	-10	-6
Payment for other debt		9	-79	-99
Net gain/(loss) on financial instruments	9	7	4	9
Net loan losses		4	-1	2
Taxes paid		-26	-26	-26
Change in accrued interests		37	23	49
Change in other accruals		-1	-1	0
(A) Net cash flow from operating activities		-818	-981	4 925
Purchase of loan portfolio		-5 482	-3 049	-12 082
Sale of loan portfolio		1 554	23	102
(B) Net cash flow from investment activities		-3 927	-3 026	-11 980
Net new lines of credit		396	166	626
Debt securities issued	4	7 250	6 500	10 000
Repayment of covered bonds	4	-3 000	-2 600	-3 600
Issue of share capital		200	0	0
Change in other time limits related to financing activities		13	-21	3
(C) Net cash flow from financing activities		4 860	4 045	7 029
(A) + (B) + (C) Net cash flow for the period		115	38	-26
Cash and cash equivalents at beginning of period		4	31	31
Cash and cash equivalents at end of period		119	93	4
Net change in cash and cash equivalents		115	63	-26
Liquidity reserves specified				
Loans and receivables to credit institutions ¹⁾		119	93	4
Cash and cash equivalents		119	93	4

Quarterly Changes in Income Statement

(NOK million)

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Interest income calculated using the effective interest method	484	467	433	361	301
Interest income from instruments using fair value	11	8	7	7	4
Interest expenses calculated using the effective interest method	-428	-417	-396	-330	-263
Interest expenses from instruments using fair value	-3	-3	-3	-3	-3
Net interest income	64	55	42	35	38
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	-3	-4	-2	-2	-3
Net operating income	61	51	39	33	35
Salaries and other personnel cost	0	0	0	0	0
Administration cost	0	0	0	0	0
Other operating expenses	-3	-3	-3	-2	-3
Total operating expenses	-3	-3	-3	-3	-3
Profit before loan losses and taxes	57	48	36	30	32
Net loan losses	-1	-3	-2	-2	0
Profit before tax	57	44	34	28	33
Income tax expense	-12	-10	-8	-6	-7
Profit after tax	44	35	26	22	26
Attributable to					
Retained earnings	44	35	26	22	26
Total	44	35	26	22	26

Quarterly Changes in Statement of Comprehensive Income

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Profit after tax	44	35	26	22	26
Losses on loans and guarantees, fair value	0	1	0	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	1	0	0	0
Net change in values from own credit risk	-1	-2	-1	-1	1
Income tax expense on items that will not be reclassified	0	0	0	0	0
Items that will not be reclassified to profit or loss	-1	-1	-1	-1	1
Comprehensive income for the periode	-1	-1	-1	0	1
Total comprehensive income after tax	43	34	26	21	26
Attributable to					
Retained earnings	43	34	26	21	26
Total	43	34	26	21	26

Quarterly Changes in Balance Sheet

(NOK million)

	30.06.2024	31.03.2024	31.12.2023	30.09.2023	30.06.2023
Assets					
Loans and receivables to credit institutions	125	30	4	113	95
Loans and receivables to customers	36 772	34 442	32 139	32 348	28 935
Certificates and bonds	837	612	612	660	668
Receivables	1	1	0	2	1
Deferred tax asset	0	0	0	0	0
Other assets	19	34	18	20	22
Total Assets	37 754	35 119	32 773	33 144	29 722
Liabilities and equity					
Loans from credit institutions	2 764	2 565	2 368	2 775	1 908
Financial derivatives	45	35	30	56	55
Debt securities issued	32 637	30 454	28 341	28 311	25 784
Other liabilities	1	14	0	1	0
Deferred tax	23	11	1	21	15
Tax payable	0	0	27	0	0
Total Liabilities	35 470	33 078	30 767	31 163	27 762
Share capital	141	131	131	131	131
Share premium	1 559	1 369	1 369	1 369	1 369
Retained earnings	583	540	507	481	460
Total Equity	2 283	2 040	2 007	1 981	1 960
Total Liabilities and Equity	37 754	35 119	32 773	33 144	29 722

Note 1 – Basis for Preparation

Accounting Principles

The interim report for OBOS Boligkreditt has been prepared in accordance with IFRS Accounting Standard IAS 34 Interim Financial Reporting and comprises of the period 01.01.2024-30.06.2024. The annual report for 2023 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. All amounts are rounded to the nearest whole million. This may result in the sum of individual amounts not exactly matching the reported totals in the tables. The accounts for the reporting periode of this report 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 2023 in note 3.

Note 2 – Capital Adequacy

(NOK million)

	30.06.2024	30.06.2023	31.12.2023
Net own funds			
Share capital	141	131	131
Share premium	1 559	1 369	1 369
Retained earnings	507	407	407
Qualifying equity from this years result	1	53	99
Total equity	2 207	1 907	2 007
Adjustments in common tier 1 capital	-32	-30	-35
Common equity tier 1 capital	2 175	1 878	1 972
Additional Tier 1 capital			
Tier 1 capital	2 175	1 878	1 972
Tier 2 instruments			
Own funds	2 175	1 878	1 972
Minimum requirement own funds	30.06.2024	30.06.2023	31.12.2023
Institutions	2	2	0
Corporates	0	0	0
Retail	0	1	0
Secured by mortgages on immovable property	848	684	746
Exposures in default	13	3	8
Covered bonds	5	4	4
Other items	0	0	0
Credit risk	868	693	758
Operational risk	23	23	23
CVA-risk	0	0	0
Minimum requirement own funds	891	717	781
Risk weighted assets	11 136	8 958	9 764
Capital adequacy ratio			
Common tier 1 capital ratio	19.5 %	21.0 %	20.2 %
Tier 1 capital ratio	19.5 %	21.0 %	20.2 %
Capital adequacy ratio	19.5 %	21.0 %	20.2 %

Leverage Ratio

	30.06.2024	31.03.2023	31.12.2023
Total assets	37 754	29 722	32 773
Regulatory adjustments	2	2	2
Calculation basis for leverage ratio	37 756	29 724	32 775
Tier 1 capital	2 175	1 878	1 972
Leverage ratio	5.7 %	6.3 %	6.0 %

Note 3 – Impairment and Losses

(NOK million)

Changes in Provisions and Write-downs

Provisions for losses are calculated based on the expected credit loss (ECL) using the 3-step method in IFRS Accounting Standard 9 Financial Instruments, as described in Note 10 in the 2023 annual report.

Total	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	3	Total
Stage								
Expected credit loss at 01.01	3	2	3	8	2	3	0	5
Transfers to Stage 1 from stage 2 and 3	0	-0	-	-	2	-2	-0	-
Transfers to Stage 2 from stage 1 and 3	-0	0	-	-	-0	0	-0	-
Transfers to Stage 3 from stage 1 and 2	-0	-0	0	-	-0	-0	0	-
Changes in expected credit loss for loans which have not transferred	-0	1	2	3	-2	0	0	-2
New loans	1	1	1	3	1	0	0	1
Disposal of loans	-0	-0	-1	-1	-0	-0	-	-0
Change in risk model / parameters	-	-	-	-	1	0	0	1
Expected credit loss at 30.06	3	4	5	13	3	1	1	5
Net change 01.01 - 30.06	0	1	2	4	1	-1	0	-0
Expected credit loss at 30.06 in percentage of gross lending at 30.06	0.01%	2.01%	2.15%	0.02%	0.01%	1.77%	2.30%	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.

Stage	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	3	Total
Opening balance	3	-	-	3	2	-	-	2
Net change in expected losses	0	-	-	0	1	-	-	1
Closing balance	3	-	-	3	3	-	-	3

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

Stage	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	3	Total
Expected credit loss at 01.01	2	-	-	2	1	-	-	1
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	0	-	-	0	0	-	-	0
Disposal of loans	-0	-	-	-0	-	-	-	-
Change in risk model / parameters	-	-	-	-	0	-	-	0
Expected credit loss at 30.06	2	-	-	2	2	-	-	2
Net change 01.01 - 30.06	0	-	-	0	1	-	-	1
Expected credit loss at 30.06 in percentage of gross lending at 30.06	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.01%

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.

Stage	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	3	Total
Opening balance	2	-	-	2	1	-	-	1
Net change in expected losses	0	-	-	0	1	-	-	1
Closing balance	2	-	-	2	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.

Retail segment

Stage	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	3	Total
Expected credit loss at 01.01	1	2	3	7	1	3	0	4
Transfers to Stage 1 from stage 2 and 3	0	-0	-	-	2	-2	-0	-
Transfers to Stage 2 from stage 1 and 3	-0	0	-	-	-0	0	-0	-
Transfers to Stage 3 from stage 1 and 2	-0	-0	0	-	-0	-0	0	-
Changes in expected credit loss for loans which have not transferred	-0	1	2	3	-2	0	0	-2
New loans	0	1	1	2	0	0	0	0
Disposal of loans	-0	-0	-1	-1	-0	-0	-	-0
Change in risk model / parameters	-	-	-	-	0	0	0	1
Expected credit loss at 30.06	1	4	5	10	1	1	1	3
Net change 01.01 - 30.06	0	1	2	4	0	-1	0	-1
Expected credit loss at 30.06 in percentage of gross lending at 30.06	0.01%	2.07%	2.33%	0.07%	0.01%	1.77%	2.30%	0.04%

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.

Stage	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	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

Total

Stage	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	3	Total
Gross lending at 01.01	31 937	109	98	32 144	25 259	113	15	25 386
Transfers to Stage 1 from stage 2 and 3	44	-44	-	-	61	-55	-6	-
Transfers to Stage 2 from stage 1 and 3	-46	46	-	-	-26	29	-3	-
Transfers to Stage 3 from stage 1 and 2	-54	-6	59	-	-10	-8	19	-
Changes in carrying amount which have not transferred	-571	-2	-4	-578	-556	-1	-0	-557
New loans	7 558	29	22	7 608	5 989	5	5	5 998
Disposal of loans	-2 358	-16	-19	-2 393	-1 882	-8	-	-1 890
Confirmed losses	-	-	-	-	-	-	-	-
Included in previously confirmed losses	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Gross lending at 30.06	36 510	116	155	36 781	28 834	74	29	28 937
Loss write-down				-13				-5
Net lending recognised at amortised cost in the balance sheet at 30.06				36 769				28 933
Loans valued at fair value				3				3
Capitalised lending at 30.06				36 772				28 935

Housing co-operatives segment

Stage	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	3	Total
Gross lending as at 01.01	23 683	-	-	23 683	17 426	-	-	17 426
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	-425	-	-	-425	-1 188	-	-	-1 188
New loans	4 689	-	-	4 689	4 264	-	-	4 264
Disposal of loans	-1 087	-	-	-1 087	-	-	-	-
Confirmed losses	-	-	-	-	-	-	-	-
Included in previously confirmed losses	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Gross lending at 30.06	26 859	-	-	26 859	20 502	-	-	20 502
Loss write-down				-2				-2
Net lending recognised at amortised cost in the balance sheet at 30.06				26 857				20 501
Loans valued at fair value				2				2
Capitalised lending at 30.06				26 859				20 502

Retail segment

Stage	01.01.2024 - 30.06.2024				01.01.2023 - 30.06.2023			
	1	2	3	Total	1	2	3	Total
Gross lending at 01.01	8 255	109	98	8 461	7 832	113	15	7 960
Transfers to Stage 1 from stage 2 and 3	44	-44	-	-	61	-55	-6	-
Transfers to Stage 2 from stage 1 and 3	-46	46	-	-	-26	29	-3	-
Transfers to Stage 3 from stage 1 and 2	-54	-6	59	-	-10	-8	19	-
Changes in carrying amount which have not transferred	-146	-2	-4	-153	632	-1	-0	631
New loans	2 869	29	22	2 920	1 725	5	5	1 735
Disposal of loans	-1 271	-16	-19	-1 306	-1 882	-8	-	-1 890
Confirmed losses	-	-	-	-	-	-	-	-
Included in previously confirmed losses	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-
Gross lending at 30.06	9 651	116	155	9 922	8 332	74	29	8 435
Loss write-down				-10				-3
Net lending recognised at amortised cost in the balance sheet at 30.06				9 911				8 432
Loans valued at fair value				1				1
Capitalised lending at 30.06				9 913				8 433

Note 4 – Debt Securities Issued

(NOK million)

	Balance 30.06.2024	New issues 2024	Maturity/ buy backs 2024	Other changes 2024	Balance 31.12.2023
Changes in debt securities					
Debt securities issued nominal value	32 520	7 250	-3 000	-	28 270
Net premium / discount on bonds payable	-	17	-2	-15	-
Bond interest receivable / payable	-	30	-30	0	-
Accrued interest	162	-	-	30	132
Amortisation	-4	-	-	22	-26
Fair value adjustment	-41	-	-	-6	-35
Total debt securities	32 637	7 297	-3 032	31	28 341

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 30.06.2024

ISIN	Type	Due date	Face value	Book value	Accrued interest	Book value incl. accrued interest	Maturity	Interest rate
Bonds at amortised cost								
NO0010872757	FRN	13.06.2025	4 000	3 994	10	4 004	1.0	5.04 %
NO0010922842	FRN	04.02.2026	4 000	3 999	31	4 029	1.6	4.91 %
NO0011160962	FRN	02.09.2026	4 000	3 998	15	4 013	2.2	4.91 %
NO0012493941	FRN	07.05.2027	4 000	3 993	31	4 024	2.9	5.11 %
NO0012811266	FRN	17.02.2028	4 000	3 997	24	4 021	3.6	5.21 %
NO0012918186	FRN	22.09.2028	6 000	5 998	6	6 004	4.2	5.35 %
NO0013119891	FRN	12.02.2029	6 000	6 018	43	6 061	4.6	5.29 %
Bonds at fair value								
NO0010851645	¹⁾ Fixed	15.05.2029	520	479	2	481	4.9	2.42 %
Total debt securities			32 520	32 475	162	32 637	3.1	5.10 %

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	30.06.2024	30.06.2023	31.12.2023
Mortgages ¹⁾	36 618	28 914	32 008
Ineligible loans	-22	-2	-14
Total Cover pool²⁾	36 596	28 912	31 994
Debt through the issuance of securities (excl. accrued interest)	32 520	25 684	28 209
The cover pool's overcollateralization	12.5 %	11.3 %	13.4 %

Regional distribution of mortgages	Housing co-ops and Retail		
Agder	42	25	25
Akershus ³⁾	4 977	-	2 497
Buskerud ³⁾	462	-	181
Finnmark ³⁾	3	-	-
Innlandet	2 214	1 445	1 952
Møre og Romsdal	253	192	230
Nordland	9	13	8
Oslo	22 793	19 130	22 019
Rogaland	958	594	834
Telemark ³⁾	52	-	17
Troms og Finnmark ³⁾	-	146	-
Troms ³⁾	132	-	44
Trøndelag	1 028	509	1 130
Vestfold ³⁾	705	-	664
Vestfold og Telemark ³⁾	-	678	-
Vestland	922	967	905
Viken ³⁾	-	5 215	-
Østfold ³⁾	2 069	-	1 501
Total Mortgages	36 618	28 914	32 008

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 80%. 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. Overcollateralisation consistent with current rating is 107. For maturity structure of the cover pool see the cover pool report published on the website.

3) From January 1, 2024, the following three counties were divided into seven different counties: Viken county were divided into Østfold, Akershus and Buskerud. Vestfold and Telemark county were divided into Vestfold and Telemark. Troms and Finnmark county were divided into Troms and Finnmark.

Covered bonds ISIN	Type	Due date	Face value
NO0010872757	FRN	13.06.2025	4 000
NO0010922842	FRN	04.02.2026	4 000
NO0011160962	FRN	02.09.2026	4 000
NO0012493941	FRN	07.05.2027	4 000
NO0012811266	FRN	17.02.2028	4 000
NO0012918186	FRN	22.09.2028	6 000
NO0013119891	FRN	12.02.2029	6 000
NO0010851645	Fixed	15.05.2029	520
Total debt securities			32 520

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:

- 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
- 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 recognised 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 30.06.2024	Level 1	Level 2	Level 3	Total
Assets				
Certificates and bonds	-	837	-	837
Financial derivatives	-	-	-	-
Assets valued at fair value through OCI				
Loans and receivables to customers			36 781	36 781
Total assets	-	837	36 781	37 618
Liabilities				
Debt securities issued	-	481	-	481
Financial derivatives		-45		-45
Total liabilities	-	436	-	436

As at 30.06.2023	Level 1	Level 2	Level 3	Total
Assets				
Certificates and bonds	-	668	-	668
Financial derivatives	-	-	-	-
Assets valued at fair value through OCI				
Loans and receivables to customers			28 937	28 937
Total assets	-	668	28 937	29 605
Liabilities				
Debt securities issued	-	465	-	465
Financial derivatives		-55		-55
Total liabilities	-	410	-	410

Note 8 – Net Interest and Credit Commission Income

(NOK million)

	Q2 2024	Q2 2023	11- 30.06 2024	11- 30.06 2023	2023
Interest and similar income from loans to credit institutions, amortised cost	4	1	6	2	4
Interest and similar income from loans to customers, amortised cost	479	299	944	569	1362
Other interest and similar income, amortised cost	0	0	0	0	1
Total Interest income calculated using the effective interest method	484	301	950	571	1366
Interest and similar income from certificates and bonds, fair value	11	4	19	6	21
Total Interest income, fair value	11	4	19	6	21
Interest and similar expenses from loans to credit institutions, amortised cost	-30	-18	-58	-32	-83
Interest and similar expenses of issued securities, amortised cost	-397	-244	-785	-463	-1 136
Other interest and similar expenses, amortised cost	-1	-1	-2	-2	-5
Total Interest expenses calculated using the effective interest method	-428	-263	-844	-497	-1 224
Interest and similar expenses of issued securities, fair value	-3	-3	-6	-6	-13
Total Interest expenses, fair value	-3	-3	-6	-6	-13
Net interest and credit commission income	64	38	119	74	151

Note 9 – Net Gain/(Loss) and Change in Value of Financial Instruments

(NOK million)

	Q2 2024	Q2 2023	11- 30.06 2024	11- 30.06 2023	2023
Net gain/ (loss) and change in value on certificates and bonds	1	0	1	-1	0
Net interest income on derivatives ¹	-4	-2	-7	-4	-11
Other net gain/ (loss) and change in value on derivatives	0	-19	-9	-18	4
Net gain/ (loss) and change in value on fixed rate covered bonds ²	0	19	9	18	-2
Net gain/(loss) and change in value of financial instruments	-3	-3	-7	-4	-9

1) Net interest income (/expenses) from derivatives that have been entered into as hedging agreements against the ordinary portfolios of OBOS Boligkredit'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 Boligkredit has used the Fair Value Option (FVO) when valuing fixed rate covered bonds in accordance with IFRS Accounting Standard 9. The principle implies that changes in value as a result of changes in own credit risk are recognised in the OBOS-banken group's comprehensive income. The amount that has been deducted from OBOS Boligkredit's result and transferred to/from the Group is 3.0 million Norwegian kroner on 30 June 2024.

Note 10 – Subsequent Events

No significant events have occurred subsequent to 30 June 2024 that would have an impact on the financial statements for the second quarter of 2024.



OBOS

Boligkreditt

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