

**3rd quarter 2021**

**Unaudited**



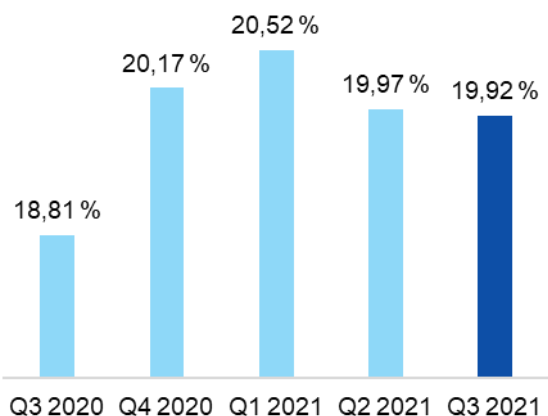
# Key figures

	Q3 2021	Q3 2020	1.1-30.09 2021	1.1-30.09 2020	2020
<b>Profitability</b>					
1) Profit after tax	39	40	110	73	107
2) Net interest in % of average total assets	0,83 %	0,91 %	0,74 %	0,57 %	0,67%
3) Profit before tax in % of average total assets	0,20 %	0,39 %	0,53 %	0,39 %	0,62%
4) Cost-to-income ratio	4,2 %	3,0 %	4,6 %	5,1 %	5,2%
5) Return on equity	8,5 %	9,7 %	7,5 %	6,1 %	7,0%
<b>Balance sheet</b>					
6) Lending to customers	24 314	23 648	24 314	23 648	23 354
7) Loss in % of gross loans	0,00 %	0,00 %	0,00 %	0,00 %	0,00%
8) Defaults in % of gross loans	0,01 %	0,00 %	0,01 %	0,00 %	0,00%
9) Total assets	24 953	23 823	24 953	23 823	23 438
10) Average total assets	24 671	23 419	24 195	22 077	21 885
11) Covered bonds issued	20 980	20 090	20 980	20 090	19 975
12) Overcollateralization	115,8 %	117,3 %	115,8 %	117,3 %	116,2%
<b>Capital and liquidity</b>					
13) CET 1 capital ratio	19,9 %	18,8 %	19,9 %	18,8 %	20,2 %
14) T1 capital ratio	19,9 %	18,8 %	19,9 %	18,8 %	20,2 %
15) Total capital ratio	19,9 %	18,8 %	19,9 %	18,8 %	20,2 %
16) Leverage ratio	7,2 %	7,0 %	7,2 %	7,0 %	7,6 %
17) LCR	115,9 %	159,8 %	115,9 %	159,8 %	2179,6 %

## Definitions

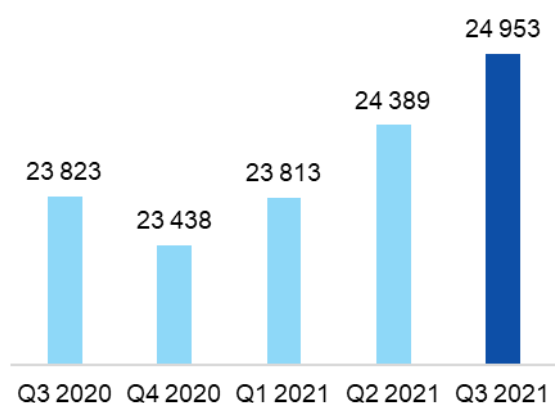
- 2) Net interest income, % of average total assets
- 4) Sum operating expenses before losses, in % of net income
- 5) Return on equity after tax, % of average equity
- 7) Loan losses of the period divided by the average loan volume of the period
- 8) Exposure overdue more than 90 consecutive days in % 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

### Total capital ratio



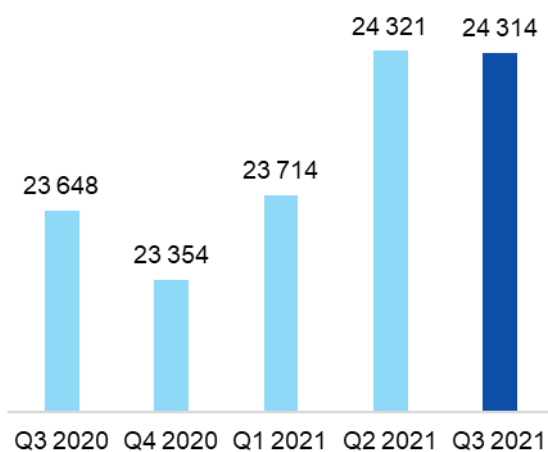
### Total Assets

MNOK

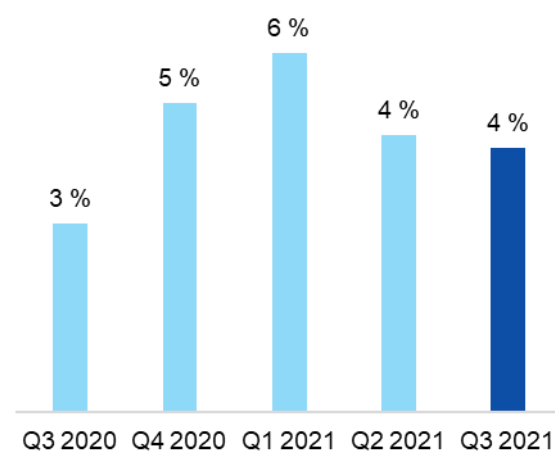


### Lending

MNOK

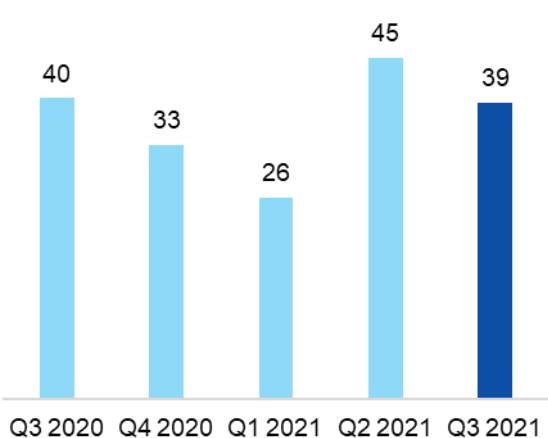


### Cost-to-income ratio

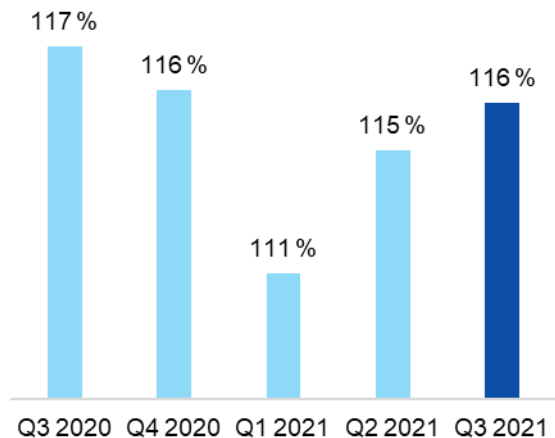


### Profit after tax

MNOK



### Overcollateralisation



# Third quarter results

**OBOS Boligkreditt AS (“The company”) is registered in Oslo, and it 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. Total lending at third quarter end 2021 amounted to NOK 24 314 million. All loans are at the time of acquisition from the bank within 75 % of the property’s estimated value. Total issued covered bond loans at third quarter end 2021 amounted to NOK 20 980 million. Overcollateralization was at 115,9 %.**

## Rating

All covered bonds issued by OBOS Boligkreditt AS have been assigned a Aaa-rating by Moody’s.

## Third quarter results

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

The company’s net interest income amounted to NOK 50.0 (50,4) million for the third quarter of 2021, compared to NOK 48.9 million in the previous quarter. Total operating expenses amounted to NOK 2.2 (1.6) million. These expenses are mainly related to payments for banking services provided by the parent bank. Profit before loan losses and taxes was NOK 49.9 (51.0) million in the third quarter of 2021. Net loan losses were NOK 0.1 (-0.2) million. Profit after tax was NOK 39.0 million (39.6) in the third quarter of 2021.

OBOS Boligkreditt AS did not issue covered bonds in the quarter. Neither did OBOS Boligkreditt AS buy back own issued covered bonds, and no covered bonds matured during the quarter.

OBOS Boligkreditt AS had seven bond loans outstanding at 30 September 2021 with total debt securities issued of NOK 20 980 million face value, compared to seven bond loans and NOK 20 090 million face value outstanding at 30 September 2020.

Total assets at the end of the third quarter 2021 amounted to NOK 24 953 (23 823) million. Lending to customers amounted to NOK 24 314 (23 648) million. 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 115,8 percent as at 30 September 2021, compared to 117,3 percent at 30

September 2020. At third quarter end 2021, the mortgages in the cover pool had a weighted average loan-to-value ratio of 34,3 percent.

OBOS Boligkreditt AS’ liquidity portfolio, consisting of loans and receivables to credit institutions and certificates and bonds, amounted to NOK 618.1 (107.3) million. OBOS Boligkreditt reported LCR is 115.9 (159.9) percent.

Total equity amounted to NOK 1 873 (1 733) million at 30 September 2021. Total own funds for the purposes of capital adequacy amounted to NOK 1 773 (1 659) million. Risk weighted assets amounted to NOK 8 904 (8 820) million, the CET 1 capital ratio was 19.9 (18.8) percent. OBOS Boligkreditt AS uses the standardised approach to calculate capital requirements for credit risk.

## Macroeconomic development and outlook for the company

On 23 September 2021, Norges Bank raised its key policy rate from zero to 0.25 per cent. Norges Bank argued that the normalization of the economy implies that it is now appropriate to start a gradual normalization of the key policy rate.

The assessment is based on the fact that the reopening of society has given a marked upswing in the Norwegian economy, and activity is now higher than before the corona pandemic. Unemployment has fallen further, and capacity utilization seems to be close to a normal level. The spread of infection has increased after the summer, but a high degree of vaccination has limited the need for infection control measures. Norges Bank believes that the upturn in the economy will probably continue throughout the autumn, that underlying inflation is low, but increased activity and rising wage growth will contribute to it eventually rising towards the target of 2 per cent.

At the same time, Norges Bank signalled an increased interest rate path compared with the previous report. The interest rate path now goes to 1.5% in the second quarter of 2023, one year earlier than indicated in the previous monetary policy meeting.

Norges Bank also signals plans to increase the countercyclical capital buffer requirement to 2.0 per cent in December 2021, with effect from 31 December 2022, and the committee envisages that the buffer requirement will return to 2.5 per cent in the long term.

Since May 2020, there has been high activity in the housing market with increased new home sales and high turnover of second-hand homes. Until March this

year, there was also strong growth in house prices. Low interest rates have probably stimulated the housing market, and increased use of working from home and limited consumption opportunities have probably also increased the demand for and willingness to pay for housing. Since April, however, house price growth has slowed. It is expected that higher interest rates, a normalization of household consumption and increased housing construction will lead to moderate house price growth.

Consumption opportunities have been limited during the pandemic, which has not least been reflected in increased deposit volumes, as well as a shift in consumption towards goods. It is assumed that households will now turn more of their consumption back towards services, and that consumption will generally increase. At the same time, there are effects of higher electricity prices, phasing out of support measures and rising interest rates. In isolation, this will reduce disposable income. Increased employment and wage growth nevertheless contribute to disposable income as a whole likely to increase.

The bond market is also generally strong. The issuance volume has been high since the turn of the year, and the risk premiums are close to or below the levels from before the pandemic. There is good access to financing.

Lending growth in the parent bank has slowed over the past year and a half compared with previous periods. It

is important to balance the parent bank's growth with the bank's profitability, as well as create room for maneuver before increased capital requirements. At the same time, price competition is strong, and competition conditions were changed after the removal of the Basel 1 floor for IRB-banks. The introduction of the new standardized method for risk weighting is important in order to even out to a certain extent the imbalance in capital requirements associated with the same loans. It is expected that the strong price competition will continue, but at the same time that net interest income will increase in line with the increase in the general interest rate level. The parent bank has experienced a very strong deposit growth during the last 12 months. To a certain extent, this also displaces the need for market funding in the shorter perspective. It is, however, expected that deposit levels will decline following the reopening of the society, which may impact funding plans for covered bonds.

OBOS Boligkreditt's portfolio has an average loan to value (LTV) ratio at a low 34 percent. With an allowable LTV of 75 percent, there is significant headroom for even severe drops in house prices. The parent bank holds significant volumes of loans which qualify for transfer to OBOS Boligkreditt. Combined with good cost control and an improving macroeconomic environment, outlook is stable for OBOS Boligkreditt AS.

Oslo 26.10.2021

The Board of Directors of OBOS Boligkreditt AS

# Income statement

(Figures in NOK 1000)

	NOTE	Q3 2021	Q3 2020	1.1 - 30.09 2021	1.1 - 30.09 2020	1.1-31.12 2020
Interest income calculated using the effective interest method		92 927	96 301	286 993	355 743	453 385
Interest income from instruments using fair value		66	80	213	390	445
Interest expenses calculated using the effective interest method		-39 815	-42 811	-143 483	-252 443	-294 081
Interest expenses from instruments using fair value		-3 172	-3 172	-9 412	-9 434	-12 606
<b>Net interest income</b>	<b>4</b>	<b>50 006</b>	<b>50 397</b>	<b>134 310</b>	<b>94 256</b>	<b>147 144</b>
Commission and banking service expenses		-89	-78	-302	-263	-351
<b>Net commission expenses</b>		<b>-89</b>	<b>-78</b>	<b>-302</b>	<b>-263</b>	<b>-351</b>
<b>Net gain/(loss) and change in value of fin. Instruments</b>	<b>5</b>	<b>2 154</b>	<b>2 239</b>	<b>5 594</b>	<b>4 653</b>	<b>6 253</b>
<b>Net operating income</b>		<b>52 071</b>	<b>52 559</b>	<b>139 602</b>	<b>98 645</b>	<b>153 046</b>
Salaries and other personnel cost		-40	-120	-120	-120	-183
Administration cost		-120	-35	-328	-197	-380
Other operating expenses		-2 013	-1 416	-6 036	-4 669	-6 975
<b>Total operating expenses</b>		<b>-2 173</b>	<b>-1 570</b>	<b>-6 483</b>	<b>-4 986</b>	<b>-7 537</b>
<b>Profit before loan losses and taxes</b>		<b>49 899</b>	<b>50 988</b>	<b>133 119</b>	<b>93 660</b>	<b>145 508</b>
Net loan losses	<b>10</b>	96	-167	-819	5	414
<b>Profit before tax</b>		<b>49 994</b>	<b>50 821</b>	<b>132 301</b>	<b>93 665</b>	<b>145 923</b>
Income tax expense		-10 999	-11 181	-21 907	-20 606	-39 378
<b>Profit after tax</b>		<b>38 995</b>	<b>39 640</b>	<b>110 393</b>	<b>73 059</b>	<b>106 545</b>
<b>Attributable to</b>						
Retained earnings		38 995	39 640	110 393	73 059	106 545
<b>Total</b>		<b>38 995</b>	<b>39 640</b>	<b>110 393</b>	<b>73 059</b>	<b>106 545</b>

## Statement of comprehensive income

(Figures in NOK 1000)

	NOTE	Q3 2021	Q3 2020	1.1 - 30.09 2021	1.1 - 30.09 2020	1.1 - 31.12 2020
<b>Profit after tax</b>		<b>38 995</b>	<b>39 640</b>	<b>110 393</b>	<b>73 059</b>	<b>106 545</b>
Losses on loans and guarantees, fair value	<b>10</b>	192	-188	823	703	704
Income tax expense on items that can be reclassified		-42	41	-181	-155	-155
<b>Items that can be reclassified to profit or loss</b>		<b>150</b>	<b>-146</b>	<b>642</b>	<b>548</b>	<b>549</b>
Net change in values from own credit risk		-193	-2 318	-3 002	341	-1 880
Income tax expense on items that will not be reclassified		42	510	660	-75	414
<b>Items that will not be reclassified to profit or loss</b>		<b>-150</b>	<b>-1 808</b>	<b>-2 341</b>	<b>266</b>	<b>-1 466</b>
<b>Comprehensive income for the periode</b>		<b>-0</b>	<b>-1 955</b>	<b>-1 700</b>	<b>814</b>	<b>-917</b>
<b>Total comprehensive income after tax</b>		<b>38 995</b>	<b>37 686</b>	<b>108 694</b>	<b>73 872</b>	<b>105 628</b>
<b>Attributable to</b>						
Retained earnings		38 995	37 686	108 694	73 872	105 628
<b>Total</b>		<b>38 995</b>	<b>37 686</b>	<b>108 694</b>	<b>73 872</b>	<b>105 628</b>

# Balance sheet

(Figures in NOK 1000)

	NOTE	30.09.2021	30.09.2020	31.12.2020
<b>ASSETS</b>				
Loans and receivables to credit institutions		477 486	76 800	7 127
Loans and receivables to customers	6,1	24 313 625	23 647 594	23 353 909
Certificates and bonds	8	140 593	30 494	30 479
Financial derivatives		11 253	56 036	40 043
Receivables		1 026	2 541	-
Deferred tax asset		2 413	1 899	2 413
Other assets		6 520	7 482	3 844
<b>TOTAL ASSETS</b>		<b>24 952 916</b>	<b>23 822 845</b>	<b>23 437 816</b>
<b>LIABILITIES AND EQUITY</b>				
	NOTE	30.09.2021	30.09.2020	31.12.2020
Loans from credit institutions	6,9	2 037 043	1 899 674	1 595 572
Debt securities issued	6,8,9	21 004 775	20 167 811	20 037 858
Other liabilities		9 036	205	342
Deferred tax		28 627	20 836	-
Tax payable		-	1 332	39 302
<b>TOTAL LIABILITIES</b>		<b>23 079 480</b>	<b>22 089 858</b>	<b>21 673 074</b>
Share capital		131 000	131 000	131 000
Share premium		1 369 039	1 369 039	1 369 039
Retained earnings		373 397	232 948	264 703
<b>TOTAL EQUITY</b>		<b>1 873 436</b>	<b>1 732 986</b>	<b>1 764 742</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>24 952 916</b>	<b>23 822 845</b>	<b>23 437 816</b>

# Statement of changes in equity

(Figures in NOK 1000)

	Share Capital	Share Premium	Retained earnings	Total equity
<b>Equity as at 01.01.2020</b>	<b>121 000</b>	<b>1 179 039</b>	<b>159 076</b>	<b>1 459 114</b>
Issue of share capital	10 000	190 000	-	200 000
Result for the period 01.01.2020 - 30.09.2020	-	-	73 059	73 059
Losses on loans and guarantees, fair value	-	-	703	703
Income tax expense on items that can be reclassified	-	-	-155	-155
Net change in values from own credit risk	-	-	341	341
Income tax expense on items that will not be reclassified	-	-	-75	-75
<b>Total comprehensive income 01.01.2020 - 30.09.2020</b>	<b>-</b>	<b>-</b>	<b>73 872</b>	<b>73 872</b>
<b>Equity as at 30.09.2020</b>	<b>131 000</b>	<b>1 369 039</b>	<b>232 948</b>	<b>1 732 986</b>
Total result 01.10.2020 - 31.12.2020	-	-	32 672	32 672
Effect of IFRS 9 implementation	-	-	-917	-917
<b>Equity as at 31.12.2020</b>	<b>131 000</b>	<b>1 369 039</b>	<b>264 704</b>	<b>1 764 742</b>
Result for the period 01.01.2021 - 30.09.2021	-	-	110 393	110 393
Losses on loans and guarantees, fair value	-	-	823	823
Income tax expense on items that can be reclassified	-	-	-181	-181
Net change in values from own credit risk	-	-	-3 002	-3 002
Income tax expense on items that will not be reclassified	-	-	660	660
<b>Total comprehensive income 01.01.2021 - 30.09.2021</b>	<b>-</b>	<b>-</b>	<b>108 694</b>	<b>108 694</b>
<b>Equity as at 30.09.2021</b>	<b>131 000</b>	<b>1 369 039</b>	<b>373 397</b>	<b>1 873 436</b>



# Cash flow

(Figures in NOK 1000)

	NOTE	30.09.2021	30.09.2020	31.12.2020
Profit before tax		132 301	93 665	145 923
Interest income calculated using the effective interest method	4	-286 993	-355 743	-453 385
Interest payments from customers and credit institutions		286 349	360 325	459 315
Loans to customers transferred from parent company		-959 075	-3 389 967	-3 097 138
Payment on certificates and bonds		-110 114	-	-
Interest from certificates and bonds/bond funds		31 259	-48 647	-28 038
Other net gain/(loss) on derivatives	5	-25 665	53 300	34 291
Payment for other assets		26 851	-55 309	-36 673
Payment for other debt		8 090	33	234
Net gain/(loss) on financial instruments	5	-5 594	-4 653	-6 253
Net loan losses		-1	-712	-1 123
Paid taxes		-32 103	-22 135	-23 468
Change in accrued interests		-3 690	-30 192	-26 421
Change in other accruals		-1 159	-3 107	47
Net new lines of credit		441 471	154 307	-149 795
<b>(A) Net cash flow from operating activities</b>		<b>-498 073</b>	<b>-3 248 835</b>	<b>-3 182 485</b>
Payments related to acquisition of shares and securities		-	-	-
<b>(B) Net cash flow from investment activities</b>		<b>-</b>	<b>-</b>	<b>-</b>
Debt securities issued	9	3 963 427	5 025 288	5 004 345
Repayment of covered bonds	9	-2 995 000	-1 930 000	-2 045 000
Issue of share capital		-	200 000	200 000
<b>(C) Net cash flow from financing activities</b>		<b>968 427</b>	<b>3 295 288</b>	<b>3 159 345</b>
<b>(A) + (B) + (C) Net cash flow for the period</b>		<b>470 355</b>	<b>46 453</b>	<b>-23 140</b>
Cash and cash equivalents at beginning of period		7 127	30 267	30 267
Cash and cash equivalents at end of period		477 482	76 720	7 127
<b>Net change in cash and cash equivalents</b>		<b>470 355</b>	<b>46 453</b>	<b>-23 140</b>
<b>Liquidity reserves specified</b>				
Loans and receivables to credit institutions 1)		477 482	76 720	7 127
<b>Cash and cash equivalents</b>		<b>477 482</b>	<b>76 720</b>	<b>7 127</b>

1) Hereof 0,7 TNOK in restricted deposits.

# Quarterly changes in income statement

(Figures in NOK 1000)

	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Interest income calculated using the effective interest method	92 927	96 670	97 396	97 642	96 301
Interest income from instruments using fair value	66	77	71	56	80
Interest expenses calculated using the effective interest method	-39 815	-44 702	-58 967	-41 638	-42 811
Interest expenses from instruments using fair value	-3 172	-3 137	-3 103	-3 172	-3 172
<b>Net interest income</b>	<b>50 006</b>	<b>48 908</b>	<b>35 396</b>	<b>52 887</b>	<b>50 397</b>
Commission and banking service expenses	-89	-92	-121	-88	-78
<b>Net Commission expenses</b>	<b>-89</b>	<b>-92</b>	<b>-121</b>	<b>-88</b>	<b>-78</b>
<b>Net gain/(loss) and change in value of fin. instruments</b>	<b>2 154</b>	<b>2 141</b>	<b>1 299</b>	<b>1 601</b>	<b>2 239</b>
<b>Net operating income</b>	<b>52 071</b>	<b>50 957</b>	<b>36 574</b>	<b>54 400</b>	<b>52 559</b>
Salaries and other personnel cost	-40	-40	-40	-63	-120
Administration cost	-120	-124	-84	-183	-35
Other operating expenses	-2 013	-2 069	-1 954	-2 306	-1 416
<b>Total operating expenses</b>	<b>-2 173</b>	<b>-2 233</b>	<b>-2 077</b>	<b>-2 552</b>	<b>-1 570</b>
<b>Profit before loan losses and taxes</b>	<b>49 899</b>	<b>48 723</b>	<b>34 497</b>	<b>51 849</b>	<b>50 988</b>
Net loan losses	96	-351	-563	409	-167
<b>Profit before tax</b>	<b>49 994</b>	<b>48 373</b>	<b>33 934</b>	<b>52 258</b>	<b>50 821</b>
Income tax expense	-10 999	-3 443	-7 465	-18 772	-11 181
<b>Profit after tax</b>	<b>38 995</b>	<b>44 930</b>	<b>26 468</b>	<b>33 486</b>	<b>39 640</b>
<b>Attributable to</b>					
Retained earnings	38 995	44 930	26 468	33 486	39 640
<b>Total</b>	<b>38 995</b>	<b>44 930</b>	<b>26 468</b>	<b>33 486</b>	<b>39 640</b>

Quarterly changes in statement of comprehensive income  
(Figures in NOK 1000)

	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
<b>Profit after tax</b>	<b>38 995</b>	<b>44 930</b>	<b>26 468</b>	<b>33 486</b>	<b>39 640</b>
Losses on loans and guarantees, fair value	192	347	283	2	-188
Income tax expense on items that can be reclassified	-42	-76	-62	-0	41
<b>Items that can be reclassified to profit or loss</b>	<b>150</b>	<b>271</b>	<b>221</b>	<b>1</b>	<b>-146</b>
Net change in values from own credit risk	-193	311	-3 120	-2 221	-2 318
Income tax expense on items that will not be reclassified	42	-68	686	489	510
<b>Items that will not be reclassified to profit or loss</b>	<b>-150</b>	<b>243</b>	<b>-2 434</b>	<b>-1 732</b>	<b>-1 808</b>
<b>Comprehensive income for the periode</b>	<b>-0</b>	<b>514</b>	<b>-2 213</b>	<b>-1 731</b>	<b>-1 955</b>
<b>Total comprehensive income after tax</b>	<b>38 995</b>	<b>45 443</b>	<b>24 255</b>	<b>31 755</b>	<b>37 686</b>
<b>Attributable to</b>					
Retained earnings	38 995	45 443	24 255	31 755	37 686
<b>Total</b>	<b>38 995</b>	<b>45 443</b>	<b>24 255</b>	<b>31 755</b>	<b>37 686</b>

# Quarterly changes in balance sheet

(Figures in NOK 1000)

	30.09.2021	30.06.2021	31.03.2021	31.12.2020	30.09.2020
<b>Assets</b>					
Loans and receivables to credit institutions	477 486	7 754	22 751	7 127	76 800
Loans and receivables to customers	24 313 625	24 321 329	23 714 141	23 353 909	23 647 594
Certificates and bonds	140 593	30 454	30 478	30 479	30 494
Financial derivatives	11 253	15 282	20 918	40 043	56 036
Receivables	1 026	1 055	605	-	2 541
Deferred tax asset	2 413	2 413	2 413	2 413	1 899
Other assets	6 520	10 559	21 491	3 844	7 482
<b>Total Assets</b>	<b>24 952 916</b>	<b>24 388 846</b>	<b>23 812 798</b>	<b>23 437 816</b>	<b>23 822 845</b>
	30.09.2021	30.06.2021	31.03.2021	31.12.2020	30.09.2020
<b>Liabilities and equity</b>					
Loans from credit institutions	2 037 043	1 287 421	739 886	1 595 572	1 899 674
Debt securities issued	21 004 775	21 237 659	21 248 672	20 037 858	20 167 811
Other liabilities	9 036	3 393	999	342	205
Deferred tax	28 627	17 628	6 841	-	20 836
Tax payable	-0	8 303	27 402	39 302	1 332
<b>Total Liabilities</b>	<b>23 079 480</b>	<b>22 554 405</b>	<b>22 023 801</b>	<b>21 673 074</b>	<b>22 089 858</b>
Share capital	131 000	131 000	131 000	131 000	131 000
Share premium	1 369 039	1 369 039	1 369 039	1 369 039	1 369 039
Retained earnings	373 397	334 402	288 958	264 703	232 948
<b>Total Equity</b>	<b>1 873 436</b>	<b>1 834 440</b>	<b>1 788 997</b>	<b>1 764 742</b>	<b>1 732 986</b>
<b>Total Liabilities and Equity</b>	<b>24 952 916</b>	<b>24 388 846</b>	<b>23 812 798</b>	<b>23 437 816</b>	<b>23 822 845</b>

# Notes

## Note 1 – Introduction

OBOS Boligkreditt AS is a fully owned subsidiary of OBOS-banken AS. The company was formally founded 13 May 2016, with the sole purpose of acquiring mortgages from OBOS-banken AS. The company will finance the business through the issuance of covered bonds. OBOS Boligkreditt received the required permit for operation from the Norwegian Financial Supervision 15 August 2016. OBOS Boligkreditt is registered and domiciled in Norway. The bank has business- and visiting address at Hammersborg Torg 1, 0129 Oslo.

## Note 2 – Accounting principles

The interim report for OBOS Boligkreditt has been prepared in accordance with IAS 34. The interim comprises the period 01.01.2021-30.09.2021 and has been prepared in accordance with simplified IFRS.

All amounts in the accounts and notes are stated in Norwegian kroner (NOK) unless otherwise specified. The company's functional currency is NOK.

From 01.01.2021 a new definition of default has been implemented in accordance with the EBA's guidelines. Under these new guidelines, a commitment will be considered non-performing if the claim is due for more than 90 days and the amount is significant (default), or it is plausible that the borrower will not fulfil its obligations ("unlikeliness to pay"). The guidelines provide criteria for the quarantine period needed before defaulted commitments can be declared healthy, specifies the 90-day limit, and provides provisions on which criteria as a minimum must be considered to define "unlikeliness to pay".

### IFRS 16 Leases

According to IFRS 16 all leases should be reported on the balance sheet as assets or liabilities. Previous classifications of leases as either operational or financial leases have been removed. All leases will be treated as financial leasing. Short-term leases (less than 12 months) and leasing of assets of low value are exempted from the requirements. IFRS 16 was implemented from 1 January 2019. The implementation does not have any effect on the accounts.

### IFRS 9 Financial Instruments

OBOS Boligkreditt AS applies IFRS 9 for measurement of financial instruments. Financial assets and/or financial liabilities are reported on the balance sheet according to IFRS 9.

### Derivatives

Derivatives are recorded at fair value at the time the derivative contracts are entered into, and are

subsequently recognized at fair value through profit or loss. Derivatives are presented as a financial asset if the value is positive and as a financial liability if the value is negative. According to IFRS 9, an entity shall apply the hedge accounting requirements to a financial asset or a financial liability that is designated as a hedged item. OBOS Boligkreditt AS doesn't apply the hedge accounting requirements under IFRS 9, but the company utilises interest rate swap agreements to reduce interest rate risk between fixed-rate and market rate. Swap interest rate and change in value are recognized through profit or loss under "Net gain/(loss) and change in value of financial instruments".

### Net gain/loss on financial instruments

For interest bearing financial instruments that are measured at fair value, interest income is classified as "Interest income, fair value", and interest expense is classified as "Interest expense, fair value". Interest on derivative contracts is an exception to this principle. Interests paid and received in interest rate swaps, as well as changes in accrued interest, are recognized as "Net gain/(loss) and change in value of financial instruments". Other changes in value of financial instruments are also recognized in this note.

The 2020 Annual Report for OBOS Boligkreditt gives a more detailed description of accounting principles used. This interim report is not audited.

## Note 3 – 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. Below are the most important areas where accounting estimates and discretionary assessments are used and these may be subject to changes in capitalized values in future periods.

### 3.1 Value measurement at fair value

OBOS Boligkreditt estimates the fair value of its financial instruments, which are not listed in an active market, using valuation methods described in note 17 in the 2020 Annual Report and in general accounting principles. The credit institution's choice of method and associated assumptions are based on market conditions at the balance sheet date.

### 3.2 Write-down of financial assets

The method for measurement on write-downs for expected loss on financial assets in IFRS 9 depends on

the increase in credit risk since initial recognition, instead of an incurred loss model as in IAS 39. The assets are divided into three stages, based on the credit impairment degree. At initial recognition, and if credit risk has not increased significantly, a provision will be made for 12 months' expected loss (stage 1). If the credit risk has increased significantly after initial recognition, but there is no objective evidence for loss, a provision will be made for the total lifetime of such asset (stage 2). If credit risk has increased significantly and there is objective evidence for loss, a provision will

be made for the total lifetime of the asset (stage 3). In addition, the interest income for the financial assets under stage 3 will be calculated on the net balance value of the loan, after deduction of write-down on expected loss over its total lifetime. This is different from stage 1 and 2 where the interest income is calculated on gross balance value.

For a more detailed description of the method used for the evaluation and measurement of write-downs, see the 2020 Annual Report, note 2 and 8.

#### Note 4 – Net interest and credit commission income

(Figures in NOK 1000)

	Q3 2021	Q3 2020	1.1 - 30.09 2021	1.1 - 30.09 2020	2020
Interest and similar income from loans to credit institutions, amortised cost	4	-	4	80	78
Interest and similar income from loans to customers, amortised cost	92 921	96 291	286 981	355 568	453 211
Other interest and similar income, amortised cost	2	9	8	95	96
<b>Total Interest income calculated using the effective interest method</b>	<b>92 927</b>	<b>96 301</b>	<b>286 993</b>	<b>355 743</b>	<b>453 385</b>
Interest and similar income from certificates and bonds, fair value	66	80	213	390	445
<b>Total Interest income, fair value</b>	<b>66</b>	<b>80</b>	<b>213</b>	<b>390</b>	<b>445</b>
Interest and similar expenses from loans to credit institutions, amortised cost	-3 826	-2 978	-10 734	-12 890	-17 024
Interest and similar expenses of issued securities, amortised cost	-35 216	-39 130	-130 452	-237 442	-274 231
Other interest and similar expenses, amortised cost	-772	-703	-2 297	-2 110	-2 826
<b>Total Interest expenses calculated using the effective interest method</b>	<b>-39 815</b>	<b>-42 811</b>	<b>-143 483</b>	<b>-252 443</b>	<b>-294 081</b>
Interest and similar expenses of issued securities, fair value	-3 172	-3 172	-9 412	-9 434	-12 606
<b>Total Interest expenses, fair value</b>	<b>-3 172</b>	<b>-3 172</b>	<b>-9 412</b>	<b>-9 434</b>	<b>-12 606</b>
<b>Net interest and credit commission income</b>	<b>50 006</b>	<b>50 397</b>	<b>134 310</b>	<b>94 256</b>	<b>147 144</b>

#### Note 5 – Net gain/(loss) and change in value of financial instruments

(Figures in NOK 1000)

	Q3 2021	Q3 2020	1.1 - 30.09 2021	1.1 - 30.09 2020	2020
Net gain/(loss) and change in value on certificates and bonds	-53	-14	-82	-143	-150
Net gain/(loss) and change in value on bond funds	-	-	-	-	-
Net interest income on derivatives <sup>1</sup>	2 179	2 189	6 144	3 526	5 609
Other net gain/(loss) and change in value on derivatives	-7 144	1 263	-25 665	53 300	34 291
Net gain/(loss) and change in value on fixed rate covered bonds <sup>2</sup>	7 171	-1 199	25 196	-52 030	-33 497
<b>Net gain/(loss) and change in value of financial instruments</b>	<b>2 154</b>	<b>2 239</b>	<b>5 594</b>	<b>4 653</b>	<b>6 253</b>

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 the Group is 3,0 million Norwegian kroner on 30 September 2021.

**Note 6 – Assets and liabilities measured at amortized cost**

(Figures in NOK 1000)

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 to credit institutions.

**Note 7 – Capital adequacy**

(Figures in NOK 1000)

<b>Net own funds</b>	<b>30.09.2021</b>	<b>30.09.2020</b>	<b>31.12.2020</b>
Share capital	131 000	131 000	131 000
Share premium	1 369 039	1 369 039	1 369 039
Retained earnings	264 703	159 075	159 075
Qualifying equity from this years result	108 694	73 872	105 628
<b>Total equity</b>	<b>1 764 742</b>	<b>1 659 114</b>	<b>1 764 742</b>
Adjustments in common tier 1 capital	8 507	259	1 798
<b>Common equity tier 1 capital</b>	<b>1 773 248</b>	<b>1 659 373</b>	<b>1 766 540</b>
Additional Tier 1 capital			
<b>Tier 1 capital</b>	<b>1 773 248</b>	<b>1 659 373</b>	<b>1 766 540</b>
Tier 2 instruments			
<b>Own funds</b>	<b>1 773 248</b>	<b>1 659 373</b>	<b>1 766 540</b>
<b>Minimum requirement own funds</b>	<b>30.09.2021</b>	<b>30.09.2020</b>	<b>31.12.2020</b>
Institutions	372	-	765
Corporates	-	-	-
Retail	14 399	-	-
Secured by mortgages on immovable property	672 882	659 304	652 659
Exposures in default	3 029	24 353	22 171
Covered bonds	801	-	-
Other items	-	-	1 167
<b>Credit risk</b>	<b>691 482</b>	<b>683 657</b>	<b>676 763</b>
Operational risk	18 906	14 902	18 906
CVA-risk	1 904	7 045	5 141
<b>Minimum requirement own funds</b>	<b>712 293</b>	<b>705 604</b>	<b>700 811</b>
Risk weighted assets	8 903 662	8 820 049	8 760 134
<b>Capital adequacy ratio</b>			
Common tier 1 capital ratio	19,92 %	18,81 %	20,17 %
Tier 1 capital ratio	19,92 %	18,81 %	20,17 %
<b>Capital adequacy ratio</b>	<b>19,92 %</b>	<b>18,81 %</b>	<b>20,17 %</b>



## Note 8 – Assets and liabilities measured at fair value

(Figures in NOK 1000)

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.

#### *Bond funds*

The bank obtains the market value of fund units from the individual fund manager.

#### *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.

See also the description provided in note 2: accounting policies.

<b>As at 30.09.2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets</b>				
Certificates and bonds	-	140 593	-	140 593
Financial derivatives	-	11 253	-	11 253
<b>Assets valued at fair value through OCI</b>				
Loans and receivables to customers			24 316 386	24 316 386
<b>Total assets</b>	<b>-</b>	<b>151 846</b>	<b>24 316 386</b>	<b>24 468 232</b>
<b>Liabilities</b>				
Debt securities issued	-	540 721	-	540 721
<b>Total liabilities</b>	<b>-</b>	<b>540 721</b>	<b>-</b>	<b>540 721</b>
<b>As at 30.09.2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets</b>				
Certificates and bonds	-	30 494	-	30 494
Financial derivatives	-	56 036	-	56 036
<b>Assets valued at fair value through OCI</b>				
Loans and receivables to customers			23 650 766	23 650 766
<b>Total assets</b>	<b>-</b>	<b>86 530</b>	<b>23 650 766</b>	<b>23 737 296</b>
<b>Liabilities</b>				
Debt securities issued	-	579 228	-	579 228
<b>Total liabilities</b>	<b>-</b>	<b>579 228</b>	<b>-</b>	<b>579 228</b>

## Note 9 – Debt securities

(Figures in NOK 1000)

	Balance 30.09.2021	New issues 2021	Maturity/ buy backs 2021	Other changes 2021	Balance 31.12.2020
<b>Changes in debt securities</b>					
Debt securities issued nominal value	20 980 000	4 000 000	-2 995 000	-	19 975 000
Net premium / discount on bonds payable	-	-4 000	-16 215	20 215	-
Bond interest receivable / payable	-	-	-3 187	3 187	-
Accrued interest	16 557	-	-	-3 690	20 247
Amortisation	-7 711	-	-	-12 199	4 488
Fair value adjustment	15 929	-	-	-22 195	38 124
<b>Total debt securities</b>	<b>21 004 775</b>	<b>3 996 000</b>	<b>-3 014 402</b>	<b>-14 682</b>	<b>20 037 858</b>

### 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 30.09.2021

ISIN	Type	Due date	Face value	Book value	Accrued interest	Book value incl. accrued interest	Maturity	interest rate
<b>Bonds at amortised cost</b>								
NO0010775588	FRN	07.10.2021	460 000	459 998	901	460 899	0,0	0,82 %
NO0010786494	FRN	15.06.2022	4 000 000	4 005 954	1 991	4 007 946	0,7	1,12 %
NO0010795487	FRN	06.06.2023	4 000 000	4 005 341	2 611	4 007 952	1,7	0,94 %
NO0010841232	FRN	19.06.2024	4 000 000	4 006 909	1 186	4 008 094	2,7	0,97 %
NO0010872757	FRN	13.06.2025	4 000 000	3 977 573	1 660	3 979 233	3,7	0,83 %
NO0010922842	FRN	04.02.2026	4 000 000	3 996 514	3 416	3 999 929	4,4	0,53 %
<b>Bonds at fair value</b>								
NO0010851645 <sup>1)</sup>	Fixed	15.05.2029	520 000	535 929	4 792	540 721	7,6	2,42 %
<b>Total debt securities</b>			<b>20 980 000</b>	<b>20 988 218</b>	<b>16 557</b>	<b>21 004 775</b>	<b>2,7</b>	<b>0,91 %</b>

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

1) The bonds are hedged from fixed to floating interest rates.

## Note 10 – Impairment and losses

(Figures in NOK 1000)

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

### Changes in gross carrying amount

	Expected loss over 12 months	Expected loss over the lifetime of the instrument	Expected loss over the lifetime of the instrument	Total
	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount 31.12.2020</b>	<b>22 958 022</b>	<b>398 649</b>	<b>-</b>	<b>23 356 671</b>
Migration to Stage 1	276 227	-276 227	-	-
Migration to Stage 2	-64 493	64 493	-	-
Migration to Stage 3	-3 360	-	3 360	-
Changes in carrying amount which have not migrated	-588 480	-3 599	-100	-592 178
New loans	4 020 170	16 489	-	4 036 659
Disposal of loans	-2 411 067	-73 699	-	-2 484 767
Confirmed losses	-	-	-	-
Included in previously confirmed losses	-	-	-	-
Other changes	-	-	-	-
<b>Gross carrying amount 30.09.2021</b>	<b>24 187 019</b>	<b>126 106</b>	<b>3 260</b>	<b>24 316 386</b>

### Movements in provision and write-downs

	Expected loss over 12 months	Expected loss over the lifetime of the instrument	Expected loss over the lifetime of the instrument	Total
	Stage 1	Stage 2	Stage 3	Total
<b>ECL 31.12.2020</b>	<b>4 377</b>	<b>2 762</b>	<b>-</b>	<b>7 140</b>
Migration to Stage 1	1 427	-1 427	-	-
Migration to Stage 2	-59	59	-	-
Migration to Stage 3	-1	-	1	-
Changes in ECL for loans which have not migrated	-1 397	1 190	380	174
New loans	1 666	366	-	2 032
Disposal of loans	-813	-574	-	-1 387
Confirmed losses	-	-	-	-
Included in previously confirmed losses	-	-	-	-
Change in risk model / parameters	-	-	-	-
Other changes	-	-	-	-
<b>ECL 30.09.2021</b>	<b>5 200</b>	<b>2 377</b>	<b>381</b>	<b>7 958</b>
Provisions (%) of gross capitalised values	0,02 %	1,88 %	0,00 %	0,03 %
<b>Net change (01.01.2021-30.09.2021)</b>	<b>823</b>	<b>-385</b>	<b>381</b>	<b>819</b>

### Estimated Stage 1 losses on assets measured at fair value

	Stage 1	Stage 2	Stage 3	Total
<b>Closing balance</b>	<b>4 377</b>	<b>-</b>	<b>-</b>	<b>4 377</b>
Net change in expected losses	823	-	-	823
<b>Closing balance</b>	<b>5 200</b>	<b>-</b>	<b>-</b>	<b>5 200</b>

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

## Breakdown of loan provisions per. segment and stage

### Changes in gross carrying amount-Housing co-operatives segment

	Expected loss over 12 months	Expected loss over the lifetime of the instrument	Expected loss over the lifetime of the instrument	Total
	Stage 1	Stage 2	Stage 3	
<b>Gross carrying amount 31.12.2020</b>	<b>16 592 213</b>	-	-	<b>16 592 213</b>
Migration to Stage 1	-	-	-	-
Migration to Stage 2	-	-	-	-
Migration to Stage 3	-	-	-	-
Changes in carrying amount which have not migrated	-408 700	-	-	-408 700
New loans	1 346 059	-	-	1 346 059
Disposal of loans	-1 083 523	-	-	-1 083 523
Confirmed losses	-	-	-	-
Included in previously confirmed losses	-	-	-	-
Other changes	-	-	-	-
<b>Gross carrying amount 30.09.2021</b>	<b>16 446 049</b>	-	-	<b>16 446 049</b>

### Movements in provisions and write-downs - Housing co-operatives segment

	Expected loss over 12 months	Expected loss over the lifetime of the instrument	Expected loss over the lifetime of the instrument	Total
	Stage 1	Stage 2	Stage 3	
<b>ECL 31.12.2020</b>	<b>3 091</b>	-	-	<b>3 091</b>
Migration to Stage 1	-	-	-	-
Migration to Stage 2	-	-	-	-
Migration to Stage 3	-	-	-	-
Changes in ECL for loans which have not migrated	-22	-	-	-22
New loans	76	-	-	76
Disposal of loans	-61	-	-	-61
Confirmed losses	-	-	-	-
Included in previously confirmed losses	-	-	-	-
Change in risk model / parameters	-	-	-	-
Other changes	-	-	-	-
<b>ECL 30.09.2021</b>	<b>3 083</b>	-	-	<b>3 084</b>
Provisions (%) of gross capitalised values	0,02 %	0,00 %	0,00 %	0,02 %
<b>Net change (01.01.2021-30.09.2021)</b>	<b>-7</b>	-	-	<b>-7</b>

### Changes in gross carrying amount - Retail segment

	Expected loss over 12 months	Expected loss over the lifetime of the instrument	Expected loss over the lifetime of the instrument	Total
	Stage 1	Stage 2	Stage 3	
<b>Gross carrying amount 31.12.2020</b>	<b>6 365 809</b>	<b>398 649</b>	<b>-</b>	<b>6 764 458</b>
Migration to Stage 1	276 227	-276 227	-	-
Migration to Stage 2	-64 493	64 493	-	-
Migration to Stage 3	-3 360	-	3 360	-
Changes in carrying amount which have not migrated	-179 780	-3 599	-100	-183 479
New loans	2 674 111	16 489	-	2 690 601
Disposal of loans	-1 327 544	-73 699	-	-1 401 243
Confirmed losses	-	-	-	-
Included in previously confirmed losses	-	-	-	-
Other changes	-	-	-	-
<b>Gross carrying amount 30.09.2021</b>	<b>7 740 970</b>	<b>126 106</b>	<b>3 260</b>	<b>7 870 337</b>

### Movements in provisions and write-downs - Retail segment

	Expected loss over 12 months	Expected loss over the lifetime of the instrument	Expected loss over the lifetime of the instrument	Total
	Stage 1	Stage 2	Stage 3	
<b>ECL 31.12.2020</b>	<b>1 287</b>	<b>2 762</b>	<b>-</b>	<b>4 049</b>
Migration to Stage 1	1 427	-1 427	-	-
Migration to Stage 2	-59	59	-	-
Migration to Stage 3	-1	-	1	-
Changes in ECL for loans which have not migrated	-1 375	1 190	380	196
New loans	1 589	366	-	1 956
Disposal of loans	-752	-574	-	-1 326
Confirmed losses	-	-	-	-
Included in previously confirmed losses	-	-	-	-
Change in risk model / parameters	-	-	-	-
Other changes	-	-	-	-
<b>ECL 30.09.2021</b>	<b>2 117</b>	<b>2 377</b>	<b>381</b>	<b>4 874</b>
Provisions (%) of gross capitalised values	0,03 %	1,88 %	0,00 %	0,06 %
<b>Net change (01.01.2021-30.09.2021)</b>	<b>830</b>	<b>-385</b>	<b>381</b>	<b>825</b>



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