

Second quarter and
first half report
2024

Unaudited

2

Financial highlights

Income statement

Amounts in NOK million	2nd quarter 2024	2nd quarter 2023	Jan.-June 2024	Jan.-June 2023	Full year 2023
Net interest income	1 193	640	2 283	1 389	2 741
Net other operating income	(479)	207	(690)	(129)	(595)
Of which net gains on financial instruments at fair value	(488)	197	(706)	(150)	(629)
Total operating expenses	68	471	246	851	1 795
Impairment of financial instruments	(6)	(7)	(19)	(13)	(31)
Pre-tax operating profit	776	1 312	1 819	2 098	3 910
Tax expense	(184)	(328)	(455)	(525)	(987)
Profit for the period	592	984	1 364	1 573	2 923

Balance sheet

Amounts in NOK million	30 June 2024	31 Dec. 2023	30 June 2023
Total assets	743 546	737 661	732 539
Loans to customers	697 695	690 654	679 739
Debt securities issued	415 411	383 695	354 958
Total equity	40 019	41 565	37 845

Key figures and alternative performance measures

	2nd quarter 2024	2nd quarter 2023	Jan.-June 2024	Jan.-June 2023	Full year 2023
Return on equity, annualised (%) ¹	5.9	10.4	6.7	8.1	7.4
Total average spreads for lending (%) ¹	0.52	0.33	0.49	0.33	0.30
Impairment relative to average net loans to customers, annualised (per cent) ¹	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)
Net loans and financial commitments in stage 3, per cent of net loans ¹	0.38	0.28	0.38	0.28	0.31
Net loans and financial commitments in stage 3, (NOK million) ¹	2 626	1 921	2 626	1 921	2 175
Common equity Tier 1 capital ratio end of period (%)	19.8	19.0	19.8	19.0	19.6
Capital ratio end of period (%)	22.2	21.8	22.2	21.8	22.0
Common equity Tier 1 capital (NOK million)	37 294	34 881	37 294	34 881	37 326
Total risk exposure amount (NOK million)	188 072	183 793	188 072	183 793	190 316
Number of full-time positions at end of period	4	5	4	5	5

¹ Defined as alternative performance measures (APM). APMs are described on ir.dnb.no.

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There has been no full or partial external audit of the quarterly directors' report and accounts.

Directors' report

DNB Boligkredit AS is the DNB Group's vehicle for the issue of covered bonds based on residential mortgages. The company's office is in Oslo. DNB Boligkredit is a wholly owned subsidiary of DNB Bank ASA and is reported as part of the Personal Customers business area in DNB's consolidated accounts. Based on developments in international capital markets, DNB Boligkredit has come to play a key role in ensuring long-term favourable funding for the Group. The rating agencies' assessments are of significance to the company's funding terms. DNB Boligkredit's covered bond programmes are rated AAA by Moody's and Standard & Poor's.

Financial accounts

DNB Boligkredit recorded a profit of NOK 592 million in the second quarter of 2024, compared with a profit of NOK 984 million in the second quarter of 2023.

Total income

Income totalled NOK 715 million in the second quarter of 2024, down from NOK 848 million in the year-earlier period.

Amounts in NOK million	2nd quarter		2nd quarter 2023
	2024	Change	
Total income	715	(133)	848
Net interest income		553	
Net commission and fee income		(1)	
Net gains/(losses) on financial instruments at fair value		(685)	

Compared to the same period in the previous year, the net interest income has increased, due to wider lending spreads. The company recorded a loss on financial instruments in the second quarter of 2024 while there was a gain in the second quarter of 2023. The loss was related to unrealised changes in the market value of covered bonds, derivatives and loans measured at fair value. Gains and losses from such instruments tend to vary considerably from quarter to quarter and will typically be reversed in subsequent periods due to stabilising markets or because the maturity dates of the instruments are approaching.

Operating expenses and impairment of loans

Operating expenses are volatile due to the management fee paid to DNB Bank. The cooperation with DNB Bank is formalised through an extensive servicing agreement that ensures DNB Boligkredit sound competence in key areas and cost-effective operations. The management fee calculation is based primarily on lending volume and the spreads achieved; thus, the fee will fluctuate with the net interest income. The servicing agreement also ensures DNB Boligkredit a minimum-profit based on the net interest rate margin achieved on loans to customers. A net interest rate margin below a minimum level agreed upon with DNB Bank, will result in a negative management fee (payment from DNB Bank to DNB Boligkredit). The fee amounted to a negative NOK 96 million in the second quarter of 2024, compared to a negative NOK 500 million in the second quarter of 2023.

The company has generally recorded low impairment losses on loans. In the second quarter of 2024, the company reported impairment losses of NOK 6 million. The Board of Directors considers the level of impairment to be satisfactory relative to the high quality of the loan portfolio.

Funding, liquidity and balance sheet

Balance sheet

At end-June 2024, DNB Boligkredit had total assets of NOK 743.5 billion, an increase of NOK 11.0 billion from end-June 2023.

Amounts in NOK million	30 June 2024	30 June Change	30 June 2023
Total assets	743 546	11 007	732 539
Loans to customers		17 956	
Financial derivatives		(9 631)	
Other assets		2 682	
Total liabilities	703 527	8 834	694 693
Due to credit institutions		(50 519)	
Financial derivatives		(3 590)	
Debt securities issued		60 453	
Other liabilities		2 490	

Loans to customers originate from the acquisition of residential mortgage portfolios from DNB Bank and the sale of new loans through the bank's distribution network.

Debt securities issued was up by net NOK 60.5 billion from end-June 2023, due to the merger with Sbanken Boligkredit and a higher issuing activity. The company issued covered bonds under existing programmes totalling NOK 11.4 billion in the second quarter of 2024. Total debt securities issued amounted to NOK 415.4 billion at end-June 2024.

Other events

Sustainability

In the second quarter, DNB announced its first transition loan, an instrument targeted at helping hard-to-abate sectors in their transition efforts. The loan was announced as part of DNB's transition loan pilot project, and DNB is currently working to establish a framework for loans of this kind. Also in the second quarter, DNB continued the work with energy efficiency in its property portfolios. Energy efficiency is essential for achieving the goals in DNB's transition plan, and work is well underway on exploring how energy efficiency can be promoted among both personal and corporate customers.

In June, legislative amendments to the Norwegian Accounting Act were passed by the Storting (the Norwegian parliament), with a view to implementing the Corporate Sustainability Directive (CSRD) in Norwegian law, aiming to follow the same timeline as in the EU. The CSRD comes with extensive reporting requirements, and as part of the process of implementing the new requirements, DNB is currently updating its double materiality analysis to identify which material topics DNB is to report on going forward.

Risk and capital adequacy

The company has established guidelines and limits for management and control of the different types of risk.

Currency risk is offset using financial derivatives. Interest rate and liquidity risk is managed in accordance with stipulations concerning covered bonds in the Financial Institutions Act and guidelines and limits approved by the Board of Directors. The company's overall financial risk is low.

Changes in the market value of the company's bonds due to credit risk are monitored daily.

The servicing agreement with DNB Bank comprises administration, bank production, IT operations and financial and liquidity management. The fee structure in the servicing agreement shall ensure a stable return on equity but does not take the effects of unrealised gains or losses on financial instruments into consideration. Operational risk is assessed to be low.

Negative developments in the housing market will affect the company. A decline in housing prices will reduce the value of the company's cover pool relative to the statutory asset coverage requirement. Quarterly stress tests are carried out to estimate the effects of a negative development in housing prices. A short-term measure to meet a significant fall in housing prices will be that DNB Bank supplies DNB Boligkreditt with more substitute collateral. The Board of Directors considers the company's total risk exposure to be low.

At end-June 2024, the company's equity totalled NOK 40.0 billion. NOK 37.3 billion represented Tier 1 capital. Own funds for capital adequacy purposes in the company was NOK 41.8 billion. The Tier 1 capital ratio was 19.8 per cent, while the capital adequacy ratio was 22.2 per cent.

New regulatory framework

New Norwegian Financial Supervision Act – Proposition to the Storting no. 75L (2023–2024)

On 11 June 2024, the Storting adopted a new Financial Supervision Act in accordance with the proposal from the Norwegian government. The Act will replace the current Financial Supervision Act from 1956, and follows the recommendations from the legal committee for the Financial Supervision Act in Official Norwegian Report 2023: 6. The bill takes consideration of changes that have affected Finanstilsynet (the Financial Supervisory Authority of Norway) over time, both in terms of the scope of its activities and the rules and legislation it manages, as well as changes to supervisory practice and supervisory instruments.

Norges Bank's advice on the systemic risk buffer

The Monetary Policy and Financial Stability Committee of Norges Bank sent a letter to the Norwegian Ministry of Finance on 8 May 2024, recommending that the systemic risk buffer requirement for the banks be kept unchanged at 4.5 per cent. The Ministry of Finance sets the systemic risk buffer requirement. Norges Bank is responsible for preparing the decision-making basis and for advising the Ministry of Finance on the buffer requirement at least every two years.

Countercyclical capital buffer remains unchanged

Under Section 34 of the Norwegian Regulations on capital requirements and national adaptation of CRR/CRD IV (CRR/CRD IV Regulations), Norges Bank must determine the level of the countercyclical capital buffer rate for Norwegian exposures every quarter. At its meeting on 2 May 2024, the Monetary Policy and Financial Stability Committee of Norges Bank decided to maintain the countercyclical capital buffer requirement at 2.5 per cent.

Basel IV – CRR3/CRD6

On 24 April 2024, the European Parliament adopted amendments to the EU's capital requirements regulations through the CRD VI directive and the CRR III regulations. The decision is consistent with the political agreement with the Council of the EU from December 2023. On 31 May 2024, the Council also adopted the amendments, and the legislation was published in the Official Journal of the European Union as Regulation (EU) 2024/1623 and Directive (EU) 2024/1619, respectively.

The CRR III will enter into force (with a few exceptions) on 1 January 2025, while the member states are expected to introduce measures that implement the CRD VI 18 months and one day after its entry into force.

Macroeconomic developments

Among Norway's trading partners, the main situation for the first half of the year is that unemployment has remained low, and there has been clear growth in employment in several countries. As price growth is falling and wage growth is increasing, real wage growth is about to pick up. Price growth for consumer products among Norway's trading partners continued to decline in the first quarter of 2024 and into the second quarter. Price growth relating to services for households has remained at the same level, however, and contributed to inflation not declining as quickly as expected by the central banks earlier this year. The central banks have found that their monetary policies have had a tightening effect, but the key figures that have been published so far this year indicate that economies are tolerating the interest rate levels well.

Norges Bank left the key policy rate unchanged at its monetary policy meeting in June. The forecasts in the June monetary policy report indicated that the key policy rate will remain at 4.50 per cent until the end of the year, before being gradually reduced. This clearly shifted expectations of an interest rate cut further into the future. It can partly be ascribed to changes in interest rate expectations and the estimates for growth and inflation outside Norway having been revised upwards.

The Norwegian economy has been through a period of low growth, but there are prospects of growth increasing in the second half of the year. Mainland GDP growth was 0.2 per cent from the fourth quarter of 2023 to the first quarter of 2024. Registered unemployment rose to 2.0 per cent in the second quarter of 2024, but remains low. Norges Bank's regional network estimated economic growth in the second and third quarters of 2024 of, 0.2 and 0.3 per cent, respectively (quarter-on-quarter). Capacity utilisation in the economy appeared to be somewhat higher than previously assumed, among other things, as a result of higher net exports and greater public demand. The improved prospects for economic growth were an important reason why Norges Bank revised its interest rate path upwards in June. The projections for price and wage growth were also revised upwards, despite core inflation as measured by the CPI-ATE index having declined to 4.1 per cent year-on-year in May. This was slightly lower than Norges Bank's estimate in its March report. However, higher salaries and prospects of increased price growth for imported goods gave reason to adjust the estimates for price growth upwards, which also contributed to a higher interest rate path.

Future prospects

The annual increase in lending volumes is expected to be around 1 to 2 per cent over time.

The common equity Tier 1 (CET1) capital ratio requirement for DNB Boligkredit is 16.30 per cent, while the Tier 1 (T1) requirement is 17.80 per cent. Including a management buffer of 0.75 per cent the Tier 1 requirement is 18.55 per cent. As per 30 June 2024 the CET1 and T1 capital ratio were 19.8 per cent.

Covered bonds have a leading position as a funding vehicle for Norwegian banks. Norwegian covered bonds still seem attractive, with relatively low credit and market risk. The volume of covered bond issues the next couple of years is expected to be somewhat higher than in the previous years, due to the DNB Group's need for this funding instrument.

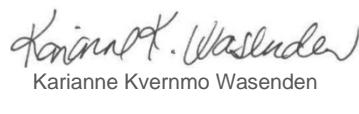
Oslo, 10 July 2024
The Board of Directors of DNB Boligkredit AS



Henrik Lidman
(Chair of the Board)



Bjørn Hauge Spjeld



Karianne Kvernmo Wasenden



Hans Olav Rønning
Hans Olav Rønning
(Chief Executive Officer, CEO)

Accounts for DNB Boligkreditt

COMPREHENSIVE INCOME STATEMENT

Amounts in NOK million	Note	2nd quarter 2024	2nd quarter 2023	Jan.-June 2024	Jan.-June 2023	Full year 2023
Interest income, effective interest method		9 478	7 181	18 790	13 964	31 410
Other interest income		262	249	512	494	1 012
Interest expenses, effective interest method		(8 348)	(6 846)	(16 692)	(12 519)	(29 143)
Other interest expenses		(199)	56	(327)	(550)	(539)
Net interest income		1 193	640	2 283	1 389	2 741
Commission and fee income		10	11	18	22	42
Commission and fee expenses		(1)	(1)	(2)	(2)	(4)
Net gains on financial instruments at fair value		(488)	197	(706)	(150)	(629)
Other income						(4)
Net other operating income		(479)	207	(690)	(129)	(595)
Total income		715	848	1 593	1 260	2 146
Salaries and other personnel expenses		(2)	(2)	(5)	(5)	(10)
Other income (expenses) related to management fee	7	96	500	305	906	1 915
Other expenses exclusive management fee		(26)	(26)	(55)	(50)	(110)
Total operating expenses		68	471	246	851	1 795
Impairment of financial instruments	3	(6)	(7)	(19)	(13)	(31)
Pre-tax operating profit		776	1 312	1 819	2 098	3 910
Tax expense		(184)	(328)	(455)	(525)	(987)
Profit for the period		592	984	1 364	1 573	2 923
Other comprehensive income that will not be reclassified to profit or loss		(7)	2	(15)	10	(8)
Tax		2	(1)	4	(3)	2
Total comprehensive income for the period		587	986	1 353	1 581	2 916
Portion attributable to shareholders of DNB Boligkreditt		587	986	1 353	1 581	2 912
Portion attributable to additional Tier 1 capital holders						5
Profit for the period		587	986	1 353	1 581	2 916

BALANCE SHEET

Amounts in NOK million	Note	30 June 2024	31 Dec. 2023	30 June 2023
Assets				
Due from credit institutions	7	11 159	13 168	8 370
Loans to customers	3, 6	697 695	690 654	679 739
Financial derivatives	6	34 353	33 714	43 984
Other assets		339	126	446
Total assets		743 546	737 661	732 539
Liabilities and equity				
Due to credit institutions	7	252 181	280 921	302 700
Financial derivatives	6	25 109	23 370	28 699
Debt securities issued	4, 6	415 411	383 695	354 958
Payable taxes		657		527
Deferred taxes		5 369	3 514	2 529
Other liabilities		250	46	33
Provisions		34	33	31
Subordinated loan capital	5	4 517	4 518	5 216
Total liabilities		703 527	696 096	694 693
Share capital		4 527	4 527	4 527
Share premium		25 149	25 149	25 149
Other equity		10 343	11 889	8 169
Total equity		40 019	41 565	37 845
Total liabilities and equity		743 546	737 661	732 539

STATEMENT OF CHANGES IN EQUITY

Amounts in NOK million	Share capital	Share premium	Liability credit reserve	Other equity	Total equity
Balance sheet as at 31 December 2022	4 527	25 149	25	10 673	40 375
Profit for the period				1 573	1 573
Financial liabilities designated at FVTPL, changes in credit risk			10		10
Tax on other comprehensive income			(3)		(3)
Comprehensive income for the period			8	1 573	1 581
Group contribution paid				(4 110)	(4 110)
Balance sheet as at 30 June 2023	4 527	25 149	32	8 137	37 845
Balance sheet as at 31 December 2023	4 527	25 149	19	11 870	41 565
Profit for the period				1 364	1 364
Financial liabilities designated at FVTPL, changes in credit risk			(15)		(15)
Tax on other comprehensive income			4		4
Comprehensive income for the period			(11)	1 364	1 353
Group contribution paid				(2 900)	(2 900)
Balance sheet as at 30 June 2024	4 527	25 149	8	10 334	40 019

Share capital

All shares and voting rights of the company are held by DNB Bank ASA. Share capital at the end of 2023 was NOK 4 527 million (45 270 000 shares at NOK 100).

CASH FLOW STATEMENT

<i>Amounts in NOK million</i>	Jan.-June 2024	Jan.-June 2023	Full year 2023
Operating activities			
Net receipts on loans to customers	11 409	7 022	23 988
Receipts on issued bonds and commercial paper	52 083	13 419	90 668
Payments on redeemed bonds and commercial paper	(19 752)	(47 966)	(119 107)
Net receipts/(payments) on loans from credit institutions	(32 043)	26 221	4 974
Interest received	19 132	14 374	31 811
Interest paid	(17 005)	(13 079)	(29 106)
Net receipts on commissions and fees	16	20	38
Net receipts/(payments) for operating activities	54	548	1 501
Taxes paid	4 351	(19)	
Net cash flow relating to operating activities	13 896	4 911	4 747
Investing activities			
Purchase of loan portfolio	(18 636)	(1 123)	(1 685)
Sale of loan portfolio	280	322	535
Net cash flow relating to investing activities	(18 356)	(801)	(1 150)
Financing activities			
Receipts on issued subordinated loan capital	4 500		
Redemptions of subordinated loan capital	(5 200)		
Redemptions of AT1 capital	(226)		
Interest payments on AT1 capital	(4)		
Group contribution payments	(850)	(4 110)	240
Net cash flow from financing activities	(850)	(4 110)	(691)
Net cash flow	(5 311)	0	2 906
Cash as at 1 January	5 327	0	0
Net receipts/(payments) of cash	(5 311)	0	2 906
Merger Sbanken Boligkredit	2 420		
Cash at end of period	16	0	5 327

NOTE 1 BASIS FOR PREPARATION

The quarterly financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as issued by the International Accounting Standards Board and as adopted by the European Union. When preparing the financial statements, the management makes estimates, judgements and assumptions that affect the application of the accounting principles, as well as income, expenses, and the carrying amount of assets and liabilities. Estimates and assumptions are subject to continual evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be probable on the balance sheet date. A description of the accounting policies, significant estimates and areas where judgement is applied can be found in Note 1 Accounting principles in the annual report for 2023. In the interim report, the accounting policies, significant estimates, and areas where judgement is applied are in conformity with those described in the annual report.

NOTE 2 CAPITAL ADEQUACY

Capital adequacy is calculated and reported in accordance with the EU capital requirements regulations for banks and investment firms (CRR/CRD).

Own funds

	30 June 2024	31 Dec. 2023	30 June 2023
<i>Amounts in NOK million</i>			
Share capital	4 527	4 527	4 527
Other equity	34 127	37 038	31 745
Total equity	38 654	41 565	36 272
Regulatory adjustments			
IRB provisions shortfall (-)	(1 073)	(1 005)	(985)
Additional value adjustments (AVA)	(255)	(305)	(366)
(Gains) or losses on liabilities at fair value resulting from own credit risk	(8)	(19)	(32)
(Gains) or losses on derivative liabilities resulting from own credit risk (DVA)	(25)	(11)	(8)
Group contributions			(2 900)
Common equity Tier 1 capital	37 294	37 326	34 881
Term subordinated loan capital	4 500	4 500	5 200
Tier 2 capital	4 500	4 500	5 200
Own funds	41 794	41 826	40 081
Total risk exposure amount	188 072	190 316	183 793
Minimum capital requirement	15 046	15 225	14 703
Common equity Tier 1 capital ratio (%)	19.8	19.6	19.0
Capital ratio (%)	22.2	22.0	21.8

Specification of exposures

	Nominal exposure 30 June 2024	Exposure at default EAD 30 June 2024	Risk amount REA 30 June 2024	Capital requirement 30 June 2024	Capital requirement 31 Dec. 2023
<i>Amounts in NOK million</i>					
IRB approach					
Corporate	502	502	154	12	15
Retail - secured by immovable property	769 091	769 091	164 591	13 167	13 001
Total credit risk, IRB approach	769 593	769 593	164 745	13 180	13 016
Standardised approach					
Institutions	5 164	5 164	1 033	83	336
Corporate	19 601	19 582	5 409	433	377
Retail	585	425	318	25	21
Retail - secured by immovable property	20 460	20 319	7 222	578	687
Other assets	399	372	557	45	42
Total credit risk, standardised approach	46 209	45 862	14 539	1 163	1 462
Total credit risk	815 802	815 455	179 284	14 343	14 479
Currency risk			2 676	214	258
Operational risk			6 112	489	489
Total risk exposure amount			188 072	15 046	15 225

NOTE 3 DEVELOPMENT IN ACCUMULATED IMPAIRMENT OF FINANCIAL INSTRUMENTS

Loans to customers at amortised cost

Amounts in NOK million	Jan.-June 2024				Full year 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Accumulated impairment as at 1 Jan.	(23)	(31)	(56)	(109)	(19)	(22)	(25)	(67)
Transfer to stage 1	(18)	17			(26)	25	1	
Transfer to stage 2	1	(2)			3	(3)		
Transfer to stage 3		1	(1)			1	(1)	
Originated and purchased during the period	(8)	(12)		(20)	(16)	(1)		(17)
Increased expected credit loss	(8)	(27)	(85)	(120)	(18)	(48)	(93)	(159)
Decreased (reversed) expected credit loss	32	8	54	94	53	7	58	118
Write-offs							3	3
Merger Sbanken Boligkredit							(1)	(2)
Derecognition	1	8	4	13			12	3
Accumulated impairment as at the end of the period	(22)	(36)	(83)	(142)	(23)	(31)	(56)	(109)

For explanatory comments about the impairment of financial instruments, see the directors' report.

NOTE 4 DEBT SECURITIES ISSUED

Debt securities issued

Amounts in NOK million			30 June	31 Dec.	30 June
			2024	2023	2023
Listed covered bonds, nominal amount			378 718	342 425	319 011
Private placements under the bond programme, nominal amount			49 374	52 646	56 904
Total covered bonds, nominal amount			428 092	395 072	375 914
Accrued interest			2 645	2 174	1 953
Unrealised losses ¹			(15 327)	(13 551)	(22 909)
Value adjustments ²			(12 681)	(11 377)	(20 956)
Total debt securities issued			415 411	383 695	354 958

Changes in debt securities issued

Amounts in NOK million	Balance	Matured/	Exchange	Other	Balance
	sheet				sheet
	30 June	Issued	redeemed	movements	31 Dec.
Covered bond debt, nominal	428 092	52 069	(22 135)	3 086	395 072
Value adjustments ²	(12 681)				(1 304)
Total debt securities issued	415 411	52 069	(22 135)	3 086	383 695

Maturity of debt securities issued

Amounts in NOK million			Foreign	Total
			currency	
2024			7 000	21 859
2025			56 500	35 331
2026			72 500	40 320
2027			19 500	28 594
2028 and later			14 100	132 389
Total covered bond debts, nominal amount	169 600	258 492	428 092	

1 Unrealised losses comprise of adjustments for net gain attributable to hedged risk on debt securities that are accounted for as hedged items and mark-to-market adjustments on debt securities that are designated as at fair value through profit or loss (fair value option).

2 Including accrued interest, fair value adjustments and premiums/discounts.

NOTE 4 DEBT SECURITIES ISSUED (continued)

Debt securities issued - matured/redeemed during the period

Amounts in NOK million ISIN Code	Currency	Matured redeemed amount	Interest	Issued	Matured	Remaining nominal amount		
						30 June 2024	31 Dec. 2023	
Private	EUR	280	Fixed	2010	2024	Matured		280
Private	EUR	224	Fixed	2011	2024	Matured		224
Private	EUR	336	Fixed	2012	2024	Matured		336
Private	EUR	112	Fixed	2014	2024	Redeemed		112
XS1014279787	EUR	449	Fixed	2014	2024	Matured		449
XS1014864190	EUR	90	Fixed	2014	2024	Redeemed		90
XS1193287304	EUR	785	Fixed	2015	2024	Matured		785
Private	EUR	56	Fixed	2017	2024	Matured		56
XS1574773583	EUR	112	Fixed	2017	2024	Matured		112
NO0010805310	NOK	1 000	Fixed	2017	2024	Matured		1 000
XS1945126867	SEK	9 775	Fixed	2019	2024	Matured		9 775
XS1945126867	SEK	302	Fixed	2020	2024	Matured		302
Private	EUR	1 748	Fixed	2008	2024	Matured		1 748
Private	EUR	1 457	Fixed	2009	2024	Matured		1 457
XS1057309699	EUR	291	Fixed	2014	2024	Matured		291
XS1068091278	EUR	117	Floating	2014	2024	Matured		117
NO0010887078	NOK	5 000	Floating	2020	2024	Matured		5 000
Total debt securities matured/ redeemed, nominal amount		22 135					22 135	

Cover pool

Amounts in NOK million		30 June	31 Dec.	30 June
		2024	2023	2023
Pool of eligible loans		675 379	662 690	677 530
Market value of eligible derivatives ¹		34 353	33 714	15 285
Total collateralised assets		709 732	696 403	692 815
Debt securities issued, carrying value		415 411	383 695	354 958
Valuation changes attributable to changes in credit risk on debt carried at fair value		11	26	43
Market value of eligible derivatives ¹		25 109	23 370	
Debt securities issued, valued according to regulation²		440 531	407 091	355 001
Collateralisation (per cent)		161.1	171.1	195.2

1 From and including the first quarter of 2024, eligible derivatives are presented with their gross value. Comparable figures have been changed accordingly.
 2 The debt securities issued are bonds with preferred rights in the appurtenant cover pool. The composition and calculation of values in the cover pool are defined in Sections 11-8 and 11-11 of the Financial Institutions Act with appurtenant regulations.

NOTE 5 SUBORDINATED LOAN CAPITAL

Amounts in NOK million	Currency	Nominal amount		Interest rate	Issue date	Call date	Maturity date	30 June	31 Dec.	30 June
								2024	2023	2023
Term subordinated loan capital	NOK	1 900	3 month Nibor + 160 bp		2018	2023	2028			1 900
Term subordinated loan capital	NOK	3 300	3 month Nibor + 160 bp		2018	2023	2028			3 300
Term subordinated loan capital	NOK	4 500	3 month Nibor + 205 bp		2023	2028	2033	4 500	4 500	
Accrued interest								17	18	16
Total subordinated loan capital								4 517	4 518	5 216

NOTE 6 FINANCIAL INSTRUMENTS AT FAIR VALUE

Amounts in NOK million	Level 1	Level 2	Level 3	Total
Assets as at 30 June 2024				
Loans to customers			32 054	32 054
Financial derivatives		34 353		34 353
Liabilities as at 30 June 2024				
Debt securities issued		4 934		4 934
Financial derivatives		25 109		25 109
Assets as at 31 December 2023				
Loans to customers			32 035	32 035
Financial derivatives		33 714		33 714
Liabilities as at 31 December 2023				
Debt securities issued		5 993		5 993
Financial derivatives		23 370		23 370

Financial instruments at fair value, level 3

Amounts in NOK million	Loans to customers
Carrying amount as at 31 December 2022	34 499
Net gains recognised in the income statement	269
Additions/purchases	3 509
Sales	(48)
Settled	(6 193)
Carrying amount as at 31 December 2023	32 035
Net gains recognised in the income statement	(59)
Additions/purchases	2 988
Sales	(8)
Settled	(2 903)
Carrying amount as at 30 June 2024	32 054

For a further description of the instruments and valuation techniques, see DNB Boligkredit's annual report for 2023.

Sensitivity analysis, level 3

An increase in the discount rate on fixed-rate loans by 10 basis points will decrease the fair value by NOK 82 million.

NOTE 7 INFORMATION ON RELATED PARTIES

DNB Bank ASA

In the first half of 2024, loan portfolios representing NOK 18.4 billion (NOK 0.8 billion in the first half of 2023) were transferred from the bank to DNB Boligkredit in accordance with the "Agreement relating to transfer of loan portfolio between DNB Bank ASA and DNB Boligkredit AS".

The servicing agreement between DNB Boligkredit and DNB Bank ensures DNB Boligkredit a minimum margin achieved on loans to customers. A margin below the minimum level will be at DNB Bank's risk, resulting in a negative management fee (payment from DNB Bank to DNB Boligkredit). The management fee paid to the bank for purchased services is recognised as 'Other income (expenses) related to management fee' in the comprehensive income statement and amounted to a negative NOK 305 million in the first half of 2024 (a negative NOK 906 million in the first half of 2023).

At end-June 2024, DNB Bank had invested NOK 107.7 billion in covered bonds issued by DNB Boligkredit.

In the first half of 2024, DNB Boligkredit entered into reverse repurchasing agreements (reverse repos) with the bank as counterparty. The value of the repos amounted to NOK 10.0 billion at end-June 2024.

As of end-June 2024, DNB Invest Denmark A/S' ownership of subordinated loans issued by DNB Boligkredit amounted to NOK 4.5 billion.

DNB Boligkredit has a long-term overdraft facility in DNB Bank with a limit of NOK 305 billion.

DNB Livsforsikring AS

At end-June 2024, DNB Livsforsikring's holding of DNB Boligkredit bonds had a fair value of NOK 257 million.

Statement pursuant to Section 5-6 of the Securities Trading Act

We hereby confirm that the half-yearly financial statements for the company for the period 1 January through 30 June 2024 to the best of our knowledge have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company taken as a whole.

To the best of our knowledge, the half-yearly report gives a true and fair:

- overview of important events that occurred during the accounting period and their impact on the half-yearly financial statements
- description of the principal risks and uncertainties facing the company over the next accounting period
- description of major transactions with related parties.

Oslo, 10 July 2024
The Board of Directors of DNB Boligkredit AS



Henrik Lidman
(Chair of the Board)



Bjørn Hauge Spjeld



Karianne Kvernmo Wasenden



Hans Olav Rønninge

Hans Olav Rønninge
(Chief Executive Officer, CEO)

Information about DNB Boligkreditt

Organisation number

Register of Business Enterprises NO 985 621 551 MVA

Board of Directors

Henrik Lidman Chair of the Board
Bjørn Hauge Spjeld
Karianne Kvernmo Wasenden

Contact information

Hans Olav Rønningen, Chief Executive Officer	tel +47 95 72 95 63	hansolav.ronningen@dnb.no
Roar Sørensen, Financial reporting	tel +47 93 47 96 16	roar.sorensen@dnb.no
DNB Boligkreditt	tel +47 91 50 48 00	

Other sources of information

DNB Boligkreditt AS is part of the DNB Group. Quarterly and annual reports for the DNB Group and DNB Boligkreditt are available on ir.dnb.no.

DNB Boligkreditt AS

Mailing address:

P.O.Box 1600 Sentrum
N-0021 Oslo

Visiting address:

Dronning Eufemias gate 30
Bjørvika, Oslo

dnb.no