

# KommuneKredit publishes its Annual Report 2025

Today, 9 March 2026, KommuneKredit has published its [Annual Report 2025](#).

## Summary

- Profit before value adjustments and tax came to DKK 507 million, down by DKK 16 million on the year-earlier period, which is in line with our guidance in the interim report.
- Comprehensive income for the year amounted to DKK -44 million compared with DKK 8 million in 2024.
- Net interest income came to DKK 641 million for 2025, down by DKK 89 million on last year.
- The value of total loans and leases was up by DKK 6 billion to DKK 200 billion at end-2025.
- Common Equity Tier 1 (CET1) capital, which corresponds to equity, declined from 10,188 million at end-2024 to DKK 10,099 million.

Since 1899, KommuneKredit has provided funding to municipalities and regions in Denmark through the issuance of bonds in the international capital markets. That funding model was changed with effect from 26 March 2025. In future, the Government will purchase KommuneKredit's bonds at interest rates corresponding to the Government's own funding costs. The new funding model has entailed lower funding costs for KommuneKredit and, accordingly, lower interest rates on our loans and leases. When fully phased in, the new model is expected to create annual savings of about DKK 1 billion for the Danish society, savings that will ultimately benefit Danish citizens and taxpayers.

Since the onset of 2024, the municipal sector in Greenland has had the possibility to take out loans with KommuneKredit for its projects. The Danish Government provides KommuneKredit with a guarantee for such loan, while the Government of Greenland provides the Danish Government with a guarantee within a certain framework. In 2025, we granted the first loans totalling DKK 1,624 million to the municipal sector in Greenland.

## Financial results for 2025

KommuneKredit's profit before value adjustments and tax came to DKK 507 million, down by DKK 16 million on 2024, covering a decline in total net interest income of DKK 89 million compared to 2024 and extraordinary income of DKK 76 million under Other operating income from the sale of our properties at Kultorvet 14 and 16 in Copenhagen.

Value adjustments for the year came to DKK -552 million. The negative value adjustments reflect that the interest rates used for the valuation of loans and funding have been adjusted to government bond yields in accordance with the new funding model. To this should be added that, as expected, the large positive value adjustments in 2021-2023 have subsequently been offset by negative value adjustments. As a result, and in line with expectations, comprehensive income came to DKK -44 million, all of which is taken to equity. Following the sale of the properties at Kultorvet 14 and 16, we have reversed a revaluation reserve of DKK 45 million for the period in equity, which subsequently constitutes DKK 10,099 million.

## Outlook for 2026

We expect net interest income of around DKK 500 million for 2026. Administrative expenses are anticipated to increase by close to DKK 20 million to DKK 225 million, partly due to non-recurring expenses in connection with the relocation to new premises, partly to rental expenses for the new lease which will be included in administrative expenses in future. Accordingly, we expect profit for the year before value adjustments and tax to total DKK 275 million, including expected negative value adjustments of around DKK 150 million.

## Contact person

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## KommuneKredit key figures

Million	2025	2025	2024	2023	2022	2021
	EUR	DKK	DKK	DKK	DKK	DKK
<b>Key figures</b>						
Net interest and fee income	96	713	717	457	353	378
Value adjustment of financial instruments	-74	-552	-510	276	1,144	249
Staff costs and administrative expenses	-28	-206	-194	-193	-224	-140
Impairment of loans and receivables, etc.	0	0	0	0	0	0
Profit for the year	-6	-44	8	414	991	378
Loans and leases	26,729	199,627	194,110	187,139	174,974	194,948
Equity	1,352	10,099	10,188	10,180	9,766	8,775
Assets	33,671	251,468	252,498	242,612	237,052	249,077
Debt securities issued	30,533	228,032	231,169	218,173	207,899	233,892
Portfolio of securities	5,471	40,860	43,618	43,639	46,591	48,387
Investments in property, plant and equipment	0	0	2	3	0	0
<b>Activities during the year</b>						
Loans and leases, net additions in nominal value (net lending)	560	4,186	6,219	5,874	4,766	8,675
Loans and leases, gross additions in nominal value	5,899	44,054	34,413	29,027	28,057	36,958
Debt securities issued, gross additions in nominal value	4,870	36,368	43,407	41,543	52,692	65,112
<b>Financial ratios</b>						
Capital base relative to minimum capital requirement	7.8	7.8	7.2	8.1	7.7	7.8
Solvency ratio	63	63	58	65	62	62
Equity Tier 1 ratio	63	63	59	65	62	63
Return on equity before tax, %	-0.4	-0.4	0.1	5.4	13.7	5.7
Return on equity after tax, %	-0.4	-0.4	0.1	4.2	10.7	4.4
Income/cost ratio	0.8	0.8	1.1	3.8	6.7	4.5
Total risk exposure amount (REA)	2,144	16,012	17,391	15,637	15,653	13,859
Common Equity Tier 1 (CET1) capital	1,352	10,099	10,188	10,180	9,766	8,775
Capital base	1,343	10,033	10,066	10,107	9,684	8,660
Interest rate risk	34	254	55	104	197	268
Currency position	32	241	556	1,013	2,413	932
Loans to deposits, %	87.5	87.5	84.0	85.8	84.2	83.3
Loans to equity	19.8	19.8	19.1	18.4	17.9	22.2
Impairment rate for the year	0	0	0	0	0	0
Return on assets (profit for the year/total assets), %	0.0	0.0	0.0	0.2	0.4	0.2
Equity ratio after tax, %	4.0	4.0	4.0	4.2	4.1	3.5
Expenses/assets, %	0.08	0.08	0.08	0.08	0.09	0.06
Net interest income/assets, %	0.25	0.25	0.29	0.19	0.14	0.15
Number of full-time employees	100	100	106	101	97	88

With the adoption of the new Act on KommuneKredit and the subsequent dialogue with the Danish Financial Supervisory Authority, additional key figures and financial ratios have been added. Comparative figures have been restated.

Key figures and financial ratios have been calculated in accordance with the accounting provisions applicable to KommuneKredit.  
Exchange rate at 31 December 2025: EUR 100 = DKK 746.8488.