KommuneKredit publishes its Interim Report for first half 2026

KommuneKredit has today, 17 September 2026, published its Interim Report for first half 2026.

Summary:

- Profit before value adjustments and tax came to DKK 146 million for the period, down by DKK 192 million on the same period last year.
- Net interest income came to DKK 250 million for the first half of 2026, which is DKK 118 million lower than for the same period last year.
- Comprehensive income was DKK 262 million for the period compared to DKK -139 million for the same period last year.
- Net lending amounted to DKK 6.4 billion for the first half of 2026 versus DKK 1.3 billion for the same period last year. The value of total loans and leases was up by DKK 7.5 billion to DKK 207.2 billion during the first half of 2026.
- Common Equity Tier 1 (CET1) capital, which corresponds to equity, rose from DKK 10,099 million at end-2025 to DKK 10,361 million.

Since 1899, KommuneKredit has provided funding to municipalities and regions in Denmark by issuing bonds in the capital markets. That funding model was changed on 26 March 2025 and implemented in the Act on KommuneKredit (KommuneKredit-loven) with effect from 15 September 2026. The Danish State buys KommuneKredit's bonds at interest rates corresponding to the State's own funding costs. The new funding model has resulted in lower lending rates and lease payments since 1 April 2025 and, when fully phased in, the model is expected to create annual savings of up to DKK 1 billion for the Danish society, savings that will ultimately benefit Danish citizens and taxpayers.

Interim results impacted by lower interest rate margin

Profit before value adjustments and tax came to DKK 146 million for the first half of 2026 compared to DKK 338 million for the same period last year. The decline mainly reflects lower net interest income and a positive effect on profit of the sale of KommuneKredit's properties at Kultorvet, Copenhagen, in the first half of 2025. The lower interest rate margin has resulted in a reduction of net interest income, which came to DKK 250 million for the first half of 2026 compared to DKK 368 million for the same period last year. At the same time, the recent interest rate margin decline in May has contributed to positive value adjustments of financial instruments of DKK 190 million for the period. As a result, comprehensive income came to DKK 262 million for the period and is transferred to equity in its entirety, resulting in equity of DKK 10,361 million. At 30 June 2026, the equity ratio was 4.2 per cent, which is above the Board of Directors' target of an equity ratio of at least 3 per cent.

High lending activity in the first half of 2026

Net lending, i.e. new loans and leases less repayments and redemptions, amounted to DKK 6.4 billion for the first half of 2026 versus DKK 1.3 billion for the same period last year. Net lending was DKK 0.9 billion ahead of expectations, and at 30 June 2026, the value of total loans and leases was DKK 207.2 billion.

Outlook

With net interest income of DKK 250 million for the first half of 2026, we maintain our expectation of net interest income of DKK 500 million for the full year 2026. As a result of the higher-than-expected net lending in the first half of 2026, we have upgraded our expectation for net lending for the full year 2026 from DKK 5.5 billion to DKK 6.5 billion. The upward adjustment allows for known repayments and expected lower lending activity in the second half of 2026 following the high activity level in the first half of the year. Our expectation for administrative expenses is unchanged at DKK 225 million. Accordingly, we still expect profit for the year before value adjustments and tax to total DKK 275 million.

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KommuneKredit key figures

Million	H1 2026	H1 2026	H1 2025	H1 2024	H1 2023	H1 2022	FY 2025
	EUR	*DKK*	*DKK*	*DKK*	*DKK*	*DKK*	*DKK*
Key figures							
Net interest and fee income	33	249	439	329	187	185	713
Value adjustment of financial instruments	25	190	-516	-502	153	535	-552
Staff costs and administrative expenses	-14	-103	-101	-99	-100	-119	-206
Impairment of loans and receivables, etc.	0	0	0	0	0	0	0
Profit/loss for the period	35	262	-139	-212	187	468	-44
Loans and leases	27,715	207,161	198,588	190,748	181,070	179,513	199,627
Equity	1,386	10,361	10,004	9,968	9,953	9,243	10,099
Assets	33,236	248,423	247,245	250,617	240,280	245,327	251,468
Debt securities issued	30,273	226,275	224,333	226,063	211,642	221,784	228,032
Portfolio of securities	4,226	31,590	38,986	45,125	46,279	50,530	40,860
Investments in property, plant and equipment	0	0	0	0	3	0	0
Activities for the period							
Loans and leases, net additions in nominal value (net lending)	853	6,379	1,315	5,616	4,296	3,367	4,186
Loans and leases, gross additions in nominal value	2,937	21,954	21,304	20,439	16,508	16,912	44,054
Debt securities issued, gross additions in nominal value	2,462	18,399	18,137	28,594	24,801	33,319	36,368
Financial ratios							
Capital base relative to minimum capital requirement	9.4	9.4	7.3	6.9	8.1	7.0	7.8
Solvency ratio	75	75	59	55	65	56	63
Equity Tier 1 ratio	75	75	60	56	66	57	63
Return on equity before tax, %	3.3	3.3	-1.8	-2.7	2.4	6.7	-0.4
Return on equity after tax, %	2.6	2.6	-1.4	-2.1	1.9	5.2	-0.4
Income/cost ratio	4.3	4.3	-0.8	-1.7	3.4	6.1	0.8
Total risk exposure amount (REA)	1,839	13,747	16,641	17,861	15,176	16,267	16,012
Common Equity Tier 1 (CET1) capital	1,386	10,361	10,004	9,968	9,953	9,243	10,099
Capital base	1,380	10,316	9,735	9,880	9,873	9,136	10,033
Interest rate risk	37	277	197	66	309	239	254
Currency position	8	57	211	1,037	873	394	241
Loans to deposits, %	91.6	91.6	88.5	84.4	85.6	80.9	87.5
Loans to equity	20.0	20.0	19.9	19.1	18.2	19.4	19.8
Impairment rate for the period	0	0	0	0	0	0	0
Return on assets (profit for the period/total assets), %	0.1	0.1	-0.1	-0.1	0.1	0.2	0.0
Equity ratio after tax, %	4.2	4.2	4.0	4.0	4.1	3.5	4.0
Expenses/assets, %	0.04	0.04	0.04	0.04	0.04	0.05	0.08
Net interest income/assets, %	0.10	0.10	0.15	0.13	0.08	0.08	0.25
Number of full-time employees	100	100	101	104	102	94	100

Key figures and financial ratios have been calculated in accordance with the accounting provisions applicable to KommuneKredit.
Exchange rate at 30 June 2026: EUR 100 = DKK 747.458.