

Announcement of financial results for 2024

Today, 13 March 2025, KommuneKredit has published its Annual Report 2024.

Summary

- Net interest income came to DKK 730 million, up from DKK 467 million in 2023.
- Profit before tax and value adjustments was DKK 523 million, which is DKK 259 million above the year-earlier level driven by the increase in net interest income.
- Comprehensive income for the year totalled DKK 8 million against DKK 414 million in 2023. The lower comprehensive income reflects the past few years' large positive value adjustments which were offset by negative value adjustments in 2024.
- Net lending, i.e. new lending including leases less repayments and redemptions, amounted to DKK 6.2 billion.
- Loans and leases totalled DKK 194 billion at year-end, and total assets amounted to DKK 252 billion.
- Common Equity Tier 1 (CET1) capital, which corresponds to equity, stood at DKK 10.188 million at year-end, up from DKK 10,180 last year.

Profit before tax and value adjustments came to DKK 523 million in 2024, or slightly higher than expected in the interim report. Profit before tax and value adjustments was up by DKK 259 million on 2023, mainly attributable to the higher net interest income of DKK 730 million in 2024 compared with DKK 467 million in 2023. The increase in net interest income was driven by a higher income from securities.

Value adjustments for the year were a negative DKK 510 million, primarily because previous years' positive value adjustments were offset by negative value adjustments in 2024. As a result, comprehensive income came to a positive amount of DKK 8 million in 2024.

In accordance with the Articles of Association, KommuneKredit does not pay dividends. Accordingly, profit after tax is transferred to equity which stood at DKK 10,188 at end-2024 against DKK 10,180 in 2023.

The net lending of DKK 6.2 billion was primarily driven by loans to district heating companies which are in the process of establishing or expanding district heating areas. To this should be added other investments related to the green transition, such as investments in water supply and wastewater management.

Outlook for 2025

KommuneKredit continues to foresee strong and stable financing opportunities for 2025. While new loans and leases are expected to be in line with 2024, we forecast a higher-than-usual runoff of existing loans. Therefore, net lending is likely to amount to DKK 0.5 billion, which is slightly lower than usual.

It is our expectation that the proportion of green loans will continue to rise in line with previous years. We expect to maintain the equity ratio above 3 per cent, that net interest income will amount to about DKK 750 million and that administrative expenses will amount to about DKK 215 million.

Contact

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KommuneKredit key figures

Million	2024	2024	2023	2022	2021	2020
	EUR	DKK	DKK	DKK	DKK	DKK
Key figures						
Net interest and fee income	96	717	457	353	378	441
Value adjustment of financial instruments	-68	-510	276	1,144	249	-33
Staff costs and administrative expenses	-26	-194	-193	-224	-140	-130
Impairment of loans and receivables, etc.	0	0	0	0	0	0
Profit for the year	1	8	414	991	378	218
Loans and leases	26,027	194,110	187,139	174,974	194,948	192,457
Equity	1,366	10,188	10,180	9,766	8,775	8,397
Assets	33,855	252,498	242,612	237,052	249,077	233,872
Debt securities issued	30,996	231,169	218,173	207,899	233,892	212,728
Portfolio of securities	5,848	43,618	43,639	46,591	48,387	33,568
Investments in property, plant and equipment	0	2	3	0	0	0
Activities during the year						
Loans and leases, net additions in nominal value (net lending)	834	6,219	5,874	4,766	8,675	5,057
Loans and leases, gross additions in nominal value	4,614	34,413	29,027	28,057	36,958	43,507
Debt securities issued, gross additions in nominal value	5,820	43,407	41,543	52,692	65,112	43,163
Financial ratios						
Base capital relative to minimum capital requirement	7.2	7.2	8.1	7.7	7.8	9.0
Solvency ratio	58	58	65	62	62	72
Equity Tier 1 ratio	59	59	65	62	63	73
Return on equity before tax, %	0.1	0.1	5.4	13.7	5.7	3.4
Return on equity after tax, %	0.1	0.1	4.2	10.7	4.4	2.6
Income/cost ratio	1.1	1.1	3.8	6.7	4.5	3.1
Total risk exposure amount (REA)	2,332	17,391	15,637	15,653	13,859	11,496
Common Equity Tier 1 (CET1)	1,366	10,188	10,180	9,766	8,775	8,397
Capital base	1,350	10,066	10,107	9,684	8,660	8,277
Interest rate risk	7	55	104	197	268	230
Currency position	75	556	1,013	2,413	932	2,194
Loans-to-deposit ratio, %	84.0	84.0	85.8	84.2	83.3	90.5
Loans-to-equity ratio, %	19.1	19.1	18.4	17.9	22.2	22.9
Impairment rate for the year	0	0	0	0	0	0
Return on capital employed (profit for the year/total assets), %	0.0	0.0	0.2	0.4	0.2	0.2
Equity ratio after tax, %	4.0	4.0	4.2	4.1	3.5	3.6
Expenses/assets, pct.	0.08	0.08	0.08	0.09	0.06	0.06
Net interest income/assets, pct.	0.29	0.29	0.19	0.15	0.15	0.19
Number of full-time employees	106	106	101	97	88	82

Additional key figures and financial ratios have been added following the adoption of the new Act on KommuneKredit and a subsequent dialogue with the Danish Financial Supervisory Authority. The comparative figures have been restated to reflect these changes.

Key figures and financial ratios have been calculated in accordance with the accounting provisions applicable to KommuneKredit.
Exchange rate at 31.12.2024, 100 EUR = 745.8109 - The format is unchanged from last year.