

# Landkreditt Bank AS

## Rating report

Issuer

A-

Outlook

Positive

### Summary and Outlook

Landkreditt Bank AS's (Landkreditt) issuer rating of A-/Positive reflects the following assessments:

**Business model assessment:** Focused (High). Landkreditt Bank AS is the main operating company of Landkreditt SA, a cooperative owned by Norwegian farmers. With total assets of NOK 49.3bn (EUR 4.8bn) as of 2025YE, the group serves household customers nationally and is a leading provider of financial services to Norway's agricultural sector. The group provides banking, asset management, insurance and real estate brokerage services through its subsidiaries.

**Operating environment assessment:** Very Supportive (Low). Norway is a small, open economy with a high GDP per capita and very low unemployment. A very strong government fiscal position provides ample capacity to support the economy when needed. Banking sector financial performance has been consistently strong over the past decade, while high capital buffer requirements ensure banks are highly capitalised. The regulatory framework is rigorous.

**Long-term sustainability assessment (ESG factor):** Neutral. Landkreditt continues to invest in technology to support growth and efficiency. The bank's digital offering receives high customer satisfaction scores. Sustainability is central to the group's strategy and integrated into risk management. The group has a cooperative governance structure with an independent Board of Directors. As a cooperative, the group is inherently focused on supporting the agricultural sector.

**Earnings and risk exposures assessment:** Supportive. Landkreditt generates comparatively low but stable returns. Earnings are more than sufficient to absorb credit losses. The bank's credit quality remains strong, with a Stage 3 ratio of 0.8% as of 2025YE, though exceptionally high lending growth could present a concern going forward.

**Financial viability assessment:** Comfortable. Landkreditt is very well capitalised, and the cooperative structure allows for capital generation through earnings retention. A robust deposits base and low reliance on unsecured market funding also supports the assessment.

The Positive Outlook reflects Scope's view that the risks to the current rating are tilted to the upside.

### Lead Analyst

Magnus Rising

+47 913 77 485

[m.rising@scoperatings.com](mailto:m.rising@scoperatings.com)

### Related publications

Scope affirms Landkreditt Bank AS's issuer rating of A- and changes the Outlook to Positive, 19 February 2026

### Table of content

1. Business model
  2. Long-term sustainability (ESG-D)
  3. Earnings capacity and risk exposures
  4. Financial viability management
- Appendix 1. Selected financial information – Landkreditt SA
- Appendix 2. Selected financial information – Landkreditt SA

#### The upside scenarios for the rating:

- Maintenance of ample buffers to capital requirements and a robust funding and liquidity profile, including a strong deposit base, while containing cost of risk despite fast lending growth, could lead to an upgrade of the Financial Viability Management assessment.
- Significantly greater scale combined with materially greater national deposits and lending market shares, resulting in a higher Business Model Assessment qualifier.

#### The downside scenarios for the rating and Outlook:

- A material deterioration in earnings or asset quality which impedes the group's resilience, could lead to a lower Earnings Capacity and Risk Exposures assessment.
- Significantly more aggressive management of the bank's capital and liquidity profile, for instance via M&A or other restructuring activity that materially impacts capital or liquidity, could result in a lower assessment of Financial Viability Management.

Table 1: Rating drivers

Rating drivers		Assessment				
STEP 1	Operating environment	Very constraining	Constraining	Moderately supportive	Supportive	Very supportive
	<i>Low/High</i>	Low			High	
	Business model	Narrow	Focused	Consistent	Resilient	Very resilient
	<i>Low/High</i>	Low			High	
	<b>Initial mapping</b>	<b>bbb</b>				
	Long-term sustainability	Negative		Neutral		Positive
	<b>Adjusted anchor</b>	<b>bbb</b>				
STEP 2	Earnings capacity & risk exposures	Very constraining	Constraining	Neutral	Supportive	Very supportive
	Financial viability management	At risk	Stretched	Limited	Adequate	Comfortable
	Additional factors	Significant downside factor	Material downside factor	Neutral		Material upside factor
	<b>Standalone rating</b>	<b>a-</b>				
STEP 3	External support	Not applicable				
<b>Issuer rating</b>		<b>A-</b>				

Table 2: Credit ratings

		Credit rating	Outlook
<b>Issuer</b>	<b>Landkreditt Bank AS</b>		
	Issuer rating	A-	Positive
	Preferred senior unsecured debt rating	A-	Positive
	Non-preferred senior unsecured debt rating	BBB+	Positive
<b>Issuer</b>	<b>Landkreditt Boligkreditt AS</b>		
	Issuer rating	A-	Positive

## 1. Business model

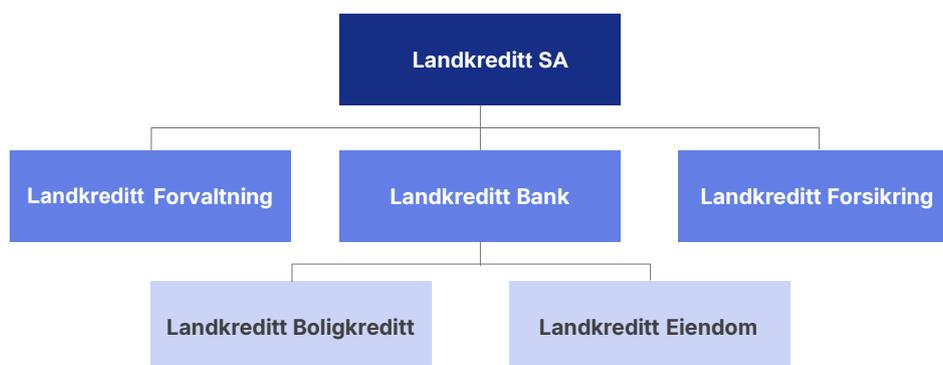
Landkreditt Bank AS is the main operating company of Landkreditt SA, a cooperative owned by Norwegian farmers. With total assets of NOK 49.3bn as of 2025YE, the group holds a national market share of approximately 20% within lending to the agricultural sector. National market shares in deposits across all sectors and lending to households and non-financial corporates are less than 1%. In addition to banking services, the group offers asset management, insurance and real estate brokerage services to its clients through wholly owned subsidiaries.

'Focused – high' business model assessment

The group has managed to substantially grow its non-net interest income revenues in recent years (see Figures 4 and 5), mostly owing to its insurance business. We view this business diversification of the group as a strength.

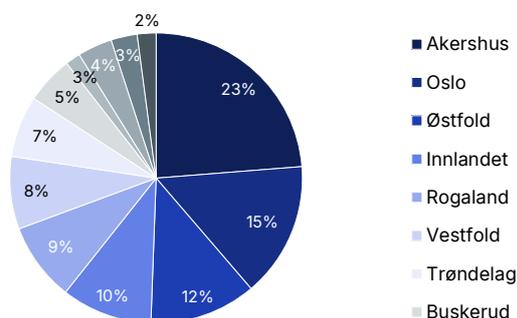
Integrating and increasing the cooperation amongst the various businesses is a management priority. Efforts are being supported by IT investments as well as a small number of district offices in key agricultural regions staffed with employees from the bank, the insurance company, and the real estate broker.

Figure 1: Group structure



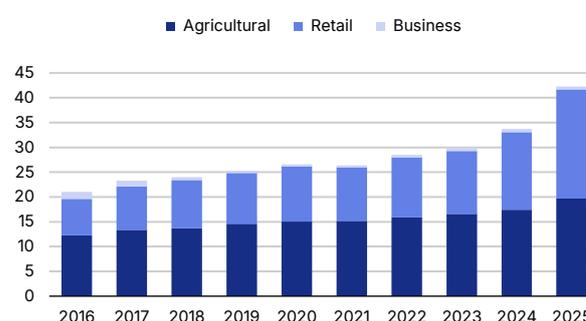
Source: Company data, Scope Ratings

Figure 2: Geographical distribution of loan book 2025YE



Source: Company data, Scope Ratings

Figure 3: Gross loans by segment (NOKbn)



Source: Company data, Scope Ratings

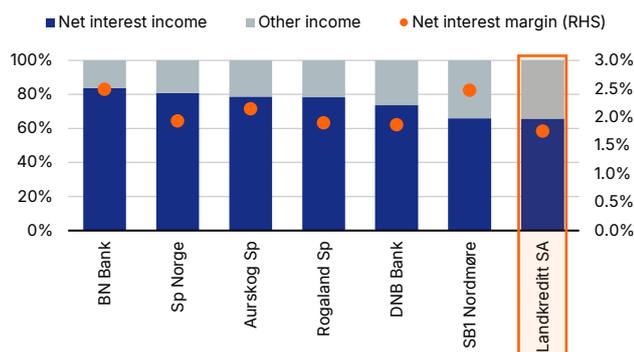
Although the group operates on a national scale, there is a focus on regions where agriculture is more important. Meanwhile, retail activities are mostly digital and concentrated in populated areas given the bank's greater expertise in these markets and the higher levels of activity. Oslo and Akershus represented around 38% of the bank's credit exposure as of 2025YE, with the remainder distributed throughout the country (Figure 2).

Landkreditt's strategy for 2024-2026 entails further profitable growth across the group's businesses to increase economies of scale and efficiencies. The double digit growth targets

involve faster growth within retail (housing loans) than in the agriculture segment. This is reflected in the recent evolution of the segment portfolio distribution (Figure 3). Other key priorities include remaining an attractive employer and using technology and data to enable and grow the business.

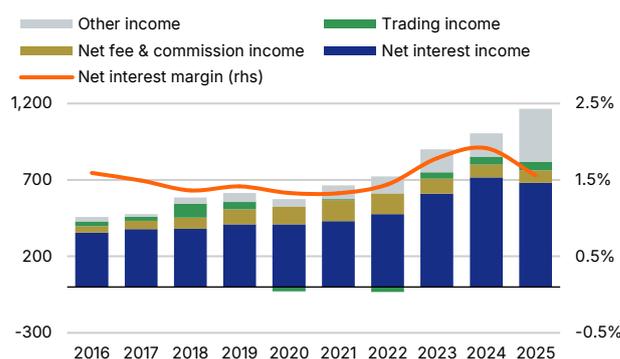
Box A: Overview of Landkreditt's non-banking businesses	
<b>Landkreditt Forsikring (insurance)</b>	The company was established in 2001 to provide personal insurance for members of the agricultural cooperative. The business has since expanded to offer both life and non-life insurance to farmers, individuals, and certain businesses, including cover for property, crops, vehicles, occupational injury, loss of income, and more. Gross premiums amounted to about NOK 1.4bn in 2025, reflecting an increase of 30% on the year before. The company became a fully consolidated subsidiary in 2018.
<b>Landkreditt Forvaltning (asset management)</b>	The company manages three equity and three fixed income funds. Assets under management amounted to NOK 11.2bn as 2025YE, compared NOK 8.9bn at 2024YE.
<b>Landkreditt Eiendom (real estate brokerage)</b>	The company specializes in real estate brokerage services for the agricultural segment but also serves personal customers. The company was acquired in March 2020 and is a wholly owned subsidiary of Landkreditt Bank.

Figure 4: Revenue profile – peer comparison



Note: Three-year averages based on 2023-2025  
Source: SNL, Scope Ratings

Figure 5: Revenue components (NOKm) and NIM



Source: SNL, Scope Ratings

## 2. Long-term sustainability (ESG-D)

Landkreditt has been a digital bank since its founding in 2002, and it receives high customer satisfaction scores for its digital offerings.

'Neutral' long-term sustainability assessment

The group invests resources into ensuring that its technological capabilities remain competitive to support growth and efficiency. Technology investments over the 2022-25 period included a new insurance system, a new group data and reporting system, a common CRM system, and automation of the mortgage loan process.

Digitalisation

Environmental factors are a part of Landkreditt's risk assessment and credit processes. Various physical risks such as floods and landslides are considered. The group also collects data from agricultural customers to understand their emissions. Further, the group continues to develop its stress testing capabilities. The bank has a green bond framework, which was updated in 2025 in accordance with the International Capital Market Association standards.

Environment

The group has a cooperative governance structure whereby the members collectively own and govern the cooperative. The Board of Directors is independent. Board members are selected for financial sector competence, proposed by the election committee and elected by the cooperative members.

Governance

Landkreditt’s cooperative business model inherently incorporates social objectives. In particular, the group advocates for better funding for the agricultural sector. Further, the group’s close ties to the agricultural industry means it plays an important role in maintaining the high quality and self-sufficiency of food production in Norway.

Social

**Figure 6: Long-term sustainability overview table<sup>1</sup>**

	Industry level			Issuer level						
	Materiality			Exposure			Management			
	Low	Medium	High	Low	Neutral	High	Weak	Needs attention	Adequate	Strong
E Factor		◊				◊			◊	
S Factor	◊				◊				◊	
G Factor			◊		◊				◊	
D Factor			◊		◊				◊	

Source: Scope Ratings

### 3. Earnings capacity and risk exposures

Reflecting its cooperative business model and low risk culture, Landkreditt generates relatively stable but somewhat lower returns compared with domestic peers. Earnings, nevertheless, are more than sufficient to absorb credit losses (Figure 7). The bank prioritises providing attractive and competitive financial services for members and customers, with earnings being used to ensure the group’s financial solidity. For 2025Y the group reported a record year with net profits of NOK 416m. The insurance company, which increased its net income from NOK 17m in 2024 to NOK 141m in 2025, was a key contributor. Its performance was supported by growth via partner agreements with certain labour unions, cost control, and fewer weather-related claims than normal.

‘Supportive’ earnings capacity and risks exposures’ assessment

Landkreditt has demonstrated the ability to grow the business while maintaining low credit losses. Credit decisions involving agricultural customers benefit from the group’s in-depth knowledge and expertise in the sector. Agricultural production in Norway is diverse, with the bank’s customers producing around 20 different products in about 300 various combinations. Farmers typically also have income sources which are not solely related to agricultural production, with less than 20% of them relying on farm operations for more than 75% of their income. Further, the agricultural sector continues to benefit from strong government support.

Cost of risk averaged less than 1 bp over the 2020-2024 period, but saw an uptick to 5 bp in 2025.

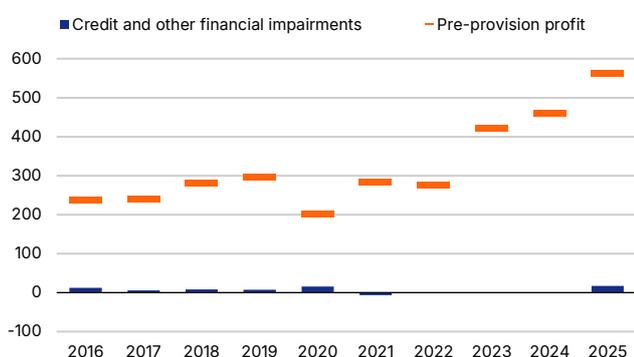
Virtually all credit risk exposure is secured by either residential or agricultural buildings or land. As farms often serve as primary residences, this further supports the credit quality of the loan book. As of 2025YE, the average LTV of residential mortgage loans was 52% in Landkreditt Bank and 41% in the covered bonds vehicle, Landkreditt Boligkreditt. These levels are lower than the respective national averages.

Asset quality has remained resilient and compares well to peers (Figure 10). At 2025YE, the proportion of Stage 3 loans amounted to 0.8%, slightly up from 0.5% at 2024YE.

Given the bank’s faster than market growth and double digit growth targets, we consider asset quality an important factor to monitor going forward.

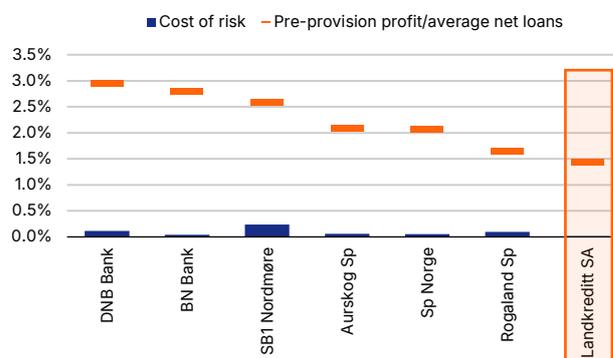
<sup>1</sup> The overview table illustrates how each factor informs our overall assessment. Materiality refers to our assessment of the credit relevance of each factor for the banking industry. Exposure refers to what extent the bank is exposed to risks or benefits from opportunities compared to peers, given its business model and countries of operation. Management refers to how we view the bank’s navigation through transitions.

**Figure 7: Pre-provision income and provisions (NOK m)**



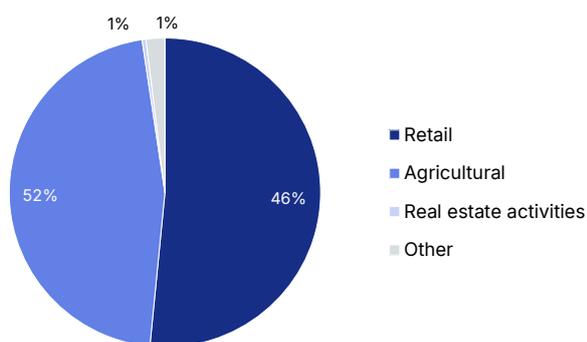
Source: Company data, Scope Ratings

**Figure 8: Peer comparison**



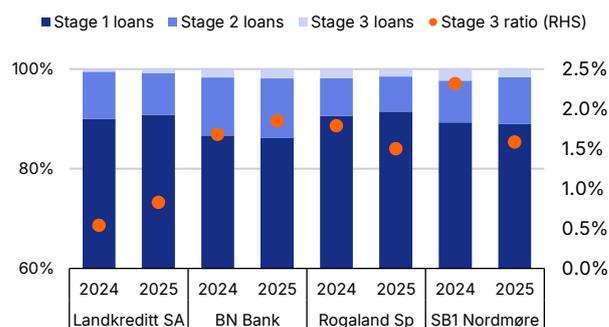
Note: Three-year averages based on 2023-2025.  
Source: SNL, Scope Ratings

**Figure 9: Credit exposures by segment**



Source: Company data, Scope Ratings

**Figure 10: Asset quality - peer comparison**



Source: SNL, Scope Ratings

## 4. Financial viability management

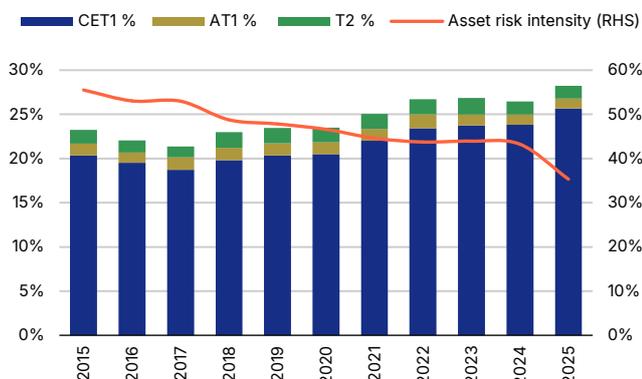
Landkreditt SA is very well capitalised, with a CET1 ratio of 25.7%, leaving a buffer of 1050 bp to the requirement of 15.2%. The group's CET1 ratio has been increasing consistently, from 22.0% at 2021YE to 25.7% at 2025YE, with the increase in 2025 largely owing to the implementation of CRR3.

As a cooperative, the group is highly capital generative since earnings are retained in full. While, going forward, we foresee some downward pressure on capital ratios from high rates of lending growth, we expect buffers to regulatory requirements to remain at very high levels.

The cooperative governance structure also implies that the group cannot raise CET1 capital by issuing CET1 instruments in the market. This fact is recognized by management who therefore take a prudent approach to managing buffers to capital requirements.

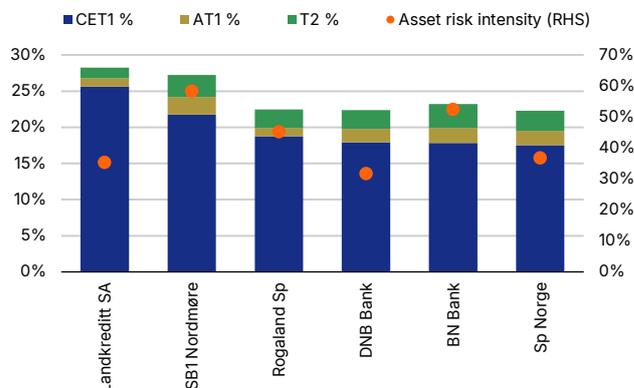
'Comfortable' financial viability management assessment

**Figure 11: Capital profile**



Source: SNL, Scope Ratings

**Figure 12: Capital profile – peer comparison (YE 2025)**



Source: SNL, Scope Ratings

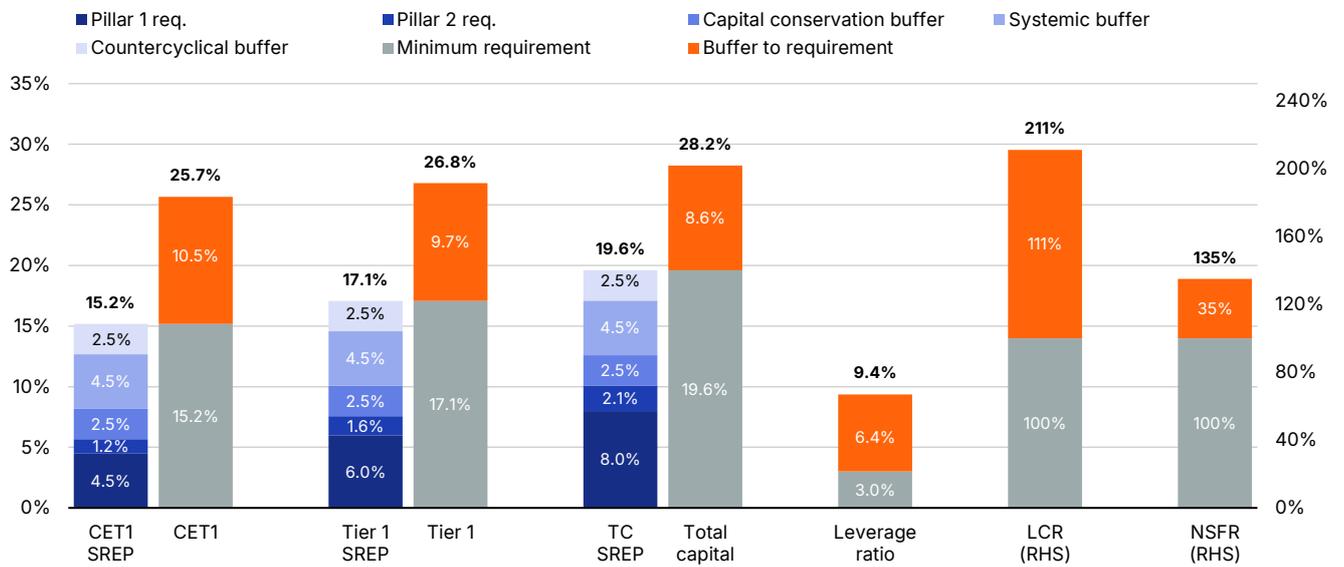
Customer deposits remain the primary source of funding for the group. The Board has set a target minimum deposits-to-loans ratio of 60% on group level, while management expects a ratio of more than 70% over the long term.

Landkreditt continued to grow its deposit base in 2025, with deposits increasing 9.2% year-on-year. Still, deposits growth fell short of group level lending growth (24.6%) and slightly short of Landkreditt Bank lending growth (11.9%), with the difference between the latter two owing to increased mortgage loan transfers to Landkreditt Boligkreditt. Nevertheless, at 2025YE, the deposits-to-loans ratio stood at 86% within the bank compared with 88% the year before, even though the deposits-to-loans ratio had dropped from 77% to 67% on the group level.

Since we view covered bonds funding as more stable and less sensitive to shifting investor sentiment than unsecured market funding, we do not consider the development in the group deposits-to-loans ratio during 2025 a material weakening of the funding profile. While the relative headroom for yet more covered bonds issuance has decreased with an increased transfer ratio and increased issuance, our assessment would suggest that material headroom remains for increased transfers and covered bonds issuance in case of need.

The bank also increased its outstanding senior unsecured debt funding in 2025, from about NOK 3.8bn to about NOK 5.9bn, in large part in response to its simplified MREL requirement which must be met by 1 January 2028.

**Figure 13: Overview of distance to requirements as of Q4 2025**



Source: Company data, SNL, Scope Ratings  
 Note: The LCR data is for Landkreditt Bank.

**Appendix 1. Selected financial information – Landkreditt SA**

	2021	2022	2023	2024	2025
<b>Balance sheet summary (NOK m)</b>					
<b>Assets</b>					
Cash and interbank assets	1,306	1,169	1,463	1,321	1,702
Total securities	4,322	3,094	3,728	3,451	4,425
of which, derivatives	0	0	0	0	0
Net loans to customers	26,841	28,849	30,154	34,170	42,588
Other assets	782	736	627	631	562
<b>Total assets</b>	<b>33,251</b>	<b>33,848</b>	<b>35,972</b>	<b>39,573</b>	<b>49,277</b>
<b>Liabilities</b>					
Interbank liabilities	0	0	0	0	1
Senior debt	7,456	7,485	5,871	6,968	13,590
Derivatives	0	0	0	0	0
Deposits from customers	20,608	20,941	24,349	26,293	28,707
Subordinated debt	331	332	375	333	433
Other liabilities	1,273	1,263	1,292	1,561	1,728
<b>Total liabilities</b>	<b>29,668</b>	<b>30,021</b>	<b>31,887</b>	<b>35,154</b>	<b>44,458</b>
Ordinary equity	3,360	3,566	3,855	4,187	4,577
Equity hybrids	199	233	199	199	199
Minority interests	23	29	32	33	43
<b>Total liabilities and equity</b>	<b>33,251</b>	<b>33,848</b>	<b>35,972</b>	<b>39,573</b>	<b>49,277</b>
<i>Core tier 1/ common equity tier 1 capital</i>	<i>3,262</i>	<i>3,470</i>	<i>3,751</i>	<i>4,076</i>	<i>4,467</i>
<b>Income statement summary (NOK m)</b>					
Net interest income	430	476	610	718	681
Net fee & commission income	139	136	99	84	83
Net trading income	5	-34	41	51	55
Other income	91	112	151	153	347
<b>Operating income</b>	<b>665</b>	<b>690</b>	<b>902</b>	<b>1,005</b>	<b>1,166</b>
Operating expenses	381	413	482	546	605
<b>Pre-provision income</b>	<b>284</b>	<b>277</b>	<b>420</b>	<b>459</b>	<b>561</b>
Credit and other financial impairments	-7	-1	1	-1	17
Other impairments	0	0	0	0	0
Non-recurring income	NA	0	0	0	0
Non-recurring expense	NA	0	0	0	0
<b>Pre-tax profit</b>	<b>291</b>	<b>278</b>	<b>419</b>	<b>460</b>	<b>544</b>
Income from discontinued operations	0	0	0	0	0
Income tax expense	66	70	101	108	128
Other after-tax items	0	0	0	0	0
Net profit attributable to minority interests	1	2	3	1	10
<b>Net profit attributable to parent</b>	<b>223</b>	<b>206</b>	<b>315</b>	<b>351</b>	<b>406</b>

Source: SNL, Scope Ratings

Note: Figures above may differ from reported figures.

**Appendix 2. Selected financial information – Landkreditt SA**

	2021	2022	2023	2024	2025
<b>Funding and liquidity</b>					
Net loans/ deposits (%)	130%	138%	124%	130%	148%
Liquidity coverage ratio (%)	NA	NA	NA	NA	NA
Net stable funding ratio (%)	NA	144%	150%	137%	135%
<b>Asset mix, quality and growth</b>					
Net loans/ assets (%)	80.7%	85.2%	83.8%	86.3%	86.4%
Problem loans/ gross customer loans (%)	1.1%	1.0%	0.7%	0.5%	0.8%
Loan loss reserves/ problem loans (%)	28.3%	27.3%	29.9%	29.1%	17.9%
Net loan growth (%)	0.8%	7.5%	4.5%	13.3%	24.6%
Problem loans/ tangible equity & reserves (%)	8.1%	7.7%	5.6%	4.3%	7.6%
Asset growth (%)	4.0%	1.8%	6.3%	10.0%	24.5%
<b>Earnings and profitability</b>					
Net interest margin (%)	1.3%	1.4%	1.8%	1.9%	1.6%
Net interest income/ average RWAs (%)	2.9%	3.2%	4.0%	4.3%	4.1%
Net interest income/ operating income (%)	64.6%	69.0%	67.7%	71.4%	58.4%
Net fees & commissions/ operating income (%)	20.9%	19.7%	11.0%	8.3%	7.1%
Cost/ income ratio (%)	57.3%	59.9%	53.4%	54.3%	51.9%
Operating expenses/ average RWAs (%)	2.6%	2.8%	3.2%	3.3%	3.6%
Pre-impairment operating profit/ average RWAs (%)	1.9%	1.9%	2.8%	2.8%	3.4%
Impairment on financial assets / pre-impairment income (%)	-2.4%	-0.5%	0.2%	-0.2%	3.1%
Loan loss provision/ average gross loans (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Pre-tax profit/ average RWAs (%)	2.0%	1.9%	2.8%	2.8%	3.3%
Return on average assets (%)	0.7%	0.6%	0.9%	0.9%	0.9%
Return on average RWAs (%)	1.5%	1.4%	2.1%	2.1%	2.5%
Return on average equity (%)	6.5%	5.7%	8.1%	8.3%	9.0%
<b>Capital and risk protection</b>					
Common equity tier 1 ratio	22.0%	23.4%	23.7%	23.8%	25.7%
Tier 1 capital ratio	23.3%	25.0%	25.0%	25.0%	26.8%
Total capital ratio	25.0%	26.7%	26.9%	26.5%	28.2%
Leverage ratio (%)	10.3%	10.8%	10.8%	10.7%	9.4%
Asset risk intensity (RWAs/ total assets, %)	44.6%	43.7%	43.9%	43.2%	35.3%

Source: SNL, Scope Ratings

Note: Figures above may differ from reported figures.

## Lead Analyst

Magnus Rising  
+47 913 77 485  
[m.rising@scoperatings.com](mailto:m.rising@scoperatings.com)

## Team Leader

Marco Troiano  
+39 0230 5404 993  
[m.troiano@scoperatings.com](mailto:m.troiano@scoperatings.com)

## Applied methodologies

[Financial Institutions Rating Methodology](#), September 2025

## Scope Ratings GmbH

Lennéstraße 5, D-10785 Berlin  
Phone: +49 30 27891-0  
Fax: +49 30 27891-100  
[info@scoperatings.com](mailto:info@scoperatings.com)

## Scope Ratings UK Limited

1 King William Street  
London EC4N 7AF  
Phone: +44 20 3059 1051  
[info@scoperatings.com](mailto:info@scoperatings.com)



Bloomberg: RESP SCOP  
[Scope contacts](#)  
[scoperatings.com](https://www.scoperatings.com)

## Disclaimer

© 2026 Scope SE & Co. KGaA and all its subsidiaries including Scope Ratings GmbH, Scope Ratings UK Limited, Scope Fund Analysis GmbH, Scope Innovation Lab GmbH and Scope ESG Analysis GmbH (collectively, Scope). All rights reserved. The information and data supporting Scope's ratings, rating reports, rating opinions and related research and credit opinions originate from sources Scope considers to be reliable and accurate. Scope does not, however, independently verify the reliability and accuracy of the information and data. Scope's ratings, rating reports, rating opinions, or related research and credit opinions are provided 'as is' without any representation or warranty of any kind. In no circumstance shall Scope or its directors, officers, employees and other representatives be liable to any party for any direct, indirect, incidental or other damages, expenses of any kind, or losses arising from any use of Scope's ratings, rating reports, rating opinions, related research or credit opinions. Ratings and other related credit opinions issued by Scope are, and have to be viewed by any party as, opinions on relative credit risk and not a statement of fact or recommendation to purchase, hold or sell securities. Past performance does not necessarily predict future results. Any report issued by Scope is not a prospectus or similar document related to a debt security or issuing entity. Scope issues credit ratings and related research and opinions with the understanding and expectation that parties using them will assess independently the suitability of each security for investment or transaction purposes. Scope's credit ratings address relative credit risk, they do not address other risks such as market, liquidity, legal, or volatility. The information and data included herein is protected by copyright and other laws. To reproduce, transmit, transfer, disseminate, translate, resell, or store for subsequent use for any such purpose the information and data contained herein, contact Scope Ratings GmbH at Lennéstraße 5, D-10785 Berlin. Public Ratings are generally accessible to the public. Subscription Ratings and Private Ratings are confidential and may not be shared with any unauthorised third party.