

**To the Copenhagen Stock Exchange
and the press**

11 May 2006

**Q1 INTERIM REPORT
Totalcredit A/S
(1 January – 31 March 2006)**

THE PERIOD – IN BRIEF

- Lower – but still high activity within owner-occupied dwellings
- Loan portfolio grew to DKK 273bn from DKK 260bn at the beginning of the year
- Core earnings of DKK 166m against DKK 169m in 2005
- Investment portfolio income of a negative DKK 13m against a positive DKK 11m in 2005
- Profit before tax of DKK 153m against DKK 180m in 2005

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Financial highlights

DKK MILLION

	Q1/ 2006	Q1/ 2005	FY 2005
CORE EARNINGS AND PROFIT			
Core income from:			
Business operations	204	206	864
Securities	19	17	65
Total	223	223	929
Operating costs, depreciation and amortisation	57	54	200
Core earnings before losses	166	169	729
Provisions for loan impairment	0	0	1
Core earnings after losses	166	169	728
Investment portfolio income	(13)	11	46
Profit before tax for the period	153	180	774
Tax	42	54	216
Profit for the period	111	126	558
SUMMARY BALANCE SHEET			
	31.03.2006	31.03.2005	31.12.2005
Mortgage loans	266,398	212,773	259,249
Bonds and equities	5,722	2,364	21,138
Mortgage loan funding through Nykredit Realkredit A/S	72,755	0	63,453
Issued bonds	196,809	228,736	221,950
Subordinate loan capital	5,210	2,604	5,209
Equity	5,492	4,949	5,380
Balance sheet total	282,901	238,863	300,154
Key ratios			
Profit for the period as a % of average equity (pa)	8.2	10.3	10.9
Core earnings after losses as a % of average equity	12.5	13.8	14.3
Costs as a % of core income	25.8	24.2	21.5
Capital adequacy ratio, %	8.8	8.6	10.1
Core capital ratio, %	5.0	5.6	5.1
Average number of full-time staff for the period	97	80	87



Q1 Interim Report 2006

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Totalkredit's results reflect a quarter with lending activity significantly lower than the record activity in Q1/2005 and with considerable interest rate rises at end-Q1. Profit before tax was DKK 153m against DKK 180m in the same period the year before. After tax calculated at DKK 42m, profit came to DKK 111m.

CORE EARNINGS

Totalkredit's core earnings after provisions for loan impairment were DKK 166m against DKK 169m in the same period the year before.

Core income from business operations was DKK 204m against DKK 206m in 2005.

Core income from securities went up by DKK 2m to DKK 19m in Q1/2006.

Operating costs, depreciation and amortisation were DKK 57m in Q1/2006 against DKK 54m in 2005. The cost rise is attributable to increased marketing activity and growth in the number of staff.

INVESTMENT PORTFOLIO INCOME

Totalkredit recorded investment portfolio income of a negative DKK 13m against a positive DKK 11m in the same period the year before.

PROVISIONS FOR LOAN IMPAIRMENT

Provisions for loan impairment have been recognised at DKK 0.

LOANS AND ADVANCES

In Q1/2006 Totalkredit recorded gross lending of DKK 23bn against DKK 42bn in the same period the year before.

Net new lending amounted to DKK 13bn against DKK 16bn in 2005.

The lower activity in Q1/2006 should be seen in the light of exceptionally high lending activity in the same period last year when loan refinancing levels

were all-time high and demand for the new products with interest rate caps significant.

BALANCE SHEET

At end-Q1/2006 Totalkredit's balance sheet totalled DKK 283bn against DKK 238bn at end-Q1/2005.

In Q1/2006 the loan portfolio measured at nominal value grew by just over DKK 13bn to DKK 273bn. Measured at fair value, the loan portfolio amounted to DKK 266bn at end-Q1/2006.

CAPITAL AND CAPITAL ADEQUACY

Totalkredit's equity excluding profit for the period was DKK 5,380m and subordinate loan capital DKK 5,210m of which DKK 1,120m will be prepaid at end-May 2006.

Core capital excluding loan capital for which notice of prepayment has been given was DKK 9,470m.

The capital adequacy ratio was 8.8% and the core capital ratio 5.0%. In April 2006 the General Meeting authorised the Board of Directors to increase the share capital in Totalkredit A/S by up to DKK 2,000m before 1 January 2008.

OUTLOOK FOR 2006

The loan portfolio and core earnings developed satisfactorily in Q1. Earnings expectations for 2006 are unchanged relative to the Annual Report for 2005.

ACCOUNTING POLICIES

The Q1 Interim Report 2006 has been prepared in accordance with the Executive Order on the presentation of financial statements of credit institutions, etc issued by the Danish Financial Supervisory Authority.

The accounting policies are unchanged relative to the Annual Report for 2005.

The Q1 Interim Report 2006 has not been audited.

Taastrup, 11 May 2006

The Board of Directors of Totalkredit A/S



Financial highlights

DKK MILLION

	Q1/ 2006	Q4/ 2005	Q3/ 2005	Q2/ 2005	Q1/ 2005
CORE EARNINGS AND PROFIT FOR THE PERIOD					
Core income from:					
Business operations	204	232	222	204	206
Securities	19	14	16	18	17
Total	223	246	238	222	223
Operating costs, depreciation and amortisation	57	45	49	52	54
Core earnings before losses	166	201	189	170	169
Provisions for loan impairment	0	0	0	1	0
Core earnings after losses	166	201	189	169	169
Investment portfolio income	(13)	5	3	27	11
Profit before tax for the period	153	206	192	196	180
Tax	42	58	53	51	54
Profit for the period	111	148	139	145	126
SUMMARY BALANCE SHEET					
Assets					
Mortgage loans	266,398	259,249	246,064	231,080	212,773
Bonds and equities	5,722	21,138	5,415	3,400	2,364
Other assets	10,781	19,767	16,866	16,455	23,726
Total assets	282,901	300,154	268,345	250,935	238,863
Liabilities and equity					
Issued bonds	196,809	221,950	249,579	237,550	228,736
Mortgage loan funding through Nykredit Realkredit A/S	72,755	63,453	4,586	-	-
Subordinate loan capital	5,210	5,209	5,210	5,205	2,604
Other liabilities	2,635	4,162	3,737	3,086	2,574
Equity including profit for the period	5,492	5,380	5,233	5,094	4,949
Total liabilities and equity	282,901	300,154	268,345	250,935	238,863