

To NASDAQ OMX Copenhagen A/S
and the press

20 August 2009

H1 INTERIM REPORT 2009
Totalkredit A/S
(1 January – 30 June 2009)

H1 – IN BRIEF

- Profit before tax was DKK 655m against DKK 479m in H1/2008.
- Core income from business operations was up by 18% to DKK 641m.
- Operating costs, depreciation and amortisation amounted to DKK 196m against DKK 201m in the same period in 2008.
- Impairment losses on loans and advances came to DKK 144m, of which recognised losses amounted to DKK 7m.
- The investment portfolio generated an income of DKK 243m against a loss of DKK 74m in H1/2008.
- Due to high loan refinancing activity, gross new lending rose to DKK 62bn from DKK 41bn in H1/2008.
- Nominal mortgage lending increased by DKK 16bn to DKK 417bn.

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Financial highlights

DKK MILLION

	H1 / 2009	H1 / 2008	FY 2008
CORE EARNINGS AND PROFIT FOR THE PERIOD			
Core income from			
Business operations	641	542	1,141
Securities	111	215	461
Total	752	757	1,602
Operating costs, depreciation and amortisation	196	201	375
Core earnings before impairment losses	556	556	1,227
Impairment losses on loans and advances	144	3	55
Core earnings after impairment losses	412	553	1,172
Investment portfolio income	243	(74)	(72)
Profit before tax	655	479	1,100
Tax	164	120	277
Profit for the period	491	359	823
SUMMARY BALANCE SHEET, END OF PERIOD			
	30.06.2009	30.06.2008	31.12.2008
ASSETS			
Receivables from credit institutions	18,301	9,401	16,283
Mortgage loans	411,909	358,446	390,451
Bonds and equities	20,095	12,545	52,437
Other assets	2,306	577	2,167
Total assets	452,611	380,969	461,338
LIABILITIES AND EQUITY			
Payables to credit institutions	317,509	233,883	315,349
Issued bonds	111,398	126,404	121,243
Supplementary capital	2,600	3,600	3,600
Other liabilities	9,060	5,994	9,594
Equity	12,044	11,088	11,552
Total liabilities and equity	452,611	380,969	461,338
FINANCIAL RATIOS			
Profit for the period as % of average equity (pa)	8.3	6.6	7.4
Core earnings after impairment losses as % of average equity (pa)	6.9	9.9	10.5
Costs as % of core income	26.0	26.6	23.4
Impairment losses for the period, %	0.0	0.0	0.0
Capital adequacy ratio, %*	22.9	28.4	26.7
Core capital ratio, %*	19.0	21.5	20.5
Average number of full-time staff	119	104	109
*) As from 2008, the capital adequacy ratio and core capital ratio are determined in accordance with CRD			



H1 Interim Report 2009

Totalcredit recorded a profit before tax of DKK 655m compared with DKK 479m in the same period the year before, up 37%.

The profit reflects continued growth in income from customer-oriented business, increased impairment losses on loans and advances as a result of rising unemployment and decreasing property prices, as well as higher returns on capital investments.

Core earnings before impairment losses

Totalcredit's core earnings before impairment losses were DKK 556m, which was unchanged relative to H1/2008.

Core income from business operations rose by DKK 99m to DKK 641m.

Core income from securities declined by DKK 104m to DKK 111m. The decrease was a result of lower interest rate levels in H1/2009 compared with H1/2008.

Operating costs, depreciation and amortisation amounted to DKK 196m against DKK 201m in the same period in 2008.

Investment portfolio income

The investment portfolio generated an income of DKK 243m against a loss of DKK 74m in the same period the year before.

The investment portfolio income was positively affected by falling interest rates and a yield spread tightening between mortgage bonds and government bonds.

Impairment losses on loans and advances

Impairment losses remained moderate at DKK 144m, equal to 0.03% of lending.

Collective impairment provisions came to DKK 59m, and individual impairment provisions totalled DKK 83m. Recognised losses amounted to DKK 7m.

Under the Totalcredit concept, recognised losses corresponding to the part of a loan exceeding 60% of the LTV at the time of granting the loan are offset against future commission payments from Totalcredit to the partner bank. In H1/2009, a total amount of DKK 5m was offset. If impairments are

recognised as losses, about 85% is expected to be offset against commission payable to the banks. The number of repossessed properties was 12 at end-H1/2009 against 4 at the beginning of the year. Since the beginning of the year, Totalcredit has repossessed 11 and sold 3 properties.

Lending

Due to substantial loan refinancing in Q2/2009, gross new lending rose to DKK 62bn in H1/2009 against DKK 40bn in the same period the year before.

Mortgage lending went up by a nominal amount of DKK 16bn to DKK 417bn at end-H1/2009. Totalcredit's market share of Danish residential mortgage lending rose to 31.8% against 31.3% at the beginning of the year.

Balance sheet

At end-H1/2009, the balance sheet stood at DKK 453bn compared with DKK 461bn at the beginning of the year.

Mortgage lending at fair value increased to DKK 412bn in H1/2009 against DKK 390bn at the beginning of the year. In H1/2009 fair value adjustment increased the value of mortgage lending by approximately DKK 5bn.

Bonds at fair value totalled DKK 20.1bn against DKK 52.4bn at the beginning of the year. The decrease was primarily due to an extraordinarily high bond portfolio at end-2008 caused by advance issuance in connection with the refinancing of adjustable-rate mortgage loans.

Mortgage loans are funded through the issuance of bonds via the Parent Company, Nykredit Realkredit A/S, and bonds issued by Totalcredit A/S. At end-H1/2009, payables to the Parent Company amounted to DKK 318bn at fair value. Totalcredit had issued DKK 111bn-worth of own bonds.

Equity including profit for the period was DKK 12.0bn at end-H1/2009 against DKK 11.6bn at the beginning of the year.

CAPITAL ADEQUACY

The capital base and capital adequacy are determined using the new capital adequacy rules (Basel II).



The capital base after statutory deductions amounted to DKK 14.3bn, and the capital adequacy ratio was 22.9%, of which the core capital ratio was 19.0%.

The capital requirement amounted to DKK 12.5bn, equal to a capital adequacy ratio of at least 20.0%.

RATING

Mortgage bonds issued out of Totalkredit's Capital Centre C have been rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. Today, all new lending is based on joint funding with Nykredit Realkredit A/S. This funding has been assigned the rating AAA by Standard & Poor's and the rating Aaa by Moody's Investors Service.

OTHER

Uncertainty as to recognition and measurement

The measurement of certain assets and liabilities is based on accounting estimates made by the Company Management.

The areas in which assumptions and estimates material to the financial statements have been made comprise impairment losses on loans, advances and receivables as well as other provisions, cf the mention in the Annual Report for 2008.

In Management's opinion, the uncertainty related to the above-mentioned matters is insignificant to the H1 Interim Report 2009.

MANAGEMENT CHANGES

Niels Tørslev, Group Managing Director, has given the Board of Directors of Nykredit Realkredit A/S notice of retirement effective in connection with his 60th birthday next February. At 20 August 2009, Niels Tørslev will retire from the Board of Directors of Totalkredit A/S, which he has chaired since 2007. At an extraordinary general meeting, Søren Holm, Group Managing Director, will be nominated as new Chairman, and Kim Duus, Group Managing Director, and Lars Holst, Executive Vice President, will be nominated as new members of the Board of Directors.

OUTLOOK FOR 2009

At end-H1/2009, profit before tax surpassed budget expectations. Although impairment losses on loans and advances were higher than ex-

pected, these were amply offset by higher financial income from the securities portfolio.

For H2/2009 continued growth in impairment losses on loans and advances is expected, whereas financial income is not expected to rise as strongly as in H1/2009.

The expected results for 2009 will mainly depend on the development in the financial position of homeowners and the development in interest rate markets.

Totalkredit still forecasts a profit, but at a lower level than in 2008.

EVENTS OCCURRED AFTER THE END OF THE FINANCIAL PERIOD

In the period up to the presentation of the H1 Interim Report 2009, no significant events have occurred.

ACCOUNTING POLICIES

The H1 Interim Report 2009 has been prepared in accordance with the Danish Financial Business Act and the Danish Financial Supervisory Authority's Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc.

All figures in the H1 Interim Report 2009 are presented in DKK million. The totals stated have been calculated on the basis of actual figures. Due to the rounding-off, the sum of individual figures and the stated totals may differ slightly.

The accounting policies are unchanged relative to the Annual Report for 2008 with the exception of Management's decision to apply Denmark's Nationalbank's lending rate (repo rate) as the risk-free interest rate for the calculation of core earnings and investment portfolio income as from 1 January 2009. Previously, the tomorrow/next rate represented the risk-free interest rate. Comparative figures have been restated accordingly. The change affects the distribution between core income from securities and investment portfolio income. The change has no effect on the balance sheet. For a description of the Company's accounting policies, please refer to the Annual Report for 2008, which is available at totalkredit.dk.

The H1 Interim Report 2009 has not been audited or reviewed.



Statement by the Board of Directors and the Executive Board on the Interim Report

The Board of Directors and the Executive Board have today reviewed and approved the Interim Report for the period 1 January – 30 June 2009 of Totalkredit A/S.

The H1 Interim Report 2009 has been prepared in accordance with the Danish Financial Business Act and the Executive Order on Financial Reports for Credit Institutions and Investment Companies, etc. Further, the H1 Interim Report has been prepared in accordance with additional Danish disclosure requirements for interim reports of issuers of listed bonds.

Taastrup, 20 August 2009

EXECUTIVE BOARD

Troels Bülow-Olsen

Hans Henrik Andersen

In our opinion, the H1 Interim Report gives a fair review of the development in the activities and financial circumstances of the Company as well as a satisfactory description of the material risk and uncertainty factors affecting the Company.

In our opinion, the H1 Interim Report also gives a fair presentation of the Company's assets, liabilities, equity and financial position at 30 June 2009 and of the results of the Company's activities and cash flows for the financial period 1 January – 30 June 2009.

BOARD OF DIRECTORS

Niels Tørslev,
Chairman

Bent Naur,
Deputy Chairman

Jette Alsig Bargholz

Karen Frøsig

Søren Holm

Jari Loch Jensen

Gert R. Jonassen

Frank Kristensen

Merete Nilausen



Income statement for 1 January – 30 June

DKK MILLION

	Note	H1/2009	H1/2008
Interest income	1	11,234	10,113
Interest expenses	2	9,957	8,974
Net interest income		1,277	1,139
Dividend on equities		0	2
Fee and commission income	3	242	145
Fee and commission expenses	4	664	531
Net interest and fee income		855	755
Value adjustments	5	140	(73)
Other operating income		0	1
Staff and administrative expenses	6	195	200
Depreciation and impairment losses for property, plant and equipment		1	1
Impairment losses on loans, advances and receivables		144	3
Profit before tax		655	479
Tax		164	120
Profit for the period		491	359



Balance sheet, end of period

DKK MILLION

	Note	30.06.2009	31.12.2008
ASSETS			
Cash balance and demand deposits with central banks		0	0
Receivables from credit institutions and central banks	7	18,301	16,283
Loans, advances and other receivables at fair value	8	411,891	390,452
Loans, advances and other receivables at amortised cost	8	83	103
Bonds at fair value	9	20,095	52,424
Equities	10	-	12
Other property, plant and equipment		2	2
Current tax assets		-	0
Deferred tax assets		1	1
Assets in temporary possession		7	2
Other assets	11	2,222	2,052
Prepayments		9	7
Total assets		452,611	461,338
LIABILITIES AND EQUITY			
Payables to credit institutions	12	317,509	315,349
Issued bonds at fair value	13	111,398	121,243
Current tax liabilities		152	46
Other liabilities	14	8,904	9,544
Provisions for pensions and similar obligations		4	4
Subordinate loan capital	15	2,600	3,600
Equity:	16		
Share capital		799	799
Reserves:			
Series reserves		1,589	1,589
Other reserves		9,164	9,164
Retained earnings for the period		491	-
Total equity		12,044	11,552
Total liabilities and equity		452,611	461,338
OFF-BALANCE SHEET ITEMS			
Guarantees	17	0	0
Other commitments		15	16
Total off-balance sheet items		15	16

Notes

DKK MILLION

	H1/2009	H1/2008
1. INTEREST INCOME		
Receivables from credit institutions	59	95
Loans, advances and other receivables	9,874	8,883
Administrative margin	970	887
Bonds:		
- Own mortgage bonds	14	13
- Other mortgage bonds	311	243
- Government bonds	6	4
Derivative financial instruments:		
- Interest rate contracts	14	1
Total	11,248	10,126
Interest from own mortgage bonds has been offset against interest expenses – note 2	(14)	(13)
Total	11,234	10,113
2. INTEREST EXPENSES		
Mortgage loan funding through Nykredit Realkredit A/S	7,050	5,892
Issued bonds	2,847	2,997
Subordinate loan capital	74	98
Other interest expenses	0	0
Total	9,971	8,987
Set-off of interest from own mortgage bonds – note 1	(14)	(13)
Total	9,957	8,974
3. FEE AND COMMISSION INCOME		
Loan fees, new lending	124	85
Commission and other fees	118	60
Total	242	145
4. FEE AND COMMISSION EXPENSES		
Loan arrangement fees	87	61
Commission to loan arrangers	463	414
Trading commission and other fees	114	56
Total	664	531

	H1/2009	H1/2008
5. VALUE ADJUSTMENTS		
Mortgage loans	4,610	(11,608)
Bonds	137	(172)
Equities	(1)	0
Foreign exchange, interest rate and other contracts as well as derivative financial instruments	5	99
Issued bonds, including bonds issued by Nykredit Realkredit A/S in connection with the funding of mortgage loans granted by Totalkredit A/S	(4,610)	11,608
Total	141	(73)
6. STAFF AND ADMINISTRATIVE EXPENSES		
Remuneration of Board of Directors and Executive Board	3	3
Staff expenses	36	32
Administrative expenses	156	166
Total	195	200
Remuneration of Board of Directors and Executive Board		
Board of Directors:		
Remuneration	0	0
Executive Board:		
Salaries	2	3
Other social security expenses and charges	0	0
Total	2	3
<p>The terms and conditions governing pensions and retirement in relation to the Executive Board have not changed since the Annual Report for 2008.</p>		
Staff expenses:		
Wages and salaries	30	26
Pensions	3	3
Other social security expenses and charges	3	3
Total	36	32
Number of staff		
Average number of staff, full-time equivalents	119	104
7. RECEIVABLES FROM CREDIT INSTITUTIONS AND CENTRAL BANKS		
Receivables from credit institutions	18,301	16,283
Of which prepaid funds, including prepayments at par	6,749	4,998

Notes

DKK MILLION

	30.06.2009	31.12.2008
8. LOANS AND ADVANCES		
Loans, advances and other receivables at fair value	411,891	390,452
Loans, advances and other receivables at amortised cost	83	103
Total	411,974	390,555
Loans, advances and other receivables at fair value		
Mortgage loans	411,826	390,348
Receivables from loans secured on non-repossessed properties	66	104
Total	411,892	390,452
Mortgage loans		
Balance, beginning of period, nominal value	400,679	363,175
New loans	61,741	88,842
Ordinary principal payments	(2,526)	(5,035)
Prepayments and extraordinary principal payments	(42,867)	(46,303)
Balance, end of period, nominal value	417,027	400,679
Loans transferred relating to properties in temporary possession	(13)	(3)
Fair value adjustment	(5,097)	(10,296)
Adjustment for credit risk		
Individual impairment provisions	0	0
Collective impairment provisions	(91)	(32)
Balance, end of period, fair value	411,826	390,348
Receivables from loans secured on non-repossessed properties		
Arrears before impairment provisions	165	127
Outlays before impairment provisions	0	(1)
Provisions for arrears and outlays	(99)	(22)
Total	66	104
Mortgage loan guarantees provided by banks:		
Supplementary guarantees in addition to mortgages on real property	5,360	5,128
Statutory guarantees for interim loans	14,578	18,715
Guarantees for loans disbursed before obtaining a registered mortgage	35,923	34,010
Total	55,861	57,853
Loans, advances and other receivables at amortised cost		
Mortgage loans	83	103
Total	83	103

Notes

DKK MILLION

	30.06.2009	31.12.2008
9. BONDS AT FAIR VALUE		
- Own mortgage bonds	594	594
- Other mortgage bonds	19,677	52,212
- Government bonds	418	212
- Other bonds	0	0
Total	20,689	53,018
Set-off against Issued bonds – note 13	(594)	(594)
Total bonds	20,095	52,424
10. EQUITIES AT FAIR VALUE		
Listed on NASDAQ OMX Copenhagen A/S	-	2
Unlisted equities	-	10
Total	-	12
11. OTHER ASSETS		
Positive market value of derivative financial instruments	17	4
Interest and commission receivable on loans and advances	383	15
Interest receivable from bonds and credit institutions	1,753	1,963
Other assets	69	70
Total	2,222	2,052
12. PAYABLES TO CREDIT INSTITUTIONS		
Payables to credit institutions, other payables	1	17
Mortgage loan funding through Nykredit Realkredit A/S	317,508	315,332
Total	317,509	315,349
Of which mortgage loan funding through Nykredit Realkredit A/S:		
Balance, beginning of period, nominal value	321,514	250,569
Additions	59,556	132,176
Drawings and prepayments	(44,533)	(35,007)
Prepayments and extraordinary principal payments	(17,206)	(26,224)
Balance, end of period, nominal value	319,331	321,514
Fair value adjustment	(1,823)	(6,182)
Total	317,508	315,332

	30.06.2009	31.12.2008
13. ISSUED BONDS		
Mortgage bonds issued against mortgages on real property		
Balance, beginning of period, nominal value	125,951	153,207
Additions	0	0
Drawings and prepayments	(2,919)	(8,921)
Prepayments and extraordinary principal payments	(7,770)	(18,335)
Balance, end of period	115,262	125,951
Set-off, own bonds	(594)	(594)
Fair value adjustment	(3,270)	(4,114)
Total	111,398	121,243
Of which pre-issuance	-	-
Bonds drawn for redemption at the next creditor settlement date	789	660
14. OTHER LIABILITIES		
Interest and commission payable	6,757	9,128
Negative market value of derivative financial instruments	7	251
Other payables	2,140	165
Total	8,904	9,544

15. SUBORDINATE LOAN CAPITAL

Subordinate loan capital consists of debt pursuant to section 136 of the Danish Financial Business Act. In H1/2009 two loans were prepaid at par (100), each with a principal of DKK 500m.

1. Loan in the amount of DKK 2,600m raised in June 2005 with a maximum term of 13 years

The loan carries a floating interest rate and has Nykredit Realkredit A/S as lender.

Notes

DKK MILLION

	30.06.2009	31.12.2008
16. EQUITY		
Share capital	799	799
Series reserves	1,589	1,589
Other reserves	9,656	9,164
Equity, end of period	12,044	11,552
<p>Series reserves consist of an undistributable reserve fund established in connection with the Company's conversion into a public limited company. The share capital consists of 7,987,391 shares of DKK 100. There is only one share class.</p>		
17. OFF-BALANCE SHEET ITEMS		
Guarantees:		
Financial guarantees	0	0
Total	0	0
Other commitments:		
Other	15	16
Total off-balance sheet items	15	16



Financial highlights – five years

	H1/2009	H1/2008	H1/2007	H1/2006	H1/2005
INCOME STATEMENT					
Net interest income	1,277	1,139	941	751	644
Net fee income	(422)	(384)	(348)	(291)	(195)
Net interest and fee income	855	755	593	460	449
Value adjustments	141	(73)	(4)	(21)	34
Other operating income	0	1	1	0	0
Staff and administrative expenses	195	200	149	118	105
Depreciation and impairment losses for property, plant and equipment	1	1	2	2	1
Impairment losses on loans, advances and receivables	144	3	1	0	1
Profit before tax	655	479	438	319	376
Tax	164	120	121	88	105
Profit for the period	491	359	317	231	271
SUMMARY BALANCE SHEET, END OF PERIOD					
	30.06.2009	30.06.2008	30.06.2007	30.06.2006	30.06.2005
ASSETS					
Receivables from credit institutions	18,301	9,401	10,774	8,121	16,205
Mortgage loans	411,909	358,446	323,277	276,936	231,120
Bonds and equities	20,095	12,544	8,159	5,044	3,400
Other assets	2,306	578	225	131	210
Total assets	452,611	380,969	342,435	290,232	250,935
LIABILITIES AND EQUITY					
Payables to credit institutions	317,509	233,883	163,862	84,606	0
Issued bonds	111,398	126,404	159,705	192,818	237,550
Supplementary capital	2,600	3,600	4,588	4,090	3,086
Other liabilities	9,060	5,994	4,488	3,107	5,205
Equity	12,041	11,088	9,792	5,611	5,094
Total liabilities and equity	452,611	380,969	342,435	290,232	250,935
FINANCIAL RATIOS					
Profit for the period as % of average equity	4.2	3.3	3.6	4.2	5.5
Profit before tax for the period as % of average equity	5.6	4.4	4.9	5.8	7.6
Loans and advances:equity	34.2	32.3	33.0	49.4	45.4
Growth in loans and advances for the period, %	5.5	2.6	5.6	6.8	17.4
Impairment losses for the period, %	0.0	0.0	0.0	0.0	0.0
Capital adequacy ratio, %	22.9	28.4	10.8	8.5	10.8
Core capital ratio, %	19.0	21.5	7.3	4.8	5.3
Average number of full-time staff	119	104	109	100	83

Financial highlights – six quarters

	Q2/2009	Q1/2009	Q4/2008	Q3/2008	Q2/2008	Q1/2008
CORE EARNINGS AND PROFIT FOR THE PERIOD						
Core income from						
Business operations	345	296	309	290	269	273
Securities	46	65	125	121	109	106
Total	391	361	434	411	378	379
Operating costs, depreciation and amortisation	93	103	84	90	98	103
Core earnings before impairment losses	298	258	350	321	280	276
Impairment losses on loans and advances	19	125	45	7	2	1
Core earnings after impairment losses	279	133	305	314	278	275
Investment portfolio income	106	137	84	(82)	(79)	5
Profit before tax	385	270	389	232	199	280
Tax	96	68	98	59	50	70
Profit for the period	289	202	291	173	149	210
SUMMARY BALANCE SHEET, END OF PERIOD						
	30.06.2009	31.03.2009	31.12.2008	30.09.2008	30.06.2008	31.03.2008
ASSETS						
Receivables from credit institutions	18,301	9,020	16,283	9,306	9,401	9,258
Mortgage loans	411,909	402,345	390,351	367,766	358,446	361,017
Bonds and equities	20,095	14,495	52,437	13,721	12,544	11,492
Other assets	2,306	794	2,267	726	578	379
Total assets	452,611	426,654	461,338	391,519	380,969	382,146
LIABILITIES AND EQUITY						
Payables to credit institutions	317,509	289,329	315,349	248,785	233,883	225,201
Issued bonds	111,398	116,049	121,243	120,982	126,404	137,348
Supplementary capital	2,600	3,600	3,600	3,600	3,600	3,600
Other liabilities	9,040	5,921	9,594	6,891	5,994	5,058
Equity	12,044	11,755	11,552	11,261	11,088	10,939
Total liabilities and equity	452,611	426,654	461,338	391,519	380,969	382,146
FINANCIAL RATIOS						
Profit for the period as % of average equity (pa)	9.8	6.9	10.2	6.2	5.4	7.8
Core earnings after impairment losses as % of average equity (pa)	9.6	4.6	10.7	11.2	10.1	10.2
Costs as % of core income	23.5	28.5	19.4	21.9	25.9	27.2
Impairment losses for the period, %	0.0	0.0	0.0	0.0	0.0	0.0
Capital adequacy ratio, %*	22.9	26.8	26.7	27.1	28.4	27.4
Core capital ratio, %*	19.0	20.7	20.5	20.7	21.5	20.7
*) As from 2008, the capital adequacy ratio and core capital ratio are determined in accordance with CRD						