

To NASDAQ OMX Copenhagen A/S  
and the press

20 August 2013

**H1 INTERIM REPORT 2013**  
**Totalkredit A/S**  
**(1 January – 30 June 2013)**

**H1 – IN BRIEF**

- Profit before tax was DKK 296m against DKK 344m in H1/2012
- Core income from business operations amounted to DKK 869m against DKK 838m in H1/2012
- Net cost of supplementary collateral for SDO-funded lending was up DKK 59m to DKK 151m
- Core income from securities dropped to DKK 3m in H1/2013 from DKK 26m in the same period last year
- Operating costs were DKK 201m against DKK 196m in H1/2012
- Impairment losses on loans and advances totalled DKK 245m in H1/2013, or 0.05% of the loan portfolio
- Investment portfolio income was DKK 21m against DKK 99m in the same period last year
- Gross new lending came to DKK 37bn in H1/2013, against DKK 79bn in H1/2012
- In H1/2013, the loan portfolio at nominal value grew by DKK 12bn to DKK 522bn.

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# Financial highlights

DKK MILLION

|  | H1/2013        | H1/2012        | FY 2012        |
|--|----------------|----------------|----------------|
| <b>CORE EARNINGS AND PROFIT FOR THE PERIOD</b>                   |                |                |                |
| <b>Core income from</b>  |                |                |                |
| - business operations  | 869            | 838            | 1,753          |
| - junior covered bonds   | (151)          | ( 92)          | (234)          |
| - securities   | 3              | 26             | 21             |
| <b>Total</b>   | <b>721</b>     | <b>772</b>     | <b>1,540</b>   |
| Operating costs, depreciation and amortisation                   | 201            | 196            | 371            |
| <b>Core earnings before impairment losses</b>                    | <b>520</b>     | <b>576</b>     | <b>1,169</b>   |
| Impairment losses on loans and advances                          | 245            | 331            | 528            |
| <b>Core earnings after impairment losses</b>                     | <b>275</b>     | <b>245</b>     | <b>641</b>     |
| Investment portfolio income                                      | 21             | 99             | 56             |
| <b>Profit before tax</b>   | <b>296</b>     | <b>344</b>     | <b>697</b>     |
| Tax  | 74             | 86             | 175            |
| <b>Profit for the period</b>                                     | <b>222</b>     | <b>258</b>     | <b>522</b>     |
| <b>SUMMARY BALANCE SHEET, END OF PERIOD</b>                      |                |                |                |
|  | 30.06.2013     | 30.06.2012     | 31.12.2012     |
| <b>ASSETS</b>  |                |                |                |
| Receivables from credit institutions                             | 14,559         | 23,288         | 20,942         |
| Mortgage loans at fair value                                     | 531,185        | 503,733        | 522,980        |
| Bonds at fair value  | 50,393         | 45,890         | 85,235         |
| Remaining assets   | 3,577          | 4,217          | 3,240          |
| <b>Total assets</b>  | <b>599,714</b> | <b>577,128</b> | <b>632,397</b> |
| <b>LIABILITIES AND EQUITY</b>                                    |                |                |                |
| Payables to credit institutions                                  | 521,723        | 482,187        | 547,012        |
| Issued bonds at fair value                                       | 52,371         | 67,368         | 58,516         |
| Subordinated debt – supplementary capital                        | 3,100          | 3,100          | 3,100          |
| Remaining liabilities  | 7,209          | 9,647          | 8,679          |
| Equity   | 15,311         | 14,826         | 15,090         |
| <b>Total liabilities and equity</b>                              | <b>599,714</b> | <b>577,128</b> | <b>632,397</b> |
| <b>FINANCIAL RATIOS</b>  |                |                |                |
| Profit for the period as % of average equity pa                  | 2.9            | 3.6            | 3.6            |
| Core earnings before impairment losses as % of average equity pa | 6.8            | 8.0            | 8.1            |
| Costs as % of core income from business operations               | 23.1           | 23.4           | 24.1           |
| Impairment losses for the period, %                              | 0.05           | 0.07           | 0.10           |
| Total capital ratio, %   | 21.9           | 19.7           | 22.2           |
| Tier 1 capital ratio, %  | 18.3           | 16.4           | 18.4           |
| Core Tier 1 capital ratio, %                                     | 18.3           | 16.4           | 18.4           |
| Internal capital adequacy requirement (ICAAP), %                 | 10.4           | 9.9            | 10.6           |



# H1 Interim Report 2013

Totalcredit recorded a profit before tax of DKK 296m against DKK 344m for the same period last year. Profit after tax amounted to DKK 222m.

H1/2013 results included increased income from business operations, growing expenses for supplementary collateral for SDO-funded lending, a decline in financial income and a continued loan loss provisioning need.

## Core earnings before impairment losses

Core income from business operations amounted to DKK 869m against DKK 838m in H1/2012. Growth of DKK 31m in core income from business operations was attributable to increased lending as well as the administration margin increases introduced in April 2012.

Net income from the loan portfolio therefore increased DKK 110m on H1/2012, whereas activity-driven income decreased DKK 76m due to reduced lending activity.

Net interest expenses for junior covered bonds came to DKK 151m against DKK 92m in H1/2012.

Core income from securities was DKK 3m against DKK 26m in the same period last year. This development was a result of a change in the risk-free interest rate, which fell from 0.65% in H1/2012 to 0.25% in H1/2013. The risk-free interest rate equals the Danish central bank's average lending rate. Core income from securities also includes interest expenses relating to supplementary capital.

Operating costs were DKK 201m against DKK 196m in H1/2012.

Core earnings before impairment losses came to DKK 520m against DKK 576m in H1/2012.

## Impairment losses on loans and advances

In H1/2013 impairment losses on loans and advances came to DKK 245m against DKK 331m in the same period last year. Impairment losses for H1/2013 equalled 0.05% of lending compared with 0.07% for H1/2012.

Recognised losses for the period totalled DKK 308m, of which DKK 142m was offset against commission payable to partner banks or covered by guarantee. In the years 2010-2012, recognised losses came to DKK 271m, DKK 408m and DKK 557m, of which partner banks covered approximately 44% on average.

Losses were mainly incurred in geographical areas where the property market is subdued. Areas in which property prices

had soared prior to the financial crisis have been particularly severely impacted. An example is the Sealand Region, which accounts for approximately 37% of the losses. For the regions that saw a more moderate price development, the size of the loss is often linked to the degree of urban proximity of individual properties.

Impairment provisions totalled DKK 971m against DKK 904m at the beginning of the year. Total impairment provisions equalled 0.18% of lending.

Individual impairment provisions stood at DKK 445m and collective impairment provisions at DKK 526m.

The arrears ratio measured as at the March due date, 105 days after the last due date, was 0.19%, which was also the level at the two previous due dates.

In H1/2013, 72 properties were acquired at forced sales and 78 properties were sold. The number of repossessed properties was 73 at end-H1/2013 against 79 at the beginning of the year.

## Investment portfolio income

Investment portfolio income amounted to DKK 21m against DKK 99m in H1/2012.

## Loans and advances

Gross new lending came to DKK 37bn against DKK 79bn in H1/2012 when lending activity was exceptionally high as many homeowners remortgaged.

At nominal value, the loan portfolio totalled DKK 522bn at end-H1/2013 against DKK 510bn at the beginning of the year. Of the total DKK 12bn increase, approximately 52% were originated by Nykredit Realkredit A/S.

Measured by loan portfolio, Totalcredit's market share was 36.6% at end-H1/2013, of which 34.0% was attributable to loans serviced by the local and regional partner banks.

## Loan-to-value ratios (LTVs)

The average LTV ratio of the loan portfolio came to 77% at end-June 2013, a decline of 1 percentage point on the beginning of the year.

For the part of the loan portfolio funded by SDOs (Danish covered bonds) and for which LTV ratios exceed statutory LTV limits of 80% for private residential property and 60% for holiday homes, supplementary collateral must be provided to bondholders. At end-June 2013, the requirement for supplementary

collateral was DKK 26.1bn against DKK 28.3bn at end-December 2012.

For the purpose of providing collateral, Totalkredit had raised loans in the amount of DKK 31.9bn at end-June 2013 against DKK 22.3bn at end-June 2012. In H1/2013 Totalkredit's costs of supplementary collateral grew by DKK 59m as a result of the increased lending as well as a minor increase in average funding costs.

Totalkredit raises supplementary collateral by investing part of its capital base or any borrowed funds, primarily proceeds from junior covered bonds, in particularly secure assets.

### **Balance sheet**

At end-H1/2013, the balance sheet stood at DKK 600bn against DKK 632bn at the beginning of the year.

Assets essentially consist of three items: receivables from credit institutions of DKK 15bn, mortgage lending of DKK 531bn, and a bond portfolio of DKK 50bn.

Liabilities essentially consist of payables to the Parent Company, Nykredit Realkredit A/S, totalling DKK 522bn, of which DKK 490bn related to the funding of mortgage loans and DKK 32bn stemmed from supplementary collateral for SDO-funded lending.

Totalkredit had issued bonds of DKK 52bn.

Equity including profit for the period totalled DKK 15.3bn at end-H1/2013.

### **CAPITAL AND CAPITAL ADEQUACY**

Totalkredit's capital base stood at DKK 18.2bn, and risk-weighted assets totalled DKK 83.3bn, corresponding to a total capital ratio of 21.9%.

The capital requirement amounted to DKK 6.7bn, and the Tier 1 capital ratio stood at 18.3% at end-H1/2013.

Under the transitional rules, the capital requirement amounted to DKK 17.2bn, equal to a total capital ratio of at least 20.6%. The transitional rules of Basel I have been extended to end-2015 but are expected to be further extended to 2019, when the new capital requirements become effective.

Totalkredit applies Nykredit's advanced internal models (IRB) for determination of risk-weighted assets relating to credit risk. The standardised approach is used to determine the capital requirement for market risk, and the capital requirement for operational risk is determined using the basic indicator approach.

The internal capital adequacy requirement (ICAAP) is calculated on the basis of the required capital base, which is the

minimum capital required, in Management's judgement, to cover all significant risks. At end-H1/2013 the required capital base was DKK 8.7bn, equal to an internal capital adequacy requirement of 10.4%.

### **NEW REGULATION**

The EU recently adopted extensive amendments to the regulation of capital and liquidity applying to credit institutions.

The new requirements will gradually be implemented up to 2019. In various areas, the requirements have not been finally specified but will be determined in detail in the period up to 2019 by the European Banking Authority (EBA) and the authorities and parliaments of the individual EU countries.

Capital requirements will increase significantly. With respect to liquidity, Danish covered bonds are expected to be recognised as very liquid assets, but the amended liquidity rules will generally require extended liquidity reserves compared with today's.

The Nykredit Realkredit Group – and consequently Totalkredit – is expected to be designated as a systemically important financial institution. Based on the report of the SIFI Committee, Totalkredit's capital requirement is expected to increase to 2% of risk-weighted items. To this should be added a special crisis buffer imposed on Danish SIFIs of 5% of risk-weighted items. The buffer must consist of subordinated capital with special terms for write-down of and/or conversion to share capital.

In total, a capital requirement of up to 18% of risk-weighted items, which should be viewed relative to Totalkredit's current internal capital adequacy requirement of 10.4%.

Totalkredit's policy will be to maintain equity of at least 15% of risk-weighted items in the current economic climate. Totalkredit expects to fulfil the rest of the capital requirement through a combination of equity and subordinate loan capital.

### **RATINGS**

#### **Ratings with Standard & Poor's**

The lending activities of Totalkredit and Nykredit Realkredit, Totalkredit's Parent Company, are jointly funded. Due to the joint funding, Totalkredit and Nykredit Realkredit use the same bond series to fund identical loans. Nykredit Realkredit issues the requisite bonds out of capital centres which are rated AAA by Standard & Poor's.

ROs (Danish covered bonds) issued by Totalkredit out of Capital Centre C are also rated AAA by Standard & Poor's. The Capital Centre is not open for new lending.



## 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 provisions for loan and receivable impairment as well as other provisions, cf the mention in the Annual Report 2012.

In Management's opinion, the uncertainty related to the above-mentioned matters is insignificant to the H1 Interim Report 2013.

### NEW MORTGAGE LOAN PRICES

With effect from 1 October 2013, Totalkredit has announced new prices of new as well as existing lending. The price increase is based on the circumstances described under "New regulation", and the increases are required in order to comply with the new requirements and maintain lending volumes. Moreover, the price structure is adjusted to allow for better correlation between price and risk in the form of loan type and LTV ratio.

### OUTLOOK FOR 2013

Factoring in the new prices as from 1 October 2013, we expect profit before tax to be on level with that of 2012; however, results depend on housing market and employment trends as well as the development in financial markets in H2/2013.

### EVENTS OCCURRED AFTER THE END OF THE FINANCIAL PERIOD

No material events have occurred in the period from the balance sheet date up to the presentation of the H1 Interim Report that may affect the assessment of the Interim Report.

### ACCOUNTING POLICIES

The H1 Interim Report 2013 has been prepared in accordance with the Danish Financial Business Act and the FSA Executive Order on Financial Reports for Credit Institutions and Investment Firms, etc.

Further, the Interim Report has been prepared in accordance with additional Danish disclosure requirements for interim reports of issuers of listed bonds.

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

The accounting policies are unchanged compared with the Annual Report 2012. For a description, please refer to the Annual Report 2012.



## 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 2013 of Totalkredit A/S.

The Interim Report and the Management's Review have been prepared in accordance with the Danish Financial Business Act and the Executive Order on Financial Reports for Credit Institutions and Investment Firms, etc.

Further, the Interim Report has been prepared in accordance with additional Danish disclosure requirements for interim reports of issuers of listed bonds.

Taastrup, 20 August 2013

### **EXECUTIVE BOARD**

Troels Bülow-Olsen

Hans Henrik Andersen

Allan Rømer

We are of the opinion that the Interim Financial Statements give a fair presentation of the Company's assets, liabilities, equity and financial position at 30 June 2013 and of the results of the Company's operations as well as cash flows for the financial period 1 January – 30 June 2013.

We are furthermore of the opinion that the Management's Review gives a fair review of the development in the operations and financial circumstances of the Company as well as a description of the material risk and uncertainty factors which may affect the Company.

The H1 Interim Report has not been audited or reviewed.

### **BOARD OF DIRECTORS**

Søren Holm,  
Chairman

Claus E. Petersen,  
Deputy Chairman

Petter Blondeau

Jette Alsig Bargholz

Kim Duus

Karen Frøsig

Lars Holst

Michael Holm Jensen

Jari Loch Jensen

Gert Jonassen

Merete Nilausen



## Income statement for 1 January – 30 June

DKK MILLION

|  | Note | H1/2013      | H1/2012      |
|--|------|--------------|--------------|
| Interest income  | 1    | 8,211        | 9,238        |
| Interest expenses  | 2    | 6,644        | 7,750        |
| <b>Net interest income</b>   |      | <b>1,567</b> | <b>1,488</b> |
| Fee and commission income  | 3    | 178          | 370          |
| Fee and commission expenses  | 4    | 946          | 948          |
| <b>Net interest and fee income</b>                                   |      | <b>799</b>   | <b>910</b>   |
| Value adjustments  | 5    | (58)         | (40)         |
| Other operating income   |      | 0            | 1            |
| Staff and administrative expenses                                    | 6    | 201          | 196          |
| Depreciation and impairment losses for property, plant and equipment |      | 0            | 0            |
| Impairment losses on loans, advances and receivables                 | 7    | 245          | 331          |
| <b>Profit before tax</b>   |      | <b>296</b>   | <b>344</b>   |
| Tax  |      | 74           | 86           |
| <b>Profit for the period</b>   |      | <b>222</b>   | <b>258</b>   |
| <b>Comprehensive income</b>  |      |              |              |
| <b>Profit for the period</b>   |      | <b>222</b>   | <b>258</b>   |
| Other comprehensive income   |      | -            | -            |
| <b>Comprehensive income for the period</b>                           |      | <b>222</b>   | <b>258</b>   |



## Balance sheet, end of period

DKK MILLION

|   | Note | 30.06.2013     | 31.12.2012     |
|---|------|----------------|----------------|
| <b>ASSETS</b>   |      |                |                |
| Cash balance and demand deposits with central banks     |      | 0              | 0              |
| Receivables from credit institutions and central banks  | 8    | 14,559         | 20,942         |
| Loans, advances and other receivables at fair value     | 9    | 531,340        | 523,069        |
| Loans, advances and other receivables at amortised cost | 9    | 36             | 35             |
| Bonds at fair value                                     | 10   | 50,393         | 85,235         |
| Other property, plant and equipment                     |      | 0              | 0              |
| Deferred tax assets                                     |      | 2              | 1              |
| Assets in temporary possession                          | 11   | 35             | 44             |
| Other assets  | 12   | 3,336          | 3,064          |
| Prepayments   |      | 13             | 7              |
| <b>Total assets</b>                                     |      | <b>599,714</b> | <b>632,397</b> |
| <b>LIABILITIES AND EQUITY</b>                           |      |                |                |
| Payables to credit institutions                         | 13   | 521,723        | 547,012        |
| Issued bonds at fair value                              | 14   | 52,371         | 58,516         |
| Current tax liabilities                                 |      | 48             | 0              |
| Other liabilities                                       | 15   | 7,154          | 8,672          |
| <b>Total payables</b>                                   |      | <b>581,296</b> | <b>614,200</b> |
| Provisions  |      | 7              | 7              |
| Subordinated debt – supplementary capital               | 16   | 3,100          | 3,100          |
| <b>Equity</b>   |      |                |                |
| Share capital   |      | 848            | 848            |
| <b>Reserves</b>   |      |                |                |
| Series reserves   |      | 1,646          | 1,646          |
| Other reserves  |      | 12,596         | 12,596         |
| Retained earnings for the period                        |      | 222            | -              |
| <b>Total equity</b>                                     |      | <b>15,311</b>  | <b>15,090</b>  |
| <b>Total liabilities and equity</b>                     |      | <b>599,714</b> | <b>632,397</b> |
| <b>OFF-BALANCE SHEET ITEMS</b>                          |      |                |                |
| Guarantees  | 17   | 0              | 0              |
| Other commitments                                       |      | 10             | 11             |
| <b>Total</b>  |      | <b>10</b>      | <b>11</b>      |





## Statement of changes in equity

DKK MILLION

|  | <b>Share<br/>capital</b> | <b>Series<br/>reserves</b> | <b>Other<br/>reserves</b> | <b>Total</b>  |
|--|--------------------------|----------------------------|---------------------------|---------------|
| <b>Equity, 1 January 2013</b>                    | <b>848</b>               | <b>1,646</b>               | <b>12,596</b>             | <b>15,090</b> |
| Profit for the period                            |                          |                            | 222                       | 222           |
| <b>Total comprehensive income for the period</b> |                          |                            | <b>222</b>                | <b>222</b>    |
| <b>Equity, 30 June 2013</b>                      | <b>848</b>               | <b>1,646</b>               | <b>12,818</b>             | <b>15,311</b> |
| <b>Equity, 1 January 2012</b>                    | <b>799</b>               | <b>1,646</b>               | <b>11,373</b>             | <b>13,818</b> |
| Profit for the period                            |                          |                            | 258                       | 258           |
| <b>Total comprehensive income for the period</b> |                          |                            | <b>258</b>                | <b>258</b>    |
| <b>Capital contribution on new share issue</b>   | <b>49</b>                |                            | <b>701</b>                | <b>750</b>    |
| <b>Equity, 30 June 2012</b>                      | <b>848</b>               | <b>1,646</b>               | <b>12,332</b>             | <b>14,826</b> |

The share capital consists of 8,480,442 shares of DKK 100. There is only one share class. Nykredit Realkredit A/S owns the total share capital.

Series reserves consist of an undistributable reserve fund established pursuant to section 220 of the Danish Financial Business Act in connection with Totalkredit's conversion into a public limited company in 2000. Capital is used to cover regulatory capital requirements and is otherwise only used to cover losses not covered by amounts that may be used as dividend in the public limited company.



# Cash flow statement

DKK MILLION

|  | 30.06.2013      | 30.06.2012      |
|--|-----------------|-----------------|
| <b>Profit after tax for the period</b>   | <b>222</b>      | <b>258</b>      |
| <b>Adjustment for non-cash operating items, depreciation and impairment losses</b> |                 |                 |
| Depreciation and impairment losses for property, plant and equipment               | 0               | 0               |
| Impairment losses on loans and advances  | 245             | 331             |
| Prepayments/deferred income, net   | (7)             | (2)             |
| Tax calculated on profit for the period  | 74              | 86              |
| Other adjustments  | 9               | 64              |
| <b>Total</b>   | <b>321</b>      | <b>479</b>      |
| <b>Profit for the period adjusted for non-cash operating items</b>                 | <b>543</b>      | <b>737</b>      |
| <b>Change in working capital</b>   |                 |                 |
| Loans and advances   | (8,516)         | (23,104)        |
| Deposits and payables to credit institutions                                       | (25,289)        | 1,643           |
| Issued covered bonds   | (6,145)         | (10,960)        |
| Other working capital  | (1,791)         | (964)           |
| <b>Total</b>   | <b>(41,741)</b> | <b>(33,385)</b> |
| <b>Corporation tax paid, net</b>   | <b>(26)</b>     | <b>-</b>        |
| <b>Cash flows from operating activities</b>  | <b>(41,224)</b> | <b>(32,648)</b> |
| <b>Cash flows from investing and financing activities</b>                          |                 |                 |
| Investments  | 34,841          | 40,622          |
| Capital increase through share issue   | -               | 750             |
| <b>Total</b>   | <b>34,841</b>   | <b>41,372</b>   |
| <b>Total cash flows</b>  | <b>(6,383)</b>  | <b>8,724</b>    |
| <b>Cash and cash equivalents, beginning of period</b>                              | <b>20,942</b>   | <b>14,565</b>   |
| <b>Cash and cash equivalents, end of period</b>                                    | <b>14,559</b>   | <b>23,288</b>   |



# Notes

DKK MILLION

|  | H1/2013      | H1/2012      |
|--|--------------|--------------|
| <b>1. INTEREST INCOME</b>  |              |              |
| Receivables from credit institutions   | 15           | 43           |
| Loans, advances and other receivables  | 6,313        | 7,464        |
| Administration margin (income)   | 1,528        | 1,280        |
| Bonds:   |              |              |
| - Self-issued covered bonds  | 4            | 2            |
| - Other covered bonds  | 346          | 441          |
| Derivative financial instruments:  |              |              |
| - Interest rate contracts  | 9            | 10           |
| <b>Total</b>   | <b>8,215</b> | <b>9,240</b> |
| Interest from self-issued covered bonds has been offset against interest expenses – note 2 | (4)          | (2)          |
| <b>Total</b>   | <b>8,211</b> | <b>9,238</b> |
| <b>2. INTEREST EXPENSES</b>  |              |              |
| Mortgage loan funding through Nykredit Realkredit A/S                                      | 5,662        | 6,403        |
| Issued bonds   | 638          | 1,059        |
| Other payables to Nykredit Realkredit A/S  | 323          | 253          |
| Subordinated debt  | 25           | 37           |
| Other interest expenses  | 0            | 0            |
| <b>Total</b>   | <b>6,648</b> | <b>7,752</b> |
| Set-off of interest from self-issued covered bonds – note 1                                | 4            | 2            |
| <b>Total</b>   | <b>6,644</b> | <b>7,750</b> |
| <b>3. FEE AND COMMISSION INCOME</b>  |              |              |
| Loan fees, new lending   | 114          | 242          |
| Commission and other fees  | 64           | 128          |
| <b>Total</b>   | <b>178</b>   | <b>370</b>   |
| <b>4. FEE AND COMMISSION EXPENSES</b>  |              |              |
| Loan arrangement fees  | 92           | 191          |
| Commission to loan arrangers   | 781          | 643          |
| Commission and other fees  | 73           | 114          |
| <b>Total</b>   | <b>946</b>   | <b>948</b>   |



## Notes

DKK MILLION

|  | H1/2013     | H1/2012     |
|--|-------------|-------------|
| <b>5. VALUE ADJUSTMENTS</b>  |             |             |
| Mortgage loans   | (3,715)     | 728         |
| Bonds  | (167)       | 81          |
| Foreign exchange, interest rate and other contracts as well as derivative financial instruments  | 132         | 7           |
| Remaining liabilities  | (23)        | (128)       |
| Issued bonds, including bonds issued by Nykredit Realkredit A/S in connection with the funding of mortgage loans granted by Totalkredit A/S  | 3,715       | (728)       |
| <b>Total</b>   | <b>(58)</b> | <b>(40)</b> |
| <b>6. STAFF AND ADMINISTRATIVE EXPENSES</b>  |             |             |
| Remuneration of Board of Directors and Executive Board   | 3           | 3           |
| Staff expenses   | 40          | 36          |
| Administrative expenses  | 157         | 157         |
| <b>Total</b>   | <b>200</b>  | <b>196</b>  |
| <b>Remuneration of Board of Directors and Executive Board</b>  |             |             |
| <b>Board of Directors:</b>   |             |             |
| Remuneration   | 0           | 0           |
| <b>Executive Board:</b>  |             |             |
| Salaries   | 2           | 2           |
| Pensions   | 0           | 0           |
| Other social security expenses and charges   | 0           | 0           |
| <b>Total</b>   | <b>2</b>    | <b>2</b>    |
| The terms and conditions governing pensions and retirement in relation to the Executive Board have not changed since the Annual Report 2012. |             |             |
| <b>Staff expenses:</b>   |             |             |
| Salaries   | 32          | 30          |
| Pensions   | 3           | 3           |
| Other social security expenses and charges   | 5           | 3           |
| <b>Total</b>   | <b>40</b>   | <b>36</b>   |
| <b>Number of staff</b>   |             |             |
| Average number of full-time staff  | 129         | 118         |



# Notes

DKK MILLION

|  | H1/2013    | H1/2012    |
|--|------------|------------|
| <b>7. IMPAIRMENT LOSSES ON LOANS, ADVANCES AND RECEIVABLES</b>     |            |            |
| Change in individual impairment provisions for loans and advances  | 187        | 223        |
| Change in collective impairment provisions for loans and advances  | 80         | 131        |
| Losses recognised for the period, net                              | 117        | 81         |
| Received on claims previously written off as impairment losses     | (2)        | (2)        |
| <b>Total impairment losses on loans, advances and receivables</b>  | <b>382</b> | <b>433</b> |
| Value adjustment of assets in temporary possession                 | 5          | 22         |
| Losses covered by security from partner banks                      | (142)      | (124)      |
| <b>Total</b>   | <b>245</b> | <b>331</b> |
| <b>Specification of provisions for loan impairment</b>             |            |            |
| Individual impairment provisions                                   | 445        | 424        |
| Collective impairment provisions                                   | 526        | 442        |
| <b>Total impairment provisions</b>                                 | <b>971</b> | <b>866</b> |
| <b>Individual impairment provisions</b>                            |            |            |
| Impairment provisions, beginning of period                         | 458        | 393        |
| Impairment provisions for the period                               | 295        | 287        |
| Impairment provisions reversed                                     | (108)      | (64)       |
| Value adjustment of repossessed properties                         | (30)       | (39)       |
| Impairment provisions recognised as lost                           | (169)      | (153)      |
| <b>Impairment provisions, end of period</b>                        | <b>445</b> | <b>424</b> |
| <b>Collective impairment provisions</b>                            |            |            |
| Impairment provisions, beginning of period                         | 446        | 311        |
| Net impairment provisions for the period                           | 80         | 131        |
| <b>Impairment provisions, end of period</b>                        | <b>526</b> | <b>442</b> |
| <b>Individual impairment provisions for repossessed properties</b> |            |            |
| Impairment provisions, beginning of period                         | 128        | 96         |
| Transferred from non-repossessed properties                        | 30         | 39         |
| Impairment provisions for the period                               | 34         | 34         |
| Impairment provisions reversed                                     | (29)       | (12)       |
| Impairment provisions recognised as lost                           | (22)       | (31)       |
| <b>Impairment provisions, end of period</b>                        | <b>141</b> | <b>126</b> |



## Notes

DKK MILLION

|  | H1/2013       | H1/2012       |
|--|---------------|---------------|
| <b>7. IMPAIRMENT LOSSES ON LOANS, ADVANCES AND RECEIVABLES (continued)</b> |               |               |
| <b>Specification of loans and advances</b>                                 |               |               |
| Loans and advances subject to individual impairment                        | 2,191         | 2,178         |
| Impairment provisions  | (445)         | (424)         |
| <b>Loans and advances after impairment provisions</b>                      | <b>1,745</b>  | <b>1,754</b>  |
| Loans and advances subject to collective impairment                        | 25,990        | 30,233        |
| Impairment provisions  | (526)         | (442)         |
| <b>Loans and advances after impairment provisions</b>                      | <b>25,464</b> | <b>29,791</b> |
|  |               |               |
|  | 30.06.2013    | 31.12.2012    |
| <b>8. RECEIVABLES FROM CREDIT INSTITUTIONS AND CENTRAL BANKS</b>           |               |               |
| Receivables from credit institutions                                       | 14,559        | 20,942        |



# Notes

DKK MILLION

|  | 30.06.2013     | 31.12.2012     |
|--|----------------|----------------|
| <b>9. LOANS AND ADVANCES</b>   |                |                |
| Loans, advances and other receivables at fair value  | 531,340        | 523,069        |
| Loans, advances and other receivables at amortised cost                                      | 36             | 35             |
| <b>Total</b>   | <b>531,376</b> | <b>523,104</b> |
| <b>Loans, advances and other receivables at fair value</b>                                   |                |                |
| Mortgage loans   | 531,154        | 522,949        |
| Receivables from loans secured on non-repossessed properties                                 | 186            | 120            |
| <b>Total</b>   | <b>531,340</b> | <b>523,069</b> |
| <b>Mortgage loans</b>  |                |                |
| Balance, beginning of period, nominal value  | 509,915        | 473,566        |
| New loans  | 36,729         | 130,686        |
| Ordinary principal payments  | (3,484)        | (4,692)        |
| Prepayments and extraordinary principal payments   | (21,067)       | (89,645)       |
| <b>Balance, end of period, nominal value</b>   | <b>522,093</b> | <b>509,915</b> |
| Loans transferred relating to properties in temporary possession                             | (19)           | (39)           |
| Fair value adjustment  | 9,931          | 13,860         |
| <b>Adjustment for credit risk</b>  |                |                |
| Individual impairment provisions   | (325)          | (341)          |
| Collective impairment provisions   | (526)          | (446)          |
| <b>Balance, end of period, fair value</b>  | <b>531,154</b> | <b>522,949</b> |
| <b>Receivables from loans secured on non-repossessed properties</b>                          |                |                |
| Arrears before impairment provisions   | 110            | 115            |
| Outlays before impairment provisions   | 196            | 122            |
| Provisions for arrears and outlays   | (120)          | (117)          |
| <b>Total</b>   | <b>186</b>     | <b>120</b>     |
| <b>Loans, advances and other receivables at amortised cost</b>                               |                |                |
| Mortgage loans   | 31             | 31             |
| Other loans  | 5              | 4              |
| <b>Total</b>   | <b>35</b>      | <b>35</b>      |
| Measured at fair value, the item amounted to DKK 35m at end-H1/2013 and DKK 35m at end-2012. |                |                |
| <b>Mortgage loan guarantees provided by banks:</b>   |                |                |
| Supplementary guarantees in addition to mortgages over real estate                           | 7,986          | 7,987          |
| Statutory guarantees for interim loans   | 9,670          | 10,050         |
| Guarantees for loans disbursed before obtaining a registered mortgage                        | 12,496         | 18,457         |
| <b>Total</b>   | <b>30,152</b>  | <b>36,494</b>  |



# Notes

DKK MILLION

|   | 30.06.2013     | 31.12.2012     |
|---|----------------|----------------|
| <b>10. BONDS AT FAIR VALUE</b>  |                |                |
| - Self-issued covered bonds   | 897            | 159            |
| - Other covered bonds   | 50,393         | 85,235         |
| <b>Total</b>  | <b>51,290</b>  | <b>85,394</b>  |
| Set-off against "Issued bonds at fair value" – note 14  | (897)          | (159)          |
| <b>Total bonds</b>  | <b>50,393</b>  | <b>85,235</b>  |
| <b>Of which:</b>  |                |                |
| Redeemed bonds  | 163            | 150            |
| Bonds stemming from the placement of cash amounts in connection with immediate pre-payments at par as well as proceeds from the hedging of fixed-price agreements | -              | 13,654         |
| Bonds pre-issued for the refinancing of adjustable-rate mortgages (ARMs)  | -              | 25,302         |
| <b>11. ASSETS IN TEMPORARY POSSESSION</b>   |                |                |
| Debt outstanding, end of period   | 12             | 8              |
| Outlays   | 83             | 99             |
| Impairment provisions, end of period  | (60)           | (63)           |
| <b>Total</b>  | <b>35</b>      | <b>44</b>      |
| <b>12. OTHER ASSETS</b>   |                |                |
| Positive market value of derivative financial instruments   | 126            | 1              |
| Interest and commission receivable on loans and advances  | 2,808          | 1,764          |
| Interest receivable from bonds and credit institutions  | 359            | 1,245          |
| Remaining assets  | 43             | 54             |
| <b>Total</b>  | <b>3,336</b>   | <b>3,064</b>   |
| <b>13. PAYABLES TO CREDIT INSTITUTIONS</b>  |                |                |
| Payables to credit institutions, other payables   | 29             | 19             |
| Payables to Nykredit Realkredit A/S concerning supplementary collateral for SDO-funded mortgage lending   | 31,914         | 26,305         |
| Mortgage loan funding through Nykredit Realkredit A/S   | 489,780        | 520,688        |
| <b>Total</b>  | <b>521,723</b> | <b>547,012</b> |
| <b>Of which mortgage loan funding through Nykredit Realkredit A/S</b>   |                |                |
| Balance, beginning of period, nominal value   | 509,138        | 455,100        |
| Additions   | 86,932         | 272,897        |
| Redemptions and prepayments   | (111,690)      | (204,700)      |
| Prepayments and extraordinary principal payments  | (2,458)        | (14,159)       |
| <b>Balance, end of period, nominal value</b>  | <b>481,922</b> | <b>509,138</b> |
| Fair value adjustment   | 7,858          | 11,550         |
| <b>Total</b>  | <b>489,780</b> | <b>520,688</b> |



# Notes

DKK MILLION

|   | 30.06.2013    | 31.12.2012    |
|---|---------------|---------------|
| <b>14. ISSUED BONDS AT FAIR VALUE</b>   |               |               |
| Covered bonds issued against mortgages on real estate   |               |               |
| Balance, beginning of period, nominal value   | 56,366        | 77,128        |
| Redemptions and prepayments   | (4,077)       | (14,052)      |
| Prepayments and extraordinary principal payments  | (1,094)       | (6,710)       |
| <b>Balance, end of period</b>   | <b>51,195</b> | <b>56,366</b> |
| Set-off of self-issued bonds  | (897)         | (159)         |
| Fair value adjustment   | 2,073         | 2,309         |
| <b>Total</b>  | <b>52,371</b> | <b>58,516</b> |
| Bonds redemption at the next creditor payment date  | 1,684         | 2,269         |
| <b>15. OTHER LIABILITIES</b>  |               |               |
| Interest payable on issued covered bonds, including bonds issued by Nykredit Realkredit A/S for the funding of mortgage lending by Totalkredit A/S  | 4,691         | 6,460         |
| Negative market value of derivative financial instruments   | 56            | 5             |
| Remaining liabilities   | 2,407         | 2,207         |
| <b>Total</b>  | <b>7,154</b>  | <b>8,672</b>  |
| <b>16. SUBORDINATED DEBT</b>  |               |               |
| Subordinated debt consists of financial liabilities in the form of subordinate loan capital which, in case of voluntary or compulsory liquidation, will not be repaid until the claims of ordinary creditors have been met. Nykredit Realkredit A/S is creditor on the loans. Subordinated debt is included in the capital base in accordance with the Executive Order on capital base determination. |               |               |
| Nom DKK 2,600m. The loan falls due at par (100) on 24 June 2018 and carries an interest rate of 0.45% pa above 3M Cibur.  |               |               |
| Nom DKK 500m. The loan falls due at par (100) on 1 December 2018 and carries an interest rate of 6.00% pa above 3M Cibur.   |               |               |
| Measured at fair value, the two loans total DKK 3.100m.   |               |               |
| <b>17. OFF-BALANCE SHEET ITEMS</b>  |               |               |
| <b>Guarantees</b>   | 0             | 0             |
| Financial guarantees  | 0             | 0             |
| Total guarantees  |               |               |
| <b>Other commitments</b>  | 10            | 11            |
| Other   | 10            | 11            |
| Total other commitments   | <b>10</b>     | <b>11</b>     |
| <b>Total off-balance sheet items</b>  | <b>0</b>      | <b>0</b>      |



## Notes

### **18. RELATED PARTY TRANSACTIONS AND BALANCES**

The Parent Company Nykredit Realkredit A/S, Copenhagen, group enterprises and associates of Nykredit Realkredit A/S as well as Totalkredit A/S's Board of Directors, Executive Board and related parties thereof are regarded as related parties.

Transactions with Nykredit are based on agreements, and no unusual transactions have been made with related parties in 2013.

Agreements include intra-group funding, loan capital and supplementary collateral, referral commission, IT support and development, payroll and staff administration, asset and risk management, and other administrative tasks. Intercompany trade and services took place on an arm's length basis or on a cost reimbursement basis.

Transactions with Totalkredit's Board of Directors, its Executive Board and related parties thereof exclusively include mortgage loans granted on the terms stated on Totalkredit's price list.

Significant related party transactions prevailing/entered into in 2013 include:

#### **Agreements between Totalkredit A/S and Nykredit Realkredit A/S**

Agreement on the distribution of mortgage loans to personal customers via Totalkredit A/S (this agreement was concluded on the same terms as apply to other partners, including commission payments).

Master agreements on the terms applicable to transactions in the securities area, including portfolio management.

Agreement on joint funding of mortgage loans.

#### **Agreements between Totalkredit A/S and Nykredit Mægler A/S**

Agreement on commission payable in connection with referral of lending business.

#### **Agreements between Totalkredit A/S and Nykredit Bank A/S**

Agreement on commission payable in connection with referral of lending business.



# Capital base and capital adequacy

DKK MILLION

|  | 30.06.2013    | 31.12.2012    |
|--|---------------|---------------|
| <b>Capital base</b>  |               |               |
| Tier 1 capital   |               |               |
| - Equity, end of period  | 15,311        | 15,090        |
| - Capitalised tax assets   | (2)           | (2)           |
| - Difference between expected losses and impairment losses   | (84)          | (35)          |
| <b>Tier 1 capital after statutory deductions</b>   | <b>15,225</b> | <b>15,052</b> |
| <b>Total supplementary capital</b>   | <b>3,100</b>  | <b>3,100</b>  |
| - Difference between expected losses and impairment losses   | (84)          | (35)          |
| <b>Total capital base after statutory deductions</b>   | <b>18,241</b> | <b>18,117</b> |
| <b>Capital requirements</b>  |               |               |
| Credit risk  | 5,866         | 5,844         |
| Market risk  | 551           | 420           |
| Operational risk   | 246           | 265           |
| Total capital requirement <sup>1</sup>   | <b>6,663</b>  | <b>6,529</b>  |
| <b>Total risk-weighted assets</b>  | <b>83,288</b> | <b>81,614</b> |
| <b>Financial ratios</b>  |               |               |
| Tier 1 capital ratio, %  | 18.3          | 18.4          |
| Total capital ratio, %   | 21.9          | 22.2          |
| <sup>1</sup> The capital requirement has been determined in accordance with the transitional provisions of the Danish Executive Order on Capital Adequacy. The capital requirement must constitute at least 80% of the capital requirement determined under Basel I. At end-H1/2013 the capital requirement under the transitional rules came to DKK 17.2bn. |               |               |
| <b>Required capital base and internal capital adequacy requirement</b>   |               |               |
| <b>Pillar I – primary risk</b>   |               |               |
| Credit risk  | 6,538         | 6,533         |
| Market risk  | 341           | 378           |
| Operational risk   | 183           | 214           |
| <b>Total Pillar I</b>  | <b>7,062</b>  | <b>7,125</b>  |
| <b>Pillar II – other risk</b>  |               |               |
| Weaker economic climate  | 807           | 738           |
| Other  | 787           | 786           |
| <b>Total Pillar II</b>   | <b>1,594</b>  | <b>1,524</b>  |
| <b>Total required capital base</b>   | <b>8,656</b>  | <b>8,649</b>  |
| Total risk-weighted items  | 83,288        | 81,614        |
| <b>Internal capital adequacy requirement (ICAAP), %</b>  | <b>10.4</b>   | <b>10.6</b>   |



# Five-year financial highlights

DKK MILLION

|  | H1/2013        | H1/2012        | H1/2011        | H1/2010        | H1/2009        |
|--|----------------|----------------|----------------|----------------|----------------|
| <b>INCOME STATEMENT</b>  |                |                |                |                |                |
| Net interest income  | 1,567          | 1,488          | 1,346          | 1,406          | 1,277          |
| Net fee income   | (768)          | (578)          | (553)          | (470)          | (422)          |
| <b>Net interest and fee income</b>                                   | <b>799</b>     | <b>910</b>     | <b>793</b>     | <b>936</b>     | <b>855</b>     |
| Value adjustments  | (58)           | (40)           | (97)           | (18)           | 141            |
| Other operating income   | 0              | 1              | 0              | 1              | 0              |
| Staff and administrative expenses                                    | 201            | 196            | 186            | 223            | 195            |
| Depreciation and impairment losses for property, plant and equipment | 0              | 0              | 0              | 0              | 1              |
| Impairment losses on loans, advances and receivables                 | 245            | 331            | 139            | 56             | 144            |
| <b>Profit before tax</b>   | <b>296</b>     | <b>344</b>     | <b>371</b>     | <b>640</b>     | <b>655</b>     |
| Tax  | 74             | 86             | 93             | 160            | 164            |
| <b>Profit for the period</b>   | <b>222</b>     | <b>258</b>     | <b>278</b>     | <b>480</b>     | <b>491</b>     |
| <b>SUMMARY BALANCE SHEET, END OF PERIOD</b>                          |                |                |                |                |                |
|  | 30.06.2013     | 30.06.2012     | 30.06.2011     | 30.06.2010     | 30.06.2009     |
| <b>ASSETS</b>  |                |                |                |                |                |
| Receivables from credit institutions                                 | 14,559         | 23,288         | 8,871          | 14,201         | 18,301         |
| Mortgage loans   | 531,185        | 503,733        | 459,243        | 450,279        | 411,909        |
| Bonds and equities   | 50,393         | 45,890         | 26,220         | 29,740         | 20,095         |
| Remaining assets   | 3,577          | 4,217          | 4,060          | 3,677          | 2,306          |
| <b>Total assets</b>  | <b>599,714</b> | <b>577,128</b> | <b>498,394</b> | <b>497,897</b> | <b>452,611</b> |
| <b>LIABILITIES AND EQUITY</b>  |                |                |                |                |                |
| Payables to credit institutions                                      | 521,723        | 482,187        | 392,783        | 373,845        | 317,509        |
| Issued bonds   | 52,371         | 67,368         | 80,735         | 99,296         | 111,398        |
| Supplementary capital  | 3,100          | 3,100          | 2,600          | 2,600          | 2,600          |
| Remaining liabilities  | 7,209          | 9,647          | 8,742          | 9,307          | 9,060          |
| Equity   | 15,311         | 14,826         | 13,534         | 12,849         | 12,044         |
| <b>Total liabilities and equity</b>                                  | <b>599,714</b> | <b>577,128</b> | <b>498,394</b> | <b>497,897</b> | <b>452,611</b> |
| <b>FINANCIAL RATIOS</b>  |                |                |                |                |                |
| Profit for the period as % of average equity                         | 1.5            | 1.8            | 2.1            | 3.8            | 4.2            |
| Profit before tax for the period as % of average equity              | 1.9            | 2.4            | 2.8            | 5.1            | 5.6            |
| Loans and advances:equity  | 34.7           | 34.0           | 33.9           | 35.0           | 34.2           |
| Growth in loans and advances for the period, %                       | 2.4            | 4.7            | 1.8            | 4.6            | 5.5            |
| Impairment losses for the period, %                                  | 0.05           | 0.07           | 0.03           | 0.01           | 0.03           |
| Total capital ratio, %   | 21.9           | 19.7           | 22.8           | 25.5           | 22.9           |
| Core Tier 1 capital ratio, %   | 18.3           | 16.4           | 19.3           | 21.3           | 19.0           |
| Average number of full-time staff                                    | 129            | 118            | 121            | 122            | 119            |



## Six-quarter financial highlights

DKK MILLION

|   | Q2/2013        | Q1/2013        | Q4/2012        | Q3/2012        | Q2/2012        | Q1/2012        |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>CORE EARNINGS AND PROFIT FOR THE PERIOD</b>                  |                |                |                |                |                |                |
| <b>Core income from</b>   |                |                |                |                |                |                |
| - business operations   | 406            | 463            | 446            | 469            | 436            | 402            |
| - junior covered bonds  | (78)           | (73)           | (71)           | (71)           | (47)           | (45)           |
| - securities  | 0              | 3              | (3)            | (2)            | 10             | 16             |
| <b>Total</b>  | <b>328</b>     | <b>393</b>     | <b>372</b>     | <b>396</b>     | <b>399</b>     | <b>373</b>     |
| Operating costs, depreciation and amortisation                  | 106            | 95             | 84             | 91             | 94             | 102            |
| <b>Core earnings before impairment losses</b>                   | <b>222</b>     | <b>298</b>     | <b>288</b>     | <b>305</b>     | <b>305</b>     | <b>271</b>     |
| Impairment losses on loans and advances                         | 122            | 123            | 84             | 113            | 179            | 152            |
| <b>Core earnings after impairment losses</b>                    | <b>100</b>     | <b>175</b>     | <b>203</b>     | <b>192</b>     | <b>126</b>     | <b>120</b>     |
| Investment portfolio income                                     | 18             | 3              | (59)           | 16             | 44             | 55             |
| <b>Profit before tax</b>  | <b>118</b>     | <b>178</b>     | <b>145</b>     | <b>208</b>     | <b>169</b>     | <b>175</b>     |
| Tax   | 29             | 45             | 37             | 52             | 42             | 44             |
| <b>Profit for the period</b>                                    | <b>89</b>      | <b>133</b>     | <b>108</b>     | <b>156</b>     | <b>127</b>     | <b>131</b>     |
| <b>SUMMARY BALANCE SHEET, END OF PERIOD</b>                     | 30.06.2013     | 31.03.2013     | 31.12.2012     | 30.09.2012     | 30.06.2012     | 31.03.2012     |
| <b>ASSETS</b>   |                |                |                |                |                |                |
| Receivables from credit institutions                            | 14,559         | 16,718         | 20,942         | 22,460         | 23,288         | 26,000         |
| Mortgage loans  | 531,185        | 528,658        | 522,980        | 512,613        | 503,733        | 486,676        |
| Bonds and equities  | 50,393         | 99,557         | 85,235         | 119,687        | 45,890         | 89,315         |
| Remaining assets  | 3,577          | 3,045          | 3,240          | 4,931          | 4,217          | 3,666          |
| <b>Total assets</b>   | <b>599,714</b> | <b>647,978</b> | <b>632,397</b> | <b>659,691</b> | <b>577,128</b> | <b>605,657</b> |
| <b>LIABILITIES AND EQUITY</b>                                   |                |                |                |                |                |                |
| Payables to credit institutions                                 | 521,723        | 566,943        | 547,012        | 566,757        | 482,187        | 505,019        |
| Issued bonds  | 52,371         | 54,799         | 58,516         | 62,989         | 67,368         | 74,150         |
| Subordinated debt – supplementary capital                       | 3,100          | 3,100          | 3,100          | 3,100          | 3,100          | 3,100          |
| Remaining liabilities   | 7,209          | 7,913          | 8,679          | 11,863         | 9,647          | 9,439          |
| Equity  | 15,311         | 15,223         | 15,090         | 14,982         | 14,826         | 13,949         |
| <b>Total liabilities and equity</b>                             | <b>599,714</b> | <b>647,978</b> | <b>632,397</b> | <b>659,691</b> | <b>577,128</b> | <b>605,657</b> |
| <b>FINANCIAL RATIOS</b>   |                |                |                |                |                |                |
| Profit for the period as % of average equity pa                 | 2.3            | 3.5            | 2.9            | 4.2            | 3.5            | 3.8            |
| Core earnings after impairment losses as % of average equity pa | 2.6            | 4.6            | 5.4            | 5.2            | 3.5            | 3.5            |
| Costs as % of core income                                       | 32.4           | 24.2           | 22.6           | 23.0           | 23.6           | 27.4           |
| Impairment losses for the period, %                             | 0.02           | 0.02           | 0.02           | 0.02           | 0.04           | 0.03           |
| Total capital ratio, %  | 21.9           | 21.1           | 22.2           | 20.7           | 19.7           | 17.9           |
| Core Tier 1 capital ratio, %                                    | 18.3           | 17.6           | 18.4           | 17.3           | 16.4           | 14.8           |