

Nykredit

Nykredit Realkredit A/S

(Incorporated with limited liability in Denmark under business reg (CVR) no 12 71 92 80)

Supplement no 1 to Base Prospectus (programme) for the issuance of CRD-compliant covered bonds, UCITS-compliant covered bonds and bonds issued in pursuance of section 15 of the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act

This supplement no 1 (the "**Supplement**") to the base prospectus dated 15 May 2019 (the "**Base Prospectus**"), which is a supplement for the purposes of Article 23(1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "**Prospectus Regulation**") and the relevant implementation legislation in Denmark, was prepared by Nykredit Realkredit A/S (the "**Issuer**"). Terms defined in the Base Prospectus (but not herein) have the same meaning when applied in the Supplement.

This Supplement is the first supplement to the Base Prospectus, and it is a supplement to and should be read in conjunction with the Base Prospectus.

PURPOSE OF THIS SUPPLEMENT

The purpose of this Supplement is (a) to update 8 "DOCUMENTS INCORPORATED IN THIS BASE PROSPECTUS BY REFERENCE" of the Base Prospectus with the H1 Interim Report of the Nykredit Realkredit Group for the period 1 January – 30 June 2019 and (b) to update 3 "SUMMARY", 6 "TERMS AND CONDITIONS OF THE BONDS" and 10 "ABOUT NYKREDIT REALKREDIT" of the Base Prospectus.

CHANGES TO 3 "SUMMARY"

In 3 "SUMMARY", the existing table and the relating text in element B.12 are deleted and replaced by:

"

DKK million	H1/2019	H1/2018	2018	2017
Income	7,492	6,337	12,023	14,010
Costs	2,492	2,402	4,865	4,977
Business profit before impairment charges	5,001	3,935	7,157	9,033
Impairment charges for loans and advances	433	103	380	379
Business profit	4,568	3,832	6,777	8,653
Legacy derivatives ¹	-269	219	280	1,517
Profit before tax for the period	4,298	4,052	7,057	10,170
Common Equity Tier 1 capital ratio, %	20.5	20.5	21.0	20.6

"

CHANGES TO 6 "TERMS AND CONDITIONS OF THE BONDS"

In 6 "TERMS AND CONDITIONS OF THE BONDS", at the end of 6.5 (a), the following new text is added:

"If the Coupon Interest set out in the Final Bond Terms is lower than zero, the Issuer will have a claim against the Bondholders equal to the absolute value of the Coupon Interest.

The claim in the event of negative Coupon Interest falls due on the Payment Date of the relevant Payment Period."

¹This item includes credit value adjustment of swaps involving an increased risk of loss. These value adjustments are not included in the business profit and comprise all net income from a number of derivatives which Nykredit Realkredit no longer offers its customers.

In 6 "TERMS AND CONDITIONS OF THE BONDS", the existing text in 6.7 (d) is deleted and replaced by:

d) Redemption due to negative Coupon Interest

"If in a Payment Period, the Coupon Interest is below zero and this results in Nykredit Realkredit having a claim against the Bondholders equivalent to the absolute value of the Coupon Interest, cf 6.5 (a) and (b) above,

- 1) Nykredit Realkredit will be entitled, but not obliged, to make redemptions, settled at par (100), corresponding to a value of not more than the absolute value of the negative Coupon Interest, if the redemption price is set at par in the relevant Final Bond Terms. These redemptions do not affect redemptions made in accordance with 6.7.1 (a) and (b). However, as set out in 6.11 (i), Nykredit Realkredit may also collect the negative Coupon Interest by set-off against the amounts derived as set out in 6.7.1 (a) and (b);
- 2) Nykredit Realkredit will make redemptions, settled at Market Price, equivalent to the amount by which the absolute value of the negative Coupon Interest exceeds the amounts derived as set out in 6.7.1 (a) or (b), provided that the redemption price in the relevant Final Bond Terms is set at the Market Price, and the absolute value of the negative Coupon Interest exceeds the amounts derived as set out in 6.7.1 (a) or (b).

Redemption of Bonds in accordance with 6.7.1 (d) will be made concurrently with any redemption of Bonds in accordance with 6.7 (a) or (b). Prior to redemption, the Issuer will determine the total redemption amount inclusive of any redemption amounts resulting from negative Coupon Interest.

The redeemed amounts fall due for payment to the Bondholders on the Payment Date."

CHANGES TO 8 "DOCUMENTS INCORPORATED IN THIS BASE PROSPECTUS BY REFERENCE"

The following text is added at the end of 8 "DOCUMENTS INCORPORATED IN THIS BASE PROSPECTUS BY REFERENCE":

"On 20 August 2019, the Issuer's Board of Directors approved the Issuer's unaudited consolidated H1 Interim Report 2019 (for the period 1 January – 30 June 2019). The Financial Statements are hereby incorporated in the Supplement, and copies thereof have been submitted to the Danish Financial Supervisory Authority.

The documents incorporated in this Supplement are publicly available on the Issuer's website at nykredit.com, and copies may be obtained on request in person at the registered office of the Issuer, Kalvebod Brygge 1-3, DK-1780 Copenhagen V, during ordinary business hours on all business days in Denmark.

For the sake of ease, the table below lists the relevant page references to the unaudited consolidated financial statements of the Issuer as stated in the H1 Interim Report 2019 of the Nykredit Realkredit Group for the period 1 January – 30 June 2019. The information incorporated by reference which is not included in the table below is considered to be supplementary information and is not mandatory pursuant to the relevant tables set out in Regulation (EC) no 809/2004 as amended (the "**Prospectus Regulation**")."

UNAUDITED CONSOLIDATED INTERIM REPORT OF THE ISSUER FOR THE PERIOD 1 JANUARY – 30 JUNE 2019

Nykredit Realkredit A/S – H1 Interim Report 2019

Statements of income and other comprehensive income..... Pages 26-27

Balance sheets	Pages 28-29
Cash flow statement	Page 32
Notes	Pages 33-61

Link to H1 Interim Report 2019:

https://www.nykredit.com/siteassets/ir/files/financial-reporting/financial-reports/nykredit-realkredit/2019/nykredit_realkredit_group_q2_19_2019-08-20_en.pdf

CHANGES TO 10 "ABOUT NYKREDIT REALKREDIT"

In 10 "ABOUT NYKREDIT REALKREDIT", 10.2 "Ownership and legal structure", the table is deleted and replaced by:

"

DKK million	H1/2019	H1/2018	2018	2017
Income	7,492	6,337	12,023	14,010
Costs	2,492	2,402	4,865	4,977
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"

OTHER INFORMATION

In the event of discrepancy between (a) any representation in the Supplement or any representation incorporated by reference in the Base Prospectus by the Supplement, and (b) any other representation in or incorporated by reference in the Base Prospectus, (a) above shall take precedence.

Except as described in the Supplement, no other new material circumstance, material error or incorrectness regarding the information in the Base Prospectus has occurred since the publication of the Base Prospectus.

WITHDRAWAL

Investors who have accepted buying or subscribing for Bonds before the publication of this Supplement are entitled to withdraw their acceptance within a time limit of at least two working days after the publication of this Supplement, ie until 22 August 2019, pursuant to Article 23(2) of the Prospectus Regulation and the relevant implementation legislation in Denmark.

¹This item includes credit value adjustment of swaps involving an increased risk of loss. These value adjustments are not included in the business profit and comprise all net income from a number of derivatives which Nykredit Realkredit no longer offers its customers.

STATEMENT

We declare that we have used our best endeavours to ensure that the information in this Supplement is consistent with the facts to the best of our knowledge and belief, that nothing has been omitted which is likely to affect its contents.

This Supplement (including the above statement) is hereby signed on behalf of Nykredit's Management by special authority from Nykredit's Board of Directors:

Copenhagen, 20 August 2019

David Hellemann
Group Managing Director

Anders Jensen
Group Managing Director