

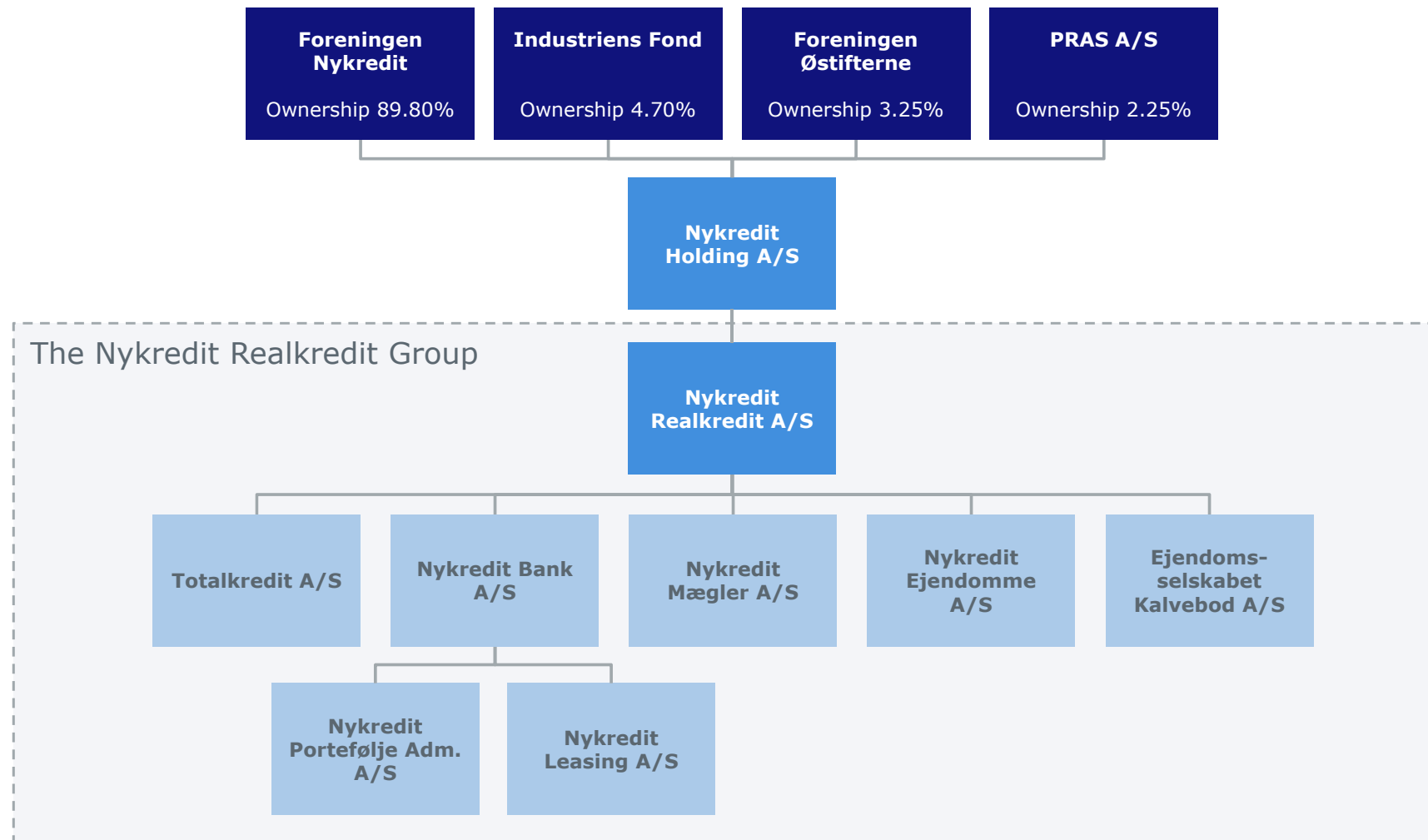
# Fact Book Q1 2014

The Nykredit Realkredit Group

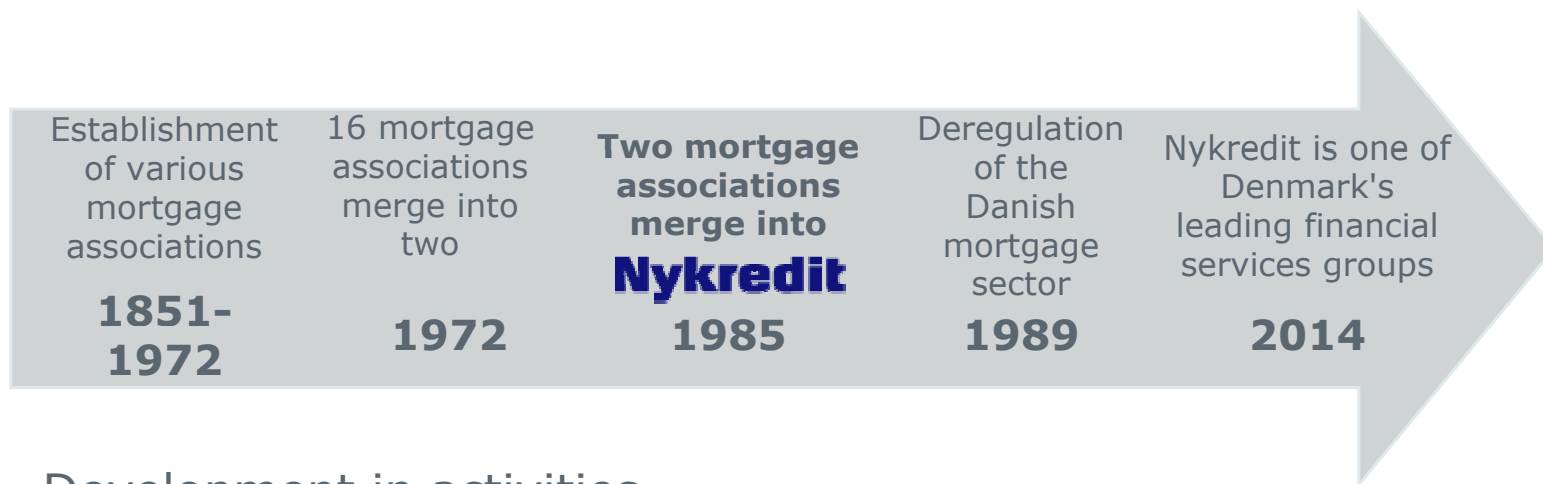
Unaudited

**Nykredit**

# Group chart



# The Nykredit Realkredit Group history



## Development in activities

### **Foreningen Nykredit**

Foreningen Nykredit (the Nykredit Association) owns just below 90% of Nykredit and is thus the largest shareholder.

### **Members**

1. Mortgage customers of Nykredit Realkredit
2. Customers with facilities with Nykredit Bank of at least DKK 50,000
3. Mortgage customers of Totalkredit (optional)

### **Committee of Representatives**

The ultimate authority of Foreningen Nykredit is the Committee of Representatives, which has 100 representatives elected by and among the members (mortgage customers of Nykredit Realkredit) and bondholders.

The Committee of Representatives elects the Board of Directors of Foreningen Nykredit and approves annual reports and amendments to the Articles of Association.

**1989** Set-up of estate agency business

**1994** Set-up of Nykredit Bank

**1998** Set-up of Markets and Asset Management

**1998** Set-up of Nykredit Forsikring

**2000** Merger with Østifterne Forsikring

**2003** Acquisition of Totalkredit

**2008** Acquisition of Forstædernes Bank

**2010** Sale of Nykredit Forsikring

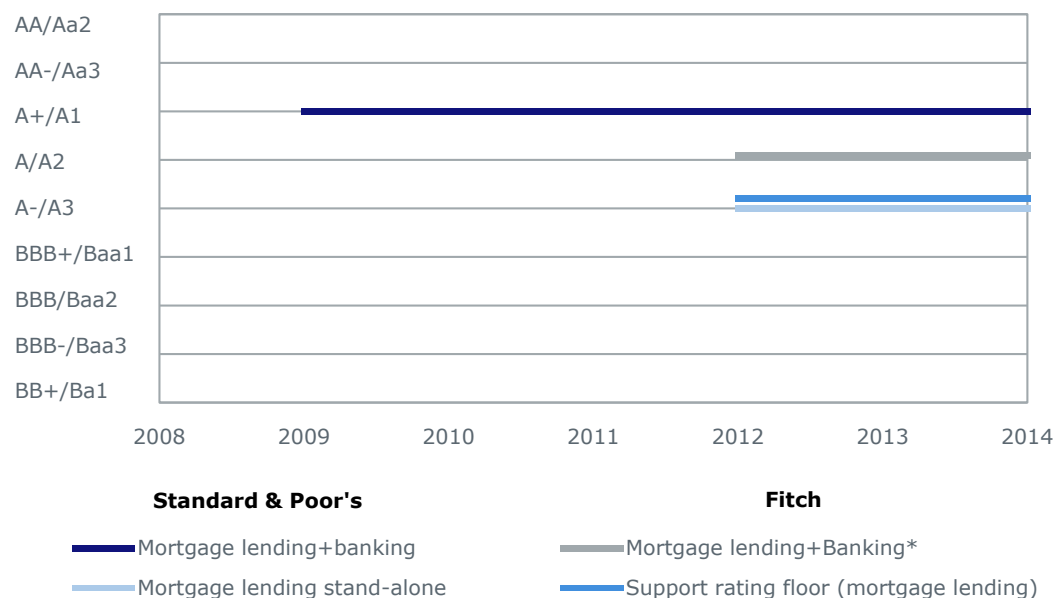
**Nykredit**

# Rating

## Nykredit ratings

Standard & Poor's		Fitch	
Short-term	Long-term	Short-term	Long-term
A-1	A+*	F1	A

\* Negative outlook



## Nykredit Realkredit

	S&P	Fitch
<b>Covered bonds</b>		
Capital Centre H (covered bonds, SDO)	AAA	
Capital Centre E (covered bonds, SDO)	AAA	
Capital Centre G (covered bonds, RO)	AAA	
Capital Centre I (covered bonds, RO)	AAA	
Capital Centre D (covered bonds, RO)	AAA	
Capital Centre C (covered bonds, RO)	AAA	
<b>Senior secured bonds (junior covered bonds)</b>		
Capital Centre D (senior secured bonds, JCB)	A+*	
Capital Centre E (senior secured bonds, JCB)	A+*	
Capital Centre H (senior secured bonds, JCB)	A+*	
<b>Unsecured debt</b>		
Short-term unsecured rating	A-1	F1
Long-term unsecured rating	A+*	A
<b>Capital instruments</b>		
Hybrid capital (Tier 1)	BBB	

\* Negative outlook

## Nykredit Bank A/S

	S&P	Fitch
Short-term deposit rating	A-1	F1
Long-term deposit rating	A+*	A
<b>Euro MTN Programme</b>		
- Short-term senior debt	A-1	F1
- Long-term senior debt	A+*	A
<b>Euro Commercial Paper and Certificate of Deposit Programme</b>		
- Short-term senior debt	A-1	F1

\* Negative outlook

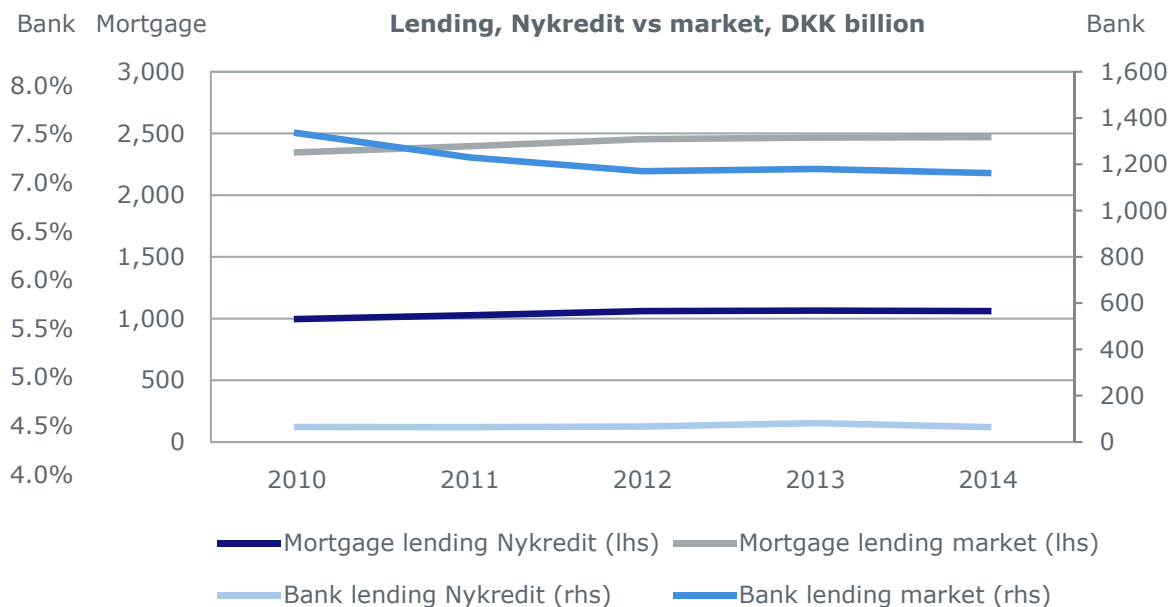
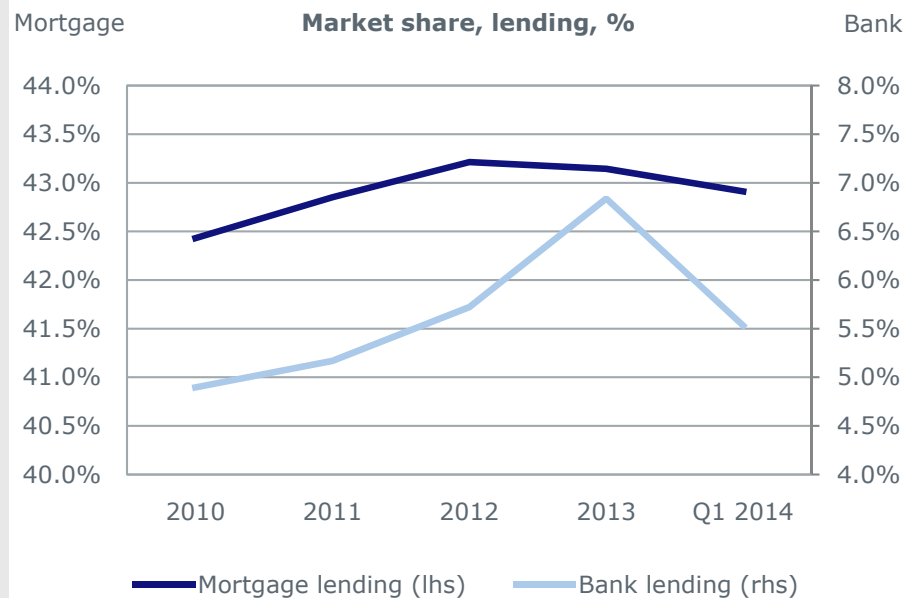
# Market share – lending

## Market share

DKK billion	2010	2011	2012	2013	Q1 2014
Bank lending*	65	64	67	81	64
Mortgage lending	996	1,027	1,060	1,064	1,060
<b>Total</b>	<b>1,061</b>	<b>1,091</b>	<b>1,127</b>	<b>1,145</b>	<b>1,124</b>
<b>Market share</b>					
Bank lending	4.9%	5.2%	5.7%	6.8%	5.5%
Mortgage lending	42.4%	42.9%	43.2%	43.1%	42.9%
<b>Total</b>	<b>28.8%</b>	<b>30.1%</b>	<b>31.1%</b>	<b>31.4%</b>	<b>30.9%</b>

Note: MFI statistics – lending and distribution of market share in Denmark

\* Bank lending includes reverse transactions



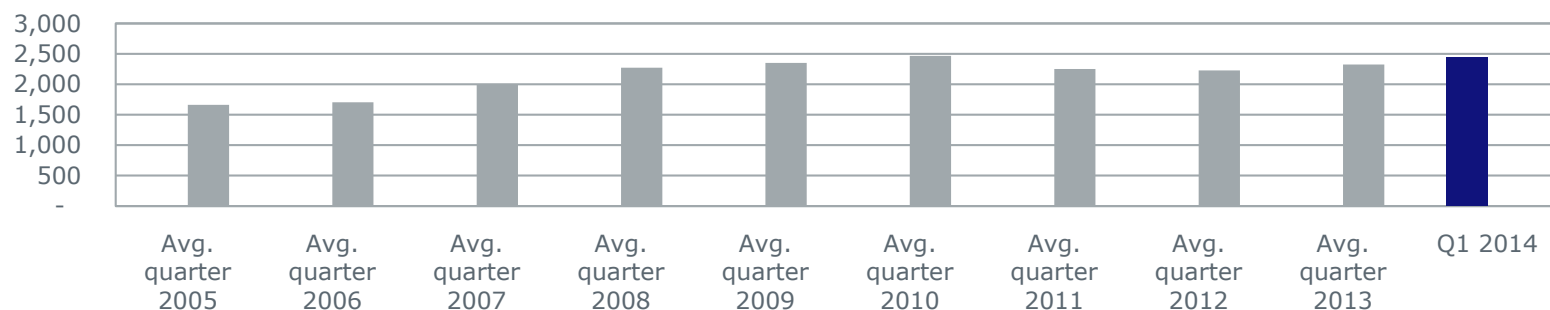
# Core income – the Nykredit Realkredit Group

## The Nykredit Realkredit Group

	Avg. quarter	Avg. quarter	Avg. quarter	Q1	Q2	Q3	Q4	Q1
DKK million	2010	2011	2012	2013	2013	2013	2013	2014
<b>Core earnings from</b>								
Business operations	<b>2,204</b>	<b>2,390</b>	<b>2,550</b>	<b>2,566</b>	<b>2,585</b>	<b>2,520</b>	<b>2,759</b>	<b>2,741</b>
Value adjustment of devertiates and corporate bonds	-12	-158	-267	15	41	-618	-205	-228
Junior covered bonds	30	48	109	105	128	123	129	-110
Securities	118	161	53	35	28	26	29	30
<b>Total core income</b>	<b>2,468</b>	<b>2,253</b>	<b>2,227</b>	<b>2,510</b>	<b>2,527</b>	<b>1,806</b>	<b>2,455</b>	<b>2,433</b>
Operating costs, depreciation and amortisation, excl special value adjustments	-1,375	-1,427	-1,444	-1,397	-1,443	-1,394	-1,525	-1,256
Operating costs, depreciation and amortisation – special value adjustments	-22	-40	51	-33	34	53	-272	-3
Payment to Guarantee Fund for Depositors and Investors/commission, government guarantee scheme	93	25	6	-24	-13	-16	-18	-16
<b>Core earnings before impairment losses</b>	<b>979</b>	<b>761</b>	<b>829</b>	<b>1,056</b>	<b>1,105</b>	<b>449</b>	<b>639</b>	<b>1,158</b>
Impairment losses on loans and advances – mortgage lending	222	257	398	470	294	512	1,139	475
Impairment losses on loans and advances – banking	304	97	139	217	-52	164	20	40
Impairment losses on loans and advances – government guarantee scheme	70	-	-	-	-	-	-	-
<b>Core earnings after impairment losses</b>	<b>383</b>	<b>407</b>	<b>291</b>	<b>370</b>	<b>863</b>	<b>-226</b>	<b>-520</b>	<b>643</b>
Investment portfolio income	515	45	611	669	331	394	493	349
<b>Profit before cost of capital</b>	<b>898</b>	<b>452</b>	<b>902</b>	<b>1,039</b>	<b>1,194</b>	<b>168</b>	<b>-27</b>	<b>992</b>
Net interest on additional Tier 1 capital	115	116	116	115	111	116	117	114
<b>Profit before tax</b>	<b>783</b>	<b>336</b>	<b>786</b>	<b>923</b>	<b>1,083</b>	<b>52</b>	<b>-144</b>	<b>878</b>
Tax	197	56	144	32	284	-48	-29	200
Profit from discontinued insurance operations	378	-	-	-	-	-	-	-
<b>Result for the period</b>	<b>964</b>	<b>281</b>	<b>642</b>	<b>891</b>	<b>798</b>	<b>99</b>	<b>-115</b>	<b>678</b>

Note: Forstædernes Bank was included in the Consolidated Financial Statements as from 17 October 2008. Value adjustment of the portfolio of subordinated debt instruments in Danish banks (Kalvebod issues) has been included from 1 January 2011. Comparative figures have been restated. Largely all the Group's investment activities are marked to market, for which reason group earnings exhibit a certain degree of volatility.

### DKK million, actual core income Q1 2014 and average quarter core income for previous years

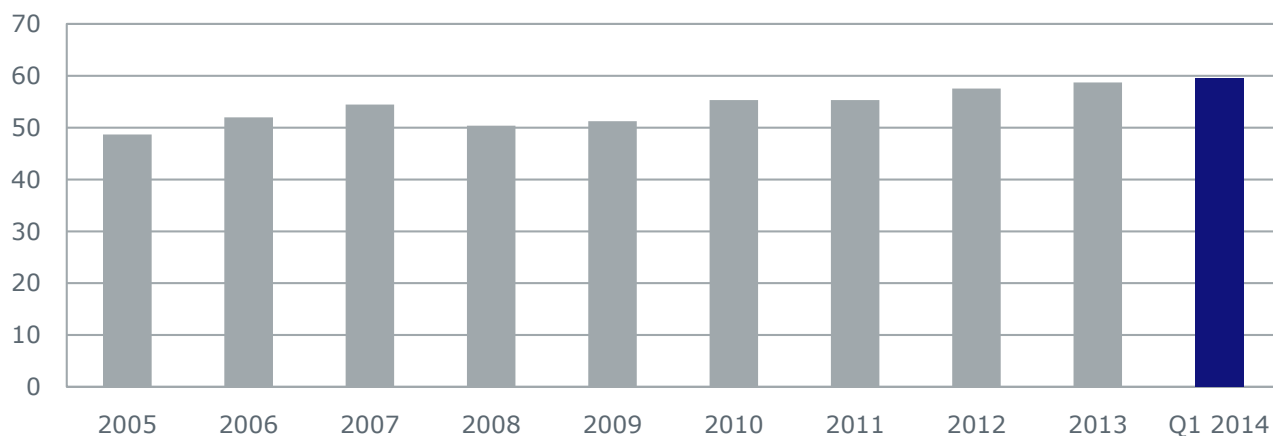


# Balance sheet summary – the Nykredit Realkredit Group

## The Nykredit Realkredit Group

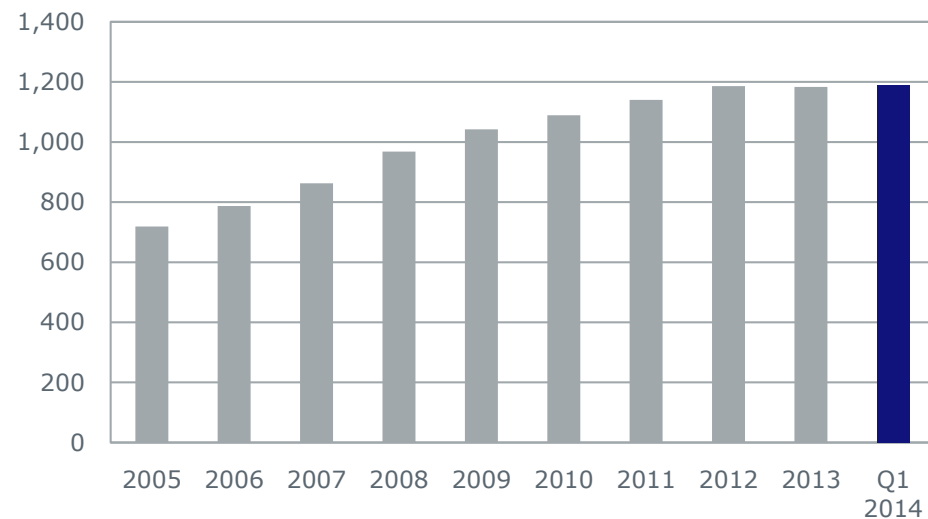
DKK million	2010	2011	2012	2013	Q1 2014
<b>Assets</b>					
Receivables from credit institutions and central banks	58,657	66,258	60,174	35,758	38,690
Mortgage loans at fair value	1,030,478	1,084,317	1,136,445	1,136,644	1,142,380
Bank loans and advances - excl reverse transactions	58,833	55,776	49,727	46,963	48,078
Bonds and equities	99,144	100,794	82,413	92,961	110,300
Remaining assets	64,029	85,760	104,646	105,087	88,302
<b>Total assets</b>	<b>1,311,140</b>	<b>1,392,905</b>	<b>1,433,405</b>	<b>1,417,414</b>	<b>1,427,750</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	95,879	117,626	67,539	44,393	49,174
Deposits	55,467	57,404	54,509	65,172	68,598
Issued bonds at fair value	974,319	1,021,942	1,103,818	1,130,020	1,130,708
Subordinated debt	11,618	11,204	11,281	10,964	10,913
Remaining liabilities	118,537	129,419	138,701	108,148	168,357
Equity	55,320	55,310	57,556	58,716	59,553
<b>Total liabilities and equity</b>	<b>1,311,140</b>	<b>1,392,905</b>	<b>1,433,405</b>	<b>1,417,414</b>	<b>1,427,750</b>

Equity, DKKbn

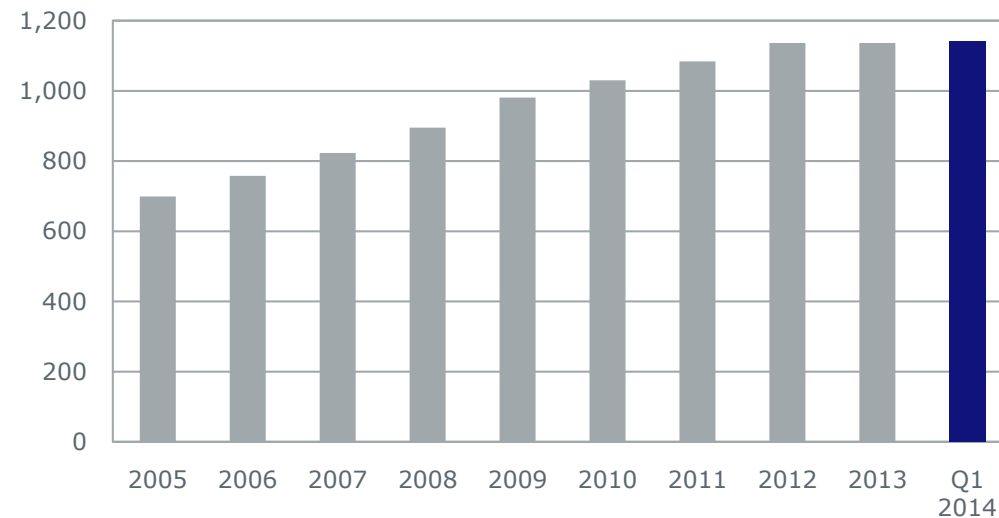


# Balance sheet summary – the Nykredit Realkredit Group

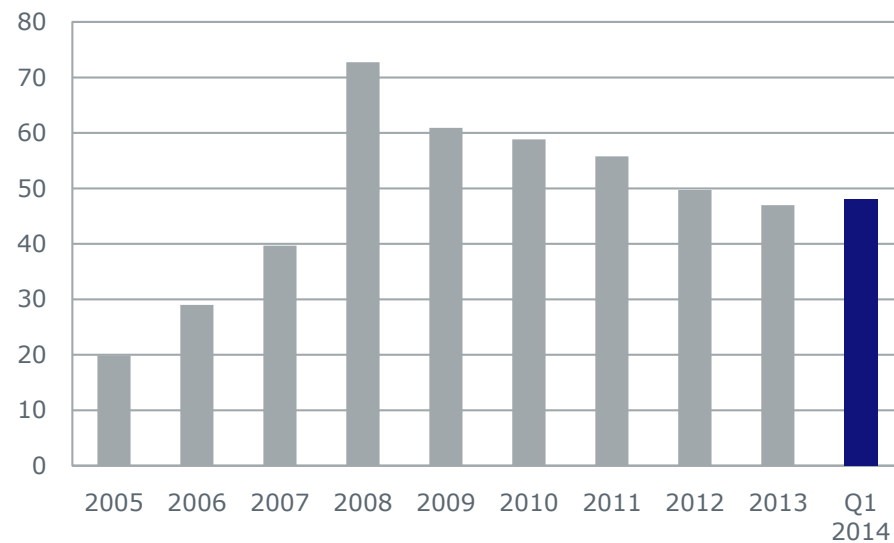
Total lending, DKKbn



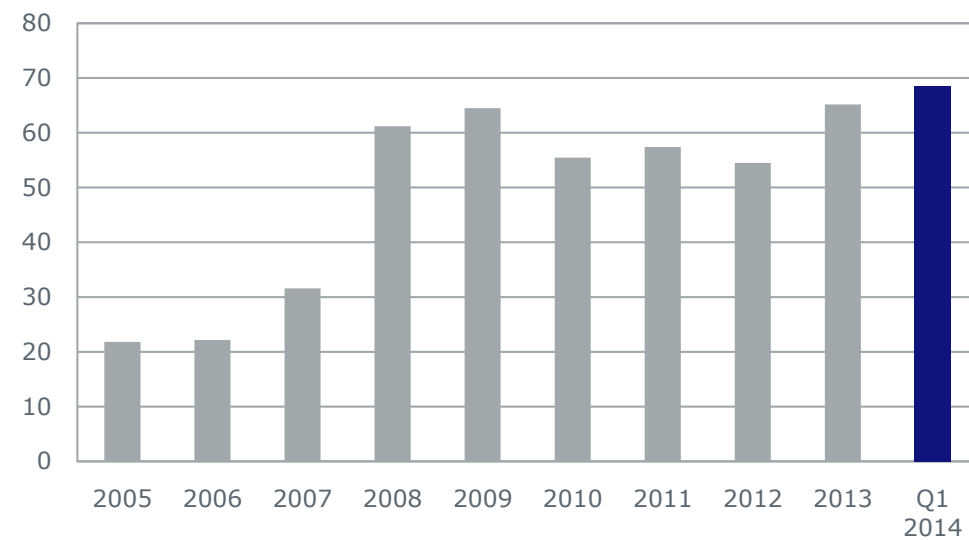
Total mortgage lending, fair value, DKKbn



Total bank lending, DKKbn



Total bank deposits, DKKbn

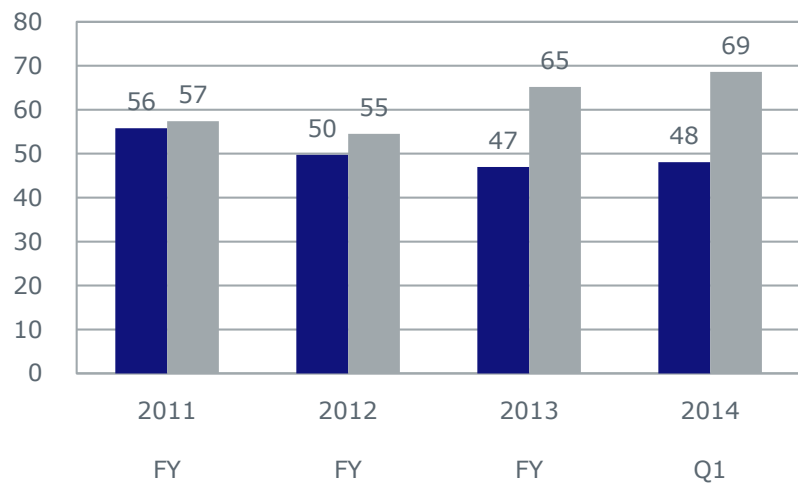


The balance sheet summary is based on fair value



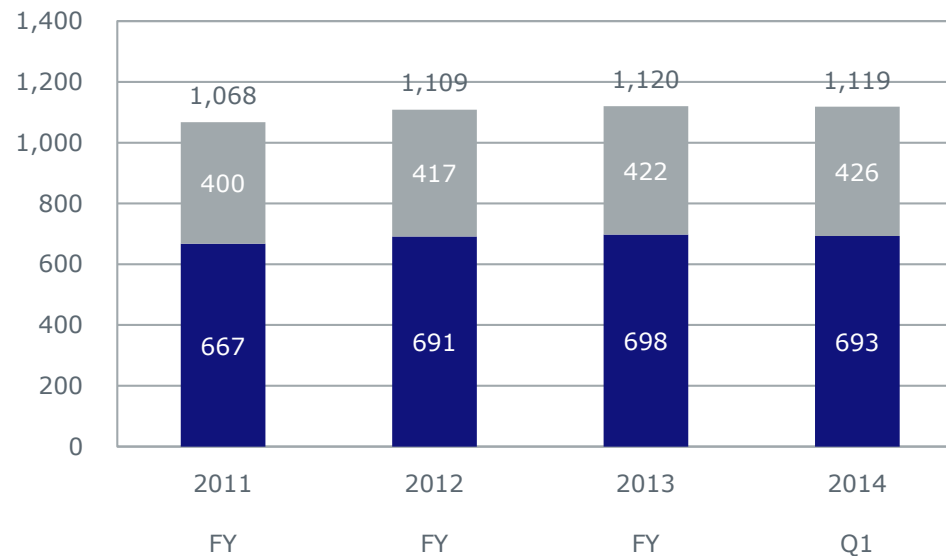
# Lending and deposits

Bank lending/Bank deposits, DKKbn



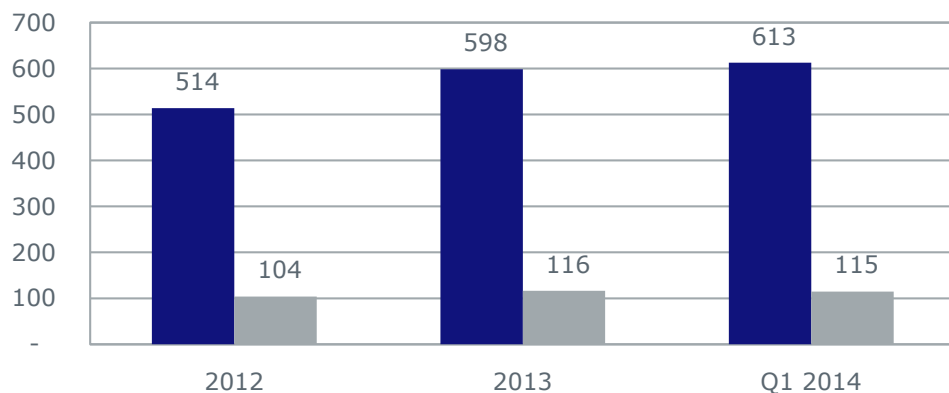
■ Bank Lending ■ Bank deposits

Nominal mortgage lending, DKKbn



■ Private ■ Commercial

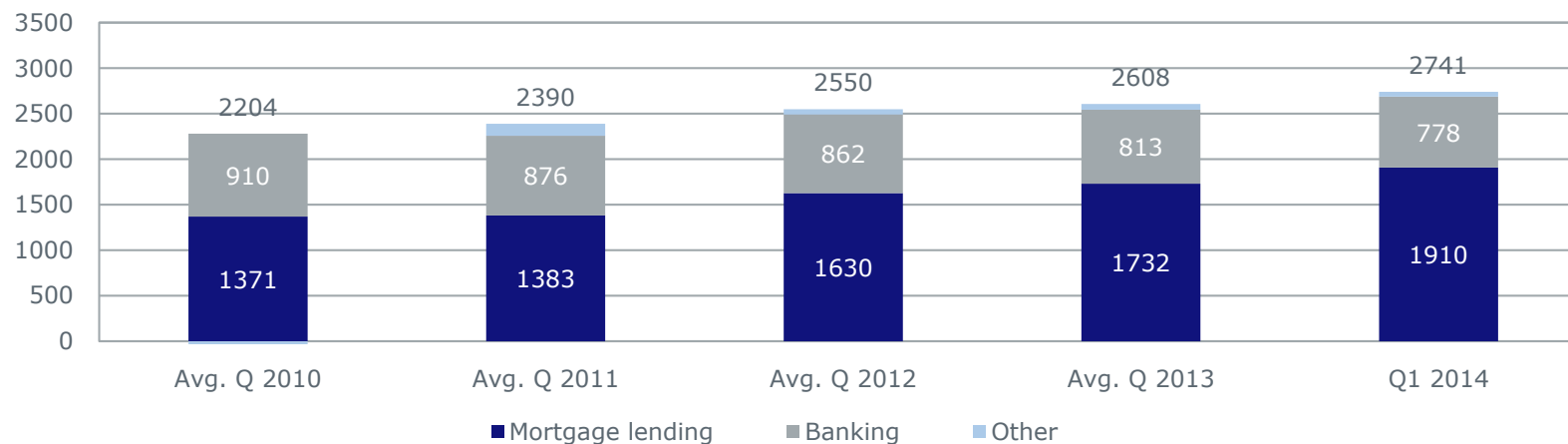
Assets under management/administration, DKKbn



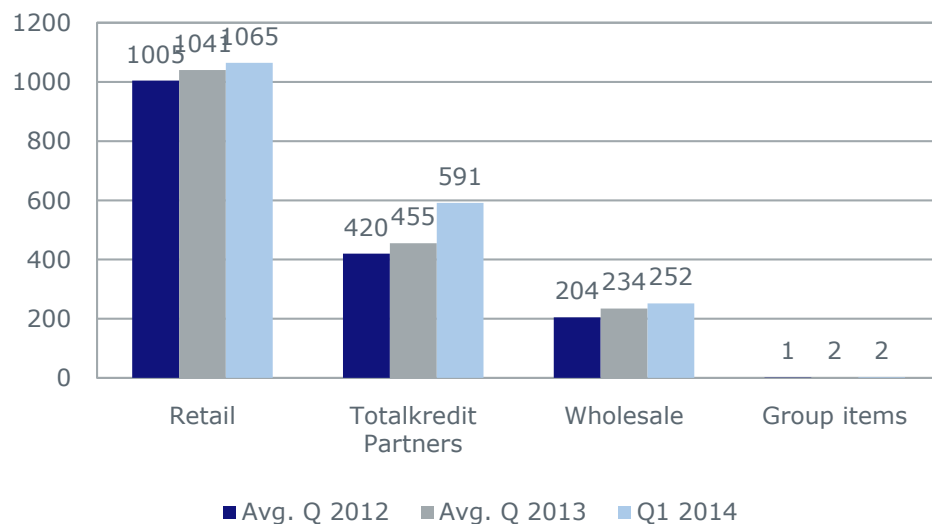
■ Assets under administration ■ Assets under management

# Core earnings – the Nykredit Realkredit Group

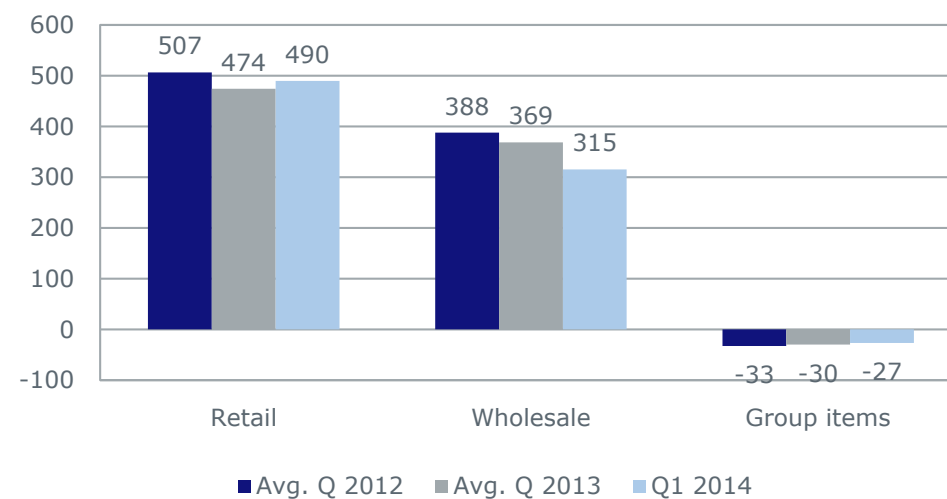
Core earnings from business operations, actual Q1 2014 and average quarter previous years, DKKm



Core earnings from business operations by business area, actual Q1 2014 and average quarter previous years - mortgage, DKKm

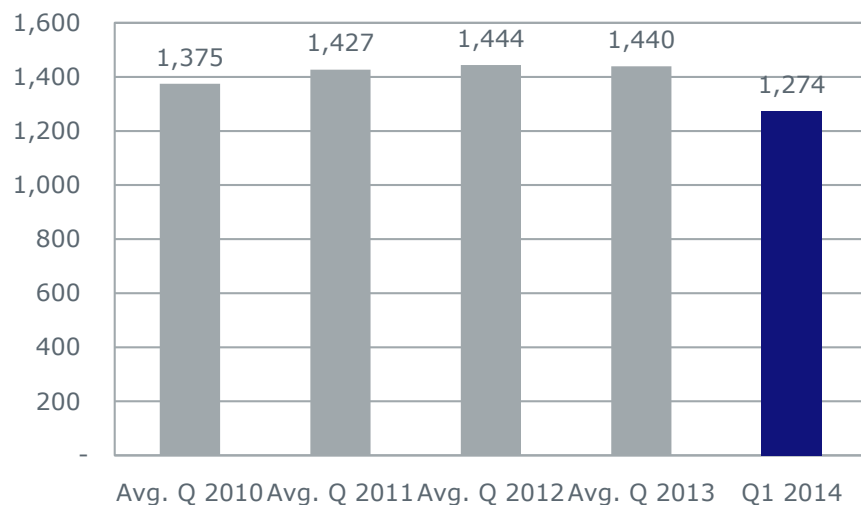


Core earnings from business operations by business area, actual Q1 2014 and average quarter previous years - banking, DKKm

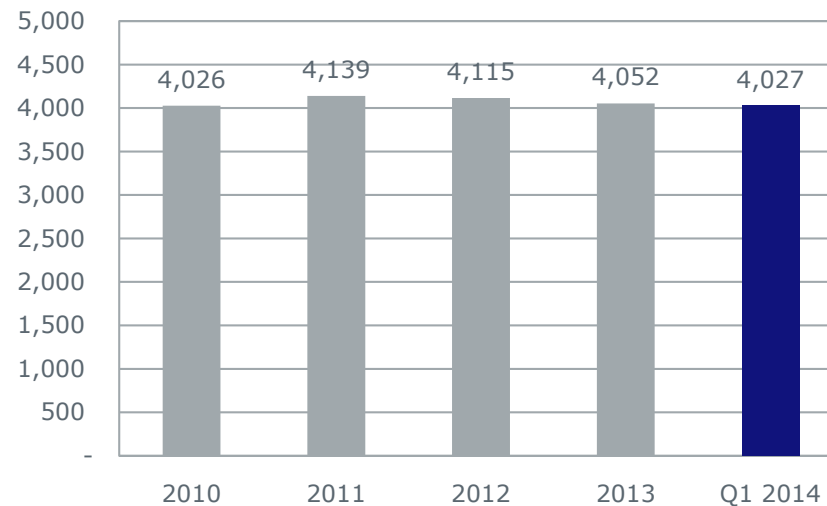


# Breakdown of costs

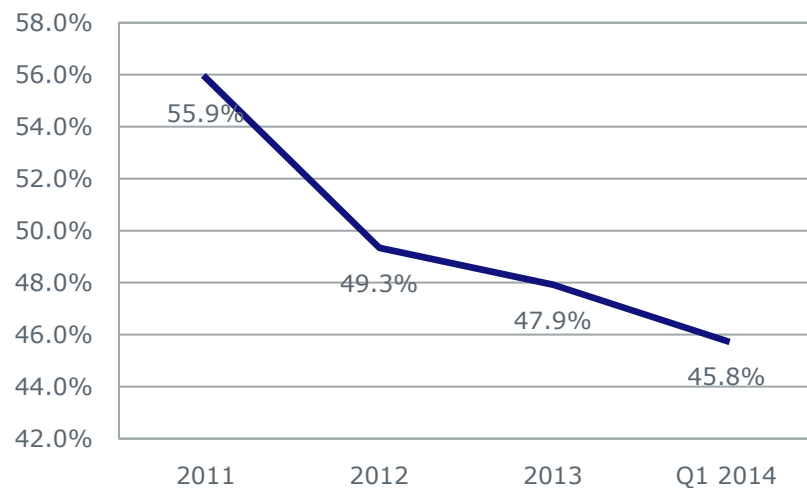
Operating costs, the Nykredit Realkredit Group, DKKm



Average number of full-time employees



Overhead costs as % of core earnings from business operations



# Core income – the Nykredit Bank Group

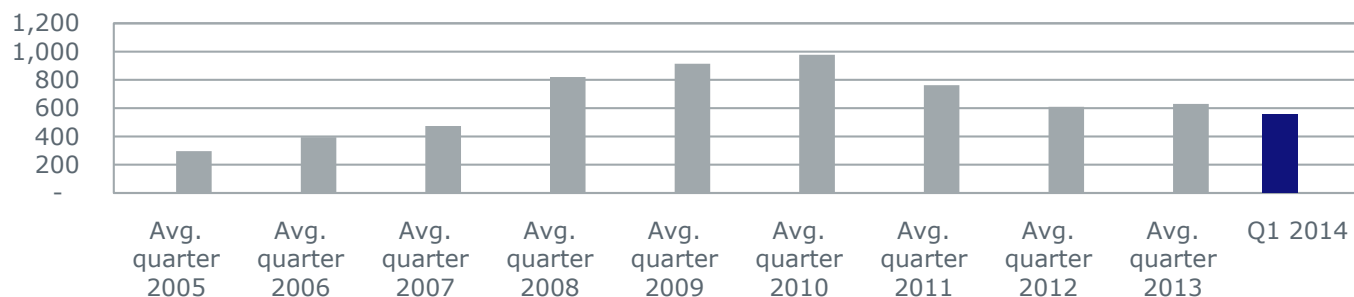
## The Nykredit Bank Group

	Average quarter 2010	Average quarter 2011	Average quarter 2012	Average quarter 2013	Q1 2014
DKK million					
<b>Core earnings from</b>					
Business operations	910	877	862	813	778
Value adjustment of devaluations and corporate bonds	-	(158)	(267)	(192)	(228)
Proprietary Trading (activity transferred to Nykredit Realkredit in 2009)	12	-	-	-	-
Securities	31	44	15	8	7
<b>Total core income</b>	<b>977</b>	<b>762</b>	<b>610</b>	<b>630</b>	<b>557</b>
Operating costs, depreciation and amortisation	538	479	462	511	511
Provisions for costs relating to reorganisation	-	-	-	-	-
Payment to the Danish Guarantee Fund for Depositors and Investors	-	-	25	6	16
Commission payable under the government guarantee scheme (Bank Rescue Package I)	125	93	-	-	-
Value adjustment of associate	(46)	8	-	-	-
<b>Core earnings before impairment losses</b>	<b>462</b>	<b>284</b>	<b>149</b>	<b>119</b>	<b>30</b>
Impairment losses on loans and advances and provisions for guarantees	374	97	139	87	40
Provisions for guarantees relating to the government guarantee scheme (Bank Rescue Package I)	80	70	-	-	-
<b>Core earnings after impairment losses</b>	<b>88</b>	<b>187</b>	<b>9</b>	<b>31</b>	<b>(10)</b>
Investment portfolio income	42	(38)	8	(10)	9
<b>Profit before tax</b>	<b>129</b>	<b>148</b>	<b>17</b>	<b>21</b>	<b>(1)</b>
Tax	31	40	(0)	2	9
<b>Result for the period</b>	<b>99</b>	<b>108</b>	<b>17</b>	<b>19</b>	<b>(10)</b>

Note: Forstædernes Bank was included in the Consolidated Financial Statements as from 17 October 2008.

Value adjustment of the portfolio of subordinated debt instruments in Danish banks (Kalvebod issues) has been included from 1 January 2011. Comparative figures have been restated. Largely all the Group's investment activities are marked to market, for which reason group earnings exhibit a certain degree of volatility.

DKK million, actual core income Q1 2014 and average core income for previous years



# Balance sheet summary – the Nykredit Bank Group

## The Nykredit Bank Group

DKK million	2010	2011	2012	2013	Q1 2014
<b>Assets</b>					
Cash balance and receivables from credit institutions and central banks	29,480	50,244	44,812	23,173	29,389
Loans, advances and other receivables at fair value	12,920	22,007	35,401	56,814	35,831
Loans, advances and other receivables at amortised cost	59,072	55,901	49,807	47,024	48,078
Bonds at fair value and equities	75,266	61,063	58,399	64,219	82,471
Remaining assets	33,684	43,153	52,099	32,904	33,102
<b>Total assets</b>	<b>210,422</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>228,871</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	48,351	63,093	55,355	57,732	58,492
Deposits and other payables	55,699	57,551	54,701	65,405	68,694
Issued bonds at amortised cost	32,848	26,137	28,498	26,689	23,849
Other non-derivative financial liabilities at fair value	25,679	27,308	33,741	29,248	33,108
Remaining payables	32,416	43,594	53,468	30,216	29,894
Provisions	847	233	235	247	247
Subordinated debt	813	250	250	250	250
Equity	13,769	14,202	14,270	14,347	14,337
<b>Total liabilities and equity</b>	<b>210,422</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>228,871</b>

## Supervisory diamond (calculated at parent level)

	2011	2012	2013	Q1 2014
Lending growth (limit value <20%)	-5.4	-10.7	-7.6	2.2
Large commitments (limit value <125%)	0	0	0	15.1
Exposure of properties (limit value <25%)	16.8	14.6	10.4	12.5
Funding ratio (limit value < 1,0)	0.7	0.6	0.5	0.5
Liquidity surplus (limit value >50%)	176	183.1	276	27.04

# Income from securities

DKK million	2011	2012	2013	Q1 2014
Investment portfolio income through profit or loss	179	2,444	1,887	349
Investment portfolio income through equity	-1,087	-176	-301	155
<b>Total investment portfolio income</b>	<b>-907</b>	<b>2,267</b>	<b>1,586</b>	<b>504</b>
- of which bonds	-245	1,837	858	220
- of which equities	229	151	333	129
- of which strategic equities	-891	279	395	155

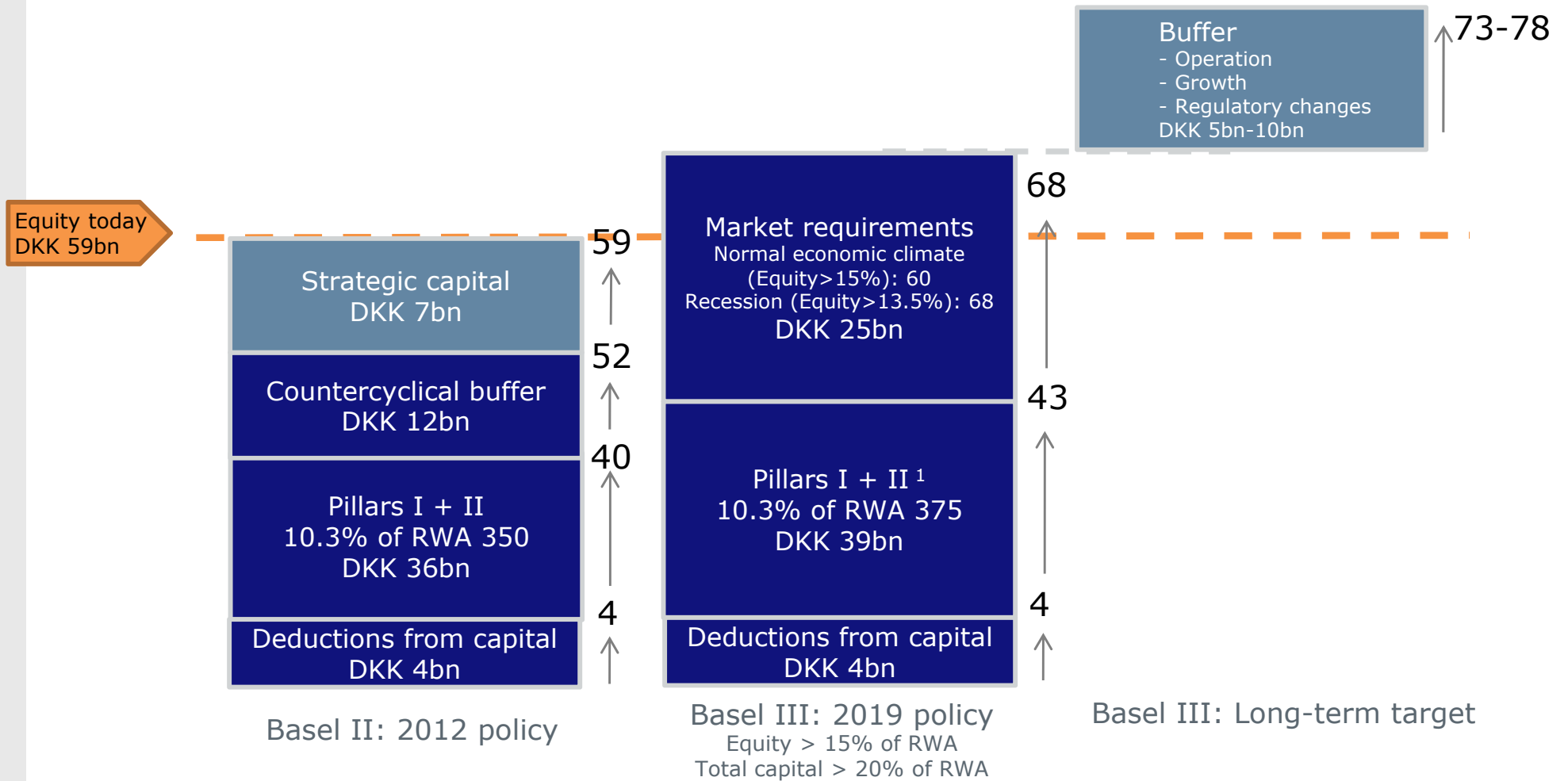
## Historically low interest rates



Largely all the Group's investment activities are marked to market, for which reason group earnings exhibit a certain degree of volatility.

# Future equity requirement

Equity requirement excl buffers: DKK 61bn in normal economic climate and DKK 68bn during recession



<sup>1</sup> Incl future changes

# Ratios and key figures – the Nykredit Realkredit Group

## Key figures

	2010	2011	2012	2013	Q1 2014
<b>Net interest margin pa, %</b>					
The Nykredit Realkredit Group	0.9%	0.8%	0.8%	0.8%	0.8%
<b>Impairment losses for the period as % of loans and advances</b>					
Mortgage lending	0.09%	0.10%	0.14%	0.22%	0.04%
Banking	1.3%	0.4%	0.6%	0.3%	0.0%
<b>Write-offs</b>					
Mortgage lending	463	634	1,029	957	258
Banking	3,035	2,217	848	613	190
Swaps	-	-	63	148	29
<b>Total provisions for loan impairment</b>					
Mortgage lending	2,226	2,485	2,954	4,378	4,603
Banking (including guarantees)	6,888	4,407	4,139	4,097	3,955
Swaps	107	755	1,496	2,229	2,432
<b>Total provisions for loan impairment/write-offs</b>					
Mortgage lending	4.8	3.9	2.9	4.6	17.8
Banking	2.3	2.0	4.9	6.7	20.8
Swaps	-	-	24	15	84

\*Net interest margin annualized for Q1 2014

## Capital ratios

	2010	2011	2012	2013	Q1 2014
Core Tier 1 capital ratio, %	18.50%	17.09%	19.10%	18.89%	18.30%
Capital ratio (excl. core tier 1), %	15.10%	13.87%	15.83%	15.80%	16.00%
Solvency ratio, %	18.50%	17.09%	19.10%	18.89%	18.30%

## Ratios

	2010	2011	2012	2013	Q1 2014
Profit for the year as % of average equity pa, %	0.30%	2.03%	4.55%	2.88%	4.58%
Return on assets pa, %	0.30%	0.08%	0.18%	0.12%	0.19%
Return on RWA pa, %	1.18%	0.32%	0.79%	0.48%	0.78%

Nykredit's earnings should be seen relative to the balance sheet structure and capital level. A prevailing part of the assets consists of mortgage loans with low risk and low margins.

Price adjustments on mortgage products may be implemented at four months' notice and at a shorter notice for banking products.



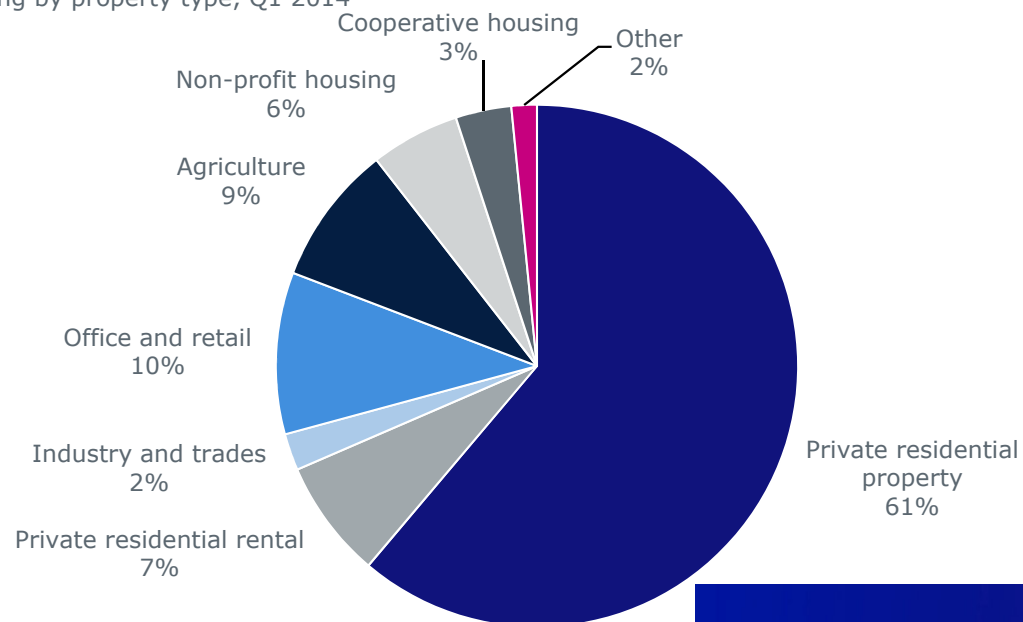
# Mortgage lending

## Nominal mortgage lending - by property type

DKK million	2010	2011	2012	2013	Q1 2014	Average impairment provision 2010-Q1 2014	Average write-offs 2010-Q1 2014*
Private residential property	639,094	660,891	682,969	689,057	684,233	0.23%	0.07%
Private residential rental	62,624	68,082	75,489	79,692	82,094	0.65%	0.12%
Industry and trades	25,694	24,544	23,635	25,119	25,475	0.77%	0.22%
Office and retail	94,643	103,081	112,444	111,215	112,047	0.35%	0.09%
Agriculture	97,361	97,251	97,688	97,217	96,908	0.45%	0.07%
Non-profit housing	57,679	58,382	60,060	61,385	61,598	0.05%	0.00%
Cooperative housing	37,989	39,001	39,066	38,649	38,632	0.44%	0.00%
Other	14,553	16,373	17,444	17,636	17,609	0.55%	0.09%
<b>Total</b>	<b>1,029,636</b>	<b>1,067,606</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,118,595</b>	<b>0.22%</b>	<b>0.05%</b>

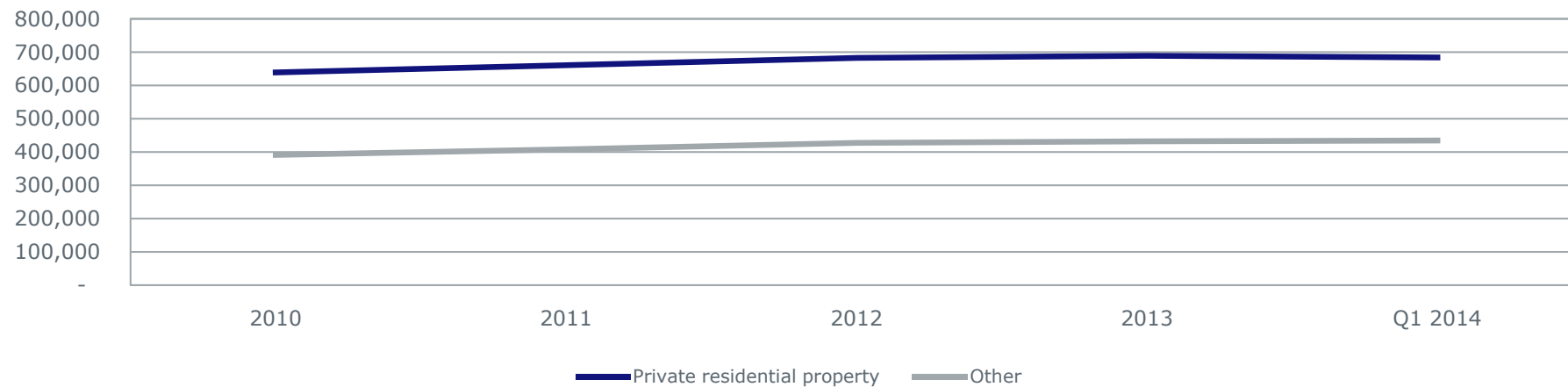
The breakdown by property type is not directly comparable with the Group's business areas. \*Q1 2014 write-offs has been annualized for the average write-off calculation

Nominal mortgage lending by property type, Q1 2014

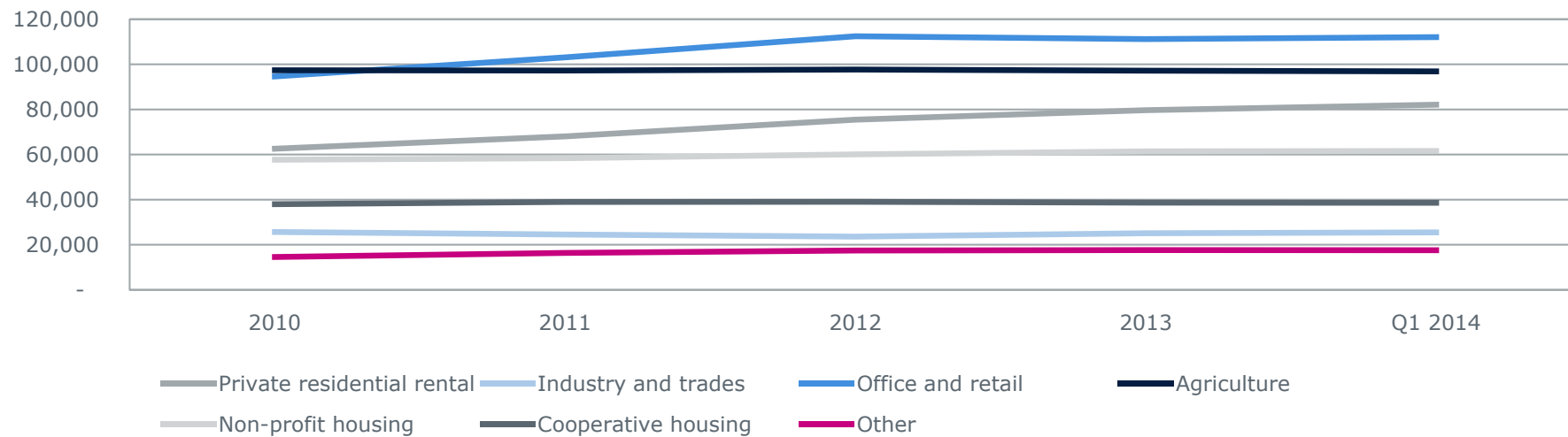


# Mortgage lending

DKKm - Mortgage lending



DKKm - Mortgage lending by property types (excl private residential property)

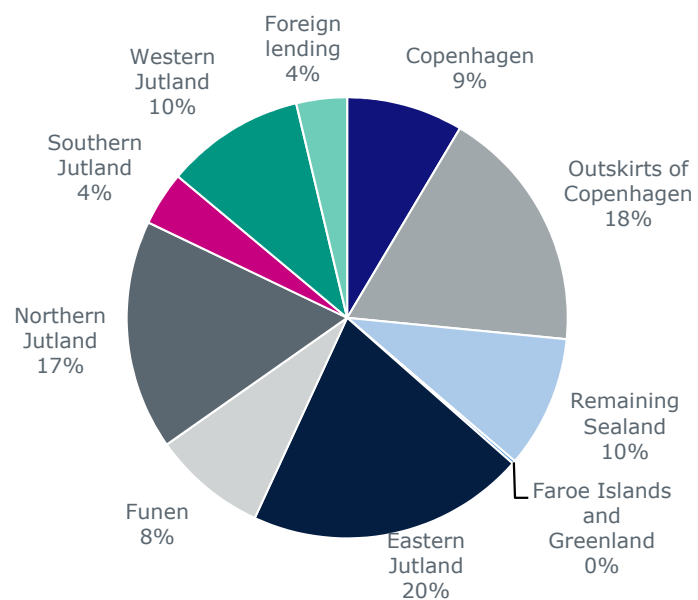


# Mortgage lending

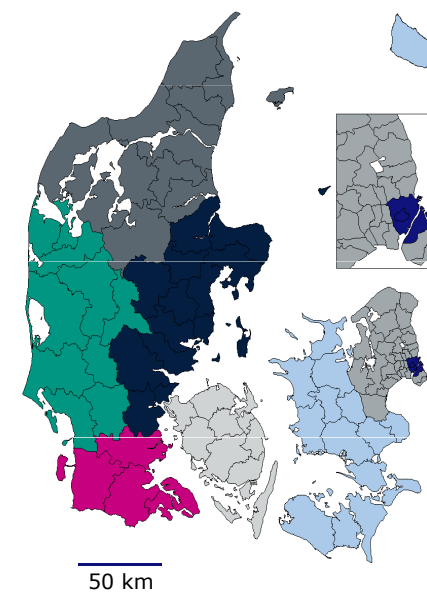
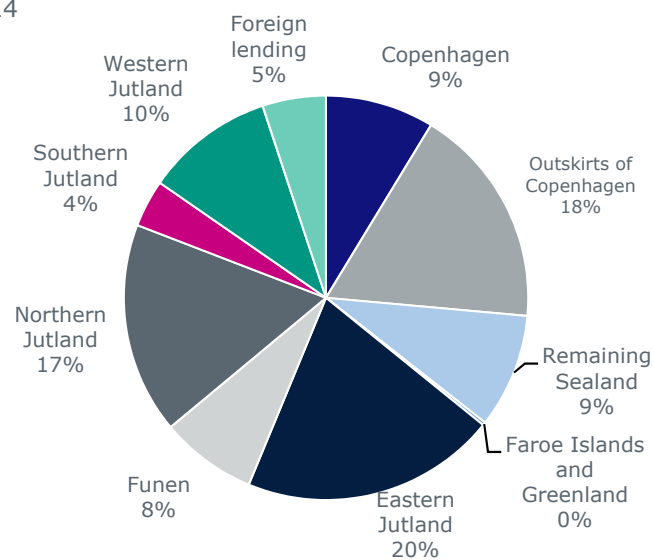
## Mortgage loans by geography

DKK billion	2010	2011	2012	2013	Q1 2014
Copenhagen	88	91	96	98	97
Outskirts of Copenhagen	185	192	198	199	198
Remaining Sealand	100	101	102	102	103
Faroe Islands and Greenland	2	2	3	3	3
Eastern Jutland	210	218	226	229	228
Funen	86	88	88	87	86
Northern Jutland	174	179	186	189	189
Southern Jutland	41	42	43	42	42
Western Jutland	105	110	115	116	115
Foreign lending	38	45	55	56	57

2010

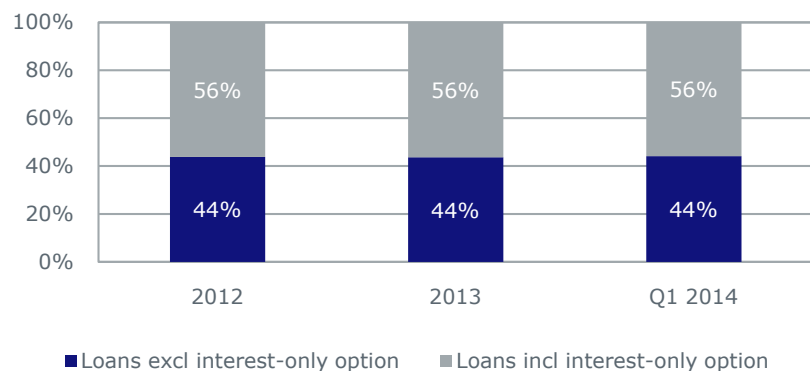


Q1 2014

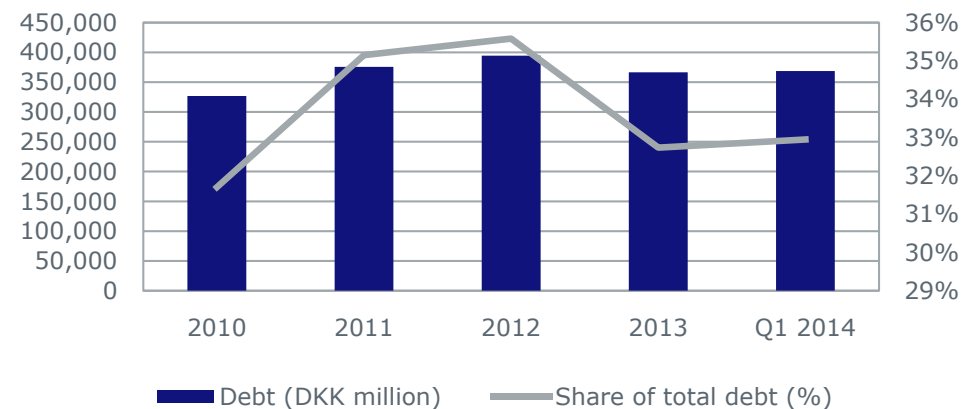


# Mortgage lending

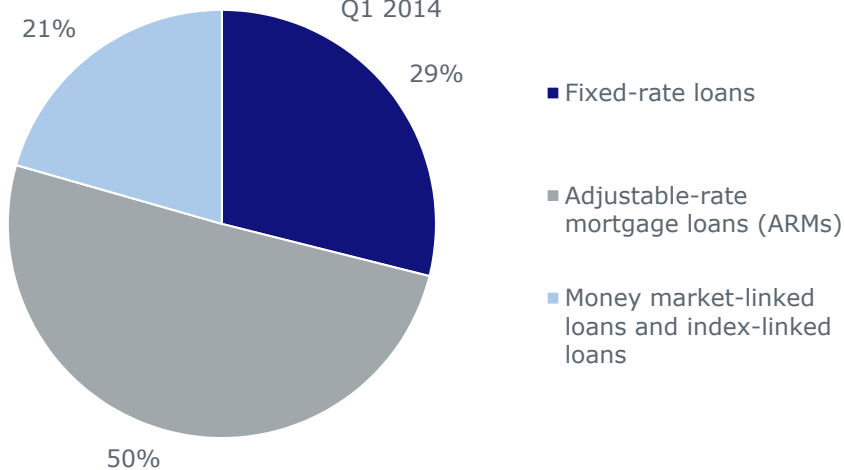
Bond debt outstanding by loan and interest type, all segments



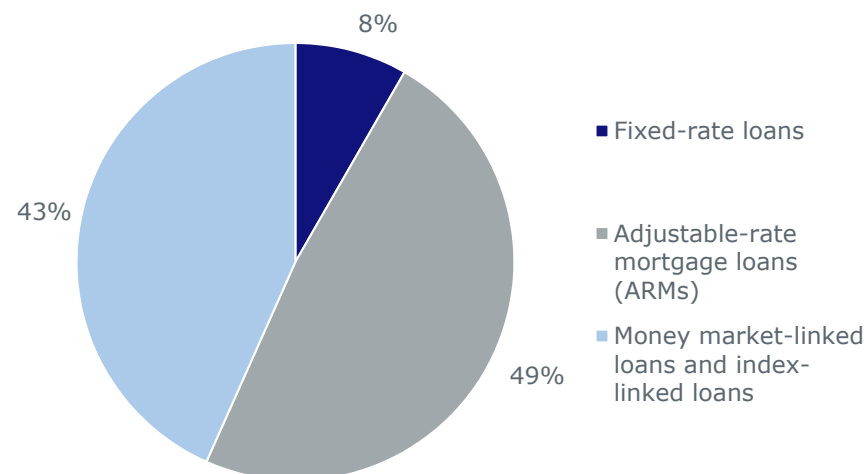
Variable-rate loans with refinancing within one year (ARMs, money market-linked and index-linked), debt outstanding with maturity less than 1 year, all segments, variable-rate loans



Mortgage lending by loan type, Private residential properties, Q1 2014



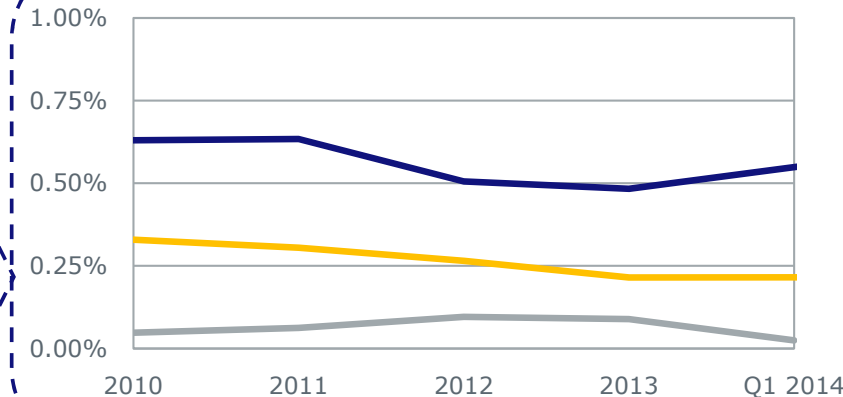
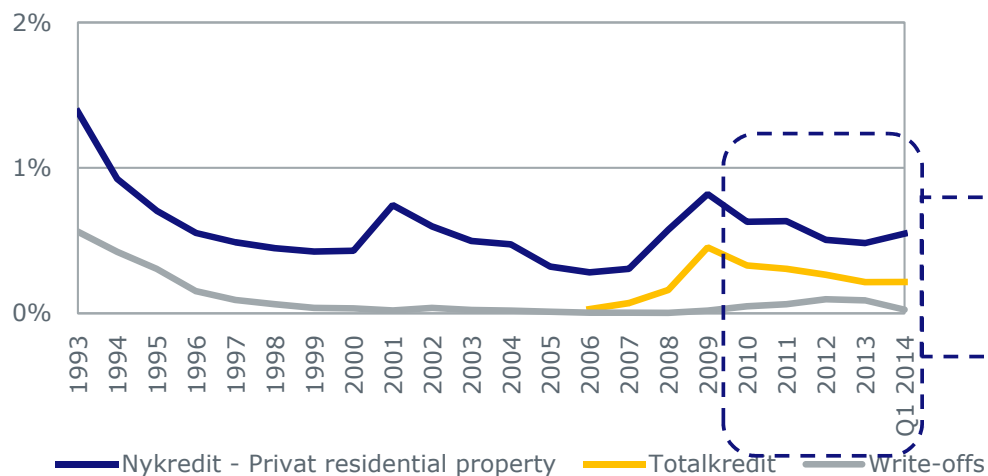
Mortgage lending by loan type, commercial, Q1 2014



The proportion of commercial loans is not necessarily risk explanatory as most commercial customers hedge their interest rate risk using eg interest rate swaps, but not necessarily with Nykredit as counterparty.

# Arrears – mortgage lending

Arrears - 75 days past due, %



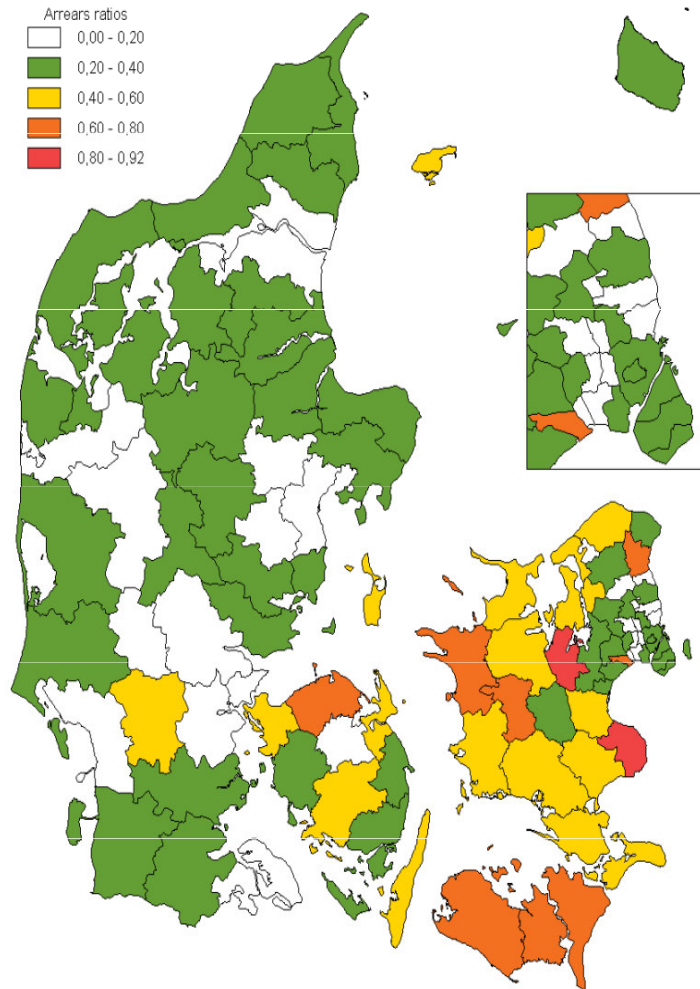
Note: Totalkredit has been consolidated with Nykredit Realkredit from 10 November 2003.  
Q1 2014 write-offs has not been annualized

Arrears - 75 days past due, %

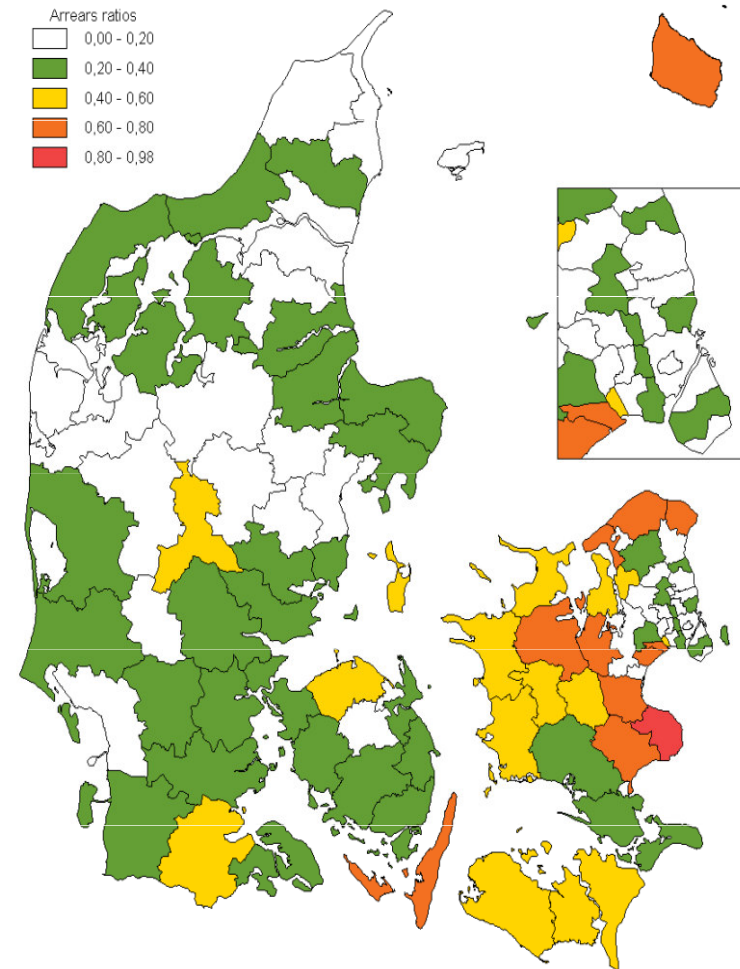


# Geographical distribution of arrears/total mortgage lending – private residential property, mortgage lending

75 days arrears, Q1 2013



75 days arrears, Q1 2014

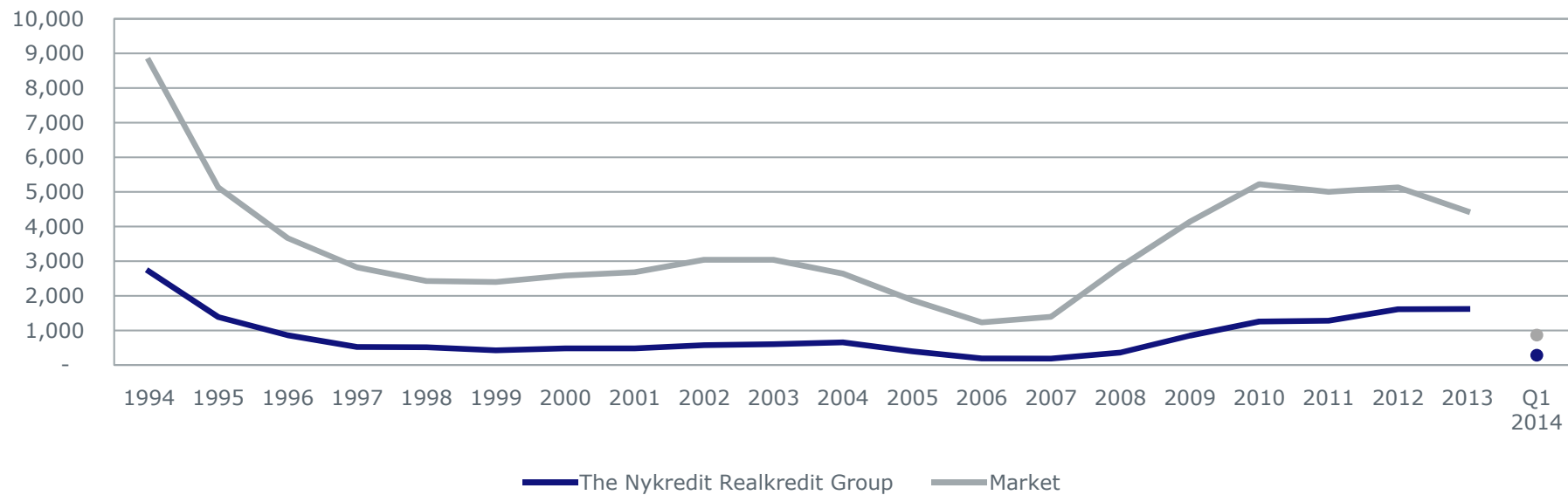


# Repossessed properties and forced sales

Repossessions, The Nykredit Realkredit Group



Forced sales in Denmark



# Risk relating to mortgage lending

## Prudential placement of outstanding debt in relation to estimated value of property, Q1 2014

### Fair value 2014 LTV (loan-to-value), the Nykredit Realkredit Group

DKKkm	0-40	40-60	60-80	80-100	Over 100	Non-profit housing	Total	LTV-median	Average LTV
							%	%	
Private residential property	391,760	157,222	106,411	32,595	9,108	0	697,096	35	76
Private residential rental	72,357	26,608	16,049	3,573	830	0	119,418	32	70
Industry and trades	19,067	4,743	1,348	350	70	0	25,578	24	55
Office and retail	85,324	23,785	3,877	906	294	0	114,187	25	55
Agriculture	71,833	19,628	7,438	1,873	536	0	101,308	26	59
Other	13,256	3,136	1,257	129	72	0	17,849	24	55
<b>Total Q1 2014</b>	<b>653,598</b>	<b>235,122</b>	<b>136,379</b>	<b>39,426</b>	<b>10,910</b>	<b>68,370</b>	<b>1,143,805</b>	<b>31</b>	<b>69</b>
<b>Total Q1 2013</b>	<b>639,373</b>	<b>233,786</b>	<b>139,869</b>	<b>42,972</b>	<b>10,958</b>	<b>70,995</b>	<b>1,137,952</b>	<b>32</b>	<b>70</b>

Note: The average LTV is determined as the top part of the debt outstanding relative to estimated property values. The figures are actual LTV ratios including any financed costs. Public authority guarantees reduce the credit risk relating to subsidised housing that forms part of lending to the non-profit housing segment. For this reason, LTVs of non-profit housing offer no relevant risk data. In the table, debt outstanding is distributed continuously by LTV category. Loans with security covering for example between 0% and 60% of the mortgageable value are distributed with two thirds of the debt outstanding in the LTV range 0-40% and one third in the LTV range 40-60%.

5,62% of total lending is outside statutory LTV limits

### Statutory LTV limits by property category

Private residential property for all-year habitation	80%*
Private cooperative housing	
Private residential rental properties	
Non-profit housing	
Youth housing	
Senior housing	
Properties used for social, cultural or educational purposes	60%
Holiday homes	
Agricultural and forestry properties, market gardens etc**	
Office and retail properties**	
Industry and trades properties**	
Utilities	
Other properties - including undeveloped land	40%

(\*) some loan types offered for residential properties are subject to a lower LTV limit than 80%, but no supplementary collateral is required unless the LTV ratio subsequently exceeds 80%

(\*\*) The LTV limit may be extended up to 70% against supplementary collateral for the part in excess in 60%

### The Nykredit Realkredit Group Debt outstanding relative to estimated property values, continuous distribution, Q1 2014

LTV, %	0-40	40-60	60-80	80-100	Over 100
Private residential property	56	23	15	5	1
Private residential rental	61	22	13	3	1
Industry and trades	75	19	5	1	0
Office and retail	75	21	3	1	0
Agriculture	71	19	7	2	1
Other	74	18	7	1	0
<b>Total Q1 2014</b>	<b>61</b>	<b>22</b>	<b>13</b>	<b>4</b>	<b>1</b>



# Risk relating to mortgage lending

## Debt outstanding relative to estimated property values, Q1 2014

### Fair value 2014 LTV (loan-to-value), The Nykredit Realkredit Group

DKKkm	0-40	40-60	60-80	80-100	Over 100	Non-profit housing	Total	LTV-median	Average LTV
							%	%	
Private residential property	61,166	139,969	234,171	193,033	68,663	0	697,002	35	76
Private residential rental	25,817	32,060	39,215	16,359	5,892	0	119,344	32	70
Industry and trades	9,737	10,327	3,089	1,949	462	0	25,563	24	55
Office and retail	41,928	52,688	14,052	3,705	1,744	0	114,116	25	55
Agriculture	45,178	31,382	16,648	5,661	2,376	0	101,245	26	59
Other	8,348	5,554	3,067	560	308	0	17,838	24	55
<b>Total Q1 2014</b>	<b>192,173</b>	<b>271,981</b>	<b>310,242</b>	<b>221,267</b>	<b>79,446</b>	<b>68,328</b>	<b>1,143,436</b>	<b>31</b>	<b>69</b>
<b>Total Q1 2013</b>	<b>183,019</b>	<b>241,673</b>	<b>300,710</b>	<b>259,591</b>	<b>81,964</b>	<b>70,995</b>	<b>1,137,952</b>	<b>32</b>	<b>70</b>

Note: The average LTV is determined as the top part of the debt outstanding relative to estimated property values. The figures are actual LTV ratios including any financed costs. Public authority guarantees reduce the credit risk relating to subsidised housing that forms part of lending to the non-profit housing segment. For this reason, LTVs of non-profit housing offer no relevant risk data. In the table, debt outstanding is distributed continuously by LTV category. Loans with security covering for example between 0% and 60% of the mortgageable value are distributed with two thirds of the debt outstanding in the LTV range 0-40% and one third in the LTV range 40-60%.

### Statutory LTV limits by property category

Private residential property for all-year habitation	80%*
Private cooperative housing	
Private residential rental properties	
Non-profit housing	
Youth housing	
Senior housing	
Properties used for social, cultural or educational purposes	60%
Holiday homes	
Agricultural and forestry properties, market gardens etc**	
Office and retail properties**	
Industry and trades properties**	
Utilities	
Other properties - including undeveloped land	40%

(\*) some loan types offered for residential properties are subject to a lower LTV limit than 80%, but no supplementary collateral is required unless the LTV ratio subsequently exceeds 80%

(\*\*) The LTV limit may be extended up to 70% against supplementary collateral for the part in excess in 60%

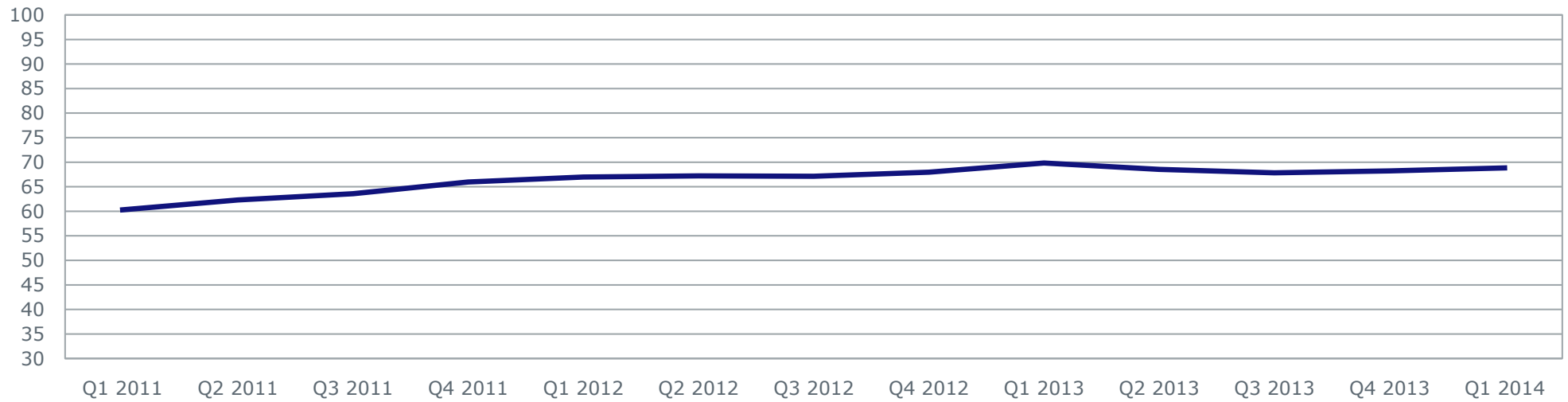
29,52% of total lending is outside statutory LTV limits

### The Nykredit Realkredit Group Debt outstanding relative to estimated property values, Q1 2014

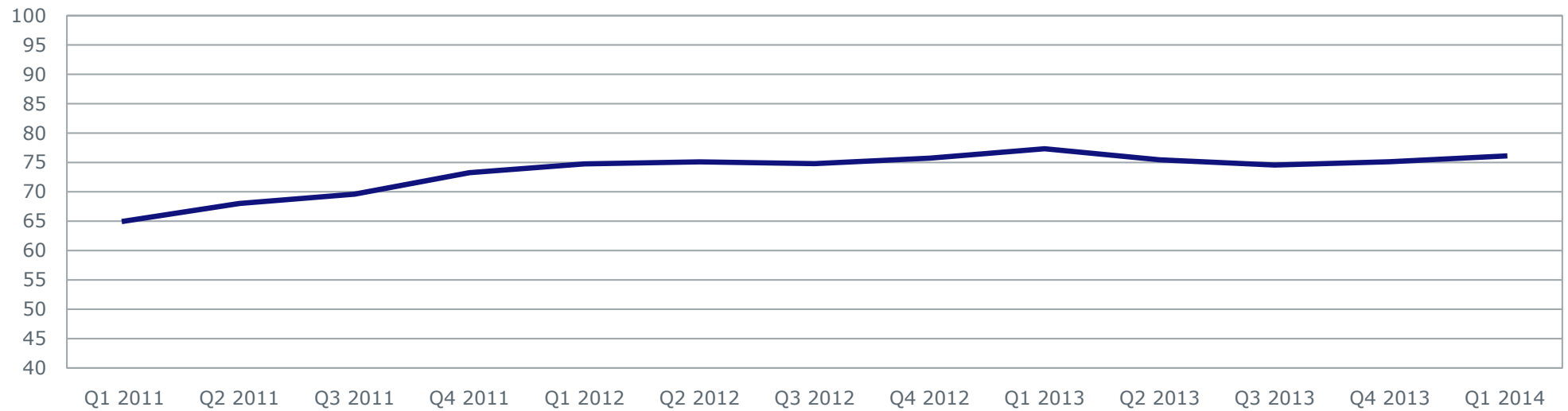
LTV, %	0-40	40-60	60-80	80-100	Over 100
Private residential property	9	20	34	18	10
Private residential rental	22	27	33	8	6
Industry and trades	38	40	12	5	2
Office and retail	37	46	12	2	1
Agriculture	45	31	16	4	2
Other	47	31	17	3	0
<b>Total Q1 2014</b>	<b>18</b>	<b>25</b>	<b>29</b>	<b>13</b>	<b>7</b>

# LTV

% - Average LTV - all segments

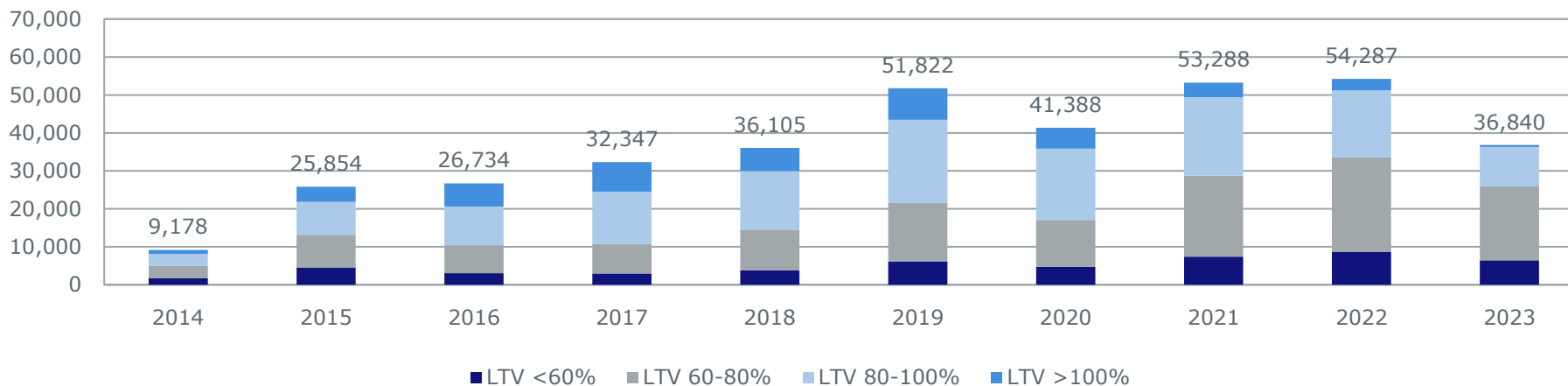


% - Average LTV - private residential properties

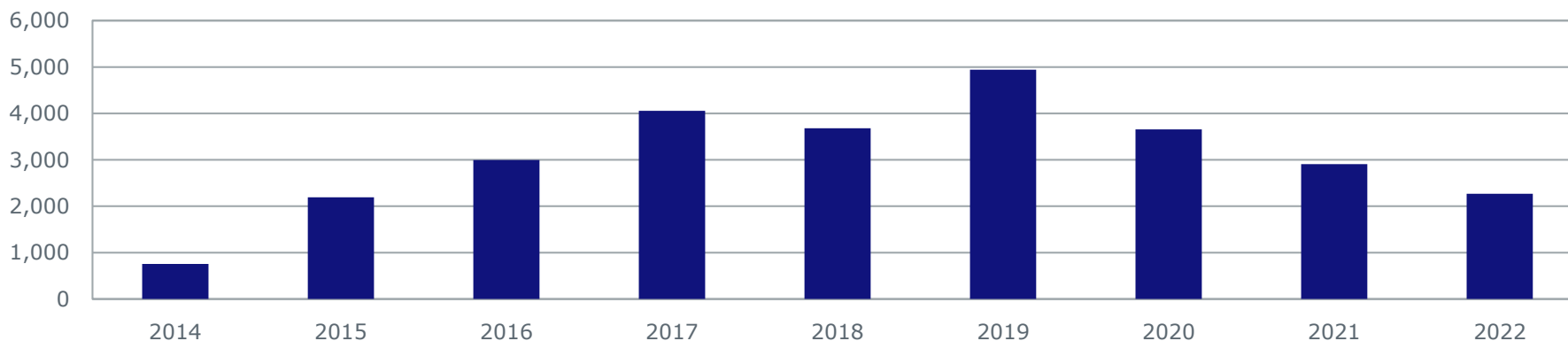


# Mortgage lending – expiry of interest-only period

LTV distribution - size of loans by interest-only expiry, DKKm



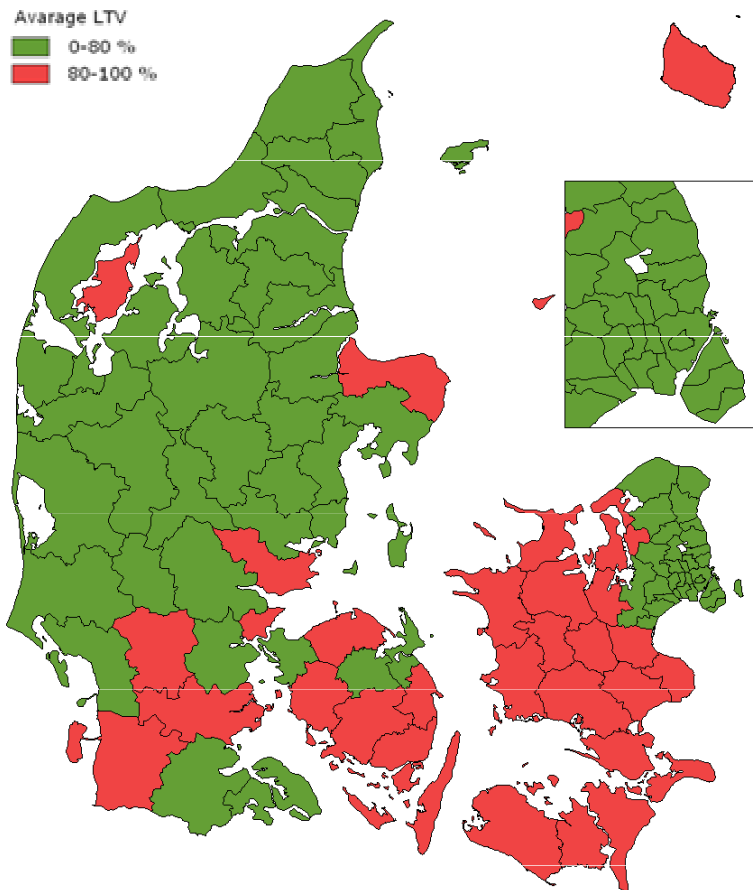
Debt outstanding over 80% LTV with expiry of interest-only period, by year, DKKm



Note: The carts depict snapshots of the present situation which will change significantly over the years as result of refinancing and changing property prices etc.

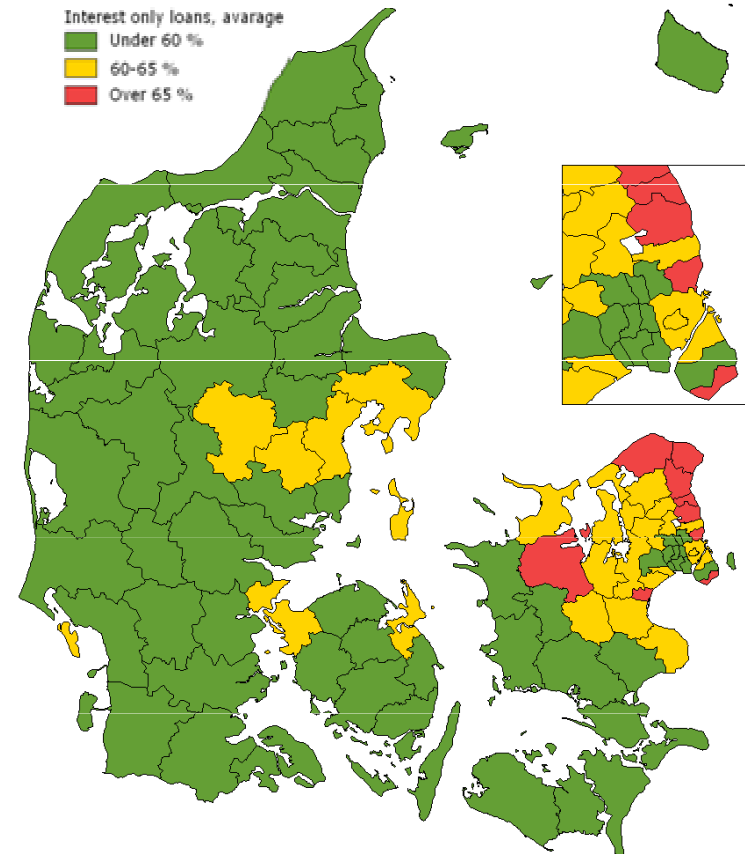
# Interest-only loans prevalent where LTVs are low

## LTV ratios



LTV ratios, home loans, the Nykredit Realkredit Group, Q1 2014

## Distribution of interest-only loans, Q1 2014

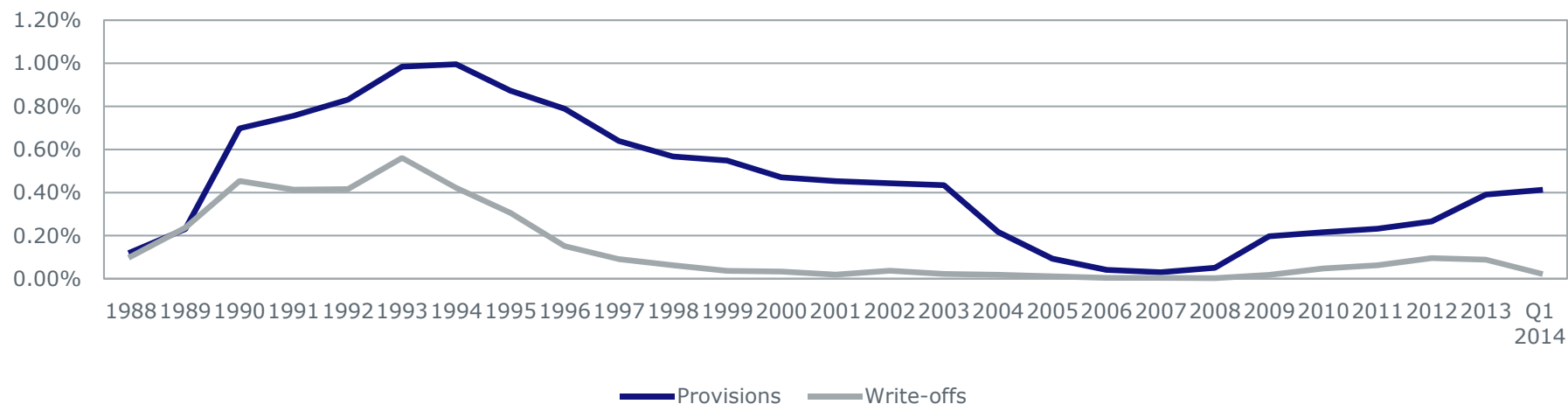


Interest-only, home loans, the Nykredit Realkredit Group, Q1 2014

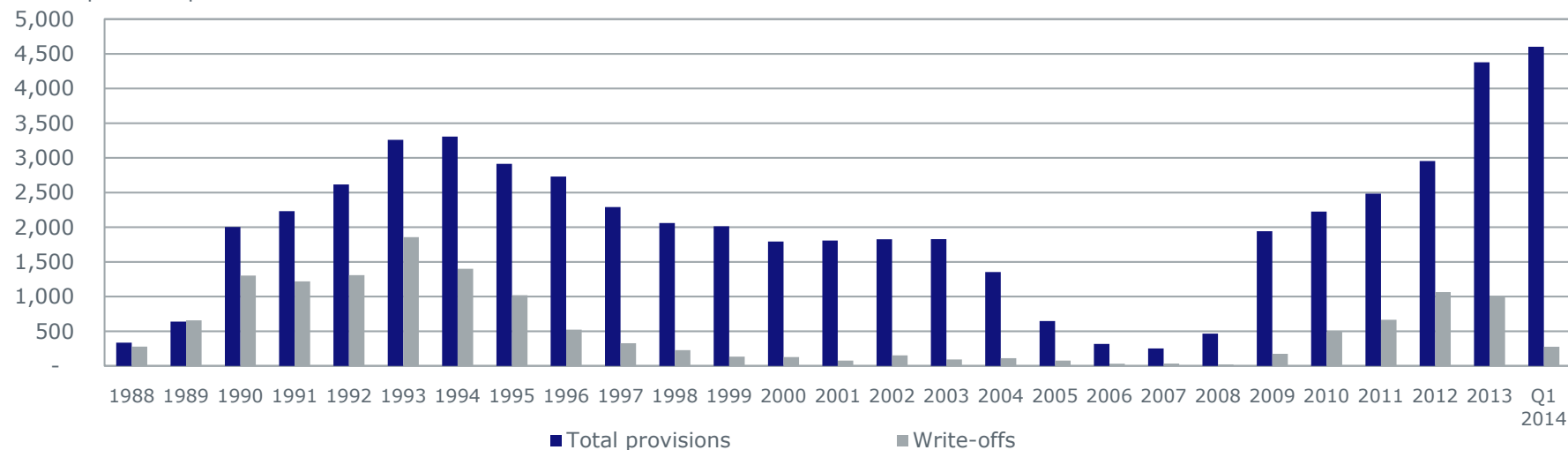
Note: Private residential lending in municipalities with above 80% LTVs and low marketability (above national average of 200 days on market) amounts to 3.2% of private residential lending end 2013.

# Impairment provisions and losses – mortgage lending

Provisions and losses as % of loans and advances



DKKm - Impairment provisions and write-offs



Note: Pursuant to the IFRS rules, Nykredit will make impairments corresponding to the expected losses on the loan portfolio, even if exposures have not impaired. Q1 2014 write-offs has not been annualized.

# Impairment provisions – mortgage lending

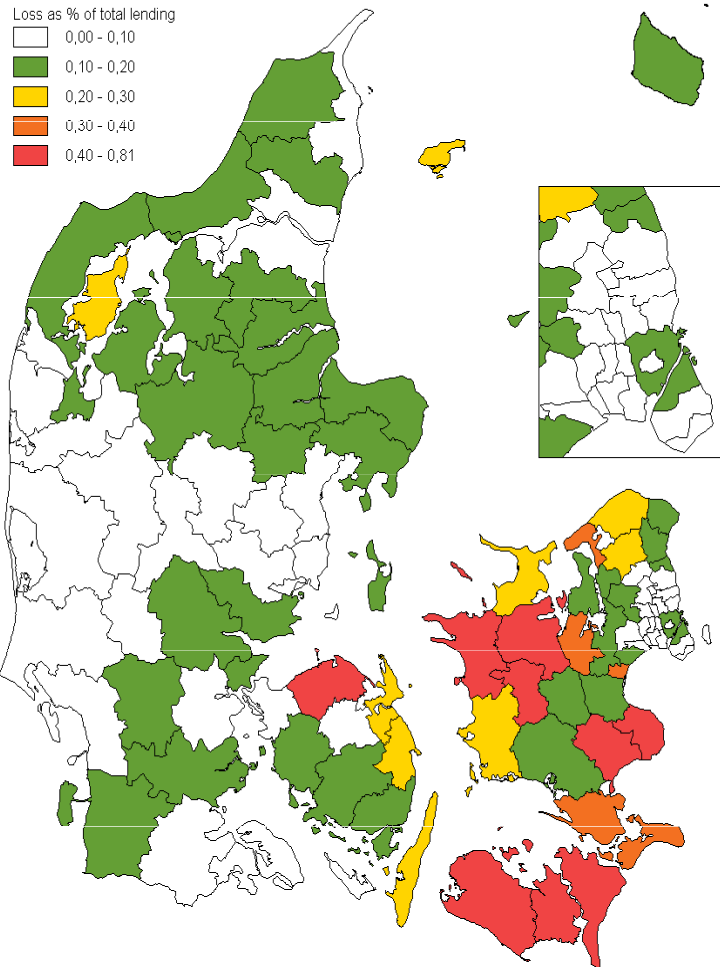
## Impairment provisions - by property type

DKK million	2009	2010	2011	2012	2013	Q1 2014
Private residential property	234	247	348	641	993	1,137
Private residential rental	797	662	388	365	461	502
Industry and trades	108	201	168	143	218	222
Office and retail	147	259	230	303	555	538
Agriculture	58	217	481	440	494	565
Non-profit housing	22	21	11	27	44	57
Cooperative housing	-	39	76	64	307	358
Other	41	57	77	69	131	123
<b>Total Nykredit Realkredit</b>	<b>1,407</b>	<b>1,703</b>	<b>1,780</b>	<b>2,051</b>	<b>3,204</b>	<b>3,504</b>
Totalkredit	535	523	704	903	1,174	1,099
<b>The Nykredit Realkredit Group, mortgage lending</b>	<b>1,942</b>	<b>2,226</b>	<b>2,484</b>	<b>2,954</b>	<b>4,378</b>	<b>4,602</b>

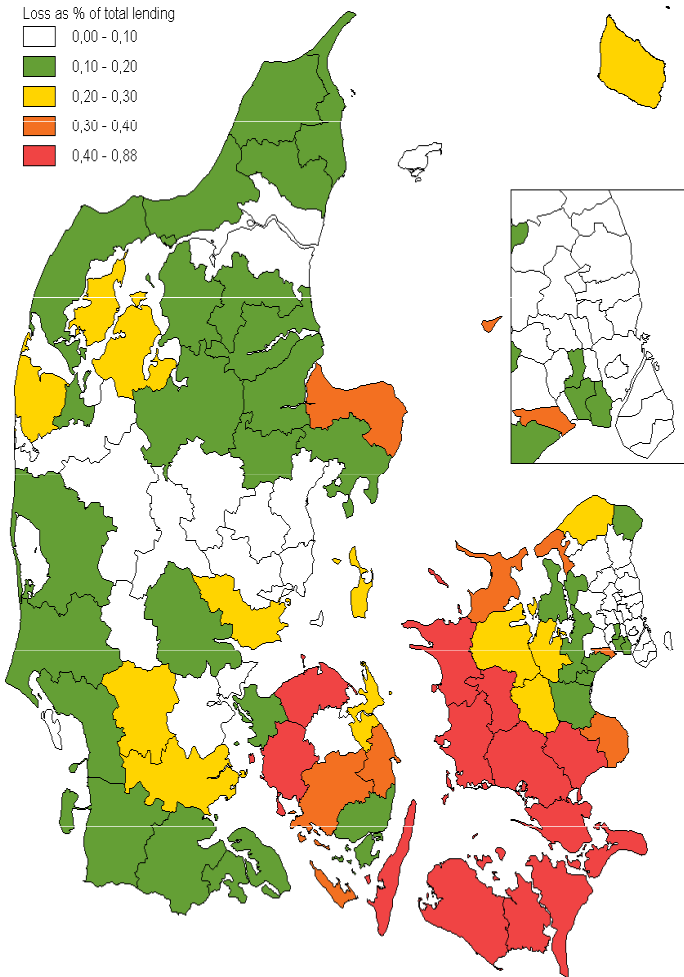
Note: provisions include individual and collective provisions (including provisions following from management judgement )

# Geographical distribution of write-offs/total mortgage lending – private residential property, mortgage lending

Loss as % of total mortgage lending last 4 quarters, Q1 2013



Loss as % of total mortgage lending last 4 quarters, Q1 2014



# Write-offs – mortgage lending

## Write-offs - by property type

DKK million	2009	2010	2011	2012	2013	Q1 2014
Private residential property	73	152	162	239	283	66
Private residential rental	18	60	68	174	92	15
Industry and trades	44	43	63	68	41	13
Office and retail	8	59	92	123	89	35
Agriculture	1	14	11	88	110	30
Non-profit housing	6	2	(0)	4	(0)	-
Cooperative housing	-	0	0	4	5	-
Other	-	0	5	25	9	8
<b>Total Nykredit Realkredit</b>	<b>150</b>	<b>329</b>	<b>402</b>	<b>726</b>	<b>627</b>	<b>168</b>
Totalkredit	10	134	232	303	330	91
<b>The Nykredit Realkredit Group, mortgage lending</b>	<b>160</b>	<b>463</b>	<b>634</b>	<b>1,029</b>	<b>957</b>	<b>258</b>

Write-offs: Write-offs for the year regardless whether the loan loss has been recognised through profit or loss for the same year. Totalkredit after set-off.



# Bank lending – loans, advances and guarantees

## Loans and advances

DKK million	2009	2010	2011	2012	2013	Q1 2014
<b>Public sector</b>	<b>133</b>	<b>253</b>	<b>237</b>	<b>308</b>	<b>259</b>	<b>229</b>
Agriculture, hunting and forestry	1,580	2,019	2,102	1,638	1,640	1,597
Other corporate	54,331	53,592	60,111	69,079	89,153	69,528
<b>Total commercial</b>	<b>55,911</b>	<b>55,611</b>	<b>62,213</b>	<b>70,717</b>	<b>90,793</b>	<b>71,125</b>
<b>Personal customers</b>	<b>16,840</b>	<b>16,128</b>	<b>15,459</b>	<b>14,183</b>	<b>12,786</b>	<b>12,555</b>
<b>Total</b>	<b>72,884</b>	<b>71,992</b>	<b>77,909</b>	<b>85,208</b>	<b>103,838</b>	<b>83,909</b>

## Guarantees

DKK million	2009	2010	2011	2012	2013	Q1 2014
<b>Public sector</b>	<b>365</b>	<b>553</b>	<b>305</b>	<b>205</b>	<b>234</b>	<b>276</b>
Agriculture, hunting and forestry	1,005	537	346	319	386	268
Other corporate	12,839	7,952	5,314	5,816	5,997	6,930
<b>Total commercial</b>	<b>13,844</b>	<b>8,489</b>	<b>5,660</b>	<b>6,135</b>	<b>6,383</b>	<b>7,198</b>
<b>Personal customers</b>	<b>9,177</b>	<b>6,183</b>	<b>4,177</b>	<b>5,829</b>	<b>5,003</b>	<b>4,832</b>
<b>Total</b>	<b>23,386</b>	<b>15,225</b>	<b>10,142</b>	<b>12,169</b>	<b>11,620</b>	<b>12,306</b>

# Bank lending – provisions

## Provisions for individual loan impairments and guarantees

DKK million	2009	2010	2011	2012	2013	Q1 2014
<b>Public sector</b>	<b>113</b>	-	-	<b>4</b>	-	-
Agriculture, hunting and forestry	85	77	107	162	168	140
Other corporate	7,253	5,599	3,377	3,205	3,002	2,860
<b>Total commercial</b>	<b>7,338</b>	<b>5,676</b>	<b>3,484</b>	<b>3,367</b>	<b>3,170</b>	<b>3,000</b>
<b>Personal customers</b>	<b>711</b>	<b>790</b>	<b>616</b>	<b>532</b>	<b>538</b>	<b>592</b>
<b>Total</b>	<b>8,162</b>	<b>6,466</b>	<b>4,100</b>	<b>3,903</b>	<b>3,708</b>	<b>3,592</b>

## Collective impairment provisions

DKK million	2009	2010	2011	2012	2013	Q1 2014
<b>Public sector</b>	-	-	-	-	<b>8</b>	<b>5</b>
Agriculture, hunting and forestry	3	5	13	5	9	8
Other corporate	204	300	234	155	250	227
<b>Total commercial</b>	<b>207</b>	<b>305</b>	<b>247</b>	<b>160</b>	<b>259</b>	<b>235</b>
<b>Personal customers</b>	<b>51</b>	<b>117</b>	<b>61</b>	<b>76</b>	<b>103</b>	<b>101</b>
<b>Total</b>	<b>258</b>	<b>422</b>	<b>308</b>	<b>236</b>	<b>370</b>	<b>341</b>

## Total impairment provisions

DKK million	2009	2010	2011	2012	2013	Q1 2014
<b>Public sector</b>	<b>113</b>	-	-	<b>4</b>	<b>8</b>	<b>5</b>
Agriculture, hunting and forestry	-	82	120	167	177	148
Other corporate	7,460	5,899	3,611	3,360	3,252	3,087
<b>Total commercial</b>	<b>7,460</b>	<b>5,981</b>	<b>3,731</b>	<b>3,527</b>	<b>3,429</b>	<b>3,235</b>
<b>Personal customers</b>	<b>762</b>	<b>907</b>	<b>677</b>	<b>608</b>	<b>641</b>	<b>693</b>
<b>Total</b>	<b>8,335</b>	<b>6,888</b>	<b>4,408</b>	<b>4,139</b>	<b>4,078</b>	<b>3,933</b>

Following the Danish FSA's inspection of the Group's credits area, Nykredit Bank has made a more conservative assessment of cooperative housing exposures. There is objective evidence of impairment (OEI) when a conservatively assessed rent is not sufficient to restore positive equity in a housing cooperative over a 30-year cash flow. In some cases, this results in negative value adjustment of interest rate swaps and impairment of loans and advances. Individual value adjustment of interest rate swaps generally follows the principles applying to impairment of loans and advances in respect of the same customer, and the swaps are value adjusted to zero if the unsecured part of the loan is written off.

# Weak customers and non-performing loans (NPL) – mortgage lending

## Exposure to weak customers (rating 0)

	2011	2012	2013	Q1 2014
Total impairment provisions, rating 0 (DKK million)	140	215	373	358
Bond debt outstanding with OEI (DKK million)	9,825	10,404	12,734	16,212
Total bond debt outstanding (DKK million)	1,067,606	1,108,797	1,119,970	1,118,595
Bond debt outstanding with OEI/total bond debt outstanding (%)	0.9%	0.9%	1.1%	1.4%

## Non-performing loans (rating -1)

	2011	2012	2013	Q1 2014
Total impairment provisions, NPL (DKK million)	1,498	1,967	2,741	2,694
Bond debt outstanding, NPL (DKK million)	16,284	18,377	22,412	21,694
Total bond debt outstanding (DKK million)	1,067,606	1,108,797	1,119,970	1,118,595
Bond debt outstanding, NPL/total bond debt outstanding (%)	1.5%	1.7%	2.0%	1.9%

The rating categories range from 0 to 10, 10 being the highest rating. NPL for mortgage products, an exposure is considered in default 75 days past due. Exposures for which individual impairment provisions have been made or a direct loss has been incurred are also considered in default.

Non-performing loans fall outside the rating scale and thus constitute a separate category. Customer ratings are an important element of the credit policy and customer assessment.

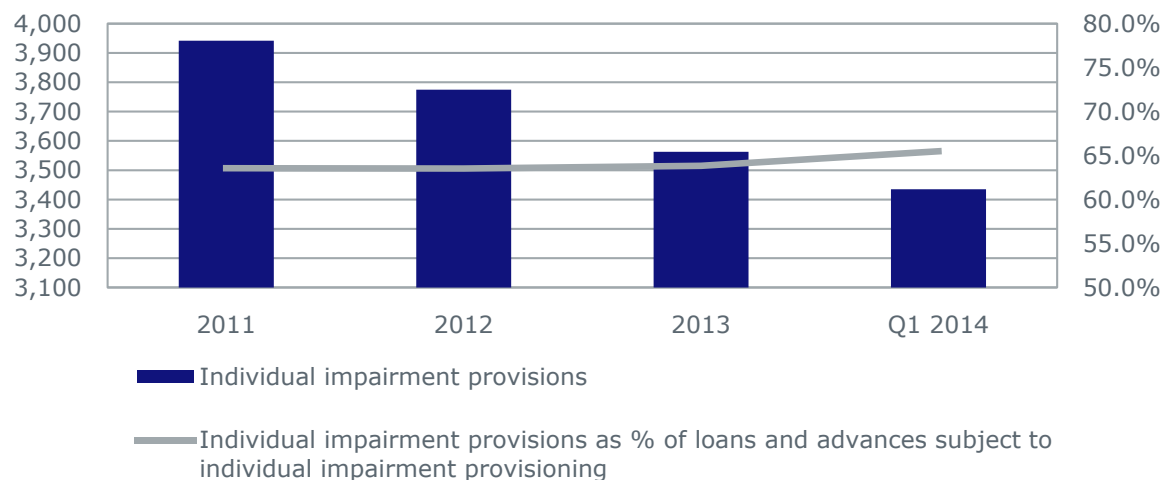
# Non-performing loans (NPL) – bank lending

## Non performing bank loans (rating NPL)

	2011	2012	2013	Q1 2014
Individual impairment provisions	3,942	3,775	3,563	3,435
Non-performing loans of which loans and advances subject to individual impairment provisioning	6,202	5,942	5,582	5,245
Individual impairment provisions as % of loans and advances subject to individual impairment provisioning	64%	64%	64%	65%

Note: Exposures in default includes loans and advances provided for individually and loans and advances to customers with an elevated risk of future default, but not necessarily a high risk of future losses, as the loss risk also depends on any security provided for a loan.

Bank lending - non-performing loans (rating NPL), DKKm



# Business areas

<b>Business areas</b>	
<b>Retail</b>	<b>Retail</b> comprises Nykredit's personal customers and small and medium-sized enterprises (SMEs). The business area includes mortgage lending to Nykredit's personal customers arranged via Totalkredit
<b>Totalkredit Partners</b>	<b>Totalkredit Partners</b> arranges the Group's mortgage loans to personal customers via local and regional banks
<b>Wholesale</b>	<b>Wholesale</b> comprises Corporate & Institutional Banking and the business units Nykredit Markets and Nykredit Asset Management.
<b>Group Items</b>	<b>Group Items</b> comprises income and costs not allocated to the business areas, including core income from securities and investment portfolio income.

# Core income – business areas

## Core income - business areas

	Avg. quarter	Avg. quarter	Q1	Q2	Q3	Q4	Q1
DKK million	2011	2012	2013	2013	2013	2013	2014
<b>Core income</b>							
Retail	1,272	1,279	1,553	1,521	1,304	1,481	1,241
Totalkredit Partners	319	370	385	308	384	505	548
Wholesale	497	551	579	630	112	478	642
Group items	165	27	(8)	69	5	(8)	2
<b>Total core income</b>	<b>2,252</b>	<b>2,227</b>	<b>2,510</b>	<b>2,527</b>	<b>1,806</b>	<b>2,455</b>	<b>2,433</b>

## Lending and deposits - business areas

	FY	FY	FY	Q1
DKK million	2011	2012	2013	2014
<b>Mortgage lending</b>				
Retail	445,029	450,218	447,736	446,340
-of which Nykredit Realkredit	432,614	425,283	409,926	406,106
-of which Totalkredit	12,415	24,935	37,810	40,234
Totalkredit Partners	461,151	484,980	494,677	491,150
Wholesale	161,426	173,599	177,557	181,105
Group items	-	-	-	-
<b>Total mortgage lending</b>	<b>1,067,606</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,118,595</b>
<b>Bank lending</b>				
Retail	29,005	27,105	28,290	27,780
Wholesale	24,105	19,655	18,498	20,224
Group items	2,666	2,968	175	74
<b>Total bank lending</b>	<b>55,776</b>	<b>49,727</b>	<b>46,963</b>	<b>48,078</b>
<b>Deposits</b>				
Retail	35,013	36,174	39,506	40,792
Wholesale	19,401	16,286	24,527	26,658
Group items	2,989	2,049	1,139	1,244
<b>Total deposits</b>	<b>57,403</b>	<b>54,509</b>	<b>65,172</b>	<b>68,694</b>

In 2010 the segment financial statements were affected by the merger between Nykredit Bank and Forstædernes Bank and a general reorganisation at end-2009 relating to strategy 2013. Comparative figures have been restated to the widest extent possible.

# Business areas – Retail

## Results - Retail

DKK million	Avg. quarter 2011	Avg. quarter 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014
<b>Core earnings from</b>							
Business operations	1,394	1,548	1,561	1,506	1,553	1,584	1,583
Value adjustment of devaluations and corporate bonds	(102)	(232)	15	70	(203)	(61)	(307)
Junior covered bonds	(20)	(37)	(22)	(56)	(45)	(42)	(35)
<b>Total core income</b>	<b>1,272</b>	<b>1,279</b>	<b>1,553</b>	<b>1,521</b>	<b>1,304</b>	<b>1,481</b>	<b>1,241</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	789	782	766	803	789	826	764
Depreciation of property, plant and equipment and amortisation of intangible assets	4	3	3	2	3	3	3
<b>Core earnings before impairment losses</b>	<b>478</b>	<b>494</b>	<b>784</b>	<b>715</b>	<b>513</b>	<b>652</b>	<b>474</b>
Impairment losses on loans and advances – mortgage lending	216	265	342	166	329	771	424
Impairment losses on loans and advances – banking	102	128	102	17	91	197	74
<b>Core earnings after impairment losses</b>	<b>161</b>	<b>104</b>	<b>341</b>	<b>537</b>	<b>98</b>	<b>(315)</b>	<b>(24)</b>

## Activity - Retail

DKK million	FY 2011	FY 2012	FY 2013	Q1 2014
<b>Mortgage lending</b>				
Gross new lending	57,233	66,717	40,657	8,686
Portfolio at nominal value, end of period	445,029	450,218	447,736	446,340
Impairment losses for the period as % of loans and advances	0.19%	0.24%	0.36%	0.09%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	826	1,307	1,791	1,943
Collective impairment provisions	734	611	1,045	1,171
Total impairment provisions as % of loans and advances	0.35%	0.43%	0.63%	0.70%
Portfolio of repossessed properties, end of period (properties)	255	276	273	234
<b>Banking</b>				
Loans and advances, end of period	29,005	27,105	28,290	27,780
Deposits, end of period	35,013	36,174	39,506	40,792
Impairment losses for the period as % of loans and advances	1.41%	1.84%	1.40%	0.26%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,935	2,003	2,126	2,133
Collective impairment provisions	179	140	196	173
Total impairment provisions as % of loans and advances	6.79%	7.33%	7.58%	7.66%
Guarantees, end of period	5,052	10,270	10,051	9,655
Provisions for guarantees, end of period	63	73	48	55

# Business areas – Totalkredit Partners

## Results - Totalkredit Partners

	Avg. quarter	Avg. quarter	Q1	Q2	Q3	Q4	Q1
DKK million	2011	2012	2013	2013	2013	2013	2014
<b>Core earnings from</b>							
Business operations	342	436	453	383	455	585	606
Junior covered bonds	(23)	(66)	(68)	(75)	(70)	(80)	(58)
<b>Total core income</b>	<b>319</b>	<b>370</b>	<b>385</b>	<b>308</b>	<b>384</b>	<b>505</b>	<b>548</b>
Operating costs	106	103	101	108	95	105	95
Depreciation of property, plant and equipment and amortisation of intangible assets	123	130	128	130	131	131	-
<b>Core earnings before impairment losses</b>	<b>90</b>	<b>137</b>	<b>155</b>	<b>70</b>	<b>158</b>	<b>269</b>	<b>452</b>
Impairment losses on loans and advances	112	127	122	117	87	228	15
<b>Core earnings after impairment losses</b>	<b>(22)</b>	<b>10</b>	<b>33</b>	<b>(48)</b>	<b>71</b>	<b>41</b>	<b>437</b>

## Activity - Totalkredit partners

	FY	FY	FY	Q1
DKK million	2011	2012	2013	2014
<b>Mortgage lending</b>				
Gross new lending	69,952	115,392	56,238	9,889
Portfolio at nominal value, end of period	461,151	484,980	494,677	491,150
Impairment losses for the year as % of loans and advances	0.10%	0.10%	0.11%	0.00%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	393	441	458	427
Collective impairment provisions	311	429	681	625
Total impairment provisions as % of loans and advances	0.15%	0.18%	0.23%	0.21%
Portfolio of repossessed properties, end of period (properties)	85	77	46	55



# Business areas – Wholesale

## Results - Wholesale

DKK million	Avg. quarter 2011	Avg. quarter 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014
<b>Core earnings from</b>							
Business operations	557	592	582	666	534	628	567
Value adjustment of derivatives and corporate bonds	(56)	(35)	1	(28)	(414)	(144)	79
Junior covered bonds	(4)	(6)	(4)	(8)	(7)	(7)	(5)
<b>Total core income</b>	<b>497</b>	<b>551</b>	<b>579</b>	<b>630</b>	<b>112</b>	<b>478</b>	<b>642</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	199	210	195	204	191	232	197
Depreciation of property, plant and equipment and amortisation of intangible assets	1	1	2	1	1	1	1
<b>Core earnings before impairment losses</b>	<b>297</b>	<b>339</b>	<b>382</b>	<b>424</b>	<b>(80)</b>	<b>244</b>	<b>443</b>
Impairment losses on loans and advances – mortgage lending	(71)	9	(5)	14	100	141	24
Impairment losses on loans and advances – banking	(10)	8	64	(6)	73	(161)	(37)
<b>Core earnings after impairment losses</b>	<b>378</b>	<b>322</b>	<b>323</b>	<b>416</b>	<b>(254)</b>	<b>263</b>	<b>457</b>

## Activity - Wholesale

DKK million	FY 2011	FY 2012	FY 2013	Q1 2014
<b>Mortgage lending</b>				
Gross new lending	29,487	35,460	26,270	9,957
Portfolio at nominal value, end of period	161,426	173,599	177,557	181,105
Impairment losses for the year as % of loans and advances	(0.18%)	0.02%	0.14%	0.01%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	140	104	262	265
Collective impairment provisions	80	63	141	171
Total impairment provisions as % of loans and advances	0.14%	0.10%	0.23%	0.24%
Portfolio of repossessed properties, end of period (properties)	7	3	3	3
<b>Banking</b>				
Loans and advances, end of period	24,105	19,655	18,498	20,224
Deposits, end of period	19,401	16,286	24,527	26,658
Impairment losses for the year as % of loans and advances	(0.17%)	0.17%	(0.16%)	(0.18%)
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,959	1,729	1,419	1,286
Collective impairment provisions	129	81	174	169
Total impairment provisions as % of loans and advances	7.97%	8.43%	7.93%	6.71%
Guarantees, end of period	10,257	8,708	7,021	7,930
Provisions for guarantees, end of period	51	8	55	57
<b>Assets under management</b>	<b>101,331</b>	<b>103,698</b>	<b>116,269</b>	<b>114,790</b>
<b>Assets under administration</b>				
<b>Nykredit Portefølje Administration A/S</b>	<b>334,796</b>	<b>513,675</b>	<b>598,434</b>	<b>612,568</b>
of which the investment funds of the Nykredit Group	35,417	46,518	51,808	53,253

# Business areas – Group Items

## Results - Group items

	Avg. quarter	Avg. quarter	Q1	Q2	Q3	Q4	Q1
DKK million	2011	2012	2013	2013	2013	2013	2014
<b>Core earnings from</b>							
Business operations	4	(26)	(31)	30	(21)	(37)	(15)
Junior covered bonds	-	-	(11)	11	-	-	(12)
Securities	161	53	35	28	26	29	30
<b>Total core income</b>	<b>165</b>	<b>27</b>	<b>(8)</b>	<b>69</b>	<b>5</b>	<b>(8)</b>	<b>2</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	165	113	198	116	87	333	165
Depreciation of property, plant and equipment and amortisation of intangible assets	105	57	60	57	59	184	49
<b>Core earnings before impairment losses</b>	<b>(105)</b>	<b>(142)</b>	<b>(265)</b>	<b>(104)</b>	<b>(141)</b>	<b>(525)</b>	<b>(212)</b>
Impairment losses on loans and advances – mortgage lending	-	-	10	-	0	-	11
Impairment losses on loans and advances – banking	5	3	51	(62)	-	(16)	4
<b>Core earnings after impairment losses</b>	<b>(110)</b>	<b>(145)</b>	<b>(327)</b>	<b>(42)</b>	<b>(141)</b>	<b>(509)</b>	<b>(227)</b>

## Activity - Group items

	FY	FY	FY	Q1
DKK million	2011	2012	2013	2014
<b>Banking</b>				
Loans and advances, end of period	2,666	2,968	175	74
Deposits, end of period	2,989	2,049	1,139	1,148
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	91	90	60	60
Collective impairment provisions	-	15	-	-
Total impairment provisions as % of loans and advances	3.32%	3.43%	25.43%	44.44%
<b>Guarantees, end of period</b>	<b>1,675</b>	<b>1,051</b>	<b>1,260</b>	<b>1,261</b>

# The Danish economy

## Nykredit's regional housing price forecasts

(%)	2012	2013	2014F	2015F
<b>Houses – entire country</b>	<b>(4.1)</b>	<b>0.0</b>	<b>1,0</b>	<b>2.4</b>
Copenhagen	(4.3)	5,7	4,4	3.3
West and South Sealand	(9.7)	(4.6)	(3.8)	0.8
East Jutland	(2.6)	(0.1)	(0.4)	1.8
West Jutland	(2.4)	(2.0)	0.8	1.6
North Jutland	0.4	(0.9)	0.7	2.0
<b>Owner-occupied flats – entire country</b>	<b>(1.4)</b>	<b>7.1</b>	<b>4.2</b>	<b>3.2</b>
Copenhagen	(0.3)	12.7	5.9	4.2
Municipality of Aarhus	(0.8)	4.0	3.5	4.3

Note: F indicates Forecasts  
Price growth is stated as annual averages. Selected regions.

# The Danish economy

## Danish economy - key figures

	2009	2010	2011	2012	2013
GDP	-5.0%	5.7%	1.8%	1.9%	1.8%
Inflation (%)	1.3%	2.3%	2.8%	2.4%	0.8%
Public deficit	-2.8%	-2.7%	-2.0%	-4.2%	-1.9%
Balance of payment	3.4%	5.9%	5.9%	5.8%	7.3%
Unemployment (%)	3.6%	4.3%	4.1%	4.5%	4.5%*
Government net foreign assets	72,994	246,563	514,943	689,955	738,225

Source: [www.statistikbanken.dk](http://www.statistikbanken.dk) - \*Unemployment end of August 2013.

The above key figures present a general overview of the Danish economy. For household financial indicators, please refer to the financial statement and budget report 2014, pp 67-89, 100-105 (in Danish), of the Danish Ministry of Finance (<http://www.fm.dk/publikationer/2014/finansredegoerelse-2014>).

# Definitions

<b>Ratio</b>	<b>Definitions</b>
Return on equity pa	Profit (loss) for the year/period divided by average equity.
Core earnings before impairment losses as % of average equity pa	Core earnings before impairment losses divided by average equity.
Core earnings after impairment losses as % of average equity pa	Core earnings after impairment losses divided by average equity.
Total provisions for loan impairment and guarantees	Total individual and collective impairment provisions as well as provisions for guarantees at year-end/end of period.
Total impairment provisions, %	Total provisions for loan impairment and guarantees at year-end/end of period divided by the sum of loans and advances at fair value, arrears and outlays, loans and advances at amortised cost, guarantees and total provisions for loan impairment and guarantees at year-end/end of period.
Tier 1 capital ratio, %	Tier 1 capital after deductions divided by risk-weighted assets (RWA).
Net interest margin, %	Net interest income divided by the difference between average interest-bearing assets and average interest-bearing liabilities for the period.
Return on RWA,%	Profit (loss) for the year/period after tax divided by average risk-weighted assets.
Average number of full-time staff	The average number of full-time staff, determined on the basis of the Danish ATP method, excluding Nykredit Forsikring A/S and JN Data A/S.
Core income from business operations	Including value adjustment of derivatives, corporate bonds and junior covered bonds.

Average quarters

FY divided by 4

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Municipality of registered office:  
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