

# **Fact Book Q4 2014**

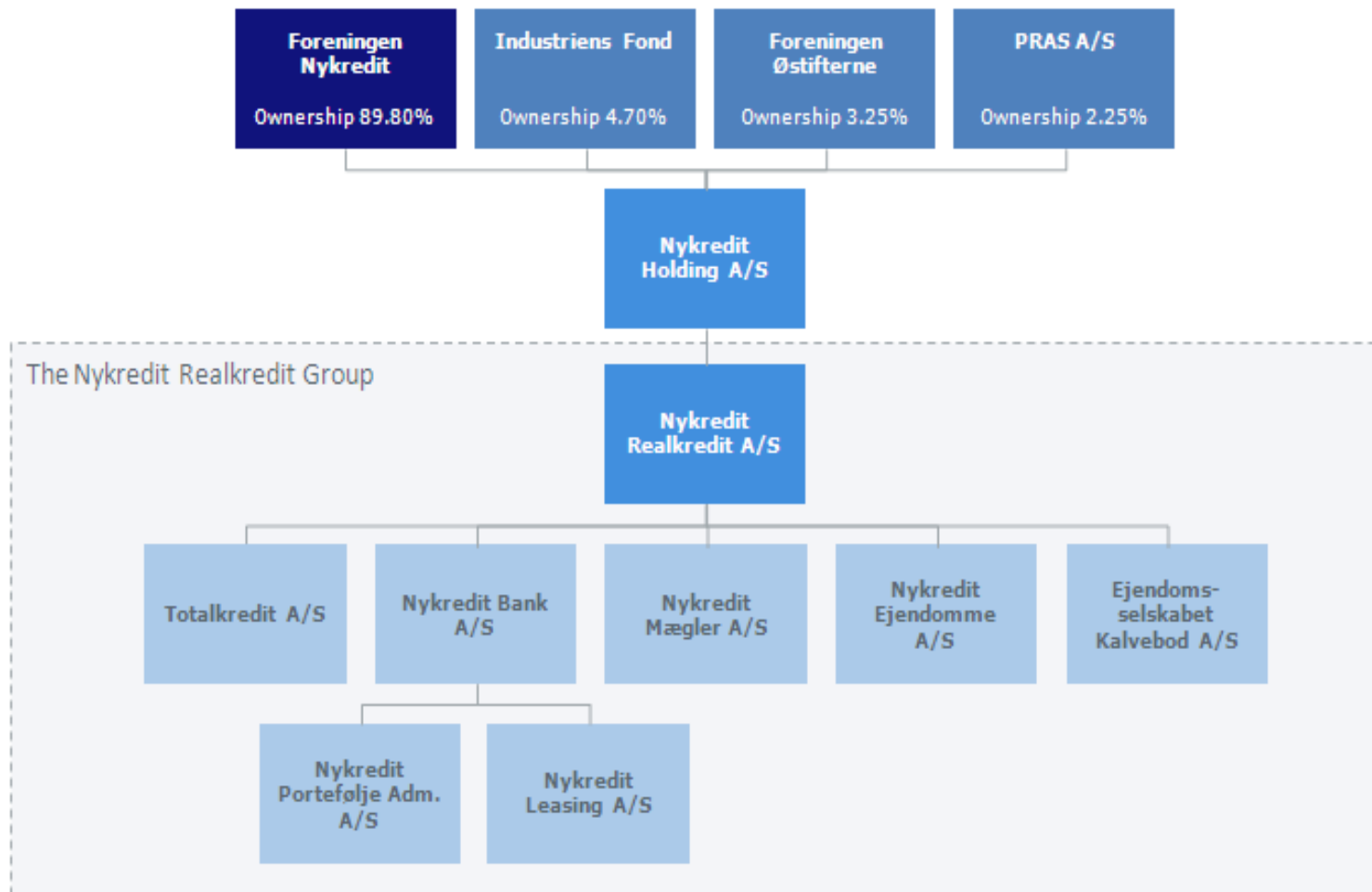
The Nykredit Realkredit Group

Unaudited

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# Group chart



# The Nykredit Realkredit Group history

## Foreningen Nykredit

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

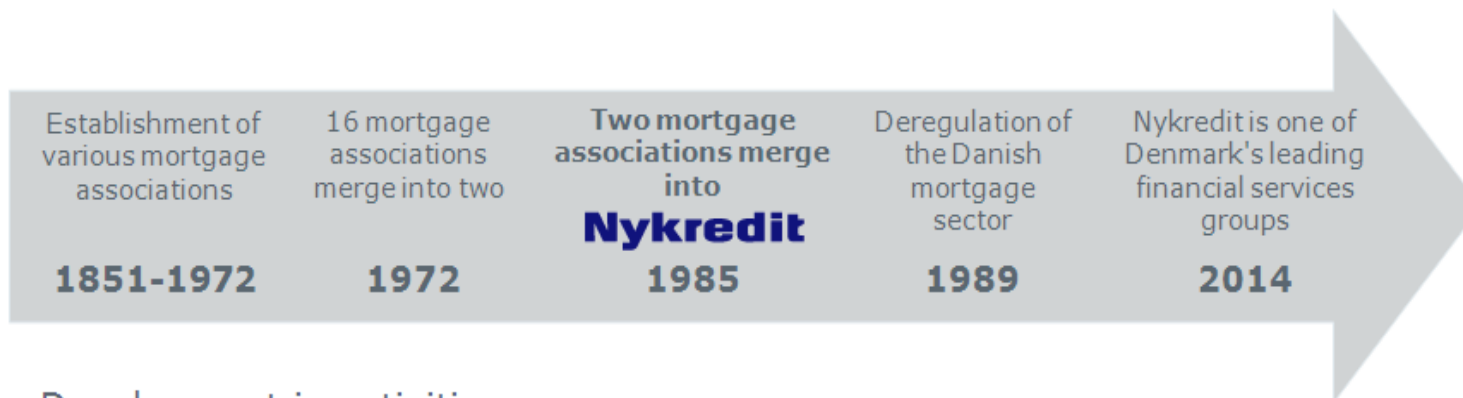
## Members

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 Associations.



## Development in activities

**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

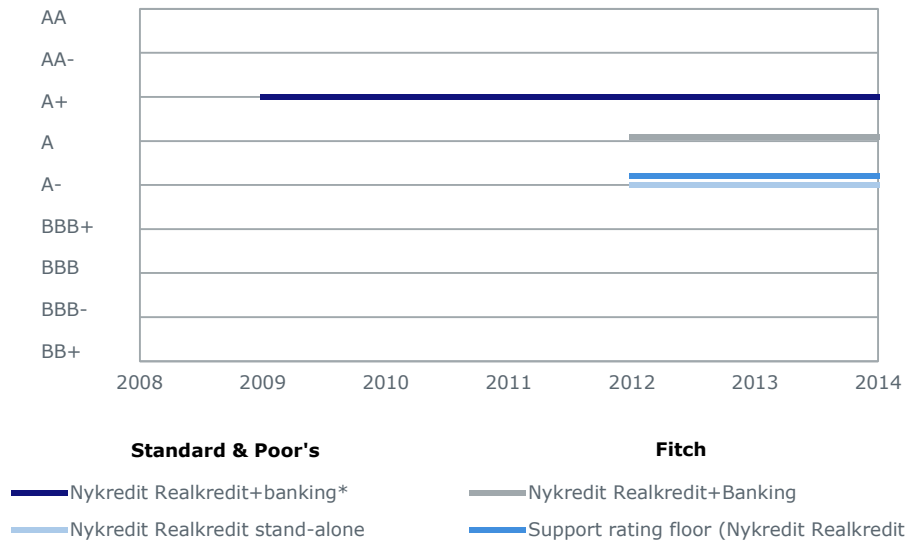
**2010** Sale of Nykredit Forsikring

# 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	
Nykredit in General (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)	BB+	
Contingent Capital Notes (Tier 2)	BBB	BBB

\*Negative outlook

## Nykredit Bank A/S

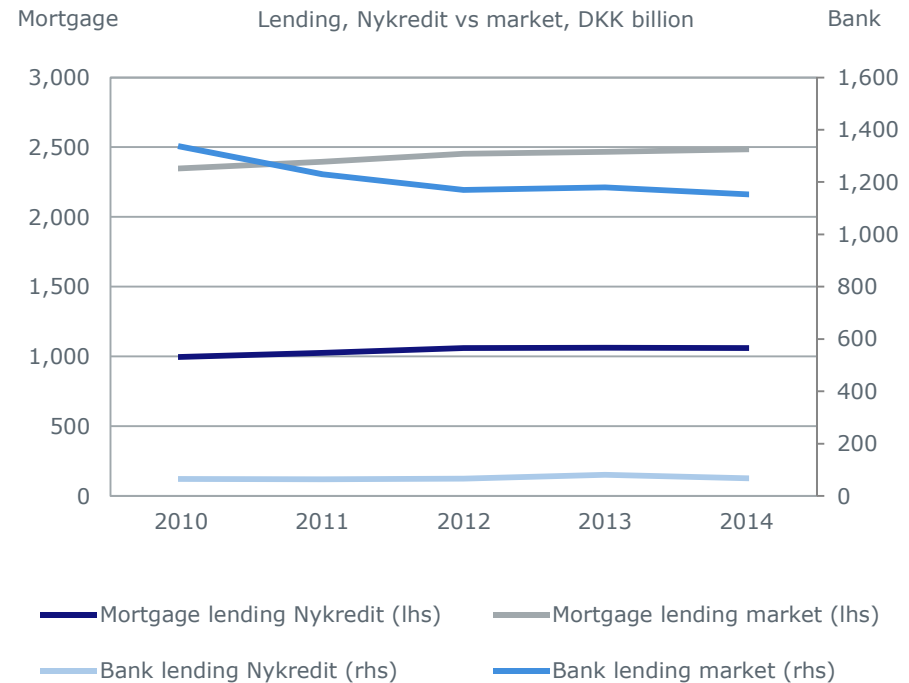
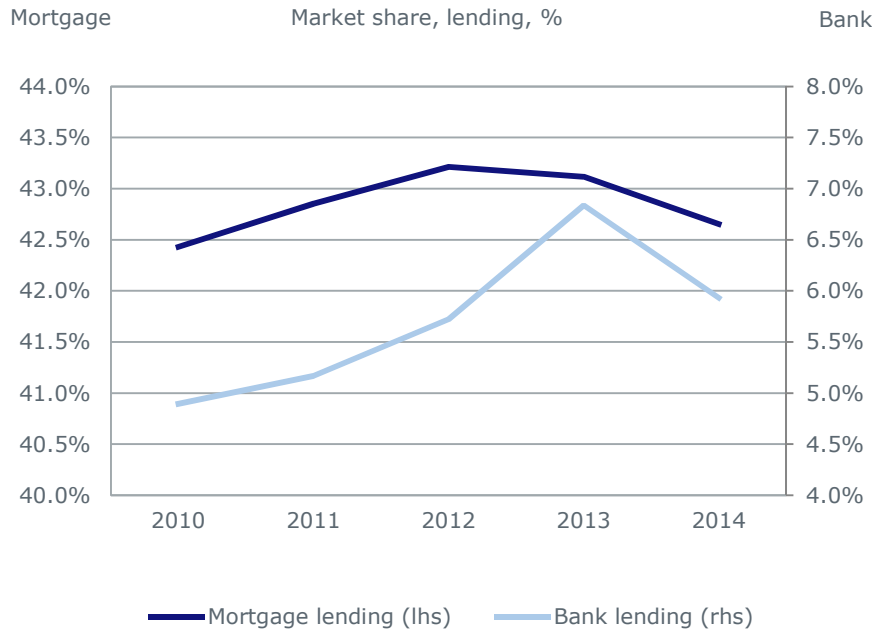
	S&P	Fitch
Short-term deposit rating	A-1	F1
Long-term deposit rating	A+*	A
<b>Euro MTN Programme</b>		
- Short-term senior debt	A-1	F1
- Long-term senior debt	A+*	A
<b>Euro Commercial Paper and Certificate of Deposit Program</b>		
- Short-term senior debt	A-1	F1

\* Negative outlook

# Market share – lending

## Market share

DKK billion	2010	2011	2012	2013	2014
Bank lending*	65	64	67	81	68
Mortgage lending	996	1,027	1,060	1,063	1,060
<b>Total</b>	<b>1,061</b>	<b>1,091</b>	<b>1,127</b>	<b>1,144</b>	<b>1,128</b>
<b>Market share</b>					
Bank lending	4.9%	5.2%	5.7%	6.8%	5.9%
Mortgage lending	42.4%	42.9%	43.2%	43.1%	42.7%
<b>Total</b>	<b>28.8%</b>	<b>30.1%</b>	<b>31.1%</b>	<b>31.4%</b>	<b>31.0%</b>



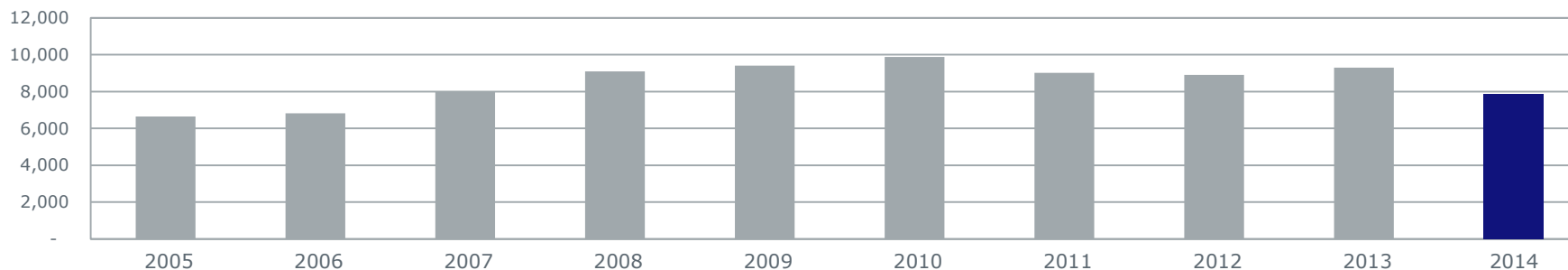
Note: MFI statistics – lending and distribution of market share in Denmark  
 Bank lending includes reverse transactions. Mortgage lending at fair value excl monetary and financial institutions.

# Core income – the Nykredit Realkredit Group

## The Nykredit Realkredit Group

DKK million	2010	2011	2012	2013	2014
<b>Core earnings from</b>					
Business operations	9,644	9,199	10,228	10,440	11,509
Value adjustment of derivatives and corporate bonds	(121)	(642)	(1,095)	(776)	(3,362)
Junior covered bonds	(120)	(190)	(436)	(484)	(408)
Securities	470	644	212	118	130
<b>Total core income</b>	<b>9,873</b>	<b>9,010</b>	<b>8,909</b>	<b>9,297</b>	<b>7,869</b>
Operating costs, depreciation and amortisation, excl special value adjustments	(5,870)	(5,809)	(5,800)	(5,830)	(5,036)
Operating costs, depreciation and amortisation – special value adjustments	(88)	(158)	205	(218)	(66)
<b>Core earnings before impairment losses</b>	<b>3,914</b>	<b>3,042</b>	<b>3,314</b>	<b>3,250</b>	<b>2,766</b>
Impairment losses on loans and advances – mortgage lending	888	1,026	1,592	2,414	2,132
Impairment losses on loans and advances – banking	1,214	388	557	349	219
Impairment losses on loans and advances – government guarantee scheme	280	-	-	-	-
<b>Core earnings after impairment losses</b>	<b>1,532</b>	<b>1,628</b>	<b>1,165</b>	<b>486</b>	<b>416</b>
Investment portfolio income	2,060	179	2,444	1,887	779
<b>Profit before cost of capital</b>	<b>3,592</b>	<b>1,807</b>	<b>3,609</b>	<b>2,373</b>	<b>1,194</b>
Net interest on additional Tier 1 capital	461	462	465	460	528
<b>Profit before tax</b>	<b>3,131</b>	<b>1,345</b>	<b>3,144</b>	<b>1,914</b>	<b>666</b>
Tax	786	223	575	240	90
Profit from discontinued insurance operations	1,511	-	-	-	-
<b>Result for the period</b>	<b>3,857</b>	<b>1,123</b>	<b>2,569</b>	<b>1,674</b>	<b>576</b>

Core income, DKK million



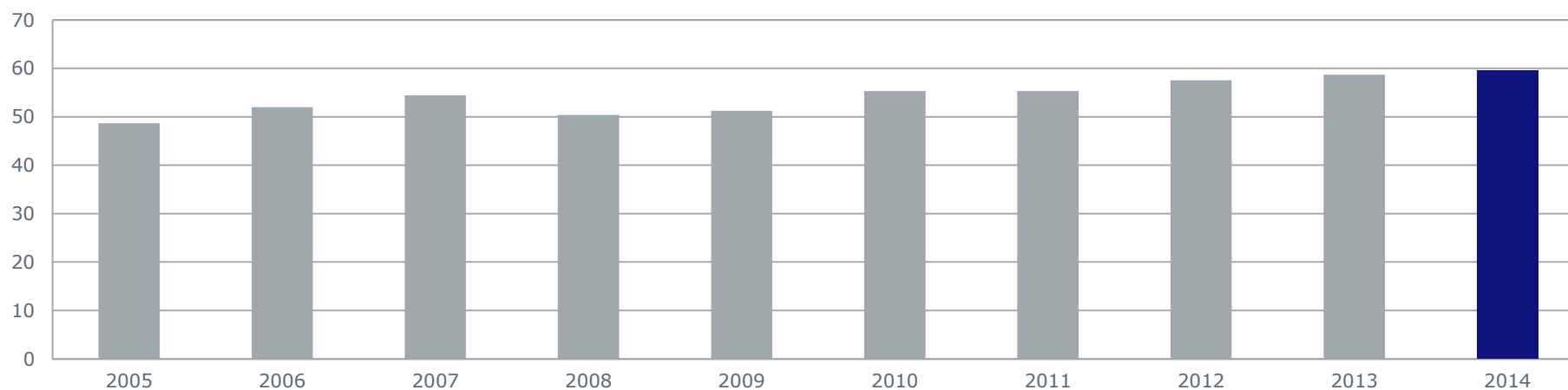
Note: Forstædernes Bank was included in the Consolidated Financial Statements as from 17 October 2008. Value adjustment of the portfolio of subordinated debt instruments in Danish banks (Kalvebod issues) has been included from 1 January 2011. Comparative figures have been restated. Largely all the Group's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

# Balance sheet summary – the Nykredit Realkredit Group

## The Nykredit Realkredit Group

DKK million	2010	2011	2012	2013	2014
<b>Assets</b>					
Receivables from credit institutions and central banks	58,657	66,258	60,174	35,758	42,288
Mortgage loans at fair value	1,030,478	1,083,991	1,136,445	1,136,644	1,137,099
Bank loans and advances - excl reverse transactions	58,833	55,776	49,727	46,963	50,494
Bonds and equities	99,144	100,794	82,413	92,961	131,383
Remaining assets	64,029	86,086	104,646	105,087	96,889
<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>1,458,153</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	95,879	117,626	67,539	44,393	44,863
Deposits	55,467	57,404	54,509	65,172	65,232
Issued bonds at fair value	974,319	1,021,942	1,103,818	1,130,020	1,167,163
Subordinated debt	11,618	11,204	11,281	10,964	11,394
Remaining liabilities	118,537	129,419	138,701	108,148	109,998
Equity	55,320	55,310	57,556	58,716	59,502
<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>1,458,153</b>

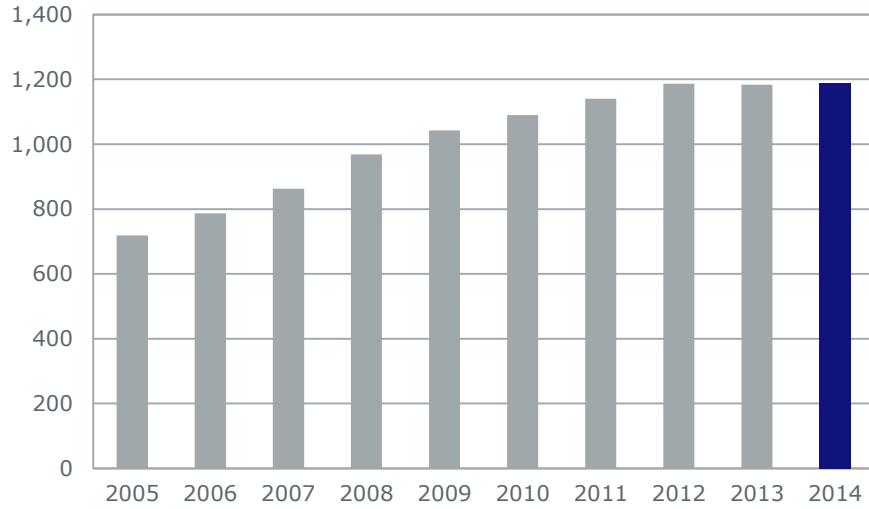
Equity, DKKbn



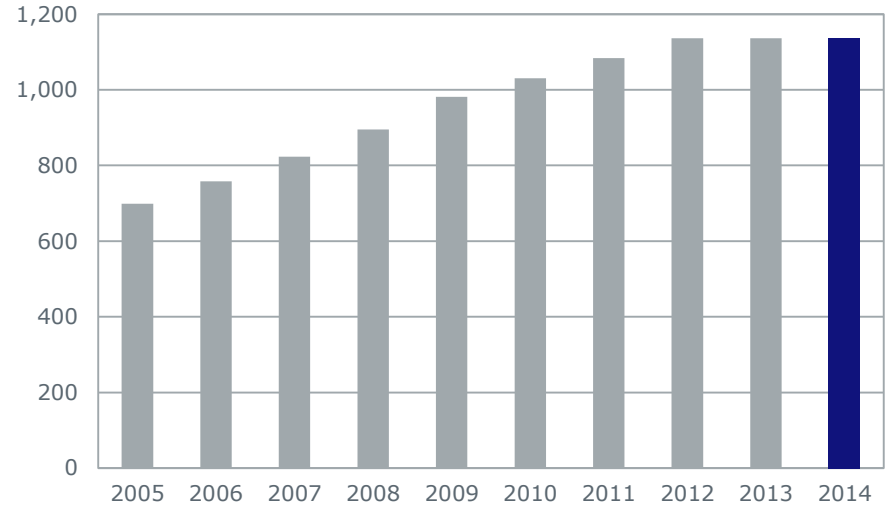


# Balance sheet summary – the Nykredit Realkredit Group

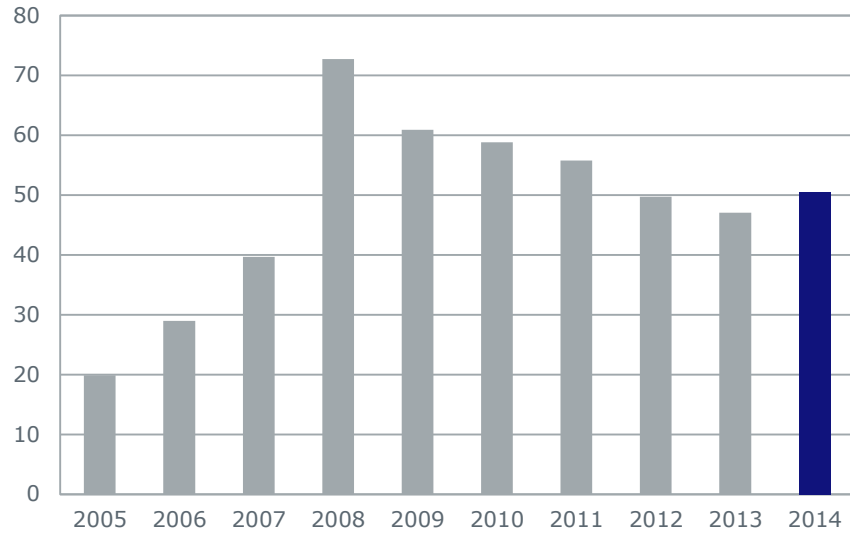
Total lending, DKKbn



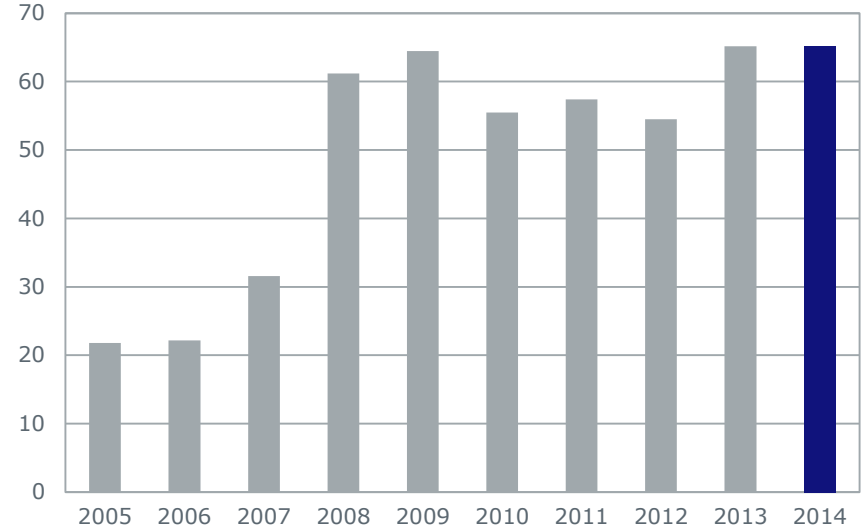
Total mortgage lending, DKKbn



Total bank lending, DKKbn



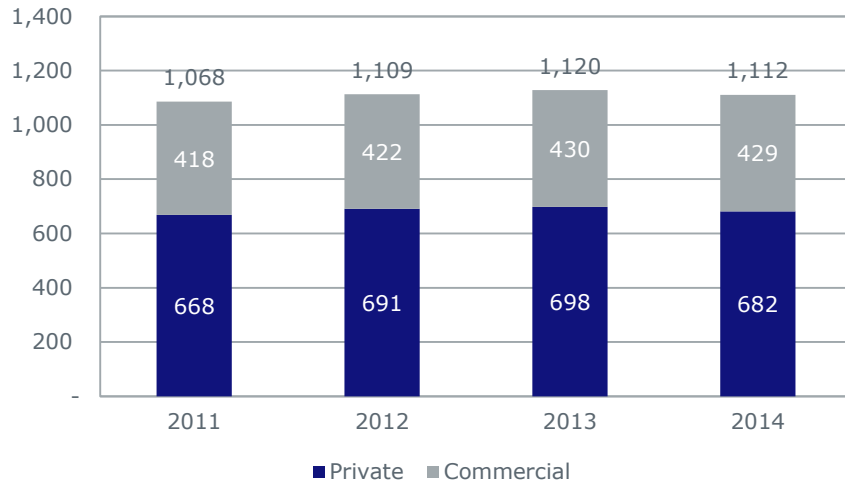
Total bank deposits, DKKbn



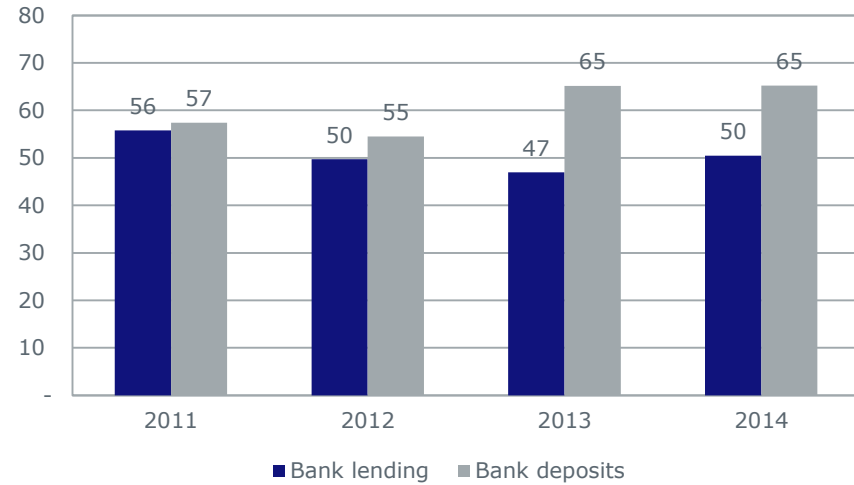
Note: Mortgage lending based on fair value. Bank lending excludes reverse transactions.

# Lending and deposits

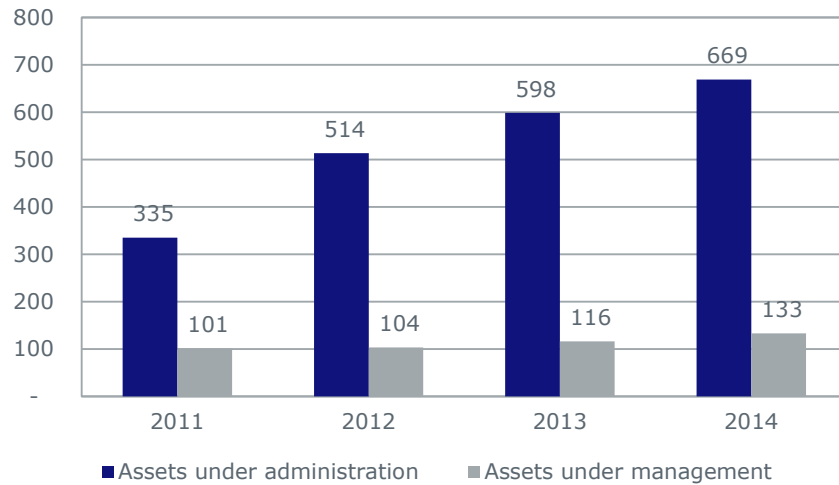
Nominal mortgage lending, DKKbn



Bank lending and bank deposits, DKKbn

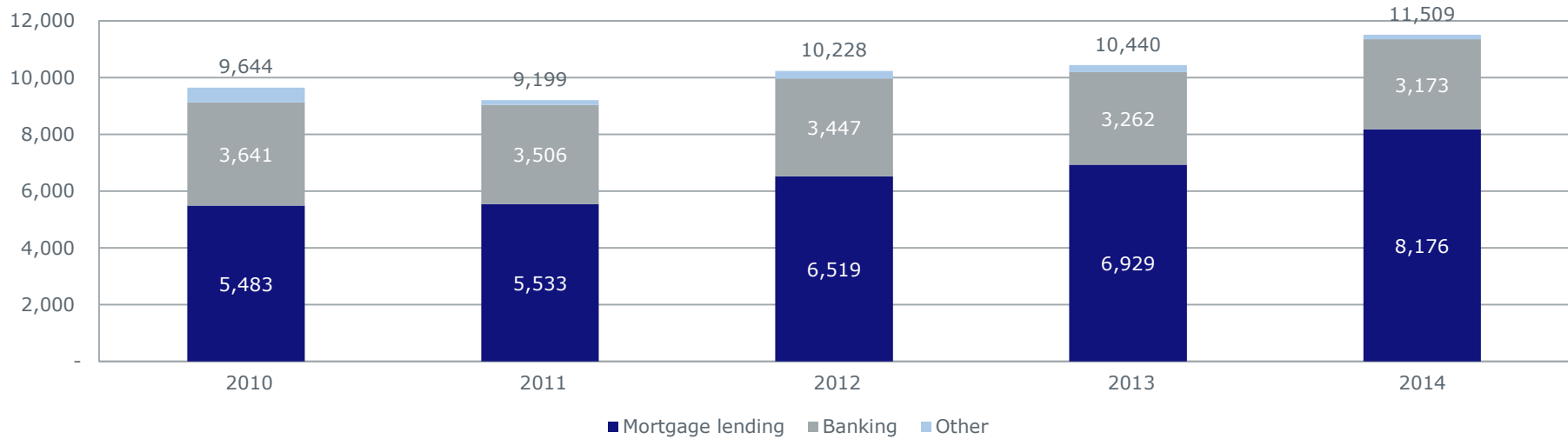


Assets under administration

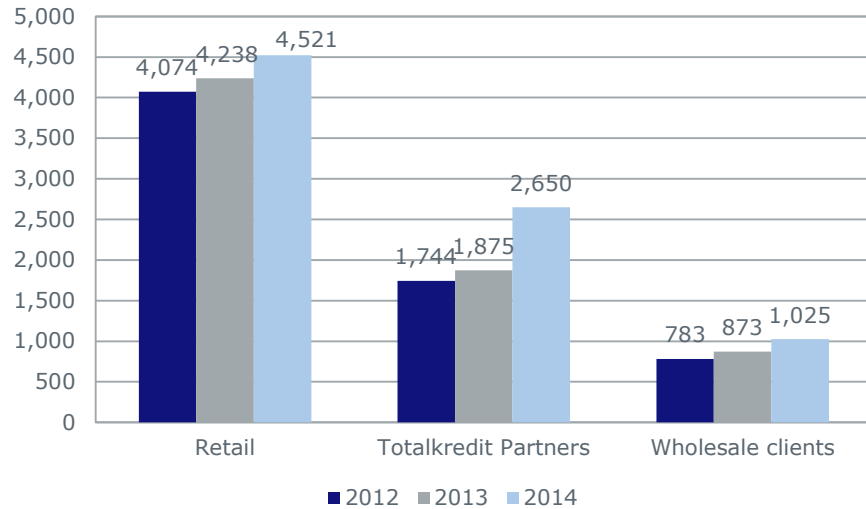


# Core earnings – the Nykredit Realkredit Group

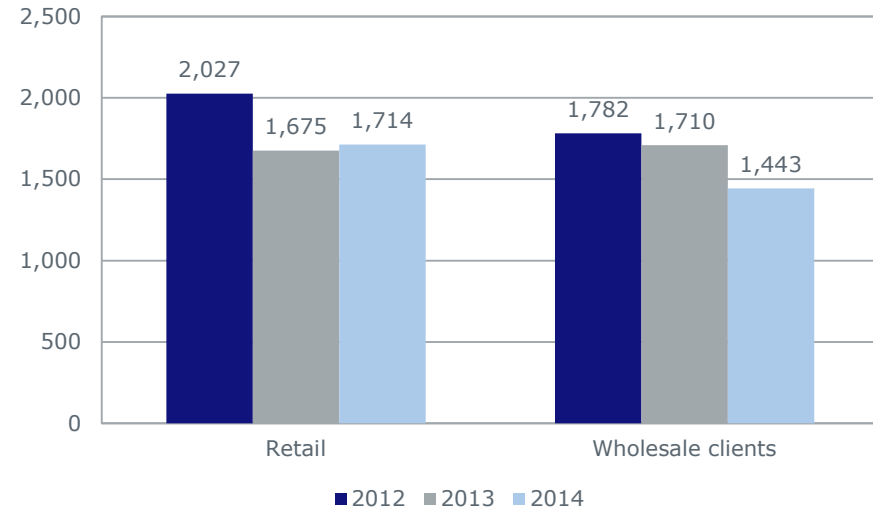
Core earnings from business operations, DKKm



Core earnings from business operations by business area excl Group items - mortgage, DKKm

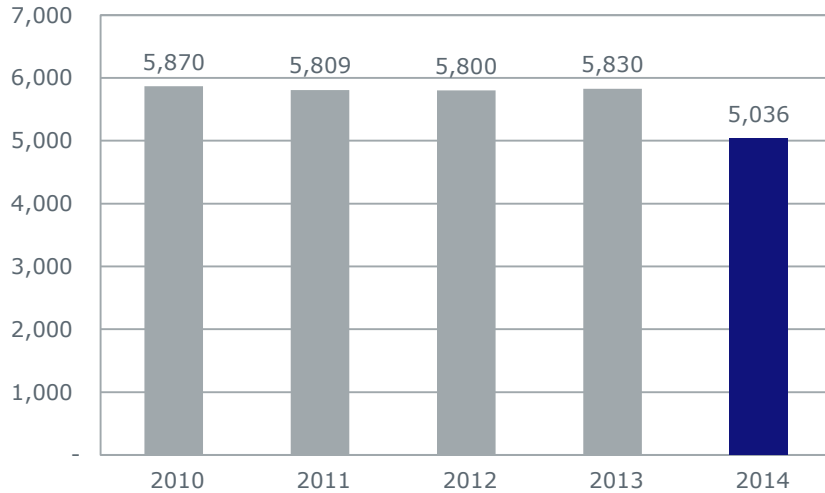


Core earnings from business operations by business area excl Group items - banking, DKKm



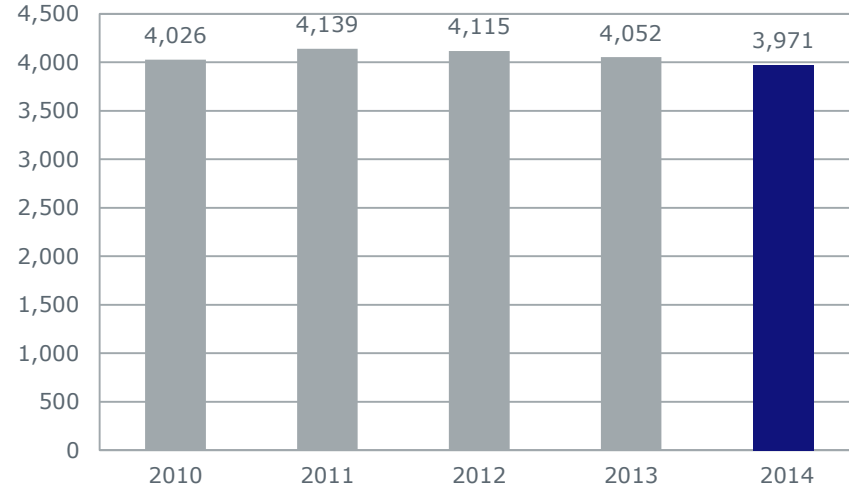
# Breakdown of costs

Operating costs, the Nykredit Realkredit Group, DKKm

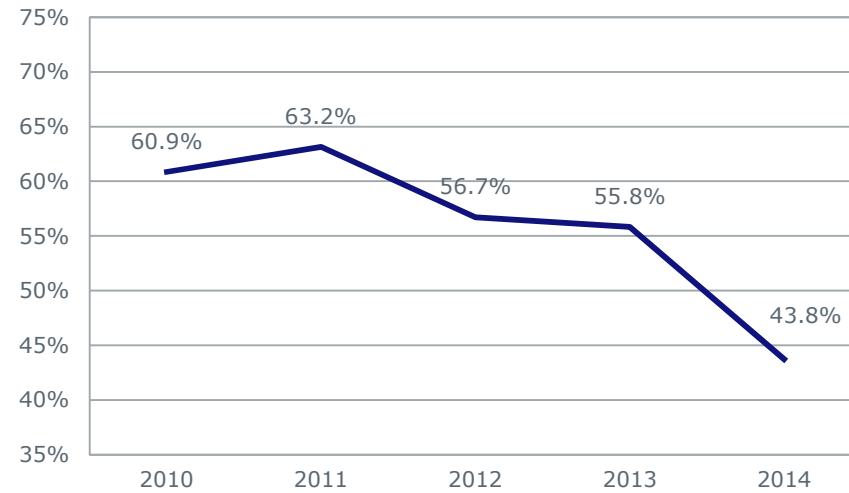


Note: Operating costs includes payment to Guarantee Fund for Depositors and Investors/commission, government guarantee scheme

Average number of full-time employees



Cost:income ratio, %



Note: Operating costs, depreciation and amortisation, excl special value adjustments as % of core earnings from business operations

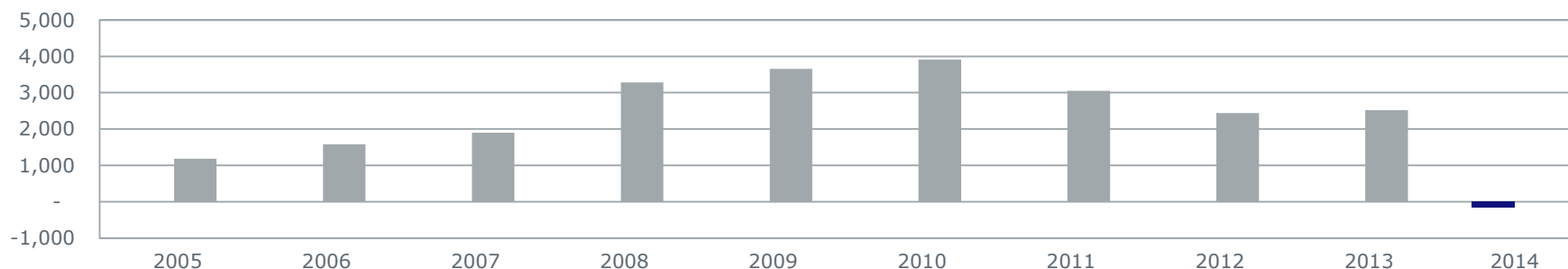


# Core income – the Nykredit Bank Group

## The Nykredit Bank Group

DKK million	2010	2011	2012	2013	2014
<b>Core earnings from</b>					
Business operations	3,641	3,506	3,447	3,262	3,173
Value adjustment of derivatives and corporate bonds	-	(632)	(1,067)	(776)	(3,362)
Securities	125	175	61	33	29
<b>Total core income</b>	<b>3,909</b>	<b>3,049</b>	<b>2,441</b>	<b>2,519</b>	<b>(160)</b>
Operating costs, depreciation and amortisation	1,780	1,814	1,824	2,002	2,035
Provisions for costs relating to reorganisation	-	-	-	50	-
Value adjustment of associate	30	-	-	78	-
<b>Core earnings before impairment losses</b>	<b>1,788</b>	<b>1,134</b>	<b>594</b>	<b>474</b>	<b>(2,196)</b>
Impairment losses on loans and advances and provisions for guarantees	1,494	388	557	349	219
<b>Core earnings after impairment losses</b>	<b>351</b>	<b>746</b>	<b>37</b>	<b>125</b>	<b>(2,414)</b>
Investment portfolio income	166	(153)	30	(40)	43
<b>Profit before tax</b>	<b>517</b>	<b>593</b>	<b>67</b>	<b>85</b>	<b>(2,371)</b>
Tax	122	160	(1)	8	(599)
<b>Result for the period</b>	<b>396</b>	<b>433</b>	<b>69</b>	<b>77</b>	<b>(1,772)</b>

Core income, DKKm



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.

# Balance sheet summary – the Nykredit Bank Group

## The Nykredit Bank Group

DKK million	2010	2011	2012	2013	2014
<b>Assets</b>					
Cash balance and receivables from credit institutions and central banks	29,480	50,244	44,812	23,173	33,884
Loans, advances and other receivables at fair value	12,920	22,007	35,401	56,814	35,228
Loans, advances and other receivables at amortised cost	59,073	55,901	49,807	47,024	50,494
Bonds at fair value and equities	75,266	61,063	58,399	64,219	65,314
Remaining assets	33,684	43,151	52,099	32,904	44,963
<b>Total assets</b>	<b>210,422</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>229,883</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	48,351	63,093	55,355	57,732	63,876
Deposits and other payables	55,699	57,551	54,701	65,405	65,349
Issued bonds at amortised cost	32,848	26,137	28,498	26,689	25,881
Other non-derivative financial liabilities at fair value	25,679	27,308	33,741	29,248	19,943
Remaining payables	32,416	43,594	53,468	30,213	41,913
Provisions	847	233	235	247	246
Subordinated debt	813	250	250	250	100
Equity	13,769	14,202	14,271	14,348	12,576
<b>Total liabilities and equity</b>	<b>210,422</b>	<b>323,368</b>	<b>240,518</b>	<b>224,134</b>	<b>229,883</b>

## Nykredit Bank A/S

### Supervisory diamond (calculated at parent level)

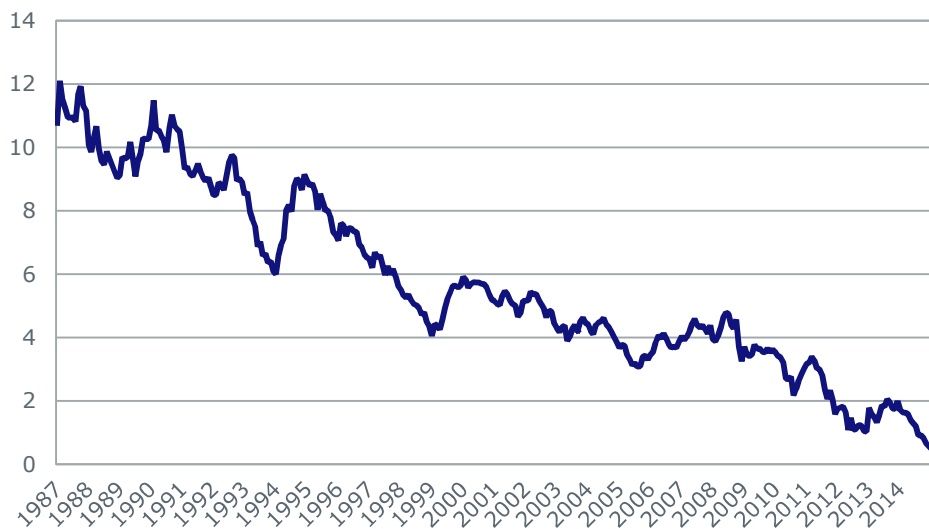
	2011	2012	2013	2014
Lending growth (limit value <20%)	(5.4)	(10.7)	(7.6)	6.8
Large exposures (limit value <125%)	0.0	0.0	0.0	34.5
Property exposure (limit value <25%)	16.8	14.6	10.4	13.6
Funding ratio (limit value < 1.0%)	0.7	0.6	0.5	0.6
Excess liquidity coverage (limit value >50%)	176.0	183.1	276.0	281.6

# Income from securities

## Income from securities

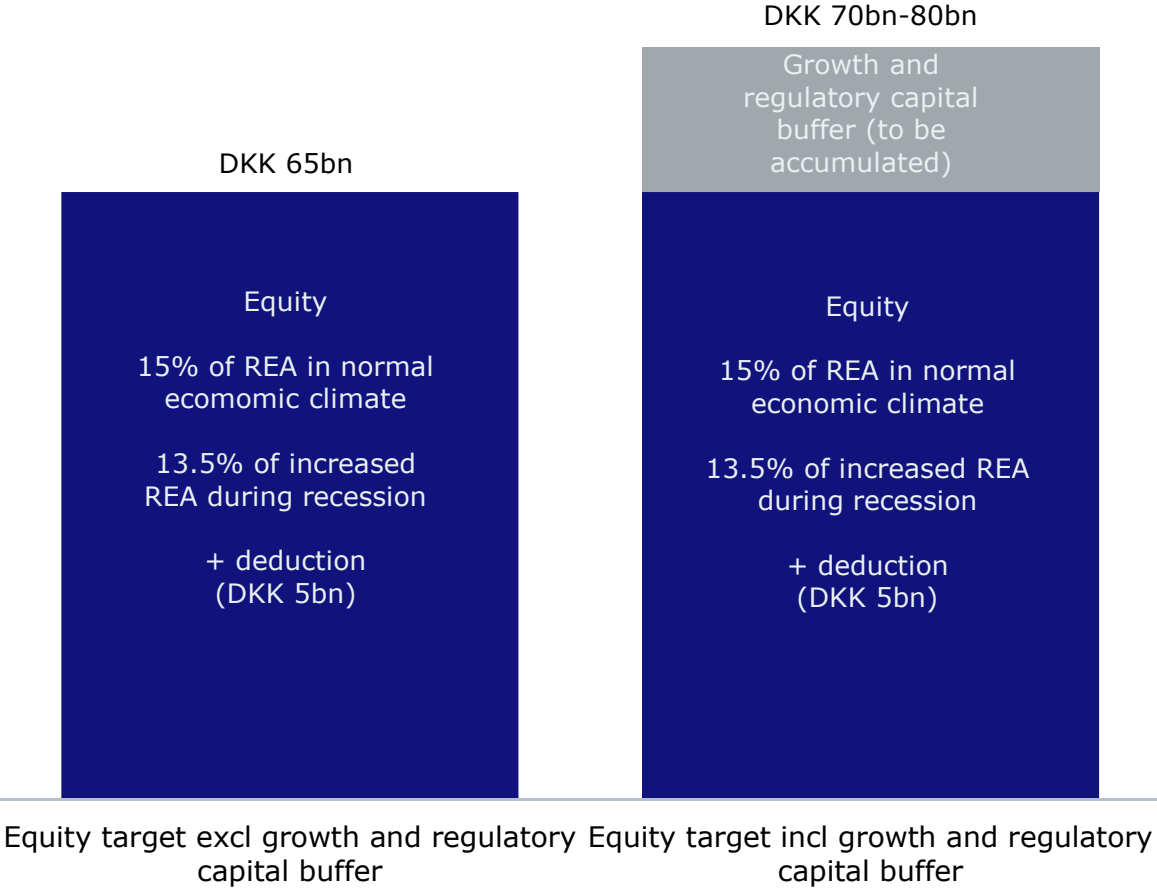
DKK million	2011	2012	2013	2014
Investment portfolio income through profit or loss	180	2,444	1,887	779
Investment portfolio income through equity	(1,087)	(176)	(301)	258
<b>Total investment portfolio income</b>	<b>(907)</b>	<b>2,267</b>	<b>1,586</b>	<b>1,037</b>
- of which bonds	(245)	1,837	858	552
- of which equity	229	151	333	204
- of which strategic equities	(891)	279	395	281

Ten year Danish government bond yield, %



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

# Future equity requirement





# Ratios and keyfigures – the Nykredit Realkredit Group

## Keyfigures

DKK million	2010	2011	2012	2013	2014
<b>Net interest margin, %</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%	0.19%
Banking	1.3%	0.4%	0.6%	0.3%	0.20%
<b>Write-offs</b>					
Mortgage lending	463	634	1,029	957	1,325
Banking	3,035	2,217	848	613	651
Swaps	-	-	63	148	100
<b>Total provisions for loan impairment</b>					
Mortgage lending	2,226	2,485	2,954	4,358	5,506
Banking (including guarantees)	6,888	4,407	4,139	4,097	3,666
Swaps	107	755	1,496	2,229	5,421
<b>Total provisions for loan impairment/write-offs</b>					
Mortgage lending	4.8	3.9	2.9	4.6	4.2
Banking	2.3	2.0	4.9	6.7	5.6
Swaps	-	-	23.7	15.1	54.2

## Capital ratios

%	2010	2011	2012	2013	2014
Tier 1 capital ratio, %	18.5%	17.1%	19.1%	18.9%	18.2%
Common Equity Tier 1 (CET1) capital ratio, %	15.1%	13.9%	15.8%	15.8%	15.4%
Leverage ratio, %*	-	-	-	-	3.96%

\*2014 as of Q3 2014. Previous years not computed.

## Ratios

%	2010	2011	2012	2013	2014
Return on average equity, %	0.30%	2.03%	4.55%	2.88%	0.98%
Return on assets, %	0.30%	0.08%	0.18%	0.11%	0.04%
Return on REA, %*	1.18%	0.32%	0.79%	0.48%	0.15%

\*Risk exposure amount - REA, formerly risk weighted assets - RWA

Note: Nykredit's earnings should be seen relative to the balance sheet structure. 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

Mortgage lending, nominal value, DKKm



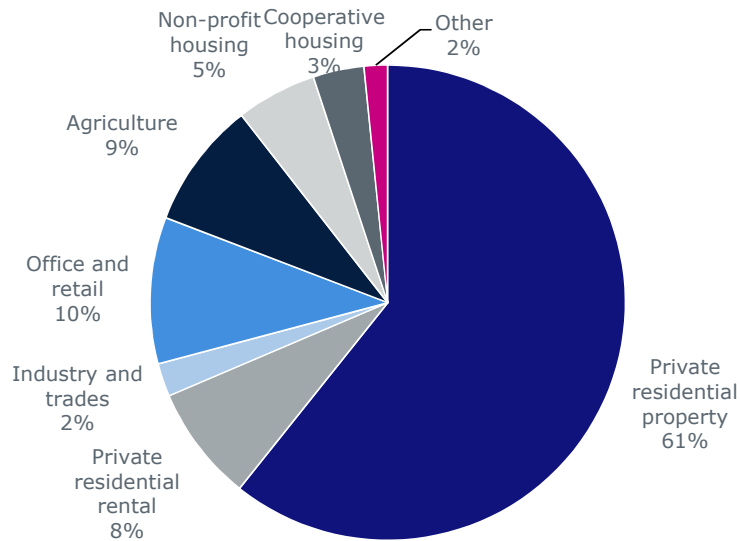
Mortgage lending by property type (excl.private residential property), nominal value,DKKm



# Mortgage lending

## Mortgage lending – by property type

DKK million	2011	2012	2013	2014	Average impairment losses 2011 - 2014	Average write-offs 2011 - 2014
Private residential property	660,891	682,969	689,057	674,974	0.13%	0.08%
Private residential rental	68,082	75,489	79,692	87,575	0.10%	0.15%
Industry and trades	24,544	23,635	25,119	25,058	0.33%	0.24%
Office and retail	103,081	112,444	111,215	110,874	0.17%	0.10%
Agriculture	97,251	97,688	97,217	95,982	0.24%	0.07%
Non-profit housing	58,382	60,060	61,385	61,050	0.03%	0.00%
Cooperative housing	39,001	39,066	38,649	38,481	0.63%	0.01%
Other	16,373	17,444	17,636	17,750	0.26%	0.11%
<b>Total</b>	<b>1,067,606</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,111,744</b>	<b>0.16%</b>	<b>0.09%</b>



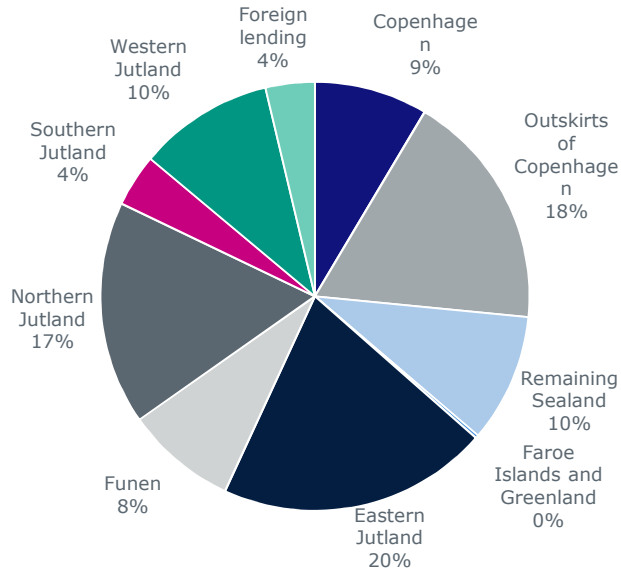
Note: The breakdown by property type is not directly comparable with the Group's business areas.

# Mortgage lending

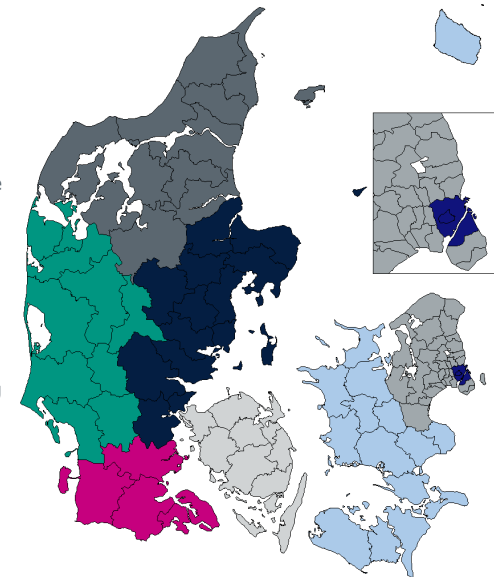
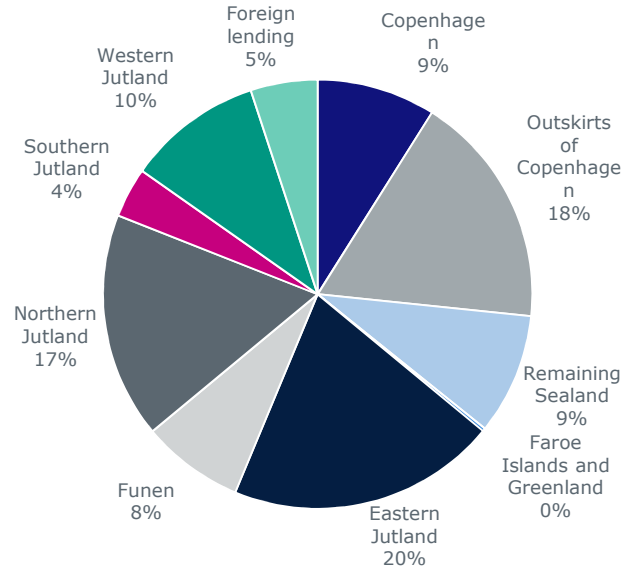
## Mortgage lending at nominal value by geography

DKK billion	2010	2011	2012	2013	2014
Copenhagen	88	91	96	98	99
Outskirts of Copenhagen	185	192	198	199	197
Remaining Sealand	100	101	102	102	102
Faroe Islands and Greenland	2	2	3	3	3
Eastern Jutland	210	218	226	229	225
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	114
Foreign lending	38	45	55	56	56

2010 (DKK billion)

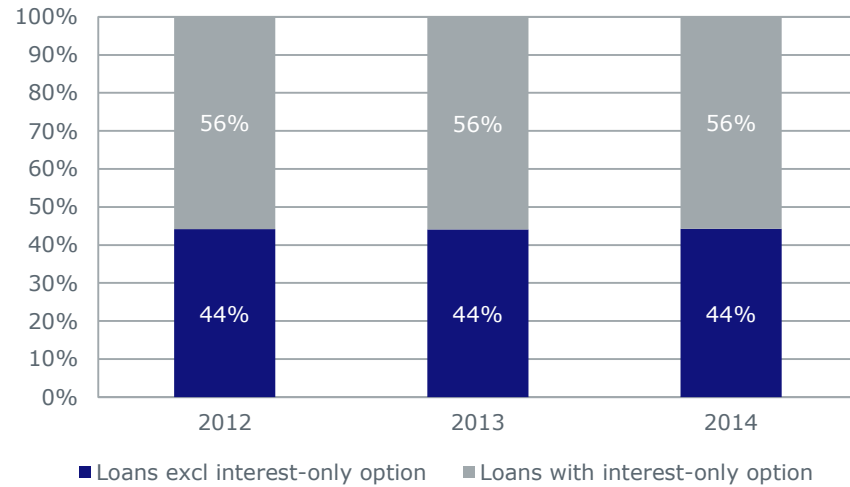


2014 (DKK billion)

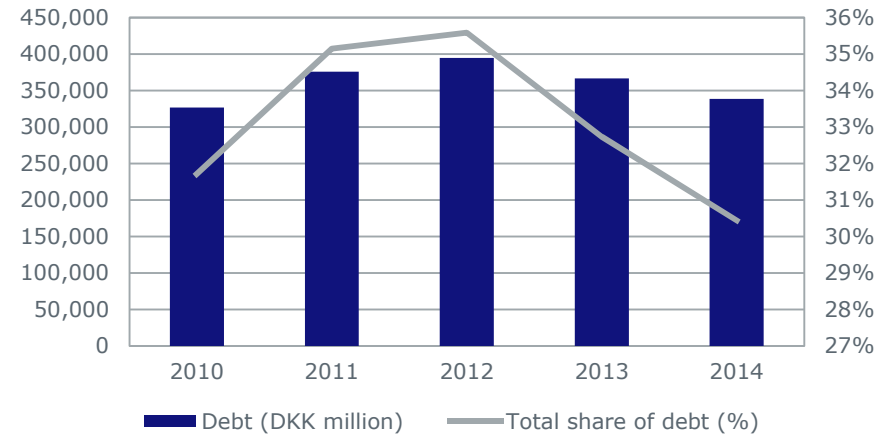


# Mortgage lending

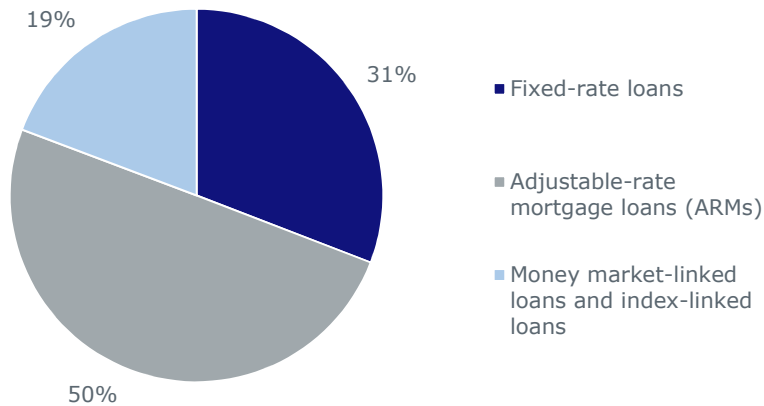
Bond dept outstanding by loan and interest type, all segments



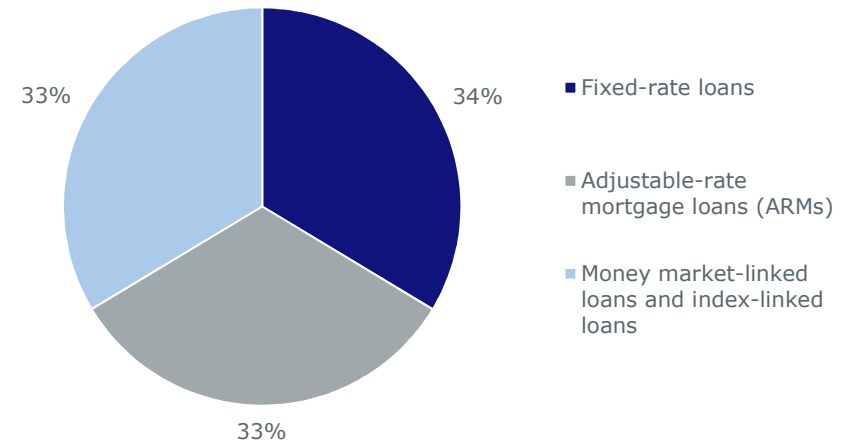
Variable-rate loans with refinancing within one year (ARMs, money marked-linked and index-linked), debt outstanding with maturity less than 1 year, all segments, variable-rate loans.



Mortgage lending by loan type, private residential properties, 2014

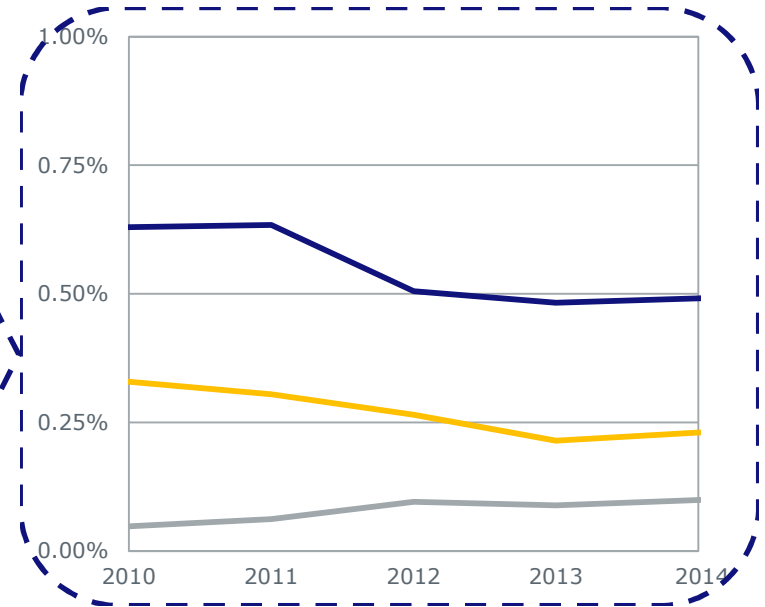
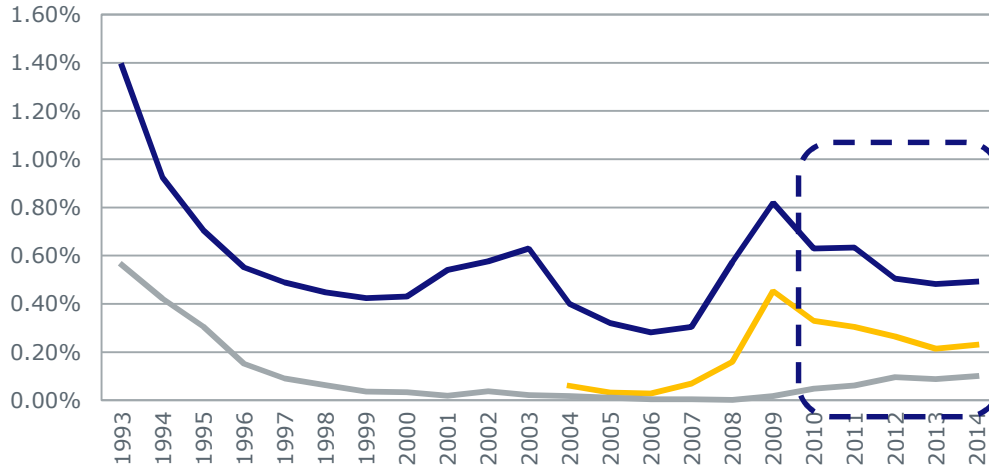


Mortgage lending by loan type, commercial, 2014



# Arrears – mortgage lending

Arrears - 75 days past due, %

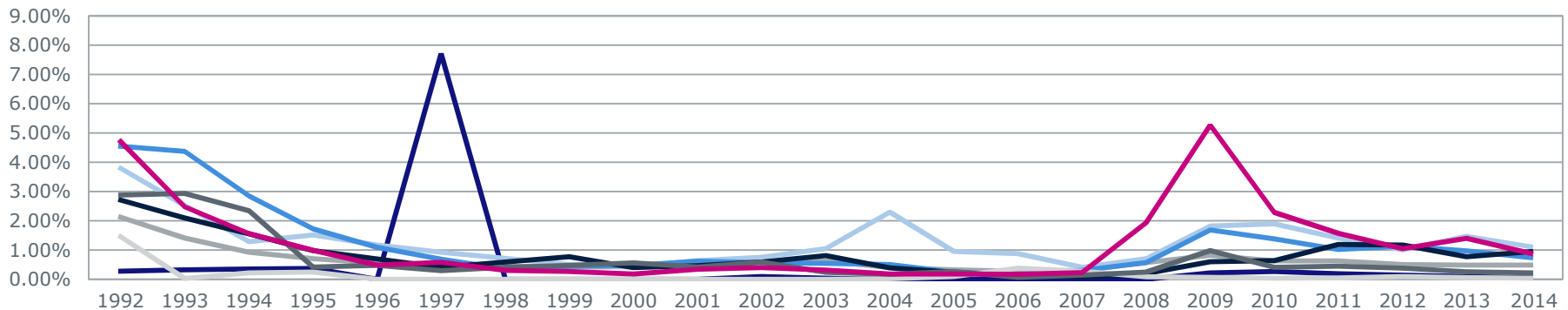


— Nykredit - Privat residential property — Totalkredit — Write-offs

Note: Totalkredit has been consolidated with Nykredit Realkredit from 10 November 2003.

2014 write-offs has not been annualized.

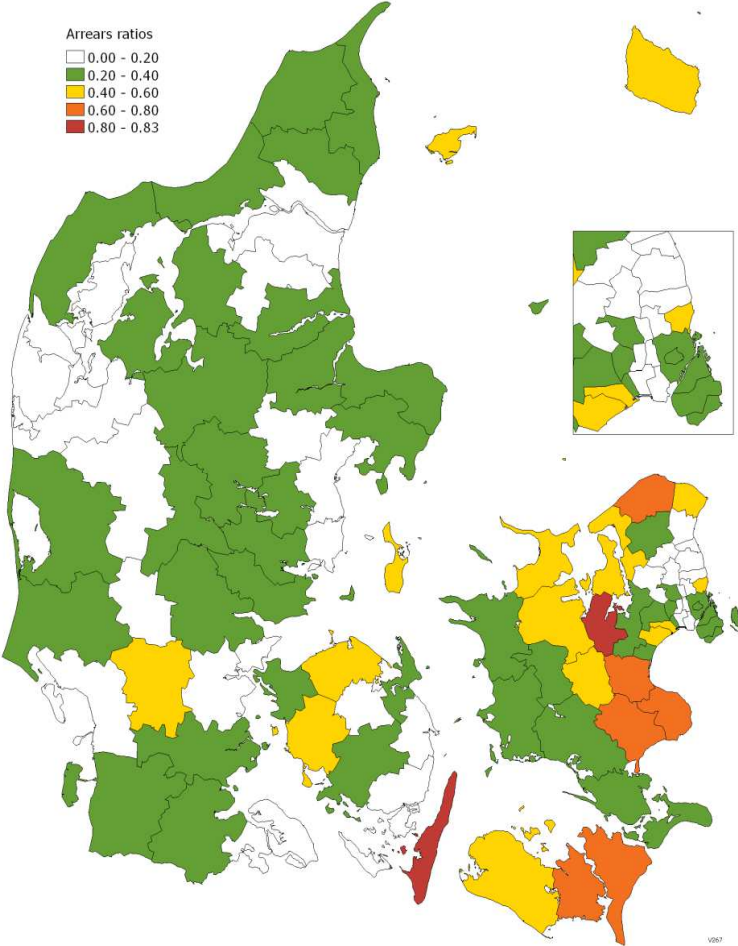
Arrears, 75 days past due, %



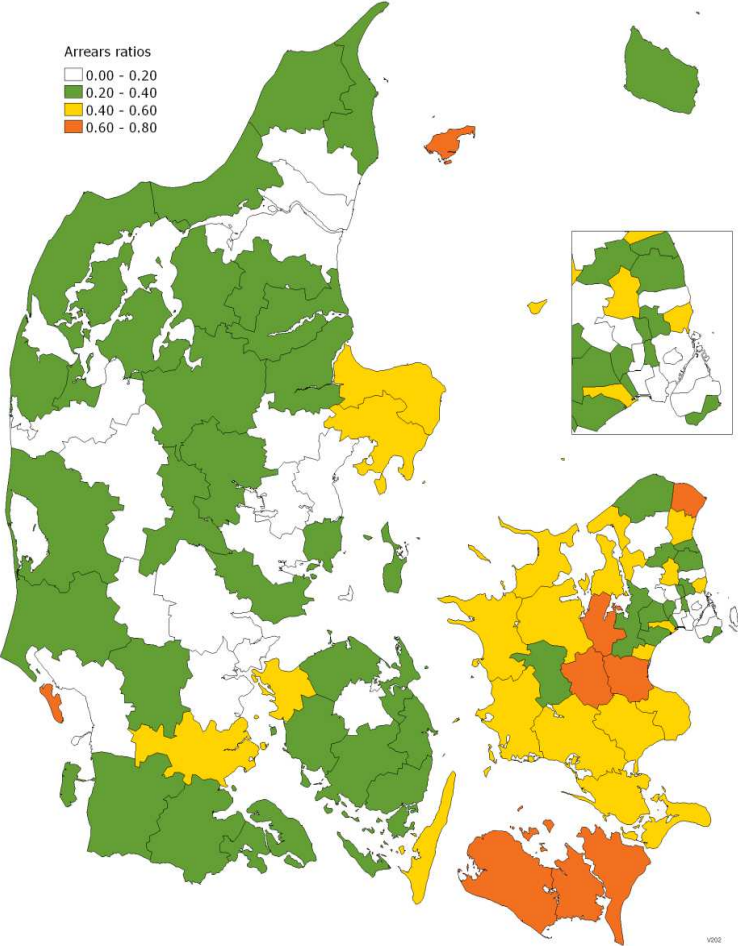
— Cooperative housing — Agriculture — Private residential property — Non-profit housing — Industry and trades — Other — Office and retail — Private residential rental

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

75 day-arrears, 2013

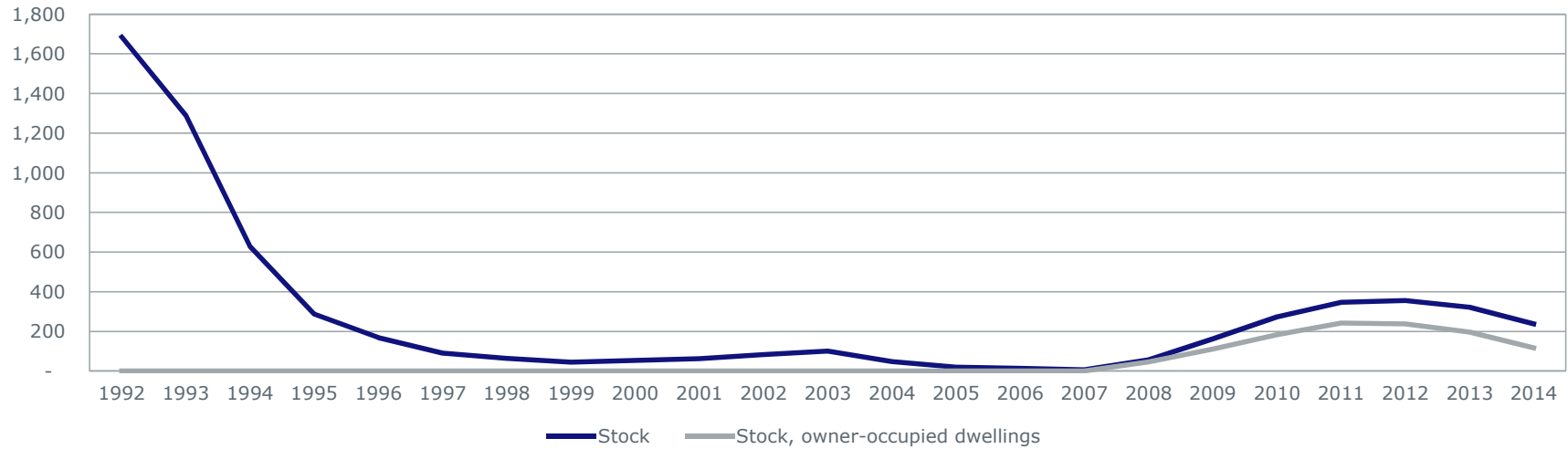


75 day-arrears, 2014

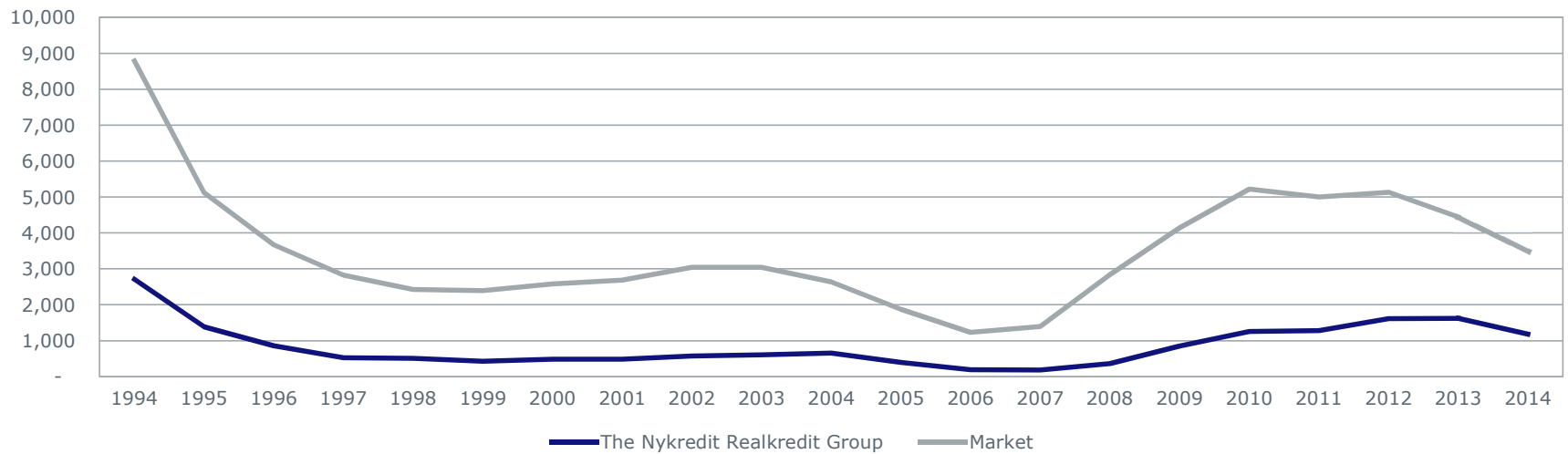


# Repossessed properties and forced sales

Repossessions, The Nykredit Realkredit Group



Forced sales in Denmark





# Risk relating to mortgage lending

## Debt outstanding relative to estimated property values, continuous distribution Q4 2014 Fair value 2014 LTV (loan-to-value), The Nykredit Realkredit Group

DKK million	0-40	40-60	60-80	80-100	Over 100	Non-profit housing	Total	LTV-median	Average LTV
								%	%
Private residential property	392,835	156,397	103,462	27,910	7,753	-	688,356	35	75
Private residential rental	77,032	28,397	15,075	3,425	1,261	-	125,190	32	69
Industry and trades	18,592	4,711	1,418	396	140	-	25,257	24	56
Office and retail	80,472	24,530	5,708	1,244	668	-	112,622	27	58
Agriculture	71,479	18,710	7,102	1,729	730	-	99,750	26	59
Other	13,404	3,055	1,250	123	97	-	17,929	24	55
<b>Total Q4 2014</b>	<b>653,815</b>	<b>235,800</b>	<b>134,014</b>	<b>34,828</b>	<b>10,648</b>	<b>68,878</b>	<b>1,137,983</b>	<b>31</b>	<b>69</b>
<b>Total Q4 2013</b>	<b>656,393</b>	<b>234,719</b>	<b>132,155</b>	<b>36,479</b>	<b>10,536</b>	<b>67,562</b>	<b>1,137,843</b>	<b>31</b>	<b>68</b>

5.36% of total lending is outside statutory LTV limits

## Debt outstanding relative to estimated property values, Q4 2014 continuous distribution, The Nykredit Realkredit Group

%	0-40	40-60	60-80	80-100	Over 100
Private residential property	57	23	15	4	1
Private residential rental	62	23	12	3	1
Industry and trades	74	19	6	2	1
Office and retail	71	22	5	1	1
Agriculture	72	19	7	2	1
Other	75	17	7	0	1
<b>Total Q4 2014</b>	<b>61</b>	<b>22</b>	<b>12</b>	<b>3</b>	<b>1</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%.

(\*) 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%.

## 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%

# Risk relating to mortgage lending

## Debt outstanding distributed by the top part relative to estimated property values, Q4 2014

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

DKK million	0-40	40-60	60-80	80-100	Over 100	Non-profit housing	Total	LTV-median	Average LTV
								%	%
Private residential property	62,578	140,697	242,804	183,408	58,868	-	688,356	35	75
Private residential rental	28,070	40,214	34,992	15,074	6,842	-	125,190	32	69
Industry and trades	9,510	9,958	3,605	1,373	812	-	25,257	24	56
Office and retail	33,216	53,454	18,650	4,255	3,047	-	112,622	27	58
Agriculture	45,873	29,982	16,475	4,926	2,494	-	99,750	26	59
Other	8,584	5,772	2,907	393	273	-	17,929	24	55
<b>Total Q4 2014</b>	<b>187,831</b>	<b>280,076</b>	<b>319,433</b>	<b>209,429</b>	<b>72,335</b>	<b>68,878</b>	<b>1,137,983</b>	<b>31</b>	<b>69</b>
<b>Total Q4 2013</b>	<b>192,964</b>	<b>286,018</b>	<b>310,268</b>	<b>206,694</b>	<b>74,338</b>	<b>67,562</b>	<b>1,137,843</b>	<b>31</b>	<b>68</b>

28.42% of total lending is outside statutory LTV limits

## Debt outstanding distributed by the top part relative to estimated property values, Q4 2014

### The Nykredit Realkredit Group

%	0-40	40-60	60-80	80-100	Over 100
Private residential property	9	20	35	26	9
Private residential rental	22	32	28	12	5
Industry and trades	38	39	14	5	3
Office and retail	29	47	17	4	3
Agriculture	46	30	17	5	2
Other	48	32	16	2	2
<b>Total Q4 2014</b>	<b>18</b>	<b>26</b>	<b>30</b>	<b>19</b>	<b>7</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.

(\*) 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%.

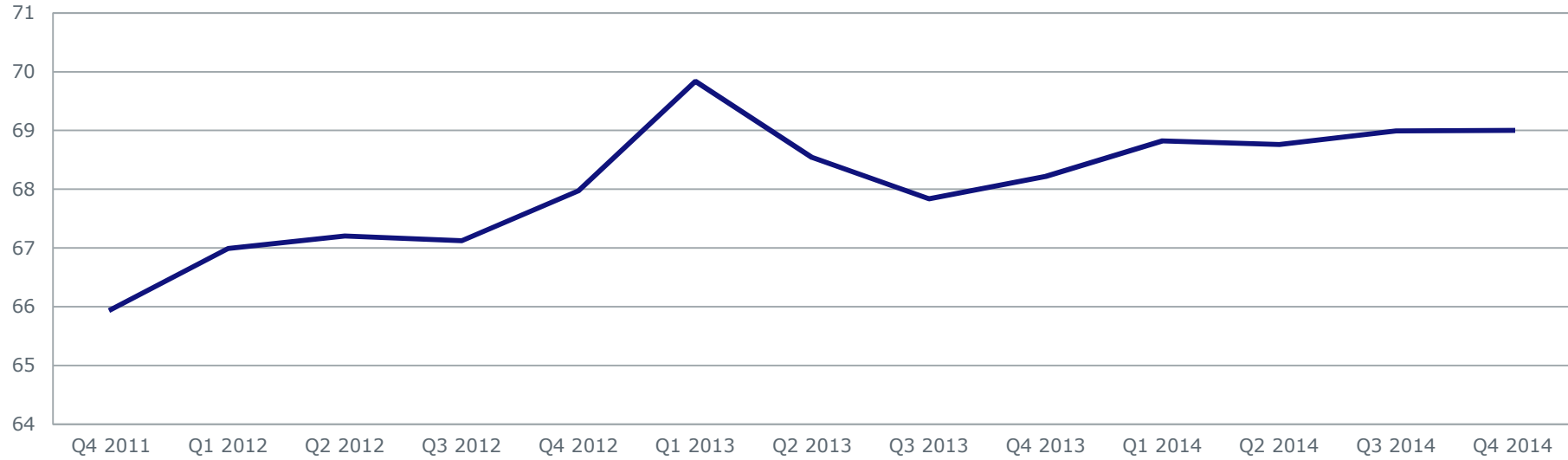
(\*\*) The LTV limit may be extended up to 70% against supplementary collateral for the part in excess in 60%.

## Statutory LTV limits by property category

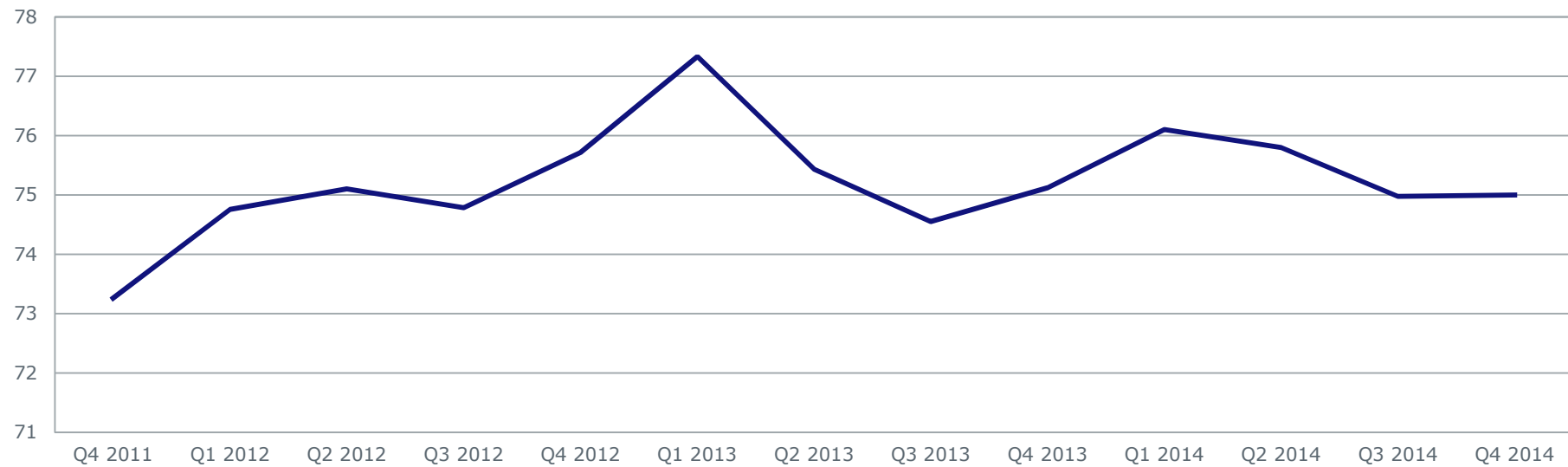
Private residential property for all-year habitation	80%*
Private cooperative housing	
Private residential rental properties	
Non-profit housing	
Youth housing	
Senior housing	
Properties used for social, cultural or educational purposes	60%
Holiday homes	
Agricultural and forestry properties, market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

# LTV

Average LTV - all segments, %

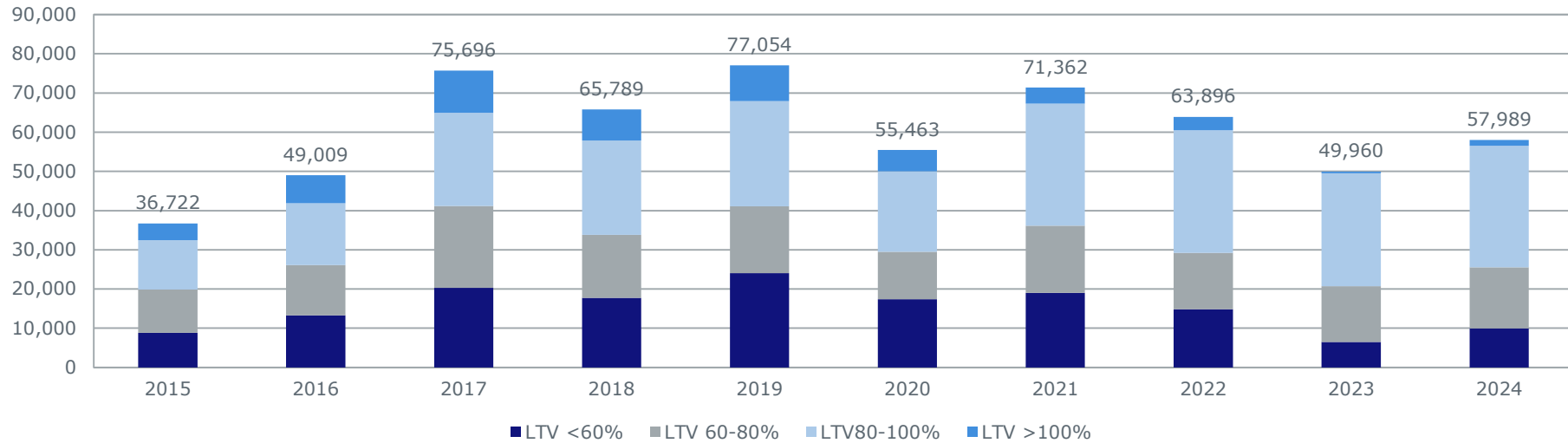


Average LTV - private residential properties, %

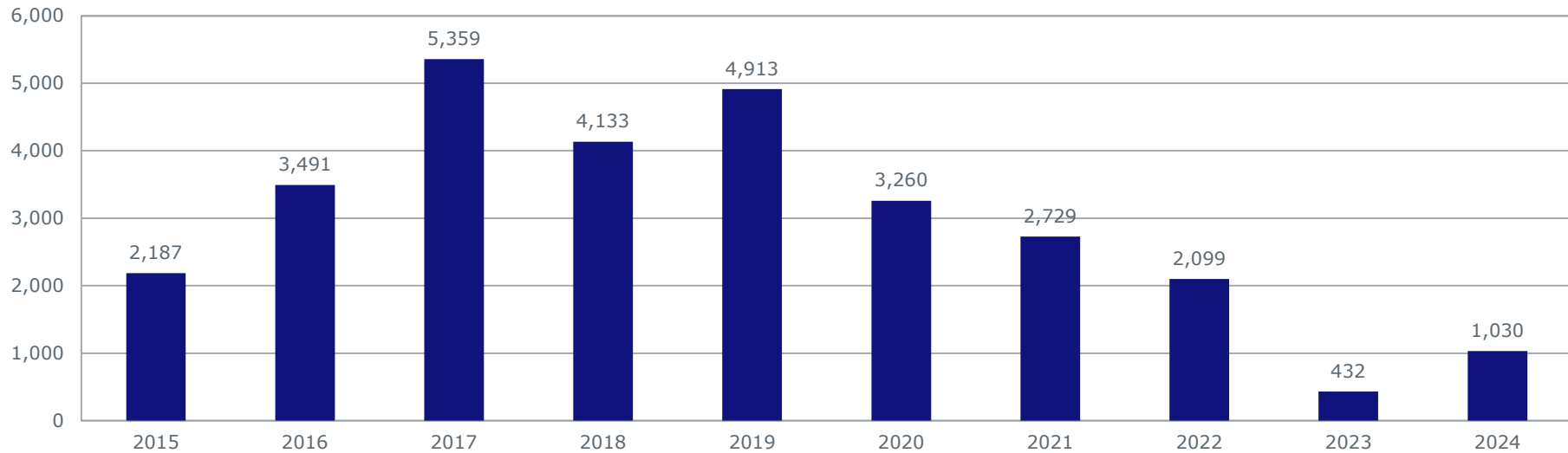


# Expiry of interest-only period – mortgage lending

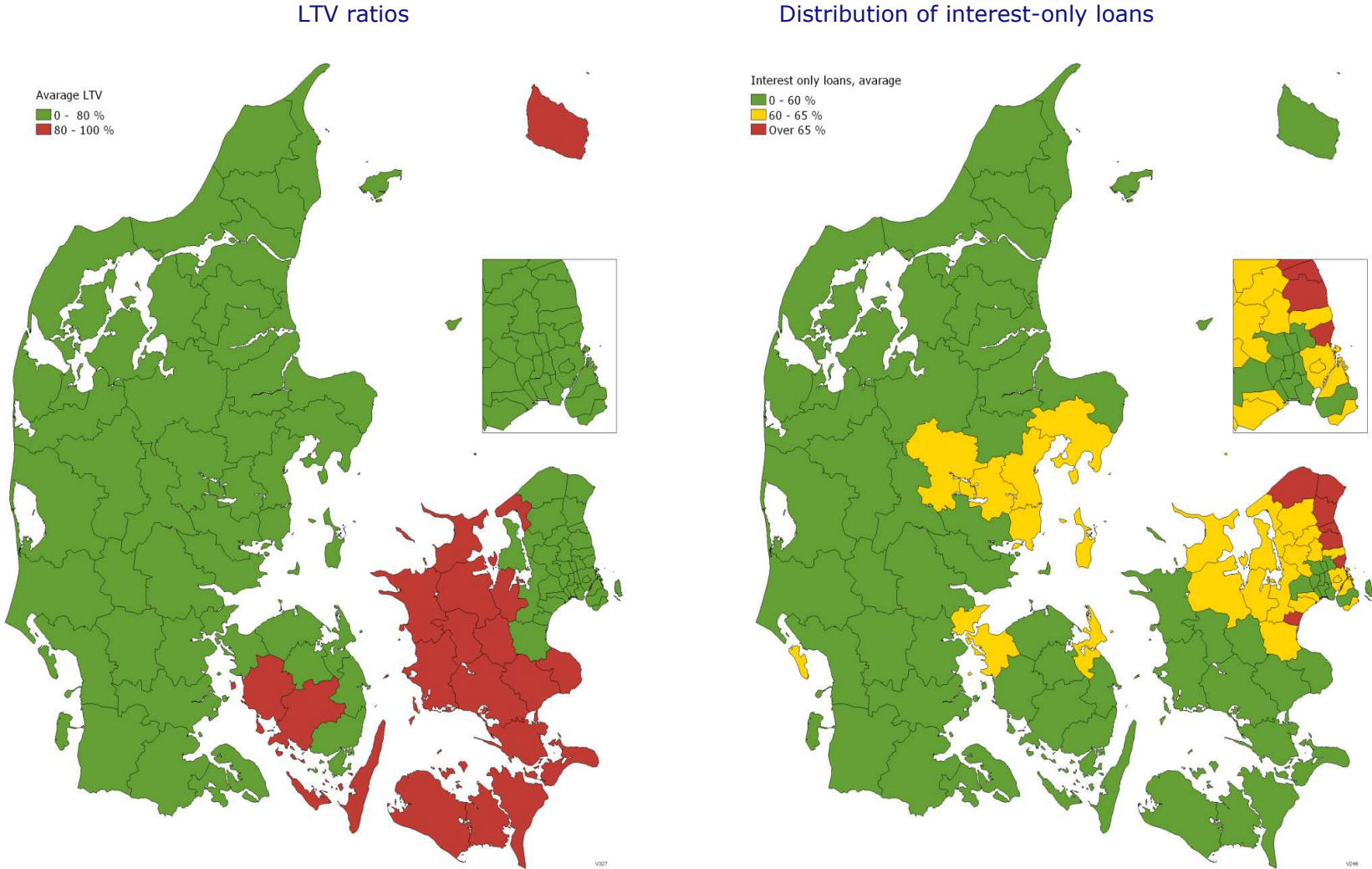
LTV distribution - size of loans by interest-only expiry, DKKm



Debt outstanding over 80% LTV with expiry of interest-only period, by year, DKKm(Only the amount of the loan that excess 80%)



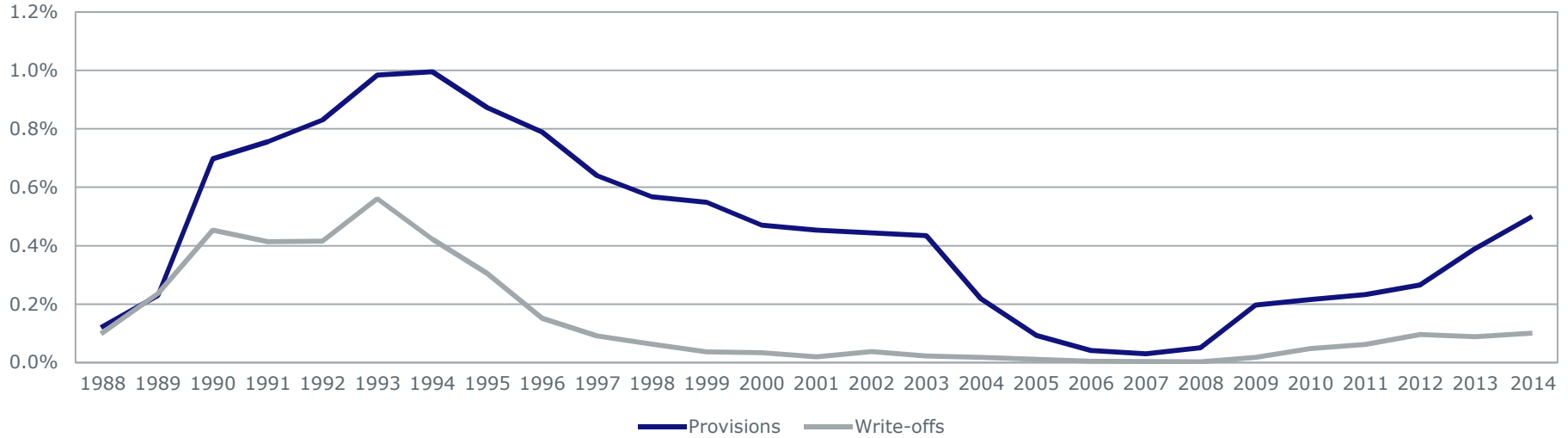
# Interest-only loans prevalent where LTVs are low



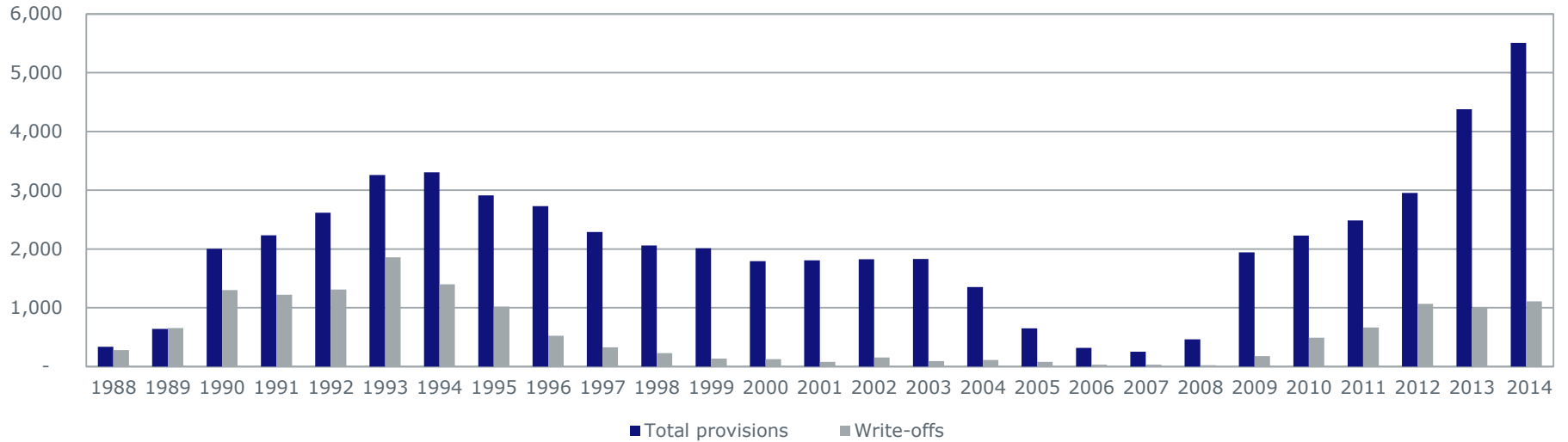
Note: Private residential lending in municipalities with above 80% LTVs and low marketability (above national average of 200 days on market) amounts to 3.7% of total private residential mortgage lending at end-Q3 2014.

# Impairment provisions and write-offs – mortgage lending

Provisions and write-offs as % of loans and advances



Impairment provisions and write-offs, DKKm



## Impairment provisions and losses – mortgage lending

### Total impairment provisions – by property type

DKK million	2011	2012	2013	2014
Private residential property	369	641	993	927
Private residential rental	392	372	465	495
Industry and trades	168	143	218	257
Office and retail	230	303	555	506
Agriculture	462	440	494	856
Non-profit housing	7	20	40	90
Cooperative housing	76	64	307	1,012
Other	77	69	131	126
<b>Total Nykredit Realkredit</b>	<b>1,781</b>	<b>2,051</b>	<b>3,204</b>	<b>4,270</b>
Totalkredit	705	899	1,174	1,236
<b>Total impairment provisions from mortgage lending</b>	<b>2,486</b>	<b>2,950</b>	<b>4,378</b>	<b>5,506</b>

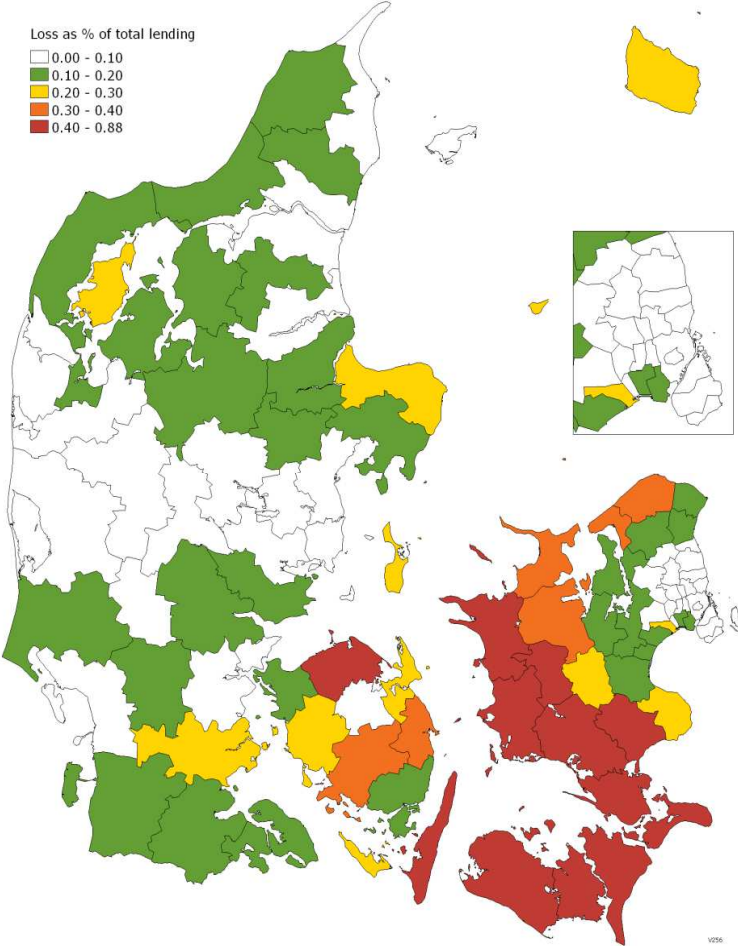
Note: Provisions include individual and collective provisions (including provisions from management judgement)

### Impairment losses – by property type

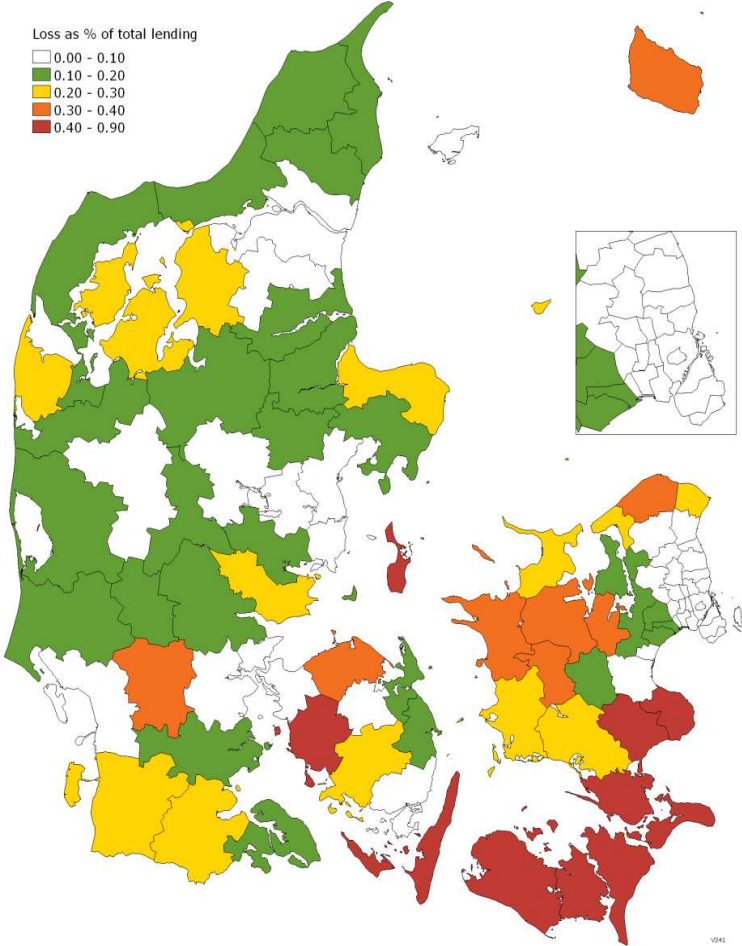
DKK million	2011	2012	2013	2014
Private residential property	361	558	629	145
Private residential rental	(193)	157	189	153
Industry and trades	72	43	114	98
Office and retail	49	207	399	91
Agriculture	270	61	150	441
Non-profit housing	(16)	15	22	51
Cooperative housing	29	(5)	248	706
Other	26	20	96	41
<b>Total Nykredit Realkredit</b>	<b>598</b>	<b>1,057</b>	<b>1,847</b>	<b>1,727</b>
Totalkredit	625	782	901	676
<b>Total impairment losses from mortgage lending</b>	<b>1,222</b>	<b>1,839</b>	<b>2,748</b>	<b>2,403</b>
Set-offs, Totalkredit	(177)	(254)	(333)	(270)
<b>Total impairment losses from mortgage lending after set-offs</b>	<b>1,046</b>	<b>1,584</b>	<b>2,415</b>	<b>2,132</b>

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

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



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





## Write-offs – mortgage lending

### Write-offs after set-offs – by property type

DKK million	2011	2012	2013	2014
Private residential property	162	241	281	262
Private residential rental	68	176	92	117
Industry and trades	63	68	41	67
Office and retail	92	123	89	142
Agriculture	11	88	110	69
Non-profit housing	1	3	2	1
Cooperative housing	0	4	5	1
Other	5	25	9	35
<b>Total Nykredit Realkredit</b>	<b>402</b>	<b>728</b>	<b>628</b>	<b>694</b>
Totalkredit	409	558	663	631
<b>Total write-offs from mortgage lending</b>	<b>811</b>	<b>1,286</b>	<b>1,291</b>	<b>1,325</b>
Set-offs, Totalkredit	(177)	(254)	(333)	(270)
<b>Total write-offs from mortgage lending after set-offs</b>	<b>634</b>	<b>1,031</b>	<b>958</b>	<b>1,055</b>

Note: Write-offs for the year regardless whether the loan has been recognised through profit or loss for the same year.

## Loans, advances and guarantees – bank lending

### Loans and advances

DKK million	2010	2011	2012	2013	2014
<b>Public sector</b>	<b>253</b>	<b>237</b>	<b>308</b>	<b>259</b>	<b>219</b>
Agriculture, hunting and forestry	2,019	2,102	1,638	1,640	1,810
Other corporate	53,592	60,111	69,079	89,153	70,970
<b>Total commercial</b>	<b>55,611</b>	<b>62,213</b>	<b>70,717</b>	<b>90,793</b>	<b>72,781</b>
<b>Personal customers</b>	<b>16,128</b>	<b>15,459</b>	<b>14,183</b>	<b>12,786</b>	<b>12,723</b>
<b>Total</b>	<b>71,992</b>	<b>77,909</b>	<b>85,208</b>	<b>103,838</b>	<b>85,722</b>

### Guarantees

DKK million	2010	2011	2012	2013	2014
<b>Public sector</b>	<b>553</b>	<b>305</b>	<b>205</b>	<b>234</b>	<b>377</b>
Agriculture, hunting and forestry	537	346	319	386	1,420
Other corporate	7,952	5,314	5,816	5,997	8,098
<b>Total commercial</b>	<b>8,489</b>	<b>5,660</b>	<b>6,135</b>	<b>6,383</b>	<b>9,518</b>
<b>Personal customers</b>	<b>6,183</b>	<b>4,177</b>	<b>5,829</b>	<b>5,003</b>	<b>10,998</b>
<b>Total</b>	<b>15,225</b>	<b>10,142</b>	<b>12,169</b>	<b>11,620</b>	<b>20,893</b>

# Provisions – bank lending

## Provisions for individual loan impairments and guarantees

DKK million	2010	2011	2012	2013	2014
<b>Public sector</b>	-	-	4	-	-
Agriculture, hunting and forestry	77	107	162	168	130
Other corporate	5,599	3,377	3,205	3,002	2,507
<b>Total commercial</b>	<b>5,676</b>	<b>3,484</b>	<b>3,367</b>	<b>3,170</b>	<b>2,637</b>
<b>Personal customers</b>	<b>790</b>	<b>616</b>	<b>532</b>	<b>538</b>	<b>520</b>
<b>Total</b>	<b>6,466</b>	<b>4,100</b>	<b>3,903</b>	<b>3,708</b>	<b>3,157</b>

## Collective impairment provisions

DKK million	2010	2011	2012	2013	2014
<b>Public sector</b>	-	-	-	8	-
Agriculture, hunting and forestry	5	13	5	9	8
Other corporate	300	234	155	250	429
<b>Total commercial</b>	<b>305</b>	<b>247</b>	<b>160</b>	<b>259</b>	<b>437</b>
<b>Personal customers</b>	<b>117</b>	<b>61</b>	<b>76</b>	<b>103</b>	<b>72</b>
<b>Total</b>	<b>422</b>	<b>308</b>	<b>236</b>	<b>370</b>	<b>509</b>

## Total impairment provisions

DKK million	2010	2011	2012	2013	2014
<b>Public sector</b>	-	-	4	8	-
Agriculture, hunting and forestry	82	120	167	177	138
Other corporate	5,899	3,611	3,360	3,252	2,936
<b>Total commercial</b>	<b>5,981</b>	<b>3,731</b>	<b>3,527</b>	<b>3,429</b>	<b>3,074</b>
<b>Personal customers</b>	<b>907</b>	<b>677</b>	<b>608</b>	<b>641</b>	<b>592</b>
<b>Total</b>	<b>6,888</b>	<b>4,408</b>	<b>4,139</b>	<b>4,078</b>	<b>3,666</b>

Note: 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)

DKK million	2011	2012	2013	2014
Total impairment provisions, rating 0 (DKK million)	140	215	373	484
Bond debt outstanding with OEI (DKK million)	9,825	10,404	12,734	15,985
Total bond debt outstanding (DKK million)	1,067,606	1,108,797	1,119,970	1,111,744
Bond debt outstanding with OEI/total bond	0.9%	0.9%	1.1%	1.4%

### Non-performing loans (rating -1)

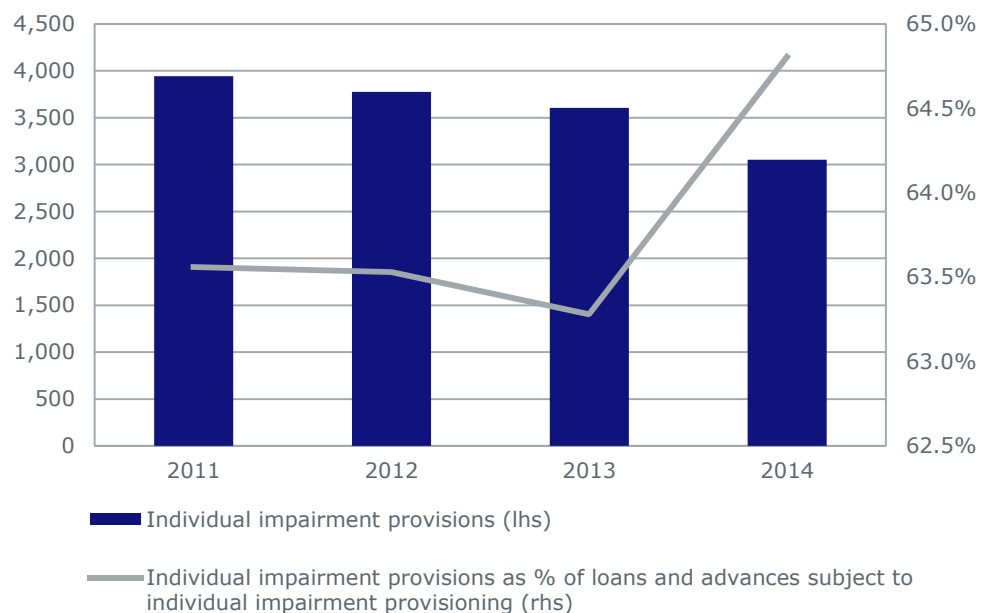
DKK million	2011	2012	2013	2014
Total impairment provisions, NPL (DKK million)	1,498	1,967	2,741	609
Bond debt outstanding, NPL (DKK million)	16,284	18,377	22,412	23,795
Total bond debt outstanding (DKK million)	1,067,606	1,108,797	1,119,970	1,111,744
Bond debt outstanding, NPL/total bond debt	1.5%	1.7%	2.0%	2.1%

# Non-performing loans (NPL) – bank lending

## Non performing bank loans (rating NPL)

DKK million	2011	2012	2013	2014
Individual impairment provisions	3,942	3,775	3,605	3,051
Non-performing loans of which loans and advances subject to individual impairment provisioning	6,202	5,942	5,697	4,708
Individual impairment provisions as % of loans and advances subject to individual impairment provisioning	63.6%	63.5%	63.3%	64.8%

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



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

# Business areas

<b>Retail</b>	<b>Commercial and Private</b>
<b>Wholesale</b>	<b>Totalkredit partners, Wholesale clients, Markets and Asset Management</b>
<b>Group Items</b>	<b>Comprimes income and costs not allocated to the business areas, including cores income from securities and investment portfolio income.</b>

## Core income – business areas

### Core income – business areas

DKK million	2011	2012	2013	2014
<b>Core income</b>				
Retail	4,922	5,151	5,748	4,386
Totalkredit Partners	1,276	1,481	1,572	2,440
Wholesale clients	2,154	2,399	1,966	947
Group items	658	109	11	96
<b>Total core income</b>	<b>9,010</b>	<b>8,909</b>	<b>9,297</b>	<b>7,869</b>

### Lending and deposits – business areas

DKK million	2011	2012	2013	2014
<b>Mortgage lending (nominal)</b>				
Retail	442,387	448,337	445,490	442,147
-of which Nykredit Realkredit	429,972	423,701	408,432	386,093
-of which Totalkredit	12,415	24,635	37,057	56,054
Totalkredit Partners	461,151	484,980	494,677	484,596
Wholesale clients	162,828	175,480	179,803	185,002
<b>Total mortgage lending</b>	<b>1,067,606</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,111,744</b>
<b>Bank lending</b>				
Retail	29,005	22,473	23,304	25,533
Wholesale clients	24,105	24,169	23,484	24,929
Group items	2,666	2,968	175	33
<b>Total bank lending</b>	<b>55,776</b>	<b>49,727</b>	<b>47,024</b>	<b>50,494</b>
<b>Deposits</b>				
Retail	35,013	33,690	36,798	40,637
Wholesale clients	19,401	18,296	27,235	23,287
Group items	2,989	2,049	1,139	1,308
<b>Total deposits</b>	<b>57,403</b>	<b>54,509</b>	<b>65,172</b>	<b>65,232</b>

# Business areas – Retail

## Result – Retail

DKK million	2011	2012	2013	2014
<b>Core earnings from</b>				
Business operations	5,411	6,226	6,046	6,372
Value adjustment of derivatives and corporate bonds	(408)	(929)	(179)	(1,857)
Junior covered bonds	(82)	(147)	(119)	(129)
<b>Total core income</b>	<b>4,922</b>	<b>5,151</b>	<b>5,748</b>	<b>4,386</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	3,032	2,963	2,996	2,987
Depreciation of property, plant and equipment and amortisation of intangible assets	16	11	9	9
<b>Core earnings before impairment losses</b>	<b>1,873</b>	<b>2,177</b>	<b>2,742</b>	<b>1,389</b>
Impairment losses on loans and advances – mortgage lending	863	1,056	1,612	1,506
Impairment losses on loans and advances – banking	367	492	387	68
<b>Core earnings after impairment losses</b>	<b>643</b>	<b>642</b>	<b>755</b>	<b>(185)</b>

## Activity – Retail

DKK million	2011	2012	2013	2014
<b>Mortgage lending</b>				
Gross new lending	56,706	66,070	40,189	67,574
Portfolio at nominal value, end of period	442,387	448,337	445,490	442,147
Impairment losses for the period as % of loans and advances	0.20%	0.24%	0.36%	0.34%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	822	1,304	1,787	2,413
Collective impairment provisions	733	608	1,044	1,281
Total impairment provisions as % of loans and advances	0.35%	0.43%	0.64%	0.84%
<b>Banking</b>				
Loans and advances, end of period	29,005	22,473	23,304	25,533
Deposits, end of period	35,013	33,690	36,798	40,637
Impairment losses for the period as % of loans and advances*	1.18%	2.00%	1.51%	0.25%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,935	1,956	2,084	1,864
Collective impairment provisions	179	139	195	114
Total impairment provisions as % of loans and advances	6.79%	8.53%	8.91%	7.19%
Guarantees, end of period	7,220	9,080	3,244	4,357
Provisions for guarantees, end of period	63	73	48	51

\*Including impairment losses from guarantees



## Business areas – Wholesale

### Result – Wholesale

DKK million	2011	2012	2013	2014
<b>Core earnings from</b>				
Business operations	3,762	4,309	4,457	5,118
Value adjustment of derivatives and corporate bonds	(224)	(140)	(597)	(1,505)
Junior covered bonds	(109)	(290)	(322)	(226)
<b>Total core income</b>	<b>3,430</b>	<b>3,880</b>	<b>3,538</b>	<b>3,387</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	1,336	1,376	1,355	1,246
Depreciation of property, plant and equipment and amortisation of intangible assets	495	527	527	9
<b>Core earnings before impairment losses</b>	<b>1,599</b>	<b>1,977</b>	<b>1,656</b>	<b>2,132</b>
Impairment losses on loans and advances – mortgage lending	163	549	804	615
Impairment losses on loans and advances – banking	1	71	(11)	147
<b>Core earnings after impairment losses</b>	<b>1,435</b>	<b>1,356</b>	<b>864</b>	<b>1,371</b>

## Business areas – Totalkredit partners

### Result – Totalkredit partners

DKK million	2011	2012	2013	2014
<b>Core earnings from</b>				
Business operations	1,369	1,744	1,875	2,650
Junior covered bonds	(94)	(263)	(302)	(210)
<b>Total core income</b>	<b>1,276</b>	<b>1,481</b>	<b>1,572</b>	<b>2,440</b>
Operating costs	425	411	409	394
Depreciation of property, plant and equipment and amortisation of intangible assets	492	521	521	0
<b>Core earnings before impairment losses</b>	<b>359</b>	<b>549</b>	<b>642</b>	<b>2,045</b>
Impairment losses on loans and advances	447	508	554	362
<b>Core earnings after impairment losses</b>	<b>(88)</b>	<b>41</b>	<b>88</b>	<b>1,683</b>

### Activity – Totalkredit partners

DKK million	2011	2012	2013	2014
<b>Mortgage lending</b>				
Gross new lending	69,952	115,392	56,238	89,411
Portfolio at nominal value, end of period	461,151	484,980	494,677	484,596
Impairment losses for the period as % of loans and advances	0.10%	0.10%	0.11%	0.07%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	393	441	458	494
Collective impairment provisions	311	429	681	657
Total impairment provisions as % of loans and advances	0.15%	0.18%	0.23%	0.24%

## Business areas – Wholesale clients

### Result – Wholesale clients

DKK million	2011	2012	2013	2014
Core earnings from Business operations	2,393	2,565	2,582	2,468
Value adjustment of derivatives and corporate bonds	(224)	(140)	(597)	(1,505)
Junior covered bonds	(15)	(26)	(20)	(16)
<b>Total core income</b>	<b>2,154</b>	<b>2,399</b>	<b>1,966</b>	<b>947</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	911	965	946	852
Depreciation of property, plant and equipment and amortisation of intangible assets	3	6	6	8
<b>Core earnings before impairment losses</b>	<b>1,240</b>	<b>1,428</b>	<b>1,014</b>	<b>87</b>
Impairment losses on loans and advances – mortgage lending	(284)	42	250	252
Impairment losses on loans and advances – banking	1	71	(11)	147
<b>Core earnings after impairment losses</b>	<b>1,523</b>	<b>1,315</b>	<b>775</b>	<b>(312)</b>

### Activity – Wholesale clients

DKK million	2011	2012	2013	2014
<b>Mortgage lending</b>				
Gross new lending	30,013	36,106	26,739	35,430
Portfolio at nominal value, end of period	162,828	175,480	179,803	185,002
Impairment losses for the period as % of loans and advances	(0.17%)	0.02%	0.14%	0.14%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	140	107	266	507
Collective impairment provisions	81	66	142	154
Total impairment provisions as % of loans and advances	0.14%	0.10%	0.23%	0.36%
<b>Banking</b>				
Loans and advances, end of period	24,105	24,169	23,484	24,929
Deposits, end of period	19,401	18,296	27,235	23,287
Impairment losses for the period as % of loans and advances*	0.00%	0.27%	0.14%	0.56%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,959	1,775	1,461	1,131
Collective impairment provisions	129	82	175	395
Total impairment provisions as % of loans and advances	7.97%	7.13%	6.51%	5.77%
Guarantees, end of period	2,510	2,578	1,806	1,913
Provisions for guarantees, end of period	51	8	55	55
<b>Assets under management</b>	<b>101,331</b>	<b>103,698</b>	<b>116,269</b>	<b>133,484</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>669,112</b>
of which the investment funds of the Nykredit Group	35,417	46,518	51,808	60,165

\*Including impairment losses from guarantees

## Business areas – Group items

### Result – Group items

DKK million	2011	2012	2013	2014
<b>Core earnings from</b>				
Business operations	15	(104)	(63)	20
Junior covered bonds	-	-	(43)	(53)
Securities	644	212	118	130
<b>Total core income</b>	<b>658</b>	<b>109</b>	<b>11</b>	<b>96</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	659	451	800	635
Depreciation of property, plant and equipment and amortisation of intangible assets	419	227	360	217
<b>Core earnings before impairment losses</b>	<b>(420)</b>	<b>(569)</b>	<b>(1,148)</b>	<b>(755)</b>
Impairment losses on loans and advances – mortgage lending	-	-	10	11
Impairment losses on loans and advances – banking	19	12	(26)	4
<b>Core earnings after impairment losses</b>	<b>(439)</b>	<b>(581)</b>	<b>(1,132)</b>	<b>(770)</b>

### Activity – Group items

DKK million	2011	2012	2013	2014
<b>Banking</b>				
Loans and advances, end of period	2,666	2,968	175	33
Deposits, end of period	2,989	2,049	1,139	1,308
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	91	90	60	55
Collective impairment provisions	-	15	-	-
Total impairment provisions as % of loans and advances	3.32%	3.43%	25.43%	62.65%
Guarantees, end of period	412	512	1,260	1,276

# The Danish economy

## Nykredit's regional housing price forecasts

%	2013	2014	2015F	2016F
<b>Houses – entire country</b>	<b>0.8</b>	<b>1.4</b>	<b>2.4</b>	<b>2.7</b>
Copenhagen	6.3	5.0	4.9	4.9
North Sealand	0.9	4.3	4.3	3.0
East Sealand	2.7	3.5	2.9	3.0
West and South Sealand	(2.7)	(2.4)	(0.5)	1.5
Bornholm	(4.4)	2.9	(0.6)	0.7
Funen	(0.5)	(0.6)	1.3	1.5
South Jutland	(2.2)	0.7	1.1	1.9
East Jutland	(0.1)	(0.1)	1.8	2.3
West Jutland	(0.1)	(2.4)	(0.3)	1.7
North Jutland	0.0	0.0	1.4	1.8
<b>Owner-occupied flats – entire country</b>	<b>7.8</b>	<b>5.3</b>	<b>5.0</b>	<b>4.6</b>
Copenhagen	13.0	7.9	7.3	6.0
Municipality of Aarhus	3.9	5.9	7.5	4.6
<b>Holiday homes - entire country</b>	<b>(0.3)</b>	<b>(2.7)</b>	<b>0.4</b>	<b>1.8</b>

Note: F indicates forecast

Price growth is stated as annual averages. Selected regions.

# The Danish economy

## Danish economy - key figures

%	2010	2011	2012	2013	2014*
Real GDP growth (2010 chained values)	1.6%	1.2%	(0.7%)	(0.5%)	(0.2%) <sup>1</sup>
Inflation	2.3%	2.8%	2.4%	0.8%	0.6%
Public deficit as % of nominal GDP	(2.7%)	(2.1%)	(3.7%)	(1.1%)	1.3% <sup>1</sup>
Balance of payment as % of nominal GDP	5.7%	5.7%	5.6%	7.2%	6.3% <sup>1</sup>
Net unemployment	4.3%	4.1%	4.5%	4.4%	3.9% <sup>2</sup>
Government net foreign assets (DKKm)	232,256	512,523	686,556	728,010	792,638 <sup>3</sup>

\* Most full-year 2014 data has not yet been published by Statistics Denmark. Key-figures has been adjusted in view of the 3 first quarters of 2014.

<sup>1</sup> Calculations are based on annualized Q1-3 2014 data

<sup>2</sup> Average number of net unemployed Q1-3 2014 divided by average size of work force Q1-3 2014

<sup>3</sup> Government net foreign assets Q3 2014

Source: [www.statistikbanken.dk](http://www.statistikbanken.dk)

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/finansredogelse-2014>).

# Definitions

Ratio	Definitions
Return on average equity, %	Profit (loss) for the year/period divided by average equity.
Tier 1 capital ratio, %	Tier 1 capital after deductions divided by risk exposure amount (REA).
Common Equity Tier 1 (CET1) capital ratio, %	Capital excl tier 1 after deductions divided by risk exposure amount (REA).
Leverage ratio, %	Tier 1 capital after deductions divided by leverage ratio exposures.
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 assets, %	Result for the period divided by average total assets.
Return on REA, %	Profit (loss) for the year/period after tax divided by average risk exposure amount.
Average number of full-time employees	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.
Total impairment provisions	The group's aggregate provisions for loan losses.
Impairment losses	Impairment losses equal the earnings impact of loan losses and loan loss provisions for the period concerned.
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.
Write-offs	Realized loan losses.
Average impairment losses	Average impairment losses divided by average amount of mortgage lending at nominal value.
Average write-offs	Average write-offs after set-offs divided by average amount of mortgage lending at nominal value.
Arrears 75 days past due	75-day mortgage loan arrears as % of total mortgage payments. Due date at the beginning of the period.
Total impairment provisions as % of loans and advances	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.

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