

# **Fact Book Q2 2015**

The Nykredit Realkredit Group

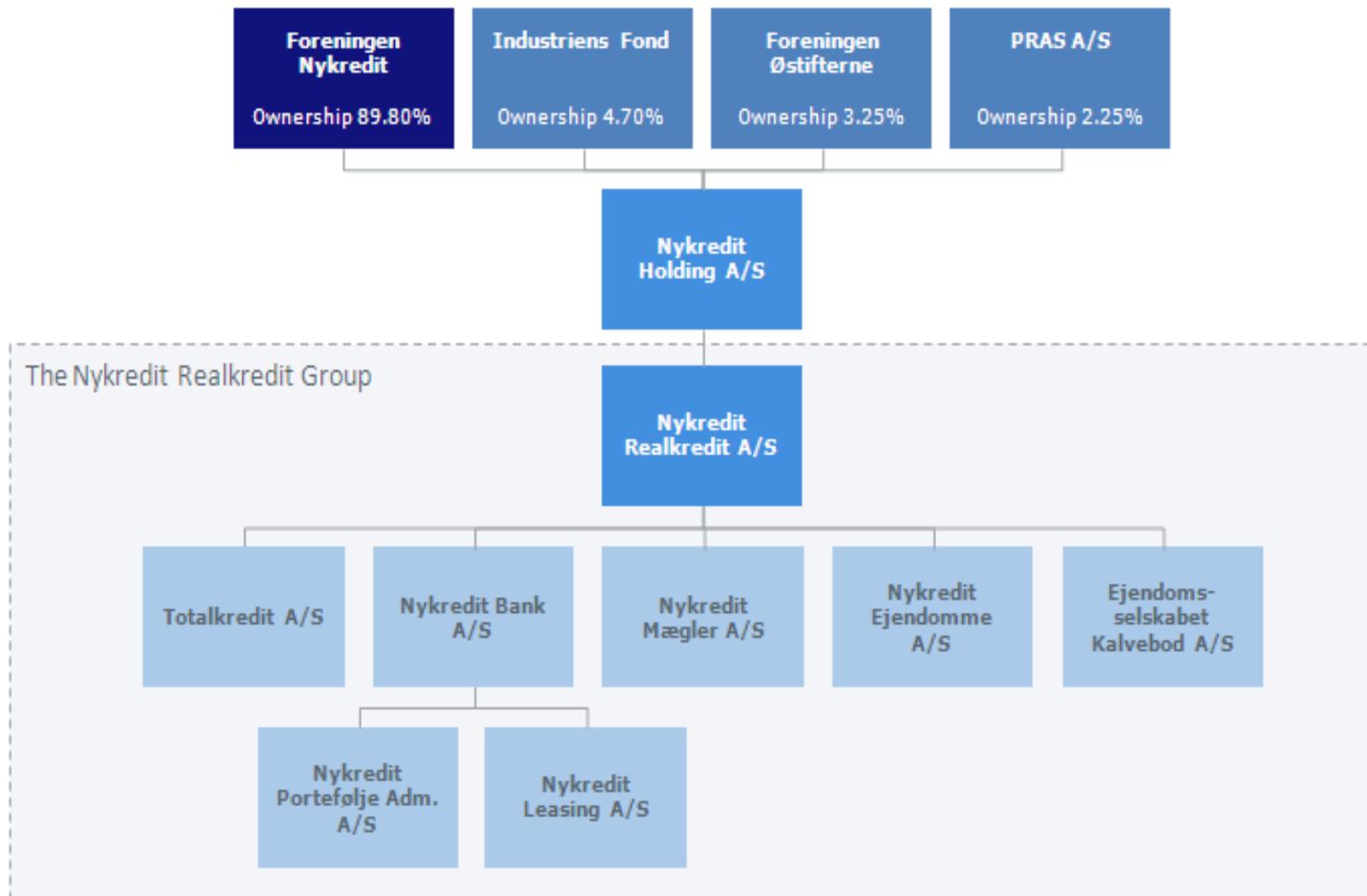
Unaudited

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Note: All figures in the Fact Book are rounded to the nearest DKKm. The totals stated are calculated on the basis of actual figures. Due to the rounding-off, the sum of individual figures and the stated totals may differ slightly.

# 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.

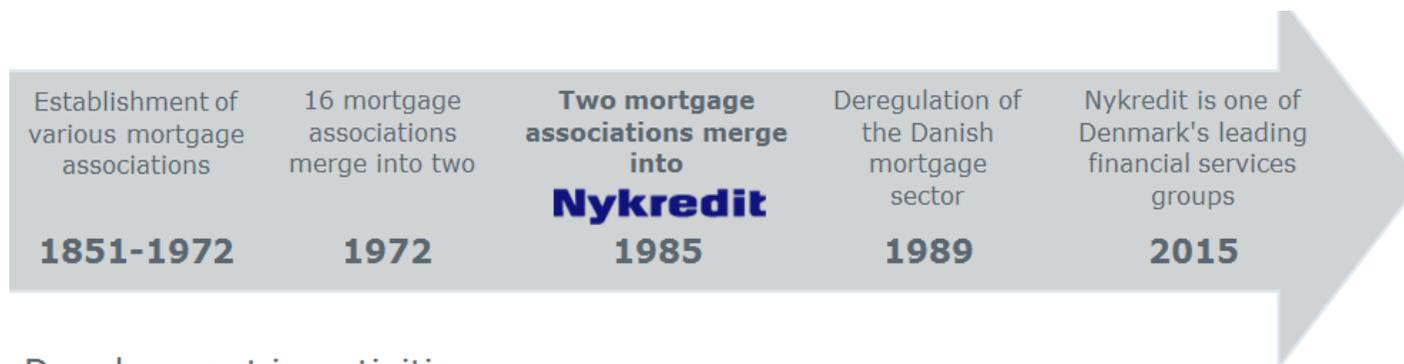
## Members

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

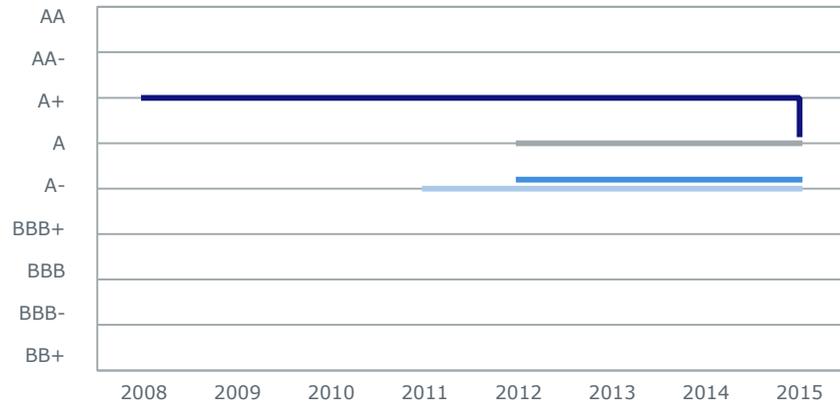
**2008** Acquisition of Forstædernes Bank

**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



### Standard & Poor's

- Nykredit Realkredit+banking
- Nykredit Realkredit stand-alone

### Fitch

- Nykredit Realkredit+Banking
- Support rating floor (Nykredit Realkredit)

## 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>		
Additional Tier 1	BB+	BB+
Contingent Capital Notes (Tier 2)	BBB	BBB

\*CreditWatch negative

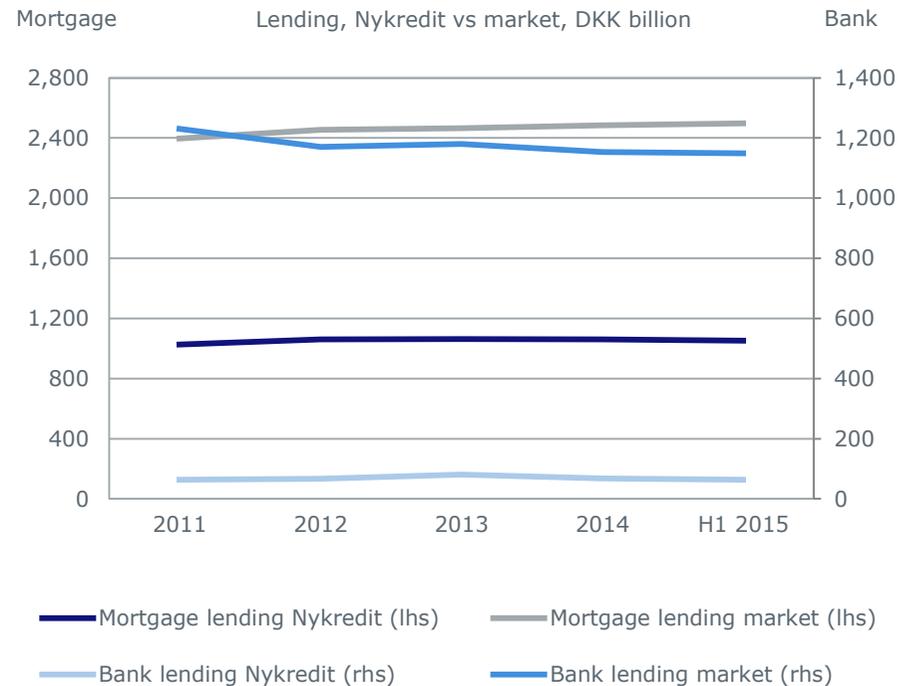
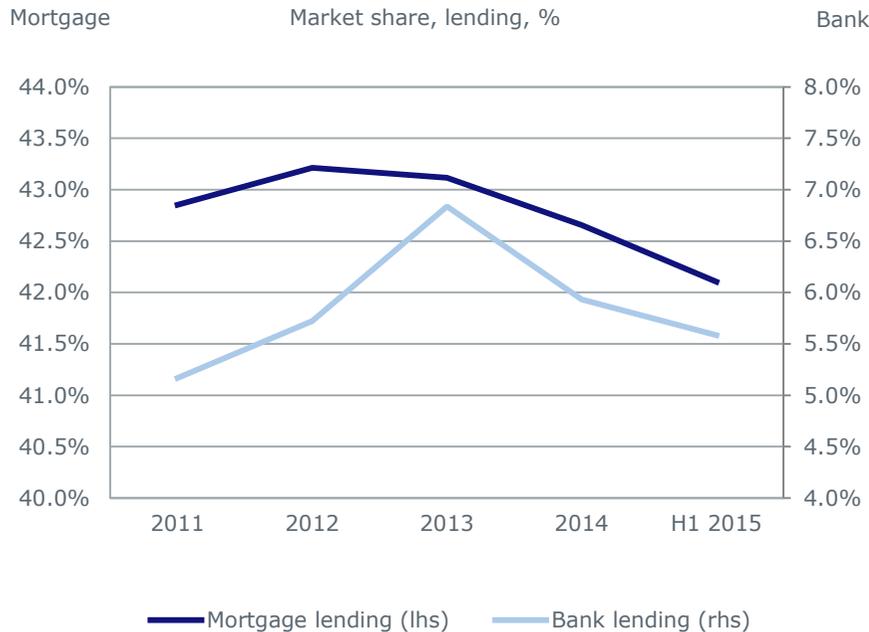
## Nykredit Bank A/S

	S&P	Fitch
Short-term deposit rating	A-1	F1
Long-term deposit rating	A	A
<b>Euro MTN Program</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

# Market share – lending

## Market share

DKK billion	2011	2012	2013	2014	H1 2015
Bank lending	64	67	81	68	64
Mortgage lending	1,027	1,060	1,063	1,060	1,052
<b>Total</b>	<b>1,091</b>	<b>1,127</b>	<b>1,144</b>	<b>1,128</b>	<b>1,116</b>
<b>Market share</b>					
Bank lending	5.2%	5.7%	6.8%	5.9%	5.6%
Mortgage lending	42.9%	43.2%	43.1%	42.7%	42.1%
<b>Total</b>	<b>30.1%</b>	<b>31.1%</b>	<b>31.4%</b>	<b>31.0%</b>	<b>30.6%</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	Avg. half-year 2011	Avg. half-year 2012	Avg. half-year 2013	Avg. half-year 2014	H1 2015
<b>Core income from</b>					
Business operations	4,600	5,114	5,220	5,755	6,236
Value adjustment of derivatives and corporate bonds	(321)	(548)	(388)	(1,681)	454
Senior debt	(95)	(218)	(242)	(204)	(176)
Securities	322	106	59	65	21
<b>Total core income</b>	<b>4,505</b>	<b>4,455</b>	<b>4,649</b>	<b>3,935</b>	<b>6,535</b>
Operating costs, depreciation and amortisation, excl special value adjustments	2,905	2,900	2,915	2,518	2,422
Operating costs, depreciation and amortisation – special value adjustments	79	(103)	109	33	(3)
<b>Core earnings before impairment losses</b>	<b>1,521</b>	<b>1,657</b>	<b>1,625</b>	<b>1,383</b>	<b>4,115</b>
Impairment losses on mortgage lending	513	796	1,207	1,066	537
Impairment losses on bank lending, including government guarantee scheme	194	279	175	110	(89)
<b>Core earnings after impairment losses</b>	<b>814</b>	<b>583</b>	<b>243</b>	<b>208</b>	<b>3,666</b>
Investment portfolio income	90	1,222	944	390	491
<b>Profit before cost of capital</b>	<b>904</b>	<b>1,805</b>	<b>1,187</b>	<b>597</b>	<b>4,157</b>
Net interest on subordinated debt	(231)	(233)	(230)	(264)	(188)
<b>Profit before tax</b>	<b>673</b>	<b>1,572</b>	<b>957</b>	<b>333</b>	<b>3,969</b>
Tax	112	288	120	45	887
<b>Profit for the period</b>	<b>562</b>	<b>1,285</b>	<b>837</b>	<b>288</b>	<b>3,082</b>

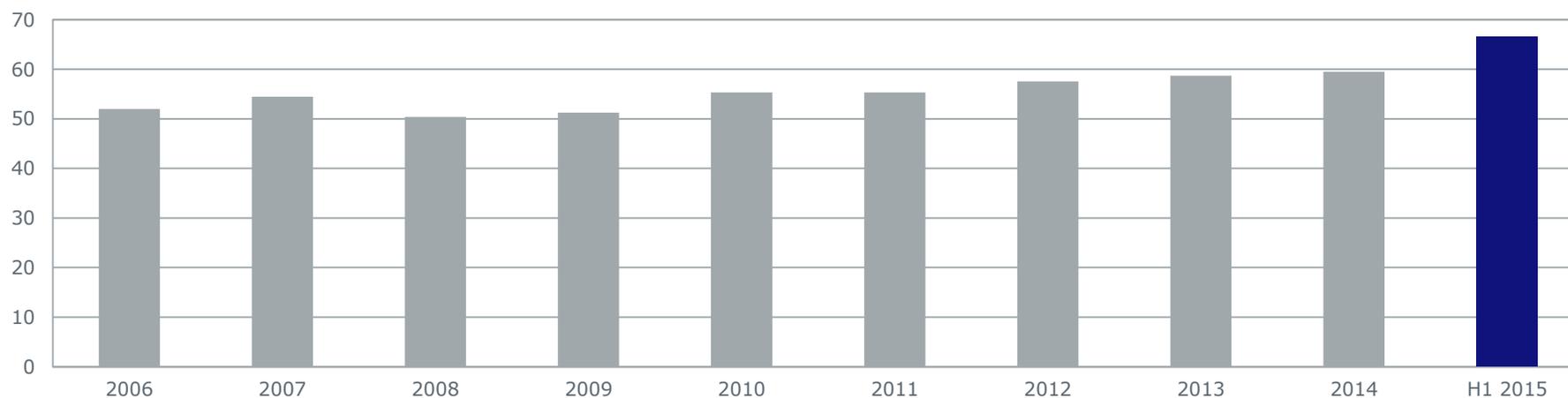
Note: Forstædernes Bank was included in the Consolidated Financial Statements as from 17 October 2008. Value adjustment of the portfolio of subordinated debt instruments in Danish banks (Kalvebod issues) has been included from 1 January 2011. Comparative figures have been restated. Largely all the Group's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

# Balance sheet summary – the Nykredit Realkredit Group

## The Nykredit Realkredit Group

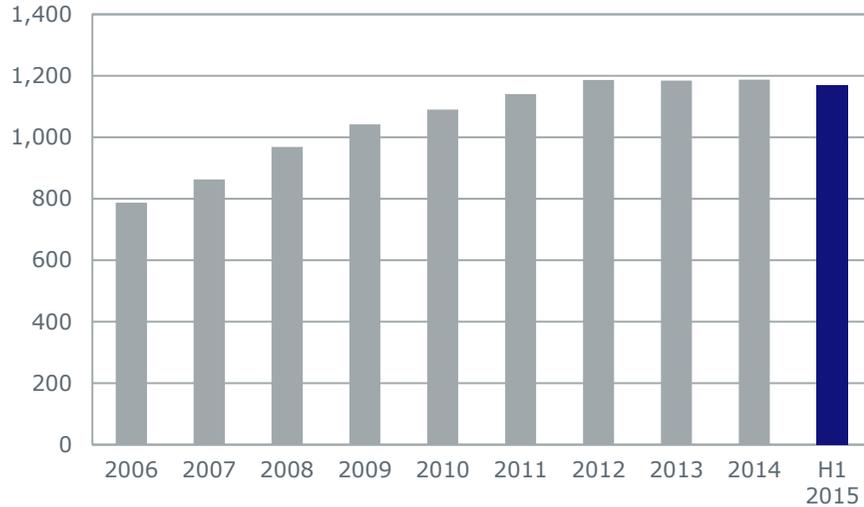
DKK million	2011	2012	2013	2014	H1 2015
<b>Assets</b>					
Receivables from credit institutions and central banks	66,258	60,174	35,758	42,288	47,410
Mortgage loans at fair value	1,083,991	1,136,445	1,136,644	1,137,099	1,119,080
Bank loans and advances - excl reverse transactions	55,776	49,728	46,963	50,495	49,441
Bonds and equities	100,794	82,413	92,961	131,383	109,404
Remaining assets	86,086	104,645	105,087	96,888	82,625
<b>Total assets</b>	<b>1,392,905</b>	<b>1,433,405</b>	<b>1,417,414</b>	<b>1,458,153</b>	<b>1,407,960</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	117,626	67,539	44,393	44,863	39,322
Deposits	57,404	54,509	65,172	65,232	65,935
Bonds in issue at fair value	1,021,942	1,103,818	1,130,020	1,167,163	1,146,975
Subordinated debt	11,204	11,281	10,964	11,394	4,646
Remaining liabilities	129,419	138,701	108,148	109,998	84,508
Equity	55,310	57,556	58,716	59,502	66,574
<b>Total liabilities and equity</b>	<b>1,392,905</b>	<b>1,433,405</b>	<b>1,417,414</b>	<b>1,458,153</b>	<b>1,407,960</b>

Equity, DKKbn

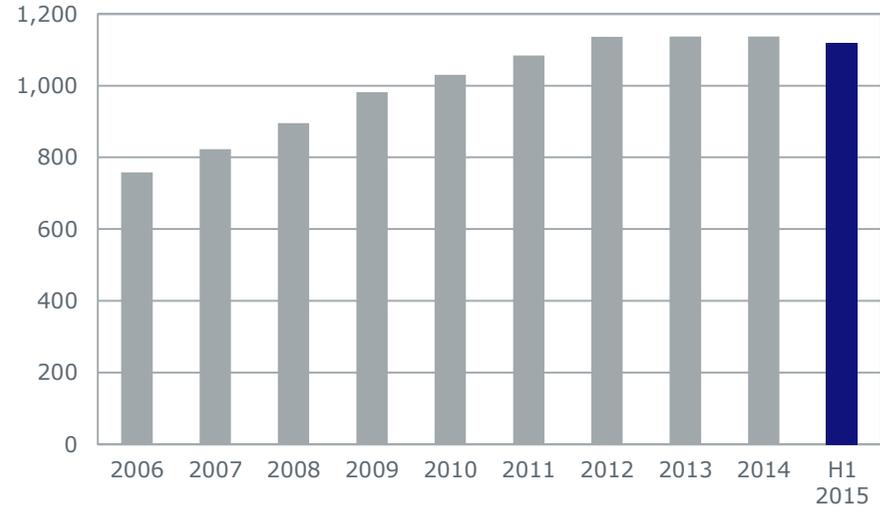


# Balance sheet summary – the Nykredit Realkredit Group

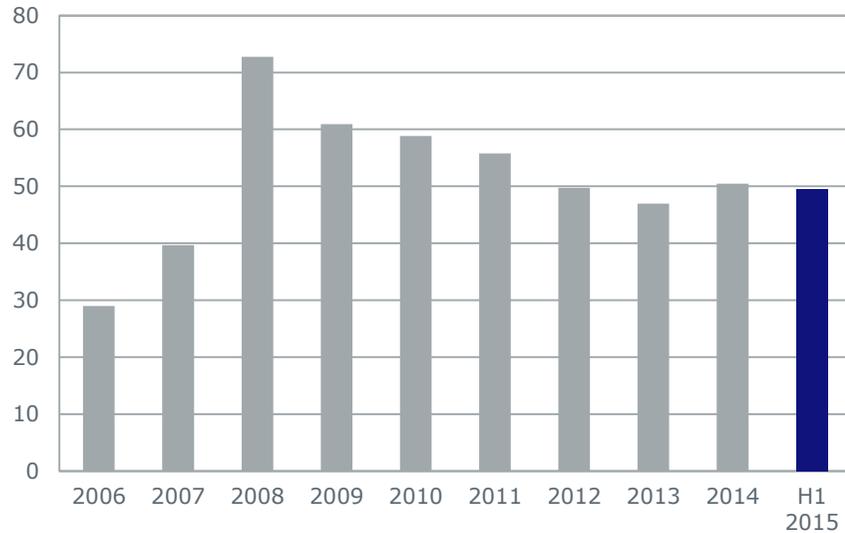
Total lending, DKKbn



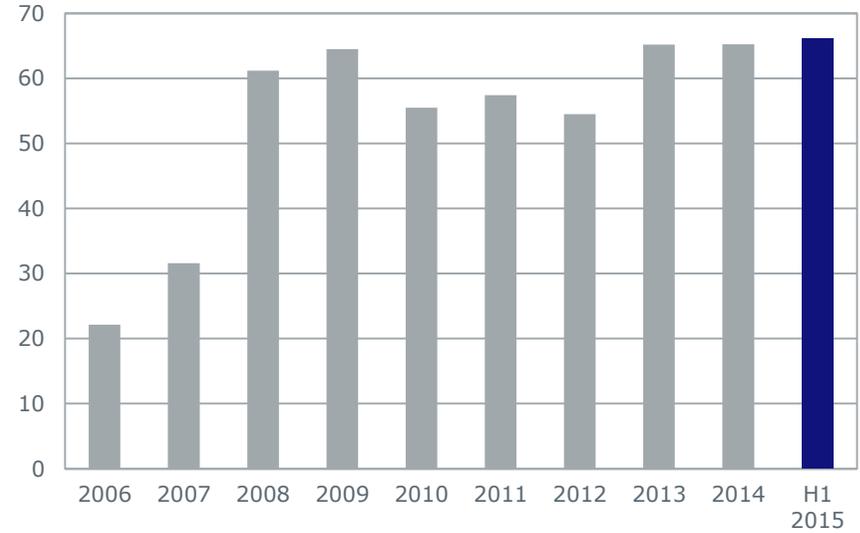
Total mortgage lending, DKKbn



Total bank lending, DKKbn



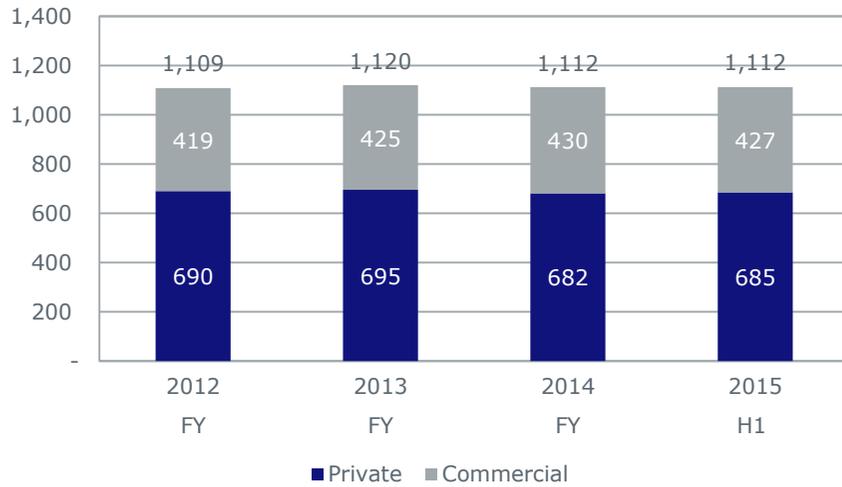
Total bank deposits, DKKbn



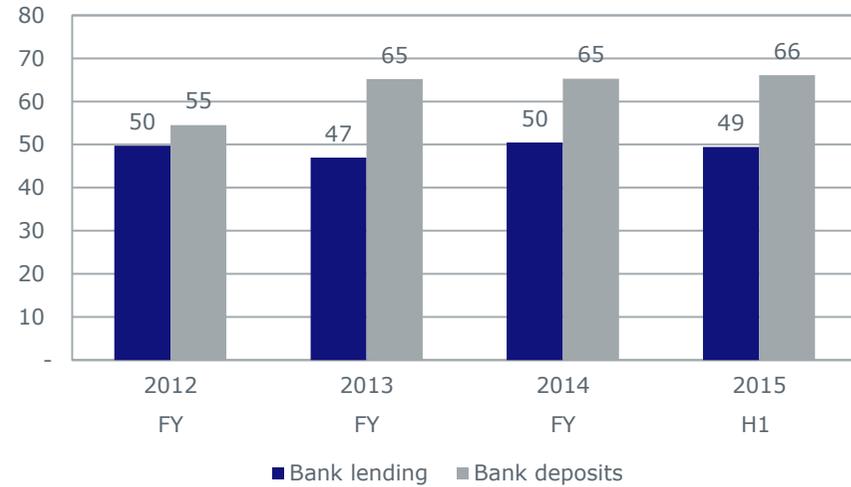
Note: Mortgage lending based on fair value. Bank lending excludes reverse transactions.

# Lending and deposits

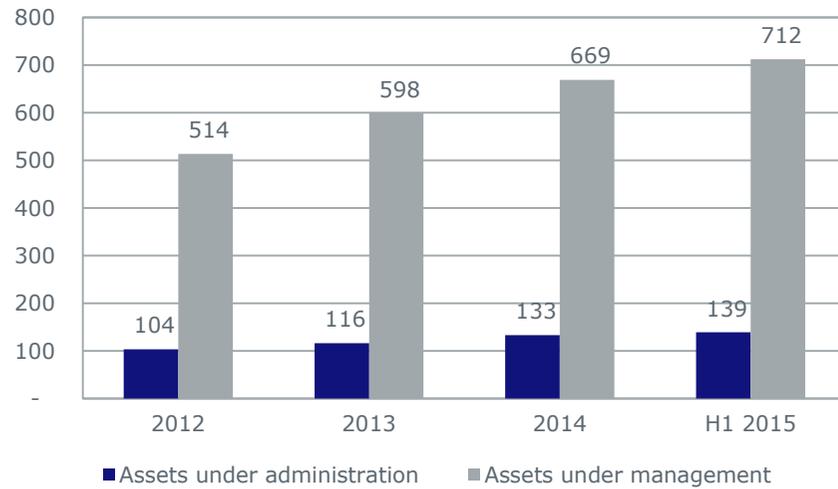
Nominal mortgage lending, DKKbn



Bank lending and bank deposits, DKKbn

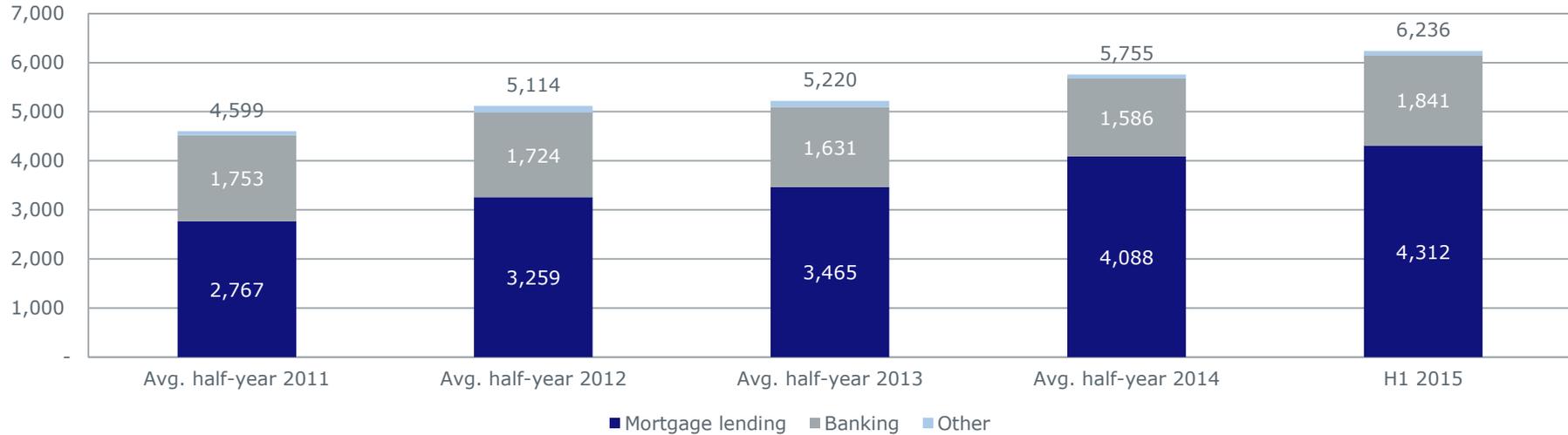


Assets under administration, DKKbn

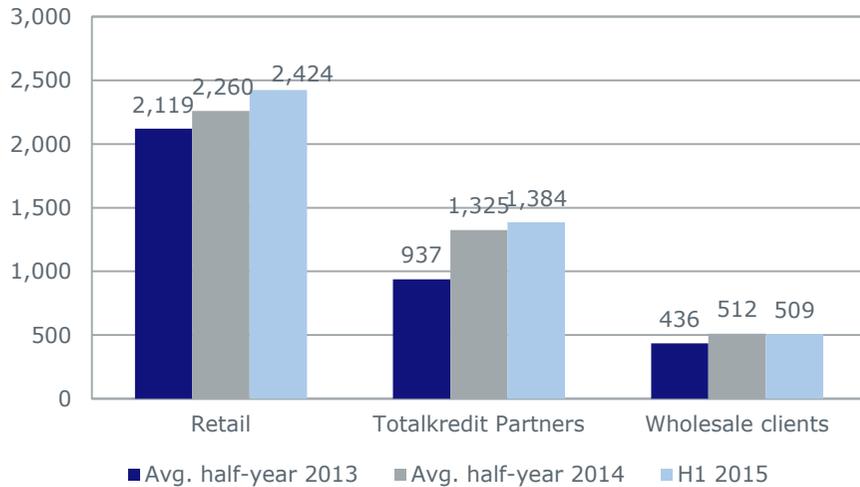


# Breakdown of core earnings – the Nykredit Realkredit Group

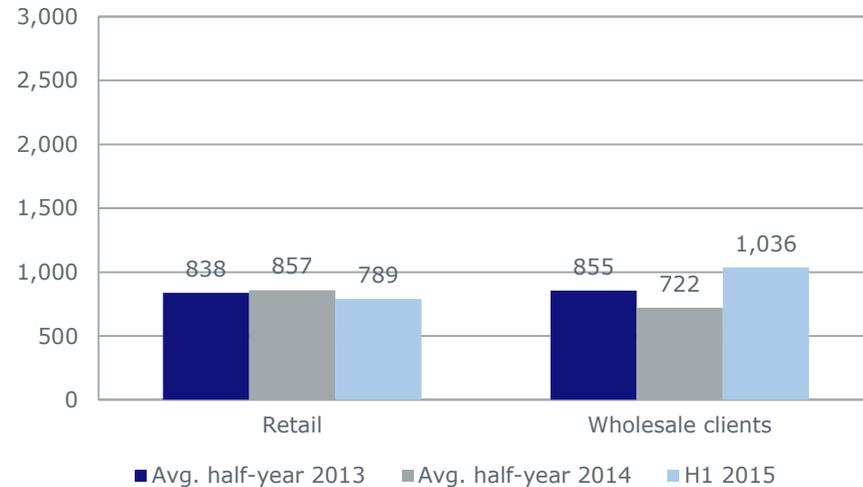
Core income from business operations, actual H1 2015 and average half-years previous years, DKKm.



Core income from business operations by business area excl Group items, actual H1 2015 and average half-years previous years - mortgage, DKKm.

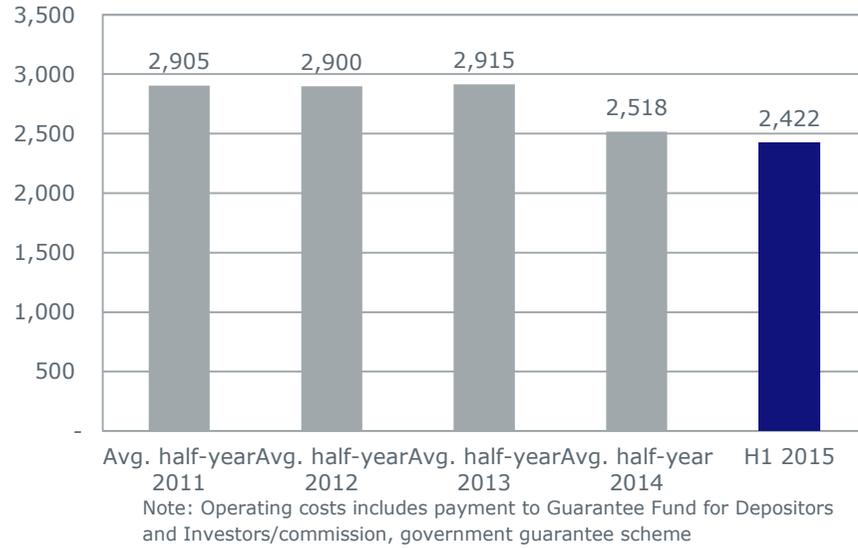


Core income from business operations by business area excl Group items, actual H1 2015 and average half-years previous years - banking, DKKm.

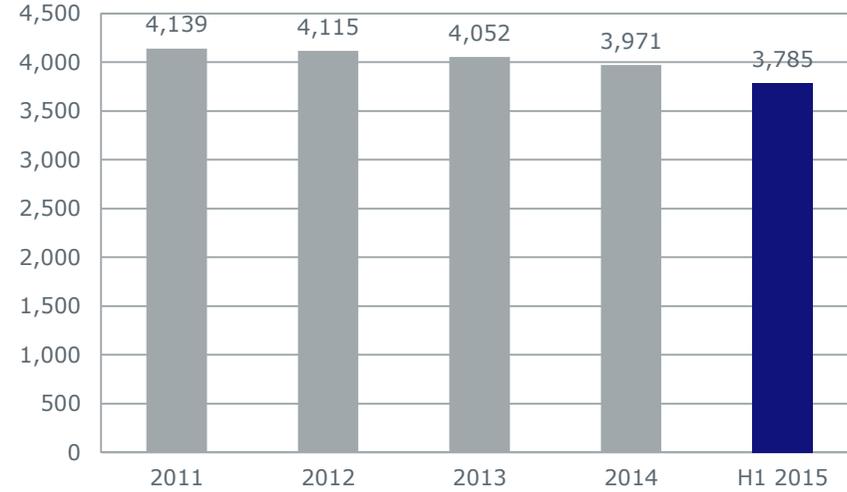


# Breakdown of costs

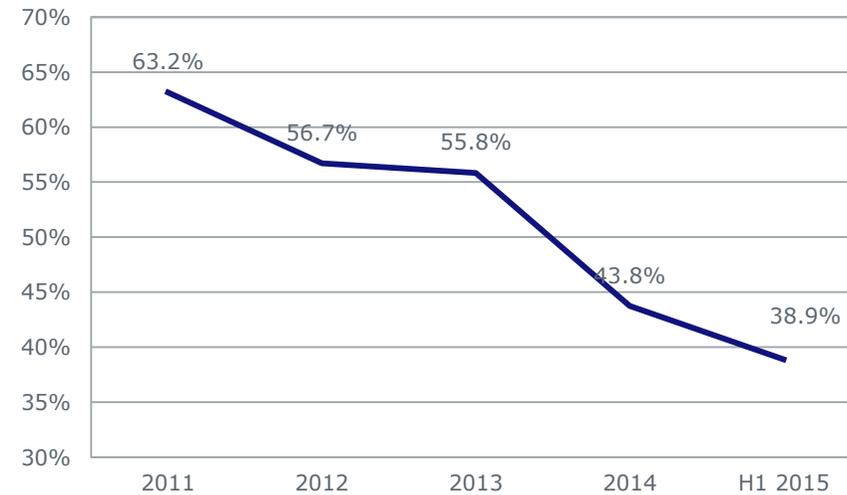
Operating costs, the Nykredit Realkredit Group, DKKm



Average number of full-time employees



Cost:income ratio, %



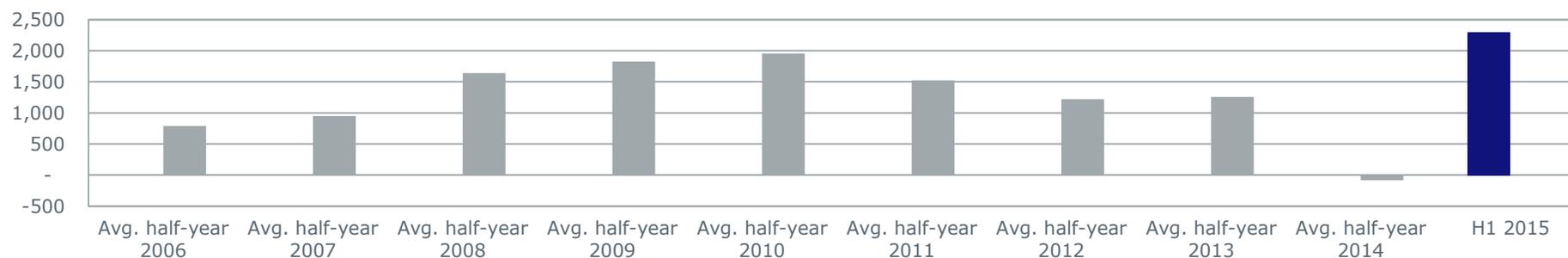
Note: Operating costs, depreciation and amortisation, excl special value adjustments as % of core earnings from business operations

# Core income – the Nykredit Bank Group

## The Nykredit Bank Group

DKK million	Avg. half-year 2011	Avg. half-year	Avg. half-year	Avg. half-year 2014	H1 2015
<b>Core income from</b>					
Business operations	1,753	1,724	1,631	1,587	1,841
Value adjustment of derivatives and corporate bonds	(316)	(534)	(388)	(1,681)	454
Securities	88	31	17	15	4
<b>Total core income</b>	<b>1,525</b>	<b>1,221</b>	<b>1,260</b>	<b>(80)</b>	<b>2,300</b>
Operating costs, depreciation and amortisation	957	924	1,037	1,004	976
Provisions for costs relating to reorganisation	-	-	25	14	(3)
Value adjustment of associate	-	-	39	-	-
<b>Core earnings before impairment losses</b>	<b>567</b>	<b>297</b>	<b>237</b>	<b>(1,098)</b>	<b>1,327</b>
Impairment losses on bank lending	194	279	175	110	(89)
<b>Core earnings after impairment losses</b>	<b>373</b>	<b>19</b>	<b>63</b>	<b>(1,207)</b>	<b>1,415</b>
Investment portfolio income	(77)	15	(20)	22	44
<b>Profit before tax</b>	<b>297</b>	<b>34</b>	<b>43</b>	<b>(1,186)</b>	<b>1,460</b>
Tax	80	(1)	4	(300)	342
<b>Profit for the period</b>	<b>217</b>	<b>35</b>	<b>39</b>	<b>(886)</b>	<b>1,118</b>

Actual core income H1 2015 and average core income previous years, 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	2011	2012	2013	2014	H1 2015
<b>Assets</b>					
Cash balance and receivables from credit institutions and central banks	50,244	44,812	23,173	33,884	31,953
Loans, advances and other receivables at fair value	22,007	35,401	56,814	35,228	29,765
Loans, advances and other receivables at amortised cost	55,901	49,807	47,024	50,494	49,441
Bonds at fair value and equities	61,063	58,399	64,219	65,314	44,109
Remaining assets	43,152	52,099	32,904	44,963	37,689
<b>Total assets</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>229,883</b>	<b>192,957</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	63,093	55,355	57,732	63,876	45,693
Deposits and other payables	57,551	54,701	65,405	65,349	66,056
Bonds in issue at amortised cost	26,137	28,498	26,689	25,881	25,763
Other non-derivative financial liabilities at fair value	27,308	33,741	29,248	19,943	8,171
Remaining payables	43,593	53,467	30,213	41,913	31,286
Provisions	233	235	247	246	195
Subordinated debt	250	250	250	100	100
Equity	14,202	14,271	14,348	12,576	15,693
<b>Total liabilities and equity</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>229,883</b>	<b>192,957</b>

## Nykredit Bank A/S

### Supervisory diamond (calculated at parent level)

	2012	2013	2014	H1 2015
Lending growth (limit value <20%)	(10.7)	(7.6)	6.8	(1.8)
Large exposures (limit value <125%)	0.0	0.0	34.5	24.3
Property exposure (limit value <25%)	14.6	10.4	13.6	13.7
Funding ratio (limit value < 1.0%)	0.6	0.5	0.6	0.5
Excess liquidity coverage (limit value >50%)	183.1	276.0	281.6	305.9

# Income from securities - the Nykredit Realkredit Group

## Income from securities

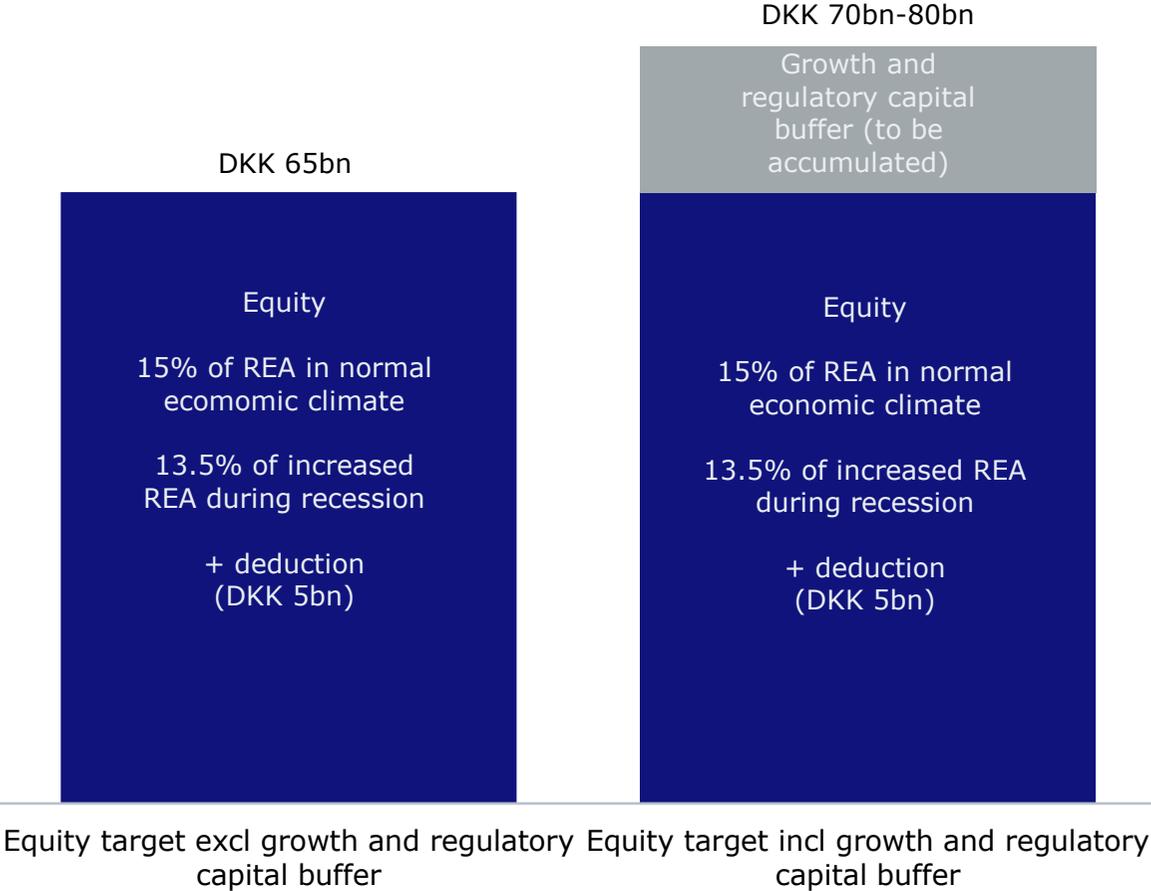
DKK million	Avg. half-year 2012	Avg. half-year 2013	Avg. half-year 2014	H1 2015
Core income from securities	106	59	65	21
Investment portfolio income	1,222	943	390	491
<b>Total investment portfolio income through profit or loss</b>	<b>1,328</b>	<b>1,002</b>	<b>455</b>	<b>512</b>
Investment portfolio income through equity	(88)	(151)	129	332
<b>Total investment portfolio income</b>	<b>1,240</b>	<b>852</b>	<b>583</b>	<b>844</b>
- of which bonds	933	410	267	267
- of which equity	54	159	103	141
- of which strategic equities	155	202	141	402
- of which others	98	81	73	34

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	2011	2012	2013	2014	H1 2015
<b>Net interest margin, %</b>					
The Nykredit Realkredit Group	0.8%	0.8%	0.8%	0.8%	0.9%
<b>Impairment losses for the period as % of loans and advances</b>					
Mortgage lending	0.10%	0.14%	0.22%	0.19%	0.05%
Banking	0.4%	0.5%	0.3%	0.2%	-0.1%
<b>Write-offs*</b>					
Mortgage lending	634	1,024	949	1,042	446
Banking	2,217	848	613	651	190
Swaps	-	63	148	100	74
<b>Total provisions for loan impairment</b>					
Mortgage lending	2,485	2,954	4,378	5,507	5,628
Banking (including guarantees excluding financial institutions)	4,407	4,139	4,078	3,665	3,404
Swaps	755	1,496	2,229	5,421	4,959
<b>Total provisions for loan impairment/write-offs</b>					
Mortgage lending	3.9	2.9	4.6	5.3	12.6
Banking	2.0	4.9	6.7	5.6	17.9
Swaps	-	23.7	15.1	54.2	67.0

\*Write-offs for H1 2015 has not been annualized.

## Ratios

%	2011	2012	2013	2014	H1 2015
Return on average equity, %	0.30%	4.55%	2.88%	0.98%	9.78%
Return on assets, %	0.08%	0.18%	0.12%	0.04%	0.43%
Return on REA, %	0.32%	0.79%	0.48%	0.16%	1.90%

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.

# Ratios and keyfigures – the Nykredit Realkredit Group

## Capital ratios

%	2011	2012	2013	2014	H1 2015
Tier 1 capital ratio, %	17.1%	19.1%	18.9%	17.2%	19.0%
Common Equity Tier 1 (CET1) capital ratio, %	13.9%	15.8%	15.8%	15.4%	18.0%
Leverage ratio, %*	-	-	-	4.0%	4.1%

\* Previous years not computed.

## Ratios

DKK million	2011	2012	2013	2014	H1 2015
<b>The Nykredit Realkredit Group</b>					
CET1, fully loaded <sup>1</sup>	-	-	-	54,241	57,571
Distance to MDA, not fully loaded	-	-	-	-	35,464
Distance to MDA, fully loaded <sup>1, 2</sup>	-	-	-	26,198	32,270
Available Distributable Items (ADI)	-	-	-	-	17,800 <sup>3</sup>
<b>Nykredit Realkredit A/S</b>					
CET1, fully loaded <sup>1</sup>	-	-	-	54,308	57,433
Distance to MDA, not fully loaded	-	-	-	-	32,383
Distance to MDA, fully loaded <sup>1, 2</sup>	-	-	-	25,791	28,871
Available Distributable Items (ADI)	-	-	-	-	25,615 <sup>4</sup>

Note: Previous years not computed.

<sup>1</sup> In the above table CET1 CRR fully loaded is calculated under the assumption that all deductions are taken in CET1 and that REA increases to approx. DKK 355bn.

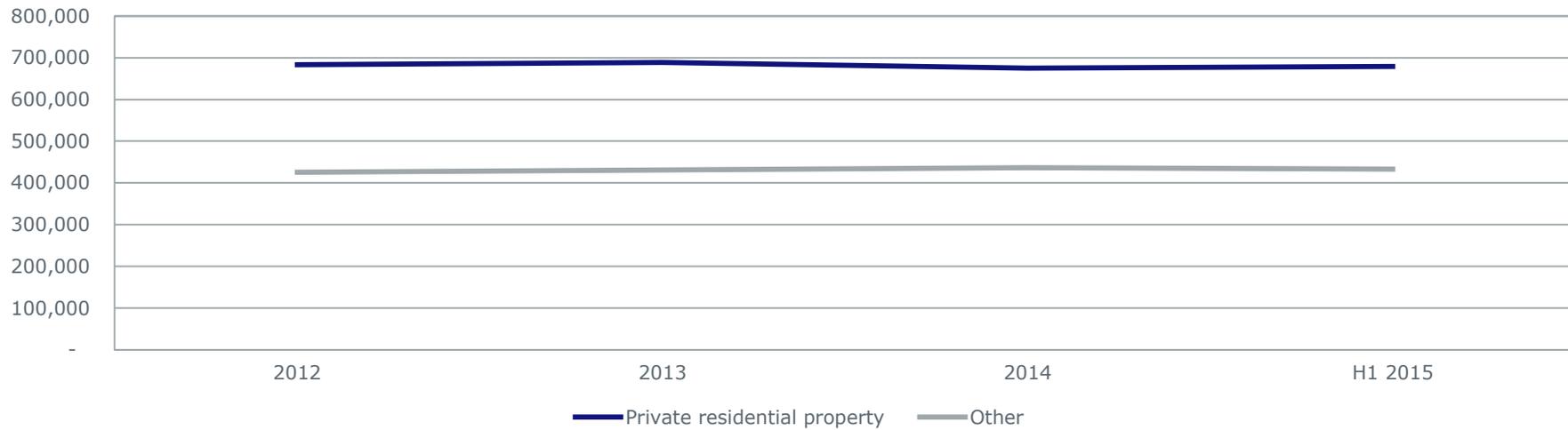
<sup>2</sup> Maximum Distributable Amount (MDA): Estimated MDA buffers calculated under the assumption that AT1 and T2 requirements are covered by relevant capital instruments.

<sup>3</sup> According to Danish legislation, capital cannot be distributed if dividend payments impair any regulatory capital requirements. Nykredit Realkredit Group's total capital amounts to DKK 66.0bn. Maximum capital requirement is the transitional floor of DKK 48.2bn. Hence at least DKK 17.8bn is available for distribution in line with the CRR definition.

<sup>4</sup> According to Danish legislation, capital cannot be distributed if dividend payments impair any regulatory capital requirements. Nykredit Realkredit's total capital amounts to DKK 65.8bn. Maximum capital requirement is the transitional floor of DKK 31.4bn. However retained earnings amount to DKK 25.6bn and that is the maximum amount available for distribution.

# Mortgage lending

Mortgage lending, nominal value, DKKm



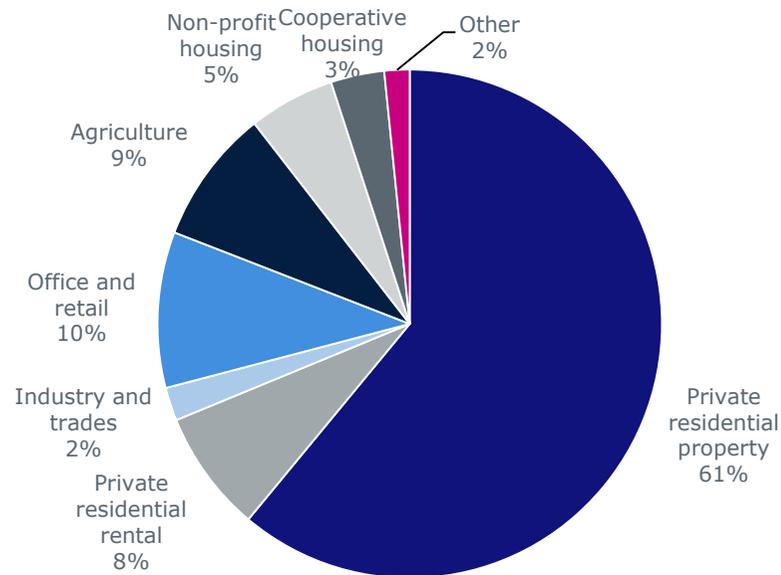
Mortgage lending by property type (excl. private residential property), nominal value, DKKm



# Mortgage lending

## Mortgage lending – by property type

DKK million, nominal value	2012	2013	2014	H1 2015	Average impairment losses 2012 - H1 2015	Average write-offs 2012 - H1 2015
Private residential property	682,969	689,057	674,974	679,130	0.15%	0.11%
Private residential rental	75,489	79,692	87,575	86,488	0.23%	0.17%
Industry and trades	23,635	25,119	25,058	23,528	0.29%	0.34%
Office and retail	112,444	111,215	110,874	110,282	0.26%	0.12%
Agriculture	97,688	97,217	95,982	95,536	0.31%	0.10%
Non-profit housing	60,060	61,385	61,050	61,295	-0.06%	0.00%
Cooperative housing	39,066	38,649	38,481	38,187	0.52%	0.01%
Other	17,444	17,636	17,750	17,972	0.07%	0.18%
<b>Total</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,111,744</b>	<b>1,112,419</b>	<b>0.18%</b>	<b>0.11%</b>



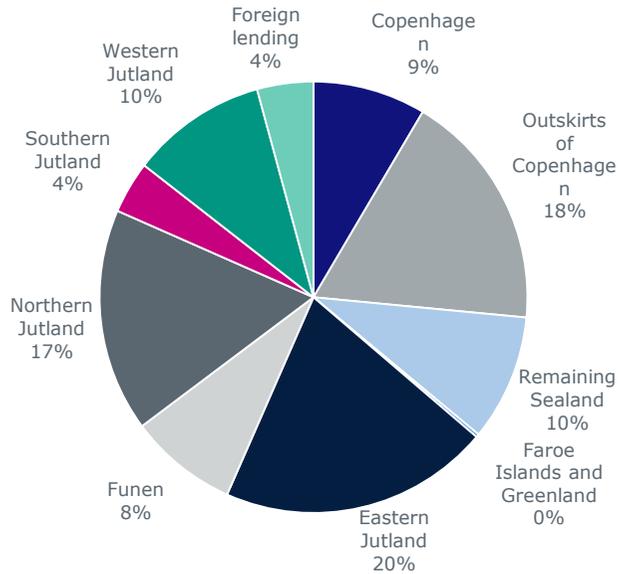
Note: The breakdown by property type is not directly comparable with the Group's business areas. Impairment losses and write-offs has been annualized for the calculation of average impairment losses and average write-offs.

# Mortgage lending

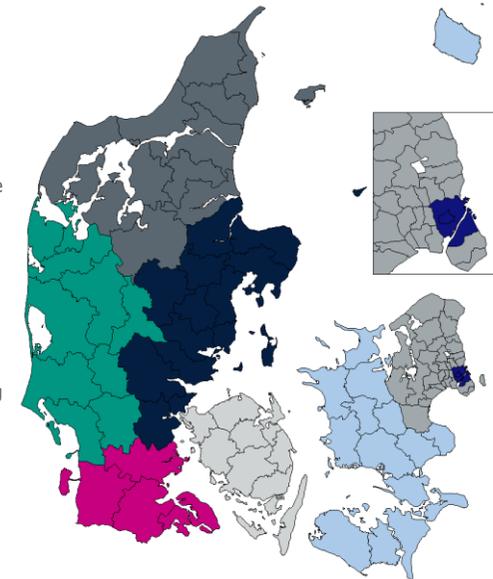
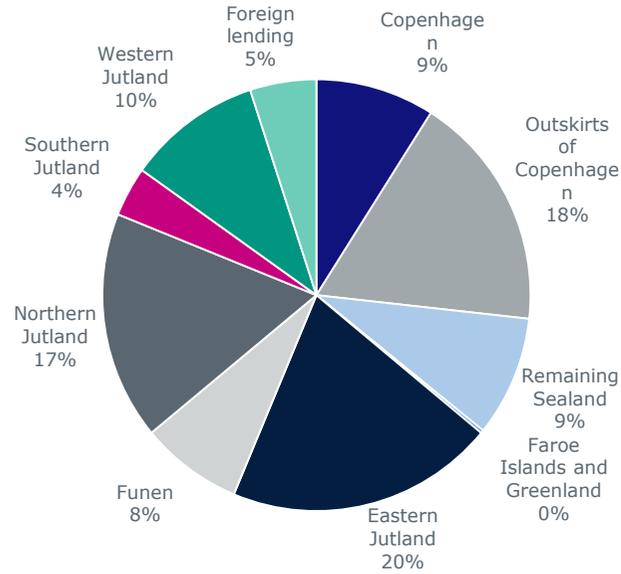
## Mortgage lending at nominal value by geography

DKK billion	2011	2012	2013	2014	H1 2015
Copenhagen	91	96	98	99	100
Outskirts of Copenhagen	192	198	199	197	198
Remaining Sealand	101	102	102	102	101
Faroe Islands and Greenland	2	3	3	3	3
Eastern Jutland	218	226	229	225	226
Funen	88	88	87	86	86
Northern Jutland	179	186	189	189	190
Southern Jutland	42	43	42	42	41
Western Jutland	110	115	116	114	113
Foreign lending	45	55	56	56	56

2011 (DKK billion)

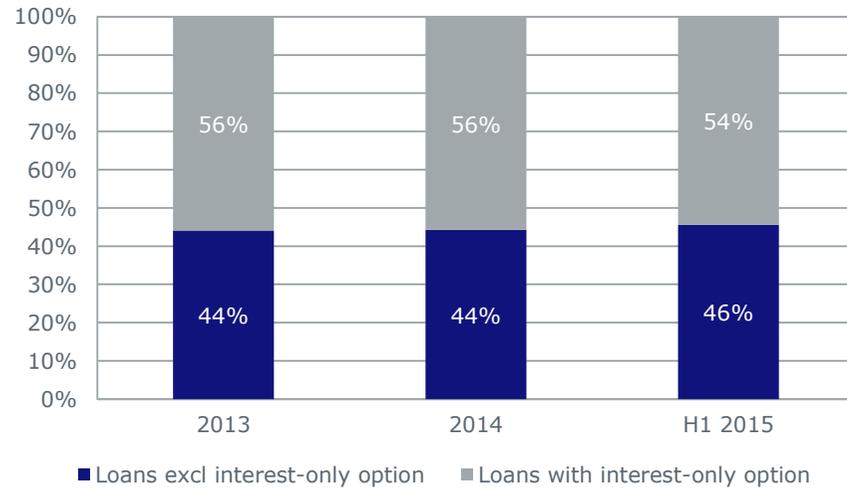


H1 2015 (DKK billion)

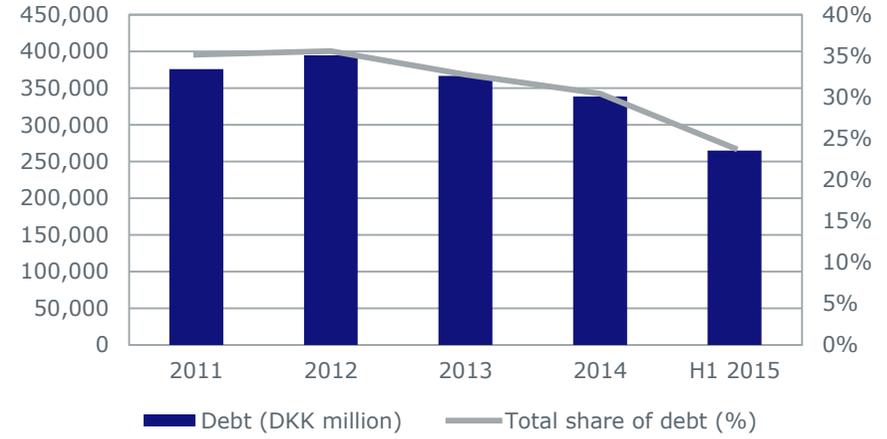


# Mortgage lending

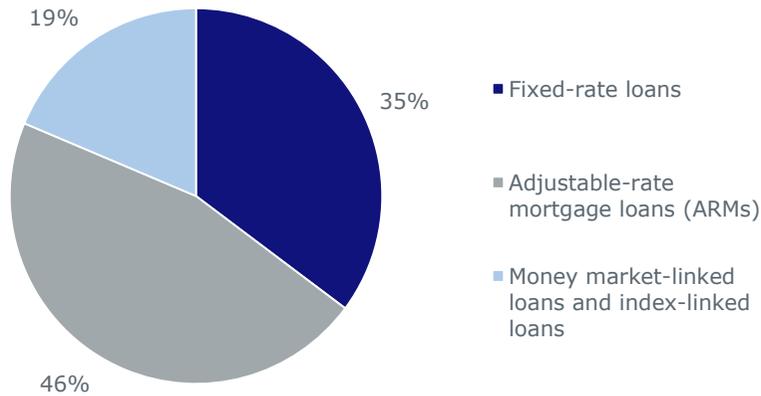
Bond dept outstanding by loan and interest type, all segments



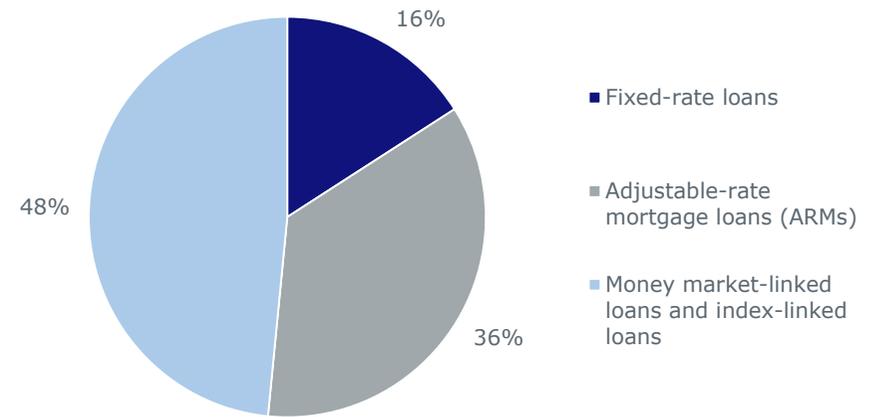
Variable-rate loans with refinancing within one year (ARMs, money market-linked and index-linked), debt outstanding with maturity less than 1 year, all segments, variable-rate loans.



Mortgage lending by loan type, private residential properties, H1 2015

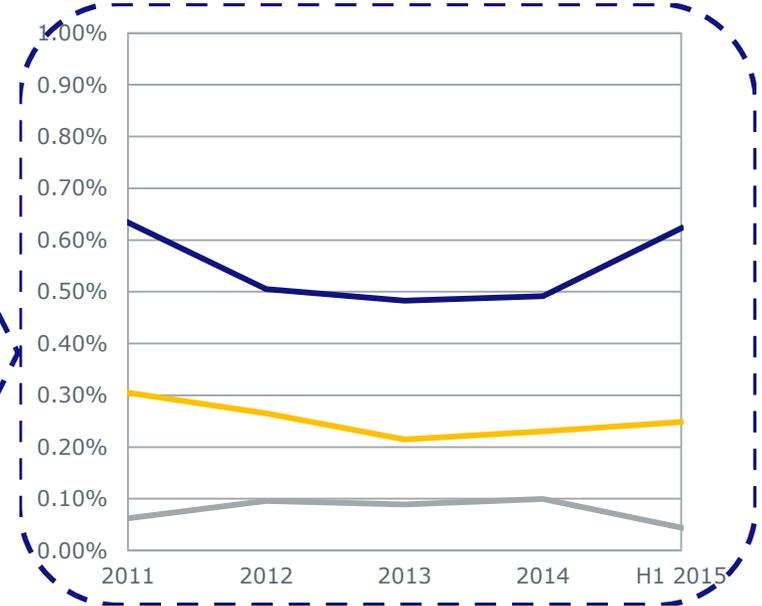


Mortgage lending by loan type, commercial, H1 2015



# Arrears – mortgage lending

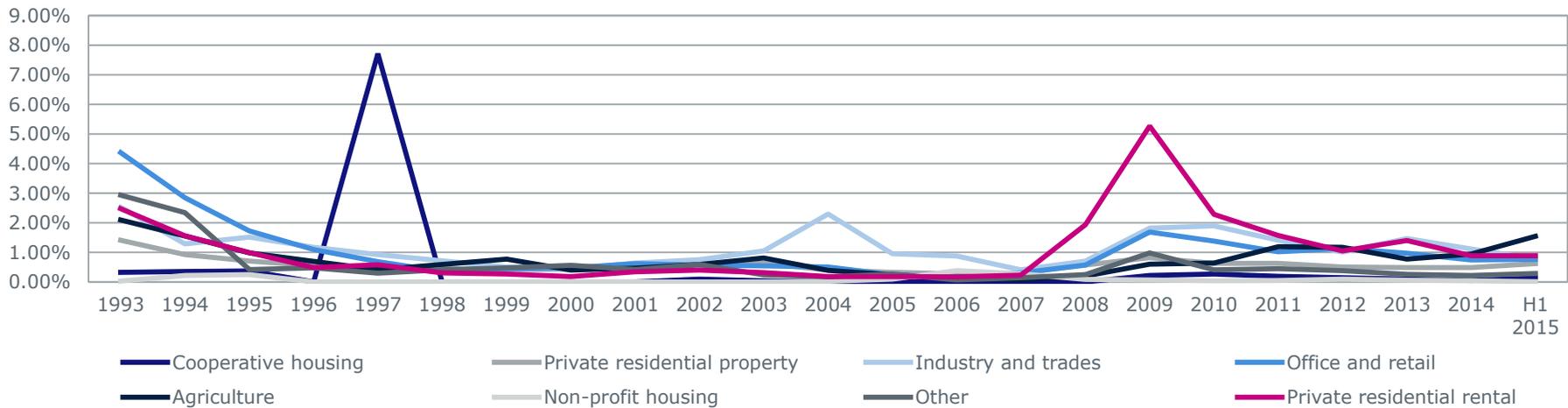
Arrears - 75 days past due, %



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

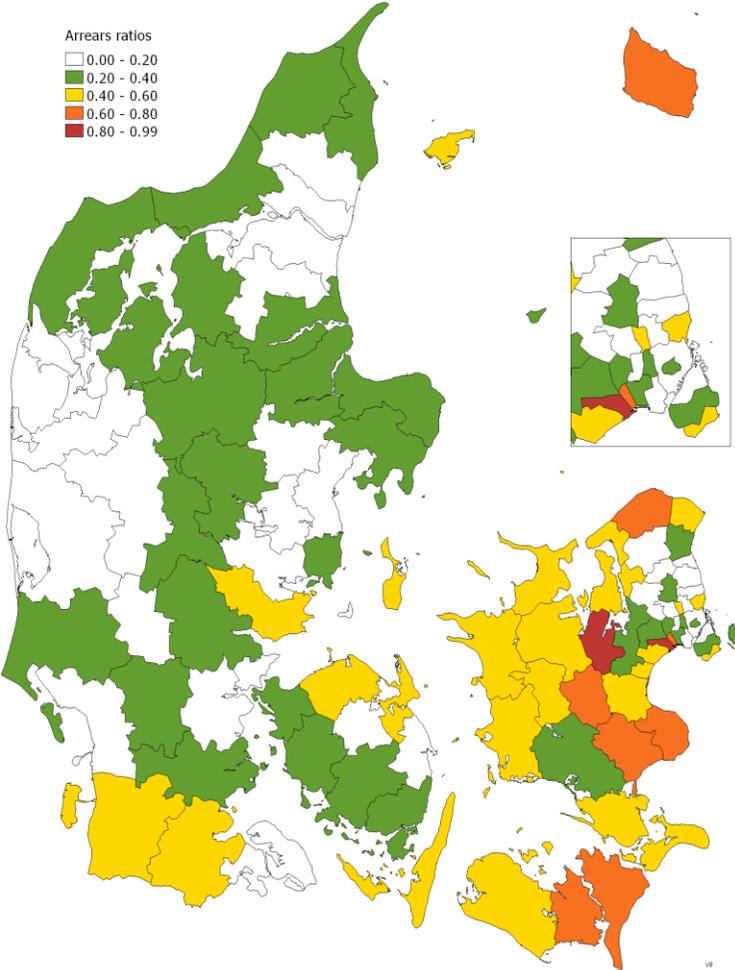
H1 2015 write-offs has not been annualized.

Arrears, 75 days past due, %

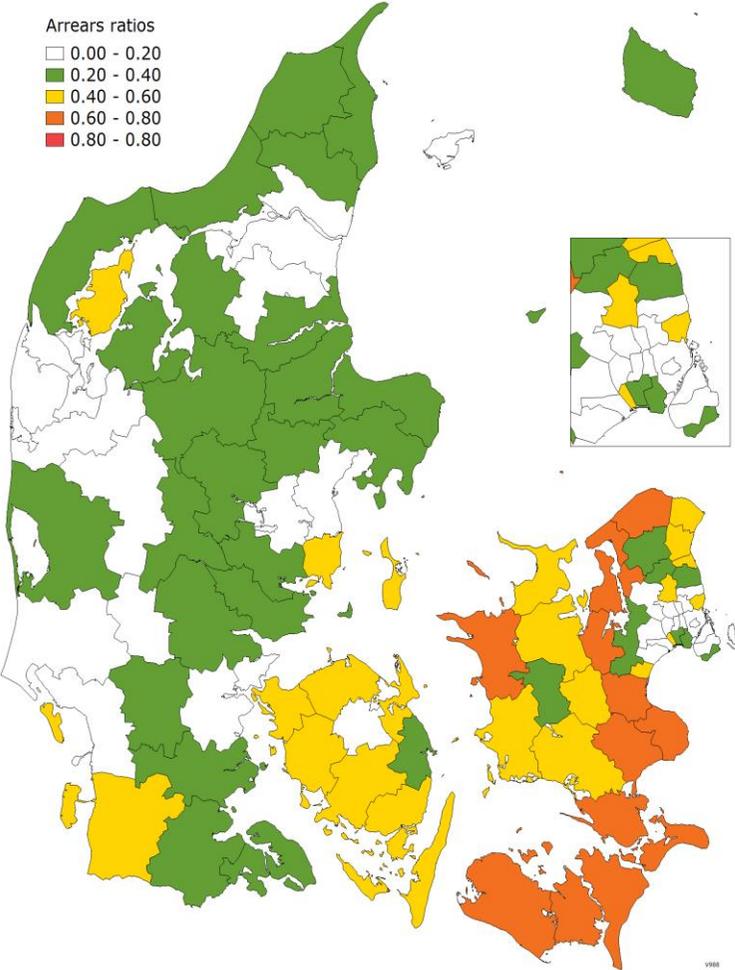


# Geographical distribution of arrears/total mortgage lending – private residential property, mortgage lending

75 day-arrears, H1 2014

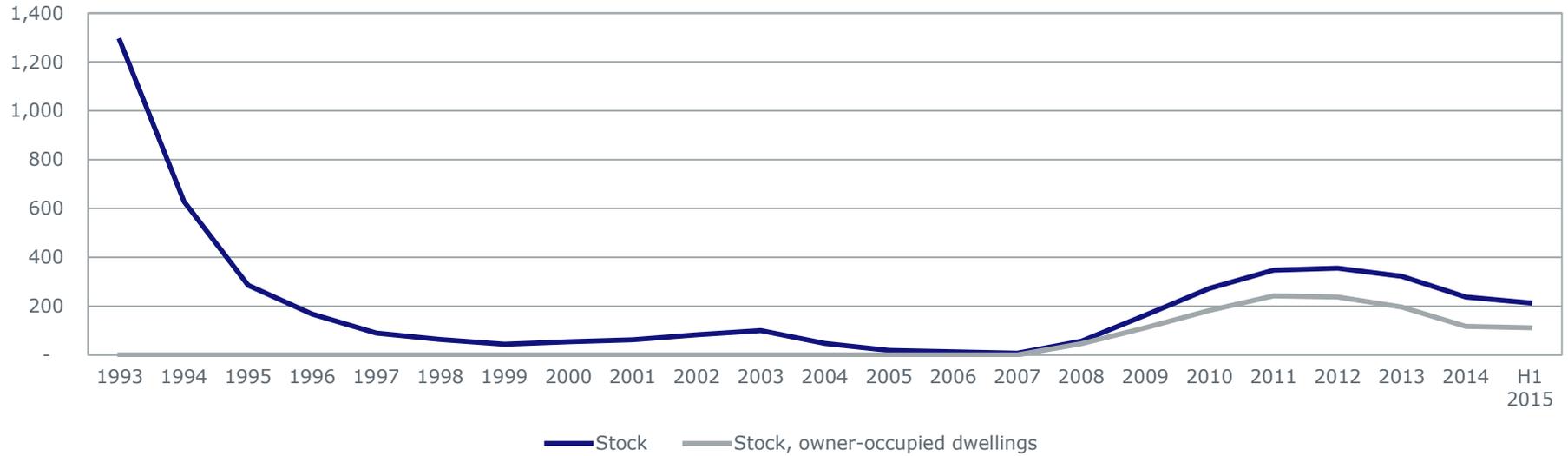


75 day-arrears, H1 2015

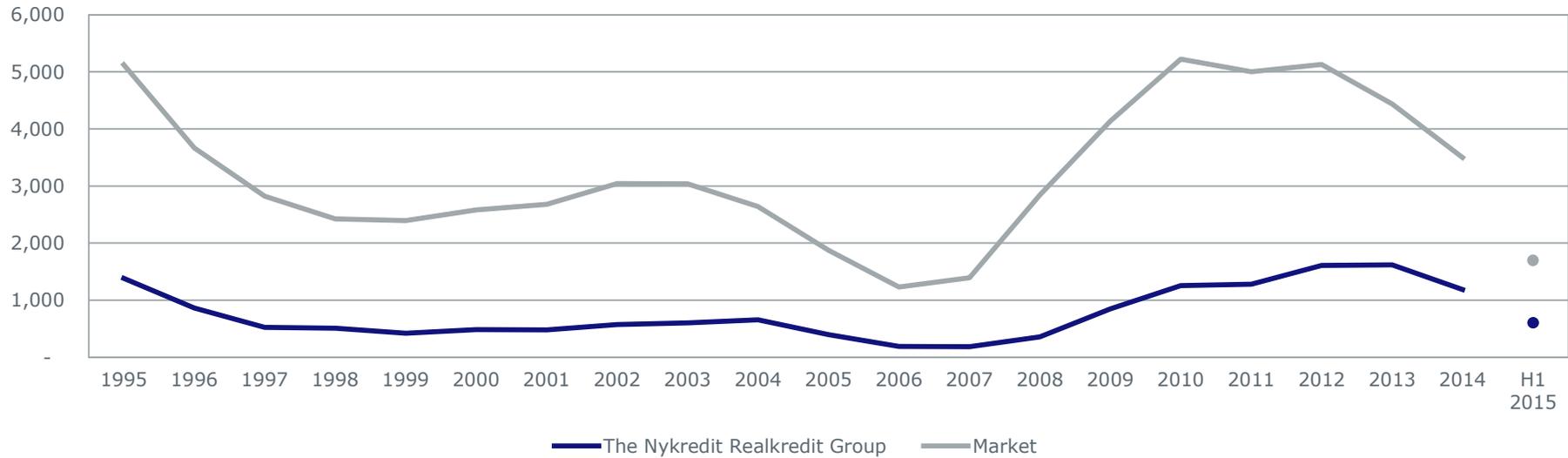


# Repossessed properties and forced sales

Repossessions, The Nykredit Realkredit Group



Forced sales in Denmark



# Risk relating to mortgage lending

## Debt outstanding relative to estimated property values, continuous distribution H1 2015

### Fair value 2015 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	399,106	156,275	95,195	21,469	6,216	-	678,262	33	72
Private residential rental	75,459	27,668	14,618	3,274	1,420	-	122,440	31	69
Industry and trades	18,992	3,881	513	167	126	-	23,679	23	51
Office and retail	82,134	23,727	4,059	1,047	601	-	111,568	26	56
Agriculture	70,112	18,472	7,018	1,708	779	-	98,089	26	59
Other	13,714	3,065	1,000	79	86	-	17,944	24	53
<b>Total H1 2015</b>	<b>659,518</b>	<b>233,089</b>	<b>122,402</b>	<b>27,745</b>	<b>9,228</b>	<b>67,978</b>	<b>1,119,960</b>	<b>31</b>	<b>67</b>
<b>Total H1 2014</b>	<b>653,921</b>	<b>236,235</b>	<b>136,574</b>	<b>38,773</b>	<b>11,144</b>	<b>68,276</b>	<b>1,144,923</b>	<b>31</b>	<b>69</b>

4.43% of total lending is outside statutory LTV limits

## Debt outstanding relative to estimated property values, H1 2015 continuous distribution, The Nykredit Realkredit Group

%	0-40	40-60	60-80	80-100	Over 100
Private residential property	59	23	14	3	1
Private residential rental	62	23	12	3	1
Industry and trades	80	16	2	1	1
Office and retail	74	21	4	1	1
Agriculture	71	19	7	2	1
Other	76	17	6	0	0
<b>Total H1 2015</b>	<b>63</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, H1 2015

### Fair value 2015 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	65,029	154,140	280,632	130,553	47,909	-	678,262	33	72
Private residential rental	28,175	39,804	33,359	13,865	7,236	-	122,440	31	69
Industry and trades	10,127	10,618	1,977	540	417	-	23,679	23	51
Office and retail	35,712	55,488	14,075	3,732	2,560	-	111,568	26	56
Agriculture	44,253	30,337	15,997	5,015	2,487	-	98,089	26	59
Other	9,445	5,408	2,584	259	248	-	17,944	24	53
<b>Total H1 2015</b>	<b>192,741</b>	<b>295,796</b>	<b>348,625</b>	<b>153,964</b>	<b>60,856</b>	<b>67,978</b>	<b>1,119,960</b>	<b>31</b>	<b>67</b>
<b>Total H1 2014</b>	<b>189,460</b>	<b>268,939</b>	<b>324,712</b>	<b>214,639</b>	<b>78,897</b>	<b>68,276</b>	<b>1,144,923</b>	<b>31</b>	<b>69</b>

22.27% of total lending is outside statutory LTV limits

## Debt outstanding distributed by the top part relative to estimated property values, H1 2015

### The Nykredit Realkredit Group

%	0-40	40-60	60-80	80-100	Over 100
Private residential property	10	23	41	19	7
Private residential rental	23	33	27	11	6
Industry and trades	43	45	8	2	2
Office and retail	32	50	13	3	2
Agriculture	45	31	16	5	3
Other	53	30	14	1	1
<b>Total H1 2015</b>	<b>18</b>	<b>28</b>	<b>33</b>	<b>15</b>	<b>6</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%.

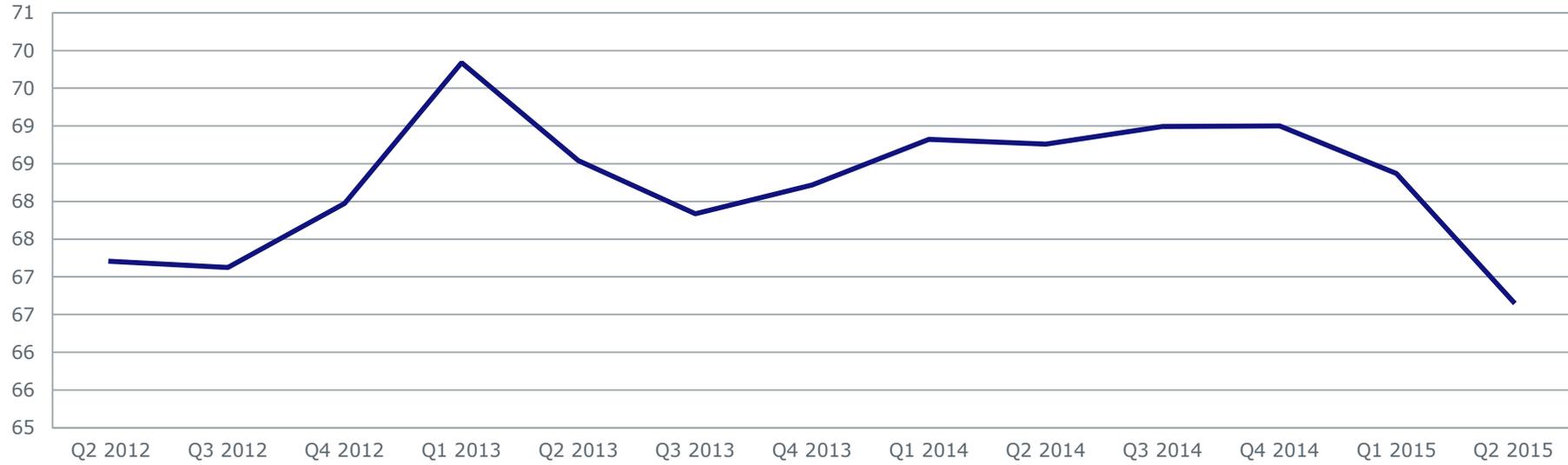
(\*\*) The LTV limit may be extended up to 70% against supplementary collateral for the part in excess in 60%.

## Statutory LTV limits by property category

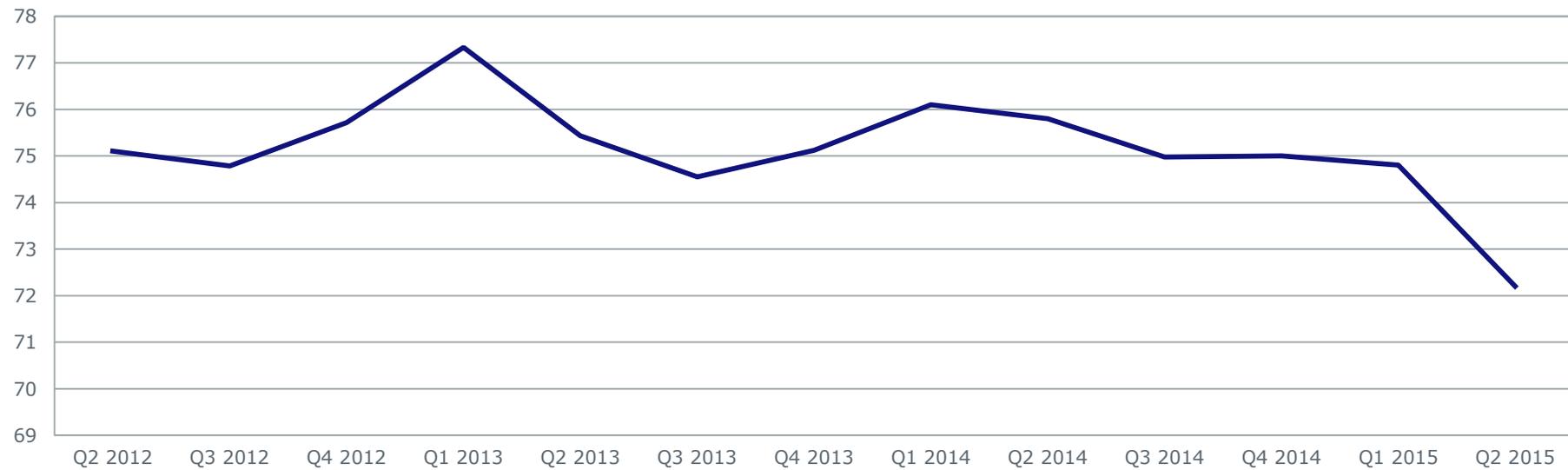
Private residential property for all-year habitation	80%*
Private cooperative housing	
Private residential rental properties	
Non-profit housing	
Youth housing	
Senior housing	
Properties used for social, cultural or educational purposes	60%
Holiday homes	
Agricultural and forestry properties, market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

# LTV

Average LTV - all segments, %

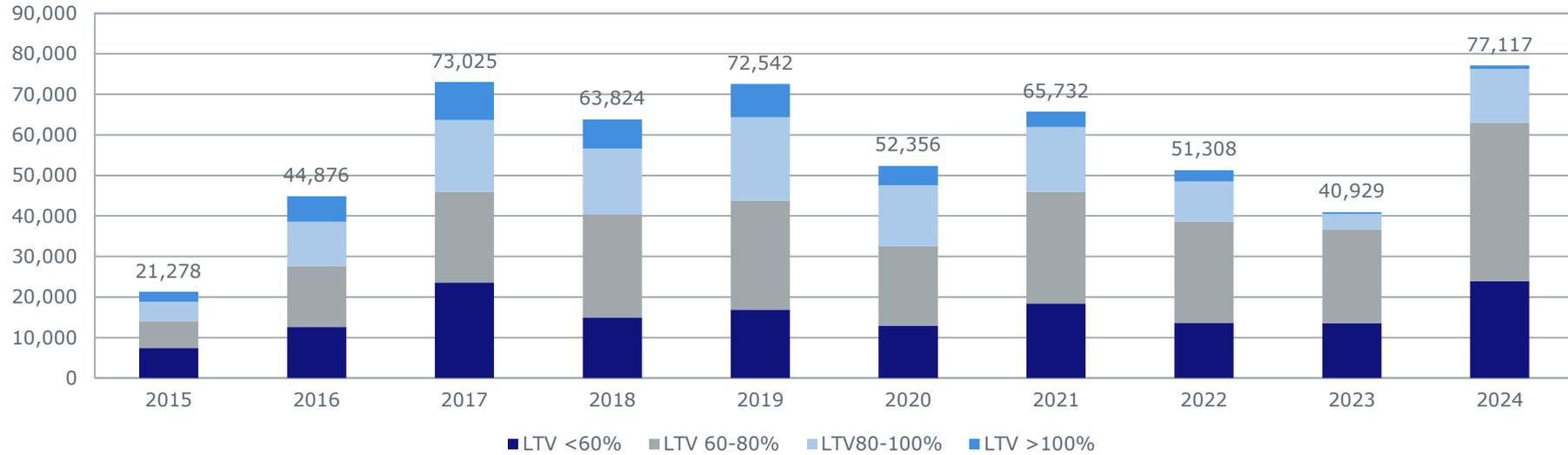


Average LTV - private residential properties, %

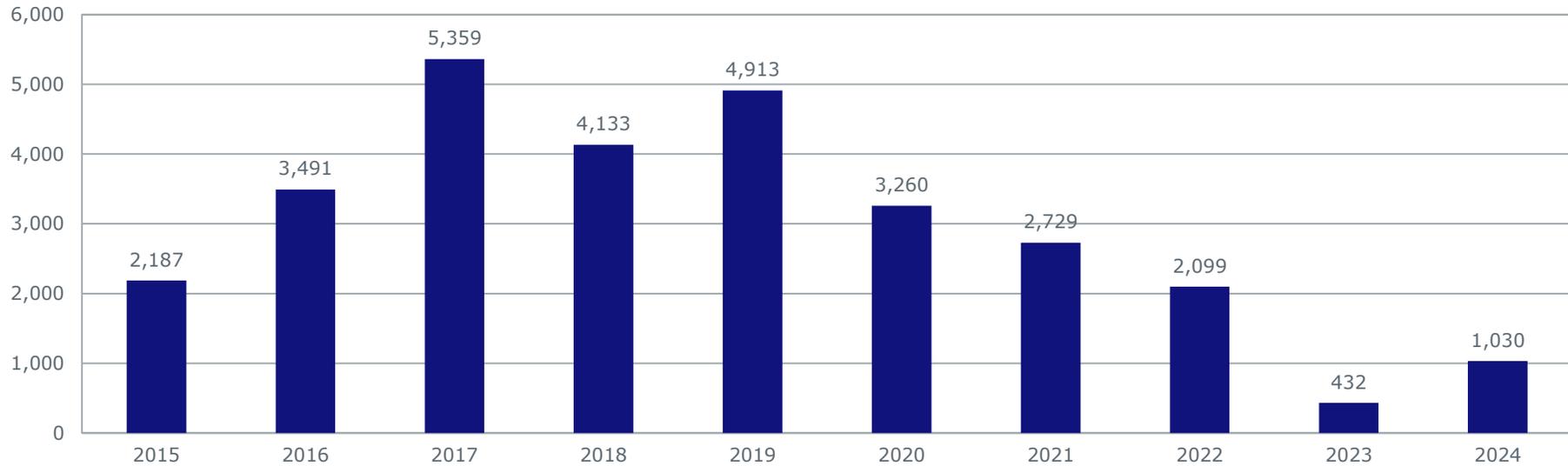


# Expiry of interest-only period – mortgage lending

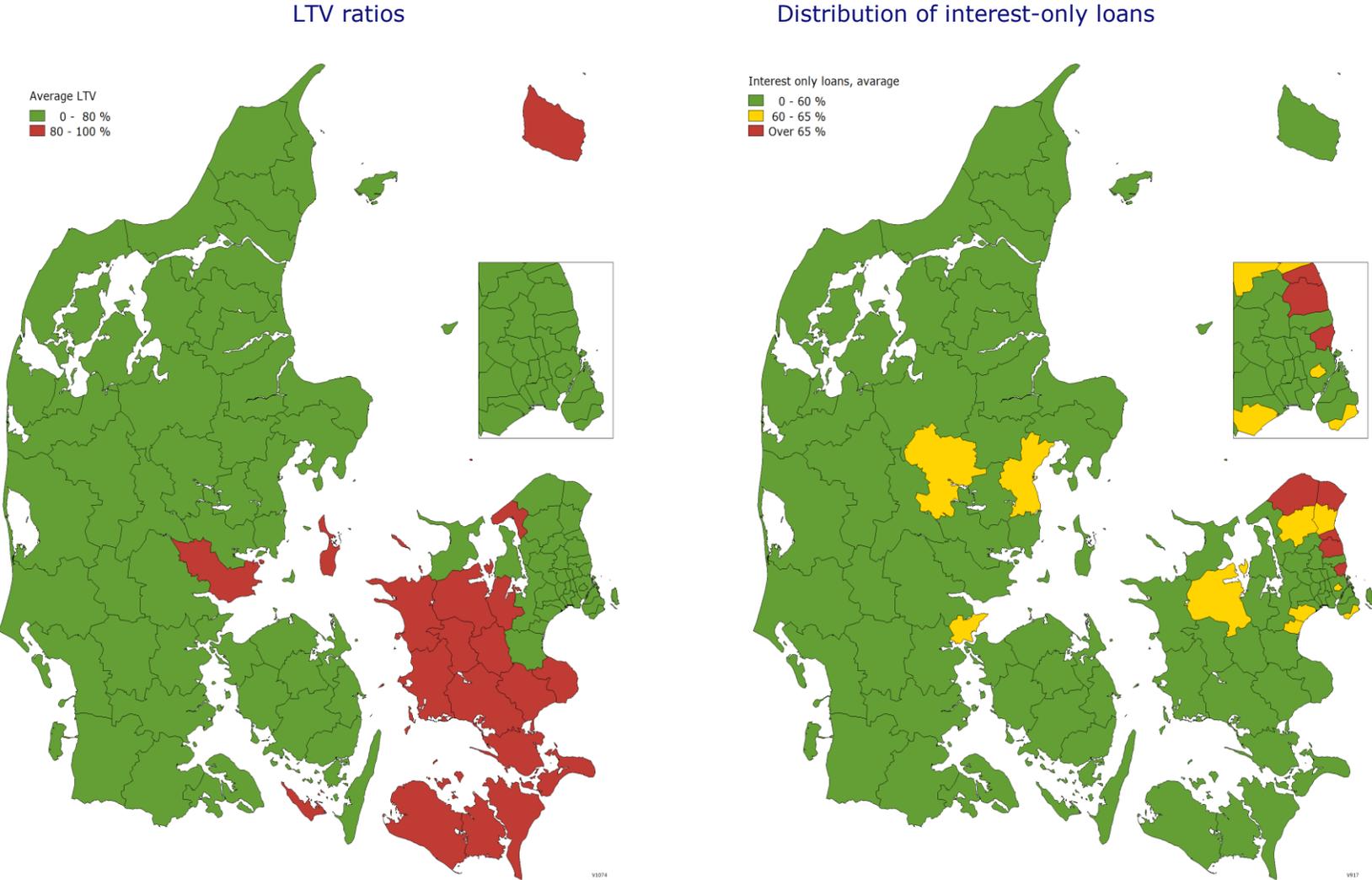
LTV distribution - size of loans by interest-only expiry, DKKm



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



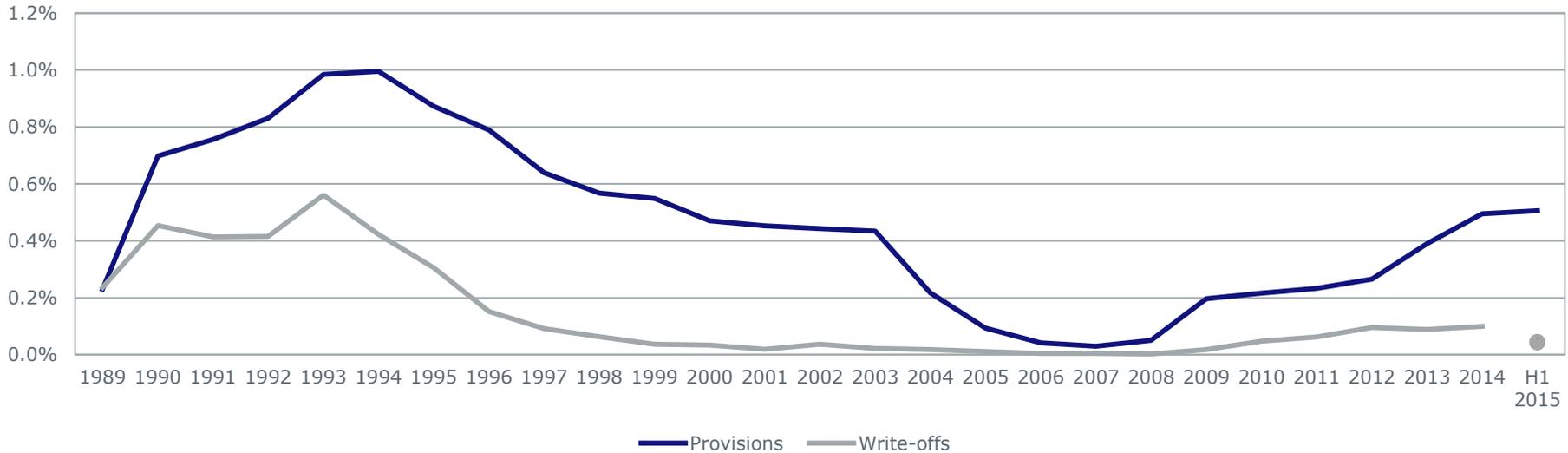
# Interest-only loans prevalent where LTVs are low



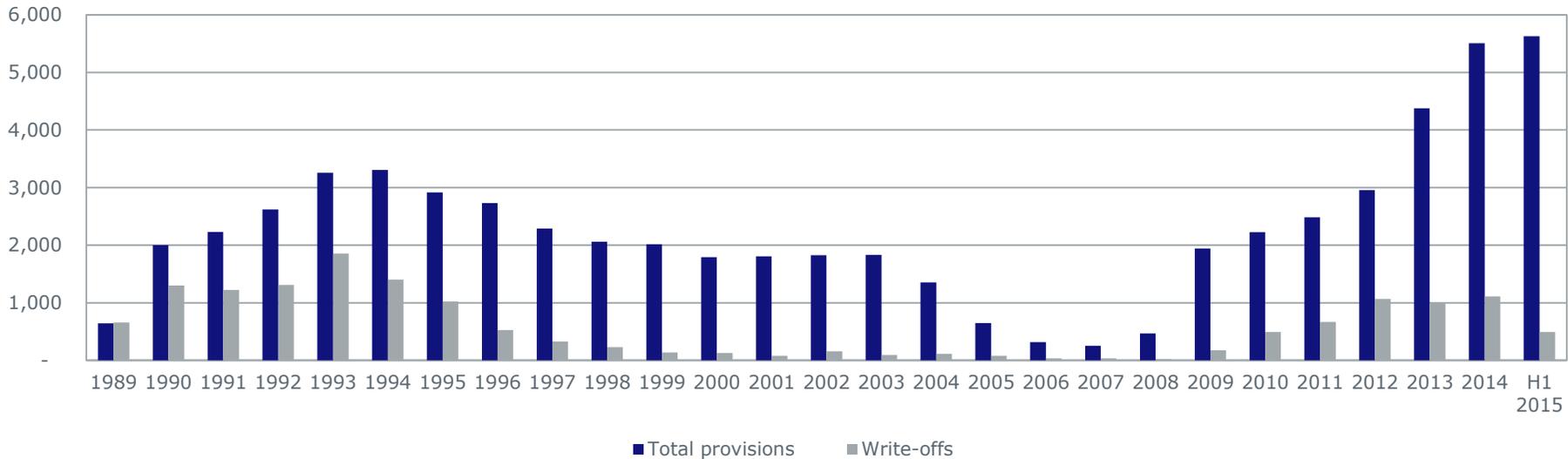
Note: Private residential lending in municipalities with above 80% LTVs and low marketability (above national average of 200 days on market) amounts to 6.2% of total private residential mortgage lending at end-Q2 2015.

# Impairment provisions and write-offs – mortgage lending

Provisions and write-offs as % of loans and advances



Impairment provisions and write-offs, DKKm



Note: Write-offs for H1 2015 has not been annualized

## Impairment provisions and losses – mortgage lending

### Total impairment provisions – by property type

DKK million	2012	2013	2014	H1 2015
Private residential property	641	993	927	829
Private residential rental	372	465	495	522
Industry and trades	143	218	257	227
Office and retail	303	555	506	606
Agriculture	440	494	856	940
Non-profit housing	20	40	90	57
Cooperative housing	64	307	1,012	976
Other	69	131	126	90
<b>Total Nykredit Realkredit</b>	<b>2,051</b>	<b>3,204</b>	<b>4,270</b>	<b>4,265</b>
Totalkredit	899	1,174	1,236	1,363
<b>Total impairment provisions from mortgage lending</b>	<b>2,950</b>	<b>4,378</b>	<b>5,506</b>	<b>5,628</b>

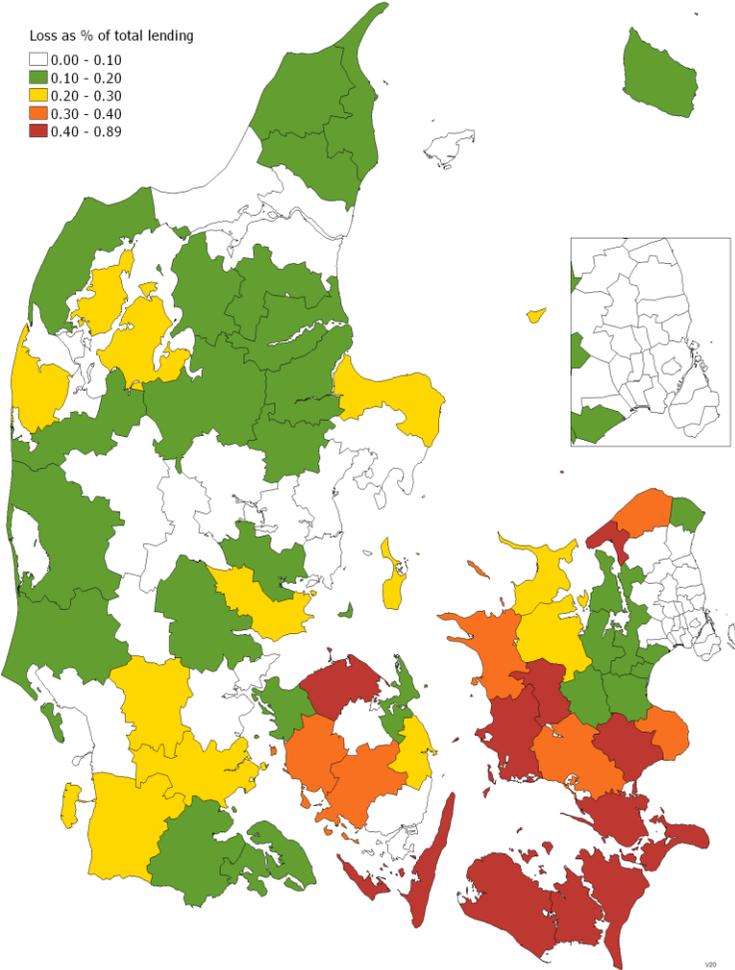
Note: Provisions include individual and collective provisions (including provisions from management judgement)

### Impairment losses – by property type

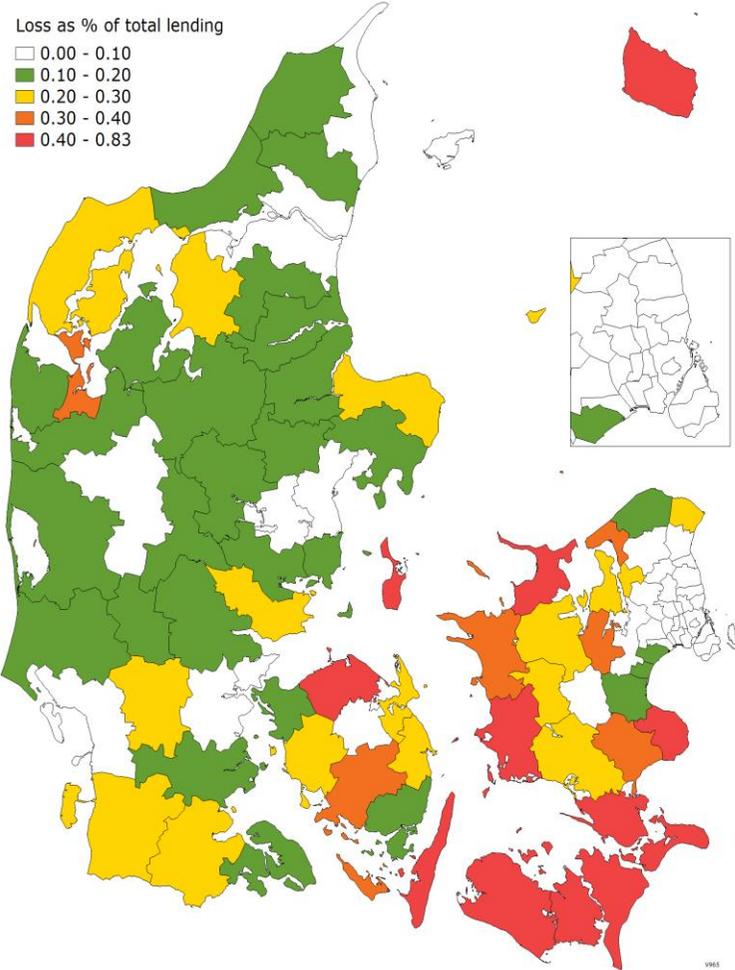
DKK million	2012	2013	2014	H1 2015
Private residential property	558	629	145	(27)
Private residential rental	157	189	153	64
Industry and trades	43	114	98	7
Office and retail	207	399	91	118
Agriculture	61	150	441	132
Non-profit housing	15	22	51	(35)
Cooperative housing	(5)	248	706	(37)
Other	20	75	26	(17)
<b>Total Nykredit Realkredit</b>	<b>1,057</b>	<b>1,826</b>	<b>1,712</b>	<b>224</b>
Totalkredit	782	901	676	445
<b>Total impairment losses from mortgage lending</b>	<b>1,839</b>	<b>2,727</b>	<b>2,388</b>	<b>669</b>
Set-offs, Totalkredit	(254)	(333)	(270)	(137)
<b>Total impairment losses from mortgage lending after set-offs</b>	<b>1,584</b>	<b>2,394</b>	<b>2,117</b>	<b>532</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, H1 2014



Loss as % of total mortgage lending last 4 quarters, H1 2015



## Write-offs – mortgage lending

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

DKK million	2012	2013	2014	H1 2015
Private residential property	241	281	262	78
Private residential rental	176	92	117	42
Industry and trades	68	41	67	38
Office and retail	123	89	142	42
Agriculture	88	110	69	32
Non-profit housing	3	2	1	(1)
Cooperative housing	4	5	1	-
Other	25	9	35	14
<b>Total Nykredit Realkredit</b>	<b>728</b>	<b>628</b>	<b>694</b>	<b>245</b>
Totalkredit	550	654	618	338
<b>Total write-offs from mortgage lending</b>	<b>1,278</b>	<b>1,282</b>	<b>1,312</b>	<b>583</b>
Set-offs, Totalkredit	(254)	(333)	(270)	(137)
<b>Total write-offs from mortgage lending after set-offs</b>	<b>1,024</b>	<b>949</b>	<b>1,042</b>	<b>446</b>

Note: Write-offs for the year regardless whether the loan has been recognised through profit or loss for the same year. Q2 2015 has not been annualized.

Note: Due to intercompany balancing, set-offs may differ from Nykredit Realkredit Q2 Interim Report 2015

## Loans, advances and guarantees – bank lending

### Loans and advances

DKK million	2011	2012	2013	2014	H1 2015
<b>Public sector</b>	<b>237</b>	<b>308</b>	<b>259</b>	<b>219</b>	<b>167</b>
Agriculture, hunting and forestry	2,102	1,638	1,640	1,810	1,737
Other corporate	60,111	69,079	89,153	70,970	65,136
<b>Total commercial</b>	<b>62,213</b>	<b>70,717</b>	<b>90,793</b>	<b>72,781</b>	<b>66,873</b>
<b>Personal customers</b>	<b>15,459</b>	<b>14,183</b>	<b>12,786</b>	<b>12,723</b>	<b>12,166</b>
<b>Total</b>	<b>77,909</b>	<b>85,208</b>	<b>103,838</b>	<b>85,722</b>	<b>79,206</b>

### Guarantees

DKK million	2011	2012	2013	2014	H1 2015
<b>Public sector</b>	<b>305</b>	<b>205</b>	<b>234</b>	<b>377</b>	<b>642</b>
Agriculture, hunting and forestry	346	319	386	1,420	934
Other corporate	5,314	5,816	5,997	8,098	8,151
<b>Total commercial</b>	<b>5,660</b>	<b>6,135</b>	<b>6,383</b>	<b>9,518</b>	<b>9,085</b>
<b>Personal customers</b>	<b>4,177</b>	<b>5,829</b>	<b>5,003</b>	<b>10,998</b>	<b>11,429</b>
<b>Total</b>	<b>10,142</b>	<b>12,169</b>	<b>11,620</b>	<b>20,893</b>	<b>21,156</b>

# Provisions – bank lending

## Provisions for individual loan impairments and guarantees

DKK million	2011	2012	2013	2014	H1 2015
<b>Public sector</b>	-	4	-	-	-
Agriculture, hunting and forestry	107	162	168	130	92
Other corporate	3,377	3,205	3,002	2,507	2,610
<b>Total commercial</b>	<b>3,484</b>	<b>3,367</b>	<b>3,170</b>	<b>2,637</b>	<b>2,702</b>
<b>Personal customers</b>	<b>616</b>	<b>532</b>	<b>538</b>	<b>520</b>	<b>531</b>
<b>Total</b>	<b>4,100</b>	<b>3,903</b>	<b>3,708</b>	<b>3,157</b>	<b>3,233</b>

## Collective impairment provisions

DKK million	2011	2012	2013	2014	H1 2015
<b>Public sector</b>	-	-	8	-	-
Agriculture, hunting and forestry	13	5	9	8	9
Other corporate	234	155	250	429	94
<b>Total commercial</b>	<b>247</b>	<b>160</b>	<b>259</b>	<b>437</b>	<b>103</b>
<b>Personal customers</b>	<b>61</b>	<b>76</b>	<b>103</b>	<b>72</b>	<b>67</b>
<b>Total</b>	<b>308</b>	<b>236</b>	<b>370</b>	<b>509</b>	<b>170</b>

## Total impairment provisions

DKK million	2011	2012	2013	2014	H1 2015
<b>Public sector</b>	-	4	8	-	-
Agriculture, hunting and forestry	120	167	177	138	101
Other corporate	3,611	3,360	3,252	2,936	2,704
<b>Total commercial</b>	<b>3,731</b>	<b>3,527</b>	<b>3,429</b>	<b>3,074</b>	<b>2,805</b>
<b>Personal customers</b>	<b>677</b>	<b>608</b>	<b>641</b>	<b>592</b>	<b>598</b>
<b>Total</b>	<b>4,408</b>	<b>4,139</b>	<b>4,078</b>	<b>3,666</b>	<b>3,403</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	2012	2013	2014	H1 2015
Total impairment provisions, rating 0 (DKK million)	215	373	484	535
Bond debt outstanding with OEI (DKK million)	10,404	12,734	15,985	16,006
Total bond debt outstanding (DKK million)	1,108,797	1,119,970	1,111,744	1,112,419
Bond debt outstanding with OEI/total bond debt	0.9%	1.1%	1.4%	1.4%

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

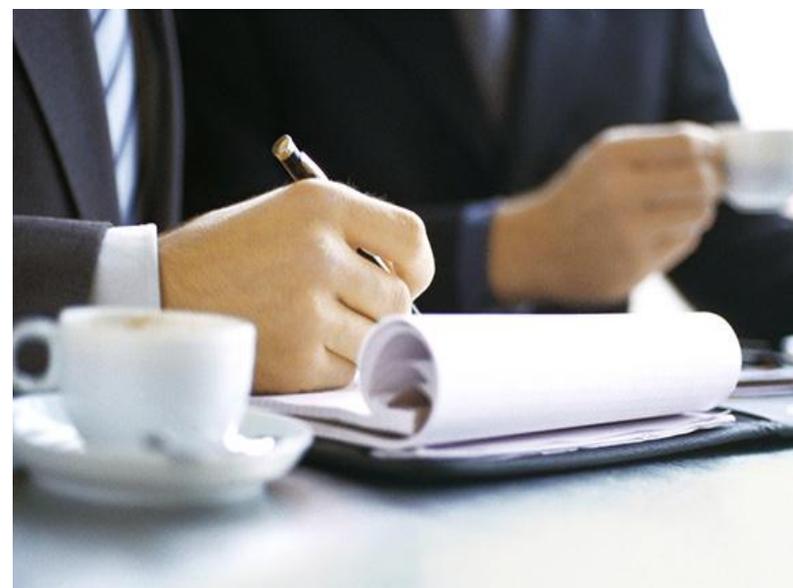
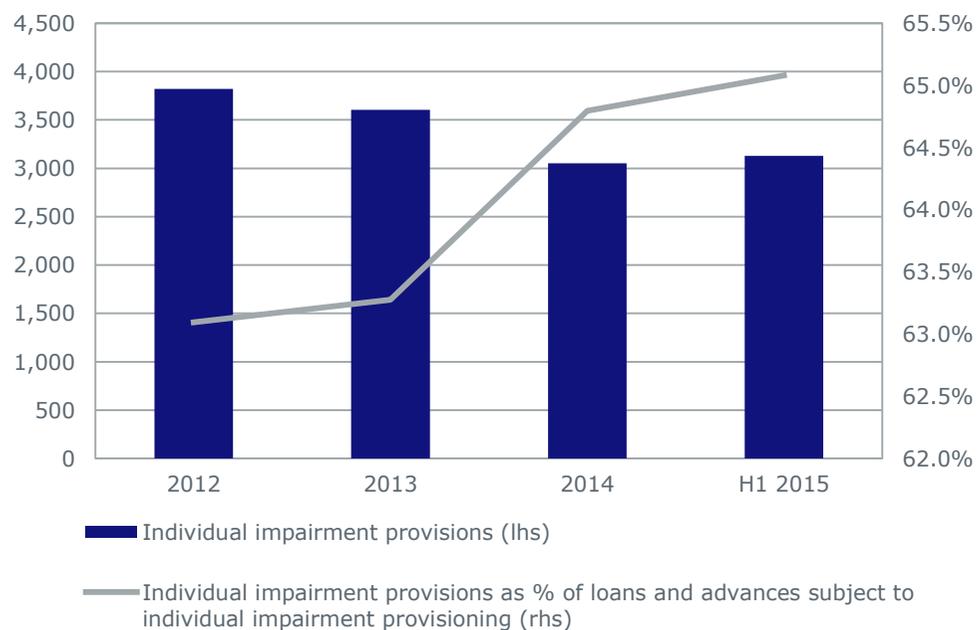
DKK million	2012	2013	2014	H1 2015
Total impairment provisions, NPL (DKK million)	1,967	2,741	609	3,541
Bond debt outstanding, NPL (DKK million)	18,377	22,412	23,795	25,113
Total bond debt outstanding (DKK million)	1,108,797	1,119,970	1,111,744	1,112,419
Bond debt outstanding, NPL/total bond debt	1.7%	2.0%	2.1%	2.3%

# Non-performing loans (NPL) – bank lending

## Non performing bank loans (rating NPL)

DKK million	2012	2013	2014	H1 2015
Individual impairment provisions	3,822	3,605	3,051	3,127
Non-performing loans of which loans and advances subject to individual impairment provisioning	6,057	5,697	4,708	4,805
Individual impairment provisions as % of loans and advances subject to individual impairment provisioning	63.1%	63.3%	64.8%	65.1%

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 core income from securities and investment portfolio income.</b>

## Core income – business areas

### Core income – business areas

DKK million	Avg. half-year 2012	Avg. half-year 2013	Avg. half-year 2014	H1 2015
<b>Core income</b>				
Retail	2,575	2,874	2,193	3,479
Totalkredit Partners	740	786	1,220	1,294
Wholesale clients	1,199	983	474	1,742
Group items	54	6	48	21
<b>Total core income</b>	<b>4,455</b>	<b>4,649</b>	<b>3,935</b>	<b>6,535</b>

### Lending and deposits – business areas

DKK million	2012	2013	2014	H1 2015
<b>Mortgage lending (nominal)</b>				
Retail	448,337	445,490	442,147	440,774
-of which Nykredit Realkredit	423,701	408,432	386,093	372,918
-of which Totalkredit	24,635	37,057	56,054	67,856
Totalkredit Partners	484,980	494,677	484,596	490,141
Wholesale clients	175,480	179,803	185,002	181,504
<b>Total mortgage lending</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,111,744</b>	<b>1,112,419</b>
<b>Bank lending</b>				
Retail	22,473	23,304	25,533	24,663
Wholesale clients	24,169	23,484	24,929	24,732
Group items	2,968	175	33	46
<b>Total bank lending</b>	<b>49,727</b>	<b>46,963</b>	<b>50,494</b>	<b>49,441</b>
<b>Deposits</b>				
Retail	33,690	36,798	40,637	43,121
Wholesale clients	18,296	27,235	23,287	22,476
Group items	2,049	1,139	1,308	458
<b>Total deposits</b>	<b>54,509</b>	<b>65,172</b>	<b>65,232</b>	<b>66,056</b>

# Business areas – Retail

## Result – Retail

DKK million	Avg. half-year 2012	Avg. half-year 2013	Avg. half-year 2014	H1 2015
<b>Core income from</b>				
Business operations	3,113	3,023	3,186	3,291
Value adjustment of derivatives and corporate bonds	(464)	(89)	(929)	250
Senior debt	(73)	(60)	(65)	(62)
<b>Total core income</b>	<b>2,575</b>	<b>2,874</b>	<b>2,193</b>	<b>3,479</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	1,481	1,498	1,494	1,460
Depreciation of property, plant and equipment and amortisation of intangible assets	5	5	5	4
<b>Core earnings before impairment losses</b>	<b>1,089</b>	<b>1,371</b>	<b>695</b>	<b>2,014</b>
Impairment losses on mortgage lending	528	806	753	273
Impairment losses on bank lending	246	193	34	(9)
<b>Core earnings after impairment losses</b>	<b>321</b>	<b>378</b>	<b>(92)</b>	<b>1,750</b>

## Activity – Retail

DKK million	2012	2013	2014	H1 2015
<b>Mortgage lending</b>				
Gross new lending	66,070	40,189	67,574	49,497
Portfolio at nominal value, end of period	448,337	445,490	442,147	440,774
Impairment losses for the period as % of loans and advances	0.24%	0.36%	0.34%	0.06%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,304	1,787	2,413	2,465
Collective impairment provisions	608	1,044	1,281	1,276
Total impairment provisions as % of loans and advances	0.43%	0.64%	0.84%	0.85%
<b>Banking</b>				
Loans and advances, end of period	22,473	23,304	25,533	24,663
Deposits, end of period	33,690	36,798	40,637	43,121
Impairment losses for the period as % of loans and advances*	2.06%	1.55%	0.26%	(0.03%)
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,956	2,084	1,864	1,746
Collective impairment provisions	139	195	114	105
Total impairment provisions as % of loans and advances	8.50%	8.91%	7.19%	6.98%
Guarantees, end of period	9,080	3,244	4,357	5,146
Provisions for guarantees, end of period	73	48	51	51

\*Including impairment losses from guarantees

## Business areas – Wholesale

### Result – Wholesale

DKK million	Avg. half-year	Avg. half-year	Avg. half-year	H1 2015
<b>Core income from</b>				
Business operations	2,155	2,228	2,559	2,929
Value adjustment of derivatives and corporate bonds	(70)	(298)	(752)	204
Senior debt	(145)	(161)	(113)	(97)
<b>Total core income</b>	<b>1,940</b>	<b>1,769</b>	<b>1,694</b>	<b>3,035</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	688	678	623	614
Depreciation of property, plant and equipment and amortisation of intangible assets	263	264	4	7
<b>Core earnings before impairment losses</b>	<b>989</b>	<b>828</b>	<b>1,066</b>	<b>2,414</b>
Impairment losses on mortgage lending	275	402	307	264
Impairment losses on bank lending	36	(6)	74	(80)
<b>Core earnings after impairment losses</b>	<b>678</b>	<b>432</b>	<b>685</b>	<b>2,230</b>

## Business areas – Totalkredit partners

### Result – Totalkredit partners

DKK million	Avg. half-year	Avg. half-year	Avg. half-year	H1 2015
<b>Core income from</b>				
Business operations	872	937	1,325	1,384
Senior debt	(132)	(151)	(105)	(90)
<b>Total core income</b>	<b>740</b>	<b>786</b>	<b>1,220</b>	<b>1,294</b>
Operating costs	206	205	197	246
Depreciation of property, plant and equipment and amortisation of intangible assets	260	260	-	-
<b>Core earnings before impairment losses</b>	<b>274</b>	<b>321</b>	<b>1,023</b>	<b>1,047</b>
Impairment losses on lending	254	277	181	291
<b>Core earnings after impairment losses</b>	<b>21</b>	<b>44</b>	<b>842</b>	<b>756</b>

### Activity – Totalkredit partners

DKK million	2012	2013	2014	H1 2015
<b>Mortgage lending</b>				
Gross new lending	115,392	56,238	89,411	91,030
Portfolio at nominal value, end of period	484,980	494,677	484,596	490,141
Impairment losses for the period as % of loans and advances	0.10%	0.11%	0.07%	0.06%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	441	458	494	527
Collective impairment provisions	429	681	657	737
Total impairment provisions as % of loans and advances	0.18%	0.23%	0.24%	0.26%

## Business areas – Wholesale clients

### Result – Wholesale clients

DKK million	Avg. half-year	Avg. half-year	Avg. half-year	H1 2015
Core income from				
Business operations	1,282	1,291	1,234	1,545
Value adjustment of derivatives and corporate bonds	(70)	(298)	(752)	204
Senior debt	(13)	(10)	(8)	(7)
<b>Total core income</b>	<b>1,199</b>	<b>983</b>	<b>474</b>	<b>1,742</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	482	473	426	367
Depreciation of property, plant and equipment and amortisation of intangible assets	3	3	4	7
<b>Core earnings before impairment losses</b>	<b>714</b>	<b>507</b>	<b>43</b>	<b>1,367</b>
Impairment losses on mortgage lending	21	125	126	(27)
Impairment losses on bank lending	36	(6)	74	(80)
<b>Core earnings after impairment losses</b>	<b>657</b>	<b>388</b>	<b>(156)</b>	<b>1,474</b>

### Activity – Wholesale clients

DKK million	2012	2013	2014	H1 2015
<b>Mortgage lending</b>				
Gross new lending	36,106	26,739	35,430	22,361
Portfolio at nominal value, end of period	175,480	179,803	185,002	181,504
Impairment losses for the period as % of loans and advances	0.02%	0.14%	0.14%	(0.02%)
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	107	266	507	528
Collective impairment provisions	66	142	154	95
Total impairment provisions as % of loans and advances	0.10%	0.23%	0.36%	0.34%
<b>Banking</b>				
Loans and advances, end of period	24,169	23,484	24,929	24,732
Deposits, end of period	18,296	27,235	23,287	22,476
Impairment losses for the period as % of loans and advances*	0.27%	(0.05%)	0.56%	(0.30%)
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,775	1,461	1,131	1,328
Collective impairment provisions	82	175	395	66
Total impairment provisions as % of loans and advances	3.02%	6.51%	5.77%	5.34%
Guarantees, end of period	2,578	1,806	1,913	2,650
Provisions for guarantees, end of period	8	55	55	55
<b>Assets under management</b>	<b>103,698</b>	<b>116,269</b>	<b>133,484</b>	<b>139,083</b>
<b>Assets under administration</b>				
<b>Nykredit Portefølje Administration A/S</b>	<b>513,675</b>	<b>598,434</b>	<b>669,112</b>	<b>711,804</b>
of which the investment funds of the Nykredit Group	46,518	51,808	60,165	65,069

\*Including impairment losses from guarantees

## Business areas – Group items

### Result – Group items

DKK million	Avg. half-year	Avg. half-year	Avg. half-year	H1 2015
<b>Core income from</b>				
Business operations	(52)	(32)	10	16
Senior debt	-	(22)	(26)	(16)
Securities	106	59	65	21
<b>Total core income</b>	<b>54</b>	<b>6</b>	<b>48</b>	<b>21</b>
Operating costs including payment to Guarantee Fund for Depositors and Investors	225	400	317	227
Depreciation of property, plant and equipment and amortisation of intangible assets	114	180	108	108
<b>Core earnings before impairment losses</b>	<b>(285)</b>	<b>(574)</b>	<b>(378)</b>	<b>(314)</b>
Impairment losses on mortgage lending	-	5	6	-
Impairment losses on bank lending	6	(13)	2	-
<b>Core earnings after impairment losses</b>	<b>(291)</b>	<b>(566)</b>	<b>(385)</b>	<b>(314)</b>

### Activity – Group items

DKK million	2012	2013	2014	H1 2015
<b>Banking</b>				
Loans and advances, end of period	2,968	175	33	46
Deposits, end of period	2,049	1,139	1,308	458
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	90	60	55	53
Collective impairment provisions	15	-	-	-
Total impairment provisions as % of loans and advances	3.43%	20.16%	62.65%	53.37%
Guarantees, end of period	512	1,260	1,276	702

# The Danish economy

## Nykredit's regional housing price forecasts

%	2013	2014	2015F	2016F	2017F
<b>Houses – entire country</b>	<b>0.8</b>	<b>1.6</b>	<b>5.8</b>	<b>2.5</b>	<b>2.2</b>
Copenhagen	6.3	5.8	7.6	4.2	5.3
North Sealand	0.9	3.1	6.4	2.7	2.0
East Sealand	2.7	3.2	6.8	3.6	3.5
West and South Sealand	(2.7)	(2.1)	6.1	1.6	0.7
Bornholm	(4.4)	1.2	(2.1)	1.6	(0.6)
Funen	(0.5)	(0.5)	5.5	2.1	1.1
South Jutland	(2.2)	0.0	2.8	2.1	1.3
East Jutland	(0.1)	(0.4)	6.9	1.5	0.5
West Jutland	(0.9)	(0.3)	2.3	1.4	0.4
North Jutland	0.0	0.9	4.1	1.9	2.0
<b>Owner-occupied flats – entire country</b>	<b>7.8</b>	<b>5.2</b>	<b>10.5</b>	<b>7.6</b>	<b>5.0</b>
Copenhagen	13.0	7.5	11.2	8.9	5.8
Municipality of Aarhus	3.9	4.8	12.1	7.6	5.6
<b>Holiday homes - entire country</b>	<b>(0.3)</b>	<b>(3.1)</b>	<b>4.4</b>	<b>1.7</b>	<b>1.3</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%)	1.1%
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%)	1.2%
Balance of payment as % of nominal GDP	5.7%	5.7%	5.6%	7.2%	6.3%
Net unemployment	4.3%	4.1%	4.5%	4.4%	4.0%
Government net foreign assets (DKKm)	232,256	512,523	686,556	728,010	920,126

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/finansredegoerelse-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.
Average half-year	FY divided by 2

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