

# **Fact Book Q3 2015**

The Nykredit Realkredit Group

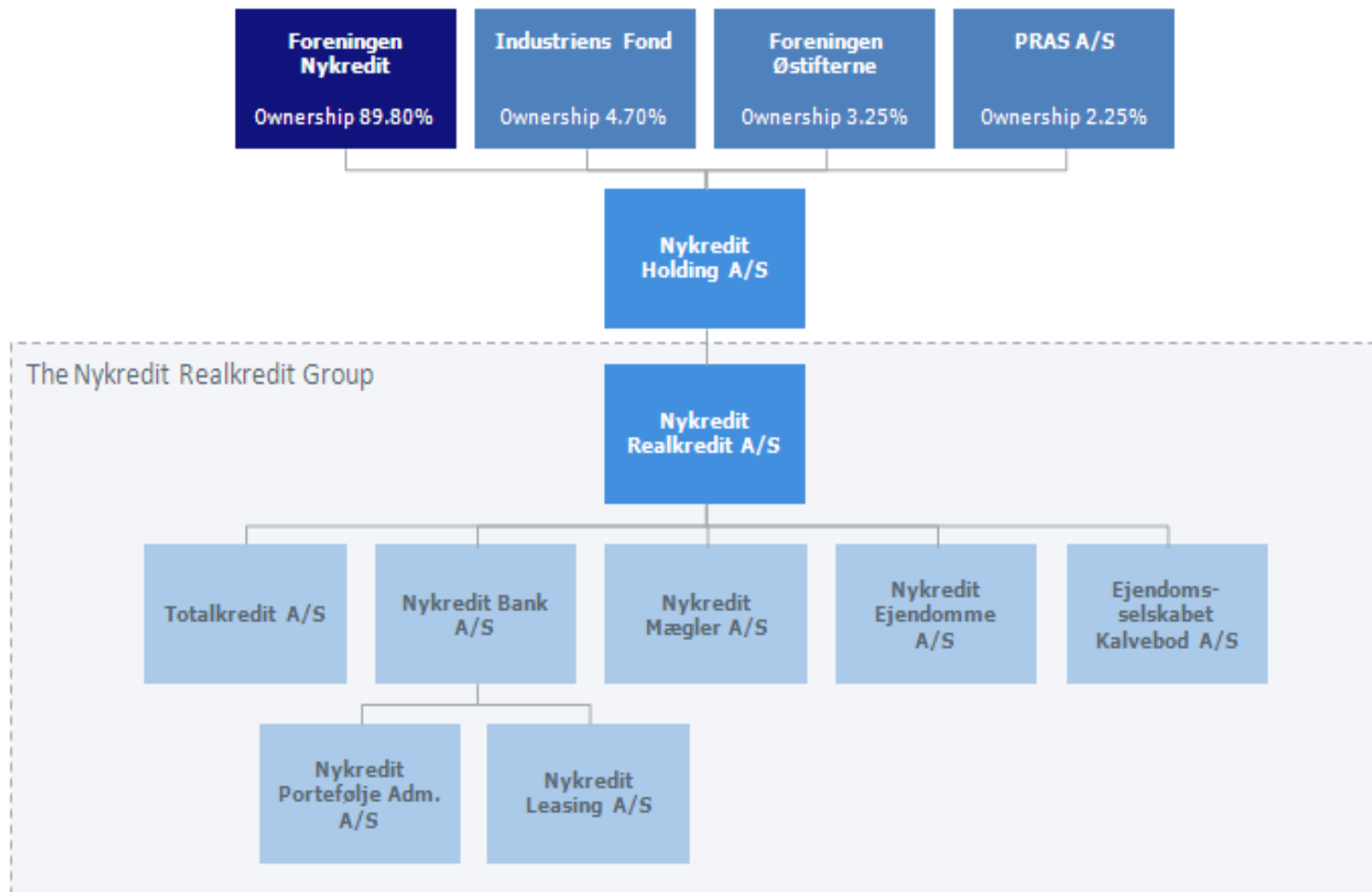
Unaudited

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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.

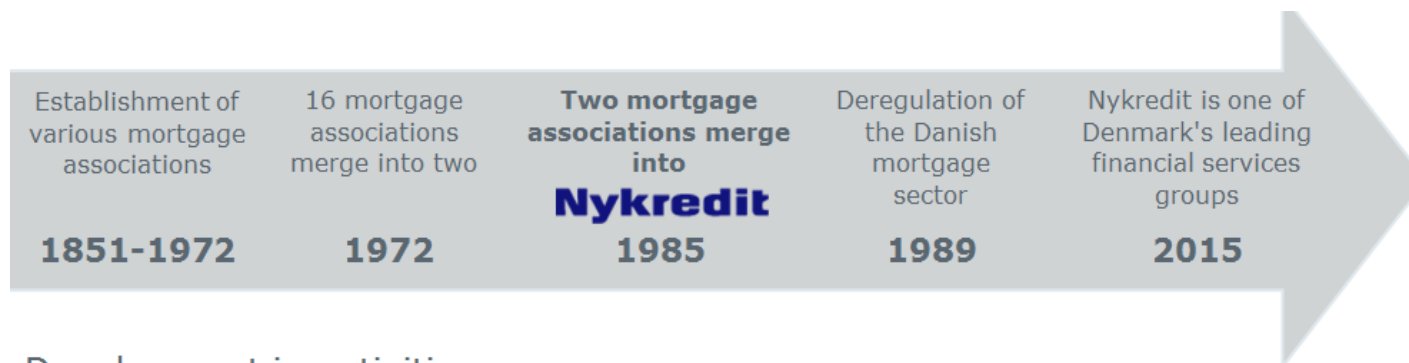
## Members

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

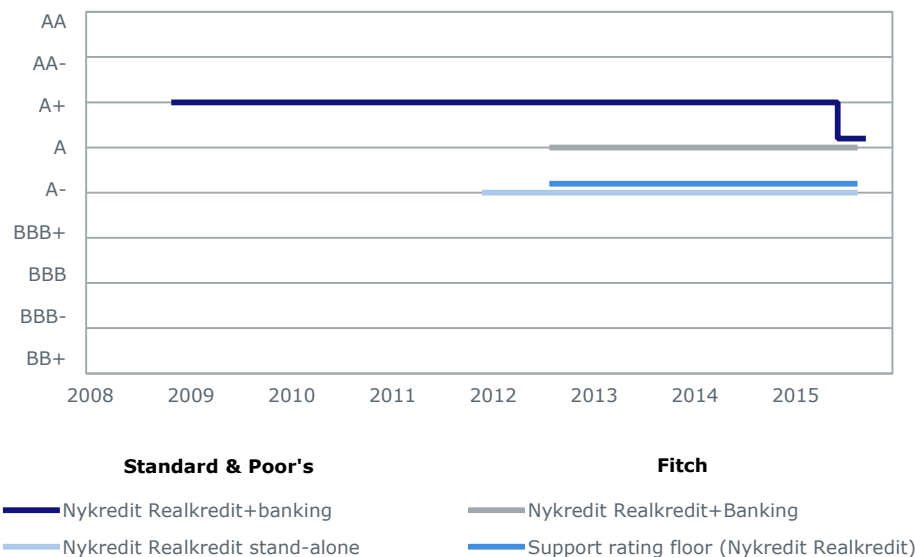
**2010** Sale of Nykredit Forsikring

# Rating

## Nykredit ratings

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

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

\*CreditWatch negative

\*\*Negative outlook

## Nykredit Bank A/S

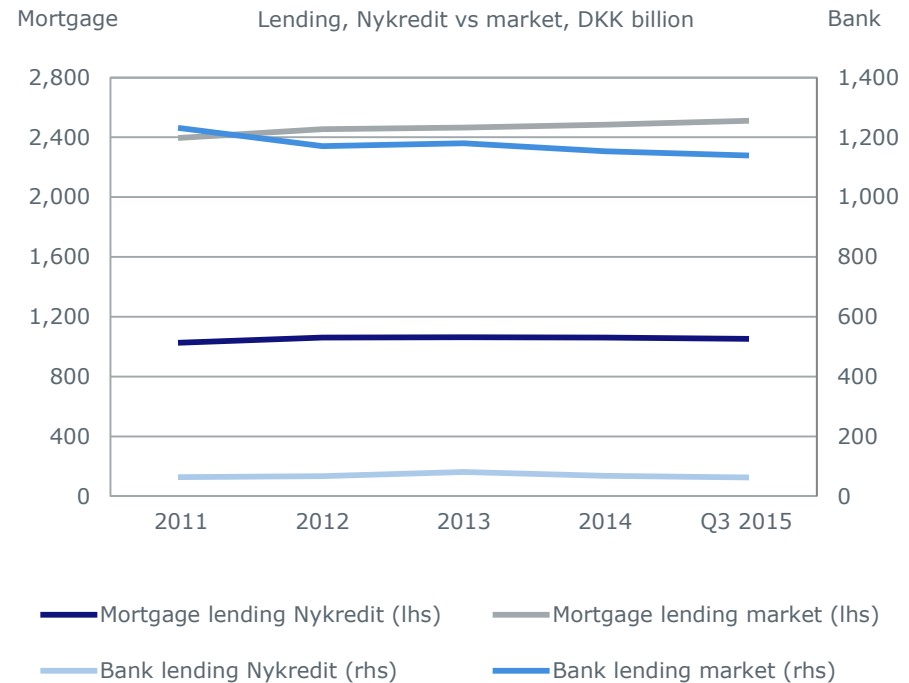
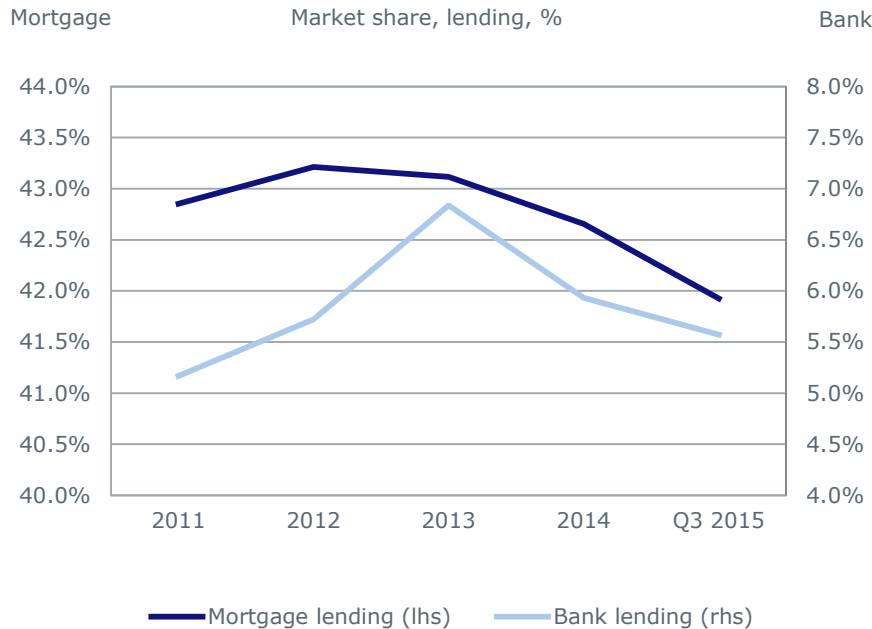
	S&P	Fitch
Short-term deposit rating	A-1	F1
Long-term deposit rating	A**	A
<b>Euro MTN Program</b>		
- Short-term senior debt	A-1	F1
- Long-term senior debt	A	A
<b>Euro Commercial Paper and Certificate of Deposit Program</b>		
- Short-term senior debt	A-1	F1

\*\*Negative outlook

# Market share – lending

## Market share

DKK billion	2011	2012	2013	2014	Q3 2015
Bank lending	64	67	81	68	63
Mortgage lending	1,027	1,060	1,063	1,060	1,053
<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%	41.9%
<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. 3 quarters 2011	Avg. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
<b>Core income from</b>					
Business operations	6,899	7,671	7,830	8,632	9,122
Value adjustment of derivatives and corporate bonds	(482)	(821)	(582)	(2,522)	212
Senior debt	(143)	(327)	(363)	(306)	(260)
Securities	483	159	89	98	28
<b>Total core income</b>	<b>6,758</b>	<b>6,682</b>	<b>6,973</b>	<b>5,902</b>	<b>9,103</b>
Operating costs, depreciation and amortisation, excl special value adjustments	4,282	4,333	4,319	3,729	3,553
Operating costs – special value adjustments	194	(137)	217	98	96
Operating costs – goodwill impairment*	-	-	-	639	1,907
<b>Core earnings before impairment losses</b>	<b>2,282</b>	<b>2,486</b>	<b>2,438</b>	<b>1,436</b>	<b>3,546</b>
Impairment losses on mortgage lending	770	1,194	1,811	1,599	780
Impairment losses on bank lending	291	418	262	164	(87)
<b>Core earnings after impairment losses</b>	<b>1,221</b>	<b>874</b>	<b>365</b>	<b>(328)</b>	<b>2,853</b>
Investment portfolio income	134	1,833	1,415	584	481
<b>Profit before cost of capital</b>	<b>1,355</b>	<b>2,707</b>	<b>1,780</b>	<b>257</b>	<b>3,334</b>
Net interest on subordinated debt	(347)	(349)	(345)	(396)	(224)
<b>Profit before tax</b>	<b>1,009</b>	<b>2,358</b>	<b>1,436</b>	<b>(140)</b>	<b>3,111</b>
Tax	167	431	180	68	1,120
<b>Profit for the period</b>	<b>842</b>	<b>1,927</b>	<b>1,256</b>	<b>(207)</b>	<b>1,991</b>

\* For more information regarding goodwill impairment see the Nykredit Realkredit Q3 2015 interim report and press presentation available on Nykredit.com as of 5<sup>th</sup> of November 2015.

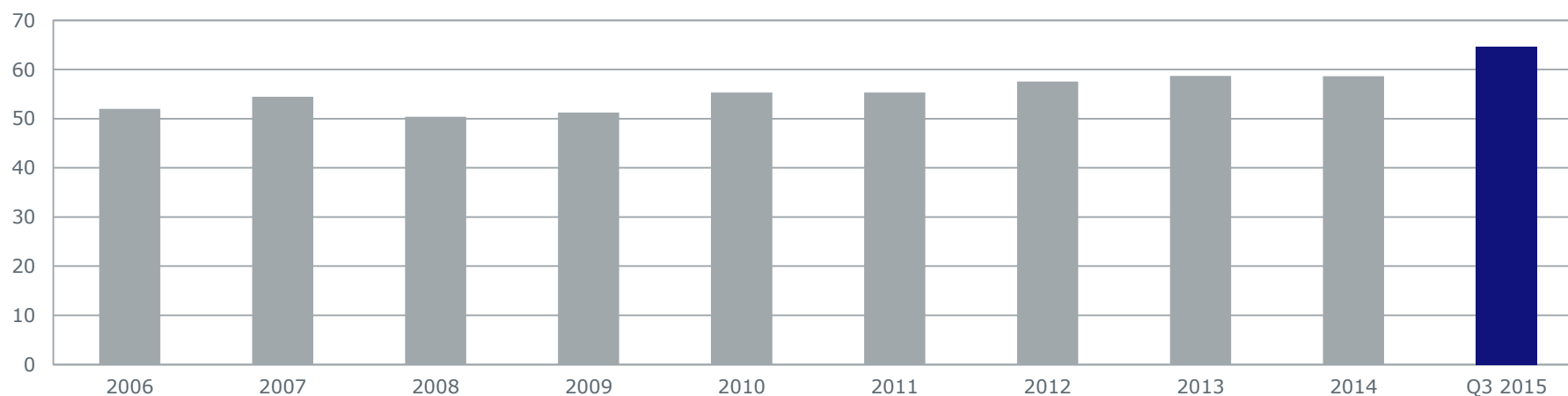
Note: Forstædernes Bank was included in the Consolidated Financial Statements as from 17 October 2008. Value adjustment of the portfolio of subordinated debt instruments in Danish banks (Kalvebod issues) has been included from 1 January 2011. Comparative figures have been restated. Largely all the Group's 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	Q3 2015
<b>Assets</b>					
Receivables from credit institutions and central banks	66,258	60,174	35,758	42,288	36,732
Mortgage loans at fair value	1,083,991	1,136,445	1,136,644	1,137,099	1,118,029
Bank loans and advances - excl reverse transactions	55,776	49,728	46,963	50,495	47,506
Bonds and equities	100,794	82,413	92,961	131,383	102,786
Remaining assets	86,086	104,645	105,087	96,036	83,371
<b>Total assets</b>	<b>1,392,905</b>	<b>1,433,405</b>	<b>1,417,414</b>	<b>1,457,301</b>	<b>1,388,425</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	117,626	67,539	44,393	44,863	35,117
Deposits	57,404	54,509	65,172	65,232	61,581
Bonds in issue at fair value	1,021,942	1,103,818	1,130,020	1,167,163	1,134,618
Subordinated debt	11,204	11,281	10,964	11,394	4,684
Remaining liabilities	129,419	138,701	108,148	109,998	87,847
Equity	55,310	57,556	58,716	58,650	64,577
<b>Total liabilities and equity</b>	<b>1,392,905</b>	<b>1,433,405</b>	<b>1,417,414</b>	<b>1,457,301</b>	<b>1,388,425</b>

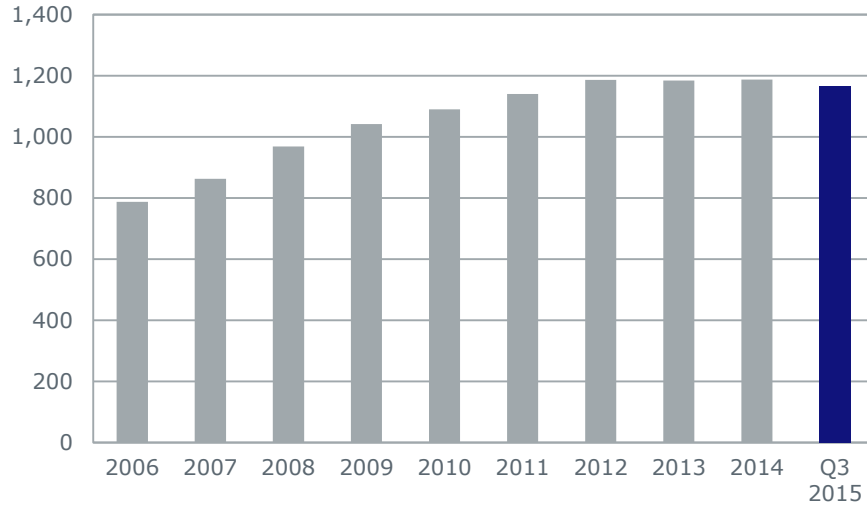
Equity, DKKbn



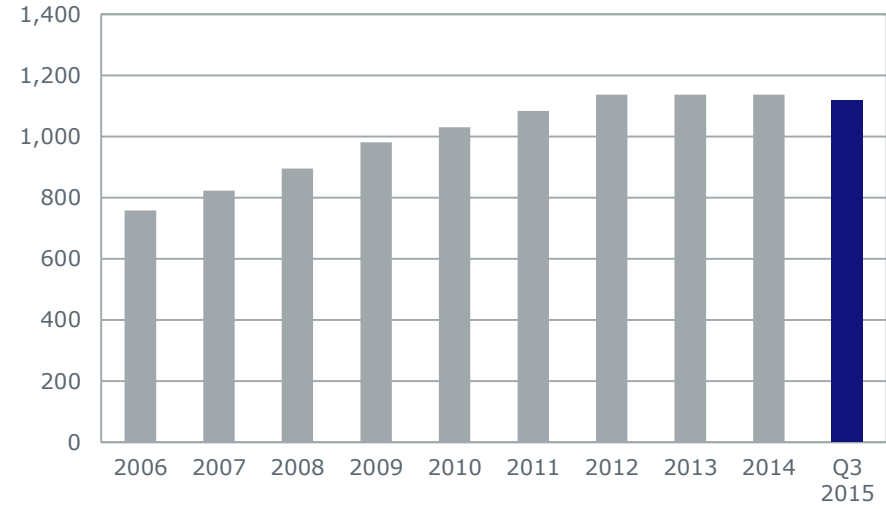


# Balance sheet summary – the Nykredit Realkredit Group

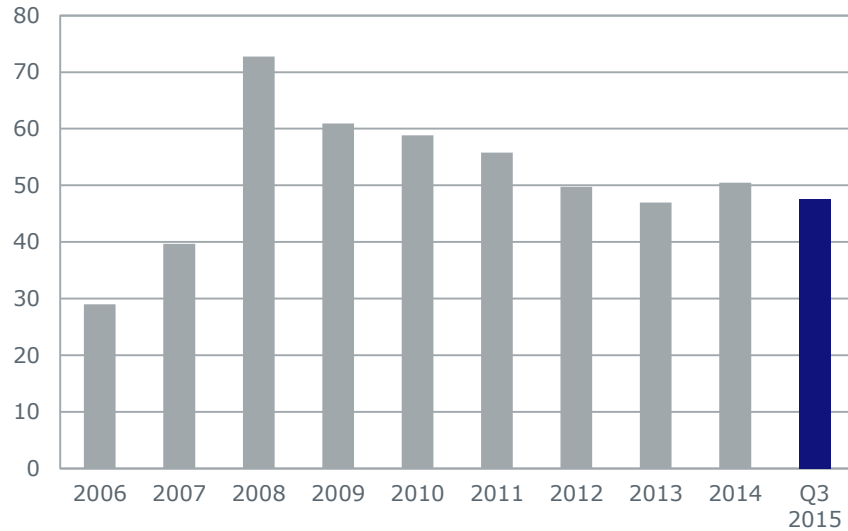
Total lending, DKKbn



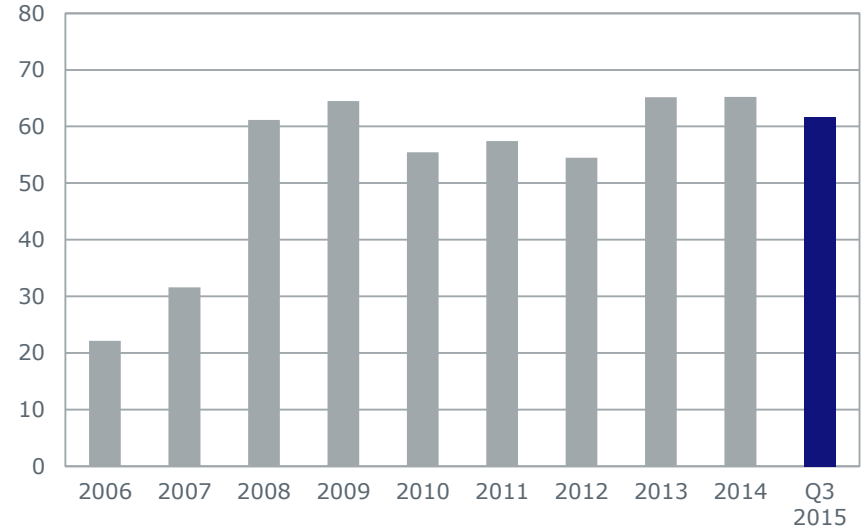
Total mortgage lending, DKKbn



Total bank lending, DKKbn



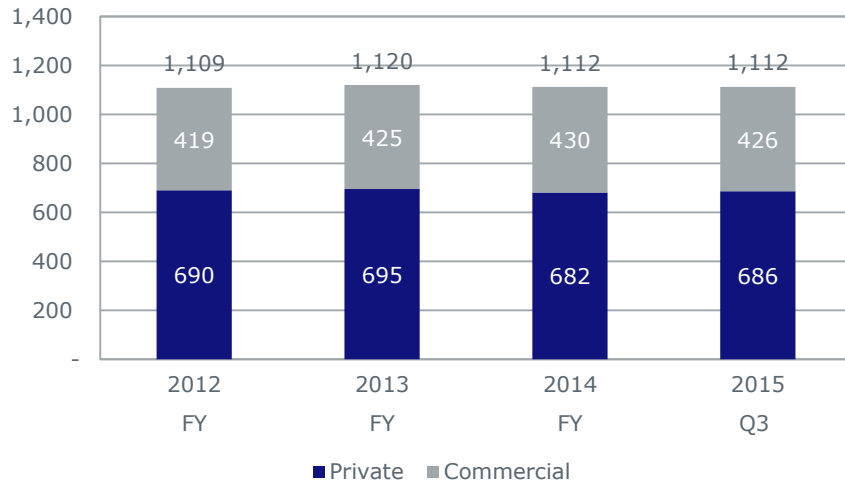
Total bank deposits, DKKbn



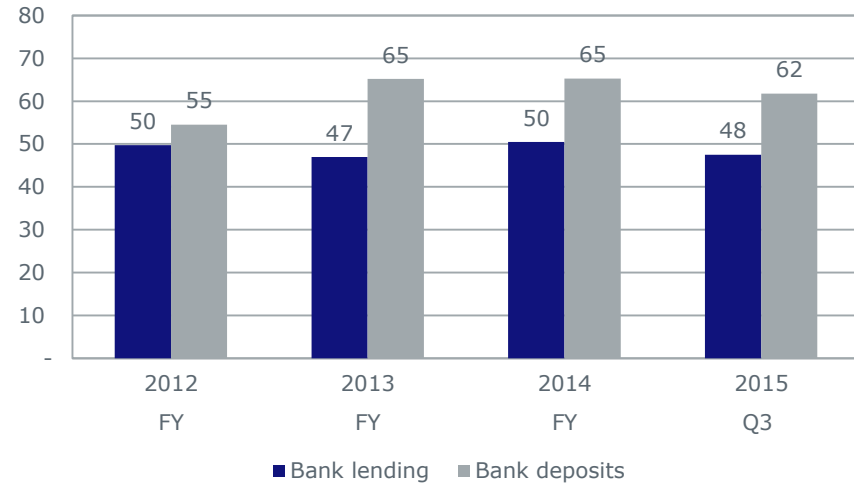
Note: Mortgage lending based on fair value. Bank lending excludes reverse transactions.

# Lending and deposits

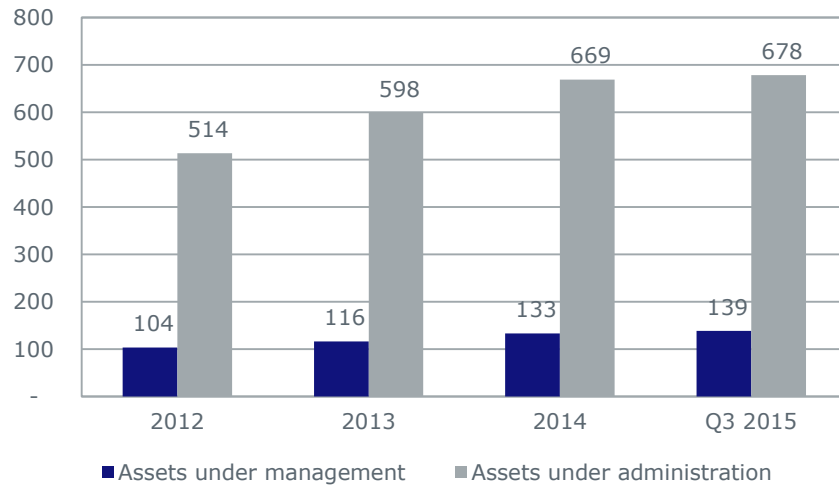
Nominal mortgage lending, DKKbn



Bank lending and bank deposits, DKKbn

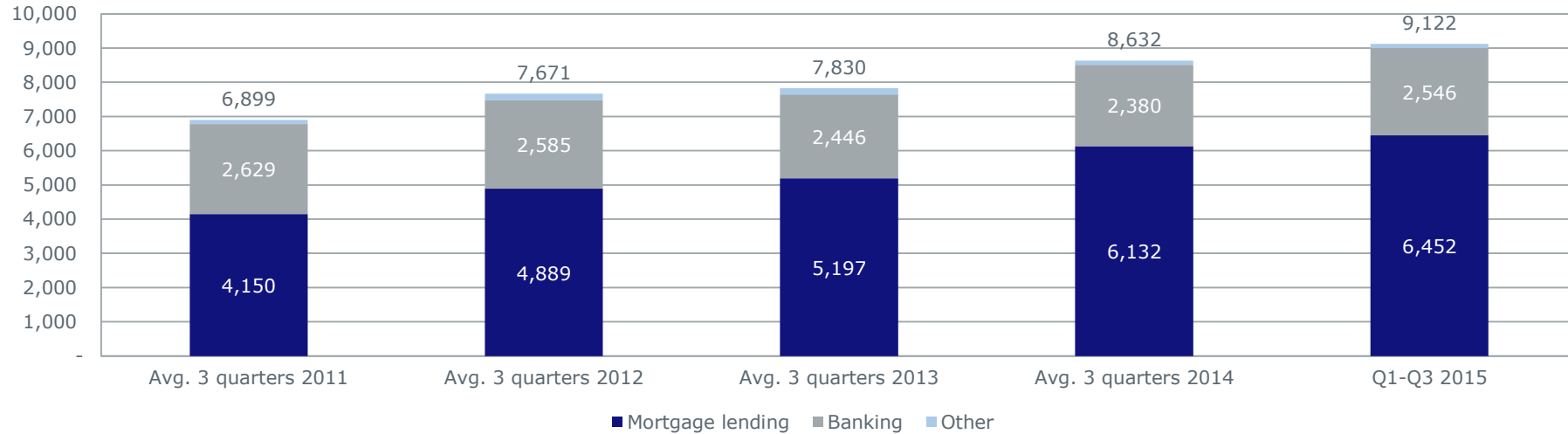


Assets under administration, DKKbn

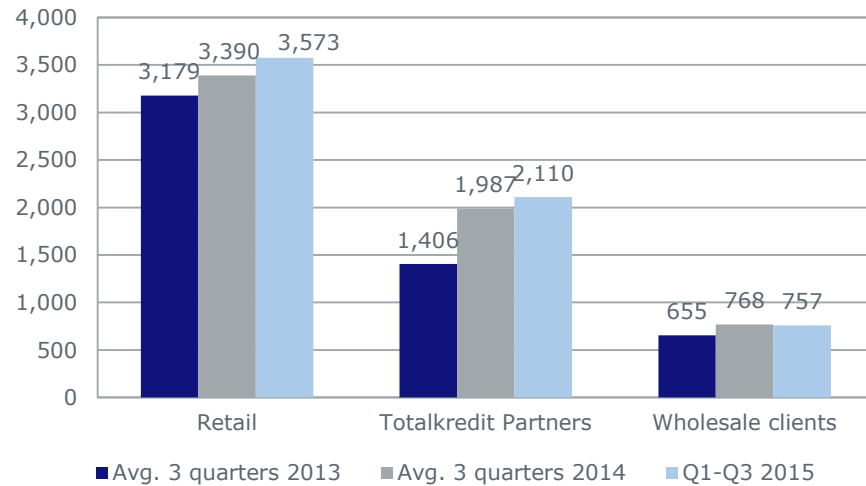


# Breakdown of core earnings – the Nykredit Realkredit Group

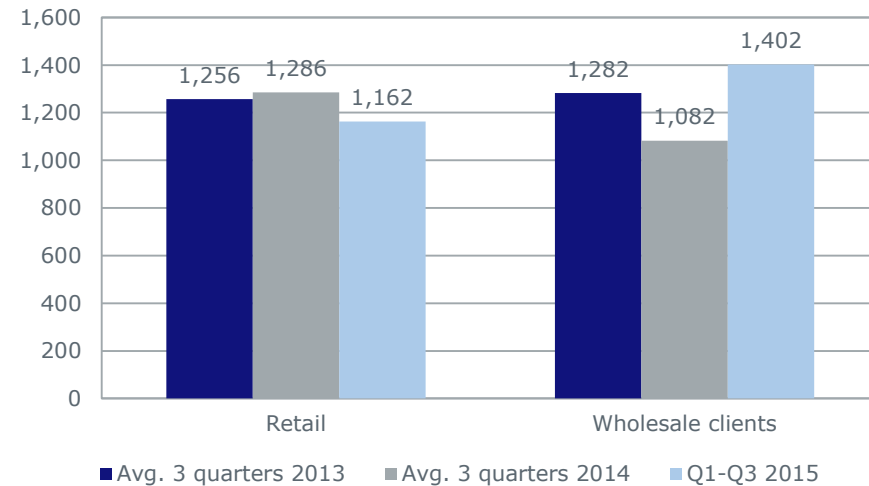
Core income from business operations, actual Q1-Q3 2015 and average 3 quarters previous years, DKKm.



Core income from business operations by business area excl Group items, actual Q1-Q3 2015 and average 3 quarters previous years - mortgage, DKKm.

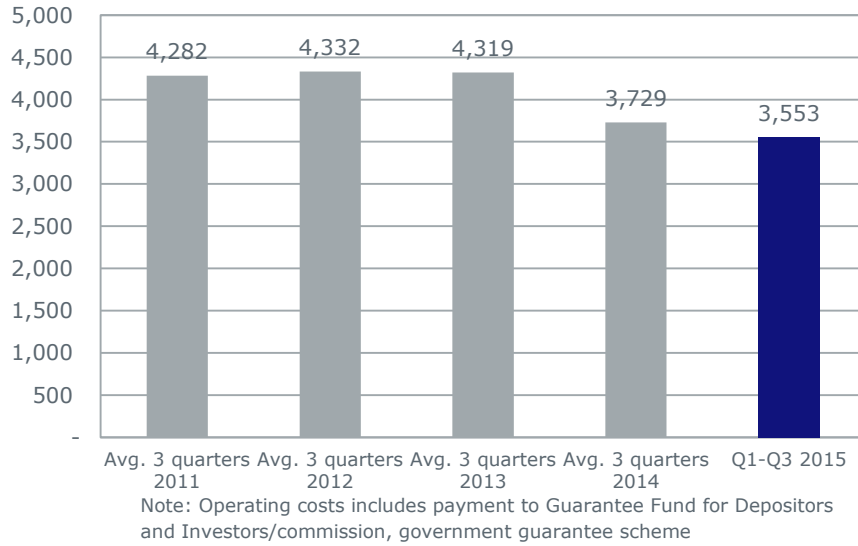


Core income from business operations by business area excl Group items, actual Q1-Q3 2015 and average 3 quarters previous years - banking, DKKm.

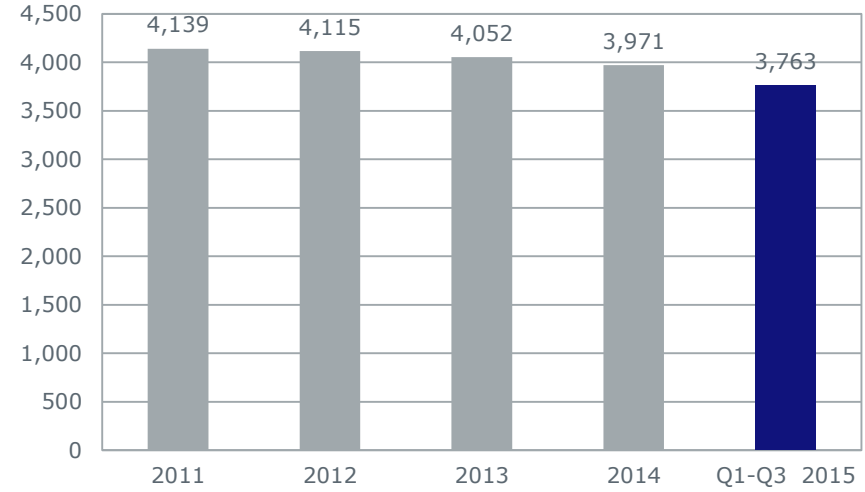


# Breakdown of costs

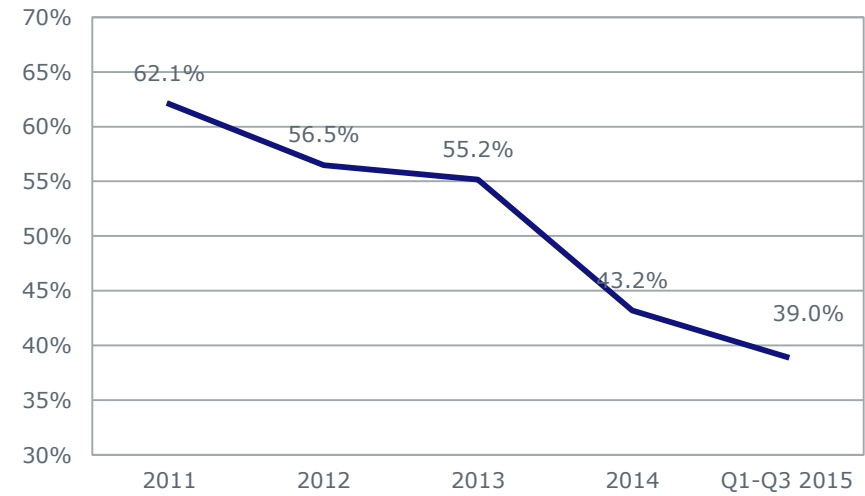
Operating costs, the Nykredit Realkredit Group, DKKm



Average number of full-time employees



Cost:income ratio, %



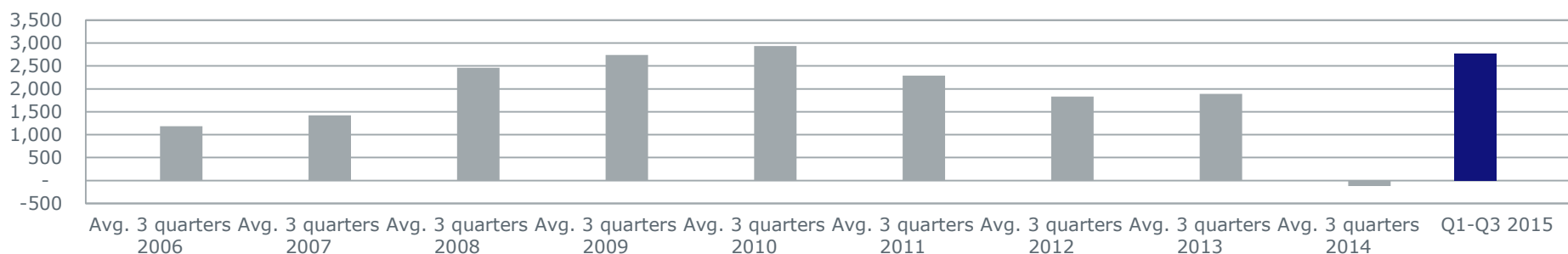
Note: Operating costs, depreciation and amortisation, excl special value adjustments as % of core earnings from business operations

# Core income – the Nykredit Bank Group

## The Nykredit Bank Group

DKK million	Avg. 3 quarters 2011	Avg. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
<b>Core income from</b>					
Business operations	2,630	2,585	2,447	2,380	2,546
Value adjustment of derivatives and corporate bonds	(474)	(800)	(582)	(2,522)	212
Securities	131	46	25	22	6
<b>Total core income</b>	<b>2,287</b>	<b>1,831</b>	<b>1,889</b>	<b>(120)</b>	<b>2,765</b>
Operating costs, depreciation and amortisation	1,436	1,385	1,555	1,505	1,477
Provisions for costs relating to reorganisation	-	-	38	21	(10)
Value adjustment of associate	-	-	59	-	-
<b>Core earnings before impairment losses</b>	<b>851</b>	<b>446</b>	<b>356</b>	<b>(1,647)</b>	<b>1,298</b>
Impairment losses on bank lending	291	418	262	164	(87)
<b>Core earnings after impairment losses</b>	<b>560</b>	<b>28</b>	<b>94</b>	<b>(1,811)</b>	<b>1,385</b>
Investment portfolio income	(115)	23	(30)	32	25
<b>Profit before tax</b>	<b>445</b>	<b>50</b>	<b>64</b>	<b>(1,778)</b>	<b>1,410</b>
Tax	120	(1)	6	(449)	331
<b>Profit for the period</b>	<b>325</b>	<b>52</b>	<b>58</b>	<b>(1,329)</b>	<b>1,079</b>

Actual total core income Q1-Q3 2015 and average total 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	Q3 2015
<b>Assets</b>					
Cash balance and receivables from credit institutions and central banks	50,244	44,812	23,173	33,884	25,280
Loans, advances and other receivables at fair value	22,007	35,401	56,814	35,228	34,534
Loans, advances and other receivables at amortised cost	55,901	49,807	47,024	50,494	47,506
Bonds at fair value and equities	61,063	58,399	64,219	65,314	42,990
Remaining assets	43,152	52,099	32,904	44,963	37,315
<b>Total assets</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>229,883</b>	<b>187,625</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	63,093	55,355	57,732	63,876	41,714
Deposits and other payables	57,551	54,701	65,405	65,349	61,725
Bonds in issue at amortised cost	26,137	28,498	26,689	25,881	24,662
Other non-derivative financial liabilities at fair value	27,308	33,741	29,248	19,943	12,205
Remaining payables	43,593	53,467	30,213	41,913	31,369
Provisions	233	235	247	246	196
Subordinated debt	250	250	250	100	100
Equity	14,202	14,271	14,348	12,576	15,655
<b>Total liabilities and equity</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>229,883</b>	<b>187,625</b>

## Nykredit Bank A/S

### Supervisory diamond (calculated at parent level)

	2012	2013	2014	Q3 2015
Lending growth (limit value <20%)	(10.7)	(7.6)	6.8	(5.8)
Large exposures (limit value <125%)	0.0	0.0	34.5	27.6
Property exposure (limit value <25%)	14.6	10.4	13.6	12.7
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	307.7

# Income from securities - the Nykredit Realkredit Group

## Net income from securities

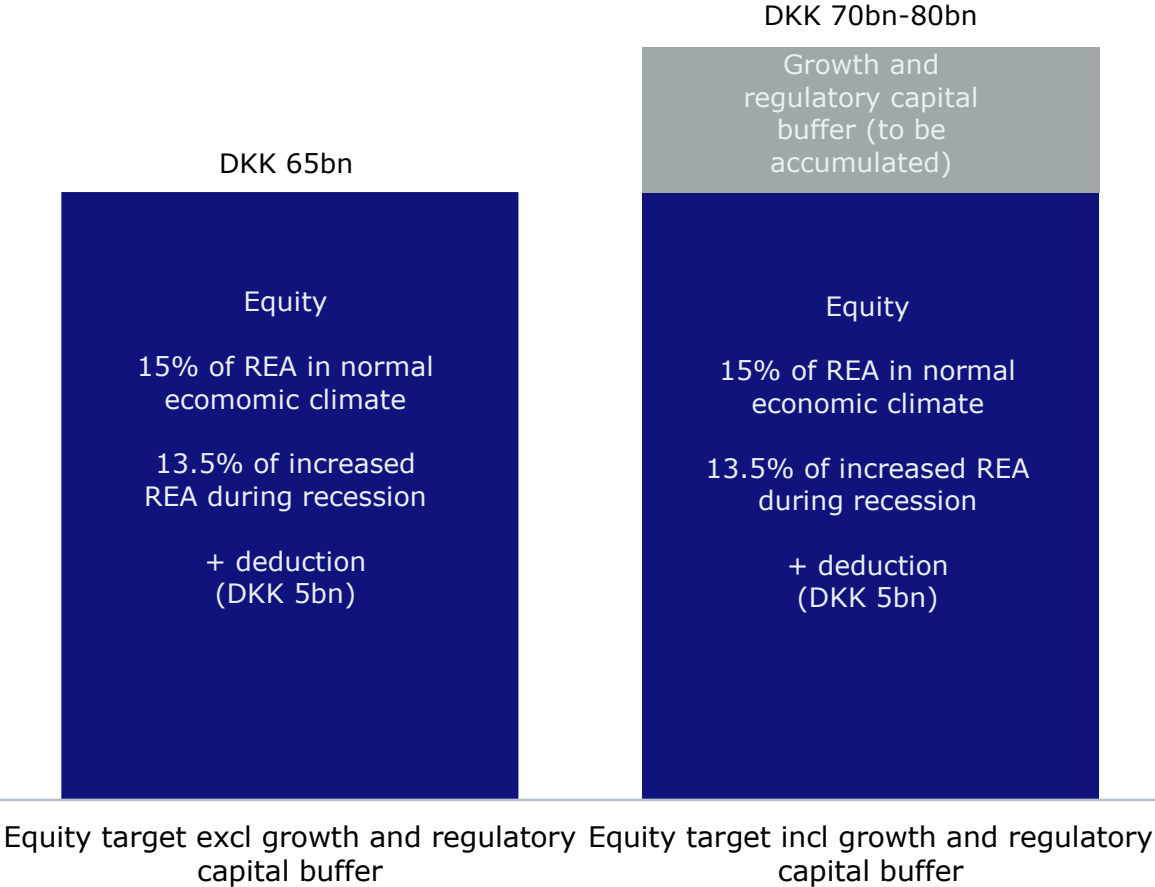
DKK million	Avg. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
Core income from securities	159	88	97	28
Investment portfolio income	1,833	1,415	585	481
<b>Total investment portfolio income through profit or loss</b>	<b>1,992</b>	<b>1,503</b>	<b>682</b>	<b>510</b>
Investment portfolio income through equity	(132)	(226)	193	280
<b>Total investment portfolio income</b>	<b>1,860</b>	<b>1,278</b>	<b>875</b>	<b>790</b>
- of which bonds	1,400	614	400	127
- of which equity	81	239	155	157
- of which strategic equities	232	303	211	453
- of which others	147	121	109	53

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	Q3 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%	0.07%
Banking	0.4%	0.5%	0.3%	0.2%	-0.1%
<b>Write-offs*</b>					
Mortgage lending	634	1,024	949	1,042	672
Banking	2,217	848	613	651	97
Swaps	-	63	148	100	402
<b>Total provisions for loan impairment</b>					
Mortgage lending	2,485	2,954	4,378	5,507	5,684
Banking (including guarantees excluding financial institutions)	4,407	4,139	4,078	3,665	3,228
Swaps	755	1,496	2,229	5,421	5,181
<b>Total provisions for loan impairment/write-offs</b>					
Mortgage lending	3.9	2.9	4.6	5.3	8.5
Banking	2.0	4.9	6.7	5.6	33.3
Swaps	-	23.7	15.1	54.2	12.9

\*Write-offs for Q1-Q3 2015 has not been annualized.

## Ratios

%	2011	2012	2013	2014	Q1-Q3 2015
Return on average equity, %	0.30%	4.55%	2.88%	-0.47%	4.31%
Return on assets, %	0.08%	0.18%	0.12%	-0.02%	0.19%
Return on REA, %	0.32%	0.79%	0.48%	-0.08%	0.86%

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	Q3 2015
Tier 1 capital ratio, %	17.1%	19.1%	18.9%	17.2%	20.4%
Common Equity Tier 1 (CET1) capital ratio, %	13.9%	15.8%	15.8%	15.4%	19.2%
Leverage ratio, %*	-	-	-	4.0%	4.3%

\* Previous years not computed.

## Ratios

DKK million	2011	2012	2013	2014	Q3 2015
<b>The Nykredit Realkredit Group</b>					
CET1, fully loaded <sup>1</sup>	-	-	-	54,241	58,858
Distance to MDA, not fully loaded	-	-	-	-	37,562
Distance to MDA, fully loaded <sup>1, 2</sup>	-	-	-	26,198	34,633
Available Distributable Items (ADI)	-	-	-	-	19,365 <sup>3</sup>
<b>Nykredit Realkredit A/S</b>					
CET1, fully loaded <sup>1</sup>	-	-	-	54,308	58,368
Distance to MDA, not fully loaded	-	-	-	-	33,419
Distance to MDA, fully loaded <sup>1, 2</sup>	-	-	-	25,791	30,224
Available Distributable Items (ADI)	-	-	-	-	23,344 <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.

<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 and that REA increases to approx. DKK 340bn. for Nykredit Realkredit Group and approx. DKK 395bn. for Nykredit Realkredit A/S.

<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 67.3bn. Maximum capital requirement is the transitional floor of DKK 47.9bn. Hence at least DKK 19.2bn is available for distribution in line with the CRR definition.

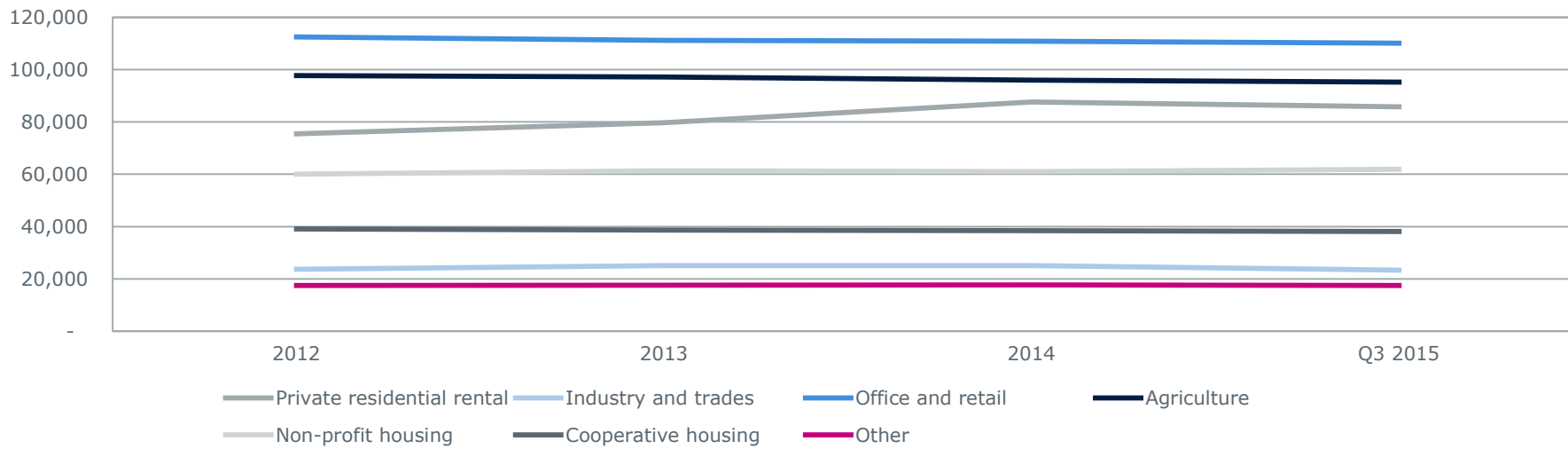
<sup>4</sup> According to Danish legislation, capital cannot be distributed if dividend payments impair any regulatory capital requirements. Nykredit Realkredit's total capital amounts to DKK 66.7bn. Maximum capital requirement is the transitional floor of DKK 31.5bn. However retained earnings amount to DKK 23.3bn and that is the maximum amount available for distribution.

# Mortgage lending

Mortgage lending, nominal value, DKKm



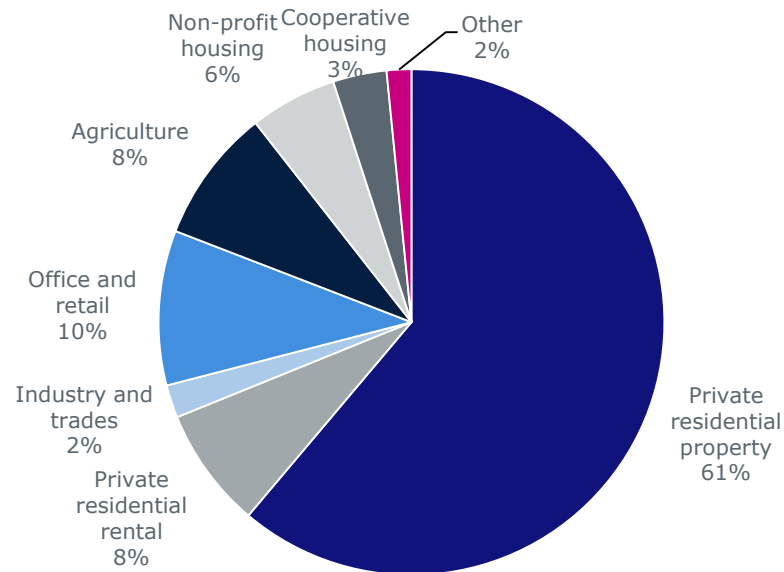
Mortgage lending by property type (excl.private residential property), nominal value,DKKm



# Mortgage lending

## Mortgage lending – by property type

DKK million, nominal value	2012	2013	2014	Q3 2015	Average impairment losses 2012 - Q3 2015	Average write-offs 2012 - Q3 2015
Private residential property	682,969	689,057	674,974	680,075	0.17%	0.12%
Private residential rental	75,489	79,692	87,575	85,826	0.20%	0.20%
Industry and trades	23,635	25,119	25,058	23,357	0.32%	0.35%
Office and retail	112,444	111,215	110,874	110,037	0.25%	0.15%
Agriculture	97,688	97,217	95,982	95,234	0.48%	0.13%
Non-profit housing	60,060	61,385	61,050	61,925	-0.11%	0.00%
Cooperative housing	39,066	38,649	38,481	38,146	0.47%	0.01%
Other	17,444	17,636	17,750	17,504	0.15%	0.22%
<b>Total</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,111,744</b>	<b>1,112,104</b>	<b>0.21%</b>	<b>0.13%</b>



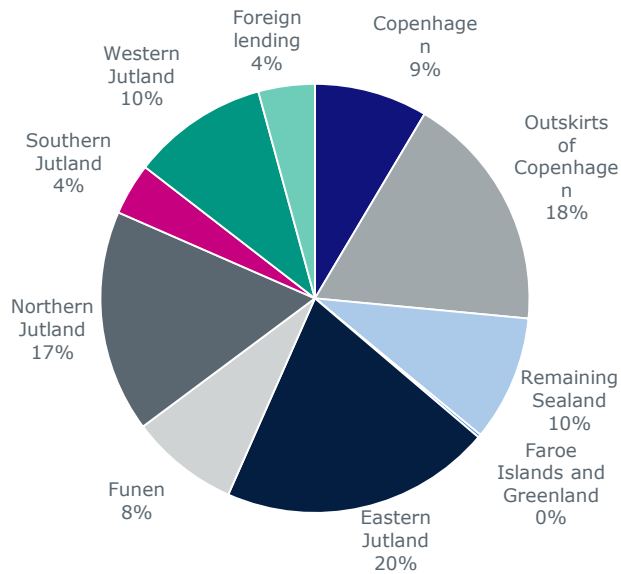
Note: The breakdown by property type is not directly comparable with the Group's business areas. Impairment losses and write-offs has been annualized for the calculation of average impairment losses and average write-offs.

# Mortgage lending

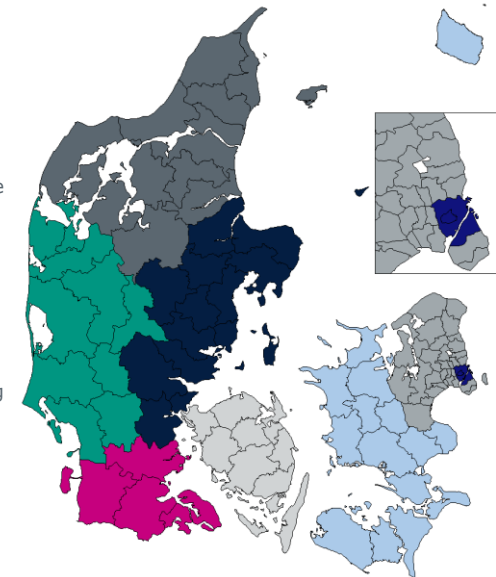
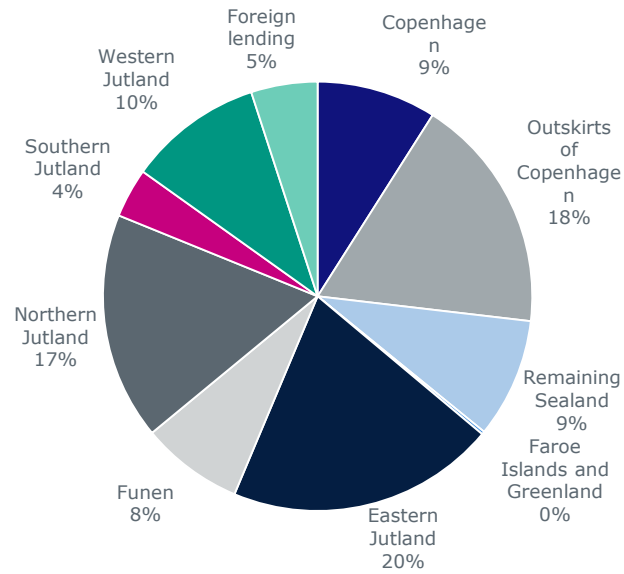
## Mortgage lending at nominal value by geography

DKK billion	2011	2012	2013	2014	Q3 2015
Copenhagen	91	96	98	99	100
Outskirts of Copenhagen	192	198	199	197	199
Remaining Sealand	101	102	102	102	100
Faroe Islands and Greenland	2	3	3	3	3
Eastern Jutland	218	226	229	225	225
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)

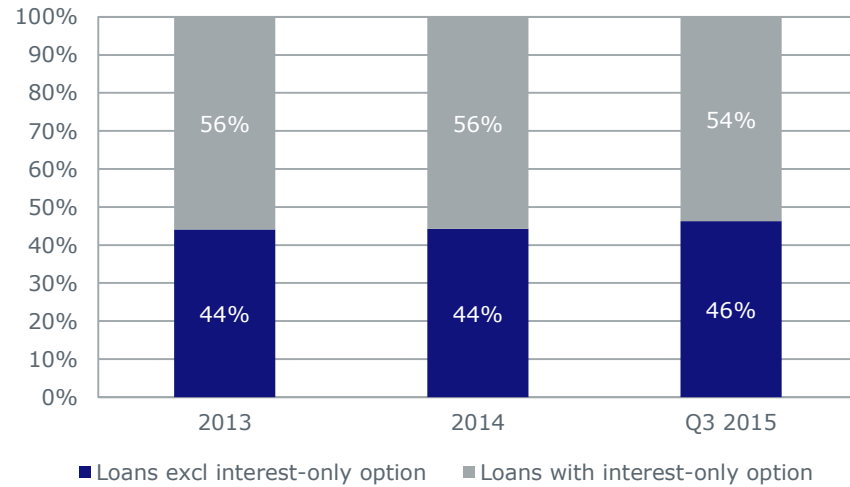


Q3 2015 (DKK billion)

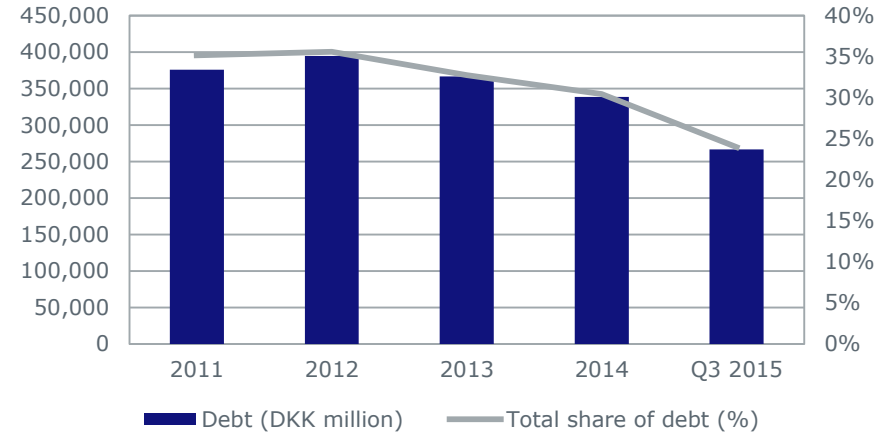


# Mortgage lending

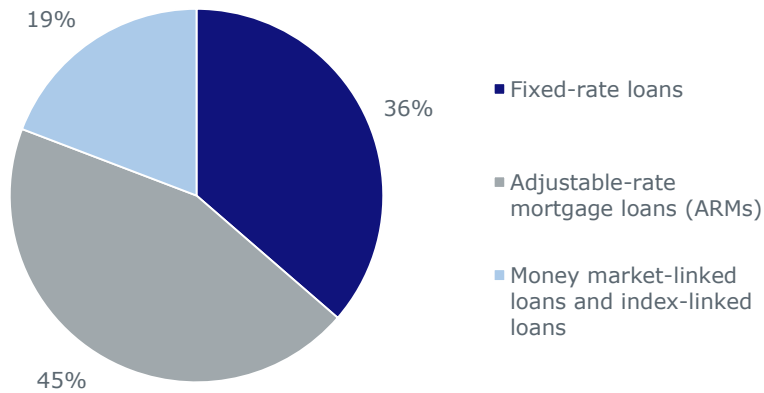
Bond dept outstanding by loan and interest type, all segments



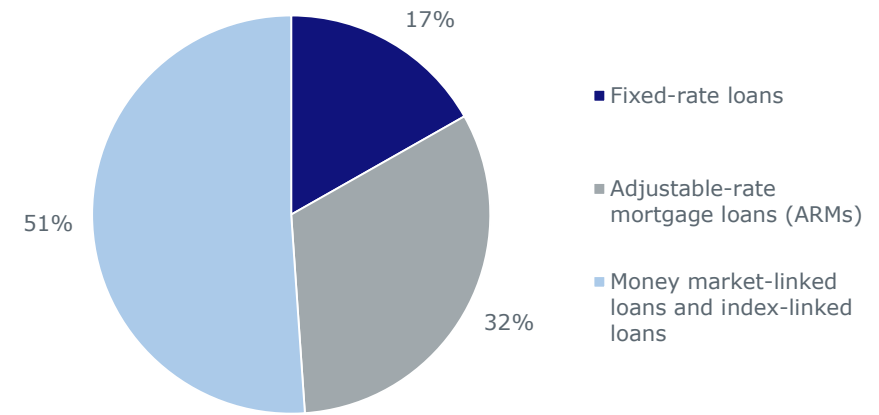
Variable-rate loans with refinancing within one year (ARMs, money market-linked and index-linked), debt outstanding with maturity less than 1 year, all segments, variable-rate loans.



Mortgage lending by loan type, private residential properties, Q3 2015

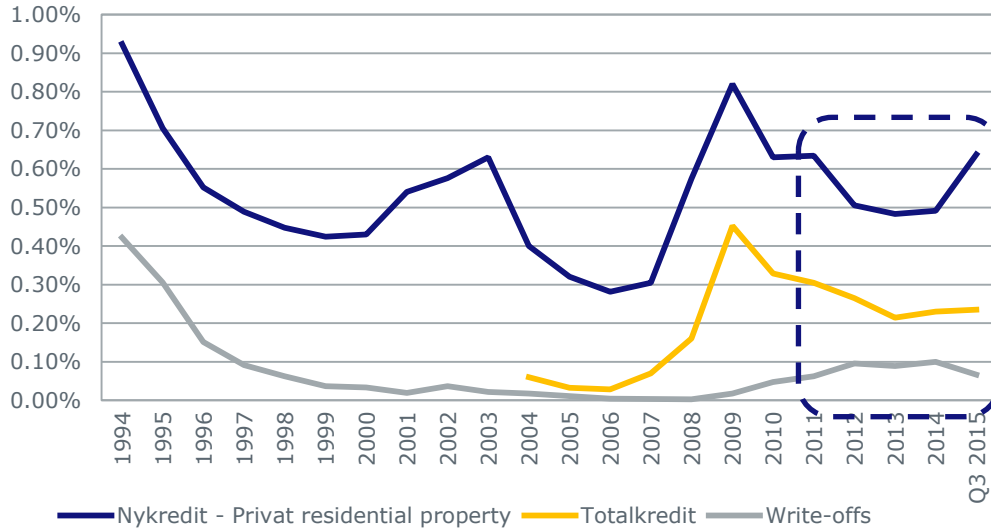


Mortgage lending by loan type, commercial, Q3 2015



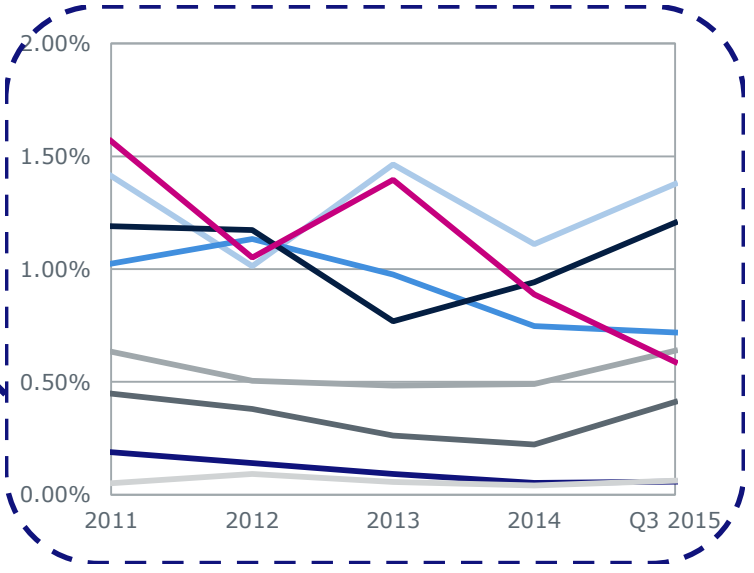
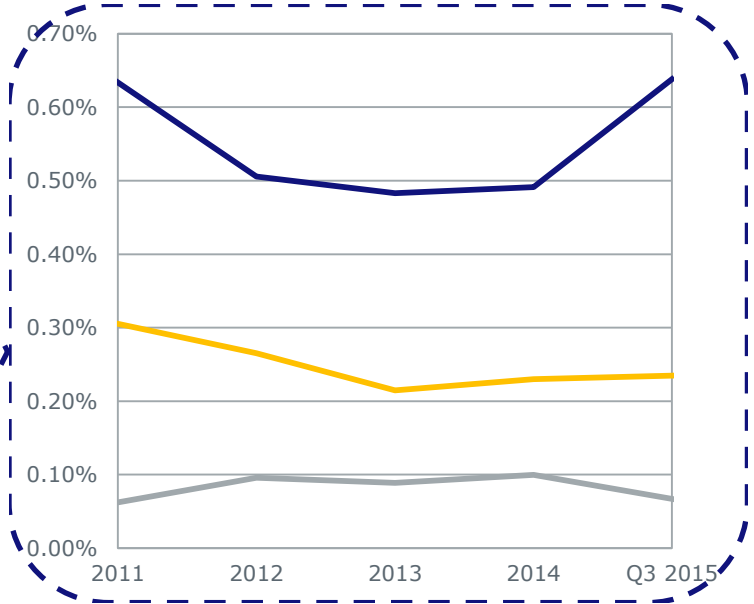
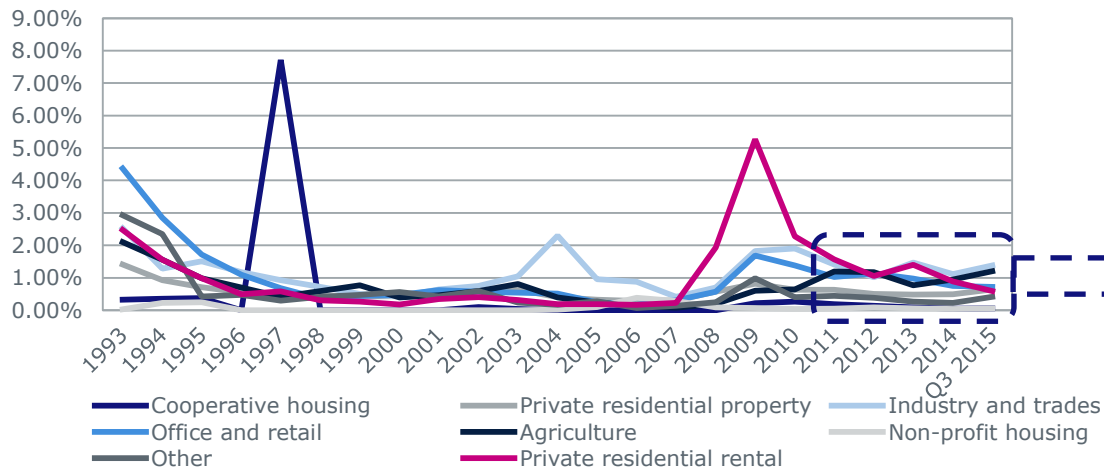
# Arrears – mortgage lending

Arrears - 75 days past due, %



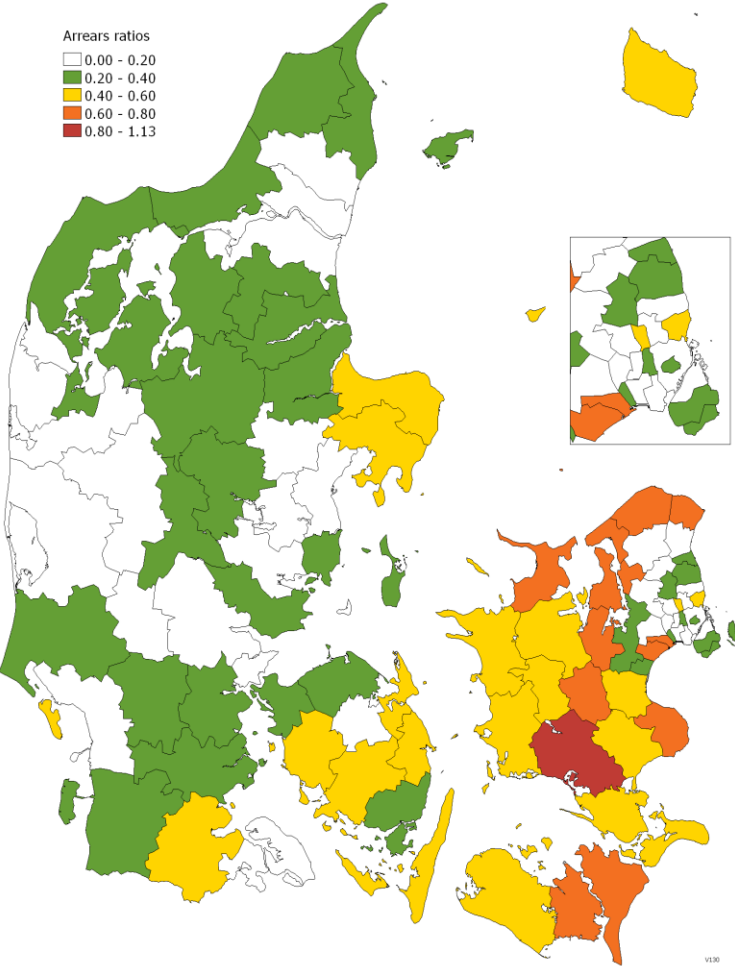
Note: Totalkredit has been consolidated with Nykredit Realkredit from 10 November 2003.  
Q3 2015 write-offs has not been annualized.

Arrears, 75 days past due, %

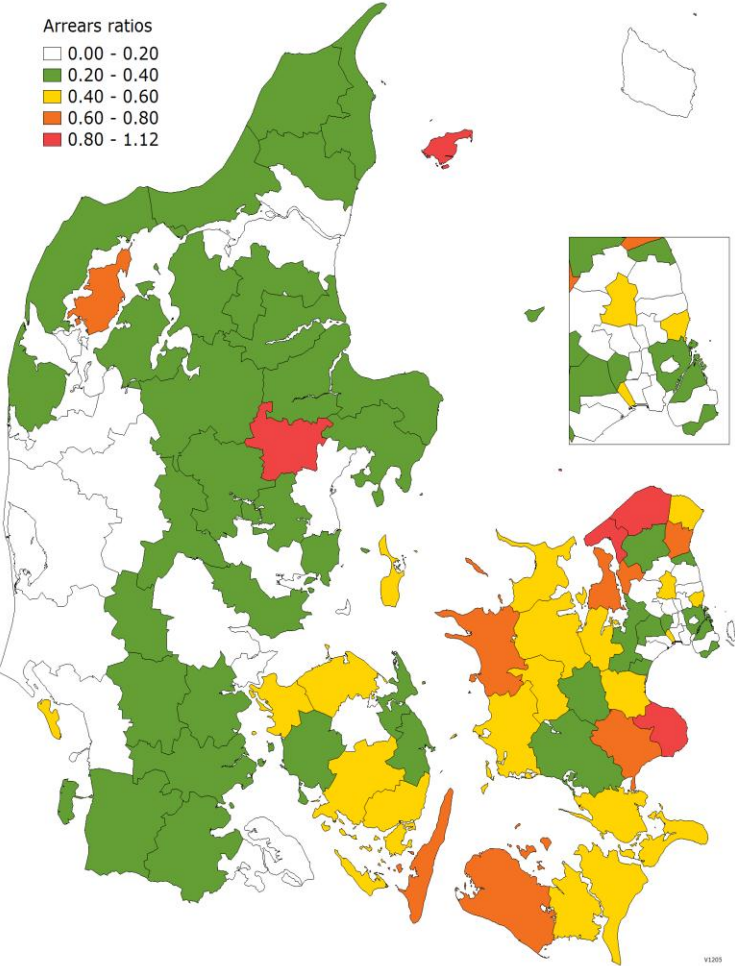


# Geographical distribution of arrears/total mortgage lending – private residential property, mortgage lending

75 day-arrears, Q3 2014



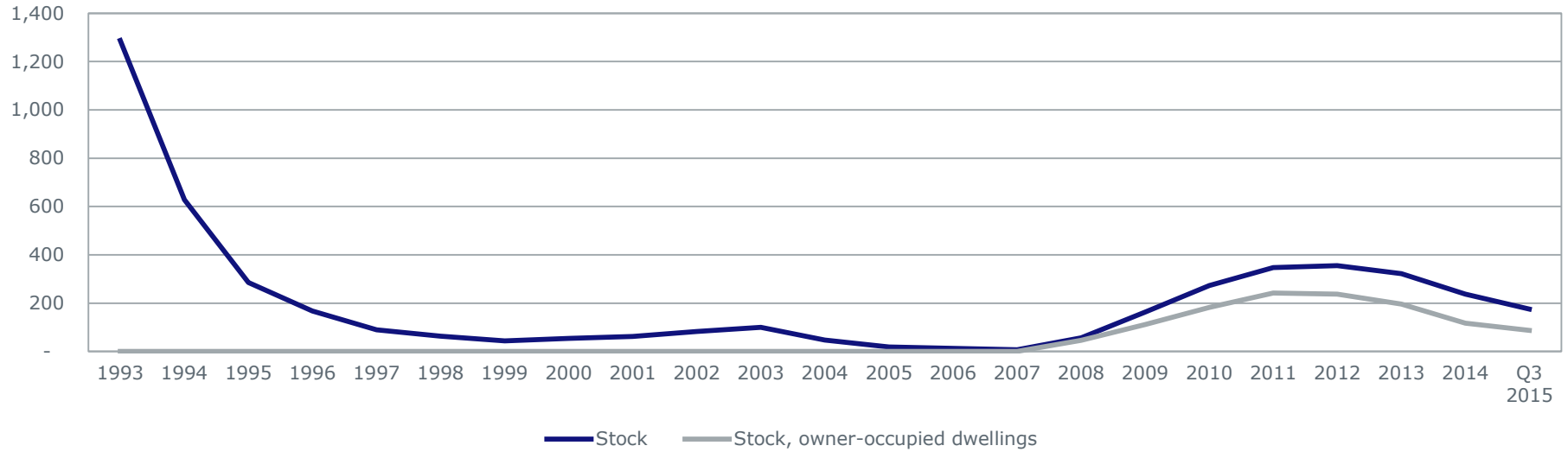
75 day-arrears, Q3 2015



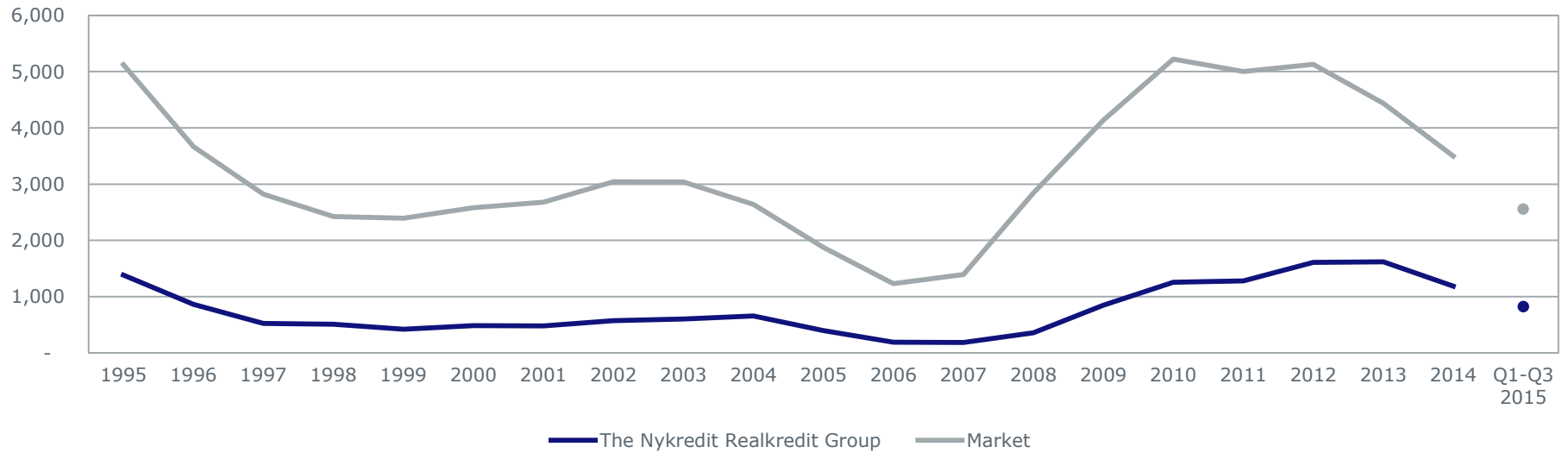


# Repossessed properties and forced sales

Repossessions, The Nykredit Realkredit Group



Forced sales in Denmark



# Risk relating to mortgage lending

## Debt outstanding relative to estimated property values, continuous distribution Q3 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	408,619	157,216	90,723	17,435	4,725	-	678,717	33	70
Private residential rental	76,329	27,390	13,643	3,042	1,284	-	121,687	31	68
Industry and trades	19,177	3,502	474	163	108	-	23,425	22	49
Office and retail	81,027	24,056	4,342	1,087	585	-	111,098	26	56
Agriculture	69,878	18,272	6,963	1,720	790	-	97,622	26	59
Other	13,432	2,982	913	81	88	-	17,496	23	52
<b>Total Q3 2015</b>	<b>668,462</b>	<b>233,418</b>	<b>117,058</b>	<b>23,528</b>	<b>7,580</b>	<b>68,859</b>	<b>1,118,905</b>	<b>30</b>	<b>65</b>
<b>Total Q3 2014</b>	<b>653,689</b>	<b>237,329</b>	<b>136,747</b>	<b>36,638</b>	<b>11,128</b>	<b>69,592</b>	<b>1,145,123</b>	<b>32</b>	<b>69</b>

3,91% of total lending is outside statutory LTV limits

## Debt outstanding relative to estimated property values, Q3 2015 continuous distribution, The Nykredit Realkredit Group

%	0-40	40-60	60-80	80-100	Over 100
Private residential property	60	23	13	3	1
Private residential rental	63	23	11	2	1
Industry and trades	82	15	2	1	0
Office and retail	73	22	4	1	1
Agriculture	72	19	7	2	1
Other	77	17	5	0	1
<b>Total Q3 2015</b>	<b>64</b>	<b>22</b>	<b>11</b>	<b>2</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, Q3 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	69,356	165,780	286,192	120,711	36,678	-	678,717	33	70
Private residential rental	30,335	40,857	31,831	11,945	6,719	-	121,687	31	68
Industry and trades	10,279	10,037	2,218	511	379	-	23,425	22	49
Office and retail	35,587	54,184	14,858	3,886	2,584	-	111,098	26	56
Agriculture	44,190	30,219	15,820	4,977	2,416	-	97,622	26	59
Other	9,371	5,172	2,409	296	247	-	17,496	23	52
<b>Total Q3 2015</b>	<b>199,118</b>	<b>306,250</b>	<b>353,329</b>	<b>142,326</b>	<b>49,023</b>	<b>68,859</b>	<b>1,118,905</b>	<b>30</b>	<b>65</b>
<b>Total Q3 2014</b>	<b>185,825</b>	<b>278,341</b>	<b>324,348</b>	<b>212,065</b>	<b>74,953</b>	<b>69,592</b>	<b>1,145,123</b>	<b>32</b>	<b>69</b>

20,26% of total lending is outside statutory LTV limits

## Debt outstanding distributed by the top part relative to estimated property values, Q3 2015

### The Nykredit Realkredit Group

%	0-40	40-60	60-80	80-100	Over 100
Private residential property	10	24	42	18	5
Private residential rental	25	34	26	10	6
Industry and trades	44	43	9	2	2
Office and retail	32	49	13	3	2
Agriculture	45	31	16	5	2
Other	54	30	14	2	1
<b>Total Q3 2015</b>	<b>19</b>	<b>29</b>	<b>34</b>	<b>14</b>	<b>5</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%.

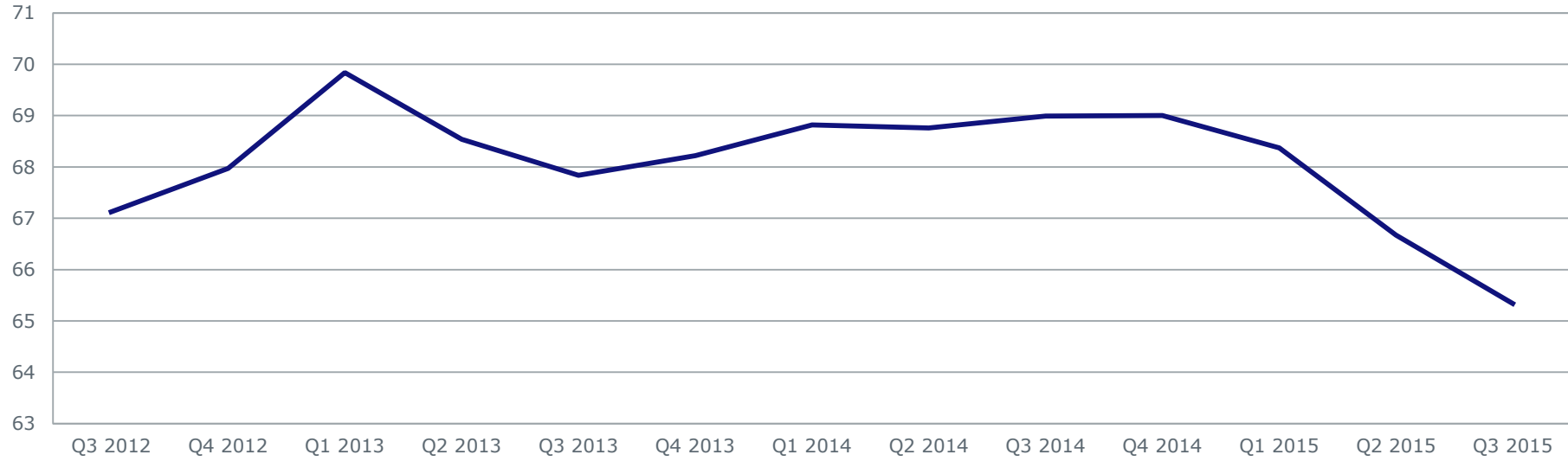
(\*\*) The LTV limit may be extended up to 70% against supplementary collateral for the part in excess in 60%.

## Statutory LTV limits by property category

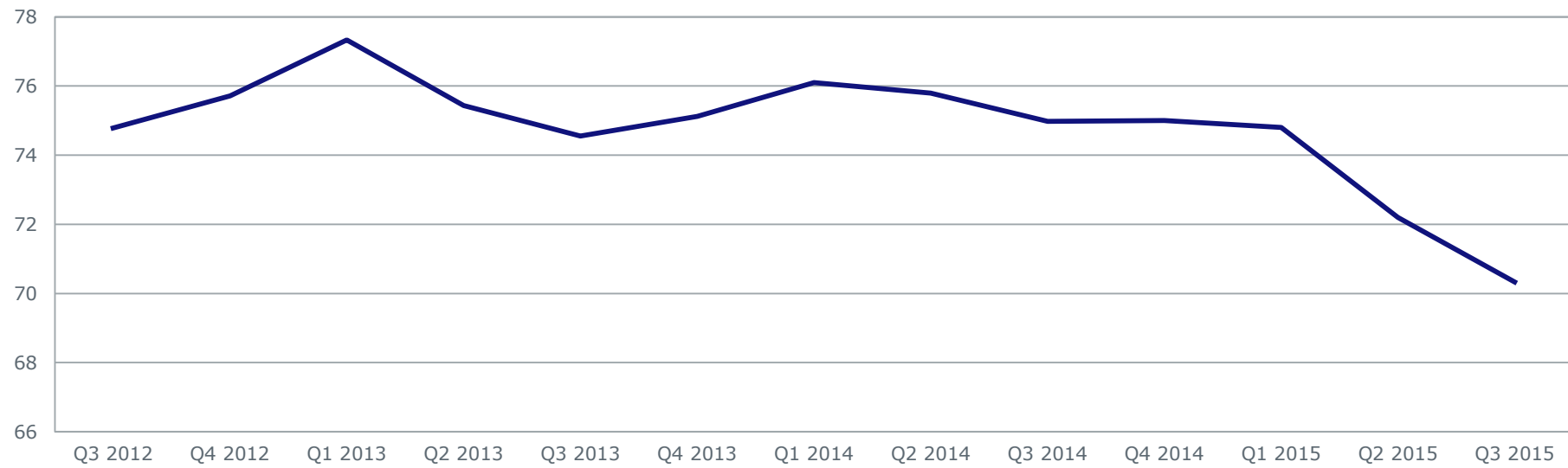
Private residential property for all-year habitation	80%*
Private cooperative housing	
Private residential rental properties	
Non-profit housing	
Youth housing	
Senior housing	
Properties used for social, cultural or educational purposes	60%
Holiday homes	
Agricultural and forestry properties, market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

# LTV

Average LTV - all segments, %

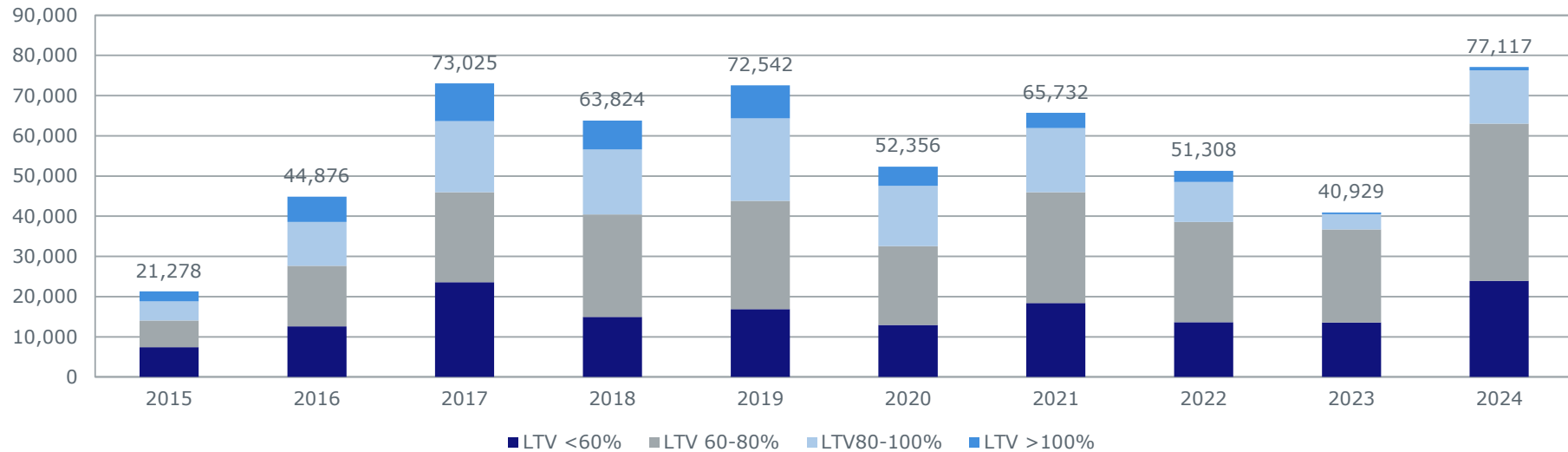


Average LTV - private residential properties, %

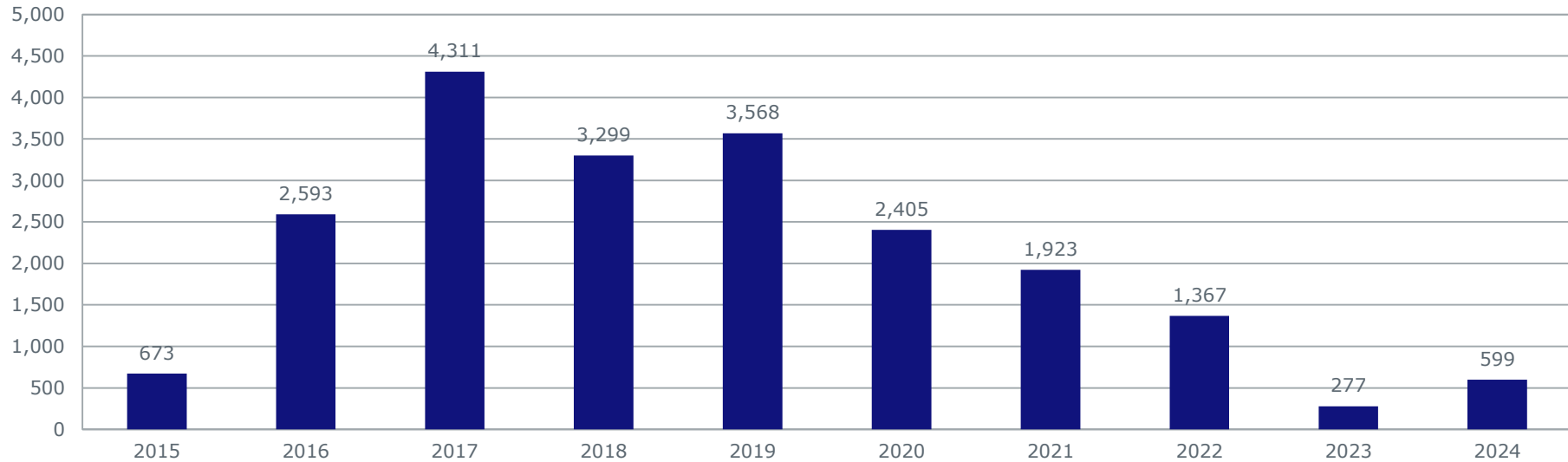


# Expiry of interest-only period – mortgage lending

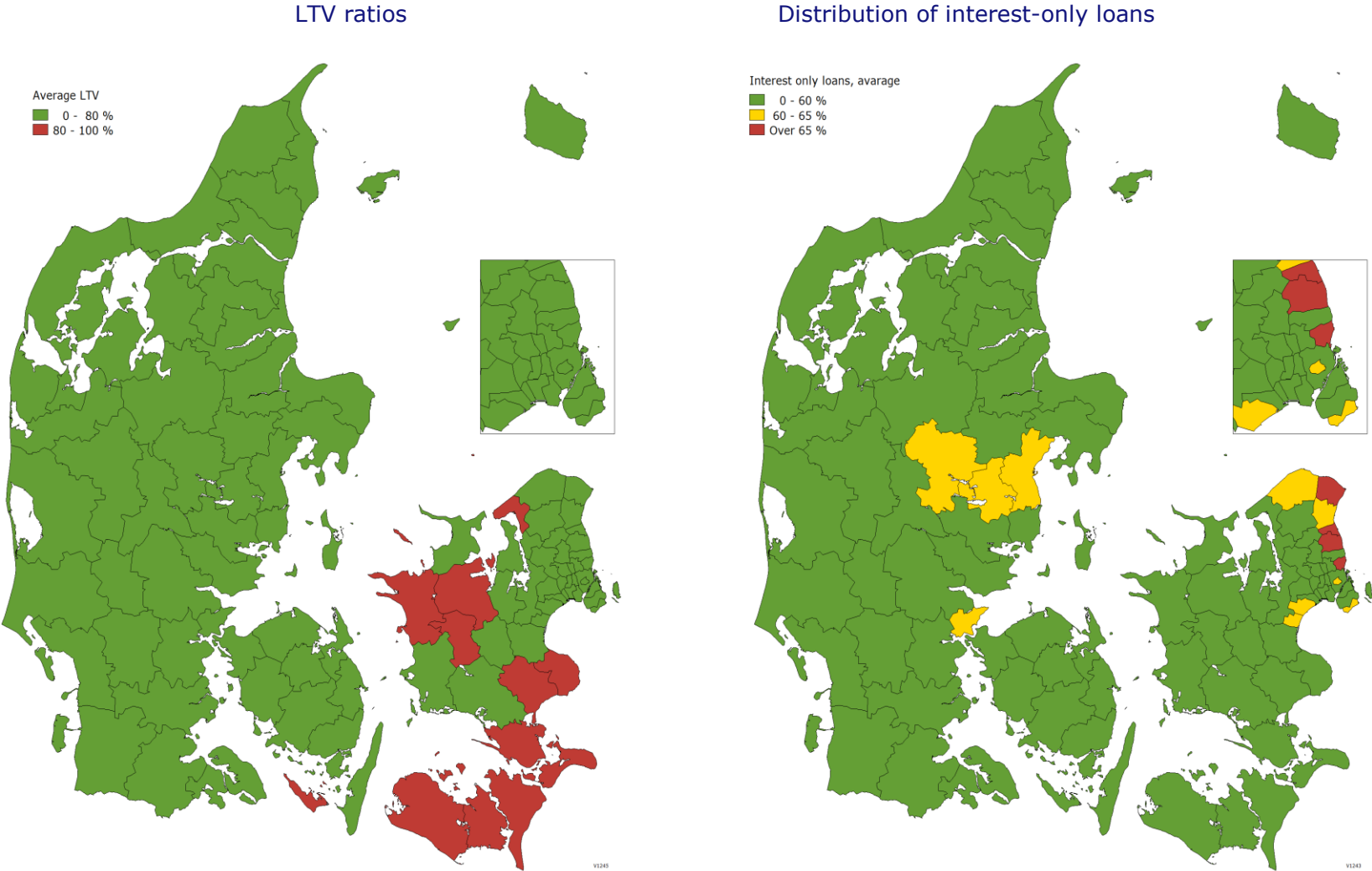
LTV distribution - size of loans by interest-only expiry, DKKm



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



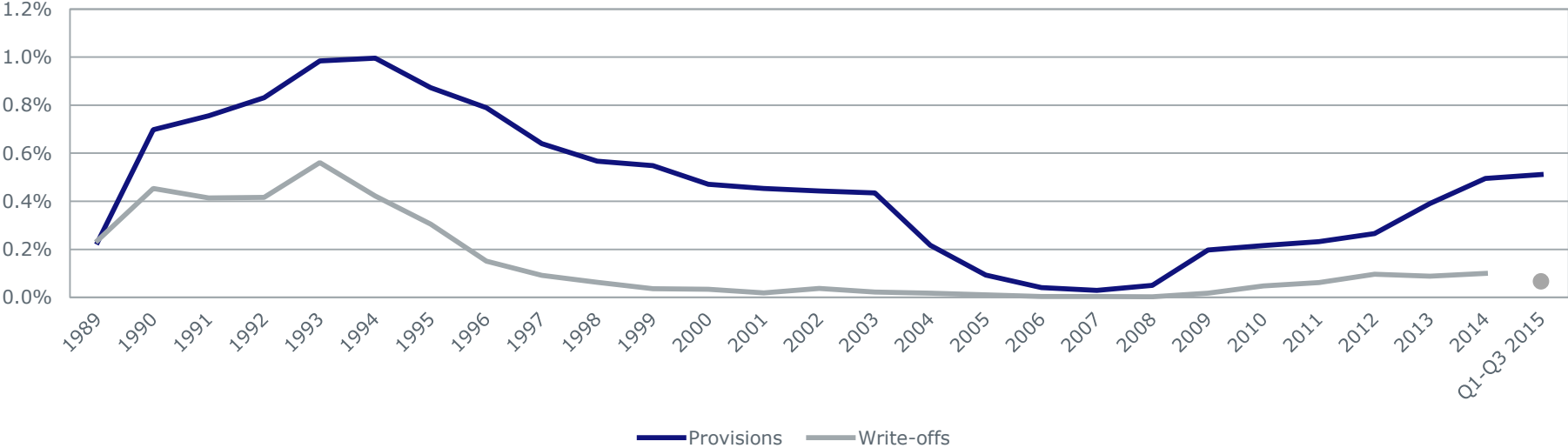
# Interest-only loans prevalent where LTVs are low



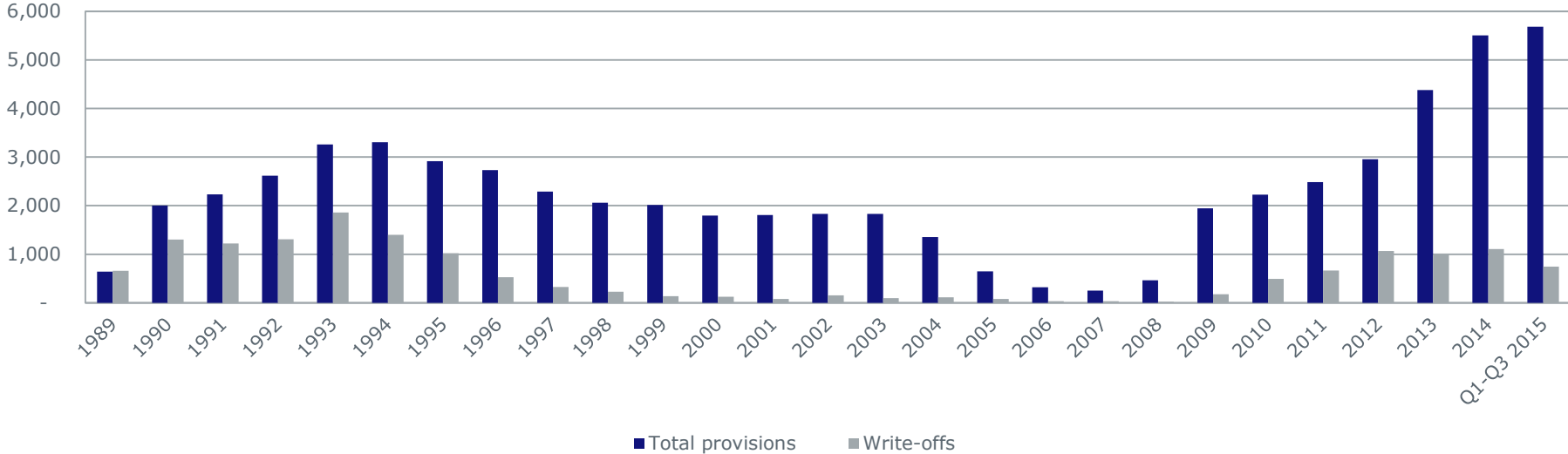
Note: Private residential lending in municipalities with above 80% LTVs and low marketability (above national average of 200 days on market) amounts to 6.2% of total private residential mortgage lending at end-Q2 2015.

# 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 Q1-Q3 2015 has not been annualized

## Impairment provisions and losses – mortgage lending

### Total impairment provisions – by property type

DKK million	2012	2013	2014	Q3 2015
Private residential property	641	993	927	833
Private residential rental	372	465	495	480
Industry and trades	143	218	257	226
Office and retail	303	555	506	576
Agriculture	440	494	856	1,092
Non-profit housing	20	40	90	40
Cooperative housing	64	307	1,012	958
Other	69	131	126	100
<b>Total Nykredit Realkredit</b>	<b>2,051</b>	<b>3,204</b>	<b>4,270</b>	<b>4,305</b>
Totalkredit	899	1,174	1,236	1,378
<b>Total impairment provisions from mortgage lending</b>	<b>2,950</b>	<b>4,378</b>	<b>5,506</b>	<b>5,684</b>

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

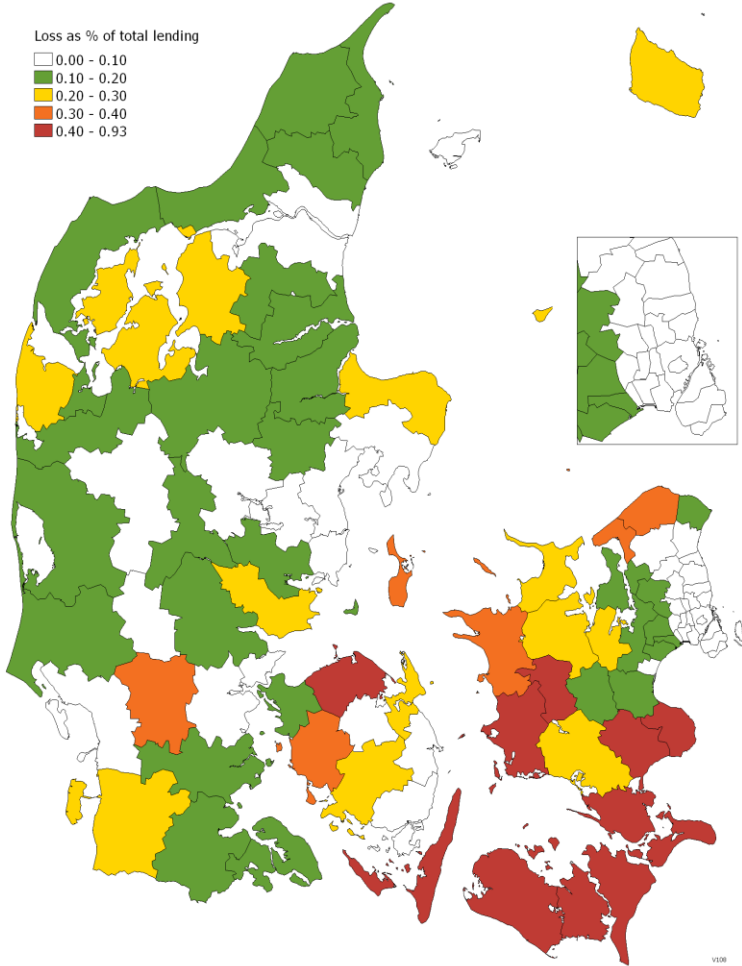
### Impairment losses – by property type

DKK million	2012	2013	2014	Q1-Q3 2015
Private residential property	558	629	145	13
Private residential rental	157	189	153	40
Industry and trades	43	114	98	13
Office and retail	207	399	91	107
Agriculture	61	150	441	302
Non-profit housing	15	22	51	(51)
Cooperative housing	(5)	248	706	(55)
Other	20	75	26	(3)
<b>Total Nykredit Realkredit</b>	<b>1,057</b>	<b>1,826</b>	<b>1,712</b>	<b>366</b>
Totalkredit	782	901	676	611
<b>Total impairment losses from mortgage lending</b>	<b>1,839</b>	<b>2,727</b>	<b>2,388</b>	<b>977</b>
Set-offs, Totalkredit	(254)	(333)	(270)	(206)
<b>Total impairment losses from mortgage lending after set-offs</b>	<b>1,584</b>	<b>2,394</b>	<b>2,117</b>	<b>771</b>

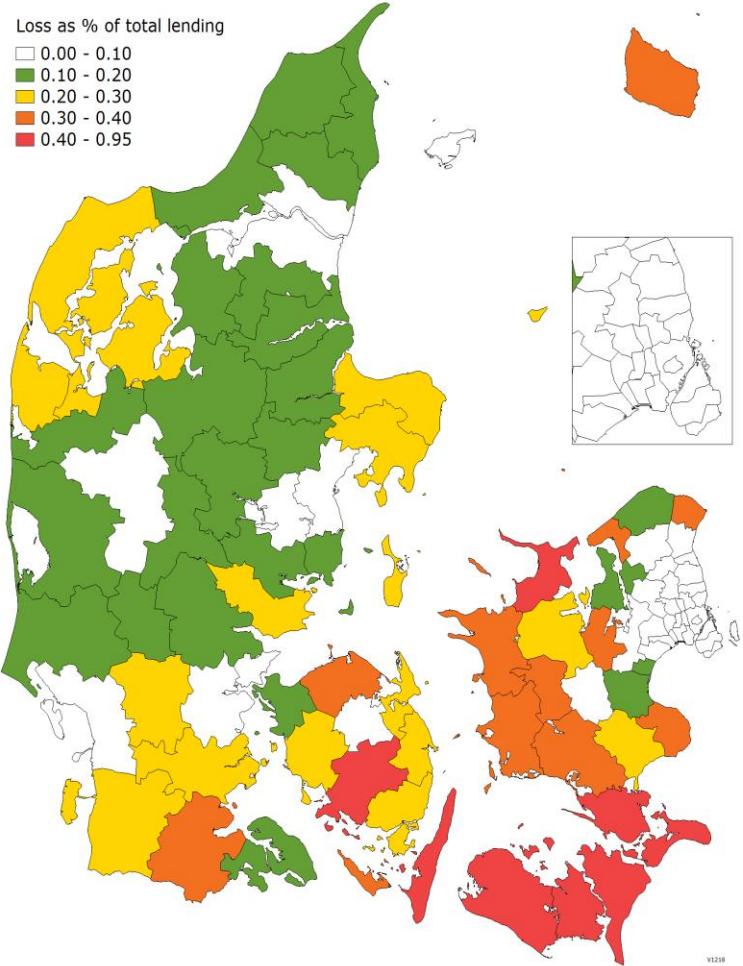


# Geographical distribution of write-offs/total mortgage lending before set-offs – private residential property, mortgage lending

Loss as % of total mortgage lending last 4 quarters, Q3 2014



Loss as % of total mortgage lending last 4 quarters, Q3 2015



## Write-offs – mortgage lending

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

DKK million	2012	2013	2014	Q1-Q3 2015
Private residential property	241	281	262	118
Private residential rental	176	92	117	65
Industry and trades	68	41	67	42
Office and retail	123	89	142	78
Agriculture	88	110	69	57
Non-profit housing	3	2	1	(2)
Cooperative housing	4	5	1	-
Other	25	9	35	21
<b>Total Nykredit Realkredit</b>	<b>728</b>	<b>628</b>	<b>694</b>	<b>379</b>
Totalkredit	550	654	618	499
<b>Total write-offs from mortgage lending</b>	<b>1,278</b>	<b>1,282</b>	<b>1,312</b>	<b>878</b>
Set-offs, Totalkredit	(254)	(333)	(270)	(206)
<b>Total write-offs from mortgage lending after set-offs</b>	<b>1,024</b>	<b>949</b>	<b>1,042</b>	<b>672</b>

Note: Write-offs for the year regardless whether the loan has been recognised through profit or loss for the same year. Q3 2015 has not been annualized.

Note: Due to intercompany balancing, set-offs may differ from Nykredit Realkredit Q3 Interim Report 2015

## Loans, advances and guarantees – bank lending

### Loans and advances

DKK million	2011	2012	2013	2014	Q3 2015
<b>Public sector</b>	<b>237</b>	<b>308</b>	<b>259</b>	<b>219</b>	<b>207</b>
Agriculture, hunting and forestry	2,102	1,638	1,640	1,810	1,790
Other corporate	60,111	69,079	89,153	70,970	68,151
<b>Total commercial</b>	<b>62,213</b>	<b>70,717</b>	<b>90,793</b>	<b>72,781</b>	<b>69,941</b>
<b>Personal customers</b>	<b>15,459</b>	<b>14,183</b>	<b>12,786</b>	<b>12,723</b>	<b>11,893</b>
<b>Total</b>	<b>77,909</b>	<b>85,208</b>	<b>103,838</b>	<b>85,722</b>	<b>82,041</b>

### Guarantees

DKK million	2011	2012	2013	2014	Q3 2015
<b>Public sector</b>	<b>305</b>	<b>205</b>	<b>234</b>	<b>377</b>	<b>275</b>
Agriculture, hunting and forestry	346	319	386	1,420	620
Other corporate	5,314	5,816	5,997	8,098	6,332
<b>Total commercial</b>	<b>5,660</b>	<b>6,135</b>	<b>6,383</b>	<b>9,518</b>	<b>6,952</b>
<b>Personal customers</b>	<b>4,177</b>	<b>5,829</b>	<b>5,003</b>	<b>10,998</b>	<b>7,956</b>
<b>Total</b>	<b>10,142</b>	<b>12,169</b>	<b>11,620</b>	<b>20,893</b>	<b>15,182</b>

# Provisions – bank lending

## Provisions for individual loan impairments and guarantees

DKK million	2011	2012	2013	2014	Q3 2015
<b>Public sector</b>	-	4	-	-	-
Agriculture, hunting and forestry	107	162	168	130	86
Other corporate	3,377	3,205	3,002	2,507	2,380
<b>Total commercial</b>	<b>3,484</b>	<b>3,367</b>	<b>3,170</b>	<b>2,637</b>	<b>2,466</b>
<b>Personal customers</b>	<b>616</b>	<b>532</b>	<b>538</b>	<b>520</b>	<b>493</b>
<b>Total</b>	<b>4,100</b>	<b>3,903</b>	<b>3,708</b>	<b>3,157</b>	<b>2,959</b>

## Collective impairment provisions

DKK million	2011	2012	2013	2014	Q3 2015
<b>Public sector</b>	-	-	8	-	-
Agriculture, hunting and forestry	13	5	9	8	48
Other corporate	234	155	250	429	163
<b>Total commercial</b>	<b>247</b>	<b>160</b>	<b>259</b>	<b>437</b>	<b>211</b>
<b>Personal customers</b>	<b>61</b>	<b>76</b>	<b>103</b>	<b>72</b>	<b>57</b>
<b>Total</b>	<b>308</b>	<b>236</b>	<b>370</b>	<b>509</b>	<b>269</b>

## Total impairment provisions

DKK million	2011	2012	2013	2014	Q3 2015
<b>Public sector</b>	-	4	8	-	-
Agriculture, hunting and forestry	120	167	177	138	135
Other corporate	3,611	3,360	3,252	2,936	2,543
<b>Total commercial</b>	<b>3,731</b>	<b>3,527</b>	<b>3,429</b>	<b>3,074</b>	<b>2,678</b>
<b>Personal customers</b>	<b>677</b>	<b>608</b>	<b>641</b>	<b>592</b>	<b>550</b>
<b>Total</b>	<b>4,408</b>	<b>4,139</b>	<b>4,078</b>	<b>3,666</b>	<b>3,228</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	Q3 2015
Total impairment provisions, rating 0 (DKK million)	215	373	484	462
Bond debt outstanding with OEI (DKK million)	10,404	12,734	15,985	16,078
Total bond debt outstanding (DKK million)	1,108,797	1,119,970	1,111,744	1,112,104
Bond debt outstanding with OEI/total bond debt	0.9%	1.1%	1.4%	1.4%

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

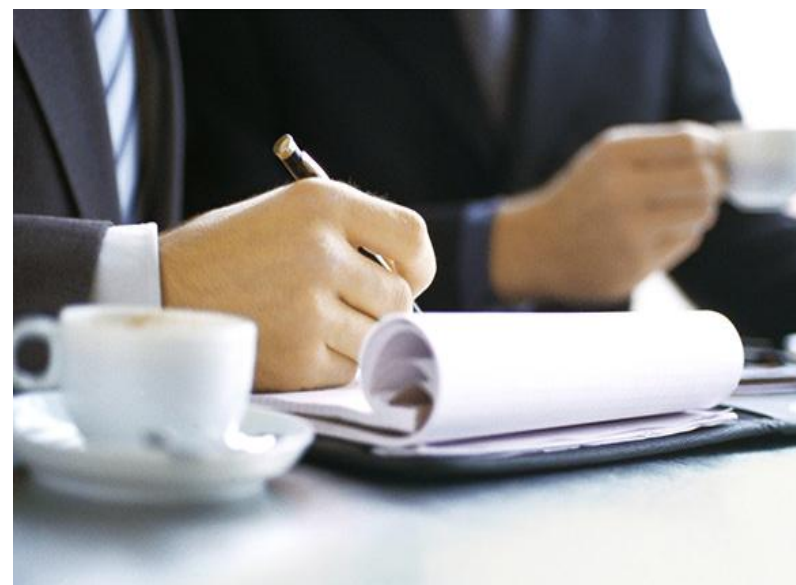
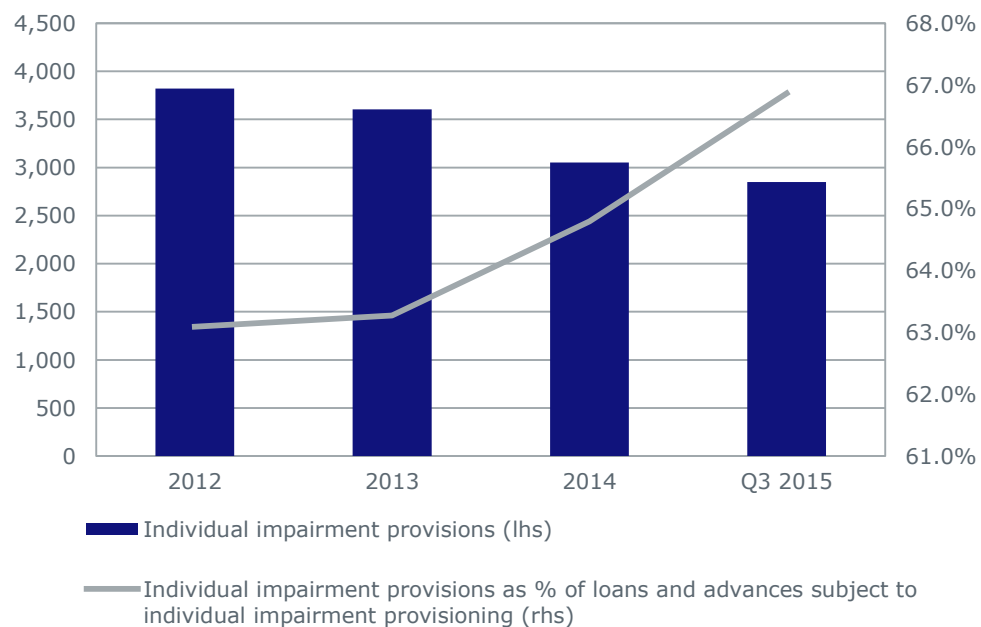
DKK million	2012	2013	2014	Q3 2015
Total impairment provisions, NPL (DKK million)	1,967	2,741	609	3,846
Bond debt outstanding, NPL (DKK million)	18,377	22,412	23,795	24,338
Total bond debt outstanding (DKK million)	1,108,797	1,119,970	1,111,744	1,112,104
Bond debt outstanding, NPL/total bond debt	1.7%	2.0%	2.1%	2.2%

# Non-performing loans (NPL) – bank lending

## Non performing bank loans (rating NPL)

DKK million	2012	2013	2014	Q3 2015
Individual impairment provisions	3,822	3,605	3,051	2,849
Non-performing loans of which loans and advances subject to individual impairment provisioning	6,057	5,697	4,708	4,261
Individual impairment provisions as % of loans and advances subject to individual impairment provisioning	63.1%	63.3%	64.8%	66.9%

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>Comprises 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. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
<b>Core income</b>				
Retail	3,863	4,311	3,289	4,900
Totalkredit Partners	1,111	1,179	1,830	1,977
Wholesale clients	1,799	1,475	710	2,221
Group items	81	8	72	4
<b>Total core income</b>	<b>6,682</b>	<b>6,973</b>	<b>5,902</b>	<b>9,103</b>

### Lending and deposits – business areas

DKK million	2012	2013	2014	Q3 2015
<b>Mortgage lending (nominal)</b>				
Retail	448,337	445,490	442,147	439,938
-of which Nykredit Realkredit	423,701	408,432	386,093	368,633
-of which Totalkredit	24,635	37,057	56,054	71,305
Totalkredit Partners	484,980	494,677	484,596	491,811
Wholesale clients	175,480	179,803	185,002	180,355
<b>Total mortgage lending</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,111,744</b>	<b>1,112,104</b>
<b>Bank lending</b>				
Retail	22,473	23,304	25,533	24,627
Wholesale clients	24,169	23,484	24,929	23,130
Group items	2,968	175	33	-251
<b>Total bank lending</b>	<b>49,727</b>	<b>46,963</b>	<b>50,494</b>	<b>47,506</b>
<b>Deposits</b>				
Retail	33,690	36,798	40,637	41,091
Wholesale clients	18,296	27,235	23,287	19,918
Group items	2,049	1,139	1,308	715
<b>Total deposits</b>	<b>54,509</b>	<b>65,172</b>	<b>65,232</b>	<b>61,725</b>



## Business areas – Retail

### Result – Retail

DKK million	Avg. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
<b>Core income from</b>				
Business operations	4,670	4,535	4,779	4,856
Value adjustment of derivatives and corporate bonds	(697)	(134)	(1,393)	140
Senior debt	(110)	(90)	(97)	(95)
<b>Total core income</b>	<b>3,863</b>	<b>4,311</b>	<b>3,289</b>	<b>4,900</b>
Operating costs including payment to The Guarantee Fund	2,222	2,247	2,241	2,202
Depreciation of property, plant and equipment and amortisation of intangible assets	8	7	7	6
<b>Core earnings before impairment losses</b>	<b>1,633</b>	<b>2,057</b>	<b>1,042</b>	<b>2,692</b>
Impairment losses on mortgage lending	792	1,209	1,130	474
Impairment losses on bank lending	369	290	51	99
<b>Core earnings after impairment losses</b>	<b>482</b>	<b>566</b>	<b>(139)</b>	<b>2,119</b>

### Activity – Retail

DKK million	2012	2013	2014	Q1-Q3 2015
<b>Mortgage lending</b>				
Gross new lending	66,070	40,189	67,574	61,402
Portfolio at nominal value, end of period	448,337	445,490	442,147	439,938
Impairment losses for the period as % of loans and advances	0.24%	0.36%	0.34%	0.11%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,304	1,787	2,413	2,456
Collective impairment provisions	608	1,044	1,281	1,382
Total impairment provisions as % of loans and advances	0.43%	0.64%	0.84%	0.87%
<b>Banking</b>				
Loans and advances, end of period	22,473	23,304	25,533	24,627
Deposits, end of period	33,690	36,798	40,637	41,091
Impairment losses for the period as % of loans and advances*	2.06%	1.55%	0.26%	0.37%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,956	2,084	1,864	1,669
Collective impairment provisions	139	195	114	207
Total impairment provisions as % of loans and advances	8.50%	8.91%	7.19%	7.08%
Guarantees, end of period	9,080	3,244	4,357	4,638
Provisions for guarantees, end of period	73	48	51	53

\*Including impairment losses from guarantees

# Business areas – Wholesale

-Total for Totalkredit Partners and Wholesale clients

## Result – Wholesale

DKK million	Avg. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
<b>Core income from</b>				
Business operations	3,232	3,343	3,838	4,269
Value adjustment of derivatives and corporate bonds	(105)	(448)	(1,128)	72
Senior debt	(217)	(241)	(170)	(143)
<b>Total core income</b>	<b>2,910</b>	<b>2,654</b>	<b>2,540</b>	<b>4,198</b>
Operating costs including payment to The Guarantee Fund	1,032	1,016	935	957
Depreciation of property, plant and equipment and amortisation of intangible assets	395	396	6	1,918
<b>Core earnings before impairment losses</b>	<b>1,483</b>	<b>1,242</b>	<b>1,599</b>	<b>1,323</b>
Impairment losses on mortgage lending	412	603	461	306
Impairment losses on bank lending	54	(9)	110	(186)
<b>Core earnings after impairment losses</b>	<b>1,017</b>	<b>648</b>	<b>1,028</b>	<b>1,203</b>

## Business areas – Totalkredit partners

### Result – Totalkredit partners

DKK million	Avg. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
<b>Core income from</b>				
Business operations	1,308	1,406	1,987	2,110
Senior debt	(198)	(227)	(158)	(133)
<b>Total core income</b>	<b>1,111</b>	<b>1,179</b>	<b>1,830</b>	<b>1,977</b>
Operating costs including payment to The Guarantee Fund	308	307	296	390
Depreciation of property, plant and equipment and amortisation of intangible assets	391	391	-	1,907
<b>Core earnings before impairment losses</b>	<b>412</b>	<b>482</b>	<b>1,534</b>	<b>(319)</b>
Impairment losses on mortgage lending	381	415	272	371
<b>Core earnings after impairment losses</b>	<b>31</b>	<b>66</b>	<b>1,262</b>	<b>(690)</b>

### Activity – Totalkredit partners

DKK million	2012	2013	2014	Q1-Q3 2015
<b>Mortgage lending</b>				
Gross new lending	115,392	56,238	89,411	115,158
Portfolio at nominal value, end of period	484,980	494,677	484,596	491,811
Impairment losses for the period as % of loans and advances	0.10%	0.11%	0.07%	0.08%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	441	458	494	520
Collective impairment provisions	429	681	657	745
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. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
<b>Core income from</b>				
Business operations	1,924	1,937	1,851	2,159
Value adjustment of derivatives and corporate bonds	(105)	(448)	(1,128)	72
Senior debt	(20)	(15)	(12)	(10)
<b>Total core income</b>	<b>1,799</b>	<b>1,475</b>	<b>710</b>	<b>2,221</b>
Operating costs including payment to The Guarantee Fund	724	709	639	568
Depreciation of property, plant and equipment and amortisation of intangible assets	4	5	6	11
<b>Core earnings before impairment losses</b>	<b>1,071</b>	<b>760</b>	<b>65</b>	<b>1,642</b>
Impairment losses on mortgage lending	31	187	189	(65)
Impairment losses on bank lending	54	(9)	110	(186)
<b>Core earnings after impairment losses</b>	<b>986</b>	<b>581</b>	<b>(234)</b>	<b>1,893</b>

### Activity – Wholesale clients

DKK million	2012	2013	2014	Q1-Q3 2015
<b>Mortgage lending</b>				
Gross new lending	36,106	26,739	35,430	30,094
Portfolio at nominal value, end of period	175,480	179,803	185,002	180,355
Impairment losses for the period as % of loans and advances	0.02%	0.14%	0.14%	(0.04%)
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	107	266	507	488
Collective impairment provisions	66	142	154	92
Total impairment provisions as % of loans and advances	0.10%	0.23%	0.36%	0.32%
<b>Banking</b>				
Loans and advances, end of period	24,169	23,484	24,929	23,130
Deposits, end of period	18,296	27,235	23,287	19,918
Impairment losses for the period as % of loans and advances*	0.27%	(0.05%)	0.56%	(0.77%)
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,775	1,461	1,131	1,128
Collective impairment provisions	82	175	395	62
Total impairment provisions as % of loans and advances	3.02%	6.51%	5.77%	4.89%
Guarantees, end of period	2,578	1,806	1,913	2,230
Provisions for guarantees, end of period	8	55	55	56
<b>Assets under management</b>	<b>103,698</b>	<b>116,269</b>	<b>133,484</b>	<b>138,752</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>678,403</b>
of which the investment funds of the Nykredit Group	46,518	51,808	60,165	63,231

\*Including impairment losses from guarantees

## Business areas – Group items

### Result – Group items

DKK million	Avg. 3 quarters 2012	Avg. 3 quarters 2013	Avg. 3 quarters 2014	Q1-Q3 2015
<b>Core income from</b>				
Business operations	(78)	(48)	15	(3)
Senior debt	-	(32)	(40)	(21)
Securities	159	88	97	28
<b>Total core income</b>	<b>81</b>	<b>8</b>	<b>72</b>	<b>4</b>
Operating costs	338	600	476	323
Depreciation of property, plant and equipment and amortisation of intangible assets	170	270	802	150
<b>Core earnings before impairment losses</b>	<b>(427)</b>	<b>(861)</b>	<b>(1,206)</b>	<b>(469)</b>
Impairment losses on mortgage lending	-	8	8	-
Impairment losses on bank lending	9	(19)	3	-
<b>Core earnings after impairment losses</b>	<b>(436)</b>	<b>(849)</b>	<b>(1,217)</b>	<b>(469)</b>

### Activity – Group items

DKK million	2012	2013	2014	Q1-Q3 2015
<b>Banking</b>				
Loans and advances, end of period	2,968	175	33	(251)
Deposits, end of period	2,049	1,139	1,308	715
<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%	71.62%
Guarantees, end of period	512	1,260	1,276	699

# 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 3 quarters	FY divided by 3/4

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