

# **Fact Book Q4 2015**

The Nykredit Realkredit Group

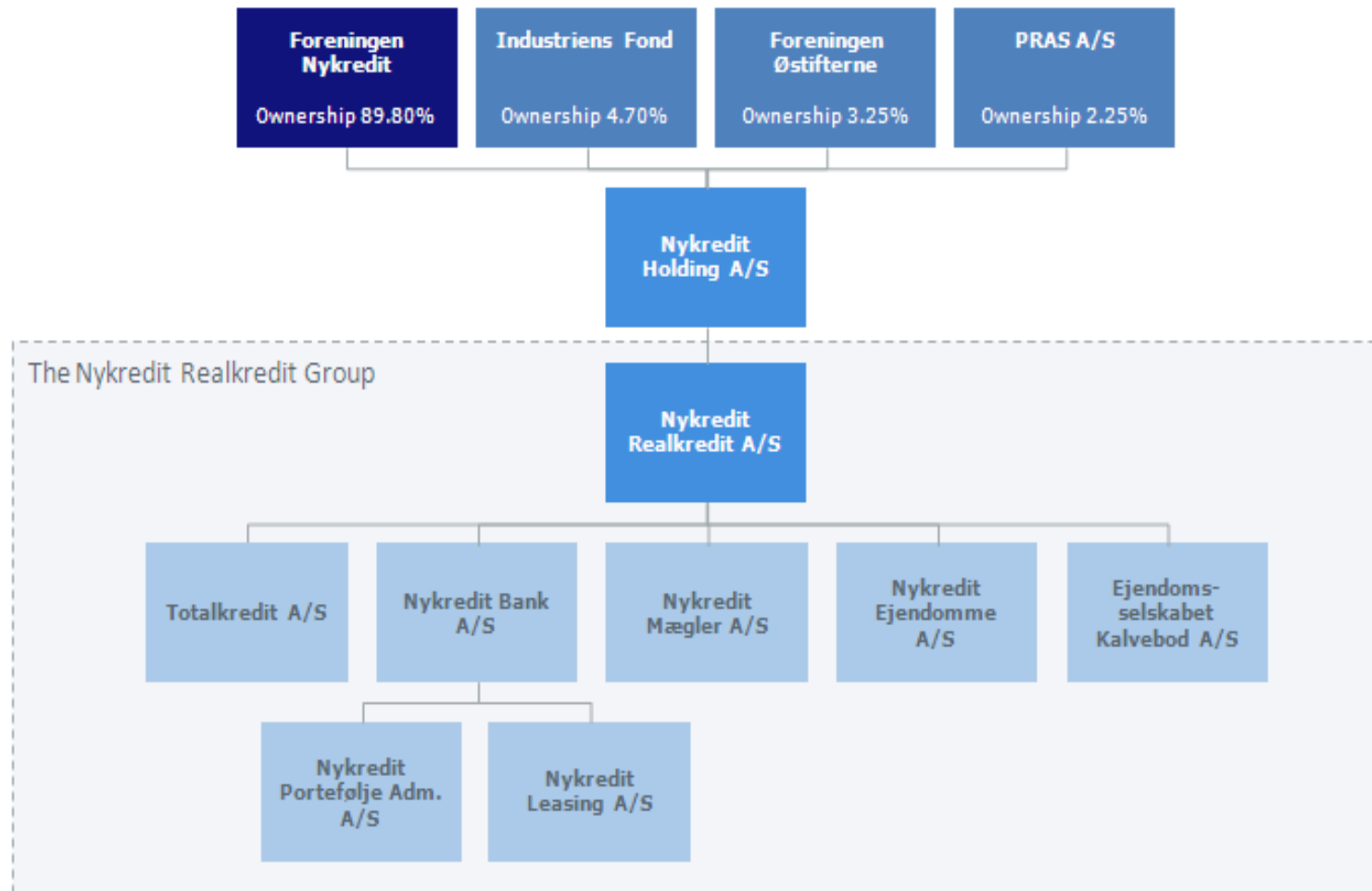
Unaudited

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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.

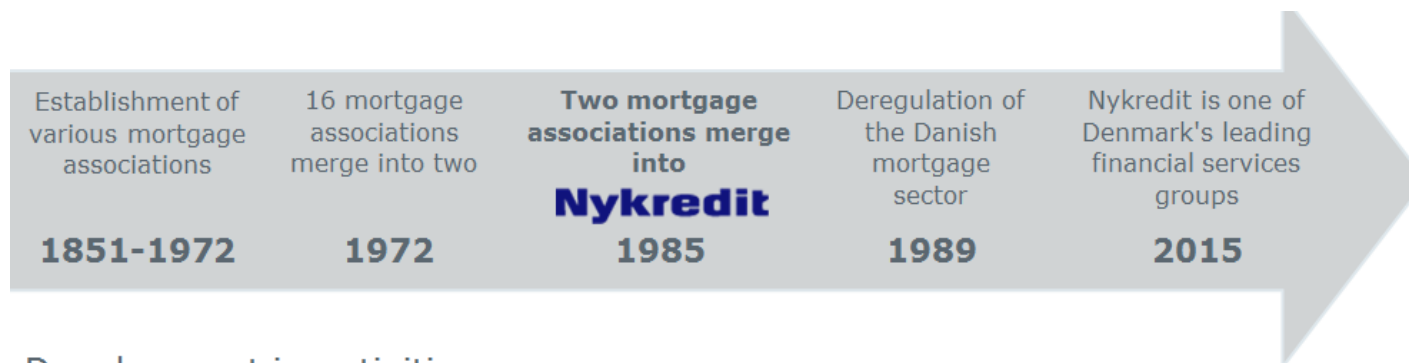
## **Members**

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 104 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

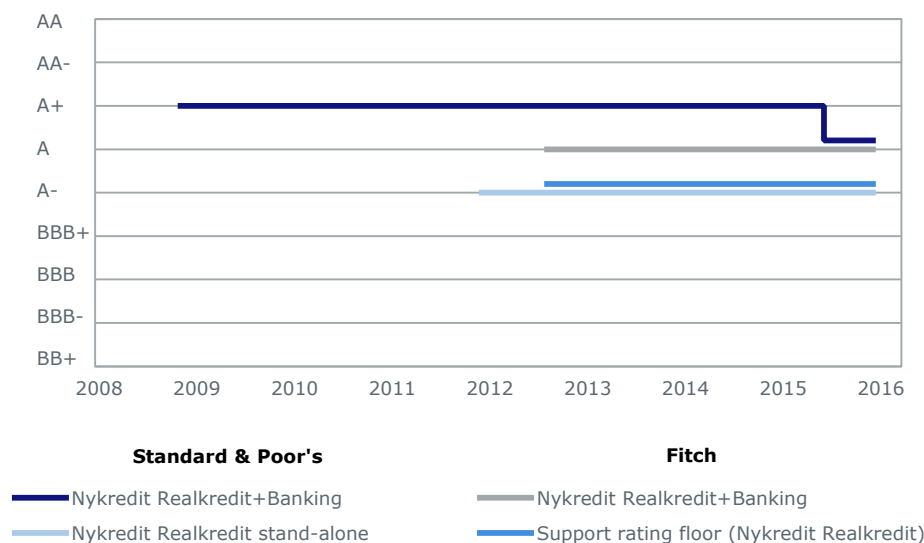
**2010** Sale of Nykredit Forsikring

# 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)	AA-*	
Capital Centre E (senior secured bonds, JCB)	AA-*	
Capital Centre H (senior secured bonds, JCB)	AA-*	
<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
Tier 2	BBB	A-

\*Negative outlook

## Nykredit Bank A/S

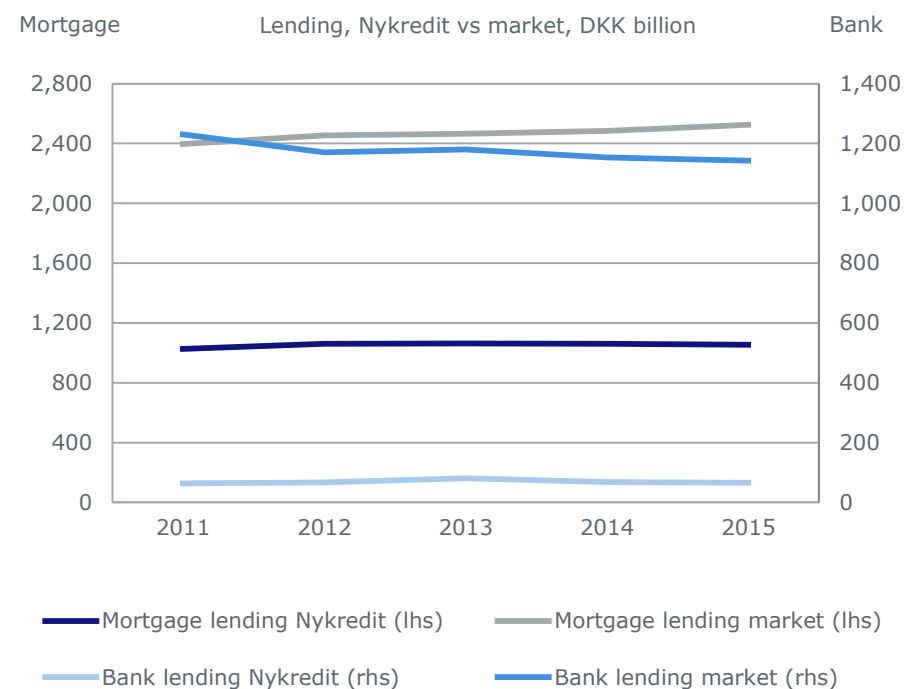
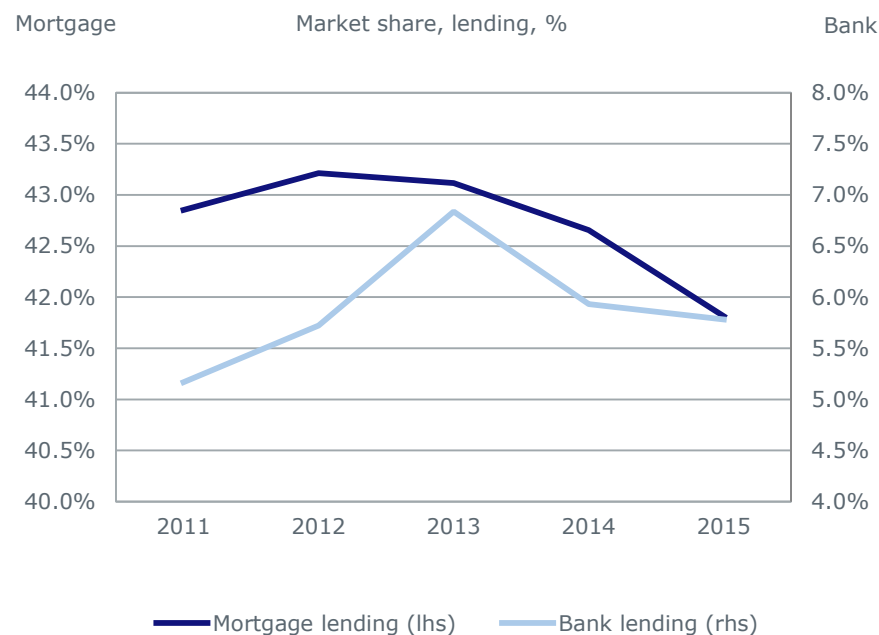
	S&P	Fitch
Short-term deposit rating	A-1	F1
Long-term deposit rating	A*	A
<b>Euro MTN Program</b>		
- Short-term senior debt	A-1	F1
- Long-term senior debt	A	A
<b>Euro Commercial Paper and Certificate of Deposit Program</b>		
- Short-term senior debt	A-1	F1

\*Negative outlook

# Market share – lending

## Market share

DKK billion	2011	2012	2013	2014	2015
Bank lending	64	67	81	68	66
Mortgage lending	1,027	1,060	1,063	1,060	1,055
<b>Total</b>	<b>1,091</b>	<b>1,127</b>	<b>1,144</b>	<b>1,128</b>	<b>1,121</b>
<b>Market share</b>					
Bank lending	5.2%	5.7%	6.8%	5.9%	5.8%
Mortgage lending	42.9%	43.2%	43.1%	42.7%	41.8%
<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.

# Results – the Nykredit Realkredit Group

## The Nykredit Realkredit Group

DKK million	2011	2012	2013	2014	2015
<b>Core income from</b>					
Business operations	9,199	10,228	10,440	11,509	11,945
Impairment of goodwill and fixed-term rights	(642)	(1,095)	(776)	(3,362)	410
Senior debt and net interest on subordinated debt	(652)	(901)	(944)	(936)	(610)
Securities	644	212	118	130	38
<b>Total core income</b>	<b>8,548</b>	<b>8,445</b>	<b>8,838</b>	<b>7,341</b>	<b>11,783</b>
Operating costs, depreciation and amortisation	5,967	5,595	6,048	5,103	5,005
Impairment losses on goodwill and time-limited rights	-	-	-	852	1,965
Mortgage business contribution to Resolution Fund	-	-	-	-	61
<b>Core earnings before impairment losses</b>	<b>2,580</b>	<b>2,849</b>	<b>2,790</b>	<b>1,386</b>	<b>4,752</b>
Impairment losses on mortgage lending	1,026	1,592	2,414	2,132	1,041
Impairment losses on bank lending	388	557	349	219	(121)
<b>Core earnings after impairment losses</b>	<b>1,166</b>	<b>700</b>	<b>27</b>	<b>(965)</b>	<b>3,832</b>
Investment portfolio income	179	2,444	1,887	779	853
<b>Profit (loss) before tax</b>	<b>1,345</b>	<b>3,144</b>	<b>1,914</b>	<b>(186)</b>	<b>4,685</b>
Tax	223	575	240	90	1,494
<b>Profit (loss) for the period</b>	<b>1,123</b>	<b>2,569</b>	<b>1,674</b>	<b>(276)</b>	<b>3,191</b>

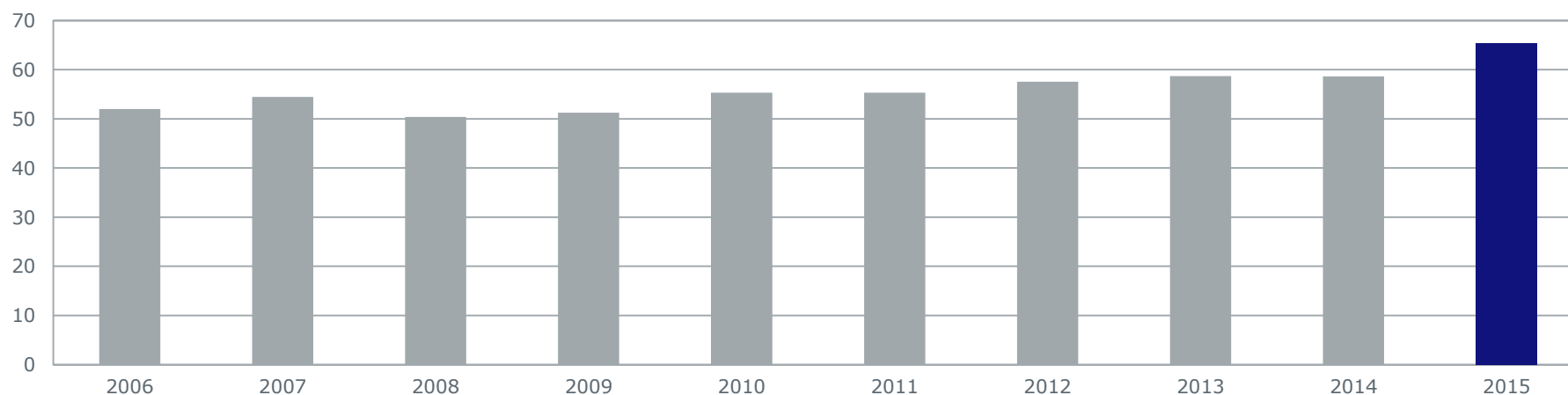
Note: Value adjustment of the portfolio of subordinated debt instruments in Danish banks (Kalvebod issues) has been included from 1 January 2011. Comparative figures have been restated. Largely all the Group's investment activities are marked to market, for which reason group earnings exhibit a certain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

# Balance sheet summary – the Nykredit Realkredit Group

## The Nykredit Realkredit Group

DKK million	2011	2012	2013	2014	2015
<b>Assets</b>					
Receivables from credit institutions and central banks	66,258	60,174	35,758	42,288	23,253
Mortgage loans at fair value	1,083,991	1,136,445	1,136,644	1,137,099	1,119,101
Bank loans and advances - excl reverse transactions	55,776	49,728	46,963	50,495	46,747
Bonds and equities	100,794	82,413	92,961	131,383	110,294
Remaining assets	86,086	104,645	105,087	96,036	84,394
<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>1,383,789</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	117,626	67,539	44,393	44,863	30,226
Deposits	57,404	54,509	65,172	65,232	62,599
Bonds in issue at fair value	1,021,942	1,103,818	1,130,020	1,167,163	1,137,314
Subordinated debt	11,204	11,281	10,964	11,394	11,006
Remaining liabilities	129,419	138,701	108,148	109,998	77,184
Equity	55,310	57,556	58,716	58,650	65,460
<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>1,383,789</b>

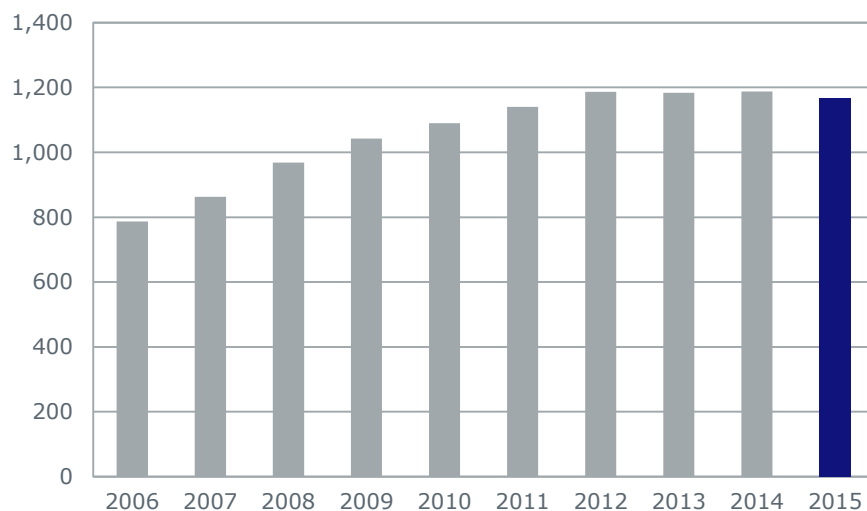
Equity, DKKbn



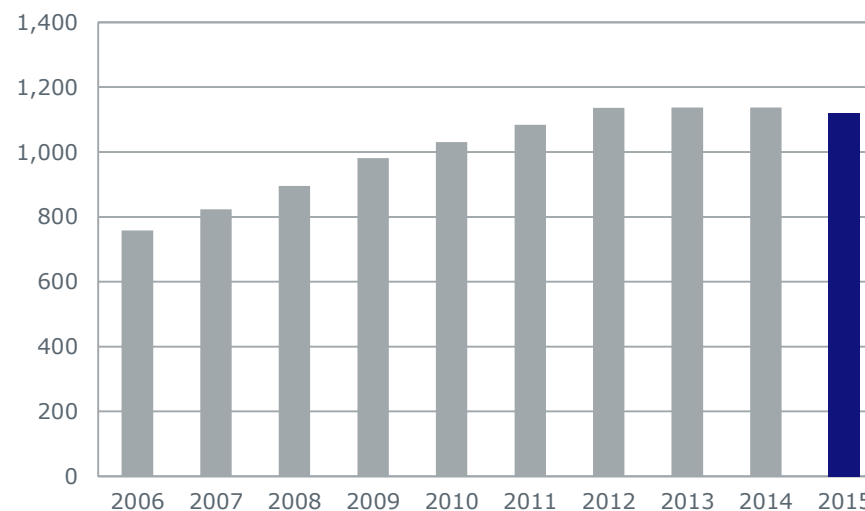


# Balance sheet summary – the Nykredit Realkredit Group

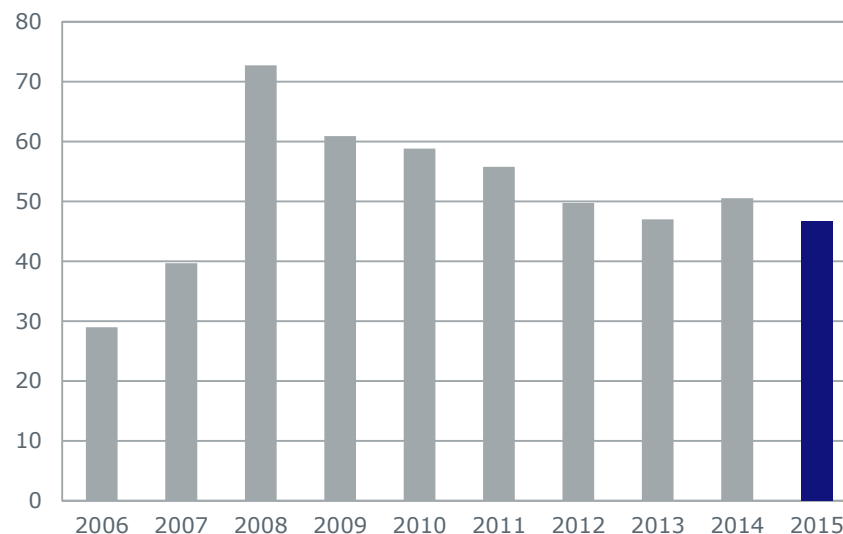
Total lending, DKKbn



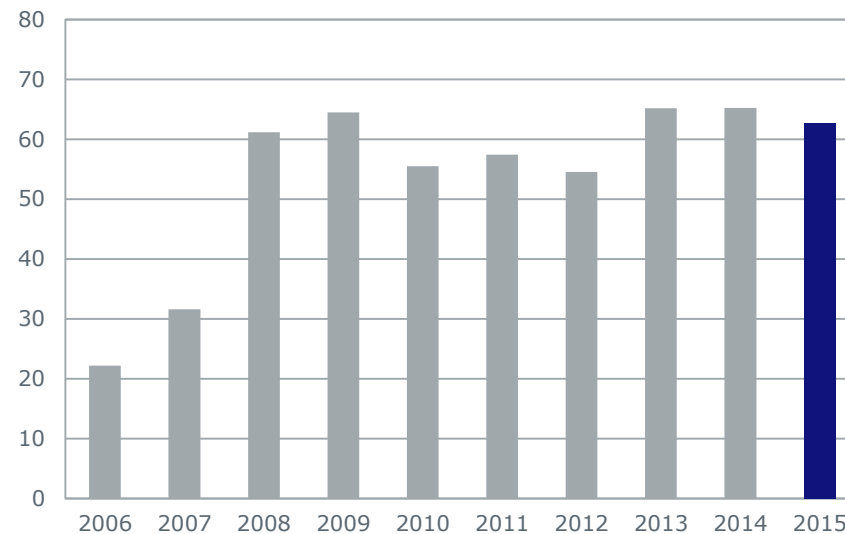
Total mortgage lending, DKKbn



Total bank lending, DKKbn



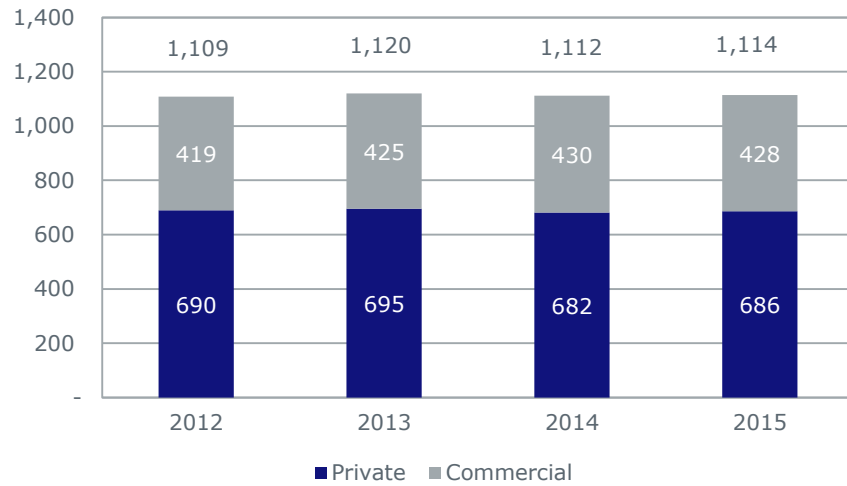
Total bank deposits, DKKbn



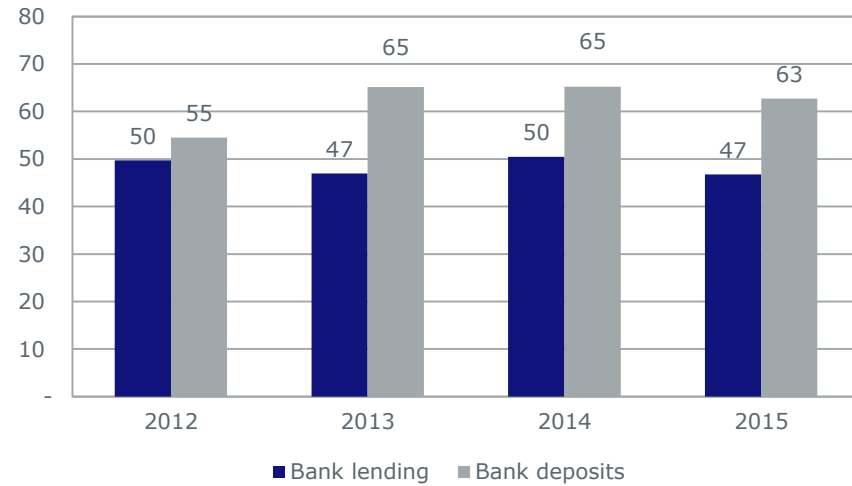
Note: Mortgage lending based on fair value. Bank lending excludes reverse transactions.

# Lending and deposits

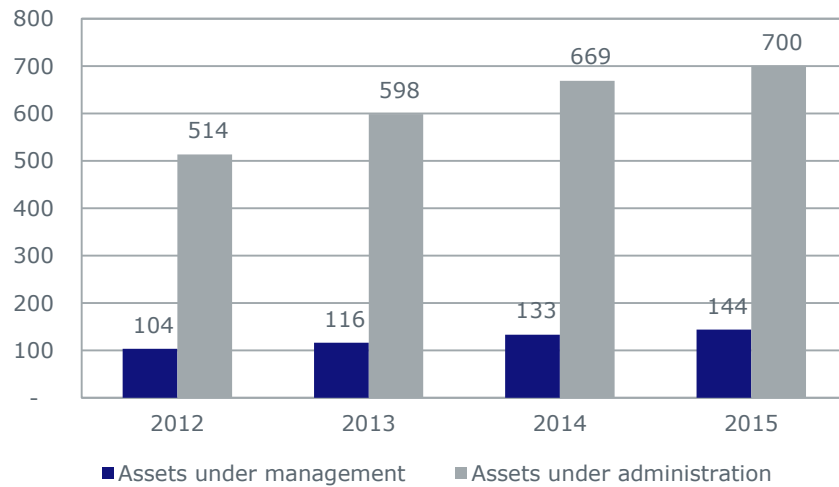
Nominal mortgage lending, DKKbn



Bank lending and bank deposits, DKKbn

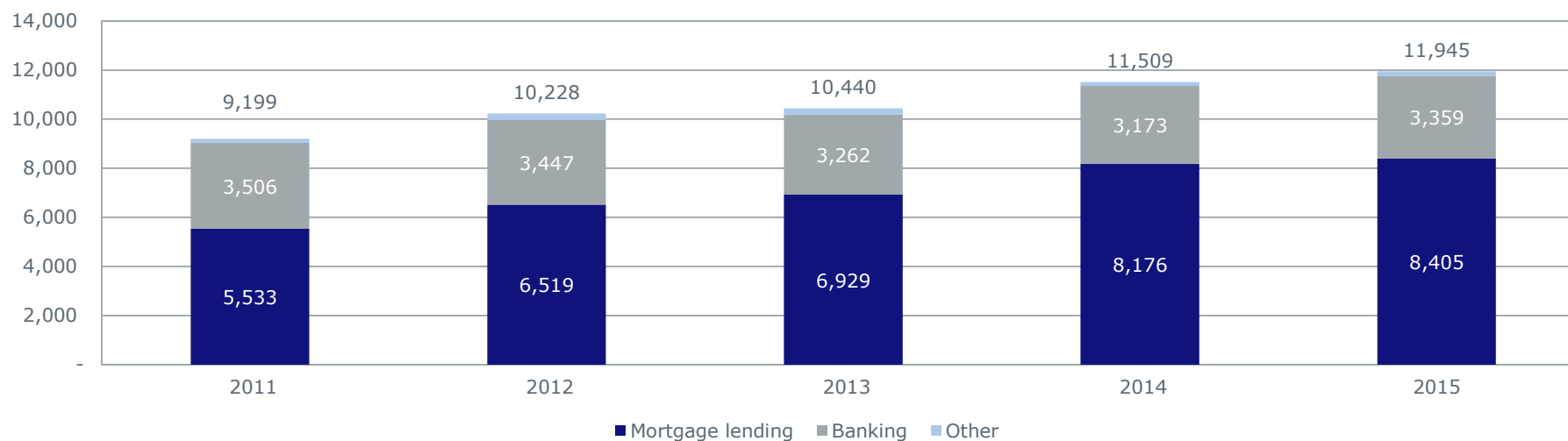


Assets under administration, DKKbn

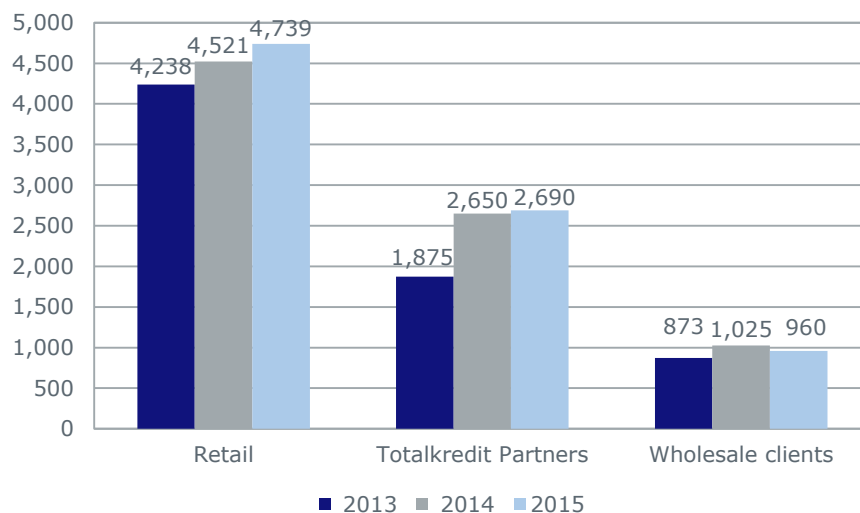


# Breakdown of core earnings – the Nykredit Realkredit Group

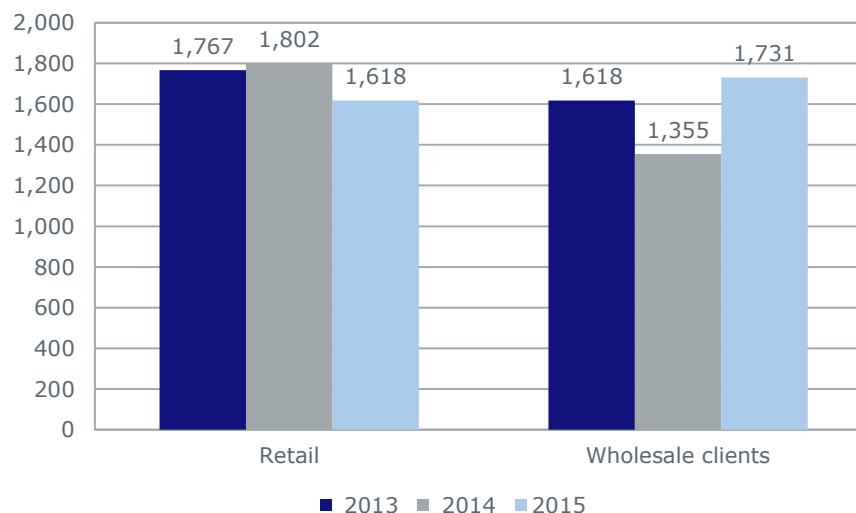
Core income from business operations, DKKm



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

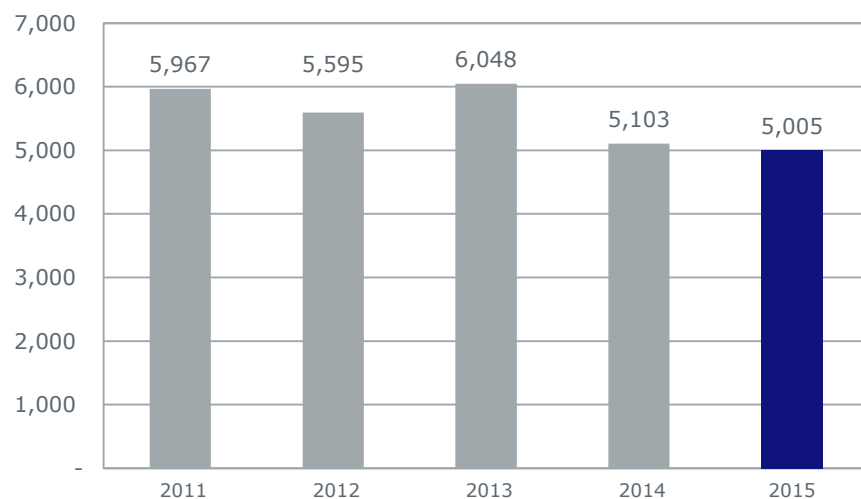


Core income from business operations by business area excl Group items - banking, DKKm

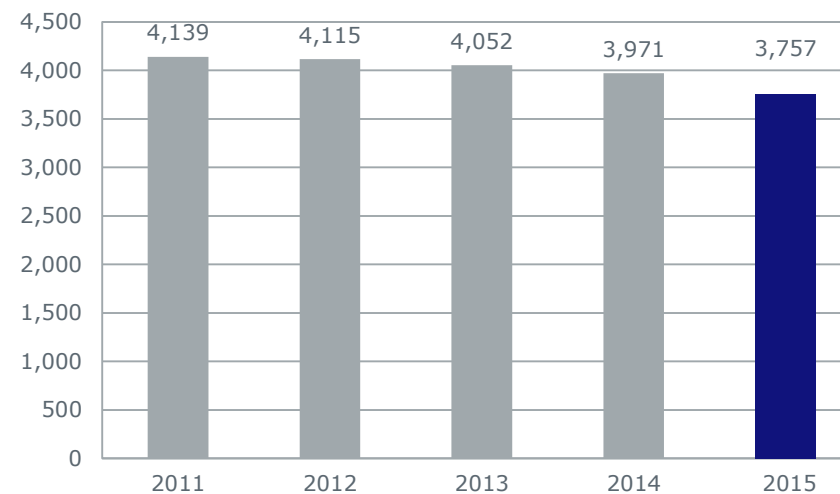


# Breakdown of costs

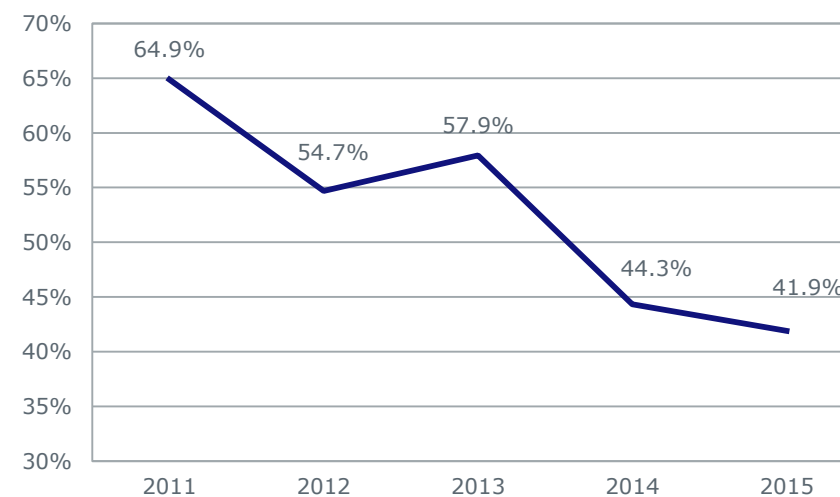
Operating costs, the Nykredit Realkredit Group, DKKm



Average number of full-time employees



Cost:income ratio, %



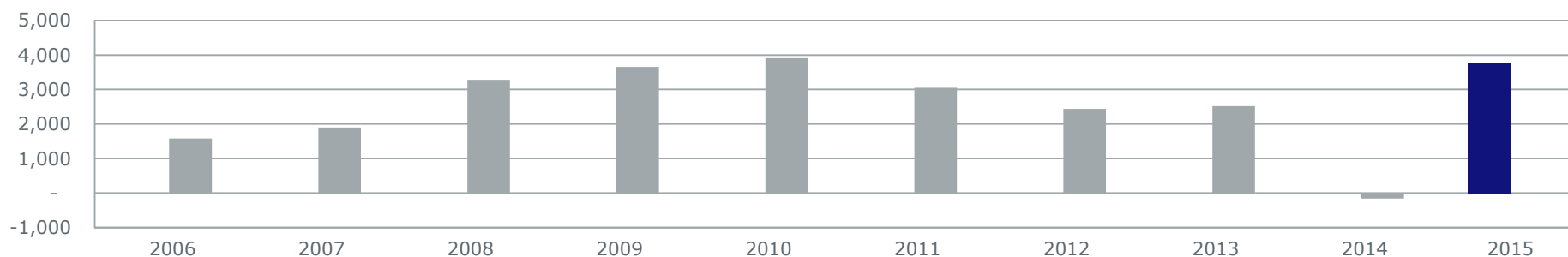
Note: Operating costs, depreciation and amortisation, excl special value adjustments as % of core earnings from business operations

# Results – the Nykredit Bank Group

## The Nykredit Bank Group

DKK million	2011	2012	2013	2014	2015
<b>Core income from</b>					
Business operations	3,506	3,447	3,262	3,173	3,359
Impairment of goodwill and fixed-term rights	(632)	(1,067)	(776)	(3,362)	410
Securities	175	61	33	29	8
<b>Total core income</b>	<b>3,049</b>	<b>2,441</b>	<b>2,519</b>	<b>(160)</b>	<b>3,778</b>
Operating costs, depreciation and amortisation	1,914	1,847	2,073	2,007	1,477
Provisions for costs relating to reorganisation	-	-	50	28	(10)
Value adjustment of associate	-	-	78	-	-
<b>Core earnings before impairment losses</b>	<b>1,134</b>	<b>594</b>	<b>474</b>	<b>(2,196)</b>	<b>1,854</b>
Impairment losses on bank lending	388	557	349	219	(121)
<b>Core earnings after impairment losses</b>	<b>746</b>	<b>37</b>	<b>125</b>	<b>(2,414)</b>	<b>1,975</b>
Investment portfolio income	(153)	30	(40)	43	35
<b>Profit (loss) before tax</b>	<b>593</b>	<b>67</b>	<b>85</b>	<b>(2,371)</b>	<b>2,010</b>
Tax	160	(1)	8	(599)	468
<b>Profit (loss) for the period</b>	<b>433</b>	<b>69</b>	<b>77</b>	<b>(1,772)</b>	<b>1,542</b>

Total core income, DKKm



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

# Balance sheet summary – the Nykredit Bank Group

## The Nykredit Bank Group

DKK million	2011	2012	2013	2014	2015
<b>Assets</b>					
Cash balance and receivables from credit institutions and central banks	50,244	44,812	23,173	33,884	13,425
Loans, advances and other receivables at fair value	22,007	35,401	56,814	35,228	39,467
Loans, advances and other receivables at amortised cost	55,901	49,807	47,024	50,494	46,747
Bonds at fair value and equities	61,063	58,399	64,219	65,314	40,412
Remaining assets	43,152	52,099	32,904	44,963	34,288
<b>Total assets</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>229,883</b>	<b>174,339</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	63,093	55,355	57,732	63,876	34,957
Deposits and other payables	57,551	54,701	65,405	65,349	62,758
Bonds in issue at amortised cost	26,137	28,498	26,689	25,881	20,150
Other non-derivative financial liabilities at fair value	27,308	33,741	29,248	19,943	11,776
Remaining payables	43,593	53,467	30,213	41,913	28,267
Provisions	233	235	247	246	213
Subordinated debt	250	250	250	100	100
Equity	14,202	14,271	14,348	12,576	16,118
<b>Total liabilities and equity</b>	<b>232,368</b>	<b>240,518</b>	<b>224,134</b>	<b>229,883</b>	<b>174,339</b>

## Nykredit Bank A/S

### Supervisory diamond (calculated at parent level)

	2012	2013	2014	2015
Lending growth (limit value <20%)	(10.7)	(7.6)	6.8	(7.5)
Large exposures (limit value <125%)	0.0	0.0	34.5	11.1
Property exposure (limit value <25%)	14.6	10.4	13.6	11.4
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	346.5

# Income from securities - the Nykredit Realkredit Group

## Net income from securites

DKK million	2012	2013	2014	2015
Core income from securities	212	118	130	38
Investment portfolio income	2,444	1,887	779	853
<b>Total investment portfolio income through profit or loss</b>	<b>2,656</b>	<b>2,005</b>	<b>909</b>	<b>891</b>
Investment portfolio income through equity	(176)	(301)	258	19
<b>Total investment portfolio income</b>	<b>2,479</b>	<b>1,703</b>	<b>1,167</b>	<b>911</b>
- of which bonds	1,867	819	534	500
- of which equity	108	318	206	135
- of which strategic equities	309	405	281	192
- of which others	196	161	146	83

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.

# Ratios and keyfigures – the Nykredit Realkredit Group

## Keyfigures

DKK million	2011	2012	2013	2014	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%	0.09%
Banking	0.42%	0.55%	0.29%	0.20%	(0.12%)
<b>Write-offs</b>					
Mortgage lending	634	1,024	949	1,042	1,060
Banking	2,217	848	613	651	651
Swaps	-	63	148	100	106
<b>Total provisions for loan impairment</b>					
Mortgage lending	2,485	2,954	4,378	5,507	5,694
Banking (including guarantees excluding financial institutions)	4,407	4,139	4,078	3,665	2,951
Swaps	755	1,496	2,229	5,421	5,088
<b>Total provisions for loan impairment/write-offs</b>					
Mortgage lending	3.9	2.9	4.6	5.3	5.4
Banking	2.0	4.9	6.7	5.6	4.5
Swaps	-	23.7	15.1	54.2	48.0

## Ratios

%	2011	2012	2013	2014	2015
Return on average equity, %	0.30%	4.55%	2.88%	-0.47%	5.14%
Return on assets, %	0.08%	0.18%	0.12%	-0.02%	0.22%
Return on REA, %	0.32%	0.79%	0.48%	-0.08%	1.03%

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	2015
Tier 1 capital ratio, %	17.1%	19.1%	18.9%	17.2%	20.5%
Common Equity Tier 1 (CET1) capital ratio, %	13.9%	15.8%	15.8%	15.4%	19.4%
Leverage ratio, %*	-	-	-	4.0%	4.4%

\* Previous years not computed.

## Ratios

DKK million	2011	2012	2013	2014	2015
<b>The Nykredit Realkredit Group</b>					
CET1, fully loaded <sup>1</sup>	-	-	-	54,241	60,257
Distance to MDA, not fully loaded <sup>2</sup>	-	-	-	-	38,351
Distance to MDA, fully loaded <sup>1, 3</sup>	-	-	-	26,198	35,589
Available Distributable Items (ADI)	-	-	-	-	26,230 <sup>4</sup>
<b>Nykredit Realkredit A/S</b>					
CET1, fully loaded <sup>1</sup>	-	-	-	54,308	60,249
Distance to MDA, not fully loaded <sup>2</sup>	-	-	-	-	34,465
Distance to MDA, fully loaded <sup>1, 3</sup>	-	-	-	25,791	32,453
Available Distributable Items (ADI)	-	-	-	-	27,427 <sup>5</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

<sup>3</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 345bn. for Nykredit Realkredit Group and approx. DKK 390bn. for Nykredit Realkredit A/S.

<sup>4</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 74.5bn. Maximum capital requirement is the transitional floor of DKK 48.3bn. Hence at least DKK 26.2bn is available for distribution in line with the CRR definition.

<sup>5</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 74.1bn. Maximum capital requirement is the transitional floor of DKK 36.7bn. However retained earnings amount to DKK 27.4bn and that is the maximum amount available for distribution.

# Mortgage lending

Mortgage lending, nominal value, DKKm



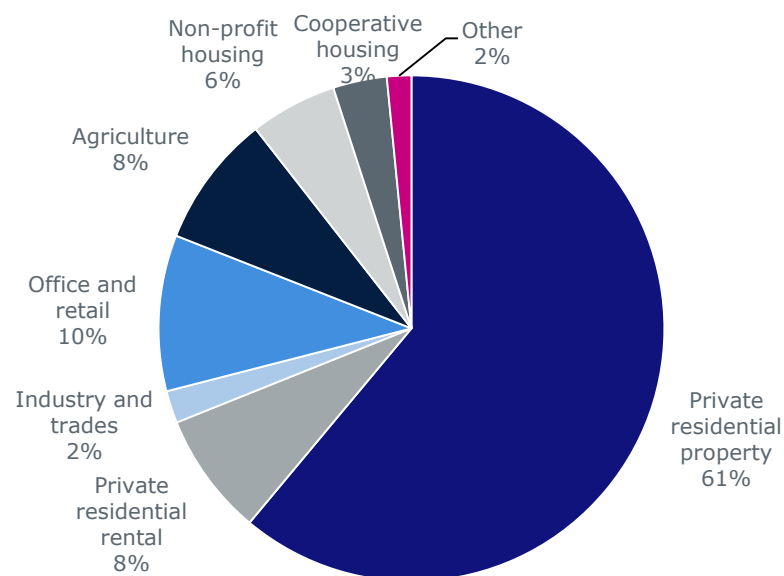
Mortgage lending by property type (excl.private residential property), nominal value,DKKm



# Mortgage lending

## Mortgage lending – by property type

DKK million, nominal value	2012	2013	2014	2015	Average impairment losses 2012 - 2015	Average write-offs 2012 - 2015
Private residential property	682,969	689,057	674,974	680,401	0.20%	0.15%
Private residential rental	75,489	79,692	87,575	87,757	0.36%	0.23%
Industry and trades	23,635	25,119	25,058	22,999	0.44%	0.74%
Office and retail	112,444	111,215	110,874	111,093	0.25%	0.20%
Agriculture	97,688	97,217	95,982	94,438	0.52%	0.14%
Non-profit housing	60,060	61,385	61,050	61,941	-0.13%	-0.01%
Cooperative housing	39,066	38,649	38,481	38,318	0.29%	0.01%
Other	17,444	17,636	17,750	17,374	0.16%	0.24%
<b>Total</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,111,744</b>	<b>1,114,321</b>	<b>0.24%</b>	<b>0.16%</b>



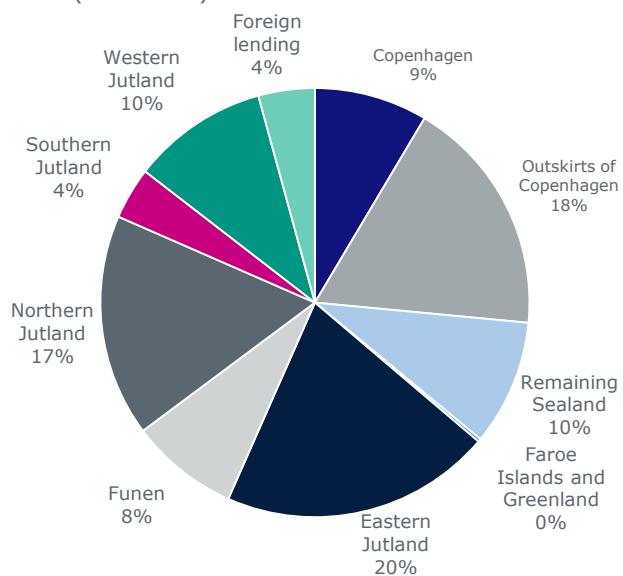
Note: The breakdown by property type is not directly comparable with the Group's business areas. Impairment losses and write-offs has been annualized for the calculation of average impairment losses and average write-offs.

# Mortgage lending

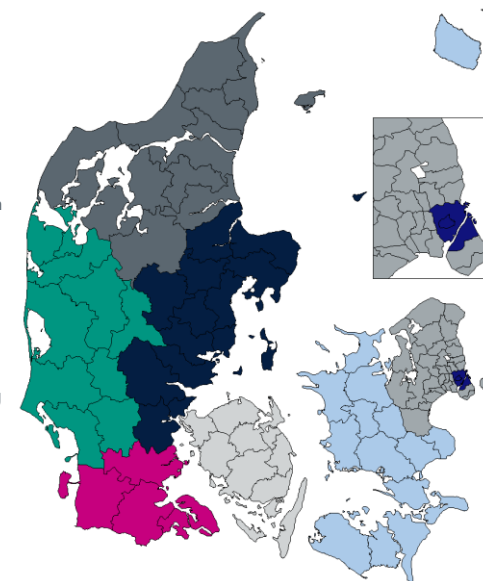
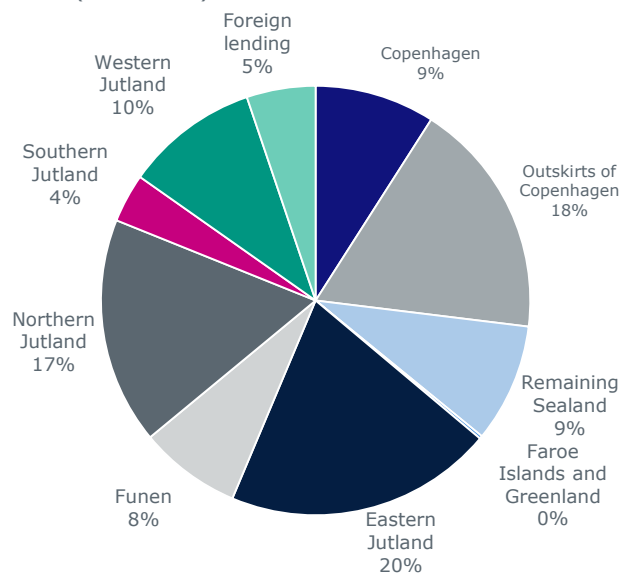
## Mortgage lending at nominal value by geography

DKK billion	2011	2012	2013	2014	2015
Copenhagen	91	96	98	99	101
Outskirts of Copenhagen	192	198	199	197	199
Remaining Sealand	101	102	102	102	100
Faroe Islands and Greenland	2	3	3	3	2
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	112
Foreign lending	45	55	56	56	58

2011 (DKK billion)

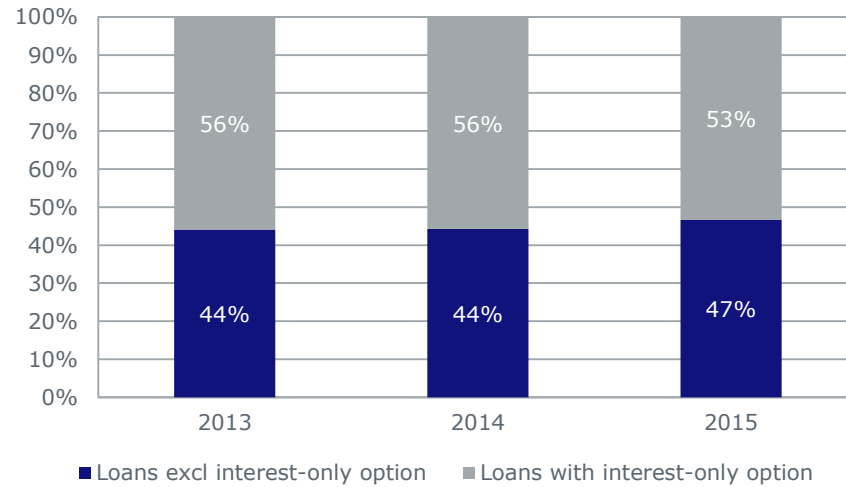


2015 (DKK billion)

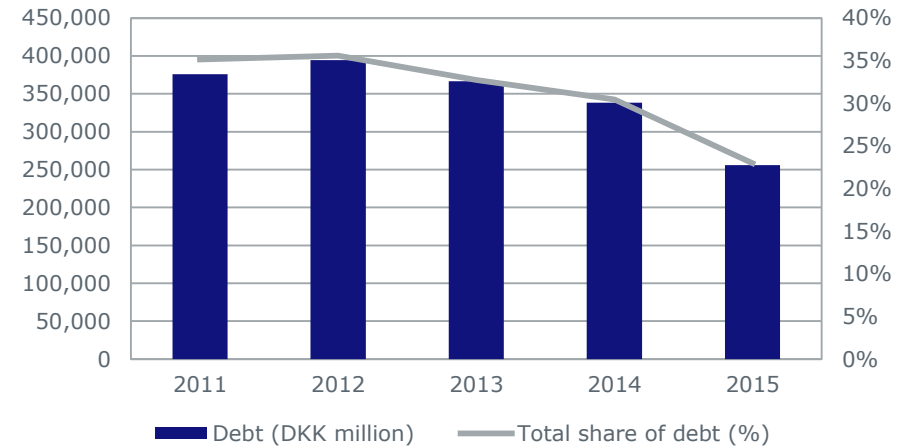


# Mortgage lending

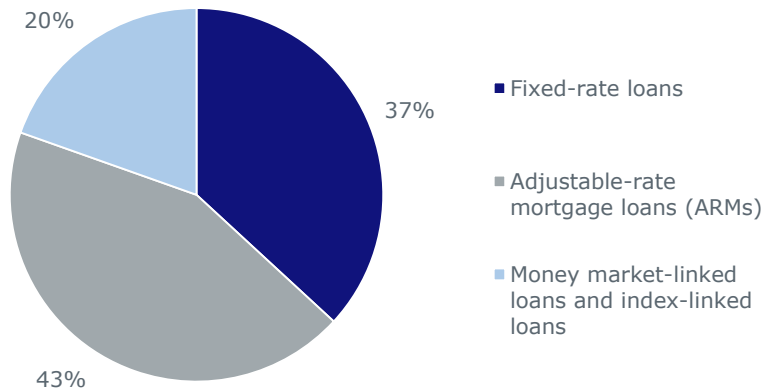
Bond dept outstanding by loan and interest type, all segments



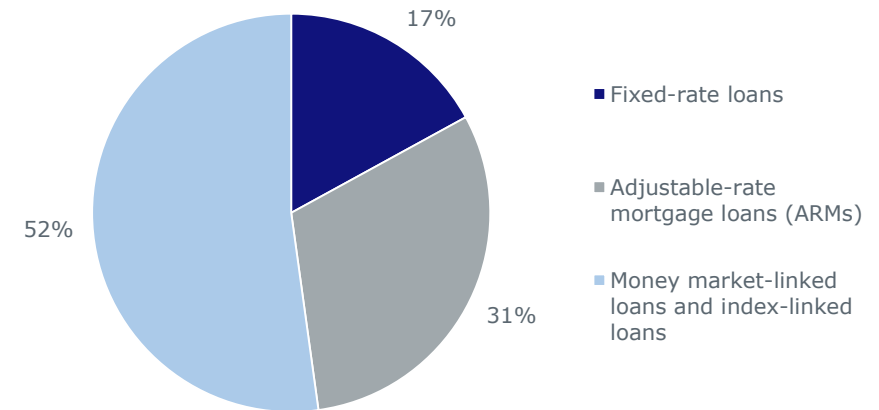
Variable-rate loans with refinancing within one year (ARMs, money market-linked and index-linked), debt outstanding with maturity less than 1 year, all segments, variable-rate loans.



Mortgage lending by loan type, private residential properties, 2015

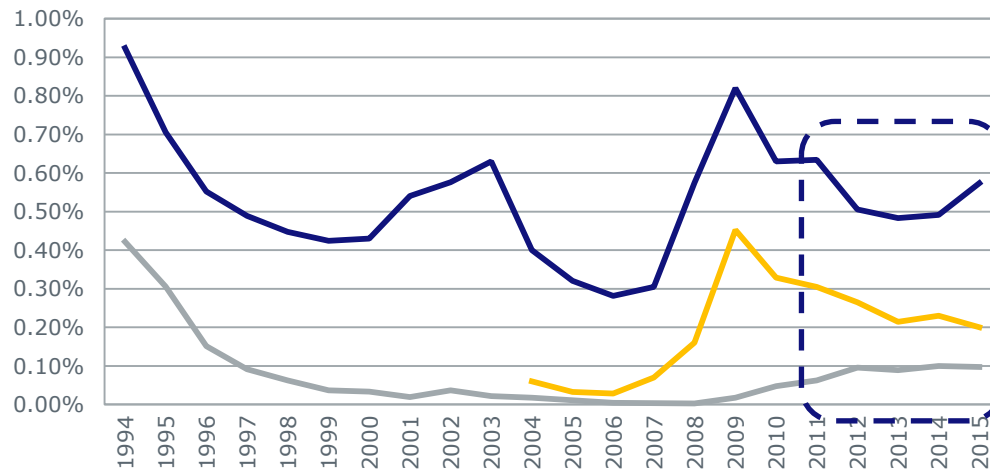


Mortgage lending by loan type, commercial, 2015



# Arrears – mortgage lending

Arrears - 75 days past due, %

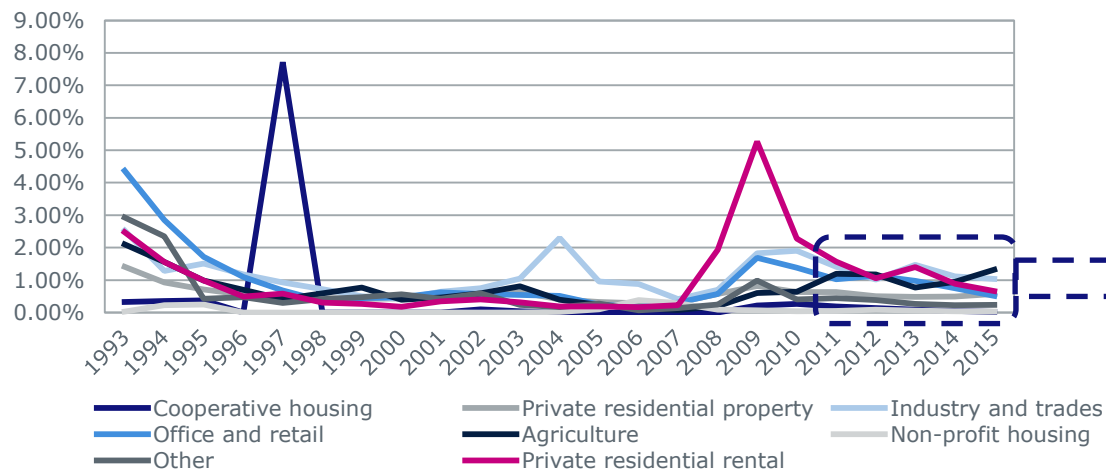


— Nykredit - Privat residential property — Totalkredit — Write-offs

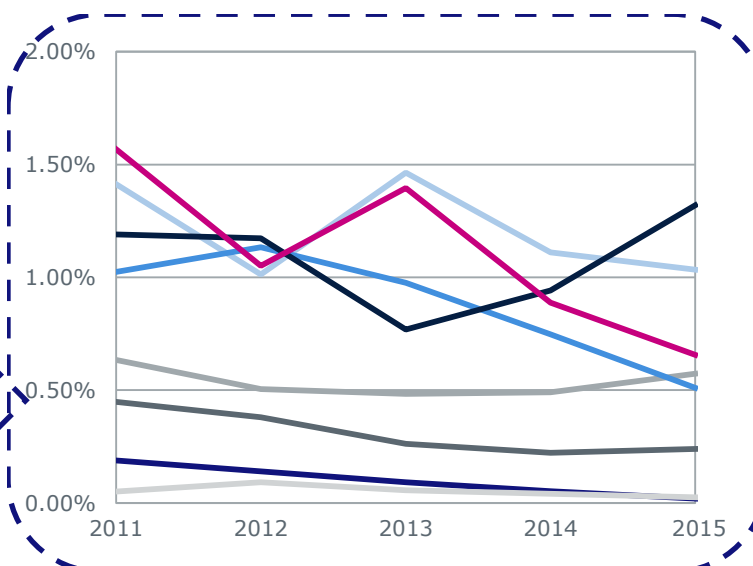
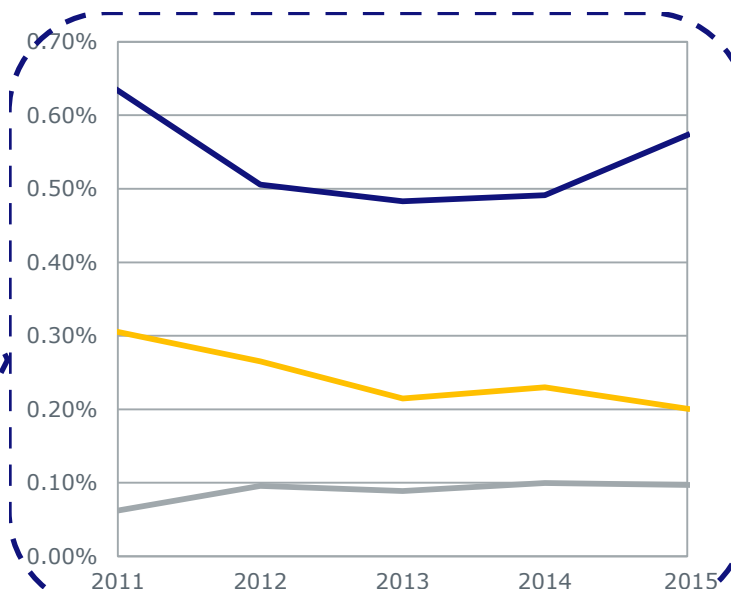
Note: Totalkredit has been consolidated with Nykredit Realkredit from 10 November 2003.

2015 write-offs has not been annualized.

Arrears, 75 days past due, %

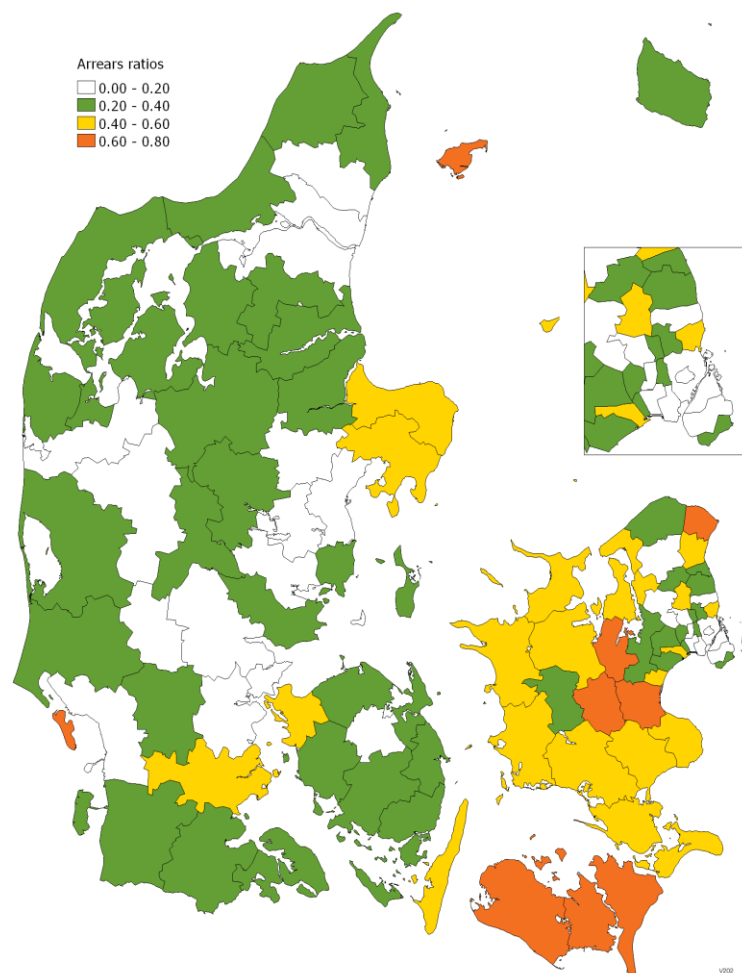


— Cooperative housing — Office and retail — Other — Private residential property — Agriculture — Private residential rental — Industry and trades — Non-profit housing

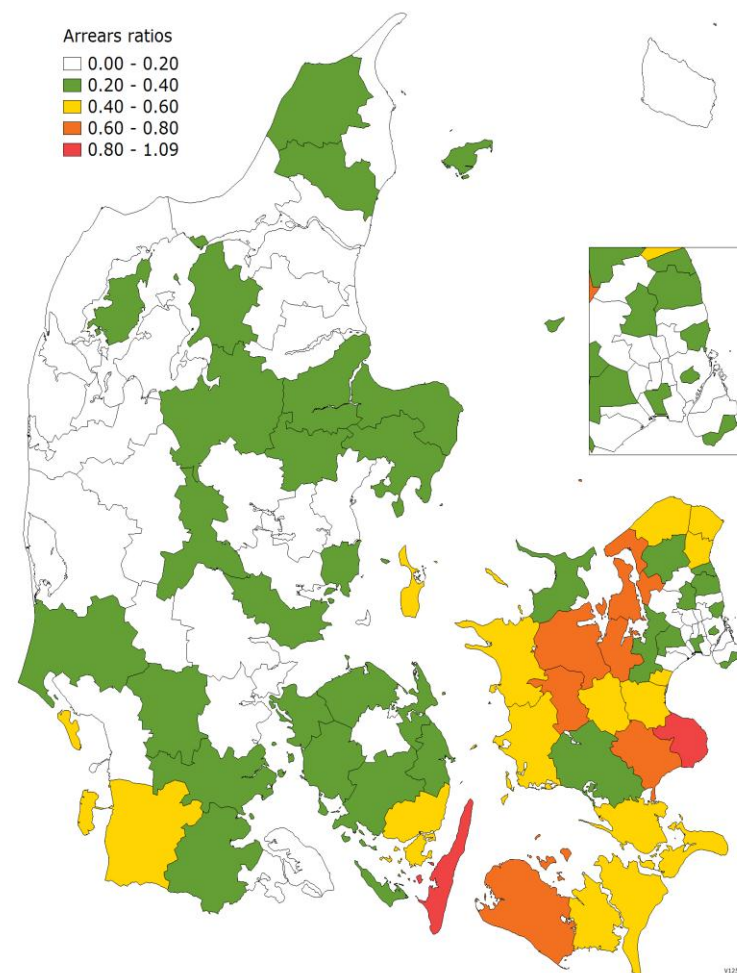


## Geographical distribution of arrears/total mortgage lending – private residential property, mortgage lending

75 day-arrears, 2014

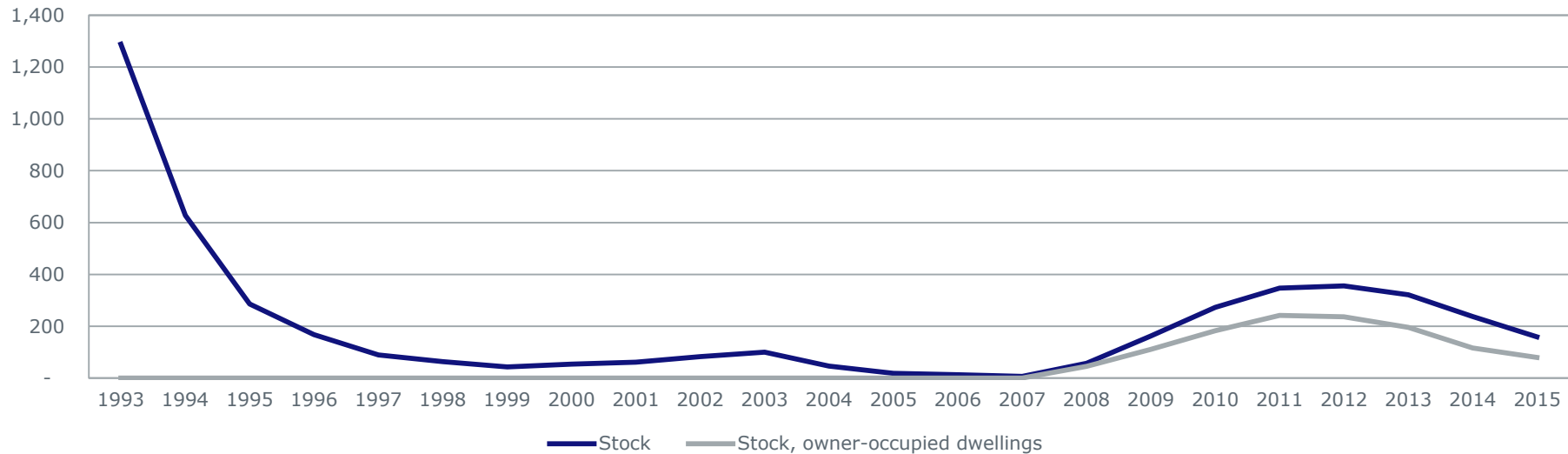


75 day-arrears, 2015

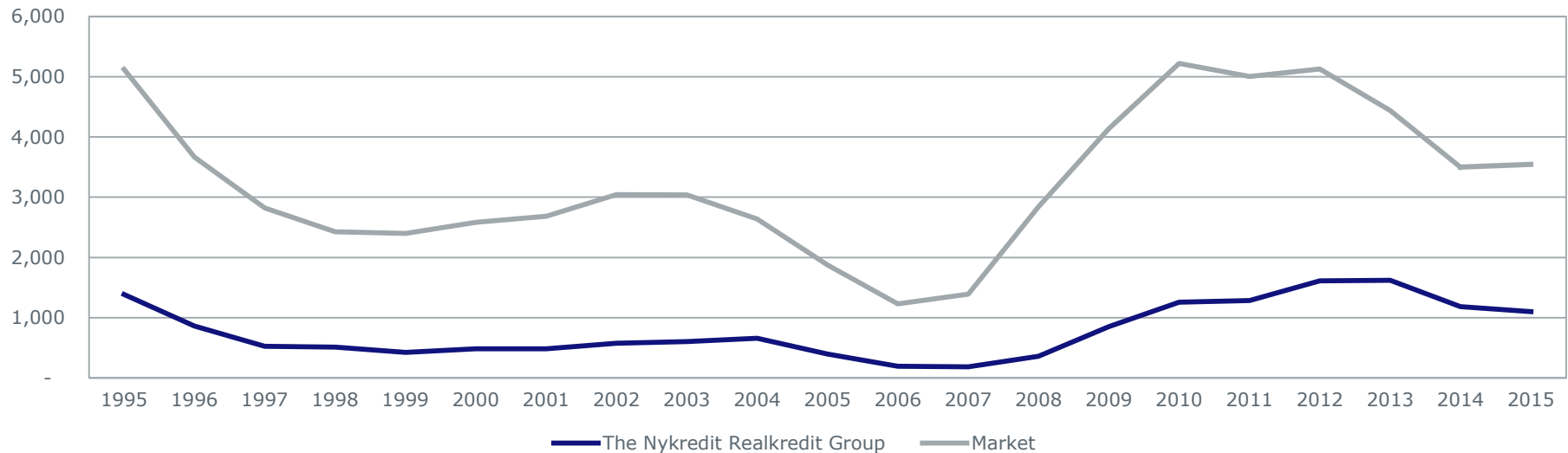


# Reposessed properties and forced sales

Reposessions, The Nykredit Realkredit Group



Forced sales in Denmark





# Risk relating to mortgage lending

## Debt outstanding relative to estimated property values, continuous distribution Q4 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	410,936	157,389	89,915	16,487	4,215	51	678,993	32	70
Private residential rental	77,995	28,102	13,618	2,889	1,195	-	123,799	31	67
Industry and trades	18,948	3,340	424	148	100	-	22,960	22	49
Office and retail	81,972	24,103	4,419	1,062	633	(764)	111,425	25	56
Agriculture	69,437	18,079	6,789	1,663	769	-	96,737	26	58
Other	13,320	3,009	875	68	74	-	17,347	23	52
<b>Total Q4 2015</b>	<b>672,531</b>	<b>234,022</b>	<b>116,041</b>	<b>22,317</b>	<b>6,986</b>	<b>67,204</b>	<b>1,119,101</b>	<b>30</b>	<b>65</b>
<b>Total Q4 2014</b>	<b>653,815</b>	<b>235,800</b>	<b>134,014</b>	<b>34,828</b>	<b>10,648</b>	<b>68,878</b>	<b>1,137,983</b>	<b>31</b>	<b>69</b>

3,74% of total lending is outside statutory LTV limits

## Debt outstanding relative to estimated property values, Q4 2015 continuous distribution, The Nykredit Realkredit Group

%	0-40	40-60	60-80	80-100	Over 100
Private residential property	61	23	13	2	1
Private residential rental	63	23	11	2	1
Industry and trades	83	15	2	1	0
Office and retail	73	21	4	1	1
Agriculture	72	19	7	2	1
Other	77	17	5	0	0
<b>Total Q4 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	80%
Private residential rental properties	80%
Non-profit housing	80%
Youth housing	80%
Senior housing	80%
Properties used for social, cultural or educational purposes	60%
Holiday homes	60%
Agricultural and forestry properties, market gardens etc**	60%
Office and retail properties**	60%
Industry and trades properties**	60%
Utilities	60%
Other properties - including undeveloped land	40%

# Risk relating to mortgage lending

## Debt outstanding distributed by the top part relative to estimated property values, Q4 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	70,339	164,314	288,731	121,563	33,917	-	678,865	32	70
Private residential rental	31,390	41,704	32,589	11,731	6,385	-	123,799	31	67
Industry and trades	9,918	10,700	1,470	477	395	-	22,960	22	49
Office and retail	36,711	52,918	16,106	3,775	2,678	-	112,189	25	56
Agriculture	43,958	30,162	15,384	4,799	2,434	-	96,737	26	58
Other	9,423	5,399	2,111	211	202	-	17,347	23	52
<b>Total Q4 2015</b>	<b>201,739</b>	<b>305,198</b>	<b>356,392</b>	<b>142,556</b>	<b>46,012</b>	<b>67,204</b>	<b>1,119,101</b>	<b>30</b>	<b>65</b>
<b>Total Q4 2014</b>	<b>187,831</b>	<b>280,076</b>	<b>319,433</b>	<b>209,429</b>	<b>72,335</b>	<b>68,878</b>	<b>1,137,983</b>	<b>31</b>	<b>69</b>

19,98% of total lending is outside statutory LTV limits

## Debt outstanding distributed by the top part relative to estimated property values, Q4 2015

### The Nykredit Realkredit Group

%	0-40	40-60	60-80	80-100	Over 100
Private residential property	10	24	43	18	5
Private residential rental	25	34	26	9	5
Industry and trades	43	47	6	2	2
Office and retail	33	47	14	3	2
Agriculture	45	31	16	5	3
Other	54	31	12	1	1
<b>Total Q4 2015</b>	<b>19</b>	<b>29</b>	<b>34</b>	<b>14</b>	<b>4</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%.

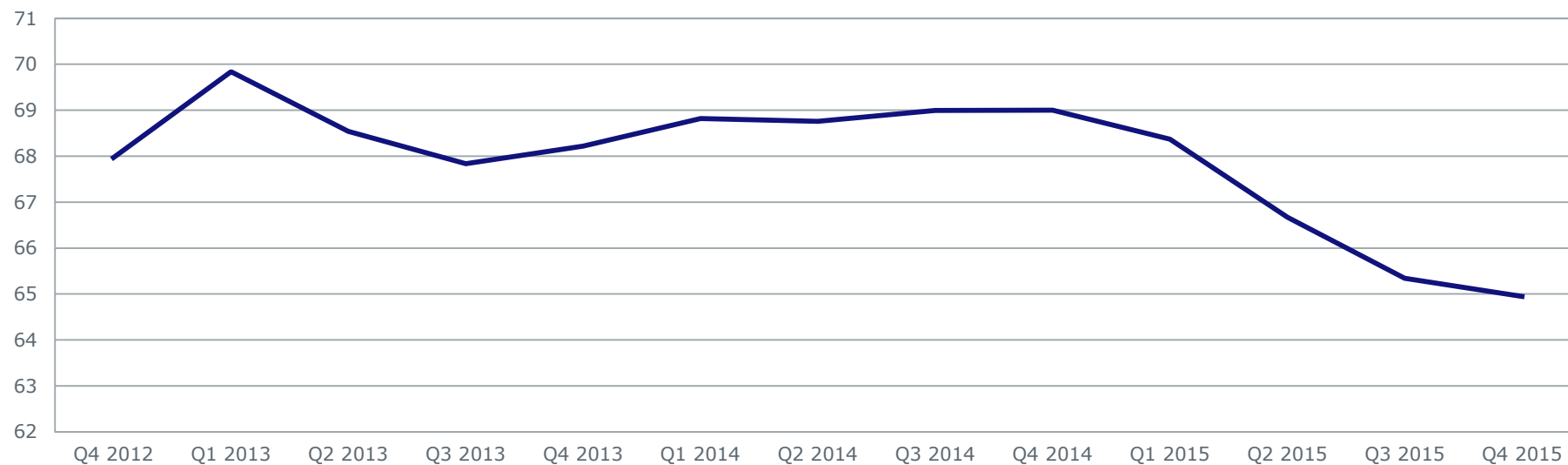
(\*\*) The LTV limit may be extended up to 70% against supplementary collateral for the part in excess in 60%.

## Statutory LTV limits by property category

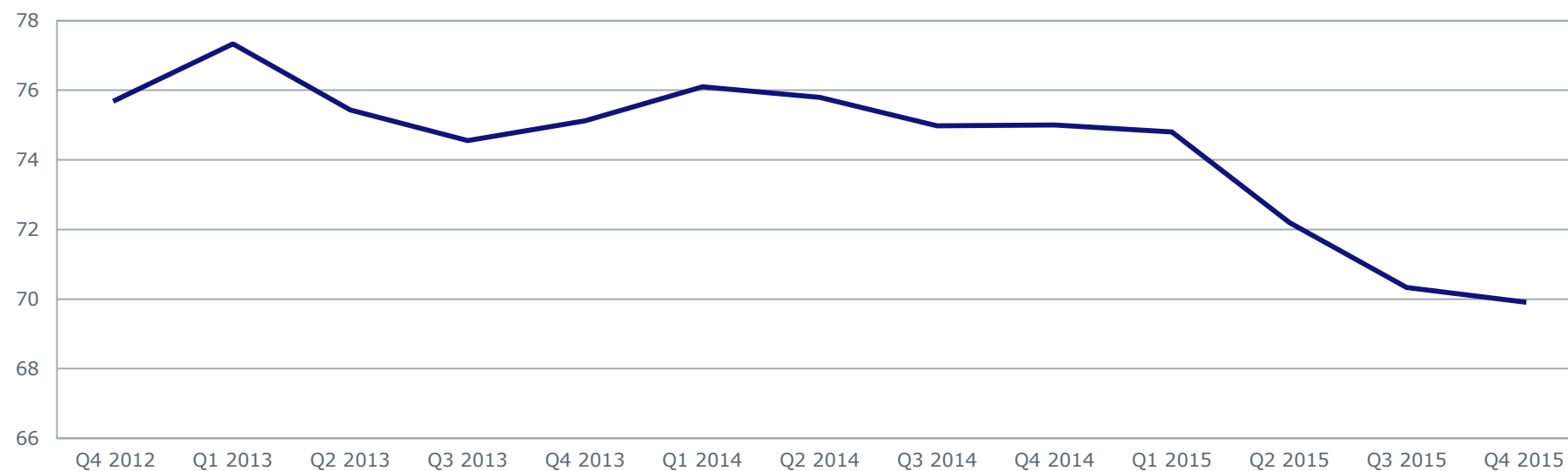
Private residential property for all-year habitation	80%*
Private cooperative housing	80%
Private residential rental properties	80%
Non-profit housing	80%
Youth housing	80%
Senior housing	80%
Properties used for social, cultural or educational purposes	60%
Holiday homes	60%
Agricultural and forestry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

# LTV

Average LTV - all segments, %

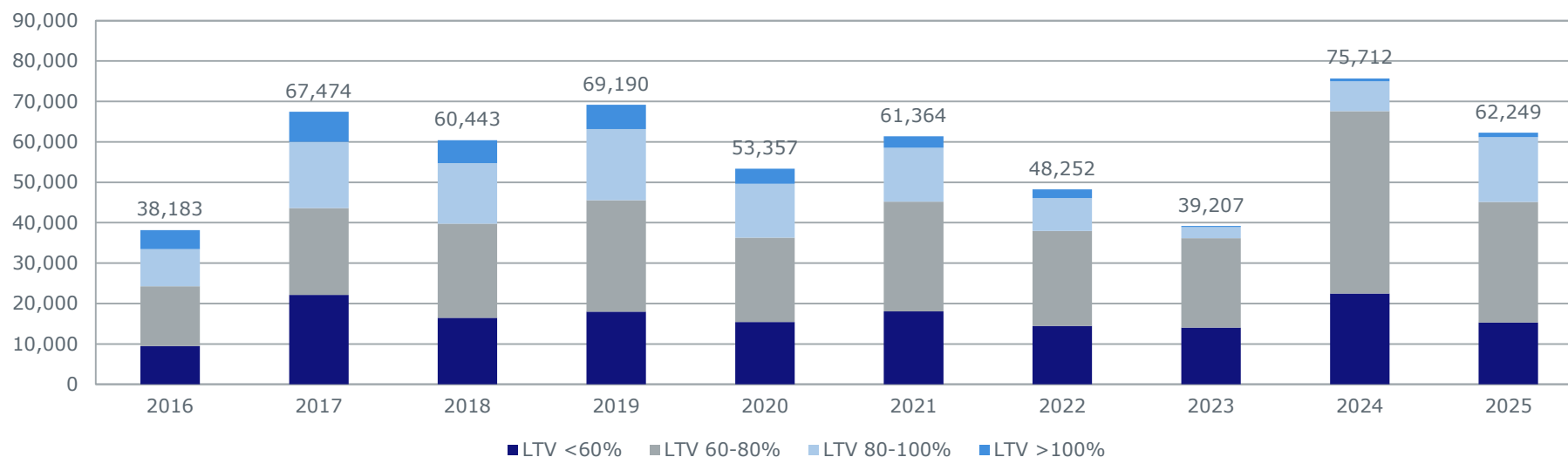


Average LTV - private residential properties, %

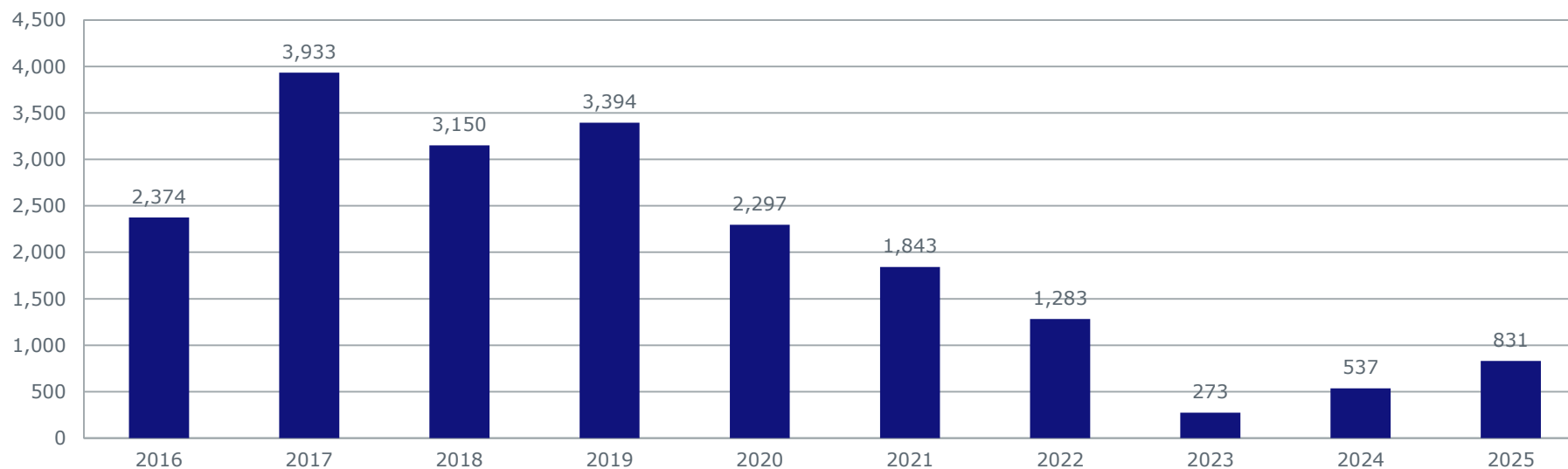


# Expiry of interest-only period – mortgage lending

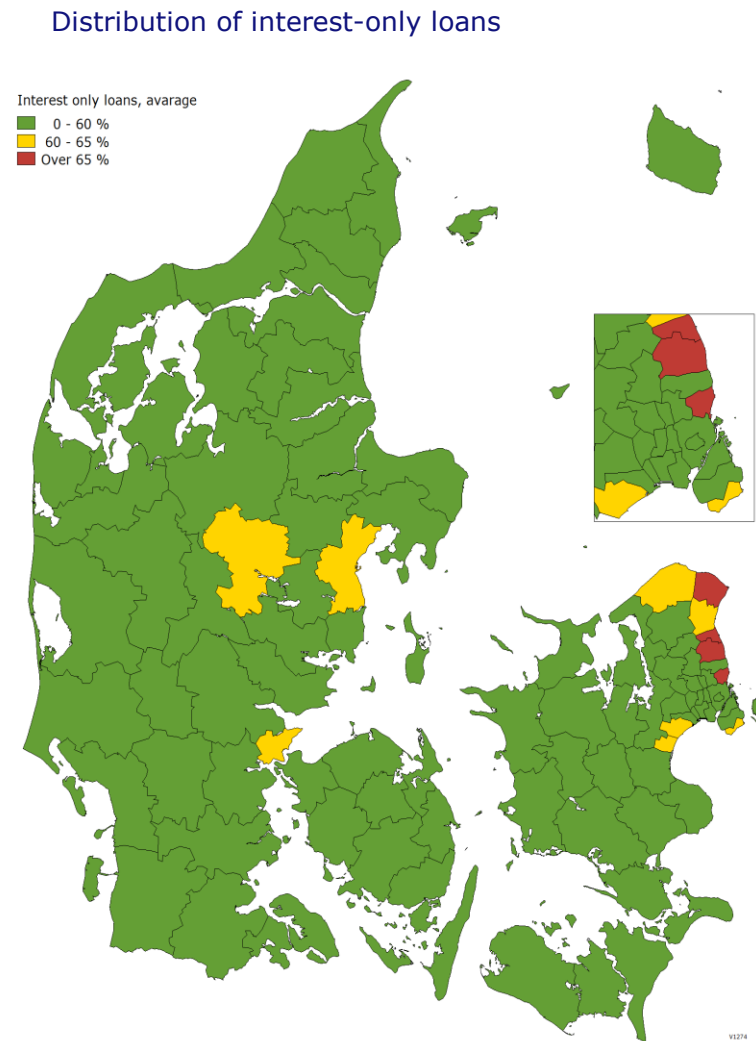
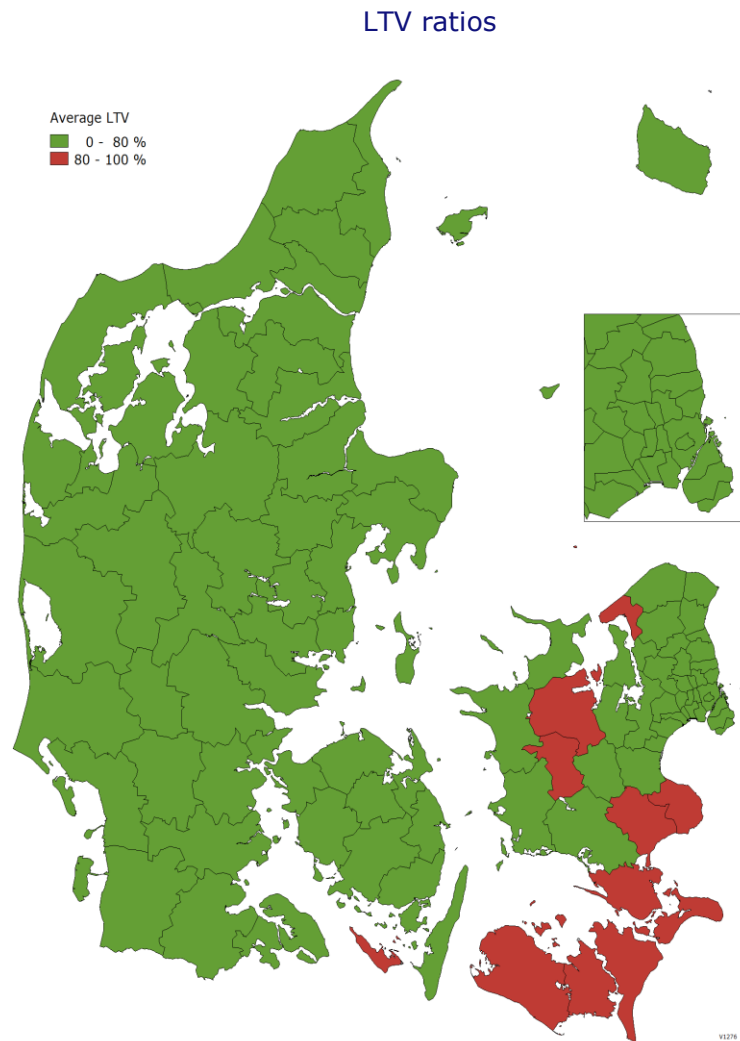
LTV distribution - size of loans by interest-only expiry, DKKm



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



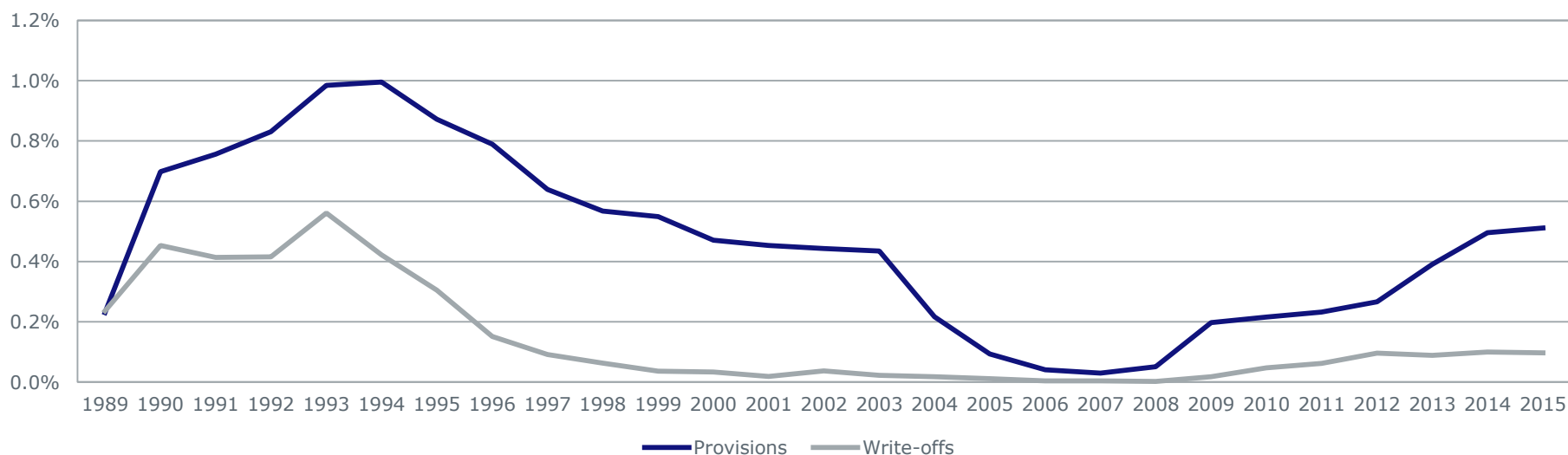
# Interest-only loans prevalent where LTVs are low



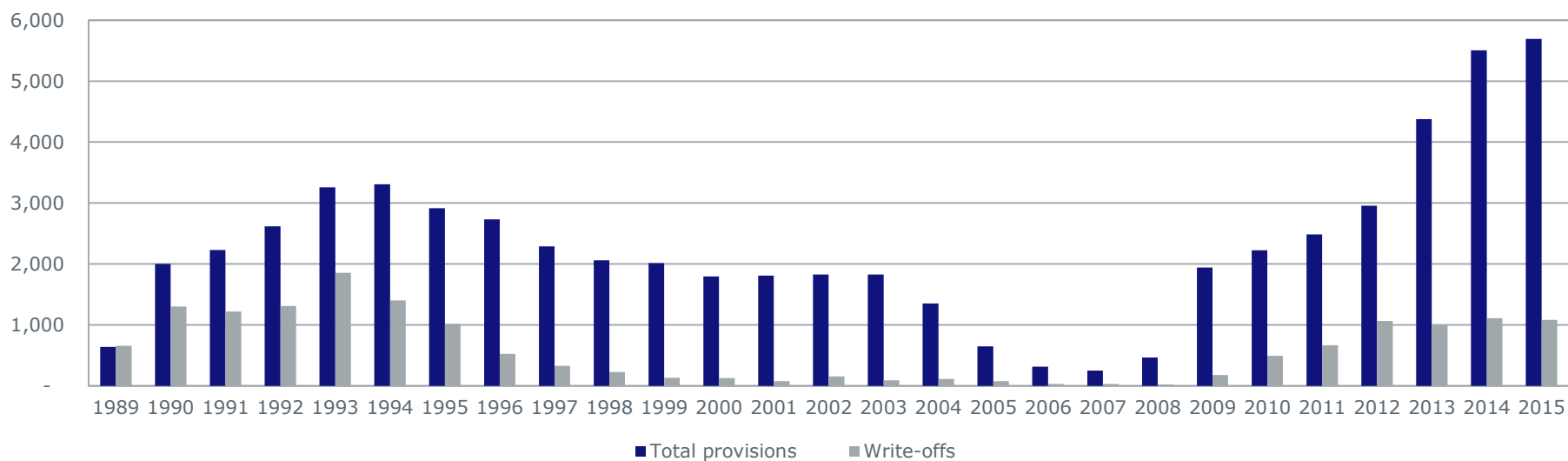
Note: Private residential lending in municipalities with above 80% LTVs and low marketability (above national average of 200 days on market) amounts to 6.2% of total private residential mortgage lending at end-Q2 2015.

# Impairment provisions and write-offs – mortgage lending

Provisions and write-offs as % of loans and advances



Impairment provisions and write-offs, DKKm



# Impairment provisions and losses – mortgage lending

## Total impairment provisions – by property type

DKK million	2012	2013	2014	2015
Private residential property	641	993	927	888
Private residential rental	372	465	495	586
Industry and trades	143	218	257	242
Office and retail	303	555	506	517
Agriculture	440	494	856	1,096
Non-profit housing	20	40	90	40
Cooperative housing	64	307	1,012	886
Other	69	131	126	96
<b>Total Nykredit Realkredit</b>	<b>2,051</b>	<b>3,204</b>	<b>4,270</b>	<b>4,351</b>
Totalkredit	899	1,174	1,236	1,343
<b>Total impairment provisions from mortgage lending</b>	<b>2,954</b>	<b>4,378</b>	<b>5,506</b>	<b>5,694</b>

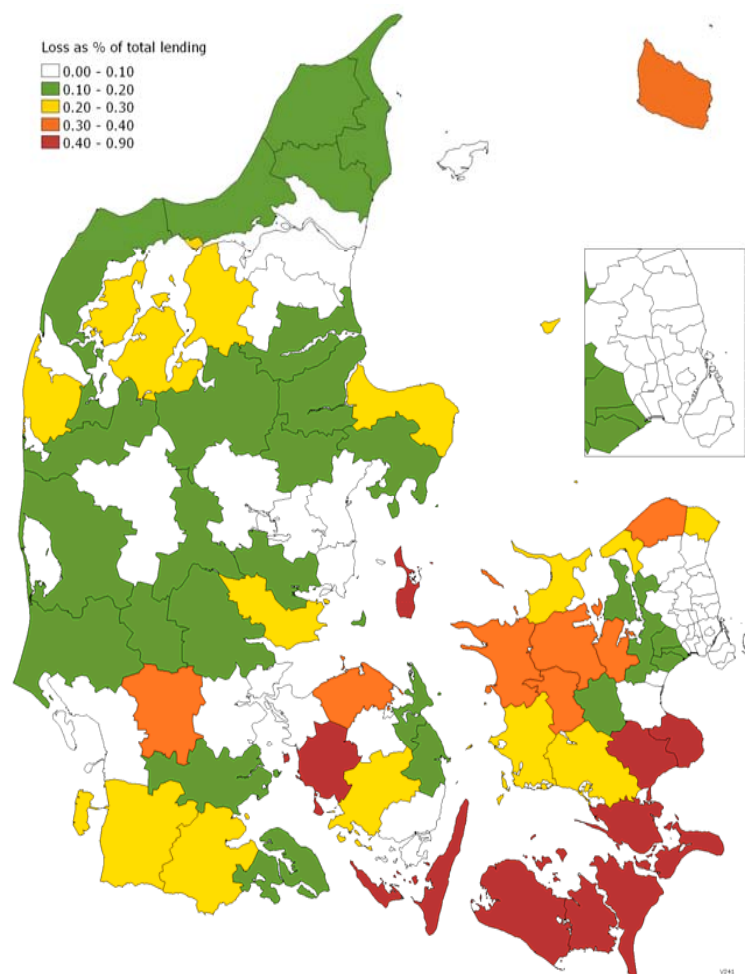
Note: Provisions include individual and collective provisions (including provisions from management judgement)

## Impairment losses – by property type

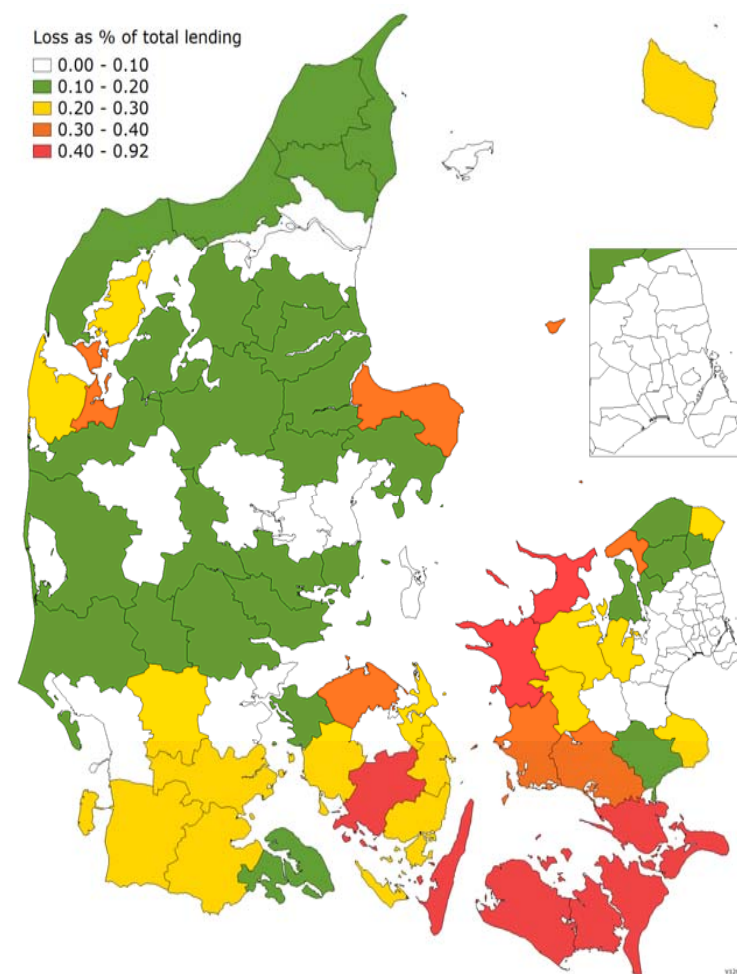
DKK million	2012	2013	2014	2015
Private residential property	558	629	145	108
Private residential rental	157	189	153	174
Industry and trades	43	114	98	43
Office and retail	207	399	91	106
Agriculture	61	150	441	342
Non-profit housing	15	22	51	(57)
Cooperative housing	(5)	248	706	(126)
Other	20	75	26	(2)
<b>Total Nykredit Realkredit</b>	<b>1,057</b>	<b>1,837</b>	<b>1,723</b>	<b>586</b>
Totalkredit	782	901	676	884
<b>Total impairment losses from mortgage lending</b>	<b>1,839</b>	<b>2,727</b>	<b>2,388</b>	<b>1,470</b>
Set-offs, Totalkredit	(254)	(333)	(270)	(349)
<b>Total impairment losses from mortgage lending after set-offs</b>	<b>1,584</b>	<b>2,394</b>	<b>2,117</b>	<b>1,121</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, 2014



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





# Write-offs – mortgage lending

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

DKK million	2012	2013	2014	2015
Private residential property	241	281	262	152
Private residential rental	176	92	117	94
Industry and trades	68	41	67	136
Office and retail	123	89	142	136
Agriculture	88	110	69	67
Non-profit housing	3	2	1	(8)
Cooperative housing	4	5	1	-
Other	25	9	35	25
<b>Total Nykredit Realkredit</b>	<b>728</b>	<b>628</b>	<b>694</b>	<b>602</b>
Totalkredit	550	654	618	807
<b>Total write-offs from mortgage lending</b>	<b>1,278</b>	<b>1,282</b>	<b>1,312</b>	<b>1,409</b>
Set-offs, Totalkredit	(254)	(333)	(270)	(349)
<b>Total write-offs from mortgage lending after set-offs</b>	<b>1,024</b>	<b>949</b>	<b>1,042</b>	<b>1,060</b>

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

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

# Loans, advances and guarantees – bank lending

## Loans and advances

DKK million	2011	2012	2013	2014	2015
<b>Public sector</b>	<b>237</b>	<b>308</b>	<b>259</b>	<b>219</b>	<b>240</b>
Agriculture, hunting and forestry	2,102	1,638	1,640	1,810	1,785
Other corporate	60,111	69,079	89,153	70,970	72,565
<b>Total commercial</b>	<b>62,213</b>	<b>70,717</b>	<b>90,793</b>	<b>72,781</b>	<b>74,350</b>
<b>Personal customers</b>	<b>15,459</b>	<b>14,183</b>	<b>12,786</b>	<b>12,723</b>	<b>11,624</b>
<b>Total</b>	<b>77,909</b>	<b>85,208</b>	<b>103,838</b>	<b>85,722</b>	<b>86,214</b>

## Guarantees

DKK million	2011	2012	2013	2014	2015
<b>Public sector</b>	<b>305</b>	<b>205</b>	<b>234</b>	<b>377</b>	<b>56</b>
Agriculture, hunting and forestry	346	319	386	1,420	599
Other corporate	5,314	5,816	5,997	8,098	6,055
<b>Total commercial</b>	<b>5,660</b>	<b>6,135</b>	<b>6,383</b>	<b>9,518</b>	<b>6,654</b>
<b>Personal customers</b>	<b>4,177</b>	<b>5,829</b>	<b>5,003</b>	<b>10,998</b>	<b>8,470</b>
<b>Total</b>	<b>10,142</b>	<b>12,169</b>	<b>11,620</b>	<b>20,893</b>	<b>15,180</b>

# Provisions – bank lending

## Provisions for individual loan impairments and guarantees

DKK million	2011	2012	2013	2014	2015
<b>Public sector</b>	-	4	-	-	-
Agriculture, hunting and forestry	107	162	168	130	89
Other corporate	3,377	3,205	3,002	2,507	2,189
<b>Total commercial</b>	<b>3,484</b>	<b>3,367</b>	<b>3,170</b>	<b>2,637</b>	<b>2,278</b>
<b>Personal customers</b>	<b>616</b>	<b>532</b>	<b>538</b>	<b>520</b>	<b>533</b>
<b>Total</b>	<b>4,100</b>	<b>3,903</b>	<b>3,708</b>	<b>3,157</b>	<b>2,811</b>

## Collective impairment provisions

DKK million	2011	2012	2013	2014	2015
<b>Public sector</b>	-	-	8	-	-
Agriculture, hunting and forestry	13	5	9	8	13
Other corporate	234	155	250	429	75
<b>Total commercial</b>	<b>247</b>	<b>160</b>	<b>259</b>	<b>437</b>	<b>88</b>
<b>Personal customers</b>	<b>61</b>	<b>76</b>	<b>103</b>	<b>72</b>	<b>53</b>
<b>Total</b>	<b>308</b>	<b>236</b>	<b>370</b>	<b>509</b>	<b>141</b>

## Total impairment provisions

DKK million	2011	2012	2013	2014	2015
<b>Public sector</b>	-	4	8	-	-
Agriculture, hunting and forestry	120	167	177	138	102
Other corporate	3,611	3,360	3,252	2,936	2,264
<b>Total commercial</b>	<b>3,731</b>	<b>3,527</b>	<b>3,429</b>	<b>3,074</b>	<b>2,366</b>
<b>Personal customers</b>	<b>677</b>	<b>608</b>	<b>641</b>	<b>592</b>	<b>586</b>
<b>Total</b>	<b>4,408</b>	<b>4,139</b>	<b>4,078</b>	<b>3,666</b>	<b>2,952</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	2015
Total impairment provisions, rating 0 (DKK million)	215	373	484	42
Bond debt outstanding with OEI (DKK million)	10,404	12,734	15,985	14,732
Total bond debt outstanding (DKK million)	1,108,797	1,119,970	1,111,744	1,114,321
Bond debt outstanding with OEI/total bond debt	0.9%	1.1%	1.4%	1.3%

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

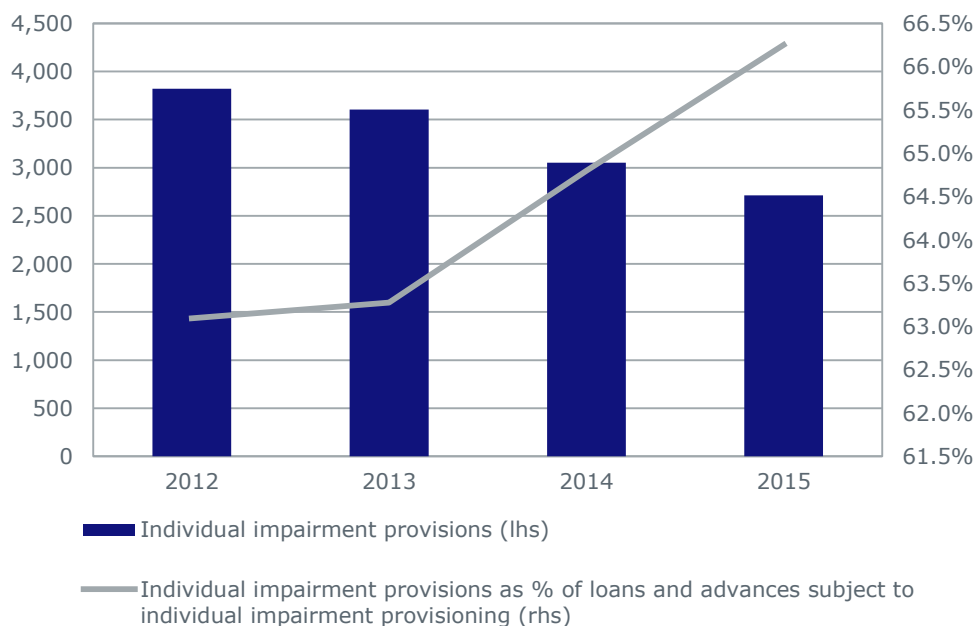
DKK million	2012	2013	2014	2015
Total impairment provisions, NPL (DKK million)	1,967	2,741	609	3,173
Bond debt outstanding, NPL (DKK million)	18,377	22,412	23,795	25,474
Total bond debt outstanding (DKK million)	1,108,797	1,119,970	1,111,744	1,114,321
Bond debt outstanding, NPL/total bond debt	1.7%	2.0%	2.1%	2.3%

# Non-performing loans (NPL) – bank lending

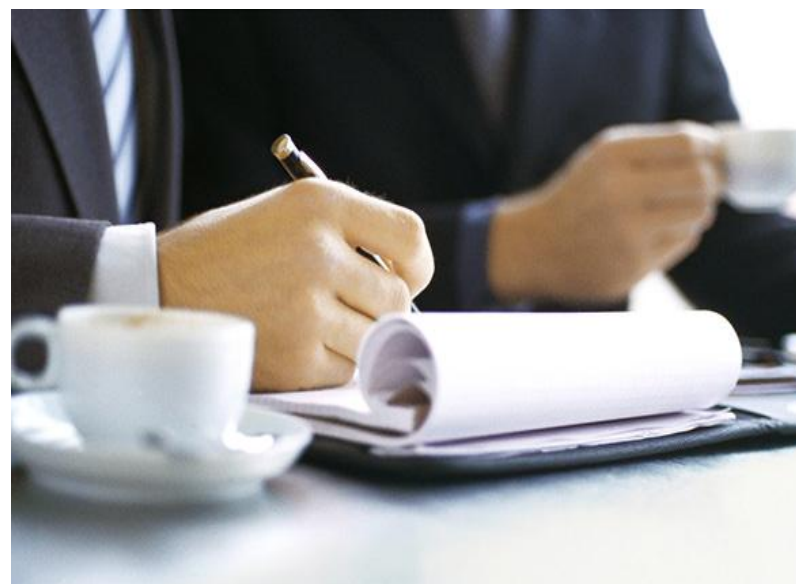
## Non performing bank loans (rating NPL)

DKK million	2012	2013	2014	2015
Individual impairment provisions	3,822	3,605	3,051	2,711
Non-performing loans of which loans and advances subject to individual impairment provisioning	6,057	5,697	4,708	4,092
Individual impairment provisions as % of loans and advances subject to individual impairment provisioning	63.1%	63.3%	64.8%	66.3%

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>Private and Commercial</b>
<b>Wholesale</b>	<b>Totalkredit Partners and Wholesale clients: CIB, 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>

In the overview of business areas below, costs in 2012 and 2013 are not directly comparable with costs in 2014 and 2015, as a number of expenses, including IT expenses and management-related costs, have been reallocated from Group Items to other business areas from and including 2014. The cost allocation from before 2014 has not been restated.

## Core income – business areas

### Core income – business areas

DKK million	2012	2013	2014	2015
<b>Core income</b>				
Retail	5,258	5,839	4,474	6,646
Totalkredit Partners	1,481	1,572	2,440	2,522
Wholesale clients	2,292	1,874	859	2,838
Group items	(356)	(448)	(432)	(224)
<b>Total core income</b>	<b>8,445</b>	<b>8,838</b>	<b>7,341</b>	<b>11,783</b>

### Lending and deposits – business areas

DKK million	2012	2013	2014	2015
<b>Mortgage lending (nominal)</b>				
Retail	448,337	445,490	442,147	435,914
-of which Nykredit Realkredit	423,701	408,432	386,093	361,462
-of which Totalkredit	24,635	37,057	56,054	74,454
Totalkredit Partners	484,980	494,677	484,596	494,250
Wholesale clients	175,480	179,803	185,002	184,158
<b>Total mortgage lending</b>	<b>1,108,797</b>	<b>1,119,970</b>	<b>1,111,744</b>	<b>1,114,324</b>
<b>Bank lending</b>				
Retail	25,529	26,740	28,006	27,054
Wholesale clients	21,114	20,048	22,456	19,685
Group items	2,968	175	33	8
<b>Total bank lending</b>	<b>49,727</b>	<b>46,963</b>	<b>50,494</b>	<b>46,747</b>
<b>Deposits</b>				
Retail	33,690	36,798	40,637	40,799
Wholesale clients	18,296	27,235	23,287	21,368
Group items	2,049	1,139	1,308	432
<b>Total deposits</b>	<b>54,509</b>	<b>65,172</b>	<b>65,232</b>	<b>62,599</b>

## Business areas – Retail

### Result – Retail

DKK million	2012	2013	2014	2015
<b>Core income from</b>				
Business operations	6,333	6,138	6,460	6,518
Impairment of goodwill and fixed-term rights	(929)	(179)	(1,857)	250
Senior debt	(147)	(119)	(129)	(122)
<b>Total core income</b>	<b>5,258</b>	<b>5,839</b>	<b>4,474</b>	<b>6,646</b>
Total costs*	3,029	3,049	3,420	3,441
<b>Core earnings before impairment losses</b>	<b>2,228</b>	<b>2,790</b>	<b>1,054</b>	<b>3,205</b>
Impairment losses on mortgage lending	1,056	1,612	1,506	739
Impairment losses on bank lending	526	403	79	55
<b>Core earnings after impairment losses</b>	<b>659</b>	<b>787</b>	<b>(531)</b>	<b>2,411</b>

\*In the overview of business areas below, costs in 2012 and 2013 are not directly comparable with costs in 2014 and 2015, as a number of expenses, including IT expenses and management-related costs, have been reallocated from Group Items to other business areas from and including 2014. The cost allocation from before 2014 has not been restated.

### Activity – Retail

DKK million	2012	2013	2014	2015
<b>Mortgage lending</b>				
Gross new lending	66,070	40,189	67,574	78,379
Portfolio at nominal value, end of period	448,337	445,490	442,147	435,914
Impairment losses for the period as % of loans and advances	0.24%	0.36%	0.34%	0.17%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,304	1,787	2,413	2,556
Collective impairment provisions	608	1,044	1,281	1,369
Total impairment provisions as % of loans and advances	0.43%	0.64%	0.84%	0.90%
<b>Banking</b>				
Loans and advances, end of period	25,529	26,740	28,006	27,054
Deposits, end of period	33,690	36,798	40,637	40,799
Impairment losses for the period as % of loans and advances*	1.95%	1.42%	0.25%	0.21%
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	2,003	2,126	1,864	1,696
Collective impairment provisions	140	196	114	88
Total impairment provisions as % of loans and advances	7.72%	7.99%	6.60%	6.19%
Guarantees, end of period	9,080	3,247	4,357	4,342
Provisions for guarantees, end of period	73	48	51	44

\*Including impairment losses from guarantees



# Business areas – Wholesale

## -Total for Totalkredit Partners and Wholesale clients

### Result – Wholesale

DKK million	2012	2013	2014	2015
<b>Core income from</b>				
Business operations	4,202	4,365	5,030	5,381
Impairment of goodwill and fixed-term rights	(140)	(597)	(1,505)	160
Senior debt	(290)	(322)	(226)	(181)
<b>Total core income</b>	<b>3,773</b>	<b>3,447</b>	<b>3,299</b>	<b>5,360</b>
Total costs*	1,847	1,839	1,486	3,393
<b>Core earnings before impairment losses</b>	<b>1,926</b>	<b>1,608</b>	<b>1,813</b>	<b>1,968</b>
Impairment losses on mortgage lending	549	804	614	302
Impairment losses on bank lending	38	(28)	137	(176)
<b>Core earnings after impairment losses</b>	<b>1,339</b>	<b>832</b>	<b>1,063</b>	<b>1,842</b>

\*In the overview of business areas below, costs in 2012 and 2013 are not directly comparable with costs in 2014 and 2015, as a number of expenses, including IT expenses and management-related costs, have been reallocated from Group Items to other business areas from and including 2014. The cost allocation from before 2014 has not been restated.

## Business areas – Totalkredit partners

### Result – Totalkredit partners

DKK million	2012	2013	2014	2015
<b>Core income from</b>				
Business operations	1,744	1,875	2,650	2,690
Senior debt	(263)	(302)	(210)	(168)
<b>Total core income</b>	<b>1,481</b>	<b>1,572</b>	<b>2,440</b>	<b>2,522</b>
Total costs*	932	930	423	2,415
<b>Core earnings before impairment losses</b>	<b>549</b>	<b>642</b>	<b>2,017</b>	<b>107</b>
Impairment losses on mortgage lending	508	554	361	411
<b>Core earnings after impairment losses</b>	<b>41</b>	<b>88</b>	<b>1,655</b>	<b>(304)</b>

\*In the overview of business areas below, costs in 2012 and 2013 are not directly comparable with costs in 2014 and 2015, as a number of expenses, including IT expenses and management-related costs, have been reallocated from Group Items to other business areas from and including 2014. The cost allocation from before 2014 has not been restated.

### Activity – Totalkredit partners

DKK million	2012	2013	2014	2015
<b>Mortgage lending</b>				
Gross new lending	115,392	56,238	89,411	137,478
Portfolio at nominal value, end of period	484,980	494,677	484,596	494,250
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	502
Collective impairment provisions	429	681	657	729
Total impairment provisions as % of loans and advances	0.18%	0.23%	0.24%	0.25%

## Business areas – Wholesale clients

### Result – Wholesale clients

DKK million	2012	2013	2014	2015
<b>Core income from</b>				
Business operations	2,458	2,491	2,380	2,691
Impairment of goodwill and fixed-term rights	(140)	(597)	(1,505)	160
Senior debt	(26)	(20)	(16)	(13)
<b>Total core income</b>	<b>2,292</b>	<b>1,874</b>	<b>859</b>	<b>2,838</b>
Total costs*	915	909	1,063	978
<b>Core earnings before impairment losses</b>	<b>1,377</b>	<b>966</b>	<b>(204)</b>	<b>1,861</b>
Impairment losses on mortgage lending	42	250	252	(109)
Impairment losses on bank lending	38	(28)	137	(176)
<b>Core earnings after impairment losses</b>	<b>1,298</b>	<b>744</b>	<b>(593)</b>	<b>2,146</b>

\*In the overview of business areas below, costs in 2012 and 2013 are not directly comparable with costs in 2014 and 2015, as a number of expenses, including IT expenses and management-related costs, have been reallocated from Group Items to other business areas from and including 2014. The cost allocation from before 2014 has not been restated.

### Activity – Wholesale clients

DKK million	2012	2013	2014	2015
<b>Mortgage lending</b>				
Gross new lending	36,106	26,739	35,430	37,814
Portfolio at nominal value, end of period	175,480	179,803	185,002	184,158
Impairment losses for the period as % of loans and advances	0.02%	0.14%	0.14%	(0.06%)
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	107	266	507	454
Collective impairment provisions	66	142	154	85
Total impairment provisions as % of loans and advances	0.10%	0.23%	0.36%	0.29%
<b>Banking</b>				
Loans and advances, end of period	21,114	20,048	22,456	19,685
Deposits, end of period	18,296	27,235	23,287	21,368
Impairment losses for the period as % of loans and advances*	0.16%	(0.13%)	0.57%	(0.85%)
<b>Total impairment provisions, end of period</b>				
Individual impairment provisions	1,729	1,419	1,131	962
Collective impairment provisions	81	174	395	53
Total impairment provisions as % of loans and advances	3.10%	7.36%	6.36%	4.90%
Guarantees, end of period	2,578	1,804	1,913	1,892
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>143,812</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>700,372</b>
of which the investment funds of the Nykredit Group	46,518	51,808	60,165	66,394

\*Including impairment losses from guarantees

## Business areas – Group items

### Result – Group items

DKK million	2012	2013	2014	2015
<b>Core income from</b>				
Business operations	(104)	(63)	20	45
Senior debt and net interest on subordinated debt	(465)	(503)	(581)	(308)
Securities	212	118	130	38
<b>Total core income</b>	<b>(356)</b>	<b>(448)</b>	<b>(432)</b>	<b>(225)</b>
Total costs*	678	1,160	1,048	197
<b>Core earnings before impairment losses</b>	<b>(1,034)</b>	<b>(1,608)</b>	<b>(1,480)</b>	<b>(422)</b>
Impairment losses on mortgage lending	-	10	11	-
Impairment losses on bank lending	12	(26)	4	-
<b>Core earnings after impairment losses</b>	<b>(1,046)</b>	<b>(1,592)</b>	<b>(1,495)</b>	<b>(422)</b>

### Activity – Group items

DKK million	2012	2013	2014	2015
<b>Banking</b>				
Loans and advances, end of period	2,968	175	33	8
Deposits, end of period	2,049	1,139	1,308	432
<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%	86.49%
Guarantees, end of period	512	1,260	1,276	708

# The Danish economy

## Nykredit's regional housing price forecasts

%	2013	2014	2015F*	2016F	2017F
<b>Houses – Denmark</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 – Denmark</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 - Denmark</b>	<b>(0.3)</b>	<b>(3.1)</b>	<b>4.4</b>	<b>1.7</b>	<b>1.3</b>

\*Actual 2015 data from the Association of Danish Mortgage Banks is not yet available

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%	(0.1%)	(0.2%)	1.3%
Inflation	2.3%	2.8%	2.4%	0.8%	0.6%
Public deficit as % of nominal GDP	(2.7%)	(2.1%)	(3.6%)	(1.1%)	1.2%
Balance of payment as % of nominal GDP	5.7%	5.7%	5.6%	7.1%	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

Note: Actual 2015 data is not yet available

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 economic statement and budget report, December 2015 (Økonomisk Redegørelse, december 2015), pp 69-92, 105-134 (in Danish), of the Danish Ministry of Finance (<http://www.fm.dk/publikationer/2015/oer-dec-15>).

# Definitions

Ratio	Definitions
Return on average equity, %	Profit (loss) for the year/period divided by average equity.
Tier 1 capital ratio, %	Tier 1 capital after deductions divided by risk exposure amount (REA).
Common Equity Tier 1 (CET1) capital ratio, %	Capital excl tier 1 after deductions divided by risk exposure amount (REA).
Leverage ratio, %	Tier 1 capital after deductions divided by leverage ratio exposures.
Net interest margin, %	Net interest income divided by the difference between average interest-bearing assets and average interest-bearing liabilities for the period.
Return on assets, %	Result for the period divided by average total assets.
Return on REA, %	Profit (loss) for the year/period after tax divided by average risk exposure amount.
Average number of full-time employees	The average number of full-time staff, determined on the basis of the Danish ATP method, excluding Nykredit Forsikring A/S and JN Data A/S.
Core income from business operations	Including value adjustment of derivatives, corporate bonds and junior covered bonds.
Total impairment provisions	The group's aggregate provisions for loan losses.
Impairment losses	Impairment losses equal the earnings impact of loan losses and loan loss provisions for the period concerned.
Total provisions for loan impairment and guarantees	Total individual and collective impairment provisions as well as provisions for guarantees at year-end/end of period.
Write-offs	Realized loan losses.
Average impairment losses	Average impairment losses divided by average amount of mortgage lending at nominal value.
Average write-offs	Average write-offs after set-offs divided by average amount of mortgage lending at nominal value.
Arrears 75 days past due	75-day mortgage loan arrears as % of total mortgage payments. Due date at the beginning of the period.
Total impairment provisions as % of loans and advances	Total provisions for loan impairment and guarantees at year-end/end of period divided by the sum of loans and advances at fair value, arrears and outlays, loans and advances at amortised cost, guarantees and total provisions for loan impairment and guarantees at year-end/end of period.

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