



# Fact Book Q2 2020

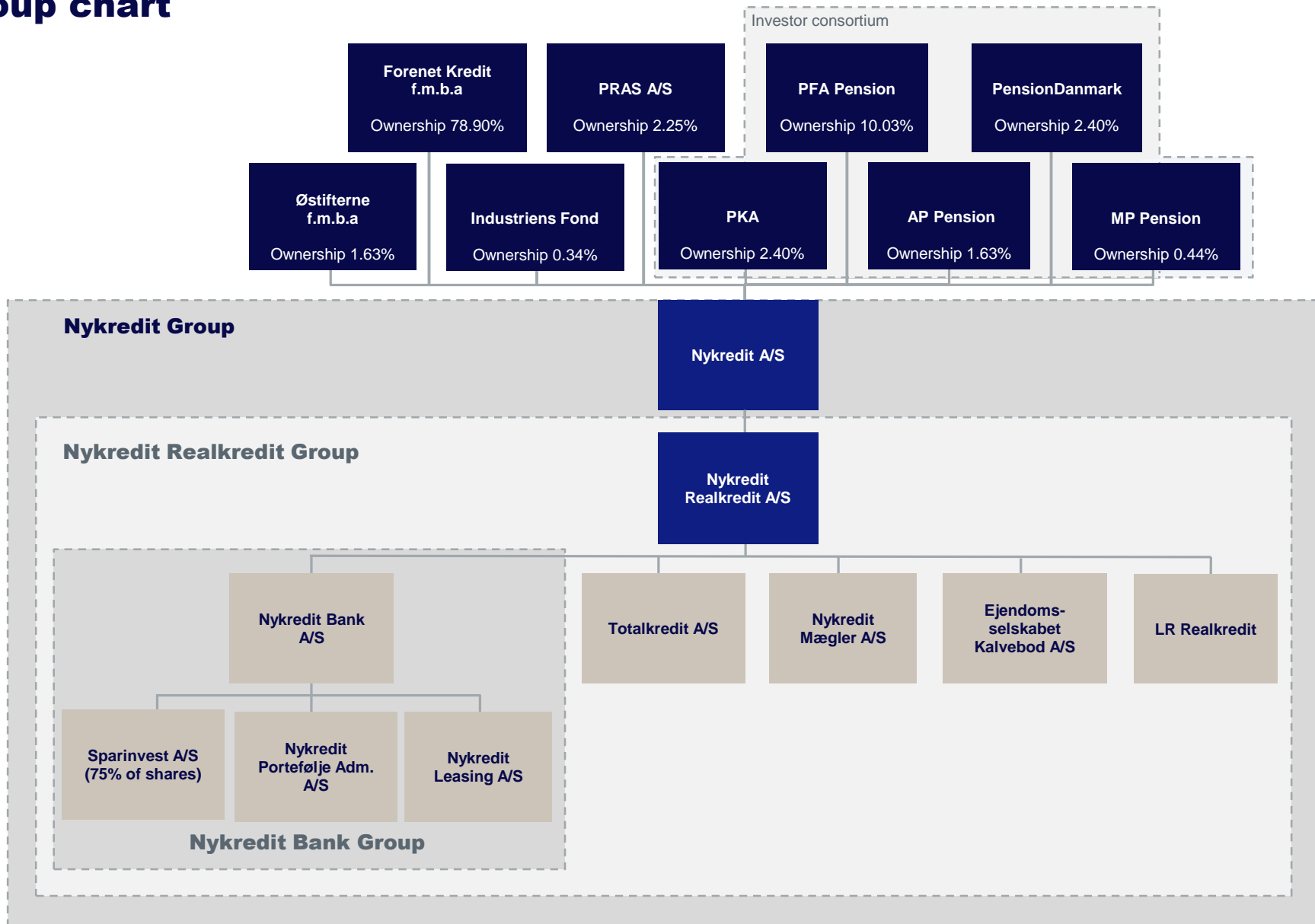
The Nykredit Group

Unaudited

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# Group chart





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### **Our investor website [www.nykredit.com/ir](http://www.nykredit.com/ir) contains:**

- General information
- Press releases
- Financial and CSR reports
- Risk and capital reports
- Bond data
- Prospectuses
- Publications on markets
- Cover pool data

# Nykredit Group history

## Forenet Kredit<sup>1</sup>

Forenet Kredit (Association behind Nykredit and Totalkredit) owns just below 80% of Nykredit and is thus the largest shareholder.

### Members

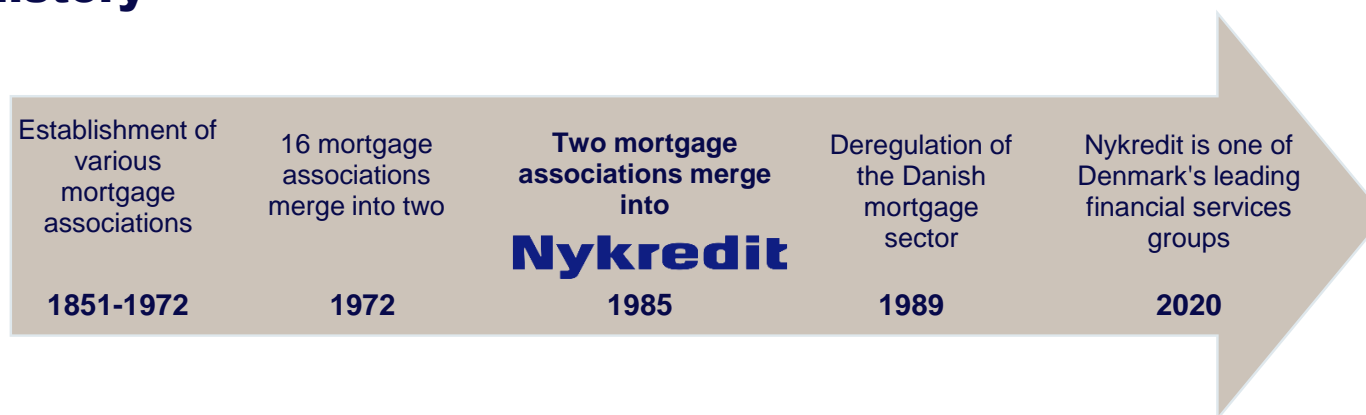
1. Mortgage customers of Nykredit Realkredit
2. Customers with facilities with Nykredit Bank of at least DKK 50,000
3. Mortgage customers of Totalkredit (optional)
4. Customers with secured homeowner loans placed in Totalkredit (optional)

### Committee of Representatives

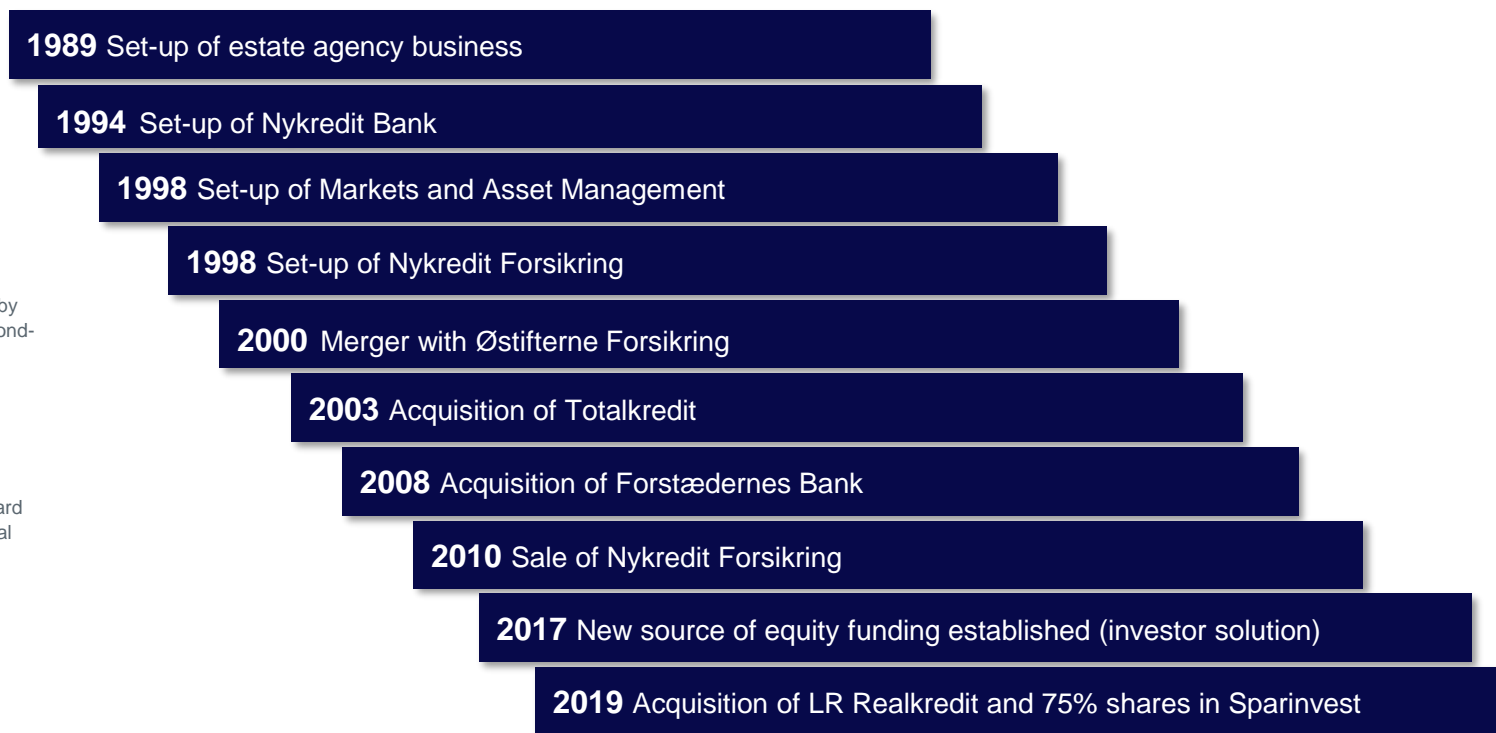
The ultimate authority of Forenet Kredit is the Committee of Representatives, which has 104 representatives. 100 representatives are elected by and among the members of Forenet Kredit and bond-/securityholders of Nykredit Realkredit and Totalkredit bonds and other securities. Four representatives are elected by and among the employees of Nykredit A/S.

The Committee of Representatives elects the Board of Directors of Forenet Kredit and approves annual reports and amendments to the Articles of Associations.

<sup>1)</sup> Forenet Kredit is the former Foreningen Nykredit.



## Development in activities



# Rating

Nycredit Realkredit A/S	S&P Global Ratings			Fitch Ratings		
	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook
Issuer credit rating	A+	A-1	Stable	A	F1	Stable
Resolution Counterparty Rating	AA-	A-1+				
Senior unsecured preferred debt	A+	A-1		A+	F1	
Senior unsecured non-preferred debt	BBB+			A		
Tier 2 subordinated debt	BBB			BBB+		
Tier 2 contingent capital	BBB			BBB		
Additional Tier 1 capital	BB+			BBB-		
Covered bonds (SDO) <sup>1</sup>	AAA		Stable			
Covered bonds (RO) <sup>2</sup>	AAA		Stable			
Senior secured debt <sup>3</sup>	AA-		Stable			

<sup>1</sup> SDO = Særligt Dækkede Obligationer, issued out of capital centres E and H

<sup>2</sup> RO = Realkreditobligationer, issued out of capital centres General, C, D, G and I

<sup>3</sup> Also known as Junior Covered Bonds (JCB) or Section 15 bonds, issued out of capital centre H

Nycredit Bank A/S	S&P Global Ratings			Fitch Ratings		
	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook
Issuer credit rating	A+	A-1	Stable	A	F1	Stable
Resolution Counterparty Rating	AA-	A-1+				
Senior unsecured preferred debt	A+	A-1		A+	F1	
Deposits	A+	A-1		A+	F1	
Totalcredit A/S	S&P Global Ratings			Fitch Ratings		
	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook
Covered bonds (RO) <sup>4</sup>	AAA		Stable			

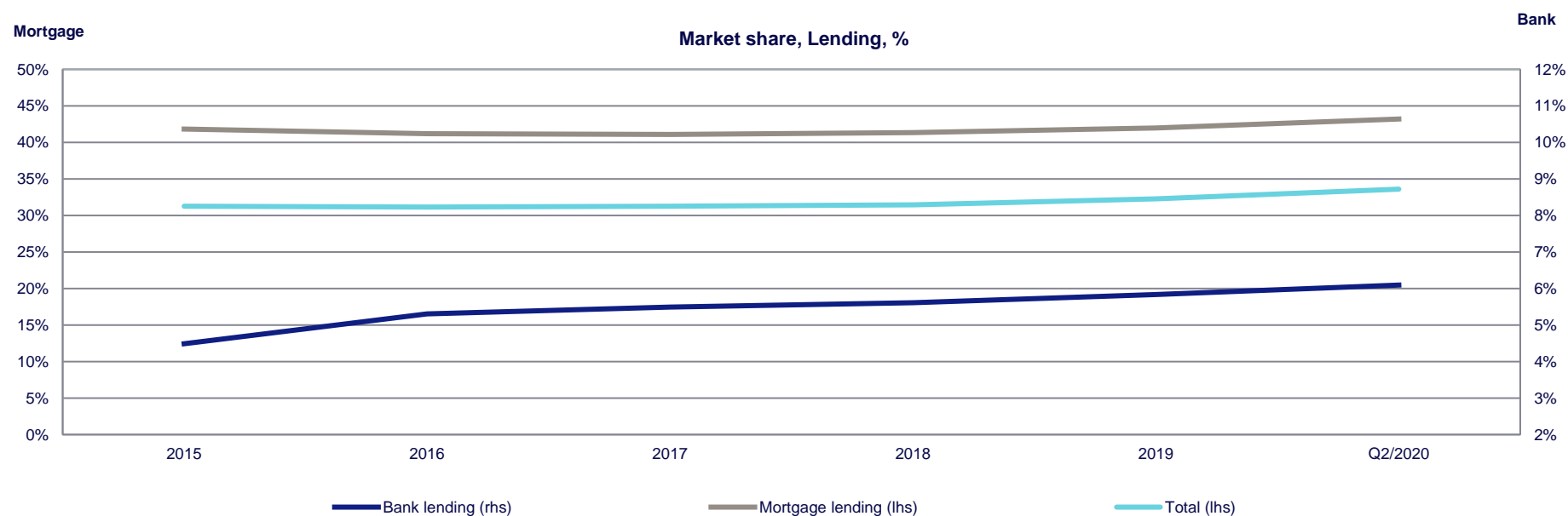
<sup>4</sup> RO = Realkreditobligationer issued out of capital centre C

# Market share – lending

## Market share<sup>1</sup>

%	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Bank lending	5.7%	5.6%	5.8%	6.1%	6.1%
Mortgage lending	41.7%	42.0%	42.0%	42.3%	43.2%
<b>Total</b>	<b>31.8%</b>	<b>32.2%</b>	<b>32.3%</b>	<b>32.7%</b>	<b>33.6%</b>

<sup>1</sup> MFI statistics – lending and distribution of market share in Denmark. Bank lending excl. reverse transactions. Mortgage lending at fair value excl. monetary and financial institutions.



# Results – Nykredit Group

## Nykredit Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	2,310	2,337	2,415	2,394	2,438
Net fee income	671	853	731	542	594
Wealth management income	369	397	494	502	485
Net interest from capitalisation	-84	-90	-90	-105	-93
Net income relating to customer benefits programmes <sup>1</sup>	-23	-19	-236	-45	-52
Trading, investment portfolio and other income	623	-137	509	-1,394	1,205
<b>Income</b>	<b>3,865</b>	<b>3,340</b>	<b>3,823</b>	<b>1,894</b>	<b>4,576</b>
Costs	1,273	1,309	1,537	1,420	1,421
<b>Business profit before impairment charges</b>	<b>2,593</b>	<b>2,032</b>	<b>2,287</b>	<b>474</b>	<b>3,156</b>
Impairment charges on mortgage lending	177	161	287	1,068	378
Impairment charges on bank lending	36	71	42	244	65
<b>Business profit</b>	<b>2,379</b>	<b>1,800</b>	<b>1,957</b>	<b>-838</b>	<b>2,713</b>
Legacy derivatives	-50	-328	485	-421	318
Badwill	-	-	564	-	-2
<b>Profit before tax</b>	<b>2,329</b>	<b>1,472</b>	<b>3,006</b>	<b>-1,259</b>	<b>3,029</b>
Tax	352	233	426	-377	581
<b>Profit for the period</b>	<b>1,977</b>	<b>1,239</b>	<b>2,581</b>	<b>-882</b>	<b>2,448</b>

<sup>1</sup> Nykredit's customer benefits programmes were launched in Q3/2017, awarding customers a cash discount on their loan administration margin. The programmes are available to both personal and business customers and are called "KundeKroner", "ErhvervsKroner" and "MineMål", respectively. The programmes do not impact profit after tax, as the Nykredit Group and Forenet Kredit are jointly taxed.

Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.



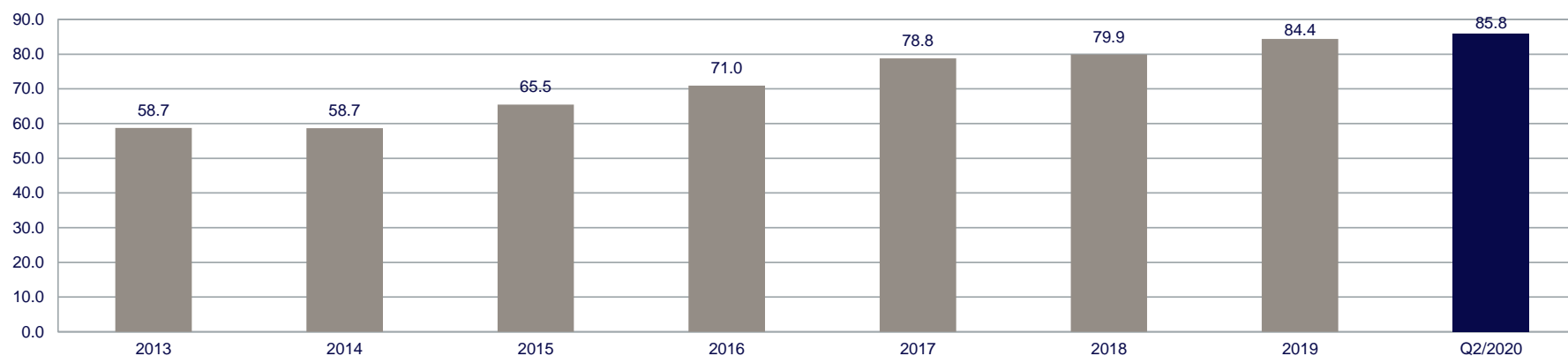
## Balance sheet summary – Nykredit Group

### Nykredit Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Assets</b>					
Receivables from credit institutions and central banks	43,475	71,304	59,623	41,002	32,698
Mortgage loans at fair value	1,232,135	1,256,233	1,287,370	1,286,026	1,313,138
Bank lending - excl. reverse transactions	63,505	63,289	65,466	69,389	67,014
Bonds and equities	117,650	122,535	115,690	117,662	114,005
Remaining assets	83,929	89,220	82,171	77,340	71,035
<b>Total assets</b>	<b>1,540,695</b>	<b>1,602,582</b>	<b>1,610,319</b>	<b>1,591,419</b>	<b>1,597,890</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	26,647	23,422	13,914	22,705	14,445
Deposits	79,940	83,449	85,374	80,526	85,267
Bonds in issue at fair value	1,263,666	1,319,545	1,336,414	1,308,146	1,313,990
Subordinated debt	11,077	11,084	11,004	11,011	10,951
Remaining liabilities	78,796	83,216	79,246	85,551	87,446
Equity	80,569	81,866	84,366	83,479	85,791
<b>Total liabilities and equity</b>	<b>1,540,695</b>	<b>1,602,582</b>	<b>1,610,319</b>	<b>1,591,419</b>	<b>1,597,890</b>

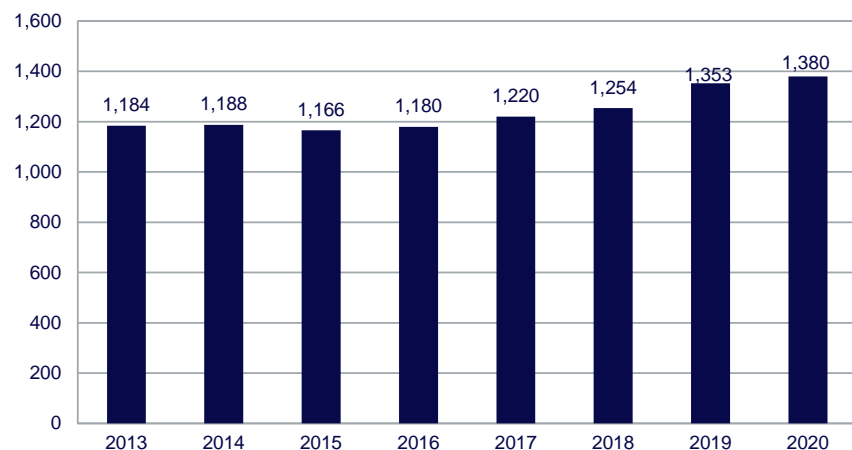
Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.

Equity, DKKbn

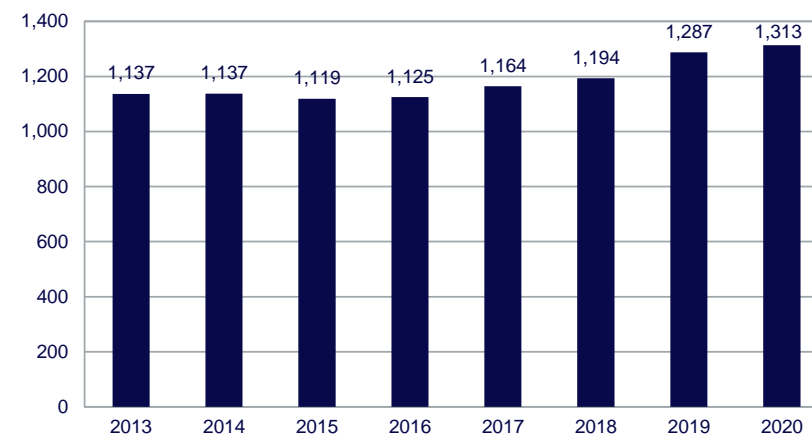


# Lending and deposits – Nykredit Group

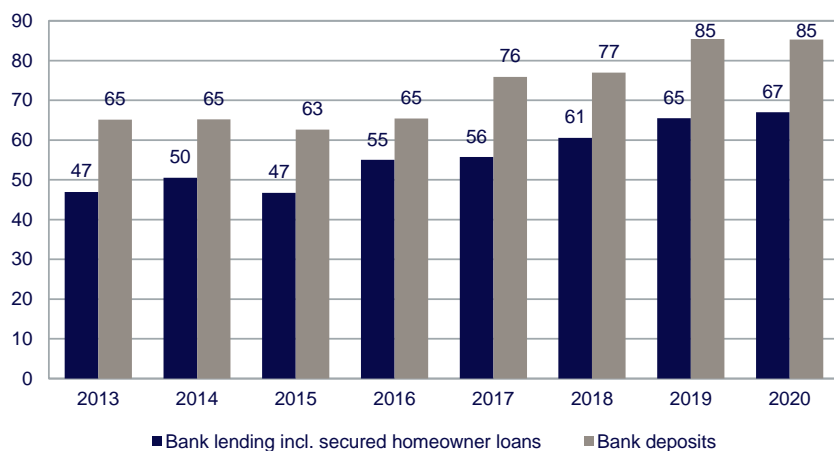
Total lending, DKKbn



Mortgage lending, fair value DKKbn

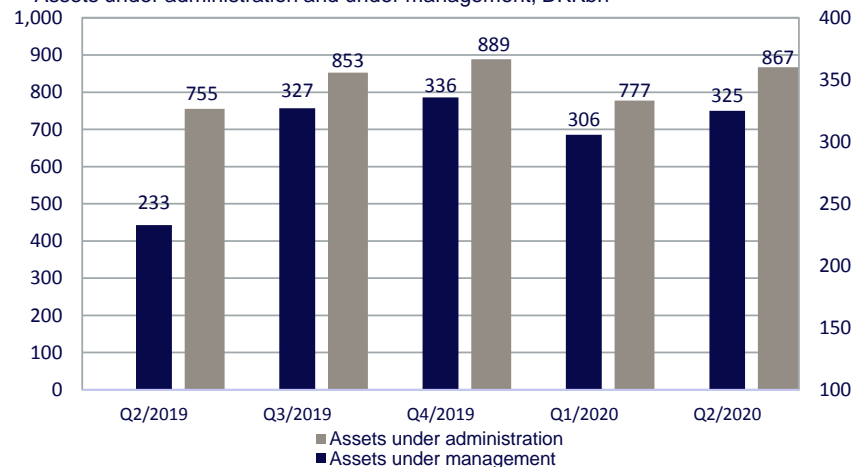


Bank lending and bank deposits, DKKbn



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

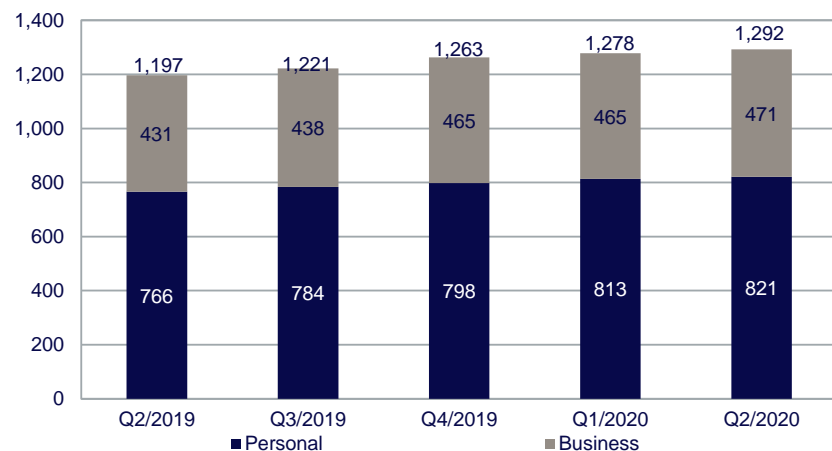
Assets under administration and under management, DKKbn



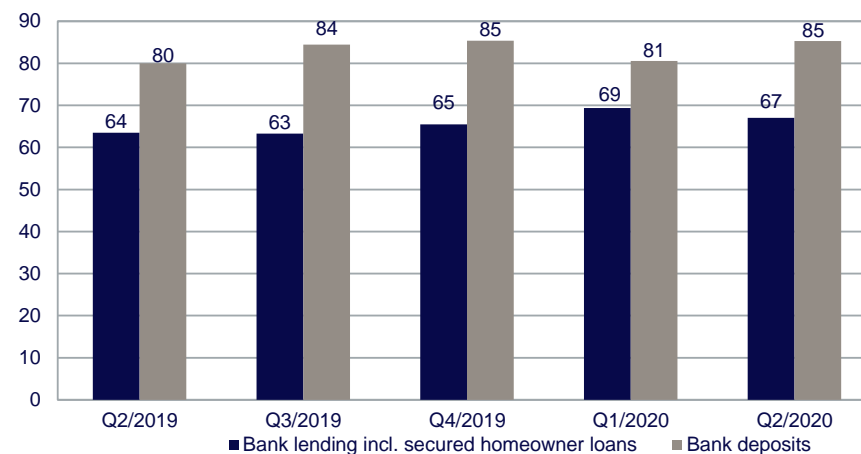
Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.

# Lending and deposits – Nykredit Group

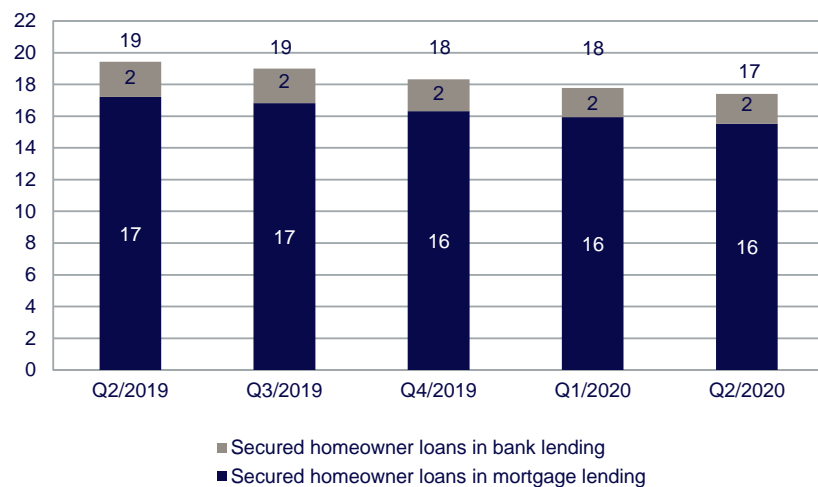
Mortgage lending, nominal value DKKbn



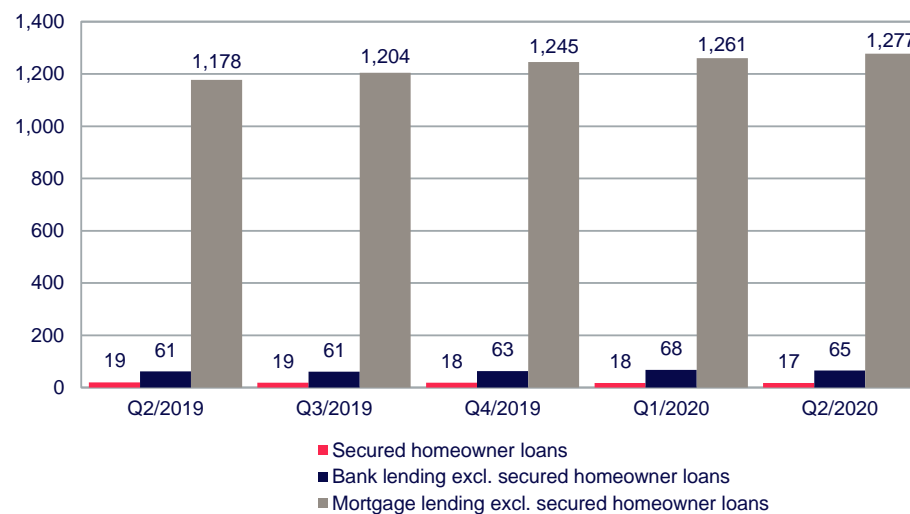
Bank lending and bank deposits, DKKbn



Secured homeowner loans, DKKbn



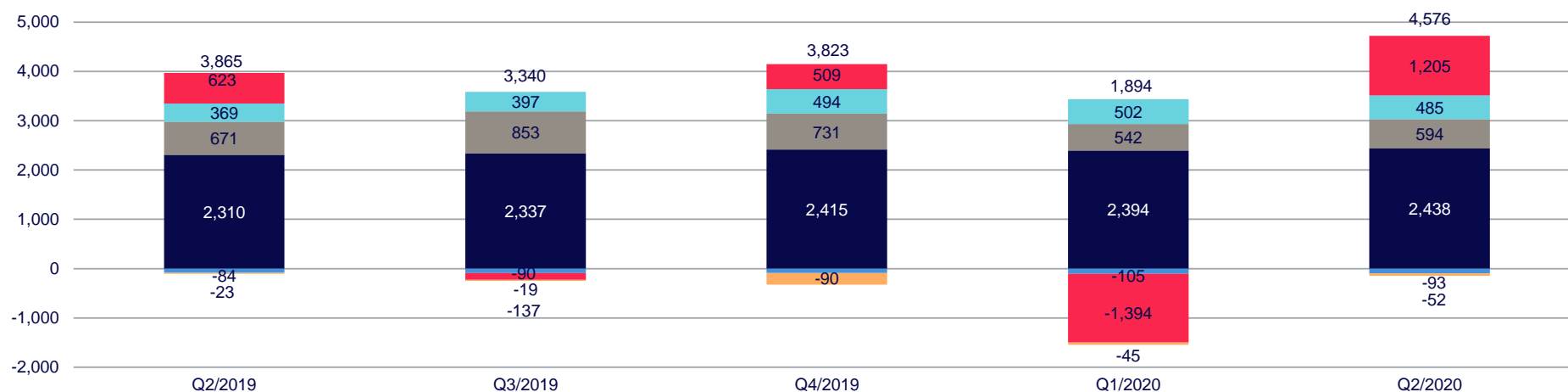
Total lending by category, DKKbn



Note: Secured homeowner loans above include loans from both the Nykredit Bank Group and Totalkredit A/S.

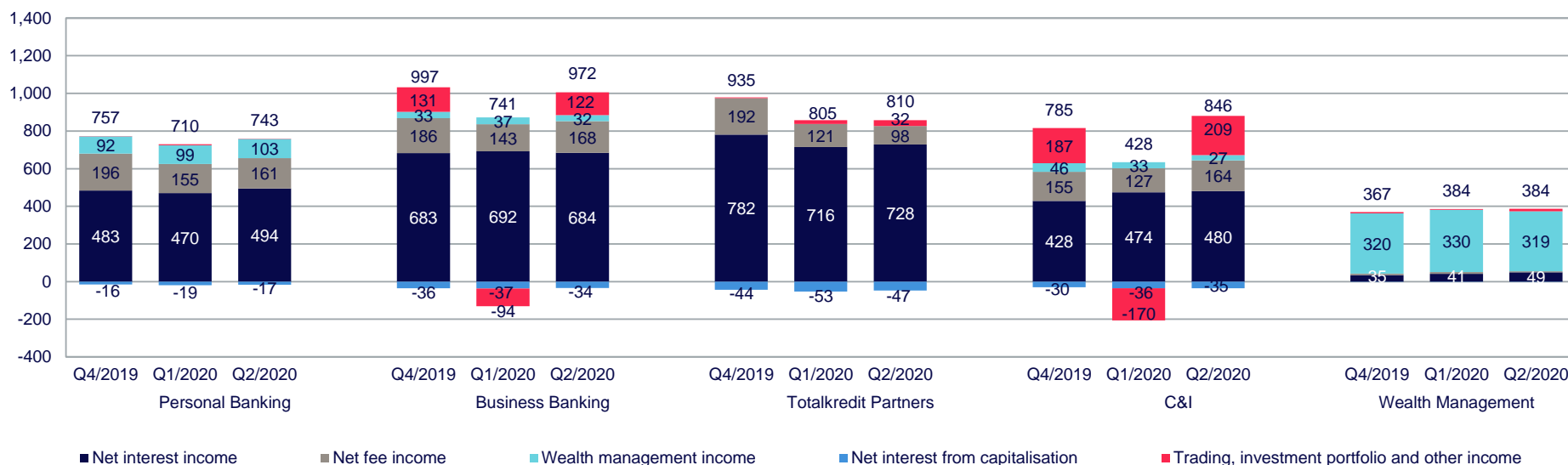
# Breakdown of income – Nykredit Group

Income from business operations, DKKm



■ Net interest income ■ Net fee income ■ Wealth management income ■ Net interest from capitalisation ■ Trading, investment portfolio and other income ■ Net income relating to customer benefits programmes

Income from business operations by business area excl. Group items, DKKm



Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.

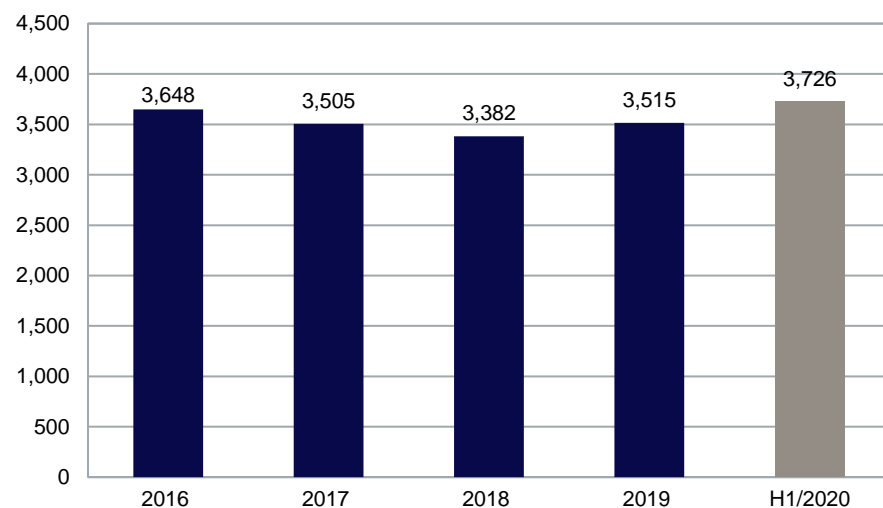
# Breakdown of costs – Nykredit Group

## Nykredit Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Staff costs <sup>1</sup>	797	800	874	874	866
IT costs	217	248	239	260	264
Facility costs	77	70	82	79	75
Provisions for restructuring	-	-	100	-	-
Bank levies and other expenses	182	191	241	208	216
<b>Total costs</b>	<b>1,273</b>	<b>1,310</b>	<b>1,536</b>	<b>1,420</b>	<b>1,422</b>

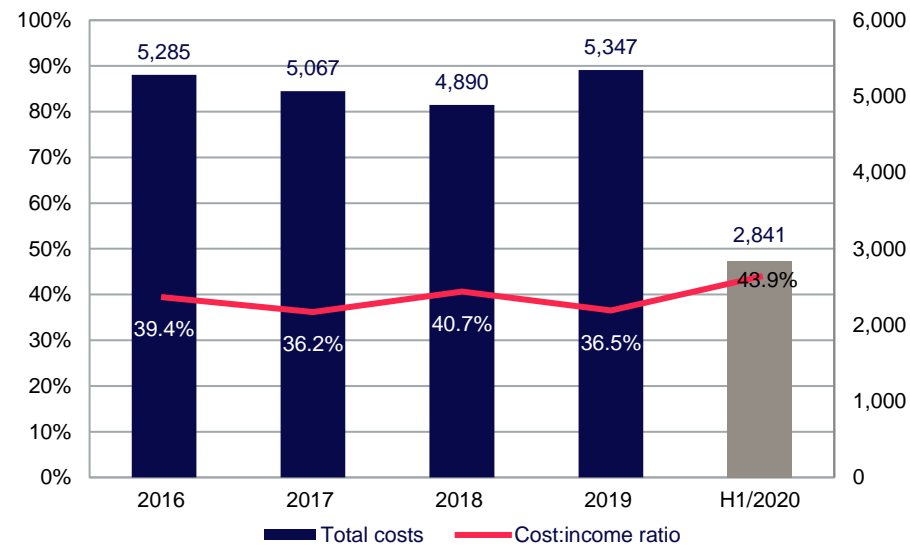
<sup>1</sup> Staff costs incl. IT staff costs.

Average number of full-time employees



Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019. The increase in the average number of full-time employees in 2019 is mainly due to the inclusion of the Shared Valuation unit.

Cost:income ratio, %



Note: Operating costs, depreciation and amortisation, incl. mortgage business contribution to Resolution Fund and provisions for restructuring.

# Results – Nykredit Realkredit Group

## Nykredit Realkredit Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	2,310	2,337	2,415	2,394	2,438
Net fee income	671	853	731	542	594
Wealth management income	369	397	494	502	485
Net interest from capitalisation	-84	-90	-90	-105	-93
Net income relating to customer benefits programmes <sup>1</sup>	-23	-19	-236	-45	-52
Trading, investment portfolio and other income	623	-137	509	-1,394	1,205
<b>Income</b>	<b>3,865</b>	<b>3,340</b>	<b>3,822</b>	<b>1,894</b>	<b>4,576</b>
Costs	1,264	1,304	1,530	1,416	1,419
<b>Business profit before impairment charges</b>	<b>2,601</b>	<b>2,036</b>	<b>2,292</b>	<b>478</b>	<b>3,157</b>
Impairment charges on mortgage lending	177	161	287	1,068	378
Impairment charges on bank lending	36	71	42	244	65
<b>Business profit</b>	<b>2,388</b>	<b>1,804</b>	<b>1,963</b>	<b>-834</b>	<b>2,714</b>
Legacy derivatives	-50	-328	485	-421	318
Badwill	-	-	564	-	-2
<b>Profit before tax</b>	<b>2,338</b>	<b>1,477</b>	<b>3,012</b>	<b>-1,255</b>	<b>3,030</b>
Tax	354	234	426	-376	582
<b>Profit for the period</b>	<b>1,984</b>	<b>1,243</b>	<b>2,585</b>	<b>-879</b>	<b>2,449</b>

<sup>1</sup> Nykredit's customer benefits programmes were launched in Q3/2017, awarding customers a cash discount on their loan administration margin. The programmes are available to both personal and business customers and are called "KundeKroner", "ErhvervsKroner" and "MineMål", respectively. The programmes do not impact profit after tax, as the Nykredit Group and Forenet Kredit are jointly taxed.

Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.



# Balance sheet summary – Nykredit Realkredit Group

## Nykredit Realkredit Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Assets</b>					
Receivables from credit institutions and central banks	43,475	71,304	59,623	41,002	32,698
Mortgage loans at fair value	1,232,135	1,256,233	1,287,370	1,286,026	1,313,138
Bank lending - excl. reverse transactions	63,505	63,289	65,466	69,389	67,014
Bonds and equities	117,650	122,535	115,690	117,662	114,005
Remaining assets	83,943	89,235	82,188	77,358	71,048
<b>Total assets</b>	<b>1,540,708</b>	<b>1,602,597</b>	<b>1,610,336</b>	<b>1,591,437</b>	<b>1,597,903</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	26,647	23,422	13,914	22,705	14,445
Deposits	79,959	83,466	85,396	80,543	85,278
Bonds in issue at fair value	1,263,666	1,319,545	1,336,414	1,308,146	1,313,990
Subordinated debt	11,077	11,084	11,004	11,011	10,951
Remaining liabilities	78,786	83,206	79,230	85,538	87,433
Equity	80,573	81,873	84,378	83,494	85,806
<b>Total liabilities and equity</b>	<b>1,540,708</b>	<b>1,602,597</b>	<b>1,610,336</b>	<b>1,591,437</b>	<b>1,597,903</b>

Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.

## Nykredit Realkredit Group

### Supervisory diamond (calculated at parent level)

	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Lending growth (limit value <15%) <sup>1</sup>	<5.2	<7.4	<7.4	<8.1	<7.4
Borrower's interest rate risk (limit value <25%)	13.4	12.9	12.6	11.4	11.6
Interest-only lending (limit value <10%)	8.2	7.9	7.7	7.5	7.4
Short-term funding (year) (limit value <25%)	11.9	11.8	12.5	10.7	10.9
Short-term funding (quarter) (limit value <12.5%)	2.9	3.6	2.6	1.9	3.0
Large exposures (limit value <100%)	35.9	36.7	37.0	37.1	39.4

<sup>1</sup> Lending growth (limit value<15%) indicates the segment with the highest lending growth. For a segment breakdown, please see latest Financial Statements.

Note: LR Realkredit has been included in the Supervisory Diamond Model for the Nykredit Realkredit Group from and including Q4/2019.

# Results – Nykredit Bank Group

## Nykredit Bank Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	373	375	402	410	434
Net fee income	139	138	133	145	128
Wealth management income	369	397	494	502	485
Net interest from capitalisation	-7	-7	-6	-6	-8
Net income relating to customer benefits programmes <sup>1</sup>	-	-	-9	68	68
Trading, investment portfolio and other income	220	46	325	-230	376
<b>Income</b>	<b>1,093</b>	<b>948</b>	<b>1,340</b>	<b>888</b>	<b>1,483</b>
Costs	528	551	776	642	662
<b>Business profit before impairment charges</b>	<b>565</b>	<b>397</b>	<b>564</b>	<b>246</b>	<b>821</b>
Impairment charges on bank lending	36	71	42	244	65
<b>Business profit</b>	<b>529</b>	<b>327</b>	<b>522</b>	<b>2</b>	<b>756</b>
Legacy derivatives	-50	-328	485	-421	318
<b>Profit before tax</b>	<b>479</b>	<b>-1</b>	<b>1,006</b>	<b>-419</b>	<b>1,075</b>
Tax	104	-2	227	-88	202
<b>Profit for the period</b>	<b>375</b>	<b>1</b>	<b>780</b>	<b>-331</b>	<b>873</b>

Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.

<sup>1</sup> Nykredit's customer benefits programmes were launched in Q3/2017, awarding customers a cash discount on their loan administration margin. The programmes are available to both personal and business customers and are called "KundeKroner", "ErhvervsKroner" and "MineMål", respectively. The programmes do not impact profit after tax, as the Nykredit Group and Forenet Kredit are jointly taxed.

# Balance sheet summary – Nykredit Bank Group

## Nykredit Bank Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Assets</b>					
Cash balance and receivables from credit institutions and central banks	24,385	38,693	33,528	17,991	17,040
Reverse repurchase lending*	49,147	50,008	48,749	40,268	35,846
Loans, advances and other receivables at amortised cost	63,505	63,289	65,466	69,389	67,014
Bonds at fair value and equities	49,041	53,076	50,789	45,172	45,679
Remaining assets	28,555	32,261	27,996	30,394	29,340
<b>Total assets</b>	<b>214,634</b>	<b>237,327</b>	<b>226,528</b>	<b>203,215</b>	<b>194,919</b>
<b>Liabilities and equity</b>					
Payables to credit institutions and central banks	77,760	92,481	85,154	65,097	50,499
Deposits and other payables	80,088	83,601	85,549	80,640	85,417
Bonds in issue at amortised cost	5,511	4,470	3,780	4,460	4,492
Repo deposits*	3,216	2,673	3,331	2,555	1,693
Other non-derivative financial liabilities at fair value	9,411	11,472	7,133	8,941	11,771
Remaining payables	14,751	16,647	14,694	14,890	13,432
Provisions	295	316	450	499	622
Subordinated debt	2,000	2,000	2,000	2,000	2,000
Equity	21,601	23,666	24,434	24,132	24,994
<b>Total liabilities and equity</b>	<b>214,634</b>	<b>237,327</b>	<b>226,528</b>	<b>203,215</b>	<b>194,919</b>

\* Reverse repurchase transactions and repo deposits are measured at amortised cost.

Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.

## Nykredit Bank A/S

### Supervisory diamond (calculated at parent level)

	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Lending growth (limit value <20%)	9.2	8.1	8.1	14.3	5.5
Large exposures (limit value <175%)	99.4	106.0	109.9	124.4	140.7
Property exposure (limit value <25%)	10.0	10.4	10.2	11.3	11.0
Funding ratio (limit value < 1.0)	0.6	0.6	0.6	0.6	0.6
Liquidity benchmark (limit value >100%)	172.0	173.9	194.9	147.8	178.2

# Results – Totalkredit A/S

## Totalkredit A/S

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	825	863	926	854	870
Net fee income	200	225	222	145	117
Wealth management income	-	-	-	-	-
Net interest from capitalisation	-35	-33	-37	-49	-40
Net income relating to customer benefits programmes <sup>1</sup>	-10	-13	-20	-101	-106
Trading, investment portfolio and other income	0	-72	-43	-116	140
<b>Income</b>	<b>982</b>	<b>969</b>	<b>1,048</b>	<b>734</b>	<b>979</b>
Costs	184	191	236	211	229
<b>Business profit before impairment charges</b>	<b>797</b>	<b>778</b>	<b>812</b>	<b>523</b>	<b>750</b>
Impairment charges on mortgage lending	29	-61	65	88	123
<b>Business profit</b>	<b>768</b>	<b>840</b>	<b>747</b>	<b>435</b>	<b>628</b>
Legacy derivatives	-	-	-	-	-
<b>Profit before tax</b>	<b>768</b>	<b>840</b>	<b>747</b>	<b>435</b>	<b>628</b>
Tax	105	118	98	46	98
<b>Profit for the period</b>	<b>663</b>	<b>721</b>	<b>649</b>	<b>389</b>	<b>529</b>

<sup>1</sup> Nykredit's customer benefits programmes were launched in Q3/2017, awarding mortgage customers a cash discount on their loan administration margin. The programme is available to both personal and business customers and is called "KundeKroner". The program does not impact profit after tax, as the Nykredit Group and Forenet Kredit are jointly taxed.

## Balance sheet summary – Totalkredit A/S

### Totalkredit A/S

DKK million	Q2/2019	Q3/2019*	Q4/2019	Q1/2020	Q2/2020
<b>Assets</b>					
Receivables from credit institutions	24,778	42,020	38,203	24,782	17,373
Mortgage loans at fair value	721,848	741,549	753,110	760,318	780,457
Bonds and equities	100,643	93,450	94,580	64,427	66,923
Remaining assets	1,476	1,872	1,421	1,648	1,106
<b>Total assets</b>	<b>848,745</b>	<b>878,891</b>	<b>887,315</b>	<b>851,175</b>	<b>865,860</b>
<b>Liabilities and equity</b>					
Payables to credit institutions	804,548	834,998	843,900	808,001	822,380
Bonds in issue at fair value	6,832	6,470	6,087	5,606	5,281
Remaining liabilities	6,028	5,413	4,715	4,613	4,760
Subordinated debt	2,000	2,000	2,000	2,000	2,000
Equity	29,336	30,010	30,612	30,955	31,438
<b>Total liabilities and equity</b>	<b>848,745</b>	<b>878,891</b>	<b>887,315</b>	<b>851,175</b>	<b>865,860</b>

\* Reverse repurchase transactions and repo deposits are measured at amortised cost.

# Key figures and financial ratios

## Key figures

	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Net interest income as % of lending and deposits<sup>1</sup></b>					
Nykredit Group	0.69%	0.68%	0.68%	0.67%	0.67%
Nykredit Bank Group	1.04%	1.02%	1.07%	1.09%	1.14%
Totalkredit A/S	0.47%	0.48%	0.50%	0.45%	0.45%
<b>Administration margin income<sup>2</sup>, %</b>					
Nykredit Group	0.86%	0.84%	0.82%	0.83%	0.83%
Nykredit Realkredit A/S	0.80%	0.79%	0.79%	0.78%	0.78%
Totalkredit A/S	0.90%	0.88%	0.87%	0.87%	0.87%
<b>Impairment charges for the period as % of lending</b>					
Mortgage lending	0.02%	0.01%	0.02%	0.08%	0.03%
Banking <sup>3</sup>	0.09%	0.10%	0.07%	0.31%	-0.06%
<b>Write-offs, year to date, DKK million</b>					
Mortgage lending	569	840	1,350	255	373
Banking	0	0	0	0	0
Swaps	161	249	549	59	69
<b>Total provisions for loan impairment, DKK million</b>					
Mortgage lending	5,153	5,198	5,370	6,301	6,614
Banking (including guarantees excluding financial institutions)	2,873	2,885	2,663	2,723	2,710
Swaps	2,866	3,142	2,568	2,831	2,582
<b>NPL ratio, %</b>					
Nykredit Group	1.6%	1.6%	1.7%	1.7%	1.6%
Nykredit Realkredit A/S	1.4%	1.4%	1.6%	1.5%	1.5%
Nykredit Bank Group	5.3%	5.2%	4.6%	4.4%	4.1%
<b>Cover ratio, %</b>					
Nykredit Group	36.8%	35.2%	32.2%	36.8%	38.9%
Nykredit Realkredit A/S	31.0%	29.5%	27.3%	32.0%	34.3%
Nykredit Bank Group	65.7%	66.1%	64.5%	66.7%	71.4%

<sup>1</sup> Net interest income from income statement annualized as % of total loans and deposits.

<sup>2</sup> Customer margin before customer benefits programmes.

<sup>3</sup> Excluding impairment charges from guarantees.

## Financial ratios - Nykredit Group

	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020	H1/2020
Return on average equity, after tax, p.a., %	10.1%	6.1%	12.7%	-4.7%	11.8%	3.6%
Return from business profit on average equity, p.a., %	12.2%	9.0%	9.6%	-4.5%	-4.4%	-4.4%
Return on assets, year-to-date p.a. %	0.5%	0.4%	0.5%	-0.2%	0.2%	0.2%
Return on average allocated capital (RoAC), after tax p.a., %	13.2%	8.0%	16.8%	-6.3%	15.2%	5.2%
Return on REA, p.a. %	1.7%	1.7%	1.7%	1.7%	1.6%	1.6%



# Risk weights and capital ratios - the Nykredit Group

## Exposure - weighted average risk weights (A-IRB method)

%	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Retail - Mortgage	12.3%	12.3%	11.9%	12.4%	11.7%
Commercial - Mortgage	24.7%	24.4%	25.1%	25.0%	21.4%
Total Mortgage	16.1%	16.1%	15.9%	16.4%	14.7%
Retail - Banking	41.4%	41.7%	41.9%	41.6%	39.5%
Commercial - Banking excl. reverse transactions	55.1%	55.2%	54.4%	57.4%	54.5%
Reverse transactions	2.3%	2.0%	1.0%	1.4%	1.2%
Retail - Group	13.3%	13.2%	12.9%	13.3%	12.6%
Commercial - Group	32.7%	32.3%	32.8%	32.8%	29.6%

Note: The shown risk weights only relates to credit risk. Pillar II and operational risk is therefore not included.

## Capital ratios

%	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Total capital ratio, %	23.2%	22.2%	22.4%	23.0%	22.0%
Common Equity Tier 1 (CET1) capital ratio, %	20.5%	19.4%	19.5%	20.2%	19.2%
Leverage ratio, %	4.7%	4.3%	4.4%	4.7%	4.7%

## Key figures: CET1, MDA and ADI

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Nykredit Group</b>					
CET1, fully loaded <sup>1</sup>	74,128	72,492	74,077	76,721	77,778
Distance to MDA, not fully loaded <sup>2</sup>	35,612	30,829	31,794	34,417	32,533
Distance to MDA, fully loaded <sup>1, 3</sup>	32,004	27,101	26,316	36,294	35,221
Available Distributable Items (ADI)	47,345	45,248	43,583	45,467	45,969
<b>Nykredit Realkredit Group</b>					
CET1, fully loaded <sup>1</sup>	74,433	72,624	74,344	77,041	77,980
Distance to MDA, not fully loaded <sup>2</sup>	35,796	30,834	31,935	34,611	32,607
Distance to MDA, fully loaded <sup>1, 3</sup>	32,177	27,094	26,441	36,494	35,303
Available Distributable Items (ADI)	53,001	50,166	48,722	51,586	50,894
Asset encumbrance	81.9%	81.9%	82.2%	82.0%	-
<b>Nykredit Realkredit A/S</b>					
Internal capital adequacy requirement, %	8.9%	8.9%	9.6%	9.6%	9.5%
CET1, fully loaded <sup>1</sup>	74,339	74,497	76,259	78,950	79,913
Distance to MDA, not fully loaded <sup>2</sup>	30,562	26,341	26,205	29,323	28,727
Distance to MDA, fully loaded <sup>1, 3</sup>	26,186	21,757	19,572	32,195	31,963
Available Distributable Items (ADI)	49,801	48,276	45,526	49,212	49,549

<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 the CET1 requirement is 10.512% for both Nykredit Group and Nykredit Realkredit Group and 9.840% for Nykredit Realkredit A/S.

<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 the CET1 requirement is 10.512% for both Nykredit Group and Nykredit Realkredit Group and 9.840% for Nykredit Realkredit A/S (CET1 requirements are fully implemented, and the countercyclical buffer is included at currently known level and under the assumption that Pillar II level is equal to the current level).

# Bond Portfolio

## Nykredit Group

### Bond portfolio by type and country

Q2/2020	Government bonds	Covered bonds	Senior secured debt (JCB)	Credit bonds (excl. subordinated capital)	Subordinated capital	Total
DKK million						
EU Institutions	268	-	-	-	-	268
Denmark	13,057	41,958	-	0	627	55,642
Sweden	160	1,284	-	-0	67	1,511
Norway	-	443	-	0	136	579
Finland	-	603	-	0	-	603
Germany	3,739	2,446	-	330	0	6,515
Netherlands	-	208	-	0	813	1,021
France	299	2,443	-	1,105	189	4,036
Belgium	-	277	-	-	-	277
Luxembourg	522	-	-	-	-	522
United Kingdom	-	-0	-	0	14	14
Switzerland	-	-	-	-	93	93
Spain	-	-	-	-	-	-
Italy	-	0	-	-0	0	0
United States	-	-	-	0	-	0
Austria	-	387	-	-	-	387
New Zealand	-	113	-	-	-	113
Ireland	-	-	-	-	-	-
Other	-	0	-	0	-0	-0
<b>Total</b>	<b>18,045</b>	<b>50,161</b>	<b>-</b>	<b>1,435</b>	<b>1,940</b>	<b>71,580</b>

## Nykredit Group

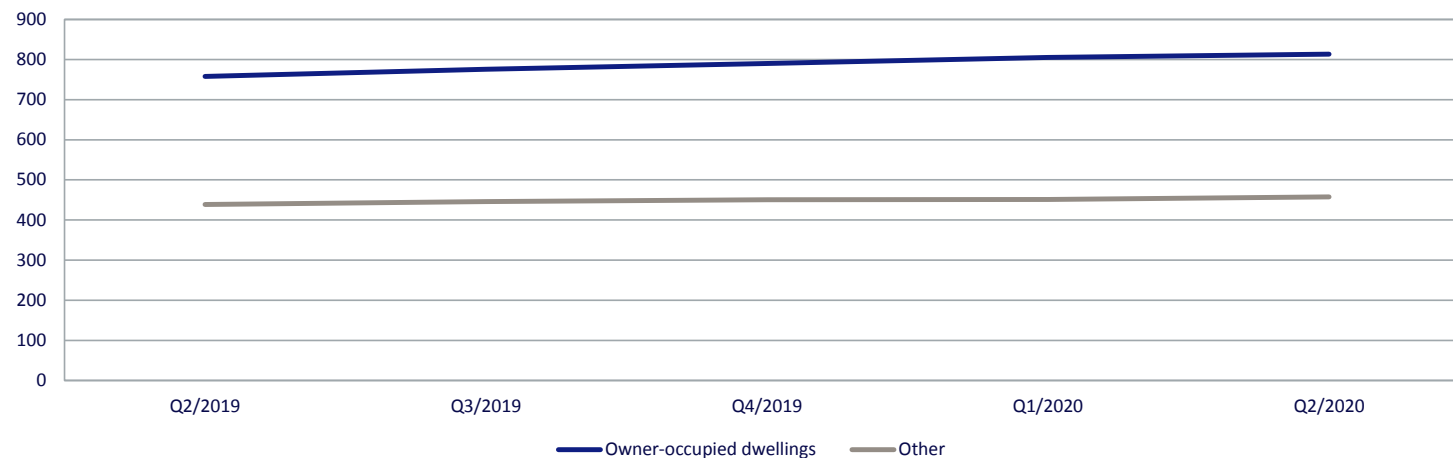
### Bond portfolio by type and external category

Q2/2020	Government bonds	Covered bonds	Senior secured debt (JCB)	Credit bonds (excl. subordinated capital)	Subordinated capital	Total
DKK million						
Aaa/AAA	14,714	28,372	-	330	-	43,415
Aa1/AA+ - Aa3/AA-	2,847	1,545	-	827	-	5,218
A1/A+ - Baa3/BBB-	-	1,001	-	0	636	1,638
Ba1/BB+ or below	-	0	-	0	1,136	1,136
Not rated	484	19,244	-	278	167	20,173
<b>Total</b>	<b>18,045</b>	<b>50,161</b>	<b>-</b>	<b>1,435</b>	<b>1,940</b>	<b>71,580</b>

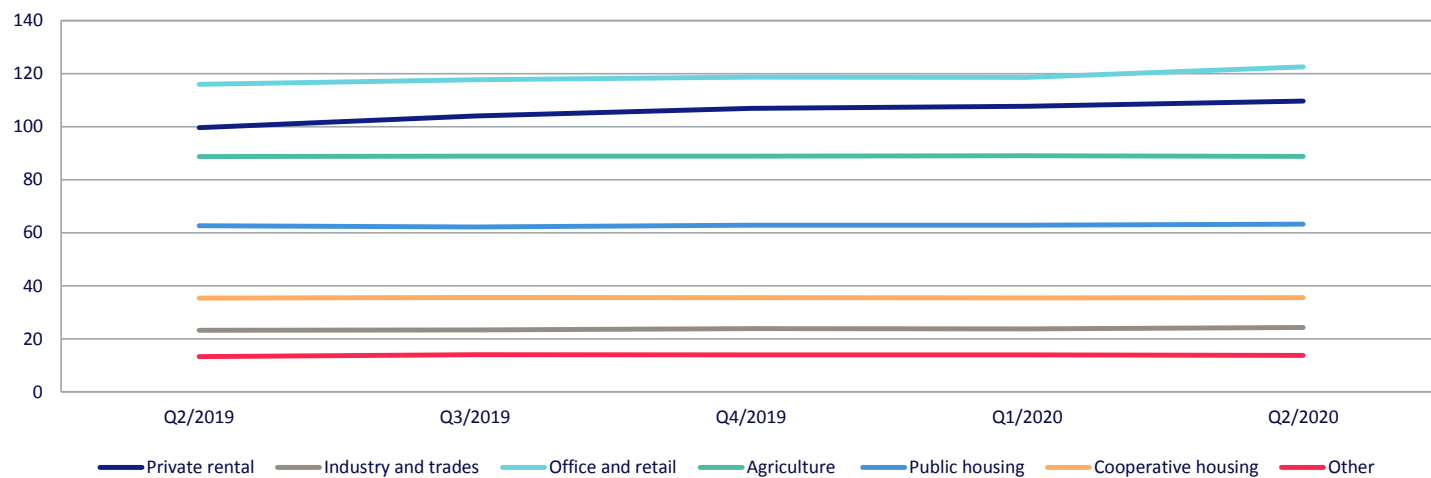
Note: Calculation of market risk covers both the trading and the banking book. As some of the mortgage activities have been classified as belonging to the banking book, interest rate risk outside the trading book and interest rate risk from mortgage activities overlap. Above figures are market values, and includes bond forwards and unsettled trade. The statement does not include own issues.

# Mortgage lending

Mortgage lending, nominal value, DKKbn \*



Mortgage lending by property type (excl. owner-occupied dwellings), nominal value, DKKbn \*

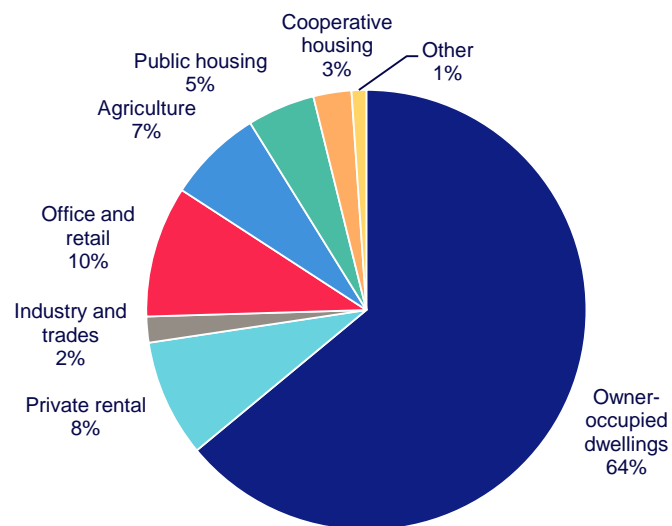


\* LR Realkredit not included

# Mortgage lending

## Mortgage lending – by property type

DKK million, nominal value	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020	Average impairment charges Q3/2019 - Q2/2020	Average write-offs Q3/2019 - Q2/2020
Owner-occupied dwellings	757,974	775,726	790,381	805,349	813,558	0.03%	0.02%
Private rental	99,609	104,067	106,850	107,648	109,647	0.08%	0.01%
Industry and trades	23,189	23,360	23,791	23,758	24,246	0.04%	0.00%
Office and retail	115,964	117,689	118,693	118,574	122,553	0.13%	0.02%
Agriculture	88,714	88,847	88,864	89,031	88,733	0.10%	0.05%
Public housing	62,627	62,160	62,836	62,839	63,221	0.01%	-
Cooperative housing	35,326	35,574	35,519	35,375	35,510	0.18%	0.01%
Other	13,261	13,987	13,876	13,925	13,759	0.08%	0.02%
<b>Total</b>	<b>1,196,664</b>	<b>1,221,411</b>	<b>1,240,811</b>	<b>1,256,499</b>	<b>1,271,227</b>	<b>0.04%</b>	<b>0.01%</b>
LR Realkredit			21,877	21,636	21,328		
<b>Total incl. LR Realkredit</b>	<b>1,196,664</b>	<b>1,221,411</b>	<b>1,262,688</b>	<b>1,278,135</b>	<b>1,292,555</b>	<b>0.04%</b>	<b>0.01%</b>



\*LR Realkredit not included

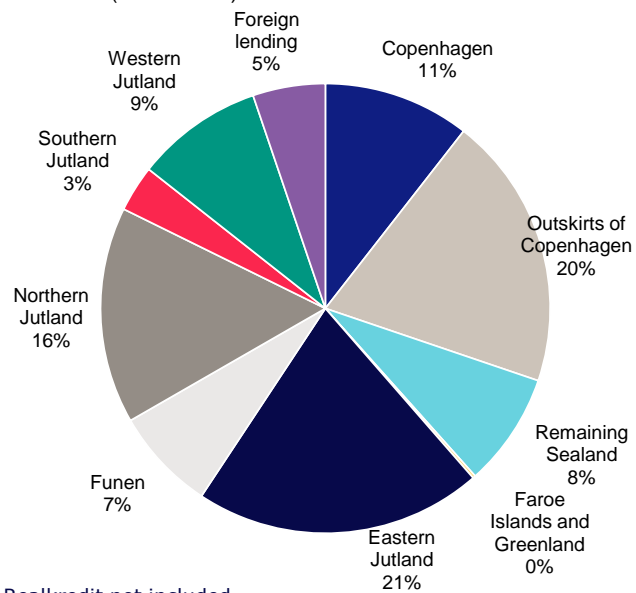


# Mortgage lending

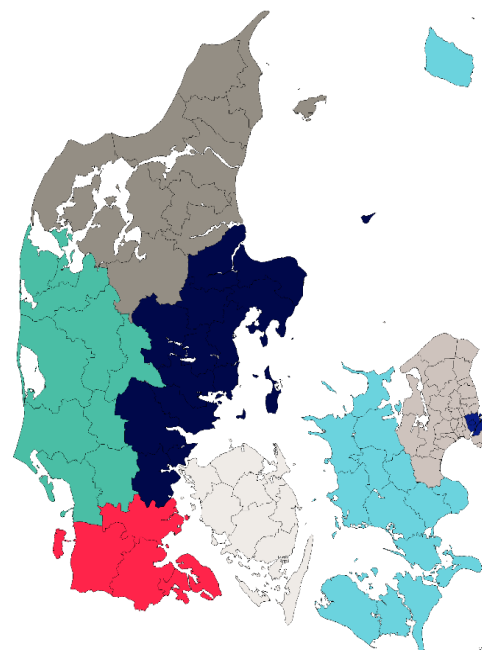
## Mortgage lending at nominal value by geography

DKK billion	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Copenhagen	121	126	128	132	134
Outskirts of Copenhagen	227	234	240	247	250
Remaining Sealand	99	100	101	103	104
Faroe Islands and Greenland	2	2	3	3	2
Eastern Jutland	248	254	257	261	263
Funen	90	91	92	93	94
Northern Jutland	195	196	196	198	198
Southern Jutland	42	42	42	43	42
Western Jutland	113	114	115	116	117
Foreign lending	60	62	65	62	66
<b>Total</b>	<b>1,197</b>	<b>1,221</b>	<b>1,241</b>	<b>1,256</b>	<b>1,271</b>
LR Realkredit			22	22	21
<b>Total incl. LR Realkredit</b>	<b>1,197</b>	<b>1,221</b>	<b>1,263</b>	<b>1,278</b>	<b>1,293</b>

Q2/2020 (DKK billion)



\*LR Realkredit not included





# Mortgage lending

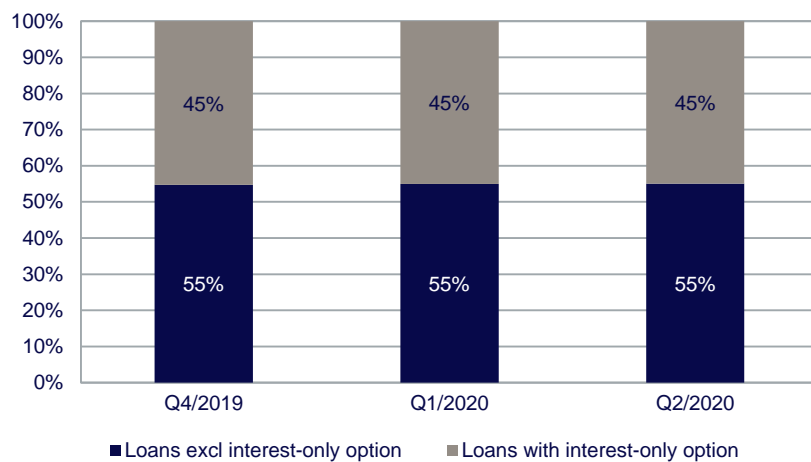
## Nykredit Group

### Mortgage lending at nominal value

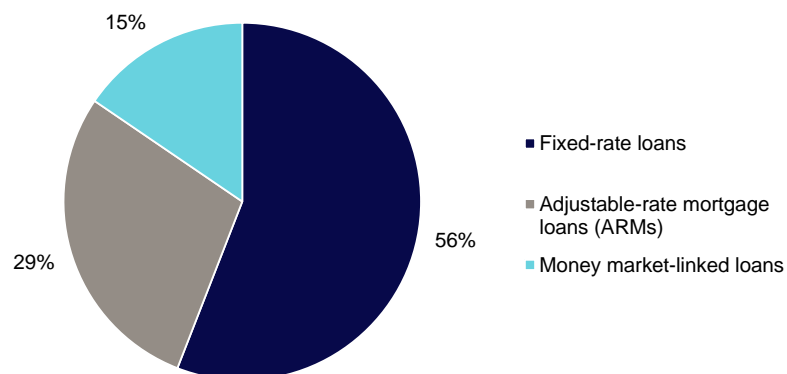
Q2/2020, DKK billion	Owner-occ. dwellings	Private rental	Industry and trades	Office and retail	Agriculture	Public housing	Cooperative housing	Other	Total
Capital Region of Denmark	215.1	35.8	2.7	36.4	2.2	23.4	19.6	5.3	340.4
Region Zealand	104.0	5.6	2.1	11.8	12.9	7.2	3.2	0.9	147.7
North Denmark Region	108.7	10.5	2.6	8.6	22.2	7.2	3.2	1.1	164.1
Central Denmark Region	201.5	23.4	6.1	21.5	27.5	12.2	4.9	4.3	301.3
Region of Southern Denmark	171.4	14.5	3.4	15.8	23.9	13.2	4.6	2.2	249.0
Total foreign mortgage lending	12.9	20.0	7.3	28.4	0.0	-	0.1	-	68.7
Faroe Islands and Greenland	2.2	0.1	-	0.1	-	-	0.1	-	2.5
Finland	-	0.6	0.3	2.5	-	-	-	-	3.4
France	4.7	-	-	-	-	-	-	-	4.7
Germany	0.1	10.3	2.9	1.2	-	-	-	-	14.4
Norway	-	-	-	-	-	-	-	-	-
Poland	-	-	-	-	-	-	-	-	-
Spain	5.9	-	-	-	-	-	-	-	5.9
Sweden	-	9.0	2.5	24.6	-	-	-	-	36.1
United Kingdom	-	-	1.6	0.0	0.0	-	-	-	1.7
<b>Total mortgage lending</b>	<b>813.6</b>	<b>109.6</b>	<b>24.2</b>	<b>122.6</b>	<b>88.7</b>	<b>63.2</b>	<b>35.5</b>	<b>13.8</b>	<b>1,271.2</b>
LR Realkredit									21.3
<b>Total incl. LR Realkredit</b>	<b>813.6</b>	<b>109.6</b>	<b>24.2</b>	<b>122.6</b>	<b>88.7</b>	<b>63.2</b>	<b>35.5</b>	<b>13.8</b>	<b>1,292.6</b>

# Mortgage lending

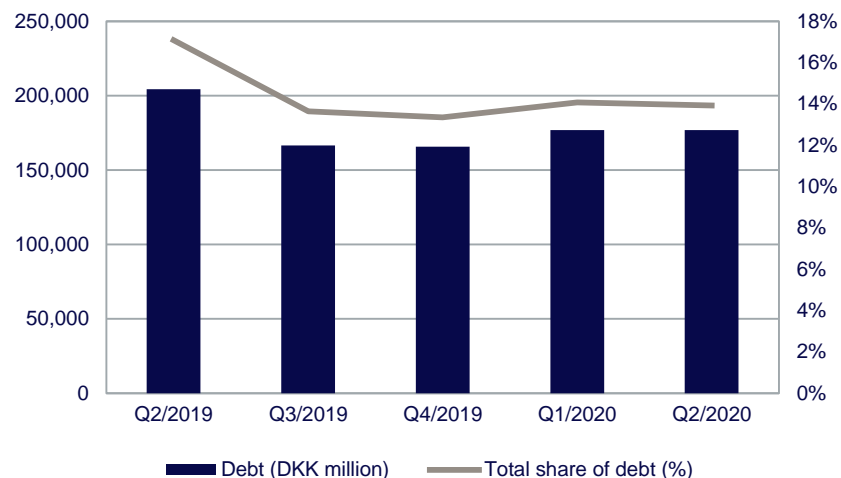
Bond debt outstanding by loan and interest type, all segments



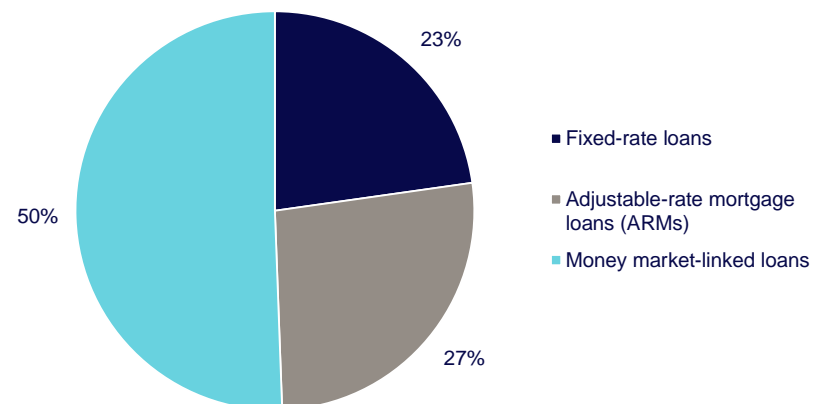
Mortgage lending by loan type, private residential properties, Q2/2020



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

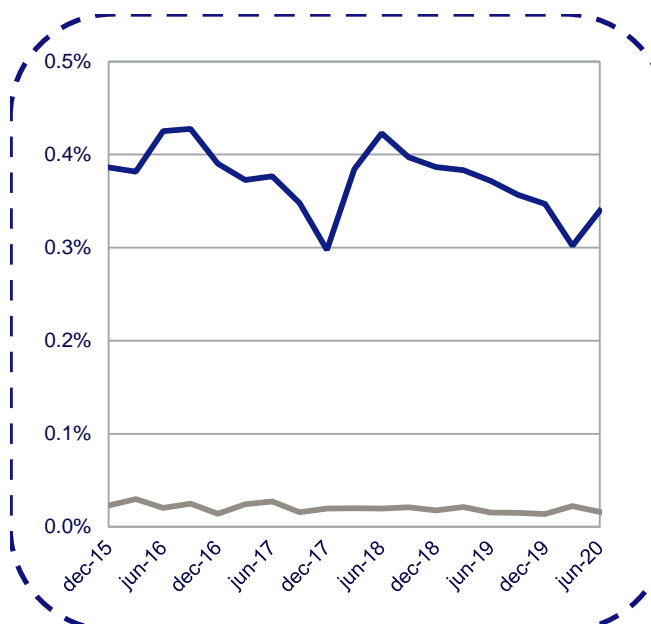
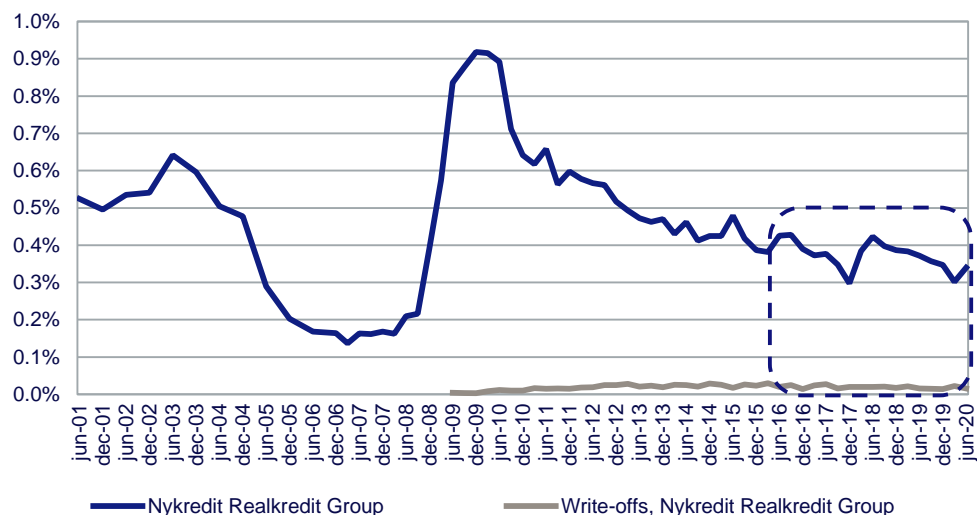


Mortgage lending by loan type, commercial, Q2/2020

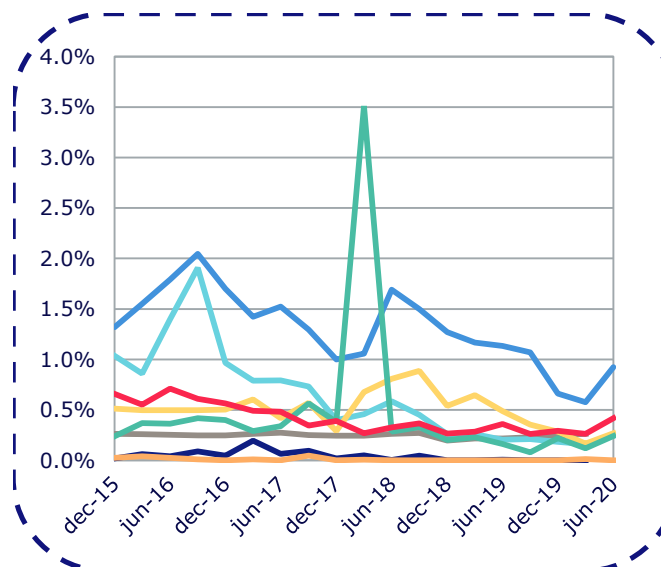
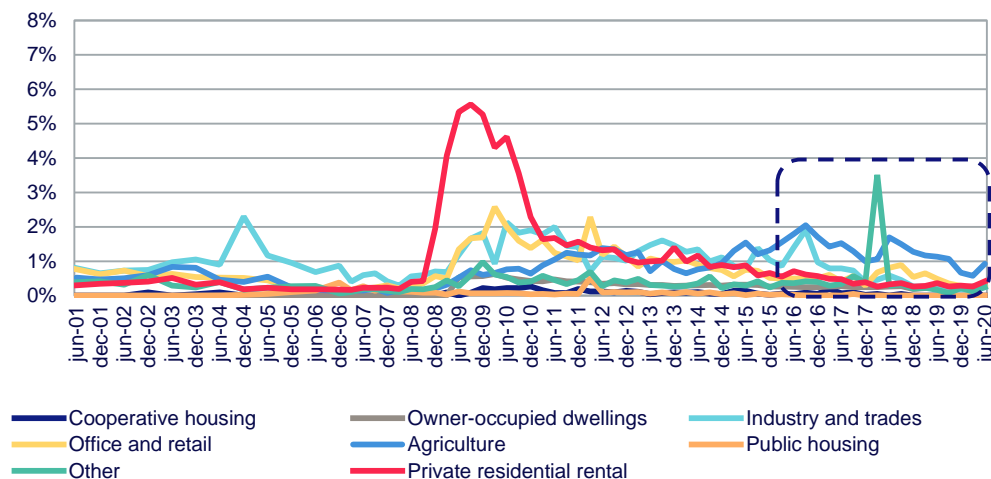


# Arrears – mortgage lending

Arrears - 75 days past due, %



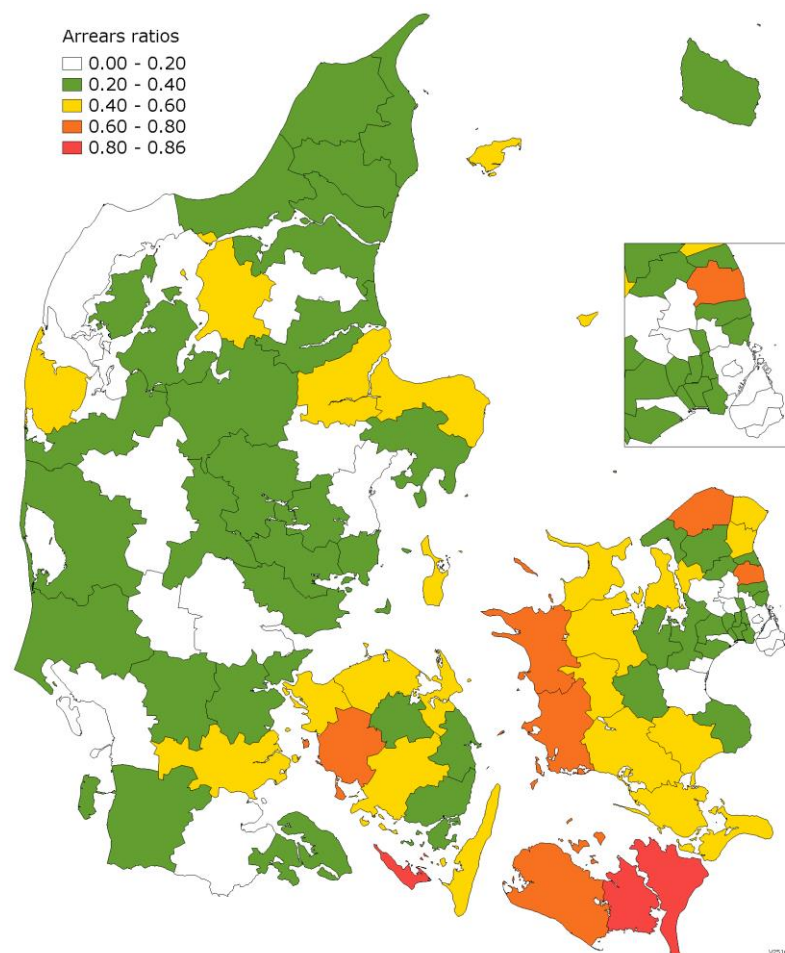
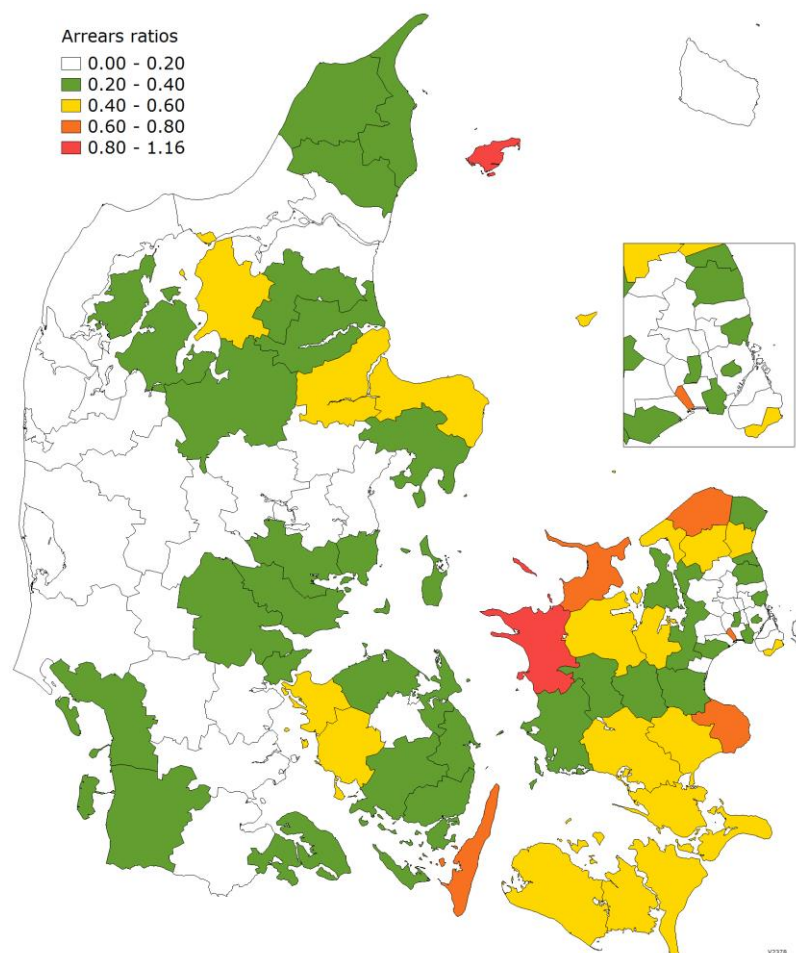
Arrears, 75 days past due, %



# Geographical distribution of arrears/total mortgage lending – owner-occupied dwellings, mortgage lending

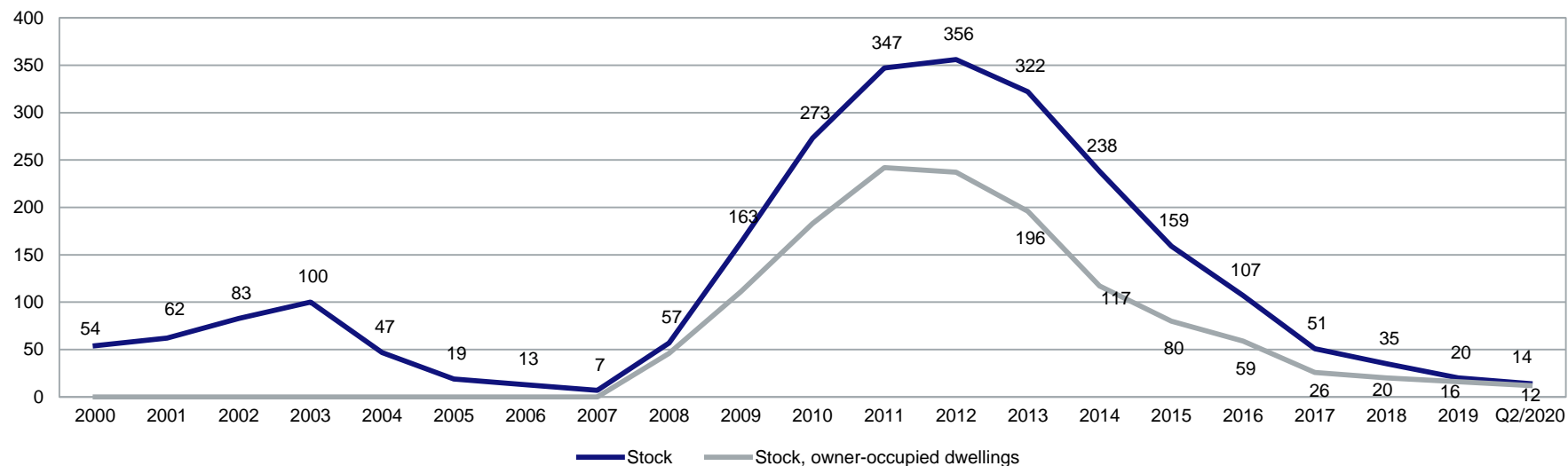
75 day-arrears, Q2/2019

75 day-arrears, Q2/2020

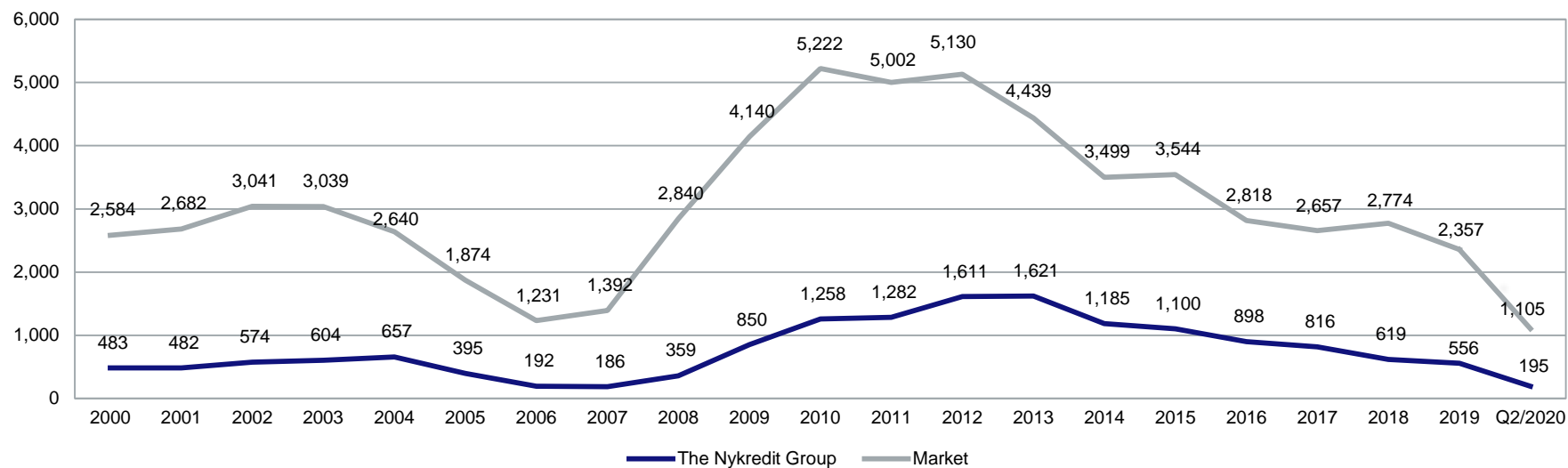


# Reposessed properties and forced sales

Repossessions in Denmark, The Nykredit Group



Forced sales in Denmark



# Risk relating to mortgage lending (distributed across LTV brackets)<sup>1</sup>

## Debt outstanding by LTV bracket, Q2/2020

### Fair value 2020 LTV (loan-to-value), the Nykredit Group

DKK million	0-40	40-60	60-80	80-100	Over 100	Public housing	Total	LTV-median	Average LTV
								%	%
Owner-occupied dwellings	521,256	194,908	105,395	9,178	1,294	-	832,032	31	67
Private rental	117,386	33,799	12,623	1,245	433	-	165,487	28	61
Industry and trades	19,556	3,506	213	90	53	-	23,418	21	47
Office and retail	92,173	24,938	2,155	338	133	-	119,738	24	52
Agriculture	59,506	20,419	6,743	932	498	-	88,098	29	62
Other	10,807	2,117	664	49	38	-	13,675	21	51
<b>Total Q2/2020</b>	<b>820,685</b>	<b>279,687</b>	<b>127,794</b>	<b>11,831</b>	<b>2,450</b>	<b>70,691</b>	<b>1,313,138</b>	<b>28</b>	<b>62</b>
<b>Total Q2/2019</b>	<b>756,388</b>	<b>261,629</b>	<b>125,168</b>	<b>14,460</b>	<b>3,646</b>	<b>70,845</b>	<b>1,232,135</b>	<b>29</b>	<b>62</b>

<sup>1</sup> In these tables mortgage lending is distributed according to which part of lending falls within each LTV bracket as a continuous distribution. As an example a mortgage on DKKm 0.8 in a property valued at DKKm 1 will be shown in the following brackets: DKKm 0.4 in LTV bracket 0-40, DKKm 0.2 in LTV bracket 40-60 and finally DKKm 0.2 in LTV bracket 60-80.

1.83% of total lending is outside statutory LTV limits

## Debt outstanding by LTV bracket, Q2/2020

### continous distribution, the Nykredit Group

%	0-40	40-60	60-80	80-100	Over 100
Owner-occupied dwellings	63	23	12	1	0
Private rental	69	23	7	1	0
Industry and trades	85	15	1	0	0
Office and retail	78	19	2	0	0
Agriculture	68	23	7	1	1
Other	80	15	5	0	0
<b>Total Q2/2020</b>	<b>66</b>	<b>23</b>	<b>10</b>	<b>1</b>	<b>0</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 public housing segment. For this reason, LTVs of public 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%. For office, retail, industry and trade properties the limit may be extended 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%
Public housing	80%
Youth housing	80%
Senior housing	80%
Properties used for social, cultural or educational purposes	60%
Holiday homes	75%
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 (distributed in a single LTV bracket)<sup>2</sup>

### Debt outstanding by LTV bracket, Q2/2020

#### Fair value 2020 LTV (loan-to-value), the Nykredit Group

DKK million	0-40	40-60	60-80	80-100	Over 100	Public housing	Total	LTV-median	Average LTV
								%	%
Owner-occupied dwellings	92,102	195,728	390,320	143,916	9,965	-	832,032	31	67
Private rental	41,010	77,952	38,356	6,070	2,099	-	165,487	28	61
Industry and trades	12,841	7,938	2,259	69	311	-	23,418	21	47
Office and retail	43,749	62,262	11,827	1,338	562	-	119,738	24	52
Agriculture	36,936	32,782	14,536	2,780	1,065	-	88,098	29	62
Other	7,801	4,179	1,497	90	108	-	13,675	21	51
<b>Total Q2/2020</b>	<b>234,440</b>	<b>380,841</b>	<b>458,795</b>	<b>154,263</b>	<b>14,109</b>	<b>70,691</b>	<b>1,313,138</b>	<b>28</b>	<b>62</b>
<b>Total Q2/2019</b>	<b>229,846</b>	<b>331,119</b>	<b>410,773</b>	<b>168,922</b>	<b>20,630</b>	<b>70,845</b>	<b>1,232,135</b>	<b>29</b>	<b>62</b>

<sup>2</sup> In these tables mortgage lending is distributed according to which LTV bracket the top part of each mortgage falls within. As an example a mortgage on DKKm 0.8 in a property valued at DKKm 1 will solely be shown in the LTV bracket 60-80.

15.12% of total lending is outside statutory LTV limits

### Debt outstanding by LTV bracket, Q2/2020, the Nykredit Group

%	0-40	40-60	60-80	80-100	Over 100
Owner-occupied dwellings	11	24	47	17	1
Private rental	25	47	23	4	1
Industry and trades	55	34	10	0	1
Office and retail	37	52	10	1	0
Agriculture	42	37	16	3	1
Other	57	31	11	1	1
<b>Total Q2/2020</b>	<b>19</b>	<b>31</b>	<b>37</b>	<b>12</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 public housing segment. For this reason, LTVs of public 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%.

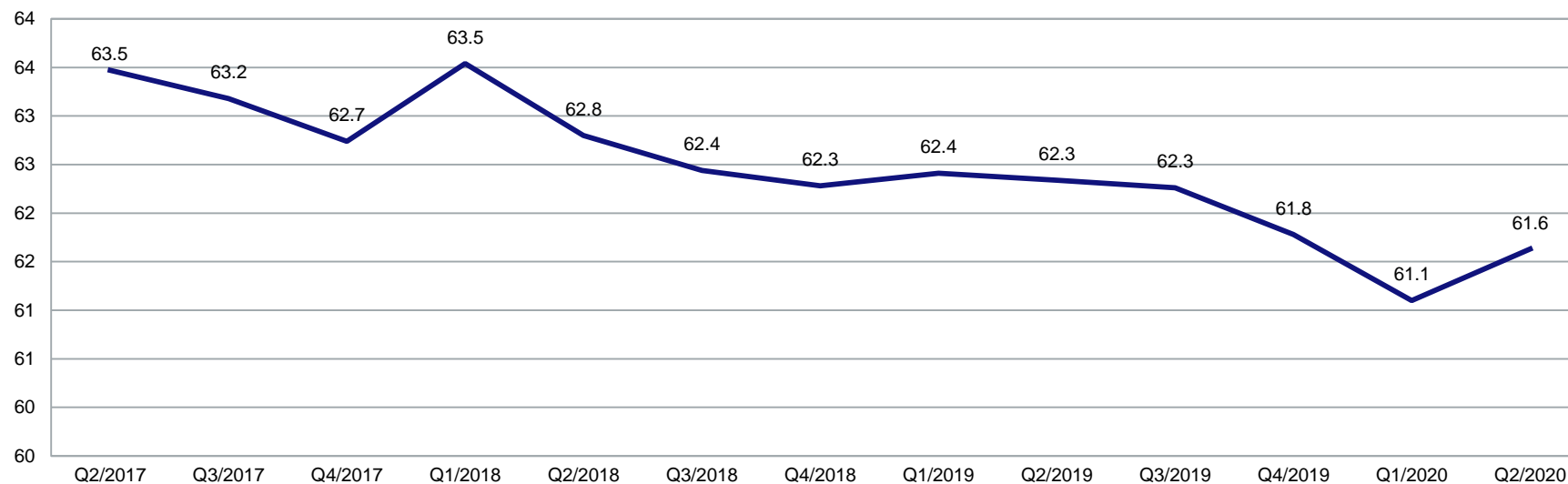
(\*\*) The LTV limit may be extended up to 70%. For office, retail, industry and trade properties the limit may be extended against supplementary collateral for the part in excess in 60%.

### Statutory LTV limits by property category

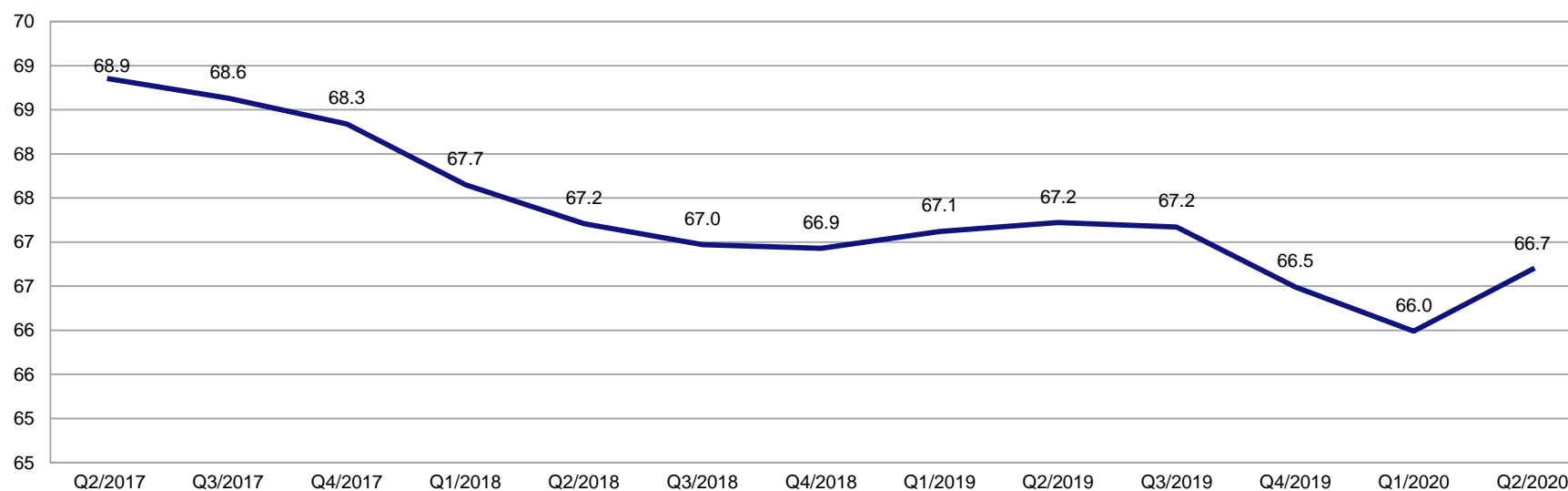
Private residential property for all-year habitation	80%*
Private cooperative housing	80%
Private residential rental properties	80%
Public housing	80%
Youth housing	80%
Senior housing	80%
Properties used for social, cultural or educational purposes	60%
Holiday homes	75%
Agricultural and forestry properties, market gardens etc**	60%
Office and retail properties**	60%
Industry and trades properties**	60%
Utilities	60%
Other properties - including undeveloped land	40%

# LTV

Average LTV - all segments, %

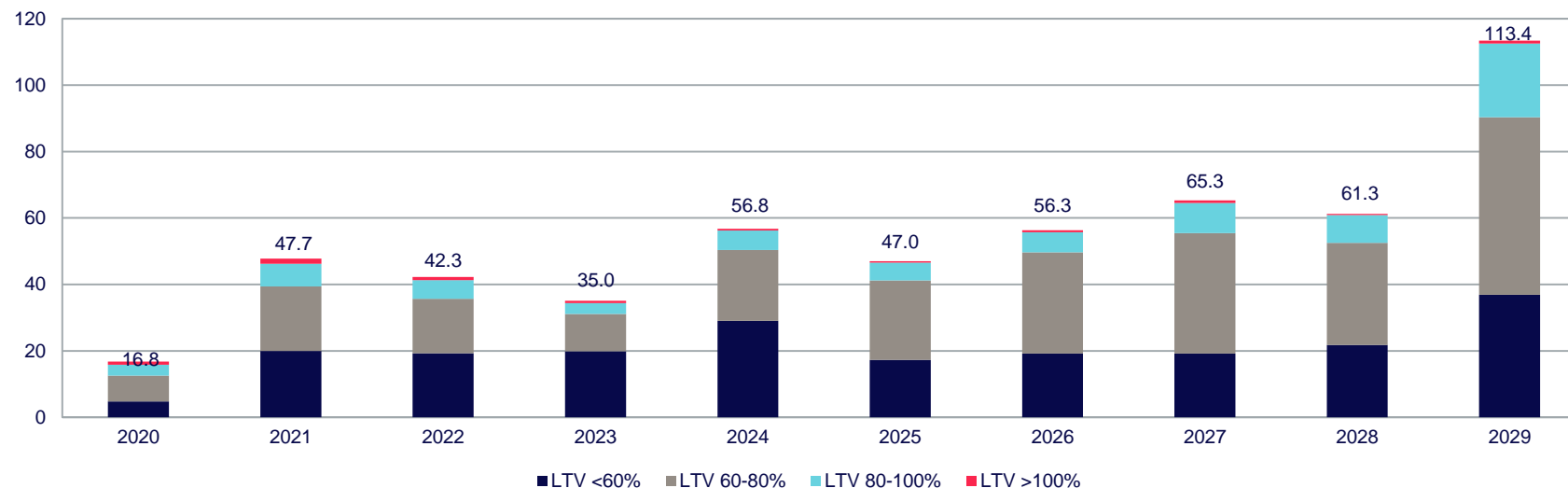


Average LTV - private residential properties, %

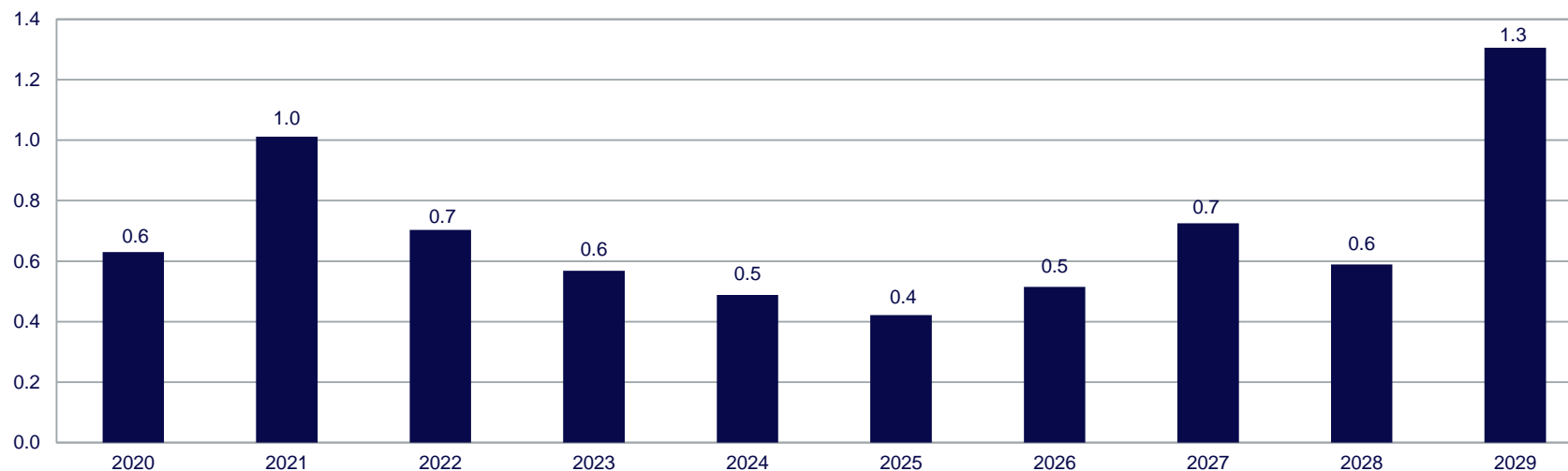


## Expiry of interest-only period – mortgage lending

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

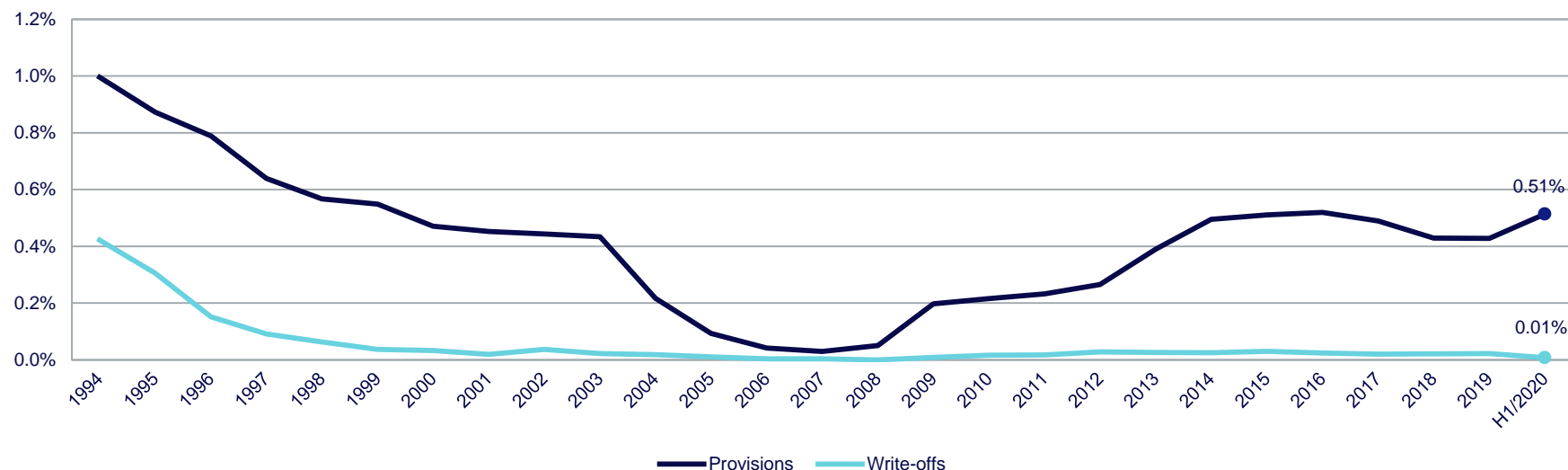


Debt outstanding over 80% LTV with expiry of interest-only period, by year, DKKbn (Only the amount of the loan that exceeds 80%)

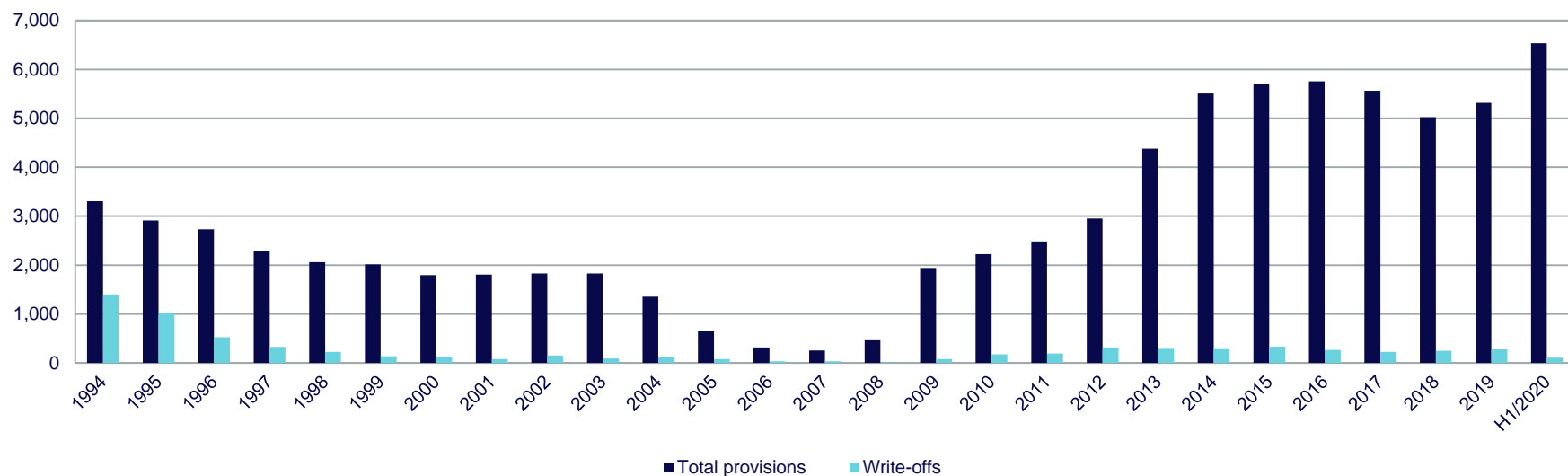


# Impairment provisions and write-offs – mortgage lending

Provisions and write-offs as % of loans and advances



Impairment provisions and write-offs, DKKm



Note: Write-offs for Q2/2020 has not been annualized

## Impairment provisions and charges – mortgage lending

### Total impairment provisions – by property type

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Owner-occupied dwellings	925	956	975	1,006	1,128
Private rental	354	388	461	592	718
Industry and trades	67	65	86	77	91
Office and retail	496	568	575	726	851
Agriculture	1,248	1,291	1,249	1,542	1,456
Public housing	55	64	91	99	77
Cooperative housing	388	349	338	391	497
Other	67	62	70	82	92
Non-divided	-	-	-	200	-
<b>Total Nykredit Realkredit</b>	<b>3,600</b>	<b>3,742</b>	<b>3,845</b>	<b>4,716</b>	<b>4,910</b>
Totalkredit	1,553	1,455	1,469	1,522	1,627
LR Realkredit	-	-	51	63	77
<b>Total impairment provisions from mortgage lending</b>	<b>5,153</b>	<b>5,198</b>	<b>5,365</b>	<b>6,301</b>	<b>6,614</b>
Impairment provision made for exposures to risk	3	16	16	14	14
<b>Total impairment provisions from mortgage lending and exposures to risk</b>	<b>5,156</b>	<b>5,214</b>	<b>5,381</b>	<b>6,315</b>	<b>6,628</b>

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

Note: Total impairment provisions include impairment provisions for properties acquired by foreclosure.

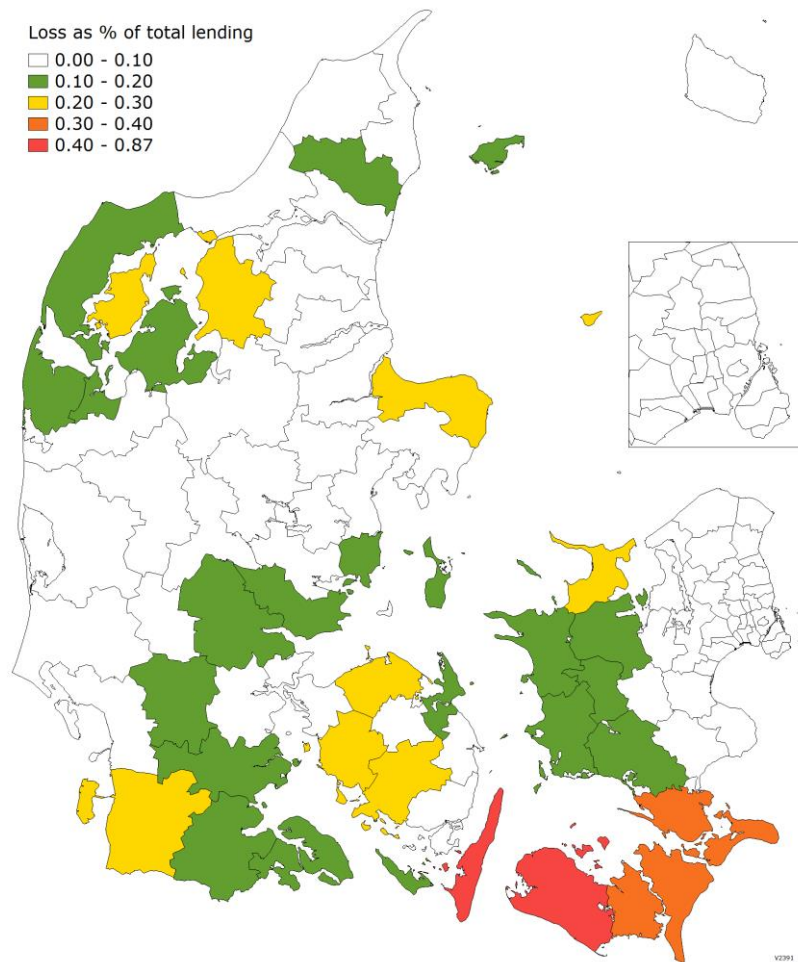
### Impairment charges – by property type

DKK million	YTD Q2/2019	YTD Q3/2019	YTD Q4/2019	YTD Q1/2020	YTD Q2/2020
Owner-occupied dwellings	49	137	203	62	207
Private rental	54	98	60	121	252
Industry and trades	7	5	26	-8	6
Office and retail	68	159	193	211	337
Agriculture	11	25	124	301	223
Public housing	3	12	38	8	-13
Cooperative housing	68	33	29	54	163
Other	0	14	22	12	23
Non-divided	-	-	-	200	-
<b>Total impairment charges by property type, Nykredit Realkredit</b>	<b>260</b>	<b>476</b>	<b>695</b>	<b>961</b>	<b>1,197</b>
Impairment provisions previously made for exposures to credit institutions	-4	1	1	6	7
<b>Total Nykredit Realkredit</b>	<b>264</b>	<b>475</b>	<b>694</b>	<b>967</b>	<b>1,204</b>
Totalkredit	160	128	246	144	302
LR Realkredit	-	-	-	11	26
<b>Total impairment charges from mortgage lending</b>	<b>424</b>	<b>603</b>	<b>940</b>	<b>1,122</b>	<b>1,532</b>
Set-offs, Totalkredit	-83	-120	-173	-45	-82
Impairment provisions previously made for exposures to credit institutions	-2	6	6	-8	-9
<b>Total impairment charges from mortgage lending after set-offs</b>	<b>339</b>	<b>490</b>	<b>773</b>	<b>1,069</b>	<b>1,441</b>
- of which intercompany eliminations	4	5	6	2	5

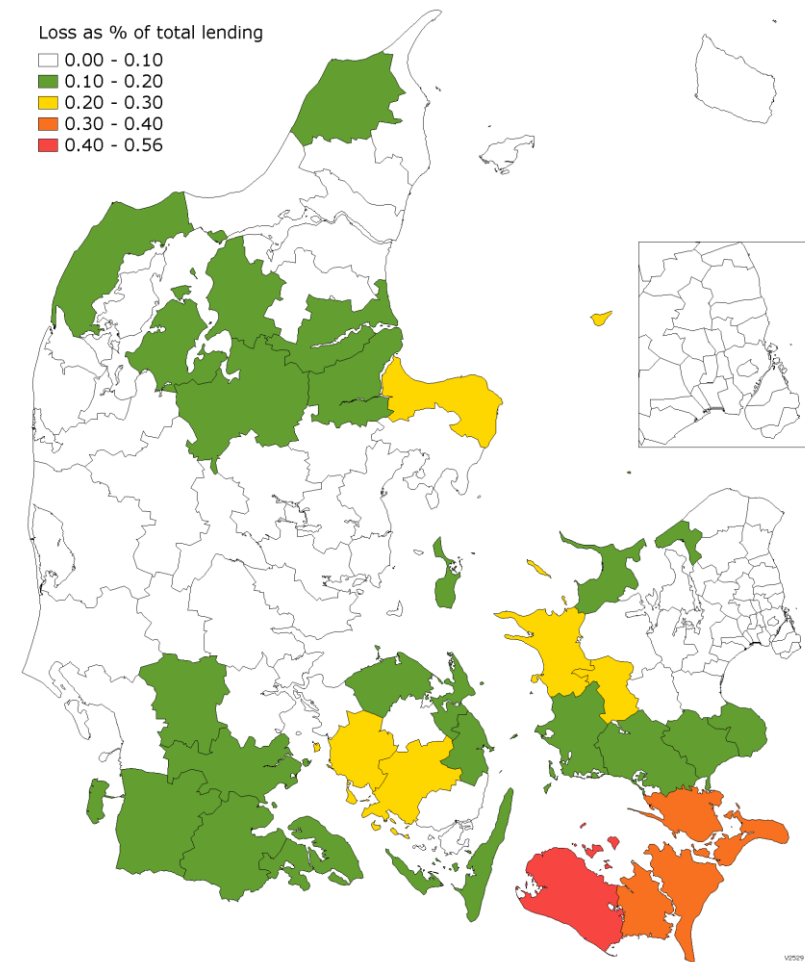
Note: Total impairment charges include impairment charges for properties acquired by foreclosure.

# Geographical distribution of write-offs/total mortgage lending before set-offs – owner-occupied dwellings, mortgage lending

Loss as % of total mortgage lending last 4 quarters, Q2/2019



Loss as % of total mortgage lending last 4 quarters, Q2/2020



## Write-offs – mortgage lending

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

DKK million	YTD Q2/2019	YTD Q3/2019	YTD Q4/2019	YTD Q1/2020	YTD Q2/2020
Owner-occupied dwellings	66	91	143	24	50
Private rental	7	21	35	3	9
Industry and trades	0	4	4	-0	1
Office and retail	40	55	70	58	59
Agriculture	80	149	226	16	22
Public housing	-	-	-	-	-
Cooperative housing	0	0	7	1	1
Other	3	15	15	-	-
<b>Total Nykredit Realkredit</b>	<b>196</b>	<b>336</b>	<b>501</b>	<b>102</b>	<b>142</b>
Totalkredit	174	244	366	97	162
<b>Total write-offs from mortgage lending</b>	<b>370</b>	<b>534</b>	<b>867</b>	<b>199</b>	<b>304</b>
Set-offs, Totalkredit	-83	-114	-172	-46	-82
<b>Total write-offs from mortgage lending after set-offs</b>	<b>287</b>	<b>419</b>	<b>694</b>	<b>153</b>	<b>386</b>
- of which intercompany eliminations	0	0	0	0	0

Note: Write-offs for the year regardless whether the loan has been recognised through profit or loss for the same year. Q2 2020 has not been annualized.

Note: Relative to previous years' Fact Books, amounts offset have been adjusted for intercompany eliminations. Total write-offs include write-offs for properties acquired by foreclosure.

# Bank Lending: Loans, advances and guarantees

## Loans and advances - the Nykredit Bank Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Public sector</b>	<b>650</b>	<b>692</b>	<b>652</b>	<b>731</b>	<b>754</b>
- of which reverse repurchase lending	297	296	251	251	286
Agriculture, hunting and forestry	2,793	2,894	2,671	2,539	2,590
Other corporate	98,620	99,061	100,376	96,282	89,593
<b>Total commercial</b>	<b>101,412</b>	<b>101,955</b>	<b>103,047</b>	<b>98,821</b>	<b>92,183</b>
- of which reverse repurchase lending	48,850	49,711	48,498	40,018	35,560
<b>Personal customers</b>	<b>10,590</b>	<b>10,650</b>	<b>10,516</b>	<b>10,105</b>	<b>9,922</b>
<b>Total</b>	<b>112,652</b>	<b>113,297</b>	<b>114,215</b>	<b>109,657</b>	<b>102,859</b>

Note: Above figures include reverse transactions at amortised cost.

## Guarantees - the Nykredit Group

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Public sector</b>	<b>-</b>	<b>0</b>	<b>-0</b>	<b>-</b>	<b>-0</b>
Agriculture, hunting and forestry	87	123	102	98	72
Other corporate	3,263	3,189	3,181	3,396	3,337
<b>Total commercial</b>	<b>3,350</b>	<b>3,312</b>	<b>3,283</b>	<b>3,494</b>	<b>3,409</b>
<b>Personal customers</b>	<b>3,353</b>	<b>3,246</b>	<b>3,333</b>	<b>3,298</b>	<b>3,314</b>
<b>Total</b>	<b>6,703</b>	<b>6,557</b>	<b>6,616</b>	<b>6,791</b>	<b>6,723</b>

Note: Guarantees are exclusive of intercompany guarantees of DKK 30bn as of Q3/2019.





# Bank lending: Impairment provisions

From Q1 2018 impairment provisions are determined according to the IFRS 9 principles.

Stage 3					
DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Public sector</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
Agriculture, hunting and forestry	117	129	129	163	159
Other corporate	1,637	1,610	1,389	1,459	1,377
<b>Total commercial</b>	<b>1,754</b>	<b>1,739</b>	<b>1,518</b>	<b>1,622</b>	<b>1,536</b>
<b>Personal customers</b>	<b>443</b>	<b>431</b>	<b>412</b>	<b>419</b>	<b>401</b>
<b>Total</b>	<b>2,198</b>	<b>2,170</b>	<b>1,930</b>	<b>2,042</b>	<b>1,937</b>

Stage 1-2					
DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Public sector</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>5</b>
Agriculture, hunting and forestry	28	29	31	30	36
Other corporate	411	447	438	559	611
<b>Total commercial</b>	<b>439</b>	<b>476</b>	<b>470</b>	<b>589</b>	<b>647</b>
<b>Personal customers</b>	<b>104</b>	<b>102</b>	<b>125</b>	<b>91</b>	<b>121</b>
<b>Total</b>	<b>544</b>	<b>580</b>	<b>596</b>	<b>681</b>	<b>773</b>

Total impairment provisions					
Stage 1-3					
DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Public sector</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>5</b>
Agriculture, hunting and forestry	145	158	161	193	195
Other corporate	2,048	2,057	1,827	2,018	1,988
<b>Total commercial</b>	<b>2,193</b>	<b>2,215</b>	<b>1,988</b>	<b>2,211</b>	<b>2,183</b>
<b>Personal customers</b>	<b>547</b>	<b>533</b>	<b>536</b>	<b>511</b>	<b>522</b>
<b>Total</b>	<b>2,741</b>	<b>2,751</b>	<b>2,526</b>	<b>2,723</b>	<b>2,710</b>

# Bank lending: Non-performing loans (NPL)

From Q1/2018 impairment provisions are determined according to the IFRS 9 principles.

## Non-performing bank loans (rating NPL)

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Impairment provisions, IFRS 9 stage 3	2,198	2,170	1,930	2,042	1,937
Non-performing loans <sup>1</sup>	3,347	3,285	2,994	3,063	2,714
Individual impairment provisions as % of loans and advances subject to individual impairment provisioning	65.7%	66.1%	64.5%	66.7%	71.4%
Non-performing loans, %	5.3%	5.2%	4.6%	4.4%	4.1%

<sup>1</sup> Non-performing loans are not limited to stage 3 loans, but also include some stage 2 loans.

# Market value of derivatives

## Nykredit Bank Group

### Q2/2020

DKK billion / %	Negative market value	Total impairment provisions <sup>2</sup>	Total impairment provision as % of market value
Housing cooperatives	6.9	1.9	28%
Agriculture	0.9	0.2	25%
Other	6.7	0.5	7%
<b>Total</b>	<b>14.4</b>	<b>2.6</b>	<b>18%</b>

<sup>2</sup> Individual value adjustments, management judgement and CVA.

# Mortgage lending: Weak customers and non-performing loans (NPL)

From Q1 2018 impairment provisions are determined according to the IFRS 9 principles.

## Exposure to weak customers (rating 0)

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Total impairment provisions, rating 0 (DKK million)	253	202	202	170	273
Bond debt outstanding with OEI (DKK million)	8,327	7,594	6,901	6,624	5,850
Total bond debt outstanding (DKK million)	1,196,664	1,221,411	1,240,811	1,256,499	1,271,227
Bond debt outstanding with OEI/total bond debt outstanding	0.70%	0.62%	0.56%	0.53%	0.46%

## Non-performing loans (rating -1)

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Total impairment provisions, NPL (DKK million)	2,029	2,070	1,981	1,848	3,205
Bond debt outstanding, NPL (DKK million) <sup>1</sup>	16,608	17,620	19,470	18,873	19,055
Total bond debt outstanding (DKK million)	1,196,664	1,221,411	1,240,811	1,256,499	1,271,227
Cover ratio	31.03%	29.50%	27.29%	31.99%	34.30%
Bond debt outstanding, NPL/total bond debt outstanding (%)	1.39%	1.44%	1.57%	1.50%	1.50%

# Business areas

The Nykredit Group

<b>Retail</b>	Mortgage lending and banking services tailored to Nykredit's personal customers and SMEs, including agricultural customers and residential rental customers.
<b>Corporates &amp; Institutions</b>	Nykredit's corporate and institutional clients, the public housing segment, large housing cooperatives and mortgage lending to business customers for properties abroad.
<b>Totalkredit Partners</b>	Mortgage lending to personal and business customers arranged by local and regional banks.
<b>Wealth Management</b>	Nykredit Asset Management, Nykredit Portefølje Administration, Sparinvest and Private Banking Elite.
<b>Group Items</b>	Income and costs not allocated to the business areas as well as core income from securities, investment portfolio income and net income relating to customer benefits programmes.

## Income – business areas

### The Nykredit Group - business areas

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Income</b>					
Personal Banking	705	774	757	710	743
Business Banking	920	911	997	741	972
C&I	651	620	785	428	846
Totalkredit Partners	814	877	935	805	810
Wealth Management	267	286	367	384	384
Group items	509	-130	-18	-1,173	821
<b>Total income from business areas</b>	<b>3,865</b>	<b>3,340</b>	<b>3,824</b>	<b>1,894</b>	<b>4,576</b>

### Lending and deposits – business areas

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Mortgage lending (nominal)</b>					
Personal Banking	172,453	173,590	174,427	174,180	173,652
-of which Nykredit Realkredit	68,706	65,541	62,792	59,555	57,624
-of which Totalkredit	103,747	108,049	111,635	114,625	116,028
Business Banking	219,499	220,481	220,039	220,450	220,658
-of which Nykredit Realkredit	219,499	220,481	220,039	220,450	220,658
-of which Totalkredit	-	-	-	-	-
C&I	206,272	211,882	238,209	238,012	243,386
Totalkredit Partners	589,908	606,475	620,655	635,605	644,581
Wealth Management	8,532	8,983	9,359	9,900	10,169
-of which Totalkredit	7,032	7,584	7,999	8,603	8,938
<b>Total mortgage lending</b>	<b>1,196,664</b>	<b>1,221,411</b>	<b>1,262,689</b>	<b>1,278,147</b>	<b>1,292,446</b>
<b>Bank lending</b>					
Personal Banking	11,953	11,893	11,686	11,300	11,055
Business Banking	22,565	23,252	23,938	24,416	23,198
C&I	24,606	24,049	25,794	29,978	29,003
Wealth Management	4,239	3,949	3,943	3,530	3,599
Group items	144	147	106	166	159
<b>Total bank lending</b>	<b>63,508</b>	<b>63,289</b>	<b>65,466</b>	<b>69,389</b>	<b>67,014</b>
<b>Deposits</b>					
Personal Banking	33,185	33,573	35,379	34,737	36,826
Business Banking	19,406	20,933	21,059	20,962	22,052
C&I	8,585	10,285	9,495	6,149	10,135
Wealth Management	16,598	15,575	16,121	16,551	15,506
Group items	2,314	3,235	3,496	2,242	898
<b>Total deposits</b>	<b>80,088</b>	<b>83,601</b>	<b>85,549</b>	<b>80,640</b>	<b>85,417</b>

Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.

# Business areas – Personal Banking

## Result – Personal Banking

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	462	460	483	470	494
Net fee income	174	228	196	155	161
Wealth Management income	84	88	92	99	103
Net interest from capitalisation	-17	-17	-16	-19	-17
Trading, investment portfolio and other income	3	15	2	5	1
<b>Income</b>	<b>705</b>	<b>774</b>	<b>757</b>	<b>710</b>	<b>743</b>
Costs	512	489	594	509	526
<b>Business profit before impairment charges</b>	<b>193</b>	<b>286</b>	<b>163</b>	<b>201</b>	<b>216</b>
Impairment charges on mortgage lending	25	153	40	67	138
Impairment charges on bank lending	-21	11	-3	-22	12
<b>Business profit</b>	<b>189</b>	<b>121</b>	<b>126</b>	<b>155</b>	<b>67</b>

## Activity – Personal Banking

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Mortgage lending</b>					
Gross new lending, year-to-date	13,882	27,516	39,128	8,241	11,961
Portfolio at nominal value, end of period <sup>1</sup>	172,453	173,590	174,427	174,180	173,652
Impairment charges for the period as % of lending	0.01%	0.09%	0.02%	0.04%	0.08%
Total impairment provisions, stage 1-3, end of period	959	1,287	1,322	1,367	1,466
Total impairment provisions as % of lending	0.55%	0.74%	0.75%	0.78%	0.84%
<b>Banking</b>					
Lending, end of period	11,953	11,893	11,686	11,300	11,055
Deposits, end of period	33,185	33,573	35,379	34,737	36,826
Impairment charges for the period as % of lending*	-0.05%	0.02%	-0.08%	-0.25%	-0.05%
Total impairment provisions, stage 1-3, end of period	766	764	763	739	752
Total impairment provisions as % of lending	6.02%	6.04%	6.13%	6.14%	6.37%
Guarantees, end of period	2,762	2,804	2,837	2,811	2,804
Provisions for guarantees, end of period	62	69	78	86	104

\*Excluding impairment charges from guarantees.

Note: From Q1 2018 impairment provisions is determined according to the new IFRS 9 principles.

<sup>1</sup> Excluding secured homeowner loans in bank lending

# Business areas – Business Banking

## Result – Business Banking

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	693	688	683	692	684
Net fee income	162	232	186	143	168
Wealth Management income	39	36	33	37	32
Net interest from capitalisation	-40	-38	-36	-37	-34
Trading, investment portfolio and other income	65	-8	131	-94	122
<b>Income</b>	<b>920</b>	<b>911</b>	<b>997</b>	<b>741</b>	<b>972</b>
Costs	295	259	315	280	297
<b>Business profit before impairment charges</b>	<b>624</b>	<b>652</b>	<b>682</b>	<b>461</b>	<b>675</b>
Impairment charges on mortgage lending	102	143	89	689	-3
Impairment charges on bank lending	58	34	45	255	32
<b>Business profit</b>	<b>465</b>	<b>475</b>	<b>548</b>	<b>-483</b>	<b>646</b>

## Activity – Business Banking

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Mortgage lending</b>					
Gross new lending, year-to-date	19,843	40,500	56,478	10,815	16,137
Portfolio at nominal value, end of period	219,499	220,481	220,039	220,450	220,658
Impairment charges for the period as % of lending	0.05%	0.06%	0.04%	0.31%	-0.00%
Total impairment provisions, stage 1-3, end of period	2,458	2,526	2,503	3,116	3,098
Total impairment provisions as % of lending	1.11%	1.13%	1.12%	1.39%	1.38%
<b>Banking</b>					
Lending, end of period	22,565	23,252	23,938	24,416	23,198
Deposits, end of period	19,406	20,933	21,059	20,962	22,052
Impairment charges for the period as % of lending*	0.27%	0.17%	0.17%	0.97%	0.02%
Total impairment provisions, stage 1-3, end of period	1,166	1,149	1,192	1,402	1,411
Total impairment provisions as % of lending	4.91%	4.71%	4.74%	5.43%	5.74%
Guarantees, end of period	1,479	1,394	1,464	1,443	1,406
Provisions for guarantees, end of period	48	38	42	47	73

\*Excluding impairment charges from guarantees.

Note: From Q1 2018 impairment provisions is determined according to the new IFRS 9 principles.

## Business areas – Corporates & Institutions

### Result – Corporates & Institutions

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	425	432	428	474	480
Net fee income	156	194	155	127	164
Wealth Management income	24	28	46	33	27
Net interest from capitalisation	-31	-31	-30	-36	-35
Trading, investment portfolio and other income	77	-3	187	-170	209
<b>Income</b>	<b>651</b>	<b>620</b>	<b>785</b>	<b>428</b>	<b>846</b>
Costs	164	135	185	167	176
<b>Business profit before impairment charges</b>	<b>487</b>	<b>485</b>	<b>600</b>	<b>261</b>	<b>669</b>
Impairment charges on mortgage lending	17	33	105	213	104
Impairment charges on bank lending	21	35	-10	-53	28
<b>Business profit</b>	<b>450</b>	<b>416</b>	<b>505</b>	<b>101</b>	<b>537</b>

### Activity – Corporates & Institutions

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Mortgage lending</b>					
Gross new lending, year-to-date	23,949	38,536	54,642	10,710	13,305
Portfolio at nominal value, end of period	206,272	211,882	238,209	238,012	243,386
Impairment charges for the period as % of lending	0.01%	0.02%	0.05%	0.09%	0.04%
Total impairment provisions, stage 1-3, end of period	188	220	376	320	692
Total impairment provisions as % of lending	0.09%	0.10%	0.16%	0.13%	0.28%
<b>Banking</b>					
Lending, end of period	24,606	24,049	25,794	29,978	29,003
Deposits, end of period	8,585	10,285	9,495	6,149	10,135
Impairment charges for the period as % of lending	0.08%	0.12%	0.00%	-0.17%	-0.11%
Total impairment provisions, stage 1-3, end of period	738	773	496	451	422
Total impairment provisions as % of lending	2.91%	3.11%	1.89%	1.48%	1.43%
Guarantees, end of period	858	881	816	1,007	918
Provisions for guarantees, end of period	14	19	8	8	70

\*Excluding impairment charges from guarantees.

Note: From Q1 2018 impairment provisions is determined according to the new IFRS 9 principles.



## Business areas – Totalkredit Partners

### Result – Totalkredit partners

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	697	725	782	716	728
Net fee income	170	194	192	121	98
Wealth Management income	-	-	-	-	-
Net interest from capitalisation	-47	-50	-44	-53	-47
Trading, investment portfolio and other income	-6	8	5	21	32
<b>Income</b>	<b>814</b>	<b>877</b>	<b>935</b>	<b>805</b>	<b>810</b>
Costs	138	155	206	175	193
<b>Business profit before impairment charges</b>	<b>676</b>	<b>722</b>	<b>729</b>	<b>629</b>	<b>617</b>
Impairment charges on mortgage lending	34	-173	46	103	139
<b>Business profit</b>	<b>642</b>	<b>895</b>	<b>683</b>	<b>526</b>	<b>478</b>

### Activity – Totalkredit partners

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Mortgage lending</b>					
Gross new lending, year-to-date	89,220	179,933	246,436	50,403	74,158
Portfolio at nominal value, end of period	589,908	606,475	620,655	635,605	644,581
Impairment charges for the period as % of lending	0.01%	-0.03%	0.01%	0.02%	0.02%
Total impairment provisions, stage 1-3, end of period	1,544	1,153	1,151	1,221	1,340
Total impairment provisions as % of lending	0.26%	0.19%	0.19%	0.19%	0.21%

Note: From Q1 2018 impairment provisions is determined according to the new IFRS 9 principles.

# Business areas – Wealth Management

## Result – Wealth Management

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	33	29	35	41	49
Net fee income	10	13	8	10	6
Wealth Management income	220	242	320	330	319
Net interest from capitalisation	-2	-2	-2	-2	-2
Trading, investment portfolio and other income	7	5	6	5	12
<b>Income</b>	<b>267</b>	<b>286</b>	<b>367</b>	<b>384</b>	<b>384</b>
Costs	116	181	250	217	212
<b>Business profit before impairment charges</b>	<b>150</b>	<b>105</b>	<b>116</b>	<b>167</b>	<b>172</b>
Impairment charges on mortgage lending	0	5	6	-4	-0
Impairment charges on bank lending	-24	-1	6	55	5
<b>Business profit</b>	<b>174</b>	<b>101</b>	<b>104</b>	<b>116</b>	<b>167</b>

## Activity – Wealth Management

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Mortgage lending</b>					
Gross new lending, year-to-date	1,072	2,330	3,097	733	1,150
Portfolio at nominal value, end of period <sup>1</sup>	8,532	8,983	9,359	9,900	10,169
Impairment charges for the period as % of lending	0.00%	0.05%	0.07%	-0.04%	-0.00%
Total impairment provisions, stage 1-3, end of period	5	11	16	13	14
Total impairment provisions as % of lending	0.06%	0.12%	0.17%	0.13%	0.14%
<b>Banking</b>					
Lending, end of period	4,239	3,949	3,943	3,530	3,599
Deposits, end of period	16,598	15,575	16,121	16,551	15,506
Impairment charges for the period as % of lending*	-0.46%	-0.11%	0.21%	1.56%	0.11%
Total impairment provisions, stage 1-3, end of period	67	62	67	122	124
Total impairment provisions as % of lending	1.56%	1.53%	1.67%	3.33%	3.34%
Guarantees, end of period	1,338	1,275	1,296	1,355	1,270
Provisions for guarantees, end of period	7	7	8	6	7
<b>Assets under management</b>	<b>232,852</b>	<b>326,984</b>	<b>335,771</b>	<b>305,735</b>	<b>325,029</b>
of which the investment funds of the Nykredit Group	78,069	157,798	162,997	142,158	153,063
<b>Assets under administration in Nykredit Portefølje Administration A/S</b>	<b>755,342</b>	<b>852,774</b>	<b>888,569</b>	<b>777,429</b>	<b>867,164</b>

\*Excluding impairment charges from guarantees.

Note: As from Q1 2018 impairment provisions are determined according to the new IFRS 9 principles.

Note: Sparinvest has been included in Nykredit's financial reporting from 1 September 2019.

<sup>1</sup> Excluding secured homeowner loans in bank lending

## Business areas – Group items

### Result – Group items

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
Net interest income	0	2	4	1	2
Net fee income	-1	-9	-7	-14	-4
Wealth Management income	2	3	4	3	4
Net interest from capitalisation	54	49	39	43	43
Net income relating to customer benefits programmes <sup>1</sup>	-23	-19	-236	-45	-52
Trading, investment portfolio and other income	478	-154	178	-1,161	828
<b>Income</b>	<b>509</b>	<b>-130</b>	<b>-19</b>	<b>-1,173</b>	<b>821</b>
Costs	47	89	-15	71	16
<b>Business profit before impairment charges</b>	<b>462</b>	<b>-218</b>	<b>-4</b>	<b>-1,244</b>	<b>806</b>
Impairment charges on mortgage lending	-	-	-	-	-
Impairment charges on bank lending	2	-8	5	9	-13
<b>Business profit</b>	<b>460</b>	<b>-210</b>	<b>-9</b>	<b>-1,253</b>	<b>818</b>

### Activity – Group items

DKK million	Q2/2019	Q3/2019	Q4/2019	Q1/2020	Q2/2020
<b>Banking</b>					
Lending, end of period	144	147	106	166	159
Deposits, end of period	2,314	3,235	3,496	2,242	898
Total impairment provisions, stage 1-3, end of period	5	2	8	10	0
Total impairment provisions as % of lending	3.51%	1.63%	7.05%	5.87%	0.18%
Guarantees, end of period	266	203	203	175	326

Note: As from Q1 2018 impairment provisions are determined according to the new IFRS 9 principles.

<sup>1</sup> Nykredit's customer benefits programmes were launched in Q3/2017, awarding mortgage customers a cash discount on their loan administration margin. The programmes are available to both personal and business customers and are called "KundeKroner", "ErhvervsKroner" and "MineMål", respectively. The programmes do not impact profit after tax, as the Nykredit Group and Forenet Kredit are jointly taxed.

# The Danish economy

## Nykredit's regional housing price forecasts

%	2018	2019	2020F	2021F	2022F
<b>Houses – Denmark</b>	<b>4.1</b>	<b>3.1</b>	<b>0.5</b>	<b>-</b>	<b>2.2</b>
Copenhagen	5.5	2.8	-0.5	-0.8	2.6
North Sealand	3.7	4.0	0.7	-	2.2
East Sealand	5.5	3.5	1.7	0.1	2.2
West and South Sealand	4.7	2.6	2.0	-0.5	2.2
Bornholm	9.0	1.9	0.2	-0.1	2.2
Funen	6.0	3.5	-1.2	-0.1	2.4
South Jutland	3.2	2.8	-0.8	0.9	2.2
East Jutland	4.6	2.7	-	0.1	2.3
West Jutland	3.1	2.4	-0.9	0.3	1.8
North Jutland	1.1	1.6	1.8	-0.2	1.8
<b>Owner-occupied flats – Denmark</b>	<b>5.6</b>	<b>1.7</b>	<b>0.7</b>	<b>-0.9</b>	<b>2.2</b>
Copenhagen	5.2	0.2	-0.4	-0.6	2.5
Municipality of Aarhus	3.6	0.4	3.2	-1.4	3.2
<b>Holiday homes - Denmark</b>	<b>4.9</b>	<b>3.8</b>	<b>6.5</b>	<b>1.8</b>	<b>0.9</b>

Note: F indicates forecast.

Price growth is stated as annual averages. Selected regions.

# The Danish economy

## Danish economy - key figures

%	2015	2016	2017	2018	2019
Real GDP growth (2010 chained volume)	2.3%	3.2%	2.0%	2.4%	2.4%
Inflation	0.5%	0.3%	1.1%	0.8%	0.8%
Public deficit as % of nominal GDP	-1.3%	-0.1%	1.5%	0.5%	3.7%
Balance of payment as % of nominal GDP*	8.2%	7.9%	8.0%	5.8%	7.7%
Net unemployment	3.8%	3.3%	3.3%	3.1%	3.2%
Government net foreign assets (DKKm)	680,457	1,145,889	1,207,760	1,402,739	1,813,677

Note: Actual 2020 year 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, August 2019 (Økonomisk Redegørelse, August 2019), pp 89-122 (in Danish), of the Danish Ministry of Economics and Interior given by the link below:

<https://www.fm.dk/publikationer/2019/oekonomisk-redegoerelse-aug-19>

\* The balance of payments as a percentage of nominal GDP has been revised for Q3/2016 and is consequently no longer comparable with Fact Books from and earlier than Q3/2016.

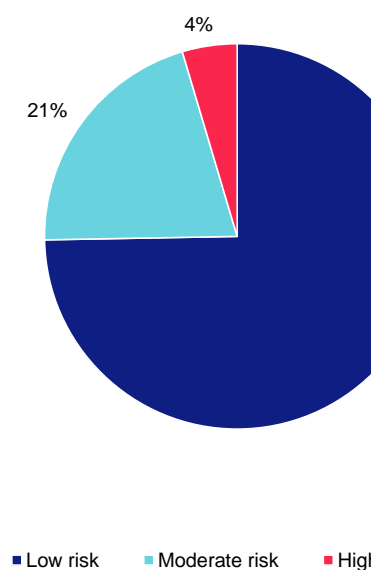
# **Appendix: COVID-19 Related Impairments**

**Nykredit Group**

## Loan portfolio split by sectors and their potential impact by COVID-19

Lending mix		H1 2020		
By industry groups	Exposure	- Of which mortgage lending		COVID-19 related impairments
	DKK million	DKK million	%	DKK million
<b>High risk</b>				
Accommodation and food service	4,498	3,894	86.6%	13
Retail trade	6,210	4,328	69.7%	11
Transportation	6,926	2,628	37.9%	11
Construction	23,845	13,499	56.6%	76
Production	31,748	20,315	64.0%	46
<b>Moderate risk</b>				
Housing cooperative	42,167	36,324	86.1%	113
Residential rental	205,590	186,920	90.9%	375
Outside Denmark	81,734	66,785	81.7%	78
<b>Low risk</b>				
Agriculture	82,376	78,877	95.8%	91
Households	826,198	802,363	97.1%	247
Public sector	1,586	1,038	65.5%	2
Financial institutions	55,217	3,120	5.7%	14
Education	12,285	10,619	86.4%	7
Other	212,136	-	-	64
Cyclically related impairments				400
<b>Total</b>	<b>1,592,515</b>	<b>1,230,711</b>	<b>77.3%</b>	<b>1,549</b>

Exposures by risk group, H1



2020



75%

risk



# Macroeconomic assumptions, adverse scenario

## Main scenarios for impairment calculations

%					
<i>Nykredit Group</i>	2018	2019	2020e	2021e	2022e
Short-term rate <sup>1</sup>	-0.3	-0.4	-0.2	-0.4	-0.2
Long-term rate <sup>2</sup>	0.4	-0.2	-0.4	-0.2	0.0
House prices <sup>3</sup>	3.8	3.0	-3.9	0.3	5.3
GDP <sup>3</sup>	2.4	2.4	-5.0	3.8	2.6
Unemployment <sup>4</sup>	3.1	3.1	4.7	4.5	4.0

<sup>1</sup> Short-term rate reflects the Copenhagen Interbank Offered Rate (Cibor).

<sup>2</sup> Long-term rate reflects 10-year Danish government bonds.

<sup>3</sup> House prices and GDP reflect annual changes as a percentage.

<sup>4</sup> Unemployment is registered net unemployment as % of the workforce stated as an annual average.

## Scenarios

<i>Nykredit Group</i>		Total Impairments	Additional impairments if adverse scenario = 100%
Better scenario	0%		
Base scenario	20%	9,607	230
Adverse scenario	80%		

Nykredit's main scenario has been included in the impairment models at a probability of 80%. The adverse scenario is the main scenario in the models. The macroeconomic charge for impairment is based on three scenarios, which are translated into expected probabilities of default. The base scenario has been included at a probability of 20%. The PD and LGD parameters used are the ones observed at the balance sheet date. We do not expect further improvement from the situation prevailing at the balance sheet date, and the better scenario has therefore been included at a probability of 0%. Therefore, only one single macroeconomic projection scenario has been used to model the adverse scenario.

# **Covered Bond Investor Report Q2/2020**

**Nykredit Realkredit Group**

# Overview

## Nykredit Realkredit A/S

Capital Centre	C	D	E	G	H	I	Other	Nykredit In General	Total
Bond type	RO	RO	SDO	RO	SDO	RO	RO	RO	
Risk weight (standard approach)	10%	10% / 20%*	10%	20%*	10%	20%*	10%	10%	
Weight large exposures	-	0% / 57,5%*	-	68,2%*	-	67,5%*	-	-	
Mortgage loans at fair value (DKK million)	562	15,391	98,075	67,004	274,461	6,978	47,927	362	510,760
Number of loans	2,622	19,819	27,419	18,851	81,467	1,372	9,464	1,585	162,599
Number of properties	2,366	18,569	23,837	14,726	67,223	1,334	4,981	1,382	134,418
Rating S&P	AAA	AAA	AAA	AAA	AAA	AAA	-	AAA	-

\* RO bonds issued after 1 January 2008 carry a 20% risk weight and a higher weight for Danish financial institutions calculating large exposures.

Bonds issued prior to this date are treated as CRD-compliant covered bonds via grandfathering and therefore attracts a 10% risk weight and a 0% weight for calculation of large exposures.

## Joint funding

Loans in Totalkredit's capital centres D, E, G, H and I are joint funded through Nykredit Realkredit's capital centres D, E, G, H and I respectively.

For more information about the joint funding model log on to our web page [www.nykredit.com/investor](http://www.nykredit.com/investor)

## Totalkredit A/S

Capital Centre	C	D	E	G	H	I	Other	Nykredit In General	Total
Bond type	RO	-	-	-	-	-	-	RO	
Risk weight (standard approach)	10%	-	-	-	-	-	-	10%	
Weight large exposures	-	-	-	-	-	-	-	-	
Mortgage loans at fair value (DKK million)	5,004	3,413	436,262	829	334,265	529	-	2	780,305
Number of loans	10,859	5,495	335,231	2,365	271,381	4,389	-	20	629,740
Number of properties	10,777	5,446	327,056	2,353	243,481	4,386	-	20	593,519
Rating S&P	AAA	-	-	-	-	-	-	-	-

# Overview

## Junior Covered Bonds

Capital Centre	C	D	E	G	H	I	Other	Nykredit In General	Total
Junior Covered Bonds at fair value (DKKm)	-	-	-	-	-1,136	-	-	-	-1,136
Rating S&P	-	AA-	AA-	-	AA-	-	-	-	-

## Investment of Junior Covered Bond proceeds

Capital Centre	D	E	H
Danish government bonds	-	-	-
Triple A rated Scandinavian covered bonds	100%	76%	32%
Double A rated Scandinavian covered bonds	-	2%	68%
Triple A rated core European covered bonds	-	21%	-
Double A rated core European covered bonds	-	-	-
Eligible senior exposures to credit institutions rated at least Single A	-	-	-
Other assets	-	-	-
Total	100%	100%	100%

# Concept and calculations

- LTV is calculated on each property on a loan-by-loan basis.
- LTV is calculated based on prior-ranking loans and mortgage loans at fair value relative to the estimated property value.
- Average and median LTV ratios are weighted against the fair value of the loan.
- Average LTV ratios are calculated on the basis of the top part of debts outstanding relative to estimated property values.
- Median LTV ratios are calculated on the basis of the mid-part of debts outstanding relative to estimated property values.
- Loans at fair value distributed continuously by LTV range up to the top LTV bracket: In the table, loans with security covering for example between 0% and 30% of the mortgageable value are distributed with two thirds of the debt outstanding in the LTV range of 0-20% and one third in the LTV range of 20-40%.
- Entire loan entered under the top LTV bracket: The full amount of the loan of the example above is included in the 20-40% LTV bracket.
- Mortgages may include loan costs. Eg a fully mortgaged owner-occupied dwelling with financed costs of 2% of the principal will appear at 82% in the following table.
- Public authority guarantees reduce the credit risk relating to subsidised housing that is included in the lending for the category "Public housing". For this reason, LTV figures for public housing contain no relevant information on risk.

## LTV calculation

$$\text{LTV} = \frac{\text{Prior ranking loans} + \text{Mortgage loan at fair value}}{\text{Estimated property value}}$$

- Prior ranking loans = all loans secured on prior mortgages on the property – including loans raised in other credit institutions.
- Fair value = nominal bond debt outstanding \* current market price.

## Estimated property values

- Estimated property values are always based on local property valuations and inspections.
- Statistical models are used for the ongoing estimation of property values in owner-occupied dwellings. These models are approved by the Danish FSA and based on indices from Boligmarkedsstatistikken. For further information, please see: [http://www.realkreditraadet.dk/Statistics/Prices\\_and\\_trades\\_of\\_owner\\_occupied\\_homes.aspx](http://www.realkreditraadet.dk/Statistics/Prices_and_trades_of_owner_occupied_homes.aspx)
- Projection models are used for the ongoing estimation of property values in Industry and trade, Office and rental and Agriculture.
- Statistical valuations and projections are performed centrally and supplemented by ongoing local valuations and LTV monitoring.
- Property values are updated with the price development of Q1/2020.

# Mortgage Lending

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number <sup>3)</sup>
<b>Mortgage loans</b>									
- Mortgage loans at fair value	51,728	780,305	143,414	70,691	23,418	119,738	88,098	13,675	1,291,065
- Mortgage loans at fair value (%)	4%	60%	11%	5%	2%	9%	7%	1%	100%
- Number of loans	64,357	629,740	32,043	14,444	2,419	17,930	29,563	1,843	792,339
- Number of properties	57,724	563,587	20,881	5,424	1,647	11,676	13,402	1,130	675,471
- Average current LTV <sup>2)</sup>	57.7	67.3	61.2	-	46.9	52.3	61.7	50.7	61.6
<b>Bond debt outstanding by loans involving</b>									
- Public guaranties	272	-	386	44,358	3	4	110	85	45,218
- Bank guaranties	-	41,914	-	-	-	-	-	-	41,914
- Set-off agreement with banks	-	134,734	-	-	-	-	-	-	134,734
- No guarantee	51,456	603,656	143,028	26,333	23,414	119,734	87,988	13,589	1,069,198
<b>Total</b>	<b>51,728</b>	<b>780,305</b>	<b>143,414</b>	<b>70,691</b>	<b>23,418</b>	<b>119,738</b>	<b>88,098</b>	<b>13,675</b>	<b>1,291,065</b>
<b>Mortgage loans at fair value by loan type</b>									
Fixed-rate loans									
- repayment loans	5,784	307,862	31,162	16,395	5,270	40,544	6,295	4,153	417,465
- interest-only option	258	134,188	15,419	57	10	2,586	8,984	132	161,634
Adjustable-rate mortgages (ARMs)									
- repayment loans	15,109	81,129	12,993	32,946	2,207	13,368	9,078	922	167,753
- interest-only option	9,401	134,396	27,453	17	2,783	10,952	11,985	119	197,106
Money market-linked loans									
Capped									
- repayment loans	9,602	22,468	653	68	50	469	1,269	220	34,798
- interest-only option	1,407	11,875	199	-	3	49	579	5	14,117
Uncapped									
- repayment loans	2,706	29,025	12,897	301	5,109	24,088	19,008	4,269	97,404
- interest-only option	7,461	59,362	41,085	96	7,986	27,680	30,899	3,773	178,342
Index-linked loans									
	0	-	1,552	20,810	-	2	0	82	22,447
<b>Total</b>	<b>51,728</b>	<b>780,305</b>	<b>143,414</b>	<b>70,691</b>	<b>23,418</b>	<b>119,738</b>	<b>88,098</b>	<b>13,675</b>	<b>1,291,065</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 36.4bn in total.

<sup>2)</sup> Average current LTV is calculated on the basis of the top LTV bracket for lending granted by the Nykredit Realkredit Group.

<sup>3)</sup> The sum of mortgage lending includes intercompany lending and may therefore differ from the Nykredit Realkredit Group balance of mortgage loans at fair value.

# Mortgage Lending

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number <sup>2)</sup>
<b>Mortgage loans at fair value by geographic area</b>									
- City of Copenhagen (incl Frb.)	1,376	63,435	38,322	10,647	57	20,625	-	2,269	136,730
- Suburban municipalities	10,281	179,353	18,968	17,769	2,721	19,359	3,152	2,907	254,510
- Remaining Sealand, etc	6,329	64,766	6,318	5,591	2,005	7,635	11,892	943	105,479
- Funen	3,257	66,312	9,005	5,020	645	3,399	7,601	613	95,852
- Northern Jutland	5,549	126,292	16,403	10,845	2,882	10,150	27,183	1,616	200,922
- Western Jutland	3,964	75,996	6,396	5,665	3,132	7,783	13,748	1,678	118,362
- Eastern Jutland	6,890	178,520	25,720	11,264	3,846	19,800	17,859	3,107	267,006
- Southern Jutland	1,397	25,565	2,011	3,891	799	2,340	6,630	542	43,174
- Faroe Islands and Greenland	2,146	65	217	-	-	128	-	-	2,556
- International	10,536	-	20,053	-	7,330	28,520	34	-	66,473
<b>Total</b>	<b>51,728</b>	<b>780,305</b>	<b>143,414</b>	<b>70,691</b>	<b>23,418</b>	<b>119,738</b>	<b>88,098</b>	<b>13,675</b>	<b>1,291,065</b>
<b>Mortgage loans at fair value by size, DKK million</b>									
0 - 2	36,271	489,115	16,882	4,888	1,181	8,963	14,993	685	572,979
2 - 5	9,891	260,775	20,631	7,324	1,676	11,526	28,535	1,295	341,652
5 - 20	4,607	28,636	42,976	24,663	2,958	22,924	39,009	3,782	169,556
20 - 50	781	1,543	22,292	18,256	1,737	15,512	5,001	2,592	67,712
50 - 100	77	236	12,794	10,570	1,174	12,925	561	1,147	39,484
100 and above	101	-	27,838	4,990	14,692	47,888	-	4,173	99,682
<b>Total</b>	<b>51,728</b>	<b>780,305</b>	<b>143,414</b>	<b>70,691</b>	<b>23,418</b>	<b>119,738</b>	<b>88,098</b>	<b>13,675</b>	<b>1,291,065</b>
<b>Mortgage loans at fair value by remaining loan term, years</b>									
0 - 10	2,587	16,499	19,765	5,195	5,403	41,576	1,579	706	93,310
10 - 15	7,120	33,869	8,112	8,197	5,001	18,389	4,041	1,830	86,559
15 - 20	22,615	90,411	22,126	8,531	12,954	37,116	14,998	3,170	211,920
20 - 25	14,985	147,331	25,542	23,627	32	7,572	22,808	2,404	244,302
25 - 30	4,420	492,194	67,868	24,936	28	15,085	44,671	5,565	654,769
30 - 35	-	-	1	204	-	-	-	-	205
35 and above	-	-	1	0	-	-	-	-	1
<b>Total</b>	<b>51,728</b>	<b>780,305</b>	<b>143,414</b>	<b>70,691</b>	<b>23,418</b>	<b>119,738</b>	<b>88,098</b>	<b>13,675</b>	<b>1,291,065</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 36.4bn in total.

<sup>2)</sup> The sum of mortgage lending includes intercompany lending and may therefore differ from the Nykredit Realkredit Group balance of mortgage loans at fair value.

# Mortgage Lending - Capital Centre D

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number
<b>Mortgage loans</b>									
- Mortgage loans at fair value	6,904	3,413	2,406	433	3,404	928	887	429	18,805
- Mortgage loans at fair value (%)	37%	18%	13%	2%	18%	5%	5%	2%	100%
- Number of loans	15,320	5,495	1,107	721	191	1,076	1,115	289	25,314
- Number of properties	14,533	5,446	1,025	545	164	1,012	1,050	263	24,038
- Average current LTV <sup>2)</sup>	42	61	55	-	43	38	28	36	46
<b>Bond debt outstanding by loans involving</b>									
- Public guaranties	0	-	3	46	-	-	5	12	66
- Bank guaranties	-	124	-	-	-	-	-	-	124
- Set-off agreement with banks	-	838	-	-	-	-	-	-	838
- No guarantee	6,904	2,452	2,403	387	3,404	928	882	417	17,776
<b>Total</b>	<b>6,904</b>	<b>3,413</b>	<b>2,406</b>	<b>433</b>	<b>3,404</b>	<b>928</b>	<b>887</b>	<b>429</b>	<b>18,805</b>
<b>Mortgage loans at fair value by loan type</b>									
Fixed-rate loans									
- repayment loans	1,620	898	179	365	33	191	147	90	3,522
- interest-only option	-	-	-	-	-	-	-	-	-
Adjustable-rate mortgages (ARMs)									
- repayment loans	-	-	248	-	102	179	91	70	689
- interest-only option	-	-	696	-	-	64	43	-	803
Money market-linked loans									
Capped									
- repayment loans	5,266	2,516	340	68	28	216	581	180	9,196
- interest-only option	6	-	2	-	-	-	8	-	16
Uncapped									
- repayment loans	12	-	167	-	325	275	12	89	880
- interest-only option	-	-	774	-	2,916	4	5	-	3,699
Index-linked loans									
-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6,904</b>	<b>3,413</b>	<b>2,406</b>	<b>433</b>	<b>3,404</b>	<b>928</b>	<b>887</b>	<b>429</b>	<b>18,805</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 0.2bn in Capital Centre D.

<sup>2)</sup> Average current LTV is calculated on the basis of the top LTV bracket for the loans in the capital centre.



# Mortgage Lending - Capital Centre D

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number
<b>Mortgage loans at fair value by geographic area</b>									
- City of Copenhagen (incl Frb.)	244	41	759	57	0	25	-	8	1,133
- Suburban municipalities	1,534	382	280	47	69	171	55	19	2,557
- Remaining Sealand, etc	1,439	714	276	22	84	148	143	57	2,884
- Funen	637	476	262	61	20	75	75	41	1,647
- Northern Jutland	898	556	219	83	50	151	189	60	2,206
- Western Jutland	630	417	141	40	67	121	193	72	1,680
- Eastern Jutland	1,109	554	369	102	91	184	184	113	2,707
- Southern Jutland	324	266	84	21	107	53	47	59	962
- Faroe Islands and Greenland	15	7	15	-	-	1	-	-	38
- International	73	-	-	-	2,916	-	-	-	2,990
<b>Total</b>	<b>6,904</b>	<b>3,413</b>	<b>2,406</b>	<b>433</b>	<b>3,404</b>	<b>928</b>	<b>887</b>	<b>429</b>	<b>18,805</b>
<b>Mortgage loans at fair value by size, DKK million</b>									
0 - 2	6,708	3,194	496	259	67	451	640	111	11,927
2 - 5	196	208	392	103	85	180	170	114	1,448
5 - 20	-	11	932	72	140	174	77	159	1,564
20 - 50	-	-	350	-	275	123	-	45	794
50 - 100	-	-	235	-	-	-	-	-	235
100 and above	-	-	-	-	2,837	-	-	-	2,837
<b>Total</b>	<b>6,904</b>	<b>3,413</b>	<b>2,406</b>	<b>433</b>	<b>3,404</b>	<b>928</b>	<b>887</b>	<b>429</b>	<b>18,805</b>
<b>Mortgage loans at fair value by remaining loan term, years</b>									
0 - 10	706	167	146	264	1,004	558	102	131	3,079
10 - 15	3,295	309	539	129	46	151	504	198	5,171
15 - 20	2,902	2,937	1,179	40	2,354	203	230	100	9,947
20 - 25	-	-	542	-	-	14	51	-	606
25 - 30	-	-	-	-	-	2	-	-	2
30 - 35	-	-	-	-	-	-	-	-	-
35 and above	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>6,904</b>	<b>3,413</b>	<b>2,406</b>	<b>433</b>	<b>3,404</b>	<b>928</b>	<b>887</b>	<b>429</b>	<b>18,805</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 0.2bn in Capital Centre D.

# Mortgage Lending - Capital Centre E

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number
<b>Mortgage loans</b>									
- Mortgage loans at fair value	5,310	436,262	36,993	15,379	1,881	20,243	14,463	3,805	534,337
- Mortgage loans at fair value (%)	1%	82%	7%	3%	0%	4%	3%	1%	100%
- Number of loans	7,439	335,231	7,631	3,490	510	3,596	4,268	485	362,650
- Number of properties	7,363	327,056	6,783	1,850	488	3,377	3,670	439	351,026
- Average current LTV <sup>2)</sup>	59.4	69.0	49.1	-	45.1	45.7	44.8	45.4	64.4
<b>Bond debt outstanding by loans involving</b>									
- Public guaranties	271	-	17	4,634	-	1	-	59	4,984
- Bank guaranties	-	23,437	-	-	-	-	-	-	23,437
- Set-off agreement with banks	-	81,998	-	-	-	-	-	-	81,998
- No guarantee	5,039	330,827	36,976	10,745	1,881	20,242	14,463	3,746	423,918
<b>Total</b>	<b>5,310</b>	<b>436,262</b>	<b>36,993</b>	<b>15,379</b>	<b>1,881</b>	<b>20,243</b>	<b>14,463</b>	<b>3,805</b>	<b>534,337</b>
<b>Mortgage loans at fair value by loan type</b>									
Fixed-rate loans									
- repayment loans	3,734	304,880	20,475	15,317	1,849	17,065	5,350	3,663	372,333
- interest-only option	258	128,413	15,419	57	10	2,586	8,984	132	155,860
Adjustable-rate mortgages (ARMs)									
- repayment loans	9	36	30	5	0	25	1	-	106
- interest-only option	25	39	271	-	-	215	9	-	560
Money market-linked loans									
Capped									
- repayment loans	464	1,052	24	-	2	13	37	1	1,593
- interest-only option	816	1,843	46	-	0	22	75	3	2,806
Uncapped									
- repayment loans	3	-	107	-	19	195	4	6	334
- interest-only option	-	-	622	-	-	122	1	-	745
Index-linked loans									
-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,310</b>	<b>436,262</b>	<b>36,993</b>	<b>15,379</b>	<b>1,881</b>	<b>20,243</b>	<b>14,463</b>	<b>3,805</b>	<b>534,337</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 12.5bn in Capital Centre E.

<sup>2)</sup> Average current LTV is calculated on the basis of the top LTV bracket for the loans in the capital centre.

# Mortgage Lending - Capital Centre E

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number
<b>Mortgage loans at fair value by geographic area</b>									
- City of Copenhagen (incl Frb.)	61	34,031	14,365	3,112	13	2,504	-	316	54,401
- Suburban municipalities	641	95,780	5,452	4,939	240	3,814	586	405	111,857
- Remaining Sealand, etc	811	37,552	1,639	1,086	80	2,458	2,197	364	46,187
- Funen	453	37,739	2,046	1,135	155	735	1,133	214	43,610
- Northern Jutland	385	73,782	4,153	1,485	507	3,016	3,791	657	87,776
- Western Jutland	275	43,965	1,638	669	294	1,641	2,104	637	51,222
- Eastern Jutland	392	97,503	6,901	2,346	532	5,118	3,165	898	116,856
- Southern Jutland	155	15,858	611	608	59	832	1,486	315	19,922
- Faroe Islands and Greenland	2,122	52	189	-	-	127	-	-	2,490
- International	15	-	-	-	-	-	-	-	15
<b>Total</b>	<b>5,310</b>	<b>436,262</b>	<b>36,993</b>	<b>15,379</b>	<b>1,881</b>	<b>20,243</b>	<b>14,463</b>	<b>3,805</b>	<b>534,337</b>
<b>Mortgage loans at fair value by size, DKK million</b>									
0 - 2	4,348	273,871	3,816	1,709	255	1,896	2,332	170	288,397
2 - 5	916	148,032	6,522	2,341	402	2,628	4,346	388	165,575
5 - 20	46	13,256	13,990	5,924	890	6,186	6,461	1,274	48,027
20 - 50	-	867	6,628	3,645	334	3,283	1,149	1,024	16,930
50 - 100	-	236	3,648	1,521	-	2,820	175	535	8,934
100 and above	-	-	2,390	239	-	3,430	-	414	6,473
<b>Total</b>	<b>5,310</b>	<b>436,262</b>	<b>36,993</b>	<b>15,379</b>	<b>1,881</b>	<b>20,243</b>	<b>14,463</b>	<b>3,805</b>	<b>534,337</b>
<b>Mortgage loans at fair value by remaining loan term, years</b>									
0 - 10	344	11,448	598	1,704	310	2,265	305	86	17,059
10 - 15	383	20,256	1,042	2,435	585	2,895	357	511	28,465
15 - 20	1,628	43,778	3,935	2,224	972	11,473	646	1,003	65,659
20 - 25	1,948	46,817	2,919	4,326	8	285	1,268	116	57,688
25 - 30	1,007	313,964	28,500	4,690	6	3,325	11,886	2,088	365,466
30 - 35	-	-	-	-	-	-	-	-	-
35 and above	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5,310</b>	<b>436,262</b>	<b>36,993</b>	<b>15,379</b>	<b>1,881</b>	<b>20,243</b>	<b>14,463</b>	<b>3,805</b>	<b>534,337</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 12.5bn in Capital Centre E.

# Mortgage Lending - Capital Centre G

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number
<b>Mortgage loans</b>									
- Mortgage loans at fair value	122	829	17,432	136	8,168	15,666	21,873	3,607	67,834
- Mortgage loans at fair value (%)	0%	1%	26%	0%	12%	23%	32%	5%	100%
- Number of loans	250	2,365	5,953	20	711	4,277	7,176	464	21,216
- Number of properties	247	2,353	5,312	20	621	3,809	4,465	329	17,156
- Average current LTV <sup>2)</sup>	69.8	63.9	68.6	-	48.4	53.4	66.3	51.7	60.9
<b>Bond debt outstanding by loans involving</b>									
- Public guaranties	-	-	16	10	3	-	23	6	59
- Bank guaranties	-	24	-	-	-	-	-	-	24
- Set-off agreement with banks	-	441	-	-	-	-	-	-	441
- No guarantee	122	365	17,416	126	8,164	15,666	21,850	3,601	67,310
<b>Total</b>	<b>122</b>	<b>829</b>	<b>17,432</b>	<b>136</b>	<b>8,168</b>	<b>15,666</b>	<b>21,873</b>	<b>3,607</b>	<b>67,834</b>
<b>Mortgage loans at fair value by loan type</b>									
Fixed-rate loans									
- repayment loans	-	-	6	-	-	2	1	-	8
- interest-only option	-	-	-	-	-	-	-	-	-
Adjustable-rate mortgages (ARMs)									
- repayment loans	2	165	4,349	1	915	3,492	3,397	358	12,681
- interest-only option	1	-	346	-	1,051	180	338	13	1,929
Money market-linked loans									
Capped									
- repayment loans	54	439	25	-	2	9	21	-	551
- interest-only option	-	-	-	-	-	-	-	-	-
Uncapped									
- repayment loans	59	225	7,405	92	3,285	9,505	14,188	2,639	37,398
- interest-only option	7	-	5,301	43	2,914	2,478	3,927	597	15,267
Index-linked loans									
-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>122</b>	<b>829</b>	<b>17,432</b>	<b>136</b>	<b>8,168</b>	<b>15,666</b>	<b>21,873</b>	<b>3,607</b>	<b>67,834</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 0.0bn in Capital Centre G.

<sup>2)</sup> Average current LTV is calculated on the basis of the top LTV bracket for the loans in the capital centre.

# Mortgage Lending - Capital Centre G

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number
<b>Mortgage loans at fair value by geographic area</b>									
- City of Copenhagen (incl Frb.)	6	44	4,299	-	8	3,620	-	583	8,560
- Suburban municipalities	21	144	2,474	36	1,131	3,658	604	752	8,819
- Remaining Sealand, etc	24	55	1,125	-	747	1,179	2,046	257	5,433
- Funen	17	72	1,352	1	192	663	1,924	203	4,424
- Northern Jutland	14	133	3,048	85	1,399	1,806	7,397	275	14,157
- Western Jutland	20	89	960	10	741	1,021	4,236	417	7,494
- Eastern Jutland	18	265	3,944	3	929	3,303	3,846	1,019	13,328
- Southern Jutland	3	28	209	-	77	415	1,820	101	2,653
- Faroe Islands and Greenland	-	-	2	-	-	-	-	-	2
- International	-	-	19	-	2,944	-	-	-	2,963
<b>Total</b>	<b>122</b>	<b>829</b>	<b>17,432</b>	<b>136</b>	<b>8,168</b>	<b>15,666</b>	<b>21,873</b>	<b>3,607</b>	<b>67,834</b>
<b>Mortgage loans at fair value by size, DKK million</b>									
0 - 2	96	498	2,948	1	354	2,185	3,685	179	9,945
2 - 5	21	170	3,382	17	425	2,676	7,662	379	14,730
5 - 20	6	115	6,424	118	725	4,385	9,521	1,102	22,396
20 - 50	-	47	3,142	-	479	2,333	1,005	585	7,592
50 - 100	-	-	483	-	519	2,042	-	208	3,253
100 and above	-	-	1,053	-	5,665	2,046	-	1,154	9,918
<b>Total</b>	<b>122</b>	<b>829</b>	<b>17,432</b>	<b>136</b>	<b>8,168</b>	<b>15,666</b>	<b>21,873</b>	<b>3,607</b>	<b>67,834</b>
<b>Mortgage loans at fair value by remaining loan term, years</b>									
0 - 10	7	82	381	42	2,404	2,251	336	199	5,702
10 - 15	11	23	1,367	14	2,106	3,237	1,197	616	8,571
15 - 20	58	252	6,303	37	3,655	5,819	7,234	691	24,049
20 - 25	46	361	3,671	8	3	1,462	5,286	478	11,316
25 - 30	-	111	5,710	35	-	2,897	7,819	1,623	18,195
30 - 35	-	-	-	-	-	-	-	-	-
35 and above	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>122</b>	<b>829</b>	<b>17,432</b>	<b>136</b>	<b>8,168</b>	<b>15,666</b>	<b>21,873</b>	<b>3,607</b>	<b>67,834</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 0.0bn in Capital Centre G.

# Mortgage Lending - Capital Centre H

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number
<b>Mortgage loans</b>									
- Mortgage loans at fair value	38,962	334,265	83,376	7,994	6,576	82,123	50,079	5,351	608,726
- Mortgage loans at fair value (%)	6%	55%	14%	1%	1%	13%	8%	1%	100%
- Number of loans	38,012	271,381	16,349	932	951	8,721	16,045	457	352,848
- Number of properties	34,628	243,481	13,889	653	851	7,372	9,794	361	311,029
- Average current LTV <sup>2)</sup>	60.0	63.6	54.4	-	29.8	46.8	49.5	33.6	57.6
<b>Bond debt outstanding by loans involving</b>									
- Public guaranties	-	-	48	4,419	-	-	80	3	4,550
- Bank guaranties	-	18,205	-	-	-	-	-	-	18,205
- Set-off agreement with banks	-	49,745	-	-	-	-	-	-	49,745
- No guarantee	38,962	266,315	83,328	3,574	6,576	82,123	49,999	5,348	536,225
<b>Total</b>	<b>38,962</b>	<b>334,265</b>	<b>83,376</b>	<b>7,994</b>	<b>6,576</b>	<b>82,123</b>	<b>50,079</b>	<b>5,351</b>	<b>608,726</b>
<b>Mortgage loans at fair value by loan type</b>									
Fixed-rate loans									
- repayment loans	-	397	8,848	-	-	22,513	-	-	31,758
- interest-only option	-	5,775	-	-	-	-	-	-	5,775
Adjustable-rate mortgages (ARMs)									
- repayment loans	15,098	80,927	8,367	7,715	1,190	9,671	5,589	494	129,051
- interest-only option	9,375	134,357	26,139	17	1,732	10,493	11,595	106	193,814
Money market-linked loans									
Capped									
- repayment loans	3,817	14,614	264	-	17	231	628	39	19,610
- interest-only option	585	10,033	151	-	2	27	496	2	11,295
Uncapped									
- repayment loans	2,632	28,799	5,218	210	1,480	14,113	4,804	1,535	58,791
- interest-only option	7,454	59,362	34,389	53	2,156	25,076	26,966	3,176	158,631
Index-linked loans									
-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>38,962</b>	<b>334,265</b>	<b>83,376</b>	<b>7,994</b>	<b>6,576</b>	<b>82,123</b>	<b>50,079</b>	<b>5,351</b>	<b>608,726</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 12.6bn in Capital Centre H.

<sup>2)</sup> Average current LTV is calculated on the basis of the top LTV bracket for the loans in the capital centre.

# Mortgage Lending - Capital Centre H

Calculation date: 30-06-2020

Reporting date: 20-08-2020

## The Nykredit Realkredit Group

DKK million	Owner-occupied dwellings Nykredit	Owner-occupied dwellings Totalkredit	Private rental	Public housing <sup>1)</sup>	Industry and trades	Office and retail	Agriculture	Other	Total DKKm/ number
<b>Mortgage loans at fair value by geographic area</b>									
- City of Copenhagen (incl Frb.)	1,052	29,224	18,646	699	36	14,400	-	1,331	65,389
- Suburban municipalities	8,018	82,364	10,603	1,968	1,281	11,606	1,876	1,688	119,401
- Remaining Sealand, etc	3,991	25,541	2,776	516	457	3,663	7,454	255	44,653
- Funen	2,092	27,426	4,770	711	273	1,888	4,390	146	41,695
- Northern Jutland	4,173	50,687	8,590	1,417	883	5,098	15,529	571	86,948
- Western Jutland	2,998	30,804	3,249	833	621	4,981	7,115	526	51,129
- Eastern Jutland	5,301	79,204	13,798	1,507	1,005	10,948	10,519	770	123,051
- Southern Jutland	881	9,009	898	343	552	1,019	3,163	63	15,928
- Faroe Islands and Greenland	9	5	11	-	-	-	-	-	25
- International	10,447	-	20,034	-	1,470	28,520	34	-	60,506
<b>Total</b>	<b>38,962</b>	<b>334,265</b>	<b>83,376</b>	<b>7,994</b>	<b>6,576</b>	<b>82,123</b>	<b>50,079</b>	<b>5,351</b>	<b>608,726</b>
<b>Mortgage loans at fair value by size, DKK million</b>									
0 - 2	24,690	206,149	9,335	223	493	4,347	8,059	176	253,472
2 - 5	8,757	112,245	9,510	542	736	5,912	16,141	334	154,178
5 - 20	4,555	15,242	19,789	2,836	1,174	11,975	22,668	1,140	79,381
20 - 50	781	629	12,031	2,287	583	9,649	2,825	879	29,664
50 - 100	77	-	8,428	1,338	594	7,956	386	404	19,184
100 and above	101	-	24,283	767	2,996	42,283	-	2,417	72,847
<b>Total</b>	<b>38,962</b>	<b>334,265</b>	<b>83,376</b>	<b>7,994</b>	<b>6,576</b>	<b>82,123</b>	<b>50,079</b>	<b>5,351</b>	<b>608,726</b>
<b>Mortgage loans at fair value by remaining loan term, years</b>									
0 - 10	1,220	3,990	18,602	1,065	1,665	36,441	761	212	63,955
10 - 15	3,327	9,809	5,136	2,721	2,252	12,034	1,963	484	37,727
15 - 20	18,023	42,360	10,584	827	2,617	19,298	6,757	1,325	101,790
20 - 25	12,979	100,002	17,511	1,563	21	5,775	16,073	1,775	155,700
25 - 30	3,413	178,104	31,544	1,817	22	8,575	24,525	1,555	249,554
30 - 35	-	-	-	-	-	-	-	-	-
35 and above	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>38,962</b>	<b>334,265</b>	<b>83,376</b>	<b>7,994</b>	<b>6,576</b>	<b>82,123</b>	<b>50,079</b>	<b>5,351</b>	<b>608,726</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 12.6bn in Capital Centre H.

# Current LTV

## The Nykredit Realkredit Group

Calculation date: 30-06-2020

Reporting date: 20-08-2020

### Mortgage loans at fair value relative to estimated property values

#### Loans at fair value distributed continuously by LTV range up to the top LTV bracket

Current LTV (loan-to-value)											Total
DKK million	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%	
Owner-occupied dwellings	274,149	247,108	194,908	66,403	38,992	5,674	1,936	968	600	1,294	832,032
Nykredit	21,874	15,511	9,333	2,488	1,391	327	216	152	107	329	51,728
Totalkredit	252,274	231,596	185,576	63,915	37,601	5,347	1,720	816	493	965	780,305
Private rental	53,074	44,147	31,891	8,691	3,933	538	321	230	157	433	143,414
Public housing <sup>1)</sup>	-	-	-	-	-	-	-	-	-	-	70,691
Industry and trades	11,260	8,296	3,506	154	60	25	23	22	21	53	23,418
Office and retail	49,995	42,178	24,938	1,707	448	124	101	74	39	133	119,738
Agriculture	31,702	27,804	20,419	5,091	1,652	416	241	164	110	498	88,098
Other	6,500	4,307	2,117	572	92	17	11	11	10	38	13,675
<b>Total</b>	<b>426,680</b>	<b>373,840</b>	<b>277,779</b>	<b>82,617</b>	<b>45,177</b>	<b>6,794</b>	<b>2,634</b>	<b>1,468</b>	<b>936</b>	<b>2,450</b>	<b>1,291,065</b>

### Mortgage loans at fair value relative to estimated property values

#### Loans at fair value distributed continuously by LTV range up to the top LTV bracket

Current LTV (loan-to-value)											Median LTV
%	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%	
Owner-occupied dwellings	32.9	29.7	23.4	8.0	4.7	0.7	0.2	0.1	0.1	0.2	31.1
Nykredit	42.3	30.0	18.0	4.8	2.7	0.6	0.4	0.3	0.2	0.6	24.7
Totalkredit	32.3	29.7	23.8	8.2	4.8	0.7	0.2	0.1	0.1	0.1	31.8
Private rental	37.0	30.8	22.2	6.1	2.7	0.4	0.2	0.2	0.1	0.3	28.2
Public housing <sup>1)</sup>	-	-	-	-	-	-	-	-	-	-	-
Industry and trades	48.1	35.4	15.0	0.7	0.3	0.1	0.1	0.1	0.1	0.2	21.2
Office and retail	41.8	35.2	20.8	1.4	0.4	0.1	0.1	0.1	0.0	0.1	24.5
Agriculture	36.0	31.6	23.2	5.8	1.9	0.5	0.3	0.2	0.1	0.6	28.7
Other	47.5	31.5	15.5	4.2	0.7	0.1	0.1	0.1	0.1	0.3	21.4
<b>Total</b>	<b>35.0</b>	<b>30.6</b>	<b>22.8</b>	<b>6.8</b>	<b>3.7</b>	<b>0.6</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>28.4</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 33.4bn in total.



# Current LTV

## The Nykredit Realkredit Group

Calculation date: 30-06-2020

Reporting date: 20-08-2020

### Mortgage loans at fair value relative to estimated property values

#### Entire loan entered under the top LTV bracket

DKK million	Current LTV (loan-to-value)										Total
	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%	
Owner-occupied dwellings	15,006	77,096	195,728	149,169	241,152	103,095	26,911	9,000	4,909	9,965	832,032
Nykredit	3,877	10,014	15,404	7,710	7,219	2,603	1,302	899	675	2,023	51,728
Totalkredit	11,128	67,082	180,324	141,459	233,932	100,492	25,609	8,101	4,234	7,942	780,305
Private rental	10,860	30,150	55,879	24,964	13,392	3,070	1,383	916	702	2,099	143,414
Public housing <sup>1)</sup>	-	-	-	-	-	-	-	-	-	-	70,691
Industry and trades	3,933	8,909	7,938	2,194	64	45	2	22	-	311	23,418
Office and retail	10,113	33,636	62,262	9,890	1,937	343	203	538	254	562	119,738
Agriculture	12,340	24,596	32,782	10,288	4,248	1,243	676	412	449	1,065	88,098
Other	3,213	4,588	4,179	1,154	343	22	23	10	34	108	13,675
<b>Total</b>	<b>55,465</b>	<b>178,975</b>	<b>358,768</b>	<b>197,659</b>	<b>261,136</b>	<b>107,818</b>	<b>29,199</b>	<b>10,898</b>	<b>6,348</b>	<b>14,109</b>	<b>1,291,065</b>

### Mortgage loans at fair value relative to estimated property values

#### Entire loan entered under the top LTV bracket

%	Current LTV (loan-to-value)										Average LTV <sup>2)</sup>
	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%	
Owner-occupied dwellings	1.8	9.3	23.5	17.9	29.0	12.4	3.2	1.1	0.6	1.2	66.7
Nykredit	7.5	19.4	29.8	14.9	14.0	5.0	2.5	1.7	1.3	3.9	57.7
Totalkredit	1.4	8.6	23.1	18.1	30.0	12.9	3.3	1.0	0.5	1.0	67.3
Private rental	7.6	21.0	39.0	17.4	9.3	2.1	1.0	0.6	0.5	1.5	61.2
Public housing <sup>1)</sup>	-	-	-	-	-	-	-	-	-	-	-
Industry and trades	16.8	38.0	33.9	9.4	0.3	0.2	0.0	0.1	-	1.3	46.9
Office and retail	8.4	28.1	52.0	8.3	1.6	0.3	0.2	0.4	0.2	0.5	52.3
Agriculture	14.0	27.9	37.2	11.7	4.8	1.4	0.8	0.5	0.5	1.2	61.7
Other	23.5	33.6	30.6	8.4	2.5	0.2	0.2	0.1	0.3	0.8	50.7
<b>Total</b>	<b>4.5</b>	<b>14.7</b>	<b>29.4</b>	<b>16.2</b>	<b>21.4</b>	<b>8.8</b>	<b>2.4</b>	<b>0.9</b>	<b>0.5</b>	<b>1.2</b>	<b>61.6</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 33.4bn in total.

<sup>2)</sup> Average LTV is calculated on the basis of the top LTV bracket for the loans granted by the Nykredit Realkredit Group.

# Current LTV

## The Nykredit Realkredit Group

Calculation date: 30-06-2020

Reporting date: 20-08-2020

### Number of loans in each LTV bracket

#### Loan entered under the top LTV bracket

Number of loans	Current LTV (loan-to-value)										Total
	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%	
Owner-occupied dwellings	44,940	98,150	174,544	114,725	162,326	62,341	17,409	6,786	3,901	8,975	694,097
Nykredit	15,502	16,251	15,589	6,202	4,751	1,616	1,030	788	569	2,059	64,357
Totalkredit	29,438	81,899	158,955	108,523	157,575	60,725	16,379	5,998	3,332	6,916	629,740
Private rental	3,138	5,333	9,649	5,496	5,378	1,255	455	274	225	840	32,043
Public housing <sup>1)</sup>	10,071	1,873	1,073	696	731	-	-	-	-	-	14,444
Industry and trades	576	923	768	82	32	8	4	6	-	20	2,419
Office and retail	2,849	6,004	6,992	1,128	449	124	74	69	43	198	17,930
Agriculture	7,030	7,738	9,349	3,369	1,174	292	165	104	89	253	29,563
Other	565	614	472	83	43	11	9	7	7	32	1,843
<b>Total</b>	<b>69,169</b>	<b>120,635</b>	<b>202,847</b>	<b>125,579</b>	<b>170,133</b>	<b>64,031</b>	<b>18,116</b>	<b>7,246</b>	<b>4,265</b>	<b>10,318</b>	<b>792,339</b>

<sup>1)</sup> All mortgages granted in the public housing segment are subject to special Danish legislation as well as public authority guarantees. Therefore, LTV figures do not give relevant risk information. Public authority guarantees currently amount to DKK 33.4bn in total.

# LTV owner-occupied dwellings

## The Nykredit Realkredit Group

Calculation date: 30-06-2020

Reporting date: 20-08-2020

### Mortgage loans at fair value relative to estimated property values by geographic area in Nykredit and Totalkredit Capital Centres D (Intercompany funding)

#### Entire loan entered under the top LTV bracket

DKK million	Current LTV (loan-to-value)										Total	Avg LTV <sup>1)</sup>
	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%		
City of Copenhagen (incl Frb.)	123	110	44	4	1	-	-	1	-	2	285	26.5
Suburban municipalities	393	562	467	153	77	27	23	21	12	21	1,756	39.8
Remaining Sealand, etc	114	441	628	287	208	99	84	70	60	162	2,153	60.2
Funen	111	299	375	127	100	25	27	19	4	27	1,113	49.9
Northern Jutland	122	458	520	165	106	37	14	10	5	17	1,454	47.3
Western Jutland	91	308	369	137	72	24	21	6	4	14	1,046	48.1
Eastern Jutland	205	573	491	159	116	55	27	8	7	22	1,663	45.1
Southern Jutland	35	125	205	85	60	23	15	14	6	22	590	55.0
Faroe Islands and Greenland	3	10	3	4	3	-	-	-	-	-	23	41.8
International	5	8	18	11	17	3	3	7	1	2	73	62.8
<b>Total</b>	<b>1,201</b>	<b>2,895</b>	<b>3,119</b>	<b>1,132</b>	<b>760</b>	<b>293</b>	<b>214</b>	<b>156</b>	<b>99</b>	<b>289</b>	<b>10,157</b>	<b>48.6</b>

### Mortgage loans at fair value relative to estimated property values by geographic area in Nykredit and Totalkredit Capital Centres E (Intercompany funding)

#### Entire loan entered under the top LTV bracket

DKK million	Current LTV (loan-to-value)										Total	Avg LTV <sup>1)</sup>
	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%		
City of Copenhagen (incl Frb.)	535	3,424	8,542	6,206	11,582	3,454	253	33	29	34	34,092	64.0
Suburban municipalities	1,524	8,586	21,719	17,721	32,414	12,732	1,205	213	96	210	96,421	65.5
Remaining Sealand, etc	287	2,062	6,967	6,568	12,855	6,107	1,410	619	413	1,075	38,363	70.2
Funen	283	1,992	6,492	6,443	12,439	7,180	1,956	488	307	612	38,192	70.5
Northern Jutland	396	3,428	11,689	12,354	24,757	14,440	5,055	1,116	394	538	74,167	70.9
Western Jutland	260	1,980	7,275	7,150	15,639	8,206	2,338	658	280	454	44,240	70.7
Eastern Jutland	653	5,380	16,655	15,526	33,819	19,254	4,438	1,023	440	706	97,895	70.1
Southern Jutland	90	795	2,496	2,520	4,914	2,742	1,258	494	230	472	16,012	72.0
Faroe Islands and Greenland	11	149	994	408	582	29	-	-	-	1	2,175	58.4
International	-	0	1	2	1	1	-	-	-	9	15	98.1
<b>Total</b>	<b>4,039</b>	<b>27,796</b>	<b>82,832</b>	<b>74,897</b>	<b>149,002</b>	<b>74,145</b>	<b>17,914</b>	<b>4,643</b>	<b>2,192</b>	<b>4,113</b>	<b>441,572</b>	<b>68.9</b>

<sup>1)</sup> Average LTV is calculated on the basis of the top LTV bracket for the loans granted by the Nykredit Realkredit Group.

# LTV owner-occupied dwellings

## The Nykredit Realkredit Group

Calculation date: 30-06-2020

Reporting date: 20-08-2020

### Mortgage loans at fair value relative to estimated property values by geographic area in Nykredit and Totalkredit Capital Centres H (Intercompany funding)

#### Entire loan entered under the top LTV bracket

DKK million	Current LTV (loan-to-value)										Total	Avg LTV <sup>1)</sup>
	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%		
City of Copenhagen (incl Frb.)	1,084	5,551	10,523	5,972	6,049	874	116	15	65	28	30,277	56.9
Suburban municipalities	3,539	15,172	31,678	18,361	16,733	3,465	548	319	223	346	90,381	57.7
Remaining Sealand, etc	488	2,755	7,626	5,476	6,571	2,344	1,133	883	672	1,584	29,532	67.5
Funen	519	2,753	7,640	5,957	7,524	2,602	1,008	459	324	732	29,518	65.9
Northern Jutland	812	4,658	13,380	10,474	15,729	6,303	1,979	643	317	565	54,861	66.3
Western Jutland	598	3,157	9,036	6,236	9,639	3,124	953	457	227	375	33,802	65.0
Eastern Jutland	1,692	8,405	22,264	16,045	24,129	7,691	2,085	884	464	846	84,504	64.8
Southern Jutland	184	947	2,412	1,706	2,220	984	565	329	181	363	9,890	67.4
Faroe Islands and Greenland	1	1	10	-	2	-	-	-	-	-	14	49.5
International	82	643	2,790	2,210	2,363	1,101	324	163	124	648	10,447	70.3
<b>Total</b>	<b>8,998</b>	<b>44,042</b>	<b>107,358</b>	<b>72,435</b>	<b>90,960</b>	<b>28,489</b>	<b>8,710</b>	<b>4,152</b>	<b>2,597</b>	<b>5,485</b>	<b>373,226</b>	<b>63.2</b>

### Mortgage loans at fair value relative to estimated property values by geographic area in Nykredit Realkredit Group

#### Entire loan entered under the top LTV bracket

DKK million	Current LTV (loan-to-value)										Total	Avg LTV <sup>1)</sup>
	0-20%	20-40%	40-60%	60-70%	70-80%	80-85%	85-90%	90-95%	95-100%	Above 100%		
City of Copenhagen (incl Frb.)	1,777	9,129	19,149	12,199	17,646	4,337	369	49	94	64	64,812	61.6
Suburban municipalities	5,598	24,784	54,164	36,315	49,281	16,235	1,781	557	334	584	189,634	62.5
Remaining Sealand, etc	964	5,483	15,610	12,484	19,720	8,582	2,653	1,593	1,149	2,858	71,095	69.1
Funen	1,009	5,289	14,760	12,604	20,106	9,815	2,999	968	640	1,379	69,570	68.6
Northern Jutland	1,478	9,051	26,069	23,092	40,668	20,804	7,058	1,774	720	1,128	131,842	69.0
Western Jutland	1,030	5,739	17,021	13,594	25,404	11,365	3,320	1,125	515	846	79,960	68.3
Eastern Jutland	2,699	14,830	39,824	31,885	58,131	27,065	6,560	1,920	913	1,583	185,410	68.1
Southern Jutland	349	1,979	5,316	4,361	7,226	3,759	1,845	843	419	864	26,962	70.3
Faroe Islands and Greenland	15	160	1,007	412	587	29	-	-	-	1	2,211	58.1
International	87	652	2,809	2,222	2,381	1,105	327	170	125	658	10,536	70.3
<b>Total</b>	<b>15,006</b>	<b>77,096</b>	<b>195,728</b>	<b>149,169</b>	<b>241,152</b>	<b>103,095</b>	<b>26,911</b>	<b>9,000</b>	<b>4,909</b>	<b>9,965</b>	<b>832,032</b>	<b>66.7</b>

<sup>1)</sup> Average LTV is calculated on the basis of the top LTV bracket for the loans granted by the Nykredit Realkredit Group.

# Definitions

Ratio/amount	Definitions
Return on average equity, %	Profit (loss) for the year/period divided by average equity. Profit (loss) includes interest on Additional Tier 1 capital charges against equity and value adjustment of strategic equities.
RoAC	Profit (loss) for the year/period divided by average allocated capital. Profit (loss) includes interest on Additional Tier 1 capital charges against equity and value adjustment of strategic equities.
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.
Cover ratio, %	Impairments as a share of non-performing loans.
NPL ratio, %	Non-performing loans as a share of total lending.
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.
Income	Including value adjustment of derivatives (excl. legacy derivatives), corporate bonds and junior covered bonds.
Total impairment provisions	The group's aggregate provisions for loan losses.
Impairment charges	Impairment charges equal the earnings impact of loan losses and loan loss provisions for the period concerned.
Total provisions for loan impairment and guarantees	Total impairment provisions (stage 1-3) as well as provisions for guarantees at end of period.
Write-offs	Realized loan losses.
Average impairment charges	average impairment charges 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.
Return on equity before tax	Profit (loss) before tax including interest on AT1 divided by average equity for the period.
Asset encumbrance	Encumbered assets, collateral received and self-issued debt Instruments divided by total assets and collateral.

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Financial year: 1 January - 31 December  
 Municipality of registered office: Copenhagen