

**To the Copenhagen Stock Exchange
and the press**

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**Interim Report
Nykredit Bank and the Nykredit Bank Group
1 January 2004 - 30 September 2004**

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From today the Interim Report of Nykredit Bank can be downloaded as a pdf file
from Nykredit's website www.nykredit.com.

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DKK MILLION	Q1-Q3/2004	Q1-Q3/2003	FY2003
SUMMARY PROFIT AND LOSS ACCOUNT			
Net interest receivable	517	623	819
Fees and commissions receivable (net)	93	59	72
Net income from interest and fees	610	682	891
Value adjustments	67	(18)	4
Other operating income	20	70	94
Operating costs	(365)	(311)	(436)
Depreciation, amortisation and write-downs on tangible and intangible assets	(5)	(4)	(6)
Profit before provisions	327	419	547
Write-offs and provisions for bad and doubtful debts	(33)	(100)	(129)
Profit before tax	294	319	418
Tax	(89)	(97)	(125)
Net profit for the period	205	222	293
BALANCE SHEET, END OF PERIOD			
Assets			
Cash in hand and balances due from credit institutions	19,485	20,159	14,738
Loans and advances	26,009	24,036	22,276
Securities	37,007	27,326	29,536
Other assets	6,030	7,992	5,869
Total assets	88,531	79,513	72,419
Liabilities and equity			
Debt to credit institutions and central banks	51,771	42,297	41,149
Deposits	21,250	19,492	14,175
Issued bonds	325	-	325
Other liabilities	11,318	13,883	13,109
Subordinate loan capital	800	800	800
Capital and reserves (incl profit for the period)	3,067	3,041	2,861
Total liabilities and equity	88,531	79,513	72,419
Off-balance sheet items			
Guarantees	6,585	6,831	6,751
Other commitments	1,933	3,874	3,050
Total off-balance sheet items	8,518	10,705	9,801
KEY RATIOS			
Capital adequacy ratio	10.4	10.2	9.8
Core capital ratio	8.1	7.9	7.6
Return on equity before tax (per annum)	13.2%	14.5%	14.7%
Return on equity after tax (per annum)	9.2%	10.1%	10.3%
Income/cost ratio	1.73	1.77	1.73
Interest rate exposure	1.3%	0.9%	2.4%
Provisions ratio	0.7	0.9	1.0
Write-offs and provisions for the period as a %	0.1	0.3	0.4
Number of full-time staff (average)	352	323	322

Interim Report Q1-Q3/2004

For Q1-Q3/2004, Nykredit Bank A/S and the Nykredit Bank Group realised a profit before tax of DKK 294m against DKK 319m in Q1-Q3/2003. Profit before tax generated a return on equity of 13.2% pa against 14.5% pa in the same period of 2003.

Results reflect an anticipated positive development in the retail customers area, while the level of activity in terms of customer trades in Markets & Asset Management has been low, particularly in Q3. Furthermore, the low interest rate levels have put pressure on the Bank's investment portfolio income compared with last year.

Income from interest, fees and value adjustments totalled DKK 677m, up DKK 13m on the same three quarters of 2003. Other operating income amounted to DKK 20m, equal to a more customary level compared with DKK 70m in the same period of 2003.

Costs increased by 17% to DKK 365m. The development is a result of an increased level of activity,

including a rise in the number of staff – from 323 to 352 – reflecting the Group's focus on asset management activities and a strengthening of the Corporate Banking area.

The income/cost ratio was 1.73, almost equal to 1.77 in the same period last year.

Write-offs and provisions amounted to DKK 33m and, compared with previous quarters, reflected the fluctuations customary in this area.

Balance sheet

The Group's balance sheet stood at DKK 88.5bn against DKK 72.4bn at end-2003, equal to an increase of DKK 7.2bn compared with 30 June 2004. Relative to end-2003, the increase can mainly be ascribed to short-term money market transactions, including repo activities, and an anticipated moderate development in balances with retail customers. As in previous quarters, loan demand from corporate customers was subdued.

Equity and capital adequacy

At end-Q3, capital and reserves amounted to DKK 3,067m against DKK 2,861m at end-2003. The increase equals retained profit after tax for the period.

The Nykredit Bank Group's capital adequacy ratio was 10.4 compared with 9.8 at end-2003.

Outlook for 2004

As announced in the interim report for H1/2004, the Bank's forecast of profit before tax was adjusted upwards by DKK 50m to approximately DKK 350m. This level is maintained. However, market-dependent income should still be regarded with prudence.

Accounting policies

The accounting policies are unchanged compared with the Annual Report for 2003. The Interim Report for Q1-Q3 has not been audited.

The Nykredit Bank Group Development in capital and reserves

DKKm	Q1-Q3/ 2004	FY 2003	Q1-Q3/ 2003
Capital and reserves, beginning of January	2,861	2,806	2,806
Change in accounting policies	-	12	12
Other adjustments	1	-	1
Profit after tax for the period	205	293	222
Dividend distributed	-	(250)	-
Capital and reserves, end of period	3,067	2,861	3,041

The Nykredit Bank Group Capital and capital adequacy (excl net profit for the period)

DKKm - %	Q1-Q3/ 2004	FY 2003	Q1-Q3/ 2003
Core capital	2,855	2,859	2,809
Capital base less statutory deductions	3,655	3,659	3,601
Total weighted items	34,884	37,309	35,278
Capital adequacy ratio	10.4	9.8	10.2
Core capital ratio	8.1	7.6	7.9

DKK MILLION	Q3/ 2004	Q2/ 2004	Q1/ 2004	Q4/ 2003	Q3/ 2003	Q2/ 2003	Q1/ 2003
SUMMARY PROFIT AND LOSS ACCOUNT							
Net interest receivable	195	184	138	196	209	213	201
Fees and commissions receivable (net)	41	31	21	13	15	26	18
Net income from interest and fees	236	215	159	209	224	239	219
Value adjustments	(42)	(7)	116	22	(35)	7	10
Net interest, fees and value adjustments	194	208	275	231	189	246	229
Other operating income	4	5	11	24	5	61	4
Operating costs	(124)	(124)	(117)	(125)	(104)	(104)	(103)
Depreciation, amortisation and write-downs on tangible and intangible assets	(2)	(1)	(2)	(2)	(1)	(2)	(1)
Profit before provisions	72	88	167	128	89	201	129
Write-offs and provisions for bad and doubtful debts	(7)	(10)	(16)	(29)	(17)	(71)	(12)
Profit before tax	65	78	151	99	72	130	117
Tax	(21)	(23)	(45)	(28)	(23)	(39)	(35)
Net profit for the period	44	55	106	71	49	91	82
As a consequence of the Bank's corporate mission as well as the emphasis on Markets's activities and own trading, the quarterly accounts of the Bank may vary significantly.							
BALANCE SHEET, END OF PERIOD							
Assets							
Cash in hand and demand deposits with central banks	19,485	20,508	23,462	14,738	20,159	20,052	21,328
Loans and advances	26,009	24,719	23,432	22,276	24,036	23,168	21,820
Securities	37,007	30,654	30,549	29,536	27,326	27,421	24,997
Other assets	6,030	5,413	6,171	5,869	7,992	6,782	6,070
Total assets	88,531	81,294	83,614	72,419	79,513	77,423	74,215
Liabilities and equity							
Debt to credit institutions and central banks	51,771	41,210	47,309	41,149	42,297	44,843	46,125
Deposits	21,250	22,620	16,524	14,175	19,492	15,937	12,698
Issued bonds	325	325	325	325	-	-	-
Other liabilities	11,318	13,317	15,688	13,109	13,883	12,852	11,691
Subordinate loan capital	800	800	800	800	800	800	800
Capital and reserves (incl net profit for the period)	3,067	3,022	2,968	2,861	3,041	2,991	2,901
Total liabilities and equity	88,531	81,294	83,614	72,419	79,513	77,423	74,215
Off-balance sheet items							
Guarantees	6,585	7,788	6,919	6,751	6,831	7,887	7,176
Other commitments	1,933	3,051	2,697	3,050	3,874	3,927	3,904
Total off-balance sheet items	8,518	10,839	9,616	9,801	10,705	11,814	11,080
KEY RATIOS							
Capital adequacy ratio	10.4	9.6	10.4	9.8	10.2	9.1	9.1
Core capital ratio	8.1	7.4	8.1	7.6	7.9	7.1	7.1
Return on equity before tax (per annum)	8.5%	10.4%	20.7%	13.4%	9.5%	17.7%	16.3%
Return on equity after tax (per annum)	5.7%	7.3%	14.5%	9.6%	6.5%	12.4%	11.4%
Income/cost ratio	1.49	1.57	2.12	1.63	1.59	1.74	2.01
Interest rate exposure	1.3%	1.9%	2.6%	2.4%	0.9%	2.5%	2.2%
Provisions ratio	0.7	0.7	1.0	1.0	0.9	0.8	0.7
Write-offs and provisions for the period as a %	0.0	0.1	0.1	0.1	0.1	0.2	0.0