



Annual Report 2003

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Nykredit's corporate identity

Business concept

On the foundation of real property financing, Nykredit plays an important role in the process of ensuring and further developing an efficient capital market for the benefit of the individual and society.

Vision

Nykredit aims to be the preferred financial partner to all decision-makers in relation to financing solutions.

Nykredit will further develop its unique foundation with the aim always to master strategically important competence areas in the financial sector.

Nykredit will be the preferred place of work for financial sector staff.

Business mission

Nykredit will be an internationally competitive Danish financial services provider drawing on competent staff, up-to-date services, products and distribution channels.

This Annual Report concerns Nykredit Realkredit A/S and the Nykredit Realkredit Group.

Foreword

AN EXCEPTIONALLY GOOD YEAR

2003 has been an exceptionally good and eventful year for Nykredit – both strategically and financially.

Profit before tax for the year of DKK 4,421m is the best ever recorded in the history of the Group.

The year will mainly be remembered for the acquisition of Totalkredit, but the year also included many other events.

Early in the year Nykredit introduced a new and different image campaign headed by the slogan “Nykredit – all you can own” which attracted a great deal of attention in the media and street scene all through the year.

In the lending area the year took off with a refinancing surge that broke all previous records.

At the same time, Nykredit set up strategic partnerships – first with Amagerbanken and later with Spar Nord Bank. Partnerships which, together with the strategic partnership with Jyske Bank, not only strengthened the distribution powers of the Nykredit Group, but also contributed to creating the basis for the major mortgage banking alliance in the retail customers area which Nykredit formed right before the summer holidays.

On 20 June Nykredit announced the acquisition of Totalkredit as well as a long-term mortgage banking alliance in the retail customers area with the 106 local and regional banks behind Totalkredit.

This ground breaking agreement has secured Nykredit and its many partners an extremely competitive basis for the future development of the companies.

In 2003 Nykredit again recorded growth in lending, and Nykredit accounts for approximately 30% of all Danish mortgage lending. Including Totalkredit, the Group accounts for about 40%.

By end-2003 Nykredit covered nearly 28% of the Danish market for mortgage and bank loans.

In August Nykredit was the first mortgage provider to launch interest-only mortgages under the Danish registered trademark Pauselån®. The new loans were very positively received by customers and the media and have been among customers’ most preferred type of mortgage since 1 October.

In November Moody’s upgraded the rating of Nykredit’s open mortgage bonds to Aaa, the highest rating possible.

The banking, insurance and estate agency businesses also recorded good results showing significant growth in business volumes, customer bases and finances.

2003 was also an active year for Nykredit abroad. Nykredit opened its subsidiary in Warsaw, Poland, on 21 October, and sales activities have started. Nykredit also got off to a good start in the South of France.

The strategic initiatives combined with the handsome annual results provide a strong foundation for Nykredit’s continued operations.

A handwritten signature in blue ink, appearing to read 'Mogens Munk Rasmussen', is positioned above the printed name.

Mogens Munk Rasmussen
Group Chief Executive

**BOARD OF DIRECTORS AND
EXECUTIVE BOARD**

NYKREDIT REALKREDIT A/S

Board of Directors

Steen E. Christensen, Attorney,
Chairman

Hans Bang-Hansen, Farmer,
Deputy Chairman

K. E. Borup, General Manager,
Deputy Chairman

Kristian Benggaard, Senior Consultant *
Peter Bramsen, Farmer
Winnie Dohn, Recruitment Consultant *
Birgit Grodal, Professor
Jørgen S. Iversen, Manufacturer
Allan Kristiansen, Vice President *
Ole Maltesen, Manager
Susanne Møller Nielsen, Housing Adviser *
Kirsten Petersen, Commercial Adviser *
Ole Steffensen, former Mayor, Farmer
Ole Trolle, Managing Director
Jens Erik Udsen, General Manager
Leif Vinther, Chairman of Staff Association *
F. Weye-Hansen, former General Manager

Executive Board

Mogens Munk Rasmussen
Group Chief Executive

Peter Engberg Jensen
Group Managing Director

Per Ladegaard
Group Managing Director

Henning Kruse Petersen
Group Managing Director

Niels Tørslev
Group Managing Director

Nykredit Realkredit A/S will hold its Annual General Meeting on 31 March 2004

* Elected staff representative

	1999	2000	2001	2002	2003
CORE EARNINGS AND PROFIT FOR THE YEAR					
Core income from:					
Lending	2,388	2,842	3,244	3,445	4,118
Securities	1,305	1,272	1,362	1,041	798
Total	3,693	4,114	4,606	4,486	4,916
Operating costs, depreciation and amortisation	2,210	2,195	2,280	2,455	2,694
Core earnings before write-offs	1,483	1,919	2,326	2,031	2,222
Write-offs and provisions for bad and doubtful debts	132	(118)	84	169	184
Profit/loss from insurance activities before tax	(6)	30	(62)	(121)	101
Core earnings after write-offs and insurance operations	1,345	2,067	2,180	1,741	2,139
Investment portfolio income	607	506	330	727	2,282
Profit on ordinary activities before tax	1,952	2,573	2,510	2,468	4,421
Tax	599	819	687	751	1,146
Minority interests	-	-	-	-	0
Profit for the year	1,353	1,754	1,823	1,717	3,275

SUMMARY BALANCE SHEET AT 31 DECEMBER

Mortgage loans:					
- Nykredit Realkredit	371,245	380,053	394,403	411,534	424,619
- Totalkredit	-	-	-	-	162,045
Total	371,245	380,053	394,403	411,534	586,664
Loans and advances – Nykredit Bank	16,018	17,139	22,234	24,452	22,276
Bonds and shares	50,229	74,628	107,112	119,745	142,381
Deposits – Nykredit Bank	9,435	9,488	8,660	12,024	14,139
Issued bonds	388,898	412,869	467,459	499,460	698,067
Subordinate loan capital – Totalkredit	-	-	-	-	2,377
Capital and reserves	28,242	30,863	32,707	34,479	39,061
Total assets	472,419	509,257	579,405	615,046	828,819

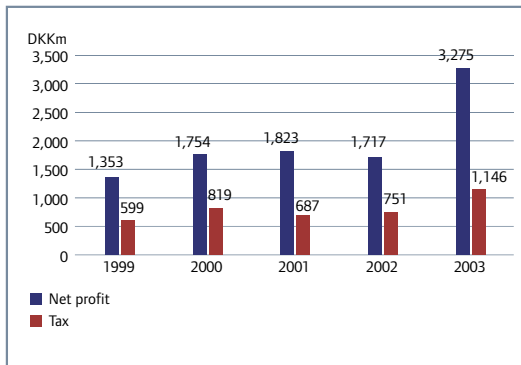
KEY RATIOS

Profit for the year as a percentage of average capital and reserves	4.9	5.9	5.7	5.1	8.9
Core earnings before write-offs as a percentage of average capital and reserves	5.4	6.5	7.3	6.0	6.0
Core earnings after write-offs as a percentage of average capital and reserves	4.9	7.0	6.9	5.2	5.8
Costs as a percentage of core income	59.8	53.4	49.5	54.7	54.8
Total provisions	2,235	2,012	1,983	2,038	2,139
Write-offs and provisions as a percentage for the year	0.0	0.0	0.0	0.0	0.0
Capital adequacy ratio	11.9	12.1	11.1	11.1	10.5
Core capital ratio	11.2	12.0	11.4	11.4	10.1
Average number of full-time staff:					
- Nykredit Realkredit and consolidated subsidiaries	2,508	2,521	2,557	2,662	2,808
- Insurance (non-consolidated)	4	316	353	387	400

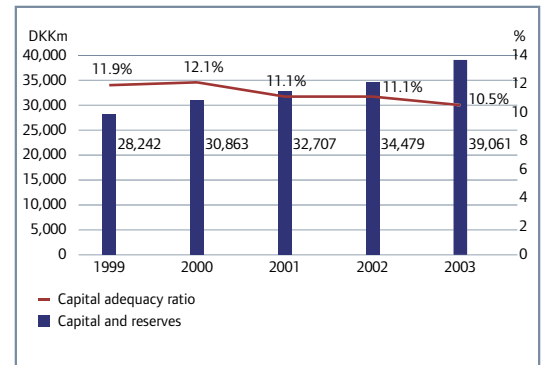
Note: Totalkredit has been consolidated with Nykredit Realkredit from 10 November 2003.

Investment portfolio income has been stated less costs related to the investment function, cf page 44.

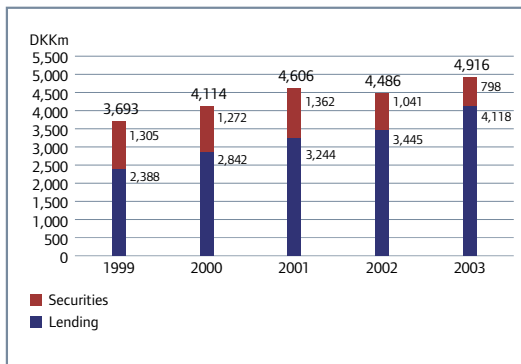
Net profit and tax for the year



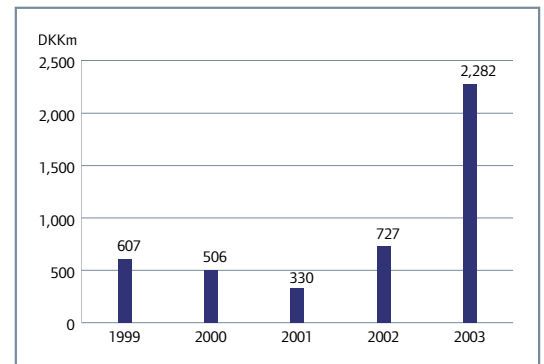
Equity and capital adequacy ratio



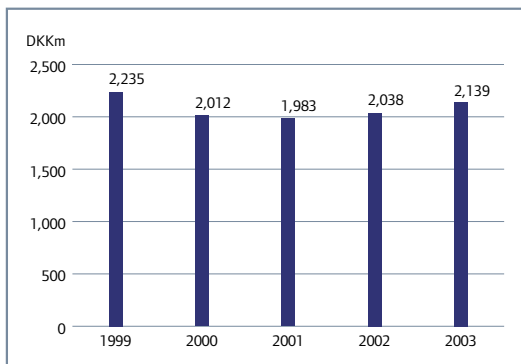
Core income from lending and securities



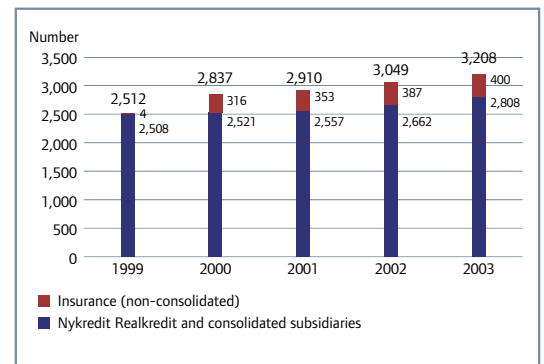
Investment portfolio income



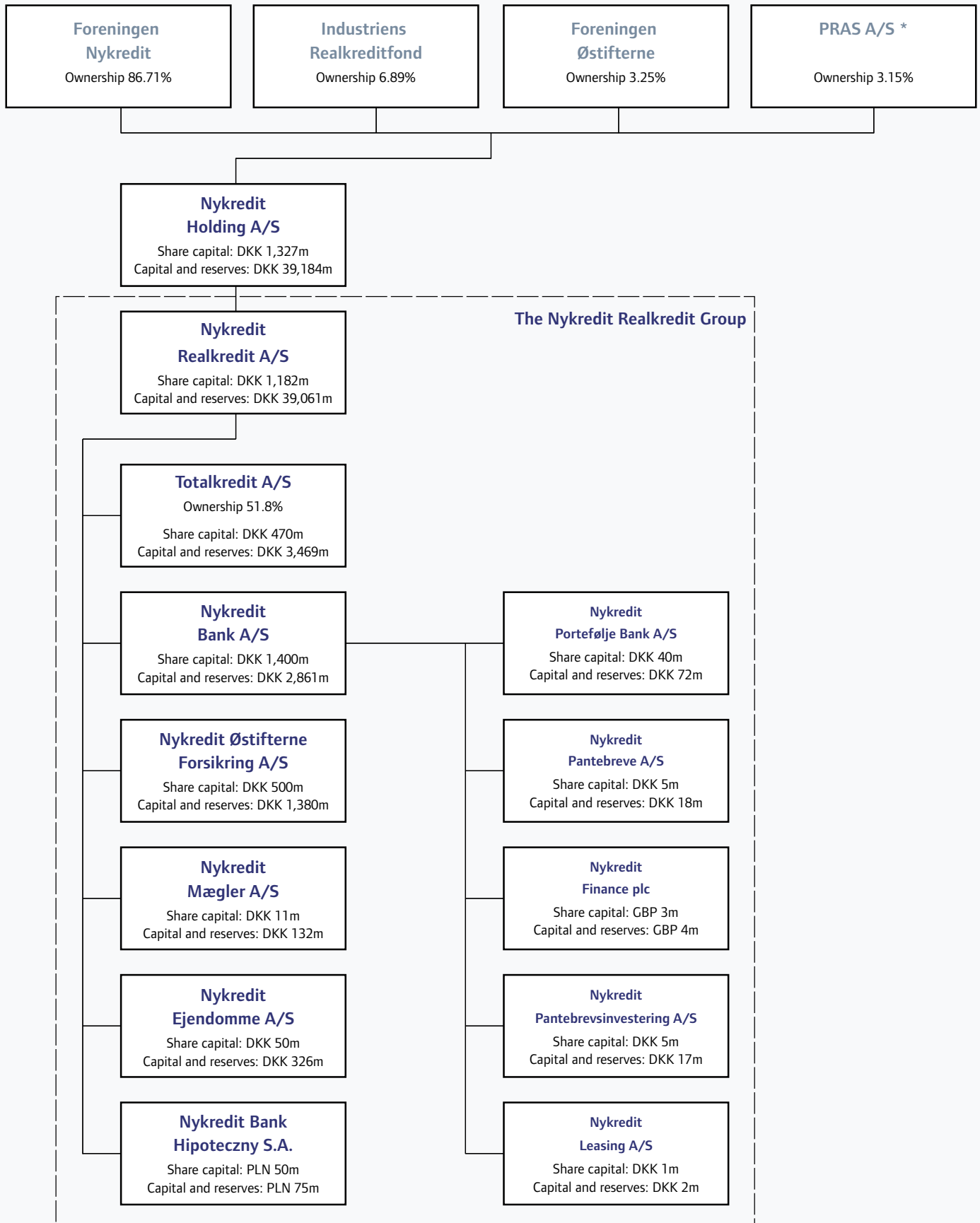
Total provisions



Average number of full-time staff



The Nykredit Group structure at 31 December 2003



* The former owners of Totalkredit A/S

Group management review

2003 – IN BRIEF

- The Nykredit Realkredit Group's profit before tax of DKK 4,421m is the best results recorded in the history of the Group reflecting a high level of activity, growth and positive results in all business areas of the Group. In comparison, profit before tax in 2002 was DKK 2,468m. Profit after tax came to DKK 3,275m against DKK 1,717m in 2002.
- Results for the year were affected by:
 - increased core income from lending, up DKK 673m.
 - a rise in investment portfolio income of DKK 1,555m to DKK 2,282m.
 - a decline in core income from securities of DKK 243m.
 - a cost rise of DKK 239m.
 - write-offs and provisions amounting to DKK 184m and remaining low on a level with last year.
- Nykredit acquired Denmark's third largest mortgage bank, Totalkredit, and set up a mortgage banking partnership with 106 local and regional banks.
- Group mortgage lending went up by DKK 175bn of which DKK 162bn relates to the acquisition of Totalkredit. At year-end mortgage lending amounted to DKK 587bn. Bank lending equalled DKK 22bn.
- Group results reflect a high level of activity in the Mortgage Bank - not least in the first half of 2003. With DKK 512bn, total Danish gross mortgage lending was record high, breaking the old record set in 1998. In 2003 the Group accounted for 40% of both gross and net new lending. Within private residential mortgages, the equivalent shares were 42% and 47%.
- The Bank continued its growth path increasing earnings in all business areas and recording a substantial lift in profit for the year. Behind the considerable increase were a high level of activity in Markets & Asset Management, satisfactory earnings from especially credit bonds in the Corporate Banking area and increased retail deposits. In 2003 the Bank realised a profit before tax of DKK 418m.
- The insurance business recorded a major increase in results reflecting the profitability measures implemented during 2003. The insurance results therefore improved by DKK 174m to DKK 8m. The Insurer realised a profit before tax of DKK 101m.
- For the estate agency business, 2003 was a good year with higher-than-expected growth in the turnover of properties. Profit before tax for the year was DKK 17m.
- In November Moody's Investors Service, the credit rating agency, upgraded the rating assigned to Nykredit's mortgage bonds issued out of Capital Centre D to Aaa, the highest possible rating.
- In August Nykredit was the first Danish mortgage bank to launch interest-only mortgages under the Danish brand Pauselån®. Interest in and demand for the new product have been appreciable, and by end-2003 the Nykredit Group had sold approximately 17,000 interest-only mortgages.
- Nykredit started lending activities in Poland after the Group's Polish mortgage bank, Nykredit Bank Hipoteczny, received its operational licence in September. In the South of France lending activities also made a good start.
- Group capital and reserves amounted to DKK 39.1bn at end-2003 after recognition of the profit for the year and the capital increase of DKK 1,150m related to the acquisition of Totalkredit, where local and regional banks became shareholders of Nykredit Holding. The Group's capital base after deduction was DKK 40.1bn equal to a capital adequacy ratio of 10.5.

2004

- The Nykredit Realkredit Group expects a profit on ordinary activities before tax of around DKK 2,350–2,650m.
- Nykredit will present its Q1 report on 18 May 2004.

KEY BUSINESS EVENTS

RECORD HIGH MORTGAGE ACTIVITY

2003 was a good and busy year for Nykredit.

Only a few weeks into the year, the historically low interest rate levels led to record high sales and re-mortgaging activity both for Nykredit and the Danish mortgage banking market in general. Danish mortgage banks refinanced mortgage loans of a total of DKK 115bn in the first quarter. The high sales levels continued long into the second quarter of the year, albeit at reduced strength.

In periods with high refinancing activity, the already fierce competition for retail customers intensifies further. Nonetheless, Nykredit managed to increase lending not only to retail customers but to all business segments.

In 2003 Nykredit and Totalkredit sold more than 205,000 mortgages compared with nearly 149,000 in 2002.

NYKREDIT FIRST OUT WITH INTEREST-ONLY MORTGAGES – PAUSELÅN®

On 1 October 2003 an amendment to the Danish Mortgage Credit Act allowed mortgage banks to offer homeowners mortgages with interest-only periods of up to 10 years.

As the first Danish mortgage bank, Nykredit launched a line of new interest-only mortgages in August marketed under the registered trademark Pauselån®.

Nykredit's interest-only concept involves various products: 30-year adjustable-rate mortgages, 30-year fixed-rate callable mortgages and 10-year callable, bullet loans where the debt outstanding is repaid or refinanced after 10 years. Furthermore, interest-only products are also offered as bank loans.

Since Nykredit started offering interest-only mortgages, the level of interest from customers has been high, and Nykredit expects interest-only mortgages to become a key element of the product range in coming years.

NEW STRATEGIC BANKING PARTNERSHIPS

The strategic partnership, which Nykredit set up with Jyske Bank in 2002 in the retail, agricultural and commercial customers areas, was accompanied by two similar strategic banking partnerships at the beginning of 2003, first with Amagerbanken and later with Spar Nord Bank.

Both partnerships involve the sale of Nykredit mortgages through the branches of the respective banks just as Nykredit has acquired shareholdings in both banks as part of the agreements.

The partnership with Spar Nord Bank also involves an agreement to establish a joint private equity company in continuance of Spar Nord Bank's activities in the company Erhvervsinvest Nord.

NYKREDIT ACQUIRES TOTALKREDIT

The agreements with the three banks were followed by the strategic alliance in the retail mortgage area formed a few months later between Nykredit and 106 local and regional banks in connection with the acquisition of Totalkredit – Denmark's third largest mortgage bank.

The agreement created a new third grouping in the Danish financial market with enhanced and appreciable competitive powers. The new grouping provides Nykredit and the partnership banks with a solid platform for the further development of the companies and a central position in the financial market place.

The acquisition makes the Nykredit Realkredit Group the largest provider in the Danish mortgage banking market.

At end-2003 Nykredit and Totalkredit combined accounted for just over 40% of retail mortgage lending, and Nykredit is furthermore the leading provider in the commercial and agricultural customers areas.

Following the inclusion of Totalkredit, Nykredit is Denmark's largest issuer of mortgage bonds. At end-2003 the outstanding amount of bonds of the Nykredit Realkredit Group (including Totalkredit) totalled DKK 698bn.

Totalkredit continues as company, brand and business concept. The local and regional banks will therefore continue to undertake the sale, advisory services to and credit assessment of their customers and may recommend Totalkredit or Nykredit mortgages at their discretion.

Totalkredit mortgages are produced locally in the individual banks, while Nykredit mortgages are produced centrally in the Nykredit organisation. Totalkredit's guarantee concept with the individual banks continues unchanged.

In connection with the transaction, N. Valentin Hansen and Jacob Leth, managing directors, joined the Board of Directors of Nykredit Holding.

At the same time, Niels Tørslev, Chief Executive Officer of Totalkredit, became a member of the Nykredit Group's Executive Board with responsibility for Totalkredit and the relations to the local and regional banks.

PRICE REDUCTIONS AND GREATER TRANSPARENCY

In the wake of the acquisition of Totalkredit, Nykredit lowered its prices on a number of mortgage-related services.

The key elements of the price reductions include a reduction in Nykredit's administration margin charged on mortgages to retail Core Customers to 0.5% in line with that of Totalkredit. Furthermore, customers may again deposit their own Nykredit bonds with VP Securities Services free of charge, and self-servicing Internet customers will receive a discount of DKK 600 on mortgaging charges.

Nykredit will also disclose all fees payable to banks and estate agents. Finally, Totalkredit will follow the price guides of the Association of Danish Mortgage Banks which Nykredit has already implemented.

NYKREDIT MANAGES INVESTMENT FUND FOR ATP

In future Nykredit Portefølje will manage the investment fund which ATP, the Danish Labour Market Supplementary Pension Fund, established in connection with the conversion of a special pension scheme (Den Særlige Pensionsopsparing) into an optional scheme where Danish wage earners will be given the option to make investment decisions with respect to their pension contributions.

The special pension scheme, which was set up in 1998, manages funds of approximately DKK 40bn today.

The agreement with ATP makes Nykredit Portefølje the largest market player in Denmark where administrative solutions for institutional investors are concerned. By end-2003 Nykredit Portefølje had concluded agreements on portfolio management and administration worth approximately DKK 60bn. When including the agreement with ATP, the portfolio amounted to DKK 100bn.

NYKREDIT AND EGNSBANK HAN HERRED OPEN JOINT MORTGAGE TRADING ENTITY

Towards year-end Nykredit Bank and Egnsbank Han Herred decided to gather their respective mortgage trading activities in a new jointly-owned company Dansk Pantebrevsbørs A/S.

Dansk Pantebrevsbørs, which will provide second mortgages to customers all over Denmark, is equally owned by the two banks. The company is expected to employ just over 30 staff members and have an annual turnover of mortgages of more than DKK 1bn.

The set-up of Dansk Pantebrevsbørs is a tangible example of the new possibilities of cooperation that arose for the Nykredit Group and the 106 local and regional banks following the acquisition of Totalkredit.

LAUNCH OF NEW CREATIVE UNIVERSE "ALL YOU CAN OWN"

At the beginning of 2003 Nykredit launched a new creative universe "All you can own".

The "All you can own" universe proved effective as a marketing platform for all the products of the Nykredit Group and encompasses banking, mortgage banking, insurance and investment activities across all business areas.

Based on a targeted marketing campaign, the new creative universe has in 2003 contributed to enhancing public awareness of Nykredit to the highest level ever. Today Nykredit is the third best known financial brand.

NYKREDIT'S INTERNATIONAL ACTIVITIES Nykredit starts operations in Poland

In the autumn Nykredit received a licence from the Polish central bank to start lending activities in the Group's wholly-owned Polish mortgage bank, Nykredit Bank Hipoteczny S.A. The primary target group of the mortgage bank is retail customers, but the mortgage bank will also offer mortgages for commercial properties.

During the year Nykredit Bank Hipoteczny focused on securing the necessary permits, preparing operations and negotiating partnership agreements with local operators on the distribution of Nykredit loans.

Initially, the focus and marketing efforts will be directed at the housing market in Warsaw where the mortgage bank has set up offices. The strategic aim is to become a major national lender for real property in Poland.

Cross-border corporate lending

Nykredit mortgages the properties situated abroad of Danish and international corporate customers via Danish mortgage loans.

In December 2003 Nykredit completed the framework for offering cross-border loans to Poland. The cross-

border lending concept now comprises the financing of properties situated in the UK, Poland, Sweden and Germany. At end-2003 total international lending amounted to DKK 5.5bn.

Loans for retail customers in France and Spain

In 2003, as the first mortgage bank, Nykredit launched Danish mortgage loans to Danes with properties in the South of France and opened a representative office staffed by Danes in Cannes.

Nykredit has decided to expand this concept to include Danes who buy or own property in the South of Spain. A representative office in the South of Spain will be opened in the spring of 2004.

The Danish mortgage credit system which, by international standards, opens up prospects of attractive financing rates and a choice between adjustable or long-term fixed rates, has become the object of mounting international attention in recent years.

NYKREDIT RECEIVES AAA RATING

New Nykredit mortgages are issued out of Capital Centre D. In November Moody's Investors Service upgraded the rating of Capital Centre D from Aa1 to Aaa – the highest rating possible.

On the same occasion, Moody's upgraded the ratings of Capital Centre C and the General Capital Centre from Aa2 to Aa1.

Totalkredit's Aaa rating from Moody's with respect to all bonds of Capital Centre C remained unchanged.

Standard & Poor's also upgraded Nykredit's rating from AA- to AA with respect to the General Capital Centre.

KEY IT PROJECTS

The development of the production facilities behind interest-only mortgages was an important IT project in 2003. The project resulted in changes and renewals in all parts of Nykredit's production facilities and administration.

With the acquisition of Totalkredit, Nykredit got 106 banks as new partners. In consequence, an Internet solution was developed ensuring that the new sales channel could serve the new partners optimally from day one.

The development and IT activities in 2003 by and large centred round the Nykredit Group's multi-channel strategy and e-business focus. The Group's customer service solution, the CRM system Dialog, was improved

both in the marketing and sales areas through several development projects.

Integration components were developed which ensure a safe and effective use of customer data in the various IT systems of the Group in accordance with the customer's consent.

The Internet customer portal My Nykredit has become a platform for e-business. From comprising bank functionality alone, My Nykredit has become a self-service channel to Nykredit's customers and a source of overview with respect to statements of account.

Nykredit also initiated a number of new projects in 2003 for the purpose of implementing the future capital adequacy rules laid down by the Basel Committee.

The first project involves a model for the purpose of rating the creditworthiness of corporate customers as part of the credit assessment. As regards credit risks, Nykredit has opted to implement an advanced method. This places great demands on the system development efforts as far ahead as 2007 but also creates business-related advantages.

An intra-group task force has been appointed with a view to developing tools for credit and risk assessment of customers and to enable Nykredit to measure and manage such areas in accordance with the rules of the Basel New Capital Accord.

In 2003 this resulted in the implementation of new credit-related methods and tools.

Since summer 2002 Nykredit's IT operations have been managed by the operating company JN Data in Silkeborg which is jointly owned by Nykredit and Jyske Bank. After the running-in phases, the focus of the cooperation on standardisation and quality assurance sharpened further in 2003.

REQUIRED RATE OF RETURN AND STRATEGIC CAPITAL

Nykredit has fixed required rates of return with respect to capital and reserves. In this context, capital and reserves have been divided into four elements:

Business capital of DKK 30.8bn determined by the statutory capital adequacy requirements. The business capital equals 8% of weighted assets.

Buffer capital of DKK 3.9bn to secure lending capacity in connection with downturns in the business climate. The buffer capital equals 1% of weighted assets.

Tied-up capital of DKK 3.7bn equal to the aggregate amount of goodwill in Totalkredit based on the exercise of the call options.

Strategic capital of DKK 0.7bn for acquisitions and investments.

Nykredit's long-term rate of return target has been fixed in consideration of the above division of capital and reserves. All capital elements, except goodwill assets, are investable and must yield a market conform investment return. This is defined as the return on Nykredit's benchmarks for bond and equity investments and varies in line with the developments in bond and equity markets.

In addition, the Board of Directors has formulated a required rate of return of 5.0% before tax for 2003 with respect to the business capital which will be raised to 6.0% before tax for 2006. The return on the business capital landed at 10.3% in 2003.

BONUS

Three years ago Nykredit introduced a general bonus scheme covering all staff members based on the expectation that a tighter coupling between results and pay will increase staff motivation for the benefit of the customers, the Group and the individual staff member.

The experience made in preceding years has been positive, and the bonus scheme will continue and be further developed in coming years.

In the light of results achieved in 2003, a bonus of a maximum of DKK 30m will be paid.

CORPORATE GOVERNANCE

Nykredit's Board of Directors frequently discusses and takes initiatives with respect to corporate governance.

Nykredit's Annual Report for 2002 contains a description of Nykredit's practice in the individual corporate governance areas based on the report and recommendations of the Nørby Committee.

In future Nykredit will upload an updated outline of its corporate governance practices at www.nykredit.dk.

From 2004 Nykredit will publish quarterly reports.

TRANSITION TO INTERNATIONAL ACCOUNTING STANDARDS

In 2003 the Nykredit Group reviewed all material items in the accounts. The review comprised an analysis and comparison of current and expected future accounting policies including special issues regarding the opening balance sheet, reclassifications and potential requirements for IT development.

The Group's business and balance sheet consist mainly of financial instruments covered by IAS 39 and IAS 32. Primarily the Group's undertakings will be affected by the transition to new accounting standards as a result of changed measuring principles (marking to market and amortised cost, etc) with respect to loans and advances, deposits and related hedging transactions. Furthermore, goodwill and goodwill amortisation will be affected by the new rules.

The majority of the IAS 32 and 39 standards were finalised internationally in mid-December 2003. The Danish Financial Supervisory Authority is expected to provide guidelines for the presentation of financial parent company accounts in 2004. These guidelines are currently unknown.

Based on existing standards, the Group's current preparations are expected to create sufficient basis for the scheduled processes in 2004 and also the final implementation in 2005.

RESULTS COMPARED WITH FORECASTS

In connection with the presentation of the Annual Report for 2002, the Group forecast a profit on ordinary activities before tax of about DKK 2.3-2.6bn for 2003. In connection with the Interim Report for 2003, the forecast before inclusion of Totalkredit was revised upwards to DKK 3.2-3.4bn.

The recorded profit before tax was DKK 4,421m mainly attributable to a substantial increase in investment portfolio income in the second half of the year as well as increased core income from mortgage banking, banking and insurance activities.

**EVENTS OCCURRING AFTER
31 DECEMBER 2003**

In the period up to the closing of the Annual Accounts, no events have occurred which may materially affect the financial position of the Group.

OUTLOOK FOR 2004

The gross lending activity in the mortgage lending market in general is expected to slow down after a year with exceptionally high refinancing activity. However, the gross lending activity of the Nykredit Realkredit Group is expected to be on a level with 2003 as a consequence of Totalkredit. In the banking and insurance areas, activities are expected to continue to grow.

In 2004 the Mortgage Bank undertakings are expected to account for more than 80% of the Group's overall results.

Core income from lending for the Group as a whole is expected to grow from 2003 to 2004, in part on account of Totalkredit. On the other hand, the low interest rate levels are expected to lead to a decline in core income from securities. Total core income is expected to rise in 2004.

The Group's operating costs are expected to go up in 2004 because of Totalkredit, a higher business volume and a rise in goodwill amortisation of some DKK 200m.

Write-offs and provisions for bad and doubtful debts are expected to remain low around DKK 200m.

The acquisition of Totalkredit is not expected to have a major effect on the Group's results before tax in 2004 as Totalkredit's earnings are offset by accounting-related goodwill amortisation, value adjustment of call options on Totalkredit shares and interest on the non-cash purchase price paid.

For 2004 the Nykredit Realkredit Group expects a profit on ordinary activities before tax of around DKK 2,350-2,650m based on the above-mentioned assumptions of income, costs and write-offs. In line with previous years, core income from securities and investment portfolio income will depend on price levels prevailing at end-2004.

**The Nykredit Realkredit Group
Summary of forecast results for 2004**

DKK million	Results 2003	Forecasts 2004
Core income from lending	4,118	4,400 to 4,600
Core income from securities	798	650 to 750
Operating costs, depreciation and amortisation	2,694	3,150 to 3,250
Write-offs and provisions for bad and doubtful debts	184	150 to 250
Investment portfolio income	2,282	500 to 700
Profit on ordinary activities before tax	4,421	2,350 to 2,650

NYKREDIT'S BUSINESS AREAS

Nykredit is organised in four intra-group business areas: Retail Customers, Agricultural Customers, Commercial Customers and Markets & Asset Management.

RETAIL CUSTOMERS

2003 was yet another year with fierce competition in the retail market, and throughout the year Nykredit has made a targeted effort – both in the market place and strategically – towards maintaining and expanding Nykredit's position in the retail customers area.

The record low interest rate levels in 2003 were particularly attractive to homeowners, who especially in the first half of 2003 took advantage of the opportunities for obtaining refinancing gains, raising supplementary loans or refinancing bank debt to cheaper mortgage debt.

Strengthened distribution of mortgages

The cooperation with Jyske Bank, Amagerbanken and Spar Nord Bank enhanced Nykredit's distribution powers and created results in the retail customers area. The banks originated several thousand Nykredit loans during the year.

The subsequent acquisition of Totalkredit strengthened Nykredit's position in the retail customers market further, and with a market share of over 40% by end-2003, the Nykredit Group is the largest provider of private residential mortgages in Denmark.

New products

In August Nykredit launched an array of interest-only mortgages in the form of a number of mortgage and banking products.

The interest-only mortgages quickly became popular among retail customers, and about half of the loans disbursed to retail customers in the fourth quarter of the year were interest-only mortgages.

By end-2003 the Nykredit Group had sold about 17,000 interest-only mortgages equal to about DKK 15.5bn. The majority of the interest-only mortgages raised so far are adjustable-rate loans.

The new loans are also expected to account for a considerable share of sales in 2004.

In 2003 Nykredit introduced a wide range of investment and pension products in all sales entities. With these products Nykredit now offers professional advisory services and attractive solutions also with respect

to the savings, pension and securities portfolios of private individuals.

The centres started offering investment and pension products in 2003, and the sale of these products is expected to be on the rise in 2004.

Holistic advisory services

As interest-only mortgages as well as investment and pension products have been added to the product range in 2003, the foundation for offering customers individually tailored and flexible solutions has expanded. Nykredit has therefore sharpened its focus on providing holistic and individual advice and has implemented a number of tools to support Nykredit's dialogue with customers.

AGRICULTURAL CUSTOMERS

The structural development in Danish agriculture involving a constant disposal of agricultural establishments of around 4,000 entities a year continues. Furthermore, there is a trend towards more part-time farming and much larger and more complex production farms.

In 2003 the agricultural area has been facing a subdued economic climate. However, this only affected the investment appetite of farmers to a limited extent.

Special focus areas

The overall focus area in 2003 was the refinement of Nykredit's profile as a supplier of finance and insurance services to Danish farmers on a cost-effective basis.

Nykredit has a substantial market position in the agricultural customers area thanks to its exposure to the agricultural industry and the Group's wide range of products and services, which can be differentiated according to the needs of the various customer segments.

Another important focus area was the set-up of a customer service concept adjusted to the structural changes that Danish agriculture is undergoing at present.

New products

The wide spectrum of mortgage products was expanded to include interest-only mortgages in 2003 which were welcomed by the Danish farmers. Approximately 40% of the loans issued by Nykredit to this customer segment in the fourth quarter of the year, were interest-only mortgages.

In the insurance area Nykredit Insurance revised its insurance terms, and the company's product is now considered to offer one of the best coverages in the agricultural market.

Progress in mortgage and insurance sales

The favourable interest rate development continued in 2003 and opened up great prospects for the sale of mortgage refinancing to agricultural customers, particularly in the first half of the year. As a result, mortgage sales outperformed forecasts considerably.

Also insurance sales showed strong growth, one reason being the close cooperation between insurance agents and the finance staff at the centres. In the year ahead insurance sales and the customer portfolio are expected to continue to grow.

The sale of lease products increased, and the sale of asset management agreements through the Private Portfolio concept intensified.

COMMERCIAL CUSTOMERS**Record high lending activity**

In the Commercial Customers area, 2003 was characterised by major challenges and a high level of activity.

Despite a subdued business climate, there was a large demand from commercial customers for financial solutions.

The historically low interest rate levels enabled companies to refinance existing mortgages and refinance bank loans into cheaper mortgage loans. The refinancing activity contributed considerably to realising the highest level of lending activity ever in the Commercial Customers area within mortgage finance.

In the banking area the large corporate customers accounted for the majority of business and growth. The levels recorded within both lending and deposit activities were satisfactory.

Tailor-made products and advisory services

Nykredit's Commercial Customers area offers a long line of mortgage, banking and insurance products which meet the needs of the broad commercial area ranging from trades and industry to subsidised housing organisations.

Personal service and professional advice are the cornerstone of customer services in the Commercial Customers area. In 2003 the advisory concept "We advise on many options, but only make one clear recommendation" further targeted the advisory services.

With commercial centres all over Denmark, the Commercial Customers area is strongly positioned in the regional and local business communities. Corporate customers are served out of a centre dedicated to this customer segment.

Nykredit's international activities have grown in recent years. In 2003 the cross-border lending activities expanded to comprise the UK, Germany, Sweden and Poland.

New possibilities on the Internet

The importance of the Internet as a contact and sales channel for Nykredit's Commercial Customers area increased significantly in 2003.

In February 2003 commercial customers gained access to My Nykredit at www.nykredit.dk, where customers can obtain an overview of their mortgage finance, banking and insurance business with Nykredit. My Nykredit may also be applied to make calculations and complete refinancing applications, view amortisation flows, trade in securities and make fixed-term deposits.

In 2003 the Internet portal www.andelsbolig.dk, which Nykredit operates in cooperation with an association of Danish housing societies (Andelsboligforeningernes Fællesrepræsentation) saw significant growth in the number of professional suppliers – contractors, estate agents, etc – who market housing society dwelling projects at the portal. Andelsbolig.dk continued its position as a leading housing society portal with more than 100 large housing society projects and more than 2,000 housing society dwellings for sale.

MARKETS & ASSET MANAGEMENT

The business area Markets & Asset Management previously served mainly professional investors. The Nykredit Group's profile in terms of customers' asset side will, however, be reinforced in coming years. This means that the competencies of the Markets & Asset Management area will increasingly be made available to other customer groups.

The three primary customer-oriented entities are: Nykredit Markets, the Investment Centre and Nykredit Portefølje.

Nykredit Markets

Nykredit Markets is one of the key players in the Danish bond market and obtained status as Primary Dealer in 2003. Primary Dealers market government securities to investors and contribute towards building liquidity in the bond market by quoting bid-and-ask prices on government securities (market making).

In 2003 Nykredit Markets played an active role as supplier of asset/liability management solutions for Danish pension funds. The customer portfolio has been expanded on a current basis with agricultural and commercial customers who are offered direct access to the professional trading environment.

The strategic focus in Nykredit Markets is aimed at refining the basis products in part via a stronger focus on derivatives.

After a difficult 2002, conditions in credit markets normalised in 2003. The favourable development in credit markets resulted in significant narrowing in the credit spreads against government bonds. This has increased investor interest in credit bonds – an area of interest expected to expand in coming years.

In step with narrowing credit spreads, it has become more attractive for corporates and financial institutions to raise funding through bond issues. Debt Capital Markets lead- or co-arranged a number of new bond issues in 2003. Debt Capital Markets also arranged a 5-year bond loan of DKK 325m for Nykredit Bank. This is the first time Nykredit Bank has a bond listed on the Copenhagen Stock Exchange.

Investment Centre

The Investment Centre builds long-term savings concepts. The Equity Department, which is part of the Investment Centre, offers customers trading and advice within Danish and foreign equities as well as investment funds. The Equity Department has experienced an increase in customer interest, one reason being the rising equity markets.

In 2002 the Investment Centre launched the Private Portfolio concept which had a successful take-off with good demand from Nykredit's customers with investable funds of more than DKK 500,000.

Nykredit Portefølje

Nykredit Portefølje Bank handles the Nykredit Group's asset management activities. In line with recent years, also 2003 saw substantial growth in assets under management which amounted to DKK 60bn at end-2003.

In 2003 Nykredit Portefølje continued its strategy focusing on institutional investors. In the administration area, Nykredit Portefølje's position was consolidated further in 2003 with the acquisition of Schroder Administration and an agreement with ATP. Nykredit Portefølje has therefore achieved a position as one of the preferred suppliers of asset management services to the pension fund sector.

Group risk management

The Board of Directors of Nykredit Realkredit is responsible for defining the limits of and monitoring Group risks. The Board approves the general policies and instructions including the limits relating to the size of the exposures. Risk exposures and activities are reported to the Board on a current basis.

The Executive Board is responsible for formulating the general policies and instructions as well as operationalising these following adoption by the Board of Directors. Part of the operationalisation and consequent current monitoring and management have been delegated to committees chaired by members of the Executive Board.

Nykredit distinguishes between four primary types of risk:

- *Credit risk* reflects the risk of losses as a result of the non-performance of counterparties.
- *Market risk* reflects the risk of loss of market value as a result of movements in financial markets. Market risk also comprises liquidity risk which is the risk of insufficient ordinary liquidity reserves to fulfil payment obligations.
- *Insurance risk* reflects the risk of losses on the claims estimated with respect to the insurance policies written.
- *Operational risk* reflects the risk of losses as a result of inadequate/failed processes, human errors and actions, system errors and external events.

CREDIT RISKS

Within the framework of the overall credit policy laid down by the Board of Directors, the Executive Board is responsible for the policies governing the individual business areas.

The Credits Department is responsible for the management and monitoring of the Group's credit risks in accordance with the guidelines laid down by the Board of Directors and the Executive Board.

Nykredit aims to grant most credits in close proximity to the customer, and therefore loan granting authori-

ties have been assigned to the local centres, and in consequence the granting of the majority of loans has been decentralised. Credits that exceed the authorities of the local centres are submitted to the Credits Department. Applications that exceed the authorities of the Credits Department are presented to the central Credits Committee.

Credits are always granted on the basis of a specific assessment of the customer concerned. The assessment follows centrally prescribed guidelines in the form of credit policies and business procedures relating to each business area. However, in their assessment of customers, the centres have considerable liberty to include conditions characteristic of their local area.

The local customer relations are strengthened by the fact that all large customers have been assigned to an account managing centre which has the overall responsibility for the Nykredit Realkredit Group's exposure to customers. Account management comprises credit assessments, customer service and, where mortgage loans are concerned, also the required valuation of customers' properties.

As part of the transition to the new capital adequacy rules Basel II, the Group has initiated the development of models for the credit rating of the Group's customers (internal rating). The credit models relating to large corporate customers were implemented in 2003, and the Nykredit Realkredit Group will make use of more models for the purpose of assessing other types of customers in the coming years.

As part of the credit exposure monitoring, all exposures exceeding DKK 10m are reviewed as a principle at least once a year on the basis of updated financial statements and customer data. In addition, all exposures with risk signals are reviewed.

The Credits Department is responsible for the reporting of Group credit risks to the Credits Committee, the Executive Board, the Board of Directors and the Danish Financial Supervisory Authority.

MARKET RISKS

The business activities of the Nykredit Realkredit Group incur a number of different market risks. The primary business area - the mortgage lending activities of Nykredit Realkredit and Totalkredit – only incurs very limited market risks as the balance sheet management is subject to the balance principle of the Danish Mortgage Credit Act. The banking activities are regulated by Danish banking legislation and primarily incur limited risks in relation to the securities trading. The insurance activities are regulated by Danish insurance legislation and only contribute modestly to the overall risk scenario. The Group's most significant market risks derive from the investment portfolios including the placing of the Group's capital and reserves.

Via the Treasury Committee, the Executive Board approves the limits relating to market risks – including interest rate, equity and foreign exchange risks – incurred by the Nykredit Realkredit Group.

The Treasury is responsible for the Group's overall market risk management and also coordinates the Group's liquidity management. Acting and reporting functions have been segregated. The Treasury reports the Group's market risks to the Treasury Committee, while the Group Finance Department reports to the Executive Board, the Board of Directors and the Danish Financial Supervisory Authority.

Via the Treasury Committee, the Executive Board manages limits for interest rate exposure between zero and DKK 1.6bn. In 2003 the Nykredit Realkredit Group's interest rate exposure was between DKK 205m and DKK 812m. At end-2003 the interest rate exposure to bonds and financial instruments amounted to DKK 447m from which DKK 145m will be deducted if the acquisition of Totalkredit is completed.

In 2003 the equity exposure ranged between DKK 3.5bn and DKK 5.8bn. Foreign exchange risks were negligible in 2003. At end-2003 Value-at-Risk amounted to DKK 106m in terms of a 99% confidence interval over one day if the acquisition of Totalkredit is completed.

INSURANCE RISKS

Insurance risks reflect the risk of loss on total claims estimated by Nykredit Insurance on the basis of the insurance policies written. The overall responsibility for managing the insurance risks of the Insurance Company rests with the Board of Directors of the Insurance Company. The Board lays down guidelines for the acceptance of insurance risks and formulates principles of reinsurance. The Risk Management Department has the

day-to-day responsibility for the management of insurance risk in cooperation with the insurance technical departments.

OPERATIONAL RISKS

In 2003 measures were taken to ensure centralised management and monitoring of the Group's operational risks. The process is primarily of a qualitative nature, but in time the measures will also make it possible to quantify operational risks.

In cooperation with JN Data, the Development Department completed a number of activities in 2003 which have strengthened the Group's IT preparedness. This was tested in December 2003 when all major production systems switched to the contingency platform.

Correspondingly, in 2003 the Development Department, along with established business contingency groups, ensured that contingency plans were in place with respect to business critical processes leading to secure operations in case of a lack of IT supply. The Group's Contingency Committee coordinates the general IT preparedness and business contingency plans.

BASEL II

The proposal for new capital adequacy rules from 2007 of the Basel Committee opens up possibilities of using internal methods for the statement of capital adequacy requirements in credit institutions. Furthermore, the rules tighten the requirements for the day-to-day management of capital, finances and risk and also include capital requirements with respect to operational risk.

The Nykredit Realkredit Group improved its finance, business and risk management processes on a current basis and concentrated efforts further in 2003 through the establishment of the Basel programme. The purpose of this is to further develop the Group's processes and systems over the coming 3 to 5 years to ensure that the Group's finance, business and risk management takes optimal advantage of the possibilities arising from future legislation and is based on state-of-the-art models and methods. The programme is managed by representatives from all areas of the Group and is headed by the Executive Board. In 2003 focus centred on improving and developing models for credit risk, market risk, economic capital and risk-adjusted return on capital (RAROC) just as the above initiatives in the area of operational risk were launched.

As regards credit and market risk, the Nykredit Realkredit Group aims to seek approval in accordance with the most advanced internal methods. In relation to credit risk, the Group is in the process of implementing

internal rating systems developed in compliance with the advanced internal rating method of the Basel rules. As regards the statement and management of market risk, the Group improved its VaR models in 2003 – a process that will continue in coming years. The Group's operational risk is currently believed to be limited. Apart from the above qualitative initiatives, the Group has started to retrieve operational loss data for the purpose of improving the intra-group management hereof. Furthermore, the data retrieval will create a foundation for the later development of internal methods.

Mortgage bank risk management and bond issuance

The mortgage banks Nykredit Realkredit and Totalkredit occupy a central position in the overall activities of the Group. Both companies are governed by a special set of rules with the main objective to limit the market risks the companies may incur in connection with mortgage finance activities given the special structure, where all lending activities are funded via the issuance of mortgage bonds.

LENDING-RELATED MARKET RISK AND LIQUIDITY MANAGEMENT

The market risks inherent in the lending activities of Nykredit Realkredit and Totalkredit, including interest rate and foreign exchange risks as well as structural differences between the payment flows of loans and bonds, are minimal. These risks are regulated by the Danish Mortgage Credit Act through the so-called balance principle which largely eliminates the above-mentioned types of risk.

At end-2003 the interest rate exposure of Nykredit Realkredit's lending activities was 0.053% of the capital base. The equivalent figure with respect to Totalkredit was 0.0%.

Foreign exchange risk on the loan liabilities of the Mortgage Banks is hedged completely in practice. By end-2003 Nykredit Realkredit's foreign exchange exposure was 0.0% of the capital base. Totalkredit did not incur any foreign exchange risk in 2003.

Pursuant to the balance principle of the Mortgage Credit Act the Mortgage Banks are only allowed very limited liquidity deficits on the payments balance between loans and bonds. The payments are in practice fully balanced. This is because the product development with respect to loan types allows for the payment structure of the related bond funding.

From time to time the loan portfolio creates very large payment flows in connection with settlement dates and the resetting of interest rates on adjustable-rate mortgages (ARMs). However, these activities only incur negligible liquidity risk in the Mortgage Banks as an approximate maturity match for the placing of surplus

liquidity is secured in relation to time displaced payments relative to customers and the bond market, just as available funds must be placed in secure assets.

PLACING OF MORTGAGE BANK CAPITAL

Nykredit Realkredit and Totalkredit's securities portfolios and other funds have been placed in different assets whose value depends on the development in the bond, money, equity and foreign exchange markets. The Nykredit Realkredit Group therefore fixes benchmarks for the appropriate business-related exposures to the price developments in these markets as a supplement to the statutory restrictions governing the Nykredit Realkredit Group.

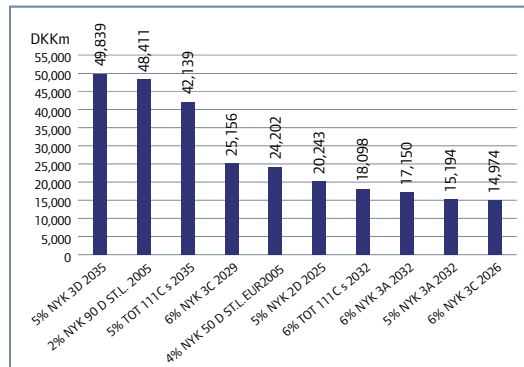
Nykredit Realkredit holds the majority of the Group's securities portfolio as the Mortgage Bank has the highest level of capital and reserves and, from time to time, substantial liquidity surpluses relating to the time lags between payment flows from customers on the one hand and bond markets on the other.

The interest rate exposure related to the placing of the capital resources of Nykredit Realkredit and Totalkredit must not exceed 8% of the capital bases of the respective companies. By end-2003 the interest rate exposure relative to Nykredit Realkredit's capital base was 3.256%, while the equivalent figure of Totalkredit was 1.053% estimated in accordance with the Mortgage Credit Act.

MORTGAGE BOND RATINGS

Nykredit Realkredit and Totalkredit fund their lending activities exclusively by issuing mortgage bonds. The objective is to build large, liquid bond series within the framework of borrowers’ product preferences in order to obtain an effective pricing of the bonds for the benefit of the customers of the two Mortgage Banks.

Nykredit’s largest series on the Copenhagen Stock Exchange

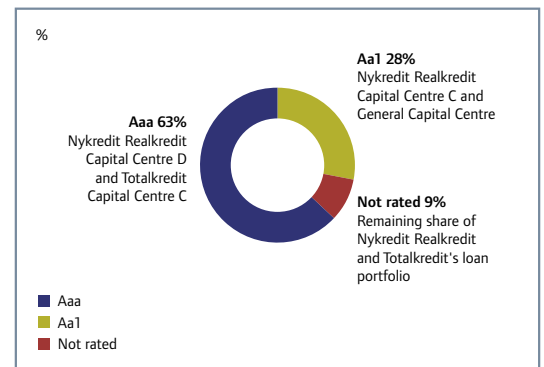


The Nykredit Realkredit Group is among the largest private issuers of bonds in Europe. At end-2003 the outstanding amount reached DKK 698bn of which mortgage bonds issued by Nykredit Realkredit accounted for DKK 530bn, while Totalkredit’s outstanding amount of mortgage bonds amounted to DKK 168bn.

In November 2003 the rating assigned to Nykredit Realkredit’s mortgage bonds was upgraded by both Moody’s Investors Service and Standard & Poor’s. Moody’s Investors Service upgraded the rating of mortgage bonds issued out of Capital Centre D to the highest possible rating, Aaa. The rating of mortgage bonds issued out of Nykredit Realkredit’s Capital Centre C and the General Capital Centre was upgraded to Aa1. Standard & Poor’s upgraded the rating of mortgage bonds issued from the General Capital Centre to AA. Standard & Poor’s has only rated the bonds of the General Capital Centre.

At end-2003 63% of the Nykredit Realkredit Group’s total mortgage lending was funded by Aaa rated bonds, 28% was Aa1 rated, while the remaining old bonds were non-rated.

Rating of the mortgage portfolio



As a result of the upgrade in November 2003, all Nykredit’s open bonds are now Aaa rated.

SALE OF MORTGAGE BONDS

In recent years the composition of the Nykredit Realkredit Group’s outstanding amount of bonds has changed. At end-2003 52% of the outstanding amount of bonds was long-term, callable bonds, 42% was short-term, non-callable bonds and 6% was CIBOR-based bonds. The Nykredit Realkredit Group sells its mortgage bonds to all types of Danish and international investors.

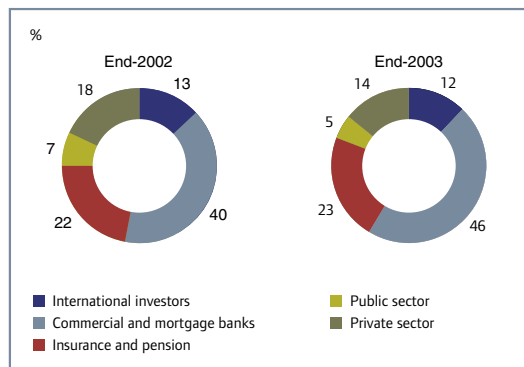
The trend towards an increased amount of short-term, non-callable bonds at the expense of long-term callable bonds affects the investor composition of the mortgage banks. Hence, the ownership share of commercial and mortgage banks has been on the rise, following their use of short-term, non-callable bonds as money market instruments. The rise in the ownership levels of commercial and mortgage banks has taken place at the expense of the private and public-sector investors’

The Nykredit Realkredit Group Rating		
	Moody’s	Standard & Poor’s
Nykredit Realkredit		
Capital Centre D	Aaa	-
Capital Centre C	Aa1	-
The General Capital Centre	Aa1	AA
Short, unsecured rating	P-1	A-1
Totalkredit		
Capital Centre C	Aaa	-

Issues for the funding of Nykredit Realkredit’s lending activities are made in Aaa rated mortgage bonds out of Nykredit Realkredit’s Capital Centre D, which comprises issues denominated in both Danish kroner and euros for the funding of callable and adjustable-rate mortgages. Correspondingly, issues for the funding of Totalkredit’s lending activities are made in Aaa rated mortgage bonds out of Totalkredit’s Capital Centre C which comprises issues in Danish kroner for the funding of callable mortgages and various types of BoligXlån (Totalkredit’s short-rate mortgage product).

ownership, while the ownership shares of insurance companies and pension funds as well as international investors have been stable.

Investor composition – Nykredit bonds



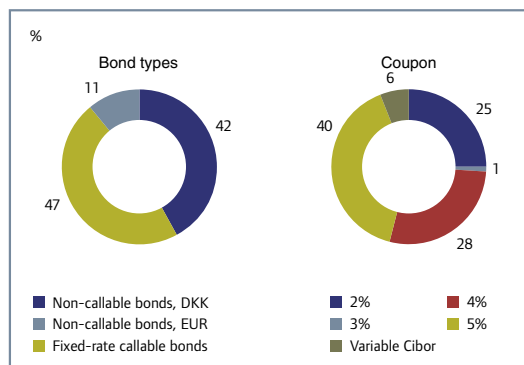
The diversified ownership of the Nykredit Realkredit Group’s bonds helps foster an effective pricing of the Mortgage Bank’s benchmark bonds. In 2004 the Group will continue its focus on investor relations to ensure a high level of information. The Nykredit Realkredit Group publishes information about the Group’s funding activities and Danish mortgage credit legislation for investors and other interested parties at www.nykredit.com.

LENDING AND ISSUANCE

The balance principle of the Danish Mortgage Credit Act requires a close match between the loans granted and bonds issued. Therefore borrowers’ preferences determine which bond types are issued. Borrowers’ choice of loan type depends primarily on their risk profile, the interest rate outlook and their financial position.

In 2003 the Nykredit Realkredit Group issued new bonds worth a nominal DKK 283bn of which Totalkredit’s issues accounted for DKK 76bn. Of total new issues, 47% was fixed-rate bonds, while the

Gross issuance by loan type and coupon



remainder was BoligX bonds and non-callable bullet bonds denominated in Danish kroner and euros.

In 2003 the European central banks including the Danish maintained leading monetary policy rates at record low levels to stimulate the economic development. The continuously falling short-term rates in 2003 led to record low – and thus to many homeowners attractive – gross repayments on borrowers’ ARMs and BoligXlån. However, the generally low interest rate levels also prompted many borrowers to take out fixed-rate loans with higher, but fixed, future gross repayments and possibilities in the long term of reducing the market value of the mortgage debt by refinancing the mortgage when stronger economic growth makes interest rates develop in an upward direction again.

Private borrowers gained access to loans with up to 10 years of interest-only periods on 1 October 2003. In this connection, Nykredit Realkredit introduced interest-only mortgages. By end-2003 the Nykredit Realkredit Group had disbursed interest-only mortgages and interest-only BoligXlån worth DKK 37bn. Of this amount, 96% was raised as ARMs and BoligXlån. The remaining 4% was raised as fixed-rate mortgages.

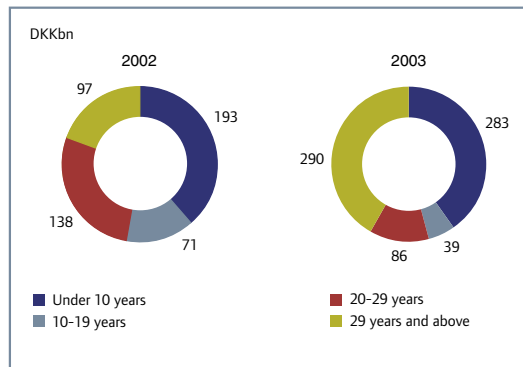
Nykredit’s interest-only mortgages offered as ARMs and interest-only BoligXlån mortgages are funded by the same non-callable, bullet mortgage bonds as regular ARMs and BoligXlån. Furthermore, Nykredit Realkredit started offering a new type of bonds for the funding of fixed-rate interest-only mortgages. The new bonds correspond to the existing fixed-rate callable mortgage bonds, the only difference being the cash flows which have been adjusted to the payment profiles of the loans. Further information about Nykredit’s interest-only mortgages and related bond issuance can be found at www.nykredit.dk.

Only a marginal share of the Nykredit Realkredit Group’s private borrowers took out euro-denominated ARMs in 2003, whereas there is still demand for this product in particular from agricultural customers. This was primarily due to the relatively strong Danish krone and the narrow yield spread between euros and Danish kroner in 2003. Euro-denominated bonds amounted to nearly 23% of the total amount of non-callable bullet bonds issued, equal to DKK 30bn. This brings the total outstanding amount of euro-denominated bonds up to nearly DKK 69bn. At end-2003 Nykredit Realkredit continued to account for the largest share of euro-denominated lending among Danish mortgage banks.

In 2003 the annual refinancing of ARMs equalled DKK 70bn of which DKK 24bn in euro-denominated bonds. In comparison, refinancing activities in 2002 amounted to DKK 55bn of which DKK 22bn concerned euro-denominated loans. Although the auction volumes in December 2003 were the highest in the history of the Nykredit Realkredit Group, the auction offering was nearly three times oversubscribed. The oversubscription emphasises the high level of interest in the Nykredit Realkredit Group's non-callable bonds.

At year-end the outstanding amount of short-term bonds was extraordinarily high. This was primarily the result of the refinancing of ARMs where new bonds were issued in December in replacement of the old bonds maturing on 1 January 2004.

Outstanding amount of mortgage bonds by terms-to-maturity, end-2002 and end-2003



Financial review

RESULTS OF THE NYKREDIT REALKREDIT GROUP

The Nykredit Realkredit Group recorded a pre-tax profit of DKK 4,421m against DKK 2,468m in 2002. Net profit was DKK 3,275m against DKK 1,717m in 2002.

The Nykredit Realkredit Group			
Core earnings and investment portfolio income			
DKK million	2002	2003	2003 excl Totalkredit ²⁾
Core income from:			
Lending	3,445	4,118	4,050
Securities	1,041	798	796
Total	4,486	4,916	4,846
Operating costs, depreciation and amortisation	2,455	2,694	2,639
Core earnings before write-offs	2,031	2,222	2,207
Write-offs and provisions for bad and doubtful debts	169	184	184
Profit/loss from insurance activities before tax ¹⁾	(121)	101	101
Core earnings after write-offs and insurance operations	1,741	2,139	2,124
Investment portfolio income	727	2,282	2,279
Profit on ordinary activities before tax	2,468	4,421	4,403
Tax	751	1,146	1,127
Minority interests	-	0	0
Net profit for the year	1,717	3,275	3,276

1) Including investment portfolio income.
2) Excluding Totalkredit's results and the accounting effects of goodwill and call options.

CORE EARNINGS

Group core earnings after write-offs and insurance operations came to DKK 2,139m in 2003 against DKK 1,741m in 2002.

Core earnings were chiefly affected by higher core income from lending, a decrease in core income from securities, a small increase in write-offs and provisions for bad and doubtful debts, positive insurance results as well as expected growth in Group operating costs, depreciation and amortisation.

Core income from lending rose by DKK 673m to DKK 4,118m, one reason being increased earnings from lending.

The decline in average money market rates from 3.4% to 2.4% led to a lower risk-free return on the securities portfolio of DKK 243m compared with last year.

As expected operating costs, depreciation and amortisation rose by DKK 239m to DKK 2,694m. Well over DKK 106m of the rise was an effect of a changed segregation of duties between Nykredit Realkredit and Nykredit Insurance as well as the acquisition of Totalkredit. When adjusted for this, operating costs rose by DKK 133m or 5% compared with a rise in core income from lending of 17%.

Group write-offs and provisions remained low. Write-offs and provisions related to Nykredit Realkredit totalled a charge of DKK 49m against DKK 128m in 2002. Bank write-offs and provisions were DKK 129m against DKK 39m the year before. The estate agency business reported write-offs and provisions of DKK 5m. Totalkredit's write-offs and provisions amounted to DKK 1m.

In 2003 the Insurer realised a profit before tax of DKK 101m which reflects a continued influx of customers and therefore also higher premium income as well as a positive investment return.

INVESTMENT PORTFOLIO INCOME

The investment portfolio consists of long-term investments of the Nykredit Realkredit Group's capital base and short-term liquidity deposits relating to time lags in connection with mortgage lending.

The Group's investment portfolio income totalled DKK 2,282m in 2003 against DKK 727m in 2002. Investment portfolio income is the income from Nykredit's investment portfolio that exceeds risk-free money market rates. Investment portfolio income is stated exclusive of price and interest margins deriving from the mortgage business and the trading activities of Nykredit Markets. Furthermore, investment portfolio income is stated less costs related to the investment function.

Investment portfolio income from liquidity, bonds and interest rate instruments was DKK 720m.

Investment portfolio income from equities and equity instruments was DKK 1,562m. In addition, changes to the accounting policies relating to unlisted shares, shares in associated undertakings and other equity investments resulted in a revaluation of capital and reserves of DKK 167m after tax at the beginning of 2003.

For 2003 the equity investments in Jyske Bank and in Sydbank generated returns of DKK 423m and DKK 316m, respectively.

The Insurance Company's investment portfolio income of DKK 61m has not been included in the figures above as the amount has been included under results from insurance activities.

At 31 December 2003 Group interest rate exposure amounted to DKK 447m given an overall change in interest rates of 1 percentage point from which DKK 145m will be deducted if the acquisition of Totalkredit is completed. Given an overall price decline of 10%, the equity exposure equalled DKK 559m. Value-at-Risk amounted to DKK 106m measured on a 99% confidence interval over one day provided that the acquisition of Totalkredit is completed.

costs. To this should be added payment of DKK 230m for the call options on the remaining 48.2% of the share capital.

In connection with the transaction, the banks behind Totalkredit acquired new shares in Nykredit Holding worth DKK 1,150m, equal to a stake of 3.15%. The banks also obtained two directorships in Nykredit Holding. Nykredit Realkredit has subsequently made a capital increase equal to the DKK 1,150m.

Accounting treatment in the Consolidated Accounts

Totalkredit realised a profit before tax of DKK 472m and DKK 341m after tax in 2003. Totalkredit has been fully consolidated in Nykredit Realkredit's accounts for the period 10 November to 31 December 2003. In this period Totalkredit's profit before tax was DKK 67m and after tax DKK 48m. 51.8% of the results have been allotted directly to Nykredit Realkredit as owner. The remaining 48.2% of the profit after tax has been allotted indirectly to Nykredit Realkredit by way of a value adjustment of the acquired call options. As a consequence of the value adjustment of the call options, minority interests' share of results netted zero Danish kroner.

The acquisition of 51.8% of the shares in Totalkredit implied acquired goodwill of DKK 1,944m which will be amortised over 10 years. Moreover, the acquisition resulted in a debt of DKK 1,554m to the vendors, as part of the acquisition price is payable by instalments over the coming nine years.

The effect on results of the acquisition was goodwill amortisation of DKK 28m and interest expenses of DKK 8m.

Nykredit has acquired call options on the remaining 48.2% of the Totalkredit shares. The options have a fixed strike price of DKK 1,521.15 per share. The options may be exercised on 1 October 2004 and 1 October 2006, respectively.

Nykredit Realkredit paid DKK 230m for the options. For accounting purposes, the options give rise to two types of value adjustments. On the one hand, the options lose value as the exercise time draws nearer. On the other, the value of the options increases as a result of the minority interests' share of 48.2% of Totalkredit's results after tax. If the options are exercised, minority interests' results from Totalkredit will be allotted to Nykredit Realkredit because of the pre-fixed strike price of DKK 1,521.15 per share. For the period from 10 November to 31 December 2003, a positive net value adjustment of DKK 8m has been recognised.

The Nykredit Realkredit Group Development in key figures

	2002	2003
Investment portfolio income, DKKm	727	2,282
- Bonds, liquidity and interest rate instruments	1,401	720
- Equities and equity instruments	(674)	1,562
Average investment portfolio, DKKm	32,523	36,351
- Bonds, liquidity and interest rate instruments	28,750	32,507
- Equities and equity instruments	3,773	3,844
Return on own portfolio, %	5.9	8.7
- Bonds, liquidity and interest rate instruments	8.7	4.6
- Equities and equity instruments	(15.0)	43.3
Risk-free money market rates	3.4	2.4

Danish short-term 2-year yields fell by 0.25 percentage point in 2003, while long-term 10-year yields remained largely unchanged.

European equity markets rose by an average of 15.8%, while the Danish KFX Index rose by 22.5%. Nykredit's allocation benchmark with respect to the equity portfolio is 50% in Denmark and 50% in Europe.

NYKREDIT'S ACQUISITION OF TOTALKREDIT

The acquisition was realised by way of a sale by the banks behind Totalkredit of 51.8% of the shares of Totalkredit to Nykredit. At the same time, Nykredit obtained a call option on 18.7% of the shares in 2004 and 29.5% in 2006. The consideration for the 51.8% of the share capital amounted to DKK 3,704m excluding

The Nykredit Realkredit Group		
Capital and reserves		
DKK million	2002	2003
Capital and reserves, beginning of financial year	32,707	34,479
Adjustments related to changed accounting policies	-	160
Other adjustments	-	(6)
Adjusted capital and reserves, beginning of year	32,707	34,633
Capital increase	-	1,150
Profit for the year brought forward	1,717	3,275
Transferred from provisions for pre-1972 series in Nykredit Realkredit	31	7
Other adjustments	24	(4)
Capital and reserves, end of financial year	34,479	39,061

The Nykredit Realkredit Group		
Capital base and capital adequacy		
DKK million	2002	2003
Share capital	3,664	4,814
Other reserves	30,760	34,192
Minority interests	-	1,649
Total	34,424	40,655
Core capital deductions		
Capitalised tax assets	(327)	(5)
Intangible assets including goodwill	(35)	(1,923)
Core capital after deductions	34,062	38,727
Supplementary capital		
Reserves in series	237	211
Subordinate loan capital	-	2,377
Total	237	2,588
Deduction	(942)	(1,247)
Capital base	33,357	40,068
Weighted assets	299,577	382,541
Capital requirement involving		
- credit risk	22,098	27,937
- market risk	1,868	2,666
Total	23,966	30,603
Excess cover	9,391	9,465
Capital adequacy stated on the basis of:		
- Capital base	11.1	10.5
- Core capital	11.4	10.1

GROUP BALANCE SHEET, EQUITY AND CAPITAL ADEQUACY

Balance sheet

In 2003 the Group balance sheet went up from DKK 615bn to DKK 829bn. At end-2003 the acquisition of Totalkredit had increased the balance sheet by DKK 176bn.

Group lending totalled DKK 610bn at end-2003 against DKK 437bn at end-2002. The acquisition of Totalkredit resulted in a lift of DKK 162bn.

The refinancing of adjustable-rate mortgages at year-end created a temporary increase in the bond portfolio. The majority of the remortgaging activities of DKK 70bn – against DKK 55bn the year before – were carried out via fixed-price agreements which due to the balance principle resulted in an increase in the bond portfolio.

Capital and reserves

Group capital and reserves came to DKK 39,061m at year-end against adjusted capital and reserves of DKK 34,633m at the beginning of the year. Capital and reserves were up by DKK 4,428m.

Capital adequacy

At end-2003 the Group's capital base after deduction amounted to DKK 40,068m.

In addition to the results, the acquisition of Totalkredit increased the Group's capital base by DKK 4,026m, of which DKK 1,649m has been included in the core capital and constitutes the minority interests' share of Totalkredit. Supplementary capital includes the subordinate loan capital in Totalkredit of DKK 2,601m of which the Parent Company holds DKK 224m. As a result, only DKK 2,377m was included in the Group's capital adequacy determination.

The requirement for the capital base was DKK 30,603m excluding the capital adequacy margin of the Insurance Company. Of this amount, the requirement for Totalkredit came to DKK 5,178m, and the excess cover subsequently amounted to DKK 9,465m. Consequently, at year-end the Group's capital base equalled 10.5% of the weighted assets against the statutory requirement of 8%.

Nykredit Realkredit did not take advantage of its possibilities for raising subordinate loan capital.

GROUP ENTITIES**NYKREDIT HOLDING A/S**

Nykredit Holding is the Parent Company of Nykredit Realkredit.

The accounts of Nykredit Holding have not been included in the accounts of the Nykredit Realkredit Group.

The Company's main activity is the ownership of Nykredit Realkredit. Furthermore, Nykredit Holding has issued guarantees covering pre-fixed loss amounts, among others to Nykredit Bank.

The Parent Company netted a profit before tax of DKK 9m in 2003 excluding the results from the subsidiary Nykredit Realkredit.

NYKREDIT REALKREDIT A/S**Results**

Nykredit Realkredit reported a profit before tax of DKK 4,412m in 2003 against DKK 2,468m in 2002. Net profit after tax came to DKK 3,275m against DKK 1,717m in 2002.

In the period from 10 November to 31 December Nykredit Realkredit owned a total of 51.8% of the shares of Totalkredit and acquired call options on the remaining 48.2% of the shares. As a result, 51.8% of Totalkredit's results in the period have been allotted to Nykredit Realkredit as shareholder of the company. For the period the results were DKK 35m before tax and DKK 25m after tax. The remaining 48.2% of Totalkredit's results after tax for the period have been allotted to Nykredit Realkredit as a positive value adjustment of the call options of DKK 8m.

Results for 2003 were positively affected by a lift in core income from lending as well as substantially increased investment portfolio income. In contrast, the year also saw declining core income from securities and increasing operating costs, depreciation and amortisation. Write-offs and provisions for bad and doubtful debts decreased further compared with last year and remained low.

PROFIT AND LOSS ACCOUNT**Core income from lending and securities**

The Mortgage Bank's core income from lending and securities came to DKK 3,887m, up DKK 70m on 2002.

Core income from lending

Core income from lending rose by DKK 298m to DKK 3,172m due to a combination of increased refinancing and lending activities. The increased level of activity resulted in a rise in activity-related income such as front-end fees and other fees.

Administration margin income accounted for DKK 2,111m of total core income. Thus administration margin income increased by DKK 111m in 2003. Net new lending of DKK 21,643m contributed to the rise.

Core income from securities

Core income from securities dropped by DKK 228m to DKK 715m due to a decline in average money market rates from 3.4% in 2002 to 2.4% in 2003.

Operating costs, depreciation and amortisation

The Mortgage Bank's total costs including costs related to the investment function and the share of other operating income totalled DKK 2,159m in 2003, up DKK 172m. Staff costs came to DKK 1,161m in 2003 against DKK

Nykredit Realkredit			
Core earnings and investment portfolio income			
DKK million	2002	2003	2003 excl Totalkredit ¹⁾
Core income from:			
Lending	2,874	3,172	3,172
Securities	943	715	719
Total	3,817	3,887	3,891
Operating costs, depreciation and amortisation	1,967	2,139	2,111
Core earnings before write-offs	1,850	1,748	1,780
Write-offs and provisions for bad and doubtful debts	128	49	49
Profit from equity investments	43	544	509
Core earnings after write-offs	1,765	2,243	2,240
Investment portfolio income	703	2,169	2,163
Profit on ordinary activities before tax	2,468	4,412	4,403
Tax	751	1,137	1,127
Net profit for the year	1,717	3,275	3,276

¹⁾ Excluding Totalkredit's results and the accounting-related effects of goodwill and call options.

1,151m the year before. The increase of DKK 10m relates to the fact that staff costs for 2002 included wages of a total of DKK 73m to IT staff, who were transferred to and came on the pay-roll of JN Data in connection with the start-up of the company in August the same year. Adjusted for this, wage costs rose by DKK 83m due to a combination of collective agreements and an increase in the number of full-time staff.

Other administrative expenses amounted to DKK 919m in 2003 against DKK 766m the year before. As part of the Group's sales strategy, the insurance agents of Nykredit Insurance have, for organisational and managerial purposes, been placed in the Group's centres and put on the pay-rolls of the centres in accordance with an intra-group agreement. Adjusted for the cost of DKK 51m relating to the above-mentioned insurance agents, the cost rise can be ascribed to activity-related matters.

Depreciation and amortisation on tangible and intangible assets rose by DKK 9m to DKK 79m of which DKK 31m was related to amortisation of goodwill and externally acquired software.

Write-offs and provisions for bad and doubtful debts

The Mortgage Bank charged DKK 49m under "Write-offs and provisions for bad and doubtful debts" in 2003. Losses ascertained for the year in relation to loans and advances netted DKK 96m in 2003 of which the majority had been provided for in previous years.

Losses ascertained on owner-occupied dwellings have displayed a general increase, whereas the majority of losses ascertained in regard to other property types related to a few isolated exposures.

Total provisions at year-end equalled DKK 1,829m against DKK 1,827m at the beginning of the year. Total provisions at year-end equalled 0.43% of loans and advances, almost the same as in 2002.

Tax

Nykredit Realkredit is jointly taxed with several of the wholly-owned subsidiaries and Nykredit Holding, the Parent Company. Total tax payable is distributed among profit and loss making, jointly taxed undertakings relative to their taxable income.

Tax charged in respect of Nykredit Realkredit and of subsidiary and associated undertakings was DKK 964m and DKK 173m, respectively. DKK 4m of deferred tax relating to Nykredit Realkredit has been recognised as a liability against a tax asset of DKK 320m in 2002. Deferred tax liabilities materially relate to value adjustments in respect of equities as well as differences in the tax and accounting depreciation on fixtures and fittings, leasehold improvements as well as machinery and equipment.

At end-2003 Nykredit Realkredit was party to a pending tax-related case as the Danish Central Customs and Tax Administration has decided that Nykredit Realkredit has been liable to tax on profits from the disposal of shares held for trading purposes since 1999. Nykredit Realkredit disagrees with this decision and has appealed against the decision to the Danish National Tax Tribunal. If every aspect of the case goes against Nykredit Realkredit, an additional expense in the order of DKK 181m relative to the tax charge can be expected.

Distribution of profits

In accordance with the Articles of Association and the guidelines laid down by the Board of Directors, the net profit for the year is taken to capital and reserves.

In 2003 Nykredit continued the profit distribution practice previously applied and adopted by the Board of Directors. Consequently, no series reserves except Capital Centre D receive any direct share of the net profit for the year. Where Capital Centre D is concerned the distribution of profit reflects the special placing rules governing this capital centre. The capital adequacy requirements of the individual series may, however, necessitate the transfer of capital to series reserve funds.

In accordance with the articles of association of pre-1972 series, the reserve fund shares will be distributed when a loan is partly or fully redeemed. In case of write-offs or the need to provide for a non-performing mortgage of a pre-1972 series, the series in question will be reduced by an equal amount. The reserves of pre-1972 series will therefore only be affected by distributed reserve fund shares and write-offs and provisions for bad and doubtful debts, if any. Injected capital consequent to the capital requirement must not be distributed.

Nykredit Realkredit			
Tax			
DKK million	Profit and loss account	Deferred tax – asset	Deferred tax – liability
Balance, beginning of financial year		320	0
Adjustment of capital and reserves, beginning of year		(10)	
Tax assessed on income for the year	772	-	-
Deferred tax	119	(115)	4
Adjustment of tax assessed in previous years	62	(195)	-
Tax on provisions (total provisions)	11	-	-
Total	964	0	4

Nykredit Realkredit		
Development in capital and reserves, beginning to end of year		
DKK million	Distribution of profit	Capital and reserves
Capital and reserves, beginning of financial year		34,479
Adjustments related to changed accounting policies		100
Other adjustments		(6)
Adjusted capital and reserves, beginning of year		34,633
Capital increase		1,150
Profit for the year according to the distribution of profit	3,275	
Transferred from provisions relating to pre-1972 series	7	
Other adjustments	(4)	
Transferred to capital and reserves		3,278
Capital and reserves, end of financial year		39,061

After distribution of the net profit for the year, capital and reserves stood at DKK 39,061m at year-end against adjusted capital and reserves of DKK 34,633m at the beginning of the year. Consequently, capital and reserves increased by DKK 4,428m.

Capital adequacy

The capital adequacy requirements governing mortgage banks are laid down in the Danish Mortgage Credit Act, Section 53. The Act requires that the capital base always make up 8% of the risk-weighted assets and off-balance sheet items of a mortgage bank.

Nykredit Realkredit		
Capital resources		
DKK million	2002	2003
Capital base	33,373	36,047
Weighted assets	271,376	294,014
Capital adequacy ratio	12.3	12.3
Core capital		
Share capital	3,664	4,814
Reserves in series	14,455	17,453
Other reserves	16,343	16,777
Total	34,462	39,044
Deductions from core capital		
Tax assets capitalised	(320)	-
Intangible assets	(35)	(1,923)
Total core capital after deductions	34,107	37,121
Supplementary capital		
Revaluation reserves	17	17
Reserves in series	182	156
Total	199	173
Deductions		
Equity investments > 10%	(723)	(1,027)
Deduction of insurance activities	(210)	(220)
Total	(933)	(1,247)
Capital base	33,373	36,047
Capital requirement involving		
- credit risk	20,552	21,664
- market risk	1,158	1,857
Total	21,710	23,521
Excess cover	11,663	12,526

The capital base is calculated as the sum of core capital and supplementary capital. Core capital equals share capital, repayable or non-repayable reserves in series and other reserves.

The capital requirement is calculated on the basis of a weighting of assets and off-balance sheet items based on the risk degree of each asset. As the loan portfolio weights between 50% and 100%, depending on property type, this is the most significant item.

Capital resources of Nykredit Realkredit

At the end of the financial year Nykredit Realkredit's capital base after deductions stood at DKK 36,047m against the statutory reserve requirement of DKK 23,521m, equal to a capital adequacy ratio of 12.3. Accordingly, capital adequacy exceeded the statutory reserve requirement by DKK 12,526m.

New capital adequacy rules from 2004

A new executive order on the capital adequacy of mortgage banks effective from 1 January 2004 provides separate capital adequacy requirements in regard to the share of mortgages secured on industrial and trade properties as well as social and cultural properties that exceeds 60% of the market value of the properties based on general profitability analyses. The tightened requirements only apply to mortgages disbursed after 1 January 2004. The new executive order is anticipated to increase the Company's overall capital requirement marginally in 2004.

Nykredit Realkredit Loan portfolio 2003			
DKK billion	Gross lending	Net new lending	Portfolio year-end
Retail	63.5	4.1	173.8
Commercial	23.3	5.2	66.3
Agricultural	23.3	3.5	75.3
Rental housing	20.8	8.8	110.5
Total	130.9	21.6	425.9

LENDING (excluding Totalkredit)

Lending activities in 2003

Nykredit Realkredit’s gross lending (cash) came to DKK 130,902m in 2003 against DKK 92,983m in 2002.

Consequently, gross lending far exceeded the levels attained in previous years.

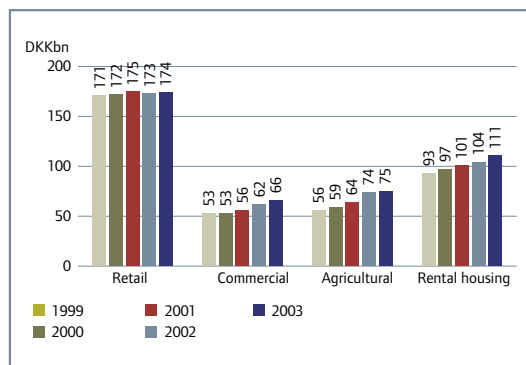
Net new lending expressed as gross lending less loans repaid amounted to DKK 21,643m in 2003 against DKK 29,783m in 2002. The decline was chiefly a result of a reduction in lending to retail, commercial, agricultural and rental housing customers.

Net new lending accounted for a total market share of 15.6% in 2003 against 21.3% in 2002.

Loan portfolio

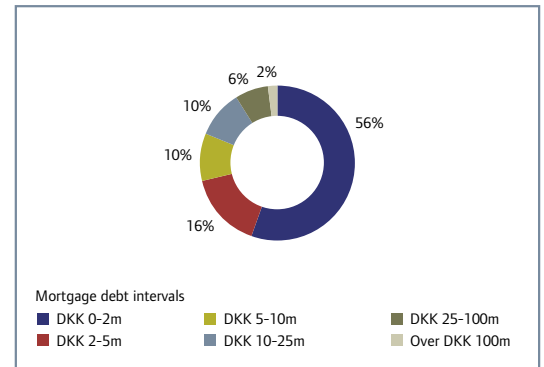
Total nominal mortgage lending excluding provisions came to DKK 426bn at end-2003 against DKK 413bn at end-2002. Total lending at end-2003 breaks down as follows: owner-occupied dwellings 41%, commercial properties 15%, agricultural properties 18% and rental housing 26%.

Mortgage portfolio by business area



The majority of mortgage loans consist of exposures below DKK 2m. Exposures of DKK 0-2m accounted for 56% of total lending at end-2003, indicating a considerable spread in lending.

Mortgage loans by mortgage debt intervals



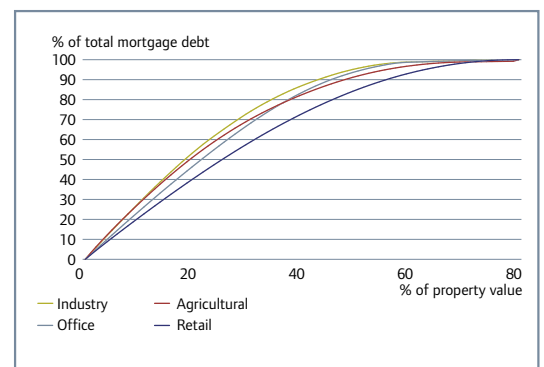
Mortgage debt relative to property values

At the time of granting, a mortgage loan will at a maximum constitute the proportion of the value of the mortgaged property equal to the statutory loan-to-value ratios. Subsequently, the relation between the value of the loan and the property will change upon the repayment of the loan or changes in the property value.

In 2003 Nykredit continued to develop models that estimate the value of the mortgaged properties on an ongoing basis within the areas of retail, agricultural and commercial customers. The models are based on the general development in property prices and the latest public land assessments.

The estimated property values can be compared with the mortgage debt in the properties. The figure “Mortgage debt relative to estimated property values” indicates the scope of the underlying security for the mortgage debt in the three business areas. Consequently, approximately 70% of the mortgage debt in owner-occupied dwellings falls within approximately 40% of the property values.

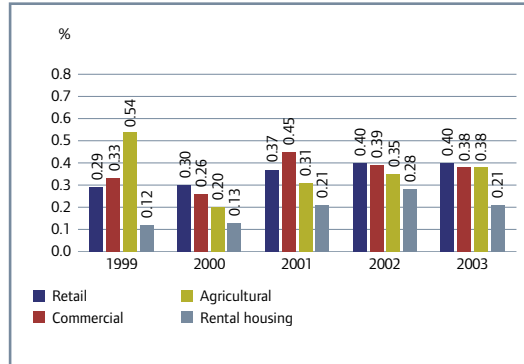
Mortgage debt relative to estimated property values



Arrears

The trend in mortgage loan arrears represents a good indicator of future losses. This applies particularly to arrears older than 90 days which were on the same low levels in 2003 as in 2001 and 2002.

Arrears ratio for the September settlement period



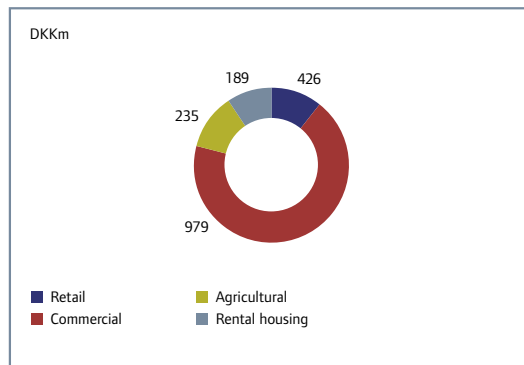
Provisions

Nykredit provides for bad and doubtful debts if a customer’s ability to repay a loan is uncertain and if the adequacy of the underlying security is questionable. In addition, statistical provisions based on Nykredit’s experiences in losses within each property category are computed.

Provisions are divided into “A” and “B” provisions, respectively. A provisions indicate a probability of loss on an exposure, whereas B provisions indicate an inevitable loss which has not been finally settled yet.

A and B provisions amounted to DKK 1,633m and 196m, respectively, at end-2003.

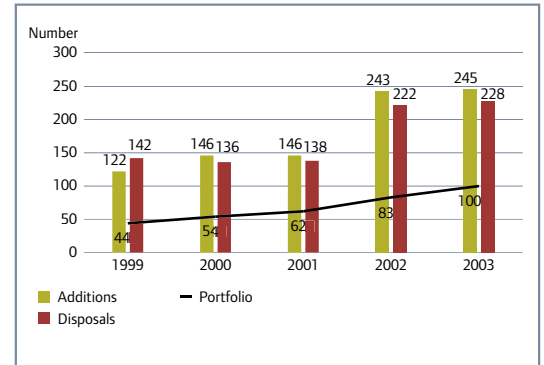
Total provisions by property category



Properties foreclosed

In 2003 Nykredit foreclosed a total of 245 properties and sold 228 properties. Nykredit’s property portfolio contained 100 properties at end-2003 against 83 properties at end-2002. This remains a very low level despite the rise and reflects the continued positive trend in the marketability of real property, but also that slowdowns have been detected in some areas.

Properties foreclosed/sold



Totalkredit			
Core earnings and investment portfolio income			
DKK million	2002	2003	2003 10.11-31.12
Core income from:			
Lending	330	511	68
Securities	57	38	7
Total	387	549	75
Operating costs, depreciation and amortisation	116	165	27
Core earnings before write-offs	271	384	48
Write-offs and provisions for bad and doubtful debts	0	1	1
Core earnings after write-offs	271	383	47
Investment portfolio income	119	89	20
Profit on ordinary activities before tax	390	472	67
Tax	115	131	19
Net profit for the year	275	341	48

Totalkredit		
Summary balance sheet at 31 December		
DKK million	2002	2003
Mortgage loans	130,600	162,045
Issued bonds	138,315	168,042
Subordinate loan capital	2,593	2,601
Capital and reserves	3,128	3,469
Total assets	146,139	176,376

TOTALKREDIT A/S

The accounts of Totalkredit have been fully consolidated in Nykredit Realkredit's accounts for the period from 10 November to 31 December 2003.

In 2003 Totalkredit realised a profit of DKK 472m before tax and DKK 341m after tax compared with DKK 390m and DKK 275m, respectively, in 2002.

Profit before tax equalled a return on equity of 14.3% compared with 13.6% in 2002. Capital and reserves, subsequently, came to DKK 3,469m at end-2003 compared with DKK 3,128m at the beginning of the year.

The Company's core earnings after write-offs were DKK 383m against DKK 271m in 2002, and investment portfolio income amounted to DKK 89m against DKK 119m in 2002.

Net income from interest and fees was DKK 573m in 2003 against DKK 402m in 2002, equal to a rise of 43%.

Operating costs, depreciation and amortisation came to DKK 165m against DKK 116m in 2002. Costs incurred in 2003 included DKK 21m relating to the establishment of the cooperation with Nykredit.

Totalkredit's business concept, which is based on the local and regional banks being responsible for customer services and the individual risk hedging, will continue unchanged after the sale of shares to Nykredit.

The business concept enables Totalkredit to keep costs and write-offs very low as expenditure and losses are borne by the banks which continuously receive sales and guarantee fees. The fees amounted to DKK 590m in 2003 against DKK 488m in 2002.

The guarantee concept is based on guarantees from the lender banks covering the part of all loans exceeding 60% of the property value.

At year-end the balance sheet stood at DKK 176bn against DKK 146bn at end-2002, and the Company's capital adequacy ratio was 9.4 at end-2003 against 11.3 at the beginning of the year.

Continued growth in market share and loan stock

Totalkredit's gross lending amounted to DKK 75bn in 2003 – up 51% on 2002. Net new lending grew from DKK 27bn to DKK 34bn, and the loan stock totalled DKK 162bn at year-end against DKK 131bn at end-2002.

New product range

Towards year-end Totalkredit expanded its product range to include a full range of traditional adjustable-rate mortgages in addition to the short-rate product – BoligXlån with an optional interest rate cap. Furthermore, at year-end Totalkredit introduced the possibility of interest-only periods of up to 10 years.

Highest possible rating

Throughout the year Totalkredit's Capital Centre C maintained the highest of ratings assigned by Moody's – Aaa.

The Nykredit Bank Group		
Core earnings and investment portfolio income		
DKK million	2002	2003
Core income from:		
Lending	485	874
Securities	95	68
Total	580	942
Operating costs, depreciation and amortisation	425	441
Core earnings before write-offs	155	501
Write-offs and provisions for bad and doubtful debts	39	129
Core earnings after write-offs	116	372
Investment portfolio income	28	46
Profit on ordinary activities before tax	144	418
Tax	46	125
Net profit for the year	98	293

The Nykredit Bank Group		
Summary balance sheet at 31 December		
DKK million	2002	2003
Loans and advances	24,452	22,276
Bonds and shares	20,081	29,536
Debt to credit institutions and central banks	37,044	41,149
Deposits	12,056	14,175
Capital and reserves	2,806	2,861
Total assets	63,742	72,419

THE NYKREDIT BANK GROUP

The Nykredit Bank Group includes Nykredit Bank A/S (Parent Company), Nykredit Portefølje Bank A/S, Nykredit Pantebreve A/S, Nykredit Finance plc, Nykredit Pantebrevsinvestering A/S and Nykredit Leasing A/S.

In 2003 the Nykredit Bank Group realised a profit before tax of DKK 418m and of DKK 293m after tax compared with DKK 144m and DKK 98m, respectively, the year before.

The positive development can be credited to the earnings rise in all business areas and unchanged cost levels.

Bank Group core earnings after write-offs amounted to DKK 372m against DKK 116m in 2002, and investment portfolio income came to DKK 46m compared with DKK 28m in 2002.

The return on equity before tax was 14.7% against 5.2% in 2002.

Net income from interest, fees and value adjustments posted DKK 895m, up DKK 304m on 2002.

The development should in particular be considered in the light of a significantly higher level of activity in the

Markets & Asset Management area and satisfactory earnings from credit bonds in the Corporate Banking area. Furthermore, 2003 was generally characterised by a higher degree of stability in financial markets.

Nykredit Bank received a fee of DKK 70m from Nykredit Realkredit as payment for advisory services rendered in connection with unlisted equities. The amount has been recognised as core income from lending.

Operating costs increased by 4% from DKK 425m to DKK 441m. The marginal rise was a consequence of a decreased number of new appointments, but cost levels also reflected a current focus on tight cost control.

Write-offs and provisions came to DKK 129m corresponding to a rise of DKK 90m relative to 2002. The rise can be ascribed to a conservative assessment of some isolated exposures. The Bank's loan portfolio is generally of a high quality.

Group balance sheet, equity and capital adequacy

Loans and advances were down by 9% to DKK 22.3bn. Retail customers accounted for a rise of DKK 0.5bn to DKK 4.2bn, while Corporate Banking and Markets accounted for a decline of DKK 2.6bn. Of total loans and advances, reverse transactions amounted to DKK 3.0bn against DKK 3.9bn at end-2002.

After distribution of dividend of DKK 250m capital and reserves increased by DKK 55m to DKK 2,861m at end-2003.

The Group's capital adequacy ratio was 9.8 at end-2003 against 9.3 at end-2002.

Nykredit Insurance		
Core earnings and investment portfolio income		
DKK million	2002	2003
Core income from:		
Operations	901	1,105
Securities	41	32
Total	942	1,137
Operating costs, depreciation and amortisation	304	265
Claims payments	762	832
Core earnings	(124)	40
Investment portfolio income	3	61
Profit/loss on ordinary activities before tax	(121)	101
Tax	18	30
Net profit/loss for the year	(103)	71

Nykredit Insurance		
Financial highlights		
DKK million	2002	2003
Gross premiums	1,068	1,331
Premiums, net of reinsurance	900	1,136
Key ratios (net of reinsurance)		
Loss ratio	87.4	75.0
Expense ratio	36.3	27.4
Combined ratio	123.7	102.4

NYKREDIT ØSTIFTERNE FORSIKRING A/S

2003 became a turning point for Nykredit Insurance in regard to financial performance.

The Insurance Company realised a profit of DKK 101m before tax and DKK 71m after tax in 2003 against losses of DKK 121m and DKK 103m, respectively, in 2002.

Insurance results were DKK 8m, up DKK 174m on 2002. The item reflects results before tax less core income from securities and investment portfolio income.

The effect of many profitability-related measures implemented from end-2002 and throughout 2003 contributed to the satisfactory results.

The level of activity remained high in 2003. Total new insurance policies equalled DKK 408m, up 20% on last year. Total insurance policies equalled just over DKK 1.2bn at year-end distributed on approximately 155,000 customers.

Results from non-life insurance activities were generally satisfactory in 2003. The rise in claims payments in 2002 did not characterise 2003, and as expected the implemented rise in premiums improved non-life insurance results considerably.

Premiums rose by 25% from DKK 969m in 2002 to DKK 1,207m. The increase is primarily attributable to the commercial customers area, but also the retail and agricultural customers areas displayed growth.

Premium income (net of reinsurance) posted DKK 1,136m against DKK 900m in 2002, up 26%. Nykredit Insurance paid a bonus of DKK 27m to its customers with Core Customer status. The Core Customer bonus will be phased out from 2004 and replaced by a joint rebate offered to customers who take all their insurance business to Nykredit.

The loss ratio (net of reinsurance) came to 75.0 against 87.4 in 2002 and was positively affected by the premium increases implemented in the past year.

The decline in costs was affected by an intra-group agreement regarding insurance agents which have, for organisational and managerial purposes, been attached to Nykredit's centres from 1 January 2003. As part of this agreement the centres will bear the cost of the insurance agents' wages, etc which amounted to DKK 51m in 2003. The Insurance Company pays commissions for all insurance policies sold via the centres.

When adjusted for the changes in costs regarding insurance agents, costs rose by 4% compared with growth in premiums of 26%. The small increase in costs is attributable to tight cost control particularly as regards staff and IT costs.

The combined ratio was 102.4% in 2003 against 123.7% in 2002.

In total core earnings came to DKK 40m against a negative DKK 124m in 2002.

After transfer of the profit for the year, capital and reserves stood at DKK 1,380m. Thus Nykredit Østifterne Forsikring is a well-consolidated company which fulfils the statutory requirement for the capital base, the so-called capital adequacy ratio, approximately four-fold.

Nykredit Bank Hipoteczny	
DKK million	2003
Net loss for the year	(11)
Balance sheet total	113
Capital and reserves	108

Nykredit Mægler		
DKK million	2002	2003
Net profit for the year	4	13
Balance sheet total	144	162
Capital and reserves	122	132

Nykredit Ejendomme		
DKK million	2002	2003
Net profit/loss for the year	5	(14)
Balance sheet total	1,238	1,205
Capital and reserves	341	326

NYKREDIT BANK HIPOTECZNY S.A.

Nykredit Bank Hipoteczny was established in 2003 with a share capital of PLN 75m, equal to DKK 119m.

The loss for the year of 11m reflects the fact that the Company is currently in a start-up phase.

At year-end loans and advances amounted to DKK 9m.

NYKREDIT MÆGLER A/S

Nykredit Mægler's core business is to be franchisor of the estate agency chain Nybolig and to cooperate with the estate agency chain Estate.

During the year the Company has reorganised its estate agency activities into two national brands: Nybolig as the national franchise concept and Estate as the national partnership concept.

In consequence, 32 former Scheel & Orloff agencies in the Greater Copenhagen area changed their name to either Nybolig or Estate. At the same time Nykredit Mægler's own organisation was restructured.

Furthermore, the Estate chain has increased the number of agencies through partnership agreements with new agencies.

After completion of these changes, the agency network comprised 281 agencies at end-2003 of which 196 are Nybolig agencies and 85 Estate agencies. In addition, Nykredit Mægler has so far concluded agree-

ments with another 16 Estate agencies which will take effect during 2004.

Relative to 2002 the market for real property in 2003 was characterised by a rise both in the number of properties sold and transaction prices. As a result Nykredit Mægler's franchisees have sold more properties in 2003 than expected.

Profit after tax amounted to DKK 13m which is much higher than expected. Results were affected by higher income from estate agents and lower costs.

NYKREDIT EJENDOMME A/S

Nykredit Ejendomme's main activities involve the leasing of a number of commercial properties from which the Nykredit Group operates, as well as the operation of a connecting car park.

Moreover, via an associated undertaking, Nykredit Ejendomme is co-owner of the five-star Copenhagen Marriott Hotel located at the centre of Copenhagen.

Results for 2003 were a loss of DKK 14m compared with a profit of DKK 5m in 2002. Results were negatively affected by the write-down of properties and increased depreciation on tangible assets in connection with reclassifications.

Annual Accounts 2003

Copenhagen, 18 February 2004

Management Statement

We have today presented the Annual Report for 2003 of Nykredit Realkredit A/S and the Nykredit Realkredit Group.

The Annual Report has been prepared in compliance with the Danish Mortgage Credit Act as well as the

Danish Financial Supervisory Authority's executive order on the presentation of mortgage bank accounts. We believe that the Annual Report gives a true and fair view of the Group's and the Parent Company's assets, liabilities and equity, financial position, results and the Group's cash flows.

The Annual Report will be submitted to the General Meeting for approval.

EXECUTIVE BOARD

Mogens Munk Rasmussen
Group Chief Executive

Peter Engberg Jensen
Group Managing Director

Per Ladegaard
Group Managing Director

Henning Kruse Petersen
Group Managing Director

Niels Tørslev
Group Managing Director

BOARD OF DIRECTORS

Steen E. Christensen
Chairman

Hans Bang-Hansen
Deputy Chairman

K.E. Borup
Deputy Chairman

Kristian Bengaard
Peter Bramsen
Winnie Dohn
Birgit Grodal
Jørgen S. Iversen
Allan Kristiansen
Ole Maltesen
Susanne Møller Nielsen
Kirsten Petersen
Ole Steffensen
Ole Trolle
Jens Erik Udsen
Leif Vinther
F. Weye-Hansen

Copenhagen, 18 February 2004

Internal Audit

We have audited the Consolidated Annual Report and the Annual Report of Nykredit Realkredit A/S for the financial year 2003.

The Consolidated Annual Report and the Annual Report are the responsibility of the Company's Board of Directors and Executive Board. Our responsibility is to express an opinion on the Consolidated Annual Report and the Annual Report based on our audit.

Basis of Opinion

We conducted our audit on the basis of the Executive Order from the Danish Financial Supervisory Authority on Auditing Financial Enterprises and Financial Groups and in accordance with Danish Auditing Standards. Based on materiality and risk we have evaluated the business procedures, the accounting policies used and the significant estimates made and verified the basis for amounts and disclosures in the Consolidated Annual Report and the Annual Report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Consolidated Annual Report and Annual Report give a true and fair view of the assets, liabilities, equity and financial position at 31 December 2003 of the Group and the Parent Company and of the results of the Group's and the Parent Company's operations for the financial year 2003 in accordance with the requirements of Danish legislation in respect of the preparation of financial statements.

Claus Okholm
Chief Internal Auditor

Kim Stormly Hansen
Deputy Chief Internal Auditor

Auditors' Report

We have audited the Consolidated Annual Report and Annual Report of Nykredit Realkredit A/S for the financial year 2003.

The Consolidated Annual Report and Annual Report are the responsibility of the Company's Board of Directors and Executive Board. Our responsibility is to express an opinion on the Consolidated Annual Report and Annual Report based on our audit.

Basis of Opinion

We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the Consolidated Annual Report and Annual Report are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Consolidated Annual Report and Annual Report. An audit also includes assessing the accounting policies applied and significant estimates made by the Board of Directors and Executive Board, as well as evaluating the overall presentation of the Consolidated Annual Report and Annual Report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Consolidated Annual Report and Annual Report give a true and fair view of the assets, liabilities, equity and financial position at 31 December 2003 of the Group and the Parent Company and of the results of the Group's and the Parent Company's operations for the financial year 2003 in accordance with the requirements of Danish legislation in respect of the preparation of financial statements.

PricewaterhouseCoopers Statsautoriseret Revisionsinteressentskab

Otto Johnsen	Mikael Sørensen
State Authorised	State Authorised
Public Accountant	Public Accountant

Deloitte Statsautoriseret Revisionsaktieselskab

Erik Holst Jørgensen	Anders O. Gjelstrup
State Authorised	State Authorised
Public Accountant	Public Accountant

ACCOUNTING POLICIES

General

The Annual Report for 2003 of Nykredit Realkredit A/S (the Nykredit Realkredit Group) has been prepared in accordance with the Danish Mortgage Credit Act and the executive order of the Danish Financial Supervisory Authority on the presentation of mortgage bank accounts.

Effects of changed accounting policies

At the time of the presentation of the accounts, unlisted securities and shares recognised as equity investments have been recognised at fair value and not as previously at the lower of cost and estimated market value. The change resulted in an increase in assets and equity of DKK 179m. The change had an effect on results for the year of DKK 518m and on capital and reserves of DKK 697m at end-2003. Deferred tax was impacted by a negative DKK 11m. Comparative figures for previous years have not been restated as the change only affects results and equity marginally.

From and including 2003, intangible assets, except goodwill, have been entered at cost and amortised over the expected useful lives, however, not exceeding 20 years. Intangible assets, except acquired goodwill, have previously been expensed in the year of acquisition. The change had a negative effect on results for the year of DKK 2m and a positive effect on capital and reserves of DKK 7m at end-2003. Acquisitions made in previous years have not been restated.

From and including 2003, goodwill has been capitalised and subsequently amortised over the expected economic life. Goodwill was previously written off directly against capital and reserves at the time of acquisition. The change had a negative effect on results for the year of DKK 30m and a positive effect on capital and reserves of DKK 1,923m at end-2003. Acquisitions made in previous years have not been restated.

From and including 2003, acquisition costs in the Insurance Company have been entered at the date of payment in contrast to the previous practice of stating commissions on an accruals basis. The change had a negative effect on results for the year of DKK 8m and on capital and reserves of DKK 27m at end-2003. Comparative figures for previous years have not been restated.

The accumulative effect of the change in accounting policies increased profit for the year before tax by DKK 458m and after tax by DKK 478m. The balance sheet total has been increased by DKK 2,094m, and deferred

tax has been reduced by DKK 15m, while capital and reserves had increased by DKK 2,600m at end-2003.

The accounting policies applied are otherwise consistent with those applied in 2002

Apart from the changes to the accounting policies, changes to the recognition of leasehold improvements have been implemented. In future leasehold improvements will be recognised under tangible fixed assets and not as previously under intangible fixed assets.

Consolidation

The Parent Company and the subsidiaries in which Nykredit Realkredit directly or indirectly holds more than 50% of the voting rights or has any other form of controlling interest have been included in the Consolidated Annual Accounts.

Undertakings taken over exclusively in connection with loss-controlling measures have not been consolidated.

"Profit/loss before tax" of the subsidiaries has been recognised under "Profit/loss from investments in associated and subsidiary undertakings", whereas tax for the year has been entered under "Tax" in the accounts of the Parent Company.

The Consolidated Annual Accounts have been prepared on the basis of the audited accounts of each undertaking combining items of a uniform nature. Intra-group income and expenses have been eliminated as have other intra-group transactions and balances.

"Profit/loss before tax" of the Insurance Group has been recognised under "Profit/loss from investments in associated and subsidiary undertakings", whereas tax for the year has been entered under "Tax" in the accounts of the Parent Company.

All accounts included in the Consolidated Annual Accounts comply with uniform accounting policies.

The book value of investments in associated and subsidiary undertakings has been set off against a proportionate share of capital and reserves of the undertakings at the time of acquisition.

From and including 2003, investments in subsidiaries will be treated in accordance with the acquisition method. In connection with the acquisition of new undertakings, the equity value will be computed at the time of acquisition in accordance with the Group's accounting policies. Where cost exceeds the equity value computed, the difference will be distributed on the as-

sets and liabilities of the acquired undertakings on the basis of the fair value of such assets and liabilities. Any remaining difference will be capitalised and amortised over the economic life, however, not exceeding 20 years.

Subsidiaries have been included in the consolidated results from the time of acquisition. Divested undertakings have been included up to the time of divestment.

Comparative figures have not been restated for undertakings acquired or divested.

PROFIT AND LOSS ACCOUNT

Core earnings and investment portfolio income

Core earnings comprise core earnings from lending and core earnings from securities.

Core earnings from lending comprise the results of the customer-oriented activities. Core earnings from securities comprise the return on Nykredit's own portfolio at risk-free money market rates.

Investment portfolio income comprises the results from Nykredit's portfolio of securities that exceed risk-free money market rates. The results exclude trading costs and administrative expenses relating to portfolio management.

Interest and administration margin

Interest includes interest due and computed as well as arbitrage premium from securities and foreign exchange transactions. Interest has been computed from the last due date to the balance sheet date.

Front-end fees and other fees have been recognised as income upon receipt. Administration margin income has been accrued, and the amount relating to the financial year has been included in the profit and loss account.

Write-offs and provisions for bad and doubtful debts

Major exposures are subject to periodic review and risk assessment in order to identify potential loss risks. Provisions for write-offs have been made on this basis. Provisions for other exposures have also been made for classes of similar loans on the basis of statistical calculations.

Provisions have been set off against the assets concerned. Write-offs ascertained and provisions for bad and doubtful debts have been charged to the profit and loss account under the item "Write-offs and provisions for bad and doubtful debts".

Tax

Tax assessed at 30% of taxable income together with adjustment of deferred tax and tax assessed for previous years have been charged to the profit and loss account.

A number of the Group's undertakings are jointly taxed. The Parent Company settles the total tax payable by the Group on the taxable income assessed for the year. The tax payable of profit- and loss-making, jointly taxed undertakings has been distributed between the undertakings concerned relative to their taxable income.

The jointly taxed undertakings pay Danish corporation tax under the scheme for payment of tax on account. In so far as the tax paid on account does not correspond to the tax charge assessed on the profit for the year, the interest receivable or payable on the difference has been entered under "Other interest receivable" or "Other interest payable", as appropriate.

Deferred tax has been provided for on the basis of differences between the accounting and tax values in accordance with the liability method. Deferred tax has been posted in the balance sheet under the items "Provisions for liabilities" or "Other assets". Changes in deferred tax for the year have been charged or credited to the profit and loss account.

Foreign exchange translation

Income and expenses in foreign exchange have been translated into Danish kroner at the exchange rates ruling at the dates of entry.

Assets and liabilities including off-balance sheet items in foreign exchange have been entered at the exchange rates quoted by the Danish central bank at year-end.

Derivative financial instruments

Foreign exchange and forward contracts have been entered at the forward rates prevailing at year-end. Value adjustments resulting from changes in interest or exchange rates have been recognised under "Value adjustments". The forward premium has been accrued over the term of the contract and entered under "Interest receivable" or "Interest payable".

Interest rate and currency swaps have been marked to market at year-end.

Swaps concluded to hedge interest rate and foreign exchange risks on certain fixed-rate loans and advances or bonds issued have not been marked to market.

Forward Rate Agreements, options and futures have been marked to market at the balance sheet date.

All realised and unrealised capital gains and losses have been taken to the profit and loss account. Unrealised capital gains and losses have been set off against "Other assets" or "Other liabilities".

Repo/reverse

Bonds sold as part of sales and repurchase transactions have been retained in the balance sheet under "Bonds". Proceeds received have been entered under "Debt to credit institutions and central banks" or "Deposits" depending on the counterparty.

Bonds acquired as part of purchase and resale transactions have been entered under "Balances due from credit institutions and central banks" or "Loans and advances" depending on the counterparty.

The balance between purchase and sales prices has been accrued over the term of the contract and entered under "Interest receivable" or "Interest payable".

ASSETS

Mortgage loans

Mortgage loans including amortisation accounts issued against mortgage bonds have been stated in the balance sheet at nominal values. In connection with index-linked loans, indexation of the mortgages has been effected using the index values at year-end. The item has been reduced by provisions for bad and doubtful debts and by transfers to foreclosed properties.

Other loans and advances

Other loans and advances have been entered at the lower of cost or market value. Some bank loans, where the interest rate risk has been hedged via fixed-rate liabilities or derivative financial instruments, have not been value adjusted.

Losses ascertained during the year have been written off, while appropriate provisions have been made for losses on exposures deemed at risk.

Payments outstanding in non-foreclosed properties

Payments outstanding include mortgage payments due reduced by provisions for bad and doubtful debts.

Leased assets

Assets held under finance leases have been included in the balance sheet under "Loans and advances" and valued at cost after deduction of depreciation. Assets held under operating leases have been recognised in the balance sheet under "Tangible assets".

Income from finance leases consisting of lease rental less depreciation has been recognised under "Interest receivable", whereas income from operating leases, ie the annual lease rental, has been credited to "Other operating income". Depreciation relating to assets held under operating leases has been charged under the item "Depreciation, amortisation and write-downs on tangible and intangible assets".

Depreciation has been computed using the actuarial method and in consideration of the economic life of the individual asset where the cost of acquisition after deduction of any estimated residual value has been depreciated over the lease term.

Profit or loss from the sale of the leased assets at expiry of contract has been recognised under "Other operating income" or "Other operating expenses".

Bonds

Quoted bonds have been stated at the official prices quoted at year-end. Bonds drawn for redemption at the beginning of January the following year have been recorded at par, whereas bonds drawn for redemption at a later date have been recorded at prices based on the terms-to-maturity of the bonds.

All realised or unrealised capital gains and losses have been taken to the profit and loss account.

Shares

Quoted shares have been entered at the official prices quoted at year-end, whereas unquoted shares have been entered at fair value based on generally accepted measurement methods.

All realised or unrealised capital gains and losses have been taken to the profit and loss account.

Investments in associated undertakings

Investments in associated undertakings have been valued in accordance with the equity method. A proportionate share of the results of the associated undertakings has been recognised as income, and investments have been included at the proportionate share of the equity value. Equity investments in credit and finance institutions have been consolidated on a pro rata basis.

Investments in subsidiary undertakings

Investments in subsidiary undertakings have been valued in accordance with the equity method. The proportionate share of the results of the subsidiaries has been recognised as income in the profit and loss account of the Parent Company.

Intangible assets

Intangible assets, except goodwill, have been capitalised at cost and amortised over the expected useful lives, however, not exceeding 20 years.

Where there is a connection between the costs incurred and future earnings, development costs have been entered under assets.

Goodwill has been capitalised and amortised over the expected economic life, however, not exceeding 20 years.

Tangible assets

Own properties have been entered at cost with addition of any costs of improvement and less depreciation and write-downs made.

Where the market value is below the book value for reasons not expected to be temporary, the properties have been written down to the lower value. Write-downs have been charged to the profit and loss account.

Where the market value is considerably above book value, the properties have been revalued to the higher value if the value increase is estimated to be permanent. Revaluations have been entered under "Revaluation reserves" under capital and reserves.

Depreciation has been calculated on a straight-line basis over 20-50 years on the basis of the expected residual value and the estimated useful lives of the properties.

Leasehold improvements have been recognised at cost less accumulated straight-line depreciation over the expected useful lives – usually five years.

Properties temporarily foreclosed have been marked to market based on a conservative estimate. The item comprises outstanding mortgages on properties transferred from the item "Mortgage loans" as well as repayments due, expenses defrayed at the time of sale by the order of the court, and income and expenses incurred after the time of foreclosure. The item has been reduced by provisions made for bad and doubtful debts in these properties.

Operating equipment has been entered at cost less straight-line depreciation against the expected useful life being:

Computer equipment and machinery 4 years
Equipment and motor vehicles 5 years

Small assets and assets with short useful lives have been expensed in the year of acquisition.

Assets in course of construction have been valued at cost.

LIABILITIES**Issued bonds**

Issued bonds have been recorded at nominal value. Index-linked bonds have been entered at the index value at year-end.

Repayable reserves

Repayable reserves comprise reserves in pre-1972 series repayable after full or partial redemption of loans in compliance with the articles of association of the series concerned.

CASH FLOW STATEMENT

The statement is computed according to the direct method and shows cash flows for the year divided into cash flows from operating, investing and financing activities and the effects of the cash flows on cash and cash equivalents at year-end.

Cash and cash equivalents at year-end include the items "Cash in hand and demand deposits with central banks" and "Balances due from credit institutions and central banks".

INTRA-GROUP TRANSACTIONS

The Nykredit Group consists of a number of independent legal entities. Intra-group trade and services have been settled at market terms or, where no real market exists, on an arm's length basis. Alternatively, settlements have been made on a cost reimbursement basis.

Profit and loss accounts for 2003

DKK MILLION

NYKREDIT REALKREDIT A/S				THE NYKREDIT REALKREDIT GROUP	
2002	2003		Note	2003	2002
26,487	26,590	Interest receivable	1	29,703	28,633
22,617	22,752	Interest payable	2	24,935	24,186
3,870	3,838	NET INTEREST RECEIVABLE		4,768	4,447
80	167	Dividend from equity investments		175	83
626	841	Fees and commissions receivable		955	691
146	245	Fees and commissions payable		268	141
4,430	4,601	NET INCOME FROM INTEREST AND FEES		5,630	5,080
63	1,397	Value adjustments	3	1,408	5
30	18	Other operating income		144	136
1,923	2,084	Staff costs and administrative expenses	4	2,590	2,383
70	79	Depreciation, amortisation and write-downs on tangible and intangible assets	15, 16	121	98
7	0	Other operating expenses		8	8
128	49	Write-offs and provisions for bad and doubtful debts	5	184	169
73	608	Profit/loss from investments in associated and subsidiary undertakings	6	142	(95)
2,468	4,412	PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		4,421	2,468
751	1,137	Tax	7	1,146	751
1,717	3,275	NET PROFIT FOR THE YEAR		3,275	1,717
-	-	Minority interests		-	-
1,717	3,275	NET PROFIT FOR THE YEAR EXCL MINORITY INTERESTS		3,275	1,717
		DISTRIBUTION OF PROFITS			
1,717	3,275	Net profit for the year			
1,717	3,275	Total profit for distribution			
1,717	3,275	Appropriation to capital and reserves			
1,717	3,275	Total distribution			

Balance sheets at 31 December 2003

DKK MILLION

NYKREDIT REALKREDIT A/S		THE NYKREDIT REALKREDIT GROUP			
2002	2003		Note	2003	2002
ASSETS					
20	19	Cash in hand and demand deposits with central banks	8	1,271	119
45,388	53,064	Balances due from credit institutions and central banks	9, 22, 23	61,372	46,973
Loans and advances					
411,534	424,619	Mortgage loans		586,664	411,534
1,322	1,167	Other loans and advances		23,574	25,857
412,856	425,786	Total loans and advances	10, 22, 23	610,238	437,391
97,611	101,574	Bonds	11, 13, 22, 23	136,911	116,207
3,500	5,391	Shares	12, 13	5,470	3,538
238	314	Investments in associated undertakings	14	386	333
4,597	6,605	Investments in subsidiary undertakings	14	1,380	1,331
0	1,922	Intangible assets	15	1,923	0
378	404	Tangible assets	16	1,740	1,717
3,041	3,489	Other assets	17, 23	8,020	7,346
86	102	Prepayments		108	91
567,715	598,670	TOTAL ASSETS		828,819	615,046
LIABILITIES AND EQUITY					
19,456	8,602	Debt to credit institutions and central banks	18, 22, 23	37,185	45,241
0	0	Deposits	22	14,139	12,024
499,460	529,700	Issued bonds	19, 23	698,067	499,460
13,916	20,935	Other liabilities	20, 23	35,922	23,401
0	0	Deferred income		18	15
404	372	Provisions for liabilities	21	401	426
0	0	Subordinate loan capital		2,377	0
0	0	Minority interests		1,649	0
Capital and reserves					
1,146	1,182	Share capital		1,182	1,146
2,518	3,632	Share premium account		3,632	2,518
Other reserves					
14,455	17,453	Reserves in series		17,453	14,455
16,343	16,777	Other reserves		16,739	16,305
17	17	Revaluation reserves		55	55
34,479	39,061	Total capital and reserves		39,061	34,479
567,715	598,670	TOTAL LIABILITIES AND EQUITY		828,819	615,046
OFF-BALANCE SHEET ITEMS					
0	0	Guarantees	24	1,426	971
1,225	1,208	Other commitments		3,502	4,457
1,225	1,208	TOTAL		4,928	5,428

Movements in capital

DKK MILLION

	NYKREDIT REALKREDIT A/S					2003	2002
	Share capital	Share premium account	Reserves in series	Other reserves	Revaluation reserves	Total	Total
Balance, beginning of year	1,146	2,518	14,455	16,343	17	34,479	32,707
Adjustments concerning changed accounting policies				160		160	
Other adjustments				(6)		(6)	
Adjusted balance, beginning of year	1,146	2,518	14,455	16,497	17	34,633	32,707
Capital increase	36	1,114				1,150	0
Net profit for the year				3,275		3,275	1,717
Adjustment pursuant to capital adequacy requirements			2,998	(2,998)		0	0
Brought forward from provisions concerning pre-1972 series				7		7	31
Adjustment relating to associated undertakings				(4)		(4)	(1)
Adjustment relating to subsidiary undertakings						0	(2)
Adjustments relating to domicile properties						0	27
Balance, year-end	1,182	3,632	17,453	16,777	17	39,061	34,479

The share capital breaks down into shares of DKK 100.00 and multiples hereof.

CAPITAL ADEQUACY

NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
34,107	37,121	Core capital after deduction	38,727	34,062
33,373	36,047	Capital base after deduction	40,068	33,357
256,904	270,805	Weighted items not included in the trading book including off-balance sheet items	349,211	276,227
14,472	23,209	Weighted items involving market risk	33,330	23,350
271,376	294,014	Total weighted items	382,541	299,577
12.6	12.6	Core capital ratio	10.1	11.4
12.3	12.3	Capital adequacy ratio	10.5	11.1

Core earnings and investment portfolio income

DKK MILLION

THE NYKREDIT REALKREDIT
GROUP

	2003			2002		
	Core earnings	Investment portfolio income	Total	Core earnings	Investment portfolio income	Total
Net interest receivable	3,906	862	4,768	3,734	713	4,447
Dividend on equity investments	8	167	175	3	80	83
Fees and commissions receivable, net	725	(38)	687	586	(36)	550
Net income from interest and fees	4,639	991	5,630	4,323	757	5,080
Value adjustments	137	1,271	1,408	40	(35)	5
Other operating income	144	0	144	136	0	136
Staff costs and administrative expenses	2,569	21	2,590	2,362	21	2,383
Depreciation, amortisation and write-downs on tangible and intangible assets	121	0	121	98	0	98
Other operating expenses	8	0	8	8	0	8
Write-offs and provisions for bad and doubtful debts	184	0	184	169	0	169
Profit/loss from equity investments	101	41	142	(121)	26	(95)
Profit on ordinary activities before tax	2,139	2,282	4,421	1,741	727	2,468

Cash flow statement for 2003

DKK MILLION

THE NYKREDIT REALKREDIT
GROUP

	Note	2003	2002
Cash flow from operating activities			
Interest and fees received		29,185	27,773
Interest and fees paid		(22,814)	(24,174)
Other operating payments received		144	136
Costs paid for staff and suppliers		(4,276)	(2,220)
Payments received for debts previously written off		51	51
Tax paid, net		(834)	(1,078)
Total		1,456	488
Cash flow from investing activities			
Loans and advances disbursed		(182,284)	(97,507)
Repayments on loans and advances		168,467	78,216
Net investment in bonds		(5,419)	(12,985)
Net investment in shares and other equity investments		(499)	(651)
Dividend received		175	83
Net investment in tangible and intangible assets		(137)	(460)
Net investment in foreclosed properties		(16)	2
Net investment in undertaking	25	(271)	(600)
Total		(19,984)	(33,902)
Cash flow from financing activities			
Issue of bond loans		265,718	150,788
Drawing of bond loans		(226,665)	(117,860)
Adjustment in short-term borrowing		(6,192)	481
Issue of shares		1,150	0
Subordinate loan capital		4	0
Total		34,015	33,409
Total cash flows		15,487	(5)
Cash and cash equivalents, beginning of year		47,092	47,078
Currency translation adjustment of cash		64	19
Cash and cash equivalents, year-end		62,643	47,092
Cash and cash equivalents, year-end, consist of:			
Cash in hand		1,271	119
Balances due from credit institutions		61,372	46,973
Cash and cash equivalents, year-end		62,643	47,092

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S		THE NYKREDIT REALKREDIT GROUP	
2002	2003		
		1. INTEREST RECEIVABLE	
539	643	Balances due from credit institutions and central banks	803
22,215	22,274	Loans and advances	24,441
2,000	2,111	Administration margin (interest margin on lending)	2,111
		Bonds	
573	470	- Own mortgage bonds	763
334	467	- Other mortgage bonds	918
601	389	- Government bonds	407
24	23	- Other bonds	144
		Derivative financial instruments	
(9)	(16)	- Foreign exchange contracts	23
89	88	- Interest rate contracts	(21)
121	141	Other interest receivable	114
26,487	26,590	Total	29,703
		Of which interest receivable from genuine purchase and resale transactions entered as:	
85	101	Balances due from credit institutions and central banks	424
0	0	Loans and advances	67
		2. INTEREST PAYABLE	
424	300	Credit institutions and central banks	1,036
0	0	Deposits	409
21,983	22,155	Issued bonds	23,206
0	0	Subordinate loan capital	12
210	297	Other interest payable	272
22,617	22,752	Total	24,935
		Of which interest payable from genuine sale and repurchase transactions entered as:	
332	138	Debt to credit institutions and central banks	442
0	0	Deposits	30
		3. VALUE ADJUSTMENTS	
		Bonds	
349	230	- Own mortgage bonds	302
141	(34)	- Other mortgage bonds	11
267	(25)	- Government bonds	(25)
4	(7)	- Other bonds	45
(478)	1,383	Shares	1,399
6	3	Fixed-rate loans and advances	29
5	7	Foreign exchange	64
		Derivative financial instruments	
0	2	- Foreign exchange contracts	20
(32)	(216)	- Interest rate contracts	(462)
(199)	46	- Share contracts	40
0	8	- Other contracts	(15)
63	1,397	Total	1,408
			5

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S		THE NYKREDIT REALKREDIT GROUP		
2002	2003		2003	2002
4. STAFF COSTS AND ADMINISTRATIVE EXPENSES				
Salaries and remuneration to the Board of Directors and Executive Board				
32	21	Executive Board	21	32
3	2	Board of Directors	2	3
35	23	Total	23	35
Staff costs				
908	938	Wages	1,173	1,107
122	115	Pensions	139	145
86	85	Social security costs	104	105
1,116	1,138	Total	1,416	1,357
772	923	Other administrative expenses	1,151	991
1,923	2,084	Total	2,590	2,383
Executive Board and Board of Directors				
Loans, charges, suretyships or guarantees granted to the members of the				
9	9	Executive Board	9	9
47	49	Board of Directors	49	47
Audit fee				
Aggregate fees to the accountancy firms appointed by the General Meeting which perform the statutory audit				
7	11		15	11
4	8	Of which in respect of services other than auditing	9	6
Number of staff				
Average number of staff for the financial year, full-time equivalent				
2,273	2,340	Consolidated undertakings	2,808	2,662
0	0	Non-consolidated undertakings	400	387
2,273	2,340	Total	3,208	3,049

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
5. WRITE-OFFS AND PROVISIONS FOR BAD AND DOUBTFUL DEBTS				
Write-offs and provisions for loans, advances and guarantees				
Itemisation of provisions for loans, advances and guarantees				
		Provisions for loans, advances and guarantees,		
		beginning of year	2,022	1,973
1,807	1,827	Provisions for the year	583	494
412	406	Reversal of provisions	(384)	(303)
(258)	(336)	Other additions/disposals	(11)	9
0	0	Provisions recorded as lost	(88)	(151)
(134)	(68)			
1,827	1,829	Provisions, year-end	2,122	2,022
20	2	Movement in provisions for loans, advances and guarantees	100	49
156	96	Write-offs for the year, net	119	178
(48)	(49)	Received on claims previously written off	(51)	(51)
128	49	Write-offs and provisions for loans, advances and guarantees	179	167
0	0	Write-offs and provisions for other items	5	2
128	49	Total write-offs and provisions	184	169
6. PROFIT/LOSS FROM INVESTMENTS IN ASSOCIATED AND SUBSIDIARY UNDERTAKINGS				
29	64	Profit from investments in associated undertakings	41	26
44	544	Profit/loss from investments in subsidiary undertakings	101	(121)
73	608	Total	142	(95)
7. TAX				
907	910	Tax assessed on income for the year	919	907
(172)	151	Deferred tax	151	(172)
2	64	Adjustment of tax assessed for previous years	64	2
14	12	Tax on total provisions	12	14
751	1,137	Total	1,146	751
Tax payable in Nykredit Realkredit A/S of total tax charge:				
870	772	Tax assessed on income for the year		
(174)	119	Deferred tax		
(2)	62	Adjustment of tax assessed for previous years		
13	11	Tax on total provisions		
707	964	Total		

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
		7. TAX (CONTINUED)		
		Effective tax rate		
30.0	30.0	Current tax rate	30.0	30.0
0.9	(0.2)	Difference in tax rates of associated and subsidiary undertakings	(0.1)	0.6
(1.4)	(6.0)	Non-tax liable income	(6.1)	(1.4)
0.5	0.3	Non-deductible expenses	0.4	0.6
(0.1)	1.4	Adjustment of tax assessed for previous years	1.4	0.1
0.5	0.3	Tax on provisions	0.3	0.5
30.4	25.8	Effective tax rate	25.9	30.4
		The effective tax rate of the Group in the Interim Accounts for 2003 came to 30.0% compared with 25.9% at year-end. The change relates to a change in non-tax liable income.		
		8. CASH IN HAND AND DEMAND DEPOSITS WITH CENTRAL BANKS		
19	19	Of which deposits with the Danish central bank	1,263	115
		9. BALANCES DUE FROM CREDIT INSTITUTIONS AND CENTRAL BANKS		
20,605	20,480	Balances due at call with central banks	20,482	21,745
24,783	32,584	Balances due with credit institutions	40,890	25,228
45,388	53,064	Total	61,372	46,973
19,018	26,007	Of which prepaid funds including prepayments at par and proceeds from the issuance of fixed-price agreements	26,007	19,018

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
10. LOANS AND ADVANCES				
411,534	424,619	Mortgage loans	586,664	411,534
185	104	Amounts outstanding in non-foreclosed properties	140	185
1,137	1,063	Other loans and advances	23,434	25,672
412,856	425,786	Total	610,238	437,391
Mortgage loans				
395,697	412,923	Balance, beginning of year	412,923	395,697
0	0	Additions - Totalkredit	157,770	0
95,454	135,064	New loans	146,854	95,454
847	1,221	Indexation	1,221	847
(41)	156	Currency translation adjustment	156	(41)
(14,677)	(14,708)	Ordinary payments	(15,641)	(14,677)
(64,357)	(108,711)	Redemptions and extraordinary payments	(115,292)	(64,357)
412,923	425,945	Balance, year-end	587,991	412,923
(56)	(68)	Loans transferred relating to properties temporarily foreclosed	(69)	(56)
(1,607)	(1,527)	Provisions for loans and advances	(1,527)	(1,607)
274	269	Loans assumed by the Financial Administration Agency	269	274
411,534	424,619	Total	586,664	411,534
Mortgage loans, year-end:				
199,630	134,642	- Loans with joint and several liability	295,939	199,630
213,293	291,303	- Loans without joint and several liability	292,052	213,293
412,923	425,945	Total	587,991	412,923
467,600	482,611	Principal on mortgages, year-end	651,270	467,600
571,285	511,822	Number of mortgages, year-end	750,467	571,285
21,197	21,655	In addition to mortgages on real property, supplementary guarantees for loans have been received in the amount of	63,993	21,197
3,025	3,634	Total advance loan guarantees received	11,257	2,361
Outstanding payments in non-foreclosed properties				
353	330	Arrears	366	353
21	44	Outlays	44	21
(189)	(270)	Provisions	(270)	(189)
185	104	Total	140	185
Other loans and advances				
0	0	Bank loans and advances	22,276	24,452
1,137	1,063	Other loans and advances	1,158	1,220
1,137	1,063	Total	23,434	25,672

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S		THE NYKREDIT REALKREDIT GROUP	
2002	2003		
		11. BONDS	
73,854	71,780	Own mortgage bonds	86,997
17,570	15,364	Other mortgage bonds	24,579
6,026	13,304	Government bonds	21,372
161	1,126	Other bonds	3,963
97,611	101,574	Total	136,911
1,869	422	Of which bonds drawn	738
59,762	62,761	Bond portfolios deriving from prepaid funds including prepayments at par and proceeds relating to the issuance of fixed-price agreements	62,761
14,422	7,537	As security in the Danish central bank, the Danish FUTOP Clearing Centre and foreign clearing centres, bonds have been deposited with a total market value of	20,323
		12. SHARES	
1,734	1,416	Shares/units listed on the Copenhagen Stock Exchange	1,433
278	1,079	Shares/units listed on other stock exchanges	1,080
861	986	Other shares	1,018
627	1,910	Other equity investments	1,939
3,500	5,391	Total	5,470
627	1,910	Of which fixed asset investments	1,932
		13. CURRENT ASSET INVESTMENTS	
99,469	106,029	Current asset investments marked to market	141,647
463	1,585	The market value of current asset investments marked to market exceeds the cost of these assets on the balance sheet day by	1,715
1,015	936	Current asset investments not marked to market	936
(121)	37	The market value of current asset investments not marked to market exceeds the cost of these assets on the balance sheet day by	44
			(121)

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S		THE NYKREDIT REALKREDIT GROUP	
2002	2003	2003	2002
14. FIXED ASSET INVESTMENTS			
Investments in associated undertakings			
137	180	Cost, beginning of year	287
43	28	Additions	43
0	(1)	Disposals	0
180	207	Cost, year-end	314
Accumulative effects on profit/loss:			
44	58	Revaluations and write-downs, beginning of year	46
29	66	Profit before tax	43
0	(2)	Amortisation of goodwill	(2)
(8)	(4)	Tax	(4)
(6)	(7)	Dividend	(7)
(1)	(4)	Other movements in capital	(4)
58	107	Revaluations and write-downs, year-end	72
238	314	Balance, year-end	386
Investments in subsidiary undertakings			
4,691	5,063	Cost, beginning of year	1,794
600	3,835	Additions	0
0	(1,944)	Reclassification – goodwill	0
(228)	(1)	Disposals	(2)
5,063	6,953	Cost, year-end	1,792
Accumulative effects on profit:			
(485)	(466)	Revaluations and write-downs, beginning of year	(463)
44	544	Profit/loss before tax	101
(36)	(169)	Tax	(30)
0	(250)	Dividend	0
13	0	Disposals	0
(2)	(7)	Other movements in capital	(20)
(466)	(348)	Revaluations and write-downs, year-end	(412)
4,597	6,605	Balance, year-end	1,380
2,806	4,766	Of which credit institutions	0

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
14. FIXED ASSET INVESTMENTS (CONTINUED)				
Other equity investments				
0	627	Cost, beginning of year	629	2
0	269	Adjusted at cost, beginning of year	269	0
0	896	Adjusted cost, beginning of year	898	2
627	140	Additions	140	627
0	(95)	Disposals	(95)	0
627	941	Cost, year-end	943	629
Accumulated effects on profit:				
0	0	Revaluations and write-downs, beginning of year	0	0
0	295	Adjusted to revaluations and write-downs, beginning of year	295	0
0	67	Adjustments relating to changed accounting policies	80	0
0	362	Adjusted revaluations and write-downs, beginning of year	375	0
0	683	Revaluations and write-downs for the year	690	0
0	(76)	Reversal of revaluations and write-downs	(76)	0
0	969	Revaluations and write-downs, year-end	989	0
627	1,910	Balance, year-end	1,932	629
627	1,910	Of which credit institutions	1,910	629
15. INTANGIBLE ASSETS				
0	1,916	Goodwill	1,917	0
0	6	Software	6	0
0	1,922	Total	1,923	0
Goodwill				
0	0	Cost, beginning of year	0	0
0	1,944	Additions	1,945	0
0	1,944	Cost, year-end	1,945	0
0	0	Amortisation and write-downs, beginning of year	0	0
0	(28)	Amortisation for the year	(28)	0
0	(28)	Amortisation and write-downs, year-end	(28)	0
0	1,916	Balance, year-end	1,917	0

Notes

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NYKREDIT REALKREDIT A/S		THE NYKREDIT REALKREDIT GROUP	
2002	2003		
		15. INTANGIBLE ASSETS (CONTINUED)	
		Software	
0	0	Cost, beginning of year	0
0	9	Additions	9
0	9	Cost, year-end	9
0	0	Amortisation and write-downs, beginning of year	0
0	(3)	Amortisation for the year	(3)
0	(3)	Amortisation and write-downs, year-end	(3)
0	6	Balance, year-end	6
		16. TANGIBLE ASSETS	
205	203	Own properties	1,461
47	63	Properties temporarily foreclosed	63
91	100	Machinery and equipment	158
0	0	Assets in course of construction	20
35	38	Leasehold improvements	38
378	404	Total	1,740
		Own properties	
348	256	Cost, beginning of year	1,618
0	0	Reclassification	(13)
8	1	Additions	5
0	0	Transferred from assets in course of construction	0
(100)	0	Disposals	(2)
256	257	Cost, year-end	1,608
28	17	Revaluations, beginning of year	55
30	0	Revaluations for the year	0
(41)	0	Reversal of revaluations	0
17	17	Revaluations, year-end	55
(82)	(68)	Depreciation and write-downs, beginning of year	(179)
(3)	(3)	Depreciation for the year	(23)
17	0	Reversal of depreciation and write-downs	0
(68)	(71)	Depreciation and write-downs, year-end	(202)
205	203	Balance, year-end	1,461
247	247	Latest public land assessment	1,261
0	0	Book value of new building and improvement incurred after the latest public land assessment	6
			3

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
16. TANGIBLE ASSETS (CONTINUED)				
Machinery and equipment				
436	323	Cost, beginning of year	464	565
0	0	Additions – Totalkredit	7	0
0	0	Reclassification	13	0
54	46	Additions	69	71
(167)	(8)	Disposals	(16)	(172)
323	361	Cost, year-end	537	464
(320)	(232)	Depreciation and write-downs, beginning of year	(333)	(416)
		Additions – Totalkredit	(5)	0
(48)	(37)	Depreciation for the year	(55)	(59)
136	8	Reversal of depreciation and write-downs	14	142
(232)	(261)	Depreciation and write-downs, year-end	(379)	(333)
91	100	Balance, year-end	158	131
6	3	Write-offs on machinery and equipment for the year	3	7
Assets in course of construction				
0	0	Cost, beginning of year	10	1
0	0	Additions	10	10
0	0	Transferred to own properties	0	(1)
0	0	Balance, year-end	20	10
Leasehold improvements				
0	40	Cost, beginning of year	40	0
40	7	Additions	7	40
0	0	Disposals	0	0
40	47	Cost, year-end	47	40
0	(5)	Depreciation and write-downs, beginning of year	(5)	0
(5)	(4)	Depreciation for the year	(4)	(5)
(5)	(9)	Depreciation and write-downs, year-end	(9)	(5)
35	38	Balance, year-end	38	35
8	1	Expensed in the year of acquisition	5	8
17. OTHER ASSETS				
241	414	Positive market value of derivative financial instruments	3,354	3,101
1,266	821	Interest and commissions due	3,295	3,460
284	472	Tax receivable	472	284
320	0	Deferred tax assets	5	326
930	1,782	Other assets	894	175
3,041	3,489	Total	8,020	7,346

Notes

DKK MILLION

NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
18. DEBT TO CREDIT INSTITUTIONS AND CENTRAL BANKS				
13,986	0	Debt to central banks	12,323	20,242
5,470	8,602	Debt to credit institutions	24,862	24,999
19,456	8,602	Total	37,185	45,241
19. ISSUED BONDS				
499,460	529,700	Mortgage bonds	697,742	499,460
0	0	Other bonds	325	0
499,460	529,700	Total	698,067	499,460
Mortgage bonds				
442,099	474,960	Balance, beginning of year	474,960	442,099
0	0	Additions – Totalkredit	159,514	0
150,788	210,508	Additions	222,377	150,788
(67)	178	Currency translation adjustment	178	(67)
(92,890)	(166,159)	Bonds drawn and cancelled	(166,159)	(92,890)
(24,970)	(13,824)	Redemptions and extraordinary payments	(17,165)	(24,970)
474,960	505,663	Total	673,705	474,960
24,500	24,037	Indexation	24,037	24,500
499,460	529,700	Balance, year-end	697,742	499,460
4,051	7,700	Pre-issuance	7,778	4,051
81,261	95,337	Drawn for redemption at next settling period	100,311	81,261
20. OTHER LIABILITIES				
94	146	Negative market value of derivative financial instruments	3,086	3,084
2,483	7,555	Negative trading book relating to purchase and resale transactions	14,963	6,205
9,793	10,170	Interest and commission owing	14,555	11,674
0	1,562	Debt related to acquisition of Totalkredit shares	1,562	0
1,546	1,502	Other liabilities	1,756	2,438
13,916	20,935	Total	35,922	23,401
21. PROVISIONS FOR LIABILITIES				
6	6	Pensions and similar liabilities	8	6
0	4	Deferred tax	6	0
398	362	Repayable reserves funded by pre-1972 series	362	398
0	0	Loss risk relating to legal actions	22	22
0	0	Other	3	0
404	372	Total	401	426

Notes

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NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
22. GENUINE SALES AND REPURCHASE TRANSACTIONS AS WELL AS GENUINE PURCHASE AND RESALE TRANSACTIONS				
Of the assets below genuine purchase and resale transactions represent:				
4,125	12,180	Balances due from credit institutions and central banks	19,144	9,821
0	0	Loans and advances	3,012	3,872
Of the liabilities below genuine sale and repurchase transactions represent:				
5,468	8,582	Debt to credit institutions and central banks	14,334	11,414
0	0	Deposits	824	746
Assets sold as part of genuine sale and repurchase transactions:				
5,468	8,582	Bonds	17,419	12,161
23. BALANCES WITH ASSOCIATED AND SUBSIDIARY UNDERTAKINGS				
Associated undertakings				
Recorded as assets				
581	652	Loans and advances		
0	0	Other assets		
581	652	Total		
Subsidiary undertakings				
Recorded as assets				
10,754	12,705	Balances due from credit institutions		
0	0	Loans and advances		
0	224	Bonds		
907	1,132	Other assets		
11,661	14,061	Total		
Recorded as liabilities				
1,156	665	Debt to credit institutions		
4,286	3,471	Issued bonds		
83	47	Other liabilities		
5,525	4,183	Total		

Notes

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NYKREDIT REALKREDIT A/S		THE NYKREDIT REALKREDIT GROUP	
2002	2003	2003	2002
24. OFF-BALANCE SHEET ITEMS			
Guarantees			
0	0	309	344
0	0	1,117	627
0	0	1,426	971
Other commitments			
0	29	2,994	3,865
1,225	1,179	508	592
1,225	1,208	3,502	4,457
25. NET INVESTMENT IN UNDERTAKING			
The Group acquired Totalkredit A/S in the financial year			
Cash consideration		2,162	
Debt on acquisition		1,554	
Total consideration		3,716	
Value of net assets		(1,772)	
Goodwill		1,944	
The value of the assets and liabilities acquired:			
Cash and cash equivalents and receivables		2,116	
Mortgage loans and other loans and advances		157,781	
Other assets		6,694	
Issued bonds		(159,514)	
Other liabilities		(1,058)	
Subordinate loan capital		(2,598)	
Minority interests		(1,649)	
Value of net assets		1,772	
Goodwill		1,944	
Total consideration		3,716	
Of which:			
Debt on acquisition		(1,554)	
Debt to Parent Company on acquisition		225	
Cash in Totalkredit A/S		(2,116)	
Net investment in undertaking		271	

Notes

26. RELATED-PARTY TRANSACTIONS

The Parent Company Nykredit Holding A/S and the other subsidiary and associated undertakings of Nykredit Realkredit A/S and the Nykredit Realkredit Group are regarded as related parties.

No unusual related-party transactions occurred in 2003.

The undertakings have entered into several agreements as a natural part of the Group's day-to-day operations. The agreements typically comprise finance, insurance, sales commissions, tasks relating to IT operations and support and IT development projects as well as other joint tasks.

Important related-party transactions prevailing/entered into in 2003 between the Group's undertakings include:

Agreements between Nykredit Realkredit A/S and Nykredit Bank A/S

Nykredit Bank A/S advises Nykredit Realkredit A/S on private equity investments.

Agreements between Nykredit Realkredit A/S and Nykredit Mægler A/S

Agreements between Nykredit Realkredit A/S and Nykredit Mægler A/S involve commissions in connection with the origination of loans.

Agreements between Nykredit Realkredit A/S and Nykredit Østifterne Forsikring A/S

Agreements on the placement of insurance agents in the centres of Nykredit Realkredit A/S.

Agreements between Nykredit Realkredit A/S and JN Data A/S

Agreements relating to cooperation about IT operations and support, etc.

Agreements between Nykredit Holding A/S and Nykredit Bank A/S

On specific occasions, Nykredit Holding A/S has issued guarantees or letters of comfort to third parties.

Nykredit Holding A/S has issued guarantees to Nykredit Bank A/S covering pre-fixed loss amounts with respect to some of the Bank's exposures.

Notes

27. DISCLOSURES PURSUANT TO THE DANISH FINANCIAL BUSINESS ACT, SECTION 30 (2) (NOW SECTION 80 (6))

Pursuant to Sections 24–29 of the Danish Financial Business Act, the Board of Directors has approved the following executive positions and directorships in 2003:

Mogens Munk Rasmussen

Managing Director of Nykredit Holding A/S and the Nykredit Association

Chairman of Totalkredit A/S

Chairman of Nykredit Ejendomme A/S

Chairman of Nykredit Administration V A/S

Peter Engberg Jensen

Managing Director of Nykredit Holding A/S

Director of Totalkredit A/S

Deputy Chairman of Nykredit Bank A/S

Director of Nykredit Østifterne Forsikring A/S

Director of Nykredit Administration V A/S

Director of Nykredit Portefølje Bank A/S

Director of JN Data A/S

Director of Nykredit Bank Hipoteczny S.A.

Director of the FUTOP Clearing Centre A/S

Director of the Copenhagen Stock Exchange A/S

Director of VP Securities Services A/S

Per Ladegaard

Managing Director of Nykredit Holding A/S

Director of Nykredit Bank A/S

Chairman of Nykredit Mægler A/S

Chairman of Nykredit Østifterne Forsikring A/S

Deputy Chairman of JN Data A/S

Chairman of Realkreditnettet A/S

Henning Kruse Petersen

Managing Director of Nykredit Holding A/S

Chairman of Nykredit Bank A/S

Chairman of Nykredit Bank Hipoteczny S.A.

Director of Nykredit Østifterne Forsikring A/S

Niels Tørslev

Managing Director of Nykredit Holding A/S

Chief Executive Officer of Totalkredit A/S

Director of Realkreditnettet A/S

Director of VP Securities Services A/S

Derivative financial instruments

DKK MILLION

 THE NYKREDIT REALKREDIT
 GROUP

By term-to-maturity	Up to 3 months		Over 3 months and up to 1 year		Over 1 year and up to 5 years	
	Nominal value	Net market value	Nominal value	Net market value	Nominal value	Net market value
Foreign exchange contracts						
Forwards/futures, purchased	19,475	(536)	1,765	(48)	205	6
Forwards/futures, sold	28,859	367	1,784	52	205	(6)
Swaps	825	(109)	(981)	(8)	6,676	(80)
Options, purchased	185	3	40	7	-	-
Options, written	19	(2)	40	(7)	-	-
Interest rate contracts						
Forwards/futures, purchased	37,223	95	2,682	40	-	-
Forwards/futures, sold	46,651	(83)	4,754	(35)	849	0
Forward Rate Agreements, purchased	8,303	(7)	14,905	(6)	2,500	0
Forward Rate Agreements, sold	6,611	5	11,200	4	2,500	0
Swaps	25,781	41	44,526	(29)	75,840	325
Options, purchased	20,439	2	8,304	2	7,398	92
Options, written	4,979	(2)	16,387	(1)	3,604	(114)
Share contracts						
Forwards/futures, purchased	-	-	-	-	-	-
Forwards/futures, sold	-	-	-	-	-	-
Options, purchased	-	-	88	43	139	195
Options, written	-	-	-	-	-	-
Other derivative contracts						
	-	-	-	-	-	-
			Over 5 years		Total 2003	
					Total 2002	
By term-to-maturity	Nominal value	Net market value	Nominal value	Net market value	Nominal value	Net market value
Foreign exchange contracts						
Forwards/futures, purchased	-	-	21,445	(578)	16,681	(304)
Forwards/futures, sold	-	-	30,848	413	18,223	266
Swaps	9,412	(50)	15,932	(247)	7,253	(59)
Options, purchased	-	-	225	10	390	21
Options, written	-	-	59	(9)	91	(20)
Interest rate contracts						
Forwards/futures, purchased	-	-	39,905	135	111,762	240
Forwards/futures, sold	-	-	52,254	(118)	53,836	(61)
Forward Rate Agreements, purchased	-	-	25,708	(13)	43,202	(112)
Forward Rate Agreements, sold	-	-	20,311	9	31,112	102
Swaps	39,972	(136)	186,119	201	144,152	(87)
Options, purchased	1,235	26	37,376	122	18,250	67
Options, written	270	(4)	25,240	(121)	11,969	(25)
Share contracts						
Forwards/futures, purchased	-	-	-	-	0	(5)
Forwards/futures, sold	-	-	-	-	-	-
Options, purchased	-	-	227	238	-	-
Options, written	0	0	0	0	1	0
Other derivative contracts						
	0	0	0	0	0	0
Total net market value				42		23

Derivative financial instruments

DKK MILLION

THE NYKREDIT REALKREDIT
GROUP

	Market value		Average market value		Market value of non-guaranteed contracts	
	Positive	Negative	Positive	Negative	Positive	Negative
2003						
Foreign exchange contracts						
Forwards/futures, purchased	107	685	109	403	107	685
Forwards/futures, sold	600	189	431	165	600	189
Swaps	81	253	77	175	81	253
Options, purchased	9	-	16	0	9	-
Options, written	-	9	0	13	-	9
Interest rate contracts						
Forwards/futures, purchased	137	3	92	22	135	3
Forwards/futures, sold	3	121	30	70	2	79
Forward Rate Agreements, purchased	3	17	10	62	3	17
Forward Rate Agreements, sold	14	4	59	6	14	4
Swaps	2,104	1,921	2,089	2,190	2,104	1,921
Options, purchased	123	2	127	0	123	2
Options, written	1	121	1	100	1	121
Share contracts						
Forwards/futures, purchased	0	0	0	9	0	0
Forwards/futures, sold	0	0	0	0	0	0
Options, purchased	238	0	60	0	238	0
Options, written	0	0	0	0	0	0
Other derivative contracts	0	0	0	0	0	0
Total	3,420	3,325	3,101	3,215	3,417	3,283
Total after netting					134	
	Market value		Average market value		Market value of non-guaranteed contracts	
	Positive	Negative	Positive	Negative	Positive	Negative
2002						
Foreign exchange contracts						
Forwards/futures, purchased	140	444	73	295	140	444
Forwards/futures, sold	499	234	320	126	499	233
Swaps	53	111	40	76	53	111
Options, purchased	21	0	6	0	21	0
Options, written	0	20	0	9	0	20
Interest rate contracts						
Forwards/futures, purchased	263	23	91	27	239	23
Forwards/futures, sold	0	61	5	43	0	49
Forward Rate Agreements, purchased	0	112	14	85	0	113
Forward Rate Agreements, sold	112	11	82	16	112	10
Swaps	1,542	1,629	1,011	1,062	1,542	1,630
Options, purchased	67	0	32	3	67	0
Options, written	0	24	17	13	0	24
Share contracts						
Forwards/futures, purchased	0	5	2	2	0	5
Forwards/futures, sold	0	0	0	0	0	0
Options, purchased	0	0	0	0	0	0
Options, written	0	0	0	0	0	0
Other derivative contracts	0	0	0	0	0	0
Total	2,697	2,674	1,693	1,757	2,673	2,662
Total after netting					11	

Unsettled spot transactions

DKK MILLION

THE NYKREDIT REALKREDIT
GROUP

	Nominal value	Market value Positive	Market value Negative	Net market value
2003				
Foreign exchange transactions, purchased	6,857	1	1	1
Foreign exchange transactions, sold	5,055	2	3	(1)
Interest rate transactions, purchased	4,365	5	2	4
Interest rate transactions, sold	4,450	2	1	1
Share transactions, purchased	1	-	-	-
Share transactions, sold	7	0	4	(4)
Total	20,735	10	11	1
Total 2002	12,676	11	17	(6)

Derivative financial instruments

DKK MILLION

NYKREDIT REALKREDIT A/S

By term-to-maturity	Up to 3 months		Up to 3 months and up to 1 year		Over 1 year and up to 5 years															
	Nominal value	Net market value	Nominal value	Net market value	Nominal value	Net market value														
Foreign exchange contracts																				
Forwards/futures, purchased	958	0	-	-	-	-														
Forwards/futures, sold	7,026	2	487	1	-	-														
Swaps	12	1	1,030	8	2,543	22														
Options, purchased	-	-	-	-	-	-														
Options, written	-	-	-	-	-	-														
Interest rate contracts																				
Forwards/futures, purchased	23,952	78	2,197	40	-	-														
Forwards/futures, sold	37,193	(68)	1,559	(35)	-	-														
Forward Rate Agreements, purchased	-	-	-	-	-	-														
Forward Rate Agreements, sold	-	-	-	-	-	-														
Swaps	2,693	-	2,055	(2)	3,226	(12)														
Options, purchased	0	-	-	-	988	1														
Options, written	0	-	-	-	-	-														
Share contracts																				
Forwards/futures, purchased	-	-	-	-	-	-														
Forwards/futures, sold	-	-	-	-	-	-														
Options, purchased	-	-	88	43	139	195														
Options, written	-	-	0	0	-	-														
Other derivative contracts																				
	-	-	-	-	-	-														
<table border="0" style="width: 100%;"> <tr> <td></td> <td colspan="2" style="text-align: center;">Over 5 years</td> <td colspan="2" style="text-align: center;">Total 2003</td> <td colspan="2" style="text-align: center;">Total 2002</td> </tr> <tr> <td>By term-to-maturity</td> <td>Nominal value</td> <td>Net market value</td> <td>Nominal value</td> <td>Net market value</td> <td>Nominal value</td> <td>Net market value</td> </tr> </table>								Over 5 years		Total 2003		Total 2002		By term-to-maturity	Nominal value	Net market value	Nominal value	Net market value	Nominal value	Net market value
	Over 5 years		Total 2003		Total 2002															
By term-to-maturity	Nominal value	Net market value	Nominal value	Net market value	Nominal value	Net market value														
Foreign exchange contracts																				
Forwards/futures, purchased	-	-	958	0	215	(1)														
Forwards/futures, sold	-	-	7,513	3	5,523	6														
Swaps	-	-	3,585	31	2,682	26														
Options, purchased	-	-	0	0	-	-														
Options, written	-	-	0	0	-	-														
Interest rate contracts																				
Forwards/futures, purchased	-	-	26,149	118	87,790	204														
Forwards/futures, sold	-	-	38,752	(103)	20,071	(22)														
Forward Rate Agreements, purchased	-	-	-	-	-	-														
Forward Rate Agreements, sold	-	-	-	-	-	-														
Swaps	6,332	(40)	14,306	(54)	18,333	(54)														
Options, purchased	-	-	988	1	820	1														
Options, written	-	-	-	-	-	-														
Share contracts																				
Forwards/futures, purchased	-	-	0	0	0	(5)														
Forwards/futures, sold	-	-	0	0	-	-														
Options, purchased	-	-	227	238	-	-														
Options, written	-	-	0	0	-	-														
Other derivative contracts																				
	-	-	-	-	-	-														
Total net market value				234	155															

Derivative financial instruments

DKK MILLION

NYKREDIT REALKREDIT A/S

	Market value		Average market value		Market value of non-guaranteed contracts	
	Positive	Negative	Positive	Negative	Positive	Negative
2003						
Foreign exchange contracts						
Forwards/futures, purchased	-	-	-	-	-	-
Forwards/futures, sold	9	5	7	3	9	5
Swaps	39	9	37	19	39	9
Options, purchased	-	-	-	-	-	-
Options, written	-	-	-	-	-	-
Interest rate contracts						
Forwards/futures, purchased	120	2	81	15	118	2
Forwards/futures, sold	1	103	17	57	-	61
Forward Rate Agreements, purchased	-	-	-	-	-	-
Forward Rate Agreements, sold	-	-	-	-	-	-
Swaps	8	63	8	114	8	63
Options, purchased	1	0	1	0	1	0
Options, written	-	-	-	-	-	-
Share contracts						
Forwards/futures, purchased	-	-	0	9	-	-
Forwards/futures, sold	-	-	-	-	-	-
Options, purchased	238	0	60	0	238	0
Options, written	-	-	-	-	-	-
Other derivative contracts	-	-	-	-	-	-
Total	416	182	211	217	413	140
Total after netting					273	
	Market value		Average market value		Market value of non-guaranteed contracts	
	Positive	Negative	Positive	Negative	Positive	Negative
2002						
Foreign exchange contracts						
Forwards/futures, purchased	0	1	0	1	-	1
Forwards/futures, sold	7	1	3	0	7	1
Swaps	30	4	13	43	30	4
Options, purchased	-	-	-	-	-	-
Options, written	-	-	-	-	-	-
Interest rate contracts						
Forwards/futures, purchased	235	31	78	26	212	31
Forwards/futures, sold	0	22	5	23	0	11
Forward Rate Agreements, purchased	-	-	-	-	-	-
Forward Rate Agreements, sold	-	-	-	-	-	-
Swaps	6	60	16	23	6	60
Options, purchased	1	0	2	0	1	0
Options, written	0	0	0	0	-	-
Share contracts						
Forwards/futures, purchased	0	5	2	2	0	5
Forwards/futures, sold	-	-	-	-	-	-
Options, purchased	-	-	-	-	-	-
Options, written	-	-	-	-	-	-
Other derivative contracts	-	-	-	-	-	-
Total	279	124	119	118	256	113
Total after netting					143	

Unsettled spot transactions

DKK MILLION

NYKREDIT REALKREDIT A/S

	Nominal value	Market value Positive	Market value Negative	Net market value
2003				
Foreign exchange transactions, purchased	-	-	-	-
Foreign exchange transactions, sold	-	-	-	-
Interest rate transactions, purchased	2,218	0	1	(1)
Interest rate transactions, sold	1,691	1	1	-
Share transactions, purchased	-	-	-	-
Share transactions, sold	2	0	4	(4)
Total	3,911	1	6	(5)
Total 2002	1,615	0	2	(2)

Credit risks

DKK MILLION

NYKREDIT REALKREDIT A/S			THE NYKREDIT REALKREDIT GROUP	
2002	2003		2003	2002
		Mortgage loans by property category		
		Loans and advances as a percentage, year-end		
41	40	Owner-occupied dwellings	55	41
2	2	Recreational dwellings	3	2
17	17	Subsidised residential construction	12	17
7	7	Private tenanted properties	5	7
5	5	Industrial and trade properties	4	5
9	10	Office and commercial properties	7	9
17	17	Agricultural properties	12	17
2	2	Properties for social, cultural and educational purposes	2	2
0	0	Other properties	0	0
100	100	Total	100	100
		Subordinate claims		
6	6	Associated undertakings	16	6
800	1,025	Subsidiary undertakings	0	0
1,295	1,410	Other undertakings	1,426	1,339
2,101	2,441	Total	1,442	1,345
		Accumulated provisions		
1,827	1,829	Provisions on loans, advances and guarantees, year-end	2,122	2,022
0	0	Provisions for balances due from credit institutions and other items that may incur credit risk, year-end	17	16
1,827	1,829	Total provisions for claims, year-end	2,139	2,038
0.4	0.4	Provisions as a percentage of loans, advances and guarantees, year-end	0.3	0.5
353	330	Outstanding amounts in arrears, year-end	366	353

Liquidity risks

DKK MILLION

NYKREDIT REALKREDIT A/S		THE NYKREDIT REALKREDIT GROUP		
2002	2003		2003	2002
		By term-to-maturity		
		Balances due from credit institutions and central banks		
11,048	12,346	On demand	19,348	11,650
33,070	39,825	Up to 3 months	41,954	35,253
400	23	Over 3 months and up to 1 year	0	0
570	370	Over 1 year and up to 5 years	70	70
300	500	Over 5 years	0	0
45,388	53,064	Total	61,372	46,973
		Loans and advances		
0	0	On demand	3,179	4,879
2,221	2,076	Up to 3 months	11,066	9,459
78,178	104,122	Over 3 months and up to 1 year	111,135	83,055
95,370	102,344	Over 1 year and up to 5 years	123,343	99,573
237,087	217,244	Over 5 years	361,515	240,425
412,856	425,786	Total	610,238	437,391
		Debt to credit institutions and central banks		
0	0	On demand	12,637	8,691
19,456	8,602	Up to 3 months	21,064	31,664
0	0	Over 3 months and up to 1 year	662	1,627
0	0	Over 1 year and up to 5 years	2,656	2,413
0	0	Over 5 years	166	846
19,456	8,602	Total	37,185	45,241
		Deposits		
0	0	On demand	6,044	4,231
0	0	Deposits at notice:		
0	0	Up to 3 months	7,281	7,541
0	0	Over 3 months and up to 1 year	487	81
0	0	Over 1 year and up to 5 years	76	38
0	0	Over 5 years	251	133
0	0	Total	14,139	12,024
		Issued bonds		
81,116	94,251	Up to 3 months	99,225	81,116
79,645	107,007	Over 3 months and up to 1 year	110,806	79,645
97,161	105,180	Over 1 year and up to 5 years	165,681	97,161
241,538	223,262	Over 5 years	322,355	241,538
499,460	529,700	Total	698,067	499,460

Group structure

DKK MILLION

Name and registered office	Share capital, year-end	Capital and reserves, year-end	Ownership, %	Profit/loss
The Nykredit Realkredit Group				
Nykredit Realkredit A/S, Copenhagen	1,182	39,061	100	3,275
Consolidated subsidiaries:				
Totalkredit A/S, Taastrup	470	3,469	52	341
Nykredit Bank A/S, Copenhagen	1,400	2,861	100	293
Nykredit Finance plc, Plymouth				
Nykredit Pantebreve A/S, Copenhagen				
Nykredit Pantebrevsinvestering A/S, Copenhagen				
Nykredit Portefølje Bank A/S, Copenhagen				
Nykredit Portefølje Adm. A/S, Copenhagen				
Nykredit Leasing A/S, Copenhagen				
Norswood Properties Limited, Plymouth				
Nykredit Mægler A/S, Århus	11	132	100	13
EjendomsRingen Danmark A/S, Århus				
Nykredit Ejendomme A/S, Copenhagen	50	326	100	(14)
Nykredit Adm. V A/S, Copenhagen	1	1	100	0
Nykredit Bank Hipoteczny S.A., Warsaw	79	108	100	(11)
Consolidated (pro rata) associated undertakings:				
LeasIT A/S, Lyngby-Taarbæk	13	48	25	3
Non-consolidated subsidiaries:				
Insurance companies				
Nykredit Østifterne Forsikring A/S, Copenhagen	500	1,380	100	71
The Group's balances due from and debt to Nykredit Østifterne Forsikring A/S came to DKK 1m and DKK 365m, respectively.				
Other undertakings				
Nordre Kobbelvej 17-19 ApS, Copenhagen	0	2	100	(1)
The Group holds neither assets nor liabilities in Nordre Kobbelvej 17-19 ApS				

Group structure

DKK MILLION

Name and registered office	Share capital year-end*	Capital and reserves year-end*	Ownership, %	Profit/loss*
Associated undertakings:				
JN Data A/S, Silkeborg	30	61	49	0
Jeudan A/S, Copenhagen	385	902	26	234
Hotelinvest Kalvebod A/S, Copenhagen	22	189	49	(4)
Realkreditnettet A/S, Copenhagen	11	19	25	(23)
Bisca Holding A/S, Hjørring	10	91	25	8
Capitalis A/S, Horsens	22	19	23	(8)
Energy Holding A/S, Copenhagen	9	89	22	213
The Group's balances due from and debt to associated undertakings came to DKK 1,378m and DKK 34m, respectively.				
Other undertakings in which the Group holds at least 10% of the share capital:				
Sydbank A/S, Aabenraa	750	3,577	10	414
EQT Investors I A/S, Copenhagen	1	168	15	33
Generationsskifte og Vækst A/S, Kolding	11	7	14	(1)
Supertræ A/S, Nørre Snede	11	68	12	0
Fredericia Erhvervs-Investering ApS, Fredericia	0	1	10	0
Horsens Grundfinansiering A/S, Horsens	8	12	12	0
Håndværkets Byfornyelsesselskab Smba., Copenhagen	14	11	18	0
ED Equity Holding B.V., Amsterdam	1	4	30	0
Nederman Holding AB, Helsingborg	1	219	15	(20)
Cross Atlantic Partners KS II, Copenhagen	78	31	30	(6)
Cross Atlantic Partners KS III, Copenhagen	150	93	12	(4)
Cross Atlantic Partners KS IV, Copenhagen	152	140	17	(5)
EQT Northern Europe UK No 3 LP, Guernsey	1,075	1,060	16	0
VP Securities Services A/S, Copenhagen	40	183	12	33
The Copenhagen Stock Exchange A/S, Copenhagen	40	240	11	64
* According to the latest published annual report.				

The Danish Financial Supervisory Authority ratio system

The Nykredit Realkredit Group	1999	2000	2001	2002	2003
Capital adequacy ratio	11.9	12.1	11.1	11.1	10.5
Core capital ratio	11.2	12.0	11.4	11.4	10.1
Return on equity before tax, %	7.0	8.7	7.9	7.3	12.0
Return on equity after tax, %	4.9	5.9	5.7	5.1	8.9
Income/cost ratio	1.82	2.22	2.05	1.93	2.52
Foreign exchange position, %	1.7	1.9	2.2	2.0	1.3
Accumulated provisions ratio	0.6	0.5	0.5	0.5	0.3
Write-offs and provisions for the year, %	0.0	0.0	0.0	0.0	0.0
Growth in loans and advances for the year, %	3.6	2.5	4.9	4.9	39.5
Gearing of loans and advances	13.7	12.9	12.8	12.7	15.6
Nykredit Realkredit A/S					
Capital adequacy ratio	12.8	13.1	12.0	12.3	12.3
Core capital ratio	12.0	13.0	12.3	12.6	12.6
Return on equity before tax, %	7.0	8.7	7.9	7.3	12.0
Return on equity after tax, %	4.9	5.9	5.7	5.1	8.9
Income/cost ratio	2.05	2.63	2.38	2.16	2.99
Foreign exchange position, %	1.5	2.5	0.8	0.9	1.7
Accumulated provisions ratio	0.5	0.5	0.5	0.4	0.4
Write-offs and provisions for the year, %	0.0	0.0	0.0	0.0	0.0
Growth in loans and advances for the year, %	2.0	2.3	3.8	4.6	3.1
Gearing of loans and advances	13.2	12.3	12.1	12.0	10.9

The Danish Financial Supervisory Authority ratio system

DEFINITIONS OF KEY RATIOS

Capital adequacy ratio	Computed pursuant to Section 53 (1) of the Danish Mortgage Credit Act
Core capital ratio	$\frac{\text{Core capital after deductions} \times 100}{\text{Sum of weighted assets}}$
Return on equity before tax, %	$\frac{\text{Pre-tax profit} \times 100}{\text{Average capital and reserves}}$
Return on equity after tax, %	$\frac{\text{Post-tax profit} \times 100}{\text{Average capital and reserves}}$
Income/cost ratio	$\frac{\text{Operating income}^*}{\text{Operating expenses}^{**}}$
Foreign exchange position, %	$\frac{\text{Exchange Rate Indicator 1} \times 100}{\text{Core capital after deduction}}$
Accumulated provisions ratio	$\frac{\text{Accumulated provisions} \times 100}{\text{Loans, advances, guarantees and provisions}}$
Write-offs and provisions for the year, %	$\frac{\text{Write-offs and provisions for loans, advances and guarantees for the year} \times 100}{\text{Loans, advances, guarantees and provisions}}$
Growth in loans and advances for the year, %	$\frac{(\text{Loans and advances, year-end less loans and advances, beginning of year}) \times 100}{\text{Loans and advances, beginning of year}}$
Gearing of loans and advances	$\frac{\text{Loans and advances, year-end}}{\text{Capital and reserves, year-end}}$
* Operating income defined as the sum of:	<ul style="list-style-type: none"> Net income from interest and fees Value adjustments Other operating income Profit/loss from investments in associated and subsidiary undertakings
** Operating expenses defined as the sum of:	<ul style="list-style-type: none"> Staff costs and administrative expenses Depreciation, amortisation and write-downs on intangible and tangible assets Other operating expenses Write-offs and provisions for bad and doubtful debts

Financial highlights

DKK MILLION

NYKREDIT REALKREDIT A/S

	1999	2000	2001	2002	2003
CORE EARNINGS AND NET PROFIT FOR THE YEAR					
Core income from lending	2,319	2,296	2,666	2,874	3,172
Core income from securities	793	1,183	1,238	943	715
Total	3,112	3,479	3,904	3,817	3,887
Operating costs, depreciation and amortisation	1,777	1,705	1,734	1,967	2,139
Core earnings before write-offs	1,335	1,774	2,170	1,850	1,748
Write-offs and provisions for bad and doubtful debts	38	(149)	44	128	49
Profit before tax from investments in subsidiary undertakings	60	131	32	43	544
Core earnings after write-offs	1,357	2,054	2,158	1,765	2,243
Investment portfolio income	595	519	352	703	2,169
Profit on ordinary activities before tax	1,952	2,573	2,510	2,468	4,412
Tax	599	819	687	751	1,137
Net profit for the year	1,353	1,754	1,823	1,717	3,275
Summary balance sheet at 31 December					
Mortgage lending	371,245	380,053	394,403	411,534	424,619
Bonds and shares	35,498	55,158	86,836	101,111	106,965
Issued bonds	388,898	412,869	467,459	499,460	529,700
Capital and reserves	28,242	30,863	32,707	34,479	39,061
Total assets	431,572	464,136	543,479	567,715	598,670

Series Accounts in Nykredit Realkredit A/S 2003

Copenhagen, 18 February 2004

In compliance with Executive Order no 872 of 20 November 1995 on series accounts in mortgage banks by the Danish Financial Supervisory Authority, all mortgage banks are required to prepare separate series accounts for series with reserves, cf the Danish Mortgage Credit Act, Section 57 (1).

The Series Accounts have been prepared on the basis of the adopted Annual Report of Nykredit Realkredit A/S for 2003.

The distribution of profits for 2003 adopted by Nykredit Realkredit A/S's Board of Directors (cf the Annual Report

page 27) has been included in the Series Accounts. The series' calculated share of the 2003 net profit in Nykredit Realkredit A/S made up pursuant to the Executive Order has been taken to the general reserves of the Mortgage Bank. Where Capital Centre D is concerned, the Series Accounts have been adapted to the special placing rules governing the capital centre.

The prepared Series Accounts have been printed at association level, cf the Executive Order, Section 30 (3).

Complete Series Accounts may be obtained from Nykredit Realkredit A/S.

Auditors' report

We have examined the summarised Series Accounts at association level of Nykredit Realkredit A/S which have been audited by us.

We refer to the report above from the Board of Directors.

In our opinion, the summary at association level is presented in conformity with Executive Order no 872 of 20 November 1995 issued by the Danish Financial Supervisory Authority.

Internal audit

Claus Okholm
Chief Internal Auditor

Kim Stormly Hansen
Deputy Chief Internal Auditor

PricewaterhouseCoopers Statsautoriseret Revisionsinteressentskab

Otto Johnsen
State Authorised Public Accountant

Mikael Sørensen
State Authorised Public Accountant

Deloitte Statsautoriseret Revisionsaktieselskab

Erik Holst Jørgensen
State Authorised Public Accountant

Anders O. Gjelstrup
State Authorised Public Accountant

EXECUTIVE BOARD
Mogens Munk Rasmussen
Group Chief Executive

Peter Engberg Jensen
Group Managing Director

Per Ladegaard
Group Managing Director

Henning Kruse Petersen
Group Managing Director

Niels Tørslev
Group Managing Director

BOARD OF DIRECTORS
Steen E. Christensen
Chairman

K.E. Borup
Deputy Chairman

Hans Bang-Hansen
Deputy Chairman

Kristian Benggaard
Peter Bramsen
Winnie Dohn
Birgit Grodal
Jørgen S. Iversen
Allan Kristiansen
Ole Maltesen
Susanne Møller Nielsen
Kirsten Petersen
Ole Steffensen
Ole Trolle
Jens Erik Udsen
Leif Vinther
F. Weye-Hansen

Series Accounts in Nykredit Realkredit A/S 2003

DKK MILLION

SUMMARY AT THE LEVEL OF THE ASSOCIATION AND THE GENERAL CAPITAL CENTRE

	1	2	3	4	5	6	7	8
	KØK	FSK	LCR	HUM	BHY	KØH	ØHYP	SKRF
Profit and loss account								
Income from lending	3.4	1.3	0.3	0.4	2.2	0.4	0.4	0.8
Interest, net	9.2	2.8	1.3	2.9	2.6	0.8	0.5	3.5
Administrative expenses	(3.7)	(1.1)	(0.5)	(1.2)	(1.1)	(0.3)	(0.2)	(1.4)
Write-offs and provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tax	(2.7)	(0.9)	(0.3)	(0.6)	(1.1)	(0.3)	(0.2)	(0.9)
Net profit	6.2	2.1	0.8	1.5	2.6	0.6	0.5	2.0
Balance sheet								
Assets								
Mortgage loans	1,367.3	474.4	73.7	94.4	558.5	18.9	26.9	224.4
Other assets	348.5	67.6	25.9	56.2	109.4	12.3	10.8	80.3
Total assets	1,715.8	542.0	99.6	150.6	667.9	31.2	37.7	304.7
Liabilities and equity								
Issued bonds	1,529.5	483.2	82.2	115.2	602.9	23.1	31.1	255.3
Other liabilities	112.0	35.4	6.5	9.8	43.6	2.0	2.5	19.9
Capital and reserves	74.3	23.4	10.9	25.6	21.4	6.1	4.1	29.5
Total liabilities and equity	1,715.8	542.0	99.6	150.6	667.9	31.2	37.7	304.7
Movements in capital (net)	(6.5)	(1.3)	(1.2)	(0.5)	(1.4)	(0.4)	(0.5)	(2.8)
	9	10	11	12	13	14	15	16
	VESØ	ÅHYP	HUSM	NHYP	LHYP	KHYP	JHYP	JLKR
Profit and loss account								
Income from lending	0.4	0.0	0.6	0.0	0.7	1.2	0.4	0.6
Interest, net	2.2	2.2	4.0	0.2	2.5	4.4	3.7	4.4
Administrative expenses	(0.9)	(0.9)	(1.6)	(0.1)	(1.0)	(1.8)	(1.5)	(1.8)
Write-offs and provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tax	(0.5)	(0.4)	(0.9)	0.0	(0.7)	(1.1)	(0.8)	(1.0)
Net profit	1.2	0.9	2.1	0.1	1.5	2.7	1.8	2.2
Balance sheet								
Assets								
Mortgage loans	87.2	0.0	98.1	5.6	104.3	206.9	21.6	132.2
Other assets	42.8	21.1	65.6	3.0	48.7	69.9	39.0	79.5
Total assets	130.0	21.1	163.7	8.6	153.0	276.8	60.6	211.7
Liabilities and equity								
Issued bonds	102.9	0.0	118.2	6.7	121.4	220.5	26.9	164.0
Other liabilities	8.5	1.4	10.7	0.6	10.0	18.1	4.0	13.8
Capital and reserves	18.6	19.7	34.8	1.3	21.6	38.2	29.7	33.9
Total liabilities and equity	130.0	21.1	163.7	8.6	153.0	276.8	60.6	211.7
Movements in capital (net)	(3.2)	0.0	(1.7)	(0.1)	(0.7)	(0.6)	(5.0)	(9.5)

Series Accounts in Nykredit Realkredit A/S 2003

DKK MILLION

SUMMARY AT THE LEVEL OF THE ASSOCIATION AND THE GENERAL CAPITAL CENTRE

	17 IK	18 total (1-17)	19 FK	20 JK	21 NYK	22 total (19-21)	23 INST	24 TOTAL (18,22,23)
Profit and loss account								
Income from lending	0.0	13.1	13.3	14.9	1,315.0	1,343.2	844.2	2,200.5
Interest, net	0.2	47.4	16.8	24.7	1,523.7	1,565.2	2,362.7	3,975.3
Administrative expenses	(0.1)	(19.2)	(6.8)	(10.0)	(722.8)	(739.6)	(955.8)	(1,714.6)
Write-offs and provisions	0.0	0.0	0.6	0.0	(107.9)	(107.3)	58.1	(49.2)
Tax	0.0	(12.4)	(7.1)	(8.9)	(602.4)	(618.4)	(506.0)	(1,136.8)
Net profit	0.1	28.9	16.8	20.7	1,405.6	1,443.1	1,803.2	3,275.2
Balance sheet								
Assets								
Mortgage loans	1.1	3,495.5	2,327.2	2,754.0	334,362.2	339,443.4	81,759.6	424,698.5
Other assets	4.1	1,084.7	814.4	999.5	120,522.0	122,335.9	50,551.3	173,971.9
Total assets	5.2	4,580.2	3,141.6	3,753.5	454,884.2	461,779.3	132,310.9	598,670.4
Liabilities and equity								
Issued bonds	3.0	3,886.1	2,830.9	3,356.7	427,670.4	433,858.0	102,056.0	539,800.1
Other liabilities	0.3	299.1	205.2	245.1	10,056.9	10,507.2	8,640.2	19,446.5
Capital and reserves	1.9	395.0	105.5	151.7	17,156.9	17,414.1	21,614.7	39,423.8
Total liabilities and equity	5.2	4,580.2	3,141.6	3,753.5	454,884.2	461,779.3	132,310.9	598,670.4
Movements in capital (net)	(0.2)		(32.4)	(51.0)	(2,584.5)		1,579.3	
1 KØK			13	LHYP	Landhypotekforeningen for Danmark			
2 FSK			14	KHYP	Købstadshypotekforeningen			
3 LCR			15	JHYP	Jydsk Hypotekforening			
4 HUM			16	JLKR	Jydsk Landkreditforening			
5 BHY			17	IK	Kreditforening for industrielle Ejendomme			
6 KØH			18		Total (1-17) Associations before 1972			
7 ØHYP			19	FK	Forenede Kreditforeninger			
8 SKRF			20	JK	Jyllands Kreditforening			
9 VESØ			21	NYK	Nykredit (incl Capital Centres C and D)			
10 ÅHYP			22		Total (19-21) Associations after 1972			
11 HUSM			23	INST	The General Capital Centre			
12 NHYP			24		Total (18,22,23) Nykredit Realkredit A/S			

NOTE

DKK MILLION

2003

1. CAPITAL AND RESERVES, SERIES ACCOUNTS

According to Series Accounts capital and reserves can be reconciled to the Annual Accounts of Nykredit Realkredit A/S:

Capital and reserves, Annual Accounts	39,061.4
Provisions for repayable reserves in pre-1972 series	362.4
Capital and reserves, Series Accounts	39,423.8

Other information

FINANCIAL CALENDAR 2004 FOR NYKREDIT

18 February	<p>Preliminary Announcement of the Annual Accounts of Nykredit Realkredit A/S, Totalkredit A/S and Nykredit Bank A/S.</p> <p>The Annual Reports for 2003 of Nykredit Realkredit A/S, Totalkredit A/S and Nykredit Bank A/S will be published on the Internet as pdf files the same day.</p>
16 March	Annual General Meeting in Nykredit Bank A/S at Nykredit, Kalvebod Brygge 1-3, DK-1780 Copenhagen V.
31 March	Annual General Meeting in Nykredit Realkredit A/S at Nykredit, Kalvebod Brygge 1-3, DK-1780 Copenhagen V.
27 April	Annual General Meeting in Totalkredit A/S, Skanderborg.
18 May	Q1 Interim Reports of Nykredit Realkredit A/S, Totalkredit A/S and Nykredit Bank A/S.
18 August	H1 Interim Reports of Nykredit Realkredit A/S, Totalkredit A/S and Nykredit Bank A/S.
18 November	Interim Reports for the period Q1-Q3 of Nykredit Realkredit A/S, Totalkredit A/S and Nykredit Bank A/S.

Directorships in companies held by members of the Board of Directors and the Executive Board

Members of the Board of Directors and the Executive Board have disclosed the following directorships and executive positions in other Danish limited companies. Wholly-owned subsidiaries of Nykredit Realkredit A/S have not been included:

All members of the Board of Directors and Executive Board are also members of the Board of Directors and Executive Board of Nykredit Holding A/S, the Parent Company.

BOARD OF DIRECTORS

Steen E. Christensen

Chairman of A/S Motortramp, CIBER Danmark A/S and Persolit Holding A/S.

Deputy Chairman of IMI Norgren A/S.

Director of Danish Nitrogen Import A/S, Ny-Nitrogen A/S, Paludans Planteskole A/S, Persolit Entreprenørfirma A/S and Rosendal Gods A/S.

Hans Bang-Hansen

Director of Funki A/S, Funki Tech A/S, Funki Manura A/S and Horsens Folkeblad A/S.

K.E. Borup

Chairman of Bagger Sørensen & Co A/S, Bryggerigruppen A/S, H+H International A/S, Mekoprint A/S, Nordjyske Holding A/S, Sanistål A/S, Aalborg Stiftstidende A/S and AaSF Holding A/S.

Deputy Chairman of Fertin Pharma A/S and Gumlink A/S.

Director of Hydrema Holding ApS, Hydrema Ejendomme A/S, Skagerak Holding A/S, Skagerak Fiskeeksport A/S, Skagerak Rederi A/S, Skagerak Fiskeri A/S, Skagerak 2000 A/S and Vendsyssel Tidende A/S.

Jørgen S. Iversen

General Manager of Elbina Ejendomsselskab A/S, Elbina Holding A/S, JTS Profil A/S and Sejer Iversen Invest A/S.

Chairman of Elbina Ejendomsselskab A/S, Elbina Holding A/S, JTS Profil A/S and Sejer Iversen Invest A/S.

Ole Trolle

Managing Director of Grønbech & Sønner Holding A/S.

Chairman of Combifragt Group A/S, Corral Line A/S, Demp A/S, Grønbech Construction A/S, Grønbech & Sønner A/S, RM Rich. Müller A/S and Scania Danmark A/S.

Director of Aktieselskabet Ny Kalkbrænderi, Pankas A/S and Post Danmark A/S.

Ole Steffensen

Director of I.C.S. A/S Copenhagen Hellerup.

Jens Erik Udsen

General Manager of Nesdu A/S and Nesdu 2 A/S.

Director of Jeudan A/S, Nesdu A/S and Nesdu 2 A/S.

EXECUTIVE BOARD

Mogens Munk Rasmussen

Chairman of Totalkredit A/S.

Peter Engberg Jensen

Director of JN Data A/S, Totalkredit A/S and VP Securities Services A/S.

Per Ladegaard

Chairman of Realkreditnettet A/S.
Deputy Chairman of JN Data A/S.

Henning Kruse Petersen

Director of Capitalis A/S and Erhvervsinvest Management A/S.

Niels Tørslev

Chief Executive Officer of Totalkredit A/S. Director of Realkreditnettet A/S (until 1 April 2004), VP Securities Services A/S (until 23 April 2004) and Dansk Pantebrøvsbørs A/S

Executive Board and executives

Executive Board

Mogens Munk Rasmussen Group Chief Executive	Peter Engberg Jensen Group Managing Director	Per Ladegaard Group Managing Director	Henning Kruse Petersen Group Managing Director	Niels Tørslev Group Managing Director
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Management and Organisational Development Annie Eberhard Group Secretariat Birgitte Løj Internal Audit Claus Okholm Corporate Communications Nels Petersen Staff Training Annette Schmith Legal Department Jørgen Wohnsen	Markets & Asset Management Kim Duus Administration Centre Johnny Rasmussen Centre Support Birgitte Bruun Treasury Henrik Hjortshøj Nielsen Group Finance Søren Holm Human Resources Erik Beckmann	Retail Customers Flemming H. Vesterbrandt Retail Customers, North Region N.C. Petersen Retail Customers, South Region Erik Højberg Nielsen Retail Customers, East Region Søren Møller Retail Banking Jes Klausby Retail Insurance Ole Bjarrum Agricultural Customers Leif Duus Agriculture Department Poul Erik Jørgensen Group Development and IT Lars Mathiesen Customer Services Lars Bo Stenqvist	Commercial Customers Karsten Knudsen Secretariat for Commercial Customers Bente Overgaard Commercial Customers, North Region Hans Jørn Mikkelsen Commercial Customers, South Region Henrik Rasmussen Commercial Customers, East Region Tom Storgaard Corporate Banking Tom Ahrenst Insurance, Commercial Customers Flemming Conrad Credits Lars Holst International Department Erik Urskov	Totalkredit A/S: Finance Hans Henrik Andersen Administration Jens Færgemann Credits Per Nykjær IT Troels Bülow-Olsen Market Department Anders Heick-Poulsen
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Subsidiaries

Totalkredit A/S

Niels Tørslev
Hans Henrik Andersen
Per Nykjær

Nykredit Ejendomme A/S

Asger Hansen

Nykredit Østifterne

Forsikring A/S
Ole Bjarrum
Flemming Conrad

Nykredit Mægler A/S

Frank Ryslev

Nykredit Bank A/S

Kim Duus
Jes Klausby
Karsten Knudsen

Nykredit Bank

Hipoteczny S.A.
Lech Gajewski

Nykredit Realkredit A/S

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