

Facts

Sale of minority shareholding to consortium of Danish pension companies.

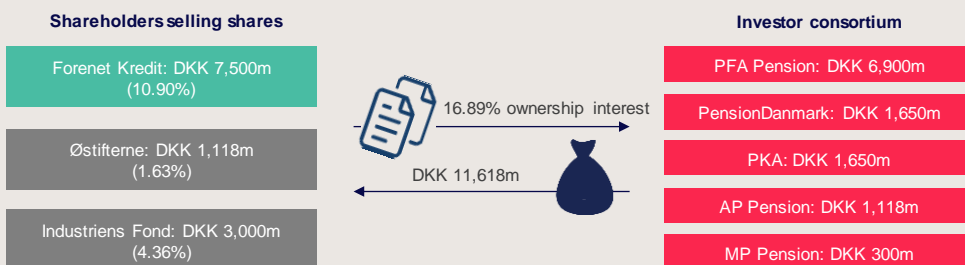
Forenet Kredit, the majority shareholder of Nykredit, has concluded a conditional sales agreement with a group of Danish pension companies headed by PFA Pension and with participation by PensionDanmark, PKA, AP Pension and MP Pension.

Backed by the Board of Directors and the Group Executive Board of Nykredit A/S, the Board of Directors of Forenet Kredit will recommend that the Committee of Representatives of Forenet Kredit approve the transaction.

Forenet Kredit's recommendation of the solution is particularly motivated by the fact that:

- Nykredit A/S will gain a strong capacity for raising equity capital and thus a very secure future capital position.
- Nykredit A/S will gain a stable and lasting ownership structure consisting of robust Danish owners.
- Forenet Kredit will maintain a large ownership interest of nearly 80% of Nykredit A/S.
- Forenet Kredit will get a fair price for the shares.

Transaction structure



The transaction

The pension companies will acquire 10.9% of Forenet Kredit's shares in Nykredit A/S at a price of DKK 7.5bn. Furthermore, the pension companies will acquire some of the shares held by the minority shareholders. Industriens Fond will sell 4.36% at a price of DKK 3bn, while Østifterne f.m.b.a will sell 1.63% at a price of DKK 1.1bn.

Combined, these agreements will bring the pension companies' total investment up to 16.9% of the shares in Nykredit A/S at a total price of DKK 11.6bn.

Future ownership interests

After the transaction, Forenet Kredit will hold an ownership interest of 78.90%, the investor consortium will hold a total ownership interest of 16.89%, Industriens Fond will have an ownership interest of 0.34%, Østifterne of 1.63% and PRAS of 2.25%.

Capital

Forenet Kredit will allocate DKK 7.2bn from the share transaction as capital reserves. The capital reserves will in coming years be expanded to DKK 10bn by retaining profits.

The pension companies have also declared that they are prepared to contribute another DKK 7.5bn of new equity if necessary for regulatory reasons or to support and expand Nykredit's core business.

Overall, the solution will stabilise Nykredit's capital position with access to DKK 14.7bn of new equity.

Subsequent ownership structure and non-binding capital commitment

