

**Bulletin:**

## **Nykredit Realkredit A/S Will Strengthen Its Wealth Management Business Through Acquisition**

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MOSCOW (S&P Global Ratings) March 1, 2019--S&P Global Ratings said today that it considers Danish-based Nykredit Realkredit A/S' (A/Positive/A-1) plan to acquire 75% of shares in Danish asset manager Sparinvest to be complimentary to Nykredit's business development strategy. Our ratings on Nykredit are unaffected.

We understand that acquiring Sparinvest could enable Nykredit to strengthen its position in the asset management field. Sparinvest would add Danish krone (DKK) 83 billion (€11 billion) of assets under management to the DKK211 billion (€28 billion) Nykredit already manages.

The acquisition is subject to a due diligence process and depends on the approval of both the general meeting of Sparinvest Holding SE and the Danish competition authority.

We expect the acquisition to have a neutral effect on Nykredit's capital. Although the DKK2.3 billion price is a sizable consideration for Nykredit--comprising 40% of net profit for 2018--we forecast that Nykredit's risk-adjusted capital (RAC) will remain above 11%.

RELATED RESEARCH

- Nykredit Realkredit A/S, Nov. 23, 2018
- Various Rating Actions Taken On Danish Banks On Signs Of Reducing Economic Risks; Outlooks Positive, July 13, 2018

This report does not constitute a rating action.

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