

To the editor

Communications  
Tel. +45 45 14 56 95

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### **Realkredit Danmark reports net profit of DKK 810 million for the first quarter of 2014**

Realkredit Danmark today published its report for the first quarter of 2014.

Carsten Nøddebo, CEO, says :

*“We continue to see healthy progress for our business. Combined with a decline in loan impairments, this has helped us achieve a satisfactory profit increase.”*

The report is available at rd.dk. Highlights are shown below:

- Realkredit Danmark recorded a net profit of DKK 810 million in the first quarter of 2014, against DKK 648 million in the same period of last year, an improvement of 25%. The higher profit was achieved especially on the back of lower impairments.
- Total income amounted to DKK 1,522 million, against DKK 1,511 million in the first quarter of 2013.
- Impairments fell from DKK 454 million in the first quarter of 2013 to DKK 244 million. The largely unchanged delinquency rate over the past year contributed to the decline in impairments. Impairments equalled 0.13% p.a. of total mortgage lending, against 0.20% in 2013.
- Expenses amounted to DKK 205 million, against DKK 193 million in the first quarter of 2013. The rise was caused mainly by accruals.
- The strong interest in FlexKort® loans continued in the first quarter of 2014, and loans for more than DKK 6 billion were disbursed during the period.
- The proportion of customers with 1-year FlexLån® loans fell from 22% at 31 March 2013 to 14% at the end of March 2014. The fall was caused by keen customer interest in the FlexKort® loans and continually strong interest in fixing mortgage rates for longer periods.
- The total capital ratio according to CRR was 34.2%, against 34.0% at the end of 2013.

- Realkredit Danmark maintains its expectations for a higher profit in 2014 than in 2013.

Contact: Carsten Nøddebo, CEO, tel. +45 45 13 20 82.