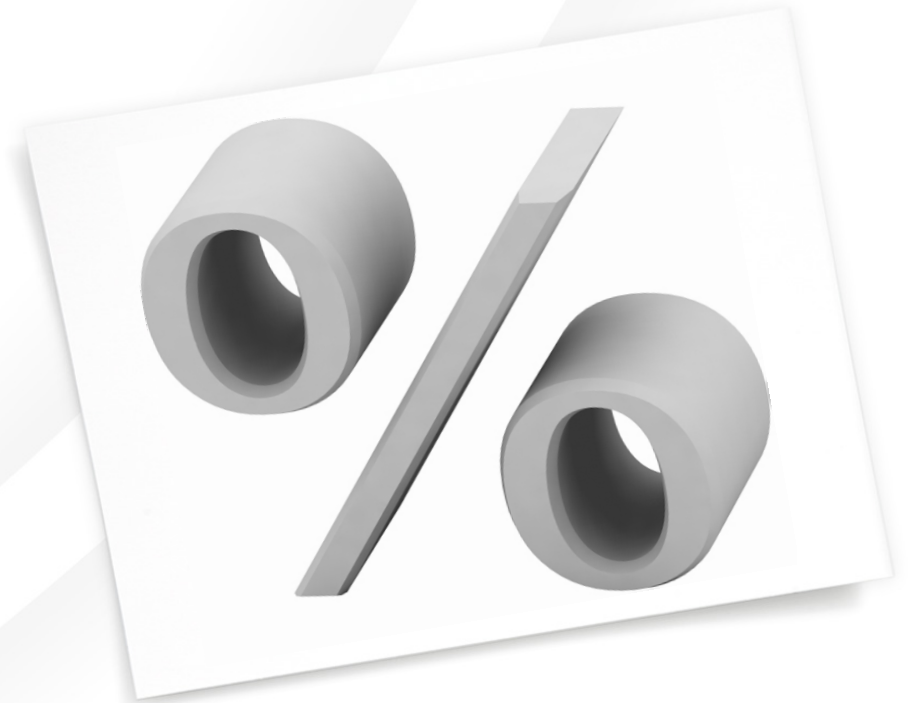




**Nordea Kredit
Investor Presentation – 2010 Q2**

Published 30 August 2010



The Investor Presentation has been compiled by Nordea Kredit for information purposes only, and offers facts and figures on Nordea Kredit, and the mortgage collateral supporting outstanding mortgage bonds and covered mortgage bonds.

If you have any questions, please feel free to contact us:

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- **Asset quality, losses and arrears**
- **Loan-to-value** (*For detailed information on LTV please refer to “LTV Report 2010 Q2”*)
- **Legislation**
- **Macroeconomic factors**

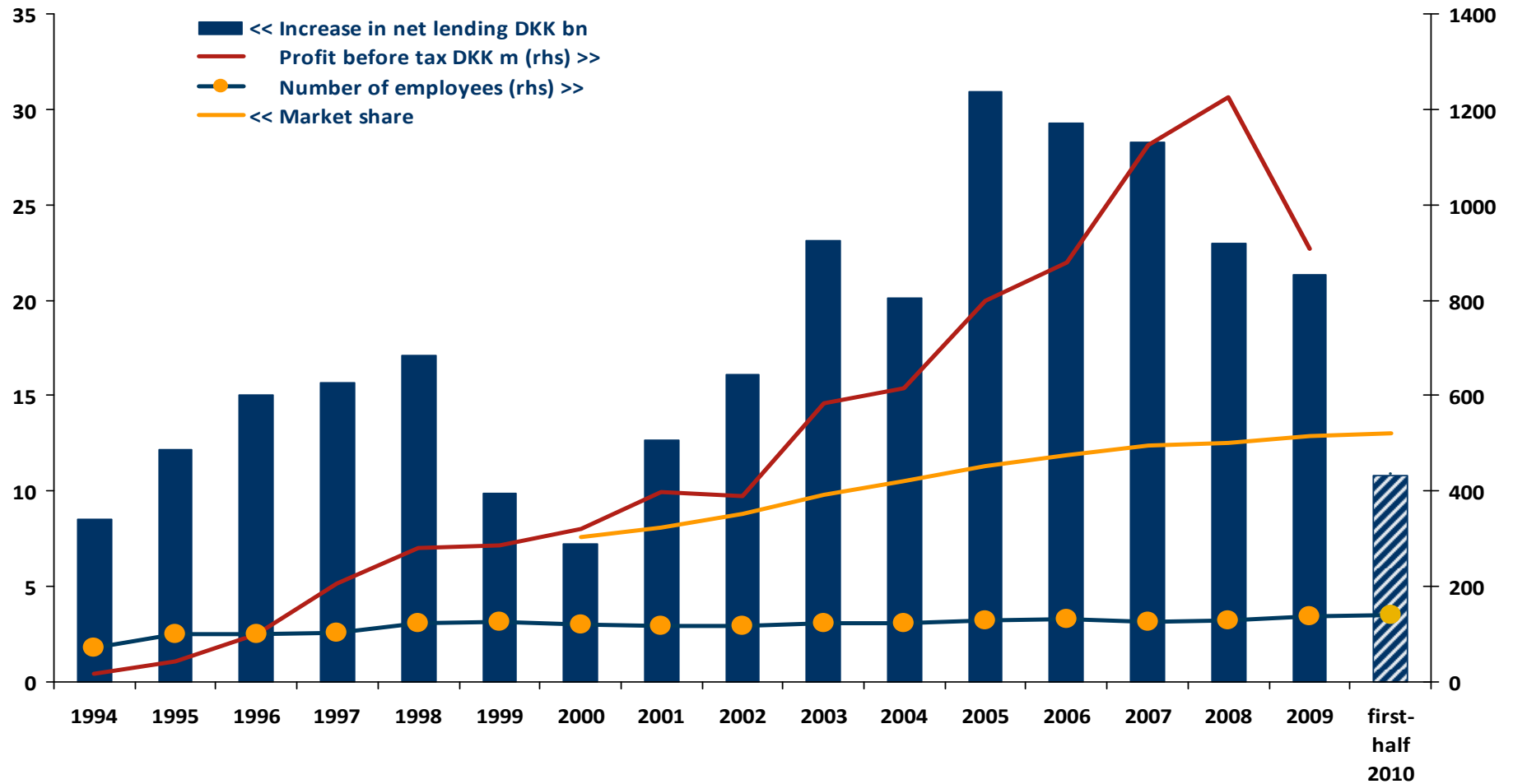
Nordea Kredit – in brief I

- **Founded in 1993, number of employees 141**
- **Nordea Kredit issues mortgage bonds and covered mortgage bonds**
- **All bonds issued by Nordea Kredit are rated AAA (S&P) and Aaa (Moody's)**
- **Profit before tax first-half 2010: 435 m DKK, RoE 3.0% and Cost/Income ratio 19.7%**
- **Mortgage loans at nominal value 2010 Q2: 306.5 bn DKK**
- **Mortgage loans at fair value 2010 Q2: 311.2 bn DKK**
- **Market shares 2010 Q2: *(Mortgage loans at fair value)***
 - All segments: 13.2% *(2010 Q1: 13.0%)***
 - Residential properties and holiday homes: 15.8% *(2010 Q1: 15.7%)***
 - Agriculture: 15.3% *(2010 Q1: 15.2%)***
 - Commercial properties: 11.1% *(2010 Q1: 10.9%)***

Nordea Kredit – in brief II

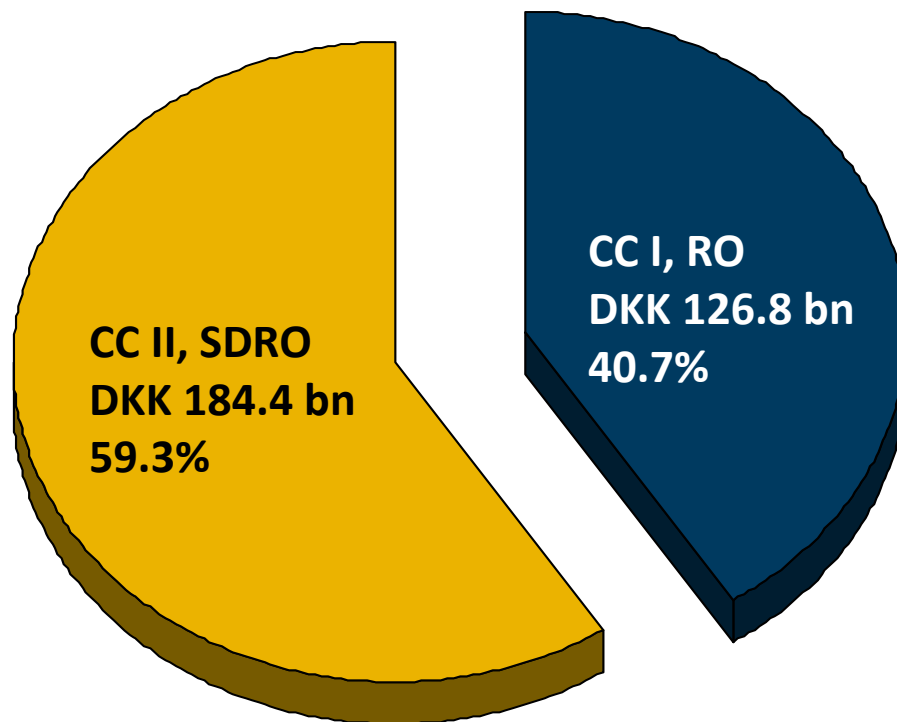
- **Late payments by borrowers 2010 Q2: 0.44%** (2010 Q1: 0.47%)
Residential properties and holiday homes, 3½ month after due date
- **Average LTV 2010 Q2: 67%** (2010 Q1: 66%)
- **Total capital ratio 9.3% and Tier 1 capital ratio 9.7%** (first-half 2010)
- **Completely match funded “Pass Through” setup - strict ALM**
(Asset Liability Management)
- **Danish MCIs are closely regulated and supervised by Finanstilsynet**
(The Danish FSA)

Nordea Kredit – in brief III



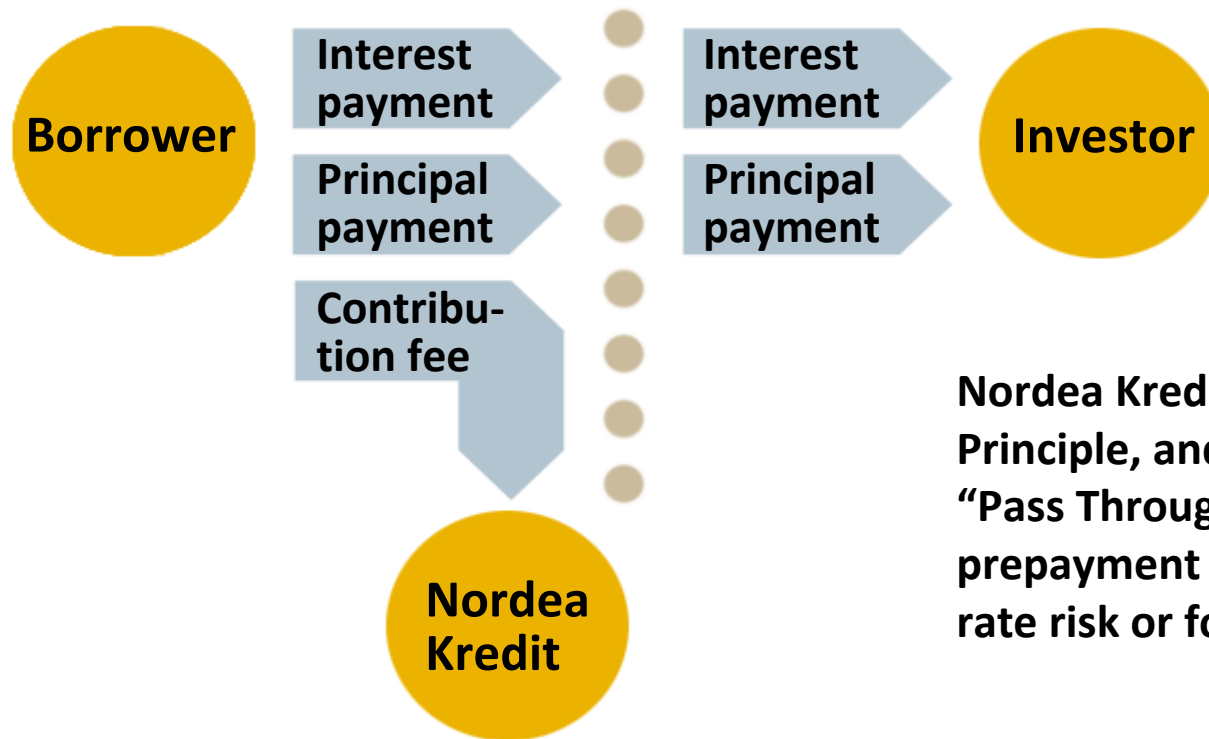
Nordea Kredit – Capital Centres 1 & 2 (CC I & II)

Mortgage loans at fair value 2010 Q2: DKK 311.2 bn



- **Nordea Kredit has two capital centres:**
 - CC I: Mortgage Bonds (Realkreditobligationer, “RO”) are issued out of CC I (1993 -), however only 1 ISIN is presently open for issuance. More than 97% of the bonds in CC I are grandfathered covered bonds.
 - CC II: Covered Mortgage Bonds (“Særligt Dækkede Realkreditobligationer”, SDRO) are issued out of CC II (2007 -). All bonds in CC II are covered bonds.
- **Issuance exclusively covered mortgage bonds (SDROs)**

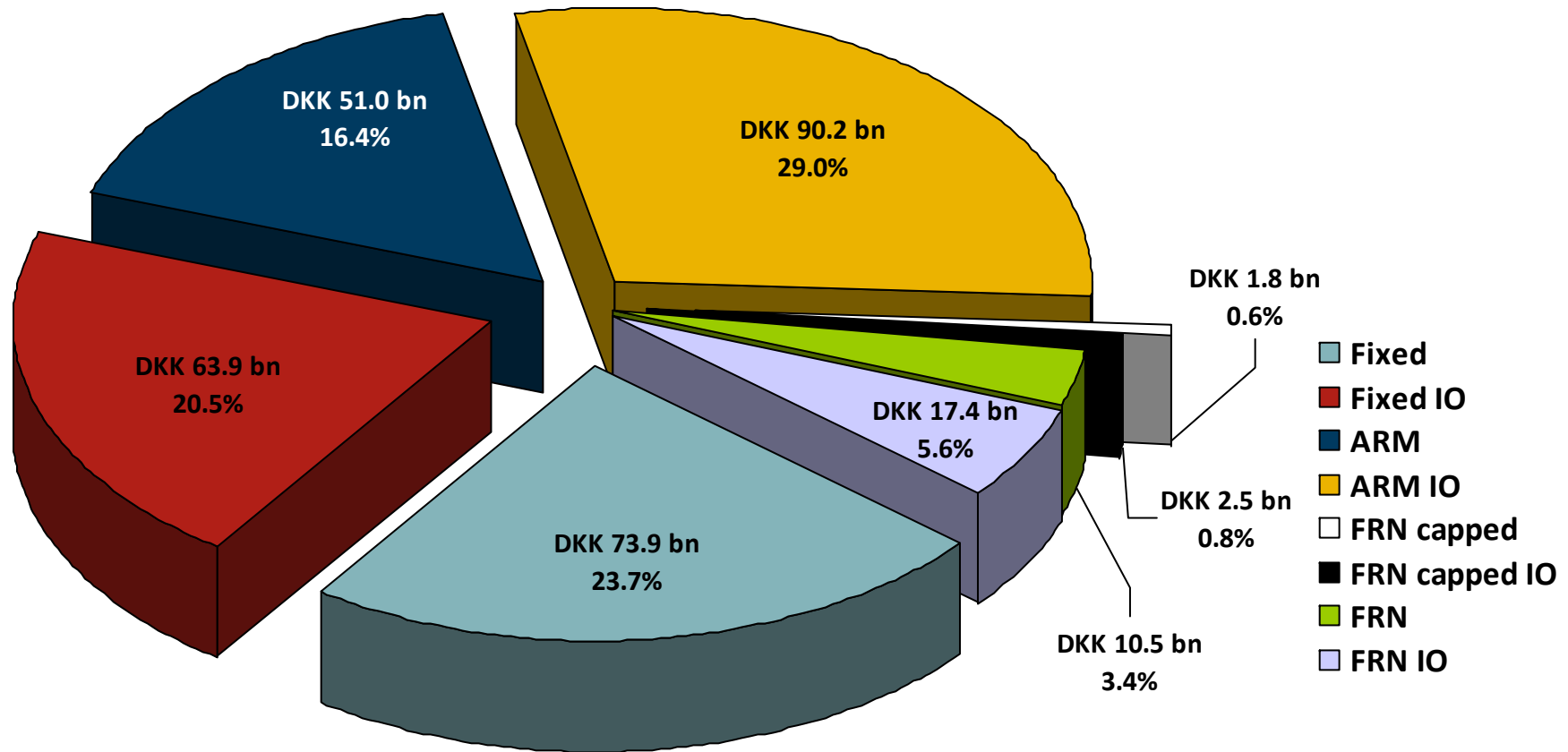
Match funded setup due to the strict Balance Principle



Nordea Kredit complies with the strict Balance Principle, and has a completely match funded “Pass Through” setup. Nordea Kredit has no prepayment risk, and only negligible interest rate risk or foreign exchange risk.

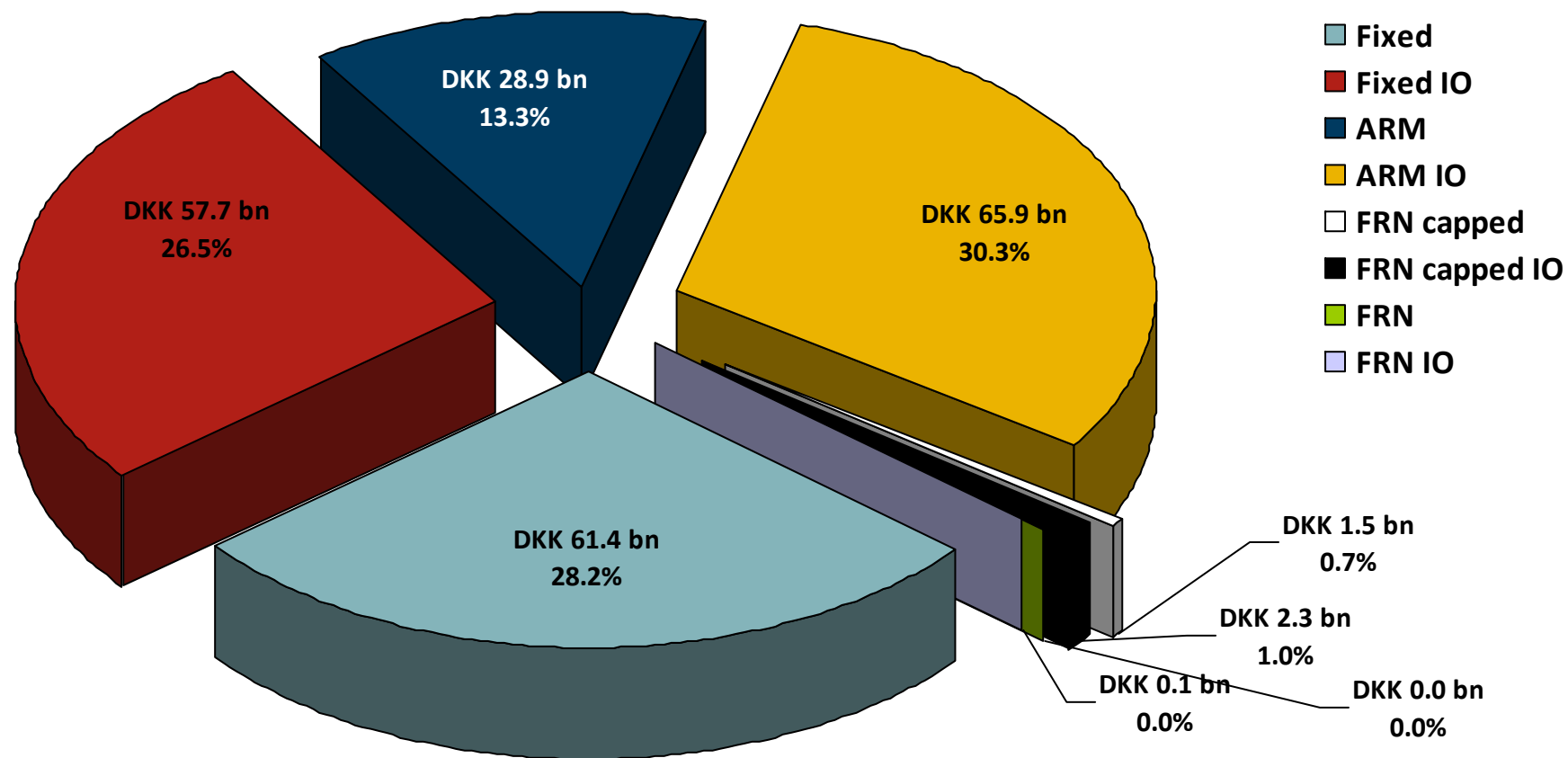
Nordea Kredit – distribution of loans by type

All segments - CCI & II, 2010 Q2 at fair value: 311.2 bn DKK



Nordea Kredit – distribution of loans by type

Residential properties and holiday homes - CC I & II, 2010 Q2 at fair value: 217.8 bn DKK

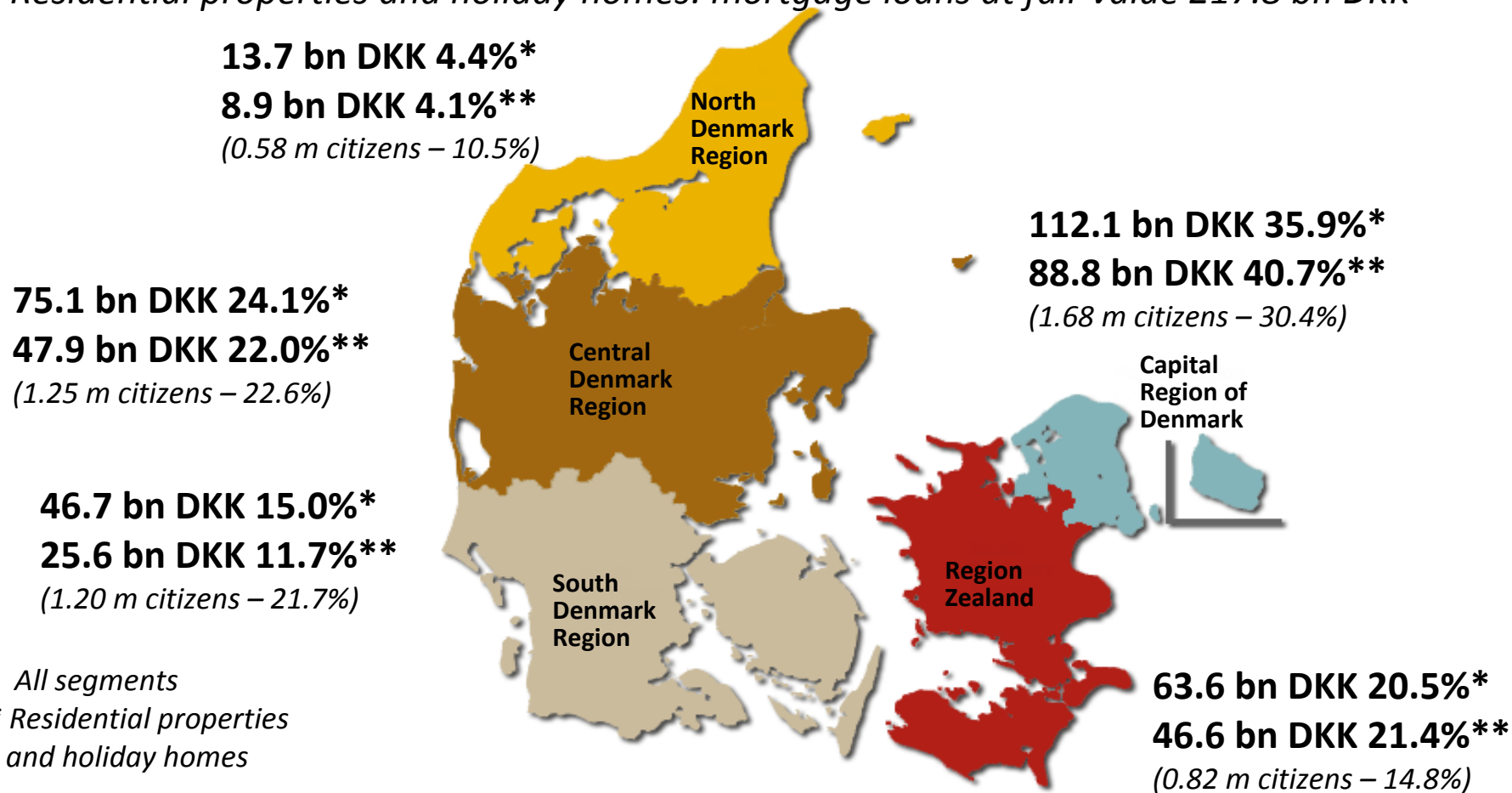


⁹ For loans to residential properties and holiday homes alone, fixed rate loans account for 54.7%

Nordea Kredit – geographical distribution of loans

CC I & CC II 2010 Q2, all segments: mortgage loans at fair value 311.2 bn DKK

Residential properties and holiday homes: mortgage loans at fair value 217.8 bn DKK



* All segments

** Residential properties and holiday homes

Asset quality - loss guarantee by Nordea Bank Danmark

Nordea Bank Danmark takes “first losses” on Nordea Kredit loans according to the table below:

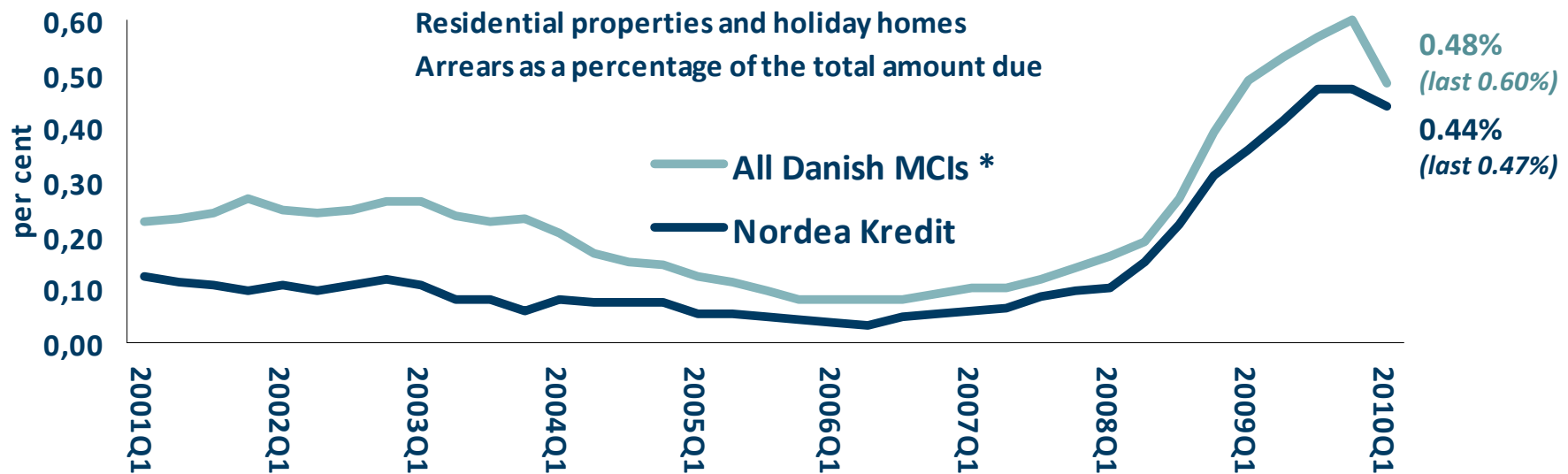
Property type	Guarantee period *	Guarantee level **
Owner occupied housing	5 years	25 per cent
Holiday homes	5 years	25 per cent
Subsidized property	10 years	10 per cent
Housing for youth/elderly	10 years	10 per cent
Agricultural property	10 years	25 per cent
Commercial property	10 years	25 per cent

**) Guarantee period starts when a loan is issued or remortgaged*

****) As a percentage of the original principal – disregarding all amortisation*

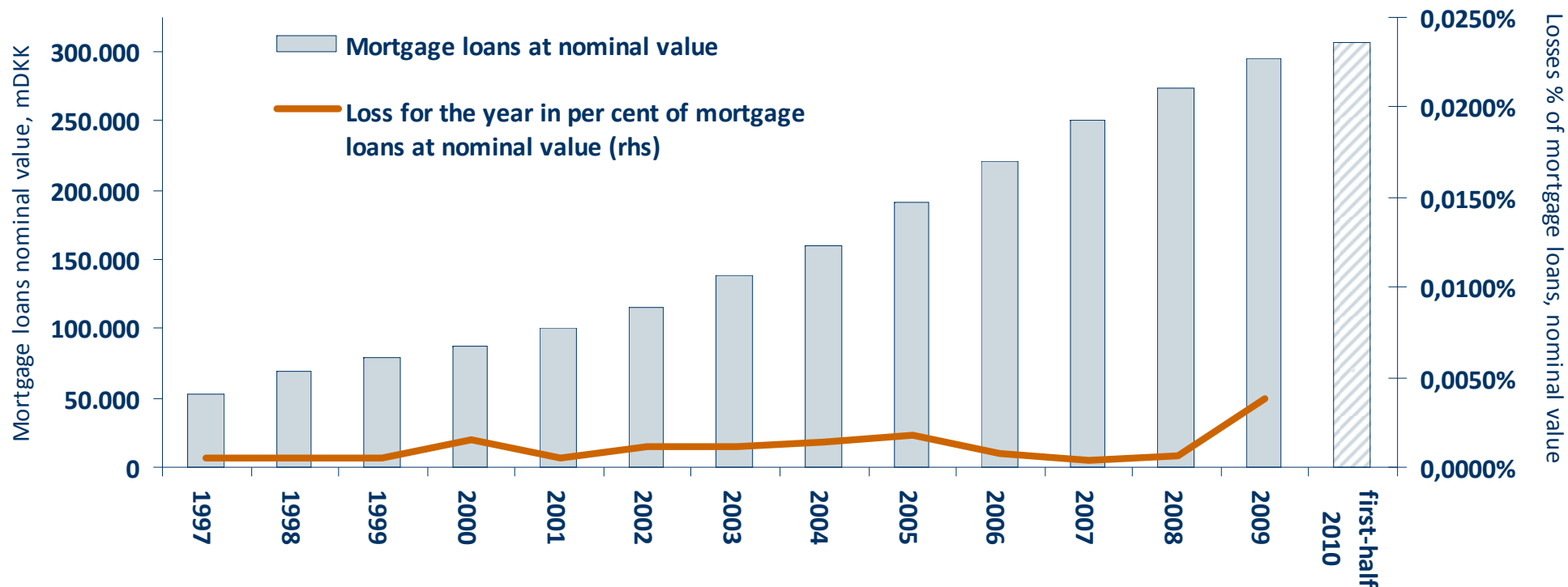
The guarantee amount is not reduced during the guarantee period, but cannot exceed the debt outstanding. A new guarantee period starts when the loan is changed e.g. due to remortgage.

Asset quality - late payments by borrowers - 3½ month after due date



*) Including Nordea Kredit

Losses in per cent of mortgage loans at nominal value



Nordea Kredit did not experience any losses prior to 1997

– total accumulated losses in Nordea Kredit since 1997: 43.5 m DKK (including first-half 2010)

Nordea Kredit – LTV, loan-to-value 2010 Q2 (2010 Q1)

	LTV CC I & II		LTV CC I		LTV CC II	
	2010Q2	2010Q1	2010Q2	2010Q1	2010Q2	2010Q1
Owner occupied dwellings	73	72	69	68	76	76
Rental	64	64	62	61	67	67
Industry and Trade	51	51	43	44	65	66
Office and Retail	57	58	49	49	61	62
Agriculture	47	47	43	43	49	48
Other	44	43	43	43	44	42
Total	67	66	64	64	69	69

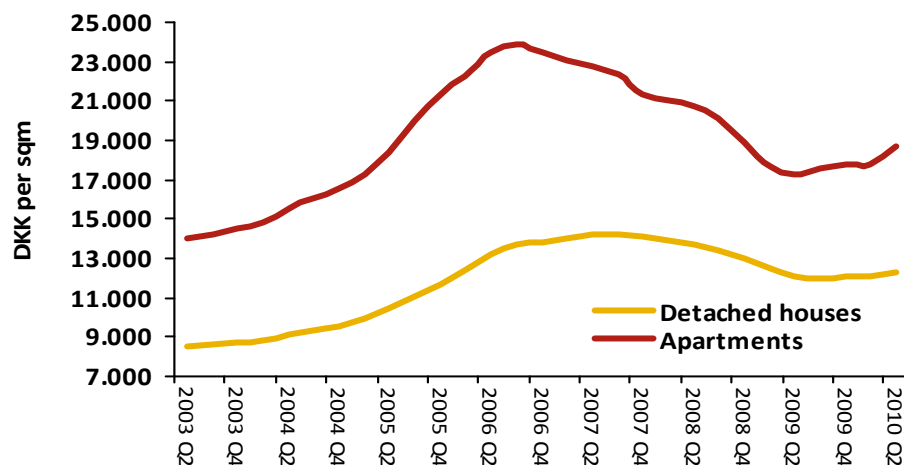
For more detailed information on LTV – please refer to “LTV Report 2010 Q2”

Legislation

- Danish mortgage financing is closely regulated and supervised by the Danish FSA (Finanstilsynet, DFSA)
- Some legislation can be found in English at the DFSA's English website: <http://www.dfsa.dk/sw7804.asp>
- All relevant legislation can be found in Danish at the DFSA's Danish website: <http://www.finanstilsynet.dk/sw22517.asp>



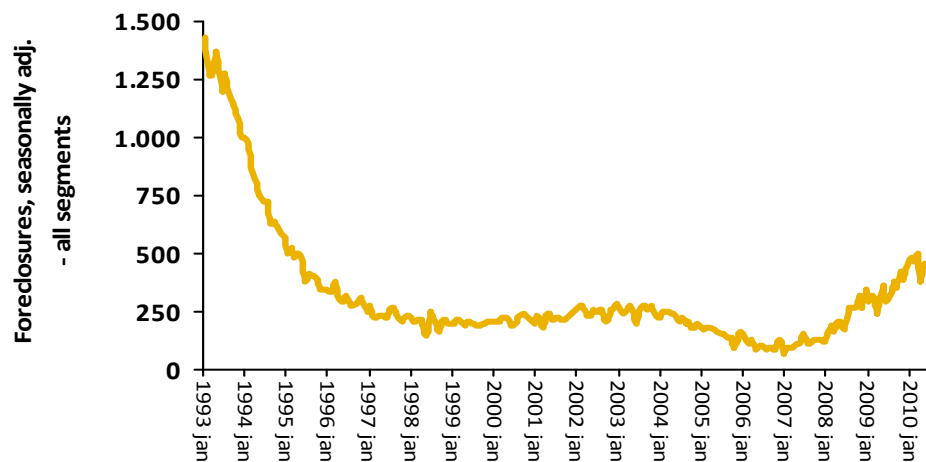
The Danish economy - house prices and foreclosures



For a number of years house prices increased but by mid-2006 house prices peaked and subsequently declined.

Recently, however, minor increases have been seen.

For more information on macro economics please refer to the current issue of “[Economic Outlook](#)” published by Nordea Markets, Economic Research.



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