

To NASDAQ OMX Copenhagen A/S

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**Nykredit's and Totalkredit's auctions for 1 January 2015 refinancing**

Since the refinancing in October last year, ARMs with 1-year funding (F1) have become more expensive relative to other ARMs. At the same time, the interest rate of fixed-rate loans has dropped significantly due to the new 2.5% bonds.

The financial incentive to replace ARMs with 1-year funding by other loans in October will therefore be substantial. This has given rise to elevated activity levels in the Totalkredit partner banks and Nykredit.

The Nykredit Group therefore expects that the amounts to be refinanced at the auctions will be affected by prepayments and refinancing changes to a larger extent than previously, and the final auction amounts will thus differ from the amounts indicated in this stock exchange announcement.

The Nykredit Group will conduct the auctions in the period from Monday 17 November to Wednesday 26 November 2014. The auctions will comprise interest rate adjustment of DKK- and EUR-denominated ARMs (Tilpasningslån) as well as refinancing of Cibor-linked loans and capped floating-rate loans (RenteMax).

The Nykredit Group currently expects to sell bonds of DKK 106bn. This amount will be distributed as follows, based on the currently expected level of prepayments in October:

- 1-year SDOs in DKK: DKK 38.3bn
- 3-year SDOs in DKK: DKK 4.5bn
- 5-year SDOs in DKK: DKK 3.7bn
- 1-year ROs in DKK: DKK 2.4bn
- 1-year SDOs in EUR: EUR 4.2bn
- 10-year RenteMax SDOs in DKK: DKK 5.2bn
- Cibor6 ROs in DKK: DKK 15.5bn

The auction schedule is provided below. Detailed information will be published at a later date.

### Time schedule

The auctions will be held according to the following schedule:

Auction type	Period	Auction times – CET
Floating-rate bonds	17 November	First auction: Bidding until 10:30/allotment at 10:40 Second auction: Bidding until 11:30/allotment at 11:40 Third auction: Bidding until 13:00/allotment at 13:10
Interest rate adjustment based on auction prices	18 to 26 November	First auction: Bidding until 10:30/allotment at 10:40 Second auction: Bidding until 11:30/allotment at 11:40 Third auction: Bidding until 13:00/allotment at 13:10

### SDO or RO funding

At the auctions, the covered bonds "særligt dækkede obligationer" (SDOs) and "realkreditobligationer" (ROs) will be offered. The guidelines for the choice of bond type are:

- All existing loans funded by SDOs will be refinanced by SDOs in Capital Centre H.
- All existing loans funded by ROs in Capital Centre D will be refinanced by ROs in Capital Centre D.

### Auction amounts

Expected auction amounts will be announced in detail at the beginning of November. Subsequently, the auction amounts will be updated on an ongoing basis at [nykredit.com/ir](http://nykredit.com/ir).

### Contacts

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