

To OMX Nordic Exchange
and the press

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PRELIMINARY ANNOUNCEMENT OF FINANCIAL STATEMENTS FOR 2007 – THE NYKREDIT BANK GROUP

2007 – IN BRIEF

- Group profit before tax was DKK 1,013m against DKK 877m in 2006
- Profit before tax generated a return on equity of 19.6% against 22.3% in 2006
- Marked earnings growth in Corporate Banking and a satisfactory development in Retail Banking and Markets & Asset Management
- The balance sheet stood at DKK 135bn against DKK 107bn at end-2006
- The Bank received new capital in 2007 in the form of equity and subordinate loan capital totalling DKK 2.2bn
- The Bank Group's capital adequacy ratio was 11.7% at end-2007 against 10.6% at end-2006.

2008 – OUTLOOK

- The Nykredit Bank Group expects a profit before tax in the range of DKK 1,050m-1,150m in 2008.

INFORMATION ABOUT THE NYKREDIT BANK GROUP

Further information about the Nykredit Bank Group is available at nykredit.com.

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The Nykredit Bank Group 2003-2007

DKK million/EUR million	2007/EUR	2007	2006	2005 ¹	2004 ¹	2003
SUMMARY INCOME STATEMENT						
Net interest and fee income	177	1,323	1,032	1,007	875	891
Value adjustments	73	542	522	177	12	2
Other operating income	2	17	21	20	42	94
Staff and administrative expenses	117	871	739	590	498	436
Other operating costs, depreciation and amortisation	2	12	3	6	4	4
Impairment losses on loans, advances and receivables	(2)	(14)	(44)	7	6	129
Profit before tax	136	1,013	877	601	421	418
Tax	34	255	250	162	131	125
Profit for the year	102	758	627	439	290	293
BALANCE SHEET, YEAR-END						
Assets						
Cash balance and receivables from central banks and credit institutions	2,832	21,123	18,438	15,031	13,094	14,738
Loans, advances and other receivables at fair value	744	5,550	3,432	6,688	5,242	3,012
Loans, advances and other receivables at amortised cost	5,319	39,659	28,983	19,731	17,408	19,017
Bonds at fair value and equities	7,441	55,483	47,955	36,152	31,586	29,783
Other asset items	1,822	13,584	8,237	6,860	6,629	5,869
Total assets	18,158	135,399	107,045	84,462	73,959	72,419
Liabilities and equity						
Payables to credit institutions and central banks	10,303	76,825	63,107	44,654	39,695	41,149
Deposits and other payables	4,253	31,717	22,667	22,103	19,094	13,351
Other non-derivative financial liabilities at fair value	725	5,403	7,032	6,484	5,110	8,304
Other payables	1,737	12,953	8,680	6,748	6,044	5,930
Total payables	17,018	126,898	101,486	79,989	69,943	68,734
Provisions	0	2	18	59	41	24
Subordinate loan capital	322	2,400	1,300	800	800	800
Equity	818	6,099	4,241	3,614	3,175	2,861
Total liabilities and equity	18,158	135,399	107,045	84,462	73,959	72,419
OFF-BALANCE SHEET ITEMS						
Guarantees	1,936	14,435	9,343	10,399	7,919	6,751
Other contingent liabilities	1,078	8,041	6,374	3,058	2,280	3,050
FINANCIAL RATIOS						
Capital adequacy ratio, %		11.7	10.6	10.3	10.4	9.8
Core capital ratio, %		8.4	8.2	8.8	8.3	7.6
Return on equity before tax (pa), % ¹		19.6	22.3	17.8	14.0	14.7
Return on equity after tax (pa), % ¹		14.7	16.0	13.0	9.6	10.3
Income:cost ratio, DKK ¹		2.17	2.26	2.00	1.83	1.73
Interest rate exposure, %		3.3	4.3	3.3	3.0	2.4
Foreign exchange position, %		5.7	5.7	4.2	3.2	6.4
Foreign exchange exposure, %		0.1	0.2	0.1	0.0	0.1
Loans and advances:deposits		1.4	1.4	1.2	1.2	1.6
Loans and advances:equity		7.4	7.6	7.3	7.2	7.8
Growth in loans and advances for the year, %		39.5	22.7	16.1	2.2	(8.9)
Excess cover:statutory requirements for liquidity, %		150.7	122.7	207.1	195.3	93.7
Total large exposures, %		134.9	336.4	349.5	351.3	329.7
Impairment losses for the year, %		0.0	(0.1)	0.0	0.0	0.4
Average number of staff (full-time equivalents)		588	492	426	362	322

¹ Including effect of new accounting policies in 2004 and 2005

EUR 1 = DKK 7.4566 at end-2007

NYKREDIT BANK GROUP RESULTS

The Group recorded a profit before tax of DKK 1,013m against DKK 877m in 2006, up 15.5%.

Performance was satisfactory and exceeded the DKK 700m-800m forecast at the beginning of the year. The improvement derived mainly from higher earnings in the areas of Corporate Banking and Markets & Asset Management.

Earnings from securities not allocated to the business areas also exceeded expectations, while Retail Banking, excluding impairment losses, matched expectations. Profit before tax was in line with the Bank's upgraded forecast of DKK 0.9bn-1.0bn announced at 30 June 2007.

Profit equalled a return on equity of 19.6% compared with 22.3% in 2006.

Relative to 2006, the Bank's core income (net interest and fee income, value adjustments and other operating income) increased by DKK 318m to DKK 1,896m, while investment portfolio income was DKK 11m down on 2006.

The increased core income was delivered by Corporate Banking and Markets & Asset Management, up by DKK 175m and DKK 82m, respectively. Retail Banking was DKK 12m below the level of 2006, while income from group items (non-allocated securities) rose by DKK 73m to DKK 186m. The rise in core income from securities was partly due to the equity increase of DKK 1.1bn in 2007 and higher interest rates.

Net interest income was up from DKK 776m to DKK 1,018m. The rise reflected growing activities in the three business areas of the Bank, of which Corporate Banking in particular saw considerable growth. Earnings from non-

allocated securities also exceeded the level of 2006.

Dividends and fees netted an increase from DKK 256m to DKK 305m. The rise derived in particular from increased activity levels in both Corporate Banking and Markets & Asset Management.

Value adjustments increased from DKK 522m to DKK 542m, mainly because of a negative value adjustment of bonds of DKK 453m and a positive value adjustment of derivatives of DKK 845m. Net interest income and value adjustments should be considered in context, as the Bank to a large extent uses combinations of interest-bearing financial assets, liabilities and derivatives as part of its day-to-day operations, including swaps for interest rate hedges.

Other operating income came to DKK 17m against DKK 21m in 2006. The amount related partly to the Bank's leasing activities.

Staff, administrative and other operating costs grew by DKK 141m to DKK 883m – up 19% on 2006.

Staff expenses rose 16% from DKK 444m in 2006 to DKK 514m in 2007. The rise is attributable to increased recruitment resulting from the generally enhanced business volume, including nearly 30 staff transferred from Nykredit Realkredit A/S to Corporate Banking in Q1/2007 to cover the growing activity level. Furthermore, the development reflected a rise in performance-related pay. The number of staff grew by 20% from an average of 492 in 2006 to 588 in 2007.

Administrative expenses rose by 21% from DKK 295m in 2006 to DKK 357m. The rise stemmed from a wide range of the Bank's cost

items in general and IT and transaction-dependent expenses in particular.

Amortisation, depreciation and impairment losses for intangible assets and property, plant and equipment amounted to DKK 10m compared with DKK 2m in 2006. The increase of DKK 8m was mainly attributable to goodwill impairment associated with LeasIT A/S, in which Nykredit Bank acquired all shares at 1 October 2007.

Impairments equalled an income of DKK 14m against an income of DKK 44m in 2006. The amount derived from an income of DKK 16m in the Retail Banking area and an expense of DKK 2m in Corporate Banking. In the course of 2007, the Bank conducted a series of tests and adjustments of the models behind the Bank's group-based impairment provisions. As a result, the prerequisites for "impairment" were changed, and fewer customers/types of accounts therefore fall within the impairment criteria than previously. Consequently, the Bank's group-based impairment provisions changed from DKK 61m at end-2006 to DKK 11m at end-2007. Apart from impairments of DKK 30m in the subsidiary LeasIT A/S, individual impairment provisions remained low because of continued favourable economic trends.

Tax for the period has been calculated at DKK 255m, or 25.3% of profit before tax. Tax for the year includes income of DKK 10m relating to the reduction of the tax rate in Denmark from 28% to 25% and deferred tax concerning previous years. In 2006 the tax charge came to DKK 250m, or 28.5% of profit before tax.

Profit for the year was DKK 758m against DKK 627m in 2006.

It will be recommended for approval by the annual general meeting that no dividend be distributed for 2007.

The Nykredit Bank Group**Principal income statement items**

DKKm	2007	2006
Net interest and fee income	1,323	1,032
Value adjustments	542	522
Other operating income	17	21
Total income from interest, fees and value adjustments¹	1,882	1,575
Staff and administrative expenses	883	742
Impairment losses on loans, advances and receivables	(14)	(44)
Profit before tax	1,013	877
Tax	255	250
Profit for the year	758	627
¹ Of which		
- Core income	1,896	1,578
- Investment portfolio income	(14)	(3)

BUSINESS AREAS

The Nykredit Bank Group is organised into three intercompany business areas: Retail Banking, Corporate Banking and Markets & Asset Management.

Retail Banking serves households and small agricultural customers who typically require the same product range as retail customers.

Corporate Banking serves business, agricultural and rental housing customers, including housing society and non-profit housing customers.

Markets & Asset Management handles the activities of the Nykredit Group within trading in securities and derivatives, debt capital, asset management and pension products. In addition, the business area conducts own trading activities.

The Nykredit Bank Group**Profit before tax by business area**

	Retail Banking		Corporate Banking		Markets & Asset Management		Group items ¹		Total	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
DKKm										
Core income *	276	288	470	295	964	882	186	113	1,896	1,578
Operating costs	165	165	171	120	534	454	3	3	873	742
Depreciation, amortisation and impairment losses for property, plant and equipment as well as intangible assets	2	-	7	-	1	-	-	-	10	-
Core earnings before impairment losses	109	123	292	175	429	428	183	110	1,013	836
Impairment losses on loans and advances	(16)	(62)	2	18	-	-	-	-	(14)	(44)
Core earnings after impairment losses	125	185	290	157	429	428	183	110	1,027	880
Investment portfolio income							(14)	(3)	(14)	3
Profit before tax	125	185	290	157	429	428	169	107	1,013	877
* Of which transactions between the business areas	107	111	(148)	(77)	41	(34)	-	-	0	0
Income:costs	1.8	2.8	2.6	2.1	1.8	1.9	-	-	2.2	2.3
Average allocated business capital ²	966	802	2,537	1,766	934	805	29	21	4,466	3,394
Core earnings as % of allocated business capital	12.9	23.0	11.4	8.9	45.9	53.0	-	-	23.0	25.9

¹ Include income from securities not allocated to the individual business areas, but included in the Bank's own portfolio, as well as non-allocated expenses.

² 8% of average risk-weighted assets allocated to the business areas.

Retail Banking

The Retail Banking area supplies Nykredit Bank products through the distribution channels of the Nykredit Group, including 48 retail centres, the website nykredit.dk and the centralised sales centre.

Retail Banking recorded a profit before tax of DKK 125m against DKK 185m in 2006. This development was mainly due to changes in loan impairment from an income of DKK 62m in 2006 to an income of DKK 16m in 2007. Excluding this change, results decreased from DKK 123m to DKK 109m.

Core income fell by DKK 12m, of which interest income came to DKK 11m, fees netted DKK 2m, while value adjustments and other operating income decreased by around DKK 25m particularly as a result of decreased income from mortgage trading activities.

Operating costs of DKK 167m were on a level with 2006. A lower staff number reduced expenses for wages and salaries, while other expenses rose moderately. The staff number decreased from 116 at end-2006 to 103 at end-2007 as a consequence of a reorganisation of the Nykredit Group leading to the transfer of a number of staff members to Nykredit Realkredit.

Loan impairments were closer to the normal level compared with 2006, when especially reversal of individual impairment provisions delivered a significant income. The provisioning need remained low, reflecting the sound Danish economy and not least the favourable financial position of homeowners, as a consequence of the fact that loans are, to a wide extent, secured by owner's mortgages.

In total, profit for the year equalled an average return on the business capital before tax of 12.9% against 23% in 2006. The income:cost ratio decreased from DKK 2.8 to DKK 1.8.

Balance sheet

Lending increased by 23% from DKK 6,348m in 2006 to DKK 7,829m in 2007, primarily as a result of equity release accounts (Friværdikonto®). Deposits were up from DKK 9,670m to DKK 10,036m as a result of continued growth in the number of customers opening wage accounts, which rose by 13,000 net to some 95,000 customers.

Corporate Banking

Corporate Banking serves agricultural, public sector, business and rental housing customers, including housing society and non-profit housing customers. Products are distributed through 26 commercial centres offering all of the Group's products within banking, mortgage banking, insurance, investment and debt management.

Corporate Banking generated a profit of DKK 290m in 2007 – up DKK 133m (85%) on 2006.

Core income increased from DKK 295m in 2006 to DKK 470m in 2007, and the business area continued its positive development with increased lending and a generally high activity level. Growth in earnings from domestic and international corporate customers was substantial, just as sales through the commercial centres of the Nykredit Group increased.

Corporate Banking generally saw a remarkable development and succeeded in using the Group's distribution powers to create a wider sales platform. The success proved most notable within products for managing interest rate risk such as interest rate swaps. By contrast, the business area's leasing activities generated a loss of approx DKK 36m in 2007.

Operating costs including impairment of intangible assets rose by DKK 58m to DKK 178m in 2007, partly due to higher expenses for wages and salaries, which increased from DKK 65m to over DKK 105m because of a rise in the staff number from 103 at end-2006 to 165 at end-2007. Furthermore, costs were affected by impairment in the amount of approximately DKK 6m resulting from an impairment test of goodwill in relation to LeasIT A/S.

Loan impairment amounted to DKK 2m in 2007 against DKK 18m in 2006. Special events included impairments in the amount of around DKK 30m in Q4 in the subsidiary LeasIT A/S. On balance, loan impairment remained extremely low, reflecting the continued stability of the Danish economy.

Profit for the year equalled an average return on the business capital of 11.4% before tax against 8.9% in 2006. The income:cost ratio increased from DKK 2.1 to DKK 2.6.

Balance sheet

Lending saw a highly satisfactory lift from DKK 22.6bn at end-2006 to DKK 31.8bn at end-2007. Deposits went up from DKK 12.8bn in 2006 to DKK 21.4bn in 2007.

Markets & Asset Management

This business area handles the activities of the Nykredit Group within securities and financial instruments trading, asset management and pension advice.

The trading and capital market activities of the business area are handled by Nykredit Markets and Debt Capital Markets, while asset management, portfolio administration and long-term savings are handled through Nykredit Asset Management and Nykredit Portefølje Administration A/S. Own trading activities are handled by Proprietary Trading.

To reinforce the structure and distribution power of the business area, Nykredit Portefølje Bank A/S was merged with Nykredit Bank A/S in 2007, and all asset management activities were gathered in the Nykredit Asset Management area. Portfolio administration is undertaken by the investment management company Nykredit Portefølje Administration A/S.

The business area recorded a profit of DKK 429m for 2007 against a profit of DKK 428m in 2006. It equalled an average return on the business capital of 46% against 53% in 2006. The profit is considered highly satisfactory in the light of the considerable turmoil in financial markets in the last six months of the year.

Core income was DKK 964m equal to a rise of DKK 82m compared with 2006. 2007 saw satisfactory growth in the customer-oriented activities of both Nykredit Markets, Debt Capital Markets and the asset management areas, which all made a positive earnings contribution compared with 2006. By contrast, core income from Proprietary Trading fell from DKK 160m in 2006 to DKK 105m, partly because of the international financial crisis in H2/2007. Considering the market climate, earnings were satisfactory.

Costs increased by DKK 81m to DKK 535m as a result of increased business volumes, which led to higher expenses for staff, including performance-related pay, and for IT. The number of staff increased from 293 at end-2006 to 349 at end-2007.

BALANCE SHEET, EQUITY AND CAPITAL ADEQUACY OF THE NYKREDIT BANK GROUP

Balance sheet

The Group's balance sheet at end-2007 totalled DKK 135.0bn against DKK 107.0bn at end-2006, up DKK 28bn.

Receivables from credit institutions rose by DKK 2.6bn to DKK 21.0bn, while loans and advances increased from DKK 32.4bn to DKK 45.2bn. Of the increase, repo transactions accounted for DKK 2.1bn, retail lending DKK 1.5bn and corporate lending DKK 9.2bn.

Bonds and equities totalled DKK 55.5bn, or 15.7% above the level at end-2006. The size of the portfolio should be seen in the context of the Bank's substantial repo activities.

Other assets and prepayments totalled DKK 13.5bn against DKK 8.2bn at end-2006. The item mainly consisted of interest and commis-

sions receivable, including "positive market value of derivative financial instruments".

Payables to credit institutions rose from DKK 63.1bn at end-2006 to DKK 76.8bn at end-2007.

Deposits went up by DKK 9.0bn to DKK 31.7bn, primarily driven by corporate banking deposits.

Issued bonds totalled DKK 1.6bn against DKK 1.7bn at end-2006. Two new bond issues were made in 2007, while bonds worth around DKK 179m matured or were redeemed. The majority of the bonds are listed on the OMX Nordic Exchange Copenhagen.

Other non-derivative financial liabilities at fair value came to DKK 5.4bn against DKK 7.0bn at end-2006. The item consists mainly of liabilities relating to repo activities, including "negative securities portfolios".

Other payables and deferred income amounted to DKK 11.4bn against DKK 6.9bn at end-2006. The item mainly consists of interest and commissions payable, including "negative market value of derivative financial instruments".

Subordinate loan capital increased by DKK 1.1bn to DKK 2.4bn in 2007. The capital was contributed by Nykredit Realkredit A/S to further the favourable development in the Bank's business areas.

Equity

Equity stood at DKK 6,099m at 31 December 2007 equal to an increase of DKK 1,858m. The increase covers profit for the period of DKK 758m and new paid-up capital of DKK 1,100m. DKK 550m of the paid-up capital represented a premium.

Capital adequacy

The capital adequacy ratio of the Nykredit Bank Group landed at 11.7% against 10.6% at end-2006, and the core capital ratio was 8.4% against 8.2% at end-2006.

The Nykredit Bank Group

Summary balance sheet

DKKm	2007	2006
Receivables from credit institutions	21,020	18,405
Loans and advances at amortised cost and fair value	45,209	32,415
Bonds and equities	55,483	47,955
Payables to credit institutions	76,825	63,107
Deposits and other payables at amortised cost	31,717	22,667
Issued bonds	1,562	1,741
Subordinate loan capital	2,400	1,300
Equity	6,099	4,241
Total balance sheet	135,399	107,045

The Nykredit Bank Group

Equity

DKKm	2007	2006
Equity, beginning of financial year	4,241	3,614
Profit after tax for the year	758	627
Capital increase and premium	1,100	-
Equity, end of financial year	6,099	4,241

The Nykredit Bank Group

Capital base and capital adequacy

DKKm	2007	2006
Equity	6,099	4,241
Supplementary capital	2,400	1,300
Statutory deductions from core capital and supplementary capital	161	113
Total	8,338	5,428
Weighted items incurring credit, counterparty and delivery risk	61,029	40,502
Weighted items incurring market risk	10,389	10,631
Total weighted items	71,418	51,133
Capital adequacy ratio, %	11.7	10.6
Core capital after statutory deductions as % of weighted items	8.4	8.2

Nykredit Bank and the financial crisis

Like the financial sector in general, Nykredit Bank incurred increasing funding costs as a result of the financial crisis in H2/2007. The Bank has had no positions in financial instruments based on US subprime loans.

EVENTS OCCURRED AFTER THE END OF THE FINANCIAL YEAR

In the period up to the presentation of the Annual Report, no material events have occurred.

OUTLOOK FOR 2008

The business areas of the Nykredit Bank Group are generally expected to generate growth compared with 2007, albeit at more moderate rates.

Income is expected to rise in 2008, but increasing expenses are also expected – not merely because of the growing activities, but also as a result of substantial expenses for IT projects implemented to support future earnings and Bank risk management.

Against this backdrop, the Nykredit Bank Group expects a profit before tax in the range of DKK 1,050m-1,150m.

OTHER**Management and organisational changes**

The Nykredit Group implemented a number of management and organisational changes on 1 October 2007 in connection with the planned retirement of Henning Kruse Petersen as Group Managing Director. Karsten Knudsen, Group Managing Director, succeeded Henning Kruse Petersen as Chairman of Nykredit Bank A/S and resigned from the Executive Board of the Bank. Bjørn Damgaard Mortensen, Senior Vice President, joined the Executive Board, which now consists of Kim Duus and Bjørn Damgaard Mortensen, both Managing Directors.

Merger of Nykredit Bank and Nykredit Portefølje Bank

Nykredit Bank A/S and its wholly-owned subsidiary Nykredit Portefølje Bank A/S merged with effect from 1 January 2007 with Nykredit Bank A/S as the surviving company. For further information on the merger, please refer to the Bank's H1 Interim Report 2007. Nykredit Portefølje Bank A/S's subsidiary, Nykredit Portefølje Administration A/S, is now a wholly-owned subsidiary of Nykredit Bank A/S.

LeasIT A/S

As at 1 October 2007, Nykredit Bank A/S acquired 77.35% of the shares in LeasIT A/S, which is now a wholly-owned subsidiary. Nykredit Bank acquired the company as the Management expects lease financing to be a growing market in Denmark, just as it sees increased business potential as a result of the new legislation on Danish covered bonds. LeasIT A/S has around 40 staff, and total assets amounted to approximately DKK 2.1bn at the acquisition date, of which the lease portfolio was approximately DKK 1.9bn.

Capital injection

The Bank received additional capital in 2007 from the Parent Company Nykredit Realkredit A/S in the amount of DKK 2.2bn. Of this amount, DKK 1.1bn was subordinate loan capital.

MiFID

On 1 November 2007, a new set of rules and executive orders entered into force in the field of securities trading. The new rules are based on EU directives and go by the popular title MiFID – short for the Markets in Financial Instruments Directive.

In relation to customers of the Nykredit Bank Group, the most important new provisions are laid down in the Executive Order on investor protection in connection with securities trading. The purpose of the executive order is to improve the protection of customers trading in a number of financial instruments.

Basel II

In December 2007, Nykredit Bank obtained the approval of the Danish FSA to apply the internal ratings-based approach under Basel II for the determination of capital requirements for credit risk from 1 January 2008. For further details, please refer to the section on risk and capital management.

Rating

In Q2/2007 Nykredit Bank was assigned a Aa3 rating by Moody's Investors Service. The rating has facilitated an expansion of the Bank's business and customer volumes, and the Bank will furthermore use it to establish funding programmes in the international capital market.

ACCOUNTING POLICIES

The Consolidated Financial Statements of the Nykredit Bank Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. The Parent Financial Statements of Nykredit Bank A/S have been prepared in accordance with the Danish Financial Business Act. The Annual Report has furthermore been prepared in accordance with additional Danish disclosure requirements for the presentation of annual reports of issuers of listed bonds.

The accounting policies are unchanged from the Annual Report for 2006. The accounting policies appear in full from the Annual Report published today.

Nykredit Bank ratings

	Moody's Investors Service
Short-term deposit rating	Aa3
Long-term deposit rating	Prime-1
Bank Financial Strength	C+

The Nykredit Bank Group – eight quarters

DKK million

	Q4/ 2007	Q3/ 2007	Q2/ 2007	Q1/ 2007	Q4/ 2006	Q3/ 2006	Q2/ 2006	Q1/ 2006
SUMMARY INCOME STATEMENT								
Net interest income	297	274	215	232	194	235	229	117
Dividends, fees and commission income (net)	74	75	81	75	67	59	65	66
Net interest and fee income	371	349	296	307	261	294	294	183
Value adjustments	133	49	163	197	228	93	81	120
Net interest, fees and value adjustments	504	398	459	504	489	387	375	303
Other operating income	7	2	6	2	5	4	5	8
Staff and administrative expenses	253	196	224	198	230	168	187	154
Depreciation, amortisation and other operating expenses	10	1	0	1	2	1	0	1
Impairment losses on loans and advances	27	(44)	16	(13)	(24)	(8)	(6)	(6)
Profit before tax	221	247	225	320	286	230	199	162
Tax	56	62	48	89	79	64	62	45
Profit	165	185	177	231	207	166	137	117
SUMMARY BALANCE SHEET, YEAR-END								
Assets								
Cash balance and receivables from credit institutions	21,123	26,654	26,151	19,052	18,438	21,609	16,700	15,365
Loans, advances and other receivables at fair value	5,550	10,128	4,006	3,295	3,432	4,477	9,698	5,014
Loans, advances and other receivables at amortised cost	39,659	35,617	34,826	34,084	28,983	25,852	25,020	21,950
Bonds at fair value	55,201	49,210	52,828	52,269	47,697	45,794	43,340	45,946
Equities	282	287	301	281	258	278	330	280
Land and buildings	82	73	73	73	73	72	247	247
Other asset items	13,502	13,126	11,940	8,846	8,164	8,301	8,086	7,384
Total assets	135,399	135,095	130,125	117,900	107,045	106,383	103,421	96,186
Liabilities and equity								
Payables to credit institutions and central banks	76,825	73,619	77,269	72,670	63,107	59,869	59,271	49,402
Deposits and other payables	31,717	29,067	23,312	21,903	22,667	21,041	22,181	24,329
Issued bonds	1,562	1,544	1,612	1,630	1,741	1,702	1,750	1,741
Non-derivative financial liabilities at fair value	5,403	10,717	10,252	8,020	7,032	11,025	8,410	9,954
Other payables	11,391	12,812	10,526	7,888	6,939	7,356	7,085	6,173
Total payables	126,898	127,759	122,971	112,111	101,486	100,993	98,697	91,599
Provisions	2	2	5	17	18	56	56	56
Subordinate loan capital	2,400	1,900	1,900	1,300	1,300	1,300	800	800
Equity	6,099	5,434	5,249	4,472	4,241	4,034	3,868	3,731
Total liabilities and equity	135,399	135,095	130,125	117,900	107,045	106,383	103,421	96,186
OFF-BALANCE SHEET ITEMS								
Guarantees	14,435	13,002	11,573	9,247	9,343	7,492	7,963	8,493
Other commitments	8,041	7,482	7,702	6,163	6,374	5,086	4,131	3,600
FINANCIAL RATIOS								
Capital adequacy ratio, %	11.7	11.5	11.7	9.8	10.6	10.9	9.4	9.8
Core capital ratio, %	8.4	8.6	8.6	7.7	8.2	8.0	7.9	8.4
Return on equity before tax (pa), %	15.4	18.5	18.5	29.3	27.6	23.3	21.0	17.7
Return on equity after tax (pa), %	11.4	13.9	14.6	21.2	20.0	16.8	14.4	12.7
Income:cost ratio, DKK	1.76	2.61	1.94	2.72	2.38	2.43	2.09	2.09
Interest rate exposure, %	3.3	2.1	3.0	4.3	4.3	1.1	3.7	3.0

Income statements for the period 1 January - 31 December

DKK million

Nykredit Bank A/S			The Nykredit Bank Group	
2006	2007		2007	2006
2,996	4,893	Interest income	5,006	3,029
2,243	3,906	Interest expenses	3,988	2,253
753	987	NET INTEREST INCOME	1,018	776
6	6	Dividend on equities	6	6
483	586	Fee and commission income	673	556
286	348	Fee and commission expenses	374	306
956	1,231	NET INTEREST AND FEE INCOME	1,323	1,032
486	526	Value adjustments	542	522
19	8	Other operating income	17	21
668	779	Staff and administrative expenses	871	739
2	8	Depreciation, amortisation and impairment losses for property, plant and equipment as well as intangible assets	10	2
1	1	Other operating expenses	2	1
(52)	(45)	Impairment losses on loans, advances and receivables	(14)	(44)
35	(9)	Profit/loss from investments in associates and group enterprises	-	-
877	1,013	PROFIT BEFORE TAX	1,013	877
250	255	Tax	255	250
627	758	PROFIT FOR THE YEAR	758	627
		DISTRIBUTION OF PROFIT FOR THE YEAR		
627	758	Profit for the year		
627	758	TOTAL		
		PROPOSAL FOR THE DISTRIBUTION OF PROFIT		
627	758	Retained earnings		
627	758	TOTAL		

Balance sheets at 31 December

DKK million

Nykredit Bank A/S			The Nykredit Bank Group	
2006	2007		2007	2006
		ASSETS		
33	103	Cash balance and demand deposits with central banks	103	33
18,238	20,084	Receivables from credit institutions and central banks	21,020	18,405
3,432	5,737	Loans, advances and other receivables at fair value	5,550	3,432
28,758	38,314	Loans, advances and other receivables at amortised cost	39,659	28,983
46,980	53,028	Bonds at fair value	55,201	47,697
258	282	Equities	282	258
40	22	Investments in associates	-	-
257	383	Investments in group enterprises	-	-
0	0	Intangible assets	2	0
72	71	Total land and buildings	82	73
72	71	- Investment properties	71	72
-	-	- Owner-occupied properties	11	1
4	6	Other property, plant and equipment	10	6
0	15	Current tax assets	11	0
0	34	Deferred tax assets	42	0
8,105	13,302	Other assets	13,429	8,153
2	2	Prepayments	8	5
106,179	131,383	TOTAL ASSETS	135,399	107,045

Balance sheets at 31 December

DKK million

Nykredit Bank A/S		Note	The Nykredit Bank Group	
2006	2007		2007	2006
LIABILITIES AND EQUITY				
62,548	73,296		76,825	63,107
22,764	32,034		31,717	22,667
1,741	1,562		1,562	1,741
7,032	4,776		5,403	7,032
75	0		0	83
6,461	11,213		11,379	6,852
3	2		12	4
100,624	122,883		126,898	101,486
Provisions				
9	0		0	13
5	1		2	5
14	1		2	18
1,300	2,400		2,400	1,300
Equity				
1,400	1,950		1,950	1,400
-	-		4	-
147	69		-	-
2,694	4,080		4,145	2,841
4,241	6,099	1	6,099	4,241
106,179	131,383		135,399	107,045
OFF-BALANCE SHEET ITEMS				
9,343	14,435		14,435	9,343
6,346	8,011		8,041	6,374
15,689	22,446		22,476	15,717

Note 1 - Statement of changes in equity and capital adequacy

DKK million

Nykredit Bank A/S

	Share capital*	Statutory reserve: Reserve for net revaluation according to the equity method	Retained earnings	Total
Equity, 2007				
Equity, 1 January 2007, cf the table below	1,400	147	2,694	4,241
Profit for the year	-	(5)	763	758
Additions relating to merger	-	35	(35)	-
Other disposals/additions (Nykredit Portefølje Bank A/S and LeasIT A/S)	-	(108)	(108)	-
Total comprehensive income	-	(78)	836	758
New paid-up capital	550	0	550	1,100
Total changes in equity	550	(78)	1,386	1,858
Equity, 31 December 2007	1,950	69	4,080	6,099
Equity, 2006				
Equity, 1 January 2006	1,400	131	2,083	3,614
Profit for the year	-	51	576	627
Other disposals/additions	-	(35)	35	-
Total comprehensive income	-	16	611	627
Total changes in equity	-	16	611	627
Equity, 31 December 2006	1,400	147	2,694	4,241
* The share capital breaks down into 13 shares in multiples of DKK 1m. The share capital is wholly owned by Nykredit Realkredit A/S, Copenhagen. Nykredit Bank is included in the consolidated financial statements of this company and the consolidated financial statements of Foreningen Nykredit, Copenhagen, which owns 87.5% of Nykredit Realkredit A/S.				
Capital adequacy and core capital			2007	2006
Share capital			1,950	1,400
Reserves			69	147
Retained earnings			4,080	2,694
Total core capital			6,099	4,241
Primary and other statutory deductions from core capital			(92)	-
Supplementary capital			2,400	1,300
Total			8,407	1,300
Statutory deductions, net			58	113
Capital base after statutory deductions			8,349	5,428
Weighted items involving credit, counterparty and delivery risk			59,902	40,262
Weighted items involving market risk			9,724	10,530
Total weighted items			69,626	50,792
Capital adequacy ratio, %			12.0	10.6
Core capital ratio, %			8.6	8.3