

To the editor

Communications
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Realkredit Danmark reports net profit of DKK 1,053 million for the first quarter of 2015

Realkredit Danmark today published its report for the first quarter of 2015.

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

- The Realkredit Danmark Group recorded a net profit of DKK 1,053 million in the first quarter of 2015, against DKK 810 million in the first quarter of 2014. The improvement was driven especially by higher remortgaging activity and positive value adjustments of the bond portfolio because of the decline in interest rates in the first quarter of 2015.
- Total income amounted to DKK 1,806 million in the first quarter of 2015, against DKK 1,522 million in the first quarter of 2014.
- Expenses fell marginally from the level in the first quarter of 2014 and stood at DKK 202 million.
- Impairments fell to DKK 228 million from DKK 244 million in the same period of 2014. Total impairments declined as a result of a general improvement of macroeconomic conditions in Denmark. Impairments equalled 0.12% p.a. of total mortgage lending, against 0.16% for full-year 2014.
- The proportion of customers with 1-year FlexLån® loans declined from 14.4% at the end of March 2014 to 11.5% at the end of March 2015. Customers continue to show strong interest in setting their mortgage rates for longer periods.
- Realkredit Danmark maintains its expectations for a higher profit in 2015 than in 2014.

Carsten Nøddebo, CEO, says: *“The results are satisfactory and in line with expectations. The first quarter of 2015 saw high remortgaging activity as many customers took advantage of the possibility of remortgaging to a fixed-rate loan with a low rate of interest. In total, loans for DKK 39 billion were remortgaged during the quarter.”*

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