

To Nasdaq Copenhagen  
and the press

6 May 2015

### **Terms for Nykredit and Totalcredit's auctions**

The total bond offering in connection with the interest rate adjustment of adjustable-rate mortgages (ARMs) and the refinancing of Cibor- and Euribor-linked loans at the Nykredit Group's refinancing auctions will amount to DKK 31.4bn.

With reference to the previously issued stock exchange announcement of 21 April 2015, the auction schedule for floating-rate Cibor- and Euribor-linked bonds has been changed. These bonds will be offered at stand-alone auctions on Monday, 11 May 2015.

Auctions of bullet covered bonds will be conducted in the period 18-22 May 2015 as previously announced.

The total bond offering comprises DKK 27.7bn and DKK 3.7bn in DKK-denominated and EUR-denominated bonds, respectively.

In the auction period, Nykredit will publish the amounts offered in the individual ISINs every day at [nykredit.com/ir](http://nykredit.com/ir).

Terms of the auctions and a list of the bonds offered, amounts offered and auction schedules appear from Appendices 1 and 2. Please note in particular the changed auction schedules and terms for floating-rate bonds.

Questions regarding the bond sale as well as technical matters may be addressed to Nykredit Realkredit A/S, Group Treasury, Lars Mossing Madsen, tel +45 44 55 11 66, or Christian Mauritzen, tel +45 44 55 10 14.

*Other questions may be addressed to Corporate Communications, tel +45 44 55 14 50.*

## **APPENDIX 1: AUCTION TERMS**

### **Bonds offered, amounts and auction schedule**

Appendix 2 contains an auction schedule, a list of bonds offered, expected amounts and settlement dates. The table shows whether Nykredit expects the bonds to be offered at auction.

Every morning at 09:00 CET in the auction period, the amounts offered on that particular day in the individual ISINs will be published at [nykredit.com/ir](http://nykredit.com/ir).

### **Refinancing principles – ARMs**

Nykredit and Totalkredit offer fixed-rate non-callable bullet covered bonds for interest rate adjustment of ARMs based on the "refinancing price" principle.

For interest rate adjustment at the refinancing price, the Nykredit Group sells bonds at one or more bond auctions. The price is fixed as a weighted average of the prices obtained by the Nykredit Group at the auctions.

If the Nykredit Group finds that the amount of bonds offered at an auction is not sufficient to obtain a market-consistent price, the refinancing price will instead be based on the average price of the bond in question quoted on Nasdaq Copenhagen.

### **Refinancing principles – floating-rate loans**

Floating-rate loans are refinanced at four stand-alone auctions.

Generally, bonds are offered at a price of 100.20 at the auctions, and loans are settled at a price of 100.00. Based on the offer price, bids must be made in terms of the reference rate spread used for the regular coupon fixing.

As the bonds offered have an embedded interest rate floor of 0%, the Nykredit Group reserves the right to cancel an auction and change auction method if the reference rate spread is not considered market consistent. This may occur where a combination of investor demand, interest rates and the interest rate floor results in a price above 100.20.

In case of a cancelled auction and changed auction method, the Nykredit Group will fix a market consistent reference rate spread on the bonds offered, and a new auction inviting price bids on the same day will be held.

### **Rating**

Bond ratings appear from [nykredit.com/ir](http://nykredit.com/ir).

### **Bids**

Bids for fixed-rate non-callable bullet covered bonds must be made in terms of amount and price. With respect to bonds maturing within 14 months, bids must be made in prices correct to three decimals. Other bids must be made correct to two decimals.

Bids for floating-rate bonds must be made in terms of amount and reference rate spread. Bids in terms of the spread must be made correct to two decimals.

If it becomes necessary to change the auction method for floating-rate bonds, bids must be made in terms of amount and price, and correct to two decimals.

For all DKK-denominated bonds bids must be made in multiples of DKK 100,000, and for all EUR-denominated bonds in multiples of EUR 10,000.

More bids may be made in the same ISIN.

### **Type of auction**

The auctions will be conducted through Nasdaq Copenhagen. The participants are stockbrokers and investors with access to the auction submarket at Nasdaq Copenhagen.

### **Allotment**

As regards fixed-rate bullet covered bonds, bids above the cut-off price will be settled in full, and bids at the cut-off price may be accepted on a pro rata basis.

With respect to floating-rate bonds, the reference rate spread of the bonds will be fixed as the fixing spread obtained. Bids below the cut-off price will be settled in full, and bids at the cut-off price may be accepted on a pro rata basis.

If it becomes necessary to change auction method for floating-rate bonds, bids above the cut-off price will be settled in full, and bids at the cut-off price may be accepted on a pro rata basis.

All trades concluded will be published through Nasdaq Copenhagen.

### **Value date**

All bonds will be subject to long settlement. The value date of all trades executed at the auctions will be 1 July 2015.

### **Auction submarket**

Nasdaq Copenhagen: 136 – CPH Auctions

### **Reverse facility**

As the bonds traded will be subject to long settlement, Nykredit Realkredit A/S offers a reverse facility to auction participants whose bids have been accepted and who require the bonds after only two days.

By means of the reverse facility, Nykredit Realkredit A/S offers to sell the allotted bonds subject to the conventional two settlement days and subsequently repurchase the said bonds with 1 July 2015 as the value date.

The size of the reverse facility will be determined on an individual basis by Nykredit Realkredit A/S but shall not exceed the amount allotted to each individual bidder.

Nykredit may make the reverse facility conditional on the investor providing a corresponding amount of bonds maturing on 1 July 2015.

Reverse facilities will be arranged on an individual basis. Please contact Nykredit Realkredit A/S, Group Treasury, Jens Halsnæs, tel +45 44 55 21 50, or Jeppe Theede, tel +45 44 55 11 75.

**Reservations regarding auctions through the auction submarket**

If, contrary to expectations, technical problems should prevent Nykredit Realkredit A/S from conducting an auction through Nasdaq Copenhagen's auction submarket subject to long settlement, a stock exchange announcement will be issued containing the practical details of the auction.

**Tap sales**

Bids may be made by telephone to Nykredit Realkredit A/S, Group Treasury, Lars Mossing Madsen, tel +45 44 55 11 66, Christian Mauritzen, tel +45 44 55 10 14, or Kim Brodersen, tel +45 44 55 24 21.

**Other terms**

Nykredit Realkredit A/S reserves the right not to sell the full offering announced. Amounts may be changed as a result of disbursement in the auction period.

## Appendix 2: Settlement times and amounts offered

### Bullet covered bonds:

ISIN	Capital centre	IT/RF**	Coupon	Maturity date	Currency	Auction dates		Settlement times – CET		Offering** (million)
						Start	End	Cut off	Allotment	
DK0009500688	SDO (H)	IT	1	1 Jul 2016	DKK	18 May 2015	21 May 2015	10:30	10:40	16,400
DK0009503278	SDO (H)	RF	1	1 Jul 2017	DKK	Tap sales				100
DK0009503351	SDO (H)	RF	1	1 Jul 2018	DKK	22 May 2015	22 May 2015	10:30	10:40	1,350
DK0009503435	SDO (H)	RF	1	1 Jul 2019	DKK	Tap sales				150
DK0009503518	SDO (H)	RF	1	1 Jul 2020	DKK	22 May 2015	22 May 2015	10:30	10:40	1,800
DK0009503864	SDO (H)	RF	1	1 Apr 2018	DKK	Tap sales				50

### Floating-rate bonds:

ISIN	Capital centre	IT/RF**	Coupon	Maturity date	Currency	Auction method	Auction dates		Settlement times – CET		Offering** (million)
							Start	End	Cut off	Allotment	
DK0009506610	RO (D)	IT	floating	1 Jul 2016	DKK	Reference rate spread	11 Feb 2015	11 Feb 2015	10:30	10:40	7,800
DK0009506610*	RO (D)	IT	floating	1 Jul 2016	DKK	Price	11 Feb 2015	11 Feb 2015	12:00	12:10	7,800
DK0009506883	RO (D)	IT	floating	1 Jul 2016	EUR	Reference rate spread	11 Feb 2015	11 Feb 2015	13:00	13:10	490
DK0009506883*	RO (D)	IT	floating	1 Jul 2016	EUR	Price	11 Feb 2015	11 Feb 2015	14:30	14:40	490

\* Auctions with bids in terms of price will only be relevant where auctions with bids in terms of reference rate spread cannot be conducted in accordance with the auction terms set out in Appendix 1.

\*\* In the auction period, Nykredit will publish the amounts offered in the individual ISINs daily at [nykredit.com/ir](http://nykredit.com/ir).

\*\*\* (IT) Interest rate trigger/(RF) Refinancing trigger

\*\*\*\* Tap sales on 21.05.2015

Please note that the table for bullet covered bonds only includes tap sales in ISINs where the amount exceeds DKK 50m.