

To OMX Nordic Exchange Copenhagen, the Luxembourg Stock Exchange and the press

13 December 2007
Announcement no. 58/2007

BRFkredit a/s issues SDOs for funding of mortgage loans

BRFkredit a/s is about to

- issue covered bonds (“særligt dækkede obligationer” or SDOs) for funding of mortgage loans;
- offer a maximum loan-to-value ratio of 70% for commercial properties;
- make block issues of mortgage bonds (“realkreditobligationer” or ROs) and SDOs;
- close existing open ISIN codes by the end of 2007 and, in that manner, secure them the status of covered bonds through the grand-father clause of the SDO regulation.

SDO funding of mortgage lending

BRFkredit has been granted permission by the Danish Financial Supervisory Authority to issue SDOs and, by the end of the year, will start offering SDO-funded mortgage loans. The last day of issue of mortgage loan offers in existing open ROs is 21 December 2007.

To maintain BRFkredit’s mortgage products, BRFkredit will open the following SDOs to be admitted to listing on OMX Nordic Exchange Copenhagen:

- 15, 20 and 30-year callable fixed-rate DKK bonds
- a 30-year callable fixed-rate DKK bond with an interest-only period of up to 10 years (OA)
- a 30-year floating-rate DKK bond with an interest rate cap (CF)
- a 30-year floating-rate DKK bond with an interest rate cap and an interest-only period of up to 10 years (CF/OA)
- a 10-year floating-rate DKK bond with an interest-only period of up to 10 years (OA)
- 1 to 10-year DKK bullet bonds (ARM loans)
- 1 to 5-year EUR bullet bonds (ARM loans)

The bonds will be issued out of a newly established Capital Centre E, and their rating by Moody’s Investors Service is expected to be at least on a par with the Aa1 rating of mortgage bonds issued out of the existing Capital Centre B. For more details of the SDOs, see Appendix 1.

70% loan-to-value ratio for commercial properties

Following the transition to SDO funding, BRFkredit will offer a maximum 70% loan-to-value ratio on lending for commercial properties within BRFkredit’s current segments, including office and business properties.

BRFkredit will continue to give homeowners the option of deferring principal payments for up to 10 years, but will offer longer interest-only periods if demand appears to be sufficient.

Block issues of ROs and SDOs

By the end of the year, BRFkredit will make block issues of ROs corresponding to the RO loan offers outstanding. Adjustable rate mortgage loans (ARMs) on offer will, with a few exceptions, be funded by SDOs and only to a limited extent covered by the block issue. The block-issued ROs will be offered as BRFkredit's borrowers receive disbursement of or conclude fixed-price agreements for the loans offered. To the extent that RO loan offers are not accepted, excess ROs from the block issue will be cancelled in compliance with the Danish Financial Supervisory Authority's Executive Order on Bond Issuance (Executive Order on the Issuance of Bonds, Balance Principle and Risk Management). BRFkredit will also make block issues of SDOs in compliance with the provisions of the Financial Supervisory Authority's Executive Order on Bond Issuance.

Updated information and details on the RO and SDO block issues will be available at BRFkredit's investor site, www.brf.dk/investors.

Open ROs to be closed for issuance

BRFkredit will close all existing open RO ISIN codes by the end of 2007 and, in that manner, secure them the status of covered bonds and a 10% risk weighting through the grand-father clause of the SDO regulation. For more details about the closing of the series, see Appendix 2.

Yours faithfully
BRFkredit a/s

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Appendix 1: New SDO issues for funding of BRFkredit's mortgage lending

Bond type	ISIN code	Name	Coupon/ interest rate cap (%)	Refer- ence rate	Callable	Matu- rity	Denomi- nation
Callable fixed-rate bonds	DK0009366346	111.E.41	6 / -	-	Y	2041	DKK
	DK0009366429	111.E.41	5 / -	-	Y	2041	DKK
	DK0009366502	111.E.31	5 / -	-	Y	2031	DKK
	DK0009366692	111.E.26	4 / -	-	Y	2026	DKK
Callable fixed-rate DKK bonds with interest-only periods of up to 10 years (OA)	DK0009366775	411.E.OA.41	6 / -	-	Y	2041	DKK
	DK0009366858	411.E.OA.41	5 / -	-	Y	2041	DKK
Floating-rate bonds with interest rate caps (CF)	DK0009366932	154.E.41	Float. / 6 ^(*)	CIBOR6	Y	2041	DKK
Floating-rate bonds with interest rate caps and interest-only periods of up to 10 years (CF/OA)	DK0009367070	454.E.OA.41	Float. / 6 ^(*)	CIBOR6	Y	2041	DKK
Floating-rate bonds	DK0009367153	422.E.OA.21	Float. / -	CIBOR6	N	2021	DKK
Bullet bonds for funding of ARM loans	DK0009367237	321.E.09	4 / -	-	N	2009	DKK
	DK0009367310	321.E.10	4 / -	-	N	2010	DKK
	DK0009367583	321.E.11	4 / -	-	N	2011	DKK
	DK0009367666	321.E.12	4 / -	-	N	2012	DKK
	DK0009367740	321.E.13	4 / -	-	N	2013	DKK
	DK0009367823	321.E.14	4 / -	-	N	2014	DKK
	DK0009367906	321.E.15	4 / -	-	N	2015	DKK
	DK0009368045	321.E.16	4 / -	-	N	2016	DKK
	DK0009368128	321.E.17	4 / -	-	N	2017	DKK
	DK0009368201	321.E.18	4 / -	-	N	2018	DKK
	DK0009368391	321.E.EUR.09	4 / -	-	N	2009	EUR
	DK0009368474	321.E.EUR.10	4 / -	-	N	2010	EUR
	DK0009368557	321.E.EUR.11	4 / -	-	N	2011	EUR
	DK0009368631	321.E.EUR.12	4 / -	-	N	2012	EUR
DK0009368714	321.E.EUR.13	4 / -	-	N	2013	EUR	

(*) The interest-rate supplement to the 6-month CIBOR rate is 0.5 percentage point.

Appendix 2: RO ISIN codes closing prematurely on 31 December 2007

Bond type	ISIN code	Name	Coupon/ interest rate cap (%)	Refer- ence rate	Callable	Matu- rity	Deno- mina- tion
Callable fixed-rate bonds	DK0009360570	111.B.38	5 / -	-	Y	2038	DKK
	DK0009361461	111.B.38	4 / -	-	Y	2038	DKK
	DK0009361891	111.B.38	3 / -	-	Y	2038	DKK
	DK0009363160	111.B.28	5 / -	-	Y	2028	DKK
	DK0009361388	111.B.28	4 / -	-	Y	2028	DKK
	DK0009361974	111.B.28	3 / -	-	Y	2028	DKK
	DK0009360653	111.B.23	4 / -	-	Y	2023	DKK
	DK0009361545	111.B.23	3 / -	-	Y	2023	DKK
	DK0009363327	111.B.18	4 / -	-	Y	2018	DKK
	DK0009361115	111.B.18	3 / -	-	Y	2018	DKK
Callable fixed-rate DKK bonds with interest-only periods of up to 10 years (OA)	DK0009364721	411.B.OA.38	6 / -	-	Y	2038	DKK
	DK0009360737	411.B.OA.38	5 / -	-	Y	2038	DKK
	DK0009361032	411.B.OA.38	4 / -	-	Y	2038	DKK
Floating-rate CF and FF bonds	DK0009360497	142.B.38	Float. / 6	CIBOR6	N	2038	DKK
	DK0009361701	154.B.38	Float. / 5	CIBOR6	Y	2038	DKK
Floating-rate CF and FF bonds with an interest-only period of up to 10 years (OA)	DK0009360307	442.B.OA.38	Float. / 6	CIBOR6	N	2038	DKK
	DK0009361628	454.B.OA.38	Float. / 5	CIBOR6	Y	2038	DKK
	DK0009362949	454.B.OA.15	Float. / 4	CIBOR6	Y	2015	DKK
Floating-rate bonds	DK0009363087	422.B.OA.18	Float. / -	CIBOR6	N	2018	DKK
Bullet bonds for funding of ARM loans	DK0009355067	321.RTL.11	5 / -	-	N	2011	DKK
	DK0009357949	321.B.RTL.09	4 / -	-	N	2009	DKK
	DK0009363756	321.B.RTL.09	3 / -	-	N	2009	DKK
	DK0009359564	321.B.RTL.09	2 / -	-	N	2009	DKK
	DK0009358087	321.B.RTL.10	4 / -	-	N	2010	DKK
	DK0009363830	321.B.RTL.10	3 / -	-	N	2010	DKK
	DK0009362006	321.B.RTL.10	2 / -	-	N	2010	DKK
	DK0009358673	321.B.RTL.11	4 / -	-	N	2011	DKK
	DK0009363913	321.B.RTL.11	3 / -	-	N	2011	DKK
	DK0009362196	321.B.RTL.11	2 / -	-	N	2011	DKK
	DK0009358756	321.B.RTL.12	4 / -	-	N	2012	DKK
	DK0009364051	321.B.RTL.12	3 / -	-	N	2012	DKK
	DK0009362352	321.B.RTL.12	2 / -	-	N	2012	DKK
	DK0009358327	321.B.RTL.13	4 / -	-	N	2013	DKK
	DK0009362279	321.B.RTL.13	2 / -	-	N	2013	DKK
	DK0009359721	321.B.RTL.14	4 / -	-	N	2014	DKK

Bond type	ISIN code	Name	Coupon/ interest rate cap (%)	Refer- ence rate	Callable	Matu- rity	Deno- mina- tion
	DK0009362436	321.B.RTL.14	2 / -	-	N	2014	DKK
	DK0009360141	321.B.RTL.15	4 / -	-	N	2015	DKK
	DK0009362519	321.B.RTL.15	2 / -	-	N	2015	DKK
	DK0009364135	321.B.RTL.16	4 / -	-	N	2016	DKK
	DK0009362782	321.B.RTL.16	2 / -	-	N	2016	DKK
	DK0009364218	321.B.RTL.17	4 / -	-	N	2017	DKK
	DK0009364648	321.B.RTL.18	4 / -	-	N	2018	DKK
	DK0009359648	321.B.EUR.09	4 / -	-	N	2009	EUR
	DK0009360224	321.B.EUR.10	4 / -	-	N	2010	EUR
	DK0009362865	321.B.EUR.11	4 / -	-	N	2011	EUR
	DK0009364481	321.B.EUR.12	4 / -	-	N	2012	EUR
Bullet bonds	DK0009352718	321.09	6 / -	-	N	2009	DKK
	DK0009350183	321.09	5 / -	-	N	2009	DKK
	DK0009351660	321.19	5 / -	-	N	2019	DKK