

To Nasdaq Copenhagen  
and the press

02 February 2016

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

The total bond offering in connection with the interest rate adjustment of adjustable-rate mortgages (ARMs) at the Nykredit Group's refinancing auctions will amount to DKK 46.3bn. The auctions will be conducted in the period from 05 February to 12 February 2016.

We have yet again seen significant changes in our customers' choices. With reference to stock announcement dated 08 January 2016 the total auction volumes have dropped by 21%. Especially ARMs with 1-year interest reset, which have been reduced by almost 34%.

Compared to the auctions in 2014 the total volume of ARMs with 1-year interest rate reset in April has been reduced with more than 70%.

The total bond offering comprises DKK 44.5bn in DKK-denominated and DKK 1.8bn in EUR-denominated bullet covered bonds.

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

Terms for the auctions including a list of the bonds offered, amounts offered and an auction schedule appear from Appendices 1 and 2.

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.

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

## **APPENDIX 1: AUCTION TERMS**

### **Bonds offered, amounts offered 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.

### **Credit ratings**

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.

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 than one bid 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.

All trades concluded will be published through Nasdaq Copenhagen.

**Conditional offering of bonds with interest rate trigger**

A condition of the final completion of a sale (allotment) of bonds offered with an interest rate trigger is that the yield-to-maturity of the bonds does not rise by more than 5 percentage points. Reference is made to the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act.

**Value date**

All bonds will be subject to long settlement. The value date of all trades executed at the auctions will be 01 April 2016.

**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 01 April 2016 as the value date.

The size of the reverse facility will be determined on an individual basis by Nykredit Realkredit A/S but cannot 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 01 April 2016.

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**

Tap sales are made on 09 and 10 February. Bid interests may be made on the day by contacting Nykredit Realkredit A/S, Group Treasury, Lars Mossing Madsen, tel +45 44 55 11 66, Christian Mauritzen, tel +45 44 55 10 14, Kim Brodersen, tel +45 44 55 24 21, or Emil Schmidt Andreasen, tel +45 44 55 22 72.

**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.

Prior to the auctions, the Nykredit Group will pre-issue in bonds the outstanding amounts of which will, following the auctions, exceed a value equivalent to DKK of EUR 250m or EUR 500m, respectively.

The pre-issued bonds will qualify as Liquidity Coverage Ratio (LCR) Level 2a and 1b assets at the start of the auctions. As the auctions are completed, the pre-issues will be reduced correspondingly.

The individual mortgage bonds are shown below:

<b>ISIN</b>	<b>Capital centre</b>	<b>Coupon</b>	<b>Maturity date</b>	<b>LCR level</b>	<b>Currency</b>	<b>Pre-issue (million)</b>
<b>DK0009508905</b>	SDO (H)	1	01/04/2017	1b	DKK	4,000
<b>DK0009503948</b>	SDO (H)	1	01/04/2019	1b	DKK	2,400
<b>DK0009509044</b>	SDO (H)	1	01/04/2021	1b	DKK	4,000
<b>DK0009799298</b>	RO (G)	1	01/04/2019	2a	DKK	1,500

## Appendix 2: Settlement times and amounts offered

ISIN	Capital centre	IT / RF*	Coupon	Maturity date	Interest trigger	LCR level	Currency	Auction date		Settlement		Offering** (million)
								Start	End	Cut off	Allotment	
DK0009508905	SDO (H)	IT	1	01/04/2017	4.83%	1b	DKK	05/02/2016	12/02/2016	11:30	11:40	23,690
DK0009503864	SDO (H)	RF	1	01/04/2018	-	1b	DKK	Tap-sale				380
DK0009503948	SDO (H)	RF	1	01/04/2019	-	1b	DKK	08/02/2016	12/02/2016	10:30	10:40	10,880
DK0009774895	SDO (H)	RF	2	01/04/2020	-	1b	DKK	12/02/2016		10:30	10:40	650
DK0009509044	SDO (H)	RF	1	01/04/2021	-	1b	DKK	08/02/2016	10/02/2016	10:30	10:40	4,310
DK0009502890	SDO (H)	RF	1	01/01/2019	-	1b	DKK	Tap-sale				125
DK0009503005	SDO (H)	RF	1	01/01/2021	-	1b	DKK	Tap-sale				50
DK0009507501	RO (D)	IT	1	01/01/2017	5.15%	-	DKK	10/02/2016		11:30	11:40	625
DK0009799454	RO (D)	RF	1	01/01/2019	-	-	DKK	Tap-sale				300
DK0009799611	RO (D)	RF	1	01/01/2021	-	-	DKK	Tap-sale				95
DK0009509127	RO (G)	IT	1	01/04/2017	5.32%	-	DKK	11/02/2016		11:30	11:40	1,325
DK0009799108	RO (G)	RF	1	01/04/2018	-	-	DKK	Tap-sale				90
DK0009799298	RO (G)	RF	1	01/04/2019	-	2a	DKK	11/02/2016		10:30	10:40	1,530
DK0009509200	RO (G)	RF	1	01/04/2021	-	-	DKK	Tap-sale				105
DK0009508079	SDO (H)	IT	1	01/01/2017	5.08%	1b	EUR	08/02/2016		11:30	11:40	90
LU1132414548	SDO (H)	RF	1	01/01/2019	-	2a	EUR	Tap-sale				30
DK0009507774	RO (D)	IT	1	01/04/2017	5.58%	-	EUR	Tap-sale				10
DK0009509390	RO (G)	IT	1	01/04/2017	5.42%	-	EUR	09/02/2016		11:30	11:40	75
LU1120568313	RO (G)	RF	1	01/04/2019	-	-	EUR	Tap-sale				20

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 from 09 February 2016 to 10 February 2016.

It should be noted that the above table exclusively includes tap sales in the ISINs the amount of which exceeds a value equivalent to DKK 50m.