

**Appendix: Company Announcement number 36/2015 – 21 April 2016****Terms and conditions of Realkredit Danmark's auctions to be held on 24 May and 25 May 2016****Auctions:**

The auctions will take place at CPH Auctions at NASDAQ Copenhagen A/S.

The bonds are offered at the price of 100.20 and therefore bids must be made for the fixing-spread which will be added to the reference-rate at each coupon fixing.

The fixing spread will apply from 1 July 2016 until maturity of the individual bonds.

The Dutch auction principle and hidden call method will be used.

Hidden call means that the bidders can only see their own bids, whereas the issuer can see all bids.

**Allocation:**

Under the Dutch auction principle, all bids below the cut-off fixing spread will be settled in full at the cut-off fixing spread.

For bids at the exact cut-off fixing spread, proportional allocation may be used.

All bids above the cut-off fixing spread will not be settled.

**Decimal points:**

Investors may place their bids at fixing spreads with up to two decimal places.

**Bids/settlement:**

The bonds are offered at the price of 100.20 and bids must be made in terms of amount and fixing spread to the reference rate.

The auctions will be held with cut off period 11:00 am.

The IPMO is set to 10 minutes.

**Value date:**

1 July 2016.

Realkredit Danmark will, whenever possible, offer investors delivery of bonds purchased at the auction with spot settlement provided that the investors sell maturing Realkredit Danmark non-callable floating rate bonds to Realkredit Danmark. Investors who wish to make use of this option should contact RD Funding, +45 45 13 20 19 during the day of the auction.

**Participants:**

Members with access to CPH Auctions at NASDAQ Copenhagen A/S may bid on the auctions.

**Preliminary amounts:**

The following SDRO's is expected to be offered:

Appendix: Company Announcement number 36/2016 – 21 April 2016

Final amounts at the auctions of mortgage covered bonds for the refinancing of RD Cibor6®, RD Euribor3® and FlexKort®

Realkredit Danmark A/S CVR nr. 1339.9174, Copenhagen

Date	Series	Reference rate	Maturity	Interest floor	Currency	Total amount m. <sup>1</sup>
24 May 2016	12F	Cibor 6M	1-7-2020	No	DKK	2,300
24 May 2016	12G	Euribor 3M	1-7-2019	Yes	EUR	650
25 May 2016	11F	Cita 6M	1-7-2020	Yes	DKK	21,600

1) The amount is the total expected volume of bonds to be refinanced. The amount is not final, it can change to the extent of forward rate agreements and redemptions entered into by the mortgage owners.

The final amounts is expected to be published early in week 19.

The new bond used for the refinancing of FlexKort® (series 11F) will only be used for the refinancing of maturing bonds. Issuance of bonds for new FlexKort® will continue to take place in DK0009299133, maturing 1 July 2019.

The new bonds funding RD Cibor6® and RD Euribor3® (12F and 12G, respectively) will be used for refinancing and expectedly also for new loans.

The final terms of the bonds will be published by Announcement of Prospectus mid May.

#### **Special information on bonds with interest rate floor**

For bonds offered with an embedded interest rate floor, Realkredit Danmark reserves the right to cancel the auction and change the auction method if the interest rate floor becomes binding at the auction.

In case of a cancelled auction and changed auction method, Realkredit Danmark will fix a market consistent fixing spread on the bonds, and a new auction with bids at the bond price will be held.

#### **Block issue:**

Prior to the auctions, Realkredit Danmark will block issue the auction amounts.

#### **Other conditions:**

1. Realkredit Danmark is not under any obligation to sell the entire amount announced at the auctions.
2. On each auction day, Realkredit Danmark will not trade in the ISIN codes offered on the auction at the specific auction day prior to the announcement of the results of the auction.
3. Realkredit Danmark may choose to postpone a planned sale.
4. Realkredit Danmark may choose to change the planned selling period.
5. Realkredit Danmark may choose to cancel a planned sale until the expiration of the IPMO period.

If items 3 to 5 are realised, this will be announced to the market via a company announcement.