

Press release

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Realkredit Danmark reports net profit of DKK 1,069 million for the first quarter of 2016

Realkredit Danmark today published its report for the first quarter of 2016.

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

- The Realkredit Danmark Group recorded a net profit of DKK 1,069 million in the first quarter of 2016, against DKK 1,053 million in the first quarter of 2015. Net profit for the first quarter of 2016 was supported by a low level of impairments, while net profit in the first quarter of 2015 was supported by income from strong remortgaging activity and a relatively high return on the bond portfolio.
- Total income amounted to DKK 1,587 million, against DKK 1,806 million in the first quarter of 2015.
- At DKK 195 million, expenses were 3% lower than in the first quarter of 2015.
- Impairments fell to DKK 21 million from DKK 228 million in the same period of 2015. Impairments equalled 0.01% p.a. of total mortgage lending, against 0.06% for full year 2015.
- Customer interest in FlexLån® loans with short refinancing intervals has been growing in the past few quarters, and in connection with the two most recent refinancing dates, there was a net increase in loans with short refinancing intervals.
- Realkredit Danmark still expects the profit for 2016 to be at the same level as in 2015.

Carsten Nøddebo, CEO, says: *“The first quarter of 2016 was characterised by lower activity than in the same period of last year. Still, we delivered a satisfactory result for the quarter – mainly because of a fall in impairments and a net reversal of impairments made against exposures to business customers. The fall in impairments was due to general macroeconomic improvement in Denmark.”*

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