

To Nasdaq Copenhagen

7 February 2017

Nykredit Realkredit A/S publishes Supplement no 3 to Base Prospectus dated 13 May 2016

Nykredit Realkredit A/S publishes Supplement no 3 to Base Prospectus for the issuance of covered bonds, bonds issued in pursuance of section 15 of the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act and senior unsecured debt dated 13 May 2016 in connection with the publication of its Annual Report 2016.

The supplement is available for download in Danish and English at nykredit.com. In the event of discrepancies between the original Danish text and the English translation, the Danish text shall prevail.

Questions may be addressed to Morten Bækmand Nielsen, Head of Investor Relations, at +45 44 55 15 21.

Yours sincerely
Nykredit Realkredit A/S

Nykredit

Nykredit Realkredit A/S

(Incorporated with limited liability in Denmark under business reg (CVR) no 12 71 92 80)

Supplement no 3 to Base Prospectus for the issuance of covered bonds, bonds issued in pursuance of section 15 of the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act and senior unsecured debt

This supplement (the "**Supplement**") to the base prospectus dated 13 May 2016 (the "**Base Prospectus**"), which is a supplement for the purposes of Article 16.1 of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (the "**Prospectus Directive**") and the relevant implementation legislation in Denmark, was prepared by Nykredit Realkredit A/S (the "**Issuer**"). Terms defined in the Base Prospectus (but not herein) have the same meaning when applied in the Supplement.

This Supplement is the third supplement to the Base Prospectus, and it is a supplement to and should be read in conjunction with the Base Prospectus, Supplement no 1 dated 18 August 2016 and Supplement no 2 dated 10 November 2016.

The Issuer accepts responsibility for the information in the Supplement. To the best of the Issuer's knowledge (and the Issuer has used its best endeavours to ensure that this is the case), the information in this Supplement is consistent with the facts and omits nothing which is likely to affect the assessment of the circumstances of the Issuer.

Purpose of this Supplement

The purpose of this Supplement is to update 3 "SUMMARY", 8 "DOCUMENTS INCORPORATED IN THIS BASE PROSPECTUS BY REFERENCE", 10 "ABOUT NYKREDIT" and 16 "GENERAL INFORMATION" of the Base Prospectus with the Annual Report of the Nykredit Realkredit Group for the period 1 January – 31 December 2016.

Changes to 3 "SUMMARY" and 10 "ABOUT NYKREDIT"

In 3 "SUMMARY", B.12, and 10 "ABOUT NYKREDIT", 10.2, the tables have been deleted and replaced by:

| DKK million | 2016 | 2015 |
|---|-------------|-------------|
| Income from core business | 11,711 | 11,554 |
| Operating costs, depreciation and amortisation | 4,872 | 4,935 |
| Profit from core business before impairment losses | 6,451 | 6,488 |
| Impairment losses on loans and advances (mortgage lending, banking) | 680 | 920 |
| Profit from core business | 5,771 | 5,568 |
| Investment portfolio income | 1,331 | 750 |
| Profit before tax | 6,708 | 4,685 |
| Common Equity Tier 1 capital ratio, % | 18.8 | 19.4 |

Changes to 8 "DOCUMENTS INCORPORATED IN THIS BASE PROSPECTUS BY REFERENCE"

On 7 February 2017, the Issuer's Board of Directors approved the Issuer's audited Group Annual Report for 2016 (for the period 1 January – 31 December 2016). The Financial Statements are hereby incorporated in the Supplement, and a copy thereof has been submitted to the Danish Financial Supervisory Authority.

The documents incorporated in this Supplement are publicly available on Nykredit's website at nykredit.com, and copies of both documents may be obtained on request in person at the registered office of the Issuer, Kalvebod Brygge 1-3, DK-1780 Copenhagen V, during ordinary business hours on all business days in Denmark.

For the sake of ease, the table below lists the relevant page references to the Audited Consolidated Financial Statements of the Issuer as stated in the Annual Report for the period 1 January – 31 December 2016 of the Nykredit Realkredit Group. The information incorporated by reference which is not included in the table below is considered to be supplementary information and is not mandatory pursuant to the relevant tables set out in Regulation (EC) no 809/2004 as amended (the "**Prospectus Regulation**").

Audited Consolidated Financial Statements of Nykredit for the period 1 January – 31 December 2016

Nykredit Realkredit A/S

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| Management Statement | Page 55 |
| Independent Auditor's Report..... | Page 57 |
| Income statements..... | Page 60 |
| Balance sheets..... | Pages 62-63 |
| Cash flow statement | Page 66 |
| Accounting policies | Pages 68-78 |
| Notes..... | Pages 67-148 |

Link to the Financial Statements 2016:

https://www.nykredit.com/aboutnykredit/ressourcer/dokumenter/pdf/_stock_exchange_2017/realcredit/nykredit-realkredit-group-annual-report-2016-07022017.pdf

Changes to 16 "GENERAL INFORMATION"

In 16 "GENERAL INFORMATION", the existing text in (3) has been deleted and replaced by:

"No material, adverse change in the prospects of Nykredit or the Nykredit Group has occurred since 31 December 2016 nor any significant change in the financial or trading position of Nykredit or the Nykredit Group since 31 December 2016. No material investments have been made since 31 December 2016."

In the event of discrepancy between (a) any representation in the Supplement or any representation incorporated by reference in the Base Prospectus by the Supplement, and (b) any other representation in or incorporated by reference in the Base Prospectus, (a) above shall take precedence.

Except as described in the Supplement, no other new material circumstance, material error or incorrectness regarding the information in the Base Prospectus has occurred since the publication of Supplement no 1 dated 18 August 2016.

Investors who have accepted buying or subscribing for Bonds before the publication of this Supplement are entitled to withdraw their acceptance within a time limit of at least two working days after the

publication of this Supplement, ie until 9 February 2017, pursuant to Article 16(2) of the Prospectus Directive and the relevant implementation legislation in Denmark.

Statement

We declare that we have used our best endeavours to ensure that the information in this Supplement is consistent with the facts to the best of our knowledge and belief, that nothing has been omitted which is likely to affect its contents, and that all relevant information in the minutes of the Board of Directors, auditors' records and other internal documents has been included in the Base Prospectus.

This Supplement (including the above statement) is hereby signed on behalf of Nykredit's Management by special authority from Nykredit's Board of Directors:

Copenhagen, 7 February 2017

Kim Duus
Group Managing Director

Søren Holm
Group Managing Director