

Press release

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Realkredit Danmark reports net profit of DKK 1,155 million for the first quarter of 2017

Realkredit Danmark today published its report for the first quarter of 2017.

Carsten Nøddebo, CEO, says:

“The result is satisfactory and reflects an improvement of Realkredit Danmark’s market position, continued growth in the housing market and a high level of activity in the commercial property market. With prospects of continued labour market improvement, a positive trend in real wages and low interest rates, house prices are expected to rise 3% to 4% this year. In addition, the market for holiday homes is showing signs of recovery.”

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

- The Realkredit Danmark Group recorded a net profit of DKK 1,155 million in the first quarter of 2017, against DKK 1,069 million in the first quarter of 2016. The profit for the first quarter of 2017 was supported by rising administration margin income as a result primarily of a larger loan portfolio.
- Impairments remained low at DKK 37 million in the first quarter of 2017, against DKK 21 million in the first quarter of 2016.
- In the first quarter of 2017, there was demand for fixed-rate loans with a 2% coupon and FlexLån® loans with refinancing intervals of five years or more.
- In February, for the first time in Realkredit Danmark’s history, a refinancing auction of bonds underlying 1-year FlexLån® loans resulted in the issuing of negative-yielding bonds. Loans with a negative interest rate were thus offered to more than 1,200 customers in the first quarter of 2017.
- Realkredit Danmark still expects the profit for 2017 to be at the same level as in 2016.

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