

Realkredit Danmark A/S

Update

Ratings

Foreign Currency

Long-Term IDR	A
Short-Term IDR	F1

Viability Rating	a
Support Rating	1
Support Rating Floor	A-

Sovereign Risk

Foreign-Currency Long-Term IDR	AAA
Local-Currency Long-Term IDR	AAA

Outlooks

Foreign-Currency Long-Term IDR	Stable
Sovereign Foreign-Currency Long-Term IDR	Stable
Sovereign Local-Currency Long-Term IDR	Stable

Financial Data

Realkredit Danmark A/S

	31 Dec 12	31 Dec 11
Total assets (USDm)	140,341	135,157
Total assets (DKKm)	794,204	776,560
Total equity (DKKm)	46,410	44,757
Operating profit (DKKm)	3,251	2,500
Published net income (DKKm)	2,439	1,874
Comprehensive income (DKKm)	2,439	1,874
Operating ROAA (%)	0.4	0.3
Operating ROAE (%)	7.2	5.7
Internal capital generation (%)	3.6	4.2
Fitch core capital/weighted risks (%)	35.3	34.6
Tier 1 ratio (%)	33.7	35.4

Key Rating Drivers

Strong Standalone Strength: The ratings of Realkredit Danmark A/S are driven by its strong Danish franchise as the second-largest mortgage lender, solid capitalisation and good asset quality. These outweigh the negatives of its monoline business model and wholesale funding reliance, although the latter is mitigated by a large, deep and liquid domestic funding market.

Danske Bank's Largest Subsidiary: Realkredit became part of Denmark's largest banking group, Danske Bank (A/Stable), in 2001, although it operates as a distinct brand. Some of the central functions and distribution channels are shared with its parent, improving cost efficiencies, and Realkredit benefits from group support resulting from its strategic importance.

Low-Risk, Low-Return Business: Fitch Ratings expects performance in 2013 to improve slightly, primarily driven by higher lending margins, although the bank faces continued low transaction volumes. Realkredit's profitability is moderate, reflecting its business model of providing low-risk mortgages in Denmark. However, Fitch expects the currently high loan impairment charges to remain easily manageable through earnings.

Resilient Mortgage Portfolio: Mortgages (around 60% retail) make up the vast majority of Realkredit's assets, which generally perform well, although the housing market fall since 2007 has increased impaired loans. Fitch expects problem loans to remain manageable. Reserves for impaired loans are modest, which makes Realkredit reliant on collateral values holding up.

Wholesale Funded: Realkredit is entirely wholesale funded, largely by issuance of Danish mortgage bonds. As for its domestic peers, around half of Realkredit's bonds mature within one year to match the duration of the bond with the underlying mortgage. Although such dependence on short-term wholesale funding would generally suggest a lower rating, the nuances of the Danish mortgage bond market are an important mitigating factor. Nonetheless, maintaining significant liquidity to offset any refinancing risk is key to the bank's ratings.

Strong Capitalisation: Realkredit's capital ratios compare well with those of peers. Although risk-based capital ratios are boosted by relatively low risk weights on mortgages, leverage is more in line with similarly rated banks.

Extremely High Support Probability: Fitch considers there to be an extremely high probability that support would be forthcoming from the Danish authorities if required. This is driven by Realkredit's domestic importance, and the significance of the mortgage bond market in Denmark. The agency also believes Realkredit's owner, Danske Bank, would have an extremely high willingness to provide support to Realkredit, although in light of the entities' relative size and likely correlation in a stressed scenario, its ability to do so might be limited.

Rating Sensitivities

Funding Access Key: Realkredit's ratings are sensitive to any change in Fitch's assumptions about the company's ability to access wholesale funding. An upgrade is unlikely because of the monoline business model and already high ratings. The ratings could be downgraded if Realkredit were unable to competitively access wholesale funding, or if it increased its reliance on foreign investors that may be less stable in times of stress. A significant increased proportion of shorter-interest-rate reset mortgages could also be rating negative.

Related Research

[Danske Bank \(July 2013\)](#)

Analysts

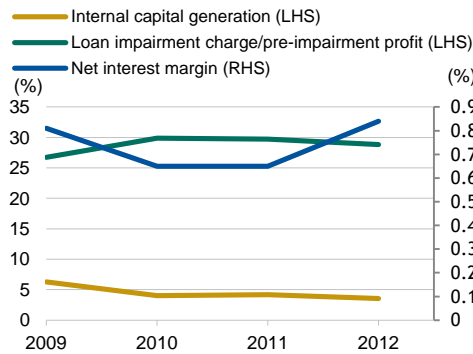
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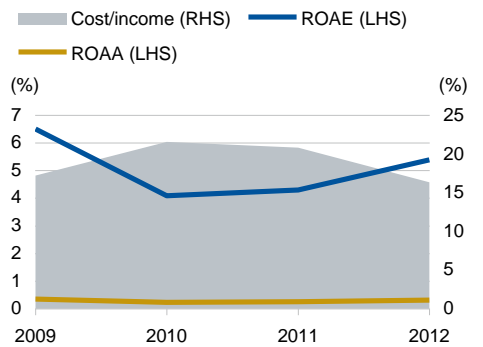
^a "Loans past due over 30 days" plus "loans that are impairment tested but neither impaired nor overdue" are included in impaired loans

Source: Company data; Fitch

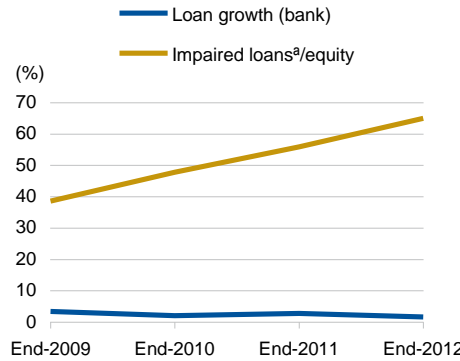
Margins



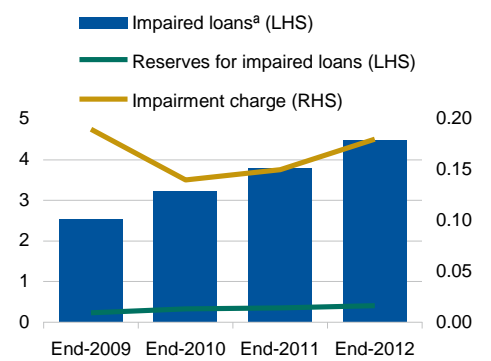
Key Profitability Metrics



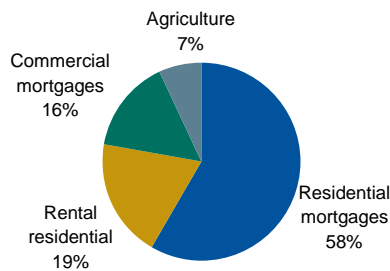
Credit



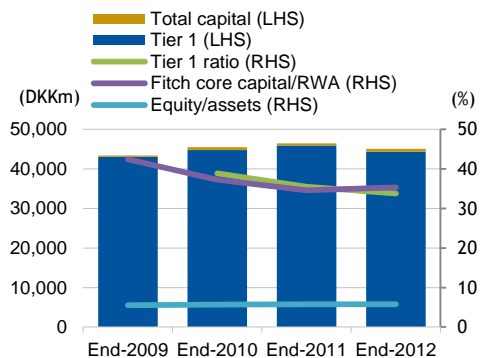
Credit Quality (As % of Gross Loans)



Loan Book (End-2012)



Capital & Leverage



Liquidity: Virtually of Realkredit's assets are provided as collateral in its cover pools for its mortgage bonds. At end-March 2013, the overcollateralisation amounted to just under DKK72bn, of which DKK32bn was invested in largely 'AAA' rated bonds. This exceeded the DKK27bn outstanding senior unsecured bonds at the same date, although the liquid assets are technically encumbered. This emphasises Realkredit's reliance on maintained access to the mortgage bond market.

Related Criteria

- [Global Financial Institutions Rating Criteria \(August 2012\)](#)
- [Evaluating Corporate Governance \(December 2012\)](#)

Realkredit Danmark A/S
Income Statement

	31 Dec 2012			31 Dec 2011		31 Dec 2010		31 Dec 2009	
	Year End USDm Unqualified	Year End DKKm Unqualified	As % of Earning Assets	Year End DKKm Unqualified	As % of Earning Assets	Year End DKKm Unqualified	As % of Earning Assets	Year End DKKm Unqualified	As % of Earning Assets
1. Interest Income on Loans	4,351.9	24,628.0	3.11	25,880.0	3.34	27,213.0	3.60	30,382.0	4.08
2. Other Interest Income	232.9	1,318.0	0.17	488.0	0.06	1,041.0	0.14	4,327.0	0.58
3. Dividend Income	n.a.	n.a.	-	n.a.	-	8.0	0.00	12.0	0.00
4. Gross Interest and Dividend Income	4,584.8	25,946.0	3.28	26,368.0	3.40	28,262.0	3.74	34,721.0	4.66
5. Interest Expense on Customer Deposits	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Other Interest Expense	3,427.2	19,395.0	2.45	21,619.0	2.79	23,321.0	3.09	28,973.0	3.89
7. Total Interest Expense	3,427.2	19,395.0	2.45	21,619.0	2.79	23,321.0	3.09	28,973.0	3.89
8. Net Interest Income	1,157.6	6,551.0	0.83	4,749.0	0.61	4,941.0	0.65	5,748.0	0.77
9. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Net Gains (Losses) on Assets at FV through Income Statement	(129.3)	(732.0)	(0.09)	125.0	0.02	(446.0)	(0.06)	287.0	0.04
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Fees and Commissions	(82.9)	(469.0)	(0.06)	(488.0)	(0.06)	(501.0)	(0.07)	(415.0)	(0.06)
14. Other Operating Income	19.6	111.0	0.01	105.0	0.01	168.0	0.02	102.0	0.01
15. Total Non-Interest Operating Income	(192.6)	(1,090.0)	(0.14)	(258.0)	(0.03)	(779.0)	(0.10)	(26.0)	(0.00)
16. Personnel Expenses	40.1	227.0	0.03	247.0	0.03	259.0	0.03	331.0	0.04
17. Other Operating Expenses	117.3	664.0	0.08	687.0	0.09	638.0	0.08	653.0	0.09
18. Total Non-Interest Expenses	157.4	891.0	0.11	934.0	0.12	897.0	0.12	984.0	0.13
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
20. Pre-Impairment Operating Profit	807.5	4,570.0	0.58	3,557.0	0.46	3,265.0	0.43	4,738.0	0.64
21. Loan Impairment Charge	233.1	1,319.0	0.17	1,057.0	0.14	976.0	0.13	1,267.0	0.17
22. Securities and Other Credit Impairment Charges	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
23. Operating Profit	574.5	3,251.0	0.41	2,500.0	0.32	2,289.0	0.30	3,471.0	0.47
24. Equity-accounted Profit/ Loss - Non-operating	0.4	2.0	0.00	n.a.	-	5.0	0.00	(4.0)	(0.00)
25. Non-recurring Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
26. Non-recurring Expense	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Pre-tax Profit	574.8	3,253.0	0.41	2,500.0	0.32	2,294.0	0.30	3,467.0	0.47
30. Tax expense	143.8	814.0	0.10	626.0	0.08	573.0	0.08	873.0	0.12
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	431.0	2,439.0	0.31	1,874.0	0.24	1,721.0	0.23	2,594.0	0.35
33. Change in Value of AFS Investments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(losses)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
37. Fitch Comprehensive Income	431.0	2,439.0	0.31	1,874.0	0.24	1,721.0	0.23	2,594.0	0.35
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
39. Memo: Net Income after Allocation to Non-controlling Interests	431.0	2,439.0	0.31	1,874.0	0.24	1,721.0	0.23	2,594.0	0.35
40. Memo: Common Dividends Related to the Period	138.9	786.0	0.10	n.a.	-	n.a.	-	n.a.	-
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = DKK5.65910

USD1 = DKK5.74560

USD1 = DKK5.61330

USD1 = DKK5.19010

Realkredit Danmark A/S
Balance Sheet

	31 Dec 2012			31 Dec 2011		31 Dec 2010		31 Dec 2009	
	Year End USDm	Year End DKKm	As % of Assets	Year End DKKm	As % of Assets	Year End DKKm	As % of Assets	Year End DKKm	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	130,489.8	738,455.0	92.98	726,313.0	93.53	706,714.0	93.28	692,911.0	92.84
3. Other Consumer/ Retail Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Corporate & Commercial Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Other Loans	149.5	846.0	0.11	838.0	0.11	893.0	0.12	794.0	0.11
6. Less: Reserves for Impaired Loans/ NPLs	523.2	2,961.0	0.37	2,559.0	0.33	2,265.0	0.30	1,610.0	0.22
7. Net Loans	130,116.1	736,340.0	92.71	724,592.0	93.31	705,342.0	93.10	692,095.0	92.73
8. Gross Loans	130,639.3	739,301.0	93.09	727,151.0	93.64	707,607.0	93.40	693,705.0	92.95
9. Memo: Impaired Loans included above	5,855.9	33,139.0	4.17	27,573.0	3.55	22,763.0	3.00	17,474.0	2.34
10. Memo: Loans at Fair Value included above	129,966.6	735,494.0	92.61	723,754.0	93.20	704,449.0	92.98	691,301.0	92.63
B. Other Earning Assets									
1. Loans and Advances to Banks	3,308.7	18,724.0	2.36	32,533.0	4.19	28,885.0	3.81	48,957.0	6.56
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Trading Securities and at FV through Income	6,353.1	35,953.0	4.53	17,291.0	2.23	21,680.0	2.86	3,323.0	0.45
4. Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Available for Sale Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Held to Maturity Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. At-equity Investments in Associates	0.4	2.0	0.00	9.0	0.00	8.0	0.00	9.0	0.00
8. Other Securities	1.9	11.0	0.00	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	6,355.4	35,966.0	4.53	17,300.0	2.23	21,688.0	2.86	3,332.0	0.45
10. Memo: Government Securities included Above	7.2	41.0	0.01	n.a.	-	2,007.0	0.26	1,148.0	0.15
11. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Investments in Property	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	139,780.2	791,030.0	99.60	774,425.0	99.73	755,915.0	99.77	744,384.0	99.74
C. Non-Earning Assets									
1. Cash and Due From Banks	0.5	3.0	0.00	23.0	0.00	4.0	0.00	9.0	0.00
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Foreclosed Real Estate	46.8	265.0	0.03	317.0	0.04	282.0	0.04	84.0	0.01
4. Fixed Assets	18.2	103.0	0.01	104.0	0.01	103.0	0.01	105.0	0.01
5. Goodwill	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Other Intangibles	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Current Tax Assets	1.8	10.0	0.00	n.a.	-	26.0	0.00	0.0	0.00
8. Deferred Tax Assets	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	493.5	2,793.0	0.35	1,691.0	0.22	1,291.0	0.17	1,761.0	0.24
11. Total Assets	140,341.0	794,204.0	100.00	776,560.0	100.00	757,621.0	100.00	746,343.0	100.00
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Customer Deposits - Term	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Total Customer Deposits	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Deposits from Banks	n.a.	n.a.	-	20,668.0	2.66	27,408.0	3.62	26,855.0	3.60
6. Repos and Cash Collateral	1,781.0	10,079.0	1.27	n.a.	-	n.a.	-	n.a.	-
7. Other Deposits and Short-term Borrowings	36,549.8	206,839.0	26.04	274,604.0	35.36	197,514.0	26.07	221,641.0	29.70
8. Total Deposits, Money Market and Short-term Funding	38,330.8	216,918.0	27.31	295,272.0	38.02	224,922.0	29.69	248,496.0	33.30
9. Senior Debt Maturing after 1 Year	91,219.6	516,221.0	65.00	420,476.0	54.15	468,605.0	61.85	439,223.0	58.85
10. Subordinated Borrowing	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Other Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Total Long Term Funding	91,219.6	516,221.0	65.00	420,476.0	54.15	468,605.0	61.85	439,223.0	58.85
13. Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Funding	129,550.5	733,139.0	92.31	715,748.0	92.17	693,527.0	91.54	687,719.0	92.15
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	5,525.0	0.73	(179.0)	(0.02)
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Current Tax Liabilities	n.a.	n.a.	-	85.0	0.01	0.0	0.00	124.0	0.02
5. Deferred Tax Liabilities	11.3	64.0	0.01	49.0	0.01	47.0	0.01	28.0	0.00
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	2.0	0.00	n.a.	-
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	2,578.3	14,591.0	1.84	13,876.0	1.79	13,576.0	1.79	15,452.0	2.07
10. Total Liabilities	132,140.1	747,794.0	94.16	729,758.0	93.97	712,677.0	94.07	703,144.0	94.21
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	2,045.0	0.26	2,061.0	0.27	2,037.0	0.27
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	8,201.0	46,410.0	5.84	44,757.0	5.76	42,883.0	5.66	41,162.0	5.52
2. Non-controlling Interest	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Securities Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Total Equity	8,201.0	46,410.0	5.84	44,757.0	5.76	42,883.0	5.66	41,162.0	5.52
7. Total Liabilities and Equity	140,341.0	794,204.0	100.00	776,560.0	100.00	757,621.0	100.00	746,343.0	100.00
8. Memo: Fitch Core Capital	8,201.0	46,410.0	5.84	44,757.0	5.76	42,883.0	5.66	41,162.0	5.52
9. Memo: Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange rate

USD1 = DKK5.65910

USD1 = DKK5.74560

USD1 = DKK5.61330

USD1 = DKK5.19010

Realkredit Danmark A/S
Summary Analytics

	31 Dec 2012	31 Dec 2011	31 Dec 2010	31 Dec 2009
	Year End	Year End	Year End	Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	3.37	3.64	3.87	4.44
2. Interest Expense on Customer Deposits/ Average Customer Deposits	n.a.	n.a.	n.a.	n.a.
3. Interest Income/ Average Earning Assets	3.32	3.58	3.75	4.86
4. Interest Expense/ Average Interest-bearing Liabilities	2.67	3.18	3.34	4.25
5. Net Interest Income/ Average Earning Assets	0.84	0.65	0.65	0.81
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	0.67	0.50	0.53	0.63
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Asset	0.84	0.65	0.65	0.81
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	(19.96)	(5.74)	(18.72)	(0.45)
2. Non-Interest Expense/ Gross Revenues	16.32	20.80	21.55	17.20
3. Non-Interest Expense/ Average Assets	0.11	0.13	0.12	0.13
4. Pre-impairment Op. Profit/ Average Equity	10.10	8.14	7.77	11.86
5. Pre-impairment Op. Profit/ Average Total Assets	0.58	0.48	0.43	0.65
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	28.86	29.72	29.89	26.74
7. Operating Profit/ Average Equity	7.19	5.72	5.44	8.69
8. Operating Profit/ Average Total Assets	0.42	0.34	0.30	0.47
9. Taxes/ Pre-tax Profit	25.02	25.04	24.98	25.18
10. Pre-Impairment Operating Profit / Risk Weighted Assets	3.47	2.75	2.83	4.87
11. Operating Profit / Risk Weighted Assets	2.47	1.93	1.99	3.57
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	5.39	4.29	4.09	6.50
2. Net Income/ Average Total Assets	0.31	0.25	0.23	0.35
3. Fitch Comprehensive Income/ Average Total Equity	5.39	4.29	4.09	6.50
4. Fitch Comprehensive Income/ Average Total Assets	0.31	0.25	0.23	0.35
5. Net Income/ Av. Total Assets plus Av. Managed Securitized Assets	n.a.	n.a.	n.a.	n.a.
6. Net Income/ Risk Weighted Assets	1.85	1.45	1.49	2.67
7. Fitch Comprehensive Income/ Risk Weighted Assets	1.85	1.45	1.49	2.67
D. Capitalization				
1. Fitch Core Capital/Weighted Risks	35.28	34.55	37.20	42.35
2. Fitch Eligible Capital/ Weighted Risks	n.a.	n.a.	n.a.	n.a.
3. Tangible Common Equity/ Tangible Assets	5.84	5.76	5.66	5.52
4. Tier 1 Regulatory Capital Ratio	33.72	35.42	38.83	14.50
5. Total Regulatory Capital Ratio	34.26	35.84	39.41	14.60
6. Core Tier 1 Regulatory Capital Ratio	33.72	33.84	37.04	n.a.
7. Equity/ Total Assets	5.84	5.76	5.66	5.52
8. Cash Dividends Paid & Declared/ Net Income	32.23	n.a.	n.a.	n.a.
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	32.23	n.a.	n.a.	n.a.
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.
11. Net Income - Cash Dividends/ Total Equity	3.56	4.19	4.01	6.30
E. Loan Quality				
1. Growth of Total Assets	2.27	2.50	1.51	4.98
2. Growth of Gross Loans	1.67	2.76	2.00	3.41
3. Impaired Loans(NPLs)/ Gross Loans	4.48	3.79	3.22	2.52
4. Reserves for Impaired Loans/ Gross loans	0.40	0.35	0.32	0.23
5. Reserves for Impaired Loans/ Impaired Loans	8.94	9.28	9.95	9.21
6. Impaired Loans less Reserves for Imp Loans/ Equity	65.02	55.89	47.80	38.54
7. Loan Impairment Charges/ Average Gross Loans	0.18	0.15	0.14	0.19
8. Net Charge-offs/ Average Gross Loans	0.17	0.11	0.05	0.02
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Asse	4.52	3.83	3.26	2.53
F. Funding				
1. Loans/ Customer Deposits	n.a.	n.a.	n.a.	n.a.
2. Interbank Assets/ Interbank Liabilities	n.a.	157.41	105.39	182.30
3. Customer Deposits/ Total Funding excl Derivatives	n.a.	n.a.	n.a.	n.a.

Realkredit Danmark A/S Reference Data

	31 Dec 2012			31 Dec 2011		31 Dec 2010		31 Dec 2009	
	Year End USDm	Year End DKKm	As % of Assets	Year End DKKm	As % of Assets	Year End DKKm	As % of Assets	Year End DKKm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	n.a.	n.a.	-	4.0	0.00	4.0	0.00	4.0	0.00
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	31.6	179.0	0.02	275.0	0.04	414.0	0.05	538.0	0.07
6. Other Contingent Liabilities	21.7	123.0	0.02	116.0	0.01	106.0	0.01	101.0	0.01
7. Total Business Volume	140,394.4	794,506.0	100.04	776,955.0	100.05	758,145.0	100.07	746,986.0	100.09
8. Memo: Total Weighted Risks	23,244.5	131,543.0	16.56	129,533.0	16.68	115,270.0	15.21	97,199.0	13.02
9. Fitch Adjustments to Weighted Risks.	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Fitch Adjusted Weighted Risks	23,244.5	131,543.0	16.56	129,533.0	16.68	115,270.0	15.21	97,199.0	13.02
B. Average Balance Sheet									
Average Loans	129,081.5	730,485.2	91.98	710,109.0	91.44	703,625.0	92.87	683,800.3	91.62
Average Earning Assets	137,901.2	780,396.8	98.26	736,146.2	94.80	754,370.0	99.57	713,924.7	95.66
Average Assets	138,352.0	782,947.6	98.58	737,999.0	95.03	756,210.0	99.81	731,823.3	98.05
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	128,300.6	726,066.2	91.42	680,829.6	87.67	698,100.3	92.14	681,057.0	91.25
Average Common equity	7,994.3	45,240.6	5.70	43,709.4	5.63	42,042.7	5.55	39,937.3	5.35
Average Equity	7,994.3	45,240.6	5.70	43,709.4	5.63	42,042.7	5.55	39,937.3	5.35
Average Customer Deposits	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	8,539.5	48,326.0	6.08	31,672.0	4.08	23,914.0	3.16	13,040.0	1.75
Loans & Advances 3 - 12 Months	3,876.6	21,938.0	2.76	32,029.0	4.12	16,598.0	2.19	23,182.0	3.11
Loans & Advances 1 - 5 Years	17,023.6	96,338.0	12.13	85,026.0	10.95	62,751.0	8.28	48,557.0	6.51
Loans & Advances > 5 years	100,676.4	569,738.0	71.74	575,865.0	74.16	602,079.0	79.47	607,316.0	81.37
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	3,308.7	18,724.0	2.36	32,533.0	4.19	28,885.0	3.81	48,957.0	6.56
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Liability Maturities:									
Retail Deposits < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Retail Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank < 3 Months	1,781.0	10,079.0	1.27	20,668.0	2.66	10,408.0	1.37	26,855.0	3.60
Interbank 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Interbank 1 - 5 Years	n.a.	n.a.	-	n.a.	-	17,000.0	2.24	n.a.	-
Interbank > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing < 3 months	17,327.7	98,059.0	12.35	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	19,222.1	108,780.0	13.70	n.a.	-	n.a.	-	221,641.0	29.70
Senior Debt Maturing 1 - 5 Years	51,784.0	293,051.0	36.90	n.a.	-	n.a.	-	230,019.0	30.82
Senior Debt Maturing > 5 Years	35,603.4	201,483.0	25.37	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	123,937.2	701,373.0	88.31	n.a.	-	n.a.	-	451,660.0	60.52
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Covered Bonds	n.a.	n.a.	-	695,080.0	89.51	671,644.0	88.65	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Equity Reconciliation									
1. Equity	8,201.0	46,410.0	5.84	44,757.0	5.76	42,883.0	5.66	41,162.0	5.52
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	8,201.0	46,410.0	5.84	44,757.0	5.76	42,883.0	5.66	41,162.0	5.52
E. Fitch Eligible Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	8,201.0	46,410.0	5.84	44,757.0	5.76	42,883.0	5.66	41,162.0	5.52
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
5. Other intangibles	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fitch Core Capital	8,201.0	46,410.0	5.84	44,757.0	5.76	42,883.0	5.66	41,162.0	5.52
10. Eligible weighted Hybrid capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Government held Hybrid Capital	0.0	0.0	0.00	2,045.0	0.26	2,034.0	0.27	2,034.0	0.27
12. Fitch Eligible Capital	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Exchange Rate

USD1 = DKK5.65910

USD1 = DKK5.74560

USD1 = DKK5.61330

USD1 = DKK5.19010

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