

Interim Report First half of 2003

REALKREDIT
Danmark

Realkredit Danmark Group - Financial highlights

CORE EARNINGS AND NET PROFIT FOR THE PERIOD	1st half 2003	1st half 2002	Index 03/02	Full year 2002
DKr m				
Administration margin	1,094	1,033	106	2,094
Net interest income, exclusive of earnings from investment portfolios	612	525	117	1,219
Fee and commission income, net	111	87	128	175
Other core income	109	146	75	280
Total core income	1,926	1,791	108	3,768
Operating expenses and depreciation	693	649	107	1,287
Core earnings before provisions	1,233	1,142	108	2,481
Provisions for bad and doubtful debts	24	-44	-	-74
Core earnings	1,209	1,186	102	2,555
Earnings from investment portfolios	205	57	-	274
Merger costs	-	17	-	17
Profit on ordinary operations before tax	1,414	1,226	115	2,812
Tax	347	308	113	822
Net profit for the period	1,067	918	116	1,990

BALANCE SHEET

DKr m

Assets

Due from credit institutions, etc.	48,379	35,510	136	33,174
Lending	484,464	458,460	106	469,414
Bonds and shares, etc.	26,343	15,573	169	132,707
Other assets	2,858	1,832	156	7,286
Total assets	562,044	511,375	110	642,581

Liabilities and equity

Due to credit institutions, etc.	13	4,022	-	31,259
Issued bonds	525,141	473,089	111	567,912
Other liabilities	10,503	10,088	104	18,162
Shareholders' equity	26,387	24,176	109	25,248
Total liabilities and equity	562,044	511,375	110	642,581

RATIOS AND KEY FIGURES

Net profit for the period as % p.a. of avg. shareh. equity	8.3	7.7		8.2
Core earnings as % p.a. of avg. shareholders' equity	9.4	10.0		10.5
Cost/core income ratio, %	36.0	36.2		34.2
Solvency ratio (excl. of net profit for the period), %	9.8	9.9		10.4
Core (tier 1) cap. ratio (excl. of net profit for the period), %	9.7	9.7		10.3
Number of full-time employees at June 30	983	1,048		1,043
Rating of bonds - Moody's	Aaa	Aaa		Aaa
Rating of bonds - Standard & Poor's	AAA	-		-

REVIEW

Highlights of performance in the first half of 2003

The performance in the first half of 2003 of the Realkredit Danmark Group can be summarised as follows:

- The Realkredit Danmark Group recorded a pre-tax profit of DKr1,414m for the first half of 2003, against DKr1,226m for the first half of 2002.
- Core earnings amounted to DKr1,209m, against DKr1,186m for the first half of 2002.
- Mortgage lending rose to DKr484bn at June 30, 2003, against DKr469bn at January 1, 2003.
- The Group's market share of net new lending was 28.0% in the second quarter of 2003, against 26.7% in the first quarter.
- At June 30, 2003, the solvency ratio was 9.8%, against the statutory minimum requirement of 8.0%.

Results

Core income amounted to DKr1,926m for the first half of 2003, against DKr1,791m the year before. Core income includes a rise in the administration margin and fees received as a result of the rising loan portfolio and the strong refinancing activity in the first half of 2003.

Operating expenses, inclusive of depreciation, totalled DKr693m in the first half of 2003, against DKr649m the year before. The increase in costs is partly attributable to expenses relating to the development of new systems in connection with the transfer to Danske Bank's IT platform, and partly to the strong lending activity during the year to date. The cost/core income ratio was brought down from 36.2% for the first half of 2002 to 36.0% for the first half of 2003.

Provisions for bad and doubtful debts amounted to DKr24m for the first half of 2003, against an income of DKr44m the year before. Provisions made in 2003 mainly relate to only a few loans. Last year, the item recorded a net income because of the recovery of a significant amount in connection with the final winding up of a bankruptcy estate. In general, the need for provisions has not increased in 2003, partly because loans in arrears are still at a very low level.

Earnings from investment portfolios, which comprise profits on the proprietary investment portfolios after deduction of funding and administration costs, showed a gain of DKr205m for the first half of 2003, against DKr57m the year before. Proprietary investment portfolios are defined as the part of the investment portfolio not relating to lending activities.

Realkredit Danmark is taxed jointly with Danske Bank. On the basis of current joint taxation rules on allocation of the Danish tax payable by the Danske Bank Group, Realkredit Danmark's effective tax rate for 2003 is expected to be about 25%.

Capital and solvency

Movements in the capital base and solvency ratio were as follows:

CAPITAL BASE AND SOLVENCY RATIO DKr m	June 30 2003*	June 30 2002*	Full year 2002
Core capital, less statutory deductions	25,140	23,056	25,061
Supplementary capital, less statutory deductions	254	285	255
Capital base	25,394	23,341	25,316
Total weighted items	258,191	236,660	243,937
Solvency ratio, %	9.8	9.9	10.4
Core (tier 1) capital ratio, %	9.7	9.7	10.3

* Excl. of net profit for the period

At June 30, 2003, the Realkredit Danmark Group's capital base stood at DKr25,394m. The solvency ratio was 9.8%, thus exceeding the statutory minimum solvency requirement of 8.0% by DKr4,739m.

In the first half of 2003, shareholders' equity increased by the profit for the period of DKr1,067m plus DKr72m from the revaluation of unlisted shares as a result of new accounting provisions. Shareholders' equity subsequently totalled DKr26,387m.

The mortgage credit market

During the first half of 2003, the mortgage credit market experienced unusually strong refinancing activity, and total gross lending amounted to DKr290bn, against DKr189bn in the second half of 2002.

The substantial refinancing activity was triggered by the fall in interest rates during the first half-year. Short-term bonds experienced the largest fall. At the end of the first half of 2003, the rate of interest on a 30-year fixed-rate loan stood at 5.3%, and the rate of interest on FlexLån® with full annual interest reset was 2.1%. At the beginning of the year, these rates were 5.5% and 3.0%, respectively.

Competition

Realkredit Danmark's market share of gross lending was 30.4% in the second quarter of 2003, against 30.0% in the first quarter. The Group's market share of net new lending was 28.0% in the second quarter of 2003, against 26.7% in the first quarter. Net new lending is defined as gross lending less repayment of loans with or without the raising of new loans.

Quarter-on-quarter movements were as follows:

MARKET SHARE, ALL MARKETS %	Q2 2003	Q1 2003	Q4 2002	Q3 2002	Q2 2002
Gross lending	30.4	30.0	33.2	29.3	32.2
Net new lending	28.0	26.7	27.4	25.6	26.9

In the first half of 2003, Realkredit Danmark's mortgage lending rose by DKr15bn to DKr484bn. Of the total rise in lending, the private market accounted for 63%, urban trade for 13%, agriculture for 9% and residential rental property for 15%.

In June and July 2003, customers with FlexLån® with full interest reset at January 1, 2004 were offered to enter into a fixed-rate agreement on favourable terms. Many customers accepted the offer and about half of those opted for fixing the interest rate for the next three years.

In June, the new law on mortgage lending and mortgage bonds was adopted – allowing mortgage credit institutions to offer private-market customers loans with interest-only payments for up to ten years, which may be distributed over the lifetime of the loan. Realkredit Danmark has begun training its customer advisers and will offer the new loan type to customers in the autumn of 2003. The expansion of the product range means that the final transfer of the mortgage credit systems to Danske Bank's IT platform will be postponed until 2004.

Funding

Realkredit Danmark finances its loans to borrowers by issuing mortgage bonds listed on the Copenhagen Stock Exchange. At the end of the first half of 2003, Realkredit Danmark had issued bonds worth Dkr525bn, or 34% of the mortgage bonds issued on the Danish market.

In the first half of 2003, new fixed-rate loans were funded primarily by 5% bonds, but the fall in interest rates led Realkredit Danmark to open a 30-year 4% series in June.

In May 2003, Standard & Poor's awarded Realkredit Danmark the highest possible rating, namely AAA, which is also the rating assigned to Danish government bonds. The rating covers around 80% of bonds issued by Realkredit Danmark. The same bonds and bonds issued by the former Danske Kredit also hold the highest possible rating awarded by Moody's Investors Service, namely Aaa. Both ratings apply to all new bond issues.

Outlook for 2003

The outlook for 2003 is unchanged compared with the statements made in the Annual Report for 2002 and the report for the first quarter of 2003.

The rising volume of business will generate a larger administration margin in 2003. Net interest income is likely to record a decline as a result of the expected lower level of interest rates. Costs are estimated to climb due to the allocation of resources to the development of new IT systems for the transfer to the central Danske Bank IT platform.

Against this background, core earnings before provisions for bad and doubtful debts are expected to be at around the same level as in 2002.

Provided that the economic climate remains unchanged, provisions for bad and doubtful debts are expected to remain at a low level.

Earnings from investment portfolios will depend largely on the level of securities prices at the end of 2003.

The quarterly report for the first nine months of 2003 is expected to be published on October 28, 2003.

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Realkredit Danmark Group

CORE EARNINGS AND NET PROFIT FOR THE PERIOD

DKr m	Q2 2003	Q1 2003	Q4 2002	Q3 2002	Q2 2002
Administration margin	550	544	534	527	518
Net interest income, excl. of earnings from investment portfolios	288	324	373	321	277
Fee and commission income, net	41	70	47	41	28
Other core income	23	86	69	65	64
Total core income	902	1,024	1,023	954	887
Operating expenses and depreciation	362	331	351	287	338
Core earnings before provisions	540	693	672	667	549
Provisions for bad and doubtful debts	-2	26	-24	-6	10
Core earnings	542	667	696	673	539
Earnings from investment portfolios	124	81	81	136	86
Merger costs	-	-	-	-	-
Profit on ordinary operations before tax	666	748	777	809	625
Tax	152	195	224	290	157
Net profit for the period	514	553	553	519	468

BALANCE SHEET

DKr m

Assets

Due from credit institutions, etc.	48,379	53,506	33,174	33,486	35,510
Lending	484,464	477,720	469,414	466,296	458,460
Bonds and shares, etc.	26,343	25,551	132,707	22,963	15,573
Other assets	2,858	3,345	7,286	2,834	1,832
Total assets	562,044	560,122	642,581	525,579	511,375

Liabilities and equity

Due to credit institutions, etc.	13	868	31,259	2,990	4,022
Issued bonds	525,141	524,803	567,912	486,375	473,089
Other liabilities	10,503	8,578	18,162	11,519	10,088
Shareholders' equity	26,387	25,873	25,248	24,695	24,176
Total liabilities and equity	562,044	560,122	642,581	525,579	511,375

PROFIT AND LOSS ACCOUNT JANUARY 1 - JUNE 30

Note	DKr m	Realkredit Danmark Group		Realkredit Danmark A/S	
		2003	2002	2003	2002
2, 8	Interest income	15,406	14,618	15,404	14,615
3	Interest expense	13,435	12,949	13,435	12,949
	NET INTEREST INCOME	1,971	1,669	1,969	1,666
8	Dividends from shares, etc.	7	-	7	-
8	Fee and commission income	489	294	489	294
	Fees and commissions paid	310	150	310	150
	NET INTEREST AND FEE INCOME	2,157	1,813	2,155	1,810
4, 8	Securities and foreign exchange income	-29	23	-29	23
8	Other operating income	73	64	18	14
5	Staff costs and administrative expenses	758	710	717	674
	Depreciation and write-downs	5	8	4	7
	Other operating expenses	-	7	-	7
	Provisions for bad and doubtful debts	24	-44	24	-43
6	Income from associated and subsidiary undertakings	-	7	15	24
1	PROFIT ON ORDINARY OPERATIONS BEFORE TAX	1,414	1,226	1,414	1,226
7	Tax	347	308	347	308
	NET PROFIT FOR THE PERIOD	1,067	918	1,067	918

BALANCE SHEET AT JUNE 30

Note	DKr m	Realkredit Danmark Group		Realkredit Danmark A/S	
		2003	2002	2003	2002
ASSETS					
	Cash in hand and demand deposits with central banks	64	4	64	4
9	Due from credit institutions and deposits with central banks	48,315	35,506	48,274	35,500
	Lending:				
	Mortgage loans	483,917	457,739	483,917	457,739
	Other loans	547	721	516	694
10	Total lending	484,464	458,460	484,433	458,433
11	Bonds	25,999	15,292	25,999	15,292
	Shares, etc.	97	25	97	25
	Holdings in associated undertakings	237	248	237	248
	Holdings in subsidiary undertakings	10	8	112	92
	Tangible assets	730	721	729	721
12	Other assets	2,109	1,092	2,064	1,049
	Prepayments	19	19	19	19
	TOTAL ASSETS	562,044	511,375	562,028	511,383
LIABILITIES AND EQUITY					
	Due to credit institutions and central banks	13	4,022	12	4,022
13	Issued bonds	525,141	473,089	525,141	473,089
14	Other liabilities	9,726	9,190	9,711	9,198
15	Provisions for obligations	777	898	777	898
16	Shareholders' equity:				
	Share capital	625	625	625	625
	Reserves:				
	Reserves in series	3,823	5,279	3,823	5,279
	Other reserves	20,872	17,354	20,872	17,354
	Net profit for the period	1,067	918	1,067	918
	Total shareholders' equity	26,387	24,176	26,387	24,176
	TOTAL LIABILITIES AND EQUITY	562,044	511,375	562,028	511,383
OFF-BALANCE-SHEET ITEMS					
17	Guarantees, etc.	5	6	5	6
18	Other commitments	1,392	129	1,382	121
	TOTAL OFF-BALANCE-SHEET ITEMS	1,397	135	1,387	127

ACCOUNTING POLICIES

The interim report for the six months ended June 30 has been prepared in compliance with the Copenhagen Stock Exchange guidelines for issuers of listed securities and the Danish Financial Supervisory Authority's executive order on the presentation of accounts by mortgage credit institutions. The Group has not changed its accounting policies from those followed in the annual report for 2002 apart from the following changes resulting from amendments to Danish accounting legislation:

Unlisted securities are recognised at their estimated fair value. According to the previous practice, unlisted securities were recognised at the lower of cost or estimated market value.

With effect from January 1, 2003, intangible assets acquired are recognised at cost and amortised over the expected economic life, however, not more than 20 years. Intangible assets, apart from goodwill on acquisition, were previously charged to the profit and loss account in the year of acquisition. Furthermore, leasehold improvements effected after January 1, 2003, are capitalised under tangible assets and depreciated over the expected economic life.

These changes result in an increase in assets and shareholders' equity at January 1, 2003, of DKr72m. Due to the insignificant size of the amount, comparative figures have not been restated, and the value adjustments are recognised directly in shareholders' equity at January 1, 2003. These changes to accounting policies have no effect on the net profit for the period.

NOTES TO THE ACCOUNTS

Note DKr m

1 Core earnings and earnings from investment portfolios of the Realkredit Danmark Group

	First half of 2003				Total*
	Core earnings	Merger costs	Eliminations	Earnings from investment portfolios	
Administration margin	1,094	-	-	-	1,094
Net interest income	612	-	-	265	877
Dividends from shares, etc.	-	-	-	7	7
Fee and commission income	111	-	68	-	179
Net interest and fee income	1,817	-	68	272	2,157
Securities and foreign exchange income	36	-	-	-65	-29
Other operating income	73	-	-	-	73
Staff costs and administrative expenses	688	-	68	2	758
Depreciation and write-downs	5	-	-	-	5
Provisions for bad and doubtful debts	24	-	-	-	24
Income from associated and subsidiary undertakings	-	-	-	-	-
Profit on ordinary operations before tax	1,209	-	-	205	1,414

	First half of 2002				Total*
	Core earnings	Merger costs	Eliminations	Earnings from investment portfolios	
Administration margin	1,033	-	-	-	1,033
Net interest income	525	-	-	111	636
Dividends from shares, etc.	-	-	-	-	-
Fee and commission income	87	-	57	-	144
Net interest and fee income	1,645	-	57	111	1,813
Securities and foreign exchange income	82	-	-	-59	23
Other operating income	64	-	-	-	64
Staff costs and administrative expenses	641	17	57	2	717
Depreciation and write-downs	8	-	-	-	8
Provisions for bad and doubtful debts	-44	-	-	-	-44
Income from associated and subsidiary undertakings	-	-	-	7	7
Profit on ordinary operations before tax	1,186	-17	-	57	1,226

* The statutory accounting format of the Danish Financial Supervisory Authority.

The business area Mortgage Finance in the Danske Bank Group is identical to the activities carried out by the Realkredit Danmark Group. In Danske Bank's interim report for the first half of 2003, core earnings before provisions for bad and doubtful debts for the business area Mortgage Finance is stated at DKr1,099m, compared with DKr1,233m in Realkredit Danmark. In order to make business areas in the Danske Bank Group comparable, interest income for a business area is calculated on the basis of the area's risk-weighted items. The difference in core earnings of DKr134m between the business area Mortgage Finance and Realkredit Danmark is mainly due to the fact that the calculated basis for return on capital for the business area is lower than Realkredit Danmark's shareholders' equity.

In 2002, several of the Danske Bank Group's administrative functions relating to mortgage finance were gathered at Realkredit Danmark. In this connection, 200 employees were transferred from Danske Bank to Realkredit Danmark. Realkredit Danmark still pays fees to Danske Bank to cover, among other things, the costs of this administration. Danske Bank therefore reimburses Realkredit Danmark for these costs. For the first six months of 2003, reimbursements from Danske Bank totalled DKr68m, which have been set off against costs in the statement of core earnings from investment portfolios. In the official accounts, the refund is included under fees.

NOTES TO THE ACCOUNTS

Note	DKr m	Realkredit Danmark Group		Realkredit Danmark A/S	
		2003	2002	2003	2002
2	Interest income				
	Due from credit institutions and deposits with central banks	416	440	416	440
	Lending	13,117	12,738	13,115	12,735
	Administration margin	1,094	1,033	1,094	1,033
	Bonds:				
	Own mortgage bonds	115	115	115	115
	Other mortgage bonds	30	10	30	10
	Government bonds	420	220	420	220
	Derivatives:				
	Interest rate contracts	118	13	118	13
	Other interest income	96	49	96	49
	Total	15,406	14,618	15,404	14,615
	Of which interest income on reverse transactions recorded under:				
	Due from credit institutions and deposits with central banks	59	78	59	78
3	Interest expense				
	Due to credit institutions and central banks	23	80	23	80
	Issued bonds	13,339	12,836	13,339	12,836
	Reimbursement of commitment fees, etc.	69	30	69	30
	Other interest expense	4	3	4	3
	Total	13,435	12,949	13,435	12,949
	Of which interest expense on repo transactions recorded under:				
	Due to credit institutions and central banks	4	70	4	70
4	Securities and foreign exchange income				
	Bonds:				
	Own mortgage bonds	102	95	102	95
	Other mortgage bonds	-8	16	-8	16
	Government bonds	-82	-47	-82	-47
	Shares, etc.	-	3	-	3
	Fixed interest loans, etc.	-10	11	-10	11
	Foreign currency	4	6	4	6
	Derivatives:				
	Interest rate contracts	-35	-61	-35	-61
	Total	-29	23	-29	23
5	Staff costs and administrative expenses				
	Salaries and remuneration of Board of Directors, Executive Board and local councils:				
	Executive Board	2	2	2	2
	Board of Directors	1	1	1	1
	Local councils	2	2	2	2
	Total	5	5	5	5
	Staff costs:				
	Salaries	242	255	235	248
	Pension costs	27	27	26	26
	Financial services employer tax, etc.	23	25	22	25
	Total	292	307	283	299
	Other administrative expenses	461	398	429	370
	Total staff costs and administrative expenses	758	710	717	674
6	Income from associated and subsidiary undertakings				
	Income from associated undertakings	-	7	-	7
	Income from subsidiary undertakings	-	-	15	17
	Total	-	7	15	24

NOTES TO THE ACCOUNTS

Note	DKr m	Realkredit Danmark Group		Realkredit Danmark A/S	
		2003	2002	2003	2002
7	Tax (- denotes income)				
	Estimated tax charge on profit for the year	368	306	368	306
	Re-adjustment of prior-year tax charge	-22	-	-22	-
	Tax on provisions	1	2	1	2
	Total	347	308	347	308
	The effective tax rate is calculated as follows:				
	The statutory tax rate of the Realkredit Danmark Group	30.0%	30.0%	30.0%	30.0%
	Deviation as a result of joint taxation with Danske Bank	-4.0%	-5.0%	-4.0%	-5.0%
	Re-adjustment of prior-year tax charge	-1.5%	-	-1.5%	-
	Other	0.1%	0.1%	0.1%	0.1%
	Effective tax rate	24.6%	25.1%	24.6%	25.1%
8	Income broken down by country				
	Total interest income, dividends on shares, fee and commission income, securities and foreign exchange income and other operating income broken down geographically:				
	Denmark	15,945	14,998	15,888	14,945
	Other countries	1	1	1	1
	Total	15,946	14,999	15,889	14,946
9	Due from credit institutions and deposits with central banks				
	Deposits at notice with central banks	-	20,849	-	20,849
	Due from credit institutions	48,315	14,657	48,274	14,651
	Total	48,315	35,506	48,274	35,500
	Of which:				
	Reverse transactions	37,793	4,046	37,793	4,046
10	Lending				
	Mortgage loans	483,917	457,739	483,917	457,739
	Outstanding amounts in respect of non-foreclosures	287	323	287	323
	Other loans	260	398	229	371
	Total	484,464	458,460	484,433	458,433
	Mortgage loans				
	Balance at January 1	469,197	448,281	469,197	448,281
	New loans	88,157	50,058	88,157	50,058
	Index adjustment	1,217	1,030	1,217	1,030
	Exchange rate adjustment	22	-13	22	-13
	Ordinary repayments	7,860	7,771	7,860	7,771
	Redemptions and extraordinary repayments	66,585	33,544	66,585	35,544
	Balance at June 30	484,148	458,041	484,148	458,041
	Loans transferred to foreclosed properties	37	56	37	56
	Loan provisions	357	402	357	402
	Loans taken over by the Danish Financial Administration Agency	163	156	163	156
	Total	483,917	457,739	483,917	457,739
11	Bonds				
	Security has been provided to Danmarks Nationalbank by way of bonds with a book value of	12,623	10	12,623	10
12	Other assets				
	Interest, etc. due on mortgage loans	139	133	139	133

NOTES TO THE ACCOUNTS

Note	DKr m	Realkredit Danmark Group		Realkredit Danmark A/S	
		2003	2002	2003	2002
13	Issued bonds				
	This item solely comprises issued mortgage bonds.				
	Balance at January 1	567,912	536,352	567,912	536,352
	Additions	94,416	49,816	94,416	49,816
	Index adjustment	1,221	1,033	1,221	1,033
	Exchange rate adjustment	28	-15	28	-15
	Drawings and prepayments	127,221	88,306	127,221	88,306
	Redemptions and extraordinary repayments	11,215	25,791	11,215	25,791
	Balance at June 30	525,141	473,089	525,141	473,089
14	Other liabilities				
	Interest due on issued mortgage bonds	8,621	7,886	8,621	7,886
15	Provisions for obligations				
	Reserves in series subject to a reimbursement obligation	777	898	777	898
	Total	777	898	777	898

- 16 Shareholders' equity**
Realkredit Danmark A/S' share capital of DKr625m comprises 6,250,000 shares of DKr100 each. The share capital is wholly owned by Danske Bank A/S.

Movements in shareholders' equity:

	Share capital	Reserves in series	Other reserves	Profit for the period	Total 2003	Total 2002
Balance at January 1	625	3,811	20,812	-	25,248	23,254
Revaluation of unlisted shares	-	12	60	-	72	-
Deferred tax related to associated undertaking	-	-	-	-	-	4
Net profit for the period	-	-	-	1,067	1,067	918
Balance at June 30	625	3,823	20,872	1,067	26,387	24,176

	Realkredit Danmark Group		Realkredit Danmark A/S	
	2003	2002	2003	2002
17				
Guarantees, etc.				
Other guarantees	5	6	5	6
Total	5	6	5	6
18				
Other commitments				
Irrevocable credit commitments, reverse mortgages	1,261	-	1,261	-
Other commitments	131	129	121	121
Total	1,392	129	1,382	121
19				
Capital base and solvency				
Capital base				
Core (tier 1) capital less statutory deductions	25,140	23,056	25,153	23,069
Total supplementary capital	254	285	254	285
Total capital base less statutory deductions	25,394	23,341	25,407	23,354
Weighted items				
not included in trading portfolio	255,201	234,930	255,221	234,958
with market risk included in trading portfolio	2,990	1,730	2,979	1,730
Total weighted items	258,191	236,660	258,200	236,688
Core (tier 1) capital ratio, %	9.7	9.7	9.7	9.7
Solvency ratio, %	9.8	9.9	9.8	9.9
Statutory minimum solvency requirement, %	8.0	8.0	8.0	8.0

RATIOS FOR THE FIRST HALF YEAR

	2003	2002	2001	2000	1999
Realkredit Danmark Group					
1. Solvency ratio, %	9.8	9.9	9.8	10.8	10.9
2. Core (tier 1) capital ratio, %	9.7	9.7	9.7	8.9	8.7
3. Half-year return on equity before tax, %	5.5	5.2	5.2	4.3	5.6
4. Half-year return on equity after tax, %	4.1	3.9	3.9	2.9	4.0
5. Income/cost ratio, DKr	2.80	2.80	2.64	2.14	2.36
6. Foreign exchange position, %	4.6	3.3	6.5	4.0	3.0
7. Accumulated provisioning ratio, %	0.1	0.1	0.1	0.2	0.2
8. Write-off and provisioning ratio for the half-year, %	0.0	0.0	0.0	0.0	0.0
9. Growth in lending for the half-year, %	3.2	2.2	2.4	1.7	2.8
10. Gearing of lending	18.4	19.0	19.4	20.4	20.5
Realkredit Danmark A/S					
1. Solvency ratio, %	9.8	9.9	9.8	10.9	11.0
2. Core (tier 1) capital ratio, %	9.7	9.7	9.7	9.1	8.8
3. Half-year return on equity before tax, %	5.5	5.2	5.2	4.3	5.5
4. Half-year return on equity after tax, %	4.1	3.9	3.9	2.9	4.0
5. Income/cost ratio, DKr	2.90	2.90	2.92	2.25	2.48
6. Foreign exchange position, %	4.6	3.3	6.5	4.0	2.9
7. Accumulated provisioning ratio, %	0.1	0.1	0.1	0.2	0.2
8. Write-off and provisioning ratio for the half-year, %	0.0	0.0	0.0	0.0	0.0
9. Growth in lending for the half-year, %	3.2	2.2	2.3	1.0	1.1
10. Gearing of lending	18.4	19.0	19.4	19.5	19.8

Ratios are defined by the Danish Financial Supervisory Authority in its executive order on the presentation of accounts by mortgage credit institutions.

GROUP STRUCTURE

	Share capital June 30, 2003 thousands	Ownership share, %
Realkredit Danmark A/S, Copenhagen	DKK 625,000	
Consolidated subsidiary: home a/s, Copenhagen	DKK 15,000	100
Non-consolidated subsidiaries: Enterprises acquired in the process of preventing losses, total book value DKr10m:		
Omegadane SARL, Paris	EUR 8	100
Skævinge Boligselskab A/S, Copenhagen	DKK 7,000	100