



Nordea Kredit Investor Presentation – 2008 Q4

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The Investor Presentation has been compiled by Nordea Kredit for information purposes only, and offers facts and figures on Nordea Kredit, and the mortgage collateral supporting outstanding mortgage bonds and covered mortgage bonds.

If you have any questions, feel free to contact us:

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Contents:

- **Nordea Kredit – in brief**
- **Asset quality, losses and arrears**
- **Loan-to-value** (*For detailed information on LTV please refer to “LTV Report 2008 Q4”*)
- **Legislation**
- **Macro economic factors**

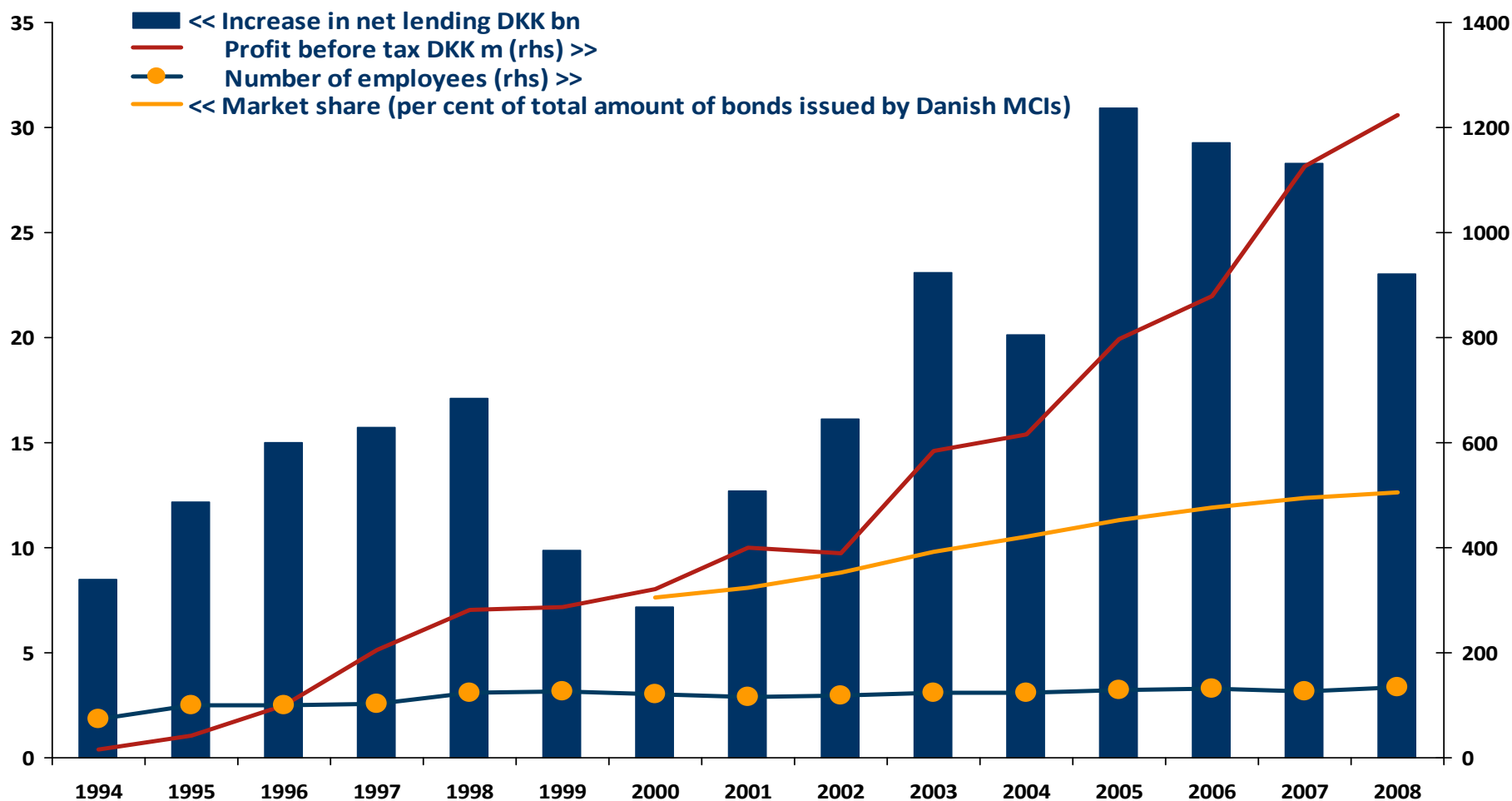
Nordea Kredit – in brief I *(Data as by the end of 2008 Q4)*

- Founded in 1993, number of employees 130
- All bonds issued by Nordea Kredit are rated AAA (S&P) and Aaa (Moody's)
- Profit before tax 2008: 1.2 bn DKK, RoE 9.3%, Cost/Income ratio 15.2%
- Outstanding bond volume 274.5 bn DKK
- Market share:
 - All segments: 12.6% *(2007: 12.4%)*
 - Residential properties and holiday homes: 15.7% *(2007: 15.5%)*
 - Agriculture: 14.2% *(2007: 13.4%)*
 - Commercial properties: 9.9% *(2007: 9.3%)**(Market share - percentage of total amount of bonds issued by Danish MCIs)*

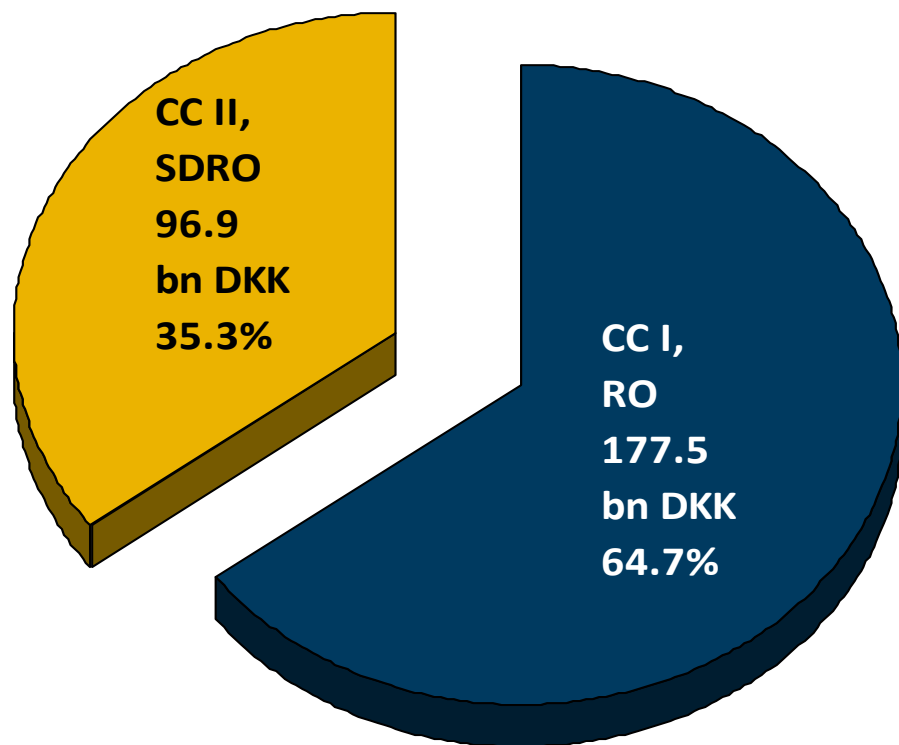
Nordea Kredit – in brief II *(Data as by the end of 2008 Q4)*

- Late payments by borrowers **0.22%** (*3½ month after due date*)
- Losses and provisions: **0.007%** of outstanding loans
- Average LTV: **60%**
- Completely match funded “Pass Through” setup - strict ALM (Asset Liability Management)
- Danish MCI's are highly regulated and closely supervised by Finanstilsynet (The Danish FSA)
- Total capital ratio **9.7%** and Tier 1 capital ratio **10.0%** (including profit for the year 2008)

Nordea Kredit – in brief

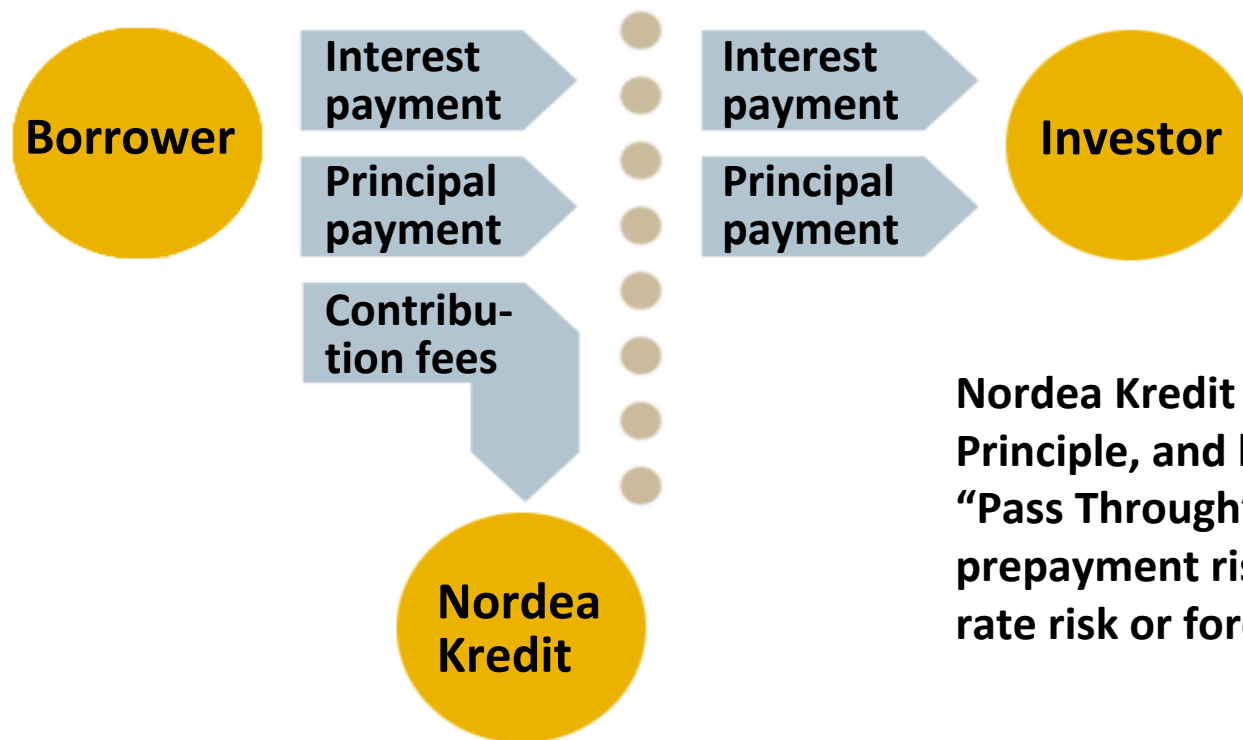


Nordea Kredit – Capital Centre 1 and 2 (CC I and II)



- **Nordea Kredit has two capital centres:**
 - Mortgage Bonds (Realkreditobligationer, “RO”) are issued out of CC I (1993 -), however only 1 ISIN is active. More than 97% of the bonds in CC I are covered bond grandfathered
 - Covered Mortgage Bonds (“Særligt Dækkede Realkreditobligationer”, SDRO) are issued out of CC II (2007 -). All bonds in CC II are covered bonds
- **At the end of 2008, SDRO bonds (CC II) represent more than 35% of all outstanding Nordea Kredit bonds.**
- **The volume in CC II is mainly due to the refinancing in December 2007 and 2008, where ARMs (“rentetilpasningslån”) were refinanced with SDROs.**
- **At this moment virtually all new bonds issued are SDROs.**

Match funded setup due to the strict Balance Principle

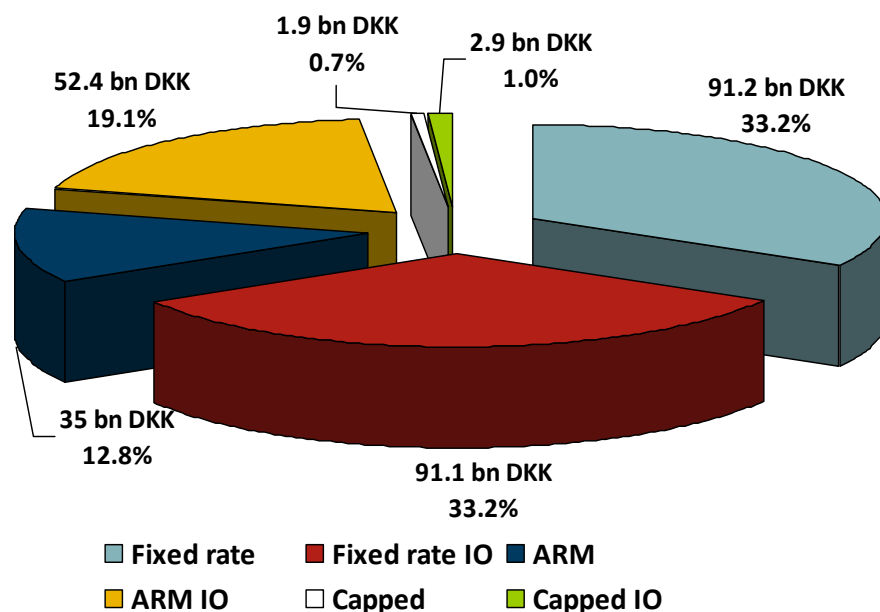


Nordea Kredit complies with the strict Balance Principle, and has a completely match funded “Pass Through” setup. Nordea Kredit has no prepayment risk, and only negligible interest rate risk or foreign exchange risk

Nordea Kredit – distribution of loans by type

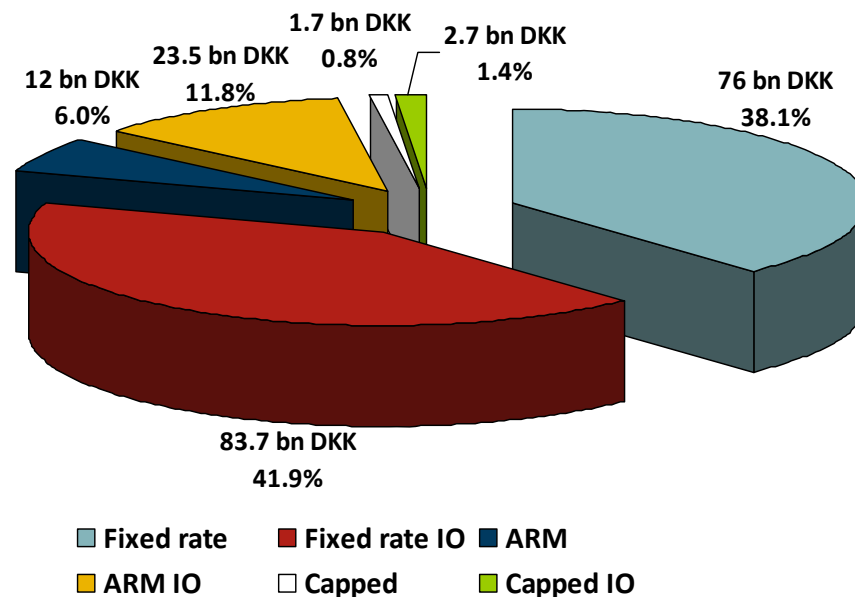
Loans to all segments

CC I and II, end of year 2008:
274.5 bn DKK



Loans to residential properties and holiday homes

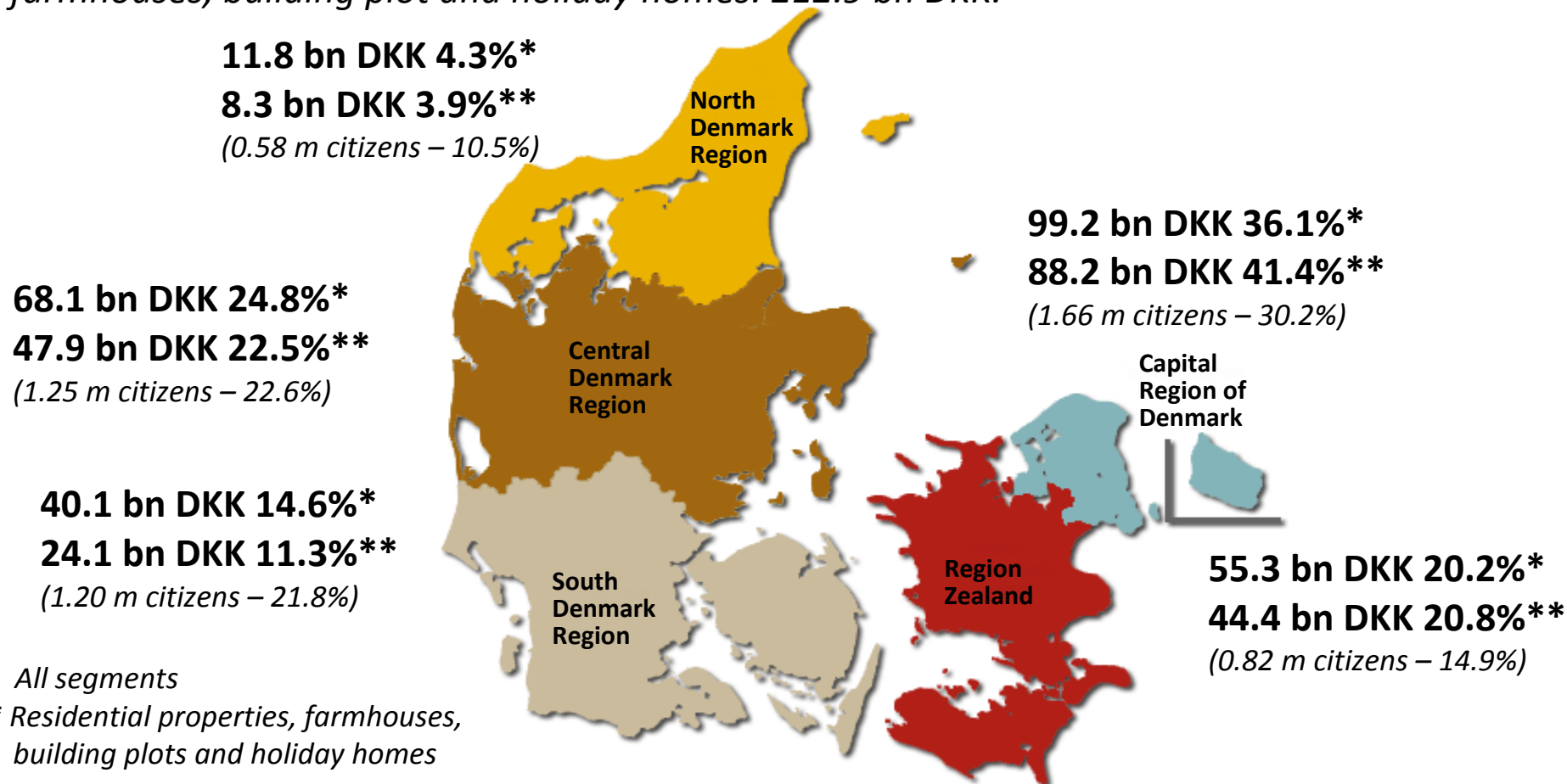
CC I and II, end of year 2008: 199.6 bn DKK



The loan portfolio is characterized by fixed rate loans which account for 66%. For loans to residential properties and holiday homes alone fixed rate loans account for 80%.

Nordea Kredit – geographically distribution of loans

CC I and CC II end of year 2008. All segments: 274.5 bn DKK. Residential properties, farmhouses, building plot and holiday homes: 212.9 bn DKK.



Asset quality - loss guarantee by Nordea Bank Danmark

Nordea Bank Danmark takes “first losses” on Nordea Kredit loans according to the table below:

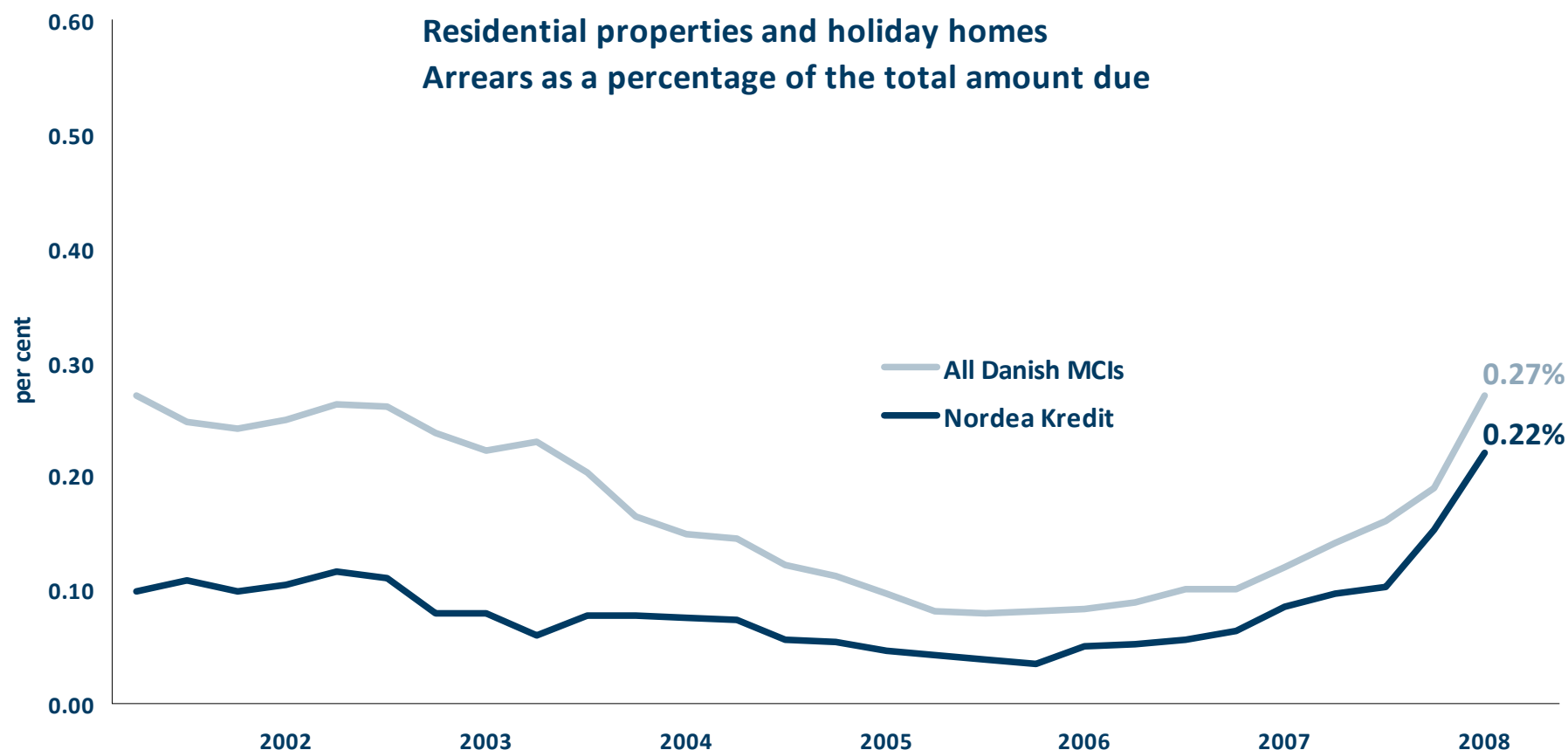
Property type	Guarantee period *	Guarantee level **
Owner occupied housing	5 years	25 per cent
Holiday homes	5 years	25 per cent
Subsidized property	10 years	10 per cent
Housing for youth/elderly	10 years	10 per cent
Agricultural property	10 years	25 per cent
Commercial property	10 years	25 per cent

**) Guarantee period starts when a loan is issued or remortgaged*

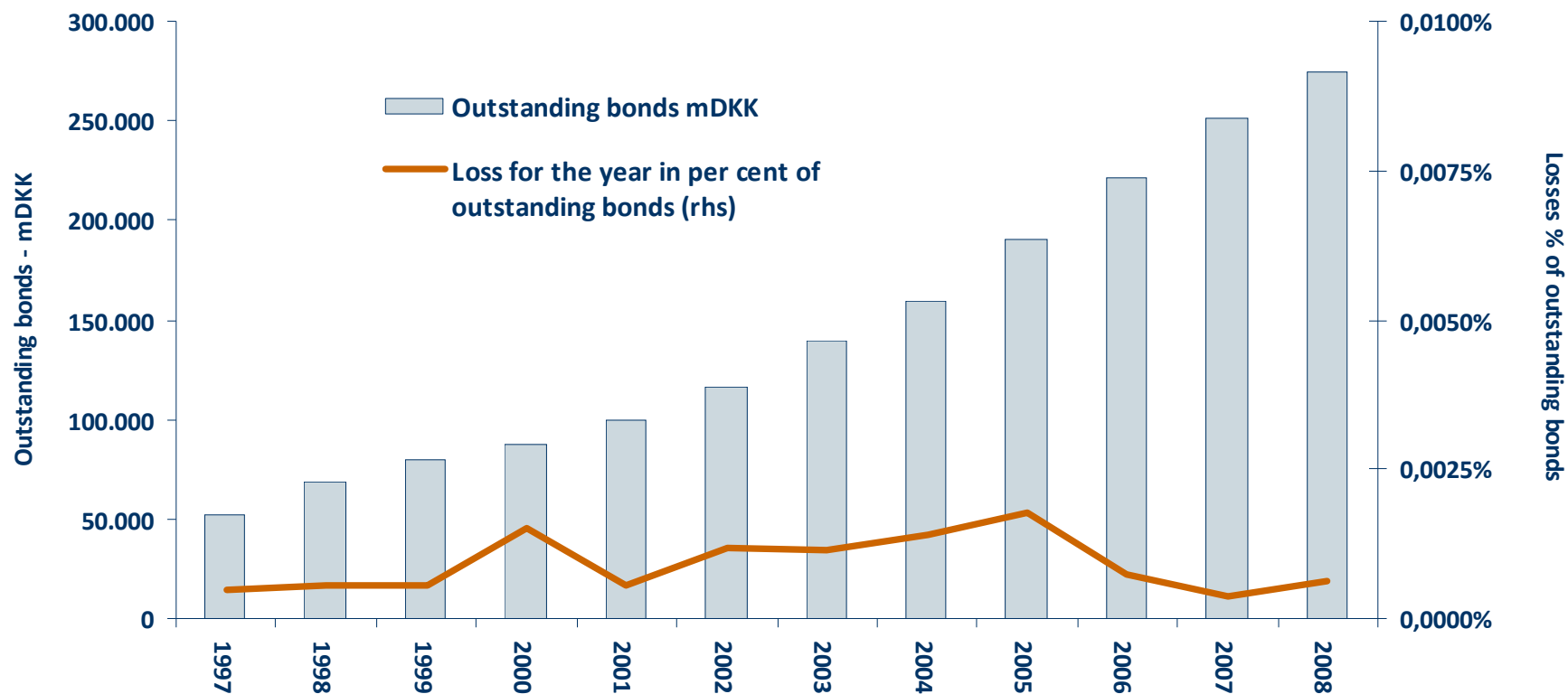
***) As a percentage of the original principal – disregarding all amortisation*

The guarantee amount is not reduced during the guarantee period, but cannot exceed the debt outstanding. A new guarantee period starts when the loan is changed e.g. due to remortgage.

Asset quality - late payments by borrowers - 3½ month after due date



Losses in per cent of outstanding bonds



Nordea Kredit did not experience any losses prior to 1997

– total accumulated losses 16.5 m DKK

Nordea Kredit – LTV, loan-to-value



Nordea Kredit – LTV, loan-to-value

	Weighted Average		
	LTV CC I & II	LTV CC I	LTV CC II
Owner occupied dwellings	64	62	69
Rental	60	59	61
Industry and trade	52	47	67
Office and retail	51	48	54
Agriculture	43	42	44
Other	41	44	39
Total	60	59	61

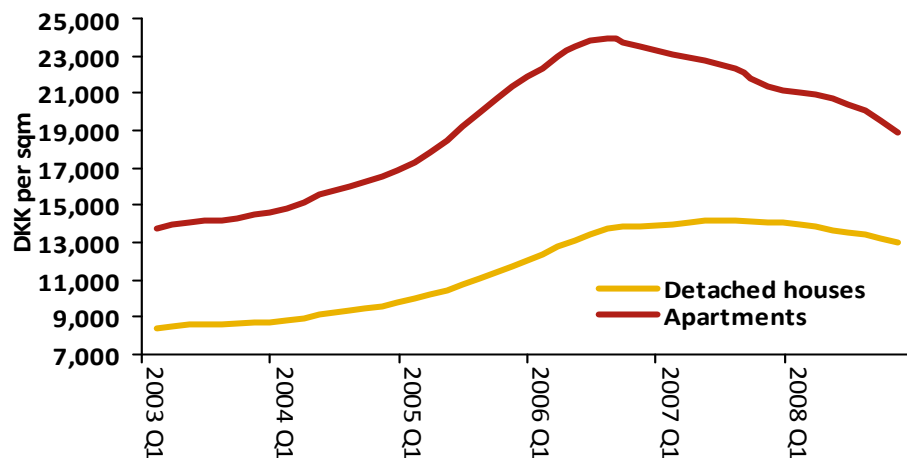
For detailed information on LTV – please refer to [LTV Report 2008 Q4](#)

Legislation

- Danish mortgage financing is highly regulated and closely supervised by the Danish FSA (Finanstilsynet, DFSA)
- Some legislation can be found in English at the DFSA's English website:
<http://www.dfsa.dk/sw7804.asp>
- All relevant legislation can be found in Danish at the DFSA's Danish website:
<http://www.finanstilsynet.dk/sw22517.asp>



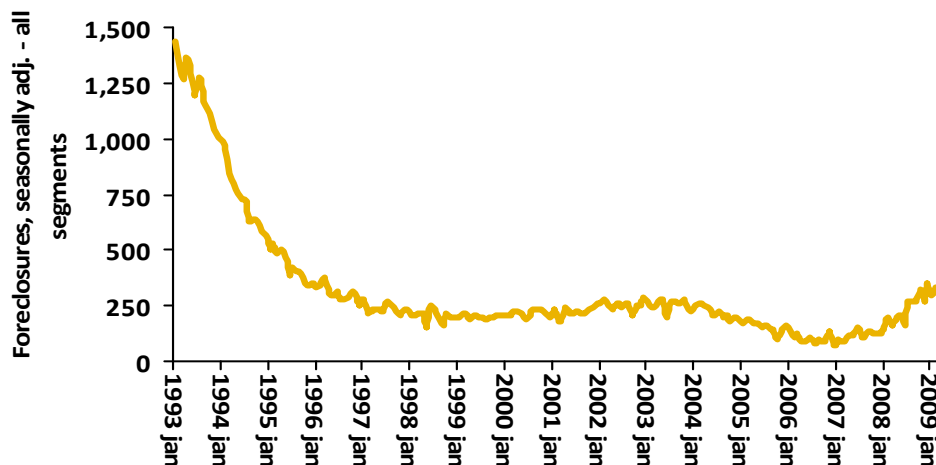
Macro economics - house prices and foreclosures



For a number of years house prices increased
- but by mid 2006 prices peaked.

Since January 1993 the number of foreclosures has fallen from more than 1,400 to a low of only 72 in December 2006.

Since December 2006 the number of foreclosures has risen to 334 as of February 2009 - still a low number of foreclosures.



For more information on macro economics please refer to current issue of "[*Economic Outlook*](#)" made by Nordea Markets, Economic Research.

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