



Nordea Kredit Investor Presentation – 2009 Q1

Published June 22, 2009



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:

[Finn Nicolaisen](#), Nordea Group Treasury, Head of Group Funding Copenhagen, phone +45 3333 1625

[Kamilla H. Skytte](#), Nordea Group Treasury, Chief Dealer, Group Funding Copenhagen, phone +45 3333 1626

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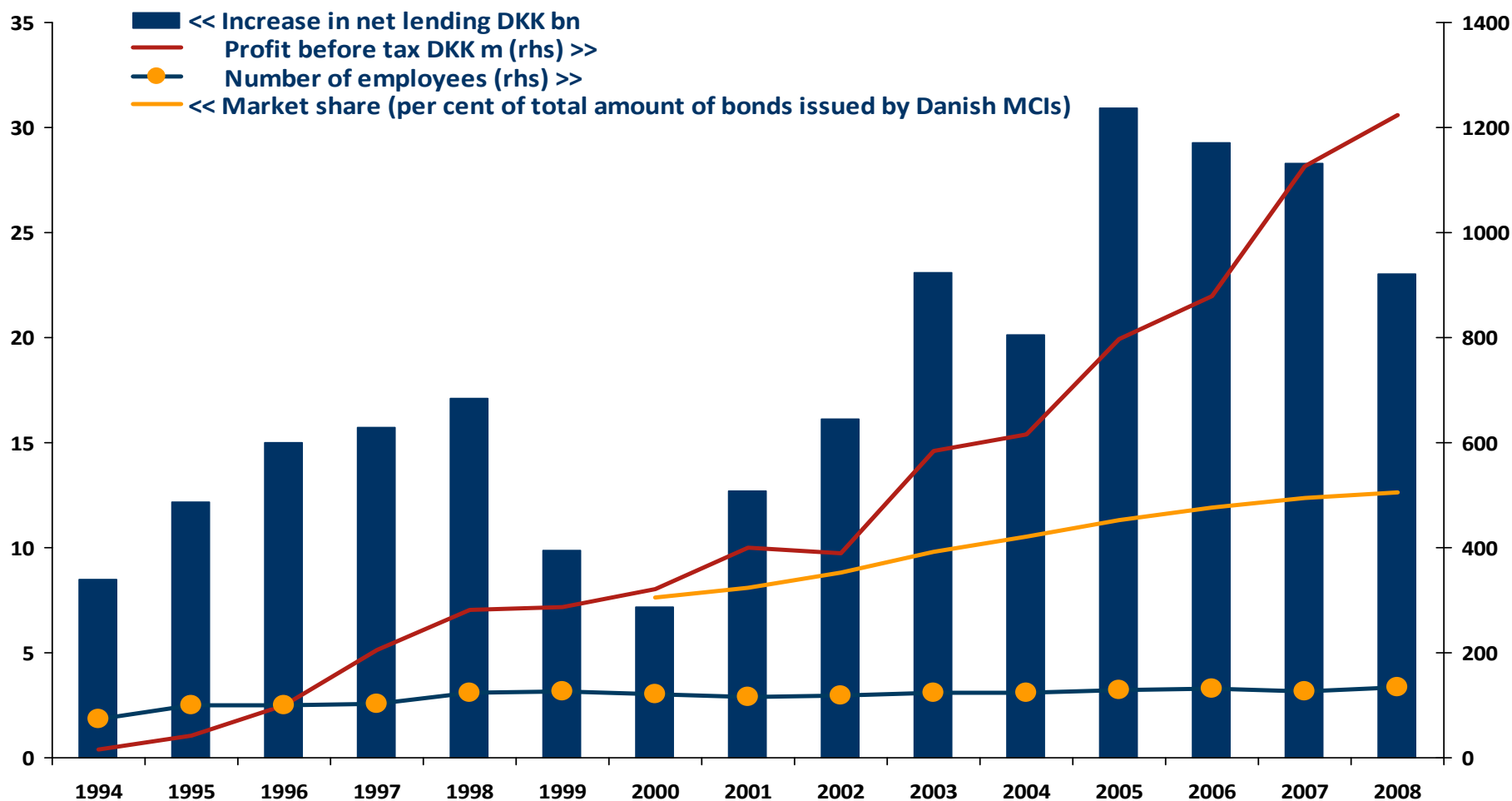
Nordea Kredit – in brief I *(Data as by the end of 2008 Q4 - unless otherwise stated)*

- Founded in 1993, number of employees 130
- Nordea Kredit issues mortgage bonds and covered mortgage bonds
- 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 2009 Q1: 279.2 bn DKK *(2008 Q1: 257.1 bn DKK)*
- Market share 2009 Q1:
 - All segments: 12.5% *(2008 Q1: 12.4%)*
 - Residential properties and holiday homes: 15.5% *(2008 Q1: 15.6%)*
 - Agriculture: 14.4% *(2008 Q1: 13.5%)*
 - Commercial properties: 10.0% *(2008 Q1: 9.2%)**(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 - unless otherwise stated)*

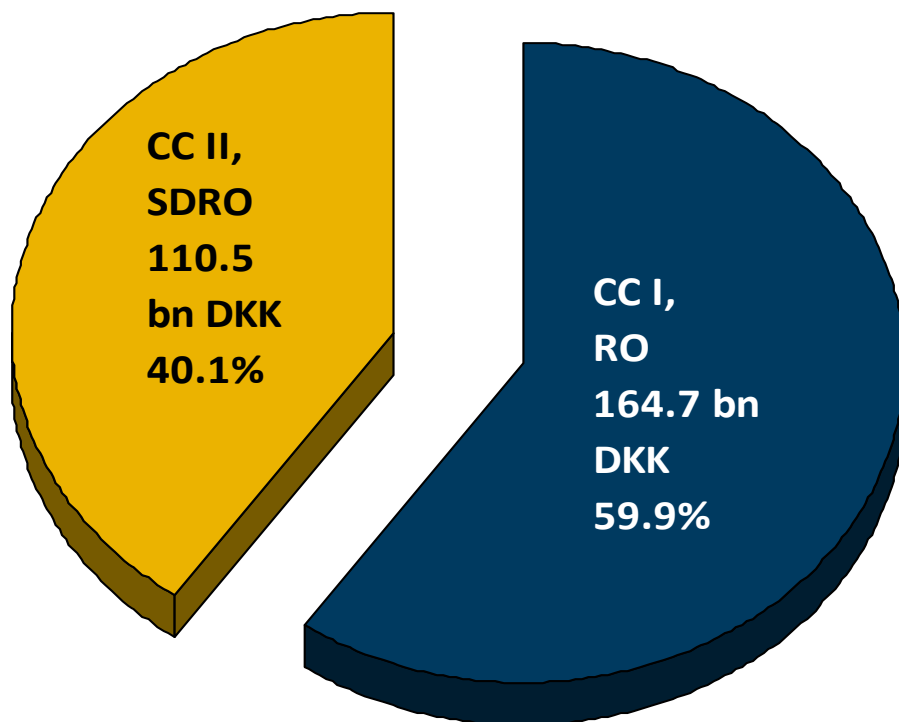
- **Late payments by borrowers 0.31%** *(Residential properties and holiday homes)
3½ month after due date, end of 2009 Q1*
- **Losses and provisions: 0.007% of outstanding loans**
- **Average LTV 2009 Q1: 61%**
- **Total capital ratio 9.7% and Tier 1 capital ratio 10.0%**
(including profit for the year 2008)
- **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)

Nordea Kredit – in brief



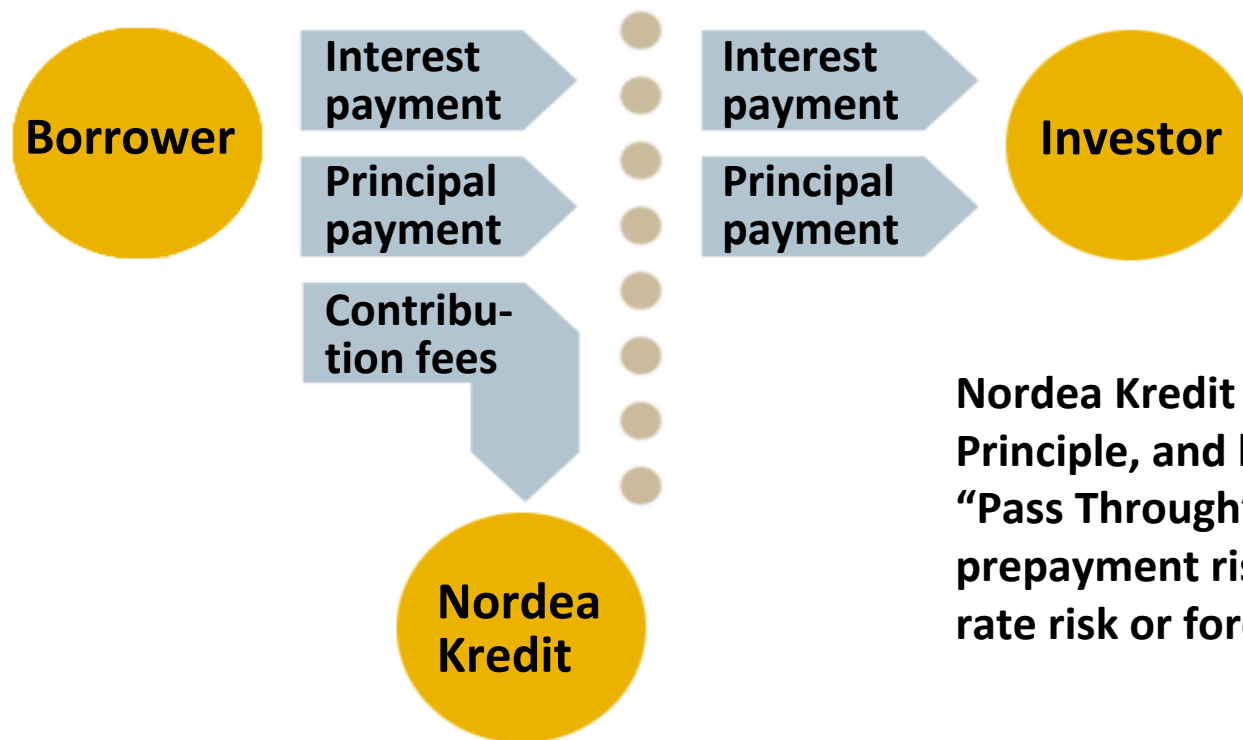
Nordea Kredit – Capital Centres 1 and 2 (*CC I and II*)

Mortgages loan at fair value 2009 Q1:



- **Nordea Kredit has two capital centres:**
 - CC I: Mortgage Bonds (Realkreditobligationer, “RO”) are issued out of CC I (1993 -), however only 1 ISIN is presently active. More than 97% of the bonds in CC I are covered bond grandfathered.
 - CC II: 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 40% of all outstanding Nordea Kredit bonds.**
- **New issues are almost exclusively covered mortgage bonds (SDROs).**

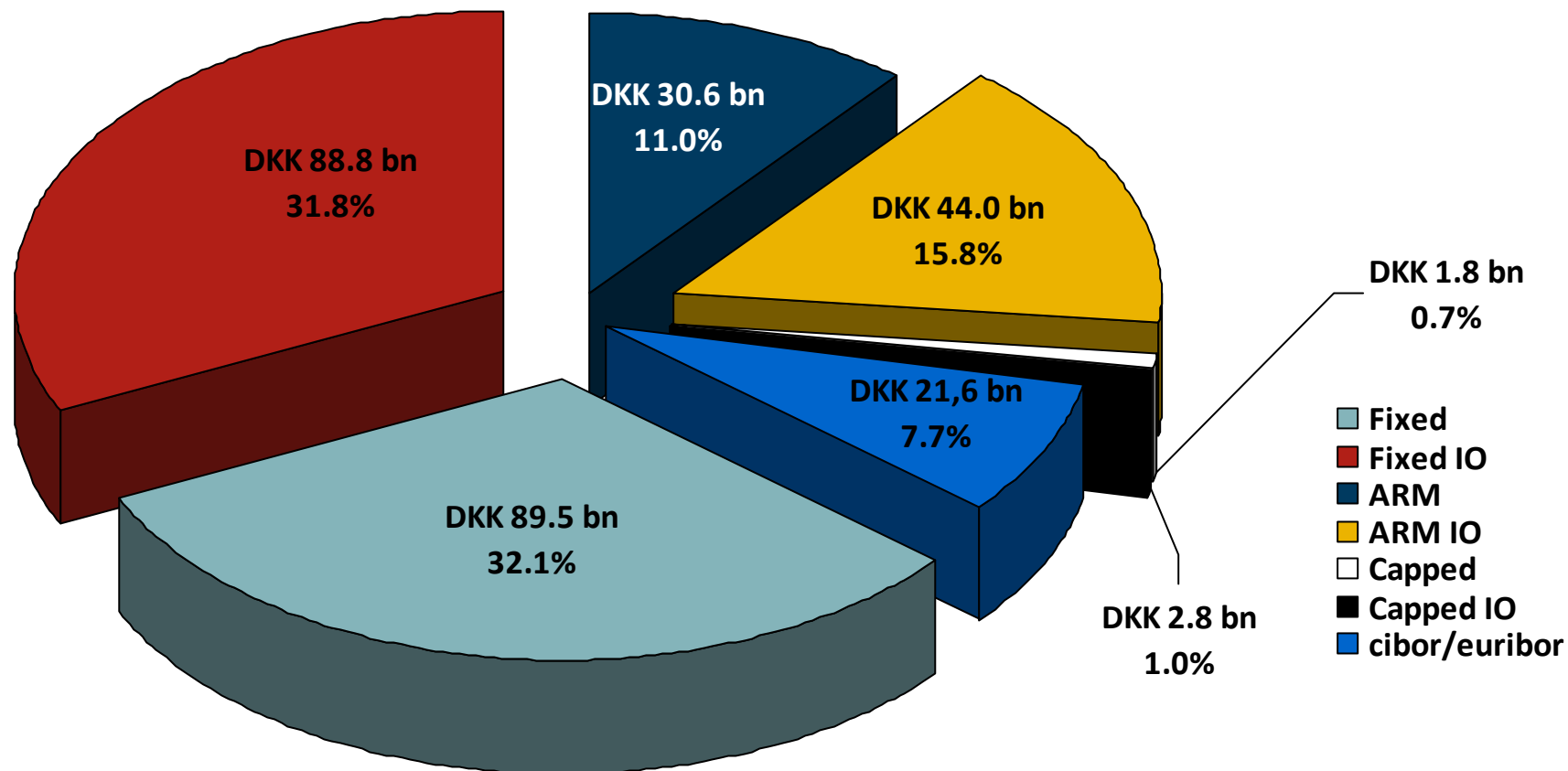
Match funded setup due to the strict Balance Principle



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, 2009 Q1: 279.2 bn DKK *

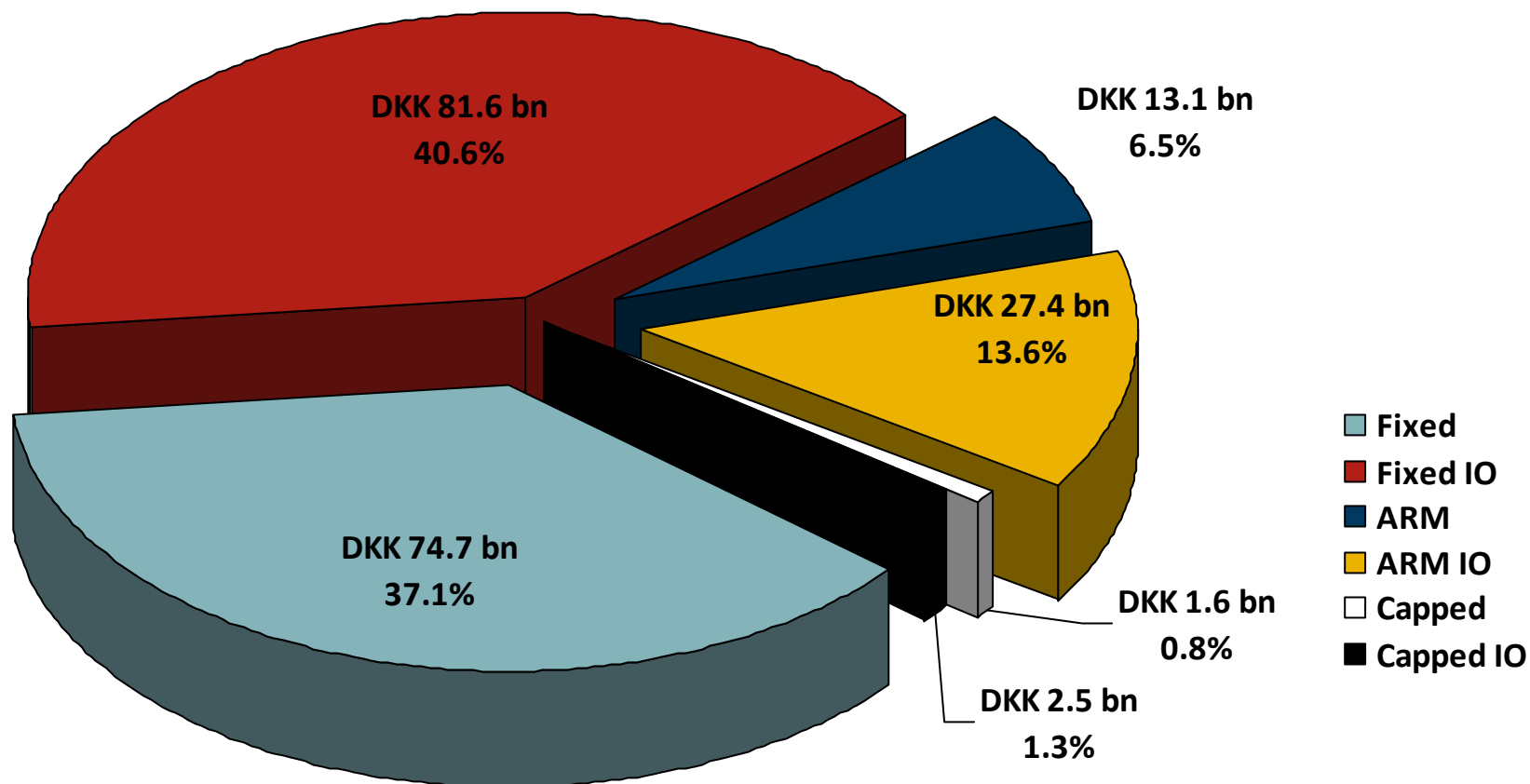


The loan portfolio is characterized by fixed rate loans which account for 63.9%

*) outstanding bond volume

Nordea Kredit – distribution of loans by type

Loans to residential properties and holiday homes - CC I and II, 2009 Q1: 201.1 bn DKK *



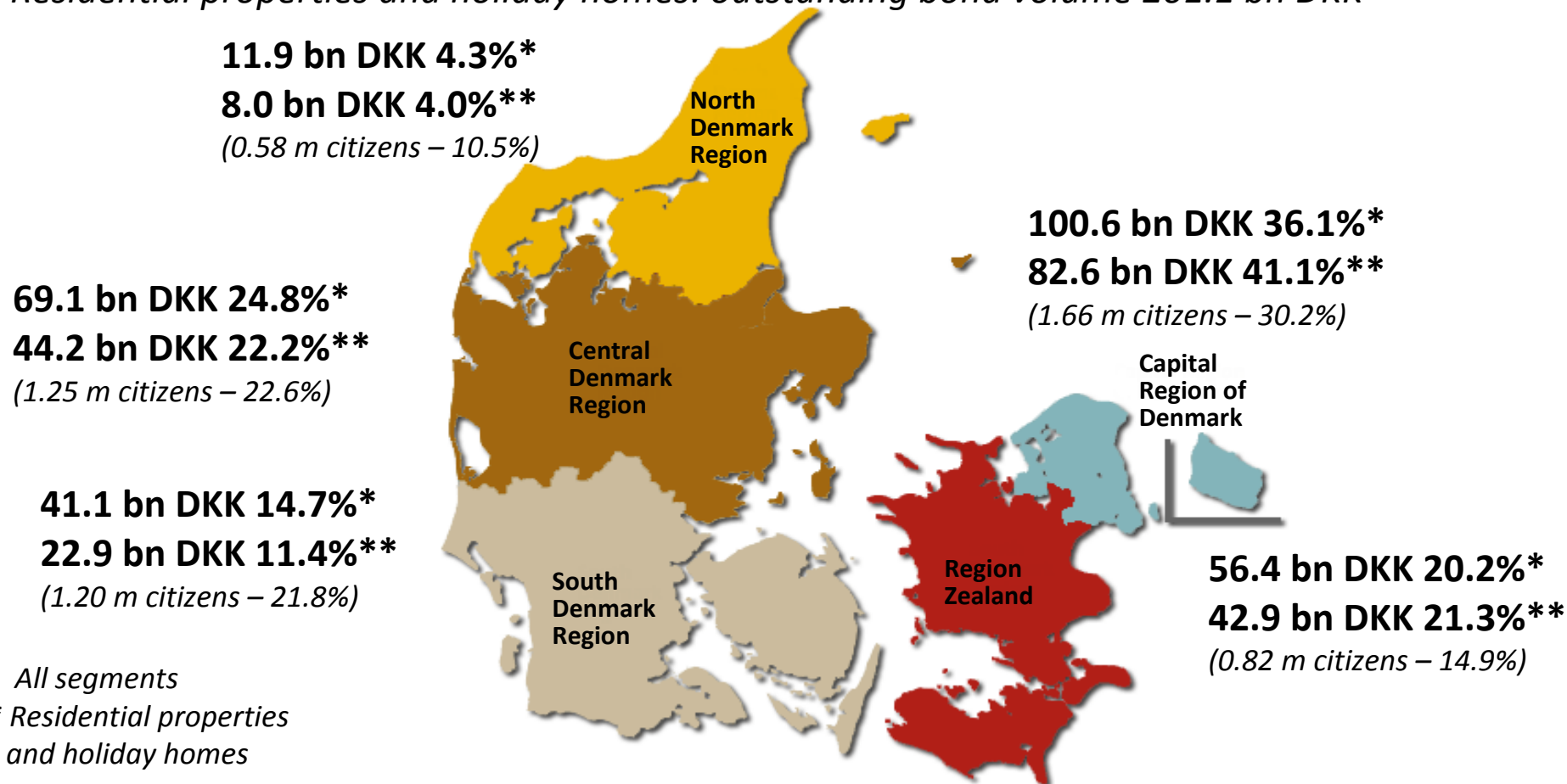
For loans to residential properties and holiday homes alone fixed rate loans account for 77.7%

*) outstanding bond volume

Nordea Kredit – geographical distribution of loans

CC I and CC II 2009 Q1, all segments: outstanding bond volume 279.2 bn DKK

Residential properties and holiday homes: outstanding bond volume 201.1 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

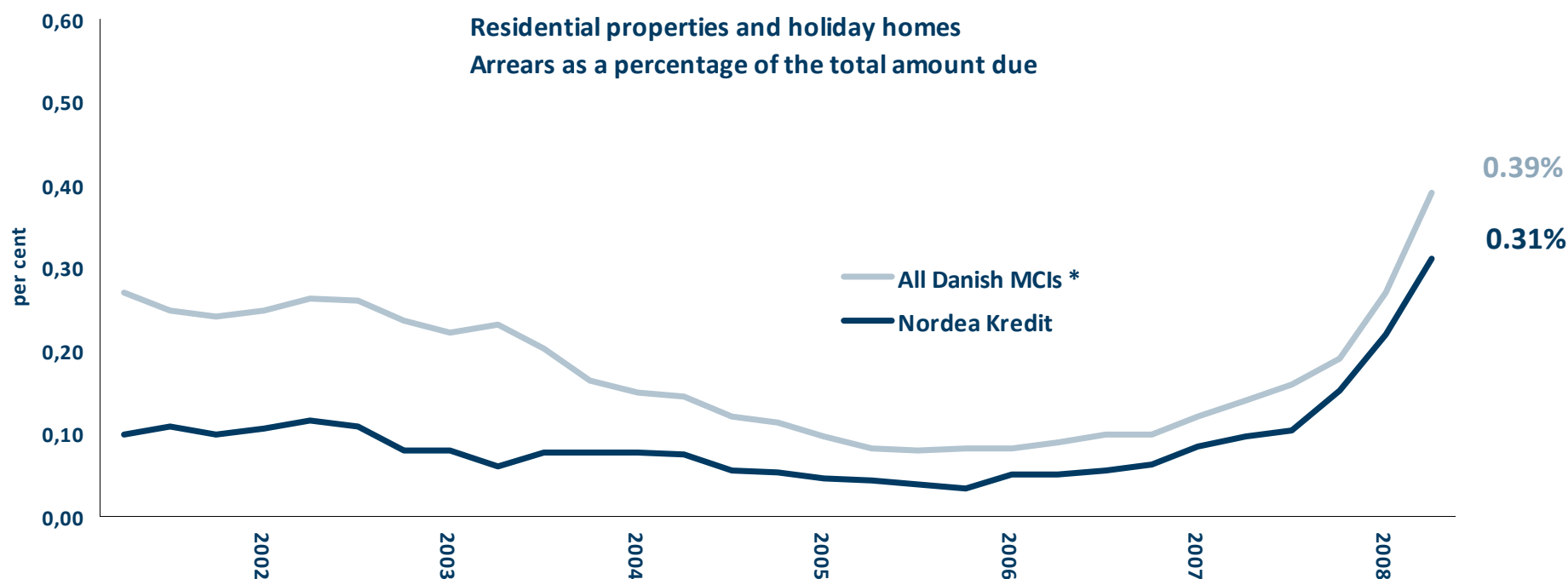
**) Guarantee period starts when a loan is issued or remortgaged*

***) 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.

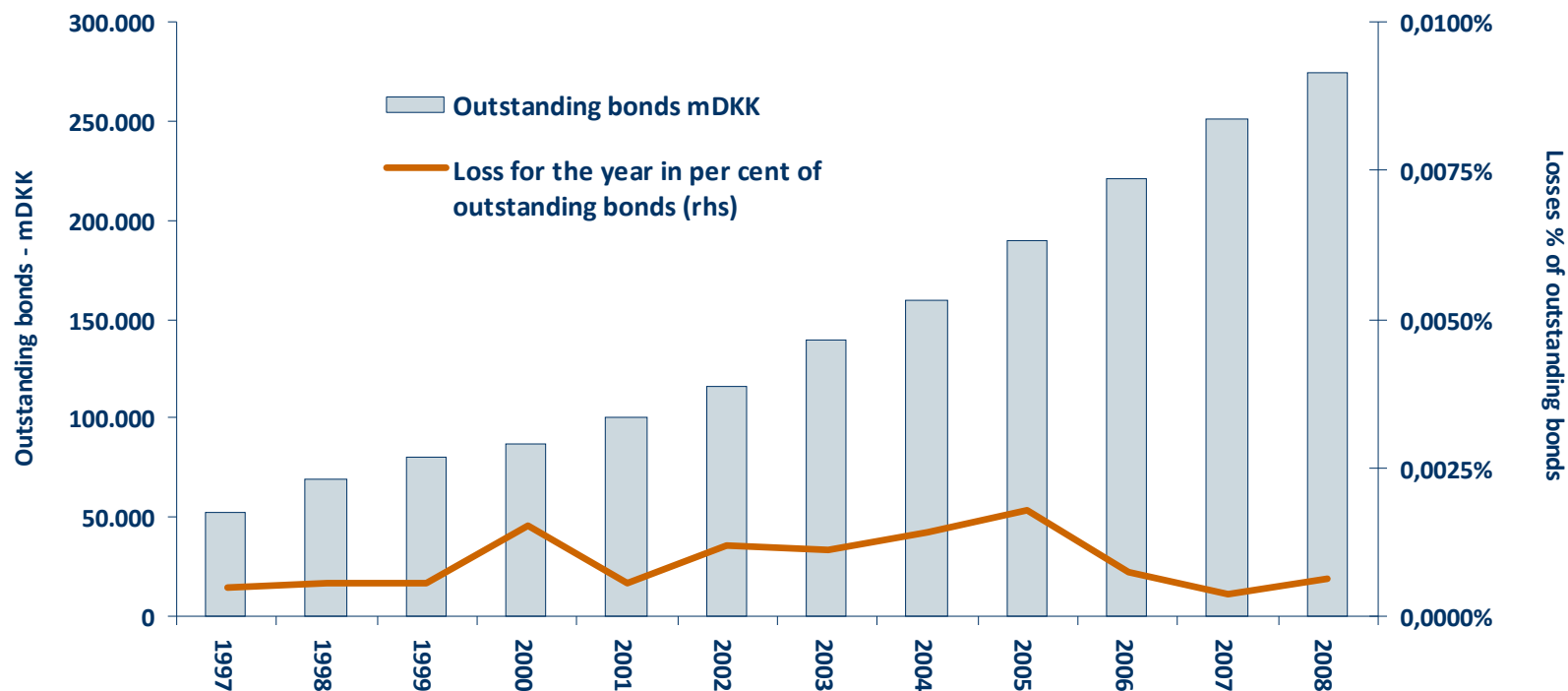
Asset quality - late payments by borrowers

- 3½ month after due date *(end of 2009 Q1)*



*) Including Nordea Kredit

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

2009 Q1 (2008 Q4)

	Weighted Average		
	LTV CC I & II	LTV CC I	LTV CC II
Owner occupied dwellings	66 (64)	63 (62)	71 (69)
Rental housing	61 (60)	60 (59)	63 (61)
Industry and trade	53 (52)	47 (47)	68 (67)
Office and retail	54 (51)	49 (48)	57 (54)
Agriculture	44 (43)	42 (42)	45 (44)
Other	42 (41)	45 (44)	40 (39)
Total	61 (60)	60 (59)	63 (61)

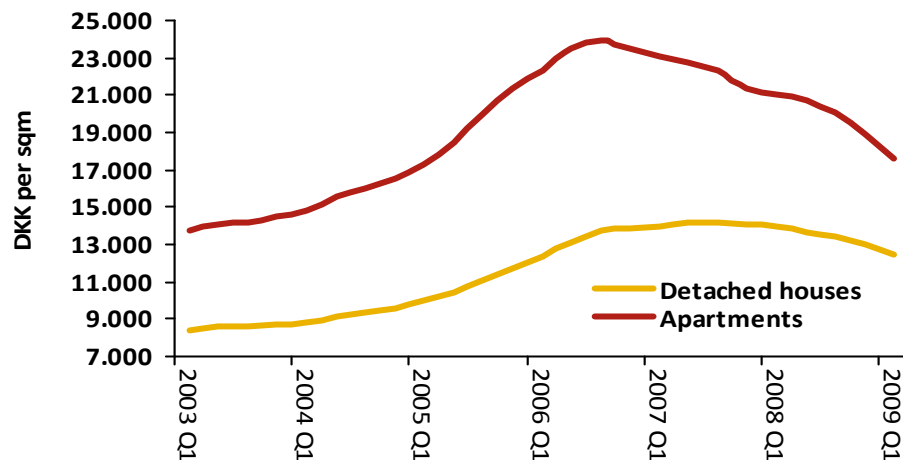
For detailed information on LTV – please refer to [LTV Report 2009 Q1](#)

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>



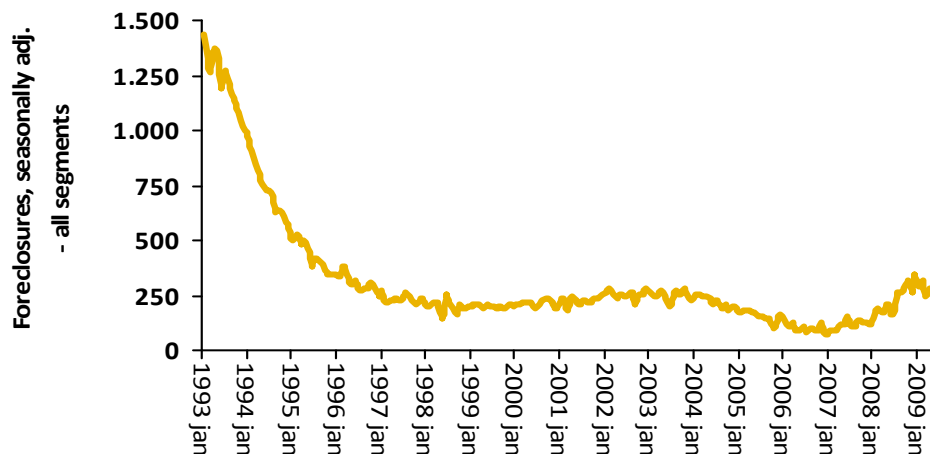
Macro economics - house prices and foreclosures



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 282 as of April 2009 - still a low number of foreclosures.



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

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