

Nordea



Investor Presentation Q3 2018

Nordea Kredit

15.11.2018

Introduction and contact information

This Investor Presentation has been compiled by Nordea Kredit for information purposes only.

The presentation offers data on Nordea Kredit and the mortgage collateral supporting outstanding covered mortgage bonds and mortgage bonds.

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



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Content:

- Nordea Kredit – in brief
- Ratings and OC
- Loan portfolio
- Asset quality
- Legislation

Average LTV for Q2 and Q3 2018 has been adjusted since the first issue of this investor presentation. (See slide 7)

(All data as per 28 September 2018 unless otherwise indicated)

In brief

Profile

Founded	1993
Number of employees (FTEs) (H1 2018)	109
Profit before tax (H1 2018)	DKK 873m
Cost-income ratio (H1 2018)	11.8%
Capital ratio (of which Tier 1) (Q2 2018)	32% (28.9%)
100% owned by Nordea Bank Abp	
All covered bonds are ECBC labelled	
More information at nordeakredit.dk	

Asset quality

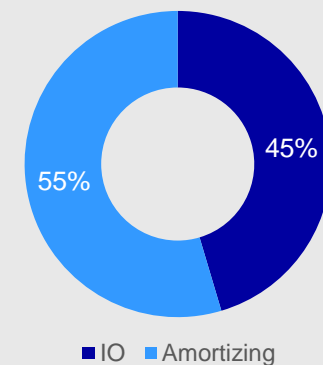
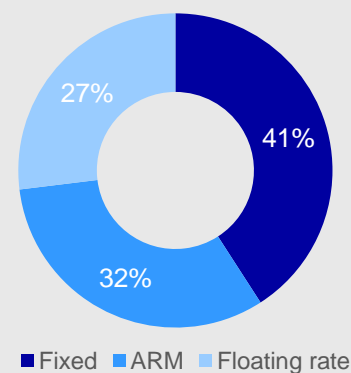
LTV overall average (Q3 2018)	59.4%
Arrears (Owner occupied dwellings and holiday homes) ¹	0.16%

Portfolio

Mortgage loans, nom. value (Q3 2018) DKK 386.8bn

Market share (Q3 2018) 14.1%

Portfolio by type of loan:



Rating of bonds

Moody's	Aaa
Standard & Poor's	AAA

¹ Arrears as a percentage of the Q2, 2018 scheduled payments – 3½ months after due date

Ratings and over-collateralisation

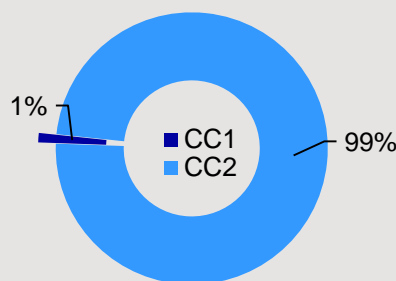
	Moody's		S&P		OC	
	CC1	CC2	CC1	CC2	CC1	CC2
Rating of issued bonds	Aaa	Aaa	AAA	AAA	20.58%	9.61%
Required OC/CE for Aaa and AAA rating	0	0	10.74%	3.48%		
TPI leeway / Unused uplift	7	6	4	4		

OC and CE requirements as set by Moody's and S&P, respectively.

TPI leeway and unused uplift as defined by Moody's and S&P, respectively.

Capital Centre 1 (DKK 3.8bn)

- Mortgage Bonds (Realkreditobligationer, "RO")
- No series are open for issuance and all are grandfathered covered bonds

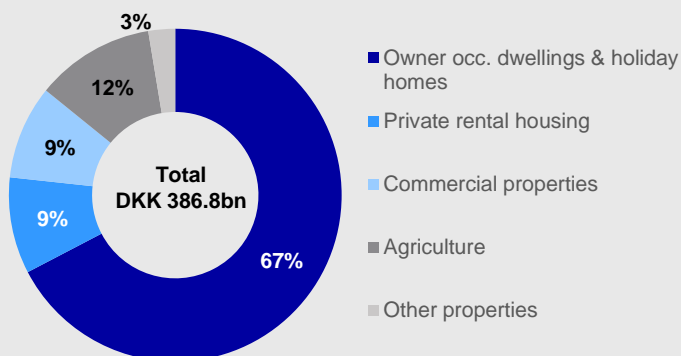


Capital Centre 2 (DKK 383.0bn)

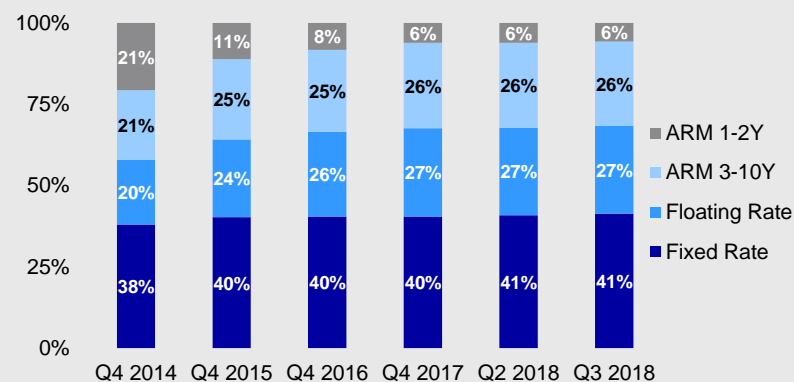
- Covered Mortgage Bonds (Særligt dækkede realkreditobligationer "SDRO")
- All bonds are covered according to UCITS/CRD

Loan portfolio and market share

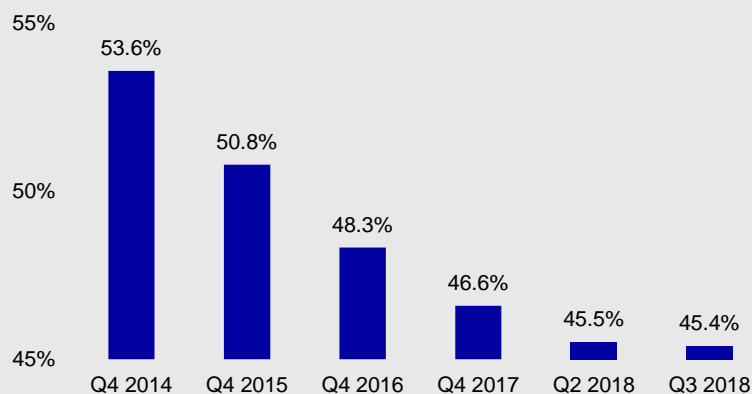
Loan portfolio by property category



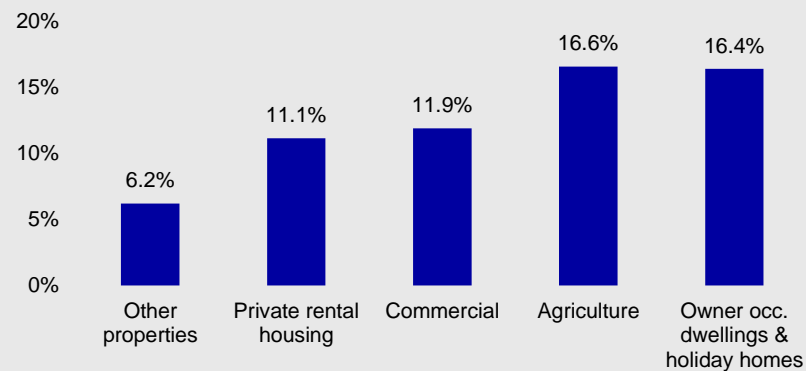
Portfolio by loan type



Share of interest-only mortgages



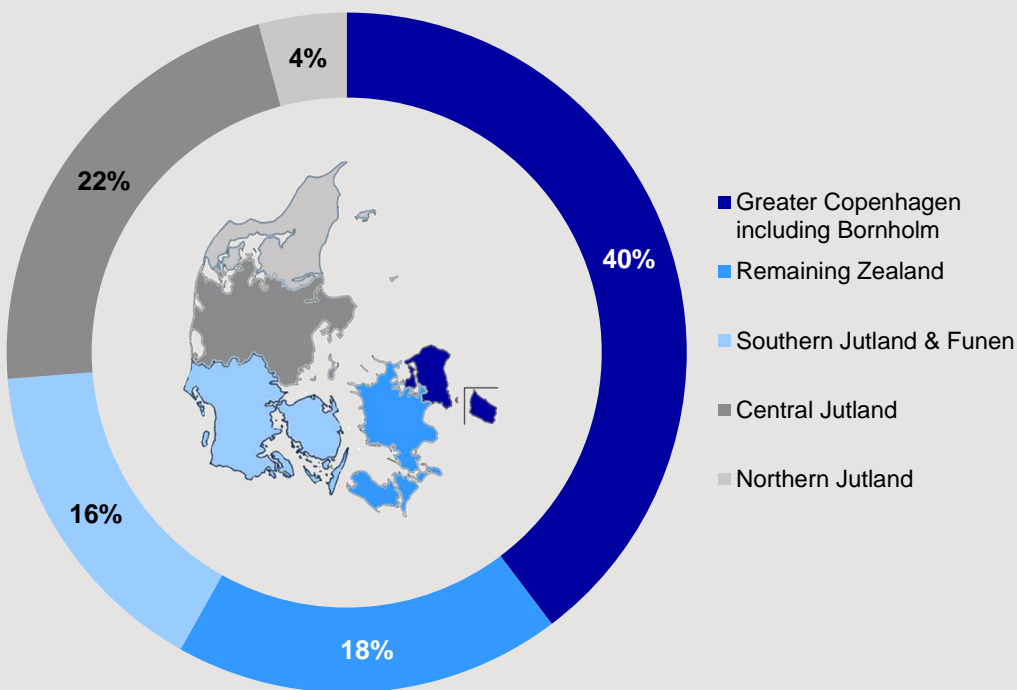
Market share¹ – 14.1% overall



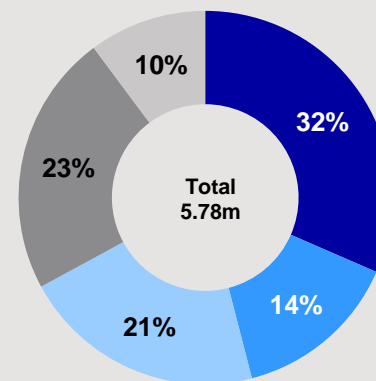
¹⁾ Market share of all Danish mortgage bank loans

Loan portfolio by regions

All property categories

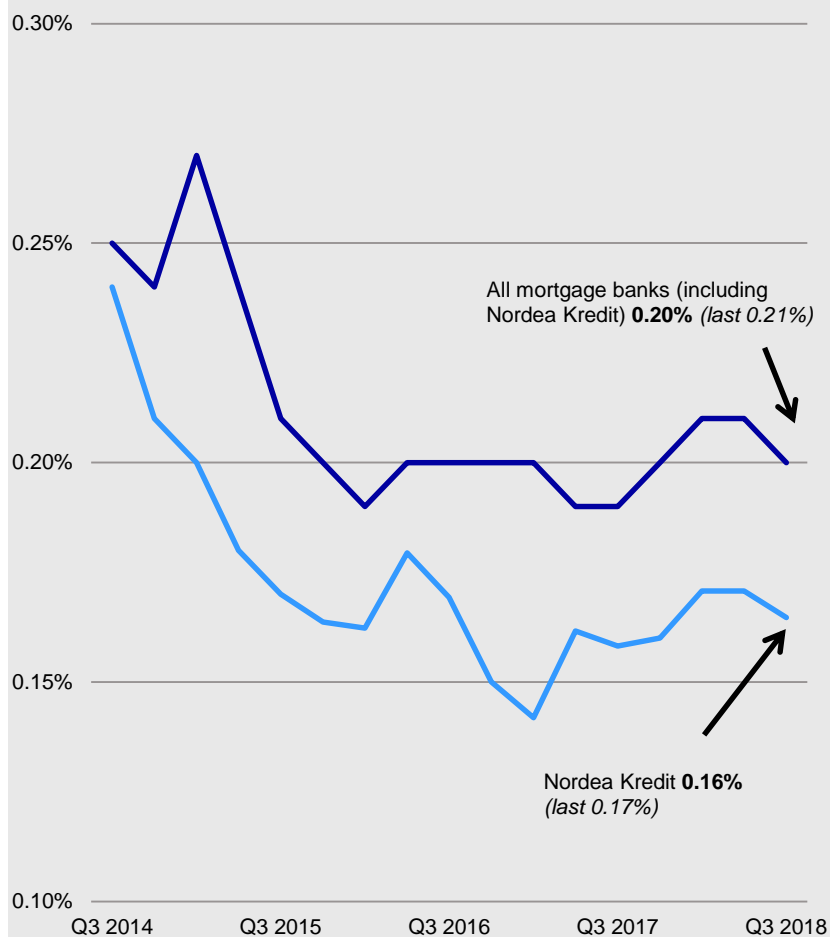


Danish population by regions

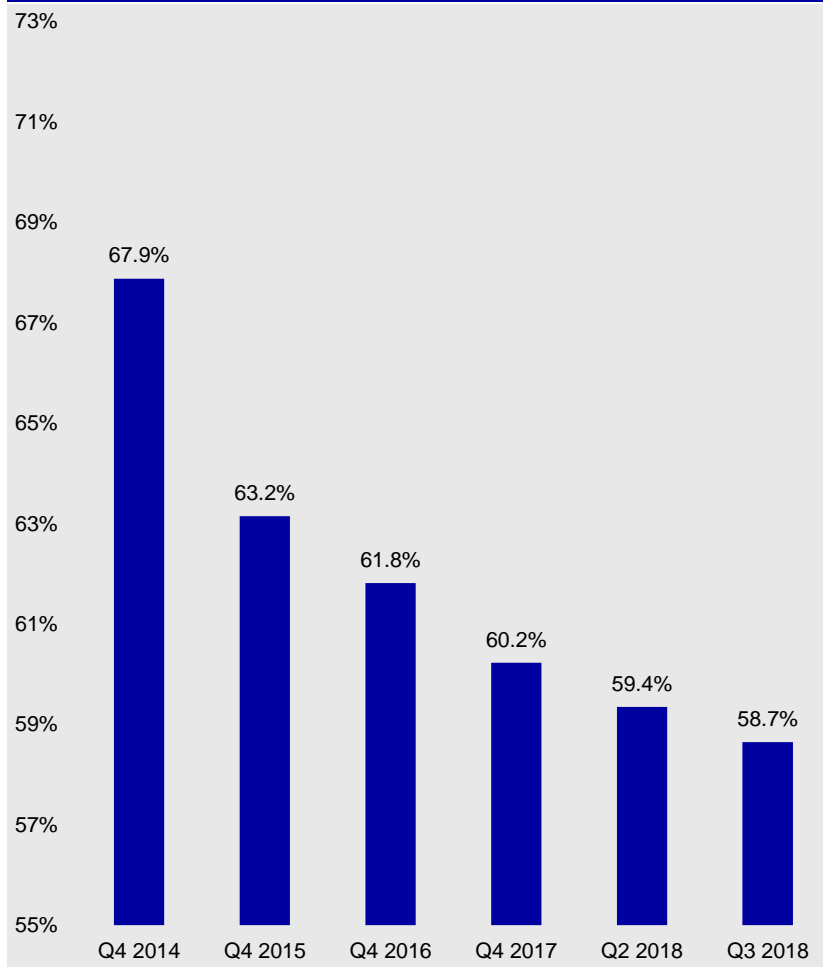


Asset quality

Arrears (Owner occupied dwellings and holiday homes)¹



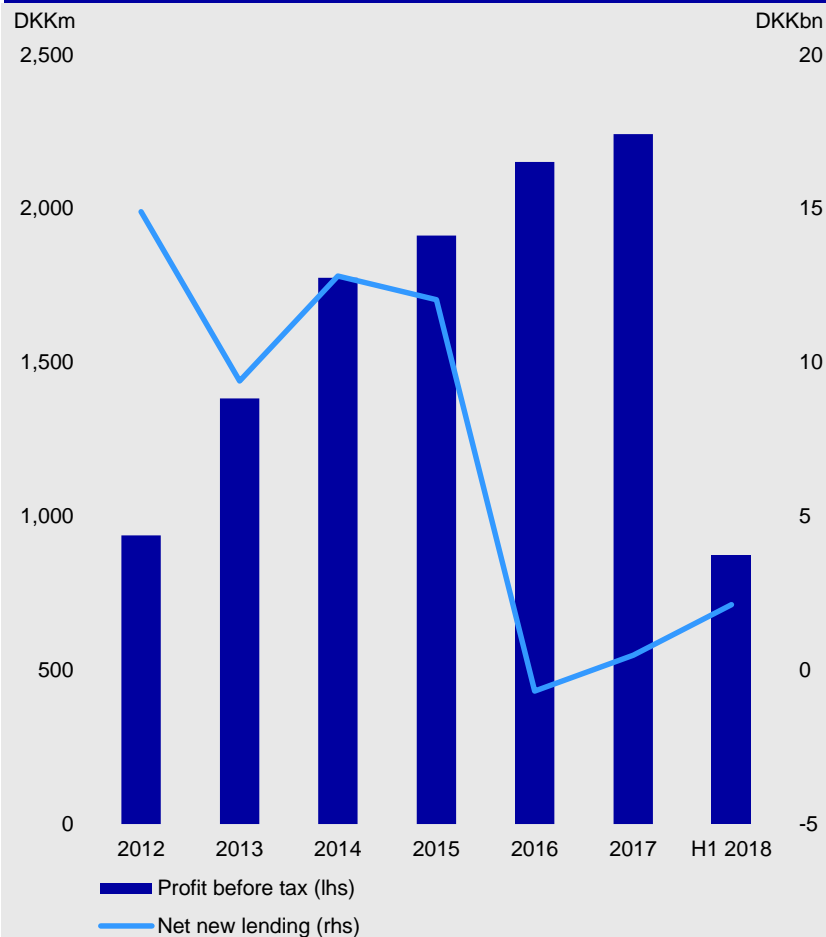
Loan-to-value (LTV) overall average



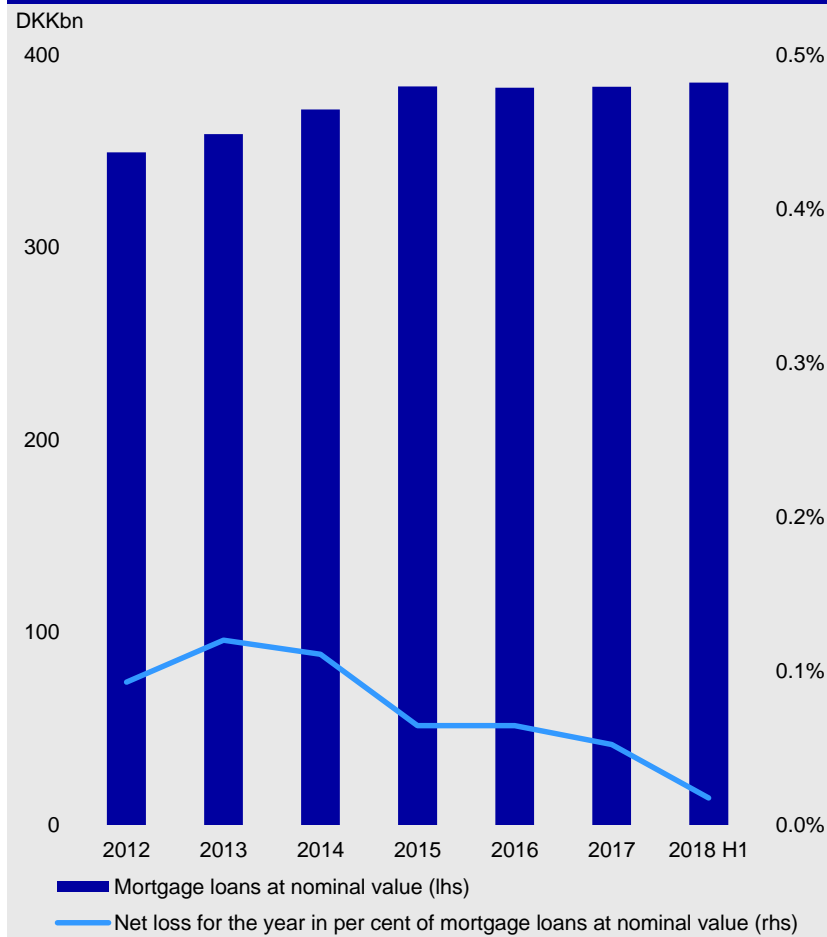
¹) Arrears as a percentage of the Q2, 2018 scheduled payments – 3½ months after due date

Profit and losses

Profit and net new lending



Net losses in per cent of mortgage loans



Links to more information

Nordea Kredit

- Nordea Kredit ECBC harmonised transparency templates.
Link: <https://www.nordea.com/en/investor-relations/reports-and-presentations/bonds/nordea-kredit-covered-bonds/>
- Nordea Kredit financial reports.
Link: <https://www.nordea.com/en/investor-relations/reports-and-presentations/subsidiary-reports/nordeas-danish-subsidiary-reports/>

Legislation

- Danish mortgage financing is supervised by the DFSA (Finanstilsynet).
Link: <https://finanstilsynet.dk/en>
- Relevant legislation can be found in English at the DFSA's English website.
Link: <https://finanstilsynet.dk/en/Lovgivning>
- All mortgage bank legislation can be found in Danish at the DFSA's Danish website.
Link: <http://finanstilsynet.dk/da/Lovgivning/Lovsamling>



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