

Annual Report 2011



REALKREDIT
Danmark

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5 year financial highlights – Realkredit Danmark Group

NET PROFIT FOR THE YEAR

(DKK millions)	2011	2010	2009	2008	2007
Administration margin	3,564	3,423	3,200	2,954	2,833
Net interest income	660	614	1,718	1,963	1,740
Net fee income	-488	-501	-415	-431	-340
Income from investment portfolios	650	463	1,113	547	237
Other income	105	168	102	149	160
Total income	4,491	4,167	5,718	5,182	4,630
Expenses	934	897	984	1,010	1,194
Profit before loan impairment charges	3,557	3,270	4,734	4,172	3,436
Loan impairment charges	1,057	976	1,267	422	-10
Profit before tax	2,500	2,294	3,467	3,750	3,446
Tax	626	573	873	940	854
Net profit for the year	1,874	1,721	2,594	2,810	2,592

BALANCE SHEET (AT 31 DECEMBER)

(DKK millions)	2011	2010	2009	2008	2007
Due from credit institutions etc.	32,556	28,889	48,966	25,069	23,178
Mortgage loans	723,754	704,449	691,301	669,891	627,809
Bonds and shares	17,300	21,688	3,332	13,062	40,059
Other assets	2,950	2,595	2,744	2,900	3,157
Total assets	776,560	757,621	746,343	710,922	694,203
Due to credit institutions etc.	20,668	27,408	26,855	8,111	11,918
Issued mortgage bonds	695,080	671,644	660,685	647,731	630,844
Other liabilities	14,010	13,625	15,604	16,512	15,683
Subordinated debt	2,045	2,061	2,037	-	-
Shareholders' equity	44,757	42,883	41,162	38,568	35,758
Total liabilities and equity	776,560	757,621	746,343	710,922	694,203

RATIOS AND KEY FIGURES

Net profit for the year as % of avg. shareholders' equity	4.3	4.1	6.5	7.6	7.5
Cost/income ratio (%)	20.8	21.5	17.2	19.5	25.8
Total capital ratio (%)	35.8	39.4	44.6	56.6	10.5
Tier 1 capital ratio (%)	35.4	38.8	44.2	56.5	10.5
Full-time-equivalent staff, end of year	303	320	300	520	519

As from 2008, the total capital and tier 1 capital ratios are calculated in accordance with the Capital Requirements Directive.

Financial review

Overview

- In 2011, the Realkredit Danmark Group recorded a net profit of DKK 1,874 million, against DKK 1,721 million the year before.
- Loan impairment charges rose to DKK 1,057 million from DKK 976 million in 2010. The delinquency rate fell.
- The total capital ratio calculated according to the Capital Requirements Directive (CRD) remained very high at 35.8%, against 39.4% at the end of 2010.
- Realkredit Danmark expects to repay the hybrid tier 1 capital of DKK 2 billion raised from the Danish state on 11 May 2012, which is the first possible redemption date.
- In 2011, Realkredit Danmark opened a new Capital Centre T for financing FlexLån® loans.
- Realkredit Danmark expects a higher profit in 2012 than in 2011 due to higher administration margins and continuing focus on cost control.

Results

In 2011, the Realkredit Danmark Group recorded a net profit of DKK 1,874 million, against DKK 1,721 million the year before. The profit was 9% higher than in 2010 and better than expected.

Income from the investment portfolio rose to DKK 650 million from DKK 463 million in 2010, among other things due to the introduction of refinancing margins, which amounted to DKK 80 million.

The administration margin increased DKK 141 million, especially as a result of increased margins on business loans.

Other income was down DKK 63 million, partly because the figure for 2010 benefited from a refund of excess financial services employer tax paid in previous years.

Total income rose 8% relative to 2010.

Expenses climbed DKK 37 million to DKK 934 million because of intensified efforts to strengthen Realkredit Danmark's brand. Furthermore, IT expenses rose owing partly to the implementation of digitalisation projects aimed at enhancing customer service.

Loan impairment charges amounted to DKK 1,057 million, against DKK 976 million in 2010. The charges equalled 0.15% of total mortgage lending, against 0.14% at the end of 2010. Of total impairment charges, 50% related to personal customer loans, while 50% related to business loans.

Delinquencies as a percentage of mortgage payments declined during the second half of the year. The three-month delinquency rate stood at 0.46 at the end of 2011, against 0.63 at end-2010.

The tax charge amounted to DKK 626 million, corresponding to an effective tax rate of 25%.

Balance sheet

Gross lending amounted to DKK 80 billion, against DKK 126 billion in 2010. Mortgage lending at fair value rose DKK 20 billion to DKK 724 billion because of higher bond prices. During the same period, the nominal outstanding bond debt rose DKK 5 billion to DKK 708 billion at the end of 2011.

In spite of rising prices of the bonds issued to fund the loans in the loan portfolio, the loan-to-value (LTV) ratio remained unchanged at 67% at 31 December 2011.

In 2011, Realkredit Danmark had 217 foreclosures and sold 220 properties. In 2010, the Group had 235 foreclosures and sold 108 properties. The number of foreclosures at the end of the year was 161, against 164 at end-2010. The value of the foreclosures was DKK 317 million at 31 December 2011, against DKK 282 million at end-2010.

Issued mortgage bonds rose DKK 23 billion to DKK 695 billion. The nominal value of issued bonds rose DKK 11 billion to DKK 678 billion. The amounts are exclusive of holdings of own mortgage bonds.

Realkredit Danmark is subject to the specific principle of balance and therefore has very limited exposure to market risks. At the end of 2011, Realkredit Danmark's interest rate risk and exchange rate risk amounted to DKK 346 million and DKK 0 million, respectively.

Capital and solvency need

At the end of 2011, shareholders' equity stood at DKK 44.8 billion, against DKK 42.9 billion at end-2010. The increase in equity equalled the profit for the year. The Board is recommending that dividends of DKK 786 million be paid for 2011.

The Group's capital base including hybrid capital amounted to DKK 46.4 billion, and the total capital ratio calculated in accordance with the Capital Requirements Directive (CRD) was 35.8%. At 31 December 2010, the corre-

sponding figure was DKK 45.4 billion and the total capital ratio 39.4%. Realkredit Danmark expects to repay the hybrid tier 1 capital of DKK 2 billion raised from the Danish state on 11 May 2012, which is the first possible redemption date.

The Realkredit Danmark Group uses the advanced internal ratings-based (IRB) approach to calculate risk-weighted assets for credit risk. Risk-weighted assets (RWA) amounted to DKK 129.5 billion at 31 December 2011, against DKK 115.3 billion at end-2010. The increase in RWA was due especially to improved models to calculate risk-weighted assets for credit risk.

Calculated on the basis of the transitional rules of the CRD, the solvency need for 2011 must, as a minimum, amount to 80% of the requirement calculated under the previous rules, corresponding to DKK 25.7 billion or a solvency need ratio of 19.8%. As the capital base of DKK 46.4 billion includes a buffer of DKK 20.7 billion, the Group is well prepared for the future.

Under Danish law, the Group must publish its solvency need on a quarterly basis (www.rd.dk provides further information).

Realkredit Danmark issues mortgage-covered bonds, and under Danish law, it must provide supplementary collateral towards the bondholders if the loan-to-value (LTV) ratio exceeds predefined limits, which are 80% for residential property and 60% for commercial property. At the end of 2011, Realkredit Danmark had issued mortgage-covered bonds for DKK 525 billion, against DKK 458 billion at the end of 2010.

At the end of 2011, the requirement for supplementary collateral for mortgage-covered bonds was DKK 34.5 billion. At the end of 2010, the requirement was DKK 29.7 billion.

Fourth quarter 2011

The Realkredit Danmark Group recorded a pre-tax profit of DKK 779 million in the fourth quarter of 2011, against DKK 813 million in the third quarter of 2011. The higher income did not offset the increase in loan impairment charges.

Net interest income climbed 12% over income in the third quarter.

Income from the investment portfolio amounted to DKK 291 million, against DKK 294 million in the third quarter.

Loan impairment charges amounted to DKK 318 million in the fourth quarter, against DKK 263 million in the third quarter. The increase was mainly attributable to higher charges on business loans.

Outlook for 2012

Realkredit Danmark expects stagnant growth in the Danish economy in the coming year, with growth around the 1% mark. This weak growth will probably lead to higher unemployment, but an expansive fiscal policy will to some extent help ensure stable employment rates.

Interest rates in Denmark are expected to remain low and will continue to lend support to the depressed property market.

Higher requirements for supplementary collateral for mortgage-covered bond issues and the return on equity have necessitated price increases. Other things being equal, price increases and other steps taken in 2011 are expected to lift Realkredit Danmark's 2012 earnings by around DKK 700 million.

General process improvements and other means of cost control are expected to curb the increase in expenses in 2012.

Overall, Realkredit Danmark expects to achieve a higher profit in 2012 than it did in 2011.

Property market

Economic turbulence triggered consumer reluctance in Denmark

The year 2011 was a turbulent ride for the financial markets. At the beginning of the year, there were signs of improved economic conditions and thus a budding recovery. Since then, the European debt crisis has escalated, and global growth has slowed. The Danish economy was also hit, showing disappointing economic indicators that lowered overall growth expectations. Economic instability postponed an increase in interest rates, and interest rates remained very low.

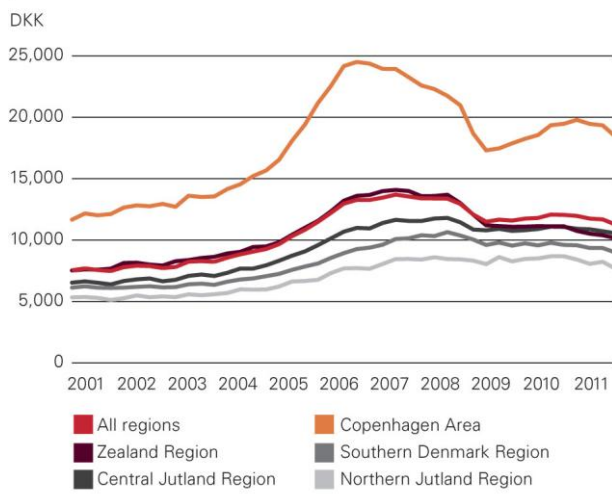
Housing market activity remained sluggish throughout 2011, with a record-high number of properties for sale. Labour market uncertainty has made many families reluctant to spend money.

However, Danish home owners have benefited from the credit crisis and economic instability in the eurozone in the sense that Denmark, in the context of the crisis-stricken European countries, has been considered a safe haven for financial investments. This trend pushed down Danish interest rates in the second half of 2011. The low level of interest rates is expected to partially curb the decline in house prices.

Price developments

Overall, house prices fell throughout the year, and at national level, prices declined by more than 6.5%. The largest price falls were recorded in the Zealand and Northern Jutland regions, where prices fell by 8.7 % and 11.7 %, respectively, from the third quarter of 2010 to the third quarter of 2011.

Development in square metre prices for single-family and terraced houses

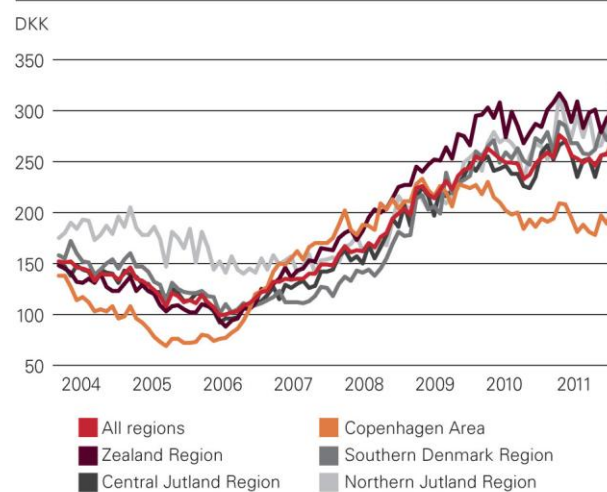


At 4.7%, the Central Jutland Region recorded the lowest price falls. However, Realkredit Danmark only expects a moderate decline in house prices in 2012.

Time on market

Measured in terms of time on market, the Zealand and Northern Jutland regions took the hardest blows. In November, single-family houses were on the market for an average of 309 days in Zealand, and for 294 days in the Northern Jutland Region. The long time on the market and sharp price falls show that buyers and sellers in these two regions have yet to strike a balance between bid and asking prices. The Capital Region has the shortest average time on market of 211 days, which is substantially below the level of the other regions and the country as a whole.

Time on market for single-family and terraced houses



Commercial property market

The economic uncertainty also had an adverse impact on the commercial property market, contributing, among other things, to higher office market vacancy rates at national level in recent quarters.

The historically low level of interest rates has eased the pressure on the commercial property market because financing costs have been kept down. Properties offering a stable return have become more attractive, triggering stronger interest in the Danish commercial property market among foreign investors. This market has traditionally been considered relatively closed and dominated by domestic investors.

Lending

Mortgage credit market

Sales of owner-occupied dwellings and business properties remained very weak throughout 2011. Economic developments squeezed prices of real property, although a historically low rate of interest to some extent stabilised prices.

Total lending

As the housing market was characterised by weak sales and low remortgaging activity, total gross lending amounted to DKK 80 billion in 2011, against DKK 126 billion in 2010.

Notwithstanding that a wider spread between short- and long-term bond yields resulted in attractive opportunities for remortgaging from fixed-rate loans into variable-rate FlexLån[®], there was only limited remortgaging activity. Consequently, the proportion of FlexLån[®] only rose from 57% to 58% of the loan portfolio.

Interest-only loans remained very popular, accounting for 39% of the aggregate portfolio of loans at the end of 2011, against 38% at end-2010.

Net new lending was down from DKK 24 billion in 2010 to DKK 17 billion in 2011.

Personal customer market

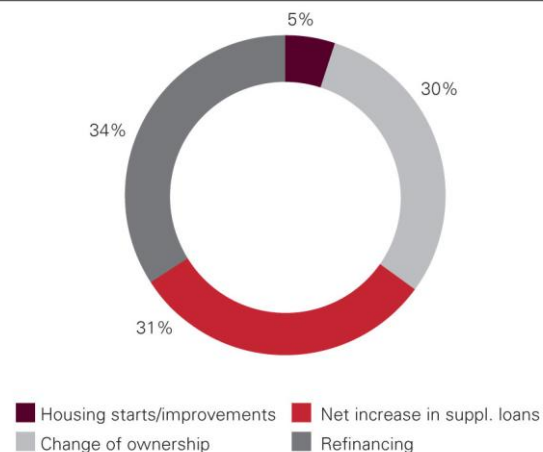
As a result of the limited property sales, supplementary borrowing represented a relatively large share of new lending.

Refinancing activity from fixed-rate loans into FlexLån[®] was at a considerably lower level than in 2010. A growing proportion of Realkredit Danmark's customers opted to lock in their mortgage rate for the next three or five years by changing the repayment profile of their FlexLån[®].

There was a constant rise in the proportion of Realkredit Danmark's T variant FlexLån[®]. FlexLån[®] T provides a high degree of security with respect to future mortgage payments. For example, the current, low short-term interest rates help accelerate debt repayment.

Realkredit Danmark continues to offer its personal customers the flexibility of choosing when to have interest-only periods. Given the continuing uncertainty about developments in housing prices and the economic situation in general, access to the very flexible use of interest-only payments is likely to be conditional on the loan-to-value ratio, loan type and other matters relating to Realkredit Danmark's risk on the individual property.

Private market: Gross Lending – loan types in 2011



Commercial property market

Loans for the business market rose 2% to DKK 289 billion, corresponding to 40% of Realkredit Danmark's portfolio of loans, which was unchanged from 2010.

Remortgaging activity was not as strong in the business market as in the personal customer market, but the tendency to refinance from fixed-rate loans into FlexLån[®] was the same. In addition, there was a tendency in the business market to secure a low, fixed interest rate for three to five years.

Residential rental property

The loan portfolio relating to subsidised housing, co-operative housing and private residential rental property rose 2% to DKK 131 billion, or 18% of Realkredit Danmark's loan portfolio. For the industry as a whole, residential rental property accounts for 17% of the aggregate mortgage credit market. There was a small increase in activity in the market for residential rental property, albeit still at a low level.

Urban trade

Lending to the service sector and the manufacturing and manual industries rose 3% to DKK 108 billion, or 15% of the loan portfolio. For the industry as a whole, urban trade accounts for 14% of the aggregate mortgage credit market. As businesses continued to adapt to the economic crisis, lending activity in urban trade remained low in 2011.

Agriculture

Loans to agriculture remained unchanged at DKK 50 billion, corresponding to an unchanged 7% of the loan portfolio. For the industry as a whole, agriculture accounts for 11% of the aggregate mortgage credit market. There was only little change of ownership and new construction activity because the market adapted to lower land prices and a persistently difficult economic situation for the industry as a whole.

The EU is currently reconsidering its agricultural subsidies, and in the long term, this may increase the risk for the weakest farmers in particular. The loan-to-value ratio for agricultural property was 74% at the end of 2011, against 73% at end-2010.

Best choice for homes and property

Realkredit Danmark, Danske Bank and "home" have implemented a number of new measures to strengthen the Danske Bank Group's position within property finance and property trading in Denmark.

Realkredit Danmark opened 12 personal customer centres to provide customers with better and easier ways of arranging a personal meeting with Realkredit Danmark advisers. The centres have been established at key Danske Bank branches in major Danish cities.

At the same time, Realkredit Danmark launched a new website to support the growing customer use of digital media for seeking advice and guidance on the Internet. Using the new website, customers can, for example, use the Loan Profile to eliminate any doubts they may have about which loan type will suit their needs.

Digital signing of loan documents in connection with supplementary borrowing was introduced through Danske Bank's online banking service, Danske eBanking. The next step for digital signing of loan documents in connection with change of ownership loans is expected to be taken in 2012.

Realkredit Danmark launched an Ipad App for its valuation consultants in 2011. The application allows the valuation consultants to document valuations in a simple and easy-to-understand way.

During 2011, the Danish Land Registration Court resolved the long processing times for electronic registration of documents, and customers generally experience fast processing times in connection with registration of property. However, for the more complex business loan cases, the system and processing times still present major challenges.

Collaborating with Danske Bank, Realkredit Danmark has developed a financing package which is more competitive and more attractive to its customers.

Realkredit Danmark has launched a number of initiatives in-house to ensure more swift and efficient case handling. At the same time, a comprehensive training programme has strengthened the professional skills of Realkredit Danmark's advisers. The programme ensures that customers receive strong and competent advisory services and that advisers meet the ever-increasing requirements for advisory ethics, consumer protection and the like. Both initiatives will continue into 2013.

New products

In August 2011, Realkredit Danmark further developed its FlexGaranti® product, which is a variable-rate bond loan with a built-in rate cap. The loan combines the best features from variable- and fixed-rate loan types. The loan may have a term of up to 30 years. The current 5% rate cap will apply until the bonds underlying the loan are to be refinanced in 2021. On refinancing, a new rate cap will be fixed to apply for the following ten years. The mortgage rate is reset every six months.

In January 2012, Realkredit Danmark opened fixed-rate callable bond series with a coupon of 3.5%. Owing to the record-low rate of interest, it was natural to break with the long-standing tradition of "integer coupons". The new bonds have been very well received.

Price increases

Realkredit Danmark raised its prices for both personal and business customers. The price increases were triggered by higher funding costs and stricter capital requirements.

For personal customers, the new administration margins took effect from 2012. The administration margin is differentiated according to the risk profile of the individual loan types and according to whether the customer has opted for a loan with repayment or an interest-only loan. For business customers, the administration margins were adjusted on an ongoing basis during 2011, and effective from 2012, Realkredit Danmark implemented individual price increases.

In connection with the refinancing of FlexLån®, from the end of 2011 Realkredit Danmark implemented margins on loans to be refinanced.

The vast majority of Realkredit Danmark's personal customers and a growing proportion of small and medium-sized business customers now make monthly mortgage payments. Consequently, the previous discount granted in connection with monthly payments has been replaced by a lower administration margin. Customers wishing to make quarterly payments can still do so against a fee. For the vast majority of customers, monthly mortgage payments remain the cheapest option.

Activities and portfolio	Gross lending		Net new lending		Loan portfolio			
	2011	2010	2011	2010	31 Dec. 2011	%	31 Dec. 2010	%
DKK millions								
Personal customer market	47,898	90,180	6,818	12,755	418,900	60	419,364	60
Residential rental property	13,599	12,363	6,228	4,524	130,611	18	127,927	18
Urban trade	15,505	18,223	4,786	6,762	108,154	15	105,431	15
Agriculture	2,809	5,274	-374	2	50,085	7	50,514	7
Total business market	31,913	35,860	10,640	11,288	288,850	40	283,872	40
Total (nominal value)	79,811	126,040	17,458	24,043	707,750	100	703,236	100

Lending broken down by loan type	Share of gross lending		Share of loan portfolio	
	2011	2010	31 Dec. 2011	31 Dec. 2010
%				
FlexLån®	62	61	58	57
Fixed-rate loans	25	31	29	31
FlexGaranti® and Rentedyk™	3	-	5	5
RD Cibor6®	10	8	8	7
Total	100	100	100	100

Funding

Bond issuance

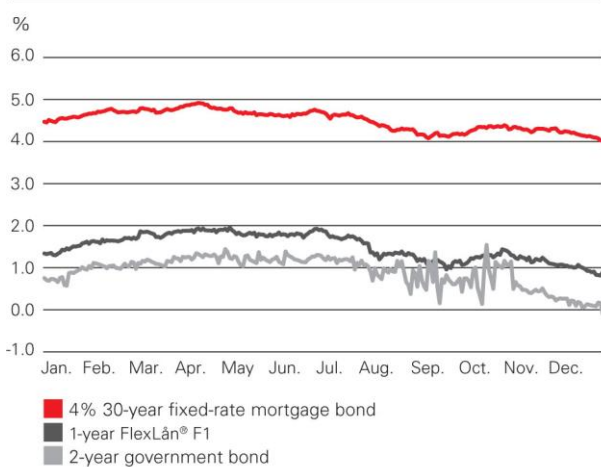
Realkredit Danmark is subject to the specific principle of balance and funds its lending to borrowers by issuing mortgage-covered bonds, which are listed on NASDAQ OMX Copenhagen.

Issued bonds are carried in the financial statements at their fair value after deduction of own holdings. The following text and charts are based on nominal values before deduction of own holdings, as these reflect the actual volume of bonds issued and listed on NASDAQ OMX Copenhagen.

Bonds issued in 2011

Realkredit Danmark issued bonds for a total of DKK 291 billion, which was a fall of 15% relative to 2010. Most of the bonds issued by Realkredit Danmark in 2011 were still non-callable bonds. Their share was higher than in 2010 due to the attractive level of interest on FlexLån®.

Movements in interest rates in 2011



Annual refinancing of FlexLån® and RD Euribor3®

With the aim of diversifying the risk of refinancing of FlexLån®, Realkredit Danmark held two auctions in March and December 2011. Since March 2010, all new FlexLån® have been issued with 1 April as the payment date. The volume of bonds issued in connection with the refinancing of FlexLån® at 1 April 2011 amounted to DKK 30 billion.

Customers were given the opportunity to change their refinancing date at no charge from 1 January to 1 April in connection with the refinancing at 1 January 2012. There was only limited interest in changing the refinancing date, but overall, refinancing dates for an amount of approximately DKK 3 billion were changed.

The largest volume of bonds for refinancing is still for FlexLån® at 1 January, although the share is declining. Issued bonds amounted to DKK 179 billion at 1 January 2012, against DKK 191 billion at 1 January 2011.

RD Euribor3® was refinanced at 1 July 2011. Unlike with FlexLån®, for which customers determine the refinancing frequency, Realkredit Danmark determines when a RD Euribor3® is to be refinanced. Against the background of the current market environment, Realkredit Danmark assessed that its customers would achieve the best refinancing by issuing bonds with a term to maturity of one year. The volume of bonds to be issued was DKK 4.6 billion.

The auctions were satisfactory, and great investor interest throughout the period contributed to an all-time low interest rate.

At end-2011, Realkredit Danmark had issued mortgage bonds for a total amount of DKK 736 billion, of which mortgage-covered bonds amounted to DKK 525 billion.

Investor distribution

Especially towards the end of 2011, Danish mortgage bonds became the subject of growing investor interest because Danish mortgage bonds were considered to offer better security than similar European securities. Non-callable bonds with a term to maturity of one year still attracted the most interest. At 31 December 2011, foreign investors thus held 10% of all bonds, against around 9% at end-2010.

Realkredit Danmark issues all EUR-denominated mortgage-covered bonds via VP Lux. Having been approved by the ECB as eligible for use as collateral, these bonds are attractive to foreign investors, and this gives Realkredit Danmark a larger investor base and sales channel and thus better pricing of these mortgage-covered bonds.

Rating

In June 2011, Realkredit Danmark terminated its collaboration with the Moody's rating agency. The reason was disagreement over the fundamentals of the model used by Moody's for rating Danish mortgage bonds. In Realkredit Danmark's view, the overcollateralisation requirement was unreasonable and unnecessarily high.

Realkredit Danmark's bonds retain the highest Standard & Poor's rating of AAA, which covers 98% of all bonds issued by Realkredit Danmark.

Capital centre T

At 1 November 2011, Realkredit Danmark opened a new Capital Centre T. The new capital centre is used to issue mortgage-covered bonds for the financing of new FlexLån[®] and for refinancing already disbursed FlexLån[®]. The objective of Capital Centre T is to isolate FlexLån[®] and, by extension, the capital requirements for bonds used to finance FlexLån[®]. Realkredit Danmark will seek to obtain the highest possible rating for Capital Centre T bonds. In November 2011, Standard & Poor's assigned a preliminary, long-term AAA rating to the bonds in Realkredit Danmark's new capital Centre T. This rating was finally confirmed in January 2012.

Bonds issued as at 31 December (nominal value)

Bond type (DKK billions)	Currency	Mortgage- covered bonds		Mortgage bonds	
		2011	2010	2011	2010
Fixed-rate	DKK	72	43	119	169
FlexLån [®]	DKK	363	333	20	21
FlexLån [®]	EUR	42	41	2	2
Index-linked loans	DKK	-	-	30	32
FlexGaranti [®]	DKK	4	1	30	30
RenteDyk [™]	DKK	1	1	-	-
RD Cibo6 [®]	DKK	35	31	10	9
RD Euribor3 [®]	EUR	8	8	-	-
Total DKK		525	458	211	263

The calculation has been adjusted to reflect double-funding of DKK 179 billion due to refinancing of FlexLån[®].

Capital and risk management

Capital management

The purpose of capital management is to ensure that the Realkredit Danmark Group has adequate capital to cover the risks associated with its operations. Moreover, the Group aims to retain the AAA rating of its issued bonds.

In addition to traditional equity, the capital base at 31 December 2011 consists of hybrid capital of DKK 2 billion in the form of a subordinated loan from the Danish state. At 31 December 2011, the capital base amounted to DKK 46.4 billion.

The regulatory framework for the Group's capital management is rooted in the Capital Requirements Directive (CRD). The CRD consists of three pillars:

- Pillar I contains a set of rules for calculating the capital requirement (8% of risk-weighted assets for credit risk, market risk and operational risk).
- Pillar II describes the ICAAP (Internal Capital Adequacy Assessment Process) framework and the supervisory review.

The ICAAP determines the solvency need (see below).

- Pillar III deals with market discipline and sets forth disclosure requirements for risk and capital management and the solvency need. The Realkredit Danmark Group is included in the Danske Bank Group's Risk Management 2011 report, to which reference is made.

Pillars I and II

Since 1 January 2008, the Group has applied the advanced internal ratings-based (IRB) approach to calculate risk-weighted assets for credit risk.

With respect to credit risk, the capital requirement is calculated on the basis of parameters from Realkredit Danmark's internal risk models. The calculation is based on the probability of customers defaulting on their payment obligations, expected losses in case of default, the size of the loans at default and other factors.

Pillar II takes into consideration the institution's individual characteristics, and all relevant risk types are included, irrespective of whether they are included in Pillar I or not. In the ICAAP, management makes a number of assessments of the risk profile and calculates the solvency need. In addition, ICAAP contains capital planning to ensure that the Group has sufficient capital to comply with the capital requirement in a number of stress tests.

Solvency need

Like other Danish banks and mortgage credit institutions, the Group must comply with special requirements in Danish legislation to publish its solvency need each quarter.

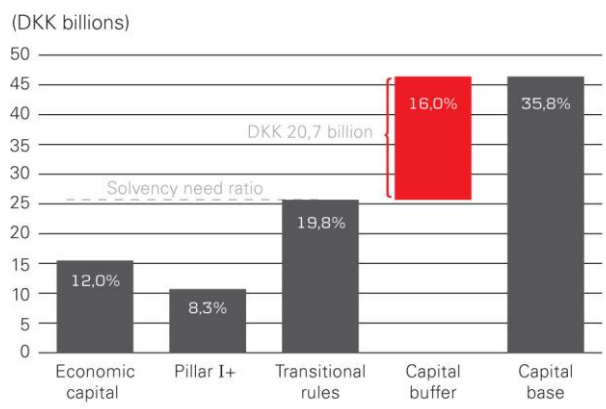
The solvency need is the capital considered sufficient to cover the Group's risks.

The calculation of the solvency need is an internal process in which management makes a number of assessments of the Group's overall risks.

The solvency need is calculated on the basis of a number of factors, including the highest of the following measurements:

- The capital requirement according to an internal economic capital model
- The capital requirement under Pillar I plus an add-on to address risks that are not captured by Pillar I (Pillar I+)
- The capital requirement under the transitional rules of Basel I

Solvency need ratio and total capital, end 2011



The Pillar I+ requirement includes an add-on to reflect risks not adequately covered under Pillar I, for example pension risk and business risk. Both the Pillar I+ requirement and the capital needed according to the internal economic capital model are supplemented by add-ons to reflect any uncertainty of the risk models, and the capital level is subject to ongoing qualitative adequacy assessments.

At the end of 2011, the Group's solvency need was calculated according to the Basel I rules (the transitional rules). The solvency need amounted to DKK 25.7 billion, or 19.8% of risk-weighted assets. As the actual capital base stood at DKK 46.4 billion and the total capital ratio at 35.8% at the end of the year, the Group had a capital buffer of DKK 20.7 billion, providing a solid foundation for the future.

Large exposures

Large exposures are defined as exposures amounting to at least 10% of the capital base. With effect from 31 December 2011, the Danish Executive Order on Large Exposures was amended to the effect that mortgage-covered bonds can be deducted entirely from the exposure calculation rather than having a reduced weighting of 90% as was previously the case. At the end of 2011, Realkredit Danmark had two exposures that exceeded 10% of its capital base.

Supplementary collateral

As an institute issuing mortgage-covered bonds, Realkredit Danmark must provide supplementary collateral if the value of the properties on which the loans are secured is at a level that makes the LTV ratio rise above 80% for residential property and 60% for commercial property. In 2011, issuance of mortgage-covered bonds rose DKK 67 billion to DKK 525 billion. At the end of 2011, the need for supplementary collateral was DKK 34.5 billion, against DKK 29.7 billion at end-2010.

A large proportion of Realkredit Danmark's mortgage loans are covered by a loss guarantee provided by Danske Bank. The loss guarantee covers the top 20 percentage points of the statutory loan limit at the time when the loan is raised.

The loss guarantee amounted to DKK 49 billion of the loan portfolio at 31 December 2011. This amount includes DKK 8 billion in the form of supplementary collateral for mortgage-covered bonds.

Risk management

The Realkredit Danmark Group's principal risks are the credit risk on mortgage loans and the market risk on assets and liabilities.

The credit risk on mortgage loans comprises the risk that a borrower is unable to repay the loan and the expected loss if the borrower does not repay the loan.

The market risk comprises interest rate, equity market and exchange rate risks. Liquidity risk is also monitored.

However, the statutory principle of balance eliminates most of the interest rate, exchange rate and liquidity risks on the Group's assets and liabilities.

Risk management is described in the note on risk management.

Future rules

In 2011, Realkredit Danmark followed the shaping of the coming CRD IV rules, focusing particularly on the proposed

liquidity rules in the form of the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR). The LCR is scheduled to be implemented at 1 January 2015, while the NSFR will become a requirement at the earliest from 1 January 2018. In this connection, as part of the Danske Bank Group, Realkredit Danmark participated in the Quantitative Impact Study (QIS), which consists of regular reporting to the supervisory authorities of the consequences of implementing LCR and NSFR in their present form.

One of the consequences of the LCR rules will be that refinancing auctions must be completed at least one month before expiry of the existing bonds underlying FlexLån[®]. Realkredit Danmark does not expect this rescheduling of the auctions to lead to additional costs for borrowers or Realkredit Danmark.

One drawback of the LCR rules in their present form is that the portfolio of own bonds cannot be included in the liquidity resources. As a result, Realkredit Danmark will have to replace own issued bonds with bonds issued by other mortgage credit institutions.

It is pivotal that mortgage bonds gain the status as extremely liquid and safe securities. If that is not the case, financial institutions, which are very large investors in Danish mortgage bonds, will be compelled to invest more of their funds in other assets such as Danish or foreign government bonds and foreign mortgage bonds. Other things being equal, this will reduce the investor base and lead to higher funding costs for borrowers. However, it remains to be seen which status the mortgage bonds will have under the new rules.

The CRD IV rules are expected to include higher minimum requirements for tier 1 capital. Realkredit Danmark does not expect any direct impact from these new requirements.

Rating and capital resources

In addition to legislative requirements on supplementary collateral, the external rating agencies make requirements in respect of overcollateralisation (OC) in order to assign the highest rating to mortgage bonds.

Should the rating agencies tighten their requirements, Realkredit Danmark plans to raise loans on an arm's length basis. Due to increasing requirements for supplementary collateral, Realkredit Danmark may issue senior debt in order to comply with the more strict requirement of section 33e of the Danish Mortgage Credit Loans and Mortgage Credit Bonds Act.

Organisation and management

Management

Realkredit Danmark A/S is a wholly-owned subsidiary of Danske Bank A/S. The Board of Directors consists of six directors, two of whom are elected by the employees.

Immediately after the annual general meeting on 8 March 2011, Tonny Thierry Andersen was appointed chairman of the Board of Directors.

At an extraordinary general meeting on 21 November 2011, Kim Andersen, Managing Director, was elected to the Board of Directors.

The Board of Directors defines the overall principles for the Group's operations. The Executive Board is in charge of the day-to-day management and must comply with the guidelines and directions given by the Board of Directors. The rules of procedure lay down the precise division of responsibilities between the Board of Directors and the Executive Board.

Board members elected by the shareholders in general meeting are elected for terms of one year and are eligible for reelection. Employee representatives are elected for terms of four years and are eligible for reelection.

Human resources

The results of the annual employee opinion survey indicated an increase in employee satisfaction relative to 2010, and overall satisfaction is at its highest level ever. Human resource initiatives and projects are regularly implemented to maintain the high level of employee satisfaction and retain employees.

At the end of 2011, the number of full-time equivalent staff at the Realkredit Danmark Group was 303, compared with 320 at the beginning of the year. The decline was due to a combination of a strengthening of Realkredit Danmark's projects and processes unit resulting from intensified development of the mortgage credit systems and an amalgamation of Realkredit Danmark's and Danske Bank Denmark's credit organisations.

Distribution channels

Realkredit Danmark's distribution channels are:

- the Home hotline
- Danske Bank branches
- Danske Bank finance centres and agricultural centres
- the real-estate agency chain "home"
- Business Direct – Realkredit Danmark
- the Internet (www.rd.dk and www.danskebank.dk)
- personal customer centres

- Corporate & Institutional Mortgage Finance at Realkredit Danmark
- other business partners

The Home hotline is manned by skilled home advisers, who advise personal customers over the telephone during extended opening hours. The services encompass all advisory aspects and the full processing of loan applications. Moreover, the Home hotline serves personal customers who handle their loan matters over the telephone and through electronic contact with the Home hotline.

Personal customers can receive advisory services from employees with mortgage finance competencies at twelve personal customer centres or at Danske Bank branches across Denmark.

The combination of Realkredit Danmark's broad product range and Danske Bank's nationwide branch network gives the Group a strong basis for sales of mortgage products.

Corporate customers and all customers in the subsidised housing sector are served through Realkredit Danmark's Corporate & Institutional Mortgage Finance unit. Business customers are served through Danske Bank's nine finance centres and six agricultural centres and over the telephone through Business Direct – Realkredit Danmark. All units have relationship managers and business advisers with mortgage finance competencies.

"home" is wholly owned by Realkredit Danmark and is the Danske Bank Group's real-estate agency chain in Denmark. The real estate-agency activities are organised as franchise business and comprise 165 "home" offices across Denmark. Loans distributed through "home" are mainly used to finance changes of ownership. Sale of owner-occupied dwellings is the main business area of "home", but "home" and Realkredit Danmark also collaborate on the business market. "home" has ten business centres.

The www.rd.dk website offers a broad range of services that allow both existing and potential customers to make a large number of calculations. Realkredit Danmark also provides indicative property values by means of an electronic home value calculator at www.rd.dk, and customers can also find information about real property ownership.

Internal control and risk management systems used in the financial reporting process

As laid down in the Danish Financial Business Act, the Board of Directors is responsible for ensuring that the Executive Board maintains effective procedures to identify, manage, monitor and report on risks, adequate internal control procedures as well as satisfactory IT controls and security measures.

Good accounting practices are based on authorities, segregation of duties, regular reporting requirements and general transparency in respect of the Group's business.

Realkredit Danmark regularly assesses risks in relation to financial reporting, with particular focus on items where estimates and judgments could significantly affect the value of assets or liabilities. These critical items are listed under Significant accounting estimates and assessments.

Realkredit Danmark has implemented controls to counter identified financial reporting risks and regularly monitors changes in and compliance with relevant legislation and other financial reporting rules and regulations. Controls have been established for the purpose of preventing, detecting and correcting any errors or irregularities in the financial reporting.

Realkredit Danmark has outsourced a number of assignments to other units of the Danske Bank Group. In this connection, Realkredit Danmark has established a governance structure to monitor the outsourced assignments. Realkredit Danmark has also set up a procedure involving monthly reporting, including deviation and growth reports for the individual organisational levels within the Group. Internal management reporting is based on the same principles as external reporting. The consolidated financial statements are sent to the management.

Internal Audit regularly examines internal management reporting processes and external interim and annual reporting processes. Internal Audit also conducts operational audits, focusing, among other things, on significant areas of the Group's risk management, including reporting on this.

The Executive Board regularly reports to the Board of Directors on compliance with the risk and investment framework set out and the statutory investment rules. The Board of Directors also receives accounting information on ongoing regular basis. Compliance and Internal Audit regularly submit reports to the Board of Directors on compliance with rules and regulations, including any violation of internal business procedures and policies.

Audit Committee

Until December 2011, the Audit Committee of Danske Bank A/S has acted as group audit committee for the companies of the Danske Bank Group, including Realkredit Danmark, which, pursuant to the Danish executive order on audit committees, are under an obligation to set up an audit committee. In 2011, the Group Audit Committee held six meetings, Danske Bank's Annual Report 2011 provides more information.

At a meeting on 7 December 2011, Realkredit Danmark's Board of Directors resolved to set up an audit committee for Realkredit Danmark. The Board of Directors has appointed Kim Andersen, Managing Director, as the qualified member and chairman of the committee. Realkredit Danmark finds that the qualification requirement is met as Kim Andersen is a state-authorized public accountant and as he has been employed in internal audit and finance functions during his career.

The Audit Committee examines accounting, auditing and security issues. These are issues that the Board of Directors, the Audit Committee itself, the group chief auditor or the external auditors believe deserve attention before they are brought before the Board of Directors. In 2011, the Audit Committee held two meetings in respect of the financial year.

Corporate responsibility

Realkredit Danmark is part of the Danske Bank Group, and more information about corporate responsibility at the Danske Bank Group is available at www.danskebank.com/responsibility. Corporate Responsibility 2011 and CR Fact Book 2011 can be downloaded from this website.

Income statement and Comprehensive income

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
	Profit				
4	Interest income	26,368	28,254	26,365	28,251
5	Interest expense	21,619	23,321	21,619	23,321
	Net interest income	4,749	4,933	4,746	4,930
	Dividends from shares	-	8	-	8
	Fee and commission income	372	548	372	548
	Fee and commission expense	860	1,049	860	1,049
3	Net fee and commission income	4,261	4,440	4,258	4,437
3, 6	Value adjustments	125	-446	125	-446
	Other operating income	105	168	1	46
7-9	Staff costs and administrative expenses	928	892	761	778
	Impairment, depreciation and amortisation charges	6	5	4	3
10	Loan impairment charges	1,057	976	1,055	974
	Income from associates and group undertakings	-	5	1	15
	Profit before tax	2,500	2,294	2,565	2,297
11	Tax	626	573	642	570
	Net profit for the year	1,874	1,721	1,923	1,727
	Comprehensive income				
	Net profit for the year	1,874	1,721	1,923	1,727
	Other comprehensive income	-	-	1	1
	Total comprehensive income	1,874	1,721	1,924	1,728
	Proposal for allocation of profits				
	Revaluation reserve			1	1
	Reserves in series			1,137	921
	Other reserves			-	806
	Proposed dividend			786	-
	Total allocation			1,924	1,728

Balance sheet

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
	ASSETS				
	Cash in hand and demand deposits with central banks	23	4	23	4
12	Due from credit institutions and central banks	32,533	28,885	32,432	28,787
13	Bonds at fair value	17,289	21,679	17,289	21,679
14-15, 18	Mortgage loans at fair value	723,754	704,449	723,754	704,449
14, 16-18	Loans and other amounts due at amortised cost	838	893	787	839
	Shares	2	1	-	-
19	Holdings in associates	9	8	9	8
	Holdings in group undertakings	-	-	201	200
	Land and buildings	93	93	155	155
20	Domicile property	93	93	155	155
21	Other tangible assets	11	10	5	7
	Current tax assets	-	26	-	29
22	Deferred tax assets	-	-	-	-
23	Assets temporarily taken over	317	282	317	282
18, 24-25	Other assets	1,680	1,259	1,464	969
	Prepayments	11	32	10	30
	Total assets	776,560	757,621	776,446	757,438
	LIABILITIES AND EQUITY				
	AMOUNTS DUE				
26	Due to credit institutions and central banks	20,668	27,408	20,668	27,408
27	Issued mortgage bonds at fair value	695,080	671,644	695,080	671,644
	Current tax liabilities	85	-	85	-
22	Deferred tax liabilities	49	47	-	-
28, 29	Other liabilities	13,876	13,576	13,679	13,358
	Deferred income	-	2	-	2
	Total amounts due	729,758	712,677	729,512	712,412
	PROVISIONS				
22	Deferred tax	-	-	29	11
29	Reserves in early series subject to a reimbursement obligation	-	-	188	206
	Total provisions	-	-	217	217
	SUBORDINATED DEBT				
30	Subordinated debt	2,045	2,061	2,045	2,061
	Total liabilities	731,803	714,738	731,774	714,690
	SHAREHOLDERS' EQUITY				
	Share capital	630	630	630	630
	Revaluation reserve	-	-	49	48
	Reserves in series	33,120	31,182	33,120	31,182
	Other reserves	10,221	11,071	10,087	10,888
	Proposed dividends	786	-	786	-
	Total shareholders' equity	44,757	42,883	44,672	42,748
	Total liabilities and equity	776,560	757,621	776,446	757,438

Statement of capital

Realkredit Danmark Group

(DKK millions)	Share capital	Reserves in series	Other reserves	Proposed dividends	Total
Shareholders' equity at 1 January 2011	630	31,182	11,071	-	42,883
Net profit for the year	-	1,137	737	-	1,874
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	1,137	737	-	1,874
Transferred from/to Other reserves	-	801	-801	-	-
Proposed dividends	-	-	-786	786	-
Shareholders' equity at 31 December 2011	630	33,120	10,221	786	44,757
Shareholders' equity at 1 January 2010	630	15,587	24,945	-	41,162
Net profit for the year	-	961	760	-	1,721
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	961	760	-	1,721
Transferred from/to Other reserves	-	14,634	-14,634	-	-
Shareholders' equity at 31 December 2010	630	31,182	11,071	-	42,883

Realkredit Danmark A/S

	Share capital	Revaluation reserve	Reserves in series	Other reserves	Proposed dividends	Total
Shareholders' equity at 1 January 2011	630	48	31,182	10,888	-	42,748
Net profit for the year	-	-	1,137	786	-	1,923
Other comprehensive income	-	1	-	-	-	1
Total comprehensive income for the year	-	1	1,137	786	-	1,924
Transferred from/to Other reserves	-	-	801	-801	-	-
Proposed dividends	-	-	-	-786	786	-
Shareholders' equity at 31 December 2011	630	49	33,120	10,087	786	44,672
Shareholders' equity at 1 January 2010	630	47	15,627	24,716	-	41,020
Net profit for the year	-	-	921	806	-	1,727
Other comprehensive income	-	1	-	-	-	1
Total comprehensive income for the year	-	1	921	806	-	1,728
Transferred from/to Other reserves	-	-	14,634	-14,634	-	-
Shareholders' equity at 31 December 2010	630	48	31,182	10,888	-	42,748

At the end of 2011, the share capital was made up of 6,300,000 shares of DKK 100 each. All shares carry the same rights; there is thus only one class of shares. The company is wholly-owned by Danske Bank A/S, Copenhagen.

For as long as the Danish state holds hybrid capital in Realkredit Danmark, Realkredit Danmark may distribute dividends if such dividends can be paid in full out of the net profit.

The revaluation reserves relate to fair value adjustment of domicile properties.

Statement of capital

	Realkredit Danmark Group	
(DKK millions)	31 Dec. 2011	31 Dec. 2010
Capital base and total capital ratio		
Shareholders' equity	44,757	42,883
Revaluation of domicile property	62	62
Pension obligations at fair value	-175	-241
Tax effect	28	44
Shareholders' equity calculated in accordance with the rules of the Danish FSA	44,672	42,748
Expected dividends	-786	-
Revaluation reserve	-49	-48
Deferred tax assets	-	-
Core tier 1 capital	43,837	42,700
Hybrid capital	2,045	2,061
Difference between expected losses and impairment charges	-	-
Tier 1 capital	45,882	44,761
Reserves in series subject to a reimbursement obligation	55	58
Revaluation reserve	49	48
Difference between expected losses and impairment charges	445	559
Capital base	46,431	45,426
Total risk-weighted assets	129,533	115,270
Core tier 1 capital ratio (%)	33.84	37.04
Tier 1 capital ratio (%)	35.42	38.83
Total capital ratio (%)	35.84	39.41

The total capital and tier 1 capital ratios are calculated in accordance with the CRD.

The solvency need calculation is described in more detail on www.rd.dk.

Statement of capital

	Realkredit Danmark A/S	
(DKK millions)	31 Dec. 2011	31 Dec. 2010
Capital base and total capital ratio		
Shareholders' equity	44,672	42,748
Expected dividends	-786	-
Revaluation reserve	-49	-48
Deferred tax assets	-	-
Core tier 1 capital	43,837	42,700
Hybrid capital	2,045	2,061
Difference between expected losses and impairment charges	-	-
Tier 1 capital	45,882	44,761
Reserves in series subject to a reimbursement obligation	55	58
Revaluation reserve	49	48
Difference between expected losses and impairment charges	445	558
Capital base	46,431	45,425
Total risk-weighted assets	129,685	115,405
Core tier 1 capital ratio (%)	33.80	37.00
Tier 1 capital ratio (%)	35.38	38.79
Total capital ratio (%)	35.80	39.36

The total capital and tier 1 capital ratios are calculated in accordance with the CRD.

The solvency need calculation is described in more detail on www.rd.dk.

Cash flow statement

	Realkredit Danmark Group	
(DKK millions)	2011	2010
Cash flow from operating activities		
Profit before tax	2,500	2,294
Adjustment for non-cash operating items		
Amortisation, depreciation and impairment charges	6	5
Loan impairment charges	294	655
Other non-cash items	-1	8
Tax paid	-514	-706
Total	2,285	2,256
Cash flow from operating capital		
Bonds and shares	4,628	-18,613
Mortgage loans	-6,798	-10,541
Issued mortgage bonds	10,260	6,873
Due to credit institutions	-6,740	553
Other assets/liabilities	37	-604
Cash flow from operating activities	3,672	-20,076
Cash flow from investing activities		
Acquisition of tangible assets	-5	-2
Sale of tangible assets	-	1
Cash flow from investing activities	-5	-1
Cash flow from financing activities		
Hybrid capital	-	-
Cash flow from financing activities	-	-
Cash and cash equivalents at 1 January	28,889	48,966
Change during the year	3,667	-20,077
Cash and cash equivalents at 31 December	32,556	28,889
Cash and cash equivalents at 31 December		
Cash in hand and demand deposits with central banks	23	4
Deposits with credit institutions and central banks with terms shorter than 3 months	32,533	28,885
Total	32,556	28,889

Notes

Note

1 SIGNIFICANT ACCOUNTING POLICIES

General

Realkredit Danmark prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the EU and with applicable interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). Furthermore, the consolidated financial statements comply with the requirements for annual reports formulated by NASDAQ OMX Copenhagen and the Danish FSA's executive order No. 1306 dated 16 December 2008 on the use of IFRSs by undertakings subject to the Danish Financial Business Act.

The Group has not changed its significant accounting policies from those followed in Annual Report 2010.

Critical accounting estimates and assessments

The preparation of the consolidated financial statements is based on management's estimates and assessments of future events that will significantly affect the carrying amounts of assets and liabilities. The amount most influenced by critical estimates and assessments is the fair value measurement of mortgage loans.

The estimates and assumptions are based on premises that management finds reasonable but which are inherently uncertain and unpredictable. The premises may be incomplete, unexpected future events or situations may occur and other parties may arrive at other estimated values.

Fair value measurement of mortgage loans

The fair value of mortgage loans is based on the fair value of the underlying issued mortgage bonds adjusted for changes in the fair value of the credit risk on borrowers. For mortgage loans granted to customers in rating categories 10 and 11 (all loans with objective evidence of impairment), such adjustment equals the difference between the carrying amount and the present value of the expected future cash flow of the asset, including the net realisable value of collateral held.

A collective assessment also determines the need for changes to reflect fair value adjustments of the credit risk of the remaining portion of the portfolio. No changes are made if it is possible to raise the administration margin on loans (credit margin) sufficiently to compensate for the higher credit risk and market risk premiums on mortgage loans. If it is not possible to raise the administration margin sufficiently or at all, a collective adjustment is made, reflecting trends in expected losses, unexpected losses (volatility) and the possibility of raising administration margins in the future. The expected future cash flows are discounted at the current market rate with the addition of a risk premium.

Consolidation

Group undertakings

The consolidated financial statements cover Realkredit Danmark A/S and group undertakings in which the Group has control over financial and operating policy decisions. Control is said to exist if Realkredit Danmark A/S, directly or indirectly, holds more than half of the voting rights in an undertaking or otherwise has power to control management and operating policy decisions, provided that most of the return on the undertaking accrues to the Group and that the Group assumes most of the risk.

The consolidated financial statements are prepared by consolidating items of the same nature and eliminating intra-group transactions, balances and trading profits and losses.

Associates

Associates are businesses, other than group undertakings, in which the Group has holdings and significant but not controlling influence. The Group generally classifies businesses as associates, if Realkredit Danmark A/S, directly or indirectly, holds 20-50% of the voting rights and also influences management and operating policy decisions.

Holdings are recognised at cost at the date of acquisition and are subsequently measured according to the equity method. The proportionate share of the net profit or loss of the individual business is included under Income from associates. The share is calculated on the basis of data from financial statements with balance sheet dates no earlier than three months before the Group's balance sheet date.

The proportionate share of the profit and loss on transactions between associates and the Realkredit Danmark Group is eliminated.

Notes

Note

Segment reporting

Realkredit Danmark operates two primary business segments, mortgage finance and a proprietary portfolio. The business segments are based on ongoing internal reporting of customer-facing activities (mortgage finance) and risk management (proprietary portfolio).

The part of the bond portfolio that is not related to mortgage lending operations is managed under the proprietary portfolio segment.

Offsetting

Assets and liabilities are offset when the Group has a legally enforceable right to set off a recognised amount and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Holdings of own bonds do not constitute a claim on a counterparty, but reduce the Group's liability under the issued bonds. Holdings of own mortgage bonds are therefore set off against the liability item Issued mortgage bonds at fair value.

Translation of transactions in foreign currencies

The presentation currency of the consolidated financial statements is Danish kroner, which is the functional currency of Realkredit Danmark.

Transactions in foreign currency are translated at the exchange rate of the functional currency at the transaction date. Gains and losses on exchange differences arising between the transaction date and the settlement date are recognised in the income statement.

Monetary assets and liabilities in foreign currency are translated at the exchange rates at the balance sheet date. Exchange rate adjustments of monetary assets and liabilities arising as a result of differences in the exchange rates applying at the transaction date and at the balance sheet date are recognised in the income statement.

Non-monetary assets and liabilities in foreign currency that are subsequently revalued at fair value are translated at the exchange rates at the date of revaluation. Exchange rate adjustments are included in the fair value adjustment of an asset or liability. Other non-monetary items in foreign currency are translated at the exchange rates at the date of transaction.

Financial instruments – general

Purchases and sales of financial instruments are measured at fair value at the settlement date. The fair value is usually the same as the transaction price. Fair value adjustments of unsettled financial instruments are recognised from the trading date to the settlement date.

Classification

At initial recognition, a financial asset is assigned to one of the following categories:

- Securities measured at fair value

- Mortgage loans designated at fair value through profit or loss
- Loans and receivables measured at amortised cost

At initial recognition, a financial liability is assigned to one of the following categories:

- Issued mortgage bonds designated at fair value through profit or loss
- Other financial liabilities measured at amortised cost

Fair value option – mortgage loans and issued mortgage bonds at fair value through profit or loss

Mortgage loans granted under Danish mortgage finance law are funded by issuing listed mortgage bonds with matching terms. Borrowers may repay such mortgage loans by delivering the underlying bonds.

Realkredit Danmark buys and sells own mortgage bonds on an ongoing basis because such securities play an important role in the Danish money market. If mortgage loans and issued mortgage bonds were measured at amortised cost, the purchase and sale of own mortgage bonds would result in timing differences in the recognition of gains and losses.

The purchase price of the mortgage bond portfolio would not equal the amortised cost of the issued bonds. Moreover, elimination would result in arbitrary recognition of gains and losses. If the Group subsequently decided to sell its holding of own mortgage bonds, the new amortised cost of this "new issue" would not equal the amortised cost of the matching mortgage loans, and the difference would be amortised over the remaining term to maturity.

Consequently, the Group has chosen to recognise mortgage loans and issued mortgage bonds at fair value in accordance with the fair value option offered by IAS 39 to ensure that neither gain nor loss will occur on the purchase of own mortgage bonds.

The fair value of the mortgage loans is based on the fair value of the underlying mortgage bonds adjusted for the credit risk on borrowers. The fair value adjustment of the mortgage loans largely equals the fair value adjustment of the mortgage bonds issued. The fair value adjustment of the mortgage loans and the issued mortgage bonds is recognised under Value adjustments, except for the part of the value adjustment that concerns the credit risk on mortgage loans: this part is recognised under Loan impairment charges.

Hedge accounting

The Group uses derivatives to hedge the interest rate risk on fixed-rate liabilities measured at amortised cost. Hedged risks that meet the criteria for fair value hedge accounting are treated accordingly. The interest rate risk on the hedged liabilities is measured at fair value through profit or loss.

Notes

Note

BALANCE SHEET

Bonds at fair value

Bonds acquired with the intention to sell in the near term are considered to constitute a trading portfolio and are measured at initial recognition at fair value exclusive of transaction costs and at subsequent recognition at fair value through profit or loss.

If an active market exists, fair value is based on the most recently observed market price at the balance sheet date.

If a financial instrument is quoted in a market that is not active, the Group bases its measurement on the most recent transaction price. Adjustment is made for subsequent changes in market conditions, for instance by including transactions in similar financial instruments that are motivated by normal business considerations.

If no active market exists, fair value is calculated on the basis of generally accepted valuation techniques and market-based parameters.

Mortgage lending and issued mortgage bonds at fair value

At initial recognition, mortgage loans and issued mortgage bonds are measured at fair value, exclusive of transaction costs. Such assets are subsequently measured at fair value.

The fair value of the issued mortgage bonds will usually equal the market value. However, a small part of the issued bonds are illiquid, and the fair value of these bonds is calculated on the basis of a discounted cash flow valuation model.

The fair value of mortgage loans is based on the fair value of the underlying issued mortgage bonds adjusted for changes in the fair value of the credit risk on borrowers.

For mortgage loans granted to customers in rating categories 10 and 11 (all loans with objective evidence of impairment), each loan is adjusted to reflect the fact that the expected payments deviate from the agreed payments. The adjustment equals the difference between the carrying amount and the present value of the expected future cash flow of the asset, including the net realisable value of collateral held. Discounting is made using the current rate of interest.

Loans are classified in rating categories 10 and 11 if at least one of the following events has occurred:

- the borrower is experiencing significant financial difficulty
- the borrower's actions, such as default or delinquency in interest or principal payments, lead to a breach of contract the Group, for reasons relating to the borrower's financial difficulty, grants to the borrower a concession that Realkredit Danmark would not otherwise grant
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation.

A collective assessment also determines the need for adjustments to reflect changes in the fair value of the credit risk on the remaining portion of the portfolio. No changes are made if it is possible to raise the administration margin on loans (credit margin) sufficiently to compensate for the higher credit risk and market risk premium on mortgage loans. If it is not possible to raise the administration margin sufficiently or at all, a collective adjustment is made, reflecting trends in expected losses, unexpected losses (volatility) and the possibility of raising administration margins in the future. The expected future cash flows are discounted at the current market rate with the addition of a risk premium.

Due from credit institutions and central banks and Loans and other amounts due at amortised cost

Amounts due from credit institutions and central banks comprise amounts due from other credit institutions and time deposits with central banks. Reverse transactions (purchases of securities from credit institutions and central banks that the Group agrees to resell at a later date) are recognised as amounts due from credit institutions and central banks.

Loans and other amounts due carried at amortised cost consist of mortgage payments due and other outlays relating to mortgage loans as well as claims against individual borrowers and reserve fund mortgages, etc.

Impairment of these claims and loans carried at amortised cost is made according to the same principles as described above for mortgage loans classified in rating categories 10 and 11. However, for discounting purposes the original effective interest rate is used instead of the current interest rate.

Domicile property

Domicile property is real property occupied by the Group's administrative departments, mortgage credit offices and the like. Real property with both domicile and investment property elements is allocated proportionally to the two categories if the elements are separately sellable. If that is not the case, such real property is classified as domicile property, unless the Group occupies less than 10% of the total floorage.

Domicile property is measured at cost plus property improvement expenditure and less depreciation and impairment charges. The straight-line depreciation of the property is based on the expected scrap value and an estimated useful life of 20 to 50 years.

Domicile property is tested for impairment if evidence of impairment exists, and the property is written down to its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

Domicile property which, according to a publicly announced plan, the Group expects to sell within twelve months is recognised as an asset held for sale under Assets temporarily taken over.

Notes

Note

Other tangible assets

Equipment, vehicles, furniture, fixtures and property improvement expenditure are recognised at cost less depreciation and impairment charges. Assets are depreciated over their expected useful lives, which are usually three years, according to the straight-line method. Property improvement expenditure is depreciated over the term of the lease, with a maximum of ten years.

Other tangible assets are tested for impairment if evidence of impairment exists, and the asset is written down to its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

Assets temporarily taken over

Assets temporarily taken over include tangible assets which the Group expects to sell within twelve months. With the exception of properties taken over, such assets are measured at the lower of their carrying amount at the time of classification and their fair value less expected costs to sell and are no longer depreciated.

The item also includes properties taken over which the Group expects to sell within twelve months. These properties are treated as investment property and measured at fair value. Subsequent fair value adjustments and gains or losses on disposal are recognised under Loan impairment charges.

Other assets

Other assets include interest receivable and pension assets. Derivatives are recognised at fair value through profit or loss.

Pension assets

The Group's pension obligations consist of both defined contribution and defined benefit pension plans for its staff. Under the defined contribution plans, the Group pays regular contributions to insurance companies and other institutions. Such payments are expensed as they are earned by the staff, and the obligations under the plans are taken over by the insurance companies and other institutions.

Under the defined benefit plan maintained under Kreditforeningen Danmarks Pensionsafvirkingskasse (pension fund), Realkredit Danmark A/S guarantees payment of a defined benefit from the time of retirement. The amounts payable are recognised on the basis of an actuarial computation of the present value of expected benefits. The present value is calculated on the basis of expected future trends in salaries and interest rates, time of retirement, mortality rate and other factors.

The fair value of pension assets less the present value of pension benefits is carried as a pension asset under Other assets in the balance sheet.

The difference between the expected trends in pension assets and benefits and the actual trends will result in actuarial gains or losses. Actuarial gains and losses that do not exceed the higher of 10% of the present value of benefits and 10% of the fair value of pension assets are not recognised in the income statement or in the balance sheet but form part of the

corridor. If the accumulated actuarial gains and losses exceed both these threshold values, the excess amount is recognised in the income statement and in the net pension obligation or asset over the expected remaining period of service of the staff covered by the plan.

Amounts due to credit institutions and central banks

Amounts due to credit institutions and central banks include amounts received under repo transactions. Amounts due to credit institutions and central banks are measured at amortised cost.

Subordinated debt

Subordinated debt is measured at amortised cost plus the fair value of the hedged interest rate risk.

Deferred tax assets/Deferred tax liabilities

Deferred tax on all temporary differences between the tax base of assets and liabilities and their carrying amounts is accounted for in accordance with the balance sheet liability method. Deferred tax is recognised under Deferred tax assets or Deferred tax liabilities.

Deferred tax is measured on the basis of the tax regulations and rates that, according to the rules in force at the balance sheet date, will apply at the time the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement.

Current tax assets/Current tax liabilities

Current tax assets and liabilities are recognised in the balance sheet as the estimated tax charge on the profit for the year adjusted for prepaid tax and prior-year tax payables and receivables.

Tax assets and liabilities are offset if the Group has a legally enforceable right to set off such assets and liabilities and intends either to settle the assets and liabilities on a net basis or to realise the assets and settle the liabilities simultaneously.

Other liabilities

Other liabilities includes derivatives, interest payable and accrued fee.

Other liabilities also includes Reserves in early series subject to a reimbursement obligation and other provisions

Shareholders' equity

Reserves in series

Reserves in series comprise series established before 1972 with joint and several liability and with a repayment obligation, series established after 1972 without joint and several liability and without a repayment obligation, and other series, including Danske Kredit and mortgage-covered bonds.

Other reserves

Other reserves comprise the mortgage credit business that is not included in reserves in series.

Notes

Note

Proposed dividends

The Board of Directors' proposal for dividends for the year submitted to the general meeting is included as a separate reserve in shareholders' equity. The dividends are recognised as a liability when the general meeting has adopted the proposal.

INCOME STATEMENT

Interest income and expense

Interest income and expenses include interest on financial instruments measured at fair value. Origination fees on mortgage loans carried at fair value are recognised as Interest income at origination.

Fees and commission income and expense

Income from mortgage loans carried at fair value is recognised when the transaction is completed. Income and expenses for services provided over a period of time are accrued over the period. Transaction fees are recognised on completion of the individual transaction.

Value adjustments

Value adjustments comprise realised and unrealised capital gains and losses on bonds at fair value, mortgage loans, issued mortgage bonds and fixed-price agreements as well as exchange rate adjustments.

Staff costs and administrative expenses

Staff costs

Salaries and other remuneration that the Group expects to pay for work carried out during the year are expensed under Staff costs and administrative expenses. This item comprises salaries, bonuses, expenses for share-based payments, holiday allowances, anniversary bonuses, pension costs and other remuneration.

Bonuses and share-based payments

Bonuses are expensed as they are earned. Until 2008, part of the bonuses for the year was paid in the form of equity-settled options and conditional shares issued by Danske Bank. Share options may not be exercised until three years after the grant date and are conditional on the individual employee's not having resigned from the Group. Rights to shares under the conditional share programme vest up to five years after being granted provided that the employee, with the exception of retirement, has not resigned from the Group.

The fair value of share-based payments at the grant date is expensed over the service period that unconditionally entitles the employee to the payment. The intrinsic value of the option is expensed in the year in which the share-based payments are earned, whereas the time value is accrued over the remaining service period. Expenses are set off against shareholders' equity. The increase in shareholders' equity is eliminated by set-off against an interim account with Danske Bank A/S. Subsequent changes in the fair value are not recognised in the income statement.

Pension obligations

The Group's contributions to defined contribution pension plans are recognised in the income statement as they are earned by the employees. The Group applies the corridor method to defined benefit plans, and the income statement thus includes actuarial pension expenses (standard cost).

Loan impairment charges

Loan impairment charges includes the fair value adjustment of the credit risk on mortgage loans as well as losses on and impairment charges for other loans and amounts due.

The item also includes impairment charges and realised gains and losses on tangible assets if the assets qualify as assets temporarily taken over. Similarly, subsequent value adjustments of assets that the Group has taken over and does not expect to sell within 12 months are recognised under loan impairment charges, provided that the Group has a right of recourse against the borrower.

Tax

Calculated current and deferred tax on the profit for the year and adjustments of tax charges for previous years are recognised in the income statement. Tax on items recognised in shareholders' equity is recognised in shareholders' equity.

Total comprehensive income

Total comprehensive income includes the net profit for the year and other comprehensive income.

Cash flow statement

The Group has prepared its cash flow statement according to the indirect method. The statement is based on the pre-tax profit for the year and shows the cash flows from operating, investing and financing activities and the increase or decrease in cash and cash equivalents during the year.

Cash and cash equivalents consists of Cash in hand and demand deposits with central banks and Amounts due from credit institutions and central banks with original maturities shorter than three months.

Standards and interpretations not yet in force

The IASB has issued a number of amendments to IFRSs that have not yet come into force. Similarly, the IFRIC has issued a new interpretation that has not yet come into force. The sections below explain the changes that are likely to affect the Group's financial reporting.

In October 2010, the IASB reissued IFRS 9, Financial Instruments. The aim of the overall reissuance project is, once the amendments to IFRS 9 are completed, to let the standard

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Note

amendments to IFRS 9 are completed, to let the standard replace IAS 39 in its entirety. With the 2010 reissuance, IFRS 9 now provides principles for classification and derecognition of financial instruments. Principles for impairment and hedge accounting are expected to follow in 2012 or 2013.

The transitional rules of the amended IFRS 9 prescribe implementation of the standard by 2015. The EU has decided to postpone adoption of the amended IFRS 9 until the details of the entire standard are known.

Under IFRS 9, financial assets are classified on the basis of the business model adopted for managing the assets and on the basis of their contractual cash flow characteristics, including any embedded derivatives (unlike IAS 39, IFRS 9 no longer requires bifurcation). Assets held with the objective of collecting contractual cash flows that are solely payments of principal and interest are measured at amortised cost. Other assets are measured at fair value through profit or loss. Equities may be measured at fair value through Other comprehensive income, however, and, satisfying certain requirements, a business may opt for fair value adjustment of its loans, advances, etc.

The principles applicable to financial liabilities are largely unchanged from IAS 39. Generally, financial liabilities are still measured at amortised cost with bifurcation of embedded derivatives not closely related to a host contract. Financial liabilities measured at fair value comprise derivatives, the trading portfolio and liabilities designated at fair value through profit or loss. However, value adjustments relating to the inherent credit risk of financial liabilities designated at fair value are recognised in Other comprehensive income unless this leads to an accounting mismatch.

IFRS 9 incorporates the existing derecognition principles of IAS 39.

The Group does not expect the amended IFRS 9 to materially affect the measurement of its financial instruments. Meaningful classification of financial instruments is not possible without information about the future parts of IFRS 9 to clarify the overall accounting effects of the standard.

The IASB ended its project on consolidation in May 2011 by issuing a number of new accounting standards (IFRS 10, IFRS 11 and IFRS 12) and revised accounting standards (IAS 27 and IAS 28). The IASB has established a uniform concept of control to be used for determining whether an entity should be consolidated and has introduced enhanced disclosure requirements for consolidated and unconsolidated entities, joint arrangements and associates. The standards, which have not yet been adopted by the EU, must be implemented in 2013 at the latest. The Realkredit Danmark Group does not expect the new requirements to significantly change its consolidation of undertakings.

In May 2011, the IASB issued IFRS 13, Fair Value Measurement. The standard introduces a new definition of fair value and provides guidance on how to measure and disclose fair value. IFRS 13 applies when another standard requires fair value to be used or disclosed. The standard, which has not yet been adopted by the EU, must be implemented in 2013 at the latest. The Group does not expect IFRS 13 to significantly affect its financial results.

In June 2011, the IASB issued an amended IAS 19, Employee Benefits. The amended standard eliminates the option to defer the recognition of actuarial gains and losses on defined benefit pension plans, known as the "corridor method". The present value of net pension assets and obligations must be recognised in the balance sheet instead. The amended standard, which has not yet been adopted by the EU, must be implemented in 2013 at the latest. At 30 December 2011, the new requirements would have reduced shareholders' equity by DKK 131 million (the amount deferred under the corridor method net of tax).

The effect on the net profit will be immaterial, as actuarial gains and losses are recognised in other comprehensive income. Other comprehensive income and shareholders' equity items will become more volatile, though. The Statement of capital will not be affected as it is already prepared without the use of the corridor method.

In December 2011, the IASB clarified the IAS 32 requirements for offsetting financial instruments. The clarification is expected to increase the offsetting of positive and negative fair values of derivatives. The IASB also enhanced its IFRS 7 disclosure requirements to include both gross and net amounts when offsetting financial instruments and rights of set-off in the event of counterparty defaults. The changes, which have not yet been adopted by the EU, must be implemented in 2014 and 2013, respectively.

Accounting policies for the parent company

The financial statements of the parent company, Realkredit Danmark A/S, are prepared in accordance with the Danish Financial Business Act and the Danish FSA's executive order on financial reports of credit institutions, investment companies, etc. no. 17 dated 13 January 2011. The rules are consistent with the Group's measurement principles under IFRS with the exception that domicile properties in the parent company are valued at estimated fair value (revalued amount), and the "corridor method" is not applied with respect to pension obligations. The estimated fair value of domicile properties is determined in accordance with the Danish FSA's executive order of Financial Reports for Credit Institutions and Investment Companies, etc. Holdings in subsidiary undertakings are measured using the equity method, which means that the tax payable by subsidiary undertakings is charged to the item Income from associates and group undertakings.

Notes

Note	(DKK millions)					
2	Profit broken down by activity	Realkredit Danmark Group				
	2011	Mortgage finance	Own holdings	Total	Reclassi- fication	Highlights
	Administration margin	3,564	-	3,564	-	3,564
	Net interest income	660	525	1,185	-525	660
	Dividends from shares	-	-	-	-	-
	Net fee income	-488	-	-488	-	-488
	Income from investment portfolios	-	-	-	650	650
	Value adjustments	175	-50	125	-125	-
	Other income	105	-	105	-	105
	Total income	4,016	475	4,491	-	4,491
	Expenses	930	4	934	-	934
	Profit before loan impairment charges	3,086	471	3,557	-	3,557
	Loan impairment charges	1,057	-	1,057	-	1,057
	Income from associates	-	-	-	-	-
	Profit before tax	2,029	471	2,500	-	2,500
	2010	Mortgage finance	Own holdings	Total	Reclassi- fication	Highlights
	Administration margin	3,423	-	3,423	-	3,423
	Net interest income	614	896	1,510	-896	614
	Dividends from shares	-	8	8	-8	-
	Net fee income	-501	-	-501	-	-501
	Income from investment portfolios	-	-	-	463	463
	Value adjustments	-39	-407	-446	446	-
	Other income	168	-	168	-	168
	Total income	3,665	497	4,162	5	4,167
	Expenses	893	4	897	-	897
	Profit before loan impairment charges	2,772	493	3,265	5	3,270
	Loan impairment charges	976	-	976	-	976
	Income from associates	-	5	5	-5	-
	Profit before tax	1,796	498	2,294	-	2,294

Mortgage finance encompasses property financing services provided in Denmark to personal and business customers. The mediation of property financing services is made through Danske Bank's branch network and finance centres and through Corporate & Institutional Mortgage Finance at Realkredit Danmark. The segment also includes mediation of real estate transactions offered through the real-estate agency chain "home". Under the Danish Financial Business Act, at least 60% of the capital base of a mortgage credit institution must be invested in bonds, etc. Own holdings comprise the net return on the part of the securities portfolio not relating to the mortgage finance business. Income from trading activities and own holdings is carried in the income statement under net interest income, value adjustments, etc. In the consolidated highlights, this income is reclassified to income from investment portfolios.

IFRSs require disclosure if 10% or more of the income derives from a single customer. The Realkredit Danmark Group has no such customers.

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
3	<p>Geographical segmentation For the Realkredit Danmark Group, interest on loans to customers outside Denmark amounted to DKK 74 million (2010: DKK 84 million). Realkredit Danmark A/S's net interest and fee income and value adjustments on loans to customers outside Denmark totalled DKK 14 million (2010: DKK 15 million).</p>				
4	<p>Interest income</p>				
	Reverse transactions with credit institutions and central banks	35	367	35	367
	Credit institutions and central banks	17	40	16	39
	Loans and other amounts due	22,316	23,790	22,314	23,788
	Administration margin	3,564	3,423	3,564	3,423
	Bonds	242	169	242	169
	Derivatives				
	Interest rate contracts	113	334	113	334
	Other interest income	81	131	81	131
	Total	26,368	28,254	26,365	28,251
	Interest income derived from				
	Assets at fair value	26,235	27,716	26,233	27,714
	Assets at amortised cost	133	538	132	537
	Total	26,368	28,254	26,365	28,251
	Interest on individually impaired financial assets recognised at amortised cost amounted to DKK 23 million (2010: DKK 29 million)				
5	<p>Interest expense</p>				
	Repo transactions with credit institutions and central banks	44	347	44	347
	Due to credit institutions and central banks	422	48	422	48
	Issued mortgage bonds	20,922	22,648	20,922	22,648
	Subordinated debt	187	187	187	187
	Reimbursement of origination fees etc.	39	82	39	82
	Other interest expense	5	9	5	9
	Total	21,619	23,321	21,619	23,321
	Interest expense derived from				
	Liabilities at fair value	20,922	22,648	20,922	22,648
	Liabilities at amortised cost	697	673	697	673
	Total	21,619	23,321	21,619	23,321
6	<p>Value adjustments</p>				
	Mortgage loans	16,633	4,496	16,633	4,496
	Bonds	93	-136	93	-136
	Shares	1	-8	1	-8
	Currency	-1	10	-1	10
	Derivatives	-1,678	-330	-1,678	-330
	Other assets	8	9	8	9
	Issued mortgage bonds	-14,934	-4,456	-14,934	-4,456
	Reserves in early series subject to a reimbursement obligation	-15	-8	-15	-8
	Subordinated debt	18	-23	18	-23
	Total	125	-446	125	-446
	Value adjustments derived from				
	Assets and liabilities at fair value	99	-432	99	-432
	Assets and liabilities at amortised cost	26	-14	26	-14
	Total	125	-446	125	-446

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
7	Staff costs and administrative expenses				
	Salaries and remuneration of Executive Board, Board of Directors and local councils				
	Executive Board	5	5	5	5
	Board of Directors	-	-	-	-
	Local councils	3	3	3	3
	Total	8	8	8	8
	Staff costs				
	Salaries	177	178	154	153
	Share-based payments	-	-	-	-
	Pensions	42	46	-26	36
	Other social security costs and taxes	20	27	20	27
	Total	239	251	148	216
	Other administrative expenses	681	633	605	554
	Total staff costs and administrative expenses	928	892	761	778
	Number of full-time-equivalent staff (avg.)	306	310	274	279

A more detailed description of the Group's remuneration policy and disbursed salaries is provided in "Remuneration report 2011", which is available on the www.rd.dk website. Remuneration report 2011 is not covered by the statutory audit.

Remuneration of the Board of Directors (DKK thousands)

Kim Andersen (from 21 November 2011)	30	-	30	-
Max Jeppesen (until 31 August 2011)	93	125	93	125
Claus Bundgaard (from 31 August 2011)	42	-	42	-
Klaus Pedersen	125	125	125	125
Total remuneration	290	250	290	250
Remuneration for committee work included in total remuneration	16	-	16	-
Members of the Board end of year	6	6	6	6

Members of the Board of Directors employed by Danske Bank A/S do not receive remuneration in Realkredit Danmark A/S. As members of the board of directors or executive board of other companies in the Danske Bank Group, Tonny Thierry Andersen, Per Skovhus, Henrik Ramlau Hansen and Kim Andersen received a total remuneration from such companies of DKK 7.6 million, DKK 7.3 million, DKK 8.0 million and DKK 0.1 million, respectively.

Members of the Board of Directors only receive a fixed fee. They are not covered by any incentive programmes in Realkredit Danmark. In addition to the fixed fees, a committee fee is paid to the chairman of the Audit Committee.

Board fees are paid by the parent company Realkredit Danmark A/S. No board member has received remuneration for membership of the executive board or board of directors of the subsidiary home a/s.

The Group has no pension obligations towards its board members.

Notes

Note	(DKK millions)		
7	Staff costs and administrative expenses		
cont'd	Remuneration of the Executive Board		
		Carsten Nøddebo Rasmussen	Jens-Erik Corvinus
2011			
Fixed salary		2.6	2.0
Pension		0.3	0.2
Variable cash remuneration		0.1	-
Variable share-based remuneration		0.1	-
Total amount earned		3.1	2.2
Total amount paid		2.9	2.2

Total amount paid consists of fixed salary and pension contributions to defined contribution plans in 2011 and the exercise of conditional shares granted for the 2007 financial year (granted in 2008). Variable remuneration for 2011 is paid in subsequent financial years.

The total remuneration of the Executive Board of DKK 5.3 million for 2011 consists of a fixed remuneration of DKK 5.1 million and a variable remuneration of DKK 0.2 million. The service contracts of the members of the Executive Board comply with statutory requirements, for agreements on variable remuneration in financial enterprises effective from 1 January 2011.

	Carsten Nøddebo Rasmussen	Jens-Erik Corvinus
2010		
Fixed salary	2.7	2.0
Pension	0.3	0.2
Variable cash remuneration	-	-
Variable share-based remuneration	-	-
Total amount earned	3.0	2.2

The total remuneration of the Executive Board for 2010 of DKK 5.2 million consisted of a fixed remuneration only.

In accordance with the Group's general staff policy, in 2010 Jens-Erik Corvinus received a 25-year anniversary benefit corresponding to one months' salary.

The disclosed remuneration of the Executive Board has been paid by the parent company Realkredit Danmark A/S. No member of the Executive Board has received remuneration for membership of the executive board or board of directors of the subsidiary home a/s.

Under the Danish Act on State-Funded Capital Injections into Credit Institutions, only 50% of the salary to members of the Executive Board is tax deductible until the capital raised has been repaid. In 2011, this deduction amounted to DKK 2.6 million (2010: DKK 2.7 million).

Pensions

Carsten Nøddebo Rasmussen is entitled to retire at the end of the month in which he attains the age of 60. The pension obligation is covered by payments equal to 14% of his salary to a bank.

Jens-Erik Corvinus is entitled to retire at the end of the month in which he attains the age of 62. The pension obligation is covered by payments equal to 14% of his salary to a bank.

Termination

Carsten Nøddebo Rasmussen may terminate his service by giving seven months' notice. Realkredit Danmark may terminate the service contract by giving 12 months' notice. In case of termination by Realkredit Danmark, Carsten Nøddebo Rasmussen is entitled to severance pay equal to 12 months' salary.

Jens-Erik Corvinus may terminate his service by giving three months' notice. Realkredit Danmark may not terminate the service contract until retirement. In case of termination Jens-Erik Corvinus is entitled to severance pay equal to 12 months' salary.

Notes

Note	(DKK millions)
7	Staff cost and administrative expenses
cont'd.	Remuneration of other material risk takers <p>Since 1 January 2011, Realkredit Danmark has complied with new statutory requirements to identify a number of staff members (other than the members of the Executive Board) who have a material influence on Realkredit Danmark's risk profile. The remuneration of these employees has been aligned with the statutory rules on variable remuneration. As the Group started to designate material risk takers in 2011, comparative figures for 2010 are not stated.</p> <p>For 2011, Realkredit Danmark A/S paid remuneration totalling DKK 5.4 million for 5 material risk takers. The remuneration consists of a fixed remuneration of DKK 5.3 million and a variable remuneration of DKK 0.1 million.</p> <p>Realkredit Danmark A/S has no pension obligation towards other material risk takers, as these are covered by defined contribution plans through pension funds.</p>
8	Share based payments <p>Until 2008, the Group offered senior staff and selected other employees an incentive programme that consisted of share options and conditional shares. Incentive payments reflected individual performance and also depended on financial results and other measures of value creation in a given financial year. The options and shares were granted in the first quarter of the following year. The last grant of share options and conditional shares was made in the first quarter of 2008.</p> <p>Issued options carry a right to buy Danske Bank shares exercisable from three to seven years after they are granted provided that the employee, with the exception of retirement, has not resigned from the Group. The exercise price of the options is computed as the average price of Danske Bank shares for 20 stock exchange days after the release of the Danske Bank's annual report plus 10%.</p> <p>Rights to Danske Bank shares under the conditional share programme vest up to five years after being granted provided that the employee, with the exception of retirement, has not resigned from the Group</p> <p>The fair value of the share options at the grant date was calculated according to a dividend-adjusted Black & Scholes formula.</p> <p>The fair value at the end of 2011 is based on the following assumptions: Share price 72.95 (2010: 143). Dividend payout ratio 2.5% (2010:1.5%). Rate of interest 0.8-0.9% (2010: 1.2-1.8%), equal to the swap rate. Volatility 50% (2010: 35%). Average time of exercise 0-2 years (2010: 0-2 years). The volatility is estimated on the basis of historical volatility.</p> <p>The fair value of the conditional shares was calculated as the share price less the payment made by the employee.</p> <p>The intrinsic value is expensed in the year in which the share options and rights to conditional shares are earned, while the time value is accrued over the remaining service period, which is the vesting period of up to five years.</p>

Notes

Note	(DKK millions)					
8 cont'd	Share-based payments					
	Share options					
		Number		Fair Value (FV)		
	Executive Board	Other employees	Total	Exercise price (DKK)	At issue (DKK millions)	End of year (DKK millions)
Granted in 2004-08						
	66,881	239,570	306,451	157,2-294,1	5.7	3.8
2010, beg.						
Exercised 2010	-	-	-			
Forfeited 2010	-	-	-			
Other changes 2010	-	-	-			
2010, end	66,881	239,570	306,451	157,2-294,1	5.7	1.6
Exercised 2011	-	-	-			
Forfeited 2011	-	-16,667	-16,667			
Other changes 2011	5,393	17,971	23,364			
2011, end	72,274	240,874	313,148	176,0-272,2	5.8	0.1
Holdings of the Executive Board and fair value, end of 2011						
Grant year					2005-2008	
(DKK millions)					Number	FV
Carsten Nøddebo Rasmussen					17,312	0.0
Jens-Erik Corvinus					54,962	0.0
Holdings of the Executive Board and fair value, end of 2010						
Grant year					2004-2008	
(DKK millions)					Number	FV
Carsten Nøddebo Rasmussen					16,020	0.2
Jens-Erik Corvinus					50,861	0.2

Share options granted in 2008 relates to the grant in the first quarter of 2009 of share options earned in 2007. Jens-Erik Corvinus joined the Executive Board at 1 June 2009. The holding of share options was granted in 2008 or earlier years. No share options were exercised in 2010 or 2011.

Notes

Note	(DKK millions)					
8 cont'd	Share-based payments					
	Conditional shares					
		Number		Fair Value (FV)		
	Executive Board	Other employees	Total	At issue (DKK millions)	End of year (DKK millions)	
	Granted in 2007-08					
	2010, beg.	4,101	10,304	14,405	3.1	1.7
	Vested 2010	-1,583	-3,940	-5,523		
	Forfeited 2010	-	-	-		
	Other changes 2010	-	-	-		
	2010, end	2,518	6,364	8,882	1.6	1.3
	Vested 2011	-2,518	-6,364	-8,882		
	Forfeited 2011	-	-	-		
	Other changes 2011	-	-	-		
	2011, end	-	-	-	-	-
	Holdings of the Executive Board and fair value, end of 2011					
	Grant year (DKK millions)			2011 Number	FV	
	Carsten Nøddebo Rasmussen			-	-	
	Jens-Erik Corvinus			-	-	
	Holdings of the Executive Board and fair value, end of 2010					
	Grant year (DKK millions)			2008 Number	FV	
	Carsten Nøddebo Rasmussen			1,215	0.2	
	Jens-Erik Corvinus			1,303	0.2	

Rights to conditional shares granted in 2008 relate to the grant in the first quarter of 2008 of rights to conditional shares earned in 2007.

In 2011, the average price at the vesting date for rights to conditional shares was 125.7 (2010: 127.05).

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
9	Audit fees				
	Audit firms appointed by the general meeting				
	Statutory audit of financial statements	2	2	2	2
	Fees for other assurance engagements	-	-	-	-
	Fees for tax advisory services	-	-	-	-
	Fees for other services	-	-	-	-
	Total	2	2	2	2
10	Loan impairment charges				
	Impairment charges etc. during the year	1,156	1,389	1,155	1,389
	Reversals of impairment charges etc. for previous years	862	734	862	734
	Losses incurred	823	427	822	425
	Received on claims previously written off	60	106	60	106
	Total	1,057	976	1,055	974
11	Tax				
	Tax on profit for the year	624	543	624	540
	Deferred tax	2	31	18	32
	Adjustment of prior-year tax charges	-	-1	-	-2
	Total	626	573	642	570
	Effective tax rate				
	Current Danish tax rate	25.0	25.0	25.0	25.0
	Adjustment of prior-year tax charge	-	-	-	-0.1
	Non-taxable items	-	-	-	-0.1
	Effective tax rate	25.0	25.0	25.0	24.8
12	Due from credit institutions and central banks				
	Demand deposits	1,713	6,699	1,702	6,681
	3 months or less	30,820	22,186	30,730	22,106
	Total	32,533	28,885	32,432	28,787
	Due from credit institutions	32,533	28,885	32,432	28,787
	Term deposits with central banks	-	-	-	-
	Total	32,533	28,885	32,432	28,787
	At fair value	32,596	28,881	32,494	28,783
	Portion attributable to reverse transactions	22,636	13,334	22,636	13,334
	In connection with reverse transactions, Realkredit Danmark is entitled to sell or remortgage the securities.				
13	Bonds at fair value				
	Own mortgage bonds	239,019	268,276	239,019	268,276
	Other mortgage bonds	17,289	19,672	17,289	19,672
	Government bonds	-	2,007	-	2,007
	Total	256,308	289,955	256,308	289,955
	Own mortgage bonds set off against issued mortgage bonds	239,019	268,276	239,019	268,276
	Total	17,289	21,679	17,289	21,679

Of Realkredit Danmark's bond portfolio, about DKK 9.4 billion has a maturity of less than 12 months, while DKK 7.9 billion has a maturity of up to five years.

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
14	Total lending				
	Mortgage loans, nominal value	707,750	703,236	707,750	703,236
	Fair value adjustment of underlying bonds	18,069	3,042	18,069	3,042
	Adjustment for credit risk	2,065	1,829	2,065	1,829
	Mortgage loans at fair value	723,754	704,449	723,754	704,449
	Arrears and outlays	560	646	560	646
	Other loans	278	247	227	193
	Total	724,592	705,342	724,541	705,288
	Apart from being backed by mortgages on properties, loans are backed by central and local government guarantees and insurance guarantees of	23,795	21,884	23,795	21,884
	Pass books and bonds have been deposited and guarantees provided as supplementary security in a total amount of	81,399	93,465	81,399	93,465
	Realkredit Danmark has also received various declarations of indemnification without specification of amounts.				
	Of the total adjustment for credit risk on loans at fair value, DKK 236 million was expensed in respect of changes in 2011 (2010: DKK 367 million).				
15	Mortgage loans at fair value				
	Mortgage loans (nominal value) broken down by property category				
	Owner-occupied dwellings	56	57	56	57
	Holiday homes	3	3	3	3
	Subsidised residential property	9	8	9	8
	Private residential rental property	10	10	10	10
	Industrial and skilled trades property	3	3	3	3
	Office and retail property	10	10	10	10
	Agricultural property etc.	7	7	7	7
	Property for social, cultural and training activities	1	1	1	1
	Other property	1	1	1	1
	Total	100	100	100	100
	0-1 month	26,098	20,553	26,098	20,553
	1-3 months	4,989	2,699	4,989	2,699
	3-12 months	31,982	16,556	31,982	16,556
	1-5 years	84,924	62,658	84,924	62,658
	5-10 years	115,878	81,393	115,878	81,393
	Over 10 years	459,883	520,590	459,883	520,590
	Total	723,754	704,449	723,754	704,449
16	Loans and other amounts due at amortised cost				
	On demand	568	648	568	648
	3 months or less	17	14	12	10
	3 months to 1 year	47	42	35	29
	1-5 years	102	93	74	62
	Over 5 years	104	96	98	90
	Total	838	893	787	839

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
17	Arrears and outlays				
	Arrears before impairment charges	315	365	315	365
	Outlays before impairment charges	731	712	731	712
	Impairment charges	486	431	486	431
	Total	560	646	560	646

- 18 **Loans etc.**
 Of the total fair value adjustment for the credit risk on mortgage loans, changes were recognised as an expense of DKK 2,065 million at 31 December 2011, against DKK 1,829 million at 31 December 2010.
 Of the total loan impairment charges for the credit risk on loans and other amounts due at amortised cost, charges were recognised as an expense of DKK 494 million at 31 December 2011, against DKK 436 million at 31 December 2010.

	Realkredit Danmark Group			Realkredit Danmark A/S		
	Loans individual impairment	Loans collective impairment	Total	Loans individual impairment	Loans collective impairment	Total
2011						
Impairment charges at 1 January 2011	2,001	264	2,265	2,000	264	2,264
Impairment charges during the year	1,030	126	1,156	1,029	126	1,155
Reversals of impairment charges for previous years	757	105	862	757	105	862
Impairment charges at 31 December 2011	2,274	285	2,559	2,272	285	2,557
Value adjustment of assets taken over						-5
2010						
Impairment charges at 1 January 2010	1,544	66	1,610	1,543	66	1,609
Impairment charges during the year	1,188	201	1,389	1,188	201	1,389
Reversals of impairment charges for previous years	731	3	734	731	3	734
Impairment charges at 31 December 2010	2,001	264	2,265	2,000	264	2,264
Value adjustment of assets taken over						-17

Allowance account for individual impairment charges broken down by evidence of impairment

2011	Realkredit Danmark Group		Realkredit Danmark A/S	
	Credit exposure	Allowance account, individual	Credit exposure	Allowance account, individual
Rating category 10	14,599	623	14,599	621
Rating category 11	10,700	1,651	10,700	1,651
Total	25,299	2,274	25,299	2,272
2010				
Rating category 10	11,633	773	11,633	772
Rating category 11	9,129	1,228	9,129	1,228
Total	20,762	2,001	20,762	2,000

Customers in rating category 11 comprise customers submitted for debt collection, suspension of payments, debt rescheduling and 90 days arrears. Rating category 10 covers other financial difficulties.

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
19	Holdings in associates				
	Cost at 1 January	14	16	14	16
	Disposals	-	2	-	2
	Cost at 31 December	14	14	14	14
	Revaluations at 1 January	-6	-7	-6	-7
	Reversals of revaluations	1	1	1	1
	Revaluations at 31 December	-5	-6	-5	-6
	Carrying amount at 31 December	9	8	9	8
	*Associates are specified on page 54				
20	Domicile property				
	Carrying amount at 1 January	93	94	155	155
	Disposals	-	-	-	-
	Depreciation charges	0	1	1	1
	Value adjustment recognised in other comprehensive income	-	-	1	1
	Carrying amount at 31 December	93	93	155	155
	Broken down by cost and depreciation and impairment charges				
	Cost at 1 January	132	132		
	Disposals	-	-		
	Cost at 31 December	132	132		
	Depreciation and impairment charges at 1 January	39	38		
	Reversal of depreciation charges	-	-		
	Depreciation charges	-	1		
	Depreciation and impairment charges at 31 December	39	39		
	Carrying amount at 31 December	93	93		
	Fair value of domicile property	155	155		
	The property is valued on the basis of assessments made by valuers of the Danske Bank Group. The Group measures domicile property at cost less depreciation and impairment charges. The parent company, Realkredit Danmark A/S, measures it at the estimated fair value.				
21	Other tangible assets				
	Cost at 1 January	27	26	15	16
	Additions	5	2	-	-
	Disposals	10	1	10	1
	Cost at 31 December	22	27	5	15
	Depreciation and impairment charges at 1 January	17	15	8	7
	Depreciation charges	3	3	1	2
	Depreciation and impairment charges reversed on disposals etc.	9	1	9	1
	Depreciation and impairment charges at 31 December	11	17	-	8
	Carrying amount at 31 December	11	10	5	7

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S		
		2011	2010	2011	2010	
22	Deferred tax (- = Assets)					
	Deferred tax assets	-	-	-	-	
	Provision for deferred tax	49	47	29	11	
	Deferred tax, net	49	47	29	11	
	Change in deferred tax					
	Realkredit Danmark Group	At 1 Jan.	Other ad-justments	Recognised in net profit for the year	Recognised in shareholder's equity	At 31 Dec.
	2011					
	Intangible assets	-	-	-	-	-
	Tangible assets	6	-	1	-	7
	Securities	-3	-	-	-	-3
	Provisions	55	-	-	-	55
	Tax loss carryforwards	-	-	-	-	-
	Other	-11	-	1	-	-10
	Total	47	-	2	-	49
	Adjustment of prior-year tax charges included in total			-		
	2010					
	Intangible assets	-	-	-	-	-
	Tangible assets	-	-	6	-	6
	Securities	-4	-	1	-	-3
	Provisions	44	-	11	-	55
	Tax loss carryforwards	-	-	-	-	-
	Other	-12	-	1	-	-11
	Total	28	-	19	-	47
	Adjustment of prior-year tax charges included in total			-12		
	Change in deferred tax					
	Realkredit Danmark A/S	At 1 Jan.	Other ad-justments	Recognised in net profit for the year	Recognised in shareholder's equity	At 31 Dec.
	2011					
	Intangible assets	-	-	-	-	-
	Tangible assets	18	-	1	-	19
	Securities	-3	-	-	-	-3
	Provisions	-4	-	17	-	13
	Tax loss carryforwards	-	-	-	-	-
	Other	-	-	-	-	-
	Total	11	-	18	-	29
	Adjustment of prior-year tax charges included in total			-		
	2010					
	Intangible assets	-	-	-	-	-
	Tangible assets	14	-	4	-	18
	Securities	-4	-	1	-	-3
	Provisions	-18	-	14	-	-4
	Tax loss carryforwards	-	-	-	-	-
	Other	-	-	-	-	-
	Total	-8	-	19	-	11
	Adjustment of prior-year tax charges included in total			-13		

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S			
		2011	2010	2011	2010		
23	Assets temporarily taken over Assets temporarily taken over consist of properties taken over in a forced sale under non-performing loan agreements. The properties are expected to be sold through a real-estate agent within one year from the acquisition date and comprised DKK 317 million worth of properties at 31 December 2011 (2010: DKK 282 million). The fair value of real property taken over is reduced by the estimated costs of selling the property. Losses on properties taken over amounted to DKK 13 million (2010: DKK 24 million).						
24	Other assets						
	Interest due	636	368	636	368		
	Pension assets	417	436	242	195		
	Other assets	627	455	586	406		
	Total	1,680	1,259	1,464	969		
	Pension assets relate to a defined benefit plan managed by Kreditforeningen Danmarks Pensionsafvirkingskasse (see note 25).						
25	Pension plans						
	Contributions to defined contribution plans	23	23	21	21		
	Contributions to defined benefit plans	19	24	-47	16		
	Total	42	47	-26	37		
	The Realkredit Danmark Group uses the corridor method to calculate net pension assets. This method is not, however used by the parent company, Realkredit Danmark A/S.						
	Defined benefit plans						
	Present value of fully or partly funded pension obligations	1,086	1,087	1,086	1,087		
	Fair value of plan assets	1,328	1,282	1,328	1,282		
	Net pension assets, end of year, parent company	242	195	242	195		
	Actuarial losses not recognised	175	241				
	Net pension assets, end of year, Group	417	436				
		2011		2010			
	Change in net pension assets	Assets	Liabilities	Net	Assets	Liabilities	Net
	At 1 January, parent company	1,283	1,088	195	1,127	1,036	91
	Current service costs	-	1	1	-	1	1
	Calculated interest expense	-	40	40	-	44	44
	Estimated return on plan assets	56	-	56	56	-	56
	Amortisation	-	34	34	-	35	35
	Standard cost	56	75	19	56	80	24
	Actuarial gains or losses	63	-3	66	51	43	8
	Employer contributions to the plans	-	-	-	120	-	120
	Benefits paid out by pension fund	-74	-74	-	-71	-71	-
	At 31 December, parent company	1,328	1,086	242	1,283	1,088	195
	Actuarial gains or losses not recognised	22	197	-175	-41	200	-241
	Net asset, end of year, Group	1,306	889	417	1,324	888	436
	Pension contributions totalling DKK 0.2 million are expected for 2012.						

Notes

Note	(DKK millions)		
25 cont'd	Pensions plans		
	Expenses for defined benefit plans (recognised under staff costs and administrative expenses)	2011	2010
	Standard cost, Group	19	24
	Actuarial gains or losses	66	8
	Total, parent company	-47	16

For defined benefit plans, the pension assets are recognised on the basis of an actuarial calculation of the present value of the expected benefits. The present value at year-end was calculated on the basis of the following assumptions:

Average actuarial assumptions at 31 December (% p.a.):	2011	2010
Discount rate	4.20	4.47
Return on plan assets	4.20	4.47
Inflation rate	2.75	2.75
Salary adjustment rate	2.75	2.75
Pension adjustment rate	2.75	2.75

The mortality assumptions used to recognise the pension assets are based on the standard FT09 mortality table.

The assumptions applied entail that the average life expectancy for a pension fund member calculated at 31 December 2011 was 83.7 years for a 60-year old man and 86.5 years for a 60-year old woman, and 84.3 years for a 65-year old man and 87.0 years for a 65-year old woman.

Pension assets broken down by type (%)	2011			2010		
	Share end	Expected return, beg.	Actual return, end	Share end	Expected return, beg.	Actual return, end
Shares	2	-	-23.6	3	-	26.7
Government and mortgage bonds	97	-	11.6	95	-	8.9
Cash and cash equivalents	1	-	-	2	-	-
Total	100	4.5	10.4	100	5.1	9.2

Historical trend in defined benefit plans	2011	2010	2009	2008	2007
Present value of pension obligations	1,086	1,087	1,037	945	975
Fair value of plan assets	1,328	1,282	1,128	1,150	1,068
Net pension assets, end of year, parent company	242	195	91	205	93
Actuarial losses not recognised	175	241	249	114	179
Experience adjustments of plan liabilities included in above item	-3	-10	-18	-16	
Experience adjustments of plan assets included in above item	49	34	-	9	
Net pension assets, end of year, Group	417	436	340	319	272

Realkredit Danmark Group's transactions with pension fund	2011	2010
Issued mortgage bonds	381	413
Interest expense	15	13
Regular and single pension premiums	-	120

As the sponsoring employer, Realkredit Danmark is liable for the pension obligations of Kreditforeningen Danmarks Pensionsafviklingskasse. Danmarks Pensionsafviklingskasse and, by extension, the Group's defined benefit plan has not accepted new business since 1971.

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
26	Due to credit institutions and central banks				
	On demand	-	-	-	-
	3 months or less	20,668	10,408	20,668	10,408
	3-12 months	-	-	-	-
	1-5 years	-	17,000	-	17,000
	Total	20,668	27,408	20,668	27,408
	At fair value	20,763	27,383	20,763	27,383
	Portion attributable to repo transactions	20,668	9,177	20,668	9,177
27	Issued mortgage bonds at fair value				
	Issued mortgage bonds, nominal value*	914,701	934,395	914,701	934,395
	Fair value adjustment	19,398	5,525	19,398	5,525
	Issued mortgage bonds at fair value, before set-off	934,099	939,920	934,099	939,920
	Set-off of own mortgage bonds at fair value	239,019	268,276	239,019	268,276
	Issued mortgage bonds at fair value	695,080	671,644	695,080	671,644
	0-1 month	136,217	91,552	136,217	91,552
	1-3 months	-	-	-	-
	3-12 months	138,387	105,962	138,387	105,962
	1-5 years	227,397	276,668	227,397	276,668
	5-10 years	67,111	69,458	67,111	69,458
	Over 10 years	125,968	128,004	125,968	128,004
	Total	695,080	671,644	695,080	671,644
	* Portion pre-issued	176,461	193,720	176,461	193,720
	* Portion drawn at 2 January 2012, or in 2011	205,599	233,309	205,599	233,309
	Fair value adjustment for the credit risk on issued mortgage bonds is calculated on the basis of the option-adjusted spread (OAS) to government bond yields or, for variable rate loans, the swap rate. The calculation incorporates maturity, nominal holdings and OAS sensitivity. As a number of estimates are made, the calculation is subject to uncertainty.				
	Consequently, the yield spread on Danish mortgage bonds widened in 2011. The widening caused a decrease in the fair value of issued mortgage bonds of about DKK 4 billion. In 2010, a spread widening also caused a fair value decrease of about DKK 4 billion. Based on the outstanding portfolio at the end of 2011, Realkredit Danmark estimates that there has been a net widening since the issuance of the bonds, which has reduced the fair value by about DKK 8 billion (2010: DKK 3 billion). The net profit and shareholders' equity remain unaffected by the change in fair value because the spread widening changed the value of mortgage loans correspondingly.				
	Fair value adjustment for the credit risk on issued mortgage bonds may also be calculated on the basis of changes in similar AAA-rated mortgage bonds offered by other Danish issuers. The market for such bonds is characterised by an absence of measurable price differences between bonds with similar features from different issuers. Using this method, no fair value adjustment for credit risk in 2011 or the period since the issue has been required.				
28	Other liabilities				
	Interest accrued	12,612	12,677	12,612	12,677
	Reserves in early series subject to a reimbursement obligation*	188	206	-	-
	Other creditors	1,076	693	1,067	681
	Total	13,876	13,576	13,679	13,358

*Recognised in the balance sheet of the parent company, Realkredit Danmark A/S, under "Provisions".

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark	
		2011	2010	2011	2010
29	Reserves in early series subject to a reimbursement obligation*				
	Carrying amount, beginning of year	206	220	206	220
	Utilised	-35	-33	-35	-33
	Increase due to shortening of maturity	2	11	2	11
	Increase due to change in discount rate	15	8	15	8
	Carrying amount, end of year	188	206	188	206

*Recognised in the balance sheet of the Realkredit Danmark Group under "Other liabilities".

Reserves in early series subject to a reimbursement obligation relate to mortgage loan agreements under which the borrower's share of the series reserve fund is disbursed to the borrower on repayment of the loan in accordance with the terms and conditions applying to the series. Until 2031, the Group's obligations will gradually be reduced in step with individual borrower repayments. Factors that affect the repayment pattern include changes in interest rates, cash flows, etc.

30 Subordinated debt

Subordinated debt consists of liabilities in the form of hybrid capital that, in the event of the company's voluntary or compulsory winding-up, will not be repaid until the claims of ordinary creditors have been met. Early redemption of subordinated debt must be approved by the Danish FSA. Hybrid capital is included in the capital base in accordance with sections 129 and 132 of the Danish Financial Business Act.

	Principal (DKK millions)	Interest rate	Year of issue	Maturity	2011 (DKK millions)	2010 (DKK millions)
Hybrid capital	2,034	9.265	2009	Perpetual	2,034	2,034
Total hybrid capital					2,034	2,034
Fair value hedging of interest rate risk					11	27
Total					2,045	2,061
Interest					187	187
Origination costs					-	-
Amount included in capital base at 31 December					2,045	2,061
At fair value					2,034	2,043

The hybrid capital carries interest at an annual rate of 9.265% and is denominated in DKK. If Realkredit Danmark makes annual dividend payouts exceeding DKK 2.1 billion, the interest rate will increase. Unless otherwise agreed, Realkredit Danmark may not redeem the loan earlier than 11 May 2012. From 11 May 2012 to 10 May 2014, Realkredit Danmark may redeem the loan at a price of 100 provided that the tier 1 capital ratio is at least 12% following such redemption or that the loan is replaced by other loss absorbing tier 1 capital of at least the same or a higher quality. From 11 May 2014 to 10 May 2015, Realkredit Danmark may redeem the loan at a price of 105, and from 11 May 2015, Realkredit Danmark may redeem the loan at a price of 110. Redemption must be approved by the Danish FSA. The loan is expected to be redeemed on 11 May 2012.

31 Risk-weighted assets (RWA)

	Realkredit Danmark Group		Realkredit Danmark A/S	
	2011	2010	2011	2010
Credit risk (IRB approach)	108,003	93,080	107,917	92,991
Credit risk (standardised approach)	7,120	6,614	7,522	7,014
Counterparty risk	1,510	142	1,510	142
Total credit risk	116,633	99,836	116,949	100,147
Market risk	5,787	8,014	5,787	8,014
Operational risk	7,113	7,420	6,949	7,244
Total	129,533	115,270	129,685	115,405

The total capital and tier 1 capital ratios are calculated in accordance with the Capital Requirements Directive. Risk-weighted assets calculated under the Basel I rules amounted to DKK 401,188 million at the end of 2011 (2010: DKK 396,049 million). The solvency need, calculated on the basis of the transitional rules, was DKK 25,676 million in 2011, equal to 80% of the capital requirement of 8% of risk-weighted assets, (2010: DKK 25,347 million). www.rd.dk provides more details about Realkredit Danmark's solvency need. The solvency need calculation is not covered by the statutory audit.

Notes

Note	(DKK millions)	Realkredit Danmark Group		Realkredit Danmark A/S	
		2011	2010	2011	2010
32	Collateral				
	In connection with clearing, Realkredit Danmark has deposited the following securities with the Danish Central Bank				
	Bonds at fair value	21,210	32,584	21,210	32,584
	Portion issued by Realkredit Danmark	21,210	32,584	21,210	32,584
	Assets sold under repo transactions				
	Bonds at fair value	20,763	9,153	20,763	9,153
	Portion issued by Realkredit Danmark	8,399	6,532	8,399	6,532

Pursuant to Danish mortgage credit legislation, issued mortgage bonds, including mortgage-covered bonds, are secured against the underlying mortgage loans.

At the end of 2011, the need for supplementary collateral for mortgage-covered bonds was DKK 34.5 billion, against DKK 29.7 billion at end-2010.

33 Contingent liabilities

Owing to its size and business volume, the Realkredit Danmark Group is continually a party to various disputes. The Group does not expect the outcomes of the disputes pending to have any material effect on its financial position.

As the sponsoring employer, Realkredit Danmark is liable for the pension obligations of Kreditforeningen Danmarks Pensionsafviklingskasse, see note 25.

The company is registered jointly with all major Danish subsidiaries of the Danske Bank Group for financial services employer tax and VAT, for which it is jointly and severally liable.

Guarantees and indemnities issued by the Group, irrevocable loan commitments regarding reverse mortgages and other commitments not recognised in the balance sheet amount to:

	Realkredit Danmark Group		Realkredit Danmark A/S	
	2011	2010	2011	2010
Guarantees etc.				
Other guarantees	4	4	4	4
Total	4	4	4	4
Other contingent liabilities				
Irrevocable loan commitments regarding reverse mortgages	275	414	275	414
Other commitments	116	106	98	88
Total	391	520	373	502
Total contingent liabilities	395	524	377	506

Realkredit Danmark as lessee

Realkredit Danmark is the lessee in a number of operating leases. Under such leases, the Realkredit Danmark Group is entitled to use an asset for a specific period of time against lease payments, but it does not take over the major risks associated with the asset nor does it benefit from any returns. The leases mainly involve cars. The minimum lease payments at year-end 2011 were DKK 2 million (2010: DKK 2 million).

Notes

Note	(DKK millions)
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34 Related party transactions

Transactions between related parties are concluded and settled on an arm's length or on a cost-reimbursement basis. No unusual transactions were made with associates and group undertakings in 2011.

Realkredit Danmark A/S made the below-mentioned major intra-group transactions with companies directly or indirectly associated with the Group/company.

	Realkredit Danmark Group		Realkredit Danmark A/S	
	2011	2010	2011	2010
Fees, etc. paid to Danske Bank A/S for the arranging and guaranteeing of mortgage loans	814	986	814	986
Fees received from Danske Bank A/S for referral of customers and for property valuation	85	97	85	97
Fees paid to Danske Bank A/S for managing Realkredit Danmark's IT operations and development, portfolio management and finance functions, etc.	346	325	322	300
Interest received by Realkredit Danmark A/S on outstanding accounts with Danske Bank A/S	47	387	46	386
Interest received on mortgage loans raised by sister company	40	49	40	49
Interest paid by Realkredit Danmark A/S on outstanding accounts with Danske Bank A/S	461	394	461	394
Amounts due from Danske Bank A/S	31,504	28,791	31,402	28,694
Mortgage lending to sister company	2,412	2,532	2,412	2,532
Loss guarantees from Danske Bank A/S	49,440	48,578	49,440	48,578
Other guarantees from Danske Bank A/S	38,750	44,051	38,750	44,051
Amounts due to Danske Bank A/S	19,326	27,408	19,326	27,408
The A.P. Møller - Maersk Group and A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal represent a party that has a significant influence on Danske Bank A/S and, by extension, on Realkredit Danmark A/S.				
Transactions with this party included				
Mortgage loans	6	6	6	6
Interest income	-	-	-	-
Fees for property information paid to associates	-	2	-	2

Any amounts due to related parties in the form of issued bonds have not been included in the above outstanding accounts as such bonds are bearer securities. In these cases, the Group does not know the identity of the creditors. Transactions with a related pension fund are described in note 25.

35 Loans etc. to management

Mortgage loans established on an arm's length basis for				
Board of Directors	14	9	14	9
Executive Board	13	12	13	12
Board of Directors and Executive Board of Danske Bank A/S	35	29	35	29

Notes

Realkredit Danmark Group

Note	(DKK millions)				
36	Reporting to the Danish FSA			Shareholders' equity	Shareholders' equity
	Difference between net profit and shareholders' equity in IFRS consolidated financial statements and reporting to the Danish FSA is calculated as follows	Net profit	Net profit	31 Dec.	31 Dec.
		2011	2010	2011	2010
	Consolidated financial statements (IFRS)	1,874	1,721	44,757	42,883
	Domicile property	-	-	62	62
	Pension obligations	66	8	-175	-241
	Tax effect	-17	-2	28	44
	Consolidated financial statements (Danish FSA rules)	1,923	1,727	44,672	42,748

Realkredit Danmark Group

37	Financial instruments at fair value				Total
		Quoted prices	Observable input	Non-observable input	
	2011				
	Bonds at fair value	17,289	-	-	17,289
	Mortgage loans at fair value	-	723,754	-	723,754
	Shares	-	-	2	2
	Derivatives	-	175	-	175
	Total	17,289	723,929	2	741,220
	Issued mortgage bonds at fair value	695,080	-	-	695,080
	Derivatives	-	648	-	648
	Total	695,080	648	-	695,728
	2010				
	Bonds at fair value	21,679	-	-	21,679
	Mortgage loans at fair value	-	704,449	-	704,449
	Shares	-	-	1	1
	Derivatives	-	310	-	310
	Total	21,679	704,759	1	726,439
	Issued mortgage bonds at fair value	671,644	-	-	671,644
	Derivatives	-	87	-	87
	Total	671,644	87	-	671,731

Fair value is the amount at which a financial asset can be traded between knowledgeable, willing parties. If an active market exists, Realkredit Danmark uses the quoted price.

Valuation techniques are generally used for OTC derivatives and unlisted shares. The most frequently used valuation models include pricing of businesses with future settlement and swap models using present value calculations. The valuation is based substantially on observable input.

Mortgage loans and issued mortgage bonds are recognised at the fair value of the issued mortgage bonds. In accordance with the accounting policies, the fair value of the credit risk on the mortgage loans is adjusted.

Notes

Realkredit Danmark A/S

Note	(DKK millions)				
		2011		2010	
		Carrying amount	Amortised/ notional amount	Carrying amount	Amortised/ notional amount
38	Fair value hedging				
	Subordinated debt	2,045	2,034	2,061	2,034
	Hedging Derivatives	20	2,034	38	2,034

Realkredit Danmark hedges the interest rate risk on the fixed-rate subordinated debt using interest rate swaps.

The effect on profit or loss of fair value hedge accounting was DKK -2 million, net, in 2011 (2010: DKK -1 million), consisting of a loss on the hedged instrument of DKK 16 million (2010: DKK -24 million) and a gain on the hedging derivative DKK 18 million (2010: DKK 23 million). The net effect is recognised in the income statement.

Notes

Note

RISK MANAGEMENT

Capital base

Realkredit Danmark is a licensed mortgage service provider and therefore must comply with the capital requirements of the Danish Financial Business Act. Danish capital adequacy law is based on the EU Capital Requirements Directive (CRD) and apply to both the Parent Company and the Group.

The regulatory capital requirements are based on a minimum capital base of 8% of risk-weighted assets. Detailed rules regulate the calculation of capital and risk (risk-weighted assets). Capital comprises tier 1 capital and subordinated debt. The difference between the carrying amount of shareholders' equity and the total tier 1 capital and risk-weighted assets is shown under Statement of capital.

The purpose of capital management is to ensure efficient use of capital in relation to risk tolerance and business development. The Group must have sufficient capital to comply with regulatory capital requirements and to maintain an AAA rating with external rating agencies for issued bonds.

Under Danish law, the Group must publish its solvency need on a quarterly basis www.rd.dk provides further information.

Credit risk

The credit risk on a mortgage loan basically derives from two factors; the risk that the borrower is unable to repay the loan and the expected loss if the customer is unable to repay the loan, which largely depends on the value of the property. These two factors are commonly designated by the abbreviations "PD" (Probability of Default) and "LGD" (Loss Given Default). The higher the PD and LGD, the higher risk a loan involves.

The credit granting process widely builds on the two above-mentioned components. Most often, the Group performs a decentralised credit assessment of whether a customer is deemed to have the ability and the willingness to repay his loan. However, the Group handles the largest customers at a central corporate centre, which has the expertise to serve this customer segment. In 2011, Realkredit Danmark continued its prudent credit-granting process, accommodating the Group's existing and new creditworthy customers. When granting credit, the Group continues to emphasise customer ability to repay fixed-rate loans, even if it has granted an interest-reset loan (Flex-Lån[®]).

When the Group assesses that there is a high credit risk, the credit granting process will be assigned to the central credit department. A high credit risk may arise for less financially strong customers (high PD), but it may also be due to expectations of a high LGD if the credit involves a property type that is difficult to sell and which may lose much of its value if it has to be sold in a forced sale. Very large loans must be granted by Realkredit Danmark's Executive Board or Board of Directors.

Realkredit Danmark applies customer classification models as a key tool in deciding when to grant the loan.

Depending on the customer's loan facility and customer type, customers are classified using rating models or statistical scoring models. The rating models typically rely on the customer's financial statements, industry information and an assessment of the company's situation in terms of management and competition. The rating is assessed in the central credit department by a rating specialist and a credit officer, before it is fixed. The customer's rating is translated into a PD.

The statistical scoring models rely on factors such as relevant sector information and payment records. The calculated PD is translated into a rating category.

The customer classification models break down customers into 11 rating categories, with category 1 being the most creditworthy.

Portfolio broken down by customer type and rating category (DKK billions)

Rating category	Personal	Business	2011 Total	2010 Total
1	5	-	5	12
2	29	3	32	36
3	47	61	108	94
4	94	30	124	86
5	99	34	133	132
6	61	63	124	133
7	53	48	101	111
8	26	28	54	61
9	7	12	19	20
10	4	11	15	12
11	3	8	11	9
Total	428	298	726	706

Probability of Default (PD) %

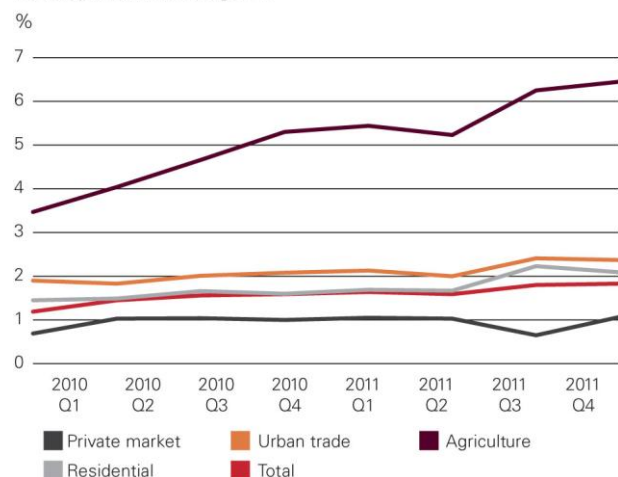
Rating category	Low PD	High PD
1	0.00	0.01
2	0.01	0.03
3	0.03	0.06
4	0.06	0.14
5	0.14	0.31
6	0.31	0.63
7	0.63	1.90
8	1.90	7.98
9	7.98	25.70
10	25.70	99.99
11	100.00	100.00

The continuing weak economic climate is reflected in customer classifications. Customers were generally assigned a marginally lower classification than they were a year ago, and this is also mirrored in the average PD, which rose slightly throughout 2011.

Notes

Note

Development in average PD

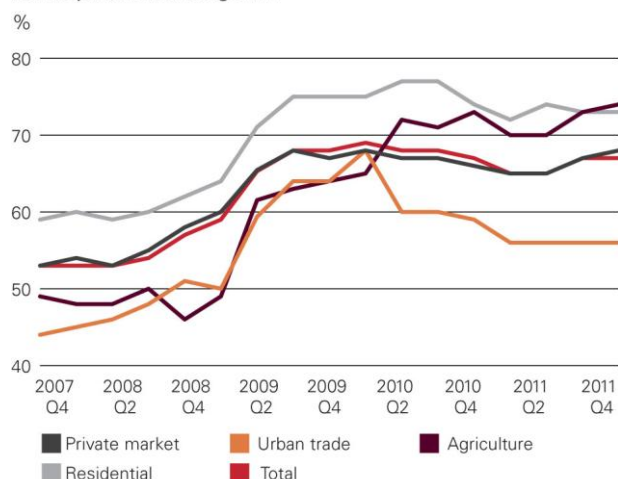


A sluggish property market with no price increases resulted in generally unchanged developments in the average property loan-to-value (LTV) ratios throughout 2011. Overall, the LTV stood at 67% at the beginning and end of the year.

Due to the unchanged LTV, other things being equal the average LGD will also be unchanged.

The number of properties taken over by Realkredit Danmark in a forced sale fell in 2011 compared with 2010. In 2011, Realkredit Danmark took over 217 at a forced sale auction, against 235 the year before.

Development in average LTV



The portfolio was still very secure. 84% of the portfolio was secured within 60% of the value of the property, and 63% was secured within 40% of the value.

Sector, %	0-20	20-40	40-60	60-80	>80	Total DKK billions
Personal market	143	123	92	54	16	428
Urban trade	43	35	23	6	2	109
Agriculture	16	14	10	6	4	50
Residential	50	35	25	16	13	139
Weighted distribution	35%	28%	21%	11%	5%	100%
Total DKK billions	252	207	150	82	35	726

Loan portfolio broken down by loan-to-value ratios at 31 Dec. 2010

Sector, %	0-20	20-40	40-60	60-80	>80	Total DKK billions
Personal market	143	123	89	49	14	418
Urban trade	41	32	21	9	2	105
Agriculture	17	14	10	6	4	51
Residential	47	33	24	16	12	132
Weighted distribution	35%	29%	20%	11%	5%	100%
Total DKK billions	248	202	144	80	32	706

Portfolio broken down by loan to value and rating category 2011

Rating category	Loan to Value					Total DKK billions
	0-20%	20-40%	40-60%	60-80%	80-100%	
1	2	2	1	-	-	5
2	15	10	5	2	-	32
3	41	29	20	10	8	108
4	47	36	24	13	4	124
5	45	39	29	15	5	133
6	41	35	27	15	6	124
7	32	29	22	13	5	101
8	17	15	12	7	3	54
9	5	5	4	3	2	19
10	4	4	4	2	1	15
11	3	3	2	2	1	11
Total	252	207	150	82	35	726

Loan portfolio broken down by loan-to-value ratios at 31 Dec. 2011

Notes

Note

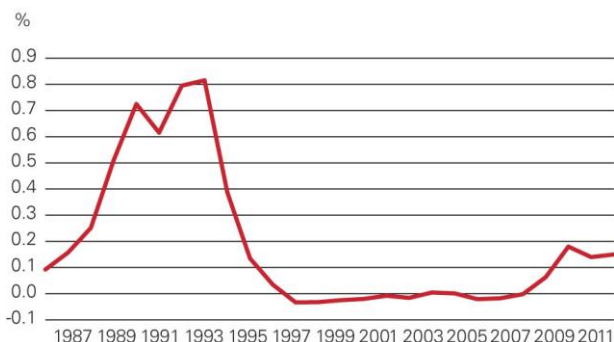
Portfolio broken down by loan to value and rating category 2010

Rating category	Loan to Value					Total DKK billions
	0-20%	20-40%	40-60%	60-80%	80-100%	
1	6	4	2	-	-	12
2	16	11	6	2	1	36
3	37	26	16	9	6	94
4	36	26	15	7	2	86
5	46	39	28	15	4	132
6	43	38	29	17	6	133
7	33	31	25	16	6	111
8	19	17	14	8	3	61
9	6	5	4	3	2	20
10	3	3	3	2	1	12
11	3	2	2	1	1	9
Total	248	202	144	80	32	706

As shown in the figure, only DKK 7 billion were loans with an LTV ratio higher than 80% granted to customers in one of the four lowest classifications. This equals 1.0% of the total portfolio.

Following two years of sharp increases, loan impairment charges declined in 2010. A small increase was recorded in 2011 compared with 2010; from DKK 976 million in 2010 to DKK 1,057 million in 2011. However, losses and impairment charges remained below the level recorded in 2009. The losses remained moderate in a historical context. Losses and impairment charges for the year thus only represented 0.15% of total mortgage lending, which was far from the levels of the early 1990s.

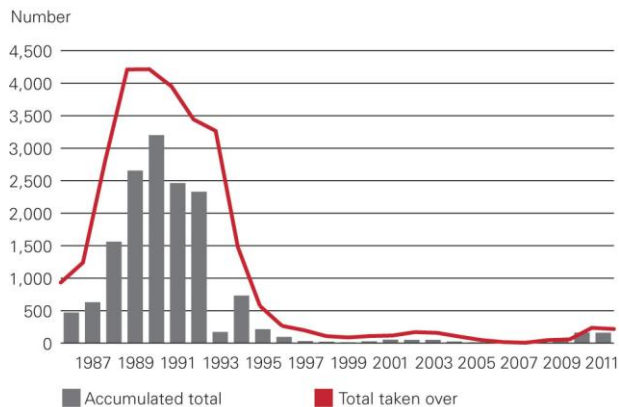
Historical Loss Given Default



In a historical context, the number of properties taken over during the current crisis is much lower than during the crisis of the early 1990s, when more than 4,000 properties were taken over in the worst year.

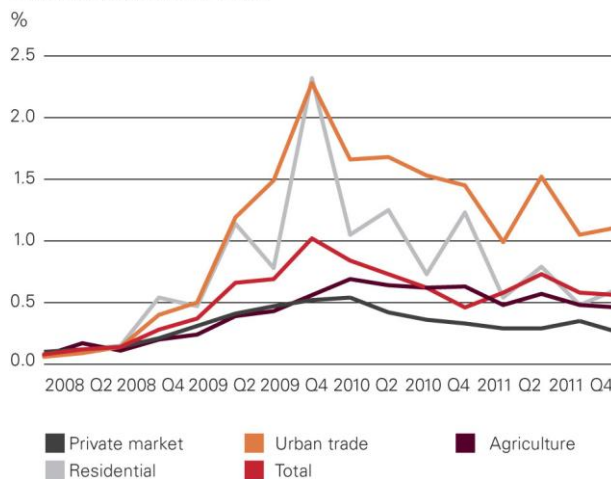
The portfolio of foreclosed properties at the end of 2011 was 161, against 164 foreclosures at the end of 2010. In the early 1990s, the portfolio peaked at 3,200 properties.

Holding of mortgages taken over



Realkredit Danmark was to a certain extent covered against losses, as Danske Bank provides a loss guarantee for loans arranged via the bank. The guarantee covers the part of the loan which at the date of disbursement is within the last 20% up to the statutory lending limit. Total lending of DKK 223 billion was partly covered by this loss guarantee at the end of 2011. The total guarantee amounted to DKK 49 billion.

3-month delinquency rates



Arrears, calculated as the proportion of due payments unpaid 3½ months after the last due payment date, [continued the fall recorded in 2010]. Arrears concerning the September 2011 payment date stood at 0.46%, against 0.63% the year before.

Notes

Note

Arrears	Loan portfolio DKK millions		Loan to value %		Arrears Sept. paym. in %	
	31 Dec. 2011	31 Dec. 2010	31 Dec. 2011	31 Dec. 2010	31 Dec. 2011	31 Dec. 2010
Personal customer market	426,259	418,386	68	66	0.26	0.33
Urban trade	109,681	105,602	56	59	1.11	1.45
Agriculture	50,837	51,302	74	73	0.56	0.46
Residential rental property	139,042	130,988	73	74	0.61	1.23
Total	725,819	706,278	67	67	0.46	0.63

Individual customer concentrations

Under section 145 of the Danish Financial Business Act, exposure to a single customer or a group of related customers, after deduction of particularly secure claims, may not exceed 25% of the capital base. In 2011, the Group's exposures did not exceed the limits established by section 145.

With effect from 1 December 2011, exposure from covered bonds is not included in the calculation of large exposures.

Credit exposure to groups representing 10% or more of the capital base amounted to DKK 5,290 million at 31 December 2011 (2010: DKK 5,137 million). At the end of 2011, 0 exposures exceeded 20% of the capital base, while 1 exposure exceeded 10%, intra-group accounts are not included in the calculation. If the exposure from covered bonds was not included in the calculation of large exposures at the end of 2010, the number of large exposures would have been reduced to 1.

Notes

Note

Market risk

Realkredit Danmark's Board of Directors defines the overall framework for interest rate, equity market and exchange rate risks in accordance with the limits laid down in the Danish Mortgage Credit Loans and Mortgage Credit Bonds, etc. Act. Realkredit Danmark calculates, monitors and reports on these risks on a regular basis. By complying with the statutory principle of balance, Realkredit Danmark eliminates interest rate, exchange rate and liquidity risks on most of its assets and liabilities.

Interest rate risk

The interest rate risk expresses the expected loss on fixed-income positions from a general increase in interest rates of 1 percentage point.

In accordance with Danish law, the difference between interest payments and instalments received on mortgage loans and payments made on issued bonds may not result in an interest rate risk exceeding 1% of Realkredit Danmark's capital base, that is, DKK 464 million. At the end of 2011, this interest rate risk amounted to DKK 21 million, against DKK 21 million the year before.

The interest rate risk on other assets and liabilities and on off-balance-sheet items, including in particular the proprietary investment portfolio, may not exceed 8% of the capital base, or DKK 3,714 million, in accordance with Danish law. At the end of 2011, the interest rate risk on these items amounted to DKK 325 million, against DKK 514 million the year before.

At the end of 2011, the total interest rate risk amounted to DKK 346 million, or 0.75% of the capital base. The year before, Realkredit Danmark's interest rate risk was DKK 535 million.

Liquidity risk

Realkredit Danmark regularly finances its lending activities by issuing bonds, which involves very limited liquidity risk. Denmark has had a well-functioning bond market, also during the past three years.

Equity market risk

The equity market risk is calculated as the market value of the Realkredit Danmark Group's equity portfolios and holdings in subsidiary and group undertakings etc. Internal limits have been set for the overall equity market risk. At end-2011, the market value and hence the equity market risk amounted to DKK 210 million, against DKK 208 million the year before.

Exchange rate risk

Realkredit Danmark has only very small unhedged currency positions. The exchange rate risk is calculated in accordance with exchange rate indicator 2 of the Danish FSA and may, in accordance with legislation, not exceed 0.1% of the capital base, that is DKK 46 million. At the end of 2011, the exchange rate risk amounted to DKK 0 million, against DKK 0 million the year before.

Derivatives

Derivatives are employed for hedging purposes in relation to mortgage finance business and to hedge the interest rate risk on fixed-rate liabilities and are carried at fair value in the financial statements. The market risk on these instruments is included in the risk calculations mentioned above.

Pension risk

The Group's pension risk is the Group's risk of pension shortfall in the Group's defined benefit plans, which means that it will have to make additional contributions to cover its pension obligations to current and former employees. The Group aims to reduce the pension risk of the defined benefit pension plans in the same way that it handles other risks in the Group. To achieve this goal, the Group matches pension obligations with assets similar mainly in terms of maturity and volatility. Note 25 to the financial statements specifies the Group's defined benefit pension plan.

Derivatives (DKK millions)	31 Dec. 2011			31 Dec. 2010		
	Nominal value	Positive market value	Negative market value	Nominal value	Positive market value	Negative market value
Interest rate contracts						
Forward/futures bought	157,810	125	-	171,744	209	1
Forward/futures sold	121,576	29	647	59,277	61	85
Swaps	-	-	-	-	-	-
Currency contracts						
Forward/futures bought	-	-	-	1	-	-
Forward/futures sold	7	-	-	-	-	-
Interest rate and currency contracts held for trading purposes, total		154	647		270	86
Outstanding spot transactions						
Interest rate contracts bought	846	1	-	293	1	-
Interest rate contracts sold	2,146	-	1	3,103	1	1
Currency contracts bought	-	-	-	-	-	-
Total outstanding spot transactions		1	1		2	1
Hedging derivatives	2,034	20	-	2,034	38	-

All derivatives have a maturity of less than one year.

The calculation applies to the Realkredit Danmark Group and Realkredit Danmark A/S.

Notes

Note

Developments in Realkredit Danmark A/S' lending activities in Denmark in the second half of 2011

In May 2009, Realkredit Danmark raised subordinated loan capital in the form of hybrid capital of DKK 2 billion from the Danish state. Under Danish law, an institution that raises state-funded capital must publish semi-annual statements on developments in their Danish lending activities.

Realkredit Danmark grants loans against mortgages on all types of real property on the basis of the property value and an assessment of the borrower's ability and intention to repay the loan. In compliance with applicable law, mortgaged properties are valued at current market value with due consideration to price forecasts. Only in the event of default and the other causes for termination as stipulated in the mortgage document can Realkredit Danmark terminate a loan for repayment.

As a general rule, Realkredit Danmark provides loans up to statutory limits. However, Realkredit Danmark still only provides loans to urban commercial and agricultural properties up to 60% of the valuation.

Personal customers must be able to demonstrate their ability to pay by documenting income sufficient to provide a reasonable amount available for consumption after deduction of loan payments. The calculations are based on a 30-year fixed-rate annuity loan.

For loans for new houses, all customers must generally have sold their previous home, unless the customer can substantiate his ability to pay at a sale significantly below the offer price and with a long period of time on the market.

Corporate customers must demonstrate ability to pay by documenting sufficient positive cash flows from operations. With respect to loans for property types prone to large losses, Realkredit Danmark's requirements to customer creditworthiness are stricter. Such property types include properties with limited alternative uses and properties used by customers in weak or cyclical industries.

Development in loans and advances, irrevocable loan commitments and guarantees for customers of Realkredit Danmark A/S secured on properties situated in Denmark.

(DKK millions)	31 Dec. 2011		30 Jun. 2011	
	New customers	Existing customers	Total	Total
Business customers				
Commercial property	3,821	102,672	106,493	104,638
Agriculture	988	49,415	50,403	49,915
Other	5,193	134,097	139,290	130,892
Total business customers	10,002	286,184	296,186	285,445
Personal customers				
Mortgages	16,636	404,933	421,569	409,563
Total	26,638	691,117	717,755	695,008

New customers are customers to whom Realkredit Danmark has not granted loans within the past 12 months.

In compliance with the statutory requirements this statement on lending developments is available as a separate document at www.rd.dk/Omrd.

The credit assessment focuses on customer liquidity, including the risk of vacancy.

Realkredit Danmark charges an administration margin as a percentage of the debt outstanding. In the personal customer market, this margin is based on the ranking of the collateral, while the customer's creditworthiness is the key parameter in the business market.

In the second half of 2011, Realkredit Danmark made a cyclical adjustment of its guidelines for credit assessments of certain business segments. In connection with the ongoing refinancing of FlexLån[®], Realkredit Danmark introduced a 5 point margin. The margin took effect in connection with the refinancing of FlexLån[®] at the end of 2011.

Danish personal customers' demand for credit, measured in terms of the loan amounts applied for by personal customers, was unchanged in the second half of 2011 relative to the first half of 2011. For existing customers, demand for credit, including remortgaging, climbed 1%. For new customers, demand fell in the second half of 2011. The share of approved applications was 93% in the second half of 2011. For existing customers, the share of approved applications was 95%. The share of approved applications for new customers fell in the second half of 2011.

Danish business customers' demand for credit fell in the second half of 2011. Growing demand among existing customers was offset by declining demand from new customers throughout the second half-year. The share of approved loan applications from existing customers fell from the first half of 2011, and amounted to 89% in the second half of 2011. The share of approved applications for new customers was correspondingly lower in the second half of 2011.

The table below breaks down loans etc. on customer segments. The table below shows the trend in loans and advances, irrevocable loan commitments and guarantees before impairment for customers of Realkredit Danmark A/S secured on properties situated in Denmark. There was an increase of DKK 10.7 billion in exposure to business customers in the second half of 2011, whilst the exposure to personal customers rose DKK 12.0 billion.

Notes

Note

	Realkredit Danmark Group				
(DKK millions)	2011	2010	2009	2008	2007
HIGHLIGHTS					
Net interest and fee income	4,261	4,440	5,333	4,424	4,225
Value adjustments	125	-446	287	607	235
Staff costs and administrative expenses	928	892	978	1,003	1,184
Loan impairment charges	1,057	976	1,267	422	-10
Income from associates	-	5	-4	2	10
Net profit for the year	1,874	1,721	2,594	2,810	2,592
Loans	724,592	705,342	692,095	670,362	628,142
Shareholders' equity	44,757	42,883	41,162	38,568	35,758
Total assets	776,560	757,621	746,343	710,922	694,203
RATIOS AND KEY FIGURES					
Total capital ratio (%)	35.8	39.4	44.6	56.6	10.5
Tier 1 capital ratio (%)	35.4	38.8	44.2	56.5	10.5
Return on equity before tax (%)	5.7	5.5	8.7	10.1	10.0
Return on equity after tax (%)	4.3	4.1	6.5	7.6	7.5
Cost/core income ratio DKK	2.26	2.22	2.54	3.62	3.91
Foreign exchange position (%)	0.7	0.7	2.4	4.2	1.9
Gearing of loans	16.2	16.4	16.9	17.4	17.6
Growth in lending for the year (%)	0.6	1.6	1.4	5.4	6.4
Impairment ratio for the year (%)	0.1	0.1	0.2	0.1	0.0
Realkredit Danmark A/S					
HIGHLIGHTS					
Net interest and fee income	4,258	4,437	5,329	4,413	4,214
Value adjustments	125	-446	287	607	235
Staff costs and administrative expenses	761	778	1,008	820	1,089
Loan impairment charges	1,055	974	1,265	417	-10
Income from associates and group undertakings	1	15	-13	15	47
Net profit for the year	1,923	1,727	2,492	2,853	2,572
Loans	724,541	705,288	692,040	670,320	628,103
Shareholders' equity	44,672	42,748	41,020	38,528	35,685
Total assets	776,446	757,438	746,170	710,871	694,116
RATIOS AND KEY FIGURES					
Total capital ratio (%)	35.8	39.4	44.5	56.8	10.5
Tier 1 capital ratio (%)	35.4	38.8	44.2	56.7	10.5
Return on equity before tax (%)	5.9	5.5	8.4	10.3	9.9
Return on equity after tax (%)	4.4	4.1	6.3	7.7	7.5
Cost/core income ratio DKK	2.41	2.31	2.46	4.07	4.14
Foreign exchange position (%)	0.7	0.7	2.4	4.2	1.9
Gearing of loans	16.2	16.5	16.9	17.4	17.6
Growth in lending for the year (%)	0.6	1.6	1.4	5.4	6.4
Impairment ratio for the year (%)	0.1	0.1	0.2	0.1	0.0

The ratios and key figures are defined in the Danish FSA's executive order on financial reports of credit institutions, investment companies, etc. From 2008, the total capital and tier 1 capital ratios are calculated in accordance with the Capital Requirements Directive.

Notes

Note	Share capital (thousands)	Net profit (DKK millions)	Shareholders' equity (DKK millions)	Holding of share capital (%)
Group holdings and undertakings				
Realkredit Danmark A/S, Copenhagen	DKK 630,000	1,923	44,672	
Subsidiaries				
Real-estate agency business				
home a/s, Aarhus	DKK 15,000	1	201	100
Associates				
Property information				
e-nettet Holding A/S, Copenhagen (financial year 1 January - 31 December)	DKK 11,000	-4	58	22
Further information on e-nettet Holding A/S:				
Total assets DKK 198 million				
Total liabilities DKK 141 million				
Total income DKK 23 million				

The information published is extracted from the most recent annual report of the companies.

Notes – Series accounts

Pursuant to the executive order on the presentation of series accounts by mortgage credit institutions, Realkredit Danmark A/S' financial statements are broken down by the individual underlying mortgage credit associations as follows:

Note	(DKK millions)	Jydsk Grundejer- Kredit- forening	Ny jydsk Kjøbstad- Credit- forening	Ny Jysk Grundejer- Kredit- forening	Østifternes Kredit- forening	Grund- ejernes Hypotek- forening	Provinc- hypotek- foreningen for Danmark
Income statement							
	Income from lending	1.5	1.2	0.0	3.2	0.0	0.0
1	Net interest income etc.	1.9	1.4	5.7	5.6	0.0	0.1
1	Administrative expenses etc.	3.7	4.9	0.0	12.6	0.0	0.1
	Loan impairment charges	2.6	1.3	0.0	0.7	0.0	0.0
	Tax	-0.7	-0.9	1.4	-1.1	0.0	0.0
2	Net profit for the year	-2.2	-2.7	4.3	-3.4	0.0	0.0
Balance sheet - assets							
	Mortgage loans etc.	481.5	268.1	0.0	1,037.8	0.0	1.1
	Other assets	97.1	70.4	0.0	299.3	0.0	2.0
	Total assets	578.6	338.5	0.0	1,337.1	0.0	3.1
Balance sheet - liabilities and equity							
3	Issued bonds	503.5	285.3	0.0	1,115.4	0.0	1.8
	Other liabilities	12.5	7.3	0.0	29.0	0.0	0.0
4	Shareholders' equity	62.6	45.9	0.0	192.7	0.0	1.3
5	Total liabilities and equity	578.6	338.5	0.0	1,337.1	0.0	3.1
Series not subject to a reimbursement obligation							
	(DKK millions)	Series not subject to a reimburse- obligation	Danske Kredit	Mortgage- covered bonds S	Mortgage- covered bonds T	Other reserves	Total
Income statement							
	Income from lending	57.9	8.2	2,546.5	5.8	973.4	3,597.7
1	Net interest income etc.	14.4	2.9	974.2	0.0	378.5	1,384.7
1	Administrative expenses etc.	37.7	17.0	800.7	5.8	469.2	1,351.7
	Loan impairment charges	-13.1	54.5	780.0	0.0	228.8	1,054.8
	Tax	11.9	-15.1	485.0	0.0	161.8	642.3
2	Net profit for the year	35.8	-45.3	1,455.0	0.0	492.1	1,933.6
Balance sheet - assets							
	Mortgage loans etc.	21,940.1	1,264.1	499,199.9	17,331.3	182,833.6	724,357.5
	Other assets	2,333.5	179.3	80,590.6	181,543.5	30,819.0	295,934.7
	Total assets	24,273.6	1,443.4	579,790.5	198,874.8	213,652.6	1,020,292.2
Balance sheet - liabilities and equity							
3	Issued bonds	23,258.6	1,365.0	535,592.8	192,249.8	196,843.7	951,215.9
	Other liabilities	566.4	31.4	13,966.3	4,345.9	5,257.0	24,215.8
4	Shareholders' equity	448.6	47.0	30,231.4	2,279.1	11,551.9	44,860.5
5	Total liabilities and equity	24,273.6	1,443.4	579,790.5	198,874.8	213,652.6	1,020,292.2

Notes – Series accounts

Note	(DKK millions)	
1	Pursuant to section 3(1) and (2) of the executive order on the presentation of series accounts by mortgage credit institutions, a share of net interest etc. equivalent to the ratio of the individual series reserve fund to other series reserve funds has been allocated to each series. Pursuant to section 3(3) of the executive order on the presentation of series accounts by mortgage credit institutions, the Danish FSA has approved the allocation of administrative expenses etc. to individual associations using a distribution scale by which the number of loans in the association is weighted at 3, and the principal of the loans is weighted at 1. The same distribution scale is used for allocation to individual series and series reserve funds, however, allocation to pre-1972 series is made in accordance with the statutes etc. of the associations in question.	
		2011
2	Net profit for the year, series accounts	
	Net profit for the year, Realkredit Danmark A/S's financial statements	1,923.3
	Transferred to other reserves etc.	9.0
	Revaluation of properties recognised directly in shareholders' equity	1.3
	Net profit for the year, series accounts	1,933.6
3	Issued bonds, series accounts	
	Issued bonds, Realkredit Danmark A/S's financial statements	695,080.3
	Own mortgage bonds, not offset in the series accounts	239,019.1
	Accrued interest, own bonds	17,116.5
	Issued bonds, series accounts	951,215.9
4	Shareholders' equity, series accounts	
	Shareholders' equity, Realkredit Danmark A/S's financial statements	44,672.5
	Reserves in pre-1972 series subject to a reimbursement obligation	188.0
	Shareholders' equity, series accounts	44,860.5
5	Total assets, series accounts	
	Total assets, Realkredit Danmark A/S's financial statements	776,446.3
	Own mortgage bonds, not offset in the series accounts	239,019.1
	Accrued interest, own bonds	4,826.8
	Total assets, series accounts	1,020,292.2
6	Transfers to and from reserves subject to a reimbursement obligation	
	In 2011, the following net transfers of funds to and from the reserves were made between individual associations and other reserves.	
	Transferred from and to shareholders' equity:	
	Series not subject to a reimbursement obligation	809.0
	Danske Kredit	-7.7
	Other reserves	-801.3
	Total	0.0

Financial statements for the individual series may be obtained from Realkredit Danmark.

Statement by the management

The Board of Directors and the Executive Board (the management) have considered and approved the annual report of Realkredit Danmark A/S for the financial year 2011.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS)s as adopted by the EU, and the Parent Company's financial statements have been prepared in accordance with the Danish Financial Business Act. Furthermore, the annual report has been prepared in accordance with Danish disclosure requirements for annual reports of issuers of listed bonds.

In our opinion, the consolidated financial statements and the Parent Company's financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities, shareholders' equity and financial position at 31 December 2011 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 2011. Moreover, in our opinion, the management's report includes a fair review of developments in the Group's and the Parent Company's operations and financial position and describes the significant risks and uncertainty factors that may affect the Group and the Parent Company.

The management will submit the annual report to the general meeting for approval.

Copenhagen, 9 February 2012

Executive Board

Carsten Nøddebo Rasmussen
Chairman of the Executive Board

Jens-Erik Corvinus
Member of the Executive Board

Board of Directors

Tonny Thierry Andersen
Chairman

Per Skovhus
Vice Chairman

Kim Andersen

Henrik Ramlau-Hansen

Claus Bundgaard

Klaus Pedersen

Auditors' reports

Internal Audit's report

We have audited the consolidated financial statements and the Parent Company financial statements of Realkredit Danmark A/S, pp. 15-56, for the financial year 2011. The consolidated financial statements and the Parent Company's financial statements comprise the income statement, statement of comprehensive income, balance sheet, statement of capital and notes for the Group as well as for the Parent Company and the consolidated cash flow statement. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU, and the Parent Company's financial statements have been prepared in accordance with the Danish Financial Business Act. Furthermore, the consolidated financial statements and the Parent Company's financial statements have been prepared in accordance with Danish disclosure requirements for issuers of listed bonds.

Basis of opinion

We conducted our audit in accordance with the Danish Financial Supervisory Authority's Executive Order on Auditing Financial Undertakings etc. as well as Financial Groups and in accordance with International Standards on Auditing. This requires that we plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the Parent Company's financial statements are free from material misstatement.

We planned and conducted our audit such that we have assessed the business and internal control procedures, including the risk and capital management implemented by the management, aimed at the Group's and the Parent Company's reporting processes and major business risks.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the Parent Company's financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements and the Parent Company's financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of consolidated financial statements and Parent Company financial statements that give a true and fair view in order to design procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements and the Parent Company's financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit did not result in any qualification.

Opinion

In our opinion, the consolidated financial statements and the Parent Company's financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities, shareholders' equity and financial position at 31 December 2011 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 2011 in accordance with the International Financial Reporting Standards as adopted by the EU in respect of the consolidated financial statements, in accordance with the Danish Financial Business Act in respect of the Parent Company's financial statements, and in accordance with Danish disclosure requirements for issuers of listed bonds.

Furthermore, we believe that the business and internal control procedures, including the risk and capital management implemented by the management, aimed at the Group's and the Parent Company's reporting processes and major business risks, operate effectively.

Copenhagen, 9 February 2012

Jens Peter Thomassen
Group Chief Auditor

Jesper Siddique Olsen
First Vice President

Auditors' reports

Independent auditors' report

To the shareholders of Realkredit Danmark A/S

Independent auditors' report on the consolidated financial statements and the Parent Company's financial statements

We have audited the consolidated financial statements and the Parent Company financial statements of Realkredit Danmark A/S, pp. 15-56, for the financial year 2011. The consolidated financial statements and the Parent Company's financial statements comprise the income statement, statement of comprehensive income, balance sheet, statement of capital and notes for the Group as well as for the Parent Company and the consolidated cash flow statement. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU, and the Parent Company's financial statements have been prepared in accordance with the Danish Financial Business Act. Furthermore, the consolidated financial statements and the Parent Company's financial statements have been prepared in accordance with Danish disclosure requirements for issuers of listed bonds.

Management's responsibility for the consolidated financial statements and the Parent Company's financial statements

Management is responsible for preparing consolidated financial statements and Parent Company financial statements that give a true and fair view in accordance with the International Financial Reporting Standards as adopted by the EU (the consolidated financial statements), the Danish Financial Business Act (the Parent Company's financial statements) and Danish disclosure requirements for issuers of listed bonds and for such internal control that management determines is necessary to enable the preparation of consolidated financial statements and Parent Company financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the Parent Company's financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the Parent Company's financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the Parent Company's financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements and the Parent Company's financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the consolidated financial statements and the Parent Company's financial statements that give a true and fair view in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial statements and the Parent Company's financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. Our audit did not result in any qualification.

Opinion

In our opinion, the consolidated financial statements and the Parent Company's financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities, shareholders' equity and financial position at 31 December 2011 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 2011 in accordance with the International Financial Reporting Standards as adopted by the EU in respect of the consolidated financial statements, in accordance with the Danish Financial Business Act in respect of the Parent Company's financial statements, and in accordance with Danish disclosure requirements for issuers of listed bonds.

Statement on the management's report

Pursuant to the Danish Financial Business Act, we have read the management's report. We have not performed any other procedures in addition to the audit of the consolidated financial statements and the Parent Company's financial statements. On this basis, it is our opinion that the information given in the management's report is consistent with the consolidated financial statements and the Parent Company's financial statements.

Copenhagen, 9 February 2012
KPMG
Statsautoriseret Revisionspartnerselskab

Lars Rhod Søndergaard Mona Blønd
State Authorised Public
Accountants

Copenhagen, 9 February 2012
PricewaterhouseCoopers Danmark
Statsautoriseret Revisionsaktieselskab

Ole Fabricius Christian F. Jakobsen
State Authorised Public
Accountants

Directorships

Under section 80(8) of the Danish Financial Business Act, financial institutions are required to publish information at least once a year about directorships held with the approval of the Board of Directors by persons employed by the Board (section 80(1) of the Act).

This page also lists directorships held by members of the Board of Directors outside the Realkredit Danmark Group. Information about board members who are members of the management of Danske Bank A/S includes the number of directorships in other wholly-owned subsidiaries of Danske Bank.

Board of Directors

Tonny Thierry Andersen, Chairman

Member of the Executive Board of Danske Bank A/S

Born on 30 September 1964

Joined the Board of Directors on 22 April 2004

Director of:

Two wholly-owned subsidiaries of Danske Bank A/S

Kreditforeningen Danmarks Pensionsafvklingskasse (Chairman)

The Danish Bankers Association (Vice Chairman)

The Private Contingency Association for the Winding up of

Distressed Banks, Savings Banks and

Cooperative Banks (Vice Chairman)

Multidata Holding A/S and one subsidiary

Per Skovhus, Vice Chairman

Member of the Executive Board of Danske Bank A/S

Born on 17 September 1959

Joined the Board of Directors on 22 April 2004

Director of:

Three wholly-owned subsidiaries of Danske Bank A/S

Danmarks Skibskredit A/S (Chairman)

Kim Andersen

Managing Director

Born on 30 April 1955

Joined the Board of Directors on 21 November 2011

Managing Director of KA Invest af 2. maj 2003 ApS

Managing Director of Audio Consult ApS

Director of:

Forsikringselskabet Danica, Skadesaktieselskab af 1999

Danica Pension, Livsforsikringsaktieselskab

Henrik Ramlau-Hansen

Member of the Executive Board of Danske Bank A/S

Born on 2 October 1956

Joined the Board of Directors on 8 March 2011

Director of:

A wholly-owned subsidiary of Danske Bank A/S

Kreditforeningen Danmarks Pensionsafvklingskasse

Claus Bundgaard (elected by the employees)

Valuation Consultant, Realkredit Danmark A/S

Born on 11 January 1957

Joined the Board of Directors on 31 August 2011

Klaus Pedersen (elected by the employees)

Corporate Adviser, Realkredit Danmark A/S

Born on 30 January 1947

Joined the Board of Directors on 14 March 2005

Director of:

Kreditforeningen Danmarks Pensionsafvklingskasse

Executive Board

Carsten Nøddebo Rasmussen

Chairman of the Executive Board

Born on 15 August 1964

Joined the Executive Board on 1 December 2006

Director of:

home a/s (Chairman)

e-nettet Holding A/S and one subsidiary (Vice Chairman)

Kreditforeningen Danmarks Pensionsafvklingskasse

Danish Mortgage Banks' Federation (Chairman)

The Popular Educational Association, Kgs. Lyngby (Chairman)

Jens-Erik Corvinus

Member of the Executive Board

Born on 15 July 1950

Joined the Executive Board on 1 June 2009

Director of:

home a/s (Vice Chairman)

Danish Mortgage Banks' Federation

Supplementary information

Financial calendar

- Annual General Meeting:
8 March 2012
- Interim Report – First Quarter 2012:
10 May 2012
- Interim Report – First Half 2012:
7 August 2012
- Interim Report – First Nine Months 2012:
30 October 2012
- Annual Report 2012:
7 February 2013
- Annual General Meeting:
7 March 2013
- Interim Report – First Quarter 2013:
7 May 2013

Contact


Chairman of the Executive Board and
Chief Executive Officer
Carsten Nøddebo Rasmussen
Tel +45 45 13 20 82

Useful links

www.rd.dk

www.danskebank.com

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