

**To the Copenhagen Stock Exchange
and the press**

17 November 2005

**INTERIM REPORT FOR Q1-Q3
Totalcredit A/S
(1 January – 30 September 2005)**

THE PERIOD – IN BRIEF

- Gross lending of DKK 113bn against DKK 59bn in 2004 - up 92%
- Net new lending of DKK 50bn against DKK 29bn in 2004 - up 72%
- The loan portfolio increased from DKK 197bn at the beginning of the year to DKK 246bn at 30 September 2005 - up 25%
- Totalcredit's share of private residential mortgage lending is now 25%
- Profit before tax of DKK 568m against DKK 370m in 2004 - up 53%
- Profit before tax as a % of equity stood at 15.7% at the beginning of the period
- Totalcredit has adjusted upwards its expectations for profit before tax for the year to around DKK 725m

Contacts:

Mogens Munk Rasmussen, Group Chief Executive, Nykredit, tel +45 33 42 14 70
Niels Tørslev, Managing Director, Totalcredit, tel +45 43 32 67 00

Totalcredit A/S
Helgeshøj Allé 53
DK-2630 Taastrup
Tel +45 43 32 67 00
CVR no 21 83 22 78



Financial highlights

DKK MILLION

	Q1-Q3/ 2005	Q1-Q3/ 2004	FY 2004
CORE EARNINGS AND PROFIT			
Core income from:			
Business operations	632	414	564
Securities	51	48	64
Total	683	462	628
Operating costs, depreciation and amortisation	155	142	189
Core earnings before provisions	528	320	439
Provisions for loan impairment	1	0	0
Core earnings after provisions	527	320	439
Investment portfolio income	41	50	64
Profit before tax	568	370	503
Tax	158	111	149
Profit for the period	410	259	354
SUMMARY BALANCE SHEET			
	30.09.2005	30.09.2004	31.12.2004*
Assets			
Mortgage loans	246,064	188,281	196,856
Bonds and shares	5,415	6,031	9,563
Other assets	16,866	9,111	11,625
Total assets	268,345	203,423	218,044
Liabilities and equity			
Payables to credit institutions **	4,586	-	-
Issued bonds	249,579	193,027	206,637
Subordinate loan capital	5,210	2,601	2,600
Other liabilities	3,737	3,067	3,984
Equity incl profit for the period	5,233	4,728	4,823
Total liabilities and equity	268,345	203,423	218,044
Key ratios			
Profit for the period as a % of average equity (pa)	10.9	8.4	8.5
Core earnings after provisions as a % of average equity	13.9	10.4	10.6
Costs as a % of core income	22.7	30.7	30.1
Capital adequacy ratio	10.1	9.3	9.4
Core capital ratio	5.0	5.9	6.1
Average number of full-time staff	85	72	74

*) Restated in accordance with the new accounting policies, cf opening balance sheet at 1 January 2005.

**) Payables to Nykredit Realkredit A/S relating to the joint funding of mortgage lending.

Interim Report for Q1-Q3/2005

INTERIM REPORT FOR Q1-Q3

Lending activity remained high in Q3/2005, and Totalkredit recorded the most positive nine months in terms of lending and earnings in the history of the Company.

CORE EARNINGS

Totalkredit's core earnings after provisions amounted to DKK 527m against DKK 320m in the same period the year before – up 65%.

Core income from business operations increased by DKK 218m to DKK 632m reflecting the very high lending and refinancing activity as well as strong growth in the loan portfolio.

Core income from securities came to DKK 51m against DKK 48m in 2004.

Operating costs, depreciation and amortisation were DKK 155m in Q1-Q3/2005 against DKK 142m in 2004. The cost rise is attributable to increased marketing efforts and costs derived from the high lending activity. The cost rise was lower than the rise in the loan portfolio. The cost/income ratio pa in terms of the loan portfolio fell to 0.084.

INVESTMENT PORTFOLIO INCOME

Totalkredit's investment portfolio income amounted to DKK 41m against DKK 50m in the same period the year before.

PROVISIONS FOR LOAN IMPAIRMENT

Provisions for loan impairment have been recognised at DKK 1m.

LENDING

In Q1-Q3/2005 gross lending was DKK 113bn against DKK 59bn in the same period the year before.

Net new lending came to DKK 50bn against DKK 29bn in 2004.

BALANCE SHEET

Totalkredit's balance sheet totalled DKK 268bn at 30 September 2005 against an adjusted opening bal-

ance sheet at 1 January 2005 of DKK 218bn.

The loan portfolio grew by just over DKK 49bn to DKK 246bn in the period, and Totalkredit's share of private residential mortgage lending topped 25%.

CAPITAL AND CAPITAL ADEQUACY

Totalkredit's equity excluding profit for the period was DKK 4,823m, and including subordinate loan capital of DKK 5,210m, the capital base was DKK 10,033m.

At end-Q3 the capital adequacy ratio stood at 10.1 and the core capital ratio at 5.0.

JOINT FUNDING

From 1 September 2005, Totalkredit A/S and Nykredit Realkredit A/S started the joint funding of mortgage loans through bonds issued by Nykredit Realkredit A/S. The purpose of the joint funding activities is to achieve larger and more liquid bond series, thereby ensuring a more effective pricing of the bonds. Totalkredit's payables to Nykredit Realkredit A/S related to the bond issuance have been booked under payables to credit institutions. The joint funding does not affect the so-called balance principle, through which the terms for mortgage lending are matched by the terms for bond issuance.

OUTLOOK FOR 2005

Gross lending for 2005 is expected to come to around DKK 135bn and net new lending to approx DKK 60bn.

At end-2005 the total loan portfolio will have exceeded DKK 250bn.

The costs relative to the loan portfolio are expected to be stable, and losses are expected to remain moderate.

In the light of the high lending activity, profit before tax is expected to amount to approximately DKK 725m against the forecast made in the Interim Report for H1/2005 of DKK 675–700m.

ACCOUNTING POLICIES

The Interim Report for Q1-Q3 has been prepared in accordance with the new Danish Executive Order on the Presentation of Financial Statements issued by the Danish Financial Supervisory Authority. The Executive Order has been drafted to the effect that the accounting rules governing financial companies essentially comply with the IFRS. Significant changes relative to previous practices with respect to Totalkredit A/S concern the measurement of loans and issued bonds as well as the categorisation of securities portfolios. The changes have been included in the opening balance sheet at 1 January 2005.

Mortgage loans and issued bonds have been measured at fair value in contrast to the previous nominal value.

In accordance with the new accounting policies, the portfolio of own issued bonds and interest receivable hereof have been offset against issued bonds and interest payable, respectively, under liabilities and equity. Under previous accounting policies, the items were recognised under assets.

The Interim Report for Q1-Q3 has not been audited.

Effects of changed accounting policies

The transition to new accounting policies has the following effect on Totalkredit's comparative figures for 2004:

At 31 December 2004, the balance sheet total was reduced by DKK 24.5bn to DKK 218bn.

The change is a result of the revaluation of mortgage loans and issued bonds by approximately DKK 2.2bn. The portfolio of own issued bonds of DKK 25.9bn has been offset against outstanding bonds, and interest receivable of DKK 0.8bn has been offset against interest due.

The transition to new accounting policies has not affected Totalkredit's equity.

Taastrup, 17 November 2005
The Board of Directors of Totalkredit A/S



Key figures

DKK MILLION

	Q3/ 2005	Q2/ 2005	Q1/ 2005	Opening balance sheet 1 January 05	Q4/ 2004	Q3/ 2004
CORE EARNINGS AND PROFIT FOR THE PERIOD						
Core income from:						
Business operations	222	204	206	-	150	130
Securities	16	18	17	-	16	18
Total	238	222	223	-	166	148
Operating costs, depreciation and amortisation	49	52	54	-	47	45
Core earnings before provisions	189	170	169	-	119	103
Provisions for credit risk related to lending	0	1	0	-	0	0
Core earnings after provisions	189	169	169	-	119	103
Investment portfolio income	3	27	11	-	14	19
Profit before tax	192	196	180	-	133	122
Tax	53	51	54	-	38	37
Profit for the period	139	145	126	-	95	85
SUMMARY BALANCE SHEET						
Assets						
Mortgage loans	246,064	231,080	212,773	196,856	194,675	188,281
Bonds and shares	5,415	3,400	2,364	9,563	35,418	6,031
Other assets	16,866	16,455	23,726	11,625	12,439	9,111
Total assets	268,345	250,935	238,863	218,044	242,532	203,423
Liabilities and equity						
Issued bonds	249,579	237,550	228,736	206,637	230,310	193,027
Payables to credit institutions *)	4,586					
Subordinate loan capital	5,210	5,205	2,604	2,600	2,600	2,601
Other liabilities	3,737	3,086	2,574	3,984	4,799	3,067
Equity incl profit for the period	5,233	5,094	4,949	4,823	4,823	4,728
Total liabilities and equity	268,345	250,935	238,863	218,044	242,532	203,423

The opening balance sheet at 1 January 2005 has been stated incl value adjustments as a result of the implementation of new accounting policies. Balance sheet figures for previous periods have not been restated.

*) Payables to credit institutions at 30 September 2005 concern payables to Nykredit Realkredit A/S relating to the joint funding of mortgage lending based on mortgage bonds issued by Nykredit Realkredit A/S.