

# Nykredit 2025 credit update and issuance plan

## 2024 results – highlights

- Profit after tax for 2024 was DKK 11.7 bn, delivering a return on average equity of 11.7%.
- Mortgage lending grew by 3% to DKK 1,484 billion at end-2024.
- Nykredit Bank's lending increased to DKK 103.3 billion at end-2024 from DKK 94.4 billion at end-2023.
- Assets under management were up 9.5% on 2023 to DKK 499 billion at end- 2024.
- Nykredit maintained a very strong capital position with a Common Equity Tier 1 (CET1) capital ratio of 20.5%.
- Nykredit's cost/income ratio was 32.5% in 2024.

Results 2024 DKKm	Nykredit Group	Of which Nykredit Bank
Income	21,431	7,890
Costs	6,964	3,578
Impairment charges	(248)	(175)
<b>Business profit</b>	<b>14,716</b>	<b>4,487</b>
Legacy derivatives	98	98
<b>Profit after tax</b>	<b>11,728</b>	<b>3,457</b>

## Key figures end-2024

Total assets	1,773,042
REA	474,047
CET1 ratio	20.5%
Total capital ratio	22.8%
Cost/income ratio	32.5%
Impairment ratio (bps)	(0)
ROE pa	11.7%

## Strong asset quality

93% of Nykredit's loan portfolio consists of mortgage lending secured by real estate, and the remaining 7% is bank lending. The loan portfolio measured at nominal value developed positively in 2024, and individual impairment provisions remained low. In addition, arrears ratios and write-offs remained low.

For 2024, provisions related to geopolitical uncertainty amount to DKK 0.9 bn. Nykredit's ESG-related provisions amount to DKK 1.3 bn.

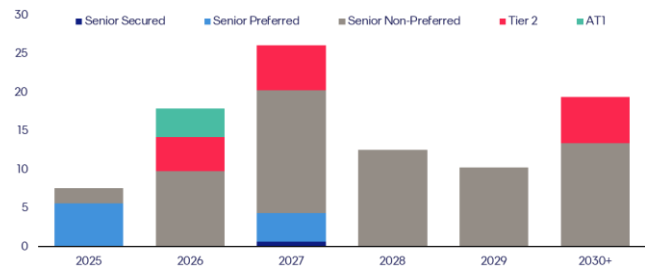
## Issuance schedule

In 2024, Nykredit issued approximately DKK 19 billion in senior non-preferred debt for meeting regulatory requirements and rating criteria.

Nykredit has made a tender offer to buy Spar Nord Bank. In January 2025 Nykredit issued DKK 11.2 billion-worth of senior non-preferred debt and DKK 5.6 billion worth of Tier 2 capital due to the transaction.

Nykredit expects the remaining issuance need towards end-2025 to be DKK 10-15 billion.

Figure 1: Nykredit Group maturity profile, DKKbn



## Commercial Papers

Nykredit Bank issues ECPs on a daily basis in all major currencies and with maturities between of 1 and 12 months. At FY/2024, Nykredit Bank's outstanding ECPs amount to DKK 11.6 billion.

## ESG

Nykredit has a strong commitment to support the green transition and achieving net zero greenhouse gas emissions from our lending, investments and own operations by 2050 at the latest.

Nykredit has set ambitious climate targets for the significant areas of its operations. As the first major lender in the Nordics, Nykredit achieved the Science Based Targets approval of its climate targets in June 2024.

## About Nykredit

Nykredit is Denmark's largest credit provider, offering customers full-service banking solutions with a predominant focus on prime mortgage lending.

Due to its status as the leading mortgage lender with a market share of 45% of total Danish mortgage lending,




Nykredit is a Danish Other Systemically Important Institution (O-SII).

By law, all mortgage lending must be funded by issuance of covered bonds, and Nykredit is Europe’s largest issuer of covered bonds backed by mortgages. At FY/2024, the Nykredit Group had a nominal outstanding amount of covered bonds of DKK 1,594 billion. Covered bonds are issued on a daily basis to fund mortgage lending. The bonds are sold via a group of primary dealers in Denmark, including Nykredit Markets.

The Nykredit Group offers a wide range of other banking services via Nykredit Bank. The Bank offers asset management services and activities relating to debt capital markets and fixed income products.

Credit ratings	Long term	Short term
<b>S&amp;P Global</b>	A+	A-1
<b>FitchRatings</b>	A+	F1

ESG ratings	Score	Range
<b>MSCI</b> 	AAA	CCC-AAA
 SUSTAINALYTICS	Low risk	NEGL-SEVERE
 CDP	B	D- to A

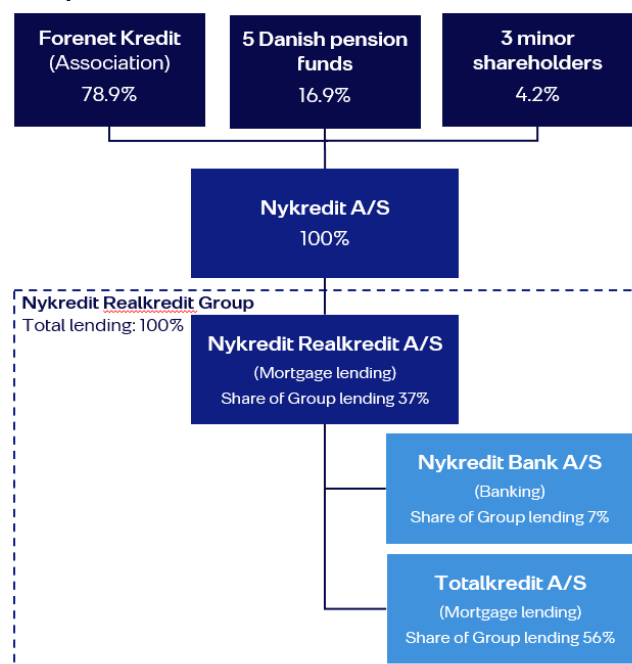
**Group structure**

Nykredit is a financial mutual, and 79% of the Group is owned by Forenet Kredit, an association of customers. 17% of the Group is owned by a consortium of five Danish pension funds, while the remaining 4% is owned by minor shareholders.

Nykredit Realkredit, a mortgage lender, is the operational parent company. Nykredit Realkredit is the issuer of covered bonds as well as other debt and capital instruments. Commercial papers are issued by Nykredit Bank.

Nykredit Bank is a core subsidiary of Nykredit Realkredit, and the credit ratings of Nykredit Bank are therefore aligned with the ratings of its parent.

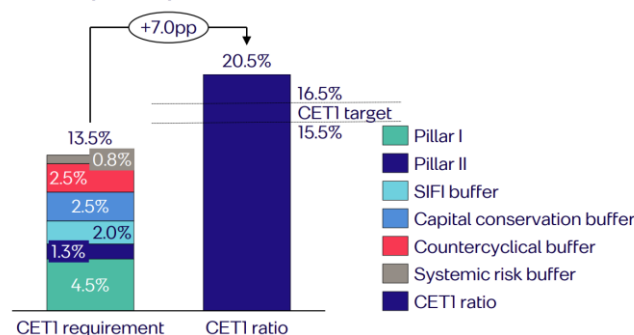
**Group structure**



**Capital position**

Nykredit’s CET1 ratio amounts to 20.5% at end-2024, which is some 450 bps above Nykredit’s capital policy target. Nykredit has already reserved CET1 capital for Basel IV- and a potential business cycle downturn.

**CET1 capital requirement and ratio**



**More information**

Annual Report FY/2024 can be found [here](#), and the latest investor presentation is available [here](#).

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