

To Nasdaq Copenhagen

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**Nykredit and Sparinvest enter into conditional agreement to join forces**

Nykredit has entered into a conditional agreement with the owners of Sparinvest Holdings SE for Nykredit to obtain 75% of the shares in Sparinvest. The agreement is subject to the outcome of an ongoing due diligence and approvals by the authorities. The transaction is also subject to approval by the General Meeting of Sparinvest Holdings SE.

If the transaction is completed, Nykredit will pay DKK 2.245 billion for the ownership interest. In addition, the vendors will receive DKK 155 million as dividend for 2018. The ownership interest held by the other shareholders will subsequently be 25%.

Following approval of the transaction, Sparinvest will become a subsidiary of the Nykredit Group.

Michael Rasmussen, Nykredit's Group Chief Executive:

*"Strengthening and expanding the alliance with the partner banks of Totalkredit is a strategic priority. Today we collaborate to provide the best housing loans to homeowners across the country. It is only natural that we are now initiating a partnership with the interested banks to offer top investment products, as many homeowners have savings other than their home equity."*

*"The asset volumes managed by both Sparinvest and Nykredit on behalf of customers have grown in recent years. By joining forces, we can support this development and provide enhanced customer experiences at both Sparinvest and Nykredit."*

Klaus Skjødt, Chairman of the Board of Directors of Sparinvest and CEO of Sparekassen Kronjylland:

*"Since the beginning, Sparinvest has been based on a strong collaboration between a group of banks to provide attractive investment products to customers. We are now expanding this collaboration to include Nykredit as a resourceful business partner. Building on Nykredit's expertise, we will be able to offer customers more and even better products than today."*

Jørgen Søgaard-Andersen, CEO of Sparinvest:

*"Sparinvest manages assets on behalf of the many Danes being customers of the banks behind Sparinvest as well as a number of domestic and foreign institutional clients. For both segments, we have high ambitions, and we now look forward to realising them together with Nykredit. Joining our strengths will improve our capacity even further to meet future needs and requirements from customers – also in the long run."*

### **Facts**

Nykredit has more than doubled its assets under management since 2013, totalling DKK 211 billion at end-2018. During the same period, Sparinvest has grown its assets under management by 24% to some DKK 83 billion.

DKK 13.5 billion of the assets managed by Sparinvest is managed through Sparindex, which is Denmark's largest provider of index-linked investments.

Sparinvest is today owned by a total of 49 banks and seven Danish insurance and pension companies.

At this point, 49 of the current owners have acknowledged that they will remain as co-owners of Sparinvest following a transaction and thus also take part in the future business collaboration. The 49 banks together hold more than 90% of the current share capital. In future, they will combined hold 25% of the shares in Sparinvest.

Following this transaction, Nykredit's customers will also gain access to the products provided by Sparinvest today. The banks and insurance and pension companies which today distribute Sparinvest's products and which continue as shareholders of Sparinvest, will be able to continue to offer their customers Sparinvest products. Furthermore, they will also get the opportunity to offer their customers Nykredit's investment products. This will expand the product range available to both Sparinvest's and Nykredit's customers with more and even better products.

Joining the strengths of the two companies is expected to produce a number of synergies, including lower costs and a stronger focus on the development of skills, concepts and products. In the short term, the transaction is expected to cause Nykredit's costs to increase in 2019.

If the conditions for the transaction are met, closing is expected in Q3/2019. Sparinvest will subsequently become a subsidiary of Nykredit Bank A/S.

### **Background**

One of the main priorities of Nykredit's Winning the Double strategy is Totalkredit and the alliance with the Totalkredit partner banks to provide secure and affordable mortgage loans across the country. Totalkredit and its partner banks have in recent years strengthened their collaboration significantly. In 2015 the parties entered into

a partnership to offer secured bank loans to homeowners. In 2016 a new joint project was launched for the purpose of offering mortgage loans to business customers, and in 2018 a shared unit providing property valuations was set up.

Furthermore, the collaboration between Nykredit and a number of the Totalkredit partner banks has gradually been expanded to include other business areas such as pension and life insurance, which led Nykredit to change over to Nærpension in 2016. Moreover, Nykredit is currently in the process of implementing BEC's IT platform. Following the above transaction, the partnership will extend to asset management as well.

In harmony with the second strategic priority, which is Nykredit Bank, the Group serves the customers who want Nykredit to cover all of their financial needs – including wealth management.

By partnering up with Sparinvest, Nykredit will strengthen both legs of its Winning the Double strategy and expand its presence and expertise even further as wealth manager to customers.

**Further information:**

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