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Nykredit raises outlook for full-year profit before tax

Nykredit's previous outlook for 2019 was a profit before tax of DKK 7.25-7.75 billion. The outlook has now been raised by DKK 0.45 billion.

To this should be added a one-off gain from the acquisition of LR Realkredit of about DKK 0.6 billion, which has not previously been factored into the outlook, but will be recognised in the Financial Statements for 2019. In the Financial Statements published on 5 February, profit before tax will amount to about DKK 8.8 billion.

The upward revision is mainly attributable to a positive development in legacy derivatives driven by interest rate trends in Q4. Furthermore, the high remortgaging activity continued into Q4, which also contributes to a higher outlook.

This is the third time Nykredit raises its full-year outlook for 2019. The year was characterised by business and customer growth across the board as well as extraordinarily high remortgaging activity. Nykredit Bank's lending rose by 8% in 2019, while Totalkredit's nominal lending rose by 10%.

At the beginning of 2019 the Nykredit Group had a full-year outlook for profit before tax of DKK 6.5-7.5 billion.

Group Chief Executive Michael Rasmussen says:

- The raised outlook underscores Nykredit's good performance in 2019 when many Danes opted for Totalkredit and Nykredit Bank. This generated business growth and a financial performance significantly exceeding expectations early in the year. Our customer growth also gives us the opportunity to show even more Danes what a customer-owned financial provider can do for them.

Apart from the above increased outlook, Nykredit also raises the full-year outlook for profit before tax of Totalkredit to about DKK 3.0 billion. The previous outlook for the profit before tax was DKK 2.4-2.7 billion. The new outlook equals an increase of about DKK 0.3 billion.

The figures have not been audited.

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