

To Nasdaq Copenhagen

4 May 2020

**Terms for Nykredit's and Totalcredit's auctions**

The total bond offering in connection with the interest rate adjustment of adjustable-rate mortgages (ARMs) and the refinancing of floating-rate loans at Nykredit's and Totalcredit's refinancing auctions is expected to amount to approx DKK 37bn. The auctions will be conducted in the period from 11th to 15th May 2020.

In the auction period, Nykredit Realkredit A/S will publish the amounts offered in the individual ISINs daily at [nykredit.com/ir](https://nykredit.com/ir).

Terms for the auctions including a list of the bonds offered, amounts offered and an auction schedule appear from Appendices 1, 2 and 3.

Questions regarding the bond sale as well as technical matters may be addressed to Nykredit Realkredit A/S, Group Treasury, Christian Mauritzen, tel +45 44 55 10 14.

*Other questions may be addressed to Corporate Communications, tel +45 44 55 14 50.*

## **Appendix 1: Auction terms**

### **Bonds offered, amounts offered and auction schedule**

Appendix 2 and 3 contain auction schedules, lists of bonds offered, expected amounts and settlement dates. The tables show whether Nykredit Realkredit A/S expects the bonds to be offered at auction.

Every morning at 09:00 CET in the auction period, the amounts offered on that particular day in the individual ISINs will be published at [nykredit.com/ir](http://nykredit.com/ir) under "Debt", where you can find information on the refinancing auctions.

### **Refinancing principles – ARMs**

The Nykredit Group offers fixed-rate non-callable bullet covered bonds for interest rate adjustment of ARMs based on the "refinancing price" principle.

For interest rate adjustment at the refinancing price, the bonds are sold at one or more bond auctions. The price is fixed as a weighted average of the prices obtained at the auctions.

If the Nykredit Group finds that the amount of bonds offered at an auction is not sufficient to obtain a market-consistent price, the refinancing price will instead be based on the Consolidated Reference Price of the bond in question quoted on Nasdaq Copenhagen.

### **Refinancing principles – floating-rate loans**

Floating-rate loans are refinanced at two stand-alone auctions on 15 May 2020.

- ISINs DK000952664-2 is non-callable and offered and settled at a price of 100.20. Based on the offer price, bids must be made in terms of the reference rate spread used for the regular coupon fixing.
- ISINs DK000952656-8 is callable and offered and settled at a price of 100.20. Based on the offer price, bids must be made in terms of the reference rate spread used for the regular coupon fixing.

### **Credit ratings**

All auctioned bonds issued through Capital Centre H are rated AAA by S&P.

All auctioned bonds issued through Capital Centre J are government-guaranteed and therefore not rated.

### **Bids**

Bids for fixed-rate non-callable bullet covered bonds must be made in terms of amount and price. With respect to bonds maturing within 14 months, bids must be made in prices correct to three decimals. Other bids must be made correct to two decimals.

For all DKK-denominated bonds bids must be made in multiples of DKK 100,000, and for all EUR-denominated bonds in multiples of EUR 10,000.

More than one bid may be made in the same ISIN.

### **Type of auction**

Mortgage bonds issued through Capital Centre H will be auctioned through Nasdaq Copenhagen's auction submarket: 136 – CPH Auctions. Participants are stockbrokers and investors with access to the auction submarket at Nasdaq Copenhagen.

Bonds issued through Capital Centre J will be auctioned through Bloomberg's auction system AUPD. Market participants who do not already have access to this system should contact Nykredit Realkredit A/S, Group Treasury, prior to the auctions.

### **Allotment**

As regards bonds for which bids are made in terms of price, bids above the cut-off price will be settled in full, and bids at the cut-off price may be accepted on a pro rata basis.

With respect to bonds for which bids are made in terms of reference rate spread, bids below the cut-off spread will be settled in full, and bids at the cut-off spread may be accepted on a pro rata basis.

All trades concluded will be published through Nasdaq Copenhagen.

Allotment at the auctions will take place as soon as possible, but not later than 10 minutes after closing.

### **Conditional offering of bonds with interest rate trigger**

A condition of the final completion of a sale (allotment) of bonds offered with an interest rate trigger is that the yield-to-maturity of the bonds will not rise by more than 5 percentage points. Reference is made to the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act.

### **Value date**

All bonds will be subject to long settlement. The value date of all trades executed at the auctions will be 1 July 2020.

### **Reverse facility**

As the bonds traded will be subject to long settlement, Nykredit Realkredit A/S offers a reverse facility to auction participants whose bids have been accepted and who require the bonds after only two days.

By means of the reverse facility, Nykredit Realkredit A/S offers to sell the allotted bonds subject to the conventional two settlement days and subsequently repurchase them with 1 July 2020 as the value date.

The size of the reverse facility will be determined on an individual basis but cannot exceed the amount allotted to each individual bidder. The reverse facility can be made conditional on the investor providing a corresponding amount of bonds maturing on 1 July 2020.

Reverse facilities will be arranged on an individual basis. Please contact Nykredit Realkredit A/S, Group Treasury, Simon Christensen, tel +45 44 55 40 93.

### **Reservations regarding auctions**

If, contrary to expectations, technical problems should prevent Nykredit Realkredit A/S from conducting an auction through AUPD at Bloomberg or Nasdaq Copenhagen's auction submarket, a stock exchange announcement will be issued containing the practical details of the auction.

### **Tap sales**

Tap sales are made on 12th and 13th May 2020. Bids may be made on these days by contacting Nykredit Realkredit A/S, Group Treasury.

**Other terms**

The Nykredit Group is not obliged to sell the announced offering, and the offering may furthermore be subject to changes following loan disbursements in the auction period. In addition, the entire or parts of the offering may be postponed, but not later than the second-last business day of this quarter.

On or before the second-last business day of this quarter, it must be ascertained whether the number of purchasers was sufficient for all the covered bonds offered. If a sale of bonds has to be cancelled, the market will be notified immediately by a stock exchange announcement.

## Appendix 2: Settlement times and amounts offered for bonds issued through Capital Centre H

ISIN	Capital centre	IT / RF*	Coupon	Maturity date	Bids on	Interest rate trigger	LCR level	Currency	Auction dates		Settlement		Offering (million)
									Start	End	Cut-off	Allotment	
DK0009526212	SDO (H)	IT	1	01/07/2021	Price	4.48%	1b	DKK	11/05/2020	13/05/2020	11:30	11:40	4,600
DK0009513079	SDO (H)	RF	1	01/07/2022	Price	-	1b	DKK	Tap-sale**				150
DK0009796864	SDO (H)	RF	1	01/07/2023	Price	-	1b	DKK	11/05/2020	14/05/2020	10:30	10:40	5,750
DK0009526132	SDO (H)	RF	1	01/07/2025	Price	-	1b	DKK	11/05/2020	14/05/2020	13:00	13:10	5,150
DK0009526642	SDO (H)	RF	1	01/10/2023	Yield	-	1b	DKK	15/05/2020		10:30	10:40	16,200
DK0009526568	SDO (H)	RF	1	01/10/2023	Yield	-	1b	DKK	15/05/2020		13:00	13:10	4,700

\* (IT) Interest rate and refinancing trigger/(RF) Refinancing trigger

\*\* Tap sales are conducted on 12th and 13th May 2020.

Please note that the Nykredit Group is not obliged to sell the announced offering, and the offering may furthermore be subject to changes following loan disbursements in the auction period. In addition, the entire or parts of the offering may be postponed, but not later than the second-last business day of this quarter. The above table exclusively includes ISINs the amount of which exceeds a value equivalent to DKK 50m.

On or before the second-last business day of this quarter, it must be ascertained whether the number of purchasers was sufficient for all the covered bonds offered. The market must be notified hereof immediately by way of a company announcement.

### Appendix 3: Settlement times and amounts offered for bonds issued through Capital Centre J

ISIN	Capital centre	IT / RF*	Coupon	Maturity date	Bids on	LCR level	Currency	Auction dates		Settlement		Offering (million)
								Start	End	Cut-off	Allotment	
DK000951757-5	SDO (J)	RF	1	01/01/2021	Price	1a	DKK	11/05/2020		11:00	11:10	3
DK000951765-8	SDO (J)	RF	1	01/01/2022	Price	1a	DKK	11/05/2020		11:00	11:10	7
DK000951773-2	SDO (J)	RF	1	01/01/2023	Price	1a	DKK	11/05/2020		11:00	11:10	7
DK000951781-5	SDO (J)	RF	1	01/01/2024	Price	1a	DKK	11/05/2020		11:00	11:10	7
DK000951803-7	SDO (J)	RF	1	01/01/2025	Price	1a	DKK	11/05/2020		11:00	11:10	7
DK000951811-0	SDO (J)	RF	1	01/01/2026	Price	1a	DKK	11/05/2020		11:00	11:10	7
DK000951838-3	SDO (J)	RF	1	01/01/2027	Price	1a	DKK	11/05/2020		11:00	11:10	7
DK000951846-6	SDO (J)	RF	1	01/01/2028	Price	1a	DKK	11/05/2020		11:00	11:10	7
DK000951854-0	SDO (J)	RF	1	01/01/2029	Price	1a	DKK	11/05/2020		11:00	11:10	7
DK000952389-6	SDO (J)	RF	1	01/01/2030	Price	1a	DKK	11/05/2020		11:00	11:10	135

\* (RF) Refinancing trigger

Please note that the Nykredit Group is not obliged to sell the announced offering, and the offering may furthermore be subject to changes following loan disbursements in the auction period. In addition, the entire or parts of the offering may be postponed, but not later than the second-last business day of this quarter.

On or before the second-last business day of this quarter, it must be ascertained whether the number of purchasers was sufficient for all the covered bonds offered. The market must be notified hereof immediately by way of a company announcement.