

Press release

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Realkredit Danmark recorded a net profit of DKK 4,424 million for 2024.

Kamilla Hammerich Skytte, CEO, comments on the financial results:

“The result for 2024 is robust and was supported by homeowners continuing to do well financially. This was reflected in low provisions, low impairments and loan-to-value ratios at 53% at the end of 2024. All in all, this indicates continually high credit quality.

The development in total home finance lending in the Danske Bank Group across mortgage and bank home loans was stable. Housing market activity started the year at a relatively weak level, however, over the year, Realkredit Danmark experienced an increase in activity. We expect that, among other things, the decline in interest rates will have a positive effect on the housing market in 2025, with decent price increases of 4-5% broadly across Denmark.

In the commercial market, we continued to have a strong market position. The loss level is low and there was an overall increase in lending in 2024. After some years with low transaction activity, where the interests of buyers and sellers have been difficult to align, we experienced renewed optimism in the market in 2024, which gives rise to expectations of a positive trend in 2025.

We have strengthened our advisory services and financial solutions within home finance across bank and mortgage finance products as part of the Danske Bank Group’s Forward ’28 strategy, and this was well received by our customers in 2024.

For both the private and the commercial segment, Realkredit Danmark and Danske Bank further strengthened the focus on contributing to the green transition. In the private segment, we expanded our collaboration with the OBH engineering consultancy firm so that customers can now also get advice about climate proofing of homes. In the commercial segment, we entered into partnerships with one of Europe’s largest architecture and engineering consultancies, Sweco, and climate tech company Comundo, and our customers can now more easily get an overview of energy data and receive the right advice to improve the energy efficiency of their properties.

Towards the end of 2024, we also strengthened our collaboration with Tryg, and our partnership will in future focus even more on the necessary climate adaptation. All people in Denmark currently

have access to home financing and home insurance, but if we want to maintain that level of protection in Denmark, it is crucial that climate adaptation is given even greater priority.”

The report is available at rd.dk. Highlights are shown below:

- In 2024, Realkredit Danmark's net profit was DKK 4,424 million (2023: DKK 4,394 million). The topline increased, driven by higher interest rate levels, although the increase was partly offset by normalised loan impairment charges.
- Income rose significantly driven by the higher interest rate levels. Fee income increased driven primarily by trading margins from higher refinancing activity.
- Expenses amounted to DKK 1,010 million in 2024 (2023: DKK 1,055 million).
- Credit quality remained strong with a low level of delinquencies and robust collateral. Loan impairment charges were at a normalised level and amounted to DKK 333 million in 2024 (2023: an income of DKK 114 million).
- After declining lending activity in early 2024, we experienced a slight recovery in the second half of the year. Relative to 2023, there was a decrease in total lending. Nominal residual mortgage debt at Realkredit Danmark fell by around DKK 12 billion to DKK 795 billion at end-2024.
- We are continuing our efforts to digitalise mortgage financing processes, support advisory differentiation and use intelligent data-driven processes to support a personal and proactive customer approach tailored to specific needs and lifecycle events.
- The green transition is an important focus area for both private homes and commercial properties. For private homes, we expanded our collaboration with consulting engineering company OBH, so that the customers can obtain advice on climate adaptation in addition to advice on energy improvements.
- Realkredit Danmark won the Euronext Securities award for the largest issue of green bonds in 2024, which is a further testament to our work on helping our customers with their green transition.
- Corporate responsibility and sustainability are key elements of Realkredit Danmark's strategy. We want our customers and stakeholders to be confident that in operating our business, we factor in environmental, social and governance considerations.
- Realkredit Danmark expects net profit in 2025 to be marginally below net profit in 2024.