

Translation by Danske Bank of a report from the Danish Financial Supervisory Authority (Finanstilsynet). In case of discrepancies, the Danish version prevails.

MEMORANDUM

Financial Supervisory Authority

14 December 2011

REAL

File No. 6852-0045

Report on inspection of Realkredit Danmark A/S

Introduction

In September 2011, the Danish Financial Supervisory Authority (FSA) inspected a number of selected areas of Realkredit Danmark A/S.

This report must be published in accordance with the Danish Executive Order on the Duty of Banks and Mortgage Credit Institutions to Publish the Danish FSA's Assessment of the Institution.

Summary and risk assessment

The inspection covered the institute's management and organisation, including its risk management and compliance functions. The inspection also included a review of the institute's credit policy and credit area, its capital adequacy process, group matters and auditing.

We found that the institute's risk manager was not independent of day-to-day risk management. We will include this matter in a more thorough principal assessment of the institutes' compliance with the new requirements for a responsible risk manager and will make a final conclusion regarding this matter at a later time. In addition, we pointed out a number of less serious violations of formalities.

At 30 June 2011, Realkredit Danmark A/S calculated its solvency need at 15.9% and its capital requirement under the transitional rules for institutes with an IRB approval at 18.8%. Its actual solvency at 30 June 2011 was 34.8%.

On the basis of our inspection of the areas selected, we do not have any comments on Realkredit Danmark A/S's solvency need calculations.