

Credit Rating Announcement

27 September 2018

Scope confirms Realkredit Danmark's A+ Issuer Rating; Outlook revised to Negative

Confirmation with a Negative Outlook mirrors similar rating action undertaken by Scope on Realkredit's parent, Danske Bank, which concludes review for possible upgrade initiated last May. Covered bond ratings remain AAA, Stable Outlook.

Scope Ratings has confirmed with a Negative Outlook the A+ Issuer Rating and the S-1+ short-term rating of Realkredit Danmark ('RD'). These ratings were assigned last August and in line with the rating review for RD's parent Danske Bank – at the time still ongoing – were placed on review for possible upgrade.

The confirmation of RD's Issuer Rating and short-term rating with a Negative Outlook mirrors a similar rating action undertaken for its parent, Danske Bank.

RD's covered bonds issued out of Capital Centres S and T continue to be rated AAA, with a Stable Outlook.

Scope reiterated that it continues to view RD as a closely integrated and strategically important subsidiary of Danske Bank. This opinion underpins the agency's decision to closely align RD's ratings and their outlook with those of Danske Bank

The following ratings of Realkredit Danmark are confirmed with a Negative Outlook:

- Issuer rating: A+
- Short-term rating: S-1+

Stress testing & cash flow analysis

No stress testing was performed. No cash flow analysis was performed.

Methodology

The methodology used for this rating(s) and/or rating outlook(s) Bank Ratings Methodology 2018 is available on www.scooperatings.com.

Historical default rates of Scope Ratings can be viewed in the rating performance report on <https://www.scooperatings.com/#governance-and-policies/regulatory-ESMA> Please also refer to the central platform (CEREP) of the European Securities and Markets Authority (ESMA): <http://cerep.esma.europa.eu/cerep-web/statistics/defaults.xhtml>. A comprehensive clarification of Scope's definition of default as well as definitions of rating notations can be found in Scope's public credit rating methodologies on www.scooperatings.com.

The rating outlook indicates the most likely direction of the rating if the rating were to change within the next 12 to 18 months.

Solicitation, key sources and quality of information

The rated entity participated in the rating process.

The following substantially material sources of information were used to prepare the credit rating: public domain, the rated entity, third parties and Scope internal sources.

Scope considers the quality of information available to Scope on the rated entity or instrument to be satisfactory. The information and data supporting Scope's ratings originate from sources Scope considers to be reliable and accurate. Scope does not, however, independently verify the reliability and accuracy of the information and data.

Prior to the issuance of the rating or outlook action, the rated entity was given the opportunity to review the rating and outlook and the

principal grounds on which the credit rating and outlook is based. Following that review, the rating was not amended before being issued.

Regulatory disclosures

This credit rating and/or rating outlook is issued by Scope Ratings GmbH.

Lead analyst: Jennifer Ray, Executive Director

Person responsible for approval of the rating: Samuel Theodore, Group Managing director

The ratings/outlooks were first released by Scope on 29.08.2018.

Potential conflicts

Please see www.scooperatings.com for a list of potential conflicts of interest related to the issuance of credit ratings.

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