



DLR Kredit A/S · CVR-nr. 25781309  
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www.dlr.dk · dlr@dlr.dk

## **Addendum no 1, 2017, to Base Prospectus**

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With reference to the release of DLR Kredit's 2016 Annual Report DLR has released the following addendum to the Base Prospectus for the issuance of covered bonds, mortgage bonds, bonds issued in pursuance of section 15 of the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act (senior secured bonds) and senior unsecured debt issued by DLR Kredit A/S, dated 28 November 2016.

**This document has been translated from Danish into English. However, the original Danish text is the governing text for all purposes, and in case of discrepancy the Danish wording will be applicable.**

The original Base Prospectus	Amendment																																																						
<b>1</b>	<b>SUMMARY</b>																																																						
Page 7, item B.12 "Historical financial information"	<p><i>The existing text and table is deleted and replaced by the following table and text.</i></p> <table border="1" data-bbox="411 495 1310 1167"> <thead> <tr> <th data-bbox="427 510 592 537">DKK millions</th> <th data-bbox="1102 510 1166 537">2016</th> <th data-bbox="1238 510 1302 537">2015</th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="427 562 708 589"><i>Profit and loss account:</i></td> </tr> <tr> <td data-bbox="427 595 884 622">Core income (mortgage credit income)</td> <td data-bbox="1094 595 1158 622">1,261</td> <td data-bbox="1230 595 1294 622">1,239</td> </tr> <tr> <td data-bbox="427 629 956 656">Staff costs and administrative expenses, etc.</td> <td data-bbox="1102 629 1158 656">-233</td> <td data-bbox="1238 629 1294 656">-219</td> </tr> <tr> <td data-bbox="427 663 991 719">Other operating costs (contribution to resolution fund)</td> <td data-bbox="1110 685 1150 712">-15</td> <td data-bbox="1262 685 1302 712">-6</td> </tr> <tr> <td data-bbox="427 725 892 781">Provision for impairments on loans and receivables, etc.</td> <td data-bbox="1102 748 1158 775">-110</td> <td data-bbox="1246 748 1302 775">-94</td> </tr> <tr> <td data-bbox="427 788 592 815">Core earnings</td> <td data-bbox="1110 788 1150 815">903</td> <td data-bbox="1246 788 1302 815">921</td> </tr> <tr> <td data-bbox="427 822 975 848">Earnings from securities portfolios (sub-fonds)</td> <td data-bbox="1110 822 1150 848">136</td> <td data-bbox="1254 822 1294 848">-45</td> </tr> <tr> <td data-bbox="427 855 616 882">Profit before tax</td> <td data-bbox="1094 855 1158 882">1,039</td> <td data-bbox="1246 855 1294 882">875</td> </tr> <tr> <td data-bbox="427 889 592 916">Profit after tax</td> <td data-bbox="1110 889 1150 916">811</td> <td data-bbox="1246 889 1294 916">670</td> </tr> <tr> <td colspan="3" data-bbox="427 922 608 949"><i>Balance sheet:</i></td> </tr> <tr> <td data-bbox="427 956 496 983">Loans</td> <td data-bbox="1062 956 1166 983">139,053</td> <td data-bbox="1198 956 1302 983">133,038</td> </tr> <tr> <td data-bbox="427 990 588 1016">Bonds issued</td> <td data-bbox="1062 990 1166 1016">142,074</td> <td data-bbox="1198 990 1302 1016">134,342</td> </tr> <tr> <td data-bbox="427 1023 751 1050">Own funds after deductions</td> <td data-bbox="1078 1023 1158 1050">11,560</td> <td data-bbox="1222 1023 1302 1050">12,485</td> </tr> <tr> <td colspan="3" data-bbox="427 1057 616 1084"><i>Financial ratios:</i></td> </tr> <tr> <td data-bbox="427 1090 592 1117">Capital ratio<sup>1)</sup></td> <td data-bbox="1110 1090 1150 1117">14.3</td> <td data-bbox="1246 1090 1294 1117">12.9</td> </tr> <tr> <td data-bbox="427 1124 655 1151">Tier 1 capital ratio<sup>1)</sup></td> <td data-bbox="1110 1124 1150 1151">14.3</td> <td data-bbox="1246 1124 1294 1151">12.9</td> </tr> <tr> <td data-bbox="427 1158 927 1184">Profit before tax as a percentage of equity</td> <td data-bbox="1110 1158 1150 1184">8.4</td> <td data-bbox="1254 1158 1294 1184">7.2</td> </tr> </tbody> </table> <p data-bbox="435 1189 1442 1245">1) The capital ratio for 2016 has been calculated taking into account the IRB approval for lending to full-time farms, while the ratio for 2015 has been calculated using the standard method.</p> <p data-bbox="411 1256 1414 1312">There has been no material adverse change in DLR's prospects since the end of the last financial reporting period.</p> <p data-bbox="411 1335 1410 1391">There have been no significant changes in DLR's financial or trading position subsequent to the period covered by the historical financial information.</p>	DKK millions	2016	2015	<i>Profit and loss account:</i>			Core income (mortgage credit income)	1,261	1,239	Staff costs and administrative expenses, etc.	-233	-219	Other operating costs (contribution to resolution fund)	-15	-6	Provision for impairments on loans and receivables, etc.	-110	-94	Core earnings	903	921	Earnings from securities portfolios (sub-fonds)	136	-45	Profit before tax	1,039	875	Profit after tax	811	670	<i>Balance sheet:</i>			Loans	139,053	133,038	Bonds issued	142,074	134,342	Own funds after deductions	11,560	12,485	<i>Financial ratios:</i>			Capital ratio <sup>1)</sup>	14.3	12.9	Tier 1 capital ratio <sup>1)</sup>	14.3	12.9	Profit before tax as a percentage of equity	8.4	7.2
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<b>6</b>	<b>REGISTRATION DOCUMENT</b>																																																						
Page 32, item 1.2 "Declaration concerning the Base Prospectus"	<p><i>The last section is deleted and replaced by the following text:</i></p> <p>This addendum no 1 to the Base Prospectus from 28 November 2016, which has replaced the below mentioned base prospectuses, was prepared as at 23 February 2017:</p> <ul style="list-style-type: none"> <li>• "Base Prospectus for mortgage bonds (RO) issued by DLR Kredit A/S" dated 31 Marts 2006 (Danish version)</li> <li>• "Base Prospectus for covered bonds (SDO) issued by DLR Kredit A/S" dated 12 March 2015 with addendums</li> <li>• "Base Prospectus for senior secured bonds (SSB) issued in pursuance of section 15 in the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act" dated 14 September 2015 with addendums (Danish version)</li> </ul>																																																						

Page 33, item 3.1 "Selected financial information" *The existing text and table is deleted and replaced by the following table and text:*

Selected financial information for DLR for the two most recent financial years is provided in the table below. The financial statements may be found on DLR's website, [www.dlr.dk/investor](http://www.dlr.dk/investor).

<b>DKK millions</b>	<b>2016</b>	<b>2015</b>
<i>Profit and loss account:</i>		
Core income (mortgage credit income)	1,261	1,239
Staff costs and administrative expenses, etc.	-233	-219
Other operating costs (contribution to resolution fund)	-15	-6
Provision for impairments on loans and receivables, etc.	-110	-94
Core earnings	903	921
Earnings from securities portfolios (sub-fonds)	136	-45
Profit before tax	1,039	875
Profit after tax	811	670
<i>Balance sheet:</i>		
Loans	139,053	133,038
Bonds issued	142,074	134,342
Own funds after deductions	11,560	12,485
<i>Financial ratios:</i>		
Capital ratio <sup>1)</sup>	14.3	12.9
Tier 1 capital ratio <sup>1)</sup>	14.3	12.9
Profit before tax as a percentage of equity	8.4	7.2

1) The capital ratio for 2016 has been calculated taking into account the IRB approval for lending to full-time farms, while the ratio for 2015 has been calculated using the standard method.

Page 33, item 3.2 Item is omitted.

Page 34, item 5.1.5 *The existing text is deleted and replaced by the following text:*

No event with significant impact on DLR's solvency has been reported since the publication of the latest annual report.

Page 34, item 5.2.1 "Investments" *The existing text is deleted and replaced by the following text:*

DLR has made no significant investments since the date of publication of DLR's latest annual report.

Page 35, item 8.1 "Trend information" *The existing text is deleted and replaced by the following text:*

The outlook for DLR has not been negatively affected since the publication of the latest annual report.

Page 40, item 12.1 "Major shareholders" *The text in the 2nd section is changed to:*

At the date of preparation of addendum no 1 to the Base Prospectus, the following shareholders have an ownership interest of more than 5%:

- Jyske Bank A/S: 14.3%

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- Nykredit Realkredit A/S: 11.1%
  - Sydbank A/S: 10.4%
  - DLR Kredit A/S\*: 9.5%
  - Spar Nord A/S: 8.4%
  - PRAS A/S: 6.2%

\* Treasury shares

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Page 40, item 13.3.3 "Auditing of historical annual financial information"	<i>The existing text is deleted and replaced by the following text:</i> All the financial information concerning financial year 2016 and previous financial years may be found in DLR's audited annual reports.
Page 40, item 13.4.1 "Age of latest financial information"	<i>The existing text is deleted and replaced by the following text:</i> The latest audited financial information relates to financial year 2016.
Page 40, item 13.5.1	<i>The existing text is deleted and replaced by the following text:</i> DLR has prepared no further financial reports in the period since the release of the latest audited financial statements.

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## ANNEX 1

## DEFINITIONS

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Page 57 "Definitions"	<i>The section about references is deleted and replaced by the following text:</i> References in this Base Prospectus to: <ul style="list-style-type: none"> <li>• "latest annual report" mean the Annual Report 2016 of DLR Kredit A/S;</li> <li>• "latest annual reports" mean the Annual Report 2015 of DLR Kredit A/S and the Annual Report 2016 of DLR Kredit A/S; and</li> <li>• "latest risk report" mean Risk and Capital Management Report February 2017 of DLR Kredit A/S.</li> </ul>
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## ANNEX 2

## DOCUMENTS AND REFERENCES

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Page 58 "Documents and references"	<i>Bullet 1-6 are deleted and replaced by the following text:</i> <ul style="list-style-type: none"> <li>• Annual Report 2016 of DLR Kredit A/S The annual report is available on DLR's website: <a href="http://www.dlr.dk/wellcome-investorpage">www.dlr.dk/wellcome-investorpage</a> under "Financial Statements"</li> <li>• Annual Report 2015 of DLR Kredit A/S The annual report is available on DLR's website: <a href="http://www.dlr.dk/wellcome-investorpage">www.dlr.dk/wellcome-investorpage</a> under "Financial Statements"</li> <li>• Risk and Capital Management Report February 2017 The risk and capital management report is available on DLR's website: <a href="http://www.dlr.dk/wellcome-investorpage">www.dlr.dk/wellcome-investorpage</a> under "Financial Statements"</li> </ul>
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## ANNEX 3

## CROSS-REFERENCE TABLE FOR DOCUMENTS REFERRED TO IN THIS BASE PROSPECTUS

Page 59 "Cross reference table"

*The existing text is deleted and replaced by the following text.*

Where in the Base Prospectus is the reference	Document	Where in the document is the reference
Section 2 "Risk factors", p. 16 item 2.4	Latest annual report of DLR	"Risk", p. 24-31
Section 6 "Registration Document", p. 34 item 6.1.1	Latest annual report of DLR	"Lending activity and portfolio", p. 15-17
Section 6 "Registration Document", p. 40 item 13.1.	Two latest annual reports of DLR	<p><b>Annual Report 2016:</b>  Management's Statement, p. 77  Management Review, p. 3-34  Auditors' Reports, p. 78-81  Accounting Policies, p. 70-75  Profit and Loss Account, p. 40  Balance Sheet, p. 41  Capital and solvency, p. 43  Notes, p. 44-75</p> <p><b>Annual Report 2015:</b>  Management Statement, p. 71  Management Review, p. 4-34  Auditors' Report, p. 72-74  Accounting Policies, p. 43-48  Profit and Loss Account, p. 40  Balance Sheet, p. 41  Notes, p. 49-66  Solvency, p. 67  Cash Flow Statement, p. 68</p>

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**STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD**

Today, the Executive Board reviewed and approved this Addendum no 1 to the Base prospectus for the issuance of covered bonds, mortgage bonds, bonds issued in pursuance of section 15 of the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act (senior secured bonds) and senior unsecured debt issued by DLR Kredit A/S dated 28 November 2016; cf. the authorisation of the Executive Board approved by the Board of Directors on 27 October 2016.

The persons responsible for the information provided in this addendum no 1 to the base prospectus hereby declare to have taken all reasonable care to ensure that, to the best of their knowledge and belief, the information provided in this addendum no 1 to the base prospectus is in accordance with the facts and omits no material information likely to affect the import hereof.

Copenhagen, 23 February 2017

Executive Management

(Signed on behalf of the Executive Board and the Board of Directors pursuant to the authorisation of the Executive Board approved by the Board of Directors on 27 October 2016)

Jens Kr. A. Møller  
Managing Director and CEO

Michael Jensen  
Managing Director