

7 February 2019



To Nasdaq Copenhagen

DLR Kredit A/S · CVR-nr. 25781309  
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## Supplement No. 1 to Base Prospectus

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With reference to the release of DLR Kredit A/S ("DLR")'s 2018 Annual Report DLR has released the following supplement to the Base Prospectus for the issuance of covered bonds, mortgage bonds and bonds issued in pursuance of section 15 of the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act (Senior Secured Bonds) issued by DLR Kredit A/S, dated 19 November 2018 (the "Supplement").

Yours sincerely,

DLR Kredit A/S

*This document is an English translation of the original Danish text. In the event of discrepancies between the original Danish text and the English translation, the Danish text shall prevail.*

The original Base Prospectus	Amendment																																																						
<b>1</b>	<b>SUMMARY</b>																																																						
Page 9, item B.12	<table border="1"> <thead> <tr> <th style="text-align: left;">DKK millions</th> <th style="text-align: right;">2018</th> <th style="text-align: right;">2017</th> </tr> </thead> <tbody> <tr> <td colspan="3"><i>Income statement:</i></td> </tr> <tr> <td>Core income</td> <td style="text-align: right;">1,291</td> <td style="text-align: right;">1,293</td> </tr> <tr> <td>Staff costs and administrative expenses, etc.</td> <td style="text-align: right;">-276</td> <td style="text-align: right;">-255</td> </tr> <tr> <td>Other operating costs (contribution to resolution fund)</td> <td style="text-align: right;">-11</td> <td style="text-align: right;">-12</td> </tr> <tr> <td>Provision for impairments on loans and receivables, etc.</td> <td style="text-align: right;">-24</td> <td style="text-align: right;">94</td> </tr> <tr> <td>Core earnings</td> <td style="text-align: right;">979</td> <td style="text-align: right;">1,121</td> </tr> <tr> <td>Earnings from securities portfolio (sub-funds)</td> <td style="text-align: right;">-74</td> <td style="text-align: right;">6</td> </tr> <tr> <td>Profit before tax</td> <td style="text-align: right;">905</td> <td style="text-align: right;">1,126</td> </tr> <tr> <td>Profit after tax</td> <td style="text-align: right;">707</td> <td style="text-align: right;">880</td> </tr> <tr> <td colspan="3"><i>Balance sheet:</i></td> </tr> <tr> <td>Loans</td> <td style="text-align: right;">148,611</td> <td style="text-align: right;">143,061</td> </tr> <tr> <td>Bonds issued</td> <td style="text-align: right;">145,901</td> <td style="text-align: right;">148,972</td> </tr> <tr> <td>Own funds after deduction</td> <td style="text-align: right;">12,994</td> <td style="text-align: right;">12,372</td> </tr> <tr> <td colspan="3"><i>Financial ratios (pc):</i></td> </tr> <tr> <td>Capital ratio<sup>1)</sup></td> <td style="text-align: right;">16.9</td> <td style="text-align: right;">15.9</td> </tr> <tr> <td>Core equity Tier-1 capital ratio (CET1)</td> <td style="text-align: right;">16.0</td> <td style="text-align: right;">15.1</td> </tr> <tr> <td>Profit before tax as a percentage of equity</td> <td style="text-align: right;">7.1</td> <td style="text-align: right;">9.1</td> </tr> </tbody> </table> <p>At 31 December 2018, DLR's total assets amounted to DKK 160,738.</p> <p>There has been no material adverse change in DLR's prospects since the end of the last financial reporting period.</p> <p>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	2018	2017	<i>Income statement:</i>			Core income	1,291	1,293	Staff costs and administrative expenses, etc.	-276	-255	Other operating costs (contribution to resolution fund)	-11	-12	Provision for impairments on loans and receivables, etc.	-24	94	Core earnings	979	1,121	Earnings from securities portfolio (sub-funds)	-74	6	Profit before tax	905	1,126	Profit after tax	707	880	<i>Balance sheet:</i>			Loans	148,611	143,061	Bonds issued	145,901	148,972	Own funds after deduction	12,994	12,372	<i>Financial ratios (pc):</i>			Capital ratio <sup>1)</sup>	16.9	15.9	Core equity Tier-1 capital ratio (CET1)	16.0	15.1	Profit before tax as a percentage of equity	7.1	9.1
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<b>5</b>	<b>LEGAL FRAMEWORK GOVERNING DLR'S BUSINESS</b>																																																						
Page 28, item 5.8	<p>The last four sections before <i>The CRD IV Amendment Proposal</i> are replaced by:</p> <p>At 31 December 2018, DLR's equity amounted to DKK 12,974 million, consisting of share capital of DKK 570 million, distributable reserves of DKK 10,064 million and a tied-up capital reserve of DKK 2,338 million.</p> <p>At 31 December 2018, DLR's own funds after deductions amounted to DKK 12,994 million, corresponding to a capital ratio of 16.9%, with the risk exposures for credit risk on the loan portfolio to full-time farms being computed according to the IRB approach, while the credit risk on the remaining part of the portfolio has been determined using the standard method. Own funds were affected by IRB deductions of DKK 607 million and pursuance of treasury shares of DKK 167 million.</p> <p>DLR's total regulatory capital requirement at the turnover to 2019 was 13.0%, consisting of an individual solvency need of 9.0% and capital buffers totaling 4.0%. Relative to the above-mentioned capital ratio of 16.9%, this corresponds to an excess capital cover of 3.8 percentage points.</p>																																																						
<b>8</b>	<b>REGISTRATION DOCUMENT</b>																																																						
Page 38, item 1.2	<p><i>The last section is replaced by:</i></p> <p>This addendum no. 1 to the Base Prospectus dated 19 November 2018, which has replaced 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</p>																																																						

DLR Kredit A/S<sup>7</sup> dated 20 November 2017 with addendums, was prepared as at 7 February 2019.

Page 38-39, item 3.1

*The existing table and text is replaced by:*

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 m</b>	<b>2018</b>	<b>2017</b>
<i>Income statement:</i>		
Core income	1,291	1,293
Staff costs and administrative expenses, etc.	-276	-255
Other operating costs (contribution to resolution fund)	-11	-12
Provision for impairments on loans and receivables, etc.	-24	94
Core earnings	979	1,121
Earnings from securities portfolio (sub-funds)	-74	6
Profit before tax	905	1,126
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<i>Balance sheet:</i>		
Loans	148,611	143,061
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<i>Financial ratios (pc):</i>		
Capital ratio	16.9	15.9
Core equity Tier-1 capital ratio (CET1)	16.0	15.1
Profit before tax as a percentage of equity	7.1	9.1

At 31 December 2018, DLR's total assets amounted to DKK 160,738.

Page 39, item 3.2

*Item is omitted.*

Page 40, item 5.1.5

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

Page 40, item 5.2.1

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

Page 41, item 8.1

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

Page 45, item 13.3.3

All the financial information concerning financial year 2018 and previous financial years may be found in DLR's audited annual reports.

Page 45, item 13.4.1

The latest audited financial information relates to financial year 2018.

Page 45, item 13.5.1

DLR has prepared no further financial reports in the period since the release of the latest audited financial statement.

## **ANNEX 1**

### **DEFINITIONS**

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Reference in this Base Prospectus to:

"Definitions"

- 
- "latest annual report" mean the Annual Report 2018 of DLR Kredit A/S.
  - "latest annual reports" mean the Annual Report 2017 of DLR Kredit A/S and the Annual Report 2018 of DLR Kredit A/S.
  - "latest risk report" mean Risk and Capital Management Report February 2019 of DLR Kredit A/S.
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**ANNEX 2****DOCUMENTS AND REFERENCES**

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List of documents and references used entirely or in part for the preparation of this Base Prospectus.

- Annual Report 2017 of DLR Kredit A/S  
The annual report is available on DLR's website: [www.dlr.dk/welcome-investorpage](http://www.dlr.dk/welcome-investorpage) under "Financial Statements"
  - Annual Report 2018 of DLR Kredit A/S  
The annual report is available on DLR's website [www.dlr.dk/welcome-investorpage](http://www.dlr.dk/welcome-investorpage) under "Financial Statements"
  - Risk and Capital Management Report February 2019  
The risk and capital management report is available on DLR's website: [www.dlr.dk/welcome-investorpage](http://www.dlr.dk/welcome-investorpage) under "Risk and Capital Management"
  - Articles of Association for DLR Kredit A/S  
The Articles of Association may be obtained at DLR's premises at Nyropsgade 21, 1780 Copenhagen V, Denmark, or at DLR's website [www.dlr.dk/investor](http://www.dlr.dk/investor) under "Dokumentation og lovgivning"
  - Memorandum of Association for KR 276 A/S  
The Memorandum of Association may be obtained DLR's premises at Nyropsgade 21, 1780 Copenhagen V, Denmark
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ANNEX 3	CROSS REFERENCE TABLE FOR DOCUMENTS REFERRED TO IN THE BASE PROSPECTUS		
Page 62	Where in the Base Prospectus is the reference	Documentet	Where in the document is the reference
	Section 4 Risk factors, p. 21 item 4.6	DLR's latest annual report	Risk, pp. 43-55
	Section 8 Registration Document, p. 40 item 6.1.1	DLR's latest annual report	Lending activity and portfolio, pp. 29-33
	Section 6 Registration Document, p. 44 item 13.1.	DLR's annual reports for the last two years	<p><b>Annual Report 2018:</b>  Statement by the Board of Directors and the Executive Management, p. 112  Management review, pp. 3-62  Auditors' reports, pp.114-121  Significant accounting policies, pp. 100-110  Income statement, p. 69  Balance sheet, p. 70  Capital and Solvency, p. 72  Notes, pp. 73-99</p> <p><b>Annual Report 2017:</b>  Management's statement, p. 107  Management review, pp. 3-62  Auditors' reports, pp. 108-113  Significant accounting policies, pp. 98-105  Income statement, p. 64  Balance sheet, p. 65  Capital and Solvency, p. 67  Notes, pp. 70-97</p>

Investors who have accepted buying or subscribing for Bonds before the publication of this Supplement are entitled to withdraw their acceptance within a time limit of at least two working days after the publication of this Supplement, ie until 11 February 2019, pursuant to Article 16(2) of the Prospectus Directive and the relevant implementation legislation in Denmark.

**MANAGEMENT STATEMENT**

This Supplement to the Base Prospectus for the issuance of covered bonds, mortgage bonds and bonds issued in pursuance of section 15 of the Danish Mortgage-Credit Loans and Mortgage-Credit Bonds etc. Act (Senior Secured Bonds) issued by DLR Kredit A/S, dated 19 November 2018, was prepared by DLR Kredit A/S and approved by DLR's Executive Board by special authority from DLR's Board of Directors dated 25 October 2018.

We declare that we have used our best endeavours to ensure that the information in this Supplement is consistent with the facts to the best of our knowledge and belief, and that nothing has been omitted which is likely to affect its content.

Copenhagen, 7 February 2017

Management Board

(Signed on behalf of DLR's Management by special authority from DLR's Board of Directors dated 25 October 2018).

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Jens Kr. A. Møller  
(Managing Director & CEO)

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Michael Jensen  
(Managing Director)