

The Copenhagen Stock Exchange  
The London Stock Exchange  
Other stakeholders

**Stock Exchange Announcement No 10/03**

Date  
20 June 2003

Dear Sirs

**Consequences for Sydbank of the proposed amalgamation of Totalkredit and Nykredit**

The Boards of Directors of Totalkredit and Nykredit recommend to the shareholders of the two companies that Nykredit acquires Totalkredit, and that Nykredit and the regional and local banks behind Totalkredit establish a long-term mortgage credit cooperation. Reference is made to the recently published announcement from the two mortgage credit institutions.

The sale will have financial as well as business implications for Sydbank. Sydbank owns 10.38% of Totalkredit and the working relationship within the mortgage credit area is based on an agreement with Totalkredit.

Sydbank approves the amalgamation of Totalkredit and Nykredit.

If the amalgamation is effected on the terms and conditions published today, total fees to the banks behind Totalkredit are expected to represent DKK 7,150m, equal to a gain of around DKK 530m in relation to Sydbank's ownership share of Totalkredit. The effect on the profit and loss account in 2003 and in the years ahead cannot be made up until a final agreement exists.

As a result of the amalgamation Sydbank will be able in addition to Totalkredit products to give its customers access to the mortgage credit products of Nykredit.

Yours faithfully



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General Manager

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