

# REALDANIA IN FIGURES

31 December 2014



Realdania

# PHILANTHROPIC KEY FIGURES

## New project grants for the year

Projects and philanthropic investments granted in 2014 total EUR 116 mill.

The grants are classified under the following categories:

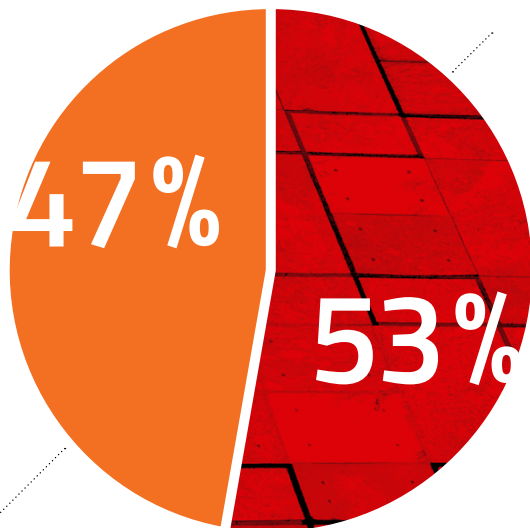
	No. new projects	New and additional grants/EUR mill.	Total project sum EUR mill.
<b>Projects</b>			
Grants	149	109	285
Philanthropic investments	4	7	7
<b>Total projects</b>	<b>153</b>	<b>116</b>	<b>292</b>
<b>Individual projects <sup>1)</sup></b>	<b>117</b>		
<b>Total additions</b>	<b>270</b>	<b>116</b>	<b>292</b>

<sup>1)</sup> Projects completed under an "umbrella project", e.g. a campaign run and monitored by Realdania or a research center including a number of research projects.

## The total portfolio of philanthropic projects as at 31 December 2014

As at 31 December 2014, Realdania was involved in projects with a total value of EUR 2,773 mill. We cover more than half of the cost of these projects.

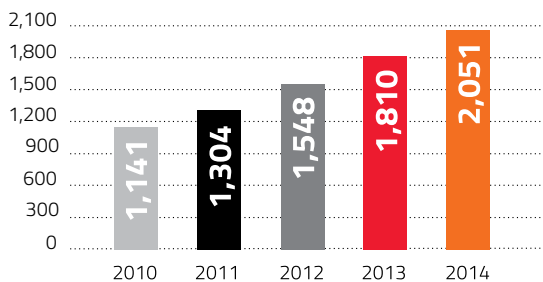
Realdania's share is almost 53% = EUR 1,470 mill.



Other project owners' share is more than 47% = EUR 1,303 mill.

## Completed projects

As at 31 December 2014, Realdania had completed a total of 2,051 projects.



# INVESTMENT KEY FIGURES

Return in 2014  
in EUR mill.

**421**

Return as %  
2014

**15.9**

Value as at 31 December 2014  
in EUR mill.

**2,856**

*(Euro value as at 31 December 2014: DKK 7.45)*

## Value, allocation and returns on the investment portfolio

Asset class	Value, EUR mill.	Allocation, %	Return 2014	Return 2014	Return 2013	Return 2013
	31.12.14	31.12.14	EUR mill.	%	EUR mill.	%
<b>Interest products</b>	<b>853</b>	<b>29.9</b>	<b>8</b>	<b>1.0</b>	<b>23</b>	<b>3.4</b>
Bonds - Investment Grade	324	11.3	4	2.7	3	1.1
Bonds - Non-Investment Grade	529	18.6	4	1.0	19	7.0
<b>Real Estate</b>	<b>286</b>	<b>10.0</b>	<b>14</b>	<b>5.0</b>	<b>2</b>	<b>0.8</b>
<b>Equities</b>	<b>1,655</b>	<b>58.0</b>	<b>394</b>	<b>25.1</b>	<b>397</b>	<b>24.6</b>
Listed equities	1,420	49.8	347	25.5	358	24.7
Private Equity	235	8.2	47	22.8	39	23.8
<b>Alternative products</b>	<b>61</b>	<b>2.1</b>	<b>5</b>	<b>9.5</b>	<b>6</b>	<b>11.8</b>
<b>Total investments</b>	<b>2,856</b>	<b>100.0</b>	<b>421</b>	<b>15.9</b>	<b>428</b>	<b>16.3</b>

### **Investment strategy objectives**

- To secure the philanthropic activities, the member-related activities and the operation of Realdania.
- To secure a long lifetime of 25 years or more.
- To balance returns and risk.
- To manage Realdania's market risks.

### **Investment universe**

The investment universe encompasses all accessible asset classes, and these will be utilised if they are considered attractive and manageable.

The strategic asset allocation aims at providing the highest risk-adjusted returns throughout an entire economic cycle. However, expected annual investment returns are highly dependent on the current phase of the economic cycle. Therefore, Realdania believes that dynamic, tactical asset allocation creates value and exploits macro-economic fluctuations and inefficient market conditions in order to create additional returns within the framework of the investment strategy.

### **Investment philosophy**

The objective of the investment portfolio is to establish the foundation for philanthropic activities. The investment strategy is to ensure that the investment portfolio generates the best possible returns with a balanced risk.

The investment philosophy is based on a long-term investment horizon in order to support a long life expectancy for Realdania of 25 years or more. On the basis of a qualified foundation, Realdania actively takes on risk to generate returns and thereby a solid base for its philanthropic activities. Realdania aims at exploiting its profile as a long-term investor in its investment activities and Realdania has set its risk appetite to reflect this. The investment strategy states objectives and frameworks for the investment activity and it contains a description of the principles on which the strategy is based.

## Asset allocation (%)



- Fixed Income Investment Grade 11.3%
- Fixed Income Non-Investment Grade 18.6%
- Real Estate 10.0%
- Listed Equities 49.8%
- Private Equity 8.2%
- Alternative products 2.1%

## Investment activities

Realdania's investment activities are built on value creation through active management. Assets are managed primarily via external asset managers, although the balance between internal and external management is assessed regularly. The liquidity of the investment portfolio, together with a reliable forecast of the liquidity need are important requirements for optimal returns.

Realdania invests globally in order to secure a spread over many assets. We believe that equities, credit bonds and other equity-like assets give higher returns than government bonds in the long term.

On the basis of a qualified foundation, Realdania actively takes on risk via the investment portfolio to maximise returns and thereby the basis for its philanthropic activities. The level of risk reflects Realdania's profile as a long-term investor, as Realdania accepts short-term market fluctuations to achieve a better return in the long term.

## No. portfolios

As at 31 December 2014

	2014	2013
Fixed income products	9	5
Real Estate	11	11
Listed equities	18	18
Private Equity	33	30
Alternative products	6	6
Total	77	70

## Returns and trends in investment assets in the period 2010 to 2014

From the beginning of 2010 to the end of 2014, the investment portfolio rose from EUR 2.7 bn. to EUR 2.9 bn. Accumulated investment returns in this period were EUR 1.1 bn. The investment portfolio was reduced in the period by EUR 0.9 bn. to finance grants, philanthropic investments, costs and taxes.

	2014	2013	2012	2011	2010
Total returns (EUR mill. )	421	428	437	-689	489
Investment portfolio (EUR mill. )	2,856	2,700	2,974	2,595	3,132
Returns (%) *	15.9%	16.3%	17.2%	-21.3%	18.2%

\* All returns have been calculated using the internal rate of return method (IRR).



**150,000 members**

## **Four elections every year**

The Board of Representatives of Realdania is elected at meetings in six Specialist Election Groups and ten Geographic Election Groups.

Every year we hold four elections.

## **Members activities**

Every year we arrange debates, contests, events and visits to many of our projects. We do this to involve our members in the mission to bring quality of life through the built environment.