



Interim Financial Report, first quarter of 2024

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Financial Highlights

Core profit and net profit for the period, DKKm

	Q1 2024	Q1 2023	Index 24/23						Full year 2023
				Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	
Administration margin income, etc.	615	628	98	615	627	617	624	628	2,496
Other net interest income	256	140	183	256	249	240	166	140	795
Net fee and commission income, etc.	-97	-150	65	-97	-133	-158	-115	-150	-556
Value adjustments, etc.	55	87	63	55	143	76	64	87	370
Other income	-	-	-	-	0	-	-	-	0
Core income	828	704	118	828	886	775	739	704	3,106
Core expenses	112	106	106	112	113	110	116	106	445
Core profit before loan impairment charges	716	598	120	716	774	665	624	598	2,661
Loan impairment charges (- is income)	21	-46	-	21	11	14	9	-46	-12
Core profit/Pre-tax profit	695	645	108	695	763	651	614	645	2,673
Tax	181	163	111	181	162	164	154	163	643
Net profit for the period	514	482	107	514	601	487	460	482	2,030

Summary of Balance Sheet, end of period, DKKm

Mortgage loans, nominal value	373,147	367,293	102	373,147	373,677	370,315	369,402	367,293	373,677
Mortgage loans, fair value	351,542	338,214	104	351,542	352,663	337,614	337,960	338,214	352,663
Bonds and shares	18,241	15,322	119	18,241	19,160	19,726	16,896	15,322	19,160
Total assets	385,161	367,725	105	385,161	383,021	369,195	366,756	367,725	383,021
Issued bonds, fair value	353,275	338,018	105	353,275	351,790	338,315	337,068	338,018	351,790
Equity	24,702	22,640	109	24,702	24,189	23,587	23,100	22,640	24,189

Financial ratios

Pre-tax profit p.a. as a percentage of average equity	11.4	11.5	-	11.4	12.8	11.2	10.7	11.5	11.5
Profit for the period p.a. as % of average equity	8.5	8.6	-	8.5	10.1	8.3	8.0	8.6	8.8
Expenses as a percentage of income	13.5	15.1	-	13.5	12.8	14.2	15.7	15.1	14.3
Capital ratio (%)	28.4	28.4	-	28.4	27.5	28.7	29.1	28.4	27.5
Common Equity Tier 1 capital ratio (CET1 %)	28.4	28.4	-	28.4	27.5	28.7	29.1	28.4	27.5
Individual solvency requirement (%)	9.9	9.7	-	9.9	9.9	9.6	9.7	9.7	9.9
Capital base (DKKm)	24,557	22,578	-	24,557	24,053	23,478	23,058	22,578	24,053
Weighted risk exposure (DKKm)	86,457	79,637	-	86,457	87,469	81,719	79,183	79,637	87,469
No. of full-time employees, at end-period	29	24	-	29	27	26	26	24	27
No. of employees split between the companies, at end-period ¹	664	661	-	664	725	712	684	661	725
No. of employees split between the companies converted to full-time equivalent	251	248	-	251	253	246	251	248	253

¹ Employees split between the companies are included in the number of employees stated in the interim financial report for Jyske Bank A/S, and their salaries are paid through Jyske Bank A/S. Jyske Realkredit A/S distributes this expense for employees split between the companies through a service agreement with Jyske Bank A/S, and it is recognised under the item 'Core expenses'.

Summary

- Pre-tax profit amounted to DKK 695m (Q1 2023: DKK 645m) corresponding to a return of 11.4% p.a. on average equity (Q1 2023: 11.5%).
- Net profit for the period amounted to DKK 514m (Q1 2023 DKK 482m) corresponding to a return of 8.5% p.a. on average equity (2023: 8.6%).
- Core expenses for the period amounted to DKK 112m (Q1 2023: DKK 106m).
- Impairment charges affected core profit by an expense of DKK 21m (Q1 2023: an income of DKK 46m).
- The portfolio at nominal value amounted to DKK 373bn. (end of 2023: DKK 374bn), and at a fair value of DKK 352bn (end of 2023: DKK 353bn).
- At 31 March 2024, the capital and core capital ratio amounted to 28.4% (end of 2023: 27.5).

Comments by management

In connection with the presentation of the Interim Financial Report for the first quarter of 2024, Carsten Tirsbæk Madsen, Chief Executive Officer, states:

'Today Jyske Realkredit announces a profit of DKK 514m for the first quarter of 2024 against a profit of DKK 482m in the same period last year. The improved results can be attributed to a higher return on Jyske Realkredit's securities portfolios due to the higher interest-rate level. Jyske Realkredit's capital base is still at a high level and the credit quality is good.'

Capital structure

Jyske Realkredit's equity rose by the net profit for the period of DKK 514m and amounted to DKK 24,702m at 31 March 2024. The capital base, exclusive of various deductions, amounts to DKK 24,557m, an increase of DKK 504m since the end of 2023.

Jyske Realkredit's capital base is solid with a capital ratio of 28.4% and a capital buffer of DKK 10.4bn. It is assessed that the current financial resources can withstand even severe stress scenarios.

Outlook

Jyske Realkredit anticipates a profit for 2024 in the range of DKK 1.6bn to 1.9bn. The expected profit will, however, be affected by the development of the level of interest rates and loan impairment charges.

Financial Review

Net profit for the period

In the first quarter of 2024, Jyske Realkredit generated a pre-tax profit of DKK 695m against DKK 645m in the corresponding period of last year. The primary reason behind the higher profit is higher interest income from Jyske Realkredit's portfolios of securities due to a higher interest-rate level compared with the same period of 2023.

Calculated tax was DKK 181m (2023: DKK 163m), and the profit for the period amounted to DKK 514m (2023: DKK 482m), corresponding to a return on average equity of 8.5% p.a. (2023: 8.6% p.a.).

Core profit and net profit for the period, DKKm

	Index								Full
	Q1 2024	Q1 2023	24/23	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	year 2023
Administration margin income, etc.	615	628	98	615	627	617	624	628	2,496
Other net interest income	256	140	183	256	249	240	166	140	795
Net fee and commission income, etc.	-97	-150	65	-97	-133	-158	-115	-150	-556
Value adjustments, etc. (- is an expense)	55	87	63	55	143	76	64	87	370
Other income	-	-	-	-	0	-	-	-	0
Core income	828	704	118	828	886	775	739	704	3,106
Core expenses	112	106	106	112	113	110	116	106	445
Core profit before loan impairment charges	716	598	120	716	774	665	624	598	2,661
Loan impairment charges (- is income)	21	-46	-	21	11	14	9	-46	-12
Core profit/Pre-tax profit	695	645	108	695	763	651	614	645	2,673
Tax	181	163	111	181	162	164	154	163	643
Net profit for the period	514	482	107	514	601	487	460	482	2,030

Core income

Core income, consisting primarily of administration margin income, etc. brokerage and fee income from mortgage activities and return on Jyske Realkredit's securities portfolios, amounted to DKK 828m against DKK 704m in same period of the previous year.

Administration margin income etc. amounted to DKK 615m, which is a decline of DKK 13m relative to the same period of 2023. Administration margin income was affected by slightly falling average administration margin rates.

Other net interest income consists of interest on the securities portfolio as well as various interest income and amounts to an income of DKK 256m against DKK 140m in the same period the year before. The increase was primarily due to a higher interest yield on Jyske Realkredit's securities portfolio as a result of the higher interest-rate level in the first quarter of 2024 relative to the first quarter of 2023.

Net fee and commission income, etc. amounted to an expense of DKK 97m against an expense of DKK 150m in the first quarter of 2023. In Q1 2024, we saw lower fee income from lending activity, but at the same time, we saw lower distribution fees to Jyske Bank, and therefore net expenses were lower in Q1 2024 relative to Q1 2023.

Value adjustments, etc. amounted to an income of DKK 55m against an income of DKK 87m in the corresponding period of last year and relate to Jyske Realkredit's securities portfolios.

Core expenses

Core expenses amounted to DKK 112m against DKK 106m for the same period in 2023. The increase was primarily due to the general rise in prices.

Core profit before loan impairment charges amounted to DKK 716m against DKK 598m for the first quarter of 2023.

Impairment charges

Loan impairment charges amounted to an expense of DKK 21m against an income of DKK 46m in the same period of 2023.

In Q1 2024, we saw an increase in model-calculated loan impairment charges by DKK 24m (2023: DKK 40m) and the individually calculated loan impairment charges by DKK 16m (2023: reversal of DKK 54m). On the other hand, we saw a reversal of DKK 25m over the quarter (2023: DKK 0m) of the management's estimates. At 31 March 2024, these amounted to DKK 652m. The most important management's estimates relate to macroeconomic risks relating, among other things, to the higher interest-rate level. These amount to DKK 525m. (end of 2023: DKK 550m). Hereof DKK 350m (end of 2023: DKK 350m) relate to corporate clients and DKK 175m DKK 200m) to personal clients.

The total balance of impairment charges amounted to DKK 1,455m at 31 March 2024 (end of 2023: DKK 1,441m) corresponding to 0.4% of total loans which is unchanged relative to the level at the end of 2023.

Relative to total loans, the effect from the impairment charges on the income statement amounted to 0.01% in the first quarter of 2024 against -0.01% for the same period of 2023.

Jyske Realkredit's holding of assets in temporary possession amounted to DKK 41m as at 31 March 2024 against DKK 40m at the end of 2023.

Jyske Realkredit had no exposures after deductions that accounted for more than 10% of the capital base. The concentration risk is followed closely, and all large exposures are monitored on an on-going basis.

The first quarter of 2024 compared to the fourth quarter of 2023

Administration margin income, etc. in the first quarter of 2024 amounted to DKK 615m against DKK 627m in the fourth quarter of 2023. The decline in administration margin income was due primarily to slightly falling administration margin rates.

Other net interest income amounted to an income of DKK 256m against an income of DKK 249m in the fourth quarter of 2023. The increase was due to a higher interest income on Jyske Realkredit's securities portfolios because of a slightly higher securities portfolio.

Net fee and commission income, etc. amounted to an expense of DKK 97m against an expense of DKK 133m in the fourth quarter of 2023. The lower expense in Q1 2024 was due to a combination of lower fee income and lower distribution fees to Jyske Bank.

Value adjustments, relating to Jyske Realkredit's securities portfolios, among other things, amounted to an income of DKK 55m against an income of DKK 143m in the preceding quarter. In Q4 2023, value adjustments were at a high level.

Core expenses amounted to DKK 112m against DKK 113m in the fourth quarter of 2023. In general, costs and expenses were at the same level as in Q4 2023.

Losses and impairment charges amounted to an expense of DKK 21m against an expense of DKK 11m in the fourth quarter of 2023. Neither in Q1 2024 or in Q4 2023, we saw no major changes to loan impairment charges, and recognised losses were at a low level.

Pre-tax profit for the first quarter of 2024 then amounted to DKK 695m against DKK 763m for the fourth quarter of 2023.

Balance Sheet

At the end of March 2024, Jyske Realkredit's balance sheet amounted to DKK 385.2bn (DKK 383.0bn at the end of 2023).

Loans at fair value fell from DKK 352.7bn at the end of 2023 to DKK 351.5bn at the end of March 2024, corresponding to a decline by 0.3%. DKK 0.5bn was due to the nominal loans, and DKK 0.7bn was due to value adjustment as a result of changed interest-rate conditions in Q1 2024.

Equity was affected by the profit for the period by DKK 514m and amounted to DKK 24,702m at the end of March 2024 (DKK 24,189m at the end of 2023).

Summary of Balance Sheet, end of period, DKKm

	31 March 2024	31 March 2023	Index 24/23	31 March 2024	31 Dec. 2023	30 Sept 2023	30 June 2023	31 March 2023
Assets / equity and liabilities	385,161	367,725	105	385,161	383,021	369,195	366,756	367,725
Mortgage loans, nominal value	373,147	367,293	102	373,147	373,677	370,315	369,402	367,293
Loans at fair value	351,542	338,214	104	351,542	352,663	337,614	337,960	338,214
Issued bonds, fair value	353,275	338,018	105	353,275	351,790	338,315	337,068	338,018
Equity	24,702	22,640	109	24,702	24,189	23,587	23,100	22,640

Credit Quality

The breakdown of Jyske Realkredit's loans and impairment charges by IFRS 9 impairment category:

Mortgage loans at fair value and loan impairment charges, DKKm								
	Q1 2024	Q4 2023	Index 24/23	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Loans and advances ¹	352,513	353,628	100	352,513	353,628	338,602	338,950	339,185
Stage 1	336,737	340,180	99	336,737	340,180	325,550	325,808	326,171
Stage 2	12,341	9,996	123	12,341	9,996	9,847	9,829	9,391
Stage 3	3,435	3,452	100	3,435	3,452	3,205	3,313	3,623
Balance of impairment charges	1,455	1,441	101	1,455	1,441	1,439	1,400	1,370
Stage 1	673	738	91	673	738	762	742	700
Stage 2	305	220	139	304	220	229	227	236
Stage 3	477	483	99	478	483	448	432	433
Arrears	88	74	119	88	74	57	53	63
Operational loan impairment charges	21	11	191	21	11	14	9	-46
Operating losses	13	10	130	13	10	8	12	5

¹ Mortgage loans were calculated exclusive of loan impairment charges.

The majority of Jyske Realkredit's portfolio is still invested at stage 1. Apart from price effects, we have in Q1 2024 for a minor part of the portfolio in the personal client area seen a deterioration of the credit rating. This part has been moved from loans and advances without a material increase in the credit risk (stage 1) to loans with a significant increase in the credit risk (stage 2).

An increase in loans and advances with a material increase in the credit risk resulted in an increase of total loan impairment charges at stage 2 whereas loan impairment charges on individually processed exposures at stage 3 remained unchanged.

Losses are still at a historically low level which can be attributed to a record-low number of non-performing loans and properties subject to foreclosures.

The table below shows loans and advances and loan impairment charges specified on property category:

	Mortgage loans (DKKm)		Impairment ratio	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Owner-occupied homes	163,348	164,518	0.4	0.4
Vacation homes	9,587	9,691	0.3	0.4
Subsidised housing	47,600	47,549	0.0	0.0
Cooperative housing	11,629	11,791	0.5	0.4
Private rental properties	70,582	70,826	0.4	0.4
Manual and manufacturing industries	5,326	5,072	0.2	0.1
Office and commercial properties	36,920	36,274	1.0	1.0
Agriculture, etc.	178	180	0.1	0.1
Properties for social, cultural, and educational purposes	7,289	7,688	0.1	0.1
Other properties	55	39	0.2	0.2
Total	352,513	353,628	0.4	0.4

Loan impairment charges are still at a low level with an unchanged total impairment ratio at 0.4% relative to the end of 2023.

At 31 March 2024, the impairment ratio for residential properties and private rental properties was 0.4%. The two property categories amount to 66% of total mortgage loans. The impairment ratio for office and commercial properties was 1.0%. The property category amounts to 11% of total mortgage loans.

Arrears

The arrears rate measured 90 days after the December 2023 repayment date amounted to 0.07% against 0.11% for the corresponding repayment date in 2022. The arrears rate measured 15 days after the March 2024 repayment date amounted to 0.42% against 0.34% after the March 2023 repayment date.

Arrears rate						
	March 2024	December 2023	September 2023	June 2023	March 2023	December 2022
After 90 days	-	0.07	0.08	0.09	0.07	0.11
After 15 days	0.42	0.47	0.33	0.32	0.34	0.43

Despite the rising costs of living in Denmark, very few clients are right now defaulting on the payments on their mortgage loans. The levels of arrears observed over the past three years are among the lowest ever observed for Jyske Realkredit's loans.

Capital structure

Capital management

The purpose of Jyske Realkredit's capital management is to ensure and optimise mortgage activities based on the strategy defined by the Supervisory Board. Jyske Realkredit's desired risk profile aims to reach a solvency ratio sufficient for Jyske Realkredit to continue its lending activities during a period of difficult business conditions. The available capital must be such that regulatory and internal capital requirements are met during such a period, and it must be possible for Jyske Realkredit to weather heavy unexpected losses.

Capital base

Jyske Realkredit's capital base amounts to DKK 24.6bn (end of 2023: DKK 24.1bn) and consists solely of Common Equity Tier 1, i.e. paid-up equity as well as retained profits. Hence, Jyske Realkredit's capital base does not include any loan capital, which is in line with Jyske Realkredit's wish to have a high quality of its capital base.

Capital requirement

The regulatory capital requirement (Tier I) is based on the measurement of the risk exposure for the risk types of credit risk, market risk and operational risk, for which various methods of accounting can be applied. As regards the majority of Jyske Realkredit's loan portfolio, Jyske Realkredit has obtained permission to use internally developed risk models (AIRB) for the determination of the credit risk, whereas the standardised approach is used for the remaining loans. When determining market risk and operational risk, the standardised approach is applied to the two risk types.

The total risk exposure amounted to DKK 86.5bn at the end of the first quarter of 2024 against DKK 87.5bn at the end of 2023. The development of the total risk exposure in the amount of DKK -1.0bn can primarily be attributed to the development in the loan portfolio. The other development in the total risk exposure was due to the annual calculation of the risk exposure for operational risk (DKK 0.8bn), lower block reservations covering uncertainty relating to non-compliance with requirements of IRB models and for inclusion of risks in connection with the take-over of the loan portfolio from Handelsbanken (DKK -0.9bn) as well as lower reservation to other risks (DKK -0.2bn).

At the end of Q1 2024, the capital ratio at 28.4% (end of 2023: 27.5) constituted a solid level relative to Jyske Realkredit's capital management objective of 20%. The capital ratio level is identical to the level of the Common Equity Tier 1 capital ratio and hence the core capital ratio.

Capital base, risk exposure and solvency

DKKm	31 March 2024	31 December 2023
Equity	24,702	24,189
Prudent valuation	-30	-31
Other deductions	-115	-104
Common Equity Tier 1 capital / Core capital	24,557	24,053
Capital base	24,557	24,053
Credit risk	82,081	83,760
Operational risk	4,376	3,709
Total risk exposure¹	86,457	87,469
Common Equity Tier 1 capital ratio (%)	28.4	27.5
Tier 1 Capital ratio (%)	28.4	27.5
Capital ratio (%)	28.4	27.5

¹ The risk exposure for market risk was nil at the end of 2023 because Jyske Realkredit has since the third quarter of 2022 applied the option set out in Article 351 of CRR permitting an institution to choose not to calculate a capital requirement for foreign-exchange risk if its overall net foreign-exchange position amounts to less than 2% of the capital base.

ICAAP and individual solvency requirement

Jyske Realkredit's ICAAP (Internal Capital Adequacy Assessment Process) forms the basis of the assessment of Jyske Realkredit's capital structure and hence the determination of Jyske Realkredit's adequate capital base as well as its individual solvency requirement. The assessment is based on the current relationship between Jyske Realkredit's risk profile and capital structure as well as forward-looking considerations that may affect this.

Adequate capital base

The determination of the adequate capital base (Pillar I + Pillar II) for Jyske Realkredit takes place according to the 8+ method based on the capital requirement of 8% of the total risk exposure with additions to cover further risks that are assessed not to be covered by the capital requirement. These may be either risks that are assessed not to be covered by the capital requirement or risks that are assessed to be above normal in relation to the capital requirement for the risk type in question.

When assessing the adequate capital base, all circumstances as mentioned in appendix 1 in the Executive Order on Calculation of Risk Exposures, Own Funds and Solvency Need are included. Based on Jyske Realkredit's business model and risk profile, the importance of the individual circumstances on Jyske Realkredit's capital structure is assessed. For the circumstances that are assessed to be most material, the size of the capital addition is quantified, among other things based on the guidelines in the instructions on adequate capital base and solvency requirements.

At the end of the first quarter of 2024, Jyske Realkredit was exposed to credit risks, market risks and operational risks that necessitated a separate addition to the Pillar I capital requirement.

The adequate capital base for Jyske Realkredit amounted to DKK 8.5bn at the end of Q1 2024, corresponding to an individual solvency requirement of 9.9%, i.e. unchanged relative to the end of 2023.

Buffer requirements and excess capital adequacy

The combined capital buffer requirement consists of the statutory buffers in the form of the capital conservation buffer, the SIFI buffer as well as the countercyclical buffer. The two former amounted to 2.5% and 1.5%, respectively, of the total risk exposure amount, whereas the size of the countercyclical buffer depends on the economic trends. Currently, the countercyclical buffer amounts to 2.5% of the total risk exposure. In addition, a systemic risk buffer of 2.0% of the total risk exposure and a countercyclical buffer at 1.0% of the total risk exposure relating to limited lending in the Faroe Islands.

At mid-2024, a systemic risk buffer at 7.0% of the total risk exposure will be introduced for loans and advances to property companies. Given the size of the current loans to property companies and the resultant calculated risk exposure, the systemic risk buffer for Jyske Realkredit can be computed at approx. 1.6% of the total risk exposure corresponding to a shade above the level of the SIFI buffer.

Jyske Realkredit's adequate capital base plus the combined capital buffer requirement amounted to DKK 14.2bn, corresponding to an individual solvency requirement, inclusive of statutory buffers of 16.4% of the total risk exposure amount. Given the capital base of DKK 24.6bn, Jyske Realkredit's excess capital adequacy amounts to DKK 10.4bn.

Adequate capital base, combined capital buffer requirement and excess capital adequacy

DKKm/% of REA	31 March 2024		31 December 2023	
Credit risk	6,566	7.6	6,701	7.7
Operational risk	350	0.4	297	0.3
Capital requirement, Pillar I	6,917	8.0	6,997	8.0
Credit risk	1,268	1.5	1,339	1.5
Market risk	222	0.3	205	0.2
Operational risk	125	0.1	150	0.2
Capital requirement, Pillar II	1,616	1.9	1,694	1.9
Adequate capital base	8,532	9.9	8,692	9.9
Capital conservation buffer	2,161	2.5	2,187	2.5
SIFI buffer	1,297	1.5	1,312	1.5
Countercyclical buffer	2,159	2.5	2,184	2.5
Countercyclical buffer and systemic risk buffer, the Faroe Islands	3	0.0	3	0.0
Combined capital buffer requirement	5,620	6.5	5,686	6.5
Adequate capital base, incl. combined capital buffer requirement	14,153	16.4	14,378	16.4
Excess capital adequacy	10,404	12.0	9,675	11.1

Debt buffer requirement

Mortgage credit institutions are exempt from the minimum requirement for own funds and eligible liabilities (MREL), but on the other hand, they must meet a debt buffer requirement, amounting to 2% of non-weighted loans. In addition to applying the unused part of the capital base, the debt buffer requirement can be met by issuing senior debt. Currently Jyske Realkredit has issued senior debt in the amount of DKK 750m, maturing in September 2024. At the end of the first quarter of 2024, the debt buffer requirement amounted to DKK 7.0 bn.

Jyske Realkredit is part of the Jyske Bank Group, which as a consolidated company has been appointed a systemically important financial institution (SIFI). For the Jyske Bank Group, a requirement must be set for the size of the Group's eligible liabilities at a consolidated level, where Jyske Realkredit's debt buffer is set at a level, minimum 2%, to ensure that the overall requirement of the Group's debt buffer, capital base and eligible liabilities amount to at least 8% of the Group's total liabilities.

Leverage Ratio

The leverage ratio is defined as the ratio between Jyske Realkredit's core capital and total non-weighted exposures (inclusive of off-balance sheet items) and must amount to at least 3%. The leverage ratio, which does not include the risk relating to the exposures, may be a significant limitation for an institution with a large proportion of loans with a low risk weighting. At the end of the first quarter of 2024, the leverage ratio for Jyske Realkredit was 6.28%, a minor increase from 6.20% computed at the end of 2023.

Leverage Ratio		
DKKm/%	31 March 2024	31 December 2023
Core capital	24,557	24,053
Total exposure value	391,289	388,068
Leverage ratio	6.28	6.20

Other capital requirements

In addition to the regulatory capital requirements, there are further requirements as to the size of Jyske Realkredit's capital in the form of the requirement from Standard & Poor's as to overcollateralisation (OC requirement) as well as the requirement as to supplementary collateral for covered bonds (SDO requirement).

To maintain the AAA rating for all Jyske Realkredit's capital centres (B, E and General Capital Centre), Jyske Realkredit must meet the overcollateralisation from Standard & Poor's. The individual capital centres must meet various requirements depending on the composition of the portfolios. At the end of the first quarter of 2024, the OC requirement amounted to DKK 8.6 bn against DKK 8.7 bn at the end of 2023 and can be met through liquid assets financed with both debt instruments and capital instruments.

Issuance of covered bonds (SDO) for the financing of loans takes place in Jyske Realkredit via capital centres E and S. Loans based on the issuance of covered bonds (SDO) must be monitored on an on-going basis to ensure that the LTV limit is complied with for each individual property. If the LTV limit is exceeded, for instance, due to a decline in the value of the property value, Jyske Realkredit must provide supplementary collateral. In addition, supplementary security calculated as 2% of the issued amount of SDO bonds will be required. At the end of Q1 2024, the SDO requirement amounted to DKK 9.7bn, of which DKK 2.7bn related to declining property values, etc. At the end of 2023, the SDO requirement amounted to DKK 10.1bn.

Basel III/IV

The EU Commission's proposal for implementation of the last elements of Basel III in the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD IV) has not yet been published which must be expected to happen in the spring of 2024. The rules are still expected to take effect as from 1 January 2025. The proposed rules, if adopted in the present form, will have a considerable effect on Danish mortgage credit institutions' capital requirements, especially in consequence of the introduction of an output floor (single stack approach) and changes in the risk weighing for both the IRB and the standardised approach. Due to the floor requirement, credit institutions will be subject to a capital requirement of at least 72.5% of the capital requirement calculated on the basis of the standardised approaches, which will be phased in gradually over several years. The special terms applicable to the statement of the output floor for loans secured on properties will only be temporary, and subsequently it is to be clarified how the permanent processing of loans secured on properties is to be drawn up. Based on the current proposal, the capital requirements for Jyske Realkredit are expected to increase due to the transition to the new capital adequacy rules.

Stress test and capital requirements

Jyske Realkredit performs a series of stress tests of the capital structure and overcollateralisation on the basis of various scenarios. Jyske Realkredit conducts stress tests according to internal scenarios as well as scenarios defined by the FSA. These stress tests analyse on a continuous basis the development of the capital structure under an economic downturn involving steep price declines in the property markets. The stress tests must demonstrate that Jyske Realkredit's capital is in compliance with the capital requirements and the related capital buffers. Therefore, Jyske Realkredit must maintain a level of capital somewhat in excess of the capital requirement plus capital buffers, otherwise the capital level would not suffice to meet the requirements of the demanding capital stress tests. The ongoing capital stress tests form a key part of Jyske Realkredit's capital planning and form part of the Jyske Bank Group's capital planning. The stress tests conducted show that the capital structures are robust.

Liquidity Coverage Ratio (LCR)

In connection with the determination of LCR, Jyske Realkredit has obtained permission to offset interdependent incoming and outgoing cash flows relating to mortgage loans, cf. Article 26 of the LCR regulation. In addition, a Pillar II liquidity requirement has been imposed on Jyske Realkredit.

The binding requirement on Jyske Realkredit's holding of liquid assets (HQLA - high-quality liquid assets) is based on the sum of the net outflow from LCR at DKK 6.2bn (End of 2023: DKK 13m) and the pillar II liquidity requirement at DKK 0.8bn (End of 2023: DKK 1.4bn) corresponding to a total requirement of DKK 7.0bn at the end of March 2024 (end of 2023: DKK 1.4bn) which must be met with HQLA. HQLA amounted to DKK 18.3bn (End of 2023: DKK 13.7bn), corresponding to an overcollateralisation of DKK 11.3bn. The LCR where the pillar II requirement is not included in the calculation was at the end of March 2024 calculated at 295% (End of 2023: 101,387%). According to regulation, the LCR must be at least 100%.

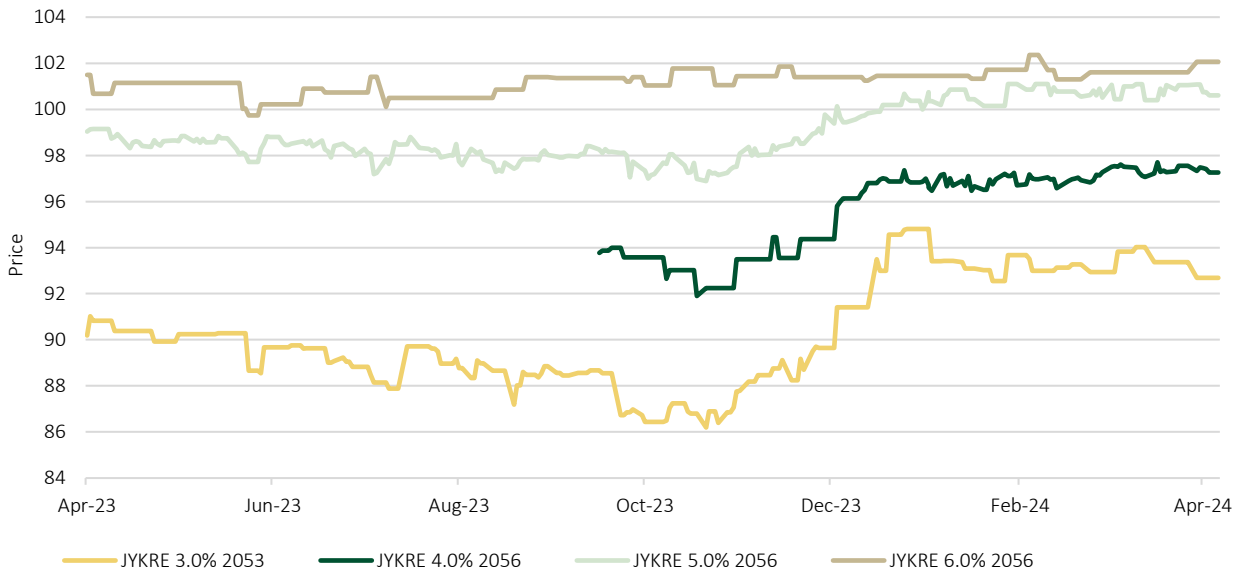
Net stable funding ratio (NSFR)

The NSFR must ensure that the credit institutions' funding profile is of a sufficiently long-term and stable nature relative to lending on the assets side. It is calculated with a time horizon of one year. Parallel to the LCR statement, interdependent assets and liabilities can be exempt from the NSFR calculation. The NSFR amounts to 264% at the end of March 2024 (end-2023: 262%) and must according to regulation amount to at least 100%.

Funding and Bond Issues

In Q1 2024, the prices of Jyske Realkredit bonds were comparatively stable. In full Q1 2024, the coupon of open 30-year callable bonds with instalment payments closest to 100 was 4%. Except for a few days in May 2023 with open issue of a callable bond having a coupon of 6%, the open callable bond with instalment payments has over the past year been at 4% or 5%.

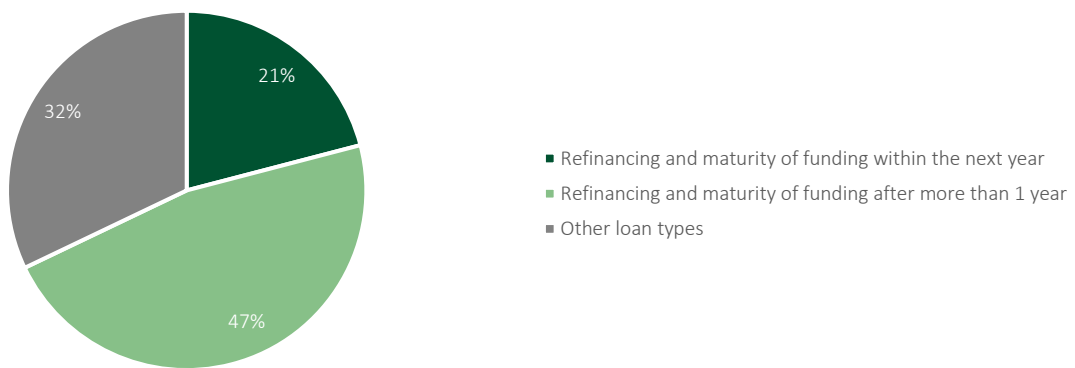
Prices of certain 30-year callable bonds from Jyske Realkredit



Source: Bloomberg

Over the remaining period of 2024, Jyske Realkredit will continue its efforts to reduce the refinancing risk. This takes place in consideration of the requirement that the individual series must be so large that, in respect of the liquidity buffer of the investors, they meet the LCR requirements (Liquidity Coverage Ratio).

Jyske Realkredit's loan portfolio, on 31 March 2024, by time of refinancing



Due to the rising yields, particularly on 30-year callable bonds over the past three years, more borrowers have chosen to re-mortgage to reduce the debt outstanding on their mortgages by redeeming their existing fixed-rate mortgages, as they can be priced below 100 and taking out a new mortgage. Clients who remortgage tend to a higher degree than before to take out a floating rate mortgage. Hence the proportion of personal borrowers with 30-year fixed-rate loans has fallen, while the proportion of clients with short-term adjustable-rate loans has increased.

Information according to CRR Article 129(7) on covered bonds (SDO) (among other things, disclosure of the value of the cover pool and outstanding covered bonds (SDO), geographical distribution and type of covered assets, maturity structure and loans more than 90 days past due) will be disclosed in an ECBC label template quarterly simultaneously with interim and annual reports. Please see jyskerealkredit.dk.

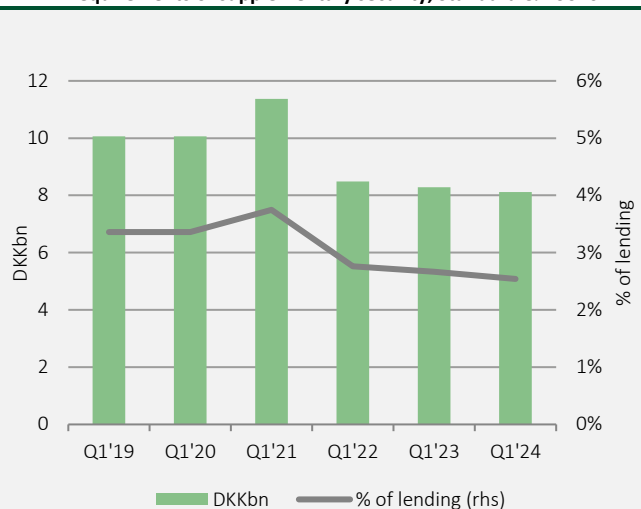
Rating

Jyske Bank's and Jyske Realkredit's joint issuer rating by Standard and Poor's (S&P) is A+ (stable outlook). Jyske Realkredit's bonds issued out of Capital Centre E, Capital Centre B and the General Capital Centre have been assigned a triple A (AAA) rating (Stable).

Rating

As at 31 March 2024	Rating	Date of rating / change of rating
Covered bonds		
- issued out of Capital Centre E	AAA	17/10 2011
Mortgage bonds		
- issued out of Capital Centre B	AAA	17/10 2011
- issued out of the General Capital Centre	AAA	27/12 2013
Issuer rating (long-term rating)	A+	21/07 2023
Issuer rating (short-term rating)	A-1	23/10 2019

AAA requirements of supplementary security, Standard & Poor's



Standard & Poor's average percentage requirement for supplementary security to maintain the AAA rating for mortgage bonds issued by Jyske Realkredit was lower in Q1 2024 compared with Q1 last year. The change was due to a general improvement of the credit quality of existing loans. The level has not been lower since Standard & Poor's began to rate Jyske Realkredit's bonds in 2011.

The supervisory diamond for mortgage credit institutions

The supervisory diamond defines a number of special risk areas including specified limits that financial institutions should generally not exceed. At the end of March 2024, Jyske Realkredit met all benchmarks of the supervisory diamond.

On an on-going basis, Jyske Realkredit reviews its positions relative to the benchmarks.

Supervisory diamond – benchmarks, %

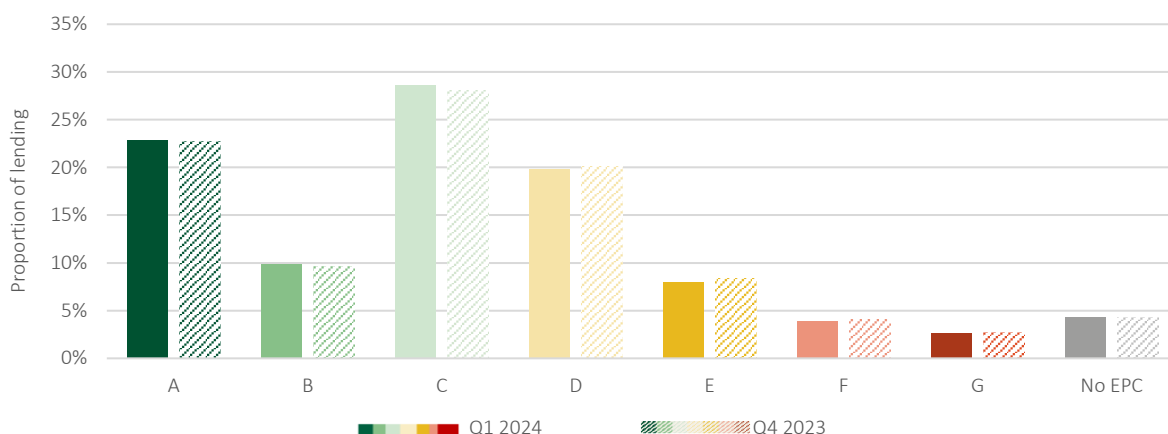
	31 March 2024	31 December 2023
Concentration risk <100 %	48.9	45.6
Increase in loans <15 % annually in the segment:		
- Residential property and vacation homes	-2.3	-1.5
- Residential rental properties	4.9	7.4
- Other sectors	6.4	6.6
Borrower's interest-rate risk <25 %		
- Residential properties	19.0	18.5
Instalment-free option <10 %		
- Residential property and vacation homes	4.1	4.3
Loans with frequent interest-rate fixing:		
- Refinancing (annually) <25 %	17.9	18.6
- Refinancing (quarterly) <12.5%	2.8	4.9

Sustainability

Jyske Realkredit is the first financial institution to launch a Sustainable Transparency Template. The template is prepared by Jyske Realkredit to offer investors insight into for instance the energy standard and CO₂e emission of the homes for which Jyske Realkredit has granted loans. With its focus on transparency within sustainability, Jyske Realkredit has contributed to setting up national as well as international standards for reporting on sustainability. The template is available at jyskerealkredit.dk/stt.

In the Sustainable Transparency Template, Jyske Realkredit publishes the distribution of Energy Performance Certificates for the properties it has financed. For the properties for which no valid Energy Performance Certificate has been issued, Jyske Realkredit estimates Energy Performance Certificates based on characteristics of the properties.

Jyske Realkredit's loan portfolio by energy rating



Note: For properties without a valid Energy Performance Certificate (EPC), an average EPC has been calculated for each individual property on the basis of the characteristics of the property.

Relative to the statement for the end of Q4 2023, the proportion of properties with low energy consumption has been slightly increasing.

In its attempts to increase the transparency for investors as to how Jyske Realkredit through its lending contributes to the green transition, Jyske Realkredit also publishes the total CO₂e emission from properties financed through Jyske Realkredit's Capital Centre E.

Estimated CO₂e emission per year relating to Jyske Realkredit's lending

Property type	31 March 2024		31 December 2023	
	Tonnes CO ₂ e (LTV-adjusted)	Kg CO ₂ e/m ²	Tonnes CO ₂ e (LTV-adjusted)	Kg CO ₂ e/m ²
Private owner-occupied homes and flats	91,685	11.9	96,039	12.1
Subsidised housing	25,040	5.4	24,931	5.4
Cooperative housing	4,085	6.1	4,054	6.1
Residential rental properties	20,875	5.5	20,833	5.6
Office and commercial properties	37,361	10.8	37,321	11.0
Other	16,447	9.5	14,329	8.3
Total	195,493	8.5	197,507	8.5

The total financed emission declined relative to the end of 2023. The decline can primarily be attributed to a change in the composition of loans and advances at Jyske Realkredit.

The estimated CO₂e emission is based on the Energy Performance Certificate, heating source, and total floor area of the individual property. Where the property has not been assigned an energy classification, the energy consumption and CO₂e emission will be estimated on the basis of the characteristics of the property. The estimated CO₂e emission will offer a good idea of which properties offer potential for lowering their emission by renovating the properties.

As Jyske Realkredit finances new properties with a low energy consumption, and at the same time also finances energy retrofitting of existing properties, it is expected that the average emission will fall over time. Jyske Realkredit will on an ongoing basis report on this development – see jyskerealkredit.dk/stt.

As part of Jyske Realkredit's Sustainable Transparency Template, it is also reported how much of Jyske Realkredit's lending supports one or more of the UN's Sustainable Development Goals.

Loans and advances supporting the UN's Sustainable Development Goals

Loan type	FN SDG	31 March 2024		31 December 2023	
		Loans, nominal (DKKm)	Proportion of total loans (%)	Loans, nominal (DKKm)	Proportion of total loans (%)
Renewable energy	7.2	3,149	0.8	3,059	0.8
Green buildings	7.3	116,036	31.1	116,437	31.2
Subsidised housing	11.3	24,490	6.6	24,210	6.5
Recycling	12.5	76	0.0	76	0.0
Total		143,751	38.5	143,752	38.5

Altogether, 38.5% of Jyske Realkredit's loans support one or more of the UN Sustainable Development Goals. Loans and advances, that support the UN's Sustainable Development Goals, remain practically unchanged relative to the end of 2023.

It is expected that the proportion of properties supporting the UN's targets will increase over time.

Criteria of which loans that support UN Sustainable Development Goals are defined in Jyske Bank Green Finance Framework. So far there have been many different definitions of which financial activities can be qualified as sustainable. The EU wishes to change this, and therefore, in 2021, the first version of the EU Taxonomy Regulation (the EU Taxonomy) was published. The Taxonomy Regulation defines six climate and environment objectives with criteria defined under each objective that activities must meet in order to qualify as climate and environmentally sustainable. In order for an activity to support one of the objectives, it must meet the technical screening criteria as well as criteria ensuring that the activity does no significant harm to any of the other objectives and lives up to the minimum social safeguard.

At present, the Jyske Realkredit Sustainable Transparency Template states the activities that Jyske Realkredit finances and that meet the technical screening criteria under the objective of climate change mitigation. In future, Jyske Realkredit will endeavour also to classify loans that meet the other objectives under the Taxonomy Regulation.

Loans subject to the technical screening criteria of the EU taxonomy regulation's targets to counter climate changes

Loan type	Criterion	31 March 2024		31 December 2023	
		Loans and advances (DKKm)	Proportion of total loans (%)	Loans and advances (DKKm)	Proportion of total loans (%)
Electricity from the sun	4.1	639	0.2	645	0.2
Electricity from the wind	4.3	843	0.2	710	0.2
Distribution of electricity	4.9	1,666	0.4	1,674	0.4
Ownership of existing buildings	7.7	95,497	25.6	96,254	25.8
Total		98646	26.4	99,283	26.6

The loan criteria are stated in the notes to the financial statements.

Jyske Realkredit's Sustainable Transparency Template also includes information on for instance CO₂ emissions and proportion of green properties at a level corresponding to each bond.

Other information

Additional information

For further information, please see jyskerealkredit.dk, which website also gives detailed financial information about Jyske Realkredit. Jyske Realkredit's Interim Report for the first quarter of 2024 can be downloaded from jyskerealkredit.dk/regnskaber.

Contact

Carsten Tirsbæk Madsen, Chief Executive Officer,
☎+45 89 89 90 50 or 📱+45 40 25 88 74.

Income Statement and Statement of Comprehensive Income

DKKm

Note	Q1 2024	Q1 2023
Income statement		
5 Interest income	3,135	2,535
6 Interest expenses	2,250	1,768
Net interest income	886	766
7 Fees and commission income	93	126
Fees and commission expenses	190	276
Net interest and fee income	789	616
8 Value adjustments	39	88
9 Employee and administrative expenses	102	99
Other operating expenses	9	7
10 Loan impairment charges (- is income)	21	-46
Pre-tax profit	695	645
11 Tax	181	163
Net profit for the period	514	482
Distributed to:		
Jyske Realkredit A/S shareholders	514	482
Total	514	482
Statement of Comprehensive Income		
Net profit for the period	514	482
Comprehensive income for the period	514	482
Distributed to:		
Jyske Realkredit A/S shareholders	514	482
Total	514	482

Balance Sheet

DKKm

Note	31 March 2024	31 Dec. 2023	31 March 2023
Assets			
Cash balance and demand deposits with central banks	6,440	6,397	3,688
Due from credit institutions and central banks	7,617	3,415	9,330
12 Loans at fair value	351,542	352,663	338,214
Bonds at fair value	18,184	19,101	15,263
Shares, etc.	57	59	59
Deferred tax assets	115	133	2
13 Assets in temporary possession	41	40	43
14 Other assets	1,159	1,201	1,119
Prepayments	7	11	7
Assets, total	385,161	383,021	367,725
Equity and liabilities			
Liabilities			
Due to credit institutions and central banks	68	79	488
15 Issued bonds at fair value	353,275	351,790	338,018
Issued bonds at amortised cost	750	750	750
Current tax liabilities	746	583	527
16 Other liabilities	5,601	5,610	5,272
Deferred income	16	18	26
Liabilities, total	360,456	358,830	345,081
Provisions			
Other provisions	3	2	4
Total provisions	3	2	4
Equity			
Share capital	500	500	500
Share premium	102	102	102
Retained earnings	24,100	23,587	22,039
Total equity	24,702	24,189	22,640
Total equity and liabilities	385,161	383,021	367,725
17 Off-balance sheet items			
Guarantees, etc.	0	0	0
Other contingent liabilities, etc. (loan offers)	15,935	12,337	13,526
Total guarantees and other contingent liabilities	15,935	12,337	13,526

Statement of Changes in Equity

DKKm

	Share capital	Share premium	Retained earnings	Total
Equity at 1 January 2024	500	102	23,587	24,189
Net profit for the period	-	-	514	514
Comprehensive income for the period	-	-	514	514
Equity at 31 March 2024	500	102	24,100	24,702
Equity on 1 January 2023	500	102	21,557	22,159
Net profit for the period	-	-	482	482
Comprehensive income for the period	-	-	482	482
Equity at 31 March 2023	500	102	22,039	22,640

Capital statement

	31 March 2024	31 Dec. 2023	31 March 2023
Equity	24,702	24,189	22,640
Prudent valuation	-30	-31	-34
Other deductions	-115	-104	-28
Common Equity Tier 1 capital / Core capital	24,557	24,053	22,578
Capital base	24,557	24,053	22,578
Weighted risk exposure involving credit risk etc.	82,081	83,760	75,928
Weighted risk exposure involving operational risk	4,376	3,709	3,709
Total weighted risk exposure	86,457	87,469	79,637
Capital requirement, Pillar I	6,917	6,997	6,371
Capital requirement, Pillar II	1,616	1,694	1,361
Capital requirement, total	8,532	8,692	7,732
Capital ratio (%)	28.4	27.5	28.4
Core capital ratio (%)	28.4	27.5	28.4
Common Equity Tier 1 capital ratio (%)	28.4	27.5	28.4

For further information on the individual solvency requirement, please see the section in the management's review on 'Capital structure'.

Notes

1 Accounting policies

The Interim Financial Report for the period 1 January - 31 March 2024 for Jyske Realkredit A/S was prepared according to the Danish Financial Business Act as well as the relevant accounting rules in compliance with IFRS. Furthermore, the Interim Financial Report was prepared in accordance with the additional Danish disclosure requirements for the interim reports of listed financial undertakings.

The accounting policies are identical to those applied to and described in detail in the Annual Report 2023.

2 Material accounting estimates

Measurement of the carrying value of certain assets and liabilities requires the management's estimate of the influence of future events on the value of such assets and liabilities. Estimates of material importance to the financial reporting are, among other things, based on the impairment of loans and also assets in temporary possession, cf. the detailed statement in the Annual Report 2023. The estimates are based on assumptions which management finds reasonable, but which are inherently uncertain. Besides, the company is subject to risks and uncertainties which may cause the actual results to differ from those estimates.

The financial statements reflect adjusting events until 7 May 2024.

	31 March 2024	31 Dec. 2023	31 March 2023
3 Financial ratios and key figures			
Capital ratio (%)	28.4	27.5	28.4
Core capital ratio (%)	28.4	27.5	28.4
Return on equity (average) before tax for the period (%)	2.8	11.5	2.7
Return on equity (average) after tax for the period (%)	2.1	8.8	2.2
Income/cost ratio (%)	6.2	7.2	11.8
Currency position (%)	0.1	0.0	0.0
Accumulated impairment ratio (%)	0.4	0.4	0.4
Impairment ratio for the period (%)	0.01	0.00	-0.01
Increase in loans for the period (%)	-0.1	2.2	0.5
Loans relative to equity	14.2	14.6	14.9
Return on capital employed	0.13	0.53	0.13

The financial ratios in this note are based on the definitions and guidelines laid down by the Danish Financial Supervisory Authority.

Notes

4 Alternative performance targets

	Q1 2024			Q1 2023		
	Core profit	Reclassification	Total	Core profit	Reclassification	Total
Administration margin income, etc.	615	-	615	628	-	628
Other net interest income, etc.	256	15	271	140	-1	139
Net interest income	870	15	886	767	-1	766
Net fee and commission income	-97	-	-97	-150	-	-150
Net interest and fee income	773	15	789	617	-1	616
Value adjustments	55	-15	39	87	1	88
Income	828	-	828	704	-	704
Expenses	112	-	112	106	-	106
Profit before loan impairment charges	716	-	716	598	-	598
Loan impairment charges (- is an income)	21	-	21	-46	-	-46
Pre-tax profit	695	-	695	645	-	645

The alternative performance targets applied in the management's review constitute valuable information for readers of financial statements as they provide a more uniform basis for comparison of accounting periods. No adjusting entries are made, and therefore the pre-tax profit for the period will be the same in the alternative performance targets of the management's review and in the profit according to the provisions of the Danish Executive Order on the Preparation of Financial Statements.

The above table illustrates relationships between income statement items under Jyske Realkredit (key financial data) on page 2 and income statement items prepared according to the Danish Executive Order on the Preparation of Financial Statements (page 19). Expenses in the above table relate to Employee and administrative expenses as well as Other operating expenses in the income statement according to the Danish Executive Order on the Preparation of Financial Statements.

	Q1 2024	Q1 2023
5 Interest income		
Due from credit institutions and central banks ¹	77	46
Loans	2,303	1,876
Administration margin	513	500
Bonds	202	132
Derivatives, interest-rate and currency contracts	67	22
Other interest income	18	9
Interest income before offsetting of interest on own bonds	3,179	2,585
Interest on own bonds, set off against interest on issued bonds	43	50
Total	3,135	2,535
¹ Of which interest income on reverse repos carried under 'Due from credit institutions and central banks'	4	6

Notes

DKKm

	Q1 2024	Q1 2023
6 Interest expenses		
Due to credit institutions and central banks ¹	7	6
Issued bonds	2,056	1,662
Other interest expenses	231	151
Interest expenses before offsetting of interest on own bonds	2,293	1,819
Interest on own bonds, set off against interest on issued bonds	43	50
Total	2,250	1,768
¹ Of which interest expenses on repos carried under 'Due to credit institutions and central banks'	0	-
7 Fees and commission income		
Securities trading and custody services	52	74
Loan application fees	41	52
Other fees and commissions	0	0
Total	93	126
8 Value adjustment		
Mortgage loans	-653	2,607
Other loans and receivables at fair value	-1	0
Bonds	11	128
Shares, etc.	-2	-1
Currency	-1	-3
Currency, interest-rate and other contracts as well as other derivatives	-146	149
Issued bonds	831	-2,793
Total	39	88
<p>Value adjustment of the balance principle amounted to an expense of DKK 0,1m (2023: DKK +1m), resulting from a net value adjustment of the following items: mortgage loans by DKK -656m (DKK +2,654m), issued mortgage bonds by DKK +831m (DKK -2,793m) as well as derivatives by DKK -175m (DKK +137m), recognised in Currency, interest-rate and other contracts as well as other derivatives.</p>		
9 Employee and administrative expenses		
Employee expenses		
Wages and salaries, etc.	6	5
Pensions	1	1
Payroll tax	1	1
Social security	0	0
Total	8	7
Salaries and remuneration to the Executive Board and the Supervisory Board		
Executive Board	2	2
Supervisory Board	0	0
Total	2	2
Other administrative expenses		
IT	4	4
Other administrative expenses	89	86
Total	92	90
Total	102	99

	Q1 2024	Q1 2023
10 Loan impairment charges		
Loan impairment charges for the period	24	-46
Recognised as a loss, not covered by impairment charges	3	1
Recoveries	-6	-2
Total	21	-46
Balance of impairment charges		
Balance of impairment charges, beginning of period	1,441	1,384
Loan impairment charges for the period	24	-46
Other adjustments	-	35
Recognised as a loss, covered by impairment charges	-11	-3
Balance of impairment charges, end of period	1,455	1,370
Mortgage loan impairment charges	1,327	1,260
Impairment charges on other loans and receivables, etc.	128	110
Balance of impairment charges, end of period	1,455	1,370

Recognised as a loss, not covered by previous loan impairment charges primarily relating to a limited number of loans to private individuals. At the beginning of the year, the loans were categorised as stage 1 loans with limited risk and loan impairment charges, but defaulted during the year, after which a loss was established on these cases exceeding the loan impairment charges. The extent of these cases has over the year not been at an unusual level.

Breakdown of balance of impairment charges by stage Q1 2024	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of period	738	220	483	1,441
Transfer of impairment charges at the beginning of the period to stage 1	45	-37	-8	-
Transfer of impairment charges at the beginning of the period to stage 2	-43	54	-11	-
Transfer of impairment charges at the beginning of the period to stage 3	-2	-3	6	-
Impairment charges relating to new loans	31	0	1	32
Decline in the balance of impairment charges due to repayment of loans	-28	-11	-6	-45
Effect from recalculation	-68	83	23	37
Previously recognised as impairment charges, now losses	-0	-0	-11	-11
Balance of impairment charges, end of period	673	305	477	1,455

To a great extent, the development relating to new loans and repaid loans can be ascribed to refinancing of loans. Effect from recalculation is affected by changes in Loss Given Default (LGD), Probability of default (PD) and management's estimates.

Breakdown of balance of impairment charges by stage Q1 2023	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of period	668	216	500	1,384
Transfer of impairment charges at the beginning of the period to stage 1	24	-22	-1	-
Transfer of impairment charges at the beginning of the period to stage 2	-9	19	-10	-
Transfer of impairment charges at the beginning of the period to stage 3	-1	-2	3	-
Impairment charges relating to new loans	35	5	3	43
Decline in the balance of impairment charges due to repayment of loans	-23	-7	-15	-45
Effect from recalculation	5	29	-43	-9
Previously recognised as impairment charges, now losses	0	0	-3	-3
Balance of impairment charges, end of period	700	236	433	1,370

To a great extent, the development relating to new loans and repaid loans can be ascribed to refinancing of loans.

11 Tax
Effective tax rate

Corporation tax rate in Denmark	22.0	22.0
Special tax for financial companies	4.0	3.2
Non-taxable income and non-deductible expenses, etc.	0.1	0.1
Effect due to a change to the tax rate ¹	-	-0.0
Total	26.1	25.2

¹ The corporation tax rate for financial services companies was raised from 25.2 in 2023 to 26.0 in 2024 and onwards.

Notes

DKK m

	31 March 2024	31 Dec. 2023	31 March 2023
12 Loans at fair value			
Mortgage loans, nominal value	373,147	373,677	367,293
Adjustment for interest-rate risk, etc.	-20,633	-20,049	-28,109
Adjustment for credit risk	-1,327	-1,321	-1,321
Mortgage loans at fair value	351,186	352,307	337,864
Arrears and outlays	88	74	63
Other loans and receivables	268	283	287
Total	351,542	352,663	338,214
Mortgage loans at fair value broken down by property category			
Owner-occupied homes	162,745	163,915	161,419
Vacation homes	9,561	9,654	9,760
Subsidised Housing (rental housing)	47,600	47,547	46,104
Cooperative housing	11,576	11,739	11,336
Private rental properties (rental housing)	70,330	70,578	63,818
Industrial properties	5,313	5,065	3,761
Office and business properties	36,551	35,911	34,080
Agricultural properties, etc.	178	180	158
Properties for social, cultural and educational purposes	7,278	7,678	7,390
Other properties	55	39	38
Total	351,186	352,307	337,864
13 Assets in temporary possession			
Properties acquired through foreclosure	41	40	43
Total	41	40	43
14 Other assets			
Positive fair value of derivatives	667	775	825
Interest and commission receivable	258	225	185
Loan applications in process	163	150	19
Other assets	71	51	90
Total	1,159	1,201	1,119
15 Issued bonds at fair value			
Issued mortgage bonds, nominal value	394,516	400,674	388,839
Adjustment to fair value	-22,912	-22,012	-30,424
Own mortgage bonds, fair value	-18,330	-26,872	-20,397
Total	353,275	351,790	338,018
16 Other liabilities			
Negative fair value of derivatives	1,599	1,700	2,231
Interest and commission payable	2,688	2,448	2,163
Other liabilities	1,314	1,462	877
Total	5,601	5,610	5,272

Notes

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	31 March 2024	31 Dec. 2023	31 March 2023
17 Off-balance sheet items			
Guarantees, etc.			
Other guarantees	0	0	0
Total	0	0	0
Other contingent liabilities, etc.			
Irrevocable loan commitments	15,927	12,329	13,519
Other contingent liabilities	8	8	7
Total	15,935	12,337	13,526

Irrevocable loan commitments relate materially to the obligation to pay out loans according to offers for mortgage loans with a term of up to six months made by Jyske Realkredit (the term may be longer within the subsidised housing sector). All offers were made in accordance with Jyske Realkredit's credit policy and constitute a customary part of the process of paying out mortgage loans. However, in the event that a client is subsequently registered with the RKI debtor register, etc., Jyske Realkredit shall not be bound by the loan offer.

18 Related parties

Jyske Realkredit has debit/credit balances, including bank accounts, etc., with a number of its related parties. Transactions between related parties are characterised as ordinary financial transactions and services of an operational nature. Transactions with related parties were executed on an arm's length basis or at cost.

Over the period 1 January to 31 March 2024, no unusual related party transactions took place. Please see Jyske Realkredit's Annual Report 2023 for a detailed description of transactions with related parties.

	31 March 2024	31 Dec. 2023	31 March 2023
19 Contractual time to maturity			
Assets			
Due from credit institutions and central banks			
Demand deposits	860	957	1,166
Up to 3 months	6,757	2,459	8,163
Over 3 months and up to 1 year	-	-	-
Over 1 year and up to 5 years	-	-	-
Over 5 years	-	-	-
Total	7,617	3,415	9,330
Loans at fair value ¹			
Up to 3 months	2,094	1,974	1,901
Over 3 months and up to 1 year	6,202	6,484	6,136
Over 1 year and up to 5 years	40,598	40,594	38,758
Over 5 years	302,648	303,612	291,419
Total	351,542	352,663	338,214
Bonds at fair value			
Up to 3 months	1,018	3,017	465
Over 3 months and up to 1 year	9,388	8,588	7,110
Over 1 year and up to 5 years	7,740	7,458	7,538
Over 5 years	38	39	150
Total	18,184	19,101	15,263
Liabilities			
Due to credit institutions and central banks			
Demand deposits	5	-	396
Up to 3 months	64	79	92
Over 3 months and up to 1 year	-	-	-
Over 1 year and up to 5 years	-	-	-
Over 5 years	-	-	-
Total	68	79	488
Issued bonds at fair value ¹			
Up to 3 months	8,024	7,308	6,051
Over 3 months and up to 1 year	82,960	76,408	77,995
Over 1 year and up to 5 years	142,384	157,490	138,965
Over 5 years	119,907	110,583	115,008
Total	353,275	351,790	338,018
Issued bonds at amortised cost			
Up to 3 months	-	-	-
Over 3 months and up to 1 year	750	750	-
Over 1 year and up to 5 years	-	-	750
Over 5 years	-	-	-
Total	750	750	750

The above amounts are exclusive of interest.

¹The cash flow imbalance between mortgage loans (the main item of 'Loans at fair value') and 'Issued bonds at fair value' is due to the fact that 30-year adjustable rate mortgage loans (ARM) are funded by bonds with maturities of 1-10 years.

	31 March 2024	31 Dec. 2023	31. March 2023
20 Loan portfolio by EPC (%)			
EPC A	22.8	22.8	21.6
EPC B	9.9	9.9	9.4
EPC C	28.6	28.5	28.3
EPC D	19.9	19.7	20.9
EPC E	8.0	8.1	8.8
EPC F	3.9	4.0	4.2
EPC G	2.7	2.7	2.8
No emission/no data	4.3	4.3	4.1
Total	100.0	100.0	100.0

For properties without a valid Energy Performance Certificate (EPC), an estimated EPC has been applied based on the characteristics of the property.

21 Estimated CO₂e emission per year relating to Jyske Realkredit's loans

Loan type	31 March 2024		31 Dec. 2023		31 March 2023	
	Tonnes CO ₂ e (LTV- adjusted)	Kg CO ₂ e/m ²	Tonnes CO ₂ e (LTV- adjusted)	Kg CO ₂ e/m ²	Tonnes CO ₂ e (LTV- adjusted)	Kg CO ₂ e/m ²
Private owner-occupied homes and flats	91,685	11.9	96,039	12.1	117,291	13.4
Subsidised housing	25,040	5.4	24,931	5.4	26,680	5.8
Cooperative housing	4,085	6.1	4,054	6.1	4,433	6.7
Residential rental properties	20,875	5.5	20,833	5.6	21,775	6.1
Office and commercial properties	37,361	10.8	37,321	11.0	41,004	12.2
Other	16,447	9.5	14,329	8.3	14,298	8.3
Total	195,493	8.5	197,507	8.5	225,481	9.4

The year's CO₂e emission are calculated as estimated emissions for the past 12 month.

22 Loans supporting the UN Sustainable Development Goals

Loan type	FN SDG	31 March 2024		31 Dec. 2023		31 March 2023	
		Loans nominal (DKKk)	Proportion of total loans (%)	Loans nominal (DKKk)	Proportion of total loans (%)	Loans nominal (DKKk)	Proportion of total loans (%)
Renewable energy	7.2	3,149	0.8	3,029	0.8	1,799	0.5
Green buildings	7.3	116,036	31.1	116,437	31.2	107,332	29.2
Subsidised housing	11.3	24,490	6.6	24,210	6.5	25,393	6.9
Recycling	12.5	76	0.0	76	0.0	6	-
Total		143,751	38.5	143,752	38.5	134,530	36.6

UN Sustainable Development Goals:

7.2: By 2030, the proportion of renewable energy in the global energy mix must be increased significantly.

7.3: By 2030, the global pace for the improvement of energy efficiency must be doubled.

11.3: By 2030, urban development must be more inclusive and sustainable.

12.5: Before 2030, waste generation must be significantly reduced through prevention, reduction, recovery and recycling.

23 Loans subject to the technical screening criteria of the EU taxonomy regulation's targets to counter climate changes

Loan type	Criterion	31 March 2024		31 Dec. 2023		31 March 2023	
		Loans nominal (DKKm)	Proportion of total loans (%)	Loans nominal (DKKm)	Proportion of total loans (%)	Loans nominal (DKKm)	Proportion of total loans (%)
Electricity from the sun	4.1	639	0.2	645	0.2	35	0.0
Electricity from the wind	4.3	843	0.2	710	0.2	822	0.2
Distribution of electricity	4.9	1,666	0.4	1,674	0.4	942	0.3
Ownership of existing buildings	7.7	95,497	25.6	96,254	25.8	91,136	24.8
Total		98,646	26.4	99,283	26.6	92,936	25.3

Jyske Realkredit reports the technical screening criteria voluntarily. The statement does not consider whether the loans meet the Do No Significant Harm (DNSH) criteria and minimum Social Safeguards criteria.

Statement by the Executive and Supervisory Boards

Today we have discussed and approved the Interim Financial Report of Jyske Realkredit A/S for the period 1 January to 31 March 2024.

The Interim Financial Statements of Jyske Realkredit A/S were prepared in accordance with the requirements of the law, including the Danish Financial Business Act. Furthermore, the Interim Financial Report was prepared in accordance with the additional Danish disclosure requirements for interim financial reports of issuers of listed bonds.

The Interim Financial Report is unaudited and has not been reviewed.

In our opinion, the Interim Financial Report gives a true and fair view of the company's financial position on 31 March 2024 and of the company's financial performance for the period 1 January to 31 March 2024.

In our opinion, the Management's Review gives a fair presentation of the development in the company's performance and financial position, the profit for the period and the company's financial position as well as a description of the most material risks and elements of uncertainty that may affect the company.

Kgs. Lyngby, 7 May 2024.

Executive Board

Carsten Tirsbæk Madsen
CEO and Director

Torben Hansen
Director

Anders Lund Hansen
Director

Supervisory Board

Niels Erik Jakobsen
Chairman

Lars Waalen Sandberg
Deputy Chairman

Per Skovhus

Peter Schleidt

Kim Henriksen
Elected by employees

Steen Brastrup Clasen
Elected by employees