



Interim Financial Report Q1-Q3 2023

Interim Financial Report, Q1-Q3 2023

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Jyske Bank A/S
Vestergade 8-16
DK-8600 Silkeborg
Tel.: +45 89 89 89 89
www.jyskebank.dk
Email: jyskebank@jyskebank.dk
Business Reg. No. (CVR): 17616617

The Jyske Bank Group

Core profit and net profit for the period (DKKm)

	Q1-Q3 2023	Q1-Q3 2022	Index 23/22	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Full year 2022
Net interest income	7,155	4,083	175	2,516	2,415	2,224	1,773	1,412	5,856
Net fee and commission income	1,813	1,848	98	602	553	658	681	598	2,529
Value adjustments	878	-384	-	452	186	240	523	-300	139
Other income	165	195	85	35	26	104	44	20	239
Income, operating lease (net)	233	283	82	66	83	84	60	98	343
Core income	10,244	6,025	170	3,671	3,263	3,310	3,081	1,828	9,106
Core expenses	4,498	3,550	127	1,524	1,494	1,480	1,329	1,206	4,879
Core profit before loan impairment charges	5,746	2,475	232	2,147	1,769	1,830	1,752	622	4,227
Loan impairment charges	96	-447	-	-13	13	96	-158	-200	-605
Core profit	5,650	2,922	193	2,160	1,756	1,734	1,910	822	4,832
Investment portfolio earnings	7	-102	-	65	-89	31	-29	-119	-131
Profit before one-off costs	5,657	2,820	201	2,225	1,667	1,765	1,881	703	4,701
One-off costs relating to Handelsbanken DK	-156	-78	200	-59	-59	-38	-66	-67	-144
Pre-tax profit	5,501	2,742	201	2,166	1,608	1,727	1,815	636	4,557
Tax	1,395	548	255	548	409	438	257	133	805
Net profit for the period	4,106	2,194	187	1,618	1,199	1,289	1,558	503	3,752
Interest on AT1 capital, charged against equity	120	108	111	41	40	39	39	37	147

Summary of balance sheet, end of period (DKKbn)

Loans and advances	538.5	466.5	115	538.5	542.0	542.0	541.7	466.5	541.7
- of which mortgage loans	337.6	304.5	111	337.6	337.9	338.2	333.7	304.5	333.7
- of which bank loans	151.8	115.2	132	151.8	154.1	155.1	155.5	115.2	155.5
- of which repo loans	49.1	46.8	105	49.1	50.0	48.7	52.5	46.8	52.5
Bonds and shares, etc.	98.5	88.7	111	98.5	93.3	99.7	97.4	88.7	97.4
Total assets	759.5	672.0	113	759.5	766.6	786.0	750.0	672.0	750.0
Deposits	215.8	162.1	133	215.8	215.7	228.3	208.4	162.1	208.4
- of which bank deposits	194.9	149.2	131	194.9	194.4	202.2	189.1	149.2	189.1
- of which repo and triparty deposits	20.9	12.9	162	20.9	21.3	26.1	19.3	12.9	19.3
Issued bonds at fair value	333.5	299.8	111	333.5	332.5	331.2	324.2	299.8	324.2
Issued bonds at amortised cost	86.5	87.7	99	86.5	90.8	96.8	95.4	87.7	95.4
Subordinated debt	6.1	6.4	95	6.1	6.1	6.1	6.4	6.4	6.4
Holders of additional tier 1 capital	3.3	3.3	100	3.3	3.3	3.3	3.3	3.3	3.3
Shareholders' equity	41.3	35.8	115	41.3	39.8	38.6	37.3	35.8	37.3

Financial ratios and key figures

Earnings per share for the period (DKK)*	62.0	31.9		24.6	18.0	19.5	23.7	7.3	55.4
Earnings per share for the period (diluted) (DKK)*	62.0	31.9		24.6	18.0	19.5	23.7	7.3	55.4
Pre-tax profit as % of average equity*	18.3	10.0		21.0	16.0	17.8	19.5	6.7	12.4
Profit for the period as % of average equity*	13.5	7.9		15.6	11.8	13.2	16.7	5.2	10.0
Expenses as a percentage of income	43.9	58.9		41.5	45.8	44.7	43.1	66.0	53.6
Capital ratio (%)	20.9	23.6		20.9	20.3	19.6	19.5	23.6	19.5
Common equity tier 1 capital ratio (%)	16.7	18.6		16.7	16.1	15.4	15.2	18.6	15.2
Individual solvency requirement (%)	11.2	11.3		11.2	11.1	11.0	10.8	11.3	10.8
Capital base (DKKbn)	46.2	44.8		46.2	45.2	44.1	43.0	44.8	43.0
Weighted risk exposure (DKKbn)	221.4	190.0		221.4	222.5	225.1	220.9	190.0	220.9
Share price at end of period (DKK)	517	398		517	518	480	451	398	451
Distributed dividend per share (DKK)	0	0		0	0	0	0	0	0
Book value per share (DKK)*	643	557		643	619	600	581	557	581
Price/book value per share (DKK)*	0.8	0.7		0.8	0.8	0.8	0.8	0.7	0.8
Outstanding shares in circulation ('000)	64,266	64,251		64,266	64,255	64,272	64,264	64,251	64,264
No. of full-time employees, end of period**	3,925	3,266		3,925	3,923	3,878	3,854	3,266	3,854

Relationships between income statement items under 'The Jyske Bank Group' (key financial data) and the income statement page 20 appear from note 4.

*Financial ratios are calculated as if additional tier 1 capital is recognised as a liability.

** The number of employees at the end of the third quarter of 2023 less 16 employees who are financed externally against 15-20 employees in the other quarters.

Summary

"Jyske Bank's earnings per share rose by 94% to DKK 62 in the first nine months of 2023 and have already now exceeded the record-setting year 2022. The increase was due to the acquisition of Handelsbanken Denmark, a higher interest-rate level and a favourable development in the financial markets. The integration of the former Handelsbanken Denmark is still on track. The last of the 30 branch mergers were implemented in October, and the migration from BEC to Bankdata will take place on 11 November 2023. On 1 October, we welcomed new colleagues and clients following the acquisition of PFA Bank which contributed to a further strengthening of the business volume within asset management and wealth management advice. On the basis of the positive trend in 2023, we now expect to report results at the upper end of the range of DKK 70-80 per share, and consequently, the Supervisory Board recommend a dividend at DKK 500m at an extraordinary general meeting on 1 December 2023," says Anders Dam, CEO and Managing Director.

Earnings per share amounted to DKK 62.0 in the first nine months of 2023 against DKK 31.9 in the same period in 2022. The improved performance was driven by 75% higher net interest income due to the acquisition of Handelsbanken Denmark and the higher interest-rate level. The Danish central bank's rate of interest on certificates of deposit rose from -0.6% at mid-2022 to 3.6% p.a. Net fee and commission income showed a minor setback due to lower activity in the property market and lower lending activity. The lower activity level mirrors that large parts of the Danish economy were dominated by a slowdown in growth in the first nine months of 2023 despite a continued resilient labour market. The slowdown in growth can primarily be attributed to the solid increase in interest rates. As expected, core expenses were up due to the acquisition of Handelsbanken Denmark whereas the cost/income ratio was reduced to 44% in the first nine months of 2023 from 59% in 2022. Credit quality remained solid and offers a good basis for countering macro-economic uncertainty and moderate growth prospects for the Danish economy with a management's estimate at DKK 1,415m. Based on the development in the first nine months of 2023, earnings expectations for 2023 were raised three times from originally DKK 55-65 per share and most recently narrowed to the upper end of the range of DKK 70-80 per share.

After almost 34 years with Jyske Bank - of these the past 28 years on the Group Executive Board - Anders Dam has decided to retire at end-October 2023, cf. Corporate Announcement No. 15/2023. Jyske Bank's balance sheet has increased more than tenfold since Anders Dam took over as CEO and Managing Director in 1997, and earnings per share have risen from DKK 9.7 in 1997 to expectedly up to DKK 80 in 2023. With effect as from 1 November 2023, Jyske Bank's Supervisory Board has employed Lars Stensgaard Mørch as new CEO and Managing Director. In addition, Managing Director, Per Skovhus, has announced

his wish to retire in the course of the first half of 2024.

On 21 July 2023, Standard & Poor's upgraded Jyske Bank's issuer rating to 'A+' from 'A'. The higher rating was due to a higher level of eligible liabilities, improved profitability, and a solid capital base. Outlook is considered stable. No Danish financial institutions have a higher issuer rating at Standard & Poor's.

On 13 June 2023, Jyske Bank announced the acquisition of PFA Bank and an agreement with PFA Invest on the administration and portfolio management of the clients' funds. The price totalled DKK 247m inclusive of equity of DKK 120m and the acquisition was implemented on 1 October 2023 following approval by the Danish Competition and Consumer Authority. Jyske Bank took over approx. 10,000 personal clients and private banking clients, deposits of DKK 0.7bn, assets under management of DKK 16.1bn and 40 full-time employees. Non-recurring costs are expected to amount to approx. DKK 50m in 2024, inclusive of IT integration in H1 2024. The deal is expected to give a positive contribution to the net profit before non-recurring costs in 2024 and to have its full financial impact as from 2025. Jyske Bank has a good value proposition within asset management and wealth management advice, and the Group's private banking clients have according to the research company Voxmeter been Denmark's most satisfied clients for the past eight years running.

The acquisitions of Handelsbanken Denmark in 2022 and PFA Bank in 2023 mirror Jyske Bank's ambitions of high-quality growth and underline the Group's desired role in market consolidation. The larger scale supports the possibilities of developing and offering attractive products and services to Jyske Bank's existing and future clients. The acquisitions also offer the possibility of realising economies of scale based on a common IT platform starting with Handelsbanken Denmark as of November 2023.

The integration of the former Handelsbanken Denmark is proceeding according to plan as regards financial, business and organisational issues. The future tasks of all employees were clarified in Q1 2023, when also business analyses, forming the basis of the migration of data to Bankdata from BEC, were finalised. Branch mergers in cities where both the former Handelsbanken Denmark and Jyske Bank were present have reduced the total number of branches by 1/4 after the last planned mergers were implemented in October 2023. The preparations for the migration data to Bankdata from BEC are proceeding according to plan following a successful trial run conducted in October 2023 with more than 200 employees involved. The acquisition of Handelsbanken Denmark is already now estimated to have attained the 2025 target of a contribution to the Group's pre-tax profit at DKK 1.0bn p.a., and the potential for the pre-tax profit is estimated to be approx. DKK 0.3bn above the original expectations.

Jyske Bank will gather activities from Jyske Realkredit's head office at Kgs. Lyngby, the head office of the former Handelsbanken Denmark at Havneholmen as well as existing business activities at Vesterbrogade at Kalvebod Brygge in Copenhagen as from mid-2025. The re-location is expected to create a good physical working environment for the employees, a strong professional environment and will also result in cost synergies.

In the first nine months of 2023, the corporate client area realised continued advance in business volume. In July 2023, The European Investment Bank (EIB) and Jyske Bank signed a loan agreement of DKK 1.5bn to support small and medium-sized enterprises in Denmark with particular focus on climate-relevant business models or investment plans. Jyske Forsikring has developed insurance concepts targeted at specific sectors to the benefit of corporate clients. The personal client area launched new strategic initiatives in order to implement best practice in connection with the acquisition of Handelsbanken Denmark and on a further strengthening of the local mandata as well as initiatives to obtain even better client experiences. The first nine months of 2023 were dominated by branch mergers, organisational changes, client satisfaction analyses and a more client-oriented adviser model with easier access to personal advisers and specialised advisory services when required. According to Voxmeter's image survey Jyske Bank reported the most significant improvement among Danish banks.

Jyske Bank's product range was also supported by the recent introduction of the bank mortgage loan "Prioritetslån+". The loan is designed for personal clients who want flexibility in their financial affairs and makes it possible to link a deposit account on attractive terms and conditions. Moreover, Jyske Bank announced positive deposit rates on transaction accounts for both personal clients and corporate clients. The offering of savings products and fixed-term deposits was also improved, including a recently launched interest-rate guarantee of 3% p.a.

Running a sustainable and responsible business is one of Jyske Bank's targets, and climate is the most important impact area for the Group. Jyske Bank's target is net zero CO₂ emission across business-oriented activities in the form of loans and investments not later than in 2045 and 2050, respectively. In addition, Jyske Bank aims at lending growth contributing to mitigate climate changes, and for the CO₂ emission from Jyske Bank's own activities the target is a reduction of 65% from 2020 to 2030.

In the first nine months of 2023, Jyske Bank established two additional solar cell systems with respect to meeting the intermediate target for 2030. Sustainability was promoted through webinars about energy renovation of properties, climate project days for agricultural clients and the possibility of sustainability-linked financing. Jyske Realkredit was awarded the Euronext prize for issuing the highest amount of green mortgage bonds in terms of volume in 2023. The resources of the special branch, Green Energy, was expanded considerably, supporting the ambition to increase the financing of renewable energy production even further. Jyske Bank also introduced Jyske Billån offering a favourable loan rate for cars with low emission intensity and a "Fyr dit fyr" loan targeting the change of sources of heating. The latter complements the sustainable value proposition to homeowners of energy loans and partnerships targeted at the change of sources of heating.

Earnings per share DKK 62.0 in Q1-Q3 2023

Earnings per share rose to DKK 62.0 from DKK 31.9, corresponding to a net profit of DKK 4,106m and a return of 13.5% p.a. on equity against DKK 2,194m and 7.9% p.a., respectively in the first nine months of 2022.

Jyske Bank's loans and advances were roughly unchanged at the end of the third quarter of 2023 relative to the end of 2022. Loans and advances under banking activities declined by 4%, which can partly be attributed to deferred tax and VAT payments. Bank deposits were up by 3% due to a

higher amount of time deposits from corporate clients whereas personal clients selected savings products with higher interest rates. Leasing and car financing realised an increase of 4% driven by corporate clients. Nominal mortgage loans rose by 1% since higher loans and advances to corporate clients more than offset a lower amount of loans and advances to personal clients.

Core income rose by 70% relative to the first nine months of 2022 due to markedly higher net interest income and value adjustments. Net interest income was up by 75% and was supported by a higher interest-rate level as well as higher loans and advances to corporate clients and the acquisition of Handelsbanken Denmark. Net fee and commission income declined from a record-high level due to slower loan and refinancing activity compared with the first nine months of 2022. Value adjustments showed a historically significant increase due to more favourable financial markets. Other income declined from an very high level whereas favourable sales conditions in the used car market contributed to sustained high income from operating lease (net).

Core expenses rose by 27% compared to the first nine months of 2022. The increase can primarily be attributed to the acquisition of Handelsbanken Denmark which contributed, among other things, to an increase in the number of full-time employees as well as higher expenses for data processing centres and write-offs on acquired client relations. Underlying core expenses rose by 3%, among other things, as a result of an increased number of full-time employees allocated to prevention of financial crime as well as wage increases relating to the collective agreement of 4.5%. In addition, non-recurring expenses of DKK 156m relating to the acquisition of Handelsbanken Denmark against DKK 78m the year before.

Loan impairment charges amounted to an expense of DKK 96m against an income of DKK 447m in the first nine months of 2022. Credit quality is still solid with a low level of non-performing loans and the level of post-model adjustments relating to loan impairment charges was DKK 1,415m.

At the end of the third quarter of 2023, Jyske Bank's common equity tier 1 capital ratio was computed at 16.7%, which is within the targeted range of 15%-17%. The capital position has been deducted the expected dividend due to the Supervisory Board's recommendation for an extraordinary dividend at DKK 500m, equivalent to DKK 7.78 per share, based on the solid earnings in the first nine months of 2023. Due to the higher earnings capacity the aim of the Supervisory Board

is that capital distribution will consist of both dividends and share buy-backs going forward.

2023 outlook

Jyske Bank anticipates earnings per share at the upper end of the range of DKK 70-80 for 2023. This corresponds to a net profit at the upper end of the range of DKK 4.7bn-5.3bn. Jyske Bank upgraded its earnings expectations on 8 February, 18 April and 11 July. Originally announced expectations pointed to earnings per share of DKK 55-65, corresponding to a net profit of DKK 3.7bn-4.3bn.

Core income is expected to surge in 2023, especially due to the acquisition of Handelsbanken Denmark and the effect from a higher level of interest rates.

Likewise, core expenses are expected to rise significantly in 2023. The increase can primarily be attributed to the acquisition of Handelsbanken Denmark. To this must be added derived integration and restructuring costs of about DKK 0.3bn.

Loan impairment charges are expected to amount to a minor expense in 2023.

The expectations involve uncertainty and depend, for instance, on macroeconomic circumstances and the development in the financial markets.

Financial Review

Core profit and net profit for the period (DKKm)

	Q1-Q3 2023	Q1-Q3 2022	Index 23/22	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	FY 2022
Net interest income	7,155	4,083	175	2,516	2,415	2,224	1,773	1,412	5,856
Net fee and commission income	1,813	1,848	98	602	553	658	681	598	2,529
Value adjustments	878	-384	-	452	186	240	523	-300	139
Other income	165	195	85	35	26	104	44	20	239
Income from operating lease (net)	233	283	82	66	83	84	60	98	343
Core income	10,244	6,025	170	3,671	3,263	3,310	3,081	1,828	9,106
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Investment portfolio earnings	7	-102	-	65	-89	31	-29	-119	-131
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Pre-tax profit	5,501	2,742	201	2,166	1,608	1,727	1,815	636	4,557
Tax	1,395	548	255	548	409	438	257	133	805
Net profit for the period	4,106	2,194	187	1,618	1,199	1,289	1,558	503	3,752
Interest on AT1 capital, charged against equity	120	108	111	41	40	39	39	37	147

Net profit for the period

Earnings per share came to DKK 62.0 in the first nine months of 2023 against DKK 31.9 for the previous year, corresponding to a net profit of DKK 4,106m and DKK 2,194m, respectively. The increase was fuelled in particular by the acquisition of Handelsbanken Denmark and the impact from the higher level of interest rates.

Core income

Core income rose by 70% relative to the first nine months of 2022, and net interest income was the largest contributor to the development.

Net interest income rose by 75% to DKK 7,155m. This is the highest level so far and is due primarily to a significantly higher level of interest rates. Nationalbanken's rate of interest on certificates of deposit was lifted to 3.6% at the end of Q3 2023 from -0.6% at mid-2022. The higher interest-rate level has improved the return on Jyske Bank's bond holding, etc. In addition, the acquisition of Handelsbanken Denmark also contributed considerably to the increase in net interest income.

Net fee and commission income decreased by 2% to DKK 1,813m. The decline from a high level in Q1-Q3 2022 was due to a decline in fees relating to the activity in the housing market, asset management and trading activities. These factors more than offset the contribution from the acquisition of Handelsbanken Denmark as well as the introduction of a new customer programme in 2022.

Value adjustments increased to DKK 878m from DKK -384m in the preceding year. The positive

results can be attributed to a favourable development in the financial markets, including in particular the development of Danish mortgage bonds.

Other income declined to DKK 165m from DKK 195m. Q1-Q3 2022 showed a high level of share dividends as well as positive results on equity investments in associates.

Income from operating lease (net) fell to DKK 233m from DKK 283m. The sales conditions in the used car market remained favourable although used car prices declined from a high level.

Core expenses

Core expenses rose by 27% compared to Q1-Q3 2022. The increase can primarily be attributed to the acquisition of Handelsbanken Denmark which contributed, among other things, to an increase in the number of full-time employees as well as higher expenses for data vendors and amortisation of customer relations.

Core expenses (DKKm)

	Q1-Q3 2023	Q1-Q3 2022
Employee costs	2,764	2,197
IT costs	1,260	972
Rent, etc.	62	49
Amortisation, deprec. and impairment	135	80
Other operating expenses	277	252
Total	4,498	3,550

Underlying core expenses rose by 3% as a result, among other things, of a higher number of full-time

employees occupied with anti-money laundering. In addition, wage increases relating to the collective agreement at 4.5% also added to the cost base.

Non-recurring costs relating to the acquisition of Handelsbanken Denmark rose to DKK 156m from DKK 78m in the preceding year.

Loan impairment charges

Loan impairment charges amounted to an expense of DKK 96m against an income of DKK 447m. The expense can primarily be attributed to higher default risks in the Danish economy, which sparked an increase in model-based loan impairment. Post-model adjustments relating to loan impairment charges were at the same time maintained at a high level as a result of the high degree of macro-economic uncertainty, and consequently total loan impairment charges reserved for macro-economic risks were increased. The credit quality is still solid with a low level of non-performing loans and a low level of write-offs.

Investment portfolio earnings

For the first nine months of 2023, investment portfolio earnings amounted to DKK 7m against DKK -102m for the same period of 2022. Positive return on e.g. Danish mortgage bonds was partly offset by rising internal funding costs due to a higher interest-rate level. The hedging of additional tier 1 capital instruments in SEK had a negative effect of DKK 11m in the first nine months of 2023 and was offset by a positive adjustment of shareholders' equity.

Investment portfolio earnings (DKKm)

	Q1-Q3 2023	Q1-Q3 2022
Net interest income	-113	47
Net fee and commission income	-1	0
Value adjustments	142	-127
Income	28	-80
Expenses	21	22
Investment portfolio earnings	7	-102

Tax

In the first nine months of 2023, tax amounted to DKK 1,395m against DKK 548m in the first nine months of 2022. The effective tax rate at 25.4% in the first nine months of 2023 was affected by a new special tax on the financial sector, resulting in an increase in taxation of financial services companies

from 22.0% to 25.2% in 2023 and 26.0% from 2024.

Q3 2023 compared to Q2 2023

Earnings per share amounted to DKK 24.6 in the third quarter against DKK 18.0 in the second quarter, corresponding to a net profit of DKK 1,618m and DKK 1,199m, respectively.

Core income rose by 12% due to higher value adjustments and higher net interest income.

Net interest income increased by 4%. The increase was due to both continued rising interest rates and an additional interest-bearing day.

Net fee and commission income increased by 9% relative to the preceding quarter. The development can primarily be attributed to seasonally higher remortgaging activity.

Income from operating lease (net) amounted to DKK 66m against DKK 83m. Sales conditions in the used car market were still favourable although realisation gains from the sale of used cars showed signs of normalisation.

Value adjustments amounted to DKK 452m against DKK 186m in the preceding quarter. The positive development can, among other things, be attributed to narrowing spreads for Danish mortgage bonds.

Core expenses rose by 2% to DKK 1,524m. The development can be attributed to higher employee costs due to wage increases relating to the collective agreement at 4.5% on 1 July 2023. Non-recurring costs relating to the acquisition of Handelsbanken Denmark were unchanged at DKK 59m.

Loan impairment charges amounted to an income of DKK 13m against an expense of DKK 13m in the preceding quarter. The credit quality is still solid with a low level of non-performing loans.

Investment portfolio earnings amounted to DKK 65m against DKK -89m in the preceding quarter. The positive trend in Q3 can, among other things, be attributed to the development of Danish mortgage bonds and impact from hedging of additional tier 1 capital instruments in SEK.

Business volume

Summary of balance sheet, end of period (DKKbn)

	Q1-Q3 2023	Q1-Q3 2022	Index 23/22	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	FY 2022
Loans and advances	538.5	466.5	115	538.5	542.0	542.0	541.7	466.5	541.7
- of which mortgage loans	337.6	304.5	111	337.6	337.9	338.2	333.7	304.5	333.7
- of which bank loans	151.8	115.2	132	151.8	154.1	155.1	155.5	115.2	155.5
- of which repo loans	49.1	46.8	105	49.1	50.0	48.7	52.5	46.8	52.5
Bonds and shares, etc.	98.5	88.7	111	98.5	93.3	99.7	97.4	88.7	97.4
Total assets	759.5	672.0	113	759.5	766.6	786.0	750.0	672.0	750.0
Deposits	215.8	162.1	133	215.8	215.7	228.3	208.4	162.1	208.4
- of which bank deposits	194.9	149.2	131	194.9	194.4	202.2	189.1	149.2	189.1
- of which repo and triparty deposits	20.9	12.9	162	20.9	21.3	26.1	19.3	12.9	19.3
Issued bonds at fair value	333.5	299.8	111	333.5	332.5	331.2	324.2	299.8	324.2
Issued bonds at amortised cost	86.5	87.7	99	86.5	90.8	96.8	95.4	87.7	95.4
Subordinated debt	6.1	6.4	95	6.1	6.1	6.1	6.4	6.4	6.4
Holders of additional tier 1 capital	3.3	3.3	100	3.3	3.3	3.3	3.3	3.3	3.3
Shareholders' equity	41.3	35.8	115	41.3	39.8	38.6	37.3	35.8	37.3

Jyske Bank's total loans and advances (exclusive of repo loans) came to DKK 489.4bn at the end of Q3 2023, consisting of 69% mortgage loans and 31% bank loans and advances. This is roughly unchanged compared with DKK 489.2bn at end-2022 since higher mortgage loans at fair value were offset by lower bank loans and advances.

Nominal mortgage loans rose to DKK 370.3bn from DKK 365.6bn. Higher lending to corporate clients and subsidised housing more than offset the effect from lower lending to private clients.

Bank loans and advances amounted to DKK 151.8bn against DKK 155.5bn at the end of 2022. The decline can be attributed to loans and advances under bank activities as part of the decline is presumably due to deferred tax and VAT payments. Loans and advances under leasing activities realised an increase of 4% driven by corporate clients.

Bank deposits amounted to DKK 194.9bn, corresponding to a 3% increase relative to the end of 2022. The development was fuelled by a higher amount of time deposits from corporate clients whereas private clients shifted to savings products with higher interest rates. Bank deposits were DKK 43.1 bn higher than bank loans and advances at the end of the third quarter of 2023.

The business volume within asset management rose to DKK 225bn at the end of the third quarter of 2023 from DKK 218bn at the end of 2022. Assets under management were over the period positively affected by rising prices in financial markets. In addition, positive net sales of investment solutions for retail clients and slightly negative net sales to institutional clients.

Q3 2023 compared to Q2 2023

Jyske Bank's total loans and advances (exclusive of repo loans) amounted to DKK 489.4 bn at the end of the third quarter against DKK 492.0 bn in the previous quarter. The development can be attributed to lower bank loans and advances.

Nominal mortgage loans were roughly unchanged since higher loans to corporate clients were offset by lower loans and advances to personal clients.

Bank loans declined by 2%, partly due to deferred tax and VAT payments.

Bank deposits were roughly unchanged in Q3 as private clients increasingly opted for savings products.

The business volume within asset management fell to DKK 225bn from DKK 226bn, primarily caused by negative net sales of investment solutions to institutional clients.

Credit quality

Loan impairment charges and provisions for guarantees (DKKbn)

	Q1-Q3 2023	Q1-Q3 2022	Index 23/22	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	FY 2022
Loans, advances and guarantees	549.3	477.0	115	549.3	553.2	553.2	552.8	477.0	552.8
- stage 1	523.8	453.6	115	523.8	526.3	527.0	528.4	453.6	528.4
- stage 2	19.4	16.9	115	19.4	20.6	20.0	17.8	16.9	17.8
- stage 3	6.0	6.5	92	6.0	6.2	6.1	6.5	6.5	6.5
- purchased or originated credit-impaired	0.1	0.0	-	0.1	0.1	0.1	0.1	0.0	0.1
Balance of loan impairment charges	4.8	4.7	102	4.8	4.8	4.7	4.6	4.7	4.6
- stage 1	1.5	1.1	136	1.5	1.3	1.3	1.2	1.1	1.2
- stage 2	1.0	1.2	83	1.0	1.1	1.1	1.1	1.2	1.1
- stage 3	2.3	2.4	96	2.3	2.4	2.3	2.3	2.4	2.3
Balance of discounts for acquired assets	0.3	0.0	-	0.3	0.4	0.5	0.6	0.0	0.6
Non-accrual loans and past due exposures	0.7	0.5	135	0.7	0.6	0.5	0.6	0.5	0.6
Loan impairment charges.	0.1	-0.4	-	0.0	0.0	0.1	-0.2	-0.2	-0.6
Write-offs	0.2	0.4	67	0.1	0.0	0.1	0.1	0.1	0.4

Jyske Bank's credit risks primarily relate to mortgage loans secured against real property as well as bank loans, advances and guarantees. Loans, advances and guarantees are distributed with 59% to corporate clients, 39% to private clients, and 2% to public authorities. Total exposure was roughly unchanged at the end of Q3. 2023 compared with the end of 2022.

due to rising default risks in the Danish economy. In addition to the higher level of loan impairment charges the level of post-model adjustments was only reduced marginally and hence the total loan impairment charges relating to macroeconomic risks were increased. Write-offs amounted to DKK 240m in Q1-Q3 2023 or 4bp against DKK 358m and 7bp in the preceding year, respectively.

Loans, advances and guarantees – by sector (DKKbn/%)

	Loans and guarantees		Impairment ratio	
	Q3 2023	Q4 2022	Q3 2023	Q4 2022
Public authorities	13.7	13.8	0.0	0.0
Agriculture, hunting, forestry and fishing	13.5	12.5	1.6	1.2
Manufacturing industry and mining	15.8	14.8	2.2	1.5
Energy supply	11.0	9.0	0.2	0.3
Construction	11.9	10.4	0.9	0.9
Commerce	14.1	13.0	2.3	2.2
Transport, hotels and restaurants	7.0	6.4	1.7	1.7
Information and communication	2.7	3.1	5.3	4.3
Financing and insurance	56.3	62.7	1.4	1.4
Real property	167.6	165.3	0.5	0.5
Other sectors	24.9	24.5	1.2	1.0
Corporate Clients	324.8	321.7	1.0	0.9
Personal clients	210.8	217.3	0.8	0.7
Total	549.3	552.8	0.9	0.8

Loan impairment charges amounted to an expense of DKK 96m in the first nine months of the year. 2023, corresponding to 2bp of gross loans, advances and guarantees. The effect on the income statement is distributed with an expense of DKK 95m relating to banking activities, an income of DKK 23m relating to mortgage activities, and an expense of DKK 24m relating to leasing activities. The expense in Q1-Q3 2023 was generally caused by higher model-based loan impairment charges

At the end of the third quarter of 2023, stage 3 loans amounted to 1.1% of loans, advances and guarantees against 1.2% at the end of 2022. The decline can be attributed to a higher coverage ratio and to a lower level of gross non-performing loans and advances. The proportion of loans subject to forbearance measures was unchanged at 1.4% of loans, advances and guarantees.

At the end of Q3, Jyske Bank's balance of loan impairment charges amounted to DKK 4.8bn, corresponding to 0.9% of loans, advances and guarantees against DKK 4.6bn and 0.8%, respectively, at the end of 2022. Inclusive of the balance of discounts for acquired assets at DKK 0.3bn, Jyske Bank's total balance of impairment charges and discounts amounted to DKK 5.1bn, or 0.9% of loans, advances and guarantees.

At the end of Q3 2023, impairment charges based on post-model adjustments amounted to DKK 1,415m against DKK 1,425m at the end of 2022. The decline can be attributed to an improved risk marking. The estimates remained at a high level despite higher model-based loan impairment charges and still by far reflect macroeconomic risks associated with solid interest-rate increases. A material post-model adjustment is also still included in the balance of discounts for acquired assets associated with the acquisition of Handelsbanken Denmark.

Capital and Liquidity Management

Capital management

Jyske Bank's objective is to achieve a capital ratio of 20%-22% and a common equity tier 1 capital ratio of 15%-17% in the coming years. At these levels, Jyske Bank can comfortably absorb the effects from future legislative changes while at the same time having the required strategic scope.

At the end of the third quarter of 2023, Jyske Bank had a capital ratio of 20.9% and a common equity tier 1 capital ratio of 16.7% compared to 19.5% and 15.2%, respectively, at the end of 2022. In the first nine months of 2023, the capital ratios increased due to the recognition of the profit for the period, which more than compensated for the effect from a higher weighted risk exposure and a proposed dividend of DKK 500m.

Capital ratios (%)		
	Q3 2023	Q4 2022
Capital ratio	20.9	19.5
Core capital ratio incl. hybrid capital	18.1	16.7
Common equity tier 1 capital ratio	16.7	15.2

The total weighted risk exposure was practically unchanged at DKK 221.4 bn at the end of the third quarter of 2023 against DKK 220.9bn at the end of 2022.

Weighted risk exposure (DKKm)		
	Q3 2023	Q4 2022
Credit risk, etc.	195,086	195,379
Market risk	8,605	8,381
Operational risk	17,675	17,161
Total	221,366	220,921

For adoption at an extraordinary general meeting on 1 December 2023, the Supervisory Board will propose distribution of an extraordinary dividend at DKK 500m, or DKK 7.78 per share due to the solid earnings in the first nine months of 2023.

Due to the higher earnings capacity the aim of the Supervisory Board is that capital distribution will consist of both dividends and share buy-backs going forward.

Capital requirement

The requirements of the total capital base consist of a Pillar I requirement of 8% of the weighted risk exposure with a capital addition for above-normal risk under Pillar II and buffers.

At the end of the third quarter of 2023, Jyske Bank's individual solvency requirement was 11.2%

of the weighted risk exposure against 10.8% at the end of 2022. To this must be added a SIFI requirement of 1.5% and a capital conservation buffer of 2.5% as well as the fully phased-in countercyclical capital buffer of 2.4%. Hence, the total capital requirement is 17.6%, which is an increase compared with the end of 2022 when the capital requirement was 16.7%.

At the beginning of October 2023, the Systemic Risk Council recommended to activate a sector-specific systemic buffer for corporate exposures against property companies with a buffer rate of 7% of the weighted risk exposure for the segment effective as from 30 June 2024. The government stated that it intends to follow the recommendation but final adoption is still pending.

Capital requirement (%)				
	Capital ratio		CET ratio	
	Q3 2023	Q4 2022	Q3 2023	Q4 2022
Pillar I	8.0	8.0	4.5	4.5
Pillar II	3.2	2.8	1.8	1.6
SIFI	1.5	1.5	1.5	1.5
Capital conservation buffer	2.5	2.5	2.5	2.5
Countercyclical buffer	2.4	1.9	2.4	1.9
Capital requirement	17.6	16.7	12.7	12.0

The SIFI requirement, the capital conservation buffer and the countercyclical capital buffer have been fully phased in and in aggregate account for 6.4% of the weighted risk exposure.

Excess capital relative to CET 1 capital requirement (%)		
	Q3 2023	Q4 2022
CET1 ratio	16.7	15.2
CET1 requirement	12.7	12.0
Excess capital	4.0	3.2

Therefore, compared with the common equity tier 1 capital ratio, the excess capital adequacy came to 4.0% of the weighted risk exposure, corresponding to DKK 8.8bn against 3.2% and DKK 7.0bn, respectively, at the end of 2022.

Liquidity management

Jyske Bank's biggest source of funding is covered bonds and mortgage bonds, which amounted to DKK 334 bn, corresponding to 44% of the balance sheet at the end of the third quarter of 2023. The second-largest funding source is client deposits, which amounted to DKK 195bn, of which a high proportion consists of deposits from small and medium-sized enterprises as well as private clients.

At the end of the third quarter of 2023, the Jyske Bank Group's liquidity coverage ratio (LCR) was 181%, down from a very high seasonal level at the end of 2022. The Group's internal exposure limit is a LCR of at least 120%. Nevertheless, the aim is that LCR is, under normal market conditions, above 150%.

The LCR buffer after haircuts at the end of the third quarter of 2023 is shown below.

Liquidity Coverage Ratio (LCR)

	DKKbn	%
Level 1a assets	101.7	69
Level 1b assets	41.9	29
Level 2a + 2b assets	2.9	2
Total	146.5	100

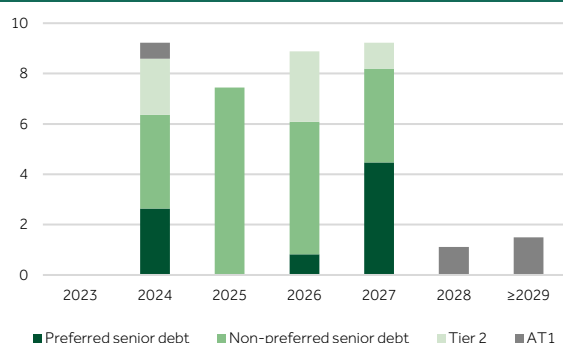
At the end of the third quarter of 2023, the Jyske Bank Net Stable Funding Ratio (NSFR) was 136%, against 126% at the end of 2022.

Refinancing profile

Jyske Bank is on an ongoing basis active in the French commercial paper (CP) market. At the end of the third quarter of 2023, the outstanding volume under the CP programme amounted to DKK 61bn against DKK 71bn at the end of 2022.

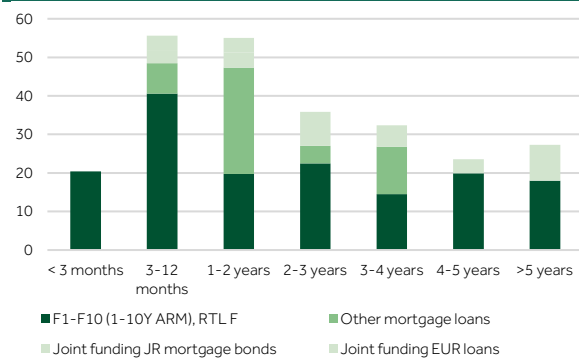
At the end of the third quarter of 2023, outstanding unsecured senior debt amounted to DKK 29.7bn against DKK 27.8bn at the end of 2022. At the end of the third quarter of 2023, outstanding CRD-IV compliant tier 2 and AT1 capital instruments amounted to DKK 6.1bn and DKK 3.3bn, respectively, which is unchanged relative to the end of 2022.

Run-off and call date profile (DKKbn)



The run-off profile for the Group's unsecured senior debt, etc. determined at the end of the third quarter of 2023 is illustrated by the above chart.

Run-off profile, covered bonds (DKKbn)



At the end of the third quarter of 2023, covered bonds involving refinancing risk amounted to DKK 250bn, and the run-off profile of the underlying mortgage loans is shown in the above chart.

Issuance activity and funding plans

At the release of its Interim Financial Report for the first nine months of 2023, Jyske Bank had issued the following bonds in the international capital markets in 2023.

Issuance activity

	Maturity	Interest rate
SEK 2.25bn non-preferred senior debt (value date 02.02.2023)	02.02.2027 (call 2026)	3M CIBOR +148 bp
NOK 0.2bn non-preferred senior debt (value date 09.02.2023)	02.02.2027 (call 2026)	3M CIBOR +150 bp
EUR 500m non-preferred senior debt (value date 26.04.2023)	26.10.2028 (call 2027)	3M CIBOR +150 bp
EUR 750m covered bond (value date 26.05.2023)	01 July 2030	3M CIBOR +18 bp

Based on the expected trend in the weighted risk exposure and expectations of changed regulation relating to exposure against commercial property, In 2024, Jyske Bank anticipates a requirement of an outstanding volume of MREL-eligible instruments (inclusive of an internal buffer for statutory requirements) in an amount of DKK 28bn - 30bn, of which about DKK 6bn in the form of preferred senior debt and DKK 22bn - 24bn in the form of non-preferred senior debt.

At the end of the third quarter of 2023, the outstanding volume of MREL-eligible debt instruments totalled DKK 25.9bn, distributed by DKK 5.7bn and DKK 20.2bn on preferred senior debt and non-preferred senior debt, respectively, with a time to maturity of more than 12 months.

In April 2023, Jyske Bank issued non-preferred senior debt in the amount of EUR 500m. An additional issuance of non-preferred senior debt of EUR 500m is likely before the end of 2023.

Jyske Bank has currently not fully utilised the capacity for additional tier 1 (AT1) in the capital base capital for the fulfilment of the capital requirements. A potential AT1 issue is not been planned until 2024, and the timing will depend on the development of the capital base and the price development in the market for AT1 capital.

Credit rating

Jyske Bank is being rated by Standard & Poor's (S&P). Jyske Realkredit has the same credit rating as Jyske Bank.

On 21 July 2023, Standard & Poor's upgraded Jyske Bank's issuer rating to 'A+' from 'A'. The higher rating was due to a higher level of eligible liabilities, improved profitability and a solid capital position. Outlook is considered stable.

S&P credit rating

Jyske Bank issuer rating	Rating	Outlook
Stand Alone Credit Profile (SACP)	A-	Stable
Issuer rating (Issuer Credit Rating)	A+	Stable
Short-term unsecured senior debt (preferred senior)	A-1	Stable
Long-term unsecured senior debt (preferred senior)	A+	Stable
Long-term non-preferred senior debt (non-preferred senior)	BBB+	Stable
Tier 2	BBB	Stable
Additional Tier 1 (AT1)	BB+	Stable
Jyske Realkredit bond issues		
Capital Centre E covered bonds	AAA	
Capital Centre B mortgage bonds	AAA	

Sustainability ratings

Jyske Bank has chosen to work with certain ESG raters, whose ratings appear from the table below.

Sustainability ratings

ESG raters	Rating
MSCI (CCC to AAA)	AA
Sustainalytics (Negligible to Severe Risk)	Medium risk
ISS ESG (D- to A+)	C Prime
Moody's ESG Solutions (0 to 100)	47
CDP (D- to A)	C

At the latest update of the ESG rating from MSCI, Jyske Bank obtained the score 'AA' against the

previous 'AAA'. Consequently, Jyske Bank is among the 32% banks with the highest ratings in MSCI's global research universe.

Supervisory diamond

The supervisory diamond defines a number of special risk areas including specified limits that financial institutions should generally not exceed.

The supervisory diamond for Jyske Bank A/S

	Q3 2023	Q4 2022
Sum of large exposures <175% of common equity tier 1 capital	108%	116%
Increase in loans and advances <20% annually	32%	51%
Exposures to property administration and property transactions <25% of total loans and advances	12%	12%
Liquidity benchmark >100%	135%	135%

Jyske Bank A/S exceeded the limits for lending growth due to the acquisition of Handelsbanken Denmark. Excl. of Handelsbanken Denmark, lending growth was -4%. Other indicators of the supervisory diamond were met.

The supervisory diamond for Jyske Realkredit A/S

	Q3 2023	Q4 2022
Concentration risk <100%	45.3%	47.8%
Increase in loans <15% annually in the segment:		
Owner-occupied homes and vacation homes	12.1%	9.3%
Residential rental property	4.8%	6.5%
Other sectors	5.6%	6.6%
Borrower's interest-rate risk <25%		
Residential property	20.0%	17.4%
Instalment-free schemes <10%		
Owner-occupied homes and vacation homes	4.0%	4.2%
Loans with frequent interest-rate fixing:		
Refinancing (annually) <25%	15.3%	14.1%
Refinancing (quarterly) <12.5%	6.1%	1.6%

Jyske Realkredit A/S meets all the benchmarks of the supervisory diamond.

Other Information

Events after the end of the accounting period

No events have taken place during the period prior to the publication of the Interim Financial Report for the first nine months of 2023 that have any material effect on the financial position of Jyske Bank.

New CEO at Jyske Bank

After almost 34 years with Jyske Bank - of these the past 28 years on the Group Executive Board - Anders Dam has decided to retire at end-October 2023, cf. Corporate Announcement No. 15/2023.

Kurt Bligaard Pedersen, Chairman of the Supervisory Board, states: *"It is a unique professional career that is now coming to an end. Anders Dam has been CEO and Managing Director for more than 26 years and a member of the Group Executive Board for half of Jyske Bank's lifetime. He will leave a significant impact on the entire financial sector and on Jyske Bank, which during his reign grew substantially and is today the second largest Danish bank."*

With effect as from 1 November 2023, Jyske Bank's Supervisory Board has employed Lars Stensgaard Mørch as new CEO and Managing Director. In addition, Managing Director, Per Skovhus, has announced his wish to retire in the course of the first half of 2024.

Negative interest rates

From 1 December 2019 to 1 October 2022, Jyske Bank charged negative interest rates on certain deposit accounts for personal clients. Jyske Bank and most other banks did this for business reasons and based on a market situation where the central banks had charged negative interest rates for a number of years.

The Consumer Ombudsman has summoned Jyske Bank claiming that the bank was not entitled to introduce and charge negative interest rates on a number of specific savings accounts and certain specially regulated accounts.

Jyske Bank disagrees with the Consumer Ombudsman. Jyske Bank's general terms and conditions for personal clients clearly stated that the interest rate was floating and could be changed under certain circumstances.

European stress test exercise

The European Banking Authority has carried out a stress test of the 70 largest European banks, including Jyske Bank. The participating institutions were subject to a base line scenario and a stress

scenario which were considerably tougher than during previous crises.

In the stress test, the earnings contribution from the acquisition of Handelsbanken Denmark was limited considerably, and at the same time, it imposes a full capital charge on the acquired loan portfolio.

On this basis, the capital structure is challenged in the very tough stress test as the combined capital buffer requirements are breached. Despite the asymmetric inclusion of Handelsbanken Denmark the indispensable capital requirements are not breached.

Based on the present capital position and in case of full recognition of earnings from Handelsbanken Denmark, Jyske Bank would not breach the combined capital buffer requirements.

Employee share scheme for 2024

Based on the employees' choice of salary packages for 2024 the employees are expected to buy Jyske Bank shares worth DKK 150m in 2024, distributed equally between monthly purchases implemented on randomly selected trading days. Employee-elected members of Jyske Bank's Supervisory Board and members of the Group Executive Board, who are part of the employee share scheme, participate on the same terms and principles as other employees.

Financial calendar 2024

Jyske Bank anticipates releasing financial statements on the following dates in 2024.

Financial calendar 2024	
27 February	Annual Report 2023
27 February	Risk Management Report 2023
7 May	Interim Financial Report, Q1 2024
20 August	Interim Financial Report, First Half of 2024
29 October	Interim Financial Report, Q1-Q3 2024

Further information

For further information, please see jyskebank.com/investorrelations. Here you will find an interview with Anders Dam, Managing Director and CEO, detailed financial information as well as Jyske Bank's Annual Report 2022 and Risk and Capital Management 2022, which gives further information about Jyske Bank's internal risk and capital management as well as regulatory issues, including a description of the most important risks and elements of uncertainty that may affect Jyske Bank.

Business Segments

The business segments reflect all activities in banking, mortgage financing and leasing.

Banking Activities

Summary of income statement (DKKm)									
	Q1-Q3 2023	Q1-Q3 2022	Index 23/22	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Full year 2022
Net interest income	4,384	1,930	227	1,541	1,504	1,339	959	693	2,889
Net fee and commission income	2,230	2,326	96	756	665	809	867	793	3,193
Value adjustments	636	-323	-	380	102	154	434	-292	111
Other income	157	181	87	32	26	99	30	16	211
Core income	7,407	4,114	180	2,709	2,297	2,401	2,290	1,210	6,404
Core expenses	4,019	3,123	129	1,366	1,326	1,327	1,181	1,069	4,304
Core profit before loan impairment charges	3,388	991	342	1,343	971	1,074	1,109	141	2,100
Loan impairment charges	95	-376	-	-22	-2	119	-15	-231	-391
Core profit	3,293	1,367	241	1,365	973	955	1,124	372	2,491
Investment portfolio earnings	7	-102	-	65	-89	31	-29	-119	-131
Profit before one-off costs	3,300	1,265	261	1,430	884	986	1,095	253	2,360
One-off costs relating to Handelsbanken DK	-156	-78	200	-59	-59	-38	-66	-67	-144
Pre-tax profit	3,144	1,187	265	1,371	825	948	1,029	186	2,216

Summary of balance sheet, end of period (DKKbn)									
Loans and advances	176.5	139.0	127	176.5	180.2	180.1	184.6	139.0	184.6
- of which bank loans	127.4	92.2	138	127.4	130.2	131.4	132.1	92.2	132.1
- of which repo loans	49.1	46.8	105	49.1	50.0	48.7	52.5	46.8	52.5
Total assets	362.3	313.7	115	362.3	372.3	390.8	363.1	313.7	363.1
Deposits	215.6	161.9	133	215.6	215.6	228.2	208.2	161.9	208.2
- of which bank deposits	194.7	149.0	131	194.7	194.3	202.1	188.9	149.0	188.9
- of which repo and tri-party deposits	20.9	12.9	162	20.9	21.3	26.1	19.3	12.9	19.3
Issued bonds	81.0	82.3	98	81.0	85.5	89.2	89.3	82.3	89.3

Profit

Pre-tax profit amounted to DKK 3,144m for the first nine months of 2023 against DKK 1,187m for the corresponding period in 2022. The increase was fuelled in particular by the acquisition of Handelsbanken Denmark and the impact from the higher interest-rate level.

Core income

Core income rose by 80% relative to the first nine months of 2022, and net interest income was the largest contributor to the development.

Net interest income increased by 127% relative to the first nine months of 2022. The increase is due in particular to significant interest-rate increases. Nationalbanken's rate of interest on certificates of deposit was lifted to 3.6% at the end of Q3 2023 from -0.6% at mid-2022. The higher interest-rate level has improved the return on Jyske Bank's bond holding etc. In addition, the acquisition of Handelsbanken Denmark also added considerably to the advance in net interest income.

Net fee and commission income fell by 4% to DKK 2,230m. Exclusive of internal distribution fees received from Jyske Realkredit, net fee and commission income under banking activities rose by 7% relative to the first nine months of 2022. The increase can be attributed to the effect from the acquisition of Handelsbanken Denmark as well as the introduction of a new customer programme. These factors more than offset the effect from lower lending and trading activities.

Value adjustments increased to DKK 636m from DKK -323m in the preceding year. The positive results can be attributed to a favourable development in the financial markets, including in particular the price development of Danish mortgage bonds.

Other income declined to DKK 157m from DKK 181m. Q1-Q3 2022 showed a high level of share dividends as well as positive results on equity investments in associates.

Core expenses

Core expenses rose by 29% compared to Q1-Q3 2022. The increase can primarily be attributed to the acquisition of Handelsbanken Denmark which contributed, among other things, to an increase in the number of full-time employees as well as higher expenses for data vendors and amortisation of customer relations. In addition, wage increases relating to the collective agreement at 4.5% also added to the cost base.

Non-recurring costs relating to the acquisition of Handelsbanken Denmark rose to DKK 156m from DKK 78m in the preceding year.

Loan impairment charges

Loan impairment charges amounted to an expense of DKK 95m against an income of DKK 376m in the first nine months of 2022. The expense can be attributed to higher default risks in the Danish economy, which sparked an increase in model-based loan impairment charges. Post-model adjustments relating to loan impairment charges were at the same time maintained at a high level as a result of the strong macroeconomic uncertainty, and consequently total loan impairment charges to meet macroeconomic risks were increased. The credit quality is still solid with a low level of non-performing loans and a low level of write-offs.

Investment portfolio earnings

For the first nine months of 2023, investment portfolio earnings amounted to DKK 7m against DKK -102m for the same period of 2022. Positive return on e.g. Danish mortgage bonds was partly offset by rising internal funding costs due to a higher interest-rate level. The hedging of additional tier 1 capital instruments in SEK had a negative effect of DKK 11m in the first nine months of 2023 and was offset by a positive adjustment of shareholders' equity.

Business volumes

Bank loans and advances amounted to DKK 127.4bn against DKK 132.1bn at the end of 2022. The decline can primarily be attributed to the effect from deferred tax and VAT payments.

Bank deposits amounted to DKK 194.7bn, corresponding to a 3% increase relative to the end of 2022. The development was fuelled by a higher amount of time deposits from corporate clients whereas private clients selected savings products with higher yield.

Q3 2023 compared to Q2 2023

In the third quarter, pre-tax profit amounted to DKK 1,371m against DKK 825m in the second quarter of the year.

Core income was up by 18%, primarily caused by higher value adjustments.

Net interest income rose by 2% to DKK 1,541m. The increase was due to both continued rising interest rates and an additional interest-bearing day.

Net fee and commission income rose to DKK 756m from DKK 665m. Exclusive of distribution fees from Jyske Realkredit, net fee and commission income fell by 7% in the quarter. The development can primarily be attributed to seasonally lower fees relating to payment services, etc. Add to this the effect from lower advisory service commission on selected investment funds and lower handling charges.

Value adjustments amounted to DKK 380m against DKK 102m in the preceding quarter. The advance can among other things be attributed to narrowing spreads on Danish mortgage bonds.

Core expenses rose to DKK 1,366m from DKK 1,326m. The development can be attributed to higher employee costs due to wage increases relating to the collective agreement of 4.5% on 1 July 2023. Non-recurring costs relating to the acquisition of Handelsbanken Denmark were unchanged at DKK 59m.

Loan impairment charges and provisions for guarantees amounted to an income of DKK 22m against an income of DKK 2m in the preceding quarter. The credit quality is still solid with a low level of non-performing loans.

Investment portfolio earnings amounted to DKK 65m against DKK -89m in the preceding quarter. The positive trend in Q3 can, among other things, be attributed to the price development of Danish mortgage bonds and hedging of additional tier 1 capital instruments in SEK.

Mortgage activities

Summary of income statement (DKKm)

	Q1-Q3 2023	Q1-Q3 2022	Index 23/22	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	FY 2022
Administration margin income, etc. ¹	1,869	1,756	106	617	625	627	599	581	2,355
Other net interest income	546	51	1,071	240	166	140	109	32	160
Net fee and commission income	-423	-463	91	-158	-115	-150	-190	-194	-653
Value adjustments	227	-86	-	76	64	87	88	-10	2
Core income	2,219	1,258	176	775	740	704	606	409	1,864
Core expenses	332	295	113	110	116	106	99	95	394
Core profit before loan impairment charges	1,887	963	196	665	624	598	507	314	1,470
Loan impairment charges	-23	-105	22	14	9	-46	-167	-12	-272
Pre-tax profit	1,910	1,068	179	651	615	644	674	326	1,742

¹ Administration margin income, etc. covers administration margin income as well as interest rate margin on jointly funded loans.

Summary of balance sheet (DKKbn)

Mortgage loans, nominal value	370.3	342.6	108	370.3	369.4	367.3	365.6	342.6	365.6
Mortgage loans, fair value	337.6	304.5	111	337.6	337.9	338.2	333.7	304.5	333.7
Total assets	369.2	332.7	111	369.2	366.8	367.7	359.6	332.7	359.6
Issued bonds	339.1	305.2	111	339.1	337.8	338.8	330.3	305.2	330.3

Profit

In the first nine months of 2023, pre-tax profit amounted to DKK 1,910m against DKK 1,068m in the first nine months of 2022. The higher profit is primarily attributed to a higher return on Jyske Realkredit's bond portfolio due to the higher interest-rate level and the addition of loans acquired from Handelsbanken Denmark in December 2022.

Core income

Core income surged by 76% to DKK 2,219m in the first nine months of 2023. The increase was due in particular to higher net interest income relating to bonds and loans acquired from Handelsbanken Denmark and higher value adjustments.

Administration margin income, etc. increased by 6% to DKK 1,869m. The development was attributed to loans acquired from Handelsbanken Denmark in December 2022.

Other net interest income rose to DKK 546m from DKK 51m in the first nine months of 2022. The increase is due to higher interest income associated with Jyske Realkredit's bond portfolio as a result of the higher level of interest rates.

Net fee and commission income amounted to DKK -423m against DKK -463m in the first nine months of 2022. Exclusive of internal distribution fees paid, net fee and commission income fell by 36% due in particular to slower refinancing and lending activity.

Value adjustments increased to DKK 227m from DKK -86m in the first nine months of 2022. A significant proportion of the bond portfolio has

been invested in short-term bonds acquired below par and held to maturity which contributed to positive value adjustments in the first nine months of 2023.

Core expenses

Core expenses amounted to DKK 332m against DKK 295m for the same period in 2022. The increase was due to higher employee costs associated with the acquisition of Handelsbanken Denmark and higher contribution to the Danish Resolution Fund.

Loan impairment charges

Loan impairment charges and provisions for guarantees amounted to an income of DKK 23m against an income of DKK 105m in the first nine months of 2022. The income in the first nine months of 2023 related primarily to a reversal of loan impairment charges on individual corporate commitments. At the end of the third quarter of 2023, the post-model adjustments relating to primarily macro-economic risks amounted to DKK 575m compared with DKK 585m at the end of 2022.

Business volume

Mortgage loans stated at nominal value rose by DKK 1% to DKK 370.3bn compared to the level at the end of 2022. The increase related to loans to corporate clients. Mortgage loans at fair value rose to DKK 337.6bn from DKK 333.7bn in the same period.

For further details about Jyske Realkredit, please see Jyske Realkredit's Interim Financial Report for the first nine months of 2023.

Q3 2023 compared to Q2 2023

In the third quarter of 2023, pre-tax profit amounted to DKK 651m against DKK 615m in the second quarter of 2023.

Core income increased by 5% to DKK 775m. The increase was fuelled by other net interest income.

Administration margin income etc. declined to DKK 617m from DKK 625m. Higher nominal mortgage loans were more than offset by lower average administration margin rates.

Other net interest income rose to DKK 240m from DKK 166m in the previous quarter. The development can be attributed to higher interest income relating to the bond portfolio as a result of the higher level of interest rates.

Net fee and commission income amounted to DKK -158m against DKK -115m. Exclusive of internal distribution fees paid, net fee and commission income rose to DKK 124m from DKK 43m, due to seasonally higher refinancing activity.

Value adjustments amounted to DKK 76m against DKK 64m in the preceding quarter. The spread development of Danish mortgage bonds had a positive impact in the third quarter of the year.

Core expenses amounted to DKK 110m against DKK 116m in the preceding quarter. The decline was due, among other things, to the fact that the contribution to the Resolution Fund was adjusted in Q2.

Loan impairment charges amounted to an expense of DKK 14m against an expense of DKK 9m in the preceding quarter. The credit quality is still solid with a low level of non-performing loans.

Leasing activities

Summary of income statement (DKKm)

	Q1-Q3 2023	Q1-Q3 2022	Index 23/22	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	FY 2022
Net interest income	356	346	103	118	120	118	106	106	452
Net fee and commission income	6	-15	-	4	3	-1	4	-1	-11
Value adjustments	15	25	60	-4	20	-1	1	2	26
Other income	8	14	57	3	0	5	14	4	28
Income from operating lease (net)	233	283	82	66	83	84	60	98	343
Core income	618	653	95	187	226	205	185	209	838
Core expenses	147	132	111	48	52	47	49	42	181
Core profit before loan impairment charges	471	521	90	139	174	158	136	167	657
Loan impairment charges	24	34	71	-5	6	23	24	43	58
Pre-tax profit	447	487	92	144	168	135	112	124	599

Summary of balance sheet, end of period (DKKbn)

Loans and advances	24.3	22.9	106	24.3	23.8	23.7	23.4	22.9	23.4
Total assets	28.0	25.6	109	28.0	27.6	27.4	27.3	25.6	27.3
Deposits	0.2	0.2	100	0.2	0.2	0.2	0.2	0.2	0.2

Profit

In the first nine months of 2023, pre-tax profit amounted to DKK 447m against DKK487m in the first nine months of 2022. The decline can primarily be attributed to higher core expenses and lower income from operating lease (net).

Net interest income rose by 3% to DKK 356m driven by higher business volume which more than offset a lower margin due to higher funding costs.

Net fee and commission income, etc. amounted to an income of DKK 6m against an expense of DKK 15m in the preceding year due to lower fees paid.

Value adjustments amounted to DKK 15m in the first nine months of 2023 against DKK 25m for the same period in 2022. The change related to currency hedging.

Income from operating lease (net) fell to DKK 233m from DKK 283m. The sales conditions in the used-car market remained favourable, although used-car prices declined from a high level.

In the first nine months of 2023, core expenses rose to DKK 147m from DKK 132m in the same period in 2022. The increase was, among other things, attributed to higher employee costs and higher IT expenses.

Loan impairment charges amounted to an expense of DKK 24m against an expense of DKK 34m in the preceding year.

Business volume

At the end of the third quarter of 2023, loans under leasing activities had increased by 4% to DKK

24.3bn relative to the level at the end of 2022 boosted by lending to corporate clients.

Q3 2023 compared to Q2 2023

In the third quarter of 2023, pre-tax profit declined to DKK 144m from DKK 168m in the preceding quarter.

Net interest income declined to DKK 118m from DKK 120m since higher funding costs more than offset the effect from higher lending rates.

Net fee and commission income was roughly unchanged at DKK 4m compared to DKK 3m.

Value adjustments saw a seasonal decline to DKK -4m from DKK 20m.

Income from operating lease (net) fell to DKK 66m from DKK 83m. The high level can be attributed to continuing good sales conditions in the used car market although the favourable conditions are on the decline.

Core expenses dropped to DKK 48m from a high level at DKK 52m.

Loan impairment charges amounted to an expense of DKK 5m against an expense of DKK 6m in the preceding quarter. Credit quality remains solid.

Jyske Bank Group

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DKKm	Q1-Q3 2023	Q1-Q3 2022	Q3 2023	Q3 2022	
Income Statement					
5	Interest income calculated according to the effective interest method	9,298	2,640	3,411	880
5	Other interest income	8,751	4,722	3,195	1,706
6	Interest expenses	10,922	3,225	4,083	1,163
	Net interest income	7,127	4,137	2,523	1,423
7	Fees and commission income	2,197	2,220	722	729
7	Fees and commission expenses	385	372	120	131
	Net interest and fee income	8,939	5,985	3,125	2,021
8	Value adjustments	935	-518	517	-423
9	Other income	771	856	218	249
10	Employee and administrative expenses etc.	4,540	3,570	1,543	1,253
	Amortisation, depreciation and impairment charges	508	458	164	158
12	Loan impairment charges	96	-447	-13	-200
	Pre-tax profit	5,501	2,742	2,166	636
11	Tax	1,395	548	548	133
	Net profit for the period	4,106	2,194	1,618	503
	Distributed to:				
	Jyske Bank A/S shareholders	3,986	2,086	1,577	466
	Holders of additional tier 1 capital (AT1)	120	108	41	37
	Total	4,106	2,194	1,618	503
Earnings per share for the period					
	Earnings per share for the period, DKK	62.03	31.87	24.56	7.25
	Earnings per share for the period, DKK, diluted	62.03	31.87	24.56	7.25
Statement of Comprehensive Income					
	Net profit for the period	4,106	2,194	1,618	503
	Other comprehensive income:				
	Actuarial losses and gains	0	80	0	80
	Tax on actuarial losses and gains	0	-21	0	-21
	Other comprehensive income after tax	0	59	0	59
	Comprehensive income for the period	4,106	2,253	1,618	562
	Distributed to:				
	Jyske Bank A/S shareholders	3,986	2,145	1,577	525
	Holders of additional tier 1 capital (AT1)	120	108	41	37
	Total	4,106	2,253	1,618	562

	DKKm	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
BALANCE SHEET				
Assets				
	Cash balance and demand deposits with central banks	72,387	58,519	60,914
	Due from credit institutions and central banks	12,574	8,347	15,463
13,14	Loans at fair value	339,243	337,632	308,575
15	Loans and advances at amortised cost	199,228	204,050	157,922
	Bonds at fair value	59,235	55,505	47,922
	Bonds at amortised cost	37,037	39,660	38,447
	Shares, etc.	2,192	2,260	2,315
	Intangible assets	3,291	3,328	0
	Property, plant and equipment	4,019	4,193	4,251
	Deferred tax assets	906	1,206	282
	Current tax assets	0	0	325
	Assets held temporarily with a view to sale	80	65	71
16	Other assets	29,325	35,232	35,535
	Total assets	759,517	749,997	672,022
EQUITY AND LIABILITIES				
Liabilities				
	Due to credit institutions and central banks	32,252	28,430	26,718
17	Deposits	215,792	208,405	162,073
18	Issued bonds at fair value	333,528	324,156	299,814
	Issued bonds at amortised cost	86,499	95,435	87,735
	Liabilities in disposal group with a view to sale	1	5	5
19	Other liabilities	39,747	45,585	49,125
20	Provisions	1,007	992	1,085
21	Subordinated debt	6,082	6,365	6,387
	Liabilities, total	714,908	709,373	632,942
Equity				
	Share capital	643	643	690
	Revaluation reserve	168	168	171
	Retained profit	40,010	36,512	34,906
	Proposed dividend	500	0	0
	Jyske Bank A/S shareholders	41,321	37,323	35,767
	Holders of additional tier 1 capital (AT1)	3,288	3,301	3,313
	Total equity	44,609	40,624	39,080
	Total equity and liabilities	759,517	749,997	672,022

DKKm

Statement of Changes in Equity

	Share capital	Revaluation reserve	Retained profit	Proposed dividend	Jyske Bank A/S shareholders	AT1 capital*	Total equity
Equity at 1 January 2023	643	168	36,512	0	37,323	3,301	40,624
Net profit for the period	0	0	3,986	0	3,986	120	4,106
Other comprehensive income	0	0	0	0	0	0	0
Comprehensive income for the period	0	0	3,986	0	3,986	120	4,106
Interest paid on additional tier 1 capital	0	0	0	0	0	-122	-122
Currency translation adjustment	0	0	11	0	11	-11	0
Proposed dividend	0	0	-500	500	0	0	0
Acquisition of own shares	0	0	-1,366	0	-1,366	0	-1,366
Sale of own shares	0	0	1,367	0	1,367	0	1,367
Transactions with owners	0	0	-488	500	12	-133	-121
Equity at 30 September 2023	643	168	40,010	500	41,321	3,288	44,609
Equity at 1 January 2022	726	171	34,014	0	34,911	3,355	38,266
Net profit for the period	0	0	2,086	0	2,086	108	2,194
Other comprehensive income:							
Actuarial losses and gains	0	0	80	0	80	0	80
Tax on other comprehensive income	0	0	-21	0	-21	0	-21
Other comprehensive income after tax	0	0	59	0	59	0	59
Comprehensive income for the period	0	0	2,145	0	2,145	108	2,253
Interest paid on additional tier 1 capital	0	0	0	0	0	-107	-107
Currency translation adjustment	0	0	43	0	43	-43	0
Reduction of share capital	-36	0	36	0	0	0	0
Acquisition of own shares	0	0	-2,903	0	-2,903	0	-2,903
Sale of own shares	0	0	1,571	0	1,571	0	1,571
Transactions with owners	-36	0	-1,253	0	-1,289	-150	-1,439
Equity at 30 September 2022	690	171	34,906	0	35,767	3,313	39,080

*Additional tier 1 capital (AT1) has no maturity. Payment of interest and repayment of principal are voluntary. Therefore additional tier 1 capital (AT1) is recognised as equity. In September 2017, Jyske Bank issued AT1 amounting to EUR 150m with the possibility of early redemption in September 2027 at the earliest. The issue has a coupon of 4.75% until September 2027. In April 2019, Jyske Bank issued AT1 amounting to SEK 1bn with the possibility of early redemption in April 2024 at the earliest. The interest rate applicable to the issue until April 2024 is STIBOR+5%. In May 2021, Jyske Bank issued AT1 amounting to EUR 200m with the possibility of early redemption from 4 December 2028 at the earliest. The interest rate applicable to the issue until June 2029 is 3,625%. It applies to all AT1 issues that if the common equity tier 1 capital ratio of Jyske Bank A/S or the Jyske Bank Group falls below 7%, the loans will be written down.

DKKm	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
Capital Statement			
Shareholders' equity	41,321	37,323	35,767
Proposed/expected dividends	-500	0	0
Intangible assets	-3,291	-3,328	0
Prudent valuation	-247	-271	-247
Insufficient coverage of non-performing loans and guarantees	-223	-75	-65
Other deductions	-131	-93	-153
Common equity tier 1 capital	36,929	33,556	35,302
Additional tier 1 capital (AT1) after reduction	3,247	3,272	3,285
Core capital	40,176	36,828	38,587
Subordinated loan capital after reduction	6,073	6,178	6,194
Capital base	46,249	43,006	44,781
Weighted risk exposure involving credit risk, etc.	195,086	195,379	167,006
Weighted risk exposure involving market risk	8,605	8,381	8,404
Weighted risk exposure involving operational risk	17,675	17,161	14,634
Total weighted risk exposure	221,366	220,921	190,044
Capital requirement, Pillar I	17,709	17,674	15,204
Capital ratio (%)	20.9	19.5	23.6
Tier 1 capital ratio (%)	18.1	16.7	20.3
Common equity tier 1 capital ratio (%)	16.7	15.2	18.6

The capital statement was calculated according to Regulation (EU) No. 575/2013 of 26 June 2013 of the European Parliament and of the Council (CRR) with subsequent amendments.

For the determination of the individual solvency requirement, please see the report Risk and Capital Management 2022 and jyskebank.com/investorrelations/capitalstructure, which shows Jyske Bank's quarterly determination of the individual solvency requirement.

DKKm	Q1-Q3 2023	Q1-Q3 2022
Summary of Cash Flow Statement		
Net profit for the period	4,106	2,194
Adjustment for non-cash operating items and change in working capital	14,580	34,998
Cash flows from operating activities	18,686	37,192
Acquisition and sale of property, plant and equipment	-273	-360
Dividend received	65	85
Cash flows from investment activities	-208	-275
Interest paid on additional tier 1 capital	-122	-107
Acquisition of own shares	-1,366	-2,903
Sale of own shares	1,367	1,571
Additional subordinated debt	0	1,090
Redemption of subordinated debt	-234	-11
Repayment on lease commitment	-60	-45
Cash flows from financing activities	-415	-405
Cash flow for the period	18,063	36,512
Cash and cash equivalents, beginning of period	66,866	39,977
Foreign currency translation adjustment of cash at bank and in hand	32	-112
Cash flow for the period, total	18,063	36,512
Cash and cash equivalents, end of period	84,961	76,377
Cash and cash equivalents, end of period, comprise:		
Cash balance and demand deposits with central banks	72,387	60,914
Due from credit institutions and central banks	12,574	15,463
Cash and cash equivalents, end of period	84,961	76,377

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1 Accounting policies

The Interim Financial Report for the period 1 January to 30 September 2023 for the Jyske Bank Group was prepared in accordance with IAS 34, Presentation of Interim Financial Reporting as adopted by the EU. Furthermore, the Interim Financial Report was prepared in accordance with the additional Danish disclosure requirements for the interim reports of listed financial undertakings. Due to the application of IAS 34, the presentation is more limited relative to the presentation of an annual report, and also the recognition and determination principles of the International Financial Reporting Standards (IFRS) were adhered to.

With effect as of 1 January 2023, Jyske Bank has implemented the following new or amended standards and interpretation:

- Amendments to:
 - IAS1 Presentation of financial statements and IFRS Practice Statements 2: Evaluation of materiality
 - IAS 8 Accounting policies, amendments to accounting estimates and errors
 - IAS 12, Income taxes

These changes did not have an effect on Jyske Bank's financial reporting.

Except from the above, accounting policies remain unchanged compared with the annual report for 2022, including the full description of accounting policies.

2 Material accounting estimates
Management's 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 determination of loan impairment charges and provisions for guarantees, the fair value of unlisted financial instruments, provisions made and acquisitions, cf. the detailed statement in note 68 in the Annual Report 2022. The estimates are based on assumptions which management finds reasonable, but which are inherently uncertain. Besides, the Group is subject to risks and uncertainties which may cause results to differ from those estimates. Material accounting estimates were the same in connection with the preparation of the Interim Financial Report as in connection with the preparation of the Annual Report for 2022.

In addition to the calculations of impairment charges, a management's assessment is performed of the impairment models and the ability of the expert-assessed impairment calculations to take into consideration the future economic development. To the extent that it is assessed that circumstances and risks are not included in the models, an addition to the impairment calculations is made which is based on a management's estimate. This estimate is based on specific observations and is calculated on the basis of the expected risks of the specific sub-portfolios.

At 30 September 2023, the Jyske Bank Group's management's estimate totalled DKK 1,415m.

DKKm	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
Corporate clients			
Macroeconomic risks	760	760	870
Non-linear impairment effects	123	121	138
Process-related risks	55	55	55
Corporate clients, total	938	936	1,063
Personal clients			
Macroeconomic risks	320	320	365
Non-linear impairment effects	32	34	77
Process-related risks	125	135	135
Personal clients, total	477	489	577
Management's estimates, total	1,415	1,425	1,640

It is essential that the basis of the management's estimates is well-founded on realistic circumstances and expectations that are not fully recognized in the impairment charges calculated. Documentation and determination will always consist of a coherent chain of reasoning between the well-founded circumstances and the expectation of loss. The determination is supported by data and is based on the specific portfolio, yet it may also be based on an estimate of the effect. On a quarterly basis, the management's estimates are reassessed on the basis of updated controls and analyses of the specific areas.

Jyske Bank's Annual Report 2022, note 14, describes in detail the additions estimated by management for loan impairment charges and provisions for guarantees.

DKKm Q3 2023 Q2 2023 Q1 2023 Q4 2022 Q3 2022

3 Key figures and ratios, five quarters
Summary of Income Statement

Net interest income	2,523	2,419	2,185	1,760	1,423
Net fee and commission income	602	553	657	681	598
Value adjustments	517	100	318	514	-423
Other income	218	235	318	257	249
Income	3,860	3,307	3,478	3,212	1,847
Expenses	1,707	1,686	1,655	1,555	1,411
Profit or loss before loan impairment charges	2,153	1,621	1,823	1,657	436
Loan impairment charges	-13	13	96	-158	-200
Pre-tax profit	2,166	1,608	1,727	1,815	636
Tax	548	409	438	257	133
Net profit for the period	1,618	1,199	1,289	1,558	503

Financial ratios

Pre-tax profit, per share (DKK)*	33.1	24.4	26.3	27.6	9.3
Earnings per share for the period (DKK)*	24.6	18.0	19.5	23.7	7.3
Earnings per share for the period (diluted) (DKK)*	24.6	18.0	19.5	23.7	7.3
Core profit per share (DKK)*	33.0	26.7	26.4	29.1	12.2
Share price at end of period (DKK)	517	518	480	451	398
Book value per share (DKK)*	643	619	600	581	557
Price/book value per share (DKK)*	0.8	0.8	0.8	0.8	0.7
Outstanding shares in circulation ('000)	64,266	64,255	64,272	64,264	64,251
Average number of shares in circulation ('000)	64,258	64,263	64,264	64,263	64,260
Capital ratio (%)	20.9	20.3	19.6	19.5	23.6
Tier 1 capital ratio (%)	18.1	17.6	16.9	16.7	20.3
Common equity tier 1 capital ratio (%)	16.7	16.1	15.4	15.2	18.6
Pre-tax profit as a pct. of average equity*	5.2	4.0	4.4	4.9	1.7
Profit for the period as a pct. of average equity*	3.9	3.0	3.3	4.2	1.3
Income/cost ratio (%) inclusive of loan impairment charges	2.3	1.9	2.0	2.3	1.5
Interest-rate risk (%)	2.6	2.4	2.5	2.4	1.9
Currency risk (%)	0.0	0.0	0.0	0.0	0.0
Accumulated impairment ratio (%)	0.9	0.9	0.9	0.8	1.0
Impairment ratio for the period (%)	0.0	0.0	0.0	0.0	0.0
No. of full-time employees at end-period	3,941	3,938	3,893	3,873	3,284
Average number of full-time employees in the period	3,940	3,916	3,883	3,579	3,261

The financial ratios are based on the definitions and guidelines laid down by the Danish Financial Supervisory Authority, cf. note 69 to the consolidated financial statements for 2022.

* Financial ratios are calculated as if additional tier 1 capital (AT1) is recognised as a liability, cf. note 2 in the consolidated financial statements for 2022.

DKKkm

4 Segmental financial statements

	Banking activities	Mortgage activities	Leasing activities	The Jyske Bank Group*
Q1-Q3 2023				
Net interest income	4,384	2,415	356	7,155
Net fee and commission income	2,230	-423	6	1,813
Value adjustments	636	227	15	878
Other income	157	0	8	165
Income from operating lease (net)	0	0	233	233
Core income	7,407	2,219	618	10,244
Core expenses	4,019	332	147	4,498
Core profit before loan impairment charges	3,388	1,887	471	5,746
Loan impairment charges	95	-23	24	96
Core profit	3,293	1,910	447	5,650
Investment portfolio earnings	7	0	0	7
Profit or loss before non-recurring items	3,300	1,910	447	5,657
Non-recurring items relating to Handelsbanken DK	-156	0	0	-156
Pre-tax profit	3,144	1,910	447	5,501
Loans and advances	176,524	337,605	24,342	538,471
- of which mortgage loans	0	337,605	0	337,605
- of which bank loans	127,420	0	24,342	151,762
- of which repo loans	49,104	0	0	49,104
Total assets	362,335	369,195	27,987	759,517
Deposits	215,639	0	153	215,792
- of which bank deposits	194,750	0	153	194,903
- of which repo and tri-party deposits	20,889	0	0	20,889
Issued bonds	80,962	339,065	0	420,027
Q1-Q3 2022				
Net interest income	1,930	1,807	346	4,083
Net fee and commission income	2,326	-463	-15	1,848
Value adjustments	-323	-86	25	-384
Other income	181	0	14	195
Income from operating lease (net)	0	0	283	283
Core income	4,114	1,258	653	6,025
Core expenses	3,123	295	132	3,550
Core profit before loan impairment charges	991	963	521	2,475
Loan impairment charges	-376	-105	34	-447
Core profit	1,367	1,068	487	2,922
Investment portfolio earnings	-102	0	0	-102
Profit or loss before non-recurring items	1,265	1,068	487	2,820
Non-recurring items relating to Handelsbanken DK	-78	0	0	-78
Pre-tax profit	1,187	1,068	487	2,742
Loans and advances	139,054	304,520	22,923	466,497
- of which mortgage loans	0	304,520	0	304,520
- of which bank loans	92,230	0	22,923	115,153
- of which repo loans	46,824	0	0	46,824
Total assets	313,733	332,720	25,569	672,022
Deposits	161,851	0	222	162,073
- of which bank deposits	148,938	0	222	149,160
- of which repo and tri-party deposits	12,913	0	0	12,913
Issued bonds	82,341	305,208	0	387,549

* The relationship between income statement items under 'The Jyske Bank Group' (key financial data) and the income statement page 19 appears from the next page.

DKKm

4 Segmental financial statements, cont.
Core profit and investment portfolio earnings

The pre-tax profit for the first nine months of 2023 broken down by core earnings and investment portfolio earnings as well as non-recurring items is stated below:

Breakdown of the net profit or loss for the period

DKKm	Q1-Q3 2023					Q1-Q3 2022			
	Core profit	Inv. portfolio earnings	One-off costs	Reclassification	Total	Core profit	Inv. portfolio earnings	Reclassification	Total
Net interest income	7,155	-113	0	85	7,127	4,083	47	0	7
Net fee and commission income	1,813	-1	0	0	1,812	1,848	0	0	0
Value adjustments	878	142	0	-85	935	-384	-127	0	-7
Other income	165	0	0	0	165	195	0	0	0
Income from operating lease (net)	233	0	0	373	606	283	0	0	378
Income	10,244	28	0	373	10,645	6,025	-80	0	378
Expenses	4,498	21	156	373	5,048	3,550	22	78	378
Profit before loan impairment charges	5,746	7	-156	0	5,597	2,475	-102	-78	0
Loan impairment charges	96	0	0	0	96	-447	0	0	0
Pre-tax profit	5,650	7	-156	0	5,501	2,922	-102	-78	0

Alternative performance targets

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 net profit or loss for the period will be the same in the alternative performance targets of the management's review and in the IFRS financial statements.

Core profit is defined as the pre-tax profit exclusive of investment portfolio earnings. Hence earnings from clients are expressed better than in the IFRS financial statements.

Investment portfolio earnings are defined as the return on the Group's portfolio of shares, bonds, derivatives and equity investments, yet exclusive of the liquidity buffer and certain strategic equity investments. Investment portfolio earnings are calculated after expenses for funding and attributable costs.

Non-recurring items are costs relating to the acquisition of Svenska Handelsbanken's Danish activities. These one-offs are included in the IFRS profit and loss account under expenses for staff and administrative expenses, etc.

The above table illustrates relationships between income statement items under 'The Jyske Bank Group' (key financial data), page 2, and income statement items in the IFRS financial statements, page 20.

Reclassification relates to the following:

- Expenses of DKK 85m (Q1-Q3 2022: expenses of DKK 7m) due to value adjustments relating to the balance principle at Jyske Realkredit was reclassified from value adjustments to interest income.
- Depreciation and amortisation of DKK 373m (Q1-Q3 2022: DKK 378m) were reclassified from expenses to income from operating lease (net).

Please see below for definitions of the additional financial ratios stated under the Jyske Bank Group, page 2.

"Earnings per share for the period", "Earnings per share (diluted) for the period", "Pre-tax profit as a percentage of average equity" and "Net profit for the period as a percentage of average equity" are calculated as if additional tier 1 capital (AT1) is recognised as a liability. In the numerator, the profit is less interest expenses for AT1 capital of DKK 120m (Q1-Q3 2022: DKK 108m) and the denominator is calculated as equity exclusive of AT1 capital of DKK 3,288m (Q1-Q3 2022: DKK 3,313m).

"Expenses as a percentage of income" is calculated as Core expenses divided by Core income.

"Book value per share" and "Price/book value per share" are calculated as if additional tier 1 capital (AT1) is accounted for as a liability. Book value was calculated exclusive of additional tier 1 capital (AT1) of DKK 3,288m. (Q1-Q3 2022: DKK 3,313m).

	Q1-Q3 2023	Q1-Q3 2022
DKKm		
5 Interest income		
Due from credit institutions and central banks	1,946	-46
Loans and advances	12,509	4,241
Administration margin	1,505	1,525
Bonds	1,981	445
Derivatives, total	336	487
Of which currency contracts	389	403
Of which interest-rate contracts	-53	84
Other	18	0
Total	18,295	6,652
Interest on own mortgage bonds, set off against interest on issued bonds	246	143
Total after offsetting of negative interest	18,049	6,509
Negative interest income set off against interest income	0	181
Negative interest expenses set off against interest expenses	0	672
Total before offsetting of negative interest income	18,049	7,362
Of which Interest income calculated according to the effective interest method	9,298	2,640
<p>Negative interest income amounted to DKK 0m. (Q1-Q3 2022: DKK 181m) and related primarily to repo transactions. In the above table, negative interest income is set off against interest income. In the income statement, negative interest income is listed as interest expenses, and negative interest expenses are listed as interest income.</p>		
6 Interest expenses		
Due to credit institutions and central banks	694	42
Deposits	2,418	-404
Issued bonds	7,734	2,754
Subordinated debt	158	92
Other	164	31
Total	11,168	2,515
Interest on own mortgage bonds, set off against interest on issued bonds	246	143
Total after offsetting of negative interest	10,922	2,372
Negative interest expenses set off against interest expenses	0	672
Negative interest income set off against interest income	0	181
Total before offsetting of negative interest income	10,922	3,225
<p>Negative interest expenses amounted to DKK 0m. (Q1-Q3 2022: DKK 672m) related primarily to repo transactions as well as deposits and issued bonds. In the above table, negative interest expenses are set off against interest expenses. In the income statement, negative interest expenses are listed as interest income, and negative interest income is listed as interest expenses.</p>		
7 Fee and commission income		
Securities trading and custody services	1,025	1,034
Money transfers and card payments	284	213
Loan application fees	294	406
Guarantee commission	83	79
Other fees and commissions	511	488
Fees and commissions received, total	2,197	2,220
Fees and commissions paid, total	385	372
Fee and commission income, net	1,812	1,848
<p>Fee income for the period, amounting to DKK 2,197m less fees and commission paid for the period amounting to DKK 385m, constitutes the net fee and commission income for the period in the amount of DKK 1,812m. (Q1-Q3 2022: DKK 1,848m). These are recognised in the segmental financial statements for the bank's three business areas, cf. note 4.</p>		

	DKKm	Q1-Q3 2023	Q1-Q3 2022
8 Value adjustments			
Loans at fair value		-1,104	-40,090
Bonds		322	-3,103
Shares, etc.		129	-87
Currency		195	89
Currency, interest-rate, share, commodity and other contracts as well as other derivatives		345	394
Issued bonds		1,091	42,059
Other assets and liabilities		-43	220
Total		935	-518
9 Other income			
Income on real property		36	31
Profit on the sale of property, plant and equipment		1	6
Income from operating lease ¹		606	661
Dividends, etc.		65	85
Profit/loss on investments in associates		0	44
Other income		63	29
Total		771	856
¹) Expenses relating to operating lease affected the item Amortisation, depreciation and impairment charges in the amount of DKK 373m in the first nine months of 2023 against DKK 378m in the first nine months of 2022.			
10 Employee and administrative expenses			
Employee expenses			
Wages and salaries, etc.		2,135	1,691
Pensions		273	227
Social security		326	250
Total		2,734	2,168
Salaries and remuneration to management bodies			
Executive Board		27	26
Supervisory Board		5	5
Shareholders' Representatives		2	1
Total		34	32
Other administrative expenses			
IT		1,260	972
Other operating expenses		178	189
Other administrative expenses		334	209
Total		1,772	1,370
Employee and administrative expenses, total		4,540	3,570
11 Effective tax rate			
Corporation tax rate in Denmark		22.0	22.0
Surtax for financial services companies in Denmark		3.2	0.0
Non-taxable income and non-deductible expenses, etc.		0.2	-2.0
Effective tax rate		25.4	20.0

DKKm	Q1-Q3 2023	Q1-Q3 2022
12		
Loan impairment charges and provisions for guarantees		
Loan impairment charges and provisions for guarantees recognised in the income statement		
Loan impairment charges and provisions for guarantees for the period	362	-251
Impairment charges on balances due from credit institutions in the period	1	-4
Provisions for loan commitments and unutilised credit lines in the period	3	-17
Recognised as a loss, not covered by loan impairment charges and provisions	50	66
Recoveries	-10	-133
Recognised discount for acquired loans	-310	-108
Loan impairment charges and provisions for guarantees recognised in the income statement	96	-447
Balance of loan impairment charges and provisions for guarantees		
Balance of loan impairment charges and provisions, beginning of period	4,741	5,443
Loan impairment charges and provisions for the period	365	-268
Recognised as a loss, covered by loan impairment charges and provisions	-190	-292
Other movements	49	38
Balance of loan impairment charges and provisions, end of period	4,965	4,921
Loan impairment charges and provisions for guarantees at amortised cost	3,150	2,876
Loan impairment charges at fair value	1,452	1,582
Provisions for guarantees	179	197
Provisions for credit commitments and unutilised credit lines	184	266
Balance of loan impairment charges and provisions, end of period	4,965	4,921

DKKm

12 Loan impairment charges and provisions for guarantees, cont.

	Stage 1	Stage 2	Stage 3	Non- performing at first recognition	Total
Balance of loan impairment charges and provisions for guarantees by stage – total					
Balance, beginning of 2023	1,312	1,073	2,355	1	4,741
Transfer of impairment charges at beginning of period to stage 1	307	-209	-98	0	0
Transfer of impairment charges at beginning of period to stage 2	-54	96	-42	0	0
Transfer of impairment charges at beginning of period to stage 3	-5	-110	115	0	0
Impairment charges on new loans, etc.	277	89	274	0	640
Impairment charges on discontinued loans and provisions for guarantees	-178	-150	-344	0	-672
Effect from recalculation	-117	255	300	9	447
Previously recognized as impairment charges, now final loss	0	-2	-189	0	-191
Balance on 30 September 2023	1,542	1,042	2,371	10	4,965

	Stage 1	Stage 2	Stage 3	Non- performing at first recognition	Total
Balance of loan impairment charges and provisions for guarantees by stage – total					
Balance, beginning of 2022	1,081	923	3,439	0	5,443
Transfer of impairment charges at beginning of period to stage 1	334	-298	-36	0	0
Transfer of impairment charges at beginning of period to stage 2	-60	128	-68	0	0
Transfer of impairment charges at beginning of period to stage 3	-10	-60	70	0	0
Impairment charges on new loans, etc.	309	157	164	0	630
Impairment charges on discontinued loans and provisions for guarantees	-259	-208	-437	0	-904
Effect from recalculation	-175	466	-247	0	44
Previously recognized as impairment charges, now final loss	0	-1	-291	0	-292
Balance on 30 September 2022	1,220	1,107	2,594	0	4,921

	Stage 1	Stage 2	Stage 3	Non- performing at first recognition	Total
Balance of impairment charges by stage - loans at amortised cost					
Balance, beginning of 2023	506	780	1,658	0	2,944
Transfer of impairment charges at beginning of period to stage 1	208	-134	-74	0	0
Transfer of impairment charges at beginning of period to stage 2	-31	48	-17	0	0
Transfer of impairment charges at beginning of period to stage 3	-3	-100	103	0	0
Impairment charges on new loans, etc.	131	52	225	0	408
Impairment charges on discontinued loans and provisions for guarantees	-74	-108	-214	0	-396
Effect from recalculation	-100	191	274	9	374
Previously recognized as impairment charges, now final loss	0	0	-180	0	-180
Balance on 30 September 2023	637	729	1,775	9	3,150

	Stage 1	Stage 2	Stage 3	Non- performing at first recognition	Total
Balance of impairment charges by stage - loans at amortised cost					
Balance, beginning of 2022	575	407	2,138	0	3,120
Transfer of impairment charges at beginning of period to stage 1	185	-157	-28	0	0
Transfer of impairment charges at beginning of period to stage 2	-45	81	-36	0	0
Transfer of impairment charges at beginning of period to stage 3	-8	-26	34	0	0
Impairment charges on new loans, etc.	125	65	53	0	243
Impairment charges on discontinued loans and provisions for guarantees	-119	-59	-191	0	-369
Effect from recalculation	-288	436	-140	0	8
Previously recognized as impairment charges, now final loss	0	0	-126	0	-126
Balance on 30 September 2022	425	747	1,704	0	2,876

DKKm

12 Loan impairment charges and provisions for guarantees, cont.

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of impairment charges by stage – loans at fair value					
Balance, beginning of 2023	679	219	506	0	1,404
Transfer of impairment charges at beginning of period to stage 1	62	-56	-6	0	0
Transfer of impairment charges at beginning of period to stage 2	-15	32	-17	0	0
Transfer of impairment charges at beginning of period to stage 3	-2	-4	6	0	0
Impairment charges on new loans, etc.	84	28	23	0	135
Impairment charges on discontinued loans and provisions for guarantees	-51	-22	-81	0	-154
Effect from recalculation	15	36	27	0	78
Previously recognized as impairment charges, now final loss	0	-2	-9	0	-11
Balance on 30 September 2023	772	231	449	0	1,452

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of impairment charges by stage – loans at fair value					
Balance, beginning of 2022	335	373	977	0	1,685
Transfer of impairment charges at beginning of period to stage 1	80	-78	-2	0	0
Transfer of impairment charges at beginning of period to stage 2	-11	35	-24	0	0
Transfer of impairment charges at beginning of period to stage 3	-2	-30	32	0	0
Impairment charges on new loans, etc.	137	62	35	0	234
Impairment charges on discontinued loans and provisions for guarantees	-55	-123	-160	0	-338
Effect from recalculation	202	44	-188	0	58
Previously recognized as impairment charges, now final loss	0	-1	-56	0	-57
Balance on 30 September 2022	686	282	614	0	1,582

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of provisions by stage - guarantees and loan commitments, etc.					
Balance, beginning of 2023	132	76	184	1	393
Transfer of impairment charges at beginning of period to stage 1	37	-19	-18	0	0
Transfer of impairment charges at beginning of period to stage 2	-8	16	-8	0	0
Transfer of impairment charges at beginning of period to stage 3	0	-7	7	0	0
Impairment charges on new loans, etc.	62	9	26	0	97
Impairment charges on discontinued loans and provisions for guarantees	-53	-20	-49	0	-122
Effect from recalculation	-32	28	-1	0	-5
Previously recognized as impairment charges, now final loss	0	0	0	0	0
Balance on 30 September 2023	138	83	141	1	363

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of provisions by stage - guarantees and loan commitments, etc.					
Balance, beginning of 2022	175	143	320	0	638
Transfer of impairment charges at beginning of period to stage 1	68	-63	-5	0	0
Transfer of impairment charges at beginning of period to stage 2	-4	12	-8	0	0
Transfer of impairment charges at beginning of period to stage 3	-1	-3	4	0	0
Impairment charges on new loans, etc.	47	29	75	0	151
Impairment charges on discontinued loans and provisions for guarantees	-84	-26	-83	0	-193
Effect from recalculation	-90	-15	81	0	-24
Previously recognized as impairment charges, now final loss	0	0	-109	0	-109
Balance on 30 September 2022	111	77	275	0	463

DKKm

12 Loan impairment charges and provisions for guarantees, cont.

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Gross loans, advances and guarantees by stage					
Gross loans, advances and guarantees, 1 January 2023	529,761	18,789	8,749	84	557,383
Transfer of loans, advances and guarantees to stage 1	6,011	-5,242	-769	0	0
Transfer of loans, advances and guarantees to stage 2	-9,641	10,210	-569	0	0
Transfer of loans, advances and guarantees to stage 3	-810	-924	1,734	0	0
Other movements	-135	-2,426	-791	16	-3,336
Gross loans, advances and guarantees, 30 September 2023	525,186	20,407	8,354	100	554,047
Loan impairment charges and provisions for guarantees, total	1,456	991	2,324	10	4,781
Net loans, advances and guarantees, 30 September 2023	523,730	19,416	6,030	90	549,266

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Gross loans, advances and guarantees by stage					
Gross loans, advances and guarantees, 1 January 2022	471,338	24,447	8,315	0	504,100
Additions relating to new portfolio	65,059	0	0	84	65,143
Transfer of loans, advances and guarantees to stage 1	9,925	-9,780	-145	0	0
Transfer of loans, advances and guarantees to stage 2	-8,156	8,603	-447	0	0
Transfer of loans, advances and guarantees to stage 3	-1,706	-774	2,480	0	0
Other movements	-6,699	-3,707	-1,454	0	-11,860
Gross loans, advances and guarantees, 31 December 2022	529,761	18,789	8,749	84	557,383
Loan impairment charges and provisions for guarantees, total	1,237	1,025	2,298	0	4,560
Net loans, advances and guarantees, 31 December 2022	528,524	17,764	6,451	84	552,823

DKKm

12 Loan impairment charges and provisions for guarantees, cont.
Loans, advances and guarantees by stage and internal rating - gross before impairment charges and provisions
30 September 2023
**31 Dec.
2022**

Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	Total
1	0.00 - 0.10	68,490	223	0	0	68,713	78,124
2	0.10 - 0.15	12,488	32	0	0	12,520	18,808
3	0.15 - 0.22	37,710	29	0	0	37,739	34,819
4	0.22 - 0.33	51,899	189	0	0	52,088	56,843
5	0.33 - 0.48	104,434	414	0	0	104,848	85,661
STY Ratings 1 – 5		275,021	887	0	0	275,908	274,255
6	0.48 - 0.70	77,265	161	0	0	77,426	86,329
7	0.70 - 1.02	70,819	702	0	0	71,521	68,349
8	1.02 - 1.48	39,570	853	0	0	40,423	50,265
9	1.48 - 2.15	33,362	1,180	0	0	34,542	24,312
10	2.15 - 3.13	13,822	1,849	0	0	15,671	13,205
11	3.13 - 4.59	4,858	2,726	0	0	7,584	7,792
STY Ratings 6 – 11		239,696	7,471	0	0	247,167	250,252
12	4.59 - 6.79	3,206	2,831	0	0	6,037	6,410
13	6.79 - 10.21	2,075	3,277	0	0	5,352	4,625
14	10.21 - 25.0	858	5,415	0	0	6,273	6,509
STY Ratings 12-14		6,139	11,523	0	0	17,662	17,544
Other		4,069	217	0	0	4,286	4,988
Non-performing loans		261	309	8,354	100	9,024	10,344
Total		525,186	20,407	8,354	100	554,047	557,383

Loan impairment charges and provisions for guarantees by stage and internal rating
30 September 2023
**31 Dec.
2022**

Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	Total
1	0.00 - 0.10	80	7	0	0	87	91
2	0.10 - 0.15	25	0	0	0	25	22
3	0.15 - 0.22	42	0	0	0	42	50
4	0.22 - 0.33	170	10	0	0	180	98
5	0.33 - 0.48	287	8	0	0	295	220
STY Ratings 1 - 5		604	25	0	0	629	481
6	0.48 - 0.70	126	3	0	0	129	143
7	0.70 - 1.02	191	10	0	0	201	170
8	1.02 - 1.48	163	17	0	0	180	130
9	1.48 - 2.15	165	34	0	0	199	120
10	2.15 - 3.13	81	71	0	0	152	139
11	3.13 - 4.59	37	66	0	0	103	89
STY Ratings 6 – 11		763	201	0	0	964	791
12	4.59 - 6.79	27	139	0	0	166	107
13	6.79 - 10.21	23	108	0	0	131	137
14	10.21 - 25.0	11	483	0	0	494	634
STY Ratings 12-14		61	730	0	0	791	878
Other		26	23	0	0	49	41
Non-performing loans		2	12	2,324	10	2,348	2,369
Total		1,456	991	2,324	10	4,781	4,560

DKK m

12 Loan impairment charges and provisions for guarantees, cont.
Loan commitments and unutilised credit facilities by stage
30 September 2023
**31 Dec.
2022**

Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	Total
1	0.00 - 0.10	26,323	7	0	0	26,330	21,176
2	0.10 - 0.15	6,450	1	0	0	6,451	5,632
3	0.15 - 0.22	7,215	3	0	0	7,218	6,448
4	0.22 - 0.33	7,155	26	0	0	7,181	9,629
5	0.33 - 0.48	6,010	35	0	0	6,045	5,034
STY Ratings 1 – 5		53,153	72	0	0	53,225	47,919
6	0.48 - 0.70	11,034	32	0	0	11,066	13,901
7	0.70 - 1.02	7,813	107	0	0	7,920	5,166
8	1.02 - 1.48	6,864	411	0	0	7,275	8,662
9	1.48 - 2.15	3,208	248	0	0	3,456	1,674
10	2.15 - 3.13	2,382	168	0	0	2,550	2,199
11	3.13 - 4.59	595	162	0	0	757	765
STY Ratings 6 – 11		31,896	1,128	0	0	33,024	32,367
12	4.59 - 6.79	581	338	0	0	919	886
13	6.79 - 10.21	389	260	0	0	649	922
14	10.21 - 25.0	493	499	0	0	992	920
STY Ratings 12-14		1,463	1,097	0	0	2,560	2,728
Other		762	29	0	0	791	3,892
Non-performing loans		0	0	347	2	349	518
Total		87,274	2,326	347	2	89,949	87,424

Provisions for loan commitments and unutilised credit lines by stage
30 September 2023
**31 Dec.
2022**

Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	Total
1	0.00 - 0.10	2	0	0	0	2	2
2	0.10 - 0.15	4	0	0	0	4	4
3	0.15 - 0.22	6	0	0	0	6	6
4	0.22 - 0.33	7	0	0	0	7	7
5	0.33 - 0.48	8	0	0	0	8	8
STY Ratings 1 – 5		27	0	0	0	27	27
6	0.48 - 0.70	10	2	0	0	12	17
7	0.70 - 1.02	14	0	0	0	14	7
8	1.02 - 1.48	8	3	0	0	11	9
9	1.48 - 2.15	9	1	0	0	10	5
10	2.15 - 3.13	6	1	0	0	7	7
11	3.13 - 4.59	3	2	0	0	5	4
STY Ratings 6 – 11		50	9	0	0	59	49
12	4.59 - 6.79	3	9	0	0	12	4
13	6.79 - 10.21	2	7	0	0	9	16
14	10.21 - 25.0	0	25	0	0	25	15
STY Ratings 12-14		5	41	0	0	46	35
Other		3	2	0	0	5	8
Non-performing loans		0	0	47	0	47	62
Total		85	52	47	0	184	181

	DKKm	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
13	Loans at fair value			
	Mortgage loans, nominal value	370,304	365,580	342,608
	Adjustment for interest-rate risk, etc.	-31,713	-30,839	-36,970
	Adjustment for credit risk	-1,318	-1,371	-1,445
	Mortgage loans at fair value, total	337,273	333,370	304,193
	Arrears and outlays, total	57	54	42
	Other loans and advances	1,913	4,208	4,340
	Loans and advances at fair value, total	339,243	337,632	308,575
14	Loans and advances at fair value broken down by property category			
	Owner-occupied homes	160,974	164,014	141,278
	Vacation homes	9,639	9,713	7,528
	Subsidised housing (rental housing)	45,661	44,819	44,767
	Cooperative housing	10,864	11,181	10,782
	Private rental properties (rental housing)	65,189	63,110	60,801
	Industrial properties	4,749	3,314	2,826
	Office and retail properties	34,855	33,937	33,347
	Agricultural properties	170	158	157
	Properties for social, cultural and educational purposes	7,106	7,344	7,043
	Other properties	36	42	46
	Total	339,243	337,632	308,575
15	Loans and advances at amortised cost and guarantees broken down by sector			
	Public authorities	13,259	13,402	12,087
	Agriculture, hunting, forestry, fishing	13,215	12,272	11,831
	Manufacturing, mining, etc.	14,952	13,928	12,370
	Energy supply	8,162	7,529	6,711
	Building and construction	6,445	6,184	4,680
	Commerce	12,213	11,151	11,041
	Transport, hotels and restaurants	6,440	5,915	4,611
	Information and communication	2,412	2,829	2,499
	Financing and insurance	52,739	59,106	50,096
	Real property	24,066	24,854	13,948
	Other sectors	16,004	14,953	10,349
	Corporates, total	156,648	158,721	128,136
	Personal clients, total	40,116	43,068	28,187
	Total	210,023	215,191	168,410

	DKKm	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
16 Other assets				
Positive fair value of derivatives		18,933	25,827	30,270
Assets in pooled deposits		7,142	7,125	3,523
Interest and commission receivable		1,140	537	414
Investments in associates and joint ventures		197	187	258
Deferred income		191	175	162
Investment properties		97	97	28
Other assets		1,625	1,284	880
Total		29,325	35,232	35,535
Netting				
Positive fair value of derivatives, gross		55,199	64,650	67,139
Netting of positive and negative fair value		36,266	38,823	36,869
Total		18,933	25,827	30,270
Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).				
17 Deposits				
Demand deposits		146,993	154,923	121,522
Term deposits		4,468	748	819
Time deposits		51,513	39,240	31,498
Special deposits		5,666	6,316	4,703
Pooled deposits		7,152	7,178	3,531
Total		215,792	208,405	162,073
18 Issued bonds at fair value				
Issued bonds at fair value, nominal value		401,160	380,506	376,780
Adjustment to fair value		-34,065	-33,052	-39,436
Own mortgage bonds offset, fair value		-33,567	-23,298	-37,530
Total		333,528	324,156	299,814
19 Other liabilities				
Set-off entry of negative bond holdings in connection with repos/reverse repos		8,650	5,799	6,495
Negative fair value of derivatives		19,969	27,908	33,440
Interest and commission payable		3,849	2,043	1,665
Deferred income		132	156	142
Lease commitment		253	313	338
Other liabilities		6,894	9,366	7,045
Total		39,747	45,585	49,125
Netting				
Negative fair value of derivatives, gross		56,235	66,731	70,309
Netting of positive and negative fair value		36,266	38,823	36,869
Total		19,969	27,908	33,440
Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).				
20 Provisions				
Provisions for pensions and similar liabilities		516	503	525
Provisions for guarantees		178	212	197
Provisions for losses on loan commitments and unutilised credit lines		184	181	266
Other provisions		129	96	97
Total		1,007	992	1,085

	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
DKK m			
21 Subordinated debt			
Supplementary capital:			
Var. % bond loan NOK 1,000m 24.03.2031	647	707	703
Var. % bond loan SEK 1,000m 24.03.2031	663	669	682
1.25% bond loan EUR 200m 28.01.2031	1,491	1,487	1,487
2.25 % bond loan EUR 300m 05.04.2029	2,237	2,231	2,231
6.73% bond loan EUR 4.5m 2024-2026	34	45	45
Var. % bond loan EUR 10m 13.02.2023	0	74	74
5.65% bond loan EUR 10m 27.03.2023	0	74	74
5.67% bond loan EUR 10m 31.07.2023	0	74	74
Var. % bond loan SEK 600m 31.8.2032	388	402	409
Var. % bond loan NOK 400m 31.8.2032	265	283	281
Var. % bond loan DKK 400m 31.8.2032	400	400	400
Subordinated debt, nominal	6,125	6,446	6,460
Hedging of interest-rate risk, fair value	-43	-81	-73
Total	6,082	6,365	6,387
Subordinated debt included in the capital base	6,073	6,178	6,194
22 Contingent liabilities			
Guarantees, etc.	10,795	11,141	10,488
Other contingent liabilities, etc.	89,972	87,457	72,492
Total	100,767	98,598	82,980

Guarantees are primarily payment guarantees, where the risk equals that involved in credit facilities.

Other contingent liabilities are primarily loan commitments and unutilised credit facilities.

Jyske Bank is also a party to a number of legal disputes arising from its business activities. Jyske Bank estimates the risk involved in each individual case and makes any necessary provisions which are recognised under contingent liabilities. Jyske Bank does not expect such liabilities to have material influence on Jyske Bank's financial position.

In 2021, the FSA performed a money-laundering inspection at Jyske Bank and in 2022, it published its report on the inspection relating primarily to a small number of home loans in Southern Europe.

Subsequently, the FSA informed Jyske Bank that it intended to file a police report on the Bank for the violation of provisions of the Danish anti-money laundering act on client due diligence procedures and duty of inspection. Jyske Bank estimates that there is a limited risk that the Bank has been exploited for money laundering, and Jyske Bank assesses to have a good understanding of the clients and the origin of the funds. Jyske Bank will cooperate with the police on all issues of the matter.

Jyske Bank does not expect that the matter will influence the Group's financial position.

Because of its mandatory participation in the deposit guarantee scheme, the sector has paid an annual contribution of 2.5‰ of the covered net deposits until the assets of Pengeinstitutafdelingen (the financial institution fund) exceed 1% of the total net deposits covered, which level has been reached. According to Bank Package 3 and Bank Package 4, Pengeinstitutafdelingen bears the immediate losses attributable to covered net deposits and relating to the winding up of financial institutions in distress. Any losses in connection with the final winding up are covered by the Guarantee Fund's Afviklings- og Restruktureringsafdeling (settlement and restructuring fund), where Jyske Bank currently guarantees 7.91% of any losses.

The statutory participation in the resolution financing arrangements (Resolution Fund) as of June 2015 entailed that credit institutions pay an annual contribution over a 10-year period to a Danish national fund with a target size totalling 1% of the covered deposits. Credit institutions are to contribute according to their relative sizes and risk in Denmark, and the first contributions to the Resolution Fund were paid at the end of 2015. The Jyske Bank Group expects having to pay a total of about DKK 600m over the 10-year period 2015 -2025.

Due to Jyske Bank's membership of the Foreningen Bankdata, the bank is - in the event of its withdrawal - under the obligation to pay an exit charge to Bankdata in the amount of about DKK 1.9bn.

Jyske Bank A/S is assessed for Danish tax purposes jointly with all domestic subsidiaries which are part of the Jyske Bank Group. Jyske Bank A/S is the administration company of the joint taxation and has unlimited joint and several liability for the Danish corporation taxes of the joint taxation. Jyske Bank A/S and its most important subsidiaries are part of a joint VAT registration and is thus jointly and severally liable for the payment of VAT and payroll tax of the joint registration.

23 Shareholders

On 30 September 2023, BRFFholding a/s, Copenhagen, Denmark held 28.10% of the share capital. BRFFholding a/s is a 100% owned subsidiary of BRFFonden. According to Jyske Bank's Articles of Association, BRFFholding a/s has 4,000 votes.

24 Related parties

Jyske Bank is the banker of a number of 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, there were no unusual transactions with related parties. Please see Jyske Bank's Annual Report 2022 for a detailed description of transactions with related parties.

25 Bonds provided as security

The Jyske Bank Group has deposited bonds with central banks and clearing houses, etc. in connection with clearing and settlement of securities and currency transactions as well as tri-party repo transactions totalling a market value of DKK 25,629m (end of 2022: DKK 15,686m).

In addition, in connection with CSA agreements, the Jyske Bank Group has provided cash collateral of DKK 7,509m (end of 2022: DKK 6,725m) and bonds worth DKK 2,591m (end of 2022: DKK 6,566m).

The conclusion of repo transactions, i.e. sale of securities involving agreements to repurchase them at a later point in time, implies that bonds are provided as collateral for the amount that is borrowed. Repo transactions amounted to DKK 16,316m (end of 2022: DKK 18,042m).

26 Notes on fair value**Methods for measuring fair value**

Fair value is the price that, at the time of measurement, would be obtained by selling an asset or paid for by transferring a liability in an ordinary transaction between independent market participants. The fair value may equal the book value where book value is recognised on the basis of underlying assets and liabilities measured at fair value.

For all assets listed on active markets, fair values are measured at official prices (category: "Quoted prices"). Where no price is quoted, a different official price is used which is taken to reflect most closely the fair value (category: "Observable prices"). Financial assets and liabilities of which quoted prices or other official prices are not available or are not taken to reflect the fair value are measured at fair value according to other evaluation techniques and other observable market information. In those cases where observable prices based on market information are not available or are not taken to be useful for measuring fair value, the fair value is measured by recognised techniques, including discounted future cash flows, and own expertise (category: "non-observable prices"). The basis of the measurement may be recent transactions involving comparable assets or liabilities, interest rates, exchange rates, volatility, credit spreads, etc. Generally, the Group's unlisted shares are placed in this category.

Generally, quoted prices and observable input are obtained in the form of interest rates and equity and bond prices, exchange rates, volatilities, etc. from recognised stock exchanges and providers.

Specific details on methods for measuring fair value

Loans at fair value are predominantly mortgage loans and generally measured at prices of the underlying bonds quoted on a recognised stock exchange. If such a market price is not available for the preceding 7 days, a calculated price based on the official market rate will be applied for determining the value. If derivatives are part of the funding of the mortgage loans, the value of these will be integrated in the valuation of the loans. The fair value is reduced by the calculated impairment charge which for loans at fair value is measured according to the same principles that apply to impairments of loans at amortised cost.

Bonds at fair value, shares, assets linked to pooled deposits, and derivatives are measured at fair value in the accounts to the effect that the carrying amounts equal fair values.

Generally bonds are measured at prices quoted on a recognised stock exchange. Alternatively, prices are applied that are calculated on the basis of Jyske Bank's own measurement models based on a yield curve with a credit spread. Essentially, the calculated prices are based on observable input.

26 Notes on fair value, cont.

Generally equities, etc. are measured at prices quoted on a recognised stock exchange. Alternatively, prices are applied that are calculated on the basis of Jyske Bank's own valuation models based on observable input, shareholders' agreements, executed transactions, etc. Unlisted equities are valued on the basis of discounted cash flow models (DCF).

Derivatives are valued on the basis of a market-consistent yield curve set-up, credit models and option models such as Black-Scholes. The models applied are monitored on an ongoing basis to ensure robustness and a high quality of the output of the models. To ensure that the methods of valuation are always consistent with current market practice, the models are validated by units independent of the unit that develop the models.

To the greatest extent possible, the methods of valuation are based on observable market quotes, such as market rates, exchange rates, volatilities, market prices, etc. Often methods of interpolation will also be incorporated to value the specific contracts.

The fair value of derivatives is also adjusted for credit risk (CVA and DVA) and funding costs (FVA). Client margins are amortised over the remaining time to maturity.

Assets related to pooled deposits are measured according to the above principles.

Information about differences between recognised value and measurement of fair value

Loans and advances exclusive of mortgage loans and certain other home loans are recognised at amortised cost. The difference to fair value is assumed to be fee and commission received, costs defrayed in connection with lending, plus interest-rate-dependent value adjustment calculated by comparing current market rates with market rates at the time when the loans and advances were established. Changes in credit quality are assumed to be included under impairment charges both for carrying amounts and fair values.

Subordinated debt and issued bonds exclusive of issues of mortgage bonds are recognised at amortised cost supplemented with the fair value of the hedged interest-rate risk. The difference to fair value is calculated on the basis of own-issue prices obtained externally.

Deposits are recognised at amortised cost. The difference to fair value is assumed to be the interest-rate dependent value adjustment calculated by comparing current market rates with market rates at the time when the deposits were made.

Balances with credit institutions are recognised at amortised cost. The difference to fair value is assumed to be the interest-rate dependent value adjustment calculated by comparing current market rates with market rates at the time when the transactions were established. Changes in the credit quality of balances with credit institutions are assumed to be included under impairment charges for loans, advances, and receivables. Changes in the fair values of balances due to credit institutions because of changes in Jyske Bank's own credit rating are not taken into account.

The calculated fair values of financial assets and liabilities recognised at amortised cost are materially non-observable prices (level 3) in the fair value hierarchy.

Information about changes in credit risk on derivatives with positive fair value

In order to allow for the credit risk on derivatives for clients without credit impairment, the fair value is adjusted (CVA). Adjustments will also be made for clients with credit impairment, but on an individual basis.

For any given counterparty's total portfolio of derivatives, CVA is a function of the expected positive exposure (EPE), loss given default (LGD) as well as the probability of default (PD).

When determining the EPE, a model is used to establish the expected positive exposure to the counterparty's portfolio over the maturity of the derivatives. The PDs that Jyske Bank has applied in the model so far were estimated on the basis of IRB (internal rating based) PDs. This method of estimating PDs was in 2021 replaced with a new method, which to a higher extent mirrors the likelihood of default, which can be seen in the market, as the likelihoods of default are inferred via market-observable CDS spreads. LGD is set at compliant with quotations of CDS spreads in connection with the calculation of likelihoods of default whereas the exposure profiles have been adjusted for the effect from any security and CSA agreements.

In addition to CVA, also an adjustment is made of the fair value of derivatives that have an expected future negative fair value. This takes place to allow for changes in the counterparties' credit risk against the Jyske Bank Group (debt valuation adjustment - DVA). The DVA adjustment takes place according to the same principles that apply to the CVA adjustment, yet PD for Jyske Bank is determined on the basis of Jyske Bank's external rating by Standard & Poor's. At the end of Q3 2023, CVA and DVA amounted, on an accumulated basis, to net DKK -16m, which accumulated amount was recognised as an income under value adjustments, against an accumulated amount of DKK 9m at the end of 2022 which was recognised as income under value adjustments.

27 Fair value of financial assets and liabilities

The table shows the fair value of financial assets and liabilities and the carrying amounts. The re-statement at fair value of financial assets and liabilities shows a total non-recognised unrealised loss of DKK 731m at the end of Q3, 2023 against a total unrecognised loss of DKK 753m at the end of 2022.

DKKm	30 Sept. 2023		31 Dec. 2022	
	Recognised value	Fair value	Recognised value	Fair value
FINANCIAL ASSETS				
Cash balance and demand deposits with central banks	72,387	72,387	58,519	58,519
Due from credit institutions and central banks	12,574	12,568	8,347	8,343
Loans at fair value	339,243	339,243	337,632	337,632
Loans and advances at amortised cost	199,228	198,551	204,050	203,008
Bonds at fair value	59,235	59,235	55,505	55,505
Bonds at amortised cost	37,037	35,503	39,660	37,874
Shares, etc.	2,192	2,192	2,260	2,260
Assets in pooled deposits	7,142	7,142	7,125	7,125
Derivatives	18,933	18,933	25,827	25,827
Total	747,971	745,754	738,925	736,093
FINANCIAL LIABILITIES				
Due to credit institutions and central banks	32,252	32,120	28,430	28,282
Deposits	208,640	208,623	201,227	201,198
Pooled deposits	7,152	7,152	7,178	7,178
Issued bonds at fair value	333,528	333,528	324,156	324,156
Issued bonds at amortised cost	86,499	85,555	95,435	94,007
Subordinated debt	6,082	5,689	6,365	5,891
Set-off entry of negative bond holdings	8,650	8,650	5,799	5,799
Derivatives	19,969	19,969	27,908	27,908
Total	702,772	701,286	696,498	694,419

DKKm

28 The fair value hierarchy

30 September 2023		Observable	Non-observable	Fair value,	Recognised
Financial assets	Quoted prices	input	input	total	value
Loans at fair value	0	339,243	0	339,243	339,243
Bonds at fair value	50,930	8,305	0	59,235	59,235
Shares, etc.	793	391	1,008	2,192	2,192
Assets in pooled deposits	102	7,040	0	7,142	7,142
Derivatives	228	18,705	0	18,933	18,933
Total	52,053	373,684	1,008	426,745	426,745
Financial liabilities					
Pooled deposits	0	7,152	0	7,152	7,152
Issued bonds at fair value	300,934	32,594	0	333,528	333,528
Set-off entry of negative bond holdings	8,553	97	0	8,650	8,650
Derivatives	307	19,662	0	19,969	19,969
Total	309,794	59,505	0	369,299	369,299
31 December 2022					
Financial assets					
Loans at fair value	0	337,632	0	337,632	337,632
Bonds at fair value	43,641	11,864	0	55,505	55,505
Shares, etc.	626	466	1,168	2,260	2,260
Assets in pooled deposits	124	7,001	0	7,125	7,125
Derivatives	685	25,142	0	25,827	25,827
Total	45,076	382,105	1,168	428,349	428,349
Financial liabilities					
Pooled deposits	0	7,178	0	7,178	7,178
Issued bonds at fair value	246,294	77,862	0	324,156	324,156
Set-off entry of negative bond holdings	4,973	826	0	5,799	5,799
Derivatives	622	27,286	0	27,908	27,908
Total	251,889	113,152	0	365,041	365,041

The above table shows the fair value hierarchy for financial assets and liabilities recognised at fair value.

It is the practice of the Group that if prices of Danish bonds and shares are not updated for two days, transfers will take place between the categories quoted prices and observable input. This did not result in material transfers in 2023 and 2022.

NON-OBSERVABLE INPUT	Q1-Q3 2023	2022
Fair value, beginning of period	1,168	1,281
Transfers for the period	0	0
Capital gain and loss for the period reflected in the income statement under value adjustments	31	66
Sales or redemptions	205	258
Purchases	14	79
Fair value, end of period	1,008	1,168

Non-observable input

Non-observable inputs at the end of the first nine months of 2023 referred to unlisted shares recognised at DKK 1,008m against unlisted shares recognised at DKK 1,168m at the end of 2022. These are primarily sector shares. The measurements, which are associated with some uncertainty, are made on the basis of the shares' book value, market trades, shareholders' agreements as well as own assumptions and extrapolations, etc. In the cases where Jyske Bank calculates the fair value on the basis of the company's expected future earnings, a required rate of return of 15% p.a. before tax is applied. If it is assumed that the actual market price will deviate by +/- 10% relative to the calculated fair value, the effect on the income statement would amount to DKK 101m at 30 September 2023 (0.24% of shareholders' equity at the end of the first nine months of 2023). For 2022, the effect on the income statement is estimated at DKK 117m (0.44% of shareholders' funds at the end of the first nine months of 2022). Capital gain and loss for the year on unlisted shares recognised in the income statement is attributable to assets held at the end of the first nine months of 2023. Jyske Bank finds it of little probability that the application of alternative prices in the measurement of fair value would result in a material deviation from the recognised fair value.

28 Fair value hierarchy, cont.
Non-financial assets recognised at fair value

Investment properties were recognised at a fair value of DKK 97m (end of 2022: DKK 97m). Fair value belongs to the category of non-observable prices calculated on the basis of a required rate of return of 3%-10% (end of 2022: 3%-10%).

Assets held temporarily comprise repossessed properties, equity investments and cars, etc. and similar assets held for sale. Assets held temporarily are recognised at the lower of cost and fair value less costs of sale. Assets held temporarily were recognised at DKK 80m (end of 2022: DKK 65m). Fair value belongs to the category of non-observable prices.

Owner-occupied properties, exclusive of leased properties, are recognised at the restated value corresponding to the fair value at the date of the revaluation less subsequent amortization, depreciation and impairment. The valuation of selected land and buildings is carried out with the assistance of external experts. Based on the returns method, the measurement takes place in accordance with generally accepted standards and with a weighted average required rate of return of 6.43% at the end of 2022. Owner-occupied properties, exclusive of leased properties, were recognised at DKK 1,584m (2022: DKK 1,591m). The revalued amount belongs to the category of 'non-observable prices'. Leased properties were recognised at DKK 235m (end of 2022: DK292m).

29 Group overview

30 September 2023	Currency	Share capital 1,000 units	Ownership share (%)	Voting share (%)	Assets DKKm, end of 2022	Liabilities DKKm, end of 2022	Equity DKKm, end of 2022	Earnings (DKKm) 2022	Profit or loss, DKKm 2022
Jyske Bank A/S ¹	DKK	642,721			421,675	381,051	40,624	7,606	3,752
Subsidiaries									
Jyske Realkredit, Kgs. Lyngby ²	DKK	500,000	100	100	359,621	337,462	22,159	6,742	1,361
Jyske Bank Nominees Ltd., London ⁴	GBP	0	100	100	0	0	0	0	0
Inmobiliaria Saroesma S.L., Spain ⁵	EUR	885	100	100	26	26	0	1	0
Jyske Finans A/S, Silkeborg ³	DKK	100,000	100	100	27,165	25,418	1,747	1,664	655
Ejendomsselskabet af 01.11.2017 A/S, Silkeborg ⁵	DKK	500	100	100	47	44	3	4	2
Gl. Skovridergaard A/S, Silkeborg ⁵	DKK	500	100	100	31	28	3	17	0
Ejendomsselskabet af 01.10.2015 ApS, Silkeborg ⁵	DKK	500	100	100	96	94	1	1	1
Jyske Invest Fund Management A/S, Silkeborg ⁴	DKK	76,000	100	100	515	78	437	181	36
Jyske Vindmølle A/S, Hobro ⁵	DKK	400	100	100	46	25	21	4	0
Ejendomsselskabet af 1. maj 2009 A/S ⁵	DKK	54,000	100	100	93	2	91	1	0
Lokal Bolig A/S ⁵	DKK	715	54	54	18	1	17	1	0
Handelsinvest Investeringsforvaltning A/S ⁴	DKK	5,000	100	100	18	1	16	1	0

Activity:

1 Banking

2 Mortgage-credit activities

3 Leasing, financing and factoring

4 Investment and financing

5 Properties, wind turbine and course activities

6 Estate agency chain

All banks and mortgage credit institutions supervised by national financial supervisory authorities are subject to statutory capital requirements. Such capital requirements may limit intra-group facilities and dividend payments.

30 Acquisition of PFA Bank A/S

On 1 October 2023, Jyske Bank acquired PFA Bank A/S (hereinafter referred to as "PFA Bank"). As part of the transaction, an agreement was entered into with Investeringsforeningen PFA Invest on the management and portfolio management of the clients' funds.

PFA Bank was established in 2013 and offers holistic and investment advisory services with respect to investment products. The transaction comprised approx. 10,000 personal clients and private banking clients, deposits worth DKK 0.7bn and assets under management totalling DKK 16.1bn consisting of DKK 13.5bn invested in PFA Invest through PFA Bank and other banks and DKK 2.6bn invested in PFA Invest through PFA Pension's "Du investerer" (You invest).

The acquisition will strengthen Jyske Bank's business volume within asset management and wealth management advice and will result in minor capital requirements for Jyske Bank.

The purchase sum for PFA Bank amounts to DKK 247m paid in cash. The purchase sum is based on net assets acquired and an additional payment of DKK 120m.

Jyske Bank has paid transaction costs at DKK 5m associated with the acquisition to legal and financial advisers.

The net activities taken over will be part of the segment information for the Group under Banking activities.

The preliminary distribution of the purchase sum is shown in the table below:

DKKm	1 October 2023
Determination of fair value	
Assets	
Cash balance and demand deposits with central banks	183
Due from credit institutions and central banks	55
Bonds at fair value	636
Intangible assets (client relations)	125
Current tax assets	1
Other assets	17
Assets, total	1,017
Liabilities	
Deposits and other debt	732
Current tax liabilities	2
Other liabilities	31
Liabilities, total	765
Net assets acquired	247
Purchase price, cash	247
Goodwill	-
Guarantees	2

The pre-acquisition balance sheet is based on the balance sheet of PFA Bank at 30 September 2023. Fair value of client relations has been determined by means of the Multi-Period Excess Earnings method (MEEN). Client relations are computed at the net present value of the expected future cash flows which are obtained through sale to the clients after deduction of a reasonable return on all other assets which contribute to generating the relevant cash flows. The value of the intangible asset has been computed at DKK 120m. Client relations will be capitalised and amortised over 7 years.

Jyske Bank A/S

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	DKKm	Q1-Q3 2023	Q1-Q3 2022
Income statement			
3	Interest income	9,951	2,802
4	Interest expenses	5,662	827
	Net interest income	4,289	1,975
	Dividends, etc.	65	85
5	Fees and commission income	2,292	2,361
	Fees and commission expenses	174	134
	Net interest and fee income	6,472	4,287
6	Value adjustments	778	-448
	Other operating income	351	324
	Employee and administrative expenses	4,207	3,245
	Amortisation, depreciation and impairment charges	133	78
	Other operating expenses	72	108
7	Loan impairment charges	95	-376
	Profit on investments in associates and group enterprises	1,801	1,384
	Pre-tax profit	4,895	2,492
	Tax	789	298
	Net profit for the period	4,106	2,194
	Distributed to:		
	Total appropriation to shareholders' equity	3,986	2,086
	Holders of additional tier 1 capital (AT1)	120	108
	Total	4,106	2,194
Statement of Comprehensive Income			
	Net profit for the period	4,106	2,194
	Other comprehensive income:		
	<i>Items that cannot be recycled to the income statement:</i>		
	Actuarial losses and gains	0	80
	Tax on actuarial losses and gains	0	-21
	Other comprehensive income	0	59
	Comprehensive income for the period	4,106	2,253

DKKm	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
BALANCE SHEET			
ASSETS			
Cash balance and demand deposits with central banks	63,773	47,184	60,850
Due from credit institutions and central banks	11,444	8,599	15,850
Loans at fair value	1,640	3,919	4,056
8 Loans and advances at amortised cost	199,370	204,645	158,237
Bonds at fair value	43,922	47,811	38,525
Bonds at amortised cost	37,787	40,411	39,197
Shares, etc.	2,004	2,080	2,140
Investments in associates	176	174	248
Equity investments in group enterprises	26,245	24,492	23,653
Assets in pooled deposits	7,142	7,125	3,523
Intangible assets	3,290	3,326	0
Owner-occupied properties	1,563	1,569	1,556
Owner-occupied properties, leasing	235	292	323
Other property, plant and equipment	88	92	84
Current tax assets	1,321	1,030	1,312
Deferred tax assets	20	20	0
Assets held temporarily	32	10	6
Other assets	21,924	28,774	31,996
Deferred income	133	122	102
Total assets	422,109	421,675	381,658
EQUITY AND LIABILITIES			
Debt and payables			
Due to credit institutions and central banks	32,516	28,665	39,430
9 Deposits	208,630	201,339	158,504
Pooled deposits	7,152	7,178	3,531
Issued bonds at amortised cost	86,499	95,435	87,736
Other liabilities	35,622	41,081	45,924
Deferred income	21	22	22
Total debt and payables	370,440	373,720	335,147
Provisions			
Provisions for pensions and similar liabilities	490	477	494
Provisions for guarantees	189	227	214
Provisions for credit commitments and unutilised credit lines	178	171	241
Other provisions	121	91	95
Provisions, total	978	966	1,044
Subordinated debt	6,082	6,365	6,387
Equity			
Share capital	643	643	690
Revaluation reserve	168	168	171
Reserve according to the equity method	11,559	9,805	9,091
Retained profit	28,451	26,707	25,815
Proposed dividend	500	0	0
Jyske Bank A/S shareholders	41,321	37,323	35,767
Holders of additional tier 1 capital (AT1)	3,288	3,301	3,313
Total equity	44,609	40,624	39,080
Total equity and liabilities	422,109	421,675	381,658
OFF-BALANCE SHEET ITEMS			
Guarantees, etc.	15,993	16,368	16,116
Other contingent liabilities	74,240	72,688	57,455
Total guarantees and other contingent liabilities	90,233	89,056	73,571

DKKm

Statement of Changes in Equity

	Share capital	Revaluation reserve	Reserve according to the equity method	Retained profit	Proposed dividend	Shareholders of Jyske Bank A/S	AT1 capital*	Total equity
Equity on 1 January 2023	643	168	9,805	26,707	0	37,323	3,301	40,624
Net profit for the period	0	0	1,754	2,232	0	3,986	120	4,106
Other comprehensive income	0	0	0	0	0	0	0	0
Comprehensive income for the period	0	0	1,754	2,232	0	3,986	120	4,106
Interest paid on additional tier 1 capital	0	0	0	0	0	0	-122	-122
Currency translation adjustment	0	0	0	11	0	11	-11	0
Proposed dividend	0	0	0	-500	500	0	0	0
Acquisition of own shares	0	0	0	-1,366	0	-1,366	0	-1,366
Sale of own shares	0	0	0	1,367	0	1,367	0	1,367
Transactions with owners	0	0	0	-488	500	12	-133	-121
Equity at 30 September 2023	643	168	11,559	28,451	500	41,321	3,288	44,609
Equity at 1 January 2022	726	171	8,170	25,844	0	34,911	3,355	38,266
Net profit for the period	0	0	921	1,165	0	2,086	108	2,194
Other comprehensive income:								
Actuarial losses and gains	0	0	0	80	0	80	0	80
Tax on other comprehensive income	0	0	0	-21	0	-21	0	-21
Other comprehensive income after tax	0	0	0	59	0	59	0	59
Comprehensive income for the period	0	0	921	1,224	0	2,145	108	2,253
Interest paid on additional tier 1 capital	0	0	0	0	0	0	-107	-107
Currency translation adjustment	0	0	0	43	0	43	-43	0
Reduction of share capital	-36	0	0	36	0	0	0	0
Acquisition of own shares	0	0	0	-2,903	0	-2,903	0	-2,903
Sale of own shares	0	0	0	1,571	0	1,571	0	1,571
Transactions with owners	-36	0	0	-1,253	0	-1,289	-150	-1,439
Equity at 30 September 2022	690	171	9,091	25,815	0	35,767	3,313	39,080

*Additional tier 1 capital (AT1) has no maturity. Payment of interest and repayment of principal are voluntary. Therefore additional tier 1 capital (AT1) is recognised as equity. In September 2017, Jyske Bank issued AT1 amounting to EUR 150m with the possibility of early redemption in September 2027 at the earliest. The issue has a coupon of 4.75% until September 2027. In April 2019, Jyske Bank issued AT1 amounting to SEK 1bn with the possibility of early redemption in April 2024 at the earliest. The interest rate applicable to the issue until April 2024 is STIBOR+5%. In May 2021, Jyske Bank issued AT1 amounting to EUR 200m with the possibility of early redemption from 4 December 2028 at the earliest. The interest rate applicable to the issue until June 2029 is 3,625%. It applies to all AT1 issues that if the common equity tier 1 capital ratio of Jyske Bank A/S or the Jyske Bank Group falls below 7%, the loans will be written down.

DKKm	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
Capital Statement			
Shareholders' equity	41,321	37,323	35,767
Proposed/expected dividends	-500	0	0
Intangible assets	-3,290	-3,326	0
Deferred tax assets	0	0	0
Prudent valuation	-221	-242	-222
Insufficient coverage of non-performing loans and guarantees	-137	-48	-53
Other deductions	-131	-93	-153
Common equity tier 1 capital	37,042	33,614	35,339
Additional tier 1 capital (AT1) after reduction	3,247	3,272	3,285
Core capital	40,289	36,886	38,624
Subordinated loan capital after reduction	6,073	6,178	6,194
Capital base	46,362	43,064	44,818
Weighted risk exposure involving credit risk, etc.	140,198	150,264	121,196
Weighted risk exposure involving market risk	9,183	8,903	8,921
Weighted risk exposure involving operational risk	13,486	12,865	10,705
Total weighted risk exposure	162,867	172,032	140,822
Capital requirement, Pillar I	13,029	13,763	11,266
Capital ratio (%)	28.5	25.0	31.8
Tier 1 capital ratio (%)	24.7	21.4	27.4
Common equity tier 1 capital ratio (%)	22.7	19.5	25.1

The capital statement was calculated according to Regulation (EU) No. 575/2013 of 26 June 2013 of the European Parliament and of the Council (CRR) with subsequent amendments.

For the determination of the individual solvency requirement, please see the report Risk and Capital Management 2022 and www.jyskebank.dk/ir/rating, which shows Jyske Bank's quarterly determination of the individual solvency requirement.

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1 Accounting policies

The interim financial statements of the parent company Jyske Bank A/S for the period 1 January to 30 September 2023 were prepared in accordance with the Danish Financial Business Act, including the Danish Executive Order on Financial Reports for Credit Institutions, Stockbrokers, etc.

The rules applying to recognition and measurement at Jyske Bank A/S are consistent with IFRS.

With respect to classification and extent, the preparation for Jyske Bank A/S differs from the preparation for the Group. Please see the full description of accounting policies in note 68 of the annual report 2022. The accounting policies are identical to those applied to and described in the annual report 2022.

Figures in the interim financial statements are in Danish kroner, rounded to the nearest million in Danish kroner.

Financial situation and risk information

Jyske Bank A/S is affected by the financial situation and the risk factors that are described in the management's review for the Group and reference is made to this.

On 1 October 2023, Jyske Bank A/S acquired PFA Bank A/S. See note 30 in the consolidated financial statements for further details in this respect.

	Q1-Q3 2023	Q1-Q3 2022
2 Financial ratios		
Pre-tax profit p.a. as a percentage of average equity*	16.2	9.0
Profit for the period as a pct. of av. equity*	10.1	5.9
Income/cost ratio (%)	2.1	1.8
Capital ratio (%)	28.5	31.8
Common equity tier 1 capital ratio (CET 1) (%)	22.7	25.1
Individual solvency requirement (%)	12.3	12.5
Capital base (DKKm)	46,362	44,818
Total risk exposure (DKKm)	162,867	140,822
Interest-rate risk (%)	2.5	1.9
Currency risk (%)	0.0	0.0
Accumulated impairment ratio (%)	1.3	1.5
Impairment ratio for the period (%)	0.0	-0.2
No. of full-time employees at end-period	3,691	3,051
Average number of full-time employees in the period	3,671	3,023

The financial ratios are based on the definitions and guidelines laid down by the Danish Financial Supervisory Authority, cf. note 69 to the consolidated financial statements for 2022.

* Ratios are calculated as if additional tier 1 capital (AT1) is recognised as a liability.

	Q1-Q3 2023	Q1-Q3 2022
DKKm		
3 Interest income		
Due from credit institutions and central banks	1,926	-46
Loans and advances	6,095	1,341
Bonds	1,463	307
Derivatives, total	519	375
Of which currency contracts	389	403
Of which interest-rate contracts	130	-28
Other	-52	0
Total after offsetting of negative interest	9,951	1,977
Negative interest income set off against interest income	0	177
Negative interest expenses set off against interest expenses	0	648
Total before offsetting of negative interest income	9,951	2,802
Of which interest income on reverse repos carried under:		
Due from credit institutions and central banks	51	-6
Loans and advances	1,077	-86
<p>Negative interest income amounted to DKK 0m. (Q1-Q3 2022:DKK 177m) and related primarily to repo transactions. In the above table, negative interest income is set off against interest income. In the income statement, negative interest income is listed as interest expenses, and negative interest expenses are listed as interest income.</p>		
4 Interest expenses		
Due to credit institutions and central banks	803	16
Deposits	2,415	-406
Issued bonds	2,276	292
Subordinated debt	158	92
Other interest expenses	10	8
Total after offsetting of negative interest	5,662	2
Negative interest expenses set off against interest expenses	0	648
Negative interest income set off against interest income	0	177
Total before offsetting of negative interest income	5,662	827
Of which interest expenses on reverse repos carried under:		
Due to credit institutions and central banks	252	-47
Deposits	95	-12
<p>Negative interest expenses amounted to DKK 0m. (Q1-Q3 2022: DKK 648m) and related primarily to repo and tri-party transactions. In the above table, negative interest expenses are set off against interest expenses. In the income statement, negative interest expenses are listed as interest income, and negative interest income is listed as interest expenses.</p>		
5 Fees and commission income		
Securities trading and custody services	793	733
Money transfers and card payments	284	213
Loan application fees	84	120
Guarantee commission	83	79
Other fees and commissions	1,048	1,216
Total	2,292	2,361
6 Value adjustments		
Loans at fair value	94	-90
Bonds	54	-1,791
Shares, etc.	113	-108
Currency	197	80
Currency, interest-rate, share, commodity and other contracts as well as other derivatives	336	1,096
Assets in pooled deposits	242	-621
Pooled deposits	-242	621
Other assets	4	27
Issued bonds	27	144
Other liabilities	-47	194
Total	778	-448

DKKm	Q1-Q3 2023	Q1-Q3 2022
7 Loan impairment charges and provisions for guarantees		
Loan impairment charges and provisions for guarantees recognised in the income statement		
Loan impairment charges and provisions for guarantees for the period	269	-237
Impairment charges on balances due from credit institutions in the period	1	-4
Provisions for loan commitments and unutilised credit lines in the period	6	-30
Recognised as a loss, not covered by loan impairment charges and provisions	30	34
Recoveries	3	-117
Recognised discount for acquired loans	-214	-22
Loan impairment charges and provisions for guarantees recognised in the income statement	95	-376
Balance of loan impairment charges and provisions for guarantees		
Balance of loan impairment charges and provisions, beginning of period	2,984	3,471
Loan impairment charges and provisions for the period	275	-267
Recognised as a loss, covered by loan impairment charges and provisions	-173	-230
Other movements	46	36
Balance of loan impairment charges and provisions, end of period	3,132	3,010
Loan impairment charges and provisions for guarantees at amortised cost	2,763	2,549
Loan impairment charges at fair value	2	5
Provisions for guarantees	189	214
Provisions for credit commitments and unutilised credit lines	178	242
Balance of loan impairment charges and provisions, end of period	3,132	3,010

DKKm

7 Loan impairment charges and provisions for guarantees, cont.

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of loan impairment charges and provisions for guarantees by stage – total					
Balance, beginning of 2023	518	760	1,705	1	2,984
Transfer of impairment charges at beginning of period to stage 1	191	-105	-86	0	0
Transfer of impairment charges at beginning of period to stage 2	-33	51	-18	0	0
Transfer of impairment charges at beginning of period to stage 3	-2	-102	104	0	0
Impairment charges on new loans, etc.	149	29	203	0	381
Impairment charges on discontinued loans and provisions for guarantees	-110	-113	-240	0	-463
Effect from recalculation	-56	208	242	9	403
Previously recognized as impairment charges, now final loss	0	0	-173	0	-173
Balance on 30 September 2023	657	728	1,737	10	3,132
Balance of loan impairment charges and provisions for guarantees by stage – total					
Balance, beginning of 2022	663	462	2,346	0	3,471
Transfer of impairment charges at beginning of period to stage 1	220	-190	-30	0	0
Transfer of impairment charges at beginning of period to stage 2	-45	81	-36	0	0
Transfer of impairment charges at beginning of period to stage 3	-8	-25	33	0	0
Impairment charges on new loans, etc.	126	43	106	0	275
Impairment charges on discontinued loans and provisions for guarantees	-188	-73	-254	0	-515
Effect from recalculation	-336	415	-70	0	9
Previously recognized as impairment charges, now final loss	0	0	-230	0	-230
Balance on 30 September 2022	432	713	1,865	0	3,010
Balance of impairment charges by stage - loans at amortised cost					
Balance, beginning of 2023	381	687	1,513	0	2,581
Transfer of impairment charges at beginning of period to stage 1	152	-87	-65	0	0
Transfer of impairment charges at beginning of period to stage 2	-25	35	-10	0	0
Transfer of impairment charges at beginning of period to stage 3	-2	-95	97	0	0
Impairment charges on new loans, etc.	88	20	176	0	284
Impairment charges on discontinued loans and provisions for guarantees	-56	-94	-186	0	-336
Effect from recalculation	-21	177	241	9	406
Previously recognized as impairment charges, now final loss	0	0	-172	0	-172
Balance on 30 September 2023	517	643	1,594	9	2,763
Balance of impairment charges by stage - loans at amortised cost					
Balance, beginning of 2022	484	316	2,014	0	2,814
Transfer of impairment charges at beginning of period to stage 1	151	-126	-25	0	0
Transfer of impairment charges at beginning of period to stage 2	-41	69	-28	0	0
Transfer of impairment charges at beginning of period to stage 3	-7	-21	28	0	0
Impairment charges on new loans, etc.	78	28	33	0	139
Impairment charges on discontinued loans and provisions for guarantees	-104	-42	-161	0	-307
Effect from recalculation	-245	428	-160	0	23
Previously recognized as impairment charges, now final loss	0	0	-120	0	-120
Balance on 30 September 2022	316	652	1,581	0	2,549

DKKkm

7 Loan impairment charges and provisions for guarantees, cont.

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of impairment charges by stage – loans at fair value					
Balance, beginning of 2023	2	1	2	0	5
Transfer of impairment charges at beginning of period to stage 1	2	0	-2	0	0
Transfer of impairment charges at beginning of period to stage 2	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0	0
Impairment charges on new loans, etc.	1	0	0	0	1
Impairment charges on discontinued loans and provisions for guarantees	-2	0	0	0	-2
Effect from recalculation	-2	0	1	0	-1
Previously recognized as impairment charges, now final loss	0	0	-1	0	-1
Balance on 30 September 2023	1	1	0	0	2

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of impairment charges by stage – loans at fair value					
Balance, beginning of 2022	1	1	0	0	2
Transfer of impairment charges at beginning of period to stage 1	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 2	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0	0
Impairment charges on new loans, etc.	2	0	2	0	4
Impairment charges on discontinued loans and provisions for guarantees	-1	0	0	0	-1
Effect from recalculation	0	0	0	0	0
Previously recognized as impairment charges, now final loss	0	0	0	0	0
Balance on 30 September 2022	2	1	2	0	5

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of provisions by stage - guarantees and loan commitments, etc.					
Balance, beginning of 2023	135	71	191	1	398
Transfer of impairment charges at beginning of period to stage 1	37	-18	-19	0	0
Transfer of impairment charges at beginning of period to stage 2	-8	16	-8	0	0
Transfer of impairment charges at beginning of period to stage 3	0	-7	7	0	0
Impairment charges on new loans, etc.	60	9	27	0	96
Impairment charges on discontinued loans and provisions for guarantees	-52	-19	-54	0	-125
Effect from recalculation	-33	31	0	0	-2
Previously recognized as impairment charges, now final loss	0	0	0	0	0
Balance on 30 September 2023	139	83	144	1	367

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Balance of provisions by stage - guarantees and loan commitments, etc.					
Balance, beginning of 2022	176	145	334	0	655
Transfer of impairment charges at beginning of period to stage 1	69	-64	-5	0	0
Transfer of impairment charges at beginning of period to stage 2	-4	12	-8	0	0
Transfer of impairment charges at beginning of period to stage 3	-1	-3	4	0	0
Impairment charges on new loans, etc.	46	15	71	0	132
Impairment charges on discontinued loans and provisions for guarantees	-82	-30	-96	0	-208
Effect from recalculation	-91	-13	90	0	-14
Previously recognized as impairment charges, now final loss	0	0	-109	0	-109
Balance on 30 September 2022	113	62	281	0	456

DKKm

7 Loan impairment charges and provisions for guarantees, cont.

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Gross loans, advances and guarantees by stage					
Gross loans, advances and guarantees, 1 January 2023	215,835	7,499	4,328	83	227,745
Transfer of loans, advances and guarantees to stage 1	2,257	-1,750	-507	0	0
Transfer of loans, advances and guarantees to stage 2	-5,125	5,195	-70	0	0
Transfer of loans, advances and guarantees to stage 3	-506	-555	1,061	0	0
Other movements	-5,503	-1,824	-477	16	-7,788
Gross loans, advances and guarantees, 30 September 2023	206,958	8,565	4,335	99	219,957
Loan impairment charges and provisions for guarantees, total	572	679	1,693	10	2,954
Net loans, advances and guarantees, 30 September 2023	206,386	7,886	2,642	89	217,003

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
Gross loans, advances and guarantees by stage					
Gross loans, advances and guarantees, 1 January 2022	156,186	7,695	4,561	0	168,442
Additions relating to new portfolio	41,796	0	0	83	41,879
Transfer of loans, advances and guarantees to stage 1	3,687	-3,609	-78	0	0
Transfer of loans, advances and guarantees to stage 2	-4,076	4,252	-176	0	0
Transfer of loans, advances and guarantees to stage 3	-466	-278	744	0	0
Other movements	18,708	-561	-723	0	17,424
Gross loans, advances and guarantees, 31 December 2022	215,835	7,499	4,328	83	227,745
Loan impairment charges and provisions for guarantees, total	444	716	1,653	0	2,813
Net loans, advances and guarantees, 31 December 2022	215,391	6,783	2,675	83	224,932

DKKm

7 Loan impairment charges and provisions for guarantees, cont.

Loans, advances and guarantees by stage and internal rating - gross before impairment charges and provisions

		30 September 2023				31 Dec. 2022	
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	Total
1	0.00 - 0.10	50,359	163	0	0	50,522	54,062
2	0.10 - 0.15	10,821	5	0	0	10,826	16,815
3	0.15 - 0.22	26,872	13	0	0	26,885	21,488
4	0.22 - 0.33	24,778	101	0	0	24,879	27,561
5	0.33 - 0.48	14,807	381	0	0	15,188	14,914
STY Ratings 1 – 5		127,637	663	0	0	128,300	134,840
6	0.48 - 0.70	22,150	124	0	0	22,274	26,401
7	0.70 - 1.02	17,476	404	0	0	17,880	16,068
8	1.02 - 1.48	12,913	583	0	0	13,496	19,743
9	1.48 - 2.15	12,402	867	0	0	13,269	7,604
10	2.15 - 3.13	8,401	791	0	0	9,192	6,905
11	3.13 - 4.59	1,373	636	0	0	2,009	2,030
STY Ratings 6 – 11		74,715	3,405	0	0	78,120	78,751
12	4.59 - 6.79	519	1,261	0	0	1,780	2,040
13	6.79 - 10.21	851	684	0	0	1,535	1,651
14	10.21 - 25.0	343	2,497	0	0	2,840	2,979
STY Ratings 12-14		1,713	4,442	0	0	6,155	6,670
Other		2,885	51	0	0	2,936	2,777
Non-performing loans		8	4	4,335	99	4,446	4,707
Total		206,958	8,565	4,335	99	219,957	227,745

Loan impairment charges and provisions for guarantees by stage and internal rating

		30 September 2023				31 Dec. 2022	
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	Total
1	0.00 - 0.10	20	5	0	0	25	9
2	0.10 - 0.15	20	0	0	0	20	17
3	0.15 - 0.22	26	0	0	0	26	25
4	0.22 - 0.33	88	5	0	0	93	49
5	0.33 - 0.48	60	8	0	0	68	41
STY Ratings 1 - 5		214	18	0	0	232	141
6	0.48 - 0.70	44	1	0	0	45	62
7	0.70 - 1.02	65	8	0	0	73	56
8	1.02 - 1.48	76	10	0	0	86	61
9	1.48 - 2.15	73	30	0	0	103	41
10	2.15 - 3.13	55	56	0	0	111	94
11	3.13 - 4.59	15	31	0	0	46	31
STY Ratings 6 – 11		328	136	0	0	464	345
12	4.59 - 6.79	7	103	0	0	110	55
13	6.79 - 10.21	9	31	0	0	40	48
14	10.21 - 25.0	2	381	0	0	383	512
STY Ratings 12-14		18	515	0	0	533	615
Other		12	10	0	0	22	17
Non-performing loans		0	0	1,693	10	1,703	1,695
Total		572	679	1,693	10	2,954	2,813

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7 Loan impairment charges and provisions for guarantees, cont.
Loan commitments and unutilised credit facilities by stage and internal rating

		30 September 2023					31 Dec. 2022	
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	Total	
1	0.00 - 0.10	26,324	7	0	0	26,331	21,272	
2	0.10 - 0.15	5,417	1	0	0	5,418	4,650	
3	0.15 - 0.22	7,179	3	0	0	7,182	6,429	
4	0.22 - 0.33	5,608	26	0	0	5,634	8,161	
5	0.33 - 0.48	5,955	35	0	0	5,990	5,018	
STY Ratings 1 – 5		50,483	72	0	0	50,555	45,530	
6	0.48 - 0.70	4,428	33	0	0	4,461	7,602	
7	0.70 - 1.02	7,769	107	0	0	7,876	5,103	
8	1.02 - 1.48	3,246	411	0	0	3,657	5,218	
9	1.48 - 2.15	3,177	248	0	0	3,425	1,617	
10	2.15 - 3.13	1,243	167	0	0	1,410	1,180	
11	3.13 - 4.59	598	160	0	0	758	758	
STY Ratings 6 – 11		20,461	1,126	0	0	21,587	21,478	
12	4.59 - 6.79	241	332	0	0	573	565	
13	6.79 - 10.21	377	259	0	0	636	935	
14	10.21 - 25.0	27	497	0	0	524	478	
STY Ratings 12-14		645	1,088	0	0	1,733	1,978	
Other		2	1	0	0	3	3,177	
Non-performing loans		0	0	344	2	346	510	
Total		71,591	2,287	344	2	74,224	72,673	

Provisions for loan commitments and unutilised credit facilities by stage and internal rating

		30 September 2023					31 Dec. 2022	
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	Total	
1	0.00 - 0.10	1	0	0	0	1	2	
2	0.10 - 0.15	4	0	0	0	4	4	
3	0.15 - 0.22	6	0	0	0	6	6	
4	0.22 - 0.33	7	0	0	0	7	7	
5	0.33 - 0.48	8	0	0	0	8	8	
STY Ratings 1 – 5		26	0	0	0	26	27	
6	0.48 - 0.70	9	2	0	0	11	17	
7	0.70 - 1.02	14	0	0	0	14	7	
8	1.02 - 1.48	8	3	0	0	11	8	
9	1.48 - 2.15	9	1	0	0	10	5	
10	2.15 - 3.13	6	1	0	0	7	7	
11	3.13 - 4.59	3	2	0	0	5	4	
STY Ratings 6 – 11		49	9	0	0	58	48	
12	4.59 - 6.79	3	9	0	0	12	4	
13	6.79 - 10.21	2	7	0	0	9	14	
14	10.21 - 25.0	0	25	0	0	25	15	
STY Ratings 12-14		5	41	0	0	46	33	
Other		1	0	0	0	1	1	
Non-performing loans		0	0	47	0	47	62	
Total		81	50	47	0	178	171	

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8 Loans, advances and guarantees as well as loan impairment charges and provisions for guarantees by sector

Sector	Loans, advances and guarantees				Balance of loan impairment charges and provisions for guarantees		Loan impairment charges and provisions for guarantees for the period		Loss for the period	
	%	%								
	30 Sept. 2023	End of 2022	30 Sept. 2023	End of 2022	30 Sept. 2023	End of 2022	Q1-Q3 2023	Q1-Q3 2022	Q1-Q3 2023	Q1-Q3 2022
Public authorities	6	6	13,255	13,399	0	0	0	0	0	0
Agriculture, hunting, forestry, fishing	6	6	12,396	11,463	135	138	-10	-126	0	26
<i>Fishing</i>	2	2	4,737	4,147	7	18	-11	7	0	0
<i>Dairy farmers</i>	0	0	679	443	44	58	-16	-71	0	25
<i>Plant production</i>	2	2	3,864	3,590	41	29	10	-26	0	0
<i>Pig farming</i>	1	1	1,706	1,741	29	27	2	-27	0	1
<i>Other agriculture</i>	1	1	1,410	1,542	14	6	5	-9	0	0
Manufacturing, mining, etc.	6	5	13,303	12,259	210	176	-8	-191	1	0
Energy supply	4	3	7,734	7,275	19	20	-1	-22	0	0
Building and construction	2	2	4,864	4,465	62	56	-9	4	1	7
Commerce	4	4	9,601	9,156	269	265	-9	-55	2	1
Transport, hotels and restaurants	2	1	3,850	3,245	71	72	-2	-35	0	0
Information and communication	1	1	2,399	2,815	26	140	-12	-5	103	0
Financing and insurance	37	39	81,625	87,515	907	851	25	357	0	18
Real property	11	12	23,953	24,615	173	109	11	-98	0	112
<i>Lease of real property</i>	6	7	13,863	14,793	110	62	-5	-86	0	112
<i>Buying and selling of real property</i>	2	2	3,895	3,639	23	12	8	0	0	0
<i>Other real property</i>	3	3	6,195	6,183	40	35	8	-12	0	0
Other sectors	5	4	10,265	10,107	255	181	71	38	10	6
Corporate Clients	78	77	169,990	172,915	2,127	2,008	56	-133	117	170
Personal clients	16	17	33,758	38,618	827	804	33	-213	86	94
Unutilised credit lines and loan commitments	0	0	0	0	178	172	6	-30	0	0
Total	100	100	217,003	224,932	3,132	2,984	95	-376	203	264

	30 Sept. 2023	31 Dec. 2022	30 Sept. 2022
9 Deposits			
Demand deposits	146,983	155,035	121,484
Term deposits	4,468	748	819
Time deposits	51,513	39,240	31,498
Special deposits	5,666	6,316	4,703
Total	208,630	201,339	158,504

Statement by the Executive and Supervisory Boards

We have today discussed and approved the Interim Financial Report of Jyske Bank A/S for the period 1 January to 30 September 2023.

The consolidated Interim Financial Statements were prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, and the Parent's Interim Financial Statements in accordance with the Danish Financial Business Act. Further, the Interim Financial Report was prepared in accordance with the additional Danish disclosure requirements for interim financial reports of listed financial companies.

The Interim Financial Report is unaudited and has not been reviewed, but the external auditor verified the profit, and this verification included audit procedures in line with the requirements relating to a review, and hence it was ascertained that the conditions for on-going recognition of the profit for the period in the capital base were met.

In our opinion, the Interim Financial Statements give a true and fair view of the Group's and the Parent's assets, liabilities and financial position on 30 September 2023 and also of their financial performance as well as the cash flows of the Group for the period 1 January to 30 September 2023.

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

Silkeborg, 31 October 2023

EXECUTIVE BOARD

ANDERS DAM
CEO and Managing Director

NIELS ERIK JAKOBSEN

PETER SCHLEIDT

PER SKOVHUS

/JENS BORUM
Director, Finance

SUPERVISORY BOARD

KURT BLIGAARD PEDERSEN
Chairman

KELD NORUP
Deputy Chairman

RINA ASMUSSEN

ANKER LADEN-ANDERSEN

BENTE OVERGAARD

PER SCHNACK

JOHNNY CHRISTENSEN
Employee Representative

MARIANNE LILLEVANG
Employee Representative

MICHAEL C. MARIEGAARD
Employee Representative