



Interim Financial Report Q1-Q3 2021

# Interim Financial Report, Q1-Q3 2021

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# The Jyske Bank Group

## Core profit and net profit for the period (DKKm)

	Q1-Q3 2021	Q1-Q3 2020	Index 21/20	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	FY 2020
Net interest income	3,696	3,771	98	1,242	1,230	1,224	1,195	1,256	4,966
Net fee and commission income	1,663	1,510	110	578	509	576	581	453	2,091
Value adjustments	733	407	180	128	243	362	278	189	685
Other income	149	92	162	32	84	33	38	36	130
Income from operating lease (net)	184	76	242	81	63	40	34	69	110
<b>Core income</b>	<b>6,425</b>	<b>5,856</b>	<b>110</b>	<b>2,061</b>	<b>2,129</b>	<b>2,235</b>	<b>2,126</b>	<b>2,003</b>	<b>7,982</b>
Core expenses	3,516	3,669	96	1,174	1,171	1,171	1,179	1,159	4,848
<b>Core profit before loan impairment charges</b>	<b>2,909</b>	<b>2,187</b>	<b>133</b>	<b>887</b>	<b>958</b>	<b>1,064</b>	<b>947</b>	<b>844</b>	<b>3,134</b>
Loan impairment charges	-73	963	-	-36	-47	10	5	-48	968
<b>Core profit</b>	<b>2,982</b>	<b>1,224</b>	<b>244</b>	<b>923</b>	<b>1,005</b>	<b>1,054</b>	<b>942</b>	<b>892</b>	<b>2,166</b>
Investment portfolio earnings	82	-213	-	-22	29	75	157	14	-56
<b>Pre-tax profit</b>	<b>3,064</b>	<b>1,011</b>	<b>303</b>	<b>901</b>	<b>1,034</b>	<b>1,129</b>	<b>1,099</b>	<b>906</b>	<b>2,110</b>
Tax	673	233	289	195	232	246	268	210	501
<b>Net profit for the period</b>	<b>2,391</b>	<b>778</b>	<b>307</b>	<b>706</b>	<b>802</b>	<b>883</b>	<b>831</b>	<b>696</b>	<b>1,609</b>
Interest on AT1 capital, charged against equity	140	126	111	52	46	42	42	43	168

## Summary of balance sheet, end of period (DKKbn)

Loans and advances	482.3	484.1	100	482.3	482.3	488.7	491.4	484.1	491.4
- of which mortgage loans	338.5	342.3	99	338.5	339.5	339.6	343.9	342.3	343.9
- of which traditional bank loans	94.7	91.3	104	94.7	92.7	93.5	92.9	91.3	92.9
- of which new home loans	2.4	2.8	86	2.4	2.6	2.5	2.6	2.8	2.6
- of which repo loans	46.7	47.7	98	46.7	47.5	53.1	52.0	47.7	52.0
Bonds and shares, etc.	88.6	98.6	90	88.6	85.5	95.4	92.9	98.6	92.9
<b>Total assets</b>	<b>670.5</b>	<b>647.6</b>	<b>104</b>	<b>670.5</b>	<b>656.5</b>	<b>682.8</b>	<b>672.6</b>	<b>647.6</b>	<b>672.6</b>
Deposits	136.2	136.8	100	136.2	135.1	139.7	137.0	136.8	137.0
- of which bank deposits	122.5	125.6	98	122.5	122.3	126.5	127.5	125.6	127.5
- of which repo and triparty deposits	13.7	11.2	122	13.7	12.8	13.2	9.5	11.2	9.5
Issued bonds at fair value	338.5	345.7	98	338.5	337.8	349.3	348.8	345.7	348.8
Issued bonds at amortised cost	76.0	50.2	151	76.0	71.0	75.6	63.7	50.2	63.7
Subordinated debt	5.5	5.8	95	5.5	6.5	7.3	5.8	5.8	5.8
Holders of additional tier 1 capital	3.4	3.2	106	3.4	4.8	3.3	3.3	3.2	3.3
<b>Shareholders' equity</b>	<b>34.8</b>	<b>32.6</b>	<b>107</b>	<b>34.8</b>	<b>34.5</b>	<b>34.0</b>	<b>33.3</b>	<b>32.6</b>	<b>33.3</b>

## Financial ratios and key figures

Earnings per share for the period (DKK)*	31.5	8.9	9.3	10.6	11.6	10.9	9.0	19.8
Earnings per share for the period (diluted) (DKK)*	31.5	8.9	9.3	10.6	11.6	10.9	9.0	19.8
Pre-tax profit p.a. as % of average equity*	11.4	3.6	9.8	11.5	12.9	12.8	10.7	5.9
Profit for the period p.a. as % of average equity*	8.8	2.7	7.6	8.8	10.0	9.6	8.1	4.4
Expenses as a percentage of income	54.7	62.7	57.0	55.0	52.4	55.5	57.9	60.7
Capital ratio (%)	22.6	22.3	22.6	23.0	23.2	22.9	22.3	22.9
Common equity tier 1 capital ratio (CET1 %)	18.0	17.5	18.0	18.3	18.0	17.9	17.5	17.9
Individual solvency requirement (%)	11.2	11.3	11.2	11.3	11.5	11.6	11.3	11.6
Capital base (DKKbn)	41.9	40.8	41.9	42.3	42.5	41.1	40.8	41.1
Weighted risk exposure (DKKbn)	185.1	183.2	185.1	184.4	183.3	179.4	183.2	179.4
Share price at end of period (DKK)	277	179	277	303	303	233	179	233
Distributed dividend per share (DKK)	-	-	-	-	-	-	-	-
Book value per share (DKK)*	498	450	498	486	474	459	450	459
Price/book value per share (DKK)*	0.6	0.4	0.6	0.6	0.6	0.5	0.4	0.5
Outstanding shares in circulation ('000)	69,954	72,555	69,954	70,972	71,801	72,553	72,555	72,553
No. of full-time employees at end-period**	3,266	3,363	3,266	3,264	3,279	3,318	3,363	3,318

Relationships between income statement items under 'The Jyske Bank Group' (key financial data) and the income statement page 18 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 2021 less 17 employees who are financed externally against 30-50 employees in the other quarters.

## Summary

*"Jyske Bank's earnings per share in the first nine months of 2021 was the highest since the merger with Jyske Realkredit. This is the effect from a high level of activity across the organisation driven by the development in the property and car markets, favourable financial markets and increased economic activity in the Danish society. The solid credit quality triggered a reversal of loan impairment charges of DKK 73m and despite the high level of activity, costs have been reduced. On the basis of the continued positive development, earnings expectations were upgraded in October to the effect that Jyske Bank now expects to realise earnings per share of DKK 40-41 against the previous estimate of DKK 34-38 in 2021," says Anders Dam, CEO and Managing Director.*

After the reopening of the Danish society in the spring and the removal of COVID-19 restrictions, the Danish economy has attained a higher level of activity than before the COVID-19 outbreak. The development is due, among other things, to the roll-out of COVID-19 vaccines and a global economic recovery which has led to a new employment record and resulted in positive growth prospects for the Danish economy. Recruitment difficulties in several sectors, challenged supply chains and shortage of raw materials may, however, result in a somewhat volatile economic development. This is supported by the clients' repayment of VAT and tax loans and the risk of new COVID-19 outbreaks. Jyske Bank has approx. 3,800 corporate clients who have loans with the government in an amount of DKK 3.2bn.

The COVID-19 pandemic and social restrictions have further strengthened the clients' wish to service their financial needs and requirements digitally. Jyske Bank has introduced improved functions in Jyske Mobilbank in the form of for instance Jyske NemInvestering, which makes it easier and simpler for personal clients to invest even small amounts of money.

Combined with a significant digital presence, Jyske Bank endeavours to be accessible with competent advisory services when needed by the clients. Jyske Bank has merged several personal client branches, which paves the way for a higher degree of specialisation to the advantage of both clients and employees. In 2021, Jyske Bank was by Voxmeter awarded best at Private Banking for the sixth year in a row and has received a prize from Jobindex for the highest job satisfaction in the financial sector.

In Q3 2021, the strategic cooperation with Købstædernes Forsikring called Jyske Forsikring was initiated, and it has got off to a good start. From Q4 2021, Jyske Finans will become a strategic financing business partner of Volvo Car Denmark. Jyske Finans will hence contribute to Volvo Car Denmark's digitization of the client journey and transformation to a pure e-vehicle company in the coming years. The cooperation is

expected to support growth in the business volume under leasing activities and the target of increasing the proportion of new loans for the financing of low-emission vehicles.

Climate is identified as Jyske Bank's most significant impact area, and the estimated indirect CO<sub>2</sub> emission concerning loans and investments was reduced by 13% in 2020. As an additional measure, Jyske Capital joined the Net Zero Asset Managers initiative and was hence obliged to report net carbon neutral investments no later than 2050. Jyske Realkredit has launched green mortgage loans to corporate clients and increased the transparency about the institution's loans to properties and their energy consumption by being a member of Energy Efficient Mortgage Label. Prompted by the target of off-setting CO<sub>2</sub> emission from own activities, the replacement of cars to low-emission cars was initiated in 2021.

### Earnings per share of DKK 31.5 Q1-Q3 2021

The net profit for the period at DKK 2,391m corresponded to a return on equity of 8.8% p.a. against DKK 778m and 2.7% p.a., respectively, for the corresponding period of 2020. Earnings per share rose to DKK 31.5 from DKK 8.9. The significantly higher result must be seen relative to the fact that the result for the first nine months of 2020 were adversely affected by a management's estimate of impairment charges after the outbreak of COVID-19. Add to this e.g. a favourable trend in the financial markets and a broadly based high level of activity in the first nine months of 2021.

Jyske Bank's business volume showed a general advance in the first nine months of 2021. Nominal mortgage loans rose by 2% compared with end-2020 driven by higher loans to corporate clients. Leasing and car financing realised an increase of 7%. Loans and advances under banking activities were more or less unchanged since higher lending to corporate clients was offset by lower lending to personal clients and public authorities. Bank deposits decreased 4%, mainly attributed to large corporate clients.

Core income rose by 10% relative to the first nine months of 2020. The investment as well as the car and property area were supported by high levels of activity whereas value adjustments and investment-related fees were underpinned by a favourable trend in the financial markets.

Core expenses fell by 4% relative to the first nine months of 2020. The decrease can primarily be attributed to a 3% reduction in the number of full-time employees.

Loan impairment charges amounted to an income of DKK 73m against an expense of DKK 963m in the first nine months of 2020 when a management's estimate relating to impairment charges was made due to the COVID-19 pandemic. The credit quality is still very solid with a low level of non-performing loans.

Jyske Bank's common equity tier 1 capital ratio was at the end of Q3 calculated at 18.0, corresponding to an excess capital of DKK 14.3bn relative to regulatory requirements.

In the first nine months of 2021, Jyske Bank issued non-preferred senior debt as well as subordinated debt and additional tier 1 capital. The issues primarily re-finance redeemed capital and debt instruments over the same period and result in considerable savings for the shareholders in the coming years. In the first nine months of the year, a share repurchase programme of DKK 750m was completed. 2,592,073 shares were repurchased at an average price of DKK 289.34. A new share repurchase programme of up to DKK 1bn was launched on 1 October and runs until 31 March 2022, at the latest.

## Outlook

As a result of the development and expectations for the rest of the year, Jyske Bank upgraded its expectations of 2021 in March, April, July and October. Jyske Bank now anticipates earnings per share at DKK 40-41 in 2021 against the original expectation of DKK 25-31. This corresponds to a pre-tax profit of DKK 3.8bn-3.9bn against the original expectation of DKK 2.5bn-3.0bn and a net profit of DKK 3.0bn-3.1bn against the original expectation of DKK 1.9bn-2.3bn.

In 2021, the bank's business volume is expected to be affected by higher bank loans and advances and lower deposits. Nominal mortgage loans are also expected to increase.

Core income is expected to be at a higher level in 2021 relative to 2020.

For 2021, endeavours will be made to reduce underlying core expenses compared to 2020.

Loan impairment charges are expected to amount to an income in 2021.

## Financial Review

### Core profit and net profit for the period (DKKm)

	Q1-Q3 2021	Q1-Q3 2020	Index 21/20	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	FY 2020
Net interest income	3,696	3,771	98	1,242	1,230	1,224	1,195	1,256	4,966
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Other income	149	92	162	32	84	33	38	36	130
Income from operating lease (net)	184	76	242	81	63	40	34	69	110
<b>Core income</b>	<b>6,425</b>	<b>5,856</b>	<b>110</b>	<b>2,061</b>	<b>2,129</b>	<b>2,235</b>	<b>2,126</b>	<b>2,003</b>	<b>7,982</b>
Core expenses	3,516	3,669	96	1,174	1,171	1,171	1,179	1,159	4,848
<b>Core profit before loan impairment charges</b>	<b>2,909</b>	<b>2,187</b>	<b>133</b>	<b>887</b>	<b>958</b>	<b>1,064</b>	<b>947</b>	<b>844</b>	<b>3,134</b>
Loan impairment charges	-73	963	-	-36	-47	10	5	-48	968
<b>Core profit</b>	<b>2,982</b>	<b>1,224</b>	<b>244</b>	<b>923</b>	<b>1,005</b>	<b>1,054</b>	<b>942</b>	<b>892</b>	<b>2,166</b>
Investment portfolio earnings	82	-213	-	-22	29	75	157	14	-56
<b>Pre-tax profit</b>	<b>3,064</b>	<b>1,011</b>	<b>303</b>	<b>901</b>	<b>1,034</b>	<b>1,129</b>	<b>1,099</b>	<b>906</b>	<b>2,110</b>
Tax	673	233	289	195	232	246	268	210	501
<b>Net profit for the period</b>	<b>2,391</b>	<b>778</b>	<b>307</b>	<b>706</b>	<b>802</b>	<b>883</b>	<b>831</b>	<b>696</b>	<b>1,609</b>
Interest on AT1 capital, charged against equity	140	126	111	52	46	42	42	43	168

### Net profit for the period

Earnings per share amounted to DKK 31.5 in the first nine months of 2021 against DKK 8.9 in the previous year, corresponding to a net profit of DKK 2,391m and DKK 778m, respectively. The significantly higher result must be seen relative to the fact that the result for the first nine months of 2020 was adversely affected by a management's estimate of impairment charges after the outbreak of COVID-19. Add to this e.g. a favourable trend in the financial markets and a broadly based high level of activity in the first nine months of 2021.

### Core income

Core income rose by 10% to DKK 6,425m relative to the first nine months of 2020 caused by higher value adjustments, among other things.

Net interest income amounted to DKK 3,696m against DKK 3,771m in the same period in 2020. Lower net interest income relating to excess liquidity caused the decline. Net interest income from lending and deposits was at an unchanged level since lower deposit rates offset the effect from a lower volume of bank loans.

Net fee and commission income increased by 10% relative to the first nine months of 2020. The increase can, among other things, be attributed to a higher business volume within asset management and a changed fee structure. These factors more than offset the effect from lower performance fees.

Value adjustments increased to DKK 733m from DKK 407m in the preceding year which was affected by high volatility due to the outbreak of COVID-19. The first nine months of 2021

benefited from a continued high level of activity in the trading area and an exposure to steepening interest rate curves.

Other income rose to DKK 149m from DKK 92m due primarily to gains from the sale of properties in the second quarter and higher share dividends etc.

Income from operating lease (net) rose to DKK 184m from DKK 76m due to favourable sales conditions in the used car market and reversal of loan impairment charges.

### Core expenses

Core expenses fell by 4% relative to the first nine months of 2020. The decrease can primarily be attributed to a 3% reduction in the number of full-time employees.

#### Core expenses (DKKm)

	Q1-Q3 2021	Q1-Q3 2020
Staff costs	2,185	2,224
IT costs	976	996
Rent, etc.	42	43
Amortisation, depreciation, etc.	76	86
Other operating expenses	237	320
<b>Total</b>	<b>3,516</b>	<b>3,669</b>

### Loan impairment charges

Loan impairment charges amounted to an income of DKK 73m against an expense of DKK 963m in the first nine months of 2020, corresponding to -2bp and 19bp, respectively of loans, advances and guarantees. The considerably lower level of impairment charges must be seen in connection with the management's estimate to meet potential economic consequences of the COVID-19

pandemic in the first nine months of 2020. The level of write-offs in the first nine months of 2021 was at a very low level and so was the proportion of non-performing loans.

### Investment portfolio earnings

For the first nine months of 2021, investment portfolio earnings amounted to DKK 82m against DKK -213m for the same period of 2020. The positive result can, among other things, be attributed to exposure against a steeper interest rate curve and a favourable trend for certain currency positions. By comparison, the first nine months of 2020 was affected by market turmoil following the outbreak of COVID-19. The hedging of additional tier 1 capital instruments in SEK had a negative effect of DKK 15m in the first nine months of 2021 and was offset by a positive adjustment of shareholders' equity.

#### Investment portfolio earnings (DKKm)

	Q1-Q3 2021	Q1-Q3 2020
Net interest income	52	65
Value adjustments	52	-254
<b>Income</b>	<b>104</b>	<b>-189</b>
Expenses	22	24
<b>Investment portfolio earnings</b>	<b>82</b>	<b>-213</b>

### Q3 2021 compared to Q2 2021

Earnings per share amounted to DKK 9.3 in Q3 against DKK 10.6 in Q2, corresponding to a net profit of DKK 706m and DKK 802m, respectively.

Core income decreased 3% due to lower value adjustments.

Net interest income rose by 1% to DKK 1,242m. The advance is due primarily to a reduction of the interest rate on the deposits of corporate clients by 20bp p.a. as from 11 June. Add to this, the effect from an extra day of interest which was, however, offset by lower net interest income relating to excess liquidity.

Net fee and commission income increased by 14% to DKK 578m. The development can be attributed to seasonally higher refinancing activity and higher income from asset management.

Other income fell to DKK 32m from DKK 84m primarily due to gains from property sale and higher share dividends realised in Q2.

Income from operating lease (net) rose to DKK 81m from DKK 63m due to continued favourable sales conditions in the used car market.

Value adjustments amounted to DKK 128m against DKK 243m in the preceding quarter. The decline can partly be attributed to spread widening of callable Danish mortgage bonds.

Core expenses were close to unchanged at DKK 1,174m. Lower IT expenses were more than offset by higher administrative expenses and annual payroll adjustment due to collective agreements. The number of full-time employees was nearly unchanged.

Loan impairment charges amounted to an income of DKK 36m against an income of DKK 47m in the preceding quarter. The low level of impairment charges can be attributed to a continued positive development of the clients' financial situation.

Investment portfolio earnings dropped back to DKK -22m from DKK 29m due partly to the spread widening of callable Danish mortgage bonds in Q3.

## Business volumes

### Summary of balance sheet, end of period (DKKbn)

	Q1-Q3 2021	Q1-Q3 2020	Index 21/20	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	FY 2020
Loans and advances	482.3	484.1	100	482.3	482.3	488.7	491.4	484.1	491.4
- of which mortgage loans	338.5	342.3	99	338.5	339.5	339.6	343.9	342.3	343.9
- of which traditional bank loans	94.7	91.3	104	94.7	92.7	93.5	92.9	91.3	92.9
- of which new home loans	2.4	2.8	86	2.4	2.6	2.5	2.6	2.8	2.6
- of which repo loans	46.7	47.7	98	46.7	47.5	53.1	52.0	47.7	52.0
Bonds and shares, etc.	88.6	98.6	90	88.6	85.5	95.4	92.9	98.6	92.9
Total assets	670.5	647.6	104	670.5	656.5	682.8	672.6	647.6	672.6
Deposits	136.2	136.8	100	136.2	135.1	139.7	137.0	136.8	137.0
- of which bank deposits	122.5	125.6	98	122.5	122.3	126.5	127.5	125.6	127.5
- of which repo and triparty deposits	13.7	11.2	122	13.7	12.8	13.2	9.5	11.2	9.5
Issued bonds at fair value	338.5	345.7	98	338.5	337.8	349.3	348.8	345.7	348.8
Issued bonds at amortised cost	76.0	50.2	151	76.0	71.0	75.6	63.7	50.2	63.7
Subordinated debt	5.5	5.8	95	5.5	6.5	7.3	5.8	5.8	5.8
Holders of additional tier 1 capital	3.4	3.2	106	3.4	4.8	3.3	3.3	3.2	3.3
Shareholders' equity	34.8	32.6	107	34.8	34.5	34.0	33.3	32.6	33.3

Jyske Bank's total lending (excl. repo) came to DKK 435.6bn at the end of Q3 2021 against DKK 439.4bn at the end of 2020. Lending was adversely affected by lower bond prices since mortgage loans are recognised at fair value.

Mortgage loans at fair value dropped to DKK 338.5bn from DKK 343.9bn at the end of 2020 and amounted, in combination with new home loans, to 78% of total lending (excl. repo). Nominal mortgage loans rose by 2% to DKK 338.2bn as higher lending to corporate clients more than offset the impact of slightly lower lending to personal clients.

Traditional bank loans amounted to DKK 94.7bn against DKK 92.9bn at the end of 2020 driven by loans under leasing activities which showed an advance of 7%. Loans under banking activities were close to unchanged since higher lending to corporate clients were offset by lower lending to personal clients and public authorities.

At the end of the third quarter of 2021, bank deposits amounted to DKK 122.5bn against DKK 127.5bn at the end of 2020. The decline can be attributed to lower deposits particularly from large corporate clients. Bank deposits amounted to DKK 25bn more than traditional bank loans and new home loans at the end of Q3 2021.

The business volume within asset management rose to DKK 187bn from DKK 175bn in the first nine months of 2021. Assets under management were affected by a positive development in the financial markets and positive net sales of investment products.

### Q3 2021 compared to Q2 2021

Jyske Bank's total lending (excl. repo) amounted to DKK 435.6bn at the end of Q3 against DKK 434.8bn in the previous quarter.

Nominal mortgage loans rose by DKK 2.2bn due to higher loans to corporate clients.

Traditional bank loans increased by 2% due to higher loans to corporate clients.

Bank deposits were close to unchanged at DKK 122.5bn since lower deposits from personal clients were offset by higher deposits from corporate clients.

The business volume within asset management was up by 1% due to neutral value adjustments and positive net sales to personal clients as well as institutional clients.



## Credit quality

### Non-performing loans, advances and guarantees (DKKbn)

	Q1-Q3 2021	Q1-Q3 2020	Index 21/20	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	FY 2020
Loans, advances and guarantees	495.5	495.9	100	495.5	496.1	501.1	502.9	495.9	502.9
Non-performing loans, gross	8.5	9.0	95	8.5	8.8	8.4	8.6	9.0	8.6
Impairment charges and provisions	3.3	3.3	99	3.3	3.5	3.3	3.3	3.3	3.3
Non-performing loans, net	5.2	5.7	92	5.2	5.3	5.1	5.3	5.7	5.3
NPL coverage ratio	38.5%	36.9%	104	38.5%	39.7%	39.2%	38.7%	36.9%	38.7%
NPL ratio	1.1%	1.1%	93	1.1%	1.1%	1.0%	1.0%	1.1%	1.0%
Non-accrual loans and past due exposures	0.5	0.9	61	0.5	0.5	0.6	0.7	0.9	0.7
Loan impairment charges	-0.1	1.0	-	0.0	0.0	0.0	0.0	0.0	1.0
Operating losses	0.2	0.6	32	0.0	0.1	0.1	0.1	0.3	0.7

Loan impairment charges amounted to an income of DKK 73m in the first nine months of 2021, corresponding to -2bp of gross loans, advances and guarantees. The effect on the income statement is distributed with DKK -177m relating to banking activities, DKK 113m relating to mortgage activities and DKK -9m relating to leasing activities. The development in the credit quality of for instance agricultural clients contributed positively despite declining pig prices, whereas uncertainty relating to the effects from the COVID-19 pandemic had a negative impact.

At the end of Q3, non-performing loans amounted to 1.1% of loans, advances and guarantees against 1.0% at the end of 2020. The proportion of loans subject to forbearance measures fell to 1.5% from 1.6% at end-2020.

The proportion of loans, advances and guarantees in stage 1 was 94.0% at the end of Q3 against 95.4% at the end of 2020. The change was due to the fact that part of the management's estimate relating to COVID-19 has been incorporated in the credit models by increasing the probability of default for clients without any objective evidence of impairment. Consequently, the development is not an expression of a deterioration of the clients' credit quality.

### Loans, advances and guarantees by IFRS 9 stages (DKKbn/%)

	Loans, advances and guarantees		Balance of impairment charges		Impairment ratio	
	Q3 2021	Q4 2020	Q3 2021	Q4 2020	Q3 2021	Q4 2020
Stage 1	466.0	479.6	1.0	0.9	0.2	0.2
Stage 2	24.6	18.4	1.0	1.3	3.9	6.5
Stage 3	4.9	4.9	3.3	3.3	39.9	40.3
<b>Total</b>	<b>495.5</b>	<b>502.9</b>	<b>5.3</b>	<b>5.5</b>	<b>1.1</b>	<b>1.1</b>

At the end of the third quarter of 2021, Jyske Bank's balance of loan impairment charges

amounted to DKK 5.3bn, corresponding to 1.1% of loans, advances and guarantees against DKK 5.5bn and 1.1%, respectively, at the end of 2020.

At the end of Q3 2021, impairment charges based on management's estimates amounted to DKK 1,602m against DKK 1,607m at the end of 2020. The development can be attributed to an individualisation of part of the management's estimate relating to the COVID-19 pandemic for clients without any objective evidence of impairment. The effect hereof is offset by several new or increased estimates, including a more conservative approach to personal clients with overdrafts and cases of limited insight into the clients' financial affairs. The remaining management's estimate still primarily relates to potential derived economic consequences of the COVID-19 pandemic.

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

	Loans, advances and guarantees		Impairment ratio	
	Q3 2021	Q4 2020	Q3 2021	Q4 2020
<b>Public authorities</b>	<b>9.9</b>	<b>13.1</b>	<b>0.0</b>	<b>0.0</b>
Agriculture, hunting, forestry and fishing	7.7	7.0	5.6	6.0
Manufacturing industry and mining	10.2	7.8	3.5	4.0
Energy supply	6.6	6.5	0.6	0.7
Construction	7.3	8.5	1.2	1.4
Commerce	11.4	11.4	2.2	2.3
Transport, hotels and restaurants	6.2	6.3	1.8	2.5
Information and communication	1.2	0.7	11.0	22.3
Finance and insurance	49.1	51.4	1.2	1.2
Real property	161.9	157.6	0.7	0.7
Other sectors	17.0	18.5	1.2	1.2
<b>Corporate clients</b>	<b>278.6</b>	<b>275.7</b>	<b>1.2</b>	<b>1.3</b>
<b>Personal clients</b>	<b>207.0</b>	<b>214.1</b>	<b>0.9</b>	<b>0.9</b>
<b>Total</b>	<b>495.5</b>	<b>502.9</b>	<b>1.1</b>	<b>1.1</b>

## Capital and Liquidity Management

### Capital management

Jyske Bank's objective is to maintain 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.

Upcoming regulation is expected to reduce the common equity tier 1 capital ratio by 2.5-3.0 percentage points from the second half of 2021 to 2030 based on the present expected phasing in of Basel IV and EBA guidelines. The EBA guidelines which will be implemented at the beginning of 2022 and increases the risk weighted exposure from Q3 2021. The effects from upcoming regulation are reflected in the capital targets.

At the end of the third quarter of 2021, Jyske Bank had a capital ratio of 22.6% and a common equity tier 1 capital ratio of 18.0% compared to 22.9% and 17.9%, respectively, at the end of 2020. In Q3, a new share repurchase programme of DKK 1bn reduced the common equity tier 1 capital ratio.

Capital ratios (%)		
	Q3 2021	Q4 2020
Capital ratio	22.6	22.9
Tier 1 capital ratio	19.8	19.9
Common equity tier 1 capital ratio	18.0	17.9

The total risk weighted exposure amounted to DKK 185.1bn at the end of the third quarter of 2021 against DKK 179.4bn at the end of 2020. The increase can primarily be attributed to higher credit risk due to the implementation of a new statutory determination of counterparty risk in Q2 and EBA guidelines in Q3.

Weighted risk exposure (DKKm)		
	Q3 2021	Q4 2020
Credit risk, etc.	159,829	154,452
Market risk	10,968	10,294
Operational risk	14,304	14,680
<b>Total</b>	<b>185,101</b>	<b>179,426</b>

On 27 August 2021, Jyske Bank completed a share repurchase programme of DKK 750m that ran from 28 January 2021. 2,592,073 shares were repurchased back under the programme, corresponding to 3.57% of the share capital.

On 1 October 2021, Jyske Bank initiated a new share repurchase programme of up to DKK 1bn, running until 31 March 2022 at the latest.

### 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 2021, Jyske Bank's individual solvency requirement was 11.2% of the weighted risk exposure against 11.6% at the end of 2020. To this must be added a SIFI requirement of 1.5% and a capital conservation buffer of 2.5%. Hence, the total capital requirement is 15.3%, which is a decline compared with the end of 2020 where the capital requirement was 15.6%.

Both the SIFI requirement and the capital conservation buffer have been fully phased in. In the spring of 2020, the countercyclical buffer was released by the Danish authorities following the COVID-19 outbreak. At the end of the first half of 2021, the Systemic Risk Council recommended a reactivation of the countercyclical capital buffer by a rate of 1% valid as from the end of the third quarter of 2022. The Risk Council expects to recommend an increase of the buffer to 2%.

Capital requirement (%)				
	Capital ratio		CET1 ratio	
	Q3 2021	Q4 2020	Q3 2021	Q4 2020
Pillar I	8.0	8.0	4.5	4.5
Pillar II	3.3	3.6	1.8	2.1
SIFI	1.5	1.5	1.5	1.5
Capital conservation buffer	2.5	2.5	2.5	2.5
Countercyclical buffer	0.0	0.0	0.0	0.0
<b>Capital requirement</b>	<b>15.3</b>	<b>15.6</b>	<b>10.3</b>	<b>10.6</b>

Comparing the capital ratio with regulatory requirements, the excess capital came to 7.3% of the weighted risk exposure, corresponding to DKK 13.5bn against 7.3% and DKK 13.1bn, respectively, at the end of 2020.

Excess capital (%)		
	Q3 2021	Q4 2020
Capital ratio	22.6	22.9
Capital requirement	15.3	15.6
<b>Excess capital</b>	<b>7.3</b>	<b>7.3</b>

## Liquidity management

Jyske Bank's biggest source of funding was covered bonds and mortgage bonds, which amounted to DKK 339bn, corresponding to 51% of the balance sheet at the end of the third quarter of 2021. The second-largest funding source is client deposits of DKK 123bn, of which a high proportion consists of deposits from small and medium-sized enterprises as well as personal clients.

At the end of the third quarter of 2021, Jyske Bank's liquidity coverage ratio (LCR) was 230% down from an unusually high level of 339% at the end of 2020. The change can be attributed to a normalisation of the maturity profile for short-term financing. The Group's hard 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 2021 is shown below.

### Liquidity coverage ratio (LCR)

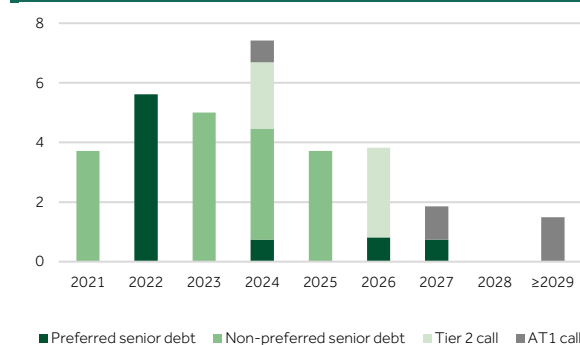
	DKKbn	%
Level 1a assets	73.9	60
Level 1b assets	45.1	37
Level 2a + 2b assets	3.4	3
<b>Total</b>	<b>122.4</b>	<b>100</b>

## Refinancing profile

The Group is on an on-going basis active in the French CP market. At the end of the third quarter of 2021, the outstanding volume under the CP programme amounted to DKK 54bn against DKK 42bn at the end of 2020.

At the end of the third quarter of 2021, outstanding preferred senior debt amounted to DKK 24bn against DKK 25bn at the end of 2020. At the end of the third quarter of 2021, outstanding CRD-IV compliant tier 2 and AT1 capital instruments amounted to DKK 5.2bn and DKK 3.3bn, respectively, against DKK 4.7bn and DKK 3.3bn at the end of 2020.

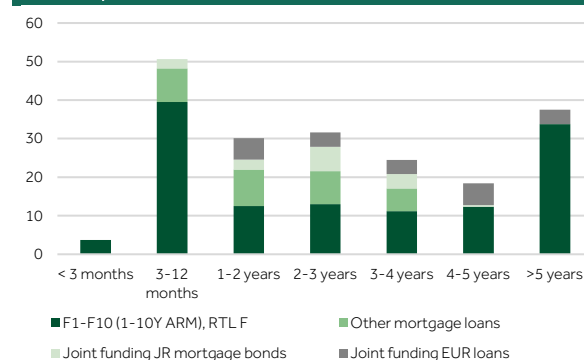
### Run-off and call date profile (DKKbn)



The run-off profile for the Group's preferred senior debt, etc. as per the end of the third quarter of 2021 is illustrated by the below chart.

At the end of the third quarter of 2021, covered bonds involving refinancing risk amounted to DKK 196bn, and the run-off profile of the underlying mortgage loans is shown in the chart below.

### Run-off profile of covered bonds (DKKbn)



## Issuance activity and funding plans

In the course of the first nine months of 2021, Jyske Bank issued the following bonds on the international capital markets.

### Issuance activity

	Maturity	Credit spread
EUR 500m covered bond (value date 20.01.2021)	01.10.2027	3M CIBOR -10bp
NOK 1bn tier 2 (value date 24.03.2021)	26.03.2031 (call 2026)	3M CIBOR +100bp
SEK 1bn tier 2 (value date 24.03.2021)	26.03.2031 (call 2026)	3M CIBOR +100bp
EUR 200m AT1 (value date 04.06.2021)	Perpetual (call 2028)	3M CIBOR +350bp
EUR 500m non-preferred green senior debt (value date 02.09.2021)	02.09.2026 (call 2025)	3M CIBOR +30bp

To meet the minimum requirement for own funds and eligible liabilities (MREL), preferred senior debt of EUR 500m is expected to be issued before the end of 2021.

Once the transitional arrangements for MREL have been phased out at the beginning of 2022, Jyske Bank anticipates a requirement (inclusive of an internal buffer for statutory requirements) for MREL-eligible debt instruments in an amount of DKK 18bn-20bn, of which DKK 4bn-5bn in preferred senior debt and DKK 14bn-15bn in the form of non-preferred senior debt.

## Credit rating

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

#### 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 preferred senior debt (preferred senior)	A-1	Stable
Long-term preferred 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
<b>Jyske Realkredit Bond issues</b>		
Capital Centre E covered bonds	AAA	
Capital Centre B mortgage bonds	AAA	

#### The supervisory diamond for Jyske Realkredit A/S

	Q3 2021	Q4 2020
<b>Concentration risk &lt;100%</b>	46.7%	51.0%
<b>Increase in loans &lt;15% annually in the segment:</b>		
Owner-occupied homes and vacation homes	-2.3%	-2.1%
Residential rental property	7.7%	5.9%
Other sectors	2.5%	6.6%
<b>Borrower's interest-rate risk &lt;25%</b>		
Residential property	15.2%	16.5%
<b>Interest-only schemes &lt;10%</b>		
Owner-occupied homes and vacation homes	5.6%	6.0%
<b>Loans with frequent interest-rate fixing:</b>		
Refinancing (annually) <25%	15.5%	16.2%
Refinancing (quarterly) <12.5%	5.4%	1.4%

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

### 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 2021	Q4 2020
Sum of large exposures <175% of common equity tier 1 capital	84%	82%
Increase in loans and advances <20% annually	2%	-7%
Exposures to property administration and property transactions <25% of total loans and advances	9%	10%
Funding ratio <1*	-	0.50
Liquidity benchmark >100%	152%	169%

Note: Funding ratio will be removed from the supervisory diamond as at 30.09.2021.

Jyske Bank 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 2021 that have any material effect on the financial position of Jyske Bank.

### Financial calendar 2022

Jyske Bank anticipates releasing financial statements on the following dates in 2022:

Financial calendar 2022	
22 February	Annual Report 2021
3 May	Interim Financial Report, First quarter of 2022
16 August	Interim Financial Report, First half of 2022
1 November	Interim Financial Report, First nine months of 2022

### New head of internal audit

With effect as from 1 November 2021, Jyske Bank appointed Karsten Dahl as new head of internal audit. Karsten Dahl is 46 years old and has been employed with Jyske Bank for 20 years. He replaces Henning Sørensen, who after 20 years as head of internal audit and 38 years' employment with Jyske Bank decided to retire on 31 October 2021.

The Supervisory Board and the Executive Board thank Henning Sørensen for his long-standing, committed and responsible efforts for the Jyske Bank Group.

### New member of management group

Effective 1 August 2021, Jyske Bank has employed (MA) Lars Stensgaard Mørch (49) as director and member of the management group. His area of responsibility will be long-term competitiveness and market positioning. Lars Stensgaard Mørch was employed by Danske Bank from 1999 to 2018, serving as member of the Executive Board from 2012 to 2018. Since 2018, Lars Stensgaard Mørch has been engaged in various consulting assignments.

### Accountant requirement and entrepreneur companies

In 2018-2019, Jyske Bank introduced a requirement for clients with a business Reg. No. to have an approved auditor in order to avoid financial crime and limit the risk of loss on these companies. The Bank has good experience with the initiative. For instance, Jyske Bank does not have loan commitments with entrepreneur companies being administered in bankruptcy, and it is not expected that there will be losses on the portfolio of entrepreneur companies. Existing entrepreneur

companies should no later than 15 October 2021 be re-registered into private limited companies or be dissolved due to the higher risk of fraud.

### Further information

For further information, please see [investor.jyskebank.com/investorrelations](https://investor.jyskebank.com/investorrelations). Here you will find an interview with Anders Dam, CEO and Managing Director, detailed financial information as well as Jyske Bank's Annual Report 2020 and Risk and Capital Management 2020, 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.

Also, please see [www.jyskerealkredit.com](https://www.jyskerealkredit.com). Jyske Realkredit's interim financial report for the first nine months of 2021, the Annual Report for 2020 and detailed financial information about Jyske Realkredit are available on that website.

## Business Segments

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

### Banking Activities

#### Summary of income statement (DKKm)

	Q1-Q3 2021	Q1-Q3 2020	Index 21/20	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	FY 2020
Net interest income	1,587	1,656	96	538	526	523	499	558	2,155
Net fee and commission income	2,204	1,968	112	759	674	771	725	643	2,693
Value adjustments	644	275	234	119	211	314	143	146	418
Other income	132	68	194	24	79	29	27	21	95
<b>Core income</b>	<b>4,567</b>	<b>3,967</b>	<b>115</b>	<b>1,440</b>	<b>1,490</b>	<b>1,637</b>	<b>1,394</b>	<b>1,368</b>	<b>5,361</b>
Core expenses	3,097	3,283	94	1,030	1,030	1,037	1,050	1,032	4,333
<b>Core profit before loan impairment charges</b>	<b>1,470</b>	<b>684</b>	<b>215</b>	<b>410</b>	<b>460</b>	<b>600</b>	<b>344</b>	<b>336</b>	<b>1,028</b>
Loan impairment charges	-177	311	-	-36	-47	-94	62	-19	373
<b>Core profit</b>	<b>1,647</b>	<b>373</b>	<b>442</b>	<b>446</b>	<b>507</b>	<b>694</b>	<b>282</b>	<b>355</b>	<b>655</b>
Investment portfolio earnings	82	-213	-	-22	29	75	157	14	-56
<b>Pre-tax profit</b>	<b>1,729</b>	<b>160</b>	<b>1,081</b>	<b>424</b>	<b>536</b>	<b>769</b>	<b>439</b>	<b>369</b>	<b>599</b>

#### Summary of balance sheet, end of period (DKKbn)

Loans and advances	122.5	122.3	100	122.5	128.7	127.6	122.3	122.6	127.6
- of which traditional bank loans	73.4	71.8	102	73.4	73.1	73.0	71.8	76.2	73.0
- of which new home loans	2.4	2.8	86	2.4	2.5	2.6	2.8	3.4	2.6
- of which repo loans	46.7	47.7	98	46.7	53.1	52.0	47.7	43.0	52.0
Total assets	278.8	250.7	111	278.8	281.4	273.1	250.7	253.5	273.1
Deposits	135.9	136.5	99	135.9	139.5	136.7	136.5	145.7	136.7
- of which bank deposits	122.2	125.3	98	122.2	126.3	127.2	125.3	131.8	127.2
- of which repo and triparty deposits	13.7	11.2	122	13.7	13.2	9.5	11.2	13.9	9.5
Issued bonds	71.2	44.2	161	71.2	70.1	58.4	44.2	42.2	58.4

### Profit

Pre-tax profit amounted to DKK 1,729m in the first nine months of 2021 against DKK 160m for the corresponding period in 2020. The considerably higher result was due to a management's estimate of impairment charges following the outbreak of COVID-19 in the first nine months of 2020 and a favourable development in the financial markets and a high level of activity in the first nine months of 2021.

### Core income

Core income rose by 15% to DKK 4,567m relative to the first nine months of 2020 caused primarily by higher value adjustments.

Net interest income amounted to DKK 1,587m against DKK 1,656m in the same period in 2020. Lower net interest income relating to excess liquidity caused the decline. Net interest income from lending and deposits rose by 1% as reduced deposit rates more than offset the effect from a lower volume of bank loans.

Net fee and commission income increased by 12%. The advance can, among other things, be attributed to higher client activity, an increase in business volume within asset management and a

changed fee structure. Add to this, a higher level of distribution fees received from Jyske Realkredit. These factors more than offset the effect from lower performance fees.

Value adjustments increased to DKK 644m from DKK 275m in the preceding year which was affected by high volatility following the outbreak of COVID-19. The first nine months of 2021 benefited from a continued high level of activity in the trading area and an exposure against steepening interest rate curves.

Other income rose to DKK 132m from DKK 68m due primarily to gains from the sale of property in the second quarter of 2021 and higher share dividends.

### Core expenses

Core expenses declined by 6% compared with the corresponding period in 2020. The decrease can primarily be attributed to a reduction in the number of full-time employees.

### Loan impairment charges

Loan impairment charges came to an income of DKK 177m against an expense of DKK 311m in the first nine months of 2020 when the COVID-19



outbreak resulted in a higher management's estimate relating to impairment charges. The first nine months of 2021 were dominated by a continued positive development in the financial situation of the clients.

### Investment portfolio earnings

For the first nine months of 2021, investment portfolio earnings amounted to DKK 82m against DKK -213m for the same period of 2020. The positive result can, among other things, be attributed to exposure against a steeper interest rate curve and a favourable trend for certain currency positions. By comparison, the first nine months of 2020 were affected by market turmoil following the outbreak of COVID-19. The hedging of additional tier 1 capital instruments in SEK had a negative effect of DKK 15m in the first nine months of 2021 and was offset by a positive adjustment of shareholders' equity.

### Business volume

Traditional bank loans amounted to DKK 73.4bn against DKK 73.0bn at the end of 2020. Higher lending to corporate clients more than offset lower bank loans to personal clients and public authorities.

At the end of the third quarter of 2021, bank deposits amounted to DKK 122.2bn against DKK 127.2bn at the end of 2020. The trend can primarily be attributed to lower deposits particularly from large corporate clients.

### Q3 2021 compared to Q2 2021

In Q3, pre-tax profit amounted to DKK 424m against DKK 536m in Q2.

Core income fell by 3% to DKK 1,440m, primarily due to lower value adjustments.

Net interest income rose by 2% to DKK 538m. The advance is due primarily to a reduction of the interest rate on the demand deposits of corporate clients by 20bp p.a. as from 11 June. Add to this, the effect from an extra day of interest which was, however, offset by lower net interest income relating to excess liquidity.

Net fee and commission income increased by 13% to DKK 759m. The increase can primarily be attributed to seasonally higher distribution fees received from Jyske Realkredit.

Other income declined to DKK 24m from DKK 79m primarily since the second quarter involved gains from property sales and higher share dividends etc.

Value adjustments came to DKK 119m against DKK 211m. The decline can partly be attributed to spread widening of callable Danish mortgage bonds.

In the third quarter, core expenses were at an unchanged level of DKK 1,030m. Lower IT expenses were offset by higher administrative expenses and annual payroll adjustment due to collective agreements.

Loan impairment charges amounted to an income of DKK 36m against an income of DKK 47m in the preceding quarter. The reversals were due to a broadly based positive development in the credit quality of the clients.

Investment portfolio earnings dropped back to DKK -22m from DKK 29m due partly to the spread widening of callable Danish mortgage bonds in Q3.

## Mortgage activities

### Summary of income statement (DKK m)

	Q1-Q3 2021	Q1-Q3 2020	Index 21/20	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	FY 2020
Administration margin income, etc. <sup>1</sup>	1,753	1,748	100	585	584	584	584	581	2,332
Other net interest income	11	23	48	2	5	4	13	2	36
Net fee and commission income	-534	-423	126	-181	-160	-193	-180	-176	-603
Value adjustments	73	125	58	7	21	45	94	48	219
Other income	5	10	50	5	0	0	3	10	13
<b>Core income</b>	<b>1,308</b>	<b>1,483</b>	<b>88</b>	<b>418</b>	<b>450</b>	<b>440</b>	<b>514</b>	<b>465</b>	<b>1,997</b>
Core expenses	290	258	112	101	97	92	87	86	345
<b>Core profit before loan impairment charges</b>	<b>1,018</b>	<b>1,225</b>	<b>83</b>	<b>317</b>	<b>353</b>	<b>348</b>	<b>427</b>	<b>379</b>	<b>1,652</b>
Loan impairment charges	113	549	21	11	12	90	-64	-57	485
<b>Pre-tax profit</b>	<b>905</b>	<b>676</b>	<b>134</b>	<b>306</b>	<b>341</b>	<b>258</b>	<b>491</b>	<b>436</b>	<b>1,167</b>

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

### Summary of balance sheet (DKK bn)

Mortgage loans	338.5	342.3	99	338.5	339.5	339.6	343.9	342.3	343.9
Total assets	367.8	374.9	98	367.8	366.6	378.3	377.1	374.9	377.1
Issued bonds	343.3	351.7	97	343.3	342.4	354.8	354.1	351.7	354.1

### Profit

In the first nine months of 2021, pre-tax profit amounted to DKK 905m against DKK 676m in the first nine months of 2020 when a management's estimate concerning loan impairment charges was made to meet the potential consequences of the COVID-19 outbreak.

### Core income

Core income amounted to DKK 1,308m in the first nine months of 2021 against DKK 1,483m in the preceding year. The change can be attributed to higher distribution fees paid.

Administration margin income amounted to DKK 1,753m in the first nine months of 2021 against DKK 1,748m for the same period of 2020. Hence, to some extent, margin pressure offset an increase by 2% of mortgage loans stated at nominal value over the same period.

Other net interest income amounted to DKK 11m in the first nine months against DKK 23m in the first nine months of 2020. The decline was due to a lower interest yield on the portfolio of securities.

For the first nine months of 2021, net fee and commission income amounted to DKK -534m against DKK -423m in the first nine months of 2020. The development can be attributed to an increase in distribution fees paid to DKK 883m from DKK 781m due to a revised contractual basis.

Value adjustment amounted to DKK 73m in the first nine months of 2021 against DKK 125m in the preceding year. The decline is due to a lower contribution from the portfolio of securities.

### Core expenses

For the first nine months of the year, core expenses amounted to DKK 290m against DKK 258m for the same period of 2020. The increase was due to the fact that Jyske Realkredit repatriated the development of IT systems relating to mortgage operations from Jyske Bank in the second quarter of 2021.

### Loan impairment charges

In the first nine months of the year, loan impairment charges dropped to DKK 113m from DKK 549m. The lower level of impairment charges was due primarily to a management's estimate relating to the impairment charges following the outbreak of COVID-19 in the first quarter of 2020.

### Business volume

Mortgage loans at fair value dropped to DKK 338.5bn from DKK 343.9bn at the end of 2020. Nominal mortgage loans rose by 2% to DKK 338.2bn as higher lending to corporate clients more than offset the impact of slightly lower lending to personal clients.

For further details about Jyske Realkredit, please see Jyske Realkredit's Interim Financial Report for the first nine months of 2021.



### Q3 2021 compared to Q2 2021

In Q3, pre-tax profit amounted to DKK 306m against DKK 341m in Q2. The change was due to higher distribution fees paid and lower value adjustments.

Administration margin income etc. rose to DKK 585m from DKK 584m. Increased lending to corporate clients were partly offset by a lower average administration margin rate.

Net fee and commission income amounted to DKK -181m against DKK -160m. Group external net fee and commission income rose to DKK 135m from DKK 80m, due to seasonally higher refinancing activity. The increase was more than offset by higher distribution fees paid.

Value adjustments amounted to DKK 7m against DKK 21m in the preceding quarter. The decline is due to lower value adjustments of the portfolio of securities.

Core expenses increased to DKK 101m from DKK 97m in the preceding quarter. The increase can be attributed to a refund relating to the recent six years' contribution to the Resolution Fund in the second quarter.

Loan impairment charges were close to unchanged at DKK 11m compared with the previous DKK 12m.

## Leasing activities

### Summary of income statement (DKKm)

	Q1-Q3 2021	Q1-Q3 2020	Index 21/20	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	FY 2020
Net interest income	345	344	100	117	115	113	99	115	443
Net fee and commission income	-7	-35	20	0	-5	-2	36	-14	1
Value adjustments	16	7	229	2	11	3	41	-5	48
Other income	12	14	86	3	5	4	8	5	22
Income from operating lease (net)	184	76	242	81	63	40	34	69	110
<b>Core income</b>	<b>550</b>	<b>406</b>	<b>135</b>	<b>203</b>	<b>189</b>	<b>158</b>	<b>218</b>	<b>170</b>	<b>624</b>
Core expenses	129	128	101	43	44	42	42	41	170
<b>Core profit before loan impairment charges</b>	<b>421</b>	<b>278</b>	<b>151</b>	<b>160</b>	<b>145</b>	<b>116</b>	<b>176</b>	<b>129</b>	<b>454</b>
Loan impairment charges	-9	103	-	-11	-12	14	7	28	110
<b>Pre-tax profit</b>	<b>430</b>	<b>175</b>	<b>246</b>	<b>171</b>	<b>157</b>	<b>102</b>	<b>169</b>	<b>101</b>	<b>344</b>

### Summary of balance sheet, end of period (DKKbn)

Loans and advances	21.3	19.6	109	21.3	21.3	20.4	19.9	19.6	19.9
Total assets	23.9	22.1	108	23.9	23.9	23.0	22.4	22.1	22.4
Deposits	0.2	0.2	100	0.2	0.2	0.2	0.2	0.2	0.2

### Profit

Pre-tax profit amounted to DKK 430m in the first nine months of 2021 against DKK 175m for the corresponding period of 2020. The significant advance was primarily due to a management's estimate relating to the outbreak of COVID-19 in the first nine months of 2020 and favourable sales conditions in the used car market in the first nine months of 2021.

At DKK 345m for the first nine months of 2021, net interest income was nearly unchanged. A higher lending volume was partly offset by the accrual of fees paid.

Net fee and commission income amounted to DKK -7m in the first nine months against DKK -35m in the same period of 2020. The advance can be attributed to the accrual of fees paid.

Value adjustments increased to DKK 16m from DKK 7m in the preceding year. The change was due to foreign currency positions.

Income from operating lease (net) rose to DKK 184m from DKK 76m. The development was due to favourable sales conditions in the used car market and reversed loan impairment charges in the first nine months of 2021 whereas the first nine months of 2020 were dominated by a higher management's estimate of impairment charges after the outbreak of COVID-19.

Core expenses rose by 1% relative to the first nine months of 2020.

Loan impairment charges amounted to an income of DKK 9m against an expense of DKK 103m in the

same period of 2020. The decrease was due primarily to a management's estimate relating to the impairment charges following the outbreak of COVID-19 in the first quarter of 2020.

### Business volume

At the end of Q3 2021, loans under leasing activities rose by 7% to DKK 21.3bn relative to the end of 2020.

### Q3 2021 compared to Q2 2021

In Q3, pre-tax profit amounted to DKK 171m against DKK 157m in the preceding quarter.

Net interest income rose 2% in Q3 due to a higher average business volume.

Net fee and commission income rose to DKK 0m from DKK -5m due to a lower level of fees paid.

Value adjustments declined to DKK 2m from DKK 11m due to lower value adjustment of shares, etc.

Income from operating lease (net) rose to DKK 81m from DKK 63m due to continued favourable sales conditions in the used car market and reversal of impairment charges.

Core expenses fell to DKK 43m in Q3 from DKK 44m in Q2.

Loan impairment charges amounted to an income of DKK 11m against an income of DKK 12m in the preceding quarter due to a continued positive trend in the credit quality of the clients.

	DKKm	Q1-Q3 2021	Q1-Q3 2020	Q3 2021	Q3 2020
<b>Income statement</b>					
5	Interest income calculated according to the effective interest method	2,528	2,421	869	791
5	Other interest income	4,121	4,412	1,358	1,415
6	Interest expenses	2,905	3,002	973	935
	<b>Net interest income</b>	<b>3,744</b>	<b>3,831</b>	<b>1,254</b>	<b>1,271</b>
7	Fees and commission income	1,988	1,825	686	562
7	Fees and commission expenses	325	315	108	109
	<b>Net interest and fee income</b>	<b>5,407</b>	<b>5,341</b>	<b>1,832</b>	<b>1,724</b>
8	Value adjustments	790	158	102	196
9	Other income	708	567	238	213
10	Employee and administrative expenses, etc.	3,466	3,615	1,156	1,141
	Amortisation, depreciation and impairment charges	448	477	151	134
12	Loan impairment charges	-73	963	-36	-48
	<b>Pre-tax profit</b>	<b>3,064</b>	<b>1,011</b>	<b>901</b>	<b>906</b>
11	Tax	673	233	195	210
	<b>Net profit for the period</b>	<b>2,391</b>	<b>778</b>	<b>706</b>	<b>696</b>
	Distributed to:				
	Jyske Bank A/S shareholders	2,251	652	654	653
	Holders of additional tier 1 capital (AT1)	140	126	52	43
	<b>Total</b>	<b>2,391</b>	<b>778</b>	<b>706</b>	<b>696</b>
<b>Earnings per share for the period</b>					
	Earnings per share for the period, DKK	31.55	8.93	9.29	9.01
	Earnings per share for the period, DKK, diluted	31.55	8.93	9.29	9.01
<b>Statement of Comprehensive Income</b>					
	Net profit for the period	2,391	778	706	696
	Other comprehensive income:				
	<i>Items that can be recycled to the income statement:</i>				
	Foreign currency translation adjustment of international units	0	-20	0	0
	Hedge accounting of international units	0	20	0	0
	Tax on hedge accounting	0	-6	0	0
	<b>Other comprehensive income after tax</b>	<b>0</b>	<b>-6</b>	<b>0</b>	<b>0</b>
	<b>Comprehensive income for the period</b>	<b>2,391</b>	<b>772</b>	<b>706</b>	<b>696</b>
	Distributed to:				
	Jyske Bank A/S shareholders	2,251	646	654	653
	Holders of additional tier 1 capital (AT1)	140	126	52	43
	<b>Total</b>	<b>2,391</b>	<b>772</b>	<b>706</b>	<b>696</b>

		<b>30 Sept. 2021</b>	<b>31 Dec. 2020</b>	<b>30 Sept. 2020</b>
	DKKmn			
<b>BALANCE SHEET</b>				
<b>ASSETS</b>				
	Cash balance and demand deposits with central banks	<b>48,110</b>	34,951	12,409
	Due from credit institutions and central banks	<b>14,729</b>	10,538	12,148
13,14	Loans at fair value	<b>340,308</b>	345,699	344,246
15	Loans and advances at amortised cost	<b>142,028</b>	145,680	139,903
	Bonds at fair value	<b>61,654</b>	66,663	72,422
	Bonds at amortised cost	<b>24,430</b>	23,797	23,776
	Shares, etc.	<b>2,533</b>	2,405	2,405
	Property, plant and equipment	<b>4,281</b>	4,495	4,447
	Tax assets	<b>407</b>	391	102
	Assets held temporarily with a view to sale	<b>123</b>	165	185
16	Other assets	<b>31,882</b>	37,864	35,593
	<b>Total assets</b>	<b>670,485</b>	672,648	647,636
<b>EQUITY AND LIABILITIES</b>				
<b>Liabilities</b>				
	Due to credit institutions and central banks	<b>30,069</b>	30,067	24,913
17	Deposits	<b>136,168</b>	136,953	136,762
18	Issued bonds at fair value	<b>338,536</b>	348,828	345,727
	Issued bonds at amortised cost	<b>75,980</b>	63,697	50,220
	Liabilities in disposal group with a view to sale	<b>6</b>	5	5
19	Other liabilities	<b>44,522</b>	49,374	46,877
20	Provisions	<b>1,501</b>	1,271	1,503
21	Subordinated debt	<b>5,517</b>	5,821	5,795
	<b>Liabilities, total</b>	<b>632,299</b>	636,016	611,802
<b>Equity</b>				
	Share capital	<b>726</b>	726	726
	Revaluation reserve	<b>200</b>	200	205
	Retained profit	<b>33,899</b>	32,399	31,688
	Jyske Bank A/S shareholders	<b>34,825</b>	33,325	32,619
	Holders of additional tier 1 capital	<b>3,361</b>	3,307	3,215
	<b>Total equity</b>	<b>38,186</b>	36,632	35,834
	<b>Total equity and liabilities</b>	<b>670,485</b>	672,648	647,636

DKK m

**Statement of Changes in Equity**

	Share capital	Revaluation reserve	Currency translation reserve	Retained profit	Shareholders of Jyske Bank A/S	AT1 capital*	Total equity
Equity at 1 January 2021	726	200	0	32,399	33,325	3,307	36,632
Net profit for the period	0	0	0	2,251	2,251	140	2,391
<i>Other comprehensive income:</i>							
Foreign currency translation for international units	0	0	0	0	0	0	0
Hedge of international units	0	0	0	0	0	0	0
Tax on other comprehensive income	0	0	0	0	0	0	0
Other comprehensive income after tax	0	0	0	0	0	0	0
Comprehensive income for the period	0	0	0	2,251	2,251	140	2,391
Redemption of additional tier 1 capital	0	0	0	0	0	-1,417	-1,417
AT1 capital issue	0	0	0	0	0	1,486	1,486
Transaction costs	0	0	0	-15	-15	0	-15
Interest paid on additional tier 1 capital	0	0	0	0	0	-140	-140
Currency translation adjustment	0	0	0	15	15	-15	0
Acquisition of own shares	0	0	0	-1,884	-1,884	0	-1,884
Sale of own shares	0	0	0	1,133	1,133	0	1,133
Transactions with owners	0	0	0	-751	-751	-86	-837
<b>Equity at 30 September 2021</b>	<b>726</b>	<b>200</b>	<b>0</b>	<b>33,899</b>	<b>34,825</b>	<b>3,361</b>	<b>38,186</b>
Equity at 1 January 2020	776	205	0	31,472	32,453	3,257	35,710
Net profit for the period	0	0	0	652	652	126	778
<i>Other comprehensive income:</i>							
Foreign currency translation for international units	0	0	-20	0	-20	0	-20
Hedge of international units	0	0	20	0	20	0	20
Tax on other comprehensive income	0	0	0	-6	-6	0	-6
Other comprehensive income after tax	0	0	0	-6	-6	0	-6
Comprehensive income for the period	0	0	0	646	646	126	772
Interest paid on additional tier 1 Capital	0	0	0	0	0	-139	-139
Currency translation adjustment	0	0	0	29	29	-29	0
Reduction of share capital	-50	0	0	50	0	0	0
Acquisition of own shares	0	0	0	-1,590	-1,590	0	-1,590
Sale of own shares	0	0	0	1,081	1,081	0	1,081
Transactions with owners	-50	0	0	-430	-480	-168	-648
<b>Equity at 30 September 2020</b>	<b>726</b>	<b>205</b>	<b>0</b>	<b>31,688</b>	<b>32,619</b>	<b>3,215</b>	<b>35,834</b>

\*Additional tier 1 capital (AT1) has no maturity. Payment of interest and repayment of principal are voluntary. Therefore, AT1 is recognised as equity. In September 2016, Jyske Bank issued AT1 amounting to SEK 1.25bn and AT1 amounting to DKK 500m with the possibility of early redemption in September 2021 at the earliest. The interest rates applicable to the issues are STIBOR+5.80% and CIBOR+5.30%, respectively, up to September 2021 when the issues are redeemed. 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 in the amount of 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. 2021	31 Dec. 2020	30 Sept. 2020
<b>Capital Statement</b>			
Shareholders' equity	<b>34,825</b>	33,325	32,619
Share buy-back programme, non-utilised limit	<b>-1,000</b>	-750	0
Expected dividend, calculated as required by law	<b>-158</b>	0	-137
Prudent valuation	<b>-245</b>	-360	-352
Other deductions	<b>-126</b>	-21	-58
<b>Common equity tier 1 capital</b>	<b>33,296</b>	32,194	32,072
Additional tier 1 capital after reduction	<b>3,334</b>	3,539	3,461
<b>Core capital</b>	<b>36,630</b>	35,733	35,533
Subordinated loan capital after reduction	<b>5,280</b>	5,334	5,315
<b>Capital base</b>	<b>41,910</b>	41,067	40,848
Weighted risk exposure involving credit risk, etc.	<b>159,829</b>	154,452	155,967
Weighted risk exposure involving market risk	<b>10,968</b>	10,294	12,590
Weighted risk exposure involving operational risk	<b>14,304</b>	14,680	14,680
<b>Total weighted risk exposure</b>	<b>185,101</b>	179,426	183,237
Capital requirement, Pillar I	<b>14,808</b>	14,354	14,659
Capital ratio (%)	<b>22.6</b>	22.9	22.3
Tier 1 capital ratio (%)	<b>19.8</b>	19.9	19.4
Common equity tier 1 capital ratio (%)	<b>18.0</b>	17.9	17.5

For a statement of the individual solvency requirement, please see Risk and Capital Management 2020 or [investor.jyskebank.com/investorrelations/capitalstructure](http://investor.jyskebank.com/investorrelations/capitalstructure).

DKK m	Q1-Q3 2021	Q1-Q3 2020
<b>Summary of Cash Flow Statement</b>		
<b>Net profit for the period</b>	<b>2,391</b>	<b>778</b>
Adjustment for non-cash operating items and change in working capital	<b>16,693</b>	-9,520
<b>Cash flows from operating activities</b>	<b>19,084</b>	-8,742
Acquisition and sale of property, plant and equipment	-282	-446
Dividend received	<b>54</b>	44
<b>Cash flows from investment activities</b>	<b>-228</b>	-402
Redemption of hybrid core capital	-1,417	0
AT1 capital issue	<b>1,471</b>	0
Interest paid on additional tier 1 capital	-140	-139
Acquisition of own shares	-1,884	-1,590
Sale of own shares	<b>1,133</b>	1,081
Additional subordinated debt	<b>1,466</b>	1,478
Redemption of subordinated debt	-1,749	-11
Repayment on lease commitment	-49	-52
<b>Cash flows from financing activities</b>	<b>-1,169</b>	767
<b>Cash flow for the period</b>	<b>17,687</b>	-8,377
Cash and cash equivalents, beginning of period	<b>45,489</b>	33,276
Foreign currency translation adjustment of cash at bank and in hand	-337	-342
Cash flow for the period, total	<b>17,687</b>	-8,377
<b>Cash and cash equivalents, end of period</b>	<b>62,839</b>	24,557
Cash and cash equivalents, end of period, comprise:		
Cash balance and demand deposits with central banks	<b>48,110</b>	12,409
Due from credit institutions and central banks	<b>14,729</b>	12,148
<b>Cash and cash equivalents, end of period</b>	<b>62,839</b>	24,557

**1 Accounting policies**

The Interim Financial Report for the period 1 January to 30 September 2021 for the Jyske Bank Group was prepared in accordance with IAS 34 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.

Changes to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 "Reform of reference rates, phase 2" were implemented as at 1 January 2021 and the purpose is to reduce the impacts and risks on the accounts when old reference rates are replaced by alternative reference rates. The changes result in a stricter duty of disclosure in the consolidated accounts for 2021, but have no effect on the net profit for the period, comprehensive income, balance sheet or equity in 2021, and the future effect is expected to be insignificant.

Except from the above, accounting policies remain unchanged compared with the annual report for 2020, including the full description of accounting policies.

**2 Material accounting estimates**

Measurement of the carrying value of certain assets and liabilities requires the management's estimate of the influence of future events on the value of such assets and liabilities. Estimates of material importance to the financial reporting are, among other things, based on the determination of loan impairment charges and provisions for guarantees, the fair value of unlisted financial instruments and provisions already made, cf. the detailed statement in note 67 in the Annual Report 2020. 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.

The COVID-19 pandemic has increased uncertainty involved in the determination of loan impairment charges and provisions for guarantees. Jyske Bank's Annual Report 2020, Note 67 contains detailed descriptions of expected losses and uncertainty associated with the COVID-19 pandemic. Note 67 describes the effects from rising likelihood of default (PD) for clients without OEI. The increase in the PD levels was at the end of the first quarter of 2021 implemented in the model-based impairment calculations and is therefore no longer included as a management's estimate of an increase in impairment charges. No changes were made to the quantification of non-linear effects in scenario-specific impairment calculations. In addition, the risk of lack of identification of unhealthy exposures is described in Note 67 in Jyske Bank's Annual Report 2020. This risk is still considered actual and covered by a management's estimate of an increase in impairment charges of DKK 695m against DKK 510m at the end of 2020. The increase in 2021 is the consequence of a long-lasting lockdown at the beginning of the year and an extension of governmental support schemes.



DKKm

**Q3 2021**   Q2 2021   Q1 2021   Q4 2020   Q3 2020

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

Net interest income	<b>1,254</b>	1,256	1,234	1,219	1,271
Net fee and commission income	<b>578</b>	509	576	581	453
Value adjustments	<b>102</b>	253	435	418	196
Other income	<b>238</b>	265	205	218	213
<b>Income</b>	<b>2,172</b>	2,283	2,450	2,436	2,133
Expenses	<b>1,307</b>	1,296	1,311	1,332	1,275
<b>Profit or loss before loan impairment charges</b>	<b>865</b>	987	1,139	1,104	858
Loan impairment charges	<b>-36</b>	-47	10	5	-48
<b>Pre-tax profit</b>	<b>901</b>	1,034	1,129	1,099	906
Tax	<b>195</b>	232	246	268	210
<b>Net profit for the period</b>	<b>706</b>	802	883	831	696

**Financial ratios and key figures**

Pre-tax profit, per share (DKK)*	<b>12.1</b>	13.8	15.0	14.6	11.9
Earnings per share for the period (DKK)*	<b>9.3</b>	10.6	11.6	10.9	9.0
Earnings per share for the period (diluted) (DKK)*	<b>9.3</b>	10.6	11.6	10.9	9.0
Core profit per share (DKK)*	<b>12.4</b>	13.4	14.0	12.4	11.7
Share price at end of period (DKK)	<b>277</b>	303	303	233	179
Book value per share (DKK)*	<b>498</b>	486	474	459	450
Price/book value per share (DKK)*	<b>0.6</b>	0.6	0.6	0.5	0.4
Outstanding shares in circulation ('000)	<b>69,954</b>	70,972	71,801	72,553	72,555
Average number of shares in circulation ('000)	<b>70,364</b>	71,415	72,305	72,538	72,552
Capital ratio (%)	<b>22.6</b>	23.0	23.2	22.9	22.3
Tier 1 capital ratio (%)	<b>19.8</b>	20.1	19.8	19.9	19.4
Common equity tier 1 capital ratio (%)	<b>18.0</b>	18.3	18.0	17.9	17.5
Pre-tax profit as a pct. of average equity	<b>2.5</b>	2.9	3.2	3.2	2.7
Profit for the period as a pct. of avg. equity*	<b>1.9</b>	2.2	2.5	2.5	2.0
Income/cost ratio (%), inclusive of impairment charges	<b>1.7</b>	1.8	1.9	1.8	1.7
Interest-rate risk (%)	<b>0.8</b>	0.6	1.3	0.8	0.7
Currency risk (%)	<b>0.1</b>	0.0	0.0	0.1	0.1
Accumulated impairment ratio (%)	<b>1.1</b>	1.1	1.1	1.1	1.1
Impairment ratio for the period (%)	<b>0.0</b>	0.0	0.0	0.0	0.0
No. of full-time employees at end-period	<b>3,283</b>	3,280	3,310	3,349	3,412
Average number of full-time employees in the period	<b>3,282</b>	3,295	3,330	3,381	3,441

The financial ratios are based on the definitions and guidelines laid down by the Danish Financial Supervisory Authority, cf. note 68 to the consolidated financial statements for 2020.

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

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**4 Segmental financial statements**

	Banking activities	Mortgage activities	Leasing activities	The Jyske Bank Group*
<b>Q1-Q3 2021</b>				
Net interest income	1,587	1,764	345	3,696
Net fee and commission income	2,204	-534	-7	1,663
Value adjustments	644	73	16	733
Other income	132	5	12	149
Income from operating lease (net)	0	0	184	184
<b>Core income</b>	<b>4,567</b>	<b>1,308</b>	<b>550</b>	<b>6,425</b>
Core expenses	3,097	290	129	3,516
<b>Core profit before loan impairment charges</b>	<b>1,470</b>	<b>1,018</b>	<b>421</b>	<b>2,909</b>
Loan impairment charges	-177	113	-9	-73
<b>Core profit</b>	<b>1,647</b>	<b>905</b>	<b>430</b>	<b>2,982</b>
Investment portfolio earnings	82	0	0	82
<b>Pre-tax profit</b>	<b>1,729</b>	<b>905</b>	<b>430</b>	<b>3,064</b>
Loans and advances	122,495	338,492	21,349	482,336
- of which mortgage loans	0	338,492	0	338,492
- of which bank loans	75,836	0	21,349	97,185
- of which repo loans	46,659	0	0	46,659
Total assets	278,795	367,824	23,866	670,485
Deposits	135,933	0	235	136,168
- of which bank deposits	122,185	0	235	122,420
- of which repo and triparty deposits	13,748	0	0	13,748
Issued bonds	71,229	343,287	0	414,516
<b>Q1-Q3 2020</b>				
Net interest income	1,656	1,771	344	3,771
Net fee and commission income	1,968	-423	-35	1,510
Value adjustments	275	125	7	407
Other income	68	10	14	92
Income from operating lease (net)	0	0	76	76
<b>Core income</b>	<b>3,967</b>	<b>1,483</b>	<b>406</b>	<b>5,856</b>
Core expenses	3,283	258	128	3,669
<b>Core profit before loan impairment charges</b>	<b>684</b>	<b>1,225</b>	<b>278</b>	<b>2,187</b>
Loan impairment charges	311	549	103	963
<b>Core profit</b>	<b>373</b>	<b>676</b>	<b>175</b>	<b>1,224</b>
Investment portfolio earnings	-213	0	0	-213
<b>Pre-tax profit</b>	<b>160</b>	<b>676</b>	<b>175</b>	<b>1,011</b>
Loans and advances	122,308	342,276	19,565	484,149
- of which mortgage loans	0	342,276	0	342,276
- of which bank loans	74,616	0	19,565	94,181
- of which repo loans	47,692	0	0	47,692
Total assets	250,663	374,912	22,061	647,636
Deposits	136,543	0	219	136,762
- of which bank deposits	125,363	0	219	125,582
- of which repo and triparty deposits	11,180	0	0	11,180
Issued bonds	44,233	351,714	0	395,947

\* The relationship between income statement items under 'The Jyske Bank Group' (key financial data) and the income statement page 18 appears from the next page.

DKK m

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

The pre-tax profit for the first half of 2021 broken down by core earnings and investment portfolio earnings is stated below:

**Breakdown of profit or loss for the period**
**Q1-Q3 2021**
**Q1-Q3 2020**

DKK m

	Core profit	Investment portfolio earnings	Reclas- sification	Total	Core profit	Investment portfolio earnings	Reclas- sification	Total
Net interest income	3,696	52	-5	3,743	3,771	65	-5	3,831
Net fee and commission income	1,663	0	0	1,663	1,510	0	0	1,510
Value adjustments	733	52	5	790	407	-254	5	158
Other income	149	0	4	153	92	0	9	101
Income from operating lease (net)	184	0	371	555	76	0	390	466
<b>Income</b>	<b>6,425</b>	<b>104</b>	<b>375</b>	<b>6,904</b>	<b>5,856</b>	<b>-189</b>	<b>399</b>	<b>6,066</b>
Expenses	3,516	22	375	3,913	3,669	24	399	4,092
<b>Profit before loan impairment charges</b>	<b>2,909</b>	<b>82</b>	<b>0</b>	<b>2,991</b>	<b>2,187</b>	<b>-213</b>	<b>0</b>	<b>1,974</b>
Loan impairment charges	-73	0	0	-73	963	0	0	963
<b>Pre-tax profit</b>	<b>2,982</b>	<b>82</b>	<b>0</b>	<b>3,064</b>	<b>1,224</b>	<b>-213</b>	<b>0</b>	<b>1,011</b>

**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.

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 18.

Reclassification relates to the following:

- Income of DKK 5 m (first nine months of 2020: income of DKK 5 m) due to value adjustments relating to the balance principle at Jyske Realkredit was reclassified from value adjustments to interest income.
- Expenses of DKK 4 m (first nine months of 2020: expenses of DKK 9 m) from external revenue was reclassified from income to offsetting against expenses.
- Depreciation and amortisation of DKK 371 m (first nine months of 2020: DKK 390 m) 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 140 m (first nine months of 2020: DKK 126 m) and the denominator is calculated as equity exclusive of AT1 capital of DKK 3,361 m (first nine months of 2020: DKK 3,215 m).

"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 AT1 capital is accounted for as a liability. Book value was calculated exclusive of AT1 capital of DKK 3,361 m (first nine months of 2020: DKK 3,215 m).

DKKm

4 Segmental financial statements, cont.	Q1-Q3 2021		Q1-Q3 2020	
	Revenue	Full-time employees, end of period	Revenue	Full-time employees, end of period
Revenue by country				
Denmark	9,280	3,257	9,158	3,355
Gibraltar	0	0	28	0
Germany	14	9	11	8
Total	9,294	3,266	9,197	3,363

Revenue is defined as interest income, fee and commission income and also other operating income.

Jyske Bank has activities in the countries stated below in the form of subsidiaries or branches. The names of the subsidiaries appear from the group chart.

Activities in individual countries:

Denmark: The Jyske Bank Group has activities within banking and mortgage banking, trading and wealth management advice as well as leasing.

Gibraltar: Until 3 April 2020, the Jyske Bank Group had activities within banking as well as trading and wealth management advice.

Germany: The Jyske Bank Group has activities within banking.

DKKm	Q1-Q3 2021	Q1-Q3 2020
<b>5 Interest income</b>		
Due from credit institutions and central banks	-46	14
Loans and advances	3,761	4,123
Administration margin	1,458	1,389
Bonds	334	387
Derivatives, total	178	243
Of which currency contracts	221	237
Of which interest-rate contracts	-43	6
Others	0	0
<b>Total</b>	<b>5,685</b>	<b>6,156</b>
Interest on own mortgage bonds, set off against interest on issued bonds	104	109
<b>Total after offsetting of negative interest</b>	<b>5,581</b>	<b>6,047</b>
Negative interest income set off against interest income	306	299
Negative interest expenses set off against interest expenses	762	487
<b>Total before offsetting of negative interest income</b>	<b>6,649</b>	<b>6,833</b>

Negative interest income amounted to DKK 306m (first nine months of 2020: DKK 299m) and relates to primary 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.

<b>6 Interest expenses</b>		
Due to credit institutions and central banks	82	93
Deposits	-407	-268
Issued bonds	2,208	2,473
Subordinated debt	86	82
Other	-28	-55
<b>Total</b>	<b>1,941</b>	<b>2,325</b>
Interest on own mortgage bonds, set off against interest on issued bonds	104	109
<b>Total after offsetting of negative interest</b>	<b>1,837</b>	<b>2,216</b>
Negative interest expenses set off against interest expenses	762	487
Negative interest income set off against interest income	306	299
<b>Total before offsetting of negative interest income</b>	<b>2,905</b>	<b>3,002</b>

Negative interest expenses amounted to DKK 762m (first nine months of 2020: DKK 487m) 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.

<b>7 Fees and commission income</b>		
Securities trading and custody services	981	959
Money transfers and card payments	192	128
Loan application fees	345	320
Guarantee commission	82	81
Other fees and commissions	388	337
Fees and commissions received, total	1,988	1,825
Fees and commissions paid, total	325	315
<b>Fee and commission income, net</b>	<b>1,663</b>	<b>1,510</b>

Fee income for the period, amounting to DKK 1,988m less fees and commission paid for the period amounting to DKK 325m, constitutes the net fee and commission income for the period in the amount of DKK 1,663m. (first nine months of 2020: DKK 1,510m). These are recognised in the segmental financial statements for the bank's three business areas, cf. note 4.

Note		Jyske Bank Group	
	DKKm	Q1-Q3 2021	Q1-Q3 2020
8	<b>Value adjustments</b>		
	Loans and advances at fair value	-10,399	899
	Bonds	-426	109
	Shares, etc.	182	166
	Currency	146	2
	Currency, interest-rate, share, commodity and other contracts as well as other derivatives	445	52
	Issued bonds	10,789	-1,059
	Other assets and liabilities	53	-11
	<b>Total</b>	<b>790</b>	<b>158</b>
9	<b>Other income</b>		
	Income on real property	33	34
	Profit on the sale of property, plant and equipment	39	0
	Income from operating lease <sup>1</sup>	555	466
	Dividends, etc.	54	44
	Profit/loss on investments in associates	-3	-16
	Other income	30	39
	<b>Total</b>	<b>708</b>	<b>567</b>
<sup>1</sup> ) Expenses relating to operating lease affected the item Amortisation, depreciation and impairment charges in the amount of DKK 371m in the first nine months of 2021 against DKK 390m in the first nine months of 2020.			
10	<b>Employee and administrative expenses</b>		
	<b>Employee expenses</b>		
	Wages and salaries, etc.	1,683	1,729
	Pensions	219	236
	Social security	260	241
	<b>Total</b>	<b>2,162</b>	<b>2,206</b>
	<b>Salaries and remuneration to management bodies</b>		
	Executive Board	26	25
	Supervisory Board	5	6
	Shareholders' Representatives	2	1
	<b>Total</b>	<b>33</b>	<b>32</b>
	<b>Other administrative expenses</b>		
	IT	976	996
	Other operating expenses	104	184
	Other administrative expenses	191	197
	<b>Total</b>	<b>1,271</b>	<b>1,377</b>
	<b>Employee and administrative expenses, total</b>	<b>3,466</b>	<b>3,615</b>
11	<b>Effective tax rate</b>		
	Corporation tax rate in Denmark	22.0	22.0
	Non-taxable income and non-deductible expenses, etc.	0.0	1.0
	<b>Effective tax rate</b>	<b>22.0</b>	<b>23.0</b>

	DKKm	Q1-Q3 2021	Q1-Q3 2020
<b>12</b>	<b>Loan impairment charges and provisions for guarantees</b>		
	<b>Loan impairment charges and provisions for guarantees recognised in the income statement</b>		
	Loan impairment charges and provisions for guarantees for the period	-118	917
	Impairment charges on balances due from credit institutions in the period	-4	6
	Provisions for loan commitments and unutilised credit lines in the period	103	89
	Recognised as a loss, not covered by loan impairment charges and provisions	76	153
	Recoveries	-100	-158
	Recognised discount for acquired loans	-30	-44
	<b>Loan impairment charges and provisions for guarantees recognised in the income statement</b>	<b>-73</b>	<b>963</b>
	<b>Balance of loan impairment charges and provisions for guarantees</b>		
	Balance of loan impairment charges and provisions, beginning of period	5,761	5,227
	Loan impairment charges and provisions for the period	-15	1,006
	Recognised as a loss, covered by loan impairment charges and provisions	-119	-466
	Other movements	41	45
	<b>Balance of loan impairment charges and provisions, end of period</b>	<b>5,668</b>	<b>5,812</b>
	Loan impairment charges and provisions for guarantees at amortised cost	3,159	3,611
	Loan impairment charges at fair value	1,726	1,716
	Provisions for guarantees	376	257
	Provisions for credit commitments and unutilised credit lines	407	228
	<b>Balance of loan impairment charges and provisions, end of period</b>	<b>5,668</b>	<b>5,812</b>

DKKm

**12 Loan impairment charges and provisions for guarantees, cont.**
**Balance of loan impairment charges and provisions for guarantees by stage – total**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2021	973	1,401	3,387	5,761
Transfer of impairment charges at beginning of period to stage 1	288	-265	-23	0
Transfer of impairment charges at beginning of period to stage 2	-91	224	-133	0
Transfer of impairment charges at beginning of period to stage 3	-2	-255	257	0
Impairment charges on new loans, etc.	354	136	167	657
Impairment charges on discontinued loans and provisions for guarantees	-181	-196	-402	-779
Effect from recalculation	-231	55	324	148
Previously recognized as impairment charges, now final loss	0	-2	-117	-119
Balance on 30 September 2021	1,110	1,098	3,460	5,668

**Balance of loan impairment charges and provisions for guarantees by stage – total**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	705	1,193	3,329	5,227
Transfer of impairment charges at beginning of period to stage 1	225	-188	-37	0
Transfer of impairment charges at beginning of period to stage 2	-29	123	-94	0
Transfer of impairment charges at beginning of period to stage 3	-3	-186	189	0
Impairment charges on new loans, etc.	241	251	223	715
Impairment charges on discontinued loans and provisions for guarantees	-143	-246	-393	-782
Effect from recalculation	-135	634	619	1,118
Previously recognized as impairment charges, now final loss	0	-4	-462	-466
Balance on 30 September 2020	861	1,577	3,374	5,812

**Balance of impairment charges by stage - loans at amortised cost**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2021	527	646	2,390	3,563
Transfer of impairment charges at beginning of period to stage 1	98	-85	-13	0
Transfer of impairment charges at beginning of period to stage 2	-62	152	-90	0
Transfer of impairment charges at beginning of period to stage 3	-2	-181	183	0
Impairment charges on new loans, etc.	163	54	84	301
Impairment charges on discontinued loans and provisions for guarantees	-80	-107	-284	-471
Effect from recalculation	-86	-3	-43	-132
Previously recognized as impairment charges, now final loss	0	0	-102	-102
Balance on 30 September 2021	558	476	2,125	3,159

**Balance of impairment charges by stage - loans at amortised cost**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	325	505	2,830	3,660
Transfer of impairment charges at beginning of period to stage 1	117	-87	-30	0
Transfer of impairment charges at beginning of period to stage 2	-21	87	-66	0
Transfer of impairment charges at beginning of period to stage 3	-2	-84	86	0
Impairment charges on new loans, etc.	121	54	113	288
Impairment charges on discontinued loans and provisions for guarantees	-61	-65	-322	-448
Effect from recalculation	-18	325	247	554
Previously recognized as impairment charges, now final loss	0	0	-443	-443
Balance on 30 September 2020	461	735	2,415	3,611



DKKm

**12 Loan impairment charges and provisions for guarantees, cont.**
**Balance of impairment charges by stage – loans at fair value**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2021	303	618	709	1,630
Transfer of impairment charges at beginning of period to stage 1	167	-158	-9	0
Transfer of impairment charges at beginning of period to stage 2	-12	43	-31	0
Transfer of impairment charges at beginning of period to stage 3	-1	-43	44	0
Impairment charges on new loans, etc.	88	59	35	182
Impairment charges on discontinued loans and provisions for guarantees	-40	-72	-71	-183
Effect from recalculation	-127	39	200	112
Previously recognized as impairment charges, now final loss	0	-1	-14	-15
Balance on 30 September 2021	378	485	863	1,726

**Balance of impairment charges by stage – loans at fair value**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	323	623	248	1,194
Transfer of impairment charges at beginning of period to stage 1	98	-91	-7	0
Transfer of impairment charges at beginning of period to stage 2	-7	16	-9	0
Transfer of impairment charges at beginning of period to stage 3	-1	-99	100	0
Impairment charges on new loans, etc.	87	183	79	349
Impairment charges on discontinued loans and provisions for guarantees	-61	-166	-41	-268
Effect from recalculation	-132	264	330	462
Previously recognized as impairment charges, now final loss	0	-4	-17	-21
Balance on 30 September 2020	307	726	683	1,716

**Balance of provisions by stage - guarantees and loan commitments, etc.**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2021	143	139	286	568
Transfer of impairment charges at beginning of period to stage 1	23	-22	-1	0
Transfer of impairment charges at beginning of period to stage 2	-17	30	-13	0
Transfer of impairment charges at beginning of period to stage 3	0	-31	31	0
Impairment charges on new loans, etc.	103	23	48	174
Impairment charges on discontinued loans and provisions for guarantees	-61	-17	-45	-123
Effect from recalculation	-19	19	165	165
Previously recognized as impairment charges, now final loss	0	0	-1	-1
Balance on 30 September 2021	172	141	470	783

**Balance of provisions by stage - guarantees and loan commitments, etc.**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	57	65	251	373
Transfer of impairment charges at beginning of period to stage 1	10	-10	0	0
Transfer of impairment charges at beginning of period to stage 2	-1	19	-18	0
Transfer of impairment charges at beginning of period to stage 3	0	-3	3	0
Impairment charges on new loans, etc.	32	14	31	77
Impairment charges on discontinued loans and provisions for guarantees	-21	-15	-29	-65
Effect from recalculation	15	45	42	102
Previously recognized as impairment charges, now final loss	0	0	-2	-2
Balance on 30 September 2020	92	115	278	485

DKKm

**12 Loan impairment charges and provisions for guarantees, cont.**
**Gross loans, advances and guarantees by stage**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Gross loans, advances and guarantees, 1 January 2021	480,368	19,726	8,215	<b>508,309</b>
Transfer of loans, advances and guarantees to stage 1	5,551	-5,435	-116	<b>0</b>
Transfer of loans, advances and guarantees to stage 2	-13,743	14,249	-506	<b>0</b>
Transfer of loans, advances and guarantees to stage 3	-463	-1,549	2,012	<b>0</b>
Other movements	-4,743	-1,408	-1,431	<b>-7,582</b>
Gross loans, advances and guarantees, 30 September 2021	466,970	25,583	8,174	<b>500,727</b>
Loan impairment charges and provisions for guarantees, total	991	1,006	3,264	<b>5,261</b>
Net loans, advances and guarantees, 30 September 2021	465,979	24,577	4,910	<b>495,466</b>

**Gross loans, advances and guarantees by stage**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Gross loans, advances and guarantees, 1 January 2020	469,093	24,608	9,217	<b>502,918</b>
Transfer of loans, advances and guarantees to stage 1	8,992	-8,679	-313	<b>0</b>
Transfer of loans, advances and guarantees to stage 2	-9,429	10,012	-583	<b>0</b>
Transfer of loans, advances and guarantees to stage 3	-757	-1,535	2,292	<b>0</b>
Other movements	12,469	-4,680	-2,398	<b>5,391</b>
Gross loans, advances and guarantees, 31 December 2020	480,368	19,726	8,215	<b>508,309</b>
Loan impairment charges and provisions for guarantees, total	855	1,292	3,309	<b>5,456</b>
Gross loans, advances and guarantees, 31 December 2020	479,513	18,434	4,906	<b>502,853</b>

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 2021				31 Dec. 2020
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	42,740	285	0	43,025	42,948
2	0.10 - 0.15	15,153	58	0	15,211	12,598
3	0.15 - 0.22	33,673	78	0	33,751	29,391
4	0.22 - 0.33	29,439	128	0	29,567	35,681
5	0.33 - 0.48	110,996	725	0	111,721	95,135
STY Ratings 1-5		232,001	1,274	0	233,275	215,753
6	0.48 - 0.70	83,447	687	0	84,134	92,862
7	0.70 - 1.02	60,963	827	0	61,790	66,384
8	1.02 - 1.48	37,612	1,728	0	39,340	41,790
9	1.48 - 2.15	27,262	2,510	0	29,772	34,252
10	2.15 - 3.13	13,752	2,217	0	15,969	16,591
11	3.13 - 4.59	5,136	3,341	0	8,477	8,937
STY Ratings 6-11		228,172	11,310	0	239,482	260,816
12	4.59 - 6.79	1,948	3,373	0	5,321	5,648
13	6.79 - 10.21	1,485	3,055	0	4,540	4,623
14	10.21 - 25.0	592	5,770	0	6,362	8,532
STY Ratings 12-14		4,025	12,198	0	16,223	18,803
Other		2,705	586	0	3,291	4,452
Non-performing loans		67	215	8,174	8,456	8,485
<b>Total</b>		466,970	25,583	8,174	500,727	508,309

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

		30 September 2021				31 Dec. 2020
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	22	1	0	23	4
2	0.10 - 0.15	22	1	0	23	5
3	0.15 - 0.22	62	0	0	62	14
4	0.22 - 0.33	78	1	0	79	30
5	0.33 - 0.48	162	6	0	168	106
STY Ratings 1- 5		346	9	0	355	159
6	0.48 - 0.70	120	17	0	137	144
7	0.70 - 1.02	125	27	0	152	103
8	1.02 - 1.48	125	33	0	158	166
9	1.48 - 2.15	115	45	0	160	127
10	2.15 - 3.13	63	44	0	107	106
11	3.13 - 4.59	31	95	0	126	166
STY Ratings 6-11		579	261	0	840	812
12	4.59 - 6.79	21	105	0	126	131
13	6.79 - 10.21	19	128	0	147	196
14	10.21 - 25.0	12	434	0	446	806
STY Ratings 12-14		52	667	0	719	1,133
Other		13	54	0	67	32
Non-performing loans		1	15	3,264	3,280	3,320
<b>Total</b>		991	1,006	3,264	5,261	5,456

DKKm

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

Performing	PD band (%)	30 September 2021				31 Dec. 2020
		Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	12,355	0	0	12,355	9,209
2	0.10 - 0.15	6,962	1	0	6,963	5,634
3	0.15 - 0.22	6,098	4	0	6,102	5,293
4	0.22 - 0.33	10,041	6	0	10,047	6,253
5	0.33 - 0.48	4,845	109	0	4,954	5,532
STY Ratings 1-5		40,301	120	0	40,421	31,921
6	0.48 - 0.70	9,484	79	0	9,563	12,790
7	0.70 - 1.02	5,455	313	0	5,768	4,306
8	1.02 - 1.48	6,323	323	0	6,646	7,728
9	1.48 - 2.15	2,397	529	0	2,926	3,012
10	2.15 - 3.13	1,525	365	0	1,890	2,497
11	3.13 - 4.59	81	246	0	327	1,365
STY Ratings 6-11		25,265	1,855	0	27,120	31,698
12	4.59 - 6.79	406	199	0	605	756
13	6.79 - 10.21	57	98	0	155	199
14	10.21 - 25.0	362	683	0	1,045	1,317
STY Ratings 12-14		825	980	0	1,805	2,272
Other		1,031	81	0	1,112	764
Non-performing loans		2	0	641	643	540
<b>Total</b>		<b>67,423</b>	<b>3,036</b>	<b>641</b>	<b>71,100</b>	<b>67,195</b>

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

Performing	PD band (%)	30 September 2021				31 Dec. 2020
		Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	1	0	0	1	1
2	0.10 - 0.15	3	0	0	3	1
3	0.15 - 0.22	14	0	0	14	2
4	0.22 - 0.33	18	0	0	18	6
5	0.33 - 0.48	16	0	0	16	10
STY Ratings 1-5		52	0	0	52	20
6	0.48 - 0.70	16	2	0	18	23
7	0.70 - 1.02	15	4	0	19	13
8	1.02 - 1.48	11	4	0	15	22
9	1.48 - 2.15	12	8	0	20	20
10	2.15 - 3.13	4	6	0	10	9
11	3.13 - 4.59	1	6	0	7	14
STY Ratings 6-11		59	30	0	89	101
12	4.59 - 6.79	1	4	0	5	6
13	6.79 - 10.21	1	3	0	4	4
14	10.21 - 25.0	0	53	0	53	89
STY Ratings 12-14		2	60	0	62	99
Other		5	1	0	6	8
Non-performing loans		0	0	197	197	77
<b>Total</b>		<b>118</b>	<b>92</b>	<b>197</b>	<b>407</b>	<b>305</b>

	DKKmn	30 Sept. 2021	31 Dec. 2020	30 Sept. 2020
13	<b>Loans and advances at fair value</b>			
	Mortgage loans, nominal value	338,218	333,056	332,311
	Adjustment for interest-rate risk, etc.	1,560	12,001	11,300
	Adjustment for credit risk	-1,671	-1,607	-1,696
	<b>Mortgage loans at fair value, total</b>	<b>338,107</b>	<b>343,450</b>	<b>341,915</b>
	<b>Arrears and outlays, total</b>	<b>60</b>	<b>65</b>	<b>56</b>
	<b>Other loans and advances</b>	<b>2,141</b>	<b>2,184</b>	<b>2,275</b>
	<b>Loans and advances at fair value, total</b>	<b>340,308</b>	<b>345,699</b>	<b>344,246</b>
14	<b>Loans and advances at fair value broken down by property category</b>			
	Owner-occupied homes	160,550	167,098	168,687
	Vacation homes	8,303	8,337	8,279
	Subsidised housing (rental housing)	51,966	55,069	54,507
	Cooperative housing	13,778	14,416	14,468
	Private rental properties (rental housing)	60,432	55,478	54,216
	Industrial properties	2,699	3,056	3,055
	Office and retail properties	35,020	35,275	35,052
	Agricultural properties	142	133	120
	Properties for social, cultural and educational purposes	7,330	6,754	5,776
	Other properties	88	83	86
	<b>Total</b>	<b>340,308</b>	<b>345,699</b>	<b>344,246</b>
15	<b>Loans and advances at amortised cost and guarantees broken down by sector</b>			
	Public authorities	9,432	12,637	6,978
	Agriculture, hunting, forestry, fishing	7,592	6,784	6,889
	Manufacturing, mining, etc.	9,566	7,312	8,883
	Energy supply	5,364	5,409	4,976
	Building and construction	3,554	3,714	3,849
	Commerce	9,853	8,978	9,679
	Transport, hotels and restaurants	5,724	5,432	5,251
	Information and communication	1,122	662	783
	Financing and insurance	46,282	48,501	44,096
	Real property	14,072	15,711	15,985
	Other sectors	8,352	6,889	7,886
	<b>Corporates, total</b>	<b>111,481</b>	<b>109,392</b>	<b>108,277</b>
	<b>Personal clients, total</b>	<b>34,245</b>	<b>35,125</b>	<b>36,401</b>
	<b>Total</b>	<b>155,158</b>	<b>157,154</b>	<b>151,656</b>

**Note**

Jyske Bank Group

	DKKm	30 Sept. 2021	31 Dec. 2020	30 Sept. 2020
16	<b>Other assets</b>			
	Positive fair value of derivatives	25,942	31,971	29,747
	Assets in pooled deposits	3,979	3,754	3,837
	Interest and commission receivable	276	252	317
	Investments in associates and joint ventures	222	234	229
	Prepayments	360	335	363
	Investment properties	28	28	28
	Other assets	1,075	1,290	1,072
	<b>Total</b>	<b>31,882</b>	<b>37,864</b>	<b>35,593</b>
	<b>Netting</b>			
	Positive fair value of derivatives, gross	37,471	47,005	45,314
	Netting of positive and negative fair value	11,529	15,034	15,567
	<b>Total</b>	<b>25,942</b>	<b>31,971</b>	<b>29,747</b>
Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).				
17	<b>Deposits</b>			
	Demand deposits	108,341	110,009	109,762
	Term deposits	1,229	1,204	1,235
	Time deposits	17,717	16,283	16,004
	Special deposits	4,677	5,386	5,696
	Pooled deposits	4,204	4,071	4,065
	<b>Total</b>	<b>136,168</b>	<b>136,953</b>	<b>136,762</b>
18	<b>Issued bonds at fair value</b>			
	Issued bonds at fair value, nominal value	368,537	353,824	367,448
	Adjustment to fair value	2,393	12,916	12,427
	Own mortgage bonds offset, fair value	-32,394	-17,912	-34,148
	<b>Total</b>	<b>338,536</b>	<b>348,828</b>	<b>345,727</b>
19	<b>Other liabilities</b>			
	Set-off entry of negative bond holdings in connection with repos/reverse repos	8,897	7,639	7,683
	Negative fair value of derivatives	26,571	34,203	31,541
	Interest and commission payable	1,448	1,415	1,474
	Deferred income	151	147	146
	Lease commitment	325	374	317
	Other liabilities	7,130	5,596	5,716
	<b>Total</b>	<b>44,522</b>	<b>49,374</b>	<b>46,877</b>
	<b>Netting</b>			
	Negative fair value of derivatives, gross	38,100	49,237	47,108
	Netting of positive and negative fair value	11,529	15,034	15,567
	<b>Total</b>	<b>26,571</b>	<b>34,203</b>	<b>31,541</b>

Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).

	DKKm	30 Sept. 2021	31 Dec. 2020	30 Sept. 2020
20	<b>Provisions</b>			
	Provisions for pensions and similar liabilities	629	616	652
	Provisions for guarantees	376	263	257
	Provisions for losses on loan commitments and unutilised credit lines	407	306	223
	Provisions for deferred tax	12	9	251
	Other provisions	77	77	120
	<b>Total</b>	<b>1,501</b>	<b>1,271</b>	<b>1,503</b>
21	<b>Subordinated debt</b>			
	Supplementary capital:			
	Var. % bond loan NOK 1,000m 24.03.2031	731	0	0
	Var. % bond loan SEK 1,000m 24.03.2031	732	0	0
	1.25% bond loan EUR 200m 28.01.2031	1,487	1,488	1,489
	2.25% bond loan EUR 300m 05.04.2029	2,231	2,232	2,234
	Var. % bond loan SEK 600m called on 19.05.2021	0	444	423
	3.25% bond loan SEK 400m called on 19.05.2021	0	296	282
	6.73% bond loan EUR 7.5m 2022-2026	56	67	67
	Var. % bond loan EUR 10m 13.02.2023	74	74	74
	5.65% bond loan EUR 10m 27.03.2023	74	74	74
	5.67% bond loan EUR 10m 31.07.2023	74	74	74
		<b>5,459</b>	<b>4,749</b>	<b>4,717</b>
	Hybrid core capital:			
	Var. % bond loan EUR 72.8m called	0	541	542
	Var.% bond loan EUR 60.4m called	0	452	452
		<b>0</b>	<b>993</b>	<b>994</b>
	Subordinated debt, nominal	<b>5,459</b>	<b>5,742</b>	<b>5,711</b>
	Hedging of interest-rate risk, fair value	<b>58</b>	<b>79</b>	<b>84</b>
	<b>Total</b>	<b>5,517</b>	<b>5,821</b>	<b>5,795</b>
	Subordinated debt included in the capital base	<b>5,280</b>	<b>5,594</b>	<b>5,574</b>

The above-mentioned issues of additional tier 1 capital issued in 2004 and 2005 and called in Q3 2021 did not meet the conditions for additional tier 1 capital in the Capital Requirements Regulation, CRR. The issues were recognised under liability other than provision according to IAS 32.

	DKKm	30 Sept. 2021	31 Dec. 2020	30 Sept. 2020
22	<b>Contingent liabilities</b>			
	Guarantees, etc.	13,130	11,474	11,753
	Other contingent liabilities, etc.	71,173	67,269	63,580
	<b>Total</b>	<b>84,303</b>	<b>78,743</b>	<b>75,333</b>

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.

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 8.11% 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 500m 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 3.2bn.

Jyske Bank is a management company under Danish joint taxation. Therefore, according to the provisions of the Danish Company Taxation, Jyske Bank is liable as of the accounting year 2013 for corporation tax, etc. for the jointly taxed companies and as of 1 July 2012 for any liabilities to withhold tax on interest and dividends for the jointly taxed companies.



**23 Shareholders**

BRFholding a/s, Kgs. Lyngby, Denmark owns 24.89% of the share capital. BRFholding a/s is a 100% owned subsidiary of BRFFonden. According to Jyske Bank's Articles of Association, BRFholding a/s has 4,000 votes.

As at 30 September 2021, Jyske Bank owns 3.59% of the share capital.

**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 2020 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 triparty repo transactions totalling a market value of DKK 17,485m (end of 2020: DKK 13,912m).

In addition, in connection with CSA agreements, the Jyske Bank Group has provided cash collateral of DKK 6,256m (end of 2020: DKK 6,390m) and bonds worth DKK 703m (end of 2020: DKK 4,277m).

Repo transactions involve an arrangement where bonds are provided as collateral for the amount borrowed. Repo transactions amounted to DKK 15,682m (end of 2020: DKK 14,523m).

**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 (the 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.

**26 Notes on fair value, cont.**
**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 and advances 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.

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 measurement models based on observable input, shareholders' agreements, executed transactions, etc. Unlisted equities are measured on the basis of discounted cash flow models (DCF).

Derivatives are measured on the basis of the following measurement techniques.

- Forward exchange transactions are measured on the basis of yield curves as well as exchange rates obtained.
- Interest-rate and currency swaps are measured on the basis of exchange rates, interest points, interpolation between these, exchange rates as well as correction of credit risk (CVA and DVA) and funding valuation adjustment (FVA). Client margins are amortised over the remaining time to maturity. Present value calculations with discounting is applied.
- Futures are measured on the basis of prices obtained in the market for stock-exchange traded futures.
- Options are measured on the basis of volatilities, correlation matrices, prices of underlying assets and exercise prices. For this purpose, option models, such as Black-Scholes, are applied.

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 was 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.

**26 Notes on fair value, cont.**
**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 has in the second quarter of 2021 been 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 calculation takes place according to the same principles that apply to the CVA calculation, yet PD for Jyske Bank is determined on the basis of Jyske Bank's external rating by Standard & Poor's. At the end of the third quarter of 2021, CVA and DVA amounted, on an accumulated basis, to net DKK 81m, which accumulated amount was recognised as an expense under value adjustments, against an accumulated amount of DKK 209m at the end of 2020.

**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 193m at the end of the third quarter of 2021 against a total non-recognised unrealised loss of DKK 42m at the end of 2020.

DKKm	30 Sep. 2021		31 Dec. 2020	
	Recognised value	Fair value	Recognised value	Fair value
<b>FINANCIAL ASSETS</b>				
Cash balance and demand deposits with central banks	48,110	48,110	34,951	34,951
Due from credit institutions and central banks	14,729	14,731	10,538	10,545
Loans at fair value	340,308	340,308	345,699	345,699
Loans and advances at amortised cost	142,028	142,015	145,680	145,712
Bonds at fair value	61,654	61,654	66,663	66,663
Bonds at amortised cost	24,430	24,588	23,797	24,068
Shares, etc.	2,533	2,533	2,405	2,405
Assets in pooled deposits	3,979	3,979	3,754	3,754
Derivatives	25,942	25,942	31,971	31,971
<b>Total</b>	<b>663,713</b>	<b>663,860</b>	<b>665,458</b>	<b>665,768</b>
<b>FINANCIAL LIABILITIES</b>				
Due to credit institutions and central banks	30,069	30,080	30,067	30,109
Deposits	131,964	131,965	132,882	132,883
Pooled deposits	4,204	4,204	4,071	4,071
Issued bonds at fair value	338,536	338,536	348,828	348,828
Issued bonds at amortised cost	75,980	76,167	63,697	64,000
Subordinated debt	5,517	5,658	5,821	5,827
Set-off entry of negative bond holdings	8,897	8,897	7,639	7,639
Derivatives	26,571	26,571	34,203	34,203
<b>Total</b>	<b>621,738</b>	<b>622,078</b>	<b>627,208</b>	<b>627,560</b>

DKKm

**28 The fair value hierarchy**
**30 September 2021**

	Quoted prices	Observable prices	Non- observable prices	Fair value, total	Recognised value
<b>Financial assets</b>					
Loans and advances at fair value	0	340,308	0	340,308	340,308
Bonds at fair value	54,933	6,721	0	61,654	61,654
Shares, etc.	733	539	1,261	2,533	2,533
Assets in pooled deposits	1,791	2,188	0	3,979	3,979
Derivatives	707	25,235	0	25,942	25,942
<b>Total</b>	<b>58,164</b>	<b>374,991</b>	<b>1,261</b>	<b>434,416</b>	<b>434,416</b>
<b>Financial liabilities</b>					
Pooled deposits	0	4,204	0	4,204	4,204
Issued bonds at fair value	310,839	27,697	0	338,536	338,536
Set-off entry of negative bond holdings	7,626	1,271	0	8,897	8,897
Derivatives	544	26,027	0	26,571	26,571
<b>Total</b>	<b>319,009</b>	<b>59,199</b>	<b>0</b>	<b>378,208</b>	<b>378,208</b>
<b>31 December 2020</b>					
<b>Financial assets</b>					
Loans and advances at fair value	0	345,699	0	345,699	345,699
Bonds at fair value	55,211	11,452	0	66,663	66,663
Shares, etc.	365	584	1,456	2,405	2,405
Assets in pooled deposits	6	3,748	0	3,754	3,754
Derivatives	569	31,402	0	31,971	31,971
<b>Total</b>	<b>56,151</b>	<b>392,885</b>	<b>1,456</b>	<b>450,492</b>	<b>450,492</b>
<b>Financial liabilities</b>					
Pooled deposits	0	4,071	0	4,071	4,071
Issued bonds at fair value	290,140	58,688	0	348,828	348,828
Set-off entry of negative bond holdings	7,483	156	0	7,639	7,639
Derivatives	470	33,733	0	34,203	34,203
<b>Total</b>	<b>298,093</b>	<b>96,648</b>	<b>0</b>	<b>394,741</b>	<b>394,741</b>

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 are not updated for two days, transfers will take place between the categories quoted prices and observable prices. This did not result in material transfers in 2021 and 2020.

**NON-OBSERVABLE PRICES**

	Q1-Q3 2021	2020
Fair value, beginning of period	1,456	1,530
Transfers for the period	0	0
Capital gain and loss for the period reflected in the income statement under value adjustments	89	118
Sales or redemptions	319	230
Purchases	35	38
<b>Fair value, end of period</b>	<b>1,261</b>	<b>1,456</b>

Non-observable prices at the end of the third quarter of 2021 referred to unlisted shares recognised at DKK 1,261m against unlisted shares recognised at DKK 1,456m at the end of 2020. 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 126m on 30 September 2021 (0.36% of the shareholders' equity at the end of the third quarter of 2021). For 2020, the effect on the income statement is estimated at DKK 146m (0.44% of shareholders' funds at the end of 2020). Capital gain and loss for the period on unlisted shares recognised in the income statement is attributable to assets held at the end of the third quarter of 2021. 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 28m (end of 2020: DKK 28m). Fair value belongs to the category of non-observable prices calculated on the basis of a required rate of return of 7% (end of 2020: 7%).

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 123m (end of 2020: DKK 165m). Fair value belongs to the category of non-observable prices.

Owner-occupied properties, exclusive of leased properties, were recognised at the restated value corresponding to the fair value on 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 2020. Owner-occupied properties, exclusive of leased properties, were recognised at DKK 1,635m (2020: DKK 1,759m). The revalued amount belongs to the category of 'non-observable prices'. Leased properties were recognised at DKK 315m (end of 2020: DKK 363m).

**29 Group overview**

<b>30 September 2021</b>	<b>Currency</b>	<b>Share capital 1.000 units</b>	<b>Ownership share (%)</b>	<b>Voting share (%)</b>	<b>Assets DKKm, end of 2020</b>	<b>Liabilities DKKm, end of 2020</b>	<b>Equity DKKm, end of 2020</b>	<b>Earnings (DKKm) 2020</b>	<b>Profit or loss, DKKm 2020</b>
Jyske Bank A/S <sup>1</sup>	DKK	725,608			335,402	298,770	36,632	5,682	1,609
<b>Subsidiaries</b>									
Jyske Realkredit, Kgs. Lyngby <sup>2</sup>	DKK	4,306,480	100	100	377,132	357,362	19,769	6,009	908
Trendsetter, S.L., Spain <sup>5</sup>	EUR	2,341	100	100	17	0	17	0	-1
Jyske Bank Nominees Ltd., London <sup>4</sup>	GBP	0	100	100	0	0	0	0	0
Inmobiliaria Saroesma S.L., Spain <sup>5</sup>	EUR	885	100	100	32	29	3	0	-15
Jyske Finans A/S, Silkeborg <sup>3</sup>	DKK	100,000	100	100	22,265	20,916	1,349	1,374	275
Ejendomsselskabet af 01.11.2017 A/S, Silkeborg <sup>5</sup>	DKK	500	100	100	50	47	3	4	2
Gl. Skovridergaard A/S, Silkeborg <sup>5</sup>	DKK	500	100	100	32	28	3	19	0
Ejendomsselskabet af 01.10.2015 ApS, Silkeborg <sup>5</sup>	DKK	500	100	100	110	109	1	1	1
Jyske Invest Fund Management A/S, Silkeborg <sup>4</sup>	DKK	76,000	100	100	426	74	352	135	29
Jyske Banks Vindmølle A/S, Hobro <sup>5</sup>	DKK	400	100	100	50	29	20	2	0

Activity:

<sup>1</sup> Banking

<sup>2</sup> Mortgage-credit activities

<sup>3</sup> Leasing, financing and factoring

<sup>4</sup> Investment and financing

<sup>5</sup> Properties, wind turbine and course activities

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.

DKKm

**Q1-Q3 2021**   **Q1-Q3 2020**
**Income statement**

3	Interest income	2,456	2,445
4	Interest expenses	819	729
	<b>Net interest income</b>	<b>1,637</b>	<b>1,716</b>
	Dividends, etc.	49	33
5	Fees and commission income	2,230	1,962
	Fees and commission expenses	111	86
	<b>Net interest and fee income</b>	<b>3,805</b>	<b>3,625</b>
6	Value adjustments	685	19
	Other operating income	350	284
	Employee and administrative expenses	3,224	3,277
	Amortisation, depreciation and impairment charges	74	84
	Other operating expenses	32	110
7	Loan impairment charges	-179	300
	Profit on investments in associates and group enterprises	1,079	656
	<b>Pre-tax profit</b>	<b>2,768</b>	<b>813</b>
	Tax	377	35
	<b>Net profit for the period</b>	<b>2,391</b>	<b>778</b>
	<b>Distributed to:</b>		
	Jyske Bank A/S shareholders	2,251	652
	Holders of additional tier 1 capital	140	126
	<b>Total</b>	<b>2,391</b>	<b>778</b>

**Statement of Comprehensive Income**

	Net profit for the period	2,391	778
	Other comprehensive income:		
	<i>Items that can be recycled to the income statement:</i>		
	Foreign currency translation adjustment of international units	0	-20
	Hedge accounting of international units	0	20
	Tax on hedge accounting	0	-6
	<b>Other comprehensive income after tax</b>	<b>0</b>	<b>-6</b>
	<b>Comprehensive income for the period</b>	<b>2,391</b>	<b>772</b>

	30 Sept. 2021	31 Dec. 2020	30 Sept. 2020
DKKmn			
<b>BALANCE SHEET</b>			
<b>ASSETS</b>			
Cash balance and demand deposits with central banks	47,169	34,901	12,387
Due from credit institutions and central banks	10,393	10,510	11,984
Loans at fair value	1,816	1,847	1,969
8 Loans and advances at amortised cost	142,323	146,140	141,036
Bonds at fair value	49,739	53,529	59,992
Bonds at amortised cost	25,180	24,547	24,526
Shares, etc.	2,376	2,130	2,137
Investments in associates	217	224	224
Equity investments in group enterprises	22,312	21,493	20,948
Assets in pooled deposits	3,979	3,754	3,837
Owner-occupied properties	1,613	1,735	1,751
Owner-occupied properties, leasing	315	363	308
Other property, plant and equipment	64	66	55
Current tax assets	1,173	862	1,011
Deferred tax assets	43	43	19
Assets held temporarily	43	51	55
Other assets	26,838	32,902	30,702
Prepayments	286	305	324
<b>Total assets</b>	<b>335,879</b>	<b>335,402</b>	<b>313,265</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Debt and payables</b>			
Due to credit institutions and central banks	35,972	43,342	38,264
9 Deposits	131,790	132,700	132,571
Pooled deposits	4,204	4,071	4,065
Issued bonds at amortised cost	75,980	63,697	50,220
Other liabilities	42,744	47,879	45,263
Deferred income	21	20	21
<b>Total debt</b>	<b>290,711</b>	<b>291,709</b>	<b>270,404</b>
<b>Provisions</b>			
Provisions for pensions and similar liabilities	594	583	616
Provisions for guarantees	396	283	280
Provisions for credit commitments and unutilised credit lines	398	297	223
Other provisions	77	77	113
<b>Provisions, total</b>	<b>1,465</b>	<b>1,240</b>	<b>1,232</b>
<b>Subordinated debt</b>	<b>5,517</b>	<b>5,821</b>	<b>5,795</b>
<b>Equity</b>			
Share capital	726	726	726
Revaluation reserve	200	200	205
Reserve according to the equity method	7,715	6,905	6,377
Retained profit	26,184	25,494	25,311
Jyske Bank A/S shareholders	34,825	33,325	32,619
Holders of additional tier 1 capital (AT1)	3,361	3,307	3,215
<b>Total equity</b>	<b>38,186</b>	<b>36,632</b>	<b>35,834</b>
<b>Total equity and liabilities</b>	<b>335,879</b>	<b>335,402</b>	<b>313,265</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
Guarantees, etc.	21,018	18,724	19,792
Other contingent liabilities	59,100	53,352	51,250
<b>Total guarantees and other contingent liabilities</b>	<b>80,118</b>	<b>72,076</b>	<b>71,042</b>



DKK m

**Statement of Changes in Equity**

	Share capital	Revaluation reserve	Currency translation reserve	Reserve according to the equity method	Retained profit	Shareholders of Jyske Bank A/S	AT1 capital*	Total equity
Equity at 1 January 2021	726	200	0	6,905	25,494	33,325	3,307	36,632
Net profit for the period	0	0	0	810	1,441	2,251	140	2,391
Other comprehensive income	0	0	0	0	0	0	0	0
Comprehensive income for the period	0	0	0	810	1,441	2,251	140	2,391
Redemption of additional tier 1 capital	0	0	0	0	0	0	-1,417	-1,417
Additional tier 1 capital issue	0	0	0	0	0	0	1,486	1,486
Transaction costs	0	0	0	0	-15	-15	0	-15
Interest paid on additional tier 1 capital	0	0	0	0	0	0	-140	-140
Currency translation adjustment	0	0	0	0	15	15	-15	0
Acquisition of own shares	0	0	0	0	-1,884	-1,884	0	-1,884
Sale of own shares	0	0	0	0	1,133	1,133	0	1,133
Transactions with owners	0	0	0	0	-751	-751	-86	-837
<b>Equity at 30 September 2021</b>	<b>726</b>	<b>200</b>	<b>0</b>	<b>7,715</b>	<b>26,184</b>	<b>34,825</b>	<b>3,361</b>	<b>38,186</b>
Equity at 1 January 2020	776	205	0	6,703	24,769	32,453	3,257	35,710
Net profit for the period	0	0	0	-326	978	652	126	778
Other comprehensive income	0	0	0	0	-6	-6	0	-6
Comprehensive income for the period	0	0	0	-326	972	646	126	772
Interest paid on additional tier 1 capital	0	0	0	0	0	0	-139	-139
Currency translation adjustment	0	0	0	0	29	29	-29	0
Reduction of share capital	-50	0	0	0	50	0	0	0
Acquisition of own shares	0	0	0	0	-1,590	-1,590	0	-1,590
Sale of own shares	0	0	0	0	1,081	1,081	0	1,081
Transactions with owners	-50	0	0	0	-430	-480	-168	-648
<b>Equity at 30 September 2020</b>	<b>726</b>	<b>205</b>	<b>0</b>	<b>6,377</b>	<b>25,311</b>	<b>32,619</b>	<b>3,215</b>	<b>35,834</b>

\*Additional tier 1 capital (AT1) has no maturity. Payment of interest and repayment of principal are voluntary. Therefore, AT1 capital is recognised as equity. In September 2016, Jyske Bank issued AT1 amounting to SEK 1.25bn and DKK 500m with the possibility of early redemption in September 2021 at the earliest. The interest rates applicable to the issues are STIBOR+5.80% and CIBOR+5.30%, respectively, up to September 2021 when the issues are redeemed. 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 in the amount of 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 2020, 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. 2021	31 Dec. 2020	30 Sept. 2020
<b>Capital Statement</b>			
Shareholders' equity	34,825	33,325	32,619
Share buy-back programme, non-utilised limit	-1,000	-750	0
Expected dividend, calculated as required by law	-158	0	-137
Deferred tax assets	-43	-43	-19
Prudent valuation	-233	-340	-330
Other deductions	-113	-21	-58
<b>Common equity tier 1 capital</b>	<b>33,278</b>	<b>32,171</b>	<b>32,075</b>
Additional tier 1 capital after reduction	3,334	3,539	3,461
<b>Core capital</b>	<b>36,612</b>	<b>35,710</b>	<b>35,536</b>
Subordinated loan capital after reduction	5,280	5,334	5,315
<b>Capital base</b>	<b>41,892</b>	<b>41,044</b>	<b>40,851</b>
Weighted risk exposure involving credit risk, etc.	109,789	103,417	103,345
Weighted risk exposure involving market risk	11,329	10,689	12,957
Weighted risk exposure involving operational risk	10,249	10,936	10,936
<b>Total weighted risk exposure</b>	<b>131,367</b>	<b>125,042</b>	<b>127,238</b>
Capital requirement, Pillar I	10,509	10,003	10,179
Capital ratio (%)	31.9	32.8	32.1
Tier 1 capital ratio (%)	27.9	28.6	27.9
Common equity tier 1 capital ratio (%)	25.3	25.7	25.2

For a statement of the individual solvency requirement, please see Risk and Capital Management 2020 or [investor.jyskebank.com/investorrelations/capitalstructure](http://investor.jyskebank.com/investorrelations/capitalstructure).

**1 Accounting policies**

The interim financial statements of the parent company Jyske Bank A/S for the period 1 January to 30 September 2021 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 67 of the annual report 2020. The accounting policies are identical to those applied to and described in the annual report 2020.

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.

	<b>Q1-Q3 2021</b>	<b>Q1-Q3 2020</b>
<b>2 Financial ratios and key figures</b>		
Pre-tax profit p.a. as a percentage of average equity*	<b>10.3</b>	2.8
Profit for the period as a pct. of av. equity*	<b>6.6</b>	2.0
Income/cost ratio (%)	<b>1.9</b>	1.2
Capital ratio (%)	<b>31.9</b>	32.1
Common equity tier 1 capital ratio (CET1) (%)	<b>25.3</b>	25.2
Individual solvency requirement (%)	<b>12.6</b>	12.8
Capital base (DKKm)	<b>41,892</b>	40,851
Total risk exposure (DKKm)	<b>131,367</b>	127,238
Interest-rate risk (%)	<b>0.9</b>	0.6
Currency risk (%)	<b>0.9</b>	0.1
Accumulated impairment ratio (%)	<b>1.9</b>	2.1
Impairment ratio for the period (%)	<b>-0.1</b>	0.2
No. of full-time employees at end-period	<b>3,050</b>	3,172
Average number of full-time employees in the period	<b>3,070</b>	3,235

The financial ratios are based on the definitions and guidelines laid down by the Danish Financial Supervisory Authority, cf. note 68 to the consolidated financial statements for 2020.

\* Ratios are calculated as if additional tier 1 capital is recognised as a liability.

	DKKm	Q1-Q3 2021	Q1-Q3 2020
<b>3 Interest income</b>			
Due from credit institutions and central banks		-41	40
Loans and advances		1,109	1,247
Bonds		266	313
Derivatives, total		117	151
Of which currency contracts		221	-86
Of which interest-rate contracts		-104	237
Others		0	0
<b>Total after offsetting of negative interest</b>		<b>1,451</b>	<b>1,751</b>
Negative interest income set off against interest income		284	252
Negative interest expenses set off against interest expenses		721	442
<b>Total before offsetting of negative interest income</b>		<b>2,456</b>	<b>2,445</b>
Of which interest income on reverse repos carried under:			
Due from credit institutions and central banks		-12	-15
Loans and advances		-124	-134
<b>4 Interest expenses</b>			
Due to credit institutions and central banks		49	80
Deposits		-408	-273
Issued bonds		82	140
Subordinated debt		86	82
Other interest expenses		5	6
<b>Total after offsetting of negative interest</b>		<b>-186</b>	<b>35</b>
Negative interest expenses set off against interest expenses		721	442
Negative interest income set off against interest income		284	252
<b>Total before offsetting of negative interest income</b>		<b>819</b>	<b>729</b>
Of which interest expenses on reverse repos carried under:			
Due to credit institutions and central banks		-63	-43
Deposits		-14	-14
<b>5 Fees and commission income</b>			
Securities trading and custody services		742	695
Money transfers and card payments		192	126
Loan application fees		80	74
Guarantee commission		82	80
Other fees and commissions		1,134	987
<b>Total</b>		<b>2,230</b>	<b>1,962</b>
<b>6 Value adjustments</b>			
Loans and advances at fair value		1	10
Bonds		-370	103
Shares, etc.		136	135
Currency		144	9
Currency, interest-rate, share, commodity and other contracts as well as other derivatives		646	-259
Assets in pooled deposits		323	-173
Pooled deposits		-323	173
Other assets		27	0
Issued bonds		75	34
Other liabilities		26	-13
<b>Total</b>		<b>685</b>	<b>19</b>

DKKm	Q1-Q3 2021	Q1-Q3 2020
<b>7 Loan impairment charges and provisions for guarantees</b>		
<b>Loan impairment charges and provisions for guarantees recognised in the income statement</b>		
Loan impairment charges and provisions for guarantees for the period	-217	287
Impairment charges on balances due from credit institutions in the period	-4	6
Provisions for loan commitments and unutilised credit lines in the period	100	87
Recognised as a loss, not covered by loan impairment charges and provisions	32	63
Recoveries	-84	-131
Recognised discount for acquired loans	-6	-12
<b>Loan impairment charges and provisions for guarantees recognised in the income statement</b>	<b>-179</b>	<b>300</b>
<b>Balance of loan impairment charges and provisions for guarantees</b>		
Balance of loan impairment charges and provisions, beginning of period	3,813	3,801
Loan impairment charges and provisions for the period	-117	374
Recognised as a loss, covered by loan impairment charges and provisions	-94	-437
Other movements	40	44
<b>Balance of loan impairment charges and provisions, end of period</b>	<b>3,642</b>	<b>3,782</b>
Loan impairment charges and provisions for guarantees at amortised cost	2,845	3,277
Loan impairment charges at fair value	3	2
Provisions for guarantees	396	280
Provisions for credit commitments and unutilised credit lines	398	223
<b>Balance of loan impairment charges and provisions, end of period</b>	<b>3,642</b>	<b>3,782</b>

DKKm

**7 Loan impairment charges and provisions for guarantees, cont.**
**Balance of loan impairment charges and provisions for guarantees by stage – total**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance, beginning of 2021	581	698	2,534	<b>3,813</b>
Transfer of impairment charges at beginning of period to stage 1	93	-83	-10	<b>0</b>
Transfer of impairment charges at beginning of period to stage 2	-64	150	-86	<b>0</b>
Transfer of impairment charges at beginning of period to stage 3	-1	-205	206	<b>0</b>
Impairment charges on new loans, etc.	230	48	109	<b>387</b>
Impairment charges on discontinued loans and provisions for guarantees	-134	-109	-299	<b>-542</b>
Effect from recalculation	-53	22	109	<b>78</b>
Previously recognized as impairment charges, now final loss	0	0	-94	<b>-94</b>
Balance on 30 September 2021	652	521	2,469	<b>3,642</b>

**Balance of loan impairment charges and provisions for guarantees by stage – total**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance, beginning of 2020	335	513	2,953	<b>3,801</b>
Transfer of impairment charges at beginning of period to stage 1	107	-80	-27	<b>0</b>
Transfer of impairment charges at beginning of period to stage 2	-19	93	-74	<b>0</b>
Transfer of impairment charges at beginning of period to stage 3	-2	-80	82	<b>0</b>
Impairment charges on new loans, etc.	120	36	120	<b>276</b>
Impairment charges on discontinued loans and provisions for guarantees	-76	-68	-323	<b>-467</b>
Effect from recalculation	2	356	250	<b>608</b>
Previously recognized as impairment charges, now final loss	0	0	-436	<b>-436</b>
Balance on 30 September 2020	467	770	2,545	<b>3,782</b>

**Balance of impairment charges by stage - loans at amortised cost**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance, beginning of 2021	427	559	2,243	<b>3,229</b>
Transfer of impairment charges at beginning of period to stage 1	70	-61	-9	<b>0</b>
Transfer of impairment charges at beginning of period to stage 2	-47	120	-73	<b>0</b>
Transfer of impairment charges at beginning of period to stage 3	-1	-174	175	<b>0</b>
Impairment charges on new loans, etc.	125	25	62	<b>212</b>
Impairment charges on discontinued loans and provisions for guarantees	-67	-92	-254	<b>-413</b>
Effect from recalculation	-34	3	-60	<b>-91</b>
Previously recognized as impairment charges, now final loss	0	0	-92	<b>-92</b>
Balance on 30 September 2021	473	380	1,992	<b>2,845</b>

**Balance of impairment charges by stage - loans at amortised cost**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Balance, beginning of 2020	269	445	2,703	<b>3,417</b>
Transfer of impairment charges at beginning of period to stage 1	97	-71	-26	<b>0</b>
Transfer of impairment charges at beginning of period to stage 2	-17	73	-56	<b>0</b>
Transfer of impairment charges at beginning of period to stage 3	-1	-77	78	<b>0</b>
Impairment charges on new loans, etc.	86	22	89	<b>197</b>
Impairment charges on discontinued loans and provisions for guarantees	-54	-54	-294	<b>-402</b>
Effect from recalculation	-13	311	201	<b>499</b>
Previously recognized as impairment charges, now final loss	0	0	-434	<b>-434</b>
Balance on 30 September 2020	367	649	2,261	<b>3,277</b>

DKKm

**7 Loan impairment charges and provisions for guarantees, cont.**
**Balance of impairment charges by stage— loans at fair value**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2021	0	1	0	1
Transfer of impairment charges at beginning of period to stage 1	0	0	0	0
Transfer of impairment charges at beginning of period to stage 2	0	0	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0
Impairment charges on new loans, etc.	1	0	0	1
Impairment charges on discontinued loans and provisions for guarantees	0	0	0	0
Effect from recalculation	1	0	0	1
Previously recognized as impairment charges, now final loss	0	0	0	0
Balance on 30 September 2021	2	1	0	3

**Balance of impairment charges by stage – loans at fair value**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	0	0	1	1
Transfer of impairment charges at beginning of period to stage 1	0	0	0	0
Transfer of impairment charges at beginning of period to stage 2	0	0	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0
Impairment charges on new loans, etc.	0	0	0	0
Impairment charges on discontinued loans and provisions for guarantees	0	0	0	0
Effect from recalculation	1	0	0	1
Previously recognized as impairment charges, now final loss	0	0	0	0
Balance on 30 September 2020	1	0	1	2

**Balance of provisions by stage - guarantees and loan commitments**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2021	153	138	292	583
Transfer of impairment charges at beginning of period to stage 1	24	-23	-1	0
Transfer of impairment charges at beginning of period to stage 2	-17	30	-13	0
Transfer of impairment charges at beginning of period to stage 3	0	-31	31	0
Impairment charges on new loans, etc.	104	23	47	174
Impairment charges on discontinued loans and provisions for guarantees	-66	-17	-45	-128
Effect from recalculation	-20	18	168	166
Previously recognized as impairment charges, now final loss	0	0	-1	-1
Balance on 30 September 2021	178	138	478	794

**Balance of provisions by stage - guarantees and loan commitments**

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	65	68	250	383
Transfer of impairment charges at beginning of period to stage 1	10	-10	0	0
Transfer of impairment charges at beginning of period to stage 2	-1	19	-18	0
Transfer of impairment charges at beginning of period to stage 3	0	-3	3	0
Impairment charges on new loans, etc.	34	13	30	77
Impairment charges on discontinued loans and provisions for guarantees	-21	-15	-29	-65
Effect from recalculation	15	46	49	110
Previously recognized as impairment charges, now final loss	0	0	-2	-2
Balance on 30 September 2020	102	118	283	503

DKKm

**7 Loan impairment charges and provisions for guarantees, cont.**
**Gross loans, advances and guarantees by stage**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Gross loans, advances and guarantees, 1 January 2021	159,624	5,992	4,610	<b>170,226</b>
Transfer of loans, advances and guarantees to stage 1	862	-840	-22	<b>0</b>
Transfer of loans, advances and guarantees to stage 2	-5,109	5,272	-163	<b>0</b>
Transfer of loans, advances and guarantees to stage 3	-183	-1,030	1,213	<b>0</b>
Other movements	-175	-783	-867	<b>-1,825</b>
Gross loans, advances and guarantees, 30 September 2021	155,019	8,611	4,771	<b>168,401</b>
Loan impairment charges and provisions for guarantees, total	537	432	2,275	<b>3,244</b>
Net loans, advances and guarantees, 30 September 2021	154,482	8,179	2,496	<b>165,157</b>

**Gross loans, advances and guarantees by stage**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Gross loans, advances and guarantees, 1 January 2020	159,229	8,212	5,880	<b>173,321</b>
Transfer of loans, advances and guarantees to stage 1	2,703	-2,507	-196	<b>0</b>
Transfer of loans, advances and guarantees to stage 2	-5,209	5,404	-195	<b>0</b>
Transfer of loans, advances and guarantees to stage 3	-209	-607	816	<b>0</b>
Other movements	3,110	-4,510	-1,695	<b>-3,095</b>
Gross loans, advances and guarantees, 31 December 2020	159,624	5,992	4,610	<b>170,226</b>
Loan impairment charges and provisions for guarantees, total	465	590	2,460	<b>3,515</b>
Gross loans, advances and guarantees, 31 December 2020	159,159	5,402	2,150	<b>166,711</b>



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 2021				31 Dec. 2020
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	46,089	147	0	46,236	48,533
2	0.10 - 0.15	13,287	22	0	13,309	11,149
3	0.15 - 0.22	12,740	60	0	12,800	9,574
4	0.22 - 0.33	11,522	78	0	11,600	18,724
5	0.33 - 0.48	20,169	576	0	20,745	10,075
STY Ratings 1-5		103,807	883	0	104,690	98,055
6	0.48 - 0.70	18,452	587	0	19,039	20,073
7	0.70 - 1.02	7,568	463	0	8,031	8,831
8	1.02 - 1.48	7,383	856	0	8,239	8,811
9	1.48 - 2.15	9,355	1,250	0	10,605	12,979
10	2.15 - 3.13	5,861	734	0	6,595	8,474
11	3.13 - 4.59	413	1,029	0	1,442	1,890
STY Ratings 6-11		49,032	4,919	0	53,951	61,058
12	4.59 - 6.79	311	709	0	1,020	1,005
13	6.79 - 10.21	45	367	0	412	483
14	10.21 - 25.0	45	1,576	0	1,621	3,012
STY Ratings 12-14		401	2,652	0	3,053	4,500
Other		1,760	85	0	1,845	1,919
Non-performing loans		19	72	4,771	4,862	4,694
<b>Total</b>		155,019	8,611	4,771	168,401	170,226

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

		30 September 2021				31 Dec. 2020
Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	5	1	0	6	4
2	0.10 - 0.15	21	1	0	22	4
3	0.15 - 0.22	54	0	0	54	14
4	0.22 - 0.33	65	1	0	66	24
5	0.33 - 0.48	78	5	0	83	51
STY Ratings 1- 5		223	8	0	231	97
6	0.48 - 0.70	65	15	0	80	77
7	0.70 - 1.02	60	14	0	74	55
8	1.02 - 1.48	67	24	0	91	92
9	1.48 - 2.15	64	34	0	98	60
10	2.15 - 3.13	38	25	0	63	68
11	3.13 - 4.59	5	54	0	59	86
STY Ratings 6-11		299	166	0	465	438
12	4.59 - 6.79	8	50	0	58	63
13	6.79 - 10.21	2	26	0	28	37
14	10.21 - 25.0	2	166	0	168	407
STY Ratings 12-14		12	242	0	254	507
Other		3	11	0	14	14
Non-performing loans		0	5	2,275	2,280	2,459
<b>Total</b>		537	432	2,275	3,244	3,515

DKKm

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

		30 September 2021				31 Dec. 2020
		Stage 1	Stage 2	Stage 3	Total	Total
Performing	PD band (%)					
1	0.00 - 0.10	12,663	0	0	12,663	9,535
2	0.10 - 0.15	6,188	1	0	6,189	4,613
3	0.15 - 0.22	6,062	4	0	6,066	5,281
4	0.22 - 0.33	8,814	6	0	8,820	4,826
5	0.33 - 0.48	4,734	109	0	4,843	5,502
STY Ratings 1-5		38,461	120	0	38,581	29,757
6	0.48 - 0.70	4,540	78	0	4,618	6,701
7	0.70 - 1.02	5,401	313	0	5,714	4,278
8	1.02 - 1.48	3,614	323	0	3,937	4,476
9	1.48 - 2.15	2,432	518	0	2,950	2,990
10	2.15 - 3.13	713	363	0	1,076	1,593
11	3.13 - 4.59	80	245	0	325	1,363
STY Ratings 6-11		16,780	1,840	0	18,620	21,401
12	4.59 - 6.79	151	198	0	349	455
13	6.79 - 10.21	55	98	0	153	196
14	10.21 - 25.0	15	674	0	689	892
STY Ratings 12-14		221	970	0	1,191	1,543
Other		6	9	0	15	62
Non-performing loans		1	0	638	639	535
<b>Total</b>		<b>55,469</b>	<b>2,939</b>	<b>638</b>	<b>59,046</b>	<b>53,298</b>

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

		30 September 2021				31 Dec. 2020
		Stage 1	Stage 2	Stage 3	Total	Total
Performing	PD band (%)					
1	0.00 - 0.10	1	0	0	1	1
2	0.10 - 0.15	3	0	0	3	0
3	0.15 - 0.22	14	0	0	14	2
4	0.22 - 0.33	18	0	0	18	6
5	0.33 - 0.48	16	0	0	16	10
STY Ratings 1-5		52	0	0	52	19
6	0.48 - 0.70	16	2	0	18	23
7	0.70 - 1.02	15	4	0	19	13
8	1.02 - 1.48	11	4	0	15	22
9	1.48 - 2.15	12	8	0	20	19
10	2.15 - 3.13	4	6	0	10	9
11	3.13 - 4.59	0	5	0	5	14
STY Ratings 6-11		58	29	0	87	100
12	4.59 - 6.79	1	4	0	5	6
13	6.79 - 10.21	1	3	0	4	3
14	10.21 - 25.0	0	53	0	53	93
STY Ratings 12-14		2	60	0	62	102
Other		0	0	0	0	1
Non-performing loans		0	0	195	195	76
<b>Total</b>		<b>112</b>	<b>89</b>	<b>195</b>	<b>396</b>	<b>298</b>

DKKm

**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 Sep. 2021	End of 2020	30 Sep. 2021	End of 2020	30 Sep. 2021	End of 2020	Q1-Q3 2021	Q1-Q3 2020	Q1-Q3 2021	Q1-Q3 2020
Public authorities	6	8	9,426	12,629	0	0	0	1	0	0
Agriculture, hunting, forestry, fishing	4	3	6,780	6,003	344	439	-114	-156	7	111
<i>Fishing</i>	1	1	1,732	1,464	4	1	2	1	0	0
<i>Dairy farmers</i>	0	0	454	486	179	203	-38	-66	0	40
<i>Plant production</i>	1	1	2,252	1,965	59	76	-21	2	0	11
<i>Pig farming</i>	1	1	1,462	1,279	77	89	-15	-51	0	4
<i>Other agriculture</i>	1	0	880	809	25	70	-42	-42	7	56
Manufacturing, mining, etc.	5	3	8,067	5,734	337	295	31	157	1	20
Energy supply	3	3	4,885	4,942	34	40	-10	6	0	9
Building and construction	1	1	2,073	2,398	50	89	-38	12	3	9
Commerce	5	4	7,796	7,138	221	236	-16	26	3	5
Transport, hotels and restaurants	2	2	3,687	3,408	82	127	-46	20	1	7
Information and communication	1	0	1,089	614	146	213	-72	-67	0	5
Finance and insurance	45	46	75,220	75,657	550	596	-69	92	16	218
Real property	9	10	13,858	15,543	266	377	-76	73	40	4
<i>Lease of real property</i>	5	6	7,594	9,015	240	280	-41	9	4	4
<i>Buying and selling of real property</i>	1	1	1,751	2,030	10	56	-10	5	36	0
<i>Other real property</i>	3	3	4,513	4,498	16	41	-25	59	0	0
Other sectors	3	3	5,177	4,454	120	133	-10	19	11	39
Corporate clients	78	75	128,632	125,891	2,150	2,545	-420	182	82	427
Personal clients	16	17	27,099	28,191	1,095	970	141	31	44	73
Unutilised credit lines and loan commitments	0	0	0	0	397	298	100	86	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>165,157</b>	<b>166,711</b>	<b>3,642</b>	<b>3,813</b>	<b>-179</b>	<b>300</b>	<b>126</b>	<b>500</b>

	DKKm	30 Sept. 2021	31 Dec. 2020	30 Sept. 2020
9	<b>Deposits</b>			
	Demand deposits	108,167	109,827	109,635
	Term deposits	1,229	1,204	1,235
	Time deposits	17,717	16,283	16,004
	Special deposits	4,677	5,386	5,697
	<b>Total</b>	<b>131,790</b>	<b>132,700</b>	<b>132,571</b>

# 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 2021.

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 at 30 September 2021 and also of their financial performance as well as the cash flows of the Group for the period 1 January to 30 September 2021.

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, 2 November 2021

## EXECUTIVE BOARD

ANDERS DAM  
Managing Director and CEO

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

CHRISTINA LYKKE MUNK  
Employee Representative