



Interim Financial Report, Q1 2021

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The Jyske Bank Group

Core profit and net profit for the period (DKKm)

	Q1 2021	Q1 2020	Index 21/20	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2020
Net interest income	1,224	1,228	100	1,224	1,195	1,256	1,287	1,228	4,966
Net fee and commission income	576	650	89	576	581	453	407	650	2,091
Value adjustments	362	-113	-	362	278	189	331	-113	685
Other income	33	30	110	33	38	36	26	30	130
Income from operating lease (net)	40	8	500	40	34	69	-1	8	110
Core income	2,235	1,803	124	2,235	2,126	2,003	2,050	1,803	7,982
Core expenses	1,171	1,346	87	1,171	1,179	1,159	1,164	1,346	4,848
Core profit before loan impairment charges	1,064	457	233	1,064	947	844	886	457	3,134
Loan impairment charges	10	1,003	1	10	5	-48	8	1,003	968
Core profit	1,054	-546	-	1,054	942	892	878	-546	2,166
Investment portfolio earnings	75	-450	-	75	157	14	223	-450	-56
Pre-tax profit	1,129	-996	-	1,129	1,099	906	1,101	-996	2,110
Tax	246	-216	-	246	268	210	239	-216	501
Net profit for the period	883	-780	-	883	831	696	862	-780	1,609
Interest on AT1 capital, charged against equity	42	41	102	42	42	43	42	41	168

Summary of balance sheet, end of period (DKKbn)

Loans and advances	488.7	485.2	101	488.7	491.4	484.1	481.5	485.2	491.4
- of which mortgage loans	339.6	336.6	101	339.6	343.9	342.3	339.8	336.6	343.9
- of which traditional loans and advances	93.5	99.2	94	93.5	92.9	91.3	95.3	99.2	92.9
- of which new home loans	2.5	3.4	74	2.5	2.6	2.8	3.4	3.4	2.6
- of which repo loans	53.1	46.0	115	53.1	52.0	47.7	43.0	46.0	52.0
Bonds and shares, etc.	95.4	90.9	105	95.4	92.9	98.6	94.7	90.9	92.9
Total assets	682.8	674.1	101	682.8	672.6	647.6	642.1	674.1	672.6
Deposits	139.7	146.8	95	139.7	137.0	136.8	145.9	146.8	137.0
- of which bank deposits	126.5	131.2	96	126.5	127.5	125.6	132.0	131.2	127.5
- of which repo and triparty deposits	13.2	15.6	85	13.2	9.5	11.2	13.9	15.6	9.5
Issued bonds at fair value	349.3	347.3	101	349.3	348.8	345.7	339.6	347.3	348.8
Issued bonds at amortised cost	75.6	42.7	177	75.6	63.7	50.2	46.7	42.7	63.7
Subordinated debt	7.3	5.8	126	7.3	5.8	5.8	5.8	5.8	5.8
Holders of additional tier 1 capital	3.3	3.2	103	3.3	3.3	3.2	3.2	3.2	3.3
Shareholders' equity	34.0	31.2	109	34.0	33.3	32.6	32.0	31.2	33.3

Financial ratios and key figures

Earnings per share for the period (DKK)*	11.6	-11.1		11.6	10.9	9.0	11.3	-11.1	19.8
Earnings per share for the period (diluted) (DKK)*	11.6	-11.1		11.6	10.9	9.0	11.3	-11.1	19.8
Pre-tax profit p.a. as a percentage of average equity*	12.9	-13.0		12.9	12.8	10.7	13.4	-13.0	5.9
Profit for the period p.a. as a percentage of average equity*	10.0	-10.3		10.0	9.6	8.1	10.4	-10.3	4.4
Expenses as a percentage of income	52.4	74.7		52.4	55.5	57.9	56.8	74.7	60.7
Capital ratio (%)	23.2	21.5		23.2	22.9	22.3	22.2	21.5	22.9
Common equity tier 1 capital ratio (CET1 %)	18.0	16.7		18.0	17.9	17.5	17.3	16.7	17.9
Individual solvency requirement (%)	11.5	11.0		11.5	11.6	11.3	11.1	11.0	11.6
Capital base (DKKbn)	42.5	39.3		42.5	41.1	40.8	40.3	39.3	41.1
Weighted risk exposure (DKKbn)	183.3	182.9		183.3	179.4	183.2	181.7	182.9	179.4
Share price at end of period (DKK)	303	169		303	233	179	195	169	233
Distributed dividend per share (DKK)	-	-		-	-	-	-	-	-
Book value per share (DKK)*	474	430		474	459	450	440	430	459
Price/book value per share (DKK)*	0.6	0.4		0.6	0.5	0.4	0.4	0.4	0.5
Number of full-time employees at end-period**	3,279	3,508		3,279	3,318	3,363	3,420	3,508	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 and key figures are calculated as if additional tier 1 capital is recognised as a liability.

** The number of employees at the end of the first quarter of 2021 less 31 employees who are financed externally against 30-50 employees in the other quarters.

Summary

"In the past four quarters, Jyske Bank achieved the highest earnings per share since the merger with BRFKredit in May 2014. The positive development in the past quarter was due to favourable financial markets, high activity levels, good credit quality and low costs. This is in contrast to the same period last year when a management's estimate was made concerning impairment charges to offset the potential impact of the COVID-19 pandemic. The effect from organisational changes and higher specialisation as well as new products supported a satisfactory activity level in the first quarter, which resulted in upgraded expectations for 2021," says Anders Dam, Managing Director and CEO.

Despite comprehensive COVID-19 restrictions the Danish economy was less affected in the first quarter of 2021 than was the case during the lockdown in the spring of 2020, and the activity in the housing market is still at a very high level. The majority of the COVID-19 restrictions are expected to be lifted by the end of May, and the entire Danish population is expected to receive vaccinations in the course of the coming quarters. This paves the way for positive growth prospects.

Economic uncertainty is, however, still elevated due to deferred tax and VAT payments and compensation schemes supporting the clients' financial affairs and reducing credit demand. Jyske Bank is still in a good position with a satisfactory balance of impairment charges and a solid capital and liquidity position.

In the first quarter of 2021, Jyske Bank successfully introduced a green mortgage loan for corporate clients and Jyske Frihed (Jyske Freedom), a fixed-rate interest-only loan with lending approaching DKK 3bn. To this should be added the new VISA Credit card and improved functionalities in the new Jyske Mobilbank.

A considerable part of the planned branch mergers was implemented in the first quarter of 2021 and has so far given a positive contribution to Jyske Bank's business for instance by supporting higher specialisation, improved cohesion as well as profitability in the remaining branches.

The organisational changes form a good point of departure for the strategic cooperation with Købstædernes Forsikring called Jyske Forsikring. From the third quarter of 2021, the cooperation will contribute to covering the clients' insurance needs through a complete insurance solution.

Earnings per share at DKK 11.6 in Q1 2021

The net profit for the period at DKK 883m corresponded to a return on equity of 10.0% p.a. against DKK -780m and -10.3% p.a., respectively, for the corresponding period of 2020. The higher profit can be attributed to an increased management's estimate for impairment charges in the first quarter of 2020 following the outbreak of

COVID-19. The outbreak also resulted in high volatility in the financial markets whereas the first quarter of 2021 saw a favourable trend.

Jyske Bank's loans and advances (exclusive of repo loans) were 1% lower at the end of the first quarter of 2021 compared with the end of 2020. Higher loans and advances in leasing and banking activities were hence more than offset by the fact that mortgage loans stated at fair value were affected by falling bond prices. Nominal mortgage loans rose driven by corporate clients. Bank deposits were 1% lower than at end-2020, primarily as a result of slightly lower deposits from corporate clients.

Effective 11 June 2021, Jyske Bank changes the variable interest rate on corporate clients' demand deposits to -0.95% p.a. from -0.75% p.a. The change is partly due to the prospect of interest rate levels continuing to be negative combined with a significant deposit surplus. The initiative is expected to affect DKK 30bn - 35bn of deposits and increase the likelihood of earnings per share reaching the upper half of the interval DKK 31-35 based on the expected number of shares in circulation at the end of 2021.

Core income rose by 24% relative to the first quarter of 2020. The capital and property markets were dominated by a high level of activity, and value adjustments rose from a low level as a result of the COVID-19 outbreak in the first quarter of 2020 to the highest level in five years.

Core expenses shed 13% compared with the first quarter of 2020 and 8% adjusted for one-off items in connection with the sale of Jyske Bank (Gibraltar). The decrease can be attributed to a 7% reduction in the number of full-time employees, an intensified focus on costs as well as the effect from COVID-19 restrictions on travel expenses, etc.

Loan impairment charges dropped to DKK 10m from DKK 1,003m in the first quarter of 2020 when a management's estimate was made concerning loan impairment charges to reflect the potential impact from the COVID-19 pandemic.

At the end of the first quarter of 2021, Jyske Bank's capital ratio and common equity tier 1 capital ratio were calculated at historically high levels of 23.2% and 18.0%, respectively, with a capital buffer of DKK 13.9bn compared to regulatory requirements.

In the first quarter of 2021, Jyske Bank initiated a share buy-back programme of up to DKK 750m, running until 30 September 2021 at the latest, and issued supplementary tier 2 capital in the amount of NOK 1bn and SEK 1bn.

Outlook

As a result of the development in the first quarter of the year and expectations for the rest of the year, Jyske Bank upgraded its expectations of 2021 in March and April. Jyske Bank now anticipates earnings per share at DKK 31-35 in 2021 against the original amount of DKK 25-31. Expectations corresponds to a pre-tax profit of DKK 3.0 bn-3.4 bn against the originally expected DKK 2.5 bn-3.0 bn and a net profit of DKK 2.3 bn-2.7 bn against the original expectations of DKK 1.9 bn-2.3 bn.

In 2021, Jyske Bank's business volume is expected to be affected by rising bank loans and advances and falling deposits. To some extent, this is expected due to the business community's payment of deferred VAT and taxes as well as pent-up consumer and investment demand. Mortgage loans are also expected to increase.

Core income is expected to be roughly unchanged in 2021 relative to 2020.

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

It is expected that loan impairment charges and provisions for guarantees will be at a very low level in 2021.

Financial Review

Core profit and net profit for the period (DKKm)

	Q1 2021	Q1 2020	Index 21/20	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2020
Net interest income	1,224	1,228	100	1,224	1,195	1,256	1,287	1,228	4,966
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Value adjustments	362	-113	-	362	278	189	331	-113	685
Other income	33	30	110	33	38	36	26	30	130
Income from operating lease (net)	40	8	500	40	34	69	-1	8	110
Core income	2,235	1,803	124	2,235	2,126	2,003	2,050	1,803	7,982
Core expenses	1,171	1,346	87	1,171	1,179	1,159	1,164	1,346	4,848
Core profit before loan impairment charges	1,064	457	233	1,064	947	844	886	457	3,134
Loan impairment charges	10	1,003	1	10	5	-48	8	1,003	968
Core profit	1,054	-546	-	1,054	942	892	878	-546	2,166
Investment portfolio earnings	75	-450	-	75	157	14	223	-450	-56
Pre-tax profit	1,129	-996	-	1,129	1,099	906	1,101	-996	2,110
Tax	246	-216	-	246	268	210	239	-216	501
Net profit for the period	883	-780	-	883	831	696	862	-780	1,609
Interest expense on additional tier 1 capital, recognised on equity	42	41	102	42	42	43	42	41	168

Net profit for the period

Earnings per share amounted to DKK 11.6 in the first quarter of 2021 against DKK -11.1 in the first quarter of 2020, corresponding to a net profit of DKK 883m and DKK -780m, respectively. The considerably higher results are due to a higher management's estimate of impairment charges following the outbreak of COVID-19 in the first quarter of 2020 and a positive development in the financial markets.

Core income

Core income rose by 24% to DKK 2,235m relative to the first quarter of 2020 caused by higher value adjustments.

Net interest income amounted to DKK 1,224m against DKK 1,228m in the same period in 2020. Net interest income from loans and deposits was roughly unchanged since lower deposit rates offset the effect from the lower level of bank loans and the sale of Jyske Bank (Gibraltar).

Net fee and commission income amounted to DKK 576m against DKK 650m in the first quarter of 2020. The change can be attributed to lower performance fees, the sale of Jyske Bank (Gibraltar) and lower refinancing activity. Add to this, fees paid in relation to a covered bond issuance of EUR 500m at Jyske Realkredit.

Value adjustments increased to DKK 362m from DKK -113m. The first quarter of 2020 was dominated by high volatility following the outbreak of COVID-19 whereas value adjustments in the first quarter of 2021 benefited from a continued high level of activity in the trading area as well as an interest rate curve steepener exposure.

Other income rose to DKK 33m from DKK 30m due to higher share dividends etc.

Income from operating lease (net) rose to DKK 40m from DKK 8m due to a higher management's estimate for impairment charges after the outbreak of COVID-19 in the first quarter of 2020 as well as favourable sales conditions in the used car market in the first quarter of 2021.

Core expenses

In the first quarter of 2021, core expenses fell by 13% to DKK 1,171m relative to the same period in 2020. Adjusted for one-off items of DKK 78m in connection with the sale of Jyske Bank (Gibraltar) in the first quarter of 2020, core expenses declined by 8%.

The decrease can be attributed to a 7% reduction in the number of full-time employees to 3,279, an intensified focus on costs as well as the effect from COVID-19 restrictions on travel expenses, etc.

Core expenses (DKKm)

	Q1 2021	Q1 2020
Staff costs	724	764
IT costs	326	348
Rent, etc.	15	16
Amortisation, depreciation and impairment	25	29
Other operating expenses	81	111
Sale of Jyske Bank (Gibraltar)	0	78
Total	1,171	1,346

Impairment charges

Loan impairment charges decreased to DKK 10m from DKK 1,003m in the first quarter of 2020. The lower level of impairment charges was due to a management's estimate relating to the outbreak of COVID-19 in the first quarter of 2020. The proportion of non-performing loans showed a continued fall in the first quarter of 2021 to a historically low level.

Investment portfolio earnings

Investment portfolio earnings amounted to DKK 75m in the first quarter of 2021 against DKK -450m for the same period of 2020. The positive result can primarily be attributed to a steeper yield curve and a favourable trend for certain currency positions. By comparison, the first quarter of 2020 was affected by market turmoil following the outbreak of COVID-19. The hedging of AT1 capital instruments in SEK had a negative effect of DKK 30m in the first quarter of 2021 and was offset by a positive adjustment of shareholders' equity.

Investment portfolio earnings (DKKm)

	Q1 2021	Q1 2020
Net interest income	18	23
Value adjustments	65	-465
Other income	0	0
Income	83	-442
Expenses	8	8
Investment portfolio earnings	75	-450

Q1 2021 compared to Q4 2020

Earnings per share climbed to DKK 11.6 in Q1 2021 against DKK 10.9 in Q4 2020, corresponding to a net profit of DKK 883m and DKK 831m, respectively.

Core income was up by 5% to DKK 2,235m, primarily due to higher value adjustments.

Net interest income rose by 2% to DKK 1,224m. The advance can be attributed to a higher contribution to net interest income from trading activities and excess liquidity. Net interest income from loans and deposits was roughly unchanged since higher loans and advances and lower deposit rates offset the effect from fewer interest-bearing days in Q1.

Net fee and commission income amounted to DKK 576m against DKK 581m in Q4 2020. Seasonally higher refinancing activity, commission relating to Letpension and Letsikring partly offset seasonally lower securities trading and custody fees as well as the effect from a changed contractual basis for certain fees paid under leasing activities in Q4.

Other income fell to DKK 33m from DKK 38m. Income from operating lease (net) amounted to DKK 40m against DKK 34m in Q4.

Value adjustments rose to DKK 362m from DKK 278m. The increase was due to a high level of activity in the trading area, a sustained favourable trend in the financial markets as well as an interest rate curve steepener exposure.

In Q1, core expenses fell by 1% to DKK 1,171m. Staff costs declined due to a 1% reduction in the number of full-time employees.

Loan impairment charges amounted to an expense of DKK 10m against DKK 5m in the preceding quarter. The low impairment level can be attributed to a continued solid credit quality.

Investment portfolio earnings fell to DKK 75m from DKK 157m in Q4. The decrease can be attributed to the impact from the decline in hedging of currency risk on AT1 issues from DKK 79m to DKK -30m, which more than offset the impact from a steepening yield curve.

Business volume

Summary of balance sheet, end of period (DKKbn)

	Q1 2021	Q1 2020	Index 21/20	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2020
Loans and advances	488.7	485.2	101	488.7	491.4	484.1	481.5	485.2	491.4
- of which mortgage loans	339.6	336.6	101	339.6	343.9	342.3	339.8	336.6	343.9
- of which traditional loans and advances	93.5	99.2	94	93.5	92.9	91.3	95.3	99.2	92.9
- of which new home loans	2.5	3.4	74	2.5	2.6	2.8	3.4	3.4	2.6
- of which repo loans	53.1	46.0	115	53.1	52.0	47.7	43.0	46.0	52.0
Bonds and shares, etc.	95.4	90.9	105	95.4	92.9	98.6	94.7	90.9	92.9
Total assets	682.8	674.1	101	682.8	672.6	647.6	642.1	674.1	672.6
Deposits	139.7	146.8	95	139.7	137.0	136.8	145.9	146.8	137.0
- of which bank deposits	126.5	131.2	96	126.5	127.5	125.6	132.0	131.2	127.5
- of which repo and triparty deposits	13.2	15.6	85	13.2	9.5	11.2	13.9	15.6	9.5
Issued bonds at fair value	349.3	347.3	101	349.3	348.8	345.7	339.6	347.3	348.8
Issued bonds at amortised cost	75.6	42.7	177	75.6	63.7	50.2	46.7	42.7	63.7
Subordinated debt	7.3	5.8	126	7.3	5.8	5.8	5.8	5.8	5.8
Holders of additional tier 1 capital	3.3	3.2	103	3.3	3.3	3.2	3.2	3.2	3.3
Shareholders' equity	34.0	31.2	109	34.0	33.3	32.6	32.0	31.2	33.3

Jyske Bank's total loans and advances (exclusive of repo loans) came to DKK 435.6bn at the end of the first quarter of 2021 against DKK 439.4bn at the end of 2020 since mortgage loans at fair value were affected by falling bond prices.

Mortgage loans at fair value dropped to DKK 339.6bn from DKK 343.9bn at the end of 2020 and amounted, in combination with the new home loans, to 79% of total loans (exclusive of repo loans) at the end of the first quarter. Nominal mortgage loans rose by DKK 1.5bn to DKK 334.6bn as higher loans and advances for corporate clients outweighed the impact of slightly lower loans and advances for personal clients.

Traditional bank loans and advances rose by 1% to DKK 93.5bn compared to the level at the end of 2020 fuelled by higher loans and advances for leasing activities. For banking activities, continued moderate demand for credit from personal clients and lower loans and advances for public authorities were offset by higher bank loans and advances for corporate clients.

At the end of the first quarter of 2021, bank deposits amounted to DKK 126.5bn against DKK 127.5bn at the end of 2020. The decline can be attributed to lower deposits from corporate clients. Bank deposits were DKK 31bn higher than bank loans and advances at the end of the first quarter of 2021.

At the end of the first quarter of 2021, the business volume within asset management amounted to DKK 178bn compared to DKK 175bn at the end of 2020. In the first quarter of the year, business volume was positively affected by the price

development of riskier assets whereas higher long-term interest rates on the other hand had an adverse impact on bond prices. Net sales to retail clients were increasingly positive in the first quarter.

Credit quality

Non-performing loans, advances and guarantees (DKKbn)

	Q1 2021	Q1 2020	Index 21/20	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2020
Loans, advances and guarantees	501.1	497.4	101	501.1	502.9	495.9	493.2	497.4	502.9
Non-performing loans, advances and guarantees, gross	8.4	9.9	86	8.4	8.6	9.0	9.3	9.9	8.6
Impairment charges and provisions	3.3	3.6	93	3.3	3.3	3.3	3.6	3.6	3.3
Non-performing loans, advances and guarantees, net	5.1	6.3	81	5.1	5.3	5.7	5.7	6.3	5.3
NPL coverage ratio	39.2%	36.2%	108	39.2%	38.7%	36.9%	38.7%	36.2%	38.7%
NPL ratio	1.0%	1.3%	81	1.0%	1.0%	1.1%	1.1%	1.3%	1.0%
Non-accrual loans and past due exposures	0.6	1.1	49	0.6	0.7	0.9	1.1	1.1	0.7
Loan impairment charges	0.0	1.0	1	0.0	0.0	0.0	0.0	1.0	1.0
Operating losses	0.1	0.2	58	0.1	0.1	0.3	0.1	0.2	0.7

Loan impairment charges amounted to DKK 10m in the first quarter of 2021, corresponding to 0 bp of gross loans, advances and guarantees. The amount is distributed with DKK -94m relating to banking activities, DKK 90m relating to mortgage activities and DKK 14m relating to leasing activities. The development in the credit quality of especially agricultural clients contributed positively whereas the uncertainty regarding the potential implications of the COVID-19 pandemic had an adverse impact.

At the end of the first quarter, non-performing loans amounted to 1.0% of loans, advances and guarantees which is unchanged relative to the end of 2020. Loans and advances subject to forbearance amounted to 1.6% and was also in line with the end of 2020.

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

	Loans, advances and guarantees		Balance of impairment charges		Impairment ratio	
	Q1 2021	Q4 2020	Q1 2021	Q4 2020	Q1 2021	Q4 2020
Stage 1	466.2	479.6	0.7	0.9	0.2	0.2
Stage 2	30.3	18.4	1.4	1.3	4.5	6.5
Stage 3	4.6	4.9	3.3	3.3	41.7	40.3
Total	501.1	502.9	5.4	5.5	1.1	1.1

The proportion of loans, advances and guarantees in stage 1 was 93.0% at the end of the first quarter 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. The development is thus not due to a deterioration of the clients' credit quality.

At the end of the first quarter of 2021, Jyske Bank's

balance of loan impairment charges amounted to DKK 5.4bn, corresponding to 1.1% of loans, advances and guarantees against DKK 5.5bn and 1.1%, respectively, at the end of 2020.

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

	Loans, advances and guarantees		Impairment ratio	
	Q1 2021	Q4 2020	Q1 2021	Q4 2020
Public authorities	12.6	13.1	0.0	0.0
Agriculture, hunting, forestry and fishing	7.3	7.0	5.1	6.0
Manufacturing industry and mining	9.2	7.8	3.7	4.0
Energy supply	6.2	6.5	0.6	0.7
Construction	8.4	8.5	1.3	1.4
Commerce	12.5	11.4	2.3	2.3
Transport, hotels and restaurants	6.5	6.3	2.5	2.5
Information and communication	0.7	0.7	24.0	22.3
Financing and insurance	51.9	51.4	1.2	1.2
Real property	157.5	157.6	0.7	0.7
Other sectors	17.2	18.5	1.3	1.2
Corporate clients	277.4	275.7	1.3	1.3
Personal clients	211.1	214.1	0.9	0.9
Total	501.1	502.9	1.1	1.1

At the end of the first quarter of 2021, impairment charges based on management's estimates amounted to DKK 1,272m 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 objective evidence of impairment. The remaining estimate primarily relates to potential economic consequences of the COVID-19 pandemic as visibility is limited due, among other things, to economic support packages and a prolonged period with comprehensive restrictions in the Danish society.

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.

At the end of the first quarter of 2021, Jyske Bank had a capital ratio of 23.2% and a common equity tier 1 capital ratio of 18.0% compared to 22.9% and 17.9%, respectively, at the end of 2020.

Capital ratios (%)

	Q1 2021	Q4 2020
Capital ratio	23.2	22.9
Tier 1 capital ratio	19.8	19.9
Common equity tier 1 capital ratio	18.0	17.9

The total weighted risk exposure amounted to DKK 183.3bn at the end of the first quarter of 2021 against DKK 179.4bn at the end of 2020. The increase can be attributed to a higher credit risk due to higher loans and advances to corporate clients as well as higher market risk.

Weighted risk exposure (DKKm)

	Q1 2021	Q4 2020
Credit risk, etc.	157,235	154,452
Market risk	11,797	10,294
Operational risk	14,304	14,680
Total	183,336	179,426

On 28 January 2021, Jyske Bank initiated a share buy-back programme of up to DKK 750m, running until 30 September 2021 at the latest. At the end of the first quarter of 2021, DKK 555m was outstanding under the programme.

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 add-on for above-normal risk under Pillar II and buffers.

At the end of the first quarter of 2021, Jyske Bank's individual solvency requirement was 11.5% of the weighted risk exposure against 11.6% at year-end 2020. To this must be added a SIFI requirement of 1.5% and a capital conservation buffer of 2.5%. Both the SIFI requirements 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. The Systemic Risk Council expects to recommend an increase in the countercyclical capital buffer at mid-2021. Hence, the total capital requirement is 15.6%, which is unchanged compared with the end of 2020.

Capital requirement (%)

	Capital ratio		CET1 ratio	
	Q1 2021	Q4 2020	Q1 2021	Q4 2020
Pillar I	8.0	8.0	4.5	4.5
Pillar II	3.5	3.6	2.0	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
Capital requirement	15.6	15.6	10.6	10.6

Consequently, compared with the capital ratio, the excess capital came to 7.6% of the weighted risk exposure, corresponding to DKK 13.9bn against 7.3% and DKK 13.1bn, respectively, at the end of 2020.

Excess capital (%)

	Q1 2021	Q4 2020
Capital ratio	23.2	22.9
Capital requirement	15.6	15.6
Excess capital	7.6	7.3

Liquidity management

Jyske Bank's biggest source of funding is covered bonds and mortgage bonds, which amounted to DKK 349bn, corresponding to 51% of the balance sheet at the end of the first quarter of 2021. The second-largest source of funding in the amount of DKK 127bn was client deposits, of which a high proportion consists of deposits from small and medium-sized enterprises as well as personal clients.

At the end of the first quarter of 2021, Jyske Bank's liquidity coverage ratio (LCR) was 173% 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 internal guideline points to an LCR of at least 150%. The LCR buffer after haircuts at the end of the first quarter of 2021 is shown in the following table.

Liquidity coverage ratio (LCR)

	DKKbn	%
Level 1a assets	68.9	54
Level 1b assets	54.2	43
Level 2a + 2b assets	4.1	3
Total	127.3	100

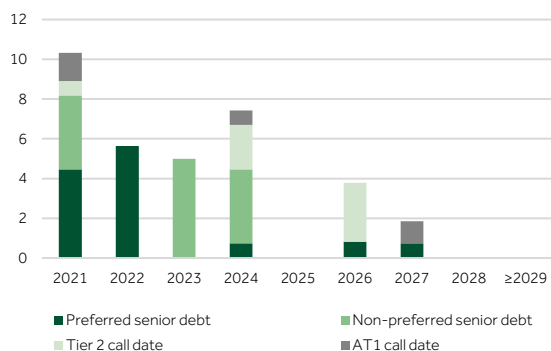
Refinancing profile

The Group is on an on-going basis active in the French CP market. At the end of the first quarter of 2021, the outstanding volume under the CP programme amounted to DKK 53.2bn against DKK 42.0bn at the end of 2020.

At the end of the first quarter of 2021, outstanding unsecured senior debt amounted to DKK 25bn, i.e. unchanged relative to the level at the end of 2020. At the end of the first quarter of 2021, outstanding CRD-IV compliant tier 2 and AT1 capital instruments amounted to DKK 6.2bn and DKK 3.3bn, respectively, against DKK 4.7bn and DKK 3.3bn at the end of 2020.

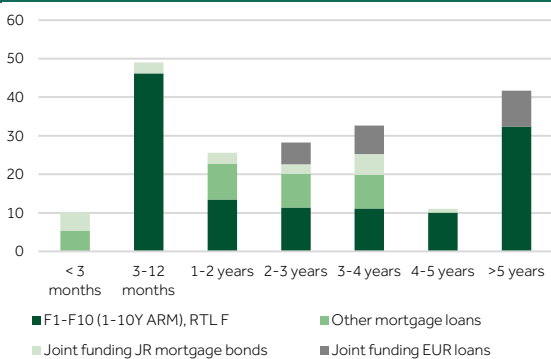
The run-off profile for the Group's unsecured senior debt, etc. calculated at the end of the first quarter of 2021 is illustrated by the below chart.

Run-off and call date profile (DKKbn)



At the end of the first quarter of 2021, covered bonds involving refinancing risk amounted to DKK 198.3bn, 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 quarter of 2021, the Jyske Bank Group 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 -10 bp.
NOK 1bn tier 2 (value date 24.03.2021)	26.03.2031 (call 2026)	3M CIBOR +100 bp.
SEK 1bn tier 2 (value date 24.03.2021)	26.03.2031 (call 2026)	3M CIBOR +100 bp.

To meet the minimum requirement for own funds and eligible liabilities (MREL), an issue worth EUR 500m of preferred senior debt is expected in 2021. Also, Jyske Bank expects to issue non-preferred senior debt in an amount of EUR 300m-500m in 2021 depending on the balance sheet development.

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 MREL-eligible debt instruments in an amount of about 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 being 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
Short-term unsecured senior debt (preferred senior)	A-1	Stable
Long-term unsecured senior debt (preferred senior)	A	Stable
Long-term non-preferred senior debt (non-preferred senior)	BBB+	Stable
Tier 2	BBB	Stable
Additional Tier 1 (AT1)	BB+	Stable
Jyske Realkredit Bond issues		
Capital Centre E covered bonds	AAA	
Capital Centre B mortgage bonds	AAA	

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

	Q1 2021	Q4 2020
Sum of large exposures <175% of common equity tier 1 capital	93%	82%
Increase in loans and advances <20% annually	-7%	-7%
Exposures to property administration and property transactions <25% of total loans and advances	9%	10%
Funding ratio <1	0.51	0.50
Liquidity benchmark >100%	147%	169%

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

The supervisory diamond for Jyske Realkredit A/S

	Q1 2021	Q4 2020
Concentration risk <100%	53.2%	51.0%
Increase in loans <15% annually in the segment:		
Owner-occupied homes and vacation homes	-2.1%	-2.1%
Residential rental property	6.3%	5.9%
Other sectors	5.3%	6.6%
Borrower's interest-rate risk <25%		
Residential property	16.4%	16.5%
Interest-only schemes <10%		
Owner-occupied homes and vacation homes	5.9%	6.0%
Loans with frequent interest-rate fixing:		
Refinancing (annually) <25%	17.0%	16.2%
Refinancing (quarterly) <12.5%	6.0%	1.4%

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

Other Information

Events after the end of the accounting period

No events have taken place during the period prior to the publication of the Interim Financial Report for the first quarter of 2021 that have any material effect on the financial position of Jyske Bank.

Additional information

For further information, please see investor.jyskebank.com/investorrelations. Here you will find an interview with Anders Dam, Managing Director and CEO, detailed financial information as well as Jyske Bank's Annual Report 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 jyskerealkredit.com. Jyske Realkredit's interim financial report for the first quarter of 2021, the Annual Report for 2020 and detailed financial information about Jyske Realkredit are available on that website.

Financial calendar 2021

Jyske Bank anticipates releasing financial statements on the following dates in 2021:

Financial calendar 2021

17 August	Interim Financial Report, H1 2021
2 November	Interim Financial Report, Q1-Q3 2021

Business Segments

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

Banking Activities

Summary of income statement (DKKm)

	Q1 2021	Q1 2020	Index 21/20	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2020
Net interest income	523	519	101	523	499	558	579	519	2,155
Net fee and commission income	771	778	99	771	725	643	547	778	2,693
Value adjustments	314	-69	-	314	143	146	198	-69	418
Other income	29	26	112	29	27	21	21	26	95
Core income	1,637	1,254	131	1,637	1,394	1,368	1,345	1,254	5,361
Core expenses	1,037	1,217	85	1,037	1,050	1,032	1,034	1,217	4,333
Core profit before loan impairment charges	600	37	1,622	600	344	336	311	37	1,028
Loan impairment charges	-94	455	-	-94	62	-19	-125	455	373
Core profit	694	-418	-	694	282	355	436	-418	655
Investment portfolio earnings	75	-450	-	75	157	14	223	-450	-56
Pre-tax profit	769	-868	-	769	439	369	659	-868	599

Summary of balance sheet, end of period (DKKbn)

Loans and advances	128.7	129.0	100	128.7	127.6	122.3	122.6	129.0	127.6
- of which traditional loans and advances	73.1	79.6	92	73.1	73.0	71.8	76.2	79.6	73.0
- of which new home loans	2.5	3.4	74	2.5	2.6	2.8	3.4	3.4	2.6
- of which repo loans	53.1	46.0	115	53.1	52.0	47.7	43.0	46.0	52.0
Total assets	281.4	274.9	102	281.4	273.1	250.7	253.5	274.9	273.1
Deposits	139.5	146.6	95	139.5	136.7	136.5	145.7	146.6	136.7
- of which bank deposits	126.3	131.0	96	126.3	127.2	125.3	131.8	131.0	127.2
- of which repo and triparty deposits	13.2	15.6	85	13.2	9.5	11.2	13.9	15.6	9.5
Issued bonds	70.1	36.8	190	70.1	58.4	44.2	42.2	36.8	58.4

Pre-tax profit

Pre-tax profit amounted to DKK 769m in the first quarter of 2021 against DKK -868m in the same period in 2020. The higher results are due to an increased management's estimate of impairment charges following the outbreak of COVID-19 in the first quarter of 2020 and a positive development in the financial markets.

Core income

Core income rose by 31% to DKK 1,637m relative to the first quarter of 2020 caused by higher value adjustments.

Net interest income amounted to DKK 523m against DKK 519m in the same period in 2020. Net interest income from loans and deposits rose by 1% since lower deposit rates offset the effect from the lower level of bank loans and the sale of Jyske Bank (Gibraltar).

Net fee and commission income declined to DKK 771m from DKK 778m in the first quarter of 2020. The decline can be attributed to lower performance fees and the sale of Jyske Bank (Gibraltar), which more than offset a high level of activity.

Value adjustments increased to DKK 314m from DKK -69m in the preceding year. The first quarter of 2020 was dominated by high volatility following the outbreak of COVID-19 whereas value adjustments in the first quarter of 2021 benefited from a high level of activity in the trading area as well as an interest rate curve steepener exposure.

Other income rose to DKK 29m from DKK 26m in the first quarter of 2020 due to higher share dividends etc.

Core expenses

In the first quarter of 2021, core expenses fell by 15% to DKK 1,037m relative to the same period in 2020. Adjusted for one-off items of DKK 78m in connection with the sale of Jyske Bank (Gibraltar) in the first quarter of 2020, core expenses declined by 9%. The decrease can be attributed to a reduction in the number of full-time employees, an intensified focus on costs as well as the effect from COVID-19 restrictions on travel expenses, etc.

Loan impairment charges

Loan impairment charges amounted to an income of DKK 94m against an expense of DKK 455m in the first quarter of 2020 when the COVID-19 outbreak gave rise to a higher management's estimate

relating to loan impairment charges. The first quarter of 2021 was dominated by a continued positive development, among other things in the situation of agricultural clients.

Investment portfolio earnings

Investment portfolio earnings amounted to DKK 75m in the first quarter of 2021 against DKK -450m for the same period of 2020. The positive result can primarily be attributed to a steeper yield curve and a favourable trend for certain currency positions whereas the first quarter of 2020 was affected by the market turmoil after the outbreak of COVID-19. The hedging of AT1 capital instruments in SEK had a negative effect of DKK 30m in the first quarter of 2021 and was offset by a positive adjustment of shareholders' equity.

Business volume

At the end of the first quarter of 2021, traditional bank loans and advances amounted to DKK 73.1bn which is unchanged compared with the end of 2020. Continued moderate demand for credit from personal clients and lower loans and advances for public authorities were offset by higher bank loans and advances for corporate clients.

At the end of the first quarter of 2021, bank deposits amounted to DKK 126.3bn against DKK 127.2bn at the end of 2020. The decline can be attributed to lower deposits from corporate clients.

Q1 2021 compared to Q4 2020

Pre-tax profit rose to DKK 769m in Q1 2021 from DKK 439m in Q4 2020.

Core income was up by 17% to DKK 1,637m, primarily due to higher value adjustments.

Net interest income rose by 5% to DKK 523m. The advance can be attributed to a higher contribution to net interest income from trading activities and excess liquidity. Net interest income on loans and deposits was unchanged since lower deposit rates contributed to offsetting the effect from fewer interest-bearing days in Q1.

Net fee and commission income rose to DKK 771m from DKK 725m. The increase can primarily be attributed to higher commission relating to the higher level of activity in the housing area and seasonally higher refinancing activity and commission relating to Letpension and Letsikring. These factors more than offset seasonally lower income from securities trading and custody services.

Other income rose to DKK 29m from DKK 27m.

Value adjustments rose to DKK 314m from DKK 143m. The advance was due to a continued favourable trend in the financial markets with a high level of activity in the trading area as well as an interest rate curve steepener exposure.

In Q1, core expenses fell by 1% to DKK 1,037m. Staff costs declined due to a lower number of full-time employees.

Loan impairment charges amounted to an income of DKK 94m against an expense of DKK 62m in the preceding quarter. The development is due to a continued positive trend in the credit quality of especially agricultural clients.

Investment portfolio earnings fell to DKK 75m from DKK 157m in Q4 2020. The decrease can be attributed to the impact from the decline in hedging of currency risk on AT1 issues from DKK 79m to DKK -30m, which more than offset the impact from a steeper yield curve.

Mortgage Activities

Summary of income statement (DKKm)

	Q1 2021	Q1 2020	Index 21/20	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2020
Administration margin income, etc. ¹	584	587	99	584	584	581	580	587	2,332
Other net interest income	4	6	67	4	13	2	15	6	36
Net fee and commission income	-193	-119	162	-193	-180	-176	-128	-119	-603
Value adjustments	45	3	1,500	45	94	48	74	3	219
Other income	0	0	-	0	3	10	0	0	13
Core income	440	477	92	440	514	465	541	477	1,997
Core expenses	92	87	106	92	87	86	85	87	345
Core profit before loan impairment charges	348	390	89	348	427	379	456	390	1,652
Loan impairment charges	90	485	19	90	-64	-57	121	485	485
Pre-tax profit	258	-95	-	258	491	436	335	-95	1,167

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

Summary of balance sheet (DKKbn)

Mortgage loans	339.6	336.6	101	339.6	343.9	342.3	339.8	336.6	343.9
Total assets	378.3	376.7	100	378.3	377.1	374.9	367.0	376.7	377.1
Issued bonds	354.8	353.2	100	354.8	354.1	351.7	344.1	353.2	354.1

Pre-tax profit

In the first quarter of 2021, pre-tax profit amounted to DKK 258m against DKK -95m in the first quarter 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 440m in the first quarter of 2021 against DKK 477m in the preceding year. The change can be attributed to higher paid commissions.

Administration margin income amounted to DKK 584m in the first quarter of 2021 against DKK 587m for the same period of 2020. Margin pressure thus outweighed the fact that mortgage loans stated at nominal value rose by 1% over the same period.

Other net interest income amounted to DKK 4m in the first quarter of 2021 against DKK 6m in the first quarter of 2020.

Net fee and commission income amounted to DKK -193m in the first quarter of 2021 against DKK -119m in the first quarter of 2020. The development can partly be attributed to higher commission paid due to lower set-off of realised losses.

Value adjustments amounted to DKK 45m in the first quarter of 2021 against DKK 3m in the preceding year. The increase is primarily due to the sale of a holding of shares in the first quarter of 2021.

Core expenses

Core expenses amounted to DKK 92m in the first quarter of 2021 against DKK 87m for the same period of 2020. The increase was due to a higher contribution to the Resolution Fund under Finansiel Stabilitet (the Danish resolution authority), as Jyske Realkredit received a refund for a part of the 2015-2019 contribution in the first quarter of 2020.

Impairment charges

In the first quarter of 2021, loan impairment charges amounted to DKK 90m against DKK 485m in the first quarter of 2020. The decrease was due 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 declined to DKK 339.6bn at the end of the first quarter of 2021 from DKK 343.9bn at the end of 2020 due to declining bond prices. Nominal mortgage loans rose marginally due to higher loans for corporate clients.

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

Q1 2021 compared to Q4 2020

In Q1, pre-tax profit amounted to DKK 258m against DKK 491m in Q4. The change was due to higher loan impairment charges and lower value adjustments.

At DKK 584m for Q1 2021, administration margin income was unchanged. Increasing loans to corporate clients were offset by a lower average administration margin rate.

Other net interest income amounted to DKK 4m against DKK 13m in the preceding quarter.

Net fee and commission income amounted to DKK -193m against DKK -180m in Q4 2020. The higher expense was attributed to higher commission paid.

Value adjustments amounted to DKK 45m against DKK 94m in Q4 2020. A positive effect of the sale of a holding of shares in the first quarter of the year was more than offset by a less favourable development in the financial markets compared to Q4.

Core expenses amounted to DKK 92m in Q1 2021 against DKK 87m in the preceding quarter, mainly due to seasonally higher IT costs.

Impairment charges amounted to an expense of DKK 90m in Q1 2021 against an income of DKK 64m in Q4 2020. The continued uncertainty regarding the potential implications of the COVID-19 pandemic had an adverse impact in Q1.

Leasing Activities

Summary of income statement (DKK m)

	Q1 2021	Q1 2020	Index 21/20	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2020
Net interest income	113	116	97	113	99	115	113	116	443
Net fee and commission income	-2	-9	22	-2	36	-14	-12	-9	1
Value adjustments	3	-47	-	3	41	-5	59	-47	48
Other income	4	4	100	4	8	5	5	4	22
Income from operating lease (net)	40	8	500	40	34	69	-1	8	110
Core income	158	72	219	158	218	170	164	72	624
Core expenses	42	42	100	42	42	41	45	42	170
Core profit before loan impairment charges	116	30	387	116	176	129	119	30	454
Loan impairment charges	14	63	22	14	7	28	12	63	110
Pre-tax profit	102	-33	-	102	169	101	107	-33	344

Summary of balance sheet, end of period (DKK bn)

Loans and advances	20.4	19.6	104	20.4	19.9	19.6	19.1	19.6	19.9
Total assets	23.0	22.5	102	23.0	22.4	22.1	21.7	22.5	22.4
Deposits	0.2	0.2	100	0.2	0.2	0.2	0.2	0.2	0.2

Pre-tax profit

In the first quarter of 2021, pre-tax profit amounted to DKK 102m against DKK -33m in the first quarter of 2020. The advance was due primarily to a management's estimate relating to impairment charges due to the outbreak of COVID-19 in the first quarter of 2020.

Net interest income declined to DKK 113m from DKK 116m in the first quarter of 2020 due to the accrual of fees paid in the first quarter of 2021.

Net fee and commission income amounted to DKK -2m in the first quarter of 2021 against DKK -9m in the same period in 2020. The change can also be attributed to the accrual basis of accounting of fees paid.

Value adjustments rose to DKK 3m against DKK -47m in the first quarter of 2020. The positive development can be attributed to the foreign currency hedging of the Swedish leasing portfolio.

Income from operating lease (net) rose to DKK 40m from DKK 8m in the first quarter of 2020, as expected residual values of cars under operating lease were written down due to the outbreak of COVID-19. In addition, the increase was attributed to favourable sales conditions for used cars in the first quarter of 2021.

Core expenses are at an unchanged level relative to the first quarter of 2020.

Loan impairment charges dropped to DKK 14m from DKK 63m. The decrease can primarily be attributed to a management's estimate relating to impairment charges following the outbreak of COVID-19 in the first quarter of 2020.

Business volume

In the first quarter of 2021, loans under leasing activities rose by 3% to DKK 20.4bn relative to the end of 2020.

Q1 2021 compared to Q4 2020

In Q1, pre-tax profit amounted to DKK 102m against DKK 169m in the preceding quarter.

Net interest income rose to DKK 113m from DKK 99m in Q4 which was adversely affected by a one-off effect and the accrual basis of accounting of fees paid with effect as from 1 January 2020.

Net fee and commission income declined to DKK -2m from DKK 36m. The decline was due to the accrual basis of accounting of fees paid in Q4 effective 1 January 2020.

Value adjustments came to DKK 3m against DKK 41m in Q4 when foreign currency hedging of the Swedish leasing portfolio contributed positively.

Income from operating lease (net) rose to DKK 40m from DKK 34m due to continued favourable sales conditions in the used car market.

In Q1, core expenses amounted to an unchanged level of DKK 42m.

Loan impairment charges and provisions for guarantees amounted to DKK 14m against DKK 7m in the preceding quarter due to a rising business volume.

	Q1 2021	Q1 2020
DKKm		
Income statement		
5 Interest income calculated according to the effective interest method	842	871
5 Other interest income	1,403	1,483
6 Interest expenses	1,011	1,106
Net interest income	1,234	1,248
7 Fees and commission income	685	754
7 Fees and commission expenses	109	104
Net interest and fee income	1,810	1,898
8 Value adjustments	435	-575
9 Other income	205	187
10 Employee and administrative expenses, etc.	1,157	1,328
Amortisation, depreciation and impairment charges	154	175
12 Loan impairment charges	10	1,003
Pre-tax profit	1,129	-996
11 Tax	246	-216
Net profit for the period	883	-780
Distributed to:		
Jyske Bank A/S shareholders	841	-821
Holders of additional tier 1 capital (AT1)	42	41
Total	883	-780
Earnings per share for the period		
Earnings per share for the period, DKK	11.64	-11.09
Earnings per share for the period, DKK, diluted	11.64	-11.09
Statement of Comprehensive Income		
Net profit for the period	883	-780
Other comprehensive income:		
<i>Items that can be recycled to the income statement:</i>		
Foreign currency translation adjustment of international units	0	-27
Hedge accounting of international units	0	27
Tax on hedge accounting	0	-6
Other comprehensive income after tax	0	-6
Comprehensive income for the period	883	-786
Distributed to:		
Jyske Bank A/S shareholders	841	-827
Holders of additional tier 1 capital (AT1)	42	41
Total	883	-786

	31 March 2021	31 Dec. 2020	31 March 2020
DKKm			
BALANCE SHEET			
ASSETS			
	48,124	34,951	33,828
	10,240	10,538	17,699
13,14	341,352	345,699	338,939
15	147,390	145,680	146,258
	69,182	66,663	72,115
	24,147	23,797	16,666
	2101	2,405	2,103
	4,487	4,495	4,420
	831	391	330
	122	165	3,350
16	34,784	37,864	38,389
Total assets	682,760	672,648	674,097
EQUITY AND LIABILITIES			
Liabilities			
	26,482	30,067	42,602
17	139,702	136,953	146,853
18	349,253	348,828	347,284
	75,622	63,697	42,693
	5	5	4,494
19	45,899	49,374	48,799
20	1,265	1,271	1,209
21	7,268	5,821	5,785
Liabilities, total	645,496	636,016	639,719
Equity			
	726	726	776
	200	200	205
	33,075	32,399	30,246
	34,001	33,325	31,227
	3,263	3,307	3,151
Total equity	37,264	36,632	34,378
Total equity and liabilities	682,760	672,648	674,097

DKK m

Statement of changes in equity

	Share capital	Revaluation reserve	Currency translation reserve	Retained profit	Shareholders of Jyske Bank A/S	Additional tier 1 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	841	841	42	883
<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	841	841	42	883
Interest paid on additional tier 1 capital	0	0	0	0	0	-56	-56
Currency translation adjustment	0	0	0	30	30	-30	0
Acquisition of own shares	0	0	0	-623	-623	0	-623
Sale of own shares	0	0	0	428	428	0	428
Transactions with owners	0	0	0	-165	-165	-86	-251
Equity at 31 March 2021	726	200	0	33,075	34,001	3,263	37,264
Equity at 1 January 2020	776	205	0	31,472	32,453	3,257	35,710
Net profit for the period	0	0	0	-821	-821	41	-780
<i>Other comprehensive income:</i>							
Foreign currency translation for international units	0	0	-27	0	-27	0	-27
Hedge of international units	0	0	27	0	27	0	27
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	-827	-827	41	-786
Interest paid on additional tier 1 capital	0	0	0	0	0	-55	-55
Currency translation adjustment	0	0	0	92	92	-92	0
Acquisition of own shares	0	0	0	-930	-930	0	-930
Sale of own shares	0	0	0	439	439	0	439
Transactions with owners	0	0	0	-399	-399	-147	-546
Equity at 31 March 2020	776	205	0	30,246	31,227	3,151	34,378

*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. The AT1 issue with the possibility of early redemption in September 2021 at the earliest. The interest rates applicable to the issue until September 2021 are STIBOR+5.80% and CIBOR+5.30%, respectively. In September 2017, Jyske Bank made an issue amounting to EUR 150m AT1, 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 1 bn, 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%. 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.

	31 March 2021	31 Dec. 2020	31 March 2020
DKKm			
Capital Statement			
Shareholders' equity	34,001	33,325	31,227
Share buy-back programme, non-utilised limit	-555	-750	0
Expected dividend, calculated as required by law	-59	0	0
Prudent valuation	-329	-360	-520
Other deductions	-104	-21	-109
Common equity tier 1 capital	32,954	32,194	30,598
Additional tier 1 capital (AT1) after reduction	3,380	3,539	3,397
Core capital	36,334	35,733	33,995
Subordinated loan capital after reduction	6,180	5,334	5,328
Capital base	42,514	41,067	39,323
Weighted risk exposure involving credit risk, etc.	157,235	154,452	156,146
Weighted risk exposure involving market risk	11,797	10,294	12,031
Weighted risk exposure involving operational risk	14,304	14,680	14,680
Total weighted risk exposure	183,336	179,426	182,857
Capital requirement, Pillar I	14,667	14,354	14,629
Capital ratio (%)	23.2	22.9	21.5
Tier 1 capital ratio (%)	19.8	19.9	18.6
Common equity tier 1 capital ratio (%)	18.0	17.9	16.7

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

Note	Jyske Bank Group	
	Q1 2021	Q1 2020
DKKm		
Summary of Cash Flow Statement		
Net profit for the period	883	-780
Adjustment for non-cash operating items and change in working capital	10,949	18,213
Cash flows from operating activities	11,832	17,433
Acquisition and sale of property, plant and equipment	-161	-82
Dividend received	16	11
Cash flows from investment activities	-145	-71
Interest paid on additional tier 1 capital	-56	-55
Acquisition of own shares	-623	-930
Sale of own shares	428	439
Additional subordinated debt	1,456	1,452
Redemption of subordinated debt	0	0
Repayment on lease commitment	-17	-17
Cash flows from financing activities	1,188	889
Cash flow for the period	12,875	18,251
Cash and cash equivalents, beginning of period	45,489	33,276
Cash and cash equivalents, end of period	58,364	51,527
Cash and cash equivalents, end of period, comprise:		
Cash balance and demand deposits with central banks	48,124	33,828
Due from credit institutions and central banks	10,240	17,699
Cash and cash equivalents, end of period	58,364	51,527

1 Accounting Policies

The Interim Financial Report for the period 1 January to 31 March 2021 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.

The accounting policies are identical to those applied to and described in detail in the Annual Report 2020.

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 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 loan impairment charges and provisions for guarantees. Jyske Bank's Annual Report 2020, Note 67 contains a detailed description of uncertainty associated with the COVID-19 pandemic.

DKKm	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
3 Key figures and ratios, five quarters					
Summary of Income Statement					
Net interest income	1,234	1,219	1,271	1,312	1,248
Net fee and commission income	576	581	453	407	650
Value adjustments	435	418	196	537	-575
Other income	205	218	213	167	187
Income	2,450	2,436	2,133	2,423	1,510
Expenses	1,311	1,332	1,275	1,314	1,503
Profit or loss before loan impairment charges	1,139	1,104	858	1,109	7
Loan impairment charges	10	5	-48	8	1,003
Pre-tax profit	1,129	1,099	906	1,101	-996
Tax	246	268	210	239	-216
Net profit for the period	883	831	696	862	-780
Financial ratios and key figures					
Pre-tax profit, per share (DKK)*	15.0	14.6	11.9	14.6	-14.0
Earnings per share for the period (DKK)*	11.6	10.9	9.0	11.3	-11.1
Earnings per share for the period (diluted) (DKK)*	11.6	10.9	9.0	11.3	-11.1
Core profit per share (DKK)*	14.0	12.4	11.7	11.5	-7.9
Share price at end of period (DKK)	303	233	179	195	169
Book value per share (DKK)*	474	459	450	440	430
Price/book value per share (DKK)*	0.6	0.5	0.4	0.4	0.4
Outstanding shares in circulation ('000)	71,801	72,553	72,555	72,557	72,655
Average number of shares in circulation ('000)	72,305	72,538	72,552	72,564	73,991
Capital ratio (%)	23.2	22.9	22.3	22.2	21.5
Tier 1 capital ratio (%)	19.8	19.9	19.4	19.2	18.6
Common equity tier 1 capital ratio (%)	18.0	17.9	17.5	17.3	16.7
Pre-tax profit as a pct. of average equity	3.2	3.2	2.7	3.3	-3.3
Profit for the period as a pct. of av. equity*	2.5	2.5	2.0	2.6	-2.6
Income/cost ratio (%), inclusive of impairment charges	1.9	1.8	1.7	1.0	0.6
Interest-rate risk (%)	1.3	0.8	0.7	0.8	1.4
Currency risk (%)	0.0	0.1	0.1	0.1	0.0
Accumulated impairment ratio (%)	1.1	1.1	1.1	1.2	1.2
Impairment ratio for the period (%)	0.0	0.0	0.0	0.0	0.2
No. of full-time employees at end-period	3,310	3,349	3,412	3,469	3,565
Average number of full-time employees in the period	3,330	3,381	3,441	3,517	3,590

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.

DKKm

4 Segmental financial statements	Banking activities	Mortgage activities	Leasing activities	The Jyske Bank Group*
Q1 2021				
Net interest income	523	588	113	1,224
Net fee and commission income	771	-193	-2	576
Value adjustments	314	45	3	362
Other income	29	0	4	33
Income from operating lease (net)	0	0	40	40
Core income	1,637	440	158	2,235
Core expenses	1,037	92	42	1,171
Core profit before loan impairment charges	600	348	116	1,064
Loan impairment charges	-94	90	14	10
Core profit	694	258	102	1,054
Investment portfolio earnings	75	0	0	75
Pre-tax profit	769	258	102	1,129
Loans and advances	128,765	339,571	20,406	488,742
- of which mortgage loans	0	339,571	0	339,571
- of which bank loans	75,575	0	20,406	95,981
- of which repo loans	53,187	0	0	53,187
Total assets	281,389	378,333	23,038	682,760
Deposits	139,469	0	233	139,702
- of which bank deposits	126,254	0	233	126,487
- of which repo and triparty deposits	13,215	0	0	13,215
Issued bonds	70,084	354,791	0	424,875
Q1 2020				
Net interest income	519	593	116	1,228
Net fee and commission income	778	-119	-9	650
Value adjustments	-69	3	-47	-113
Other income	26	0	4	30
Income from operating lease (net)	0	0	8	8
Core income	1,254	477	72	1,803
Core expenses	1,217	87	42	1,346
Core profit before loan impairment charges and provisions for guarantees	37	390	30	457
Loan impairment charges	455	485	63	1,003
Core profit	-418	-95	-33	-546
Investment portfolio earnings	-450	0	0	-450
Pre-tax profit	-868	-95	-33	-996
Loans and advances	129,035	336,573	19,589	485,197
- of which mortgage loans	0	336,573	0	336,573
- of which bank loans	82,996	0	19,589	102,585
- of which repo loans	46,039	0	0	46,039
Total assets	274,921	376,685	22,491	674,097
Deposits	146,637	0	216	146,853
- of which bank deposits	130,999	0	216	131,215
- of which repo deposits and tri-party deposits	15,638	0	0	15,638
Issued bonds	36,825	353,152	0	389,977

* 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.

DKKm

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

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

Breakdown of the net profit or loss for the period DKKm	Q1 2021				Q1 2020			
	Core profit	Investment portfolio earnings	Reclas- sification	Total	Core profit	Investment portfolio earnings	Reclas- sification	Total
Net interest income	1,224	18	-8	1,234	1,228	23	-3	1,248
Net fee and commission income	576	0	0	576	650	0	0	650
Value adjustments	362	65	8	435	-113	-465	3	-575
Other income	33	0	4	37	30	0	3	33
Income from operating lease (net)	40	0	128	168	8	0	146	154
Income	2,235	83	132	2,450	1,803	-442	149	1,510
Expenses	1,171	8	132	1,311	1,346	8	149	1,503
Profit before loan impairment charges and provisions for guarantees	1,064	75	0	1,139	457	-450	0	7
Loan impairment charges	10	0	0	10	1,003	0	0	1,003
Pre-tax profit	1,054	75	0	1,129	-546	-450	0	-996

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 8m (Q1 2020: income of DKK 3m) due to value adjustments relating to the balance principle at Jyske Realkredit was reclassified from value adjustments to interest income.
- Income of DKK 4m (Q1 2020: Income of DKK 3m) from external sales was reclassified from income to offsetting against expenses.
- Depreciation and amortisation of DKK 128m (Q1 2020: DKK 146m) 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", "Earnings per share (diluted)", "Pre-tax profit as a percentage of average equity" and "Net profit 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 additional tier 1 capital of DKK 42m (Q1 2020: DKK 41m) and the denominator is calculated as equity exclusive of additional tier 1 capital of DKK 3,263m (Q1 2020: DKK 3,151m).

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

"Book value per share" and "Price/book value per share" are calculated as if additional tier 1 capital (AT1) is accounted for as a liability. Book value was calculated exclusive of additional tier 1 capital (AT1) of DKK 3,263m (Q1 2020: DKK 3,151m).

DKKm

4 Segmental financial statements, cont.

	Q1 2021		Q1 2020	
	Revenue	Full-time employees, end of period	Revenue	Full-time employees, end of period
Revenue by country				
Denmark	3,118	3,271	3,253	3,408
Gibraltar	0	0	28	91
Germany	4	8	3	9
Total	3,122	3,279	3,284	3,508

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 2021	Q1 2020
5 Interest income		
Due from credit institutions and central banks	5	3
Loans and advances	1,273	1,395
Administration margin	477	459
Bonds	128	139
Derivatives, total	76	75
Of which currency contracts	87	78
Of which interest-rate contracts	-11	-3
Other	0	0
Total	1,959	2,071
Interest on own mortgage bonds, set off against interest on issued bonds	40	40
Total after offsetting of negative interest	1,919	2,031
Negative interest income set off against interest income	108	135
Negative interest expenses set off against interest expenses	218	188
Total before offsetting of negative interest income	2,245	2,354
<p>Negative interest income amounted to DKK 108m (Q1 2020: DKK 135m) 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.</p>		
6 Interest expenses		
Due to credit institutions and central banks	50	20
Deposits	-115	-63
Issued bonds	766	858
Subordinated debt	28	26
Other	-4	-18
Total	725	823
Interest on own mortgage bonds, set off against interest on issued bonds	40	40
Total after offsetting of negative interest	685	783
Negative interest expenses set off against interest expenses	218	188
Negative interest income set off against interest income	108	135
Total before offsetting of negative interest income	1,011	1,106
<p>Negative interest expenses amounted to DKK 218m (Q1 2020: DKK 188m) related primarily to repo transactions as well as deposits and issued bonds. In the above table, negative interest expenses are set off against interest expenses. In the income statement, negative interest expenses are listed as interest income, and negative interest income is listed as interest expenses.</p>		
7 Fees and commission income		
Securities trading and custody services	322	423
Money transfers and card payments	54	49
Loan application fees	129	118
Guarantee commission	28	27
Other fees and commissions	152	137
Fees and commissions received, total	685	754
Fees and commissions paid, total	109	104
Fee and commission income, net	576	650
<p>Fee income for the period, amounting to DKK 685m less fees and commissions paid for the period amounting to DKK 109m, constitutes the net fee and commission income for the period in the amount of DKK 576m (Q1 2020: DKK 650m). These are recognised in the segmental financial statements for the bank's three business areas, cf. note 4.</p>		

	Q1 2021	Q1 2020
DKKm		
8 Value adjustments		
Loans and advances at fair value	-5,683	-3,675
Bonds	-333	-310
Shares, etc.	96	-20
Currency	38	-270
Currency, interest-rate, share, commodity and other contracts as well as other derivatives	406	67
Issued bonds	5,869	3,640
Other assets and liabilities	42	-7
Total	435	-575
9 Other income		
Income on real property	11	12
Income from operating lease ¹	168	154
Dividends, etc.	16	11
Profit/loss on investments in associates	-3	0
Other income	13	10
Total	205	187
¹) Expenses relating to operating lease affected the item Amortisation, depreciation and impairment charges in the amount of DKK 128m in the first quarter of 2021 against DKK 146m in the same period of 2020.		
10 Employee and administrative expenses		
Employee expenses		
Wages and salaries, etc.	559	593
Pensions	72	79
Social security	88	87
Total	719	759
Salaries and remuneration to management bodies		
Executive Board	9	8
Supervisory Board	2	2
Shareholders' Representatives	0	0
Total	11	10
Other administrative expenses		
IT	326	348
Other operating expenses	18	22
Expenses relating to the sale of Jyske Bank (Gibraltar)	0	78
Other administrative expenses	83	111
Total	427	559
Employee and administrative expenses, total	1,157	1,328
11 Effective tax rate		
Corporation tax rate in Denmark	22.0	22.0
Non-taxable income and non-deductible expenses, etc.	-0.2	-0.3
Effective tax rate	21.8	21.7

DKKm	Q1 2021	Q1 2020
12 Loan impairment charges and provisions for guarantees		
Loan impairment charges and provisions for guarantees recognised in the income statement		
Loan impairment charges and provisions for guarantees for the period	26	974
Impairment charges on balances due from credit institutions in the period	-8	5
Provisions for loan commitments and unutilised credit lines in the period	10	25
Recognised as a loss, not covered by loan impairment charges and provisions	27	83
Recoveries	-40	-56
Recognised discount for acquired loans	-5	-28
Loan impairment charges and provisions for guarantees recognised in the income statement	10	1,003
Balance of loan impairment charges and provisions for guarantees		
Balance of loan impairment charges and provisions, beginning of period	5,761	5,227
Loan impairment charges and provisions for the period	35	1,000
Recognised as a loss, covered by loan impairment charges and provisions	-64	-73
Other movements	15	16
Balance of loan impairment charges and provisions, end of period	5,747	6,170
Loan impairment charges and provisions for guarantees at amortised cost	3,474	4,096
Loan impairment charges at fair value	1,713	1,655
Provisions for guarantees	246	253
Provisions for credit commitments and unutilised credit lines	314	166
Balance of loan impairment charges and provisions, end of period	5,747	6,170

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	117	-96	-21	0
Transfer of impairment charges at beginning of period to stage 2	-137	195	-58	0
Transfer of impairment charges at beginning of period to stage 3	-1	-48	49	0
Impairment charges on new loans, etc.	185	62	86	333
Impairment charges on discontinued loans and provisions for guarantees	-80	-72	-131	-283
Effect from recalculation	-247	143	103	-1
Previously recognized as impairment charges, now final loss	0	0	-63	-63
Balance of loan impairment charges and provisions for guarantees on 31 March 2021	810	1,585	3,352	5,747
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	84	-80	-4	0
Transfer of impairment charges at beginning of period to stage 2	-17	36	-19	0
Transfer of impairment charges at beginning of period to stage 3	-1	-50	51	0
Impairment charges on new loans, etc.	134	109	81	324
Impairment charges on discontinued loans and provisions for guarantees	-81	-155	-147	-383
Effect from recalculation	203	609	288	1,100
Previously recognized as impairment charges, now final loss	0	-1	-97	-98
Balance of loan impairment charges and provisions for guarantees on 31 March 2020	1,027	1,661	3,482	6,170

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	36	-31	-5	0
Transfer of impairment charges at beginning of period to stage 2	-87	103	-16	0
Transfer of impairment charges at beginning of period to stage 3	-1	-17	18	0
Impairment charges on new loans, etc.	67	24	47	138
Impairment charges on discontinued loans and provisions for guarantees	-28	-34	-66	-128
Effect from recalculation	-129	108	-19	-40
Previously recognized as impairment charges, now final loss	0	0	-59	-59
Balance of loan impairment charges and provisions for guarantees on 31 March 2021	385	799	2,290	3,474

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	53	-49	-4	0
Transfer of impairment charges at beginning of period to stage 2	-9	21	-12	0
Transfer of impairment charges at beginning of period to stage 3	0	-45	45	0
Impairment charges on new loans, etc.	45	25	64	134
Impairment charges on discontinued loans and provisions for guarantees	-37	-23	-133	-193
Effect from recalculation	143	242	175	560
Previously recognized as impairment charges, now final loss	0	0	-65	-65
Balance of loan impairment charges and provisions for guarantees on 31 March 2020	520	676	2,900	4,096

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	76	-61	-15	0
Transfer of impairment charges at beginning of period to stage 2	-27	66	-39	0
Transfer of impairment charges at beginning of period to stage 3	0	-25	25	0
Impairment charges on new loans, etc.	82	14	13	109
Impairment charges on discontinued loans and provisions for guarantees	-13	-31	-49	-93
Effect from recalculation	-89	11	149	71
Previously recognized as impairment charges, now final loss	0	0	-4	-4
Balance of loan impairment charges and provisions for guarantees on 31 March 2021	332	592	789	1,713

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	27	-26	-1	0
Transfer of impairment charges at beginning of period to stage 2	-7	14	-7	0
Transfer of impairment charges at beginning of period to stage 3	0	-5	5	0
Impairment charges on new loans, etc.	60	76	9	145
Impairment charges on discontinued loans and provisions for guarantees	-30	-124	-4	-158
Effect from recalculation	36	351	119	506
Previously recognized as impairment charges, now final loss	0	-1	-31	-32
Balance of loan impairment charges and provisions for guarantees on 31 March 2020	409	908	338	1,655

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	6	-5	-1	0
Transfer of impairment charges at beginning of period to stage 2	-24	27	-3	0
Transfer of impairment charges at beginning of period to stage 3	0	-6	6	0
Impairment charges on new loans, etc.	35	24	27	86
Impairment charges on discontinued loans and provisions for guarantees	-39	-7	-16	-62
Effect from recalculation	-29	25	-27	-31
Previously recognized as impairment charges, now final loss	0	0	-1	-1
Balance of loan impairment charges and provisions for guarantees on 31 March 2021	92	197	271	560

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	5	-5	0	0
Transfer of impairment charges at beginning of period to stage 2	-1	1	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0
Impairment charges on new loans, etc.	27	7	11	45
Impairment charges on discontinued loans and provisions for guarantees	-14	-8	-10	-32
Effect from recalculation	24	17	-7	34
Previously recognized as impairment charges, now final loss	0	0	-1	-1
Balance of loan impairment charges and provisions for guarantees on 31 March 2020	98	77	244	419

DKKm

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

	Stage 1	Stage 2	Stage 3	Total
Gross loans, advances and guarantees, 1 January 2021	480,368	19,726	8,215	508,309
Transfer of loans, advances and guarantees to stage 1	2,392	-2,236	-156	0
Transfer of loans, advances and guarantees to stage 2	-13,578	13,926	-348	0
Transfer of loans, advances and guarantees to stage 3	-145	-363	508	0
Other movements	-2,113	704	-396	-1,805
Gross loans, advances and guarantees, 31 March 2021	466,924	31,757	7,823	506,504
Loan impairment charges and provisions for guarantees, total	728	1,441	3,263	5,432
Net loans, advances and guarantees, 31 March 2021	466,196	30,316	4,560	501,072

Gross loans, advances and guarantees by stage

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

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

Performing	PD band (%)	31 March 2021			31 Dec. 2020	
		Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	44,192	445	0	44,637	42,948
2	0.10 - 0.15	13,444	72	0	13,516	12,598
3	0.15 - 0.22	31,277	82	0	31,359	29,391
4	0.22 - 0.33	40,022	72	0	40,094	35,681
5	0.33 - 0.48	92,880	398	0	93,278	95,135
STY Ratings 1-5		221,815	1,069	0	222,884	215,753
6	0.48 - 0.70	89,043	893	0	89,936	92,862
7	0.70 - 1.02	64,678	1,103	0	65,781	66,384
8	1.02 - 1.48	37,710	2,574	0	40,284	41,790
9	1.48 - 2.15	28,924	2,579	0	31,503	34,252
10	2.15 - 3.13	13,052	3,781	0	16,833	16,591
11	3.13 - 4.59	4,504	4,054	0	8,558	8,937
STY Ratings 6-11		237,911	14,984	0	252,895	260,816
12	4.59 - 6.79	1,970	3,928	0	5,898	5,648
13	6.79 - 10.21	1,101	3,372	0	4,473	4,623
14	10.21 - 25.0	585	7,601	0	8,186	8,532
STY Ratings 12-14		3,656	14,901	0	18,557	18,803
Other		3,392	468	0	3,860	4,452
Non-performing loans		152	335	7,821	8,308	8,485
Total		466,926	31,757	7,821	506,504	508,309

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

Performing	PD band (%)	31 March 2021			31 Dec. 2020	
		Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	4	2	0	6	4
2	0.10 - 0.15	8	0	0	8	5
3	0.15 - 0.22	15	0	0	15	14
4	0.22 - 0.33	23	0	0	23	30
5	0.33 - 0.48	71	6	0	77	106
STY Ratings 1-5		121	8	0	129	159
6	0.48 - 0.70	112	9	0	121	144
7	0.70 - 1.02	94	11	0	105	103
8	1.02 - 1.48	137	39	0	176	166
9	1.48 - 2.15	105	42	0	147	127
10	2.15 - 3.13	66	77	0	143	106
11	3.13 - 4.59	28	99	0	127	166
STY Ratings 6-11		542	277	0	819	812
12	4.59 - 6.79	23	143	0	166	131
13	6.79 - 10.21	17	138	0	155	196
14	10.21 - 25.0	8	813	0	821	806
STY Ratings 12-14		48	1,094	0	1,142	1,133
Other		16	30	0	46	32
Non-performing loans		1	32	3,263	3,296	3,320
Total		728	1,441	3,263	5,432	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 (%)	31 March 2021			31 Dec.2020	
		Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	13,550	1	0	13,551	9,209
2	0.10 - 0.15	6,575	0	0	6,575	5,634
3	0.15 - 0.22	5,452	3	0	5,455	5,293
4	0.22 - 0.33	7,298	3	0	7,301	6,253
5	0.33 - 0.48	5,594	149	0	5,743	5,532
STY Ratings 1-5		38,469	156	0	38,625	31,921
6	0.48 - 0.70	12,159	268	0	12,427	12,790
7	0.70 - 1.02	4,369	597	0	4,966	4,306
8	1.02 - 1.48	7,089	1,093	0	8,182	7,728
9	1.48 - 2.15	2,700	896	0	3,596	3,012
10	2.15 - 3.13	2,110	787	0	2,897	2,497
11	3.13 - 4.59	207	439	0	646	1,365
STY Ratings 6-11		28,634	4,080	0	32,714	31,698
12	4.59 - 6.79	387	520	0	907	756
13	6.79 - 10.21	34	159	0	193	199
14	10.21 - 25.0	499	836	0	1,335	1,317
STY Ratings 12-14		920	1,515	0	2,435	2,272
Other		654	202	0	856	764
Non-performing loans		4	1	454	459	540
Total		68,681	5,954	454	75,089	67,195

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

Performing	PD band (%)	31 March 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	2	0	0	2	1
3	0.15 - 0.22	3	0	0	3	2
4	0.22 - 0.33	6	0	0	6	6
5	0.33 - 0.48	8	0	0	8	10
STY Ratings 1-5		20	0	0	20	20
6	0.48 - 0.70	12	1	0	13	23
7	0.70 - 1.02	13	3	0	16	13
8	1.02 - 1.48	10	8	0	18	22
9	1.48 - 2.15	15	10	0	25	20
10	2.15 - 3.13	5	15	0	20	9
11	3.13 - 4.59	1	5	0	6	14
STY Ratings 6-11		56	42	0	98	101
12	4.59 - 6.79	1	8	0	9	6
13	6.79 - 10.21	0	3	0	3	4
14	10.21 - 25.0	0	85	0	85	89
STY Ratings 12-14		1	96	0	97	99
Other		3	7	0	10	8
Non-performing loans		1	0	88	89	77
Total		81	145	88	314	305

	31 March 2021	31 Dec. 2020	31 March 2020
DKKm			
13 Loans at fair value			
Mortgage loans, nominal value	334,559	333,056	331,114
Adjustment for interest-rate risk, etc.	6,302	12,001	6,738
Adjustment for credit risk	-1,693	-1,607	-1,730
Mortgage loans at fair value, total	339,168	343,450	336,122
Arrears and outlays, total	55	65	105
Other loans and advances	2,129	2,184	2,712
Loans and advances at fair value, total	341,352	345,699	338,939
14 Loans and advances at fair value broken down by property category			
Owner-occupied homes	163,596	167,098	168,418
Vacation homes	8,338	8,337	8,195
Subsidised housing (rental housing)	53,329	55,069	53,707
Cooperative Housing	14,135	14,416	14,153
Private rental properties (rental housing)	56,677	55,478	51,320
Industrial properties	3,057	3,056	3,000
Office and business properties	35,318	35,275	34,268
Agricultural properties	150	133	63
Properties for social, cultural and educational purposes	6,664	6,754	5,681
Other properties	88	83	134
Total	341,352	345,699	338,939
15 Loans and advances at amortised cost and guarantees broken down by sector			
Public authorities	12,147	12,637	9,727
Agriculture, hunting, forestry, fishing	7,064	6,784	6,801
Manufacturing, mining, etc.	8,612	7,312	10,339
Energy supply	5,121	5,409	4,325
Building and construction	3,742	3,714	4,148
Commerce	10,082	8,978	12,030
Transport, hotels and restaurants	5,576	5,432	6,064
Information and communication	648	662	572
Financing and insurance	47,640	48,501	39,348
Real property	15,377	15,711	16,882
Other sectors	7,947	6,889	9,355
Corporates, total	111,809	109,392	109,864
Personal clients, total	35,764	35,125	38,898
Total	159,720	157,154	158,489

	31 March 2021	31 Dec. 2020	31 March 2020
DKKm			
16 Other assets			
Positive fair value of derivatives	28,583	31,971	32,282
Assets in pooled deposits	3,956	3,754	3,396
Interest and commission receivable	264	252	276
Investments in associates and joint ventures	226	234	257
Prepayments	321	335	375
Investment properties	28	28	28
Other assets	1,406	1,290	1,775
Total	34,784	37,864	38,389
Netting			
Positive fair value of derivatives, gross	40,983	47,005	46,553
Netting of positive and negative fair value	12,400	15,034	14,271
Total	28,583	31,971	32,282
Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).			
17 Deposits			
Demand deposits	106,305	110,009	111,710
Term deposits	1,245	1,204	1,426
Time deposits	22,993	16,283	23,130
Special deposits	4,987	5,386	6,445
Pooled deposits	4,172	4,071	4,142
Total	139,702	136,953	146,853
18 Issued bonds at fair value			
Issued bonds at fair value, nominal value	373,510	353,824	372,766
Adjustment to fair value	7,545	12,916	7,616
Own mortgage bonds offset, fair value	-31,802	-17,912	-33,098
Total	349,253	348,828	347,284
19 Other liabilities			
Set-off entry of negative bond holdings in connection with repos/reverse repos	10,180	7,639	6,060
Negative fair value of derivatives	28,397	34,203	35,007
Interest and commission payable	1,688	1,415	1,719
Deferred income	150	147	148
Lease commitment	357	374	352
Other liabilities	5,127	5,596	5,513
Total	45,899	49,374	48,799
Netting			
Negative fair value of derivatives, gross	40,797	49,237	49,278
Netting of positive and negative fair value	12,400	15,034	14,271
Total	28,397	34,203	35,007
Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).			

	31 March 2021	31 Dec. 2020	31 March 2020
DKKm			
20 Provisions			
Provisions for pensions and similar liabilities	619	616	643
Provisions for guarantees	246	263	253
Provisions for losses on loan commitments and unutilised credit lines	314	306	166
Provisions for deferred tax	9	9	31
Other provisions	77	77	116
Total	1,265	1,271	1,209
21 Subordinated debt			
Supplementary capital:			
Var. % bond loan NOK 1,000m 24.03.2031	744	0	0
Var. % bond loan SEK 1,000m 24.03.2031	727	0	0
1.25% bond loan EUR 200m 28.01.2031	1,488	1,488	1,494
2.25% bond loan EUR 300m 05.04.2029	2,231	2,232	2,240
Var. % bond loan SEK 600m 19.05.2021	436	444	405
3.25% bond loan SEK 400m 19.05.2021	291	296	270
6.73% bond loan EUR 9m 2021-2026	67	67	78
Var. % bond loan EUR 10m 13.02.2023	74	74	75
5.65% bond loan EUR 10m 27.03.2023	74	74	75
5.67% bond loan EUR 10m 31.07.2023	74	74	75
	6,206	4,749	4,712
Additional Tier 1 capital:			
Var. % bond loan EUR 72.8m Perpetual	541	541	543
Var. % bond loan EUR 60.7m Perpetual	451	452	453
	992	993	996
Subordinated debt, nominal	7,198	5,742	5,708
Hedging of interest-rate risk, fair value	70	79	77
Total	7,268	5,821	5,785
Subordinated debt included in the capital base	6,309	5,594	5,587

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

	31 March 2021	31 Dec. 2020	31 March 2020
DKKm			
22 Contingent liabilities			
Guarantees, etc.	12,330	11,474	12,231
Other contingent liabilities, etc.	75,163	67,269	64,092
Total	87,493	78,743	76,323

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 8.70% 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 3.3bn.

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 31 March 2021, Jyske Bank owns 1.03% 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 12,576m (end of 2020: DKK 13,912m).

In addition, in connection with CSA agreements, the Jyske Bank Group has provided cash collateral of DKK 6,889m (end of 2020: DKK 6,390m) and bonds worth DKK 1,016m (end of 2020: DKK 4277m).

Repo transactions involve an arrangement where bonds are provided as collateral for the amount borrowed. Repo transactions amounted to DKK 17,100m (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, whose 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). 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. For LGD, internal estimates are used for the individual counterparty, adjusted for any collateral received as well as CSA agreements concluded. The PDs that Jyske Bank has applied in the model so far were estimated on the basis of IRB (internal rating based) PDs. The bank no longer assesses that this method for estimation of PDs reflects to a sufficient degree the probability of default that can be seen in the market. Therefore, Jyske Bank is in the process of replacing the model and still anticipates that the new model will be implemented in 2021. The change gives rise to a management's estimate of DKK 118m at the end of the first quarter of 2021 in addition to the current ACVA model.

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 first quarter of 2020, CVA and DVA amounted, on an accumulated basis, to net DKK 47m, which accumulated amount was recognised as an expense under value adjustments, against an accumulated amount of DKK 67m at the end of 2020. The above-referenced management's estimate for ACVA is added to this.

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 151m at the end of the first quarter 2021 against a total non-recognised unrealised loss of DKK 243m at the end of the first quarter of 2020.

DKKm	31 March 2021		31 Dec. 2020	
	Recognised value	Fair value	Recognised value	Fair value
FINANCIAL ASSETS				
Cash balance and demand deposits with central banks	48,124	48,124	34,951	34,951
Due from credit institutions and central banks	10,240	10,245	10,538	10,545
Loans at fair value	341,352	341,352	345,699	345,699
Loans and advances at amortised cost	147,390	147,391	145,680	145,712
Bonds at fair value	69,182	69,182	66,663	66,663
Bonds at amortised cost	24,147	24,355	23,797	24,068
Shares, etc.	2,101	2,101	2,405	2,405
Assets in pooled deposits	3,956	3,956	3,754	3,754
Derivatives	28,583	28,583	31,971	31,971
Total	675,075	675,289	665,458	665,768
FINANCIAL LIABILITIES				
Due to credit institutions and central banks	26,481	26,508	30,067	30,109
Deposits	135,530	135,530	132,882	132,883
Pooled deposits	4,172	4,172	4,071	4,071
Issued bonds at fair value	349,253	349,253	348,828	348,828
Issued bonds at amortised cost	75,622	75,905	63,697	64,000
Subordinated debt	7,268	7,323	5,821	5,827
Set-off entry of negative bond holdings	10,180	10,180	7,639	7,639
Derivatives	28,397	28,397	34,203	34,203
Total	636,903	637,268	627,208	627,560

DKKm

28 The fair value hierarchy
31 March 2021

	Quoted prices	Observable prices	Non- observable prices	Fair value, total	Recognised value
Financial assets					
Loans and advances at fair value	0	341,352	0	341,352	341,352
Bonds at fair value	59,254	9,928	0	69,182	69,182
Shares, etc.	488	422	1,191	2,101	2,101
Assets in pooled deposits	1,735	2,221	0	3,956	3,956
Derivatives	562	28,021	0	28,583	28,583
Total	62,039	381,944	1,191	445,174	445,174
Financial liabilities					
Pooled deposits	0	4,172	0	4,172	4,172
Issued bonds at fair value	289,038	60,215	0	349,253	349,253
Set-off entry of negative bond holdings	8,791	1,389	0	10,180	10,180
Derivatives	489	27,908	0	28,397	28,397
Total	298,318	93,684	0	392,002	392,002
31 December 2020					
Financial assets					
Loans 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
Total	56,151	392,885	1,456	450,492	450,492
Financial liabilities					
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
Total	298,093	96,648	0	394,741	394,741

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 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	47	118
Sales or redemptions	312	230
Purchases	0	38
Fair value, end of period	1,191	1,456

Non-observable prices at the end of the first half of 2021 referred to unlisted shares recognised at DKK 1,191m 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 119m on 31 March 2021 (0.35% of the shareholders' equity at the end of the first quarter of 2021). For 2020, the effect on the income statement is estimated at DKK 146m (0.44% of the shareholders' equity 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 first 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 assets in disposal group with a view to sale, 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 122m (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 1,743m (2020: DKK 1,759m). The revalued amount belongs to the category of 'non-observable prices'. Leased properties were recognised at DKK 347m (end of 2020: DKK 363m).

29 The Jyske Bank Group - overview

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

Activity:

¹Banking

²Mortgage-credit activities

³Leasing, financing and factoring

⁴Investment and financing

⁵Properties, 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 2021	Q1 2020
Income statement			
3	Interest income	840	831
4	Interest expenses	300	298
	Net interest income	540	533
	Dividends, etc.	16	11
5	Fees and commission income	781	769
	Fees and commission expenses	33	31
	Net interest and fee income	1,304	1,282
6	Value adjustments	378	-537
	Other operating income	94	93
	Employee and administrative expenses	1,074	1,138
	Amortisation, depreciation and impairment charges	24	28
	Other operating expenses	9	99
7	Loan impairment charges	-95	455
	Profit on investments in associates and group enterprises	288	-89
	Pre-tax profit	1,052	-971
	Tax	169	-191
	Net profit for the period	883	-780
	Distributed to:		
	Jyske Bank A/S shareholders	841	-821
	Holders of additional tier 1 capital (AT1)	42	41
	Total	883	-780
Statement of Comprehensive Income			
	Net profit for the period	883	-780
	Other comprehensive income:		
	<i>Items that can be recycled to the income statement:</i>		
	Foreign currency translation adjustment of international units	0	-27
	Hedge accounting of international units	0	27
	Tax on hedge accounting	0	-6
	Other comprehensive income after tax	0	-6
	Comprehensive income for the period	883	-786

	31 March 2021	31 Dec. 2020	31 March 2020
DKKm			
BALANCE SHEET			
ASSETS			
Cash balance and demand deposits with central banks	48,122	34,901	33,802
Due from credit institutions and central banks	10,303	10,510	16,464
Loans at fair value	1,778	1,847	2,366
8 Loans and advances at amortised cost	148,054	146,140	147,700
Bonds at fair value	57,799	53,529	59,725
Bonds at amortised cost	24,897	24,547	17,416
Shares, etc.	1,954	2,130	1,833
Investments in associates	221	224	252
Equity investments in group enterprises	21,519	21,493	20,445
Assets in pooled deposits	3,956	3,754	3,396
Owner-occupied properties	1,720	1,735	1,755
Owner-occupied properties, leasing	347	363	342
Other property, plant and equipment	63	66	67
Current tax assets	1,380	862	1,042
Deferred tax assets	43	43	211
Assets held temporarily	47	51	602
Other assets	29,616	32,902	33,039
Prepayments	297	305	335
Total assets	352,116	335,402	340,792
EQUITY AND LIABILITIES			
Debt and payables			
Due to credit institutions and central banks	47,156	43,342	63,235
9 Deposits	135,386	132,700	142,895
Pooled deposits	4,172	4,071	4,143
Issued bonds at amortised cost	75,622	63,697	42,693
Other liabilities	43,996	47,879	46,490
Deferred income	22	20	21
Total debt	306,354	291,709	299,477
Provisions			
Provisions for pensions and similar liabilities	586	583	607
Provisions for guarantees	266	283	270
Provisions for credit commitments and unutilised credit lines	301	297	162
Other provisions	77	77	113
Provisions, total	1,230	1,240	1,152
Subordinated debt	7,268	5,821	5,785
Equity			
Share capital	726	726	776
Revaluation reserve	200	200	205
Reserve according to the equity method	6,924	6,905	6,613
Retained profit	26,151	25,494	23,633
Jyske Bank A/S shareholders	34,001	33,325	31,227
Holders of additional tier 1 capital (AT1)	3,263	3,307	3,151
Total equity	37,264	36,632	34,378
Total equity and liabilities	352,116	335,402	340,792
OFF-BALANCE SHEET ITEMS			
Guarantees, etc.	20,953	18,724	21,609
Other contingent liabilities	61,160	53,352	50,220
Total guarantees and other contingent liabilities	82,113	72,076	71,829

DKKm

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	Additional tier 1 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	19	822	841	42	883
Other comprehensive income	0	0	0	0	0	0	0	0
Comprehensive income for the period	0	0	0	19	822	841	42	883
Interest paid on additional tier 1 capital	0	0	0	0	0	0	-56	-56
Currency translation adjustment	0	0	0	0	30	30	-30	0
Acquisition of own shares	0	0	0	0	-623	-623	0	-623
Sale of own shares	0	0	0	0	428	428	0	428
Transactions with owners	0	0	0	0	-165	-165	-86	-251
Equity at 31 March 2021	726	200	0	6,924	26,151	34,001	3,263	37,264
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	-90	-731	-821	41	-780
Other comprehensive income	0	0	0	0	-6	-6	0	-6
Comprehensive income for the period	0	0	0	-90	-737	-827	41	-786
Interest paid on additional tier 1 capital	0	0	0	0	0	0	-55	-55
Currency translation adjustment	0	0	0	0	92	92	-92	0
Acquisition of own shares	0	0	0	0	-930	-930	0	-930
Sale of own shares	0	0	0	0	439	439	0	439
Transactions with owners	0	0	0	0	-399	-399	-147	-546
Equity at 31 March 2020	776	205	0	6,613	23,633	31,227	3,151	34,378

*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. The AT1 issue with the possibility of early redemption in September 2021 at the earliest. The interest rates applicable to the issue until September 2021 are STIBOR+5.80% and CIBOR+5.30%, respectively. In September 2017, Jyske Bank made an issue amounting to EUR 150m AT1, 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 1 bn, 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%. 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.

Note	Jyske Bank		
	31 March 2021	31 Dec. 2020	31 March 2020
DKKm			
Capital Statement			
Shareholders' equity	34,001	33,325	31,227
Share buy-back programme, non-utilised limit	-555	-750	0
Expected dividend, calculated as required by law	-59	0	0
Deferred tax assets	-43	-43	-211
Prudent valuation	-312	-340	-487
Other deductions	-104	-21	-109
Common equity tier 1 capital	32,928	32,171	30,420
Additional tier 1 capital (AT1) after reduction	3,380	3,539	3,397
Core capital	36,308	35,710	33,817
Subordinated loan capital after reduction	6,180	5,334	5,328
Capital base	42,488	41,044	39,145
Weighted risk exposure involving credit risk, etc.	107,112	103,417	104,491
Weighted risk exposure involving market risk	12,172	10,689	12,372
Weighted risk exposure involving operational risk	10,249	10,936	10,979
Total weighted risk exposure	129,533	125,042	127,842
Capital requirement, Pillar I	10,363	10,003	10,227
Capital ratio (%)	32.8	32.8	30.6
Tier 1 capital ratio (%)	28.0	28.6	26.4
Common equity tier 1 capital ratio (%)	25.4	25.7	23.8

For a statement of the individual solvency requirement, please see Risk and Capital Management 2020 or 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 31 March 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 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.

	Q1 2021	Q1 2020
2 Financial ratios and key figures		
Pre-tax profit p.a. as a percentage of average equity*	12.0	-12.7
Profit for the period as a pct. of av. equity*	2.5	-2.6
Income/cost ratio (%)	2.0	0.4
Capital ratio (%)	32.8	30.6
Common equity tier 1 capital ratio (CET 1) (%)	25.4	23.8
Individual solvency requirement (%)	13.0	12.3
Capital base (DKKm)	42,488	39,145
Total risk exposure (DKKm)	129,533	127,842
Interest-rate risk (%)	1.0	1.2
Currency risk (%)	0.0	0.0
Accumulated impairment ratio (%)	2.0	2.3
Impairment ratio for the period (%)	-0.1	0.3
No. of full-time employees at end-period	3,072	3,237
Average number of full-time employees in the period	3,091	3,269

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 (AT1) is recognised as a liability.

	Q1 2021	Q1 2020
DKKm		
3 Interest income		
Due from credit institutions and central banks	7	22
Loans and advances	377	408
Bonds	100	108
Derivatives, total	49	32
Of which currency contracts	87	78
Of which interest-rate contracts	-38	-46
Other	0	0
Total after offsetting of negative interest	533	570
Negative interest income set off against interest income	102	107
Negative interest expenses set off against interest expenses	205	154
Total before offsetting of negative interest income	840	831
Of which interest income on reverse repos carried under:		
Due from credit institutions and central banks	-4	-5
Loans and advances	-44	-56
4 Interest expenses		
Due to credit institutions and central banks	36	20
Deposits	-116	-67
Issued bonds	41	56
Subordinated debt	28	26
Other interest expenses	4	2
Total after offsetting of negative interest	-7	37
Negative interest expenses set off against interest expenses	205	154
Negative interest income set off against interest income	102	107
Total before offsetting of negative interest income	300	298
Of which interest expenses on reverse repos carried under:		
Due to credit institutions and central banks	-26	-17
Deposits	-6	-5
5 Fees and commission income		
Securities trading and custody services	235	308
Money transfers and card payments	54	46
Loan application fees	27	26
Guarantee commission	28	26
Other fees and commissions	437	363
Total	781	769
6 Value adjustments		
Loans and advances at fair value	-3	-3
Bonds	-275	-185
Shares, etc.	72	-21
Currency	33	-225
Currency, interest-rate, share, commodity and other contracts as well as other derivatives	479	-83
Assets in pooled deposits	134	-565
Pooled deposits	-134	565
Other assets	27	0
Issued bonds	30	-13
Other liabilities	15	-7
Total	378	-537

DKKm	Q1 2021	Q1 2020
7 Loan impairment charges and provisions for guarantees		
Loan impairment charges and provisions for guarantees recognised in the income statement		
Loan impairment charges and provisions for guarantees for the period	-66	449
Impairment charges on balances due from credit institutions in the period	-8	5
Provisions for loan commitments and unutilised credit lines in the period	3	23
Recognised as a loss, not covered by loan impairment charges and provisions	11	35
Recoveries	-32	-47
Recognised discount for acquired loans	-3	-10
Loan impairment charges and provisions for guarantees recognised in the income statement	-95	455
Balance of loan impairment charges and provisions for guarantees		
Balance of loan impairment charges and provisions, beginning of period	3,813	3,801
Loan impairment charges and provisions for the period	-63	472
Recognised as a loss, covered by loan impairment charges and provisions	-55	-62
Other movements	14	17
Balance of loan impairment charges and provisions, end of period	3,709	4,228
Loan impairment charges and provisions for guarantees at amortised cost	3,140	3,797
Loan impairment charges at fair value	1	1
Provisions for guarantees	268	270
Provisions for credit commitments and unutilised credit lines	300	160
Balance of loan impairment charges and provisions, end of period	3,709	4,228

DKKm

7 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	581	698	2,534	3,813
Transfer of impairment charges at beginning of period to stage 1	31	-27	-4	0
Transfer of impairment charges at beginning of period to stage 2	-89	101	-12	0
Transfer of impairment charges at beginning of period to stage 3	0	-19	19	0
Impairment charges on new loans, etc.	90	27	64	181
Impairment charges on discontinued loans and provisions for guarantees	-61	-32	-65	-158
Effect from recalculation	-127	113	-58	-72
Previously recognized as impairment charges, now final loss	0	0	-55	-55
Balance of loan impairment charges and provisions for guarantees on 31 March 2021	425	861	2,423	3,709

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

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	335	513	2,953	3,801
Transfer of impairment charges at beginning of period to stage 1	49	-46	-3	0
Transfer of impairment charges at beginning of period to stage 2	-9	19	-10	0
Transfer of impairment charges at beginning of period to stage 3	0	-40	40	0
Impairment charges on new loans, etc.	54	20	67	141
Impairment charges on discontinued loans and provisions for guarantees	-46	-24	-130	-200
Effect from recalculation	154	247	147	548
Previously recognized as impairment charges, now final loss	0	0	-62	-62
Balance of loan impairment charges and provisions for guarantees on 31 March 2020	537	689	3,002	4,228

Balance of impairment charges by stage - loans at amortised cost

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2021	427	559	2,243	3,229
Transfer of impairment charges at beginning of period to stage 1	25	-22	-3	0
Transfer of impairment charges at beginning of period to stage 2	-66	75	-9	0
Transfer of impairment charges at beginning of period to stage 3	0	-13	13	0
Impairment charges on new loans, etc.	56	7	37	100
Impairment charges on discontinued loans and provisions for guarantees	-22	-26	-47	-95
Effect from recalculation	-98	89	-31	-40
Previously recognized as impairment charges, now final loss	0	0	-54	-54
Balance of loan impairment charges and provisions for guarantees on 31 March 2021	322	669	2,149	3,140

Balance of impairment charges by stage - loans at amortised cost

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	269	445	2,702	3,416
Transfer of impairment charges at beginning of period to stage 1	44	-41	-3	0
Transfer of impairment charges at beginning of period to stage 2	-8	17	-9	0
Transfer of impairment charges at beginning of period to stage 3	0	-40	40	0
Impairment charges on new loans, etc.	31	15	55	101
Impairment charges on discontinued loans and provisions for guarantees	-33	-17	-119	-169
Effect from recalculation	130	227	153	510
Previously recognized as impairment charges, now final loss	0	0	-61	-61
Balance of loan impairment charges and provisions for guarantees on 31 March 2020	433	606	2,758	3,797

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.	0	0	0	0
Impairment charges on discontinued loans and provisions for guarantees	0	0	0	0
Effect from recalculation	0	0	0	0
Previously recognized as impairment charges, now final loss	0	0	0	0
Balance of loan impairment charges and provisions for guarantees on 31 March 2021	0	1	0	1

Balance of impairment charges by stage– loans at fair value

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	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.	0	0	0	0
Impairment charges on discontinued loans and provisions for guarantees	0	0	0	0
Effect from recalculation	0	0	0	0
Previously recognized as impairment charges, now final loss	0	0	0	0
Balance of loan impairment charges and provisions for guarantees on 31 March 2020	0	1	0	1

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	6	-5	-1	0
Transfer of impairment charges at beginning of period to stage 2	-23	26	-3	0
Transfer of impairment charges at beginning of period to stage 3	0	-6	6	0
Impairment charges on new loans, etc.	32	20	26	78
Impairment charges on discontinued loans and provisions for guarantees	-38	-6	-16	-60
Effect from recalculation	-28	24	-28	-32
Previously recognized as impairment charges, now final loss	0	0	-1	-1
Balance of loan impairment charges and provisions for guarantees on 31 March 2021	102	191	275	568

Balance of provisions by stage - guarantees and loan commitments

	Stage 1	Stage 2	Stage 3	Total
Balance, beginning of 2020	65	68	251	384
Transfer of impairment charges at beginning of period to stage 1	5	-5	0	0
Transfer of impairment charges at beginning of period to stage 2	-1	1	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0
Impairment charges on new loans, etc.	22	7	11	40
Impairment charges on discontinued loans and provisions for guarantees	-12	-8	-11	-31
Effect from recalculation	25	19	-6	38
Previously recognized as impairment charges, now final loss	0	0	-1	-1
Balance of loan impairment charges and provisions for guarantees on 31 March 2020	104	82	244	430

DKKm

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

	Stage 1	Stage 2	Stage 3	Total
Gross loans, advances and guarantees, 1 January 2021	159,624	5,992	4,610	170,226
Transfer of loans, advances and guarantees to stage 1	421	-412	-9	0
Transfer of loans, advances and guarantees to stage 2	-5,513	5,542	-29	0
Transfer of loans, advances and guarantees to stage 3	-40	-139	179	0
Other movements	3,738	391	-163	3,966
Gross loans, advances and guarantees, 31 March 2021	158,230	11,374	4,588	174,192
Loan impairment charges and provisions for guarantees, total	345	725	2,337	3,407
Net loans, advances and guarantees, 31 March 2021	157,885	10,649	2,251	170,785

Gross loans, advances and guarantees by stage

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

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

Performing	PD band (%)	31 March 2021				31 Dec.
		Stage 1	Stage 2	Stage 3	Total	2020
1	0.00 - 0.10	49,494	205	0	49,699	48,533
2	0.10 - 0.15	12,171	50	0	12,221	11,149
3	0.15 - 0.22	11,047	58	0	11,105	9,574
4	0.22 - 0.33	22,658	41	0	22,699	18,724
5	0.33 - 0.48	8,858	275	0	9,133	10,075
STY Ratings 1-5		104,228	629	0	104,857	98,055
6	0.48 - 0.70	19,443	596	0	20,039	20,073
7	0.70 - 1.02	7,639	683	0	8,322	8,831
8	1.02 - 1.48	7,989	1,120	0	9,109	8,811
9	1.48 - 2.15	9,603	1,511	0	11,114	12,979
10	2.15 - 3.13	7,155	1,505	0	8,660	8,474
11	3.13 - 4.59	441	1,033	0	1,474	1,890
STY Ratings 6-11		52,270	6,448	0	58,718	61,058
12	4.59 - 6.79	357	905	0	1,262	1,005
13	6.79 - 10.21	32	385	0	417	483
14	10.21 - 25.0	23	2,886	0	2,909	3,012
STY Ratings 12-14		412	4,176	0	4,588	4,500
Other		1,317	75	0	1,392	1,919
Non-performing loans		5	45	4,587	4,637	4,694
Total		158,232	11,373	4,587	174,192	170,226

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

Performing	PD band (%)	31 March 2021				31 Dec. 2020
		Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	3	1	0	4	4
2	0.10 - 0.15	8	0	0	8	4
3	0.15 - 0.22	14	0	0	14	14
4	0.22 - 0.33	18	0	0	18	24
5	0.33 - 0.48	30	3	0	33	51
STY Ratings 1-5		73	4	0	77	97
6	0.48 - 0.70	55	6	0	61	77
7	0.70 - 1.02	43	9	0	52	55
8	1.02 - 1.48	65	27	0	92	92
9	1.48 - 2.15	42	32	0	74	60
10	2.15 - 3.13	46	51	0	97	68
11	3.13 - 4.59	5	46	0	51	86
STY Ratings 6-11		256	171	0	427	438
12	4.59 - 6.79	13	69	0	82	63
13	6.79 - 10.21	1	29	0	30	37
14	10.21 - 25.0	0	435	0	435	407
STY Ratings 12-14		14	533	0	547	507
Other		3	9	0	12	14
Non-performing loans		0	6	2,337	2,343	2,459
Total		346	723	2,337	3,406	3,515

DKKm

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

Performing	PD band (%)	31 March 2021			31 Dec. 2020	
		Stage 1	Stage 2	Stage 3	Total	Total
1	0.00 - 0.10	13,828	1	0	13,829	9,535
2	0.10 - 0.15	5,653	0	0	5,653	4,613
3	0.15 - 0.22	5,426	2	0	5,428	5,281
4	0.22 - 0.33	5,884	3	0	5,887	4,826
5	0.33 - 0.48	5,552	149	0	5,701	5,502
STY Ratings 1-5		36,343	155	0	36,498	29,757
6	0.48 - 0.70	6,170	266	0	6,436	6,701
7	0.70 - 1.02	4,332	596	0	4,928	4,278
8	1.02 - 1.48	3,894	1,090	0	4,984	4,476
9	1.48 - 2.15	2,681	894	0	3,575	2,990
10	2.15 - 3.13	1,243	716	0	1,959	1,593
11	3.13 - 4.59	206	433	0	639	1,363
STY Ratings 6-11		18,526	3,995	0	22,521	21,401
12	4.59 - 6.79	92	518	0	610	455
13	6.79 - 10.21	26	157	0	183	196
14	10.21 - 25.0	3	833	0	836	892
STY Ratings 12-14		121	1,508	0	1,629	1,543
Other		4	2	0	6	62
Non-performing loans		3	0	450	453	535
Total		54,997	5,660	450	61,107	53,298

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

Performing	PD band (%)	31 March 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	2	0	0	2	0
3	0.15 - 0.22	3	0	0	3	2
4	0.22 - 0.33	6	0	0	6	6
5	0.33 - 0.48	8	0	0	8	10
STY Ratings 1-5		20	0	0	20	19
6	0.48 - 0.70	12	1	0	13	23
7	0.70 - 1.02	13	3	0	16	13
8	1.02 - 1.48	10	8	0	18	22
9	1.48 - 2.15	15	10	0	25	19
10	2.15 - 3.13	4	13	0	17	9
11	3.13 - 4.59	1	5	0	6	14
STY Ratings 6-11		55	40	0	95	100
12	4.59 - 6.79	1	8	0	9	6
13	6.79 - 10.21	0	2	0	2	3
14	10.21 - 25.0	0	85	0	85	93
STY Ratings 12-14		1	95	0	96	102
Other		0	0	0	0	1
Non-performing loans		1	0	88	89	76
Total		77	135	88	300	298

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	
	%	%	31	End of	31	End of	Q1	Q1	Q1	Q1
	31 March	End of	March	End of	March	End of	2021	2020	2021	2020
Public authorities	7	8	12,142	12,629	0	0	0	0	0	0
Agriculture, hunting, forestry, fishing	3	3	6,274	6,003	381	439	-64	-20	5	15
<i>Fishing</i>	1	1	1,687	1,464	5	1	3	1	0	0
<i>Dairy farmers</i>	0	0	504	486	177	203	-31	2	0	4
<i>Plant production</i>	1	1	1,978	1,965	63	76	-15	6	0	7
<i>Pig farming</i>	1	1	1,273	1,279	81	89	-10	-19	0	0
<i>Other agriculture</i>	0	0	832	809	55	70	-11	-10	5	4
Manufacturing, mining, etc.	4	3	7,053	5,734	311	295	14	67	0	17
Energy supply	3	3	4,662	4,942	34	40	-7	9	0	0
Building and construction	1	1	2,363	2,398	78	89	-11	37	0	7
Commerce	5	4	7,834	7,138	259	236	21	74	0	1
Transport, hotels and restaurants	2	2	3,613	3,408	131	127	4	22	0	0
Information and communication	0	0	615	614	229	213	14	-46	0	5
Financing and insurance	46	46	76,783	75,657	603	596	3	68	11	17
Real property	9	10	15,244	15,543	309	377	-34	68	36	1
<i>Lease of real property</i>	5	6	8,630	9,015	263	280	-19	22	0	1
<i>Buying and selling of real property</i>	1	1	2,187	2,030	20	56	0	7	36	0
<i>Other real property</i>	3	3	4,427	4,498	26	41	-15	39	0	0
Other sectors	3	3	5,457	4,454	148	133	5	37	3	15
Corporate clients	76	75	129,898	125,891	2,483	2,545	-55	316	55	78
Personal clients	17	17	28,746	28,191	926	970	-43	116	9	19
Unutilised credit lines and loan commitments	0	0	0	0	300	298	3	23	0	0
Total	100	100	170,786	166,711	3,709	3,813	-95	455	64	97

	DKKm	31 March 2021	31 Dec. 2020	31 March 2020
9	Deposits			
	Demand deposits	106,161	109,827	111,894
	Term deposits	1,245	1,204	1,426
	Time deposits	22,993	16,283	23,130
	Special deposits	4987	5,386	6,445
	Total	135,386	132,700	142,895

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 31 March 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 financial position at 31 March 2021 and also of their financial performance as well as the cash flows of the Group for the period 1 January to 31 March 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, 4 May 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

ANDER LADEN-ANDERSEN

BENTE OVERGAARD

PER SCHNACK

JOHNNY CHRISTENSEN
Employee Representative

MARIANNE LILLEVANG
Employee Representative

CHRISTINA LYKKE MUNK
Employee Representative