



**JYSKE BANK**

Interim Financial Report  
Q1 2023

# Interim financial report Q1 2023

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# The Jyske Bank Group

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

	Q1 2023	Q1 2022	Index 23/22	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Full year 2022
Net interest income	2,224	1,312	170	2,224	1,773	1,412	1,359	1,312	5,856
Net fee and commission income	658	683	96	658	681	598	567	683	2,529
Value adjustments	240	9	-	240	523	-300	-93	9	139
Other income	104	105	99	104	44	20	70	105	239
Income, operating lease (net)	84	80	105	84	60	98	105	80	343
<b>Core income</b>	<b>3,310</b>	<b>2,189</b>	<b>151</b>	<b>3,310</b>	<b>3,081</b>	<b>1,828</b>	<b>2,008</b>	<b>2,189</b>	<b>9,106</b>
Core expenses	1,480	1,160	128	1,480	1,329	1,206	1,184	1,160	4,879
<b>Core profit before loan impairment charges</b>	<b>1,830</b>	<b>1,029</b>	<b>178</b>	<b>1,830</b>	<b>1,752</b>	<b>622</b>	<b>824</b>	<b>1,029</b>	<b>4,227</b>
Loan impairment charges	96	-55	-	96	-158	-200	-192	-55	-605
<b>Core profit</b>	<b>1,734</b>	<b>1,084</b>	<b>160</b>	<b>1,734</b>	<b>1,910</b>	<b>822</b>	<b>1,016</b>	<b>1,084</b>	<b>4,832</b>
Investment portfolio earnings	31	4	775	31	-29	-119	13	4	-131
<b>Profit before one-off costs</b>	<b>1,765</b>	<b>1,088</b>	<b>162</b>	<b>1,765</b>	<b>1,881</b>	<b>703</b>	<b>1,029</b>	<b>1,088</b>	<b>4,701</b>
One-off costs relating to Handelsbanken DK	-38	0	-	-38	-66	-67	-11	0	-144
<b>Pre-tax profit</b>	<b>1,727</b>	<b>1,088</b>	<b>159</b>	<b>1,727</b>	<b>1,815</b>	<b>636</b>	<b>1,018</b>	<b>1,088</b>	<b>4,557</b>
Tax	438	237	185	438	257	133	178	237	805
<b>Net profit for the period</b>	<b>1,289</b>	<b>851</b>	<b>151</b>	<b>1,289</b>	<b>1,558</b>	<b>503</b>	<b>840</b>	<b>851</b>	<b>3,752</b>
Interest on AT1 capital, charged against equity	39	36	108	39	39	37	35	36	147

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

Loans and advances	542.0	479.9	113	542.0	541.7	466.5	481.8	479.9	541.7
- of which mortgage loans	338.2	329.5	103	338.2	333.7	304.5	319.1	329.5	333.7
- of which bank loans	155.1	110.5	140	155.1	155.5	115.2	113.3	110.5	155.5
- of which repo loans	48.7	39.9	122	48.7	52.5	46.8	49.4	39.9	52.5
Bonds and shares, etc.	99.7	90.0	111	99.7	97.4	88.7	89.4	90.0	97.4
Total assets	786.0	650.2	121	786.0	750.0	672.0	667.1	650.2	750.0
Deposits	228.3	141.9	161	228.3	208.4	162.1	156.4	141.9	208.4
- of which bank deposits	202.2	127.1	159	202.2	189.1	149.2	140.1	127.1	189.1
- of which repo and triparty deposits	26.1	14.8	176	26.1	19.3	12.9	16.3	14.8	19.3
Issued bonds at fair value	331.2	327.1	101	331.2	324.2	299.8	312.2	327.1	324.2
Issued bonds at amortised cost	96.8	67.8	143	96.8	95.4	87.7	77.7	67.8	95.4
Subordinated debt	6.1	5.5	111	6.1	6.4	6.4	5.4	5.5	6.4
Holders of additional tier 1 capital	3.3	3.3	100	3.3	3.3	3.3	3.3	3.3	3.3
Shareholders' equity	38.6	35.0	110	38.6	37.3	35.8	35.2	35.0	37.3

## Financial ratios and key figures

Earnings per share for the period (DKK)*	19.5	12.1		19.5	23.7	7.3	12.4	12.1	55.4
Earnings per share for the period (diluted) (DKK)*	19.5	12.1		19.5	23.7	7.3	12.4	12.1	55.4
Pre-tax profit as % of average equity*	17.8	12.0		17.8	19.5	6.7	11.2	12.0	12.2
Profit for the period as % of average equity*	13.2	9.3		13.2	16.7	5.2	9.2	9.3	10.0
Expenses as a percentage of income	44.7	53.0		44.7	43.1	66.0	59.0	53.0	53.6
Capital ratio (%)	19.6	21.6		19.6	19.5	23.6	22.2	21.6	19.5
Common equity tier 1 capital ratio (%)	15.4	17.2		15.4	15.2	18.6	17.9	17.2	15.2
Individual solvency requirement (%)	11.0	10.7		11.0	10.8	11.3	11.1	10.7	10.8
Capital base (DKKbn)	44.1	42.5		44.1	43.0	44.8	43.2	42.5	43.0
Weighted risk exposure (DKKbn)	225.1	197.1		225.1	220.9	190.0	194.3	197.1	220.9
Share price at end of period (DKK)	480	369		480	451	398	347	369	451
Distributed dividend per share (DKK)	0	0		0	0	0	0	0	0
Book value per share (DKK)*	600	532		600	581	557	548	532	581
Price/book value per share (DKK)*	0.8	0.7		0.8	0.8	0.7	0.6	0.7	0.8
Outstanding shares in circulation ('000)	64,272	65,836		64,272	64,264	64,251	64,258	65,836	64,264
No. of full-time employees, end of period**	3,878	3,237		3,878	3,854	3,266	3,218	3,237	3,854

Relationships between income statement items under 'The Jyske Bank Group' (key financial data) and the income statement page 19 appear from note 4.

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

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

## Summary

*"Jyske Bank's earnings per share were up by 61% relative to Q1 2022. The advance was fuelled in particular by the acquisition of Handelsbanken Denmark and a broadly based earnings increase. The integration of Handelsbanken Denmark is proceeding according to plan, and the first branch mergers have been implemented. On the basis of the development in Q1 2023, we have upgraded our expectations to record-high level of earnings per share of DKK 65-75 in 2023,"* says Anders Dam, CEO and Managing Director.

On 1 December 2022, Jyske Bank took over Svenska Handelsbanken's activities in Denmark, with about 600 employees and 42 branches, headquartered in Copenhagen. The larger scale supports the possibilities of developing and offering attractive products and services to Jyske Bank's present and future clients. The acquisition also offers the possibility of realising economies of scale based on a common IT platform as of November 2023. The integration of Handelsbanken Denmark is proceeding according to plan as regards financial, business and organisational issues. The future tasks of all employees were clarified in Q1 2023, when also business analyses, forming the basis of the conversion of data processing centre, were finalised. Branch mergers in cities where both Handelsbanken and Jyske Bank are present are expected to reduce the total number of branches by approx. 1/4 before November 2023 and approx. half of the planned mergers had been implemented before the end of April.

In Q1 2023, the corporate client area realised continued advance in business volumes. The personal client area has in recent years implemented branch mergers, adjusted the organisation, revised the fee structure and introduced a new mobile banking platform. The purpose of the initiatives is to ensure that, in a profitable manner, Jyske Bank will still be able to offer its personal clients accessible, personal, and competent advisory services as well as good and fast services. In order to continue the development in the personal client area we will in the coming period of time focus on an implementation of best practice in connection with the acquisition of Handelsbanken Denmark and on a further strengthening of the local leadership.

Running a sustainable and responsible business is one of Jyske Bank's targets, and climate is the most important impact area for the Group. Jyske Bank's target is net zero CO<sub>2</sub> emission across business-oriented activities in the form of loans and investments not later than 2045 and 2050, respectively. In addition, Jyske Bank aims at lending growth contributing to offset climate changes, and the CO<sub>2</sub> emission from Jyske Bank's own activities must be reduced by 65% from 2022 to 2030. In Q1

2023, Jyske Realkredit was nominated for FINANS IMPACT Climate Award for being frontrunner relating to transparency in mortgage portfolios. Jyske Bank continued offering knowledge to clients via webinars about the exchange of sources of heating and project days concerning climate for agricultural clients. Finally, Jyske Bank entered into a cooperation agreement with Bodil Energi which offers a sustainable value proposition for homeowners seeking a calculation of the energy potential of their property.

### **Earnings per share at DKK 19.5 in Q1 2023**

Earnings per share rose to DKK 19.5 from DKK 12.1, corresponding to a net profit of DKK 1,289m corresponding to a return on equity of 13.2% p.a. against DKK 851m and 9.3% p.a., respectively in Q1 2022.

In general, Jyske Bank's business volumes showed a minor advance in Q1 2023 relative to the end of 2022. Loans under banking activities were roughly unchanged since higher loans to corporate clients were offset by a lower amount of mortgage-like bank loans. Bank deposits rose by 7% due to higher time deposits from corporate clients. Leasing and car financing realised an increase of 1% despite continued challenged supply chains in the auto industry. Nominal mortgage loans were roughly unchanged since higher lending to corporate clients were offset by lower lending to private clients.

Core income rose by 51% relative to Q1 2022 due to markedly higher net interest income and value adjustments. Net interest income was supported by a higher interest-rate level as well as higher lending to corporate clients and the acquisition of Handelsbanken Denmark. Net fee and commission income declined from a record-high level due to lower lending and refinancing activity compared with Q1 2022, which was also impacted by a positive one-off effect. Value adjustments increased from a low level due to more favourable financial markets. Other income remained at a high level and was supported by higher dividends from shares, whereas favourable sales conditions in the used-car market contributed to continued high income from operating lease (net).

Core expenses rose by 28% compared to Q1 2022. The increase can primarily be attributed to the acquisition of Handelsbanken Denmark which contributed, among other things, to an increase in the number of full-time employees as well as higher expenses for data processing centres and amortisation of acquired customer relations. Underlying core expenses rose, among other things, as a result of a higher number of full-time employees and wage adjustments relating to the sector-wide collective agreement on salary increases. To this must be added one-offs of DKK 38m relating to the acquisition of Handelsbanken Denmark.

Loan impairment charges amounted to an expense of DKK 96m against an income of DKK 55m in Q1 2022. The credit quality is still solid with a low level of non-performing loans and advances as well as a low level of write-offs.

At the end of Q1 2023, Jyske Bank's common equity tier 1 capital ratio was 15.4%, which is within the targeted range of 15%-17%.

### **2023 outlook**

Following the recent growth, the Danish economy is showing signs of an incipient slowdown in economic growth. The highest inflation in 40 years has triggered steep interest-rate increases which have reduced the purchasing power of the households as well as personal consumption and resulted in declining housing prices. The slowdown in the Danish economy has so far primarily been visible in the housing market and in personal consumption whereas the labour market is still dominated by capacity pressure. The interest-rate hikes must gradually be expected also to put a damper on production and employment.

Jyske Bank anticipates earnings per share in the range of DKK 65-75 for 2023. This corresponds to a net profit in the range of DKK 4.3bn - DKK 4.9bn.

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

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

Loan impairment charges are expected to amount to an expense in 2023.

## Financial Review

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

	Q1 2023	Q1 2022	Index 23/22	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	FY 2022
Net interest income	2,224	1,312	170	2,224	1,773	1,412	1,359	1,312	5,856
Net fee and commission income	658	683	96	658	681	598	567	683	2,529
Value adjustments	240	9	-	240	523	-300	-93	9	139
Other income	104	105	99	104	44	20	70	105	239
Income from operating lease (net)	84	80	105	84	60	98	105	80	343
<b>Core income</b>	<b>3,310</b>	<b>2,189</b>	<b>151</b>	<b>3,310</b>	<b>3,081</b>	<b>1,828</b>	<b>2,008</b>	<b>2,189</b>	<b>9,106</b>
Core expenses	1,480	1,160	128	1,480	1,329	1,206	1,184	1,160	4,879
<b>Core profit before loan impairment charges</b>	<b>1,830</b>	<b>1,029</b>	<b>178</b>	<b>1,830</b>	<b>1,752</b>	<b>622</b>	<b>824</b>	<b>1,029</b>	<b>4,227</b>
Loan impairment charges	96	-55	-	96	-158	-200	-192	-55	-605
<b>Core profit</b>	<b>1,734</b>	<b>1,084</b>	<b>160</b>	<b>1,734</b>	<b>1,910</b>	<b>822</b>	<b>1,016</b>	<b>1,084</b>	<b>4,832</b>
Investment portfolio earnings	31	4	775	31	-29	-119	13	4	-131
<b>Profit before one-off costs</b>	<b>1,765</b>	<b>1,088</b>	<b>162</b>	<b>1,765</b>	<b>1,881</b>	<b>703</b>	<b>1,029</b>	<b>1,088</b>	<b>4,701</b>
One-off costs relating to Handelsbanken DK	-38	0	-	-38	-66	-67	-11	0	-144
<b>Pre-tax profit</b>	<b>1,727</b>	<b>1,088</b>	<b>159</b>	<b>1,727</b>	<b>1,815</b>	<b>636</b>	<b>1,018</b>	<b>1,088</b>	<b>4,557</b>
Tax	438	237	185	438	257	133	178	237	805
<b>Net profit for the period</b>	<b>1,289</b>	<b>851</b>	<b>151</b>	<b>1,289</b>	<b>1,558</b>	<b>503</b>	<b>840</b>	<b>851</b>	<b>3,752</b>
Interest on AT1 capital, charged against equity	39	36	108	39	39	37	35	36	147

### Net profit for the period

Earnings per share came to DKK 19.5 in the first quarter of 2023 against DKK 12.1 for the same period in 2022, corresponding to a net profit of DKK 1,289m and DKK 851m, respectively. The increase was fuelled, in particular, by the acquisition of Handelsbanken Denmark and the impact from the higher level of interest rates.

### Core income

Core income rose by 51% relative to Q1 2022, and net interest income was the largest contributor to the development.

Net interest income rose by 70% to DKK 2,224m. This is the highest level so far and is due primarily to significant interest-rate increases. Danmarks Nationalbank's rate of interest on certificates of deposit was lifted to 2.6% at the end of Q1 2023 from -0.6% one year earlier. The higher interest-rate level has improved the return on Jyske Bank's bond holdings etc. In addition, the acquisition of Handelsbanken Denmark and higher bank lending to corporate clients in the course of 2022 also added considerably to the higher level of net interest income.

Net fee and commission income decreased by 4% to DKK 658m. The decline from a historically high level in Q1 2022 was due to a decline in fees driven by activity in the housing market, lending growth, asset management and trading activities. These factors more than offset the contribution from the acquisition of Handelsbanken Denmark as well as the introduction of a new customer programme in 2022.

Value adjustments increased to DKK 240m from DKK 9m in the preceding year. The positive result can be attributed to a favourable development in the financial markets, including the impact from the spread narrowing on Danish mortgage bonds.

Other income was roughly unchanged at DKK 104m against DKK 105m. Share dividends, etc., rose whereas Q1 2022 showed positive results from investments in associates relating to Sanistål's sales process.

Income from operating lease (net) rose to DKK 84m from DKK 80m. Sales conditions in the used car market remained favourable.

### Core expenses

Core expenses rose by 28% relative to the first quarter of 2022. The increase can primarily be attributed to the acquisition of Handelsbanken Denmark which contributed, among other things, to an increase in the number of full-time employees as well as higher expenses for data processing centres and amortisation of customer relations. Cost synergies amounted to DKK 38m in Q1 2023.

### Core expenses (DKKm)

	Q1 2023	Q1 2022
Employee costs	885	724
IT costs	441	319
Rent, etc.	20	17
Amortisation, depreciation and impairment	43	26
Other operating expenses	91	74
<b>Total</b>	<b>1,480</b>	<b>1,160</b>

Underlying core expenses rose, among other things, as a result of a higher number of full-time employees and wage increases relating to the collective agreement.

To this must be added integration and restructuring costs of DKK 38m relating to the acquisition of Handelsbanken Denmark.

### Loan impairment charges

Loan impairment charges amounted to an expense of DKK 96m against an income of DKK 55m in Q1 2022. The expense can be attributed to higher default risks in the Danish economy, which sparked an increase in model-based loan impairment charges. Post-model adjustments relating to loan impairment charges were at the same time maintained at a high level as a result of the high degree of macroeconomic uncertainty, and consequently, total loan impairment charges reserved for macroeconomic risks increased. The credit quality is still solid with a low level of non-performing loans and a low level of write-offs.

### Investment portfolio earnings

Investment portfolio earnings amounted to DKK 31m in Q1 2023 against DKK 4m in the same period of 2022. The positive results were due to a favourable development in the financial markets which more than offset rising funding costs due to a higher interest-rate level. The hedging of additional tier 1 capital instruments in SEK had a negative effect of DKK 3m in the first quarter of 2023 and was offset by a positive adjustment of shareholders' equity.

#### Investment portfolio earnings (DKKm)

	Q1 2023	Q1 2022
Net interest income	-38	19
Net fee and commission income	-1	0
Value adjustments	77	-6
<b>Income</b>	<b>38</b>	<b>13</b>
Expenses	7	9
<b>Investment portfolio earnings</b>	<b>31</b>	<b>4</b>

### Tax

Tax amounted to DKK 438m in Q1 2023 against DKK 237m in Q1 2022, equivalent to an effective tax rate of 25.4% and 21.8%, respectively. The tax rate increased due to a new special tax on the financial sector, leading to an increased tax rate for financial companies from 22.0% in 2022 to 25.2% in 2023 and 26.0% from 2024.

### Q1 2023 compared to Q4 2022

Earnings per share amounted to DKK 19.5 in Q1 against DKK 23.7 in Q4, corresponding to a net profit of DKK 1,289m and DKK 1,558m, respectively.

Core income rose by 7% due to higher net interest income which more than offset lower value adjustments.

Net interest income increased by 25%. The increase was due to the full-quarter effect from the acquisition of Handelsbanken Denmark and higher interest rates relating to surplus liquidity. These factors more than offset two fewer days of interest.

Net fee and commission income declined by 3% relative to the preceding quarter. The development can primarily be attributed to seasonally lower investment and custody fees as well as higher fees paid under leasing activities.

Other income rose to DKK 104m from DKK 44m due to seasonally higher share dividends.

Income from operating lease (net) amounted to DKK 84m against DKK 60m due to the continuing favourable sales conditions in the used car market. In addition, Q4 2022 was dominated by a higher post-model adjustments relating to impairment charges.

Value adjustments amounted to DKK 240m against DKK 523m in the preceding quarter. The positive results can be attributed to a favourable development in the financial markets, including the impact from the spread narrowing of Danish mortgage bonds.

Core expenses rose to DKK 1,480m from DKK 1,329m. The development can be attributed to the full quarterly effect from Handelsbanken Denmark which was only recognised with one month in the preceding quarter. One-offs relating to the acquisition declined from DKK 66m to DKK 38m.

Loan impairment charges amounted to an expense of DKK 96m against an income of DKK 158m in the preceding quarter. The higher level was due to default risks in the Danish economy.

Investment portfolio earnings amounted to DKK 31m against DKK -29m in the preceding quarter. The positive results were due to a favourable development in the financial markets which more than offset rising funding costs due to a higher interest-rate level.



## Business volume

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

	Q1 2023	Q1 2022	Index 23/22	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	FY 2022
Loans and advances	542.0	479.9	113	542.0	541.7	466.5	481.8	479.9	541.7
- of which mortgage loans	338.2	329.5	103	338.2	333.7	304.5	319.1	329.5	333.7
- of which bank loans	155.1	110.5	140	155.1	155.5	115.2	113.3	110.5	155.5
- of which repo loans	48.7	39.9	122	48.7	52.5	46.8	49.4	39.9	52.5
Bonds and shares, etc.	99.7	90.0	111	99.7	97.4	88.7	89.4	90.0	97.4
Total assets	786.0	650.2	121	786.0	750.0	672.0	667.1	650.2	750.0
Deposits	228.3	141.9	161	228.3	208.4	162.1	156.4	141.9	208.4
- of which bank deposits	202.2	127.1	159	202.2	189.1	149.2	140.1	127.1	189.1
- of which repo and triparty deposits	26.1	14.8	176	26.1	19.3	12.9	16.3	14.8	19.3
Issued bonds at fair value	331.2	327.1	101	331.2	324.2	299.8	312.2	327.1	324.2
Issued bonds at amortised cost	96.8	67.8	143	96.8	95.4	87.7	77.7	67.8	95.4
Subordinated debt	6.1	5.5	111	6.1	6.4	6.4	5.4	5.5	6.4
Holders of additional tier 1 capital	3.3	3.3	100	3.3	3.3	3.3	3.3	3.3	3.3
Shareholders' equity	38.6	35.0	110	38.6	37.3	35.8	35.2	35.0	37.3

Jyske Bank's total loans and advances (excl. repo loans) came to DKK 493.3bn at end-Q1 2023 and consisted of 69% mortgage loans and 31% bank loans and advances. This is an increase of 1% relative to DKK 489.2bn at the end of 2022 due to higher mortgage loans at fair value which was, apart from lending growth, supported by higher bond prices.

Nominal mortgage loans rose to DKK 367.3bn from DKK 365.6bn. Higher lending to corporate clients and subsidised housing more than offset the effect from lower lending to private clients. Mortgage loans to private clients have in the past quarters been on the decline due to lower housing prices combined with debt reductions attributed to remortgaging of fixed-rate mortgage loans following the interest-rate increases.

Bank loans and advances amounted to DKK 155.1bn against DKK 155.5bn at the end of 2022. Loans and advances under banking activities were roughly unchanged since lower mortgage-like bank loans were offset by higher bank lending to corporate clients. Mortgage-like bank loans declined primarily due to transfer of loans to Jyske Realkredit. Loans under leasing activities increased by 1% in the first quarter of 2023 due to higher loans for corporate clients despite challenging supply chains in the auto industry.

Bank deposits amounted to DKK 202.2bn, corresponding to an increase by 7% relative to the end of 2022. The development was driven by corporate clients and was dominated by a rising proportion of time deposits which rose to 27% from 19% of total deposits. Bank deposits were at a

record-high of DKK 47.1bn higher than bank loans and advances at the end of the first quarter of 2023.

The business volume within asset management rose to DKK 222bn at the end of Q1 2023 from DKK 218bn at the end of 2022. The development in Q1 was positively affected by rising prices in equity and bond markets. In addition, net sales of investment products for both retail clients and professional and institutional clients were positive in the quarter.



## Credit quality

### Loan impairment charges and provisions for guarantees (DKKbn)

	Q1 2023	Q1 2022	Index 23/22	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	FY 2022
Loans, advances and guarantees	553.2	495.0	112	553.2	552.8	477.0	495.8	495.0	552.8
- stage 1	527.0	467.7	113	527.0	528.4	453.6	470.7	467.7	528.4
- stage 2	20.0	20.9	96	20.0	17.8	16.9	18.4	20.9	17.8
- stage 3	6.1	6.4	95	6.1	6.5	6.5	6.7	6.4	6.5
- purchased or originated credit-impaired	0.1	0.0	-	0.1	0.1	0.0	0.0	0.0	0.1
Balance of loan impairment charges	4.7	4.9	96	4.7	4.6	4.7	4.8	4.9	4.6
- stage 1	1.3	1.2	108	1.3	1.2	1.1	1.1	1.2	1.2
- stage 2	1.1	1.0	110	1.1	1.1	1.2	1.0	1.0	1.1
- stage 3	2.3	2.7	85	2.3	2.3	2.4	2.7	2.7	2.3
Balance of discounts for acquired assets	0.5	0.1	500	0.5	0.6	0.0	0.0	0.1	0.6
Non-accrual loans and past due exposures	0.5	0.5	105	0.5	0.6	0.5	0.5	0.5	0.6
Loan impairment charges.	0.1	-0.1	-	0.1	-0.2	-0.2	-0.2	-0.1	-0.6
Write-offs	0.1	0.2	26	0.1	0.1	0.1	0.1	0.2	0.4

Jyske Bank's credit risks primarily relate to mortgage loans secured against real property as well as bank loans, advances and guarantees. Loans, advances and guarantees are distributed with 59% to corporate clients, 39% to personal clients, and 2% to public authorities. The total exposure was roughly unchanged at the end of Q1 2023 compared with the end of 2022.

leasing activities. The expense in Q1 2023 was generally caused by higher model-based loan impairment charges due to rising default risks in the Danish economy. Despite the higher level of loan impairment charges, the level of post-model adjustments was unchanged and hence the total loan impairment charges relating to macroeconomic risks indirectly increased.

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

	Loans, advances and guarantees		Impairment ratio	
	Q1 2023	Q4 2022	Q1 2023	Q4 2022
<b>Public authorities</b>	<b>13.5</b>	<b>13.8</b>	<b>0.0</b>	<b>0.0</b>
Agriculture, hunting, forestry and fishing	13.7	12.5	1.0	1.2
Manufacturing industry and mining	14.4	14.8	2.3	1.5
Energy supply	10.4	9.0	0.2	0.3
Construction	10.5	10.4	1.0	0.9
Commerce	14.6	13.0	2.1	2.2
Transport, hotels and restaurants	6.7	6.4	1.7	1.7
Information and communication	3.2	3.1	4.4	4.3
Financing and insurance	56.9	62.7	1.5	1.4
Real property	167.8	165.3	0.5	0.5
Other sectors	26.4	24.5	1.1	1.0
<b>Corporate Clients</b>	<b>324.6</b>	<b>321.7</b>	<b>1.0</b>	<b>0.9</b>
<b>Personal clients</b>	<b>215.1</b>	<b>217.3</b>	<b>0.7</b>	<b>0.7</b>
<b>Total</b>	<b>553.2</b>	<b>552.8</b>	<b>0.9</b>	<b>0.8</b>

Loan impairment charges and provisions for guarantees amounted to an expense of DKK 96m in the first quarter of 2023, corresponding to 2bp of gross loans, advances and guarantees. The effect on the income statement is distributed with an expense of DKK 119m relating to banking activities, an income of DKK 46m relating to mortgage activities, and an expense of DKK 23m relating to

At the end of the first quarter of 2023, stage 3 loans amounted to 1.1% of loans, advances and guarantees against 1.2% at the end of 2022. The decline can be attributed to a higher coverage ratio and to a lower level of gross non-performing loans and advances. The proportion of loans subject to forbearance measures fell to 1.3% from 1.4%.

At the end of the first quarter of 2023, Jyske Bank's balance of loan impairment charges amounted to DKK 4.7bn, corresponding to 0.9% of loans, advances and guarantees against DKK 4.6bn and 0.8%, respectively, at the end of 2022. Inclusive of the balance of discounts for acquired assets at DKK 0.5bn, Jyske Bank's total balance of impairment charges and discounts amounted to DKK 5.2bn, or 0.9% of loans, advances and guarantees.

At the end of the first quarter of 2023, loan impairment charges based on post-model adjustments amounted to DKK 1,425m which is unchanged compared with the end of 2022. The post-model adjustments were maintained despite higher model-based loan impairment charges and still primarily reflect macro-economic risks associated with the energy and inflation crisis. A material post-model adjustments is also still included in the balance of discounts for acquired assets associated with the acquisition of Handelsbanken Denmark.

## Capital and Liquidity Management

### Capital management

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

At the end of the first quarter of 2023, Jyske Bank had a capital ratio of 19.6% and a common equity tier 1 capital ratio of 15.4% compared to 19.5% and 15.2%, respectively, at the end of 2022. In the first quarter of 2023, the capital ratios increased due to the recognition of the profit for the period, which more than compensated for the effect from an increase in the weighted risk exposure.

#### Capital ratios (%)

	Q1 2023	Q4 2022
Capital ratio	19.6	19.5
Core capital ratio incl. hybrid capital	16.9	16.7
Common equity tier 1 capital ratio	15.4	15.2

The total risk weighted exposure amounted to DKK 225.1bn at the end of the first quarter of 2023 against DKK 220.9bn at the end of 2022. The increase can primarily be attributed to higher market risk which rose from a low level.

#### Weighted risk exposure (DKKbn)

	Q1 2023	Q4 2022
Credit risk, etc.	195,866	195,379
Market risk	11,539	8,381
Operational risk	17,675	17,161
<b>Total</b>	<b>225,080</b>	<b>220,921</b>

The Supervisory Board is on an ongoing basis evaluating the possibility of capital distribution to shareholders.

### Capital requirement

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

At the end of the first quarter of 2023, Jyske Bank's individual solvency requirement was 11.0% of the weighted risk exposure against 10.8% at the end of 2022. To this must be added a SIFI requirement of 1.5% and a capital conservation buffer of 2.5% as well as the now fully phased-in countercyclical capital buffer of 2.4%. Hence, the total capital requirement is 17.4%, which is an increase

compared with the end of 2022 when the capital requirement was 16.7%.

#### Capital requirement (%)

	Capital ratio		CET ratio	
	Q1 2023	Q4 2022	Q1 2023	Q4 2022
Pillar I	8.0	8.0	4.5	4.5
Pillar II	3.0	2.8	1.7	1.6
SIFI	1.5	1.5	1.5	1.5
Capital conservation buffer	2.5	2.5	2.5	2.5
Countercyclical buffer	2.4	1.9	2.4	1.9
<b>Capital requirement</b>	<b>17.4</b>	<b>16.7</b>	<b>12.6</b>	<b>12.0</b>

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

#### Excess capital relative to CET1 capital requirement (%)

	Q1 2023	Q4 2022
Common equity tier 1 capital ratio	15.4	15.2
Common equity tier 1 capital requirement	12.6	12.0
<b>Excess capital</b>	<b>2.8</b>	<b>3.2</b>

Consequently, compared with the common equity tier 1 capital ratio, the excess capital adequacy came to 2.8% of the weighted risk exposure, corresponding to DKK 6.3bn against 3.2% and DKK 7.0bn, respectively, at the end of 2022.

### Liquidity management

Jyske Bank's biggest source of funding is covered bonds and mortgage bonds, which amounted to DKK 331bn, corresponding to 42% of the balance sheet at the end of the first quarter of 2023. The second-largest funding source is client deposits, which amounted to DKK 202bn, 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 2023, the Jyske Bank Group's liquidity coverage ratio (LCR) was 174%, down from a very high seasonal level at the end of 2022. The Group's internal exposure limit is a LCR of at least 120%. Nevertheless, the aim is that LCR is, under normal market conditions, above 150%.

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

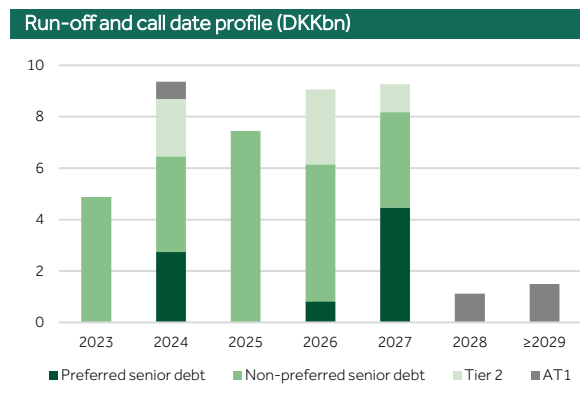
Liquidity Coverage Ratio (LCR)		
	DKKbn	%
Level 1a assets	112.1	68
Level 1b assets	50.5	30
Level 2a + 2b assets	3.5	2
<b>Total</b>	<b>166.1</b>	<b>100</b>

At the end of the first quarter of 2023, the Jyske Bank Group's Net Stable Funding Ratio (NSFR) was 137% against 126% at the end of 2022.

### Refinancing profile

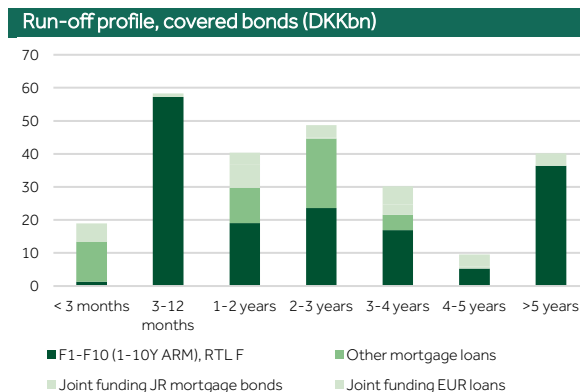
The Group is on an ongoing basis active in the French commercial paper (CP) market. At the end of the first quarter of 2023, the outstanding volume under the CP programme amounted to DKK 70bn against DKK 71bn at the end of 2022.

At the end of the first quarter of 2023, outstanding unsecured senior debt amounted to DKK 29.4bn against DKK 27.8bn at the end of 2022. At the end of the first quarter of 2023, outstanding CRD-IV compliant tier 2 and AT1 capital instruments amounted to DKK 6.2bn and DKK 3.3bn, respectively, which is unchanged relative to the end of 2022.



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

At the end of the first quarter of 2023, covered bonds involving refinancing risk amounted to DKK 246bn, and the run-off profile of the underlying mortgage loans is shown in the following chart.



### Issuance activity and funding plans

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

**Issuance activity**

	Maturity	Credit spread
SEK 2.25bn non-pref. senior (value date 02.02.2023)	02.02.2027 (call 2026)	3M CIBOR +148 bp.
NOK 0.2bn non-pref. senior (value date 09.02.2023)	02.02.2027 (call 2026)	3M CIBOR +150 bp.
EUR 500m non-pref. senior (value date 26.04.2023)	26.10.2028 (call 2027)	3M CIBOR +150 bp.

Based on the expected trend in the weighted risk exposure and changed regulation, Jyske Bank anticipates a requirement (inclusive of an internal buffer for statutory requirements) for MREL-eligible debt instruments in an amount of DKK 25bn - 27bn, of which about DKK 6bn in the form of preferred senior debt and DKK 19bn - 21bn in the form of non-preferred senior debt. At the end of the first quarter of 2023, the outstanding volume of MREL-eligible debt instruments totalled DKK 25.9bn, distributed by DKK 5.7bn and DKK 20.2bn on preferred senior debt and non-preferred senior debt, respectively, with a time to maturity of more than 12 months.

In April 2023, Jyske Bank issued non-preferred senior debt in the amount of EUR 500m. Further issues of senior debt will depend on the balance sheet development. Any issue of additional tier 1 capital will depend on the Group's capital position as well as the development in the capital markets.

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

## Sustainability ratings

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

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

## 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 2023	Q4 2022
Sum of large exposures <175% of common equity tier 1 capital	112%	116%
Increase in loans and advances <20% annually	40%	51%
Exposures to property administration and property transactions <25% of total loans and advances	12%	12%
Liquidity benchmark >100%	133%	135%

Jyske Bank A/S exceeded the limits for lending growth due to the acquisition of Handelsbanken Denmark. Exclusive of Handelsbanken Denmark, lending growth was 3%. Other indicators of the supervisory diamond were met.

The supervisory diamond for Jyske Realkredit A/S		
	Q1 2023	Q4 2022
<b>Concentration risk &lt;100%</b>	45.9%	47.8%
<b>Increase in loans &lt;15% annually in the segment:</b>		
Owner-occupied homes and vacation homes	10.8%	9.3%
Residential rental property	7.0%	6.5%
Other sectors	7.6%	6.6%
<b>Borrower's interest-rate risk &lt;25%</b>		
Residential property	19.5%	17.4%
<b>Instalment-free schemes &lt;10%</b>		
Owner-occupied homes and vacation homes	4.1%	4.2%
<b>Loans with frequent interest-rate fixing:</b>		
Refinancing (annually) <25%	11.9%	14.1%
Refinancing (quarterly) <12.5%	3.5%	1.6%

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

## Other Information

### Events after the end of the accounting period

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

### Financial calendar 2023

Jyske Bank anticipates releasing financial statements on the following dates in 2023.

#### Financial calendar 2023

15 August	Interim Financial Report, H1 2023
31 October	Interim Financial Report, Q1 - Q3 2023

### Further information

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

Also, please see [www.jyskerealkredit.com](https://www.jyskerealkredit.com). Here Jyske Realkredit's Interim Financial Report for Q1 2023 is available.

## Business Segments

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

### Banking Activities

#### Summary of income statement (DKKm)

	Q1 2023	Q1 2022	Index 23/22	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	FY 2022
Net interest income	1,339	602	222	1,339	959	693	635	602	2,889
Net fee and commission income	809	811	100	809	867	793	722	811	3,193
Value adjustments	154	16	963	154	434	-292	-47	16	111
Other income	99	100	99	99	30	16	65	100	211
<b>Core income</b>	<b>2,401</b>	<b>1,529</b>	<b>157</b>	<b>2,401</b>	<b>2,290</b>	<b>1,210</b>	<b>1,375</b>	<b>1,529</b>	<b>6,404</b>
Core expenses	1,327	1,017	130	1,327	1,181	1,069	1,037	1,017	4,304
<b>Core profit before loan impairment charges</b>	<b>1,074</b>	<b>512</b>	<b>210</b>	<b>1,074</b>	<b>1,109</b>	<b>141</b>	<b>338</b>	<b>512</b>	<b>2,100</b>
Loan impairment charges	119	-20	-	119	-15	-231	-125	-20	-391
<b>Core profit</b>	<b>955</b>	<b>532</b>	<b>180</b>	<b>955</b>	<b>1,124</b>	<b>372</b>	<b>463</b>	<b>532</b>	<b>2,491</b>
Investment portfolio earnings	31	4	775	31	-29	-119	13	4	-131
<b>Profit before one-off costs</b>	<b>986</b>	<b>536</b>	<b>184</b>	<b>986</b>	<b>1,095</b>	<b>253</b>	<b>476</b>	<b>536</b>	<b>2,360</b>
One-off costs relating to Handelsbanken DK	-38	0	-	-38	-66	-67	-11	0	-144
<b>Pre-tax profit</b>	<b>948</b>	<b>536</b>	<b>177</b>	<b>948</b>	<b>1,029</b>	<b>186</b>	<b>465</b>	<b>536</b>	<b>2,216</b>

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

Loans and advances	180.1	128.0	141	180.1	184.6	139.0	140.0	128.0	184.6
- of which bank loans	131.4	88.1	149	131.4	132.1	92.2	90.6	88.1	132.1
- of which repo loans	48.7	39.9	122	48.7	52.5	46.8	49.4	39.9	52.5
Total assets	390.8	267.9	146	390.8	363.1	313.7	300.2	267.9	363.1
Deposits	228.2	141.7	161	228.2	208.2	161.9	156.2	141.7	208.2
- of which bank deposits	202.1	126.9	159	202.1	188.9	149.0	139.9	126.9	188.9
- of which repo and triparty deposits	26.1	14.8	176	26.1	19.3	12.9	16.3	14.8	19.3
Issued bonds	89.2	63.1	141	89.2	89.3	82.3	73.7	63.1	89.3

#### Profit

Pre-tax profit amounted to DKK 948m for the first quarter of 2023 against DKK 536m for the corresponding period in 2022. The increase was fuelled, in particular, by the acquisition of Handelsbanken Denmark and the impact from the higher interest-rate level.

#### Core income

Core income rose by 57% relative to the first quarter of 2022, and net interest income was the largest contributor to the development.

Net Interest income increased by 122% relative to the first quarter of 2022. The increase was especially due to significant interest-rate increases. Danmarks Nationalbank's rate of interest on certificates of deposit was lifted to 2.6% at the end of Q1 2023 from -0.6% one year earlier. The higher interest-rate level has improved the return on Jyske Bank's bond holdings etc. In addition, the acquisition of Handelsbanken Denmark and higher bank lending to corporate clients in the course of 2022 also added considerably to the advance in net interest income.

Net fee and commission income was roughly unchanged at DKK 809m. Adjusted for internal distribution fees received from Jyske Realkredit, net fee and commission income under banking activities rose by 4% relative to the first quarter of 2022. The increase can be attributed to the effect from the acquisition of Handelsbanken Denmark as well as the introduction of a new customer programme. These factors more than offset the effect from lower income from securities trading and custody services as well as lower loan application fees.

Value adjustments increased to DKK 154m from DKK 16m in the preceding year. The positive results can be attributed to a favourable development in the financial markets, including the impact from the spread narrowing of Danish mortgage bonds.

Other income was roughly unchanged at DKK 99m against DKK 100m. Share dividends, etc., rose whereas the first quarter of 2022 showed positive results from investments in associates.

#### Core expenses

Core expenses rose by 30% relative to the first quarter of 2022. The increase can primarily be

attributed to the acquisition of Handelsbanken Denmark which contributed to an increase in the number of full-time employees as well as higher expenses for data processing centres and amortisation of customer relations. To this must be added one-offs of DKK 38m relating to the acquisition of Handelsbanken Denmark.

### Loan impairment charges

Loan impairment charges amounted to an expense of DKK 119m against an income of DKK 20m in the first quarter of 2022. The expense can be attributed to higher default risks in the Danish economy, which sparked an increase in model-based loan impairment charges. Post-model adjustments relating to loan impairment charges were maintained at a high level as a result of the high degree of macroeconomic uncertainty, and consequently, total loan impairment charges to meet macroeconomic risks were increased. The credit quality is still solid with a low level of non-performing loans and advances and a low level of write-offs.

### Investment portfolio earnings

Investment portfolio earnings amounted to DKK 31m in Q1 2023 against DKK 4m in the same period of 2022. The positive results were due to a favourable development in the financial markets which more than offset rising funding costs due to a higher interest-rate level. The hedging of additional tier 1 capital instruments in SEK had a negative effect of DKK 3m in the first quarter of 2023.

### Business volume

Bank loans and advances amounted to DKK 131.4bn against DKK 132.1bn at the end of 2022. Lower mortgage-like bank loans and advances were offset by higher bank loans to corporate clients. Mortgage-like bank loans declined primarily due to the transfer of loans to Jyske Realkredit.

Bank deposits amounted to DKK 202.1bn, corresponding to an increase by 7% relative to the end of 2022. The development was fuelled by corporate clients and was characterised by a rising proportion of time deposits.

### Q1 2023 compared to Q4 2022

In the first quarter of the year, pre-tax profit amounted to DKK 948m against DKK 1,029m in the fourth quarter.

Core income rose by 5% due to higher net interest income.

Net interest income rose by 40% to DKK 1,339m. The increase was due to the full-quarter effect from the acquisition of Handelsbanken Denmark and higher interest rates relating to surplus liquidity. These factors more than offset two fewer days of interest.

Net fee and commission income declined to DKK 809m from DKK 867m. Exclusive of distribution fees from Jyske Realkredit, net fee and commission income fell by 5% in the quarter. The development can primarily be attributed to seasonally lower investment and custody fees.

Other income rose to DKK 99m from DKK 30m due to seasonally higher share dividends etc.

Value adjustments amounted to DKK 154m against DKK 434m in the preceding quarter. The continued positive results can be attributed to a favourable development in the financial markets, including the effect from spread narrowing of Danish mortgage bonds.

Core expenses rose to DKK 1,327m from DKK 1,181m. The development can be attributed to the full quarterly effect from Handelsbanken Denmark which was recognised with one month in the preceding quarter. One-offs relating to the acquisition of Handelsbanken Denmark declined from DKK 66m to DKK 38m.

Loan impairment charges amounted to an expense of DKK 119m against an income of DKK 15m in the preceding quarter. The higher level was due to higher default risks in the Danish economy.

Investment portfolio earnings amounted to DKK 31m against DKK -29m in the preceding quarter. The positive results were due to a favourable development in the financial markets which more than offset rising funding costs due to a higher interest-rate level.



## Mortgage activities

### Summary of income statement (DKKm)

	Q1 2023	Q1 2022	Index 23/22	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	FY 2022
Administration margin income, etc. <sup>1</sup>	627	588	107	627	599	581	587	588	2,355
Other net interest income	140	-2	-	140	109	32	21	-2	160
Net fee and commission income	-150	-121	124	-150	-190	-194	-148	-121	-653
Value adjustments	87	-9	-	87	88	-10	-67	-9	2
Other income	0	0	-	0	0	0	0	0	0
<b>Core income</b>	<b>704</b>	<b>456</b>	<b>154</b>	<b>704</b>	<b>606</b>	<b>409</b>	<b>393</b>	<b>456</b>	<b>1,864</b>
Core expenses	106	100	106	106	99	95	100	100	394
<b>Core profit before loan impairment charges</b>	<b>598</b>	<b>356</b>	<b>168</b>	<b>598</b>	<b>507</b>	<b>314</b>	<b>293</b>	<b>356</b>	<b>1,470</b>
Loan impairment charges	-46	-37	124	-46	-167	-12	-56	-37	-272
<b>Pre-tax profit</b>	<b>644</b>	<b>393</b>	<b>164</b>	<b>644</b>	<b>674</b>	<b>326</b>	<b>349</b>	<b>393</b>	<b>1,742</b>

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

### Summary of balance sheet (DKKbn)

Mortgage loans, nominal value	367.3	341.2	108	367.3	365.6	342.6	343.9	341.2	365.6
Mortgage loans, fair value	338.2	329.5	103	338.2	333.7	304.5	319.1	329.5	333.7
Total assets	367.7	357.4	103	367.7	359.6	332.7	341.8	357.4	359.6
Issued bonds	338.8	331.8	102	338.8	330.3	305.2	316.2	331.8	330.3

### Profit

In the first quarter of 2023, pre-tax profit amounted to DKK 644m against DKK 393m in the first quarter of 2022. The improved results can primarily be attributed to a higher return on Jyske Realkredit's bond portfolio due to the rising level of interest rates.

### Core income

In the first quarter of 2023, core income rose by 54% to DKK 704m from DKK 456m in the corresponding period of the preceding year. The increase can be attributed to higher net interest income and higher value adjustments.

Administration margin income, etc. increased by 7% to DKK 627m. The development was due to loans taken over from Handelsbanken Denmark in December 2022.

Other net interest income rose to DKK 140m from DKK -2m in the first quarter of 2022. The increase is due to higher interest income associated with Jyske Realkredit's bond portfolio as a result of the higher level of interest rates.

Net fee and commission income amounted to DKK -150m against DKK -121m in the first quarter of 2022. Exclusive of internal distribution fees paid, net fee and commission income fell by 33% due to lower remortgaging activity.

Value adjustments increased to DKK 87m from DKK -9m in the first quarter of 2022. A significant proportion of the bond portfolio has been invested

in short-term bonds acquired below par and held to maturity which resulted in positive value adjustments in the first quarter of 2023.

### Core expenses

Core expenses amounted to DKK 106m against DKK 100m in the corresponding period of the preceding year. The increase is due to payroll costs related to employees taken over from Handelsbanken Denmark.

### Loan impairment charges

Loan impairment charges amounted to an income of DKK 46m against an income of DKK 37m in the first quarter of 2022. The income in the first quarter of 2023 related primarily to a reversal of loan impairment charges in individual corporate commitments. Post-model adjustments relating primarily to macroeconomic risks amounted to DKK 585m, which is unchanged compared with the end of 2022.

### Business volume

Mortgage loans stated at nominal value rose by DKK 1.7bn to DKK 367.3bn compared to the level at the end of 2022. The increase related to loans to corporate clients. Mortgage loans at fair value rose to DKK 338.2bn from DKK 333.7bn in the same period. The higher increase in mortgage loans at fair value can be attributed to rising prices of Danish mortgage bonds.

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

### Q1 2023 compared to Q4 2022

In the first quarter of 2023, pre-tax profit amounted to DKK 644m against DKK 674m in the fourth quarter of 2022.

Core income increased by 16% to DKK 704m. The increase was driven by net interest and fee income.

Administration margin income etc. rose by 5% to DKK 627m, which can primarily be attributed to the take-over of loans from Handelsbanken Denmark in December 2022.

Other net interest income rose to DKK 140m from DKK 109m in the previous quarter. The development can be attributed to higher interest income relating to the bond portfolio as a result of the higher level of interest rates.

Net fee and commission income amounted to DKK -150m against DKK -190m. Exclusive of internal distribution fees paid, net fee and commission income increased to 11% due to seasonally higher refinancing activity.

Value adjustments were roughly unchanged at DKK 87m against DKK 88m in the preceding quarter. A significant proportion of the bond portfolio has been invested in short-term bonds acquired below par and held to maturity which resulted in positive value adjustments in the first quarter of 2023.

Core expenses amounted to DKK 106m against DKK 99m in the preceding quarter. The increase is due to payroll costs related to employees taken over from Handelsbanken Denmark.

Loan impairment charges amounted to an income of DKK 46m against an income of DKK 167m in the preceding quarter. The income in the first quarter of 2023 related primarily to a reversal of impairment charges in individual corporate commitments.

## Leasing activities

### Summary of income statement (DKKm)

	Q1 2023	Q1 2022	Index 23/22	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	FY 2022
Net interest income	118	124	95	118	106	106	116	124	452
Net fee and commission income	-1	-7	14	-1	4	-1	-7	-7	-11
Value adjustments	-1	2	-	-1	1	2	21	2	26
Other income	5	5	100	5	14	4	5	5	28
Income from operating lease (net)	84	80	105	84	60	98	105	80	343
<b>Core income</b>	<b>205</b>	<b>204</b>	<b>100</b>	<b>205</b>	<b>185</b>	<b>209</b>	<b>240</b>	<b>204</b>	<b>838</b>
Core expenses	47	43	109	47	49	42	47	43	181
<b>Core profit before loan impairment charges</b>	<b>158</b>	<b>161</b>	<b>98</b>	<b>158</b>	<b>136</b>	<b>167</b>	<b>193</b>	<b>161</b>	<b>657</b>
Loan impairment charges	23	2	-	23	24	43	-11	2	58
<b>Pre-tax profit</b>	<b>135</b>	<b>159</b>	<b>85</b>	<b>135</b>	<b>112</b>	<b>124</b>	<b>204</b>	<b>159</b>	<b>599</b>

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

Loans and advances	23.7	22.5	105	23.7	23.4	22.9	22.7	22.5	23.4
Total assets	27.4	24.9	110	27.4	27.3	25.6	25.1	24.9	27.3
Deposits	0.2	0.2	100	0.2	0.2	0.2	0.2	0.2	0.2

### Profit

In the first quarter of 2023, pre-tax profit amounted to DKK 135m against DKK 159m in the first quarter of 2022. The decline can primarily be attributed to higher loan impairment charges.

Net interest income amounted to DKK 118m against DKK 124m in the first quarter of 2022. Higher lending rates were more than offset by higher funding costs.

Net fee and commission income, etc. amounted to an expense of DKK 1m against an expense of DKK 7m in the first quarter of 2022 due to lower fees paid.

Value adjustments amounted to DKK -1m in the first quarter of 2023 against DKK 2m for the same period in 2022.

In the first quarter of 2023, income from operating lease (net) rose to DKK 84m from DKK 80m in the first quarter of 2022 due to continued favourable sales conditions in the used car market.

In the first quarter of 2023, core expenses rose to DKK 47m from DKK 43m for the same period in 2022 due to higher administrative expenses.

Loan impairment charges and provisions for guarantees amounted to an expense of DKK 23m against an expense of DKK 2m in the first quarter of 2022 due to higher default risks in the Danish economy.

### Business volume

At the end of the first quarter of 2023, loans under leasing activities increased by 1% to DKK 23.7bn relative to the level at the end of 2022 despite challenged supply chains in several sub-segments.

#### Q1 2023 compared to Q4 2022

In the first quarter of 2023, pre-tax profit rose to DKK 135m from DKK 112m in the preceding quarter.

Net interest income rose to DKK 118m from DKK 106m due to higher lending rates which more than offset rising funding costs.

Net fee and commission income amounted to DKK -1m in the first quarter of the year against DKK 4m in the preceding quarter as a result of higher fees paid.

Value adjustments were roughly unchanged at DKK -1m against DKK 1m in the fourth quarter.

Income from operating lease (net) rose to DKK 84m from DKK 60m. The high level can be attributed to continuing good sales conditions in the used car market.

Core expenses fell to DKK 47m from DKK 49m, due to slightly lower administrative expenses.

Loan impairment charges amounted to an expense of DKK 23m against an expense of DKK 24m in the preceding quarter. The level of loan impairment charges reflects higher default risks in the Danish economy.

## Jyske Bank Group

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	Q1 2023	Q1 2022
DKKm		
<b>Income Statement</b>		
5 Interest income calculated according to the effective interest method	2,785	832
5 Other interest income	2,593	1,482
6 Interest expenses	3,193	989
<b>Net interest income</b>	<b>2,185</b>	<b>1,325</b>
7 Fees and commission income	781	804
7 Fees and commission expenses	124	121
<b>Net interest and fee income</b>	<b>2,842</b>	<b>2,008</b>
8 Value adjustments	318	9
9 Other income	318	309
10 Employee and administrative expenses etc.	1,481	1,143
Amortisation, depreciation and impairment charges	174	150
12 Loan impairment charges	96	-55
<b>Pre-tax profit</b>	<b>1,727</b>	<b>1,088</b>
11 Tax	438	237
<b>Net profit for the period</b>	<b>1,289</b>	<b>851</b>
Distributed to:		
Jyske Bank A/S shareholders	1,250	815
Holders of additional tier 1 capital (AT1)	39	36
Total	1,289	851
<b>Earnings per share for the period</b>		
Earnings per share for the period, DKK	19.45	12.14
Earnings per share for the period, DKK, diluted	19.45	12.14
<b>Statement of Comprehensive Income</b>		
Net profit for the period	1,289	851
Other comprehensive income	0	0
<b>Comprehensive income for the period</b>	<b>1,289</b>	<b>851</b>
Distributed to:		
Jyske Bank A/S shareholders	1,250	815
Holders of additional tier 1 capital (AT1)	39	36
Total	1,289	851

		31 March 2023	31 Dec. 2022	31 March 2022
	DKKm			
<b>Balance Sheet</b>				
<b>Assets</b>				
	Cash balance and demand deposits with central banks	95,308	58,519	36,689
	Due from credit institutions and central banks	7,643	8,347	8,780
13,14	Loans at fair value	340,427	337,632	331,536
15	Loans and advances at amortised cost	201,609	204,050	148,406
	Bonds at fair value	59,045	55,505	57,811
	Bonds at amortised cost	38,529	39,660	29,825
	Shares, etc.	2,111	2,260	2,352
	Intangible assets	3,315	3,328	0
	Property, plant and equipment	4,124	4,193	4,209
	Deferred tax assets	1,107	1,206	0
	Current tax assets	618	0	962
	Assets held temporarily with a view to sale	65	65	80
16	Other assets	32,064	35,232	29,551
	<b>Total assets</b>	<b>785,965</b>	<b>749,997</b>	<b>650,201</b>
<b>Liabilities</b>				
	Due to credit institutions and central banks	39,902	28,430	29,380
17	Deposits	228,348	208,405	141,905
18	Issued bonds at fair value	331,184	324,156	327,078
	Issued bonds at amortised cost	96,773	95,435	67,803
	Liabilities in disposal group with a view to sale	1	5	4
19	Other liabilities	40,722	45,585	38,895
20	Provisions	1,014	992	1,308
21	Subordinated debt	6,144	6,365	5,482
	<b>Liabilities, total</b>	<b>744,088</b>	<b>709,373</b>	<b>611,855</b>
<b>Equity</b>				
	Share capital	643	643	690
	Revaluation reserve	168	168	171
	Retained profit	37,768	36,512	34,136
	Jyske Bank A/S shareholders	38,579	37,323	34,997
	Holders of additional tier 1 capital (AT1)	3,298	3,301	3,349
	<b>Total equity</b>	<b>41,877</b>	<b>40,624</b>	<b>38,346</b>
	<b>Total equity and liabilities</b>	<b>785,965</b>	<b>749,997</b>	<b>650,201</b>

DKKm

**Statement of Changes in Equity**

	Share capital	Revaluation reserve	Retained profit	Jyske Bank A/S		Total equity
				shareholders	AT1 capital*	
Equity at 1 January 2023	643	168	36,512	37,323	3,301	40,624
Net profit for the period	0	0	1,250	1,250	39	1,289
Other comprehensive income	0	0	0	0	0	0
Comprehensive income for the period	0	0	1,250	1,250	39	1,289
Interest paid on additional tier 1 capital	0	0	0	0	-39	-39
Currency translation adjustment	0	0	3	3	-3	0
Acquisition of own shares	0	0	-737	-737	0	-737
Sale of own shares	0	0	740	740	0	740
Transactions with owners	0	0	6	6	-42	-36
<b>Equity on 31 March 2023</b>	<b>643</b>	<b>168</b>	<b>37,768</b>	<b>38,579</b>	<b>3,298</b>	<b>41,877</b>
Equity at 1 January 2022	726	171	34,014	34,911	3,355	38,266
Net profit for the period	0	0	815	815	36	851
Other comprehensive income	0	0	0	0	0	0
Comprehensive income for the period	0	0	815	815	36	851
Interest paid on additional tier 1 capital	0	0	0	0	-36	-36
Currency translation adjustment	0	0	6	6	-6	0
Reduction of share capital	-36	0	36	0	0	0
Acquisition of own shares	0	0	-1,291	-1,291	0	-1,291
Sale of own shares	0	0	556	556	0	556
Transactions with owners	-36	0	-693	-729	-42	-771
<b>Equity on 31 March 2022</b>	<b>690</b>	<b>171</b>	<b>34,136</b>	<b>34,997</b>	<b>3,349</b>	<b>38,346</b>

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



DKKm	<b>31 March 2023</b>	31 Dec. 2022	31 March 2022
<b>Capital Statement</b>			
Shareholders' equity	<b>38,579</b>	37,323	34,997
Share buy-back programme, non-utilised limit	<b>0</b>	0	-543
Intangible assets	<b>-3,315</b>	-3,328	0
Prudent valuation	<b>-245</b>	-271	-243
Insufficient coverage of non-performing loans and guarantees	<b>-108</b>	-75	-56
Other deductions	<b>-182</b>	-93	-151
<b>Common equity tier 1 capital</b>	<b>34,729</b>	33,556	34,004
Additional tier 1 capital (AT1) after reduction	<b>3,257</b>	3,272	3,323
<b>Core capital</b>	<b>37,986</b>	36,828	37,327
Subordinated loan capital after reduction	<b>6,078</b>	6,178	5,204
<b>Capital base</b>	<b>44,064</b>	43,006	42,531
Weighted risk exposure involving credit risk, etc.	<b>195,866</b>	195,379	172,794
Weighted risk exposure involving market risk	<b>11,539</b>	8,381	9,707
Weighted risk exposure involving operational risk	<b>17,675</b>	17,161	14,634
<b>Total weighted risk exposure</b>	<b>225,080</b>	220,921	197,135
Capital requirement, Pillar I	<b>18,006</b>	17,674	15,771
Capital ratio (%)	<b>19.6</b>	19.5	21.6
Tier 1 capital ratio (%)	<b>16.9</b>	16.7	18.9
Common equity tier 1 capital ratio (%)	<b>15.4</b>	15.2	17.2

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

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

	Q1 2023	Q1 2022
DKKm		
<b>Summary of Cash Flow Statement</b>		
<b>Net profit for the period</b>	<b>1,289</b>	851
Adjustment for non-cash operating items and change in working capital	<b>35,208</b>	5,462
<b>Cash flows from operating activities</b>	<b>36,497</b>	6,313
Acquisition and sale of property, plant and equipment	<b>-85</b>	-41
Dividend received	<b>60</b>	33
<b>Cash flows from investment activities</b>	<b>-25</b>	-8
Interest paid on additional tier 1 capital	<b>-39</b>	-36
Acquisition of own shares	<b>-737</b>	-1,291
Sale of own shares	<b>740</b>	556
Redemption of subordinated debt	<b>-149</b>	0
Repayment on lease commitment	<b>-20</b>	-15
<b>Cash flows from financing activities</b>	<b>-205</b>	-786
<b>Cash flow for the period</b>	<b>36,267</b>	5,519
Cash and cash equivalents, beginning of period	<b>66,866</b>	39,977
Foreign currency translation adjustment of cash at bank and in hand	<b>-182</b>	-27
Cash flow for the period, total	<b>36,267</b>	5,519
<b>Cash and cash equivalents, end of period</b>	<b>102,951</b>	45,469
Cash and cash equivalents, end of period, comprise:		
Cash balance and demand deposits with central banks	<b>95,308</b>	36,689
Due from credit institutions and central banks	<b>7,643</b>	8,780
<b>Cash and cash equivalents, end of period</b>	<b>102,951</b>	45,469

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**1 Accounting Policies**

The Interim Financial Report for the period 1 January to 31 March 2023 for the Jyske Bank Group was prepared in accordance with IAS 34 Presentation of Interim Financial Reporting as adopted by the EU. Furthermore, the Interim Financial Report was prepared in accordance with the additional Danish disclosure requirements for the interim reports of listed financial undertakings. Due to the application of IAS 34, the presentation is more limited relative to the presentation of an annual report, and also the recognition and determination principles of the International Financial Reporting Standards (IFRS) were adhered to.

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

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

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

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

**2 Material accounting estimates**
**Post-model adjustments**

Measurement of the carrying value of certain assets and liabilities requires the post-model adjustments of the influence of future events on the value of such assets and liabilities. Estimates of material importance to the financial reporting are, among other things, based on the determination of loan impairment charges and provisions for guarantees, the fair value of unlisted financial instruments, provisions made and acquisitions, cf. the detailed statement in note 68 in the Annual Report 2022. The estimates are based on assumptions which management finds reasonable, but which are inherently uncertain. Besides, the Group is subject to risks and uncertainties which may cause results to differ from those estimates. At the preparation of the interim financial statements, the material accounting estimates are the same as the ones applied at the preparation of the Annual Report for 2022.

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

At the end of the first quarter of 2023, the Jyske Bank Group's post-model adjustments totalled DKK 1,425m.

DKKm	<b>31 March 2023</b>	31 Dec. 2022	31 March 2022
<b>Corporate clients</b>			
Macroeconomic risks	<b>760</b>	760	828
Non-linear impairment effects	<b>121</b>	121	137
Process-related risks	<b>55</b>	55	40
<b>Corporate clients, total</b>	<b>936</b>	936	1,005
<b>Personal clients</b>			
Macroeconomic risks	<b>320</b>	320	312
Non-linear impairment effects	<b>34</b>	34	78
Process-related risks	<b>135</b>	135	235
<b>Personal clients, total</b>	<b>489</b>	489	625
<b>Post-model adjustments, total</b>	<b>1,425</b>	1,425	1,630

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

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

	DKKm	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>3 Key figures and ratios, five quarters</b>						
<b>Summary of Income Statement</b>						
Net interest income		2,185	1,760	1,423	1,389	1,325
Net fee and commission income		657	681	598	567	683
Value adjustments		318	514	-423	-104	9
Other income		318	257	249	298	309
<b>Income</b>		<b>3,478</b>	<b>3,212</b>	<b>1,847</b>	<b>2,150</b>	<b>2,326</b>
Expenses		1,655	1,555	1,411	1,324	1,293
<b>Profit or loss before loan impairment charges</b>		<b>1,823</b>	<b>1,657</b>	<b>436</b>	<b>826</b>	<b>1,033</b>
Loan impairment charges		96	-158	-200	-192	-55
<b>Pre-tax profit</b>		<b>1,727</b>	<b>1,815</b>	<b>636</b>	<b>1,018</b>	<b>1,088</b>
Tax		438	257	133	178	237
<b>Net profit for the period</b>		<b>1,289</b>	<b>1,558</b>	<b>503</b>	<b>840</b>	<b>851</b>
<b>Financial ratios</b>						
Pre-tax profit, per share (DKK)*		26.3	27.6	9.3	15.2	15.7
Earnings per share for the period (DKK)*		19.5	23.7	7.3	12.4	12.1
Earnings per share for the period (diluted) (DKK)*		19.5	23.7	7.3	12.4	12.1
Core profit per share (DKK)*		26.4	29.1	12.2	15.0	15.6
Share price at end of period (DKK)		480	451	398	347	369
Book value per share (DKK)*		600	581	557	548	532
Price/book value per share (DKK)*		0.8	0.8	0.7	0.6	0.7
Outstanding shares in circulation ('000)		64,272	64,264	64,251	64,258	65,836
Average number of shares in circulation ('000)		64,264	64,263	64,260	64,835	67,154
Capital ratio (%)		19.6	19.5	23.6	22.2	21.6
Tier 1 capital ratio (%)		16.9	16.7	20.3	19.6	18.9
Common equity tier 1 capital ratio (%)		15.4	15.2	18.6	17.9	17.2
Pre-tax profit as a pct. of average equity*		4.4	4.9	1.7	2.8	3.0
Profit for the period as a pct. of average equity*		3.3	4.2	1.3	2.3	2.3
Income/cost ratio (%) inclusive of impairment charges		2.0	2.3	1.5	1.9	1.9
Interest-rate risk (%)		2.5	2.4	1.9	1.9	2.5
Currency risk (%)		0.0	0.0	0.0	0.0	0.0
Accumulated impairment ratio (%)		0.9	0.8	1.0	1.0	1.0
Impairment ratio for the period (%)		0.0	0.0	0.0	0.0	0.0
No. of full-time employees at end-period		3,893	3,873	3,284	3,237	3,252
Average number of full-time employees in the period		3,883	3,579	3,261	3,245	3,254

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

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

4 Segmental financial statements	Banking activities	Mortgage activities	Leasing activities	The Jyske Bank Group*
<b>Q1 2023</b>				
Net interest income	1,339	767	118	2,224
Net fee and commission income	809	-150	-1	658
Value adjustments	154	87	-1	240
Other income	99	0	5	104
Income from operating lease (net)	0	0	84	84
<b>Core income</b>	<b>2,401</b>	<b>704</b>	<b>205</b>	<b>3,310</b>
Core expenses	1,327	106	47	1,480
<b>Core profit before loan impairment charges</b>	<b>1,074</b>	<b>598</b>	<b>158</b>	<b>1,830</b>
Loan impairment charges	119	-46	23	96
<b>Core profit</b>	<b>955</b>	<b>644</b>	<b>135</b>	<b>1,734</b>
Investment portfolio earnings	31	0	0	31
<b>Profit or loss before non-recurring items</b>	<b>986</b>	<b>644</b>	<b>135</b>	<b>1,765</b>
Non-recurring items relating to Handelsbanken DK	-38	0	0	-38
<b>Pre-tax profit</b>	<b>948</b>	<b>644</b>	<b>135</b>	<b>1,727</b>
Loans and advances	180,088	338,203	23,745	542,036
- of which mortgage loans	0	338,203	0	338,203
- of which bank loans	131,437	0	23,745	155,182
- of which repo loans	48,651	0	0	48,651
Total assets	390,820	367,725	27,420	785,965
Deposits	228,189	0	159	228,348
- of which bank deposits	202,062	0	159	202,221
- of which repo and triparty deposits	26,127	0	0	26,127
Issued bonds	89,189	338,768	0	427,957
<b>Q1 2022</b>				
Net interest income	602	586	124	1,312
Net fee and commission income	811	-121	-7	683
Value adjustments	16	-9	2	9
Other income	100	0	5	105
Income from operating lease (net)	0	0	80	80
<b>Core income</b>	<b>1,529</b>	<b>456</b>	<b>204</b>	<b>2,189</b>
Core expenses	1,017	100	43	1,160
<b>Core profit before loan impairment charges</b>	<b>512</b>	<b>356</b>	<b>161</b>	<b>1,029</b>
Loan impairment charges	-20	-37	2	-55
<b>Core profit</b>	<b>532</b>	<b>393</b>	<b>159</b>	<b>1,084</b>
Investment portfolio earnings	4	0	0	4
<b>Profit or loss before non-recurring items</b>	<b>536</b>	<b>393</b>	<b>159</b>	<b>1,088</b>
Non-recurring items relating to Handelsbanken DK	0	0	0	0
<b>Pre-tax profit</b>	<b>536</b>	<b>393</b>	<b>159</b>	<b>1,088</b>
Loans and advances	127,973	329,514	22,455	479,942
- of which mortgage loans	0	329,514	0	329,514
- of which bank loans	88,028	0	22,455	110,483
- of which repo loans	39,945	0	0	39,945
Total assets	267,908	357,414	24,879	650,201
Deposits	141,696	0	209	141,905
- of which bank deposits	126,908	0	209	127,117
- of which repo and triparty deposits	14,788	0	0	14,788
Issued bonds	63,123	331,758	0	394,881

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

DKKm

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

The pre-tax profit for the first quarter of 2023 broken down by core earnings and investment portfolio earnings as well as one-off costs is stated below:

**Breakdown of the net profit or loss for the period**

DKKm	Q1 2023					Q1 2022			
	Core profit	Inv. portfolio earnings	One-off costs	Reclas-sification	Total	Core profit	Inv. portfolio earnings	Reclas-sification	Total
Net interest income	2,224	-38	0	-1	2,185	1,312	19	-6	1,325
Net fee and commission income	658	-1	0	0	657	683	0	0	683
Value adjustments	240	77	0	1	318	9	-6	6	9
Other income	104	0	0	0	104	105	0	0	105
Income from operating lease (net)	84	0	0	130	214	80	0	124	204
<b>Income</b>	<b>3,310</b>	<b>38</b>	<b>0</b>	<b>130</b>	<b>3,478</b>	<b>2,189</b>	<b>13</b>	<b>124</b>	<b>2,326</b>
Expenses	1,480	7	38	130	1,655	1,160	9	124	1,293
<b>Profit before loan impairment charges</b>	<b>1,830</b>	<b>31</b>	<b>-38</b>	<b>0</b>	<b>1,823</b>	<b>1,029</b>	<b>4</b>	<b>0</b>	<b>1,033</b>
Loan impairment charges	96	0	0	0	96	-55	0	0	-55
<b>Pre-tax profit</b>	<b>1,734</b>	<b>31</b>	<b>-38</b>	<b>0</b>	<b>1,727</b>	<b>1,084</b>	<b>4</b>	<b>0</b>	<b>1,088</b>

**Alternative performance targets**

The alternative performance targets applied in the management's review constitute valuable information for readers of financial statements as they provide a more uniform basis for comparison of accounting periods. No adjusting entries are made, and therefore the net profit or loss for the year will be the same in the alternative performance targets of the management's review and in the IFRS financial statements.

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

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

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

The above table illustrates relationships between income statement items under 'The Jyske Bank Group' (key financial data), page 2, and income statement items in the IFRS financial statements, page 19.

Reclassification relates to the following:

- Income of DKK 1m (Q1 2022: income of DKK 6m) due to value adjustments relating to the balance principle at Jyske Realkredit was reclassified from value adjustments to interest income.
- Depreciation and amortisation of DKK 130m (Q1 2022: DKK 124m) were reclassified from expenses to income from operating lease (net).

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

"Earnings per share for the period", "Earnings per share (diluted) for the period", "Pre-tax profit as a percentage of average equity" and "Net profit for the period as a percentage of average equity" are calculated as if additional tier 1 capital is recognised as a liability. In the numerator, the profit is less interest expenses for additional tier 1 capital of DKK 39m (Q1 2022: DKK 36m) and the denominator is calculated as equity exclusive of AT1 capital of DKK 3,298m (Q1 2022: DKK 3,349m).

"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 is accounted for as a liability. Book value was calculated exclusive of additional tier 1 capital of DKK 3,298m (Q1 2022: DKK 3,349m).



DKKm Q1 Q1  
2023 2022

<b>5</b>	<b>Interest income</b>		
	Due from credit institutions and central banks	487	-32
	Loans and advances	3,733	1,293
	Administration margin	500	505
	Bonds	588	112
	Derivatives, total	133	116
	Of which currency contracts	194	95
	Of which interest-rate contracts	-61	21
	Other	9	0
	<b>Total</b>	<b>5,450</b>	<b>1,994</b>
	Interest on own mortgage bonds, set off against interest on issued bonds	72	49
	<b>Total after offsetting of negative interest</b>	<b>5,378</b>	<b>1,945</b>
	Negative interest income set off against interest income	0	99
	Negative interest expenses set off against interest expenses	0	270
	<b>Total before offsetting of negative interest income</b>	<b>5,378</b>	<b>2,314</b>

Of which Interest income calculated according to the effective interest method 2,785 832

Negative interest income amounted to DKK 0m (Q1 2022: DKK 99m) and related primarily to repo transactions. In the above table, negative interest income is set off against interest income. In the income statement, negative interest income is listed as interest expenses, and negative interest expenses are listed as interest income.

<b>6</b>	<b>Interest expenses</b>		
	Due to credit institutions and central banks	198	3
	Deposits	610	-179
	Issued bonds	2,343	813
	Subordinated debt	51	28
	Other	63	4
	<b>Total</b>	<b>3,265</b>	<b>669</b>
	Interest on own mortgage bonds, set off against interest on issued bonds	72	49
	<b>Total after offsetting of negative interest</b>	<b>3,193</b>	<b>620</b>
	Negative interest expenses set off against interest expenses	0	270
	Negative interest income set off against interest income	0	99
	<b>Total before offsetting of negative interest income</b>	<b>3,193</b>	<b>989</b>

Negative interest expenses amounted to DKK 0m (Q1 2022: DKK 270m) related primarily to repo transactions as well as deposits and issued bonds. In the above table, negative interest expenses are set off against interest expenses. In the income statement, negative interest expenses are listed as interest income, and negative interest income is listed as interest expenses.

<b>7</b>	<b>Fees and commission income</b>		
	Securities trading and custody services	346	361
	Money transfers and card payments	87	62
	Loan application fees	113	143
	Guarantee commission	28	24
	Other fees and commissions	207	214
	Fees and commissions received, total	781	804
	Fees and commissions paid, total	124	121
	<b>Fee and commission income, net</b>	<b>657</b>	<b>683</b>

Fee income for the period, amounting to DKK 781m less fees and commission paid for the period amounting to DKK 124m, constitutes the net fee and commission income for the period in the amount of DKK 657m. (Q1 2022: DKK 683m). These are recognised in the segmental financial statements for the bank's three business areas, cf. note 4.

Note	Jyske Bank Group	
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	Q1 2023	Q1 2022
DKKm		
<b>8 Value adjustments</b>		
Loans at fair value	2,656	-13,732
Bonds	239	-1,075
Shares, etc.	-6	20
Currency	61	33
Currency, interest-rate, share, commodity and other contracts as well as other derivatives	193	279
Issued bonds	-2,810	14,380
Other assets and liabilities	-15	104
<b>Total</b>	<b>318</b>	<b>9</b>
<b>9 Other income</b>		
Income on real property	19	10
Profit on the sale of property, plant and equipment	0	3
Income from operating lease <sup>1</sup>	214	204
Dividends, etc.	60	33
Profit/loss on investments in associates	0	50
Other income	25	9
<b>Total</b>	<b>318</b>	<b>309</b>
<sup>1</sup> ) Expenses relating to operating lease affected the item Amortisation, depreciation and impairment charges in the amount of DKK 130m in the first quarter of 2023 against DKK 124m in the first quarter of 2022.		
<b>10 Employee and administrative expenses</b>		
<b>Employee expenses</b>		
Wages and salaries, etc.	684	555
Pensions	89	77
Social security	103	82
<b>Total</b>	<b>876</b>	<b>714</b>
<b>Salaries and remuneration to management bodies</b>		
Executive Board	9	9
Supervisory Board	2	2
Shareholders' Representatives	0	0
<b>Total</b>	<b>11</b>	<b>11</b>
<b>Other administrative expenses</b>		
IT	441	319
Other operating expenses	24	20
Other administrative expenses	129	79
<b>Total</b>	<b>594</b>	<b>418</b>
<b>Employee and administrative expenses, total</b>	<b>1,481</b>	<b>1,143</b>
<b>11 Effective tax rate</b>		
Corporation tax rate in Denmark	22.0	22.0
Surtax for financial services companies in Denmark	3.2	0.0
Non-taxable income and non-deductible expenses, etc.	0.2	-0.2
<b>Effective tax rate</b>	<b>25.4</b>	<b>21.8</b>

DKKm	Q1 2023	Q1 2022
<b>12 Loan impairment charges and provisions for guarantees</b>		
<b>Loan impairment charges and provisions for guarantees recognised in the income statement</b>		
Loan impairment charges and provisions for guarantees for the period	209	-53
Impairment charges on balances due from credit institutions in the period	1	-3
Provisions for loan commitments and unutilised credit lines in the period	-5	74
Recognised as a loss, not covered by loan impairment charges and provisions	21	29
Recoveries	-12	-70
Recognised discount for acquired loans	-118	-32
<b>Loan impairment charges and provisions for guarantees recognised in the income statement</b>	<b>96</b>	<b>-55</b>
<b>Balance of loan impairment charges and provisions for guarantees</b>		
Balance of loan impairment charges and provisions, beginning of period	4,741	5,443
Loan impairment charges and provisions for the period	203	22
Recognised as a loss, covered by loan impairment charges and provisions	-38	-216
Other movements	14	11
<b>Balance of loan impairment charges and provisions, end of period</b>	<b>4,920</b>	<b>5,260</b>
Loan impairment charges and provisions for guarantees at amortised cost	3,136	3,054
Loan impairment charges at fair value	1,383	1,616
Provisions for guarantees	226	235
Provisions for credit commitments and unutilised credit lines	175	355
<b>Balance of loan impairment charges and provisions, end of period</b>	<b>4,920</b>	<b>5,260</b>

DKKm

**12 Loan impairment charges and provisions for guarantees, cont.**

Balance of loan impairment charges and provisions for guarantees by stage – total	Stage 1	Stage 2	Stage 3	Non-	Total
				performing at first recognition	
Balance, beginning of 2023	1,312	1,073	2,355	1	4,741
Transfer of impairment charges at beginning of period to stage 1	119	-100	-19	0	0
Transfer of impairment charges at beginning of period to stage 2	-68	88	-20	0	0
Transfer of impairment charges at beginning of period to stage 3	-2	-38	40	0	0
Impairment charges on new loans, etc.	129	89	117	0	335
Impairment charges on discontinued loans and provisions for guarantees	-84	-91	-161	0	-336
Effect from recalculation	-78	183	116	0	221
Previously recognized as impairment charges, now final loss	0	0	-41	0	-41
<b>Balance on 31 March 2023</b>	<b>1,328</b>	<b>1,204</b>	<b>2,387</b>	<b>1</b>	<b>4,920</b>

Balance of loan impairment charges and provisions for guarantees by stage – total	Stage 1	Stage 2	Stage 3	Non-	Total
				performing at first recognition	
Balance, beginning of 2022	1,081	923	3,439	1	5,444
Transfer of impairment charges at beginning of period to stage 1	156	-150	-6	0	0
Transfer of impairment charges at beginning of period to stage 2	-46	83	-37	0	0
Transfer of impairment charges at beginning of period to stage 3	-5	-42	47	0	0
Impairment charges on new loans, etc.	191	37	104	0	332
Impairment charges on discontinued loans and provisions for guarantees	-113	-68	-234	0	-415
Effect from recalculation	7	315	-206	0	116
Previously recognized as impairment charges, now final loss	0	0	-216	0	-216
<b>Balance on 31 March 2022</b>	<b>1,271</b>	<b>1,098</b>	<b>2,891</b>	<b>1</b>	<b>5,261</b>

Balance of impairment charges by stage - loans at amortised cost	Stage 1	Stage 2	Stage 3	Non-	Total
				performing at first recognition	
Balance, beginning of 2023	506	780	1,658	0	2,944
Transfer of impairment charges at beginning of period to stage 1	71	-63	-8	0	0
Transfer of impairment charges at beginning of period to stage 2	-48	57	-9	0	0
Transfer of impairment charges at beginning of period to stage 3	-1	-30	31	0	0
Impairment charges on new loans, etc.	59	63	81	0	203
Impairment charges on discontinued loans and provisions for guarantees	-26	-74	-120	0	-220
Effect from recalculation	-57	135	165	1	244
Previously recognized as impairment charges, now final loss	0	0	-35	0	-35
<b>Balance on 31 March 2023</b>	<b>504</b>	<b>868</b>	<b>1,763</b>	<b>1</b>	<b>3,136</b>

Balance of impairment charges by stage - loans at amortised cost	Stage 1	Stage 2	Stage 3	Non-	Total
				performing at first recognition	
Balance, beginning of 2022	575	407	2,138	0	3,120
Transfer of impairment charges at beginning of period to stage 1	71	-68	-3	0	0
Transfer of impairment charges at beginning of period to stage 2	-36	63	-27	0	0
Transfer of impairment charges at beginning of period to stage 3	-3	-17	20	0	0
Impairment charges on new loans, etc.	70	19	56	0	145
Impairment charges on discontinued loans and provisions for guarantees	-48	-31	-67	0	-146
Effect from recalculation	-119	341	-234	0	-12
Previously recognized as impairment charges, now final loss	0	0	-53	0	-53
<b>Balance on 31 March 2022</b>	<b>510</b>	<b>714</b>	<b>1,830</b>	<b>0</b>	<b>3,054</b>

DKKm

**12 Loan impairment charges and provisions for guarantees, cont.**

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
<b>Balance of impairment charges by stage – loans at fair value</b>					
Balance, beginning of 2023	679	219	506	0	1,404
Transfer of impairment charges at beginning of period to stage 1	27	-23	-4	0	0
Transfer of impairment charges at beginning of period to stage 2	-10	20	-10	0	0
Transfer of impairment charges at beginning of period to stage 3	-1	-2	3	0	0
Impairment charges on new loans, etc.	36	5	3	0	44
Impairment charges on discontinued loans and provisions for guarantees	-24	-7	-12	0	-43
Effect from recalculation	0	28	-44	0	-16
Previously recognized as impairment charges, now final loss	0	0	-6	0	-6
<b>Balance on 31 March 2023</b>	<b>707</b>	<b>240</b>	<b>436</b>	<b>0</b>	<b>1,383</b>

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
<b>Balance of impairment charges by stage – loans at fair value</b>					
Balance, beginning of 2022	335	373	977	0	1,685
Transfer of impairment charges at beginning of period to stage 1	59	-59	0	0	0
Transfer of impairment charges at beginning of period to stage 2	-6	15	-9	0	0
Transfer of impairment charges at beginning of period to stage 3	-2	-23	25	0	0
Impairment charges on new loans, etc.	57	3	4	0	64
Impairment charges on discontinued loans and provisions for guarantees	-16	-25	-115	0	-156
Effect from recalculation	163	-5	-81	0	77
Previously recognized as impairment charges, now final loss	0	0	-54	0	-54
<b>Balance on 31 March 2022</b>	<b>590</b>	<b>279</b>	<b>747</b>	<b>0</b>	<b>1,616</b>

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
<b>Balance of provisions by stage - guarantees and loan commitments, etc.</b>					
Balance, beginning of 2023	132	76	184	1	393
Transfer of impairment charges at beginning of period to stage 1	21	-14	-7	0	0
Transfer of impairment charges at beginning of period to stage 2	-10	11	-1	0	0
Transfer of impairment charges at beginning of period to stage 3	0	-5	5	0	0
Impairment charges on new loans, etc.	33	21	34	0	88
Impairment charges on discontinued loans and provisions for guarantees	-34	-10	-29	0	-73
Effect from recalculation	-21	20	-5	-1	-7
Previously recognized as impairment charges, now final loss	0	0	0	0	0
<b>Balance on 31 March 2023</b>	<b>121</b>	<b>99</b>	<b>181</b>	<b>0</b>	<b>401</b>

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
<b>Balance of provisions by stage - guarantees and loan commitments, etc.</b>					
Balance, beginning of 2022	175	143	320	1	639
Transfer of impairment charges at beginning of period to stage 1	25	-24	-1	0	0
Transfer of impairment charges at beginning of period to stage 2	-4	5	-1	0	0
Transfer of impairment charges at beginning of period to stage 3	0	-1	1	0	0
Impairment charges on new loans, etc.	60	15	47	0	122
Impairment charges on discontinued loans and provisions for guarantees	-49	-12	-51	0	-112
Effect from recalculation	-37	-22	110	0	51
Previously recognized as impairment charges, now final loss	0	0	-109	0	-109
<b>Balance on 31 March 2022</b>	<b>170</b>	<b>104</b>	<b>316</b>	<b>1</b>	<b>591</b>

DKKm

**12 Loan impairment charges and provisions for guarantees, cont.**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Non-performing at first recognition</b>	<b>Total</b>
<b>Gross loans, advances and guarantees by stage</b>					
Gross loans, advances and guarantees, 1 January 2023	529,761	18,789	8,749	84	<b>557,383</b>
Transfer of loans, advances and guarantees to stage 1	2,987	-2,548	-439	0	<b>0</b>
Transfer of loans, advances and guarantees to stage 2	-6,850	7,192	-342	0	<b>0</b>
Transfer of loans, advances and guarantees to stage 3	-335	-503	838	0	<b>0</b>
Other movements	2,654	-1,748	-362	10	<b>554</b>
Gross loans, advances and guarantees, 31 March 2023	528,217	21,182	8,444	94	<b>557,937</b>
Loan impairment charges and provisions for guarantees, total	1,251	1,159	2,332	2	<b>4,744</b>
Net loans, advances and guarantees, 31 March 2023	526,966	20,023	6,112	92	<b>553,193</b>

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

DKKm

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

Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	
						Total	Total
1	0.00 - 0.10	79,890	227	0	0	<b>80,117</b>	78,124
2	0.10 - 0.15	16,266	15	0	0	<b>16,281</b>	18,808
3	0.15 - 0.22	37,830	42	0	0	<b>37,872</b>	34,819
4	0.22 - 0.33	52,445	221	0	0	<b>52,666</b>	56,843
5	0.33 - 0.48	92,166	435	0	0	<b>92,601</b>	85,661
STY Ratings 1 – 5		278,597	940	0	0	<b>279,537</b>	274,255
6	0.48 - 0.70	82,420	306	0	0	<b>82,726</b>	86,329
7	0.70 - 1.02	72,104	1,229	0	0	<b>73,333</b>	68,349
8	1.02 - 1.48	44,236	723	0	0	<b>44,959</b>	50,265
9	1.48 - 2.15	21,966	1,387	0	0	<b>23,353</b>	24,312
10	2.15 - 3.13	12,536	1,867	0	0	<b>14,403</b>	13,205
11	3.13 - 4.59	6,016	2,150	0	0	<b>8,166</b>	7,792
STY Ratings 6 – 11		239,278	7,662	0	0	<b>246,940</b>	250,252
12	4.59 - 6.79	3,152	2,710	0	0	<b>5,862</b>	6,410
13	6.79 - 10.21	1,952	2,737	0	0	<b>4,689</b>	4,625
14	10.21 - 25.0	723	6,341	0	0	<b>7,064</b>	6,509
STY Ratings 12-14		5,827	11,788	0	0	<b>17,615</b>	17,544
Other		4,138	295	0	0	<b>4,433</b>	4,988
Non-performing loans		377	497	8,444	94	<b>9,412</b>	10,344
<b>Total</b>		<b>528,217</b>	<b>21,182</b>	<b>8,444</b>	<b>94</b>	<b>557,937</b>	<b>557,383</b>

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

Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Non-performing at initial recognition	Total	
						Total	Total
1	0.00 - 0.10	93	2	0	0	<b>95</b>	91
2	0.10 - 0.15	26	0	0	0	<b>26</b>	22
3	0.15 - 0.22	49	0	0	0	<b>49</b>	50
4	0.22 - 0.33	96	5	0	0	<b>101</b>	98
5	0.33 - 0.48	229	8	0	0	<b>237</b>	220
STY Ratings 1- 5		493	15	0	0	<b>508</b>	481
6	0.48 - 0.70	122	22	0	0	<b>144</b>	143
7	0.70 - 1.02	176	16	0	0	<b>192</b>	170
8	1.02 - 1.48	126	12	0	0	<b>138</b>	130
9	1.48 - 2.15	103	53	0	0	<b>156</b>	120
10	2.15 - 3.13	67	59	0	0	<b>126</b>	139
11	3.13 - 4.59	54	55	0	0	<b>109</b>	89
STY Ratings 6 – 11		648	217	0	0	<b>865</b>	791
12	4.59 - 6.79	33	62	0	0	<b>95</b>	107
13	6.79 - 10.21	22	98	0	0	<b>120</b>	137
14	10.21 - 25.0	14	718	0	0	<b>732</b>	634
STY Ratings 12-14		69	878	0	0	<b>947</b>	878
Other		38	31	0	0	<b>69</b>	41
Non-performing loans		3	18	2,332	2	<b>2,355</b>	2,369
<b>Total</b>		<b>1,251</b>	<b>1,159</b>	<b>2,332</b>	<b>2</b>	<b>4,744</b>	<b>4,560</b>



DKKm

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

Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased/ originated credit-impaired	Total	Total
1	0.00 - 0.10	20,874	14	0	0	<b>20,888</b>	21,176
2	0.10 - 0.15	5,262	0	0	0	<b>5,262</b>	5,632
3	0.15 - 0.22	7,141	35	0	0	<b>7,176</b>	6,448
4	0.22 - 0.33	9,673	14	0	0	<b>9,687</b>	9,629
5	0.33 - 0.48	5,236	49	0	0	<b>5,285</b>	5,034
STY Ratings 1 – 5		48,186	112	0	0	<b>48,298</b>	47,919
6	0.48 - 0.70	11,631	439	0	0	<b>12,070</b>	13,901
7	0.70 - 1.02	5,774	272	0	0	<b>6,046</b>	5,166
8	1.02 - 1.48	7,117	354	0	0	<b>7,471</b>	8,662
9	1.48 - 2.15	2,331	218	0	0	<b>2,549</b>	1,674
10	2.15 - 3.13	2,203	173	0	0	<b>2,376</b>	2,199
11	3.13 - 4.59	639	128	0	0	<b>767</b>	765
STY Ratings 6 – 11		29,695	1,584	0	0	<b>31,279</b>	32,367
12	4.59 - 6.79	498	218	0	0	<b>716</b>	886
13	6.79 - 10.21	473	170	0	0	<b>643</b>	922
14	10.21 - 25.0	445	616	0	0	<b>1,061</b>	920
STY Ratings 12-14		1,416	1,004	0	0	<b>2,420</b>	2,728
Other		789	46	0	0	<b>835</b>	3,892
Non-performing loans		1	0	347	2	<b>350</b>	518
<b>Total</b>		80,088	2,746	347	2	<b>83,183</b>	87,424

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

Performing	PD band (%)	Stage 1	Stage 2	Stage 3	Purchased/ originated credit-impaired	Total	Total
1	0.00 - 0.10	1	0	0	0	<b>1</b>	2
2	0.10 - 0.15	4	0	0	0	<b>4</b>	4
3	0.15 - 0.22	7	0	0	0	<b>7</b>	6
4	0.22 - 0.33	6	0	0	0	<b>6</b>	7
5	0.33 - 0.48	7	0	0	0	<b>7</b>	8
STY Ratings 1 – 5		25	0	0	0	<b>25</b>	27
6	0.48 - 0.70	13	1	0	0	<b>14</b>	17
7	0.70 - 1.02	8	1	0	0	<b>9</b>	7
8	1.02 - 1.48	9	3	0	0	<b>12</b>	9
9	1.48 - 2.15	6	1	0	0	<b>7</b>	5
10	2.15 - 3.13	5	3	0	0	<b>8</b>	7
11	3.13 - 4.59	3	1	0	0	<b>4</b>	4
STY Ratings 6 – 11		44	10	0	0	<b>54</b>	49
12	4.59 - 6.79	1	9	0	0	<b>10</b>	4
13	6.79 - 10.21	3	4	0	0	<b>7</b>	16
14	10.21 - 25.0	0	22	0	0	<b>22</b>	15
STY Ratings 12-14		4	35	0	0	<b>39</b>	34
Other		5	2	0	0	<b>7</b>	8
Non-performing loans		0	0	50	0	<b>50</b>	62
<b>Total</b>		78	47	50	0	<b>175</b>	181

	DKKm	31 March 2023	31 Dec. 2022	31 March 2022
<b>13 Loans at fair value</b>				
Mortgage loans, nominal value		<b>367,282</b>	365,580	341,188
Adjustment for interest-rate risk, etc.		<b>-28,109</b>	-30,839	-10,508
Adjustment for credit risk		<b>-1,321</b>	-1,371	-1,520
<b>Mortgage loans at fair value, total</b>		<b>337,852</b>	333,370	329,160
<b>Arrears and outlays, total</b>		<b>63</b>	54	46
<b>Other loans and advances</b>		<b>2,512</b>	4,208	2,330
<b>Loans and advances at fair value, total</b>		<b>340,427</b>	337,632	331,536
<b>14 Loans and advances at fair value broken down by property category</b>				
Owner-occupied homes		<b>163,644</b>	164,014	154,282
Vacation homes		<b>9,760</b>	9,713	8,139
Subsidised housing (rental housing)		<b>46,104</b>	44,819	50,210
Cooperative housing		<b>11,336</b>	11,181	13,043
Private rental properties (rental housing)		<b>63,818</b>	63,110	61,787
Industrial properties		<b>3,761</b>	3,314	2,659
Office and retail properties		<b>34,418</b>	33,937	33,066
Agricultural properties		<b>158</b>	158	139
Properties for social, cultural and educational purposes		<b>7,390</b>	7,344	8,150
Other properties		<b>38</b>	42	61
<b>Total</b>		<b>340,427</b>	337,632	331,536
<b>15 Loans and advances at amortised cost and guarantees broken down by sector</b>				
Public authorities		<b>13,055</b>	13,402	11,663
Agriculture, hunting, forestry, fishing		<b>13,424</b>	12,272	10,535
Manufacturing, mining, etc.		<b>13,589</b>	13,928	11,071
Energy supply		<b>8,563</b>	7,529	10,538
Building and construction		<b>6,009</b>	6,184	4,211
Commerce		<b>12,713</b>	11,151	10,337
Transport, hotels and restaurants		<b>6,155</b>	5,915	5,247
Information and communication		<b>2,880</b>	2,829	2,576
Financing and insurance		<b>53,282</b>	59,106	39,929
Real property		<b>24,973</b>	24,854	14,664
Other sectors		<b>16,777</b>	14,953	9,343
Corporates, total		<b>158,365</b>	158,721	118,451
Personal clients, total		<b>41,347</b>	43,068	33,323
<b>Total</b>		<b>212,767</b>	215,191	163,437

	31 March 2023	31 Dec. 2022	31 March 2022
DKKmn			
<b>16 Other assets</b>			
Positive fair value of derivatives	21,566	25,827	23,100
Assets in pooled deposits	7,297	7,125	4,058
Interest and commission receivable	866	537	252
Investments in associates and joint ventures	191	187	253
Deferred income	157	175	146
Investment properties	97	97	28
Other assets	1,890	1,284	1,714
<b>Total</b>	<b>32,064</b>	<b>35,232</b>	<b>29,551</b>
<b>Netting</b>			
Positive fair value of derivatives, gross	58,629	64,650	39,283
Netting of positive and negative fair value	37,063	38,823	16,184
<b>Total</b>	<b>21,566</b>	<b>25,827</b>	<b>23,099</b>
Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).			
<b>17 Deposits</b>			
Demand deposits	151,387	154,923	109,877
Term deposits	2,464	748	995
Time deposits	61,058	39,240	22,405
Special deposits	6,102	6,316	4,532
Pooled deposits	7,337	7,178	4,096
<b>Total</b>	<b>228,348</b>	<b>208,405</b>	<b>141,905</b>
<b>18 Issued bonds at fair value</b>			
Issued bonds at fair value, nominal value	388,839	380,506	372,872
Adjustment to fair value	-30,424	-33,052	-10,845
Own mortgage bonds offset, fair value	-27,231	-23,298	-34,949
<b>Total</b>	<b>331,184</b>	<b>324,156</b>	<b>327,078</b>
<b>19 Other liabilities</b>			
Set-off entry of negative bond holdings in connection with repos/reverse repos	7,494	5,799	5,096
Negative fair value of derivatives	23,156	27,908	24,544
Interest and commission payable	2,972	2,043	1,636
Deferred income	147	156	152
Lease commitment	293	313	370
Other liabilities	6,660	9,366	7,097
<b>Total</b>	<b>40,722</b>	<b>45,585</b>	<b>38,895</b>
<b>Netting</b>			
Negative fair value of derivatives, gross	60,219	66,731	40,728
Netting of positive and negative fair value	37,063	38,823	16,184
<b>Total</b>	<b>23,156</b>	<b>27,908</b>	<b>24,544</b>

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

	31 March 2023	31 Dec. 2022	31 March 2022
DKKm			
<b>20 Provisions</b>			
Provisions for pensions and similar liabilities	508	503	598
Provisions for guarantees	226	212	235
Provisions for losses on loan commitments and unutilised credit lines	175	181	355
Provisions for deferred tax	0	0	23
Other provisions	105	96	97
<b>Total</b>	<b>1,014</b>	<b>992</b>	<b>1,308</b>
<b>21 Subordinated debt</b>			
Supplementary capital:			
Var. % bond loan NOK 1,000m 24.03.2031	660	707	720
Var. % bond loan SEK 1,000m 24.03.2031	654	669	766
1.25% bond loan EUR 200m 28.01.2031	1,490	1,487	1,488
2.25 % bond loan EUR 300m 05.04.2029	2,235	2,231	2,231
6.73% bond loan EUR 6m 2023-2026	45	45	56
Var. % bond loan EUR 10m 13.02.2023	0	74	74
5.65% bond loan EUR 10m 27.03.2023	0	74	74
5.67% bond loan EUR 10m 31.07.2023	74	74	74
Var. % bond loan SEK 600m 31.8.2032	396	402	0
Var. % bond loan NOK 400m 31.8.2032	261	283	0
Var. % bond loan DKK 400m 31.8.2032	400	400	0
Subordinated debt, nominal	6,215	6,446	5,483
Hedging of interest-rate risk, fair value	-71	-81	-1
<b>Total</b>	<b>6,144</b>	<b>6,365</b>	<b>5,482</b>
Subordinated debt included in the capital base	6,078	6,178	5,204
<b>22 Contingent liabilities</b>			
Guarantees, etc.	11,157	11,141	15,031
Other contingent liabilities, etc.	83,198	87,457	86,676
<b>Total</b>	<b>94,355</b>	<b>98,598</b>	<b>101,707</b>

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

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

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

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

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

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

Because of its mandatory participation in the deposit guarantee scheme, the sector has paid an annual contribution of 2.5% of the covered net deposits until the assets of Pengeinstitutafdelingen (the financial institution fund) exceed 1% of the total net deposits covered, which level has been reached. According to Bank Package 3 and Bank Package 4, Pengeinstitutafdelingen bears the immediate losses attributable to covered net deposits and relating to the winding up of financial institutions in distress. Any losses in connection with the final winding up are covered by the Guarantee Fund's Afviklings- og Restruktureringsafdeling (settlement and restructuring fund), where Jyske Bank currently guarantees 7.64% of any losses.

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

Due to Jyske Bank's membership of the Foreningen Bankdata, the bank is - in the event of its withdrawal - under the obligation to pay an exit charge to Bankdata in the amount of about DKK 3.2bn.

**23 Shareholders**

On 31 March 2023, BRFFholding a/s, Copenhagen, Denmark held 28.10% of the share capital. BRFFholding a/s is a 100% owned subsidiary of BRFFonden. According to Jyske Bank's Articles of Association, BRFFholding a/s has 4,000 votes.

**24 Related parties**

Jyske Bank is the banker of a number of related parties. Transactions between related parties are characterised as ordinary financial transactions and services of an operational nature. Transactions with related parties were executed on an arm's length basis or at cost.

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

**25 Bonds provided as security**

The Jyske Bank Group has deposited bonds with central banks and clearing houses, etc. in connection with clearing and settlement of securities and currency transactions as well as triparty repo transactions totalling a market value of DKK 26,477m (end of 2022: DKK 15,686m).

In addition, in connection with CSA agreements, the Jyske Bank Group has provided cash collateral of DKK 5,299m (end of 2022: DKK 6,725m) and bonds worth DKK 5,569m (end of 2022: DKK 6,566m).

The conclusion of repo transactions, i.e. sale of securities involving agreements to repurchase them at a later point in time, implies that bonds are provided as collateral for the amount that is borrowed. Repo transactions amounted to DKK 28,246m (end of 2022: DKK 18,042m).

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

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

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

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

**Specific details on methods for measuring fair value**

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

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

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

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

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

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

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

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

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

**Information about differences between recognised value and measurement of fair value**

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

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

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

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

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

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

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

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

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

In addition to CVA, also an adjustment is made of the fair value of derivatives that have an expected future negative fair value. This takes place to allow for changes in the counterparties' credit risk against the Jyske Bank Group (debt valuation adjustment - DVA). The DVA takes place according to the same principles that apply to the CVA, yet PD for Jyske Bank is determined on the basis of Jyske Bank's external rating by Standard & Poor's. At the end of Q1 2023, CVA and DVA amounted, on an accumulated basis, to net DKK 4m, which accumulated amount was recognised as an expense under value adjustments, against an accumulated amount of DKK 9m at the end of 2022.

**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 878m at the end of Q1 2023 against a total unrecognised loss of DKK 753m at the end of 2022.

DKKm	31 March 2023		31 Dec. 2022	
	Recognised value	Fair value	Recognised value	Fair value
<b>FINANCIAL ASSETS</b>				
Cash balance and demand deposits with central banks	95,308	95,308	58,519	58,519
Due from credit institutions and central banks	7,643	7,664	8,347	8,343
Loans at fair value	340,427	340,427	337,632	337,632
Loans and advances at amortised cost	201,609	200,743	204,050	203,008
Bonds at fair value	59,045	59,045	55,505	55,505
Bonds at amortised cost	38,529	36,929	39,660	37,874
Shares, etc.	2,111	2,111	2,260	2,260
Assets in pooled deposits	7,297	7,297	7,125	7,125
Derivatives	21,566	21,560	25,827	25,827
<b>Total</b>	<b>773,535</b>	<b>771,084</b>	<b>738,925</b>	<b>736,093</b>
<b>FINANCIAL LIABILITIES</b>				
Due to credit institutions and central banks	39,902	39,758	28,430	28,282
Deposits	221,011	220,984	201,227	201,198
Pooled deposits	7,337	7,337	7,178	7,178
Issued bonds at fair value	331,184	331,184	324,156	324,156
Issued bonds at amortised cost	96,773	95,718	95,435	94,007
Subordinated debt	6,144	5,802	6,365	5,891
Set-off entry of negative bond holdings	7,494	7,494	5,799	5,799
Derivatives	23,156	23,151	27,908	27,908
<b>Total</b>	<b>733,001</b>	<b>731,428</b>	<b>696,498</b>	<b>694,419</b>

DKKm

**28 The fair value hierarchy**

	Quoted prices	Observable input	Non-observable input	Fair value, total	Recognised value
<b>31 March 2023</b>					
<b>Financial assets</b>					
Loans at fair value	0	340,427	0	340,427	340,427
Bonds at fair value	53,189	5,856	0	59,045	59,045
Shares, etc.	699	473	939	2,111	2,111
Assets in pooled deposits	151	7,146	0	7,297	7,297
Derivatives	547	21,019	0	21,566	21,566
<b>Total</b>	<b>54,586</b>	<b>374,921</b>	<b>939</b>	<b>430,446</b>	<b>430,446</b>
<b>Financial liabilities</b>					
Pooled deposits	0	7,337	0	7,337	7,337
Issued bonds at fair value	287,470	43,714	0	331,184	331,184
Set-off entry of negative bond holdings	7,310	184	0	7,494	7,494
Derivatives	897	22,259	0	23,156	23,156
<b>Total</b>	<b>295,677</b>	<b>73,494</b>	<b>0</b>	<b>369,171</b>	<b>369,171</b>
<b>31 December 2022</b>					
<b>Financial assets</b>					
Loans at fair value	0	337,632	0	337,632	337,632
Bonds at fair value	43,641	11,864	0	55,505	55,505
Shares, etc.	626	466	1,168	2,260	2,260
Assets in pooled deposits	124	7,001	0	7,125	7,125
Derivatives	685	25,142	0	25,827	25,827
<b>Total</b>	<b>45,076</b>	<b>382,105</b>	<b>1,168</b>	<b>428,349</b>	<b>428,349</b>
<b>Financial liabilities</b>					
Pooled deposits	0	7,178	0	7,178	7,178
Issued bonds at fair value	246,294	77,862	0	324,156	324,156
Set-off entry of negative bond holdings	4,973	826	0	5,799	5,799
Derivatives	622	27,286	0	27,908	27,908
<b>Total</b>	<b>251,889</b>	<b>113,152</b>	<b>0</b>	<b>365,041</b>	<b>365,041</b>

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

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

<b>NON-OBSERVABLE INPUT</b>	<b>Q1 2023</b>	<b>2022</b>
Fair value, beginning of period	<b>1,168</b>	1,281
Transfers for the period	<b>0</b>	0
Capital gain and loss for the period reflected in the income statement under value adjustments	<b>-40</b>	66
Sales or redemptions	<b>200</b>	258
Purchases	<b>11</b>	79
<b>Fair value, end of period</b>	<b>939</b>	1,168

**Non-observable input**

Non-observable input at the end of the first quarter of 2023 referred to unlisted shares recognised at DKK 939m against unlisted shares recognised at DKK 1,168m at the end of the first quarter of 2022. These are primarily sector shares. The measurements, which are associated with some uncertainty, are made on the basis of the shares' book value, market trades, shareholders' agreements as well as own assumptions and extrapolations, etc. In the cases where Jyske Bank calculates the fair value on the basis of the company's expected future earnings, a required rate of return of 15% p.a. before tax is applied. If it is assumed that the actual market price will deviate by +/- 10% relative to the calculated fair value, the effect on the income statement would amount to DKK 94m on 31 March 2023 (0.24% of shareholders' equity at the end of the first quarter of 2023). For Q1 2022, the effect on the income statement is estimated at DKK 117m (0.44% of shareholders' funds at the end of Q1 2022). Capital gain and loss for the year on unlisted shares recognised in the income statement is attributable to assets held at the end of the first quarter of 2023. Jyske Bank finds it of little probability that the application of alternative prices in the measurement of fair value would result in a material deviation from the recognised fair value.



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

Investment properties were recognised at a fair value of DKK 97m (end of 2021: DKK 28m). Fair value belongs to the category of non-observable prices calculated on the basis of a required rate of return of 3%-10% (end of 2021: 7%).

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

Owner-occupied properties, exclusive of leased properties, are recognised at the restated value corresponding to the fair value 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 2022. Owner-occupied properties, exclusive of leased properties, were recognised at DKK 1,588m (2022: DKK 1,591m). See note 30 for further details. The revalued amount belongs to the category of 'non-observable prices'. Leased properties were recognised at DKK 273m (end of 2022: DK292m).

**29 Group overview**

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

Activity:

- 1 Banking
- 2 Mortgage-credit activities
- 3 Leasing, financing and factoring
- 4 Investment and financing
- 5 Properties, wind turbine and course activities
- 6 Estate agency chain

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

## Jyske Bank A/S

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DKKm		Q1 2023	Q1 2022
<b>Income statement</b>			
3	Interest income	2,870	843
4	Interest expenses	1,566	222
	<b>Net interest income</b>	<b>1,304</b>	<b>621</b>
	Dividends, etc.	60	33
5	Fees and commission income	825	818
	Fees and commission expenses	51	43
	<b>Net interest and fee income</b>	<b>2,138</b>	<b>1,429</b>
6	Value adjustments	231	11
	Other operating income	125	113
	Employee and administrative expenses	1,371	1,062
	Amortisation, depreciation and impairment charges	42	25
	Other operating expenses	30	10
7	Loan impairment charges	120	-20
	Profit on investments in associates and group enterprises	595	488
	<b>Pre-tax profit</b>	<b>1,526</b>	<b>964</b>
	Tax	237	113
	<b>Net profit for the period</b>	<b>1,289</b>	<b>851</b>
<b>Distributed to:</b>			
	Total appropriation to shareholders' equity	1,250	815
	Holders of additional tier 1 capital (AT1)	39	36
	<b>Total</b>	<b>1,289</b>	<b>851</b>
<b>Statement of Comprehensive Income</b>			
	Net profit for the period	1,289	851
	Other comprehensive income	0	0
	<b>Comprehensive income for the period</b>	<b>1,289</b>	<b>851</b>

DKKm	31 March 2023	31 Dec. 2022	31 March 2022
<b>BALANCE SHEET</b>			
<b>ASSETS</b>			
Cash balance and demand deposits with central banks	91,620	47,184	36,683
Due from credit institutions and central banks	7,290	8,599	9,684
Loans at fair value	2,224	3,919	2,022
8 Loans and advances at amortised cost	202,126	204,645	148,935
Bonds at fair value	50,218	47,811	46,171
Bonds at amortised cost	39,279	40,411	30,575
Shares, etc.	1,948	2,080	2,196
Investments in associates	174	174	248
Equity investments in group enterprises	25,040	24,492	22,751
Assets in pooled deposits	7,297	7,125	4,058
Intangible assets	3,314	3,326	0
Owner-occupied properties	1,567	1,569	1,572
Owner-occupied properties, leasing	273	292	355
Other property, plant and equipment	95	92	82
Current tax assets	1,874	1,030	1,497
Deferred tax assets	20	20	21
Assets held temporarily	10	10	5
Other assets	24,488	28,774	24,149
Deferred income	111	122	89
<b>Total assets</b>	<b>458,968</b>	<b>421,675</b>	<b>331,093</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Debt and payables</b>			
9 Due to credit institutions and central banks	47,781	28,665	40,329
Deposits	220,999	201,339	137,626
Pooled deposits	7,337	7,178	4,096
Issued bonds at amortised cost	96,773	95,435	67,803
Other liabilities	37,053	41,081	36,131
Deferred income	22	22	23
<b>Total debt</b>	<b>409,965</b>	<b>373,720</b>	<b>286,008</b>
<b>Provisions</b>			
Provisions for pensions and similar liabilities	481	477	565
Provisions for guarantees	237	227	255
Provisions for credit commitments and unutilised credit lines	163	171	342
Other provisions	101	91	95
<b>Total provisions</b>	<b>982</b>	<b>966</b>	<b>1,257</b>
<b>Subordinated debt</b>	<b>6,144</b>	<b>6,365</b>	<b>5,482</b>
<b>Equity</b>			
Share capital	643	643	690
Revaluation reserve	168	168	171
Reserve according to the equity method	10,353	9,805	8,194
Retained profit	27,415	26,707	25,942
Jyske Bank A/S shareholders	38,579	37,323	34,997
Holders of additional tier 1 capital (AT1)	3,298	3,301	3,349
<b>Total equity</b>	<b>41,877</b>	<b>40,624</b>	<b>38,346</b>
<b>Total equity and liabilities</b>	<b>458,968</b>	<b>421,675</b>	<b>331,093</b>
<b>OFF-BALANCE SHEET ITEMS</b>			
Guarantees, etc.	15,512	16,368	21,738
Other contingent liabilities	68,571	72,688	67,117
<b>Total guarantees and other contingent liabilities</b>	<b>84,083</b>	<b>89,056</b>	<b>88,855</b>

DKKm

**Statement of Changes in Equity**

	Share capital	Revaluation reserve	Reserve according to the equity method	Retained profit	Shareholders of Jyske Bank A/S	AT1 capital*	Total equity
Equity on 1 January 2023	643	168	9,805	26,707	37,323	3,301	40,624
Net profit for the period	0	0	548	702	1,250	39	1,289
Other comprehensive income	0	0	0	0	0	0	0
Comprehensive income for the period	0	0	548	702	1,250	39	1,289
Interest paid on additional tier 1 capital	0	0	0	0	0	-39	-39
Currency translation adjustment	0	0	0	3	3	-3	0
Acquisition of own shares	0	0	0	-737	-737	0	-737
Sale of own shares	0	0	0	740	740	0	740
Transactions with owners	0	0	0	6	6	-42	-36
<b>Equity on 31 March 2023</b>	<b>643</b>	<b>168</b>	<b>10,353</b>	<b>27,415</b>	<b>38,579</b>	<b>3,298</b>	<b>41,877</b>
Equity at 1 January 2022	726	171	8,170	25,844	34,911	3,355	38,266
Net profit for the period	0	0	24	791	815	36	851
Other comprehensive income	0	0	0	0	0	0	0
Comprehensive income for the period	0	0	24	791	815	36	851
Interest paid on additional tier 1 capital	0	0	0	0	0	-36	-36
Currency translation adjustment	0	0	0	6	6	-6	0
Reduction of share capital	-36	0	0	36	0	0	0
Acquisition of own shares	0	0	0	-1,291	-1,291	0	-1,291
Sale of own shares	0	0	0	556	556	0	556
Transactions with owners	-36	0	0	-693	-729	-42	-771
<b>Equity on 31 March 2022</b>	<b>690</b>	<b>171</b>	<b>8,194</b>	<b>25,942</b>	<b>34,997</b>	<b>3,349</b>	<b>38,346</b>

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

DKKm	31 March 2023	31 Dec. 2022	31 March 2022
<b>Capital Statement</b>			
Shareholders' equity	<b>38,579</b>	37,323	34,997
Share buy-back programme, non-utilised limit	0	0	-543
Intangible assets	<b>-3,314</b>	-3,326	0
Deferred tax assets	0	0	-21
Prudent valuation	<b>-221</b>	-242	-224
Insufficient coverage of non-performing loans and guarantees	<b>-78</b>	-48	-39
Other deductions	<b>-182</b>	-93	-151
<b>Common equity tier 1 capital</b>	<b>34,784</b>	33,614	34,019
Additional tier 1 capital (AT1) after reduction	<b>3,257</b>	3,272	3,323
<b>Core capital</b>	<b>38,041</b>	36,886	37,342
Subordinated loan capital after reduction	<b>6,078</b>	6,178	5,204
<b>Capital base</b>	<b>44,119</b>	43,064	42,546
Weighted risk exposure involving credit risk, etc.	<b>142,871</b>	150,264	122,750
Weighted risk exposure involving market risk	<b>12,062</b>	8,903	10,061
Weighted risk exposure involving operational risk	<b>13,486</b>	12,865	10,705
<b>Total weighted risk exposure</b>	<b>168,419</b>	172,032	143,516
Capital requirement, Pillar I	<b>13,473</b>	13,763	11,481
Capital ratio (%)	<b>26.2</b>	25.0	29.6
Tier 1 capital ratio (%)	<b>22.6</b>	21.4	26.0
Common equity tier 1 capital ratio (%)	<b>20.7</b>	19.5	23.7

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

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

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**1 Accounting Policies**

The interim financial statements of the parent company Jyske Bank A/S for the period 1 January to 31 March 2023 were prepared in accordance with the Danish Financial Business Act, including the Danish Executive Order on Financial Reports for Credit Institutions, Stockbrokers, etc.

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

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

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

**Financial situation and risk information**

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

	Q1 2023	Q1 2022
<b>2 Financial ratios</b>		
Pre-tax profit p.a. as a percentage of average equity*	<b>15.7</b>	10.6
Profit for the period as a pct. of average equity*	<b>3.3</b>	2.3
Income/cost ratio (%)	<b>2.0</b>	1.9
Capital ratio (%)	<b>26.2</b>	29.6
Common equity tier 1 capital ratio (CET 1) (%)	<b>20.7</b>	23.7
Individual solvency requirement (%)	<b>12.0</b>	11.7
Capital base (DKKm)	<b>44,119</b>	42,546
Total risk exposure (DKKm)	<b>168,419</b>	143,516
Interest-rate risk (%)	<b>2.4</b>	2.3
Currency risk (%)	<b>0.0</b>	0.0
Accumulated impairment ratio (%)	<b>1.3</b>	1.7
Impairment ratio for the period (%)	<b>0.1</b>	0.0
No. of full-time employees at end-period	<b>3,662</b>	3,014
Average number of full-time employees in the period	<b>3,652</b>	3,017

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

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



	DKKm	Q1 2023	Q1 2022
<b>3 Interest income</b>			
Due from credit institutions and central banks		468	-33
Loans and advances		1,745	361
Bonds		453	73
Derivatives, total		204	88
Of which currency contracts		194	95
Of which interest-rate contracts		10	-7
<b>Total after offsetting of negative interest</b>		<b>2,870</b>	<b>489</b>
Negative interest income set off against interest income		0	93
Negative interest expenses set off against interest expenses		0	261
<b>Total before offsetting of negative interest income</b>		<b>2,870</b>	<b>843</b>
Of which interest income on reverse repos carried under:			
Due from credit institutions and central banks		12	-2
Loans and advances		272	-41
<p>Negative interest income amounted to DKK 0m (Q1 2022:DKK 93m) and related primarily to repo transactions. In the above table, negative interest income is set off against interest income. In the income statement, negative interest income is listed as interest expenses, and negative interest expenses are listed as interest income.</p>			
<b>4 Interest expenses</b>			
Due to credit institutions and central banks		219	-13
Deposits		609	-179
Issued bonds		680	29
Subordinated debt		51	28
Other		7	3
<b>Total</b>		<b>1,566</b>	<b>-132</b>
Negative interest expenses set off against interest expenses		0	261
Negative interest income set off against interest income		0	93
<b>Total before offsetting of negative interest income</b>		<b>1,566</b>	<b>222</b>
Of which interest expenses on reverse repos carried under:			
Due to credit institutions and central banks		71	-25
Deposits		31	-5
<p>Negative interest expenses amounted to DKK 0m (Q1 2022: DKK 261m) 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>			
<b>5 Fees and commission income</b>			
Securities trading and custody services		269	260
Money transfers and card payments		87	62
Loan application fees		32	38
Guarantee commission		28	24
Other fees and commissions		409	434
<b>Total</b>		<b>825</b>	<b>818</b>
<b>6 Value adjustments</b>			
Loans at fair value		48	-22
Bonds		111	-610
Shares, etc.		-5	19
Currency		65	31
Currency, interest-rate, share, commodity and other contracts as well as other derivatives		44	446
Assets in pooled deposits		145	155
Pooled deposits		-145	-155
Other assets		0	26
Issued bonds		-18	44
Other liabilities		-14	77
<b>Total</b>		<b>231</b>	<b>11</b>

DKKm	Q1 2023	Q1 2022
<b>7 Loan impairment charges and provisions for guarantees</b>		
<b>Loan impairment charges and provisions for guarantees recognised in the income statement</b>		
Loan impairment charges and provisions for guarantees for the period	200	-43
Impairment charges on balances due from credit institutions in the period	1	-3
Provisions for loan commitments and unutilised credit lines in the period	-8	71
Recognised as a loss, not covered by loan impairment charges and provisions	20	17
Recoveries	-11	-62
Recognised discount for acquired loans	-82	0
<b>Loan impairment charges and provisions for guarantees recognised in the income statement</b>	<b>120</b>	<b>-20</b>
<b>Balance of loan impairment charges and provisions for guarantees</b>		
Balance of loan impairment charges and provisions, beginning of period	2,984	3,471
Loan impairment charges and provisions for the period	192	28
Recognised as a loss, covered by loan impairment charges and provisions	-32	-161
Other movements	15	10
<b>Balance of loan impairment charges and provisions, end of period</b>	<b>3,159</b>	<b>3,348</b>
Loan impairment charges and provisions for guarantees at amortised cost	2,757	2,749
Loan impairment charges at fair value	2	2
Provisions for guarantees	237	255
Provisions for credit commitments and unutilised credit lines	163	342
<b>Balance of loan impairment charges and provisions, end of period</b>	<b>3,159</b>	<b>3,348</b>

DKKm

**7 Loan impairment charges and provisions for guarantees, cont.**

Balance of loan impairment charges and provisions for guarantees by stage – total				Non-	Total
	Stage 1	Stage 2	Stage 3	performing at first recognition	
Balance, beginning of 2023	518	760	1,705	1	2,984
Transfer of impairment charges at beginning of period to stage 1	78	-63	-15	0	0
Transfer of impairment charges at beginning of period to stage 2	-54	60	-6	0	0
Transfer of impairment charges at beginning of period to stage 3	0	-32	32	0	0
Impairment charges on new loans, etc.	68	74	99	0	241
Impairment charges on discontinued loans and provisions for guarantees	-53	-77	-131	0	-261
Effect from recalculation	-54	146	134	1	227
Previously recognized as impairment charges, now final loss	0	0	-32	0	-32
Balance on 31 March 2023	503	868	1,786	2	3,159

Balance of loan impairment charges and provisions for guarantees by stage – total				Non-	Total
	Stage 1	Stage 2	Stage 3	performing at first recognition	
Balance, beginning of 2022	663	462	2,346	1	3,472
Transfer of impairment charges at beginning of period to stage 1	82	-79	-3	0	0
Transfer of impairment charges at beginning of period to stage 2	-38	61	-23	0	0
Transfer of impairment charges at beginning of period to stage 3	-3	-14	17	0	0
Impairment charges on new loans, etc.	105	21	93	0	219
Impairment charges on discontinued loans and provisions for guarantees	-89	-36	-110	0	-235
Effect from recalculation	-135	319	-130	0	54
Previously recognized as impairment charges, now final loss	0	0	-161	0	-161
Balance on 31 March 2022	585	734	2,029	1	3,349

Balance of impairment charges by stage - loans at amortised cost				Non-	Total
	Stage 1	Stage 2	Stage 3	performing at first recognition	
Balance, beginning of 2023	381	687	1,513	0	2,581
Transfer of impairment charges at beginning of period to stage 1	57	-51	-6	0	0
Transfer of impairment charges at beginning of period to stage 2	-44	49	-5	0	0
Transfer of impairment charges at beginning of period to stage 3	0	-27	27	0	0
Impairment charges on new loans, etc.	37	54	69	0	160
Impairment charges on discontinued loans and provisions for guarantees	-19	-67	-102	0	-188
Effect from recalculation	-32	126	139	3	236
Previously recognized as impairment charges, now final loss	0	0	-32	0	-32
Balance on 31 March 2023	380	771	1,603	3	2,757

Balance of impairment charges by stage - loans at amortised cost				Non-	Total
	Stage 1	Stage 2	Stage 3	performing at first recognition	
Balance, beginning of 2022	484	316	2,014	0	2,814
Transfer of impairment charges at beginning of period to stage 1	57	-55	-2	0	0
Transfer of impairment charges at beginning of period to stage 2	-34	56	-22	0	0
Transfer of impairment charges at beginning of period to stage 3	-3	-13	16	0	0
Impairment charges on new loans, etc.	51	6	47	0	104
Impairment charges on discontinued loans and provisions for guarantees	-41	-23	-50	0	-114
Effect from recalculation	-99	339	-243	0	-3
Previously recognized as impairment charges, now final loss	0	0	-52	0	-52
Balance on 31 March 2022	415	626	1,708	0	2,749

DKKm

**7 Loan impairment charges and provisions for guarantees, cont.**

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
<b>Balance of impairment charges by stage – loans at fair value</b>					
Balance, beginning of 2023	2	1	2	0	5
Transfer of impairment charges at beginning of period to stage 1	2	0	-2	0	0
Transfer of impairment charges at beginning of period to stage 2	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0	0
Impairment charges on new loans, etc.	1	0	0	0	1
Impairment charges on discontinued loans and provisions for guarantees	-1	-1	0	0	-2
Effect from recalculation	-2	0	0	0	-2
Previously recognized as impairment charges, now final loss	0	0	0	0	0
<b>Balance on 31 March 2023</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
<b>Balance of impairment charges by stage – loans at fair value</b>					
Balance, beginning of 2022	1	1	0	0	2
Transfer of impairment charges at beginning of period to stage 1	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 2	0	0	0	0	0
Transfer of impairment charges at beginning of period to stage 3	0	0	0	0	0
Impairment charges on new loans, etc.	1	0	0	0	1
Impairment charges on discontinued loans and provisions for guarantees	-1	0	0	0	-1
Effect from recalculation	0	0	0	0	0
Previously recognized as impairment charges, now final loss	0	0	0	0	0
<b>Balance on 31 March 2022</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>2</b>

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
<b>Balance of provisions by stage - guarantees and loan commitments, etc.</b>					
Balance, beginning of 2023	135	71	191	1	398
Transfer of impairment charges at beginning of period to stage 1	19	-12	-7	0	0
Transfer of impairment charges at beginning of period to stage 2	-10	11	-1	0	0
Transfer of impairment charges at beginning of period to stage 3	0	-5	5	0	0
Impairment charges on new loans, etc.	30	20	30	0	80
Impairment charges on discontinued loans and provisions for guarantees	-32	-9	-29	0	-70
Effect from recalculation	-20	19	-6	-1	-8
Previously recognized as impairment charges, now final loss	0	0	0	0	0
<b>Balance on 31 March 2023</b>	<b>122</b>	<b>95</b>	<b>183</b>	<b>0</b>	<b>400</b>

	Stage 1	Stage 2	Stage 3	Non-performing at first recognition	Total
<b>Balance of provisions by stage - guarantees and loan commitments, etc.</b>					
Balance, beginning of 2022	176	145	334	1	656
Transfer of impairment charges at beginning of period to stage 1	26	-24	-2	0	0
Transfer of impairment charges at beginning of period to stage 2	-4	5	-1	0	0
Transfer of impairment charges at beginning of period to stage 3	0	-1	1	0	0
Impairment charges on new loans, etc.	54	15	47	0	116
Impairment charges on discontinued loans and provisions for guarantees	-47	-13	-61	0	-121
Effect from recalculation	-36	-20	112	0	56
Previously recognized as impairment charges, now final loss	0	0	-109	0	-109
<b>Balance on 31 March 2022</b>	<b>169</b>	<b>107</b>	<b>321</b>	<b>1</b>	<b>598</b>

DKKm

**7 Loan impairment charges and provisions for guarantees, cont.**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Non-performing at first recognition</b>	<b>Total</b>
<b>Gross loans, advances and guarantees by stage</b>					
Gross loans, advances and guarantees, 1 January 2023	215,835	7,499	4,328	83	<b>227,745</b>
Transfer of loans, advances and guarantees to stage 1	3,687	-3,609	-78	0	<b>0</b>
Transfer of loans, advances and guarantees to stage 2	-4,075	4,252	-177	0	<b>0</b>
Transfer of loans, advances and guarantees to stage 3	-466	-278	744	0	<b>0</b>
Other movements	-5,505	1,294	-687	9	<b>-4,889</b>
Gross loans, advances and guarantees, 31 March 2023	209,476	9,158	4,130	92	<b>222,856</b>
Loan impairment charges and provisions for guarantees, total	429	827	1,736	2	<b>2,994</b>
Net loans, advances and guarantees, 31 March 2023	209,047	8,331	2,394	90	<b>219,862</b>

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

DKKkm

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

Performing	PD band (%)				Purchased/ originated credit-impaired	Total	Total
		Stage 1	Stage 2	Stage 3			
1	0.00 - 0.10	50,095	171	0	0	50,266	54,062
2	0.10 - 0.15	13,942	11	0	0	13,953	16,815
3	0.15 - 0.22	24,651	37	0	0	24,688	21,488
4	0.22 - 0.33	25,074	110	0	0	25,184	27,561
5	0.33 - 0.48	16,963	324	0	0	17,287	14,914
STY Ratings 1 – 5		130,725	653	0	0	131,378	134,840
6	0.48 - 0.70	24,811	225	0	0	25,036	26,401
7	0.70 - 1.02	16,471	1,058	0	0	17,529	16,068
8	1.02 - 1.48	16,985	447	0	0	17,432	19,743
9	1.48 - 2.15	6,423	795	0	0	7,218	7,604
10	2.15 - 3.13	7,259	1,065	0	0	8,324	6,905
11	3.13 - 4.59	2,083	469	0	0	2,552	2,030
STY Ratings 6 – 11		74,032	4,059	0	0	78,091	78,751
12	4.59 - 6.79	892	651	0	0	1,543	2,040
13	6.79 - 10.21	818	537	0	0	1,355	1,651
14	10.21 - 25.0	302	3,162	0	0	3,464	2,979
STY Ratings 12-14		2,012	4,350	0	0	6,362	6,670
Other		2,699	86	0	0	2,785	2,777
Non-performing loans		9	12	4,127	92	4,240	4,707
<b>Total</b>		209,477	9,160	4,127	92	222,856	227,745

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

Performing	PD band (%)				Purchased/ originated credit-impaired	Total	Total
		Stage 1	Stage 2	Stage 3			
1	0.00 - 0.10	7	1	0	0	8	9
2	0.10 - 0.15	20	0	0	0	20	17
3	0.15 - 0.22	23	0	0	0	23	25
4	0.22 - 0.33	43	2	0	0	45	49
5	0.33 - 0.48	44	7	0	0	51	41
STY Ratings 1-5		137	10	0	0	147	141
6	0.48 - 0.70	52	22	0	0	74	62
7	0.70 - 1.02	54	16	0	0	70	56
8	1.02 - 1.48	58	7	0	0	65	61
9	1.48 - 2.15	31	36	0	0	67	41
10	2.15 - 3.13	42	50	0	0	92	94
11	3.13 - 4.59	26	23	0	0	49	31
STY Ratings 6 – 11		263	154	0	0	417	345
12	4.59 - 6.79	10	28	0	0	38	55
13	6.79 - 10.21	6	24	0	0	30	48
14	10.21 - 25.0	4	593	0	0	597	512
STY Ratings 12-14		20	645	0	0	665	615
Other		9	16	0	0	25	17
Non-performing loans		0	2	1,736	2	1,740	1,695
<b>Total</b>		429	827	1,736	2	2,994	2,813

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

Performing	PD band (%)	31 March 2023				Purchased/ originated credit- impaired	Total	31 Dec.
		Stage 1	Stage 2	Stage 3	Total			2022
1	0.00 - 0.10	20,967	14	0	0	<b>20,981</b>	21,272	
2	0.10 - 0.15	4,313	0	0	0	<b>4,313</b>	4,650	
3	0.15 - 0.22	7,109	35	0	0	<b>7,144</b>	6,429	
4	0.22 - 0.33	8,233	14	0	0	<b>8,247</b>	8,161	
5	0.33 - 0.48	5,190	49	0	0	<b>5,239</b>	5,018	
STY Ratings 1 – 5		45,812	112	0	0	<b>45,924</b>	45,530	
6	0.48 - 0.70	5,488	439	0	0	<b>5,927</b>	7,602	
7	0.70 - 1.02	5,691	272	0	0	<b>5,963</b>	5,103	
8	1.02 - 1.48	3,722	354	0	0	<b>4,076</b>	5,218	
9	1.48 - 2.15	2,272	218	0	0	<b>2,490</b>	1,617	
10	2.15 - 3.13	1,167	172	0	0	<b>1,339</b>	1,180	
11	3.13 - 4.59	642	126	0	0	<b>768</b>	758	
STY Ratings 6 – 11		18,982	1,581	0	0	<b>20,563</b>	21,478	
12	4.59 - 6.79	182	218	0	0	<b>400</b>	565	
13	6.79 - 10.21	533	168	0	0	<b>701</b>	935	
14	10.21 - 25.0	12	614	0	0	<b>626</b>	478	
STY Ratings 12-14		727	1,000	0	0	<b>1,727</b>	1,978	
Other		7	9	0	0	<b>16</b>	3,177	
Non-performing loans		0	0	323	2	<b>325</b>	510	
<b>Total</b>		<b>65,528</b>	<b>2,702</b>	<b>323</b>	<b>2</b>	<b>68,555</b>	<b>72,673</b>	

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

Performing	PD band (%)	31 March 2023				Purchased/ originated credit- impaired	Total	31 Dec.
		Stage 1	Stage 2	Stage 3	Total			2022
1	0.00 - 0.10	1	0	0	0	<b>1</b>	2	
2	0.10 - 0.15	4	0	0	0	<b>4</b>	4	
3	0.15 - 0.22	7	0	0	0	<b>7</b>	6	
4	0.22 - 0.33	6	0	0	0	<b>6</b>	7	
5	0.33 - 0.48	7	0	0	0	<b>7</b>	8	
STY Ratings 1 – 5		25	0	0	0	<b>25</b>	27	
6	0.48 - 0.70	13	1	0	0	<b>14</b>	17	
7	0.70 - 1.02	8	1	0	0	<b>9</b>	7	
8	1.02 - 1.48	9	3	0	0	<b>12</b>	8	
9	1.48 - 2.15	5	1	0	0	<b>6</b>	5	
10	2.15 - 3.13	5	3	0	0	<b>8</b>	7	
11	3.13 - 4.59	3	1	0	0	<b>4</b>	4	
STY Ratings 6 – 11		43	10	0	0	<b>53</b>	48	
12	4.59 - 6.79	1	9	0	0	<b>10</b>	4	
13	6.79 - 10.21	3	4	0	0	<b>7</b>	14	
14	10.21 - 25.0	0	22	0	0	<b>22</b>	15	
STY Ratings 12-14		4	35	0	0	<b>39</b>	33	
Other		0	0	0	0	<b>0</b>	1	
Non-performing loans		0	0	46	0	<b>46</b>	62	
<b>Total</b>		<b>72</b>	<b>45</b>	<b>46</b>	<b>0</b>	<b>163</b>	<b>171</b>	

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

Sector	Loans, advances and guarantees				Balance of loan impairment charges and provisions for guarantees		Loan impairment charges and provisions for guarantees for the period		Loss for the period	
	% 31 March 2023		% End of 2022		31 March 2023	End of 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
	March	End of 2022	31 March 2023	End of 2022	31 March 2023	End of 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
Public authorities	6	6	13,052	13,399	0	0	0	0	0	0
Agriculture, hunting, forestry, fishing	6	6	12,632	11,463	130	138	-10	-39	0	26
<i>Fishing</i>	2	2	5,312	4,147	16	18	-2	7	0	0
<i>Dairy farmers</i>	0	0	462	443	53	58	-6	-21	0	25
<i>Plant production</i>	2	2	3,725	3,590	26	29	-3	-7	0	0
<i>Pig farming</i>	1	1	1,649	1,741	27	27	-1	-15	0	1
<i>Other agriculture</i>	1	1	1,484	1,542	8	6	2	-3	0	0
Manufacturing, mining, etc.	5	5	11,941	12,259	290	176	112	-105	1	0
Energy supply	3	3	8,109	7,275	20	20	0	-11	0	0
Building and construction	2	2	4,441	4,465	65	56	6	-1	0	1
Commerce	5	4	10,290	9,156	281	265	11	-49	0	0
Transport, hotels and restaurants	2	1	3,494	3,245	71	72	-2	-17	0	0
Information and communication	1	1	2,854	2,815	147	140	5	-2	0	0
Financing and insurance	37	39	81,184	87,515	835	851	-23	268	0	0
Real property	12	12	24,823	24,615	129	109	-16	-51	0	111
<i>Lease of real property</i>	7	7	14,475	14,793	80	62	-16	-49	0	111
<i>Buying and selling of real property</i>	2	2	3,887	3,639	15	12	2	0	0	0
<i>Other real property</i>	3	3	6,461	6,183	34	35	-2	-2	0	0
Other sectors	5	4	11,613	10,107	231	181	47	12	6	2
Corporate Clients	78	77	171,381	172,915	2,199	2,008	130	5	7	140
Personal clients	16	17	35,429	38,618	797	804	-2	-95	45	38
Unutilised credit lines and loan commitments	0	0	0	0	163	172	-8	70	0	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>219,862</b>	<b>224,932</b>	<b>3,159</b>	<b>2,984</b>	<b>120</b>	<b>-20</b>	<b>52</b>	<b>178</b>

	31 March 2023	31 Dec. 2022	31 March 2022
<b>9 Deposits</b>			
Demand deposits	151,375	155,035	109,694
Term deposits	2,464	748	995
Time deposits	61,058	39,240	22,406
Special deposits	6,102	6,316	4,531
<b>Total</b>	<b>220,999</b>	<b>201,339</b>	<b>137,626</b>



# Statement by the Executive and Supervisory Boards

We have today discussed and approved the Interim Financial Report of Jyske Bank A/S for the period 1 January to 31 March 2023.

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

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

In our opinion, the Interim Financial Statements give a true and fair view of the Group's and the Parent's assets, liabilities and financial position on 31 March 2023 and also of their financial performance as well as the cash flows of the Group for the period 1 January to 31 March 2023.

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

Silkeborg, 2 May 2023

## EXECUTIVE BOARD

ANDERS DAM  
CEO and Managing Director

NIELS ERIK JAKOBSEN

PETER SCHLEIDT

PER SKOVHUS

/JENS BORUM  
Director, Finance

## SUPERVISORY BOARD

KURT BLIGAARD PEDERSEN  
Chairman

KELD NORUP  
Deputy Chairman

RINA ASMUSSEN

ANKER LADEN-ANDERSEN

BENTE OVERGAARD

PER SCHNACK

JOHNNY CHRISTENSEN  
Employee Representative

MARIANNE LILLEVANG  
Employee Representative

MICHAEL C. MARIEGAARD  
Employee Representative