



Interim Financial Report, first nine months 2024

Please observe that the Danish version of this Interim Financial Report prevails.

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Financial Highlights

Core profit and net profit for the period, DKKm

	Q1-Q3 2024	Q1-Q3 2023	Index 24/23	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Full year 2023
Administration margin income, etc.	1,845	1,869	99	611	620	615	627	617	2,496
Other net interest income	790	546	145	272	262	256	249	240	795
Net fee and commission income, etc.	-124	-423	29	-82	55	-97	-133	-158	-556
Value adjustments, etc.	197	227	87	100	43	55	143	76	370
Other income	-	-	-	-	-	-	0	-	0
Core income	2,708	2,219	122	901	980	828	886	775	3,106
Core expenses	331	332	100	109	110	112	113	110	445
Core profit before loan impairment charges	2,377	1,887	126	792	869	716	774	665	2,661
Loan impairment charges (- is income)	-50	-23	217	-6	-66	21	11	14	-12
Core profit/Pre-tax profit	2,428	1,910	127	798	935	695	763	651	2,673
Tax	632	481	131	208	243	181	162	164	643
Net profit for the period	1,795	1,429	126	590	692	514	601	487	2,030

Summary of Balance Sheet, end of period, DKKm

Mortgage loans, nominal value	376,784	370,315	102	376,784	375,965	373,147	373,677	370,315	373,677
Mortgage loans, fair value	361,205	337,614	107	361,205	353,302	351,542	352,663	337,614	352,663
Bonds and shares	23,956	19,726	121	23,956	19,659	18,241	19,160	19,726	19,160
Total assets	397,355	369,195	108	397,355	382,249	385,161	383,021	369,195	383,021
Issued bonds, fair value	365,534	338,315	108	365,534	350,266	353,275	351,790	338,315	351,790
Equity	25,984	23,587	110	25,984	25,394	24,702	24,189	23,587	24,189

Financial ratios

Pre-tax profit p.a. as a percentage of average equity	12.9	11.1	-	12.4	14.9	11.4	12.8	11.2	11.5
Profit for the period p.a. as % of average equity	9.5	8.3	-	9.2	11.0	8.4	10.1	8.3	8.8
Expenses as a percentage of income	12.2	14.9	-	12.1	11.2	13.5	12.8	14.2	14.3
Capital ratio (%)	27.3	28.7	-	27.3	28.6	28.4	27.5	28.7	27.5
Common Equity Tier 1 capital ratio (CET1 %)	27.3	28.7	-	27.3	28.6	28.4	27.5	28.7	27.5
Individual solvency requirement (%)	10.2	9.6	-	10.2	10.1	9.9	9.9	9.6	9.9
Capital base (DKKm)	25,871	23,478	-	25,871	25,298	24,557	24,053	23,478	24,053
Weighted risk exposure (DKKm)	94,771	81,719	-	94,771	88,314	86,457	87,469	81,719	87,469
No. of full-time employees, end of period	29	26	-	29	30	29	27	26	27
No. of employees split between the companies, at end-period ¹	668	712	-	668	664	664	725	712	725
No. of employees split between the companies converted to full-time equivalent	250	246	-	250	251	251	253	246	253

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

Summary

- Profit before tax amounted to DKK 2,428m (First nine months of 2023: DKK 1,910m) corresponding to a return of 12.9% p.a. on average equity (First nine months of 2023: 11.1%).
- Net profit for the period amounted to DKK 1,795m (First nine months of 2023: DKK 1,429m) corresponding to a return of 9.5% p.a. on average equity (First nine months of 2023: 8.3%).
- Core expenses for the period amounted to DKK 331m (First nine months of 2023: DKK 332m).
- Impairment charges affected core profit by an income of DKK 50m (First nine months of 2023: an income of DKK 23m).
- The portfolio at nominal value amounted to DKK 377bn. (end of 2023: DKK 374bn), and at a fair value of DKK 361bn (end of 2023: DKK 353bn).
- At 30 September 2024, the capital, and the Tier 1 capital ratio (%) amounted to 27.3 (end of 2023: 27.5).

Comments by management

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

'Today Jyske Realkredit announces a net profit of DKK 1,795m for the first nine months of 2024 against a net profit of DKK 1,429m in the same period last year. The improved results can be attributed to a higher return on Jyske Realkredit's securities portfolios due to the higher yield level and lower distribution fees to Jyske Bank. Jyske Realkredit's capital base is still at a high level and the credit quality is good.'

Capital structure

Jyske Realkredit's equity rose by the net profit for the period of DKK 1,795m and amounted to DKK 25,984m at 30 September 2024. The capital base, exclusive of various deductions, amounts to DKK 25,871m, an increase of DKK 1,818m since the end of 2023.

Jyske Realkredit's capital base is solid with a capital ratio of 27.3% and a capital buffer of DKK 8.4bn. It is assessed that the current financial resources can withstand even severe stress scenarios.

Outlook

Jyske Realkredit anticipates a profit after tax for 2024 in the range of DKK 2.1bn to 2.3bn, i.e., an increase of DKK 0.2bn-0.3bn relative to the previous announcements. The increase was due to a better-than-expected return on securities. In addition, impairment charges were reversed in the third quarter of 2024. The expected profit will, however, be affected by the development of the level of interest rates and loan impairment charges.

Financial Review

Net profit for the period

In the first nine months of 2024, Jyske Realkredit generated a pre-tax profit of DKK 2,428m against DKK 1,910m in the corresponding period of last year. The primary reason behind the higher profit is higher interest income from Jyske Realkredit's portfolios of securities due to the higher interest-rate level against the same period of 2023. In addition, a lower amount of sales commission was paid to Jyske Bank due primarily to the setting off of recognised losses on a corporate client exposure.

Calculated tax was DKK 632m (2023: DKK 481m), and the profit for the period then amounted to DKK 1,795m (2023: DKK 1,429m), corresponding to a return on average equity of 9.5% p.a. (2023: 8.3% p.a.).

Core profit and net profit for the period, DKKm

	Q1-Q3 2024	Q1-Q3 2023	Index 24/23	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Full year 2023
Administration margin income, etc.	1,845	1,869	99	611	620	615	627	617	2,496
Other net interest income	790	546	145	272	262	256	249	240	795
Net fee and commission income, etc.	-124	-423	29	-82	55	-97	-133	-158	-556
Value adjustments, etc. (- is an expense)	197	227	87	100	43	55	143	76	370
Other income	-	-	-	-	-	-	0	-	0
Core income	2,708	2,219	122	901	980	828	886	775	3,106
Core expenses	331	332	100	109	110	112	113	110	445
Core profit before loan impairment charges	2,377	1,887	126	792	869	716	774	665	2,661
Loan impairment charges (- is income)	-50	-23	217	-6	-66	21	11	14	-12
Core profit/Pre-tax profit	2,428	1,910	127	798	935	695	763	651	2,673
Tax	632	481	131	208	243	181	162	164	643
Net profit for the period	1,795	1,429	126	590	692	514	601	487	2,030

Core income

Core income, consisting primarily of administration margin income, etc. brokerage and fee income from mortgage activities and return on Jyske Realkredit's portfolios of securities, amounted to DKK 2,708m against DKK 2,219m in same period of the previous year.

Administration margin income etc. amounted to DKK 1,845m, which is a decline of DKK 24m relative to the same period of 2023. Administration margin income was affected by slightly falling average administration margin rates.

Other net interest income consisted of interest on the portfolios of securities as well as various interest income and amounted to an income of DKK 790m against DKK 546m in the same period the year before. The increase was primarily due to a higher interest yield on Jyske Realkredit's securities portfolios a result of the higher interest-rate level in the first nine months of 2024 relative to the first nine months of 2023.

Net fee and commission income, etc. amounted to an expense of DKK 124m against an expense of DKK 423m in the first nine months of 2023. The difference can primarily be attributed to a reduction of Jyske Realkredit's distribution fees to Jyske Bank due to set-off of recognised losses on lending exposures. On the other hand, fee income from lending activity was at a lower level in the first nine months of 2024 relative to the same period of 2023.

Value adjustments, etc. amounted to an income of DKK 197m against an income of DKK 227m in the corresponding period of last year and relate to Jyske Realkredit's securities portfolios.

Core expenses

Core expenses came to DKK 331m against DKK 332m in the previous year.

Core profit before loan impairment charges then amounted to DKK 2,377m against DKK 1,887m for the first nine months of 2023.

Loan impairment charges

Loan impairment charges amounted to an income of DKK 50m against an income of DKK 23m in the same period of 2023.

In the first nine months of 2024, we saw a decline in model-calculated loan impairment charges by DKK 43m (2023: an increase of DKK 10m), attributed to the personal client segment.

In the first nine months of 2024, the individually calculated loan impairment charges declined by DKK 175m (2023: a decline of DKK 47m) as this predominantly relates to the corporate client segment.

The change in the individual loan impairment charges can primarily be attributed to a non-performing corporate client exposure as the security behind the loans has been realised. The previously recognised loan impairment charges for this exposure were able to cover the recognised loss in this respect.

The total change in model-calculated loan impairment charges and the individually calculated loan impairment charges then amounted to a decline of DKK 218m (2023: a decline of DKK 37m) whereas the recognised losses covered by loan impairment charges amounted to DKK 204m. (2023: DKK 9m).

In the first nine months of 2024, DKK 65m was reversed (2023: DKK 10m was reversed) of the management's estimates and at 30 September 2024, these amounted to DKK 612m. The most important management's estimates amounted to DKK 475m (end of 2023: DKK 550m) and relate to macroeconomic risks as the higher interest-rate level accounts for a material factor. Hereof DKK 350m (end of 2023: DKK 350m) corporate clients and DKK 125m (end of 2023: DKK 200m) relate to personal clients.

The total balance of impairment charges then amounted to DKK 1,159m at 30 September 2024 (end of 2023: DKK 1,441m) corresponding to 0.3% of total loans (end-2023: 0.4%).

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

Jyske Realkredit's holding of assets held temporarily amounted to DKK 167m as at 30 September 2024 against DKK 40m at the end of 2023. The increase was due to a company which was, as mentioned previously, taken over in the second quarter of 2024.

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

Third quarter compared to second quarter of 2024

Administration margin income, etc. in the third quarter of 2024 amounted to DKK 611m against DKK 620m in the second quarter of 2024. The decline was attributed to slightly falling average administration margin rates.

Other net interest income amounted to an income of DKK 272m against an income of DKK 262m in the second quarter of 2024. The increase was due to a higher interest income on Jyske Realkredit's securities portfolios as a result of slightly higher portfolios.

Net fee and commission income, etc. amounted to an expense of DKK 82m against an income of DKK 55m in the second quarter of 2024. The most important reason behind the difference is that the distribution fee to Jyske Bank in Q2 2024 amounted to DKK 0 compared with DKK 199m in Q3 2024. In addition, the higher fee income in Q3 was due, among other things, to refinancing activity.

Value adjustments, relating to Jyske Realkredit's securities portfolios, among other things, amounted to an income of DKK 100m against an income of DKK 43m in the preceding quarter. Value adjustments were, among other things, impacted by the falling interest-rate level in Q3 2024.

Core expenses amounted to DKK 109m against DKK 110m in the second quarter of 2024.

Losses and impairment charges amounted to an income of DKK 6m against an income of DKK 66m in the second quarter of 2024. The income in the second quarter of 2024 relates primarily to lower loan impairment charges within the personal client segment - both with respect to model-calculated loan impairment charges and management's estimates.

Pre-tax profit for the third quarter of 2024 then amounted to DKK 798m against DKK 935m for the second quarter of 2024.

Balance sheet

At the end of September 2024, Jyske Realkredit's balance sheet amounted to DKK 397.4bn (DKK 383.0bn at the end of 2023).

Loans at fair value rose from DKK 352.7bn at the end of 2023 to DKK 361.2bn at the end of September 2024, corresponding to an increase by 2.4%. DKK 3.1bn was due to an increase in nominal lending, and DKK 5.3bn was due to an increase in the value adjustment of the loan portfolio as a result of changed interest-rate conditions in the first nine months of 2024.

Equity was affected by the net profit for the period by DKK 1,795m and amounted to DKK 25,984m at the end of September 2024 (DKK 24,189m at the end of 2023).

Summary of Balance Sheet, end of period, DKKm

	30 Sept. 2024	30 Sept. 2023	Index 24/23	30 Sept. 2024	30 June 2024	31 March 2024	31 Dec. 2023	30 Sept 2023
Assets / equity and liabilities	397,355	369,195	108	397,355	382,249	385,161	383,021	369,195
Mortgage loans, nominal value	376,784	370,315	102	376,784	375,965	373,147	373,677	370,315
Loans at fair value	361,205	337,614	107	361,205	353,302	351,542	352,663	337,614
Issued bonds, fair value	365,534	338,315	108	365,534	350,266	353,275	351,790	338,315
Equity	25,984	23,587	110	25,984	25,394	24,702	24,189	23,587

Credit Quality

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

Mortgage loans at fair value and loan impairment charges, DKKm								
	Q1-Q3 2024	Q1-Q3 2023	Index 24/23	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Loans and advances ¹	361,990	338,602	107	361,990	354,077	352,513	353,628	338,602
Stage 1	347,450	325,550	107	347,450	339,815	336,737	340,180	325,550
Stage 2	11,208	9,847	114	11,208	11,022	12,341	9,996	9,847
Stage 3	3,331	3,205	104	3,331	3,239	3,435	3,452	3,205
Balance of impairment charges	1,159	1,439	81	1,159	1,187	1,455	1,441	1,439
Stage 1	616	762	81	616	638	673	738	762
Stage 2	256	229	112	256	265	304	220	229
Stage 3	287	448	64	287	285	478	483	448
Arrears	56	57	98	56	68	88	74	57
Operational loan impairment charges (- is income)	-50	-23	217	-6	-66	21	11	14
Operating losses	244	25	976	26	204	13	10	8

¹ Mortgage loans were calculated exclusive of loan impairment charges.

The majority of Jyske Realkredit's portfolio is still invested at stage 1. Apart from price effects, we have for a minor part of the portfolio in the personal and corporate client area seen a change of the credit quality in the first quarter of 2024. This part of bank loans and advances has been moved from stage 1 (loans and advances without a material increase in the credit risk) to stage 2 (loans with a significant increase in the credit risk). Subsequently, we saw an improvement in credit quality in Q2 so the proportion of lending in stage 2 has declined again.

The above-mentioned migration of loans to and from stage 2 led to an increase in stage 2 impairments in Q1 with a subsequent decrease in Q2. Loan impairment charges on the individually treated exposures in stage 3 decreased in the second quarter as Jyske Realkredit took over the collateral on a non-performing corporate exposure and in that connection reversed the impairment and realized a recognised loss.

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

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

Mortgage loans at fair value exclusive of loan impairment charges - by property category				
	Mortgage loans (DKKm)		Impairment ratio	
	30 Sept. 2024	31 Dec. 2023	30 Sept. 2024	31 Dec. 2023
Owner-occupied homes	165,971	164,518	0.3	0.4
Vacation homes	9,775	9,691	0.3	0.4
Subsidised	48,982	47,549	0.0	0.0
Cooperative housing	11,903	11,791	0.5	0.4
Private rental properties	73,201	70,826	0.4	0.4
Manual and manufacturing industries	6,703	5,072	0.1	0.1
Office and commercial properties	37,606	36,274	0.6	1.0
Agriculture, etc.	189	180	0.0	0.1
Properties for social, cultural and educational purposes	7,445	7,688	0.1	0.1
Other properties	214	39	0.0	0.2
Total	361,990	353,628	0.3	0.4

Jyske Realkredit's total impairment ratio amounted to 0.3 as at 30 September 2024 - a decline from 0.4 at the end of 2023. The decline can be related to the improved credit quality of the loan portfolio. The decline can be related to all property categories except for cooperative housing where the impairment ratio rose to 0.5 from 0.4 at end-2023 (cooperative housing accounts for 3% of total mortgage loans).

Arrears

The arrears rate measured 90 days after the June 2024 repayment date amounted to 0.06% against 0.09% for the corresponding repayment date in 2023. The arrears rate measured 15 days after the September 2024 repayment date amounted to 0.31% against 0.33% after the September 2023 repayment date.

Arrears rate						
	September 2024	June 2024	March 2024	December 2023	September 2023	June 2023
After 90 days	-	0.06	0.07	0.07	0.08	0.09
After 15 days	0.31	0.31	0.42	0.47	0.33	0.32

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

Capital structure

Capital management

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

Capital base

Jyske Realkredit's capital base amounts to DKK 25.9bn (end of 2023: DKK 24.1bn) and consists solely of Common Equity Tier 1, i.e. paid-up equity as well as retained profits. Hence, Jyske Realkredit's capital base does not include any loan capital, which is in line with Jyske Realkredit's wish to have a high quality of its capital base.

Capital requirement

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

The total risk exposure amounted to DKK 94.8bn at the end of the third quarter of 2024 against DKK 87.5bn at the end of 2023. The development of the total risk exposure of DKK 7.3bn is a combination of several issues but the most important contributions were due to the shift to FIRB for large corporate clients and from operational risk. Operational risk is measured according to the standardised approach so changes to REA derive from improved earnings over the past three years.

At the end of the third quarter of 2024, the capital ratio at 27.3% (end of 2023: 27.5%) constituted a solid level relative to Jyske Realkredit's capital management objective of 20%. The capital ratio level is identical to the level of the Common Equity Tier 1 capital ratio and hence the core capital ratio.

Capital base, risk exposure and solvency

DKKm	30 September 2024	31 December 2023
Equity	25,984	24,189
Prudent valuation	-42	-31
Other deductions	-71	-104
Common Equity Tier 1 capital / Core capital	25,871	24,053
Capital base	25,871	24,053
Credit risk	90,395	83,760
Operational risk	4,376	3,709
Total risk exposure ¹	94,771	87,469
Common Equity Tier 1 capital ratio (%)	27.3	27.5
Tier 1 Capital ratio (%)	27.3	27.5
Capital ratio (%)	27.3	27.5

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

ICAAP and individual solvency requirement

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

Adequate capital base

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

by the capital requirement or risks that are assessed to be above normal in relation to the capital requirement for the risk type in question.

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

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

The adequate capital base for Jyske Realkredit amounted to DKK 9.7bn at the end of the third quarter of 2024, corresponding to an individual solvency requirement of 10.2%, i.e., an increase by 0.3 percentage point relative to the end of 2023.

Buffer requirements and excess capital adequacy

The combined capital buffer requirement consists of the statutory buffers in the form of the capital conservation buffer, the countercyclical buffer as well as the systemic risk buffer. The two former amounted to 2.5% and 1.5%, respectively, of the total risk exposure amount whereas the size of the countercyclical buffer depends on the economic trends and currently accounts for 2.5% of the total risk exposure. The systemic risk buffer is computed as 7% of the risk exposure for loans to property companies and can be computed at 1.75% of the total risk exposure.

Add to this a systemic risk buffer of 2.0% of the total risk exposure and a countercyclical buffer at 1.0% of the total risk exposure relating to limited lending in the Faroe Islands.

Jyske Realkredit's adequate capital base plus the combined capital buffer requirement amounts to DKK 17.5bn, corresponding to an individual solvency requirement, inclusive of statutory buffers of 18.5% of the total risk exposure amount. Given the capital base of DKK 25.9bn, Jyske Realkredit's excess capital adequacy amounts to DKK 8.4bn.

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

DKKm/% of REA	30 September 2024		31 December 2023	
Credit risk	7,232	7.6	6,701	7.7
Operational risk	350	0.4	297	0.3
Capital requirement, Tier I	7,582	8.0	6,997	8.0
Credit risk	1,518	1.6	1,339	1.5
Market risk	304	0.3	205	0.2
Operational risk	275	0.3	150	0.2
Capital requirement, Tier II	2,097	2.2	1,694	1.9
Adequate capital base	9,679	10.2	8,692	9.9
Capital conservation buffer	2,369	2.5	2,187	2.5
SIFI buffer	1,422	1.5	1,312	1.5
Countercyclical buffer	2,367	2.5	2,184	2.5
Systemic risk buffer	1,657	1.7	-	-
Countercyclical buffer and systemic risk buffer, the Faroe Islands	3	0.0	2	0.0
Combined capital buffer requirement	7,818	8.2	5,685	6.5
Adequate capital base inclusive of combined capital buffer requirement	17,497	18.5	14,377	16.4
Excess capital adequacy	8,374	8.8	9,676	11.1

Debt buffer requirement

Mortgage credit institutions are exempt from the minimum requirement for own funds and eligible liabilities (MREL), but on the other hand, they must meet a debt buffer requirement, amounting to 2% of non-weighted loans. In addition to applying the unused part of the capital base, the debt buffer requirement can be met by issuing senior debt.

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

that the overall requirement of the Group's debt buffer, capital base and eligible liabilities amount to at least 8% of the Group's total liabilities.

At the end of the third quarter of 2024, the debt buffer requirement amounted to DKK 7.1bn, for which DKK 8.4bn was available to cover the requirement.

Leverage Ratio

The leverage ratio is defined as the ratio between Jyske Realkredit's core capital and total non-weighted exposures (inclusive of off-balance sheet items) and must amount to at least 3%. The leverage ratio, which does not include the risk relating to the exposures, may be a significant limitation for an institution with a large proportion of loans with a low risk weighting. At the end of the third quarter of 2024, the leverage ratio for Jyske Realkredit was 6.42%, a minor increase from 6.20% computed at the end of 2023.

Leverage Ratio		
DKKm/%	30 September 2024	31 December 2023
Core capital	25,871	24,053
Total exposure value	403,274	388,068
Leverage ratio	6.42	6.20

Other capital requirements

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

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

Issuance of covered bonds (SDO) for the financing of loans takes place in Jyske Realkredit via capital centres E and S. Loans based on the issuance of covered bonds (SDO) must be monitored on an on-going basis to ensure that the LTV limit is complied with for each individual property. If the LTV limit is exceeded, for instance, due to a decline in the value of the property value, Jyske Realkredit must provide supplementary collateral. In addition, supplementary security calculated as 2% of the issued amount of SDO bonds will be required. At the end of the third quarter of 2024, the SDO requirement amounted to DKK 10.0bn, of which DKK 2.8bn related to declining property values, etc. At the end of 2023, the SDO requirement amounted to DKK 10.1bn.

New capital adequacy rules

The Regulation (EU) 2024/1623 of 31 May 2024 of the European Parliament and the Council on amendment of Regulation (EU) 575/2013 with respect to requirements concerning credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor was published in the Official Journal of the European Union on 19 June 2024. The Regulation formally took effect on 9 July 2024 but in practice most of the measures will not apply until 1 January 2025. Yet, the measures from the directive part will first have to be implemented in Danish legislation, which is expected to happen before the end of 2025.

The adopted rules will have a considerable effect on Danish mortgage credit institutions' capital requirements, especially due to the introduction of an output floor (single stack approach) and changes in the risk weighing for both the IRB and the standardised approach. Due to the floor requirement, credit institutions will be subject to a capital requirement of at least 72.5% of the capital requirement calculated on the basis of the standardised approaches, which will be phased in gradually over several years. The special terms applicable to the statement of the output floor for loans secured on properties will only be temporary, and subsequently it is to be clarified how the permanent processing of loans secured on properties is to be drawn up.

The capital requirement applying to Jyske Realkredit is expected to increase due to the transition to the new capital adequacy rules.

Stress test and capital requirements

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

Liquidity Coverage Ratio (LCR)

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

The binding requirement on Jyske Realkredit's holding of liquid assets (HQLA - high-quality liquid assets) is based on the sum of the net outflow from LCR at DKK 3.3bn (end of 2023: DKK 13m) and the pillar II liquidity requirement at DKK 3.1bn (end of 2023: DKK 1.4bn) corresponding to a total requirement of DKK 6.4bn at the end of September 2024 (end of 2023: DKK 1.4bn) which must be met with HQLA. HQLA amounted to DKK 17.0bn (end of 2023: DKK 13.7bn), corresponding to an overcollateralisation of DKK 10.7bn. The LCR where the pillar II requirement is not included in the calculation was at the end of September 2024 calculated at 520% (end of 2023: 101,387%). According to regulation, the LCR must be at least 100%.

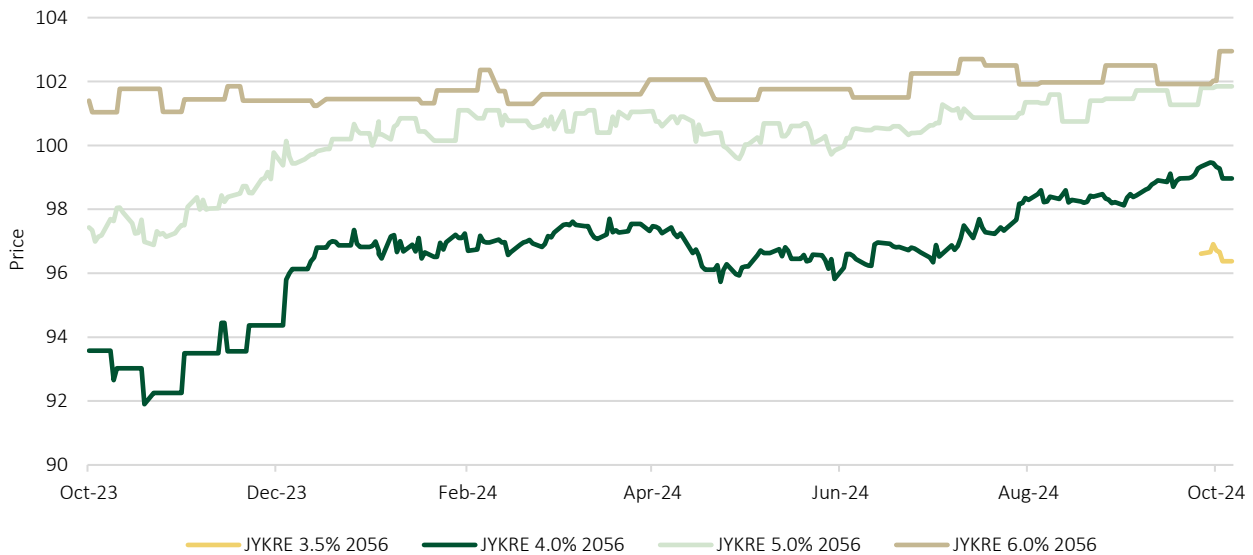
Net stable funding ratio (NSFR)

The NSFR must ensure that the credit institutions' funding profile is of a sufficiently long-term and stable nature relative to lending on the assets side. It is calculated with a time horizon of one year. Parallel to the LCR statement, interdependent assets and liabilities can be exempt from the NSFR calculation. The NSFR amounted to 245% at the end of September 2024 (end-2023: 262%) and must according to regulation amount to at least 100%.

Funding and Bond Issues

After minor price declines in the first half of 2024, bond prices generally increased in the third quarter of 2024. Due to the rising prices in the third quarter of the year, Jyske Realkredit decided at the end of the quarter to open a 30-year callable bond with instalments and a coupon of 3.5%. Although the 30-year bond with a coupon of 4.0% was over a period of time about to close, it has been open for issue in full 2024 and has been the 30-year callable bond with a price closest to 100.

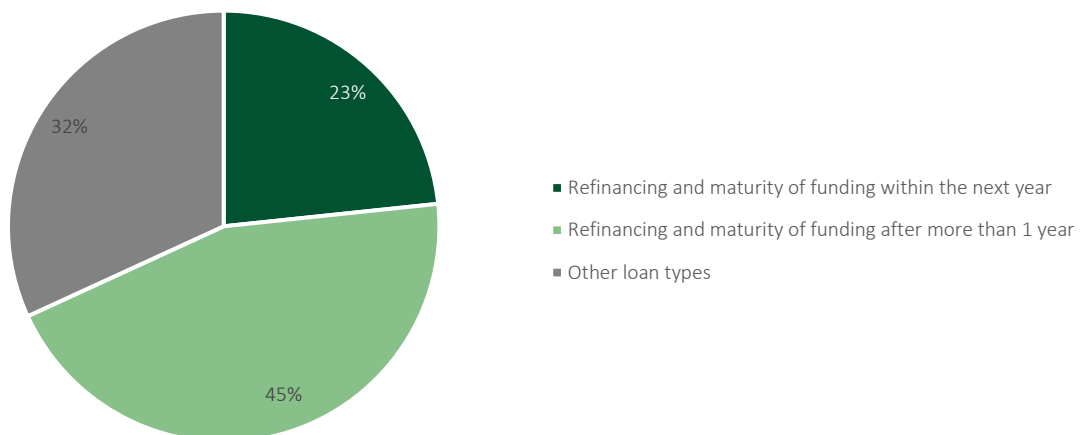
Prices of certain 30-year callable bonds from Jyske Realkredit



Source: Bloomberg

Jyske Realkredit endeavours on an ongoing basis to reduce the refinancing risk. This takes place in consideration of the requirement that the individual series must be so large that, in respect of the liquidity buffer of the investors, they meet the LCR requirements (Liquidity Coverage Ratio).

Jyske Realkredit's loan portfolio, on 30 September 2024, by time of refinancing

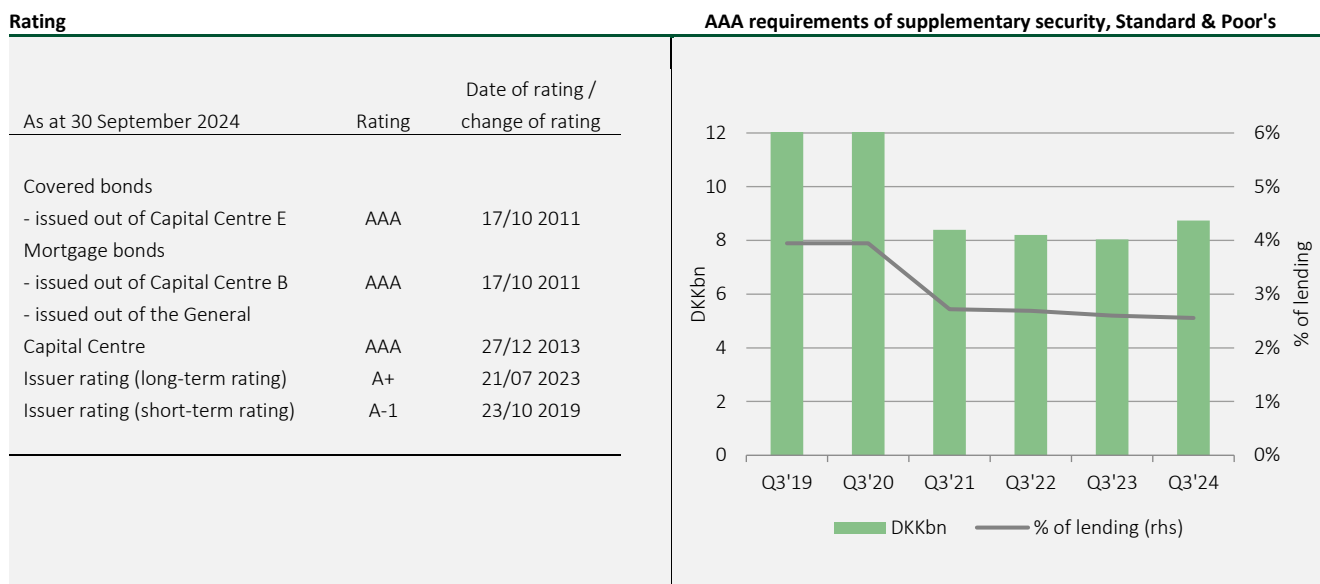


Due to the rising interest rates, particularly on 30-year callable bonds, more borrowers chose two-three years ago to remortgage so they reduced the debt outstanding on their mortgages by redeeming their existing fixed-rate mortgages, as they can be priced below 100 and taking out a new mortgage. Clients who remortgaged tended to a higher degree than before to take out floating rate mortgage loans. Hence the proportion of personal borrowers with 30-year fixed-rate loans has fallen, while the proportion of clients with short-term adjustable-rate loans has increased. Given the recent interest-rate declines and the opening of a 30-year callable bond with a 3.5% coupon, borrowers are to a higher degree again expected to take out loans with longer refinancing intervals.

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

Rating

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



Standard & Poor's average percentage requirement for supplementary security to maintain the AAA rating for mortgage bonds issued by Jyske Realkredit was practically unchanged at the end of the third quarter of 2024 compared with the end of the third quarter of 2023. Due to the composition of property types and the generally good credit quality, S&P's overcollateralisation requirement for Jyske Realkredit's bonds from Capital Centres E and B is close to S&P's minimum overcollateralisation requirement.

The supervisory diamond for mortgage credit institutions

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

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

Supervisory diamond – benchmarks, %

	30 September 2024	31 December 2023
Concentration risk <100 %	42.9	45.6
Increase in loans <15 % annually in the segment:		
- Residential property and vacation homes	-1.3	-1.5
- Residential rental properties	5.2	7.4
- Other sectors	6.6	6.6
Borrower's interest-rate risk <25 %		
- Residential properties	19.2	18.5
Instalment-free option <10 %		
- Residential property and vacation homes	3.9	4.3
Loans with frequent interest-rate fixing:		
- Refinancing (annually) <25 %	16.0	20.8*
- Refinancing (quarterly) <12.5%	5.4	4.9

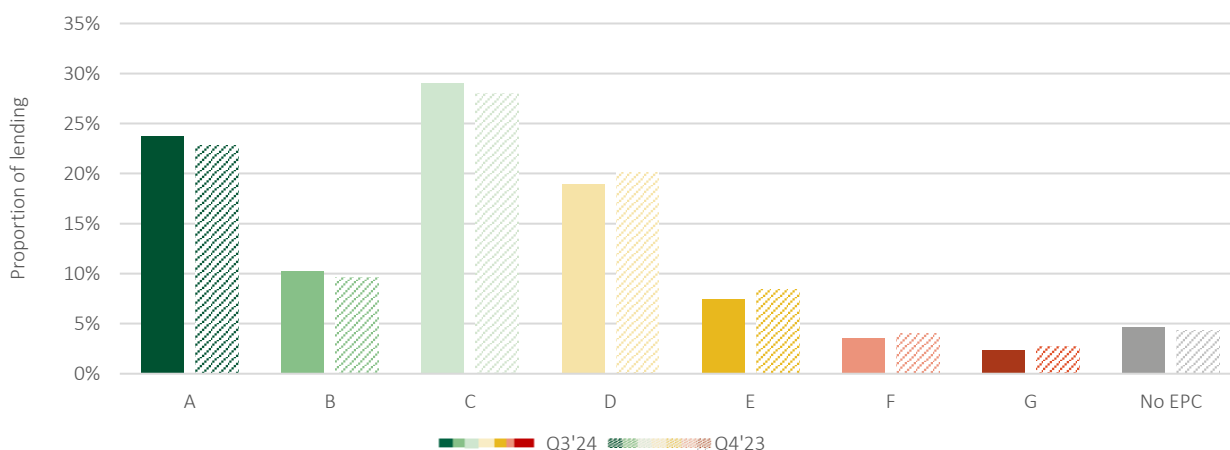
* The comparative figures as at 31 December 2023 have been adjusted due to recalculation.

Green transition

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

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

Jyske Realkredit's loan portfolio by energy rating



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

Relative to the statement for the end of Q4 2023, the proportion of properties with low energy consumption was increasing in the first three quarters of 2024.

In its attempts to increase the transparency for investors of how Jyske Realkredit through its lending contributes to the green transition, Jyske Realkredit also publishes the total CO₂e emission from properties financed through Jyske Realkredit.

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

Type of property	30 September 2024		31 December 2023	
	Tonnes CO ₂ e (LTV justeret)	Kg CO ₂ e/m ²	Tonnes CO ₂ e (LTV justeret)	Kg CO ₂ e/m ²
Private owner-occupied homes and flats	84,769	11.4	96,039	12.1
Subsidised housing	24,323	5.3	24,931	5.4
Cooperative housing	3,915	6.0	4,054	6.1
Residential rental properties	20,606	5.3	20,833	5.6
Office and commercial properties	35,586	10.2	37,321	11.0
Other	23,315	12.7	14,329	8.3
Total	192,514	8.3	197,507	8.5

The total financed emission declined relative to the end of 2023. The decline can primarily be attributed to a change in the composition of loans at Jyske Realkredit, as the proportion of properties with low energy consumption has increased.

The estimated CO₂e emission is based on the Energy Performance Certificate, heating source, and total floor area of the individual property. If the property has not been assigned an energy rating, the energy consumption and CO₂e emission

will be estimated on the basis of the characteristics of the property. The estimated CO₂e emission will offer a good idea of which properties offer potential for lowering their emission by renovating the properties.

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

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

Loans supporting the UN's Sustainable Development Goals

Loan type	FN SDG	30 September 2024		31 December 2023	
		Loans, nominal (DKKm)	Proportion of total loans (%)	Loans, nominal (DKKm)	Proportion of total loans (%)
Renewable energy	7.2	4,249	1.1	3,059	0.8
Green buildings	7.3	122,355	32.4	116,437	31.2
Subsidised housing	11.3	23,551	6.2	24,210	6.5
Recycling	12.5	73	0.0	76	0.0
Total		150,229	39.8	143,752	38.5

Altogether, 39.8% of Jyske Realkredit's loans support one or more of the UN Sustainable Development Goals which is an increase relative to the end of 2023.

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

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

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

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

Loan type	Criterion	30 September 2024		31 December 2023	
		Loans, nominal (DKKm)	Proportion of total loans (%)	Loans, nominal (DKKm)	Proportion of total loans (%)
Electricity from the sun	4.1	750	0.2	645	0.2
Electricity from the wind	4.3	780	0.2	710	0.2
Distribution of electricity	4.9	1,776	0.5	1,674	0.4
Distribution of district heating	4.15	943	0.2	-	-
Ownership of existing buildings	7.7	98,981	26.2	96,254	25.8
Total		103,230	27.4	99,283	26.6

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

Other information

Additional information

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

Effective as from 2025, the management has decided no longer to release interim financial reports for Jyske Realkredit for Q1 and for the first nine months of the year. Instead, a press release will be issued.

Contact

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Income Statement and Statement of Comprehensive Income

		DKK m	
Note		Q1-Q3 2024	Q1-Q3 2023
Income statement			
5	Interest income	9,446	8,275
6	Interest expenses	6,765	5,775
	Net interest income	2,681	2,500
7	Fees and commission income	309	352
	Fees and commission expenses	433	775
	Net interest and fee income	2,557	2,077
8	Value adjustments	151	142
9	Employee and administrative expenses	309	303
	Other operating expenses	21	28
10	Loan impairment charges (- is income)	-50	-23
	Pre-tax profit	2,428	1,910
11	Tax	632	481
	Net profit for the period	1,795	1,429
	Distributed to:		
	Jyske Realkredit A/S shareholders	1,795	1,429
	Total	1,795	1,429
Statement of Comprehensive Income			
	Net profit for the period	1,795	1,429
	Comprehensive income for the period	1,795	1,429
	Distributed to:		
	Jyske Realkredit A/S shareholders	1,795	1,429
	Total	1,795	1,429

Balance Sheet

DKKm

Note	30 Sept. 2024	31 Dec. 2023	30 Sept. 2023
Assets			
Cash balance and demand deposits with central banks	8,290	6,397	8,613
Due from credit institutions and central banks	2,453	3,415	1,931
12 Loans at fair value	361,205	352,663	337,614
Bonds at fair value	23,899	19,101	19,667
Shares, etc.	57	59	59
Deferred tax assets	83	133	3
13 Assets in temporary possession	167	40	43
14 Other assets	1,184	1,201	1,246
Prepayments	17	11	19
Assets, total	397,355	383,021	369,195
Equity and liabilities			
Liabilities			
Due to credit institutions and central banks	84	79	187
15 Issued bonds at fair value	365,534	351,790	338,315
Issued bonds at amortised cost	-	750	750
Current tax liabilities	1,166	583	846
16 Other liabilities	4,573	5,610	5,487
Deferred income	12	18	20
Liabilities, total	371,368	358,830	345,606
Provisions			
Other provisions	3	2	3
Total provisions	3	2	3
Equity			
Share capital	500	500	500
Share premium	102	102	102
Retained earnings	25,382	23,587	22,985
Total equity	25,984	24,189	23,587
Total equity and liabilities	397,355	383,021	369,195
17 Off-balance sheet items			
Guarantees, etc.	0	0	0
Other contingent liabilities, etc. (loan offers)	14,340	12,337	14,548
Total guarantees and other contingent liabilities	14,341	12,337	14,548

Statement of Changes in Equity

DKKm

	Share capital	Share premium	Retained earnings	Total
Equity at 1 January 2024	500	102	23,587	24,189
Net profit for the period	-	-	1,795	1,795
Comprehensive income for the period	-	-	1,795	1,795
Equity at 30 Sept. 2024	500	102	25,382	25,984
Equity at 1 January 2023	500	102	21,557	22,159
Net profit for the period	-	-	1,429	1,429
Other comprehensive income	-	-	1,429	1,429
Comprehensive income for the period	-	-	1,429	1,429
Equity at 30 Sept. 2023	500	102	22,985	23,587

Capital statement

	30 Sept. 2024	31 Dec. 2023	30 Sept. 2023
Equity	25,984	24,189	23,587
Prudent valuation	-42	-31	-30
Other deductions	-71	-104	-79
Common Equity Tier 1 capital / Core capital	25,871	24,053	23,478
Capital base	25,871	24,053	23,478
Weighted risk exposure involving credit risk etc.	90,395	83,760	78,010
Weighted risk exposure involving operational risk	4,376	3,709	3,709
Total weighted risk exposure	94,771	87,469	81,719
Capital requirement, Pillar I	7,582	6,997	6,537
Capital requirement, Pillar II	2,097	1,694	6,537
Capital requirement, total	9,679	8,692	13,075
Capital ratio (%)	27.3	27.5	28.7
Core capital ratio (%)	27.3	27.5	28.7
Common Equity Tier 1 capital ratio (%)	27.3	27.5	28.7

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

Notes

1 Accounting policies

The Interim Financial Report for the period 1 January - 30 Sept. 2024 for Jyske Realkredit A/S was prepared according to the Danish Financial Business Act as well as the relevant accounting rules in compliance with IFRS. Furthermore, the Interim Financial Report was prepared in accordance with the additional Danish disclosure requirements for the interim reports of listed financial undertakings.

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

2 Material accounting estimates

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

The financial statements reflect adjusting events until 29 October 2024.

	30 Sept. 2024	31 Dec. 2023	30 Sept. 2023
3 Financial ratios and key figures			
Capital ratio (%)	27.3	27.5	28.7
Core capital ratio (%)	27.3	27.5	28.7
Return on equity (average) before tax for the period (%)	9.7	11.5	8.4
Return on equity (average) after tax for the period (%)	7.2	8.8	6.2
Income/cost ratio (%)	9.7	7.2	7.2
Currency position (%)	0.1	0.0	0.2
Accumulated impairment ratio (%)	0.3	0.4	0.4
Impairment ratio for the period (%)	-0.01	0.00	-0.01
Increase in loans for the period (%)	0.8	2.2	1.3
Loans relative to equity	13.9	14.6	14.3
Return on capital employed	0.5	0.5	0.4

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

4 Alternative performance targets

	Q1-Q3 2024			Q1-Q3 2023		
	Core profit	Reclassifi- cation	Total	Core profit	Reclassifi- cation	Total
Administration margin income, etc.	1,845	-	1,845	1,869	-	1,869
Other net interest income, etc.	790	46	836	546	85	631
Net interest income	2,635	46	2,681	2,415	85	2,500
Net fee and commission income	-124	-	-124	-423	-	-423
Net interest and fee income	2,511	46	2,557	1,992	85	2,077
Value adjustments	197	-46	151	227	-85	142
Income	2,708	-	2,708	2,219	-	2,219
Expenses	331	-	331	332	-	332
Profit before loan impairment charges	2,377	-	2,377	1,887	-	1,887
Loan impairment charges (- is an income)	-50	-	-50	-23	-	-23
Pre-tax profit	2,428	-	2,428	1,910	-	1,910

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

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

	Q1-Q3 2024	Q1-Q3 2023
5 Interest income		
Due from credit institutions and central banks ¹	162	149
Loans	6,966	6,082
Administration margin	1,553	1,505
Bonds	670	509
Derivatives, interest-rate and currency contracts	178	125
Other interest income	72	69
Interest income before offsetting of interest on own bonds	9,602	8,439
Interest on own bonds, set off against interest on issued bonds	155	164
Total	9,446	8,275
¹ Of which interest income on reverse repos carried under 'Due from credit institutions and central banks'	7	18

Notes

DKKm

	Q1-Q3 2024	Q1-Q3 2023
6 Interest expenses		
Due to credit institutions and central banks ¹	20	20
Issued bonds	6,246	5,457
Other interest expenses	655	462
Interest expenses before offsetting of interest on own bonds	6,920	5,939
Interest on own bonds, set off against interest on issued bonds	155	164
Total	6,765	5,775
¹ Of which interest expenses on repos carried under 'Due to credit institutions and central banks'	0	0
7 Fees and commission income		
Securities trading and custody services	192	223
Loan application fees	117	129
Other fees and commissions	0	0
Total	309	352
8 Value adjustment		
Mortgage loans	5,064	-1,194
Other loans and receivables at fair value	1	-3
Bonds	228	268
Shares, etc.	-2	-1
Currency	1	-0
Currency, interest-rate and other contracts as well as other derivatives	397	9
Issued bonds	-5,537	1,063
Total	151	142
Value adjustment of the balance principle amounted to an expense of DKK 4,000 (2023: DKK -1m), resulting from a net value adjustment of the following items: mortgage loans by DKK +5.062m (DKK -1.117m), issued mortgage bonds by DKK -5.537m (DKK -1.063m) as well as derivatives by DKK +475m (DKK +52m), recognised in Currency, interest-rate and other contracts as well as other derivatives.		
9 Employee and administrative expenses		
Employee expenses		
Wages and salaries, etc.	20	18
Pensions	2	2
Payroll tax	4	3
Social security	0	0
Total	26	24
Salaries and remuneration to the Executive Board and the Supervisory Board		
Executive Board	6	5
Supervisory Board	0	0
Total	7	5
Other administrative expenses		
IT	13	12
Other administrative expenses	263	262
Total	276	274
Total	309	303

Notes

DKKm

	Q1-Q3 2024	Q1-Q3 2023
10 Loan impairment charges (- is income)		
Loan impairment charges for the period	-79	-31
Recognised as a loss, not covered by impairment charges	40	16
Recoveries	-11	-8
Total	-50	-23
Balance of impairment charges		
Balance of impairment charges, beginning of period	1,441	1,384
Loan impairment charges for the period	-79	-31
Other adjustments	-	95
Recognised as a loss, covered by impairment charges	-204	-9
Balance of impairment charges, end of period	1,159	1,439
Mortgage loan impairment charges	1,081	1,318
Impairment charges on other loans and receivables, etc.	78	121
Balance of impairment charges, end of period	1,159	1,439

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

Breakdown of balance of impairment charges by stage Q1-Q3 2024

	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of period	738	220	483	1,441
Transfer of impairment charges at the beginning of the period to stage 1	81	-72	-9	-
Transfer of impairment charges at the beginning of the period to stage 2	-58	72	-14	-
Transfer of impairment charges at the beginning of the period to stage 3	-3	-9	12	-
Impairment charges relating to new loans	83	22	1	107
Decline in the balance of impairment charges due to repayment of loans	-72	-22	-27	-122
Effect from recalculation	-154	46	44	-64
Previously recognised as impairment charges, now losses	-0	-0	-204	-204
Balance of impairment charges, end of period	616	256	287	1,159

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

Breakdown of balance of impairment charges by stage Q1-Q3 2023

	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of period	668	216	500	1,384
Transfer of impairment charges at the beginning of the period to stage 1	58	-55	-4	-
Transfer of impairment charges at the beginning of the period to stage 2	-14	31	-17	-
Transfer of impairment charges at the beginning of the period to stage 3	-2	-4	6	-
Impairment charges relating to new loans	82	28	21	131
Decline in the balance of impairment charges due to repayment of loans	-49	-22	-81	-153
Effect from recalculation	19	37	30	87
Previously recognised as impairment charges, now losses	-0	-2	-7	-9
Balance of impairment charges, end of period	762	229	448	1,439

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

11 Tax

Effective tax rate

Corporation tax rate in Denmark	22.0	22.0
Special tax for financial companies	4.0	3.2
Non-taxable income and non-deductible expenses, etc.	0.0	0.0
Effect due to a change to the tax rate ¹	-	-0.0
Total	26.0	25.2

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

Notes

DKKm

	30 Sept. 2024	31 Dec. 2023	30 Sept. 2023
12 Loans at fair value			
Mortgage loans, nominal value	376,784	373,677	370,315
Adjustment for interest-rate risk, etc.	-14,794	-20,049	-31,713
Adjustment for credit risk	-1,081	-1,321	-1,318
Mortgage loans at fair value	360,909	352,307	337,284
Arrears and outlays	56	74	57
Other loans and receivables	241	283	273
Total	361,205	352,663	337,614
Mortgage loans at fair value broken down by property category			
Owner-occupied homes	165,469	163,915	159,334
Vacation homes	9,751	9,654	9,639
Subsidised Housing (rental housing)	48,981	47,547	45,661
Cooperative housing	11,849	11,739	10,864
Private rental properties (rental housing)	72,935	70,578	65,189
Industrial properties	6,696	5,065	4,749
Office and business properties	37,386	35,911	34,536
Agricultural properties, etc.	189	180	170
Properties for social, cultural and educational purposes	7,440	7,678	7,106
Other properties	214	39	36
Total	360,909	352,307	337,284
13 Assets in temporary possession			
Properties acquired through foreclosure	39	40	43
Subsidiary in possession in preparation for sale ¹	129	-	-
Total	167	40	43
¹ As at 30 Sept. 2024, this item consisted of one company that had been taken over in connection with a loan commitment.			
14 Other assets			
Positive fair value of derivatives	647	775	817
Interest and commission receivable	304	225	280
Loan applications in process	124	150	124
Other assets	108	51	25
Total	1,184	1,201	1,246
15 Issued bonds at fair value			
Issued mortgage bonds, nominal value	407,714	400,674	401,160
Adjustment to fair value	-15,988	-22,012	-34,065
Own mortgage bonds, fair value	-26,192	-26,872	-28,781
Total	365,534	351,790	338,315
16 Other liabilities			
Negative fair value of derivatives	1,087	1,700	2,327
Interest and commission payable	2,704	2,448	2,510
Other liabilities	783	1,462	651
Total	4,573	5,610	5,487

Notes

DKKm

	30 Sept. 2024	31 Dec. 2023	30 Sept. 2023
17 Off-balance sheet items			
Guarantees, etc.			
Other guarantees	0	0	0
Total	0	0	0
Other contingent liabilities, etc.			
Irrevocable loan commitments	14,333	12,329	14,541
Other contingent liabilities	7	8	7
Total	14,340	12,337	14,548

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

18 Related parties

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

Over the period 1 January to 30 Sept. 2024, no unusual related party transactions took place. Please see Jyske Realkredit's Annual Report 2023 for a detailed description of transactions with related parties.

Notes

DKKm

	30 Sept. 2024	31 Dec. 2023	30 Sept. 2023
19 Contractual time to maturity			
Assets			
Due from credit institutions and central banks			
Demand deposits	719	957	657
Up to 3 months	1,734	2,459	1,273
Over 3 months and up to 1 year	-	-	-
Over 1 year and up to 5 years	-	-	-
Over 5 years	-	-	-
Total	2,453	3,415	1,931
Loans at fair value ¹			
Up to 3 months	2,077	1,974	1,866
Over 3 months and up to 1 year	6,356	6,484	6,058
Over 1 year and up to 5 years	42,143	40,594	38,585
Over 5 years	310,630	303,612	291,105
Total	361,205	352,663	337,614
Bonds at fair value			
Up to 3 months	5,994	3,017	3,914
Over 3 months and up to 1 year	6,223	8,588	8,372
Over 1 year and up to 5 years	11,645	7,458	7,344
Over 5 years	38	39	37
Total	23,899	19,101	19,667
Liabilities			
Due to credit institutions and central banks			
Demand deposits	-	-	87
Up to 3 months	84	79	100
Over 3 months and up to 1 year	-	-	-
Over 1 year and up to 5 years	-	-	-
Over 5 years	-	-	-
Total	84	79	187
Issued bonds at fair value ¹			
Up to 3 months	15,218	7,308	5,510
Over 3 months and up to 1 year	70,287	76,408	67,137
Over 1 year and up to 5 years	158,933	157,490	150,860
Over 5 years	121,096	110,583	114,808
Total	365,534	351,790	338,315
Issued bonds at amortised cost			
Up to 3 months	-	-	-
Over 3 months and up to 1 year	-	750	750
Over 1 year and up to 5 years	-	-	-
Over 5 years	-	-	-
Total	-	750	750

The above amounts are exclusive of interest.

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

Notes

DKKm

	30 Sept. 2024	31 Dec. 2023	31. March 2023
20 Loan portfolio by EPC (%)			
EPC A	23.7	22.8	22.8
EPC B	10.3	9.9	9.6
EPC C	29.0	28.5	28.0
EPC D	19.0	19.7	20.1
EPC E	7.4	8.1	8.4
EPC F	3.6	4.0	4.1
EPC G	2.4	2.7	2.8
No emission/no data	4.7	4.3	4.3
Total	100.0	100.0	100.0

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

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

	30 Sept. 2024		31 Dec. 2023		30 Sept. 2023	
Loan type	Tonnes CO ₂ e (LTV- adjusted)	Kg CO ₂ e/m ²	Tonnes CO ₂ e (LTV- adjusted)	Kg CO ₂ e/m ²	Tonnes CO ₂ e (LTV- adjusted)	Kg CO ₂ e/m ²
Private owner-occupied homes and flats	84,769	11.4	96,039	12.1	104,419	13.1
Subsidised housing	24,323	5.3	24,931	5.4	26,475	5.7
Cooperative housing	3,915	6.0	4,054	6.1	4,379	6.6
Residential rental properties	20,606	5.3	20,833	5.6	21,487	6.0
Office and commercial properties	35,586	10.2	37,321	11.0	39,483	11.7
Other	23,315	12.7	14,329	8.3	17,167	9.6
Total	192,514	8.3	197,507	8.5	213,409	9.2

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

22 Loans supporting the UN Sustainable Development Goals

		30 Sept. 2024		31 Dec. 2023		30 Sept. 2023	
Loan type	FN SDG	Loans nominal (DKKm)	Proportion of total loans (%)	Loans nominal (DKKm)	Proportion of total loans (%)	Loans nominal (DKKm)	Proportion of total loans (%)
Renewable energy	7.2	4,249	1.1	3,029	0.8	2,555	0.7
Green buildings	7.3	122,355	32.4	116,437	31.2	114,081	30.8
Subsidised housing	11.3	23,551	6.2	24,210	6.5	25,003	6.7
Recycling	12.5	73	0.0	76	0.0	6	0.0
Total		150,228	39.8	143,752	38.5	141,645	38.2

UN Sustainable Development Goals:

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

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

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

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

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

Loan type	Criterion	30 Sept. 2024		31 Dec. 2023		30 Sept. 2023	
		Loans nominal (DKKm)	Proportion of total loans (%)	Loans nominal (DKKm)	Proportion of total loans (%)	Loans nominal (DKKm)	Proportion of total loans (%)
Electricity from the sun	4.1	750	0.2	645	0.2	132	0.0
Electricity from the wind	4.3	780	0.2	710	0.2	711	0.2
Distribution of electricity	4.9	1,776	0.5	1,674	0.4	1,712	0.5
Distribution of district heating	4.15	943	0.2	-	-	-	-
Ownership of existing buildings	7.7	98,981	26.2	96,254	25.8	93,499	25.2
Total		103,230	27.4	99,283	26.6	96,054	25.9

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

Statement by the Executive and Supervisory Boards

Today we have discussed and approved the Interim Financial Report of Jyske Realkredit A/S for the period 1 January to 30 September 2024.

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

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

In our opinion, the Interim Financial Report gives a true and fair view of the company's financial position on 30 September 2024 and of the company's financial performance for the period 1 January to 30 September 2024.

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

Kgs. Lyngby, 29 October 2024.

Executive Board

Carsten Tirsbæk Madsen
CEO and Director

Torben Hansen
Director

Anders Lund Hansen
Director

Supervisory Board

Niels Erik Jakobsen
Chairman

Lars Waalen Sandberg
Deputy Chairman

Morten Lykke

Peter Schleidt

Kim Henriksen
Elected by employees

Steen Brastrup Clasen
Elected by employees