

Peberlyk 4
6200 Aabenraa
Denmark

Tel +45 70 10 78 79
Fax +45 74 37 35 36

Sydbank A/S
CVR No DK 12626509, Aabenraa
sydbank.dk

Company Announcement No 16/2022

25 April 2022

Dear Sirs

Sydbank A/S releases its profit for Q1 2022 and revises upwards its expectations for profit for the year for 2022

As a result of a highly satisfactory start to 2022 with strong growth in bank loans and advances of DKK 4.6bn to DKK 71.6bn as well as a high level of activity, the expectation for profit for the year is revised upwards to be in the range of DKK 1,350-1,550m. In connection with the release of the 2021 Annual Report on 2 March 2022, we announced that we expected a profit after tax in the range of DKK 1,150-1,450m for 2022.

Income statement

DKKm	Q1 2022	Q1 2021	Index 22/21	Full year 2021
Core income	1,200	1,105	109	4,436
Trading income	100	73	137	291
Total income	1,300	1,178	110	4,727
Costs, core earnings	799	833	96	3,177
Core earnings before impairment	501	345	145	1,550
Impairment of loans and advances etc	(61)	(81)	75	(415)
Core earnings	562	426	132	1,965
Investment portfolio earnings	(29)	(21)	138	(21)
Profit before non-recurring items	533	405	132	1,944
Non-recurring items, net	37	(32)	-	(180)
Profit before tax	570	373	153	1,764
Tax	125	82	152	353
Profit for the period	445	291	153	1,411

Core income

DKKm	Q1 2022	Q1 2021	Index 22/21	Full year 2021
Net interest etc	492	434	113	1,776
Mortgage credit	183	176	104	693
Payment services	51	47	109	203
Remortgaging and loan fees	61	53	115	169
Commission and brokerage	130	134	97	470
Commission etc investment funds and pooled pension plans	82	83	99	340
Asset management	89	89	100	380
Custody account fees	33	25	132	115
Other operating income	79	64	123	290
Total	1,200	1,105	109	4,436

Impairment of loans and advances etc

As a result of the trend in customers' financial circumstances, a net reversal of impairment charges of DKK 61m was recorded in Q1 2022. Impairment charges for 2022 are still expected to be at a low level. The management estimates from year-end 2021 remained unchanged at end-Q1 2022. This applies to the provision of DKK 325m related to covid-19 as well as to the provision of DKK 60m related to pig farming.

Non-recurring items, net

Non-recurring items in Q1 2022 total a net income of DKK 37m.

The item includes costs of DKK 12m related to the development of housing loan processes and DKK 2m related to the development of the bank/insurance partnership. In addition DKK 51m has been recognised as income as regards extraordinary realised capital gains from the lending portfolio acquired from Alm. Brand Bank.

Sydbank's Interim Report – Q1 2022 will be released on 4 May 2022 as planned.

Additional information

Jørn Adam Møller, Deputy Group Chief Executive, tel +45 74 37 20 30
Susanne Ingemann Faber, Press Manager, tel +45 26 29 11 29