

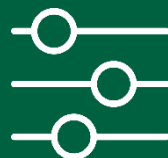
Jyske Bank  
Q3 2021

3 November 2021

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**Core profit before loan losses increased 46% in two years**  
High activity levels in financial and property markets; 2021 outlook upgraded again



**Significant deposit repricing initiatives implemented**  
Private and corporate deposit rates lowered further in Q4 (DKK +0.1bn p.a.)



**Changes to fee structure add to income tailwinds**  
Initiatives have lifted the sustainable fee income run-rate by DKK >0.1bn p.a.



**Improving cost/income ratio has reached level well below 60%**  
Strong cost control successfully supplementing income initiatives



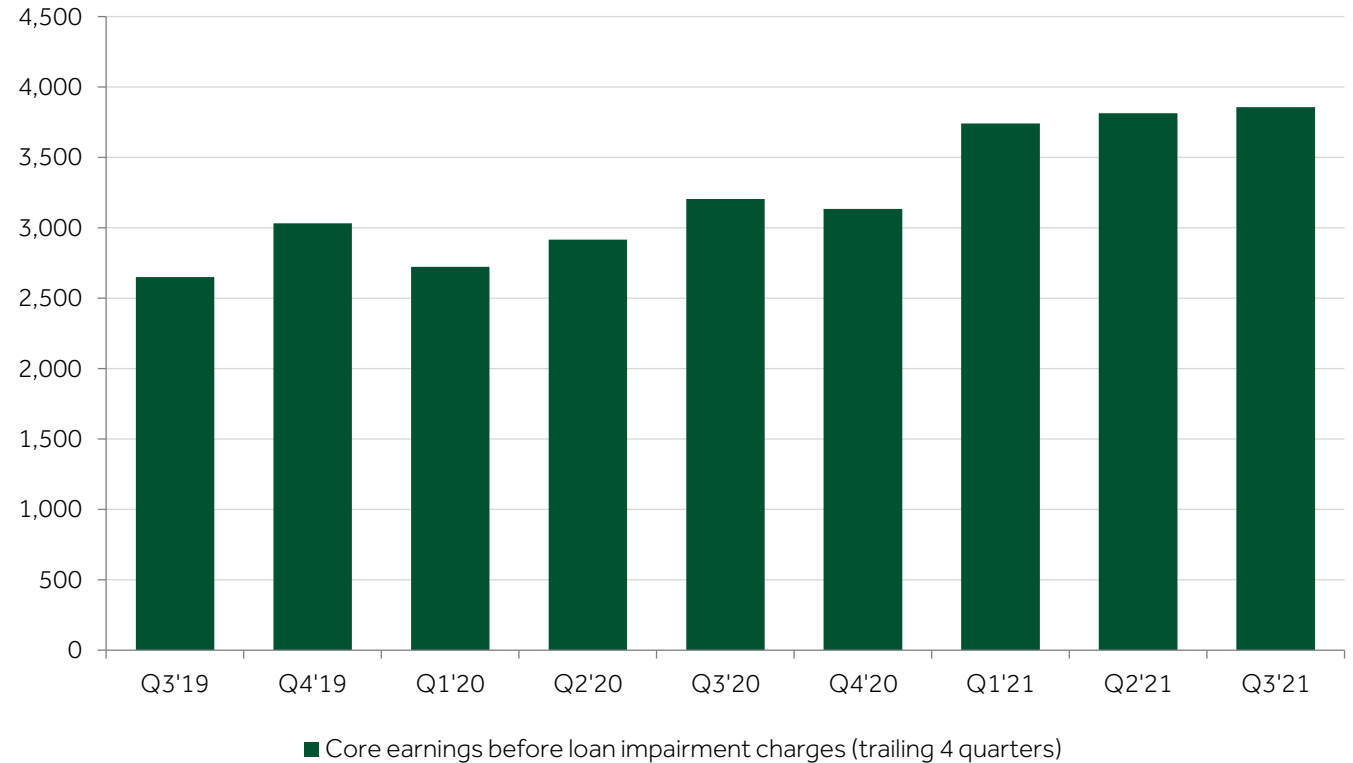
**Booking reversals amid increasing management' estimate**  
Mgmt. estimate increased DKK 330m in Q2 and Q3; DKK +1bn vs. end-2019

# Core profit before loan losses increased 46% in two years

High activity levels in financial and property markets; 2021 outlook upgraded

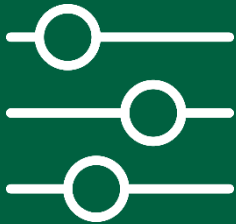


Core earnings before loan impairment charges (trailing four quarters, DKKm)

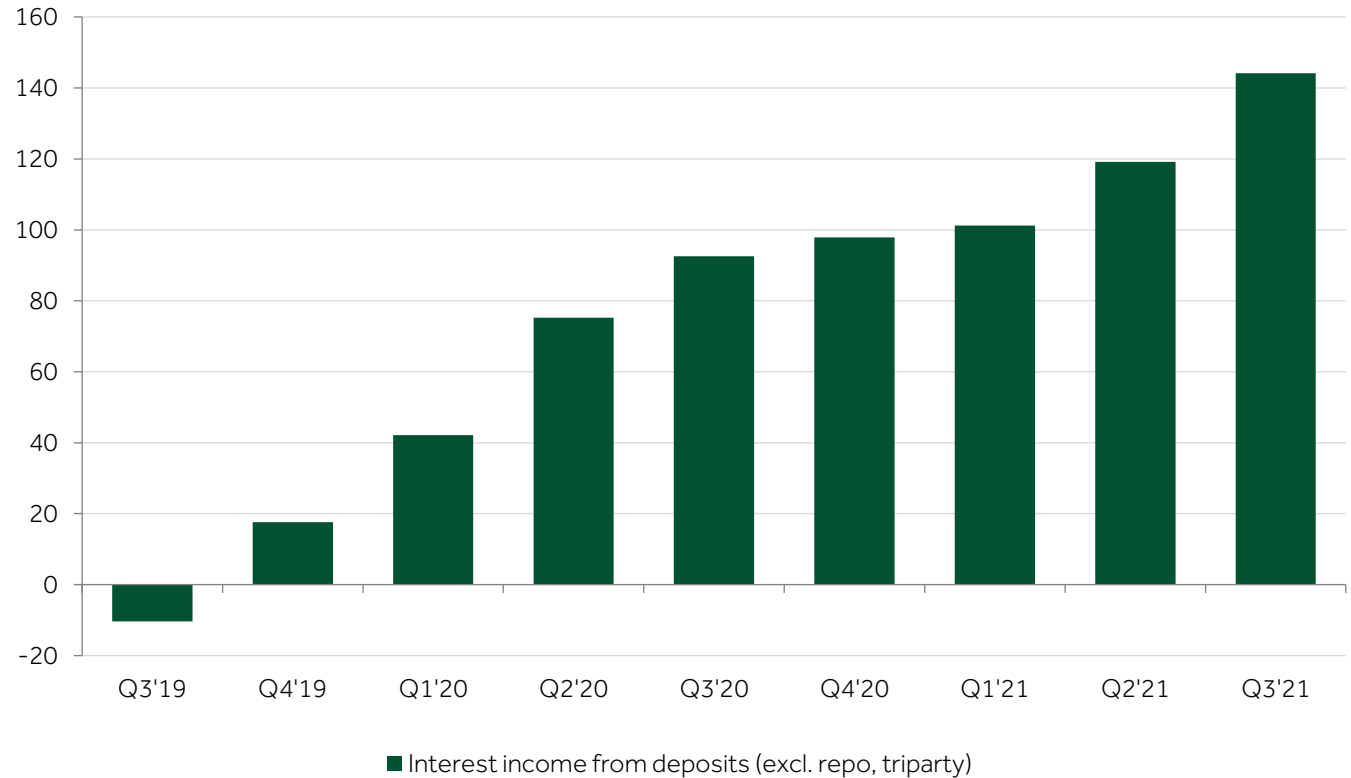


# Significant deposit repricing initiatives implemented

Private and corporate deposit rates lowered further in Q4 (DKK +0.1bn p.a.)

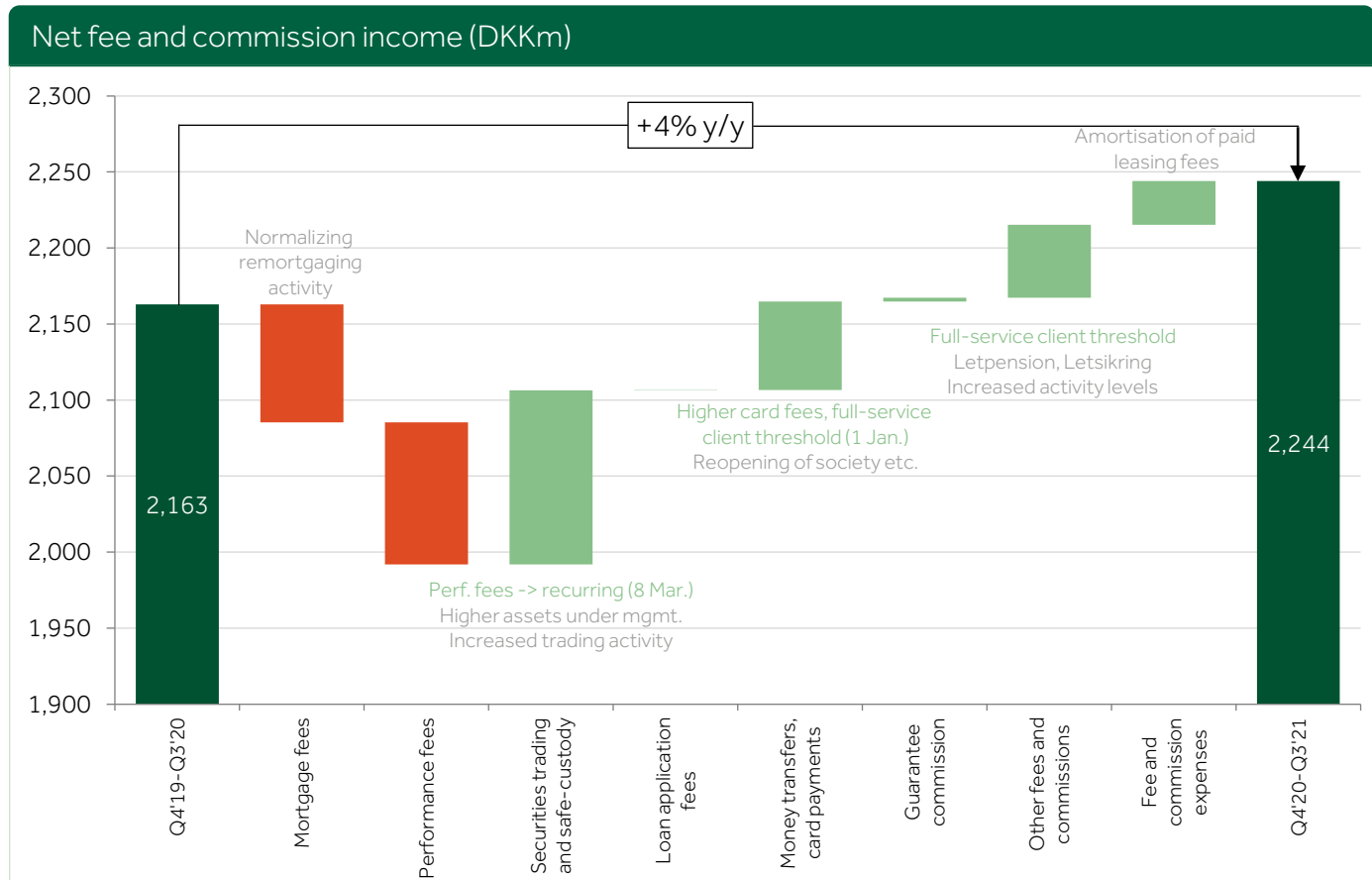


Interest income from deposits (DKK m)



# Changes to fee structure in 2021 add to income tailwinds

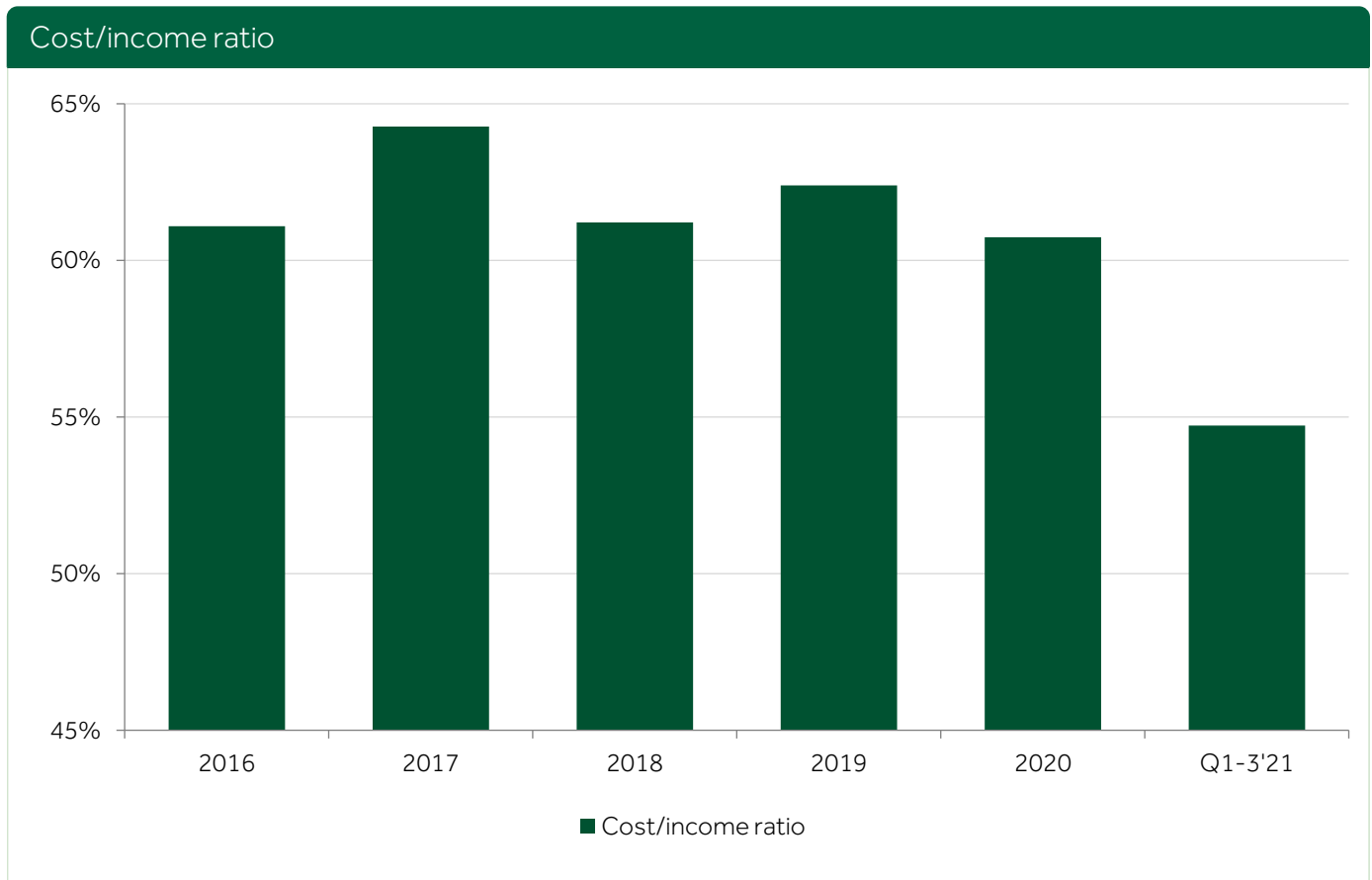
Initiatives have lifted the sustainable fee income run-rate by DKK >0.1bn p.a.



Note: Services involving assistance from advisors as well as basic banking services repriced (e.g. card fees DKK 350 from DKK 200 p.a.) Threshold of banking business required in order to be considered a full-service client increased (deposits DKK ≥500K from ≥100K or lending DKK ≥200K from ≥10K).

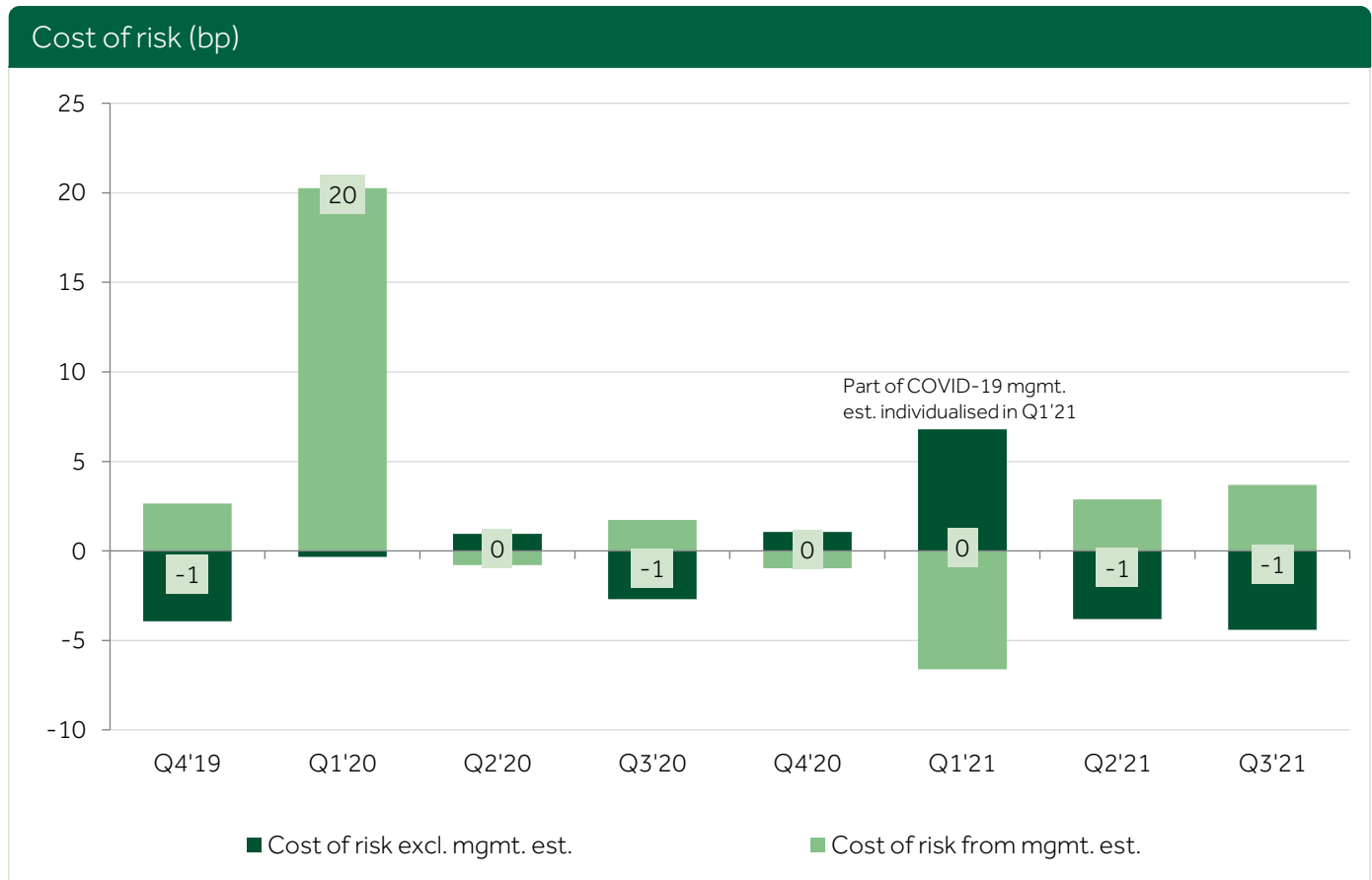
# Improving cost/income ratio has reached level below 60%

Strong cost control successfully supplementing income initiatives

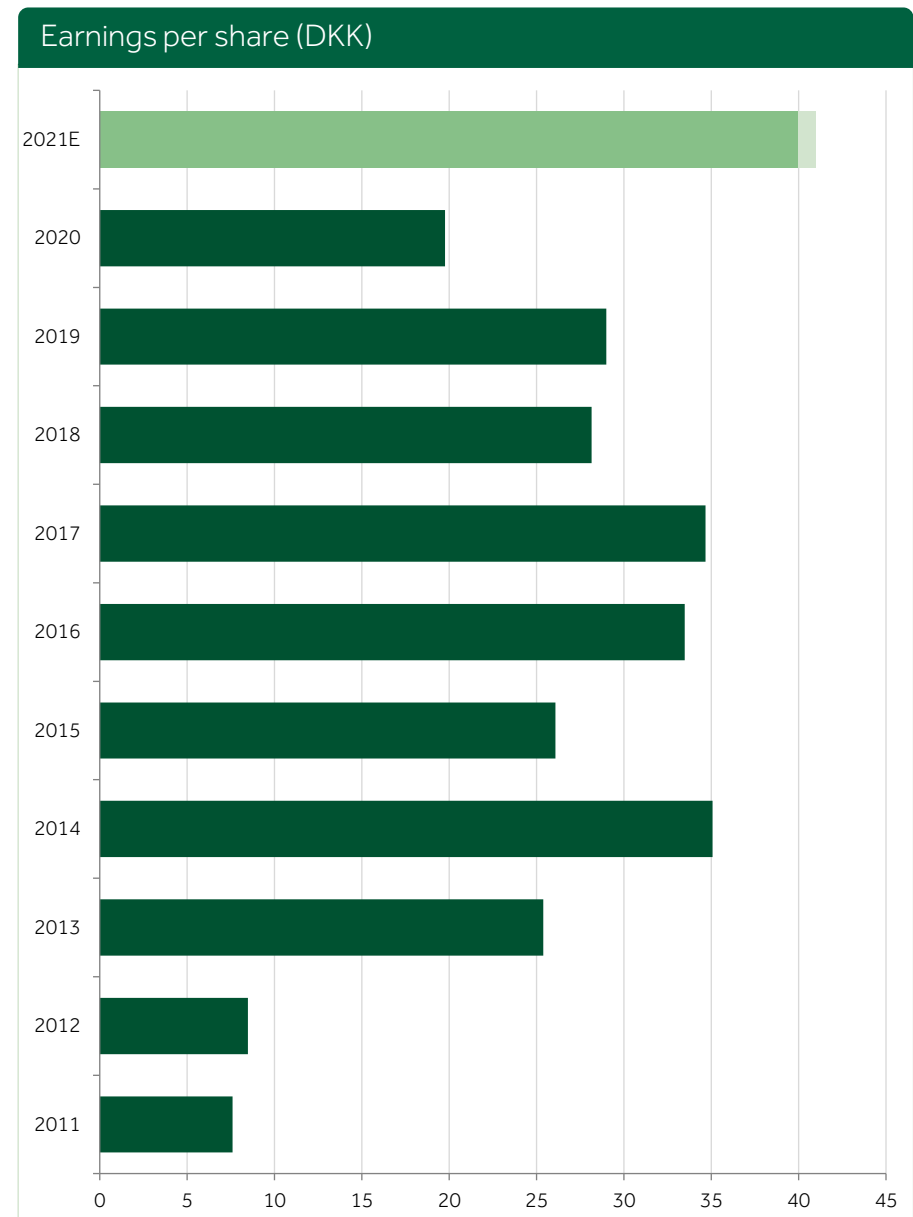


# Booking reversals amid increasing management's estimate

Mgmt. estimate increased DKK 330m in Q2 and Q3; DKK +1bn vs. end-2019



Volumes	Bank lending and nominal mortgage lending to increase in 2021
Core income	Higher in 2021 than 2020 level
Core expenses	Lower in 2021 than 2020 excl. one-off items <i>Previously: Lower in 2021 than 2020 level</i>
Loan impairment charges	Reversals of impairment charges in 2021 <i>Previously: Approximately zero in 2021</i>
Net profit	DKK 3.0bn-3.1bn in 2021 <i>Previously: DKK 2.6bn-2.9bn in 2021</i>
Capital	CET1 ratio of 15%-17% and capital ratio of 20%-22% for the coming years





## Net profit of DKK 706m and return on equity of 7.6% in Q3 2021

**Net interest income** -1% y/y, as the positive effect from deposit repricing initiatives was more than offset by lower net interest income from bonds.

**Net fee and commission income** +28% y/y due to higher assets under management, strong activity levels and changes to the fee structure.

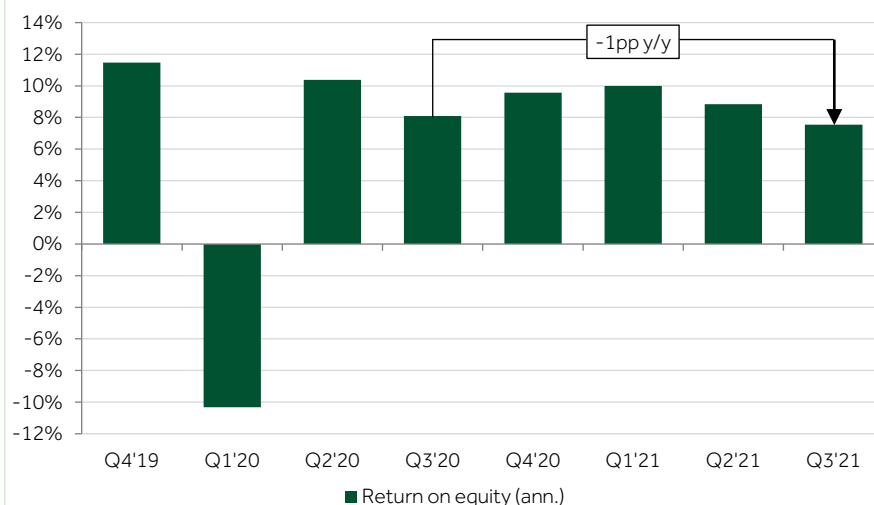
**Value adjustments** of DKK 128m despite significant widening of option-adjusted spreads on Danish 30-year callable mortgage bonds.

**Core expenses** +1% y/y as fewer FTEs only partly offset cost inflation and employee costs increased from a somewhat subdued level.

**Loan impairment charges** of DKK -36m despite a DKK 185m higher management's estimate. Very low level of write-offs and NPL ratio.

**Investment portfolio earnings** of DKK -22m, primarily from spread widening of Danish 30-year callable mortgage bonds.

## Return on equity (ann.)



## Income statement and key figures (DKKm)

	Q3'21	Q3'20	Index	Q2'21	Index	Q1-3'21	Q1-3'20	Index
Net interest income	1,242	1,256	99	1,230	101	3,696	3,771	98
Net fee and commission income	578	453	128	509	114	1,663	1,510	110
Value adjustments	128	189	68	243	53	733	407	180
Other income	32	36	89	84	38	149	92	162
Income from operating lease	81	69	117	63	129	184	76	242
<b>Core income</b>	<b>2,061</b>	<b>2,003</b>	<b>103</b>	<b>2,129</b>	<b>97</b>	<b>6,425</b>	<b>5,856</b>	<b>110</b>
Core expenses	1,174	1,159	101	1,171	100	3,516	3,669	96
<b>Core profit before loan impairment charges</b>	<b>887</b>	<b>844</b>	<b>105</b>	<b>958</b>	<b>93</b>	<b>2,909</b>	<b>2,187</b>	<b>133</b>
Loan impairment charges	-36	-48	-	-47	-	-73	963	-
<b>Core profit</b>	<b>923</b>	<b>892</b>	<b>103</b>	<b>1,005</b>	<b>92</b>	<b>2,982</b>	<b>1,224</b>	<b>244</b>
Investment portfolio earnings	-22	14	-	29	-	82	-213	-
<b>Pre-tax profit</b>	<b>901</b>	<b>906</b>	<b>99</b>	<b>1,034</b>	<b>87</b>	<b>3,064</b>	<b>1,011</b>	<b>303</b>
Tax	195	210	93	232	84	673	233	289
<b>Net profit for the period</b>	<b>706</b>	<b>696</b>	<b>101</b>	<b>802</b>	<b>88</b>	<b>2,391</b>	<b>778</b>	<b>307</b>
Earnings per share (DKK)	9.3	9.0	103	10.6	88	31.5	8.9	353
Return on equity (ann.)	7.6%	8.1%	93	8.8%	85	8.8%	2.7%	330
Cost/income ratio	57.0%	57.9%	98	55.0%	104	54.7%	62.7%	87
Capital ratio	22.6%	22.3%	102	23.0%	99	22.6%	22.3%	102
CET1 ratio	18.0%	17.5%	103	18.3%	98	18.0%	17.5%	103
Mortgage lending (nominal)	338,218	332,311	102	336,022	101	338,218	332,311	102
Bank loans (excl. repo)	73,356	71,794	102	71,374	103	73,356	71,794	102
New home loans	2,480	2,822	88	2,594	96	2,480	2,822	88
Leasing	21,349	19,565	109	21,314	100	21,349	19,565	109
Deposits (excl. repo)	122,421	125,582	97	122,249	100	122,421	125,582	97

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Jyske Finans

Klaus Naur, CEO



**JYSKE FINANS**

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# Jyske Finans: One of the largest Danish leasing providers



Car

Solutions for car dealerships and importing schemes.

Direct

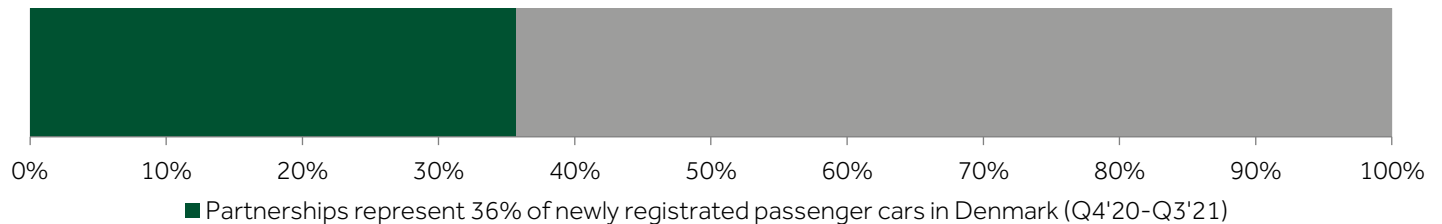
Direct car financing through Privatleasing.dk, Jyske Fleet and Jyske Car Loan.

Corporate

Corporate equipment financing solutions via dealerships as well as direct financing.

Logistics

Preparation, storage, claims handling as well as selling and re-leasing of used cars.

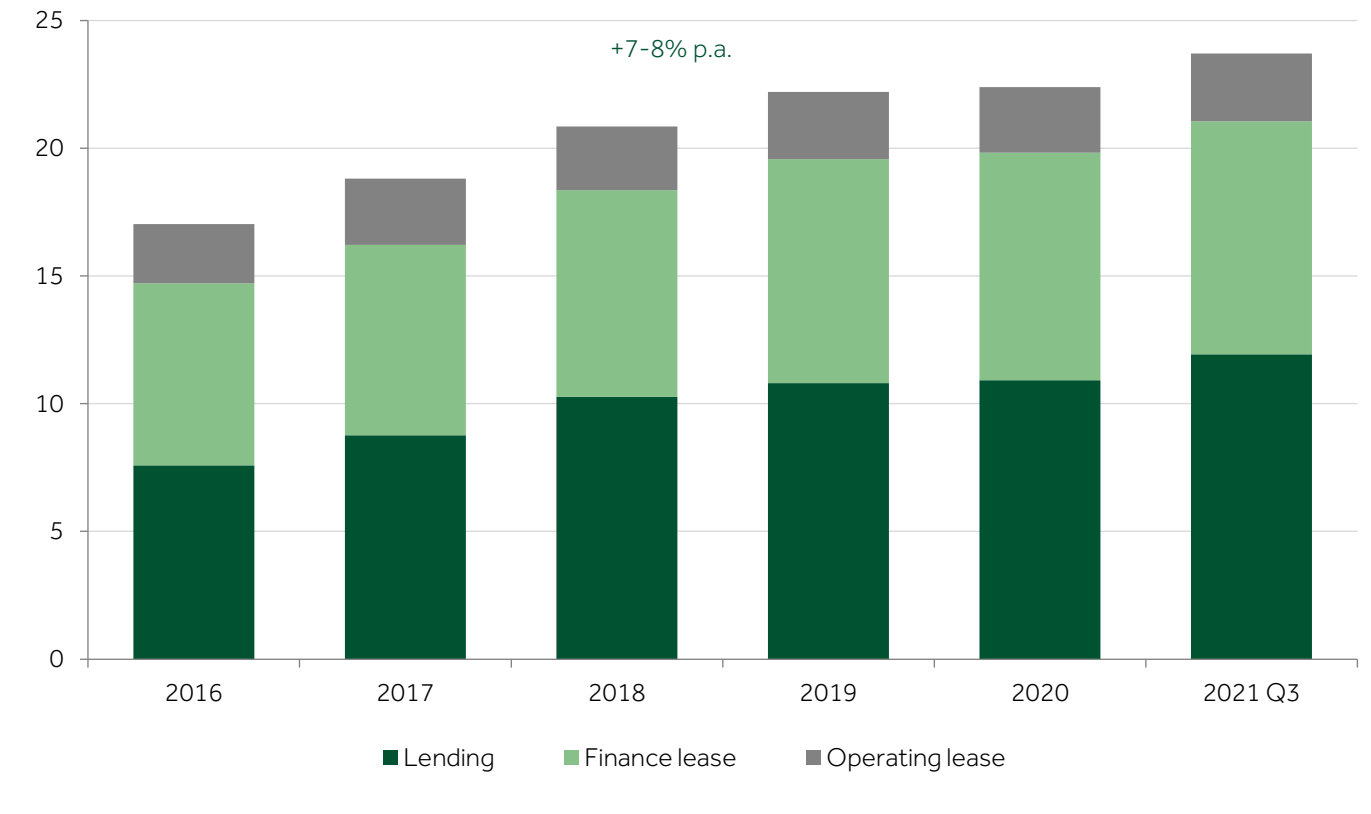


# Business volumes are structurally rising

Volumes at Jyske Finans are growing at more than 7% p.a.



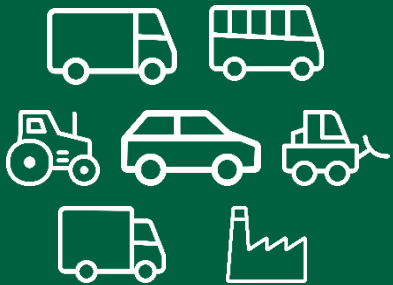
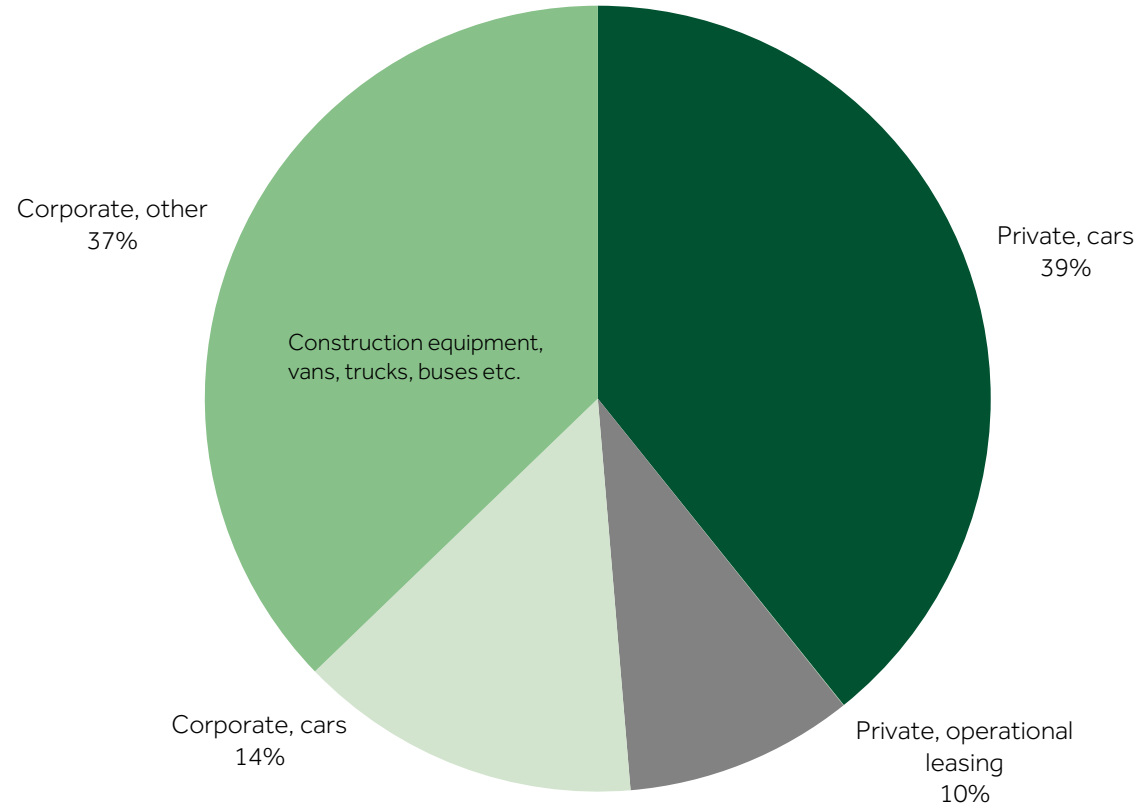
Jyske Finans business volumes (DKKbn)



# Well-diversified lending portfolio

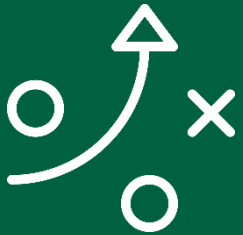
50/50 car financing for private clients and broad-based corporate exposure

Jyske Finans business volumes split by segment as of Q3 2021

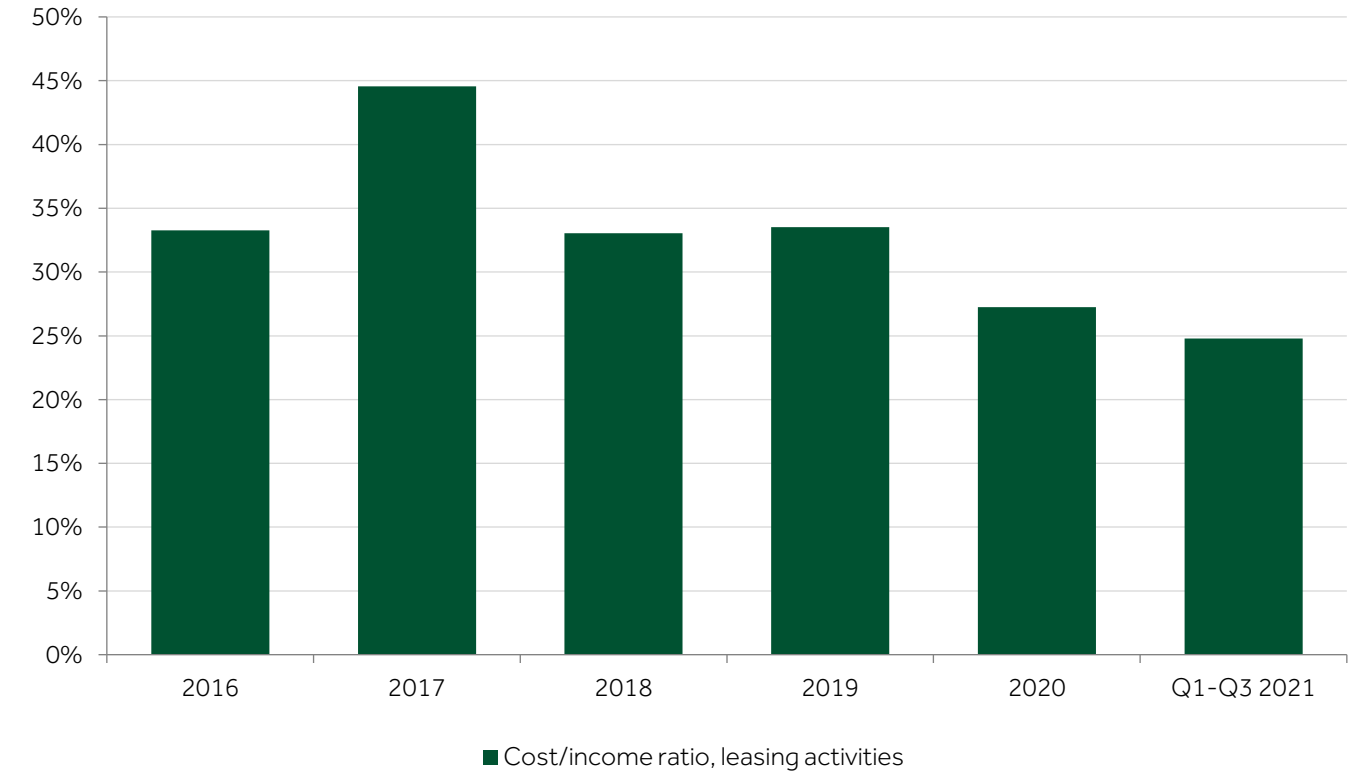


# Cost-effective setup ensures high profitability

Jyske Finans is achieving a cost/income ratio of approximately 30%



Jyske Finans cost/income ratio



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