
Investor presentation

Q1 2024



Highlights

Q1 2024

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Resuming share buybacks with DKK 1.5bn programme

Strong start to 2024



DKK 1.3bn

Net profit in Q1 2024

Unchanged vs. all-time high Q1 of 2023

Resuming share buybacks



DKK 1.5bn

Share repurchase programme

Initiates on 3 June 2024

Higher interest rates, low activity

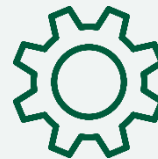


+4% y/y

Core income

Higher interest rates partly offset by low activity

Manageable cost inflation



+3% y/y

Core expenses excl. one-off items

PFA Bank acquisition, sector-wide salary adj.

Continued solid credit quality



1bp

Loan impairment charges

All-time high level of post-model adjustments

Continued good operating performance amid low activity

Q1 2024

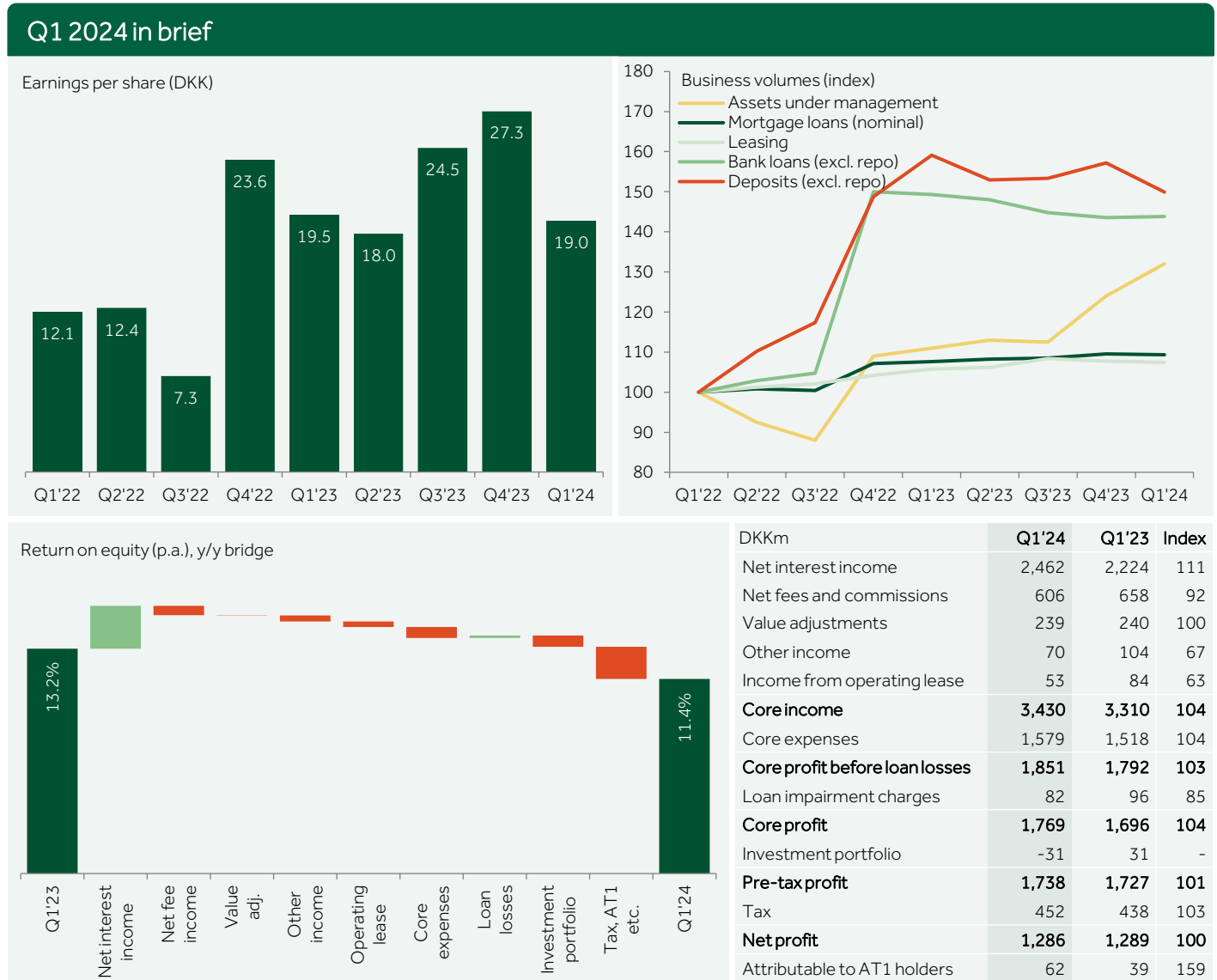
46%
Cost/income ratio

1bp
Loan loss ratio

DKK 19.0
Earnings per share

11.4%
Return on equity (p.a.)

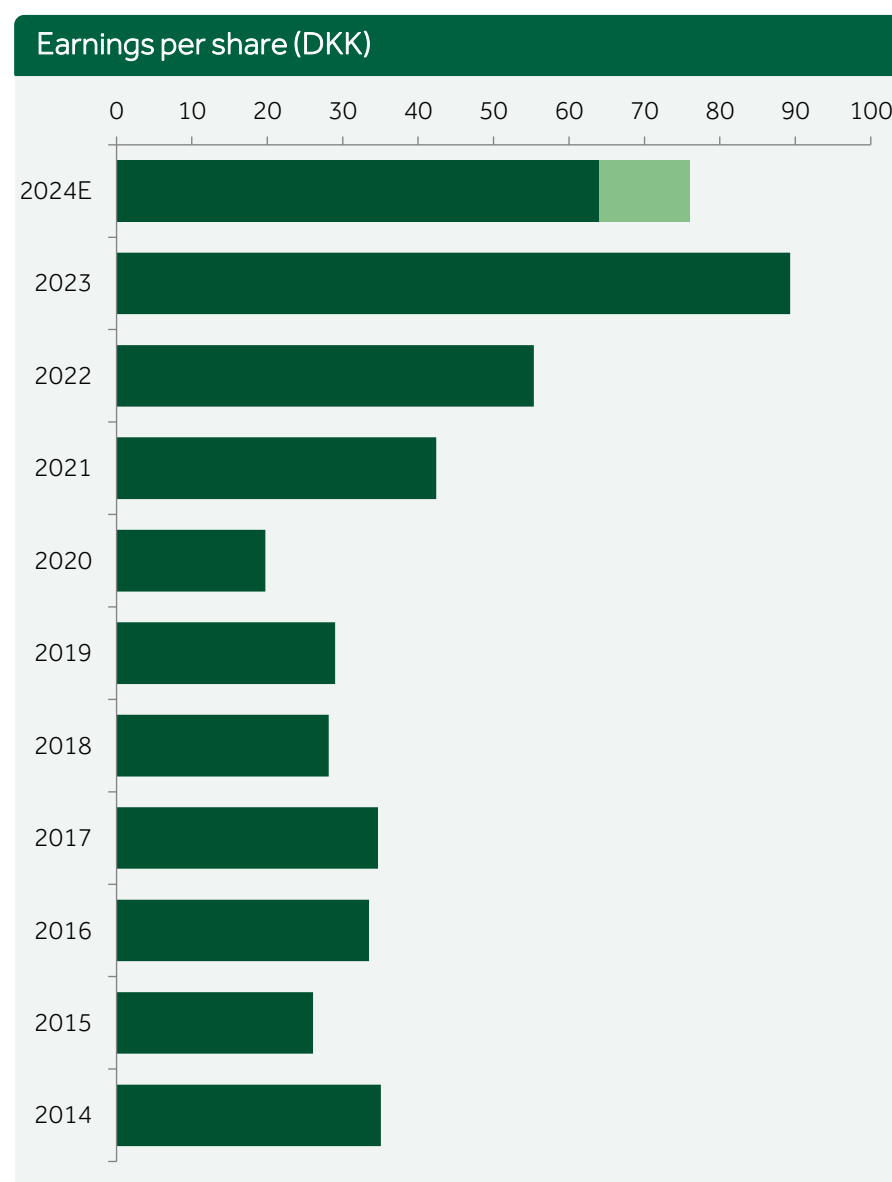
16.6%
CET1 ratio



Note: Core expenses include one-off expenses related to the acquisitions of Handelsbanken Danmark and PFA Bank. Bank loans include mortgage-like bank loans, which are gradually transferred to mortgage subsidiary.

Targeting net profit of DKK 4.3bn-5.1bn in 2024

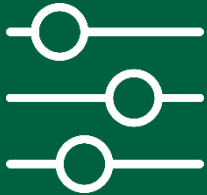
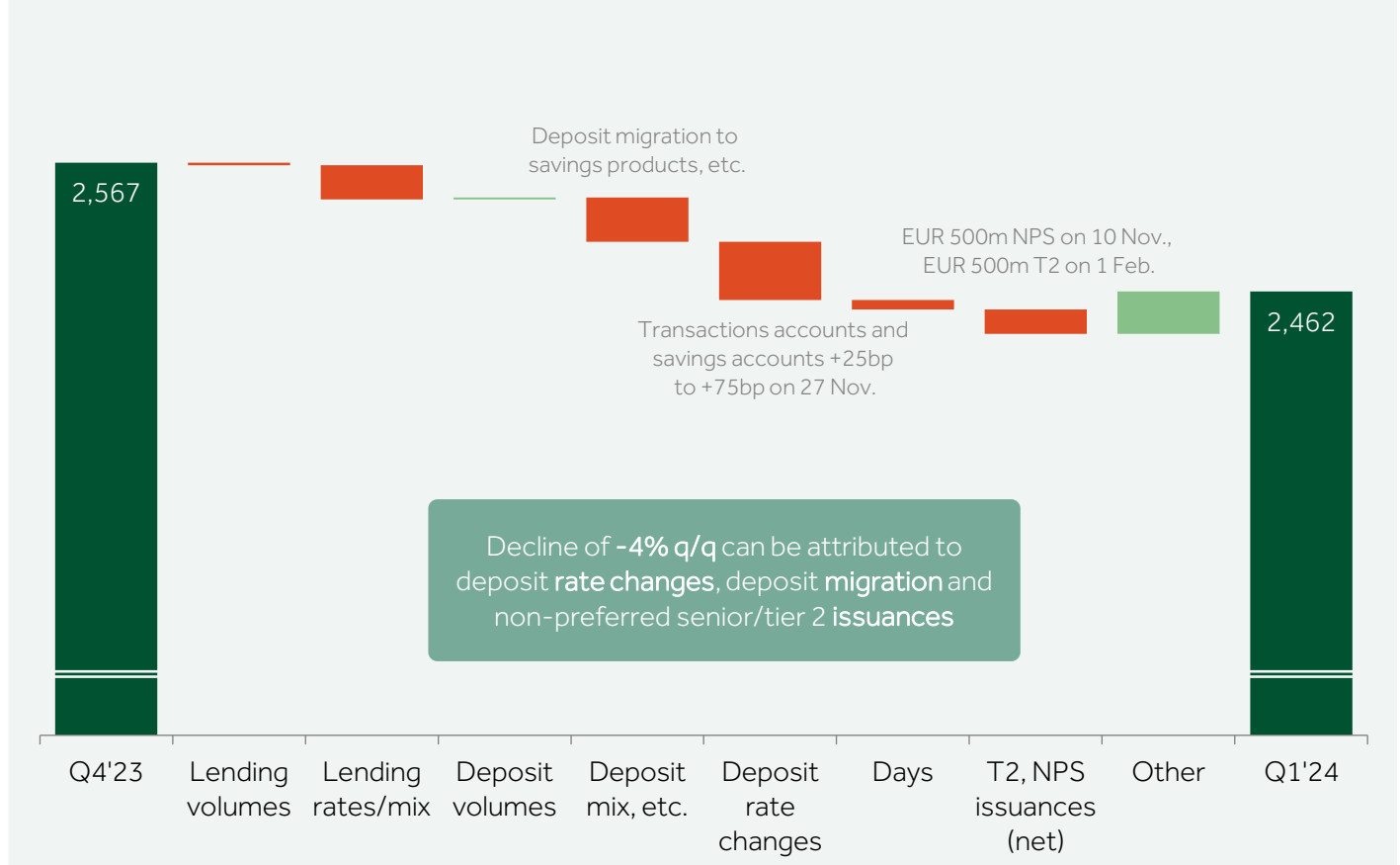
Core income	<p>Lower in 2024 than in 2023 Mainly due to lower value adjustments</p>
Core expenses	<p>Approximately unchanged in 2024 Synergies and lower one-off costs to counteract impact from PFA Bank acquisition and inflation</p>
Loan impairment charges	<p>Higher in 2024 than in 2023 Post-model adjustments buffer of DKK 1,997m</p>
Net profit	<p>DKK 4.3bn-5.1bn in 2024 Earnings per share of DKK 64-76</p>
Capital	<p>15%-17% CET1 ratio, 20%-22% capital ratio Targeting 30% dividend payout ratio supplemented by share repurchases</p>



Note: Statutory tax rate to increase from 25.2% in 2023 and 26.0% in 2024 due to the phasing-in of a special tax on financial companies in Denmark. Core expenses incl. one-offs items.

Rate changes and issuances impacted Q1 net interest income

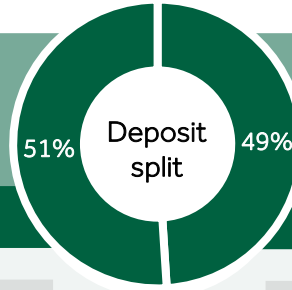
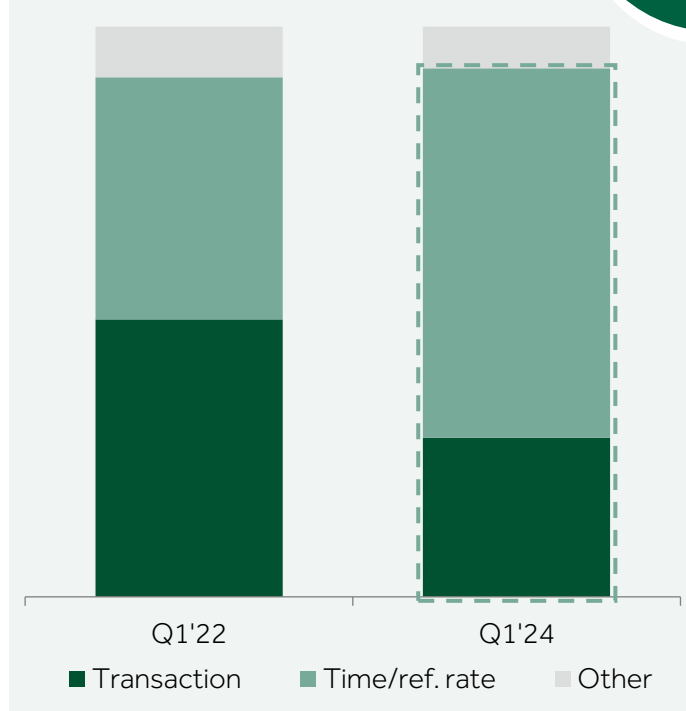
Net interest income bridge q/q (DKKm)



Recent years' deposit migration leaves manageable headwind

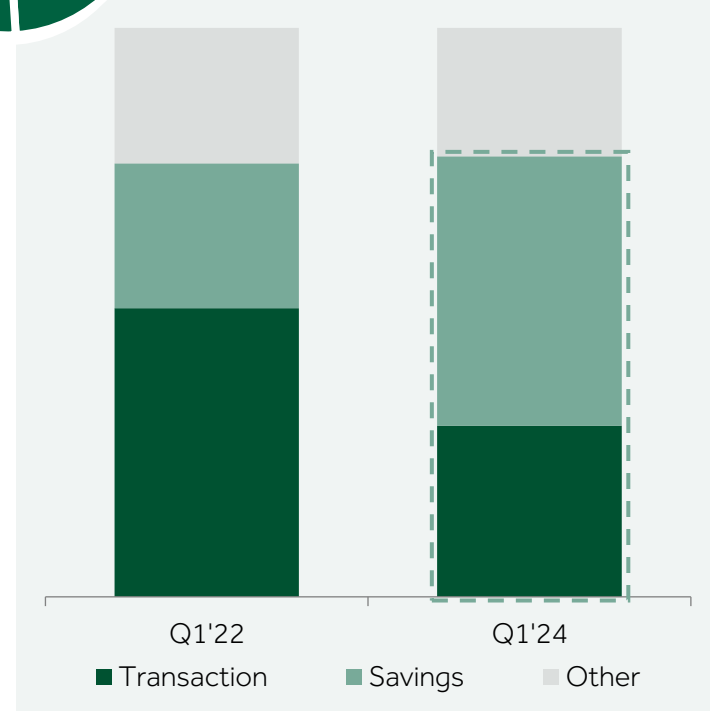
Approx. two thirds of corporate deposits is time deposits or with reference rate amid somewhat stable mix in recent quarters.

Split of corporate client deposits



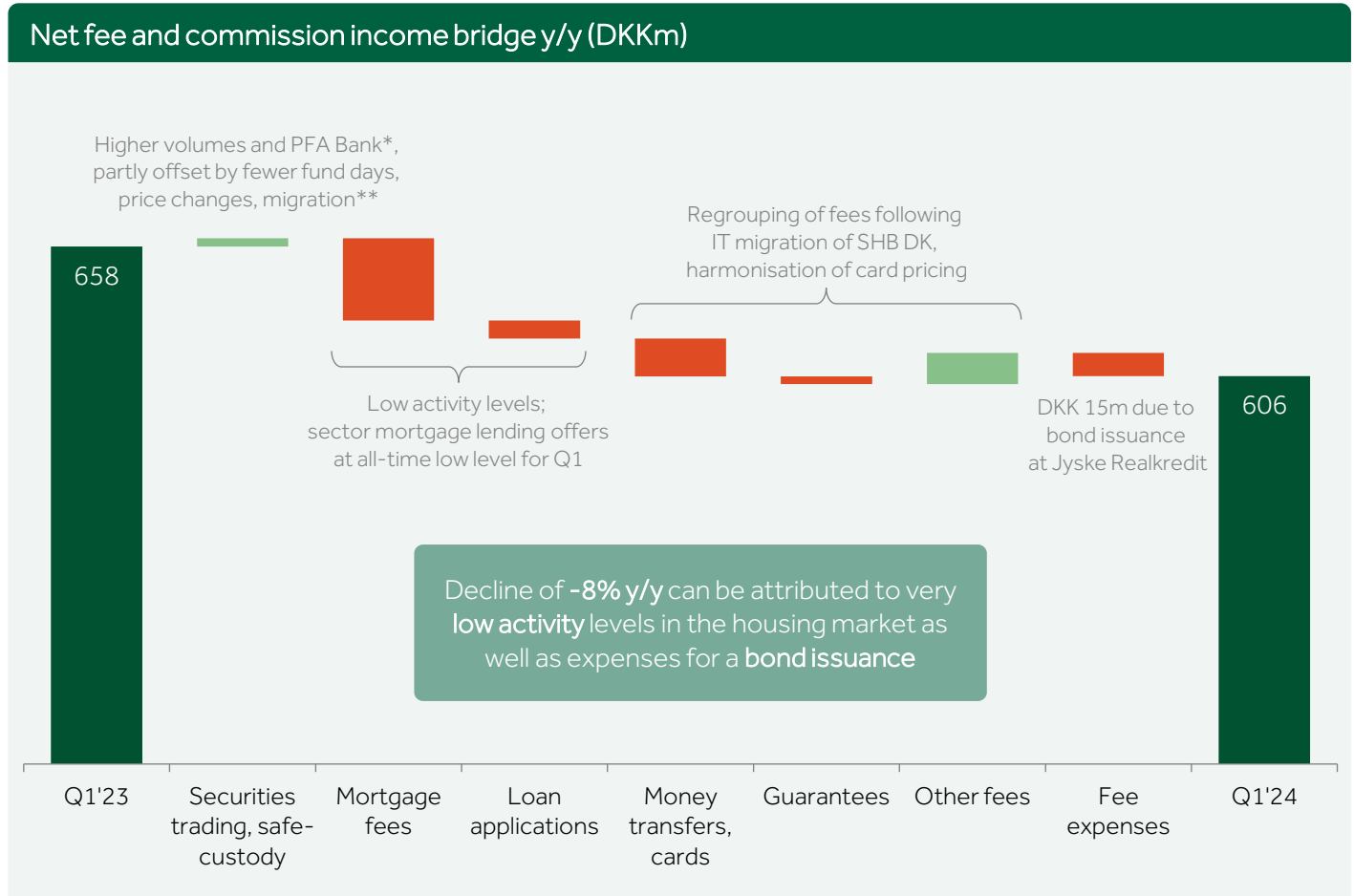
Savings products make up more than 60% of private deposits in transactions and savings accounts amid gradual migration.

Split of private client deposits



Note: Deposits excl. repo and triparty deposits. 'Other' deposits include lending-related deposits, pooled schemes, children's deposits, cash pools and other special deposits. Savings deposits include transaction accounts with savings-like deposit rates.

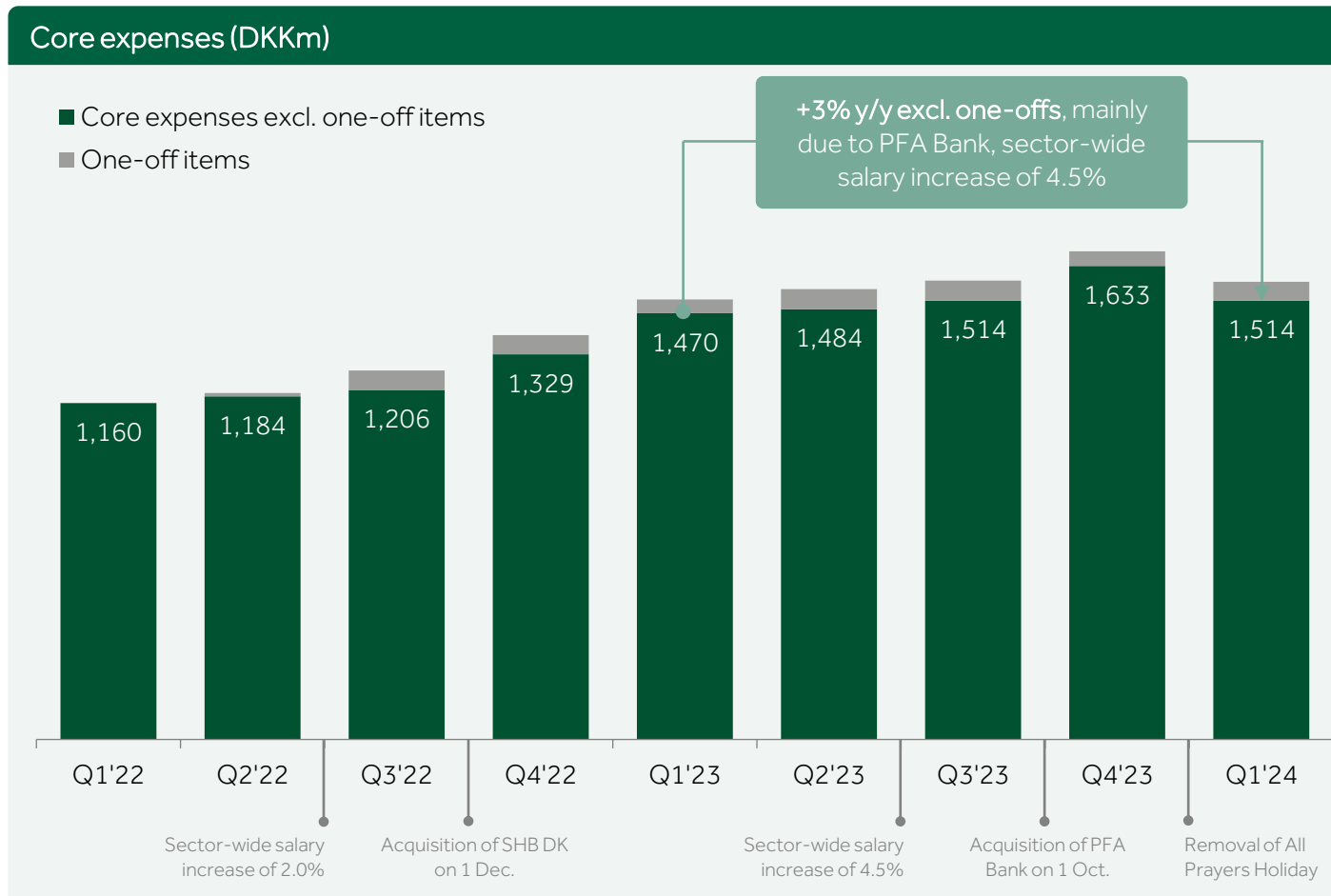
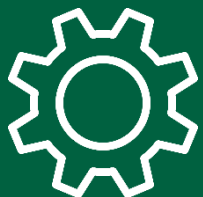
Net fee income impacted by low activity and bond issuance



* Administration/mgmt. of PFA Invest funds to be transferred to BankInvest by mid-2024, increasing income from BankInvest shares (not fee income).

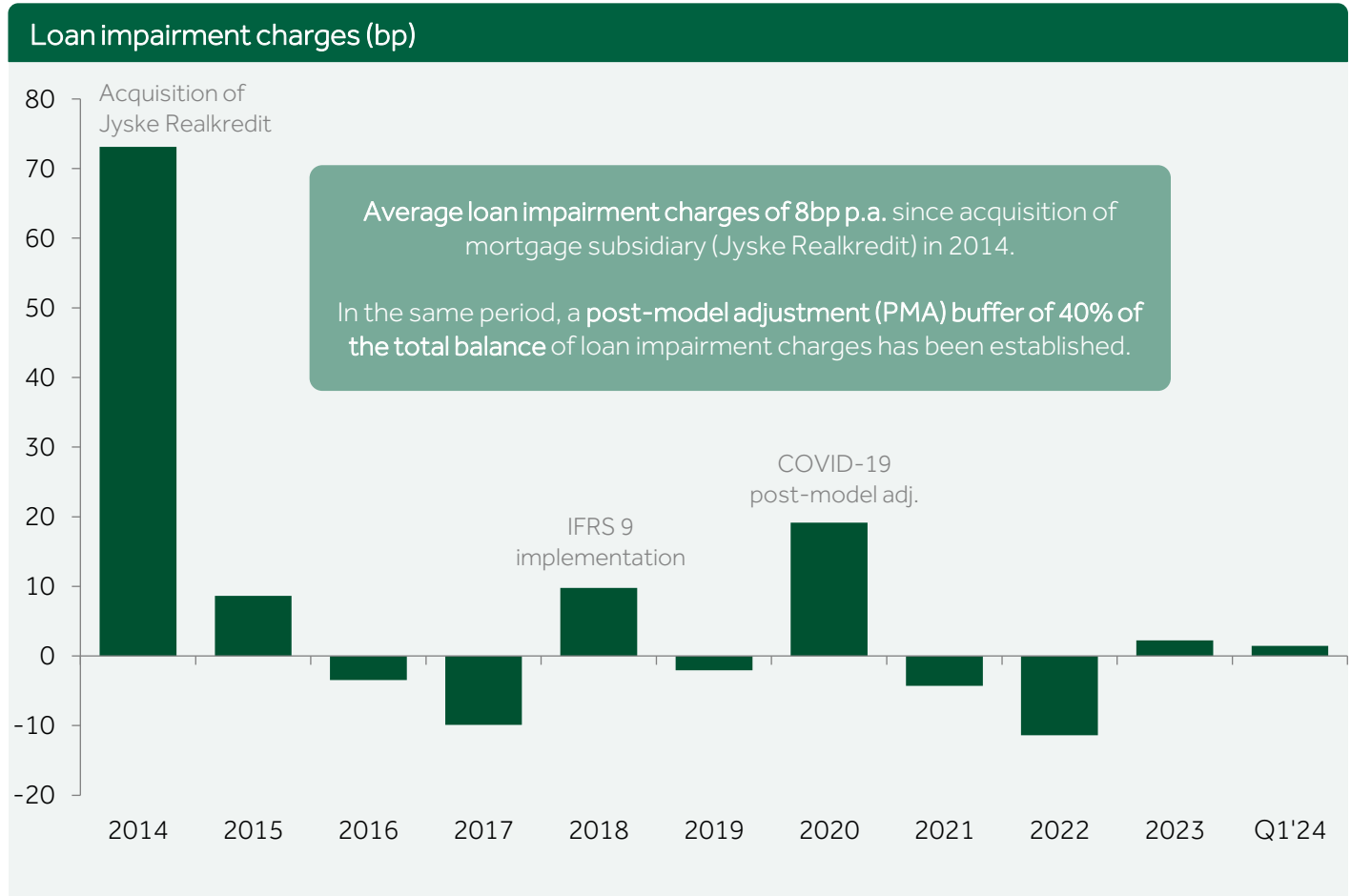
** Price reduction for a low double digit billion figure of assets under management was implemented mid-2023 (c. DKK -5m in Q1). Compensation for transaction costs related to the migration from Handelsinvest to Jyske Invest will be booked as customer rebates throughout 2024 (c. DKK -10m in Q1).

Cost inflation remains under control



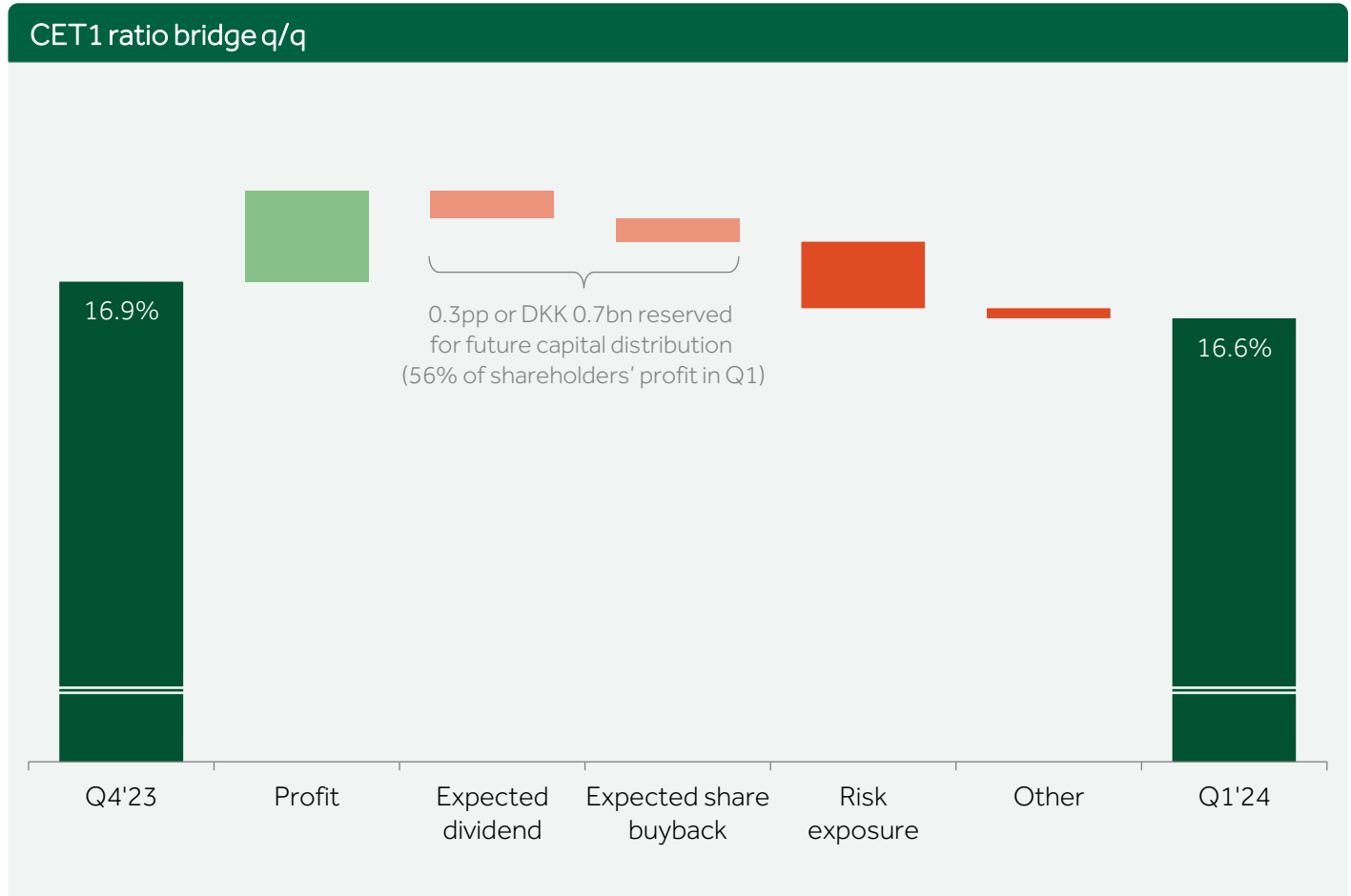
Note: Core expenses include one-off items related to the acquisitions of Handelsbanken Denmark and PFA Bank.

Continued strong credit quality amid all-time high PMA's



Note: To the extent that it is assessed that circumstances and risks related to the future economic development or processes are not included in the loan impairment modelling, an addition to the loan impairment estimations is made (a post-model adjustment).

Higher op. risk and expected payout lowers CET1 ratio



Note: DKK 318m deducted from CET1 capital resulting from the following of EBA Q&A 2023_6887 of accruing share buybacks included in capital distribution policies. Deduction of new buyback of DKK 1.5bn will remove the reservation of DKK 318m as from Q2 2024.

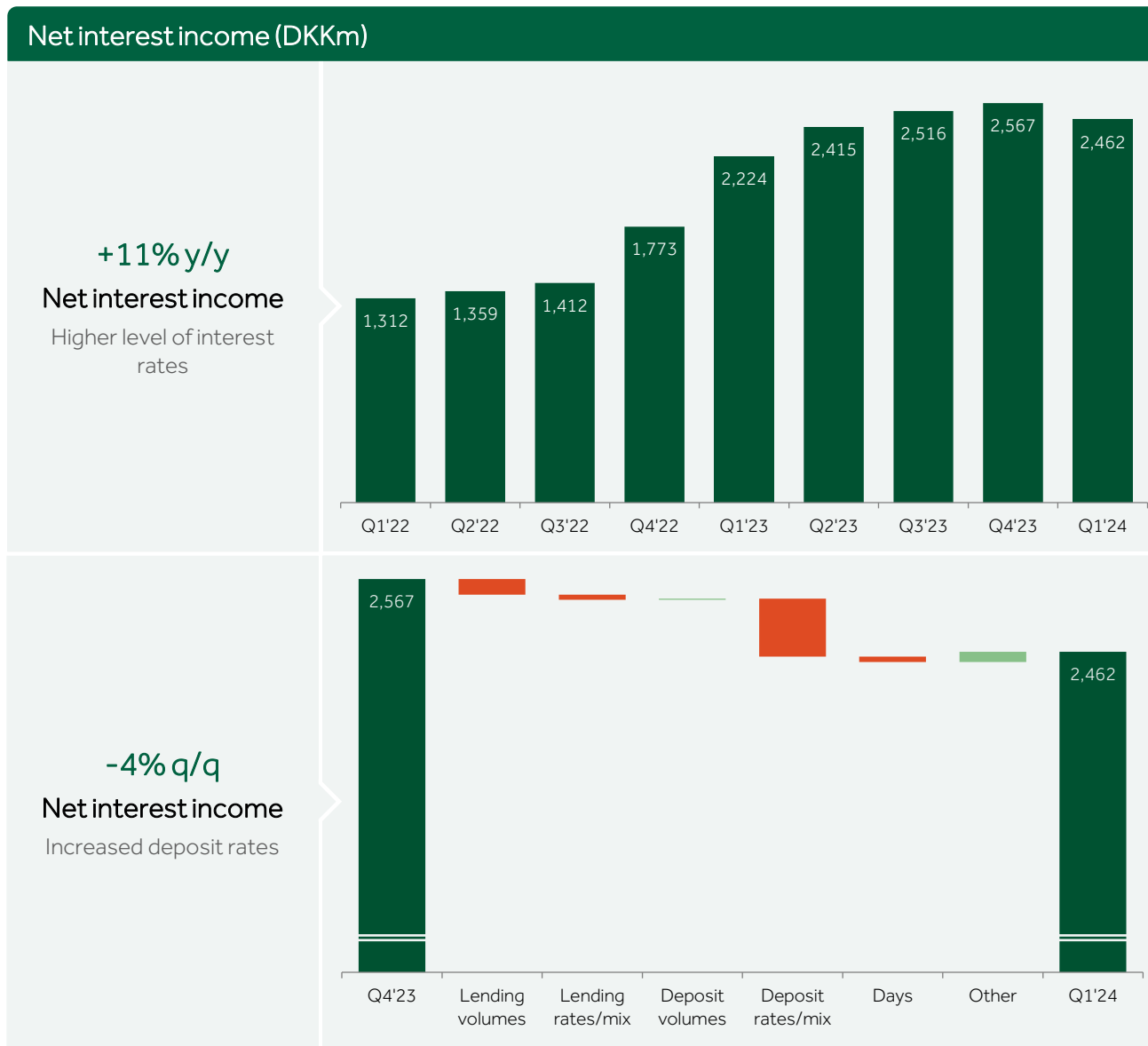
Financials

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NII impacted by rate changes and new issuances



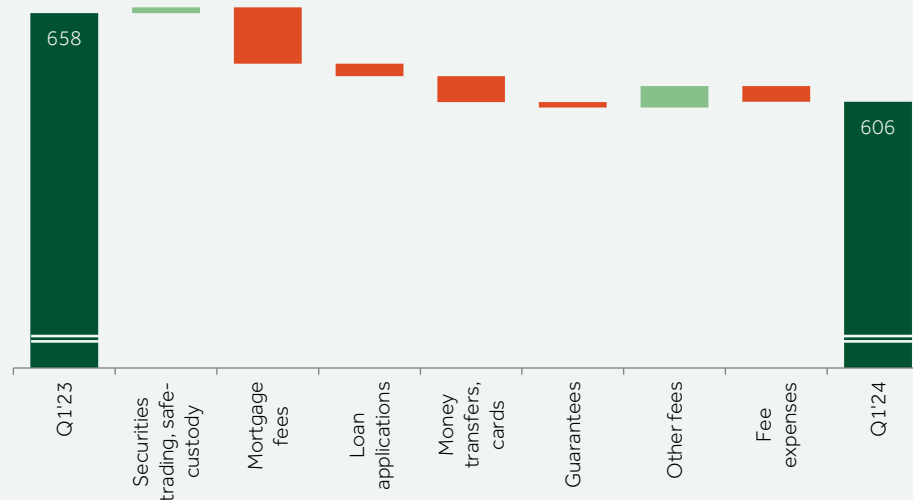
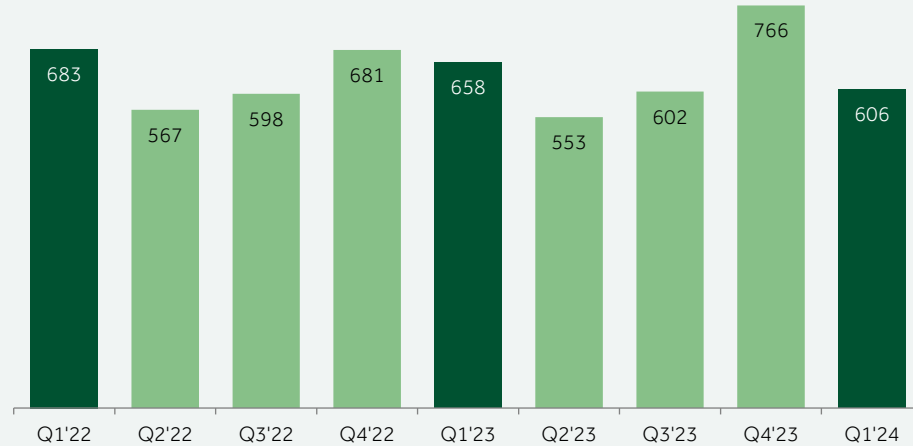
Net interest income (NII) decreased 4% q/q in Q1 2024, particularly due to higher deposit rates and increased wholesale funding costs as well as fewer days of interest.

- Interest income from lending down 2% q/q due to lower avg. bank lending and fewer days of interest that outweighed the impact from 0.25pp higher variable lending rates as from 27 November 2023 for a small proportion of loans.
- Interest expenses for deposits increased 8% q/q due to the introduction of 0.25% p.a. deposit rates for private and corporate client transaction accounts and up to 0.75pp higher savings deposit rates on 27 Nov. Furthermore, the ongoing migration of private client deposits to savings products was at a somewhat elevated pace in Q4 and at beginning of Q1.
- Other NII increased 2% q/q, partly due to higher income from bonds, more than offsetting significantly higher wholesale funding costs following non-preferred senior and tier 2 issuances.

Fee income impacted by low activity levels

Net fee and commission income (DKKm)

-8% y/y
Net fee income
 Low activity levels

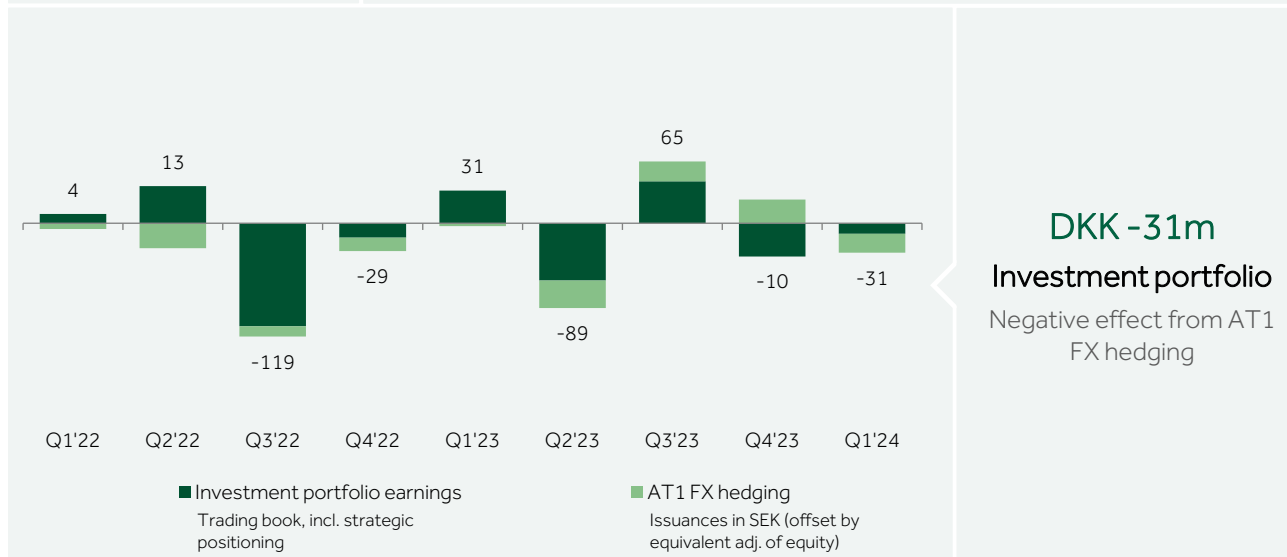
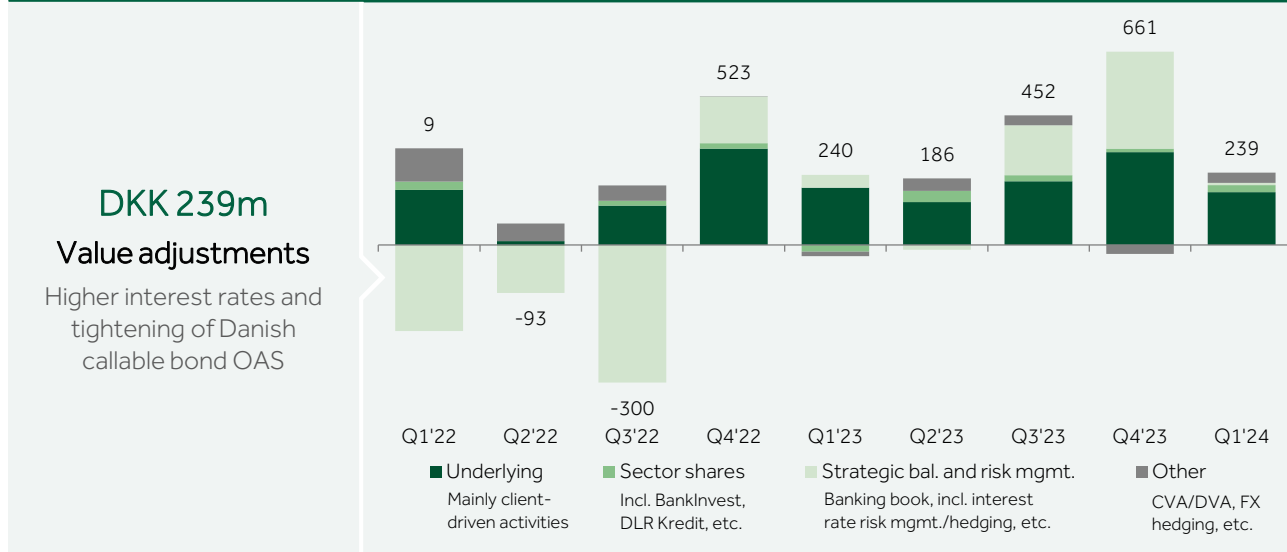


Net fee and commission income decreased 8% y/y, mainly due to lower mortgage fees and loan application fees amid very low activity levels.

- **Mortgage fees decreased 26% y/y** from a somewhat elevated level due to exceptionally low activity levels in the Danish housing market following the higher level of interest rates and the implementation of a tax reform.
- **Securities trading and safe-custody increased 1% y/y** due to higher assets under management as well as the acquisition of PFA Bank. This more than compensated for fewer fund days as well as price changes implemented in 2023 and rebates related to transfer of Handelsbanken Denmark clients to Jyske Bank.
- Money transfers and card payments, in particular, was affected by **the migration of Handelsbanken Denmark to Bankdata from BEC**, entailing a regrouping of certain fees to other fee income.
- **Fee expenses rose 7%** caused by a bond issuance at Jyske Realkredit.

Mixed financial market development in Q1 2024

Value adjustments and investment portfolio earnings (DKK m)

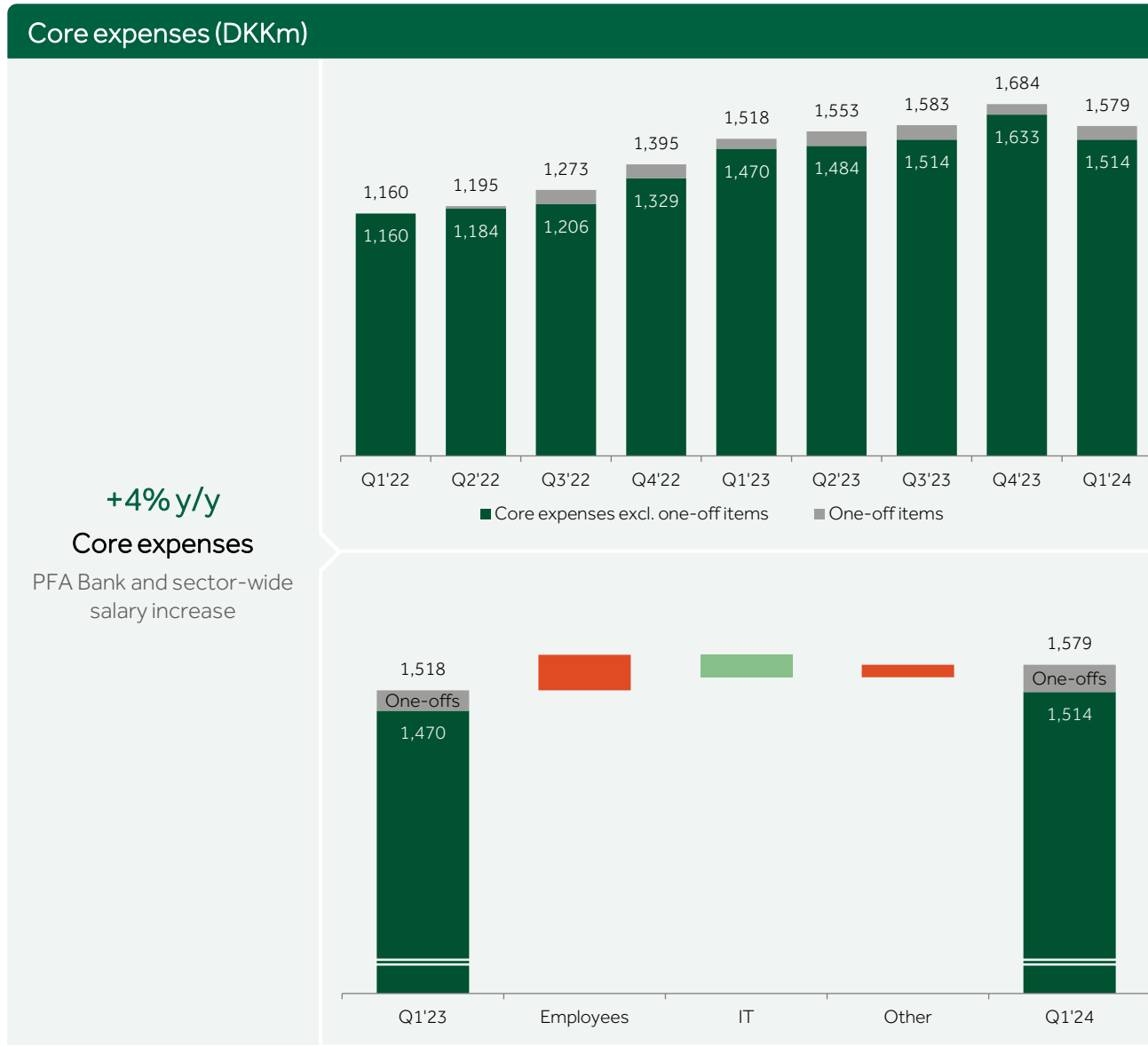


Value adjustments of DKK 239m in Q1. The development of financial markets was mixed in the quarter. On the positive side, option-adjusted spreads of callable Danish mortgage bonds tightened. On the other hand, spreads of 3-year non-callable Danish mortgage bonds widened c. 5bp vs. 3-month CIBOR and the 3-year Danish swap rate increased 0.3pp in Q1 2024.

Investment portfolio income of DKK -31m in Q1, mainly due to internal funding costs resulting in negative net interest income as well as the negative impact from AT1 FX hedging of DKK -20m.

Note: Please note that income from dividends are booked under other income and not value adjustments, thereby impacting value adjustments from e.g. sector shares negatively.

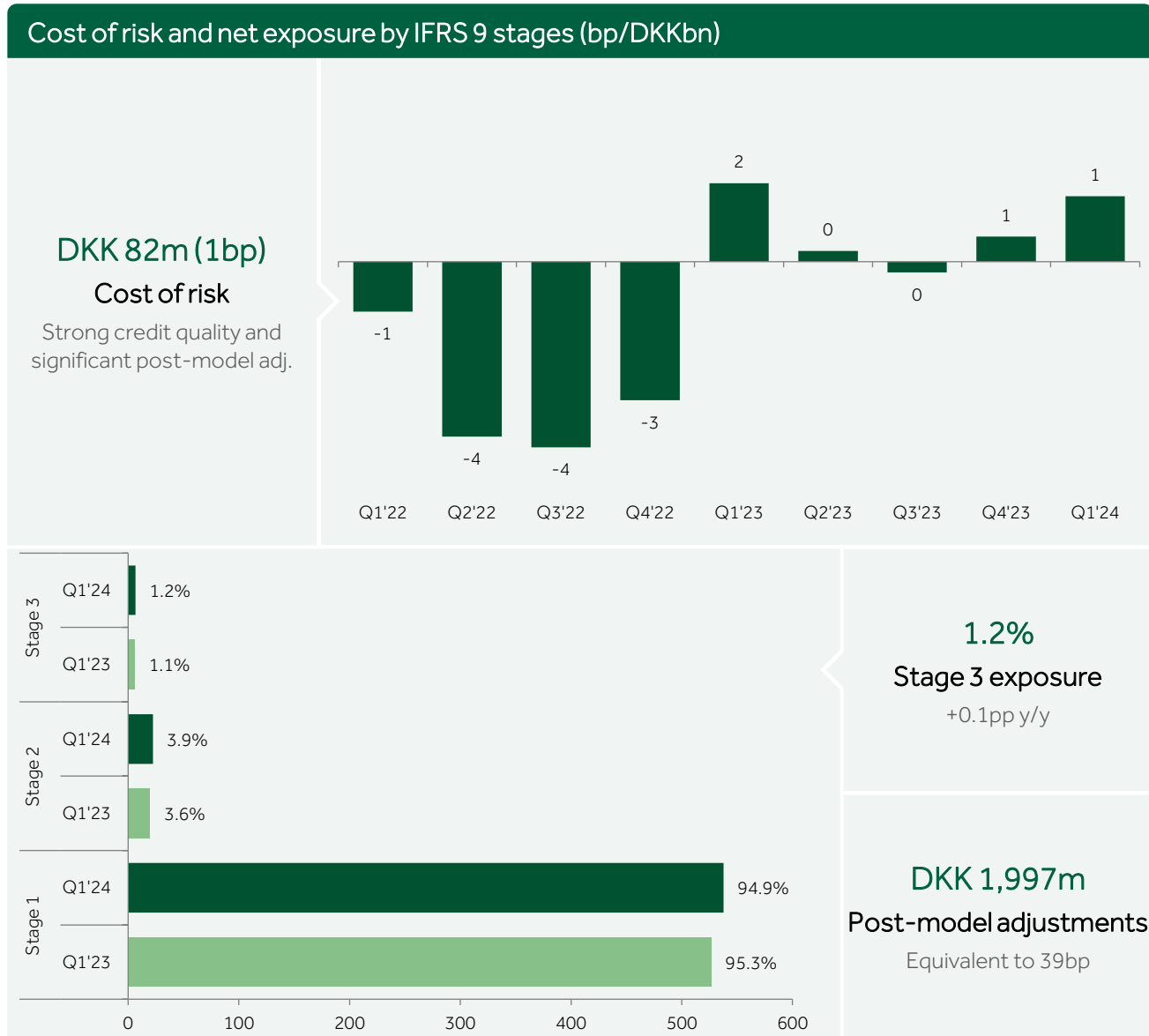
Manageable underlying cost inflation after acquisitions



Core expenses rose 3% excl. one-off items due to the acquisition of PFA Bank, the collectively prescribed salary increase of 4.5% and an increased number of FTEs for financial crime prevention.

- Acquisitions of SHB DK and PFA Bank in December 2022 and October 2023, respectively, have increased the cost base, including DKK 22m of integration costs in Q1 2024. For 2024, total integration costs are expected to amount to up to DKK 0.2bn. Amortization of SHB DK and PFA Bank customer relations amounted to DKK 17m in Q1. Cost synergies related to SHB DK acquisition amounted to DKK 0.1bn in Q1 vs. DKK 0.4bn target for 2024.
- Number of FTEs up 2% y/y to 3,957 due to the acquisition of PFA Bank as well as ~60 employees for financial crime prevention. Higher employee costs also caused by collectively prescribed salary increase of 4.5% as well the removal of the All Prayers holiday in Denmark.

Post-model adjustments increased to all-time high level

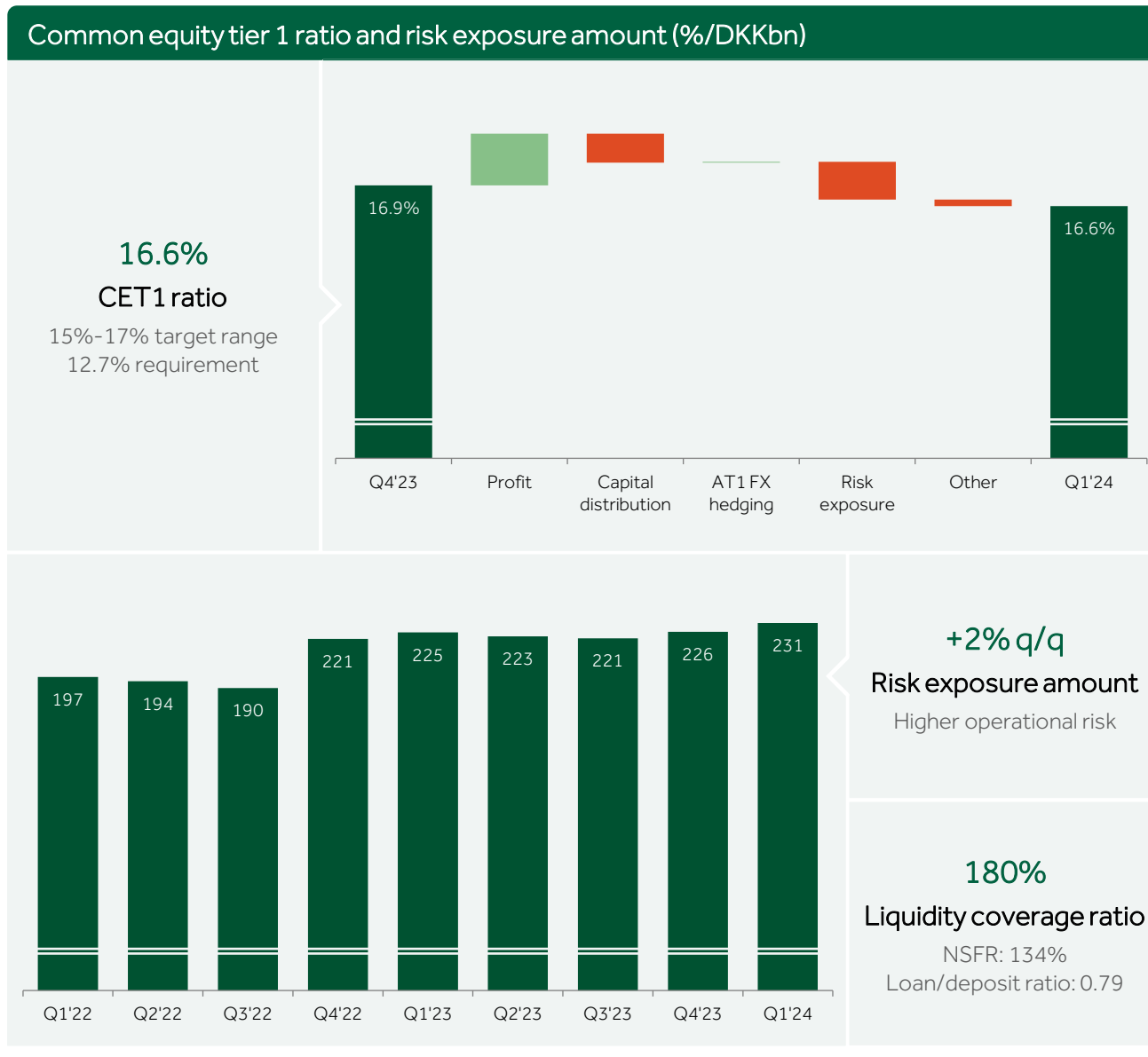


Loan impairments charges of 1bp in Q1 caused by higher post-model adjustments. The share of stage 3 exposures and actual write-offs remained at low levels.

- Level of post-model adjustments increased DKK 63m to the highest level on record of DKK 1,997m, equivalent to more than three years of normalized loan losses. The increase was related to a potential carbon tax on Danish agriculture.
- Level of write-offs at low level of 1bp in Q1 2024, continuing the trend from 2023 that saw the lowest level of write-offs in more than a decade.
- Level of stage 3 exposures at low level of 1.2%. Loans subject to forbearance measures as well as 90-day mortgage arrears also remained at low levels.

Note: Stage exposures exclude purchased/originated credit impaired exposures (<0.1%). Post-model adjustments reflect management's overlay related to the future economic development or processes that are not included in the loan impairment modelling.

Capital distribution, new issuances impact capital position



- **16.6% CET1 ratio** down 0.3pp q/q, within 15%-17% target range. **Capital ratio of 22.0%** at upper end of target range of 20%-22%.
- **Capital distribution:** Dividend of DKK 500m (DKK 7.78 per share) paid in March 2024. DKK 685m of net profit attributable to shareholders reserved for expected dividend of 30% as well as expected share repurchase programme. New share repurchase programme of DKK 1.5bn will be deducted from capital position from Q2 2024, net of the DKK 318m deducted in the capital position as of Q1.
- **Funding plan:** Non-preferred senior debt issuance of EUR 500m and preferred senior debt issuance of c. EUR 300m expected for 2024. MREL eligible debt of DKK 27.6bn vs. target of DKK 29bn-31bn at the end of Q1 2024.
- **Basel IV** will increase REA, reducing the CET1 ratio by up to 1.5pp in total with full effect from 2025. This is included in the capital targets. Additionally, the sector-specific buffer of The Systemic Risk Council targeting for exposures against property companies (excl. LTV 0-15%) is also reflected in the targets.

Note: Loan/deposit ratio excludes Danish mortgage loans, which are funded by covered bonds with 1:1 matching terms.

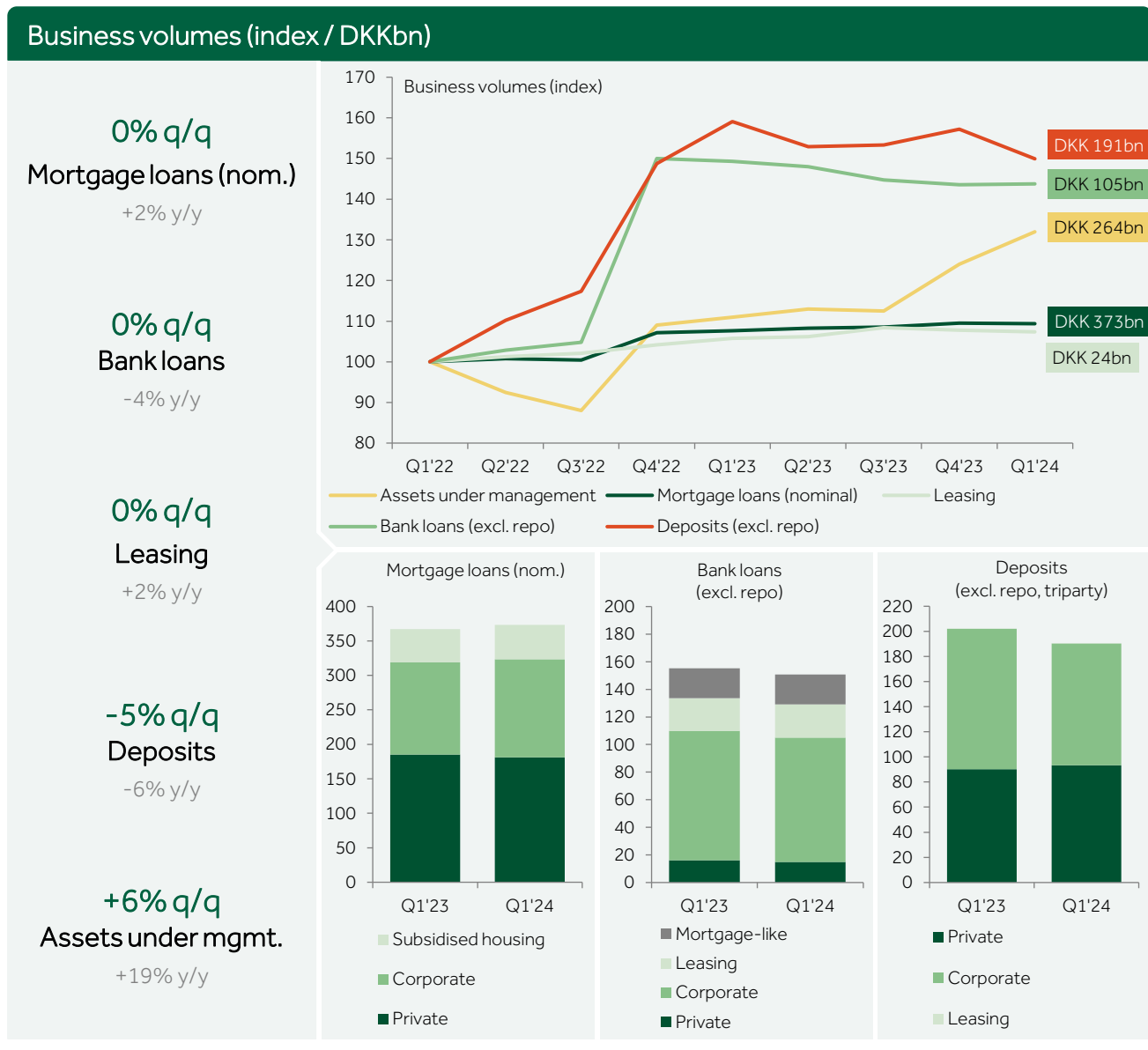
Volumes

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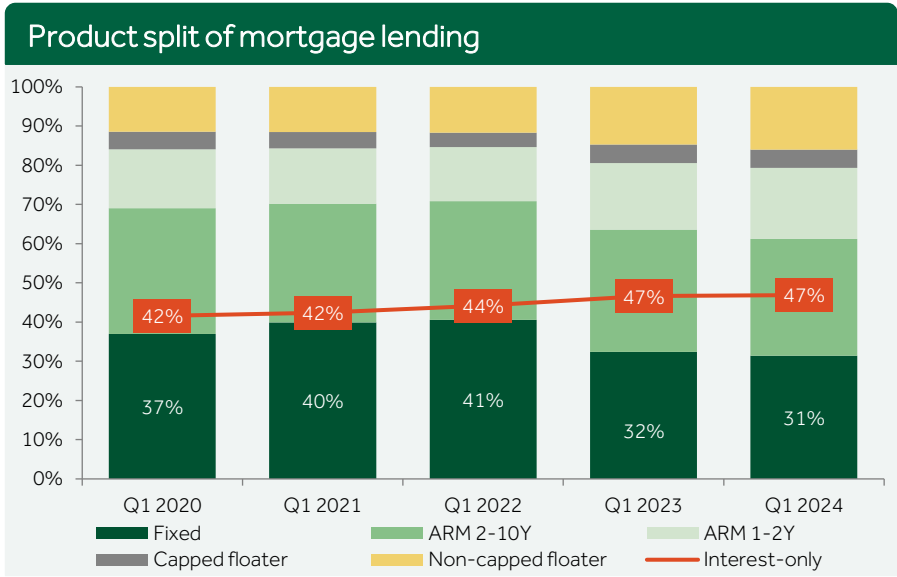
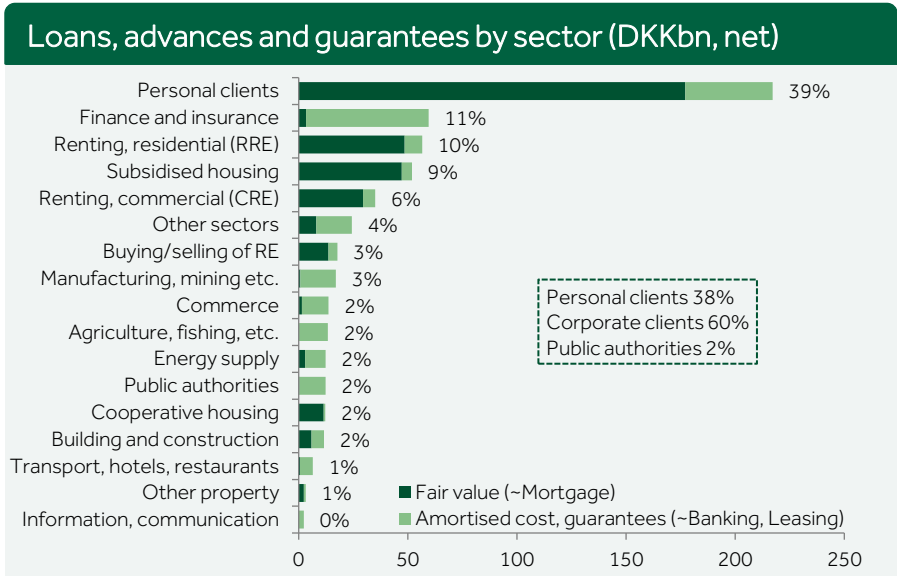
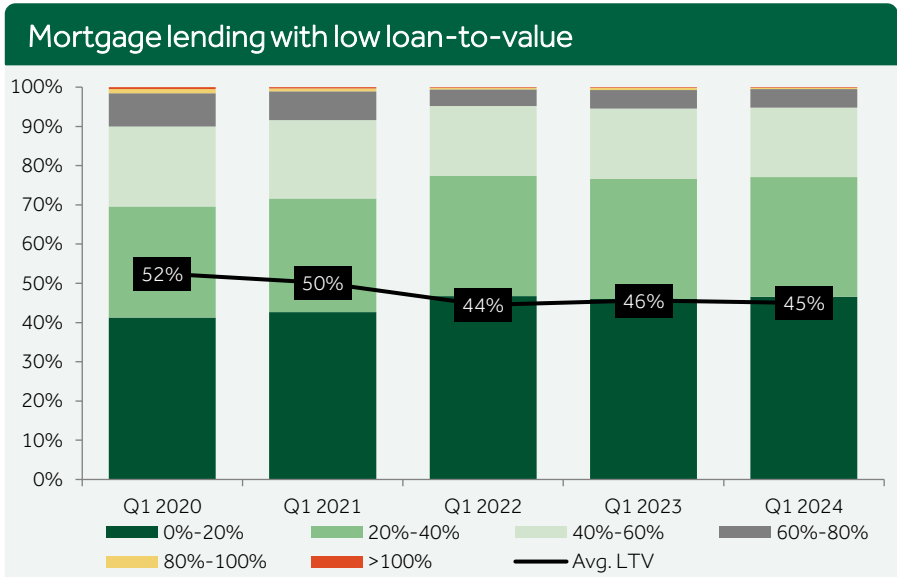
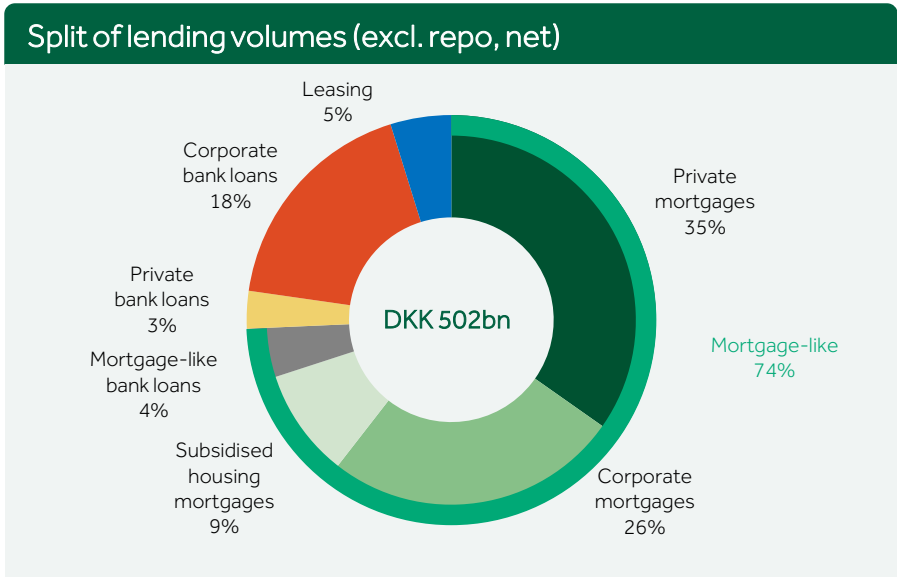


Continued strong growth of assets under management



- Mortgage loans (nominal)**
 0% q/q, as higher corporate lending was offset by lower private lending.
- Bank loans**
 0% q/q, as slightly higher corporate lending was offset by lower mortgage-like bank lending to private clients. Corporates' deferred payments of tax and labour market contributions were due in February 2024.
- Leasing**
 0% q/q amid slightly higher lending to corporate clients.
- Deposits**
 -5% q / q driven by lower time deposits from corporate clients as private clients continued to migrate from transactional deposits to savings products with higher yield.
- Assets under management**
 +6% q/q due to positive market returns and net inflow of funds.

Strong footprint within lending for housing purposes

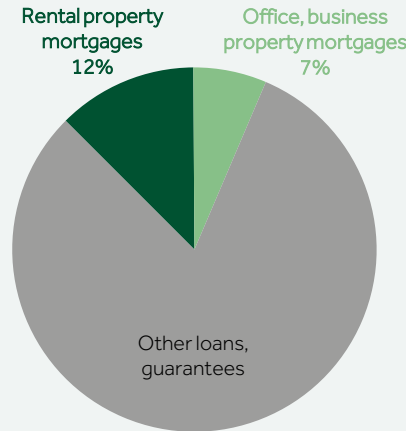


Prudent LTV levels of commercial property exposures

Commercial property exposure in brief

- Rental property and office, business property mortgages made up c. **19%** of lending and guarantees end-Q1 2024.
- Exposure is mainly comprised by central, modern properties of **large clients with strong capital positions** with diversified portfolios.
- Collateralization is primarily buildings in **urban areas** with **low loan-to-value** and low vacancy rates, underpinned by demographic trends.

Manageable share of overall exposure



Non-performing loans at low level

Rental, office, business property mortgages

0.02%

90-day arrears

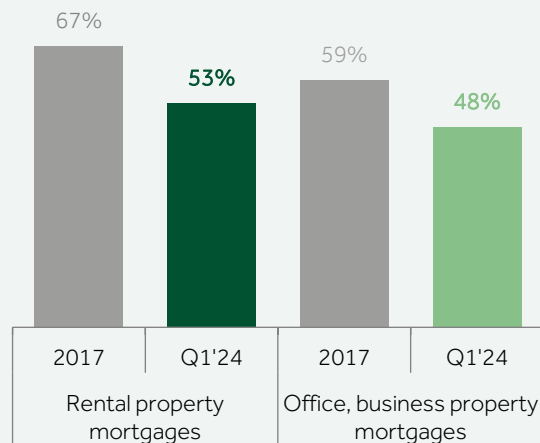
52%

Share of loans with rate fixed >3 years

94%

Share of loans below 60% loan-to-value

Solid loan-to-value levels

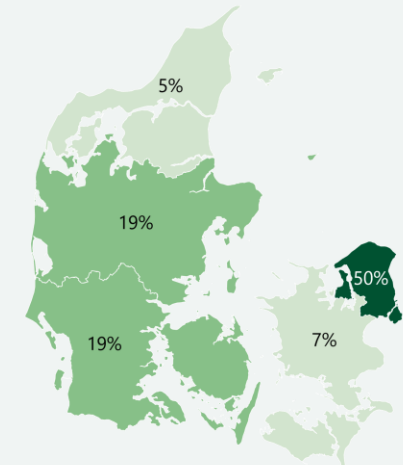


Strict underwriting standards

- Initial loan-to-value (max. 60%-80%) reflects that all clients must, regardless of financing, be able to maintain a **30-year fixed-rate loan with amortization**.
- Clients should also be able to withstand a 10%-20% **loss of rent** income or increase of vacancy rates in addition to a **3pp higher variable interest rate** of debt.
- Ongoing monitoring and stress testing** of commercial property exposures' rent and vacancy rates, cost of equity as well as interest rate of debt.

Supported by demographic trends

Rental, office, business property mortgage loans by region

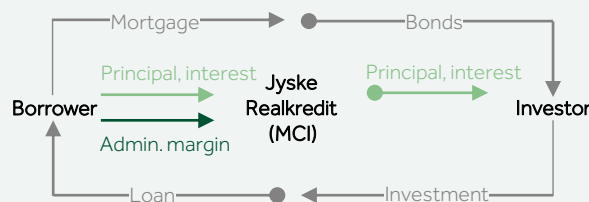


High mortgage lending share underpins stability and growth

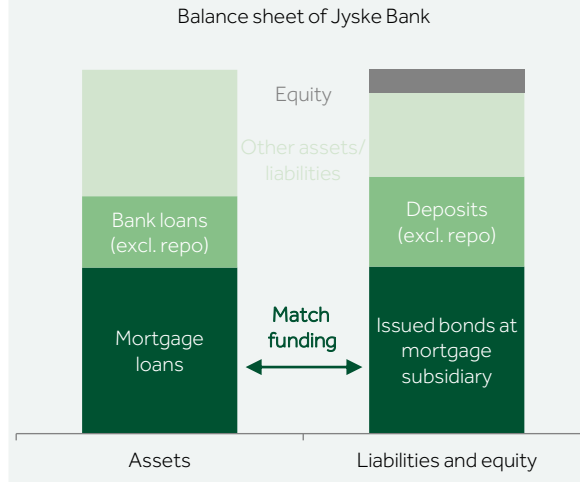
The Danish mortgage model

Based on a balance principle with no defaulting mortgage credit institutes (MCI's) since its inception in 1797.

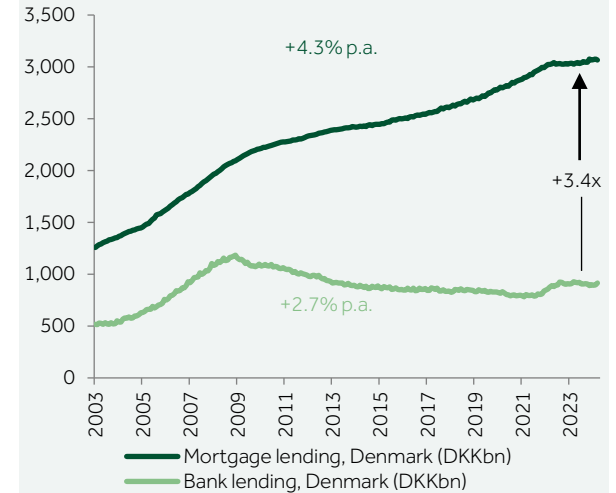
- MCI's fund loans by issuing covered bonds with 1:1 matching terms, thus transferring interest rate, currency, liquidity, prepayment risk to investors.
- Borrowers can prepay loans/remortgage by buying the bonds, which are traded in a transparent and highly liquid market of AAA-rated covered bonds.
- In addition to the principal and interest paid to the investor, the borrower pays an administration margin as well as transaction-based fees to the MCI.
- The MCI, in return, guarantees payments from the borrower, who is subject to a thorough credit assessment with a strict 60%-80% loan-to-value limit.



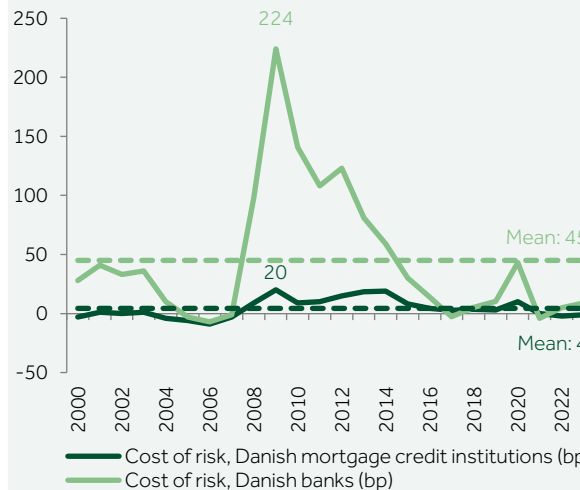
Balance principle limits funding risks



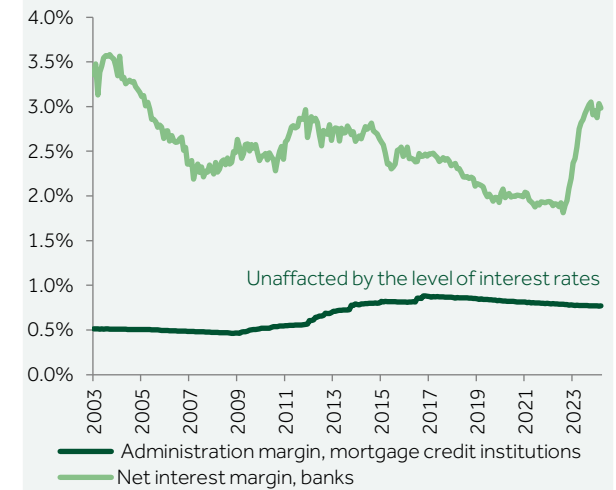
High and resilient growth of mortgages



Very low cost of risk for mortgages



Mortgage margin stabilises income



Sustainability

Sustainable business and responsible banking operations



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Approach and ambitions

Ingrained in identity



"We run a sustainable and responsible business"

First statement in Jyske Bank's Identity

Supporting a wide range of sustainability-related principles, alliances, targets and initiatives

Focus on financed emissions

Share of CO₂ emissions

0.03%

Scope 1

Company cars, local heating

0.07%

Scope 2

Electricity, district heating

99.90%

Scope 3

Financing, investing, etc.

ESG ambitions

Net zero emissions and green financing

Environmental

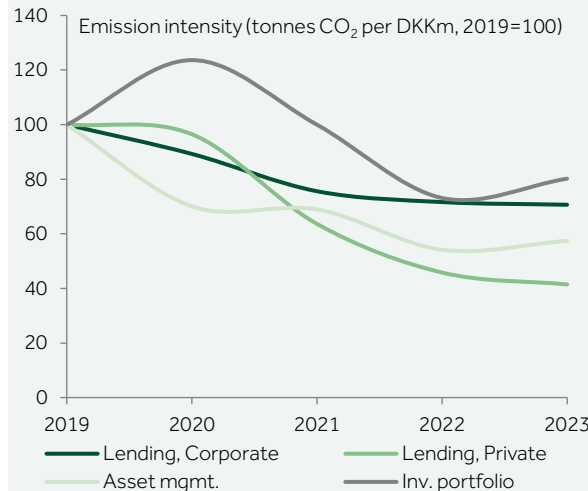
Engaged and competent employees

Social

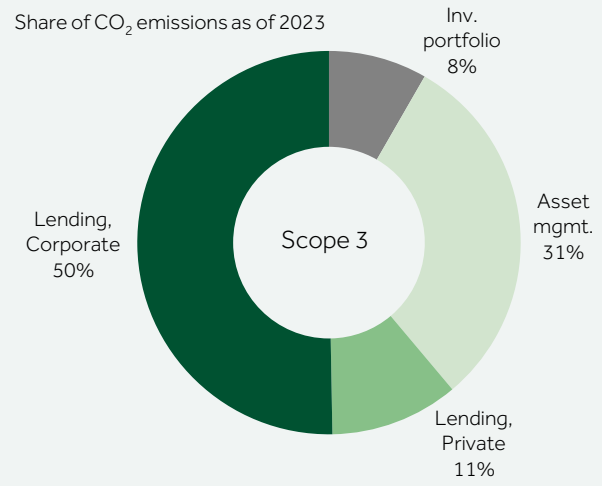
Responsible operations

Governance

Intensity of financed/invested emissions reduced by 37% since 2019



Share of CO₂ emissions as of 2023



Targeting net zero emissions by 2050

Lending

1.3 million tonnes CO₂
Emissions in 2023
-22% vs. 2019

Investments

0.8 million tonnes CO₂
Emissions in 2023
-27% vs. 2019

Own operations

0.02 million tonnes CO₂
Emissions in 2023
-22% vs. 2020

Targets for emission intensity reduction

From 2019 to 2030

Owner-occupied property	85%
2023: -24% vs. 2021	
Rental property	65%
2023: -22% vs. 2021	
Office, retail property	50%
2023: -13% vs. 2021	
Agriculture (vs. 2020)	≥40%
Electricity and heating (vs. 2020)	30%
Road transport (vs. 2019)	≥15%

Targets for emission reduction

From 2019 to 2030

Managed equity investments	75%
2023: -60% vs. 2019	
Danish mortgage bond investments	40%
2023: -51% vs. 2019	

Target for emission reduction

From 2020 to 2030

Scope 1 and scope 2 65%

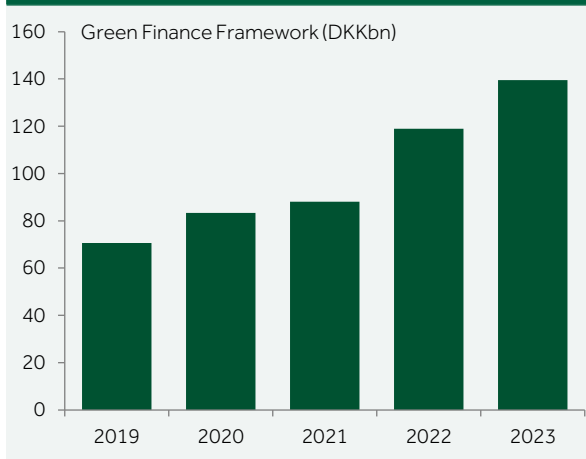
Offset by renewable energy production since 2021

Targets for growth in green finance

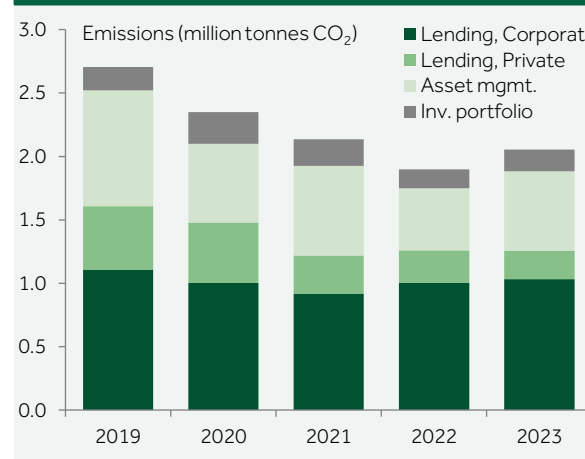
From 2020 to 2025

Renewable energy	5 TWh
2023: 3.9 TWh financed, +55% vs. 2020	
Low-energy commercial property	DKK 60bn
2023: DKK 57bn financed, +84% vs. 2020	
Low-emission share of vehicles, etc.	30%
2023: 26% of financed vehicles, op. eqpt., +13pp vs. 2021	

Green financing up 98% vs. 2019



Emissions reduced 24% vs. 2019



Note: Targets cover approx. half of assets under mgmt. and more than a third of financed emissions. Targeting net zero emissions by 2045 for lending and by 2050 for investments.

Jyske Bank

In brief

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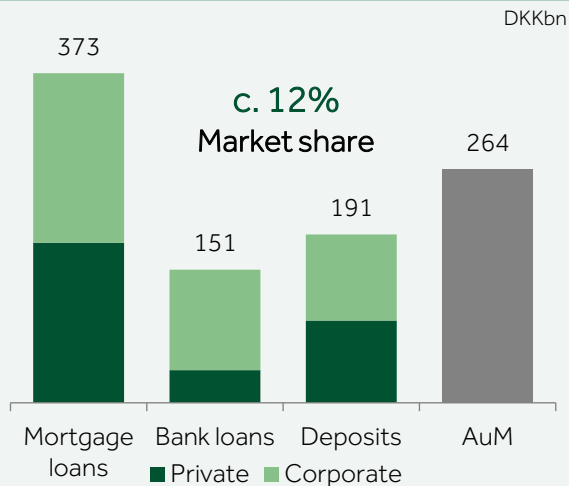


One of the largest financial institutions in Denmark

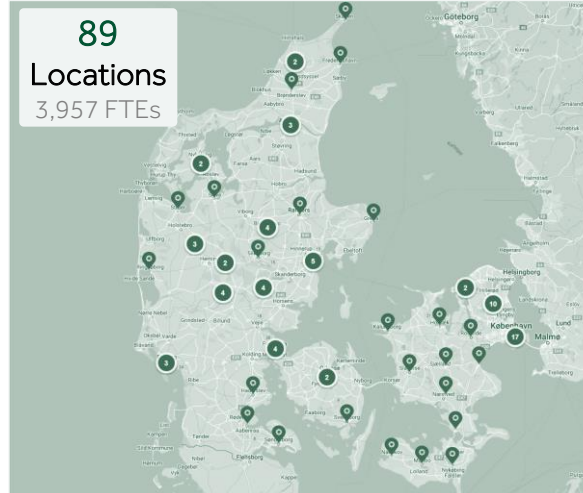
Founded in 1967, now a Danish SIFI

- 1967** Founded by merger of four banks in Silkeborg
- 1989** Seven acquisitions in 1970s and 1980s
- 2011** Finans Nord, Easyfleet, Fjordbank Mors acquired
- 2013** Acquisition of Sparekassen Lolland
- 2014** Acquisition of Jyske Realkredit from BRFFonden
- 2022** Acquisition of Handelsbanken Denmark
- 2023** Acquisition of PFA Bank

Focused on structural, low-risk growth



Leading presence in AAA economy



Strong operating performance

Last four quarters

DKK 5.9bn
Net profit

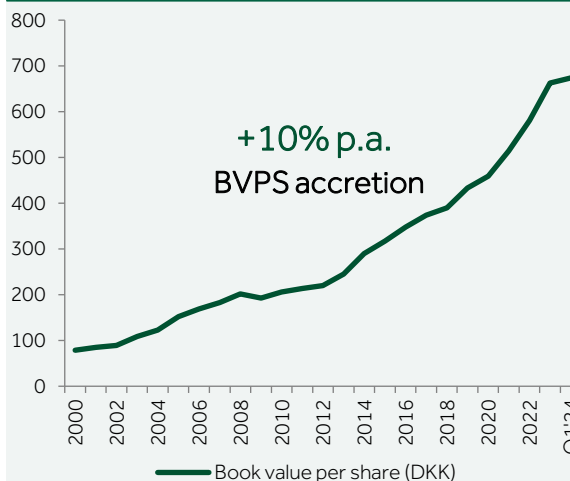
14.0%
Return on equity

44%
Cost/income

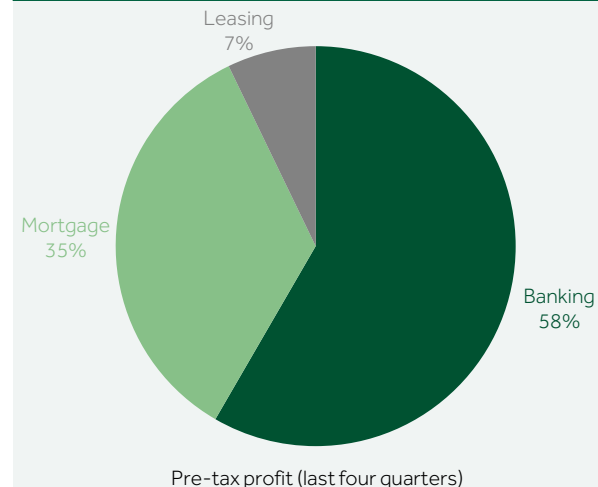
A+ / Stable / A-1
S&P issuer credit rating

AA
MSCI ESG rating

Solid book value per share accretion

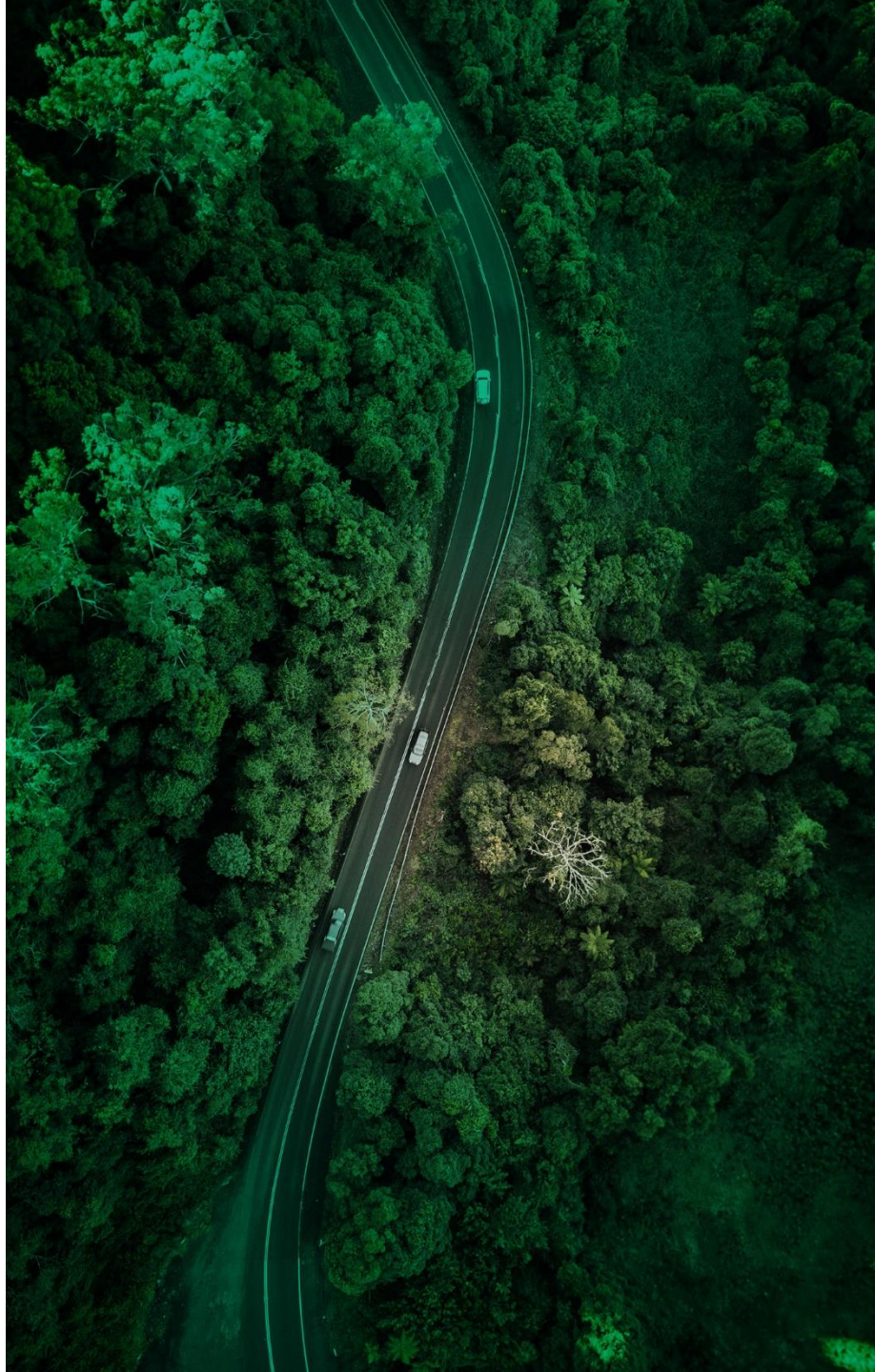


Complementary, full-service offering



Macroeconomics

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Macroeconomics

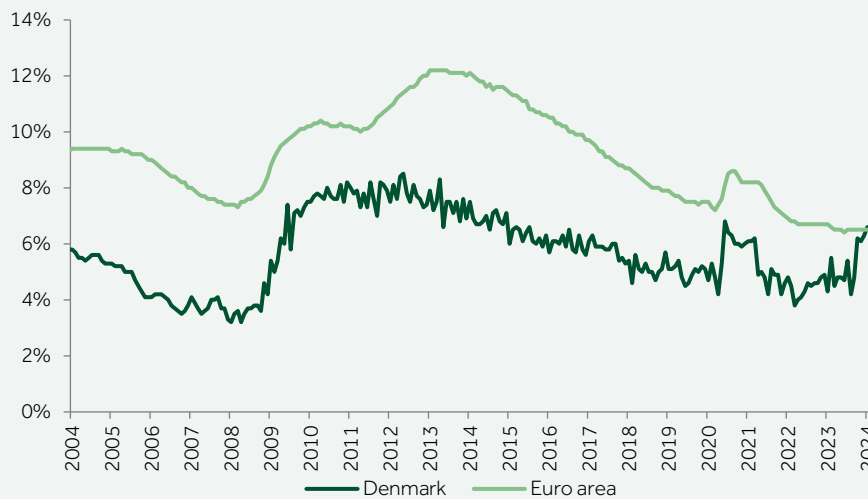
Real gross domestic product (2010=100)



Inflation rate (HICP, y/y)



Unemployment rate



Interest rates, Denmark (monthly averages)

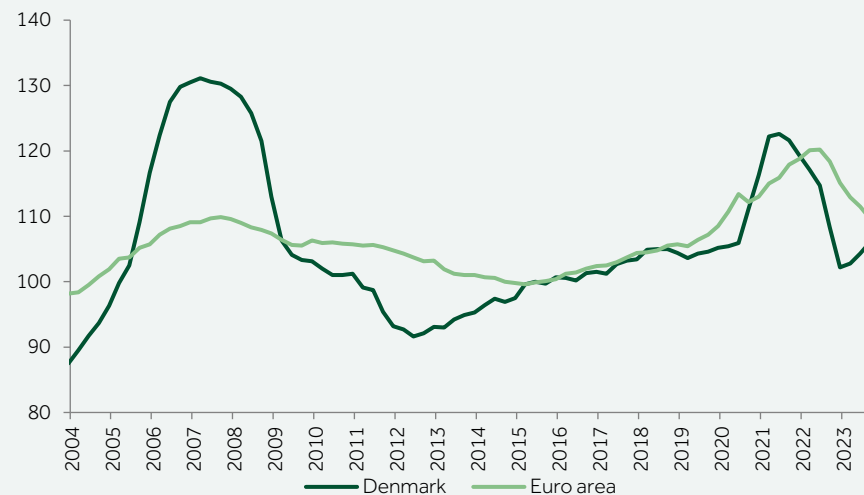


Macroeconomics

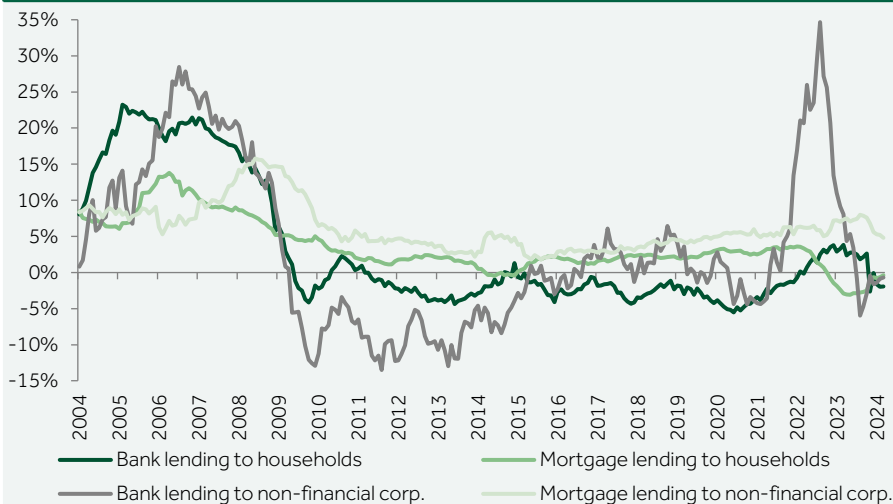
Real estate prices, Denmark (y/y)



House prices to disposable income (2015=100)



Lending growth, Denmark (y/y)



Economic Sentiment Indicator



Forecast

Danish economy	DKKbn	Real growth (%)				
	2023	2021	2022	2023	2024E	2025E
Consumer spending	1,279	5.5	-1.4	1.3	1.6	1.2
Public spending	630	4.6	-2.8	0.0	1.5	1.9
Fixed gross investment	606	6.6	3.2	-5.0	-3.6	-0.2
Inventory investment*	6	1.8	0.4	-1.9	0.0	0.0
Exports	1,923	7.7	10.8	12.5	7.5	2.0
Imports	1,651	8.8	6.5	7.7	6.7	2.1
Gross domestic product (GDP)	2,792	6.8	2.7	1.8	1.9	1.1
Balance of payments						
- DKKbn		230	372	311	330	330
- percentage of GDP		9.0	13.1	10.8	11.0	10.6
Public budget balance						
- DKKbn		103	95	80	55	30
- percentage of GDP		4.1	3.3	2.8	1.8	1.0
Unemployment						
- Gross unemployment, average (thousands)		106	76	83	91	104
- Percentage of workforce		3.4	2.3	2.5	2.7	3.1
Employment, avg. (thousands)		3,052	3,168	3,214	3,216	3,198
Inflation (%)		1.9	7.7	3.3	2.2	2.4
Wage index (Private, %)		3.0	3.6	4.1	4.7	4.1
House prices (nominal prices, %)		11.0	-0.2	-0.4	1.6	1.0
Danmarks Nationalbank's lending rate, year-end (%)		-0.45	1.90	3.75	2.00	2.00
Danmarks Nationalbank's CD rate, year-end (%)		-0.60	1.75	3.60	2.85	1.85

Financial calendar 2024

- 27 Feb. Announcement of the 2023 results
- 27 Feb. Annual report 2023
- 27 Feb. Risk management report 2023
- 21 Mar. Annual general meeting
- 7 May Interim report for the first quarter of 2024
- 20 Aug. Interim report for the first half of 2024
- 29 Oct. Interim report for the first nine months of 2024

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