STANDARD & POOR'S

Bank Credit Report

Jyske Bank A/S

Counterparty Credit Rating

A+/Stable/A-1

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RatingsDirect
Publication Date
June 14, 2007

Major Rating Factors

Strengths:

- Strong domestic franchise in retail and commercial banking;
- Strong enterprise risk management framework;
- Consistent and focused strategy; and
- Conservative capital management reflected in superior capitalization.

Weaknesses:

- Limited geographical diversification; and
- Relatively inefficient cost base.

Rationale

The ratings on Jyske Bank A/S reflect its strong domestic franchise, strong enterprise risk management framework, consistent and focused strategy, and conservative capital management. The ratings are constrained by the bank's limited geographical diversification and its slightly inefficient cost base.

With consolidated assets of Danish krone (DKK) 173.6 billion (€23.3 billion at DKK7.45 to €1) at March 31, 2007, Jyske Bank is the third-largest commercial bank in Denmark. The bank enjoys a strong domestic banking franchise, in particular in its home region of Jutland in central Denmark. For many years Jyske Bank has pursued a consistent strategy of remaining independent, focusing on commercial banking for households and small and midsize enterprises (SMEs), and providing other, more value-added services such as asset management.

Asset quality has been very high in recent years, reflecting the conservative composition of the loan portfolio and the soundness of the Danish economy. At March 31, 2007, gross NPLs and problem loans amounted to only 0.59% of gross loans. Moreover, the bank's credit risk management systems have improved markedly in recent years.

Jyske Bank's funding base is very sound. Loans and advances are to a very large extent funded by deposits. In addition, the bank is active in the European capital markets, and has access to longer-term market funding through an EMTN program. Management has always pursued a very conservative capital policy. At the end of the first quarter of 2007, adjusted total equity (ATE) amounted to 9.57% of risk assets, which is significantly higher than for its Nordic peers.

The ratings are constrained by Jyske Bank's limited geographic diversification. With more than 80% of its lending to Danish customers, the bank's performance is closely linked to that of the Danish economy. This concern is partly offset by the current health and past stability of the Danish economy, however. Jyske Bank's cost-to-income ratio was 58% in the first three months of 2007, and has averaged about 60% in recent years, which is higher than that of its Nordic peers. The relatively inefficient cost base may require the bank to adjust costs rapidly in a scenario where revenues are falling.

Outlook

The stable outlook reflects Standard & Poor's expectation that Jyske Bank will show stable earnings development, supported by its strong domestic franchise. The ratio of core earnings to risk-weighted assets should be roughly unchanged in 2007 compared with 2006. Cost efficiency is also expected to improve slightly as the bank's ongoing investment costs gradually decrease. We expect Jyske Bank's strategy to remain conservative and capitalization to be maintained at a strong level.

A positive rating action, although currently unlikely, would require a fundamental improvement in diversification of risk and revenues and in cost efficiency.

A negative rating action could follow if the currently conservative strategy were to change and result in a higher risk profile, if asset quality were to materially deteriorate, or if capitalization were to be substantially reduced.

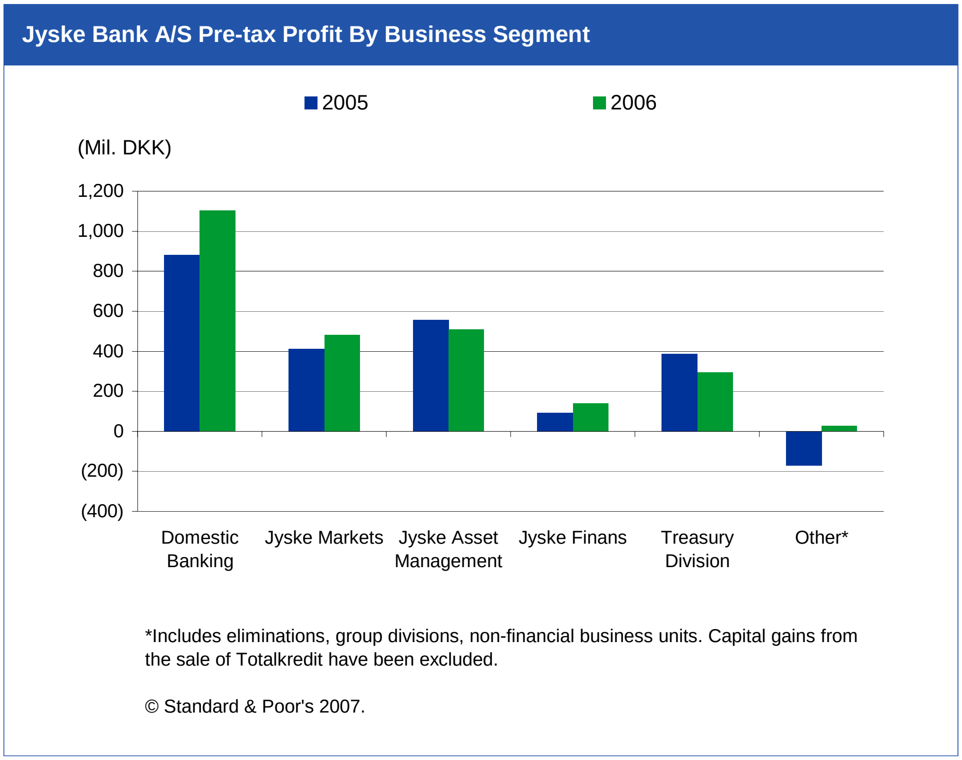
Profile: A Danish Bank For Households And SMEs

With consolidated assets of Danish krone DKK173.6 billion at March 31, 2007, Jyske Bank is Denmark's third-largest commercial bank after Danske Bank A/S (AA-/Stable/A-1+) and Nordea Bank Danmark A/S (AA-/Stable/A-1+). Jyske Bank has its historical base in the Jutland region, and was created in 1967 through the merger of four regional banks. Following a number of smaller acquisitions, the bank achieved nationwide coverage in the 1980s.

Jyske Bank offers a full range of financial services to households and SMEs through a network of 120 branches and online banking. It commands a nationwide market share of total lending and deposits of 6%-7%, with a slightly stronger position among companies—particularly SMEs—than among households. The capital markets arm, Jyske Markets, has a market share of 2%-3% on the Copenhagen stock exchange, and some 20% in the foreign exchange market. Jyske Asset Management, which includes private banking, mutual funds and pensions, had total funds under management amounting to DKK69 billion at year-end 2006.

Sources of revenues and profit are relatively well diversified, with a slight predominance of domestic banking, but also significant contributions from treasury and markets activities and asset management (see chart 1).

Chart 1



As banks are not allowed to offer mortgage loans in Denmark, Jyske Bank offers mortgage loans through its strategic partnership with the leading mortgage lender **Nykredit Realkredit A/S** (Nykredit; —/—/A-1) as well as Totalkredit (owned by Nykredit since 2003) and agriculture mortgage lender DLR Kredit (not rated). Under the agreements with these mortgage institutions, when a Jyske Bank customers request a mortgage loan, they are granted a Nykredit, Totalkredit, or DLR Kredit-branded mortgage. Although the credit granting decision is Jyske Bank's responsibility, the mortgage can only be recorded in the books of the mortgage institutions. However, Jyske Bank issues a guarantee in favor of the mortgage institutions covering the part of the mortgage loan that is within 60%-80% LTV. Accordingly, the actual credit risk is ultimately borne by Jyske Bank, as it is exposed to a substantial first-loss piece of the mortgage book. The total amount of guarantees issued by Jyske Bank at year-end 2006 was DKK11.3 billion.

In collaboration with PFA Pension, the bank also offers life insurance products to its customers. In addition, Jyske Bank has been investing in a joint life assurance and pension company, named letpension, which is being set up together with a group of other Danish financial institutions. Sales are expected to start in 2008.

The group's main subsidiaries are the Danish finance companies Jyske Finans and Nordisk Factoring, Jyske Bank Schweiz, Jyske Bank Gibraltar, and the Dutch brokerage firm Berben's Effektenkantoor, which was acquired in June 2004.

Support And Ownership: Limited Shareholder Pressure

Jyske Bank A/S is a commercial bank regulated by Finanstilsynet, the Danish Financial Supervisory Authority.

The shares of the bank are listed on the Copenhagen Stock Exchange. Influence from individual shareholders is very limited and ownership is fragmented. At year-end 2006, there were more than

245,000 shareholders, of which more than 84% were also customers. The only shareholder with more than 5% at the time was Nykredit. Employees hold about 6% of the shares. Two specific rules restrict the possibility of one large shareholder quickly gaining control of the bank: No single shareholder may acquire 10% or more of the share capital without the consent of the bank, and no single shareholder may cast more than 4,000 votes, corresponding to less than 0.01% of votes.

Strategy: Independent, Denmark-Based Relationship Banking

Standard & Poor's considers Jyske Bank's strategy as coherent and sound. The bank's main strategic goal is to remain independent and be the most customer-friendly full-service bank for households and SMEs in Denmark. In recent years, the bank has been investing heavily in upgrading its branch network, both in terms of layout and technology, aimed at creating more customer-friendly, advisory-focused branches. This is part of a general move to increase the advisory-related content, particularly asset management and private banking, in its product offering. Although recent years' investments have taken their toll on efficiency, management considers this investment essential for Jyske Bank's long-term success and profitability.

The particular ownership rules of the bank protect it from a hostile acquisition. This has not prevented the bank from taking part in the consolidation of the financial services industry in Denmark. In 2003, Jyske Bank sold its 20.4% stake in Totalkredit (the mortgage lender previously jointly owned by the "smaller" Danish banks) to Nykredit Realkredit, which is in turn the largest shareholder of Jyske Bank, fostering the cooperation between the two entities.

Risk Profile And Management: SME Lending Is The Main Risk

Jyske Bank has a moderate and stable risk profile. The main sources of risk are its corporate loan portfolio and relatively large securities investment portfolio. Funding and liquidity risk is relatively limited due to the large share of deposit funding.

Enterprise Risk Management

Jyske Bank's enterprise risk management is strong. This reflects an independent and proactive risk management department, which plays a central role in the operational and strategic management of the bank, and the bank's conservative credit risk culture and well managed market risk. Since 2002, the group has used a risk adjusted return on capital approach to measure performance and risk across all business divisions and units. This is the main management tool used in setting and evaluating performance targets in the group.

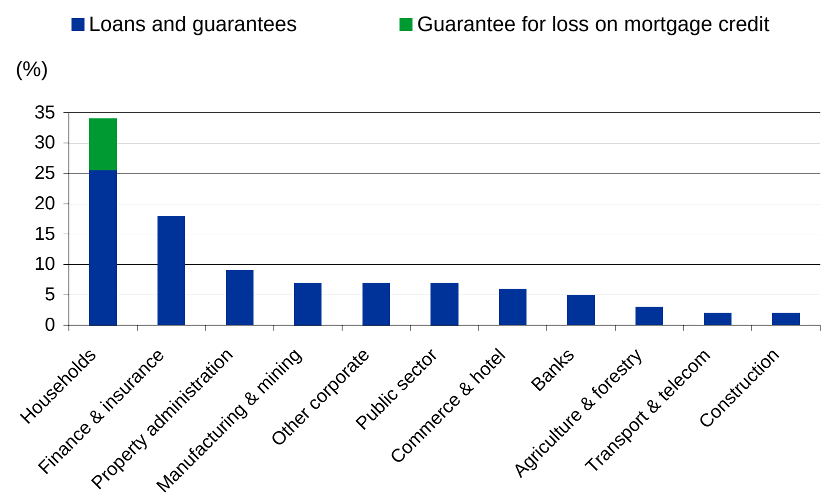
Credit risk

Jyske Bank's credit organization is relatively decentralized, with the day-to-day management of credit risks undertaken by branch account managers and divisional centers. Credit risk management is highly centralized, however, and has improved notably in recent years in terms of assessment and measurement of risk. All credit commitments are rated according to a uniform methodology. The risk management division monitors the overall credit risks, and regularly reviews the reliability of the rating methodology.

Jyske Bank's credit portfolio has a good mix between exposures to private customers (34%) and non-private customers, mostly SMEs operating in Denmark. Although the portfolio is well diversified by industry (see chart 2), it is heavily concentrated on Danish customers, who accounted for 83% of commitments in 2006. Lending to foreign residents is primarily to private customers within the private banking operations. As noted above, Jyske Bank is not allowed to offer traditional mortgage loans, but still has some mortgage credit risk exposure since it guarantees the first loss piece up to 20% on all mortgage loans it generates for Nykredit, Totalkredit, and DLR Kredit. Furthermore, since 2004, Jyske Bank has been offering mortgage-backed revolving facilities, enabling households to borrow for consumption needs against collateral in property. The on-balance mortgage portfolio of Jyske Bank is, however, still rather limited.

Chart 2

Jyske Bank A/S Loans And Guarantees Portfolio Breakdown At End 2006



Jyske Bank's asset quality has been very high in recent years, and is not expected to deteriorate significantly given the diversified and conservative composition of the loan portfolio and the soundness of the Danish economy. At March 31, 2007, gross NPLs amounted to only 0.59% of gross loans, which is in line with other Nordic banks. The bank reported substantial net recoveries in 2006 and negligible provisions in the first quarter of 2007. The Danish economy is slowing down and credit losses are likely to increase over the medium term. There is nothing indicating a deterioration in credit quality at this stage, however.

Excessive concentration—relative to capital—on large single names was a serious constraint on credit quality only a few years ago. In recent years, however, the bank has managed to reduce the significance of these exposures relative to a growing capital base. Consequently, its large exposures are now more on a par with those of Danish and European peers.

Market risk

Jyske Bank measures and monitors market risk on an integrated level, comprising both the banking and the trading book. The Treasury Division manages the group's own securities portfolio, which is the main source of market risk, and overall market risk exposure, while Jyske Markets is in charge of the customer-driven trading portfolio. Jyske Bank hedges most of its market risk and its net exposure in terms of value-at-risk (VaR) is limited. At the end of the first quarter 2007, the bank's total one-day 99% VaR amounted to 0.1% of ATE. At the same time, the interest rate risk arising from maturity mismatches in the balance sheet—measured as the impact of an immediate parallel yield curve shift—was about 1.3% of ATE.

Funding and liquidity risk

Jyske Bank's funding base is very sound and its liquidity risk policies are prudent and improving. The bank is implementing a new liquidity framework during 2007 including flow analysis, stress testing based on scenario analysis, and contingency planning. Liquidity positions are monitored against quantitative limits based on a combination of actual liquidity gap forecasts and simulated liquidity positions given certain stress assumptions.

Jyske Bank benefits from a large and stable deposit base and until only quite recently loans and advances were almost completely funded by deposits. The ratio of deposits to loans has been decreasing in the past three years, however, and now stands at just above 60%. Consequently, the bank has been gradually increasing its market funding activities. Short-term funding is executed by Jyske Markets, while strategic funding is the responsibility of the Treasury Division. The bank has a $6 billion EMTN program and a €3 billion ECP program in place. In addition, Jyske Bank has access to a €500 million five-year revolving credit facility with a group of international banks.

Accounting

The introduction of IFRS has, in particular, made historical comparisons of provisions for loan impairments difficult. As with all other Danish institutions, Jyske Bank's accounting policies for impairment of loans and provisioning were previously not only based on objective evidence, but also to a large extent on subjective judgments, which tended to be very conservative. The fall in loan loss provisions in 2005 and 2006 and the jump in NPLs in 2005 should therefore be seen as a reflection of this accounting change.

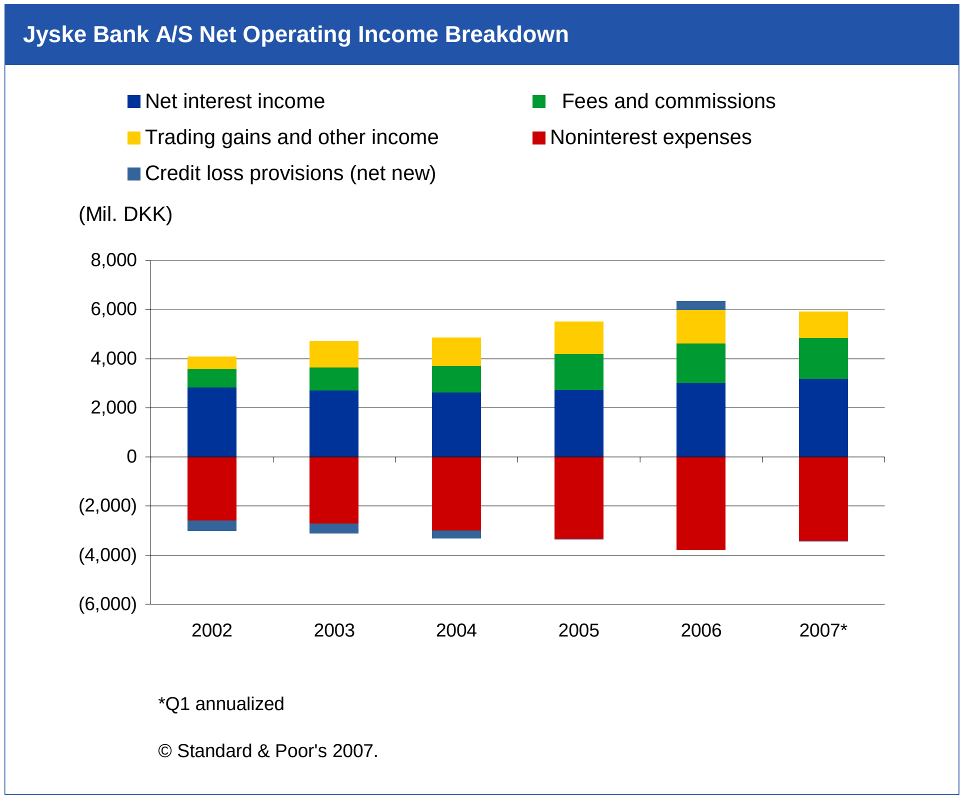
Profitability: Strong Non-Interest Income Growth Balanced By Cost Inflation

Standard & Poor's considers Jyske Bank's profitability to be fairly strong. Although impacted in 2001 and 2002 by the slowdown in the Danish economy and the heavy investment effort, the bank has been able to show consistent profitability through the previous cycle. Profitability is expected to remain high over the near to medium term, given the still relatively favorable outlook for the Danish economy. Over the long term, profitability could come under pressure if margins continue to shrink and Jyske Bank is unable to adjust its cost base accordingly.

The diversification of Jyske Bank's revenues has been improving over the past five years as fee and trading income have been growing in importance. The main source of fee income is securities trading and custody services (58% of fees in 2006). Trading gains are almost entirely derived from Jyske Markets' customer-driven trading in shares, foreign exchange, and bonds (57% in 2006) and the bank's own investment portfolio, which is managed by the Treasury Division (31%).

Net operating income developed strongly in 2005-2006 (see chart 3). The improvement was partly driven by very low or even negative loan loss provisions, but even excluding this effect, operating income showed a positive trend, driven by strong growth in all income items, particularly fee income. This strong performance continued in the first three months of 2007, although revenue growth is now clearly slowing down. This was compensated, however, by expense growth turning negative, after having been relatively high in the previous three years.

Chart 3



Core earnings on average risk-weighted assets was 1.62% in the first quarter of 2007 and has averaged 1.70% over the past three years, which compares favorably with the bank's Nordic peers. Although the low interest rate environment has been a challenge for the bank's revenue capacity, interest margins are still remarkably high. The net interest margin reached 2.19% in the first three months of 2007, compared with an average of 2.34% over the previous five years. The slow growth in net interest income has, however, spurred management to pursue stronger fee and commission income growth. The effort has so far proved successful, as demonstrated by fee income which has shown double-digit annual growth since 2003, mainly as a result of higher activity in securities trading, larger volumes in payment transfers, and mortgage refinancing. This high rate of growth, however, slowed in the first quarter of 2007.

Improving efficiency remains a challenge for Jyske Bank. Its cost-to-income ratio has averaged 61% over the past five years, which is high compared with other Nordic banks. One explanation behind this large expense base is the ambitious strategy of being a relationship-focused bank with a local presence, which requires an extensive branch network. A more important reason is, however, that the bank has made substantial investments in recent years in upgrading and refurbishing its entire branch network as well as developing and streamlining its IT systems. Such investments will continue in the coming years. According to management, the bank is taking advantage of the current favorable market conditions to invest in strategic projects. Furthermore, management claims that the costs that are increasing are of a flexible nature, meaning that in the event of deteriorating market conditions, the bank could, if needed, reduce its annual cost base within a few quarters by about 10%. In the first quarter of 2007, the cost-to-income ratio decreased to 58%, but we expect it to remain at about 60% over the medium term.

Capital: Conservatively Managed And Superior To Peers

Jyske Bank's capitalization is strong. Management has always pursued a very conservative capital policy and is expected to continue to do so in the future. An example of this conservative policy is that the bank does not pay out dividends but prefers the flexibility of share buybacks to manage its capital. The bank is targeting a core capital ratio—excluding hybrid Tier 1 capital—of at least 7% and a total regulatory capital ratio of 10%. In the past three years, actual capitalization has exceeded these targets, and ATE has ranged between 9% and 11%. At March 31, 2007, ATE amounted to 9.57% of risk-weighted assets, which is high compared with most of its peers.

In the current regulatory framework, the first-loss mortgage guarantees that Jyske Bank issues on account of Totalkredit are risk-weighted at 50%. This slightly flatters ratios based on regulatory risk-weighted assets when comparing Jyske Bank with its peers. Given that these guarantees cover almost all of the risk (unexpected loss) related to the underlying loans, this could be compared to a securitization scheme with minimal transfer of economic risk. In such cases, we normally adjust risk-weighted assets or capital to enable relevant comparison. By adding the full amount of the underlying portfolio, we estimate that Jyske Bank's ATE would have been equivalent to about 8.30% of risk-weighted assets at year-end 2006, about 145 basis points lower than the ratio based on reported risk-weighted assets, but still superior to most of its peers.

The implementation of Basel II in 2008 will result in a reduction in risk-weighted assets. The reduction is not expected to be as large as for some of its Nordic competitors, however, due to the smaller proportion of mortgage loans. More importantly, the bank takes a sensible through-the-cycle view when assessing its capital needs. Accordingly, the bank manages capital with the expectation that risk-weighted assets will probably increase in a downturn.

Table 1

Balance Sheet Statistics

							Breakdown as a % of assets (adj.)					
(Mil. DKK)	**2007***	**2006**	**2005**	**2004**	**2003**	**2002 -**	**2007***	**2006**	**2005**	**2004**	**2003**	**2002**
Assets												
Cash and money market instruments	30,052	16,695	13,828	10,365	13,250	12,481	17.33	10.41	9.80	8.30	11.38	8.15
Securities	12,553	14,785	17,122	23,660	22,134	24,785	7.24	9.22	12.13	18.95	19.02	16.18
Nontrading securities	12,553	14,785	17,122	23,660	22,134	24,785	7.24	9.22	12.13	18.95	19.02	16.18
Mortgage-backed securities included above	0	8,096	11,102	0	0	0	0.00	5.05	7.87	0.00	0.00	0.00
Loans to banks (net)	0	0	0	491	398	281	0.00	0.00	0.00	0.39	0.34	0.18
Customer loans (gross)	109,853	107,952	92,192	76,453	65,797	97,359	63.36	67.30	65.33	61.24	56.53	63.57
All other loans	109,853	107,952	92,192	76,453	65,797	97,359	63.36	67.30	65.33	61.24	56.53	63.57
Loan loss reserves	789	766	1,631	2,012	2,036	2,058	0.46	0.48	1.16	1.61	1.75	1.34
Customer loans (net)	109,064	107,185	90,561	74,441	63,761	95,302	62.91	66.82	64.17	59.63	54.78	62.23
Earning assets	151,666	138,457	122,227	110,152	100,746	134,198	87.48	86.32	86.61	88.23	86.55	87.62
Equity interests/participations (nonfinancial)	8	8	8	77	12	364	0.00	0.01	0.01	0.06	0.01	0.24
Intangibles (nonservicing)	260	256	214	199	30	17	0.15	0.16	0.15	0.16	0.03	0.01
Fixed assets	2,037	2,035	1,702	1,660	1,647	1,522	1.17	1.27	1.21	1.33	1.42	0.99
Derivatives credit amount	N.A.	6,628	N.A.	N.A.	N.A.	N.A.	N.A.	4.13	N.A.	N.A.	N.A.	N.A.
Accrued receivables	190	166	228	158	198	113	0.11	0.10	0.16	0.13	0.17	0.07
All other assets	19,469	12,898	17,667	13,995	14,995	18,306	11.23	8.04	12.52	11.21	12.88	11.95
Total reported assets	173,633	160,656	141,330	125,047	116,425	153,169	100.15	100.16	100.15	100.16	100.03	100.01

Table 1

Balance Sheet Statistics (cont.'d)

							Breakdown as a % of assets (adj.)					
(Mil. DKK)	**2007***	**2006**	**2005**	**2004**	**2003**	**2002 -**	**2007***	**2006**	**2005**	**2004**	**2003**	**2002**
Less nonservicing intangibles+ I/O strips	(260)	(256)	(214)	(199)	(30)	(17)	(0.15)	(0.16)	(0.15)	(0.16)	(0.03)	(0.01)
Adjusted assets	173,373	160,401	141,116	124,848	116,396	153,153	100.00	100.00	100.00	100.00	100.00	100.00
							Breakdown as a % of liabilities + equity					
	2007*	**2006**	**2005**	**2004**	**2003**	**2002**	**2007***	**2006**	**2005**	**2004**	**2003**	**2002**
Liabilities												
Total deposits	99,277	93,813	86,710	81,108	76,672	74,603	57.18	58.39	61.35	64.86	65.86	48.71
Noncore deposits	16,298	17,536	17,008	12,453	12,857	15,640	9.39	10.92	12.03	9.96	11.04	10.21
Core/customer deposits	82,979	76,277	69,702	68,655	63,816	58,963	47.79	47.48	49.32	54.90	54.81	38.50
Repurchase agreements	N.A.	N.A.	2,501	1,153	1,072	1,569	N.A.	N.A.	1.77	0.92	0.92	1.02
Other borrowings	34,036	27,033	16,847	14,707	9,873	45,961	19.60	16.83	11.92	11.76	8.48	30.01
Other liabilities	28,947	28,495	24,370	19,897	20,935	24,378	16.67	17.74	17.24	15.91	17.98	15.92
Total liabilities	162,260	149,342	130,428	116,865	108,552	146,511	93.45	92.96	92.29	93.46	93.24	95.65
Total shareholders' equity	11,373	11,315	10,902	8,182	7,873	6,658	6.55	7.04	7.71	6.54	6.76	4.35
Preferred stock and other capital	1,678	1,678	1,679	0	0	0	0.97	1.04	1.19	0.00	0.00	0.00
Minority interest-equity	60	55	80	86	30	N.A.	0.03	0.03	0.06	0.07	0.03	N.A.
Common shareholders' equity (reported)	9,635	9,582	9,143	8,096	7,843	6,658	5.55	5.96	6.47	6.47	6.74	4.35
Share capital and surplus	620	620	631	680	720	976	0.36	0.39	0.45	0.54	0.62	0.64
Revaluation reserve	172	172	145	121	110	112	0.10	0.11	0.10	0.10	0.09	0.07
Retained profits	8,843	8,790	8,367	7,292	7,005	5,554	5.09	5.47	5.92	5.83	6.02	3.63
Other equity	N.A.	N.A.	N.A.	3	9	17	N.A.	N.A.	N.A.	0.00	0.01	0.01
Total liabilities and equity	173,633	160,656	141,330	125,047	116,425	153,169	100.00	100.00	100.00	100.00	100.00	100.00

Equity Reconciliation Table						
Common shareholders' equity (reported)	9,635	9,582	9,143	8,096	7,843	6,658
+ Minority Interest (equity)	60	55	80	86	30	35
- Revaluation reserves	(172)	(172)	(145)	(121)	(110)	(112)
- Nonservicing Intangibles	(260)	(256)	(214)	(199)	(30)	(17)
Adjusted common equity	9,263	9,209	8,864	7,861	7,733	6,564
+ Admissible Prefs and hybrids	1,678	1,678	1,679	0	0	0
Adjusted total equity	10,941	10,887	10,543	7,861	7,733	6,564

*Data as of March 31, 2007. Ratios annualized where appropriate. N.A.—Not available.

Table 2

Profit and Loss Statement Statistics

							Adj. avg. assets (%)					
(Mil. DKK)	**2007***	**2006**	**2005**	**2004**	**2003**	**2002 -**	**2007***	**2006**	**2005**	**2004**	**2003**	**2002**
Profitability												
Interest income	1,892	6,102	4,607	4,249	5,511	6,573	4.53	4.05	3.46	3.52	4.09	4.59
Interest expense	1,096	3,095	1,877	1,622	2,788	3,748	2.63	2.05	1.41	1.34	2.07	2.62

Table 2

Profit and Loss Statement Statistics						**(cont.'d)**						
							Adj. avg. assets (%)					
(Mil. DKK)	**2007***	**2006**	**2005**	**2004**	**2003**	**2002 -**	**2007***	**2006**	**2005**	**2004**	**2003**	**2002**
Net interest income	796	3,007	2,730	2,627	2,724	2,826	1.91	1.99	2.05	2.18	2.02	1.97
Operating noninterest income	686	2,981	2,784	2,247	1,991	1,264	1.64	1.98	2.09	1.86	1.48	0.88
Fees and commissions	416	1,635	1,472	1,082	924	758	1.00	1.08	1.11	0.90	0.69	0.53
Equity in earnings of unconsolidated subsidiaries	0	8	(3)	7	(2)	(148)	0.00	0.01	0.00	0.01	0.00	(0.10)
Trading gains	216	920	908	683	695	386	0.52	0.61	0.68	0.57	0.52	0.27
Other noninterest income	54	419	406	474	374	267	0.13	0.28	0.31	0.39	0.28	0.19
Operating revenues	1,482	5,988	5,514	4,874	4,715	4,089	3.55	3.97	4.15	4.04	3.50	2.86
Noninterest expenses	858	3,777	3,334	3,000	2,711	2,598	2.06	2.51	2.51	2.49	2.01	1.82
Personnel expenses	814	2,183	1,955	1,755	1,649	1,507	1.95	1.45	1.47	1.45	1.22	1.05
Other general and administrative expense	0	1,419	1,142	1,059	923	941	0.00	0.94	0.86	0.88	0.69	0.66
Depreciation and amortization-other	44	175	236	186	139	150	0.11	0.12	0.18	0.15	0.10	0.11
Net operating income before loss provisions	624	2,211	2,180	1,874	2,004	1,491	1.50	1.47	1.64	1.55	1.49	1.04
Credit loss provisions (net new)	1	(348)	17	327	399	408	0.00	(0.23)	0.01	0.27	0.30	0.28
Net operating income after loss provisions	623	2,559	2,163	1,547	1,604	1,083	1.49	1.70	1.63	1.28	1.19	0.76
Nonrecurring/special income	8	251	39	457	525	0	0.02	0.17	0.03	0.38	0.39	0.00
Nonrecurring/special expense	0	0	0	0	320	0	0.00	0.00	0.00	0.00	0.24	0.00
Pretax profit	631	2,810	2,202	2,004	1,809	1,083	1.51	1.86	1.66	1.66	1.34	0.76
Tax expense/credit	168	677	481	568	525	572	0.40	0.45	0.36	0.47	0.39	0.40
Net income before minority interest	463	2,134	1,721	1,436	1,284	511	1.11	1.42	1.29	1.19	0.95	0.36
Minority interest in consolidated subsidiaries	5	27	29	5	0	N.A.	0.01	0.02	0.02	0.00	0.00	N.A.
Net income before extraordinaries	458	2,107	1,692	1,431	1,284	511	1.10	1.40	1.27	1.19	0.95	0.36
Net income after extraordinaries	458	2,107	1,692	1,431	1,284	511	1.10	1.40	1.27	1.19	0.95	0.36
Core Earnings Reconciliation												
Net Income (before Minority Interest)	463	2,134	1,721	1,436	1,284	511						
- Nonrecurring/Special Income	(8)	(251)	(39)	(457)	(525)	0						
+ Nonrecurring/Special Expense	0	0	0	0	320	0						
+/- Tax Impact of Adjustments	2	60	9	129	59	0						
Core earnings	457	1,943	1,691	1,109	1,139	511	1.10	1.29	1.27	0.92	0.84	0.36

	2007*	**2006**	**2005**	**2004**	**2003**	**2002**
Asset Quality						
Nonperforming assets	652	639	1,454	434	330	346
Nonaccrual loans	652	639	1,454	434	330	346
Net charge-offs	N.A.	201	380	191	282	173
Average balance sheet						
Average customer loans	108,125	98,873	82,501	69,101	79,531	88,919
Average earning assets	145,062	130,342	116,189	105,449	117,472	127,389
Average assets	167,145	150,993	133,188	120,736	134,797	143,162
Average total deposits	96,545	90,261	83,909	78,890	75,638	72,047

Table 2

Profit and Loss Statement Statistics						(cont.'d)					
							Adj. avg. assets (%)				
(Mil. DKK)	2007*	2006	2005	2004	2003	2002 -	2007*	2006	2005	2004 2003	2002
Average interest-bearing liabilities	127,080	113,452	101,513	92,293	104,875	116,819					
Average common equity	9,608	9,362	8,619	7,970	7,251	6,416					
Average adjusted assets	166,887	150,758	132,982	120,622	134,774	143,094					
Other data											
Number of employees (end of period, actual)	4,178	4,216	4,026	3,713	3,547	3,359					
Number of branches	119	119	N.A.	N.A.	N.A.	N.A.					
Total assets under management	0	69	66	0	0	0					
Off-balance-sheet credit equivalents	26,100	26,879	26,589	21,198	19,404	17,247					

*Data as of March 31, 2007. Ratios annualized where appropriate. N.A.—Not available.

Table 3

Ratio Analysis

	2007*	2006	2005	2004	2003	2002
ANNUAL GROWTH (%)						
Customer loans (gross)	7.04	17.09	20.59	16.20	(32.42)	15.28
Loss reserves	11.86	(53.02)	(18.94)	(1.18)	(1.05)	7.11
Adjusted assets	32.35	13.67	13.03	7.26	(24.00)	15.12
Customer deposits	35.15	9.43	1.52	7.58	8.23	8.40
Total equity	2.07	3.78	33.24	3.92	18.25	7.23
Operating revenues	(1.01)	8.59	13.14	3.37	15.30	13.00
Noninterest expense	(9.14)	13.30	11.14	10.64	4.35	6.39
Net operating income before provisions	12.89	1.40	16.35	(6.47)	34.40	26.72
Loan loss provisions	N.M.	(2134.30)	(94.77)	(18.11)	(2.07)	42.56
Net operating income after provisions	(2.62)	18.29	39.84	(3.57)	48.13	21.63
Pretax profit	(10.18)	27.60	9.89	10.77	67.05	21.63
Net income	(13.20)	23.96	19.85	11.84	151.24	(18.03)
	2007*	**2006**	**2005**	**2004**	**2003**	**2002**
PROFITABILITY (%)						
Interest Margin Analysis						
Net interest income (taxable equiv.)/avg. earning assets	2.19	2.31	2.35	2.49	2.32	2.22
Net interest spread	1.77	1.95	2.12	2.27	2.03	1.95
Interest income (taxable equiv.)/avg. earning assets	5.22	4.68	3.96	4.03	4.69	5.16
Interest income on loans/avg. total loans	0.00	5.25	4.59	4.90	5.29	5.80
Interest expense/avg. interest-bearing liabilities	3.45	2.73	1.85	1.76	2.66	3.21
Interest expense on deposits/avg. deposits	0.00	2.45	1.58	1.67	1.89	2.56
Revenue Analysis						
Net interest income/revenues	53.71	50.21	49.51	53.90	57.77	69.10
Fee income/revenues	28.07	27.30	26.70	22.21	19.60	18.55
Market-sensitive income/revenues	14.57	15.36	16.47	14.02	14.74	9.44

Table 3

Ratio Analysis	(cont.'d)					
	2007*	2006	2005	2004	2003	2002
Noninterest income/revenues	46.29	49.79	50.49	46.10	42.23	30.90
Personnel expense/revenues	54.93	36.46	35.45	36.00	34.98	36.85
Noninterest expense/revenues	57.89	63.08	60.46	61.55	57.50	63.54
Noninterest expense/revenues less investment gains	57.89	63.08	60.46	61.55	57.50	63.54
Net operating income before provision/revenues	42.11	36.92	39.54	38.45	42.50	36.46
Net operating income after provisions/revenues	42.04	42.74	39.23	31.74	34.03	26.49
New loan loss provisions/revenues	0.07	(5.81)	0.31	6.71	8.47	9.97
Net nonrecurring/abnormal income/revenues	0.54	4.19	0.71	9.38	4.35	0.00
Pretax profit/revenues	42.58	46.93	39.94	41.12	38.37	26.49
Tax/pretax profit	26.62	24.08	21.85	28.34	29.02	52.80
Core Earnings/Revenues	30.85	32.45	30.66	22.75	24.15	12.50
	2007*	2006	2005	2004	2003	2002
Other Returns						
Pretax profit/avg. risk assets (%)	2.23	2.68	2.42	2.51	2.26	1.32
Revenues/avg. risk assets (%)	5.25	5.70	6.05	6.10	5.89	4.99
Net operating income before LLP/LLP	62400.00	(635.28)	12744.54	573.10	501.75	365.60
Net operating income before loss provisions/avg. risk assets (%)	2.21	2.11	2.39	2.35	2.50	1.82
Net operating income after loss provisions/avg. risk assets (%)	2.21	2.44	2.37	1.94	2.01	1.32
Net income before minority interest/avg. adjusted assets	1.11	1.42	1.29	1.19	0.95	0.36
Net income/employee (currency unit)	441,268	518,980	453,066	395,643	371,905	152,876
Non-interest expenses/average adjusted assets	2.06	2.51	2.51	2.49	2.01	1.82
Personnel expense/employee (currency unit)	775,792	531,055	514,632	483,408	477,567	450,674
Personnel expense/branch (mil. currency unit)	27.36	N.A.	N.A.	N.A.	N.A.	N.A.
Noninterest expense/branch (mil. currency unit)	28.84	N.A.	N.A.	N.A.	N.A.	N.A.
Cash earnings/avg. tang. common equity (ROE) (%)	21.96	25.55	23.41	20.80	19.91	10.57
Core earnings/average risk-weighted assets	1.62	1.85	1.86	1.39	1.42	0.62
Core earnings/average adjusted assets	1.10	1.29	1.27	0.92	0.84	0.36
Core earnings/ Average ACE (ROE)	19.80	21.50	20.22	14.22	15.93	8.17
	2007*	2006	2005	2004	2003	2002
FUNDING AND LIQUIDITY (%)						
Customer deposits/funding base	62.24	63.12	65.72	70.80	72.83	48.28
Total loans/customer deposits	132.39	141.53	132.27	112.07	103.73	165.60
Total loans/customer deposits + long-term funds	114.44	99.31	97.24	84.56	81.55	91.47
Customer loans (net)/assets (adj.)	62.91	66.82	64.17	59.63	54.78	62.23
Parent Only Analysis						
	2007*	2006	2005	2004	2003	2002
CAPITALIZATION (%)						
Adjusted common equity/risk assets	8.10	8.24	9.02	9.36	10.20	7.80
Internal capital generation/prior year's equity	19.12	23.04	20.90	18.24	19.28	8.28
Tier 1 capital ratio	9.50	9.70	10.60	10.50	10.20	8.20
Regulatory total capital ratio	11.10	11.30	11.40	12.40	12.40	11.30

Table 3

Ratio Analysis (cont.'d)

	2007*	2006	2005	2004	2003	2002
Adjusted total equity/adjusted assets	6.31	6.79	7.47	6.30	6.64	4.29
Adjusted total equity/adjusted assets + securitizations	6.31	6.79	7.47	6.30	6.64	4.29
Adjusted total equity/risk assets	9.57	9.74	10.73	9.36	10.20	7.80
Adjusted total equity plus LLR (specific)/customer loans (gross)	10.68	10.79	13.20	12.91	14.85	8.86
	2007*	**2006**	**2005**	**2004**	**2003**	**2002**
ASSET QUALITY (%)						
New loan loss provisions/avg. customer loans (net)	0.00	(0.35)	0.02	0.47	0.50	0.46
Net charge-offs/avg. customer loans (net)	N.A.	0.20	0.46	0.28	0.35	0.19
Loan loss reserves/customer loans (gross)	0.72	0.71	1.77	2.63	3.09	2.11
Credit-loss reserves/risk assets	0.69	0.69	1.66	2.40	2.69	2.44
Nonperforming assets (NPA)/customer loans + ORE	0.59	0.59	1.58	0.57	0.50	0.36
NPA (excl. delinquencies)/customer loans + ORE	0.59	0.59	1.58	0.57	0.50	0.36
Net NPA/customer loans (net) + ORE	(0.13)	(0.12)	(0.20)	(2.12)	(2.68)	(1.80)
NPA (net specifics)/customer loans (net specifics)	(0.13)	(0.12)	(0.20)	(2.12)	(2.68)	(1.80)
Loan loss reserves/NPA (gross)	121.01	119.92	112.17	463.59	616.97	594.70

*Data as of March 31, 2007. Ratios annualized where appropriate. N.A.—Not available. N.M.—Not meaningful.

Ratings Detail (As Of 14-Jun-2007)*

Jyske Bank A/S	
Counterparty Credit Rating	A+/Stable/A-1
Certificate Of Deposit	A+/A-1
Commercial Paper	
Foreign Currency	A-1
Senior Unsecured	
Foreign Currency	A+
Short-Term Debt	
Foreign Currency	A-1
Subordinated	
Foreign Currency	A-
Counterparty Credit Ratings History	
04-Jun-2007	A+/Stable/A-1
02-May-2006	A/Positive/A-1
Sovereign Rating	
Denmark (Kingdom of)	AAA/Stable/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.