

Corporate Announcement

Changes to 2020 profit after tax outlook

Due to a satisfying result for the second quarter of 2020, underpinned by favourable trends in the financial markets and a sustained good credit quality, the expectations for profit after tax have been changed to DKK 1.0 bn - 1.5 bn against the previous estimate of DKK 0.75 bn - 1.5 bn. These expectations assume stable financial markets and are exclusive of expenses of a one-off nature, which amounted to DKK 75m in the first half of 2020.

In line with expectations announced in corporate announcement of 9 June 2020, net interest income increased in the second quarter of 2020 and underlying expenses declined 4% compared with the first half of 2019.

The Group's key figures for the first half of 2020 are attached this announcement. The Interim Financial Report for the first half of 2020 will be published in full as scheduled on 18 August 2020.

Yours faithfully,

Jyske Bank

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The Jyske Bank Group's key figures

Core profit and net profit for the period (DKKm)

	H1 2020	H1 2019	Index 20/19	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	FY 2019
Net interest income	2,515	2,603	97	1,287	1,228	1,270	1,279	1,309	5,152
Net fee and commission income	1,057	1,047	101	407	650	653	611	554	2,311
Value adjustments	218	185	118	331	-113	252	-95	-8	342
Other income	56	106	53	26	30	41	7	59	154
Income from operating lease (net)	7	58	12	-1	8	15	28	34	101
Core income	3,853	3,999	96	2,050	1,803	2,231	1,830	1,948	8,060
Core expenses*	2,510	2,541	99	1,164	1,346	1,213	1,275	1,256	5,029
Core profit before loan impairment charges	1,343	1,458	92	886	457	1,018	555	692	3,031
Loan impairment charges	1,011	-7	-	8	1,003	-64	-30	9	-101
Core profit	332	1,465	23	878	-546	1,082	585	683	3,132
Investment portfolio earnings	-227	-61	-	223	-450	144	-136	-50	-53
Pre-tax profit	105	1,404	7	1,101	-996	1,226	449	633	3,079
Tax	23	295	8	239	-216	260	84	134	639
Profit for the year	82	1,109	7	862	-780	966	365	499	2,440

Summary of balance sheet, end of period (DKKbn)

Loans and advances	481.5	479.9	100	481.5	485.2	485.9	483.8	479.9	485.9
- of which mortgage loans	339.8	336.9	101	339.8	336.6	337.5	338.7	336.9	337.5
- of which traditional loans and advances	95.3	103.3	92	95.3	99.2	98.7	101.7	103.3	98.7
- of which new home loans	3.4	4.7	72	3.4	3.4	3.4	4.0	4.7	3.4
- of which repo loans	43.0	35.0	123	43.0	46.0	46.3	39.4	35.0	46.3
Bonds and shares, etc.	94.7	98.6	96	94.7	90.9	91.9	94.8	98.6	91.9
Total assets	642.1	646.4	99	642.1	674.1	649.7	662.5	646.4	649.7
Deposits	145.9	152.7	96	145.9	146.8	140.2	157.9	152.7	140.2
- of which bank deposits	132.0	139.4	95	132.0	131.2	126.9	138.2	139.4	126.9
- of which repo deposits and tri-party deposits	13.9	13.3	105	13.9	15.6	13.3	19.7	13.3	13.3
Issued bonds at fair value	339.6	350.7	97	339.6	347.3	357.0	359.5	350.7	357.0
Issued bonds at amortised cost	46.7	38.4	122	46.7	42.7	38.6	39.4	38.4	38.6
Subordinated debt	5.8	4.3	135	5.8	5.8	4.3	4.3	4.3	4.3
Holders of AT1 capital	3.2	3.2	100	3.2	3.2	3.3	3.2	3.2	3.3
Shareholders' equity	32.0	32.2	99	32.0	31.2	32.5	32.0	32.2	32.5

Financial ratios and key figures

Earnings per share for the period (DKK)**	0.0	12.8		11.3	-11.1	12.2	4.2	5.7	29.0
Profit for the period, per share (diluted) (DKK)**	0.0	12.8		11.3	-11.1	12.2	4.2	5.7	29.0
Pre-tax profit p.a. as a percentage of average equity**	0.1	8.3		13.4	-13.0	14.7	5.1	7.3	9.1
Profit for the period p.a. as a percentage of average equity**	0.0	6.6		10.4	-10.3	11.5	4.0	5.7	7.1
Expenses as a percentage of income	65.1	63.5		56.8	74.7	54.4	69.7	64.5	62.4
Capital ratio (%)	22.0	19.8		22.0	21.5	21.5	20.2	19.8	21.5
Common Equity Tier 1 capital ratio (CET1 %)	17.1	16.0		17.1	16.7	17.4	16.3	16.0	17.4
Capital base (DKKbn)	40.3	38.6		40.3	39.3	39.0	38.3	38.6	39.0
Weighted risk exposure (DKKbn)	183.5	195.1		183.5	182.9	181.4	189.7	195.1	181.4
Share price at end of period (DKK)	195	228		195	169	243	221	228	243
Distributed dividend per share (DKK)	-	-		-	-	-	-	-	-
Book value per share (DKK)**	440	408		440	430	434	418	408	434
Price/book value per share (DKK)**	0.4	0.6		0.4	0.4	0.6	0.5	0.6	0.6
No. of full-time employees at end-period***	3,420	3,692		3,420	3,508	3,559	3,639	3,692	3,559

* For the first half of 2020, core expenses amounted to DKK 2,510m, of which costs relating to the sale of Jyske Bank (Gibraltar) amounted to DKK 75m.

** Financial ratios are calculated as if Additional Tier 1 Capital is recognised as a liability.

*** The number of employees at the end of the first half of 2020 less 49 employees who are financed externally against approx. 50 employees in the other quarters.