Jyske Bank

Interim Financial Report

Q1 - Q3 2018

Interim Financial Report, first nine months of 2018

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The Jyske Bank Group

Core profit and net profit for the period (DKKm)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Net interest income	4,253	4,137	103	1,407	1,439	1,407	1,537	1,381	5,674
Net fee and commission income	1,348	1,303	103	443	399	506	654	436	1,957
Value adjustments	26	539	5	132	-38	-68	38	96	577
Other income	431	236	183	127	239	65	-29	29	207
Income from operating lease (net)	73	-48	-	26	21	26	-6	-43	-54
Core income	**6,131**	**6,167**	**99**	**2,135**	**2,060**	**1,936**	**2,194**	**1,899**	**8,361**
Core expenses	3,664	4,048	91	1,249	1,143	1,272	1,326	1,270	5,374
Core profit before loan impairment charges	**2,467**	**2,119**	**116**	**886**	**917**	**664**	**868**	**629**	**2,987**
Loan impairment charges	439	-314	-	104	27	308	-139	-194	-453
Core profit	**2,028**	**2,433**	**83**	**782**	**890**	**356**	**1,007**	**823**	**3,440**
Investment portfolio earnings	516	592	87	-20	129	407	-30	135	562
Pre-tax profit	**2,544**	**3,025**	**84**	**762**	**1,019**	**763**	**977**	**958**	**4,002**
Tax	545	662	82	184	208	153	197	210	859
Net profit for the period	**1,999**	**2,363**	**85**	**578**	**811**	**610**	**780**	**748**	**3,143**

Summary of balance sheet, end of period (DKKbn)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Loans and advances	457.7	441.0	104	457.7	455.4	447.7	447.7	441.0	447.7
- of which mortgage loans	318.8	303.0	105	318.8	314.4	309.4	306.8	303.0	306.8
- of which traditional bank loans and advances	104.5	99.1	105	104.5	104.4	102.5	101.3	99.1	101.3
- of which new home loans	9.4	11.0	85	9.4	12.2	13.3	12.2	11.0	12.2
- of which repo loans	25.0	27.9	90	25.0	24.4	22.5	27.4	27.9	27.4
Bonds and shares, etc.	74.7	75.2	99	74.7	81.0	75.1	79.1	75.2	79.1
Total assets	596.9	584.7	102	596.9	593.0	593.2	597.4	584.7	597.4
Deposits	150.9	154.9	97	150.9	155.1	155.1	160.0	154.9	160.0
- of which bank deposits	136.6	134.0	102	136.6	135.3	136.4	139.9	134.0	139.9
- of which repo deposits and tri-party deposits	14.3	20.9	68	14.3	19.8	18.7	20.1	20.9	20.1
Issued bonds at fair value	316.7	295.2	107	316.7	308.9	307.9	302.6	295.2	302.6
Issued bonds at amortised cost	33.3	38.8	86	33.3	31.2	30.1	38.9	38.8	38.9
Subordinated debt	4.3	4.3	100	4.3	4.3	4.3	4.3	4.3	4.3
Holders of AT1 capital	2.5	2.6	96	2.5	2.5	2.5	2.6	2.6	2.6
Shareholders' equity	31.9	31.8	100	31.9	32.3	31.5	32.0	31.8	32.0

Financial ratios and key figures

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Earnings per share for the period (DKK)*	22.7	26.2	-	6.5	9.3	6.9	8.7	8.3	34.9
Profit for the period, per share (diluted) (DKK)*	22.7	26.2	-	6.5	9.3	6.9	8.7	8.3	34.9
Pre-tax profit p.a. as a percentage of average equity*	10.3	12.6	-	9.1	12.4	9.3	11.8	11.9	12.4
Profit for the period p.a. as a pct. of average equity*	8.1	9.8	-	6.9	9.9	7.4	9.5	9.4	9.7
Expenses as a percentage of income	59.8	65.6	-	58.5	55.5	65.7	60.4	66.9	64.2
Capital ratio (%)	20.3	19.8	-	20.3	20.4	20.0	19.8	19.8	19.8
Common Equity Tier 1 capital ratio (CET1 %)	16.6	16.2	-	16.6	16.7	16.5	16.4	16.2	16.4
Individual solvency requirement (%)	10.3	10.3	-	10.3	10.1	10.2	10.2	10.3	10.2
Capital base (DKKbn)	37.1	36.5	-	37.1	37.7	37.4	37.3	36.5	37.3
Weighted risk exposure (DKKbn)	182.9	184.1	-	182.9	185.0	186.8	188.0	184.1	188.0
Share price at end of period (DKK)	311	363	-	311	350	358	353	363	353
Distributed dividend per share (DKK)	11.7	10.9	-	5.9	-	5.8	-	-	10.9
Book value per share (DKK)*	382	363	-	382	380	371	374	363	374
Price/book value per share (DKK)*	0.8	1.0	-	0.8	0.9	1.0	0.9	1.0	0.9
No. of full-time employees at end-period**	3,726	4,003	-	3,726	3,786	3,856	3,932	4,003	3,932

Relationships between income statement items under 'The Jyske Bank Group' (key financial data) and the income statement page 26 appear from note 4.*Financial ratios are calculated as if AT1 capital is recognised as a liability.

** The number of employees in 2018 and at the end of 2017 less 40 employees, who are financed externally.

Summary

- **Pre-tax profit, exclusive of derived effects from IFRS 9: DKK 2,951m, corresponding to a return of 12.0% p.a. on average equity (Q1-Q3 2017: DKK 3,025m and 12.6% p.a.)**
- **Post-tax profit, exclusive of derived effects from IFRS 9: DKK 2,317m, corresponding to a return of 9.4% p.a. on average equity (Q1-Q3 2017: DKK 2,363m and 9.8% p.a.)**
- **Core income: DKK 6,131m against DKK 6,167m in Q1-Q3 2017**
- **Core expenses: DKK 3,664m, i.e. a decline by 9% relative to Q1-Q3 2017**
- **Core profit before loan impairment charges: DKK 2,467m against DKK 2,119m for Q1-Q3 2017**
- **Impairment charges: DKK 439m, of which DKK 407m related to IFRS 9**
- **Capital ratio: 20.3% and the Common Equity Tier 1 capital ratio 16.6% (end of 2017: 19.8% and 16.4%, respectively)**
- **It is the intention of the Supervisory Board that, at the Annual General Meeting in March 2019, a motion be made for the distribution of ordinary dividend of DKK 6.12 per share for the financial year 2018. The ordinary dividend for 2017 was DKK 5.85 per share**
- **As of today, Jyske Bank's clients are also offered Google Pay**

Comments by Management

In connection with the publication of the interim financial report for the first nine months of 2018, Anders Dam, CEO and Managing Director, states:

"We still see a positive development in the business segments, and a pre-tax profit of almost DKK 3bn exclusive of derived effects from IFRS 9 is satisfactory under the given interest rate and market conditions. The post-tax profit exclusive of derived effects from IFRS 9 corresponds to a return of 9.4% on equity, and hence the return is still within the targeted range of 8-12%.

The cost trend is as expected in line with the lower number of employees of the Jyske Bank Group. Since the merger with BRFkredit 4½ years ago, the number of employees has been reduced by about 700, and at the same time it has been possible to increase mortgage loans by about DKK 120bn on a net basis.

Jyske Bank's capital position is still strong. At the end of the third quarter of 2018, the capital ratio was 20.3% and the Common Equity Tier 1 capital ratio 16.6%.

It is the intention of the Supervisory Board that, at the Annual General Meeting in March 2019, a motion be made for the distribution of ordinary dividend of DKK 6.12 per share for the financial year 2018 compared to DKK 5.85 per share for the financial year 2017.

At Jyske Bank's Annual General Meeting in March 2019, the Supervisory Board will further propose that own shares acquired through the existing share buy-back programme of up to DKK 1bn are cancelled.

For quite some time, several Jyske Bank clients have expressed a wish that Jyske Bank establish a cooperation scheme with Google about their payment solution. In order to contribute to our objective "to be where the clients are", we have today launched Google Pay for existing and future clients of Jyske Bank. Already today, Jyske Bank offers a series of digital payment solutions, such as MobilePay, Garmin Pay, FitBit Pay and Apple Pay. Thanks to the launch of Google Pay, we now offer a product to the clients no matter which phone or device they wish to use", ends Anders Dam.

Financial Review

Material circumstances

Nordjyske Bank shareholding

On 18 April 2018, Nordjyske Bank and Ringkjøbing Landbobank announced that the boards of directors of the two banks had entered into a merger agreement and recommend their shareholders to vote in favour of the merger.

Jyske Bank chose to support the planned merger of Nordjyske Bank and Ringkjøbing Landbobank, which was approved by the subsequent general meetings of the two banks. Jyske Bank has sold the shares in Ringkjøbing Landbobank that Jyske Bank acquired following the merger.

Jyske Bank's conditional, voluntary offer to the shareholders of Nordjyske Bank, which was made in an offer document of 6 April 2018, ceased to apply when the merger was approved.

The profit is affected by a total of DKK 544m after costs incurred.

Over a 3-year period, Jyske Bank has directly and indirectly earned about DKK 700m on its ownership of shares in Nordjyske Bank.

Implementation of new impairment rules, IFRS 9 and the Group's adjustment

IFRS 9 took effect on 1 January 2018. As a consequence of the new rules, impairment charges are calculated as the expected loss on all loans, advances and guarantees.

Due to the Group's implementation of and adjustment to IFRS 9, the balance of impairment charges increased on 1 January 2018 by DKK 1,035m. The profit for the first quarter was affected by DKK 407m and equity by DKK 628m before tax. The overall effect for the Jyske Bank Group was fully recognised in the financial statements and solvency ratio in the first quarter of 2018.

The Minimum requirement for own funds and eligible liabilities (MREL) and Standard and Poor's upgrade of outlook

The Danish Financial Supervisory Authority (FSA) has defined the minimum requirement for own funds and eligible liabilities (MREL). For Jyske Bank, the requirement was defined at 12.7% of Jyske Bank's total liabilities and consolidated capital base, corresponding to 28.1% of the risk exposure amount. The MREL is to be met through capital instruments or a new class of senior debt, subordinated to the existing senior debt. The MREL takes effect on 1 January 2019 and must be met by 1 July 2019, but senior debt issued before 1 January 2018 can be included over the period up to and including 1 January 2022.

Already today, Jyske Bank meets the MREL, as the current senior issues meet the MREL over a transitional period until the end of 2021.

As part of the gradual replacement of the Group's old senior debt with new issues, Jyske Bank has issued the first non-preferred senior bond totalling SEK 1.75bn with a 5-year maturity.

Based on the FSA's measurement of MREL as well as Jyske Bank's funding plan for the required issues, Standard & Poor's changed in April 2018 Jyske Bank's senior ratings to 'Positive Outlook' from 'Stable Outlook'. Jyske Bank's current long-term and short-term senior ratings are A-/A-2.

Sale of properties

On 30 June 2018, Jyske Bank sold the property Klampenborgvej 205 in Kgs. Lyngby, which is the Head Office of Jyske Realkredit A/S (formerly BRFkredit a/s). The gain from the sale amounted to DKK 185m before tax and was recognised under other income for the second quarter of 2018. Moreover, five properties in the Copenhagen area were sold, resulting in a gain of DKK 100m, which amount has been recognised under Other income in the third quarter of 2018. One property in the Copenhagen area has been sold with an expected earnings impact in the first quarter of 2019 against previously the fourth quarter of 2018. The gain of this sale is still expected to be about DKK 50m before tax.

Provisions reversed

In May 2017 a court in Gibraltar decided in favour of the plaintiffs in an action for damages filed against Jyske Bank Gibraltar, the so-called Marrache case. Due to the outcome of the subsequent appeal case, which Jyske Bank won, provisions of DKK 96m was reversed in the second quarter of 2018, which amount was deducted from the core expenses of the period.

Capital-related measures

DLR shares in the amount of about DKK 247m were sold in the third quarter, and the effect from this on the capital was recognised in the third quarter of 2018. Over the first nine months of 2018, DLR shares totalling DKK 375m were sold.

The extraordinary general meeting on 14 August decided to cancel 4,214,000 Jyske Bank shares, corresponding to 4.73% of the company's share capital, which the bank bought back through a share buy-back programme over the period 1 March 2017 to 28 March 2018. The shares were cancelled on Nasdaq Copenhagen with effect as of 2 October 2018, after which date Jyske Bank's share capital amounts to DKK 849,450,440, corresponding to 84,945,044 shares. The cancellation corresponds to a pay-out of DKK 1.5bn to the shareholders.

At the end of the third quarter of 2018, own shares in the amount of DKK 448m had been bought back under the existing share buy-back programme of up to DKK 1bn, running over the period 22 August to 28 December 2018.

It is the intention of the Supervisory Board that, at the Annual General Meeting in March 2019, a motion be made for the distribution of ordinary dividend of DKK 6.12 per share for the financial year 2018 compared to DKK 5.85 per share for the financial year 2017.

At Jyske Bank's Annual General Meeting in March 2019, the Supervisory Board will further propose that own shares acquired through the existing share buy-back programme of up to DKK 1bn are cancelled.

IT costs

Development costs relating primarily to capital-market activities through Bankdata will on an on-going basis be invoiced to the member banks. So far, development totalling DKK 687m have been incurred, of which about DKK 290m relate to Jyske Bank. Jyske Bank will capitalise and recognise these costs as an expense, probably over five years beginning in the third quarter of 2018.

Net profit for the period

Over the first nine months of 2018, the Jyske Bank Group generated a pre-tax profit of DKK 2,544m. Calculated tax amounted to DKK 545m, and after tax the profit amounted to DKK 1,999m. The post-tax profit, exclusive of derived effects from IFRS 9 amounted to DKK 2,317m, corresponding to a return of 9.4% p.a. on average equity compared to 9.8% for the corresponding period of 2017.

Core profit and net profit for the period (DKKm)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Net interest income	4,253	4,137	103	1,407	1,439	1,407	1,537	1,381	5,674
Net fee and commission income	1,348	1,303	103	443	399	506	654	436	1,957
Value adjustments	26	539	5	132	-38	-68	38	96	577
Other income	431	236	183	127	239	65	-29	29	207
Income from operating lease (net)	73	-48	-	26	21	26	-6	-43	-54
Core income	**6,131**	**6,167**	**99**	**2,135**	**2,060**	**1,936**	**2,194**	**1,899**	**8,361**
Core expenses	3,664	4,048	91	1,249	1,143	1,272	1,326	1,270	5,374
Core profit before loan impairment charges	**2,467**	**2,119**	**116**	**886**	**917**	**664**	**868**	**629**	**2,987**
Loan impairment charges	439	-314	-	104	27	308	-139	-194	-453
Core profit	**2,028**	**2,433**	**83**	**782**	**890**	**356**	**1,007**	**823**	**3,440**
Investment portfolio earnings	516	592	87	-20	129	407	-30	135	562
Pre-tax profit	**2,544**	**3,025**	**84**	**762**	**1,019**	**763**	**977**	**958**	**4,002**
Tax	545	662	82	184	208	153	197	210	859
Net profit for the period	**1,999**	**2,363**	**85**	**578**	**811**	**610**	**780**	**748**	**3,143**

Core profit

Core profit before impairment charges increased by 16% relative to the same period of 2017.

Core income

Net interest income amounted to DKK 4,253m against DKK 4,137m in 2017, i.e. an increase by 3%. Net interest income was favourably affected by growth in bank loans and mortgage loans. On the other hand, the market place is still characterised by competition and pressure on margins. Compared to the first nine months of 2017, net interest income was also affected favourably by maturity at the end of January of senior debt issued by Jyske Realkredit. The strategic balance sheet and risk management contributed DKK 275m in the form of net interest income against DKK 229m in the first nine months of 2017. The primary reason for the increase is that, since the beginning of 2018, the return on parts of the Group's bond portfolio is recognised as core income rather than investment portfolio earnings, which affects net interest income positively and value adjustments negatively. The overall effect on net interest income and value adjustments from the strategic balance sheet and risk management is shown in the table below.

Strategic balance sheet and risk management (DKKm)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Net interest income	210	229	92	63	75	72	87	77	316
Value adjustments	-42	-6	700	45	-26	-61	-41	8	-46
Banking activities, total	**168**	**223**	**75**	**108**	**49**	**11**	**46**	**85**	**270**
Net interest income*	65	0	-	20	24	21	0	0	0
Value adjustments*	-69	0	-	-9	-41	-19	0	0	0
Mortgage activities, total*	**-4**	**0**	**-**	**11**	**-17**	**2**	**0**	**0**	**0**
Jyske Bank Group, total	**164**	**223**	**74**	**119**	**32**	**13**	**46**	**85**	**270**

*As of the beginning of 2018, the return on Jyske Realkredit's portfolio of securities (investment portfolio earnings) is recognised as core income and then included in the strategic balance sheet and risk management.

Given a parallel yield increase by 100 bp on the current yield curve, the Group's net interest income is - all other things being equal - expected to increase by almost DKK 500m over the first year. The effect from client-related activities as well as hedging of these amount to about DKK 200m. The remaining part can primarily be attributed to the fact that the

Bank's equity is invested in interest-bearing instruments, and these yield a higher return. The change in net interest income will in actual fact only materialise when Danmarks Nationalbank, the central bank of Denmark, hikes its leading rate.

Net fee and commission income amounted to DKK 1,348m against DKK 1,303m in 2017, i.e. an increase by 3%. The increase can primarily be attributed to other fee income, as Jyske Invest Fund Management only became part of the Jyske Bank Group at the beginning of the second quarter of 2017, and since the fourth quarter of 2017 losses are no longer offset in fee income from DLR Kredit as these are instead recognised as impairment charges. Activity-driven fees within payment services and loan application fees also increased. Fees relating to investing activity fell, and fees relating to refinancing were in line with the corresponding period in 2017. The stability of the latter can be attributed to the extraordinarily high refinancing activity experienced by Jyske Realkredit in the third quarter, which compensated for the lower activity level in the second quarter of 2018. The decline in the investing activity can primarily be attributed to the lower commission rates on mutual fund units and lower performance fees.

Value adjustments amounted to DKK 26m against DKK 539m for the first nine months of 2017. In 2017, the credit spread for Danish mortgage bonds narrowed significantly, which had a positive effect on the value adjustments of the bond portfolios - both the trading and the liquidity portfolio. Hence value adjustments for the strategic balance sheet and risk management amounted to DKK -111m in the first nine months of 2018 compared to DKK -6m for the same period in 2017. To this must be added that client transactions relating to interest-rate hedging had an adverse effect by DKK 25m in the first nine months of 2018 against a positive effect of DKK 128m in the same period in 2017.

Other income amounted to DKK 431m against DKK 236m in the first nine months of 2017. In these periods, DKK 285m and DKK 96m, respectively, were recognised in relation to sales of owner-occupied properties.

Core expenses
Core expenses fell by 9% to DKK 3,664m against DKK 4,048m in the same period in 2017, which period was affected by one-off expenses totalling DKK 237m. In the first half of 2018, provisions of DKK 96m were reversed in connection with the Marrache case on Gibraltar. Adjusted for this as well as one-off expenses in the first nine months of 2017, core expenses fell by 1%.

Employee costs fell despite the fact that the increase in salaries prescribed by the collective agreement and an increase in payroll taxes totalled about 2.5% p.a. At the end of the third quarter 2018, the number of full-time employees in the Group was 3,726, i.e. a decline by 206 full-time employees relative to the number at the end of 2017.

Impairment charges
Under core profit, loan impairment charges and provisions for guarantees of DKK 439m were recognised as an expense against reversals of DKK 314m in the same period in 2017. The implementation of IFRS 9 on 1 January 2018 and the Group's adjustment to these standards affected the profit for the period by DKK -407m.

Over the period, the underlying credit quality resulted net impairment charges of DKK 32m. The underlying credit quality was, therefore, still good, and the inflow of new non-performing loans was still at a low level for both corporate and personal clients, and a lower indication of impairment was seen for existing non-performing loans.

At the end of the third quarter, impairment charges based on the management's estimate amounted to DKK 420m against DKK 466m at the end of 2017 and DKK 390m at the end of the first half of 2018.

Investment portfolio earnings

Investment portfolio earnings (DKKm)	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Net interest income	79	269	29	22	21	36	61	77	330
Net fee and commission income	0	-2	-	0	0	0	-1	-2	-3
Value adjustments	407	303	134	-35	114	328	-84	65	219
Other income	54	45	120	1	4	49	2	2	47
Income	**540**	**615**	**88**	**-12**	**139**	**413**	**-22**	**142**	**593**
Expenses	24	23	104	8	10	6	8	7	31
Investment portfolio earnings	**516**	**592**	**87**	**-20**	**129**	**407**	**-30**	**135**	**562**

For the first nine months of 2018, investment portfolio earnings amounted to DKK 516m against DKK 592m for the corresponding period in 2017. Of the total investment portfolio earnings, value adjustment and the return on the portfolio of Nordjyske Bank shares amounted to DKK 544m in the first half of 2018. Relative to the first nine months of 2017, net interest income was adversely affected by the move of a large part of the bond holding to core income.

The credit spread on Danish mortgage bonds narrowed marginally in the third quarter of 2018. Over the period as a whole, the spread was practically unchanged.

Due to the fact that a major part of the bonds portfolio was moved to become part of the core business, the effect from the own securities portfolio on profit will structurally be moderate in future. Given the new structure, the investment portfolio will only contain tactical interest-rate positions to a moderate degree, the Group's currency positions and, to a modest degree, equities and corporate bonds.

Q3 2018 compared to Q2 2018

For the third quarter of 2018, the post-tax profit amounted to DKK 578m against DKK 811m for the second quarter.

Core income increased from DKK 2,060m in the second quarter to DKK 2,135m in the third quarter. For the third quarter, net fee and commission income amounted to DKK 443m against DKK 399m in the second quarter. The increase can primarily be ascribed to a higher level of refinancing within mortgage activities. The item Value adjustments includes an amount of DKK 79m pertaining to early redemption of issued bonds and effects from the implementation of Murex that relate to the strategic balance sheet and risk management

Net interest income amounted to DKK 1,407m against DKK 1,439m in the second quarter. The underlying net interest income from the Bank's deposit and lending activities was fairly stable despite the continued pressure on the interest rate margins. Net interest income from the strategic balance sheet and risk management fell to DKK 83m from DKK 99m in the second quarter. The decline can primarily be attributed to derivatives, including an effect in the amount of DKK 10m from the transition to Murex at the end of May, which meant that, as of that time, up-front fees on swaps were recognised as income in the form of value adjustments rather than interest. To this must be added a decline in other net interest income from mortgage activities driven by a reduced bond portfolio as well as a lower level of various interest income from mortgage operations.

Core expenses amounted to DKK 1,249m against DKK 1,143m in the second quarter. The increase can essentially be attributed to the reversal in the second quarter of provisions of DKK 96m relating to the Marrache court case on Gibraltar.

Impairment charges amounted to an expense of DKK 104m against DKK 27m in the second quarter. The increase can primarily be attributed to impairment charges in the corporate client segment.

Investment portfolio earnings for the third quarter of 2018 amounted to DKK -20m. Of which net interest amounted to DKK 22m and value adjustments to DKK -35m. The negative value adjustments can be ascribed to equity and currency positions as well as "pull-to-par" effects.

The holding of Nordjyske Bank shares had a positive effect of DKK 188m on the investment portfolio earnings for the second quarter. The holding was sold in connection with the merger of Nordjyske Bank and Ringkjøbing Landbobank in the second quarter.

Business volume

Summary of balance sheet, end of period (DKKbn)	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Loans and advances	457.7	441.0	104	457.7	455.4	447.7	447.7	441.0	447.7
- of which mortgage loans	318.8	303.0	105	318.8	314.4	309.4	306.8	303.0	306.8
- of which traditional bank loans and advances	104.5	99.1	105	104.5	104.4	102.5	101.3	99.1	101.3
- of which new home loans	9.4	11.0	85	9.4	12.2	13.3	12.2	11.0	12.2
- of which repo loans	25.0	27.9	90	25.0	24.4	22.5	27.4	27.9	27.4
Bonds and shares, etc.	74.7	75.2	99	74.7	81.0	75.1	79.1	75.2	79.1
Total assets	596.9	584.7	102	596.9	593.0	593.2	597.4	584.7	597.4
Deposits	150.9	154.9	97	150.9	155.1	155.1	160.0	154.9	160.0
- of which bank deposits	136.6	134.0	102	136.6	135.3	136.4	139.9	134.0	139.9
- of which repo deposits and tri-party deposits	14.3	20.9	68	14.3	19.8	18.7	20.1	20.9	20.1
Issued bonds at fair value	316.7	295.2	107	316.7	308.9	307.9	302.6	295.2	302.6
Issued bonds at amortised cost	33.3	38.8	86	33.3	31.2	30.1	38.9	38.8	38.9
Subordinated debt	4.3	4.3	100	4.3	4.3	4.3	4.3	4.3	4.3
Holders of AT1 capital	2.5	2.6	96	2.5	2.5	2.5	2.6	2.6	2.6
Shareholders' equity	31.9	31.8	100	31.9	32.3	31.5	32.0	31.8	32.0

Mortgage loans at fair value amounted to DKK 318.8bn at the end of the third quarter of 2018, corresponding to an increase by DKK 12bn relative to the level at the end of 2017. Driven by loans to corporate clients, traditional bank loans and advances had increased to DKK 104.5bn at the end of the third quarter of 2018 against DKK 101.3bn at the end of 2017.

Compared to the level at the end of 2017, new home loans fell by almost DKK 3bn to DKK 9.4bn at the end of third quarter of 2018. The decline was to be expected as due to the simplification of the home loan product range, all home loans, except for Q4 Plus and Renteloft CIBOR3, are recognised as mortgage loan as of the first recognition.

At the end of the third quarter of 2018, bank deposits exclusive of repo deposits amounted to DKK 136.6bn, i.e. a decline by DKK 3.3bn relative to the level at the end of 2017.

At the end of the third quarter of 2018, the business volume within asset management amounted to DKK 147bn compared to DKK 145bn at the end of 2017 and DKK 148bn at the end of the first half of 2018. With respect to returns, the third quarter of the year saw a mixed development across asset classes, but the declines at the beginning of the year had at the end of the third quarter been more than offset by increases in the second and third quarters. The overall return for the clients was therefore positive. There continued to be an inflow of new funds from most client segments, even though it was at a lower level over the summer.

Credit quality

The Group's total balance of loan impairment charges and provisions as well as its discount balance amounted to DKK 6.1bn at the end of the third quarter of 2018 against DKK 5.7bn at the end of 2017, corresponding to 1.3% and 1.2%, respectively, of the total balance of loans, advances and guarantees.

The increase of the balance can be attributed to the Group's adjustment to the new impairment rules, IFRS 9, which took effect on 1 January 2018. IFRS 9 implies earlier recognition of impairment charges on financial assets at amortised cost, provisions for losses on guarantees as well as unutilised credit lines. Therefore, already at the first recognition, impairment charges corresponding to a 12-month expected credit loss must be recognised. If, subsequently, the credit risk on the asset increases materially, the expected credit loss over the remaining life of the loan will be recognised.

Financial assets are divided into three stages depending on the deterioration of the debtor's credit rating relative to the first recognition. For exposures in stage 1, impairment charges corresponding to probability-weighted losses over the following 12 months are recognised, while for exposures in stages 2 and 3 impairment charges corresponding to losses expected over the remaining life of the exposures are recognised.

The assessment of the indication of impairment for stage 3 assets is based on individual expert assessments of the probability-weighted expected loss. The new rules have not resulted in any material changes in the extent of impairment of these exposures.

The table below shows the balance of loan impairment charges and provisions for guarantees broken down by IFRS 9 category.

Loans, advances and guarantees(DKKm)	Q3 2018	Q2 2018	Q1 2018
Loans, advances and guarantees	476,117	473,558	465,834
Stage 1: Assets without material deterioration in credit quality	657	618	628
Stage 2: Assets with significant deterioration in credit quality	1,310	1,276	1,351
Stage 3: Assets in default	3,792	3,821	3,849
Balance of loan impairment charges and provisions for guarantees	**5,759**	**5,715**	**5,828**
Discounts on acquired loans	388	403	454
Total balance of loan impairment charges and provisions for guarantees incl. balance of discounts	**6,147**	**6,118**	**6,282**
Non-accrual loans and past due exposures	1,339	1,400	1,419
Operational loan impairment charges and provisions for guarantees	104	27	308
Operating loss	123	282	429

At the end of the third quarter of 2018, non-performing loans and guarantees amounted to DKK 11.4bn against DKK 11.1bn and DKK 12.1bn at the end of the second and first quarters 2018, respectively. The significant decline from the end of 2017 to the end of the first quarter of 2018 can materially be attributed to the changed definition of 'non-performing' in consequence of the implementation of IFRS 9. The statement of non-performing exposures is still based on the EBA's technical standard.

Non-performing loans and advances (DKKm)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Loans, advances and guarantees	476,117	459,709	104	476,117	473,558	465,834	466,402	459,709	466,402
Non-performing loans and guarantees	11,366	19,637	58	11,366	11,106	12,064	18,692	19,637	18,692
Impairment charges and provisions	3,726	5,250	71	3,726	3,706	3,721	4,748	5,250	4,748
Discounts on acquired loans	291	569	51	291	301	356	590	569	590
Non-performing loans and guarantees after impairment charges	7,348	13,818	53	7,348	7,099	7,987	13,354	13,818	13,354
NPL ratio	1.5%	3.0%	-	1.5%	1.5%	1.7%	2.9%	3.0%	2.9%
NPL coverage ratio	35.3%	29.6%	-	35.3%	36.1%	33.8%	28.0%	29.6%	28.0%

Agriculture

The drought over the summer in Denmark resulted in steep declines in plant production. The drought also affected other parts of Europe, and therefore rising grain prices have in part compensated the plant growers for the lower output. In addition to the financial consequences for the plant growers, the drought will - depending on the degree of self-sufficiency - also have financial consequences for pig breeders and dairy farmers. The management's estimate relating to agricultural clients amounted to DKK 180m at the end of the third quarter of 2018 and is included in the table below.

Dairy farmers, pig farming and plant production (DKKm / %)

	Loans, advances and guarantees		Balance of loan impairment charges		Impairment ratio	
	Q3 2018	Q4 2017	Q3 2018	Q4 2017	Q3 2018	Q4 2017
Dairy farmers	928	917	453	529	33%	37%
Pig farming	1,558	1,161	267	329	15%	22%
Plant production	2,241	1,758	90	122	4%	7%
Total	**4,727**	**3,836**	**810**	**980**	**15%**	**20%**

At the end of the third quarter of 2018, the impairment ratios for dairy farmers and pig farming were 33% and 15%, respectively, against 37% and 22%, respectively, at the end of 2017. For plant production, the impairment ratio was 4% against 7% at the end of 2017. The increase in loans, advances and guarantees can be attributed to Jyske Erhvervslån. At the end of the third quarter of 2018, Jyske Erhvervslån amounted to DKK 2bn of the loans and advances for agricultural clients.

Capital and liquidity management

Capital management
Jyske Bank's long-term capital management objective after the implementation of the new Basel recommendations is a capital ratio of 17.5% and a Common Equity Tier 1 capital ratio of 14%. At these levels, Jyske Bank will have a safe distance to the capital base requirements and will at the same time have the required strategic scope.

On the basis of the Basel recommendations published in December 2017, Jyske Bank assesses that an increase by up to 3 percentage points relative to the capital targets will be necessary to meet the Banks long-term target when the revised Basel recommendations have been fully phased in.

At the end of the third quarter of 2018, the capital ratio was 20.3% and the Common Equity Tier 3 capital ratio 16.6%, and therefore the Group meets the long-term targets, inclusive of the effect from the Basel recommendations. At the end of 2017, the capital ratios were 19.8% and 16.4%, respectively.

The Bank’s aims, in the long term, to ensure a risk-adjusted capital ratio (RAC) determined by S&P at the level of 10.5% in order to maintain the score 'strong' in the category 'capital and earnings'. At the end of the third quarter of 2018, RAC was calculated at 10.3% against 10.2% at the end of 2017. The Group's RAC was negatively affected by the new financial reporting standard for impairment, IFRS 9. The negative effect was more than offset by the positive effect from the sale of the holding of Nordjyske Bank shares. The untapped part of the current share buy-back programme, DKK 552m, was deducted when calculating in the Group’s RAC at the end of the third quarter of 2018.

In future, Jyske Bank will endeavour to distribute dividend and/or carry out share buy-backs using surplus capital, when the capital position allows for this.

Capital and core capital ratios (%)

	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	End of 2017
Capital ratio	20.3	20.4	20.0	19.8	19.8	19.8
Core capital ratio incl. hybrid capital	18.3	18.4	18.2	18.0	18.0	18.0
Common Equity Tier 1 capital ratio (CET 1)	16.6	16.7	16.5	16.4	16.2	16.4

The Jyske Bank Group’s total weighted risk exposure amounted to DKK 183bn at the end of the third quarter of 2018 against DKK 188bn at the end of 2017. The Jyske Bank Group's total weighted risk exposure with credit risk amounted to DKK 153bn, corresponding to 84% of the total weighted risk exposure against DKK 150bn at the end of 2017. The increase by DKK 3bn in the total weighted risk exposure with credit risk can be attributed to an increase in loans and advances as well as reclassification of bonds from market risk to credit risk.

Capital
In the first nine months of 2018, Jyske Bank did not issue any further Additional Tier 1 capital (AT1) or Tier 2 capital, but the general adjustment and capital restructuring continue. Over the first nine months of 2018, DLR shares in the amount of DKK 375m were sold, of which DKK 247m in the third quarter of 2018. The sales were set off against the total risk exposure with a risk weight of 250%.

For Jyske Bank, the FSA has defined the minimum requirement for own funds and eligible liabilities (the so-called MREL) at 12.7% of Jyske Bank's total liabilities and consolidated capital base, corresponding to 28.1% of the risk exposure amount. The MREL takes effect on 1 January 2019 and must be met by 1 July 2019, but senior debt issued before 1 January 2018 can be included over the period up to and including 1 January 2022.

Calculations demonstrate that already today Jyske Bank meets the MREL with existing senior debt. During the period up to expiry of the transition period end of 2021 the old senior debt will gradually be replaced with the new MREL eligible non-preferred senior debt.

The extraordinary general meeting on 14 August decided to cancel 4,214,000 Jyske Bank shares, corresponding to 4.73% of the company's share capital, which the bank bought back through a share buy-back programme over the period 1 March 2017 to 28 March 2018. The shares were cancelled on Nasdaq Copenhagen with effect as of 2 October 2018, after which date Jyske Bank's share capital amounts to DKK 849,450,440, corresponding to 84,945,044 shares. The cancellation corresponds to a pay-out of DKK 1.5bn to the bank's shareholders.

At the end of the third quarter of 2018, own shares in the amount of DKK 448m had been bought back under the existing share buy-back programme of up to DKK 1bn, running over the period 22 August to 28 December 2018.

It is the intention of the Supervisory Board that, at the Annual General Meeting in March 2019, a motion be made for the distribution of ordinary dividend of DKK 6.12 per share for the financial year 2018 compared to DKK 5.85 per share for the financial year 2017.

At Jyske Bank's Annual General Meeting in March 2019, the Supervisory Board will further propose that own shares acquired through the existing share buy-back programme of up to DKK 1bn are cancelled.

Individual solvency requirement and capital buffer

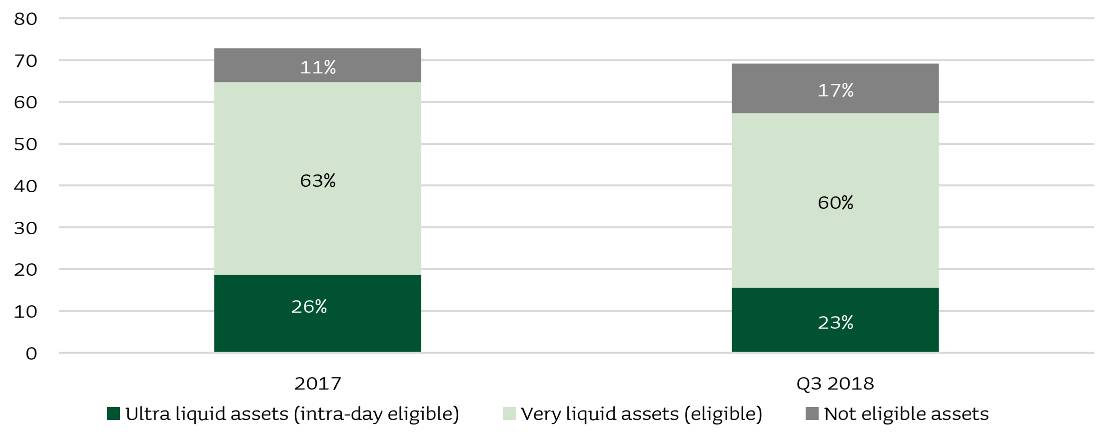
At the end of the third quarter of 2018, the Jyske Bank Group calculated its individual solvency requirement to be 10.3% of the total weighted risk exposure against 10.2% at the end of 2017. To this must be added a SIFI requirement of 1.2% and a capital conservation buffer of 1.9%.

Compared with the actual capital base of DKK 37.1bn, the capital buffer amounted at the end of the third quarter of 2018 to DKK 12.6bn, corresponding to 6.9%. At the end of 2017, the capital buffer was at DKK 13.9bn, corresponding to 7.4%.

Liquidity buffer

At the end of the third quarter of 2018, the Jyske Bank Group's liquidity buffer amounted to almost DKK 70bn against DKK 73bn at the end of 2017. The buffer consisted mainly of ultra-liquid and very liquid assets in the form of deposits with central banks as well as government bonds, Danish mortgage bonds and covered bonds ('SDO').

Liquidity buffer by asset class (DKKbn)



The robustness of the liquidity buffer is measured by calculating it in a stress scenario presuming that the Group will be precluded from re-financing in the international financial money markets for unsecured senior debt. Under such a scenario, the buffer will after a 12-month period amount to DKK 38bn.

Liquidity buffer and run-off (DKKbn)	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	End of 2017
End of period	69.1	57.9	64.0	72.8	69.0	72.8
3 mths.	52.5	49.9	49.3	54.2	56.0	54.2
6 mths.	48.5	44.7	46.6	49.6	42.5	49.6
9 mths.	42.6	40.9	40.3	47.8	38.5	47.8
12 mths.	38.3	36.2	36.9	42.8	37.4	42.8

MREL

In June, the EU's bank recovery and resolution directive (BRRD) was adopted with effect as of 1 January 2018. The act will introduce a new layer to the creditor ranking for financial services companies and a new type of debt in the form of contractual subordinated senior debt (non-preferred senior; " NPS") with a view to meeting the banks' MREL. NPS bonds are positioned between regular unsecured senior debt and subordinated debt.

Based on the Danish Financial Supervisory Authority's determination of the Group's MREL, Jyske Bank anticipates to issue NPS bonds totalling about EUR 2.5bn by the end of 2021.

Capital markets and issuance activity

Following the very low levels in 2017, a number of credit spreads saw, in the first half of 2018, a major change of the levels. The biggest and most significant credit spread widenings were in the asset class Tier 2 capital as well as Additional Tier 1 Capital (AT1). Senior debt and also, in particular, the new NPS bonds became significantly more expensive in the first half of 2018. In the third quarter, the credit spread levels remained fairly stable, yet at a significantly higher level than in 2017.

As part of the gradual replacement of the Group's old senior debt with new NPS issues, Jyske Bank issued the first NPS bond totalling SEK 1.75bn with a five-year maturity, namely in the form of SEK 750m at a fixed rate and SEK 1bn at a floating rate of 3M STIBOR +1.05% corresponding to 3M CIBOR +0.75%.

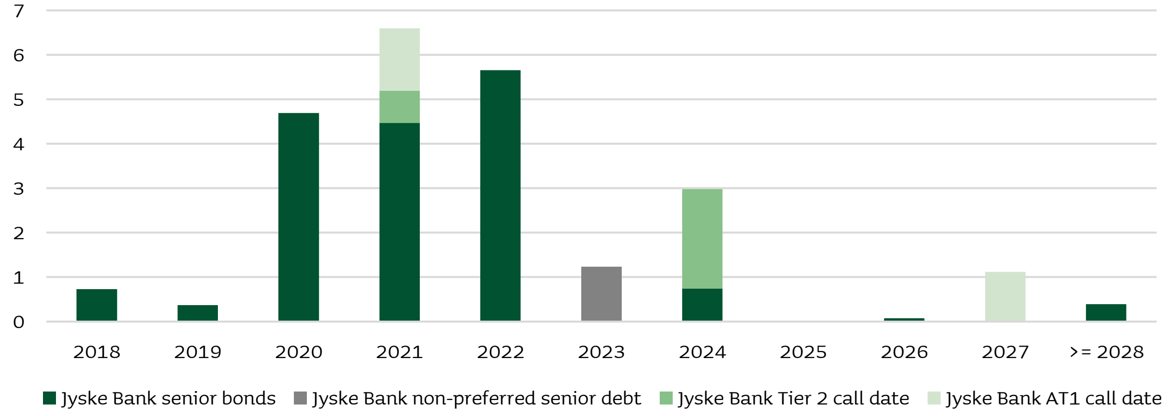
In addition, the Group is on an on-going basis active in the French CP market. At the end of the third quarter of 2018, the outstanding volume of bonds under the CP programme amounted to DKK 17.1bn against DKK 16bn at the end of 2017.

Refinancing profile

At the end of the third quarter of 2018, outstanding unsecured senior debt, NPS issues and Tier 2 capital under the Group's EMTN programme, amounted to DKK 18.5bn and DKK 3.3bn, respectively, against DKK 17.9bn and 3.3bn at the end of 2017.

The run-off profile for the Group's unsecured senior debt and NPS issues as well as the call date profile on the Group's CRD 4 compliant Tier2 and AT1 capital determined at the end of the third quarter of 2018 are illustrated by the below chart.

Run-off and call date profile (DKKbn)



Financing plans and credit rating

It is expected that over the next four years, the Group's outstanding unsecured senior debt will gradually be replaced with non-preferred senior debt (NPS). Therefore the Group's funding plan includes an annual NPS benchmark bond issue in the amount of EUR 500m. The Group's first NPS issue in EUR has been planned to take place before the end of 2018.

Based on the FSA's measurement of MREL as well as Jyske Bank's funding plan for the required issues, Standard & Poor's changed in April 2018 its view of Jyske Bank's senior ratings to 'positive outlook' from 'stable outlook'. Jyske Bank's long-term and short-term senior ratings are A-/A-2.

Liquidity Coverage Ratio (LCR)

At the end of the third quarter of 2018, the Group's LCR was at 234% compared to 189% at the end of 2017. The Group's internal guideline points to a LCR for the Group of at least 150%.

The Group's LCR buffer after haircuts at the end of the third quarter of 2018 is shown below.

The Group's LCR buffer broken down by asset class (DKKbn/%)

	DKKbn	%
Level 1a	35.0	51
Level 1b	32.2	46
Level 2a + 2b	1.9	3
Total	**69.1**	**100.0**

Being a Danish a systemically important financial institution, Jyske Bank must meet a modified LCR requirement in EUR. At the end of the third quarter of 2018, Jyske Bank met the requirement by a significant buffer.

As of 30 June 2018, Jyske Bank must also meet the FSA's liquidity benchmark in the supervisory diamond. The benchmark is a simplified version of LCR with a longer survival horizon of 90 days. At the end of the third quarter of 2018, the benchmark for Jyske Bank was at 179%, and therefore significantly above the minimum requirement of 100%.

Other information

The supervisory diamond for Jyske Bank A/S

The supervisory diamond defines a number of special risk areas including specified limits that financial institutions should generally not exceed.

The supervisory diamond for Jyske Bank A/S

	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	End of 2017
Sum of large exposures <175% of Common Equity Tier 1 capital*	76%	73%	74%	72%	73%	72%
Increase in loans and advances < 20% annually	2%	4%	4%	2%	2%	2%
Exposures to property administration and property transactions < 25% of total loans and advances	11%	10%	10%	9%	9%	9%
Stable funding < 1	0.58	0.58	0.59	0.56	0.57	0.56
Liquidity benchmark > 100% **	179%	166%	-	-	-	-

*The benchmark for total large exposures was changed in 2018. Comparative figures have been restated accordingly.

**At the end of the second quarter of 2018, the liquidity benchmark was changed to LCR at a three-month horizon. It was not possible to show adjusted comparative figure.

Jyske Bank A/S meets all the benchmarks of the supervisory diamond.

The supervisory diamond for Jyske Realkredit A/S

The supervisory diamond defines a number of special risk areas including specified limits that financial institutions should generally not exceed. The supervisory diamond takes effect in 2018 and 2020, respectively.

The supervisory diamond for Jyske Realkredit A/S

	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	End of 2017
Concentration risk < 100%	47.1%	50.3%	49.4%	47.5%	57.0%	47.5%
Increase in loans and advances < 15% annually in the segment:						
Owner-occupied homes and vacation homes	4.9%	5.2%	7.0%	11.7%	12.1%	11.7%
Residential rental property	11.6%	7.8%	7.9%	6.6%	6.6%	6.6%
Agriculture	-	-	-	-	-	-
Other sectors	3.7%	5.9%	6.5%	5.2%	4.5%	5.2%
Borrower's interest-rate risk < 25%						
Residential property	19.6%	19.9%	20.1%	20.8%	20.8%	20.8%
Interest-only schemes < 10%						
Owner-occupied homes and vacation homes	7.4%	7.4%	7.5%	7.9%	7.9%	7.9%
Loans with frequent interest-rate fixing:						
Refinancing (annually) < 25%	16.3%	12.5%	20.8%	19.9%	24.9%	19.9%
Refinancing (quarterly) < 12.5%	6.5%	0.0%	5.5%	4.7%	7.0%	4.7%

Jyske Realkredit A/S meets all the benchmarks of the supervisory diamond.

Additional information

For further information, please see www.jyskebank.info. Here you will find an interview with Anders Dam, CEO and Managing Director, detailed financial information as well as Jyske Bank's Annual Report 2017 and Risk and Capital Management 2017, which give further information about Jyske Bank's internal risk and capital management as well as regulatory issues, including a description of the most important risks and elements of uncertainty that may affect Jyske Bank.

Also, please see www.brf.dk. Jyske Realkredit's interim financial report for the first nine months of 2018, the Annual Report for 2017 and detailed financial information about Jyske Realkredit are available on that website.

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Business segments

The business segments reflect all activities with respect to banking, mortgage finance and leasing, inclusive of investing activities relating to clients' regular transactions. The investment portfolio earnings of the legal entities relate to the activities of the relevant entities.

Banking activities

Summary of income statement (DKKm)	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Net interest income	2,366	2,419	98	779	798	789	938	815	3,357
Net fee and commission income	1,252	1,196	105	379	405	468	572	391	1,768
Value adjustments	84	521	16	145	-20	-41	13	97	534
Other income	213	204	104	122	34	57	-34	21	170
Core income	**3,915**	**4,340**	**90**	**1,425**	**1,217**	**1,273**	**1,489**	**1,324**	**5,829**
Core expenses	2,977	3,267	91	1,027	906	1,044	1,083	1,014	4,350
Core profit before loan impairment charges	**938**	**1,073**	**87**	**398**	**311**	**229**	**406**	**310**	**1,479**
Loan impairment charges	-48	-457	11	85	21	-154	-239	-201	-696
Core profit	**986**	**1,530**	**64**	**313**	**290**	**383**	**645**	**511**	**2,175**
Investment portfolio earnings	516	529	98	-20	129	407	-16	136	513
Pre-tax profit	**1,502**	**2,059**	**73**	**293**	**419**	**790**	**629**	**647**	**2,688**
Summary of balance sheet, end of period (DKKbn)									
Loans and advances	121.3	122.0	99	121.3	123.3	121.5	124.6	122.0	124.6
- of which traditional bank loans and advances	86.9	83.1	105	86.9	86.7	85.7	85.0	83.1	85.0
- of which new home loans	9.4	11.0	85	9.4	12.2	13.3	12.2	11.0	12.2
- of which repo loans	25.0	27.9	90	25.0	24.4	22.5	27.4	27.9	27.4
Total assets	231.6	238.5	97	231.6	232.9	238.1	240.4	238.5	240.4
Deposits	150.7	154.6	97	150.7	154.9	154.8	159.8	154.6	159.8
- of which bank deposits	136.4	133.7	102	136.4	135.1	136.1	139.7	133.7	139.7
- of which repo deposits and tri-party deposits	14.3	20.9	68	14.3	19.8	18.7	20.1	20.9	20.1
Issued bonds	33.3	35.9	93	33.3	31.2	30.1	37.0	35.9	37.0

Core profit

Core profit from banking activities amounted to DKK 986m against DKK 1,530m for the corresponding period in 2017. The decline in the core profit can primarily be attributed to lower value adjustments and fewer reversals of impairment charges.

Core income

Net interest income amounted to DKK 2,366m and was 2% below the level in the first nine months of 2017. Runoff of senior debt at Jyske Realkredit has been replaced by issues under banking activities, and therefore the savings on interest expenses will to some extent be offset by increasing interest expenses here. Compared to the first nine months of 2017, the growth in the volume of home loans and bank loans and advances for corporate clients sufficed to offset the decline in bank loans and advances to personal clients and the pressure on interest rate margins on bank loans and advances for corporate clients. Net interest income due to the strategic balance sheet and risk management was supported by the move of bonds from the own securities portfolio and contributed DKK 210m compared DKK 229m over the same period last year.

Net fee and commission income increased by 5% relative to the first nine months of 2017. Progress was seen for all types, except for investment-related fees. In connection with the latter, lower performance fees were realised. To this must be added reduced commission rates on mutual fund units and a generally lower activity level compared to the same period in 2017.

Value adjustments amounted to DKK 84m against DKK 521m for the first nine months of 2017. Value adjustments for the strategic balance sheet and risk management totalled DKK -42m for the first nine months of 2018 compared to DKK -6m for the same period in 2017. Client transactions relating to interest-rate hedging had an adverse effect by DKK 25m in the first nine months of 2018 against a positive effect of DKK 128m in the same period in 2017.

Other income amounted to DKK 213m against DKK 204m for the first nine months of 2017. For the first nine months of 2018, gains from the sale of owner-occupied properties amounted to DKK 100m against DKK 96m for the corresponding period in 2017.

Core expenses
For the first nine months of 2018, core expenses amounted to DKK 2,977m against DKK 3,267m for the corresponding period in 2017, i.e. a decline by 9%. In the second quarter of 2018, a reversal was made in the amount of DKK 96m relating to provisions made for a court case on Gibraltar. When disregarding the one-off expenses of DKK 205m in 2017 and the reversal in the second quarter of 2018, core expenses were in line with those in 2017.

Impairment charges
In the first nine months of 2018, impairment charges in the amount of DKK 48m were reversed against DKK 457m in 2017. The underlying credit quality was still good, and the inflow of new non-performing loans continued to be at a low level for both corporate and personal clients, and a lower indication of impairment was seen for existing non-performing loans.

Business volume
Traditional bank loans and advances amounted to DKK 86.9bn against DKK 85.0bn at the end of 2017. Bank deposits amounted to DKK 136.4bn and fell relative to the end of 2017, at which time they amounted to DKK 139.7bn.

Q3 2018 compared to Q2 2018
Pre-tax profit for the third quarter of 2018 amounted to DKK 293m against DKK 419m for the second quarter of 2018. The primary reason for the decline was that investment portfolio earnings for the second quarter included an income of DKK 188m relating to Nordjyske Bank shares. To this must be added that in the third quarter impairment charges amounted to an expense of DKK 85m compared to DKK 21m in the second quarter.

Net interest income amounted to DKK 779m against DKK 798m in the second quarter of 2018. The underlying net interest income from the Bank's deposit and lending activities was fairly stable despite the continued pressure on the interest rate margins. The positive effect from an additional interest day in the third quarter was more than offset due to lower net interest income on the strategic balance sheet and risk management in the amount of DKK 63m compared to DKK 75m in the second quarter. The decline related primarily to derivatives, including the effect from the transition to Murex at the end of May, which meant that, as of that time, up-front fees on swaps were recognised as income in the form of value adjustments rather than interest. The negative effect on net interest income amounts - all other things being equal - to DKK 10m-15m per quarter. In addition, the coupon income is lower because the trading portfolio of bonds has been reduced.

Net fee income amounted to DKK 379m against DKK 405m in the second quarter, i.e. a decrease by 6%. The reason for this was primarily a decline in other fee income and lower loan application fees.

Value adjustments were positively affected in the amount of DKK 79m due to early redemption of issued bonds and effects from the implementation of Murex.

Other income amounted to DKK 122m against DKK 34m in the second quarter, the reason for this being that in the third quarter a gain of DKK 100m from the sale of owner-occupied properties was recognised.

Core expenses amounted to DKK 1,027m against DKK 906m in the second quarter. The most important reason for the increase was the reversal of provisions in the amount of DKK 96m for a court case on Gibraltar. Exclusive of the reversal, core expenses rose by 2%. Employee costs were as of July adjusted by wage increases of 1.95% relating to collective agreements. Impairment charges amounted to of DKK 85m against DKK 21m. The increase can primarily be attributed to impairment charges in the corporate client segment.

Mortgage activities

Summary of income statement (DKKm)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Administration margin income, etc.[1]	1,413	1,400	101	476	472	465	481	468	1,881
Other net interest income	61	-65	-	13	29	19	4	-31	-61
Net fee and commission income	182	185	98	91	25	66	77	69	262
Value adjustments	-71	5	-	-12	-32	-27	24	0	29
Other income	208	22	945	2	202	4	4	5	26
Core income	**1,793**	**1,547**	**116**	**570**	**696**	**527**	**590**	**511**	**2,137**
Core expenses	552	649	85	178	192	182	199	212	848
Core profit before loan impairment charges	**1,241**	**898**	**138**	**392**	**504**	**345**	**391**	**299**	**1,289**
Loan impairment charges	451	100	451	-18	41	428	102	-20	202
Core profit	**790**	**798**	**99**	**410**	**463**	**-83**	**289**	**319**	**1,087**
Investment portfolio earnings	0	63	-	0	0	0	-14	-1	49
Pre-tax profit	**790**	**861**	**92**	**410**	**463**	**-83**	**275**	**318**	**1,136**

[1] Administration margin income, etc. covers administration margin income as well as interest rate margin on jointly funded loans.

Summary of balance sheet (DKKbn)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Mortgage loans	318.8	303.0	105	318.8	314.4	309.5	306.8	303.0	306.8
Total assets	344.9	327.1	105	344.9	339.7	335.6	337.8	327.1	337.8
Issued bonds	316.7	298.1	106	316.7	308.9	307.9	304.5	298.1	304.5

BRFkredit a/s changed its name to Jyske Realkredit A/S. The change of name was approved by the extraordinary general meeting of BRFkredit, held on 21 June 2018.

As of 2018, the return on Jyske Realkredit's portfolio of securities (investment portfolio earnings) is recognised as core income under 'Other net interest income' and 'Value adjustments, etc.' as the purpose of the portfolio of securities is now primarily to support mortgage operations, including compliance with LCR rules, etc.

Profit

The pre-tax profit on mortgage activities amounted to DKK 790m against DKK 861m for the same period in 2017. The profit was affected by the implementation of the new IFRS 9-derived impairment rules, which resulted in a one-off adjustment of impairment charges by DKK 407m and also by the sale of the owner-occupied property Klampenborgvej 205, which resulted in an accounting gain of DKK 185m under Other income. Exclusive of the above special items, pre-tax profit amounted to DKK 1,012m for the first nine months of 2018.

Core income

Administration margin income amounted to DKK 1,413m in the first nine months of 2018 against DKK 1,400m for the same period of 2017. Administration margin income was positively affected by the increasing portfolio yet negatively affected by falling average administration margin rates. The shift on the part of clients to fixed-rate loans and/or amortized loans, for which the administration margin and the risk are lower continued in the third quarter and fuelled a minor decline in the average administration margin rate. In relation to Corporate Clients, the portfolio of weak loans with high contribution rates was still reduced due to repayments and renegotiation of accounts that had grown stronger. Moreover, in the first half of 2017, a non-recurring income relating to an individual major corporate client was recognised.

Other net interest income consists, among other things, of interest on the portfolio of securities (as of 2018) and interest expenses for senior debt incurred in order to comply with SDO and rating requirements as well as various interest income. The item amounted to an income of DKK 61m for the first nine months of 2018 against an expense of DKK 65m for the same period in 2017. The principal reason for the increase was that issued senior debt matured at the end of January 2018, which resulted in a lower interest expense of DKK 79m over the first nine months of 2018. In addition the reclassification of Jyske Realkredit's portfolio of securities to core income resulted in an increase in Other net interest income.

Net fee and commission income, etc. amounted to DKK 182m for the first nine months of 2018 against DKK 185m for the corresponding period in 2017. The period saw only two refinancing events against three refinancing events over the first nine months of 2017, but the volume of loans refinanced at the two events was almost the same as in 2017, and therefore the fee income deriving from these in 2018 was at almost the same level as the one for the corresponding period in 2017. F10 loans account for a significant part of the refinanced volume in the third quarter of 2018. Other fee income, etc. was also at an unchanged level in 2018.

Value adjustments, etc. amounted to an expense of DKK 71m for the first nine months of 2018 against an income of DKK 5m for the first nine months of 2017. The difference was primarily caused by negative value adjustments of the portfolio of securities, which were previously recognised under Investment portfolio earnings. Typically, Jyske Realkredit's portfolio of securities consists of bonds with a short time to maturity that have often been bought at a price above par and are held to maturity. This results in a positive interest yield and a negative value adjustment.

Other income amounted to DKK 208m for the first nine months of 2018 against DKK 22m for the corresponding period in 2017. The increase could primarily be attributed to an accounting gain of DKK 185m from the sale of Jyske Realkredit's owner-occupied property.

Core expenses

For the first nine months of 2018, core expenses amounted to DKK 552m against DKK 649m for the first nine months of 2017. The decline of DKK 97m can be attributed to the on-going adjustment of the staff as well as the fact that a number of work functions have been outsourced to Jyske Bank. Based on intercompany service agreements, Jyske Realkredit pays Jyske Bank to perform these tasks.

In the first nine months of 2018, core profit before loan impairment charges and provisions for guarantees amounted to DKK 1,241m against DKK 898m in the first nine months of 2017.

Impairment charges

Total impairment charges for the first nine month of 2018 amounted to an expense of DKK 451m. The impairment charges of the period were affected by derived effects from the implementation of IFRS 9, which resulted in a one-off adjustment of impairment charges by DKK 407m. Exclusive of the derived effects from IFRS 9, impairment charges amounted to an expense of DKK 44m against and expense of DKK 100m in the first nine months of 2017.

Exclusive of the derived effects from IFRS 9, the effect on the income statement from the impairment charges amounted to 0.01% in the first nine months of 2018 against 0.04% in the first nine months of 2017.

The total balance of impairment charges amounted to DKK 1,503m at the end the end of third quarter of 2018, corresponding to 0.5% of total loans. At the end of 2017, the corresponding figures were DKK 1,219m and 0.4%.

Business volume

The positive trend in the business volume of mortgage activities continued in the first nine months of 2018, yet at a slower pace, as the volume grew from DKK 306.8bn at the end of 2017 to DKK 318.8bn at the end of third quarter of 2018, corresponding to 3.9% growth.

Q3 2018 compared to Q2 2018

The pre-tax profit for the third quarter of 2018 amounted to DKK 410m against DKK 278m for the second quarter of 2018, exclusive of the gain of DKK 185m from the sale of an owner-occupied property. The primary reason for the increase was higher fee income in the third quarter as well as reversal of impairment charges in the third quarter.

The increase in administration margin income from DKK 472m in the second quarter to DKK 476m in the third quarter could be attributed to the growth of the loan portfolio.

Other interest income fell from DKK 29m in the second quarter to DKK 13m in the third quarter. The decline can be attributed to lower interest income from Jyske Realkredit's portfolio of securities as well as a lower level of various interest income relating to mortgage operations.

Net fee and commission income increased from DKK 25m to DKK 91m. The increase can be attributed to fees from the refinancing of adjustable-rate loans as no refinancing events took place in the second quarter, as generally Jyske Realkredit's refinancing of adjustable-rate loans takes place in the first, third and fourth quarters. In the third quarter of 2018, many F10 loans were refinanced. To this must be added fee income relating to the transfer of a part of the loan portfolio relating to Subsidised Housing (rental housing) to a new capital centre, which fully guaranteed by the state.

Value adjustments amounted to DKK -12m in the third quarter compared to DKK -32m in the second quarter. The improvement in value adjustments primarily related to Jyske Realkredit's portfolio of securities.

The decline in other income, etc. from DKK 202m to DKK 2m could primarily be attributed to the recognition in the second quarter of a gain of DKK 185m from the sale of Jyske Realkredit's owner-occupied property.

Core expenses fell from DKK 192m in the second quarter to DKK 178m in the third quarter.

Impairment charges amounted to an income of DKK 18m in the third quarter against an expense of DKK 41m in the second quarter. The income in the third quarter primarily related to reversal of impairment charges in the corporate client segment.

Leasing activities

Summary of income statement (DKKm)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Net interest income	413	383	108	139	140	134	114	129	497
Net fee and commission income	-86	-78	110	-27	-31	-28	5	-24	-73
Value adjustments	13	13	100	-1	14	0	1	-1	14
Other income	10	10	100	3	3	4	1	3	11
Income from operating lease (net)	73	-48	-	26	21	26	-6	-43	-54
Core income	**423**	**280**	**151**	**140**	**147**	**136**	**115**	**64**	**395**
Core expenses	135	132	102	44	45	46	44	44	176
Core profit before loan impairment charges	**288**	**148**	**195**	**96**	**102**	**90**	**71**	**20**	**219**
Loan impairment charges	36	43	84	37	-35	34	-2	27	41
Pre-tax profit	**252**	**105**	**240**	**59**	**137**	**56**	**73**	**-7**	**178**

Summary of balance sheet, end of period (DKKbn)

	Q1-Q3 2018	Q1-Q3 2017	Index 18/17	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Full year 2017
Loans and advances	17.6	16.0	110	17.6	17.6	16.8	16.2	16.0	16.2
Total assets	20.4	19.1	107	20.4	20.4	19.5	19.3	19.1	19.3
Deposits	0.2	0.2	110	0.2	0.2	0.2	0.2	0.2	0.2

Pre-tax profit
Pre-tax profit amounted to DKK 252m against DKK 105m over the same period last year.

Core income
The positive development of net interest income was driven by a continued positive development for the volume of loans and advances in both the corporate client and personal client segments relative to 2017.

Income from operating lease amounted to DKK 73m. As was the case in the preceding two quarters, it is assessed that there is balance between the written-down residual values of the agreements and the expected trading prices, which was supported by realised sales in the third quarter of 2018.

Based on the above outline, core income rose by 51% relative to the same period last year.

Core expenses
Relative to the same period of 2017, core expenses increased by 2%, which can be attributed to severance costs, among other things.

Impairment charges
In the first nine months of 2018, impairment charges were affected by deterioration of the credit quality of a few exposures.

Business volume
Due to extensive new sales, loans increased by 10% relative to the same period last year. A flat development of the volume of loans is expected for the coming period.

Q3 of 2018 compared to Q2 of 2018
The decline in core income from the second quarter to the third quarter can be attributed to the fact that the annual value adjustment of shares in associates affected the second quarter positively. Core expenses amounted to DKK 44m in the third quarter, which is marginally lower than the level in the preceding quarters.

On the whole, the profit before loan impairment charges amounted to DKK 96m against DKK 102m in the second quarter. Pre-tax profit for the third quarter of 2018 amounted to DKK 59m against DKK 137m for the second quarter.

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

Note	The Jyske Bank Group				
	DKKm	**Q1-Q3 2018**	Q1-Q3 2017	**Q3 2018**	Q3 2017
	Income statement				
5	Interest income	**7,852**	8,355	**2,585**	2,808
6	Interest expenses	**3,543**	3,737	**1,168**	1,239
	Net interest income	**4,309**	4,618	**1,417**	1,569
7	Fees and commission income	**1,694**	1,631	**560**	547
	Fees and commission expenses	**346**	330	**117**	113
	Net interest and fee income	**5,657**	5,919	**1,860**	2,003
8	Value adjustments	**456**	857	**109**	174
9	Other income	**915**	682	**270**	165
10	Employee and administrative expenses	**3,642**	3,943	**1,241**	1,249
	Amortisation, depreciation and impairment charges	**403**	577	**132**	205
12	Loan impairment charges	**439**	-87	**104**	-70
	Pre-tax profit	**2,544**	3,025	**762**	958
11	Tax	**545**	662	**184**	210
	Net profit for the period	**1,999**	2,363	**578**	748
	Distributed to:				
	Jyske Bank A/S shareholders	**1,904**	2,305	**545**	728
	Holders of additional tier 1 capital (AT1)	**95**	58	**33**	20
	Total	**1,999**	2,363	**578**	748
	Earnings per share for the period				
	Earnings per share for the period, DKK	**22.67**	26.18	**6.54**	8.33
	Earnings per share for the period, DKK, diluted	**22.67**	26.18	**6.54**	8.33
	Statement of Comprehensive Income				
	Net profit for the period	**1,999**	2,363	**578**	748
	Other comprehensive income:				
	Items that cannot be recycled to the income statement:				
	Revaluation of real property	**145**	30	**0**	30
	Tax on property revaluations	**-29**	0	**0**	0
	Items that can be recycled to the income statement:				
	Foreign currency translation adjustment of international units	**0**	-17	**0**	-3
	Hedge accounting of international units	**0**	17	**0**	3
	Tax on hedge accounting	**0**	-4	**0**	-1
	Other comprehensive income after tax	**116**	26	**0**	29
	Comprehensive income for the period	**2,115**	2,389	**578**	777
	Distributed to:				
	Jyske Bank A/S shareholders	**2,020**	2,331	**545**	757
	Holders of additional tier 1 capital (AT1)	**95**	58	**33**	20
	Total	**2,115**	2,389	**578**	777

BALANCE SHEET

Note	DKKm	30 Sept. 2018	31 Dec. 2017	30 Sept. 2017
	The Jyske Bank Group			
	BALANCE SHEET			
	ASSETS			
	Cash balance and demand deposits with central banks	**15,301**	19,347	14,552
	Due from credit institutions and central banks	**14,461**	13,046	13,523
15, 16	Loans and advances at fair value	**326,550**	316,998	311,839
17	Loans and advances at amortised cost	**131,171**	130,675	129,166
	Bonds at fair value	**63,610**	69,846	66,060
	Bonds at amortised cost	**7,564**	4,280	4,226
	Shares, etc.	**3,564**	4,972	4,874
	Intangible assets	**7**	13	18
	Property, plant and equipment	**4,228**	5,114	5,078
	Tax assets	**494**	212	326
	Assets held temporarily	**591**	577	472
18	Other assets	**29,330**	32,360	34,542
	Total assets	**596,871**	597,440	584,676
	EQUITY AND LIABILITIES			
	Liabilities			
	Due to credit institutions and central banks	**20,314**	17,959	16,541
19	Deposits	**150,904**	160,023	154,868
20	Issued bonds at fair value	**316,677**	302,601	295,172
	Issued bonds at amortised cost	**33,325**	38,920	38,785
21	Other liabilities	**35,218**	37,238	38,861
22	Provisions	**1,714**	1,772	1,763
23	Subordinated debt	**4,284**	4,323	4,341
	Liabilities, total	**562,436**	562,836	550,331
	Equity			
	Share capital	**849**	892	892
	Revaluation reserve	**314**	516	568
	Currency translation reserve	**0**	0	0
	Retained profit	**30,745**	30,093	30,300
	Proposed dividend	**0**	522	0
	Jyske Bank A/S shareholders	**31,908**	32,023	31,760
	Holders of additional tier 1 capital (AT1)	**2,527**	2,581	2,585
	Total equity	**34,435**	34,604	34,345
	Total equity and liabilities	**596,871**	597,440	584,676
	OFF-BALANCE SHEET ITEMS			
17, 24	Guarantees, etc.	**18,396**	18,729	18,704
24	Other contingent liabilities, etc.	**20,066**	22,256	18,362
	Total guarantees and other contingent liabilities	**38,462**	40,985	37,066

STATEMENT OF CHANGES IN EQUITY

The Jyske Bank Group

DKKm

	Share capital	Revaluation reserve	Currency translation reserve	Retained profit	Proposed dividend	Shareholders of Jyske Bank A/S	AT1 capital*	Total equity
Equity at 1 January 2018	892	516	0	30,093	522	32,023	2,581	34,604
Changes to accounting policies, IFRS 9	0	0	0	-628	0	-628	0	-628
Tax effect, IFRS 9	0	0	0	137	0	137	0	137
Adjusted equity, 1 January 2018	892	516	0	29,602	522	31,532	2,581	34,113
Net profit for the period	0	0	0	1,904	0	1,904	95	1,999
Other comprehensive income:								
Revaluation of real property	0	145	0	0	0	145	0	145
Other movements	0	-318	0	318	0	0	0	0
Foreign currency translation for international units	0	0	0	0	0	0	0	0
Hedge of international units	0	0	0	0	0	0	0	0
Tax on other comprehensive income	0	-29	0	0	0	-29	0	-29
Other comprehensive income after tax	0	-202	0	318	0	116	0	116
Comprehensive income for the period	0	-202	0	2,222	0	2,020	95	2,115
Interest paid on AT1 capital	0	0	0	0	0	0	-109	-109
Currency translation adjustment	0	0	0	40	0	40	-40	0
Tax	0	0	0	13	0	13	0	13
Dividends paid	0	0	0	-525	-522	-1,047	0	-1,047
Dividends, own shares	0	0	0	49	0	49	0	49
Reduction of share capital	-43	0	0	43	0	0	0	0
Acquisition of own shares	0	0	0	-1,688	0	-1,688	0	-1,688
Sale of own shares	0	0	0	989	0	989	0	989
Transactions with owners	-43	0	0	-1,079	-522	-1,644	-149	-1,793
Equity at 30 September 2018	**849**	**314**	**0**	**30,745**	**0**	**31,908**	**2,527**	**34,435**
Equity at 1 January 2017	950	538	-2	29,053	499	31,038	1,476	32,514
Net profit or loss for the period	0	0	2	2,303	0	2,305	58	2,363
Other comprehensive income:								
Revaluation of real property	0	30	0	0	0	30	0	30
Foreign currency translation for international units	0	0	-17	0	0	-17	0	-17
Hedge of international units	0	0	17	0	0	17	0	17
Tax on other comprehensive income	0	0	0	-4	0	-4	0	-4
Other comprehensive income after tax	0	30	0	-4	0	26	0	26
Comprehensive income for the period	0	30	2	2,299	0	2,331	58	2,389
AT1 capital issue	0	0	0	0	0	0	1,117	1,117
Transaction costs	0	0	0	-12	0	-12	0	-12
Interest paid on AT1 capital	0	0	0	0	0	0	-58	-58
Currency translation adjustment	0	0	0	8	0	8	-8	0
Tax	0	0	0	14	0	14	0	14
Dividends paid	0	0	0	-532	-499	-1,031	0	-1,031
Dividends, own shares	0	0	0	69	0	69	0	69
Reduction of share capital	-58	0	0	58	0	0	0	0
Acquisition of own shares	0	0	0	-3,747	0	-3,747	0	-3,747
Sale of own shares	0	0	0	3,090	0	3,090	0	3,090
Transactions with owners	-58	0	0	-1,052	-499	-1,609	1,051	-558
Equity at 30 September 2017	892	568	0	30,300	0	31,760	2,585	34,345

*Additional tier 1 capital (AT1) has no maturity. Payment of interest and repayment of principal are voluntary. Therefore AT1 capital is recognised as equity. In September 2016, Jyske Bank issued AT1 amounting to SEK 1.25bn and DKK 500m. The AT1 issue with the possibility of early redemption in September 2021 at the earliest. The interest rates applicable to the issue until September 2021 are STIBOR+5.80% and CIBOR+5.30%, respectively. In September 2017, Jyske Bank made an issue amounting to EUR 150bn, AT1, with the possibility of early redemption in September 2027 at the earliest. The issue has a coupon of 4.75% until September 2027. It applies to all AT1 issues, that if the Common Equity Tier 1 capital of Jyske Bank A/S or the Jyske Bank Group falls below 7%, the loans will be written down.

CAPITAL STATEMENT

DKKm	**30 Sept. 2018**	31 Dec. 2017	30 Sept. 2017
			The Jyske Bank Group
Shareholders' equity	**31,908**	32,023	31,760
Share buy-back programme, non-utilised limit	**-552**	-281	-846
Proposed dividend	**0**	-522	0
Expected dividend, calculated as required by law	**-640**	0	-375
Intangible assets	**-7**	-13	-18
Deferred tax liabilities relating to intangible assets	**2**	3	4
Deferred tax assets	**0**	-10	0
Prudent valuation	**-250**	-271	-239
Difference between expected loss and the carrying amount of impairment charges	**0**	-174	-320
Other deductions	**-71**	-14	-116
Common Equity Tier 1 capital	**30,390**	30,741	29,850
Additional Tier 1 Capital (AT1) after reduction	**3,041**	3,209	3,228
Other deductions	**0**	-27	-27
Core capital	**33,431**	33,923	33,051
Subordinated loan capital after reduction	**3,705**	3,631	3,647
Other deductions	**0**	-248	-248
Capital base	**37,136**	37,306	36,450
Weighted risk exposure involving credit risk etc.	**152,502**	149,906	148,145
Weighted risk exposure involving market risk	**13,541**	21,355	19,240
Weighted risk exposure involving operational risk	**16,887**	16,737	16,737
Total weighted risk exposure	**182,930**	187,998	184,122
Capital requirement, Pillar I	**14,634**	15,040	14,730
Capital requirement, transitional provisions	**0**	4,204	4,089
Capital requirement, total	**14,634**	19,244	18,819
Capital ratio (%)	**20.3**	19.8	19.8
Tier 1 Capital ratio (%)	**18.3**	18.0	18.0
Common Equity Tier 1 capital ratio (%)	**16.6**	16.4	16.2

Transitional rules for capital requirements according to Basel I ended at the end of 2017.

For a statement of the individual solvency requirement, please see Risk and Capital Management 2017 or investor.jyskebank.com/investorrelations/capitalstructure and investor.jyskebank.com/investorrelations/debt.

SUMMARY OF CASH FLOW STATEMENT

	The Jyske Bank Group	
DKKm	**Q1-Q3 2018**	Q1-Q3 2017
Net profit for the period	**1,999**	2,363
Adjustment for non-cash operating items and change in working capital	**-3,271**	4,443
Cash flows from operating activities	**-1,272**	6,806
Acquisition and sale of property, plant and equipment	**490**	-409
Acquisition of intangible assets	**-3**	-8
Cash flows from investment activities	**487**	-417
Issue of subordinated debt	**-11**	2,212
AT1 capital issue	**0**	1,105
Dividends paid	**-1,047**	-1,031
Dividends, own shares	**49**	69
Acquisition of own shares	**-1,688**	-3,747
Sale of own shares	**989**	3,090
Cash flows from financing activities	**-1,708**	1,698
Cash flow for the period	**-2,493**	8,087
Cash and cash equivalents, beginning of period	**32,255**	19,988
Cash and cash equivalents, end of period	**29,762**	28,075
Cash and cash equivalents, end of period, comprise:		
Cash balance and demand deposits with central banks	**15,301**	14,552
Due from credit institutions and central banks	**14,461**	13,523
Cash and cash equivalents, end of period	**29,762**	28,075

1 **Accounting Policies**

The Interim Financial Report for the period 1 January to 30 September 2018 was prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. Furthermore, the Interim Financial Report was prepared in accordance with the additional Danish disclosure requirements for the interim reports of listed financial undertakings. The interim financial statements constitute a summary and should be read in connection with Jyske Bank's Annual Report 2017.

Except for the implementation of the below new standards, IFRS 9 and IFRS 15, the accounting policies are unchanged compared to those applied to and described in detail in Jyske Bank's Annual Report 2017.

IFRS 9 Financial Instruments.

IFRS 9 on Financial Instruments covers new provisions on classification and measurement of financial assets and liabilities, impairment of financial assets as well as hedge accounting. IFRS 9 replaced IAS 39 and took effect on 1 January 2018.

In accordance with the transitional provisions of IFRS 9, no adjustment of comparative figures was made, as it is not possible to apply the impairment provisions to previous financial years without any subsequent rationalisation.

Classification and measurement

According to IFRS 9, classification and measurement of financial assets are based on the business model for the financial assets and related contractual cash flows. In consequence of this, financial assets must be classified as one of the following categories:

- Financial assets that are held to generate the contractual cash flows, and where the contractual cash flows solely consist of interest and instalments on the outstanding amounts, are measured after the time of the first recognition at amortised cost. As a typical example, this measurement category comprises loans, advances and bonds included in an investment portfolio that is, in general, held to maturity.

- Financial assets held in a mixed business model where financial assets are held both with a view to generating the contractual cash flows and returns on sales and where the contractual cash flows on the financial assets in the mixed business model solely consist of interest and instalments on the outstanding amount are measured after the time of the first recognition at fair value through other comprehensive income. In connection with a subsequent sale, recirculation of the change in fair value will take place to the income statement. As a typical example, this measurement category comprises bonds included in the day-to-day liquidity management, unless they are used by a risk management system or an investment strategy based on fair values, cf. below.

- Financial assets that do not belong under one of the above-mentioned business models or where the contractual cash flows do not solely consist of interest and instalments on the outstanding amounts are measured after the time of the first recognition at fair value through the income statement. As a typical example, this measurement category comprises shares, derivatives and financial assets, which are otherwise included in the trading portfolio or in a risk management system or an investment strategy based on fair values and, on this basis, are included in the bank's internal management reporting. Moreover, financial assets can be measured at fair value through the income statement, if the measurement according to the two above-mentioned business models results in a recognition or accounting mismatch.

Based on Jyske Bank's assessment of the business models in IFRS 9, no material changes to classification and measuring will take place. Mortgage loans and certain other home loans are still measured at fair value though the income statement, and other loans and advances will still be measured at amortised cost. Jyske Bank has no financial assets that fall under the new measurement category with recognition of financial assets at fair value through Other comprehensive income. Instead, Jyske Bank's bond portfolio will be measured at fair value through the income statement either because they are included in a trading portfolio or because they are used by a risk management system or an investment strategy based on fair values and, on this basis, are included in the bank's internal management reporting, except for a minor holding of bonds that is kept under a business model where the bonds will be measured at amortised cost.

Impairment charges

IFRS 9 implies earlier recognition of impairment charges on financial assets at amortised cost, provisions for losses on guarantees and unutilised credit facilities, as the previous impairment model, which was based on objective evidence of impairment, is replaced by an impairment model based on expected losses. Therefore, already at the first recognition, impairment charges corresponding to a 12-month expected credit loss must be recognised. If, subsequently, the credit risk on the asset increases materially, the expected credit loss over the remaining life of the loan will be recognised.

According to the new rules, financial assets must be divided into three stages depending on any deterioration of the debtor's credit rating relative to the first recognition. Stage 1 covers exposures without material deterioration in credit quality, while stage 2 covers assets with significant deterioration in credit quality, and stage 3 covers exposures in default. The ranking in the various stages will affect the calculation method applied, and it is determined, among other things, on the basis of the change in the probability of default (PD) over the expected remaining life of the exposure. The definition of default applied is the same as the one applied in the Group's advanced IRB set-up.

1 **Accounting Policies, cont.**

One characteristic of this is that it is assessed to be most probable that liabilities relating to assets cannot be honoured on the agreed terms and conditions. Assessment of whether any material increase in credit risk has taken place will be based on the following circumstances:

a) An increase in the PD for the expected remaining life of the financial asset by 100% and an increase in the 12-month PD of 0.5 percentage point when, at the first recognition, the 12-month PD was below 1.0%.

b) An increase in the PD for the expected remaining life of the financial asset by 100% or an increase in the 12-month PD of 2.0 percentage points when, at the first recognition, the 12-month PD was 1.0% or above.

c) The account manager's risk assessment, which among other things is based on an assessment of the client's ability and will to honour his payment obligations, possibly arrears and/or changes to the initial assumptions on which the client relationship rests.

The expected future loss is calculated on the basis of the probability of default (PD), the exposure at default (EaD) and the loss given default (LGD). These parameters are based on the Group's advanced IRB set-up, which is based on the bank's experience of loss history and early repayments, among other things.

For exposures in stage 1, impairment charges corresponding to probability-weighted losses expected over the following 12 months are recognised, while for exposures in stages 2 and 3 impairment charges corresponding to losses expected over the remaining life of the exposures are recognised.

The assessment of the indication of impairment for stage 3 exposures is based on individual expert assessments of the probability-weighted expected loss. The new rules have not resulted in any material changes in the extent of impairment of these exposures.

For financial assets measured at fair value, the expected element of credit exposure in the determination of fair value follows to a high degree the principles of the impairment model as described above for financial assets recognised at amortised cost.

Implementation by and effect on Jyske Bank
Due to the implementation of the new impairment models, the Jyske Bank Group's balance of impairment charges increased by DKK 1,035m. The amount includes both loans and advances at amortised cost and loans and advances at fair value.

The amount from loans and advances at amortised cost, guarantees and unutilised credit lines is DKK 628m. The amount is accounted for as a change in practice, and after a tax effect of DKK 137m it was recognised at net DKK 491m in equity on 1 January 2018.

The following items were adjusted as of 1 January 2018: Loans and advances at amortised cost were reduced by DKK 544m, current tax assets were increased by DKK 137m, and provisions were increased by DKK 84m. The net effect reduced equity under Retained profit by DKK 491m.

The amount from loans and advances at fair value was DKK 407m. The amount is accounted for as a changed estimate, and with the ensuing tax effect of DKK 90m it is recognised in the income statement for the first quarter of 2018.

A negative accounting outcome from the new expectations-based IFRS 9 impairment rules will basically have a corresponding effect on the capital position. To soften the potential, negative effect on and hence credit institutions' possibility of supporting the granting of credit, the European Commission has proposed a 5-year transitional arrangement so that any negative effect from the new IFRS 9 impairment rules will only take full effect after five years. Jyske Bank has chosen not to make use of the possibility of a 5-year transition period.

Hedge accounting
The new rules on hedge accounting will ensure application of the hedging rules and then to a higher degree bring the companies' financial reporting in line with the companies' actual risk management.

The changed rules on hedge accounting are not expected to affect Jyske Bank as the existing hedging relationship also qualify as effective hedging relationship according to the new rules.

Note	The Jyske Bank Group

1 **Accounting Policies, cont.**

IFRS 15, Revenue from Contracts with Customers

IFRS 15 is a new standard that has been approved for use in the EU and took effect on 1 January 2018. The standard prescribes a five-step model, which is a process to ensure a systematic assessment of all elements in contracts with clients.

The standard did not have any impact on Jyske Bank's financial statements.

IFRS 16, Leases

IFRS 16 is a new standard that has been approved for use in the EU and will take effect on 1 January 2019. In consequence of the standard, practically all lease agreements must be recognised in the balance sheet of the lessee's financial statements in the form of a lease liability and an asset representing the lessee's right of use of the underlying asset. A distinction will no longer be made between operating and financial leases. The accounting treatment of leasing in the lessor's financial statements is practically unchanged.

It is not expected that the standard will have any material impact on Jyske Bank's financial statements.

2 **Material accounting estimates**

Measurement of the carrying value of certain assets and liabilities requires the management's estimate of the influence of future events on the value of such assets and liabilities. Estimates of material importance to the financial reporting are, among other things, based on the impairment of loans and advances, the fair value of unlisted financial instruments and provisions already made, cf. the detailed statement in the Annual Report 2017. The estimates are based on assumptions which management finds reasonable, but which are inherently uncertain. Besides, the Group is subject to risks and uncertainties which may cause results to differ from those estimates.

Note						The Jyske Bank Group
	DKKm	**Q3 2018**	Q2 2018	Q1 2018	Q4 2017	Q3 2017
3	**Key figures and ratios, five quarters**					
	Summary of Income Statement					
	Net interest income	**1,417**	1,467	1,425	1,670	1,569
	Net fee and commission income	**443**	399	506	653	434
	Value adjustments	**109**	69	278	-71	174
	Other income	**270**	390	255	140	165
	Income	**2,239**	2,325	2,464	2,392	2,342
	Expenses	**1,373**	1,279	1,393	1,507	1,454
	Profit or loss before loan impairment charges	**866**	1,046	1,071	885	888
	Loan impairment charges	**104**	27	308	-92	-70
	Pre-tax profit	**762**	1,019	763	977	958
	Tax	**184**	208	153	197	210
	Net profit for the period	**578**	811	610	780	748
	Financial ratios and key figures					
	Pre-tax profit, per share (DKK)*	**8.6**	11.6	8.6	10.9	10.7
	Earnings per share for the period (DKK)*	**6.5**	9.3	6.9	8.7	8.3
	Earnings per share for the period (diluted) (DKK)*	**6.5**	9.3	6.9	8.7	8.3
	Core profit per share (DKK)*	**8.9**	10.1	3.8	11.2	9.1
	Share price at end of period (DKK)	**311**	350	358	353	363
	Book value per share (DKK)*	**382**	380	371	374	363
	Price/book value per share (DKK)*	**0.8**	0.9	1.0	0.9	1.0
	Outstanding shares in circulation ('000)	**83,619**	84,911	84,934	85,705	87,389
	Average number of shares in circulation ('000)	**84,605**	84,909	85,312	86,476	87,967
	Capital ratio (%)	**20.3**	20.4	20.0	19.8	19.8
	Tier 1 Capital ratio (%)	**18.3**	18.4	18.2	18.0	18.0
	Common Equity Tier 1 capital ratio (%)	**16.6**	16.7	16.5	16.4	16.2
	Pre-tax profit as a pct. of average equity	**2.3**	3.1	2.3	3.0	3.0
	Profit for the period as a pct. of av. equity*	**1.7**	2.5	1.9	2.4	2.3
	Income/cost ratio (%)	**1.5**	1.8	1.4	1.7	1.7
	Interest-rate risk (%)	**0.8**	1.0	0.9	0.8	0.9
	Currency risk (%)	**0.1**	0.1	0.1	0.1	0.1
	Accumulated impairment ratio (%)	**1.2**	1.2	1.2	1.1	1.2
	Impairment ratio for the period (%)	**0.0**	0.0	0.1	0.0	0.0
	No. of full-time employees at end-period	**3,768**	3,828	3,899	3,971	4,003
	Average number of full-time employees in the period	**3,798**	3,864	3,935	3,987	3,996

*Financial ratios are calculated as if AT1 capital is recognised as a liability.

Note	The Jyske Bank Group

DKKm

4 Segmental financial statements	Banking activities	Mortgage activities	Leasing activities	The Jyske Bank Group *
Q1 - Q3 2018				
Net interest income	2,366	1,474	413	4,253
Net fee and commission income	1,252	182	-86	1,348
Value adjustments	84	-71	13	26
Other income	213	208	10	431
Income from operating lease (net)	0	0	73	73
Core income	**3,915**	**1,793**	**423**	**6,131**
Core expenses	2,977	552	135	3,664
Core profit before loan impairment charges	**938**	**1,241**	**288**	**2,467**
Loan impairment charges	-48	451	36	439
Core profit	**986**	**790**	**252**	**2,028**
Investment portfolio earnings	516	0	0	516
Pre-tax profit	**1,502**	**790**	**252**	**2,544**
Loans and advances	121,297	318,829	17,595	457,721
- of which mortgage loans	0	318,829	0	318,829
- of which bank loans	96,334	0	17,595	113,929
- of which repo loans	24,963	0	0	24,963
Total assets	231,590	344,930	20,351	596,871
Deposits	150,670	0	234	150,904
- of which bank deposits	136,382	0	234	136,616
- of which repo deposits and tri-party deposits	14,288	0	0	14,288
Issued bonds	33,325	316,677	0	350,002
Q1 - Q3 2017				
Net interest income	2,419	1,335	383	4,137
Net fee and commission income	1,196	185	-78	1,303
Value adjustments	521	5	13	539
Other income	204	22	10	236
Income from operating lease (net)	0	0	-48	-48
Core income	**4,340**	**1,547**	**280**	**6,167**
Core expenses	3,267	649	132	4,048
Core profit before loan impairment charges	**1,073**	**898**	**148**	**2,119**
Loan impairment charges	-457	100	43	-314
Core profit	**1,530**	**798**	**105**	**2,433**
Investment portfolio earnings	529	63	0	592
Pre-tax profit	**2,059**	**861**	**105**	**3,025**
Loans and advances	121,997	302,985	16,023	441,005
- of which mortgage loans	0	302,985	0	302,985
- of which bank loans	94,078	0	16,023	110,101
- of which repo loans	27,919	0	0	27,919
Total assets	238,510	327,087	19,079	584,676
Deposits	154,653	0	215	154,868
- of which bank deposits	133,737	0	215	133,952
- of which repo deposits and tri-party deposits	20,916	0	0	20,916
Issued bonds	35,883	298,074	0	333,957

* Relationships between income statement items under 'The Jyske Bank Group' (key financial data) and the income statement page 26 appear from the next page.

DKKm

4 **Segmental financial statements, cont.**

Core profit and investment portfolio earnings

The pre-tax profit for the first nine months of 2018 broken down by core earnings and investment portfolio earnings is stated below:

Breakdown of the net profit or loss for the period

DKKm	Q1 - Q3 2018				Q1 - Q3 2017			
	Core profit	Investment portfolio earnings	Reclassification	Total	Core earnings	Investment portfolio earnings	Reclassification	Total
Net interest income	4,253	79	-23	**4,309**	4,137	269	212	4,618
Net fee and commission income	1,348	0	0	**1,348**	1,303	-2	0	1,301
Value adjustments	26	407	23	**456**	539	303	15	857
Other income	431	54	27	**512**	236	45	0	281
Income from operating lease (net)	73	0	330	**403**	-48	0	449	401
Income	**6,131**	**540**	**357**	**7,028**	**6,167**	**615**	**676**	**7,458**
Expenses	3,664	24	357	**4,045**	4,048	23	449	4,520
Profit before loan impairment charges and provisions for guarantees	**2,467**	**516**	**0**	**2,983**	**2,119**	**592**	**227**	**2,938**
Loan impairment charges	439	0	0	**439**	-314	0	227	-87
Pre-tax profit	**2,028**	**516**	**0**	**2,544**	**2,433**	**592**	**0**	**3,025**

Alternative performance targets

The alternative performance targets applied in the management's review constitute valuable information for readers of financial statements as they provide a more uniform basis for comparison of accounting periods. No adjusting entries are made, and therefore the net profit or loss for the period will be the same in the alternative performance targets of the management's review and in the IFRS financial statements.

Core profit is defined as the pre-tax profit exclusive of investment portfolio earnings. Hence earnings from clients are expressed better than in the IFRS financial statements.
Investment portfolio earnings are defined as the return on the Group's portfolio of shares, bonds, derivatives and equity investments, yet exclusive of the liquidity buffer and certain strategic equity investments. Investment portfolio earnings are calculated after expenses for funding and attributable costs.

The above table illustrates relationships between income statement items under 'The Jyske Bank Group' (key financial data), page 3, and income statement items in the IFRS financial statements, page 26.

Reclassification relates to the following:

- Income of DKK 23m (first nine months of 2017: income of DKK 15m) from value adjustments relating to the balance principle at Jyske Realkredit was reclassified from value adjustments to interest income.
- Income of DKK 27m (first nine months of 2017: DKK 0m) from external sales was reclassified from income to offsetting against expenses.
- Depreciation and amortisation of DKK 330m (first nine months of 2017: DKK 449m) were reclassified from expenses to income from operating lease (net).

Please see below for definitions of the additional financial ratios stated under the Jyske Bank Group, page 3.

"Earnings per share", "Earnings per share (diluted)", "Pre-tax profit p.a. as a percentage of average equity" and "Net profit p.a. as a percentage of average equity" are calculated as if AT1 capital was recognised as a liability. In the numerator, the profit is less interest expenses after tax of DKK 74m (first nine months of 2017: DKK 45m) for Additional Tier 1 Capital (AT1), and the denominator is calculated as equity exclusive of Additional Tier 1 Capital (AT1) of DKK 2,527m. (first nine months of 2017: DKK 2,585m).

"Expenses as a percentage of income" is calculated as Core expenses divided by Core income.

"Book value per share" and "Price/book value per share" are calculated as if Additional Tier 1 Capital (AT1) is accounted for as liabilities. Book value has been calculated exclusive of Additional Tier 1 Capital (AT1) of DKK 2,527m (first nine months of 2017: DKK 2,585m).

Note	The Jyske Bank Group

DKKm

4 **Segmental financial statements, cont.**

Revenue by country	**Q1-Q3 2018** **Revenue**	**Q1-Q3 2018** **Full-time employees, end of period**	Q1-Q3 2017 Revenue	Q1-Q3 2017 Full-time employees, end of period
Denmark	**10,240**	**3,666**	10,487	3,888
Gibraltar	**108**	**95**	99	105
Germany	**3**	**7**	8	10
Spain	**0**	**0**	0	0
Total	**10,351**	**3,768**	10,594	4,003

Revenue is defined as interest income, fee and commission income and also other operating income.

Jyske Bank has activities in the countries stated below in the form of subsidiaries or branches. The names of the subsidiaries appear from the group chart.

Activities in individual countries:
Denmark: The Jyske Bank Group has activities within banking and mortgage banking, trading and wealth management advice as well as leasing.
Gibraltar: The Jyske Bank Group has activities within banking as well as trading and wealth management advice.
Germany: The Jyske Bank Group has activities within banking.
Spain: The Jyske Bank Group has activities within properties.

Note	DKKm	The Jyske Bank Group Q1-Q3 2018	Q1-Q3 2017
5	**Interest income**		
	Due from credit institutions and central banks	**12**	-6
	Loans and advances	**5,711**	6,211
	Administration margin	**1,234**	1,244
	Bonds	**610**	733
	Derivatives, total	**245**	190
	Of which:		
	Currency contracts	**172**	116
	Interest-rate contracts	**73**	74
	Other	**1**	1
	Total	**7,813**	8,373
	Interest on own mortgage bonds, set off against interest on issued bonds	**203**	249
	Total after offsetting of negative interest	**7,610**	8,124
	Negative interest income set off against interest income	**122**	119
	Negative interest expenses set off against interest expenses	**120**	112
	Total before offsetting of negative interest income	**7,852**	8,355

Negative interest income amounted to DKK 242m (2017: DKK 231m) and related primarily to repo transactions. In the above table, negative interest income is set off against interest income. In the income statement, negative interest income is listed as interest expenses, and negative interest expenses are listed as interest income.

Interest income calculated through the effective interest method amounted to DKK 2,550m in the first nine months of 2018 against DKK 2,754m in the first nine months of 2017.

Note	DKKm	Q1-Q3 2018	Q1-Q3 2017
6	**Interest expenses**		
	Due to credit institutions and central banks	**76**	55
	Deposits	**-57**	-25
	Issued bonds	**3,338**	3,619
	Subordinated debt	**75**	62
	Other	**72**	44
	Total	**3,504**	3,755
	Interest on own mortgage bonds, set off against interest on issued bonds	**203**	249
	Total after offsetting of negative interest	**3,301**	3,506
	Negative interest expenses set off against interest expenses	**122**	119
	Negative interest income set off against interest income	**120**	112
	Total before offsetting of negative interest income	**3,543**	3,737

Negative interest expenses amounted to DKK 242m (2017: DKK 231m) and related primarily to repo transactions. In the above table, negative interest expenses are set off against interest expenses. In the income statement, negative interest expenses are listed as interest income, and negative interest income is listed as interest expenses.

Note	The Jyske Bank Group		
	DKKm	**Q1-Q3 2018**	Q1-Q3 2017
7	**Fees and commission income**		
	Securities trading and custody services	**872**	949
	Money transfers and card payments	**161**	148
	Loan application fees	**279**	271
	Guarantee commission	**82**	58
	Other fees and commissions	**300**	205
	Total	**1,694**	1,631

8	**Value adjustments**		
	Loans and advances at fair value	**-1,183**	2,574
	Bonds	**-523**	162
	Other investment securities	**589**	391
	Currency	**124**	127
	Currency, interest-rate, share, commodity and other contracts as well as other derivatives	**207**	-48
	Issued bonds	**1,238**	-2,359
	Other assets and liabilities	**4**	10
	Total	**456**	857

9	**Other income**		
	Income on real property	**51**	50
	Profit on the sale of property, plant and equipment	**300**	105
	Income from operating lease[1]	**403**	401
	Dividends, etc.	**113**	71
	Profit on investments in associates and group enterprises	**-2**	4
	Other income	**50**	51
	Total	**915**	682

[1]) Expenses relating to operating lease affected the item Amortisation, depreciation and impairment charges in the amount of DKK 330m in the first nine months of 2018 against DKK 449m in the corresponding period of 2017.

Note		The Jyske Bank Group	
	DKKm	**Q1-Q3 2018**	Q1-Q3 2017
10	**Employee and administrative expenses**		
	Employee expenses		
	Wages and salaries, etc.	**1,801**	1,841
	Pensions	**240**	234
	Social security	**239**	239
	Total	**2,280**	2,314
	Salaries and remuneration to management bodies		
	Executive Board[1]	**28**	32
	Supervisory Board	**4**	3
	Shareholders' Representatives	**2**	2
	Total	**34**	37

[1] I The Executive Board had an average of 4.8 members in the first nine months of 2018 against 4.9 in the first nine months of 2017. Salaries for the Executive Board in the first nine months of 2017 included a retirement remuneration of DKK 7m for a retired member of the Executive Board.

	Other administrative expenses		
	IT	**954**	889
	Other operating expenses	**62**	282
	Other administrative expenses	**312**	421
	Total	**1,328**	1,592
	Employee and administrative expenses, total	**3,642**	3,943
11	**Effective tax rate**		
	Corporation tax rate in Denmark	**22.0**	22.0
	Non-taxable income and non-deductible expenses, etc.	**-0.6**	-0.1
	Total	**21.4**	21.9

Note		The Jyske Bank Group	
	DKKm		
		Q1-Q3 2018	Q1-Q3 2017
12	**Loan impairment charges and provisions for guarantees recognised in the income statement**		
	Loan impairment charges/provisions for the period	**431**	16
	Impairment charges on balances due from credit institutions in the period	**3**	-15
	Provisions for commitments and unutilised credit lines in the period	**-26**	-
	Recognised as a loss, not covered by loan impairment charges/provisions	**340**	174
	Recoveries	**-202**	-262
	Loan impairment charges and provisions for guarantees recognised in the income statement	**546**	-87
	Recognised discount for acquired loans	**-107**	227
	Net effect on income statement	**439**	-314

13	**Balance of loan impairment charges and provisions for guarantees incl. balance of discounts**		
	Balance of loan impairment charges and provisions for guarantees incl. balance of discounts, beginning of period	**5,656**	6,816
	Implementation of IFRS 9 and adjustments to the standard	**623**	-
	Loan impairment charges/provisions for the period	**406**	16
	Recognised as a loss, covered by impairment charges/provisions	**-494**	-434
	Recognised losses covered by discounts for acquired loans	**-1**	-70
	Recognised discount for acquired loans	**-107**	-227
	Other movements	**64**	57
	Balance of loan impairment charges and provisions for guarantees incl. balance of discounts, end of period	**6,147**	6,158
	Loan impairment charges and provisions for guarantees at amortised cost	**3,897**	3,997
	Loan impairment charges at fair value	**1,503**	1,182
	Provisions for guarantees	**228**	397
	Provisions for commitments and unutilised credit lines	**131**	-
	Balance of loan impairment charges and provisions, end of period	**5,759**	5,576
	Balance of discounts for acquired loans	**388**	582
	Balance of loan impairment charges and provisions for guarantees incl. balance of discounts, end of period	**6,147**	6,158

The regulatory balance of loan impairment charges and provisions for guarantees does not include the discount balance for acquired loans and advances.

Loan impairment charges at amortised cost and provisions for guarantees and credit commitments, etc.		
Balance of loan impairment charges and provisions, beginning of period	**3,938**	4,754
Implementation of IFRS 9 and adjustments to the standard	**623**	-
Loan impairment charges/provisions for the period	**62**	-70
Recognised as a loss, covered by impairment charges/provisions, over the period	**-434**	-347
Other movements	**67**	57
Balance of loan impairment charges and provisions, end of period	**4,256**	4,394
Loan impairment charges at fair value		
Balance of impairment charges, beginning of period	**1,219**	1,183
Loan impairment charges for the period	**344**	86
Recognised as a loss, covered by impairment charges/provisions, over the period	**-60**	-87
Balance of impairment charges, end of period	**1,503**	1,182

Note	The Jyske Bank Group

DKKm

		Stage 1	Stage 2	Stage 3	Total
14	**Balance of loan impairment charges and provisions for guarantees broken down by stage**				
	Balance according to IAS 39, beginning of period				**5,157**
	Transitional effect, IFRS 9, incl. effect on loans at fair value	645	1,352	4,195	**1,035**
	Movements over the period, net	12	-42	-403	**-433**
	Balance of loan impairment charges and provisions, end of period	**657**	**1,310**	**3,792**	**5,759**
	Of which bank loans at fair value	265	752	486	**1,503**
	Of which loan impairment charges that were credit-impaired at first recognition	0	0	556	**556**

		30 Sept. 2018	31 Dec. 2017	30 Sept. 2017
15	**Loans and advances at fair value**			
	Mortgage loans, nominal value	**311,791**	298,239	294,860
	Adjustment for interest-rate risk, etc.	**7,959**	9,189	8,697
	Adjustment for credit risk[1]	**-1,440**	-1,139	-1,109
	Mortgage loans at fair value, total	**318,310**	306,289	302,448
	Arrears and outlays, total	**108**	101	71
	Other loans and advances	**8,132**	10,608	9,320
	Loans and advances at fair value, total	**326,550**	316,998	311,839

[1] Adjustment for credit risk is calculate so it allows for objective evidence whether loans and advances are impaired compared to the time of the establishment of the loans and advances.

16	**Loans and advances at fair value broken down by property category**			
	Owner-occupied homes	**168,424**	167,351	165,049
	Vacation homes	**8,006**	7,699	7,550
	Subsidised housing (rental housing)	**52,291**	50,167	50,036
	Cooperative Housing	**15,877**	15,893	15,768
	Private rental properties (rental housing)	**42,709**	37,225	35,597
	Industrial properties	**1,778**	1,156	1,175
	Office and business properties	**32,915**	33,356	32,634
	Agricultural properties	**85**	56	54
	Properties for social, cultural and educational purposes	**4,364**	4,041	3,896
	Other properties	**101**	54	80
	Total	**326,550**	316,998	311,839

17	**Loans and advances at amortised cost and guarantees broken down by sector**			
	Public authorities	**8,263**	9,275	7,288
	Agriculture, hunting, forestry, fishing	**8,379**	7,203	7,272
	Manufacturing, mining, etc.	**7,397**	7,649	9,599
	Energy supply	**6,841**	4,980	3,810
	Building and construction	**3,694**	3,494	3,733
	Commerce	**13,401**	11,984	11,986
	Transport, hotels and restaurants	**5,705**	3,832	3,932
	Information and communication	**976**	1,114	856
	Finance and insurance	**27,354**	35,714	35,861
	Real property	**16,646**	14,244	13,525
	Other sectors	**7,209**	7,464	7,444
	Corporates, total	**97,602**	97,678	98,018
	Personal clients, total	**43,702**	42,451	42,564
	Total	**149,567**	149,404	147,870

Note	DKKm	30 Sept. 2018	31 Dec. 2017	30 Sept. 2017
	The Jyske Bank Group			
18	**Other assets**			
	Positive fair value of derivatives	**22,778**	25,632	27,337
	Assets in pooled deposits	**4,200**	4,208	4,221
	Interest and commission receivable	**455**	464	527
	Investments in associates	**411**	417	413
	Prepayments	**377**	328	336
	Investment properties	**28**	29	29
	Other assets	**1,081**	1,282	1,679
	Total	**29,330**	32,360	34,542
	Netting			
	Positive fair value of derivatives, etc., gross	**29,066**	31,941	33,517
	Netting of positive and negative fair value	**6,288**	6,309	6,180
	Total	**22,778**	25,632	27,337

Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).

Note	DKKm	30 Sept. 2018	31 Dec. 2017	30 Sept. 2017
19	**Deposits**			
	Demand deposits	**108,861**	109,334	105,293
	Term deposits	**3,245**	2,950	3,073
	Time deposits	**27,854**	36,333	35,037
	Special deposits	**6,761**	7,038	7,218
	Pooled deposits	**4,183**	4,368	4,247
	Total	**150,904**	160,023	154,868
20	**Issued bonds at fair value**			
	Issued bonds at fair value, nominal value	**348,436**	332,462	329,897
	Adjustment to fair value	**8,359**	9,300	8,878
	Own mortgage bonds offset, fair value	**-40,118**	-39,161	-43,603
	Total	**316,677**	302,601	295,172
21	**Other liabilities**			
	Set-off entry of negative bond holdings in connection with repos/reverse repos	**4,216**	3,695	3,592
	Negative fair value of derivatives, etc.	**23,493**	25,776	27,714
	Interest and commission payable	**1,925**	2,221	2,245
	Deferred income	**127**	135	138
	Other liabilities	**5,457**	5,411	5,172
	Total	**35,218**	37,238	38,861
	Netting			
	Negative fair value of derivatives, etc., gross	**29,781**	32,085	33,894
	Netting of positive and negative fair value	**6,288**	6,309	6,180
	Total	**23,493**	25,776	27,714

Netting of fair value can be attributed to clearing of derivatives through a central clearing house (CCP clearing).

Note	DKKm	30 Sept. 2018	31 Dec. 2017	30 Sept. 2017
22	**Provisions**			
	Provisions for pensions and similar liabilities	**611**	602	574
	Provisions for deferred tax	**593**	576	532
	Provisions for guarantees	**228**	342	397
	Other provisions	**282**	252	260
	Total	**1,714**	1,772	1,763

Note				The Jyske Bank Group
	DKKm	**30 Sept. 2018**	31 Dec. 2017	30 Sept. 2017
23	**Subordinated debt**			
	Supplementary capital:			
	Var. % bond loan EUR 300m 05.04.2029	**2,237**	2,234	2,233
	Var. % bond loan SEK 600m 19.05.2026	**434**	454	463
	3.25% bond loan SEK 400m 19.05.2026	**289**	303	309
	6.73% bond loan EUR 12m 2019-2026	**90**	101	100
	Var. % bond loan EUR 10m 13.02.2023	**75**	74	74
	5.65% bond loan EUR 10 m 27.03.2023	**75**	74	74
	5.67% bond loan EUR 10 m 31.07.2023	**75**	74	74
		3,275	3,314	3,327
	Hybrid core capital:			
	Var. % bond loan EUR 72.8m Perpetual	**542**	542	542
	Var. % bond loan EUR 60.7m Perpetual	**452**	452	452
		994	994	994
	Subordinated debt, nominal	**4,269**	4,308	4,321
	Hedging of interest-rate risk, fair value	**15**	15	20
	Total	**4,284**	4,323	4,341
	Subordinated debt included in the capital base	**4,223**	4,278	4,295

The above-mentioned issues of hybrid core capital do not meet the conditions for additional Tier 1 capital in the Capital Requirements Regulation, CRR. The issues are recognised under liability other than provision according to IAS 32.

Note		30 Sept. 2018	31 Dec. 2017	30 Sept. 2017
24	**Contingent liabilities**			
	Guarantees			
	Financial guarantees	**13,951**	14,169	14,154
	Guarantee for losses on mortgage credits	**1,527**	1,712	1,751
	Registration and refinancing guarantees	**1,122**	926	745
	Other contingent liabilities	**1,796**	1,922	2,054
	Total	**18,396**	18,729	18,704
	Other contingent liabilities			
	Irrevocable credit commitments	**19,975**	22,151	18,253
	Other	**91**	105	109
	Total	**20,066**	22,256	18,362

Financial guarantees are primarily payment guarantees, and the risk equals that involved in credit facilities.

Guarantees for losses on mortgage loans are typically provided as security for the most risky part of mortgage loans granted to personal clients and to a limited extent for loans secured on commercial real property. Guarantees for residential real property are within 80% and for commercial real property within 60%-80%, of the property value as assessed by a professional expert.

Registration and refinancing guarantees are provided in connection with the registration of new and refinanced mortgages. Such guarantees involve insignificant risk.

Other contingent liabilities include other forms of guarantees at varying degrees of risk, including performance guarantees. The risk involved is deemed to be less than the risk involved in, e.g., credit facilities subject to flexible drawdown.

24 **Contingent liabilities, cont.**

Jyske Bank is also a party to a number of legal disputes arising from its business activities. Jyske Bank estimates the risk involved in each individual case and makes any necessary provisions which are recognised under contingent liabilities. Jyske Bank does not expect such liabilities to have material influence on Jyske Bank's financial position.

Because of its statutory participation in the deposit guarantee scheme, the sector has paid an annual contribution of 2.5‰ of the covered net deposits until the assets of Pengeinstitutafdelingen (the financial institution fund) exceed 1% of the total net deposits covered, which level has been reached. According to Bank Package 3 and Bank Package 4, Pengeinstitutafdelingen bears the immediate losses attributable to covered net deposits and relating to the winding up of financial institutions in distress. Any losses in connection with the final winding up are covered by the Guarantee Fund's Afviklings- og Restruktureringsafdeling (settlement and restructuring fund), where Jyske Bank currently guarantees 9.33% of any losses.

The statutory participation in the resolution financing arrangements (Resolution Fund) as of June 2015 entailed that credit institutions pay an annual contribution over a 10-year period to a Danish national fund with a target size totalling 1% of the covered deposits. Credit institutions are to contribute according to their relative sizes and risk in Denmark, and the first contributions to the Resolution Fund were paid at the end of 2015. The Jyske Bank Group expects having to pay a total of about DKK 500m over a 10-year period.

Jyske Bank is a management company under Danish joint taxation. Therefore, according to the provisions of the Danish Company Taxation, Jyske Bank is liable as of the accounting year 2013 for corporation tax, etc. for the jointly taxed companies and as of 1 July 2012 for any liabilities to withhold tax on interest and dividends for the jointly taxed companies.

25 **Shareholders**

On 6 September 2017, BRFholding a/s, Kgs. Lyngby, Danmark informed Jyske Bank that it owns 20.25% of the share capital. On 19 October 2012, MFS Investment Management, USA reported that it owns 5.14% of the share capital. According to Jyske Bank's Articles of Association, BRFholding a/s and MFS Investment Management have 4,000 votes each. According to our corporate announcement of 1 October 2018, Jyske Bank owned 6.28% of the share capital.

26 **Related parties**

Jyske Bank is the banker of a number of related parties. Transactions between related parties are characterised as ordinary financial transactions and services of an operational nature. Transactions with related parties were executed on an arm's length basis or at cost.

Over the period, there were no unusual transactions with related parties. Please see Jyske Bank's Annual Report 2017 for a detailed description of transactions with related parties.

27 **Bonds provided as security**

The Jyske Bank Group has deposited bonds with central banks and clearing houses, etc. in connection with clearing and settlement of securities and currency transactions as well as tri-party repo transactions totalling a market value of DKK 12,577m (end of 2017: DKK 17,012m).

In addition, the Jyske Bank Group has provided cash collateral in connection with CSA agreements in the amount of DKK 5,858m (end of 2017: DKK 5,224m) as well as bonds in the amount of DKK 755m (end of 2017: 1,470m).

Repo transactions involve an arrangement where bonds are provided as collateral for the amount borrowed. Repo transactions amounted to DKK 11,145m (end of 2017: DKK 11,725m).

28 **Notes on fair value**

Methods for measuring fair value

Fair value is the price that, at the time of measurement, would be obtained by selling an asset or paid for by transferring a liability in an ordinary transaction between independent market participants. The fair value may equal the book value where book value is recognised on the basis of underlying assets and liabilities measured at fair value.

For all assets listed on active markets, fair values are measured at official prices (the category "Quoted prices". Where no price is quoted, a different official price is used which is taken to reflect most closely the fair value (category: "Observable prices". Financial assets and liabilities, whose quoted prices or other official prices are not available or are not taken to reflect the fair value, are measured at fair value according to other evaluation techniques and other observable market information. In those cases where observable prices based on market information are not available or are not taken to be useful for measuring fair value, the fair value is measured by recognised techniques, including discounted future cash flows, and own expertise (category "non-observable prices"). The basis of the measurement may be recent transactions involving comparable assets or liabilities, interest rates, exchange rates, volatility, credit spreads, etc. Generally, the Group's unlisted shares are placed in this category.

Generally, quoted prices and observable input are obtained in the form of interest rates and equity and bond prices, exchange rates, forward premiums, volatilities, etc. from recognised stock exchanges and providers.

Specific details on methods for measuring fair value

Bonds at fair value, shares, assets linked to pooled deposits, and derivatives are measured at fair value in the accounts to the effect that the carrying amounts equal fair values.

Generally bonds are measured at prices quoted on a recognised stock exchange. Alternatively, prices are applied that are calculated on the basis of Jyske Bank's own measurement models based on a yield curve with a credit spread. Essentially, the calculated prices are based on observable input.

Generally equities, etc. are measured at prices quoted on a recognised stock exchange. Alternatively, prices are applied that are calculated on the basis of Jyske Bank's own measurement models based on observable input, shareholders' agreements, executed transactions, etc. Unlisted equities are measured on the basis of discounted cash flow models (DCF).

Derivatives are measured on the basis of the following measurement techniques.

- Forward exchange transactions are measured on the basis of forward premiums as well as exchange rates obtained.
- Interest-rate and currency swaps are measured on the basis of exchange rates, interest points, interpolation between these, exchange rates as well as correction of credit risk (CVA and DVA). Client margins are amortised over the remaining time to maturity. Present value calculations with discounting is applied.
- Futures are measured on the basis of prices obtained in the market for stock-exchange traded futures.
- Options are measured on the basis of volatilities, correlation matrices, prices of underlying assets and exercise prices. For this purpose, option models, such as Black-Scholes, are applied.

Assets related to pooled deposits are measured according to the above principles.

Information about differences between recognised value and measurement of fair value

Loans and advances exclusive of mortgage loans and certain other home loans are recognised at amortised cost. The difference to fair value is assumed to be fee and commission received, costs defrayed in connection with lending, plus interest-rate-dependent value adjustment calculated by comparing current market rates with market rates at the time when the loans and advances were established. Changes in credit quality are assumed to be included under impairment charges both for carrying amounts and fair values.

Subordinated debt and issued bonds exclusive of issues of mortgage bonds are recognised at amortised cost supplemented with the fair value of the hedged interest-rate risk. The difference to fair value was calculated on the basis of own-issue prices obtained externally.

Deposits are recognised at amortised cost. The difference to fair value is assumed to be the interest-rate dependent value adjustment calculated by comparing current market rates with market rates at the time when the deposits were made.

Balances with credit institutions are recognised at amortised cost. The difference to fair value is assumed to be the interest-rate dependent value adjustment calculated by comparing current market rates with market rates at the time when the transactions were established. Changes in the credit quality of balances with credit institutions are assumed to be included under impairment charges for loans, advances, and receivables. Changes in the fair values of balances due to credit institutions because of changes in Jyske Bank’s own credit rating are not taken into account.

The calculated fair values of financial assets and liabilities recognised at amortised cost are materially non-observable prices (level 3) in the fair value hierarchy.

DKKm

28 **Notes on fair value, cont.**

Information about changes in credit risk on derivatives with positive fair value.
In order to allow for the credit risk on derivatives for clients without objective evidence of impairment (OEI), the fair value is adjusted (CVA). Adjustments will also be made for clients with OEI, but on an individual basis.

For any given counterparty's total portfolio of derivatives, CVA is a function of the probability of the counterparty's probability of default (PD), the expected positive exposure (EPE) as well as the loss given default (LGD). Credit default swaps (CDS) spreads should be used as the primary source for the probability of default in the CVA calculation. However, the Jyske Bank Group enters primarily to derivatives transactions with unlisted Danish counterparties, for which there only to a most limited extent exist CDS or CDS proxy spreads. As CDS spreads are not available for the majority of the portfolio of derivatives counterparties, risk-neutral PDs are used instead. The risk-neutral PDs are calculated on the basis of IRB PDs that are adjusted for the observable price of risk in the market (Sharpe Ratio measured on the basis of the OMX C20 index). By using risk-neutral PDs, it is achieved that the CVA gets closer to the value it would have had if it had been calculated on the basis of market observable PDs. The calculation of CVA also allows for the expected development of the rating over time. This takes place on the basis of historical rating migrations. When determining the EPE, a model is used to establish the expected positive exposure to the counterparty's portfolio over the maturity of the derivatives. For LGD, internal estimates are used for the individual counterparty, adjusted for any collateral received as well as CSA agreements concluded.

In addition to CVA, also an adjustment is made of the fair value of derivatives that have an expected future negative fair value. This takes place to allow for changes in the counterparties' credit risk against the Jyske Bank Group (debt valuation adjustment - DVA). The DVA takes place according to the same principles that apply to the CVA, yet PD for Jyske Bank is determined on the basis of Jyske Bank's external rating by Standard & Poor's. At the end of the third quarter of 2018, CVA and DVA amounted, on an accumulated basis, to net DKK 50m, which accumulated amount was recognised as an expense under value adjustment against an accumulated amount of DKK 70m at the end of 2017.

29 **Fair value of financial assets and liabilities**
The recognised value and fair value of assets classified as held-for-trading amounted to DKK 124.7bn at the end of the third quarter of 2018 against DKK 134.1bn at the end of 2017. The recognised value and fair value of liabilities classified as trading portfolio amounted to DKK 35.7bn at the end of the third quarter of 2018 against DKK 38.6bn at the end of 2017. The recognised value and fair value of assets classified as held-to-maturity amounted to DKK 7.6bn and DKK 7.6bn, respectively, at the end of the third quarter of 2018 against DKK 4.3bn and 4.3bn, respectively, at the end of 2017. The table shows the fair value of financial assets and liabilities and the carrying amounts. The re-statement at fair value of financial assets and liabilities shows a total unrecognised unrealised loss of DKK 33m at the end of the third quarter of 2018 against a loss of DKK 319m at the end of 2017.

	30 September 2018		31 December 2017	
	Carrying amount	**Fair Value**	Carrying amount	Fair value
FINANCIAL ASSETS				
Cash balance and demand deposits with central banks	**15,301**	**15,301**	19,347	19,347
Due from credit institutions and central banks	**14,461**	**14,460**	13,046	13,045
Loans and advances at fair value	**326,550**	**326,550**	316,998	316,998
Loans and advances at amortised cost	**131,171**	**131,353**	130,675	130,831
Bonds at fair value	**63,610**	**63,610**	69,846	69,846
Bonds at amortised cost	**7,564**	**7,637**	4,280	4,336
Shares, etc.	**3,564**	**3,564**	4,972	4,972
Assets in pooled deposits	**4,200**	**4,200**	4,208	4,208
Derivatives	**22,778**	**22,778**	25,632	25,632
Total	**589,199**	**589,453**	589,004	589,215
FINANCIAL LIABILITIES				
Due to credit institutions and central banks	**20,314**	**20,319**	17,959	17,963
Deposits	**146,721**	**146,732**	155,655	155,674
Pooled deposits	**4,183**	**4,183**	4,368	4,368
Issued bonds at fair value	**316,677**	**316,677**	302,601	302,601
Issued bonds at amortised cost	**33,325**	**33,657**	38,920	39,376
Subordinated debt	**4,284**	**4,223**	4,323	4,374
Derivatives	**23,493**	**23,493**	25,776	25,776
Total	**548,997**	**549,284**	549,602	550,132

Note	The Jyske Bank Group

DKKm

30 **The fair value hierarchy**

30 September 2018 **Financial assets**	**Quoted prices**	**Observable prices**	**Non-observable prices**	**Fair value total**	**Carrying amount**
Loans and advances at fair value	0	326,550	0	326,550	326,550
Bonds at fair value	54,247	9,363	0	63,610	63,610
Shares, etc.	789	773	2,002	3,564	3,564
Assets in pooled deposits	2,958	1,242	0	4,200	4,200
Derivatives	773	22,005	0	22,778	22,778
Total	**58,767**	**359,933**	**2,002**	**420,702**	**420,702**
Financial liabilities					
Pooled deposits	0	4,183	0	4,183	4,183
Issued bonds at fair value	267,100	49,577	0	316,677	316,677
Derivatives	536	22,957	0	23,493	23,493
Total	**267,636**	**76,717**	**0**	**344,353**	**344,353**
31 December 2017					
Financial assets					
Loans and advances at fair value	0	316,998	0	316,998	316,998
Bonds at fair value	55,412	14,434	0	69,846	69,846
Shares, etc.	1,978	739	2,255	4,972	4,972
Assets in pooled deposits	2,398	1,810	0	4,208	4,208
Derivatives	367	25,265	0	25,632	25,632
Total	60,155	359,246	2,255	421,656	421,656
Financial liabilities					
Pooled deposits	0	4,368	0	4,368	4,368
Issued bonds at fair value	283,416	19,185	0	302,601	302,601
Derivatives	303	25,473	0	25,776	25,776
Total	283,719	49,026	0	332,745	332,745

The above table shows the fair value hierarchy for financial assets and liabilities recognised at fair value. It is the practice of the Group that if prices are not updated for two days, transfers will take place between the categories quoted prices and observable prices.

NON-OBSERVABLE PRICES	**Q1-Q3 2018**	2017
Fair value, beginning of period	**2,255**	2,024
Transfers for the period	**0**	-73
Capital gain and loss for the period reflected in the income statement under value adjustments	**135**	149
Sales or redemptions	**389**	30
Purchases	**1**	185
Fair value, end of period	**2,002**	2,255

Non-observable prices

Non-observable prices at the end of the third quarter of 2018 referred to unlisted shares recognised at DKK 2,002m against unlisted shares recognised at DKK 2,255m at the end of 2017. These are primarily sector shares. The measurements, which are associated with some uncertainty, are made on the basis of the shares' book value, market trades, shareholders' agreements as well as own assumptions and extrapolations, etc. In the cases where Jyske Bank calculates the fair value on the basis of the company's expected future earnings, a required rate of return of 15% p.a. before tax is applied. A change in the required rate of return of 1% will result in a change of the fair value of about DKK 35m. Capital gain and loss for the period on illiquid bonds and unlisted shares referred to assets held at the end of the third quarter of 2018. Jyske Bank finds it of little probability that the application of alternative prices in the measurement of fair value would result in a material deviation from the recognised fair value.

30 **Fair value hierarchy, cont.**

Non-financial assets recognised at fair value

Investment properties were recognised at a fair value of DKK 28m (end of 2017: DKK 29m). Fair value belongs to the category of non-observable prices calculated on the basis of a required rate of return of 7% (end of 2017: 7%)

Assets held temporarily comprise repossessed properties, equity investments and cars, etc. and similar assets held for sale. Assets held temporarily are recognised at the lower of cost and fair value less costs of sale. Assets held temporarily are recognised at DKK 591m (end of 2017: DKK 577m). Fair value belongs to the category of non-observable prices.

Owner-occupied properties are recognised at the restated value corresponding to the fair value on the date of the revaluation less subsequent amortization, depreciation and impairment. The valuation of selected land and buildings is carried out with the assistance of external experts. Based on the returns method, the measurement takes place in accordance with generally accepted standards and with a weighted average required rate of return of 5.96% at the end of 2017. Owner-occupied properties were recognised at DKK 1,894m (2017: DKK 2,657m). The revalued amount belongs to the category of non-observable prices.

31 **The Jyske Bank Group - overview**

30 September 2018	*	Currency	Share capital 1.000 units	Ownership share (%)	Voting share (%)	Assets (DKKm) end of 2017	Liabilities DKKm at the end of 2017	Equity DKKm, at the end of 2017	Earnings (DKKm) 2017	Profit, DKKm 2017
Jyske Bank A/S	a	DKK	849,450			295,738	261,134	34,604	6,604	3,143
Subsidiaries										
Jyske Realkredit A/S, Kgs. Lyngby	b	DKK	3,306,480	100	100	337,754	322,023	15,731	2,186	886
Jyske Bank (Gibraltar) Ltd.	a	GBP	26,500	100	100	6,501	5,987	514	149	-81
Jyske Bank (Gibraltar) Nominees Ltd.	d	GBP	0	100	100	0	0	0	0	0
Jyske Bank (Gibraltar) Management Ltd.	d	GBP	0	100	100	0	0	0	0	0
Jyske Bank (Gibraltar) Secretaries Ltd.	d	GBP	0	100	100	0	0	0	0	0
Trendsetter, S.L., Spain	e	EUR	706	100	100	16	0	16	0	0
Jyske Bank Nominees Ltd., London	d	GBP	0	100	100	0	0	0	0	0
Inmobiliaria Saroesma S.L., Spain	e	EUR	803	100	100	77	74	3	0	-4
Jyske Finans A/S, Silkeborg	c	DKK	100,000	100	100	19,167	18,017	1,150	983	145
Ejendomsselskabet af 01.11.2017 A/S, Silkeborg	e	DKK	500	100	100	10	9	1	0	0
Gl. Skovridergaard A/S, Silkeborg	e	DKK	500	100	100	31	26	5	18	-2
Sundbyvesterhus A/S, Silkeborg	e	DKK	518	100	100	113	17	96	6	2
Ejendomsselskabet af 1.10.2015 ApS, Silkeborg	c	DKK	500	100	100	125	123	2	1	1
Jyske Invest Fund Management A/S, Silkeborg	d	DKK	76,000	100	100	357	72	285	362	5
Bytorv Horsens ApS, Gentofte (temporarily acquired)	e	DKK	1,080	100	100	242	412	-170	14	-33

All banks and mortgage credit institutions supervised by national financial supervisory authorities are subject to statutory capital requirements. Such capital requirements may limit intra-group facilities and dividend payments.

* Activity:
a: Bank
b: Mortgage credit
c: Leasing, financing and factoring
d: Investment and financing
e: Properties and course activities

The registered offices of the companies are in Silkeborg, unless otherwise stated.

Note		Jyske Bank	
	DKKm	**Q1-Q3 2018**	Q1-Q3 2017
	Income statement		
3	Interest income	**2,564**	2,911
4	Interest expenses	**421**	456
	Net interest income	**2,143**	2,455
	Dividends, etc.	**106**	69
5	Fees and commission income	**1,466**	1,394
	Fees and commission expenses	**81**	90
	Net interest and fee income	**3,634**	3,828
6	Value adjustments	**480**	867
	Other operating income	**682**	350
	Employee and administrative expenses	**3,409**	3,087
	Amortisation, depreciation and impairment charges	**60**	95
	Other operating expenses	**14**	32
7	Loan impairment charges	**-41**	-314
	Profit on investments in associates and group enterprises	**961**	669
	Pre-tax profit	**2,315**	2,814
	Tax	**316**	451
	Net profit for the period	**1,999**	2,363
	Distributed to:		
	Jyske Bank A/S shareholders	**1,904**	2,305
	Holders of additional capital (AT1)	**95**	58
	Total	**1,999**	2,363

	Statement of Comprehensive Income		
	Net profit for the period	**1,999**	2,363
	Other comprehensive income:		
	Items that cannot be recycled to the income statement:		
	Revaluation of real property	**145**	30
	Tax on property revaluations	**-29**	0
	Items that can be recycled to the income statement:		
	Foreign currency translation adjustment of international units	**0**	-17
	Hedge accounting of international units	**0**	17
	Tax on hedge accounting	**0**	-4
	Other comprehensive income after tax	**116**	26
	Comprehensive income for the period	**2,115**	2,389

Note	DKKm	30 Sept. 2018	31 Dec. 2017	30 Sept. 2017
	BALANCE SHEET			
	ASSETS			
	Cash balance and demand deposits with central banks	**15,231**	19,244	14,425
	Due from credit institutions and central banks	**14,941**	9,532	13,153
10	Loans and advances at fair value	**7,721**	10,154	8,854
8,9,10	Loans and advances at amortised cost	**131,685**	132,585	131,079
	Bonds at fair value	**54,583**	62,030	59,816
	Bonds at amortised cost	**7,564**	5,672	5,620
	Shares, etc.	**3,246**	4,674	4,578
	Investments in associates	**401**	407	402
	Equity investments in group enterprises	**18,614**	17,731	15,684
	Assets in pooled deposits	**4,201**	4,208	4,221
	Intangible assets	**0**	1	3
	Owner-occupied properties	**1,768**	2,020	1,959
	Other property, plant and equipment	**108**	126	135
	Current tax assets	**929**	436	827
	Assets held temporarily	**24**	48	51
	Other assets	**23,693**	26,782	28,466
	Prepayments	**103**	88	102
	Total assets	**284,812**	295,738	289,375
	EQUITY AND LIABILITIES			
	Debt and payables			
	Due to credit institutions and central banks	**33,299**	31,379	28,633
11	Deposits	**141,305**	149,935	145,053
	Pooled deposits	**4,183**	4,368	4,247
	Issued bonds at amortised cost	**33,325**	35,776	35,642
	Other liabilities	**32,840**	34,251	35,980
	Deferred income	**18**	18	19
	Total debt	**244,970**	255,727	249,574
	Provisions			
	Provisions for pensions and similar liabilities	**577**	568	545
	Provisions for deferred tax	**48**	25	31
	Provisions for guarantees	**224**	338	392
	Other provisions	**274**	153	147
	Provisions, total	**1,123**	1,084	1,115
	Subordinated debt	**4,284**	4,323	4,341
	Equity			
	Share capital	**849**	892	892
	Revaluation reserve	**214**	339	405
	Currency translation reserve	**0**	0	0
	Reserve according to the equity method	**5,309**	4,406	2,989
	Retained profit	**25,536**	25,864	27,474
	Proposed dividend	**0**	522	0
	Jyske Bank A/S shareholders	**31,908**	32,023	31,760
	Holders of additional tier 1 capital (AT1)	**2,527**	2,581	2,585
	Total equity	**34,435**	34,604	34,345
	Total equity and liabilities	**284,812**	295,738	289,375
	OFF-BALANCE SHEET ITEMS			
	Guarantees, etc.	**18,807**	19,226	18,865
	Other contingent liabilities	**2,925**	3,103	2,602
	Total guarantees and other contingent liabilities	**21,732**	22,329	21,467

Jyske Bank

DKKm

Statement of changes in equity	Share Capi-tal	Reva-luation reserve	Currency transla-tion reserve	Reserve according to the equity method	Retai-ned profit	Propo-sed dividend	Sharehol-ders of Jyske Bank A/S	AT1 capital*	Total equity
Equity at 1 January 2018	892	339	0	4,406	25,864	522	32,023	2,581	34,604
Changed accounting policies, IFRS 9	0	0	0	-117	-511	0	-628	0	-628
Tax effect, IFRS 9	0	0	0	25	112	0	137	0	137
Adjusted equity, 1 January 2018	892	339	0	4,314	25,465	522	31,532	2,581	34,113
Net profit for the period	0	0	0	961	943	0	1,904	95	1,999
Other comprehensive income	0	-125	0	34	207	0	116	0	116
Comprehensive income for the period	0	-125	0	995	1,150	0	2,020	95	2,115
Interest paid on AT1 capital	0	0	0	0	0	0	0	-109	-109
Currency translation adjustment	0	0	0	0	40	0	40	-40	0
Tax	0	0	0	0	13	0	13	0	13
Dividends paid	0	0	0	0	-525	-522	-1,047	0	-1,047
Dividends, own shares	0	0	0	0	49	0	49	0	49
Reduction of share capital	-43	0	0	0	43	0	0	0	0
Acquisition of own shares	0	0	0	0	-1,688	0	-1,688	0	-1,688
Sale of own shares	0	0	0	0	989	0	989	0	989
Transactions with owners	-43	0	0	0	-1,079	-522	-1,644	-149	-1,793
Equity 30 September 2018	**849**	**214**	**0**	**5,309**	**25,536**	**0**	**31,908**	**2,527**	**34,435**
Equity at 1 January 2017	950	400	-2	2,964	26,227	499	31,038	1,476	32,514
Net profit or loss for the period	0	0	2	0	2,303	0	2,305	58	2,363
Other comprehensive income	0	5	0	25	-4	0	26	0	26
Comprehensive income for the period	0	5	2	25	2,299	0	2,331	58	2,389
AT1 capital issue	0	0	0	0	0	0	0	1,117	1,117
Transaction costs	0	0	0	0	-12	0	-12	0	-12
Interest paid on AT1 capital	0	0	0	0	0	0	0	-58	-58
Currency translation adjustment	0	0	0	0	8	0	8	-8	0
Tax	0	0	0	0	14	0	14	0	14
Dividends paid	0	0	0	0	-532	-499	-1,031	0	-1,031
Dividends own shares	0	0	0	0	69	0	69	0	0
Reduction of share capital	-58	0	0	0	58	0	0	0	0
Acquisition of own shares	0	0	0	0	-3,747	0	-3,747	0	-3,747
Sale of own shares	0	0	0	0	3,090	0	3,090	0	3,090
Transactions with shareholders	-58	0	0	0	-1,052	-499	-1,609	1,051	-558
Equity 30 September 2017	892	405	0	2,989	27,474	0	31,760	2,585	34,345

*Additional tier 1 capital (AT1) has no maturity. Payment of interest and repayment of principal are voluntary. Therefore AT1 capital is recognised as equity. In September 2016, Jyske Bank issued AT1 amounting to SEK 1.25bn and DKK 500m. The AT1 issue with the possibility of early redemption in September 2021 at the earliest. The interest rates applicable to the issue until September 2021 are STIBOR+5.80% and CIBOR+5.30%, respectively. In September 2017, Jyske Bank made an issue amounting to EUR 150bn, AT1, with the possibility of early redemption in September 2027 at the earliest. The issue has a coupon of 4.75% until September 2027. It applies to all AT1 issues, that if the Common Equity Tier 1 capital of Jyske Bank A/S or the Jyske Bank Group falls below 7%, the loans will be written down.

DKKm	**30 Sept. 2018**	31 Dec. 2017	30 Sept. 2017
Capital statement			
Shareholders' equity	**31,908**	32,023	31,760
Share buy-back programme, non-utilised limit	**-552**	-281	-846
Proposed dividend	**0**	-522	0
Expected dividend, calculated as required by law	**-640**	0	-375
Intangible assets	**0**	-1	-3
Deferred tax liabilities relating to intangible assets	**0**	0	1
Prudent valuation	**-228**	-251	-219
Other deductions	**-71**	-14	-116
Common Equity Tier 1 capital	**30,417**	30,954	30,202
Additional Tier 1 Capital (AT1) after reduction	**3,041**	3,209	3,228
Other deductions	**0**	-27	-27
Core capital	**33,458**	34,136	33,403
Subordinated loan capital after reduction	**3,705**	3,631	3,647
Difference between expected loss and the carrying amount of impairment charges	**0**	77	43
Other deductions	**0**	-248	-248
Capital base	**37,163**	37,596	36,845
Weighted risk exposure involving credit risk etc.	**99,875**	99,523	98,237
Weighted risk exposure involving market risk	**14,202**	20,553	19,368
Weighted risk exposure involving operational risk	**11,936**	11,400	11,400
Total weighted risk exposure	**126,013**	131,476	129,005
Capital requirement, Pillar I	**10,081**	10,518	10,320
Capital requirement, transitional provisions	**0**	276	188
Capital requirement, total	**10,081**	10,794	10,508
Capital ratio (%)	**29.5**	28.6	28.6
Tier 1 Capital ratio (%)	**26.6**	26.0	25.9
Common Equity Tier 1 capital ratio (%)	**24.1**	23.5	23.4

Transitional rules for capital requirements according to Basel I ended at the end of 2017.

For the determination of individual solvency requirement, please see www.jyskebank.info.

Note		Jyske Bank	
	DKKm	**Q1-Q3 2018**	Q1-Q3 2017

Notes

1 **Accounting Policies**

The Interim Financial Report of the parent company Jyske Bank A/S for the period 1 January to 30 September 2018 was prepared in accordance with the Danish Financial Business Act, including the Executive Order on Financial Reports for Credit Institutions and Stockbrokers, etc.

The rules applying to recognition and measurement at Jyske Bank A/S are consistent with IFRS. With respect to classification and extent, the preparation for Jyske Bank A/S differs from the preparation for the Group. Please thee the full description of accounting policies in note 71 of the annual report 2017.

Figures in the financial statements are in Danish kroner, rounded to the nearest million in Danish kroner.

Changes to accounting policies

The Danish Executive Order on Financial Reports for Credit Institutions and Investment Companies, Etc. was changed with effect from 1 January 2018 as the derived effects from IFRS 9 have been incorporated in the executive order.

The amount from loans and advances at amortised cost, guarantees and unutilised credit lines is DKK 628m. The amount is accounted for as a change in practice, and after a tax effect of DKK 137m it was recognised at net DKK 491m in equity on 1 January 2018.

The following items were adjusted as of 1 January 2018: Loans and advances at amortised cost were reduced by DKK 427m, equity investments in group enterprises were reduced by DKK 92m, current tax assets were increased by DKK 112m, and provisions were increased by DKK 84m. The net effect reduced equity by DKK 491m as the reserve according to the equity method was reduced by DKK 92m and retained profit was reduced by DKK 399m.

In accordance with the transitional provisions of IFRS 9, no adjustment of comparative figures was made, as it is not possible to apply the impairment provisions to previous financial years without any subsequent rationalisation.

For further details on the changes to accounting policies due to IFRS 9, please see the Jyske Bank Group, note 1, page 31.

Financial situation and risk information

Jyske Bank A/S is affected by the financial situation and the risk factors that are described in the management's review for the Group and reference is made to this.

2 **Financial ratios and key figures**

	Q1-Q3 2018	Q1-Q3 2017
Pre-tax profit p.a. as a percentage of average equity*	**9.3**	11.7
Profit for the period as a pct. of av. equity*	**6.1**	7.4
Income/cost ratio (%)	**1.7**	2.0
Capital ratio (%)	**29.5**	28.6
Common Equity Tier 1 capital ratio (CET1 %)	**24.1**	23.4
Individual solvency requirement (%)	**11.3**	11.4
Capital base (DKKm)	**37,163**	36,845
Total risk exposure (DKKm)	**126,013**	129,005
Interest-rate risk (%)	**0.7**	0.7
Currency risk (%)	**0.1**	0.1
Accumulated impairment ratio (%)	**2.5**	2.8
Impairment ratio for the period (%)	**0.0**	-0.2
No. of full-time employees at end-period	**3,418**	3,443
Average number of full-time employees in the period	**3,463**	3,111

*Financial ratios are calculated as if AT1 capital is recognised as a liability.

Note			Jyske Bank
	DKKm	**Q1-Q3 2018**	Q1-Q3 2017
	Notes		
3	**Interest income**		
	Due from credit institutions and central banks	**15**	6
	Loans and advances	**1,727**	2,013
	Bonds	**448**	546
	Derivatives, total	**132**	114
	Of which currency contracts	**171**	115
	Of which interest-rate contracts	**-39**	-1
	Other	**0**	1
	Total after offsetting of negative interest	**2,322**	2,680
	Negative interest income set off against interest income	**122**	119
	Negative interest expenses set off against interest expenses	**120**	112
	Total before offsetting of negative interest income	**2,564**	2,911
	Of which interest income on reverse repos carried under:		
	Due from credit institutions and central banks	**-18**	-17
	Loans and advances	**-70**	-72
4	**Interest expenses**		
	Due to credit institutions and central banks	**91**	80
	Deposits	**-72**	-33
	Issued bonds	**85**	116
	Subordinated debt	**75**	62
	Total after offsetting of negative interest	**179**	225
	Negative interest expenses set off against interest expenses	**122**	119
	Negative interest income set off against interest income	**120**	112
	Total before offsetting of negative interest income	**421**	456
	Of which interest expenses on reverse repos carried under:		
	Due to credit institutions and central banks	**-38**	-28
	Deposits	**-17**	-12
5	**Fees and commission income**		
	Securities trading and custody services	**691**	760
	Money transfers and card payments	**151**	135
	Loan application fees	**111**	118
	Guarantee commission	**81**	56
	Other fees and commissions	**432**	325
	Total	**1,466**	1,394
6	**Value adjustments**		
	Loans and advances at fair value	**50**	79
	Bonds	**-401**	126
	Shares, etc.	**575**	365
	Currency	**113**	115
	Currency, interest-rate, share, commodity and other contracts as well as other derivatives	**112**	127
	Assets in pooled deposits	**30**	111
	Pooled deposits	**-30**	-111
	Other assets	**2**	1
	Issued bonds	**31**	44
	Other liabilities	**-2**	10
	Total	**480**	867

Note		Jyske Bank	
	DKKm	**Q1-Q3 2018**	Q1-Q3 2017
7	**Loan impairment charges and provisions for guarantees recognised in the income statement**		
	Loan impairment charges/provisions for the period	**-23**	-210
	Impairment charges on balances due from credit institutions in the period	**3**	-15
	Provisions for commitments and unutilised credit lines in the period	**-27**	-
	Recognised as a loss, not covered by loan impairment charges/provisions	**183**	68
	Recoveries	**-138**	-157
	Loan impairment charges and provisions for guarantees recognised in the income statement	**-2**	-314
	Recognised discount for acquired loans	**-39**	158
	Net effect on income statement	**-41**	-472
8	**Balance of loan impairment charges and provisions for guarantees incl. balance of discounts**		
	Balance of loan impairment charges and provisions for guarantees incl. balance of discounts, beginning of period	**4,286**	5,514
	Implementation of IFRS 9 and adjustments to the standard	**507**	-
	Loan impairment charges/provisions for the period	**-50**	-210
	Recognised as a loss, covered by impairment charges/provisions	**-408**	-344
	Recognised losses covered by discounts for acquired loans	**-1**	-51
	Recognised discount for acquired loans	**-39**	-158
	Other movements	**55**	59
	Balance of loan impairment charges and provisions for guarantees incl. balance of discounts, end of period	**4,350**	4,810
	Loan impairment charges at amortised cost	**3,852**	4,176
	Provisions for guarantees	**224**	392
	Provisions for commitments and unutilised credit lines	**126**	-
	Balance of loan impairment charges and provisions, end of period	**4,202**	4,568
	Balance of discounts for acquired loans	**148**	242
	Balance of loan impairment charges and provisions for guarantees incl. balance of discounts, end of period	**4,350**	4,810

The regulatory balance of loan impairment charges and provisions for guarantees does not include the discount balance for acquired loans and advances.

Note		Stage 1	Stage 2	Stage 3	Total
9	**Balance of loan impairment charges and provisions for guarantees broken down by stage**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
	Balance according to IAS 39, beginning of period				**4,096**
	Transitional effect, IFRS 9	325	637	3,641	**507**
	Movements over the period, net	-4	-54	-343	**-401**
	Balance of loan impairment charges and provisions, end of period	**321**	**583**	**3,298**	**4,202**
	Of which loan impairment charges and provisions for guarantees that were credit-impaired at first recognition	0	0	402	**402**

Note	Jyske Bank

DKKm

10 **Loans, advances and guarantees as well as loan impairment charges and provisions for guarantees by sector**

Sector	**Loans, advances and guarantees**				**Balance of loan impairment charges and provisions for guarantees**		**Loan impairment charges and provisions for guarantees for the period**		**Loss for the period**	
	% 30 Sept. 2018	% End of 2017	**30 Sept. 2018**	End of 2017	**30 Sept. 2018**	End of 2017	**Q1-Q3 2018**	Q1-Q3 2017	**Q1-Q3 2018**	Q1-Q3 2017
Public authorities	**5**	6	**8,251**	9,265	**0**	0	**0**	0	**0**	0
Agriculture, hunting, forestry, fishing	**5**	4	**7,458**	6,248	**912**	1,085	**-147**	-151	**172**	164
Fishing	**1**	*1*	**1,924**	*1,663*	**1**	*1*	**0**	*-3*	**0**	*0*
Dairy farmers	**1**	*0*	**854**	*838*	**450**	*528*	**-92**	*-69*	**74**	*105*
Plant production	**1**	*1*	**1,986**	*1,498*	**88**	*122*	**-5**	*3*	**13**	*21*
Pig farming	**1**	*1*	**1,474**	*1,069*	**264**	*329*	**-51**	*-91*	**48**	*26*
Other agriculture	**1**	*1*	**1,220**	*1,180*	**109**	*105*	**1**	*9*	**37**	*12*
Manufacturing, mining, etc.	**4**	4	**5,966**	6,091	**256**	197	**154**	19	**145**	11
Energy supply	**4**	3	**6,584**	4,776	**58**	36	**9**	0	**0**	0
Building and construction	**2**	1	**2,531**	2,262	**76**	93	**-7**	3	**6**	22
Commerce	**7**	6	**11,277**	9,987	**224**	160	**18**	27	**17**	20
Transport, hotels and restaurants	**2**	1	**3,825**	2,065	**87**	82	**-1**	-6	**0**	11
Information and communication	**1**	1	**867**	1,018	**42**	29	**7**	-42	**3**	0
Finance and insurance	**30**	33	**47,441**	52,748	**640**	716	**-63**	-160	**51**	22
Real property	**10**	9	**16,115**	14,399	**510**	555	**-40**	23	**96**	60
Lease of real property	**5**	*5*	**8,729**	*8,469*	**447**	*484*	**-8**	*63*	**89**	*60*
Buying and selling of real property	**2**	*2*	**2,740**	*2,438*	**33**	*44*	**-10**	*-30*	**6**	*0*
Other real property	**3**	*2*	**4,646**	*3,492*	**30**	*27*	**-22**	*-10*	**1**	*0*
Other sectors	**3**	3	**5,175**	5,884	**181**	153	**23**	-27	**30**	11
Corporate clients	**68**	65	**107,239**	105,478	**2,986**	3,106	**-47**	-314	**520**	321
Private individuals	**27**	29	**42,723**	47,222	**1,090**	990	**33**	0	**71**	91
Unutilised max and commitments, etc.	**-**	-	**-**	-	**126**	-	**-27**	-	**0**	-
Total	**100**	100	**158,213**	161,965	**4,202**	4,096	**-41**	-314	**591**	412

		Jyske Bank	
	30 Sept. 2018	31 Dec. 2017	30 Sept. 2017
11 **Deposits**			
Demand deposits	**104,167**	104,521	100,451
Term deposits	**3,245**	2,950	3,073
Time deposits	**27,111**	35,427	34,311
Special deposits	**6,782**	7,037	7,218
Total	**141,305**	149,935	145,053

Statement by the Executive and Supervisory Boards

We have today discussed and approved the Interim Financial Report of Jyske Bank A/S for the period 1 January to 30 September 2018.

The consolidated Interim Financial Statements were prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU, and the Parent's Interim Financial Statements in accordance with the Danish Financial Business Act. Further, the Interim Financial Report was prepared in accordance with the additional Danish disclosure requirements for interim financial reports of listed financial companies.

The Interim Financial Report is unaudited and has not been reviewed, but the external auditor verified the profit, and this verification included audit procedures in line with the requirements relating to a review, and hence it was ascertained that the conditions for on-going recognition of the profit for the period in the capital base were met.

In our opinion, the Interim Financial Statements give a true and fair view of the Group's and the Parent's financial position at 30 September 2018 and also of their financial performance as well as the cash flows of the Group for the period 1 January – 30 September 2018.

In our opinion, the Management's Review gives a fair presentation of the development in the Group's and the Parent's performance and financial position, the profit for the period and the Group's and the Parent's financial position as a whole as well as a description of the most material risks and elements of uncertainty that may affect the Group and the Parent.

Silkeborg, 30 October 2018

EXECUTIVE BOARD

ANDERS DAM
Managing Director and CEO

NIELS ERIK JAKOBSEN

PETER SCHLEIDT

PER SKOVHUS

/JENS BORUM
Director, Finance

SUPERVISORY BOARD

SVEN BUHRKALL
Chairman

KURT BLIGAARD PEDERSEN
Deputy Chairman

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PHILIP BARUCH

JENS A. BORUP

KELD NORUP

JOHNNY CHRISTENSEN
Employee Representative

MARIANNE LILLEVANG
Employee Representative

CHRISTINA LYKKE MUNK
Employee Representative