

SUPPLEMENTARY OFFERING CIRCULAR DATED 3 MARCH 2017



STADSHYPOTEK AB (publ)

(incorporated with limited liability in The Kingdom of Sweden)

€20,000,000,000

**Euro Medium Term Covered Note Programme
for the issue of Notes with a minimum maturity of one year and one day**

This Supplementary Offering Circular (the **Supplement**) to the Offering Circular dated 28 November 2016 (the **Offering Circular**), which, together with the Supplementary Offering Circular dated 9 February 2017 (the **First Supplement**), comprises a base prospectus and is prepared in connection with the Euro Medium Term Covered Note Programme (the **Programme**) established by Stadshypotek AB (publ) (the **Issuer**). This Supplement constitutes a supplementary offering circular for the purposes of Article 16 of Directive 2003/71/EC as amended (the **Prospectus Directive**) as implemented in Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005 and is prepared in order to update the Offering Circular. Terms defined in the Offering Circular have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular and any other supplements to the Offering Circular issued by the Issuer.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is (a) to incorporate by reference pages 16 to 53 (inclusive) and pages 55 to 57 (inclusive) of a document entitled "Annual Report 2016" (the **Annual Report**) which contains the audited unconsolidated financial statements of the Issuer for the financial year ended 31 December 2016 and the Auditor's report, and (b) to include a new "Significant or Material Change" statement.

Annual Report

On 24 February 2017, the Issuer published the Annual Report. A copy of the Annual Report has been filed with the Central Bank of Ireland and, by virtue of this Supplement, the audited unconsolidated financial statements of the Issuer (which appear on pages 16 to 53 (inclusive) of the Annual Report) and the Auditor's report (which appears on pages 55 to 57 (inclusive) of the Annual Report) are incorporated in, and form part of, this Supplement which supplements the Offering Circular. The Annual Report contains unconsolidated financial statements that have been audited by the Issuer's auditors.

The Annual Report is available on the Issuer's website at:

[http://www.stadshypotek.se/shb/inet/icensv.nsf/vlookuppics/investor_relations_stadshypotek_annual_report_2016/\\$file/shyp_annual_report_2016.pdf](http://www.stadshypotek.se/shb/inet/icensv.nsf/vlookuppics/investor_relations_stadshypotek_annual_report_2016/$file/shyp_annual_report_2016.pdf)

Copies of any or all of the documents which are incorporated by reference in the Offering Circular can be obtained from the registered office of the Issuer in Stockholm.

Any information contained in the Annual Report which is not expressly incorporated by reference in this Supplement does not form part of this Supplement and is either not relevant to investors or is covered elsewhere in the Offering Circular.

Significant or Material Change

The paragraph under the heading "Significant or Material Change" on page 100 of the Offering Circular shall be deemed deleted and replaced with the following:

"There has been no significant change in the financial or trading position of the Issuer or the Issuer and its wholly owned subsidiary (the **Issuer's Group**) since 31 December 2016 and there has been no material adverse change in the financial position or prospects of the Issuer or the Issuer's Group since 31 December 2016."

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into this Supplement and the Offering Circular and (b) any other statement in, or incorporated by reference into, the Offering Circular, as supplemented by the First Supplement, the statements in (a) above will prevail.

Save as disclosed in this Supplement and the First Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular since the publication of the Offering Circular.