



SBAB BANK AB (publ)

(Incorporated with limited liability in the Kingdom of Sweden)

€13,000,000,000

Euro Medium Term Note Programme

This Supplement (the “*Supplement*”) constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “*FSMA*”) and is prepared in connection with the Euro Medium Term Note Programme (the “*Programme*”) established by SBAB Bank AB (publ) (the “*Issuer*”). This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular (the “*Offering Circular*”) relating to the Programme dated 1st November, 2017, as previously supplemented by a Supplementary Offering Circular dated 22 December 2017 (the “*First Supplement*”), which together comprise a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) (the “*Prospectus Directive*”). Terms defined in the Offering Circular have the same meaning when used in this Supplement.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Issuer (having 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 the Issuer's unaudited summary interim financial information (the “*2017 Interim Report*”) as at and for the financial year ended 31st December, 2017, (b) to include a new “Significant or Material Change” statement, (c) to update the information in the Offering Circular regarding the Issuer's Board of Directors, and (d) to amend the sections of the Offering Circular entitled “Important Information”, “Form of Final Terms” and “Form of Pricing Supplement” following the entering into force of Directive 2014/65/EU (the Markets in Financial Instruments Directive).

Issuer's Results for Year-end 2017

On 15th February, 2018, the Issuer published its 2017 Interim Report, including its unaudited summary interim financial information for the financial year ended 31st December, 2017. A copy of the 2017 Interim Report has been filed with the Financial Conduct Authority and, by virtue of this Supplement, the 2017 Interim Report is incorporated in, and forms part of, the Offering Circular. Copies of this Supplement, the Offering Circular and any documents which are incorporated by reference in the Offering Circular can be obtained, upon request and free of charge, from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in London and Luxembourg. In addition, this Supplement, the Offering Circular and the documents incorporated by reference in the Offering Circular are also available for viewing on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

Significant or Material Change

There has been no significant change in the financial or trading position of the Issuer or the SBAB Group since 31st December, 2017 and there has been no material adverse change in the prospects of the Issuer or the SBAB Group since 31st December, 2016.

New Board Member

At an Extraordinary General Meeting of the Shareholders of the Issuer held on 15th February, 2018, Mr. Jan Sinclair was elected new Director of the Issuer. The Swedish Companies Registration Office was notified of the new appointment on 15th February, 2018 and the appointment was consequently effective as of that date.

Amendments to the Offering Circular

The Offering Circular shall be amended and supplemented as follows:

(i) Amendments to the section entitled “Important Information”

The information in the section entitled “Important Information” of the Offering Circular shall be supplemented by inserting the following text immediately after the paragraph headed “Important - EEA Retail Investors” on page 6:

“MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Tranche of Notes (or Pricing Supplement, in the case of Exempt Notes) may include a legend entitled “MiFID II PRODUCT GOVERNANCE” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made at the time of each issue whether, for the purposes of the MiFID II Product Governance rules under Commission Delegated Directive (EU) 2017/593 (the “MiFID II Product Governance Rules”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purposes of the MiFID II Product Governance Rules.”

(ii) **Amendments to the section entitled “Form of Final Terms”**

The information in the section entitled “Form of Final Terms” of the Offering Circular shall be supplemented by inserting the following text immediately after the paragraph headed “PROHIBITION OF SALES TO EEA RETAIL INVESTORS” on page 42:

“[MiFID II PRODUCT GOVERNANCE – Professional investors and ECPs only target market: Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “MiFID II”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]”

(iii) **Amendments to the section entitled “Form of Pricing Supplement”**

The information in the section entitled “Form of Pricing Supplement” of the Offering Circular shall be supplemented by inserting the following text immediately after the paragraph headed “PROHIBITION OF SALES TO EEA RETAIL INVESTORS” on page 52:

“[MiFID II PRODUCT GOVERNANCE – Professional investors and ECPs only target market: Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “MiFID II”)] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.]”

General Information

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

To the extent that any document or information incorporated by reference itself incorporates any information by reference, either expressly or impliedly, such information will not form part of this Supplement for the purposes of the Prospectus Directive, except where such information or documents are stated within this Supplement as specifically being incorporated by reference or where this Supplement is specifically defined as including such information.

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.