

Supplement to Base Prospectus approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the “SFSA”) on 9 August, 2017, Dnr 17-6853.
Date for the publication of the Prospectus Supplement (Dnr 19-23060) 31 October, 2019.

DANSKE HYPOTEK AB (publ)

PROGRAMME FOR CONTINUOUS ISSUANCE OF COVERED BONDS

This document constitutes a supplement to the base prospectus regarding continuous issuance of covered bonds by Danske Hypotek AB (publ) (the “**Issuer**”), Dnr 17-6853, which was approved and registered by the SFSA on 9 August, 2017 (the “**Base Prospectus**”), the prospectus supplement approved and registered by the SFSA on 5 April 2018, Dnr 18-6027 (the “**Prospectus Supplement I**”), the prospectus supplement approved and registered by the SFSA on 18 September, 2018, Dnr 18-15965 the “**Prospectus Supplement II**”) and the prospectus supplement approved and registered by the SFSA on 17 May, 2019, Dnr 19-10434 the “**Prospectus Supplement III**”). This Prospectus Supplement has been established in accordance with chapter 2, section 34 of the Swedish Financial Instruments Trading Act (*Lag (1991:980) om handel med finansiella instrument*) and was approved and registered by the SFSA on 31 October 2019 and made public on the website of the Issuer on 31 October 2019.

This Prospectus Supplement shall be read in conjunction with and is a part of the Base Prospectus and the Prospectus Supplements I-III. The Base Prospectus and Prospectus Supplements I-III together with this Prospectus Supplement are available on the Issuer’s website, www.danskehypotek.se/ and may also be ordered from the Issuer without cost at the Issuer’s office, at Norrmalmstorg 1, 103 92 Stockholm, Sweden.

Investors who have already agreed to purchase or subscribe for Covered Bonds before this Prospectus Supplement is published have the right to withdraw their acceptances within 2 business days from the date of publication, being 4 November, 2019.

This Prospectus Supplement has been prepared due to (1) the change of board members decided on an Extra Shareholders Meeting on 27 August 2019, (2) the publication by the Issuer of its half year interim report (1 January – 30 June, 2019) on 28 August, 2019, (3) the ongoing money laundering investigations in the Parent, and (4) the name change of one of the Dealers. The Base Prospectus has therefore been supplemented as follows.

Change of Board of Directors

The Issuer has on an Extra Shareholders meeting held on 27 August, 2019 decided to replace Berit Behring by electing Anneli Adler as a new member of the board. One of the board members, Erik Åsbrink, resigned prior to the Extra Shareholders meeting.

The wording under the heading “Board of Directors” on page 32 is replaced with the following:

The board of directors of the Issuer consist of five members of which four were re-elected at the general shareholders meeting on 29 March 2019 and one was elected at an extra shareholders meeting on 27 August, 2019.

Name	Position	Board member since
Glenn Söderholm	Chairman	5 July 2018
Kim Borau	Member	5 July 2018
Carsten Nøddebo Rasmussen	Member	2017
Robert Wagner	Member	5 July 2018
Anneli Adler	Member	27 August 2019

Glenn Söderholm

Other on-going principal assignments: Member of the Executive Board of the Parent and Head of Banking Nordic.

Kim Borau

Other on-going principal assignments: Head of Performance Management, Banking Nordic at the Parent.

Carsten Nøddebo Rasmussen

Other on-going principal assignments: Chief Executive Officer of Realkredit Danmark A/S.

Robert Wagner

Other on-going principal assignments: Head of Group Capital of the Parent.

Anneli Adler

Other on-going principal assignments: Co-head of Retail Banking Sverige of the Parent.

Publication of Danske Hypotek AB (publ)'s interim half year report for the period 1 January – 30 June 2019

The Issuer has on 28 August 2019 published its interim half year report for the period 1 January - 30 June 2019. By virtue of this Prospectus Supplement, the interim half year report is incorporated in, and forms part of, the Base Prospectus, excluding the section “First half-year in brief” on page 2 thereof. The publication of the interim half year report, requires that certain information in the section “Legal considerations and supplementary information” is updated.

The wording under the heading “Trend information” in section “Legal considerations and supplementary information” on page 39 is replaced with the following:

There has been no material adverse change in the prospects of the Issuer since 15 March 2019, being the date of publication of the last audited financial information of the Issuer.

The wording under the heading “Material Change and Significant Change” in section “Legal considerations and supplementary information” on page 39 is replaced with the following:

- *There has been no significant change in the financial position of the Issuer since 30 June 2019, the last day of the financial period in respect of which the most recent financial statements of the Issuer have been prepared; and*
- *there has been no material adverse change in the prospects of the Issuer since 31 December 2018, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared.*

A new fifth paragraph under the heading “Documents incorporated by reference” in section “Legal considerations and supplementary information” on page, 40 shall be added:

Interim Report 2019 <https://danskehypotek.se/-/media/pdf/danske-hypotek/financial-information/danske-hypotek-ab-interim-report-2019.pdf>

The new paragraph six under the heading “Documents incorporated by reference” in in section “Legal considerations and supplementary information” on page 40 is amended as follows:

*The Issuer’s Annual Report for 2016 (the “**2016 Annual Report**”), the Issuer’s Annual Report for 2017 (the “**2017 Annual Report**”), the Interim Half Year Report 2018 (the “**2018 Half Year Report**”), the Issuer’s Annual Report for 2018 (the “**2018 Annual Report**”) and the Issuer’s Interim Half Year Report 2019 (“**2019 Half Year Report**”) has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with the Swedish Annual Report Act (Årsredovisningslag (1995:1554)). The 2018 Half Year Report is also prepared in accordance with IAS 34. With the exception of the 2016 Annual Report, the 2017 Annual Report and the 2018 Annual Report no information in this Prospectus has been audited or reviewed by the Issuer’s auditor.*

The wording under the heading “Documents on display” in section “Legal considerations and supplementary information” on page 40 is amended as follows:

Copies of the following documents are available at the Issuer’s office, at Norrmalmstorg 1, 103 92 Stockholm, Sweden (regular office hours):

- *the Issuer’s certificate of incorporation and Articles of Association;*
- *the Issuer’s 2016 Annual Report;*
- *the Issuer’s 2017 Annual Report;*
- *the Issuer’s 2018 Half Year Report;*
- *the Issuer’s 2018 Annual Report; and*
- *the Issuer’s 2019 Half Year Report*

Money laundering investigations

The Issuer’s Parent is subject to investigations by the Danish Financial Supervisory Authority due to a former customer portfolio in the Parent’s Estonian branch.

The following shall be added in the section RISK FACTORS under the heading “The Issuer is dependent upon other Group companies and their business” on page 9:

The Parent has conducted detailed and thorough money laundering investigations into the former so-called “non-resident portfolio” in the Parent’s Estonian branch covering

the period 2007-2015. The investigations comprise a thorough examination of customers and transactions and an investigation of the course of events, including whether managers and employees, members of the Executive Board or the Board of Directors have sufficiently fulfilled their obligations. The investigations were mandated by the Parent's Board of Directors and led by external Danish legal counsel. On 19 September 2018, the Parent made public the conclusions from the investigations.

After this publication, the Danish Financial Supervisory Authority (the "Danish FSA") announced that it will re-open its investigations into the Parent pertaining to the Estonian matter (the decision by the Danish FSA dated 3 May 2018). On 6 August 2018, the Danish Public Prosecutor for Serious Economic and International Crime (the "SØIK") announced that it had opened an investigation into the Parent concerning transactions passing through the Parent's Estonian branch to examine whether there are grounds for a criminal case against the Parent for breach of the Danish AML Act and on 28 November 2018 the Parent was preliminary charged by SØIK with violating the Danish AML Act. The Parent is cooperating with the authorities.

The Parent has also received requests for information from the U.S. Department of Justice (the "DOJ") and an inquiry from the U.S. Securities and Exchange Commission (the "SEC"), and was placed under a formal investigation by an investigating judge at the Tribunal de Grande Instance de Paris in connection with a criminal investigation relating to the Parent's Estonian branch.

In March 2019, several law suits were filed against the Parent in the City Court of Copenhagen. The total potential quantum of such lawsuits, including further threatened lawsuits, is not yet known. These court actions relate to alleged violations in the Parent's Estonian branch of the rules on prevention of money laundering and alleged failure to timely inform the market of such violations. The timing of completion of any such lawsuits (pending or threatened) and their outcomes are uncertain. The Parent intends to defend itself against the claims.

On 9 January 2019, an action was filed in New York by an alleged holder of the Parent's American Depositary Receipts, representing its ordinary shares, against the Parent. The complaint seeks unspecified damages on behalf of a putative class of purchasers of the Parent's American Depositary Receipts. The timing of completion of the lawsuit and the outcome are uncertain.

The timing of the completion of the on-going investigations into the AML matters at the Estonian branch, the outcome and the subsequent discussions with the authorities regarding such matters are subject to uncertainty. It is not yet possible to reliably estimate the timing or amount of any potential settlement or fines, if any, which could be material.

The outcome of these investigations and the impact on the Parent from such investigations is currently unknown and will ultimately depend on the findings of the authorities. The impact on the Issuer may entail that the refinancing costs of its Covered Bonds may be higher and/or that its mortgage lending volumes become lower.

The following shall be added in the section DESCRIPTION OF THE GROUP on page 34:

Litigations

The Parent has conducted detailed and thorough money laundering investigations into the former so-called “non-resident portfolio” in the Parent’s Estonian Branch covering the period 2007-2015. The investigations were mandated by the Parent’s Board of Directors and led by external Danish legal counsel. On 19 September 2018 the Parent made public the conclusions from the investigations.

*Owing to its business volume, the Parent is continually a party to various lawsuits and disputes and has an on-going dialogue with public authorities such as the Danish FSA. In particular, the investigations and events that took place in the Estonian branch are being discussed with the Danish FSA, the Danish State Prosecutor for Serious Economic and International Crime (“**SØIK**”) and other public authorities such as the Estonian Financial Supervisory Authority (“**Estonian FSA**”) the U.S. Department of Justice (the “**DOJ**”) and the U.S. Securities and Exchange Commission (the “**SEC**”) and the Tribunal de Grande Instance de Paris.*

*Reference is made to “**The Issuer is dependent upon other Group companies and their business**”.*

Change of Dealer’s name

One of the Dealers, Nordea Bank AB (publ), has moved its head office from Stockholm, Sweden to Helsinki, Finland and consequently changed its name to Nordea Bank Abp.

Nordea Bank AB (publ) shall be deleted and replaced by **Nordea Bank Abp** on page 1, on page 14 under the heading “The role of the Dealers”, on page 17 under the definition of “Dealers” and on page 19 under the definition of “Reference Banks”. On page 41 (ADDRESSES) under the heading “Dealers” the contact details to Nordea Bank AB (publ) shall be deleted in its entirety and replaced by the following:

*Nordea Bank Abp
Postal address: Helsinki, FI-00020 Nordea
Visiting address: Aleksis Kiven katu 7, Helsingfors
Telephone: +358 (0) 200 70 000
www.nordea.fi*