KOMMUNINVEST

Swedish municipalities and county councils/regions in cooperation

N.B. This document is a non-official in-house translation of the Swedish version as approved by Finansinspektionen (the Swedish Financial Supervisory Authority) and is provided by the Issuer for convenience only. In case of any discrepancy between this document and the approved Swedish version, the approved Swedish version shall prevail.

Supplement 2017:1 (Swedish Financial Supervisory Authority File No. 17-15095) to Kommuninvest i Sverige AB's (publ) base prospectus dated 12 May 2017

This document constitutes a supplement to Kommuninvest i Sverige AB's (publ) (the "**Company**") base prospectus dated 12 May 2017 for a programme for regular issuance of bonds. The supplement has been approved and registered by the Swedish Financial Supervisory Authority, and was published by the Company on 22 September 2017.

This supplement constitutes a part of, and should be read together with, the base prospectus (Swedish Financial Supervisory Authority File No. 15-5973). The base prospectus and this supplement can be obtained at (www.)kommuninvest.se / (www.)kommuninvest.org and can also be ordered from the Company free of charge.

The supplement has been prepared in accordance with Chapter 2, section 34 of the Financial Instruments Trading Act (1991:980) because the Company, on 30 August 2017, published its interim report regarding the period 1 January 2017 – 30 June 2017.

Pursuant to Chapter 2, section 34, subsection 3 of the Financial Instruments Trading Act (1991:980), any investor who, prior to publication of this supplement, made an application, or otherwise consented, to purchase or subscribe for negotiable securities covered by the base prospectus, is entitled to revoke the application or consent within two business days of the publication of this supplement, the final date for revocation thereby being 26 September 2017.

1. SUMMARY

Section B.12 in the Summary, Section B – Issuer and any guarantor, is replaced with the following information:

"

B.12	Selected historical financial information and declaration that there have been no material adverse changes since the period covered by the historical financial information:	A summary of certain selected financial information for the Company is set forth below. The information has been obtained from the Company's audited annual accounts for the 2016 and 2015 financial years as well as the Company's interim financial report regarding the period 1 January – 30 June 2017. The information in the annual accounts has been examined by the Company's auditors and the information in the interim report has been generally reviewed by the Company's auditor. In accordance with Chapter 7, section 6 a of the Swedish Annual Accounts (Credit Institutions and Securities Companies) Act, the Company does not prepare consolidated financial statements since the subsidiary is of negligible importance in respect of a true and fair view of the financial position and results. The Prospectus contains key ratios which are used as benchmarks for use in supervisory contexts and which are defined in Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ("Capital Requirements Regulation") as well as key ratios which have not been calculated pursuant to IFRS or defined in the Capital Requirements Regulation. Reported key ratios have been reviewed and audited by the Company's auditor only in respect of the periods 1 January – 31 December 2015 and 1 January – 31 December 2016, i.e. the key ratios which relate to the periods 1 January – 30 June 2016 and 1 January – 30 June 2017 have not been reviewed and audited by the Company's auditor. The Company is of the opinion that, given the Company's operations, these key ratios are of major relevance to investors, securities analysts, and other interested parties as supplementary documentation for the evaluation of the Company's earnings trend and financial position. Those key ratios which have not been calculated in accordance with IFRS or the Capital Requirements Regulation are not necessarily comparable to similar benchmarks presented by other companies and have certain limitations as analytical tools. Accordingly, the key ratios should not be regarded in isolation from, or as a substitute for, the Company's financial information which has been prepared in accordance with IFRS. Reported key ratios have been calculated on the bases of previous financial periods. In their auditors' statements, the auditors have explained that the annual accounts for each year have been prepared in accordance

		with the Annual Accounts (Credit Institutions and Securities Companies) Act and, in all material respects, provide a fair picture of the Company's financial position. The auditors have not stated any reservations to the annual accounts for the 2016 and 2015 financial years. The Company has applied and complied with all International Financial Reporting Standards ("IFRS") and statements adopted by the EU to the extent possible within the parameters of the Annual Accounts (Credit Institutions and Securities Companies) Act, and with the supplements and exceptions set forth in FFFS 2008:25. No material changes in the Company's prospects have occurred since the publication of the most recent audited financial statements. No material changes have occurred in the Company's financial situation or position on the market since the publication of the interim report regarding the period 1 January – 30 June 2017.

Income statement

	1 January - 30 June (unaudited)		1 January - 31 December (audited)	
SEK millions	**2017**	**2016**	**2016**	**2015**
Interest income	272.3	349.1	654.0	1,438.3
Interest expenses	152.1	23.6	108.0	-639.8
Net interest income	**424.4**	**372.7**	**762.0**	**798.5**
Commission expenses	-3.6	-3.6	-5.2	-5.3
Net result of financial transactions	237.5	-246.7	-131.9	165.7
Other operating income	2.7	2.7	5.4	2.7
Total operating income	**661.0**	**125.1**	**630.3**	**961.6**
General administrative expenses	-131.5	-106.9	-221.0	-283.0
Amortisation of intangible fixed assets	-2.3	-2.1	-4.2	-4.0
Depreciation of tangible fixed assets	-1.3	-0.9	-1.9	-1.9
Other operating expenses	-2.2	-1.2	-5.0	-4.2
Total operating expenses	**-137.3**	**-111.1**	**-232.1**	**-293.1**
Write-down of financial fixed assets	*Not reported*	-	-	-13.0

Operating profit	**523.7**	**14.0**	**398.2**	**655.5**
Tax on income for the year	-115.7	-3.1	-88.4	-94.2
Income for the year	**408.0**	**10.9**	**309.8**	**561.3**

Statement of comprehensive income

	1 January - 30 June (unaudited)		1 January - 31 December (audited)	
SEK millions	**2017**	**2016**	**2016**	**2015**
Net income	**408.0**	**10.9**	**309.8**	**561.3**
Other comprehensive income				
Items that may later be reclassified to the income statement:				
Available for sale financial assets	9.5	43.1	56.6	-60.2
Available for sale financial assets, transferred to the income statement	-	-	-	0.1
Tax attributable to items that may later be reclassified to the income statement	-2.1	-9.5	-12.5	13.2
Other comprehensive income	**7.4**	**33.6**	**44.1**	**-46.9**
Comprehensive income	**415.4**	**44.5**	**353.9**	**514.4**

Balance sheet

		Per 30 June (unaudited)		Per 31 December (audited)
SEK millions	**2017**	**2016**	**2016**	**2015**
Assets				
Sovereign bonds eligible as collateral	36,076.2	25,711.1	16,964.4	16,839.4
Lending to credit institutions	4,020.8	1,478.0	1,122.3	699.9
Lending	296,600.0	268,882.8	276,982.1	254,421.7
Bonds and other interest-bearing securities	31,208.2	45,393.6	42,003.9	45,688.4
Shares and participations	3.5	3.1	3.3	2.8
Shares and participations in associated companies	*Not reported*	-	-	0.5
Shares and participations in subsidiaries	42.0	42.0	42.0	42.0
Derivatives	14,658.4	25,269.4	24,449.8	22,775.6

Intangible assets	13.2	14.6	13.4	15.7
Tangible assets	8.4	4.3	7.6	4.6
Current tax assets	32.3	111.5	79.0	79.0
Other assets	1,270.1	179.0	14.6	17.0
Deferred tax assets	-	28.1	28.1	28.1
Prepaid expenses and accrued revenue	47.6	29.1	14.9	11.6
Total assets	**383,980.7**	**367,146.6**	**361,725.4**	**340,626.3**
Liabilities, provisions and equity				
Liabilities and provisions				
Liabilities to credit institutions	8,436.1	2,708.0	2,396.1	2,303.5
Securities issued	357,441.8	346,626.1	341,579.4	318,943.6
Derivatives	9,721.1	10,413.3	9,390.5	11,723.1
Other liabilities	413.4	367.4	810.4	2,163.5
Accrued expenses and prepaid revenues	34.5	148.5	30.9	144.9
Provisions for pensions and similar commitments	4.4	3.8	4.1	3.4
Subordinated liabilities	1,000.0	1,000.0	1,000.0	1,000.0
Total liabilities and provisions	**377,051.3**	**361,267.1**	**355,211.4**	**336,282.0**
Equity				
Restricted equity				
Share capital	6,100.0	5,417.1	5,417.1	3,926.4
Ongoing new share issue	-	-	682.9	-
Development expenses fund	3.4	0.8	1.6	-
Statutory reserve	17.5	17.5	17.5	17.5
Unrestricted equity				
Fair value reserve	17.2	-0.7	9.8	-34.3
Profit brought forward / accumulated deficit	383.3	433.9	75.3	-126.6
Income for the period	408.0	10.9	309.8	561.3
Total equity	**6,929.4**	**5,879.5**	**6,514.0**	**4,344.3**
Total liabilities, provisions and equity	**383,980.7**	**367,146.6**	**361,725.4**	**340,626.3**

Key ratios		**Per 30 June**		**Per 31 December**
SEK millions	**2017**	**2016**	**2016**	**2015**
Consolidation				
Core tier 1 capital ratio (%)	*Not reported*	*Not reported*	103.7	44.6
Tier 1 capital ratio (%)	*Not reported*	*Not reported*	103.7	44.6
Total capital ratio (%)	*Not reported*	*Not reported*	122.1	59.8
Leverage ratio in accordance with CRR (%)	*Not reported*	*Not reported*	1.56	0.87
Leverage ratio including subordinated loans (%)	1.91	1.84	1.84	1.16

Income	**1 January – 30 June**		**1 January – 31 December**	
	2017	**2016**	**2016**	**2015**
Operating income excluding effects of unrealised changes in market value	293.6	271.7	593.7	531.3
Administration expenses excluding resolution fee/stability fee, as % of lending	*Not reported*	*Not reported*	0.072	0.068
Administration expenses excluding resolution fee/stability fee as % of balance sheet total	*Not reported*	*Not reported*	0.055	0.051
Return on assets (%)	*Not reported*	*Not reported*	0.086	0.165
Cost/income ratio	*Not reported*	*Not reported*	0.302	0.366

		Per 30 June		**Per 31 December**
	2017	**2016**	**2016**	**2017**
Other information				
Number of employees at end of the year	*Not reported*	*Not reported*	91	85

Alternative key ratio	Definition	Reconciliation
Operating income, excluding effects of unrealised changes in market value	Income from the operations, less the result of unrealised changes in market value which are included in the item "Net result of financial transactions" in the income statement. The key ratio is relevant to show Kommuninvest's underlying earnings capacity.	
Leverage ratio including subordinated loans (%)	Kommuninvest's Tier 1 capital plus subordinated loans, divided by Kommuninvest's total exposure metric. The subordinated loan comprises the entire "Subordinated liabilities" balance sheet item. The key ratio is relevant to assess how well Kommuninvest is succeeding in satisfying the planned regulatory requirement in respect of leverage, given the intention to replace the subordinated loan with share capital.	

	1 January – 30 June		1 January – 31 December	
	2017	**2016**	**2016**	**2015**
Operating income	523.7	14.0	398.2	655.5
Income from unrealised changes in market value	230.1	-257.7	-195.5	124.2
Operating income, excluding effects of unrealised market for changes	**293.6**	**271.7**	**593.7**	**531.3**

	Per 30 June		Per 31 December	
	2017	**2016**	**2016**	**2015**
Tier 1 capital	6,347.7	5,707.0	5,641.1	2,931.7
Subordinated loan	1,000.0	1,000.0	1,000.0	1,000.0
Tier 1 capital including subordinated loan	**7,347.4**	**6,707.0**	**6,641.1**	**3,931.7**
Exposure metric	384,795.6	364,969.3	360,802.6	338,696.8
Leverage ratio including subordinated loan	**1.91**	**1.84**	**1.84**	**1.16**

			2016	2015
Administration expenses, excluding resolution fee/stability fee as % of lending	Administration expenses during the financial year, excluding resolution fee/stability fee in relation to the reported value of lending as of the balance sheet date. This is a key ratio which is relevant to assess the organisation's overall cost efficiency in relation to lending volume, excluding the resolution fee/stability fee.	General administration expenses	-221.0	-283.0
		Depreciation	-6.1	-5.9
		Other operating expenses	-5.0	-4.2
		Total administration expenses	-232.1	-293.1
		Resolution fee/stability fee	-31.4	-120.5
		Total administration expenses, excluding resolution fee/stability fee	**-200.7**	**-172.6**
		Lending volume as of the balance sheet date	**276,982.1**	**254,421.7**
		Administration expenses, excluding resolution fee/stability fee as % of lending	**0.072**	**0.068**

			2016	2015
Administration expenses, excluding the resolution fee/stability fee, as % of the balance sheet total	Total administration expenses during the financial year, excluding the resolution fee/stability fee, in relation to the balance sheet total on the balance sheet date. This is a key ratio which is relevant to assess the organisation's overall cost efficiency in relation to the balance sheet total, excluding the resolution fee/stability fee.	General administration expenses	-221.0	-283.0
		Depreciation	-6.1	-5.9
		Other operating expenses	-5.0	-4.2
		Total administration expenses	-232.1	-293.1
		Resolution fee/stability fee	-31.4	-120.5
		Total administration expenses, excluding resolution fee/stability fee	**-200.7**	**-172.6**
		Balance sheet total on the balance sheet date	**361,725.4**	**340,626.3**
		Administration expenses, excluding the resolution fee/stability fee as % of the balance sheet total	**0.055**	**0.051**

Return on assets (%)	Income for the year in relation to total assets, expressed as a percentage. The key ratio is stated in accordance with FFFS 2008:25, Chapter 6, section 2 a.		**2016**	**2015**
		Income for the year	309.8	561.3
		Total assets	361,725.4	340,626.3
		Return on assets %	**0.086**	**0.165**
Cost/income ratio	Total operating expenses in relation to net interest and other operating income. This is an established key ratio in the banking sector to assess the relationship between costs and income.		**2016**	**2015**
		Total operating expenses	**-232.1**	**-293.1**
		Net interest	762.0	798.5
		Other operating income	5.4	2.7
		Total interest income and other operating income	**767.4**	**801.2**
		Cost/income ratio	**0.302**	**0.366**

2. TERMS AND CONDITIONS FOR BOND LOANS

The current section 3.3 – Market, shall be replaced in its entirety with the following information:

"The Company has appointed Swedbank AB (publ) as arranger for the programme for regular issuance of Bonds and also, as of the date of publication of this Prospectus, has appointed Danske Bank A/S, Denmark, Sweden Branch, Nordea Bank AB (publ), Skandinaviska Enskilda Banken AB (publ), Svenska Handelsbanken AB (publ) and Swedbank AB (publ) as Dealers.

In agreements with the Company, the Dealers have undertaken, under certain conditions, to publish buy and sell interest rates in respect of Bonds which fulfil specific criteria in respect of, for example, volume and remaining term to maturity (benchmark loans). Under certain circumstances, the Dealers are entitled to withdraw from the specific undertakings which apply to benchmark loans.

As of the date of publication of this Prospectus, the following Bond Loans are outstanding: K1806, K1903, K2012, K2109, K2206 and K2302. As of the date of publication of this Prospectus, all of these Bond Loans enjoy benchmark loan status."

3. KOMMUNINVEST I SVERIGE AB

The current paragraphs 4 and 5 in section 6.3.2 – Capital requirements and capitalisation, shall be replaced in their entirety with the following information:

"The Society has the primary responsibility for Kommuninvest's capitalisation. The Society's plan is based on the Group and the Company being capitalised up to a level corresponding to a 1.5 per cent leverage ratio. In the event that the leverage ratio requirement is ultimately set higher than 1.5 per cent, the Society's plan is primarily to solicit contribution capital from the Society's members. The articles of association allow, however, the issuance of Tier 1 capital instruments to other parties.

As per 30 June 2017, the Society's equity in Kommuninvest i Sverige AB amounted to MSEK 6,929.4 (6,514.0), of which the share capital amounted to MSEK 6,100.0 (5,417.1), broken down over 61,000,000 (54,170,590) shares. The MSEK 682.9, corresponding to 6,829,410 shares, which as per 31 December 2016 was booked as an ongoing new share issue, was registered as share capital with the Swedish Companies Registration Office on 2 January 2017. The total share capital is attributable to the members of the Society and no shares are available for trading purposes."

The current paragraphs 3 and 4 in section 6.3.3 – Lending activities, shall be replaced in their entirety with the following information:

"As per 30 June 2017, municipalities and county councils accounted for 41 percent of Kommuninvest's lending; the remaining 59 percent of the lending was to municipal companies with municipal guarantees as security. During the period 1 January to 30 June 2017, the breakdown of new lending and turnover of existing loans was 72 per cent for loans with capital tied up for a period exceeding one year and 28 per cent for loans with capital tied up for a period of one year or less.

During 2015, the Company launched a new lending product, Green Bonds. Green Bonds can be granted for projects and measures which contribute to lower CO_2 emissions and to sustainable growth or reduced climate change. As of 30 June 2017, the portfolio of approved Green Bonds amounted to MSEK 22,781 in respect of 125 investment projects."

The current section 6.3.6 – Other significant events, shall be replaced in its entirety with the following information:

"There have been no significant changes to the Company's financial position or market position since the publication of the interim report for the period 1 January – 30 June 2017."

The current section 6.6.1 – Board of Directors, shall be supplemented with the following information:

"

- Ulrika Gonzalez Hedqvist (born 1973), Örebro

Employee representative
Elected: Board member since 2017, replacement employee representative since 2016.
Position at Kommuninvest: Senior Funding Officer
Other engagements:
Board member of the local trade union”

4. SUMMARY OF FINANCIAL INFORMATION

The current 7.1- Introduction, shall be replaced in its entirety with the following information:

"Introduction

A summary of certain selected financial information in respect of the Company is set forth below. The information is derived from the Company's audited annual accounts for the 2016 and 2015 financial years, as well as the Company's interim report for the period 1 January – 30 June 2017. The information in the annual reports has been examined by the Company's auditors and the information in the interim report has been generally reviewed by the company's auditor. In accordance with Chapter 7, section 6 a of the Swedish Annual Accounts (Credit Institutions and Securities Companies) Act, the Company does not prepare consolidated financial statements since the subsidiary is of negligible importance in respect of a true and fair view of the financial position and results. The Prospectus contains key ratios which are used as benchmarks for use in supervisory contexts and which are defined in Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 ("Capital Requirements Regulation") as well as key ratios which have not been calculated pursuant to IFRS or defined in the Capital Requirements Regulation. Reported key ratios have been reviewed and audited by the Company's auditor only in respect of the periods 1 January – 31 December 2015 and 1 January – 31 December 2016, i.e. the key ratios which refer to the periods 1 January – 30 June 2016 and January – 30 June 2017 have not been reviewed and audited by the Company's auditor. The Company is of the opinion that, given the Company's operations, these key ratios are of major relevance to investors, securities analysts, and other interested parties as supplementary documentation for the evaluation of the Company's earnings trend and financial position. Those key ratios which have not been calculated in accordance with IFRS or the Capital Requirements Regulation are not necessarily comparable to similar benchmarks presented by other companies and have certain limitations as analytical tools. Accordingly, the key ratios should not be regarded in isolation from, or as a substitute for, the Company's financial information which has been prepared in accordance with IFRS. Reported key ratios have been calculated on the bases of previous financial periods.

In their auditors' statements, the auditors have explained that the annual accounts for each year have been prepared in accordance with the Annual Accounts (Credit Institutions and Securities Companies) Act and, in all material respects, provide a fair picture of the Company's financial position. The auditors provided no qualifications in respect of the annual reports for the 2016 and 2015 financial years. The Company has applied and complied with all International Financial Reporting Standards ("IFRS") and statements adopted by the EU to the extent possible within the parameters of the Annual Accounts (Credit Institutions and Securities Companies) Act (SFS 1995:1559), and with the supplements and exceptions set forth in FFFS 2008:25.

No significant changes in the Company's future prospects have occurred since publication of the most recent audited financial reports.

No significant changes in the Company's financial situation or position on the market have occurred since the publication of the interim report in respect of the period 1 January – 30 June 2017.

The financial information set forth below should be read together with other information in each annual report, interim report, and auditors' report.

Other than as expressly stated in this Prospectus, no information has been reviewed or audited by the Company's auditors."

The current section 7.3 - Income statement, is replaced with the following information:

"Income statement

	1 January - 30 June (unaudited)		1 January - 31 December (audited)	
SEK millions	**2017**	**2016**	**2016**	**2015**
Interest income	272.3	349.1	654.0	1,438.3
Interest expenses	152.1	23.6	108.0	-639.8
Net interest income	**424.4**	**372.7**	**762.0**	**798.5**
Commission expenses	-3.6	-3.6	-5.2	-5.3
Net result of financial transactions	237.5	-246.7	-131.9	165.7
Other operating income	2.7	2.7	5.4	2.7
Total operating income	**661.0**	**125.1**	**630.3**	**961.6**
General administrative expenses	-131.5	-106.9	-221.0	-283.0
Amortisation of intangible fixed assets	-2.3	-2.1	-4.2	-4.0
Depreciation of tangible fixed assets	-1.3	-0.9	-1.9	-1.9
Other operating expenses	-2.2	-1.2	-5.0	-4.2
Total operating expenses	**-137.3**	**-111.1**	**-232.1**	**-293.1**
Write-down of financial fixed assets	*Not reported*	-	-	-13.0
Operating profit	**523.7**	**14.0**	**398.2**	**655.5**
Tax on income for the year	-115.7	-3.1	-88.4	-94.2
Income for the year	**408.0**	**10.9**	**309.8**	**561.3**

Statement of comprehensive income	**1 January - 30 June (unaudited)**		**1 January - 31 December (audited)**	
SEK millions	**2017**	**2016**	**2016**	**2015**
Net income	**408.0**	**10.9**	**309.8**	**561.3**
Other comprehensive income				
Items that may later be reclassified to the income statement:				
Available for sale financial assets	9.5	43.1	56.6	-60.2
Available for sale financial assets, transferred to the income statement	-	-	-	0.1
Tax attributable to items that may later be reclassified to the income statement	-2.1	-9.5	-12.5	13.2
Other comprehensive income	**7.4**	**33.6**	**44.1**	**-46.9**
Comprehensive income	**415.4**	**44.5**	**353.9**	**514.4**

"

The current section 7.4 - Balance sheet, is replaced with the following information:

"

Balance sheet		**Per 30 June (unaudited)**		**Per 31 December (audited)**
SEK millions	**2017**	**2016**	**2016**	**2015**
Assets				
Sovereign bonds eligible as collateral	36,076.2	25,711.1	16,964.4	16,839.4
Lending to credit institutions	4,020.8	1,478.0	1,122.3	699.9
Lending	296,600.0	268,882.8	276,982.1	254,421.7
Bonds and other interest-bearing securities	31,208.2	45,393.6	42,003.9	45,688.4
Shares and participations	3.5	3.1	3.3	2.8
Shares and participations in associated companies	*Not reported*	-	-	0.5
Shares and participations in subsidiaries	42.0	42.0	42.0	42.0
Derivatives	14,658.4	25,269.4	24,449.8	22,775.6
Intangible assets	13.2	14.6	13.4	15.7
Tangible assets	8.4	4.3	7.6	4.6
Current tax assets	32.3	111.5	79.0	79.0
Other assets	1,270.1	179.0	14.6	17.0
Deferred tax assets	-	28.1	28.1	28.1
Prepaid expenses and accrued revenue	47.6	29.1	14.9	11.6
Total assets	**383,980.7**	**367,146.6**	**361,725.4**	**340,626.3**

Liabilities, provisions and equity				
Liabilities and provisions				
Liabilities to credit institutions	8,436.1	2,708.0	2,396.1	2,303.5
Securities issued	357,441.8	346,626.1	341,579.4	318,943.6
Derivatives	9,721.1	10,413.3	9,390.5	11,723.1
Other liabilities	413.4	367.4	810.4	2,163.5
Accrued expenses and prepaid revenues	34.5	148.5	30.9	144.9
Provisions for pensions and similar commitments	4.4	3.8	4.1	3.4
Subordinated liabilities	1,000.0	1,000.0	1,000.0	1,000.0
Total liabilities and provisions	**377,051.3**	**361,267.1**	**355,211.4**	**336,282.0**
Equity				
Restricted equity				
Share capital	6,100.0	5,417.1	5,417.1	3,926.4
Ongoing new share issue	-	-	682.9	-
Development expenses fund	3.4	0.8	1.6	-
Statutory reserve	17.5	17.5	17.5	17.5
Unrestricted equity				
Fair value reserve	17.2	-0.7	9.8	-34.3
Profit brought forward / accumulated deficit	383.3	433.9	75.3	-126.6
Income for the period	408.0	10.9	309.8	561.3
Total equity	**6,929.4**	**5,879.5**	**6,514.0**	**4,344.3**
Total liabilities, provisions and equity	**383,980.7**	**367,146.6**	**361,725.4**	**340,626.3**

"

The current section 7.5 - Cash flow statement, is replaced with the following information:
"

Cash flow statement

	1 January – 30 June (unaudited)		1 January – 31 December (audited)	
SEK millions	**2017**	**2016**	**2016**	**2015**
Operational activities				
Operating income	523.7	14.0	398.2	655.5
Adjustment for items not included in cash flow	-226.4	259.3	201.1	-104.4
Income tax paid	-43.1	-42.8	-0.4	66.2
	254.2	**230.5**	**598.9**	**617.3**
Change in liquidity reserve	-19,535.9	-15,355.6	2,051.0	7,633.6
Change in lending	-20,067.5	-13,477.5	-22,558.3	-32,734.2
Change in other assets	-1,288.3	-182.1	-0.9	-29.8
Change in other liabilities	17.3	108.5	-107.8	2.6
Cash flow from operational activities	**-40,620.2**	**-28,676.2**	**-20,017.1**	**-24,510.5**
Investment activities				
Acquisition of intangible assets	-2.1	-0.9	-1.9	-18.1
Acquisition of tangible assets	-2.1	-0.8	-5.0	-0.5
Divestment of tangible assets	0.2	0.3	0.3	-
Divestment of shares in affiliated companies	-	1.8	1.8	-
Cash flow from investment activities	**-4.0**	**0.4**	**-4.8**	**-18.6**
Financing activities				
Issue of interest-bearing securities	78,763.9	77,016.8	129,345.1	121,888.3
Maturity and buy-back of interest bearing securities	-34,830.7	-47,153.0	-109,256.9	-103,395.5
New share issue	-	1,490.7	2,173.6	1,880.0
Change in intragroup obligations	-410.5	-1,900.6	-1,817.5	834.1
Cash flow from financing activities	**43,522.7**	**29,453.9**	**20,444.3**	**21,206.9**
Cash flow for the period	**2,898.5**	**778.1**	**422.4**	**-3,322.2**
Cash and equivalents at the beginning of the period	**1,122.3**	**699.9**	**699.9**	**4,022.1**

Cash and equivalents at the end of the period[1]	**4,020.8**	**1,478.0**	**1,122.3**	**699.9**
Adjustment for items not included in the cash flow				
Depreciation	3.6	3.0	6.1	5.9
Profit on divestment of tangible fixed assets	-0.1	-0.1	-0.1	-
Profit on divestment of shares in affiliated companies	-	-1.3	-1.3	-
Exchange rate differences from change in financial fixed assets	0.2	0.0	0.9	0.9
Unrealised changes in market value	-230.1	257.7	195.5	-124.2
Write down of financial fixed assets	*Not reported*	-	-	13.0
Total	**-226.4**	**259.3**	**201.1**	**-104.4**
Interest paid and earned, included in the cash flow				
Interest received[2]	75.7	165.1	787.1	1,780.1
Interest paid[3]	326.7	198.8	-42.3	-978.1

"

1 Cash and equivalents consist in their entirety of loans to credit institutions with a maturity of at most 3 months at the time of acquisition and that are exposed to an insignificant risk of fluctuations in value.
2 Interest received reports the payments which have been made and received for the Company's lending and investments, as well as the payments which are made and received in respect of derivative contracts which are used to hedge the Company's lending and investments.
3 Interest paid reports the payments which have been made and received in respect of derivative contracts which are used to hedge the Company's borrowing.

"
The current section 7.6 – Key ratios 2015 - 2016, is replaced with the following information:
"

Key ratios

Key ratios		Per 30 June		Per 31 December
SEK millions	**2017**	**2016**	**2016**	**2015**
Consolidation				
Core tier 1 capital ratio (%)	*Not reported*	*Not reported*	103.7	44.6
Tier 1 capital ratio (%)	*Not reported*	*Not reported*	103.7	44.6
Total capital ratio (%)	*Not reported*	*Not reported*	122.1	59.8
Leverage ratio in accordance with CRR (%)	*Not reported*	*Not reported*	1.56	0.87
Leverage ratio including subordinated loans (%)	1.91	1.84	1.84	1.16

Income		**1 January – 30 June**		**1 January – 31 December**
	2017	**2016**	**2016**	**2015**
Operating income excluding effects of unrealised changes in market value	293.6	271.7	593.7	531.3
Administration expenses excluding resolution fee/stability fee, as % of lending	*Not reported*	*Not reported*	0.072	0.068
Administration expenses excluding resolution fee/stability fee as % of balance sheet total	*Not reported*	*Not reported*	0.055	0.051
Return on assets (%)	*Not reported*	*Not reported*	0.086	0.165
Cost/income ratio	*Not reported*	*Not reported*	0.302	0.366

		Per 30 June		**Per 31 December**
	2017	**2016**	**2016**	**2017**
Other information				
Number of employees at end of the year	*Not reported*	*Not reported*	91	85

Alternative key ratio	Definition	Reconciliation
Operating income, excluding effects of unrealised changes in market value	Income from the operations, less the result of unrealised changes in market value which are included in the item "Net result of financial transactions" in the income statement. The key ratio is relevant to show Kommuninvest's underlying earnings capacity.	
Leverage ratio including subordinated loans (%)	Kommuninvest's Tier 1 capital plus subordinated loans, divided by Kommuninvest's total exposure metric. The subordinated loan comprises the entire "Subordinated liabilities" balance sheet item. The key ratio is relevant to assess how well Kommuninvest is succeeding in satisfying the planned regulatory requirement in respect of leverage, given the intention to replace the subordinated loan with share capital.	

	1 January – 30 June		1 January – 31 December	
	2017	**2016**	**2016**	**2015**
Operating income	523.7	14.0	398.2	655.5
Income from unrealised changes in market value	230.1	-257.7	-195.5	124.2
Operating income, excluding effects of unrealised market for changes	**293.6**	**271.7**	**593.7**	**531.3**

	Per 30 June		Per 31 December	
	2017	**2016**	**2016**	**2015**
Tier 1 capital	6,347.7	5,707.0	5,641.1	2,931.7
Subordinated loan	1,000.0	1,000.0	1,000.0	1,000.0
Tier 1 capital including subordinated loan	**7,347.4**	**6,707.0**	**6,641.1**	**3,931.7**
Exposure metric	384,795.6	364,969.3	360,802.6	338,696.8
Leverage ratio including subordinated loan	**1.91**	**1.84**	**1.84**	**1.16**

			2016	2015
Administration expenses, excluding resolution fee/stability fee as % of lending	Administration expenses during the financial year, excluding resolution fee/stability fee in relation to the reported value of lending as of the balance sheet date. This is a key ratio which is relevant to assess the organisation's overall cost efficiency in relation to lending volume, excluding the resolution fee/stability fee.	General administration expenses	-221.0	-283.0
		Depreciation	-6.1	-5.9
		Other operating expenses	-5.0	-4.2
		Total administration expenses	-232.1	-293.1
		Resolution fee/stability fee	-31.4	-120.5
		Total administration expenses, excluding resolution fee/stability fee	**-200.7**	**-172.6**
		Lending volume as of the balance sheet date	**276,982.1**	**254,421.7**
		Administration expenses, excluding resolution fee/stability fee as % of lending	**0.072**	**0.068**

			2016	2015
Administration expenses, excluding the resolution fee/stability fee, as % of the balance sheet total	Total administration expenses during the financial year, excluding the resolution fee/stability fee, in relation to the balance sheet total on the balance sheet date. This is a key ratio which is relevant to assess the organisation's overall cost efficiency in relation to the balance sheet total, excluding the resolution fee/stability fee.	General administration expenses	-221.0	-283.0
		Depreciation	-6.1	-5.9
		Other operating expenses	-5.0	-4.2
		Total administration expenses	-232.1	-293.1
		Resolution fee/stability fee	-31.4	-120.5
		Total administration expenses, excluding resolution fee/stability fee	**-200.7**	**-172.6**
		Balance sheet total on the balance sheet date	**361,725.4**	**340,626.3**
		Administration expenses, excluding the resolution fee/stability fee as % of the balance sheet total	**0.055**	**0.051**

Return on assets (%)	Income for the year in relation to total assets, expressed as a percentage. The key ratio is stated in accordance with FFFS 2008:25, Chapter 6, section 2 a.		**2016**	**2015**
		Income for the year	309.8	561.3
		Total assets	361,725.4	340,626.3
		Return on assets %	**0.086**	**0.165**
Cost/income ratio	Total operating expenses in relation to net interest and other operating income. This is an established key ratio in the banking sector to assess the relationship between costs and income.		**2016**	**2015**
		Total operating expenses	**-232.1**	**-293.1**
		Net interest	762.0	798.5
		Other operating income	5.4	2.7
		Total interest income and other operating income	**767.4**	**801.2**
		Cost/income ratio	**0.302**	**0.366**

”

5. INFORMATION INCORPORATED BY REFERENCE

The following changes shall be included in the current section 8.

The list of documents from which information is incorporated by reference (top of page 57) shall be supplemented with the following information:

"(d) The following pages from the Company's unaudited interim report for the period 1 January – 30 June 2017."

The schedule on page 57 regarding information incorporated with page references to various sections of the relevant financial document shall be supplemented with the following information:

Interim report in respect of the period 1 January – 30 June

Risk management	11-12
Income statement	13
Statement of comprehensive income	13
Balance sheet	14
Cash flow statement	16
Notes	17 – 26
Alternative key rations	27

The list at the bottom of page 57 under the heading "Documents which are made available" is replaced with the following wording:

(f) The Company's unaudited interim report in respect of the period 1 January – 30 June 2017.