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## Supplement 2015:2 (Fi matter no. 16-3974) to the base prospectus of Kommuninvest i Sverige AB (publ) of 6 May 2015

This document constitutes a supplement to the base prospectus of Kommuninvest i Sverige AB (publ) (the "**Company**") for a program for regular issuance of bonds of 6 May 2015 (amended through supplemental prospectus 2015:1 which was made public by the Company on 10 September 2015). Supplement 2015:2 has been approved by, and registered with, the Swedish Financial Supervisory Authority and made public by the company on 23 March 2016.

This supplement constitutes part of, and shall be read together with, the base prospectus (Fi matter no. 15-5793) and supplemental prospectus 2015:1 (Fi matter no. 15-11910). The base prospectus and supplement are available at [www.kommuninvest.se](http://www.kommuninvest.se) / [www.kommuninvest.org](http://www.kommuninvest.org) and may also be ordered without charge from the company.

This supplement has been prepared in accordance with Chapter 2, section 34 of the Financial Instruments Trading Act (1991:980) because the Company, on 10 March 2016, published its annual report for the period 1 January 2015 - 31 December 2015. In light of this, the following parts of the prospectus are updated:

- Section B – Issuer and any guarantor, section B.12;
- Section 6 – Kommuninvest i Sverige AB:
  - Section 6.3 – the Company's business and goals; and
  - Section 6.9 – the Company's ownership structure;
- Section 7 – Summary of financial information:
  - Section 7.1 – Introduction;
  - Section 7.3 – Income statement;
  - Section 7.4 – Balance sheet;
  - Section 7.5 – Cash flow statement; and
  - Section 7.6 – Key ratios.

Any investor who, prior to this supplement being made public, has applied for, or in any other manner, approved the purchase of, or subscription for, the negotiable securities which are covered by the base prospectus is entitled in accordance with Chapter 2, section 34, paragraph 3 of the Swedish Financial Instruments Trading Act (1991:980) to withdraw their application or approval within two business days from the publication of this supplement, thus the final day to withdraw is 30 March 2016.

**Kommuninvest i Sverige AB (publ)**. Reg. no: 556281-4409. Registered office: Örebro

**Kommuninvest Ekonomisk förening**. Reg. no: 716453-2074. Registered office: Örebro

**Kommuninvest Fastighets AB**. Reg. no: 556464-5629. Registered office: Örebro

## SUMMARY

Summary of the Income Statement and Balance Sheet, Section B – Issuer and any guarantor, section B.12, on pages 5 – 7 of the base prospectus shall be deleted and replaced in its entirety with the following information:

B.12	Historical financial information and declaration that there have been no material adverse changes since the period covered by the historical financial information:	<p>The historical financial information is set forth below.</p> <p>No material adverse changes in the Company's prospects have occurred since the publication of the most recent audited financial statements.</p> <p>No material adverse changes in the Company's financial situation or position on the market have occurred since the publication of the most recent financial statements.</p> <p>The historical financial information regarding the Company presented below has been prepared in accordance with International Financial Reporting Standards (<b>IFRS</b>) and is derived from the Company's annual reports for the relevant periods.</p>
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### Income statement 1 January – 31 December

<i>SEK millions</i>	<b>2015</b>	<b>2014</b>
Interest income	1,438.3	3,650.8
Interest expenses	-639.8	-2,735.6
<b>Net interest income</b>	<b>798.5</b>	<b>915.2</b>
Commission expenses	-5.3	-5.1
Net result of financial transactions	165.7	101.9
Other operating income	2.7	1.3
<b>Total operating income</b>	<b>961.6</b>	<b>1,013.3</b>
General administration expenses	-283.0	-274.7
Depreciation of intangible fixed assets	-4.0	-0.4



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Depreciation of tangible fixed assets	-1.9	-2.9
Other operating expenses	-4.2	-5.9
<b>Total expenses</b>	<b>-293.1</b>	<b>-283.9</b>
Impairment of financial fixed assets	-13.0	
<b>Operating profit</b>	<b>655.5</b>	<b>729.4</b>
Tax on net income for the year	-94.2	-161.0
<b>Income for the year</b>	<b>561.3</b>	<b>568.4</b>
<b>Statement of comprehensive income</b>		
1 January –31 December		
<i>SEK millions</i>	<b>2015</b>	<b>2014</b>
<b>Income for the year</b>	<b>561.3</b>	<b>568.4</b>
<b>Other comprehensive income</b>		
<i>Items that may later be reclassified to the income statement:</i>		
Available-for-sale financial assets	-60.2	0.8
Available-for-sale financial assets, transferred to the income statement for the year	0.1	-6.8
Tax attributable to items that may later be reclassified to the income statement	13.2	1.3
<b>Other comprehensive income for the year</b>	<b>-46.9</b>	<b>-4.7</b>
<b>Comprehensive income for the year</b>	<b>514.4</b>	<b>563.7</b>
<b>Balance sheet as per 31 December</b>		
<i>SEK millions</i>	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
State bonds eligible as collateral	16,839.4	15,204.1
Lending to credit institutions	699.9	4,022.1
Lending	254,421.7	222,803.7
Bonds and other interest-bearing securities	45,688.4	45,974.5
Shares and participations	2.8	2.4
Shares and participations in ass'd companies	0.5	0.5



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Shares and participations in subsidiaries	42.0	32.0
Derivatives	22,775.6	23,848.8
Intangible fixed assets	15.7	1.6
Tangible assets	4.6	6.0
Current tax pre-paid tax	79.0	79.0
Other assets	17.0	14.9
Deferred tax assets	28.1	54.6
Prepaid expenses and accrued revenue	11.6	7.9
<b>Total assets</b>	<b>340,626.3</b>	<b>312,052.1</b>
<b>Liabilities, provisions and equity</b>		
Liabilities to credit institutions	2,303.5	4,800.6
Securities issued	318,943.6	292,318.0
Derivatives	11,723.1	10,628.3
Other liabilities	2,163.5	789.9
Accrued expenses and prepaid revenues	144.9	136.8
Provisions	3.4	3.0
Subordinated liabilities	1,000.0	1,000.1
<b>Total liabilities and provisions</b>	<b>336,282.0</b>	<b>309,676.7</b>
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital (39,263,850 and 20,463,850 shares, respectively, with quotient value of SEK 100)	3,926.4	2,046.4
Statutory reserve	17.5	17.5
<b>Unrestricted equity</b>		
Fair value reserve	-34.3	12.6
Profit brought forward	-126.6	-269.5
Income for the year	561.3	568.4
<b>Total equity</b>	<b>4,344.3</b>	<b>2,375.4</b>
<b>Total liabilities, provisions and equity</b>	<b>340,626.3</b>	<b>312,052.1</b>
<b>Memorandum items</b>		
Pledged assets	13,307.4	21,669.2
Contingent liabilities	None	None



**Obligations**

Committed undisbursed loans	2,903.3	3,785.5
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## **2. KOMMUNINVEST I SVERIGE AB**

The current section "6.3.1, paragraph 5 – Background and goals" on page 39 of the base prospectus shall be deleted and replaced in its entirety with the following information:

At the annual general meeting of the Society which was held on 16 April 2015, it was resolved that the members would pay an annual contribution for 2015 in the amount of SEK 679,400,000. The Society used the paid in amount to subscribe for shares in the Company's new issue resolved upon on 16 April 2015, whereupon 6,800,000 shares were issued and subscribed for, entailing an increase in the Company's share capital by SEK 680,000,000. The new issue resolution was registered by the Swedish Companies Registration Office on 17 June 2015. In addition, the members of the Society voluntarily paid in a separate contribution to the Society during 2015. The Society used the paid in amount to subscribe for shares in the Company's new issue resolved upon by the Company's board of directors on 23 October 2015, whereupon 12,000,000 shares were issued and subscribed for, entailing an increase in the Company's share capital by SEK 1,200,000,000. The new issue resolution was registered by the Companies Registration Office on 23 December 2015.

The current section "6.9 – Ownership structure" on page 44 of the base prospectus shall be deleted and replaced in its entirety with the following information:

"The Company is a wholly-owned subsidiary of Kommuninvest Cooperative Society. The Company's share capital is SEK 3,926,385,000, divided into 39,263,850 shares, all of the same class."

## **3. SUMMARY OF FINANCIAL INFORMATION**

The current section "7.1- Introduction" on page 46 of the base prospectus shall be deleted and 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 annual reports for the 2015 and 2014 financial years. The information in the annual reports and interim financial statements has been audited by

the Company's auditors. In their auditor's reports, the auditors have declared that each annual report and financial statement was prepared in accordance with the Annual Reports (Credit Institutions and Securities Companies) Act and standards for clear review of interim financial information and in all material respects provide a true and fair picture of the Company's financial position. The auditors have not stated any qualifications regarding the annual reports for the 2015 2014 financial years.

The financial information set forth below should be read together with other information in each annual report, interim financial statement and in the auditor's reports.

The current section "7.3 - Income statement" on page 47 of the base prospectus shall be deleted and replaced in its entirety by the following information:

### Income statement 1 January – 31 December

<i>SEK millions</i>	<b>2015</b>	<b>2014</b>
Interest income	1,483.3	3,650.8
Interest expenses	-639.8	-2,735.6
<b>Net interest income</b>	<b>798.5</b>	<b>915.2</b>
Commission expenses	-5.3	-5.1
Net result of financial transactions	165.7	101.9
Other operating income	2.7	1.3
<b>Total operating income</b>	<b>961.6</b>	<b>1,013.3</b>
General administrative expenses	-283.0	-274.7
Depreciation of intangible fixed assets	-4.0	-0.4
Depreciation of tangible fixed assets	-1.9	-2.9
Other operating expenses	-4.2	-5.9
<b>Total expenses</b>	<b>-293.1</b>	<b>-283.9</b>
Impairment of financial fixed assets	-13.0	
<b>Operating profit</b>	<b>655.5</b>	<b>729.4</b>
Tax on net income for the year	-94.2	-161.0
<b>Income for the year</b>	<b>561.3</b>	<b>568.4</b>

**Statement of comprehensive income**

	January - December	
<i>SEK millions</i>	<b>2015</b>	<b>2014</b>
<b>Net income</b>	<b>561.3</b>	<b>568.4</b>
<b>Other comprehensive income</b>		
<i>Items that may later be reclassified to the income statement:</i>		
Available-for-sale financial assets	-60.2	0.8
Available-for-sale financial assets transferred to the income statement	0.1	-6.8
Tax attributable to items that may later be reclassified to the income statement	13.2	1.3
<b>Other comprehensive income</b>	<b>-46.9</b>	<b>-4.7</b>
<b>Comprehensive income for the year</b>	<b>514.4</b>	<b>563.7</b>

The current section "7.4 - Balance sheet" on page 48 of the base prospectus shall be deleted and replaced in its entirety by the following information

**Balance sheet as per 31 December**

<i>SEK millions</i>	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
State bonds eligible as collateral	16,839.4	15,204.1
Lending to credit institutions	699.9	4022.1
Lending	254,421.7	222,803.7
Bonds and other interest-bearing securities	45,688.4	45,974.5
Shares and participations	2.8	2.4
Shares and participations in ass'd companies	0.5	0.5
Shares and participations in subsidiaries	42.0	32.0
Derivatives	22,775.6	23,848.8
Intangible assets	15.7	1.6

Tangible assets	4.6	6.0
Current tax pre-paid tax	79.0	79.0
Other assets	17.0	14.9
Deferred tax assets	28.1	54.6
Prepaid expenses and accrued revenue	11.6	7.9
<b>Total assets</b>	<b>340,626.3</b>	<b>312,052.1</b>

**Liabilities, provisions and equity**

Liabilities to credit institutions	2,303.5	4,800.6
Securities issued	318,943.6	292,318.0
Derivatives	11,723.1	10,628.3
Other liabilities	2,163.5	789.9
Accrued expenses and prepaid revenues	144.9	136.8
Provisions	3.4	3.0
Subordinated liabilities	1,000.0	1,000.1
<b>Total liabilities and provisions</b>	<b>336,282.0</b>	<b>309,676.7</b>

**Equity**

**Restricted equity**

Share capital	3,926.4	2,046.4
Statutory reserve	17.5	17.5

**Unrestricted equity**

Fair value reserve	-34.3	12.6
Accumulated loss	-126.6	-269.5
Income for the year	561.3	568.4

<b>Total equity</b>	<b>4,344.3</b>	<b>2,375.4</b>
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<b>Total liabilities, provisions and equity</b>	<b>340,626.3</b>	<b>312,052.1</b>
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**Memorandum items**

Pledged assets	13,307.4	21,669.2
Contingent liabilities	None	None

**Obligations**

Committed undisbursed loans	2,903.3	3,785.5
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The current section "7.5- Cash flow statement" on page 49 of the base prospectus shall be deleted and replaced in its entirety with the following information:

**Cash flow statement 1 January - 31 December**

<i>SEK millions</i>	<b>2015</b>	<b>2014</b>
<b>Operational activities</b>		
Operating income	655.5	729.4
Adjustment for items not included in cash flow	-104.4	-62.2
Income tax paid	66.2	-0.7
<b>Cash flow from operating activities before changes in the assets and liabilities of operating activities</b>	<b>617.3</b>	<b>666.5</b>
Changes in interest-bearing securities	7,633.6	-1,220.5
Change in lending	-32,734.2	-11,659.3
Change in other assets	-29.8	2.3
Change in other liabilities	2.6	12.1
<b>Cash flow from operational activities</b>	<b>-24,510.5</b>	<b>-12,198.9</b>
<b>Investment activities</b>		
Acquisition of intangible assets	-18.1	-2.0
Acquisition of tangible assets	-0.5	-4.3
Divestment of tangible assets	-	-
<b>Cash flow from investment activities</b>	<b>-18.6</b>	<b>-6.3</b>
<b>Financing activities</b>		
Issue of interest-bearing securities	121,888.3	108,359.7
Maturity and redemption of interest-bearing securities	-103,395.5	-94,908.2
New share issues	1,880.0	650.0
Group contributions	834.1	-696.5
<b>Cash flow from financing activities</b>	<b>21,206.9</b>	<b>13,405.0</b>
<b>Cash flow for the year</b>	<b>-3,322.2</b>	<b>1,199.8</b>
<b>Cash and equivalents at period's start</b>	<b>4,022.1</b>	<b>2,822.3</b>
<b>Cash and equivalents at year end</b>	<b>699.9</b>	<b>4,022.1</b>

Cash and equivalents consist in their entirety of lending to credit institutions which at the time of acquisition have a term to maturity of not more than three months and are subject to insignificant risk of value fluctuation.

**Adjustment for items not included in cash flow**

Depreciation	5.9	<b>3.3</b>
Profit on disposal of tangible fixed assets	-	-
Exchange rate differences from change in financial fixed assets	0.9	-0.1
Unrealised changes in market value	-124.2	-65.4
Impairment of financial fixed assets	13.0	-
<b>Total</b>	<b>-104.4</b>	<b>-62.2</b>

**Interest paid and earned, included in the cash flow**

Interest received	1,780.1	3,820.7
Interest paid	-978.1	--2,927.5

The current section "7.6 - Key ratios" on page 50 of the base prospectus shall supplemented with the following information in respect of 2015:

**Key ratios 2010-2015**

<i>SEK millions</i>	<b>2015</b>
<b>Growth</b>	
Lending (change as %)	14.2
Net interest income (change as %)	-12.8
<b>Consolidation</b>	
Core Tier I ratio (%)	44.6
Core capital ratio (%)	44.6
Total capital ratio (%)	59.8
Gross equity ratio according to CRR (%)	0.87
Gross equity ratio including subordinated debentures (%)	1.16
<b>Efficiency</b>	
Administration expenses as % of lending <sup>1</sup>	0.115
Administration expenses, excluding the stability fee, as % of lending <sup>1</sup>	0.068

Administration expenses as % of balance sheet total <sup>1</sup>	0.086
Administration expenses, excluding the stability fee, as % of balance sheet total <sup>1</sup>	0.051
Lending/employee ( <i>SEK millions</i> )	2,993.2
Change (%)	3.4
Return on assets (%)	0.165
<b>Return</b>	
Operating income based on standard tax as % of average equity	15.22
<b>Cost/Income ratio</b>	
Total administrative expenses in relation to net interest and other operating income	0.37
<b>Other information</b>	
Number of employees at end of the year	85

<sup>1</sup> Administration expenses means general administrative expenses, depreciation and other operating expenses.

## **INFORMATION INCORPORATED BY REFERENCE**

The following information shall be incorporated into the current section 8 on page 52 of the base prospectus.

In the list at the top of page 52 of the base prospectus regarding documents from which information is incorporated by reference, the current section (d) shall be deleted and replaced in its entirety by the following information:

"(d) The following pages from the Company's annual report for the period 1 January 2015 – 31 December 2015."

The table of references on page 52 regarding the information which is to be incorporated by reference shall be deleted and replaced in its entirety by the following table of references to various sections of the relevant accounting document:

	2015	2014
	Annual Report	Annual Report
Risk Management	page 28	page 19
Accounting Principles	page 55	page 49

Income Statement	page 48	page 42
Balance Sheet	page 50	page 33
Notes	pages 55-77	pages 49-71
Auditor's Report	page 81	page 75

The list at the bottom of page 52 under the heading "Documents which are made available" shall be deleted and replaced in its entirety by the following:

"Copies of the following documents will be made available in printed form at the Company's office during the term of validity of the prospectus."

- (a) the Company's registration certificate and current articles of association;
- (b) the Company's audited annual reports for the 2015 and 2014 financial years;
- (c) the Guarantee Undertaking (see page 20); and
- (d) the Prospectus, any supplements to the Prospectus which were approved and registered by the Swedish Financial Supervisory Authority, and Final Terms for Bond Loans issued under the Prospectus.

Documents as per (b) and (d) are also available in electronic form on the Company's website, <http://www.kommuninvest.se/> [www.kommuninvest.org](http://www.kommuninvest.org). Parts of the above documents that are not incorporated by reference are not relevant to the investors."