

FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to and, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“MiFID II”); (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPS Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation

HEMSÖ FASTIGHETS AB

13 February 2018

Issue of EUR6,000,000 Fixed Rate Notes due 15 February 2033 (the “Notes”) (to be consolidated and form a single series with the existing EUR 50,000,000 Fixed Rate Notes due 15 February 2033 (the “Existing Notes”)

under the EUR 3,000,000,000 Euro Medium Term Note Programme

Part A– Contractual Terms

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) set forth in the Base prospectus dated 9 June 2017 which constitutes a base prospectus (the “Base Prospectus”) for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. However a summary of the issue of the Notes is annexed to these Final Terms. The Base Prospectus has been published on the websites of the Irish Stock Exchange (www.ise.ie) and the Issuer (www.hemso.se).

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| 1. | Issuer: | Hemsö Fastighets AB |
| 2. | (i) Series Number: | 14 |
| | (ii) Tranche Number: | 2 |
| | (iii) Date on which the Notes become fungible: | The Notes shall be consolidated, for a single series and be interchangeable for trading purposes with the Existing Notes on the Issue Date |
| 3. | Specified Currency or Currencies: | Euro (“EUR”) |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | EUR 56,000,000 |
| | (ii) Tranche: | EUR 6,000,000 |
| 5. | Issue Price of Tranche: | 98.851 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denominations: | EUR 100,000 |
| | (ii) Calculation Amount: | EUR 100,000 |
| 7. | (i) Issue Date: | 15 February 2018 |
| | (ii) Interest Commencement Date: | Issue Date |

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| 8. | Maturity Date: | 15 February 2033 |
| 9. | Interest Basis: | 2.00 per cent. per annum - Fixed Rate
(further particulars specified below) |
| 10. | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 11. | Change of Interest Basis or Redemption/Payment Basis: | Not Applicable |
| 12. | Put/Call Options: | Change of Control Put
Issuer Call
(further particulars specified below) |
| 13. | (i) Status of the Notes: | Senior |
| | (ii) Date Board approval for issuance of Notes obtained: | Not applicable |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 14. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate[(s)] of Interest: | 2.00 per cent. per annum payable annually in arrear |
| | (ii) Interest Payment Date(s): | 15 February in each year up to and including the Maturity Date |
| | (iii) Fixed Coupon Amount(s): | EUR 2,000 per Calculation Amount |
| | (iv) Broken Amount: | Not Applicable |
| | (v) Day Count Fraction: | Actual / Actual (ICMA) |
| | (vi) Determination Date(s): | 15 February in each year |
| 15. | Floating Rate Note Provisions | Not Applicable |
| 16. | Zero Coupon Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 17. | Call Option: | Applicable |
| | (i) Optional Redemption Date(s): | Any date from, but excluding the Issue Date to but excluding the Maturity Date. 15 November 2032 the Make-Whole Redemption Amount, in the case of an Optional Redemption Amount from and including 15 November 2032 to, but excluding the Maturity Date, EUR 100,000 per Calculation Amount. |
| | (ii) Optional Redemption Amount of each Note: | Any date from, but excluding the Issue Date to but excluding 15 November 2032 the Make-Whole Redemption Amount; in the case of an Optional Redemption Amount from and including 15 November 2032 to, but excluding the Maturity Date, EUR 100,000 per Calculation Amount. |
| | (a) Reference Bond: | DBR 5.50% January 2031 (ISIN: DE0001135176) |

	(b) Make-Whole Margin:	Reference	0.25%
	(iii) If redeemable in part:		Not applicable
	(iv) Notice period:		As per the Conditions
18.	Put Option:		Not Applicable
19.	Change of Control Put Option:		Applicable, In accordance with Condition 9(f)
20.	Early Termination Amount		
	Early Termination Amount(s) per Calculation Amount payable on redemption on event of default or other early redemption		EUR 100,000 per Calculation Amount
21.	Final Redemption Amount of each Note:		EUR 100,000 per Calculation Amount
22.	Early Redemption Amount		
	Early Redemption Amount per Calculation Amount payable on redemption on event of default or other early redemption:		EUR 100,000 per Calculation Amount
23.	Early Redemption Amount (Tax)		
	Early Redemption Amount per Calculation Amount payable on redemption for taxation reasons:		EUR 100,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	Form of Notes:	<i>Bearer Notes:</i>
		Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
25.	New Global Note:	Yes
26.	Additional Financial Centre(s):	Not Applicable
27.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No.

Signed on behalf of Hemsö Fastighets AB:

By:.....
Duly authorised



Jonas Rosengren

Part B– Other Information

1. LISTING AND ADMISSION TO TRADING

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| (i) | Admission to trading: | Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange with effect from the Issue Date |
| (ii) | Estimate of total expenses related to admission of trading: | EUR 600 |

2. RATINGS

Ratings: The Notes to be issued have not been rated:

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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| (i) | Reasons for the offer: | General corporate purposes |
| (ii) | Estimated net proceeds: | EUR 5,922,060.00 |
| (iii) | Estimated total expenses: | EUR 600 |

5. YIELD

Indication of yield 2.09 per cent. per annum

6. OPERATIONAL INFORMATION

ISIN: XS1757676496

Common Code: 175767649

Delivery Delivery against payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

7. DISTRIBUTION

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| (i) | Method of distribution: | Non-syndicated |
| (ii) | If syndicated: | Not Applicable |

- (iii) If non-syndicated, name of Dealer: Citigroup Global Markets Limited
- (iv) U.S. Selling Restrictions: Reg S Compliance Category 2; TEFRA D
- (v) Prohibition of Sales to EEA Retail Investor: Not Applicable