

**SUPPLEMENT NO. 1 DATED 24 AUGUST 2020
TO THE BASE PROSPECTUS DATED 4 AUGUST 2020**

Heimstaden Bostad AB (publ)

(incorporated with limited liability in Sweden)

Heimstaden Bostad Treasury B.V.

(incorporated with limited liability in the Netherlands, and having its statutory seat (statutaire zetel) in Amsterdam, The Netherlands)

€8,000,000,000

Euro Medium Term Note Programme

unconditionally and irrevocably guaranteed by

Heimstaden Bostad AB (publ)

(incorporated with limited liability in Sweden)

This supplement no. 1 (the "**Supplement**") is supplemental to, and must be read in conjunction with, the base prospectus dated 4 August 2020 (as supplemented, the "**Base Prospectus**") prepared by Heimstaden Bostad AB (publ) ("**Heimstaden Bostad**" and, in its capacity as guarantor of Notes issued by HBT (as defined below), the "**Guarantor**") and Heimstaden Bostad Treasury B.V. ("**HBT**" and, together with Heimstaden Bostad, the "**Issuers**", and each an "**Issuer**") with respect to their €8,000,000,000 Euro Medium Term Note Programme (the "**Programme**") and constitutes a supplement for the purposes of Article 23 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Prospectus Regulation. The Central Bank only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of the Issuers or of the quality of the Notes that are the subject of the Base Prospectus.

Each Issuer and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each Issuer and the Guarantor 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 to:

- (a) incorporate by reference the H1 2020 Results Announcement (as defined below);
- (b) following the publication of the H1 2020 Results Announcement, update the statement of no significant change for Heimstaden Bostad;
- (c) update the "*Description of Heimstaden Bostad – Recent Developments*" section of the Base Prospectus to reflect updated operational information; and
- (d) update the "*Description of Heimstaden Bostad – Selected Key Performance Indicators*" section of the Base Prospectus following publication of the H1 2020 Results Announcement.

Incorporation of information by reference

By virtue of this Supplement, Heimstaden Bostad's interim results announcement, including the unaudited and reviewed consolidated financial statements as at and for the six months ended 30 June 2020 and the current earnings capacity, but excluding the section entitled "*Improving customer satisfaction, strong profitability and*

value growth bring increased security, stability and new opportunities in extraordinary times" on pages 4 to 5 (the "**H1 2020 Results Announcement**") (which is available for viewing at <https://vp289.alertir.com/afw/files/press/heimstadenbostad/202008172155-1.pdf>), which was filed with the Central Bank, shall be incorporated in, and form part of, the Base Prospectus.

It should be noted that, except as set forth above, no other portion of the above document is incorporated by reference into the Base Prospectus. In addition, where sections of the above document which are incorporated by reference into the Base Prospectus cross-reference other sections of the same document, such cross-referenced information shall not form part of the Base Prospectus, unless otherwise incorporated by reference in the Base Prospectus. Any non-incorporated parts of a document referred to in this Supplement are either deemed not relevant for an investor or are otherwise covered elsewhere in the Base Prospectus.

Significant Change

There has been no significant change in the financial performance or position of the Group since 30 June 2020.

Recent Developments

On page 114 of the Base Prospectus the following section shall be inserted at the end of the section entitled "*Recent Developments*":

"Impact of Covid-19

In Heimstaden Bostad's interim report for the first quarter of 2020 it was communicated that Covid-19 could potentially impact the Group's rental income negatively by around SEK 15-17 million. On the basis of the financial results for the three months ended 30 June 2020 Heimstaden Bostad estimates, however, that the real impact of Covid-19 has affected the Group's rental income negatively by approximately SEK 8 million, which consisted of rental reductions and bad debt reservations for the quarter. This corresponds to approximately 0.5 per cent. of contracted rental income in the period between 1 April 2020 and 30 June 2020.

Differences in leasing systems between the countries in which the Group operates

The table below shows the shares of total regulated/unregulated rental income of the total portfolio of the Group as at 30 June 2020 (unaudited). In Sweden, 100 per cent. of the rental income is regulated, in Denmark, 16 per cent. of the rental income is regulated, in Norway, 0 per cent. of the rental income is regulated, in the Netherlands, 60 per cent. of the rental income is regulated, in Germany, 100 per cent. of the rental income is regulated and in the Czech Republic, 38 per cent. of the rental income is regulated.

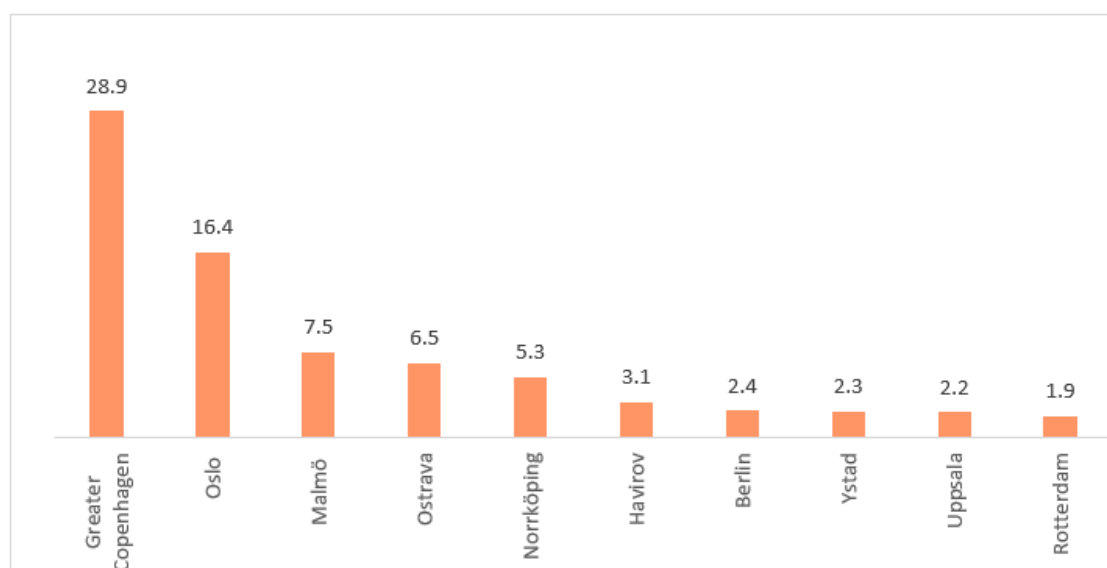
Share of regulated/unregulated total rental income of Group's total portfolio, as at 30 June 2020 (unaudited)

Rental System	Market	Share of total rental income (per cent.)
Residential – unregulated.....	NO / DK / NL / CZ	45
Residential – regulated.....	SE / DK / DE / NL / CZ	55
Total.....		100

Property value

The chart below shows the unaudited fair value of investment properties distribution across the ten cities that have the largest market value of investment properties in which the Group holds property as at 30 June 2020 (unaudited).

Property value (SEK, billions) (as at 30 June 2020, unaudited)



Real Estate Portfolio

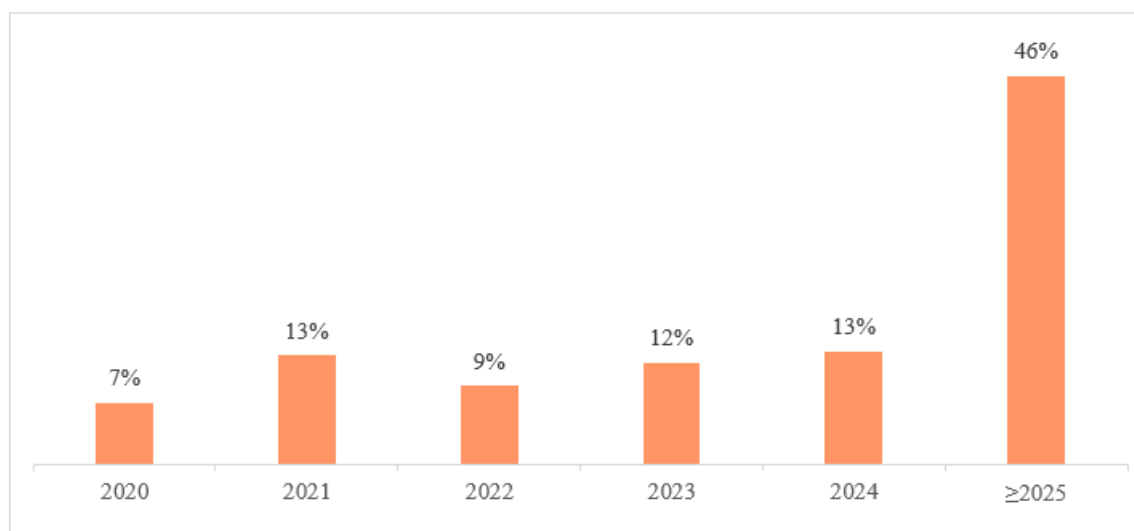
The table below shows the Group's property portfolio as at 30 June 2020 (unaudited).

Country	No. of Apartments	Apartments	Commercial	Total	Average size per Apartment (square metres)	Real Occupancy rate Apartment (per cent.)	Fair Value of Investment Properties (SEK millions)	Average market value (SEK thousands per square metre)
		(square metres)						
Sweden.....	29,527	1,789,850	234,502	2,024,352	60.6	98.3	43,447	21.46
Denmark.....	9,701	823,362	43,114	866,476	84.9	97.7	35,785	41.30
Norway.....	4,597	159,999	62,070	222,069	34.8	95.1	16,353	73.64
Germany.....	1,103	69,937	4,623	74,560	63.4	97.0	2,472	33.16
The Netherlands	12,649	1,002,934	16,450	1,019,384	79.3	98.8	22,758	22.33
Czech Republic	42,546	2,511,976	117,598	2,629,574	59.0	95.3	14,260	5.42
Total	100,123	6,358,058	478,357	6,836,415	63.5	96.9	135,074	19.76

Funding

The chart below shows an overview of the Group's loan tenors from the unaudited figures as at 30 June 2020.

Loan tenors (as at 30 June 2020, unaudited)



The table below shows the Group's unencumbered assets by country as at 30 June 2020.

Country	Unencumbered Assets (per cent.)
Sweden	34.8
Denmark	0.0
Norway	92.1
the Netherlands	2.1
Germany	68.0
Czech Republic	100.0
Total	34.5

Property Development and Refurbishment

The Group is an active developer in the Swedish and Danish residential property markets. The development portfolio has been located in growth areas within the respective markets.

The table below shows the capital expenditure by the Group on maintenance and upgrades to its existing properties during the six months ending 30 June 2020 (excluding development projects).

	Sweden	Denmark	Norway	The Netherlands (SEK, millions)	Germany	Czech Republic	Total
Upgrades/development on existing properties	190	37	48	7	1	32	315
Maintenance on existing properties	322	28	25	14	25	16	430

The table below shows the estimated cost of completion for the Group's development projects that, as at the date of this Supplement, are currently planned between 2020 and 2022.

2020	Turnkey	Joint Venture ⁽¹⁾	Forward Funding	Own Development
			(SEK, millions)	
Sweden	-	-	735	432
Denmark	743	619	981	-

2021	Turnkey	Joint Venture ⁽¹⁾	Forward Funding	Own Development
		(SEK, millions)		
Sweden	-	181	1,471	1,004
Denmark	963	437	-	-
2022	Turnkey	Joint Venture ⁽¹⁾	Forward Funding	Own Development
		(SEK, millions)		
Sweden	-	-	1,842	1,062
Denmark	496	-	-	-

Note:

⁽¹⁾ Amounts shown for joint ventures reflect the total estimated cost for the joint venture and the element the Group is responsible for is up to 50 per cent. of the committed amount.

As at the date of this Supplement, the Group has no current plans for development projects in the Netherlands, Germany or the Czech Republic. In connection with the acquisition of Norwegian investment properties, building rights and ongoing construction projects were also acquired. The above item amounting to SEK 767 million concerns the development of condominium apartments in Oslo that are to be divested upon completion."

Selected Key Performance Indicators

The table entitled "Derivation of key data considered alternative according to the ESMA guidelines" on pages 118 to 120 of the Base Prospectus in the section entitled "Selected Key Performance Indicators" shall be amended to delete the figures in the columns marked "As at 31 December" and to insert the following rows as a continuation of the table:

	As at 30 June		As at 31 December	
	2020 (unaudited)	2019 (unaudited)	2019	2018
	(SEK millions, unless otherwise stated)			
Occupancy ratio, residential properties (per cent.)				
Number of available/vacant homes as per the balance sheet date	5,451	1,298	1,336	985
Number of leased homes as per the balance sheet date	94,672	39,413	53,527	36,352
Total number of homes as per balance sheet date	100,123	40,711	54,863	37,337
Occupancy ratio, residential properties (per cent.)	94.6	96.8	97.6	97.4
Proportion living area on balance sheet date (per cent.)				
Living area as per balance sheet date (square metres)	6,358,058	2,592,426	3,660,839	2,328,840
Premises area as per balance sheet date (square metres)	478,357	319,994	352,431	299,091
Total area as per balance sheet date (square metres)	6,836,415	2,912,420	4,013,270	2,627,931
Proportion living area on balance sheet date (per cent.)	93.0	89.0	91.2	88.6
Real occupancy ratio, housing (number) (per cent.)				
Number of non-market vacancies as per the balance sheet date	2,316	618	859	369
Number of leased homes as per the balance sheet date	94,672	39,413	53,527	36,352
Total number of homes as per balance sheet date	100,123	40,711	54,863	37,337
Real occupancy ratio, housing (number) (per cent.)	96.9	98.3	99.1	98.5
Interest coverage ratio (ICR) (multiple)				
Profit from property management	1,530	196	980	1,142
Reversal:				
Financial costs – Interest-bearing liabilities	641	466	923	698
Profit from property management plus financial costs	2,171	662	1,903	1,840
Interest coverage ratio (ICR) (multiple)	2.8	2.5	2.5	2.6
Equity/assets ratio (per cent.)				
Equity	70,256	34,710	57,548	31,925
Interest-bearing subordinated shareholder loans	-	-	-	-
Equity including interest-bearing shareholder loans	70,256	34,710	57,548	31,925
Total assets	145,638	89,839	121,564	76,283
Equity/assets ratio (per cent.)	48.2	38.6	47.3	41.9

	As at 30 June		As at 31 December	
	2020 (unaudited)	2019 (unaudited)	2019	2018
Net debt				
Interest-bearing liabilities	69,021	51,349	58,747	41,593
Cash and cash equivalents	-6,494	-1,424	-4,345	-2,313
Net debt	62,527	49,924	54,402	39,279
Loan-to-value ratio (LTV) (per cent.)				
Net debt	62,527	49,924	54,401	39,279
Total assets	145,638	89,839	121,564	76,283
Loan-to-value ratio (LTV) (per cent.)	42.9	55.6	44.8	51.5
Loan-to-value ratio, secured loans (LTV) (per cent.)				
Non-current interest bearing secured liabilities.....	40,964	32,464	39,543	26,079
Current interest bearing secured liabilities.....	2,301	664	1,137	957
Total assets	145,638	89,839	121,564	76,283
Loan-to-value ratio, secured loans (LTV) (per cent.)	29.7	36.9	33.5	35.4
Loan-to-value ratio including 50 per cent. debt for hybrid capital (LTV adj.) (per cent.)				
Net debt	62,527	49,924	54,401	39,279
Hybrid capital (50 per cent. debt)	8,500	-	8,514	-
Net debt including 50 per cent. debt for hybrid capital	66,777	49,924	58,580	39,279
Total assets	145,638	89,839	121,564	76,283
Loan-to-value ratio including 50 per cent. debt for hybrid capital (LTV adj.) (per cent.)	45.9	55.6	48.2	51.5
Net debt to capitalisation (per cent.)				
Net debt including 50 per cent. debt for hybrid capital	66,777	49,924	58,580	39,279
Net debt	62,527	49,924	54,401	39,279
Equity	70,256	34,710	57,548	31,925
Net debt to capitalisation (per cent.)	50.5	59.0	52.7	55.2
Net asset value on the balance sheet date				
Equity	70,256	34,710	57,548	31,925
Deferred tax liability	3,257	1,812	2,526	1,356
Net asset value on the balance sheet date	73,513	36,522	60,074	33,281
Long-term asset value (EPRA NAV) on the balance sheet date				
Net asset value (SEK millions).....	73,513	36,522	60,074	33,281
Interest rate derivatives.....	-38	311	65	-
Long-term asset value (EPRA NAV) on the balance sheet date	73,475	36,833	60,139	33,281
Equity per preference share (SEK)				
Preferential rights of the preference shares A upon liquidation of the company	50,000	100,000	50,000	100,000
Remaining entitlement to dividends preference share A	669,913	829,324	922,342	1,268,663
Equity per preference share A (SEK)	719,913	929,324	972,342	1,368,663
Preferential rights of preference shares B upon liquidation of the company	2,000	100,000	2,000	100,000
Remaining entitlement to dividends preference share B	41	1,328	64	3,452
Equity per preference share B (SEK)	2,041	98,672	2,064	103,452
Number of preference shares A	200	100	200	100
Equity per preference share A (SEK)	719,913	929,324	972,342	1,368,663
Preference capital share A	144	93	194	137
Number of preference share B	20,317,179	210,378	16,027,565	203,360
Equity per preference share B (SEK)	2,041	98,672	2,064	103,452
Preference capital share B	41,471	21,460	33,053	21,038
Equity excluding preference capital.....	28,641	13,157	24,301	10,760
Outstanding number of ordinary shares	6,578,058	2,429,449	5,315,502	2,429,449
Equity per ordinary share, (SEK)	3,053	5,704	2,954	4,881
Profit per ordinary share (SEK)				
Comprehensive income for the period attributable to holders of preference shares:				
Comprehensive income for the period	1,831	2,912	4,740	2,581
– Remaining entitlement to dividends, preference shares	-971	-505	-1,182	-829
Parent Company's preference shareholders	860	2,407	3,558	1,752
Average number of ordinary shares	6,186,486	2,429,449	2,967,125	2,204,519
Profit per ordinary share (SEK)	117	991	1,176	795
Debt				
Time weighted interest-bearing liabilities (SEK)	61,724,412	43,184,747	50,281,306	33,703,542

	As at 30 June		As at 31 December	
	2020 (unaudited)	2019 (unaudited)	2019	2018
EBITDA				
Profit before financial items (last 12 months) (SEK)	3,003,898	1,887,837	2,262,643	1,611,444
Depreciation (last 12 months)	1,398	-	-	-
EBITDA (last 12 months) (SEK)	3,005,296	1,887,837	2,262,643	1,611,444
Debt/EBITDA (multiple)				
Debt (SEK)	61,724,412	43,184,747	50,281,306	33,703,542
EBITDA (SEK)	3,005,296	1,887,837	2,262,643	1,611,444
Debt/EBITDA (multiple)	20.5	22.9	22.2	20.9

Other information

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

Save as disclosed in this Supplement, no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus has arisen or been noted since the publication of the Base Prospectus.