



THE MORTGAGE SOCIETY OF FINLAND

SUPPLEMENT NO. 1 / 3.3.2021

FOR THE PROGRAMME FOR THE ISSUANCE OF SENIOR UNSECURED NOTES, SUBORDINATED  
DEBENTURES AND COVERED BONDS  
2,000,000,000 euros

This supplement (the **Supplement**) comprises a supplement for The Mortgage Society of Finland's (**Hypo** or the **Issuer**) 2,000,000,000 euros Programme for the Issuance of Senior Unsecured Notes, Subordinated Debentures and Covered Bonds (the **Programme**) dated 19.11.2020. The Supplement 1 should be read in conjunction with the Programme.

The main purpose of this Supplement is to (a) incorporate by reference the audited consolidated Financial Statements for 1 January 2020 to 31 December 2020 into the Programme, and (b) confirm that there has been no significant change in the financial position of the Group since 31 December 2020.

## 1. Future Outlook

The text on page 63 under the title "Future Outlook" is replaced by the following:

"In the 1st quarter the coronavirus dampens economic situation significantly. There is substantial uncertainty regarding the economic and employment development in 2021 due to the disease. Housing markets in the growth centers remain strong even during the pandemic. Urbanization continues, albeit at a slower pace for a while. Ability to recover from the economic crisis varies widely across different areas in Finland with the Helsinki region among the strongest. Low interest rates, institutional investors and subsidized building support newbuilding activity to stay relatively stable. Housing loan demand remains strong in the growth centers.

Hypo Group focuses on renewal of its core systems and on strengthening its core business and expects the share of profit made by it to rise following the increase of net interest and net fee income. Capital adequacy continues to strengthen. The operating profit for 2021 is expected to be on the same level or slightly smaller than in 2020. The expectation contains uncertainties due to the development in economy and interest rates as well as the coronavirus pandemic."

## **2. Information Incorporated by Reference**

The following information is added into the beginning of the list of documents on page 69, under the titles “Document” and “Referred information” respectively:

“Annual Report 2020

Board of Directors’ Report, Financial Statements 2020 and Auditor’s Report, pages 8-101.”