



THE MORTGAGE SOCIETY OF FINLAND

SUPPLEMENT NO. 1 / 3.11.2022

FOR THE PROGRAMME FOR THE ISSUANCE OF SENIOR PREFERRED NOTES, SUBORDINATED
DEBENTURES AND COVERED BONDS
2,500,000,000 euros

This supplement (the **Supplement**) comprises a supplement for The Mortgage Society of Finland's (**Hypo** or the **Issuer**) 2,500,000,000 euros Programme for the Issuance of Senior Preferred Notes, Subordinated Debentures and Covered Bonds (the **Programme**) dated 12.9.2022. The Supplement 1 should be read in conjunction with the Programme.

The main purpose of this Supplement is to (a) incorporate by reference the unaudited consolidated Interim Report for 1 January 2022 to 30 September 2022 into the Programme, (b) confirm that there has been no significant change in the financial position of the Group since 30 September 2022.

1. Future outlook

The text on page 82 under the title "Future Outlook" is replaced by the following:

"The description of probable future developments given below has been compiled and prepared on a basis which is comparable with the historical financial information, and consistent with Hypo's accounting policies.

In the interim report for the period of 1 January 2022 to 30 September 2022, the following description of probable future developments has been given:

Economic growth will slow down, and recession is likely in the winter due to high inflation, rising rates and uncertainty linked to the war. Russia's war in Ukraine shows no signs of ending which means energy prices will stay high for longer. At the same time European Central Bank is increasing policy rates and the service sector recovery after the covid-19 pandemic doesn't bring additional support to the growth figures anymore. Employment remains strong which is the most important factor supporting the economy. Housing markets react to the uncertainty with decreased volumes in housing transactions and construction but also declining price development. Differences between housing market areas and units will deepen. Urbanization will increase due to the strong newbuilding to Helsinki-Tampere-Turku -areas.

Hypo Group focuses on finalisation and deployment of its new core information system and on strengthening its core business. The Group expects net interest income, net fee and commission income, capital adequacy and liquidity to remain on a strong level.

The operating profit for 2022 is expected to be on the same level or slightly smaller than in 2021. The expectation contains uncertainties due to the development in economy and interest rates as well as uncertainties related to the renewal project of Hypo Group's core information systems and war in Ukraine."

2. Information Incorporated by Reference

The following information is added into the beginning of the list of documents on page 88, under the titles "Document" and "Referred information" respectively:

<u>"Interim Report 1 January – 30 September 2022</u>	Unaudited consolidated Interim Report for 1 January 2022 to 30 September 2022"
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