

Press release

Stockholm 5 February 2014

The board of directors of Handelsbanken proposes an employee convertible bond programme

The board of directors of Svenska Handelsbanken AB has resolved to propose to the annual general meeting 2014 to adopt a convertible bond programme for the employees of the group, totalling a nominal amount of up to SEK 3,179,000,000. The convertible bonds can be subscribed for during the period 2 May 2014 - 16 May 2014 at a subscription price equal to the nominal amount.

The convertible bonds have no fixed repayment date and the bondholders are only entitled to repayment at the bank's request, which, subject to certain exceptions, may be made no earlier than 1 July 2019. The loan carries interest at a rate equal to 1-year swap rate (ASK) in SEK with an additional interest of between 0.40 and 0.80 per cent. The final additional interest will be determined and included in the board's final proposal, which will be made available not later than three weeks prior to the annual general meeting.

Each convertible bond can be converted into class A shares in Handelsbanken at a conversion price of between 113 and 121 per cent of the volume weighted average price paid for class A shares on NASDAQ OMX Stockholm during the period 2 May 2014 - 14 May 2014. The final percentage will be determined and included in the board's final proposal, which will be made available not later than three weeks prior to the annual general meeting.

Bondholders may request conversion during the period 1 May 2019 - 30 November 2019. The bank may request conversion as from the registration of the issue of the convertible bonds. All outstanding convertible bonds will convert automatically, should the common equity tier 1 capital ratio of the bank's consolidated situation or of the bank fall below 7.0 per cent at certain measurement dates.

A personal investment by the participants is required to participate in the programme and the programme is constructed on market terms in a way that prevents short term risk taking.

The dilution represents 1.34 per cent of the share capital and 1.36 per cent of the votes after full conversion, assuming a conversion price of SEK 361.53, equivalent to 117 per cent (i.e. the interval midpoint) of SEK 309.00, which was the last price paid for Handelsbanken's class A shares on NASDAQ OMX Stockholm on 4 February 2014, and

that the convertible bonds issued to employees in 2008 and 2011 are converted at their current conversion price.

Further information on the proposed convertible bond programme will be provided in the notice convening the annual general meeting and in the board's final proposal to the annual general meeting concerning the convertible bond programme.

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Handelsbanken discloses the information provided herein pursuant to the Securities Markets Act. Submitted for publication on 5 February 2014, at 06.35 a.m. CET.

For more information about Handelsbanken, please go to: www.handelsbanken.com