

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name	BEAR SKA X3 H
Identifier	ISIN Code: SE0004932036
Manufacturer	Svenska Handelsbanken AB (publ) (Handelsbanken)
Contacting the manufacturer	Website: www.handelsbanken.se Call +46 8 701 10 00 for more information
Competent authority	Finansinspektionen
KID Production Date	25 November 2018, 11:35



You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type	Constant Leverage Certificate
Objectives	<p>The product is designed to provide a leveraged return in the form of a cash payment on the settlement date that will depend on the performance of the underlying.</p> <ul style="list-style-type: none">• Leverage Factor: The product offers a leveraged exposure to the performance of the Underlying. This means that the payment you receive following exercise by you or termination by us increases on a magnified basis as the performance of the underlying decreases, but you also bear a greater risk of loss if the underlying performs otherwise. At the end of each trading day the Leverage Factor will be reset to the Target Leverage Factor. Due to the daily reset to the Target Leverage Factor, the Underlying and the product generally do not move in parallel over a period longer than one day; the likelihood that they will follow significantly different courses increases with each passing day.• Reference Level: The Reference Level is calculated at the end of each day or when a Stop Loss Event occurs. It equals to (a) the previous Reference Level multiplied by (b) one plus the Underlying Performance multiplied by the Target Leverage Factor, and (c) adjusted with the Financing cost. Though if a Stop Loss Event has occurred then the Reference Level is set to zero.• Underlying Performance: The Value of the Underlying divided by the Closing Value of the Underlying on the previous trading day minus (b) 100%, expressed as a percentage.• At product inception the Reference Level equals the Issue Price.• Stop Loss Event: If the Underlying Performance has at least once been at or above 33.333%, then a Stop Loss Event shall be deemed to have occurred.• Exercise by you or termination by us: If a Stop Loss Event has not occurred, you may exercise the product on certain dates as set out in the product terms. We may also terminate the product on certain dates and subject to the notice periods set out in the product terms. The Amount that you will receive in any of these cases equals to the Reference Level at the end of the trading day multiplied by the Number of Units that you hold.

Key Dates, Values and Definitions

All determinations and observations will be made by the Calculation Agent. All dates may be subject to adjustment for non-business days and market disruption events.

- **Underlying:** Skanska AB
- **Calculation Agent:** Handelsbanken
- **Issue Price:** 50 SEK per unit
- **Issue Date:** 22 April 2013
- **Target Leverage Factor:** -3
- **Financing Cost:** Constitutes costs relating to the funding and Leverage of the exposure, all as set out in the product's terms.
- **Repayment Date:** Scheduled to ten Business days following exercise or termination of the product.

Early redemption and adjustments

The terms of the product provide that if certain defined events, in addition to those described above, occur (principally but not exclusively in relation to any Underlying, or the Manufacturer of the product (which may include the discontinuation of the Manufacturer's ability to carry out the necessary hedging transactions)), adjustments may be made to the terms of the product to account for the relevant event or the product may be early redeemed. The amount paid on any early redemption may be less than the amount originally invested.

Intended retail investor

This product is primarily intended for investors who:

- are looking for capital growth and leveraged performance, and are expecting the underlying to perform in a way that generates a favourable return;
- are willing and able to bear a total loss of their investment, and accept the credit risk of the issuer;
- are willing to accept a level of risk that is compatible with the summary risk indicator shown below;
- have the ability to make an informed investment decision through sufficient knowledge and understanding of the product and its specific risks and rewards, potentially resulting from experience of investing in and/or holding a number of similar products providing a similar market exposure or relevant training activities;
- have a minimum investment horizon of the recommended holding period specified below.

What are the risks and what could I get in return?

Summary Risk Indicator



The risk indicator assumes you keep the product until 25 December 2018. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because Handelsbanken is not able to pay you. We have classified this product as 6 out of 7, which is the second-highest risk class. This classification takes into consideration two elements: 1) the market risk - that rates the potential losses from future performance at a high level; and 2) the credit risk which estimates that poor market conditions are very unlikely to impact the capacity of Handelsbanken and the guarantor to pay you. This product does not include any protection from future market performance so you could lose some or all of your investment. If Handelsbanken is not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Investment SEK 100,000

Scenarios		0.1 year (Recommended holding period)
Stress scenario	What you might get back after costs	SEK 38,518
	Average return each year	-100.00%
Unfavourable scenario	What you might get back after costs	SEK 76,438
	Average return each year	-96.20%
Moderate scenario	What you might get back after costs	SEK 97,343
	Average return each year	-27.94%
Favourable scenario	What you might get back after costs	SEK 125,156
	Average return each year	1,433.43%

This table shows the money you could get back over the next 0.1 years, under different scenarios, assuming that you invest SEK 100,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. As the recommended holding period is 1 year or less, performance scenarios have been provided for the recommended holding period only and not for any interim holding periods.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Handelsbanken is unable to pay out?

This product is not protected by any investor compensation or guarantee scheme. If Handelsbanken and the guarantor are unable to make a payment and/or are in default, you may lose some or all of your invested amount and any payment may be delayed.

What are the Costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for the recommended holding period. They include potential early exit penalties. The figures assume you invest SEK 100,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment SEK 100,000	
Scenarios	If you cash in at the end of the recommended holding period
Total costs	SEK 2,246.06
Impact on return (RIY) per year	27.33%

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- The meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	19.66%	The impact of the costs you pay when entering your investment. The impact of these costs is already included in the price.
	Exit costs	5.77%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.90%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	0.00%	Not applicable
	Carried interests	0.00%	Not applicable

How long should I hold it and can I take my money out early?

Recommended holding period: 0.1 years

The product is designed to be held until the end of the recommended holding period.

Please note that due to daily rebalancing, significant market fluctuations can have a negative impact on the overall return of the product even if held within the recommended holding period. Further information is available upon request.

How can I complain?

If you have a complaint, please contact at firsthand the person at the company that has handled your case to present your view. If you have opinions regarding the product you should contact your branch office or Handelsbanken central complaints department which is reached at: klagomal@handelsbanken.se or Handelsbanken, Klagomålsansvarig, 106 70 Stockholm, Sweden.

Other relevant information

Associated base prospectus and relating final terms, as published on <http://www.handelsbanken.se> or as obtained per request.