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Press release 1 June 2016

TF Bank publishes prospectus and announces terms for its initial public offering and listing on Nasdaq Stockholm

On 23 May 2016 TF Bank AB (publ) (“TF Bank” or the “Company”) announced its intention to launch an initial public offering on Nasdaq Stockholm. In connection to this TF Bank today publishes its prospectus and announces the terms for the initial public offering of its shares and listing on Nasdaq Stockholm (the “Offering”). TF Bank is an online-based niche-bank offering consumer banking services through a highly automated, in-house developed, IT platform.

The Offering

- The Offering comprises 5,661,553 existing shares. No new shares are issued by the Company in connection with the Offering.
- The offer price has been set to SEK 77 per share, corresponding to an equity value of TF Bank of approximately SEK 1,656 million.
- In order to cover potential over-allotment in the Offering, the selling shareholders (the “Selling Shareholders¹”) of the Company have undertaken to sell a maximum of 849,126 additional shares, corresponding to approximately 15.0 percent of the total number of shares in the Offering (the “Over-Allotment Option”). Given full exercise of the Over-Allotment Option, the Offering will comprise of 6,510,679 shares, corresponding to approximately 30.3 percent of the total number of shares outstanding in the Company.
- Based on the offer price, and under the assumption that the Over-Allotment Option is exercised in full, the total value of the Offering will be approximately SEK 501 million.
- Erik Selin, through Erik Selin Fastigheter AB, Swedbank Robur Fonder and Lazard Asset Management (together the “Cornerstone Investors”) have, under certain conditions, committed to acquire shares corresponding to 4.0, 6.0 and 1.75 percent, respectively, of the total number of shares in the Company.
- The Offering comprises an offering to the general public in Sweden and institutional investors in Sweden and abroad.
- Application period is expected to begin on 2 June 2016 and end on 13 June 2016 for institutional investors and end on 10 June for the general public in Sweden.
- Resolution on allotment of shares will be made by the Selling Shareholders in their sole discretion in consultation with Joint Bookrunners, whereby the goal is to achieve a good institutional ownership base and a wide distribution of shares to the general public. However, Cornerstone Investors are guaranteed allotment in accordance with their undertaking.
- First day of trading on Nasdaq Stockholm is expected to take place on 14 June 2016.
- The shares will trade under the ticker “TFBANK”.

¹ TFB Holding AB, Förvaltningsaktieföretaget Segersta, Gurrfinans AB, Aktieföretaget Add Value, Mattias Carlsson, KAAX Investment AB, Tiberon AB, AB Monarda, Pehr Petersson, TPS Investment AB, Merizole Holding Ltd and Johannes Rintaniemi

Declan Mac Guinness, CEO of TF Bank, comments:

"TF Bank has shown strong and profitable growth since its establishment. We have expanded our geographical presence, customer base and product offering considerably in recent years; simultaneously we have invested heavily in the organization, both in terms of employees and IT system. TF Bank has proved that the Company has a competitive offering in a growing market with strong underlying drivers. We aim to continue to grow in existing markets as well as to evaluate new markets as we will continue to grow with maintained cost control. We are looking forward to continue TF Bank's exciting journey with the listing to strengthen the awareness of TF Bank among customers, business partners and investors."

Mattias Carlsson, Chairman of the Board of TF Bank, comments:

"We are proud of TF Bank and the business that has been established over the last 30 years. TF Bank's proven ability to find the right customers and to expand geographically supported by an efficient and flexible IT platform, while maintaining the credit quality, as well as its experienced and competent management team make us confident that TF Bank is well positioned for continued growth and to deliver dividends to the shareholders. We are welcoming a new broad ownership base and are happy to announce the cornerstone investors Erik Selin, Swedbank Robur Fonder and Lazard Asset Management as new shareholders in TF Bank."

Paul Källenius, representative for the largest shareholders TFB Holding AB and its owners, comments:

"TFB Holding AB has since the acquisition of TF Bank in 2007 been an active owner of the Company. We believe that TF Bank has a competitive platform, organization and market position in place to capture the attractive growth opportunities in existing and potentially additional markets over the coming years. With this background, TFB Holding AB intends to remain a long term and large owner of TF Bank. This is also reflected in the undertaking from the largest shareholders to maintain at least 30 percent in collective ownership at least until 2020."

Cornerstone Investors

Erik Selin, through Erik Selin Fastigheter AB, Swedbank Robur Fonder and Lazard Asset Management have, under certain conditions, committed to acquire shares in the Offering corresponding to 4.0, 6.0 and 1.75 percent, respectively, of the total number of shares in the Company. The Cornerstone Investors may choose to not fulfil their undertakings if the conditions are not fulfilled.

Prospectus and application forms

The prospectus and application form regarding the Offering are published on TF Bank's website, (www.tfbankgroup.com) and Carnegie's website (www.carnegie.se). Application can also be made through Avanza (www.avanza.se).

Preliminary timetable

Application period (for the general public in Sweden)	2 – 10 June 2016
Application period (for institutional investors)	2 – 13 June 2016
First day of trading on Nasdaq Stockholm	14 June 2016
Settlement day	16 June 2016

**Advisors**

Carnegie Investment Bank AB is Global Coordinator and Joint Bookrunner, ABG Sundal Collier AB is Joint Bookrunner in the Offering. Hannes Snellman Advokatbyrå is legal advisor to Global Coordinator and Joint Bookrunners. Magnusson Advokatbyrå is legal advisor to TF Bank.

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TF Bank in brief

TF Bank is an online-based niche bank offering consumer banking services through a highly automated, in house developed, IT platform. The Company's IT platform is designed for scalability and adaptability to different products, jurisdictions, currencies and digital banking solutions. TF Bank conducts banking operations with deposits and lending to retail customers in Sweden and Finland, lending to retail customers in Norway, Poland, Denmark, Estonia and Latvia.

As at 31 March 2016, TF Bank had an outstanding loan portfolio of SEK 2,012 million. TF Bank has grown its total operating income from SEK 272 million in 2012 to SEK 388 million in 2015, corresponding to a compounded annual growth rate of 13 percent. As at 31 March 2016, the Group had a total of 1.1 million active customers in its two segments and a combined 1.7 millions of active user profiles for scoring in its database.

About Erik Selin

Erik Selin is CEO and principal owner in Fastighets AB Balder (publ), the largest listed real estate company in Sweden with properties in all Nordic countries. Balder is also the main owner in the listed niche-bank Collector Bank AB (publ).

About Swedbank Robur Fonder

Swedbank Robur Fonder is one of Scandinavia's largest fund managers and is a wholly owned subsidiary of Swedbank. Swedbank Robur Fonder offers savings alternatives for retail and institutional clients through mutual funds and discretionary asset management. For more information, see www.swedbankrobur.se

Lazard Asset Management

Lazard Asset Management manages US\$171.9 billion of assets around the world across a broad spectrum of asset classes. The Lazard European Microcap Fund, which will invest in TF Bank, targets long-term capital appreciation by investing in a concentrated portfolio of European micro-cap stocks with a market capitalisation of no more than EUR 1 billion.



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Any offering to acquire or subscribe for the securities referred to in this communication will be made by means of a prospectus that will be provided by the Company and that will contain detailed information about the Company and management, as well as financial statements. This communication is an advertisement and not a prospectus for the purposes of the Prospectus Directive. Investors should not acquire any securities referred to in this communication except on the basis of information contained in a prospectus.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe," "expect," "anticipate," "intends," "estimate," "will," "may," "continue," "should" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions, such as no changes in existing political, legal, fiscal, market or economic conditions or in applicable legislation, regulations or rules (including, but not limited to, accounting policies, accounting treatments and tax policies), which, individually or in the aggregate, would be material to the results of operations of TF Bank or its ability to operate its banking businesses and that TF Bank does not become a party to any legal or administrative processes that may have a material effect on TF Bank. Although TF Bank believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors, which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. In addition, the information, opinions, targets and forward-looking statements contained in this announcement are not guarantees of future financial performance and the actual results of TF Bank could differ materially from those expressed or implied by these forward-looking statements. Accordingly, TF Bank urges readers not to place undue reliance on any of the statements set forth above.



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