

FINAL TERMS

Final Terms dated 19 June 2019

MIFID II product governance / Professional investors and eligible counterparties only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**") and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

MUNICIPALITY FINANCE PLC (Kuntarahoitus Oyj)

Issue of NOK 250,000,000 1.742 per cent. Notes due 26 October 2022 (to become immediately fungible and form a single series with the existing NOK 300,000,000 1.742 per cent. Notes due 26 October 2022 issued on 26 October 2015 and the NOK 700,000,000 1.742 per cent. Notes due 26 October 2022 issued on 26 January 2017)

Guaranteed by

THE MUNICIPAL GUARANTEE BOARD (Kuntien takauskeskus)

under the €35,000,000,000

Programme for the Issuance of Debt Instruments

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Offering Circular dated 6 May 2015. These Final Terms contain the final terms of the Notes and must be read in conjunction with such Offering Circular dated 13 May 2019, save in respect of the Conditions which are extracted from the Offering Circular dated 6 May 2015.

These Final Terms are available for viewing at www.rns-pdf.londonstockexchange.com

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|----|------|-----------------|--|
| 1. | (i) | Issuer: | Municipality Finance Plc (Kuntarahoitus Oyj) |
| | (ii) | Guarantor: | The Municipal Guarantee Board (Kuntien takauskeskus) |
| 2. | (i) | Series Number: | 254/2015 |
| | (ii) | Tranche Number: | 3 |

- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).
- The Notes will become immediately fungible and form a single series with the existing NOK 700,000,000 1.742 per cent. Notes due 26 October 22 issued on 26 January 2017 (the “**Tranche 2 Notes**”) and NOK 300,000,000 1.742 per cent. Notes due 26 October 22 issued on 26 October 2015 (the “**Tranche 1 Notes**”) on Issue Date.
3. Specified Currency or Currencies: Norwegian Kroner (“**NOK**”)
 4. Aggregate Nominal Amount:
 - (i) Series: NOK 1,250,000,000
 - (ii) Tranche: NOK 250,000,000
 5. (i) Issue Price: 100.666 per cent. of the Aggregate Nominal Amount plus accrued interest from 26 October 2018.
 6. (i) Specified Denominations: NOK 1,000,000
(ii) Calculation Amount: NOK 1,000,000
 7. (i) Issue Date: 24 June 2019
(ii) Interest Commencement Date: 26 October 2018
 8. Maturity Date: 26 October 2022
 9. Interest Basis: 1.742 per cent. Fixed Rate
(further particulars specified below)
 10. Redemption/Payment Basis: Redemption at par
 11. Change of Interest or Redemption/Payment Basis: Not Applicable
 12. Put/Call Options: Not Applicable
 13. (i) Status of the Notes: Senior
(ii) Status of the Guarantee: Senior
(iii) Date Board approval for issuance of Notes and Guarantee obtained: Not Applicable
 14. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate(s) of Interest: | 1.742 per cent. per annum payable annually in arrear |
| | (ii) Interest Payment Date(s): | 26 October in each year, not adjusted. |
| | (iii) Fixed Coupon Amount(s): | NOK 17,420 per Calculation Amount |
| | (iv) Broken Amount(s): | Not Applicable |
| | (v) Day Count Fraction: | 30/360 |
| | (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable |
| 16. | Floating Rate Note Provisions | Not Applicable |
| 17. | Zero Coupon Note Provisions | Not Applicable |
| 18. | Index-Linked Interest Note Provisions | Not Applicable |
| 19. | Dual Currency Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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|-----|---|--------------------------------------|
| 20. | Call Option | Not Applicable |
| 21. | Put Option | Not Applicable |
| 22. | Final Redemption Amount of each Note | NOK 1,000,000 per Calculation Amount |

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

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|-----|--|----------------|
| 23. | Early Redemption Amount | |
| | Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | Not applicable |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	Form of Notes:	VPS Notes: VPS Notes issued in uncertificated book entry form
25.	New Global Note:	No
26.	Business Centre(s) or other special provisions relating to Payment Dates:	Oslo
27.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
28.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
29.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
30.	Other terms or special conditions:	Not Applicable

DISTRIBUTION

31.	(i) If syndicated, names and address of Managers and underwriting commitments:	Not Applicable
	(ii) Date of Subscription Agreement:	Not Applicable
	(iii) Stabilising Manager(s) (if any):	Not Applicable
32.	If non-syndicated, name and address of Dealer:	DNB Bank ASA Dronning Eufemias gt 30 N-0191 Oslo Norway
33.	TEFRA:	Not Applicable
34.	Additional selling restrictions:	Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue and admission to trading on the Regulated Market of the London Stock Exchange plc of the Notes described herein pursuant to the €35,000,000,000 Programme for the Issuance of Debt Instruments of Municipality Finance Plc (Kuntarahoitus Oyj) guaranteed by The Municipal Guarantee Board (Kuntien takauskeskus).

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

SIGNED on behalf of the Issuer:



By:

Karoliina Kajova

Manager, Funding



By:

Hannu-Pekka Ylimommo

Legal Counsel

SIGNED on behalf of the Guarantor:



By:

Tuukka Salminen

Deputy Managing Director

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: London Stock Exchange
- (ii) Admission to trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Regulated Market of the London Stock Exchange with effect from Issue Date.

The Tranche 1 Notes were admitted to trading on the Regulated Market of the London Stock Exchange with effect from on or about 26 October 2015.

The Tranche 2 Notes were admitted to trading on the Regulated Market of the London Stock Exchange with effect from on or about 26 January 2017.

2. RATINGS

Ratings: The Notes to be issued have been rated:

Moody's: Aa1

Standard & Poor's: AA+

Moody's Investors Service Limited and Standard & Poor's Credit Market Services Europe Limited are both established in the European Economic Area and registered under Regulation (EC) No. 1060/2009, as amended.

3. OPERATIONAL INFORMATION

Intended to be held in a manner which would allow Eurosystem eligibility:

No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have

been met.

ISIN Code: NO0010748320

Common Code: 131156120

CUSIP No: Not Applicable

Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking societe anonyme and DTC and the relevant identification number(s): Verdipapirsentralen, Norway. VPS identification number: 985 140 421 The Issuer shall be entitled to obtain information from the register maintained by the VPS for the purposes of performing its obligations under the issue of VPS Notes.

Delivery: Delivery against payment