

Final Terms dated 25 March 2014

MUNICIPALITY FINANCE PLC (Kuntarahoitus Oyj)

Issue of GBP 50,000,000 1.125 per cent. Notes due 7 December 2017 (the "**Notes**") (to be consolidated and form a single Series with the GBP 400,000,000 1.125 per cent. Notes due 7 December 2017 issued on 30 January 2013 (the "**Tranche 1 Notes**") and with the GBP 100,000,000 1.125 per cent. Notes due 7 December 2017 issued on 28 March 2013 (the "**Tranche 2 Notes**", together with Tranche 1 Notes, the "**Original Notes**")

Guaranteed by

THE MUNICIPAL GUARANTEE BOARD (Kuntien takauskeskus)

under the €22,000,000,000

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 1 June 2012. These Final Terms contain the final terms of the Notes and must be read in conjunction with the Offering Circular dated 3 June 2013.

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| 1. | (i) | Issuer: | Municipality Finance Plc
(Kuntarahoitus Oyj) |
| | (ii) | Guarantor: | The Municipal Guarantee Board

(Kuntien takauskeskus) |
| 2. | (i) | Series Number: | 13/2013 |
| | (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 are to be consolidated and form a single Series with the Original Notes on or after the date (the " Exchange Date ") that is the first business day following the expiration of a period of 40 days after the Issue Date. |
| 3. | | Specified Currency or Currencies: | Pounds Sterling (" GBP ") |
| 4. | | Aggregate Nominal Amount: | |
| | (i) | Series: | After the Notes are consolidated and form a single Series with the Original Notes on or after the Exchange Date, the total aggregate nominal amount of the Series will be GBP 550,000,000 consisting of the aggregate nominal amount of the Notes (being GBP |

50,000,000), the aggregate nominal amount of the Tranche 2 Notes (being GBP 100,000,000) and the aggregate nominal amount of the Tranche 1 Notes (being GBP 400,000,000).

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| | (ii) Tranche: | GBP 50,000,000 |
| 5. | (i) Issue Price: | 98.336 per cent. of the Aggregate Nominal Amount plus 110 days' accrued interest in respect of the period from and including the Interest Commencement Date to but excluding the Issue Date (amounting to GBP 169,520.55). |
| 6. | (i) Specified Denominations: | GBP 1,000 |
| | (ii) Calculation Amount: | GBP 1,000 |
| 7. | (i) Issue Date: | 27 March 2014 |
| | (ii) Interest Commencement Date: | 7 December 2013 |
| 8. | Maturity Date: | 7 December 2017 |
| 9. | Interest Basis: | 1.125 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 of Interest: | 1.125 per cent. per annum payable annually in arrear |
| | (ii) Interest Payment Date(s): | On 7 December in each year as adjusted for payment purposes only in accordance with |

the Following Business Day convention.

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| (iii) | Fixed Coupon Amount(s): | GBP 11.25 per Calculation Amount on each Interest Payment Date |
| (iv) | Broken Amount(s): | Not Applicable |
| (v) | Day Count Fraction: | Actual/Actual (ICMA) |
| (vi) | Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable |
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| 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 | GBP 1,000 per Calculation Amount |
| 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): | As set out in the Conditions |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 24. | Form of Notes: | Bearer Notes: |
| | | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note |

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| 25. | New Global Note: | Yes |
| 26. | Financial Centre(s) or other special provisions relating to Payment Dates: | London |
| 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 | 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

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| 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: | Société Générale
Tours Société Générale
17, cours Valmy
92987 Paris – La Défense Cedex |
| 33. | TEFRA: | The D Rules are 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 €22,000,000,000 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:

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Duly authorised



MARTIN SVEDHOLM
Manager, Funding



MATTI KANERVA
Senior Legal Counsel

Signed on behalf of the Guarantor:

By:

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Duly authorised



Tuukka Salminen
Deputy Managing Director

PART B – OTHER INFORMATION

1. LISTING

- (i) Listing: London
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on the regulated market of the London Stock Exchange with effect from the Issue Date.

2. RATINGS

Ratings: The Notes to be issued have been rated:

Standard & Poor's AAA

Moody's Aaa

3. OPERATIONAL INFORMATION

Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Instruments are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Instruments will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

ISIN Code: Until the Notes are consolidated and form a single Series with the Original Notes, the Notes will have the temporary ISIN Code XS1049812917. After the Notes are consolidated and form a single Series with the Original Notes on or after the Exchange Date, they will have the same ISIN Code as the Original Notes, being XS0881328826.

Common Code: Until the Notes are consolidated and form a single Series with the Original Notes, the Notes will have the temporary Common Code 104981291. After the Notes are consolidated and form a single Series with the Original Notes on or after the Exchange Date, they will have the same Common Code as the Original Notes, being 088132882.

CUSIP Number: Not Applicable

Any clearing system(s) other than Not Applicable
Euroclear Bank SA/NV, Clearstream
Banking societe anonyme and DTC
and the relevant identification
number(s):

Delivery: Delivery against payment

Names and addresses of additional Not Applicable
Paying Agent(s) (if any):