

MIFID II product governance / Professional investors and ECPs 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).

Final Terms dated 8 February 2019

MUNICIPALITY FINANCE PLC (Kuntarahoitus Oyj)

Issue of EUR 10,000,000 Single callable Step-up Notes due 12 February 2029

Guaranteed by

THE MUNICIPAL GUARANTEE BOARD (Kuntien takauskeskus)

under the €30,000,000,000

Programme for the Issuance of Debt Instruments

PART A – CONTRACTUAL TERMS

This document constitutes the final terms relating to the issue of Notes described herein. 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 11 May 2018 and the supplemental Offering Circular dated 14 September 2018 and 4 December 2018 (the "**Offering Circular**"). These Final Terms contain the final terms of the Notes and must be read in conjunction with such Offering Circular as so supplemented.

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: | 31-2019 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Euro (" EUR ") |
| 4. | | Aggregate Nominal Amount: | |

	(i)	Series:		EUR 10,000,000
	(ii)	Tranche:		EUR 10,000,000
5.	(i)	Issue Price:		100 per cent. of the Aggregate Nominal Amount
6.	(i)	Specified Denominations:		EUR 100,000
	(ii)	Calculation Amount:		EUR 100,000
7.	(i)	Issue Date:		12 February 2019
	(ii)	Interest Commencement Date:	Issue Date	
8.		Maturity Date:		12 February 2029
9.		Interest Basis:		0.50 per cent. Fixed Rate for the period from (and including) the Interest Commencement Date, up to (but excluding) 12 February 2024.
				1.05 per cent. Fixed Rate for the period from (and including) 12 February 2024, up to (but excluding) the Maturity Date.
				(further particulars specified below)
10.		Redemption/Payment Basis:		Redemption at par
11.		Change of Interest Redemption/Payment Basis:	or	Not Applicable
12.		Put/Call Options:		Issuer Call
				(further particulars specified below)
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

15.		Fixed Rate Note Provisions		Applicable
	(i)	Rate(s) of Interest:		0.50 per cent. per annum payable annually in arrear on each Interest Payment Date for the

		period from (and including) the Interest Commencement Date, up to (but excluding) 12 February 2024.
		1.05 per cent. per annum payable annually in arrear on each Interest Payment Date for the period from (and including) 12 February 2024, up to (but excluding) the Maturity Date.
(ii)	Interest Payment Date(s):	12 February in each year adjusted for payment purposes only in accordance with Following Business Day Convention
(iii)	Fixed Coupon Amount(s):	EUR 500 per Calculation Amount for the period from (and including) the Interest Commencement Date, up to (but excluding) 12 February 2024.
		EUR 1,050 per Calculation Amount for the period from (and including) 12 February 2024, up to (but excluding) the Maturity 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
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

20.	Call Option	Applicable
(i)	Optional Redemption Date(s):	12 February 2024
(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	EUR 100,000 per Calculation Amount

- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: Not Applicable
 - (b) Maximum Redemption Amount: Not Applicable
 - (iv) Notice period (if other than as set out in the Conditions): Five (5) TARGET and London Business Days prior to the Optional Redemption Date.
 - 21. **Put Option** Not Applicable
 - 22. **Final Redemption Amount of each Note** EUR 100,000 per Calculation Amount
- In cases where the Final Redemption Amount is Index-Linked or other variable-linked: Not Applicable
- (i) Index/Formula/variable:
 - (ii) Calculation Agent responsible for calculating the Final Redemption Amount:
 - (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:
 - (iv) Date for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:
 - (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:
 - (vi) Payment Date:

(vii) Minimum Final Redemption Amount:

(viii) Maximum Final Redemption 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

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.

25. New Global Note:

Yes

26. Business Centre(s) or other special provisions relating to Payment Dates:

TARGET and 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 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: DZ BANK AG
Deutsche Zentral-Genossenschaftsbank,
Frankfurt am Main
Platz der Republik
60325 Frankfurt am Main
Federal Republic of Germany
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 €30,000,000,000 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:
Antti Kontio
Head of 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 the Issue Date.

2. RATINGS

Ratings: The Notes to be issued have been rated:

Moody's: Aa1

Standard & Poor's: AA+

Moody's and Standard & Poor's are established in the EEA and registered under Regulation (EU) No 1060/2009, as amended.

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 Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized 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 the ECB being satisfied that Eurosystem eligibility criteria have been met.

ISIN Code: XS1950969888

Common Code: 195096988

FISN: MUNICIPALITY FI/.5EMTN 20290212

CFI code: DTFXFB

Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of
additional Paying Agent(s) (if
any):

Not Applicable