

Final Terms dated 16 April 2015

MUNICIPALITY FINANCE PLC (Kuntarahoitus Oyj)

Issue of U.S.\$500,000,000 1.250 per cent. Guaranteed Notes due 18 April 2019

Guaranteed by
THE MUNICIPAL GUARANTEE BOARD (Kuntien takauskeskus)

**under the €25,000,000,000
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 6 May 2014 and the supplemental Offering Circular dated 10 September 2014 (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.londonstockexchange.com/exchange/news/market-news/market-news-home.html.

1. (i) Issuer: Municipality Finance Plc (Kuntarahoitus Oyj)
(ii) Guarantor: The Municipal Guarantee Board (Kuntien takauskeskus)
2. (i) Series Number: 104/2015
(ii) Tranche Number: 1
3. Specified Currency or Currencies: United States dollars ("U.S.\$")
4. Aggregate Nominal Amount: U.S.\$500,000,000
5. (i) Issue Price: 99.543 per cent. of the Aggregate Nominal Amount
6. (i) Specified Denominations: U.S.\$200,000 and multiples of U.S.\$1,000 thereafter
(ii) Calculation Amount: U.S.\$1,000
7. (i) Issue Date: 20 April 2015
(ii) Interest Commencement Date: Issue Date
8. Maturity Date: 18 April 2019
9. Interest Basis: 1.250 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:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	1.250 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Date(s):	18 April and 18 October in each year commencing 18 October 2015 (the " First Interest Payment Date "); adjusted for payment purposes only in accordance with the Following Business Day Convention
	(iii) Fixed Coupon Amount:	U.S.\$6.25 per Calculation Amount payable on each Interest Payment Date other than the First Interest Payment Date
	(iv) Broken Amount(s):	Short first coupon: U.S.\$6.18 per Calculation Amount on the First Interest Payment Date
	(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 | U.S.\$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: | Registered Notes: |
| | | Regulation S Global Note registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg |
| | | Restricted Global Note registered in the name of a nominee for DTC |
| 25. | New Global Note: | No |
| 26. | Business Centre(s) or other special provisions relating to Payment Dates: | London, in addition to New York |
| 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: | 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:
- BNP Paribas**
10 Harewood Avenue
London NW1 6AA
United Kingdom
- Credit Suisse Securities (Europe) Limited**
One Cabot Square
London E14 4QJ
United Kingdom
- Goldman Sachs International**
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom
- (ii) Date of Subscription Agreement: 16 April 2015
- (iii) Stabilising Manager(s) (if any): Credit Suisse Securities (Europe) Limited
32. If non-syndicated, name and address of Dealer: Not Applicable
33. TEFRA: Not Applicable
34. Additional selling restrictions: Regulation S and Rule 144A/3(c)(7)

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 €25,000,000,000 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:
Duly authorised



JOAKIM HOLMSTRÖM
Head of Funding



MATTI KANERVA
Senior Legal Counsel

SIGNED on behalf of the Guarantor:

By:
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 are expected to be rated:
- Moody's Investors Service Limited: Aaa
- Standard & Poor's Credit Market Services Europe Limited: AA+

3. OPERATIONAL INFORMATION

- Intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable
- Regulation S ISIN: XS1219678809
- Regulation S Common Code: 121967880
- 144A ISIN: US62630CAE12
- 144A Common Code: 121967910
- CUSIP No: 62630CAE1
- Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking societe anonyme 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