

# ÅLANDSBANKEN

## ÅLANDSBANKEN ABP

*(incorporated with limited liability in the Republic of Finland)*

**EUR 2,000,000,000**

### **Medium Term Note and Covered Bond Programme**

This supplement (the **Supplement**) comprises a supplement for Ålandsbanken Abp (the **Issuer**) to the Base Prospectus to the Medium Term Note and Covered Bond Programme (the **Programme**) dated 6 October 2017 as supplemented by a supplement dated 26 October 2017. This Supplement should be read in conjunction with the Programme.

The purpose of this Supplement is to incorporate a description of general tax considerations relevant to Sweden.

#### **1. Taxation**

The following description is added to the section “Taxation” commencing on page 68 as a new subsection after the subsection titled “Finland”.

##### **“Sweden**

The following summary outlines certain Swedish tax consequences relating to Noteholders. The summary is based on the laws of Sweden as currently in effect and is intended to provide general information only. The summary does not address, inter alia, situations where Notes are held in an investment savings account (Sw. *investeringsparkonto*), the tax consequences of a write-down or conversion of the Notes, the existence of the ability of relevant regulatory authorities to effect such a write-down or conversion, any tax consequences following a variation or substitution (instead of redemption) of any Notes or the rules regarding reporting obligations for, among others, payers of interest. Further, the summary does not address credit of foreign taxes in Sweden. Investors should consult a professional tax adviser regarding the Swedish tax and other tax consequences (including the applicability and effect of tax treaties for the avoidance of double taxation) of acquiring, owning and disposing of Notes in their particular circumstances.

##### ***Noteholders tax resident in Sweden***

In general, for Swedish corporations and private individuals (and estates of deceased individuals) with residence in Sweden for Swedish tax purposes, all capital income (for example, income that is considered to be interest for Swedish tax purposes and capital gains on Notes) will be taxable. Specific tax consequences may be applicable to certain categories of corporations, for example life insurance companies. Moreover, specific tax consequences may be applicable if, and to the extent that, a holder of Notes realises a capital loss on the Notes and to any currency exchange gains or losses.

If amounts that are deemed as interest for Swedish tax purposes are paid by a legal entity domiciled in Sweden, including a Swedish branch, or a clearing institution within the EEA, to a private individual (or an estate of a deceased individual) with residence in Sweden for Swedish tax purposes, Swedish preliminary taxes are normally withheld by the legal entity on such payments. Swedish preliminary taxes should

normally also be withheld on other returns on Notes (but not capital gains), if the return is paid out together with such a payment of interest referred to above.”

A subscriber, who has made a subscription before the publication of this Supplement, is entitled to cancel the subscription pursuant to Chapter 4, Section 14 of the Finnish Securities Markets Act (*Arvopaperimarkkinalaki* 746/2012; as amended) within two (2) Business Days from the publication of this Supplement.