

7 March 2012

**ÅLANDSBANKEN ABP**

**Issue of €100,000,000 Floating Rate Notes due 2014**

**under the EUR 1,000,000,000**

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

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the offering circular dated 29 December 2011 as supplemented by the offering circular supplement dated 7 March 2012 (the "**Offering Circular**") which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Offering Circular. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Offering Circular. The Offering Circular is available for viewing during normal business hours at the registered office of the Issuer at Nygatan 2, AX-22100 Mariehamn, Finland and copies may be obtained from the Principal Paying Agent at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

- |    |                              |   |
|----|------------------------------|---|
| 1. | Issuer:                      | Ålandsbanken Abp  |
| 2. | Securities:                  | MTNs  |
| 3. | (a) Series Number:           | 1   |
|    | (b) Tranche Number:          | 1   |
| 4. | Specified Currency:          | Euro ("€")  |
| 5. | Aggregate Nominal Amount:    |   |
|    | (a) Series:                  | €100,000,000  |
|    | (b) Tranche:                 | €100,000,000  |
| 6. | Issue Price:                 | 100.00 per cent. of the Aggregate Nominal Amount  |
| 7. | (a) Specified Denominations: | €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000 |
|    | (b) Calculation Amount:      | €1,000  |
| 8. | (a) Issue Date:              | 9 March 2012  |

(b)	Interest Commencement Date:	Issue Date
9.	Maturity Date:	Interest Payment Date falling in or nearest to February 2014
10.	Extended Final Maturity Date:	Not Applicable
11.	Interest Basis:	3 month EURIBOR +2.50 per cent. Floating Rate (further particulars specified below)
12.	Redemption/Payment Basis:	Redemption at par
13.	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
14.	Put/Call Options:	Not Applicable
15.	Method of distribution:	Syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

16.	Fixed Rate Note Provisions	Not Applicable
17.	Floating Rate Note Provisions	Applicable
(a)	Specified Interest Payment Dates:	25 February, 25 May, 25 August and 25 November in each year commencing on 25 May 2012, up to (and including) the Maturity Date
(b)	Business Day Convention:	Modified Following Business Day Convention
(c)	Additional Business Centre(s):	Helsinki
(d)	Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination
(e)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	Principal Paying Agent
(f)	Screen Rate Determination:	
	• Reference Rate:	3 month EURIBOR
	• Interest Determination	The second day on which the TARGET 2 System is open prior to the start of each

	Date(s):	Interest Period
	• Relevant Screen Page:	Reuters EURIBOR01
(g)	ISDA Determination:	Not Applicable
(h)	Margin(s):	+2.50 per cent. per annum
(i)	Minimum Rate of Interest:	Not Applicable
(j)	Maximum Rate of Interest:	Not Applicable
(k)	Day Count Fraction:	Actual/360
(l)	Fallback provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	Not Applicable
18.	Zero Coupon Note Provisions	Not Applicable
19.	Index Linked Interest Note Provisions	Not Applicable
20.	Dual Currency Interest Note Provisions	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

21.	Issuer Call:	Not Applicable
22.	Investor Put:	Not Applicable
23.	Final Redemption Amount:	€1,000 per Calculation Amount
24.	Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7.5):	Final Redemption Amount (i.e., €1,000 per Calculation Amount)

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

25.	Form of Notes:	
	(a) Form:	Bearer Notes:
		Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon

		an Exchange Event
	(b) New Global Note:	Yes
26.	Additional Financial Centre(s) or other special provisions relating to Payment Days:	Helsinki
27.	Talons for future Coupons or Receipts to be attached to Definitive Notes in bearer form (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 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:	Not Applicable
30.	Redenomination applicable:	Redenomination not applicable
31.	Other final terms:	Not Applicable
<b>DISTRIBUTION</b>		
32.	(a) If syndicated, names of Managers:	<i>Joint Lead Managers:</i> Danske Bank A/S Skandinaviska Enskilda Banken AB (publ)
	(b) Date of Subscription Agreement:	7 March 2012
	(c) Stabilising Manager(s) (if any):	Not Applicable
33.	If non-syndicated, name of relevant Dealer:	Not Applicable
34.	U.S. Selling Restrictions:	Reg. S Category 2; TEFRA D
35.	Additional selling restrictions:	Not Applicable
36.	US tax disclosure:	Not Applicable

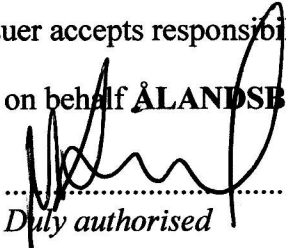
## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority of the Notes described herein pursuant to the EUR 1,000,000,000 Euro Medium Term Note and Covered Bond Programme of Ålandsbanken Abp.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of ÅLANDSBANKEN ABP:

By:  .....  
*Duly authorised*

**Magnus Linnarsand**  
Head of Group Treasury  
Bank of Åland PLC

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

- |      |   |  |
|------|---|--|
| (i)  | Listing and admission to trading:                           | Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's regulated market and listing on the Official List of the UK Listing Authority with effect from the Issue Date. |
| (ii) | Estimate of total expenses related to admission to trading: | £2,700   |

### **2. RATINGS**

Ratings: The Notes to be issued have not been rated.

### **3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.

### **4. OPERATIONAL INFORMATION**

- |       |  |   |
|-------|--|---|
| (i)   | ISIN Code:   | XS0753824050  |
| (ii)  | Common Code:   | 075382405   |
| (iii) | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable  |
| (iv)  | Delivery:  | Delivery against payment  |
| (v)   | Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable  |
| (vi)  | Intended to be held in a manner which would allow Eurosystem eligibility:  | Yes<br><br>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 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.