

FINAL TERMS

ÅLANDSBANKEN ABP

Issue of EUR 300,000,000 Covered Bonds under the EUR 2,000,000,000 Medium Term Note and Covered Bond Programme

PROHIBITION OF SALES TO EEA RETAIL INVESTORS: Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended) (**MiFID II**); (ii) a customer within the meaning of the Insurance Mediation Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended) (the **Prospectus Directive**). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the **PRIIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II product governance / Professional investors and eligible counterparties (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 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.

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 Base Prospectus dated 5 October 2018 and the supplements to it dated 30 October 2018, 12 February 2019 and 5 March 2019 which together constitute a base prospectus for the purposes of the Prospectus Directive (the **Base Prospectus**), including but not limited to, the General Terms and Conditions of the Notes (the **Conditions**) set forth in the Base Prospectus. 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 Base Prospectus. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions.

The Base Prospectus and the supplements to it dated 30 October 2018, 12 February 2019 and 5 March 2019 and the Final Terms are available at the website of the Issuer at <https://www.alandsbanken.com/about-us/financial-information/debt-programme> and upon request from the Issuer or at the subscription places specified herein.

Issuer:

Ålandsbanken Abp

Type of Notes:

Covered Bonds

Category of Covered Bonds:	Category FIN Covered Bonds
Series number:	1/2019
Tranche number:	1
Dealer(s)	<p>BNP Paribas 10 Harewood Avenue, London NW1 6AA, UK</p> <p>Danske Bank A/S 2-12 Holmens Kanal, DK-1092 Copenhagen K Denmark</p> <p>UniCredit Bank AG Am Eisbach 4, 80538 Munich, Germany</p>
Subscription place(s)	Not Applicable
Issuer Agent	Danske Bank A/S, Finland Branch
Paying Agent	Danske Bank A/S, Finland Branch
Calculation Agent	Not Applicable
Currency:	EUR
Aggregate nominal amount:	
(a) Series:	300,000,000
(b) Tranche:	300,000,000
Denomination of each book-entry unit:	EUR 100,000
Number of book-entry units:	3,000
Form of the Notes:	Book-entry securities of Euroclear Finland's Infinity book-entry system
Minimum subscription amount:	EUR 100,000
Subscription fee:	The Dealers will not charge the costs relating to the issue and offering to the Noteholders
Payment of subscription:	Subscriptions shall be paid for as instructed in connection with the subscription

Issue price:	The issue price is fixed and is 99.533 per cent. of the aggregate nominal amount
Issue Date:	19 March 2019
Commencement of first Interest Period:	Issue Date
Rate of interest:	Fixed interest rate 0.125 per cent. (further particulars specified below)
Change of rate of interest	Not Applicable
Redemption amount:	The Notes will be redeemed at 100 per cent. of their aggregate nominal amount
Manner of redemption:	The Notes will be redeemed in one instalment.
Maturity Date:	19 March 2024
(a) Extended Maturity:	Applicable
(b) Extended Maturity Date:	19 March 2025
	In accordance with Condition 5.5, if the Issuer fails to redeem the Notes in full on the Maturity Date or within two (2) Business Days thereafter, the maturity of the nominal amount outstanding of the Notes will be extended automatically to the Extended Maturity Date set out above without constituting an event of default or giving holders of the Notes any rights other than as expressly set out in the Conditions. In that event, the interest rate payable on, and the Interest Periods and Interest Payment Dates, in respect of the Notes, will change from those that applied up to the Maturity Date and the Issuer may redeem all or part of the nominal amount outstanding of those Notes on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Maturity Date, all in accordance with Condition 5.5.
Delivery of book-entry securities:	The time when the book-entry securities are recorded in the book-entry accounts specified by the subscribers is estimated to be 19 March 2019
ISIN code of the Series of Notes:	FI4000375241
Registrar:	Euroclear Finland Ltd

PROVISIONS RELATING TO INTEREST

Fixed interest rate provisions:	Applicable
(a) Interest Payment Date(s):	Annually in arrears, payable on 19 March each year, commencing on 19 March 2020 up to and including the Maturity Date
(b) Day Count Fraction:	Actual/Actual (ICMA)
(c) Business Day Convention:	Following Business Day Convention
Floating interest rate provisions:	Not Applicable
Extended Maturity interest provisions:	Applicable from (and including) the Maturity Date to (but excluding) the Extended Maturity Date
(a) Rate of interest:	Floating interest rate 1 months EURIBOR + margin of 0.13 per cent.
(b) Interest Payment Date(s)	19 day of each month
(c) Minimum rate of interest:	Not Applicable
(d) Maximum rate of interest:	Not Applicable
(e) Day Count Fraction:	Actual/360
(f) Business Day Convention:	Modified Following Business Day Convention

PROVISIONS RELATING TO REDEMPTION

Redemption for tax reasons

Early Redemption Amount:	Nominal amount of the Notes
Issuer Call	Not Applicable
Early redemption amount:	Not applicable

OTHER INFORMATION

Decisions and authority pursuant to which the Notes are issued:	Based on the authorisation dated 20 September 2018 of the Issuer's Board of Directors
Subscription period:	12 March 2019
Conditions for issue:	Not Applicable
Indication of yield (fixed interest rate Notes with fixed issue price only):	0.219 per cent.

The yield is calculated on the Issue Date based on the issue price. It is not an indication of future yield.

Credit rating:

AAA by S&P Expected

Listing:

The Issuer will apply for the Notes to be listed on the Helsinki Stock Exchange

Use of Proceeds:

The net proceeds from the issue of the Notes will be applied by the Issuer for its general corporate purposes, which include making a profit.

Estimated time of listing:

March 2019

Estimate of total expenses related to listing:


EUR 3,000

Interests of natural and legal persons involved in the issue

Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue. The Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

In Helsinki, on 12 March 2019

ÅLANDSBANKEN ABP



Jan-Gunnar Eurell
CFO
