

EQUITY-LINKED NOTES ENERGY NOK

SUBSCRIPTION PERIOD: 29 June–16 September 2016

INVESTMENT PERIOD: About 5 years

REFERENCE ASSET: STOXX Europe 600 Oil & Gas Price EUR index

ANNUAL MAXIMUM RETURN: 3.10%*

PARTICIPATION RATE: About 55%**

SUBSCRIPTION PRICE: fixed 100%

INVESTMENT CURRENCY: NOK

MINIMUM SUBSCRIPTION AND NOMINAL: NOK 10,000

* The annual maximum return will be achieved if the value of the index serving as the reference asset rises annually about 5.4 %, assuming participation rate of 55%. The rise in the index value during the investment period is taken into account up to 30%.

** Indicative, at least 40%. Final will be confirmed on 21 September 2016. If 40% participation cannot be reached, the issue will be cancelled.

Market comment

Since January, the price of crude oil has recovered from its multiyear trough. A key driver in the recovery has been the scale-back of shale oil production in the US which, together with production interruptions in Canada and Nigeria, has supported the oil price rally. At the same time, global demand has clearly picked up compared to earlier expectations.

We expect the price of crude oil to continue to rise moderately until late 2017. There will continue to be an oversupply on the oil market at the end of 2017, but the glut will be significantly smaller than during 2016. Next year, demand will outstrip supply, resulting in further tailwinds for the price of oil.

The uptrend in crude oil prices benefits companies in the oil industry, among others. This has been reflected in the STOXX Europe 600 Oil & Gas equity index, which has gained more than 15% since January.

The effects have also been felt in the foreign exchange markets, with one of the main beneficiaries being the Norwegian krone, an oil-dependent currency. Due to the recovery in crude oil, we expect the krone to continue to appreciate over the next two-year forecast horizon.

In the long term, a key factor affecting the oil price trend is how much US shale oil production will return to the market. Once prices find a firmer footing above 60 dollars, higher-cost shale oil production will recover, resulting in supply growth that may prevent prices from rising further. In such an event, demand will increasingly dictate the trend in oil prices.

Source: Kaj Paulamäki
Analyst, Economic Research, Nordea Markets
June 2016

Equity-linked Notes Energy NOK

Equity-linked Notes Energy NOK is a bond issued by Nordea Bank Finland Plc with a maturity of about five years, offering investors an opportunity to invest in European energy companies with nominal capital protection*.

- An alternative to direct equity investments
- One diversified investment in the performance of energy companies
- The energy sector is an interesting investment alternative as the upwards trend in oil prices may be beneficial for energy companies

* Nominal capital protection is valid only in NOK and at maturity, which means if the investment is sold before maturity, the capital returned to the investor may be below or above the invested nominal capital. The investment also involves a risk related to the issuer's repayment ability.

Reference asset

The yield on the equity-linked note is based on the performance of the **STOXX Europe 600 Oil & Gas Price EUR index**. At present, the index includes 20 European energy companies which have been chosen from the parent index STOXX Europe 600. The index is weighted based on market capitalisation, in other words, the company having the largest market capitalisation also has the largest weight in the index.

The main business of the reference index companies covers integrated oil & gas functions, as well as oil & gas equipment and services. The energy sector has traditionally benefited from rising oil prices.

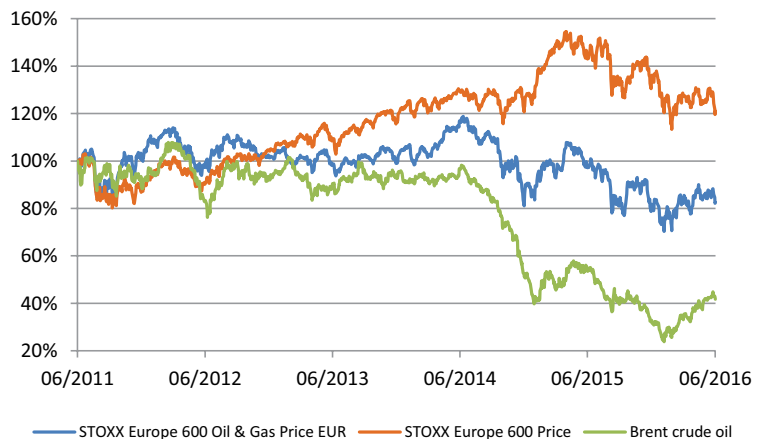
With the recent historically low oil prices, the valuations of these companies have come down to an attractive level.



The companies with the largest weights in the index are **TOTAL SA (29%)**, **Royal Dutch Shell PLC (15%)** and **BP PLC (15%)**.

Likewise, the countries with biggest representation in the index are **France (31%)**, **United Kingdom (20%)** and the **Netherlands (16%)**.

The adjacent graph presents the performance of the index serving as the reference asset in relation to the reference index from 15 June 2011 until 15 June 2016. Starting levels indexed at 100%. The data presented depict earlier price development and no reliable assumptions on future price or yield trends can be made based on the data.



Source: Nordea Markets and www.stoxx.com 15 June 2016

Yield calculation and repayment of nominal capital

The yield paid at maturity is determined based on the performance of the index serving as the reference asset and on the participation rate. The performance of the index is calculated as the difference between its initial price on 21 September 2016 and its final price on 21 September 2021 in percent-ages. If the performance is positive, the yield will be calculated by multiplying the increase in value by the participation rate of 55%*. The index performance will only be considered up

to 30%. If the index performance is zero or negative, no yield will be paid. The nominal capital will be fully repaid at maturity regardless of the index performance.

The yield tables below show the yield on the equity-linked note in various market scenarios.* In the examples, the assumed subscription price is 100%, in other words, an investment with a nominal capital of NOK 10,000 will cost NOK 10,000.

Akciju krepšelio vertės pokytis	Akciju krepšelio vertės pokytis pakoreguotas pagal emisijos sąlygas	Dalyvavimo koeficientas	Gražą	Gražinamas nominalusis kapitalas	Vertė termino pabaigoje	Metinė graža
Positive scenario: index performance in accordance with the yield calculation is 40 %						
40.0%	30.0%	55.0%	16.5%	100.0%	116.5%	3.1%
Neutral scenario: index performance in accordance with the yield calculation is 20 %						
20.0%	20.0%	55.0%	8.3%	100.0%	108.3%	1.6%
Negative scenario: index performance in accordance with the yield calculation is 0 %						
0.0%	0.0%	55.0%	0.0%	100.0%	100.0%	0.0%

* Indicative, at least 40%. Final will be confirmed on 21 September 2016. If 40% participation rate cannot be reached, the issue will be cancelled

** The yield calculation examples portray the situation at maturity and they assume that the subscription price is 100%. Taxes have not been accounted for. The information above is intended as an example and does not reflect the product's historical or expected return.

Equity-linked Notes

Energy NOK Key information

Subscription period	29 June–16 September 2016
Places of subscription	Nordea Bank AB Lithuania branch
Issue date	29 June 2016
Issuer	Nordea Bank Finland Plc; credit ratings Aa3 (Moody's, stable outlook) and AA- (Standard & Poor's, negative outlook).
Minimum subscription	NOK 10,000
Subscription price	Fixed 100%
Bond number and ISIN:	B384, FI4000177308
Maturity	5 October 2021
Reference asset	STOXX Europe 600 Oil & Gas Price EUR index
Initial price	21 September 2016
Final price	21 September 2021
Yield calculation	The yield paid at maturity is determined based on the performance of the index serving as the reference asset and on the participation rate. The performance of the index is calculated as the difference between its initial price on 21 September 2016 and its final price on 21 September 2021 in percentages. If the index performance is positive, the yield will be calculated by multiplying the increase in value by the participation rate of 55%*. The index performance will only be considered up to 30%. If the index performance is zero or negative, no yield will be paid.
Repayment of the nominal capital	The issuer, Nordea Bank Finland Plc, will repay the nominal capital of the bonds in full at maturity irrespective of the performance of the reference index. Possible premium will not be returned. The investment bonds involve a risk of the issuer's insolvency.
Structuring cost	The structuring cost is about 2.5%, which is the equivalent of an annual cost of about 0.5% if the bond is held until maturity. The structuring cost is included in the subscription price, which means it will not be deducted from the yield paid or the nominal capital repaid at maturity. The structuring cost is based on the values of the fixed income and derivative investments included in the bond on the valuation date of 15 June 2016. The structuring cost includes all expenses incurred by the issuer from the bond, such as issue, licensing, material and marketing costs. The issuer does not charge a separate subscription fee for the bond.
Secondary market	In normal market conditions the issuer, Nordea Bank Finland Plc, will quote a repurchase price for the bonds, which may be lower or higher than the nominal value. If the investment is sold on the secondary market before maturity, the secondary market price may be higher or lower than 100%.
Taxation	Potential yield at maturity is subject to tax at source on interest income for natural persons with general tax liability in Lithuania in accordance with the valid tax legislation.
Custody	A possible fee for custody will be charged in accordance with the valid tariff.
Security	The bonds are unsecured.
Cancellation of the issue	The issuer has the right to cancel the issue based on changes in the economic circumstances or if the total amount of subscriptions is low, or if something should occur that the issuer considers might endanger the issue.
Listing	No application will be made for listing the bonds.

Bond B384 is issued under the Structured Note Programme (a bond programme reported to the Finnish Financial Supervisory Authority from Ireland in accordance with the Prospectus Directive) of Nordea Bank Finland Plc dated 18 December 2015 and supplemented later. The base prospectus in English is available on the issuer's website at www.nordea.fi/bonds. The final terms of the bonds and the base prospectus can be obtained from the seller. The English version of the terms is binding and thus applicable in possible conflict situations.

Risks involved in investment bonds

All investment activity involves risks. The most important uncertainties and risks are presented below. Investors must understand that the investment is a complex product and that its yield consists of several factors.

Issuer risk

Investment bonds involve a risk related to the issuer Nordea Bank Finland Plc's repayment ability. The risk relating to the issuer's repayment ability refers to the risk of the issuer becoming insolvent and being unable to fulfil its commitments in a bankruptcy etc. The investor may lose his or her invested capital and any potential yield partially or in full in the event of the issuer's insolvency. Nordea has a credit rating of Aa3 (stable outlook) by Moody's and AA- (negative outlook) by Standard & Poor's. The bonds are unsecured.

Foreign exchange rate risk

All the cash flows of the investment are denominated in Norwegian krona, but some of the companies included in the share basket serving as the reference asset are denominated in other currencies. The investment does not include a foreign exchange risk if the investment is held until maturity. During the investment period, exchange rate fluctuations may have a negative or positive impact on the secondary market price.

Yield and market risk

The investment bonds' yield at maturity is determined on the basis of the share basket performance in accordance with the yield calculation. The performance in accordance with the yield calculation may differ from that of a direct investment in the share basket during the investment period. Any dividends paid on the shares included in the share basket are not accounted for in the investment bonds' yield calculation.

Premium risk

The potential premium, i.e. the proportion of the subscription price exceeding the nominal value of the bond, will not be returned. The size of the loss incurred by the investor from the premium depends on how much the yield is below the premium paid. Note that this particular investment bond does not include premium during offer period.

Secondary market risk

If the investor sells the investment on the secondary market before maturity, the repurchase price may be higher or lower than its nominal value. In normal market conditions Nordea Bank Finland Plc quotes a secondary market price on the investment on nominal values of 2,000 US dollars or more.

Investor Compensation Fund

The Investor Compensation Fund does not compensate losses resulting from an investment bond's investment risk, which includes, but is not limited to, the issuer's insolvency and asset price fluctuations, nor any losses resulting from the customer's unsuccessful investment decisions.

Risk Classification*



MEDIUM RISK:* Structured investment products in which the repayment of the nominal capital depends on market performance, such as the trend in the market capitalisation of the reference company shares or the number of credit events in the reference companies, as well as on the issuer's repayment ability. The potential repayment of the nominal capital does not cover the premium or the fees and costs paid by the investors. The risk relating to the issuer's repayment ability is described in this marketing material. The risk classification does not remove the investor's obligation to carefully study this marketing material, the product-specific terms and conditions and the prospectus, if any, and the risks mentioned in them.

* Based on the three-tiered risk categorisation of the Finnish Structured Products Association where the first category includes the smallest risk and the third category the highest risk.

Disclaimer

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