

Equity-linked Bond Europe Value Companies Basic & Extra



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Equity-linked Bond Europe Value Companies is a bond issued by Nordea Bank Finland Plc with a maturity of about six years, offering investors an opportunity to invest in major European stock exchange quoted companies with nominal capital protection.* The reference asset is a share basket consisting of ten European blue-chip companies. These blue-chips are renowned value companies that have historically generated strong yields over the long term. During the current market uncertainty arising from the situations in China and Greece, blue-chip equities offer investors a more conservative investment opportunity, nevertheless with good yield potential.

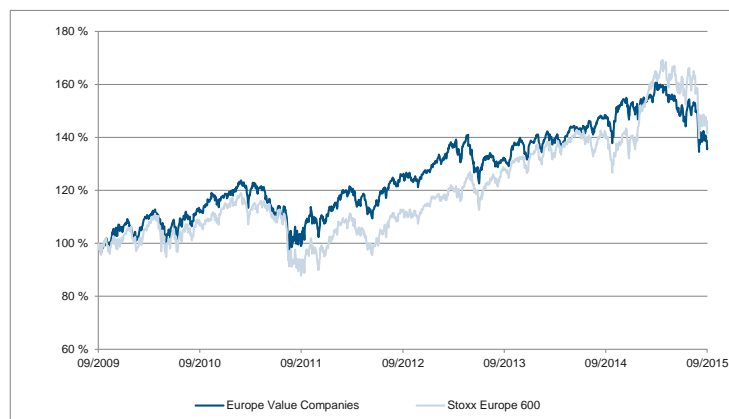
Equity-linked Bond Europe Value Companies is an attractive investment alternative because it offers an opportunity to profit from a rise in the share prices of major European companies with nominal capital protection. Nominal capital protection means that if the share prices are lower at maturity than their initial price, the nominal capital will still be repaid in full to the investor.*

Reference Companies

The reference companies of Equity-linked Bond Europe Value Companies have been picked from the Stoxx Europe 600 Index. The share basket includes four companies from Switzerland, three from Sweden, two from the UK and one from the Netherlands. The basket includes companies from several different sectors.

Company	Country	Sector	Weight
Nestle SA	Switzerland	Consumer. staples	10%
Swisscom AG	Switzerland	Communications	10%
Swiss Re AG	Switzerland	Financials	10%
Zurich Insurance Group AG	Switzerland	Financials	10%
Royal Dutch Shell PLC	Netherlands	Energy	10%
HSBC Holdings PLC	Great Britain	Financials	10%
National Grid PLC	Great Britain	Utilities	10%
Swedbank AB	Sweden	Financials	10%
Tele2 AB	Sweden	Communications	10%
TeliaSonera AB	Sweden	Communications	10%

Share basket performance over the past six years.



Source: Bloomberg, 23 September 2015.

The chart above illustrates the performance of the share basket selected for Equity-linked Bond Europe Value Companies over the past six years in relation to the Stoxx Europe 600 Index.**

* Nominal capital protection is valid only 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 premium will not be returned. The investment also involves a risk related to the issuer's repayment ability.

** The presented figures describe previous yield or value, and no reliable assumptions on future yield or value can be made based on them.

Yield Calculation

The yield paid at maturity is determined based on the performance of the share basket and the participation rate. The performance of the share basket is calculated as the difference between its initial price and final price in percentages. The initial price is the share basket's closing value on 21 October 2015. The final price is the average of the semi-annual closing prices of the share basket from 21 April 2016 to 21 October 2021. If the share basket performance is positive, the yield on the Basic version will be calculated by multiplying the increase in value by the participation rate of 90%. The yield on the Extra version will be calculated by multiplying the increase in value by the participation rate of 175%. If the share basket's value decreases or remains unchanged, no yield will be paid on either version. The nominal capital of both the Basic version and the Extra version will be repaid at maturity regardless of the share basket performance. The premium will not be returned.

The yield tables and the yield calculation examples below show the yield on the equity-linked Bond's Basic and Extra versions in various market scenarios.* At the time of investment, an investment with a nominal capital of 1,000 euros will cost 1,050 euros with the Basic version and 1,100 euros with the Extra version.

Yield table: Equity-linked Bond Europe Value Companies Basic – participation rate of 90%, and 100% of nominal capital repaid

Share basket performance	Yield	Value at maturity	Annual yield
75.0 %	67.5 %	167.5 %	7.9 %
60.0 %	54.0 %	154.0 %	6.4 %
45.0 %	40.5 %	140.5 %	4.8 %
30.0 %	27.0 %	127.0 %	3.1 %
15.0 %	13.5 %	100.0 %	1.3 %
0.0 %	0.0 %	100.0 %	-0.8 %
-15.0 %	0.0 %	100.0 %	-0.8 %
-30.0 %	0.0 %	100.0 %	-0.8 %
-45.0 %	0.0 %	100.0 %	-0.8 %
-60.0 %	0.0 %	100.0 %	-0.8 %
-75.0 %	0.0 %	100.0 %	-0.8 %

Yield table: Equity-linked Bond Europe Value Companies Extra – participation rate of 175%, and 100% of nominal capital repaid

Share basket performance	Yield	Value at maturity	Annual yield
75.0 %	131.3 %	231.3 %	12.8 %
60.0 %	105.0 %	205.0 %	10.6 %
45.0 %	78.8 %	178.8 %	8.2 %
30.0 %	52.5 %	152.5 %	5.4 %
15.0 %	26.3 %	126.3 %	2.3 %
0.0 %	0.0 %	100.0 %	-1.5 %
-15.0 %	0.0 %	100.0 %	-1.5 %
-30.0 %	0.0 %	100.0 %	-1.5 %
-45.0 %	0.0 %	100.0 %	-1.5 %
-60.0 %	0.0 %	100.0 %	-1.5 %
-75.0 %	0.0 %	100.0 %	-1.5 %

Positive scenario – the share basket performance in accordance with the yield calculation is 40%

The share basket performance in accordance with the yield calculation is 40%. The nominal capital of the investment is 1,000 euros. Equity-linked Bond Europe Value Companies Basic will mature at 136.0% (= 90% x 40% + 100%) and Extra will mature at 170.0% (= 175% x 40% + 100%). For the Basic version, the investor will be paid 1,360 euros at maturity, corresponding to an annual return of about 4.3% on the invested capital. For the Extra version, the investor will be paid 1,700 euros at maturity, corresponding to an annual return of about 7.3% on the invested capital.

Example 2: Neutral scenario – the share basket performance in accordance with the yield calculation is 20%

The share basket performance in accordance with the yield calculation is 20%. The nominal capital of the investment is 1,000 euros. Equity-linked Bond Europe Value Companies Basic will mature at 118.0% (= 90% x 20% + 100%) and Extra will mature at 135.0% (= 175% x 20% + 100%). For the Basic version, the investor will be paid 1,180 euros at maturity, corresponding to an annual return of about 1.9% on the invested capital. For the Extra version, the investor will be paid 1,350 euros at maturity, corresponding to an annual return of about 3.4% on the invested capital.

Example 3: Negative scenario – the reference index performance in accordance with the yield calculation is 0% or below

The share basket performance in accordance with the yield calculation is 0%. The nominal capital of the investment is 1,000 euros. Equity-linked Bond Europe Value Companies Basic and Extra tranches will mature at 100%. The investor will be paid 1,000 euros at maturity, which in the case of the Basic version is equivalent to an annual return of about -0.8% and, in the case of the Extra version, an annual return of about -1.5%.

* The yield calculation examples assume that the subscription price is 105% for the Basic version and 110% for the Extra version. The premium will not be returned. Taxes have not been accounted for. The information is intended as an example and does not reflect the product's historical or expected performance.

Subscription Information

Issuer	Nordea Bank Finland Plc; credit ratings Aa3 (Moody's) and AA- (Standard & Poor's, negative outlook).
Subscription period	5 October – 12 November 2015
Issue date	5 October 2015
Minimum subscription	1,000 euros
Bond number and ISIN	Basic version: B125, FI4000149653 Extra version: B126, FI4000149661
Maturity date	2 December 2021
Subscription price	Basic: Variable, about 105%*, including a premium of about 5%. Extra: Variable, about 110%*, including a premium of about 10%.
Participation rate	Basic: 90% Extra: 175%
Reference asset	Share basket consisting of ten shares with equal weights (Bloomberg ticker in brackets): Nestle SA (NESN VX Equity), Swisscom AG (SCMN VX Equity), Swiss Re AG (SREN VX Equity), Zurich Insurance Group AG (ZURN VX Equity), Royal Dutch Shell PLC (RDSA NA Equity), HSBC Holdings PLC (HSBA LN Equity), National Grid PLC (NG/ LN Equity), Swedbank AB (SWEDA SS Equity), Tele2 AB (TEL2B SS Equity) and TeliaSonera AB (TLSN SS Equity).
Initial price date	18 November 2015
Final price date	Average of the semi-annual closing prices of the reference asset from 18 May 2016 to 18 November 2021.
Yield calculation	The yield paid at maturity is determined based on the reference asset's performance and the participation rate. The reference asset's performance is calculated by dividing the difference between its final price and initial price by the initial price. If the reference asset performance is positive, the yield on the Basic version is calculated by multiplying the performance by the participation rate of 90%, and the yield on the Extra version is calculated by multiplying the performance by the participation rate of 175%. If the reference asset performance is zero or negative, no yield is paid.
Structuring cost	The structuring cost is about 3.5%, which is the equivalent of an annual cost of about 0.6%. 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 23 September 2015. 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 or separate custody fees for the bond.
Places of subscription	Nordea Bank AB Lithuania branch, www.nordea.lt
Repayment of 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. The premium will not be returned. The premium is determined on the basis of the subscription date. The investment bonds involve a risk of the issuer's insolvency.
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 an 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	Free of charge with Nordea Bank AB.
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.

* According to the market situation on 23 September 2015.

Bonds B125 and B126 are 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 19 December 2014 and supplemented later. The base prospectus in English is also 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 of Investment Bonds

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

The investment is denominated in euros, but some of the companies included in the share basket are denominated in other currencies than the euro. Therefore the investor is indirectly exposed to a foreign exchange risk, as the prices of shares denominated in foreign currencies are converted into euros at the prevailing exchange rate when calculating the share basket's value. Any changes in foreign exchange rates may have a negative impact on the performance of the investment.

Yield 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 serving as the reference assets of the investment bonds are not accounted for in the share basket performance.

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. The size of the premium depends on the bond-specific premium (5% or 10%) and in addition, on market movements. This means that the premium paid at the time of investment may be above or below the bond-specific premium (5% or 10%) intended at the time of issue.

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 1,000 euros or more.

RISK CLASSIFICATION*

LOW RISK. CAPITAL PROTECTION. Structured investment products, the nominal capital of which is returned at maturity if the issuer is solvent. The investment may include a premium of 15% at the most. The capital protection is only valid at maturity date and does not cover the premium or the fees and costs paid by the investor. The risk relating to the issuer's repayment ability is described in this marketing brochure. The risk classification does not remove the investor's obligation to carefully study this marketing brochure, the product-specific terms and conditions and the prospectus, if any, and the risks mentioned in them.



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

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