

Equity-linked Bond Health Care

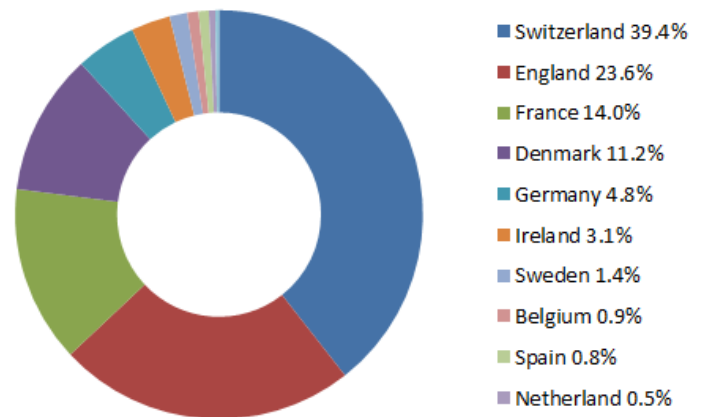


Equity-linked Bond Health Care

Equity-linked Bond Health Care is a bond issued by Nordea Bank Finland Plc. Its maturity is approximately three years and it offers the opportunity to invest in Europe's leading health care sector companies. For the equity investor, health care is a significant sector that performs relatively well even in a recession. The sector's major companies normally enjoy strong cash flows, low levels of debt on their balance sheets and, most importantly, demand that is fairly independent of economic cycles. Equity-linked Bond Health Care provides an attractive investment alternative, as a yield will be paid on the investment if share prices rise, but the nominal capital will be paid back on the maturity date even if share prices decline.

Reference index

The yield on Equity-linked Bond Health Care is based on the performance of the Stoxx 600 Health Care index during the maturity period. The index comprises 32 European health care companies. Novartis, Roche Holding, GlaxoSmithKline and Sanofi are the highest-weighted companies in the index, collectively accounting for slightly over 50%. The index includes Orion Corporation from Finland. Geographically the index is focused on Central and Northern Europe, with Switzerland, France and the United Kingdom the largest individual countries. The index is a euro-denominated price index.

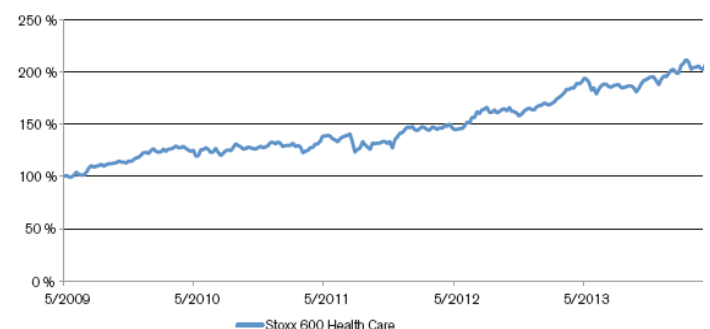


Further information is available at www.stoxx.com

Yield table: Equity-linked Bond Health Care

Change in reference index	Participation ratio	Return	Nominal value	Final value	Yield p.a.*
150 %	70 %	105 %	100 %	205 %	25.0 %
125 %	70 %	88 %	100 %	188 %	21.3 %
100 %	70 %	70 %	100 %	170 %	17.4 %
75 %	70 %	53 %	100 %	153 %	13.2 %
50 %	70 %	35 %	100 %	135 %	8.7 %
20 %	70 %	14 %	100 %	114 %	2.8 %
-5 %	70 %	0 %	100 %	100 %	-1.6 %
-30 %	70 %	0 %	100 %	100 %	-1.6 %
-55 %	70 %	0 %	100 %	100 %	-1.6 %
-80 %	70 %	0 %	100 %	100 %	-1.6 %
-105 %	70 %	0 %	100 %	100 %	-1.6 %

Reference index performance 2009–2014



The starting level has been indexed at 100%. The presented figures describe previous yield or value, and no reliable assumptions on future yield or value can be made based on them. Source: Bloomberg.

* The annual yield calculations take into account the premium of 5%. The premium will not be returned. Taxes have not been accounted for. The information above is intended as an example and does not reflect the product's historical or expected performance.

Yield calculation

The yield paid at maturity is determined based on the performance of the reference index and the participation rate. The performance of the reference index is calculated as the difference between its initial price and final price in percentages. The initial price is the closing price of the index on 6 August 2014. The final price is the average of the semi-annual closing prices of the index from 1 February 2015 to 1 August 2017. If the reference index performance is positive in accordance with the yield calculation method, the yield on the Basic tranche will be calculated by multiplying the increase in value by the participation rate of 70%. If the reference index's performance in accordance with the issue terms is negative, no yield will be paid. The nominal capital will be repaid at maturity regardless of the performance of the reference index. The premium will not be returned.

Examples of yield calculation*

Example 1: Strong rise – the reference index's performance is 40%

The investor invests 1,050 euros in Equity-linked Bond Health Care. The nominal value of the investment is 1,000 euros. The reference index's performance in accordance with the yield calculation method is 40%. Equity-linked Bond Health Care will mature at 128% (= 70% x 40% + 100%). The investor will be paid 1,280 euros at maturity, corresponding to an annual return of about 6.8%*.

Example 2: Moderate rise – the reference index's performance is 20%

The investor invests 1,050 euros in Equity-linked Bond Health Care. The nominal value of the investment is 1,000 euros. The reference index's performance in accordance with the yield calculation method is 20%. Equity-linked Bond Health Care will mature at 114% (= 70% x 20% + 100%). The investor will be paid 1,140 euros at maturity, corresponding to an annual return of about 2.8%*.

Example 3: Strong decline – the reference index performance is -50%

The investor invests 1,050 euros in Equity-linked Bond Health Care. The nominal value of the investment is 1,000 euros. The reference index's performance in accordance with the yield calculation method is -50%. Equity-linked Bond Health Care will mature at 100%. The investor will be paid 1,000 euros at maturity, corresponding to an annual return of about -1.6%*.

* The annual yield calculations take into account the premium of 5%. The premium will not be returned. Taxes have not been accounted for. The information above 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	9 June–31 July 2014
Issue date	9 June 2014
Minimum subscription	1,000 euros
Bond number and ISIN	A552 and FI4000090527
Maturity date	15 August 2017
Subscription price	Variable, about 105%*, including a premium of about 5%.
Participation rate	70%
Reference asset	Stoxx 600 Health Care index
Initial price	6 August 2014
Final price	Average of the semi-annual closing prices of the reference asset from 1 February 2015 to 1 August 2017.
Yield calculation	The yield paid at maturity is determined based on the performance of the reference index and the participation rate. The performance of the reference index is calculated as the difference between its initial price and final price in percentages. The positive performance of the reference index is multiplied by the participation rate. If the reference index's performance in accordance with the issue terms is zero or negative, no yield is paid.
Structuring cost	The subscription price includes a structuring cost of about 3.0%, which is the equivalent of an annual cost of about 1.0%. The structuring cost is based on the values of the fixed income and derivative investments included in the note on the valuation date of 16 May 2014. 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 assets. The premium will not be returned. The premium is determined on the basis of the subscription date. The bonds involve a risk of the issuer's insolvency. If an investment is sold on the secondary market before maturity, the secondary market price may be higher or lower than 100%.
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.
Taxation	Potential yield at maturity is subject to tax at source on interest income for natural persons with general tax liability in Finland and for Finnish death estates in accordance with the valid tax legislation.
Custody	Free of charge with Nordea Bank Finland Plc.
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.

Bonds A550, A551 are issued under the Structured Note Programme (a bond programme reported to the Finnish Financial Supervisory Authority from Ireland) of Nordea Bank Finland Plc dated 20 December 2013 and updated later. The base prospectus in English is also available on the issuer's website at www.nordea.fi/bond. 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.

* According to the market situation on 16 May 2014.

Risks of the investment bonds

Issuer risk

Investment bonds involve a risk of the issuer Nordea Bank Finland Plc's insolvency. 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 credit ratings of Aa3 (Moody's) and AA- (Standard & Poor's, negative outlook). The bonds are unsecured.

Yield risk

The yield of the investment bonds is determined in accordance with the yield calculation method and on the basis of the reference asset's performance. The performance in accordance with the yield calculation method may differ from that of a direct investment in the reference asset during the investment period. Any dividend income from the reference asset will not necessarily be included in the yield received by the investor.

Premium risk

A 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.

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 on the maturity date and it 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.



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