

## IMPORTANT NOTICE

### **THIS DRAWDOWN PROSPECTUS MAY ONLY BE DISTRIBUTED TO PERSONS WHO ARE NOT U.S. PERSONS (AS DEFINED IN REGULATION S) AND ARE OUTSIDE OF THE UNITED STATES.**

**IMPORTANT: You must read the following notice before continuing.** The following notice applies to the attached drawdown prospectus following this "*Important Notice*" (the "**Drawdown Prospectus**"), whether received by email, accessed from an internet page or otherwise received as a result of electronic communication, and you are therefore advised to read this notice carefully before reading, accessing or making any other use of the Drawdown Prospectus. In reading, accessing or making any other use of the Drawdown Prospectus, you agree to be bound by the following terms and conditions and each of the restrictions set out in the Drawdown Prospectus, including any modifications made to them from time to time, each time you receive any information from Pohjola Bank plc (the "**Bank**") or any of Citigroup Global Markets Limited, J.P. Morgan Securities Ltd., Pohjola Bank plc and UBS Limited (together, the "**Joint Lead Managers**") as a result of such access as a result of such access.

**RESTRICTIONS:** NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE INSTRUMENTS IN THE UNITED STATES OR IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY INSTRUMENT TO BE ISSUED HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION. THE INSTRUMENTS MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED DIRECTLY OR INDIRECTLY WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")) EXCEPT TO A PERSON WHO IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) IN AN OFFSHORE TRANSACTION PURSUANT TO RULE 903 OR RULE 904 OF REGULATION S.

WITHIN THE UNITED KINGDOM, THIS DRAWDOWN PROSPECTUS IS DIRECTED ONLY AT PERSONS (A) WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "**FP ORDER**") OR (B) WHO ARE PERSONS FALLING WITHIN ARTICLE 49(2)(a) TO (d) OF THE FP ORDER OR (C) TO WHOM IT MAY OTHERWISE LAWFULLY BE DISTRIBUTED IN ACCORDANCE WITH THE FP ORDER (ALL SUCH PERSONS IN (A), (B) AND (C) ABOVE TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THIS DRAWDOWN PROSPECTUS MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS DRAWDOWN PROSPECTUS RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

FOR A MORE COMPLETE DESCRIPTION OF RESTRICTIONS ON OFFERS AND SALES, SEE "*SUBSCRIPTION AND SALE*" HEREIN AND IN THE BASE PROSPECTUS (AS DEFINED HEREIN).

**CONFIRMATION OF YOUR REPRESENTATION:** In order to be eligible to view the Drawdown Prospectus or make an investment decision with respect to the Instruments described herein, (1) each prospective investor in respect of the Instruments must be a person other than a U.S. Person, (2) each prospective investor in respect of the Instruments being offered in the United Kingdom must be a Relevant Person and (3) each prospective investor in respect of the Instruments must otherwise be a person into whose possession the Drawdown Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which it is located. By

accepting this email and accessing, reading or making any other use of the attached document, you shall be deemed to have represented to the Bank and the Joint Lead Managers both in respect of yourself and each prospective investor you represent that (1) you have understood and agree to the terms set out herein, (2) you are a person other than a U.S. Person, and that the email address to which, pursuant to your request, the attached document has been delivered by electronic transmission is not located in the United States, its territories, its possessions and other areas subject to its jurisdiction; and its possessions include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands, (3) in respect of the Instruments being offered in the United Kingdom, you are a Relevant Person, (4) you are otherwise a person into whose possession the Drawdown Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are (and that person is) located, (5) you consent to delivery by electronic transmission and (6) you acknowledge that you will make your own assessment regarding any legal, taxation or other economic considerations with respect to your decision to subscribe for or purchase any of the Instruments.

You are reminded that the Drawdown Prospectus has been delivered to you on the basis that you are a person into whose possession the Drawdown Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised, to deliver or disclose the contents of the Drawdown Prospectus, electronically or otherwise, to any other person and in particular to any U.S. Person or to any U.S. address. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

If you received this document by email, you should not reply by email to this announcement. Any reply email communications, including those you generate by using the "reply" function on your email software, will be ignored or rejected. If you receive this document by email, your use of this email is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the Joint Lead Managers is a licensed broker or dealer in that jurisdiction the offering shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the Bank in such jurisdiction.

Under no circumstances shall the Drawdown Prospectus constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

This Drawdown Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Joint Lead Managers, the Bank nor any person who controls or is a director, officer, employee or agent of the Joint Lead Managers, the Bank nor any affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Drawdown Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Joint Lead Managers.

**The distribution of the Drawdown Prospectus in certain jurisdictions may be restricted by law. Persons into whose possession the attached document comes are required by the Joint Lead Managers and the Bank to inform themselves about, and to observe, any such restrictions.**

## DRAWDOWN PROSPECTUS DATED 24 FEBRUARY 2012



*(incorporated with limited liability in the Republic of Finland)*

### **Issue of €500,000,000 Subordinated Instruments due 2022** under the **EUR 15,000,000,000** **Programme for the Issuance of Debt Instruments**

Issue Price: 99.977 per cent. of the principal amount

The €500,000,000 Subordinated Instruments due 2022 (the "**Instruments**") are being issued by Pohjola Bank plc ("**Pohjola**", "**Pohjola Bank**" or the "**Bank**") as a series of instruments under Pohjola Bank's EUR 15,000,000,000 Programme for the Issuance of Debt Instruments. The Instruments will bear interest from (and including) 28 February 2012 (the "**Issue Date**") at a fixed rate of 5.75 per cent. per annum. Interest on the Instruments will be payable, annually in arrear on 28 February in each year (each such date for the payment of interest being an "**Interest Payment Date**"). The first Interest Payment Date will be 28 February 2013. Unless previously redeemed, purchased or cancelled, the Instruments will be redeemed at their principal amount, together with accrued interest (if any) thereon, on 28 February 2022 (the "**Maturity Date**").

Subject as provided herein and to the prior approval of the Finnish Financial Supervisory Authority (the "**FFSA**", which expression shall include any successor thereto) (if then required), the Instruments may be redeemed at the option of Pohjola Bank in whole (but not in part) at any time for certain withholding tax reasons, at their principal amount, together with accrued interest (if any) thereon, and in the manner, described herein. In addition, if a Capital Event (as defined herein) occurs within the period from (and including) the Issue Date to (but excluding) the 90<sup>th</sup> calendar day after the date of effective implementation, application or effectiveness of CRD IV (as defined herein) in Finland and is continuing, Pohjola Bank may, on or before such 90<sup>th</sup> calendar day, at its option, but subject to the prior approval of the FFSA (if then required), elect to redeem in whole (but not in part) the Instruments at 101 per cent. of their principal amount, together with accrued interest (if any) thereon. In addition, if a Capital Event has occurred and is continuing, subject as provided herein, the Instruments may, at the option of Pohjola Bank at any time, be substituted for, or their terms varied accordingly so that they remain, or as appropriate, become, Compliant Instruments (as defined herein), provided that such variation or substitution does not itself give rise to any right of the Pohjola Bank to redeem the varied or substituted securities that are inconsistent with the redemption provisions of the Instruments.

This Drawdown Prospectus constitutes a prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") and has been approved by the United Kingdom Financial Services Authority (the "**FSA**"), which is the United Kingdom competent authority for the purposes of the Prospectus Directive and relevant implementing measures in the United Kingdom, as a prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to Pohjola Bank, Pohjola Bank and its subsidiaries (the "**Pohjola Group**"), and the Instruments which according to the particular nature of Pohjola Bank and the Instruments, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of Pohjola Bank and its subsidiaries and of the rights attaching to the Instruments. Application has been made to the FSA in its capacity as competent authority under the Financial Services and Markets Act 2000 ("**FSMA**") for the Instruments to be admitted to the official list of the UK Listing Authority (the "**Official List**") and to the London Stock Exchange plc (the "**London Stock Exchange**") for the Instruments to be admitted to trading on the London Stock Exchange's regulated market (the "**Regulated Market**"). The Regulated Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (2004/39/EC).

*For a description of certain risks related to the Instruments that prospective investors should consider, see "Risk Factors" below.*

JOINT LEAD MANAGERS

**Citigroup**  
**Pohjola Bank plc**

**J.P. Morgan**  
**UBS Investment Bank**

The Instruments will initially be represented by a temporary global Instrument (the "**Temporary Global Instrument**"), without interest coupons, which will be deposited on or about the Issue Date with a common depository for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). Interests in the Temporary Global Instrument will be exchangeable for interests in a permanent global Instrument (the "**Permanent Global Instrument**" and, together with the Temporary Global Instrument, the "**Global Instruments**"), without interest coupons, not earlier than 40 days after the Issue Date upon certification as to non-U.S. beneficial ownership. Interests in the Permanent Global Instrument will be exchangeable for definitive Instruments only in certain limited circumstances.

Pohjola Bank accepts responsibility for the information contained in this Drawdown Prospectus and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Drawdown Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Drawdown Prospectus is to be read in conjunction with all documents which are deemed to be incorporated by reference herein (see "*Information Incorporated by Reference*" below).

This Drawdown Prospectus contains ratings of Pohjola Bank (incorporated by reference herein), as well as ratings of the Instruments, that are provided by ratings agencies Standard & Poor's Credit Market Services Europe Limited ("**S&P**") and Fitch Ratings Limited ("**Fitch**"). A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Economic Area (the "**EEA**") and registered under Regulation (EU) No 1060/2009 on credit rating agencies, as amended (the "**CRA Regulation**") unless the rating is issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant non-EEA rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). S&P and Fitch are established in the EEA and registered under the CRA Regulation.

Pohjola Bank has confirmed to Citigroup Global Markets Limited, J.P. Morgan Securities Ltd., Pohjola Bank plc and UBS Limited (together, the "**Joint Lead Managers**") that this Drawdown Prospectus contains all information which is (in the context of the issue, offering and sale of the Instruments) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Drawdown Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the issue, offering and sale of the Instruments) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

Pohjola Bank has not authorised the making or provision of any representation or information regarding Pohjola Bank or the Instruments other than as contained or incorporated by reference in this Drawdown Prospectus, in the subscription agreement dated 24 February 2012 between Pohjola Bank and the Joint Lead Managers (the "**Subscription Agreement**")

and in any other document prepared in connection with the Instruments or as approved for such purpose by Pohjola Bank. Any such representation or information should not be relied upon as having been authorised by Pohjola Bank or the Joint Lead Managers.

The Joint Lead Managers have not separately verified the information contained herein. The Joint Lead Managers do not accept any responsibility for the contents of this Drawdown Prospectus. Each Joint Lead Manager accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Drawdown Prospectus. The statements made in this paragraph are without prejudice to the responsibility of Pohjola Bank in its capacity as issuer.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Drawdown Prospectus or any other document entered into in relation to the Instruments or any information supplied by the Bank or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Bank or any Joint Lead Manager.

Neither the delivery of this Drawdown Prospectus nor the offering, sale or delivery of any of the Instruments shall, in any circumstances, create any implication that the information contained in this Drawdown Prospectus is true subsequent to the date hereof or the date upon which this Drawdown Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Bank since the date thereof or, if later, the date upon which this Drawdown Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Instruments is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Drawdown Prospectus and the offering, sale and delivery of the Instruments in certain jurisdictions may be restricted by law. The Joint Lead Managers do not represent that this Drawdown Prospectus may be lawfully distributed, or that any Instruments may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. Accordingly, no Instruments may be offered or sold, directly or indirectly, and neither this Drawdown Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Drawdown Prospectus comes are required by Pohjola Bank and the Joint Lead Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Instruments and on the distribution of this Drawdown Prospectus and other offering materials relating to the Instruments, see "*Subscription and Sale*" herein and in the Base Prospectus (as defined under "*Information Incorporated by Reference*"). In particular, the Instruments have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, the Instruments may not be offered, sold or delivered within the United States or to U.S. persons. **This Drawdown Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

This Drawdown Prospectus does not constitute an offer or an invitation to subscribe for or purchase any Instruments and should not be considered as a recommendation by Pohjola Bank or the Joint Lead Managers that any recipient of this Drawdown Prospectus should subscribe for or purchase any securities. Each recipient of this Drawdown Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of Pohjola Bank.

Capitalised terms which are used herein but otherwise not defined shall have the meanings attributed to them in the Base Prospectus.

All references in this Drawdown Prospectus to "€", "EUR" or "euro" are to the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

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## **RISK FACTORS**

*Pohjola Bank believes that the factors described below and incorporated by reference herein represent the principal risks inherent in investing in the Instruments, but the inability of Pohjola Bank to pay interest, principal or other amounts on or in connection with the Instruments may occur for other reasons and Pohjola Bank does not represent that the statements below regarding the risks of holding the Instruments is exhaustive. Prospective investors should also read the detailed information set out elsewhere or incorporated by reference in this Drawdown Prospectus and reach their own views prior to making any investment decision.*

***The following risk factors are supplemental to, and should be read in conjunction with, the section entitled "Risk Factors" in the Base Prospectus on pages 8 to 25 therein, which are incorporated by reference herein.***

### **The Instruments may be redeemed prior to maturity following a Capital Event**

If a Capital Event (as defined in "*Final Terms – Part C – Amendment of Base Conditions*") occurs within the period from (and including) the Issue Date to (but excluding) the 90<sup>th</sup> calendar day after the date of effective implementation, application or effectiveness of CRD IV (as defined herein) in Finland and is continuing, Pohjola Bank may, on or before such 90<sup>th</sup> calendar day, at its option, but subject to the prior approval of the FFSA (if then required), elect to redeem in whole (but not in part) the Instruments at 101 per cent. of their principal amount, together with accrued interest (if any) thereon. If the Issuer redeems the Instruments in the circumstances mentioned above, there is a risk that the Instruments may be redeemed at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Instruments.

### **In certain instances the Bank could substitute or vary the terms of the Instruments**

If a Capital Event has occurred and is continuing, the Issuer may, without the consent of the Holders, but subject to the approval of the FFSA (if then required), substitute the Instruments or vary the terms of the Instruments in order to ensure such substituted or varied Instruments continue to qualify as Tier 2 capital in accordance with the requirements of the Finnish Act on Credit Institutions (*Laki luottolaitostoiminnasta, 9.2.2007/121*), as amended, or any other applicable law imposing obligations relating to the Bank's capital adequacy or the FFSA. The terms and conditions of such substituted or varied instruments may have terms and conditions that contain one or more provisions that are substantially different from the terms and conditions of the original Instruments, provided that the Instruments remain Compliant Instruments (as defined in "*Final Terms – Part C – Amendment of Base Conditions*"). While the Issuer cannot make changes to the terms of the Instruments that, in its reasonable opinion, are materially less favourable to a holder of such Instruments, no assurance can be given as to whether any of these changes will negatively affect any particular holder. In addition, the tax and stamp duty consequences of holding such varied Instruments could be different for some categories of holders from the tax and stamp duty consequences for them of holding the Instruments prior to such substitution or variation.



## INFORMATION INCORPORATED BY REFERENCE

This Drawdown Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Drawdown Prospectus and which have been approved by the FSA or filed with it:

- (a) the base prospectus dated 7 November 2011 relating to Pohjola Bank's EUR 15,000,000,000 Programme for the Issuance of Debt Instruments (except for the information incorporated by reference therein) as supplemented by the base prospectus supplements dated 20 December 2011 and 8 February 2012 (together, the "**Base Prospectus**");
- (b) the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of Pohjola Group in respect of the years ended 31 December 2010 and 31 December 2009;
- (c) the unaudited interim consolidated financial statements of the Pohjola Group for the period 1 January to 31 March 2011 (except for the sixth paragraph (entitled "*Outlook*") under the heading "*January – March*" on page 2 and the section entitled "Outlook towards the year end" on page 18);
- (d) the unaudited interim consolidated financial statements of the Pohjola Group for the period 1 January to 30 June 2011 (except for the sixth paragraph (entitled "*Outlook*" under the heading "*Pohjola Group Performance for January – June 2011*") under the heading "*January – June*" on page 2 and the section entitled "Outlook towards the year end" on page 18);
- (e) the unaudited interim consolidated financial statements of the Pohjola Group for the period 1 January to 30 September 2011 (except for the sixth paragraph (entitled "*Outlook*") under the heading "*Pohjola Group Performance for January – September*" on page 2 and the section entitled "Outlook towards the year end" on pages 20 and 21); and
- (f) the unaudited interim consolidated financial statements of the Pohjola Group for the period 1 January to 31 December 2011 (except for the seventh paragraph (entitled "*Outlook*") under the heading "*Pohjola Group in 2011*" on page 2 and the section entitled "*Outlook for 2012*" on page 21).

Such documents shall be incorporated in, and form part of this Drawdown Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Drawdown Prospectus to the extent that a statement contained herein, or in any supplemental prospectus prepared pursuant to Section 87 of the FSMA, modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Drawdown Prospectus.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Drawdown Prospectus shall not form part of this Drawdown Prospectus, save to the extent expressly incorporated by reference herein. Where only

certain parts of a document have been incorporated by reference, the non-incorporated parts are either not relevant to an investor or are covered elsewhere in this Drawdown Prospectus.

Copies of the documents containing the information incorporated by reference in this Drawdown Prospectus can be obtained, free of charge, from the registered office of Pohjola Bank as set out at the end of this Drawdown Prospectus or Pohjola Bank's website at [www.pohjola.com](http://www.pohjola.com). For the avoidance of doubt, Pohjola Bank's website is not incorporated by reference in this Drawdown Prospectus.

## FINAL TERMS

*The terms and conditions of the Instruments shall consist of the terms and conditions set out in the Base Prospectus (the "**Base Conditions**") as amended or supplemented by the Final Terms referred to below. References in the Base Conditions to Final Terms shall be deemed to refer to the Final Terms substantially in the form set out below.*

*Terms used herein shall be deemed to be defined as such term is defined in the Base Conditions set forth in the Base Prospectus, unless otherwise defined in these Final Terms.*

### PART A — CONTRACTUAL TERMS

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| 1.  | Issuer:                                  | Pohjola Bank plc   |
| 2.  | (i) Series Number:                       | 130  |
|     | (ii) Tranche Number:                     | 1  |
| 3.  | Specified Currency:                      | Euro (" <b>EUR</b> " or " <b>€</b> ")  |
| 4.  | Aggregate Nominal Amount of Instruments: |  |
|     | (i) Series:                              | €500,000,000   |
|     | (ii) Tranche:                            | €500,000,000   |
| 5.  | Issue Price:                             | 99.977 per cent. of the Aggregate Nominal Amount   |
| 6.  | (i) Specified Denominations:             | €100,000 and integral multiples of €1,000 in excess thereof up to and including €99,000. No Definitive Instruments will be issued with a denomination above €99,000. |
|     | (ii) Calculation Amount:                 | €1,000   |
| 7.  | (i) Issue Date:                          | 28 February 2012   |
|     | (ii) Interest Commencement Date:         | Issue Date   |
| 8.  | Maturity Date:                           | 28 February 2022   |
| 9.  | Interest Basis:                          | 5.75 per cent. Fixed Rate<br>(further particulars specified below)   |
| 10. | Redemption/Payment Basis:                | Redemption at par, except for redemption following a Capital Event as specified in Part C – Amendment of Base Conditions   |

11. Change of Interest or Redemption/ Payment Basis:	Not Applicable
12. Put/Call Options:	As described in Part C – Amendment of Base Conditions
13. (i) Status of the Instruments:	Subordinated
(ii) Date Board approval for issuance of Instruments obtained:	15 December 2011
14. Method of distribution:	Syndicated

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

15. <b>Fixed Rate Instrument Provisions</b>	Applicable
(i) Rate(s) of Interest:	5.75 per cent. per annum, payable annually in arrear on the applicable Interest Payment Dates
(ii) Interest Payment Date(s):	28 February in each year
(iii) Fixed Coupon Amount(s):	€7.50 per Calculation Amount
(iv) Broken Amount(s):	Not Applicable
(v) Day Count Fraction:	Actual/Actual (ICMA)
(vi) Other terms relating to the method of calculating interest for Fixed Rate Instruments:	Not Applicable
16. <b>Floating Rate Instrument Provisions</b>	Not Applicable
17. <b>Zero Coupon Instrument Provisions</b>	Not Applicable
18. <b>Index-Linked Interest Instrument Provisions</b>	Not Applicable
19. <b>Dual Currency Instrument Provisions</b>	Not Applicable

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

20. <b>Call Option</b>	As described in Part C – Amendment of Base Conditions
(i) Optional Redemption Date(s):	Not Applicable

(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	Not Applicable
(iii)	If redeemable in part:	
(a)	Minimum Redemption Amount:	Not Applicable
(b)	Maximum Redemption Amount:	Not Applicable
(iv)	Notice period:	Not Applicable
21.	<b>Put Option</b>	Not Applicable
22.	<b>Final Redemption Amount</b>	€1,000 per Calculation Amount, unless previously redeemed, purchased or cancelled
23.	<b>Early Redemption Amount</b>	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	In respect of Condition 6.02, €1,000 per Calculation Amount  <i>(NB: No early redemption of Subordinated Instruments may currently take place without the prior written consent of the FFSA)</i>

#### **GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS**

24.	Form of Instruments:	<b>Bearer Instruments:</b>  Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument
25.	New Global Instrument:	Yes
26.	Financial Centre(s) or other special provisions relating to payment dates:	Not Applicable
27.	Talons for future Coupons or Receipts to be attached to Definitive Instruments (and dates on which such Talons mature):	No

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|---|--|
| 28. Details relating to Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Instruments and interest due on late payment: | Not Applicable   |
| 29. Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made:  | Not Applicable   |
| 30. Redenomination, renominatisation and reconventioning provisions   | Not Applicable   |
| 31. Other final terms:  | The additional provisions set out in Part C – Amendment of Base Conditions shall apply to the Instruments and the Base Conditions shall, in respect of the Instruments, be amended and supplemented as set out therein |

## **DISTRIBUTION**

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| 32. (i) If syndicated, names of Managers | <p><i>Joint Lead Managers:</i></p> <p><b>Citigroup Global Markets Limited</b><br/> Citigroup Centre<br/> Canada Square<br/> Canary Wharf<br/> London E14 5LB<br/> United Kingdom</p> <p><b>J.P. Morgan Securities Ltd.</b><br/> 125 London Wall<br/> London EC2Y 5AJ<br/> United Kingdom</p> <p><b>Pohjola Bank plc</b><br/> Teollisuuskatu 1b<br/> FIN-00510<br/> Helsinki<br/> Finland</p> <p><b>UBS Limited</b><br/> 1 Finsbury Avenue<br/> London EC2M 2PP<br/> United Kingdom</p> |
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|------|--|---------------------------------------|
| (ii) | Stabilising Manager(s) (if any):               | Not Applicable                        |
| 33.  | If non-syndicated, name and address of Dealer: | Not Applicable                        |
| 34.  | U.S. Selling Restrictions:                     | Reg. S Compliance Category 2, TEFRA D |
| 35.  | Additional selling restrictions:               | Not Applicable                        |

### **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of the London Stock Exchange of the Instruments described herein pursuant to the EUR 15,000,000,000 Programme for the Issuance of Debt Instruments of Pohjola Bank plc.

### **RESPONSIBILITY**

Pohjola Bank plc accepts responsibility for the information contained in these Final Terms.

## PART B — OTHER INFORMATION

### 1. LISTING

Admission to trading:	Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the regulated market of the London Stock Exchange with effect from the Issue Date
Estimate of total expenses related to admission to trading:	£3,650

### 2. RATINGS

Ratings:	The Instruments to be issued are expected to be rated:
	Standard & Poor's Credit Market Services Europe Limited: A+
	Fitch Ratings Limited: A
	Standard & Poor's Credit Market Services Europe Limited and Fitch Ratings limited are established in the EEA and registered under Regulation (EU) No 1060/2009, as amended

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

Save as discussed in "*Subscription and Sale*" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer

### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

(i) Reasons for the offer:	The proceeds of the issue of the Instruments will be used by the Issuer for general corporate purposes
(ii) Estimated net proceeds:	Not Applicable
(iii) Estimated total expenses:	Not Applicable

### 5. YIELD

Indication of yield:	5.753 per cent. per annum
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The yield as set out above is calculated on the Issue Date on the basis of the Issue Price. It is not an indication of future yield

**8. OPERATIONAL INFORMATION**

ISIN Code: XS0750702507

Common Code: 075070250

CUSIP: Not Applicable

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

New Global Instrument intended to be held in a manner which would allow Eurosystem eligibility: Yes

Note that the designation "Yes" simply means that the Instruments are intended upon issue to be deposited with one of the ICSDS as common safekeeper and does not necessarily mean that the Instruments 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 the ECB being satisfied that Eurosystem eligibility criteria have been met

## PART C — AMENDMENT OF BASE CONDITIONS

The following additional provisions shall apply to the Instruments and the Base Conditions shall, in respect of the Instruments, be deemed amended by the insertion of new Conditions 6.10 and 19 as set out below:

### 6.10 Early Redemption Following a Capital Event

If a Capital Event occurs within the period from (and including) the Issue Date to (but excluding) the 90<sup>th</sup> calendar day after the date of effective implementation, application or effectiveness of CRD IV in Finland, and is continuing, the Bank may, subject to the prior approval of the FFSA (if then required), on or before such 90<sup>th</sup> calendar day, at its option, elect to redeem the Instruments in whole (but not in part) at 101 per cent. of their principal amount, together with accrued interest (if any) thereon, by giving appropriate notice to the Holders in accordance with Condition 14.

The appropriate notice referred to in this Condition 6.10 is a notice given by the Bank to the Fiscal Agent and the Holders of the Instruments, which notice shall be signed by two duly authorised officers of the Issuer and shall specify:

- (a) that a Capital Event has occurred and is continuing;
- (b) that the Bank has obtained the prior written consent of the FFSA, provided that at the relevant time such consent is required to be given; and
- (c) the due date for such redemption, which shall be not less than 30 nor more than 60 days after the date on which such notice is validly given.

Any such notice shall be irrevocable and the delivery thereof shall oblige the Bank to make the redemption therein specified.

In these Conditions:

"**Capital Event**" means that the Bank is notified in writing by the FFSA that the Bank is no longer permitted to include any part of the principal amount of the Instruments in the Tier 2 Capital of the Bank due to the non-compliance of the Instruments with either (i) CRD IV, and/or (ii) any other European regulation or directive relating to the requirements for regulatory capital that are applicable to the Bank and any related applicable Finnish laws, regulations or rules which may in the future be introduced by the FFSA;

"**CRD IV**" means the CRD IV Directive, the CRD IV Regulation and/or any relevant Future Capital Instruments Regulations;

"**CRD IV Directive**" means a directive of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms amending Directive 2002/87/EC, a draft of which was published on 20 July 2011;

"**CRD IV Regulation**" means a regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms, a draft of which was published on 20 July 2011;

"**FFSA**" means the Finnish Financial Supervisory Authority or any successor thereto;

"**Future Capital Instruments Regulations**" means any applicable Finnish laws imposing obligations relating to the Bank's capital adequacy which may be passed in the future and any regulatory capital rules which may in the future be introduced by the FFSA and which are applicable to the Bank as applied and construed by the FFSA, which lay down the requirements to be fulfilled by financial instruments to inclusion in the regulatory capital of the Bank as required by (i) the CRD IV Regulation, and/or (ii) the CRD IV Directive; and

"**Tier 2 Capital**" has the meaning given to it in the Finnish Act on Credit Institutions (*Laki luottolaitostoiminnasta, 9.2.2007/121*), as amended, or any subsequent applicable law, as interpreted or applied by the FFSA from time to time.

#### 19. **Substitution or Variation following a Capital Event**

If a Capital Event has occurred and is continuing, the Bank may, upon the expiry of the appropriate notice and subject to the other provisions of this Condition 19 (without any requirement for the consent or approval of the Holders of the Instruments) either substitute all (but not some only) of the Instruments for, or vary the terms of the Instruments so that they remain or, as appropriate, become, Compliant Instruments. Any substitution or variation in accordance with this Condition is subject to the Bank obtaining prior written consent of the FFSA (if then required) and complying with the rules of any competent authority, stock exchange and/or quotation system by or on which the Instruments are, for the time being, listed, traded and/or quoted.

The appropriate notice referred to in this Condition 19 is a notice given by the Bank to the Fiscal Agent and the Holders of the Instruments, which notice shall be irrevocable, shall be signed by two duly authorised officers of the Issuer and shall specify:

- (a) that a Capital Event has occurred and is continuing;
- (b) that the Bank has obtained the prior written consent of the FFSA, provided that at the relevant time such consent is required to be given;
- (c) that, in the opinion of the Bank, the substituted or varied Instruments will have terms not materially less favourable to an investor than the terms of the Instruments; and
- (d) the due date for such substitution or variation, which shall be not less than 30 nor more than 60 days after the date on which such notice is validly given.

In this Condition 19:

"**Compliant Instruments**" means Instruments issued directly or indirectly by the Issuer that:

- (a) have terms which are not materially less favourable to an investor than the terms of the Instruments, as reasonably determined by the Issuer, *provided that* such instruments:
  - (i) contain terms which comply with the then current requirements in

relation to Tier 2 Capital;

- (ii) include terms which provide for the same Rate of Interest and the same Interest Payment Dates from time to time, and Maturity Date and redemption rights applying to the Instruments;
  - (iii) rank *pari passu* with the Instruments; and
  - (iv) shall preserve any existing rights under the Conditions to any accrued interest which has not been satisfied;
- (b) are listed on the regulated market of the London Stock Exchange or such other internationally recognised stock exchange as selected by the Bank; and
- (c) where the Instruments which have been substituted or varied had a published rating from a Rating Agency immediately prior to their substitution or variation each such Rating Agency has ascribed, or announced its intention to ascribe, an equal or higher published rating to the relevant Instruments; and

**"Rating Agency"** means Standard & Poor's Credit Market Services Europe Limited or Fitch Ratings limited, their respective successors or any other internationally recognised rating agency rating the Instruments immediately prior to their substitution or variation.

## **USE OF PROCEEDS**

The net proceeds from the issue of the Instruments, which are expected to amount to at least €97,635,000, will be used by Pohjola Bank for general corporate purposes.

## SUBSCRIPTION AND SALE

The Instruments will be sold by Pohjola Bank to the Joint Lead Managers. The arrangements under which the Instruments will be sold by Pohjola Bank to, and purchased by, the Joint Lead Managers are set out in an Amended and Restated Dealership Agreement (the "**Dealership Agreement**", which expression shall include any amendments or supplements thereto) dated 7 November 2011, as supplemented by the Subscription Agreement and, in particular, subject to the selling restrictions as set out in the Base Prospectus under the heading "*Subscription and Sale*" on pages 91 to 94.

## **GENERAL INFORMATION**

### **Listing and Admission to Trading**

1. The listing of the Instruments on the Official List will be expressed as a percentage of their nominal amount (exclusive of accrued interest). It is expected that listing of the Instruments on the Official List and admission of the Instruments to trading on the Regulated Market will be granted on or around the Issue Date, subject only to the issue of a temporary or permanent Global Instrument.
2. The total expenses relating to such admission to trading are expected to be £3,650.

### **Authorisations**

3. Pohjola Bank has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Instruments. Save for the interests of the Joint Lead Managers as managers in connection with the issue of the relevant securities for the Instruments and any fees payable to the Joint Lead Managers, so far as Pohjola Bank is aware, no person involved in the issue of the Instruments has a material interest in the offer.

### **No Significant Change**

4. There has been no significant change in the financial or trading position of the Pohjola Group or the OP-Pohjola Group since 31 December 2011.

### **No Material Adverse Change**

5. There has been no material adverse change in the prospects of the Bank, the Pohjola Group or the OP-Pohjola Group since 31 December 2010.

### **Auditors**

6. The consolidated balance sheet and the consolidated income statements of Pohjola Group and OP-Pohjola Group for the years ending 31 December 2010 and 31 December 2009 (in accordance with International Financial Reporting Standards), have been audited, without qualification, by KPMG Oy Ab, Authorised Public Accountants (the responsible partner for the audit being Sixten Nyman), in accordance with Finnish Standards of Auditing.

### **Legal Proceedings**

7. Neither Pohjola Bank nor any other member of the Pohjola Group or the OP-Pohjola Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Pohjola Bank is aware) during the 12 months preceding the date of this Drawdown Prospectus that may have, or have had in such period, a significant effect on the financial position or profitability of Pohjola Bank, the Pohjola Group or the OP-Pohjola Group.

## **Clearing Systems**

8. The Instruments have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records) with a Common Code of 075070250. The International Securities Identification Number (ISIN) of the Instruments is XS0750702507.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue J F Kennedy, L-1855 Luxembourg.

## **Delivery**

9. Delivery of the Instruments shall be made against delivery of the relevant securities for which the Instruments are being exchanged and against payment.

## **Legend**

10. The Instruments and any Coupons will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

## **Post-Issuance Information**

11. The Bank does not intend to provide any post-issuance information.

## **Ratings**

12. The Instruments are expected to be rated A+ by S&P and A by Fitch. S&P and Fitch are established in the EEA and registered under the CRA Regulation.

## **Documents on Display**

13. Copies (and, where appropriate, English translations) of the following documents may be inspected during normal business hours at the registered office of Pohjola Bank and at the offices of Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom from the date of this Drawdown Prospectus:
  - (a) the Articles of Association of the Bank;
  - (b) the Fiscal Agency Agreement;
  - (c) the Deed of Covenant;
  - (d) the Dealership Agreement;
  - (e) the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Pohjola Group in respect of the years ended 31 December 2010 and 31 December 2009;



- (f) the unaudited interim consolidated financial statements of the Pohjola Group for the period 1 January to 31 March 2011;
- (g) the unaudited interim consolidated financial statements of the Pohjola Group for the period 1 January to 30 June 2011;
- (h) the unaudited interim consolidated financial statements of the Pohjola Group for the period 1 January to 30 September 2011;
- (i) the unaudited interim consolidated financial statements of the Pohjola Group for the period 1 January to 31 December 2011;
- (j) the Base Prospectus and this Drawdown Prospectus; and
- (k) the Issuer-ICSDs Agreement dated 5 November 2010.

**REGISTERED AND PRINCIPAL OFFICE OF THE BANK**

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FIN-00510  
Helsinki  
Finland

**AUTHORISED PUBLIC ACCOUNTANTS TO THE BANK**

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Canada Square  
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**J.P. Morgan Securities Ltd.**

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**Pohjola Bank plc**

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**UBS Limited**

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**PRINCIPAL REGISTRAR**

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**FIRST ALTERNATIVE REGISTRAR**

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**LEGAL ADVISERS**

*To the Bank as to Finnish Law*

**Pohjola Bank plc**

Legal Services

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*To the Joint Lead Managers as to English Law*

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