

## FINAL TERMS

### Terms and Conditions

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS:** The 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 (“**MiFID II**”); (ii) a customer within the meaning of the Insurance Mediation Directive (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 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.

These Final Terms have been drawn in accordance with Article 5, paragraph 4 of the Prospectus Directive of the EU (2003/71/EC, as amended) and they are to be read together with the General Terms and Conditions of the Programme included in the Base Prospectus regarding programme for the Issuance of Notes by the Mortgage Society of Finland dated 23 May 2017 (the “**Base Prospectus**”) (the “**Programme**”). Unless otherwise stated in these Final Terms, the General Terms and Conditions of the Programme shall apply.

The complete information regarding the Issuer and the Notes can be found in the Base Prospectus, including documents incorporated into it by reference, and in these Final Terms.

The Base Prospectus and the Final Terms are available at the web page of the Mortgage Society of Finland at <http://www.hypo.fi/en/investor-relations/> and at request from the Mortgage Society of Finland or at the subscription places mentioned in the Final Terms.

Name and number of the Series of Notes:	The Mortgage Society of Finland’s Covered Bonds 1/2017
Notes and their form:	Covered Bonds
Tranche number:	2
Lead Managers:	BNP Paribas, 10 Harewood Avenue London NW1 6AA, United Kingdom  Swedbank AB (publ), c/o Swedbank AB (publ), Finnish Branch P.O. Box 1107, 00101 Helsinki, FINLAND
Subscription place(s) of this Series of Notes:	Not applicable
Issuer Agent and Paying Agent:	Swedbank AB (publ)
Calculation Agent	Not applicable
Interests of the Lead Managers:	The customary sector connected commercial interest
Principal and currency of the Notes:	Tranche 1: EUR 250,000,000  Tranche 2: EUR 50,000,000
Number of book-entry units:	Tranche 1: 2,500  Tranche 2: 500
Priority of the Notes:	Same as with all other obligations of the Issuer in respect of mortgage-backed notes covered in accordance with the MCBA (including pursuant to Sections 25 and 26 of the MCBA) as well as all Derivative Transactions and Bankruptcy Liquidity Loans.

Form of the Notes:	Book-entry securities of Euroclear Finland's Infinity book-entry security system
Denomination of book-entry unit:	EUR 100,000
The minimum amount of Notes to be offered for subscription:	EUR 100,000
Subscription fee:	The Lead Managers do not charge the costs related to issuing the Notes from the Noteholders
Payment of subscription:	Subscriptions shall be paid for as instructed in connection with the subscription
Issue date:	Tranche 1: 28 June 2017 Tranche 2: 25 October 2017
Issue price:	The issue price is fixed: Tranche 1: 99.238 per cent Tranche 2: 99.338 per cent
Amount and manner of redemption:	The nominal amount of principal of the Note The Notes will be repaid in one instalment
Maturity Date:	28 June 2024
Extended Final Maturity:	Applicable
Extended Final Maturity Date:	28 June 2025  In accordance with Condition 4, if the Issuer notifies the Issuer Agent that it will fail to redeem the Notes in full on the Maturity Date or within two Business Days thereafter, the maturity of the nominal amount outstanding of the Covered Bonds will be extended automatically to the Extended Final Maturity Date. In that event, the interest rate payable on, and the Interest Periods and Interest Payment Dates, in respect of the Covered Bonds, 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 Covered Bonds on an Interest Payment Date falling in any month after the Maturity Date up to and including the Extended Final Maturity Date, all in accordance with Condition 4.
Interest:	Condition 8.1 (Fixed interest rate):  Interest rate: 0.375 per cent p.a.  Interest payment date(s): on 28 June each year commencing on 28 June 2018 until the Maturity Date
Day Count Fraction	Actual/Actual ICMA
Minimum/maximum amount of interest:	Not applicable
Business Day convention:	Following Business Day Convention, Unadjusted
Delivery of book-entry securities:	The time when the book-entry securities are recorded in the book-entry security accounts specified by the subscribers is estimated to be 28 June 2017 for Tranche 1 and 25 October 2017 for Tranche

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Prohibition of Sales to EEA Retail Investors:	Not applicable
ISIN code of the Series of the Notes:	FI4000266903
Extended Final Maturity Interest Provisions:	Applicable (from and including) the Maturity Date to (but excluding) the Extended Final Maturity Date
a) Fixed Rate Provisions	Not Applicable
b) Floating Rate Provisions	Applicable
i) Rate of interest	EURIBOR 1 month Margin 0.09 per cent p.a.
ii) Interest Payment Dates	28 <sup>th</sup> day in each month, commencing on 28 July 2024
iii) Day Count Fraction	Actual/360
iv) Minimum/maximum amount of interest	Not applicable
Business Day Convention:	Modified Following Business Day Convention, adjusted

#### Other Information

This information of the Series of the Notes is presented in connection with the issue of each Series of Notes.

Decisions and authority based on which Notes are issued:	Based on the resolution of the Issuer's Board of Directors dated on 29 September 2017
Subscription period:	18 October 2017
Condition for executing the issue:	Not applicable
Yield:	The effective interest yield of Tranche 2 to the investor on the issue date, when the issue price is 99.338 per cent, is 0.476 per cent. annual
An estimate of the principal accruing to the Issuer under the Notes and the planned use:	99.088 per cent of the principal of the Tranche 2 of the Notes, at maximum. The Notes are a part of the funding of the Issuer.
Credit rating of the Notes:	The Notes are expected to be rated AAA by S&P Global Ratings
Listing:	Shall be applied for listing on the Helsinki Stock Exchange
Estimated time of listing:	Tranche 1 was listed on Helsinki Stock Exchange on 28 June 2017, Tranche 2 will be listed on or about 25 October 2017.

In Helsinki, on 20 October 2017

THE MORTGAGE SOCIETY OF FINLAND

  
Petteri Bollmann

  
Maiju Harava