

SUPPLEMENT DATED 4 DECEMBER 2012

ÅLANDSBANKEN ABP

(incorporated with limited liability in the Republic of Finland)

EUR 1,000,000,000

Euro Medium Term Note and Covered Bond Programme

This supplement (the **Supplement**) comprises a supplement for Ålandsbanken Abp (the **Issuer**) to the Offering Circular dated 29 December 2011, as supplemented on 7 March 2012, 13 August 2012 and 31 October 2012 (the **Offering Circular**). The Offering Circular is a base prospectus prepared in connection with the Euro Medium Term Note and Covered Bond Programme (the **Programme**) established by the Issuer. This Supplement constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the **FSMA**).

Terms defined in the Offering Circular have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular and any other supplements to the Offering Circular issued by the Issuer. A copy of this Supplement will be made available for inspection at the registered office of the Issuer (currently Nygatan 2, AX-22100 Mariehamn, Finland) and at the offices of any Paying Agent in the United Kingdom for so long as the Programme remains in existence.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

The purpose of this Supplement is to update the Offering Circular to reflect the announcement by Standard & Poor's Credit Market Services Europe Limited on 20 November 2012 that it is changing the outlook of the Issuer's long-term credit rating of BBB from stable to negative and the Offering Circular is hereby updated accordingly.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Offering Circular by this Supplement and (b) any other statement in or incorporated in the Offering Circular, the statements in (a) above will prevail.

Save as disclosed in this Supplement and any supplement to the Offering Circular previously issued, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular since the publication of the Offering Circular.