

FINAL TERMS

Final Terms dated 13 April 2007

MUNICIPALITY FINANCE PLC (Kuntarahoitus Oyj)

Issue of DKK ●,000,000 Index-Linked Notes

Guaranteed by

THE MUNICIPAL GUARANTEE BOARD (Kuntien takauskeskus)

under the €8,000,000,000

Programme for the Issuance of Debt Instruments

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Base Prospectus dated 1 June 2006, as supplemented by the Supplement to the Base Prospectus dated 26 February 2007, which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the Notes described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus, as supplemented by the Supplement to the Base Prospectus dated 26 February 2007. The Base Prospectus and the Supplement are available for viewing at Municipality Finance Plc, Annankatu 42 C, 00100 Helsinki, Finland and at the website www.munifin.fi. In addition the Base Prospectus and the Supplement are available for viewing at the *website* of the Copenhagen Stock Exchange at www.omxgroup.com/nordicexchange.

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| 1. | (i) | Issuer: | Municipality Finance Plc
(Kuntarahoitus Oyj) |
| | (ii) | Guarantor: | The Municipal Guarantee Board
(Kuntien takauskeskus) |
| 2. | (i) | Series Number: | 56/2007 |
| | (ii) | Tranche Number: | 1 |
| | | (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible) | |
| 3. | | Specified Currency or Currencies: | DKK |
| 4. | | Aggregate Nominal Amount: ¹ | |

¹ The Aggregate Nominal Amount will be determined on 30 April 2007 by Nordea Bank Danmark A/S. The issue of the Notes will be cancelled if subscription orders for less than DKK 50,000,000 are received. If the combined subscription orders for the Notes and for the DK0030050976-notes, that have a matching subscription period (see Final Terms made public on the Copenhagen Stock Exchange on 13 April 2007) exceed DKK 1,000,000,000, the Arranger may reduce the incoming orders in its own and absolute discretion to a combined amount of DKK 1,000,000,000 with the Issuers prior approval.

	(i) Series:	DKK ● (to be determined on 30 April 2007)
	(ii) Tranche:	DKK ● (to be determined on 30 April 2007)
5.	(i) Issue Price:	110 per cent. of the Aggregate Nominal Amount
6.	Specified Denominations:	DKK 10,000
7.	(i) Issue Date:	7 May 2007
	(ii) Interest Commencement Date:	Not Applicable
8.	Maturity Date:	14 May 2010
9.	Interest Basis:	Not Interest Bearing
10.	Redemption/Payment Basis:	Index-Linked Redemption
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Senior
	(ii) Status of the Guarantee:	Senior
	(iii) Date Board approval for issuance of Notes and Guarantee obtained:	Not Applicable
14.	Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Not Applicable
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions:	Not Applicable
18.	Index-Linked Interest Note Provisions	Not Applicable
19.	Dual Currency Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	Call Option:	Not Applicable
21.	Put Option:	Not Applicable

22. **Final Redemption Amount of each Note:** See Appendix 1

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

- (i) Index/Formula/variable: See Appendix 1
- (ii) Calculation Agent responsible for calculating the Final Redemption Amount: Nordea Bank Danmark A/S
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: See Appendix 1
- (iv) Determination Date(s): See Appendix 1
- (v) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: Not Applicable
- (vi) Payment Date: 14 May 2010
- (vii) Minimum Final Redemption Amount: Not Applicable
- (viii) Maximum Final Redemption Amount: Not Applicable

23. **Early Redemption Amount of each Note:** Not Applicable

Early Redemption Amount(s) of each Note 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):

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: Bearer Notes, issued in the form of a Permanent Global Note. The Permanent Global Note will be issued on 7 May 2007 and the Notes will be registered as bearer Notes in uncertificated dematerialised book-entry form with the Værdipapircentralen A/S ("VP") on that day.
- Nordea Bank Danmark A/S is acting as Account Holding Bank (Da. "Kontoførende Institut") in relation to VP.
- The Permanent Global Note will be controlled by Nordea Bank Danmark A/S as Account Holding Institute for and on behalf of VP and the Noteholders in accordance with the provisions of the Danish Government Regulation No. 527 of 7 June 2006 on the registration of funds assets in a securities centre. The Permanent Global Note can only be held in favour of Nordea Bank Danmark A/S acting in its capacity as Account Holding Institute on behalf of the Noteholders registered in the VP system.
- For the avoidance of doubt, Notes registered in VP are negotiable Notes not subject to any restrictions on the free negotiability within the Kingdom of Denmark, under Danish Law.
25. Financial Centre(s) or other special provisions relating to Payment Dates: Copenhagen and TARGET
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): No
27. Details relating to Partly Paid Notes: 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 Notes and interest due on Not Applicable

late payment:

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|-----|--|--|
| 28. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 29. | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 30. | Consolidation provisions: | Not Applicable |
| 31. | Other terms or special conditions: | Settlement of purchase and sale transactions takes place on a “registration against payment” basis. Transfer of ownership to the Notes shall be made in accordance with the rules of VP.

Registration of the Notes with VP is governed by Danish law, and any disputes arising out of or in connection with the registration of the Notes with VP shall be brought before the Copenhagen Maritime and Commercial Court.

Payments shall be effected by the Substitute Fiscal and Danish Principal Paying Agent via VP.

Notwithstanding Condition 18, any notice given to VP in accordance with Condition 18 shall be deemed to have been given to the Holders on the day on which that notice is given to VP.

For further terms and special conditions please refer to Annexes hereto |

DISTRIBUTION

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|-----|--|-------------------------|
| 32. | (i) If syndicated, names and address of Managers and underwriting commitments: | Not Applicable |
| | (ii) Date of Subscription Agreement: | Not Applicable |
| | (iii) Stabilising Manager(s) (if any): | Not Applicable |
| 33. | If non-syndicated, name and address of Dealer: | Nordea Bank Danmark A/S |

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|-----|----------------------------------|----------------------------|
| 34. | TEFRA: | The C Rules are applicable |
| 35. | Total commission and concession: | Not Applicable |
| 36. | Additional selling restrictions: | Not Applicable |

ADMISSION TO TRADING

These Final Terms comprise the final terms required for the Notes described herein to be admitted to trading on the Copenhagen Stock Exchange pursuant to the €8,000,000,000 programme for the issuance of debt instruments of Municipality Finance Plc (Kuntarahoitus Oyj) guaranteed by The Municipal Guarantee Board (Kuntien takauskeskus).

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms. The historical performance of the Index in part B item 7 has been extracted from Bloomberg. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by Bloomberg, no facts have been omitted which would render the reproduced inaccurate or misleading.

Signed on behalf of the Issuer:

By:
Duly authorised

Signed on behalf of the Guarantor:

By:
Duly authorised

PART B - OTHER INFORMATION

1. LISTING

37. Listing: Copenhagen Stock Exchange
- Admission to trading: Application has been made for the Notes to be admitted to trading on the Copenhagen Stock Exchange with effect from 7 May 2007.

2. RATINGS

- Ratings: The Notes have not specifically been rated

3. NOTIFICATION

The United Kingdom Financial Services Authority has provided the Danish Financial Supervisory Authority with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]

Save as described in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

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

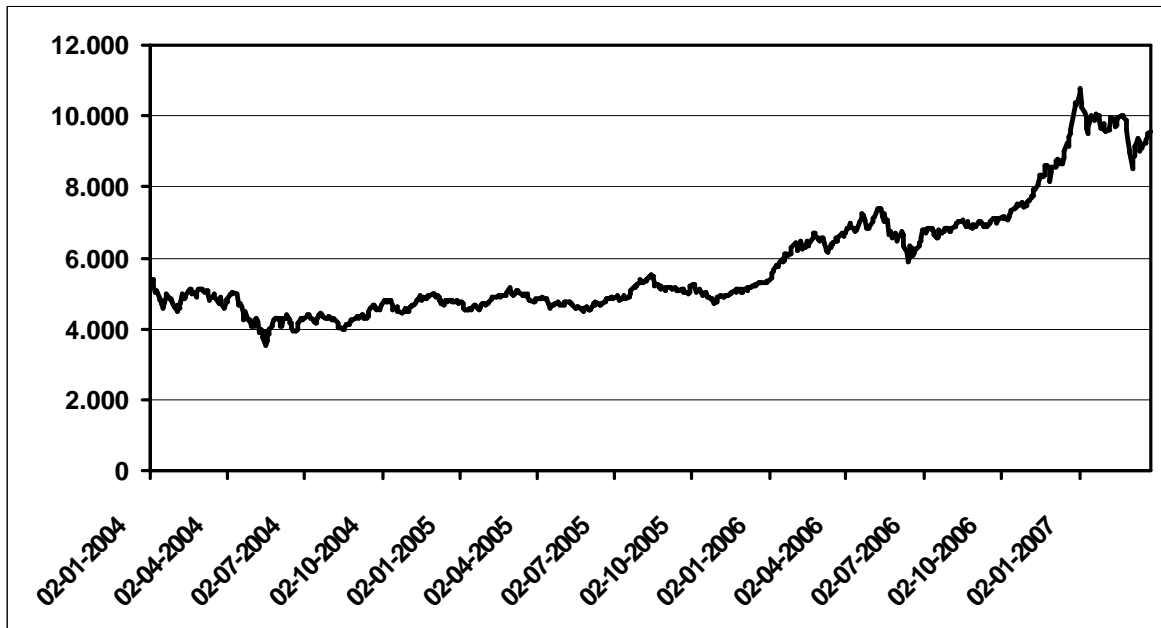
- (i) Reasons for the offer: See "Use of Proceeds" wording in the Base Prospectus
- (ii) Estimated net proceeds: DKK (to be determined on 30 April 2007)
- (iii) Estimated total expenses: Not Applicable

6. YIELD (Fixed Rate Notes only)

- Indication of yield: Not Applicable

7. HISTORIC INTEREST RATES Not Applicable

8. **PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING** (*Index-Linked Notes only*)



Source: Bloomberg

The above table shows the historical performance of the Index for the period from January 2004 to 1 April 2007. Future performance of the Index can be observed on Bloomberg page: HSCEI Index.

Index Performance	Final Redemption Amount	Yield p.a.
-20%	100	-3,13%
-10%	100	-3,13%
0%	100	-3,13%
10%	110	0,00%
20%	120	2,94%
30%	130	5,73%
40%	140	8,37%
50%	150	10,89%

The above table shows hypothetical Final Redemption Amount based on the indicative Participation Rate of 100% and a change in the Index Performance as shown in the table. The changes in the Index Performance are calculated as the difference between Index(start) and Index(end) in accordance with Appendix 1.

9. **PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT** (*Dual Currency Notes only*)

Not Applicable

10. **OPERATIONAL INFORMATION**

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|-------|---|---|
| (i) | ISIN Code: | DK0030050893 |
| (ii) | Common Code: | Not Applicable |
| (iii) | Any clearing system(s) other than Euroclear Bank S.A./N.V., as operator of the Euroclear System and Clearstream Banking, société anonyme and the relevant identification number(s): | Værdipapircentralen A/S (“VP”)
Business Registration Number: 21 59 93 36 |
| (iv) | Delivery: | Delivery against payment |
| (v) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |

Appendix 1

(this Appendix forms part of the Final Terms to which it is attached)

On the Maturity Date, the Final Redemption Amount per Denomination will be determined by the Calculation Agent as:

$$100\% + \textit{Participation Rate} \times \textit{MAX} \left(\frac{\textit{Index}(\textit{end}) - \textit{Index}(\textit{start})}{\textit{Index}(\textit{start})}; 0 \right)$$

Where

Index(start) is the arithmetic average of the official Index Values of the Index on each of 2 May 2007, 3 May 2007 and 4 May 2007, each of these dates an Averaging Date.

Index(end) is the arithmetic average of the official Index Values of the Index on each of 4 November 2009, 4 December 2009, 4 January 2010, 4 February 2010, 4 March 2010, 4 April 2010 and 4 May 2010, each of these dates an Averaging Date.

Index is The Hong Kong Stock Exchange Hang Seng China Enterprises Index as can be observed on Bloomberg page HSCEI Index.

Index Values are the value of the Index at close of market on each of the applicable Averaging Dates, as observed by the Calculation Agent. If an Averaging Date is not an Index Business Day or the Index for any other reason is not published, the Averaging Date will be postponed, and the following Business Day will be used as Averaging Date. If an Averaging Date has been postponed for eight days then the Index Value will be determined by the Calculation Agent in its full discretion, acting in good faith and in a commercially reasonable manner.

Participation Rate will be fixed by the Calculation Agent on 30 April 2007. Should it not be possible for the Calculation Agent to fix the Participation Rate at or above 85 per cent., the issue of the Notes will be cancelled.

Index Business Day means for the observation of the Averaging Dates days on which the Hong Kong Stock Exchange is open for business.

Appendix 2

(this Appendix forms part of the Final Terms to which it is attached)

SUBSCRIPTION FORM:

- Submission of subscription form:** The attached subscription form should be completed and submitted to Nordea Bank Danmark A/S during the Subscription Period.
- Subscription:** The issue of the Notes will be cancelled if the aggregate Nominal amount of orders received during the subscription period is lower than DKK 50,000,000.
- If the combined subscription orders for the Notes and for the DK0030050976-notes, that have a matching subscription period (see Final Terms made public on the Copenhagen Stock Exchange on 13 April 2007) exceed DKK 1,000,000,000, the Arranger may reduce the incoming orders in its own and absolute discretion, to a combined amount of minimum DKK 1,000,000,000. The reduction is subject to the Issuer's prior approval.
- Subscription Period:** Means the period running from and including 16 April 2007, 9.00 a.m. to and including 27 April 2007, 5.00 p.m.
- Both the Arranger and the Issuer have the right to stop, revoke or cancel the offer to subscribe at any time prior to 27 April 2007. Should the offer be stopped, revoked or cancelled prior to 27 April 2007, this will be announced to the Copenhagen Stock Exchange A/S
- The Aggregate Nominal Amount of Notes to be issued will be made public no later than 1 May 2007 on the Copenhagen Stock Exchange A/S.
- The Participation Rate will be made public no later than 1 May 2007 on the Copenhagen Stock Exchange.
- Further issues:** This series of Notes is open for further issues without maximum amount at the prevailing market prices until 14 May 2010.

