

**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 ("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 (as amended, "**MiFID II**"); (ii) a customer within the meaning of 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. 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.

**MiFID II product governance/Professional investors and ECPS only target market** – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

**Final Terms dated 27 September 2018**

**AKELIUS RESIDENTIAL PROPERTY AB (PUBL)**

**Issue of £100,000,000 2.375 per cent. Notes due 15 August 2025**

(to be consolidated, become fungible and form a single series with the £300,000,000 2.375 per cent. Notes due 15 August 2025 issued on 15 September 2017 (the "**Original Notes**") (the "**Notes**")

**Euro Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the original base prospectus dated 12 May 2017. These Final Terms contain the final terms of the Notes and must be read in conjunction with the Base Prospectus dated 21 June 2018 and the supplemental Base Prospectus dated 24 September 2018 which together constitute a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive. The Conditions are incorporated by reference in the Base Prospectus. This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of Article 5.4 of the Prospectus Directive.

Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at [www.centralbank.ie/www.ise.ie](http://www.centralbank.ie/www.ise.ie) and during normal business hours on any weekday at the office of the Issuer.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto), including the 2010 PD Amending Directive and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

The Notes have 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 or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered 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 in certain transactions exempt from the registration requirements of the Securities Act.

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|----|-------|--|---|
| 1. | (i)   | Issuer:                                  | Akelius Residential Property AB (publ)  |
| 2. | (i)   | Series Number:                           | 2   |
|    | (ii)  | Tranche Number:                          | 2   |
|    | (iii) | Date on which the Notes become fungible: | The Notes will be consolidated, become fungible and form a single series with the Original Notes on exchange of the Temporary |

Global Note for interests in the Permanent Global Note, as referred to in paragraph 23 below, which is expected to occur on or about 7 November 2018.

3. Specified Currency or Currencies: Pounds Sterling ("£")
4. Aggregate Nominal Amount:
  - (i) Series: £400,000,000
  - (ii) Tranche: £100,000,000
5. Issue Price: 94.846 per cent. of the Aggregate Nominal Amount plus accrued interest from, and including, 15 August 2018 to, but excluding, the Issue Date.
6. (i) Specified Denominations: £100,000 and integral multiples of £1,000 in excess thereof up to and including £199,000. No Notes in definitive form will be issued with a denomination above £199,000.
  - (ii) Calculation Amount: £1,000
7. (i) Issue Date: 28 September 2018
  - (ii) Interest Commencement Date: 15 August 2018
8. Maturity Date: 15 August 2025
9. (i) Interest Basis: 2.375 per cent. Fixed Rate  
(see paragraph 14 below)
  - (ii) Ratings Step Up/Step Down: Applicable
  - (iii) Step-Up Margin: 1.25 per cent. per annum
  - (iv) Specified Threshold: As per the Conditions
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
11. Change of Interest or Redemption/Payment Basis: Not Applicable
12. Put/Call Options: Change of Control Put Option  
Issuer Call  
(See paragraphs 17 and 19 below)

13. (i) Status of the Notes: Senior
- (ii) Date Board approval for issuance of Notes obtained: 24 September 2018

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

14. **Fixed Rate Note Provisions** Applicable
- (i) Rate of Interest: 2.375 per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): 15 August in each year
- (iii) Fixed Coupon Amount: £23.75 per Calculation Amount
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)
- (vi) Party responsible for calculating the amount of interest payable for any interest period following any Rate Adjustment: The Principal Paying Agent
15. **Floating Rate Note Provisions** Not Applicable
16. **Zero Coupon Note Provisions** Not Applicable

**PROVISIONS RELATING TO REDEMPTION**


17. Call Option Applicable
- (i) Optional Redemption Date(s) (Call): At any time following the expiry of the notice period set out in the Conditions.
- (ii) Optional Redemption Amount(s) (Call) of each Note: If the Call Option Notice is dated before the date falling three (3) months prior to the Maturity Date: Sterling Make Whole Redemption Amount
- If the Call Option Notice is dated on or after the date falling three (3) months prior to the Maturity Date: £1,000 per Calculation Amount
- (a) Reference Bond: UKT 5% March 2025
- (b) Quotation Time: 11:00 a.m. London Time
- (c) Redemption Margin: 0.30 per cent.
- (d) Reference Date: As per the Conditions
- (iii) If redeemable in part: Not Applicable
- (iv) Notice period: As per the Conditions

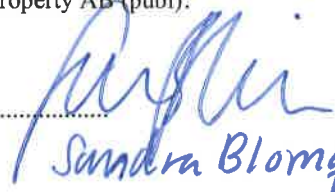
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|-----|---|-------------------------------|
| 18. | Put Option  | Not Applicable                |
| 19. | Change of Control Put Option:                                       | Applicable                    |
|     | (i) Optional Redemption Amount(s) (Change of Control) of each Note: | £1,000 per Calculation Amount |
|     | (ii) Change of Control Put Period                                   | As per the Conditions         |
| 20. | <b>Final Redemption Amount of each Note</b>                         | £1,000 per Calculation Amount |
| 21. | <b>Early Redemption Amount (Tax)</b>                                | £1,000 per Calculation Amount |
| 22. | <b>Early Termination Amount</b>                                     | £1,000 per Calculation Amount |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- |     |   |   |
|-----|---|---|
| 23. | Form of Notes:  | <b>Bearer Notes:</b><br><br>Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note |
| 24. | New Global Note:  | Yes   |
| 25. | Additional Financial Centre(s) or other special provisions relating to payment dates:                 | TARGET Settlement Day   |
| 26. | Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | No  |
| 27. | Prohibition of Sales to EEA Retail Investors:   | Applicable  |
| 28. | Relevant Benchmark:   | Not Applicable  |

Signed on behalf of Akelius Residential Property AB (publ):

By:  .....  
 Duly authorised  
 Leiv Synnes

  
 Sandra Blomquist

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: Ireland
- (i) Admission to Trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Irish Stock Exchange with effect from the Issue Date. The Original Notes have been admitted to trading on the regulated market of the Irish Stock Exchange since 15 September 2017.
- (ii) Estimate of total expenses related to admission to trading: EUR 600

### 2. RATINGS

The Notes to be issued are expected to be rated BBB by Standard & Poor's Credit Market Services Europe Limited ("**S&P**")

S&P is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").

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

Save for any fees payable to the Sole Lead Manager, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Sole Lead Manager and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

### 4. USE OF PROCEEDS

The proceeds of the issue will be used for the general corporate purposes of the Group (including investments, acquisitions and development projects) and for the repayment of some of the Group's existing indebtedness (including any indebtedness that may be owed to the Sole Lead Manager).

### 5. YIELD

Indication of yield: 3.196 per cent. semi-annual

### 6. OPERATIONAL INFORMATION

ISIN: Until the Notes are consolidated, become fungible with and form a single series with the Original Notes, the Notes will have the temporary ISIN XS1888284426. After that, the Notes will have the same ISIN as the Original Notes, which is XS1684269761.

Common Code: Until the Notes are consolidated, become fungible with and form a single series with the Original Notes, the Notes will have the temporary Common Code 188828442. After that, the Notes will have the same Common

Code as the Original Notes, which is 168426976.

FISN: AKELIUS RES (PU/2.375 MTN 20250815

CFI: DTFXFB

Delivery: Delivery against payment

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

Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes 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.

7. **DISTRIBUTION**

(i) Method of Distribution: Syndicated

(ii) If syndicated:

(A) Names of Managers Barclays Bank PLC  
5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

(B) Stabilisation Manager(s), if any: Not Applicable

(iii) If non-syndicated, name of Dealer: Not Applicable

(iv) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D