

Term Sheet – Elering AS EUR 225 million Fixed Rate Notes due 3rd May 2023

Pricing Date:	26 th April 2018
Settlement Date:	3 rd May 2018
Issuer:	Elering AS
Issuer Rating:	A2 (Moody's)
Issue currency and amount:	EUR 225 million
Form of the Notes:	Reg S Registered, Bearer Form
Status:	Senior Unsecured
Maturity:	3 rd May 2023
First Coupon Date:	3 rd May 2019
Coupon:	0.875 %, annual
Day Count:	Actual / Actual (ICMA)
Re-offer price:	99.907 %
Re-offer yield:	0.894 %
Benchmark bond:	OBL 0.000% due 14 April 2023
Benchmark yield*:	-0.016 %
Re-offer spread over Benchmark:	+ 91 bps
Euro Reference Mid-Swap Rate*:	0.424 %
Re-offer spread to Euro Mid-Swaps:	+ 47 bps
Listing:	London Stock Exchange / English
Denominations:	EUR 100,000 and EUR 1,000 thereafter
Governing Law:	English Law
Joint Lead Managers and Joint Bookrunners:	Danske Bank, J.P. Morgan
Billing&Delivery:	J.P. Morgan
Selling Restrictions:	Set out in the Offering Circular
ISIN:	XS1713464102
Clearing:	Euroclear / Clearstream, Luxembourg
Fiscal, Paying and Transfer Agent:	Deutsche Bank AG, London Branch
Redemption at the Option of Noteholders upon Change of Control: [Set out in the Offering Circular]	Put option at 100% upon a Change of Control event (defined as Republic of Estonia ceases to own directly or indirectly at least 51% of the Issuer or ceases to control at least 51% of voting rights) and downgrade to sub-investment grade rating
Optional Redemption by the Issuer: [Set out in the Offering Circular]	<p>Upon giving 30-60 day irrevocable notice to the Noteholders, the Issuer may redeem the Notes in full as follows:</p> <ul style="list-style-type: none"> • At any time up to 3 February 2023 at the greater of a) principal amount outstanding and b) price calculated based on Benchmark bond yield + 15 bps • From 4 February 2023 to Maturity date at principal amount outstanding • At any date, at principal amount outstanding, if over 80% of the Notes originally issued have been re-purchased (and cancelled) and/or redeemed • In each case, with interest accrued up to but excluding the date fixed for redemption

* Market data as of pricing