

Final Terms dated 3 June 2013

**KOMMUNALBANKEN AS**

Issue of

**U.S.\$500,000,000 0.375 per cent. Instruments due 10 April 2015**  
(to be consolidated and form a single series with the U.S.\$1,500,000,000 0.375 per cent. Instruments due 10 April 2015 issued on 10 April 2013)

**UNDER THE  
PROGRAMME FOR THE ISSUANCE OF DEBT INSTRUMENTS**

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Instruments in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Member State, from the requirement to publish a prospectus for offers of the Instruments. Accordingly any person making or intending to make an offer in that Member State of the Instruments may only do so in circumstances in which no obligation arises for the Issuer or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Joint Lead Manager has authorised, nor do they authorise, the making of any offer of Instruments in any other circumstances.

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 *provided, however, that* all references in this document to the "Prospectus Directive" in relation to any Member State of the European Economic Area refer to Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant Member State), and include any relevant implementing measure in the relevant Member State.

**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 base prospectus dated 18 April 2012. This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive and, save in respect of the Conditions, must be read in conjunction with the base prospectus dated 18 April 2013, which constitutes a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive. The Conditions are incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Instruments is only available on the basis of the combination of these Final Terms, the Base Prospectus and the Conditions. The Base Prospectus and the Conditions are available for viewing at Kommunalbanken AS, Haakon VII's gate 5b, 0110 Oslo, Norway and Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom, and the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and copies may be obtained from Kommunalbanken AS, Haakon VII's gate 5b, 0110 Oslo, Norway and Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom.

1.
  - (i) Series Number: 4410
  - (ii) Tranche Number: 2
  - (iii) Date on which the Instruments become fungible: The Instruments represented by the Rule 144A Global Instrument will be consolidated, become fungible and form a single Series with those Original Instruments also represented by a Rule 144A Global Instrument on the Issue Date and the Instruments represented by the Regulation S Global Instrument will be consolidated, become fungible and form a single Series with those Original Instruments also represented by a Regulation S Global Instrument not earlier than 40 days from the Issue Date following the expiration of the distribution compliance period (as defined in Regulation S)
2. Specified Currency: United States Dollars ("U.S.\$")
3. Aggregate Principal Amount:
  - (i) Series: U.S.\$2,000,000,000
  - (ii) Tranche: U.S.\$500,000,000
4. Issue Price: 99.912 per cent. of the Aggregate Principal Amount of the Tranche plus accrued interest from the Interest Commencement Date
5.
  - (i) Specified Denominations: U.S.\$100,000 and multiples of U.S.\$2,000 thereafter
  - (ii) Calculation Amount: U.S.\$2,000
6.
  - (i) Issue Date: 5 June 2013
  - (ii) Interest Commencement Date: 10 April 2013
7. Maturity Date: 10 April 2015
8. Types of Instruments: Fixed Rate
9. Interest Basis: 0.375 per cent. Fixed Rate (further particulars specified below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Instruments will be redeemed on the Maturity Date at 100 per cent. of their nominal amount

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|-----|---|----------------|
| 11. | Change of Interest or Redemption/<br>Payment Basis: | Not Applicable |
| 12. | Put/Call Options:                                   | Not Applicable |
| 13. | Status of the Instruments:                          | Senior         |

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

- |        |   |   |
|--------|---|---|
| 14.    | <b>Fixed Rate Instrument Provisions</b>                       | Applicable  |
| (i)    | Interest Rate:  | 0.375 per cent. per annum payable semi-annually in arrear   |
| (ii)   | Interest Payment Date(s):                                     | 10 April and 10 October in each year commencing on 10 October 2013  |
| (iii)  | Adjustment of Interest Payment Date(s) for payment purposes:  | Interest Payment Dates will not be adjusted for calculation of interest; however, for payment purposes only, the Following Business Day Convention will apply |
| (iv)   | Fixed Coupon Amount:  | U.S.\$3.75 per Calculation Amount, on each Interest Payment Date  |
| (v)    | Party responsible for calculating the Fixed Coupon Amount(s): | Not Applicable  |
| (vi)   | Broken Amount(s):   | Not Applicable  |
| (vii)  | Day Count Fraction:   | 30/360  |
| (viii) | Determination Dates:  | Not Applicable  |
| (ix)   | Additional Financial Centre(s) relating to Business Days:     | Not Applicable  |
| 15.    | <b>Floating Rate Instrument Provisions</b>                    | Not Applicable  |
| 16.    | <b>Fixed Interest Discounted Issue Instrument Provisions</b>  | Not Applicable  |
| 17.    | <b>Zero Coupon Instrument Provisions</b>                      | Not Applicable  |
| 18.    | <b>Index Linked Interest Instrument Provisions</b>            | Not Applicable  |
| 19.    | <b>Share Linked Interest Instrument Provisions</b>            | Not Applicable  |
| 20.    | <b>FX Linked Interest Instrument Provisions</b>               | Not Applicable  |

- |     |   |                |
|-----|---|----------------|
| 21. | <b>Fund Linked Interest Instrument Provisions</b> | Not Applicable |
|-----|---|----------------|

## PROVISIONS RELATING TO REDEMPTION

- |     |   |                                    |
|-----|---|------------------------------------|
| 22. | <b>Call Option</b>  | Not Applicable                     |
| 23. | <b>Put Option</b>   | Not Applicable                     |
| 24. | <b>Automatic Early Redemption</b>   | Not Applicable                     |
| 25. | <b>Maturity Redemption Amount of each Instrument</b>  | U.S.\$2,000 per Calculation Amount |
| 26. | <b>Early Redemption Amount</b>  |                                    |
|     | (i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons:             | U.S.\$2,000 per Calculation Amount |
|     | (ii) Early Redemption Amount(s) per Calculation Amount payable on event of default or other early redemption: | U.S.\$2,000 per Calculation Amount |
| 27. | <b>Index Linked Redemption Instruments</b>  | Not Applicable                     |
| 28. | <b>Share Linked Redemption Instruments</b>  | Not Applicable                     |
| 29. | <b>FX Linked Redemption Instruments</b>   | Not Applicable                     |
| 30. | <b>Instruments with Dual or Other Currency Settlement Conditions</b>  | Not Applicable                     |
| 31. | <b>Fund Linked Redemption Instruments</b>   | Not Applicable                     |
| 32. | <b>Commodity Linked Redemption Instruments</b>  | Not Applicable                     |
| 33. | <b>Physical Delivery Instruments</b>  | Not Applicable                     |

## GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

- |     |                        |  |
|-----|------------------------|--|
| 34. | Form of Instruments:   | <b>Registered Instruments:</b><br><br>Regulation S Instrument and Rule 144A Instrument |
| 35. | New Global Instrument: | No   |

- |     |  |                     |
|-----|--|---------------------|
| 36. | Relevant Financial Centre(s) or other special provisions relating to Payment Dates:  | London and New York |
| 37. | Additional Financial Centre(s) relating to Relevant Financial Centre Days:   | Not Applicable      |
| 38. | Talons for future Coupons or Receipts to be attached to Definitive Bearer Instruments (and dates on which such Talons mature):               | No                  |
| 39. | Details relating to Partly Paid Instruments: amount of each payment comprising the Issue Price and date on which each payment is to be made: | Not Applicable      |
| 40. | Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made:                             | Not Applicable      |
| 41. | Calculation Agent:   | Not Applicable      |
| 42. | Settlement Agent:  | Not Applicable      |

#### SIGNATURE

Signed on behalf of the Issuer:

By:  .....

*Duly authorised*

**Thomas Møller**  
Executive Vice President  
Head of Capital Markets & Funding

## **PART B - OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

- |       |   |  |
|-------|---|--|
| (i)   | Listing:  | Luxembourg   |
| (ii)  | Admission to trading:                                       | Application has been made by the Issuer (or on its behalf) for the Instruments to be admitted to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange with effect from the Issue Date<br><br>The Original Instruments are admitted to listing on the official list of the Luxembourg Stock Exchange and to trading on the regulated market of the Luxembourg Stock Exchange |
| (iii) | Estimate of total expenses related to admission to trading: | €400 (listing fee)   |

### **2. RATINGS**

The Instruments to be issued have been rated:

Standard & Poor's Credit Market Services Europe Limited:	AAA
Moody's Investors Service Ltd:	Aaa

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

So far as the Issuer is aware, no person involved in the offer of the Instruments has an interest material to the offer

### **4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS**

- |      |                         |   |
|------|-------------------------|---|
| (i)  | Reasons for the offer:  | The net proceeds of the issue of the Instruments will be applied by the Issuer to meet part of its general financing requirements |
| (ii) | Estimated net proceeds: | U.S.\$499,846,458.33 (including accrued interest)   |

### **5. (*Fixed Rate Instruments only*) - YIELD**

Indication of yield:	0.423 per cent. semi-annual
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6. ***(Floating Rate Instruments only)* - HISTORIC INTEREST RATES**

Not Applicable

7. ***(Index-Linked or other variable-linked Instruments only)* - DESCRIPTION AND PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE**

Not Applicable

8. **OPERATIONAL INFORMATION**

Regulation S ISIN Code: Until the Instruments represented by the Regulation S Global Instrument are consolidated, become fungible and form a single Series with those Original Instruments also represented by a Regulation S Global Instrument, the Instruments will have the temporary Regulation S ISIN Code XS0940730657; afterwards, the Instruments will have the same Regulation S ISIN Code as the Original Instruments, which is XS0913888987

Regulation S Common Code: Until the Instruments represented by the Regulation S Global Instrument are consolidated, become fungible and form a single Series with those Original Instruments also represented by a Regulation S Global Instrument, the Instruments will have the temporary Regulation S Common Code 094073065; afterwards, the Instruments will have the same Regulation S Common Code as the Original Instruments, which is 091388898

144A ISIN Code: US50048MBG42

CUSIP: 50048M BG4

New Global Instrument intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable

Clearing system(s): Euroclear/Clearstream, Luxembourg/DTC

Delivery: Delivery against payment

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

Name and address of Luxembourg Intermediary Agent: Not Applicable

## 9. DISTRIBUTION

- |        |  |   |
|--------|--|---|
| (i)    | Method of distribution:  | Syndicated  |
| (ii)   | If syndicated, names and addresses of Managers and underwriting commitments: | <i>Joint Lead Managers:</i><br><br><b>Citigroup Global Markets Limited</b><br>Citigroup Centre<br>Canada Square<br>Canary Wharf<br>London E14 5LB<br>United Kingdom<br>U.S.\$167,000,000<br><br><b>Merrill Lynch International</b><br>2 King Edward Street<br>London EC1A 1HQ<br>United Kingdom<br>U.S.\$166,000,000<br><br><b>Morgan Stanley &amp; Co. International plc</b><br>25 Cabot Square<br>Canary Wharf<br>London E14 4QA<br>United Kingdom<br>U.S.\$167,000,000 |
| (iii)  | Date of Subscription Agreement:  | 3 June 2013   |
| (iv)   | If non-syndicated, name and address of Manager:                              | Not Applicable  |
| (v)    | Stabilising Manager(s) (if any):   | Not Applicable  |
| (vi)   | Total (underwriting and placing) commission and concession:                  | Nil   |
| (vii)  | U.S. Selling Restrictions:   | Regulation S Category 2; Rule 144A and Section 3(c)(7) (QIBs that are also QPs)   |
| (viii) | Public Offer:  | Not Applicable  |

## 10. TERMS AND CONDITIONS OF THE OFFER

Not Applicable



## SUMMARY OF THE ISSUE

*Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A - E (A.1 - E.7).*

*This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.*

*Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".*

	<b>Section A - Introduction and Warnings</b>	
<b>A.1</b>	<b>Introduction:</b>	<i>This summary should be read as introduction to the Base Prospectus; and any decision to invest in the Instruments should be based on consideration of the Base Prospectus as a whole by the investor. Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in such Instruments.</i>
<b>A.2</b>	<b>Consent:</b>	Not Applicable.

	<b>Section B - Issuer</b>	
<b>B.1</b>	<b>Legal name of the Issuer:</b>	Kommunalbanken AS ("KBN" or the "Issuer")
	<b>Commercial name of the Issuer:</b>	Kommunalbanken Norway (KBN)
<b>B.2</b>	<b>Domicile, legal form, legislation and country of incorporation of the Issuer:</b>	The Issuer is registered in Norway as a joint stock company under the Norwegian law for limited companies ( <i>Lov om aksjeselskap</i> ).

B.4b	Trends:	Not Applicable. There is no known trend affecting the Issuer and the industry in which it operates.																																												
B.5	The Group:	Not Applicable. The Issuer does not belong to a group.																																												
B.9	Profit Forecast:	Not Applicable. The Issuer does not make profit forecasts.																																												
B.10	Audit Report Qualifications:	Not Applicable. There are no qualifications in the audit reports for the Issuer.																																												
B.12	Selected Key Financial Information:	<p>The table below shows certain selected summarised financial information which is derived from, and must be read together with, the Issuer's audited non-consolidated financial statements for the years ending 31 December 2012 and 2011 which are incorporated by reference in the Base Prospectus and the auditor's report and notes thereto.</p> <table><tr><td></td><td colspan="3">31 December</td></tr><tr><td></td><td>2012</td><td>2011</td><td>2010</td></tr><tr><td></td><td colspan="3">(NOK millions)</td></tr><tr><td>Net interest income .....</td><td>2,032</td><td>1,582</td><td>1,197</td></tr><tr><td>Profit before tax .....</td><td>2,604</td><td>1,001</td><td>1,034</td></tr><tr><td>Instalment loans (principal amounts) .....</td><td>219,204</td><td>207,572</td><td>183,841</td></tr><tr><td>Total assets .....</td><td>348,953</td><td>366,901</td><td>315,491</td></tr><tr><td>Senior securities issued (principal amounts).....</td><td>312,867</td><td>338,615</td><td>290,231</td></tr><tr><td>Total liabilities .....</td><td>341,560</td><td>362,307</td><td>311,456</td></tr><tr><td>Share capital .....</td><td>2,145</td><td>1,221</td><td>1,221</td></tr><tr><td>Total equity .....</td><td>7,393</td><td>4,594</td><td>4,034</td></tr></table> <p>There has been no material adverse change in the prospects or condition of the Issuer since 31 December 2012, being the date of its last published audited financial statements.</p> <p>There has been no significant change in the financial or trading position of the Issuer which has occurred since 31 December 2012, being the date of its last published audited financial statements.</p>		31 December				2012	2011	2010		(NOK millions)			Net interest income .....	2,032	1,582	1,197	Profit before tax .....	2,604	1,001	1,034	Instalment loans (principal amounts) .....	219,204	207,572	183,841	Total assets .....	348,953	366,901	315,491	Senior securities issued (principal amounts).....	312,867	338,615	290,231	Total liabilities .....	341,560	362,307	311,456	Share capital .....	2,145	1,221	1,221	Total equity .....	7,393	4,594	4,034
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B.13	Recent Events:	Not Applicable. There have been no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.																																												
B.14	Dependence upon other entities within the Group:	Not Applicable. The Issuer does not belong to a group.																																												
B.15	The Issuer's Principal Activities:	The Issuer's principal objective is to provide loans on competitive terms to counties, municipalities and inter-municipal companies for a variety of investment projects. Loans are also granted for power plants, private																																												

		<p>health institutions, co-operative water works and other entities that perform local government services, provided that loans are used to finance projects that can be designated as primary municipal investments and that each such loan benefits from a municipal guarantee.</p> <p>The Issuer offers a range of products to the municipal sector. The largest segment of the loan portfolio is linked to floating interest rates based either on short term money market rates or Norwegian Interbank Offer Rates (NIBOR) with various interest rate reset dates. Loans are also granted on a fixed rate basis with varying fixed rate periods set to meet each individual customer's needs and market views.</p> <p>The objective of the Issuer's funding operations is to meet growing borrowing requirements with a well diversified funding base, effectively achieved by regular issuance of benchmark transactions, a visible presence in institutional niche markets and by being a flexible issuer of structured instruments. The majority of funding is issued off the Programme. Bond issues take the form of public offerings or private placements. Public offerings are made to institutional and retail investors in a number of currencies and countries.</p>																					
B.16	Controlling Persons:	The Issuer is owned entirely by the Norwegian State represented by the Ministry of Local Government.																					
B.17	Ratings assigned to the Issuer or its Debt Securities:	<p>As at the date of the Base Prospectus, each of Standard &amp; Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd provided the following ratings:</p> <p><b>Moody's Investors Service Ltd</b></p> <table><tr><th colspan="4">Instruments issued under the Programme</th></tr><tr><th>Long-term senior debt</th><th>Senior unsecured</th><th>Unsubordinated</th><th>Short-term</th></tr><tr><td>Aaa</td><td>Aaa</td><td>Aa1</td><td>P-1</td></tr></table> <p><b>Standard &amp; Poor's Credit Market Services Europe Limited</b></p> <table><tr><th colspan="3">Instruments issued under the Programme</th></tr><tr><th>Long-term senior debt</th><th>Senior unsecured with maturity of one year or more</th><th>Senior unsecured with maturity of less than one year</th></tr><tr><td>AAA</td><td>AAA</td><td>A-1+</td></tr></table>	Instruments issued under the Programme				Long-term senior debt	Senior unsecured	Unsubordinated	Short-term	Aaa	Aaa	Aa1	P-1	Instruments issued under the Programme			Long-term senior debt	Senior unsecured with maturity of one year or more	Senior unsecured with maturity of less than one year	AAA	AAA	A-1+
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AAA	AAA	A-1+																					

		Each of Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended (the " <b>CRA Regulation</b> ") and was, as of the date of the Base Prospectus, included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website ( <a href="http://www.esma.europa.eu/page/list-registered-and-certified-CRAs">www.esma.europa.eu/page/list-registered-and-certified-CRAs</a> ) in accordance with the CRA Regulation.
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	<b>Section C - The Instruments</b>	
<b>C.1</b>	<b>Type and Class of Securities, Security Identification Number:</b>	<p>The Instruments are fixed rate notes.</p> <p>The Instruments are issued as Series number 4410, Tranche number 2.</p> <p>The Instruments will be consolidated and form a single series with the U.S.\$1,500,000,000 0.375 per cent. Instruments due 10 April 2015 issued on 10 April 2013 (the "<b>Original Instruments</b>").</p> <p><b>Security Identification Number(s):</b></p> <p>Temporary Regulation S ISIN: XS0940730657</p> <p>Permanent Regulation S ISIN: XS0913888987</p> <p>Temporary Regulation S Common Code: 094073065</p> <p>Permanent Regulation S Common Code: 091388898</p> <p>144A ISIN: US50048MBG42</p> <p>CUSIP: 50048M BG4</p>
<b>C.2</b>	<b>Currency of the Securities Issue:</b>	The currency of the Instruments is United States dollars ("U.S.\$").
<b>C.5</b>	<b>Restrictions on Free Transferability:</b>	The Issuer and the Joint Lead Managers have agreed certain restrictions on offers, sales and deliveries of Instruments and on the distribution of offering material.
<b>C.8</b>	<b>The Rights Attaching to the Securities, including Ranking and Limitations to those Rights:</b>	<p><b>Forms of Instruments:</b> The Instruments will be issued in registered form ("<b>Registered Instruments</b>").</p> <p>Registered Instruments may be sold (i) outside the United States to non-U.S. persons in "offshore transactions" within the meaning of Regulation S</p>

		<p>("Regulation S Instruments") and/or (ii) in the United States to QIBs that are also QPs within the meaning of Rule 144A ("<b>Rule 144A Instruments</b>").</p> <p>Regulation S Instruments will be represented on issue by an Instrument in registered form, without interest coupons (each, a "<b>Regulation S Global Instrument</b>"), and Rule 144A Instruments will be represented on issue by an Instrument in registered form, without interest coupons (each, a "<b>Rule 144A Global Instrument</b>" and, together with the Regulation S Global Instrument, the "<b>Global Registered Instruments</b>"). Global Registered Instruments may be exchangeable for definitive Instruments in registered form in certain limited circumstances.</p> <p>On the Issue Date, Global Registered Instruments will be (i) registered in the name of, and deposited with, a common depositary on behalf of Euroclear and Clearstream, Luxembourg and/or (ii) registered in the name of Cede &amp; Co. as nominee for, and deposited with a custodian for, The Depository Trust Company ("<b>DTC</b>"). Registered Instruments may not be exchanged for Bearer Instruments and are subject to certain restrictions on transfer.</p> <p><b>Denominations:</b> The Instruments are issued in the denomination(s) of U.S.\$100,000 and multiples of U.S.\$2,000 thereafter.</p> <p><b>Negative Pledge:</b> The Instruments have the benefit of a negative pledge in respect of any indebtedness for money borrowed or raised in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market).</p> <p><b>Cross Default:</b> The Instruments have the benefit of a cross default subject to a threshold of EUR20,000,000 (or its equivalent in any other currency or currencies).</p> <p><b>Status of the Instruments:</b> The Instruments are unsubordinated Instruments.</p> <p><b>Taxation:</b> Payments in respect of the Instruments will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Kingdom of</p>
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		<p>Norway or any political subdivision thereof or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event, the Issuer will (subject to certain exceptions) pay such additional amounts as will result in the holders of Instruments receiving such amounts as they would have received in respect of such Instruments had no such withholding or deduction been required.</p> <p><b>Governing Law:</b> The Instruments, all related contractual documentation and any non-contractual obligations arising out of or in connection with them will be governed by English law.</p> <p><b>Enforcement of Instruments in Global Form:</b> In the case of Instruments in global form, the rights of investors will be supported by a Deed of Covenant dated 18 April 2013, a copy of which will be available for inspection at the specified office of the Issue and Paying Agent.</p>
C.9	<p><b>The Rights Attaching to the Securities (Continued), Including Information as to Interest, Maturity, Yield and the Representative of the Holders:</b></p>	<p>See C.8 for a description of the rights attaching to the Instruments, ranking and limitations.</p> <p><b>Interest:</b> The Instruments are interest-bearing. The Instruments bear interest from the Interest Commencement Date at a fixed rate of 0.375 per cent. per annum payable in arrear on 10 April and 10 October in each year.</p> <p><b>Maturities:</b> Unless previously redeemed, or purchased and cancelled, the Instruments will be redeemed on 10 April 2015.</p> <p><b>Redemption:</b> Unless previously redeemed, or purchased and cancelled, each Instrument will be redeemed at its Maturity Redemption Amount of 100 per cent.</p> <p><b>Optional Redemption:</b> Not Applicable.</p> <p><b>Automatic Early Redemption:</b> Not Applicable.</p> <p><b>Tax Redemption:</b> Early redemption will only be permitted if (i) the Issuer has or will become obliged to pay certain additional amounts in respect of the Instruments as a result of any change in the tax laws, regulations and rulings of Kingdom of Norway, (ii) such obligations cannot be avoided by the Issuer, and (iii) such circumstances are evidenced by the delivery by the Issuer of a certificate signed by two directors of the Issuer and an opinion of independent legal advisers of</p>

		<p>recognised standing that such circumstances prevail (in such a case, redemption (being in whole, but not in part) together with any accrued interest, and by the Issuer's giving of not less than 30 nor more than 60 day's prior notice to the Holders).</p> <p><b>Yield:</b> Based upon the Issue Price of 99.912 per cent., at the Issue Date the anticipated yield of the Instruments is 0.423 per cent. semi-annual.</p> <p><b>Representative of the Holders:</b> See "<i>Enforcement of Instruments in Global Form</i>" in C.8.</p>
<b>C.10</b>	<b>Derivative components in interest payment:</b>	Not Applicable. There is no derivative component in the interest payments.
<b>C.11</b>	<b>Trading on a regulated market:</b>	<p>Application has been made for the Instruments to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.</p> <p>The Original Instruments are admitted to trading on the regulated market of the Luxembourg Stock Exchange.</p>
<b>C.15</b>	<b>Value of the Instruments and value of the Underlying:</b>	Not Applicable. There is no underlying which may affect the values of the Instruments.
<b>C.16</b>	<b>Exercise Date or Final Reference Date:</b>	Not Applicable. The Instruments do not have an underlying and are not derivative securities.
<b>C.17</b>	<b>Settlement Procedure:</b>	<p>Settlement of any Instruments that are represented by a Global Registered Instrument shall take place on the relevant redemption date and will be effected by the Issuer paying the redemption amount to the relevant Paying Agents for onward transmission to Euroclear, Clearstream, Luxembourg and/or DTC (as applicable). Investors will receive their redemption monies through their accounts in Euroclear, Clearstream, Luxembourg and/or DTC (as applicable) in accordance with the standard settlement procedures of Euroclear, Clearstream, Luxembourg and/or DTC (as applicable).</p> <p>In respect of Instruments that are in definitive form, payment of the redemption amount will be made against presentation and surrender of the Instrument Certificates at the specified office of any Paying Agent.</p>
<b>C.18</b>	<b>The Return:</b>	Not Applicable. The Instruments do not have an underlying and are not derivative securities.

<b>C.19</b>	<b>Exercise Price or Final Reference Price:</b>	Not Applicable. The Instruments do not have an underlying and are not derivative securities.
<b>C.20</b>	<b>Type of Underlying:</b>	Not Applicable. The Instruments do not have an underlying.
<b>C.21</b>	<b>Indication of the market where the securities will be traded:</b>	<p>Application has been made for the Instruments to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and for which the Base Prospectus has been published.</p> <p>The Original Instruments are admitted to trading on the regulated market of the Luxembourg Stock Exchange.</p>

<b>Section D - Risks</b>		
<b>D.2</b>	<b>Key Risks Specific to the Issuer:</b>	<ul style="list-style-type: none"> <li>• <i>Interest rate risk</i> - The Issuer may not be able to manage the mismatch in the interest periods between its lending and funding activities.</li> <li>• <i>Counterparty risk</i> - The Issuer may face counterparty risks which it may not be able to effectively manage.</li> <li>• <i>Liquidity risk</i> - The Issuer may face liquidity risks which it may not be able to effectively manage.</li> <li>• <i>The Issuer has not registered, and will not register, as an investment company under the Investment Company Act</i> - The Issuer will seek to qualify for an exemption from the definition of "investment company" under the Investment Company Act and will not register as an investment company in the United States under the Investment Company Act.</li> <li>• <i>The Kingdom of Norway does not guarantee any of the Issuer's obligations</i> - As at the date of the Base Prospectus, the Issuer is owned entirely by the Norwegian State as represented by the Ministry of Local Government. However, the Norwegian State does not guarantee any of the Issuer's obligations including the Instruments and payment to holders of Instruments is therefore solely dependent on the creditworthiness of the Issuer.</li> </ul>
<b>D.3</b>	<b>Key Risks Specific to the Instruments:</b>	<ul style="list-style-type: none"> <li>• <i>Instruments subject to limited liquidity</i> - The Instruments may not be actively traded creating a lack of liquidity and resulting in the Instruments trading at a discount to their initial offering price.</li> </ul>



		<ul style="list-style-type: none"> <li>• <i>Interest rate risk</i> - Changes in interest rates may affect the value of Fixed Rate Instruments.</li> <li>• <i>Reliance on the procedures of the clearing systems</i> - As the Issuer will make payments in respect of any Instrument held in a global form through the relevant clearing system, the beneficial holders of such Instruments will need to rely on the procedures of the relevant clearing system in respect of payments relating to the Instruments, as well as exercising of voting rights.</li> <li>• <i>Nominee arrangements</i> - Where a nominee service provider is used by an investor, the investor is exposed to credit and default risk in relation to such nominee. The nominee may also fail to perform its duties.</li> </ul> <p>There are also certain risks relating to the Instruments generally, such as restrictions on transfer, credit or corporate ratings not reflecting all the risks, modification and waiver, change of law, minimum specified denominations and the EU Savings Directive.</p>
<b>D.6</b>	<b>Risk Warning</b>	See Element D.3. In the event of the insolvency of the Issuer or if it is otherwise unable or unwilling to repay the Instruments when repayment falls due, an investor may lose all or part of his investment in the Instruments.

<b>Section E - Offer</b>		
<b>E.2b</b>	<b>Reasons for the Offer and Use of Proceeds:</b>	The net proceeds of the issue of the Instruments will be applied by the Issuer to meet part of its general financing requirements.
<b>E.3</b>	<b>Terms and Conditions of the Offer:</b>	Not Applicable.
<b>E.4</b>	<b>Interests Material to the Issue:</b>	The Issuer has appointed Citigroup Global Markets Limited, Merrill Lynch International and Morgan Stanley & Co. International plc (the " <b>Joint Lead Managers</b> ") as Managers of the issue of the Instruments. The arrangements under which the Instruments are sold by the Issuer to, and purchased by, the Joint Lead Managers are set out in the Subscription Agreement made between the Issuer and the Joint Lead Managers.
<b>E.7</b>	<b>Estimated Expenses:</b>	Not applicable. No expenses will be chargeable by the Issuer to an Investor in connection with any offer of

		Instruments.
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