

SIMPLIFIED PROSPECTUS



KfW
Frankfurt am Main
Federal Republic of Germany

NOK 1,000,000,000 1.670% Bonds due May 24, 2023

	Issue Price	Aggregate Principal Amount
Tranche A Bonds	100%	NOK 1,000,000,000

KfW (the "**Issuer**") will issue on June 7, 2019 (the "**Issue Date**") fixed rate bonds (the "**Bonds**") in an aggregate principal amount of NOK 1,000,000,000 in one tranche (the "**Tranche A Bonds**") at an issue price of 100% of their aggregate principal amount.

The Bonds will bear interest from (and including) June 7, 2019 (the "**Interest Commencement Date**") to (but excluding) May 24, 2023 (the "**Maturity Date**") at a fixed rate of 1.670% per annum. Interest will be payable on the Bonds annually in arrear in Norwegian Kroner on May 24 in each year (subject to adjustment as specified herein for non-Payment Business Days) (each, an "**Interest Payment Date**"), commencing on May 24, 2020. See "TERMS AND CONDITIONS OF THE BONDS – Interest; Payments". The Bonds are expected to be redeemed in full on the Maturity Date (subject to adjustment as specified herein for non-Payment Business Days). See "TERMS AND CONDITIONS OF THE BONDS – Redemption; Payments".

The Manager will purchase the Bonds from the Issuer on the Issue Date. The Manager will offer the Bonds, from time to time, in negotiated transactions or otherwise at varying prices to be determined at the time of the sale.

Application has been made to the Luxembourg Stock Exchange for the admission of the Bonds to listing on the official list and to trading on the regulated market (within the meaning of Directive 2014/65/EU on markets in financial instruments of May 15, 2014, as amended ("**MiFID II**")) of the Luxembourg Stock Exchange.

Manager
SEB

The date of this Simplified Prospectus is June 7, 2019.

THE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY STATE SECURITIES LAWS, AND UNLESS SO REGISTERED MAY NOT BE OFFERED OR SOLD 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) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE BONDS ARE BEING OFFERED AND SOLD ONLY TO PERSONS (OTHER THAN U.S. PERSONS) OUTSIDE THE UNITED STATES PURSUANT TO REGULATION S UNDER THE SECURITIES ACT. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON RESALES OR TRANSFERS, SEE "SUBSCRIPTION AND SALE" BELOW.

The Bonds are governed by the laws of the Kingdom of Norway ("**Norway**").

The Bonds will be issued in the form of dematerialised bonds registered in, and held through, Verdipapirsentralen ASA (the "**VPS**"). VPS is the Norwegian paperless centralised securities registry. It is a computerised book-entry system in which the ownership of, and all transactions relating to, registered securities must be recorded. All transactions relating to securities registered with VPS are made through computerised book entries. VPS confirms each entry by sending a transcript to the registered holder irrespective of any beneficial ownership. To effect such entries, the individual holder of securities must establish a securities account with an account agent. Norwegian banks, the Bank of Norway, authorised securities brokers in Norway and credit institutions and authorised securities brokers with its head office in another EEA state and which are subject to supervision in their home state are allowed to act as account agents. It is also possible to register a holding of securities through a nominee approved by the Financial Supervisory Authority of Norway. The entry of a transaction in VPS is prima facie evidence in determining the legal rights of parties as against the issuing entity or a third party claiming an interest in the given security. VPS is liable for any economic loss resulting from an error in connection with its registration activities unless the error is caused by matters outside the control of the VPS and which the VPS could not reasonably be expected to avoid or overcome. The VPS's liability is as a main rule limited to NOK 500,000,000 for each error. The VPS is only liable for indirect economic loss to the extent such indirect economic loss is a result of wilful misconduct or gross negligence on the part of the VPS. In cases of wilful misconduct or gross negligence on the part of VPS, the above-mentioned liability cap does not apply. The courts may reduce or set aside VPS's liability if the person making the claim has wilfully or negligently contributed to the loss.

The Bonds may be transferred in book-entry form only. The Bonds will be issued in a denomination of NOK 10,000.

Clearing through Clearstream Banking, S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear**"), each an international central securities depositary (together the "**ICSDs**"), will also be possible upon issue of the Bonds.

In this Simplified Prospectus references to "**NOK**" or "**Norwegian Kroner**" or "**Kroner**" or "**Kr**" are to the currency of Norway and references to "**euro**" or "**EUR**" or "**€**" are to the single unified currency of the members of the European Union that have adopted the euro in accordance with the Treaty on European Union, as amended.

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THIS PROSPECTUS

This prospectus (hereinafter, the "**Prospectus**") has been drawn up in order to permit the admission of the Bonds to listing on the official list and to trading on the regulated market "*Bourse de Luxembourg*" of the Luxembourg Stock Exchange (the "**Luxembourg Stock Exchange**"). The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of MiFID II (the "**Regulated Market**").

This Prospectus fulfils the requirements for a simplified prospectus pursuant to Chapter 2 of Part III of the *Loi relative aux prospectus pour valeurs mobilières*, as amended (the "**Luxembourg Prospectus Act**") and application has been made to the Luxembourg Stock Exchange for the approval of this Prospectus. It does not constitute a prospectus for the purposes of Directive 2003/71/EC, as amended or superseded (the "**Prospectus Directive**"), nor does it constitute a prospectus pursuant to Part II of the Luxembourg Prospectus Act transforming the Prospectus Directive into law in Luxembourg. Accordingly, this Prospectus does not purport to meet the format and the disclosure requirements of the Prospectus Directive and Commission Regulation (EC) No 809/2004, as amended or superseded, implementing the Prospectus Directive, and it has not been, and will not be, submitted for approval to any competent authority within the meaning of the Prospectus Directive. The Bonds will therefore not qualify for the benefit of the single European passport pursuant to the Prospectus Directive.

RESPONSIBILITY STATEMENT

KfW with its registered office at Palmengartenstraße 5-9, 60325 Frankfurt am Main, Federal Republic of Germany, accepts responsibility for the contents of this Prospectus and has taken all reasonable care to ensure that the facts stated therein are true and accurate and that no material facts have been omitted.

NOTICE

No person has been authorised to give any information or to make any representations, other than those contained in this Prospectus, in connection with the issue and sale of the Bonds, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Manager (the "**Manager**") named on the cover page of this Prospectus.

Neither the delivery of this Prospectus nor any offering, sale or delivery of any Bonds shall, under any circumstances, create any implication (i) that the information in this Prospectus is correct as of any time subsequent to the date hereof or, as the case may be, subsequent to the date on which this Prospectus has been most recently amended or supplemented, or (ii) that there has been no adverse change in the financial situation of the Issuer which is material in the context of the issue and offering of the Bonds since the date of this Prospectus or, as the case may be, the date on which this Prospectus has been most recently amended or supplemented or (iii) that any other information supplied in connection with the issue of the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

To the extent permitted by the laws of any relevant jurisdiction the Manager accepts no responsibility for the accuracy and completeness of the information contained in this Prospectus. This Prospectus does not constitute an offer or an invitation by the Issuer or by the Manager to subscribe for or purchase any of the Bonds. Neither this Prospectus nor any other information supplied in connection with the Bonds should be considered as a recommendation by the Issuer or the Manager to a recipient hereof and thereof that such recipient should purchase any Bonds. This Prospectus may not be used for or in connection with any offer or invitation in any jurisdiction or in any circumstances in which such offer or invitation is unlawful or unauthorised.

No action has been taken by the Issuer or the Manager other than as set out in this Prospectus that would permit a public offering of the Bonds, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus (nor any part hereof) nor any offering circular, prospectus, form of application, advertisement or other offering materials may be issued, distributed or published in any country or jurisdiction except in compliance with applicable laws, orders, rules and regulations, and the Manager has represented that all offers and sales by it have been made on such terms.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The distribution of this Prospectus (or of any part thereof) and the offer, sale and delivery of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus (or any part thereof) comes are required by the Issuer and the Manager to inform themselves about and to observe any such restrictions. In particular, the Bonds represent obligations of the Issuer only, and do not represent obligations of the Manager or any of its respective affiliates or any affiliate of the Issuer or any other third person or entity.

For a further description of certain restrictions on offerings and sales of the Bonds and distribution of this Prospectus (or of any part thereof) see "SELLING RESTRICTIONS".

In connection with the issue and distribution of the Bonds, the Manager, or any person acting on its behalf, may over-allot the Bonds or effect transactions with a view to supporting the price of the Bonds at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin at any time after the adequate public disclosure of the terms of the offer of the Bonds and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the Manager or any person acting on its behalf in accordance with all applicable laws and rules.

INVESTMENT CONSIDERATIONS

Each person contemplating making an investment in the Bonds (each a "**Potential Investor**") must make its own investigation and analysis of the creditworthiness of the Issuer and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such investment, either alone or with the help of a financial adviser. In particular, each Potential Investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Bonds, including where the currency for principal or interest payments is different from the currency in which the Potential Investor undertakes its principal financial activities;
- (iv) understand thoroughly the terms and conditions of the Bonds and be familiar with the behaviour of financial markets and of any financial variable which might have an impact on the return on the Bonds (e.g. interest rates, currencies, or any indices);
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors including exchange control risks that may affect its investment and its ability to bear the applicable risks; and
- (vi) be aware that there is no assurance that a liquid secondary market for the Bonds develops or, if it so develops, that it will continue to exist until maturity of the Bonds and that it might not be able to sell the Bonds at any time at fair market prices if no liquid secondary market for the Bonds develops or if it ceases to exist prior to maturity of the Bonds.

Prospective purchasers should also consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of Bonds.

SUMMARY

The following summary should be read as an introduction to this Prospectus. It does not purport to be complete and is taken from, and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Prospectus. Any decision by an investor to invest in the Bonds should be based on consideration of this Prospectus as a whole.

Expressions defined in the Terms and Conditions of the Bonds (see below "TERMS AND CONDITIONS OF THE BONDS") shall have the same meaning in the following summary.

Summary regarding the Bonds

Issuer	KfW
Guarantee	The Federal Republic of Germany guarantees the servicing of the Bonds under Article 1a of the Law Concerning KfW (<i>Gesetz über die Kreditanstalt für Wiederaufbau</i> , or the " KfW Law ").
Aggregate Principal Amount	NOK 1,000,000,000
Principal Amounts of single Tranche	Tranche A: NOK 1,000,000,000
Manager	Skandinaviska Enskilda Banken AB (publ)
Fiscal Agent	Danske Bank A/S 2-12 Holmens Kanal 1092 Copenhagen K Denmark Attn. Corporate Actions
German Paying Agent	KfW Palmengartenstraße 5-9 60325 Frankfurt am Main Federal Republic of Germany
Issue Price	Tranche A: 100%
Issue Date	June 7, 2019
Maturity Date	May 24, 2023 (or if such day is not a Payment Business Day, the next succeeding day which is a Payment Business Day)
Denomination	The Bonds are issued in a denomination of NOK 10,000 each.
Method of Issue	The Bonds are issued in tranches (each a " Tranche ") consisting of Bonds which are identical in all respects. One or more Tranches, which are expressed to be consolidated and form a single series and are identical in all respects, but having different issue dates, interest commencement dates, issue prices and/or dates for first interest payments, may form a series (" Series ") of Bonds. Further Bonds may be issued as part of existing Series.
Form and Clearing	The Bonds are issued in the form of dematerialised bonds registered in Verdipapirsentralen ASA (the " VPS "). The Bonds are held through VPS, which is the Norwegian paperless centralised securities registry. It is a computerised book-entry system in which the ownership of, and all transactions relating to, registered securities must be recorded. All transactions relating to securities registered with VPS are made through computerised book entries. The Bonds will be created and held in uncertificated book entry form in accounts with VPS and title to the Bonds will be evidenced by book entry interests in accordance with the provisions of applicable legislation and regulations for the VPS as subsequently amended and supplemented and no physical document of title will be issued in respect of the Bonds. Clearing through the ICSDs CBL and Euroclear will also be possible upon issue

	of the Bonds.
Clearing Codes	The Bonds have been assigned an ISIN of NO0010853674, a German Security Code of A2YNP9 and a Common Code of 201019966.
Interest	The Bonds bear interest at a fixed rate of 1.670% per annum. Interest shall be payable in arrear on each Interest Payment Date. The first payment of interest will be made on May 24, 2020.
Yield	The reoffer yield is calculated on the basis of the issue price of the Bonds and amounts to 1.670% per annum in the case of the Tranche A Bonds.
Interest Payment Dates	On May 24 of each year (or if any such day is not a Payment Business Day, the next succeeding day which is a Payment Business Day).
Status of Bonds	The obligations under the Bonds constitute unsecured and unsubordinated obligations of the Issuer ranking <i>pari passu</i> among themselves and <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer.
Taxation	All payments by the Issuer in respect of the Bonds will be made with deduction of taxes and other duties, if such deduction is required by law. In the event of such deduction, the Issuer will not pay any additional amounts in respect of the Bonds (no "gross-up"). There will be no call option for tax reasons.
Redemption	Unless previously redeemed in whole or in part or purchased and cancelled, the Bonds shall be redeemed at their outstanding aggregate principal amount on the Maturity Date.
Events of Default	None
Negative Pledge	None
Listing and admission to trading	Application has been made for the admission of Bonds to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange.
Governing Law	The Bonds are governed by Norwegian law.
Jurisdiction	The legal venue for any disputes arising from the Terms and Conditions of the Bonds is Oslo Tingrett.
Selling Restrictions	Subject to certain exceptions, the Bonds are not being offered, sold or delivered within the United States or to U.S. persons. For a description of these and other restrictions on sale and transfer see "SELLING RESTRICTIONS".
Use of Proceeds	The net proceeds from the issuance of the Bonds (after deducting fees and expenses) will amount to Tranche A: NOK 1,000,000,000 and will be used in the general business of the Issuer.

TERMS AND CONDITIONS OF THE BONDS

The following is the text of the terms and conditions (the "**Terms and Conditions**") applicable to the **NOK 1,000,000,000 1.670% Bonds due May 24, 2023**. In the case of any overlap or inconsistency in the definition of a term or expression in the Terms and Conditions and elsewhere in this Prospectus, the definition in the Terms and Conditions will prevail.

§ 1

CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS

(1) *Currency; Denomination.* These Bonds (the "**Bonds**") of KfW (the "**Issuer**") are being issued in Norwegian Kroner (NOK) (the "**Specified Currency**") in the aggregate principal amount of NOK 1,000,000,000 (in words: NOK one billion) (the "**Aggregate Principal Amount**") in the denomination of NOK 10,000 (the "**Specified Denomination**"). The Aggregate Principal Amount may be increased by the Issuer.

(2) *Form.* The Bonds are being issued in the form of dematerialised bonds registered in Verdipapirsentralen ASA, (the "**VPS**").

(3) *Clearing System.* The Bonds are held through VPS, which is the Norwegian paperless centralised securities registry. It is a computerised book-entry system in which the ownership of, and all transactions relating to, registered securities must be recorded. All transactions relating to securities registered with VPS are made through computerised book entries. The Bonds will be created and held in uncertificated book entry form in accounts with VPS and title to the Bonds will be evidenced by book entry interests in accordance with the provisions of applicable legislation and regulations for the VPS as subsequently amended and supplemented and no physical document of title will be issued in respect of the Bonds. Norwegian laws, regulations and operating procedures applicable to and/or issued by VPS are referred to as "**VPS-Rules**".

The Bonds will also be eligible with the international central securities depositories ("**ICSDs**"). ICSDs mean Clearstream Banking, S.A., Luxembourg ("**CBL**") and Euroclear Bank SA/NV ("**Euroclear**").

(4) *Holder of Bonds.* "**Holder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Bonds.

(5) *Registered Holder of Bonds.* "**Registered Holder**" means any holder of a securities account with the VPS (including nominee securities accounts) on which any Bonds are registered.

(6) *Business Day.* In these Conditions, "**Business Day**" means any day (other than a Saturday or a Sunday) on which VPS as well as the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 ("**TARGET**") are open and commercial banks and foreign exchange markets are open for general business and settle payments in Oslo.

§ 2

STATUS

The obligations under the Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer.

§ 3

INTEREST

(1) *Rate of Interest and Interest Payment Dates.* The Bonds shall bear interest on the outstanding Aggregate Principal Amount at the rate of 1.670% per annum from (and including) June 7, 2019 (the "**Interest Commencement Date**") to (but excluding) the Maturity Date (as defined in § 4). Interest shall be payable in arrear on May 24 in each year (each such date, an "**Interest Payment Date**"), subject to adjustment in accordance with § 5(4). The first payment of interest shall, subject to § 5(4), be made on May 24, 2020 for the period commencing on June 7, 2019 (inclusive) and ending on May 24, 2020 (exclusive) and will amount to NOK 16,096,944.44 for the Aggregate Principal Amount of the Bonds.

(2) *Accrual of Interest.* The Bonds shall cease to bear interest from the beginning of the day on which they are due for redemption. If the Issuer shall fail to redeem the Bonds when due, interest shall continue to accrue on the outstanding Aggregate Principal Amount of the Bonds from and including the due date to but excluding the date of the actual redemption of the Bonds at the default rate of interest according to the Norwegian Default Interest Act, (1976), (Norwegian: *Forsinkelsesrenteloven*).

(3) *Calculation for the first payment of interest.* The amount for the first payment of interest for the period commencing on June 7, 2019 (inclusive) and ending on May 24, 2020 (exclusive) will be calculated on the basis of the day count fraction as defined in subparagraph (4) below.

(4) *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Bond for any period of time from and including the first day of such period to but excluding the last (the "**Calculation Period**"): the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).

(5) *Accrued Interest for Partial Periods.* If it is necessary to compute interest for a period of less than a full year (other than for the period as referred to in subparagraph (3)), from and including the first day of such period but excluding the last day ("**Partial Period**"), interest shall be calculated on the basis of the actual number of days in the Partial Period divided by 365.

§ 4 REDEMPTION

Redemption at Maturity. Unless previously redeemed in whole or in part or purchased and cancelled, the Bonds shall be redeemed at their Final Redemption Amount on May 24, 2023 (the "**Maturity Date**"). The Final Redemption Amount in respect of the Bonds shall be the outstanding Aggregate Principal Amount of such Bonds.

§ 5 PAYMENTS

(1)(a) *Payment of Principal.* Payment of principal in respect of the Bonds shall be made, subject to subparagraph (2) below, to VPS or to its order for credit to the accounts of the relevant Registered Holders in accordance with the VPS-Rules.

(b) *Payment of Interest.* Payment of interest on the Bonds shall be made, subject to subparagraph (2) below, to VPS or to its order for credit to the accounts of the relevant Registered Holders in accordance with the VPS-Rules.

(2) *Manner of Payment.* Payments of principal, interest and/or any other amounts due in respect of the Bonds shall be made to the Registered Holders recorded as such on the fourteenth business day (as defined by the then applicable VPS Rules) before the due date for such payment, or such other business day falling closer to the relevant due date as then may be stipulated in said rule. The payments will be effected through the facilities of the VPS in accordance with the VPS-Rules, and will be made to the bank account designated for this purpose as registered by the Registered Holder according to payment details recorded with the Registered Holder's VPS-account.

Subject to applicable laws and regulations, payments of amounts due on the Bonds shall be made in freely negotiable and convertible funds of the currency which on the respective due date is the currency of the country of the Specified Currency.

If the Issuer determines that the amount payable on the respective due date is not available to it in such freely negotiable and convertible funds for reasons beyond its control or that the Specified Currency or any successor currency to it provided for by law (the "**Successor Currency**") is no longer used for the settlement of international financial transactions, the Issuer may fulfill its payment obligations by making such payment in euro on, or as soon as reasonably practicable after, the respective due date (such date the "**Payment Date**") on the basis of the Applicable Exchange Rate. Holders shall not be entitled to further interest or any other payment as a result thereof. The "**Applicable Exchange Rate**" shall be, (i) if available, the euro foreign exchange reference rate for the Specified Currency or the Successor Currency determined and published by the European Central Bank for the most recent practicable date falling within a reasonable period prior to the Payment Date (as determined by the Issuer in its equitable discretion) or, (ii) if such rate is not available, the foreign exchange rate of the Specified Currency or the Successor Currency against the euro as determined by the Issuer in its equitable discretion.

(3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Registered Holder, as set out in this § 5.

(4) *Payment Business Day.* If the date for payment of any amount in respect of the Bonds is not a Payment Business Day then the Holder shall not be entitled to payment until the next day which is a Payment Business Day. The Holder shall not be entitled to further interest or other payment in respect of any such delay.

"Payment Business Day" means any day which is (i) a day on which VPS is operating, and on which the Fiscal Agent or the relevant Paying Agent settle payments in the relevant place of presentation (if applicable) and which is (ii) a TARGET Business Day and a Business Day in Oslo.

(5) *References to Principal and Interest.* References in these Terms and Conditions to principal in respect of the Bonds shall be deemed to include, as applicable: the Final Redemption Amount of the Bonds, any premium and any other amounts which may be payable under or in respect of the Bonds.

(6) *Deposit of Principal and Interest.* The issuer may deposit with Norges Bank, in accordance with the Norwegian Deposit Act, 1939, (*Norwegian: Lov om deponering i gjeldshøve*), principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

§ 6

THE FISCAL AGENT AND THE PAYING AGENT

(1) *Appointment; Specified Offices.* The initial Fiscal Agent and Paying Agent and their respective initial specified offices are:

Fiscal Agent:	Danske Bank A/S 2-12 Holmens Kanal 1092 Copenhagen K Attn. Corporate Actions Denmark
German Paying Agent:	KfW Palmengartenstraß 5-9 60325 Frankfurt am Main Federal Republic of Germany

The Fiscal Agent and the Paying Agent reserve the right at any time to change their respective specified offices to some other specified offices in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any Paying Agent and to appoint another Fiscal Agent or additional or other Paying Agent. The Issuer shall at all times maintain (i) a Fiscal Agent, and (ii) a German Paying Agent. The Issuer will give notice to the Holders of any variation, termination, appointment or any other change as soon as practicable upon the effectiveness of such change.

(3) *Agents of the Issuer.* The Fiscal Agent and the Paying Agent act solely as agents of the Issuer and do not have any obligations towards or relationship of agency or trust to any Holder.

§ 7

TAXATION

All payments by the Issuer in respect of the Bonds shall be made with deduction of taxes or other duties, if such deduction is required by law. In the event of such deduction, the Issuer will not pay any additional amounts in respect of the Bonds (no "*gross-up*").

§ 8

LIMITATION PERIOD

Claims for payment of principal and interest respectively cease to be enforceable by legal action in accordance with regulations in the Norwegian Act Relating To Limitation Period For Claims, 1979 (*Norwegian: Foreldelsesloven*).

§ 9

FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Bonds having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Bonds.

(2) *Purchases.* The Issuer may at any time purchase Bonds in the open market or otherwise and at any price. Bonds purchased by the Issuer may, at the option of the Issuer, be held, resold or cancelled.

Cancellation is done by a notice to the Fiscal Agent, documenting that cancellation is permitted in accordance with the agreement, and that a relevant decision has been made regarding the redemption of the Bonds. The Fiscal Agent will handle this with VPS.

(3) *Cancellation.* All Bonds redeemed in full or surrendered for cancellation pursuant to subparagraph (2) shall be cancelled forthwith and may not be reissued or resold.

§ 10 NOTICES

(1) *Publication.* All notices regarding the Bonds shall be published in the Federal Gazette (*Bundesanzeiger*) and, if legally required, on the internet website of the Luxembourg Stock Exchange (www.bourse.lu) or in any other media determined by law in addition thereto. Any notice will become effective for all purposes on the third day following the date of its publication, or, if published more than once or on different dates, on the third day following the first date of any such publication.

(2) *Notification to Clearing System and Holders.* If the publication of notices pursuant to subparagraph (1) is not required by law, the Issuer may deliver the relevant notice to VPS and the Fiscal Agent for communication by VPS and the Fiscal Agent to the Holders, in lieu of publication in the media set forth in subparagraph (1) above; any such notice shall be deemed to have been given to the Holders on the third day after the day on which the said notice was given to VPS and the Fiscal Agent.

§ 11 APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

These Terms and Conditions are governed by Norwegian law, and the legal venue for any disputes arising from these Terms and Conditions is Oslo Tingrett.

§ 12 LANGUAGE

These Terms and Conditions are written in the English language only.

KfW

Overview

KfW is a public law institution (*Anstalt des öffentlichen Rechts*) serving domestic and international public policy objectives of the Federal Government ("**Federal Government**") of the Federal Republic of Germany ("**Federal Republic**").

KfW was established on November 5, 1948, under the KfW Law as a public law institution with unlimited duration. Its offices are located at Palmengartenstraße 5-9, 60325 Frankfurt am Main, Federal Republic. KfW also maintains branch offices in Berlin and Bonn, Federal Republic as well as a liaison office to the European Union ("**EU**") in Brussels, Belgium.

According to Article 2 of the KfW Law, KfW's business purposes are the following:

- Performance of promotional tasks, in particular financings, pursuant to a state mandate in the following areas: financing of small and medium-sized enterprises ("**SMEs**"), liberal professions and business start-ups; risk capital; housing; environmental protection; infrastructure; technical progress and innovations; internationally agreed promotional programmes; development cooperation; and in other promotional areas, which are specifically stated in laws, regulations or published guidelines on public economic policy that are assigned to KfW by the Federal Republic or one of the federal states (each a "**Land**" and together, the "**Länder**");
- Granting of loans and other forms of financing to territorial authorities (*Gebietskörperschaften*) and special purpose associations under public law (*öffentlich-rechtliche Zweckverbände*);
- Financing of measures with purely social goals as well as for the promotion of education;
- Granting of other financings in the interest of the German and European economy.

Except with a special mandate from the Federal Government, KfW may conduct other business only insofar as such business is directly connected with the performance of its functions described above. In such capacity, KfW may, in particular, purchase and sell claims and securities, incur obligations in the form of bills of exchange and promissory notes, and conduct its treasury and risk management. KfW may also refinance at market conditions the project and export finance subsidiary which has been established as a result of the understanding with the European Commission (see "Relationship with the Federal Republic – Understanding with the European Commission").

KfW promotes its financing activities under the umbrella brand name KfW Bankengruppe ("**KfW Group**").

KfW conducts its business in the following business sectors:

- SME Bank and Private Clients (*Mittelstandsbank und Private Kunden*) offers highly standardized products for SMEs, business founders, start-ups, self-employed professionals and private individuals;
- Customized Finance and Public Clients (*Individualfinanzierung und Öffentliche Kunden*) provides individual financing solutions for municipal and social infrastructure, and offers corporate loans and project financing as well as customized financing for financial institutions and *Landesförderinstitute*;
- KfW Capital (formerly Equity Financing) invests in German and European venture capital and venture debt funds with the aim of improving access to capital for innovative, technology-oriented growth companies in Germany through professionally managed funds. KfW Capital GmbH & Co. KG is a legally independent entity wholly-owned by KfW and commenced operational activities on October 15, 2018;
- Export and Project Finance: KfW IPEX-Bank GmbH ("**KfW IPEX-Bank**") offers customized financing for exports and project and corporate financing worldwide. KfW IPEX-Bank is a legally independent entity wholly-owned by KfW;
- Promotion of Developing Countries and Emerging Economies: KfW Entwicklungsbank (KfW Development Bank) is responsible for KfW's public sector development cooperation activities, and DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH (German Investment and Development Company, "**DEG**") finances private-sector investments in developing countries. DEG is a legally independent entity wholly-owned by KfW; and
- Financial Markets, which comprises KfW's treasury, funding, asset management and other capital markets-related activities.

Ownership

The Federal Republic holds 80% of KfW's subscribed capital, and the *Länder* hold the remaining 20%. The Law Concerning KfW (*Gesetz über die Kreditanstalt für Wiederaufbau*, or the "**KfW Law**") does not provide for shareholders' meetings; instead, the Board of Supervisory Directors assumes the responsibilities of a shareholders' meeting.

Shares in KfW's capital may not be pledged; they may not be transferred to entities other than the Federal Republic or the *Länder*. Capital contributions have been, and are expected to continue to be, made to KfW in such proportions as to maintain the relative shares of capital held by the Federal Republic and the *Länder*.

Legal Status

KfW is organised under the KfW Law as a public law institution with unlimited duration. As a public law institution serving public policy objectives of the Federal Government, KfW itself is not subject to corporate taxes (although certain of its subsidiaries are) and as a promotional bank, KfW does not seek to maximise profits. KfW does, however, seek to maintain an overall level of profitability that allows it to strengthen its equity base in order to support its promotional activities. KfW is prohibited under the KfW Law from distributing profits, which are instead allocated to statutory reserves and to separately reportable reserves. KfW is generally also prohibited under the KfW Law from taking deposits or engaging in the financial commission business.

Relationship with the Federal Republic

Guarantee of the Federal Republic

The KfW Law expressly provides that the Federal Republic guarantees all existing and future obligations of KfW in respect of money borrowed, bonds and notes issued and derivative transactions entered into by KfW, as well as obligations of third parties that are expressly guaranteed by KfW (KfW Law, Article 1a). Under this statutory guarantee (the "**Guarantee of the Federal Republic**"), if KfW fails to make any payment of principal or interest or any other amount required to be paid with respect to securities issued by KfW, or if KfW fails to make any payment required to be made under KfW's guarantee when that payment is due and payable, the Federal Republic will be liable at all times for that payment as and when it becomes due and payable. The Federal Republic's obligation under the Guarantee of the Federal Republic ranks equally, without any preference, with all of its other present and future unsecured and unsubordinated indebtedness. Holders of securities issued by KfW or issued under KfW's guarantee may enforce this obligation directly against the Federal Republic without first having to take legal action against KfW. The Guarantee of the Federal Republic is strictly a matter of statutory law and is not evidenced by any contract or instrument. It may be subject to defenses available to KfW with respect to the obligations covered.

Institutional Liability ("Anstaltslast")

KfW is a public law institution (*Anstalt des öffentlichen Rechts*). Accordingly, under the German administrative law principle of *Anstaltslast*, the Federal Republic, as the constituting body of KfW, has an obligation to safeguard KfW's economic basis. Under *Anstaltslast*, the Federal Republic must keep KfW in a position to pursue its operations and enable it, in the event of financial difficulties, through the allocation of funds or in some other appropriate manner, to meet its obligations when due. *Anstaltslast* is not a formal guarantee of KfW's obligations by the Federal Republic, and creditors of KfW do not have a direct claim against the Federal Republic. Nevertheless, the effect of this legal principle is that KfW's obligations, including the obligations to the holders of securities issued by it or issued under KfW's guarantee, are fully backed by the credit of the Federal Republic. The obligation of the Federal Republic under *Anstaltslast* would constitute a charge on public funds that, as a legally established obligation, would be payable without the need for any appropriation or any other action by the German Parliament.

Understanding with the European Commission

In order to clarify that the Federal Republic's responsibility for KfW's obligations was and is compatible with EU law prohibitions against state aid, the German Federal Ministry of Finance and the European Commissioner for Competition held discussions which were formalised in an understanding reached on March 1, 2002. In the understanding with the European Commission, it was agreed that, in respect of the promotional activities for which KfW is responsible, KfW will continue to benefit from *Anstaltslast* and the Guarantee of the Federal Republic. The understanding acknowledged that KfW's role in providing financing for, in particular, SMEs, risk capital, environmental protection, technology/innovation, infrastructure and housing, as well as its cooperation with developing countries, is promotional and thus compatible with EU rules.

In the business sector of Export and project finance, the understanding with the European Commission required KfW to transfer to a legally independent subsidiary that portion of export finance and domestic and international project finance activities which the European Commission deemed to fall outside the scope of the promotional activities of KfW. The transfer of such activities was to be effected by December 31, 2007 and as from that date KfW has not been permitted to fund the subsidiary at other than market rates of interest or to extend to the subsidiary any benefits of *Anstaltslast* or the Guarantee of the Federal Republic.

KfW continues to be permitted, however, to engage directly in the following promotional export and project finance activities:

- implementation of international promotional programmes, such as the interest-rate subsidised CIRR (Commercial Interest Reference Rate) and ASU (Aircraft Sector Understanding) schemes, which are recognised as promotional activities in accordance with the Organisation for Economic Cooperation and Development ("**OECD**") consensus;
- participation in syndicated financing activities outside the EU, the European Economic Area and countries holding the status of official candidate for EU membership, subject to certain conditions, and sole financing activities in countries in which sufficient sources of financing do not exist; and
- participation in projects in the interest of the EU that are co-financed by the European Investment Bank or similar European financing institutions.

The European Commission transformed the understanding into a decision, which the Federal Republic formally accepted. In August 2003, a part of the Promotional Bank Restructuring Act (*Förderbankenneustrukturierungsgesetz*) implemented the understanding with the European Commission and amended the KfW Law accordingly.

On January 1, 2008, KfW IPEX-Bank, a limited liability corporation (*Gesellschaft mit beschränkter Haftung*) formed as a wholly owned subsidiary of KfW, commenced operations as a legally independent entity, thus satisfying the requirements set forth in the understanding with the European Commission. KfW IPEX-Bank conducts those export and project finance activities which the European Commission deemed to fall outside the scope of KfW's promotional activities directly and on its own behalf.

Supervision and Regulation

The Federal Ministry of Finance, acting in consultation with the Federal Ministry for Economic Affairs and Energy, exercises legal supervision (*Rechtsaufsicht*) over KfW, i.e., it supervises KfW's compliance with applicable law and may adopt all necessary measures to ensure such compliance. Legal supervision primarily comprises supervision of compliance with the KfW Law and KfW's Bylaws, but also with all other applicable laws and regulations except for certain provisions of bank regulatory law. The relevant Federal Ministers are represented on KfW's Board of Supervisory Directors, which supervises KfW's overall activities.

In addition to being subject to legal supervision by the Federal Ministries, in October 2013, KfW became subject to banking-specific supervision exercised by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, or "**BaFin**"). This supervision was established by a ministerial regulation (*KfW-Verordnung*, or "**KfW Regulation**"), which implements an amendment to the KfW Law that became effective in July 2013. The KfW Regulation, while maintaining KfW's general exemption from bank regulatory law, specifies those provisions of bank regulatory law which are to apply to KfW by analogy and assigns the supervision of compliance with these provisions to BaFin. In exercising its supervision, BaFin cooperates with the German Central Bank (Deutsche Bundesbank) in accordance with normal bank supervisory procedures.

In addition to compliance with the financial reporting and auditing standards generally applicable to banks in Germany, KfW, under the KfW Law, is subject to special auditing standards for government-owned entities set forth in the Budgeting and Accounting Act (*Haushaltsgrundsätzegesetz*). These special auditing standards require that KfW's annual audit, above and beyond its normal scope, cover the proper conduct of KfW's business by its management. The resulting auditor's report is to enable the Board of Supervisory Directors, the responsible Federal Ministries, and the Federal Court of Auditors (*Bundesrechnungshof*) to form their own opinion and to take action if required.

Finally, as a government-owned entity, KfW is subject to audits by the Federal Court of Auditors with regard to its economical use of funds pursuant to the Budgeting and Accounting Act.

KfW is generally exempt from bank regulatory laws and regulations, as it neither qualifies as a "credit institution" or "financial services institution" within the meaning of the German Banking Act (*Gesetz über das Kreditwesen*, or "**KWG**") nor as a "credit institution" within the meaning of relevant EU directives and regulations, including in

particular the EU Capital Requirements Directive IV ("**CRD IV**") and the EU Capital Requirements Regulation ("**CRR**"). However, by operation of the KfW Regulation, considerable portions of the KWG and the CRR, including relevant implementing rules and regulations, apply by analogy to KfW. The analogous application of banking supervisory law to KfW has been phased in gradually, with the majority of the rules, regulations and enforcement powers described above having become applicable as of January 1, 2016. The KfW Regulation takes into account KfW's special status as an entity not generally engaged in deposit taking, characterised by a low-risk profile in its lending business and benefiting from the Guarantee of the Federal Republic. It therefore provides for certain modifications and exceptions in connection with the analogous application of the relevant rules and regulations.

The analogous application of EU and national bank regulatory law imposed by the KfW Regulation is without prejudice to KfW's status as a "public sector entity" within the meaning of Article 4 para. 1 no. 8 of the CRR. This status confers certain advantages to KfW's refinancing activities given the fact that exposures to public sector entities held by banks are privileged as to capital requirements, large exposures limitations and liquidity measurement under EU and national bank regulatory law. Securities issued by KfW, such as bonds and notes, are in principle eligible in the EU as level 1 assets pursuant to Article 10 para. 1 lit. (c) (v) of the Commission Delegated Regulation (EU) 2015/61 of October 10, 2014.

USE OF PROCEEDS

The net proceeds from the issuance of the Bonds (after deducting fees and expenses) will amount to Tranche A: NOK 1,000,000,000 (excluding accrued interest) and will be used in the general business of the Issuer.

TAXATION

Taxation in the Federal Republic of Germany

The following is a general discussion of certain German tax consequences of the acquisition and ownership of the Bonds. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Bonds. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of the Federal Republic of Germany currently in force and as applied on the date of this Prospectus. These laws are subject to change, possibly with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF BONDS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF BONDS, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS IN THE FEDERAL REPUBLIC OF GERMANY AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.

Income Tax

Bonds held by tax residents as non-business assets

- Taxation of payments of interest

Payments of interest on the Bonds to Holders who are individuals and are tax residents of the Federal Republic of Germany (*i.e.*, persons whose residence or habitual abode is located in the Federal Republic of Germany) are subject to German income tax. In each case where German income tax arises, a solidarity surcharge (*Solidaritätszuschlag*) is levied in addition. Furthermore, church tax may be levied, where applicable.

On payments of interest on the Bonds to individuals who are tax residents of the Federal Republic of Germany, income tax is generally levied as a flat income tax at a rate of 25% (plus solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375%, plus, if applicable, church tax). The total positive investment income of an individual will be decreased by a lump sum deduction (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for individuals filing jointly), not by a deduction of expenses actually incurred.

If the Bonds are held in custody, or are administered, or if their disposal is executed, by a German branch of a German or non-German credit or financial services institution or with a German securities trading business or a German securities trading bank and such entity credits or pays out the investment income (the "**Disbursing Agent**"), the flat income tax will be levied by way of withholding at the aforementioned rate from the gross interest payment to be made by the Disbursing Agent. The church tax is generally levied by way of withholding unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Tax Office (*Bundeszentralamt für Steuern*).

In general, no withholding tax will be levied if the Holder is an individual (i) whose Bonds do not form part of the property of a trade or business and (ii) who filed a withholding exemption certificate (*Freistellungsauftrag*) with the Disbursing Agent but only to the extent the interest income derived from the Bonds together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the Holder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) which also includes the tax identification number and which has been issued by the relevant local tax office.

If no withholding tax has been withheld, the Holder will have to include its income on the Bonds in its tax return and the tax on its investment income of generally 25% plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25%. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

- Taxation of capital gains

Also capital gains realized by individual tax residents of the Federal Republic of Germany from the disposal or redemption of the Bonds (including gains from the assignment or hidden contribution of the Bonds) will be subject to the flat income tax on investment income at a rate of 25% (plus solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375%, plus, if applicable, church tax), irrespective of any holding period. This will also apply to Bonds on which the principal is effectively repaid in whole or in part although the repayment was not guaranteed. If coupons or interest claims are disposed of separately (*i.e.* without the Bonds), the gains from the disposal are subject to income tax. The same applies to gains from the redemption of coupons

or interest claims realized by the former Holder of the Bonds. The separation (e.g. by first-time assignment) of a coupon or interest claim from the Bond is treated as a disposal of the Bond.

If the Bonds are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above) the flat income tax will be levied by way of withholding from the positive difference between the redemption amount or the proceeds from the disposal (after the deduction of actual expenses directly related thereto) and the issue price or the purchase price of the Bonds. Church tax is generally levied by way of withholding unless the Holder has filed a blocking notice with the German Federal Tax Office. If Bonds kept or administered in the same custodial account have been acquired at different points in time, the Bonds first acquired will be deemed to have been sold first for the purpose of determining the capital gains. Where the Bonds are acquired or sold in a currency other than Euro, the acquisition costs and sale proceeds will be converted in Euro on the basis of the exchange rate applicable at the time of sale, respectively, the time of acquisition. If the Bonds have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has validly been provided to the new Disbursing Agent by the Disbursing Agent which previously kept the Bonds in its custodial account, withholding tax will be levied on 30% of the proceeds from the disposal or redemption of the Bonds.

If no withholding tax has been withheld, the Holder will have to include capital gains from the disposal or redemption of the Bonds in its tax return and the tax on its investment income of generally 25% plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25%. Further, if the withholding tax on a disposal or redemption has been calculated from 30% of the respective proceeds (rather than from the actual gain), a Holder who is an individual tax resident may and in case the actual gain is higher than 30% of the respective proceeds must also apply for an assessment on the basis of his or her actual acquisition costs. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

Any capital loss incurred from the disposal or redemption of the Bonds can only be offset against positive income from capital investments. The Disbursing Agent will offset the losses with positive income from capital investments entered into through or with the same Disbursing Agent and carry forward any losses that cannot be offset to the following calendar year. If losses cannot be offset in full against positive investment income by the Disbursing Agent, the Holder can, instead, request that the Disbursing Agent issues a certificate stating the losses in order for them to be offset against other positive income from capital investments or carried forward in the assessment procedure. The request must reach the Disbursing Agent by 15 December of the current year and is irrevocable.

Pursuant to administrative guidance, a disposal shall be disregarded and losses shall not be tax-deductible if (i) the transaction costs exceed the proceeds from the disposal, (ii) losses are incurred by a Holder from bad debt (*Forderungsausfall*), or (iii) losses are incurred from a waiver of a receivable (*Forderungsverzicht*), to the extent the waiver does not qualify as a hidden contribution. Payments based on an insolvency plan shall be a disposal with a capital gain of EUR 0 if the payments are lower than the nominal value of the receivable and the receivable was acquired at the nominal value. The part of the nominal value not being repaid shall be a mere bad debt and therefore irrelevant for income tax purposes. However, the German Federal Fiscal Court (*Bundesfinanzhof*) recognizes disposals and deems losses to be tax-deductible in cases of a bad debt once it has become certain that the principal amount cannot be recovered (decision dated 24 October 2017, docket number VIII R 13/15) and in cases in which the transaction costs exceed or equal the proceeds from the disposal (decision dated 12 June 2018, docket number VIII R 32/16). So far, the tax authorities have not changed their view as regards a bad debt (*Forderungsausfall*) or a waiver of a receivable (*Forderungsverzicht*). As regards their view that a disposal shall be disregarded if the transaction costs exceed the proceeds from the disposal, however, a draft letter of the German federal ministry of finance (*Bundesministerium der Finanzen*) dated 1 January 2019 indicates that the tax authorities will change their view.

Bonds held by tax residents as business assets

Payments of interest on Bonds and capital gains from the disposal or redemption of Bonds held as business assets by German tax resident individuals or tax resident corporations (*i.e.*, corporations whose legal domicile or place of effective management is located in the Federal Republic of Germany), including via a partnership, as the case may be, are generally subject to German income tax or corporate income tax (in each case plus solidarity surcharge and, if applicable, church tax). The interest and capital gain will also be subject to trade tax if the Bonds form part of the property of a German trade or business.

If the Bonds are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above), tax at a rate of 25% (plus a solidarity surcharge of 5.5% of such tax and, if applicable, church tax) will also be withheld from interest payments on Bonds and generally also from capital gains from the disposal or redemption of Bonds held as business assets. In these cases the withholding tax does not satisfy the income tax liability of the Holder, as in the case of the flat income tax, but will be credited as advance payment against the

personal income or corporate income tax liability and the solidarity surcharge (and, if applicable, against the church tax) of the Holder, or will be refunded in the amount of any excess.

With regard to capital gains from the disposal or redemption of Bonds no withholding will generally be required in the case of Bonds held by corporations tax resident in Germany, provided that in the case of corporations of certain legal forms the status of corporation has been evidenced by a certificate of the competent tax office. The same applies upon notification by use of the officially prescribed form towards the Disbursing Agent and in the case of Bonds held by individuals or partnerships as business assets.

Bonds held by non-residents

Payments of interest on Bonds and capital gains from the disposal or redemption of Bonds are not subject to German taxation in the case of non-residents, *i.e.* persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in the Federal Republic of Germany, unless the Bonds form part of the business property of a permanent establishment maintained in the Federal Republic of Germany, or for which a permanent representative has been appointed in the Federal Republic of Germany. Interest may, however, also be subject to German income tax if it otherwise constitutes income taxable in Germany, such as income from the letting and leasing of certain German-situs property or income from certain capital investments directly or indirectly secured by German situs real estate.

Non-residents of the Federal Republic of Germany are in general exempt from German withholding tax on interest and capital gains and from solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation as set forth in the preceding paragraph and the Bonds are held in custody, or are administered, or if their disposal is executed, by a Disbursing Agent (as defined above), withholding tax will be levied as explained above at "*Bonds held by tax residents as business assets*" or at "*Bonds held by tax residents as non-business assets*", respectively.

Inheritance and Gift Tax

No inheritance or gift taxes with respect to any Bond will generally arise under the laws of the Federal Republic of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a tax resident of the Federal Republic of Germany and such Bond is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in the Federal Republic of Germany. Exceptions from this rule apply to certain German citizens who previously maintained a residence in the Federal Republic of Germany.

Other Taxes

No stamp, issue, registration or similar taxes or duties will be payable in the Federal Republic of Germany in connection with the issuance, delivery or execution of the Bonds. Currently, net assets tax (*Vermögensteuer*) is not levied in the Federal Republic of Germany.

Taxation in the Kingdom of Norway

The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retrospective basis. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of Bonds. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Bonds.

Introduction

The tax consequences described below apply to Holders tax resident in Norway ("**Norwegian Holders**"). Holders that are not tax resident in Norway ("**Non-resident Holders**") are as a main rule not subject to Norwegian income taxation or Norwegian net wealth taxation in connection with acquisition, holding and disposal of Bonds. Non-resident Holders should consult with and rely upon local tax advisors as regards the tax position in their country of residence.

In the following, it is assumed that the Bonds are bearer bonds or debentures (in Norwegian "*mengdegjeldsbrev*"). In general, debt instruments issued in several tranches with identical terms are regarded as bearer bonds/debentures.

There is no withholding tax for non-resident Holders for Bonds issued by Norwegian issuers with respect to payments to Holders. In October 2015 the Norwegian government issued a white paper describing a tax reform for the period 2016-2018, which includes a proposal to introduce withholding tax on interest payments from Norway. It is expected that the proposal will be further detailed and subject to a hearing in the near future.

Taxation of interest

For Norwegian Holders, interest on Bonds is taxable as "*ordinary income*" subject to a flat rate of 22%. This applies irrespective of whether the Norwegian Holders are individuals or corporations. For Norwegian corporate

Bond holders that are considered to be "Financial Institutions" under the Norwegian Financial Activity Tax (banks, holding companies etc.), the ordinary income tax rate is 25%. Interest is as a general rule taxed on accruals basis (i.e. regardless of when the return is actually paid).

Taxation upon disposal or redemption of Bonds

Redemption at the end of the term as well as prior disposal is treated as a realisation of the Bond and will trigger a capital gain or loss for Norwegian Holders. Capital gains will be taxable as "*ordinary income*", subject to the flat rate of 22% (25%, respectively). Losses will be deductible in the Holder's "*ordinary income*", taxed at the same tax rate.

Any capital gain or loss is computed as the difference between the amount received by the Norwegian Holder on realisation and the cost price of the Bond. The cost price is equal to the price for which the Holder acquired the Bonds (including any premium and less any discount). Costs incurred in connection with the acquisition and realisation of the Bonds may be deducted from the Holder's taxable income in the year of the realisation.

Net wealth taxation

The value of Bonds at the end of each income year will be included in the computation of the Norwegian Holder's taxable net wealth for municipal and state net wealth tax purposes. Bonds are valued at their quoted value, alternatively at their estimated sales value if the bonds are not quoted, on January 1 in the assessment year. The maximum marginal rate of net wealth tax is 0.85%.

Limited liability companies and certain similar entities are exempted from net wealth taxation.

Transfer taxes etc. VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, disposal or redemption of Bonds. Further, there is no VAT on transfer of Bonds.

Certain Foreign Account Tax Compliance Act Considerations

Certain non-U.S. financial institutions must comply with information reporting requirements or certification requirements in respect of their direct and indirect United States shareholders and/or United States accountholders to avoid becoming subject to withholding on certain payments. The issuer and other non-U.S. financial institutions may accordingly be required to report information to the IRS regarding the holders of bonds and to withhold on a portion of payments under the bonds to certain holders that fail to comply with the relevant information reporting requirements (or hold bonds directly or indirectly through certain non-compliant intermediaries). However, under proposed Treasury regulations, such withholding will not apply to payments made before the date that is two years after the date on which final regulations defining the term "foreign passthru payment" are enacted. Moreover, such withholding would only apply to bonds issued at least six months after the date on which final regulations defining the term "foreign passthru payment" are enacted. Holders are urged to consult their own tax advisors and any banks or brokers through which they will hold bonds as to the consequences (if any) of these rules to them.

The proposed Financial Transaction Tax

The European Commission has published a proposal for a Directive for a common Financial Transaction Tax ("**FTT**") in certain participating Member States. The proposed FTT has very broad scope and could apply to certain dealings in financial instruments (including secondary market transactions). The FTT could apply to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in financial instruments where at least one party is a financial institution, and either (i) at least one party is established or deemed to be established in a participating Member State or (ii) the financial instruments are issued in a participating Member State. However, the proposed Directive remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Prospective Holders of the Bonds are advised to seek their own personal advice in relation to FTT.

CLEARING AND SETTLEMENT

The information set out below in connection with VPS, which is referred to as the clearing system, is subject to any change in or reinterpretation of the rules, regulations and procedures of the clearing system currently in effect. The information in this section under the caption "The Clearing Systems" has been obtained from sources that the Issuer believes to be reliable, but neither the Issuer nor the Manager takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the clearing systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant clearing system. The Issuer will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, interests in the Bonds held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Certification and Custody

The Bonds will not be evidenced by any physical bond, document of title other than statements made by the Verdipapirsentralen ASA ("**VPS**") in accordance with the provisions of applicable legislation and regulations for the VPS as amended and supplemented from time to time. Accordingly, Holders of the Bonds will not be entitled to receive physical delivery of definitive certificates representing individual bonds and interest coupons.

All transactions relating to Bonds registered with the VPS are made through computerised book entries. The VPS confirms each entry by sending a transcript to the registered holder of Bonds irrespective of any beneficial ownership. To effect such entries, the individual Holder of the Bonds must establish an account with an account agent (*kontoførende institut*). The entry of a transaction in the VPS is *prima facie* evidence in determining the legal rights of parties as against the Issuer or a third party claiming an interest in the given Bond.

The Bonds have been assigned an ISIN of NO0010853674, a German Security Code of A2YNP9 and a Common Code of 201019966.

Payment Information

Payments and transfers of the Bonds will be settled through VPS in accordance with Norwegian laws, regulations and operating procedures applicable to and/or issued by VPS.

All notices regarding the Bonds will be published in the Federal Gazette (*Bundesanzeiger*) and, if legally required, in the form of media determined by law in addition thereto, or, if not required by law, by delivering the relevant notice to the VPS and the Fiscal Agent for communication by the VPS and the Fiscal Agent to the Holders.

The Clearing Systems

Verdipapirsentralen ASA

Verdipapirsentralen ASA is the Norwegian paperless centralised securities registry. It is a computerised book-entry system in which the ownership of, and all transactions relating to, registered securities must be recorded. All transactions relating to securities registered with VPS are made through computerised book entries. VPS confirms each entry by sending a transcript to the registered holder irrespective of any beneficial ownership. To effect such entries, the individual holder of securities must establish a securities account with an account agent. Norwegian banks, the Bank of Norway, authorised securities brokers in Norway and credit institutions and authorised securities brokers with its head office in another EEA state and which are subject to supervision in their home state are allowed to act as account agents. It is also possible to register a holding of securities through a nominee approved by the Financial Supervisory Authority of Norway. The entry of a transaction in VPS is *prima facie* evidence in determining the legal rights of parties as against the issuing entity or a third party claiming an interest in the given security. VPS is liable for any economic loss resulting from an error in connection with its registration activities unless the error is caused by matters outside the control of the VPS and which the VPS could not reasonably be expected to avoid or overcome. The VPS' liability is as a main rule limited to NOK 500,000,000 for each error. The VPS is only liable for indirect economic loss to the extent such indirect economic loss is a result of wilful misconduct or gross negligence on the part of the VPS. In cases of wilful misconduct or gross negligence on the part of VPS, the above-mentioned liability cap does not apply. The courts may reduce or set aside VPS's liability if the person making the claim has wilfully or negligently contributed to the loss.

Euroclear and Clearstream Banking, S.A., Luxembourg

The Bonds are eligible with the ICSDs Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A., Luxembourg ("**CBL**") and have been assigned a Common Code of 201019966 by Euroclear. Holders wishing to use the facilities of these international clearing systems have to instruct their bank or financial services institution with which they maintain their custodial account.

SUBSCRIPTION AND SALE

Subscription of the Bonds

Pursuant to the Subscription Agreement dated June 5, 2019, the Manager has agreed, subject to certain conditions, to purchase and pay for the Bonds a price equal to 100% of the aggregate principal amount of Tranche A in the total amount of NOK 1,000,000,000. Conditions as referred to in the previous sentence are customary closing conditions as set out in the Subscription Agreement.

In the Subscription Agreement, the Issuer has made certain representations and warranties in respect of its legal and financial matters. The Subscription Agreement entitles the Manager to terminate its obligations thereunder in certain circumstances prior to payment of the purchase price of the Bonds. The Issuer has agreed to indemnify the Manager against certain liabilities in connection with the offer and sale of the Bonds. The Issuer has also agreed to reimburse the Manager for certain of expenses incurred in connection with the management of the issue of the Bonds. The Subscription Agreement is governed by German law.

The Manager (or its affiliates) has (have) provided from time to time, and expect to provide in the future, investment services to the Issuer (or its affiliates), for which the Manager (or its affiliates) has (have) received or will receive customary fees and commissions.

There are no interests of natural and legal persons involved in the issue, including conflicting interests, which are material to the issue.

This Prospectus

This Prospectus constituting a simplified prospectus does not purport to meet the format and disclosure requirements of the Prospectus Directive and Commission Regulation (EC) No 809/2004, as amended or superseded, implementing the Prospectus Directive, and it has not been, and will not be, submitted for approval to any competent authority within the meaning of the Prospectus Directive. The Bonds will therefore not qualify for the benefit of the single European passport pursuant to the Prospectus Directive.

SELLING RESTRICTIONS

General

No action has been or will be taken in any jurisdiction by the Manager or the Issuer that would permit a public offering of the Bonds, or possession or distribution of the Prospectus (in proof or final form) or any other offering or publicity material relating to the Bonds, in any country or jurisdiction where action for that purpose is required unless otherwise expressly provided herein. Accordingly, the Bonds may not be offered, sold or distributed, directly or indirectly, and no offering material may be distributed in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. The Manager will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes the Prospectus (in proof or final form) or any such other material, and will obtain or make, give or fulfil any consent, approval, registration, notice, permission or other regulatory requirement required by it or the Issuer for the purchase, offer, sale, distribution or delivery of the Bonds and the possession or distribution of the Prospectus or any offering or publicity material under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any such purchase, offer, sale, distribution or delivery, in all cases at the Manager's own expense. It will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions. The Issuer will have no responsibility for and the Manager will obtain any consent, approval or permission required by the Manager for, the acquisition, offer, sale, distribution or delivery by it of Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in or from which it makes any acquisition, offer, sale, distribution or delivery. The Manager is not authorised to make any representation or use any information in connection with the issue, subscription and sale of the Bonds other than as consistent with the Terms and Conditions and the Prospectus (in final form) or any amendment or supplement to it.

European Economic Area

The Manager has represented and agreed that:

- (a) in relation to each Relevant Member State, with effect from and including the Relevant Implementation Date, it has not made and will not make an offer of Bonds to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Bonds to the public in that Relevant Member State at any time in any circumstances which do not require the publication by the

Issuer of a prospectus (i) pursuant to Article 3(2) of the Prospectus Directive or (ii) pursuant to any applicable national law of that Relevant Member State; and

- (b) in relation to any offer of Bonds to the public in Luxembourg, it will comply with Chapter 1 of Part III of the Luxembourg Prospectus Act and applicable rules and regulations of the CSSF.

For the purposes of this provision, the expression

"offer of Bonds to the public" in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State;

"Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, or superseded) and includes any relevant implementing measure in the Relevant Member State;

"Relevant Member State" means each Member State of the European Economic Area which has implemented the Prospectus Directive, except Luxembourg; and

"Relevant Implementation Date" means the date on which the Prospectus Directive is implemented in a Relevant Member State.

United States of America

The Bonds have not been and will not be registered under the United States of America Securities Act of 1933, as amended, (the **"Securities Act"**) and may not be offered or sold in the United States of America (the **"United States"**) unless they are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available. Outside the United States the Manager will offer or sell the Bonds in offshore transactions in reliance on Regulation S under the Securities Act (**"Regulation S"**).

The Manager has represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts in the United States with respect to the Bonds. Terms used in this paragraph have the meanings given to them by Regulation S.

United Kingdom

The Manager has represented, warranted and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended (the **"FSMA"**)) received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the **"Financial Instruments and Exchange Act"**) and are subject to the Special Taxation Measures Act of Japan (Act No. 26 of 1957, as amended) (the **"Special Taxation Measures Act"**). The Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell Bonds in Japan or to any person resident in Japan for Japanese securities law purposes (including any corporation or other entity organised under the laws of Japan), except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act of Japan.

Kingdom of Norway

The Manager has represented, warranted and agreed that:

- (a) the Bonds shall not be offered in any form or manner which will trigger an obligation to issue a prospectus in Norway. No document or any other offering material relating to the Bonds will constitute, or will be deemed to constitute, an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act 2007;
- (b) any indicative terms provided to a potential investor are provided for the potential investor's information and do not constitute an offer, a solicitation of an offer, or any advice or recommendation to conclude any transaction (whether on the indicative terms or otherwise);

- (c) any offer of the Bonds made in Norway will be subject to a minimum purchase of the equivalent of EUR 100,000, to a qualified professional investor pursuant to the Norwegian Regulation of June 29, 2007 nr 876 and will otherwise only be made in circumstances where an exemption from the obligation to publish a prospectus under the Norwegian Securities Trading Act 2007 is available.

GENERAL INFORMATION

Authorisation

In accordance with the Articles of Association of KfW, Frankfurt am Main, Federal Republic of Germany, its internal regulations, and pursuant to authorisations by its Board of Supervisory Directors (*Verwaltungsrat*), dated September 17, 2018, and the Subscription Agreement dated June 5, 2019 between KfW, on the first part, and Skandinaviska Enskilda Banken AB (publ), on the second part, the Issuer has decided to issue 1.670% Bonds due May 24, 2023 in the aggregate principal amount of NOK 1,000,000,000.

Listing and admission to trading

Application has been made to the Luxembourg Stock Exchange for the admission of the Bonds to listing on the official list and to trading on the Regulated Market "*Bourse de Luxembourg*". The Luxembourg Stock Exchange's Regulated Market is a regulated market for the purposes of MiFID II (see "THIS PROSPECTUS"). This Prospectus and any supplement thereto will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) pursuant to the Luxembourg Prospectus Act and on the Issuer's website (www.kfw.de).

Availability of Documents

So long as any Bonds are outstanding and are listed on the Luxembourg Stock Exchange, copies of the following documents will, when published, be available from the offices of KfW, the Fiscal Agent and the German Paying Agent set out at the end of this Prospectus:

- (i) the By-Laws (*Satzung*) of the Issuer and the KfW Law (in each case with an English translation);
- (ii) the most recently published annual report of KfW (with an English translation); the Issuer does not publish interim financial statements; and
- (iii) a copy of this Prospectus and any supplement thereto.

Material Change

Save as disclosed in the Prospectus, there has been no adverse change in the financial position of the Issuer which is material in the context of the issue and offering of the Bonds since the publication of its most recent financial statements as of December 31, 2018.

Litigation

The Issuer is not nor has during the last two fiscal years been involved in, nor does he have knowledge of, any litigation which is or might be material in the context of the issue and offering of the Bonds.

Issuer

KfW
Palmengartenstraße 5-9
60325 Frankfurt am Main
Federal Republic of Germany
Tel. +49-69-7431-0
Fax. +49-69-7431-2193

Manager

Skandinaviska Enskilda Banken AB (publ)
Kungsträdgårdsgatan 8
10640 Stockholm
Sweden

Legal Advisors to the Issuer

As to German law

Hengeler Mueller
Partnerschaft von Rechtsanwälten mbB
Bockenheimer Landstraße 24
60323 Frankfurt am Main
Federal Republic of Germany
Tel. +49-69-17095-0
Fax. +49-69-17095-099

Legal Advisors to the Issuer

As to Norwegian law

Advokatfirmaet BAHR AS
Tjuvholmen allé 16
0252 Oslo
Norway
Tel. +47 21 00 00 50
Fax. +47 21 00 00 51

Fiscal Agent

Danske Bank A/S
2-12 Holmens Kanal
1092 Copenhagen K
Denmark
Attn. Corporate Actions

German Paying Agent

KfW
Palmengartenstraße 5-9
60325 Frankfurt am Main
Federal Republic of Germany