

Final Terms dated 3 May 2013

KOMMUNALBANKEN AS

Issue of

**GBP 100,000,000 1.125 per cent. Instruments due 15 December 2017
(to be consolidated and form a single Series with the GBP 250,000,000 1.125 per cent. Instruments
due 15 December 2017 issued on 13 February 2013 (the "Original Instruments"))**

**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, except as provided in sub-paragraph (ii) below, 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 of the Instruments may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any 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; or
- (ii) in those Public Offer Jurisdictions mentioned under "*Distribution – Public Offer*" in Part B below, provided such person is one of the persons described in "*Distribution – Public Offer*" in Part B below and that such offer is made during the Offer Period specified for such purpose therein.

With respect to any subsequent resale or final placement of Instruments as provided in sub-paragraph (ii) above, the Issuer consents to the use of the Base Prospectus and accepts responsibility for the content of the Base Prospectus. Neither the Issuer nor any 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) 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: 4355
- (ii) Tranche Number: 2
- (iii) Date on which the Instruments become fungible: The Instruments shall be consolidated, form a single Series and be interchangeable for trading purposes with the Original Instruments on exchange of the Temporary Global Instrument for interests in the Permanent Global Instrument, as described in these Final Terms which is expected to occur no earlier than 40 days from the Issue Date following the expiration of the distribution compliance period (as defined in Regulation S)
2. Specified Currency: British pounds sterling ("**GBP**")
3. Aggregate Principal Amount:
 - (i) Series: GBP 350,000,000
 - (ii) Tranche: GBP 100,000,000
4. Issue Price: 101.425 per cent. of the Aggregate Principal Amount plus accrued interest from and including 13 February 2013 to, but excluding, the Issue Date
5. (i) Specified Denominations: GBP 1,000
- (ii) Calculation Amount: GBP 1,000
6. (i) Issue Date: 7 May 2013
- (ii) Interest Commencement Date: 13 February 2013
7. Maturity Date: 15 December 2017
8. Types of Instruments: Fixed Rate

9. Interest Basis: 1.125 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 (redemption at par)
11. Change of Interest or Redemption/ Payment Basis: Not Applicable
12. Put/Call Options: Not Applicable
13. Status of the Instruments: Senior

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Instrument Provisions** Applicable
- (i) Interest Rate: 1.125 per cent. per annum payable annually in arrear
- (ii) Interest Payment Date(s): 15 December in each year commencing on 15 December 2013 (the "**First Interest Payment Date**")
- (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: GBP 11.25 per Calculation Amount payable on each Interest Payment Date other than the First Interest Payment Date
- (v) Party responsible for calculating the Fixed Coupon Amount(s): Deutsche Bank AG, London Branch
- (vi) Broken Amount(s): Short first coupon: GBP 9.40 per Calculation Amount, payable on the First Interest Payment Date
- (vii) Day Count Fraction: Actual/Actual (ICMA)
- (viii) Determination Dates: 15 December in each year
- (ix) Additional Financial Centre(s) relating to Business Days: Not Applicable

15.	Floating Rate Instrument Provisions	Not Applicable
16.	Fixed Interest Discounted Issue Instrument Provisions	Not Applicable
17.	Zero Coupon Instrument Provisions	Not Applicable
18.	Index Linked Interest Instrument Provisions	Not Applicable
19.	Share Linked Interest Instrument Provisions	Not Applicable
20.	FX Linked Interest Instrument Provisions	Not Applicable
21.	Fund Linked Interest Instrument Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

22.	Call Option	Not Applicable
23.	Put Option	Not Applicable
24.	Automatic Early Redemption	Not Applicable
25.	Maturity Redemption Amount of each Instrument	GBP 1,000 per Calculation Amount
26.	Early Redemption Amount	
	(i) Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons:	GBP 1,000 per Calculation Amount
	(ii) Early Redemption Amount(s) per Calculation Amount payable on event of default or other early redemption):	GBP 1,000 per Calculation Amount
27.	Index Linked Redemption Instruments	Not Applicable

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|-----|--|----------------|
| 28. | Share Linked Redemption Instruments | Not Applicable |
| 29. | FX Linked Redemption Instruments | Not Applicable |
| 30. | Instruments with Dual or Other Currency Settlement Conditions | Not Applicable |
| 31. | Fund Linked Redemption Instruments | Not Applicable |
| 32. | Commodity Linked Redemption Instruments: | Not Applicable |
| 33. | Physical Delivery Instruments: | Not Applicable |

GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

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|-----|---|--|
| 34. | Form of Instruments: | Bearer Instruments:

Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Bearer Instruments in the limited circumstances specified in the Permanent Global Instrument |
| 35. | New Global Instrument: | Yes |
| 36. | Relevant Financial Centre(s) or other special provisions relating to Payment Dates: | Not Applicable |
| 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 and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Instruments | Not Applicable |

and interest due on late payment:

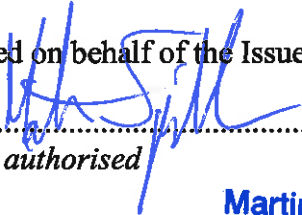
- 40. Details relating to Instalment Instruments: amount of each instalment, date on which each payment is to be made: Not Applicable
- 41. Calculation Agent: Deutsche Bank AG, London Branch
- 42. Settlement Agent: Not Applicable

SIGNATURE

Signed on behalf of the Issuer:

By:.....

Duly authorised



Martin Spillum
CFO

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.
- The Original Instruments have been 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: €400.00

2. RATINGS

The Programme under which the Instruments are to be issued has 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, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (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: GBP 101,680,803.28 (inclusive of 83 days of accrued interest amounting to GBP 255,803.28)
- (iii) Estimated total expenses: Not Applicable

5. **YIELD**

Indication of yield: 0.807 per cent., calculated on a semi-annual basis

6. **HISTORIC INTEREST RATES**

Not Applicable.

7. **DESCRIPTION AND PERFORMANCE OF INDEX/ FORMULA/OTHER VARIABLE**

Not Applicable

The Issuer does not intend to provide post-issuance information.

8. **OPERATIONAL INFORMATION**

ISIN Code: Until the Instruments are consolidated, become fungible and form a single Series with the Original Instruments, the Instruments will have the temporary ISIN Code XS0926887042; afterwards, the Instruments will have the same ISIN Code as the Original Instruments, which is XS0888484200.

Common Code: Until the Instruments are consolidated, become fungible and form a single Series with the Original Instruments, the Instruments will have the temporary Common Code 092688704; afterwards, the Instruments will have the same Common Code as the Original Instruments, which is 088848420.

CUSIP Number: Not Applicable

New Global Instrument intended to be held in a manner which would allow Eurosystem eligibility: Yes
Note that the designation "Yes" simply means that the Instruments are intended upon issue to be deposited with Euroclear or Clearstream, Luxembourg as common safekeeper and does not necessarily mean that the Instruments will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria

Clearing system(s): Euroclear and Clearstream, Luxembourg

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, addresses and underwriting commitments of Managers:	<p>Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom GBP 50,000,000</p> <p>Nomura International Plc 1 Angel Lane London EC4R 3AB United Kingdom GBP 50,000,000</p>
(iii) Date of Subscription Agreement:	3 May 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; TEFRA D
(viii) Public Offer:	The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Instruments during the period from 3 May 2013 until 7 May 2013 (the " Offer Period ") in Luxembourg, Belgium, France, Germany and the United Kingdom (the " Public Offer Jurisdictions ") by any Manager, for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC)

- (ix) Secondary (*uridashi*) offerings of the Instruments to be made in Japan and (i) the relevant Securities Registration Statements or (ii) Amendments or Supplemental Documents to Shelf Registration Statements under Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended) in respect of the Instruments were filed prior to 18 April 2013: No

10. **TERMS AND CONDITIONS OF THE OFFER**

Offer Price:	Issue Price
Conditions to which the offer is subject:	Not Applicable
Description of the application process:	Not Applicable
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	Not Applicable
Details of the minimum and/or maximum amount of application:	Not Applicable
Details of the method and time limits for paying up and delivering the Instruments:	Not Applicable
Manner in and date on which results of the offer are to be made public:	Not Applicable
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these,	Not Applicable

indicate any such tranche.

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	Not Applicable
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Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Not Applicable
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Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	None
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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".

Section A - Introduction and Warnings		
A.1	Introduction:	<p><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></p>
A.2	Consent:	<p><i>The Issuer consents to the use of the Base Prospectus in connection with a Public Offer of the Instruments by each of Deutsche Bank AG, London Branch and Nomura International plc, for so long as they are authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) (each an "Authorised Offeror") on the basis that the relevant Public Offer must occur during the period from and including 3 May 2013 to but excluding 7 May 2013 (the "Offer Period").</i></p> <p>An Investor intending to acquire or acquiring any Instruments from an Authorised Offeror will do so, and offers and sales of the Instruments to an Investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation, settlement arrangements and any expenses or taxes to be charged to the Investor (the "Terms and Conditions of the Public Offer"). The Issuer will not be a</p>

		<p>party to any such arrangements with Investors (other than Dealers) in connection with the offer or sale of the Instruments and, accordingly, the Base Prospectus and any Final Terms will not contain such information. The Terms and Conditions of the Public Offer shall be published by that Authorised Offeror on its website at the relevant time. None of the Issuer, any of the Dealers or other Authorised Offerors has any responsibility or liability for such information.</p>
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Section B - Issuer																																					
B.1	<p>Legal name of the Issuer:</p> <p>Commercial name of the Issuer:</p>	<p>Kommunalbanken AS ("KBN" or the "Issuer")</p> <p>Kommunalbanken Norway (KBN)</p>																																			
B.2	Domicile, legal form, legislation and country of incorporation of the Issuer:	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 style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th colspan="3" style="text-align: center; border-bottom: 1px solid black;">31 December</th> </tr> <tr> <th style="text-align: center; border-bottom: 1px solid black;">2012</th> <th style="text-align: center; border-bottom: 1px solid black;">2011</th> <th style="text-align: center; border-bottom: 1px solid black;">2010</th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="3" style="text-align: center;"><i>(NOK millions)</i></td> </tr> <tr> <td>Net interest income</td> <td style="text-align: right;">2,032</td> <td style="text-align: right;">1,582</td> <td style="text-align: right;">1,197</td> </tr> <tr> <td>Profit before tax.....</td> <td style="text-align: right;">2,604</td> <td style="text-align: right;">1,001</td> <td style="text-align: right;">1,034</td> </tr> <tr> <td>Instalment loans (principal amounts).....</td> <td style="text-align: right;">219,204</td> <td style="text-align: right;">207,572</td> <td style="text-align: right;">183,841</td> </tr> <tr> <td>Total assets</td> <td style="text-align: right;">348,953</td> <td style="text-align: right;">366,901</td> <td style="text-align: right;">315,491</td> </tr> <tr> <td>Senior securities issued (principal amounts).....</td> <td style="text-align: right;">312,867</td> <td style="text-align: right;">338,615</td> <td style="text-align: right;">290,231</td> </tr> <tr> <td>Total liabilities.....</td> <td style="text-align: right;">341,560</td> <td style="text-align: right;">362,307</td> <td style="text-align: right;">311,456</td> </tr> </tbody> </table>		31 December			2012	2011	2010		<i>(NOK millions)</i>			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
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		<p>Share capital 2,145 1,221 1,221 Total equity 7,393 4,594 4,034</p> <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>
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:	<p>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 health institutions, co-operative water works and other entities that perform local government services, <i>provided that</i> 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.

<p>B.17</p>	<p>Ratings assigned to the Issuer or its Debt Securities:</p>	<p>As at the date of the Base Prospectus, each of Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd provided the following ratings:</p> <p>Moody's Investors Service Ltd</p> <table border="1" data-bbox="580 405 1390 510"> <thead> <tr> <th rowspan="2">Long-term senior debt</th> <th colspan="3">Instruments issued under the Programme</th> </tr> <tr> <th>Senior unsecured</th> <th>Subordinated</th> <th>Short-term</th> </tr> </thead> <tbody> <tr> <td>Aaa</td> <td>Aaa</td> <td>Aa1</td> <td>P-1</td> </tr> </tbody> </table> <p>Standard & Poor's Credit Market Services Europe Limited</p> <table border="1" data-bbox="580 607 1390 763"> <thead> <tr> <th rowspan="2">Long-term senior debt</th> <th colspan="2">Instruments issued under the Programme</th> </tr> <tr> <th>Senior unsecured with maturity of one year or more</th> <th>Senior unsecured with maturity of less than one year</th> </tr> </thead> <tbody> <tr> <td>AAA</td> <td>AAA</td> <td>A-1+</td> </tr> </tbody> </table> <p>Each of Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Ltd are established in the European Union and registered under Regulation (EC) No 1060/2009, as amended (the "CRA Regulation") and, as of the date of the Base Prospectus, were included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website (www.esma.europa.eu/page/list-registered-and-certified-CRAs) in accordance with the CRA Regulation.</p>	Long-term senior debt	Instruments issued under the Programme			Senior unsecured	Subordinated	Short-term	Aaa	Aaa	Aa1	P-1	Long-term senior debt	Instruments issued under the Programme		Senior unsecured with maturity of one year or more	Senior unsecured with maturity of less than one year	AAA	AAA	A-1+
Long-term senior debt	Instruments issued under the Programme																				
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AAA	AAA	A-1+																			

<p align="center">Section C - The Instruments</p>		
<p>C.1</p>	<p>Type and Class of Securities, Security Identification Number:</p>	<p>The Instruments are fixed rate notes.</p> <p>The Instruments are issued as Series number 4355, Tranche number 2.</p> <p>The Instruments will be consolidated and form a single Series with the GBP 250,000,000 1.125 per cent. Instruments due 15 December 2017 issued on 13 February 2013 (the "Original Instruments").</p> <p>Security Identification Number(s):</p> <p>ISIN Code: Until the Instruments are consolidated, become fungible and form a single Series with the Original Instruments, the Instruments will have the temporary ISIN Code XS0926887042; afterwards, the Instruments will have the same ISIN Code as the Original Instruments, which is XS0888484200.</p> <p>Common Code: Until the Instruments are consolidated, become fungible and form a single Series with the Original</p>

		Instruments, the Instruments will have the temporary Regulation S Common Code 092688704; afterwards, the Instruments will have the same Common Code as the Original Instruments, which is 088848420.
C.2	Currency of the Securities Issue:	The currency of the Instruments is British pounds sterling (" GBP ").
C.5	Restrictions on Free Transferability:	The Issuer and the Managers have agreed certain restrictions on offers, sales and deliveries of Instruments and on the distribution of offering material.
C.8	The Rights Attaching to the Securities, including Ranking and Limitations to those Rights:	<p><i>Forms of Instruments:</i> The Instruments will be issued in bearer form ("Bearer Instruments").</p> <p>Bearer Instruments will be sold outside the United States to non-U.S. persons in "offshore transactions" within the meaning of Regulation S.</p> <p>The Issuer will deliver a temporary global Instrument (a "Temporary Global Instrument"). The global Instrument is intended to be issued in new global instrument ("NGI" or "New Global Instrument") form and will be deposited on or around the relevant issue date with a common safekeeper for Euroclear Bank SA/NV ("Euroclear") and/or Clearstream Banking, <i>société anonyme</i> ("Clearstream, Luxembourg").</p> <p>Each Temporary Global Instrument will be exchangeable for a Permanent Global Instrument. Each Permanent Global Instrument will be exchangeable for Definitive Bearer Instruments in accordance with its terms in certain limited circumstances. Definitive Bearer Instruments will have interest coupons ("Coupons") attached.</p> <p><i>Denominations:</i> The Instruments are issued in the denomination of GBP 1,000.</p> <p><i>Negative Pledge:</i> The Instruments will 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><i>Cross Default:</i> The Instruments will 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><i>Status of the Instruments:</i> The Instruments are unsubordinated</p>

		<p>Instruments.</p> <p>Taxation: Payments in respect of 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 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 and Coupons receiving such amounts as they would have received in respect of such Instruments and Coupons had no such withholding or deduction been required.</p> <p>Governing Law: The Instruments, all related contractual documentation (except for the VPS Agreement dated 22 April 2009) and any non-contractual obligations arising out of or in connection with them (except for the VPS Agreement dated 22 April 2009) will be governed by English law.</p> <p>Enforcement of Instruments in Global Form: 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>The Rights Attaching to the Securities (Continued), Including Information as to Interest, Maturity, Yield and the Representative of the Holders:</p>	<p>See C.8 for a description of the rights attaching to the Instruments, ranking and limitations.</p> <p>Interest: The Instruments are interest-bearing. The Instruments bear interest from 13 February 2013 at a fixed rate of 1.125 per cent. per annum payable in arrear on 15 December in each year commencing on 15 December 2013.</p> <p>Maturities: Unless previously redeemed, or purchased and cancelled, the Instruments will be redeemed on 15 December 2017.</p> <p>Redemption: Unless previously redeemed, or purchased and cancelled, each Instrument will be redeemed at its Maturity Redemption Amount of 100 per cent.</p> <p>Optional Redemption: Not Applicable.</p> <p>Automatic Early Redemption: Not Applicable</p> <p>Tax Redemption: 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</p>

		<p>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 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>Yield: Based upon the Issue Price of 101.425 per cent. At the Issue Date the anticipated yield of the Instruments is 0.807 per cent., calculated on a semi-annual basis.</p> <p>Representative of the Holders: See "<i>Enforcement of Instruments in Global Form</i>" in C.8.</p>
C.10	Derivative components in interest payment:	Not applicable; there is no derivative component in the interest payments.
C.11	Trading on a regulated market:	Application has been made for the Instruments to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.
C.15	Value of the Instruments and value of the Underlying:	Not Applicable. There is no underlying which may affect the values of the Instruments.
C.16	Exercise Date or Final Reference Date:	Not Applicable. The Instruments do not have an underlying and are not derivative securities.
C.17	Settlement Procedure:	<p>Settlement of any Instruments that are represented by a Global 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 or Clearstream, Luxembourg. Investors will receive their redemption monies through their accounts in Euroclear or Clearstream, Luxembourg in accordance with the standard settlement procedures of Euroclear and Clearstream, Luxembourg.</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 at the specified office of any Paying Agent.</p>
C.18	The Return:	Not Applicable. The Instruments do not have an underlying

		and are not derivative securities.
C.19	Exercise Price or Final Reference Price:	Not Applicable. The Instruments do not have an underlying and are not derivative securities.
C.20	Type of Underlying:	Not Applicable. The Instruments do not have an underlying.
C.21	Indication of the market where the securities will be traded:	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.

Section D - Risks		
D.2	Key Risks Specific to the Issuer:	<ul style="list-style-type: none"> • <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. • <i>Counterparty risk</i> - The Issuer may face counterparty risks which it may not be able to effectively manage. • <i>Liquidity risk</i> - The Issuer may face liquidity risks which it may not be able to effectively manage. • <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. • <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.
D.3	Key Risks Specific to the Instruments:	<ul style="list-style-type: none"> • <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. • <i>Instruments may be redeemed prior to maturity by the Issuer</i> - An optional redemption feature is likely to limit

		<p>the market value of the Instruments.</p> <ul style="list-style-type: none"> • <i>Interest rate risk</i> – Changes in interest rates may affect the value of Fixed Rate Instruments. • <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. • <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. <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>
D.6	Risk Warning	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.

Section E - Offer		
E.2b	Reasons for the Offer and Use of Proceeds:	The net proceeds of the issue of the Instruments will be applied by the Issuer to meet part of its general financing requirements.
E.3	Terms and Conditions of the Offer:	<p>A Public Offer of the Instruments will take place in the Public Offer Jurisdiction(s) during the Offer Period. The Issuer consents to the use of the Base Prospectus in connection with a Public Offer during the Offer Period in the Public Offer Jurisdictions by any Authorised Offeror.</p> <p>Any investor intending to acquire or acquiring any Instruments from an Authorised Offeror will do so, and offers and sales of the Instruments to an investor by an Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocation and settlement arrangements.</p>
E.4	Interests Material	<i>Syndicated Issue:</i> The Issuer has appointed Deutsche Bank AG, London Branch and Nomura International plc (the " Managers ")

	to the Issue:	as Managers of the issue of the Instruments. The arrangements under which the Instruments are sold by the Issuer to, and purchased by, the Managers are set out in the Subscription Agreement made between the Issuer and the Managers.
E.7	Estimated Expenses:	Not applicable. No expenses will be chargeable by the Issuer to an Investor in connection with any offer of Instruments. Any expenses chargeable by an Authorised Offeror to an Investor shall be charged in accordance with any contractual arrangements agreed between the Investor and such Authorised Offeror at the time of the relevant offer.