

SAGSKOPI

## PRICING SUPPLEMENT

13<sup>th</sup> September, 1999

## KommuneKredit

U.S.\$2,000,000,000 Euro Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 4th August 1999. This Pricing Supplement must be read in conjunction with such Information Memorandum.

1. Issuer: KommuneKredit
2. (i) Series Number: I199900882  
(ii) Tranche Number: 1
3. Specified Currency or Currencies: Japanese Yen ("JPY")
4. Aggregate Nominal Amount:
  - (i) Series: JPY 500,000,000
  - (ii) Tranche: JPY 500,000,000
5. Issue Price: 100.50 per cent. of the Aggregate Nominal Amount
6. Specified Denominations: JPY 100,000,000
7. (i) Issue Date: 27<sup>th</sup> September, 1999  
(ii) Interest Commencement Date (if different from the Issue Date): N/A
8. Maturity Date: 27<sup>th</sup> September, 2019, subject to adjustment in accordance with the Modified Following Business Day Convention with no adjustment to actual Redemption Amount
9. Interest Basis: 4.20 per cent. Fixed Rate to Index Linked Interest
10. Redemption/Payment Basis: Redemption at par

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KommuneKredit J.nr.

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|-----|---|-----------------------------|
| 11. | Change of Interest or Redemption/Payment Basis: | Yes, Interest Payment Basis |
| 12. | Put/Call Options:                               | No                          |
| 13. | Status of Notes:                                | Senior                      |
| 14. | Listing:  | None                        |
| 15. | Method of distribution:                         | Non-syndicated              |

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

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|-----|---|---|
| 16. | <b>Fixed Rate Note Provisions</b>   | Applicable  |
|     | (i) Rate of Interest:   | 4.20 per cent. per annum payable semi-annually in arrear  |
|     | (ii) Interest Payment Date(s):  | 27 <sup>th</sup> March, 2000, 27 <sup>th</sup> September, 2000 and 27 <sup>th</sup> March, 2001 |
|     | (iii) Fixed Coupon Amount:  | JPY 2,100,000 per JPY 100,000,000 in Nominal Amount   |
|     | (iv) Broken Amount(s):  | Not Applicable  |
|     | (v) Fixed Day Count Fraction:   | 30/360  |
|     | (vi) Other terms relating to the method of calculating interest for Fixed Rate Notes: | Not Applicable  |
| 17. | <b>Floating Rate Note Provisions</b>  | Not Applicable  |
| 18. | <b>Zero Coupon Note Provisions</b>  | Not Applicable  |
| 19. | <b>Index-Linked Interest Note Provisions</b>  | Applicable  |

- (i) **Index/Formula:** USD 44,818.94 MULTIPLIED BY FX  
MINUS JPY 2,900,000 per  
JPY 100,000,000 Note payable in JPY  
semi-annually in arrear on 27<sup>th</sup> September  
and 27<sup>th</sup> March in each year from and  
including 27<sup>th</sup> September, 2001 to and  
including the Maturity Date (30/360)

The resulting amount shall be payable in  
JPY rounded to the nearest JPY with JPY  
0.5 amounts being rounded upwards and  
shall not be less than zero

Where:

$$FX = (TTS + TTB)/2$$

"FX" means:

- (i) the arithmetic mean of the two  
rates appearing in the columns  
"TTS" and "TTB" for the  
JPY/USD Exchange Rate which is  
fixed at or around 10:00 a.m.  
Tokyo time and appears on  
Reuters Screen Page CNJB or such  
other page as may replace that  
page on Reuters at or around  
11:00 a.m. Tokyo time on the  
relevant Reference Date (the  
"Reuters CNJB");
- (ii) if no such rates on the Reuters  
CNJB is available on the  
Reference Date, then the  
arithmetic mean of the bid and  
offer side of the JPY/USD  
Exchange Rate at 11:00 a.m.  
Tokyo time as appears on the  
Reuters Screen JPNU Page under  
Column "USD" on the Reference  
Date (the "Reuters JPNU"); and
- (iii) if no such rates on the Reuters  
JPNU is available on the  
Reference Date, then the  
Calculation Agent will request five  
leading reference banks (selected

and mutually agreed by both parties) in the Tokyo interbank market for the arithmetic mean of the bid and offer side of quotations of the JPY/USD Exchange Rate at approximately 11:00 a.m. Tokyo time on the Reference Date. The highest and the lowest of such quotations will be disregarded and the arithmetic mean of the remaining quotations will be the FX. If only two such quotations are available, the FX shall be the arithmetic mean of such two quotations. In the event that only one quotation is available, the Calculation Agent may determine that such quotation shall be the FX; and

- (iv) if no such quotation is available or if no suitable reference bank, who is prepared to quote, is available, then the rate that the parties shall agree to, failing which the Calculation Agent shall select in good faith.

“USD” means United States Dollars

“JPY/USD Exchange Rate” means the JPY spot exchange rates against USD (as expressed in an amount of JPY per unit of USD);

“Reference Date” means the day that is ten (10) Tokyo Business Days prior to the relevant Fixed Amount Payer Payment Date.

- (ii) Calculation Agent responsible for calculating the interest due:

Deutsche Bank AG

- (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible of impracticable: Not Applicable
- (iv) Specified Period(s)/Specified Interest Payment Dates: Specified Interest Payment Dates: 27<sup>th</sup> March and 27<sup>th</sup> September in each year, from and including 27<sup>th</sup> September, 2001 to and including the Maturity Date, subject to adjustment in accordance with the Modified Following Business Day Convention with no adjustment to actual Interest Amounts
- (v) Business Day Convention: Modified Following Business Day Convention
- (vi) Additional Business Centre(s): London, New York and Tokyo
- (vii) Minimum Rate of Interest: Zero per cent. per annum
- (viii) Maximum Rate of Interest: Not Applicable
- (ix) Day Count Fraction: 30/360 basis
20. Dual Currency Note Provisions Not Applicable

#### PROVISIONS RELATING TO REDEMPTION

21. Issuer Call Not Applicable
22. Investor Put Not Applicable
23. Final Redemption Amount Par
24. Early Redemption Amount 100 per cent. per Specified Denomination
- Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): 100 per cent. per Specified Denomination

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

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|-----|--|--|
| 25. | Form of Notes:   | Bearer Notes:<br><br>Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 60 days' notice/at any time/in the limited circumstances specified in the Permanent Global Note. |
| 26. | Additional Financial Centre(s) or other special provisions relating to Payment Dates:  | Not Applicable   |
| 27. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):  | No   |
| 28. | Details relating to Partly Paid Notes: 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 Notes and interest due on late payment: | Not Applicable   |
| 29. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:   | Not Applicable   |
| 30. | Redenomination, renominatisation and reconventioning provisions:   | Not Applicable   |
| 31. | Consolidation provisions:  | Not Applicable   |
| 32. | Other terms or special conditions:   | Not Applicable   |

**DISTRIBUTION**

- |     |                                       |                |
|-----|---------------------------------------|----------------|
| 33. | (i) If syndicated, names of Managers: | Not Applicable |
|     | (ii) Stabilising Manager (if any):    | Not Applicable |

34. If non-syndicated, name of Dealer: Daiwa Europe Limited

35. Additional selling restrictions: Not Applicable

#### OPERATIONAL INFORMATION

36. ISIN Code: XS0101609286

37. Common Code: 101609286

38. Any clearing system(s) other than Euroclear and Cedelbank and the relevant identification number(s): Not Applicable

39. Delivery: Delivery against payment

40. Additional Paying Agent(s) (if any): N/A

#### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer: 20 SEP. 1999

By:

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JOHNNY MUNK  
DIRECTOR

JAN K. VILLADSEN  
VICE PRESIDENT

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