

PRICING SUPPLEMENT

12 December 2002

KommuneKredit

Issue of JPY500,000,000 Fixed to Index-Linked Interest Notes due 12 December 2022

under the U.S.\$5,000,000,000 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 28 June, 2002. This Pricing Supplement must be read in conjunction with such Information Memorandum.

1. Issuer: KommuneKredit
2. (i) Series Number: I200203411
(ii) Tranche Number: 1
3. Specified Currency or Currencies: Japanese Yen ("JPY")
4. Aggregate Nominal Amount:
(i) Series: JPY500,000,000
(ii) Tranche: JPY500,000,000
5. Issue Price: 100.00 per cent. of the Aggregate Nominal Amount
6. Specified Denominations: JPY100,000,000 which may not be divided into smaller denominations. This issue is comprised of less than 50 certificates.
7. (i) Issue Date: 12 December 2002
(ii) Interest Commencement Date (if different from the Issue Date): Not Applicable
8. Maturity Date: 12 December 2022 subject to adjustment in accordance with the Modified Following Business Day Convention

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| 9. | Interest Basis: | Fixed Rate to Index-Linked Interest

(further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest
Redemption/Payment Basis: | or Fixed Rate until 12 December 2003 then
Index-Linked Interest thereafter |
| 12. | Put/Call Options: | Not Applicable |
| 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. | Fixed Rate Note Provisions | Applicable from and including 12 December
2002 to but excluding 12 December 2003 |
| (i) | Rate of Interest: | 2.50 per cent. per annum payable annually in
arrear |
| (ii) | Interest Payment Date(s): | 12 December 2003 subject to adjustment in
accordance with the Modified Following
Business Day Convention but without
adjustment to the Fixed Coupon Amount due |
| (iii) | Fixed Coupon Amount: | JPY2,500,000 per JPY100,000,000 in
Nominal Amount |
| (iv) | Broken Amount(s): | Not Applicable |
| (v) | Day Count Fraction: | 30E/360 |
| (vi) | Determination Date(s) | Not Applicable |
| (vii) | Other terms relating to the method of
calculating interest for Fixed Rate
Notes: | Not Applicable |
| 17. | Floating Rate Note Provisions | Not Applicable |
| 18. | Zero Coupon Note Provisions | Not Applicable |
| 19. | Index-Linked Interest Note
Provisions | Applicable from and including 12 December
2003 to but excluding 12 December 2022 |
| (i) | Index/Formula: | The Rate of Interest for each Interest
Period will be determined by the
Calculation Agent as follows, provided that
if the rate so determined is less than 0.00
per cent. it will be deemed to be 0.00 per
cent.: |

$$9.00\% \times \frac{USDf}{122.35} - 6.40\%$$

For the avoidance of doubt the Interest Amount per Specified Denomination for each Interest Period in the Indexed Note period will be

JPY (73,559.46 * USDf) - JPY 6,400,000

subject to a minimum amount of JPY0 per Specified Denomination

Where:

USDf is the USD/JPY spot foreign exchange bid rate at 3.00pm (Tokyo time) on Reuters Screen Page "JPNU" 10 (ten) London, New York and Tokyo business days prior to each Interest Payment Date (the "**Interest Determination Date**").

If, however, no such rate appears on Reuters Screen Page "JPNU" (or such page as may replace that page or service) on the Interest Determination Date, USDf shall be the USD/JPY spot foreign exchange bid rate as announced by the Bank of Japan which appears on Reuters Screen Page "TKYFX" as of 3.00pm (Tokyo time) on the Interest Determination Date.

If no such rate appears on Reuters Screen Page "TKYFX", the Calculation Agent shall request the bid quotations of the JPY/USD spot foreign exchange rate at approximately 3.00pm (Tokyo time) on the Interest Determination Date from five (5) leading banks (selected by the Calculation Agent at its discretion) in the Tokyo interbank market (each a "**Quotation**").

If **five** or **four** Quotations are obtained, the highest and the lowest of such Quotations will be disregarded and the arithmetic mean of such remaining Quotations will be USDf.

If only **three** or **two** Quotations are obtained, then USDf shall be the arithmetic mean of all Quotations actually obtained.

If only **one** Quotation is obtained, such quotation shall be USDf.

If no such Quotation is available, or if the Calculation Agent in its sole discretion determines that no suitable reference bank that is prepared to quote is available, the Calculation Agent will determine USDf in its sole discretion acting in good faith and in a commercially reasonable manner.

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| (ii) | Calculation Agent responsible for calculating the interest due: | BNP Paribas |
| (iii) | Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible of impracticable: | See item 19(i) above. |
| (iv) | Specified Period(s)/Specified Interest Payment Dates: | 12 months.

12 December in each year from and including 12 December 2004 to and including 12 December 2022 |
| (v) | Business Day Convention: | Modified Following Business Day Convention but without adjustment to the Interest Amount due |
| (vi) | Additional Business Centre(s): | London and New York |
| (vii) | Minimum Rate of Interest: | 0.00 per cent. per annum |
| (viii) | Maximum Rate of Interest: | Not Applicable |
| (ix) | Day Count Fraction: | 30E/360 |
| 20. | Dual Currency Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 21. | Issuer Call | Not Applicable |
| 22. | Investor Put | Not Applicable |
| 23. | Final Redemption Amount | Par |
| 24. | Early Redemption Amount | As set out in the Conditions |
| | 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): | |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25. | Form of Notes: | Bearer Notes: |
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		Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.
26.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	London and New York
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:	Rounding: Any Interest Amount calculated in accordance with this Pricing Supplement will be rounded to the nearest whole JPY, with JPY 0.50 being rounded upwards.

DISTRIBUTION

33.	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager (if any):	Not Applicable
34.	If non-syndicated, name of Dealer:	BNP Paribas
35.	Additional selling restrictions:	Not Applicable

OPERATIONAL INFORMATION

36.	ISIN Code:	XS0158698877
37.	Common Code:	15869887

38. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
39. Delivery: Delivery against payment
40. Additional Paying Agent(s) (if any): Not Applicable

RESPONSIBILITY

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

Signed on behalf of the Issuer:

By:
Duly authorised

~~JOHNNY MUNK~~
~~MANAGING DIRECTOR~~

~~JETTE MOLDRUP~~
~~VICE PRESIDENT~~