

Final Terms

Final Terms dated 26 July 2010

KommuneKredit

EUR15,000,000,000 Euro Medium Term Note Programme

This document constitutes the Final Terms 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 9th June, 2010. These Final Terms must be read in conjunction with such Information Memorandum.

1.	Issuer:	KommuneKredit
2.	(i) Series Number:	I201004473
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Japanese Yen ("JPY")
4.	Aggregate Nominal Amount:	
	(i) Series:	JPY 1,500,000,000
	(ii) Tranche:	JPY 1,500,000,000
5.	(i) Issue Price:	100 per cent. of the Aggregate Nominal Amount
	(ii) Net proceeds:	JPY 1,500,000,000
6.	(i) Specified Denominations:	JPY 100,000,000
	(ii) Calculation Amount:	JPY 100,000,000
7.	(i) Issue Date:	28 July 2010
	(ii) Interest Commencement Date:	29 July 2010
8.	Maturity Date:	29 July 2030, subject to adjustment in accordance with the Modified Following Business Day Convention on an unadjusted basis
9.	Interest Basis:	3.240 per cent. Fixed Rate (further particulars specified below)
10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
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

16.	Fixed Rate Note Provisions	Applicable
	(i) Rate(s) of Interest:	3.240 per cent. per annum payable annually in arrear

- (ii) Interest Payment Dates: 29 July in each year commencing 29 July 2011 up to and including the Maturity Date
- (iii) Business Day Convention: Modified Following Business Day Convention
- (iv) Additional Business Centre(s): London, Tokyo, New York, Sydney and TARGET2
- (v) Fixed Coupon Amount(s): Not Applicable
(further particulars specified below)
- (vi) Broken Amount(s): Not Applicable
- (vii) Day Count Fraction: 30/360 (unadjusted)
- (viii) Determination Date(s): Not Applicable
- (ix) Other terms relating to the method of calculating interest for Fixed Rate Notes:
- (I) If the FX Level is equal to or greater than the FXbarrier (as determined by the Calculation Agent), then the interest amount shall be JPY Fixed Interest Amount per Calculation Amount (unadjusted); and
- (II) If the FX Level is less than the FXbarrier (as determined by the Calculation Agent), then the interest amount shall be AUD Fixed Interest Amount converted and paid in JPY ("Converted Payable JPY Interest Amount") per Calculation Amount (unadjusted).

Where:

"Calculation Agent" means JPMorgan Chase Bank, N.A.

"FXbarrier" is 74.65.

"JPY Fixed Interest Amount" means JPY 3,240,000.

"AUD Fixed Interest Amount" means AUD43,402.55.

"Converted Payable JPY Interest Amount" means "AUD Fixed Interest Amount" x "FX Level"

"FX Level" means, as determined by the Calculation Agent, the mid exchange rate of the AUD/JPY, expressed as a number of JPY per AUD1.00 as of 3:00 p.m. Tokyo time on the fifth (5th) Tokyo, London, New York and Sydney Business Days and TARGET2 Business Days prior to each Interest Payment Date which appears on Reuters Screen JPNU Page (or such other page as may replace that page on that service).

If no such rate appears on such date on the Reuters Screen JPNU Page (or such other page as may replace such page on that service), FX Level will be determined by the Calculation Agent as follows:

The Calculation Agent will request five leading reference banks (selected by the Calculation Agent at its discretion) in the Tokyo interbank market for mid market quotations in respect of the AUD/JPY spot exchange rate at approximately 3:00 p.m. Tokyo time on such date. The highest and lowest of such quotations will be disregarded and the arithmetic mean of the remaining quotations (as determined by the Calculation Agent, acting in good faith and in accordance with standard market practice) will be FX Level.

Provided that, if only four quotations are so provided, then FX Level shall be the arithmetic mean of such quotations without regard to the highest and lowest values (as determined by the Calculation Agent) quoted. If fewer than four quotations but at least two quotations are obtained, then FX Level shall be the arithmetic mean of the quotations actually obtained by the Calculation Agent (as determined by the Calculation Agent, acting in good faith and in accordance with standard market practice).

If only one quotation is available the Calculation Agent may determine that such quotation shall be FX Level, and if no such quotation is available or if the Calculation Agent determines that no suitable reference bank which is prepared to quote is available, the Calculation Agent will determine FX Level in its sole discretion, acting in good faith and in accordance with standard market practice.

"Reuters Screen" shall mean, when used in connection with any designated page, the display page so designated on the Reuters Money Market Rate Services or such other services or service as may be nominated as the information vendor for the purpose of displaying the specific page on that service or such other page as may replace that page on that service or such other service, in all cases for the purposes of displaying comparable rates in succession thereto.

“Reuters Screen “JPNU” Page” means the display page “JPNU” on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying the AUD/JPY exchange rates).

17.	Floating Rate Note Provisions	Not Applicable
18.	Zero Coupon Note Provisions	Not Applicable
19.	Index-Linked Interest Note Provisions	Not Applicable
20.	Dual Currency Note Provisions	Not Applicable
21.	Equity-Linked Interest Note Provisions	Not Applicable
22.	Commodity-Linked Interest Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

23.	Issuer Call	Not Applicable
24.	Investor Put	Not Applicable
25.	Final Redemption Amount	Par
26.	Equity-Linked Redemption Note Provisions	Not Applicable
27.	Commodity-Linked Redemption Note Provisions	Not Applicable
28.	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):	Condition 4(g) applies

GENERAL PROVISIONS APPLICABLE TO THE NOTES

29.	Form of Notes:	Bearer Notes: 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.
30.	New Global Note:	No
31.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	London, Tokyo, New York, Sydney and TARGET2
32.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
33.	Details relating to Partly Paid Notes:	Not Applicable

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:

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| 34. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 35. | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 36. | Consolidation provisions: | Not Applicable |
| 37. | Other terms or special conditions: | <p>“Business Day” means a day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign currency deposits) in London, Tokyo, New York, Sydney and a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.</p> |

DISTRIBUTION

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| 38. | (i) If syndicated, names of Managers: | Not Applicable |
| | (ii) Stabilising Manager (if any): | Not Applicable |
| 39. | If non-syndicated, name of Dealer: | J.P. Morgan Securities Ltd. |
| 40. | Additional selling restrictions: | <p><u>Japan</u></p> <p>The dealer represents and agrees that it is purchasing Notes as principal and that in connection with the offering of the Notes, it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation of other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except in compliance with the Financial Instruments and Exchange Law and any applicable laws and regulation of Japan and furthermore undertakes that any financial instruments dealer to whom it sells any Notes will agree that it is purchasing the Notes as principal and that it will not offer or sell any Note, directly or indirectly, in Japan or to or for the benefit of any residents of Japan (except as aforesaid).</p> |

OPERATIONAL INFORMATION

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| 41. | ISIN Code: | XS0525659958 |
| 42. | Common Code: | 052565995 |
| 43. | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable |
| 44. | Delivery: | Delivery against payment |
| 45. | Additional Paying Agent(s) (if any): | Not Applicable |
| 46. | Intended to be held in a manner which would allow Eurosystem eligibility: | No |

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:

~~Duly authorised~~

~~Johnny Munk~~
Managing Director

~~Jette Moldrup~~
Senior Vice President