

## Final Terms

Final Terms dated 10th December 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:	I201004495
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	South African Rand ("ZAR")
4.	Aggregate Nominal Amount:	
	(i) Series:	ZAR 300,000,000
	(ii) Tranche:	ZAR 300,000,000
5.	(i) Issue Price:	52.70 per cent. of the Aggregate Nominal Amount
6.	(i) Specified Denominations:	ZAR 1,000,000
	(ii) Calculation Amount:	ZAR 1,000,000
7.	(i) Issue Date:	14th December 2010
	(ii) Interest Commencement Date:	Issue Date
8.	Maturity Date:	14th December 2020
9.	Interest Basis:	0.50 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 of Interest:	0.50 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Date(s):	14th June and 14th December in each year commencing 14th June 2011 up to and includ-

ing the Maturity Date

The period from and including a Interest Payment Date to but excluding the next Interest Payment Date is called a "Interest Period".

For the avoidance of doubt, each Interest Period will not be subject to adjustment.

(iii) Business Day Convention:	Following Business Day Convention
(iv) Additional Business Centre(s):	London and Johannesburg and a day on which the TARGET2 System is open.
(v) Fixed Coupon Amount[(s)]:	ZAR 2,500 per Calculation Amount
(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:	Not Applicable
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):	If any Notes become due and payable prior to the Maturity Date in accordance with Condition 4(b) or Condition 7, the Early Redemption Amount of such Notes will be calculated on the same basis as set out in Condition 4(f) with the modification that 52.70 per cent. of the Aggregate Nominal Amount shall be multiplied to the amount determined in accordance with Condition 4(f)(ii) and, where the Accrual Yield is 6.509228829 per cent. plus any accrued inter-

est thereon.

Notwithstanding Condition 4(f), such interest shall be calculated on the same basis as that referred to in Condition 3(a).

#### 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:	"Payment Day" as used in Condition 5, means any 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 exchange and foreign currency deposits) in London and Johannesburg and a day on which TARGET2 System is open.
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: 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
34.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
35.	Redenomination, renominalisation and reconventioning provisions:	Not Applicable
36.	Consolidation provisions:	Not Applicable
37.	Other terms or special conditions:	In the event of unavailability of ZAR, the Issuer will make payments in a currency specified by the Calculation Agent* at a rate determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner.

Any payment made in the currency specified by

the Calculation Agent in accordance with this paragraph will not constitute an Event of Default.

The communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Calculation Agent shall be conclusive for all purposes and binding on the Issuer, the Paying Agents, and the holders of the Notes or Coupons. By acceptance thereof, purchasers of the Notes will be deemed to have acknowledged and agreed and to have waived any and all actual and potential conflicts of interest that may arise as a result of the calculation of the payment by the Calculation Agent in the currency specified by the Calculation Agent.

\* Deutsche Bank AG, Frankfurt will act as Calculation Agent.

#### **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:    | Nomura International plc  |
| 40. | Additional selling restrictions:      | <p>For the purpose of this Issue, the following paragraph shall be deemed to be set out under the heading "Republic of South Africa" in the section entitled "Subscription and Sale" in the Base Prospectus:</p> <p>"The Dealer has represented, warranted and agreed that it has not and will not offer for sale or subscription or sell any Notes, directly or indirectly, within the Republic of South Africa or to any person or corporate or other entity resident in the Republic of South Africa except in accordance with the exchange control regulations of the Republic of South Africa and to any entity resident or within the Republic of South Africa in accordance with the Commercial Paper regulations and the Companies Act 1973 and the Financial Advisory and Intermediary Services Act 2002."</p> |

#### **OPERATIONAL INFORMATION**

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| 41. | ISIN Code:   | XS0563484251 |
| 42. | Common Code: | 056348425    |

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|-----|--|--------------------------|
| 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