

## FINAL TERMS

3 August, 2016

### KommuneKredit

**ZAR 400,000,000 8.10 per cent. Fixed Rate Notes due 5 August 2026 (the Notes)**

**issued under its**

**EUR 25,000,000,000**

**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 18 May 2016. These Final Terms must be read in conjunction with such Information Memorandum.

1. Issuer: KommuneKredit
2. (i) Series Number: I16Z123283  
(ii) Tranche Number: 1
3. Specified Currency or Currencies: South African Rand (**ZAR**)
4. Aggregate Nominal Amount:
  - (i) Series: ZAR 400,000,000
  - (ii) Tranche: ZAR 400,000,000
5. (i) Issue Price: 92.808 per cent. of the Aggregate Nominal Amount  
(ii) Net proceeds: ZAR 371,232,000
6. (i) Specified Denominations: ZAR 100,000  
(ii) Calculation Amount: ZAR 100,000
7. (i) Issue Date: 5 August 2016  
(ii) Interest Commencement Date: Issue Date
8. Maturity Date: 5 August 2026
9. Interest Basis: 8.10 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:	Luxembourg regulated market
15.	Method of distribution:	Non-syndicated

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

16.	Fixed Rate Note Provisions:	Applicable
	(i) Rate of Interest:	8.10 per cent. per annum payable annually in arrear
	(ii) Interest Payment Dates:	5 August in each year, commencing on 5 August 2017 up to and including the Maturity Date
	(iii) Business Day Convention:	Following Business Day Convention, unadjusted
	(iv) Additional Business Centre(s):	Johannesburg, London and TARGET2
	(v) Fixed Coupon Amount:	ZAR 8,100 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): | As set out in the Conditions |

## **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- |     |                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                     |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 29. | Form of Notes:                                                                                                                                                                                                                                                             | Bearer Notes:<br><br>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:                                                                                                                                                                                      | Johannesburg, London 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: 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, renominatisation and reconventioning provisions:                                           | Not Applicable |
| 36. | Consolidation provisions:                                                                                  | Not Applicable |
| 37. | Other terms or special conditions:                                                                         | Not Applicable |

### **DISTRIBUTION**

- |     |                                       |                                         |
|-----|---------------------------------------|-----------------------------------------|
| 38. | (i) If syndicated, names of Managers: | Not Applicable                          |
|     | (ii) Stabilising Manager (if any):    | Not Applicable                          |
| 39. | If non-syndicated, name of Dealer:    | Daiwa Capital Markets Europe Limited    |
| 40. | Additional selling restrictions:      | <b><u>Republic of South Africa:</u></b> |

The Dealer has 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 (a) in accordance with the exchange control regulations of the Republic of South Africa and (b) to any entity resident or within the Republic of South Africa in accordance with the Commercial Paper regulations and the Companies Act 2008 and the Financial Advisory and Intermediary Services Act 2002

### **OPERATIONAL INFORMATION**

- |     |                                                                                                                    |                          |
|-----|--------------------------------------------------------------------------------------------------------------------|--------------------------|
| 41. | ISIN Code:                                                                                                         | XS1467466758             |
| 42. | Common Code:                                                                                                       | 146746675                |
| 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): Not Applicable

46. Intended to be held in a manner which would allow Eurosystem eligibility: No

Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

### **LISTING APPLICATION**

These Final Terms comprise the details required to list the issue of Notes described herein pursuant to the listing of the EUR 25,000,000,000 Euro Medium Term Note Programme of KommuneKredit.

### **RESPONSIBILITY**

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

Signed on behalf of the Issuer:

By: .....

Duly authorised