

MIFID II product governance – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MIFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

FINAL TERMS

U.S.\$ 1,000,000,000 2.25 per cent. Fixed Rate Notes due 2021 issued under the KommuneKredit EUR 30,000,000,000 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 19 May, 2017. These Final Terms must be read in conjunction with such Information Memorandum.

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| 1. | Issuer: | KommuneKredit |
| 2. | (i) Series Number: | I18Z135938 |
| | (ii) Tranche Number: | 01 |
| 3. | Specified Currency or Currencies: | U.S. dollar (<i>U.S.\$</i>) |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | U.S.\$ 1,000,000,000 |
| | (ii) Tranche: | U.S.\$ 1,000,000,000 |
| 5. | (i) Issue Price: | 99.967 per cent. of the Aggregate
Nominal Amount |
| | (ii) Net Proceeds: | U.S.\$ 998,670,000 |
| 6. | (i) Specified Denominations: | U.S.\$ 200,000 and integral
multiples of U.S.\$ 1,000 in excess
thereof |
| | (ii) Calculation Amount: | U.S.\$ 1,000 |
| 7. | (i) Issue Date: | 10 January 2018 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 8 January 2021 |
| 9. | Interest Basis: | 2.25 per cent. per annum Fixed
Rate. |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest or Redemption/Payment | Not Applicable |

Basis:	
12. Put/Call Options:	Not Applicable
13. Status of Notes:	Senior
14. Listing:	Luxembourg regulated market
15. Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions:	Applicable
(i) Rate of Interest:	2.25 per cent. per annum payable annually in arrear
(ii) Interest Payment Dates:	8 January in each year commencing 8 January 2019 up to and including the Maturity Date
(iii) Business Day Convention:	Following Business Day Convention. For the avoidance of doubt, the Following Business Day Convention shall only apply in the case of payment. The Interest Payment Dates will not be adjusted for the calculation of interest and there will be no adjustment of any Fixed Interest Period.
(iv) Additional Business Centres:	London and New York City
(v) Fixed Coupon Amount:	U.S.\$22.50 per Calculation Amount
(vi) Broken Amount:	U.S.\$22.375 per Calculation Amount in respect of the interest period from and including the interest Commencement Date to but excluding the first Interest Payment Date falling on 8 January 2019
(vii) Day Count Fraction:	30/360, Following 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: U.S.\$ 1,000 per Calculation Amount
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): Not Applicable

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: Yes
31. Additional Financial Centre(s) or other special provisions relating to Payment Dates: London and New York City
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
34. Details relating to Instalment Notes: Not Applicable
35. Redenomination, renominalisation 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: Bank of Montreal, London Branch
BNP Paribas
Daiwa Capital Markets Europe Limited
J.P. Morgan Securities plc

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| (ii) Stabilising Manager (if any): | BNP Paribas |
| 39. If non-syndicated, name of Dealer: | Not Applicable |
| 40. Additional selling restrictions: | Not Applicable |

OPERATIONAL INFORMATION

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| 41. ISIN Code: | XS1747148358 |
| 42. Common Code: | 174714835 |
| 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: | Yes |

Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of Euroclear Bank SA/NV or Clearstream Banking SA as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

LISTING APPLICATION

These Final Terms comprise the details required to list the issue of Notes described herein pursuant to the listing of the EUR 30,000,000,000 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