

PRICING SUPPLEMENT

17th March, 2003

KommuneKredit

U.S.\$5,000,000,000 Euro Medium Term Note Programme Japanese Yen 1,000,000,000 Fixed and Index-Linked Notes due 2033

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 28th June, 2002. This Pricing Supplement must be read in conjunction with such Information Memorandum.

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| 1. | Issuer: | KommuneKredit |
| 2. | (i) Series Number: | I200303456 |
| | (ii) Tranche Number: | Not Applicable |
| 3. | Specified Currency or Currencies: | Japanese Yen ("JPY") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | JPY 1,000,000,000 |
| | (ii) Tranche: | Not Applicable |
| 5. | (i) Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount |
| | (ii) Net Proceeds: | Not Applicable |
| 6. | Specified Denominations: | JPY 100,000,000 |
| 7. | (i) Issue Date: | 19th March, 2003 |
| | (ii) Interest Commencement Date (if different from the Issue Date): | Not Applicable |
| 8. | Maturity Date: | 17th March, 2033 |
| 9. | Interest Basis: | Fixed and Index-Linked Interest (further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest or Redemption/Payment Basis: | Fixed Rate in respect of the period from and including the Issue Date to but excluding 19th May, 2004 and Index-Linked Interest in respect of the period from and including 19th May, 2004 to but excluding the Maturity Date |
| 12. | Put/Call Option: | 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: 3.60 per cent. per annum payable annually in arrear on the Interest Payment Date
 - (ii) Interest Payment Date(s): 19th May, 2003 and 19th May, 2004
 - (iii) Fixed Coupon Amount(s): JPY3,600,000 per Specified Denomination
 - (iv) Broken Amount(s): JPY 600,000 per Specified Denomination on the Interest Payment Date falling on 19th May, 2003
 - (v) Day Count Fraction: 30/360
 - (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
- (i) Index/Formula: Please see the attached Appendix
 - (ii) Calculation Agent responsible for calculating the interest due: Nomura Bank (Luxembourg) S.A.
Any determination made by the Calculation Agent will be consistent with the related swap determination for the swap entered into in relation to this issue
 - (iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable: Please see the attached Appendix
 - (iv) Specified Period(s)/Specified Interest Payment Dates: Please see the attached Appendix
 - (v) Business Day Convention: Not Applicable
 - (vi) Additional Business Centre(s): Not Applicable
 - (vii) Minimum Rate of Interest: Please see the attached Appendix
 - (viii) Maximum Rate of Interest: Please see the attached Appendix
 - (ix) Day Count Fraction: Please see the attached Appendix
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 | |
- 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): 100.00 per cent. of the Aggregate Nominal Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25. | 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 |
| 26. | Additional Financial Centre(s) or other special provisions relating to Payment Dates: | Payment Day means 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, Tokyo 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, renominalisation and reconventioning provisions: | Not Applicable |
| 31. | Consolidation provisions: | Not Applicable |
| 32. | Other terms or special conditions: | Not Applicable |

DISTRIBUTION

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

OPERATIONAL INFORMATION

36. ISIN Code: XS0164162587
37. Common Code: 016416258
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

ESKE HANSEN
VICE PRESIDENT

APPENDIX

The Index-Linked Interest Notes will bear interest from and including 19th May, 2004 to but excluding the Maturity Date payable in amounts (each an "Index-Linked Interest Amount") determined in accordance with the provisions set out below. Interest will be payable annually in arrear on 19th May in each year (each an "Index-Linked Interest Date"), commencing 19th May, 2005 to and including 19th May, 2032 and then the Maturity Date. The period from and including 19th May, 2004 to but excluding the first Index-Linked Interest Date and each successive period from and including an Index-Linked Interest Date to but excluding the next following Index-Linked Interest Date is herein called an "Index-Linked Interest Period". For the avoidance of doubt, each Index-Linked Interest Period is not subject to adjustment.

The Index-Linked Interest Amount per Specified Denomination for each Index-Linked Interest Period shall be calculated by the Calculation Agent in accordance with the following formula, provided that (1) the resultant figure of the formula shall be rounded to the nearest whole JPY, half a JPY being rounded upwards, (2) the resultant figure of the square bracket shall be rounded to the nearest six decimal places of one per cent., (3) the resultant figure of the square bracket shall never be less than zero, and (4) the resultant figure of the square bracket shall never exceed 3.60 per cent. and if it does so exceed, the resultant figure of the square bracket shall be deemed to be 3.60 per cent.:

$$\text{JPY } 100,000,000 \times [13.60\% \times (\text{FX1}/115.50) - 10.00\%] \times \text{Day Count Fraction}$$

Where:

"Calculation Agent" means Nomura Bank (Luxembourg) S.A. whose calculations and determinations shall be binding in the absence of manifest error;

"Day Count Fraction" means 30/360. For the avoidance of doubt, this shall be 360/360 for each Index-Linked Interest Period, except for the final Index-Linked Interest Period ending on the Maturity Date for which this shall be 298/360;

"FX1" shall mean the arithmetic mean of the offered rate and bid rate of the USD/JPY exchange rates which appear under the "DLR" column on Reuters Screen Page "JPNU" as of 10:00 a.m. Tokyo time on the relevant Interest Determination Date; provided that if no such exchange rate or rates is or are published on Reuters Screen Page "JPNU" or Reuters Screen Page "JPNU" is not available on the Interest Determination Date, then FX1 shall be the arithmetic mean of the offered rate and bid rate of the USD/JPY exchange rate as of 10:00 a.m. Tokyo time, expressed as a number of JPY per USD1.00 which appears on Reuters Screen Page "TKYFX" "Bank of Japan" column on the relevant Interest Determination Date, as determined by the Calculation Agent provided further if no such rate appears on Reuters Screen Page "TKYFX" on the relevant Interest Determination Date the Calculation Agent will determine the FX1 in good faith;

"Interest Determination Date" means the day that is the tenth (10) Tokyo, London and New York Business Day prior to the relevant Indexed-Linked Interest Date;

"Reuters Screen Page "JPNU" "means the display page "JPNU" on the Reuter Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying the USD/JPY exchange rates); and

"USD" shall mean United States Dollars.

For the avoidance of doubt, if interest is required to be calculated for a period other than for a full Indexed-Linked Interest Period, such interest shall be calculated on the basis of a 360-day year consisting of 12 months of 30 days and, in the case of an incomplete month, the number of days elapsed.