

PRICING SUPPLEMENT**20th June, 2003****KommuneKredit****U.S.\$5,000,000,000 Euro Medium Term Note Programme
Japanese Yen 1,500,000,000 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: | I200303511 |
| | (ii) Tranche Number: | Not Applicable |
| 3. | Specified Currency or Currencies: | Japanese Yen ("JPY") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | JPY 1,500,000,000 |
| | (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: | 24th June, 2003 |
| | (ii) Interest Commencement Date (if different from the Issue Date): | Not Applicable |
| 8. | Maturity Date: | 23rd June, 2033 |
| 9. | Interest Basis: | Index-Linked Interest (further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par |
| 11. | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 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

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| 16. | Fixed Rate Note Provisions | 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 |
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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, renominatisation and reconventioning provisions: Not Applicable
31. Consolidation provisions: Not Applicable
32. Other terms or special conditions: Not Applicable

DISTRIBUTION

33. (i) If syndicated, names of Managers: Not Applicable
- (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: XS0169849816
37. Common Code: 016984981
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
SØREN HØGENHAVEN
managing director,
chief executive

Kenneth Retbøll-Bauer
Cheif Financial Officer

APPENDIX

The Index-Linked Interest Notes will bear interest from and including the Issue Date 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 25th March in each year (each an "Index-Linked Interest Date"), commencing 25th March, 2004 to and including 25th March, 2033 and then the Maturity Date. The period from and including the Issue Date 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 4.00 per cent. and if it does so exceed, the resultant figure of the square bracket shall be deemed to be 4.00 per cent.:

$$\text{JPY } 100,000,000 \times [10.00\% \times ({}^{\text{FX1}}/Y) - 8.00\%] \times \text{Day Count Fraction}$$

Where:

Index-Linked Interest Dates:	Y
25th March, 2004	116.50
25th March, 2005	115.80
25th March, 2006	115.10
25th March, 2007	114.40
25th March, 2008	113.70
25th March, 2009	113.00
25th March, 2010	112.30
25th March, 2011	111.60
25th March, 2012	110.90
25th March, 2013	110.20
25th March, 2014	109.50
25th March, 2015	108.80
25th March, 2016	108.10
25th March, 2017	107.40
25th March, 2018	106.70
25th March, 2019	106.00
25th March, 2020	105.30
25th March, 2021	104.60
25th March, 2022	103.90
25th March, 2023	103.20
25th March, 2024	102.50
25th March, 2025	101.80
25th March, 2026	101.10
25th March, 2027	100.40
25th March, 2028	99.70
25th March, 2029	99.00
25th March, 2030	98.30
25th March, 2031	97.60
25th March, 2032	96.90
25th March, 2033	96.20
23rd June, 2033	95.50

"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 first Index-Linked Interest Period ending on 25th March, 2004 for which this shall be 271/360 and for the final Index-Linked Interest Period ending on the Maturity Date for which this shall be 88/360;

“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);

“Reuters Screen Page “TKYFX”” means the display page “TKYFX” 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 rate); 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.