

Final Terms dated 21 December 2006

**KommuneKredit**

**HKD 270,000,000 4.10% Fixed Rate Notes due 21 December 2020**

**U.S.\$10,000,000,000 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 10 July, 2006. These Final Terms must be read in conjunction with such Information Memorandum.

1.	Issuer:	KommuneKredit
2.	(i) Series Number:	I200604174
	(ii) Tranche Number:	1
3.	Specified Currency or Currencies:	Hong Kong Dollars ("HKD")
4.	Aggregate Nominal Amount:	
	(i) Series:	HKD 270,000,000
	(ii) Tranche:	HKD 270,000,000
5.	(i) Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
6.	Specified Denominations:	HKD 500,000
7.	Issue Date and Interest Commencement Date:	29 December 2006
8.	Maturity Date:	21 December 2020
9.	Interest Basis:	4.10 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:	None
15.	Method of distribution:	Non-syndicated

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

16.	Fixed Rate Note Provisions	Applicable
	(i) Rate of Interest:	4.10 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	21 December in each year commencing 21 December 2007 up to and including the Maturity Date subject to adjustment in accordance with the Modified Following Business Day Convention
	(iii) Fixed Coupon Amount:	Not Applicable
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/365 (Fixed), adjusted
	(vi) Determination Date(s):	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate	Not Applicable

Notes:

18.	Zero Coupon Note Provisions	Not Applicable
19.	Index-Linked Interest Note Provisions	Not Applicable
20.	Dual Currency Note Provisions	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

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):	As set out in the Conditions

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

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 and at the expense of the Issuer
26.	New Global Note:	No
27.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	New York, London, Hong Kong and TARGET
28.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
29.	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
30.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
31.	Redenomination, renominatisation and reconventioning provisions:	Not Applicable
32.	Consolidation provisions:	Not Applicable
33.	Other terms or special conditions:	Not Applicable

**DISTRIBUTION**

34.	(i) If syndicated, names of Managers:	Not Applicable
	(ii) Stabilising Manager (if any):	Not Applicable
35.	If non-syndicated, name of Dealer:	J.P. Morgan Securities Ltd.

36. Additional selling restrictions: Not Applicable

#### OPERATIONAL INFORMATION

37. ISIN Code: XS0280808246  
38. Common Code: 028080824  
39. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable  
40. Delivery: Delivery against payment  
41. Additional Paying Agent(s) (if any): Not Applicable  
42. 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

~~JOHNNY MUNK~~  
MANAGING DIRECTOR

~~ESKE HANSEN~~  
Senior Vice President