

Final Terms dated 5th August 2008**KommuneKredit****EUR \$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 30 June, 2008. These Final Terms must be read in conjunction with such Information Memorandum.

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| 1 | Issuer: | KommuneKredit |
| 2. | Series Number: | I200804339 |
| 3. | Specified Currency or Currencies: | Japanese Yen (“JPY”) |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | JPY 100,000,000 |
| | (ii) Tranche: | JPY 100,000,000 |
| 5. | Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount |
| 6. | Specified Denominations: | JPY 50,000,000 |
| 7. | (i) Issue Date: | 5 th August 2008 |
| | (ii) Interest Commencement Date (if different from the Issue Date): | 6 th August 2008 |
| 8. | Maturity Date: | 6 th August 2038, subject to adjustment in accordance with the Modified Following Business Day Convention |
| 9. | Interest Basis: | FX Linked Interest (further particulars specified below) |
| 10. | Redemption/Payment Basis: | Redemption at par (subject to early redemption as per Early Redemption Annex to these Final Terms) |
| 11. | Change of Interest or Redemption/Payment Basis: | Not Applicable (“N/A”) |

12. Put/Call Options:	N/A
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	N/A
17. Floating Rate Note Provisions	N/A
18. Zero Coupon Note Provisions	N/A
19. Index-Linked Interest Note Provisions	Applicable
(i) Index/Formula:	See Interest Annex to these Final Terms
(ii) Calculation Agent responsible for calculating the interest due:	Royal Bank of Canada, London, or any successor
(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	See Interest Annex to these Final Terms
(iv) Specified Period(s)/Specified Interest Payment Dates:	Specified Interest Payment Dates are 6 th August in each year, from and including 6 th August 2009 to and including the Maturity Date, subject to adjustment in accordance with the Modified Following Business Day Convention
(v) Business Day Convention:	Modified Following Business Day Convention The Interest Periods shall be subject to No Adjustment
(vi) Additional Business Centre(s):	Business Days: a “Business Day” is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, Tokyo, Sydney and New York Condition 3(b)(i), second (A) and (B) shall be modified accordingly

(vii) Minimum Rate of Interest:	0.00 per cent. per annum
(viii) Maximum Rate of Interest:	5.00 per cent. per annum
(ix) Day Count Fraction:	30/360
20. Dual Currency Note Provisions	N/A

PROVISIONS RELATING TO REDEMPTION

21. Issuer Call	N/A
22. Investor Put	N/A
23. Final Redemption Amount	JPY 50,000,000 per Specified Denomination
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):	JPY 50,000,000 per Specified Denomination

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.
26. New Global Note:	No
27. Additional Financial Centre(s) or other special provisions relating to Payment Dates:	A "Payment Day" is a day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London, Tokyo, Sydney and New York; Condition 5, second (i) and (ii) shall be modified accordingly
28. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	Yes, as per the Conditions

29. Details relating to Partly Paid Notes: N/A
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:
30. Details relating to Instalment Notes: N/A
amount of each instalment, date on which each payment is to be made:
31. Redenomination, renominalisation and reconventioning provisions: N/A
32. Consolidation provisions: N/A
33. Other terms or special conditions: Any notice delivered to Euroclear and Clearstream Banking, société anonyme (“Clearstream”) in accordance with Condition 11(b) shall be deemed to have been given to the Noteholders on the day on which that notice is delivered to Euroclear and Clearstream, and Condition 11 shall be modified accordingly

DISTRIBUTION

34. (i) If syndicated, names of Managers: N/A
(ii) Stabilising Manager (if any): N/A
35. If non-syndicated, name of Dealer: Mizuho International plc
36. Additional selling restrictions: N/A

OPERATIONAL INFORMATION

37. ISIN Code: XS0379039224
38. Common Code: 037903922
39. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): N/A
40. Delivery: Delivery against payment
41. Additional Paying Agent(s) (if any): N/A
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

JETTE MOLDRUP
Senior Vice President

INTEREST ANNEX

The Rate of Interest applicable to the notes, in respect of each Interest Period ending on a Specified Interest Payment Date, shall be a percentage rate per annum calculated by the Calculation Agent in accordance with the following formula:

$$(FX - 87.60) \times 1.00\%$$

The resulting Interest Amount shall be rounded to the nearest whole JPY, with 0.5 being rounded upwards

where:

“FX” means the JPY/Australian Dollar (“AUD”) mid rate of exchange (expressed as a number of JPY per AUD) which is displayed on page “JPNU” on the Reuters Monitor Money Rates Service (or such page as may replace that page on that service) under the heading “AUD” at the Relevant Time on the relevant Interest Determination Date.

If such rate is not displayed on page “JPNU” (or any replacement page) on that date or page “JPNU” (or any replacement page) is not available on that date, FX shall be determined by the Calculation Agent as follows:

1. the Calculation Agent will request five leading reference banks (selected by the Calculation Agent at its discretion) in the Tokyo interbank market for their mid market quotations of the JPY/AUD spot exchange rate at approximately that time on that date;
2. the highest and lowest of such quotations will be disregarded and the arithmetic mean of the remaining quotations will be FX;
3. if only four quotations are so provided, then FX will be the arithmetic mean of such quotations without regard to the highest and lowest values quoted;
4. if fewer than four quotations but at least two quotations can be obtained, FX will be the arithmetic mean of the quotations actually obtained by the Calculation Agent;
5. if only one quotation is available, in that event, the Calculation Agent may determine that such quotation shall be FX; and
6. if no such quotation is available or if the Calculation Agent determines in its sole discretion that no suitable reference bank which is prepared to quote is available, the Calculation Agent will determine FX in its sole discretion

“Interest Determination Date” means ten Business Days prior to the Specified Interest Payment Date (subject to adjustment in accordance with the Modified Following Business Day Convention) of that Interest Period.

“Relevant Time” means 3.00 p.m. Tokyo time.

EARLY REDEMPTION ANNEX

If an Early Redemption Event occurs, the Notes shall be redeemed in JPY at 100 per cent. of their nominal amount by the Issuer, in whole but not in part, on the Early Redemption Date immediately following that Early Redemption Event.

“**Early Redemption Event**” shall occur if, on any Interest Determination Date immediately preceding an Early Redemption Date, it is established that the Interest Amount (as calculated in accordance with the Interest Annex) per Specified Denomination for the relevant Interest Period, when aggregated together with the sum of all previously accrued Interest Amounts per Specified Denomination is calculated to be equal to or greater than the Target Interest Amount.

“**Early Redemption Date**” means each Specified Interest Payment Date from and including 6th August 2011 to and including 6th August 2037.

“**Target Interest Amount**” means JPY 7,500,000. For the avoidance of doubt, the total Interest Amount payable on the Early Redemption Date immediately following the Early Redemption Event may exceed the Target Interest Amount.

The Calculation Agent shall notify the Issuing and Paying Agent and the Issuer of all calculations under these Final Terms as soon as practicably possible.