

DNB BOLIGKREDITT AS



(incorporated in Norway)

€60,000,000,000

Covered Bond Programme

This Third Supplementary Base Prospectus (the “**Supplement**”) to the Base Prospectus dated 22 June 2017 (the “**Base Prospectus**”), together with the first supplement to the Base Prospectus dated 13 July 2017 (the “**First Supplement**”) and the second supplement to the Base Prospectus dated 26 October 2017 (the “**Second Supplement**”), comprises a base prospectus and is prepared in connection with the €60,000,000,000 Covered Bond Programme established by DNB Boligkreditt AS (the “**Issuer**”). This Supplement constitutes a supplementary prospectus for the purposes of Article 16 of Directive 2003/71/EC as amended (the “**Prospectus Directive**”) as implemented in Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005 and is prepared in order to update the Base Prospectus. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of this Supplement

The purpose of this Supplement is: (a) to include certain information in the Important Information section of the Base Prospectus; (b) to incorporate by reference the unaudited interim financial statements of the Issuer for the three-month and twelve-month periods ended 31 December 2017 which are contained in the document entitled “Fourth quarter report 2017” (the “**Issuer’s Q4 Report**”); (c) to include a new “Material Change and Significant Change” statement; (d) to make certain amendments to the Terms and Conditions of the Covered Bonds; (e) to make certain amendments to the form of Final Terms; and (f) to include a new risk factor.

Important information relating to the use of this Base Prospectus and offers of Covered Bonds generally

The following information shall be deemed to be inserted before the paragraph entitled ‘IMPORTANT – EEA RETAIL INVESTORS’ on page 4 of the Base Prospectus:

“**MIFID II product governance / target market** – The Final Terms in respect of any Covered Bonds (or Pricing Supplement, in the case of Exempt Covered Bonds) will include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Covered Bonds and which channels for distribution of the Covered Bonds are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market

assessment in respect of the Covered Bonds (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Covered Bonds is a manufacturer in respect of such Covered Bonds, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.”

Issuer’s Q4 Report

On 1 February 2018 the Issuer published the Issuer’s Q4 Report. The Issuer’s Q4 Report has been filed with the Central Bank of Ireland and, by virtue of this Supplement, the unaudited interim financial statements of the Issuer for the three-month and twelve-month periods ended 31 December 2017 which are contained in the Issuer’s Q4 Report are incorporated in, and form part of, the Base Prospectus.

Copies of documents incorporated by reference in the Base Prospectus can be obtained upon request, free of charge, from the registered office of the Issuer and the specified office of the Paying Agent for the time being in London.

Cross-Reference List

The following shall be inserted underneath Paragraph (b) on page 38 of the Base Prospectus (with subsequent paragraphs re-numbered accordingly):

“(c) the unaudited interim financial statements of the Issuer as at, and for the 3-month and 12-month periods ended, 31 December 2017 (which can be viewed online at <https://www.ir.dnb.no/sites/default/files/results/dnb-boligkreditt-4q.pdf>), including the information set out at the following pages of the Issuer’s ‘Fourth quarter report 2017’:

| | |
|---|--------------|
| Comprehensive income statement | page 5 |
| Balance sheet | page 5 |
| Statement of changes in equity | page 6 |
| Cash flow statement | page 6 |
| Accounting principles and explanatory notes | pages 7 – 17 |

The interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting.”

Any other information not listed in (c) above but contained in such documents is incorporated by reference for information purposes only and the non-incorporated items are either not relevant for an investor or are covered elsewhere in the Base Prospectus.

Material Change and Significant Change

The paragraph under the heading "Material Change and Significant Change" on page 152 of the Base Prospectus shall be deemed to be deleted and replaced with the following:

“Since 31 December 2016, there has been no material adverse change in the prospects of the Issuer and, since 31 December 2017, there has been no significant change in the financial or trading position of the Issuer.”

Terms and Conditions of the Covered Bonds

The Terms and Conditions of the Covered Bonds set out on page 88 of the Base Prospectus shall be amended as follows:

Condition 3(b)(ii)(B) (*Interest – Interest of Floating Rate Covered Bonds – Rate of Interest – Screen Rate Determination for Floating Rate Covered Bonds*) shall be deemed to be deleted and replaced with the following:

“(B) Screen Rate Determination for Floating Rate Covered Bonds

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (x) the offered quotation; or
- (y) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at the Specified Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case at the Specified Time, the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent shall request the principal London office of each of the Reference Banks to provide the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Stockholm inter-bank market (if the Reference Rate is STIBOR), the Oslo inter-bank market (if the Reference Rate is NIBOR) or the Copenhagen inter-bank market (if the Reference Rate is CIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Fiscal Agent or, where the

applicable Final Terms specifies a Calculation Agent, the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Fiscal Agent or, where the applicable Final Terms specifies a Calculation Agent, the Calculation Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Stockholm inter-bank market (if the Reference Rate is STIBOR), the Oslo inter-bank market (if the Reference Rate is NIBOR) or the Copenhagen inter-bank market (if the Reference Rate is CIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

“**Reference Rate**” means (i) the London interbank offered rate (“**LIBOR**”), (ii) the Euro-zone interbank offered rate (“**EURIBOR**”), (iii) the Stockholm interbank offered rate (“**STIBOR**”), (iv) the Oslo interbank offered rate (“**NIBOR**”) or (v) the Copenhagen interbank offered rate (“**CIBOR**”), in each case as specified in the applicable Final Terms.”

Form of Final Terms

The form of Final Terms which will be completed for each Tranche of Covered Bonds, other than the Swiss Domestic Covered Bonds and Exempt Covered Bonds, issued under the Programme and which are set out on page 46 of the Base Prospectus shall be amended as follows:

The following wording shall be deemed to be inserted before the paragraph entitled ‘Prohibition of Sales to EEA Retail Investors’ on page 46 of the Base Prospectus:

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each]¹ manufacturer’s product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds 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 Covered Bonds to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Covered Bonds (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.”

Item 9 of Part A on page 48 of the Base Prospectus shall be deemed to be deleted and replaced with the following:

9 Interest Basis:

(i) Period to (and including) Maturity Date: [[] per cent. Fixed Rate]
[[] month [LIBOR / EURIBOR / STIBOR/
NIBOR / CIBOR] +/- [] per cent. Floating

¹ Delete as appropriate.

- Rate]
 [Zero Coupon]
 (further particulars specified in paragraph [13/14/15] below)
- (ii) Period from (but excluding) Maturity Date [Not Applicable]
 up to (and including) Extended Maturity Date: [[] per cent. Fixed Rate]
 [[LIBOR / EURIBOR / STIBOR / NIBOR / CIBOR] +/- [] per cent. Floating Rate]
 (further particulars specified in paragraph [13/14/15] below)

Item 14(vi) of Part A on pages 51 and 52 of the Base Prospectus shall be deemed to be deleted and replaced with the following:

- (vi) Screen Rate Determination:
- (a) To Maturity Date:
- Reference Rate: [[] month [LIBOR / EURIBOR / STIBOR / NIBOR / CIBOR]]/[Not Applicable]
 - Interest Determination Date(s): []/[Not Applicable]
 (*In the case of LIBOR (other than Sterling or EuroLIBOR)*): [Second London business day prior to the start of each Interest Period]
 (*In the case of Sterling LIBOR*): [First day of each Interest Period]
 (*In the case of Euro LIBOR or EURIBOR*): [Second day on which the TARGET2 System is open prior to the start of each Interest Period]
 (*In the case of STIBOR*): [Second Stockholm business day prior to the start of each Interest Period]
 (*In the case of NIBOR*): [Second Oslo business day prior to the start of each Interest Period]
 (*In the case of CIBOR*): [First day of each Interest Period]
 - Relevant Screen Page: []/[Not Applicable]
 (*In the case of EURIBOR, if not Reuters Screen EURIBOR 01 (or any successor page) ensure it is a page which shows a composite rate or amend the fall back provisions appropriately*)
- (b) From Maturity Date up to Extended Maturity Date: [Not Applicable]
- Reference Rate: [] month [LIBOR / EURIBOR / STIBOR / NIBOR / CIBOR]]/[Not Applicable]
 - Interest []/[Not Applicable]

(In the case of LIBOR (other than Sterling or EuroLIBOR)): [Second London business day prior to the start of each Interest Period]

(In the case of Sterling LIBOR): [First day of each Interest Period]

(In the case of Euro LIBOR or EURIBOR): [Second day on which the TARGET2 System is open prior to the start of each Interest Period]

(In the case of STIBOR): [Second Stockholm business day prior to the start of each Interest Period]

(In the case of NIBOR): [Second Oslo business day prior to the start of each Interest Period]

(In the case of CIBOR): [First day of each Interest Period]

- Relevant Screen []/[Not Applicable]
Page:

(In the case of EURIBOR, if not Reuters Screen EURIBOR 01 (or any successor page) ensure it is a page which shows a composite rate or amend the fall back provisions appropriately)

Item 6 of Part B on page 59 of the Base Prospectus shall be deemed to be deleted and replaced with the following:

6. HISTORIC INTEREST RATES: (Floating Rate Covered Bonds only)

[Details of historical LIBOR / EURIBOR / STIBOR / NIBOR / CIBOR rates can be obtained from [Reuters (or any successor page)].]/[Not Applicable]

Risk Factors

The following additional risk factor shall be deemed to be inserted on page 25 of the Base Prospectus after the risk factor entitled “If the Issuer has the right to convert the interest rate on any Covered Bonds from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Covered Bonds concerned” in the section entitled “Risks related to the structure of a particular issue of Covered Bonds”:

“National and international regulatory reform in relation to benchmarks could have an adverse effect on the value and liquidity of and return on any Covered Bonds which are linked to a benchmark

The London Interbank Offered Rate (“LIBOR”), the Euro Interbank Offered Rate (“EURIBOR”) and other interest rate or other types of rates and indices which are deemed to be “benchmarks” (each a “Benchmark” and together, the “Benchmarks”) have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reform. International proposals for reform of Benchmarks include the Benchmarks Regulation which was published in the Official Journal of the EU on 29 June 2016. In addition, on 27 July 2017, the UK Financial Conduct Authority announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the “FCA Announcement”). The FCA Announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

The potential elimination of the LIBOR benchmark or any other Benchmark, or changes in the manner of administration of any Benchmark, as a result of the Benchmarks Regulation or otherwise, could require an adjustment to the terms and conditions, or result in other consequences, in respect of any Covered Bonds linked to such Benchmark. For example, if any Benchmark is discontinued, then the Rate of Interest on the Floating Rate Covered Bonds will be determined by the fall-back provisions provided for under Condition 3(b) (*Interest – Interest on Floating Rate Covered Bonds*), although such provisions, being dependent in part upon the provision by Reference Banks of offered quotations for the relevant Benchmark, may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time). This may result in the effective application of a fixed rate based on the rate or rates which applied or were offered in the previous Interest Period when such Benchmark was available. Any such consequence could have a material adverse effect on the value or liquidity of, and return on, any such Covered Bonds.”

General Information

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, as supplemented by the First Supplement and the Second Supplement, the statements in (a) above will prevail.

Save as disclosed in this Supplement, the First Supplement and the Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is capable of affecting the assessment of any Covered Bonds or any change in the condition of the Issuer which is material in the context of the Programme or the issue of any Covered Bonds since the publication of the Base Prospectus.