

Final Terms

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (ECPS) ONLY TARGET MARKET – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II (as defined below); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS –The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (**MiFID II**); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently no key information document required by Regulation (EU) No. 1286/2014 (the **PRIPs Regulation**) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

16 February 2018

Sparebanken Sør Boligkreditt AS

Issue of €500,000,000 0.375 per cent. Covered Notes due 20 February 2023
under the €4,000,000,000

Euro Medium Term Covered Note Programme

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes other than VPS Notes set forth in the Base Prospectus dated 30 June 2017 and the supplement to it dated 9 February 2018 which together constitute a base prospectus (the **Base Prospectus**) for the purposes of the Prospectus Directive. When used in these Final Terms, **Prospectus Directive** means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in a relevant Member State of the EEA. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at www.centralbank.ie and copies may be obtained from the registered office of the Issuer.

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| 1. | Issuer: | Sparebanken Sør Boligkreditt AS |
| 2. | (a) Series Number: | 4 |
| | (b) Tranche Number: | 1 |
| | (c) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3. | Specified Currency or Currencies: | euro (€) |
| 4. | Aggregate Nominal Amount: | |
| | (a) Series: | €500,000,000 |
| | (b) Tranche: | €500,000,000 |
| 5. | Issue Price: | 99.689 per cent. of the Aggregate Nominal Amount |
| 6. | (a) Specified Denominations: | €100,000 and integral multiples of €1,000 in |

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| | | excess thereof up to and including €199,000. No Definitive Notes will be issued with a denomination above €199,000. |
| | (b) Calculation Amount (Applicable to Notes in definitive form.) | €1,000 |
| 7. | (a) Issue Date: | 20 February 2018 |
| | (b) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 20 February 2023 |
| 9. | Extended Final Maturity Date: | Interest Payment Date falling in or nearest to February 2024 |
| 10. | Interest Basis: | 0.375 per cent. Fixed Rate for the period from (and including) the Interest Commencement Date to (but excluding) the Maturity Date. Thereafter, 1-month EURIBOR minus 0.050 per cent. Floating Rate (see paragraph 15 and 16 below) |
| 11. | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount. |
| 12. | Change of Interest Basis: | From Fixed Rate to Floating Rate with effect from the Maturity Date |
| 13. | Put/Call Options: | Not Applicable |
| 14. | Date Board approval for issuance of Notes obtained: | 19 December 2017 |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 15. | Fixed Rate Note Provisions | Applicable until the Maturity Date |
| | (a) Rate(s) of Interest: | 0.375 per cent. per annum payable in arrear on each Interest Payment Date |
| | (b) Interest Payment Date(s): | 20 February in each year from (and including) 20 February 2019 up to (and including) the Maturity Date |
| | (c) Fixed Coupon Amount(s): | €3.75 per Calculation Amount |
| | (d) Broken Amount(s): | Not Applicable |
| | (e) Day Count Fraction: | Actual/Actual (ICMA) |
| | (f) Determination Date(s): | 20 February in each year |
| 16. | Floating Rate Note Provisions | Applicable if the Issuer does not redeem the Notes in full on the Maturity Date |
| | (a) Specified Period(s)/Specified Interest Payment Dates: | 20th day of each month from (but excluding) the Maturity Date to (and including) 20 February 2024, subject in each case to adjustment in accordance with the Business Day Convention |
| | (b) Business Day Convention: | Modified Following Business Day Convention |
| | (c) Additional Business Centre(s): | Not Applicable |
| | (d) Manner in which the Rate of Interest and Interest Amount is to be determined: | Screen Rate Determination |

- (e) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): Not Applicable
- (f) Screen Rate Determination:
- Reference Rate: 1-month EURIBOR
 - Interest Determination Date(s): The second day on which the TARGET2 system is open prior to the start of each relevant Interest Period
 - Relevant Screen Page: Reuters Page EURIBOR01
- (g) ISDA Determination: Not Applicable
- (h) Linear Interpolation: Not Applicable
- (i) Margin(s): -0.05 per cent. per annum
- (j) Minimum Rate of Interest: Not Applicable
- (k) Maximum Rate of Interest: Not Applicable
- (l) Day Count Fraction: Actual/360
17. Zero Coupon Note Provisions Not Applicable

PROVISIONS RELATING TO REDEMPTION

18. Notice periods for Condition 5.2: Minimum period: 30 days
Maximum period: 60 days
19. Issuer Call: Not Applicable
20. Investor Put: Not Applicable
21. Final Redemption Amount: €1,000 per Calculation Amount
22. Early Redemption Amount payable on redemption for taxation reasons: €1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

23. Form of Notes:
- (a) Form: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
- (b) New Global Note: Yes
24. Additional Financial Centre(s): Not Applicable
25. Talons for future Coupons to be attached to Definitive Notes: No

THIRD PARTY INFORMATION

Not Applicable

Signed on behalf of Sparebanken Sør Boligkreditt AS:

By: 

Duly authorised

MARIANNE LOFTUS

PART B — OTHER INFORMATION

1. LISTING

- (i) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Irish Stock Exchange's Main Securities Market and listed on the Official List of the Irish Stock Exchange with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: €600

2. RATINGS

- Ratings: The Notes to be issued are expected to be rated:
- Aaa by Moody's Investors Service Limited (Moody's).
- Moody's is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) and is on the list of registered credit rating agencies published on the ESMA website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>).

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to Danske Bank A/S, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Landesbank Baden-Württemberg, Nordea Bank AB (publ) and UniCredit Bank AG (the **Joint Lead Managers**), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business

4. YIELD

- Indication of yield: 0.438 per cent. per annum

5. OPERATIONAL INFORMATION

- (i) ISIN: XS1775786145
- (ii) Common Code: 177578614
- (iii) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- (iv) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (v) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

6. DISTRIBUTION

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| (i) | Method of distribution: | Syndicated |
| (ii) | If syndicated, names of Managers: | Danske Bank A/S DZ BANK AG Deutsche Zentral- Genossenschaftsbank, Frankfurt am Main Landesbank Baden-Württemberg Nordea Bank AB (publ) UniCredit Bank AG |
| (iii) | Date of Subscription Agreement: | 16 February 2018 |
| (iv) | Stabilisation Manager(s) (if any): | Not Applicable |
| (v) | If non-syndicated, name of relevant Dealer: | Not Applicable |
| (vi) | Whether TEFRA D or TEFRA C rules applicable or TEFRA rules not applicable: | TEFRA D |
| (vii) | Prohibition of sales to EEA Retail Investors: | Applicable |