

SUPPLEMENTARY BASE PROSPECTUS DATED 12TH FEBRUARY, 2018

DNB Bank ASA



(incorporated in Norway)

€45,000,000,000

Euro Medium Term Note Programme

This Supplementary Base Prospectus (the “**Supplement**”) to the Base Prospectus dated 16th June, 2017 (the “**Base Prospectus**”), which, together with the first supplement to the Base Prospectus dated 13th July, 2017 (the “**First Supplement**”) and the second supplement to the Base Prospectus dated 26th October, 2017 (the “**Second Supplement**”), comprises a base prospectus, is prepared in connection with the Euro Medium Term Note Programme established by DNB Bank ASA (the “**Issuer**” or the “**Bank**”). 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 Bank.

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 Bank accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Bank (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 consolidated and non-consolidated interim financial statements of the Bank for the three-month and twelve-month periods ended 31st 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” statement; (d) to make certain amendments to the form of Final Terms and to the form of Pricing Supplement; and (e) to include a new risk factor.

Important information relating to the use of this Base Prospectus and offers of any Notes generally

The following information shall be deemed to be inserted before the paragraph entitled “**IMPORTANT – EEA RETAIL INVESTORS**” on page 5 of the Base Prospectus:

“MIFID II PRODUCT GOVERNANCE / TARGET MARKET – The Final Terms in respect of any Notes (or Pricing Supplement, in the case of Exempt Notes) will include a legend entitled “MiFID II Product Governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II (as defined below) is responsible for undertaking its own target market assessment in respect of the Notes (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 Notes is a manufacturer in respect of such Notes, 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 1st February, 2018 the Bank 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 consolidated and non-consolidated interim financial statements of the Bank for the three-month and twelve-month periods ended 31st 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 this Base Prospectus can be obtained upon request, free of charge, from the registered office of the Bank 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 46 of the Base Prospectus (with subsequent paragraphs re-numbered accordingly):

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

| | |
|---------------------------------|-----------------|
| Income statements | pages 10 and 12 |
| Balance sheets | pages 11 and 13 |
| Comprehensive income statements | pages 10 and 12 |
| Statement of changes in equity | pages 14 to 15 |
| Cash flow statement | pages 16 to 17 |
| Notes | pages 18 to 42 |

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 document 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

The paragraph under the heading “Material Change” on page 155 of the Base Prospectus shall be deemed deleted and replaced with the following:

“There has been no material adverse change in the prospects of the Issuer since 31st December, 2016, and there has been no significant change in the financial position of the Issuer or the DNB Bank Group since 31st December, 2017.”

Form of Final Terms

The form of Final Terms which will be completed for each Tranche of Notes, other than any Exempt Notes, issued under the Programme, and which are set out on page 55 onwards 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 55 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 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 Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Notes (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 Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels.”

Form of Pricing Supplement

The form of Pricing Supplement which will be completed for each Tranche of Exempt Notes issued under the Programme and which are set out on page 67 onwards 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 67 of the Base Prospectus:

“**[MiFID II product governance / target market – [appropriate target market legend to be included]]**”

Risk Factors

The following additional risk factor shall be deemed to be inserted on page 33 of the Base Prospectus after the risk factor entitled “*The gross-up obligation in relation to Subordinated Notes is limited to payments of interest only*” in the section entitled “Risks related to the structure of a particular issue of Notes”:

***“National and international regulatory reform in relation to benchmarks could have an adverse effect on the value and liquidity of and return on any Notes 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 Notes linked to such Benchmark. For example, if any Benchmark is discontinued, then the Rate of Interest on the Floating Rate Notes will be determined by the fall-back provisions provided for under Condition 4(b) (*Interest – Interest on Floating Rate Notes*), 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 Notes.”

¹ Delete as appropriate.

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 Notes or any change in the condition of the Issuer which is material in the context of the Programme or the issue of any Notes since the publication of the Base Prospectus.