

FINAL TERMS

17 January 2017

DNB Bank ASA

Issue of SEK1,000,000,000 Fixed-to-Floating Rate Callable Subordinated Notes due 2027

under the €45,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 14 June 2016 which constitutes a base prospectus for the purposes of 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 European Economic Area (the “**Prospectus Directive**”). 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 DNB Bank ASA (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. These Final Terms and the Base Prospectus have been published on the website of the Central Bank of Ireland at <http://www.centralbank.ie/securities-markets/prospectus/Pages/approvedprospectus.aspx> and the Irish Stock Exchange www.ise.ie.

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| 1. | Issuer: | DNB Bank ASA |
| 2. | (i) Series Number: | 656 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3. | Specified Currency or Currencies: | Swedish Krona (“ SEK ”) |
| 4. | Aggregate Nominal Amount: | |
| | Series: | SEK1,000,000,000 |
| | Tranche: | SEK1,000,000,000 |
| 5. | Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denomination(s): | SEK1,000,000 |
| | (ii) Calculation Amount: | SEK1,000,000 |
| 7. | (i) Issue Date: | 19 January 2017 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | Interest Payment Date falling on or nearest to 19 |

January 2027

9. Interest Basis: 1.98 per cent. Fixed Rate from (and including) the Issue Date to (but excluding) 19 January 2022
Thereafter, 3-month STIBOR + 1.70 per cent. Floating Rate
(further particulars specified below)
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100.00 per cent. of their nominal amount
11. Change of Interest Basis: The Interest Basis shall change from Fixed Rate to Floating Rate from (and including) 19 January 2022
12. Put/Call Options: Issuer Call
(further particulars specified below)
13. (i) Status of the Notes: Subordinated
(A) Redemption upon occurrence of Capital Event and amounts payable on redemption therefor: Applicable – Condition 6(j) applies.
(B) Substitution or variation: Applicable – Condition 6(k) applies
- (ii) Date Board approval for issuance of Notes obtained: 23 November 2016

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. Fixed Rate Note Provisions Applicable
- (i) Rate(s) of Interest: 1.98 per cent. per annum payable annually in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): 19 January in each year from (and including) 19 January 2018 up to (and including) 19 January 2022
- (iii) Fixed Coupon Amount(s): SEK 19,800
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: 30/360
- (vi) Determination Date(s): Not Applicable
15. Floating Rate Note Provisions Applicable
- (i) Specified Period(s)/Specified Interest Payment Dates: 19 April, 19 July, 19 October and 19 January in each year from (and including) 19 April 2022 up to (and including) the Maturity Date

(ii)	First Interest Payment Date:	19 April 2022
(iii)	Business Day Convention:	Modified Following Business Day Convention
(iv)	Additional Business Centre(s):	Stockholm
(v)	Manner in which the Rate of Interest and Interest Amount is to be determined:	Screen Rate Determination
(vi)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent):	Not Applicable
(vii)	Screen Rate Determination:	
	– Reference Rate and Relevant Financial Centre:	Reference Rate: 3-month STIBOR Relevant Financial Centre: Stockholm
		Specified Time: 11.00 a.m. in the Relevant Financial Centre
	– Interest Determination Date(s):	Second Stockholm business day prior to the start of each Interest Period
	– Relevant Screen Page:	Reuters page SIDE
	– CMS Rate definitions:	Not Applicable
(viii)	ISDA Determination	Not Applicable
(ix)	Linear Interpolation:	Not Applicable
(x)	Margin(s):	+ 1.70 per cent. per annum
(xi)	Minimum Rate of Interest:	Nil
(xii)	Maximum Rate of Interest:	Not Applicable
(xiii)	Day Count Fraction:	Actual/360
16.	Reset Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

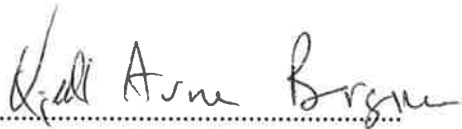
18.	Issuer Call	Applicable
(i)	Optional Redemption Date(s):	The Interest Payment Date falling on or nearest to 19 January 2022 and each Interest Payment Date thereafter
(ii)	Optional Redemption Amount(s):	SEK1,000,000 per Calculation Amount

- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: Not Applicable
- (b) Higher Redemption Amount: Not Applicable
- (iv) Notice period if other than as set out in Condition 6(c): As per Condition 6(c)
19. Investor Put: Not Applicable
20. Final Redemption Amount: SEK1,000,000 per Calculation Amount
21. Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default: SEK1,000,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22. Form of Notes:
- (i) Form: Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes only upon an Exchange Event
- (ii) New Global Note: Yes
23. Additional Financial Centre(s): Stockholm
24. Talons for future Coupons to be attached to Definitive Notes: No

Signed on behalf of **DNB Bank ASA**:

By: 
Duly authorised

Kjell Arne Bergene
 Senior Vice President

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING:

- (i) Listing and admission to trading: Application has been made for the Notes to be admitted to trading on the Irish Stock Exchange and admitted to the official list of the Irish Stock Exchange with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: EUR600

2. RATINGS:

The Notes to be issued have been rated “A-” by Standard & Poor’s Credit Market Services Europe Limited (“S&P”).

S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the “CRA Regulation”).

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

Save for any fees payable to the Manager, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Manager and its 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: The yield of the Notes for the period to (but excluding) 19 January 2022 is 1.98 per cent., on an annual basis. The yield is calculated as at the Issue Date on the basis of the Issue Price and the Rate of Interest of 1.98 per cent. per annum. It is not an indication of future yield.

5. OPERATIONAL INFORMATION:

- (i) ISIN Code: XS1551373639
- (ii) Common Code: 155137363
- (iii) CUSIP Number: Not Applicable
- (iv) Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking S.A. and SIS and the relevant identification number(s): Not Applicable
- (v) Delivery: Delivery against payment
- (vi) Names and addresses of additional Paying Agent(s) (if any): Not Applicable

- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that the Eurosystem eligibility criteria have been met.

6. DISTRIBUTION:

- (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable
- (iv) If non-syndicated, name of relevant Dealer: DNB Bank ASA
- (v) U.S. Selling Restrictions: Regulation S, Category 2; TEFRA D
- (vi) Whether sales to QIBs under Rule 144A and/or private placement sales to Institutional Accredited Investors in the United States are permitted to be made: No

7. THIRD PARTY INFORMATION:

Not Applicable

8. USE OF PROCEEDS:

As specified in the Base Prospectus