



Posten Norge AS

Securities Note

FRN Posten Norge AS Open Bond Issue 2017/2021

ISIN NO 0010798333

Joint Arrangers:



Nordea



Oslo, 2 October 2017

Important information

The Securities Note has been prepared in connection with listing of the securities at Oslo Børs. The Securities Note has been reviewed and approved by the Norwegian FSA in accordance with sections 7-7 and 7-8, cf. section 7-3 of the Norwegian Securities Trading Act. The Norwegian FSA has not controlled or approved the accuracy or completeness of the information given in this Securities Note. The approval given by the Norwegian FSA only relates to the Issuer's descriptions pursuant to a pre-defined check list of requirements. The Norwegian FSA has not made any form of control or approval relating to corporate matters described in or otherwise covered by this Securities Note

New information that is significant for the Borrower or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to listing of the Loan. Such information will be published as a supplement to the Securities Note pursuant to Section 7-15 of the Norwegian Securities Trading Act. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Borrower or its subsidiaries may not have been changed.

Only the Borrower and the Joint Arrangers are entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Verification and approval of the Securities Note by Finanstilsynet implies that the Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are ordered by the Borrower and the Joint Arrangers to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy bonds.

The content of the Securities Note does not constitute legal, financial or tax advice and bond owners should seek legal, financial and/or tax advice.

Contact the Borrower or the Joint Arrangers to receive copies of the Securities Note.

This Securities Note should be read together with the Registration Document dated 2 October 2017. The documents together constitute a prospectus.

Factors which are material for the purpose of assessing the market risks associated with the Bonds

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Securities Note and/or Registration Document or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;

- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

*The capitalised words in the section "Important Information" are defined in Chapter 3: "Securities Information".

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1. Risk Factors

The Issuer believes that the factors described below represent the principal market risks inherent in investing in the Loan. The risk factors described here are all significant risk factors known to the Company. Prospective investors should also read the detailed information set out in the Registration Document dated, 2 October 2017 and reach their own views prior to making any investment decision.

Risks related to the market generally

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. There are three main risk factors that sums up the investors total risk exposure when investing in interest bearing securities: liquidity risk, interest rate risk and market risk (both in general and issuer specific).

The price of a single bond issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of this bond issue in the market. In spite of an underlying positive development in the Issuers business activities, the price of a bond may fall independent of this fact. Bond issues with a relatively short tenor and a floating rate coupon rate do however in general carry a lower price risk compared to loans with a longer tenor and/or with a fixed coupon rate.

The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (NIBOR 3 months) over the 4 years and 3 months tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.

No market-maker agreement is entered into in relation to this bond issue, and the liquidity of bonds will at all times depend on the market participants view of the credit quality of the Issuer as well as established and available credit lines.

Risks related to Bonds in general

Set out below is a brief description of certain risks relating to the Bonds generally:

Modification and Waiver

The conditions of the Bonds contain provisions for calling meetings of bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all bondholders including bondholders who did not attend and vote at the relevant meeting and bondholders who voted in a manner contrary to the majority.

The conditions of the Bonds also provide that the Trustee may, without the consent of bondholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Bonds or (ii) determine without the consent of the bondholders that any event of default or potential event of default shall not be treated as such.

2. Persons Responsible

2.1 Persons responsible for the information

Persons responsible for the information given in the Prospectus are as follows:
Posten Norge AS, PO Box 1500 Sentrum, N-0001 Oslo, Norway.

2.2 Declaration by persons responsible

Responsibility statement:

This Securities Note has been prepared by Posten Norge AS with a view to providing a description of relevant aspects of Posten Norge AS in connection with the Bond Issue and an investment therein. Posten Norge AS confirm, that having taken all reasonable care to ensure that such is the case, that the information contained in the prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Oslo (Norway), 2 October 2017



Posten Norge AS

3. Detailed information about the securities

ISIN code:	NO 0010798333
The Loan/The Reference Name/The Bonds:	"FRN Posten Norge AS Open Bond Issue 2017/2021".
Borrower/Issuer:	Posten Norge AS
Security Type:	Open bond issue with floating rate coupon rate.
Borrowing Limit – Tap Issue:	NOK 1,000,000,000
First Tranche:	NOK 1,000,000,000
Denomination – Each Bond:	NOK 1,000,000 - each and among themselves pari passu ranking.
Securities Form:	The Bonds are electronic registered in book-entry form with the Securities Depository.
Disbursement/Settlement/Issue Date:	28 June 2017.
Interest Bearing From and Including:	Disbursement/Settlement/Issue Date.
Interest Bearing To:	Maturity.
Maturity:	28 September 2021.
NIBOR ¹ :	NIBOR 3 months.
Margin:	0.67 % p.a.
Coupon Rate:	NIBOR + Margin.
Day Count Fraction - Coupon:	Act/360 – modified following.
Business Day Convention:	Modified following. If the Interest Payment Date is not a Banking Day, the Interest Payment Date shall be postponed to the next Banking Day. However, if this day falls in the following calendar month, the Interest Payment Date is moved to the first Banking Day preceding the original date.
Interest Rate Determination Date:	26 June 2017, and thereafter two Banking Days prior to each Interest Rate Adjustment Day.
Interest Rate Adjustment Date:	With effect from Interest Payment Date.
Interest Payment Date:	Each 28 March, 28 June, 28 September and 28 December in each year. The first Interest Payment Date being 28 September 2017.
#Days first term:	92 days.
Issue Price:	100 % (par value).
Yield:	Dependent on the market price. Current coupon is 1,53 % p.a.

¹ See also; "NIBOR definition" and "NIBOR reference Banks"

Banking Day:	A day when the Norwegian Central Bank's Settlement System is open and when Norwegian banks can settle foreign currency transactions.
Put/Call options:	Put option, see Special issues.
Amortisation:	The bonds will run without installments and be repaid in full at Maturity at par.
Redemption:	Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal.
Status of the Loan:	The Issuers payment obligations under this Bond Agreement shall rank ahead of all subordinated payment obligations of the Issuer and shall rank at least pari passu with all the Issuer's other obligations, save for (i) secured obligations to the extent they are secured and (ii) obligations which are mandatorily preferred by law.
Security:	The bonds are unsecured.
Special issues:	<p>Put Option: If at any time a Change of Control Event occurs, each Bondholder shall have a right of pre-payment ("Put Option") of bonds at par value (100%) plus accrued interest.</p> <p>Change of Control Event means that the total shareholding of the government of Norway at any time becomes less than fifty one per cent (51 %) of the Issuer's total issued share capital.</p> <p>The Put Option must be exercised within two months after the Borrower has notified the Bond Trustee, the Bondholders and Oslo Børs of a Change of Control Event.</p> <p>Exercise of Put shall be notified by the Bondholder to its Securities Register agent no later than the last Business Day before the end of the Put Period, and the settlement of the Put shall take place on the fifth Business Day after the end of the Put Period</p> <p>Negative Pledge: The Issuer warrants that the Issuer or its subsidiaries (the "Group") do not create or allow to exist any security on any of its assets, except for:</p> <ul style="list-style-type: none"> (I) any security comprising a netting or set-off arrangement entered into by a member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances; (II) any lien arising by operation of law and in ordinary course of business; (III) any security on an asset, acquired by a member of the Group after the date of the Bond

Agreement but only for the period of 12 months or, in the case of an asset acquired subject to a finance lease, 12 months from the date of acquisition and to the extent that the principal amount secured by that security has not been incurred or increased in contemplation of, or since, the acquisition;

- (IV) any security created pursuant to a finance lease permitted under the Bond Agreement; and
- (V) any security securing indebtedness in an amount which (when aggregated with the amount of any other indebtedness which has the benefit of a security not allowed under the preceding subparagraphs) does not exceed an amount equal to ten per cent. of the Total Consolidated Asset Value (means the aggregate value of the total consolidated assets of the Group as determined from the financial statements most recently delivered to reflect IFRS).

Listing: At Oslo Børs.

An application for listing will be sent as soon as possible after the prospectus has been approved by Finanstilsynet.

Listing may take place after the Disbursement Date.

Purpose: The net proceeds of the Loan will be as used for general corporate purposes.

NIBOR-definition: (Norwegian Interbank Offered Rate) Interest rate fixed for a defined period on Oslo Børs' webpage at approximately 12.15 Oslo time. In the event that such page is not available, has been removed or changed such that the quoted interest rate no longer represents, in the opinion of the Bond Trustee, a correct expression of the Reference Rate, an alternative page or other electronic source which in the opinion of the Bond Trustee and the Issuer gives the same interest rate as the initial Reference Rate shall be used. If this is not possible, the Bond Trustee shall calculate the Reference Rate based on comparable quotes from major banks in Oslo.

Interest Determination: The regulation of the Interest Rate is effective from each Interest Payment Date. The new interest rate is determined on Interest Determination Date based on NIBOR with additional margin.

Should NIBOR not be available, the interest rate is set based on NIBOR Reference Banks plus Margin. The new interest rate and the next interest term / period will be notified the Bondholders in writing through the Securities Depository. The Trustee and Oslo Børs shall also be notified immediately.

	<p>The notification of the complaint together with the final determination of the interest rate shall be forwarded to the Bondholders through the Securities Depository. If a complaint is made, the current notification shall also be forwarded to Oslo Børs.</p>
Approvals:	<p>The Bonds will be issued in accordance with the Borrower's Board approval dated 30 May 2017.</p> <p>The prospectus will be sent Finanstilsynet for control and approval in relation to a listing application of the Loan.</p>
Bond Agreement:	<p>The Bond Agreement has been entered into between the Borrower and the Trustee. The Bond Agreement regulates the Bondholder's rights and obligations in relations with the issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Agreement. See also Bond Agreement clause 6.1.</p> <p>When bonds are subscribed / purchased, the Bondholder has accepted the Bond Agreement and is bound by the terms of the Bond Agreement.</p> <p>The Loan Agreement is available through the Joint Arrangers or from the Borrower.</p>
Bondholders' meeting:	<p>At the Bondholders' meeting each Bondholder has one vote for each bond he owns.</p> <p>In order for the Bondholders' meeting to be able to make valid decisions, Bondholders representing at least 2/10 of the Outstanding Loan must be represented. See also Clause 5 in the Bond Agreement.</p> <p>In the event that the Bondholders present represent less than 5/10 of the Outstanding Loan, decisions may only be made by 2/3 majority of the bonds represented. If the Bondholders present represent 5/10 or more of the Outstanding Loan, valid decisions may be made by a simple majority. See clause 5 in the Bond Agreement.</p> <p>For more details, see also Bond Agreement clause 5.</p>
Availability of the Documentation:	<p>http://www.postennorge.no/</p>
Trustee:	<p>Nordic Trustee ASA, P.O. Box 1470 Vika, 0116 Oslo, Norway.</p>
Joint Arrangers:	<p>DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo</p> <p>Nordea Bank AB (publ), Norway branch, Essendrops gate 7, 0368 Oslo, Norway</p> <p>Skandinaviska Enskilda Banken AB, Filipstad Brygge 1, 0252 Oslo</p>
Paying Agent:	<p>Nordea Bank AB (publ), Norway branch, Essendrops gate 7, 0368 Oslo, Norway. The Paying Agent is responsible for the register.</p>

Calculation Agent:	Nordic Trustee ASA, P.O. Box 1470 Vika, 0116 Oslo, Norway.
Securities Depository:	<p>The Securities depository in which the Loan is registered, in accordance with the Norwegian Act of 2002 no. 64 regarding Securities depository.</p> <p>On Disbursement Date the Securities Depository is Verdipapirregisteret ("VPS"), Postboks 4, 0051 OSLO.</p>
Market-Making:	There is no market-making agreement entered into in connection with the Loan.
Reuters:	Financial information electronically transmitted by the news agency Reuters Norge AS.
Legislation under which the Securities have been created:	Norwegian law.
Securities Note:	This document. Describe the Loan as a part of the prospectus.
Fees and Expenses:	<p>The Borrower shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Borrower is responsible for withholding any withholding tax imposed by Norwegian law.</p> <p>Listing fee 2017 for the Loan will be NOK 18.560,-. Registration fee will be NOK 5.700,-. Prospectus fee Securities Note will be NOK 16.000. Prospectus fee Registration Document will be NOK 60.000,-.</p>

4. Additional Information

The involved persons in Posten Norge AS have no interest, nor conflicting interests that are material to the Loan.

Posten Norge AS has mandated Skandinaviska Enskilda Banken AB, Nordea Bank AB (publ), Norway branch and DNB Bank ASA as Joint Arrangers for the issuance of the Loan. The Joint Arrangers have acted as advisors to Posten Norge AS in relation to the pricing of the Loan.

Listing of the Loan:

The prospectus will be published in Norway.

An application for listing at Oslo Børs will be sent as soon as possible after the prospectus has been approved by Finanstilsynet.

5. Appendix: Loan Agreement