

JZ/1843114/ra (DIP 1257)



EXECUTION COPY

N.V. BANK NEDERLANDSE GEMEENTEN
*(incorporated with limited liability under the
laws of the Netherlands and having its
statutory domicile in The Hague)*

Euro 100,000,000,000
Debt Issuance Programme

Issue of ZAR 150,000,000 8.60 per cent. Notes 2016 due 6 September 2019
(the "**Notes**")

Series No.: 1257

FINAL TERMS

The date of these Final Terms is 2 September 2016



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The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (and any amendments thereto, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions ("**Terms and Conditions**") set forth on pages 60 to 95 of the base prospectus dated 27 May 2016, as supplemented by the supplemental prospectus dated 29 August 2016 (the "**Base Prospectus**") issued in relation to the Euro 100,000,000,000 debt issuance programme of N.V. Bank Nederlandse Gemeenten which together constitute a base prospectus for the purposes of 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 the Issuer and the Notes described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus.

The Base Prospectus is available for viewing at the investor relations section of the Issuer's website, <http://www.bngbank.nl/investors>, and at the offices of the Paying Agents in Amsterdam, Luxembourg and London specified in the Base Prospectus. Copies may, upon oral or written request, also be obtained from the Paying Agents.

These Final Terms do not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation; and no action is being taken to permit an offering of the Notes or the distribution of these Final Terms in any jurisdiction where such action is required

PART A – CONTRACTUAL TERMS

The terms of the Notes are as follows:

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| 1. | Issuer: | N.V. Bank Nederlandse Gemeenten |
| 2. | Series Number: | 1257 |
| 3. | Specified Currency or Currencies: | South African Rand (“ZAR”), subject to the Alternative Currency provisions of Condition 9(n). |
| 4. | Aggregate Nominal Amount: | ZAR 150,000,000 |
| 5. | Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denominations: | ZAR 2,000,000 |
| | (ii) Calculation Amount: | ZAR 2,000,000 |
| 7. | (i) Issue Date: | 6 September 2016 |
| | (ii) Interest Commencement Date: | Issue Date |
| 8. | Maturity Date: | 6 September 2019 |
| 9. | Interest Basis: | 8.60 per cent. Fixed 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 per cent. of their nominal amount

The provisions of Condition 9(n) apply. The Issuer may settle any payment due in respect of the Notes in a currency other than the Specified Currency on the due date for such payment in the circumstances described in Condition 9(n).

(further particulars specified below) |
| 11. | Put/ Call Options: | Not Applicable |
| 12. | Date Board approval for issuance of Notes obtained: | Not Applicable |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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|-----|-----------------------------------|---|
| 13. | Fixed Rate Note Provisions | Applicable |
| | (i) Fixed Rate(s) of Interest: | 8.60 per cent. per annum payable annually in arrear |

(ii) Interest Payment Date(s):	6 September in each year up to and including the Maturity Date, subject to adjustment for payment purposes only in accordance with the Following Business Day Convention with TARGET and New York as Additional Business Centres in addition to Johannesburg
(iii) Fixed Coupon Amount(s):	ZAR 172,000 per Calculation Amount
(iv) Broken Amount(s):	Not Applicable
(v) Day Count Fraction:	Actual/Actual (ICMA)
(vi) Regular Date(s):	6 September in each year
14. Floating Rate Note Provisions	Not Applicable
15. Zero Coupon Note Provisions	Not Applicable
16. Dual Currency Note Provisions	Not Applicable
17. Reverse Floater Interest Note Provisions	Not Applicable
18. Step-Down Interest Note Provisions	Not Applicable
19. Step-Up Interest Note Provisions	Not Applicable
20. Dual Currency Redemption Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

21. Issuer Call Option:	Not Applicable
22. Investor Put Option:	Not Applicable
23. Final Redemption Amount:	ZAR 2,000,000 per Calculation Amount
24. Early Redemption Amount(s) payable per Calculation Amount on redemption (a) for taxation reasons (Condition 6(b)) or (b) on the occurrence of an event of default (Condition 7):	ZAR 2,000,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25. Form of Notes:	Bearer Notes
26. Temporary Global Note exchangeable for Definitive Notes:	Not Applicable
27. Temporary Global Note exchangeable for Permanent Global Note:	Applicable. The Notes will initially be represented upon issue by a temporary global note (the " Temporary Global Note ") in bearer from without interest coupons attached, which



will be exchangeable on or after the date falling 40 days after the Issue Date in accordance with the terms thereof, for interests in a permanent global note (the "**Permanent Global Note**"), upon certification as to non-U.S. beneficial ownership as provided therein.

Where a Global Note is to be cleared through Euroclear, Clearstream Luxembourg or any other relevant clearing system and is exchangeable for Definitive Notes at any time or where Definitive Notes will definitely be issued, the Notes may only be issued in such denominations as Euroclear, Clearstream Luxembourg or any such other relevant clearing system will permit at that time. In particular, the Notes may not have denominations that include integral multiples of an amount if such amount is not divisible by the minimum denomination of such Notes.

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| 28. Permanent Global Note exchangeable for Definitive Notes: | Not Applicable, but only as set out in Condition 1(e), except that in each case a Permanent Global Note which forms part of a securities deposit (<i>girodepot</i>) with Euroclear Netherlands shall only be exchangeable within the limited circumstances as described in the Netherlands Securities Giro Act (<i>Wet giraal effectenverkeer</i>) and such exchange will be made in accordance therewith, the Euroclear Netherlands' terms and conditions and operational documents |
| 29. Registered Notes: | Not Applicable |
| 30. New Global Note: | Not Applicable |
| 31. New Safekeeping Structure: | Not Applicable |
| 32. Additional Financial Centre(s) or other special provisions relating to payments dates: | TARGET and New York in addition to Johannesburg |
| 33. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | Not Applicable |
| 34. Details relating to Installment Notes: | Not Applicable |
| 35. Redenomination: | Not Applicable |

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PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the Luxembourg Stock Exchange of the Notes described herein pursuant to the Euro 100,000,000,000 Debt Issuance Programme of the Issuer.

Signed on behalf of
N.V. BANK NEDERLANDSE GEMEENTEN

A handwritten signature in black ink, enclosed within a large, hand-drawn oval. The signature is cursive and appears to read 'M.V. Ketting'.

By: Mrs. M.V. Ketting
Duly authorised

PART B – OTHER INFORMATION

1. LISTING

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| (i) | Admission to trading: | Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from 6 September 2016. |
| (ii) | Estimate of total expenses relating to admission to trading: | EUR 1,345 |

2. RATINGS:

The Notes are expected to be rated:

Standard & Poor's Credit Market Services Europe Limited:	AAA
Fitch Ratings Limited:	AA+
Moody's Investor Service Limited:	Aaa

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

Except for the commissions payable to the Dealers, described in the first paragraph under "Plan of Distribution" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Dealers 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. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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|-------|---------------------------|--|
| (i) | Reasons for the offer: | The net proceeds of the issue of each Tranche of Notes will be used by the Issuer for general corporate purposes |
| (ii) | Estimated net proceeds: | ZAR 150,000,000 |
| (iii) | Estimated total expenses: | Not Applicable |

5. INDICATION OF YIELD (Fixed Rate Notes only)

8.60 per cent.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. OPERATIONAL INFORMATION

ISIN Code:	XS1485634205
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Common Code:	148563420
Valor:	Not Applicable
Clearing System:	Euroclear. Euroclear's offices are situated at 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium Clearstream, Luxembourg. Clearstream, Luxembourg's offices are situated at 42 Avenue J.F. Kennedy, 1855 Luxembourg.
Delivery:	Delivery against payment
Names and addresses of Paying Agent(s):	As set out in the Base Prospectus
Intended to be held in a manner which would allow Eurosystem eligibility:	Not Applicable

7. DISTRIBUTION

(i) Method of distribution:	Non-syndicated
(ii) If syndicated, names and addresses of Dealers:	Not Applicable
(iii) Date of Subscription Agreement:	Not Applicable
(iv) Stabilising Manager(s) (if any):	Not Applicable
(v) If non-syndicated, name and address of Dealer:	Mizuho International plc Mizuho House 30 Old Bailey London EC4M 7AU
(vi) Total commission and concession:	Not Applicable
(vii) U.S. Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D Rules applicable
(viii) Non-exempt Offer:	Not Applicable
(ix) General Consent:	Not Applicable
(x) Other conditions to consent:	Not Applicable

8. TERMS AND CONDITIONS OF THE OFFER

Not Applicable



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9. **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms which, when read together with the Base Prospectus referred to above, contains all information that is material in the context of the issue of the Notes.

10. **THIRD PARTY INFORMATION**

Not Applicable.