

## FINAL TERMS

20 March 2014

### **NEDERLANDSE WATERSCHAPSBANK N.V.**

(incorporated under the laws of the Netherlands with limited liability  
and having its corporate seat in The Hague)

### **Issue of JPY 500,000,000 Fixed to Capped FX Linked Interest Notes due March 2034 (the 'Notes') under the €60,000,000,000 Debt Issuance Program**

This document constitutes the Final Terms relating to the Issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the 'Conditions') set forth in the Base Prospectus dated 28 May 2013 and the supplements to the base prospectus dated 12 September 2013, 4 December 2013 and 11 March 2014 which together constitute a base prospectus for the purposes of Directive 2003/71/EC (the 'Prospectus Directive' which term includes Directive 2010/73/EU (the '2010 PD Amending Directive') to the extent implemented in a relevant member state of the European Economic Area in which the Notes are issued (each, a 'Relevant Member State')). 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 such Base Prospectus as so supplemented. 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 as so supplemented. The Base Prospectus as so supplemented is available for viewing at the registered office of the Issuer at Rooseveltplantsoen 3, 2517 KR The Hague, the Netherlands. A copy will also be available on the Issuer's website <https://www.nwbbank.com/en/investor-relations/funding-programmes/>. In addition copies may be obtained from Citibank N.A., 14th floor, Citigroup Centre Canada Square, Canary Wharf, London E14 5LB, United Kingdom and, only with respect to Tranches of Notes which are solely offered and sold by the Issuer and/or the Dealers in bearer form or registered form outside the United States to non-U.S. persons in reliance on Regulation S, Banque Internationale à Luxembourg, 69, route d'Esch, 2953 Luxembourg, Grand Duchy of Luxembourg.

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|--------------------------------------|--|
| 1. Issuer:                           | Nederlandse Waterschapsbank N.V.                   |
| 2. (a) Series Number:                | 1374   |
| (b) Tranche Number:                  | 1  |
| 3. Specified Currency or Currencies: | Japanese Yen ("JPY")                               |
| 4. Aggregate Principal amount:       |  |
| • Tranche:                           | JPY 500,000,000                                    |
| • Series:                            | JPY 500,000,000                                    |
| 5. (a) Issue Price of Tranche:       | 100.00 per cent. of the Aggregate Principal amount |
| (b) Net proceeds:                    | Not Applicable                                     |

6. (a) Specified Denominations: JPY 100,000,000
- The Notes may not be subdivided or reissued in a smaller denomination.
- The Aggregate Principal amount of this Series of Notes shall not exceed the product of the Specified Denomination and forty-nine (49) with the issue of any additional tranches(s) of notes that become fungible to this series of Notes.
- (b) Calculation Amount: JPY 100,000,000
7. (a) Issue Date: 24 March 2014
- (b) Interest Commencement Date: 25 March 2014
8. Maturity Date: Interest Payment Date falling in March 2034, subject to adjustment for payment only in accordance with the Modified Following Business Day Convention
9. Interest Basis: 2.00 per cent. Fixed Rate and FX Linked Interest (further particulars specified below)
10. Redemption/Payment Basis: Redemption at par
11. Change of Interest Basis: Applicable
- The Interest Basis shall change from Fixed Rate to FX Linked Interest automatically (further particulars specified below)
12. Investor Put/Issuer Call Options: Not Applicable
13. Automatic Early Redemption: Not Applicable
14. Dual Currency Note Provisions: Not Applicable
15. Status of the Notes: Senior
16. (a) Listing and admission to trading: Not Applicable
- (b) Estimate of total expenses related to admission to trading: Not Applicable
17. Offer solely outside the United States in Reliance on Regulations S: Applicable
- The Notes will be in bearer form and in substantially the form set forth in schedule 3 to the agency agreement entered into between the Issuer and the Non-U.S. Paying Agent dated 28 May 2013.
18. Method of distribution: Non-syndicated

19. Name, address and contact details of JPMorgan Chase Bank, N.A.  
Calculation Agent: 25 Bank Street  
Canary Wharf  
London E14 5JP

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

20. Fixed Rate Note Provisions: Applicable
- (a) Fixed Rate(s) of Interest: 2.00 per cent. per annum payable semi-annually in arrear
- (b) Interest Payment Date(s): 24 September 2014 and 24 March 2015
- (c) Fixed Coupon Amount: JPY 1,000,000 per Calculation Amount
- (d) Broken Amount(s): JPY 994,444 per Calculation Amount payable on the Interest Payment Date falling in September 2014
- (e) Day Count Fraction: 30/360, unadjusted
- (f) Interest Determination Date(s): Not Applicable
21. Floating Rate Note Provisions: Not Applicable
22. Zero Coupon Note Provisions: Not Applicable
23. FX Linked Interest Note Provisions: Applicable in deviation of Condition 5.2(c) and 5.2(g), the Interest Amount per Calculation Amount (“I”) for each Interest Period, payable in arrear on each Specified Interest Payment Date shall be calculated by the Calculation Agent in accordance with the following formula, provided that (1) the resultant figure of the formula shall be rounded to the nearest whole JPY, with half a JPY being rounded upwards, (2) the resultant figure of the square bracket shall be rounded to the nearest five decimal places of one per cent., and (3) the resultant figure of the square bracket shall never be less than zero and never be more than the relevant Maximum Rate of Interest (please see paragraph 23(p) below):

$$I = \text{JPY } 100,000,000 \times [\text{Multiplier1} \times (\text{Reference Price/FX Level1}) - \text{Margin1}] \times \text{Day Count Fraction}$$

Where:

“Reference Price” means, in relation to an Interest Determination Date, an amount equal to the arithmetic mean of the offered rate and bid rate of exchange appearing on the Relevant FX Screen Page at the Relevant Time on that Interest Determination Date for the exchange of such Specified Currency into the Base Currency (expressed as the number of units (or part units) of the Specified Currency for which one unit of the Base Currency can be exchanged).

- (a) Calculation Agent responsible for calculating the interest due: JPMorgan Chase Bank, N.A.  
25 Bank Street  
Canary Wharf  
London E14 5JP
- (b) Party responsible for calculating the Rate of Interest (if not the Calculation Agent) and Interest Amount (if not the Principal Paying Agent): Not Applicable
- (c) Specified Interest Period(s): From and including 24 March 2015 to but excluding the next Specified Interest Payment date and, thereafter, each period from and including a Specified Interest Payment Date to but excluding the next Specified Interest Payment Date up to and excluding the Maturity Date (each an “Interest Period”). For the avoidance of doubt, each Interest Period is subject to no adjustment.
- (d) Specified Interest Payment Date(s): 24 March and 24 September in each year, commencing on 24 September 2015 up to and including 24 March 2034.
- (e) Interest Determination Date(s): 10 (ten) London, Sydney, TARGET2 and Tokyo Business Days prior to each relevant Specified Interest Payment Date. For this purpose, the Specified Interest Payment Date is not subject to adjustment.
- (f) Business Day Convention:
- Business Day Convention Modified Following Business Day Convention
  - Adjusted or Unadjusted for Interest Period calculation Unadjusted
- (g) Business Centre(s): London, Sydney, Tokyo and a day on which the TARGET2 System is open
- (h) Multiplier1: 15.00 per cent.
- (i) Base Currency: Australian Dollars (“AUD”)
- (j) Specified Currency: JPY
- (k) Relevant FX Screen Page: Reuters Screen “JPNU” Page, which shall mean the display page “JPNU” designated on the Reuters Monitor Money Rates Service (or such other page as may replace that page on that service for the purpose of displaying AUD/JPY exchange rates).

In the event that Reuters Screen “JPNU” Page (or such successor page) should not be available, or no such Reference Price appears on Reuters Screen “JPNU” Page (or any successor page), in each case on the relevant Interest Determination Date at or around 10:00 a.m. Tokyo time, then the Calculation Agent shall determine the Reference Price by

requesting each of the five leading banks in the relevant currency and foreign exchange markets (the “**Reference Banks**”), as selected by the Calculation Agent, to provide a quotation for the Reference Price.

If five or four such quotations are provided as requested, after disregarding the highest of such quotations and the lowest of such quotations (provided that, if two or more such quotations are the highest such quotations, then only one of such quotations shall be disregarded, and if two or more such quotations are the lowest quotation then only one of such lowest quotations shall be disregarded), the applicable rate shall be determined by the Calculation Agent as the arithmetic mean (rounded to the nearest five decimal places, 0.000005 being rounded upwards) of the remaining quotations of such rate.

If only three or fewer such quotations are provided as requested, the applicable rate shall be the arithmetic mean of such quotations as determined by the Calculation Agent.

If no such quotations are provided as requested, and the Calculation Agent determines in its sole discretion that no suitable replacement Reference Banks who are prepared to quote are available, the Calculation Agent shall be entitled to calculate the applicable rate in good faith and a commercially reasonable manner.

(l) Relevant time: 10:00 a.m. Tokyo time

(m) Margin1: 13.00 per cent.

(n) FX Level1: The relevant FX Level1 shall be as specified in the table below:

| Interest Period    |                  | FX Level1 |
|--------------------|------------------|-----------|
| From and including | To but excluding |           |
| 24 March 2015      | 24 March 2016    | 89.90     |
| 24 March 2016      | 24 March 2017    | 89.40     |
| 24 March 2017      | 24 March 2018    | 88.90     |
| 24 March 2018      | 24 March 2019    | 88.40     |
| 24 March 2019      | 24 March 2020    | 87.90     |
| 24 March 2020      | 24 March 2021    | 87.40     |
| 24 March 2021      | 24 March 2022    | 86.90     |
| 24 March 2022      | 24 March 2023    | 86.40     |
| 24 March 2023      | 24 March 2024    | 85.90     |
| 24 March 2024      | 24 March 2025    | 85.40     |
| 24 March 2025      | 24 March 2026    | 84.90     |
| 24 March 2026      | 24 March 2027    | 84.40     |
| 24 March 2027      | 24 March 2028    | 83.90     |
| 24 March 2028      | 24 March 2029    | 83.40     |
| 24 March 2029      | 24 March 2030    | 82.90     |
| 24 March 2030      | 24 March 2031    | 82.40     |
| 24 March 2031      | 24 March 2032    | 81.90     |

| Interest Period    |                  | FX Level1 |
|--------------------|------------------|-----------|
| From and including | To but excluding |           |
| 24 March 2032      | 24 March 2033    | 81.40     |
| 24 March 2033      | 24 March 2034    | 80.90     |

(o) Minimum Rate of Interest: 0.00 per cent. per annum

(p) Maximum Rate of Interest: The Maximum Rate of Interest per Calculation Amount shall be as specified in the table below:

| Interest Period    |                  | Maximum Rate of Interest (in per cent.) |
|--------------------|------------------|---|
| From and including | To but excluding |   |
| 24 March 2015      | 24 March 2019    | 2.00                                    |
| 24 March 2019      | 24 March 2024    | 2.20                                    |
| 24 March 2024      | 24 March 2029    | 2.40                                    |
| 24 March 2029      | 24 March 2034    | 2.60                                    |

(q) Day Count Fraction: 30/360

24. Inflation Linked Note Provisions: Not Applicable

25. CMS Linked Note Provisions: Not Applicable

26. Change of Interest Basis Option: Not Applicable

#### PROVISIONS RELATING TO REDEMPTION

27. Issuer Call Option: Not Applicable

28. Investor Put Option: Not Applicable

29. Early Redemption: Applicable

(a) Early Redemption Amount(s) payable on redemption: JPY 100,000,000 per Calculation Amount

(b) Redemption for tax reasons permitted on days other than Interest Payment Dates: Applicable for the Fixed Rate Period  
Not Applicable for the FX Linked Interest Period

(c) Unmatured Coupons to become void upon early redemption: Applicable

(d) Early Redemption Unwind Costs: Not Applicable

30. Whether Condition 8(a) of the Notes applies (in which case Condition 7.2 (Redemption for tax reasons of the Notes will not apply) or whether Conditions 8(b) of the Notes applies: Condition 8(b) applies and Condition 7.2 applies.

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|-----|--|--|
| 31. | Final Redemption Amount:               | JPY 100,000,000 per Calculation Amount |
| 32. | FX Linked Redemption Note Provisions:  | Not Applicable                         |
| 33. | Automatic Early Redemption Provisions: | Not Applicable                         |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

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|-----|--|--|
| 34. | Form of Notes:   |  |
|     | (a) Form:  | Bearer Notes<br><br>Temporary Bearer Global Note exchangeable from 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership if Bearer Notes issued pursuant to the TEFRA D Rules, for interests in a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes only upon the occurrence of an Exchange Event  |
|     | (b) New Global Note:   | Not Applicable   |
|     | (c) New Safekeeping Structure:   | Not Applicable   |
|     | (d) Form of Definitive Bearer Notes:   | Standard Euromarket  |
| 35. | Financial Centre(s) or other special provisions relating to Payment Dates:   | Applicable<br><br>London, Sydney, Tokyo and a day on which the TARGET2 System is open Notwithstanding Condition 6.7, if the date for payment of any amount is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Payment Day. |
| 36. | Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature): | Applicable   |
| 37. | Details relating to Partly Paid Notes:   | Not Applicable   |
| 38. | Details relating to Installment Notes:   | Not Applicable   |
| 39. | Redenomination:  | Not Applicable   |

**DISTRIBUTION**

- |     |                                       |                |
|-----|---------------------------------------|----------------|
| 40. | (a) If syndicated, names of Managers: | Not Applicable |
|     | (b) Date of Subscription Agreement:   | Not Applicable |
|     | (c) Stabilizing Manager(s) (if any):  | Not Applicable |
| 41. | If non-syndicated, name of Dealer:    | Applicable     |

Daiwa Capital Markets Europe Limited  
5 King William Street  
London EC4N 7AX  
United Kingdom

42. Names of Financial Intermediaries: Not Applicable
43. Eligibility: Reg. S only
44. U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D

#### OPERATIONAL INFORMATION

45. Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V./ and Clearstream Banking, société anonyme and the relevant Identification numbers: Not Applicable
46. Delivery: Delivery against payment
47. Paying Agent(s): Non-U.S. Paying Agent
48. Offer Period: Not Applicable
49. Reduction of subscriptions: Not Applicable, the terms of the offer do not provide for any reductions of subscriptions
50. Maximum and minimum subscription amount: Not Applicable
51. Intended to be held in a manner which would allow Eurosystem eligibility: No
52. For the purpose of Condition 14, notices to be published in the Financial Times: No
- ISIN: XS1039953614
- CUSIP: Not Applicable
- CINS: Not Applicable
- Common Code: 103995361
- Any other relevant code: Not Applicable
53. Ratings: The Notes to be issued have been rated:  
  
S&P: AA+  
  
Moody's: Aaa

Each of Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service Limited is established in the European Union and registered under Regulation (EC) No 1060/2009, as amended. As such, Standard & Poor's Credit



Market Services Europe Limited and Moody's Investors Service Limited is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

A rating is not a recommendation to buy, sell or hold Notes and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

54. Interests of natural and legal persons involved in the Issue: Save for any fees payable to Daiwa Capital Markets Europe Limited, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer.
55. Reasons for the offer, estimated net proceeds and total expenses:
- (a) Reasons for the offer: See "Use of Proceeds" wording in Base Prospectus
- (b) Estimated net proceeds: JPY 500,000,000
- (c) Estimated total expenses: Not Applicable
56. Indication of yield (Fixed Rate Notes only): Not Applicable
57. Historic Interest Rates (*Floating Rate Notes and CMS Linked Notes only*) Not Applicable
58. Performance of index, explanation of effect on value of investment and associated risks and other information concerning the underlying (*Inflation Linked Notes only*) Not Applicable
59. Performance of rate[s] of exchange and explanation of effect on value of investment (*Dual Currency Notes, FX Linked Notes and notes to which Automatic Early Redemption provisions applies where the trigger level is an exchange rate only*) Details of the past and future performance and volatility of the relevant rates can be obtained from the Reuters Screen "JPNU" Page (or any replacement page).  
The Issuer does not intend to provide post-issuance information.
60. TERMS AND CONDITIONS OF THE OFFER Not Applicable
- (*only applicable to FX Linked Notes, Inflation Linked Note, CMS Linked Notes and notes to which Automatic Early Redemption provision applies where the trigger level is an exchange rate*)
61. FUNGIBLE ISSUES
- Issue fungible with previous issue: Not Applicable

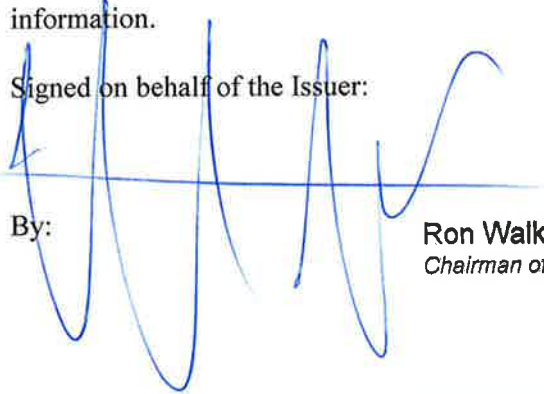
## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue of the Notes pursuant to the €60,000,000,000 Debt Issuance Program of Nederlandse Waterschapsbank N.V.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information.

Signed on behalf of the Issuer:



By:

**Ron Walkier**  
*Chairman of the Managing Board*