

## APPLICABLE FINAL TERMS

18 January 2008

### Hovedstadsregionens Naturgas I/S

#### Issue of EUR 21,000,000 Swap Notes due 23 January 2009 under the U.S.\$500,000,000 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 Prospectus dated 15 November, 2007 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (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 such Prospectus. 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 Prospectus. The Prospectus is available during normal business hours for viewing at and copies may be obtained from, the specified office of each of the Agents. The Prospectus and (in the case of Notes listed and admitted to trading on the regulated market of the Luxembourg Stock Exchange) the applicable Final Terms will also be published on the website of OMX Nordic Exchange Copenhagen A/S ([www.omxgroup.com/nordicexchange](http://www.omxgroup.com/nordicexchange)).

- |    |      |                                   |  |
|----|------|-----------------------------------|--|
| 1. | (i)  | Issuer:                           | Hovedstadsregionens Naturgas I/S   |
| 2. | (i)  | Series Number:                    | 45   |
|    | (ii) | Tranche Number:                   | 1  |
| 3. |      | Specified Currency or Currencies: | EUR  |
| 4. |      | Aggregate Nominal Amount:         |  |
|    | -    | Tranche:                          | EUR 21,000,000   |
|    |      |                                   | All Notes of this tranche have been subscribed for.  |
|    |      |                                   | An increase of the Aggregate Nominal Amount to be consolidated and form a single series with this issue will be possible up to and including 23 December 2008. |
|    | -    | Series:                           | EUR 21,000,000   |
| 5. |      | Issue Price:                      | 100.30 per cent. of the Aggregate Nominal Amount.  |
| 6. | (a)  | Specified Denominations:          | EUR 50,000   |
|    | (b)  | Calculation Amount:               | EUR 50,000   |
| 7. | (a)  | Issue Date:                       | 23 January 2008  |
|    | (b)  | Interest Commencement Date:       | Issue Date   |

8.	Maturity Date:	23 January 2009
9.	Interest Basis:	4.25 per cent. Fixed Rate
10.	Redemption/Payment Basis:	Index Linked Redemption. See Appendix 1.
11.	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	Status of the Notes:	Senior
	Date of Board approval for issuance of Notes obtained:	2 November 2007

14.	Method of distribution:	Non-syndicated
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#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15.	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate(s) of Interest:	4.25 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	23 January 2009 subject to adjustment in accordance with the Modified Following Business Day Convention.
	(iii) Fixed Coupon Amount(s):	EUR 2,125 per Calculation Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/365
	(vi) Determination Date[s]:	Not Applicable
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
16.	<b>Floating Rate Note Provisions</b>	Not Applicable
17.	<b>Zero Coupon Note Provisions</b>	Not Applicable
18.	<b>Index Linked Interest Note Provisions</b>	Not Applicable
19.	<b>Dual Currency Interest Note Provisions</b>	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

20.	Issuer Call	Not Applicable
21.	Investor Put	Not Applicable

22. Final Redemption Amount See Appendix 1. No principal protection or capital guarantee applicable.
23. Early Redemption Amount payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 8(e)): See Condition 8(e)

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. Form of Notes: Bearer Notes, issued in the form of a Permanent Bearer Global Note. The Permanent Bearer Global Note will be issued on 23 January 2008 and the Notes will be registered as Bearer Notes in uncertificated dematerialised book-entry form with the Værdipapircentralen A/S ("VP") on that day.
- Nordea Bank Danmark A/S is acting as account holding bank (Da. "Kontoførende Institut") in relation to VP.
- The Permanent Bearer Global Note will be controlled by Nordea Bank Danmark A/S as account holding institute for and on behalf of VP and the Noteholders in accordance with the provisions of the Danish Government Regulation No. 527 of 7 June 2006 as amended on the registration of funds assets in a securities centre. The Permanent Bearer Global Note can only be held in favour of Nordea Bank Danmark A/S acting in its capacity as account holding institute on behalf of the Noteholders registered in the VP system.
- For the avoidance of doubt, Notes registered in VP are negotiable instruments not subject to any restrictions on the free negotiability within the Kingdom of Denmark, under Danish Law.
25. Additional Financial Centre(s) or other special provisions relating to Payment Dates: TARGET only, London excluded
26. Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature): No
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of Not Applicable

the Issuer to forfeit the Notes and interest due on late payment:

28. Details relating to Instalment Notes:
- (i) Instalment Amount(s): Not Applicable
  - (ii) Instalment Date(s): Not Applicable
29. Redenomination applicable: Redenomination not applicable
30. Other final terms: Settlement of purchase and sale transactions takes place on a “registration against payment” basis. Transfer of ownership to the Notes shall be made in accordance with the rules of VP.
- Registration of the Notes with VP is governed by Danish law, and any disputes arising out of or in connection with the registration of the Notes with VP shall be brought before the Copenhagen Maritime and Commercial Court.
- Payments shall be effected by Nordea Bank Danmark A/S via VP.
- Notwithstanding Condition 15, any notice given to VP in accordance with Condition 15 shall be deemed to have been given to the Holders on the day on which that notice is given to VP.

## **DISTRIBUTION**

31. (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
- (ii) Stabilising Manager (if any): Not Applicable
32. If non-syndicated, name of relevant Dealer: Nordea Bank Danmark A/S
33. U.S.Selling Restrictions: TEFRA Rules not applicable
34. Additional selling restrictions: Not Applicable

## **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on the OMX Nordic Exchange Copenhagen A/S of the Notes described herein pursuant to the U.S.\$500,000,000 Euro Medium Term Note Programme of Hovedstadsregionens Naturgas I/S.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. The historical swap rates in part B item 6 have been extracted from Nordea Analytics. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by Nordea Analytics, no facts have been omitted which could render the reproduced information inaccurate or misleading.

Signed on behalf of Hovestadregionens Naturgas I/S:

By: 

*Duly authorised*

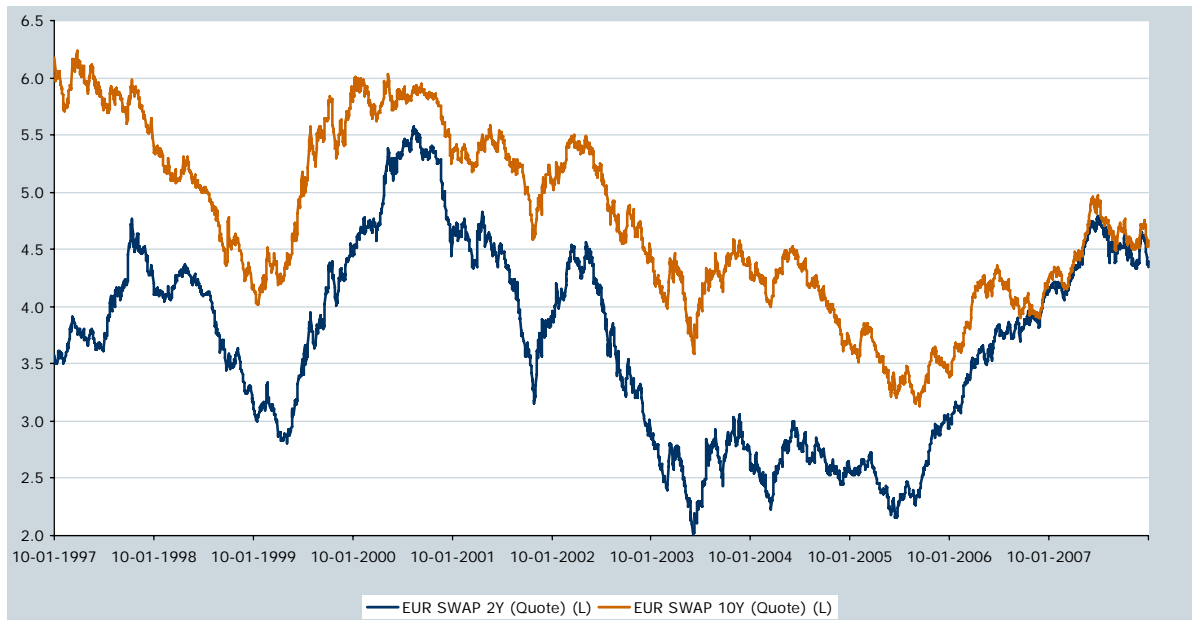
**Anne-Marie Wivel:**  
Vice-chairman of the Supervisory Board

  
**Niels Erik Andersen**  
CEO



6. **YIELD** (Fixed Rate Notes only) Indication Not Applicable of yield:

7. **PERFORMANCE OF INDEX/FORMULA, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**



The graphs show the historical development of the 2-year swap rate and 10-year swap rate. Source: Nordea Analytics



The graph shows the historical development of the difference between the 10-year swap rate and 2-year swap rate. Source: Nordea Analytics

The underlying of the Notes are two interest rate swap positions. Interest rate can be very volatile, and such volatility may be expected in the future. A rise or fall in the value of the Underlying Swap Position will affect the Final Redemption Amount of the Notes in either a positive or a negative way.

A 10 year interest rate swap is a contractual agreement entered into between two counterparties under which each agrees to make periodic payments to the other for 10 years based upon a notional amount of principal. One party agrees to exchange a series of payments calculated by applying a fixed rate of interest to a notional amount for a stream of payments similarly calculated but using a floating rate of interest. The same is applicable to a 2 year interest rate swap with the only difference being the time under which the periodic payments will be made, i.e. 2 years.

There is no principal protection or capital guarantee on the Notes. Accordingly, Noteholders should be aware that they may lose the entire amount invested in the Notes as a result of changes in the value of the Underlying Swap Position.

**8. PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (DUAL CURRENCY NOTES ONLY)**

Not Applicable

**9. OPERATIONAL INFORMATION**

- |       |   |   |
|-------|---|---|
| (i)   | ISIN Code:  | DK0030086061  |
| (ii)  | Common Code:  | Not Applicable  |
| (iii) | Any clearing system(s) other than Euroclear Bank S.A./N.V., and Clearstream Banking, société anonyme and the relevant identification number(s): | Værdipapircentralen A/S (“VP”)<br>Business Registration Number: 21 59 93 36 |
| (iv)  | Delivery:   | Delivery against payment  |
| (v)   | Names and addresses of additional Paying Agent(s) (if any):   | Not Applicable  |



## Appendix 1

*(this Appendix forms part of the Final Terms to which it is attached)*

The Calculation Agent shall calculate the Final Redemption Amount per Specified Denomination in accordance with the below subject to an Early Termination Option:

- EUR 50,000 + Underlying Swap Position as determined by the Calculation Agent on the Effective Date.

Interest on the Underlying Swap Position will be payable at an interest rate of 2 week EURIBOR from and including the Effective Date to but excluding the Maturity Date.

The Final Redemption Amount will be due for payment on the Maturity Date subject to adjustment in accordance with the Modified Following Business Day Convention.

**Underlying Swap Position** means the sum of values of Swap 1 and Swap 2.

**Swap 1** is the net present value of a 10-year swap with trade date on 18 January 2008, start date on the Effective Date and a notional of EUR 317,000 in which the Issuer receives (bond holder pays) an annual fixed rate of 4.43 per cent per annum (30/360) and pays (bond holder receives) 6-month Euribor (act/360) each as determined by the Calculation Agent in its sole discretion acting in a commercially reasonable manner.

**Swap 2** is the net present value of a 2-year swap with trade date on 18 January 2008, start date on the Effective Date and a notional of EUR 1,326,000 in which the Issuer pays (bond holder receives) an annual fixed rate of 3.779 per cent. per annum (30/360) and receives (bond holder pays) 6-month Euribor (act/360) each as determined by the Calculation Agent in its sole discretion acting in a commercially reasonable manner.

**Net Present Value** means the value of Swap 1 and Swap 2 as determined by the Calculation Agent in its sole discretion acting in a commercially reasonable manner. The Calculation Agent will determine such values by using the reference rates for two years swap and ten years swap on the Reuters page ISDAFIX2 at 11 a.m. Frankfurt time. The yearly difference between the traded interest rate and the reference rate will be discounted back to present value using the reference rate as discount rate. If Reuters page ISDAFIX2 is not available at 11 a.m. Frankfurt time on the Effective Date reference banks will be used to determine the swap rates.

**Effective Date** means 9 January 2009 (fixing 2 Business Days prior to the Effective Date) subject to adjustment in accordance with the Modified Following Business Day Convention.

**Early Termination Option.** The Calculation Agent will in its sole discretion acting in a commercially reasonable manner monitor the Underlying Swap Position. Should the Underlying Swap Position, at any time between the Issue Date and the Effective Date, fall to minus EUR 30,000 or below, the Calculation Agent shall within five (5) Business Days determine the value of Swap 1 and Swap 2 (such Business Day an “**Early Termination Option Date**”). The Calculation Agent shall in its sole discretion acting in a commercially reasonable manner following the determination of the value of Swap 1 and Swap 2 on the Early Termination Option Date calculate the Underlying Swap Position and determine the Final Redemption Amount.

**Calculation Agent** means Nordea Bank Danmark A/S.