

30 September 1997

Landwirtschaftliche Rentenbank
Japanese Yen 5 billion 5.005 per cent. Subordinated Reverse Dual Currency Notes due 30
September 2022
issued pursuant to its US\$15 billion Euro Medium Term Note Programme

We hereby confirm the following agreement for the issue of Notes under the above Programme.

(Terms used herein shall be deemed to be defined as such for the purposes of the Conditions)

- | | | |
|-----|---|--|
| 1. | Series number: | 129 |
| 2. | Whether Senior Notes or Subordinated Notes: | Subordinated. |
| 3. | Specified Currency for payments of Principal: | Japanese Yen ("JPY") |
| | Specified Currencies for Interest Payments: | Australian dollars ("AUD") or Deutsche Marks ("DEM") or US dollars ("USD") |
| 4. | Aggregate Nominal Amount: | JPY 5,000,000,000 |
| 5. | Interest/Payment Basis; and if more than one, the periods during which each Interest/Payment Basis will apply and/or details as to if convertible automatically or at option of Issuer and/or Noteholders into Notes of another Interest/Payment: | Fixed Rate Reverse Dual Currency Notes |
| 6. | Issue Date: | 30 September 1997 |
| 7. | Specified Denomination(s): | JPY 100,000,000 |
| 8. | Issue Price: | 100 per cent. |
| 9. | 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 (if any) of failure to pay: | N/A |
| 10. | Interest Commencement Date (for interest bearing Notes): | 30 September 1997 |
| 11. | Maturity Date: | 30 September 2022, subject to adjustment in accordance with the Following Business Day Convention. |
| 12. | Final Redemption Amount: | 100% of the nominal amount payable in JPY |

13. Instalment Dates (Note redeemable in instalments):

N/A

14. Instalment Amounts
(Note Redeemable in instalments):

N/A

15. Fixed Rate(s) of Interest (Fixed Rate Notes):

The Notes will bear interest at a fixed rate of 5.005% per annum calculated on the AUD Notional of the Note (the "AUD Coupon") and payable in arrear in AUD on each Fixed Interest Date, provided that by notice to the Noteholders, given in accordance with the provisions of the Notes not less than 15 calendar days prior to each Fixed Interest Date, the Issuer may elect in respect of such Fixed Interest Date to pay, in respect of all, but not some only, of the Notes, in lieu of the amount in AUD so calculated either:

(i) 5.005 per cent. per annum calculated on the DEM Notional of the Note and payable in DEM, or

(ii) 5.005 per cent. per annum calculated on the USD Notional of the Note and payable in USD.

Such right of the Issuer applies independently in respect of each Fixed Interest Date and exercise or non exercise in respect of one Fixed Interest Date in no way affects the Issuer's right to exercise or not exercise such right in respect of any other Fixed Interest Dates.

Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

For the purposes hereof for each JPY 100,000,000 Note:

"AUD Notional" means AUD 1,155,001.16

"DEM Notional" means DEM 1,465,845.79

"USD Notional" means USD 829,875.52

Interest on overdue amounts whether of principal or interest will accrue (after as well as before judgement) up to but excluding the date on which payment in full of the overdue amount is made or (if earlier) the date seven days after the date on which notice is duly given that, upon presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made,

provided that payment is in fact made upon such presentation, at the rate determined daily by the Calculation Agent to be the rate for overnight deposits in the currency in which the relevant amount is denominated. Such interest shall be added each day to the overdue amount and shall itself bear interest accordingly.

- | | |
|--|---|
| 16. Fixed Interest Date(s) (Fixed Rate Notes): | 30 September in each year from and including 30 September 1998 to and including the Maturity Date, subject to adjustment in accordance with the Following Business Day Convention but with no adjustment to the Calculation Period. |
| 17. Initial Broken Amount (Fixed Rate Notes): | N/A |
| 18. Final Broken Amount (Fixed Rate Notes): | N/A |
| 19. Interest Period(s) or specified Interest Payment Date(s) (Floating Rate Notes or Indexed Notes): | N/A |
| 20. Manner in which the Rate of Interest is to be determined (Floating Rate Notes): | N/A |
| 21. Floating Rate Option (ISDA Determination): | N/A |
| 22. Designated Maturity (ISDA Determination): | N/A |
| 23. Reset Date(s) (ISDA Determination): | N/A |
| 24. Margin (Floating Rate Notes): | N/A |
| 25. Reference Rate (Screen Rate Determination): | N/A |

26. Interest Determination Date(s) (Screen Rate Determination): N/A
27. Relevant Screen Page (Screen Rate Determination): N/A
28. The party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent) (Floating Rate Notes): N/A
29. Minimum Rate of Interest (Floating Rate Notes): N/A
30. Maximum Rate of Interest (Floating Rate Notes): N/A
31. (a) Additional Business Centre(s) if different to that set out in Condition 5(b)(i) (Floating Rate Notes): N/A
- (b) Applicable "Business Day" definition (if different from that in Condition 5(b)(i)) (Floating Rate Notes): "Business Day" means a day on which banks and foreign exchange markets are open for business in Sydney, New York, Frankfurt, London and Tokyo.
- (c) Relevant Convention from Condition 5(b)(i) (Floating Rate Notes): N/A
32. The denominator for calculating the Interest Amount (if different from that in Condition 5(b)(vi)) (Floating Rate Notes): N/A
33. Accrual Yield (Zero Coupon Notes): N/A
34. Reference Price (Zero Coupon Notes): N/A
35. Any other formula/basis of determining amount payable (Zero coupon Notes): N/A
36. Index/Formula (Indexed Redemption Amount Notes): N/A
37. Agent responsible for calculating the interest due and/or Final Redemption Amount and/or Early Redemption Amount (Indexed Redemption Amount Notes): The Calculation Agent shall be Morgan Guaranty Trust Company of New York, London office.

The Calculation Agent is solely responsible for determining the Early Redemption Amount if necessary.

The Calculation Agent shall be responsible for notifying the Issuer and the Agent of its determinations hereunder but shall not be responsible for the giving of notice to the Notcholders and the Couponholders in connection with the Notes. Any such notices shall be given by the Agent on behalf of the Issuer.

The Calculation Agent shall not act as agent or trustee for the Noteholders. All calculations and determinations made by the Calculation Agent in relation to the Notes shall (save in the case of manifest error) be final and binding on the Issuer, the Agent, the Paying Agents, the Noteholders and the Couponholders.

None of the Issuer, the Agent, the Paying Agents or the Calculation Agent shall have any responsibility to any person for any errors or omissions in (i) the calculation by the Calculation Agent of any amount due in respect of the Notes or (ii) any determination made by the Calculation Agent.

- | | | |
|-----|--|-----------------|
| 38. | (a) Rate of Exchange/method of calculating Rate of Exchange (Dual Currency Notes): | N/A |
| | (b) Agent, if any, responsible for calculating the principal and/or interest payable (Dual Currency Notes): | N/A |
| | (c) Provisions where calculation by reference to Rate of Exchange impossible or impracticable (Dual Currency Notes): | N/A |
| | (d) Person at whose option Specified Currency/ies is/are payable (Dual Currency Notes) | See section 15. |
| 39. | Issuer's Optional Redemption: | No |
| | If yes: | |
| | (a) Optional Redemption Date(s): | N/A |
| | (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): | N/A |

- (c) If redeemable in part:
- (i) Minimum Redemption N/A
- (ii) Higher Redemption Amount: N/A
40. Redemption at the option of the Noteholders: No
- If yes:
- (a) Optional Redemption Date(s): N/A
- (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): N/A

41. Early Redemption Amount(s) 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 7(e):

Notwithstanding Condition 7(e), in the event that the Notes are redeemed pursuant to Condition 7(b)(ii) prior to the Maturity Date, the Early Redemption Amount payable in respect of each Note shall be an amount in JPY determined by the Calculation Agent in accordance with the following formula and no separate amount will be payable in respect of accrued interest.

$PV (JPY 100,000,000) + \text{Index Amount}$

“PV (JPY 100,000,000)” means the present value of JPY 100,000,000, such present value being calculated by discounting JPY 100,000,000 from the Maturity Date to the Early Redemption Date, using as the discount rate the offer side of the relevant Zero Coupon Swap Rate for the relevant period all as determined by the Calculation Agent in its sole discretion on the Early Valuation Date.

“Early Redemption Date” means as the case may be, the date set for redemption under Condition 7(b)(ii).

“Index Amount” means an amount in Japanese Yen determined by the Calculation Agent in its sole discretion in accordance with the following formula:

$PV (JPY \text{ Future Terminated Coupons}) - \text{Sum (Option Values)}$.

"PV (JPY Future Terminated Coupons)" means the sum of the JPY Equivalent Terminated Coupons.

"JPY Equivalent Terminated Coupon" means with respect to a currency the equivalent in Japanese Yen of each of the PV (Currency Terminated Coupons) converted at the relevant Termination Foreign Exchange Rate.

"PV (Currency Terminated Coupons)" for any currency means the sum of the present values of each amount of Terminated Interest Payable denominated in that currency which is, or in the absence of the Early Redemption Date would be, payable after the Early Redemption Date, each such present value being calculated by discounting the relevant Terminated Interest Payable from its Fixed Interest Payment Date to the Early Redemption Date, using as the discount rate the offer side of the relevant Zero Coupon Swap Rate for the relevant period, all as determined by the Calculation Agent in its sole discretion on the Early Valuation Date.

"Zero Coupon Swap Rate" means a rate derived from the swap and money market yield curves for the relevant currency.

"Terminated Interest Payable" means for any Fixed Interest Payment Date the amount of interest which is, or in the absence of the Early Redemption Date would be, due to be paid in respect of the Note on such Fixed Interest Payment Date in the currency determined pursuant to any notice given by the Issuer in respect of such Fixed Interest Payment Date pursuant to Section 1.5 "Fixed Rate of Interest" above and, for these purposes, if no such notice has been given in respect of any such Fixed Interest Payment Date, the interest in respect of such Fixed Interest Payment Date shall be deemed to be payable in Australian dollars.

"Termination Foreign Exchange Rate" means the forward foreign exchange rate at which the Calculation Agent in its sole discretion is prepared on the Early Valuation Date to purchase the relevant currency against a sale of Japanese Yen for value on the Early Redemption Date.

"Sum (Option Values)" means the sum of the Option Values in respect of each Option.

"Option Value" means, in respect of an Option, the amount in Japanese Yen for which the Calculation Agent in its sole discretion is prepared on the Early Valuation Date to sell such Option for value on the Early Redemption Date, divided by 50.

"Option" means, in respect of a Fixed Interest Payment Date falling after the Early Redemption Date in respect of which no notice has been given pursuant to Section 15 "Fixed Rate of Interest" above on or before the Early Valuation Date, a foreign exchange option for the purchase of Australian Dollars against a sale of Deutsche Marks or United States dollars with the following characteristics:

AUD notional amount - AUD 2,890,390.40

DM notional amount - DM 3,668,279.09 / 1.875 = 567,3

US\$ notional amount - US\$ 2,076,763.49

Equ

Option style - European

Expiry Date - 15 Valuation Business Days prior to the relevant Fixed Interest Payment Date.

Exercise right - the owner of the option has the right on the relevant Fixed Interest Payment Date to exchange either the DM notional amount of DM 3,668,279.09 or the US\$ notional amount of US\$ 2,076,763.49 for the AUD notional amount of AUD 2,890,390.40.

Settlement date - the relevant Fixed Interest Payment Date.

"Early Valuation Date" means a Valuation Business Day designated by the Calculation Agent in its sole discretion in the case of an exercise by the Issuer of its right under Condition 7(b)(ii), falling within the period from and including the day on which the Calculation Agent receives notification from the Issuer that the right pursuant to Condition 7(b)(ii) has been exercised to and including the fifth Valuation Business Day thereafter.

"Valuation Business Day" means a day on which banks and foreign exchange markets are open for business in London, Sydney, Tokyo, New York and Frankfurt.

42. Talons for future Coupons or Receipts to be attached to Definitive Notes

- (and dates on which such Talons mature): N/A
43. Other terms or special conditions:
44. Definition of "Payment Date" if different from Condition 6(c): N/A
45. Details of additional/alternative clearance system (including, if applicable, Kassenverein or SICOVAM) approved by the Issuer and the Agent: N/A
46. Whether interests in the Temporary Global Note are exchangeable for interests in the Permanent Global Note and/or Definitive Notes: Temporary Global Notes will be exchangeable for Permanent Global Notes
47. Notes to be listed on a Relevant Stock Exchange: No
48. Additional selling restrictions: Programme selling restrictions apply.
49. Details of the relevant stabilising manager, if any: N/A
50. Method of distribution: Non-syndicated
51. If syndicated, names of Managers and, if non-syndicated, name of Dealer: J.P. Morgan GmbH
52. Net Proceeds: JPY 5,000,000,000
53. Notes to be credited to Dealer's Account: Euroclear 96915

Euroclear and Cedel Common Code: ISIN: XS008053359-8
Common Code: 8053359

Kassenverein/SICOVAM code (if applicable): N/A

For and on behalf of Landwirtschaftliche Rentenbank

By: i.v.l.
Authorized signatory

Bert

Happ