

FINAL TERMS

2 November 2015

SpareBank 1 SMN

Issue of EUR 26,000,000 Callable Fixed Rate Notes due 2 November 2035

under the €10,000,000,000

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 18 June 2015 which constitutes a base prospectus for the purposes of the Prospectus Directive (the “Prospectus”). 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 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 for viewing at, and copies may be obtained from, the specified office of each of the Paying 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 the Luxembourg Stock Exchange (www.bourse.lu).

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| 1. | (i) | Series Number: | 197 |
| | (ii) | Tranche Number: | 1 |
| | (iii) | Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 2. | | Specified Currency or Currencies: | Euro (“EUR”) |
| 3. | | Aggregate Nominal Amount | |
| | (i) | Series: | EUR 26,000,000 |
| | (ii) | Tranche: | EUR 26,000,000 |
| 4. | | Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| 5. | (a) | Specified Denominations: | EUR 100,000 |
| | (b) | Calculation Amount: | EUR 100,000 |
| 6. | (i) | Issue Date: | 2 November 2015 |
| | (ii) | Interest Commencement Date: | Issue Date |
| 7. | | Maturity Date: | 2 November 2035 |

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| 8. | Interest Basis: | 2.45 per cent. Fixed Rate (see paragraph 13 below) |
| 9. | Redemption/Payment Basis: | Subject to any purchase and cancellation or early redemption, the Notes may be redeemed on the Maturity Date at 100 per cent. of their nominal amount |
| 10. | Change of Interest Basis: | Not Applicable |
| 11. | Put/Call Options: | Issuer Call |
| 12. | (i) Status of the Notes: | Senior |
| | (ii) Date Board approval for issuance of Notes obtained: | 4 February 2015 |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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| 13. | Fixed Rate Note Provisions | Applicable |
| | (i) Rate(s) of Interest: | 2.45 per cent. per annum payable in arrear on each Interest Payment Date |
| | (ii) Interest Payment Date(s): | 2 November in each year, from, and including, 2 November 2016 up to, and including, the Maturity Date. |
| | (iii) Fixed Coupon Amount(s):
(Applicable to Notes in definitive form.) | EUR 2,450 per Calculation Amount |
| | (iv) Broken Amount(s):
(Applicable to Notes in definitive form.) | Not Applicable |
| | (v) Day Count Fraction: | Actual/Actual (ICMA) |
| | (vi) Determination Date(s): | 2 November in each year |
| 14. | Floating Rate Note Provisions | Not Applicable |
| 15. | Zero Coupon Note Provisions | Not Applicable |

PROVISIONS RELATING TO REDEMPTION

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| 16. | Notice periods for Condition 7(b)
(Redemption and Purchase – <i>Redemption for tax reasons</i>): | Minimum period: 15 days
Maximum period: 30 days |
| 17. | Issuer Call: | Applicable |
| | (i) Optional Redemption Date(s): | 2 November 2025, adjusted in accordance with the Following Business Day Convention. |

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| (ii) | Optional Redemption Amount of each Note: | 100 per cent. per Calculation Amount |
| (iii) | If redeemable in part: | Not Applicable |
| (a) | Minimum Redemption Amount: | Not Applicable |
| (b) | Maximum Redemption Amount: | Not Applicable |
| (iv) | Notice period (for Condition 7(c) (Redemption and Purchase – Redemption at the option of the Issuer (Issuer Call))): | Minimum Period: 5 Business Days
Maximum Period: 20 Business Days
Where:
“Business Day” means a day on which the TARGET2 System is open |
18. Investor Put: Not Applicable
19. Final Redemption Amount: 100 per cent. per Calculation Amount
20. Early Redemption Amount payable on redemption for taxation reasons or on event of default: 100 per cent. per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes:
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| (a) | Form: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
| (b) | New Global Note: | No |
22. Additional Financial Centre(s): Not Applicable
23. Talons for future Coupons to be attached to Definitive: No

THIRD PARTY INFORMATION

Not Applicable

Signed on behalf of SpareBank 1 SMN:

By: 
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Bourse de Luxembourg and listing on the official list of the Luxembourg Stock Exchange with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: EUR 7,000

2. RATINGS

- Ratings: The Notes have not been and will not be rated.

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

The Dealer and its 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. YIELD (Fixed Rate Notes only)

- Indication of yield: 2.45 per cent. per annum

5. HISTORIC INTEREST RATES (FLOATING RATE NOTES ONLY)

Not Applicable

6. OPERATIONAL INFORMATION

- (i) ISIN: XS1305472901
- (ii) Common Code: 130547290
- (iii) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
- (iv) Delivery: Delivery against payment
- (v) Names and addresses of initial Paying Agent(s): Citibank, N.A., London Branch
Citigroup Centre, Canada Square,
Canary Wharf, London E14 5LB
United Kingdom
- Banque Internationale à Luxembourg SA
69, route d'Esch, L - 2953 Luxembourg

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| (vi) | Names and addresses of additional Paying Agent(s) (if any): | Not Applicable |
| (vii) | Intended to be held in a manner which would allow Eurosystem eligibility: | <p>No.</p> <p>Whilst the designation is specified as "no" at the date of the Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.</p> |

7. DISTRIBUTION

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| (i) | Method of distribution: | Non-syndicated |
| (ii) | If syndicated, names of Managers: | Not Applicable |
| (iii) | Date of Subscription Agreement: | Not Applicable |
| (iv) | Stabilisation Manager(s) (if any): | Not Applicable |
| (v) | If non-syndicated, name of relevant Dealer: | Jefferies International Limited |
| (vi) | U.S. Selling Restrictions: | Reg. S Compliance Category 2; TEFRA D |

