



Orkla ASA

Prospectus

Securities Note

for

ISIN: NO 001 0731730

FRN Orkla ASA Senior Unsecured Open Bond Issue 2015/2022

Oslo, 4 May 2015

Lead Manager:



Important information*

The Securities Note has been prepared in connection with listing of the securities on the Oslo Børs. The Norwegian FSA ("Finanstilsynet") has controlled and approved the Securities Note pursuant to Section 7-7 of the Norwegian Securities Trading Act. Finanstilsynet has not controlled and approved the accuracy or completeness of the information given in the Securities Note. Financial supervision and approval relates solely to the Company has included descriptions according to a pre-defined list of content requirements. Finanstilsynet has not undertaken any form of control or approval of corporate matters described in or otherwise covered by the Securities Note.

New information that is significant for the Borrower or its subsidiaries may be disclosed after the Securities Note has been made public, but prior to the expiry of the subscription period. Such information will be published as a supplement to the Securities Note pursuant to Section 7-15 of the Norwegian Securities Trading Act. On no account must the publication or the disclosure of the Securities Note give the impression that the information herein is complete or correct on a given date after the date on the Securities Note, or that the business activities of the Borrower or its subsidiaries may not have been changed.

Only the Borrower and the Lead Manager are entitled to procure information about conditions described in the Securities Note. Information procured by any other person is of no relevance in relation to the Securities Note and cannot be relied on.

Unless otherwise stated, the Securities Note is subject to Norwegian law. In the event of any dispute regarding the Securities Note, Norwegian law will apply.

In certain jurisdictions, the distribution of the Securities Note may be limited by law, for example in the United States of America or in the United Kingdom. Verification and approval of the Securities Note by Norwegian FSA implies that the Note may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Securities Note in any jurisdiction where such action is required. Persons that receive the Securities Note are required by the Borrower and the Lead Manager to obtain information on and comply with such restrictions.

This Securities Note is not an offer to sell or a request to buy bonds.

The Securities Note together with the Registration Document dated 4 May 2015 and any supplements to these documents constitutes the Prospectus.

The content of the Securities Note does not constitute legal, financial or tax advice and bond owners should seek their own independent legal, financial and/or tax advice.

Contact the Borrower or the Lead Manager to receive copies of the Securities Note.

Factors which are material for the purpose of assessing the market risks associated with Bond

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Securities Note and/or Registration Document or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

*The capitalised words in the section "Important Information" are defined in Chapter 3: "Detailed information about the securities".

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1 Risk Factors

The Issuer believes that the factors described below represent the principal market risks inherent in investing in the Loan. Occurrence of any risk factors described below may cause inability of the Issuer to pay interest, principal or other amounts on or in connection with the bonds. Prospective investors should also read the detailed information set out in the Registration Document dated 4 May 2015 and reach their own views prior to making any investment decision.

Risk related to the market in general

All investments in interest bearing securities have risk associated with such investment. The risk is related to the general volatility in the market for such securities, varying liquidity in a single bond issue as well as company specific risk factors. There are five main risk factors that sum up the investors total risk exposure when investing in interest bearing securities: liquidity risk, interest rate risk, credit risk, settlement risk and market risk (both in general and issuer specific).

Liquidity risk is the risk that a party interested in trading bonds in the Loan cannot do it because nobody in the market wants to trade the bonds. A lack of demand for the bonds may result in a loss for the bondholder.

Interest rate risk is the risk that results from the variability of the NIBOR interest rate. The coupon payments, which depend on the NIBOR interest rate and the Margin, will vary in accordance with the variability of the NIBOR interest rate. The interest rate risk related to this bond issue will be limited, since the coupon rate will be adjusted quarterly according to the change in the reference interest rate (NIBOR 3 months) over the 6 year and 11 months tenor. The primary price risk for a floating rate bond issue will be related to the market view of the correct trading level for the credit spread related to the bond issue at a certain time during the tenor, compared with the credit margin the bond issue is carrying. A possible increase in the credit spread trading level relative to the coupon defined credit margin may relate to general changes in the market conditions and/or Issuer specific circumstances. However, under normal market circumstances the anticipated tradable credit spread will fall as the duration of the bond issue becomes shorter. In general, the price of bonds will fall when the credit spread in the market increases, and conversely the bond price will increase when the market spread decreases.

Credit risk is the risk that the Borrower fails to make the required payments under the Loan (either principal or interest).

Settlement risk is the risk that the settlement of bonds in the Loan does not take place as agreed. The settlement risk consists of the failure to pay or the failure to deliver the bonds.

Market risk is the risk that the value of the Loan will decrease due to the change in value of the market risk factors. The price of a single bond issue will fluctuate in accordance with the interest rate and credit markets in general, the market view of the credit risk of that particular bond issue, and the liquidity of this bond issue in the market. In spite of an underlying positive development in the Issuers business activities, the price of a bond may fall independent of this fact. Bond issues with a relatively short tenor and a floating rate coupon rate do however in general carry a lower price risk compared to loans with a longer tenor and/or with a fixed coupon rate.

No market-maker agreement is entered into in relation to this bond issue, and the liquidity of bonds will at all times depend on the market participants view of the credit quality of the Issuer as well as established and available credit lines.

Risks related to Bonds in general

Set out below is a brief description of certain risks relating to the Bonds generally:

Modification and Waiver

The terms and conditions of the Bonds (see Bond Agreement clause 16) contain provisions for calling meetings of bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all bondholders including bondholders who did not attend and vote at the relevant meeting and bondholders who voted in a manner contrary to the majority.

The terms and conditions of the Bonds (see Bond Agreement clause 17) also provide that the Trustee may, without the consent of bondholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Bonds or (ii) determine without the consent of the bondholders that any event of default or potential event of default shall not be treated as such.

2 Persons Responsible

2.1 Persons responsible for the information

Persons responsible for the information given in the Securities Note are:
Orkla ASA, P.O. Box 423 Skøyen, N-0213 Oslo, Norway

2.2 Declaration by persons responsible

Responsibility statement:

Orkla ASA confirms, having taken all reasonable care to ensure that such is the case, that the information contained in the Prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import.

Oslo, 4 May 2015

Orkla ASA

3 Detailed information about the securities

ISIN code:	NO 0010731730		
The Loan/The Reference Name/The Bonds:	"FRN Orkla ASA Senior Unsecured Open Bond Issue 2015/2022".		
Borrower/Issuer/Company:	Orkla ASA, registered in the Norwegian Companies Registry with registration number 910 747 711.		
Security Type:	Bond issue with floating rate.		
Borrowing Limit – Tap Issue:	NOK	1,500,000,000	
Borrowing Amount/First Tranche:	NOK	1,500,000,000	
	NOK	589,000,000	to the market, and
	NOK	911,000,000	to the Issuer's own VPS-account
Denomination – Each Bond:	NOK	1,000,000	- each and among themselves pari passu ranking.
Securities Form:	The Bonds are electronically registered in book-entry form with the Securities Depository.		
Disbursement/Settlement/Issue Date:	2 March 2015		
Interest Bearing From and Including:	Disbursement/Settlement/Issue Date.		
Interest Bearing To:	Maturity.		
Maturity:	14 February 2022		
Reference Rate:	NIBOR 3 months, rounded to the nearest hundredth of a percentage point.		
Margin:	0.69 %-points p.a.		
Coupon Rate:	Reference Rate + Margin, equal to 2.05 % p.a. for the interest period ending on 12 May 2015.		
Day Count Fraction - Coupon:	Act/360 – in arrears.		
Business Day Convention:	If the relevant Interest Payment Date falls on a day that is not a Business Day, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day (Modified Following Business Day Convention).		
Interest Rate Determination Date:	26 February 2015, and thereafter two Business Days prior to each Interest Payment Day.		
Interest Rate Adjustment Date:	With effect from Interest Payment Date.		
Interest Payment Date:	12 February, 12 May, 12 August and 12 November each year.		
#Days first term:	71 days.		
Issue Price:	100 % (par value).		
Yield:	Dependent on the market price. Yield for the Interest Period (2 March 2015 – 12 May 2015) is 2.067 % p.a. assuming a price of 100 %.		
Business Day:	A day on which commercial banks are open for general business and can settle foreign currency transactions in Oslo and London.		
Call Option:	N/A		

Put Option:	<p>Upon the occurrence of a Change of Control Event, each bondholder shall have the right to require that the Issuer redeems its bonds (a Put Option) at a price of 100 % of face value plus accrued interest.</p> <p>The Issuer shall promptly inform the Bond Trustee and the bondholders when a Change of Control occurs.</p> <p>The Put Option must be exercised within two months after the Issuer has given notification to the Bond Trustee of a Change of Control Event. Such notification shall be given as soon as possible after a Change of Control Event has taken place.</p> <p>The Put Option may be exercised by each bondholder by giving written notice of the request to its account manager. The account manager shall notify the Paying Agent of the redemption request. The settlement date of the Put Option shall be the third Business days after the end of the two month exercise period of the Put Option.</p> <p>On the settlement date of the Put Option, the Issuer shall pay to each of the bondholders holding bonds to be redeemed, the principal amount of each such bond and any unpaid interest accrued up to (but not including) the settlement date.</p>
Change of Control Event:	A Change of Control event means that a shareholder or a group of shareholders under common control, (direct or indirect), obtain (including purchase, merger etc.) ownership or control of more than 50 % of the share capital or the voting shares of the Borrower.
Amortisation:	The Bonds will run without installments and be repaid in full at Maturity at par.
Redemption:	Matured interest and matured principal will be credited each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, pt. 3 years for interest rates and 10 years for principal.
Status of the Loan:	The Bonds shall constitute senior debt obligations of the Issuer. The Bonds shall rank at least pari passu with all other obligations of the Issuer, save for (i) secured obligations to the extent they are secured and (ii) such claims which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application, and shall rank ahead of subordinated debt. The Bonds are unsecured.
Negative Pledge:	The Issuer shall not and shall ensure that no Group Company create, incur or permit to subsist any Security over all or any part of its present or future revenues or assets other than (i) any Security comprising a netting or set-off arrangement entered into by a Group Company in the ordinary course of its banking or trading arrangements for the purpose of netting debit and credit balances ;(ii) any lien arising by operation of law and in the ordinary course of business; and (iii) any other Security securing indebtedness in an amount which does not exceed an amount equal to 15 % of the Total Assets of the Group.
Security:	Means any encumbrance, mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.
Total Assets:	Means the aggregate book value (on a consolidated basis) of the Group's assets which is treated as assets in accordance with IFRS, as determined from the most recent Financial Statements.

Undertakings:	During the term of the Loan the Issuer shall (unless the Bond Trustee or the Bondholders' meeting (as the case may be) in writing has agreed to otherwise) comply with information covenants as specified in the Bond Agreement.
Event of Default:	The Bond Agreement includes standard event of default provisions, as well as cross default provisions for the Issuer subject to carve out of NOK 300 million. For more details, see the Bond Agreement clause 15.
Listing:	At Oslo Børs (the "Exchange"). An application for listing will be sent after the Disbursement Date and as soon as possible after the Prospectus has been approved by the Norwegian FSA (see Important notice on page 2 for duties and responsibility of the Norwegian FSA). The Prospectus will be published in Norway. If the Bonds are listed, the Issuer shall ensure that the Bonds remain listed until they have been discharged in full.
Prospectus:	The Securities Note together with the Registration Document dated xx May 2015 and any supplements to these documents constitutes the Prospectus.
Purpose:	General corporate purposes of the Group.
NIBOR:	The interest rate fixed for a defined period on Oslo Børs' webpage at approximately 12.15 Oslo time or, on days on which Oslo Børs has shorter opening hours (New Year's Eve and the Wednesday before Maundy Thursday), the data published at approximately 10.15 a.m. shall be used. In the event that such page is not available, has been removed or changed such that the quoted interest rate no longer represents, in the opinion of the Bond Trustee, a correct expression of the relevant interest rate, an alternative page or other electronic source which in the opinion of the Bond Trustee and the Issuer gives the same interest rate shall be used. If this is not possible, the Bond Trustee shall calculate the relevant interest rate based on comparable quotes from major banks in Oslo. If any such rate is below zero, NIBOR will be deemed to be zero.
Approvals:	The Bonds were issued in accordance with the Issuer's Board of Directors approval dated 12 and 13 June 2014. The Norwegian FSA has controlled and approved the Securities Note pursuant to Section 7-7 of the Norwegian Securities Trading Act (see Important notice on page 2 for duties and responsibility of the Norwegian).
Bond Agreement:	The prospectus has also been sent to the Oslo Børs ASA for control in relation to a listing application of the bonds.. The Bond Agreement has been entered into between the Borrower and the Bond Trustee. The Bond Agreement regulates the Bondholder's rights and obligations in relations with the issue. The Bond Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Agreement. When Bonds are subscribed / purchased, the Bondholder has accepted the Bond Agreement and is bound by the terms of the Bond Agreement. The Bond Agreement is attached to this Securities Note and is also available through the Joint Lead Manager or from the Borrower.
Bondholders' meeting:	At the Bondholders' meeting each Bondholder has one vote for

each bond he owns.

In order to form a quorum, at least half (1/2) of the votes at the Bondholders' meeting must be represented. See also Clause 16.3.3 in the Bond Agreement.

Resolutions shall be passed by simple majority of the votes at the Bondholders' Meeting, unless otherwise set forth in clause 16.3.4 in the Bond Agreement.

In the following matters, a majority of at least 2/3 of the votes is required:

- a) amendment of the terms of the Bond Agreement regarding the interest rate, the tenor, redemption price and other terms and conditions affecting the cash flow of the Bonds;
- b) transfer of rights and obligations of the Bond Agreement to another issuer, or
- c) change of Bond Trustee.

(For more details, see also Bond Agreement clause 16)

Availability of the Documentation:

www.orkla.com

Bond Trustee:

Nordic Trustee ASA, P.O. Box 1470 Vika, 0116 Oslo, Norway.

The Bond Trustee shall monitor the compliance by the Issuer of its obligations under the Bond Agreement and applicable laws and regulations which are relevant to the terms of the Bond Agreement, including supervision of timely and correct payment of principal or interest, inform the Bondholders, the Paying Agent and the Exchange of relevant information which is obtained and received in its capacity as Bond Trustee (however, this shall not restrict the Bond Trustee from discussing matters of confidentiality with the Issuer), arrange Bondholders' meetings, and make the decisions and implement the measures resolved pursuant to the Bond Agreement. The Bond Trustee is not obligated to assess the Issuer's financial situation beyond what is directly set forth in the Bond Agreement.

(For more details, see also Bond Agreement clause 17)

Lead Manager:

DNB Bank ASA, DNB Markets, Dronning Eufemias gt 30, N-0191 Oslo, Norway.

Listing Agent:

DNB Bank ASA, DNB Markets, Dronning Eufemias gt 30, N-0191 Oslo, Norway.

Paying Agent:

DNB Bank ASA, Verdipapirservice, Dronning Eufemias gt 30, N-0191 Oslo, Norway.

The Paying Agent is in charge of keeping the records in the Securities Depository.

Calculation Agent:

The Bond Trustee.

Securities Depository:

The Securities depository in which the Loan is registered, in accordance with the Norwegian Act of 2002 no. 64 regarding Securities depository.

On Disbursement Date the Securities Depository is Verdipapirregisteret ("VPS"), Postboks 4, N-0051 Oslo, Norway.

Purchase and transfer of Bonds:

Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under

local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with applicable local laws and regulations at its own cost and expense.

Notwithstanding the above, a Bondholder which has purchased the Bonds in breach of applicable mandatory restrictions may nevertheless utilize its rights (including, but not limited to, voting rights) under the Bond Agreement.

Market-Making:

There is no market-making agreement entered into in connection with the Loan.

Prospectus and listing fees:

Prospectus fee (NFSA) Securities Note NOK 15,600
Prospectus fee (NFSA) Registration Document NOK 60,000
Listing fee 2015 (Oslo Børs): NOK 26,070
Registration fee (Oslo Børs): NOK 5,350

Legislation under which the Securities have been created:

Norwegian law.

Fees and Expenses:

The Borrower shall pay any stamp duty and other public fees in connection with the loan. Any public fees or taxes on sales of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise decided by law or regulation. The Borrower is responsible for withholding any withholding tax imposed by Norwegian law.

4 Additional Information

The involved persons in Orkla ASA have no interest, nor conflicting interests that are material to the Loan.

Orkla ASA has mandated DNB Bank ASA as Lead Manager for the issuance of the Loan. The Lead Manager has acted as advisor to Orkla ASA in relation to the pricing of the Loan.

Statement from the Lead Manager:

DNB Bank ASA, DNB Markets has assisted the Borrower in preparing the Prospectus. DNB Bank ASA, DNB Markets has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Lead Manager expressly disclaim any legal or financial liability as to the accuracy or completeness of the information contained in this Prospectus or any other information supplied in connection with bonds issued by Orkla ASA or their distribution. The statements made in this paragraph are without prejudice to the responsibility of the Borrower. Each person receiving this Prospectus acknowledges that such person has not relied on the Lead Manager or on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

Oslo, 4 May 2015

DNB Bank ASA, DNB Markets

Listing of the Loan:

The Prospectus will be published in Norway. An application for listing at Oslo Børs will be sent as soon as possible after the Issue Date. Each bond is negotiable.

5 Appendix: Bond Agreement