



State of the Netherlands

3,25% bond 2011 due 15 July 2021

Issued under the authorization to contract loans borne by the State of the Netherlands, given by the Comptabiliteitswet 2001 (Government Accounts Act 2001)

Issuance method	DDA (<i>Dutch Direct Auction</i>)
Bidding period	1 March 2011 from 10:00 CET until 17:00 CET at the latest
Payment	4 March 2011

Interest	3,25% per annum; the interest is paid on 15 July 2011 and annually thereafter on 15 July (short first coupon)
Maturity	10 years and 133 days commencing 4 March 2011
Redemption	on 15 July 2021 the principal of the bond will be made redeemable at par; early redemption either in whole or in part is not permitted
Reference bond	DBR 2,5% due 4 January 2021
Uniform allotment spread	the uniform allotment spread vis-à-vis the yield of the reference bond will be announced preferably before 9.00 CET on 2 March 2011
Allotment	the allotted amount will be fixed after the close of the DDA; nominal bids may be allotted in full or in part; the right is reserved to deny any allotment
Issuance price	the price of issuance will be fixed after closing of the DDA, preferably before 12.00 CET on 2 March 2011

DEFINITIONS

The terms used in the conditions have the meanings stated below:

- Bond:** 3,25% Bond 2011 due 15 July 2021, issued by the State of the Netherlands
- Reference bond:** DBR 2,5% due 4 January 2021
- DSTA:** Dutch State Treasury Agency, part of the Ministry of Finance
- Necigef:** Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (Dutch Central Securities Giro Institute)
- Euroclear:** Euroclear Bank N.V.
- Clearstream:** Clearstream Banking
- Target:** Trans-European Automated Real-time Gross settlement Express Transfer System
- Equens:** Equens N.V. (formerly Interpay Netherlands)
- Primary Dealer:** Institution appointed as such by agreement with the State of the Netherlands
- Affiliated institution:** Institution affiliated to Necigef
- DDA:** Dutch Direct Auction
- Bid:** The order to buy securities of the above mentioned bond with specification of the quantity, spread to the reference bond, name, country and (sub)category of the client
- Spread guidance:** Range of the reference bond spread
- Strips:** (Separate Trading of Registered Interest and Principal Securities) a registered claim against the State of the Netherlands pertaining only to a nominal amount which shall be paid at a certain time
- Time:** Time is Central European Time

GENERAL CONDITIONS

1. *Manifestation*

The debt issued is embodied in the form of a registered right in the name of the affiliated institutions of Necigef. All or part of the debt issued can be made available by means of a registered right in a nominal amount of whole euros.

2. *Interest*

The interest rate is 3,25% per annum and will accrue as from 4 March 2011. The interest is paid on 15 July 2011 and annually thereafter on 15 July. The interest is paid on the due date to Necigef in favour of the affiliated institutions and their accountholders. Other rightful claimants are paid directly by DSTA. The interest will cease to accrue on the due date for redemption.

3. *Redemption*

On 15 July 2021 the principal of the bond will be redeemable at par. Repayment of the principal is made to Necigef in favour of the affiliated institutions and their accountholders. Other rightful claimants are paid directly by the DSTA. By virtue of this payment the State of the Netherlands discharges its liability vis-à-vis the rightful claimants. Early redemption either in whole or in part is not permitted.

4. Due dates for interest payment and redemption

If the Target and Equens systems are not in operation on a due date for payment of interest or principal of the bond as referred to in articles 2 and 3, the interest or the principal will become payable on the next day on which the Target and Equens systems are in operation.

5. Limitation

The right to payment of interest or the principal of the bond will lapse five years after the beginning of the day following the date on which these amounts first become payable.

6. Issue and submission of strips

Upon request of a Primary Dealer, the DSTA issues strips against simultaneous submission -- by the Primary Dealer -- of part of the bond. Strips thus issued can, upon request of a Primary Dealer, be rejoined through submission -- by the Primary Dealer -- of these strips against simultaneous issue of part of the bond by the DSTA. In respect of the volume and due date of the instalments of interest and principal, strips are identical to the respective part of the bond. The State of the Netherlands has appointed an institution to administrate the rights and obligations pertaining to strips. The issue and submission, as well as the settlement of strips may be subject to further provisions.

7. Compliance by issuer with United States securities laws

The issuer is a foreign government (as defined in Rule 405 under the Securities Act) eligible to register securities under Schedule B of the Securities Act, and the bonds are backed by the full faith and credit of the issuer.

The bonds have not been and will not be registered under the Securities Act and may be sold in the United States solely to qualified institutional buyers in accordance with Rule 144A under the Securities Act.

The issuer represents, warrants and undertakes that neither it nor any person acting on its behalf has made or will make offers or sales of securities under circumstances that would require the registration of any of the bonds under the Securities Act, and in particular, that:

neither the issuer nor any person acting on its behalf has engaged or will engage in any direct selling efforts (as defined in Regulation S under the Securities Act) or in any form of general solicitation or general advertising (as those terms are used in Rule 502 (c) under the Securities Act) with respect to the bonds;

the bonds satisfy the eligibility requirements of Rule 144A(d)(3) under the Securities Act.

8. Applicable law and jurisdiction

The bond is subject to Netherlands law. Disputes may be brought exclusively before the competent court in the Netherlands.

9. Costs

Where these conditions do not explicitly state that they will be borne by the State of the Netherlands, costs may not be charged to the State of the Netherlands.

10. Listing

Listing of this bond on the Official Market of Euronext Amsterdam N.V. will be pursued.

11. Conditions

In case of dispute as to the interpretation of these conditions, the Dutch text will be binding. Copies of these conditions are available free of charge from Primary Dealers.

12. After DDA placement

The right is reserved to re-open this bond after closing of the DDA.

13. Issuance

The bond will be sold by means of a DDA. Enclosed you will find the 'DDA Rules' This document describes the rules and operations of the DDA.

Den Haag, 25 February 2011

The Minister of Finance,
On his behalf,
The Agent of the Ministry of Finance,

Erik Wilders