

SUPPLEMENT TO THE BASE PROSPECTUS DATED 9 JULY 2010 RELATING TO THE DEBT ISSUANCE PROGRAMME OF FRIESLAND BANK N.V.

DATED 20 SEPTEMBER 2010



FRIESLAND BANK N.V.

(incorporated under the laws of the Netherlands with limited liability and having its corporate seat in Leeuwarden)

Debt Issuance Programme

Under its Debt Issuance Programme (the "**Programme**") described in the prospectus dated 9 July 2010 (the "**Prospectus**") Friesland Bank N.V. (the "**Issuer**") may from time to time issue notes (the "**Notes**") denominated in any currency agreed between the Issuer and the relevant Dealer (as defined in the Prospectus), if any. Notes may be distributed by way of a public offer or private placement and, in each case, on a syndicated or non-syndicated basis. The method of distribution and the specific terms and conditions of each relevant series of Notes (a "**Series**") (or tranche thereof (a "**Tranche**")) will be stated in the relevant final terms (the "**Final Terms**").

This Supplement is prepared to update and amend the Prospectus and is supplemental to, forms part of and should be read in conjunction with, the Prospectus and any other supplement to the Prospectus issued by the Issuer. Terms defined in the Prospectus shall have the same meaning in this Supplement, unless specified otherwise.

This Supplement has been approved by and filed with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**"). The Issuer has requested the AFM to provide the competent authority in Luxembourg with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) and related regulations which implement Directive 2003/71/EC (the "**Prospectus Directive**") in Dutch law (the "**Notification**"). The Issuer may request the AFM to provide competent authorities in additional Member States which are parties to the Agreement on the European Economic Area of 17 March 2003 with a Notification.

The Prospectus and this Supplement are available on the website of the Issuer at www.frieslandbank.com as of 20 September 2010 and on the websites of the Euronext Amsterdam (www.euronext.com) and the Luxembourg Stock Exchange (www.bourse.lu).

Copies of the Prospectus and this Supplement can be obtained without charge at the registered office of the Issuer at Beursplein 1, 8900 AA Leeuwarden, The Netherlands, and at the specified offices of the Agent, Paying Agent and Listing Agents.

Subscribers for any Notes to be issued have the right to withdraw such subscription within 2 business days following the publication of this Supplement.

AMENDMENTS TO THE PROSPECTUS

This Supplement is prepared in connection with the downgrade by Moody's Investors Services, Inc. ("**Moody's**") on 3 August 2010 of the Issuer's Senior Unsecured rating from "A2" to "A3" and the Issuer's short term rating from "Prime-1 (P-1)" to "Prime-2 (P-2)", the publication on 26 August 2010 of the Issuer's first-half figures 2010 and the announcement on 16 September 2010 of certain changes to the composition of the Issuer's Supervisory Board. The information contained in the Prospectus will be amended and supplemented as further described below.

To the extent that there is any inconsistency between any statement in this Supplement and any other statement in or incorporated by reference in the Prospectus, the statements in this Supplement will prevail.

Downgrade by Moody's of the Issuers' credit ratings

This Supplement is prepared in connection with the downgrade by Moody's on 3 August 2010 of the Issuer's Senior Unsecured rating and short term rating, which downgrades qualify as significant new factors relating to the information included in the Prospectus, which are capable of affecting the assessment of any Notes to be issued.

The Prospectus shall be amended as follows:

- On page 9, the risk factor headed "A downgrade of any of Friesland Bank's credit ratings may impact its ability to attract funding and could have an adverse effect on its financial condition", shall be amended and restated in its entirety so that it will read as follows:

"A downgrade of any of Friesland Bank's credit ratings may impact its ability to attract funding and could have an adverse effect on its financial condition"

In February 2009, Fitch Ratings downgraded the Long-term Issuer Default Rating ("**IDR**") of Friesland Bank from A to A- (A-minus). The Short-term IDR was downgraded from F1 to F2. In April 2010, Fitch Ratings further downgraded Friesland Bank's Long-term IDR to BBB+.

In August 2010, Moody's Investors Services, Inc. ("**Moody's**") downgraded Friesland Bank's Senior Unsecured rating from A2 to A3 and Friesland Bank's short term rating from Prime-1 (P-1) to Prime-2 (P-2), both with negative outlook (together the "**Moody's Downgrade**").

A downgrade of any of Friesland Bank's credit ratings (for whatever reason) would result in higher funding and refinancing costs for Friesland Bank on the capital

markets. In addition, a downgrade may limit Friesland Bank's opportunities to operate in certain business areas and may have a particularly adverse effect on its image as a participant on the capital markets, as well as in the eyes of its clients. These factors may adversely affect Friesland Bank's financial condition and result of operations."

- On page 30, the paragraph headed "Rating definitions Moody's", shall be amended and restated in its entirety so that it will read as follows:

"Rating definitions Moody's

A: Obligations rated A are considered upper-medium grade and are subject to low credit risk.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Prime-2 (P-2): Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations."

First-half figures 2010

In addition to the above amendments and restatements, this Supplement is prepared in connection with the publication on 26 August 2010 of the press release with respect to the Issuer's first-half figures 2010 (the "**Press Release**").

Information included on pages 1 up to and including 4 and Annexes 1 up to and including 8 of the Press Release qualify as significant new factors relating to the information included in the Prospectus set forth on pages 85 and 89 up to and including 91, which are capable of affecting the assessment of any Notes to be issued.

The Press Release is available on www.frieslandbank.com under the heading "investor relations".

The Press Release has been filed with the AFM and will be deemed to be incorporated in, and to form part of, this Supplement.

Changes to the composition of the Issuer's Supervisory Board

This Supplement is furthermore prepared in connection with the announcement by the Issuer's Supervisory Board on 16 September 2010 of certain changes to the composition of the Supervisory Board, which changes qualify as a significant new factors relating to the information included in the Prospectus, which are capable of affecting the assessment of any Notes to be issued.

The Prospectus shall be amended as follows:

- On page 4, the following sentence shall be added to the paragraph headed "Supervisory Board":

"On 16 September 2010 the Supervisory Board announced the resignation as of 1 October 2010 of K. Wezeman as Chairman and member of the Supervisory Board and the appointment as of 1 October 2010 of R.J. Meuter as Chairman of the Supervisory Board.

- On page 88, the following sentence shall be added to the paragraph headed "Supervisory Board":

"On 16 September 2010 the Supervisory Board announced the resignation as of 1 October 2010 of K. Wezeman as Chairman and member of the Supervisory Board and the appointment as of 1 October 2010 of R.J. Meuter as Chairman of the Supervisory Board."

Further changes to the Prospectus

In relation to the incorporation by reference of the Press Release, the Prospectus shall be further amended as follows.

- On page 22, the chapter headed "Documents incorporated by reference", shall be amended and restated in its entirety so that it will read as follows:

"The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (1) Friesland Bank's articles of association as per the Publication Date (in the original Dutch language version as well as in English translation);
- (2) pages 19 through 88 and 104 through 105 of the Friesland Bank N.V. annual report 2008, containing the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the year ended 31 December 2008 based on International Financial Reporting Standards ("**IFRS**") as adopted by the European Union;
- (3) pages 21 through 103 and 120 through 121 of the Friesland Bank N.V. annual report 2009, containing the audited consolidated financial statements (including the auditors' report thereon and notes thereto) of the Issuer in respect of the year ended 31 December 2009 based on IFRS as adopted by the European Union; and
- (4) pages 1 up to and including 4 and Annexes 1 up to and including 8 of the press release dated 26 August 2010 with respect to the first-half figures 2010 of Friesland Bank (the "**2010 Semi-Annual Results Press Release**").

All information incorporated by reference can be found on the website of Friesland Bank on www.frieslandbank.com. In addition, these documents can be obtained without charge at the offices of the Issuer and the Agent, each as set out at the end of this Base Prospectus.

- On page 104, the paragraph headed "No significant change and no material adverse change", shall be amended and restated in its entirety so that it will read as follows:

"No significant change and no material adverse change

Other than the changes reflected in the 2010 Semi-Annual Results Press Release and the Moody's Downgrade, there has been no significant change in the financial position of the Issuer and its group taken as whole and there has been no material adverse change in the prospects of the Issuer since 31 December 2009."

RESPONSIBILITY STATEMENT

Only the Issuer accepts responsibility for the information contained in this Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

NOTICE

This Supplement should be read and understood in accordance with the Prospectus and with any documents incorporated by reference in the Prospectus and this Supplement. Full information on the Issuer and any Series or Tranche of Notes is only available on the basis of the combination of the Prospectus, this Supplement and the relevant Final Terms.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Supplement, any amendment, any document incorporated by reference herein, or the applicable Final Terms, or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Arranger or any Dealer.

The Prospectus is valid for 12 months following its Publication Date and this Supplement and any amendment as well as any Final Terms reflect the status as of their respective dates of issue. The delivery of this Supplement or any Final Terms and the offering, sale or delivery of any Notes shall not in any circumstances imply that the information contained in such documents is correct at any time subsequent to their respective dates of issue or that there has been no adverse change in the financial situation of the Issuer since such date or that any other information supplied in connection with the Programme or the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the time indicated in the document containing the same. The Arranger and any Dealer expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Programme. Investors should review, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

Neither this Supplement nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer, the Arranger or any Dealer that any recipient of this Supplement or any other information supplied in connection with the Programme should purchase any Notes. Accordingly, no representation, warranty or undertaking, express or implied, is made by the Arranger or any Dealer in their capacity as such. Each potential investor in the Notes 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 Notes, the merits and risks of investing in the Notes (including an evaluation of the financial condition, creditworthiness and affairs of the Issuer) and the information contained or incorporated by reference in this Supplement, the relevant Final Terms and any supplements;

- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes 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 Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and 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 (including, without limitation, those described in "Risk Factors" in the Prospectus).

The distribution of this Supplement and the Final Terms and the offer or sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Supplement or the Final Terms come must inform themselves about, and observe, any such restrictions. See "Subscription and Sale" in the Prospectus.

This Supplement does not constitute an offer or an invitation to subscribe for or purchase the Notes.

This Supplement may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. None of the Issuer, the Arranger and the Dealers represent that this Supplement may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction other than in certain Member States of the EEA of which the competent authorities have obtained a notification within the meaning of article 18 of the Prospectus Directive, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or any Dealer appointed under the Programme which would permit a public offering of the Notes or distribution of this document in any jurisdiction where action for that purpose is required, other than in certain Member States of the EEA.