

Securities Note



European Bank for Reconstruction and Development

***Non-Interest Bearing UYU297,975,000 Notes
with a contingent additional amount linked to
the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index
due 15 May 2017 (the "Notes")***

This document constitutes a securities note (the "Securities Note") for the purposes of Article 5.3 of EU Directive 2003/71/EC (the "Prospectus Directive"). This Securities Note contains information relating to the Notes. This Securities Note shall be read in conjunction with the registration document (the "Registration Document") dated 11 August 2011 containing information in respect of the European Bank for Reconstruction and Development (the "Issuer") conveying the essential characteristics of, and risks associated with, the Issuer and the Notes, as prepared for the purposes of Articles 5.2 and 5.3 of the Prospectus Directive. Together, the Registration Document (including the information incorporated by reference therein) and this Securities Note (including the information incorporated by reference herein) shall comprise the prospectus (the "Prospectus") for the Notes, prepared for the purposes of Article 5.1 of the Prospectus Directive.

This Securities Note itself comprises a pricing supplement (the "Pricing Supplement") which sets out the specific terms and conditions of the Notes and certain information relating thereto. The Securities Note incorporates by reference the base terms and conditions of the Notes which are supplemented by the specific terms and conditions set out in the Pricing Supplement.

Credit ratings of the Issuer included or referred to in this Securities Note have been issued by S&P, Moody's and Fitch (as defined on page 27 of this Securities Note), each of which is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. The Notes have been assigned an AAA credit rating from S&P.

Dealer

J.P. Morgan

23 May 2012

The Issuer accepts responsibility for the information contained in this Securities Note. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Securities Note is in accordance with the facts and does not omit anything likely to affect the importance of such information.

Application has been made for the Notes to be admitted to the Official List of the UK Listing Authority (the "Official List") and to be admitted to trading on the Regulated Market (within the meaning of the Markets in Financial Instruments Directive 2004/39/EC of the European Parliament and of the Council on Markets in financial instruments) of the London Stock Exchange plc (the "Regulated Market"). References in the Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading on the Regulated Market and have been admitted to the Official List. No assurances can be given that such listing and admission to trading will be obtained on the Issue Date, or if obtained, that it will be maintained.

In respect of the Notes, no person has been authorised to give any information or to make any representations other than those contained in the Prospectus and the documents incorporated by reference therein in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or J.P. Morgan Securities Ltd. (the "Dealer"). Neither the delivery of the Prospectus or any document forming part of that Prospectus nor any sale made in connection therewith shall imply that the information contained therein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document concerning the same. The Dealer expressly does not undertake to review the financial condition or affairs of the Issuer during the life of the Notes. Investors should review, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase any of the Notes.

To the fullest extent permitted by law, the Dealer does not accept any responsibility for the contents of the Prospectus or for any statement, made or purported to be made by the Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of the Prospectus or any other information provided by the Issuer in connection with the Notes.

Neither the Prospectus nor any other information supplied in connection with the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Dealer that any recipient of the Prospectus or any other information supplied in connection with the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and of the tax, accounting and legal consequences of an investment in any of the Notes for such investor. Each Noteholder takes full responsibility for its decision to purchase any Notes and the terms on which it does so.

The Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer or the Dealer to subscribe for, or purchase, any Notes. The distribution of the Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession the Prospectus comes are required by the Issuer and the Dealer to inform themselves about and to observe any such restrictions. In particular, there are restrictions on the distribution of the Prospectus and the offer or sale of the Notes in the United States, the United Kingdom, the European Economic Area, Japan, the Republic of France, Singapore and in other jurisdictions.

The Notes are not required to be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). Accordingly, no registration statement has been filed with the U.S. Securities and

Exchange Commission (the "Commission"). THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

The information set forth herein, to the extent that it comprises a description of certain provisions of the documentation relating to the transactions described herein, is a summary and is not presented as a full statement of the provisions of such documentation. Such summary's purposes are qualified by reference to and are subject to the provisions of such documentation.

Where information in this Securities Note has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

In this Securities Note, unless otherwise specified or the context otherwise requires, any references to "USD" or "U.S. Dollars" are to United States dollars, references to "UYU" and "Uruguayan peso" are to Uruguayan peso, references to "Uruguay" are to the Republic of Uruguay and references to the "United Kingdom" are to the United Kingdom of Great Britain and Northern Ireland.

Investor Suitability

Each prospective investor must determine, based on its own independent review and such professional tax and accounting advice as it deems appropriate under the circumstances, that its acquisition and holding of the Notes is fully consistent with its financial needs, objectives and conditions, and complies and is fully consistent with, all investment policies, guidelines and restrictions applicable to it. None of the Issuer, the Dealer or the Calculation Agent acts as an investment adviser, or assumes any fiduciary obligation, to any prospective purchaser of the Notes. In particular, but without prejudice to the generality of the foregoing, prospective investors should note that an investment in the Notes is only suitable for investors who (i) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Notes; (ii) are capable of bearing the economic risk of an investment in the Notes for an indefinite period of time; (iii) are acquiring the Notes for their own account for investment, not with a view to resale, distribution or other disposition of the Notes (subject to any applicable law requiring that the disposition of the investor's property be within its control); and (iv) who will recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all.

Each investor (a) should be an investor with substantial knowledge of and/or experience in financial and business matters that it is capable of evaluating the merits and risks (including tax, legal, regulatory and accounting) of an investment in the Notes because the Notes are not an appropriate investment for investors who are unsophisticated with respect to such transactions; (b) should be financially able to bear such risks; (c) in making such investment shall not rely on any advice or recommendations of or any information, representation or warranty provided by the Dealer, the Calculation Agent and/or any of their respective affiliates, the Issuer or any of their respective representatives; (d) should recognise that it may not be possible to make any transfer of the Notes for a substantial period of time; and (e) should seek advice from such advisers as such investor considers necessary and appropriate, to enable such investor to make its own independent decision with regard to the suitability and appropriateness of the Notes as an investment for its own account. Each investor should be capable of assessing and independently deciding, and should have assessed and independently decided, to assume the risks of an investment in the Notes.

Each investor in the Notes should consider the tax consequences of investing in the Notes. None of the Issuer, the Dealer or any of their respective representatives makes any representation and has given, nor will give, any advice concerning the appropriate accounting treatment or possible tax consequences of purchasing the Notes. Each investor should consult its own financial, tax, accounting and legal advisers about risks associated with an investment in the Notes and the suitability of investing in such Notes in light of the investor's particular circumstances.

Any information communicated (in any manner) to investors by the Issuer or the Dealer should not be relied upon as investment advice or as a recommendation to invest in the Notes, which shall include, amongst other things, any such information, explanations or discussions concerning the terms and conditions of the Notes, or related features.

Investment in the Notes should comply, and be fully consistent, with all investment policies, guidelines and restrictions applicable to an investor. It is the responsibility of each investor to ensure that it is compliant with all regulations relevant to its acquisition of the Notes and that it is lawful for it to enter into such investment.

Any information communicated (in any manner) to investors by the Issuer or the Dealer should not be relied upon, nor shall such information be deemed to be an assurance or guarantee, as to the

expected results of an investment in the Notes. Each investor should be aware that any return on the Notes may not exceed or even equal the return that might have been achieved had the amount of its initial investment been placed on deposit for the same period.

Each investor should be aware that none of the Issuer, the Dealer or the Calculation Agent is acting as a fiduciary or trustee for, or as an adviser to the investor with regard to the investment in the Notes.

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Risk Factors

The Notes may involve substantial risks and are suitable only for investors who have the knowledge and experience in financial and business matters (including but not limited to investments in currency linked investments) necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Prospective investors should ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Notes.

Prospective investors should make all pertinent inquiries they deem necessary without relying on the Issuer, the Dealer, any Agent or any officers or employees of the Issuer. Prospective investors should consider the suitability of the Notes as an investment in light of their own circumstances, investment objectives, tax position and financial condition. Some or all of the risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.

The factors described below represent the principal risks inherent in investing in the Notes. However, an investor may receive less than the expected amount for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to loss of their initial investment and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition.

Prospective investors should also pay specific attention to the risks highlighted below and the risk factors below should be read in conjunction with the section headed "Risk Factors" on pages 11 to 13 of the Base Prospectus incorporated by reference into this Securities Note.

Risk Factors relating to the Notes

Investment in the Notes carries with it a degree of risk including, but not limited to, the risks referred to below.

Liquidity and Secondary Market Risks

The Notes will not be actively traded in any financial market and there may exist at times only a very limited, if any, market for the Notes, resulting in low or non-existent volumes of trading in the Notes. Therefore an investment in the Notes will be characterised by a lack of liquidity and price volatility. Although the Issuer or the Dealer, at its respective sole discretion, may provide a repurchase bid price for the Notes if requested, neither the Issuer nor the Dealer is under any obligation to do so and, in any event, as a result of market conditions may be unwilling or unable to provide a repurchase bid price if requested. Because liquidity in the Notes may be effectively limited to Issuer repurchase, an investment in the Notes is intended for Noteholders that intend to hold the Notes to maturity.

The price at which Noteholders will be able to sell their Notes prior to maturity, if any, may be at a substantial discount from the principal amount of the Notes, even in cases where the level of the Reference Index has increased since the Trade Date. Embedded costs, including expected profit and costs of hedging, in the original issue price will likely be reflected in a diminution in the secondary market price of the Notes relative to their original issue price. Assuming no change in market conditions or any other relevant factors, that price will likely be lower than the original issue price, because the original issue price included the cost of hedging transactions, which includes an estimated profit component. After accounting for the foregoing factors, Noteholders should expect the price at which the Issuer or the Dealer is willing to repurchase the Notes to be affected by changes in the exchange rate, interest rates, market conditions and in the level of the Reference Index.

The Notes are intended to be a hold-to-maturity instrument. If Noteholders sell their Notes in the secondary market prior to maturity they will not receive principal protection or any

minimum total return on the portion of their Notes sold. Noteholders should be willing to hold their Notes until maturity. Noteholders will receive at least 100% of the principal amount of the Notes (payable in USD based on a fixed reference UYU amount) only if they hold their Notes to maturity. Such amount may be less or more than the initial USD purchase price due to changes in the prevailing rate of exchange.

Exchange Rate Risk

The return of principal due under the Notes will be affected by the exchange rate of UYU to USD, because the underlying principal amount is computed by reference to a nominal and fixed UYU amount, converted to USD at the prevailing rate of exchange. The exchange rate between UYU and USD will fluctuate during the term of the Notes. The exchange rate of UYU to USD can be volatile and such volatility may occur in the future and could significantly affect the returns to the holders. If the holder's functional currency is not UYU, changes in rates of exchange between that functional currency and the U.S. dollar may have an adverse effect on the value of the Notes to the holder.

Historical or prevailing rates of exchange of UYU to USD should not be taken as an indication of the future exchange rate. No assurance can be given that UYU will not depreciate as against the USD thereby reducing the amount of any payment in USD due to the Noteholders.

The government of Uruguay may from time to time intervene in the foreign exchange market and these interventions or other governmental actions could adversely affect the value of the Notes and the amount payable at maturity. Even in the absence of governmental action directly affecting the exchange rates, political or economic developments in Uruguay or elsewhere could lead to significant and sudden changes in the exchange rate of UYU to USD.

Under certain circumstances, an affiliate of the Dealer may be requested to provide a reference quotation for purposes of determining the applicable exchange rate for UYU to USD. The Dealer will be under no obligation to consider your interests as a holder of the Notes in performing this function. Further, the Dealer may have interests adverse to your interests as the holder of the Notes because an affiliate of the Dealer will make calculations under a derivative agreement with the Issuer that the Issuer will use to hedge its obligations under the Notes and that will require payments to be made by such affiliate of the Dealer to the Issuer based in part on the determined exchange rate.

Reference Index-Linked Risks

Any payment of an Additional Amount on the Notes will be determined by the performance of the Reference Index. If the Reference Index level has not increased above its Initial Index Level on the Final Valuation Date, the Additional Amount will be zero.

You may receive a lower payment at maturity than you would have received if you had invested in the Reference Index, the component stocks of the Reference Index or contracts related to the Reference Index. Because the Final Index Level will be calculated based on the Closing Index Level on the Final Valuation Date, the level of the Reference Index at various other times during the term of the Notes could be higher than the Final Index Level. This difference could be particularly large if there is a significant decrease in the level of the Reference Index during the latter portion of the term of the Notes or if there is significant volatility in the Reference Index level during the term of the Notes. Historical performance and levels of an Index should not be taken as an indication of future performance and levels.

Investors in the Notes will not have voting rights or rights to receive cash dividends or other distributions or other rights that holders of securities comprising the Reference Index would have. Therefore, the return on the Notes will not reflect the returns an investor might realise if it actually owned such securities. Dividends paid on securities are not reflected in the prices of the securities used to calculate the level of the Index.

None of the Issuer, the Dealer or their respective affiliates is affiliated with the Index Sponsor or any of the other companies whose stock is represented in the Reference Index. As a result, none of such persons has ability to control the actions of such companies, including actions that could affect the value of the stocks underlying the Reference Index or the Notes. The Index Sponsor may adjust its Index in a variety of ways which may affect its level adversely to the Investors' interests.

Any Additional Amount payable on the Notes will be determined by reference to the performance of the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index (the "Reference Index"), which is intended to provide a performance benchmark for an unfunded investment in the U.S. equity markets while seeking greater stability than and a reduction in the overall risk level relative to the S&P 500® Dividend Aristocrats® Total Return Index (the "Base Index"). The S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index utilizes an 8% volatility target and dynamically adjusts its exposure to the Base Index based on observed historical volatility.

The Reference Index began publishing on 25 August 2010 and, therefore, has a limited history. S&P has calculated the returns that hypothetically might have been generated had the SPXD8UE Index existed in the past, but those calculations are subject to many limitations. Such hypothetical calculations do not reflect actual trading, liquidity constraints, fees and other costs. In addition, the models used to calculate these hypothetical returns are based on certain data, assumptions and estimates. Different models or models using different data, assumptions or estimates might result in materially different hypothetical performance. Regardless of the hypothetical and historical performance of the Reference Index, the Final Index Level may be lower than or equal to the Initial Index Level, in which case no Additional Amount would be payable on the Notes.

The Reference Index employs a mathematical algorithm intended to control the level of risk of the Reference Index by establishing a specific volatility target and dynamically adjusting the exposure to the Base Index based on its observed historical volatility. No assurance can be given that the volatility strategy will be successful or that the Reference Index will outperform the Base Index or any alternative strategy that might be employed to reduce the level of risk of 8%.

The Reference Index represents a portfolio consisting of the Base Index and a borrowing cost component accruing interest based on a synthetically rolling 3-month bond, with reference to the 2-month and 3-month U.S. LIBOR rates, respectively. The Reference Index dynamically adjusts its exposure to the Base Index based on the Base Index's observed volatility. The Reference Index's exposure to the Base Index will decrease, or deleverage, when historical volatility causes the risk level of the Base Index to reach a high threshold. If, at any time, the Reference Index exhibits low exposure to the Base Index and the Base Index subsequently appreciates significantly, the Reference Index will not participate fully in this appreciation. Under these circumstances, the Additional Amount, if any, payable on the Notes may be less than the amount you would have received by investing the same principal amount directly in the S&P 500® Dividend Aristocrats® Total Return Index or in the underlying securities comprising the S&P 500® Dividend Aristocrats® Total Return Index.

As an "excess return" index, the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index calculates the return on a leveraged or deleveraged investment with an increased or decreased exposure to the Base Index where the investment was made through the use of borrowed funds. Thus the return of the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index will be equal to the leveraged or deleveraged return of the Base Index less the associated borrowing costs. Because this "excess return" index represents an unfunded position in the Base Index, the performance of the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index will be subject to short-term money market fund borrowing costs and will not include any "total return" feature or cash component of a "total return" index, which represents a funded position in the Base Index.

Credit Risk

Repayment of your investment in the Note on redemption, as well as the payment of any applicable additional amount, will be subject to Issuer default risk. The obligations of the Issuer under the Notes are not, and will not be, secured.

The credit rating of the Issuer

The credit ratings assigned to the Issuer may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Notes.

Risks associated with Uruguay and the Uruguayan economy

An investment in the Notes involves exposure to the Uruguayan peso and therefore to the Uruguayan economy generally. Uruguay is considered an emerging market, and is thus subject to risks associated with investments in emerging markets. Emerging markets tend to be associated with greater risks of economic volatility and currency and political instability than is the case with developed economies. Emerging markets nations may bear a greater risk than developed economies of expropriation and government involvement in currency and capital markets. The realisation of any of these risks could materially and adversely affect the value of the Notes.

Payment in the Event of an Early Redemption will not include an Additional Amount

The formula for payment in the event of an Early Redemption does not include an amount payable in respect of any Additional Amount. Therefore, in the event of an Early Redemption, payment will be limited to the return of the UYU denominated principal in then-current U.S. dollar terms. No amount in respect of the Additional Amount would be payable in this circumstance even if the Reference Index had experienced substantial appreciation.

Legal Investment Considerations

General

Investors should consult their own legal advisers in determining whether and to what extent the Notes constitute legal investments for such investors and whether and to what extent the Notes can be used as collateral for various types of borrowings. In addition, financial institutions should consult their legal advisers or regulators in determining the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Investors whose investment activities are subject to investment laws and regulations or to review or regulation by certain authorities may be subject to restrictions on investments in certain types of debt securities, which may include certain Notes. Investors should review and consider such restrictions prior to investing in any Notes.

Risk Warning

There are significant risks associated with the Notes including, but not limited to, exchange rate risk, reference index-linked risk, credit risk and liquidity and secondary market risk and other risks mentioned above. Investors should consult their own financial, legal, accounting and tax advisers about the risks associated with an investment in these Notes, the appropriate tools to analyse that investment, and the suitability of the investment in each investor's particular circumstances. No investor should purchase the Notes unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Notes (including, but not limited to, any political, economic and other factors which could affect the value of, and return on, the Notes).

Investors should be aware that the determination of any foreign exchange rate may result in the Final Redemption Amount or any Early Redemption Amount (as the case may be) of the Notes being significantly less than anticipated. Investors should also be aware that the

Maturity Date and/or the Early Redemption Date, as the case may be, may be postponed and that no additional amounts shall be payable by the Issuer in respect of any delay in payment resulting from such postponement.

Conflicts of Interest

JPMorgan Chase Bank, N.A., the parent company of J.P. Morgan Securities Ltd. will be Calculation Agent under the Notes and will also be the Issuer's counterparty in a related swap transaction entered into by the Issuer in order to hedge its obligations under the Notes. The existence of such multiple roles and responsibilities for JPMorgan Chase Bank, N.A. creates possible conflicts of interest. For example, the amounts payable by JPMorgan Chase Bank, N.A. to the Issuer under the related swap transaction are expected, as of the Issue Date, to be calculated on the same basis as the amounts payable by the Issuer under the Notes. As a result, the determinations made by JPMorgan Chase Bank, N.A. in its discretion as Calculation Agent for the Notes may affect the amounts payable by JPMorgan Chase Bank, N.A. under the related swap transaction, and, in making such determinations, JPMorgan Chase Bank, N.A. may have economic interests adverse to those of the Noteholders. The Noteholder understands that although the Issuer will enter into the related swap transaction with JPMorgan Chase Bank, N.A. as swap counterparty in order to hedge its obligations under the Notes, the Issuer's rights and obligations under the related swap transaction will be independent of its rights and obligations under the Notes, and Noteholders will have no interest in the related swap transaction or any payment to which the Issuer may be entitled thereunder.

An affiliate of JPMorgan Chase Bank, N.A. worked with S&P in developing the guidelines and policies governing the composition and calculation of the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index. The policies and judgments for which such affiliate was responsible could have an impact, positive or negative, on the level of the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index and the value of your Notes. Neither the Dealer nor its affiliates are under any obligation to consider your interests as an investor in the Notes in developing the guidelines and policies governing the Reference Index or making judgments that may affect the level of the Reference Index. Furthermore, the inclusion of equity securities in the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index is not an investment recommendation by the Dealer or any affiliate of the equity securities underlying the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index.

Index Disclaimer

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THE CONSIDERATIONS SET OUT ABOVE ARE NOT, AND ARE NOT INTENDED TO BE A COMPREHENSIVE LIST OF ALL CONSIDERATIONS RELEVANT TO A DECISION TO PURCHASE OR HOLD THE NOTES. THE ATTENTION OF INVESTORS IS ALSO DRAWN TO THE SECTION HEADED "RISK FACTORS" ON PAGES 11 TO 13 OF THE BASE PROSPECTUS INCORPORATED BY REFERENCE INTO THIS SECURITIES NOTE.

Documents Incorporated by Reference

The following sections from the Base Prospectus of the Issuer dated 11 August 2011 relating to the €35,000,000,000 Global Medium Term Note Programme (the "Programme") shall be incorporated in, and form part of this Securities Note, save that any statement contained herein or in a document all or the relevant portion of which is deemed to be incorporated by reference herein shall be modified or superseded for the purpose of this Securities Note to the extent that a statement contained in any such subsequent document all or the relative portion of which is incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise):

Risk Factors	on pages 11 to 13
General Description of the Programme	on page 16
Terms and Conditions of the Notes	on pages 17 to 44
Use of Proceeds	on page 45
Issue Procedures	on pages 46 to 47
Clearance and Settlement of Global Notes in Book Entry Form	on pages 66 to 68
Subscription and Sale	on pages 73 to 75
General Information	on pages 76 to 77

Those parts of the Base Prospectus which are not specifically incorporated by reference in the Prospectus are either covered elsewhere in the Prospectus or are not relevant for prospective investors in the Notes.

The Issuer will provide, without charge, to each person to whom a copy of this Securities Note has been delivered, upon the oral or written request of such person, a copy of the aforementioned sections incorporated herein by reference. Written or telephone requests for such material should be directed to the Issuer at its principal office set out at the end of this Securities Note.

Pricing Supplement

11 May 2012

European Bank for Reconstruction and Development

Non-Interest Bearing UYU297,975,000 Notes with a contingent additional amount linked to the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index due 15 May 2017 issued pursuant to a Global 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 Issuer's Base Prospectus dated 11 August 2011 and incorporated by reference into the Securities Note dated 23 May 2012. This Pricing Supplement must be read in conjunction with the Registration Document and the Securities Note which together constitute a prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). Full information on the Issuer and the Notes is only available on the basis of the combination of this Pricing Supplement, the Registration Document and the Securities Note. The Base Prospectus, the Registration Document and the Securities Note are available for viewing and copies may be obtained from EBRD, One Exchange Square, London, EC2A 2JN, United Kingdom.

SUMMARY OF THE NOTES

1	Specified Currency:	Uruguayan peso (" UYU "), the lawful currency of the Republic of Uruguay, provided that all payments in respect of the Notes will be made in United States dollars (" USD ")
2	Nominal Amount:	UYU297,975,000
3	Type of Note:	Non-Interest Bearing UYU Denominated, USD Settled Notes with a contingent Additional Amount linked to the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index
4	Issue Date:	15 May 2012
5	Issue Price:	100 per cent.
6	Maturity Date:	15 May 2017 (subject to the provisions set out in Annex A hereto)
7	Fungible with existing Notes:	No

FORM OF THE NOTES

8	Form of Note:	Registered
9	New Global Note:	No
10	(a) Specified Denomination:	UYU10,000,000 and integral multiples of UYU1,000 in excess thereof up to and including UYU19,999,000. No Notes in definitive form will be issued with a denomination above UYU19,999,000
	(b) Calculation Amount:	UYU1,000
11	Exchange of Bearer Notes:	Not Applicable

12	(a)	Talons for future Coupons to be attached to definitive Bearer Notes:	Not Applicable
	(b)	Date(s) on which the Talons mature:	Not Applicable
13	(a)	Registered holder of Registered Global Note:	Citivic Nominees Limited
	(b)	Exchange of Registered Global Note:	Registered Global Note will only be exchangeable for definitive Registered Notes upon 45 days' written notice in the limited circumstances as described on page 46 of the Base Prospectus

PROVISIONS RELATING TO INITIAL PAYMENT

14	Partly Paid Notes:	Not Applicable
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PROVISIONS RELATING TO INTEREST

15	Interest Commencement Date:	Not Applicable
16	Fixed Rate Notes:	Not Applicable
17	Zero Coupon Notes:	Not Applicable
18	Floating Rate Notes and Indexed Notes:	Not Applicable

PROVISIONS REGARDING PAYMENTS/DELIVERIES

19	Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6:	Condition 6(e) applies, subject to the provisions set out in Annex A hereto
20	Dual Currency Notes:	Not Applicable
21	Physically Settled Notes:	Not Applicable

PROVISIONS REGARDING REDEMPTION/MATURITY

22	(a)	Redemption at Issuer's option:	No
	(b)	Redemption at Noteholder's option:	No
23	(a)	Final Redemption Amount for each Note (<i>other than</i> an Indexed or Formula Note where the index or formula applies to the redemption amount):	Not Applicable
	(b)	Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount:	100 per cent. per Calculation Amount plus the Additional Amount (if any) provided that the Final Redemption Amount shall be payable in USD, subject to the provisions set out in Annex A hereto
24	Instalment Note:	Not Applicable	

25	Early Redemption Amount for each Note payable on an event of default:	Condition 5(d) applies, subject to the provisions set out in Annex A hereto
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DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

26	Method of distribution:	Non-Syndicated
27	If Syndicated, names and addresses of Managers or, if Non-Syndicated names and address of Dealer:	J.P. Morgan Securities Ltd. 125 London Wall London EC2Y 5AJ
28	Date of Syndication Agreement:	Not Applicable
29	Stabilising Manager(s):	None
30	Non-exempt Offer:	Not Applicable
31	Additional selling restrictions:	Uruguay The Notes have not been registered with the "Superintendencia of Financial Services" of the Central Bank of Uruguay (the " CBU ") and have not been and will not be traded on any Uruguayan stock exchange. The Notes are not offered to the public in or from Uruguay. The offering of the Notes has not been and will not be announced to the public and offering material will not be made available to the public except in circumstances which do not constitute a public offer of securities in Uruguay in compliance with the requirements of the Uruguayan Securities Market Law (Law No 18.627 of 24 November 2009). Public advertising of the Notes will be avoided. The Notes will be offered to people in or from Uruguay only through occasional private offerings and never on a professional or regular basis. If private offers are made in or from Uruguay on a professional and regular basis, the intermediary entity has to be registered with the Uruguayan Brokers Registry kept by the Superintendencia of Financial Services of the CBU, and must comply with the obligations indicated in the Circular No. 2,056 enacted by the Uruguayan Central Bank on 26 February 2010 (Modification of the Compilation of Securities Market Regulations – Substitution of Book IV – Securities Brokers).
32	Details of additional/alternative clearing system approved by the Issuer and the Agent:	Euroclear and Clearstream, Luxembourg only
33	Intended to be held in a manner which	No

	would allow Eurosystem eligibility:	
34	Common Code:	077922008
	ISIN Code:	XS0779220085
	CUSIP Number:	Not Applicable
35	Listing:	Official List of the UK Listing Authority and trading on the Regulated Market
36	In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a "Redenomination Clause"), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of redenominalisation and/or consolidation (provided they are fungible) with other Notes denominated in euro.	Not Applicable
37	Additional Information:	The provisions set out in Annex A shall apply to the Terms and Conditions in accordance herewith.
38	Total Commissions:	Not applicable

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange's Regulated Market of the Notes described herein pursuant to the Euro 35,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development as from 25 May 2012 or as soon as practicable thereafter.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. The information contained in Annex C has been extracted from publicly available sources. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:

Authorised signatory

By:

CITIBANK, N.A. (as Agent)

PART B – OTHER INFORMATION

- 1 **LISTING**
- Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market with effect from 25 May 2012 or as soon as practicable thereafter. No assurance can be given that such listing and admission to trading will be obtained on or prior to such date, or, if obtained, that it will be maintained.
- 2 **RATINGS**
- The Notes have been assigned an AAA credit rating from Standard & Poor's Credit Market Services Europe Limited ("S&P") and the Issuer and/or its debt obligations have been assigned an AAA credit rating from S&P, an Aaa credit rating from Moody's Investors Service Limited ("**Moody's**") and an AAA credit rating from Fitch France S.A.S. ("**Fitch**"). As defined by S&P, an "AAA" rating means that the ability of the Issuer to meet its financial commitment on its obligations is extremely strong. As defined by Moody's, an "Aaa" rating means that the Issuer's ability to meet its financial obligations is judged to be of the highest quality, with minimal credit risk. As defined by Fitch, an "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.
- Credit ratings included or referred to in this Pricing Supplement have been issued by S&P, Moody's and Fitch, each of which is established in the European Union and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.
- 3 **NOTIFICATION**
- Not Applicable
- 4 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**
- Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.
- 5 **REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES**
- (i) Reasons for the offer: The net proceeds of the issue of the Notes (which is expected to be UYU297,975,000 but payable in USD in the amount of

USD15,000,000) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.

(ii) Estimated net proceeds: USD15,000,000 representing the equivalent of UYU297,975,000

(iii) Estimated total expenses: £10,000

6 **YIELD**

Indication of yield: Not Applicable

7 **HISTORIC INTEREST RATES**

Not Applicable

8 **PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

See Annex C.

9 **PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

Certain historical information in respect of the USD/UYU foreign exchange rate is set out in Annex C (*Historical Data*) hereto. In the circumstances described in Annex A hereto, the amount received by holders of the Notes will be affected by the USD/UYU foreign exchange rate. Information in respect of the USD/UYU exchange rate can also be found on Bloomberg.

10 **TERMS AND CONDITIONS OF THE OFFER**

Not Applicable

Annex A

Calculation of Final Redemption Amount, Early Redemption Amount and Additional Amount

1 Final Redemption Amount

The “**Final Redemption Amount**” per Calculation Amount will be payable in USD and will be determined by the Calculation Agent as follows:

Calculation Amount *divided by* Reference Rate plus Additional Amount (if any),

provided that the resultant amount shall be rounded to the nearest 0.01 USD with 0.005 USD being rounded up.

2 Early Redemption Amount

The Early Redemption Amount per Calculation Amount will be payable in USD and will be determined by the Calculation Agent as follows:

Calculation Amount divided by Reference Rate,

provided that the resultant amount shall be rounded to the nearest 0.01 USD with 0.005 USD being rounded up.

The Calculation Agent shall notify the Issuer, the Agent and the Noteholders of its determination of the Final Redemption Amount (payable on the Maturity Date), the Early Redemption Amount (payable on the Early Redemption Date) as soon as practicable after such determination (but in no event later than the Business Day immediately following the relevant Rate Determination Date).

3 Disruption Event Provisions

If the Reference Rate is not available for any reason on Bloomberg page URINUSCA <Curncy> or on any successor page or on the website of the Central Bank of Uruguay (www.bcu.gub.uy) or any successor website on any Rate Determination Date, the Calculation Agent shall determine that a Price Source Disruption Event (a “**Price Source Disruption Event**”) has occurred and shall promptly inform the Issuer and Agent of such occurrence.

Following the determination of the occurrence of a Price Source Disruption Event, Noteholders will not be entitled to any amounts in respect of the Notes until the earlier to occur of: (i) the day falling ten Business Days after the day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the Postponed Maturity Date (as defined below), or the Postponed Early Redemption Date (as defined below), as the case may be. For the avoidance of doubt, if payment of any amount due on the Maturity Date or the Early Redemption Date is postponed due to a Price Source Disruption Event, the Noteholders shall not be entitled to any sum in respect of such postponed payment.

If on the tenth Business Day following the determination of the occurrence of a Price Source Disruption Event, the Reference Rate is still unavailable, then the Reference Rate shall be the average of such firm quotes (expressed as the number of UYU per one USD), from the Reference Dealers as the Calculation Agent is able to obtain for the sale of UYU and the purchase of USD at or about 4:00 p.m. Montevideo time on the applicable Rate Determination Date for settlement on the same day, provided, however that if fewer than four (4) (but at least two) Reference Dealers provide such firm quotes then the Reference Rate shall be the average of the quotes actually obtained. If none, or only one, of the Reference Dealers provides such a firm quote,

the Reference Rate shall be determined by the Calculation Agent in its discretion, acting in good faith and in a commercially reasonable manner.

4 Definitions

For the purposes of these provisions:

"Additional Amount" means, in respect of each Calculation Amount, an amount, which may be zero, determined by the Calculation Agent by reference to the following equation:

$$\text{Additional Amount} = \text{USD}50.34 * \text{Participation Rate} * [\text{MAX} \{(\text{Final Index Level}/\text{Initial Index Level}) - 1\}, 0]$$

Where:

"Participation Rate" means 206 per cent.;

"Initial Index Level" means 1350.1060, being the Closing Index Level on the Trade Date;

"Final Index Level" means the Closing Index Level on the Final Valuation Date; and

"Closing Index Level" means the official closing level of the Reference Index as calculated and published by the Reference Index Sponsor or as otherwise determined by the Calculation Agent as provided in Annex B (*Reference Index Event Provisions*);

"Business Day" means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in each of London, Montevideo and New York;

"Calculation Agent" means JPMorgan Chase Bank, N.A. in accordance with the provisions of the Calculation Agency Agreement entered into between the Issuer and the Calculation Agent dated 9 February 2007 (as amended and/or supplemented from time to time). All references to the Calculation Agent shall include any successor or successors to JPMorgan Chase Bank, N.A. as Calculation Agent in respect of the Notes. The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent under the Notes and pursuant to the Calculation Agency Agreement shall (in the absence of manifest error) be final and binding on all parties (including, but not limited to, the Issuer and the Noteholders) and shall be made in its sole discretion in good faith and in a commercially reasonable manner in accordance with the Calculation Agency Agreement. In performing its duties under the Notes, the Calculation Agent shall act in accordance with the Calculation Agency Agreement;

"Component" means, with respect to the Reference Index, each constituent stock included in the Reference Index or deemed to be included in the Reference Index through application of the Reference Index Sponsor's stated methodology;

"Early Redemption Date" means the date on which the Notes become due and payable pursuant to Condition 5(d);

"Exchange" means with respect to the Reference Index and any Component of the Reference Index, the principal stock exchange on which such Component of the Reference Index is, in the determination of the Calculation Agent, principally traded;

"Final Valuation Date" means 26 April 2017;

"Postponed Early Redemption Date" means the twelfth Business Day following the Early Redemption Date (if any);

"Postponed Maturity Date" means the tenth Business Day following the originally scheduled Maturity Date;

"Rate Determination Date" means the date that is five Business Days prior to the applicable Maturity Date or Early Redemption Date, as the case may be. If a Price Source Disruption Event occurs or otherwise subsists on such day, the Rate Determination Date shall be the earlier of (i) the Business Day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the day which is five Business Days before the applicable Postponed Early Redemption Date or Postponed Maturity Date as the case may be;

"Reference Dealers" means the Montevideo office of each of HSBC Bank plc, Citibank N.A., Banco Itaú and Banco Santander, S.A. In the event that any one or more of the Reference Dealers shall cease to operate in Uruguay, such Reference Dealer shall be substituted by any other leading dealer, bank or banking corporation which regularly deals in the USD/UYU foreign exchange market, as selected by the Calculation Agent in its sole discretion acting in good faith and in a commercially reasonable manner;

"Reference Index" means the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index;

"Reference Rate" means the UYU/USD rate, expressed as the number of UYU per one USD, for settlement on the same day, reported by the Central Bank of Uruguay on the relevant Rate Determination Date and published at Bloomberg page URINUSCA <Curncy> (or such other page as may replace that page for the purpose of displaying such Reference Rate) at or about 4:00 p.m., New York time. If the Bloomberg page URINUSCA no longer reports and has not been replaced by any other page or service, the Calculation Agent shall be entitled to obtain such rate as reported by the Central Bank of Uruguay from any other publicly available information source;

"Related Exchange" means, in respect of the Reference Index and each Component of the Reference Index, each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Reference Index or such Component;

"S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index" means the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index, which is calculated by Standard & Poor's Financial Services LLC (the **"Reference Index Sponsor"**), appearing on Bloomberg page "SPXD8UE" or any successor page. The Reference Index is calculated in USD;

"Successor Index to the Reference Index" has the meaning as set forth in Annex B hereto (Reference Index Event Provisions);

"Trade Date" means 26 April 2012; and

"USD" means the lawful currency of the United States.

Annex B Reference Index Event Provisions

1 **Successor Index to the Reference Index or Successor Index to the Base Index**

If the Calculation Agent, acting in good faith and in commercially reasonable manner, determines that one of the following events occurs (Successor Index to the Reference Index or Successor Index to the Base Index) then the consequence specified below in respect of each such event shall apply:

(a) **Successor Index to the Reference Index**

If the Reference Index is replaced by a successor index or if the Reference Index Sponsor discontinues publication of the Reference Index but it is calculated and announced by a successor sponsor, provided that in either case (i) the index is calculated using, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, the same or a substantially similar formula for and method of calculation as used in the calculation of the Reference Index and (ii) the level of the index is published or electronically displayed in internationally-recognized news sources or data displays, then such successor index will be deemed to be the Reference Index.

(b) **Successor Index to the Base Index**

If the Base Index is replaced by a successor index or if the Reference Index Sponsor discontinues publication of the Base Index but it is calculated and announced by a successor sponsor, provided that in either case (i) the index is calculated using, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, the same or a substantially similar formula for and method of calculation as used in the calculation of the Base Index and (ii) the level of the index is published or electronically displayed in internationally-recognized news sources or data displays, then such successor index will be deemed to be the Base Index.

The Calculation Agent will provide a written notice to the Issuer and the Agent of any designation of Successor Index to the Reference Index and/or Successor Index to the Base Index and additional information that reasonably confirms any of the facts relevant to the determination of such successor index and which has been published in internationally-recognized published or electronically displayed news sources.

The term "**Base Index**" means the S&P 500® Dividend Aristocrats® Total Return Index. "S&P 500® Dividend Aristocrats® Total Return Index" means the S&P 500® Dividend Aristocrats® Index, which is calculated by Standard & Poor's Financial Services LLC (the "**Reference Index Sponsor**"), appearing on Bloomberg page "SPDAUDT" or any successor page. The Base Index is calculated in USD.

2 **Modification or Cancellation of the Reference Index or the Base Index**

In the event of a Reference Index Modification or Reference Index Cancellation:

- (i) The Calculation Agent will compute a substitute level for the Reference Index in accordance with the procedures, formula and method last in effect prior to such modification or cancellation; provided that no Base Index Modification or Base Index Cancellation has occurred;
- (ii) If a Base Index Modification or Base Index Cancellation has occurred, the Calculation Agent will compute a substitute level for the Reference Index in accordance with the procedures, formula and method last in effect prior to

such modification or cancellation, but using only those securities that comprised the Base Index immediately prior to such modification (other than such securities that have since ceased to be listed on any Exchange or Related Exchange).

“Reference Index Modification” will have occurred if, on or prior to the Final Valuation Date, the Reference Index Sponsor announces that it has made or will make a material change in the formula for, or the method of calculating, the Reference Index or in any other way materially modifies the Reference Index (other than a modification prescribed in that formula or method to maintain the Reference Index in the event of changes in constituent securities and capitalization and other routine events) and no Successor Index to the Reference Index exists.

“Base Index Modification” will have occurred if, on or prior to the Final Valuation Date, the Reference Index Sponsor announces that it has made or will make a material change in the formula for, or the method of calculating, the Base Index or in any other way materially modifies the Base Index (other than a modification prescribed in that formula or method to maintain the Base Index in the event of changes in constituent securities and capitalization and other routine events) and no Successor Index to the Base Index exists.

“Reference Index Cancellation” will have occurred if (i) the Reference Index Sponsor discontinues publication of the Reference Index and no Successor Index to the Reference Index exists, or (ii) any Successor Index to the Reference Index is no longer published (without any written notice from the sponsor of the Successor Index to the Reference Index that any cessation in publication is temporary and will cease prior to the Final Valuation Date).

“Base Index Cancellation” will have occurred if (i) the Reference Index Sponsor discontinues publication of the Base Index and no Successor Index to the Base Index exists, or (ii) any Successor Index to the Base Index is no longer published (without any written notice from the sponsor of the Successor Index to the Base Index that any cessation in publication is temporary and will cease prior to the Final Valuation Date).

3 Use of Successor Index

If, in accordance with paragraphs (1) and (2) above, a Successor Index to the Reference Index is selected or the Calculation Agent calculates a level as a substitute for the Reference Index, the Successor Index to the Reference Index or Calculation Agent-calculated level, as the case may be, will be used as a substitute for the Reference Index for all purposes after such selection or substitution, including for purposes of determining whether a Market Disruption Event (as defined below) exists, even if the Reference Index Sponsor elects to begin republishing the original Reference Index.

4 Correction of Index levels

In the event that any relevant level of the Reference Index published by the Reference Index Sponsor on any date which is utilised for any calculation or determination in connection with the Notes is subsequently corrected and the correction is published by the Reference Index Sponsor by the second Business Day prior to the date on which any relevant payment may have to be made or in respect of which any relevant determination in respect of the Notes may have to be made, then the Calculation Agent may determine the amount that is payable or make any determination in connection with the Notes, after taking into account such correction.

5 Consequences of Disrupted Days

If the Calculation Agent determines that the Final Valuation Date is a Disrupted Day, then the Final Valuation Date shall be the first succeeding Scheduled Trading Day in respect of the Reference Index that the Calculation Agent determines is not a Disrupted Day, unless the Calculation Agent determines that each of the eight consecutive Scheduled Trading Days in respect of the Reference Index immediately following the scheduled Final Valuation Date is a Disrupted Day. In that case: (a) the last (eighth) consecutive Scheduled Trading Day in respect of the Reference Index shall be deemed to be the Final Valuation Date, notwithstanding the fact that such day is a Disrupted Day; and (b) the Calculation Agent shall determine the level of the Reference Index as of the Scheduled Closing Time on or in respect of that last consecutive Scheduled Trading Day in respect of the Reference Index in accordance with the formula for and method of calculating the Reference Index last in effect prior to the occurrence of the first Disrupted Day to occur, using such levels or values as the Calculation Agent determines to be appropriate as of the closing time on or in respect of that last consecutive Scheduled Trading Day of each Component comprised in the Reference Index, and such determination by the Calculation Agent shall be deemed to be the Closing Index Level in respect of the Final Valuation Date.

The Calculation Agent shall take into account the Exchange traded or quoted price as of the Scheduled Closing Time on the last consecutive Scheduled Trading Day of each Component comprised in the Reference Index (or, if an event giving rise to a Disrupted Day has occurred in respect of any relevant Component on such last consecutive Scheduled Trading Day for any relevant Component, or such last consecutive Scheduled Trading Day is not a Scheduled Trading Day for any relevant Component, as determined by the Calculation Agent, its good faith estimate of the value for the relevant Component as of the Scheduled Closing Time on the last consecutive Scheduled Trading Day).

6 Definitions

For the purposes of these provisions:

“Disrupted Day” means any Scheduled Trading Day on which a Market Disruption Event has occurred or is continuing, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner;

“Market Disruption Event” means the occurrence of any of the following events on the Final Valuation Date, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner:

- (i) if determined by the Calculation Agent to be material, any suspension of or limitation imposed on trading by the Exchange or Related Exchange by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange relating to (a) Components that comprise 20 per cent. or more of the level of the Reference Index, or (b) futures or options contracts on the Reference Index or on Components that comprise 20 per cent. or more of the level of the Reference Index; or
- (ii) if determined by the Calculation Agent to be material, any event that disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values on any Exchange or Related Exchange(s) of (a) Components that comprise 20 per cent. or more of the level of the Reference Index, or (b) futures or options contracts on the Reference Index or on

Components that comprise 20 per cent. or more of the level of the Reference Index; or

- (iii) any failure to open for trading during its regular trading session of any Exchange or Related Exchange relating to (a) Components that comprise 20 per cent. or more of the level of the Reference Index, or (b) futures or options contracts on the Reference Index or on Components that comprise 20 per cent. or more of the level of the Reference Index; or
- (iv) any closure of an Exchange or Relevant Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange on the Final Valuation Date and (ii) the submission deadline for orders entered into the Exchange or Related Exchange system for execution on the closing on the Final Valuation Date relating to (a) Components that comprise 20 per cent. or more of the level of the Reference Index, or (b) futures or options contracts on the Reference Index or on Components that comprise 20 per cent. or more of the level of the Reference Index.

For the purposes of determining whether a Market Disruption Event in respect of the Reference Index exists at any time, if a Market Disruption Event occurs in respect of a security included in the Reference Index at any time, then the relevant percentage contribution of that security to the level of the Reference Index shall be based on a comparison of (x) the portion of the level of the Reference Index attributable to that security and (y) the overall level of the Reference Index, in each case immediately before the occurrence of such Market Disruption Event.

The Calculation Agent shall promptly notify the Issuer in writing of the occurrence of such a Market Disruption Event;

“Scheduled Closing Time” means, in respect of an Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours; and

“Scheduled Trading Day” in respect of the Reference Index or Successor Index to the Reference Index, or any Component thereof, any day on which the Exchange and any Related Exchange with respect to the Reference Index or Successor Index to the Reference Index or such Component, as applicable, is scheduled to be open for trading during its regular trading sessions.

Annex C Historical Data

The S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index

The following table sets forth the historical performance of the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index based on closing index levels observed from 25 August 2010 through 30 April 2012. The Index began publishing on 25 August 2010. The Closing Index Level on 26 April 2012 was 1350.106.

Period	High	Low
August 2010 – December 2010	1292.8810	1188.9397
January 2011 – December 2011	1366.0997	1232.5522
January 2012 – April 2012	1352.1580	1296.0210

Source: Bloomberg: SPXD8UE <Index>

The closing index levels above were obtained from Bloomberg Financial Markets. No representation or warranties are made as to the accuracy or completeness of the information obtained from Bloomberg Financial Markets. The historical values of the Index should not be taken as an indication of future performance, and no assurance can be given as to the closing index levels on any date relevant to the valuation of the Notes. No assurance can be made that the performance of the Index will result in any positive return of the Notes.

The USD/UYU Rate

The following table summarises certain historical information regarding the USD/UYU foreign exchange rate since January 2002.

Period	High	Low
January 2002 – December 2002	32.3750	14.0220
January 2003 – December 2003	29.5750	26.1750
January 2004 – December 2004	29.8250	26.0250
January 2005 – December 2005	26.2750	23.1750
January 2006 – December 2006	24.4250	23.7250
January 2007 – December 2007	24.4750	21.5250
January 2008 – December 2008	24.5200	19.0790
January 2009 – December 2009	24.3500	19.5340
January 2010 – December 2010	21.3290	19.0420
January 2011 – December 2011	20.4260	18.3000
January 2012 – April 2012	19.9410	19.2880

Source: Bloomberg URINUSCA <Currency>

The delivery of this Pricing Supplement does not imply any representation on the part of the Issuer, the Calculation Agent or the Dealer or any other person that the information extracted from the source above is correct.

THE DEALER DOES NOT MAKE ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER AS TO THE RESULTS TO BE OBTAINED FROM AN INVESTMENT IN THE NOTES. THE FOREGOING INFORMATION IS BASED UPON PUBLICLY AVAILABLE INFORMATION AS PUBLISHED BY THE APPLICABLE SOURCE. HOWEVER, NEITHER THE DEALER NOR ANY OF ITS AFFILIATES SHALL BE LIABLE (WHETHER IN NEGLIGENCE OR OTHERWISE) TO ANY PERSON FOR ANY ERROR IN THE INFORMATION SET FORTH ABOVE NOR SHALL IT OR ANY SUCH AFFILIATE BE UNDER ANY OBLIGATION TO ADVISE ANY PERSON OF ANY ERROR THEREIN.

Use of Proceeds

The net proceeds of the issue of the Notes (which is expected to be UYU297,975,000 but payable in USD in the amount of USD15,000,000) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.

Information on the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index

Set out below is a brief summary description of the Reference Index. Such summary description is for information purposes only and should not be relied upon by the Noteholders. All disclosure contained in this Securities Note regarding the Reference Index, including, without limitation, its make-up, method of calculation and changes in its components, is derived from, and based solely upon, publicly available information. As such, neither the Issuer nor the Dealer assumes any responsibility for the accuracy or completeness of such information. In addition, neither the Issuer nor the Dealer accepts responsibility for the calculation or other maintenance of, or any adjustments to, the Reference Index. The Index Sponsor is under no obligation to continue to publish the Reference Index and may discontinue publication of the Reference Index at any time.

The S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index is intended to provide a performance benchmark for large cap, blue chip companies within the S&P 500® Index that have followed a managed dividends policy of consistently increasing dividends every year for at least 25 years while also seeking greater stability than and a reduction in the overall risk level relative to the S&P 500® Dividend Aristocrats® Total Return Index (the "Dividend Aristocrats® Base Index"). The Dividend Aristocrats® Daily Risk Control 8% Excess Return Index utilises the existing S&P 500® Dividend Aristocrats® Total Return Index methodology, plus an overlying mathematical algorithm designed to control the level of risk of the Dividend Aristocrats® Base Index by establishing a specific volatility target of 8% and dynamically adjusting the exposure to the Dividend Aristocrats® Base Index based on its observed historical volatility. If the risk level reaches a threshold that is too high, the cash level is increased in order to maintain the target volatility of 8%. If the risk level is too low, then the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index will employ leverage to maintain the target volatility of 8%.

The return of the Dividend Aristocrats® Risk Control Index consists of two components: (1) the return on the position in the Dividend Aristocrats® Base Index and (2) the associated borrowing costs of the investment funds, depending upon whether the position is leveraged or deleveraged. For example, if the exposure to the Dividend Aristocrats® Base Index is 80%, the remaining 20% will not accumulate borrowing costs in the Dividend Aristocrats® Risk Control Index. If the leverage factor is greater than 100%, the full exposure will be charged borrowing costs, which are deducted from the Dividend Aristocrats® Risk Control Index.

As an excess return index, the Dividend Aristocrats® Risk Control Index represents an unfunded position in the Dividend Aristocrats® Base Index. The borrowing rate is generally based on a synthetically rolling 3-month bond, with reference to the 2-month and 3-month U.S. LIBOR rates. S&P may use other successor interest rates if the U.S. LIBOR rates could not be obtained. A 360-day year is assumed for the interest calculations in accordance with U.S. banking practices.

The level of the S&P 500® Dividend Aristocrats® Daily Risk Control 8% Excess Return Index is reported by Bloomberg L.P. under the ticker symbol "SPXD8UE."

"STANDARD & POOR'S", "S&P", "S&P 500" AND "500" ARE TRADEMARKS OF THE MCGRAW-HILL COMPANIES, INC. AND HAVE BEEN LICENSED FOR USE BY THE ISSUER AND SUB-LICENSED FOR USE BY THE DEALER.

For further information on the Reference Index, including a methodology document, fact sheet, index data, parameters, recent announcements and other information, see:

www.standardandpoors.com/indices/sp-500-dividend-aristocrats-risk-control-indices/en/us/?indexId=sp-500-dividend-aristocrats-risk-control-indices.

For further information on the S&P generally, and its suite of indices, see:

www.standardandpoors.com.

Information contained on such websites is not incorporated by reference in, and should not be considered a part of, this Securities Note.

The Index and the Index Sponsor:

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The Notes have been assigned an AAA credit rating from Standard & Poor's Credit Market Services Europe Limited ("S&P") and the Issuer and/or its debt obligations have been assigned an AAA credit rating from S&P, an Aaa credit rating from Moody's Investors Service Limited ("Moody's") and an AAA credit rating from Fitch France S.A.S. ("Fitch"). As defined by S&P, an "AAA" rating means that the ability of the Issuer to meet its financial commitment on its obligations is extremely strong. As defined by Moody's, an "Aaa" rating means that the Issuer's ability to meet its financial obligations is judged to be of the highest quality, with minimal credit risk. As defined by Fitch, an "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

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Post-Issuance Information

The Issuer does not intend to provide any post-issuance information.

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