

28 March 2017

**European Bank for Reconstruction and Development
INR 1,500,000,000 6.125% Fixed Rate Notes due 30 March 2020 (the "Notes")
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 Offering Circular dated 3 July 2012 (the "Offering Circular"). This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular is available for viewing and copies may be obtained from the Issuer, One Exchange Square, London, EC2A 2JN, United Kingdom.

SUMMARY OF THE NOTES

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| 1 | Specified Currency: | Indian Rupee ("INR"), the lawful currency of the Republic of India, provided that all payments in respect of the Notes will be made in United States Dollars ("USD") in accordance with the Annex hereto. |
| 2 | Nominal Amount: | INR 1,500,000,000. |
| 3 | Type of Note: | Fixed Rate. |
| 4 | Issue Date: | 30 March 2017. |
| 5 | Issue Price: | 99.933 per cent. of the Nominal Amount. |
| 6 | Maturity Date: | 30 March 2020, subject to the Price Source Disruption Event and the fall back provisions in the Annex hereto. |
| 7 | Fungible with existing Notes: | No. |

FORM OF THE NOTES

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| 8 | Form of Note: | Registered. |
| 9 | New Global Note: | No |
| 10 | (a) Specified Denomination(s): | INR 50,000. |
| 11 | Exchange of Bearer Notes: | Not Applicable. |
| 12 | (a) Talons for future Coupons to be attached to definitive Bearer Notes: | No. |
| | (b) Date(s) on which the Talons mature: | Not Applicable. |
| 13 | (a) Depository for and registered holder of Registered Global Note: | Registered Global Note to be deposited with a common depository for Euroclear and Clearstream, Luxembourg and registered in the name of Citivic Nominees Limited as nominee for the common depository. |
| | (b) Exchange of Registered | Registered Global Note will only be exchangeable |

Global Note: for definitive Registered Notes upon 45 days' written notice in the limited circumstances described on page 42 of the Offering Circular.

PROVISIONS RELATING TO INITIAL PAYMENT

14 Partly Paid Notes: No.

PROVISIONS RELATING TO INTEREST

15 Interest Commencement Date: 30 March 2017.

Fixed Rate Notes:

16 (a) Fixed Rate(s) of Interest: 6.125 per cent. per annum payable annually.
For the avoidance of doubt, an amount equal to INR 3,062.50 per Specified Denomination (the "Fixed Interest Amount") shall be payable on each Fixed Interest Date, provided that the Fixed Interest Amount shall be payable in USD, as further described in the Annex hereto.

(b) Fixed Interest Date(s): 30 March in each year, from and including 30 March 2018 up to and including the Maturity Date, subject to the provisions set out in the Annex hereto.

(c) Initial Broken Amount per Specified Denomination: Not Applicable.

(d) Final Broken Amount per Specified Denomination: Not Applicable.

(e) Fixed Day Count Fraction: Actual/Actual – ICMA.

(f) Business Day Convention: Following Business Day.

(g) Business Day definition if different from that in Condition 4(a)(iii): Condition 4(a)(iii) applies and for the avoidance of doubt, Mumbai shall be the principal financial centre. London and New York shall be additional business centres.

(h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No.

17 Zero Coupon Notes: Not Applicable.

18 Floating Rate Notes and Indexed Notes: Not Applicable.

19 If ISDA Determination: Not Applicable.

20 If Screen Rate Determination: Not Applicable.

21 If Indexed: Not Applicable.

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| 22 | If Rate of Interest not to be determined by ISDA or Screen Rate Determination or by reference to an Index or Formula: | Not Applicable. |
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PROVISIONS REGARDING PAYMENTS/DELIVERIES

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| 23 | Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: | Condition 6(e) applies and for the avoidance of doubt, Mumbai shall be the principal financial centre. London and New York shall be additional business centres. |
| 24 | Dual Currency Notes: | Not Applicable. |
| 25 | Physically Settled Notes: | Not Applicable. |

PROVISIONS REGARDING REDEMPTION/MATURITY

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| 26 | (a) Redemption at Issuer's option: | No. |
| | (b) Redemption at Noteholder's option: | No. |
| 27 | (a) Final Redemption Amount for each Note (other than an Indexed or Formula Note where the index or formula applies to the redemption amount): | 100 per cent. per Specified Denomination, subject to the provisions set out in the Annex hereto. |
| | (b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: | Not Applicable. |
| 28 | Instalment Note: | Not Applicable. |
| 29 | Early Redemption Amount for each Note payable on an event of default: | Condition 5(d) applies, subject to the provisions set out in the Annex hereto. |

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

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| 30 | Method of distribution: | Non-syndicated. |
| 31 | If Syndicated, names and addresses of Managers or, if Non-Syndicated name and address of Dealer: | HSBC Bank plc 8 Canada Square London E14 5HQ United Kingdom |
| 32 | Date of Syndication Agreement: | Not Applicable. |
| 33 | Stabilising Manager(s): | None. |
| 34 | Additional selling restrictions: | The Republic of India: The Dealer acknowledges that the Offering Circular |

will not be registered as a prospectus with the Registrar of Companies in the Republic of India and the Notes will not be offered or sold in the Republic of India. Neither the Notes nor the Offering Circular nor any other offering document or material relating to the Notes shall be marketed or sold, directly or indirectly, in the Republic of India to any person who may be a resident or non-resident; or outside the Republic of India to any person who is a resident of the Republic of India. The Notes shall not be sold to any entity that is regulated by the Indian government or political subdivision thereof; any department, agency or body of the Indian government or political subdivision thereof; any regulatory authority, including the Reserve Bank of India and the Securities Exchange Board of India and such entity is not entering into any contract where it may derive any ownership or economic or any other interest from or in such Notes.

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| 35 | Details of additional/alternative clearing system approved by the Issuer and the Agent: | Euroclear and Clearstream, Luxembourg only |
| 36 | Intended to be held in a manner which would allow Eurosystem eligibility: | No |
| 37 | Common Code: ISIN Code: | 158545675 XS1585456756 |
| 38 | Listing: | Official List of the UK Listing Authority and trading on the Regulated Market of the London Stock Exchange. |
| 39 | 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 redenominatisation and/or consolidation (provided they are | Not applicable. |

fungible) with other Notes
denominated in euro.

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| 40 | Additional Information: | The provisions set out in the Annex hereto shall apply to the Terms and Conditions in accordance herewith. |
| 41 | Total Commissions: | 0.20 per cent. of the Nominal Amount. |

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange 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 30 March 2017), or as soon as practicable thereafter.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: *C. Smith* *CS*

Duly Authorised Officer

L.F.
SNP

CITIBANK, N.A. (as Agent)

By:

Authorised signatory

PART B - OTHER INFORMATION

- 1 LISTING**
- Application has been 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 30 March 2017 or as soon as practicable thereafter. No assurance can be given that such listing and admission to trading will be obtained on such date, or, if obtained, that it will be maintained.
- 2 RATINGS**
- The Issuer and/or its debt obligations have been assigned an AAA credit rating from Standard & Poor's Credit Market Services Europe Limited ("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.
- 3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER**
- 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.
- 4 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 INR 1,495,995,000 but payable in USD in the amount of USD 22,872,792.60) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.
- (ii) Estimated net proceeds:
- INR 1,495,995,000 (which, for the avoidance of doubt, will be paid in USD in the amount of USD 22,872,792.60)
- (iii) Estimated total expenses:
- GBP 300
- 5 YIELD**
- Indication of yield:
- 6.150 per cent.
- As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6 HISTORIC INTEREST RATES

Not Applicable.

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

Not Applicable.

8 PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

In the circumstances described in the Annex hereto, the amount received by holders of the Notes may be affected by the INR/USD foreign exchange rate. Information in respect of the INR/USD foreign exchange rate can be found on Bloomberg.

ANNEX

Calculation of Fixed Interest Amount, Early Redemption Amount and Final Redemption Amount

The Final Redemption Amount or the Early Redemption Amount, as applicable, per Specified Denomination will be payable in USD on the Maturity Date or Early Redemption Date, as applicable, and determined by the Calculation Agent as follows, on the corresponding Rate Fixing Date:

Specified Denomination + Reference Rate

Provided that the resultant amount shall be rounded up to the nearest cent.

The Fixed Interest Amount per Specified Denomination will be payable in USD on each Fixed Interest Date and determined by the Calculation Agent as follows, on the corresponding Rate Fixing Date:

Fixed Interest Amount + Reference Rate

Provided that the resultant amount shall be rounded up to the nearest cent.

The Calculation Agent shall notify the Issuer, the Agent and the Noteholders of its determination of the Final Redemption Amount, the Early Redemption Amount and Fixed Interest Amount payable per Specified Denomination on the Maturity Date, Early Redemption Date or relevant Fixed Interest Date (as applicable), as soon as practicable after such determination (but in no event later than four (4) Business Days prior to the Maturity Date, Early Redemption Date and/or relevant Fixed Interest Date).

For the purposes of these provisions:

"Business Day" means any day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the business centre(s) specified or, if no business centre is specified, in London, New York City, and Mumbai;

"Calculation Agent" means HSBC Bank plc in accordance with the provisions of the Calculation Agency Agreement entered into between the Issuer and the Calculation Agent dated 22 August 2007 (as amended and/or supplemented from time to time). All references to the Calculation Agent shall include any successor or successors to HSBC Bank plc as Calculation Agent in respect of the Notes;

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

"Mumbai Business Day" means a day on which commercial banks are open for business including dealings in a foreign exchange in accordance with the market practice of the foreign exchange market) in Mumbai;

"Price Source Disruption Event" means, if the Reference Rate is not available for any reason on Reuters page "RBIB" or on any successor page on any Rate Fixing Date, then the Calculation Agent shall determine that 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 five (5) 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 Fixed Interest Date (as defined below), Postponed Early Redemption Date (as defined below) or the Postponed Maturity Date (as defined below), as the case may be.

If on the tenth (10) Business Day following the original Rate Fixing Date, Reuters page RBIB (or successor page) is still unavailable then the Reference Rate shall be the average of such firm quotes (expressed as the number of INR per one USD) from the Reference Dealers as the Calculation Agent is able to obtain for the sale of INR and the purchase of USD at or about 14:30 hours Mumbai time on the Rate Fixing Date for settlement two (2) Mumbai Business Days thereafter, provided, however that if fewer than four (but at least two) Reference Dealers provide such firm quote then the average of the quotes actually obtained shall apply, and if none, or only one, of the Reference Dealers provides such a firm quote, the Reference Rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner.

"Postponed Early Redemption Date" means the tenth (10) Business Day following the Early Redemption Date (if any);

"Postponed Fixed Interest Date" means the tenth (10) Business Day following the originally scheduled Fixed Interest Date;

"Postponed Maturity Date" means the tenth (10) Business Day following the originally scheduled Maturity Date;

"Rate Fixing Date" means the date which is five (5) Business Days prior to each of the applicable Fixed Interest Date, Early Redemption Date or Maturity Date. If a Price Source Disruption Event occurs or otherwise subsists on such day, the Rate Fixing 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 tenth (10) Business Days following the original Rate Fixing Date;

"Reference Dealers" means four leading dealers, banks or banking corporations which regularly deal in the INRIUSD exchange market, as selected by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner; and

"Reference Rate" means the INR/USD Reference Rate expressed as the amount of Indian Rupees per one United States Dollar, for settlement in two Mumbai Business Days as published by the Reserve Bank of India on the Reuters page "RBIB" (or such other page or service as may replace any such page for the purposes of displaying the INR/USD reference rate) on or about 14:30 hours Mumbai time on the applicable Rate Fixing Date.