

PRICING SUPPLEMENT

7 November 2017

European Bank for Reconstruction and Development
KZT 17,500,000,000 Zero Coupon Notes (payable in EUR) due 10 May 2019
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. 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 at One Exchange Square, London, EC2A 2JN, United Kingdom.

SUMMARY OF THE NOTES

1	Specified Currency:	Kazakh Tenge ("KZT"), the lawful currency of the Republic of Kazakhstan, <i>provided that</i> all payments in respect of the Notes will be made in euros ("EUR"), the official currency of the Eurozone subject to the provisions set out in the Annex hereto
2	Nominal Amount:	KZT 17,500,000,000
3	Type of Note:	Zero Coupon
4	Issue Date:	9 November 2017
5	Issue Price:	89.859 per cent. of the Nominal Amount
6	Maturity Date:	10 May 2019, subject to the provisions set out in the Annex hereto
7	Fungible with existing Notes:	No

FORM OF THE NOTES

8	Form of Note:	Registered
9	New Global Note:	No
10	Specified Denomination(s):	KZT 1,000,000
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) Depository for and registered holder of	Registered Global Note to be deposited with a common depository for Euroclear and Clearstream,

Registered Global Note: Luxembourg and registered in the name of Citivic Nominees Limited as nominee for the common depositary

(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 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: Not applicable

16 Fixed Rate Notes: Not applicable

Zero Coupon Notes:

17 (a) Accrual Yield: 7.375 per cent.

(b) Reference Price: 89.859 per cent. of the Nominal Amount

(c) Other formula or basis for determining Amortised Face Amount: Not applicable

(d) Business Day Convention: Following Business Day.

Business Days shall be the same as defined in the Annex hereto with Almaty being the principal financial centre. London, New York City and TARGET are additional business centres.

(e) Day Count Fraction in relation to Early Redemption Amounts and late payment: Conditions 5(d)(iii) and 5(h) shall apply

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) shall apply, subject to the provisions of the Annex hereto.

20 Dual Currency Notes: Not applicable

21 Physically Settled Notes: Not applicable

PROVISIONS REGARDING REDEMPTION/MATURITY

22 (a) Redemption at Issuer's: No

	option:	
	(b) Redemption at Noteholder's option:	No
23	(c) 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):	100.00 per cent. per Specified Denomination, subject to the provisions set out in the Annex hereto
	(d) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount:	Not applicable
24	Instalment Note:	Not applicable
25	Early Redemption Amount for each Note payable on an event of default:	Condition 9 applies, subject to the provisions set out in the Annex hereto

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

26	Method of distribution:	Non-syndicated
27	If Syndicated, names and addresses of Managers or, if Non-Syndicated name and address of Dealer:	J.P. Morgan Securities plc 25 Bank Street Canary Wharf London E14 5JP United Kingdom
28	Date of Syndication Agreement:	Not applicable
29	Stabilising Manager(s):	None
30	Additional selling restrictions:	The Dealer has agreed that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy or sell the Notes or distribute any draft or definitive document in relation to any such offer, invitation or sale in the Republic of Kazakhstan, except in compliance with the applicable securities laws of the Republic of Kazakhstan. Each investor should seek advice from its own consultants in respect of any specific investment limitations that may apply to each such investor as a matter of Kazakhstan law.
31	Details of additional/alternative clearing system approved by the Issuer and the Agent:	Euroclear and Clearstream, Luxembourg only
32	Intended to be held in a manner which would allow Eurosystem eligibility:	No

33	Common Code:	171123607
	ISIN Code:	XS1711236072
	CUSIP Number:	Not Applicable
34	Listing:	Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the UK Listing Authority and trading on the Regulated Market of the London Stock Exchange plc
35	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
36	Additional Information:	The provisions set out in the Annex shall apply to the Terms and Conditions in accordance herewith
37	Total Commissions:	None

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the Regulated Market of 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 9 November 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* *F.L.* *A.S.*
Authorised signatory

CITIBANK, N.A. (as Agent)

By:
Authorised signatory

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 Regulated Market of the London Stock Exchange with effect from 9 November 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. ("**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 ISSUE

Save as discussed in the section headed "Subscription and Sale" in the Offering Circular, 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 are expected to be KZT 15,725,325,000 but payable in EUR in the amount of EUR 40,206,911.10) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations. |
| (ii) Estimated net proceeds: | KZT 15,725,325,000 (EUR equivalent: EUR 40,206,911.10). |
| (iii) Estimated total expenses: | £10,000 |

ANNEX

Calculation of Early Redemption Amount and Final Redemption Amount

The Early Redemption Amount or the Final Redemption Amount, as applicable, per Specified Denomination will be payable in EUR on the Early Redemption Date (if any) or the Maturity Date, as applicable, and determined and/or calculated by the Calculation Agent as follows, on the corresponding Valuation Date:

In the case of the Early Redemption Amount:

Early Redemption Amount per Specified Denomination divided by the Reference Rate.

In the case of the Final Redemption Amount:

100 per cent. of the Specified Denomination divided by the Reference Rate.

Provided that, in each case, the resultant amount shall be rounded to the nearest whole EUR (with EUR 0.5 being rounded up).

The Calculation Agent shall notify the Issuer, the Agent and the Noteholders of its determination and/or calculation of the Final Redemption Amount or the Early Redemption Amount (if any) payable per Specified Denomination on the Maturity Date or the Early Redemption Date (as applicable) as soon as reasonably practicable after such determination (but in no event later than the Business Day immediately following the relevant Valuation Date).

If, on the Valuation Date, the KZT Reference Rate is not available for any reason on the web page of the Kazakhstan Stock Exchange or on any successor page and/or the EUR Reference Rate is not available for any reason on Reuters Page "WMRPSPOT05" and, in each case, the Calculation Agent shall determine that a price source disruption event (a "**Price Source Disruption Event**") has occurred in relation to the KZT Reference Rate and/or the EUR Reference Rate, as the case may be, and shall promptly inform the Issuer, the Agent and the Noteholders of such occurrence.

Following the determination of the occurrence of a Price Source Disruption Event:

- (a) in respect of the KZT Reference Rate, the KZT Reference Rate shall be the average of such firm quotes (expressed as the amount of KZT per USD 1) from the Reference Dealers as the Calculation Agent is able to obtain for the sale of KZT and the purchase of USD at or about 1:00 p.m., Almaty time on the Business Day immediately following the Valuation Date for settlement on the same day;
- (b) in respect of the EUR Reference Rate, the EUR Reference Rate shall be the average of such firm quotes (expressed as the amount of USD per EUR 1) from the Reference Dealers as the Calculation Agent is able to obtain for the sale of USD and the purchase of EUR at or about 1:00 p.m., Almaty time on the Business Day immediately following the Valuation Date for settlement in two (2) TARGET Business Days,

provided that, in each case, if fewer than four, but at least two, Reference Dealers provide such firm quotes, then the average of the quotes actually obtained shall apply. If none, or only one, of the Reference Dealers provides such a firm quote, the Calculation Agent will determine the KZT Reference Rate (or a method for determining the KZT Reference Rate) or the EUR Reference Rate as the case may be, in good faith and in a commercially reasonable manner.

For the purposes of these provisions:

"Business Day" means any day, other than Saturday or Sunday, 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 London, New York, Almaty and TARGET;

"Calculation Agent" means JPMorgan Chase Bank, N.A., acting 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, the **"Calculation Agency Agreement"**). 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;

"Early Redemption Date" means the date on which the Notes become due and payable pursuant to Condition 9;

"EUR Reference Rate" means, in respect of a Valuation Date, the EUR exchange rate, expressed as the amount of USD per EUR 1 for settlement in two (2) TARGET Business Days and New York Business Days as determined by the Calculation Agent by reference to the closing mid spot rate displayed on the Reuters Page "WMRPSPOT05" (or any successor or replacement page to such page) under the caption "MID" at approximately 4:00 p.m. London time on such Valuation Date;

"KZT Reference Rate" means, in respect of a Valuation Date, the weighted average (WA) USD/KZT exchange rate of the morning session ("KZT KASE (KZT01)"), expressed as the amount of KZT per USD 1 for settlement on the same Business Day, as determined by the Calculation Agent and published by the Kazakhstan Stock Exchange on the webpage www.kase.kz/en/cur (or any successor or replacement page to such page) at approximately 11:00 a.m., Almaty time, on the Valuation Date;

"New York Business Day" means any day, other than Saturday or Sunday, 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 New York City;

"Reference Dealers" means (a) in respect of the KZT Reference Rate, four leading dealers, banks or banking corporations which regularly deal in the USD/KZT foreign exchange market and (b) in respect of the EUR Reference Rate, four leading dealers, banks or banking corporations which regularly deal in the EUR/USD foreign exchange market, in each case, as selected by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner;

"Reference Rate" means the product of the KZT Reference Rate multiplied by the EUR Reference Rate (provided that the resultant amount shall be rounded to two (2) decimal places, 0.005 being rounded down), as determined on the Valuation Date; and

"Valuation Date" means, in respect of the Maturity Date or the Early Redemption Date, as applicable, the date that is five (5) Business Days prior to such date.