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**PRICING SUPPLEMENT**

19th February, 1999

**European Bank for Reconstruction and Development  
€100,000,000 Balanced Notes due 2019  
issued pursuant to a Euro Medium Term Note Programme**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions. A further explanation of such terms is set out in the Prospectus in the section headed "Issue Procedures".

***SUMMARY OF THE NOTES***

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| 1. | Specified Currency:   | euro ("€"), being the single currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union. |
| 2. | Nominal Amount of the Notes:  | €100,000,000   |
| 3. | Type of Note:   | Fixed Rate   |
| 4. | Issue Date:   | 22nd February, 1999  |
| 5. | Issue Price:  | 101.20 per cent. of the Nominal Amount of the Notes  |
| 6. | Maturity Date:  | 22nd February, 2019  |
| 7. | Fungible with existing Notes:                                       | No   |
| 8. | Pricing Supplement to be read in conjunction with Prospectus dated: | 28th August, 1998  |

***FORM OF THE NOTES***

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|-----|--|---|
| 9.  | Form of Note:  | Bearer  |
| 10. | Specified Denomination(s):   | €1,000, €10,000 and €100,000  |
| 11. | Exchange of Bearer Notes:  | Temporary Global Note exchangeable for definitive Bearer Notes on or after 40 days after the Issue Date on certification of non-U.S. beneficial ownership |
| 12. | (a) Talons for future Coupons to be attached to definitive Bearer Notes: | No  |
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- (b) Date(s) on which the Talons mature: *Not applicable*
13. (a) Registered holder of Registered Global Notes: *Not applicable*
- (b) Exchange of Registered Global Notes: *Not applicable*

**PROVISIONS RELATING TO INITIAL PAYMENT**

14. Partly Paid Notes: No

**PROVISIONS RELATING TO INTEREST**

15. Interest Commencement Date: 22nd February, 1999

**Fixed Rate Notes:**

16. (a) Fixed Rate(s) of Interest:
- (i) 10 per cent. per annum, for the period from and including the Interest Commencement Date to but excluding 22nd February, 2000;
  - (ii) 5 per cent. per annum, for the period from and including 22nd February, 2000 to but excluding 22nd February, 2001;
  - (iii) 4 per cent. per annum, for the period from and including 22nd February, 2001 to but excluding 22nd February, 2003;
  - (iv) 0 per cent. per annum, for the period from and including 22nd February, 2003 to but excluding 22nd February, 2015;
  - (v) 4 per cent. per annum, for the period from and including 22nd February, 2015 to but excluding 22nd February, 2017;
  - (vi) 5 per cent. per annum, for the period from and including 22nd February, 2017 to but excluding 22nd February, 2018; and
  - (vii) 10 per cent. per annum, for the period from and including 22nd February, 2018 to but excluding the Maturity Date.

Where interest is required to be calculated in respect of a period of less than one year, it shall be calculated on the basis of the number of days in the period (the

"Interest Period") from and including the last preceding Fixed Interest Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date divided by 365 (or, if any portion of the Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365).

- (b) Fixed Interest Date(s): 22nd February, 2000/2001/2002/2003/2016/2017/  
2018/2019
- (c) Initial Broken Amount  
per denomination: *Not Applicable*
- (d) Final Broken Amount  
per denomination: *Not Applicable*

**Zero Coupon Notes:**

17. (a) Accrual Yield: *Not Applicable*
- (b) Reference Price: *Not Applicable*
- (c) Other formula or basis  
for determining  
Amortised Face  
Amount: *Not Applicable*

**Floating Rate Notes  
and Indexed Notes:**

18. (a) Manner in which Rate of  
Interest is to be  
determined: *Not applicable*
- (b) Margin(s): *Not Applicable*
- (c) Minimum Interest Rate  
(if any): *Not Applicable*
- (d) Maximum Interest Rate  
(if any): *Not Applicable*

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19. **If ISDA Determination:**
- (a) Floating Rate Option: *Not Applicable*
  - (b) Designed Maturity: *Not Applicable*
  - (c) Reset Date: *Not Applicable*
20. **If Screen Rate Determination:**
- (a) Reference Rate: *Not Applicable*
  - (b) Relevant Screen Page: *Not Applicable*
  - (c) Interest Determination Date: *Not Applicable*
21. **If Indexed:** *Not Applicable*
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*
23. **General Provisions for Floating Rate Notes and Indexed Notes:** *Not Applicable*
- (a) Specified Period (and, in the case of Notes where the Interest Payment Date(s) are fixed, the Interest Payment Date(s)): *Not Applicable*
  - (b) Business Day Convention: *Not Applicable*
  - (c) Business Day definition if different from that in Condition 4(b)(i): *Not Applicable*
  - (d) Terms relating to calculation of Interest Amount: *Not Applicable*
  - (e) Party responsible for calculation of interest: *Not Applicable*
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**PROVISIONS REGARDING PAYMENTS**

24. Definition of "Payment Business Day" for the purpose of Condition 6(a) or (b) if different to that set out in Condition 6: For the purposes of Condition 6(a), "Payment Business Day" means any day other than Saturday or Sunday which is both:
- (i) a day on which banking institutions are open for business in the relevant place of presentation; and
  - (ii) a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.
- Payments in euros will be made by credit or transfer to a euro account (or any other account to which euros may be credited or transferred) specified by the payee or, at the option of the payee by a euro cheque. The fourth paragraph of Condition 6(a) is deleted.
25. Dual Currency Notes: *Not Applicable*

**PROVISIONS REGARDING REDEMPTION/MATURITY**

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): See Schedule
- (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:

The Early Redemption Amount of each Note is the amount equal to the Final Redemption Amount (as determined in accordance with the Schedule hereto) except that the definition of "EURIBOR Rate" shall be amended, if necessary, to only include each of the dates currently specified in such definition which will have occurred prior to the date of payment of the early redemption amount, together with any accrued interest to such date.

**DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS**

30. Method of distribution:

Syndicated

31. If syndicated, names of Managers or, if non-syndicated names of Purchasers:

The Toronto-Dominion Bank  
 Banca Popolare di Novara  
 ICCREA S.p.A.  
 CARISBO S.p.A.  
 Banca Popolare dell'Etruria e del Lazio  
 Banca Popolare di Verona - Banco S. Geminiano e S. Prospero  
 Banca Nazionale del Lavoro S.p.A.  
 Banco di Brescia S.p.A.  
 Caboto Holding SIM S.p.A.  
 Rasfin SIM S.p.A.

32. Stabilising Dealer/Manager:

The Toronto-Dominion Bank

33. Additional sales restrictions:

**Italy**

Each Manager represents and agrees that no action has been or will be taken which would allow an offering of the Notes to the public in The Republic of Italy and that individual sales of the Notes to any person in The Republic of Italy have been or will be made only in accordance with Italian securities, tax and other applicable laws and regulations. Accordingly, the Notes may not be offered, sold or delivered and neither the Prospectus nor any other offering material relating to the Notes may be distributed or made available in the Republic of Italy unless:

- (a) such activities are carried out by a securities intermediary appropriately authorised to conduct such activities in the Republic of Italy and in accordance with applicable Italian securities laws and any other applicable law or regulatory requirements, including, inter alia, Legislative Decree

No. 415 of 23rd July, 1996 (the "Eurosime Law") Law No. 1 of 2nd January, 1991 (to the extent applicable), Legislative Decree No. 385 of 1st September, 1993, as amended by the Eurosime Law, (the "Banking Law"), Law No. 216 of 7th June, 1974 and CONSOB Regulation No. 6430 of 26th August, 1992; and

- (b) the applicable requirements for notices to the Bank of Italy under article 129 of the Banking Law, as amended by the Eurosime Law, and the Bank of Italy instructions issued thereunder are fully complied with.

34. Details of additional/alternative clearing system approved by the Issuer and the Agent:

*Not Applicable*

35. Security Codes:

ISIN: XS0094330825  
Common Code: 9433082

36. (a) Notes to be listed:

Yes

(b) Stock Exchange(s):

London Stock Exchange Limited

37. *If Paris listed, insert:*

*Not Applicable*

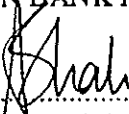
38. Additional Provisions:

(a) The Calculation Agent shall be The Toronto-Dominion Bank.

(b) All certificates, communications, determinations, calculations and decisions made for the purposes of determining the Final Redemption under paragraph 27 and the Schedule, by the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Calculation Agent, the Agent, the other Paying Agents and all Noteholders, and (in the absence as aforesaid) no liability to the Noteholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:  .....  
Authorised signatory

Application is hereby made to list this issue of Notes pursuant to the listing of the €20,000,000,000 Euro Medium Term Note Programme of European Bank for Reconstruction and Development (as from 22nd February, 1999).

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Citibank N.A.  
(as Agent)

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