

PRICING SUPPLEMENT

8th March, 1999

European Bank for Reconstruction and Development
€100,000,000 Mirror Payback 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

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:
From and including, the Issue Date to, but excluding 11th March, 2004 (the "First Fixed Rate Note Period"): Fixed Rate Notes

From and including, 11th March, 2004 to, but excluding 11th March, 2014 (the "Floating Rate Note Period"): Floating Rate Notes; and

From and including, 11th March, 2014 to, but excluding, the Maturity Date (the "Second Fixed Rate Note Period" and, together with the First Fixed Rate Note Period, the "Fixed Rate Note Periods"): Fixed Rate Notes
4. Issue Date: 11th March, 1999
5. Issue Price: 101.10 per cent. of the Nominal Amount of the Notes
6. Maturity Date: 11th March, 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

9. Form of Note: Bearer
10. Specified Denominations: €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
- (b) Date(s) in 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: 11th March, 1999

Fixed Rate Notes (Provisions which apply during the Fixed Rate Note Periods):

16. (a) Fixed Rate(s) of Interest:
- (i) 10 per cent. per annum, for the period from and including the Issue Date to but excluding 11th March, 2000;
 - (ii) 4 per cent. per annum, for the period from and including 11th March, 2000 to but excluding 11th March, 2004;
 - (iii) 4 per cent. per annum, for the period from and including 11th March, 2014 to but excluding 11th March, 2018; and

- (iv) 10 per cent. per annum, for the period from and including 11th March, 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): 11th March, 2000/2001/2002/2003/2004/2015/2016/2017/2018/2019
- (c) Initial Broken Amount per denomination: *No: Applicable*
- (d) Final Broken Amount per denomination: *No: Applicable*

Zero Coupon Notes:

17. (a) Accrual Yield: *No: Applicable*
- (b) Reference Price: *No: Applicable*
- (c) Other formula or basis for determining Amortised Face Amount: *No: Applicable*

Floating Rate Notes

and Indexed Notes (Provisions which apply during the Floating Rate Note Period):

18. (a) Manner in which Rate of Interest is to be determined: The Rate of Interest for each Interest Period shall be seven per cent. per annum minus (12 month EURIBOR x 365/360 or 366/360, as applicable)

subject to the Minimum Interest Rate as stated below)

where the following definitions apply:

"12 month EURIBOR" means, in relation to an Interest Period, the interbank offered rate for deposits in

euro with a designated maturity of 12 months as quoted on an Actual/360 basis which appears on the Relevant Screen Page as of 11.00 a.m., Brussels time (or such other time as may be customary for the daily reset of such rate) on the relevant Interest Determination Date.

If such rate does not appear on the Relevant Screen Page on the Interest Determination Date for an Interest Period then 12 month EURIBOR for that Interest Period will be determined on the basis of the rates at which deposits in euro are offered on an Actual/360 basis by the Reference Banks at approximately 11.00 a.m. Brussels time, on the Interest Determination Date in question to prime banks in the Euro-zone interbank market for a period of 12 months commencing on the first day of such Interest Period and in a Representative Amount. The Calculation Agent shall request the principal Euro-zone office of each of the Reference Banks to provide a quotation of its rate. If at least two quotations are provided, 12 month EURIBOR for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such quotations.

If fewer than two quotations are provided as requested, 12 month EURIBOR for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the rates quoted by the Reference Banks, at approximately 11.00 a.m., Brussels time, on the Interest Determination Date in question for loans in euro to leading European banks for a period of 12 months commencing on the first day of such Interest Period and in a Representative Amount;

'Euro-zone' means, the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on European Union;

'Interest Determination Date' means, in relation to each Interest Period, the second Business Day prior to the first day of such Interest Period;

'Reference Banks' means five major international banks active in the Euro-zone interbank market as selected by the Calculation Agent;

"**Relevant Screen Page**" means Telerate Screen Page 248 or such replacement page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying rates or prices comparable to 12 month EURIBOR; and

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time.

For the avoidance of doubt, Conditions 4(b)(iii), (iv) and (viii) shall not apply

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| (b) | Margin(s): | <i>Not Applicable</i> |
| (c) | Minimum Interest Rate (if any): | 0 per cent. per annum |
| (d) | Maximum Interest Rate (if any): | <i>Not Applicable</i> |

19. **If ISDA Determination:**

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| (a) | Floating Rate Option: | <i>Not Applicable</i> |
| (b) | Designed Maturity: | <i>Not Applicable</i> |
| (c) | Reset Date: | <i>Not Applicable</i> |

20. **If Screen Rate Determination:**

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| (a) | Reference Rate: | See paragraph 18(a) above |
| (b) | Relevant Screen Page: | See paragraph 18(a) above |
| (c) | Interest Determination Date: | See paragraph 18(a) above |

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:**

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| (a) | Specified Period (and, in the case of Notes where the Interest Payment Date(s) are fixed, the Interest Payment Date(s)): | The Interest Payment Dates will be 11th March in each of the years 2005 to 2014. |
| (b) | Business Day Convention: | <i>Not applicable</i> |
| (c) | Business Day definition if different from that in Condition 4(b)(i): | For the purposes of Condition 4(b)(i), " Business Day " means a day on which Trans-European Automated Real-Time Gross Settlement Express Transfer (" TARGET ") System is open |
| (d) | Terms relating to calculation of Interest Amount: | 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 Interest Payment 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). |
| (e) | Party responsible for calculation of interest: | Calculation Agent |

PROVISIONS REGARDING PAYMENTS

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| 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 TARGET System is open. |

Payments in euro will be made by credit or transfer to a euro account (or any other account to which euro 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.

Upon the due date for redemption of any Note, all unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

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):
- Nominal Amount of the Note multiplied by (the sum of 100 per cent. and the Cumulative Interest Rate.
- For the purposes of the above:
- "Cumulative Interest Rate" means the sum of each of the Interest Rates (expressed as a percentage) calculated in respect of each Interest Period during the Floating Rate Note Period, PROVIDED that if such amount is greater than 30 per cent. it will be adjusted downward to equal 30 per cent; and
- "Interest Rate" means, in relation to an Interest Period during the Floating Rate Note Period, 3 per cent. less the Rate of Interest for such Interest Period (as determined in the manner set out above), PROVIDED that if such amount is less than 0 per cent. it shall be adjusted upward to equal 0 per cent.
- (b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: *Not Applicable*
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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 paragraph 27(a) above) except that the definition of "Cumulative Interest Rate" shall be amended, if necessary, to only include each of the Interest Periods 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
CARISBO
Banca Popolare di Novara
Banca Popolare di Lodi
Banca Popolare di Verona - Banco S. Geminiano e S. Prospero
Banca Profilo S.p.A.
Banco di Brescia 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 "Euro im Law")


Law No. 1 of 2nd January, 1991 (to the extent applicable), Legislative Decree No. 385 of 1st September, 1993, as amended by the Euro im 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 Euro im 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: XS0094785580
Common Code: 9478558
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, London.
- (b) All certificates, communications, determinations, calculations and decisions made for the purposes of determining the Rate of Interest of the Notes while they are Floating Rate Notes (under the Schedule); the Final Redemption Amount (under paragraph 27(a)) and the Early Redemption Amount (under paragraph 29), 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.
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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 11th March, 1999).

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Citibank N.A.
(as Agent)