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PRICING SUPPLEMENT

24th February, 1999

**European Bank for Reconstruction and Development
€60,000,000 Step-Down "Lifestyle" Notes due 2014
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 ("euro" or "€")(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: | €60,000,000 |
| 3. | Type of Note: | (i) From and including the Issue Date to but excluding 26th February, 2004: Fixed Rate Notes;

(ii) From and including 26th February, 2004 to but excluding the Maturity Date: Zero Coupon Notes. |
| 4. | Issue Date: | 26th February, 1999 |
| 5. | Issue Price: | 100 per cent. of the Nominal Amount of the Notes |
| 6. | Maturity Date: | 26th February, 2014 |
| 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 |
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10. Specified Denomination: €1,000
11. Exchange of Bearer Notes: Temporary Global Note exchangeable for interests in the Permanent Global Note on or after 40 days after the Issue Date on certification as to non-US beneficial ownership.
12. (a) Talons for future Coupons to be attached to definitive Bearer Notes: No
- (b) Dates on which the Talons mature: N/A
13. (a) Registered holder of Registered Global Notes: N/A
- (b) Exchange of Registered Global Notes: N/A

PROVISIONS RELATING TO INITIAL PAYMENT

14. Partly Paid Notes: No

PROVISIONS RELATING TO INTEREST

15. Interest Commencement Date: 26th February, 1999

Fixed Rate Notes:

16. (a) Fixed Rate of Interest:
- (i) 10 per cent. per annum from and including the Issue Date to but excluding 26th February, 2000;
 - (ii) 5 per cent. per annum from and including 26th February, 2000 to but excluding 26th February, 2001; and
 - (iii) 4 per cent. per annum from and including 26th February, 2001 to but excluding 26th February, 2004.

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 Dates:	26th February, 2000 / 2001 / 2002 / 2003 / 2004
(c)	Initial Broken Amount per denomination:	N/A
(d)	Final Broken Amount per denomination:	N/A

Zero Coupon Notes:

17.	(a)	Accrual Yield:	5.2553 per cent. per annum
	(b)	Reference Price:	80.88968 per cent. of the Nominal Amount of the Notes
	(c)	Other formula or basis for determining Amortised Face Amount:	N/A

Floating Rate Notes and Indexed Notes:

18.	(a)	Manner in which Rate of Interest is to be determined:	N/A
	(b)	Margin(s):	N/A
	(c)	Minimum Interest Rate (if any):	N/A
	(d)	Maximum Interest Rate (if any):	N/A
19.	If ISDA Determination:		
	(a)	Floating Rate Option:	N/A
	(b)	Designed Maturity:	N/A
	(c)	Reset Date:	N/A

20. **If Screen Rate Determination:**
- (a) Reference Rate: N/A
- (b) Relevant Screen Page: N/A
- (c) Interest Determination Date: N/A
21. **If Indexed:** N/A
22. **If Rate of Interest not to be determined by ISDA or Screen Rate Determination or by reference to an Index or Formula:** N/A
23. **General Provisions for Floating Rate Notes and Indexed Notes:**
- (a) Specified Period (and, in the case of Notes where the Interest Payment Date(s) are fixed, the Interest Payment Date(s)): N/A
- (b) Business Day Convention: N/A
- (c) Business Day definition if different from that in Condition 4(b)(i): N/A
- (d) Terms relating to calculation of Interest Amount: N/A
- (e) Party responsible for calculation of interest: N/A

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 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. Each Payment Business Day will be subject to adjustment in accordance with the Modified Following Business Day Convention (as defined in Condition 4(b)(1)(3)). The first sentence of the tenth paragraph of Condition 6(a) shall be modified accordingly.

25. Dual Currency Notes:

N/A

PROVISIONS REGARDING REDEMPTION/MATURITY

26. (a) Redemption at Issuer's option:

No

(b) Redemption at Notchholder'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. of the Nominal Amount of the Notes plus a redemption premium of 35 per cent. of the Nominal Amount of the Notes

(b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount:

N/A

28. Instalment Note:

N/A

29. Early Redemption Amount for each Note payable on an event of default:

Conditions 5(d)(ii) and 5(d)(iii) are amended so that the Early Redemption Amount for each Note is as follows:

(i) while the Notes are Fixed Rate Notes the Early Redemption Amount shall be equal to the Nominal Amount together with accrued interest from and including the last Interest Payment Date (or, if applicable, the Issue Date) up to but excluding the date upon which the Notes are redeemed;

(ii) while the Notes are Zero Coupon Notes the Early Redemption Amount shall be equal to the sum of the Reference Price and the product of the Accrual Yield compounded annually, being applied to the Reference Price from and including 26th February, 2004 to but excluding the date upon which the Notes are redeemed.

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

30. Method of distribution:

Syndicated

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

Chase Manhattan International Limited
 CARISBO S.p.A.
 ICCREA S.p.A.
 Istituto Centrale Delle Banche Popolari Italiane
 Banca Nazionale del Lavoro S.p.A.
 Banco di Brescia S.p.A.

32. Stabilising Dealer/Manager:

Chase Manhattan International Limited

33. Additional sales restrictions:

Each Manager has represented and agreed that:
 (i) no action has been or will be taken which would allow an offering of the Notes to the public in The Republic of Italy ("Italy") and that neither the Prospectus nor any other offering material relating to the Notes may be distributed or made available in Italy;
 (ii) any offering of the Notes in Italy (A) may be made only to professional investors (as defined in 4(1) of CONSOB Regulation No. 6430 of 26th August, 1992, as subsequently amended, including by Legislative Decree No. 58 of 24th February, 1998), (B) shall be preceded and followed by the communications to CONSOB required by such resolutions, (C) if required by Article 129 of Legislative Decree No. 385 of 1st September, 1993, as subsequently amended, shall be preceded and followed by communications to the Bank of Italy in accordance with the relevant CICR and Bank of Italy Regulations and (D) will be conducted in accordance with any relevant limitation the Bank of Italy may impose upon the offer or sale of the Notes. Individual sales of the Notes to any person in Italy may only be made in accordance with Italian Securities, tax and other applicable laws and regulations.

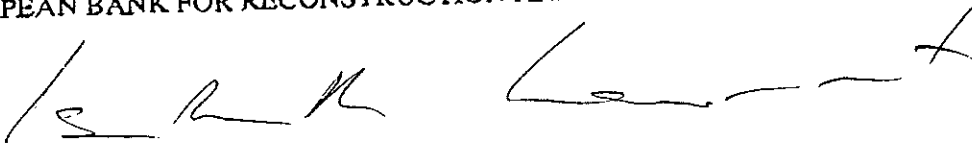
Any offer or sale of the Notes to any person in Italy shall be made through an investment firm or bank authorised or permitted to conduct such activity in Italy, in accordance with the provisions of Article 94 et seq. of the Legislative Decree No.58 of 24th February, 1998, the relevant stock exchange rules, any sales in Italy will be made in accordance with

- Italian securities, tax and other applicable laws and regulations.
34. Details of additional/alternative clearing system approved by the Issuer and the Agent: None
35. Additional Information: N/A
36. Security Codes: Notes held through Euroclear or Cedelbank:
ISIN: XS0094713756
Common Code: 9471375
- (a) Notes to be listed: Yes
- (b) Stock Exchange(s): London Stock Exchange Limited
37. Additional Provisions: N/A

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 26th February, 1999).

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Citibank N.A.
(as Agent)