

## PRICING SUPPLEMENT

30 March 2007

**European Bank for Reconstruction and Development (“EBRD”)  
ISK 1,500,000,000 12.50% Notes due 4 April 2008 (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 Base Prospectus dated 10 August 2006 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus. The Base Prospectus is available for viewing and copies may be obtained from EBRD, One Exchange Square, London EC2A 2JN, United Kingdom.

#### SUMMARY OF THE NOTES

1	Specified Currency:	Icelandic Krona (“ <b>ISK</b> ”)
2	Nominal Amount:	ISK 1,500,000,000
3	Type of Note:	Fixed Rate
4	Issue Date:	3 April 2007
5	Issue Price:	100.24 per cent.
6	Maturity Date:	4 April 2008
7	Fungible with existing Notes:	No
8	Pricing Supplement to be read in conjunction with Base Prospectus dated:	10 August 2006

#### FORM OF THE NOTES

9	Form of Note:	Bearer
10	New Global Note:	No
11	Specified Denomination(s):	ISK 100,000
12	Exchange of Bearer Notes:	Temporary Global Note exchangeable for permanent Global Note on certification as to non-US beneficial ownership on or after 40 days after the Issue Date and thereafter permanent Global Note exchangeable only upon an Exchange Event
13	(a) Talons for future Coupons to be attached to definitive Bearer Notes:	No
	(b) Date(s) on which the Talons mature:	Not Applicable

- 14 (a) Registered holder of Registered Global Note: Not Applicable
- (b) Exchange of Registered Global Note: Not Applicable

**PROVISIONS RELATING TO INITIAL PAYMENT**

- 15 Partly Paid Notes: No

**PROVISIONS RELATING TO INTEREST**

- 16 Interest Commencement Date: 3 April 2007

**Fixed Rate Notes:**

- 17 (a) Fixed Rate of Interest: 12.50 per cent. per annum payable on the Fixed Interest Date  
For the avoidance of doubt, ISK 12,534.25 shall be payable per Specified Denomination on the Fixed Interest Date
- (b) Fixed Interest Date: 4 April 2008 (long coupon)
- (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): “**Business Day**” means a 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 London and Reykjavik and on which the TARGET System is open.
- (h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No

- 18 **Zero Coupon Notes:** Not Applicable

- 19 **Floating Rate Notes and Indexed Notes:** Not Applicable

**PROVISIONS REGARDING PAYMENTS/DELIVERIES**

- 20 Definition of “Payment Day” for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies
- 21 Dual Currency Notes: Not Applicable
- 22 Physically Settled Notes: Not Applicable

## PROVISIONS REGARDING REDEMPTION/MATURITY

- 23 (a) Redemption at Issuer's option: No  
(b) Redemption at Noteholder's option: No
- 24 (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.  
(b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: Not Applicable
- 25 Instalment Note: Not Applicable
- 26 Early Redemption Amount for each Note payable on an event of default: 100 per cent.

## DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

- 27 Method of distribution: Syndicated
- 28 If syndicated, names of Managers or, if non-syndicated names of Purchasers: Deutsche Bank AG, London Branch (Lead Manager)  
ABN AMRO Bank N.V.  
KBC Bank NV  
UBS Limited
- 29 Date of Syndication Agreement: 30 March 2007
- 30 Stabilising Agent(s) Deutsche Bank AG, London Branch
- 31 Additional sales restrictions: Each Manager has represented and agreed that it will not offer Notes to the public in Iceland, except in compliance with the Icelandic Act on Securities Transactions (No.33/2003) and any applicable laws or regulations of Iceland.
- 32 Details of additional/alternative clearing system approved by the Issuer and the Agent: Not Applicable
- 33 Intended to be held in a manner which would allow Eurosystem eligibility: No
- 34 Common Code: 029371857  
ISIN Code: XS0293718572  
CUSIP Number: Not Applicable
- 35 Listing: Official List of the UK Listing Authority and trading on the Gilt Edged and Fixed Interest Market of the London Stock Exchange
- 36 In the case of Notes denominated in the currency of a country that Not applicable

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.

- 37** Additional Information: None
- 38** Total Commissions: ISK 15,000,000

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 Euro 20,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development as from 3 April 2007.

.....  
**CITIBANK, N.A.**  
(as Agent)

## PART B – OTHER INFORMATION

### 1 LISTING

- (i) Listing: London
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on the London Stock Exchange's Gilt Edged and Fixed Interest Market on 3 April 2007 with effect from 3 April 2007.

### 2 RATINGS

The Issuer and/or its debt obligations have been assigned a AAA credit rating from Standard & Poor's Ratings Services Limited ("**S&P**") since 1991, a Aaa credit rating from Moody's Investors Service Limited ("**Moody's**") since 1992 and a AAA credit rating from Fitch Ratings Limited ("**Fitch**") since 2002. 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 NOTIFICATION

Not Applicable

### 4 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

"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."

### 5 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer The net proceeds of the issue of the Notes will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.
- (ii) Estimated net proceeds: ISK 1,487,400,000
- (iii) Estimated total expenses: ISK 1,200,000 (approximately EUR 13,000) to cover legal expenses, listing and agency fees

### 6 YIELD

Indication of yield: 12.229 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.

### 7 HISTORIC INTEREST RATES

Not Applicable

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

Not Applicable

**9 PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

Not Applicable