

## PRICING SUPPLEMENT

21 May 2010

**European Bank for Reconstruction and Development**  
**USD 25,000,000 Callable Zero Coupon Notes due 25 May 2040**  
**issued pursuant to a Global Medium Term Note Programme**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 11 August 2009 and the Supplementary Prospectus dated 17 May 2010. This Pricing Supplement must be read in conjunction with such Base Prospectus as so supplemented. The Base Prospectus and the Supplementary Prospectus are 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:           | United States Dollar ("USD")        |
| 2. | Nominal Amount:               | USD 25,000,000                      |
| 3. | Type of Note:                 | Zero Coupon                         |
| 4. | Issue Date:                   | 25 May 2010                         |
| 5. | Issue Price:                  | 100 per cent. of the Nominal Amount |
| 6. | Maturity Date:                | 25 May 2040                         |
| 7. | Fungible with existing Notes: | No                                  |

### FORM OF THE NOTES

- |     |  |  |
|-----|--|--|
| 8.  | Form of Note:  | Bearer   |
| 9.  | New Global Note:   | No   |
| 10. | Specified Denomination:  | USD 100,000  |
| 11. | 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 |
| 12. | (a) Talons for future Coupons to be attached to definitive Bearer Notes: | No   |
|     | (b) Date(s) on which the Talons Not Applicable mature:                   |  |
| 13. | (a) Registered holder of Registered Global Note:                         | Not Applicable   |

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

**PROVISIONS RELATING TO INITIAL PAYMENT**

14. Partly Paid Notes: Not Applicable

**PROVISIONS RELATING TO INTEREST**

15. Interest Commencement Date: Not Applicable
16. Fixed Rate Notes: Not Applicable
17. Zero Coupon Notes: Applicable
- (a) Accrual Yield: 5.355 per cent. per annum
- (b) Reference Price: USD 100,000 per Specified Denomination
- (c) Other formula or basis for determining Amortised Face Amount: Not Applicable
- (d) Business Day Convention Modified Following Business Day
- (e) Day Count Fraction in relation to Early Redemption Amounts and late payment: Conditions 5(d)(iii) and 5(h) 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) applies and the additional business centres are London and New York City.
20. Dual Currency Notes: Not Applicable
21. Physically Settled Notes: Not Applicable

**PROVISIONS REGARDING REDEMPTION/MATURITY**

22. (a) Redemption at Issuer's option: Yes

The Issuer has the right to redeem the Notes (in whole but not in part) on an Optional Early Termination Date (as defined below) at the relevant Optional Redemption Amount (as set out in the Annex attached hereto) by giving notice to the Agent of such redemption not less than five (5) Business Days (as defined below) prior to the relevant Optional Early Termination Date.

The Agent shall give notice of such redemption to the holders of the Notes as soon as is practicable, but in any event not later than two (2) Business Days thereafter in accordance with Condition 5(b) (except that the timing of such notice as referred to therein shall be amended as set out above).

*Where:*

**“Business Day”** means any 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 New York City.

**“Optional Early Termination Date”** means 25 May every two years, from (and including) 25 May 2011 to (and including) 25 May 2039, subject to adjustment in accordance with the Modified Following Business Day Convention (as defined below).

**“Modified Following Business Day Convention”** means that where an Optional Early Termination Date would otherwise fall on a day which is not a Business Day, then such Optional Early Termination Date shall be postponed to the next day which is a Business Day, unless it would thereby fall into the next calendar month, in which event such Optional Early Termination Date shall be brought forward to the immediately preceding Business Day.

“Optional Redemption Amount” means the amount specified in the Annex attached hereto opposite the corresponding Optional Early Termination Date.

- (b) Redemption at Noteholder’s No option:
23. (a) Final Redemption Amount for USD 478,249.52 per Specified Denomination each Note (*other than* an Indexed or Formula Note where the index or formula applies to the redemption amount):
- (b) Final Redemption Amount for Not Applicable each Indexed Note where the Index or Formula applies to the Final Redemption Amount:
24. Instalment Note: Not Applicable
25. Early Redemption Amount for each Note payable on an event of default: Condition 5(d) shall apply

#### **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: Banco Bilbao Vizcaya Argentaria, S.A  
Vía de los Poblados s/n, 28033 Madrid  
Spain
28. Date of Syndication Agreement: Not Applicable
29. Stabilising Manager(s): Not Applicable
30. Non-exempt Offer: Not Applicable
31. Additional sales restrictions: Not Applicable
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: 051030885
- ISIN Code: XS0510308850
- CUSIP Number: Not Applicable
35. Listing: Not Applicable

36. 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
37. Additional Information: Not Applicable
38. Total Commissions: None

**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: Y. B. Red SUP (AC)  
 Duly Authorised Officer

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 CITIBANK, N.A.  
 (as Agent)

## ANNEX

Issuer's Optional Early Termination Date	Optional Redemption Amount per Specified Denomination
25 May 2011	105,355.00
25 May 2013	116,940.64
25 May 2015	129,800.32
25 May 2017	144,074.15
25 May 2019	159,917.64
25 May 2021	177,503.40
25 May 2023	197,023.02
25 May 2025	218,689.17
25 May 2027	242,737.89
25 May 2029	269,431.19
25 May 2031	299,059.90
25 May 2033	331,946.80
25 May 2035	368,450.19
25 May 2037	408,967.78
25 May 2039	453,940.98