

Public Offer for the Subscription of the Bonds

**"EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO
CMS RATES DUE 2025"**

FOR A MAXIMUM NOMINAL AMOUNT OF EURO 200,000,000
PRINCIPAL CHARACTERISTICS OF THE BONDS

<p><i>Issuer:</i> European Bank for Reconstruction and Development</p> <p><i>Rating of the Issuer:</i> AAA - Standard & Poor's Rating Services, Aaa - Moody's Investor Services Ltd and AAA - Fitch Ratings Ltd.</p> <p><i>ISIN Code:</i> IT0006592981</p> <p><i>Nominal Amount:</i> unit: Euro 1,000</p> <p><i>Issue Price:</i> at par (100% of the nominal value).</p> <p><i>Due date:</i> 22 July 2005</p> <p><i>Interest:</i> The bonds will accrue gross interest on the nominal value and will be paid on the 22 July of each year in which the debt is still standing (the "Payment Date"), starting on 22 July 2006.</p> <p>The above mentioned interest rates will be equal to:</p> <ul style="list-style-type: none"> - 5% gross per annum for the first coupon and 4% gross per annum for second and third coupons payable respectively on 22 July 2006, 22 July 2007 and 22 July 2008 (the "Fixed Coupons"); - an amount calculated on the basis of the following formula for all the other coupons, payable starting from 22 July 2009 (the "Floating Coupons"): $5 * (\text{CMS } 10 - \text{CMS } 2)$ <p>where:</p> <p>"CMS 10" means the annual swap rate for Euro swap transactions with a maturity of 10 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time, on the day that is 5</p>	<p>Each Floating Coupon cannot in any case be less than 0.00% gross per annum.</p> <p>Each Floating Coupon cannot in any case be higher than CMS 10 for the relevant calculation period.</p> <p>The interest on the bonds will be calculated on an Actual/Actual - ISMA basis.</p> <p><i>Redemption:</i> in a single payment on 22 July 2025 ("Redemption Date") at par (100% of the nominal value).</p> <p><i>Clearing System:</i> The payment of interest and the redemption of the bonds will be done by the dematerialised securities clearing system managed by Monte Titoli S.p.A., through its authorised intermediaries. Clearing will also take place indirectly through the Euroclear and Clearstream systems.</p> <p><i>Tax Regime:</i> pursuant to Legislative Decree No. 239 of 1 April 1996, as subsequently amended and integrated, interest and other income deriving from the bonds are subject to a tax withheld at source at the current rate of 12.50%, in the circumstances and manner and within the time limits set forth therein. Capital gains or losses in respect of the bonds are subject to the regime provided by art. 67 and 68 of the Italian Income Tax Act and by Legislative Decree No. 461 of 21 November 1997 as subsequently amended and integrated.</p> <p><i>Listing:</i> A request will be filed for the listing of the bonds on the <i>Mercato Telematico delle Obbligazioni e Titoli di Stato</i> (M.O.T.),</p>
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<p>TARGET Business Days preceding the beginning of each calculation period; and</p> <p>"CMS 2" means the annual swap rate for Euro swap transactions with a maturity of 2 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time, on the day that is 5 TARGET Business Days preceding the beginning of each calculation period.</p> <p>On the Redemption Date it also is provided a payment of a further amount equal to the greater of (i) 0.00% and (ii) the difference between 40% of the nominal value of the bonds and the total amount of all Fixed Coupons and Floating Coupons already paid.</p>	<p>organised and managed by <i>Borsa Italiana S.p.A.</i></p>
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TERMS AND CONDITIONS OF THE PLACEMENT

The bonds are offered by a pool of managers lead by Morgan Stanley & Co. International Limited and Banca Akros S.p.A.- *Gruppo Banca Popolare di Milano*.

The bonds are offered indistinctly to the public and to professional investors in Italy: the bonds shall be offered for subscription from 11 July 2005 to 19 July 2005 - unless the closing date is brought forward with no prior notice - and shall be satisfied to the extent that such bonds are available by each of the following entities appointed for the placement (*Soggetti Incaricati del collocamento*):

Banca Akros S.p.A. - Gruppo Banca Morgan Stanley & Co. International Limited
Popolare di Milano

Banca Popolare di Sondrio S.c.a r.l. Banca Finnat Euramerica S.p.A.

Iccrea Banca S.p.A. Banca Popolare dell'Alto Adige S.c.a r.l.

Banca Popolare di Milano S.c.a r.l. Banca Popolare dell'Emilia Romagna S.c.a r.l.

Banca Cesare Ponti S.p.A.

The bonds will be paid with the value dated 22 July 2005 to the entities appointed for the placement. The bonds will be held by Monte Titoli S.p.A.

This notice is only an advertising message for promotional purposes. Potential investors should refer to the *Foglio Informativo*, *Nota Integrativa* and to the *Regolamento* for a detailed description of the terms and conditions and risk factors of the bonds which the entities appointed for the placement shall make freely available at the request of any such potential investor.

Until the issue date, the Issuer reserves the right to withdraw the offer (in such case any booking for subscription of the bonds will be considered null and void) and to close it in advance by giving prompt notice thereof.

This offer involves risk factors of the bonds indexed to the yield of swap.



THE FOLLOWING TRANSLATION IS MADE FOR INFORMATION PURPOSES ONLY. IN CASE OF ANY INCONSISTENCY BETWEEN THE ITALIAN VERSION AND THE ENGLISH VERSION, THE ITALIAN VERSION SHALL PREVAIL



PUBLIC OFFERING OF BONDS

**“EUROPEAN BANK FOR RECONSTRUCTION AND
DEVELOPMENT BONDS LINKED TO CMS RATES DUE 2025”**

OF MAXIMUM NOMINAL AMOUNT OF UP TO EURO 200 MILLION
FOR A MAXIMUM NUMBER OF 200,000 NOTES WITH A MINIMUM
DENOMINATION OF EURO 1,000 EACH



TERMS AND CONDITIONS OF THE PLACEMENT

The bonds are offered by a syndicate group of banks lead by: Morgan Stanley & Co. International Limited Banca Akros S.p.A. - Gruppo Banca Popolare di Milano.

The payment of the bonds shall take place on 22 July 2005. The booking forms will be accepted from 11 July 2005 to 19 July 2005 - save for early and not notified prior notice closure - and will be satisfied within the limits of the quantity of notes available with each bank of the syndicate group.

The offering involves the typical risks related to an investment in securities issued by banks indexed to the performance of Swap rates.

Before applying to the offering, please read the Information Sheet (*Foglio Informativo*), the Integrative Note (*Nota Integrativa*) and the Terms and Condition of the Bonds (*Regolamento*) which the relevant bank of the syndicate group shall supply to the client and sign the relevant booking form.



**BOOKING FORM FOR THE SUBSCRIPTION OF THE OFFERING OF THE BOND
"EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO CMS
RATES DUE 2025"
(ISIN Code: IT0006592981)
OF MAXIMUM NOMINAL OF EURO 200,000,000
FOR A MAXIMUM NUMBER OF 200,000 NOTES WITH A MINIMUM DENOMINATION OF
EURO 1,000 EACH**

To the Bank of the Syndicate Group ("*Soggetto Incaricato*")

Name of applicant _____ fiscal code _____

Domiciled in _____ postal code _____

Address _____ No. _____

ACKNOWLEDGES AND AGREES to the terms and conditions of the placement of the abovementioned placement of the bonds which are described in the documents attached to this booking form. Such documentation consists of the Terms and Conditions of the Bond (*Regolamento*), the Informative Sheet (*Foglio Informativo*) and the Supplementary Note (*Nota Integrativa*).

REQUESTS No. _____ (_____) (A) bonds with a denomination of Euro 1,000 each, at Euro 1,000 issue price.

UNDERTAKES TO PAY on 22 July 2005, the amount of Euro _____⁽¹⁾

by drawing from the non interest bearing account;

authorising the withdrawal from account No. _____

ACKNOWLEDGES that the assigned bonds will be cleared in dematerialised form (*forma dematerializzata*) with Monte Titoli S.p.A and requests that such bonds be credited on its deposit account No. _____ with the below mentioned bank for the syndicate group.

ACKNOWLEDGES that, in this transaction, the bank for the syndicate group as a member of the syndicate for the public offering of the notes has a conflicting interest.

CONFIRMS under his own liability, for all legal effect, that the information supplied in this schedule is true and accurate.

DECLARES to be aware that any inconsistency of the booking order may lead to its voidness.

Pursuant to Article 30 of Law Decree No. 58/98, the suspension of the effects of the Agreements signed in a different place from the registered office does not apply. Pursuant to Article 13 of Legislative Decree No.196, it should be noted that the information supplied in relation to the signing of this booking order, will be used, including by way of computer databases, for purposes which are directly instrumental and connected to the offering (the collection of the booking forms, checking of the consistency, distribution and assignment). In relation to the abovementioned use of private data, the applicant may exercise all the rights stated in Article 7 of Legislative Decree No. 196 of 30 June 2003. The acquisition of personal data is mandatory and the failure to supply the aforesaid data will result in the booking order being unsubmitable. The entities in charge of the treatment of the personal data are, respectively: European Bank for Reconstruction and Development One Exchange Square, London EC2A 2JN United Kingdom and the below mentioned bank of the syndicate group.

(Place)

(date and time)

(applicant's signature)

(stamp and signature of bank for the placement)

(1) Equal to (A) for Euro 1,000

STATISTICAL DATA (cross out the box which corresponds to the applicant)		
Public <input type="checkbox"/>	Institutional Investors Italy <input type="checkbox"/>	Foreign Investors <input type="checkbox"/>

TERMS AND CONDITIONS

(REGOLAMENTO)

"EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO CMS RATES DUE 2025"

(ISIN CODE IT0006592981)

Article 1- **AMOUNT, DENOMINATION AND TYPE OF BONDS**

European Bank for Reconstruction and Development bonds denominated "European Bank for Reconstruction and Development Bonds Linked to CMS Rates Due 2025" for a maximum nominal amount of up to Euro 200 million consist of a maximum of 200,000 bonds with a denomination of Euro 1,000 each (the "**Bonds**").

The Bonds shall be admitted to the dematerialised securities clearing system managed by Monte Titoli S.p.A. pursuant to Legislative Decree No. 213 of 24 June 1998. It is also provided the clearance through Euroclear and Clearstream.

Article 2 - **ISSUE PRICE**

The Bonds are issued at par at the price of Euro 1,000 each (the "**Nominal Value**").

Article 3 - **ENTITLEMENT**

The Bonds entitlement shall be on 22 July 2005 (the "**Issue Date**").

Article 4 - **DURATION, ISSUE DATE AND REDEMPTION**

The Bonds will be redeemed in twenty years. The Bonds will be issued on 22 July 2005 and will be redeemed on 22 July 2025 (the "**Redemption Date**").

Article 5 - **INTEREST**

The Bonds will accrue gross interest on each Denomination, which will be paid to bondholders pursuant to the terms and conditions provided in article 8 below, on the 22 July of each year in which the debt is still outstanding (the "**Payment Date**"), subject to the Following Business Day Convention, as such term is defined in article 8 below, starting on 22 July 2006.

The above mentioned interest rates will be equal to:

- 5.00% gross per annum for the first coupon, payable on 22 July 2006;
- 4.00% gross per annum for the second and third coupons, payable respectively on 22 July 2007 and 22 July 2008 (together with the coupon payable on 22 July above the "**Fixed Coupons**"); and
- an amount calculated on the basis of the following formula for all the other coupons, payable starting from 22 July 2009 (the "**Floating Coupons**");

$$5*(CMS 10 - CMS 2)$$

where:

"CMS 10" means the annual swap rate for euro swap transactions with a maturity of 10 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time on the Determination Date (as defined below); and

"CMS 2" means the annual swap rate for euro swap transactions with a maturity of 2 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time on the Determination Date (as defined below).

On the Redemption Date it also is provided a payment of a further amount equal to the greater of (i) 0,00% and (ii) the difference between 40% of the Nominal Value of the Bonds and the total amount of all Fixed Coupons and Floating Coupons already paid.

"Determination Date" means the day that is five (5) TARGET Business Days preceding the beginning of each Calculation Period.

"TARGET Business Day" means a day in which the Trans-European Automated Real Time Gross Settlement Express Transfer is operating.

Where CMS 10 and/or CMS 2 does not appear on Reuters Screen ISDAFIX2 Page (or any successor or other relevant page) on 11 AM Frankfurt time on the Determination Date for any Calculation Period, the Determination Agent (as defined in art. 12 below) may fix a substitute value for such unavailable rate by requesting five major market operators selected by the Determination Agent to provide such a rate, and on the basis of the following: (i) if at least three quotations are provided, the rate for that Calculation Period will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) and (ii) if less than three quotations are provided, the rate for that Calculation Period will be fixed at the reasonable discretion of the Determination Agent, acting in good faith and in a commercially reasonable manner.

Each Floating Coupon cannot in any case be less than 0.00% gross per annum.

Each Floating Coupon cannot be higher than the CMS 10 for the relevant Calculation Period.

The interest on the Bonds will be calculated on an Actual/Actual - ISMA basis.

"Actual/Actual - ISMA" means the number of days from and including the date on which interest begins to accrue during the relevant Calculation Period to but excluding the date on which it actually falls due, divided by the actual number of days in the relevant Calculation Period.

"Calculation Period" means the period starting from and including 22 July in each year to but excluding 22 July in the following year. For the avoidance of doubt, the first Calculation Period commences on 22 July 2005.

Article 6 - **REDEMPTION**

The Bonds will be redeemed at par, in a single payment, by the authorised intermediaries parties to the dematerialised securities clearing system managed by Monte Titoli S.p.A..

"Business Day" means a TARGET Business Day and a London Business Day.

"London 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.

The Bonds will cease to accrue interest from the Redemption Date.

Article 7 - **TAX REGIME**

Tax treatment of income: according to the provisions of Legislative Decree No. 239 of 1 April 1996, as subsequently amended and integrated, the interest and other income deriving from the Bonds are subject to a tax withheld at source, referred to as *imposta sostitutiva*, levied at the current rate of 12.50%.

Taxation of capital gains: capital gains, other than those obtained in carrying out commercial activities, in connection with the transfer against consideration or redemption of the bonds (Article 67 of the d.P.R. 22 December 1986, n.917, as amended and supplemented ("Italian Income Tax Act"), are subject to a tax withheld at source, referred to as *imposta sostitutiva*, levied at the current rate of 12.50%.

Capital gains and capital loss are determined in accordance with the criteria set out in Article 68 of the Italian Income Tax Act and subject to the tax regime pursuant to the ordinary regime referred to in Article 5 ("*Regime della dichiarazione*") or pursuant the optional regimes referred to in Article 6 ("*Risparmio amministrato*") and Article 7 ("*Risparmio gestito*") of Legislative Decree 21 November 1997, N. 461.

The relevant payments of the Bonds are subject to any application laws and tax provisions.

The issuer and/or the paying agent will not be required to make any additional payments where any deductions or payments have to be made in relation to the Bonds. In no case will the issuer and/or paying agent be liable before the bondholders or to any other person for any commission, costs, losses or expenses related to or resulting from such deductions or payments.

Article 8 - **CLEARING SYSTEM**

The payment of interest and the redemption of the Bonds will be done by the dematerialised securities clearing system managed by Monte Titoli S.p.A., through its authorised intermediaries. If any payment relating to the Bonds does not fall on a Business Day, then such payment will be paid on the Business Day immediately thereafter (the "**Following Business Day Convention**"), provided that the following scheduled payment date will not be subject to any change and without giving any right to the payment of interest for any additional days.

Article 9 - **PRESCRIPTION**

In relation to the interest, the rights of the bondholders will expire after five years from the payment date of the coupons and, in respect to the principal, after ten years from the redemption date of the Bonds.

Article 10 - **LISTING**

An application will be filed for the listing of the Bonds on the *Mercato Telematico delle obbligazioni e titoli di Stato (M.O.T.)*, organised and managed by *Borsa Italiana S.p.A.*.

Article 11 - **CALCULATION AGENT**

Citibank N.A. shall act as Calculation Agent.

Article 12 - **DETERMINATION AGENT**

Bank of America N.A. shall act as Determination Agent.

Article 13 - **MISCELLANEOUS**

Any notice from the issuer shall be made, unless otherwise provided by law, through an announcement published in a daily newspaper having national circulation or in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*).

Any notice in relation to any ordinary communication to be made by issuer to Bondholders shall be made through Monte Titoli S.p.A. system for communication by it to entitled account holders. Any notice delivered to Monte Titoli S.p.A. in accordance with the preceding sentence shall be deemed to have been given to the Bondholders on the day on which the notice is delivered to Monte Titoli S.p.A..

The holding of Bonds entails the full acceptance of any condition established herein.

The Bonds are subject to the laws of Italy.

Any dispute between the bondholders and the Issuer shall be settled by the Courts of Rome, save as provided in Article 1469 *bis* of the Italian Civil Code.



**BOOKING FORM FOR THE SUBSCRIPTION OF THE OFFERING OF THE BOND
"EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO CMS
RATES DUE 2025"
(ISIN Code: IT0006592981)
OF MAXIMUM NOMINAL OF EURO 200,000,000
FOR A MAXIMUM NUMBER OF 200,000 NOTES WITH A MINIMUM DENOMINATION OF
EURO 1,000 EACH**

To the Bank of the Syndicate Group ("*Soggetto Incaricato*")

Name of applicant _____ fiscal code _____

Domiciled in _____ postal code _____

Address _____ No. _____

ACKNOWLEDGES AND AGREES to the terms and conditions of the placement of the abovementioned placement of the bonds which are described in the documents attached to this booking form. Such documentation consists of the Terms and Conditions of the Bond (*Regolamento*), the Informative Sheet (*Foglio Informativo*) and the Supplementary Note (*Nota Integrativa*).

REQUESTS No. _____ (_____) (A) bonds with a denomination of Euro 1,000 each, at Euro 1,000 issue price.

UNDERTAKES TO PAY on 22 July 2005, the amount of Euro _____⁽¹⁾

by drawing from the non interest bearing account;

authorising the withdrawal from account No. _____

ACKNOWLEDGES that the assigned bonds will be cleared in dematerialised form (*forma dematerializzata*) with Monte Titoli S.p.A and requests that such bonds be credited on its deposit account No. _____ with the below mentioned bank for the syndicate group.

ACKNOWLEDGES that, in this transaction, the bank for the syndicate group as a member of the syndicate for the public offering of the notes has a conflicting interest.

CONFIRMS under his own liability, for all legal effect, that the information supplied in this schedule is true and accurate.

DECLARES to be aware that any inconsistency of the booking order may lead to its voidness.

Pursuant to Article 30 of Law Decree No. 58/98, the suspension of the effects of the Agreements signed in a different place from the registered office does not apply. Pursuant to Article 13 of Legislative Decree No.196, it should be noted that the information supplied in relation to the signing of this booking order, will be used, including by way of computer databases, for purposes which are directly instrumental and connected to the offering (the collection of the booking forms, checking of the consistency, distribution and assignment). In relation to the abovementioned use of private data, the applicant may exercise all the rights stated in Article 7 of Legislative Decree No. 196 of 30 June 2003. The acquisition of personal data is mandatory and the failure to supply the aforesaid data will result in the booking order being unsubmitable. The entities in charge of the treatment of the personal data are, respectively: European Bank for Reconstruction and Development One Exchange Square, London EC2A 2JN United Kingdom and the below mentioned bank of the syndicate group.

(Place)

(date and time)

(applicant's signature)

(stamp and signature of bank for the placement)

(1) Equal to (A) for Euro 1,000

STATISTICAL DATA (cross out the box which corresponds to the applicant)		
Public <input type="checkbox"/>	Institutional Investors Italy <input type="checkbox"/>	Foreign Investors <input type="checkbox"/>

TERMS AND CONDITIONS

(REGOLAMENTO)

"EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO CMS RATES DUE 2025"

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Article 1- AMOUNT, DENOMINATION AND TYPE OF BONDS

European Bank for Reconstruction and Development bonds denominated "European Bank for Reconstruction and Development Bonds Linked to CMS Rates Due 2025" for a maximum nominal amount of up to Euro 200 million consist of a maximum of 200,000 bonds with a denomination of Euro 1,000 each (the "**Bonds**").

The Bonds shall be admitted to the dematerialised securities clearing system managed by Monte Titoli S.p.A. pursuant to Legislative Decree No. 213 of 24 June 1998. It is also provided the clearance through Euroclear and Clearstream.

Article 2 - ISSUE PRICE

The Bonds are issued at par at the price of Euro 1,000 each (the "**Nominal Value**").

Article 3 - ENTITLEMENT

The Bonds entitlement shall be on 22 July 2005 (the "**Issue Date**").

Article 4 - DURATION, ISSUE DATE AND REDEMPTION

The Bonds will be redeemed in twenty years. The Bonds will be issued on 22 July 2005 and will be redeemed on 22 July 2025 (the "**Redemption Date**").

Article 5 - INTEREST

The Bonds will accrue gross interest on each Denomination, which will be paid to bondholders pursuant to the terms and conditions provided in article 8 below, on the 22 July of each year in which the debt is still outstanding (the "**Payment Date**"), subject to the Following Business Day Convention, as such term is defined in article 8 below, starting on 22 July 2006.

The above mentioned interest rates will be equal to:

- 5.00% gross per annum for the first coupon, payable on 22 July 2006;
- 4.00% gross per annum for the second and third coupons, payable respectively on 22 July 2007 and 22 July 2008 (together with the coupon payable on 22 July above the "**Fixed Coupons**"); and
- an amount calculated on the basis of the following formula for all the other coupons, payable starting from 22 July 2009 (the "**Floating Coupons**");

$5 \cdot (\text{CMS } 10 - \text{CMS } 2)$

where:

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"CMS 2" means the annual swap rate for euro swap transactions with a maturity of 2 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time on the Determination Date (as defined below).

On the Redemption Date it also is provided a payment of a further amount equal to the greater of (i) 0,00% and (ii) the difference between 40% of the Nominal Value of the Bonds and the total amount of all Fixed Coupons and Floating Coupons already paid.

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Each Floating Coupon cannot in any case be less than 0.00% gross per annum.

Each Floating Coupon cannot be higher than the CMS 10 for the relevant Calculation Period.

The interest on the Bonds will be calculated on an Actual/Actual - ISMA basis.

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"Calculation Period" means the period starting from and including 22 July in each year to but excluding 22 July in the following year. For the avoidance of doubt, the first Calculation Period commences on 22 July 2005.

Article 6 - **REDEMPTION**

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The Bonds will cease to accrue interest from the Redemption Date.

Article 7 - **TAX REGIME**

Tax treatment of income: according to the provisions of Legislative Decree No. 239 of 1 April 1996, as subsequently amended and integrated, the interest and other income deriving from the Bonds are subject to a tax withheld at source, referred to as *imposta sostitutiva*, levied at the current rate of 12.50%.

Taxation of capital gains: capital gains, other than those obtained in carrying out commercial activities, in connection with the transfer against consideration or redemption of the bonds (Article 67 of the d.P.R. 22 December 1986, n.917, as amended and supplemented ("Italian Income Tax Act"), are subject to a tax withheld at source, referred to as *imposta sostitutiva*, levied at the current rate of 12.50%.

Capital gains and capital loss are determined in accordance with the criteria set out in Article 68 of the Italian Income Tax Act and subject to the tax regime pursuant to the ordinary regime referred to in Article 5 ("*Regime della dichiarazione*") or pursuant the optional regimes referred to in Article 6 ("*Risparmio amministrato*") and Article 7 ("*Risparmio gestito*") of Legislative Decree 21 November 1997, N. 461.

The relevant payments of the Bonds are subject to any application laws and tax provisions.

The issuer and/or the paying agent will not be required to make any additional payments where any deductions or payments have to be made in relation to the Bonds. In no case will the issuer and/or paying agent be liable before the bondholders or to any other person for any commission, costs, losses or expenses related to or resulting from such deductions or payments.

Article 8 - **CLEARING SYSTEM**

The payment of interest and the redemption of the Bonds will be done by the dematerialised securities clearing system managed by Monte Titoli S.p.A., through its authorised intermediaries. If any payment relating to the Bonds does not fall on a Business Day, then such payment will be paid on the Business Day immediately thereafter (the "**Following Business Day Convention**"), provided that the following scheduled payment date will not be subject to any change and without giving any right to the payment of interest for any additional days.

Article 9 - **PRESCRIPTION**

In relation to the interest, the rights of the bondholders will expire after five years from the payment date of the coupons and, in respect to the principal, after ten years from the redemption date of the Bonds.

Article 10 - **LISTING**

An application will be filed for the listing of the Bonds on the *Mercato Telematico delle obbligazioni e titoli di Stato (M.O.T.)*, organised and managed by *Borsa Italiana S.p.A.*.

Article 11 - **CALCULATION AGENT**

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Any notice in relation to any ordinary communication to be made by issuer to Bondholders shall be made through Monte Titoli S.p.A. system for communication by it to entitled account holders. Any notice delivered to Monte Titoli S.p.A. in accordance with the preceding sentence shall be deemed to have been given to the Bondholders on the day on which the notice is delivered to Monte Titoli S.p.A..

The holding of Bonds entails the full acceptance of any condition established herein.

The Bonds are subject to the laws of Italy.

Any dispute between the bondholders and the Issuer shall be settled by the Courts of Rome, save as provided in Article 1469 *bis* of the Italian Civil Code.

THE FOLLOWING TRANSLATION IS MADE FOR INFORMATION PURPOSES ONLY. IN CASE OF ANY INCONSISTENCY BETWEEN THE ITALIAN VERSION AND THE ENGLISH VERSION, THE ITALIAN VERSION SHALL PREVAIL



**BOOKING FORM FOR THE SUBSCRIPTION OF THE OFFERING OF THE BOND
"EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS
LINKED TO CMS RATES DUE 2025"
(ISIN Code: IT0006592981)
OF MAXIMUM NOMINAL OF EURO 200,000,000**

**FOR A MAXIMUM NUMBER OF 200,000 NOTES WITH A MINIMUM
DENOMINATION OF EURO 1,000 EACH**

To the Bank of the Syndicate Group ("*Soggetto Incaricato*")

Name of applicant _____ fiscal code _____

Domiciled in _____ postal code _____

Address _____ No. _____

ACKNOWLEDGES AND AGREES to the terms and conditions of the placement of the abovementioned placement of the bonds which are described in the documents attached to this booking form. Such documentation consists of the Terms and Conditions of the Bond (*Regolamento*), the Informative Sheet (*Foglio Informativo*) and the Supplementary Note (*Nota Integrativa*).

REQUESTS No. _____ (_____) (A) bonds with a denomination of Euro 1,000 each, at Euro 1,000 issue price.

UNDERTAKES TO PAY on 22 July 2005, the amount of Euro _____⁽¹⁾

by drawing from the non interest bearing account;

authorising the withdrawal from account No. _____

ACKNOWLEDGES that the assigned bonds will be cleared in dematerialised form (*forma dematerializzata*) with Monte Titoli S.p.A and requests that such bonds be credited on its deposit account No. _____ with the below mentioned bank for the syndicate group.

ACKNOWLEDGES that, in this transaction, the bank for the syndicate group as a member of the syndicate for the public offering of the notes has a conflicting interest.

CONFIRMS under his own liability, for all legal effect, that the information supplied in this schedule is true and accurate.

DECLARES to be aware that any inconsistency of the booking order may lead to its voidness.

Pursuant to Article 30 of Law Decree No. 58/98, the suspension of the effects of the Agreements signed in a different place from the registered office does not apply. Pursuant to Article 13 of Legislative Decree No. 196, it should be noted that the information supplied in relation to the signing of this booking order, will be used, including by way of computer databases, for purposes which are directly instrumental and connected to the offering (the collection of the booking forms, checking of the consistency, distribution and assignment). In relation to the abovementioned use of private data, the applicant may exercise all the rights stated in Article 7 of Legislative Decree No. 196 of 30 June 2003. The acquisition of personal data is mandatory and the failure to supply the aforesaid data will result in the booking order being unsubmittable. The entities in charge of the treatment of the personal data are, respectively: European Bank for Reconstruction and Development One Exchange Square, London EC2A 2JN United Kingdom and the below mentioned bank of the syndicate group.

(Place)

(date and time)

(applicant's signature)

(stamp and signature of bank for the placement)

(1) Equal to (A) for Euro 1,000

STATISTICAL DATA

THE FOLLOWING TRANSLATION IS MADE FOR INFORMATION PURPOSES ONLY. IN CASE OF ANY INCONSISTENCY BETWEEN THE ITALIAN VERSION AND THE ENGLISH VERSION, THE ITALIAN VERSION SHALL PREVAIL

(cross out the box which corresponds to the applicant)		
Public <input type="checkbox"/>	Institutional Investors Italy <input type="checkbox"/>	Foreign Investors <input type="checkbox"/>

Page No. 3 - COPY FOR THE INVESTOR

TERMS AND CONDITIONS

(REGOLAMENTO)

"EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO CMS RATES DUE 2025"

(ISIN CODE IT0006592981)

Article 1- AMOUNT, DENOMINATION AND TYPE OF BONDS

European Bank for Reconstruction and Development bonds denominated "European Bank for Reconstruction and Development Bonds Linked to CMS Rates Due 2025" for a maximum nominal amount of up to Euro 200 million consist of a maximum of 200,000 bonds with a denomination of Euro 1,000 each (the "**Bonds**").

The Bonds shall be admitted to the dematerialised securities clearing system managed by Monte Titoli S.p.A. pursuant to Legislative Decree No. 213 of 24 June 1998. It is also provided the clearance through Euroclear and Clearstream.

Article 2 - ISSUE PRICE

The Bonds are issued at par at the price of Euro 1,000 each (the "**Nominal Value**").

Article 3 - ENTITLEMENT

The Bonds entitlement shall be on 22 July 2005 (the "**Issue Date**").

Article 4 - DURATION, ISSUE DATE AND REDEMPTION

The Bonds will be redeemed in twenty years. The Bonds will be issued on 22 July 2005 and will be redeemed on 22 July 2025 (the "**Redemption Date**").

Article 5 - INTEREST

The Bonds will accrue gross interest on each Denomination, which will be paid to bondholders pursuant to the terms and conditions provided in article 8 below, on the 22 July of each year in which the debt is still outstanding (the "**Payment Date**"), subject to the Following Business Day Convention, as such term is defined in article 8 below, starting on 22 July 2006.

The above mentioned interest rates will be equal to:

- 5.00% gross per annum for the first coupon, payable on 22 July 2006;

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- 4.00% gross per annum for the second and third coupons, payable respectively on 22 July 2007 and 22 July 2008 (together with the coupon payable on 22 July above the "**Fixed Coupons**"); and

- an amount calculated on the basis of the following formula for all the other coupons, payable starting from 22 July 2009 (the "**Floating Coupons**");

$5 \times (\text{CMS 10} - \text{CMS 2})$

where:

"CMS 10" means the annual swap rate for euro swap transactions with a maturity of 10 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time on the Determination Date (as defined below); and

"CMS 2" means the annual swap rate for euro swap transactions with a maturity of 2 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time on the Determination Date (as defined below).

On the Redemption Date it also is provided a payment of a further amount equal to the greater of (i) 0,00% and (ii) the difference between 40% of the Nominal Value of the Bonds and the total amount of all Fixed Coupons and Floating Coupons already paid.

"Determination Date" means the day that is five (5) TARGET Business Days preceding the beginning of each Calculation Period.

"TARGET Business Day" means a day in which the Trans-European Automated Real Time Gross Settlement Express Transfer is operating.

Where CMS 10 and/or CMS 2 does not appear on Reuters Screen ISDAFIX2 Page (or any successor or other relevant page) on 11 AM Frankfurt time on the Determination Date for any Calculation Period, the Determination Agent (as defined in art. 12 below) may fix a substitute value for such unavailable rate by requesting five major market operators selected by the Determination Agent to provide such a rate, and on the basis of the following: (i) if at least three quotations are provided, the rate for that Calculation Period will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) and (ii) if less than three quotations are provided, the rate for that Calculation Period will be fixed at the reasonable discretion of the Determination Agent, acting in good faith and in a commercially reasonable manner.

Each Floating Coupon cannot in any case be less than 0.00% gross per annum.

Each Floating Coupon cannot be higher than the CMS 10 for the relevant Calculation Period.

The interest on the Bonds will be calculated on an Actual/Actual - ISMA basis.

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"Actual/Actual - ISMA" means the number of days from and including the date on which interest begins to accrue during the relevant Calculation Period to but excluding the date on which it actually falls due, divided by the actual number of days in the relevant Calculation Period.

"Calculation Period" means the period starting from and including 22 July in each year to but excluding 22 July in the following year. For the avoidance of doubt, the first Calculation Period commences on 22 July 2005.

Article 6 - **REDEMPTION**

The Bonds will be redeemed at par, in a single payment, by the authorised intermediaries parties to the dematerialised securities clearing system managed by Monte Titoli S.p.A..

"Business Day" means a TARGET Business Day and a London Business Day.

"London 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.

The Bonds will cease to accrue interest from the Redemption Date.

Article 7 - **TAX REGIME**

Tax treatment of income: according to the provisions of Legislative Decree No. 239 of 1 April 1996, as subsequently amended and integrated, the interest and other income deriving from the Bonds are subject to a tax withheld at source, referred to as *imposta sostitutiva*, levied at the current rate of 12.50%.

Taxation of capital gains: capital gains, other than those obtained in carrying out commercial activities, in connection with the transfer against consideration or redemption of the bonds (Article 67 of the d.P.R. 22 December 1986, n.917, as amended and supplemented ("Italian Income Tax Act")), are subject to a tax withheld at source, referred to as *imposta sostitutiva*, levied at the current rate of 12.50%.

Capital gains and capital loss are determined in accordance with the criteria set out in Article 68 of the Italian Income Tax Act and subject to the tax regime pursuant to the ordinary regime referred to in Article 5 ("*Regime della dichiarazione*") or pursuant the optional regimes referred to in Article 6 ("*Risparmio amministrato*") and Article 7 ("*Risparmio gestito*") of Legislative Decree 21 November 1997, N. 461.

The relevant payments of the Bonds are subject to any application laws and tax provisions.

The issuer and/or the paying agent will not be required to make any additional payments where any deductions or payments have to be made in relation to the Bonds. In no case will the issuer and/or paying agent be liable before the bondholders or to any other person for any commission, costs, losses or expenses related to or resulting from such deductions or payments.

Article 8 - **CLEARING SYSTEM**

The payment of interest and the redemption of the Bonds will be done by the dematerialised securities clearing system managed by Monte Titoli S.p.A., through its authorised

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intermediaries. If any payment relating to the Bonds does not fall on a Business Day, then such payment will be paid on the Business Day immediately thereafter (the "**Following Business Day Convention**"), provided that the following scheduled payment date will not be subject to any change and without giving any right to the payment of interest for any additional days.

Article 9 - **PRESCRIPTION**

In relation to the interest, the rights of the bondholders will expire after five years from the payment date of the coupons and, in respect to the principal, after ten years from the redemption date of the Bonds.

Article 10 - **LISTING**

An application will be filed for the listing of the Bonds on the *Mercato Telematico delle obbligazioni e titoli di Stato (M.O.T.)*, organised and managed by *Borsa Italiana S.p.A.*.

Article 11 - **CALCULATION AGENT**

Citibank N.A. shall act as Calculation Agent.

Article 12 - **DETERMINATION AGENT**

Bank of America N.A. shall act as Determination Agent.

Article 13 - **MISCELLANEOUS**

Any notice from the issuer shall be made, unless otherwise provided by law, through an announcement published in a daily newspaper having national circulation or in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*).

Any notice in relation to any ordinary communication to be made by issuer to Bondholders shall be made through Monte Titoli S.p.A. system for communication by it to entitled account holders. Any notice delivered to Monte Titoli S.p.A. in accordance with the preceding sentence shall be deemed to have been given to the Bondholders on the day on which the notice is delivered to Monte Titoli S.p.A..

The holding of Bonds entails the full acceptance of any condition established herein.

The Bonds are subject to the laws of Italy.

Any dispute between the bondholders and the Issuer shall be settled by the Courts of Rome, save as provided in Article 1469 *bis* of the Italian Civil Code.

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Syndicate Group for the Public Offering of the Bond

**“EUROPEAN BANK FOR RECONSTRUCTION AND
DEVELOPMENT BONDS LINKED TO CMS RATES DUE 2025”**

(ISIN Code IT0006592981)

**RULES (*Norme di Servizio*) FOR THE SYNDICATE GROUP OF BANKS
(*Soggetti Incaricati*)**

Syndicate Group for the placement of the bond called "*European Bank for Reconstruction and Development Bonds Linked to CMS Rates Due 2025*" up to a maximum nominal amount of up to Euro 200 million consisting of a maximum number of 200,000 bonds with a minimum denomination of Euro 1,000 each (ISIN Code IT0006592981).

(1) *The Offering*

The terms and conditions of the bonds ("*Regolamento*"), the procedures and the terms and conditions of the public offer (the "**Offering**") relating to "*European Bank for Reconstruction and Development Bonds Linked to CMS Rates Due 2025*" (the "**Bonds**") (ISIN Code IT0006592981) are contained in the Offering sheet (hereinafter "*Volantino per l'Offerta*"), to which also the booking form is attached. The booking form consists of 3 pages: page No. 1 for the European Bank for Reconstruction and Development, page No. 2 for the bank of the relevant Syndicate Group bank (hereinafter "*Soggetto Incaricato*") and page No. 3 for the investor.

(2) *Addressee of the Offering*

The Offering is addressed to both public and professional investors in Italy.

(3) *Terms and conditions for the subscription.*

The booking forms shall be accepted from 11 July 2005 to 19 July 2005, for quantities of 1 bond (of a nominal value of Euro 1,000) or multiples, save for the early and unnotified closing of the Offering at the end of the first day.

The booking forms shall have to be filled out and signed by the applicants.

Morgan Stanley & Co. International Limited (hereinafter "**Morgan Stanley**") and Banca Akros S.p.A. - Gruppo Banca Popolare di Milano ("**Banca Akros**" and together with Morgan Stanley the "**Lead Managers**") in agreement with European Bank for Reconstruction and Development shall have the right to withdraw the offer up until the issue date, should the market conditions be such as to compromise the success of the Offering. Prompt notice will be given in case of withdrawal.

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In view of the placement of the Bonds, the banks of the Syndicate Group (*Soggetti Incaricati*) will make available the Offering sheet at their branches and they will also carry out a broad range advertisement campaign with their clients.

(4) *Procedure for the collection of the booking forms*

The *Soggetti Incaricati* shall accept the forms compiled on the appropriate booking forms, signed by the investors.

In particular the *Soggetti Incaricati* shall:

- (a) Deliver to the applicant, prior to the closing of the deal, the Offering sheet with the attached booking form;
- (b) Verify that the booking form has been filled out correctly in all its parts and in a legible manner;
- (c) Verify that the investor has signed the booking form;
- (d) Assign consecutive numbers to each booking form;
- (e) Stamp and sign each page of the booking form;
- (f) Deliver to the applicant the page No. 3 of the booking form, duly validated by the relevant *Soggetto Incaricato*;
- (g) On the payment date, collect the counter-value of the underwritten Bonds.

(5) *Offer Price and means of payment*

The Offer price of each Bond to the public and to institutional investors is equal to its nominal value, i.e. Euro 1,000.

The payment of the Bonds shall be made on the 22 July 2005 **without any extra costs and commissions to be borne by the investors.**

The *Soggetti Incaricati* should note that for at least the entire period set for the Offering, and, in any case, until the payment date, the Bonds shall not be sold at a price different from that one of the Offering.

(6) *Notices relating to the collected booking forms*

At 5.00 p.m. on each Offering day, each of the *Soggetti Incaricati* shall notify Morgan Stanley Dean Witter Bank Limited, Milan branch, via fax 02 7633 5411 (Tel. 02 7633 5614) (k.a. of Daniela Laura) the total number of Bonds booked at all of its bank-counters and the number of applicants.

For uniformity sake, the faxes shall be drafted as follows:

FROM (the *Soggetto Incaricato*)

TO: Morgan Stanley Dean Witter Bank Limited, Milan branch

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SYNDICATE GROUP FOR THE PUBLIC PLACEMENT OF THE BOND "EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO CMS RATES DUE 2025" (ISIN CODE IT0006592981)

AT THE END OF THE ([]) OFFER DATE, THE FOLLOWING BOOKING FORMS HAVE BEEN REGISTERED AT OUR BANK, BY NO. [] OF APPLICANTS, FOR A TOTAL NUMBER OF [] BONDS FOR A NOMINAL AMOUNT OF EURO.....

(DATE AND SIGNATURE OF THE BANK)

The notice supplied for each Offering day, should include the amounts notified in the previous days.

(7) *Possible early closing of the placement*

If the members of the Syndicate Group have placed in full all the Bonds **assigned to them before the final date set at 19 July 2005**, then they shall promptly give notice of the aforesaid via fax to Morgan Stanley Dean Witter Bank Limited, Milan branch ("**Morgan Stanley Milan**") at the following number: 02 7633 5411 to the k.a. of Daniela Laura (Tel. 02 7633 5614).

On the basis of the notices received also from the other *Soggetti Incaricati*, Morgan Stanley & Co. International Limited, having heard from Banca Akros, may decide to close the Offering on a date earlier to that which had been agreed.

The booking forms shall be satisfied within the limits of the quantity of Bonds available with each *Soggetto Incaricato*.

Any distribution and assignment will be done separately in connection with the book orders received.

In the event that the book orders received during the Offer Period are more than the Bonds available, Morgan Stanley in agreement with Banca Akros shall distribute and assign such bonds proportionally to the Bonds in demand (but not satisfied) by each of them. Such assignment will be rounded off to the lowest figure.

(8) *Payment of the counter-value of the assigned Bonds*

The counter-value of the bond "*European Bank for Reconstruction and Development Bonds Linked to CMS Rates Due 2025*" (ISIN Code IT0006592981) assigned to each of the *Soggetti Incaricati*, net of the commissions due (equal to 3,50% of the nominal amount), shall be paid to Citibank N.A. Milan branch ABI 22003 CED: 1415 or via Euroclear 98366 with value date on 22 July 2005 and reason for the payment: Bond Settlement.

Forewarning of the aforesaid payments must be given by telephone at the following numbers 02 7633 5611 or 02 7633 5518, by 10.00 a.m. on the 22 July to Alessandro Oldani, Angela Di Silvio or Roberta Gaeta.

(9) *Delivery of the Bonds*

The Bonds will be delivered on the payment date on "third party account" held by each of the *Soggetti Incaricati* with Monte Titoli S.p.A.

The *Soggetti Incaricati* which does not apply with Monte Titoli S.p.A. shall notify Alessandro Oldani, Angela Di Silvio or Roberta Gaeta of Morgan Stanley Milan, at the following telephone numbers: 02 7633 5611 or 02 7633 5518 by 21 July 2005, with the name of the participant to Monte Titoli S.p.A. in favour of whom the Bonds assigned to them should be accredited.

(10) *Further Undertakings*

Each *Soggetto Incaricato* represents and warrants, severally and in relation to itself, to each Lead Manager (and the aforesaid representations and warranties shall be deemed to be repeated at the issue date and at the settlement date of the notes (included)) that:

- a. the distribution of documents containing information (including the Offering Sheet (*Volantino d'Offerta*)) and booking orders shall be carried out in compliance with any applicable law in force, including non-Italian laws, provisions of law and applicable regulations;
- b. the offer, sale and placement of the notes shall be carried out in compliance with any applicable law in particular with the laws and regulations in force in Italy (including the *CONSOB* and *Borsa Italiana* Regulations) and in compliance with any other information requirement or any other restriction which may from time to time apply or be implemented by Italian or foreign public authority

(11) *Delivery of the Documentation*

The *Soggetti Incaricati* shall deliver page No. 1 of the booking forms they have collected through all their branches, to Morgan Stanley Milan, to the k.a. of Daniela Laura at the following fax number 02 7633 5411, or via other equivalent means, by 22 July 2005.

(12) *Statistical data*

By, and no later than 22 July 2005 the *Soggetto Incaricato* shall send the statistical data prospectus (Schedule A) duly filed, to Morgan Stanley Milan, to the k.a. of Daniela Laura at the following fax number: 02 7633 5411.

It should be noted that the relative institutions will have to supply the statistical data relating to the subscriptions made with their associates.

(13) *Possible disputes*

Any dispute and/or legal action, which may arise with the investors, shall be resolved by each of the *Soggetti Incaricati*, on its own behalf.

4 July 2005

SCHEDULE A

To the k.a. of

**SYNDICATE GROUP FOR THE PUBLIC PLACEMENT OF THE BOND
“EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS
LINKED TO CMS RATES DUE 2025” (ISIN CODE IT0006592981)**

STATISTICAL DATA

Table of the booking by types of investors

TYPE OF INVESTORS	NUMBER OF INVESTORS	AMOUNT OF BONDS SUBSCRIBED (Euro)
FAMILIES		
JOINT-STOCK COMPANIES OR PARTNERSHIPS		
UNREGISTERED COMPANIES		
CREDIT INSTITUTIONS		
COMPANIES AND PUBLIC ENTITIES		
EXCHANGE BROKERS, STOCK BROKERAGE COMPANIES		
TRUST COMPANIES, INSURANCES AND SOCIAL SECURITY ENTITIES		
INVESTMENT COMPANIES		
INVESTMENT FUNDS		
TOTAL		

Stamp and signature

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INFORMATION SHEET (*Foglio Informativo*)

prepared in accordance with the Transparency Rules for banking transactions and services

Bond called "European Bank for Reconstruction and Development Bonds Linked to CMS Rates due 2025" Cod. ISIN IT0006592981

The investor should only make his investment in the security subject of this present offer after having understood the nature and extent of the risk involved. The contents of this Information Sheet should therefore be read with due attention. To obtain information on the performance of the security, paragraphs 10 and 11 of Section II of this Information Sheet and the illustration provided in Section III should be read carefully.

The information documents regarding the security complies with the Guidelines for information to be provided to the underwriter and with the prevailing legislation. The present Information Sheet should be read together with the attached "Legenda".

The terms and conditions relating to the securities described in this Information Sheet are only included for information purposes and the only terms and conditions binding on the Issuer are the ones contained in the Terms and Conditions (Regolamento del Prestito).

*The securities to which the present issue relates are **structured securities**; it is recommended that the definition of these in the Glossary attached to the Information Sheet be read carefully. Terms stated in bold type and underlined are of a technical financial nature for which reference should be made to the "Glossary for the investor in subordinated structured securities" attached to the present Information Sheet. If the term cannot be found there, reference should be made to the attached "Legenda".*

I. INFORMATION REGARDING THE ISSUING BANK

1. Name and legal form

The issuer is the European Bank for Reconstruction and Development and it is a supranational organization established pursuant to the agreement entered into in Paris on 29 May 1990, which was implemented by Law No. 53 of 11 February 1991 (the "Issuer").

2. Administrative office

The Issuer has its administrative office at One Exchange Square, EC2A 2JN London, United Kingdom.

3. Number in the Register of Banks held by the Bank of Italy

The Issuer is not entered in any Register of Banks held by the Bank of Italy.

4. Banking Group

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[The Issuer does not belong to any Italian or non-Italian banking group](#)

5. **Number Companies' Register**

The Issuer is not entered in any register of Companies or any equivalent register.

6. **Share capital and reserves reported in the most recent approved financial statements**

Euro 20,000,000,000.

7. **Conflict of interest**

Not applicable

8. **Rating of the Issuer**

The Issuer has obtained the following **ratings** at 22 July 2005:

Moody's Investors Services Ltd: Aaa

Standard & Poor's Rating Services: AAA

Fitch Ratings Ltd: AAA

9. **Competent Supervisory Authority**

Not applicable

II. INFORMATION AS TO THE NATURE OF THE ISSUE

Name of the Bond and centralized administration of the Bonds

The bond are called " *European Bank for Reconstruction and Development Bonds Linked to CMS Rates due 2025*" (the "**Bonds**"). The Bonds will cleared by Monte Titoli S.p.A. ("**Monte Titoli**") and will be in the dematerialised form (*forma dematerializzata*) pursuant to Legislative Decree No. 213 of 24 June 1998. Clearing will also take place indirectly through the Euroclear and Clearstream systems.

10. **Number of securities and minimum denomination**

Up to 200,000 Bonds, each of denomination Euro 1,000 (the "**Nominal Value**").

11. **Currency of the Bonds**

Euro.

12. **Denomination and total nominal amount of the Bonds**

The denomination of each Bond is Euro 1,000. The nominal total amount of the Bonds is up to Euro 200 million.

13. **Issue price and redemption price**

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The Bonds will be issued at par (100%) i.e. at a price of Euro 1,000 each. The Bonds will be redeemed at par (100%).

The table below shows the bond component and the derivative component concerning the issue price of the Bonds. It must be noted that the Issuer has not provided the following data and it has not carried out the calculation in relation to the components mentioned below.

Bond Component	76%
Derivative Component	20.5%
Commissions	3.5%
Total	100%

14. **Placement and underwriting commissions**

Placement and underwriting commissions of 3.50% of the denomination of the Bonds will be payable and it will be deducted from the proceeds of the Bonds.

15. **Date of opening and closing of the placement. Option of early closing of the offer period**

Booking orders will be accepted starting from 11 July 2005 to 19 July 2005 (the "**Offer Period**") – unless closed in advance and without notice – and will be satisfied within the limits of the securities available at each of the banks of the syndicate group.

16. **Issue date and due date**

The Bonds are issued on 22 July 2005 (the "**Due Date**").

17. **Maturity and status of the Bonds**

The maturity of the Bonds is twenty years. The Bonds are issued on 22 July 2005 and will all be redeemed with a single payment on 22 July 2025 (the "**Redemption Date**").

The Bonds constitute direct, unsecured and unsubordinated obligations of the Issuer ranking *pari passu*, without any preference among themselves, with all its other obligations that are unsecured and unsubordinated.

18. **Interest**

The Bonds in the first year of duration bear interest calculated at a gross annual rate of 5.00% and 4.00% gross per annum for the second and third years, calculated on an Actual/Actual - ISMA *unadjusted* basis and subject to the tax regime described in paragraph 21 below (the "**Fixed Coupon**"). Such interest will become payable on 22 July 2006, 22 July 2007 and 22 July 2008 ("**Fixed Interest Payment Date**") respectively, subject to the Following Business Day Convention, as defined in paragraph 12 below. Starting from the fourth year, and for each subsequent year until maturity, the Bonds will bear a floating interest amount ("**Floating Coupon**") calculated as follows:

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- A factor of 5.00 multiplied by the difference between CMS 10 and CMS 2 where:

"CMS 10" means the annual swap rate for Euro swap transactions with a maturity of 10 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time on the Determination Date (as defined below); and

"CMS 2" means the annual swap rate for Euro swap transactions with a maturity of 2 years, expressed as a percentage, which appears on the Reuters screen ISDAFIX2 Page (or such other page as may replace that page on such service) under the heading "EURIBOR BASIS - EUR" and above the caption "11:00 AM Frankfurt" as of 11:00 am Frankfurt time on the Determination Date (as defined below).

Where CMS 10 and/or CMS 2 does not appear on Reuters Screen ISDAFIX2 Page (or any successor or other relevant page) on 11 AM Frankfurt time on the Determination Date (as defined below) for any Calculation Period, the Determination Agent (as defined in paragraph 28 below) may fix a substitute value for such unavailable rate by requesting five major market operators selected by the Determination Agent to provide such a rate, and on the basis of the following: (i) if at least three quotations are provided, the rate for that Calculation Period will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest) and (ii) if less than three quotations are provided, the rate for that Calculation Period will be fixed at the reasonable discretion of the Determination Agent, acting in good faith and in a commercially reasonable manner.

On the Redemption Date it also is provided a payment of a further amount equal to the greater of (i) 0.00% and (ii) the difference between 40% of the Nominal Value of the Bonds and the total amount of all Fixed Coupons and Floating Coupons already paid.

Each Floating Coupon cannot be in any case less than 0.00% gross per annum.

Each Floating Coupon cannot be in any case higher than CMS 10 for the relevant Calculation Period.

Interest, subject to the tax regime described in paragraph 21 below, will become payable on 22 July of each year from and including 22 July 2009 to and including 22 July 2025 ("**Floating Interest Payment Date**") and together with the Fixed Interest Payment Date, the "**Payment Date**"), subject to the Following Business Day Convention, as defined in paragraph 12 below.

"Determination Date" means the day that is five (5) TARGET Business Days (as defined below) preceding the beginning of each Calculation Period.

"Calculation Period" means the period starting from and including 22 July in each year to but excluding 22 July in the following year. For the avoidance of doubt, the first Calculation Period commences on 22 July 2005.

"Actual/Actual - ISMA Day Count Fraction" means the number of days from and including the date on which interest begins to accrue during the relevant Calculation Period to but excluding the date on which it actually falls due, divided by the actual number of days in that Calculation Period.

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"TARGET Business Day" means a day in which the *Trans-European Automated Real Time Gross Settlement Express Transfer System* is open.

The tables below show the relevant yield for the Fixed Coupons and for Floating Coupons.

Table of Fixed Coupons

Table of Floating Coupons

Year 1: 5.00%	
Years 2 - 3: 4.00%	
Years 4 - 20: 0.00%	5.00 * (CMS 10 - CMS 2)

It must be noted that at 11.00 a.m. Frankfurt time of 1 July 2005, the CMS 2 was equal to 2,20% and the CMS 10 was equal to 3,24%.

19. **Actual rate of yield and method of calculation**

The actual yield is fixed for the first three years and floating for the following years as during the floating period, the performance is linked to the CMS 10 and CMS 2, and will be calculated for each denomination by applying the following formula:

$$5.00 * (CMS 10 - CMS 2)$$

20. **Terms and Conditions of payment of interest**

Interest will be paid within the Monte Titoli system, through authorized intermediaries who are members of Monte Titoli. If the Payment Date of any amount due in respect of the present bond does not fall on a Business Day, then such payment will be made on the first Business Day ("**Following Business Day Convention**") immediately following, without having any effect on the subsequent Payment Dates and without giving right to the payment of interest for that additional day.

"Business Day" means a TARGET Business Day, as defined above at paragraph 10, and a London Business Day.

"London Business Day" means a day on which: (i) banks are open in London for their ordinary commercial activities, including payments and deposits in foreign exchange and Euro; e (ii) the foreign exchange markets are open in London for settling payments in Euro.

21. **Rights and benefits connected to the Bonds**

The Bonds include all those rights and benefits provided under prevailing legislation with reference to securities of the same type.

22. **Bond repayment and redemption**

The Bonds will be redeemed in a single payment on 22 July 2025 through authorized intermediaries of Monte Titoli. The principal will be redeemed at par (100%), with no deductions for expenses. The Bonds will cease to bear interest on the Redemption Date.

23. **Early redemption**

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No early redemption by the Issuer is provided.

24. Deferral clauses of the rights pertaining to the Bonds

None.

25. Guarantees and commitments undertaken to ensure a successful outcome of the Bonds

None.

26. Redemption premiums and/or any other elements contributing to the determination of the Bonds' yield

As mentioned at paragraph 10 above, on the Redemption Date it also is provided a payment of a further amount equal to the greater of (i) 0.00% and (ii) the difference between 40% of the Nominal Value of the Bonds and the total amount of all Fixed Coupons and Floating Coupons already paid.

27. Prescription of interest, capital and related rights

The rights of Bondholders to interests will be prescribed after five years from each of the Payment Date; capital rights will be prescribed after ten years from the Redemption Date.

28. Distribution criteria

Any distribution and assignment will be done separately in connection with the book orders received.

In the event that the book orders received during the Offer Period are more than the Bonds to be offered by the Issuer, the Lead Managers (as defined below at paragraph 25) shall distribute and assign such Bonds proportionally to the Bonds in demand (but not satisfied) by each of them. Such assignment will be rounded off to the lowest figure.

29. Tax regime

The following is intended to be a summary of the tax regime applicable to Bonds and to certain investors resident in Italy who hold such Bonds not in connection with any commercial activity (the "Investors").

Investors resident in Italy must consult their advisors in relation to the tax regime provided for buying, owing and selling the Bonds.

Income from capital: a substitute tax in lieu of income tax is payable on the bond interest and any other earnings from the Bonds at 12.50%, applied in accordance with the means and terms of Legislative Decree No. 239 of 1 April 1996, as amended and supplemented.

Capital gains tax: any gains which differ from those realized by commercial companies in carrying out their activities and which are earned through the sale with consideration or repayment of securities (article 67 of d.P.R. of 22 December 1986, No. 917 as amended and supplemented (hereinafter "T.U.I.R.") are subject to a substitute tax in lieu of income tax at 12.50%. Capital gains and losses are determined using the criteria provided in article 68 of T.U.I.R. and are subject to the ordinary regime described in article 5 (Regime of the tax return)

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or to the optional regimes described in article 6 (Administration of savings funds) and article 7 (Management of savings funds) of the same Legislative Decree 21 November 1997, No. 461.

30. **Restrictions imposed by the conditions of issue on the free trading of the Bonds**

None.

31. **Third parties engaged for services connected with the issue**

None.

32. **Markets on which it is expected that the Bonds will be traded**

Once all the formalities of current legislation have been satisfied and after verifying that the requirements of the "Regulations of Markets Organized and Managed by *Borsa Italiana S.p.A.*" as to circulation and the amount involved, an application will be filed with *Borsa Italiana S.p.A.* for an official listing of the Bonds on the Telematic Market of Bonds and Government Securities (*Mercato Telematico delle Obbligazioni e dei titoli di Stato* (M.O.T.) organized and administered by *Borsa Italiana S.p.A.*). Clearing will also take place indirectly through the Euroclear and Clearstream systems.

33. **Bank Syndicate Group (*Soggetti Incaricati del collocamento*)**

The Bonds are offered through a bank syndicate group headed by Morgan Stanley & Co. International Limited, whose head offices are at 25 Cabot Square, London E14 4QA, United Kingdom and Banca Akros S.p.A.- *Gruppo Banca Popolare di Milano* - whose registered head offices are at Viale Eginardo, 29, 20149, Milan, Italy (the "**Lead Managers**").

34. **Communications**

Any notice in relation to any extraordinary communications to be made from the Issuer to Bondholders shall be made, unless otherwise provided by law, through an announcement published in a daily newspaper having national circulation or in the Official Gazette of the Republic of Italy (*Gazzetta Ufficiale della Repubblica Italiana*).

Any notice in relation to any ordinary communication to be made by issuer to Bondholders shall be made through Monte Titoli system for communication by it to entitled account holders. Any notice delivered to Monte Titoli in accordance with the preceding sentence shall be deemed to have been given to the Bondholders on the day on which the notice is delivered to Monte Titoli.

35. **Calculation Agent**

The calculating agent and paying agent in relation to the Bonds is Citibank N.A..

36. **Determination Agent**

The determination agent in relation to the Bonds is Bank of America N.A..

37. **Applicable Law and Jurisdiction**

The bonds shall be governed by Italian law. Any dispute connected with the bonds or the present regulations will be governed by the Court of Rome, without prejudice to the provisions of article 1469 *bis* of the Italian Civil Code.

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The holding of Bonds implies the full acceptance of all the conditions established in the present Information Sheet and the Terms and Conditions of the Bonds (*Regolamento*).

III. INFORMATION REGARDING THE RISKS OF THE TRANSACTION

Types of risk in relation to the investment in the securities

The structured bond "*European Bank for Reconstruction and Development Bonds Linked to CMS Rates due 2025*" provides the underwriter with a fixed gross annual coupon of 5.00% for the first year and a fixed gross annual coupon of 4.00% for the second and third years of the life of the bonds and a guarantee as to the redemption of the capital invested. Interest above will be payable on 22 July 2006, 22 July 2007 and 22 July 2008 and subject to the tax regime described under Section II, paragraph 21 above. Starting from the fourth year and for subsequent years, interest are linked to a floating interest rate determined in the following way: a factor of 5.00 multiplied by the difference between the CMS 10 and CMS 2.

It is provided that each Floating Coupon cannot be in any case lower than 0.00% and not higher than CMS 10 for the relevant Calculation Period.

On the Redemption Date it also is provided a payment of a further amount equal to the greater of (i) 0.00% and (ii) the difference between 40% of the Nominal Value of the Bonds and the total amount of all Fixed Coupons and Floating Coupons already paid.

The Floating Coupons are payable on 22 July of each year, starting from 2009 and ending in 2025, subject to the tax regime described under Section II paragraph 21 above. Interest is calculated for each bond by applying the formula described in Section II paragraph 11 above.

38. Notes on the risks pertaining to the investment

The following paragraphs have been provided by Morgan Stanley & Co. International Limited on 1 July 2005 (on the basis of the data available at the same date) for information purposes only.

The Bonds may be split from a financial point of view into a bond component and an embedded derivative component. Moreover, the investor must take into account the normal elements of risk typically found in an investment in bonds (the so-called "Financial Risks").

Bond component

The bond component is represented by a fixed-interest security with an annual coupon for the first three years of the bond (in this case equal to 5.00% of the denomination for the first year and 4.00% of the denomination for the second and third year) equal to 76% of the notional amount (as mentioned in the Table at Section II paragraph 5). In subsequent years, the annual coupon cannot be lower than 0.00% and not higher than CMS 10 for the relevant Calculation Period. Full redemption of the capital invested is guaranteed on maturity.

This value has been calculated assuming that the derivative component of the note is equal to 0 (zero).

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In particular, such bond component has been calculated, at the date of the present information sheet, by applying the following procedure:

- (i) it is considered the amount of the certain coupon (in that case 5.00% for the first year and 4.00% for the second and third years and 0.00% for the following years up to the second last year and 27% up to the Redemption Date - such amount being the difference between 40% of the nominal amount of the Bonds and the amount of the coupons already paid up to that date);
- (ii) the market rate of the swap curve is determined in Euro at an established date and time (in that case 11 a.m. Frankfurt time on 1 July 2005); and
- (iii) the price of the Bond is subsequently calculated in accordance with the market rate above (possibly modified in accordance with the higher or lower spread to which the Issuer is subject).

The flow amount of the certain coupon will be the value of the bond component (where the derivative component is equal to 20.5% of the Bond).

The gross annual effective return of the above-mentioned bond component to the investor in the security, net of the derivative component, amounts to 3.50%.

Such value has been calculated assuming the derivative component of the Bond equal to 0.

Derivative component

The embedded derivative component of the security is represented by the exposure of the security to the slope of the Euro rates curve (in the case in question, the differential between the CMS 10 and CMS 2), which may be evaluated as 20.5% of the notional amount (as mentioned in the Table at Section II paragraph 5).

In particular, such component has been calculated on the basis of the scenario of the swap curve yield as at on 1 July 2005 at 11 a.m. Frankfurt time, by applying the "*Simulation of Monte Carlo*" method.

39. Financial risks

Interest rate risk

This risk is connected with the variations in interest rates: an increase in the market rate of interest leads to a decrease in the market value of the Bond. If the CMS 2 rises faster than CMS 10, the Bonds will underperform relative traditional floating rate securities.

Price risk

The trend in interest rates may have an impact on the market price of the security, leading to fluctuations over the life of the Bond. If the investor wishes, however, to sell the security prior to its natural maturity of 20 years, its value could as a result also be lower than the issue price (100% of denomination). The fact that the investor is guaranteed the full redemption of capital on maturity enables him, however, to recover the whole amount of his capital, whatever the trend in interest rates may be.

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Liquidity risk

This risk is represented by the impossibility or difficulty for the investor to be able to liquidate his investment prior to maturity. A listing on the M.O.T. held by *Borsa Italiana S.p.A.* is expected to take place.

Issuer risk

The investor in the **structured** bond denominated "*European Bank for Reconstruction and Development Bonds Linked to CMS Rates due 2025*" becomes a lender to the European Bank for Reconstruction and Development and thereby acquires the right to the full repayment of his capital invested. If, however, the Issuer is unable for financial reasons to make this repayment, such right could be prejudiced.

40. Illustration of the performance of the securities being issued

The following paragraph has been provided by Morgan Stanley & Co. International Limited on 1 July 2005 (on the basis of the data available at the same date) for information purposes only.

Favourable scenario

On the assumption that there is a significant slope of Euro rates (e.g. the difference between the CMS 10 and the CMS 2 is 200 **basis points** until the Redemption Date) from the start the Bonds will be redeemed on the Redemption Date and they will have accrued interest of 5,00% for the first year and 4.00% for the second and third years, and equal to 10.00% (i.e. $5.00 * 200$ **basis points**, assuming CMS 10 is equal to or higher than 10.00%) for the following seventeen years, leading to a gross annual return of 8.48%.

Such yield has been calculated, at the date hereof, assuming as a reference a bond having the same maturity and the same certain coupon flow 5.00% for the first year, 4.00% for the second and third years and 10% for the following years up to the maturity, see Table under Section II paragraph 10), according to the formula of the "**Internal Yield Rate**".

Intermediate scenario

On the assumption that there is a moderate flattening of the slope of Euro rates (e.g. the difference between the CMS 10 and the CMS 2 is 100 **basis points** until the Redemption Date), the Bonds will be redeemed on the Redemption Date and they will have accrued interest of 5.00% for the first year and 4.00% for the second and third years, and equal to 5.00% (i.e. $5.00 * 100$ **basis points**, assuming CMS 10 is equal to or higher than 5.00%) for the following seventeen years, leading to a gross annual return of 4.86%.

Such yield has been calculated, at the date hereof, assuming as a reference a bond having the same maturity and the same certain coupon flow (5.00% for the first year, 4.00% for the second and third years and 5% for the following years up to the maturity, see Table under Section II paragraph 10), according to the formula of the "**Internal Yield Rate**".

Less favourable scenario

On the assumption that there is a significant flattening of the slope of Euro rates (zero or negative slope) until the Redemption Date, the Bonds will be redeemed on the Redemption Date

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and they will have accrued interest equal to 5.00% for the first year, 4.00% for the second and third years and equal to 0.00% for the subsequent sixteen years, while on the Redemption Date they will have accrued interest equal to 27%, (equal to the difference between 40% of the nominal amount of the Bonds and the amount of the coupons previously paid), leading to a gross annual return of 1.88%.

Such yield has been calculated, at the date hereof, assuming as a reference a bond having the same maturity and the same certain coupon flow (5.00% for the first year, 4.00% for the second and third years and 0.00% for the following years up to the second last year and 27% on the Redemption Date - such amount being the difference between 40% of the nominal amount of the Bonds and the amount of the coupons already paid up to that date, see Table under Section II paragraph 10), according to the formula of the "**Internal Yield Rate**".

41. **Guarantee**

The Bonds are not covered by the guarantee of the *Fondo Interbancario di Tutela dei depositi* (Interbank Fund for the Protection of Deposits).

SCHEDULE I

EXPLANATORY NOTES FOR THE CLIENT AS TO THE DEFINITIONS USED IN THE INFORMATION SHEET ON THE STRUCTURED BOND "EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO CMS RATES DUE 2025" Cod. ISIN IT0006592981

ACTUAL GROSS YIELD: means the yield of the bonds before taxation, provided that interest rate applicable has been calculate, together with any premium, or any positive differential between the redemption price and the issue price.

BANKS REGISTER: the banks register kept by the Bank of Italy pursuant to Legislative Decree No. 385 of 1 September 1993, in which are registered all the banks authorized in Italy and the subsidiaries of European banks established in Italy.

DATE OF ISSUE: the date on which the securities will be issued.

DENOMINATION: the face value at which the Issuer is committed to repay a security on maturity. It is also the amount on which interest is calculated.

DENOMINATION OF THE BONDS: means the nominal unit value for each of the bonds.

DERIVATIVE COMPONENT: see Glossary under "Derivative".

DUE DATE: the date on which interest and principal will be paid.

FONDO INTERBANCARIO DI TUTELA E DEPOSITI (*Interbank Fund for the Protection of Deposits*): a private consortium, established in accordance with Legislative Decree no. 659 of 4 December 1996 and recognized by the Bank of Italy in December 1996. All Italian banks, other than lenders to cooperatives, are members of this consortium, whose aim is to provide a guarantee to depositors with syndicate members, up to the limits provided. The Fund intervenes in the case of compulsory winding-up (*liquidazione coatta amministrativa*) and receivership (*amministrazione straordinaria*), subject to obtaining the prior authorization of the Bank of Italy. Resources for these interventions are provided by the member banks on the request of the Fund, subsequent to the appearance of signs that a bank is in difficulty.

INTERNAL YIELD RATE: means that the discount rate at which the present value of an investments future cash flow equals the cost of the investment.

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ISSUE PRICE: means the initial price at which the bonds are issued. Such price may not correspond to the price at which the bonds may be sold after the issuance.

MONTE TITOLI: an institute for the deposit and clearing administration of financial instruments, including dematerialized instruments.

NOTE COMPONENT: see Glossary under "Note".

PERFORMANCE: this expression is used to indicate a variation in percentage and is usually calculated as the ratio between a net change (positive or negative) and a reference value of a financial activity.

PRESCRIPTION: this describes the period of time during which a certain right must be exercised. If the right is not exercised within that period, it becomes time-barred, i.e. the right is lost.

SOLICITATION: means the offer period of the bonds preceding the issuance of the bonds.

SUBORDINATION CLAUSES: means the presence in the terms and condition of the bonds of deferment clauses according to which claims arising from the bondholders against the Issuer are subordinated in respect of other claims arising from other creditors of the Issuer.

TARGET (system) (*Trans-European Real Time Gross Settlement Transfer System*): A real-time gross settlement system which the central banks of the European Union have created for the third stage of the European Monetary Union to manage payments of large amounts in the single currency. It is composed of national settlement systems and the infrastructure needed to link these together.

SCHEDULE II

GLOSSARY FOR THE INVESTOR IN SUBORDINATED AND STRUCTURED SECURITIES

This Glossary complies with the ABI (Italian Banking Association) Guidelines regarding information to be supplied to a subscriber in subordinated and structured securities

BASIS POINT: the *basis point* is the unit used to measure a *spread*, i.e. a variation in interest rates, equal to one-hundredth of a percentage point. If rates rise from 9.65% to 9.80%, then the increase is of 15 basis points (bps).

BENCHMARK: a financial parameter or index which, due to its representative characteristics (such as for example a wide distribution of subscribers), is considered by intermediaries as a reference point in understanding if a security of identical characteristics achieves, over a given period, a better or worse performance in terms of yield with respect to the benchmarked item.

BOND: a debt security through which the issuing bank promises to repay the capital deposited on maturity.

BTP (Buoni del Tesoro Poliennali): securities issued by the Italian Treasury with mid- or long-term maturity, a fixed interest rate and a six-monthly coupon.

CAP: an option (see definition) on an interest rate, traded outside the regulated markets, under which a maximum limit is fixed on the increase of the return of a given financial instrument.

COUNTERPARTY RISK: the risk that a counterparty (for example in the case of derivative contracts) does not fulfill his contractual obligations on maturity.

DERIVATIVE: a generic name given to a financial instrument whose price or yield is the result of the price or return parameters of other primary financial instruments, known as underlings (see definition), which may be financial instruments, indices, interest rates, currencies or raw material prices.

EARLY REPAYMENT RISK: if the Issuer reserves the right to redeem a security early, the subscriber could find himself in the position of having to accept the redemption of a security at par, at a time when the security offers a return higher than that offered by the market at that date. As a result, the subscriber may not be able to reinvest the capital redeemed early and achieve the same return over the period up until the original maturity date of the security.

EXCHANGE RISK (Securities denominated in foreign currency): the countervalue in Euros of the coupons and capital of a security denominated in another currency may fluctuate in a favourable or unfavourable direction for the subscriber due to variations in the rate of exchange of that currency with the Euro.

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FLOOR (see also option): a derivative based on an interest rate for which a minimum return on a certain asset is fixed.

FUTURES CONTRACT: a derivative contract, generally traded on regulated markets, by means of which the parties agree to buy or sell a certain number of financial instruments at a certain date and at a price determined on signing the contract.

HEDGING: an operation carried out by the owner of securities or by the Issuer to ensure that any losses which may arise from the security if prices move in an unfavourable direction are recovered.

ISSUER RISK: this represents the probability or credit risk that the Issuer of a bond is unable to fulfil his obligations to pay interest or redeem capital.

KNOCK IN, KNOCK OUT (clause): a clause under which a predetermined option comes into or goes out of effect on the occurrence of a specific event, indicated in the Information Memorandum.

LIQUIDITY RISK: the risk that the investor has to accept a reduction in the price of a security if he intends to sell prior to maturity due to the difficulty in finding a counterparty willing to buy.

MARKET CAPITALISATION (of an individual security): the product of the quoted price of a share and the number of shares making up the share capital.

MARKET INDEX: a representative measure of the trend of the price of quoted securities.

MARKET MAKER: an intermediary who is obliged to publish purchase and sales prices at which other intermediaries may sell to him or buy from him a certain number of securities.

MARKET RISK: the risk to which an investor in financial instruments is subject as a result of variations in the trend of the prices of the security due, for example, to movements in interest rates (see rate risk) or exchange rates (see exchange risk).

MONTE CARLO (Monte Carlo simulation): a calculation tool which enables complex mathematical problem to be solved by probability methods based on the "law of large numbers". This calculation technique is used *inter alia* in the financial sector to determine the value of derivative instruments (such as options).

OPTION (Option contract): a derivative contract under which by the payment by one party of an amount (the premium) to another party, the first party acquires the right to buy (call option) or sell (put option) a certain number of financial instruments at an agreed price (the exercise price) at a future date. In the case of options based on indices, instead of buying a certain number of financial instruments, the right is acquired to receive or pay an amount equal to the product between the value conventionally assigned to each point of the reference index and the difference obtained from the value of the index (determined on signing the contract) and the value of the index at the date on which the right is exercised. The distinction is made between a European option, which may be exercised only at the agreed date, and an American option, which may be exercised at any time before the expiry date.

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OPTION (Value of): the value of an option is given by two components: its intrinsic value and its time value. In a call option, the intrinsic value is the difference (if positive) between the spot price (see definition) of the underlying instrument and the exercise price (see definition). The time value depends on the volatility of the underlying instrument.

PRICE SPREAD: the difference between the sales and purchase prices offered by an intermediary.

PRICING: the procedure by which the placing price of securities is determined.

RATING (Rating agency): a company which is independent of industrial commercial and financial groups, specializing in assigning an opinion on issuers or on financial instruments through the use of letters or figures (such as AAA; AA; A+; BBB; BB; B-) as to the ability of the Issuer to redeem its issued financial instruments or as to the probability of redemption by the Issuer of a specific financial instrument.

RATE RISK: the risk connected with the variation in interest rates: an increase in market rates leads to a decrease in the market value of a security and vice-versa.

REVERSE CONVERTIBLE: a structured security which assigns to the Issuer the possibility to convert the capital to be repaid into shares on the occurrence of a certain event.

RISK IN THE VARIATION OF THE UNDERLYING (For structured securities): this expresses the likelihood of variation in the value or price of the underlying asset to which the return on a structured security is linked.

SECURITY PRICE VOLATILITY: a statistical index which measures the variation in price of a financial instrument compared to its average price in a certain period. The more a security is volatile, the more it varies about the average price and the riskier it is. A distinction is made between (i) the historic volatility, which is based on the recorded price in the past and (ii) the implicit volatility, which is based on the price at which options linked to the financial instrument are traded, usually on regulated markets.

SPOT PRICE: the market price of a security on the reference date.

STRIKE PRICE (Exercise price): a predetermined price at which the owner of an option may purchase or sell the underlying instrument by exercising the option.

STRUCTURED SECURITIES: securities consisting of a fixed component, similar to a normal note, and a derivative component, similar to an option.

SUBORDINATED BOND: a bond which, should the Issuer become insolvent, is redeemed only after all the unsubordinated debts of the Issuer have been paid. It is also important to consider the subordination level.

TICK: this is the minimum variation in price, either up or down, on making a purchase or sales offer for a financial instrument. For quoted securities, the respective values are given in the Stock Market Regulations. As an example: on quoting the price of the FIAT share at Euro 6.52, the admitted tick is one Euro cent and so the proposed price may be Euro 6.53 or Euro 6.51.

UNDERLYING: a financial instrument on whose value that of a derivative or structured security (see definitions) depends.

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WARRANT: a derivative financial instrument, usually quoted on regulated markets, which assigns to the owner the right to purchase (call warrant) or sell (put warrant) a certain number of financial instruments at a predetermined date, number and price.

WEIGHTING: the attribution of a relative weight within an index to the individual securities used in determining that index.

NOTA INTEGRATIVA

**LA PRESENTE NOTA INTEGRATIVA È CONFORME ALLE LINEE GUIDA ELABORATE
DALL'ASSOCIAZIONE BANCARIA ITALIANA**

PRESTITO OBBLIGAZIONARIO

**"European Bank for Reconstruction and Development Bonds Linked to CMS
Rates Due 2025"
COD. ISIN IT0006592981**

1. AVVERTENZE GENERALI

I titoli strutturati, oggetto della presente emissione, sono costituiti da una componente obbligazionaria e da una o più componenti cosiddette "derivative". Questa seconda componente consiste nell'acquisto e/o vendita, da parte del sottoscrittore del titolo strutturato, di uno o più strumenti derivati, il cui valore è determinato dall'andamento di strumenti finanziari e/o parametri ad essi collegati (titoli, indici, valute, tassi swap, etc.).

Date le suddette caratteristiche, i titoli strutturati sono strumenti caratterizzati da intrinseca complessità che rende difficile la loro

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valutazione, in termini di rischio, sia al momento dell'acquisto sia successivamente.

Gli investitori sono, pertanto, invitati a sottoscrivere tali titoli solo qualora abbiano compreso la loro natura e il grado di rischio sotteso.

2. AVVERTENZE SPECIFICHE

Il titolo in questione comporta gli elementi di rischio propri dei titoli obbligazionari indicizzati a tassi swap: ferma restando la garanzia del rimborso del capitale a scadenza, il rendimento dei titoli in esame non può essere predeterminato e riflette gli elementi di rischio tipici di un investimento legato al rendimento dei tassi swap.

In fase di negoziazione sul mercato secondario l'investimento presenta, da un lato, gli elementi di rischio propri di ogni altro titolo a tasso fisso (rischio di tasso, cfr Glossario) e, dall'altro, quelli tipici di un titolo a tasso variabile indicizzato alla variazione del rendimento dei tassi swap.

L'investitore è invitato a leggere la Sezione III del Foglio Informativo (dedicata alle "Informazioni sui rischi dell'operazione") consultando l'apposito Glossario ABI che è a disposizione presso la filiale della banca.

3. PROSPETTAZIONE DEL RISCHIO E RENDIMENTO DEL TITOLO OFFERTO E DI ALTRO STRUMENTO FINANZIARIO A BASSO RISCHIO EMITTENTE (BTP DI SIMILARE SCADENZA)

Si precisa che l'emittente dei titoli non ha fornito la base per di calcolo della seguente tabella e non ha effettuato il calcolo dei dati contenuti nella seguente tabella

data di calcolo: 1/ 7/ 2005 (sulla base di dati disponibili alla stessa data)

	BTP 6,5% IT0001174611	"European Bank for Reconstruction and Development Bonds Linked to CMS Rates Due 2025" COD. ISIN IT0006592981
Scadenza	1/11/2027	22/7/2025
RISCHIO - VAR (**)	4,53%	7,93%
RENDIMENTO EFFETTIVO LORDO	3,90% annuo lordo	8,48% - 4,86% -1,88% annuo lordo (calcolato nell'ipotesi prevista alla Sezione III - Informazioni sui Rischi dell'Operazione, paragrafo 4 Esemplificazione del Rendimento dei Titoli Oggetto dell'Emissione)

() il VaR del titolo di cui al presente Foglio Informativo è una misura di rischio che stabilisce quanto si può perdere al massimo da oggi a domani (i.e. in un giorno) nel valore dell'investimento con una probabilità del 99%.**

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La perdita potenziale è calcolata sulla base di stime statistiche a partire dalla variabilità (volatilità) dei fattori di rischio (tassi di interesse, prezzo dei titoli sottostanti).

4. INVITO A LEGGERE IL GLOSSARIO ABI

L'investitore è invitato a leggere il Foglio Informativo, consultando l'apposito Glossario ABI che è disposizione presso la filiale della banca.

FOGLIO INFORMATIVO

redatto ai sensi della disciplina in materia di trasparenza delle operazioni e dei servizi bancari

Prestito denominato "European Bank for Reconstruction and Development Bonds Linked to CMS Rates due 2025" Cod. ISIN IT0006592981

E' necessario che l'investitore effettui l'investimento nel titolo oggetto della presente offerta solo dopo averne compreso la natura e il grado di esposizione al rischio che esso comporta. Si raccomanda pertanto di leggere attentamente il contenuto del presente Foglio Informativo. Per conoscere il rendimento del titolo si consiglia di leggere attentamente i paragrafi 10 e 11, Sezione II del presente Foglio Informativo, nonché l'esemplificazione riportata nella Sezione III.

La documentazione informativa relativa al titolo in oggetto è conforme alle Linee guida in materia di informazioni da fornire al sottoscrittore, oltre che alle norme vigenti in materia. Il presente Foglio Informativo e' da leggersi congiuntamente alla "Legenda" allegata.

I termini e le condizioni inerenti ai titoli descritti nel presente Foglio Informativo sono inclusi solo a scopo informativo e i soli termini e condizioni vincolanti per l'Emittente sono quelli contenuti nel Regolamento del prestito obbligazionario.

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Il titolo oggetto della presente emissione è un titolo strutturato per la cui definizione si consiglia di leggere attentamente il Glossario allegato al Foglio Informativo. I termini evidenziati in grassetto sottolineato sono termini di natura tecnico-finanziaria per la cui definizione si rimanda al Glossario per l'investitore in titoli subordinati o strutturati allegato al presente Foglio Informativo ovvero, se non presenti, alla "Legenda" allegata.

I. INFORMAZIONI SULLA BANCA EMITTENTE

42. Denominazione e forma giuridica

L'emittente è denominato European Bank for Reconstruction and Development ed è un ente sopranazionale costituito ai sensi dell'accordo adottato a Parigi il 29 maggio 1990, a cui è stata data esecuzione con legge 11 febbraio 1991, n. 53 (l'"Emittente").

43. Sede Amministrativa

L'Emittente ha sede amministrativa in One Exchange Square, Londra EC2A 2JN, Regno Unito.

44. Numero di iscrizione all'Albo delle Banche tenuto dalla Banca d'Italia

L'Emittente non è iscritto ad alcun Albo delle Banche tenuto dalla Banca d'Italia.

45. Gruppo bancario di appartenenza

L'Emittente non appartiene ad alcun gruppo bancario italiano o estero.

46. Numero di Iscrizione al Registro delle Imprese o ad altro registro corrispondente

L'Emittente non è iscritto ad alcun Registro delle Imprese o ad altro registro corrispondente.

47. Ammontare del capitale sociale e delle riserve risultanti dall'ultimo bilancio approvato

Euro 20.000.000.000.

48. Conflitto d'interesse

Non applicabile.

49. Rating dell'emittente

L'Emittente ha ottenuto i seguenti **ratings** alla data del 22 luglio 2005:

Moody's Investor Services Ltd: Aaa.

Standard & Poor's Rating Services: AAA.

Fitch Ratings Ltd: AAA.

50. Autorità di vigilanza competenti

Non applicabile.

II. INFORMAZIONI SULLE CARATTERISTICHE DELL'EMISSIONE

1. Denominazione del prestito e regime della gestione accentrata

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Il prestito è denominato "*European Bank for Reconstruction and Development Bonds Linked to CMS Rates due 2025*" (le "**Obbligazioni**"). Le Obbligazioni saranno immesse nel sistema di gestione accentrata presso Monte Titoli S.p.A. ("**Monte Titoli**") ed assoggettate al regime di dematerializzazione ai sensi del Decreto Legislativo del 24 giugno 1998, n. 213. E' previsto inoltre indirettamente il regolamento per il tramite di Euroclear e Clearstream.

2. **Numero dei titoli e valore dei tagli**

Fino a n. 200.000 Obbligazioni del valore nominale di Euro 1.000 cadauna (il "**Valore Nominale**").

3. **Moneta del prestito**

Euro.

4. **Valore nominale unitario ed ammontare nominale massimo del prestito**

Valore nominale unitario pari ad Euro 1.000. Ammontare nominale massimo fino a 200.000.000 di Euro.

5. **Prezzo di emissione e di rimborso**

Le Obbligazioni saranno emesse alla pari (vale a dire al 100% del valore nominale) e cioè al prezzo di Euro 1.000 l'una. Il rimborso delle Obbligazioni sarà effettuato alla pari (vale a dire al 100% del valore nominale).

La seguente tabella mostra la componente obbligazionaria e la componente derivativa relativa al prezzo di emissione delle Obbligazioni. Si precisa che l'Emittente non ha fornito i seguenti dati e non ha effettuato i calcoli relativi alle componenti indicate nella tabella seguente.

Componente obbligazionaria	76 %
Componente derivativa	20,5%
Commissioni	3,5%
Totale	100%

6. **Commissioni di collocamento e sottoscrizione**

Sono previste commissioni di collocamento e sottoscrizione pari al 3,50% del controvalore nominale delle Obbligazioni, detratte dai proventi delle Obbligazioni.

7. **Data di apertura e chiusura del collocamento. Possibilità di chiusura anticipata del periodo di offerta.**

Le prenotazioni saranno accettate a partire dall' 11 luglio 2005 fino al 19 luglio 2005 (il "**Periodo di Offerta**") – salvo chiusura anticipata e senza preavviso – e saranno soddisfatte nei limiti dei quantitativi di titoli disponibili presso ciascuno dei soggetti incaricati del collocamento.

8. **Data di emissione e di godimento**

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Il prestito viene emesso ed ha godimento 22 luglio 2005 (la "**Data di Godimento**").

9. **Durata del prestito**

Il prestito obbligazionario ha una durata pari a venti anni. Il prestito viene emesso il 22 luglio 2005 e verrà rimborsato, in un'unica soluzione, in data 22 luglio 2025 (la "**Data di Rimborso**").

Le Obbligazioni rappresentano debiti non garantiti e non subordinati dell'Emittente ed hanno pari grado con tutti debiti non garantiti e non subordinati dell'Emittente.

10. **Periodicità di corresponsione, importi e data di pagamento delle cedole interessi**

Dalla Data di Godimento le Obbligazioni fruttano sul valore nominale, interessi calcolati ad un tasso pari al 5,00% lordo annuo per il primo anno e del 4,00% lordo annuo per il secondo e terzo anno di vita del prestito calcolati su base Actual/Actual - ISMA *unadjusted* e soggetti al regime fiscale di cui al successivo paragrafo 21 (la "**Cedola Fissa**"). Gli interessi di cui sopra saranno pagabili rispettivamente il 22 luglio 2006, il 22 luglio 2007 ed il 22 luglio 2008 (di seguito la "**Data di Pagamento della Cedola Fissa**"), fatta salva l'applicazione della cosiddetta *Following Business Day Convention*, come definita nel successivo paragrafo 12. Dal quarto anno e per ogni anno successivo di vita del prestito, sul valore nominale, fino alla scadenza, le Obbligazioni fruttano interessi ("**Cedola Variabile**") calcolati come segue:

- un fattore pari a 5.00 moltiplicato per la differenza tra il **CMS 10** ed il **CMS 2**

dove:

"CMS 10" indica il tasso annuale swap per le operazioni di swap in Euro con durata dieci anni, espresso in percentuale, che compare sulla pagina ISDAFIX2 di Reuters (o su altra pagina in sostituzione della stessa per tale servizio) sotto la voce "EURIBOR BASIS - EUR" e al sottotitolo "11:00 AM Frankfurt" ossia alle 11 ora di Francoforte della Data di Determinazione (come di seguito definita); e

"CMS 2" indica il tasso annuale swap per le operazioni di swap in Euro con durata due anni, espresso in percentuale, che compare sulla pagina ISDAFIX2 di Reuters (o su altra pagina in sostituzione della stessa per tale servizio) sotto la voce "EURIBOR BASIS - EUR" e al sottotitolo "11:00 AM Frankfurt" ossia alle 11 ora di Francoforte della Data di Determinazione (come di seguito definita).

Qualora il CSM 10 e/o il CSM 2 non compaiano sulla pagina ISDAFIX2 di Reuters (o su altra pagina in sostituzione ovvero su altra pagina applicabile) alle 11 AM ora di Francoforte della Data di Determinazione (come definita sotto) di ciascun Periodo di Calcolo, l'Agente per la Determinazione (come definito al successivo paragrafo 28) potrà stabilire un valore sostitutivo per tale tasso non disponibile richiedendo a cinque primari operatori selezionati dallo stesso di fornire tale tasso sulla base dei seguenti criteri: (i) se almeno tre quotazioni vengono fornite, il tasso per il Periodo di Calcolo sarà la media aritmetica delle quotazioni, eliminando la quotazione più elevata (o, nel caso di uguaglianza, una delle più elevate) e la quotazione più bassa (o, nel caso di uguaglianza, una delle più basse) e (ii) se vengono fornite meno di tre quotazioni, il tasso per il Periodo di Calcolo sarà determinato con ragionevole discrezione dall'Agente per la Determinazione, il quale dovrà agire secondo buona fede e con ragionevole senso commerciale.

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Alla Data di Rimborso è previsto il pagamento di un ulteriore importo pari al maggiore tra (i) 0,00% e (ii) la differenza tra il 40% del Valore Nominale delle Obbligazioni e l'importo complessivo di tutte le Cedole Fisse e le Cedole Variabili già corrisposte.

Ciascuna Cedola Variabile non potrà essere in alcun caso inferiore al 0,00% lordo annuo.

Ciascuna Cedola Variabile non potrà essere in alcun caso superiore al CMS 10, per ogni Periodo di Calcolo di riferimento.

Gli interessi, soggetti al regime fiscale di cui al successivo paragrafo 21, saranno pagabili il 22 luglio di ogni anno a partire dal 2009 fino al 22 luglio 2025 (la "**Data di Pagamento delle Cedole Variabili**") ed insieme alla Data di Pagamento delle Cedole Fisse la "**Data di Pagamento**"), fatta salva l'applicazione della convenzione *Following Business Day Convention*, come definita nel successivo paragrafo 12.

Per "Data di Determinazione" si intende il giorno che cade 5 (cinque) Giorni Lavorativi TARGET (come definiti sotto) precedenti l'inizio di ciascun Periodo di Calcolo.

"Periodo di Calcolo" indica il periodo che inizia dal 22 luglio (incluso) di ciascun anno e termina il 22 luglio (escluso) dell'anno successivo. A titolo esemplificativo, il primo Periodo di Calcolo inizia il 22 luglio 2005.

Per "Actual/Actual - ISMA" si intende il numero di giorni dalla data in cui gli interessi cominciano a decorrere durante il relativo Periodo di Calcolo (inclusa) sino alla data in cui gli interessi sono dovuti (esclusa), diviso per il effettivo numero di giorni nel relativo Periodo di Calcolo.

Per "Giorno Lavorativo TARGET" si intende un giorno in cui il sistema *Trans-European Automated Real Time Gross Settlement Express Transfer* è operativo.

La seguente tabella indica il rendimento delle cedole certe e delle cedole variabili.

Tabella Cedole Fisse

Tabella Cedole Variabili

Anni 1: 5,00%	
Anni 2 - 3: 4,00%	
Anni 4 - 20: 0,00%	5.00 x (CMS 10 - CMS 2) espresso in percentuale

Si precisa che alle ore 11.00 AM di Francoforte del giorno 1 luglio 2005, il CMS 2 era pari al 2,20% ed il CMS 10 era pari a 3,24%.

11. **Tasso di rendimento effettivo ed indicazione delle modalità di calcolo**

Il tasso di rendimento effettivo è fisso per i primi tre anni e, successivamente, è variabile in quanto indicizzato al CMS 10 ed al CMS 2 e sarà calcolato, per ogni Obbligazione, applicando la seguente formula:

5.00 * (CMS 10 - CMS 2)

12. Modalità e termini di liquidazione e pagamento degli interessi

Il pagamento degli interessi avrà luogo presso Monte Titoli per il tramite degli intermediari autorizzati aderenti a Monte Titoli. Qualora la Data di Pagamento di un qualsiasi importo dovuto ai sensi del presente prestito obbligazionario non maturasse in un Giorno Lavorativo, tale pagamento verrà eseguito il primo Giorno Lavorativo immediatamente successivo ("**Following Business Day Convention**"), senza che ciò comporti lo spostamento delle date di pagamento successive e senza peraltro avere diritto agli interessi per eventuali giorni aggiuntivi.

Per "Giorno Lavorativo" si intende un giorno che sia un Giorno Lavorativo **TARGET**, come definito al precedente paragrafo 10, ed un Giorno Lavorativo a Londra.

Per "Giorno Lavorativo a Londra" si intende un giorno in cui: (i) le banche a Londra sono aperte per le loro attività commerciali ordinarie, incluse le attività di pagamento e deposito in Euro; e (ii) i mercati valutari a Londra sono aperti per le attività di pagamento in Euro.

13. Diritti e vantaggi connessi alle Obbligazioni

Le Obbligazioni incorporano i diritti ed i vantaggi previsti dalla vigente normativa per i titoli della stessa categoria.

14. Modalità di ammortamento del prestito e relative procedure di rimborso

Il prestito sarà rimborsato in un'unica soluzione il 22 luglio 2025 per il tramite degli intermediari autorizzati aderenti alla Monte Titoli. Il rimborso del capitale verrà effettuato alla pari (100%) e senza alcuna deduzione per spese. Le Obbligazioni cesseranno di essere fruttifere dalla Data di Rimborso.

15. Rimborso Anticipato

Non è prevista alcuna facoltà di rimborso anticipato da parte dell'Emittente.

16. Clausole di postergazione dei diritti inerenti le Obbligazioni

Nessuna.

17. Garanzie ed impegni eventualmente assunti per garantire il buon esito del prestito

Nessuna.

18. Premi di rimborso e/o qualsiasi ulteriore elemento che concorre alla determinazione del rendimento delle Obbligazioni

Come menzionato al precedente paragrafo 10, alla Data di Rimborso è previsto il pagamento di un ulteriore importo pari al maggiore tra (i) 0,00% e (ii) la differenza tra il 40% del Valore Nominale delle Obbligazioni e l'importo complessivo di tutte le Cedole Fisse e le Cedole Variabili già corrisposte.

19. Termine di prescrizione degli interessi, del capitale e degli altri diritti connessi

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I diritti degli obbligazionisti si prescrivono, per quanto concerne gli interessi, decorsi cinque anni da ciascuna Data di Pagamento e, per quanto concerne il capitale, decorsi dieci anni dalla Data di Rimborso.

20. **Criteri di Riparto**

L'eventuale riparto ed assegnazione saranno effettuati distintamente per le adesioni pervenute relativamente alle Obbligazioni.

Nel caso che le adesioni pervenute durante il Periodo di Offerta risultino superiori rispetto al quantitativo di Obbligazioni disponibili, i Responsabili del Collocamento (come definiti successivamente al paragrafo 25) provvederanno al riparto ed assegnazione delle stesse in misura proporzionale alle Obbligazioni richieste (e non soddisfatte) da ognuno di essi. Tale assegnazione sarà arrotondata per difetto.

21. **Regime fiscale**

Quanto segue è una sintesi del regime fiscale proprio delle Obbligazioni applicabili a certe categorie di investitori residenti in Italia che detengono le Obbligazioni non in relazione ad un'impresa commerciale (gli "Investitori").

Gli Investitori residenti in Italia sono tenuti a consultare i loro consulenti in merito al regime fiscale proprio dell'acquisto, della detenzione e della cessione delle Obbligazioni.

Redditi di capitale: agli interessi ed altri proventi delle Obbligazioni è applicabile – nelle ipotesi e nei modi e termini previsti dal Decreto Legislativo 1° aprile 1996, n. 239, come successivamente modificato ed integrato – l'imposta sostitutiva delle imposte sui redditi nella misura del 12,50%.

Tassazione delle plusvalenze: le plusvalenze, diverse da quelle conseguite nell'esercizio di imprese commerciali, realizzate mediante cessione a titolo oneroso ovvero rimborso delle Obbligazioni (art. 67 del d.P.R. 22 Dicembre 1986, n. 917, così come successivamente modificato ed integrato (di seguito "T.U.I.R."), sono soggette ad imposta sostitutiva delle imposte sui redditi con l'aliquota del 12,50%. Le plusvalenze e minusvalenze sono determinate secondo i criteri stabiliti dall'art. 68 del T.U.I.R. e soggette al regime ordinario di cui all'art. 5 (regime della dichiarazione) ovvero ai regimi opzionali di cui agli art. 6 (risparmio amministrato) e art. 7 (risparmio gestito) del Decreto Legislativo 21 novembre 1997, n. 461.

22. **Eventuali restrizioni imposte alla libera negoziabilità delle Obbligazioni dalle condizioni di emissione**

Nessuna.

23. **Soggetti terzi incaricati ai servizi connessi all'emissione**

Nessuno.

24. **Mercati presso i quali è prevista la negoziazione delle Obbligazioni**

Assolte le formalità previste dalla normativa vigente e una volta verificata la sussistenza dei requisiti di diffusione e di ammontare richiesti dal Regolamento dei Mercati Organizzati e Gestiti da Borsa Italiana S.p.A., sarà presentata alla stessa Borsa Italiana S.p.A. domanda di

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ammissione alla quotazione ufficiale delle Obbligazioni sul Mercato Telematico delle Obbligazioni e dei titoli di Stato (M.O.T.) organizzato e gestito da Borsa Italiana S.p.A.. E' previsto inoltre indirettamente il regolamento per il tramite di Euroclear e Clearstream.

25. **Soggetti incaricati del collocamento**

Le Obbligazioni vengono offerte attraverso un consorzio di collocamento diretto da Morgan Stanley & Co. International Limited, avente sede a 25 Cabot Square E14 4QA, Londra, Regno Unito e da Banca Akros S.p.A. - Gruppo Banca Popolare di Milano - avente sede a Viale Eginardo 29, 20149, Milano, Italia (i "**Responsabili del Collocamento**").

26. **Comunicazioni**

Tutte le comunicazioni agli obbligazionisti sono validamente effettuate, salvo diversa disposizione di legge, mediante avviso da pubblicarsi su un quotidiano a diffusione nazionale o sulla Gazzetta Ufficiale della Repubblica Italiana.

Si precisa che le comunicazioni di ordinaria amministrazione dall'Emittente agli obbligazionisti potranno essere effettuate anche per mezzo del sistema di Monte Titoli affinché Monte Titoli effettui le relative comunicazioni nei confronti dei titolari qualificati dei conti. Ogni comunicazione inoltrata a Monte Titoli in conformità al presente articolo si considererà come effettuata agli obbligazionisti il giorno in cui è stata consegnata alla stessa Monte Titoli.

27. **Agente per il Calcolo e per i Pagamenti**

L'agente per il calcolo e per i pagamenti del presente prestito obbligazionario e' Citibank N.A..

28. **Agente per la Determinazione**

L'agente per la determinazione per il presente prestito obbligazionario è Bank of America N.A.

29. **Legge regolatrice e Foro competente.**

Al presente prestito obbligazionario si applicano la legge e la giurisdizione italiane. Per qualsiasi controversia connessa con il presente prestito obbligazionario, le Obbligazioni o il presente regolamento sarà competente il Foro di Roma, senza pregiudizio di quanto previsto dall'art. 1469 bis c.c..

Il possesso delle Obbligazioni comporta la piena accettazione di tutte le condizioni fissate nel presente Foglio Informativo nonché del relativo Regolamento del prestito.

III. INFORMAZIONI SUI RISCHI DELL'OPERAZIONE

1. **Tipologie di rischio che caratterizzano l'investimento nei titoli oggetto dell'emissione**

Il prestito **strutturato** denominato "*European Bank for Reconstruction and Development Bonds Linked to CMS Rates due 2025*" è costituito da obbligazioni che attribuiscono al sottoscrittore la possibilità di ottenere, oltre alla garanzia di rimborso integrale del capitale investito, una cedola pari al 5,00% lordo annuo per il primo e pari al 4,00% lordo annuo per il secondo e terzo anno. Gli interessi di cui sopra saranno pagabili il 22 luglio 2006, il 22 luglio 2007 ed il 22 luglio 2008 e saranno soggetti al regime fiscale di cui alla precedente Sezione II, paragrafo 21. Dal

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quarto anno e per ogni anno successivo la cedola sarà indicizzata ad un tasso variabile calcolato come segue: un fattore pari al 5.00 moltiplicato per la differenza tra CMS 10 e CMS 2.

E' previsto che ciascuna Cedola Variabile non possa essere in alcun caso nè inferiore al 0,00% lordo annuo e nè superiore al CMS 10, per ogni Periodo di Calcolo di riferimento.

Alla Data di Rimborso è previsto il pagamento di un ulteriore importo pari al maggiore tra (i) 0,00% e (ii) la differenza tra il 40% del Valore Nominale delle Obbligazioni e l'importo complessivo di tutte le Cedole Fisse e le Cedole Variabili già corrisposte.

Le Cedole Variabili, soggette al regime fiscale di cui alla precedente Sezione II paragrafo 21, saranno pagabili il 22 luglio di ogni anno a partire dal 2009 fino al 2025 e saranno determinate, per ogni Obbligazione, applicando la formula di cui alla precedente Sezione II paragrafo 11.

2. Note sui rischi dell'investimento

Quanto segue nei seguenti paragrafi è stato fornito da Morgan Stanley & Co. International Limited in data 1 Luglio 2005 (sulla base di dati disponibili alla stessa data) a mero titolo informativo ed esemplificativo.

Le Obbligazioni del presente prestito sono scomponibili, sotto il profilo finanziario, in una componente obbligazionaria e in una componente derivativa implicita; inoltre l'investitore dovrà tenere conto dei consueti elementi di rischio tipici di un investimento in titoli obbligazionari (i cosiddetti "Rischi Finanziari").

Componente obbligazionaria

La componente obbligazionaria è rappresentata da un titolo a tasso fisso con cedola annuale per i primi tre anni del prestito (nel caso specifico pari al 5,00% del valore nominale per il primo anno e pari al 4,00% del valore nominale per il secondo e terzo anno), valutabile in una percentuale pari al 76% del nozionale (come indicato alla Tabella descritta alla Sezione II paragrafo 5). Successivamente la cedola annuale sarà variabile come indicato sopra alla Sezione II paragrafo 10 e comunque non potrà essere inferiore all' 0,00% e non superiore al CMS 10. A scadenza verrà garantito il rimborso integrale del capitale investito.

Tale valore è stato calcolato assumendo che la componente derivativa del titolo sia pari a 0.

In particolare, tale componente obbligazionaria è stata, alla data del presente Foglio Informativo, calcolata seguendo la procedura di cui sotto:

- (iv) viene preso in considerazione l'ammontare delle cedole certe dell'Obbligazione (nel caso di specie il 5,00% per il primo anno e 4,00% per il secondo e terzo anno e 0.00% per gli anni successivi fino al penultimo anno ed il 27% alla scadenza - tale ammontare essendo la differenza tra il 40% del valore nominale delle Obbligazioni e l'importo delle cedole corrisposte sino a quella data);
- (v) vengono rilevati i tassi di mercato della curva swap in Euro ad una certa data e ora (nel caso di specie alle ore 11.00 AM di Francoforte del 1 luglio 2005); e
- (vi) viene successivamente calcolato il prezzo dell'Obbligazione in base al tasso di mercato sopra rilevato (eventualmente modificato in base al maggiore o minore *spread* cui eventualmente sia soggetto l'Emittente).

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L'ammontare dei flussi cedolari certi dell'Obbligazione rappresenterà il valore della componente obbligazionaria (dove la componente derivativa è pari al 20,5%) del titolo.

Il rendimento effettivo lordo della componente obbligazionaria per il sottoscrittore del titolo, al netto della componente derivativa indicata qui sotto, è pari al 3,50% su base annua.

Tale valore è stato calcolato assumendo che la componente derivativa del titolo sia pari a 0.

Componente derivativa

La componente derivativa implicita nel titolo è rappresentata dall'esposizione del titolo all'inclinazione della curva dei tassi in Euro (nel caso specifico il differenziale tra CMS 10 e CMS 2) valutabile in una percentuale pari al 20,5% del nozionale (come indicato alla Tabella descritta alla Sezione II paragrafo 5).

In particolare, tale componente è stata calcolata in base allo scenario della curva dei rendimenti *swap* rilevata al giorno 1 luglio 2005 alle ore 11.00 AM di Francoforte, utilizzando la metodologia della cosiddetta “*Simulazione di Monte Carlo*”.

3. Rischi finanziari

Rischio di tasso

Tale rischio è legato alla variazione dei tassi di interesse. Infatti, un aumento del tasso di interesse di mercato comporta una riduzione del valore di mercato dell'Obbligazione. Nel caso in cui il CMS 2 aumenti più rapidamente del CMS 10, le Obbligazioni potranno essere soggette ad una **performance** inferiore rispetto ad obbligazioni a tasso variabile.

Rischio di prezzo

L'andamento dei tassi di interesse potranno avere riflessi sul prezzo di mercato del titolo facendolo oscillare durante la vita dell'Obbligazione. Se il risparmiatore volesse pertanto vendere il titolo prima della scadenza naturale dei venti anni, il valore dello stesso potrebbe quindi anche risultare inferiore al prezzo di sottoscrizione (100% del valore nominale). La garanzia di integrale rimborso del capitale a scadenza permette all'investitore, tuttavia, di poter rientrare in possesso del proprio capitale, indipendentemente dall'andamento dei tassi di interesse.

Rischio di liquidità

Tale rischio è rappresentato dall'impossibilità o dalla difficoltà di poter liquidare il proprio investimento prima della sua scadenza. E' prevista la futura quotazione presso il M.O.T..

Rischio emittente

Sottoscrivendo le obbligazioni del prestito **strutturato** denominato "*European Bank for Reconstruction and Development Bonds Linked to CMS Rates due 2025*" si diventa finanziatori della European Bank for Reconstruction and Development e si acquisisce, peraltro, il diritto al rimborso integrale del capitale investito. Pertanto, in caso di impossibilità finanziaria dell'Emittente al rimborso, tale diritto potrebbe essere pregiudicato.

4. Esempificazione del rendimento dei titoli oggetto dell'emissione

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Quanto segue nel presente paragrafo è stato fornito da Morgan Stanley & Co. International Limited in data 1 Luglio 2005 (sulla base di dati disponibili alla stessa data) a mero titolo informativo ed esemplificativo.

Scenario favorevole

Assumendo che vi sia da subito una considerevole inclinazione della curva dei tassi in Euro (se, ad esempio, la differenza tra CMS 10 e CMS 2 sia 200 **basis points** fino alla Data di Rimborso), le Obbligazioni rimborsate a scadenza avranno maturato interessi pari al 5,00% per il primo anno, 4,00% per il secondo e terzo anno, e pari al 10,00% (vale a dire $5.00 * 200$ **basis points**, assumendo che il CMS 10 sia uguale o superiore al 10,00%) per i successivi 17 anni, conseguendo, pertanto, un rendimento annuo lordo pari al 8,48%.

Tale rendimento è stato calcolato, alla data del presente Foglio Informativo, prendendo come riferimento un titolo di pari scadenza con identici flussi cedolari certi (5,00% per il primo anno e 4,00% per il secondo e terzo anno ed il 10% per gli anni successivi fino alla scadenza, cfr. relativa tabella alla Sezione II paragrafo 10), secondo la formula del "**tasso interno di rendimento**" ("IRR").

Scenario intermedio

Assumendo che vi sia un moderato appiattimento dell'inclinazione della curva dei tassi in Euro (se ad esempio la differenza tra CMS 10 e CMS 2 sia 100 **basis points** fino alla Data di Rimborso), le Obbligazioni rimborsate a scadenza, avranno maturato interessi pari al 5,00% per il primo anno ed al 4,00% per il secondo e terzo anno, e pari al 5,00% (vale a dire $5.00 * 100$ **basis points**, assumendo che il CMS 10 sia uguale o superiore al 5,00%) per i successivi 17 anni, conseguendo, pertanto, un rendimento annuo lordo pari al 4,86%.

Tale rendimento è stato calcolato, alla data del presente Foglio Informativo, prendendo come riferimento un titolo di pari scadenza con identici flussi cedolari certi (5,00% per il primo anno e 4,00% per il secondo e terzo anno ed il 5% per gli anni successivi fino alla scadenza, cfr. relativa tabella alla Sezione II paragrafo 10), secondo la formula del "**tasso interno di rendimento**" ("IRR").

Scenario meno favorevole

Assumendo che vi sia un considerevole appiattimento dell'inclinazione della curva dei tassi in Euro (inclinazione nulla o negativa) fino alla Data di Rimborso, le Obbligazioni rimborsate a scadenza, avranno maturato interessi pari al 5,00% per il primo anno ed al 4,00% per il secondo e terzo anno, e pari allo 0,00% per i successivi 16 anni, mentre alla scadenza avranno maturato interessi pari al 27% (equivalente alla differenza tra il 40% del valore nominale delle Obbligazioni e l'importo complessivo delle cedole precedentemente corrisposte), conseguendo un rendimento annuo lordo pari all' 1,88%.

Tale rendimento è stato calcolato, alla data del presente Foglio Informativo, prendendo come riferimento un titolo di pari scadenza con identici flussi cedolari certi (5,00% per il primo anno e 4,00% per il secondo e terzo anno e lo 0,00% per gli anni successivi fino al penultimo anno ed il 27% alla scadenza - tale ammontare essendo la differenza tra il 40% del valore nominale delle Obbligazioni e l'importo complessivo delle cedole corrisposte sino a quella data, cfr. relativa

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tabella alla Sezione II paragrafo 10), secondo la formula del "**tasso interno di rendimento**" ("**IRR**").

5. **Garanzia**

Le Obbligazioni non sono coperte dalla garanzia del **Fondo Interbancario di Tutela dei Depositi**.

ALLEGATO I

LEGENDA PER IL CLIENTE DELLE DEFINIZIONI UTILIZZATE NEL FOGLIO INFORMATIVO SUL PRESTITO STRUTTURATO "EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT BONDS LINKED TO CMS RATES DUE 2025" ISIN IT0006592981

ALBO DELLE BANCHE: albo tenuto dalla Banca d'Italia ai sensi del Decreto Legislativo 385/93, in cui la stessa iscrive le banche autorizzate in Italia e le succursali delle banche comunitarie stabilite in Italia.

CLAUSOLE DI SUBORDINAZIONE: indica la presenza nel regolamento dei titoli di clausole di postergazione delle pretese dei portatori dei titoli verso l'Emittente rispetto alle pretese di altri creditori non egualmente subordinati all'Emittente.

COMPONENTE DERIVATIVA: vedi Glossario alla voce "Derivato".

COMPONENTE OBBLIGAZIONARIA: vedi Glossario alla voce "Obbligazione".

DATA DI EMISSIONE: indica la data in cui i titoli verranno emessi.

DATA DI GODIMENTO: indica la data in cui sono in pagamento le cedole e gli altri proventi sui titoli.

FONDO INTERBANCARIO DI TUTELA E DEPOSITI: consorzio di diritto privato, costituito ai sensi del D. Lgs. 4.12.1996 n. 659, e riconosciuto dalla Banca d'Italia nel dicembre del 1996, cui aderiscono le banche italiane diverse da quelle di credito cooperativo, avente lo scopo di garantire i depositanti delle consorziate entro limiti previsti. Il Fondo interviene, previa autorizzazione della Banca d'Italia, nei casi di liquidazione coatta amministrativa ed amministrazione straordinaria. Le risorse per gli interventi vengono corrisposte dalle banche aderenti successivamente alla manifestazione della crisi della banca, a richiesta del Fondo.

MONTE TITOLI: Istituto per la custodia ed amministrazione accentrata di strumenti finanziari compresi quelli dematerializzati.

PERFORMANCE: Espressione utilizzata per indicare la variazione percentuale generalmente calcolata come rapporto tra la variazione netta (positiva e negativa) ed un valore di riferimento di un'attività finanziaria.

PRESCRIZIONE: indica un determinato periodo di tempo entro il quale il mancato esercizio di un diritto ne determina l'estinzione.

PREZZO DI EMISSIONE: indica il prezzo iniziale al quale i titoli sono offerti. Tale prezzo non corrisponde necessariamente al prezzo a cui il titolo può essere compravenduto dopo la data di emissione.

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RENDIMENTO EFFETTIVO LORDO: indica il rendimento dei titoli ante imposte di calcolo tenendo in considerazione il tasso di interesse applicabile, eventuali premi, nonché l'eventuale differenziale positivo tra il prezzo di rimborso e il prezzo di emissione.

SOLLECITAZIONE: indica il periodo di offerta dei titoli che precede l'emissione dei titoli.

TAGLIO MINIMO DEI TITOLI: indica il valore nominale unitario di ciascun titolo.

TARGET (sistema): (*Trans-European Real Time Gross Settlement Transfer System*) Sistema di regolamento lordo in tempo reale che le banche centrali dell'Unione Europea hanno realizzato per la terza fase dell'Unione Europea Monetaria per la gestione dei pagamenti d'importo rilevante in moneta unica. E' costituito dai sistemi di regolamento nazionali e dalle infrastrutture necessarie a collegarli.

TASSO INTERNO DI RENDIMENTO: indica quel valore che permette di equilibrare l'esborso iniziale di cassa con tutti i flussi di cassa futuri impliciti nel titolo.

VALORE NOMINALE: Valore facciale al quale l'emittente si è impegnato a rimborsare il titolo alla scadenza ed è l'importo su cui si calcolano i flussi cedolari.

ALLEGATO II

IL GLOSSARIO PER L'INVESTITORE IN TITOLI STRUTTURATI E SUBORDINATI

Il presente Glossario è conforme a quello di cui alle Linee guida ABI in materia di informazioni da fornire al sottoscrittore di titoli strutturati e subordinati

BASIS POINT (Punto base): il *basis point* è un'unità che misura uno *spread* o una variazione dei tassi di interesse, pari ad un centesimo di punto percentuale. Se i tassi salgono da 9,65% a 9,80%, il tasso è salito di 15 basis points.

BENCHMARK: parametro finanziario, o indice, o strumento finanziario che, per le sue caratteristiche di rappresentatività (ad es.: maggior diffusione tra i sottoscrittori), viene considerato dagli intermediari come riferimento per capire se un titolo dalle caratteristiche analoghe ha registrato, in un dato periodo, migliori o peggiori performance in termini di rendimento rispetto al benchmark stesso.

BTP (Buoni del Tesoro poliennali): titoli emessi dal Tesoro con scadenza a medio/lungo termine, con tasso fisso e cedola semestrale.

CAP: opzione (v.) su tasso d'interesse, negoziata al di fuori di mercati regolamentati, con la quale viene fissato un limite massimo alla crescita del rendimento di un dato strumento finanziario.

CAPITALIZZAZIONE DI BORSA (di un singolo titolo): è il prodotto tra il prezzo di Borsa di un'azione ed il numero delle azioni che compongono il capitale sociale.

CONTRATTO FUTURE: contratto (detto "derivato") negoziato generalmente su mercati regolamentati attraverso il quale le parti, alla scadenza concordata, si impegnano a comprare o a vendere un certo quantitativo di strumenti finanziari, ad un prezzo prestabilito alla conclusione del contratto stesso.

DERIVATO: nome genericamente usato per indicare uno strumento finanziario, il cui prezzo/rendimento deriva dai parametri di prezzo/rendimento di altri strumenti finanziari principali detti sottostanti (v.), che possono essere strumenti finanziari, indici, tassi di interesse, valute, materie prime.

FLOOR (v. opzione): derivato su tasso di interesse con il quale viene fissato un limite minimo al rendimento di una data attività.

HEDGING (Copertura): operazione effettuata da parte del possessore di titoli o dell'emittente, volta ad assicurare, in caso di andamento sfavorevole dei prezzi, il recupero delle perdite sofferte sui titoli medesimi.

INDICE DI BORSA: grandezza rappresentativa dell'andamento dei prezzi dei titoli quotati in Borsa.

KNOCK IN, KNOCK OUT (Clausola di): clausola in base alla quale, al verificarsi di un determinato evento, indicato nel Foglio Informativo, si attua o si estingue un'opzione predeterminata.

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MARKET MAKER: intermediario obbligato a proporre pubblicamente prezzi di acquisto e di vendita, ai quali altri intermediari possono, rispettivamente, vendergli o comprargli determinati quantitativi di titoli.

MONTE CARLO (Simulazione di): strumento di calcolo numerico che permette la risoluzione di problemi matematici complessi mediante procedimenti probabilistici basati sulla "legge dei grandi numeri". Tale tecnica di calcolo viene utilizzata in campo finanziario, tra l'altro, per definire il valore di strumenti derivati (es. opzioni).

OBBLIGAZIONE: titolo di debito attraverso il quale la banca emittente si impegna a scadenza a rimborsare il capitale raccolto.

OBBLIGAZIONE SUBORDINATA: titolo obbligazionario che, in caso di insolvenza dell'emittente, viene rimborsato solo dopo che sono stati rimborsati gli altri debiti non subordinati dell'emittente. E' importante tenere conto anche del livello di subordinazione.

OPZIONE (Contratto di): contratto (detto "derivato") con il quale una delle parti, pagando una somma alla controparte (premio), acquista il diritto di comprare (*call option*) o di vendere (*put option*), ad una data futura, un certo quantitativo di strumenti finanziari a un prezzo stabilito (prezzo di esercizio). Nel caso di *option* su indici, anziché un certo quantitativo di strumenti finanziari, si compra il diritto di incassare o di versare una somma, pari al prodotto tra il valore assegnato convenzionalmente a ciascun punto dell'indice di riferimento e la differenza, a sua volta ottenuta dal valore dell'indice (stabilito alla stipula del contratto) e il valore assunto dall'indice il giorno in cui la facoltà viene esercitata. Si distingue tra un'*option* europea, che può essere esercitata soltanto alla data di scadenza concordata, e un'*option* americana, che può essere esercitata entro la data di scadenza.

OPZIONE (Valore della): il valore di un'opzione è dato da due componenti: il valore "intrinseco" ed il valore temporale. In un'opzione "call", il valore intrinseco è pari alla differenza (se positiva) tra il prezzo a pronti (v.) dello strumento sottostante e il prezzo di esercizio (v.) Il valore temporale dipende dalla volatilità dello strumento sottostante.

PONDERAZIONE: l'attribuzione di un peso relativo, all'interno di un indice, ai singoli titoli che concorrono a determinare il valore dell'indice.

PREZZO A PRONTI: prezzo del titolo registrato sul mercato nella giornata di riferimento

PRICING: procedura di determinazione del prezzo di collocamento dei titoli.

PUNTO BASE: v. BASIS POINT

RATING (Agenzia di): società indipendenti da gruppi industriali, commerciali e finanziari, specializzate nell'attribuire ad emittenti o a strumenti finanziari, attraverso combinazioni di lettere o cifre (es.: AAA; AA; A+; BBB; BB, B-) un giudizio sulla capacità dell'emittente di rimborsare gli strumenti finanziari emessi o sulla idoneità dello stesso strumento finanziario da questi emesso ad essere rimborsato.

REVERSE CONVERTIBLE: titolo strutturato che attribuisce all'emittente la possibilità, al verificarsi di un dato evento, di convertire in azioni il capitale da rimborsare.

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RISCHIO DI CAMBIO (Per titoli in valuta estera): in un titolo denominato in valuta estera, il controvalore in euro della cedola e del capitale possono variare in modo favorevole o sfavorevole al sottoscrittore a causa della variazione del tasso di cambio dell'euro.

RISCHIO DI CONTROPARTE: rischio che la controparte (ad esempio, in relazione ai contratti derivati) non adempia, alla scadenza, ai propri obblighi contrattuali.

RISCHIO DI LIQUIDITA': rischio di dover accettare una riduzione del prezzo del titolo, qualora l'investitore intenda procedere alla vendita prima della scadenza, dovuto alla difficoltà di trovare una controparte disposta a comprare.

RISCHIO DI MERCATO: rischio in cui incorre chi ha investito in strumenti finanziari a seguito di variazioni dell'andamento dei prezzi dei titoli dovute, ad esempio, al variare del tasso (*rischio di*, v.) e del cambio (*rischio di*, v.).

RISCHIO DI PREZZO: v. RISCHIO DI TASSO

RISCHIO DI RIMBORSO ANTICIPATO: poiché l'emittente si riserva la facoltà di rimborsare anticipatamente il titolo, il sottoscrittore si potrebbe trovare nelle condizioni di dover accettare il rimborso alla pari del titolo, nel momento in cui esso offre un rendimento superiore a quello corrente sul mercato e, di conseguenza, di non poter reinvestire il capitale rimborsato anticipatamente, per il tempo residuo alla scadenza, allo stesso tasso di rendimento del titolo rimborsato.

RISCHIO DI TASSO: rischio legato alla variazione dei tassi di interesse: un aumento dei tassi di mercato comporta una riduzione del valore di mercato di un titolo e viceversa.

RISCHIO DI VARIAZIONE DEL SOTTOSTANTE (Per titoli strutturati): esprime la possibilità di variazione del valore/prezzo dell'attività sottostante, alla quale è legato il rendimento del titolo strutturato.

RISCHIO EMITTENTE: rappresenta la probabilità (*credit risk*) che l'emittente di un'obbligazione non sia in grado di adempiere ai propri obblighi pagare le cedole e/o rimborsare il capitale).

SOTTOSTANTE: strumento finanziario dal cui valore dipende quello di un titolo derivato o strutturato (v.)

SPREAD DI PREZZO: differenza tra il prezzo in vendita e il prezzo in acquisto praticato da un intermediario.

STRIKE PRICE (Prezzo di esercizio): prezzo prestabilito al quale il possessore dell'opzione, esercitando l'opzione stessa, può acquistare/vendere lo strumento sottostante.

TICK: è lo scostamento minimo di prezzo, in più o in meno, allorché si propone un prezzo per acquistare o vendere uno strumento finanziario. Per i titoli quotati, i relativi valori sono indicati nel regolamento della Borsa. Ad. es: quotando la Fiat 6,52 euro, il *tick* ammesso è di un centesimo, per cui la proposta di prezzo potrà essere 6,53 o 6,51.

TITOLI STRUTTURATI: titoli composta da una componente cosiddetta "fissa", simile ad una normale obbligazione, ed una cosiddetta "derivativa", simile ad un'opzione.

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VOLATILITÀ' DEL PREZZO DI UN TITOLO: indice (statistico) volto a misurare l'ampiezza della variazione di prezzo di uno strumento finanziario rispetto al suo prezzo medio in un dato periodo. Più un titolo è volatile, più esso varia intorno al suo prezzo medio, più è rischioso. Si distinguono: (i) la volatilità storica, che è calcolata sulla base dei prezzi fatti registrare dallo strumento finanziario nel passato; (ii) la volatilità implicita, che è calcolata sulla base dei prezzi ai quali vengono scambiate le opzioni collegate al predetto strumento finanziario, generalmente su mercati regolamentati.

WARRANT: strumento finanziario derivato, generalmente quotato su mercati regolamentati, che attribuisce il diritto all'acquisto (call warrant) o alla vendita (put warrant) di un quantitativo di strumenti finanziari ad una prefissata scadenza in quantità e prezzo determinati.