

PRICING SUPPLEMENT

23 March 2006

European Bank for Reconstruction and Development
Mexican Peso 100,000,000 7.71 per cent. Notes due 10th April 2013
issued pursuant to a Global Medium Term Note Programme

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 10th August 2005. This document must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Base Prospectus.

SUMMARY OF THE NOTES

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| 1. Specified Currency: | Mexican Peso ("MXN") |
| 2. Nominal Amount: | MXN 100,000,000 |
| 3. Type of Note: | Fixed Rate |
| 4. Issue Date: | 20th April 2006 |
| 5. Issue Price: | 100.00 per cent. |
| 6. Maturity Date: | 10th April 2013, subject to paragraph 40 hereof |
| 7. Fungible with existing Notes: | No |
| 8. Pricing Supplement to be read in conjunction with Base Prospectus dated: | 10th August 2005 |

FORM OF THE NOTES

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| 9. Form of Note: | Bearer |
| 10. Specified Denomination(s): | MXN 50,000 |
| 11. Exchange of Bearer Notes: | Temporary Global Note exchangeable for permanent Global Note on certification as to non-US beneficial ownership on or after 40 days after the Issue Date and thereafter permanent Global Note exchangeable only upon an Exchange Event. |
| 12. (a) Talons for future Coupons to be attached to definitive Bearer Notes: | No |
| (b) Date(s) on which the Talons mature: | Not applicable |
| 13. (a) Registered holder of Registered Global Note: | Not applicable |

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

PROVISIONS RELATING TO INITIAL PAYMENT

14. Partly Paid Notes: No

PROVISIONS RELATING TO INTEREST

15. Interest Commencement Date: Issue Date

Fixed Rate Notes:

16. (a) Fixed Rate(s) of Interest: 7.71 per cent. per annum payable monthly in arrear. For the avoidance of doubt, MXN 321.25 per Specified Denomination shall be payable on each Fixed Interest Date other than the first Fixed Interest Date.
- (b) Fixed Interest Date(s): 10th day of each month from and including 10th May 2006 to and including the Maturity Date.
- (c) Initial Broken Amount per Specified Denomination: On the Fixed Interest Date falling on or around 10th May 2006, the following broken amount shall be payable: MXN 214.17 per Specified Denomination.
- (d) Final Broken Amount per Specified Denomination: Not applicable
- (e) Fixed Day Count Fraction: 30/360
- (f) Business Day Convention: Following Business Day Convention
- (g) Business Day definition if different from that in Condition 4(a)(iii): Additional business centres are London, Mexico City, Tokyo and New York City.
- (h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No

Zero Coupon Notes:

17. (a) Accrual Yield: Not applicable
- (b) Reference Price: Not applicable
- (c) Other formula or basis for determining Amortised Face Amount: Not applicable

- (d) Day Count Fraction in relation to Early Redemption Amounts and late payment: Not applicable

Floating Rate Notes and Indexed Notes

18. (a) Manner in which Rate of Interest is to be determined: Not applicable
- (b) Margin(s): Not applicable
- (c) Minimum Rate of Interest (if any): Not applicable
- (d) Maximum Rate of Interest (if any): Not applicable
- (e) Floating Day Count Fraction: Not applicable
19. If ISDA Determination: Not applicable
- (a) Floating Rate Option: Not applicable
- (b) Designated Maturity: Not applicable
- (c) Reset Date: Not applicable
20. If Screen Rate Determination: Not applicable
- (a) Reference Rate: Not applicable
- (b) Relevant Screen Page: Not applicable
- (c) Interest Determination Date: Not applicable
21. If Indexed: Not applicable
22. If Rate of Interest not to be determined by ISDA or Screen Rate Determination or by reference to an Index or Formula: Not applicable
23. General Provisions for Floating Rate Notes and Indexed Notes: Not applicable
- (a) Specified Period (and, in the case of Notes where the Interest Payment Date(s) are fixed, the Interest Payment Date(s)): Not applicable
- (b) Business Day Convention: Not applicable
- (c) Business Day definition if different from that in Condition 4(b)(i): Not applicable

- (d) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: Not applicable
- (e) Terms relating to calculation of Interest Amount: Not applicable
- (f) Party responsible for calculation of the Interest Amount: Not applicable
- (g) Party responsible for making any determinations ancillary to or in connection with the calculation of the Interest Amount, including Rate of Interest (if applicable): Not applicable
- (h) Any amendment to the definition in Condition 4(b)(iii) of Euro-zone: Not applicable

PROVISIONS REGARDING PAYMENTS/DELIVERIES

- 24. Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies and the additional business centres are London, Mexico City, Tokyo and New York City.
- 25. Dual Currency Notes: Not applicable
- 26. Physically Settled Notes: Not applicable

PROVISIONS REGARDING REDEMPTION/MATURITY

- 27. (a) Redemption at Issuer's option: No
- (b) Redemption at Noteholder's option: No
- 28. (a) Final Redemption Amount for each Note (*other than* an Indexed or Formula Note where the index or formula applies to the redemption amount): 100 per cent. of the Specified Denomination of each Note (subject to paragraph 40 herein).
- (b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: Not applicable
- 29. Instalment Note: Not applicable

30. Early Redemption Amount for each Note payable on an event of default: Condition 5(d) applies

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

31. Method of distribution: Non-syndicated
32. If syndicated, names of Managers or, if non-syndicated names of Purchasers: BNP Paribas
33. Date of Syndication Agreement: Not applicable
34. Stabilising Agent: None
35. Additional sales restrictions: In addition to the restrictions set out under the heading "Subscription and Sale" in the Base Prospectus, the following shall apply:
Mexico:
The Purchaser has represented and agreed that it has not and will not offer the Notes publicly in Mexico and has not and will not distribute any offering materials in Mexico.
36. Details of additional/alternative clearing system approved by the Issuer and the Agent: None
37. Common Code: 24832198
ISIN Code: XS0248321985
CUSIP Number: Not applicable
38. Listing: None
39. In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a "Redenomination Clause"), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of redenominationalisation and/or consolidation (provided they are fungible) with other Notes: Not applicable

denominated in euro.

40. Additional Information:

Risk Warning

There are significant risks associated with the Notes including, but not limited to, exchange rate risk, price risk and liquidity risk. Investors should consult their own financial, legal, accounting and tax advisors about the risks associated with an investment in these Notes, the appropriate tools to analyse that investment, and the suitability of the investment in each investor's particular circumstances. No investor should purchase the Notes unless that investor understands and has sufficient financial resources to bear the price, market liquidity, structure and other risks associated with an investment in these Notes (including, but not limited to, any political, economic and other factors which could affect the value of, and return on, the Notes).

Investors should be aware that the methodology for determining any foreign exchange rate may result in a fixed interest amount (payable pursuant to paragraph 16 herein), the Final Redemption Amount or any Early Redemption Amount (as the case may be) of the Notes being significantly less than anticipated or even zero. Investors should also be aware that a Fixed Interest Date, the Maturity Date and/or the date fixed for early redemption (if any) pursuant to Condition 5(d) of the Notes (the "Early Redemption Date"), as the case may be, may be postponed and that no additional amounts shall be payable by the Issuer in respect of any delay in payment resulting from such postponement, all as further described in this paragraph 40.

Settlement Disruption Event and Fallback Provisions

All payments in respect of the Notes will be made in MXN, subject to the occurrence of a Settlement Disruption Event (as defined below) and will in all cases be subject to any fiscal or other laws and regulations applicable

thereto.

If the Calculation Agent (as defined below) determines (in its sole discretion acting in good faith and in a commercially reasonable manner) that a Settlement Disruption Event has occurred or is subsisting during the Determination Period (as defined below):

- A. The Calculation Agent shall notify the Issuer and the Agent of its determination as soon as practicable after making such determination (but in no event later than one (1) Business Day thereafter) whereupon the Agent shall as soon as practicable thereafter (but in no event later than one (1) Business Day after receipt of the aforementioned notice from the Calculation Agent) notify the Noteholders thereof (in accordance with Condition 13 of the Notes), and
- B. Noteholders will not be entitled to any amounts in respect of the Notes until the earlier to occur of (i) the day falling two Business Days after the day on which the Issuer is notified by the Calculation Agent that a Settlement Disruption Event no longer subsists and (ii) the Postponed Fixed Interest Date (as defined below), the Postponed Maturity Date (as defined below), or the Postponed Early Redemption Date (as defined below), as the case may be.

If a Settlement Disruption Event no longer subsists, the Calculation Agent shall notify the Issuer and the Agent thereof as soon as practicable on or after the Business Day on which the Settlement Disruption Event no longer subsists (but in no event later than one (1) Business Day thereafter) whereupon the Agent shall as soon as practicable thereafter (but in no event later than one (1) Business Day after receipt of the aforementioned notice from the Calculation Agent) notify the Noteholders thereof (in accordance with

Condition 13 of the Notes).

If any amount is to be paid on a Postponed Fixed Interest Date, Postponed Maturity Date or Postponed Early Redemption Date (as the case may be), payment shall instead be made in United States Dollars (“USD”) and shall be calculated by the Calculation Agent (and promptly notified to the Agent (but in no event later than one Business Day before the Postponed Fixed Interest Date, Postponed Maturity Date or Postponed Early Redemption Date (as the case may be)) in an amount per Specified Denomination which shall be equal to the greater of zero and the amount produced by the following provisions, such amount to be rounded to the nearest whole cent (with 0.5 cent being rounded upwards):

[Relevant MXN Amount ÷ Exchange Rate]

For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of any delay in payment resulting from the operation of the provisions of this paragraph 40.

For the purposes of these provisions:

“**Business Day**” means any day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in Mexico City, London, Tokyo and New York City;

“**Calculation Agent**” means BNP Paribas in accordance with the provisions of the Calculation Agency Agreement entered into between the Issuer and the Calculation Agent dated 26th January 2006 (as amended and/or supplemented from time to time). All references to the Calculation Agent shall include any successor or successors to BNP Paribas as Calculation Agent in respect of the Notes. The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the

formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent under the Notes and pursuant to the Calculation Agency Agreement shall (in the absence of manifest error) be final and binding on all parties (including, but not limited to, the Issuer and the Noteholders) and shall be made in its sole discretion in good faith and in a commercially reasonable manner in accordance with the Calculation Agency Agreement. In performing its duties under the Notes, the Calculation Agent shall act in accordance with the Calculation Agency Agreement. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Notes or the Calculation Agency Agreement including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and neither the Calculation Agent nor the Issuer shall bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance;

“Determination Period” for the purpose of this paragraph 40, means (i) in relation to any Fixed Interest Date, the period which falls between five and three Business Days (inclusive) preceding any relevant Fixed Interest Date, as adjusted in accordance with the Following Business Day Convention; (ii) in relation to the Maturity Date, the period which falls between five and three Business Days (inclusive) preceding the Maturity Date, as adjusted in accordance with the Following Business Day Convention; and (iii) in relation to any Early Redemption Date (as defined above), as adjusted in accordance with the Following Business Day Convention, the period which falls between five and three Business Days (inclusive) preceding any Early Redemption Date, as the case may be;

“Exchange Rate” means the average of such firm quotes (expressed in MXN per 1 USD) as the Calculation Agent is able to obtain from the Reference Dealers (as defined below) for the sale of MXN and the purchase of USD, on the day falling two Business Days prior to the Postponed Fixed Interest Date, Postponed Early Redemption Date (if any) or the Postponed Maturity Date (as the case may be). The highest and lowest of such quotes will be disregarded and the arithmetic mean of the remaining quotations shall be the Exchange Rate, provided, however, that if fewer than four (but at least two) Reference Dealers provide such a firm quote then the average of the quotes actually obtained shall apply. If only one Reference Dealer provides a firm quote then such quote shall apply, and if no Reference Dealer provides such a firm quote, then the Calculation Agent, acting in good faith and in a commercially reasonable manner, shall establish the Exchange Rate in its sole discretion, which may result in an exchange rate of zero;

“Postponed Fixed Interest Date” means the tenth Business Day following the originally scheduled Fixed Interest Date;

“Postponed Early Redemption Date” means the tenth Business Day following the Early Redemption Date (if any);

“Postponed Maturity Date” means the tenth Business Day following the originally scheduled Maturity Date;

“Reference Dealers” means five leading dealers, banks or banking corporations, which deal in the MXN/USD exchange market, selected by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner;

“Relevant MXN Amount” means the MXN amount per Specified Denomination which would have been payable on the relevant date if the Settlement Disruption Event had not occurred; and

“Settlement Disruption Event” means, as determined by the Calculation Agent in its sole discretion acting in good faith and in a commercially reasonable manner, the imposition of laws or regulations by the Central Banking Authority or other legislative, governmental or regulatory authority of the United Mexican States which (a) require non-residents of the United Mexican States to obtain permission from such Central Banking Authority or other authority to obtain MXN, or (b) otherwise restrict a non-resident’s ability to obtain MXN or (c) otherwise regulate the purchase or holding of MXN such that costs are imposed in obtaining MXN which would not be imposed in the absence of such regulations, or (d) has the direct or indirect effect of hindering, limiting or restricting the transfer of MXN from the United Mexican States to recipients resident in another country.

41. Total Commissions: 0.00 per cent. of the Nominal Amount of the Notes

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:
Authorized signatory