

## Pricing Supplement

23 June 2017

### European Bank for Reconstruction and Development USD 2,000,000 (KGS Linked) Amortising Fixed Rate Notes due 27 December 2019 issued pursuant to a Global Medium Term Note Programme

#### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 3 July 2012 (the "Offering Circular"). This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular is available for viewing and copies may be obtained from the Issuer at One Exchange Square, London, EC2A 2JN, United Kingdom.

#### SUMMARY OF THE NOTES

1	Specified Currency:	United States Dollars ("USD")
2	Nominal Amount:	USD 2,000,000
3	Type of Note:	Fixed Rate
4	Issue Date:	27 June 2017
5	Issue Price:	100.00 per cent. of the Nominal Amount
6	Maturity Date:	27 December 2019
7	Fungible with existing Notes:	No

#### FORM OF THE NOTES

8	Form of Note:	Registered
9	New Global Note:	No
10	Specified Denomination:	USD 400,000. The principal amount outstanding in respect of the value of the Specified Denomination will decrease as the Reference KGS Redemption Amount is paid out, as set out in Annex A hereto.
11	Exchange of Bearer Notes:	Not Applicable
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) Depositary for and registered holder of Registered Global Note:	Citivic Nominees Limited

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| (b) Exchange of Registered Global Note: | Registered Global Note will only be exchangeable for definitive Registered Notes upon 45 days' written notice in the limited circumstances as described on page 42 of the Offering Circular |
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**PROVISIONS RELATING TO INITIAL PAYMENT**

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| <b>14</b> Partly Paid Notes: | No |
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**PROVISIONS RELATING TO INTEREST**

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| <b>15</b> Interest Commencement Date: | Issue Date |
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| <b>16</b> Fixed Rate Notes: |  |
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| (a) Fixed Rate of Interest: | 7.75 per cent. per annum, payable semi-annually in arrear. The amount of interest payable on each Fixed Interest Date (the "Interest Amount") shall be calculated on the Reference KGS Amount, as further detailed in Annex A hereto. |
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| (b) Fixed Interest Dates: | 27 December 2017, 27 June 2018, 27 December 2018, 27 June 2019 and 27 December 2019, subject to the provisions set out in Annex A hereto. |
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| (c) Initial Broken Amount per Specified Denomination: | The amount due and payable on the first Fixed Interest Date shall be calculated on the Reference KGS Amount as described in Annex A hereto |
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| (d) Final Broken Amount per Specified Denomination: | Not Applicable |
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| (e) Fixed Day Count Fraction: | Actual/360 |
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| (f) Business Day Convention: | Following Business Day Convention |
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| (g) Business Day definition if different from that in Condition 4(a)(iii): | Condition 4(a)(iii) applies and, for the avoidance of doubt, New York City shall be the principal financial centre. London and Bishkek shall be additional business centres |
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| (h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: | Yes |
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| <b>17</b> Zero Coupon Notes: | Not Applicable |
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| <b>18</b> Floating Rate Notes and Indexed Notes: | Not Applicable |
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**PROVISIONS REGARDING PAYMENTS/DELIVERIES**

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| <b>19</b> Definition of "Payment Day" for the purpose of Condition 6(e) if different to | Condition 6(e) applies |
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that set out in Condition 6:

20 Dual Currency Notes: Not Applicable

21 Physically Settled Notes: Not Applicable

#### PROVISIONS REGARDING REDEMPTION/MATURITY

22 (a) Redemption at Issuer's option: No

(b) Redemption at Noteholder's option: No

23 (a) Final Redemption Amount per Specified Denomination (*other than an Indexed or Formula Note where the index or formula applies to the redemption amount*): See the provisions set out in Annex A hereto

(b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: Not Applicable

24 Instalment Note: Not Applicable

25 Early Redemption Amount for each Note payable on an event of default: Condition 9 applies, subject to the provisions set out in Annex A hereto

#### DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

26 Method of distribution: Non-syndicated

27 If Syndicated, names and addresses of Joint Lead Managers or, if Non-Syndicated name and address of the Dealer: Citigroup Global Markets Limited  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB

28 Date of Syndication Agreement: Not Applicable

29 Stabilising Manager(s): None

30 Additional selling restrictions: The Dealer has represented, warranted and agreed that the Notes will not be offered, issued or traded in the territory of the Kyrgyz Republic in circumstances (i) which require Kyrgyz Government approval and/or (ii) in which the Notes are subject to the Uniform Law for Bills of Exchange and Promissory Note adopted by the Kyrgyz Republic in 2003.

31 Details of additional/alternative clearing system approved by the Issuer and the Agent: Euroclear and Clearstream, Luxembourg only

32 Intended to be held in a manner which would allow Eurosystem eligibility: No

- 33** Common Code: 163761246  
ISIN: XS1637612463  
CUSIP Number: Not Applicable
- 34** Listing: Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the UK Listing Authority and trading on the Regulated Market
- 35** In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a "Redenomination Clause"), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of redenominalisation and/or consolidation (provided they are fungible) with other Notes denominated in euro. Not Applicable
- 36** Additional Information: The provisions set out in Annex A hereto shall apply to the Terms and Conditions in accordance therewith
- 37** Total Commissions: 1.11 per cent. of the Nominal Amount

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange plc's Regulated Market of the Notes described herein pursuant to the Euro 35,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development as from 27 June 2017, or as soon as practicable thereafter.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement. The exchange rate information set out in Annex B has been extracted from Bloomberg. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by Bloomberg, no facts have been omitted which would render the reproduced information inaccurate or misleading.

For and on behalf of

**EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT**

By: *C. Smith* ..... *F.L.* *AS.*  
Duly Authorised Officer

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

## **PART B – OTHER INFORMATION**

### **1 LISTING**

Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange plc's Regulated Market with effect on or around 27 June 2017 or as soon as practicable thereafter. No assurance can be given that such listing and admission to trading will be obtained on such date, or, if obtained, that it will be maintained.

### **2 RATINGS**

The Issuer and/or its debt obligations have been assigned an AAA credit rating from Standard & Poor's Credit Market Services Europe Limited ("**S&P**"), an Aaa credit rating from Moody's Investors Service Limited ("**Moody's**") and an AAA credit rating from Fitch France S.A.S. ("**Fitch**"). As defined by S&P, an "AAA" rating means that the ability of the Issuer to meet its financial commitment on its obligations is extremely strong. As defined by Moody's, an "Aaa" rating means that the Issuer's ability to meet its financial obligations is judged to be of the highest quality, with minimal credit risk. As defined by Fitch, an "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.

### **3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

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

(i) Reasons for the offer: The net proceeds of the issue of the Notes (which is expected to be USD 1,977,800.00) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.

(ii) Estimated net proceeds: USD 1,977,800.00

(iii) Estimated total expenses: £10,000

### **5 HISTORIC INTEREST RATES**

Not Applicable

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

Not Applicable

### **7 PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

Certain historical information in respect of the U.S. dollar/Kyrgyz Som, the lawful currency of the Kyrgyz Republic ("**KGS**") foreign exchange rate is set out in Annex B (Historical Data)

hereto.

In the circumstances described in Annex A hereto, the amount of principal and/or interest received by holders of the Notes is affected by the USD/KGS foreign exchange rate. Information in respect of the USD/KGS foreign exchange rate can also be found on the National Bank of the Kyrgyz Republic website.

## Annex A

### Additional Terms Relating to the Calculation of Interest Amount, Early Redemption Amount and Final Redemption Amount

The Final Redemption Amount per Specified Denomination will be payable in USD on the Maturity Date and will be determined by the Calculation Agent on the relevant Rate Fixing Date, as follows, rounded up to the nearest cent:

KGS 5,506,344.00 divided by the Exchange Reference Rate

The Early Redemption Amount per Specified Denomination will be payable in USD on the Early Redemption Date and will be determined by the Calculation Agent on the relevant Rate Fixing Date, as follows, rounded up to the nearest cent:

Reference KGS Amount divided by the Exchange Reference Rate

On each Fixed Interest Date, Noteholders will receive in respect of the relevant Fixed Interest Period the following amounts in USD per Specified Denomination, (i) the Interest Amount, plus (ii) the USD equivalent of the Reference KGS Redemption Amount as determined by the Calculation Agent on the relevant Rate Fixing Date (subject to the Disruption Event Provision below), as follows, rounded up to the nearest cent:

- (i) (Fixed Rate of Interest x Reference KGS Amount x Fixed Day Count Fraction) divided by the Exchange Reference Rate; plus
- (ii) Reference KGS Redemption Amount divided by the Exchange Reference Rate (the "Amortising Amount").

As soon as possible on or after the relevant Rate Fixing Date (but in no event later than the Business Day immediately prior to each Fixed Interest Date, the Maturity Date or the Early Redemption Date, as applicable), the Calculation Agent shall notify the Agent and the Issuer of the relevant Exchange Reference Rate.

The Calculation Agent shall notify the Issuer, the Agent and the Noteholders of its determination of the Final Redemption Amount, the Early Redemption Amount, the Interest Amount and the Amortising Amount payable per Specified Denomination on the Maturity Date, Early Redemption Date or relevant Fixed Interest Date (as applicable), as soon as practicable after such determination, but in no event later than one Business Day prior to the Maturity Date, Early Redemption Date and/or relevant Fixed Interest Date (as applicable).

### Disruption Event Provisions

If the Exchange Reference Rate is not available for any reason on any Rate Fixing Date, then the Calculation Agent shall determine that a Price Source Disruption Event (a "Price Source Disruption Event") has occurred, and shall promptly inform the Issuer, the Agent and the Noteholders of such occurrence.

The Calculation Agent shall then determine the Exchange Reference Rate on the following basis. The Exchange Reference Rate shall be the arithmetic mean of such firm quotes (expressed as the number of KGS per one USD) from the Reference Dealers as the Calculation Agent is able to obtain for the sale of KGS and the purchase of USD at or about 4.00 p.m. (Bishkek time) on the Business Day following the Rate Fixing Date, for settlement on the next Bishkek Business Day, provided however, that if fewer than four (but at least two) Reference Dealers provide such firm quotes then the Exchange Reference Rate shall be the arithmetic mean of the quotes actually obtained. If none, or only one, of the Reference Dealers provides such a firm quote, the relevant Exchange Reference



Rate shall be determined by the Calculation Agent in its discretion, acting in good faith and in a commercially reasonable manner.

For the purposes of this Annex A:

**"Bishkek Business Day"** means a Business Day in Bishkek.

**"Business Day"** means, in relation to any place, any day (other than a Saturday or a Sunday) 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 that place, or if no such place is specified, any day (other than a Saturday or a Sunday) 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 Bishkek, London and New York City.

**"Calculation Agent"** means Citibank, N.A. Citibank, N.A. shall be responsible for these duties and functions specified herein in accordance with the provisions of the calculation agency agreement entered into between the Issuer and the Calculation Agent dated 20 February 2004, as amended and/or supplemented from time to time (the **"Calculation Agency Agreement"**). All references to the Calculation Agent shall include any successor or successors to Citibank, N.A. as Calculation Agent in respect of the Notes.

**"Early Redemption Date"** means the date (if any) on which the Notes become due and payable pursuant to Condition 9.

**"Exchange Reference Rate"** means the USD/KGS rate of exchange, expressed as the amount of KGS per one USD, for settlement on the next Bishkek Business Day, determined by the National Bank of the Kyrgyz Republic and published on their website: <http://www.nbkr.kg/index1.jsp?lang=ENG> (or successor website) at approximately 6pm Bishkek time on the relevant Rate Fixing Date.

**"Rate Fixing Date"** means the date which is two Business Days prior to the applicable Fixed Interest Date, any Early Redemption Date or the Maturity Date.

**"Reference Dealers"** means four leading dealers, banks or banking corporations which regularly deal in the USD/KGS foreign exchange market, as selected by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner.

The **"Reference KGS Amount"** and **"Reference KGS Redemption Amount"** are each an amount in KGS specified by reference to the following table:

\*subject to adjustment in accordance with the Following Business Day Convention

Fixed Interest Period (from and including)	Fixed Interest Period (to but excluding) Fixed Interest Date	KGS Notional Outstanding	Redemption dates	Reference KGS Amount	Reference KGS Redemption Amount
27/06/2017	27/12/2017	137,658,600.00	27/12/2017	27,531,720.00	27,531,720.00
27/12/2017	27/06/2018	110,126,880.00	27/06/2018	22,025,376.00	27,531,720.00
27/06/2018	27/12/2018	82,595,160.00	27/12/2018	16,519,032.00	27,531,720.00
27/12/2018	27/06/2019	55,063,440.00	27/06/2019	11,012,688.00	27,531,720.00
27/06/2019	27/12/2019	27,531,720.00	27/12/2019	5,506,344.00	27,531,720.00

For the avoidance of doubt, KGS Notional Outstanding Reference KGS Amount and Reference KGS Redemption Amount are calculated by using initial Exchange Reference Rate as at 23 June 2017 set as 68.8293.

## Annex B Historical Data

The following table summarises certain historical information regarding the USD/KGS foreign exchange rate since January 2010.

Period	High	Low
January 2010 – December 2010	47.0992	44.1750
January 2011 – December 2011	47.4829	44.3515
January 2012 – December 2012	47.6410	46.0274
January 2013 – December 2013	49.5000	47.3868
January 2014 – December 2014	58.9000	49.1894
January 2015 – December 2015	75.8993	58.1472
January 2016 – December 2016	75.9000	67.4000
January 2017 – May 2017	69.4953	67.1329

Source: Bloomberg

The delivery of this Pricing Supplement does not imply any representation on the part of the Issuer, the Calculation Agent, the FX Determination Agent or the Dealer or any other person that the information extracted from the source above is correct.

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### Post-Issuance Information

The Issuer does not intend to provide any post-issuance information.