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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
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JAN 28 2010

Washington, DC  
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**REPORT OF**  
**EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT**  
In respect of the issue of  
**BRL 175,000,000 9.75% Notes due 28 January 2014 comprising BRL 125,000,000 in**  
**aggregate nominal amount of Tranche 1 Notes and BRL 50,000,000 in aggregate nominal**  
**amount of Tranche 2 Notes**  
**by the Bank**  
**pursuant to its**  
**EUR 20,000,000,000 Global Medium Term Note Programme**

Filed pursuant to Rule 3 of Regulation EBRD  
Dated January 26, 2010

The following information is filed pursuant to Rule 3 of Regulation EBRD in respect of the issue of the Brazilian Real (“BRL”) 175,000,000 9.75% Notes due 28 January 2014 comprising BRL 125,000,000 in aggregate nominal amount of Tranche 1 Notes (the “Tranche 1 Notes”) and BRL 50,000,000 in aggregate nominal amount of Tranche 2 Notes (the “Tranche 2 Notes”, and together with the Tranche 1 Notes, the “Notes) of the European Bank for Reconstruction and Development (the “Bank”) pursuant to the Bank’s EUR 20,000,000,000 Global Medium Term Note Programme. As authorized by Rule 4 of Regulation EBRD, certain information is to be provided in the form of a Base Prospectus dated August 11, 2009 and a Registration Document dated August 11, 2009, as supplemented by a Securities Note dated January 26, 2010 (which includes a Pricing Supplement dated January 26, 2010) and a Summary Note dated January 26, 2010 (together, the “Prospectus”).

Item 1. Description of Obligations

The Notes, the terms of which are described in the Prospectus, will be direct and unsecured obligations of the Bank and will rank *pari passu* without any preference among themselves, and, subject to certain conditions set forth in the Prospectus, equally with all its other unsecured and unsubordinated obligations. Citibank, N.A. will act as Agent and Registrar of the Bank in respect of the Notes.

Item 2. Distribution of Obligations

The Bank entered into a Syndication Agreement dated January 26, 2010 with the managers named therein (the “Managers”) pursuant to a Programme Agreement dated August 11, 2009 with Dealers referred to therein. Under the terms of the Syndication Agreement and the Programme Agreement (together, the “Agreements”), the Managers have agreed to purchase the Notes. The obligations of the Managers are subject to certain conditions as set forth in the Agreements.

Item 3. Distribution Spread

		<u>Price to the Public</u>	<u>Selling Discounts and Commissions</u>	<u>Net Proceeds to the Bank</u>
Per Unit	Tranche 1 Notes:	100.685%	1.625%	99.060%
	Tranche 2 Notes:	100.705%	1.625%	99.080%
Total	Tranche 1 Notes:	BRL 125,856,250	BRL 2,031,250	BRL 123,825,000
	Tranche 2 Notes:	BRL 50,352,500	BRL 812,500	BRL 49,540,000
	Total:	BRL 176,208,750	BRL 2,843,750	BRL 173,365,000

Item 4. Discounts and Commissions to Sub-Underwriters and Other Dealers

None.

Item 5. Other Expenses of Distribution

The Managers have agreed to pay the costs and expenses incurred by the Managers (including legal expenses), filing fees and certain other expenses in connection with the issue, authentication and delivery of the Notes and the Pricing Supplement, as set forth in the Syndication Agreement.

Item 6. Application of Proceeds

The net proceeds to the Bank from the sale of the Notes will be included in the ordinary capital resources of the Bank and used in its ordinary operations.

Item 7. Exhibits

- (a) The Deed of Covenant dated August 11, 2009.\*
- (b) Copy of an opinion of counsel as to the legality of the Notes dated August 11, 2009.\*
- (c)
  - (i) The Programme Agreement dated August 11, 2009.\*
  - (ii) The Syndication Agreement dated January 26, 2010.

- (iii) The Agency Agreement dated August 11, 2009.\*
- (d)
  - (i) The Base Prospectus dated August 11, 2009.\*
  - (ii) The Registration Document dated August 11, 2009.\*
  - (iii) The Securities Note dated January 26, 2010.
  - (iv) The Summary Note dated January 26, 2010.
  - (v) The Pricing Supplement dated January 26, 2010.

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\* Previously filed with the Securities and Exchange Commission on November 25, 2009.

## Syndication Agreement

European Bank for Reconstruction and Development  
BRL175,000,000 9.75 per cent. Notes due 28 January 2014

26 January 2010

To: Royal Bank of Canada Europe Limited  
Deutsche Bank AG, London Branch  
KBC Bank NV  
and  
Zurich Cantonalbank  
(the "Managers")

c/o Royal Bank of Canada Europe Limited  
71 Queen Victoria Street  
London EC4V 4DE  
United Kingdom  
(the "Lead Manager")

cc: Citibank, N.A. (the "Agent")

Dear Sirs,

European Bank for Reconstruction and Development (the "Issuer") proposes to issue BRL175,000,000 9.75 per cent. Notes due 28 January 2014 (the "Notes") comprising BRL125,000,000 in aggregate nominal amount of Tranche 1 Notes (the "Tranche 1 Notes") and BRL50,000,000 in aggregate nominal amount of Tranche 2 Notes (the "Tranche 2 Notes") pursuant to its €20,000,000,000 Global Medium Term Note Programme. The terms of the issue shall be as set out in the form of Pricing Supplement attached to this Agreement as Annex A.

This Agreement is supplemental to the amended and restated Programme Agreement (the "Programme Agreement") dated 11 August 2009 made between the Issuer and the Dealers party thereto. All terms used herein have the meanings given to them in the Programme Agreement.

We wish to record the arrangements agreed between us in relation to this issue:

- 1 This Agreement appoints each Manager which is not a party to the Programme Agreement (each a "New Dealer") as a Dealer under the Programme Agreement for the purposes of the issue of the Notes.

The Lead Manager confirms that it is in receipt of the documents referenced below:

- (i) a copy of the Programme Agreement; and
- (ii) a copy of such of the documents referred to in Appendix A of the Programme Agreement as the Lead Manager (on behalf of the Managers) has requested;

and, on behalf of the New Dealers, has found them to be satisfactory. In the case of any document referred to in Appendix A of the Programme Agreement which it has not requested, the Lead Manager confirms, on behalf of the New Dealers, that it has waived such production.

For the purposes of the Programme Agreement, the details of the Lead Manager for service of notices are as follows:

Royal Bank of Canada Europe Limited

## Syndication Agreement

European Bank for Reconstruction and Development  
BRL175,000,000 9.75 per cent. Notes due 28 January 2014

26 January 2010

To: Royal Bank of Canada Europe Limited  
Deutsche Bank AG, London Branch  
KBC Bank NV  
and  
Zurich Cantonalbank  
(the "Managers")

c/o Royal Bank of Canada Europe Limited  
71 Queen Victoria Street  
London EC4V 4DE  
United Kingdom  
(the "Lead Manager")

cc: Citibank, N.A. (the "Agent")

Dear Sirs,

European Bank for Reconstruction and Development (the "Issuer") proposes to issue BRL175,000,000 9.75 per cent. Notes due 28 January 2014 (the "Notes") comprising BRL125,000,000 in aggregate nominal amount of Tranche 1 Notes (the "Tranche 1 Notes") and BRL50,000,000 in aggregate nominal amount of Tranche 2 Notes (the "Tranche 2 Notes") pursuant to its €20,000,000,000 Global Medium Term Note Programme. The terms of the issue shall be as set out in the form of Pricing Supplement attached to this Agreement as Annex A.

This Agreement is supplemental to the amended and restated Programme Agreement (the "Programme Agreement") dated 11 August 2009 made between the Issuer and the Dealers party thereto. All terms used herein have the meanings given to them in the Programme Agreement.

We wish to record the arrangements agreed between us in relation to this issue:

- 1 This Agreement appoints each Manager which is not a party to the Programme Agreement (each a "New Dealer") as a Dealer under the Programme Agreement for the purposes of the issue of the Notes.

The Lead Manager confirms that it is in receipt of the documents referenced below:

- (i) a copy of the Programme Agreement; and
- (ii) a copy of such of the documents referred to in Appendix A of the Programme Agreement as the Lead Manager (on behalf of the Managers) has requested;

and, on behalf of the New Dealers, has found them to be satisfactory. In the case of any document referred to in Appendix A of the Programme Agreement which it has not requested, the Lead Manager confirms, on behalf of the New Dealers, that it has waived such production.

For the purposes of the Programme Agreement, the details of the Lead Manager for service of notices are as follows:

Royal Bank of Canada Europe Limited

71 Queen Victoria Street  
London EC24V 4DE  
United Kingdom  
Tel: +44 20 7029 7162  
Email: tmguk@rbccm.com  
Attn: Bond Origination and Syndicate Desk.

In consideration of the Issuer appointing the New Dealers as Dealers in respect of the Notes under the Programme Agreement, each New Dealer hereby undertakes, for the benefit of the Issuer and each of the other Dealers, that, in relation to the issue of the Notes, it will perform and comply with all the duties and obligations expressed to be assumed by a Dealer under the Programme Agreement, a copy of which it acknowledges it has received from the Lead Manager.

The Issuer hereby confirms that the New Dealers shall be vested with all authority, rights, powers, duties and obligations of a Dealer in relation to the issue of the Notes as if originally named as a Dealer under the Programme Agreement provided that following the Issue Date (as defined in Clause 3) the New Dealers shall have no further such authority, rights, powers, duties and obligations except such as may have accrued or been incurred prior to or in connection with the Issue Date.

- 2 Subject to the terms and conditions of the Programme Agreement and this Agreement, the Issuer hereby agrees to issue the Notes and the Managers jointly and severally agree to purchase (i) the Tranche 1 Notes at a purchase price of 99.060 per cent. of the principal amount of the Tranche 1 Notes (the "Tranche 1 Notes Purchase Price") plus accrued interest, if any, being the issue price of 100.685 per cent. less a selling concession of 1.40 per cent. of such principal amount and a management and underwriting fee of 0.225 per cent. of such principal amount and (ii) the Tranche 2 Notes at a purchase price of 99.080 per cent. of the principal amount of the Tranche 2 Notes (the "Tranche 2 Notes Purchase Price") plus accrued interest, if any, being the issue price of 100.705 per cent. less a selling concession of 1.40 per cent. of such principal amount and a management and underwriting fee of 0.225 per cent. of such principal amount.
- 3 The settlement procedures set out in Part 2 of Annex A of the Procedures Memorandum shall apply as if set out in this Agreement provided that, for the purposes of this Agreement:
  - (i) the sum payable on the Issue Date shall be BRL173,365,000 (payable in USD in the amount of USD99,053,519.40 (representing the aggregate of the Tranche 1 Notes Purchase Price and the Tranche 2 Notes Purchase Price) which should be paid to the account of the Issuer with Citibank, New York, CITIUS 33, account number 361 25585, in favour of European Bank for Reconstruction and Development, London (EBRDGB2L);
  - (ii) "Issue Date" means 10.00 hours (London time) on 28 January 2010, or at such other time and/or date as the Issuer and the Lead Manager on behalf of the Managers may agree; and
  - (iii) "Payment Instruction Date" means the Issue Date unless there is to be a pre-closing for the issue in which case it means the business day (being a day on which banks and foreign exchange markets are open for business in London) prior to the Issue Date.
- 4 The Lead Manager shall bear and pay legal and other out-of-pocket expenses (including the fees and expenses of Cleary, Gottlieb, Steen & Hamilton LLP, legal advisers to the Issuer in connection with the necessary United States filing, capped to an amount of USD2,000) and expenses incurred in or in connection with the listing of the Notes on the Official List and the admission of the Notes to trading on the London Stock Exchange's

71 Queen Victoria Street  
London EC24V 4DE  
United Kingdom  
Tel: +44 20 7029 7162  
Email: tmguk@rbccm.com  
Attn: Bond Origination and Syndicate Desk.

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- 3 The settlement procedures set out in Part 2 of Annex A of the Procedures Memorandum shall apply as if set out in this Agreement provided that, for the purposes of this Agreement:
  - (i) the sum payable on the Issue Date shall be BRL173,365,000 (payable in USD in the amount of USD99,053,519.40 (representing the aggregate of the Tranche 1 Notes Purchase Price and the Tranche 2 Notes Purchase Price) which should be paid to the account of the Issuer with Citibank, New York, CITIUS 33, account number 361 25585, in favour of European Bank for Reconstruction and Development, London (EBRDGB2L);
  - (ii) "Issue Date" means 10.00 hours (London time) on 28 January 2010, or at such other time and/or date as the Issuer and the Lead Manager on behalf of the Managers may agree; and
  - (iii) "Payment Instruction Date" means the Issue Date unless there is to be a pre-closing for the issue in which case it means the business day (being a day on which banks and foreign exchange markets are open for business in London) prior to the Issue Date.
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Regulated Market and making initial delivery of the Notes.

- 6 The obligation of the Managers to purchase the Notes is conditional upon:
- 5.1 the conditions set out in Clause 3.2 (other than that set out in Clause 3.2.7) of the Programme Agreement being satisfied as of the Payment Instruction Date; and
- 5.2 the delivery to the Lead Manager on the Payment Instruction Date of (i) legal opinions addressed to the Managers dated the Payment Instruction Date in such form and with such contents as the Lead Manager, on behalf of the Managers, may reasonably require from the General Counsel, a Deputy General Counsel or an Assistant General Counsel of the Issuer and from Linklaters LLP, legal advisers to the Managers in England; (ii) a certificate dated as at the Payment Instruction Date signed by a duly authorised officer of the Issuer to the effect stated in sub-paragraph 5.1 of this Clause with regard to the Issuer and further to the effect that the Prospectus (when read together with the Pricing Supplement) contains all material information relating to the Notes and to the assets and liabilities, financial position and profits and losses of the Issuer and nothing has happened or is expected to happen which would require the Prospectus to be supplemented or updated and (iii) such other conditions precedent as the Lead Manager may reasonably require.

If any of the foregoing conditions is not satisfied on or before the Payment Instruction Date, this Agreement shall terminate on such date and the parties hereto shall be under no further liability arising out of this Agreement (except for any liability arising before or in relation to such termination), provided that the Lead Manager, on behalf of the Managers, may in its discretion waive any of the aforesaid conditions or any part of them.

- 6
- 6.1 The Lead Manager, on behalf of the Managers, may, by notice to the Issuer, and the Issuer may, by notice to the Lead Manager, on behalf of the Managers, terminate this Agreement at any time prior to payment of the net subscription moneys to the Issuer if in the opinion of the Managers or the Issuer, as the case may be, there shall have been such a change in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would in the view of the Lead Manager or the Issuer, as the case may be, be likely to prejudice materially the success of the distribution of the Notes or dealings in the Notes in the secondary market.
- 6.2 Upon such notice being given, this Agreement shall terminate and no party shall be under any liability to any other in respect thereof except for the liability of the Issuer for the payment of costs and expenses as provided in Clause 4 of this Agreement (but only to the extent of amounts actually incurred), the obligations of the Managers under Clause 8 of the Programme Agreement and the respective obligations of the parties under Clause 6 of the Programme Agreement.
- 7 Clause 16 of the Programme Agreement shall also apply to this Agreement as if expressly incorporated herein.
- 8 This Agreement may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same agreement and any party may enter into this Agreement by executing a counterpart.
- 9 A person who is not party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

Please confirm that this letter correctly sets out the arrangements agreed between us.

Regulated Market and making initial delivery of the Notes.

- 6 The obligation of the Managers to purchase the Notes is conditional upon:
- 5.1 the conditions set out in Clause 3.2 (other than that set out in Clause 3.2.7) of the Programme Agreement being satisfied as of the Payment Instruction Date; and
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If any of the foregoing conditions is not satisfied on or before the Payment Instruction Date, this Agreement shall terminate on such date and the parties hereto shall be under no further liability arising out of this Agreement (except for any liability arising before or in relation to such termination), provided that the Lead Manager, on behalf of the Managers, may in its discretion waive any of the aforesaid conditions or any part of them.

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- 6.2 Upon such notice being given, this Agreement shall terminate and no party shall be under any liability to any other in respect thereof except for the liability of the Issuer for the payment of costs and expenses as provided in Clause 4 of this Agreement (but only to the extent of amounts actually incurred), the obligations of the Managers under Clause 8 of the Programme Agreement and the respective obligations of the parties under Clause 6 of the Programme Agreement.
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- 9 A person who is not party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

Please confirm that this letter correctly sets out the arrangements agreed between us.

Yours faithfully,

For: European Bank for Reconstruction and Development

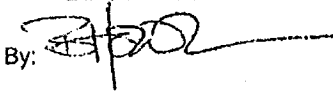
By:

A handwritten signature in black ink, consisting of several sharp, upward-pointing strokes followed by a horizontal line.

We agree to the foregoing.

For: Royal Bank of Canada Europe Limited  
Deutsche Bank AG, London Branch  
KBC Bank NV  
Zurich Cantonalbank

By:

A handwritten signature in black ink, featuring a stylized 'A' followed by a horizontal line.

Yours faithfully,

For: European Bank for Reconstruction and Development

By:

A handwritten signature consisting of several sharp, upward-pointing strokes, resembling a stylized 'M' or 'W'.

We agree to the foregoing.

For: Royal Bank of Canada Europe Limited

Deutsche Bank AG, London Branch

KBC Bank NV

Zurich Cantonalbank

By:

A handwritten signature that appears to be 'RBC' followed by a long horizontal line.

**Annex A to the Syndication Agreement  
PRICING SUPPLEMENT**

26 January 2010

**European Bank for Reconstruction and Development  
BRL175,000,000 9.75 per cent. Notes due 28 January 2014  
Issued pursuant to a Global Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 11 August 2009 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This Pricing Supplement must be read in conjunction with the Base Prospectus, the Registration Document, the Securities Note and the Summary Note. Full information on the Issuer and the Notes is only available on the basis of the combination of this Pricing Supplement, the Base Prospectus, the Registration Document, the Securities Note and the Summary Note. The Base Prospectus, the Registration Document, the Securities Note and the Summary Note are available for viewing and copies may be obtained from EBRD, One Exchange Square, London, EC2A 2JN, United Kingdom.

**SUMMARY OF THE NOTES**

- |   |                               |  |
|---|-------------------------------|--|
| 1 | Specified Currency:           | Brazilian real ("BRL"), provided that all payments in respect of the Notes will be made in United States dollars ("USD")   |
| 2 | Nominal Amount:               | BRL175,000,000 comprising BRL125,000,000 in aggregate Nominal Amount of Tranche 1 notes (the "Tranche 1 Notes") and BRL50,000,000 in aggregate Nominal Amount of Tranche 2 Notes (the "Tranche 2 Notes") |
| 3 | Type of Note:                 | Fixed Rate   |
| 4 | Issue Date:                   | 28 January 2010  |
| 5 | Issue Price:                  | The Issue Price of the Tranche 1 Notes is 100.685 per cent.<br>The Issue Price of the Tranche 2 Notes is 100.705 per cent.   |
| 6 | Maturity Date:                | 28 January 2014  |
| 7 | Fungible with existing Notes: | No   |

**FORM OF THE NOTES**

- |    |                             |                                     |
|----|-----------------------------|-------------------------------------|
| 8  | Form of Note:               | Registered                          |
| 9  | New Global Note:            | No                                  |
| 10 | (a) Specified Denomination: | BRL5,000, and integral multiples of |

**Annex A to the Syndication Agreement  
PRICING SUPPLEMENT**

26 January 2010

**European Bank for Reconstruction and Development  
BRL175,000,000 9.75 per cent. Notes due 28 January 2014  
Issued pursuant to a Global Medium Term Note Programme**

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 11 August 2009 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This Pricing Supplement must be read in conjunction with the Base Prospectus, the Registration Document, the Securities Note and the Summary Note. Full information on the Issuer and the Notes is only available on the basis of the combination of this Pricing Supplement, the Base Prospectus, the Registration Document, the Securities Note and the Summary Note. The Base Prospectus, the Registration Document, the Securities Note and the Summary Note are available for viewing and copies may be obtained from EBRD, One Exchange Square, London, EC2A 2JN, United Kingdom.

**SUMMARY OF THE NOTES**

- |   |                               |  |
|---|-------------------------------|--|
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| 3 | Type of Note:                 | Fixed Rate   |
| 4 | Issue Date:                   | 28 January 2010  |
| 5 | Issue Price:                  | The Issue Price of the Tranche 1 Notes is 100.685 per cent.<br>The Issue Price of the Tranche 2 Notes is 100.705 per cent.   |
| 6 | Maturity Date:                | 28 January 2014  |
| 7 | Fungible with existing Notes: | No   |

**FORM OF THE NOTES**

- |    |                             |                                     |
|----|-----------------------------|-------------------------------------|
| 8  | Form of Note:               | Registered                          |
| 9  | New Global Note:            | No                                  |
| 10 | (a) Specified Denomination: | BRL5,000, and integral multiples of |

		BRL1,000 thereafter
	(b) Calculation Amount:	BRL1,000
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) Registered holder of Registered Global Note:	Citivic Nominees Limited
	(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 44 of the Base Prospectus.

**PROVISIONS RELATING TO INITIAL PAYMENT**

14	Partly Paid Notes:	No
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**PROVISIONS RELATING TO INTEREST**

15	Interest Commencement Date:	28 January 2010
	Fixed Rate Notes:	
16	(c) Fixed Rate of Interest:	9.75 per cent. per annum, equal to BRL97.50 per Calculation Amount (the "Fixed Interest Amount"), provided that the Fixed Interest Amount shall be payable in USD, as further described in Annex A.
	(d) Fixed Interest Dates:	28 January in each year commencing 28 January 2011 subject to adjustment for payment purposes in accordance with the business day convention specified below (subject to the provisions set out in Annex A hereto)
	(e) Initial Broken Amount per Specified Denomination:	Not Applicable
	(f) Final Broken Amount per Specified Denomination:	Not Applicable
	(g) Fixed Day Count Fraction:	Actual/Actual - ICMA
	(h) Business Day Convention:	Following Business Day Convention
	(i) Business Day definition if different from that in Condition 4(a)(iii):	Condition 4(a)(iii) applies (and for the avoidance of doubt, Brazil shall be the business centre). London and New York City shall be additional business

		BRL1,000 thereafter
	(b) Calculation Amount:	BRL1,000
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) Registered holder of Registered Global Note:	Citivic Nominees Limited
	(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 44 of the Base Prospectus.

**PROVISIONS RELATING TO INITIAL PAYMENT**

14	Partly Paid Notes:	No
----	--------------------	----

**PROVISIONS RELATING TO INTEREST**

15	Interest Commencement Date:	28 January 2010
	Fixed Rate Notes:	
16	(c) Fixed Rate of Interest:	9.75 per cent. per annum, equal to BRL97.50 per Calculation Amount (the "Fixed Interest Amount"), provided that the Fixed Interest Amount shall be payable in USD, as further described in Annex A.
	(d) Fixed Interest Dates:	28 January in each year commencing 28 January 2011 subject to adjustment for payment purposes in accordance with the business day convention specified below (subject to the provisions set out in Annex A hereto)
	(e) Initial Broken Amount per Specified Denomination:	Not Applicable
	(f) Final Broken Amount per Specified Denomination:	Not Applicable
	(g) Fixed Day Count Fraction:	Actual/Actual - ICMA
	(h) Business Day Convention:	Following Business Day Convention
	(i) Business Day definition if different from that in Condition 4(a)(iii):	Condition 4(a)(iii) applies (and for the avoidance of doubt, Brazil shall be the business centre). London and New York City shall be additional business



centres.

- (j) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No
- 17 Zero Coupon Notes: Not Applicable
- 18 Floating Rate Notes and Indexed Notes: Not Applicable

**PROVISIONS REGARDING PAYMENTS/DELIVERIES**

- 19 Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies subject to the provisions set out in Annex A hereto
- 20 Dual Currency Notes: Not Applicable
- 21 Physically Settled Notes: Not Applicable

**PROVISIONS REGARDING REDEMPTION/MATURITY**

- 22 (k) Redemption at Issuer's option: No
- (l) Redemption at Noteholder's option: No
- 23 (m) 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, subject to the provisions set out in Annex A hereto
- (n) 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: 100 per cent. of the Specified Denomination subject to the provisions set out in Annex A hereto

**DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS**

- 26 Method of distribution: Syndicated
- 27 If Syndicated, names and addresses of Managers or, if Non-Syndicated names and address of Dealer: Royal Bank of Canada Europe Limited  
71 Queen Victoria Street  
London EC4V 4DE  
United Kingdom  
Deutsche Bank AG, London Branch

centres.

- (j) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No
- 17 Zero Coupon Notes: Not Applicable
- 18 Floating Rate Notes and Indexed Notes: Not Applicable

**PROVISIONS REGARDING PAYMENTS/DELIVERIES**

- 19 Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies subject to the provisions set out in Annex A hereto
- 20 Dual Currency Notes: Not Applicable
- 21 Physically Settled Notes: Not Applicable

**PROVISIONS REGARDING REDEMPTION/MATURITY**

- 22 (k) Redemption at Issuer's option: No
- (l) Redemption at Noteholder's option: No
- 23 (m) 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. subject to the provisions set out in Annex A hereto
- (n) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: Not Applicable
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71 Queen Victoria Street  
London EC4V 4DE  
United Kingdom  
Deutsche Bank AG, London Branch

Winchester House  
1 Great Winchester Street  
London EC2N 2DB

KBC Bank NV  
Havenlaan 12  
B-1080 Brussels  
Belgium

Zurich Cantonalbank  
Bahnhofstrasse 9  
CH-8001 Zürich  
Switzerland

- 28 Date of Syndication Agreement: 26 January 2010
- 29 Stabilising Manager(s): Not applicable
- 30 Non-exempt Offer: Not Applicable
- 31 Additional selling restrictions: Brazil  
Each Manager acknowledges that the Notes have not been and will not be issued nor placed, distributed, offered or negotiated in the Brazilian capital markets. Neither the Issuer of the Notes nor the issuance of the Notes has been registered with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários, the CVM). Therefore, each of the Managers has represented and agreed that it has not offered or sold, and will not offer or sell, the Notes in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation of securities in the Brazilian capital markets regulated by Brazilian legislation.
- 32 Details of additional/alternative clearing system approved by the Issuer and the Agent: Euroclear and Clearstream, Luxembourg only
- 33 Intended to be held in a manner which would allow Eurosystem eligibility: No
- 34 Common Code: 047847478  
ISIN Code: XS0478474785  
CUSIP Number: Not Applicable
- 35 Listing: Official List of the UK Listing Authority and trading on the Regulated Market

Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
KBC Bank NV  
Havenlaan 12  
B-1080 Brussels  
Belgium  
Zurich Cantonalbank  
Bahnhofstrasse 9  
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- |    |  |   |
|----|--|---|
| 36 | In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a "Redenomination Clause"), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of redenominationalisation and/or consolidation (provided they are fungible) with other Notes denominated in euro. | Not Applicable  |
| 37 | Additional Information:  | The provisions set out in Annex A shall apply to the Terms and Conditions in accordance herewith. |
| 38 | Total Commissions:   | 1.625 per cent.   |

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange's Regulated Market of the Notes described herein pursuant to the Euro 20,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development as from 28 January 2010.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement. 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: .....  
 Authorised signatory

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

- |    |   |   |
|----|---|---|
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For and on behalf of  
**EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT**

By: .....  
 Authorised signatory

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

## **PART B – OTHER INFORMATION**

### **1 LISTING**

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market with effect from 28 January 2010.

### **2 RATINGS**

The Issuer and/or its debt obligations have been assigned a AAA credit rating from Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("S&P") since 1991, a Aaa credit rating from Moody's Investors Service Limited ("Moody's") since 1992 and a AAA credit rating from Fitch Ratings Limited ("Fitch") since 2002. As defined by S&P, a "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, a "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, a "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.

### **3 NOTIFICATION**

Not Applicable

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

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

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

- |                                 |  |
|---------------------------------|--|
| (i) Reasons for the offer:      | The net proceeds of the issue of the Notes (which is expected to be BRL173,365,000 but payable in USD in the amount of USD99,053,519.40) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations. |
| (ii) Estimated net proceeds:    | BRL173,365,000 (USD equivalent: USD99,053,519.40)  |
| (iii) Estimated total expenses: | £10,000  |

### **6 YIELD**

Indication of yield: 9.536 per cent. per annum. In respect of the

**PART B – OTHER INFORMATION**

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**6 YIELD**

Indication of yield: 9.536 per cent. per annum. In respect of the



Tranche 1 Notes and

9.530 per cent. per annum in respect of the  
Tranche 2 Notes.

As set out above, the yield is calculated at  
the Issue Date on the basis of the Issue Price.  
It is not an indication of future yield.

**7 HISTORIC INTEREST RATES**

Not Applicable

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

Not Applicable

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

Certain historical information in respect of the USD/BRL foreign exchange rate is set  
out in Annex B (Historical Data) hereto. In the circumstances described in Annex A  
hereto, the amount received by holders of the Notes may be affected by the  
USD/BRL foreign exchange rate. Information in respect of the USD/BRL foreign  
exchange rate can also be found on Bloomberg.

**10 TERMS AND CONDITIONS OF THE OFFER**

Not Applicable

Tranche 1 Notes and

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Tranche 2 Notes.

As set out above, the yield is calculated at  
the Issue Date on the basis of the Issue Price.  
It is not an indication of future yield.

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exchange rate can also be found on Bloomberg.

**10 TERMS AND CONDITIONS OF THE OFFER**

Not Applicable

## Securities Note



# European Bank for Reconstruction and Development

***BRL175,000,000 9.75 per cent. Notes due 28 January 2014  
(the "Notes") comprising  
BRL125,000,000 in aggregate nominal amount of Tranche 1 Notes  
(the "Tranche 1 Notes") and BRL50,000,000 in aggregate nominal  
amount of Tranche 2 Notes (the "Tranche 2 Notes")***

This document constitutes a securities note (the "Securities Note") for the purposes of Article 5.3 of EU Directive 2003/71/EC (the "Prospectus Directive"). This Securities Note contains information relating to the Notes. This Securities Note shall be read in conjunction with the registration document (the "Registration Document") dated 11 August 2009 containing information in respect of the European Bank for Reconstruction and Development (the "Issuer") and, if applicable, the summary note (the "Summary Note") dated 26 January 2010 conveying the essential characteristics of, and risks associated with, the Issuer and the Notes, each as prepared for the purposes of Articles 5.2 and 5.3 of the Prospectus Directive. Together, the Registration Document (including the information incorporated by reference therein), this Securities Note (including the information incorporated by reference herein) and any Summary Note shall comprise the prospectus (the "Prospectus") for the Notes, prepared for the purposes of Article 5.1 of the Prospectus Directive.

This Securities Note itself comprises a pricing supplement (the "Pricing Supplement") which sets out the specific terms and conditions of the Notes and certain information relating thereto. The Securities Note incorporates by reference the base terms and conditions of the Notes which are supplemented by the specific terms and conditions set out in the Pricing Supplement.

Any person (an "Investor") intending to acquire or acquiring any securities from any person (an "Offeror") should be aware that, in the context of an offer to the public as defined in section 102B of the FSMA, the Issuer may be responsible to the Investor for the Prospectus under section 90 of the FSMA, only if the Issuer has authorised that Offeror to make the offer to the Investor. Each Investor should therefore enquire whether the Offeror is so authorised by the Issuer. If the Offeror is not authorised by the Issuer, the Investor should check with the Offeror whether anyone is responsible for the Prospectus for the purposes of section 90 of the FSMA in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the Prospectus and/or who is responsible for its contents it should take legal advice.

Certain information relating to the terms of an offer by an Offeror to an Investor may not be available at the time of publication of this Securities Note. The Investor must look to the Offeror at the time of such offer for the provision of such information and it is the responsibility of the Offeror to ensure that information relating to the offer that has been omitted from this Securities Note is provided to the Investor at the time such offer is made.

*Lead Manager*

**RBC Capital Markets**

*Co-Managers*

**Deutsche Bank**

**KBC International Group**

**Zurich Cantonalbank**

26 January 2010

The Issuer accepts responsibility for the information contained in this Securities Note and in the Summary Note. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Securities Note and in the Summary Note is in accordance with the facts and does not omit anything likely to affect the importance of such information.

The previous paragraph should be read in conjunction with the third paragraph on the first page of this Securities Note.

An Investor intending to acquire or acquiring any Notes from an Offeror will do so, and offers and sales of the Notes to an Investor by an Offeror will be made, in accordance with any terms and other arrangements in place between such Offeror and such Investor including as to price, allocations and settlement arrangements. The Issuer will not be a party to any such arrangements with Investors (other than the Managers (defined below)) in connection with the offer or sale of the Notes and, accordingly, this Securities Note, the Registration Document and the Summary Note will not contain such information and an Investor must obtain such information from the Offeror. Subject as provided above, neither the Issuer nor any of its affiliates shall have any responsibility to an Investor in respect of such information.

Application has been made for the Notes to be admitted to the Official List of the UK Listing Authority (the "Official List") and to be admitted to trading on the Regulated Market (within the meaning of the Markets in Financial Instruments Directive (Directive 2004/39/EC of the European Parliament and of the Council on Markets in financial instruments) (the "MiFID") of the London Stock Exchange plc (the "Regulated Market"). References in the Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to trading on the Regulated Market and have been admitted to the Official List. The relevant Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be admitted to the Official List and admitted to trading on the Regulated Market (or any other stock exchange).

In respect of the Notes, no person has been authorised to give any information or to make any representations other than those contained in the Prospectus and the documents incorporated by reference therein in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Lead Manager or the Co-Managers (each a "Manager" and together, the "Managers", which expression shall include any entity appointed as a dealer under the €20,000,000,000 Global Medium Term Note Programme (the "Programme")). Neither the delivery of the Prospectus or any document forming part of that Prospectus nor any sale made in connection therewith shall imply that the information contained therein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Notes is correct as of any time subsequent to the date indicated in the document concerning the same. The Managers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes. Investors should review, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase any of the Notes.

To the fullest extent permitted by law, the Managers do not accept any responsibility for the contents of the Prospectus or for any statement, made or purported to be made by the Managers or on their behalf in connection with the Issuer or the issue and offering of the Notes. The Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of the Prospectus or any other information provided by the Issuer in connection with the Notes. Neither the Prospectus nor any other information supplied in connection with the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer or the Managers that any recipient of the Prospectus or any other information supplied in connection with

the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and of the tax, accounting and legal consequences of an investment in any of the Notes for such investor. Each Noteholder takes full responsibility for its decision to purchase any Notes and the terms on which it does so.

The Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer or the Managers to subscribe for, or purchase, any Notes. The distribution of the Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession the Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. In particular, there are restrictions on the distribution of the Prospectus and the offer or sale of the Notes in the United States, the United Kingdom, the European Economic Area (in respect of Notes having a denomination of less than €50,000 or its equivalent in any other currency as at the date of the issue of the Notes), Japan, the Republic of France, Singapore and in other jurisdictions.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"). Accordingly, no registration statement has been filed with the U.S. Securities and Exchange Commission (the "Commission"). THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

The information set forth herein, to the extent that it comprises a description of certain provisions of the documentation relating to the transactions described herein, is a summary and is not presented as a full statement of the provisions of such documentation. Such summary's purposes are qualified by reference to and are subject to the provisions of such documentation.

In this Securities Note, unless otherwise specified or the context otherwise requires, any references to "USD" or "U.S. Dollars" are to United States dollars, references to "euro" or "€" are to euro, references to "BRL" are to Brazilian real and references to the "United Kingdom" are to the United Kingdom of Great Britain and Northern Ireland.

## Table of contents

	Page
Risk Factors .....	1
Documents Incorporated by Reference .....	6
Pricing Supplement .....	7
Annex A Calculation of Fixed Interest Amount, Early Redemption Amount and Final Redemption Amount .....	14
Annex B Historical Data .....	16
Use of Proceeds .....	17
Ratings .....	18

## **Risk Factors**

The Notes may involve substantial risks and are suitable only for investors who have the knowledge and experience in financial and business matters (including but not limited to investments in currency linked investments) necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Prospective investors should ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Notes.

Prospective investors should make all pertinent inquiries they deem necessary without relying on the Issuer, the Managers, any Agent or any officers or employees of the Issuer. Prospective investors should consider the suitability of the Notes as an investment in light of their own circumstances, investment objectives, tax position and financial condition. Some or all of the risks highlighted below could adversely affect the trading price of the Notes or the rights of investors under the Notes and, as a result, investors could lose some or all of their investment.

The factors described below represent the principal risks inherent in investing in the Notes. However, an investor may receive less than the expected amount for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to loss of their initial investment and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition.

Prospective investors should also pay specific attention to the risks highlighted below and the risk factors below should be read in conjunction with the risk factors incorporated by reference in the Registration Document from the Prospectus.

### **Market, Liquidity and Yield Considerations**

Notes may not have an established trading market when issued. There can be no assurance of a secondary market for any Notes or the liquidity of such market if one develops. Consequently, investors may not be able to sell their Notes readily or at prices that will enable them to realise a yield comparable to that of similar instruments, if any, with a developed secondary market.

### **Legal Investment Considerations**

#### *General*

Investors should consult their own legal advisers in determining whether and to what extent Notes constitute legal investments for such investors and whether and to what extent Notes can be used as collateral for various types of borrowings. In addition, financial institutions should consult their legal advisers or regulators in determining the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Investors whose investment activities are subject to investment laws and regulations or to review or regulation by certain authorities may be subject to restrictions on investments in certain types of debt securities, which may include certain Notes. Investors should review and consider such restrictions prior to investing in any Notes.

### **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 advisers 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 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.

#### *Risks associated with Brazil and the Brazilian economy*

There are a number of risks associated with Brazil and the Brazilian economy in general which may cause the occurrence of a Price Source Disruption Event, which include, but are not limited to the following:

Brazil's currency has been characterised historically by high degrees of volatility. Despite the appreciation of the real against the U.S. dollar in 2004, 2005 and 2006, the Brazilian currency has historically suffered frequent devaluations. Although over the longer term, devaluations of the Brazilian currency generally have correlated with the rate of inflation in Brazil, devaluations have resulted in significant short- to medium-term fluctuations in the value of the Brazilian currency. The relationship of Brazil's currency to the value of the U.S. dollar, the relative rates of devaluation of Brazil's currency and the prevailing rates of inflation may adversely affect the Notes.

The real may not maintain its current value or the Brazilian Federal Government may re-implement a trading band policy or other type of currency exchange control mechanism. Any governmental interference with the exchange rate, or the implementation of exchange control mechanisms, could lead to a depreciation of the real, which could make the Notes more expensive and negatively affect their market value. Recent changes made to tax regulations in Brazil by the Brazilian Federal Government may also have an adverse effect on the real.

The Brazilian economy has been subject to a number of developments, disruptions or conditions that have significantly affected the availability of credit. External factors, including the Asian and Russian economic crises of 1997 and 1998, respectively, the Argentine economic crisis of 2001 and the terrorist attacks in New York and Washington D.C. in September 2001, and internal factors, such as the Brazilian economic crisis of 1999 and elections of 2002, have from time to time resulted in significant outflows of funds and reductions in the amount of foreign currency being invested in Brazil, notwithstanding significant increases in interest rates designed to stem capital outflow. In addition, to control inflation, the Brazilian Federal Government has maintained a tight monetary policy, with associated high interest rates, and has constrained the growth of credit.

Brazil has historically experienced extremely high rates of inflation. Inflation itself and governmental measures adopted to combat inflation have in the past had significant negative effects on the Brazilian economy. There can be no assurance that the target levels of inflation for 2010 will be attained and that inflation can be contained within these targeted levels. It is uncertain whether future actions of the Brazilian Federal Government (including any further action to adjust the value of the Brazilian currency) will cause inflation at a higher rate than predicted.

#### **Investor Suitability**

*The purchase of the Notes involves substantial risks and is not suitable for all investors*

Each prospective investor must determine, based on its own independent review and such professional tax and accounting advice as it deems appropriate under the circumstances, that its acquisition and holding of the Notes is fully consistent with its financial needs, objectives and conditions, and complies and is fully consistent with, all investment policies, guidelines



and restrictions applicable to it. None of the Issuer, the Managers or the Calculation Agent acts as an investment adviser, or assumes any fiduciary obligation, to any prospective purchaser of the Notes.

In particular, but without prejudice to the generality of the above paragraph, prospective investors should note that an investment in the Notes is only suitable for investors who:

- (i) have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks of an investment in the Notes;
- (ii) are capable of bearing the economic risk of an investment in the Notes for an indefinite period of time;
- (iii) are acquiring the Notes for their own account for investment, not with a view to resale, distribution or other disposition of the Notes (subject to any applicable law requiring that the disposition of the investor's property be within its control); and
- (iv) who will recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all.

*Understanding and appropriateness of the investment*

Each investor (a) should be an investor with substantial knowledge of and/or experience in financial and business matters that it is capable of evaluating the merits and risks (including tax, legal, regulatory, accounting) of an investment in the Notes because the Notes are not an appropriate investment for investors who are unsophisticated with respect to such transactions; (b) should be financially able to bear such risks; (c) in making such investment shall not rely on any advice or recommendations of or any information, representation or warranty provided by the Managers, the Calculation Agent and/or any of their respective affiliates, the Issuer or any of their respective representatives; (d) recognise that it may not be possible to make any transfer of the Notes for a substantial period of time; and (e) should seek advice from such advisers as such investor considers necessary and appropriate, to enable such investor to make its own independent decision with regard to the suitability and appropriateness of the Notes as an investment for its own account. Each investor should be capable of assessing and independently deciding, and should have assessed and independently decided, to assume the risks of an investment in the Notes.

Each investor in the Notes should consider the tax consequences of investing in the Notes. None of the Issuer, the Managers or any of their respective representatives makes any representation and has given, nor will give, any advice concerning the appropriate accounting treatment or possible tax consequences of purchasing the Notes. Each investor should consult its own financial, tax, accounting and legal advisers about risks associated with an investment in the Notes and the suitability of investing in such Notes in light of the investor's particular circumstances.

Any information communicated (in any manner) to investors by the Issuer or the Managers should not be relied upon as investment advice or as a recommendation to invest in the Notes, which shall include, amongst other things, any such information, explanations or discussions concerning the terms and conditions of the Notes, or related features.

Investment in the Notes should comply, and be fully consistent, with all investment policies, guidelines and restrictions applicable to an investor. It is the responsibility of each investor to ensure that it is compliant with all regulations relevant to its acquisition of the Notes and that it is lawful for it to enter into such investment.

Any information communicated (in any manner) to investors by the Issuer or the Managers should not be relied upon, nor shall such information be deemed to be an assurance or guarantee, as to the expected results of an investment in the Notes. Each investor should be

aware that any return on the Notes may not exceed or even equal the return that might have been achieved had the amount of its initial investment been placed on deposit for the same period.

Each investor should be aware that none of the Issuer, the Managers nor the Calculation Agent is acting as a fiduciary or trustee for, or as an adviser to the investor with regard to the investment in the Notes.

*Investment considerations relating to the Notes*

Investment in the Notes carries with it a degree of risk including, but not limited to, the risks referred to below. The level of the USD/BRL foreign exchange rate may go down as well as up. Prospective investors may receive an amount less than their initial investment.

An investment in the Notes will entail significant risks not associated with a conventional fixed rate or floating rate debt security. Such risks include, without limitation, changes in the level or value of the USD/BRL foreign exchange rate and the possibility that a holder of the Notes will receive a lower amount of interest or other consideration than the holder expected. Depending on the exchange rate to be determined by the Calculation Agent upon a Price Source Disruption Event, such amount may even be zero. The Issuer has no control over a number of matters that are important in determining the existence, magnitude and longevity of such risks and their results, including economic, financial and political events.

Past performance of the USD/BRL foreign exchange rate is not necessarily indicative of future performance.

Royal Bank of Canada may face possible conflicts of interest in relation to its role as Calculation Agent for the Notes including, without limitation, in relation to the role of the Calculation Agent in determining the occurrence of a Price Source Disruption Event and in determining the exchange rate for converting BRL into USD upon the occurrence of a Price Source Disruption Event. Royal Bank of Canada is required to carry out its duties as Calculation Agent in good faith and using its reasonable judgement, however each investor should be aware that any such determination may potentially adversely affect the amount payable to Noteholders under the Notes and that potential conflicts of interest could arise.

No assurances can be made that any meaningful secondary market will develop in the Notes. The Managers may, but are not obligated to, make a market in the Notes. The Managers may discontinue any market-making activities at any time without notice. In addition, the Notes may not be transferred except to qualified investors in accordance with applicable private offering rules. If an active public market for the Notes does not develop, the market prices and liquidity of the Notes may be adversely affected.

Volatility is the term used to describe the size and frequency of price and/or market fluctuations. If the volatility, or anticipated volatility, of the USD/BRL foreign exchange rate increase or decrease, the trading value of the Notes may be adversely affected.

It is expected that changes in interest rates will affect the trading value of the Notes. In general, if interest rates increase, it is expected that the trading value of the Notes will increase and, conversely, if interest rates decrease, it is expected that the trading value of the Notes will decrease. If interest rates increase or decrease in markets based on the Brazilian real, the trading value of the Notes may be adversely affected. Interest rates may also affect the economy of Brazil, and, in turn, the exchange rates and therefore the value of the USD/BRL foreign exchange rate.

If the Calculation Agent determines that a Price Source Disruption Event has occurred, this will lead to a delay in the payment of principal and/or interest.

**THE CONSIDERATIONS SET OUT ABOVE ARE NOT, AND ARE NOT INTENDED TO BE A COMPREHENSIVE LIST OF ALL CONSIDERATIONS RELEVANT TO A DECISION TO PURCHASE OR HOLD THE NOTES. THE ATTENTION OF INVESTORS IS ALSO DRAWN TO THE SECTION HEADED "RISK FACTORS" ON PAGES 10 TO 11 OF THE BASE PROSPECTUS.**

## Documents Incorporated by Reference

The following sections from the Base Prospectus of the Issuer dated 11 August 2009 relating to the Programme shall be incorporated in, and to form part of this Securities Note, save that any statement contained herein or in a document all or the relevant portion of which is deemed to be incorporated by reference herein shall be modified or superseded for the purpose of this Securities Note to the extent that a statement contained in any such subsequent document all or the relative portion of which is incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise):

Summary of the Programme	on pages 5 to 9
Risk Factors	on pages 10 to 11
General Description of the Programme	on page 14
Terms and Conditions of the Notes	on pages 15 to 42
Use of Proceeds	on page 43
Issue Procedures	on pages 44 to 45
Clearance and Settlement of Global Notes in Book Entry Form	on pages 62 to 64
Subscription and Sale	on pages 69 to 71
General Information	on pages 72 to 73

The Issuer will provide, without charge, to each person to whom a copy of this Securities Note has been delivered, upon the oral or written request of such person, a copy of the aforementioned sections incorporated herein by reference. Written or telephone requests for such material should be directed to the Issuer at its principal office set out at the end of this Securities Note.

# Pricing Supplement

26 January 2010

**European Bank for Reconstruction and Development**  
**BRL175,000,000 9.75 per cent. Notes due 28 January 2014**  
**issued pursuant to a Global Medium Term Note Programme**

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 11 August 2009 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This Pricing Supplement must be read in conjunction with the Base Prospectus, the Registration Document, the Securities Note and the Summary Note. Full information on the Issuer and the Notes is only available on the basis of the combination of this Pricing Supplement, the Base Prospectus, the Registration Document, the Securities Note and the Summary Note. The Base Prospectus, the Registration Document, the Securities Note and the Summary Note are available for viewing and copies may be obtained from EBRD, One Exchange Square, London, EC2A 2JN, United Kingdom.

### SUMMARY OF THE NOTES

- |          |                               |  |
|----------|-------------------------------|--|
| <b>1</b> | Specified Currency:           | Brazilian real (" <b>BRL</b> "), provided that all payments in respect of the Notes will be made in United States dollars (" <b>USD</b> ")   |
| <b>2</b> | Nominal Amount:               | BRL175,000,000 comprising BRL125,000,000 in aggregate Nominal Amount of Tranche 1 notes (the " <b>Tranche 1 Notes</b> ") and BRL50,000,000 in aggregate Nominal Amount of Tranche 2 Notes (the " <b>Tranche 2 Notes</b> ") |
| <b>3</b> | Type of Note:                 | Fixed Rate   |
| <b>4</b> | Issue Date:                   | 28 January 2010  |
| <b>5</b> | Issue Price:                  | The Issue Price of the Tranche 1 Notes is 100.685 per cent.<br>The Issue Price of the Tranche 2 Notes is 100.705 per cent.   |
| <b>6</b> | Maturity Date:                | 28 January 2014  |
| <b>7</b> | Fungible with existing Notes: | No   |

### FORM OF THE NOTES

- |           |                             |   |
|-----------|-----------------------------|---|
| <b>8</b>  | Form of Note:               | Registered  |
| <b>9</b>  | New Global Note:            | No  |
| <b>10</b> | (a) Specified Denomination: | BRL5,000, and integral multiples of BRL1,000 thereafter |
|           | (b) Calculation Amount:     | BRL1,000  |

- |           |  |  |
|-----------|--|--|
| <b>11</b> | Exchange of Bearer Notes:  | Not Applicable   |
| <b>12</b> | (a) Talons for future Coupons to be attached to definitive Bearer Notes: | No   |
|           | (b) Date(s) on which the Talons mature:                                  | Not Applicable   |
| <b>13</b> | (a) Registered holder of Registered Global Note:                         | Citivic Nominees Limited   |
|           | (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 44 of the Base Prospectus. |

**PROVISIONS RELATING TO INITIAL PAYMENT**

- |           |                    |    |
|-----------|--------------------|----|
| <b>14</b> | Partly Paid Notes: | No |
|-----------|--------------------|----|

**PROVISIONS RELATING TO INTEREST**

- |           |   |   |
|-----------|---|---|
| <b>15</b> | Interest Commencement Date:   | 28 January 2010   |
|           | <b>Fixed Rate Notes:</b>  |   |
| <b>16</b> | (a) Fixed Rate of Interest:   | 9.75 per cent. per annum, equal to BRL97.50 per Calculation Amount (the " <b>Fixed Interest Amount</b> "), provided that the Fixed Interest Amount shall be payable in USD, as further described in Annex A.        |
|           | (b) Fixed Interest Dates:   | 28 January in each year commencing 28 January 2011 subject to adjustment for payment purposes in accordance with the business day convention specified below (subject to the provisions set out in Annex A hereto). |
|           | (c) Initial Broken Amount per Specified Denomination:                                 | Not Applicable  |
|           | (d) Final Broken Amount per Specified Denomination:                                   | Not Applicable  |
|           | (e) Fixed Day Count Fraction:   | Actual/Actual - ICMA  |
|           | (f) Business Day Convention:  | Following Business Day Convention   |
|           | (g) Business Day definition if different from that in Condition 4(a)(iii):            | Condition 4(a)(iii) applies (and for the avoidance of doubt, Brazil shall be the business centre). London and New York City shall be additional business centres.   |
|           | (h) Calculation of interest to be adjusted in accordance with Business Day Convention | No  |

specified above:

- |           |  |                |
|-----------|--|----------------|
| <b>17</b> | Zero Coupon Notes:                     | Not Applicable |
| <b>18</b> | Floating Rate Notes and Indexed Notes: | Not Applicable |

**PROVISIONS REGARDING PAYMENTS/DELIVERIES**

- |           |  |  |
|-----------|--|--|
| <b>19</b> | Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: | Condition 6(e) applies subject to the provisions set out in Annex A hereto |
| <b>20</b> | Dual Currency Notes:   | Not Applicable   |
| <b>21</b> | Physically Settled Notes:  | Not Applicable   |

**PROVISIONS REGARDING REDEMPTION/MATURITY**

- |           |   |   |
|-----------|---|---|
| <b>22</b> | (a) Redemption at Issuer's option:  | No  |
|           | (b) Redemption at Noteholder's option:  | No  |
| <b>23</b> | (a) Final Redemption Amount for each Note ( <i>other than an Indexed or Formula Note where the index or formula applies to the redemption amount</i> ): | 100 per cent. subject to 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  |
| <b>24</b> | Instalment Note:  | Not Applicable  |
| <b>25</b> | Early Redemption Amount for each Note payable on an event of default:   | 100 per cent. of the Specified Denomination subject to the provisions set out in Annex A hereto |

**DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS**

- |           |   |  |
|-----------|---|--|
| <b>26</b> | Method of distribution:   | Syndicated   |
| <b>27</b> | If Syndicated, names and addresses of Managers or, if Non-Syndicated names and address of Dealer: | Royal Bank of Canada Europe Limited<br>71 Queen Victoria Street<br>London EC4V 4DE<br>United Kingdom<br>Deutsche Bank AG, London Branch<br>Winchester House<br>1 Great Winchester Street<br>London EC2N 2DB<br>KBC Bank NV<br>Havenlaan 12 |

	B-1080 Brussels Belgium Zurich Cantonalbank Bahnhofstrasse 9 CH-8001 Zürich Switzerland
<b>28</b>	Date of Syndication Agreement: 26 January 2010
<b>29</b>	Stabilising Manager(s): Not applicable
<b>30</b>	Non-exempt Offer: Not Applicable
<b>31</b>	Additional selling restrictions: Brazil Each Manager acknowledges that the Notes have not been and will not be issued nor placed, distributed, offered or negotiated in the Brazilian capital markets. Neither the Issuer of the Notes nor the issuance of the Notes has been registered with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários, the CVM). Therefore, each of the Managers has represented and agreed that it has not offered or sold, and will not offer or sell, the Notes in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation of securities in the Brazilian capital markets regulated by Brazilian legislation.
<b>32</b>	Details of additional/alternative clearing system approved by the Issuer and the Agent: Euroclear and Clearstream, Luxembourg only
<b>33</b>	Intended to be held in a manner which would allow Eurosystem eligibility: No
<b>34</b>	Common Code: 047847478 ISIN Code: XS0478474785 CUSIP Number: Not Applicable
<b>35</b>	Listing: Official List of the UK Listing Authority and trading on the Regulated Market



- |           |   |   |
|-----------|---|---|
| <b>36</b> | 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  |
| <b>37</b> | Additional Information:   | The provisions set out in Annex A shall apply to the Terms and Conditions in accordance herewith. |
| <b>38</b> | Total Commissions:  | 1.625 per cent.   |

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange's Regulated Market of the Notes described herein pursuant to the Euro 20,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development as from 28 January 2010.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in this Pricing Supplement. 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: .....

Authorised signatory

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

## **PART B – OTHER INFORMATION**

### **1 LISTING**

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market with effect from 28 January 2010.

### **2 RATINGS**

The Issuer and/or its debt obligations have been assigned a AAA credit rating from Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("S&P") since 1991, a Aaa credit rating from Moody's Investors Service Limited ("Moody's") since 1992 and a AAA credit rating from Fitch Ratings Limited ("Fitch") since 2002. As defined by S&P, a "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, a "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, a "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.

### **3 NOTIFICATION**

Not Applicable

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

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

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

- |                                 |  |
|---------------------------------|--|
| (i) Reasons for the offer:      | The net proceeds of the issue of the Notes (which is expected to be BRL173,365,000 but payable in USD in the amount of USD99,053,519.40) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations. |
| (ii) Estimated net proceeds:    | BRL173,365,000 (USD equivalent: USD99,053,519.40)  |
| (iii) Estimated total expenses: | £10,000  |

### **6 YIELD**

Indication of yield: 9.536 per cent. per annum. in respect of the Tranche 1 Notes and

9.530 per cent. per annum in respect of the Tranche 2 Notes.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

**7 HISTORIC INTEREST RATES**

Not Applicable

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

Not Applicable

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

Certain historical information in respect of the USD/BRL foreign exchange rate is set out in Annex B (Historical Data) hereto. In the circumstances described in Annex A hereto, the amount received by holders of the Notes may be affected by the USD/BRL foreign exchange rate. Information in respect of the USD/BRL foreign exchange rate can also be found on Bloomberg.

**10 TERMS AND CONDITIONS OF THE OFFER**

Not Applicable

## Annex A

### Calculation of Fixed Interest Amount, Early Redemption Amount and Final Redemption Amount

The Early Redemption Amount and Final Redemption Amount per Calculation Amount will be payable in USD and determined by the Calculation Agent as follows, on the Rate Fixing Date:

Calculation Amount *divided by* the Reference Rate and rounded down to the nearest cent.

The Fixed Interest Amount will be payable in USD and determined by the Calculation Agent as follows, on the Rate Fixing Date:

BRL97.50 *divided by* the Reference Rate and rounded down to the nearest cent.

For the avoidance of doubt, the amount of interest payable per note of Specified Denomination will be an amount in USD and determined by the Calculation Agent as follows, on the Rate Fixing Date:

BRL 97.50 divided by the Reference Rate and rounded down to the nearest cent multiplied by the Specified Denomination and divided by 1,000.

If the PTAX Rate is not available for any reason on either Bloomberg page <BZFXPTAX> <INDEX> (or on any successor page) or on the website of the Central Bank of Brazil (<http://www.bcb.gov.br/english>) and BRL 12 is also unavailable on any Rate Fixing Date, the Calculation Agent shall determine that a Price Source Disruption Event (a "**Price Source Disruption Event**") has occurred, and shall promptly inform the Issuer and Agent of such occurrence. Following the determination of the occurrence of a Price Source Disruption Event, Noteholders will not be entitled to any amounts in respect of the Notes until the earlier to occur of (i) the day falling five Business Days after the day on which the Issuer is notified by the Calculation Agent that a Price Source 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 on the 10th Business Day the PTAX Rate and BRL12 (or successor pages) are still unavailable then the Reference Rate shall be the average of firm quotes (expressed as the number of BRL per one USD) from the Reference Dealers as the Calculation Agent is able to obtain for the sale of USD and the purchase of BRL at or about 5.00 p.m. Sao Paulo time on the Rate Fixing Date for settlement two Brazil Business Days hereafter, provided, however, that if fewer than four (but at least two) Reference Dealers provide such firm quotes then the average of the quotes actually obtained shall apply. If none, or only one, of the Reference Dealers provides such a firm quote, the Reference Rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner.

For the purposes of these provisions:

"**Brazil**" means any of Sao Paulo, Rio de Janeiro or Brasilia;

"**Brazil and New York Business Day**" means any day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in each of Brazil and New York;

"**Business Day**" means 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 each of Brazil, London and New York;

"**BRL12**" means the EMTA BRL Industry Survey Rate, which is the USD/BRL specified foreign exchange rate for USD, expressed as the amount of BRL per one USD, for settlement in two Brazil and New York Business Days (as defined above), as published on EMTA's website ([www.emta.org](http://www.emta.org)) at around 3.45 p.m. Sao Paulo time, or as soon thereafter as practicable, on

the applicable Rate Fixing Date. BRL12 is calculated by EMTA pursuant to the EMTA BRL Industry Survey Methodology (which means a methodology, dated as of 1 March 2004, as amended from time to time for a centralised industry-wide survey of financial institutions in Brazil that are active participants in the USD/BRL spot markets for the purpose of determining the EMTA BRL Industry Survey Rate);

**"Calculation Agent"** means Royal Bank of Canada in accordance with the provisions of the Calculation Agency Agreement entered into between the Issuer and the Calculation Agent dated 12 January 2007 (as amended and/or supplemented from time to time). All references to the Calculation Agent shall include any successor or successors to Royal Bank of Canada 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;

**"Early Redemption Date"** means the date on which the Notes become due and payable pursuant to Condition 9;

**"Postponed Early Redemption Date"** means the tenth Business Day following the Early Redemption Date (if any);

**"Postponed Fixed Interest Date"** means the tenth Business Day following the originally scheduled Fixed Interest Date;

**"Postponed Maturity Date"** means the tenth Business Day following the originally scheduled Maturity Date;

**"Rate Fixing Date"** means the date which is five Business Days prior to each Interest Payment Date or Maturity Date;

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

**"Reference Rate"** means the PTAX rate that is equal to the Brazilian Real/USD spot Ask rate (i.e., the rate at which banks buy BRL and sell USD) expressed as the amount of BRL per one USD for settlement in two Brazil and New York Business Days (the **"PTAX Rate"**), as announced by the Banco Central do Brasil at approximately 6.00p.m. Sao Paulo time and published on Bloomberg page <BZFXPTAX> <INDEX> and available on the Central Bank of Brazil website (<http://www.bcb.gov.br/?english>) on the Rate Fixing Date; provided that the PTAX rate found on the Central Bank website shall prevail in case of conflict with the PTAX rate appearing on Bloomberg page <BZFXPTAX> <INDEX>. If the PTAX Rate is not available for any reason on Bloomberg page <BZFXPTAX><INDEX>, on the Central Bank of Brazil website or on any successor page on any Rate Fixing Date then BRL 12 shall be used to determine the Reference Rate on such Rate Fixing Date.

## Annex B Historical Data

The following table summarises certain historical information regarding the USD/BRL foreign exchange rate since January 2002.

Period	High	Low
January 2002 - December 2002	3.7395	2.3250
January 2003 - December 2003	3.5685	2.8440
January 2004 - December 2004	3.1890	2.6560
January 2005 - December 2005	2.6790	2.2035
January 2006 - December 2006	2.3070	2.0870
January 2007 - December 2007	2.1240	1.8820
January 2008 - December 2008	2.5127	1.5600
January 2009 - December 2009	2.4473	1.6989

Source: Bloomberg

The delivery of this Pricing Supplement does not imply any representation on the part of the Issuer, the Calculation Agent or the Managers or any other person that any such information is correct.

THE MANAGERS DO NOT MAKE ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER AS TO THE RESULTS TO BE OBTAINED FROM AN INVESTMENT IN THE NOTES. THE FOREGOING INFORMATION IS BASED UPON PUBLICLY AVAILABLE INFORMATION AS PUBLISHED BY THE APPLICABLE SOURCE. HOWEVER, NEITHER THE MANAGERS NOR ANY OF THEIR RESPECTIVE AFFILIATES SHALL BE LIABLE (WHETHER IN NEGLIGENCE OR OTHERWISE) TO ANY PERSON FOR ANY ERROR IN THE INFORMATION SET FORTH ABOVE NOR SHALL THEY NOR ANY SUCH AFFILIATES BE UNDER ANY OBLIGATION TO ADVISE ANY PERSON OF ANY ERROR THEREIN.

## Use of Proceeds

The net proceeds of the issue of the Notes (which is expected to be BRL173,365,000 but payable in USD in the amount of USD99,053,519.40) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.

## Ratings

The Issuer and/or its debt obligations have been assigned a AAA credit rating from Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("S&P"), since 1991, a Aaa credit rating from Moody's Investors Service Limited ("Moody's") since 1992 and a AAA credit rating from Fitch Ratings Limited ("Fitch") since 2002. As defined by S&P, a "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, a "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, a "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.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.



**PRINCIPAL OFFICE OF EUROPEAN BANK  
FOR RECONSTRUCTION AND DEVELOPMENT**

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**LEAD MANAGER**

**Royal Bank of Canada Europe Limited**

71 Queen Victoria Street  
London EC4V 4DE  
United Kingdom

**Co-Managers**

**Deutsche Bank AG, London Branch**

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EC2N 2DB  
United Kingdom

**KBC Bank NV**

Havenlaan 12  
B-1080 Brussels  
Belgium

**Zurich Cantonalbank**

Bahnhofstrasse 9  
CH-8001 Zürich  
Switzerland

**AGENT and REGISTRAR**

**Citibank, N.A.**

21st Floor Citigroup Centre  
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**PAYING AGENT**

**The Bank of New York**

Avenue des Arts 35  
Kunstlaan  
B-1040 Brussels  
Belgium

**LEGAL ADVISER**

*To the Managers*

*As to English Law*

**Linklaters LLP**

One Silk Street  
London EC2Y 8HQ  
United Kingdom

## Summary Note



# European Bank for Reconstruction and Development

***BRL175,000,000  
9.75 per cent. Notes due 28 January 2014 (the "Notes")  
comprising  
BRL125,000,000 in aggregate nominal amount of  
Tranche 1 Notes (the "Tranche 1 Notes") and  
BRL50,000,000 in aggregate nominal amount of  
Tranche 2 Notes (the "Tranche 2 Notes")***

This document constitutes a summary note (the "Summary Note") for the purposes of Articles 5.2 and 5.3 of EU Directive 2003/71/EC (the "Prospectus Directive"). This Summary Note comprises a summary conveying the essential characteristics of, and risks associated with, the European Bank for Reconstruction and Development (the "Issuer") and its BRL175,000,000 9.75 per cent. Notes due 28 January 2014 (the "Notes"), issued pursuant to the Issuer's €20,000,000,000 Global Medium Term Note Programme (the "Programme"). This Summary Note shall be read in conjunction with the registration document (the "Registration Document") dated 11 August 2009 containing information in respect of the Issuer and the securities note (the "Securities Note") dated 26 January 2010 containing information in respect of the Notes, each as prepared for the purposes of Articles 5.2 and 5.3 of the Prospectus Directive. Together, this Summary Note, the Registration Document (including the information incorporated by reference therein) and the Securities Note (including the information incorporated by reference therein) shall comprise the prospectus (the "Prospectus") for the Notes, prepared for the purposes of Article 5.1 of the Prospectus Directive.

*Lead Manager*

**RBC Capital Markets**

*Co-Managers*

**Deutsche Bank**

**KBC International Group**

**Zurich Cantonalbank**

26 January 2010

## Summary

This Summary Note should be read as an introduction to the Prospectus and any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area (an "EEA State"), no civil liability will attach to the Issuer in any such EEA State solely on the basis of this Summary Note, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in an EEA State, the plaintiff may, under the national legislation of the EEA State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.

### Summary of Provisions relating to the Notes

All capitalised terms not defined herein will have the meanings given to them in the Base Prospectus of the Issuer dated 11 August 2009 relating to the Programme.

Issuer .....	European Bank for Reconstruction and Development
Risk Factors.....	There are certain risk factors relating to the Notes. These include considerations relating to the development of a liquid secondary market in the Notes of a particular Series and the suitability of any Series of Notes for investment by certain investors due to legal and regulatory constraints which may be applicable to them. In the case of Notes the return on which is determined by reference to a formula or index, there are additional potential risks, including the possibility that no principal, premium or interest will be payable on such Notes.
Arranger for the Programme.....	Merrill Lynch International
Managers.....	Royal Bank of Canada Europe Limited Deutsche Bank AG, London Branch KBC Bank NV Zurich Cantonalbank
Agent .....	Citibank, N.A.
Currency.....	Brazilian real ("BRL"), provided that all payments in respect of the Notes will be made in United States dollars ("USD")
Maturity.....	28 January 2014
Issue Price.....	The Issue Price of the Tranche 1 Notes is 100.685 per cent. The Issue Price of the Tranche 2 Notes is 100.705 per cent.
Form.....	The Notes will be issued in registered form and cleared through Euroclear and Clearstream, Luxembourg

Interest Rate .....	9.75 per cent.
Interest Payment Date(s) or Interest Period(s) .....	28 January in each year commencing 28 January 2011
Redemption .....	Notes are redeemable on their stated maturity, subject to the provisions relating to Price Source Disruption Events
Denominations of Notes.....	BRL5,000 and integral multiples of BRL1,000 thereafter
Taxation .....	All payments of principal and/or interest in respect of the Notes shall be made by the Issuer to the Paying Agent without withholding or deduction for or on account of tax.
Status of the Notes .....	The Notes will constitute direct and unsecured obligations of the Issuer and will rank <i>pari passu</i> without any preference among themselves, and, subject to the provisions of Condition 3, equally with all its other unsecured and unsubordinated obligations. The Notes will not be obligations of any government or member of the Issuer.
Negative Pledge .....	The terms of the Notes will contain a negative pledge in respect of bonds, notes or other evidence of indebtedness issued or guaranteed by the Issuer which are listed or quoted on any stock exchange or other organised securities market.
Cross-Default .....	The terms of the Notes will contain a cross default clause in respect of bonds, notes or similar obligations which have been issued, assumed or guaranteed by the Issuer and in respect of which a default shall continue for a period of 90 days.
Rating.....	The Issuer and/or its debt obligations have been assigned a AAA credit rating from Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("S&P") since 1991, a Aaa credit rating from Moody's Investors Service Limited ("Moody's") since 1992 and a AAA credit rating from Fitch Ratings Limited ("Fitch") since 2002. As defined by S&P, an "AAA" rating means that the ability of the Issuer to meet its financial commitment on its obligations is extremely strong. As defined by Moody's, an "Aaa" rating means that the Issuer's ability to meet its financial obligations is judged to be of the highest quality, with minimal credit risk. As defined by Fitch, an "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Listing..... Application has been made for Notes issued under the Programme to be admitted on the Official List of the UK Listing Authority and to be admitted to trading on the Regulated Market (within the meaning of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments) of the London Stock Exchange plc.

Governing Law ..... English

Selling Restrictions..... There are restrictions on the sale of Notes and the distribution of offering material.

## Summary of Information Relating to the Issuer

Issuer .....	The European Bank for Reconstruction and Development is an international organisation formed under the Agreement Establishing the European Bank for Reconstruction and Development dated 29 May 1990 (the "Agreement") signed by 40 countries, together with the European Economic Community and the European Investment Bank. The Agreement came into force on 28 March 1991 and the Issuer commenced operations on 15 April 1991. The Issuer currently has 63 members. The Issuer's principal office is in London.
Authorised Share Capital.....	The Issuer has an authorised share capital totalling €20 billion, of which €5 billion is paid in and €15 billion is callable.
Business.....	The Issuer's business is to foster the transition towards open market-orientated economies and to promote private and entrepreneurial initiatives in its countries of operation which include the countries of Central and Eastern Europe and the former Soviet Union, the Republic of Turkey and Mongolia. The Issuer makes and guarantees loans and makes equity investments in its countries of operation.
Directors.....	Kurt Bayer, Stefania Bazzoni, Terence Brown, Alain de Cointet, John Eyers, Werner Gruber, Sven Hegelund, Etsuro Honda, James Hudson, Suzanne Hurtubise, Ib Katznelson, Jari Koskinen, Elena Kotova, Vassili Lelakis, Pedro Moriyón, Igor Podoliev, Simon Ray, Joachim Schwarzer, Jean-Louis Six, Pavel Štěpánek, Jan Willem van den Wall Bake and Stefanos Vavalidis are the directors of the Issuer. The business address of each of the directors is the principal office of the Issuer, which is at One Exchange Square, London EC2A 2JN.

## **Use of Proceeds**

The net proceeds of the issue of the Notes (which is expected to be BRL173,365,000 but payable in USD in the amount of USD99,053,519.40) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations.

## **Risk Factors**

The Notes may involve substantial risks and are suitable only for investors who have the knowledge and experience in financial and business matters (including but not limited to investments in credit linked investments) necessary to enable them to evaluate the risks and the merits of an investment in the Notes. Prospective investors should ensure that they understand the nature of the risks posed by, and the extent of their exposure under, the Notes.

Prospective investors should make all pertinent inquiries they deem necessary without relying on the Issuer, the Arranger, the Managers, any Agent or any officers or employees of the Issuer. Prospective investors should consider the suitability of the Notes as an investment in light of their own circumstances, investment objectives, tax position and financial condition.

The factors described below represent the principal risks inherent in investing in the Notes. However, an investor may receive less than the expected amount for other reasons and the Issuer does not represent that the statements below regarding the risks of holding the Notes are exhaustive. Prospective purchasers of the Notes should ensure that they understand the nature of the Notes and the extent of their exposure to loss of their initial investment and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. Prospective investors should also pay specific attention to the risks highlighted below.

### **Risk Factors relating to the Notes**

#### **Market, Liquidity and Yield Considerations**

Notes may not have an established trading market when issued. There can be no assurance of a secondary market for any Notes or the liquidity of such market if one develops. Consequently, investors may not be able to sell their Notes readily or at prices that will enable them to realise a yield comparable to that of similar instruments, if any, with a developed secondary market.

#### **Legal Investment Considerations**

##### *General*

Investors should consult their own legal advisers in determining whether and to what extent Notes constitute legal investments for such investors and whether and to what extent Notes can be used as collateral for various types of borrowings. In addition, financial institutions should consult their legal advisers or regulators in determining the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

Investors whose investment activities are subject to investment laws and regulations or to review or regulation by certain authorities may be subject to restrictions on investments in certain types of debt securities, which may include certain Notes. Investors should review and consider such restrictions prior to investing in any Notes.

#### **Risk Factors relating to the Issuer**

The Issuer makes loans and equity instruments and issues guarantees primarily to the private sector in its countries of operation. Changes in the macroeconomic environment and financial markets in these countries may affect the creditworthiness of the Issuer's clients. Even severe changes in the macroeconomic and financial climate should, however, not affect the Issuer's ability to repay its borrowings, which is assured above all through the Issuer's prudent provisioning policy, ample



liquidity, and limitations in the Agreement on its outstanding loans, equity investment and guarantees to the total amount of its subscribed capital, reserves and surpluses.

Of the Issuer's €20 billion of authorised share capital, €5 billion has been paid in. €15 billion is callable to cover the unlikely eventuality that the Issuer encounters difficulties meeting its liabilities. The Issuer has among the highest quality callable capital of any multilateral development bank, with over 60 per cent. from shareholders rated AAA/Aaa and over 95 per cent. from shareholders rated investment grade, by at least one of S&P and Moody's at 11 August 2009. It is therefore unlikely that a call on the Issuer's shareholders will not be honoured.

### **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 be aware that the Fixed Interest Amount, Final Redemption Amount or any Early Redemption Amount (as the case may be) of the Notes being significantly less than anticipated.

There are certain risks associated with Brazil and the Brazilian economy in general, including but not limited to historic volatility of the Brazilian real, which may have effects upon the Notes, and in particular the USD/BRL exchange rate.

### **Investor Suitability**

*The purchase of the Notes involves substantial risks and is not suitable for all investors*

Each prospective investor must determine, based on its own independent review and such professional tax and accounting advice as it deems appropriate under the circumstances, that its acquisition and holding of the Notes is fully consistent with its financial needs, objectives and conditions, and complies and is fully consistent with, all investment policies, guidelines and restrictions applicable to it.

*Understanding and appropriateness of the investment*

Each investor should have the knowledge and experience to evaluate material risks and be capable of assessing and independently deciding, and should have assessed and independently decided, to assume the risks of an investment in the Notes.

Each investor in the Notes should consider the tax consequences of investing in the Notes.

Any information communicated (in any manner) to investors by the Issuer or the Managers should not be relied upon as investment advice or as a recommendation to invest in the Notes

It is the responsibility of each investor to ensure that it is compliant with all regulations relevant to its acquisition of the Notes and that it is lawful for it to enter into such investment.

Any information communicated (in any manner) to investors by the Issuer or the Managers should not be relied upon, nor shall such be deemed to be an assurance or guarantee, as to the expected results of an investment in the Notes.

Each investor should be aware that none of the Issuer, the Managers nor Royal Bank of Canada acting as Calculation Agent (the "Calculation Agent") is acting as a fiduciary or trustee for, or as an adviser to the investor with regard to the investment in the Notes.

*Investment considerations relating to the Notes*

The level of the USD/BRL foreign exchange rate may go down as well as up.

If the Calculation Agent determines that a Price Source Disruption Event has occurred, this will lead to a delay in the payment of principal and/or interest.

An investment in the Notes will entail significant risks not associated with a conventional fixed rate or floating rate debt security.

Past performance of the USD/BRL foreign exchange rate is not necessarily indicative of future performance.

The Calculation Agent may face possible conflicts of interest in relation to its role as Calculation Agent for the Notes.

No assurances can be made that any meaningful secondary market will develop in the Notes.

If the volatility, or anticipated volatility, of the USD/BRL foreign exchange rate increases or decreases, the trading value of the Notes may be adversely affected.

It is expected that changes in interest rates will affect the trading value of the Notes.

**THE CONSIDERATIONS SET OUT ABOVE ARE NOT, AND ARE NOT INTENDED TO BE A COMPREHENSIVE LIST OF ALL CONSIDERATIONS RELEVANT TO A DECISION TO PURCHASE OR HOLD THE NOTES. THE ATTENTION OF INVESTORS IS ALSO DRAWN TO THE SECTION HEADED "RISK FACTORS" IN THE BASE PROSPECTUS.**

**PRINCIPAL OFFICE OF EUROPEAN BANK  
FOR RECONSTRUCTION AND DEVELOPMENT**

One Exchange Square  
London EC2A 2JN  
United Kingdom  
Tel: +44 20 7338 6000

**LEAD MANAGER**

**Royal Bank of Canada Europe Limited**

71 Queen Victoria Street  
London EC4V 4DE  
United Kingdom

**CO-MANAGERS**

**Deutsche Bank AG, London Branch**

Winchester House  
1 Great Winchester Street  
EC2N 2DB  
United Kingdom

**KBC Bank NV**

Havenlaan 12  
B-1080 Brussels  
Belgium

**Zurich Cantonalbank**

Bahnhofstrasse 9  
CH-8001 Zürich  
Switzerland

**AGENT and REGISTRAR**

**Citibank, N.A.**

21st Floor  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**PAYING AGENT**

**The Bank of New York**

Avenue des Arts 35  
Kunstlaan  
B-1040 Brussels  
Belgium

**LEGAL ADVISERS**

*To the Managers  
As to English Law*

**Linklaters LLP**

One Silk Street  
London EC2Y 8HQ  
United Kingdom

## Pricing Supplement

26 January 2010

**European Bank for Reconstruction and Development**  
**BRL175,000,000 9.75 per cent. Notes due 28 January 2014**  
**issued pursuant to a Global Medium Term Note Programme**

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 11 August 2009 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive"). This Pricing Supplement must be read in conjunction with the Base Prospectus, the Registration Document, the Securities Note and the Summary Note. Full information on the Issuer and the Notes is only available on the basis of the combination of this Pricing Supplement, the Base Prospectus, the Registration Document, the Securities Note and the Summary Note. The Base Prospectus, the Registration Document, the Securities Note and the Summary Note are available for viewing and copies may be obtained from EBRD, One Exchange Square, London, EC2A 2JN, United Kingdom.

#### SUMMARY OF THE NOTES

1	Specified Currency:	Brazilian real ("BRL"), provided that all payments in respect of the Notes will be made in United States dollars ("USD")
2	Nominal Amount:	BRL175,000,000 comprising BRL125,000,000 in aggregate Nominal Amount of Tranche 1 notes (the "Tranche 1 Notes") and BRL50,000,000 in aggregate Nominal Amount of Tranche 2 Notes (the "Tranche 2 Notes")
3	Type of Note:	Fixed Rate
4	Issue Date:	28 January 2010
5	Issue Price:	The Issue Price of the Tranche 1 Notes is 100.685 per cent. The Issue Price of the Tranche 2 Notes is 100.705 per cent.
6	Maturity Date:	28 January 2014
7	Fungible with existing Notes:	No

#### FORM OF THE NOTES

8	Form of Note:	Registered
9	New Global Note:	No
10	(a) Specified Denomination:	BRL5,000, and integral multiples of BRL1,000 thereafter
	(b) Calculation Amount:	BRL1,000
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) Registered holder of Registered	Citivic Nominees Limited

## Global Note:

- (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 44 of the Base Prospectus.

## PROVISIONS RELATING TO INITIAL PAYMENT

- 14 Partly Paid Notes: No

## PROVISIONS RELATING TO INTEREST

- 15 Interest Commencement Date: 28 January 2010

## Fixed Rate Notes:

- 16 (a) Fixed Rate of Interest: 9.75 per cent. per annum, equal to BRL97.50 per Calculation Amount (the "Fixed Interest Amount"), provided that the Fixed Interest Amount shall be payable in USD, as further described in Annex A.
- (b) Fixed Interest Dates: 28 January in each year commencing 28 January 2011 subject to adjustment for payment purposes in accordance with the business day convention specified below (subject to the provisions set out in Annex A hereto)
- (c) Initial Broken Amount per Specified Denomination: Not Applicable
- (d) Final Broken Amount per Specified Denomination: Not Applicable
- (e) Fixed Day Count Fraction: Actual/Actual - ICMA
- (f) Business Day Convention: Following Business Day Convention
- (g) Business Day definition if different from that in Condition 4(a)(iii): Condition 4(a)(iii) applies (and for the avoidance of doubt, Brazil shall be the business centre). London and New York City shall be additional business centres.
- (h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No

- 17 Zero Coupon Notes: Not Applicable

- 18 Floating Rate Notes and Indexed Notes: Not Applicable

## PROVISIONS REGARDING PAYMENTS/DELIVERIES

- 19 Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies subject to the provisions set out in Annex A hereto

- 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 for each Note (other than an Indexed or Formula Note where the index or formula applies to the redemption amount): | 100 per cent. subject to 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:  | 100 per cent. of the Specified Denomination subject to the provisions set out in Annex A hereto |

#### DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

- |    |  |   |  |
|----|--|---|--|
| 26 |  | Method of distribution:   | Syndicated   |
| 27 |  | If Syndicated, names and addresses of Managers or, if Non-Syndicated names and address of Dealer: | Royal Bank of Canada Europe Limited<br>71 Queen Victoria Street<br>London EC4V 4DE<br>United Kingdom<br><br>Deutsche Bank AG, London Branch<br>Winchester House<br>1 Great Winchester Street<br>London EC2N 2DB<br><br>KBC Bank NV<br>Havenlaan 12<br>B-1080 Brussels<br>Belgium<br><br>Zurich Cantonalbank<br>Bahnhofstrasse 9<br>CH-8001 Zürich<br>Switzerland   |
| 28 |  | Date of Syndication Agreement:  | 26 January 2010  |
| 29 |  | Stabilising Manager(s):   | Not applicable   |
| 30 |  | Non-exempt Offer:   | Not Applicable   |
| 31 |  | Additional selling restrictions:  | Brazil<br>Each Manager acknowledges that the Notes have not been and will not be issued nor placed, distributed, offered or negotiated in the Brazilian capital markets. Neither the issuer of the Notes nor the issuance of the Notes has been registered with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários, the CVM). Therefore, each of the Managers has represented and agreed that it has not offered or sold, and will not offer or sell, the Notes in Brazil, except in circumstances which do not constitute a public offering, placement, distribution or negotiation of |

- |    |   |   |
|----|---|---|
|    |   | securities in the Brazilian capital markets regulated by Brazilian legislation.                   |
| 32 | Details of additional/alternative clearing system approved by the Issuer and the Agent:   | Euroclear and Clearstream, Luxembourg only  |
| 33 | Intended to be held in a manner which would allow Eurosystem eligibility:   | No  |
| 34 | Common Code:  | 047847478   |
|    | ISIN Code:  | XS0478474785  |
|    | CUSIP Number:   | Not Applicable  |
| 35 | Listing:  | Official List of the UK Listing Authority and trading on the Regulated Market                     |
| 36 | In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a "Redenomination Clause"), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of redenominatisation and/or consolidation (provided they are fungible) with other Notes denominated in euro. | Not Applicable  |
| 37 | Additional information:   | The provisions set out in Annex A shall apply to the Terms and Conditions in accordance herewith. |
| 38 | Total Commissions:  | 1.625 per cent.   |

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange's Regulated Market of the Notes described herein pursuant to the Euro 20,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development as from 28 January 2010.

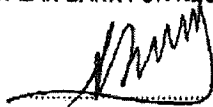
#### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement. 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:



Authorised signatory






CITIBANK, N.A.  
(as Agent)

**Eleanor Quinn**



**PART B – OTHER INFORMATION****1 LISTING**

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market with effect from 28 January 2010.

**2 RATINGS**

The Issuer and/or its debt obligations have been assigned a AAA credit rating from Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("S&P") since 1991, a Aaa credit rating from Moody's Investors Service Limited ("Moody's") since 1992 and a AAA credit rating from Fitch Ratings Limited ("Fitch") since 2002. As defined by S&P, a "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, a "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, a "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.

**3 NOTIFICATION**

Not Applicable

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

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

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

- |                                 |  |
|---------------------------------|--|
| (i) Reasons for the offer:      | The net proceeds of the issue of the Notes (which is expected to be BRL173,365,000 but payable in USD in the amount of USD99,053,519.40) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations. |
| (ii) Estimated net proceeds:    | BRL173,366,000 (USD equivalent: USD99,053,519.40)  |
| (iii) Estimated total expenses: | £10,000  |

**6 YIELD**

Indication of yield: 9.536 per cent. per annum. in respect of the Tranche 1 Notes and  
9.530 per cent. per annum in respect of the Tranche 2 Notes.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

**7 HISTORIC INTEREST RATES**

Not Applicable

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

Not Applicable

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

Certain historical information in respect of the USD/BRL foreign exchange rate is set out in Annex B (Historical Data) hereto. In the circumstances described in Annex A hereto, the amount received by holders of the Notes may be affected by the USD/BRL foreign exchange rate. Information in respect of the USD/BRL foreign exchange rate can also be found on Bloomberg.

**10 TERMS AND CONDITIONS OF THE OFFER**

Not Applicable

## **Annex A**

### **Calculation of Fixed Interest Amount, Early Redemption Amount and Final Redemption Amount**

The Early Redemption Amount and Final Redemption Amount per Calculation Amount will be payable in USD and determined by the Calculation Agent as follows, on the Rate Fixing Date:

Calculation Amount *divided by* the Reference Rate and rounded down to the nearest cent.

The Fixed Interest Amount will be payable in USD and determined by the Calculation Agent as follows, on the Rate Fixing Date:

BRL97.50 *divided by* the Reference Rate and rounded down to the nearest cent.

For the avoidance of doubt, the amount of interest payable per note of Specified Denomination will be an amount in USD and determined by the Calculation Agent as follows, on the Rate Fixing Date:

BRL 97.50 *divided by* the Reference Rate and rounded down to the nearest cent multiplied by the Specified Denomination and *divided by* 1,000.

If the PTAX Rate is not available for any reason on either Bloomberg page <BZFXPTAX> <INDEX> (or on any successor page) or on the website of the Central Bank of Brazil (<http://www.bcb.gov.br/?english>) and BRL 12 is also unavailable on any Rate Fixing Date, the Calculation Agent shall determine that a Price Source Disruption Event (a "Price Source Disruption Event") has occurred, and shall promptly inform the Issuer and Agent of such occurrence. Following the determination of the occurrence of a Price Source Disruption Event, Noteholders will not be entitled to any amounts in respect of the Notes until the earlier to occur of (i) the day falling five Business Days after the day on which the Issuer is notified by the Calculation Agent that a Price Source 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 on the 10th Business Day the PTAX Rate and BRL12 (or successor pages) are still unavailable then the Reference Rate shall be the average of firm quotes (expressed as the number of BRL per one USD) from the Reference Dealers as the Calculation Agent is able to obtain for the sale of USD and the purchase of BRL at or about 5.00 p.m. Sao Paulo time on the Rate Fixing Date for settlement two Brazil Business Days hereafter, provided, however, that if fewer than four (but at least two) Reference Dealers provide such firm quotes then the average of the quotes actually obtained shall apply. If none, or only one, of the Reference Dealers provides such a firm quote, the Reference Rate will be determined by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner.

For the purposes of these provisions:

"Brazil" means any of Sao Paulo, Rio de Janeiro or Brasilia;

"Brazil and New York Business Day" means any day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in each of Brazil and New York;

"Business Day" means 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 each of Brazil, London and New York;

"BRL12" means the EMTA BRL Industry Survey Rate, which is the USD/BRL specified foreign exchange rate for USD, expressed as the amount of BRL per one USD, for settlement in two Brazil and New York Business Days (as defined above), as published on EMTA's website ([www.emta.org](http://www.emta.org)) at around 3.45 p.m. Sao Paulo time, or as soon thereafter as practicable, on the applicable Rate Fixing Date. BRL12 is calculated by EMTA pursuant to the EMTA BRL Industry Survey Methodology (which means a methodology, dated as of 1 March 2004, as amended from time to time for a centralised industry-wide survey of financial institutions in Brazil that are active participants in the USD/BRL spot markets for the purpose of determining the EMTA BRL Industry Survey Rate);

"Calculation Agent" means Royal Bank of Canada in accordance with the provisions of the Calculation Agency Agreement entered into between the Issuer and the Calculation Agent dated 12 January 2007 (as amended and/or supplemented from time to time). All references to the Calculation Agent shall include any successor or successors to Royal Bank of Canada 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;

**"Early Redemption Date"** means the date on which the Notes become due and payable pursuant to Condition 9;

**"Postponed Early Redemption Date"** means the tenth Business Day following the Early Redemption Date (if any);

**"Postponed Fixed Interest Date"** means the tenth Business Day following the originally scheduled Fixed Interest Date;

**"Postponed Maturity Date"** means the tenth Business Day following the originally scheduled Maturity Date;

**"Rate Fixing Date"** means the date which is five Business Days prior to each Interest Payment Date or Maturity Date;

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

**"Reference Rate"** means the PTAX rate that is equal to the Brazilian Real/USD spot Ask rate (i.e., the rate at which banks buy BRL and sell USD) expressed as the amount of BRL per one USD for settlement in two Brazil and New York Business Days (the "PTAX Rate"), as announced by the Banco Central do Brasil at approximately 6.00p.m. Sao Paulo time and published on Bloomberg page <BZFXPTAX> <INDEX> and available on the Central Bank of Brazil website (<http://www.bcb.gov.br/?english>) on the Rate Fixing Date; provided that the PTAX rate found on the Central Bank website shall prevail in case of conflict with the PTAX rate appearing on Bloomberg page <BZFXPTAX> <INDEX>. If the PTAX Rate is not available for any reason on Bloomberg page <BZFXPTAX><INDEX>, on the Central Bank of Brazil website or on any successor page on any Rate Fixing Date then BRL 12 shall be used to determine the Reference Rate on such Rate Fixing Date.

## Annex B Historical Data

The following table summarises certain historical information regarding the USD/BRL foreign exchange rate since January 2002.

Period	High	Low
January 2002 - December 2002	3.7395	2.3250
January 2003 - December 2003	3.5685	2.8440
January 2004 - December 2004	3.1890	2.6560
January 2005 - December 2005	2.6790	2.2035
January 2006 - December 2006	2.3070	2.0870
January 2007 - December 2007	2.1240	1.8820
January 2008 - December 2008	2.5127	1.5600
January 2009 - December 2009	2.4473	1.6989

Source: Bloomberg

The delivery of this Pricing Supplement does not imply any representation on the part of the Issuer, the Calculation Agent or the Managers or any other person that any such information is correct.

THE MANAGERS DO NOT MAKE ANY EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION WHATSOEVER AS TO THE RESULTS TO BE OBTAINED FROM AN INVESTMENT IN THE NOTES. THE FOREGOING INFORMATION IS BASED UPON PUBLICLY AVAILABLE INFORMATION AS PUBLISHED BY THE APPLICABLE SOURCE. HOWEVER, NEITHER THE MANAGERS NOR ANY OF THEIR RESPECTIVE AFFILIATES SHALL BE LIABLE (WHETHER IN NEGLIGENCE OR OTHERWISE) TO ANY PERSON FOR ANY ERROR IN THE INFORMATION SET FORTH ABOVE NOR SHALL THEY NOR ANY SUCH AFFILIATES BE UNDER ANY OBLIGATION TO ADVISE ANY PERSON OF ANY ERROR THEREIN.



**European Bank**  
for Reconstruction and Development

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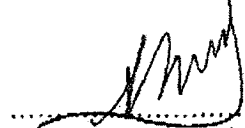
Date: 26 January 2010  
To: Citibank, N.A.  
cc: Royal Bank of Canada Europe Limited

**European Bank for Reconstruction and Development**  
**BRL 175,000,000 9.75 per cent. Notes due 28 January 2014**  
**issued pursuant to a Global Medium Term Note Programme**

Terms defined in the Agency Agreement dated 11 August 2009, as may be amended or supplemented from time to time, have the same meanings herein.

We hereby instruct you as Agent and Registrar for the Notes details of which are set out in the Pricing Supplement attached hereto to undertake in relation to such Notes the duties set out in Part 2 of Annex A of the Procedures Memorandum.

**EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT**

By:   
.....  
Duly Authorised Officer