

PRICING SUPPLEMENT



ASIAN DEVELOPMENT BANK

GLOBAL MEDIUM-TERM NOTE PROGRAM

Series No.: 1041-00-1

U.S.\$3,500,000,000

2.625 per cent. Global Notes due 30 January 2024

Issue price: 99.498 per cent.

Joint Lead Managers

**Goldman Sachs International
J.P. Morgan
Mizuho Securities
RBC Capital Markets**

Co-Lead Managers

**Commerzbank
Danske Bank
Wells Fargo Securities, LLC**

**Daiwa Capital Markets Europe
Deutsche Bank**

The date of this Pricing Supplement is 28 January 2019.

This pricing supplement (the “Pricing Supplement”) is issued to give details of an issue of U.S.\$3,500,000,000 2.625 per cent. Global Notes due 30 January 2024 (the “Notes”) by the Asian Development Bank (“ADB”) under its Global Medium-Term Note Program and to provide information supplemental to the Prospectus referred to below.

This Pricing Supplement supplements the terms and conditions of the Notes set forth in the Prospectus dated 28 April 2011 (as amended and supplemented and together with the documents incorporated by reference therein, the “Prospectus”) and should be read in conjunction with the Prospectus. Unless otherwise defined in this Pricing Supplement, capitalized terms used herein have the meanings given to them in the Prospectus.

The issue of the Notes was authorized pursuant to a global borrowing authorization of the Board of Directors of ADB dated 7 December 2018.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The Notes are not required to be and have not been registered under the U.S. Securities Act of 1933, as amended. The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission or any state securities commission nor has the Commission or any state securities commission passed upon the accuracy or adequacy of this Pricing Supplement. Any representation to the contrary is a criminal offense in the United States.

The distribution of this Pricing Supplement or the Prospectus and the offer and sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Pricing Supplement or the Prospectus comes are required by ADB and the Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Notes and on the distribution of this Pricing Supplement or the Prospectus, see “Plan of Distribution” in the Prospectus.

The Notes are not the obligation of any government.

TERMS AND CONDITIONS

The following items are the particular terms and conditions of the Notes to which this Pricing Supplement relates. In case of any conflict between such terms and conditions and the terms and conditions set forth in the Prospectus, the terms and conditions set forth in this Pricing Supplement shall govern.

General Provisions

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| 1. | Issuer: | Asian Development Bank (“ <u>ADB</u> ”). |
| 2. | Series Number: | 1041-00-1. |
| 3. | (i) Specified Currency (Condition 1(c)): | United States Dollars (“ <u>U.S.\$</u> ”). |
| | (ii) Specified Principal Payment Currency if different from Specified Currency (Condition 1(c)): | Not applicable. |
| | (iii) Specified Interest Payment Currency if different from Specified Currency (Condition 1(c)): | Not applicable. |
| | (iv) Alternative Currency (Condition 7(i)) (if applicable): | Not applicable. |
| 4. | Aggregate Nominal Amount: | U.S.\$3,500,000,000. |
| 5. | (i) Issue Price: | 99.498 per cent. of the Aggregate Nominal Amount. |
| | (ii) Net proceeds: | U.S.\$3,478,055,000 |
| 6. | Specified Denominations (Condition 1(a)): | U.S.\$1,000. |
| 7. | (i) Issue Date (Condition 5(d)): | 30 January 2019. |
| | (ii) Interest Commencement Date (if different from the Issue Date) (Condition 5(d)): | Not applicable. |
| 8. | Maturity Date or Redemption Month (Condition 6(a)): | 30 January 2024, subject to paragraph 31 below. |

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| 9. | Interest Basis (Condition 5): | Fixed Rate (Condition 5(a)) (further particulars specified in paragraph 16 below). |
| 10. | Redemption/Payment Basis (Condition 6(a)): | Redemption at par. |
| 11. | Change of Interest or Redemption/Payment Basis: | Not applicable. |
| 12. | Put/Call Options (Conditions 6(e) and (f)): | Not applicable. |
| 13. | Status of the Notes (Condition 3): | Senior. |
| 14. | Listing: | Luxembourg Stock Exchange. |
| 15. | Method of distribution: | Syndicated. |

Provisions Relating to Interest Payable

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| 16. | Fixed Rate Note Provisions (Condition 5(a)): | Applicable. |
| (i) | Rate(s) of Interest: | 2.625 per cent. per annum, payable semi-annually in arrear. |
| (ii) | Interest Payment Date(s): | 30 January and 30 July of each year, commencing on 30 July 2019 up to and including the Maturity Date, subject to paragraph 31 below. |
| (iii) | Fixed Coupon Amount(s): | U.S.\$13.125 per Specified Denomination, payable on each Interest Payment Date. |
| (iv) | Broken Amount(s): | Not applicable. |
| (v) | Relevant Financial Center: | New York. |
| (vi) | Additional Business Center(s) (Condition 5(d)): | Not applicable. |
| (vii) | Day Count Fraction (Condition 5(d)): | 30/360. |
| (viii) | Determination Date(s): | Not applicable. |

- (ix) Other terms relating to the method of calculating interest for Fixed Rate Notes:

No Calculation Period shall be adjusted in the event that the first day or last day of such period falls on a day that is not a Business Day.

The last paragraph of Condition 5(a) shall be replaced in its entirety by the following:

“Interest will cease to accrue on each Fixed Rate Note on the Maturity Date unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue at the specified Rate of Interest up to but excluding the earlier of (i) the date on which actual payment of principal is made, or (ii) the 15th calendar day following the receipt of such payment of principal by the Paying Agent.”

17. Floating Rate Note Provisions (Condition 5(b)):

Not applicable.

18. Zero Coupon/Deep Discount Note Provisions (Conditions 5(c) and 6(c)):

Not applicable.

19. Index-Linked Interest Note Provisions:

Not applicable.

20. Dual Currency Note Provisions:

Not applicable.

Provisions Relating to Redemption

21. Call Option (Condition 6(e)):

Not applicable.

22. Put Option (Condition 6(f)):

Not applicable.

23. Final Redemption Amount:

Aggregate Nominal Amount.

- (i) Alternative Payment Mechanism (Conditions 7(a) and (c)):

Not applicable.

- (ii) Long Maturity Note (Condition 7(f)):

Not applicable.

- (iii) Variable Redemption Amount (Condition 6(d)):

Not applicable.

24. Early Redemption Amount:
- (i) Early Redemption Amount(s) payable on an Event of Default (Condition 9) and/or the method of calculating the same (if required or if different from that set out in the Conditions): As set out in the Conditions.
 - (ii) Unmatured Coupons to become void (Condition 7(f)): Not applicable.

Additional General Provisions Applicable to the Notes

25. Form of Notes: Book-Entry Notes available on Issue Date.
26. Talons for future Coupons to be attached to definitive Bearer Notes (and dates on which such Talons mature): Not applicable.
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of ADB to forfeit the Notes and interest due on late payment: Not applicable.
28. Details relating to Installment Notes: Not applicable.
29. Redenomination, renominalization and reconventioning provisions: Not applicable.
30. Consolidation provisions: Not applicable.
31. Other terms or special conditions:
- (i) Payment Dates: If any date for payment of any principal or interest in respect of the Notes is not a Business Day, ADB shall not be obliged to pay such principal or interest until the first following day that is a Business Day and shall not be obliged to pay any interest or other payment in respect of such postponed payment.

“Business Day” shall mean a 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 New York.

Distribution

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| 32. | (i) If syndicated, names of Managers: | Goldman Sachs International
J.P. Morgan Securities plc
Mizuho International plc
RBC Capital Markets, LLC
Commerzbank AG
Daiwa Capital Markets Europe Limited
Danske Bank A/S
Deutsche Bank AG, London Branch
Wells Fargo Securities, LLC |
| | (ii) Stabilizing Manager (if any): | Not applicable. |
| | (iii) Commissions and Concessions: | 0.125 per cent. |
| 33. | If non-syndicated, name of Dealer: | Not applicable. |
| 34. | Additional selling restrictions: | Not applicable. |

Operational Information

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| 35. | (i) ISIN: | US045167EL39. |
| | (ii) CUSIP: | 045167 EL3. |
| | (iii) CINS: | Not applicable. |
| | (iv) Other: | Not applicable. |
| 36. | Common Code: | 194361980. |
| 37. | Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC and the relevant identification number(s): | Federal Reserve Book-Entry System. |
| 38. | Delivery: | Delivery against payment. |
| 39. | Additional Paying Agent(s) (if any): | Not applicable. |

40. Governing Law:

New York.

Listing Application

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Global Medium-Term Note Program of ADB.

Material Adverse Change Statement

There has been no material adverse change in the financial position or prospects of ADB since the date of the financial statements included in the Information Statement of ADB, which was most recently published on 25 April 2018.

Recent Developments

On 5 May 2018, ADB's Board of Governors approved the following with respect to its 2017 reported net income of U.S.\$753.3 million, after the allocation of income from the transfer of Asian Development Fund loans and certain other assets to the ordinary reserve and appropriation of guarantee fees to the special reserve:

- a. U.S.\$49.0 million, representing the ASC 815/825 adjustments and the unrealized portion of net income from equity investments accounted for under the equity method, for the year ended 31 December 2017, be added from the net income to the cumulative revaluation adjustments account;
- b. U.S.\$14.2 million, representing the adjustment to the loan loss reserve as of 31 December 2017, be added from net income to the loan loss reserve;
- c. U.S.\$350.7 million be allocated to the ordinary reserve;
- d. U.S.\$259.4 million be allocated to the Asian Development Fund; and
- e. U.S.\$80.0 million be allocated to the Technical Assistance Special Fund.

On 12 December 2018, Shixin Chen succeeded Wencai Zhang as Vice-President for Operations 1.

Responsibility

ADB accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Prospectus referred to above, contains all information that is material in the context of the issue of the Notes.

ASIAN DEVELOPMENT BANK

By: _____
Name: MARIA A. LOMOTAN
Title: Assistant Treasurer

ISSUER

Asian Development Bank

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Philippines

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USA

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