

**Final Terms dated June 10, 2016**

**International Bank for Reconstruction and Development**

**Issue of US\$100,000,000 Callable Step-Up Fixed Rate Notes due June 15, 2022**

**under the  
Global Debt Issuance Facility**

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the Prospectus dated May 28, 2008. This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with such Prospectus.

**SUMMARY OF THE NOTES**

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|---|---|
| 1. Issuer:  | International Bank for Reconstruction and Development (“ <b>IBRD</b> ”) |
| 2. (i) Series Number:                                 | 4595  |
| (ii) Tranche Number:                                  | 1   |
| 3. Specified Currency or Currencies (Condition 1(d)): | United States Dollars (“ <b>US\$</b> ”)                                 |
| 4. Aggregate Nominal Amount:                          |   |
| (i) Series:   | US\$100,000,000   |
| (ii) Tranche:   | US\$100,000,000   |
| 5. Issue Price:                                       | 100.00 per cent. of the Aggregate Nominal Amount                        |
| 6. Specified Denominations (Condition 1(b)):          | US\$100,000 and integral multiples thereof                              |
| 7. Issue Date:  | June 15, 2016   |
| 8. Maturity Date (Condition 6(a)):                    | June 15, 2022   |
| 9. Interest Basis (Condition 5):                      | Step-Up Fixed Rate<br>(further particulars specified below in Term 16)  |
| 10. Redemption/Payment Basis (Condition 6):           | Redemption at par   |
| 11. Change of Interest or Redemption/Payment Basis:   | Not Applicable  |
| 12. Call/Put Options (Condition 6):                   | Call Option<br>(further particulars specified below in Term 17)         |
| 13. Status of the Notes (Condition 3):                | Unsecured and unsubordinated  |
| 14. Listing:  | None  |
| 15. Method of distribution:                           | Non-syndicated  |

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

16. Fixed Rate Note Provisions (Condition 5(a)):	Applicable
(i) Rate of Interest:	From and including the Issue Date, to but excluding June 15, 2017: 1.875 per cent. per annum From and including June 15, 2017, to but excluding June 15, 2018: 1.900 per cent. per annum From and including June 15, 2018, to but excluding June 15, 2019: 2.000 per cent. per annum From and including June 15, 2019, to but excluding June 15, 2020: 2.375 per cent. per annum From and including June 15, 2020, to but excluding June 15, 2021: 2.625 per cent. per annum From and including June 15, 2021, to but excluding December 15, 2021: 3.000 per cent. per annum From and including December 15, 2021, to but excluding the Maturity Date: 3.500 per cent. per annum
(ii) Interest Payment Date(s):	June 15 and December 15 of each year, from and including December 15, 2016, to and including the Maturity Date, not subject to adjustment in accordance with a Business Day Convention
(iii) Interest Period Date(s):	Each Interest Payment Date
(iv) Business Day Convention:	Not Applicable
(v) Day Count Fraction (Condition 5(l)):	30/360
(vi) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

17. Call Option (Condition 6(d)):	Applicable
(i) Optional Redemption Date(s):	March 15, June 15, September 15 and December 15 of each year, from and including September 15, 2016 to and including March 15, 2022
(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amounts:	US\$100,000 per minimum Specified Denomination, plus any accrued and unpaid interest thereon

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|---|---|
| (iii) Notice Period:                                    | Not less than five London and New York Business Days prior to the relevant Optional Redemption Date |
| 18. Final Redemption Amount of each Note (Condition 6): | US\$100,000 per minimum Specified Denomination  |
| 19. Early Redemption Amount (Condition 6(c)):           | As set out in the Conditions  |

#### **GENERAL PROVISIONS APPLICABLE TO THE NOTES**

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| 20. Form of Notes (Condition 1(a)):   | Registered Notes:<br><br>Global Registered Certificate available on Issue Date   |
| 21. New Global Note:  | No   |
| 22. Financial Centre(s) or other special provisions relating to payment dates (Condition 7(h)): | London and New York  |
| 23. Governing law (Condition 14):   | New York   |
| 24. Other final terms:  | The first sentence of Condition 7(a)(ii) is hereby replaced by the following: "Interest (which for the purpose of this Condition 7(a) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the calendar day before the due date for payment thereof (the "Record Date")." |

#### **DISTRIBUTION**

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|--|-------------------------------|
| 25. (i) If syndicated, names of Managers and underwriting commitments: | Not Applicable                |
| (ii) Stabilizing Manager(s) (if any):                                  | Not Applicable                |
| 26. If non-syndicated, name of Dealer:                                 | Citigroup Global Markets Inc. |
| 27. Total commission and concession:                                   | Not Applicable                |
| 28. Additional selling restrictions:                                   | Not Applicable                |

#### **OPERATIONAL INFORMATION**

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|---|-------------------------------|
| 29. ISIN Code:  | US45905UWW07                  |
| 30. CUSIP:  | 45905UWW0                     |
| 31. Common Code:  | 142543702                     |
| 32. Delivery:   | Delivery against payment      |
| 33. Registrar and Transfer Agent (if any):                                    | Citibank, N.A., London Branch |
| 34. Intended to be held in a manner which would allow Eurosystem eligibility: | No                            |

## GENERAL INFORMATION

IBRD's most recent Information Statement was issued on September 17, 2015.

## SUPPLEMENTAL PROSPECTUS INFORMATION

Dealers are represented by Sullivan & Cromwell LLP. From time to time Sullivan & Cromwell LLP performs legal services for IBRD.

## SUPPLEMENTAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

You should carefully consider the matters set forth under "Tax Matters" in the accompanying Prospectus. The following discussion summarizes certain of the material U.S. federal income tax consequences of the purchase, beneficial ownership, and disposition of the Notes. This summary supplements the section "Tax Matters" in the accompanying Prospectus and is subject to the limitations and exceptions set forth therein. The following section applies to you only if you are a U.S. Holder (as defined in the accompanying Prospectus), you acquire your Notes on the issue date and you hold your Notes as a capital asset for tax purposes.

**You should consult with your own tax advisor concerning the consequences of investing in and holding the Notes in your particular circumstances, including the application of state, local or other tax laws and the possible effects of changes in federal or other tax laws.**

Subject to the following paragraph, the Notes should not be treated as issued with original issue discount ("OID") despite the fact that the interest rate on the Notes is scheduled to step-up over the term of the Notes because Treasury regulations generally deem an issuer to exercise a call option in a manner that minimizes the yield on the debt instrument for purposes of determining whether a debt instrument is issued with OID. The yield on the Notes would be minimized if IBRD calls the Notes immediately before the increase in the interest rate on June 15, 2017, and therefore the Notes should be treated for OID purposes as fixed-rate notes that will mature prior to the step-up in interest rate for the Notes. This assumption is made solely for U.S. federal income tax purposes of determining whether the Notes are issued with OID and is not an indication of IBRD's intention to call or not to call the Notes at any time. If IBRD does not call the Notes prior to the first increase in the interest rate then, solely for OID purposes, the Notes will be deemed to be reissued at their adjusted issue price at such time. This deemed issuance should not give rise to taxable gain or loss to U.S. Holders. Subject to the following paragraph, the same analysis would apply to each subsequent increase in the interest rate and therefore the Notes should never be treated as issued with OID for U.S. federal income tax purposes.

If the Notes are not called on or before the Interest Payment Date on December 15, 2021, then, the Notes should be deemed reissued solely for OID purposes at such time. However, because the period between the Interest Payment Date on December 15, 2021 and the final maturity date of the Notes is one year or less, the Notes, upon their deemed reissuance on such Interest Payment Date, should be treated as short-term debt securities for OID purposes (but not for purposes of determining the holding period of your Notes). This deemed issuance should not give rise to taxable gain or loss to U.S. Holders. If the Notes are treated as short-term debt securities, then the primary consequence to a U.S. Holder will generally be that it will be required to defer interest deductions with respect to any borrowings that are attributable to the Notes to the extent of any accrued interest on the Notes that the U.S. Holder has not yet included in income.

Under this approach the coupon on a Note will generally be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with the U.S. Holder's normal method of accounting for tax purposes (regardless of whether IBRD calls the Notes).

Upon the disposition of a Note by sale, exchange or redemption (e.g., if IBRD exercises its right to call the Notes) or other disposition, a U.S. Holder will generally recognize taxable gain or loss equal to the difference, if any, between (i) the amount realized on the disposition (other than amounts attributable to accrued but unpaid interest, which would be treated as such) and (ii) the U.S. Holder's adjusted tax basis in the Note. A U.S. Holder's adjusted tax basis in a Note generally will equal the cost of the Note to the U.S. Holder. Capital gain of individual taxpayers from the sale, exchange, redemption, retirement or other disposition of a

Note held for more than one year may be eligible for reduced rates of taxation. The deductibility of a capital loss realized on the sale, exchange, redemption or other disposition of a Note is subject to significant limitations.

*Information with Respect to Foreign Financial Assets.* Owners of “specified foreign financial assets” with an aggregate value in excess of US\$50,000 (and in some circumstances, a higher threshold) may be required to file an information report with respect to such assets with their tax returns. “Specified foreign financial assets” may include financial accounts maintained by foreign financial institutions (which may include the Notes), as well as the following, but only if they are held for investment and not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-United States persons, (ii) financial instruments and contracts that have non-United States issuers or counterparties, and (iii) interests in foreign entities. Holders should consult their tax advisors regarding the application of this reporting obligation to their ownership of the Notes.

*Medicare Tax.* A U.S. Holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax (the “**Medicare tax**”) on the lesser of (1) the U.S. Holder’s “net investment income” (or “undistributed net investment income” in the case of an estate or trust) for the relevant taxable year and (2) the excess of the U.S. Holder’s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between US\$125,000 and US\$250,000, depending on the individual’s circumstances). A U.S. Holder’s net investment income generally includes its gross interest income and its net gains from the disposition of Notes, unless such interest payments or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a U.S. Holder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of your investment in the Notes.

**RESPONSIBILITY**

IBRD accepts responsibility for the information contained in these Final Terms.

Signed on behalf of IBRD:

By: .....

Name:

Title:

Duly authorized