



£75,000,000

2.40 per cent. Retail Prices Index Linked Notes due 2030

(to be consolidated and form a single series with the existing £50,000,000 2.40 per cent. Retail Prices Index Linked Notes due 2030 issued on 23rd July, 2001)

Issue Price: 112.721 per cent.

(plus 134 days' accrued interest)

Interest on the £75,000,000 2.40 per cent. Retail Prices Index Linked Notes due 2030 (the "Notes") will be subject to indexation as described in the terms and conditions of the Notes payable semi-annually in arrear on 22nd January and 22nd July in each year, the first payment being made on 22nd July, 2004. For the avoidance of doubt, interest in respect of the period up to and including 21st January, 2004 has already been paid and no interest in respect of that period will be payable on the Notes now being issued.

Application has been made to list the Notes on the Luxembourg Stock Exchange.

The Notes will, unless previously redeemed or purchased and cancelled, be redeemed at their Redemption Amount as described in the terms and conditions of the Notes, on 22nd July, 2030.

The Notes will from 4th June, 2004 (the "Closing Date") be represented by a permanent Global Note which is expected to be deposited with a common depository for Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear Bank") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg"), on the Closing Date and which will be exchangeable for definitive Notes in the limited circumstances set out in such Global Note and described under "Summary of Provisions relating to the Notes while in Global Form" below.

On the Closing Date, the Notes will be consolidated with the existing £50,000,000 2.40 per cent. Retail Prices Index Linked Notes due 2030 of European Investment Bank issued on 23rd July, 2001 (the "Existing Notes") so as to form a Single Series therewith.

Deutsche Bank

European Investment Bank (“EIB”), having made all reasonable enquiries, confirms that this Offering Circular contains all information with regard to EIB and the Notes which is material in the context of the Notes, that such information is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed herein are honestly held and that there are no other facts the omission of which makes this Offering Circular as a whole or any of such information or the expression of any such opinions or intentions misleading. EIB accepts responsibility accordingly.

No person has been authorised to give any information or to make any representations, unless contained in this document, in connection with the issue, purchase or sale of the Notes and any information or representations not contained herein must not be relied upon as having been authorised by EIB.

Neither the delivery of this document nor any purchase, offering or sale made in connection herewith shall, under any circumstances, constitute a representation or create any implication that there has been no change since the date of this document in the affairs of EIB or that other information contained herein has remained accurate and complete.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by EIB and the Manager (as defined in “Subscription and Sale” below) to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular see “Subscription and Sale” below.

References herein to “pounds sterling” or “£” are to the currency of the United Kingdom. References herein to “euro” or “EUR” are to the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

In connection with this issue, Deutsche Bank AG London may over-allot or effect transactions which stabilise or maintain the market price of the Notes and the Existing Notes at a level which might not otherwise prevail. Such stabilising, if commenced, may be discontinued at any time.

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TERMS AND CONDITIONS OF THE NOTES

There follows the text of the terms and conditions to which (subject to completion and amendment) the Notes will be subject:

The 2.40 per cent. Retail Prices Index Linked Notes due 2030 (the “Notes”) of European Investment Bank (“EIB”) are issued in an aggregate nominal amount of £125,000,000 of which £50,000,000 were issued on 23rd July, 2001 (the “Existing Notes”) and £75,000,000 were issued on 4th June, 2004 (the “Further Notes”). The Existing Notes and the Further Notes are referred to as the “Notes”. In connection with the Notes, EIB has entered into a fiscal and paying agency agreement dated 23rd July, 2001 as supplemented by a First Supplemental Fiscal and Paying Agency Agreement dated 4th June, 2004 (together the “Fiscal Agency Agreement”) made between EIB as issuer, The Bank of New York as fiscal agent and principal paying agent and the other paying agents named therein. The fiscal agent and principal paying agent and the paying agents for the time being are referred to below respectively as the “Fiscal Agent” and the “Paying Agents” (which expression shall include the Fiscal Agent). Certain statements in these Terms and Conditions are summaries of, and are subject to, the detailed provisions of the Fiscal Agency Agreement. Copies of the Fiscal Agency Agreement are available for inspection at the specified offices of the Paying Agents. The holders of the Notes, the Coupons and the Talons (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Fiscal Agency Agreement. For the purposes of these Terms and Conditions references to Coupons shall, where the context permits, be deemed to include Talons.

1. Form, Denomination and Title

The Notes are issued in bearer form in the denomination of £1,000 with interest coupons (“Coupons”) and talons for further coupons (“Talons”) attached.

Title to the Notes and Coupons will pass by delivery. EIB and the Paying Agents may treat the bearer of each Note or Coupon as the absolute owner thereof for all purposes.

2. Interest

The Further Notes will bear interest from 22nd January, 2004.

Payments of interest will be made on 22nd January and 22nd July in each year (each an “Interest Payment Date”) each in an amount of £12 per Note of £1,000 nominal amount, in each case such rate being subject to indexation as provided in Condition 3. For the avoidance of doubt, interest in respect of the period up to and including 21st January, 2004 has already been paid and no interest in respect of that period will be payable on the Further Notes.

Where interest is to be calculated in respect of a period of less than one Interest Period, it will be calculated in respect of each Note of £1,000 nominal amount as the actual number of days elapsed in such lesser period (from and including the first day of such period, to but excluding the last) divided by the actual number of days in the Interest Period during which such lesser period falls and multiplied by £12 subject to indexation as provided in Condition 3. For the purposes of these Terms and Conditions “Interest Period” means each period from and including an Interest Payment Date (or, as the case may be, 22nd January, 2004) to but excluding the next Interest Payment Date.

The Fiscal Agent shall calculate the amount of interest payable on each Note on each Interest Payment Date in accordance with these Terms and Conditions, shall notify such amount to EIB and the Luxembourg Stock Exchange and shall publish or cause to be published a notice thereof in accordance with Condition 13 as soon as possible after its determination but in no event later than the day on which banks are open for business in the city in which the specified office of the Fiscal Agent is located immediately preceding the previous Interest Payment Date.

The Notes will cease to bear interest from the due date for redemption or repayment unless, upon due presentation, payment is improperly withheld or refused.

3. Indexation

Unless otherwise provided herein, the amount payable on redemption or repayment of the Notes and the rate of interest (each expressed as an amount per Note of £1,000 nominal amount and truncated after two decimal places without rounding) payable in respect of each Interest Period (or such other period for which interest is to be calculated) shall be the nominal amount or, as the case may be, the rate of interest provided elsewhere in these Terms and Conditions in each case multiplied by the Index Ratio applicable to the month in which such redemption or repayment takes place or the payment of interest falls due.

For the purposes of these Terms and Conditions:

“Index” means, subject to Conditions 5 and 7, the United Kingdom Retail Prices Index (for all items) published by the United Kingdom Office for National Statistics, or any index that replaces the Index for the purpose of calculating amounts payable under the Reference Gilt;

Any reference to the Index figure “applicable to” any month shall (subject to Condition 5) be construed as a reference to the Index figure published seven months prior to the relevant month and relating to the month immediately preceding that prior month;

“Index Ratio” applicable to any month means the Index figure applicable to such month divided by the Base Index;

“Base Index” means, subject to Condition 4, the Index figure applicable to July 2001, being 172.1;

“Reference Gilt” means 4.125 per cent. Index-Linked Treasury Stock due 2030 or, if such stock is not in existence or, in the opinion of the Expert (as defined below), is no longer the most appropriate reference government stock for the Notes (by reason of illiquidity), such other stock issued by or on behalf of HM Treasury as the Expert may consider to be the most appropriate reference government stock for the Notes, provided that such determination would not be materially detrimental to the interests of EIB having regard solely to the obligations of EIB under the Notes. In determining whether any determination is materially detrimental to EIB, the Expert shall assume that any use of a proposed substitute index and/or a proposed adjusted rate of interest would be materially detrimental if it would cause the net present value of payments to be made by EIB under the Notes to represent a net increase of the cost under the Notes to EIB. The Expert will seek where possible to select a replacement stock that uses the same index for the purposes of calculating amounts payable pursuant to the terms of that stock, as the index used for calculating amounts payable under the Original Reference Gilt (or the then current Reference Gilt where the Original Reference Gilt has previously been replaced pursuant to this Clause); and

“Expert” means an expert appointed by EIB following consultation with the relevant United Kingdom authorities and the President of the United Kingdom Institute of Actuaries.

4. Re-basing of Index

If the Index is revised to a new base, then with effect from the calendar month in which such revision takes effect (the “Revision Month”), it will be necessary to calculate and use a notional Index figure in substitution for the Index figure applicable to the month in which repayment takes place and/or an interest payment falls due (“the month of payment”). This notional Index figure will be calculated by multiplying the actual published Index figure applicable to the month of payment by a fraction equal to the Index figure on the old base for the Revision Month divided by the Index figure on the new base for the Revision Month. This procedure will be used for each occasion on which a revision is made during the life of the Notes.

5. Failure of Index to be published

If the Index for a month for which it is relevant for the purposes of the Notes has not been published by the third London Business Day before the relevant Interest Payment Date or the third London Business Day before the relevant redemption or repayment date, the Index figure applicable for such purposes shall be:

- (a) such substitute Index figure (if any) as is nominated or published by the Bank of England (or such other United Kingdom authority as may be appropriate) for the relevant month for the purpose of the Reference Gilt; or
- (b) if no such substitute Index figure is nominated or published, the Index figure most recently published prior to such month.

In either case, such Index figure shall be final and no further payment by way of adjustment shall be made, notwithstanding that the Index figure for the relevant month may subsequently be published.

For the purposes of these terms and conditions “London Business Day” shall mean a day on which commercial banks and foreign exchange markets settle payments in London.

6. Redemption and Issuer’s Call Option

Unless previously redeemed or purchased and cancelled as described herein, the Notes will be redeemed at an amount (the “Redemption Amount”) equal to their nominal amount subject to indexation as provided in Condition 3, on 22nd July, 2030.

EIB may, having given not less than 30 nor more than 90 days’ notice to the holders of the Notes in accordance with Condition 13 (which notice shall be irrevocable), redeem all or some only of the Notes at any time at an amount (the “Adjusted Redemption Amount”) equal to their nominal amount multiplied by the Adjusted Redemption Price (as defined below), together with interest (if any) accrued up to the date of redemption which interest shall be subject to indexation as provided in Condition 3. For the purpose of such redemption EIB shall appoint an Expert to calculate the Adjusted Redemption Price.

For the purposes of these Terms and Conditions:

“Adjusted Redemption Price” means a price expressed as a percentage (rounded to six decimal places with 0.0000005 being rounded up) equal to the higher of the following:

- (a) the Index Ratio applicable to the month in which such redemption takes place (an Index Ratio of 1 being expressed as 100 per cent.); and
- (b) the price at which the Gross Real Yield of the Notes, if they were to remain outstanding to their original maturity, would be equal to the Gross Real Yield of the Reference Gilt on the Calculation Date on the basis of the Middle Market Price, as determined by the Expert. If the Reference Gilt does not have the same maturity as the Notes, the Expert may calculate a reference yield interpolating for the maturity of the Notes between two suitable stocks issued by or on behalf of HM Treasury.

“Calculation Date” means the third London Business Day prior to the publication of the notice of redemption.

“Gross Real Yield” on the Notes and the Reference Gilt will be expressed as a percentage per annum (on a semi-annual basis) and will be calculated on the basis indicated in the United Kingdom Debt Management Office notice *Formulae for Calculating Gilt Prices from Yields* published on 8th June 1998, as amended or replaced from time to time. The calculation shall utilise the long term inflation rate assumption, appropriate to the remaining life of the Notes, as published in that notice, or if, in the opinion of the Expert, that notice or any subsequent notice is no longer appropriate, such long term inflation rate as the Expert, on the advice of three Reference Institutions, shall determine to be appropriate.

“Middle Market Price” shall be the arithmetic average of the middle market prices of the Reference Gilt as quoted by three Reference Institutions to the Expert at or around 3.00 p.m. (London time) (for settlement on a T+1 basis) on the Calculation Date.

A “Reference Institution” shall be a leading financial institution operating in the United Kingdom Government index-linked market selected by the Expert.

References to “price” are to the “clean” price, excluding any accrued interest.

In the case of a partial redemption of Notes, the Notes to be redeemed will be selected by lot.

7. Early Redemption following a change in the Index

If the Index ceases to be published or any fundamental change is made to it, with the result that holders of the Reference Gilt are offered the right by HM Treasury to redeem their holdings of the Reference Gilt prior to its stated maturity or are offered an adjustment to the coupon rate on the Reference Gilt, EIB will, within 30 days from the date on which holders of the Reference Gilt are made such offer or offers, appoint an Expert to determine whether an appropriate substitute index is available which, together with any appropriate adjustment to the rate of interest on the Notes, would not be materially detrimental to the interests of EIB having regard solely to the obligations of EIB under the Notes. In determining what is materially detrimental to EIB the Expert shall assume that any use of a proposed substitute index and/or a proposed adjusted rate of interest would be materially detrimental if it would cause the net present value of payments to be made by EIB under the Notes to represent a net increase of the cost under the Notes to EIB.

If within 60 days from the date on which holders of the Reference Gilt are offered the right by HM Treasury to redeem their holdings of the Reference Gilt prior to its stated maturity or are offered an adjustment to the coupon rate on the Reference Gilt, the Expert determines that no such appropriate substitute index (whether or not combined with an appropriate adjustment to the rate of interest on the Notes) is available, EIB will, having given not less than 14 days' notice to the holders of the Notes in accordance with Condition 13, redeem all Notes still outstanding at an amount (the "Early Redemption Amount") equal to their nominal amount, subject to indexation as provided in Condition 3, together with interest accrued up to the date of such redemption which interest shall be subject to indexation as provided in Condition 3.

If within 60 days from the date on which holders of the Reference Gilt are offered the right by HM Treasury to redeem their holdings of the Reference Gilt prior to its stated maturity or are offered an adjustment to the coupon rate on the Reference Gilt, the Expert determines that an appropriate substitute index is available (combined with any relevant adjustment to the rate of interest on the Notes), EIB will offer the holders of the Notes the choice of either:

- (a) redeeming their holdings of Notes prior to the stated maturity of the Notes at the Early Redemption Amount on an early redemption date nominated by EIB; or
- (b) accepting the substitute index, together with any appropriate adjustment to the rate of interest on the Notes, determined by the Expert.

Such offer shall remain open for 14 days.

If EIB receives notification before the expiry of such offer from the holders of at least 50 per cent. by nominal amount of the outstanding Notes that such holders elect to redeem their Notes prior to their stated maturity, EIB will, having given not less than 14 days' notice to the holders of the Notes in accordance with Condition 13, redeem all outstanding Notes at the Early Redemption Amount. If, however, EIB receives such notification from the holders of less than 50 per cent. by nominal amount of the outstanding Notes, then none of the Notes shall be redeemed prior to their stated maturity and the substitute index (combined with any relevant adjustment to the rate of interest on the Notes) as determined by the Expert shall, subject to re-basing in accordance with Condition 4, become the Index and shall be used in respect of all the Notes for all purposes.

8. Purchases and Payments

EIB shall have the right at any time to purchase Notes in the open market or otherwise. Any Notes so purchased may be resold at EIB's discretion if not surrendered to the Fiscal Agent for cancellation.

Payments will be made in pounds sterling by cheque drawn on, or by credit or transfer to a pounds sterling account specified by the payee with, a bank in the United Kingdom.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto. Consequently, neither EIB nor any Paying Agent will make any additional payment in the event of a

withholding being required in respect of any payment under or in connection with the Notes. Neither EIB nor any Paying Agent shall be liable to any holder of a Note or Coupon or any other person for any commissions, costs, losses or expenses in relation to or resulting from such payment or withholding.

If any day for payment of any amount in respect of any Note is not a day on which banks are open for business and carrying out transactions in pounds sterling in the place where it is presented for payment, credit or transfer instructions in respect of such payments shall not be given and cheques will not be drawn until the following day in such place on which they are so open and the holder shall not be entitled to any interest or other sums in respect of such postponed payment. Neither EIB nor any Paying Agent shall be liable to any holder of a Note or Coupon or other person for any commissions, costs, losses or expenses in relation to or resulting from such credit or transfer or any currency conversion or rounding effected in connection therewith.

EIB reserves the right at any time to vary or terminate the appointment of the Fiscal Agent or any other Paying Agent and to appoint another fiscal agent or additional or other paying agents provided that it will at all times while any Note is outstanding maintain (i) a fiscal agent; and (ii) so long as the Notes are listed on any stock exchange and if the rules of that stock exchange so require, a paying agent having a specified office in the city of that stock exchange. Notice of any such termination or appointment and of any change in the specified office of any Paying Agent will be given to the holders of the Notes in accordance with Condition 13.

If any Notes become prematurely due and payable, all unmatured Coupons and unexchanged Talons in respect of such Notes shall become void, no payment shall be made in respect of such Coupons and no Coupon will be delivered in respect of such Talons.

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 12).

9. Status of the Notes and Negative Pledge

The Notes will be unconditional, direct and general obligations of EIB in accordance with their terms for their payment and performance. The Notes will rank *pari passu* with any present or future indebtedness of EIB represented by any unsubordinated notes, bonds or other securities, except indebtedness (i) incurred for all or part of the purchase price of property purchased by EIB and (ii) secured by any mortgage, pledge or other security interest on such property but otherwise ranking *pari passu* with the Notes. If EIB shall in the future secure any such present or future indebtedness by any mortgage, pledge or other security interest on any of its present or future assets or revenues (other than mortgages, pledges or security interests on property purchased by EIB as security for all or part of the purchase price), the Notes will be secured by such mortgage, pledge or other security interest equally and rateably with such indebtedness and the instrument creating such mortgage, pledge or other security interest will expressly so provide.

10. Default

The holder of any Note may, by written notice to EIB delivered before all defaults shall have been remedied, cause such Note to become due and payable at the Early Redemption Amount, together with interest accrued thereon up to the date of payment which interest shall be subject to indexation as provided in Condition 3, as of the date on which the said notice of acceleration is received by EIB in the event that:

- (a) EIB shall default in any payment of the Adjusted Redemption Amount or interest in respect of any of the Notes and such default shall not have been remedied by payment thereof within 30 days; or
- (b) EIB shall default in the due performance of any of its other obligations in respect of the Notes and such default shall continue for a period of 30 days after written notice thereof shall have been given by the holder of any Note to EIB at its office at 100 Boulevard Konrad Adenauer, L-2950 Luxembourg or at such other address as shall be notified to the holders of the Notes in accordance with Condition 13; or

- (c) any other indebtedness of EIB for borrowed money shall become due and payable prior to the stated maturity thereof as a result of a default thereunder or any such indebtedness shall not be paid at the maturity thereof as extended by any applicable grace period thereof or any guarantee given by EIB for borrowed money shall not be honoured within 30 days when due and called upon in accordance with its terms.

11. Replacement of Notes, Coupons and Talons

In the case of theft, loss or other involuntary dispossession or mutilation of any Note, Coupon or Talon, application for replacement thereof is to be made at the principal office of the Fiscal Agent. Any such Note, Coupon or Talon shall be replaced by EIB in compliance with such procedures and on such terms as to evidence and indemnification as EIB and the Fiscal Agent may require. Subject to applicable stock exchange regulations, all such costs as may be incurred in connection with the replacement of any such Note, Coupon or Talon shall be borne by the applicant. Mutilated Notes, Coupons and Talons must be surrendered before new ones will be issued.

12. Prescription

Interest will cease to be payable after five years, and principal after ten years, from the due date for payment thereof.

13. Notices

Any notice to holders of Notes or Coupons shall be validly given if published in the *Luxemburger Wort* (Luxembourg) and the *Financial Times* (United Kingdom) and such other newspapers or publications as may be required by the rules of the stock exchange(s) on which the Notes may from time to time be listed or, if any such newspaper or publication shall cease to be published or timely publication therein shall not be practicable, in such other newspaper or publication as the Fiscal Agent shall deem necessary to give fair and reasonable notice to holders of Notes and Coupons. Any such notice shall be deemed to have been given on the date of the last publication provided above.

14. Further Issues

EIB may from time to time, without the consent of the holders of the Notes and Coupons, create and issue further notes to be consolidated and form a single issue with the Notes, pursuant to an agreement supplemental to the Fiscal Agency Agreement.

15. Governing Law and Jurisdiction

The Notes and Coupons shall be governed by, and construed in accordance with, English law. Claims against EIB thereunder may be brought before any competent court in England or Luxembourg, Grand Duchy of Luxembourg, or in any other territory in which EIB shall hereafter have its legal seat.

No person shall have any right to enforce any of these terms and conditions under the Contracts (Rights of Third Parties) Act 1999.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The Global Note contains provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document (the “Terms and Conditions”). The following is a summary of certain of those provisions:

1. Exchange

The Global Note is exchangeable in whole but not, except as provided in the next paragraph, in part (free of charge to the holder) for the Definitive Notes described below (i) if the Global Note is held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, (ii) if any redemption amount in respect of any Notes is not paid when due and payable or (iii) if EIB would suffer a material disadvantage in respect of the Notes as a result of a change in laws or regulations which would not be suffered were the Notes in definitive form and a certificate to such effect signed by EIB is delivered to the Fiscal Agent for display to Noteholders, (unless a default notice has been given as referred to in “Default” below). Thereupon (in the case of (i) and (ii) above) the holder may give notice to the Fiscal Agent, and (in the case of (iii) above) EIB may give notice to the Fiscal Agent and the Noteholders, of its intention to exchange the Global Note for Definitive Notes on or after the Exchange Date specified in the notice.

If any redemption amount in respect of any Notes is not paid when due and payable the holder of the Global Note may by notice to the Fiscal Agent (which may but need not be the default notice referred to in “Default” below) require the exchange of a specified nominal amount of the Global Note (which may be equal to or (provided that, if the Global Note is held by or on behalf of a clearing system, that clearing system agrees) less than the outstanding nominal amount of Notes represented thereby) for Definitive Notes on or after the Exchange Date (as defined below) specified in such notice.

On or after any Exchange Date (as defined below) the holder of the Global Note may surrender the Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for the Global Note, or the part thereof to be exchanged, EIB will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed Definitive Notes (having attached to them all Coupons in respect of interest which has not already been paid on the Global Note and, if required, Talons), security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule I to the First Supplemental Fiscal and Paying Agency Agreement dated 4th June, 2004. On exchange in full of the Global Note, EIB will, if the holder so requests, procure that it is cancelled and returned to the holder together with any relevant Definitive Notes.

“Exchange Date” means a day falling not less than 60 days, or in the case of exchange pursuant to (ii) above 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to (i) above, in the cities in which the relevant clearing system is located.

2. Payments

Payments of any redemption amount in respect of Notes represented by the Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of the Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to the Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes.

3. Notices

So long as the Notes are represented by the Global Note and the Global Note is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for

communication by it to entitled accountholders in substitution for publication as required by the Conditions except that so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that Exchange so require, notices shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and so long as the Notes may be listed on any other stock exchange notices will be published in such manner as the rules of that stock exchange may require.

So long as the Notes are represented by the Global Note notices by Noteholders to EIB may be given to the Fiscal Agent through Euroclear Bank and/or Clearstream, Luxembourg, as the case may be, in such manner as the Fiscal Agent and Euroclear Bank and/or Clearstream, Luxembourg, may approved manner as the Fiscal Agent and Euroclear and/or Clearstream, Luxembourg, may approve for this purpose.

4. Purchase and Cancellation

Cancellation of any Note to be cancelled following its purchase will be effected by reduction in the nominal amount of the Global Note.

5. Default

The Global Note provides that the holder may cause the Global Note or a portion of it to become due and payable in the circumstances described in Condition 10 by stating in the notice to EIB the nominal amount of Notes which is being declared due and payable.

USE OF PROCEEDS

The net proceeds of the sale of the Notes, which will amount to approximately £84,981,694.78 inclusive of accrued interest, will be used in the general operations of EIB.

SUBSCRIPTION AND SALE

Deutsche Bank AG London (“the Manager”) has, pursuant to a Subscription Agreement dated 2nd June, 2004, agreed with EIB, subject to the satisfaction of certain conditions, to subscribe for the Notes at an issue price of 112.721 per cent. of the nominal amount of the Notes plus 134 days’ accrued interest and less a total commission of 0.35 per cent. of the nominal amount of the Notes. The Subscription Agreement entitles the Manager to terminate the Subscription Agreement in certain circumstances prior to payment to EIB.

No action is being taken by EIB or the Manager to permit a public offering of the Notes, or the distribution of any document, in or from any jurisdiction where action would be required for such purposes. Accordingly, the Notes may not be directly or indirectly offered or sold or any offering circular, prospectus, form of application, advertisement or other offering material distributed or published in any country or jurisdiction except in compliance with any applicable laws or regulations. In particular, no representation is made that the Notes may lawfully be sold in compliance with any applicable registration requirements and neither EIB nor the Manager assumes any responsibility for facilitating such sales.

GENERAL INFORMATION

1. The issue of the Notes was duly authorised by EIB pursuant to an authorisation of its Board of Directors on 17th December, 2003 and in compliance with procedures laid down by its Management Committee.
2. EIB's 2002 Annual Report and EIB's statute are incorporated herein by reference. Copies of EIB's Statute and of the Fiscal and Paying Agency Agreement will be available for inspection by holders of the Notes at the specified offices of the Fiscal Agent in London and Paying Agent in Luxembourg during the life of the Notes. In addition, copies of the annual reports of EIB may be obtained by holders of the Notes at the said offices during such period.
3. The Notes have been accepted for clearance through Euroclear Bank and Clearstream, Luxembourg (Common Code 013210870). The ISIN of the Notes is XS0132108704.

No action has been taken by EIB to permit clearance through other clearing systems in European Community member states. Such clearance would be dependent on the clearing system having appropriate links with Clearstream, Luxembourg and Euroclear Bank and, in any event, would be effected in accordance with all applicable requirements of relevant monetary, stock exchange or other authorities and applicable European Community and national laws and regulations.

4. Application has been made to list the Notes on the Luxembourg Stock Exchange.
5. On 1st May, 2004 the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia and Slovakia became Member States of the European Union.

On accession the statute of EIB was amended with respect to capital and governance in accordance with Protocol No.1 to the Accession Treaty.

Following the increase, EIB's subscribed capital in EUR is as follows:

Germany	26,649,532,500
France	26,649,532,500
Italy	26,649,532,500
United Kingdom	26,649,532,500
Spain	15,989,719,500
Belgium	7,387,065,000
Netherlands	7,387,065,000
Sweden	4,900,585,500
Denmark	3,740,283,000
Austria	3,666,973,500
Poland	3,411,263,500
Finland	2,106,816,000
Greece	2,003,725,500
Portugal	1,291,287,000
Czech Republic	1,258,785,500
Hungary	1,190,868,500
Ireland	935,070,000
Slovakia	428,490,500
Slovenia	397,815,000
Lithuania	249,617,500
Luxembourg	187,015,500
Cyprus	183,382,000
Latvia	152,335,000
Estonia	117,640,000
Malta	69,804,000
Total	163,653,737,000

6. The Board of Governors of EIB has decided in the Annual Meeting held on 3rd June, 2003 to appropriate the balance of the profit and loss account for the year ended 31st December, 2002, which, after transfer of EUR 25,000,000 to the fund for general banking risks, amounted to EUR 1,293,866,980, as follows (i) an amount of EUR 130,321,808 for deduction from the funds allocated to venture capital operations following transfer of the net result on these operations as at 31st December, 2002, and (ii) the balance, i.e. EUR 1,424,188,788 for appropriation to the reserve fund.
7. The Member States of the European Union have adopted a directive regarding the taxation of savings income. Pursuant to the directive the Member States will be required to provide to the tax authorities of another Member State details of payments of interest made by a person within its jurisdiction to an individual resident in that other Member State, subject to the right of certain Member States to opt instead for a withholding system for a transitional period in relation to such payments. The Council of the European Union will decide whether the respective national legislation shall be applied by the Member States as of 1st January, 2005. Investors should rely on their own analysis of the directive and respective laws and should take advice from appropriate legal or taxation professionals.
8. The evolution of the United Kingdom Retail Prices Index, published by the United Kingdom Office for National Statistics, for each month of the period from April 2002 to April 2004, is set out below:

Period	Index figure	Period	Index figure
April, 2002	175.7	May, 2003	181.5
May, 2002	176.2	June, 2003	181.3
June, 2002	176.2	July, 2003	181.3
July, 2002	175.9	August, 2003	181.6
August, 2002	176.4	September, 2003	182.5
September, 2002	177.6	October, 2003	182.6
October, 2002	177.9	November, 2003	182.7
November, 2002	178.2	December, 2003	183.5
December, 2002	178.5	January, 2004	183.1
January, 2003	178.4	February, 2004	183.8
February, 2003	179.3	March, 2004	184.6
March, 2003	179.9	April, 2004	185.7
April, 2003	181.2		

Source: National Statistics website: www.statistics.gov.uk

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