

Pricing Supplement



**Euro Area Reference Note Issuance Facility**

ISSUE NUMBER: 1254/0100

**EUR 5,000,000,000 3.875 per cent. EARNs due 15 October 2016**

Issue Price: 99.421 per cent.

**Joint-Lead Managers**

Barclays Capital

BNP PARIBAS

Deutsche Bank

Merrill Lynch International

**Senior Co-Lead Managers**

Caboto

Citigroup

Credit Suisse

Dresdner Kleinwort

HSBC

JPMorgan

Lehman Brothers

Morgan Stanley

Nomura International

**Co-Lead Managers**

ABN AMRO

BOC International

CALYON Corporate and Investment Bank

Goldman Sachs International

IXIS Corporate & Investment Bank

ING Wholesale Banking

Société Générale Corporate & Investment Banking

The Royal Bank of Scotland

UBM - UniCredit Banca Mobiliare

UBS Investment Bank

**Selling Group**

Banca Akros S.p.A. - Gruppo Bipiemme Popolare di  
Milano

Nordea

The date of this Pricing Supplement is 18 October 2006

This Pricing Supplement, under which the EARNs described herein (the "**EARNs**") are issued, is supplemental to, and should be read in conjunction with the Offering Circular dated 3 January 2002 (the "**Offering Circular**") issued in relation to the Euro Area Reference Note Issuance Facility of European Investment Bank. Terms defined in the Offering Circular have the same meaning in this Pricing Supplement. The EARNs will be issued on the terms of this Pricing Supplement read together with the Offering Circular. EIB accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Offering Circular, contains all information that is material in the context of the issue of the Notes.

The member states of the European Union have adopted a directive regarding the taxation of savings income. Pursuant to the directive each member state 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. Investors should rely on their own analysis of the directive and respective laws and should take advice from appropriate legal or taxation professionals.

On 29 October 2004 the member states of the European Union signed the "Treaty establishing a Constitution for Europe" in Rome. The fifth Protocol on the Statute of the European Investment Bank contains a revised Statute of the EIB, which will become effective when the Treaty enters into force in accordance with Article IV-447 of such Treaty.

The member states of the European Union signed a treaty of accession with Romania and the Republic of Bulgaria on 25 April 2005 in Luxembourg. Under the treaty, which is subject to ratification, Romania and the Republic of Bulgaria would become member states of the European Union on 1 January 2007 or, in certain circumstances, 1 January 2008.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer of, or an invitation by or on behalf of anyone to subscribe or purchase any of the EARNs.

In connection with the issue of the EARNs, BNP Paribas, Barclays Bank PLC, Deutsche Bank AG, London Branch and Merrill Lynch International (together, the "**Stabilising Managers**") (or any person acting on their behalf) may over-allot EARNs (provided that the aggregate principal amount of EARNs allotted does not exceed 105 per cent. of the aggregate principal amount of the EARNs) or effect transactions with a view to supporting the market price of the EARNs at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Managers (or any person acting on their behalf) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the EARNs is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the EARNs and 60 days after the date of allotment of the EARNs.

The terms of the EARNs and additional provisions relating to their issues are as follows:

1	Series No:	1254/0100
2	Tranche No:	01
3	ISIN :	XS0272359489
4	Common Code:	027235948
5	Currency:	Euro ("EUR")
6	Principal Amount of Tranche:	EUR 5,000,000,000
7	Issue Date:	25 October 2006
8	Denomination:	EUR 1,000
9	Interest Commencement Date:	Issue Date
10	Interest rate:	3.875 per cent. per annum
11	Reference Rate (Floating Rate EARNs):	N/A
12	Margin (Floating Rate EARNs):	N/A
13	Relevant Screen Page (Floating Rate Targeted EARNs):	N/A
14	Interest Payment Date(s):	15 October of each year, beginning on 15 October 2007 in respect of the period from and including, 25 October 2006 to but excluding, 15 October 2007 (short first coupon), and ending on the Maturity Date
15	Maturity Date:	15 October 2016
16	Details of any other additions or variations to the Conditions (if applicable):	N/A
17	Details of any additions or variations to the selling restrictions:	N/A
18	The Agents appointed in respect of the EARNs:	BNP Paribas Securities Services, Luxembourg Branch as Fiscal Agent, Principal Paying Agent and Luxembourg Listing Agent BNP Paribas Securities Services S.A. as Paris Paying Agent BNP Paribas, Paris as Paris Listing Agent

- 19 Listing: Luxembourg and Euronext Paris
- 20 Selling Commission: 0.05 per cent. of the principal amount of the EARNs
- 21 Management and Underwriting Commission: 0.10 per cent. of the principal amount of the EARNs
- 22 Method of issue of EARNs: Syndicated Issue
- 23 The following Dealers are acceding to the Dealer Agreement pursuant to Clause 14.1 thereof:
- Joint Lead Managers:
- Barclays Bank PLC  
BNP Paribas  
Deutsche Bank AG, London Branch  
Merrill Lynch International
- Senior Co-Lead Managers:
- Banca Caboto S.p.A.  
Citigroup Global Markets Limited  
Credit Suisse Securities (Europe) Limited  
Dresdner Bank Aktiengesellschaft  
HSBC Bank plc  
J.P. Morgan Securities Ltd.  
Lehman Brothers International (Europe)  
Morgan Stanley & Co. International Limited  
Nomura International plc
- Co-Lead Managers:
- ABM AMRO Bank N.V.  
BOCI Asia Limited  
CALYON  
Goldman Sachs International  
ING Belgium SA/NV  
IXIS Corporate & Investment Bank  
Société Générale  
The Royal Bank of Scotland plc  
UBS Limited  
UniCredit Banca Mobiliare S.p.A.
- Selling Group Members:
- Banca Akros S.p.A. – Gruppo Bipiemme  
Banca Popolare di Milano  
Nordea Bank Danmark A/S
- 24 Clearing Systems: Euroclear Bank S.A./N.V. as operator of the Euroclear System
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Clearstream Banking, société anonyme  
(Clearstream, Luxembourg)  
Euroclear France

25 Date of approval by EIB:

11 October 2006

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**EUROPEAN INVESTMENT BANK**

By:



By:



**BNP PARIBAS**

By:



By:



ABM AMRO Bank N.V.  
Banca Caboto S.p.A.  
Banca Akros S.p.A. – Gruppo Bipiemme Banca Popolare di Milano  
Barclays Bank PLC  
BOCI Asia Limited  
CALYON  
Citigroup Global Markets Limited  
Credit Suisse Securities (Europe) Limited  
Deutsche Bank AG, London Branch  
Dresdner Bank Aktiengesellschaft  
Goldman Sachs International  
HSBC Bank plc  
ING Belgium SA/NV  
IXIS Corporate & Investment Bank  
J.P. Morgan Securities Ltd.  
Lehman Brothers International (Europe)  
Merrill Lynch International  
Morgan Stanley & Co. International Limited  
Nomura International plc  
Nordea Bank Danmark A/S  
Société Générale  
The Royal Bank of Scotland plc  
UBS Limited  
UniCredit Banca Mobiliare S.p.A.

Each by its duly authorised attorney

By:

