

Final Terms dated July 26, 2011

International Bank for Reconstruction and Development

Issue of SEK 150,000,000 3.25 per cent. Notes due December 15, 2017

(to be consolidated and form a single series with the existing
SEK 500,000,000 3.25 per cent. Notes due December 15, 2017 issued February 22, 2010,
SEK 100,000,000 3.25 per cent. Notes due December 15, 2017 issued February 26, 2010,
SEK 100,000,000 3.25 per cent. Notes due December 15, 2017 issued April 6, 2010 and
SEK 300,000,000 3.25 per cent. Notes due December 15, 2017 issued May 24, 2011)

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

- | | |
|---|--|
| 1. Issuer: | International Bank for Reconstruction and Development ("IBRD") |
| 2. (i) Series Number: | 10406 |
| (ii) Tranche Number: | 5 |
| 3. Specified Currency or Currencies (Condition 1(d)): | Swedish Kronor ("SEK") |
| 4. Aggregate Nominal Amount: | |
| (i) Series: | SEK 1,150,000,000 |
| (ii) Tranche : | SEK 150,000,000 |
| 5. (i) Issue Price: | 99.778 per cent. of the Aggregate Nominal Amount of Tranche 5 (plus 224 days accrued interest) |
| (ii) Net proceeds: | SEK 152,700,333 |
| 6. (i) Specified Denominations (Condition 1(b)): | SEK 50,000 and integral multiples of SEK 10,000 in excess thereof up to and including SEK 90,000 |
| (ii) Calculation Amount: | SEK 10,000 |
| 7. (i) Issue Date: | July 29, 2011 |
| (ii) Interest Commencement Date (Condition 5 (1)): | December 15, 2010 |
| 8. Maturity Date (Condition 6(a)): | December 15, 2017 |
| 9. Interest Basis (Condition 5): | 3.25 per cent. Fixed Rate
(further particulars specified below) |
| 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): | Not Applicable |
| 13. Status of the Notes (Condition 3): | Unsecured and unsubordinated |
| 14. Listing: | Luxembourg Stock Exchange |
| 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: | 3.25 per cent. Per annum payable annually in arrear |
| (ii) Interest Payment Date(s): | December 15 in each year, commencing December 15, 2011 up to and including December 15, 2017 |
| (iii) Fixed Coupon Amount: | SEK 325 per Calculation Amount |
| (iv) Broken Amount(s): | 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. Final Redemption Amount of each
Note (Condition 6): | SEK 10,000 per Calculation Amount |
| 18. Early Redemption Amount (Condition
6(c)): | As set out in the Conditions |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- | | |
|---|--|
| 19. Form of Notes (Condition 1(a)): | Registered Notes:
Global Registered Certificate available on Issue Date |
| 20. New Global Note: | No |
| 21. Financial Centre(s) or other special
provisions relating to payment dates
(Condition 7(h)): | New York, London, Stockholm |
| 22. Governing law (Condition 14): | English |
| 23. Other final terms: | Not Applicable |

DISTRIBUTION

- | | |
|--|---|
| 24. (i) If syndicated, names of
Managers and underwriting
commitments: | Not Applicable |
| (ii) Stabilizing Manager(s) (if any): | Not Applicable |
| 25. If non-syndicated, name of Dealer: | Skandinaviska Enskilda Banken AB (publ) |
| 26. Total commission and concession: | 0.172 per cent. of the Aggregate Nominal Amount of
Tranche 5 |
| 27. Additional selling restrictions: | Not Applicable |

OPERATIONAL INFORMATION

- | | |
|----------------|--------------|
| 28. ISIN Code: | XS0485770241 |
|----------------|--------------|

29. Common Code: 048577024
30. Delivery: Delivery against payment
31. Registrar and Transfer Agent (if any): Citibank N.A., London Branch
32. Intended to be held in a manner which would allow Eurosystem eligibility: Not Applicable

GENERAL INFORMATION

IBRD's most recent Information Statement was issued on September 22, 2010.

Special Account

An amount equal to the net proceeds of the issue of the Notes will be credited to a special account that will support IBRD's lending for Eligible Projects. So long as the Notes are outstanding and the special account has a positive balance, at the end of every fiscal quarter, funds will be deducted from the special account and added to IBRD's lending pool in an amount equal to all disbursements from that pool made during such quarter in respect of Eligible Projects.

Eligible Projects

"Eligible Projects" means all projects funded, in whole or in part, by IBRD that promote the transition to low-carbon and climate resilient growth in the recipient country, as determined by IBRD. Eligible Projects may include projects that target (a) mitigation of climate change, including investments in low-carbon and clean technology programs, such as energy efficiency and renewable energy programs and projects ("Mitigation Projects") or (b) adaptation to climate change, including investments in climate-resilient growth ("Adaptation Projects").

Examples of Mitigation Projects include, without limitation:

- Rehabilitation of power plants and transmission facilities to reduce greenhouse gas emissions
- Solar and wind installations
- Funding for new technologies that permit significant reductions in GHG emissions
- Greater efficiency in transportation, including fuel switching and mass transport
- Waste management (methane emission) and construction of energy-efficient buildings
- Carbon reduction through reforestation and avoided deforestation

Examples of the types of Adaptation Projects include, without limitation:

- Protection against flooding (including reforestation and watershed management)
- Food security improvement and stress-resilient agricultural systems which slow down deforestation
- Sustainable forest management and avoided deforestation

The above examples of Mitigation Projects and Adaptation Projects are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by IBRD during the term of the Notes.

LISTING APPLICATION

These Final Terms comprise the final terms required for the admission to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's regulated market of the Notes described herein issued pursuant to the Global Debt Issuance Facility of International Bank for Reconstruction and Development.

RESPONSIBILITY

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

Signed on behalf of IBRD:

By:

.....

Name:

Title:

Duly authorized