

Final Terms dated February 25, 2010

International Bank for Reconstruction and Development

Issue of NZD 50,000,000 5.625 per cent. Notes due March 3, 2017

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 (“IBRD”) |
| 2. (i) Series Number: | 10420 |
| (ii) Tranche Number: | 1 |
| 3. Specified Currency or Currencies (Condition 1(d)): | New Zealand Dollars ("NZD") |
| 4. Aggregate Nominal Amount: | |
| (i) Series: | NZD 50,000,000 |
| (ii) Tranche: | NZD 50,000,000 |
| 5. (i) Issue Price: | 100.895 per cent. of the Aggregate Nominal Amount |
| (ii) Net proceeds: | NZD 49,510,000 |
| 6. Specified Denominations (Condition 1(b)): | NZD 1,000 |
| 7. Issue Date: | March 3, 2010 |
| 8. Maturity Date (Condition 6(a)): | March 3, 2017 |
| 9. Interest Basis (Condition 5): | 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 |

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|-----------------------------|---------------------------|
| 14. Listing: | Luxembourg Stock Exchange |
| 15. Method of distribution: | Non-syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| 16. Fixed Rate Note Provisions (Condition 5(a)): | Applicable |
| (i) Rate of Interest: | 5.625 per cent. per annum payable annually in arrear |
| (ii) Interest Payment Date(s): | 3 March in each year, commencing 3 March, 2011, to and including the Maturity Date. |
| (iii) Fixed Coupon Amount(s): | NZD 56.25 per Specified Denomination |
| (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

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|------------------------------------------------------------|--------------------------------------|
| 17. Final Redemption Amount of each Note (Condition 6): | NZD 1,000 per Specified Denomination |
| 18. Early Redemption Amount (Condition 6(c)): | As set out in the Conditions |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| 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)): | London, New York, Auckland and Wellington |
| 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: | Royal Bank of Canada Europe Limited |
| 26. Total commission and concession: | 1.875 per cent. of the Aggregate Nominal Amount |
| 27. Additional selling restrictions: | Not Applicable |

OPERATIONAL INFORMATION

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|-------------------------------------------------------------------------------|------------------------------|
| 28. ISIN Code: | XS0490413571 |
| 29. Common Code: | 049041357 |
| 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 28, 2009

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 ("**Adaption 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 result in 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 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 Adaption 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