

Final Terms dated 25 May 2012

International Bank for Reconstruction and Development

Issue of UGX 36,750,000,000 Fixed Rate Notes due 30 May 2013
payable in United States Dollars
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 28 May 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: | 10767 |
| (ii) Tranche Number: | 1 |
| 3. Specified Currency or Currencies (Condition 1(d)): | Ugandan Shilling (“ UGX ”) provided that all payments in respect of the Notes will be made in United States Dollars (“ USD ”) |
| 4. Aggregate Nominal Amount: | |
| (i) Series: | UGX 36,750,000,000 |
| (ii) Tranche: | UGX 36,750,000,000 |
| 5. (i) Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| (ii) Net Proceeds: | USD 14,939,024.39 (equal to the Issue Price of UGX 36,750,000,000 converted into USD at the weighted average exchange rate of UGX 2,460 per USD 1.00) |
| 6. Specified Denominations (Condition 1(b)): | UGX 350,000,000 |
| 7. Issue Date: | 30 May 2012 |
| 8. Maturity Date (Condition 6(a)): | 30 May 2013 (the “ Scheduled Maturity Date ”) as may be postponed subject to the Disruption Provisions set out in Annex A |
| 9. Interest Basis (Condition 5): | 14.50 per cent. Fixed Rate
(further particulars specified below) |
| 10. Redemption/Payment Basis (Condition 6): | UGX/USD FX linked redemption based on 100 per cent. redemption as set out in Term 17 |
| 11. Change of Interest or | Not Applicable |

Redemption/Payment Basis:

12. Call/Put Options (Condition 6): None
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 Provisions (Condition 5(a)):

- (i) Rate of Interest: 14.50 per cent. per annum
- (ii) Interest Payment Date: 30 November 2012 and 30 May 2013 (each a “**Scheduled Interest Payment Date**”), each as adjusted in accordance with the Following Business Day Convention and subject to postponement as provided in Annex A, with no additional interest amount or other amount payable in relation to such postponement.
- (iii) Fixed Coupon Amount:
- (a) For the Interest Period from, and including, the Issue Date to, but excluding, 30 November 2012, the Fixed Coupon Amount shall be UGX 25,583,561.64 per Specified Denomination, payable in USD and calculated by the Calculation Agent by applying the following formula:
UGX 25,583,561.64 divided by the applicable USD/UGX Exchange Rate (as defined below in Annex A);
- (b) For the Interest Period from, and including, 30 November 2012 to, but excluding, 30 May 2013, the Fixed Coupon Amount shall be UGX 25,166,438.36 per Specified Denomination, payable in USD by applying the following formula:
UGX 25,166,438.36 divided by the applicable USD/UGX Exchange Rate (as defined below in Annex A).
- (v) Initial Broken Amount: Not Applicable
- (vi) Day Count Fraction: Actual/365 (Fixed)
- (vii) Other Terms relating to the method of calculating interest for Fixed Rate: See Annex A (Disruption Provisions; Definitions)

Notes:

PROVISIONS RELATING TO REDEMPTION

17. Final Redemption Amount of each Note (Condition 6): UGX 350,000,000 per Specified Denomination

In cases where the Final Redemption Amount is Index Linked or other variable-linked:

Index/Formula/variable: The Final Redemption Amount per Specified Denomination will be payable in USD and calculated by the Calculation Agent on the relevant Rate Fixing Date as follows:

Specified Denomination *divided* by the USD/UGX Exchange Rate (as defined below in Annex A).

- (i) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent): Barclays Bank PLC

- (ii) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: See Annex A

- (iii) Payment Date: The Scheduled Maturity Date subject to postponement in accordance with Annex A with no additional amounts payable in relation to such postponement.

18. Early Redemption Amount (Condition 6(c)):

Early Redemption Amount(s) per Specified Denomination payable on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): The Final Redemption Amount payable in USD as determined in accordance with Term 17 above (plus accrued interest to, but excluding, the date of early redemption).

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)): | London, Kampala and New York |
| 22. Governing law (Condition 14): | English |
| 23. Other final terms: | Not Applicable |

DISTRIBUTION

- | | |
|--|---|
| 24. If non-syndicated, name of Dealer: | Barclays Bank PLC |
| 25. Total commission and concession: | Not Applicable |
| 26. Additional selling restrictions: | Republic of Uganda: the Notes have not been and will not be offered for circulation, distribution, placement, sale, purchase or other transfer in the territory of the Republic of Uganda. Accordingly, nothing in this document or any other documents, information or communications related to the Notes shall be interpreted as containing any offer or invitation to, or solicitation of, any such circulation, distribution, placement, sale, purchase or other transfer in the territory of the Republic of Uganda. |

OPERATIONAL INFORMATION

- | | |
|---|-------------------------------|
| 27. ISIN Code: | XS0785806158 |
| 28. Common Code: | 078580615 |
| 29. Any clearing system(s) other than Euroclear Bank S.A./N.V., Clearstream Banking, <i>société anonyme</i> and The Depository Trust Company and the relevant identification number(s): | Not Applicable |
| 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 4 October 2011.

CONFLICT OF INTEREST

Barclays Bank PLC ("**Barclays Bank PLC**") will be Calculation Agent under the Notes and will also be IBRD's counterparty in a related swap transaction entered into by IBRD in order to hedge its obligations under the Notes. The existence of such multiple roles and responsibilities for Barclays Bank PLC creates possible conflicts of interest. For example, the amounts payable by Barclays Bank PLC to IBRD under the related swap transaction are expected, as of the Issue Date, to be calculated on the same basis as the amounts payable by IBRD under the Notes. As a result, the determinations made by Barclays Bank PLC in its discretion as Calculation Agent for the Notes may affect the amounts payable by Barclays Bank PLC under the related swap transaction, and, in making such determinations, Barclays Bank PLC may have economic interests adverse to those of the Noteholders. The Noteholder understands that although IBRD will enter into the related swap transaction with Barclays Bank PLC as swap counterparty in order to hedge its obligations under the Notes, IBRD's rights and obligations under the related swap transaction will be independent of its rights and obligations under the Notes, and Noteholders will have no interest in the related swap transaction or any payment to which IBRD may be entitled thereunder.

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 authorised

ANNEX A

1 Disruption Provisions

- (a) In the event (i) the Scheduled Rate Fixing Date (as defined below in paragraph 2) becomes subject to the Following Business Day Convention after the occurrence of an Unscheduled Holiday or (ii) Rate Fixing Postponement applies (in accordance with paragraph 2), the relevant Scheduled Interest Payment Date or Scheduled Maturity Date or Early Redemption Payment Date, as applicable, shall be postponed by one day for each day that the Scheduled Rate Fixing Date is postponed.
- (b) In the event (i) the Scheduled Rate Fixing Date (as defined below in paragraph 4) becomes subject to the Following Business Day Convention after the occurrence of an Unscheduled Holiday or (ii) Rate Fixing Postponement applies (in accordance with paragraph 4) and if the Rate Fixing Date has not occurred on or before the 14th calendar day after the Scheduled Rate Fixing Date (any such period being a “**Deferral Period**”) then:
 - (i) The next day after the Deferral Period that would have been a Business Day but for the Unscheduled Holiday, or the next day after the Deferral Period that is a Business Day in the event of a continuing Disruption Event, shall be deemed to be the Rate Fixing Date (the “**Postponed Rate Fixing Date**”), and
 - (ii) The Calculation Agent shall be entitled to determine the USD/UGX Exchange Rate, on such Postponed Rate Fixing Date acting in good faith and in a commercially reasonable manner having taken into account all available information that it deems relevant.

For the avoidance of doubt, no additional interest or other additional amounts shall be payable by IBRD in the event that the relevant Scheduled Interest Payment Date or Scheduled Maturity Date or Early Redemption Payment Date, as applicable, is postponed in accordance with this paragraph 1.

- (c) Notwithstanding anything herein to the contrary, in no event shall the total number of consecutive calendar days during which either (i) the Rating Fixing Date is postponed due to an Unscheduled Holiday or (ii) a Rate Fixing Postponement shall occur (or any combination of (i) and (ii)), exceed 14 consecutive days in the aggregate. Accordingly, (x) if, upon the lapse of any such 14 day period, an Unscheduled Holiday shall have occurred or be continuing on the day following such period, then such day shall be deemed to be a Rate Fixing Date and (y) if, upon the lapse of any such 14 day period, a Disruption Event shall have occurred or be continuing on the day following such period, then Rate Fixing Postponement shall not apply and in each case, the USD/UGX Exchange Rate shall be determined in accordance with paragraph 1(b)(ii) above.
- (d) The Calculation Agent shall give notice, in accordance with Condition 12, as soon as reasonably practicable to the Global Agent, the Paying Agent, the Issuer and the Clearing Systems of:
 - (i) the occurrence of any Unscheduled Holiday or Disruption Event;
 - (ii) the date on which an Unscheduled Holiday or a Disruption Event ceases to exist and the Postponed Rate Fixing Date (if any); and/or

- (iii) the fact that the USD/UGX Exchange Rate is to be determined by the Calculation Agent in accordance with this paragraph 1. Copies of all quotes obtained by the Calculation Agent will be provided by the Calculation Agent to the Issuer upon request. For the avoidance of doubt, the USD/UGX Exchange Rate may be such that the resulting USD amount is zero and in such event no USD or UGX amount will be payable. For the avoidance of doubt, the resulting amount cannot in any circumstances be less than zero, each as applicable.

2 Definitions

“Business Day” means a day (other than a Saturday or Sunday) on which the banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in Kampala, London and New York.

“Clearing Systems” means Euroclear Bank S.A./N.V., Clearstream Banking, *société anonyme* and any successor or alternative clearing system(s) as may be appointed by the Issuer from time to time in relation to Bonds.

“Deferral Period” has the meaning given to it in paragraph 1 above.

“Disruption Event” means each and any of an Inconvertibility Event or a Market Disruption Event.

“Early Redemption Payment Date” means, in relation to redemption of a Note pursuant to Condition 9, the day on which the Note becomes due and payable in accordance with the terms of such Condition 9.

“Inconvertibility Event” means in the sole and absolute determination of the Calculation Agent any action, event or circumstance whatsoever which from a legal or practical perspective:

- (i) has the direct or indirect effect of hindering, limiting or restricting (1) the convertibility of UGX into USD through customary legal channels, or (2) the transfer of UGX (x) from the Republic of Uganda to any other country or (y) between accounts in Uganda or to a party that is a non-resident of Uganda (including, without limitation, any delay, increased costs, discriminatory rates of exchange or current or future restrictions on the conversion of UGX into USD or transferability of UGX outside Uganda or to non-residents of Uganda); and/or
- (ii) results in the unavailability of UGX in the interbank foreign exchange market in accordance with customary commercial practice.

“Market Disruption Event” means any event, other than an Inconvertibility Event, as a result of which the Calculation Agent is unable to determine any amount falling to be determined by it in respect of the Bonds, which event shall include, without limitation:

- (i) a natural or man-made disaster, armed conflict, act of terrorism, riot, labour disruption or any other circumstance beyond its control; or
- (ii) the enactment, promulgation, execution, ratification or adoption of, or any change in or amendment to, any rule, law, regulation or statute (or in the applicability or official interpretation of any rule, law, regulation or statute) or the issuance of any order or decree.

“USD/UGX Exchange Rate” means the currency exchange rate (expressed as the amount of UGX for one USD) either (a) determined by the Calculation Agent on the relevant Rate Fixing Date on the basis of firm quotations, for the sale of UGX and purchase of USD (where the USD is payable outside Uganda), provided by three Reference Market Dealers as purchaser of UGX and seller of USD in an amount corresponding to the relevant Interest Amount or Redemption Amount (as the case may be) at 10:00 a.m. (London time) (or such other time as the Calculation Agent shall decide in its sole and absolute discretion) on such relevant Rate Fixing Date. The highest and lowest of the quotations provided by the Reference Market Dealers to the Calculation Agent shall be discarded and the USD/UGX Exchange Rate shall be the remaining quotation (rounded to the nearest one decimal points, with 0.00005 per cent. being rounded up); or (b) if applicable, determined by the Calculation Agent acting in good faith and in a commercially reasonable manner having taken into account all available information that it deems relevant, if:

- (a) on the relevant Rate Fixing Date less than three Reference Market Dealers provide a quotation as set forth above; or
- (b) in the event of an Unscheduled Holiday or Disruption Event in accordance with the provisions of Paragraph 1 (b).

“Postponed Rate Fixing Date” has the meaning given to it in paragraph 1(a) above.

“Rate Fixing Date” means the day that is five Business Days prior to the relevant Interest Payment Date or Maturity Date or Early Redemption Payment Date, as applicable (**“Scheduled Rate Fixing Date”**), provided that, the Scheduled Rate Fixing Date shall be adjusted in accordance with (i) the Following Business Day Convention (subject to the Disruption Provision set forth in paragraph 1 above) in the event of an Unscheduled Holiday, and/or (ii) Rate Fixing Postponement in the event of a Disruption Event

“Rate Fixing Postponement” means, for the purposes of obtaining the USD/UGX Exchange Rate in the event of a Disruption Event, that the USD/UGX Exchange Rate will be determined on the Business Day first succeeding the day on which the Disruption Event ceases to exist.

“Kampala Business Day” means a day (other than a Saturday or Sunday) on which the banks and foreign exchange markets are open for general business (including dealings in foreign exchange and foreign currency deposits) in Kampala.

“Unscheduled Holiday” means a day that is not a Kampala Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. Kampala time two Kampala Business Days prior to the Scheduled Rate Fixing Date.

“Reference Market Dealers” means each of the following banks or, if such bank is no longer in existence or is, in the opinion of the Calculation Agent no longer and active dealer in UGX foreign exchange, such other leading dealers, banks or banking corporations which deal in UGX selected by the Calculation Agent in its sole discretion:

Standard Chartered Dubai

Citibank London

Barclays Bank Uganda