

**PRICING SUPPLEMENT**



**ASIAN DEVELOPMENT BANK**

**GLOBAL MEDIUM-TERM NOTE PROGRAM**

**Series No: 1021-01-1**

**GBP200,000,000**

**Floating Rate Notes due 12 October 2023**

**(to be consolidated and form a single series with the GBP600,000,000 Floating Rate Notes due 12 October 2023 issued on 12 October 2018)**

**Issue price: 99.723 per cent.**

***Joint Lead Managers***

**BofA Merrill Lynch**

**RBC Capital Markets**

**TD Securities**

The date of this Pricing Supplement is 10 January 2019.

This pricing supplement (the “Pricing Supplement”) is issued to give details of an issue of GBP200,000,000 Floating Rate Notes due 12 October 2023 (the “Notes”) (to be consolidated and form a single series with the GBP600,000,000 Floating Rate Notes due 12 October 2023 issued on 12 October 2018) by the Asian Development Bank (“ADB”) under its Global Medium-Term Note Program and to provide information supplemental to the Prospectus referred to below.

This Pricing Supplement supplements the terms and conditions of the Notes set forth in the Prospectus dated 28 April 2011 (as amended and supplemented and together with the documents incorporated by reference therein, the “Prospectus”) and should be read in conjunction with the Prospectus. Unless otherwise defined in this Pricing Supplement, capitalized terms used herein have the meanings given to them in the Prospectus.

The issue of the Notes was authorized pursuant to a global borrowing authorization of the Board of Directors of ADB dated 7 December 2018.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

**The Notes are not required to be and have not been registered under the U.S. Securities Act of 1933, as amended. The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission or any state securities commission nor has the Commission or any state securities commission passed upon the accuracy or adequacy of this Pricing Supplement. Any representation to the contrary is a criminal offense in the United States.**

The distribution of this Pricing Supplement or the Prospectus and the offer and sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Pricing Supplement or the Prospectus comes are required by ADB and the Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Notes and on the distribution of this Pricing Supplement or the Prospectus, see “Plan of Distribution” in the Prospectus.

The Notes are not the obligation of any government.

## TERMS AND CONDITIONS

The following items are the particular terms and conditions of the Notes to which this Pricing Supplement relates. In case of any conflict between such terms and conditions and the terms and conditions set forth in the Prospectus, the terms and conditions set forth in this Pricing Supplement shall govern.

### General Provisions

- |    |  |  |
|----|--|--|
| 1. | Issuer:  | Asian Development Bank (“ <u>ADB</u> ”).   |
| 2. | Series Number:   | 1021-01-1.   |
| 3. | (i) Specified Currency (Condition 1(c)):   | Pound Sterling (“GBP”).  |
|    | (ii) Specified Principal Payment Currency if different from Specified Currency (Condition 1(c)): | Not applicable.  |
|    | (iii) Specified Interest Payment Currency if different from Specified Currency (Condition 1(c)): | Not applicable.  |
|    | (iv) Alternative Currency (Condition 7(i)) (if applicable):                                      | Not applicable.  |
| 4. | Aggregate Nominal Amount:  | <p>GBP200,000,000.</p> <p>The Notes will be consolidated and form a single series with the GBP600,000,000 Floating Rate Notes due 12 October 2023 issued on 12 October 2018.</p> |
| 5. | (i) Issue Price:   | 99.723 per cent. of the Aggregate Nominal Amount.  |
|    | (ii) Net proceeds:   | GBP199,320,000.  |
| 6. | Specified Denominations (Condition 1(a)):  | GBP1,000.  |
| 7. | (i) Issue Date (Condition 5(d)):   | 14 January 2019.   |

(ii)	Interest Commencement Date (if different from the Issue Date) (Condition 5(d)):	Not applicable.
8.	Maturity Date or Redemption Month (Condition 6(a)):	12 October 2023, subject to paragraph 31 below.
9.	Interest Basis (Condition 5):	Floating Rate (Condition 5(b)) (further particulars specified in paragraph 17 below).
10.	Redemption/Payment Basis (Condition 6(a)):	Redemption at par.
11.	Change of Interest or Redemption/Payment Basis:	Not applicable.
12.	Put/Call Options (Conditions 6(e) and (f)):	Not applicable.
13.	Status of the Notes (Condition 3):	Senior.
14.	Listing:	Luxembourg Stock Exchange.
15.	Method of distribution:	Syndicated.

#### **Provisions Relating to Interest Payable**

16.	Fixed Rate Note Provisions (Condition 5(a)):	Not applicable.
17.	Floating Rate Note Provisions (Condition 5(b)):	Applicable.
(i)	Specified Period(s)/Interest Payment Date(s):	12 January, 12 April, 12 July and 12 October of each year, commencing on 12 April 2019, up to and including the Maturity Date, subject to paragraph 31 below.
(ii)	Business Day Convention (Condition 5(d)):	Modified Following Business Day Convention.
(iii)	Relevant Financial Center:	London.
(iv)	Additional Business Center(s) (Condition 5(d)):	New York.

(v)	Manner in which the Rate(s) of Interest is/are to be determined:	Benchmark Rate determination (further particulars specified in the Annex).
(vi)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	The “Calculation Agent” for the Notes will be Citibank, N.A., London Branch.
(vii)	Benchmark Rate determination (Condition 5(b)):	Applicable.
	• Interest Determination Date(s) (Condition 5(d)):	Fifth London Banking Day (as defined in the Annex) prior to the end of each Interest Period.
	• Observation Period:	Five London Banking Days (as further described in the Annex).
	• Primary Source for Floating Rate:	Administrator of SONIA (as defined below).
	• Benchmark Rate(s) and Reference Rate(s):	Sterling Overnight Index Average (“SONIA”), compounded daily (further particulars specified in the Annex).
(viii)	ISDA Determination (Condition 5(b)):	Not applicable.
(ix)	Margin(s):	+0.25 per cent. per annum
(x)	Minimum Rate of Interest:	Not applicable.
(xi)	Maximum Rate of Interest:	Not applicable.
(xii)	Day Count Fraction (Condition 5(d)):	Actual/365 (Fixed).
(xiii)	Rate Multiplier (Condition 5(d)):	Not applicable.
(xiv)	Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions (Condition 5(b)(ii)):	<p><i>Fall Back Provisions and any other terms relating to the method of calculating interest on Floating Rate Notes</i></p> <p>As set forth in the Annex.</p> <p><i>Rounding Provision</i></p>

For the avoidance of doubt, (a) the Interest Amount per Specified Denomination shall not be rounded and (b) the total Interest Amount payable on the Notes shall be rounded to two decimal points.

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|---|-----------------|
| 18. Zero Coupon/Deep Discount Note Provisions (Conditions 5(c) and 6(c)): | Not applicable. |
| 19. Index-Linked Interest Note Provisions:                                | Not applicable. |
| 20. Dual Currency Note Provisions:  | Not applicable. |

**Provisions Relating to Redemption**

- |  |                               |
|--|-------------------------------|
| 21. Call Option (Condition 6(e)):  | Not applicable.               |
| 22. Put Option (Condition 6(f)):   | Not applicable.               |
| 23. Final Redemption Amount:   | Aggregate Nominal Amount.     |
| (i) Alternative Payment Mechanism (Conditions 7(a) and (c)):   | Not applicable.               |
| (ii) Long Maturity Note (Condition 7(f)):  | Not applicable.               |
| (iii) Variable Redemption Amount (Condition 6(d)):   | Not applicable.               |
| 24. Early Redemption Amount:   |                               |
| (i) Early Redemption Amount(s) payable on an Event of Default (Condition 9) and/or the method of calculating the same (if required or if different from that set out in the Conditions): | As set out in the Conditions. |
| (ii) Unmatured Coupons to become void (Condition 7(f)):  | Not applicable.               |

**Additional General Provisions Applicable to the Notes**

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|--------------------|-------------------|
| 25. Form of Notes: | Registered Notes. |
|--------------------|-------------------|

Definitive Registered Notes:	Global Registered Note available on Issue Date; not exchangeable for individual Definitive Registered Notes.
26. Talons for future Coupons to be attached to definitive Bearer Notes (and dates on which such Talons mature):	Not applicable.
27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of ADB to forfeit the Notes and interest due on late payment:	Not applicable.
28. Details relating to Installment Notes:	Not applicable.
29. Redenomination, renominalization and reconventioning provisions:	Not applicable.
30. Consolidation provisions:	Not applicable.
31. Other terms or special conditions:	<p>If any date for payment of any principal or interest in respect of the Notes is not a Business Day, ADB shall not be obliged to pay such principal or interest until the first following day that is a Business Day, unless that day falls in the next calendar month, in which case such payment shall be made on the first preceding day that is a Business Day.</p> <p>“Business Day” shall mean a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and New York.</p>

## **Distribution**

- |     |       |                                    |  |
|-----|-------|------------------------------------|--|
| 32. | (i)   | If syndicated, names of Managers:  | Merrill Lynch International<br>RBC Europe Limited<br>The Toronto-Dominion Bank |
|     | (ii)  | Stabilizing Manager (if any):      | Not applicable.  |
|     | (iii) | Commissions and Concessions:       | 0.063 per cent.  |
| 33. |       | If non-syndicated, name of Dealer: | Not applicable.  |
| 34. |       | Additional selling restrictions:   | Not applicable.  |

### **Operational Information**

- |     |       |   |   |
|-----|-------|---|---|
| 35. | (i)   | ISIN:   | XS1891423078.                               |
|     | (ii)  | CUSIP:  | Not applicable.                             |
|     | (iii) | CINS:   | Not applicable.                             |
|     | (iv)  | WKN:  | Not applicable.                             |
| 36. |       | Common Code:  | 189142307.                                  |
| 37. |       | Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC and the relevant identification number(s): | Euroclear and Clearstream, Luxembourg only. |
| 38. |       | Delivery:   | Delivery against payment.                   |
| 39. |       | Additional Paying Agent(s) (if any):  | Not applicable.                             |
| 40. |       | Governing Law:  | English.                                    |

### **Listing Application**

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Global Medium-Term Note Program of ADB.

### **Material Adverse Change Statement**

There has been no material adverse change in the financial position or prospects of ADB since the date of the financial statements included in the Information Statement of ADB, which was most recently published on 25 April 2018.



## **Recent Developments**

On 5 May 2018, ADB's Board of Governors approved the following with respect to its 2017 reported net income of U.S.\$753.3 million, after the allocation of income from the transfer of Asian Development Fund loans and certain other assets to the ordinary reserve and appropriation of guarantee fees to the special reserve:

- a. U.S.\$49.0 million, representing the ASC 815/825 adjustments and the unrealized portion of net income from equity investments accounted for under the equity method, for the year ended 31 December 2017, be added from the net income to the cumulative revaluation adjustments account;
- b. U.S.\$14.2 million, representing the adjustment to the loan loss reserve as of 31 December 2017, be added from net income to the loan loss reserve;
- c. U.S.\$350.7 million be allocated to the ordinary reserve;
- d. U.S.\$259.4 million be allocated to the Asian Development Fund; and
- e. U.S.\$80.0 million be allocated to the Technical Assistance Special Fund.

On 12 December 2018, Shixin Chen succeeded Wencai Zhang as Vice-President for Operations 1.

## **Responsibility**

ADB accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Prospectus referred to above, contains all information that is material in the context of the issue of the Notes.

ASIAN DEVELOPMENT BANK

By: \_\_\_\_\_  
Name: MARIA A. LOMOTAN  
Title: Assistant Treasurer

## ANNEX

The Rate of Interest for each relevant Interest Period shall be determined by the Calculation Agent on each Interest Determination Date in accordance with the following provisions. The Rate of Interest for each Interest Period shall apply with effect from the Reset Date for that Interest Period.

The **Rate of Interest** for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus the Margin.

**Interest Period** shall mean the period beginning on and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date.

**Compounded Daily SONIA** will be the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded, if necessary, to the nearest one ten-thousandth of a percentage point, with 0.00005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SONIA_{i-5LBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

**d**<sub>0</sub>, for any Interest Period, is the number of London Banking Days in the relevant Interest Period;

**i** is a series of whole numbers from one to d<sub>0</sub>, each representing the relevant London Banking Days in chronological order from, and including, the first London Banking Day in the relevant Interest Period;

**Interest Determination Date** shall mean the fifth London Banking Day prior to the end of each Interest Period.

**Reset Date** shall mean the first day of each Interest Period.

**London Banking Day** or **LBD** shall mean any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

**Observation Period** shall mean, in respect of an Interest Period, the period from, and including, the date falling five London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling five London Banking Days prior to the Interest Payment Date for such Interest Period (and the last Interest Period shall end on but exclude the Maturity Date);

**SONIA<sub>i</sub>**, in respect of any London Banking Day, "i", in the relevant Observation Period, is a reference rate equal to the daily Sterling Overnight Index Average (SONIA) rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published by such authorised distributors (on the London Banking Day immediately following such London Banking Day). Therefore **SONIA<sub>i-5LBD</sub>** is the relevant SONIA fixing in the Observation Period as per the above definition;

**n<sub>i</sub>** for any day "i" shall mean the number of calendar days from, and including, such day "i" up to, but excluding, the following London Banking Day; and

**d** is the number of calendar days in the relevant Interest Period.

If, in respect of any London Banking Day in the relevant Observation Period, the Calculation Agent determines that the SONIA rate is not available or has not been published by the relevant authorised

distributors, the Calculation Agent will determine such SONIA rate as being: (i) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at close of business on such day in the relevant Observation Period; plus (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those spreads) and lowest spread (or, if there is more than one lowest spread, one only of those spreads) to the Bank Rate.

Notwithstanding the paragraph above, in the event the Bank of England publishes guidance as to (i) how the SONIA rate is to be determined or (ii) any rate that is to replace the SONIA rate, the Calculation Agent shall follow such guidance in order to determine SONIA<sub>i</sub> for the purpose of these Bonds for so long as the SONIA rate is not available or has not been published by the authorised distributors.

**ISSUER**

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