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Final Terms

**EUROPEAN INVESTMENT BANK
Debt Issuance Programme**

Issue Number: 2139/1000

**ZAR 500,000,000 8.50 per cent. Bonds due 17th September, 2024
(to be consolidated and form a single series with the existing ZAR 6,100,000,000 8.50 per cent. Bonds due 17th September, 2024 issued in nine tranches on 17th September, 2014, 2nd December, 2014, 11th February, 2015, 28th May, 2015, 12th January, 2016, 6th April, 2016, 2nd June, 2016, 7th September, 2016 and 6th November, 2017)**

Issue Price: 98.603 per cent.
(plus 94 days' accrued interest from, and including, 17th September, 2017 to, but excluding, 20th December, 2017)

Citigroup

The date of these Final Terms is 18th December, 2017

These Final Terms, under which the bonds described herein (the **Bonds**) are issued, are supplemental to, and should be read in conjunction with, the offering circular (the **Offering Circular**) dated 8th December, 2014 issued in relation to the debt issuance programme of European Investment Bank (**EIB**). Terms defined in the Offering Circular have the same meaning in these Final Terms. The Bonds will be issued on the terms of these Final Terms read together with the terms and conditions set out in the offering circular dated 22nd September, 2010.

EIB accepts responsibility for the information contained in these Final Terms which, when read together with the Offering Circular and the offering circular dated 22nd September, 2010, contain all information that is material in the context of the issue of the Bonds.

These Final Terms do not constitute an offer of, or an invitation by or on behalf of anyone to subscribe or purchase any of, the Bonds.

On 29th March, 2017 the U.K. government triggered Article 50 of the Treaty on European Union, which officially commenced the process of the U.K.'s withdrawal from E.U. membership. In this context, the European Union and the United Kingdom published on 8th December, 2017 a joint report from the negotiators of the European Union and the United Kingdom Government on progress during phase 1 of negotiations under Article 50 TEU on the United Kingdom's orderly withdrawal from the European Union, which includes introductory remarks and the following statement on the European Investment Bank:

"Remarks:

This report is put forward with a view to the meeting of the European Council (Article 50) of 14-15 December 2017. Under the caveat that nothing is agreed until everything is agreed, the joint commitments set out in this joint report shall be reflected in the Withdrawal Agreement in full detail. This does not prejudice any adaptations that might be appropriate in case transitional arrangements were to be agreed in the second phase of the negotiations, and is without prejudice to discussions on the framework of the future relationship."

"European Investment Bank (EIB)

74. The financial settlement should not disrupt the operational functioning of the EIB as a result of the UK withdrawal in relation to the stock of operations (i.e. loans and other financial instruments) at that point.

75. In this context, the UK will provide a guarantee for an amount equal to its callable capital on the day of withdrawal. This guarantee will be decreased in line with the amortisation of the stock of EIB operations at the date of withdrawal, starting on the date on which the outstanding stock reaches an amount equal to the total subscribed capital on the date of withdrawal and ending on the date it equals the total paid-in capital on the date of withdrawal, both as defined in the EIB statute.

76. The UK share of the paid-in capital will be reimbursed in twelve annual instalments starting at the end of 2019¹. The UK remains liable for the reimbursed amount of paid-in capital until the outstanding stock of EIB operations equals the total paid-in capital on the date of withdrawal, at which point the liability will start to be amortised in line with the remaining non-amortised operations.

77. *Apart from these reimbursements, the EIB will not make any other payment, return or remuneration on account of the withdrawal of the UK from the EIB or on account of the provision by the UK of a guarantee.*

78. *Any call to the callable guarantee or the paid-in (cash or guarantee) will be "pari-passu" with calls on or payments made by the Member States provided that it is used for covering operations at the withdrawal date or for covering risks (such as ALM (Asset-Liability management) risks or operational risks) attributable to the stock of operations at the date of withdrawal. For other such risks not associated with specific loans and not attributable to the stock of operations built after the date of withdrawal, the UK responsibility will be proportional to the ratio between the stock of outstanding operations and the total amount of operations at the date of the event.*

79. *The UK will maintain the EIB's privileges and immunities under Protocols 5 and 7 annexed to the Treaties throughout the amortisation of the EIB's stock of operations at the date of withdrawal.*

80. *The UK considers that there could be mutual benefit from a continuing arrangement between the UK and the EIB. The UK wishes to explore these possible arrangements in the second phase of the negotiations.*

81. *After the date of withdrawal, UK projects will not be eligible for new operations from the EIB reserved for Member States, including those under Union mandates."*

"¹¹: The first eleven instalments will be EUR 300 000 000 each and the final one will be EUR 195 903 950."

The terms of the Bonds and additional provisions relating to their issue are as follows:

GENERAL PROVISIONS

- 1** Issue Number: 2139/1000 (to be consolidated and form a single series with the existing ZAR 6,100,000,000 8.50 per cent. Bonds due 17th September, 2024 issued in nine tranches on 17th September, 2014, 2nd December, 2014, 11th February, 2015, 28th May, 2015, 12th January, 2016, 6th April, 2016, 2nd June, 2016, 7th September, 2016 and 6th November, 2017 from and including the Issue Date)
- 2** Security Codes:
- (i) ISIN: XS1110395933
- (ii) Common Code: 111039593
- 3** Specified Currency or Currencies: South African Rand (**ZAR**)
- 4** Principal Amount of Issue: ZAR 500,000,000
- 5** Specified Denomination: ZAR 10,000
- 6** Issue Date: 20th December, 2017

INTEREST PROVISIONS

- 7** Interest Type: Fixed Rate
(Further particulars specified below)
- 8** Interest Commencement Date: 17th September, 2017
- 9** Fixed Rate Provisions: Applicable
- (i) Interest Rate: 8.50 per cent. per annum
- (ii) Interest Period End Date(s): The dates that would be Interest Payment Dates but without adjustment for any Business Day Convention
- (iii) Interest Payment Date(s): 17th September in each year commencing 17th September, 2018, up to, and including, the Maturity Date subject in each case to adjustment in accordance with the Business Day Convention specified below
- (iv) Business Day Convention: Following
- (v) Interest Amount: ZAR 850.00 per ZAR 10,000 in principal amount

(vi)	Broken Amount:	Not Applicable
(vii)	Day Count Fraction:	Actual/Actual - ICMA
(viii)	Business Day Centre(s):	Johannesburg, London and TARGET
(ix)	Other terms relating to the method of calculating interest for Fixed Rate Bonds:	Not Applicable

10	Floating Rate Provisions:	Not Applicable
11	Zero Coupon Provisions:	Not Applicable
12	Index-Linked Provisions:	Not Applicable
13	Foreign Exchange Rate Provisions:	Not Applicable

NORMAL REDEMPTION PROVISIONS

14	Redemption Basis:	Redemption at par
15	Redemption Amount:	Principal Amount
16	Maturity Date:	17th September, 2024
17	Business Day Convention:	Following
18	Business Day Centre(s):	Johannesburg, London and TARGET

OPTIONS AND EARLY REDEMPTION PROVISIONS

19	Unmatured Coupons to become void upon early redemption (Bearer Bonds only):	No
20	Issuer's Optional Redemption:	Not Applicable
21	Bondholders' Optional Redemption:	Not Applicable
22	Redemption Amount payable on redemption for an Event of Default:	Redemption at par

PROVISIONS REGARDING THE FORM OF BONDS

23	Form of Bonds:	Bearer Bonds Permanent Global Bond which is exchangeable for Definitive Bonds in the limited circumstances specified therein
24	New Global Note:	No
25	Intended to be held in a manner which would allow Eurosystem eligibility:	No
26	Details relating to Partly Paid Bonds:	Not Applicable
27	Details relating to Instalment Bonds:	Not Applicable
28	Redenomination, renominatisation and reconventioning provisions:	Not Applicable

29 Consolidation provisions: Not Applicable

30 Other terms or special conditions: Not Applicable

DISTRIBUTION PROVISIONS

31 Method of distribution: Non-Syndicated

(i) If syndicated, names of Managers: Not Applicable

(ii) If non-syndicated, name of Relevant Dealer: Citigroup Global Markets Limited

(iii) Stabilising manager(s) (if any): Not Applicable

(iv) Commission(s): None

OPERATIONAL INFORMATION AND LISTING

32 Any clearing system(s) other than Euroclear Bank SA/NV (**Euroclear**) or Clearstream Banking S.A. (**Clearstream, Luxembourg**) and the relevant identification number(s): Not Applicable

33 Agents appointed in respect of the Bonds: **Fiscal Agent and principal Paying Agent**

Citibank, N.A., London Branch
13th Floor, Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB

Paying Agent and Listing Agent

Banque Internationale à Luxembourg S.A.
69, route d'Esch
L-2953 Luxembourg

34 Listing: Luxembourg

35 Governing law: English

EUROPEAN INVESTMENT BANK:

By: **CARLOS FERREIRA DA SILVA**

By: **KIRSTEN RAU**