

**IBRD US\$500mm 5-year Compounded SOFR FRN Bloomberg Term Sheet**

US\$500,000,000 Floating Rate Notes due 6 August 2024

<b>Specific Terms of the Notes:</b>	
Issuer:	International Bank for Reconstruction and Development ("IBRD")
Expected Ratings:	Aaa / AAA (Moody's / S&P)
Format /Type:	Global (SEC Exempt)
Documentation:	Issuer's Global Issuance Debt Facility
Status of the Notes:	Senior Unsecured
Notional Amount:	US\$500,000,000
Pricing Date:	26 July 2019
Settlement Date:	6 August 2019 (T+7)
Maturity Date:	6 August 2024
Interest Rate:	Compounded Daily SOFR plus 30bps (Interest Rate as defined below in the Annex)
Floating Rate Reference:	Compounded Daily SOFR (as defined in the Annex)
Margin:	+30bps
Reoffer Price:	100.00%
Specified Interest Payment Dates:	6 February, 6 May, 6 August and 6 November in each year, from and including 6 November 2019 to and including the Maturity Date, in each case subject to adjustment in accordance with the Business Day Convention specified below
Redemption	100% of Notional Amount
Interest Periods:	Quarterly, from and including the prior Specified Interest Payment Date (or if there is no prior Specified Interest Payment Date, the Settlement Date) to but excluding the next Specified Interest Payment Date.
Observation Period:	In respect of each Interest Period, the period from, and including, the date five U.S. Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date five U.S. Government Securities Business Days preceding the Specified Interest Payment Date for such Interest Period (or the date falling five U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable).
SOFR Reset Dates for Observation Period:	The first day of each Interest Period
Interest Determination Date:	The date five U.S. Government Securities Business Days before each Specified Interest Payment Date

Day Count Convention:	Actual/360
Business Days:	New York
Business Day Convention:	Following, Adjusted
Minimum or Maximum Interest Rate:	Minimum interest rate of 0% per annum
Calculation Agent:	Citibank N.A., London Branch
Minimum Denomination:	US\$1,000 and integral multiples of U.S.\$1,000 thereafter
Clearing:	Fedwire, Euroclear, Clearstream
Listing:	Luxembourg Stock Exchange
Governing Law:	New York
Expenses:	To be split equally between the Joint Lead Managers
ISIN:	US459058HC08
CUSIP:	459058HC0
Common Code:	TBC
Joint Lead Managers:	Citi, TD Securities
MiFID II Product Governance:	Manufacturer target market is eligible counterparties and professional clients and also retail clients (all distribution channels)
Use of Proceeds:	Supporting sustainable development in IBRD's member countries The net proceeds from the sale of the Notes will be used by IBRD to finance sustainable development projects and programs in IBRD's member countries (without being committed or earmarked for lending to, or financing of, any particular projects or programs). IBRD's financing is made available solely to middle-income and creditworthy lower-income member countries who are working in partnership with IBRD to eliminate extreme poverty and boost shared prosperity, so that they can achieve equitable and sustainable economic growth in their national economies and find sustainable solutions to pressing regional and global economic and environmental problems. Projects and programs supported by IBRD are designed to achieve a positive social impact and undergo a rigorous review and internal approval process aimed at safeguarding equitable and sustainable economic growth.

	<p>IBRD integrates five cross cutting themes into its lending activities helping its borrowing members create sustainable development solutions: climate change; gender; jobs; public-private partnerships; and fragility, conflict and violence.</p> <p>IBRD's administrative and operating expenses are covered entirely by IBRD's various sources of revenue (net income) consisting primarily of interest margin, equity contribution and investment income (as more fully described in the Information Statement).</p>
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## ANNEX

### Provisions relating to the determination of Interest Rate

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

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

**Compounded Daily SOFR** means the rate of return of a daily compound interest investment (with the daily secured overnight financing rate as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent on the relevant Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005 being rounded upwards:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{SOFR_{i-5USBD} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where:

**d** means the number of calendar days in the relevant Interest Period;

**d<sub>0</sub>** for any Interest Period, means the number of U.S. Government Securities Business Days (as defined below) in the relevant Interest Period;

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

**U.S. Government Securities Business Day** or **USBD** means any day, except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities;

**n<sub>i</sub>** for any U.S. Government Securities Business Day "i" means the number of calendar days from, and including, such U.S. Government Securities Business Day "i" up to, but excluding, the following U.S. Government Securities Business Day;

**Observation Period** means, in respect of an Interest Period, the period from, and including, the date falling five U.S. Government Securities Business Days prior to the Reset Date for 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 U.S. Government Securities Business Days prior to the Specified Interest Payment Date for such Interest Period (or the date falling five U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

**SOFR<sub>i-5USBD</sub>** means the SOFR Reference Rate for the U.S. Government Securities Business Day (being a U.S. Government Securities Business Day falling in the relevant Observation Period) falling five U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i";

**SOFR Reference Rate** means, in respect of any U.S. Government Securities Business Day, a reference

rate equal to the daily secured overnight financing rate (**SOFR**) for such U.S. Government Securities Business Day as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate) on the website of the Federal Reserve Bank of New York currently at <http://www.newyorkfed.org>, or any successor website of the Federal Reserve Bank of New York (the **New York Fed's Website**) (in each case, on or about 5:00 p.m., New York City time, on the U.S. Government Securities Business Day immediately following such U.S. Government Securities Business Day).

If the SOFR Reference Rate in respect of a U.S. Government Securities Business Day cannot be determined as specified in the previous paragraph, unless both a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date (each, as defined below) have occurred, the SOFR Reference Rate for such U.S. Government Securities Business Day shall be the SOFR Reference Rate in respect of the last U.S. Government Securities Business Day for which such rate was published on the New York Fed's Website.

If the SOFR Reference Rate in respect of a U.S. Government Securities Business Day cannot be determined as specified in the first paragraph above, and both a SOFR Index Cessation Event and a SOFR Index Cessation Effective Date have occurred, the SOFR Reference Rate for such U.S. Government Securities Business Day shall be the rate (inclusive of any spreads or adjustments) that was recommended as the replacement for SOFR by the Federal Reserve Board and/or the Federal Reserve Bank of New York or by a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a replacement for SOFR (which rate may be produced by the Federal Reserve Bank of New York or other designated administrator)(the "**SOFR Replacement Rate**"), provided that, if no SOFR Replacement Rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Event, then the Compounded Daily SOFR will be determined as if, for each U.S. Government Securities Business Day occurring on or after the SOFR Index Cessation Effective Date:

- (i) references to SOFR were references to the daily Overnight Bank Funding Rate (**OBFR**) as provided by the Federal Reserve Bank of New York, as the administrator of such rate (or any successor administrator of such rate), on the New York Fed's Website on or about 5:00 p.m. (New York City time) on each day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York City (**New York City Banking Day**) in respect of the New York City Banking Day immediately preceding such day (**OBFR Reference Rate**),
- (ii) references to SOFR Reference Rate were references to OBFR Reference Rate,
- (iii) references to U.S. Government Securities Business Day were references to New York City Banking Day,
- (iv) references to SOFR Index Cessation Event were references to OBFR Index Cessation Event (as defined below) and
- (v) references to SOFR Index Cessation Effective Date were references to OBFR Index Cessation Effective Date (as defined below);

and provided further that, if no such SOFR Replacement Rate has been recommended within one U.S. Government Securities Business Day of the SOFR Index Cessation Event and an OBFR Index Cessation Event has occurred, then the Compounded Daily SOFR will be determined as if, for each U.S. Government Securities Business Day occurring on or after the later of the SOFR Index Cessation Effective Date and the OBFR Index Cessation Effective Date, (x) references to the SOFR Reference Rate were references to the short-term interest rate target set by the Federal Open Market Committee and published on the website of the Board of Governors of the Federal Reserve System currently at <http://www.federalreserve.gov>, or any successor website of the Board of Governors of the Federal Reserve System (the **Federal Reserve's Website**) or, if the Federal Open Market Committee does not target a single rate, the mid-point of the short-term interest rate target range set by the Federal Open Market Committee and published on the Federal Reserve's Website (calculated as the arithmetic average of the upper bound of the target range and the lower bound of the target range, rounded, if necessary, to the nearest second decimal place, 0.005 being rounded upwards), (y) references to U.S. Government Securities Business Day were references to New York City Banking Day and (z) references to the New York Fed's Website were references to the Federal Reserve's Website.

In the event that the Interest Rate cannot be determined in accordance with the foregoing provisions, the Interest Rate shall be (i) that determined at the last preceding Interest Determination Date or (ii) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to the Notes for the scheduled first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on, and excluding, the Interest Commencement Date.

If the Notes become due and payable in accordance with Condition 9, the final Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the final terms, be deemed to be the date on which the Notes became due and payable and the Interest Rate on the Notes shall, for so long as any such Notes remain outstanding, be the Interest Rate determined on such date.

**SOFR Index Cessation Event** means the occurrence of one or more of the following events:

- (a) a public statement by the Federal Reserve Bank of New York (or any successor administrator of SOFR) announcing that it has ceased or will cease to provide SOFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to provide SOFR; or
- (b) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or any successor administrator of SOFR) has ceased or will cease to provide SOFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to provide SOFR; or
- (c) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of SOFR that applies to, but need not be limited to, all swap transactions, including existing swap transactions.

**SOFR Index Cessation Effective Date** means, in respect of a SOFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of SOFR), ceases to publish SOFR, or the date as of which SOFR may no longer be used.

**OBFR Index Cessation Event** means the occurrence of one or more of the following events:

- (a) a public statement by the Federal Reserve Bank of New York (or any successor administrator of the OBFR) announcing that it has ceased or will cease to provide OBFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to provide OBFR; or
- (b) the publication of information which reasonably confirms that the Federal Reserve Bank of New York (or any successor administrator of OBFR) has ceased or will cease to provide OBFR permanently or indefinitely, provided that, at that time, there is no successor administrator that will continue to publish or provide OBFR; or
- (c) a public statement by a U.S. regulator or other U.S. official sector entity prohibiting the use of OBFR that applies to, but need not be limited to, all swap transactions, including existing swap transactions.

**OBFR Index Cessation Effective Date** means, in respect of an OBFR Index Cessation Event, the date on which the Federal Reserve Bank of New York (or any successor administrator of the OBFR), ceases to publish the OBFR, or the date as of which the OBFR may no longer be used.

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