Final Terms dated December 5, 2014

International Bank for Reconstruction and Development

Issue of

USD 25,000,000 Callable Step-Up Fixed Rate Notes due December 15, 2016

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

1. Issuer: International Bank for Reconstruction and Development ("IBRD")

2. (i) Series Number: 4326
   (ii) Tranche Number: 1

3. Specified Currency or Currencies (Condition 1(d)): United States Dollars ("USD")

4. Aggregate Nominal Amount:
   (i) Series: USD 25,000,000
   (ii) Tranche: USD 25,000,000

5. Issue Price: 100.00 per cent. of the Aggregate Nominal Amount

6. (i) Specified Denominations (Condition 1(bi)):
   USD 100,000 and integral multiples of USD 1,000 in excess thereof
   (ii) Calculation Amount (Condition 5(jj)):
   USD 1,000

7. Issue Date: December 19, 2014

8. Maturity Date (Condition 6(a)): December 15, 2016

9. Interest Basis (Condition 5): Step-Up 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): Call Option (further particulars specified below)

13. Status of the Notes (Condition 3): Unsecured and unsubordinated

14. Listing: None

15. Method of distribution: Non-syndicated
PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions (Condition 5(a)):

(i) Rate of Interest:

- From and including the Issue Date, to but excluding March 15, 2015: 0.20 per cent. per annum
- From and including March 15, 2015, to but excluding June 15, 2015: 0.40 per cent. per annum
- From and including June 15, 2015, to but excluding September 15, 2015: 0.60 per cent. per annum
- From and including September 15, 2015, to but excluding December 15, 2015: 0.80 per cent. per annum
- From and including December 15, 2015, to but excluding March 15, 2016: 1.00 per cent. per annum
- From and including March 15, 2016, to but excluding June 15, 2016: 1.20 per cent. per annum
- From and including June 15, 2016, to but excluding September 15, 2016: 1.40 per cent. per annum
- From and including September 15, 2016, to but excluding December 15, 2016: 1.60 per cent. per annum

(ii) Interest Payment Dates:

March 15, 2015; June 15, 2015; September 15, 2015;
December 15, 2015; March 15, 2016; June 15, 2016;
September 15, 2016 and the Maturity Date

(iii) Fixed Coupon Amounts:

- USD 0.48 per Calculation Amount, payable on March 15, 2015
- USD 1.00 per Calculation Amount, payable on June 15, 2015
- USD 1.50 per Calculation Amount, payable on September 15, 2015
- USD 2.00 per Calculation Amount, payable on December 15, 2015
- USD 2.50 per Calculation Amount, payable on March 15, 2016
- USD 3.00 per Calculation Amount, payable on June 15, 2016
- USD 3.50 per Calculation Amount, payable on September 15, 2016
- USD 4.00 per Calculation Amount, payable on December 15, 2016

(iv) Day Count Fraction (Condition 5(l)):

30/360
(v) Other terms relating to the method of calculating interest for Fixed Rate Notes:

PROVISIONS RELATING TO REDEMPTION

17. Call Option (Condition 6(d)):
   (i) Optional Redemption Date(s): March 15, 2015; June 15, 2015; September 15, 2015; December 15, 2015; March 15, 2016; June 15, 2016 and September 15, 2016
   (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amounts: USD 1,000 per Calculation Amount
   (iii) Notice Period: Five (5) London and New York Business Days prior to the relevant Optional Redemption Date

18. Final Redemption Amount of each Note (Condition 6):

19. Early Redemption Amount (Condition 6(c)):
   As set out in the Conditions

GENERAL PROVISIONS APPLICABLE TO THE NOTES

20. Form of Notes (Condition 1(a)):
   Registered Notes:
   Global Registered Certificate available on Issue Date

21. New Global Note:
   No

22. Financial Centre(s) or other special provisions relating to payment dates (Condition 7(h)):
   London and New York

23. Governing law (Condition 14):
   New York

24. Other final terms:
   The first sentence of Condition 7(a)(ii) is hereby replaced by the following: “Interest (which for the purpose of this Condition 7(a) shall include all Installment Amounts other than final Installment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the calendar day before the due date for payment thereof (the “Record Date”).”

DISTRIBUTION

25. (i) If syndicated, names of Managers and underwriting commitments:
   Not Applicable
   (ii) Stabilizing Manager(s) (if any):
   Not Applicable

26. If non-syndicated, name of Dealer:
   CastleOak Securities, L.P.

27. Total commission and concession:
   Not Applicable

28. Additional selling restrictions:
   Not Applicable

OPERATIONAL INFORMATION

29. ISIN Code:
   US45905URA42
30. CUSIP: 45905URA4
31. Delivery: Delivery against payment
32. Registrar and Transfer Agent (if any): Citibank, N.A., London Branch
33. Intended to be held in a manner which would allow Eurosystem eligibility: No

GENERAL INFORMATION
IBRD's most recent Information Statement was issued on September 16, 2014.

RESPONSIBILITY
IBRD accepts responsibility for the information contained in these Final Terms.
Signed on behalf of IBRD:

By: ....................................................
Name:
Title:
Duly authorized