

**PRICING SUPPLEMENT**



**INTERNATIONAL BANK FOR RECONSTRUCTION AND  
DEVELOPMENT**

**Global Debt Issuance Facility**

**No. 2579.2**

**US\$7,000,000**

**Callable Fixed Rate Step-up Notes due May 28, 2010**

**(to be consolidated and form a single series with the US\$100,000,000  
Callable Fixed Rate Step-Up Notes due May 28, 2010  
issued on May 28, 2003)**

**Morgan Stanley**

**The date of this Pricing Supplement is June 13, 2003**

This document (“**Pricing Supplement**”) is issued to give details of an issue by International Bank for Reconstruction and Development (the “**Bank**”) under its Global Debt Issuance Facility.

This Pricing Supplement supplements the terms and conditions in, and incorporates by reference, the Prospectus dated October 7, 1997, and all documents incorporated by reference therein (the “**Prospectus**”), and should be read in conjunction with the Prospectus. Unless otherwise defined in this Pricing Supplement, terms used herein have the same meaning as in the Prospectus.

### **Terms and Conditions**

The following items under this heading “**Terms and Conditions**” are the particular terms which relate to the issue the subject of this Pricing Supplement. These are the only terms, which form part of the form of Notes for such issue:

<b>1</b>	No.:	2579.2 (to be consolidated and form a single series with the US\$100,000,000 Callable Fixed Rate Step-Up Notes due May 28, 2010 issued on May 28, 2003)
<b>2</b>	Aggregate Principal Amount:	US\$7,000,000
<b>3</b>	Issue Price:	99.819444 per cent. of the Aggregate Principal Amount plus accrued interest from and including May 28, 2003 to, but excluding June 18, 2003
<b>4</b>	Issue Date:	June 18, 2003
<b>5</b>	Form of Notes (Condition 1(a)):	Registered Notes only
<b>6</b>	Authorized Denominations (Condition 1(b)):	US\$10,000
<b>7</b>	Specified Currency (Condition 1(d)):	United States dollars (“ <b>US\$</b> ”)
<b>8</b>	Maturity Date (Conditions 1(a) and 6(a)):	May 28, 2010
<b>9</b>	Interest Basis (Condition 5):	Fixed Interest Rate (Condition 5(I))
<b>10</b>	Fixed Interest Rate (Condition 5(I)):	
	(a) Interest Rate:	3.25 per cent. per annum in respect of the period beginning on (and including) May 28, 2003 and ending on (but excluding) May 28, 2004;
		3.375 per cent. per annum in respect of the period beginning on (and including) May 28, 2004 and ending on (but excluding) May 28, 2005;
		3.50 per cent. per annum in respect of the period beginning on (and including) May 28, 2005 and ending on (but excluding) May 28, 2006;
		3.75 per cent. per annum in respect of the period beginning on (and including) May 28

		period beginning on (and including) May 28, 2006 and ending on (but excluding) May 28, 2007;
		4.00 per cent. per annum in respect of the period beginning on (and including) May 28, 2007 and ending on (but excluding) May 28, 2008;
		4.25 per cent. per annum in respect of the period beginning on (and including) May 28, 2008 and ending on (but excluding) May 28, 2009; and
		5.00 per cent. per annum in respect of the period beginning on (and including) May 28, 2009 and ending on (but excluding) the Maturity Date
	(b) Fixed Rate Interest Payment Dates:	May 28 of each year commencing on May 28, 2004 and ending on the Maturity Date
	(c) Fixed Rate Day Count Fraction:	30/360, as provided in Condition 5(l)(b)
<b>11</b>	Relevant Financial Centre:	New York
<b>12</b>	Relevant Business Day:	New York and London
<b>13</b>	Issuer's Optional Redemption (Condition 6(e)):	Yes
	(a) Notice Period:	Not less than 10 Relevant Business Days
	(b) Amount:	All and not less than all
	(c) Date(s):	Each Fixed Rate Interest Payment Date commencing on May 28, 2004 and ending on May 28, 2009
	(d) Early Redemption Amount (Bank):	Principal amount of the Notes to be redeemed
	(e) Notices:	As long as the Notes are represented by a DTC Global Note and the DTC Global Note is being held on behalf of a clearing system, notwithstanding Condition 13, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders, provided that so long as the Notes are listed on the Luxembourg Stock Exchange, and the rules of the exchange so

require, notice shall be published in a leading daily newspaper in either the French or German language and of general circulation in Luxembourg

Any notice delivered to a clearing system in accordance with the preceding sentence shall be deemed to have been given to the Noteholders on the day on which such notice is delivered to the clearing system

<b>14</b>	Redemption at the option of the Noteholders (Condition 6(f)):	No
<b>15</b>	Long Maturity Note (Condition 7(f)):	No
<b>16</b>	Talons for Future Coupons to be attached to Definitive Bearer Notes (Condition 7(h)):	No
<b>17</b>	Early Redemption Amount (including accrued interest, if applicable) (Condition 9):	Principal amount of the Notes to be redeemed plus accrued interest thereon
<b>18</b>	Governing Law of the Notes:	English

**Other Relevant Terms**

<b>1</b>	Listing (if yes, specify Stock Exchange Exchange):	Luxembourg Stock Exchange
<b>2</b>	Details of Clearance System approved by the Bank and the Global Agent and Clearance and Settlement Procedures:	DTC, Clearstream Banking, société anonyme and Euroclear Bank S.A./N.V., as operator of the Euroclear System. Payment for the Notes will be on a delivery versus payment basis
<b>3</b>	Syndicated:	No
<b>4</b>	Commissions and Concessions:	None
<b>5</b>	Codes:	
	(a) CUSIP	45905UCS1
	(b) ISIN	US45905UCS15
	(c) Common Code	016809535
<b>6</b>	Identity of Dealer(s)/Manager(s):	Morgan Stanley & Co. International Limited
<b>7</b>	Provisions for Registered Notes:	
	(a) Individual Definitive Registered Notes Available on Issue Date:	No. Interests in the DTC Global Note will be exchangeable for definitive Registered Notes only in the limited circumstances described in the Prospectus
	(b) DTC Global Note(s):	Yes; one

(c) Other Registered Global Notes: No

**General Information**

The Bank's latest Information Statement was issued on September 17, 2002.

The following additional selling restrictions shall apply to the issue:

United Kingdom:

Each Dealer is required to comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND  
DEVELOPMENT**

By:

Authorised Officer

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

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**Linklaters**

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