



Fitch confirms IIB's supranational status and improves its outlook to Stable

February 18, 2015

After placing the International Investment Bank on Rating Watch Evolving (RWE) in mid-January 2015, Fitch Ratings has now affirmed the investment grade credit rating of the Bank at BBB-, improving its outlook to Stable.

As indicated by Fitch in its press release, the main reason behind the decision are the improvements of the intrinsic features of the Bank, having been overhauled and strengthened over the past two years. This conclusion has been made despite difficult market circumstances, in light of IIB's partial insulation from the Russian market, as assessed by Fitch.

The agency has given a positive assessment of IIB's business plan and the consistency of its implementation. Since 2013, when the Bank was assessed by Fitch for the first time, the IIB has significantly strengthened its credit and risk management and has expanded its operations, having increased its assets by over 50% and loan portfolio by over 150% in 2014 only, also thanks to its historically first and successful bond placements in Slovakia and Russia, while maintaining strong capitalization and comfortable liquidity. Fitch has recognized these developments and now considers intrinsic factors as the principal driver of IIB's rating. Therefore, it no longer considers changes in the ratings of the Bank's shareholders and their commitment to support the IIB as key rating sensitivities.

As stated by the Chairman of the Board of the IIB, Nikolay Kosov, «the Bank takes into consideration the analyses of rating agencies when designing its strategy. We welcome Fitch's decision, which confirms that this approach has been correct, and we will further continue to improve the Bank and its operations to the benefit of its member states and potential investors, also listening to what the rating agencies have to say».

Two rating agencies have now confirmed the major progress the Bank has made internally and its supranational status, with Fitch joining Moody's Investors Service, which assigned to the IIB the rating of A3 in August 2014.

[Fitch's press release](#)