



## Fitch upgrades IIB to “BBB” - first IFI upgrade by the agency since 2013

December 8, 2016

International agency Fitch Ratings upgraded IIB’s long-term foreign currency Issuer Default Rating to “BBB” from “BBB-“, with a stable outlook. For the first time, Fitch changed its assessment of the institution’s creditworthiness since [assigning the IIB a rating in late 2013](#), opening up additional opportunities and lowering the cost of the Bank’s funding on capital markets.

As noted in [Fitch’s statement](#) of December 7, 2016, the upgrade was driven by the “continuing diversification of the Bank’s operations in Central and Easter Europe”, “the strengthening of risk management policies” and “the reduction of risks related to business environment”.

Fitch’s decision represents the first upgrade of one of IIB’s ratings. It is especially significant due to the fact that Fitch was the first agency in IIB’s history to rate the Bank - it assigned the IIB a “BBB-“ rating in 2013, based at the time on the external support from the Bank’s shareholders. Last year, Fitch affirmed IIB’s rating, but based its assessment on intrinsic factors of the Bank’s operations. IIB’s new rating also represents the first upgrade by the agency of any international financial institution (IFI) since 2013, serving as a testimony to the extraordinary pace of IIB’s development.

Commenting on the rating, IIB’s Chairman of the Board, **Nikolay Kosov**, said: *“The rating upgrade by Fitch objectively reflects the financial stability of our Bank despite unfavourable external environment and represents an assessment of the successful implementation of the IIB Development Strategy 2013-2017. The decision confirms our operational effectiveness and the successful implementation of strategic goals of the institution in the interest of our shareholder countries.”*

After the reform launched in 2012, IIB needed less than three years to receive investment grade credit ratings with stable outlooks from the three leading rating agencies (Fitch “BBB”, Moody’s “Baa1” and S&P “BBB”) and, as the first IFI, from Chinese Dagong (“A”).