

## **Growth of net profit, assets and loan portfolio: IIB publishes financial results for 2020.**

February 4, 2021

On February 4, 2021, International Investment Bank (IIB) [published audited IFRS financial statements for the year 2020.](#)

Despite the global economic crisis caused by the COVID-19 pandemic, the Bank once again demonstrates a high level of financial stability and success in achieving strategic targets thanks to high efficiency of the corporate governance system, timely adopted anti-crisis measures, growing trust of the international financial and business community, as well as support from the member states.

The IIB statements reflect positive dynamics in all key performance indicators, including growth of profit, assets, capital, loan portfolio, volume and level of funding diversification.

### **Financial results.**

As of the end of 2020, the Bank showed a record net profit figure in its recent history – EUR 7.299 mln, which is more than 28% higher than the same indicator for the previous year.

### **Assets.**

At the end of 12 months of 2020, the total volume of the Bank's assets reached EUR 1.621 bn, having increased by 19% over the reporting year. Such dynamics are primarily related to the growth of loan and investment support provided by the Bank to its member states, to overcome the negative consequences of the pandemic, among other things; as well as to an increase in the volume of highly liquid treasury assets accumulated to strengthen the liquidity buffer during a period of high turbulence in the global economy.

### **Paid-in capital.**

2020 marked the beginning of a new IIB Capitalization Program. At the end of the reporting period, the paid-in capital of the Bank reached EUR 378.7 mln, recording more than 11% growth compared to the end of 2019. Active support of IIB member states lays foundation for further strengthening of the Bank's financial stability and opens up new opportunities for a continuous increase of investment activities.

### **Lending operations.**

During the reporting period, IIB significantly increased the volume of loans granted, continuing to demonstrate a high level of sector and geographic diversification. The net loan portfolio grew by more than 16% and reached EUR 1,028 mln. The share of IIB projects implemented in the interests of its European shareholders peaked over 60%.

IIB gives special attention to projects with an integration component, covering interests of two or more member states. In the reporting period, such initiatives accounted for more than 29% of the loan portfolio.

Full-scale and successful integration into the European financial community, growing brand awareness at the global level, active development of the partner network contributed to an increase in the number of transactions carried out in cooperation with other international financial institutions. In 2020, the share of such projects reached 33% of the loan portfolio volume.

### **Treasury assets.**

The IIB Treasury continues to consistently implement the strategy of maintaining a high level of assets' quality and diversification. As of the end of 2020, the share of assets rated 'AAA-A' in the Bank's treasury portfolio exceeded the target of the business plan and reached 68%.

IIB also constantly increases the level of its ESG (Environmental, Social, and Governance) assets acting as an investor in the issues of certified "green" and "social" bonds. The share of ESG investments also maintained an upward trend and amounted to 61% of the portfolio.

### **Liabilities.**

Total volume of long-term funding of the Bank as of December 31, 2020 amounted to EUR 953.5 mln with EUR 876.5 mln of own bond issues and EUR 77 mln from other sources. The high-level long-term credit ratings, efficient positioning of IIB in the international financial community and the investors growing trust allowed the Bank to successfully attract necessary volumes of funding at low rates even in conditions of high volatility of global financial markets.

This, in its turn, made it possible to increase the volume of credit and investment support to IIB member states, meeting the growing demand caused by current economic difficulties.

In 2020, even in the most challenging conditions, IIB successfully fulfilled its funding plans and executed eight bond issues in various currencies of its member states, four of which were placed under the MTN Program registered in May 2020 on the Dublin Stock Exchange.

### **Key rating events.**

The reporting year was also very successful in terms of IIB credit ratings. In 2020 IIB became the only multilateral development bank, whose ratings were not only confirmed by the leading agencies, but even upgraded by Fitch Ratings. This was a direct reflection of the positive dynamics of IIB's development and its high resistance to the global crisis caused by the COVID-19 pandemic. In the reported period, the leading rating agencies took 4 rating actions on IIB that strengthened its status as an international development institution with an average "A" long-term rating.

In March 2020, S&P Global confirmed IIB's long-term rating at "A-" with a stable outlook, in May 2020 Moody's Investors Service confirmed IIB's long-term credit rating at "A3" with a stable outlook, in September 2020 Fitch Ratings upgraded IIB's long-term credit rating to "A-" with a stable outlook, and in October 2020 the Russian Analytical Credit Rating Agency (ACRA) announced the confirmation of IIB's international investment rating at "A" level, as well as of the national rating at the "AAA" (RU) level.

“In 2020, when the Bank celebrated its 50th anniversary, the global economic, financial and social stability unexpectedly became a subject of the most severe shocks that humanity has not seen for many decades. Despite this, IIB demonstrated a high level of stability and reliability, met new challenges with dignity and, most importantly, continued to provide support to its member states in addressing the consequences of the pandemic, - **said Nikolay Kosov, Chairperson of the IIB Management Board**, - We intend to continue doing our best to implement ambitious plans for IIB further development and growth with the full support of our shareholders”.

“It is satisfying that the published financial statements are another evidence of the maturity of our institution and of the correctness of the chosen strategy. The efforts of the entire team during this extremely difficult period have led to very positive results in all key areas of our activities,”- **emphasized Elena Minduksheva, Deputy CFO of the Bank**.