



## **IIB closes the book with a record oversubscription for a new RUB issuance**

September 7, 2020

On September 3, 2020 IIB held a successful book building for a new RUB issuance on the Moscow Stock Exchange under its registered bond program. The joint lead managers of the new 2,5-year bond are BC Region, Credit Bank of Moscow, VTB Capital and Russian Agricultural Bank. The Bank had taken advantage of the market window that opened following the summer holidays and a strong investor demand on the shorter maturities. The newly closed deal was three times oversubscribed. The Bank received orders in the amount exceeding RUB 15 bn with an initially announced RUB 5 bn. Based on a very high market-based investor interest, the volume of the deal was increased to RUB 7 bn (approx. EUR 79 mln) with IIB showcasing its market-oriented approach.

Benefiting from existing demand IIB achieved a decrease of the initially announced coupon range of 6.00-6.10%. In two rounds of guidance a quarterly coupon of 5.95% was reached. It's important to note that the book remained almost unchanged from the beginning to the end of the process, with all investors willing to be a part of the allocation process. It was also very well diversified, with 15 investors participating, representing a wide range of market players - banks, supranationals and asset managers.

This issuance was IIB's fourth deal successfully placed on the Russian debt capital market this year, bringing the amount attracted by IIB on the Moscow Stock Exchange in 2020 to RUB 26 bn.

"Despite a rather challenging geopolitical and economic context of today, we have succeeded to place another issuance with our record lowest coupon on the Russian market, as well as a record oversubscription. This is yet another proof that our investor base in Russia is extremely strong, showing support and trust in IIB and treating our bonds as safe assets in their portfolios." noted **Nikolay Kosov, Chairperson of the IIB Management Board**.

"IIB showed its resilience towards market tensions and this issuance allowed us to reach our record-low pricing for long-term instruments this year in the EUR after swap terms by fixing the rate at 1,13%. It shows a gradual reduction in the funding costs for the Bank following the impact of Covid crisis on the financial markets in March-April. IIB has been present on the Russian debt capital market for over five years and our regular investor relations work is reaping its fruits." **Jozef Kollar, First Deputy Chairperson of the IIB Management Board in charge of Treasury and DCM**, commented.