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IIB closes the order book for bonds on the Romanian debt capital market totalling RON 300 million

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In September 2016, the International Investment Bank (IIB) once again comes to the Romanian capital market with a second bond placement. In light of increased interest from both Romanian and international investors, the IIB today closed the order book for debt securities on the Bucharest Stock Exchange. This is already the third bond issue of the Bank in the European Union and the second placement in Romania, in the national currency.

The final volume of the issue has been set at RON 300 million (more than EUR 65 million), with a maturity of three years. The issue was oversubscribed more than twice and the interest rate has been fixed at 3.4% p.a. – lower than for the previous, first IIB bond placement in Romania, serving as a testimony to increased creditworthiness of and need for IIB's securities. Banca Transilvania Group, represented by BT Capital Partners S.A., acted again as the organiser, together with Banca Comerciala Romana S.A. (ERSTE Group). The settlement will be carried out on the Bucharest Stock Exchange on September 27, with trading beginning on September 29.

The second Romanian issue of the Bank's bonds, so called "mibovki", attracted the attention of institutional and sectoral investors, including pension and investment funds, insurance and brokerage companies as well as other investors not only from Romania, but also from Germany, Austria, Croatia and Czech Republic, thus considerably expanding and diversifying IIB's funding. High interest towards the IIB was supported by a roadshow that took place on September 20 in Bucharest with attendance by the State Secretary of the Romanian Ministry of Public Finance and Head of the Romanian Delegation in the IIB Council, Attila Gyorgy, Chairman of the IIB Board, Nikolay Kosov, and other representatives of the Bank.

"Ever more often, international institutional investors choose IIB's bonds as a trustworthy asset for diversifying their treasury portfolios and contributing to economic development", – commented **N. Kosov** on the issue. *"Investing into IIB's securities on the Bucharest Stock Exchange means investing into Romania's future, as our Bank will use the proceeds for financing local projects."*

Alexandru Florescu, Deputy Chairman of the IIB Board, representing Romania and responsible for finance and risks, noted that Romania's capital market is currently the only one in the EU where the Bank returned with another bond placement. *"It reflects our confidence in the local market and in the credibility of the national currency, as well as the high level of partnership relations with the Romanian investment community. As already demonstrated by our first issue in October last year, the IIB can significantly contribute to the further development of the Romanian market, and this is among the priorities of our institution as a development bank"*, – he added.

In October 2015, the IIB carried out its first bond placement in Romania in the amount of RON 111 million (around EUR 25 million), which became the largest bond issue among international financial institutions (IFIs) on the local market in the past six years. The issue received an award from the Romanian Stockbrokers' Association for its contribution to the development of the Romanian bond market. The new IIB bond issue of RON 300 million has become the largest among IFIs on the Romanian market in the past 10 years, together with a placement by the European Investment Bank in 2007.

Romanian direction of IIB's activities received a new impulse in 2015. The Bank continues to ramp up investments into the Romanian economy, regularly comes to the national capital market for funding and organises presentations for local companies. The total volume of signed loans of the Bank in the country since IIB's reform in 2012 exceeds EUR 50 million, with a promising pipeline.

IIB's second Romanian bond placement increases the total amount of financing attracted by the Bank since the launch of its long-term funding programme in April 2014 to more than EUR 570 million.

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