



IIB is making a new bond placement on the Russian Market

June 7, 2017

On June 6th, 2017, the International Investment Bank (IIB) closed the order book on its new bond issue in the amount of RUB 10 billion, issued under the [earlier registered programme of exchange-traded bonds](#).

The initial coupon interest rate was set between 9.00%-9.25% which corresponds to a yield of 9.21%-9.48%. During the marketing process the demand for “mibovki” several times exceeded the offer. Demand for the bond totaled more than 22 billion rubles from more than 40 investors; this allowed the bank to lower the interest rate during the book building process. As a result, the final coupon interest rate was fixed at 8.75% (YTP 8.95%). The put option on the bond is set for 12 March 2020, and the settlement of the bond on Moscow Exchange is set for 14 June 2017.

“This deal together with the secondary placement of the bank’s bonds in April of this year confirms the significant interest from Russian investors to the IIB’s debt instruments. We constantly analyze the markets of our member states and actively develop investor relations, in order to, year by year diversify the IIB’s investor base. All of this allows the IIB to attract the funding under the best terms and conditions. That is why we decided to place a new issuance exactly at this moment, where we achieved the best result in terms of interest rates on the Russian market, using this opportunity window for the IIB.

It is important to note that the new issue occurred under the framework of the earlier registered programme of exchange-traded bonds – the first of such an instrument to be placed on the Russian market by a supranational or foreign issuer. Connected to this, we would like to thank the Moscow Exchange and National Settlement Depository for implementing the necessary infrastructure for placement. Most of all, we would like to express our gratitude to the lead managers of the issuance for their exceptionally high level of professionalism which was demonstrated during the course of this transaction,” – commented International Investment Bank’s Deputy Chairman of the Board, **Jozef Kollár**.

The new issue of IIB’s bonds meets the requirements for inclusion in the CBR’s (Central Bank of Russia) Lombard list, and in the list of securities accepted as collateral for REPO with the CBR. The lead managers of the deal were Gazprombank, Raiffeisenbank, ROSBANK, Sovcombank, and Unicredit Bank.

The bank currently has bond issues in three of its member states: Russia, Slovakia and Romania.