



IIB kicks off 2022 funding year with two strong transactions

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On January 18, 2022, IIB kicked off the execution of its funding plan, with two very successful RON and CZK transactions traded under the Bank's MTN Programme. For the first time, two trades were executed in the same day, despite the challenging market context, taking the opportunity of a favorable market window to close both transactions at **tightest spreads** for respective maturities and currencies.

The Romanian Lei 3-year deal, which was arranged by UniCredit AG and executed at **lowest spread ever** achieved over Romanian government bond yield curve of just 15 bps (compared to 30 bps for the 2-year deal in October 2021). This shows extremely high recognition of the Bank's name on the Romanian market, and is a result of the Bank's record of accomplishments in RON, being a frequent issuer in RON since 2015. The final volume of RON 105 m (approx. EUR 21 m equivalent) was swapped into the tightest euro-after swap spread for a similar maturity. Five local and one off shore institutional investors participated in the deal.

Since 2018 IIB has become a frequent Czech koruna issuer, establishing itself as one of the most in-demand corporate/financial institutions names among the domestic institutional investors. The 5-year bond was issued with a coupon of 4 %, yielding flat related to the CZK IRS curve under very challenging and volatile market context.

The current inverted shape of the CZK benchmark curves offered a unique opportunity for the Bank to extend the IIB's CZK curve to the 5-yr maturity for the very first time while locking on an euro—after swap spread that is comparable with those achieved for 2-3 year maturities. The arranger for the issue with volume of CZK 900 m (approx. EUR 36 m) was Erste Bank Vienna. The book consisted of six Czech asset managers and insurance companies.

"The first two deals executed today, represent a great year-opening for IIB and are a promise for the year ahead. While we currently witness on the market general elevation in interest rates following the recent change in the monetary policies of the central banks, we are focusing on obtaining the lowest levels of spreads versus benchmark curves, which are the best indicators reflecting the credit risk of the issuer. " commented **Mr. Jozef Kollar, First Deputy Chairperson in charge of Treasury and DCM**.