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## **IIB makes another important step to support financial markets development of its member states: the Bank becomes an anchor investor of a first green corporate bond issue in Hungary**

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International Investment Bank became an anchor investor of a first corporate green bond issue on the Hungarian bond market, placed by CPI Hungary Investments Kft on the Budapest Stock Exchange.

CPI Hungary Investments Kft is a division of CPI Property Group (CPIPG), one of the largest commercial real estate operators in Germany, the Czech Republic and Central and Eastern Europe. The Group, founded in 1991 and headquartered in Luxemburg, owns and manages an important high quality, long-term, income-generating portfolio consisting of office, residential, hotel and industrial properties, as well as logistics infrastructure assets with a total value of more than EUR 9 bn.

CPI Hungary Investments Kft intends to use the funds raised to implement environmental projects and initiatives that contribute to the achievement of sustainable development goals, such as "green" construction: buildings with a high level of energy efficiency and the use of energy-saving technologies, such as renewable energy.

The total volume of bonds issued amounted to HUF 30 bn (over EUR 86 mln in equivalent) with the maturity of 10 years, and a coupon rate set at 2.5%. Yield to maturity was fixed at 3.69%.

International Investment Bank purchased over EUR 33.8 mln worth of bonds in equivalent. With this investment IIB will make a significant contribution to further increase of its Hungarian portfolio. Major Hungarian commercial banks, insurance companies and investment funds were also among the investors for the issue.

The CPI Hungary Investments Kft green bond placement was arranged within the framework of the "Bond Funding for Growth Scheme" implemented by the National Bank of Hungary aimed to attract liquidity to the national capital market.

*"Having acted as the second largest investor after the Hungarian National Bank in a debut corporate placement of green bonds in the country, IIB made another important contribution to the ongoing development of financial markets of its member states, as well as of the entire region of Central and Eastern Europe." said Jozef Kollar, First Deputy Chairperson of the IIB Management Board. "This issue extends the list of financial instruments available to investors, paves way and sets a benchmark for new issuers of corporate green bonds, provides additional liquidity to capital markets and helps leading companies to implement their sustainability strategies and fulfil undertaken commitments in that area. Supporting such operations is fully in line with the IIB mandate of a multilateral development bank, and we are*

*pleased to play an important role in the implementation of this pilot initiative on the Hungarian market. "*