

## **IIB places EUR private placement under MTN Programme with historic 20-year maturity**

January 14, 2021

IIB kicks-off funding in 2021 by placing a transaction under its MTN Programme with a record-long maturity of 20 years. The new transaction in the amount of EUR 30 million and priced at MS+90 bps (0.95% annual coupon) will be listed on the Dublin Stock Exchange.

The investor in the deal is a German insurance company, falling in line with the Bank's objective to further diversify the investor base and showing significant investor confidence in IIB's name.

This deal provides for the longest-ever attracted maturity, which helps to improve the overall maturity profile of IIB's funding and extend the duration of its liabilities. Moreover, the return to EUR-denominated funding at extremely competitive pricing despite the significantly increased duration, with annual coupon equal to 95 bps, is a visible result of the constant improvement of IIB's credit profile.

The deal was arranged by Citigroup Global Markets Europe AG appointed as a dealer of the day under IIB's MTN Programme registered on Dublin Stock Exchange.

"In 2020, despite the pandemics, IIB was able to attract an extraordinary volume (almost EUR 600 million) of new funding and also break some of its previous funding records (size and price-wise). The new deal executed today is a great first step to continue in this extraordinary track record. This year we are planning to further continue our marketing strategy to the investors and following the publication of the 2020 Audited Financial Statements expected early-February, we will be holding our second Global Investor Call to inform transparently the broad investor base and share further details on IIB's financial performance and funding plan. We are also aiming to finalize the MTN update by the end of February." commented **Mr. Nikolay Kosov, Chairperson of the Management Board of IIB.**

"Year had just started but the investors had already shown a very high interest in IIB's name. Despite the increased market volatility, particularly at the long end of the benchmark curves, we are pleased to see interest for such a long maturity and still with very competitive pricing. The credit spread achieved with this deal (90 bps vs MS) is at par with our best 3-year RON deal from previous year showing no credit spread premium for a very significant maturity extension (17 years). This deal sets very positive expectations for our long-term funding for the whole year ahead." noted **Mr. Jozef Kollar, First Deputy Chairperson of the Management Board of IIB.**

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