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IIB will provide EUR 100 mln credit facility to MVM Group for the development of the Hungarian energy infrastructure - the largest loan disbursement in the Bank's recent history

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International Investment Bank has signed the largest credit facility agreement in its recent history with the leading Hungarian state-owned energy holding, MVM Magyar Villamos Művek Zrt. (MVM Group).

According to the terms of the deal, IIB will provide a loan of EUR 100 mln in HUF equivalent with a tenor of 15 years. The funds are aimed to support the large-scale modernization and further development of the Hungarian national natural gas energy infrastructure. MVM's natural gas distribution system operators (DSO's) network consists of 29 158 km pipelines and beside the renewal of the network and improving the quality of service the facility also available for installation of smart meters, introducing Metering Data Management systems and implementing smart city projects.

MVM Group is a leading player in the Hungarian power generation, trade, transmission and distribution, as well as gas supply markets, ensuring uninterrupted supply of affordable energy to more than 4.2 million consumers. Development and introduction of "clean" technologies based on renewable energy sources, primarily solar and wind, are also among the strategic priorities of the Group, which fully meets the IIB's mandate as an environmentally responsible development bank.

The company is actively developing in not only Hungary, but also consistently increasing its presence in other regions of the European Union, including EU member states of IIB - Czech Republic, Romania and Slovakia.

"The development of the Hungarian energy sector and the support of its core public utility fully complies not only with the provisions of our current strategy for 2018-2022, but also with the country strategy for Hungary. The fact that MVM Group conducts its operations in energy markets of numerous IIB shareholders gives this transaction an important long-term integration effect, which is one of the priorities of IIB investment policy", commented **Georgy Potapov, Deputy Chairperson of the IIB Management Board, in charge of Lending and Investment.**

"Thanks to the deal MVM Group succeeded to sign a long term and competitive financing agreement with another international financial institution. We are glad that IIB appreciates our solid business background, has confidence in MVM Group's ambitious strategy and supports to achieve our strategic goals even in the current challenging business environment," said János Sum, CFO of MVM Group.
<https://iib.int> (International Investment Bank)
<https://iib.int/en/articles/iib-will-provide-eur-100-mln-credit-facility-to-mvm-group-for-the-development-of-the-hungarian-energy>