



IIB's inaugural deal in local currency in Romania

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The International Investment Bank (IIB) has decided to participate in a syndicated facility for MEP Retail Investments S.R.L. (Romania) to acquire the Romanian retail network of supermarkets: [Profi](#). The syndicate participants also included the Citibank N.A., London Branch, Citibank Europe plc, Dublin, Romania Branch, ING Bank N.V., London Branch, Raiffeisen Bank International AG and UniCredit SpA.

The deal is strategically important for the Bank as the loan facility is being provided for the first time in a local currency.

The IIB's share in the syndicated loan is RON 75 million (about EUR 16.5 million) for a term of up to 7 years. The total volume of the syndicate is more than RON 1.3 billion (more than EUR 300 million). The deal was successfully closed in Q1 2017.

Profi operates as a chain of proximity supermarket stores. It leads the market in terms of revenue and EBITDA growth and, with nearly 12,000 employees, is one of the largest retail chains of grocery and household goods in Romania. Operating a network of close to 550 stores, Profi has the largest and coherent coverage of the Romanian territory, being present in more than 280 cities and towns located in all 41 countries of Romania and the Budapest municipality.

"In 2016, we made a successful placement of bond securities on the Bucharest Stock Exchange, so the IIB's participation in the syndicate is a targeted reinvestment of these funds raised into the economy of our shareholder, Romania. It is the first time that the Bank has financed such a deal in a local national currency. We plan to continue such a practice in the future," - said **Denis Ivanov**, Deputy Chairman of the Board of the Bank.

D. Ivanov stressed the importance of a social impact of the deal, which anticipates the expansion of Profi's activities, in particular the opening of new stores in smaller Romanian towns and remote areas. "With the support of the IIB, new jobs will be created and competition in Romanian retail sector will increase. It will inevitably benefit local customers and producers; generally, the wellbeing of the population will increase which is fully relevant to our mission," - added he.

The IIB is systematically growing its investments into the Romanian economy, is successfully raising funds on the local market and will hold its 107th Council Meeting in Bucharest in June. Aside from significant treasury operations such as the purchase of CCS' securities, the volume of signed agreements in relation to the Bank's investments into Romanian entities has exceeded within the last few years EUR 60 million, with a promising pipeline. The total funding raised on the Bucharest Stock Exchange reached RON 411 million (around EUR 90 million).

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