



INTERNATIONAL
INVESTMENT
BANK

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International Investment Bank issued ruble bonds

December 3, 2014

On December 2, 2014, the International Investment Bank placed its second ruble bond issue of series 03 in the amount of RUB 4 billion with a put option on June 2, 2015.

There were 13 bids received from investors. The total demand for IIB's bonds amounted to RUB 4.74 billion, the oversubscription of the issue represented almost 20%. The coupon rate has been set at 12.25% per annum, with the bids ranging from 12% to 12.40%.

Marketing of the issue with a target coupon rate of 12.25% started on November 20, against a background of rising oil prices that led to a local strengthening of the ruble on the Russian currency market. Nevertheless, on November 27, the decision by the representatives of OPEC to keep the oil production quotas unchanged led to a slump in oil prices and, correspondingly in the exchange rates of the ruble. Against this difficult background, the high demand for bonds, issued by an international financial institution, is significant.

«The special status of an international development institution and one of the highest credit ratings (A3/-/BBB-) on the Russian bond market allowed us to place our bonds within the targeted range. Taking into account the current situation on the commodity and currency markets, we are pleased by the results of the issue. IIB's securities are highly regarded by investors, in light of their low pressure on banks' capital and the possibility to be invested into with pension savings», noted the Chairman of the Board of the International Investment Bank, Nikolay Kosov.

«At present, there is a significant demand for funding, that's why we have a clear understanding of how to place the attracted resources with reliable borrowers while preserving targeted levels of interest margin», explained the Deputy Chairman of the Board, Denis Ivanov.

«We saw big interest from all groups of investors. In the difficult geopolitical and economic situation, investors gave preference to IIB's bonds. The Bank has good prospects on the debt market, and we are convinced that the interest in its securities will continue on the secondary market», stated the lead managers of the issue.

Lead managers of the placement: Bank ZENIT, Rosbank, Russian Agricultural Bank

Co-managers of the placement: CREDIT BANK OF MOSCOW, National Clearing Centre, Vneshprombank.

Underwriters: Eximbank of Russia, Investtorgbank.

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