



International Investment Bank successfully taps its outstanding April 2024 CZK bond issue

September 16, 2021

On September 14, 2021, as a first deal in the second half of the year, IIB successfully tapped its outstanding CZK 2,499 bn April 2024 bond issue. The deal comes directly following a successful Global Investor Call organized on the same day, where the Bank's financial results of 1H 2021 were presented.

The initial CZK 2,499 bn placement that took place in April this year, was one of the institution's most successful capital market transactions. The tap of the issuance follows up on this track record; it amounted to CZK 1,251 bn and was executed by Erste Bank Vienna as a Dealer of the day. The overall size of the issuance was brought up to CZK 3,75 bn, becoming the **biggest supranational issue in the CZK market and the largest bond issue by IIB ever**.

The tap was issued **flat related to the CZK IRS curve and it has obtained the tightest spread vs MS in the Bank's history** on euro after swap price basis reaching again a negative interest rate territory in full support of the ongoing trend to lowering of the cost of funding for IIB. Moreover, more than 70% of the Bank's current year funding was attracted at negative euro rates.

IIB placed its first CZK-denominated bond in April 2018, with a modest size of CZK 750 million. Since then, the Bank has become a regular Czech koruna issuer, establishing itself as one of the most in-demand names by local investor community. The tap issuance saw a granular book consisting of 9 Czech and 1 German investors - a vivid confirmation of the institution bringing deals to the market that are welcomed by the local investor community.

Another point to note is that due to the overwhelming demand for IIB's instruments the issuance volume was increased by 25% from the planned size, with the final order book significantly exceeding original expectations.

"We are continuously working with our investor community both through video and personal meetings. I am happy to see that this strategy is paying off and the Bank's investors are very appreciative of the transparency and the products provided", stated Mr. Jozef Kollar, First Deputy Chairperson of the IIB Management Board in charge of Treasury and Funding.