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Largest IFI bond issue placed on Bucharest Stock Exchange – IIB bonds

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With increased investor demand and more than twofold oversubscription, the International Investment Bank (IIB) successfully placed RON 300 million (more than EUR 67 million) of 3-year bonds on the Bucharest Stock Exchange on September 29, 2016. The symbolic opening ceremony of the trading session for IIB's securities, or so-called "mibovki", was held at the stock exchange with the participation of Deputy Chairmen of the IIB Board, Denis Ivanov and Alexandru Florescu, State Secretary of the Ministry of Public Finance and Head of the Romanian Delegation in the IIB Council, Attila Gyorgy, Chairman of the Board of BT Securities, Paul Prodan, high-level representatives of the stock exchange as well as representatives of other authorities and companies, which have supported the placement.

IIB's bond placement on the Bucharest spot-market has become the largest among international financial institutions (IFIs) in Romania in the past 10 years, together with a placement by the European Investment Bank in 2007, and exceeds the volume of placements made by other IFIs that are currently in circulation on the Romanian market. This is already the third bond issue of the Bank in the European Union and the second placement in Romania, in the national currency. In October 2015, the IIB carried out its first placement in Romania totalling RON 111 million (around EUR 25 million). The issue received an award from the Romanian Stockbrokers' Association for its contribution to the development of the Romanian bond market.

Denis Ivanov, Deputy Chairman of the IIB Board, commented: *"Continuously high demand for our securities is a testimony to the high creditworthiness and rating of the IIB as confirmed by global rating agencies. The Bank has the reputation of a reliable and modern development institution and – which is equally important – effectively reinvests raised funds into the economies of its member countries, in this case into projects and development programmes in Romania."*

"This is a major achievement not only for the IIB, but also for the Romanian market. We welcome the Bank in our country, both in terms of its investments as well as in terms of its capital market activities, which help us develop a modern, liquid financial market that spurs confidence of domestic investors, attracts other investors from abroad and creates a sound basis for the Romanian economy. The Ministry is ready to support the IIB in its future activities in our country," said **Attila Gyorgy** at the ceremony.

Lucian Anghel, President of Bucharest Stock Exchange, emphasized that, *"Bucharest Stock Exchange was used for the financing intermediation of over EUR 1 billion during the last 4 years, through corporate and municipal bonds, thus fulfilling an important role to ensure the resources needed to develop the national economy. We hope that this new IIB issue successfully completed, will encourage other entities to use local capital market for financing*

projects through such tools that allow greater flexibility."

IIB's new local placement on the Bucharest Stock Exchange attracted the attention of institutional investors not only from Romania, but also from Germany, Austria, Croatia and Czech Republic, thus considerably expanding and diversifying IIB's funding and enhancing the international attractiveness of the Romanian market. Also due to increased interest of international investors, the final interest rate was set at 3.4%, which is lower than the corresponding figure for the Bank's bonds placed in Romania in 2015.

IIB's second Romanian bond placement increases the total amount of financing attracted by the Bank since the launch of its long-term funding programme in April 2014 to more than EUR 570 million.

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