



Moody's updates credit opinion on IIB

March 28, 2016

On March 24, 2016, the international rating agency Moody's Investors Service updated its credit opinion on the International Investment Bank (IIB), thus confirming its stable financial position at the time of deteriorating external operating circumstances. On March 19, 2015, the Bank was assigned the rating of «Baa1» with a stable outlook.

IIB's investment rating and its stable outlook amid the ongoing degradation of the operating environment shows the reliability and the foothold of the Bank. It is a testimony to the Bank's supranational and diversified character, as well as to the absence of a direct tie to the rating of any single member state of the IIB.

In the official report, Moody's notes improvement of the liquidity management system and a high level of support from the shareholder countries, namely the existence of sizeable callable capital (from the member states with investment grade ratings) relative to debt obligations. Agency views positively statements by IIB's shareholders regarding their full support of the goals and objectives outlined in the renewed mandate of the Bank. The EUR 72 million increase in the multilateral development institution's paid-in capital in the form of new contributions by the members since the end of 2013 also confirms the fulfilment of the shareholders' commitments to the Bank.

Despite the changing market conditions, there has been no deterioration in the Bank's new loan portfolio. The share of non-performing loans remains substantially below 10% thanks to a new risk management system and the new credit policy, introduced by the Bank in 2013. Building up its lending and investment experience while maintaining and improving such indicators, the renewed Bank intends to continue working on a further increase of its rating.

Bank's achievements during the process of relaunching its operations, which began in late 2012, have also been reflected in the investment grade ratings from Fitch (BBB-, outlook stable) and the Chinese agency Dagong (A, outlook stable).