



Yet another successful placement of IIB's bonds for RUB 5 billion on Moscow Exchange

November 20, 2015

On November 19, 2015, the International Investment Bank successfully placed 10-year bonds of 04 series in the amount of RUB 5 billion (over EUR 70 million) on the Moscow Exchange. This issue of the so-called "mibovki" has become the sixth in Russia and Europe and the largest in terms of volume since the IIB entered the debt capital markets in April 2014. Currently, the total amount of bonds issued by the Bank in Russia, Slovakia and Romania, exceeds EUR 270 million.

Thus, the renewed IIB continues to attract long-term financing in order to expand its investment activities, at the same time contributing to development of the shareholders' capital markets and investing the raised funds in the economies of its member states.

The order book was opened on November 17 with an initial coupon rate of 11.8-12.00% p.a. During the book-building the marketed coupon rate was narrowed to 11.9-11.95% p.a. and as a result fixed at 11.9% p.a. The demand for IIB's bonds exceeded RUB 8 billion. The issue attracted banks, asset management firms and investment companies.

The nominal value of one bond is RUB 1 000. The interest will be paid twice a year. There will also be a put option in two years. The issue complies with requirements for inclusion in the CBR's Lombard List. The lead managers of the transaction are Rosbank and Sovcombank.

"Today's successful placement once again serves as a testimony to IIB's well-established reputation of a reliable financial institution. We very much appreciate the trust of investors, especially in the current unstable economic situation, and we intend to further implement our strategy of borrowing on local debt capital markets, aimed, in the first place, at support of the Bank's member states' economies," - commented **Nikolay Kosov**, Chairman of the Board of the International Investment Bank.

"We are grateful for the issuer's confidence in us to organise the placement of IIB's bonds. It has been very important for Sovcombank, which has recently become one of the most active participants on the debt capital market, to provide broad and successful distribution of the Bank's securities. Despite deteriorating economic environment, during the placement we recorded increased demand from investors due to the high credit quality and ratings of the issuer, which allowed, in the end, to successfully re-sign the issue at a low price", - commented **Mikhail Avtukhov**, Deputy Chairman of Sovcombank.

"IIB's issues remain some of the most interesting among the bonds of the financial sector, as evidenced by consistently high demand during the placement and the constant expansion of the investor base. We are pleased to be the lead manager of already the fourth and the largest IIB's placement, and we are confident in great prospects of the issuer on the capital markets," - stated **Yury Novikov**, Director of Debt Capital Markets of Rosbank.

Reference

JSC “Sovcombank” – a private, nation-wide operating commercial bank established in 1990. The bank ranks high in the national and international rankings of prestigious agencies: Standard&Poor's – ruA- (nat. scale), B (internat. scale), Fitch Ratings – A (nat. scale), B+ (internat. scale); RusRating – AA (nat. scale) BBB (internat. scale). At the beginning of November, Sovcombank ranked 22nd among the 100 largest Russian banks in terms of assets, with capital exceeding RUB 36 billion. In the bond placement rankings of the information agency CBONDS the bank ranks 7th in the composite ranking of lead managers, 3rd in the ranking of lead managers for the financial sector, 2nd in the ranking of lead managers for the municipal sector.

Rosbank – a universal bank, part of Societe Generale Group. Strategy of Societe Generale is based on further improvement of client services and maintenance of leadership in innovation, capturing growth through business development, increased synergies, and delivery of sustainable profitability. Rosbank serves more than 3.3 million individual customers in 71 regions of Russia. The bank's regional network numbers more than 550 outlets and 3000 ATMs. The Bank of Russia included Rosbank in the list of 10 systemically important credit institutions. Rosbank has been assigned credit ratings by international rating agencies Fitch Ratings (BBB-) and Moody's Investor Services (Ba2). Rosbank enters the list of the most reliable banks according to Forbes rating in 2015. The bank occupied first position in the list of the most expensive brands among financial institutions with foreign capital (Brand Finance, 2015). Rosbank received the National Banking Award of the Association of Russian Banks in the category "Contribution to the Development of Banking Services" (December 2014). It also received the bronze prize in the category "Best Trade Bank in Russia and the CIS" (TFR Awards, 2015). For more information, visit www.rosbank.ru