

**IMPORTANT NOTICE:** *This pricing notification is not an offer to sell the Bonds, and is not a solicitation of an offer to buy the Bonds in any jurisdiction where it is unlawful to do so. The Bonds shall be subject to the terms and conditions included in the offering circular dated 20 September 2016 relating to the Offering and, if the case, any supplement thereto.*

## PRICING NOTIFICATION

23 September 2016

The offering (the “**Offering**”) of bonds due 27 September 2019 (the “**Bonds**”)

by

International Investment Bank (the “**Issuer**”), a multilateral institution for development operating on the basis of the intergovernmental Agreement on the Establishment of the International Investment Bank of 10 July 1970 and the Statutes of the International Investment Bank attached to the Establishment Agreement, registered with the Secretariat of the United Nations on 1 December 1971 under number 11417

**Issue price:** 100 % of nominal value/Bond

**Issue date:** 27 September 2016

## PART A. – SUMMARY OF TERMS AND CONDITIONS

### CURRENCY, DENOMINATION, LEGAL FORM AND NATURE

|  |   |
|--|---|
| Currency   | RON   |
| Principal Amount   | RON 300,000,000                                   |
| Nominal Value of one Bond                                    | RON 10,000  |
| Settlement system  |   |
| <input checked="" type="checkbox"/> Depozitarul Central S.A. | Carol I Boulevard, District 1, Bucharest, Romania |
| <input checked="" type="checkbox"/> ICSD                     | Clearstream Banking, société anonyme              |

### INTEREST

Fixed Rate Bonds



|                                      |  |
|--------------------------------------|--|
| Interest Rate                        | 3.4%   |
| Interest Commencement Date           | 27 September 2016  |
| Interest Period                      | from, until, at the rate of<br>including excluding,<br>27 27 3.4%<br>September September                                       |
| The interest shall be paid regularly | Annually   |
| Interest Payment Date                | 27 September of each year, starting with the First Interest Payment Date and ending on the relevant Last Interest Payment Date |
| First Interest Payment Date          | 27 September 2017  |
| Last Interest Payment Date           | 27 September 2019  |


## REPAYMENT OF THE NOMINAL VALUE

|  |                   |
|--|-------------------|
| Maturity Date  | 27 September 2019 |
| Full repayment of the Nominal Value upon Maturity Date | Yes               |
| Early Repayment at the Issuer's option                 | No                |
| Issue Date   | 27 September 2016 |
| Issue Price  | 10,000 RON        |

## PAYING AGENT

Paying Agent (Interest and Nominal Value)

- ☒ Banca Transilvania S.A.  
Cluj-Napoca, 8 George Baritiu St.  
Romania

Deputy Chairman of the Board  
International Investment Bank  
 D. Ivan



## TAXATION

Yes

The Issuer shall pay additional amounts in case withholding tax or deductions apply (unless such withholding or deduction is required by law or another exception specified in the Terms and Conditions applies)

## APPLICABLE LAW AND JURISDICTION

### APPLICABLE LAW

☒ Romanian law

### JURISDICTION

☒ Romanian courts

## PART B. – OTHER INFORMATION

### INFORMATION REGARDING BONDS TO BE OFFERED OR ADMITTED TO TRADING

Bonds identification code

☒ ISIN

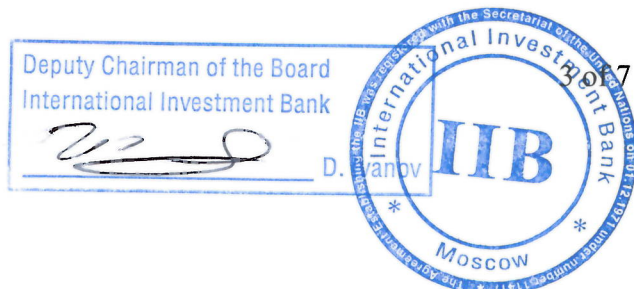
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### TERMS AND CONDITIONS OF THE OFFERING

Conditions, statistics of the Offering, estimate Offering Date and the subscription procedure applicable to the Offering

The Offering is addressed exclusively to:

Investors in Romania who are “qualified investors” within the meaning of article 2(1)(e) of the Directive 2003/71/EC, as amended (the “**Prospectus Directive**”), and to such other investors in Romania or such other jurisdictions where it is possible to do so, in reliance of Regulation S (“**Regulation S**”) under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) and without the need to publish a prospectus or undertake any other formalities



Offering Date on which subscriptions may be placed by Eligible Investors and the description of the subscription process

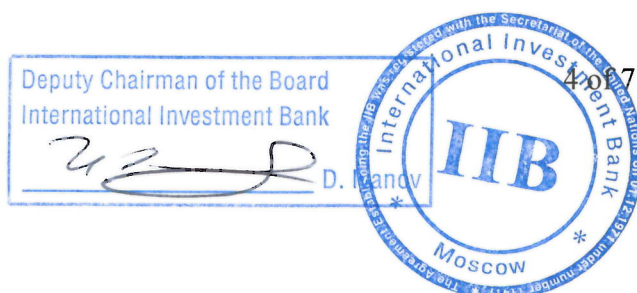
whatsoever under applicable law in reliance on article 3(2) of the Prospectus Directive, to the extent, and only provided that, an investment in the bonds does not constitute a violation of any applicable law by such investors (“**Eligible Investors**”).

23 September 2016, from 13:00 to 18:30.

For the purpose of establishing the Interest Rate, a bookbuilding process has been carried out by the Co-Lead Managers among Eligible Investors, during 21-23 September 2016. During the bookbuilding process, the Co-lead Managers evaluated the interest rate sensitivity of demand for Bonds from the Eligible Investors.

For such purposes, Eligible Investors were required to specify the number of Bonds which they would be prepared to acquire and the related interest rate at which they would be prepared to acquire such Bonds within an indicative range.

The allocation of Bonds shall be made by the Issuer in agreement with the Co-Lead Managers following the completion of the bookbuilding process among Eligible Investors, on 23 September 2016. If the Offering is oversubscribed and the foregoing parties fail to reach an agreement on the allocation of the Bonds by 13:00 on 23 September 2016, the Bonds shall be allocated to Eligible Investors on a *pro rata* basis. Eligible Investors shall thereafter be invited to subscribe for Bonds, on the Offering Date, based on the results of such allocation and in accordance with the subscription





procedures set out in the offering circular for the Offering.

Investors cannot refuse the Bonds allocated to them by the Issuer, in agreement with the Co-Lead Managers, and shall have no right to contest or oppose such allocation. The allocation of the Bonds made by the Issuer in agreement with the Co-Lead Managers is mandatory and is binding for the Eligible Investors.

Withdrawal of subscriptions

The subscriptions made on the Offering Date are irrevocable and may not be withdrawn or amended by the Eligible Investors.

Details on the minimum and/or maximum subscription amount (or number of Bonds or total amount)

Maximum subscription amount equivalent to Aggregate Maximum Principal Amount.

No minimum subscription requirements, other than those applicable as per the provisions of article 3(2) of the Prospectus Directive (in case an Eligible Investor subscribes pursuant to an exception thereunder which requires a minimum amount of the subscribed securities) apply to Eligible Investors. Subscriptions of fractions of Bonds are not permitted and any subscription for a fraction of a Bond shall be deemed invalid. Multiple subscriptions orders must be placed with the same Eligible Participant or Co-Lead Manager.

Method and time limitations for paying the securities and delivering the Bonds

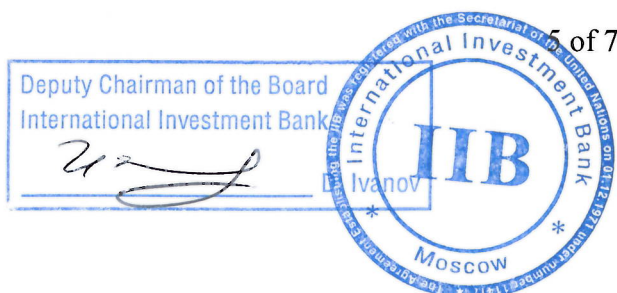
Delivery-versus-payment

Transaction Date: 23 September 2016

Settlement Date: 27 September 2016

Description of the manner and date on which the Offering results shall be made public

The Interest Rate was established by the Issuer, in agreement with the Co-Lead Managers, on the basis of the



bookbuilding results and is hereby notified to investors through this Pricing Notification published on the Issuer's web site <https://www.iib.int/en/>, on each Co-Lead Manager's website, <http://www.btcapitalpartners.ro/> and <https://www.bcr.ro>, respectively, and on the website of the Bucharest Stock Exchange [www.bvb.ro](http://www.bvb.ro).

The results of the Offering will be published in Romanian and/or English, as the case may be on the Issuer's web site <https://www.iib.int/en/>, on each Co-Lead Manager's website, <http://www.btcapitalpartners.ro/> and <https://www.bcr.ro>, respectively, and on the website of the Bucharest Stock Exchange [www.bvb.ro](http://www.bvb.ro).

## PLACEMENT AND SUBSCRIPTION

Name and address of the Co-Lead Managers

**BT Capital Partners S.A. (formerly, BT Securities S.A.) ("BTCP")**

74-76 Constantin Brancusi Street,  
Brancusi Business Center, ground floor,  
Cluj-Napoca, Cluj county, Romania

**Banca Comerciala Romana S.A. ("BCR")**

5 Regina Elisabeta Blvd., 3rd district,  
Bucharest, Romania

Name and addresses of the Eligible Participants

Any Participants (other than the Co-Lead Managers) who (i) have signed an irrevocable and unconditional undertaking to observe the provisions of the offering circular relating to the Offering, the Pricing Notification and the applicable law, in the form agreed by the Co-Lead Managers and (ii) have transmitted such undertaking, to BTCP.



## ADMISSION TO TRADING

Listing

Yes

☒ International Bonds tier of the Regulated  
Spot Market of the Bucharest Stock  
Exchange

The Issuer may apply for admission of the Bonds to  
trading on any other regulated market in the  
European Union (at the discretion of the Issuer)

Date of admission to trading

on or around 29 September 2016

## ADDITIONAL INFORMATION

Rating

Issuer: **Baa1** with stable outlook by  
Moody's Deutschland GmbH, **BBB-**  
with stable outlook by Fitch Ratings  
CIS Ltd, **BBB** with stable outlook by  
Standard & Poor's Credit Market  
Services Europe Limited and **A** with  
stable outlook by Dagong Global Credit  
Rating Co., Ltd

The Bonds are expected to be rated under the terms  
of the Issuer's agreements with international rating  
agencies

Yes, by at least two of the international  
rating agencies above.

Collection accounts:

RO96BTRL01301202925690XX  
opened with Banca Transilvania S.A.  
Cluj and  
RO36RNCB0002B00108104762  
opened with Banca Comerciala Romana  
S.A.

BTCP contact persons:

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