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Moscow

### **Citi Acted as Bookrunner of Gazprom's Largest Ever Ruble Bonds Deal**

#### **The total book exceeded RUB45 bn – the largest ever in the history of RUB market**

Moscow – Gazprom made its largest to date visit to the ruble bond market this year resulting in two bond issues with the total amount of RUB 15 bn. Citi, acting as a joint bookrunner for the transaction supported this successful return of Gazprom to the RUB market after more than two years of absence.

The orderbook opened on Friday June 19 and closed 3 times oversubscribed on Friday June 26 at around RUB45 bn of orders. The strong investor demand allowed a revision of the price guidance from the initial. The RUB 10bn tranche with 3 years maturity and 1 year put option priced at 13.12% with initial price guidance announced at 13.5-14% and revised price guidance of 13.25-13.5%. This is the lowest priced corporate fixed coupon ruble bond after the re-opening of market in April 2009. The RUB 5bn tranche with 5 years maturity and 2 years put option was priced at 13.75% at the lower end of the initial price guidance of 13.75-14.5%.

Citi and Gazprombank acted as Joint Lead Arrangers and Joint Bookrunners for the offering. Horison, Renaissance Capital and Uralsib acted as Co-Arrangers.

**Zdenek Turek**, CEO Citi Russia and CIS, said: "This record setting deal is the strong illustration of the gradual revival in Russian capital market. The total book exceeded RUB45 bn which is the largest ever book in the history of RUB market."

In 2008 Cbonds ranked Citi #1 arranger in Russia and CIS and in the Eurobond market. The total value of the issues arranged by Citi in Russia and CIS made up \$3.75 billion for 2008. This corresponds to a 14.25% market share. Among the most important issues which contributed for the current Citi's success, are \$3bn deal for KazMunayGas, which won the accolade of IFR's CEEMEA Deal of the Year, \$2bn Vimpelcom's offering, being largest CIS private deal, which was awarded Credit Magazine's Global EM Bond of the Year, and \$1.5bn Gazprom issue with a record-breaking order book of \$10bn.