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Moscow

Citibank acted as a joint lead arranger and bookrunner of Credit Europe Bank rub 4 billion bond issue

Citi acted as a Joint Lead Arranger and Bookrunner of CREDIT EUROPE BANK new RUB bond issue series 06 with nominal amount of RUB 4 billion with 3 years maturity and 1.5 years put option.

The bonds were placed on MICEX. The orderbook was over RUB 22 billion and closed 5 times oversubscribed. Due to high interest coming from more than 70 investors and strong oversubscription the deal was successfully priced at 8.3%, way below the initial price guidance of 8.4-8.9%.

Nikita Gusakov, Head of Citi DCM Moscow commented: "The book exceeded the volume of the bond issue and closed 5 times oversubscribed that is an impressive result of bookbuilding for the private bank placement in the local market. New RUB bond issue is the 3d consecutive capital markets transaction arranged by Citi for CREDIT EUROPE BANK. We are happy to see rising interest from investors as indicates investors' confidence based on strong positions of CREDIT EUROPE BANK in the local market."

CREDIT EUROPE BANK President Haluk Aydinoglu said, "This transaction is the most successful banking sector bond placement in the ruble bond market so far this year. Investor demand and the terms of the issue lead us to hope that this placement will be one of CREDIT EUROPE BANK's most liquid transactions in the ruble bond market. The high quality work of the Arrangers and very strong financials of our bank resulted in the successful outcome of the placement, and fulfilled our expectations. As a bank we will continue our strategy for conservative credit policies, tight cost management, diversified funding and focus on customer needs."

Co-Managers: BC Region, Regional Credit Bank, Sovcombank, BCS, Bank Rossiya, UBRR, Credit Suisse Moscow, Russian Standard Bank, Zenit Bank, Promsvyazbank, Otkritie Bank, Petrocommerce Bank, Deutsche Bank, Globex Bank

Underwriters: J.P.Morgan, HSBC, Alef-Bank, Moscow Credit Bank, Pervobank, Agrostandard AM, Nomos Bank, Vyatka Bank, MBRR, MDM Bank, Rublev Bank, FinansSecurities.

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ZAO Citibank was one of the first banks with foreign capital that entered Russian market in 1993. Citibank has since grown to become one of the largest banks in the country. Citibank offers its corporate and individual clients a broad range of [products](#) and [services](#). At present, the Bank has over 3,000 employees; its distribution network includes over 350 [ATMs](#), [retail branches](#) across major cities in Russia, Kazakhstan, and Ukraine.