

Gazprom successfully completes record bond offering

On 31 July 2018, Gazprom successfully placed RUB 40 bn worth of bonds on the Moscow Exchange, with the coupon rate of 8.10% p.a. and the yield of 8.26% p.a. The bonds have a maturity of 30 years and a put option of 7 years.

The bookbuilding started on 24 July 2018, with the initial coupon guidance of 8.10%–8.25% p.a. The offering drew over 50 bids from a wide group of investors for a total of approximately RUB 55 bn. The strong interest from the investment community enabled the Company to set the final coupon rate at 8.10% p.a. The final spread to OFZ (the zero-coupon yield curve for federal loan bonds for seven years) amounted to 54 bps.

The value of the deal hit the historic high in terms of volume both among Gazprom's and other Russian corporate bond offerings with a 7-year maturity.

Gazprombank, VTB Capital, Renaissance Capital and Sberbank CIB acted as arrangers of the deal.

Gazprombank acted as the placement agent.