
Russian Tatneft closes USD 1 billion syndicated loans

Sunday, 15 Nov, 2009

Reuters reported that Russian oil firm Tatneft has agreed a USD 1.5 billion loan increased after launching to syndication with initial commitments worth USD 900 million.

Tatneft announced in August it had launched the loan, which is secured on oil exports and is split between a three year tranche that pays 585 basis points over LIBOR and a five year tranche that pays 685 bps.

Coordinating mandated lead arrangers are UniCredit and WestLB, while Royal Bank of Scotland is initial mandated lead arranger. All three are bookrunners along with mandated lead arranger Gazprombank. Nordea and Bank of Moscow are mandated lead arrangers and Vitol joined as an original lender prior to syndication.

Tatneft said in the statement that thirteen further banks joined the loan in syndication, raising well above the USD 1.5 billion target amount.

Banking sources had previously told Reuters LPC the deal raised around USD 1.9 billion in total. Proceeds are for general corporate purposes, including the borrower's refinery and petrochemical complex currently being constructed at Nizhnekamsk in Tatarstan.

In syndication, lenders were invited to commit USD 75 million or more as mandated lead arrangers, USD 50 million as lead arrangers, or USD 25 million as arrangers.

The first phase of the refinery is expected to have an annual capacity of 7 million tonnes.

Tatneft is controlled by the regional administration of the Republic of Tatarstan.

(Sourced from Reuters)

For more news visit at www.steelguru.com