

Rosneft Offers Buyback to Shareholders Voting Against China Discount

By [The Moscow Times](#)

March 21, 2012

The  Moscow Times

Russia's largest oil company Rosneft will ask shareholders to approve a discount of \$1.5 per barrel on oil sales to China at a meeting next month, RIA-Novosti reported Wednesday, citing company documents.

Rosneft will offer to buy back shares from shareholders who vote against the measure.

The oil giant promised the price concession to China last month to resolve a long-running feud. Earlier this month, State Duma deputy Nikolai Komomeitsyev asked President Dmitry Medvedev and Prosecutor General Yuri Chaika to investigate Russia's oil contracts with China, after media reports said contract revisions could cost Russia around \$3 billion, RIA-Novosti reported.

On Wednesday, ratings agency Standard & Poor's confirmed Rosneft's long-term rating of BBB- and changed the prognosis from positive to stable, saying that despite high oil prices, the company's operating cash flow is expected to be negative this year due to capital

investment costs.

Original url:

<https://www.themoscowtimes.com/2012/03/21/rosneft-offers-buyback-to-shareholders-voting-against-china-discount-a13461>