

Demand Prompts Rosneft to Revise Loan

By [The Moscow Times](#)

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International banks' appetite for Rosneft's \$15 billion loan has prompted the oil company to cut the interest margin and lower its request for commitments by lenders from \$2.5 billion to about \$1.5 billion, several bankers said.

The financing will back Rosneft's bid for British oil company BP's 50 percent stake in TNK-BP.

The debt will be made up of a bridge loan, term loans and bonds. Up to 14 international banks have responded to Rosneft's revised terms. The original terms were tweaked in late September.

"Rosneft has squeezed down the commitments as more banks have come in, which has led to competitive tension," one European banker said Monday.

A second banker said uninvited banks were "firing in their offers."

Under the revised terms, lenders are asked for commitments of \$1 billion on a bridge loan — halved from \$2 billion — and about \$500 million on a five-year term loan, which remains unchanged. The bridge loan is split between two installments with maturities of one and two years.

The term loan initially carried an interest margin of 240 basis points and an all-in cost — the margin plus fees payable to lenders — of 300 basis points, in line with the borrower's \$2.6 billion deal in April.

However, lender demand for the new loan has resulted in Rosneft's all-in cost being reduced for both the bridge and the term loans to well below 300 basis points, the bankers said.

Participating lenders include Bank of America Merrill Lynch, Bank of Tokyo-Mitsubishi UFJ, BNP Paribas, Citi, JP Morgan, Societe Generale, SMBC and UniCredit, three bankers said.

Rosneft will receive extra support from three of Russia's top banks — Gazprombank, Sberbank and VTB — as they consider bilateral loans of about \$1 billion each, a Russian banker said.

Rosneft was not available to comment on the deal, which would be the country's third-largest corporate loan and would boost weak loan volumes in the country this year.

Russian borrowers raised \$15 billion in the first nine months of 2012, the lowest nine-month total since 2009, according to Thomson Reuters LPC data.

Bidding will open this week for BP's half of TNK-BP. Rosneft has been pegged as the likely buyer.

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