

Russia's United Wagon Company Sets IPO Price

By [The Moscow Times](#)

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Russian railcar manufacturer United Wagon Company said on Tuesday it had set a price of 700 rubles (\$13) a share for its initial public offering, Russia's first stock float in more than a year.

The price, in the middle of the company's 650-750 rubles range, suggests United Wagon Company is on course to raise 3.9 billion rubles (\$75 million) by offering at least 14 percent of its shares on the Moscow exchange.

Shares in United Wagon Company, part of the ICT Group headed by Russian billionaire Alexander Nesis, will be traded publicly from April 30, the company said in a statement.

The firm plans to offer 5.6 million additional shares as part of the deal, while the rest will come from its owner, the company said.

Russia's most recent IPO was by budget hypermarket chain Lenta in February last year, weeks before Moscow annexed the Black Sea peninsula of Crimea from Ukraine.

The resulting Western sanctions over Moscow's involvement in Ukraine, and a collapse in global oil prices, have hit the Russian economy hard, with the Central Bank forecasting a contraction of 3.5 percent to 4 percent this year.

Chief Executive Roman Savushkin said United Wagon Company would use the new capital to fund development and increase market share.

"I, along with other members of top management, have decided to participate in the IPO as investors and acquire ... shares worth up to 20 million rubles," he added.

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