



# SPAFID CONNECT

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Oggetto : Snam successfully places EUR 400 million equity-linked bonds due March 2022

*Testo del comunicato*

Vedi allegato.



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### **Snam successfully places EUR 400 million equity-linked bonds due March 2022**

San Donato Milanese, 14 March 2017 – Following the press release published earlier today, Snam (rated Baa1 by Moody's, BBB by S&P and BBB+ by Fitch) (the "**Company**") announces today the successful placement of a EUR 400 million offering of equity-linked bonds (the "**Bonds**").

The Bonds will have a maturity of 5 years. The Bonds will be issued at par and will not bear any interest.

The initial conversion price of the Bonds has been set at EUR 4.8453, representing a premium of 26% above the volume weighted average price (the "**VWAP**") of the ordinary shares of the Company (the "**Shares**") as observed on the Italian Stock Exchange (*Borsa Italiana S.p.A.*) between the launch and the pricing of the Bonds.

*"We have completed a transaction which allows us to create further value from our share buyback program and to achieve cost effective funding, with accretive impact on our cash flow",* Marco Alverà, CEO of Snam, said. *"This convertible bond is part of Snam's efforts to optimize its debt structure, and confirms investor confidence in Snam's equity story".*

The Bonds may be converted into Shares, subject to the approval by a general meeting of the shareholders, to be held on or before 20 June 2017 (the "**Long-stop Date**"), of the transfer and delivery of the Shares purchased under the Share Buyback Plan approved on 1 August 2016 together with any other existing Shares held by the Issuer, to satisfy the conversion of the Bonds (the "**Shareholder Resolution**") and provided that the Issuer has given a Physical Settlement Notice (as defined below). In this regard, the Company previously announced that the meeting of the Board of Directors of Snam held on 6 March 2017 resolved to call the general meeting of the shareholders on 11 April 2017 for the authorisation, *inter alia*, of the disposal of the Shares.

If the Shareholder Resolution is passed, the Company shall give a notice (the "**Physical Settlement Notice**"), as soon as practicable (and in any event within 5 days) following the general meeting, to the holders of the Bonds specifying a date which shall not be later than 2 dealing days after the date on which the Physical Settlement Notice is given, from which the holder of each Bond shall have a right to convert such Bond into Shares.

If the Shareholder Resolution is not passed or no general meeting of the Shareholders is held before the Long-stop Date, the Company may elect to redeem all of the Bonds at the greater of (i) 102% of the principal amount of the Bonds and (ii) 102% of the Fair Bond Value of the Bonds (as defined in the terms and conditions of the Bonds), by giving notice to the holders of the Bonds.



The Company may redeem all the Bonds at their principal amount (i) at any time on or after 14 April 2020 if the VWAP of the Shares as observed for a certain period of time exceeds 130% of the prevailing conversion price, or (ii) at any time if, prior to the date the relevant Optional Redemption Notice (as defined in the terms and conditions of the Bonds) is given, conversion rights and/or settlement rights shall have been exercised and/or purchases and cancellations and/or redemptions effected in respect of 85% or more of the principal amount of the Bonds originally issued.

If, for any reason, the number of Shares deliverable upon conversion of the Bonds exceeds the number of Shares that the Company has available for delivery, the Company shall deliver to each relevant holder of the Bonds upon conversion of its Bond a combination of Shares and cash.

The Bonds will be redeemed at their principal amount on 20 March 2022 unless there is an early redemption, or if the Bonds have been previously converted or repurchased by the Company. Settlement and closing of the Bonds will take place on 20 March 2017.

The Company intends to submit an application to admit the Bonds to trading on the Third Market of the Vienna Stock Exchange no later than 90 days following the issue date, and intends to request the assignment of a rating to the Bonds from at least one of the rating agencies that currently evaluate the creditworthiness of the Company.

The net proceeds deriving from the offering of the Bonds will be used for general corporate purposes of the Company (including the purchase of the Shares pursuant to the Share Buyback Plan).

BNP PARIBAS, Goldman Sachs International and JP Morgan acted as Joint Global Coordinators and Joint Bookrunners (the “**Joint Bookrunners**”) of the placement of the Bonds. Orrick, Herrington & Sutcliffe (for the Company) and Allen & Overy (for the Joint Bookrunners) acted as legal advisors.

This announcement (and the information contained therein) does not constitute or form part of any offer to sell nor a solicitation of any offer to buy any securities nor shall there be any offer of securities in any jurisdiction in which such offer or sale would be unlawful. It may be unlawful to distribute this announcement in certain jurisdictions. This announcement does not constitute an offer of securities for sale in the United States, Canada, South Africa and Japan and in any jurisdiction in which such offer or sale would be unlawful and is not for publication or distribution in any such jurisdictions. The securities referred to in this announcement have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This announcement is not a public offer of financial products in Italy as per Article 1, para. 1, letter. t) of Legislative Decree no. 58 of February 24, 1998. The documentation relating to the offer has not been/will not be submitted



Press release

to the approval of CONSOB.

Fine Comunicato n.0542-40

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