

Rating Action: Moody's Interfax reviews for downgrade national scale ratings of 8 Russian non-financial corporates

Global Credit Research - 22 Jan 2016

Moscow, January 22, 2016 -- Moody's Interfax Rating Agency has today placed the national scale ratings (NSRs) of 8 Russian non-financial corporates on review for downgrade. Moody's Interfax is majority-owned by Moody's Investors Service (MIS).

A full list of ratings affected by this action is provided at the end of this press release.

Please see ratings tab on the issuer/entity page on moodys.com for information on Global Scale Rating.

RATINGS RATIONALE

Today's decision to place the NSRs of 8 Russian non-financial corporates on review for downgrade follows the review for downgrade of their global scale ratings (GSRs) by MIS. Please see respective MIS press releases of 22 January 2016 for details https://www.moody.com/research/--PR_342628 and https://www.moody.com/research/--PR_342641

FACTORS TO BE CONSIDERED IN THE RATING REVIEW

Although all issuers in integrated oil and gas, independent exploration and production, oilfield services and mining sectors have been adversely affected by declining commodity prices, severity varies substantially by issuer. Accordingly, the range of possible outcomes upon conclusion of the review for given issuers varies from possible confirmation of ratings to downgrades. Moody's expects to conclude the review by the end of the first quarter.

LIST OF AFFECTED RATINGS

On Review for Downgrade:

..Issuer: Bashneft

.... Corporate Family Rating (Local Currency), Placed on Review for Downgrade, currently Aa1.ru

..Issuer: Tatneft PJSC

.... Corporate Family Rating (Local Currency), Placed on Review for Downgrade, currently Aa1.ru

..Issuer: OAO Novatek

.... Corporate Family Rating (Local Currency), Placed on Review for Downgrade, currently Aa1.ru

..Issuer: RussNeft

.... Corporate Family Rating (Local Currency), Placed on Review for Downgrade, currently Baa1.ru

..Issuer: JSC Holding Company METALLOINVEST

.... Corporate Family Rating (Local Currency), Placed on Review for Downgrade, currently Aa2.ru

..Issuer: Nord Gold N.V.

.... Corporate Family Rating (Foreign Currency), Placed on Review for Downgrade, currently Aa3.ru

..Issuer: MMC Norilsk Nickel, PJSC

.... Corporate Family Rating (Local Currency), Placed on Review for Downgrade, currently Aa1.ru

..Issuer: Neftserviceholding LLC

... Corporate Family Rating (Local Currency), Placed on Review for Downgrade, currently A2.ru

The principal methodology used in rating Bashneft and Tatneft PJSC was Global Integrated Oil & Gas Industry published in April 2014. Other methodologies used include the Government-Related Issuers methodology published in October 2014.

The principal methodology used in rating OAO Novatek and RussNeft was Global Independent Exploration and Production Industry published in December 2011.

The principal methodology used in rating JSC Holding Company METALLOINVEST, Nord Gold N.V. and MMC Norilsk Nickel, PJSC was Global Mining Industry published in August 2014.

The principal methodology used in rating Neftserviceholding LLC was Global Oilfield Services Industry Rating Methodology published in December 2014.

Please see the Credit Policy page on www.moodys.com for a copy of these methodologies.

Moody's Interfax Rating Agency's National Scale Ratings (NSRs) are intended as relative measures of creditworthiness among debt issues and issuers within a country, enabling market participants to better differentiate relative risks. NSRs differ from Moody's global scale ratings in that they are not globally comparable with the full universe of Moody's rated entities, but only with NSRs for other rated debt issues and issuers within the same country. NSRs are designated by a ".nn" country modifier signifying the relevant country, as in ".ru" for Russia. For further information on Moody's approach to national scale ratings, please refer to Moody's Rating Methodology published in June 2014 entitled "Mapping Moody's National Scale Ratings to Global Scale Ratings".

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Moody's Interfax Credit Rating Agency (MIRA) specializes in credit risk analysis in Russia. MIRA is a joint-venture between Moody's Investors Service, a leading provider of credit ratings, research and analysis covering debt instruments and securities in the global capital markets, and the Interfax Information Services Group. Moody's Investors Service is a subsidiary of Moody's Corporation (NYSE: MCO).

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