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ACRA assigns AAA(RU) to RU000A101ZH4 bond issued by Russian Post JSC**Lead analysts:**

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Credit rating rationale. The issue represents senior unsecured debt of [Russian Post JSC](#) (hereinafter, the Company). Due to the absence of either structural or contractual subordination of the issue, ACRA regards it as *pari passu* with other existing and future unsecured and unsubordinated debt obligations of the Company. According to the ACRA methodology, and taking into account high creditworthiness as well as the absence of any substantial secured debt obligations, the Agency applies a simplified approach, under which the credit rating of the issue is equivalent to that of the Company, i.e. AAA(RU).

The credit rating of the Company is a result of its very high systemic importance for the Russian economy, very high influence of the government on the Company, very strong market positions, strong business profile, large size, and medium profitability and leverage.

According to ACRA's estimates, the issue will not affect the coverage and leverage indicators of the Company. Issue proceeds are expected to be used for general corporate purposes.

The Company is the operator of the Russian government postal network, operating in all regions of the country. The Company's product range includes all types of postal services (delivery of written correspondence and postal items, international postal service, etc.), money transfers and delivery of pension payments, utility payments, and it acts as a consumer goods supplier in remote towns and settlements. The Company is 100% owned by the state.

Key issue properties

Issuer	Russian Post JSC
Issuer's credit rating	AAA(RU), outlook Stable
Actual issuer	Russian Post JSC
Type of security	Certified exchange-traded interest-bearing non-convertible unregistered bond, subject to centralized title registration, BO-001R-10 series
Issue volume	RUB 10 bln
ISIN / Reg. No.	RU000A101ZH4 / 4B02-10-16643-A-001P
Placement start date	August 4, 2020
Maturity date	July 23, 2030
Option date	August 2, 2024

Regulatory disclosure

The credit rating has been assigned under the national scale for the Russian Federation based on the [Methodology for Assigning Credit Ratings to Individual Issues of Financial Instruments under the National Scale of the Russian Federation](#), and the [Key concepts used by the Analytical Credit Rating Agency within the scope of its rating activities](#).

The credit rating has been assigned to BO-001R-10 series (RU000A101ZH4) bond issued by Russian Post JSC for the first time. The credit rating is expected to be revised within one year following the publication date of this press release.

The assigned credit rating is based on data provided by Russian Post JSC, information from publicly available sources, and ACRA's own databases. The credit rating is solicited, and Russian Post JSC participated in its assignment.

No material discrepancies between the provided data and data officially disclosed by Russian Post JSC in its financial statements have been discovered.

ACRA provided no additional services to Russian Post JSC. No conflicts of interest were discovered in the course of credit rating assignment.

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