

# Saudi Aramco

## USD25.6Bn Initial Public Offering of Saudi Aramco

### Case Study

<b>The Client</b>	Saudi Aramco is a Saudi Arabian national petroleum and natural gas company based in Dhahran, Saudi Arabia.
<b>The Challenge</b>	<p>With 85 years of track record, Saudi Aramco has the leading global market share in oil production (c. 13%), produced 1 in 8 barrels of global crude in 2018 and is a fully integrated global energy and chemicals business.</p> <p>The public offering is part of an effort to diversify Saudi Arabia's economy and make it less dependent on oil. The capital from the sale will go into the sovereign wealth fund (Public Investment Fund, PIF) to help boost the economy and create new, non-oil sectors.</p> <p>It is the largest company in the world by revenue with a market capitalization of USD 1.7 trillion at the time of its IPO in December 2019.</p>
<b>The Solution</b>	<p>Citi acted as a Joint Financial Advisor and a Joint Global Coordinator on the IPO. Citi had the lead role in developing the equity story, investment thesis and positioning as well as on all key work streams related to investor marketing including Early Look, Roadshow, and investor deep dive presentations.</p> <p>Citi also played a role of Trusted lead coordinator role for global early look investor marketing and deep dive sessions.</p>
<b>The Result</b>	<p>This was a landmark transaction that represented the largest IPO in history, raising USD 25.6 billion (1.5% of ARAMCO's market capitalization of USD 1.7 trillion at the time of IPO).</p> <p>Total deal size amounted to USD29.4 billion (1.7% of the Company) after considering 15% greenshoe.</p> <p>The investors showed a strong interest with total gross demand of USD119 billion (4.6x oversubscription).</p>