

RusAl Sues to Halt Norilsk's Buyback

By [The Moscow Times](#)

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A RusAl employee pouring molten aluminum at the Bogoslovsky smelter. Norilsk says RusAl's claims are invalid.

United Company RusAl, billionaire Oleg Deripaska's aluminum company, filed lawsuits to stop Norilsk Nickel's planned share buyback.

RusAl's investment-management company filed a suit at the Krasnoyarsk Arbitration Court in Siberia against Norilsk and affiliates asking that the repurchase "be declared invalid," the court said in a statement on its web site. One of the suits also sought the end to a planned share transaction involving Trafigura Beheer, the court said, without elaborating.

Trafigura, the second-largest trader of nonferrous metals, has agreed with Norilsk to buy an 8 percent stake in the nickel producer. An official at RusAl, the world's biggest aluminum producer, confirmed by phone that the company filed the lawsuits, declining to comment further.

Norilsk Nickel said it noted information published on the web sites of Russian courts that

RusAl filed claims to invalidate an offer to buyback shares and a sale of American Depositary Receipts to Trafigura Beheer. Norilsk said in an e-mailed statement Friday that it hadn't received copies of the claims and believed that they had no basis.

RusAl owns a 25 percent stake in Norilsk, and Deripaska is battling fellow shareholder Vladimir Potanin for control of Russia's largest mining company.

Deripaska has rebuffed two offers to sell his Norilsk holding since October.

Norilsk said Dec. 29 that it planned to buy back as much as \$4.5 billion of stock at above-market prices after failing in its latest bid to take back RusAl's shareholding.

Norilsk Nickel said net income almost doubled last year as demand increased.

The company's profit exceeded \$5 billion last year, chief executive Vladimir Strzhalkovsky told Prime Minister Vladimir Putin on Friday at a meeting attended by reporters. That would beat the \$4.81 billion average estimate of eight analysts in a Bloomberg News survey.

Russia's biggest mining company posted \$15 billion in revenue in 2010, Strzhalkovsky said. Norilsk reported \$2.65 billion profit and \$8.44 billion in revenue in 2009.

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