

Possible \$3.1Bln Metalloinvest Loan

By [The Moscow Times](#)

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Iron ore miner Metalloinvest will more than double the size of a new loan to \$3.1 billion as it seeks to add assets and refinance debt, according to a person with knowledge of the agreement.

Metalloinvest will get a \$3 billion five-year loan and a \$100 million seven-year loan, after initially hiring Deutsche Bank and BNP Paribas to arrange a \$1.2 billion five-year pre-export facility in February, said the person, who declined to be identified because the transaction is confidential.

The company, which had \$4.1 billion of debt at the end of 2010, plans to raise iron ore output 9.7 percent this year as use of the steelmaking material grows. Billionaire owner Alisher Usmanov said this month that Metalloinvest also intends to buy stock in Norilsk Nickel, which almost doubled profit in 2010 as demand for the metal rebounded.

"We need this loan to refinance our debt and to buy new assets," Eduard Potapov, chief executive of Metalloinvest, said Wednesday by e-mail, without commenting on the proposed

size of the facility or elaborating on the company's acquisition plans.

BNP Paribas can't comment on the size of the loan until the deal is concluded, Helen Guillemot, a spokeswoman for the Paris-based bank, said by e-mail. Sebastien Avot, a London-based spokesman for Deutsche Bank, declined to comment.

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