

Raspadskaya Proposes First Dividend in 2 Years

By [The Moscow Times](#)

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Raspadskaya, the coal producer that suffered fatal blasts at its biggest mine in 2010, proposed its first dividend in more than two years after higher prices for the steelmaking material boosted earnings.

The board recommended a first-half dividend of 5 rubles a share, totaling 3.9 billion rubles (\$140 million), the Kemerovo-based company said Tuesday in a statement. That exceeds the 3.75 ruble interim payout in April 2008, the largest to date, and would be the first dividend since February 2009.

The company's net income more than doubled last year as coal prices advanced, helping counter a loss of production from its main mine near Mezhdurechensk in Siberia after explosions in May 2010 killed 90 people. First-quarter coal output rose 39 percent from the previous three months after the company ramped up production at the mine, according to an April 13 statement.

Raspadskaya's biggest shareholders are its management and Evraz Group, with 40 percent each. Evraz, the steelmaker part-owned by billionaire Roman Abramovich that said in March it was considering options for its stake, may be preparing a takeover bid, brokerage Troika Dialog said in June. Media reports have previously cited billionaire and owner of Gunvor energy trader Gennady Timchenko, Severstal, Novolipetsk Steel and Mechel as possible suitors.

Evraz Group on June 22 offered holders of its convertible bonds due in 2014 a 23.5 percent premium to switch to shares early. Lanebrook Ltd., which represents investors including Abramovich and owns 72.9 percent of Evraz, plans to turn \$200 million of bonds bought in July 2009 into stock, it said at the time.

The resumption of dividends may signal that talks to sell Raspadskaya to a third party came to a "dead end," Marat Gabitov, an analyst at UniCredit in Moscow, said by telephone Tuesday.

Raspadskaya shares gained for a fourth day Wednesday, rising more than 3 percent that day to sell at \$6.60 a share on the RTS exchange at 4 p.m. in Moscow.

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