

Mechel Sells Assets to Finance Development

By [The Moscow Times](#)

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Coal miner Mechel is selling its ferroalloy assets to Turkey's Yildirim Group for \$425 million and will use the proceeds to shrink its debt of more than \$9 billion as well as invest in core projects, it said.

The coal, iron ore and steel group, one of the country's largest, has cut investments and put noncore assets on the market to service the billions in debt it amassed in a dash for growth before the 2008 financial crisis.

"The funds our company will get from this deal will help the company to deleverage and continue to finance its priority development projects," Mechel's chief executive Evgeny Mikhel said in a statement Thursday.

The assets Mechel is selling to Yildirim Group, Turkey's biggest chrome ore producer, include its Kazakh mining plant with probable chrome ore reserves of 20 million tons and its Tikhvin

plant in Russia, which produces 120,000 tons of ferrochrome per year.

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