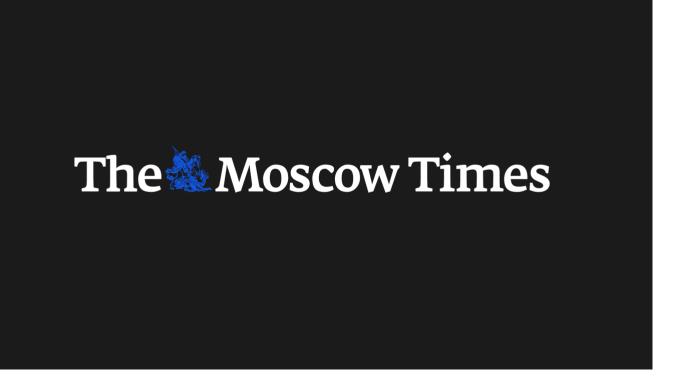


Mechel Unloads Ukrainian Plant For 2,000 Euros

By The Moscow Times

August 21, 2013



Vadim Varshavsky, founder of the steel holding company Estar, is trying to regain the assets he sold to the now debt-laden Russian steel and coal producer Mechel.

The first business returned will be the Donetsk Electrometallurgical Plant, a steel plant in Ukraine sold by Varshavsky for \$537 million in 2011 due to debts estimated at \$1 billion to \$1.5 billion, Kommersant reported.

Mechel is selling the plant back to Varshavsky for nominal sum of 2,000 euros (\$2,700), though he will also take on debt to Mechel of up to \$81 million.

The plant, which has a capacity of more than 1 million tons of steel per year, lost \$50 million last year and stopped production in November due to the high price of scrap metal.

The deal is due to be closed in late 2013.

(MT)

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