

RusAl Still in Talks to Amend \$3.7Bln Debt Terms

By [The Moscow Times](#)

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Aluminum giant RusAl is still in talks with lenders to amend the terms of syndicated facilities covering \$3.7 billion of debt to defer repayments and modify covenants, which are due to be tested in May, it said.

The company is also continuing talks with lenders to agree certain forbearances and to agree not to exercise their rights in the case of a covenants breach effective until July 7, RusAl said in an e-mailed comment on Wednesday.

RusAl, the world's largest aluminum producer with a net debt of \$10.1 billion, has been hit by low aluminum prices and reported its biggest annual loss since 2008 last week. The company remains loss-making for the second year in a row.

RusAl failed to negotiate a deal for its \$3.7-billion syndicated facilities before March 31, when the financial covenants were due to be tested and could have resulted in a breach of certain

existing financial covenants, the company said last week.

On Wednesday, it said these covenants had not been tested so far and would be tested in May, when the company is due to file its financial report for the first quarter, 2013.

The \$3.7 billion of syndicated pre-export facilities, or PXF, includes loans of about \$1 billion from Russian lenders with the rest from international creditors.

The firm has received approval from the majority of lenders to amend the terms.

The company is due to make a regular repayment of \$200 million under the PXF in April, Kommersant reported on March 27, citing unnamed sources.

RusAl declined to comment on whether that report was true and whether the company was aiming to reach the restructuring deal and the forbearance agreement with lenders before the reported repayment in April.

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