

# Ukraine, VTB, Mechel: Business in Brief

By [The Moscow Times](#)

May 15, 2014

**The**  **Moscow Times**

## Ukraine Ready to Pay \$4Bln

Ukraine is ready to pay Russia \$4 billion for gas supplies by the end of May, Deputy Energy Minister Ihor Didenko said Thursday, adding that Kiev used \$268.5 per 1,000 cubic meters as the base price to calculate the sum.

"The Ukrainian side has clearly said that if the price of \$268.5 is fixed, then Naftogaz is ready to pay before the end of May a sum of about \$4 billion," Didenko told a news conference.

He also said Ukraine planned to import from Russia 3.4 billion cubic meters of gas in May. Russia is currently asking Ukraine to pay \$485 per 1,000 cubic meters of gas. *(Reuters)*

## VTB Supervision Changes

Russia's second-largest bank VTB said Wednesday that David Bonderman, head of U.S. buyout fund TPG, would leave the lender's supervisory board at his own request.

TPG and VTB gave no reasons for Bonderman's exit, which comes after a deterioration in relations between the U.S. and Russia over the Ukraine crisis. The White House has urged U.S. business leaders to avoid an upcoming conference in St. Petersburg, saying attending would not be appropriate.

VTB, which has not been subject to any sanctions resulting from the Ukraine crisis, said Bonderman, who joined the supervisory board in 2011, would not be on a list of candidates for a place on the board.

Mikhail Kopeikin, a member of the State Duma, will be nominated to the supervisory board, VTB said in a regulatory statement. *(Reuters)*

### **Mechel Net Loss Deepens**

Indebted miner Mechel said its net loss deepened last year due to more than \$2 billion of write-offs the company made as it tried to turn its business around.

The coal miner and steelmaker, controlled by businessman Igor Zyuzin, has been hit by weak prices for its products, forcing it to sell loss-making assets and to negotiate a delayed debt payment with its creditors.

"In the past year, the group's structure was subject to major transformation as part of our implementation of the revised strategy," Oleg Korzhov, Mechel chief executive, said in a statement.

Its 2013 net loss widened to \$2.9 billion from \$1.7 billion the previous year due to write-offs related to discontinued operations, losses from asset sales, impairment of long-term assets and goodwill and bad-debt provisions. *(Reuters)*

### **For the Record**

E.ON Russia, the Russian subsidiary of German utility E.ON, said net income for the first quarter of 2014 fell 31 percent, year-on-year, to 3.7 billion rubles (\$107 million).

Earnings before interest, taxation, depreciation and amortization declined 22 percent to 6.3 billion roubles and revenues edged down 1 percent to 20.6 billion, the company said in a statement. *(Reuters)*

Gold miner Nord Gold said Thursday its first-quarter net profit rose 68 percent year-on-year to \$25 million.

Nord Gold, controlled by businessman Alexei Mordashov, also said its Board had approved a first-quarter dividend of 1.53 US cents per share, bringing the total pay-out to \$5.8 million. *(Reuters)*

WARSAW — Russia's deputy finance minister said Thursday the country had no plans

to introduce restrictions to prevent international investors from pulling their money out of the country.

"We have no intention, no plan to start any limits, any restrictions on capital and current account operations with foreign currency," Dmitry Pankin said during a panel discussion at the EBRD's annual meeting, referring to recent outflows from Russia. (*Reuters*)

Original url:

<https://www.themoscowtimes.com/2014/05/15/ukraine-vtb-mechel-business-in-brief-a35494>