

Metinvest secures ECA-covered loan for hydraulic down coiler at Ilyich Steel

Metinvest, the vertically integrated group of steel and mining companies, has secured a buyer credit facility of EUR9.8 million for its subsidiary Ilyich Steel, a steelmaking plant based in Mariupol, Ukraine. This facility is covered by an export guarantee of the Republic of Austria issued by Oesterreichische Kontrollbank Aktiengesellschaft (OeKB), which served as the export credit agency (ECA). It was granted by Raiffeisen Bank International, which acted as the sole lender.



The interest rate on the facility, which matures in April 2029, has been set at the six-month EURIBOR plus margin. The funds will be used to finance the purchase and installation of a hydraulic down coiler for Ilyich Steel's hot strip mill (HSM) 1700, which will be supplied by Primetals Technologies Austria, a leading global full-line supplier of metallurgical plant solutions.

The new hydraulic down coiler is the next stage of Ilyich Steel's major HSM 1700 reconstruction project. It will enhance the product mix by increasing the maximum weight of hot-rolled coils from the current 27 tonnes to 32 tonnes, while simultaneously improving such quality parameters as coil telescopicity and winding density. The total investment in the project is expected to reach US\$18 million.

Yuriy Ryzhnikov, Chief Executive Officer of Metinvest:

"Despite the turbulent environment, we continue to invest in the future with technology and equipment that will allow us to enhance our value proposition for customers and improve the fundamental strength of the business. We greatly appreciate the support of all of the parties that made this transaction possible."

Wolfgang Pitsch, Managing Director, Client Advisory Export Services of OeKB:

"This project is yet another milestone in the successful cooperation between Metinvest and the Austrian supplier Primetals Technologies Austria. We are delighted to support this project with another long-term export guarantee from the Austrian Ministry of Finance and with financing by Raiffeisen Bank International. We appreciate the cooperation, specifically the professional approach of Metinvest, Primetals Technologies Austria and Raiffeisen Bank International."

Elisabeth Koegler, Vice President of International Finance and Robert Reisetbauer, Vice President of Sales & Marketing Ukraine, of Primetals Technologies Austria:

"We are very proud to be, once again, Metinvest's technology partner in this next step of the hot strip mill modernisation at Ilyich Steel. And, of course, we are very pleased, that together with our Austrian partners for financing, OeKB and Raiffeisen Bank International, it was possible to secure once more long-term financing for this joint project, even during these extremely difficult times."

Petra Rauscher, Head of Global Export Finance of Raiffeisen Bank International:

"We want to thank Metinvest, OeKB and Primetals Technologies Austria for the excellent level of cooperation. This successful transaction once again underlines the strong partnership established between the bank and Metinvest in the area of long-term buyer's credits that are supported by European export credit agencies."

