
RusHydro not planning to sell treasury stock for now

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Interfax quoted acting chief Mr Vasily Zubakin said RusHydro is not planning to sell treasury stock for now.

He said that "It is advantageous for us to keep the treasury stock on our balance sheet and not sell it. It would be better to increase the debt burden with loans."

Mr Zubakin said "It would be better to borrow. If the development of the financial markets and investor interest in our company exceed a certain level and we have an idea what that level is then it will be of more interest to us not to increase our leverage but to sell the treasury shares."

He said the decision not to sell these shares for the time being was related to the current share price and the short term outlook for those prices.

RusHydro treasury shares are the portion of the genco additional share issue, which had not been purchased by the state. The state did not exercise its entire pre-emptive right to buy the shares owing to a reduction in the budget. The shares are now on the balance sheet of the RusHydro's 100% subsidiary, OJSC Hydroinvest.

(Sourced from Interfax)

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