
Aleris sets no timeframe for bankruptcy emergence - Report

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Platts quoted Mr Steven J Demetriou chairman & CEO of Aleris as saying that it has no timeframe set yet for when it plans to emerge from Chapter 11 bankruptcy protection.

He said that "That depends a lot on our performance as well as the economic environment we are in. We have the opportunity in Chapter 11 to really reshape company and we want to emerge as a stronger and more successful company."

He said that he is hopeful that the restructuring will enable Aleris to drive its costs and debt levels down to support it through this long economic downturn. He added that "This is why we were forced to enter Chapter 11. We do not believe this will be a short recession or downturn, but we believe there are things we can do to become a positive cash flow, profitable company in this prolonged downturn."

When asked about payments to the unsecured creditors and possible amounts, Mr Demetriou said that will be handled by the courts. He added that he did not expect any change in the near term with regard to its ownership.

Mr Demetriou said that TPG has the option of contributing to the debtor in possession financing, and it is currently evaluating that.

He explained that while the Chapter 11 filing was specific to the US, the DIP is global, so all of its operations will benefit from it. About one third is earmarked for Europe, with a smaller portion allocated for other non US operations.

Mr Demetriou said that the funding will be used for the company's normal operating and working capital requirements, including employee wages and benefits, supplier payments and other operating expenses during the reorganization process.

(Sourced from www.platts.com)

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