
Basel values RussNeft at USD 7.5 billion to USD 8 billion

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Interfax reported that Oleg Deripaska's Basic Element group has valued oil company RussNeft at USD 7.5 billion to USD 8 billion excluding debt.

Gazprom Neft the leading candidate to buy RussNeft from Basel, had only been prepared to assume the company's debts for which it would have provided new security.

As a result, talks between Basel and Gazprom Neft have come to a standstill. Moreover, about two weeks ago Sberbank Russia agreed to restructure a Basel loan raised in 2007 totaling USD 2.8 billion. The loan was originally received by the group's Russian Machines division secured with 61% of shares in auto maker GAZ. Later the loan was reissued to RussNeft. Under the restructured terms, the loan matures in seven years, with no principal payments due until 2012.

Sources told Interfax previously that companies in the Basel group had hired Troika Dialog and Gazprombank to lead talks on restructuring the group's debt or selling RussNeft.

RussNeft's debt to Sberbank totaled USD 1 billion and RUB 14.7 billion at the end of 2008.

(Sourced from Interfax)

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