

Mechel OAO
Form 6-K
November 07, 2007

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Report of Foreign Private Issuer

**Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934**

November 6, 2007

Commission File Number: 333-119497

MECHEL OAO

(Translation of registrant's name into English)

Krasnoarmeiskaya 1,

Moscow 125167

Russian Federation

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes ☐ No ☒

Note: Regulation S-T Rule 101(b)(c) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

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Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes ☐ No ☒

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes ☐ No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

MECHEL ANNOUNCES SYNDICATION OF US\$2 BILLION ACQUISITION REFINANCING PACKAGE

Moscow, Russia November 6, 2007 - Mechel OAO (NYSE: MTL), one of the leading Russian mining and metals companies, announces that it has arranged a US\$2 billion Acquisition Refinancing Package through several banks.

The \$2 billion Acquisition Refinancing Package will refinance the acquisition of the issued share capital of Yakutugol OJSHC (75% of the statutory issued share capital minus one share), Elgaugol OAO (68.86% of the statutory issued share capital) and the real estate complex of a railway and a road from the Zeysk Railway Station (Far Eastern Railway) in Zeysk to the Elga coal deposits. As previously announced, the assets were acquired through an auction held on October 5, 2007.

The Acquisition Refinancing Package is comprised of a Classic Secured 5-year Pre-Export Finance Facility totaling \$1.7 billion (85%) and 3-year Term Loan Facility totaling \$300 million (15%).

ABN AMRO, BNP Paribas, Calyon, Natixis, Sumitomo Mitsui Banking Corporation Europe Limited and Société Générale Corporate & Investment Banking are joint book running managers and are joined by Commerzbank Aktiengesellschaft to arrange the \$2 billion Acquisition Refinancing Package for the Company.

Syndication was launched on November 2, 2007 and the banks were invited to participate in the transaction on a take and hold basis. A bank meeting took place in London on November 6, 2007 and was very well-attended.

Mechel OAO
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Mechel is one of the leading Russian mining and metals companies. Mechel unites producers of coal, iron ore, nickel, steel, rolled products, and hardware. Mechel products are marketed domestically and internationally.

Some of the information in this press release may contain projections or other forward-looking statements regarding future events or the future financial performance of Mechel, as defined in the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. We wish to caution you that these statements are only predictions and that actual events or results may differ materially. We do not intend to update these statements. We refer you to the documents Mechel files from time to time with the U.S. Securities and Exchange Commission, including our Form 20-F. These documents contain and identify important factors, including those contained in the section

captioned "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in our Form 20-F, that could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, the achievement of anticipated levels of profitability, growth, cost and synergy of our recent acquisitions, the impact of competitive pricing, the ability to obtain necessary regulatory approvals and licenses, the impact of developments in the Russian economic, political and legal environment, volatility in stock markets or in the price of our shares or ADRs, financial risk management and the impact of general business and global economic conditions.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MECHEL OAO

By: /s/ Igor Zyuzin

Name: Igor Zyuzin

Title: CEO

Date: November 6, 2007