

HD Yanzhou **Coal** to pump \$3B into Yancoal Australia

WC 203 words

PD 10 November 2014

SN The Deal

SC DEALNEW

LA English

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Loss-making Yancoal Australia Ltd. plans to restructure its debts by raising \$3.5 **billion** of new loans, including \$3 **billion** from majority owner Yanzhou **Coal Mining** Co. Ltd.. Sydney-based Yancoal said it will sell \$2.3 **billion** of subordinated capital notes to existing shareholders. Yanzhou, of **China**, will buy \$1.8 **billion** of the notes before receiving the same amount to repay its senior loans to Yancoal. The **sale** of the notes is a prerequisite to Bank of **China** Ltd. and **China** Construction Bank Corp. extending by three years the first capital repayment on a \$2.6 **billion** syndicated loan to Yancoal. Yanzhou will also provide Yancoal with a further A\$1.4 **billion** (\$1.2 **billion**) in the form of a 10-year committed funding facility and promised that it will ensure that Yancoal remains solvent. Yancoal made an Ebit loss of A\$186 **million** in the first half of 2014, which it blamed on lower **coal** prices and a strong Australian dollar. The **company** lost A\$154 **million** in 2013 and A\$28 **million** in 2012.

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Deutsche Bank AG has been tapped to manage the **sale** of the notes. -Paul Whitfield

CO bkchin : Bank of China Ltd | pcbk : China Construction Bank Corp | yaptyl : Yancoal Australia Limited | ynzmn : Yanzhou Coal Mining Co Ltd | yankua : Yankuang (Group) Corp

IN i111 : Coal Mining | i1 : Energy | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying | i112 : Coal Mining Support Activities | i814 : Banking | i81402 : Commercial Banking | ibnk : Banking/Credit | ifinal : Financial Services

RE austr : Australia | china : China | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | bric : BRICS Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dvpcoz : Developing Economies | easiaz : Eastern Asia

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AN Document DEALNEW020141117eaba0001a