

## **Russian multinationals' foreign assets up 4 times in 3 years**

*Release of the SKOLKOVO 2008 ranking of Russian multinational enterprises*

Moscow, November 13, 2008

**The second annual survey, conducted by Moscow School of Management SKOLKOVO, of Russian multinational enterprises (MNEs), released today, reveals a continuing global expansion of Russian firms. The study provides a starting point to evaluate future change to that trend from the current economic downturn.**

**According to the findings, Russia's Top 25 MNEs – ranked by foreign assets – had, at the end of 2007, US\$90bn assets abroad (table 1) and had about US\$220bn in foreign sales (including exports) and employed nearly 140,000 persons in other countries. Foreign assets have increased four times since 2004, and employment abroad has tripled. Over half of foreign assets are concentrated in Europe. Three oil/gas firms – Lukoil, Gazprom, TNK-BP, – and nine metals and mining firms, led by Norilsk Nickel, together account for 80% of the total foreign assets of the Top 25.**

**Compared with the previous year's list, the aggregate foreign assets of the Top 25 rose by over 50%, and the "entry ticket" jumped up to \$200 million. While several of the companies were restructured in various ways, the only real newcomers on the list are the Industrial Metallurgical Holding, the real estate developer Mirax Group and the gaming group Ritizio Entertainment.**

*"The Top 25 companies on our list have increased their aggregate foreign assets rapidly, sustaining yearly growth rates of over 50% for several years now, and the preliminary data for this year indicates that the rate for 2008 is likely to be similar", - noted Alexander Mansilya-Kruz, the researcher responsible for the ranking at SKOLKOVO. "However, now that the economic environment has changed dramatically both globally and at home, these companies will have to deal with new challenges."*

The SKOLKOVO ranking is part of a global effort to rank multinationals from fast-growth economies, coordinated by the Vale Columbia Center on Sustainable International Investment, in New York. Ranking lists for Brazil, Russia, Slovenia, Israel, and China were published recently, and more are to be released soon.

**The full report is available online at [www.skolkovo.ru](http://www.skolkovo.ru) and [www.vcc.columbia.edu](http://www.vcc.columbia.edu).**

### **Emerging Markets Global Players Project**

The SKOLKOVO 2007 Ranking of Russian Multinational Enterprises was conducted in the framework of the Emerging Markets Global Players Project, a collaborative effort coordinated by the Vale Columbia Center on Sustainable International Investment. It brings together researchers on FDI from leading institutions in emerging markets to generate annual ranking lists of emerging market MNEs. Visit [www.vcc.columbia.edu](http://www.vcc.columbia.edu) for further information or contact [vcc@law.columbia.edu](mailto:vcc@law.columbia.edu)

### **Moscow School of Management SKOLKOVO**

The Moscow School of Management SKOLKOVO is a joint project by major Russian and International business leaders. SKOLKOVO is a dynamically developing international business school with a vision based on a unique mix of three dimensions: entrepreneurial leadership, emerging markets and experiential learning.

Being realized in partnership with the government of the Russian Federation, SKOLKOVO is a part of the national priority projects programme, funded exclusively by private business. Dmitry Medvedev, the President of the Russian Federation is the Chairman of the SKOLKOVO International Advisory Board.

Since 2006 SKOLKOVO holds short term Executive Education programmes for senior executives and middle managers. Full-time MBA and Executive MBA will be open in 2009, admission for both programmes starts in autumn-2008. For more information, see [www.skolkovo.ru](http://www.skolkovo.ru).

### **Vale Columbia Center on Sustainable International Investment**

The Vale Columbia Center on Sustainable International Investment (VCC), led by Dr. Karl P. Sauvant, is a joint center of Columbia Law School and The Earth Institute at Columbia University. It seeks to be a leader on issues related to FDI in the global economy. VCC focuses on the analysis and teaching of the implications of FDI for public policy and international investment law. For more information, see [www.vcc.columbia.edu](http://www.vcc.columbia.edu).

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