

27th issue of the weekly digest on impact of foreign companies' exit on RF economy

Prepared by the KSE Institute team and KSE members of the Board of Directors with the support of the International Renaissance Foundation;
07-13.11.2022

Disclaimer: At the beginning of the Russian invasion of Ukraine KSE Institute launched an analytical project, which was named "SelfSanctions", aimed to collect data on foreign companies operating in the Russian market and limiting or terminating their activities. Examination of data was conducted jointly with specialists from the Ministry of Economy, the Ministry of Foreign Affairs and the Ministry of Digital Transformation of Ukraine.

The database contains a lot of information, we collect daily statistics on changes in the status of foreign companies operating/operated in the Russian market and limiting or terminating their activities. Also, we created the Telegram bot https://t.me/exit_ru_bot for tracking/monitoring of news on priority foreign companies (coverage 1, 2, 3 or 7 days of monitoring). Also, we do regular analysis of changes in share prices and capitalization of parent groups of companies that have or have had business in Russia.

KSE database is partly based on the [Yale's School of Management database](#), [epravda.com.ua](#), [squeezingputin.com](#), [https://bloody.energy/](#) and [leave-russia.org](#) websites and other open sources. Data is verified and KSE status is assigned. Data on stocks is taken from Google and Yahoo Finance. At the same time, the KSE database is more complete and comprehensive and contains ~40 percent more information than most other similar databases, as it also includes data on number of staff, revenue, capital and other financial indicators, the latest updates and changes in statuses, links to used sources, and daily updates from the telegram-bot etc.

KSE Institute is glad to announce that we [have finalized merging](#) with project [leave-russia.org](#) which was developed by a team of volunteers.

Also, we became partners with Rubargo. Rubargo allows you to find any brand or company that is operating in Russia just by scanning barcodes.

KSE DATABASE SNAPSHOT as of 13.11.2022

Number of the companies **that continue Russian operations** (KSE's status "**stay**")¹) – 1 185 (-2 per week)

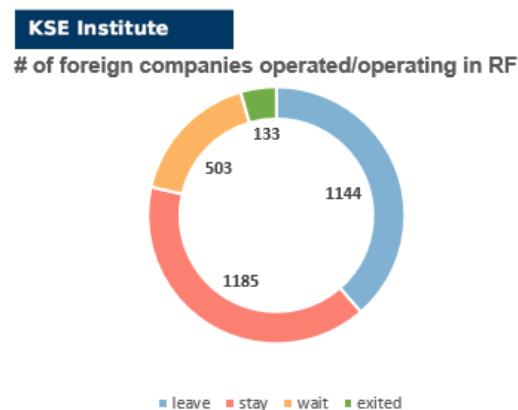
Number of the companies **that have reduced current operations and hold off new Investments** (KSE's status "**wait**") – 503 (+5 per week)

Number of the companies **that have curtailed Russian operations** (KSE's status "**leave**") – 1 144 (+4 per week)

Number of the companies **that completed withdrawal from Russia** (KSE's status "**exited**") – 133 (0 per week)

As of November 13, we have identified about **2,965 companies, organizations and their brands from 86 countries and 56 industries** and analyzed their position on the Russian market. About 40% of them are public ones, for ~1 300 public groups of companies, we also identified (where it was possible) their operating business in Russia (the presence of a controlling stake in a legal entity) and updated the data for 2021, which allowed us to calculate the value of capital invested in the country (about **\$137.7 billion**), local revenue (about **\$294.2 billion**), local assets (about **\$211.3 billion**) as well as staff (about **1.276 million people**). **1,647 foreign companies** have reduced, suspended or ceased operations in Russia. Also, we added information about **133 companies** that have completed the sale of their business in Russia based on the information collected from the official registers.

As can be seen from the tables below, **as of November 13**, companies which had already completely exited from the Russian Federation, had at least **281,000 personnel**, **\$33.5 bn in annual revenue**, **\$15.0 bn in capital** and **\$32.0 bn in assets**; companies, that declared a complete withdrawal from Russia had **126,900 personnel**, **\$32.5bn in revenues**, **\$13.8bn in capital** and **\$15.6 bn in assets**; companies that suspended operations on the Russian market had **263,000 personnel**, **annual revenue of \$53.0bn**, **\$28.4bn in capital** and **\$33.7 bn in assets**.



TOP-10 countries and industries by # of companies from KSE database

Country of HQ	# of companies
USA	676
Germany	370
Great Britain	249
Japan	161
France	159
Switzerland	136
China	104
Italy	103
Netherlands	91
Finland	87

Industry	# of companies
FMCG/Consumer goods	300
Finance and payments	201
IT	178
Industrial equipment	167
Energy, oil and gas	161
Automotive	151
Pharma, Healthcare	149
Electronics	148
Food& Beverages	124
Manufacturing	110

¹ - KSE status "leave" - Companies that have published on the company's official website (or their release has appeared in a foreign publication such as FT, NYT, etc.) that are completely shutting down in Russia or companies that have officially announced that they are temporarily reducing operations in Russia

- KSE status "wait" - Companies that have published on the company's official website (or their release has appeared in a foreign publication such as FT, NYT, etc.) that they are reducing only part of their business operations by continuing to work on other operations or companies that have reported delaying future investment / development / marketing, while continuing their core business

- KSE status "stay" - Companies that ignore exit / downsizing requirements in Russia, as well as companies that have officially stated that they remain in Russia or news of their exit have not been found

- KSE status "exited" - Companies that sold its business/assets or its part of the business to a local partner/terminated relations and left the market

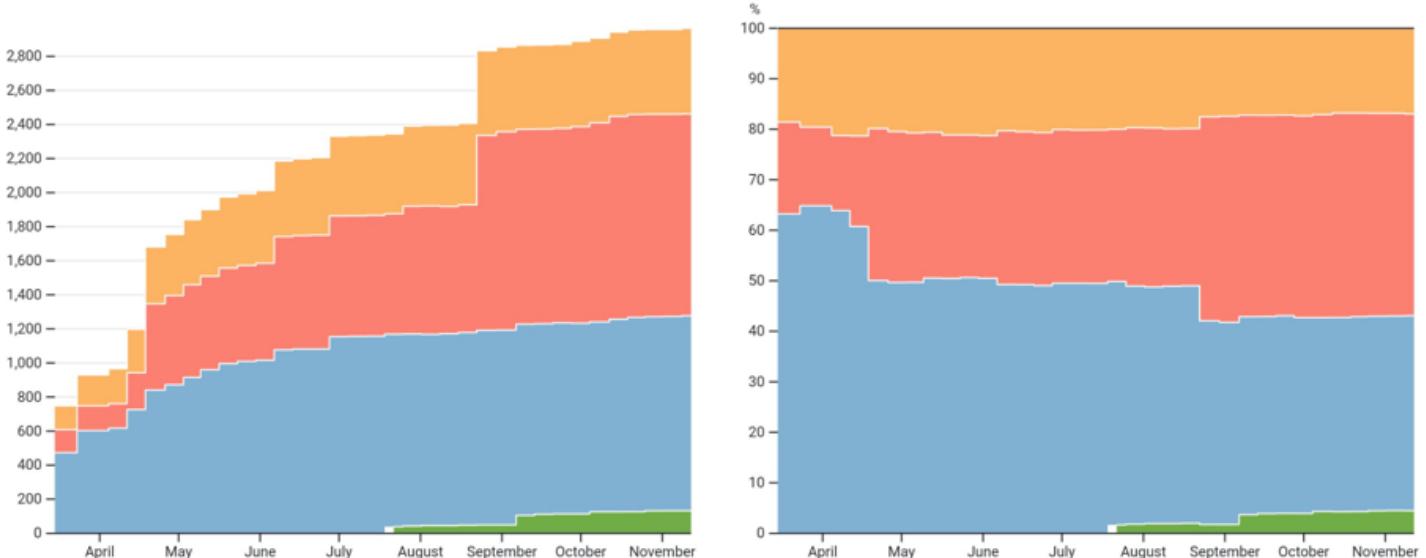
The following table is based on data available for ~1 300 TOP public companies operated/operating in RF²:

KSE Institute	Status by KSE	Number of staff	Revenue, USD m	Capital, USD m	Assets, USD m
	exited	280 960	33 506	14 955	31 977
	leave, including:	389 824	85 535	42 187	49 219
	<i>complete withdrawal</i>	126 856	32 525	13 755	15 562
	<i>suspended operations</i>	262 968	53 010	28 432	33 657
	wait	332 285	113 075	52 099	60 450
	stay	273 459	62 117	28 471	69 685
	Total	1 276 528	294 233	137 712	211 331

If since the beginning of the Russian invasion of Ukraine, the percentage of companies that closed operations in Russia has risen sharply by mid-March, in the last month the ratio of those who leave or stay is virtually unchanged. although we still see a periodic increase in the share of those companies that remain in the Russian market. However, about 38.6% of foreign companies have already announced their withdrawal from the Russian market, but another 40.0% are still remaining in the country, 17.0% are waiting and only 4.5% made a complete exit³.

At the same time, it is difficult not to overestimate the impact on the Russian economy of only 133 companies that completely left the country, since they employed almost 22.0% of the personnel employed in foreign companies, the companies owned about 15.1% of the assets, had 10.9% of capital invested by foreign companies, and only last year they generated revenue of \$33.5 billion or 11.4% of total revenue, data on 1,300 TOP companies are presented in the table above.

■ exited ■ leave ■ stay ■ wait



More infographics and analytics see in a special section at the link <https://leave-russia.org/bi-analytics>

² As of 19/06/2022, we updated the database with extended information on ~ + 400 new companies, and as of 28/08/2022, we have updated data for another 422 companies with data on personnel, revenue, capital and assets for 2021. Also, we started to monitor additionally whether companies really stated any actions to exit the country (currently we observe a very small number of such companies). So far we found information only about a few companies which started selling their business in Russia. Even for most of them – it's just an intention or they just started the process of sale. Everything else is mostly the statements or some preliminary steps. The collected information is already available and systematised in the form of a newKSE's status "exited".

³ On 24 July 2022, we introduced the new status "exited", which reflects the companies' actions to finalise the exit from the Russian market. The status relies on data from the Uniform State Register of Legal Entities in Russia (USRLE or EGRUL) and complementary analysis such as companies' announcements and media publications of company activities. At the same time, companies' activities can be hard to track and can be missed in the analysis, especially for companies less covered in the media. We encourage our readers to inform us if they are familiar with the companies' actions that contradict their announcements about the exit via the [Feedback Form](#) at <https://leave-russia.org/>.

WEEKLY FOCUS: Analysis on American companies and their positions in Russia

In the early twenty-first century, the United States of America firmly occupied the position of the most economically developed state in the world. The USA found itself in a unique position - it became the first and only truly global world power state, it was its historic victory over the USSR. Since then, it was possible to peacefully conquer the Eurasian geopolitical space without allowing any state to dominate Europe. According to USA President Clinton, America has become a "necessary" state for the world.

The Independence of Ukraine fundamentally changed the status of countries in Eastern Europe, for the first time in recent history they found themselves separated from Russia, which led to a significant destruction of the Russian sphere of influence. The Russians ceased to be the owners of a large transcontinental empire, Russia's borders became similar to those of the West around 1600 during the reign of Ivan IV (Ivan the Terrible). Taking this into account, the possible creation of an "anti-American" alliance between Russia and other countries in order to capture Ukraine became a concern for the USA, because without Ukraine, Russia loses its status as an empire.

After the Russian aggression in Ukraine in 2014, the USA felt the need to do something substantial to prevent Russia's external aggression against Ukraine. Sanctions became the natural choice of the USA. The USA has focused on two types of sanctions: financial sanctions and personal sanctions against human rights violators and corrupt businessmen who work for the Kremlin. USA financial sanctions have had the largest impact on Russia's GDP, limiting Russia's access to foreign capital, including credit to both the government and the private sector, as well as foreign direct investment (FDI).

USA sanctions hit the Russian economy hard. From 2014 to 2020, Russia's GDP grew by an average of 0.3% per year, while the world average was 2.3% per year. The USA reduced foreign loans and FDI, and thereby possibly reduced Russia's economic growth by 2.5-3% per year, that is, about 50 billion US dollars per year⁴.

One of the most effective USA financial sanctions against Russia turned out to be the reduction of Russia's foreign economic debt, that is, a forced reduction in the share of loan funds.

Thus, Russia could not get access to American financial resources that could help its economic development, and the reduction of Russia's foreign debt was not voluntary. The mentioned financial sanction of the USA with other partners of the USA forced the Russians, both private and public debtors, to repay their foreign loans and scared off most of the potential creditors. The impact was significant.

Russian total external debt decreased from 729 billion US dollars at the end of 2013 to 470 billion US dollars at the end of 2020. This reduction is 259 billion US dollars. At the same time, it is believed that Russia has not received international loans from the USA and its Western allies in the amount of approximately one third of the country's GDP as of 2020, which could be used for investments and, therefore, for Russia's economic growth⁵. Russia's foreign exchange reserves as of the beginning of November 2022 amounted to 541.6 billion US dollars⁶, more than half of them are frozen and they can (and should) be used for reparations to Ukraine and its reconstruction after the war.

For reference: as of 2021, USA investment in Russia was estimated at approximately 12.3 billion US dollars. At the same time, the total direct position of the United States abroad in that year amounted to 6.49 trillion US dollars⁷.

Since the time of the fall of the USSR, Russia has faced an economic upheaval on the scale of the new US sanctions following its full-scale invasion of Ukraine in 2022.

For reference: announcing the new package of USA sanctions against Russia, the U.S. President emphasized that the developed measures are designed to maximize the long-term impact on Russia and minimize the impact on the USA and its allies. The USA will undermine Russia's ability to finance and build up its armed forces, sanctions will undermine the country's competitive capabilities in the high-tech 21st century⁸.

⁴ <https://www.atlanticcouncil.org/blogs/ukrainealert/putin-denounces-imperialism-while-annexing-large-swaithes-of-ukraine/>

⁵ <https://www.atlanticcouncil.org/blogs/ukrainealert/putin-denounces-imperialism-while-annexing-large-swaithes-of-ukraine/>

⁶ https://www.cbr.ru/hd_base/mrrf/mrrf_7d/

⁷ <https://www.statista.com/statistics/188637/united-states-direct-investments-in-russia-since-2000/>

⁸ <https://www.bbc.com/russian/news-60514277>

Not only state banks, but also private banks have been sanctioned. Banks were restricted from entering the US capital market. The USA calls the imposed sanctions against Russia unprecedented. In particular, US sanctions will undermine Russia's ability to finance and build up its armed forces. The actions target almost 80 percent of all banking assets in Russia and will affect the Russian economy⁹.

The President of the United States issued the Executive Order 14071 of April 6, 2022 "Prohibiting New Investment in and Certain Services to the Russian Federation in Response to Continued Russian Federation Aggression"¹⁰.

Recently, the "Finopolis" forum was held in Moscow, where the Chairman of the Board of the Sberbank of Russia German Gref negatively assessed the departure of foreign companies from Russia. In his opinion, the opportunities for Russian business, which are opening up, are leveled by a sharp decrease in the level of competition with all the resulting consequences. *"I do not appreciate the withdrawal of foreign vendors from the market. No Russian companies will be able to support the level of competition that was there, and obtaining some assets - and relatively inexpensively - is a one-time profit for someone, but in the long term the economy will lose, because the density of competition will decrease. What we are saying is innovation, the main vehicle for innovation is very competitive. Where there is no competition, there is no innovation. And in this sense, I think that one of the most long-term negative consequences for the Russian economy is the withdrawal of powerful foreign companies from the Russian market and a decrease in [competition],"* Gref said at the "Finopolis" forum in Moscow, RBC reports¹¹.

According to data collected by the KSE Institute¹², in 2021 677 American companies provided jobs for 410,700 people, those companies generated \$67.8 bn in annual revenue, had \$51.5 bn in capital and \$31.1 bn in assets.

27 companies (4% of 677 companies observed) have already completely exited Russia by selling their shares, about **23%** of employees have already left or will soon leave their previous jobs due to their exit. Another **334 companies** announced plans to leave Russia, in 2021 they employed **182 300 people**, generated **\$18.4 bn (27%)** in annual revenue, had **\$18.0 bn in capital** and **\$10.6 bn in assets**. But at least **152 companies** are still staying and **146 companies** are waiting and limiting their investments.

The following table is based on data available for TOP American public companies operated/operating in RF:

Status by KSE	Number of companies	Number of staff, previous year	Revenue in RF, USD m	Capital in RF, USD m	Assets in RF, USD m
exited	27	95 042	7 818	2 329	2 350
leave	334	182 296	18 402	18 029	10 617
stay	152	32 439	6 898	7 290	2 626
wait	146	100 941	34 706	23 840	15 523
N/A	18				
Total	677	410 718	67 824	51 488	31 116

Decisions of foreign companies by countries¹³

⁹ <https://www.bbc.com/russian/news-60525344>

¹⁰ <https://home.treasury.gov/system/files/126/14071.pdf>

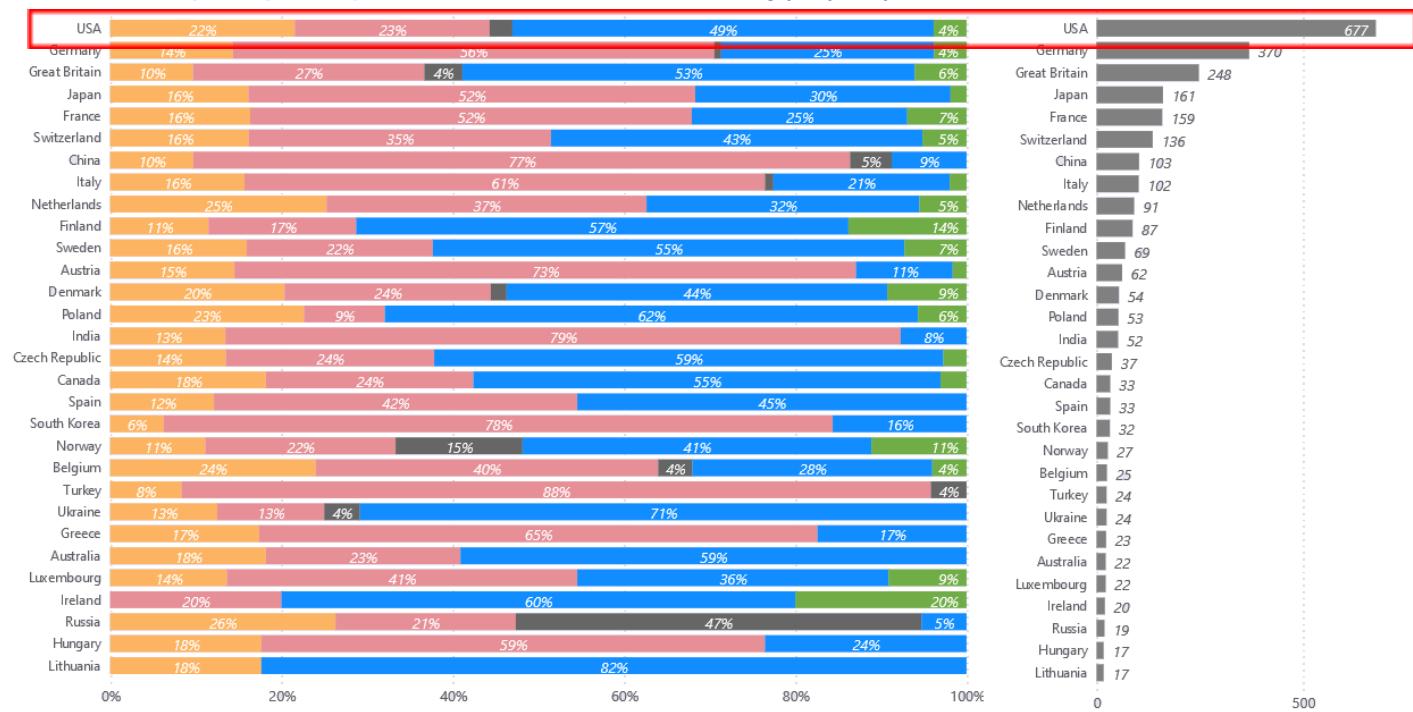
¹¹ <https://www.rbc.ru/finances/10/11/2022/636cb18f9a79478393ddffda>

¹² <https://docs.google.com/spreadsheets/d/1EFlhBQYyvRdSn4U6CY2yomeHEhTqbMKS/edit>

¹³ KSE Institute analysis

Decisions of foreign companies by countries / Рішення іноз. компаній у розрізі країн

Counts / Кількість



Status by KSE ● wait ● stay ● n/a ● leave ● exited

The most "dependent" on Russia in terms of revenue share (more than 10%) in this country are American companies in 4 industries: Media, Alcohol & Tobacco, Metals & Mining, Films.

TOP industries by number of American companies with share of revenue and number of locations in RF from KSE database¹⁴:

¹⁴ <https://leave-russia.org/?fit%5B131%5D%5Beq%5D%5B%5D=318>

Industry	Number of companies	Share of revenue in Russia to the global, %	# of locations in RF
Media	18	23,7%	
Alcohol&Tobacco	4	22,4%	3
Metals and Mining	3	13,1%	
Films	5	10,0%	
Public catering	15	6,4%	3677
Aerospace	5	4,6%	4
FMCG	15	4,4%	7
Consumer goods and clothing	42	3,7%	116
IT	94	2,9%	
Industrial equipment	23	2,5%	10
Energy, oil and gas	20	2,5%	
Food&Beverages	21	2,1%	15
Construction & Architecture	2	1,9%	
Chemical industry	20	1,9%	
Gaming	15	1,8%	
Consulting, Law	29	1,6%	
Electronics	24	1,3%	
Technology	15	1,0%	
Manufacturing	21	0,9%	7
Utilities and communal services	1	0,8%	
Pharma, Healthcare	35	0,7%	3
Automotive	18	0,7%	1
Finance and payments	56	0,7%	
Hospitality, Real estate	11	0,6%	45
Agriculture	3	0,6%	
Logistics, Transport	6	0,4%	
Engineering	5	0,4%	
Online Services	35	0,4%	
Entertainment	9	0,3%	
Online trading	4	0,0%	
Others	103	NA	3
Total	677	2,5%	3891

How are American companies reacting?

Out of 677 companies in the KSE database, only 22% of American companies stay in Russia, another 22% waiting and somewhat limiting their activities, 49% are leaving and 4% have already left with the sale of their shares. Some of the American companies are among the examples of clean breaks from the Russian market, while others defy demands for exit despite pressure.

Clean breaks

27 American companies (or 4%) included in the KSE database have completely left the Russian market and sold their shares (all of them have “exited”¹⁵ status by KSE, legally there are no American beneficiaries anymore):

[Halliburton](#) (Energy, oil and gas, Status by KSE - exited) on September 8 announced it completed the sale of its Russia operations to a Russia-based management team made up of former Halliburton employees. As a result, Halliburton no longer conducts operations in Russia. The company owned Burservice LLC, which was sold to a group of managers. Business turnover in the Russian Federation – 64 million US dollars.

¹⁵ The status relies on data from the Uniform State Register of Legal Entities in Russia (USRLE or EGRUL) and complementary analysis such as companies' announcements and media publications of company activities.

PPG (Chemical industry, Status by KSE - exited) Since the war in Ukraine began, PPG's highest priority has been to protect the safety and wellbeing of its employees, including those from Ukraine and those located within Russia. The war in Ukraine has also made it necessary to scale back operations in Russia due to deteriorating business conditions and regulatory restrictions. PPG made immediate decisions to refrain from sales to Russian state-owned entities, parties that fall within the scope of recent regulations and the aerospace market. LLC was sold to a foreign legal entity.

Koch Industries (Electronics, Status by KSE - exited) Guardian Glass, a subsidiary of the Wichita, Kansas, industrial conglomerate, is working with its local managers in Russia "*to find an exit strategy*" that also ensures the safety of their roughly 600 employees, Koch President Dave Robertson told employees in a memo in April. As of July, Guardian has responsibly and safely achieved this by selling its business in Russia to Vladimir Aleksandrovich Voronin, president of FSK Group, a private construction company. This result is facilitated and supported by the plant employees and complies with all applicable sanctions, laws and regulations.

Companies that ignore the exit

Baker McKenzie (Consulting, Law, Status by KSE - stay) Cut ties with major Russian clients but announces independent firm in Russia. Chicago-based law firm Baker McKenzie announced at the end of October that its operations in the former Russia have launched as independent law firm Melling, Voitishkin & Partners. According to documents obtained by Law.com and confirmed to Crain's Chicago Business by a representative of Baker McKenzie, the announcement came after the Moscow partner spoke on behalf of the firm at a conference with Russian President Vladimir Putin in June.

NASA (Aerospace, Status by KSE - stay) NASA has a full staff of employees left in Russia, the head of the American agency's program at the International Space Station (ISS), Joel Montalbano, said. According to Mr. Montalbano, NASA has employees in Star City, in the Flight Control Center in Moscow. He did not name the exact number of employees. "*We are in close contact with the embassy, we communicate with the embassy if not every day, then every other day and inform them about what is happening, the embassy is fully aware of all operations,*" he said during the NASA teleconference.

Selected industries analysis

Films

Paramount (Status by KSE - leave) Paramount has joined the growing media boycott of Russia, ceasing operations in the country amid Russia's invasion and the ongoing war in Ukraine. "*We are taking a series of steps to suspend our operations in Russia, including pausing the supply of Paramount Global content,*" Paramount CEO Bob Bakish said in an internal memo obtained by The Hollywood Reporter. Paramount+ subscribers grew to over 43 million thanks to the addition of 4.9 million subscribers and the removal of 1.2 million users from Russia, the company revealed in its report for the second quarter of the year.

Sony Pictures Entertainment (Status by KSE - leave) Sony Pictures halts all business in Russia, Including 'Spider-Man: No Way Home' Video Release and Crunchyroll. "*We stand with many businesses around the world who have now paused their business operations in Russia, and in support of the humanitarian efforts currently underway in Ukraine and the surrounding region,*" Sony Pictures Entertainment chairman and CEO Tony Vinciquerra wrote in a memo to employees in March. "*Two weeks ago, we paused the upcoming theatrical release of 'Morbius' in Russia. Since then, we have also halted our planned home entertainment releases, including 'Spider-Man: No Way Home,' and any future television distribution deals. And just this morning, Crunchyroll suspended its anime streaming service in Russia.*"

Universal Pictures (Status by KSE - leave) Earlier, Universal Pictures sent notices to a number of movie theaters that the company's operations would be winding down within a few months. "*The parent company has decided to cease operations in the Russian Federation, as it has become impossible to conduct business due to the numerous difficulties that foreign companies face,*" reads Universal's letter.

Media

Bloomberg (Status by KSE - wait) Bloomberg LP, the parent of Bloomberg News, suspended its operations in Russia and Belarus following President Vladimir Putin's invasion of Ukraine. Customers in the two countries will be unable to access any of Bloomberg's financial products -- including the terminal, data license, data feed and electronic trading platforms. Bloomberg.com won't be affected by the suspension. Bloomberg said on March 4 it would suspend the work of its journalists in Russia after Putin signed legislation criminalizing independent reporting in the country.

Forbes Media LLC (Status by KSE - stay) Forbes in Russia has been published since 2004 under a license belonging to the American company Forbes Media LLC. Since 2018, the owner of Russian Forbes is venture businessman Magomed Musaev, president of the Global Venture Alliance. In order for Russian Forbes to retain its license, according to RTVI sources, Musaev had to make a hard compromise with his American partners — to completely give up advertising. Russian Forbes bought a new domain in case of license revocation.

CNN (Status by KSE - *leave*) CNN has announced that it will temporarily stop broadcasting in Russia. The TV channel explained that it is assessing the situation and the necessary next steps.

Alcohol & Tobacco

Philip Morris (Status by KSE - *wait*) Discontinued a number of its cigarette products and reduced manufacturing activity. Suspended marketing activities in the country. The company is working on options to exit the Russian market in an orderly manner. Philip Morris plans to leave Russia by the end of 2022.

Pyxus (Status by KSE - *wait*) Sanctions jeopardize Pyxus' \$58M in Russian sales. In an annual financial report, Pyxus reported revenue of \$57.8 million through direct sales to entities in Russia.

Beam Suntory (Status by KSE - *leave*) Beam Suntory together with Edrington reached an agreement to sell the Maxxium Russia joint venture to local management. After suspending supplies to Russia following the invasion of Ukraine in early March, the company began to review its approach to future Russian business.

Metals and Mining

Alcoa (Status by KSE - *leave*) Alcoa Corporation is an American steel company. Although Alcoa does not have operations in Ukraine or Russia, the company has a multidisciplinary team that closely monitors developments. In response to the current aggression, Alcoa stopped buying raw materials or selling its products to Russian enterprises.

Arconic (Status by KSE - *wait*) Arconic Corporation is an American industrial company specializing in lightweight metals engineering and manufacturing. The company said it will conduct business in Russia only if it fulfills existing obligations in accordance with current laws, regulations and international rules. The company suspends new contracts. Revenue in RF 535 mln USD.

Public catering

McDonald's (Status by KSE - *exited*) became one of the first companies to condemn Russia's actions and began the exit procedure in the spring. In May, the company completed the sale to existing licensee Oleksandr Govor. In June, the new owner announced the opening of all restaurants in two months. Some of these restaurants received a new name, "Vkusno & tochka" ("Tasty & that's it"), with the design very similar to the original – McDonald's.

After **Starbucks** (Status by KSE - *exited*) exited the Russian market, coffee shops with a similar design but with a different name, Stars Coffee, were opened. The media even wrote that it was the international company that rebranded and did not leave the Russian market, but there is no evidence to confirm this.

A more detailed overview of the Public catering industry can be found in our previous study:

<https://kse.ua/about-the-school/news/18th-issue-of-the-weekly-digest-on-impact-of-foreign-companies-exit-on-rf-economy/>

Summary

Considering the above, it can be stated that Russian-American financial relations have been leveled by Moscow's political decisions in 2022, and Russian-American relations have reached their lowest point since the Cold War.

Russia realizes that the USA occupies a leading position in trade, financial, technological areas of activity and in the field of innovative technologies, which is an extremely necessary condition for ensuring the development of the Russian national economy.

Against this background, half of Russia's foreign exchange reserves in the amount of 540 billion US dollars have been frozen, and its banks have been disconnected from the SWIFT international payment system. The IMF predicts a 6% drop in Russia's GDP, down from an April forecast of 8.5%, but the Central Bank of Russian Federation considers that the decline is not catastrophic. In addition, many American companies present in the Russian market have not completely withdrawn from it or sold to local buyers, so their assets are still in operation¹⁶.

But, over time, US sanctions against Russia become a tightening noose, and the costs for Russia will accumulate.

¹⁶ <https://www.ft.com/content/eebc166b-0ab3-4a69-b61c-62908ee984e5>

However, despite the geopolitical crisis in Europe, according to the OECD¹⁷, the US GDP growth rate will be 2.5% in 2022 and 1.2% in 2023. The direct trade effects of the war in Ukraine and sanctions against Russia for the USA are limited. Only 3% of crude oil imports and 1% of total crude oil refined at USA refineries come from Russia.

It is worth noting that the main goal of US financial sanctions is to push Russia out of Ukraine. At the same time, the specified sanctions turned out to be quite effective.

US sanctions deter, punish and correct Russia's neglect of the foundations of democratic societies and market economies (by the way, the USA recently deprived Russia of the status of a country with a market economy¹⁸ and harm its economic growth. For its part, Russia, in proud loneliness, is trying to mobilize global anti-Western sentiment. The USA is responding to this with a show of steadfast unity with its Western allies and determination, which will mean further strengthening of US sanctions against Russia and accelerated military support for Ukraine.

You can also contribute by spreading the status of the company calling for the exit from Russia on social networks directly from the company cards on the website <https://leave-russia.org/>.

¹⁷ <https://www.oecd.org/economy/united-states-economic-snapshot/>

¹⁸ <https://www.epravda.com.ua/news/2022/11/11/693712/>

What's new last week - key news from Daily monitoring (updated on a weekly basis)¹⁹

07.11.2022

***Bybit** (China, Finance and payments) Status by KSE - *stay*

Crypto Exchange Bybit Does Not Plan to Sanction Russian Users Despite MAS Call

<https://news.bitcoin.com/crypto-exchange-bybit-does-not-plan-to-sanction-russian-users-despite-mas-call-report/>

***Air Lease** (USA, Leasing, rental) Status by KSE - *leave*

ALC Is Losing \$18 Million Per Quarter On Russian Aircraft Leases

<https://simpleflying.com/alc-quarterly-russian-plane-loss-18-million/>

***UniCredit Bank** (Italy, Finance and payments) Status by KSE - *stay*

UniCredit under pressure from ECB over dividend payouts

<https://www.retailbankerinternational.com/news/tensions-between-unicredit-and-eccb/>

08.11.2022

***Harvia** (Finland, Electronics) Status by KSE - *leave*

Harvia Plc has today signed an agreement to sell its 80.0% shareholding of EOS Russia to Mr. Vasilij Sosenkov

<https://finance.yahoo.com/news/harvia-divests-ownership-eos-group-153000950.html>

***ONGC** (India, Energy, oil and gas) Status by KSE - *stay*

India's Oil and Natural Gas Corp has applied to the new Russian operator of the Sakhalin-1 to retain its stake in the oil and gas project in the Far East

<https://www.reuters.com/markets/deals/indias-ongc-applies-retain-20-russias-sakhalin-1-source-2022-11-07/>

***Giorgio Armani** (Italy, Fashion and leisure) Status by KSE - *stay*

***L'Oréal** (France, Consumer goods and clothing) Status by KSE - *wait*

***Kering** (France, Luxury) Status by KSE - *wait*

Lancome, Yves Saint Laurent and Armani are returning to Russia: when cosmetics will appear in stores

<https://www.kp.ru/daily/27467/4673746/>

***Ford Motor Company** (USA, Automotive) Status by KSE - *leave*

Dearborn, MI-based Ford says it completed the transfer of its 49% stake in the Sollers Ford JV to Sollers for "nominal value." Ford suspended operations in Russia on March 2, a week after Russia invaded Ukraine.

<https://www.wardsauto.com/industry-news/ford-abandons-joint-venture-russia-s-sollers>

09.11.2022

***Fortum** (Finland, Energy, oil and gas) Status by KSE - *stay*

"Fortum receives fuel from TVEL, a subsidiary of the Russian state concern Rosatom. The contract was concluded before the expiration of the current licenses for the operation of Loviis reactors.

<https://www.epravda.com.ua/news/2022/11/8/693612/>

***Disney** (USA, Entertainment) Status by KSE - *leave*

The Walt Disney Company (Disney) is closing the Russian office of its film division - most of the employees of the office in Moscow, where the film distribution department of the studio is based, have already been dismissed.

<https://www.epravda.com.ua/news/2022/11/8/693595/>

***Henkel** (Germany, Chemical industry) Status by KSE - *leave*

The German chemical and industrial concern Henkel plans to finally leave Russia by the end of 2022, work on exiting the Russian business is still ongoing.

<https://www.epravda.com.ua/news/2022/11/8/693593/>

***Nissan** (Japan, Automotive) Status by KSE - *leave*

Nissan Motor Second-Quarter Net Profit Fell 68% Due Partly To Russia Exit

<https://www.marketscreener.com/quote/stock/NISSAN-MOTOR-CO-LTD-6492477/news/Nissan-Motor-Second-Quarter-Net-Profit-Fell-68-Due-Partly-To-Russia-Exit-42249639/>

***World Boxing Council** (Mexico, Sport) Status by KSE - *leave*

WBC to remove Russian, Belarusian boxers from rankings because of war in Ukraine

<https://sports.yahoo.com/wbc-remove-russian-belarusian-boxers-031716015.html>

10.11.2022

***ISUZU** (Japan, Automotive) Status by KSE - *leave*

The Japanese manufacturer of trucks and pickups Isuzu presented a plan to leave Russia, the prospects for resuming the Isuzu factory in Ulyanovsk are not defined.

<https://www.epravda.com.ua/news/2022/11/10/693675/>

***Ubisoft** (France, Gaming) Status by KSE - *leave*

Ubisoft reportedly closes its Russian office after 8 years of operation

<https://gameworksobserver.com/2022/11/09/ubisoft-russia-office-closed-report>

***Total Energies** (France, Energy, oil and gas) Status by KSE - *stay*

¹⁹ Recently, a new section "[Company news](#)" was added to the project site <https://leave-russia.org/>, follow daily updates directly on the site

TotalEnergies CEO says West, rest of world differ on Ukraine war

<https://www.reuters.com/world/totalenergies-ceo-says-west-rest-world-differ-ukraine-war-2022-11-09/>

TotalEnergies CEO: our main motivation on Russia is to bring LNG over to Europe

<https://www.reuters.com/business/energy/totalenergies-ceo-our-main-motivation-russia-is-bring-lng-over-europe-2022-11-09/>

11.11.2022

***Fortenova Group** (Croatia, Food & Beverages) Status by KSE - *leave*

On October 31, the Russian Savings Bank, which owned 43% of the shares of Fortenova Group (formerly Agrokor), sold this asset to Seif Al-Ketbi, a resident of the United Arab Emirates. Both sides stated that the deal was closed in accordance with the requirements established by the EU.

<https://www.europeaninterest.eu/article/sale-of-a-stake-in-fortenova-by-a-russian-broker-to-an-arab-investor-benefits-and-transaction-history/>

***Prosus** (Netherlands, Online Services) Status by KSE - *exited*

Prosus Gives Up \$403 Million Stake in Russia's VK Social Network

<https://www.bloomberg.com/news/articles/2022-11-10/prosus-gives-up-403-million-stake-in-russia-s-vk-social-network>

***Infosys** (India, IT) Status by KSE - *leave*

Infosys Refuses To Shutdown Russian Operations, Despite Announcing Shutdown 8 Months Ago

<https://trakin/tags/business/2022/11/11/infosys-refuses-to-shutdown-russian-operations-despite-announcing-shutdown-8-months-ago/>

***Ericsson** (Sweden, IT) Status by KSE - *wait*

Russia's Tele2 files lawsuit against Ericsson over Russia withdrawal

<https://www.reuters.com/business/media-telecom/russias-tele2-files-lawsuit-against-ericsson-over-russia-withdrawal-2022-11-11/>

***Allianz** (Germany, Finance and payments) Status by KSE - *leave*

Allianz deal to sell Russia operations faces delay due to regulator

<https://www.reuters.com/markets/deals/allianz-deal-sell-russia-operations-faces-delay-due-regulator-2022-11-10/>

***Mazda** (Japan, Automotive) Status by KSE - *leave*

Russian carmaker Sollers will buy out Japanese automaker Mazda's 50% stake in their joint venture car assembly plant in Vladivostok, Sollers said on Thursday.

In a results statement on Thursday, Mazda said the deal would be worth one euro, bring it the right to buy the asset back for the same amount within three years.

<https://www.reuters.com/markets/deals/russian-carmaker-sollers-buy-out-mazdas-stake-vladivostok-joint-venture-2022-11-10/>

12.11.2022

***London Metal Exchange** (Great Britain, Finance and payments) Status by KSE *stay*

"The LME does not propose at this time to prohibit the warranting of new Russian metal nor to impose thresholds or limits to the amount of Russian stock permitted in LME warehouses," the exchange said in a statement.

<https://www.reuters.com/markets/commodities/lme-will-not-ban-russian-metal-its-system-2022-11-11/>

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