

McDonald's to exit Russian market

McDonald's Corporation has announced it will exit the Russian market following the invasion of Ukraine. The fast food giant has become one of the biggest global brands to cut business ties with Russia, laying out plans to sell all its restaurants after operating in the country for more than 30 years.



©ricochet64 - 123RF

The exit follows McDonald's [announcement in March](#) that it had temporarily closed restaurants in Russia and paused operations in the market.

"The humanitarian crisis caused by the war in Ukraine, and the precipitating unpredictable operating environment, have led McDonald's to conclude that continued ownership of the business in Russia is no longer tenable, nor is it consistent with McDonald's values," the company said in a statement on Monday.

“ This morning, our CEO Chris Kempczinski announced McDonald's plan to completely exit the Russian market, following our decision to pause operations in Russia earlier this year. For more details on this values-led decision, click to read Chris's message. <https://t.co/lvkjO51n5M>— McDonald's Corporation (@McDonaldsCorp) [May 16, 2022](#) ”

As part of McDonald's decision to exit, the company is pursuing the sale of its entire portfolio of McDonald's restaurants in Russia to a local buyer. McDonald's intends to initiate the process of “de-Arching” those restaurants, which entails no longer using the McDonald's name, logo, branding and menu, though the company will continue to retain its trademarks in Russia.



Major food companies curb business activity in Russia

9 Mar 2022

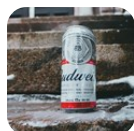


Russian employees

McDonald's said its priorities include seeking to ensure the employees of McDonald's Russia continue to be paid until the close of any transaction and that employees have future employment with any potential buyer.

McDonald's president and chief executive officer, Chris Kempczinski, said, "We have a long history of establishing deep, local roots wherever the Arches shine. We're exceptionally proud of the 62,000 employees who work in our restaurants, along with the hundreds of Russian suppliers who support our business, and our local franchisees.

"Their dedication and loyalty to McDonald's make today's announcement extremely difficult. However, we have a commitment to our global community and must remain steadfast in our values. And our commitment to our values means that we can no longer keep the Arches shining there."



AB InBev to sell stake in Russian joint venture

25 Apr 2022



McDonald's restaurants in Ukraine remain closed while the company continues to pay full salaries for its employees in the country and continues to support local relief efforts led by Ronald McDonald House Charities. Across Europe, the McDonald's System is supporting Ukrainian refugees through food donations, housing and employment.

As a result of its exit from Russia, the company expects to record a charge, which is primarily non-cash, of approximately \$1.2-1.4bn to write off its net investment in the market and recognise significant foreign currency translation losses previously recorded in shareholders' equity.

For more, visit: <https://www.bizcommunity.com>