

City Sells \$99M Stake In Builder

By [The Moscow Times](#)

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The main owners of construction company Mospromstroi have bought the city of Moscow's share of the firm for \$99 million, according to a City Hall official and a company executive.

The shareholders had a pre-emptive right to buy the city's stake, the official said.

The main owner of Mospromstroi is Mikhail Shishkhanov's Bin Group. The city government owned 24.5 percent of the company. The package was valued at 3.1 billion rubles (\$99.7 million), and the company should transfer that amount the city within days, the city official said. A Bin Group spokesman neither confirmed nor denied the information.

The General Directorate for Industrial Construction in Moscow — Glavmospromstroi — was established in 1972 and reorganized into Mospromstroi in 1990. The company now controls more than 20 general contractors and specialized companies. Among the buildings they have been responsible for are the Christ the Savior Cathedral, the Ice Palace and the Victory Memorial on Poklonnaya Hill.

Binbank became the principal owner of Mospromstroi in 2006. Binbank president Shishkhanov said he intended to invest up to \$1 billion at the time in Mospromstroi projects. The company then owned three hotels under Marriott management, two managed by Holiday Inn — on Lesnaya Ulitsa and Sushchyovsky Val — and was building a hotel in Sokolniki. Now the company has seven hotels.

Mospromstroi chief executive Boris Guretsky said the company is currently building seven residential complexes, electric train depots at Pechatniki and Mitino, the Dynamo complex and other projects. The company's volume of orders for 2012, he said, has increased to 26 billion rubles from 12 billion rubles this year.

Last week, a Shishkhanov structure bought the hotel National from the city for 4.67 billion rubles. Earlier, the businessman bought 49 percent of Dekmos, which owns the hotel Moskva. In early December, Shishkhanov, in partnership with the Sberbank subsidiary Sberbank Investment, completed the acquisition of the Inteko company from Yelena Baturina, who will receive about \$600 million in proceeds from the sale.

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