

Rotenberg's Stroigazmontazh 2011 Revenue Up More Than 50%

By [The Moscow Times](#)

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Arkady Rotenberg

Thanks to orders placed by Gazprom, Arkady Rotenberg's construction business is growing by leaps and bounds.

Last year's Stroigazmontazh financial information was provided to Vedomosti by the company's public relations deputy director Andrei Baturin. Consolidated revenues of the group grew by more than 50 percent from 154 billion rubles (\$5.1 billion) to 241.4 billion rubles. And net income more than quadrupled from 3.7 billion rubles to 17 billion rubles.

With those financial indicators, Stroigazmontazh could cost about \$8 billion excluding debt, said Metropol analyst Sergei Vakhrameyev. Taking into account the company's high profitability and future growth in turnover, it could be valued at \$10 billion, added Denis Borisov from Nomos Bank.

Both estimates are significantly higher than the amount Rotenberg paid for the main companies that make up Stroigazmontazh today. They are five former construction subsidiaries of Gazprom, which sold them to Rotenberg at an auction in the spring of 2008 almost at the starting price of 8.3 billion rubles (\$347 million at the exchange rate on the date of sale).

After this purchase, Rotenberg — Vladimir Putin's longtime judo partner — began doing construction work for Gazprom. A year later, he ranked in the top three Russian construction companies for the oil and gas sector.

Gazprom is now the main customer of Stroigazmontazh, Baturin said, declining to say whether it was the construction company's only customer.

For more than a year, Stroigazmontazh has said it is planning to diversify its business, but it has not reported any large orders in other segments.

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