

Kalashnikov Added to 'Strategic' List

By [The Moscow Times](#)

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The newly formed arms maker Kalashnikov Concern has been added to the list of strategic enterprises to ensure its stable development and efficient operation, the company said.

"The status of Kalashnikov Concern as a strategic enterprise underlines its high importance for the development of the country's small arms industry and provides a broader range of opportunities to receive state support," Kalashnikov said in a statement on Tuesday.

Russia's Izhmash arms factory, manufacturer of the legendary Kalashnikov assault rifle, was renamed Kalashnikov Concern in mid-August and will soon integrate several other defense plants into the new holding. It will include Izhmash, Izhmekh and some other small-arms manufacturers under the famed Kalashnikov brand.

Izhmash produces over 70 types of weapons, including firearms, aircraft guns, and artillery shells, as well as a variety of sporting and hunting weapons. The company won a \$400 million government contract in July to produce Vikhr anti-armor missiles. Izhmekh is best known for its Makarov and Yarygin pistols.

However, both companies have been recently experiencing financial difficulties and a sharp drop in production output. The government is now hoping to revive them by merging them under the new brand.

In September, the state-owned company Russian Technologies, or Rostec, sold 49 percent stake in Kalashnikov Concern to private investors for 2.5 billion rubles (\$75 million).

Rostec will retain a 51 percent stake in the company. The 2.5 billion rubles will be invested within the next two years and spent on development projects, according to Rostec.

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