

Danone Plans to Withdraw From Most of its Business in Russia

By [AFP](#)

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Vincent Isore / ZUMA Press / TASS

French food giant Danone announced plans on Friday to transfer the control of its essential dairy and plant-based business in Russia, retaining only its infant nutrition branch.

One of the few multinationals to have remained in Russia since the Ukraine war, Danone said the move to "transfer the effective control" of the dairy business could result in a write off of up to one billion euros (\$980 million).

"Danone considers that this is the best option to ensure long-term local business continuity, for its employees, consumers and partners," the group said in a statement.

The transaction will be subject to the approval of authorities, the group added, and Danone will retain the activities of its "specialised nutrition" arm, which includes baby milk.

As many international companies suspended operations in the wake of Moscow's invasion of

Ukraine, Danone said in March that it would continue to operate in Russia, where it employs some 8,000 people.

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However, by July, Danone admitted to experiencing "extremely tense" operational conditions in Russia and Ukraine.

Most major Western companies, including Starbucks and McDonald's, pulled out of Russia in the wake of Moscow's invasion of Ukraine on Feb. 24.

McDonald's – which employed 62,000 workers in Russia – was bought by Russian businessman Alexander Govor and renamed "Vkusno i tochka" ("Delicious. Full Stop").

The Russian operations of Starbucks were also bought and reopened with a new name and logo.

Denmark's Lego, the world's largest toymaker, said in July that it would "indefinitely cease commercial operations" in Russia, ending its partnership with the retail group that operated 81 stores on the brand's behalf.

French automaker Renault left the country in May, handing over its assets in the country to the Russian government.

Other firms to wind down their Russian business include clothing brands Nike, Adidas and H&M, Swedish furniture giant IKEA, and US tech giant Cisco.

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