

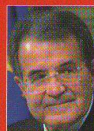
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INVESTOR'S GUIDE TO

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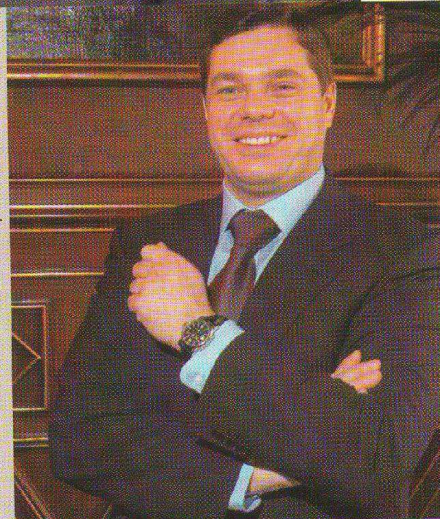
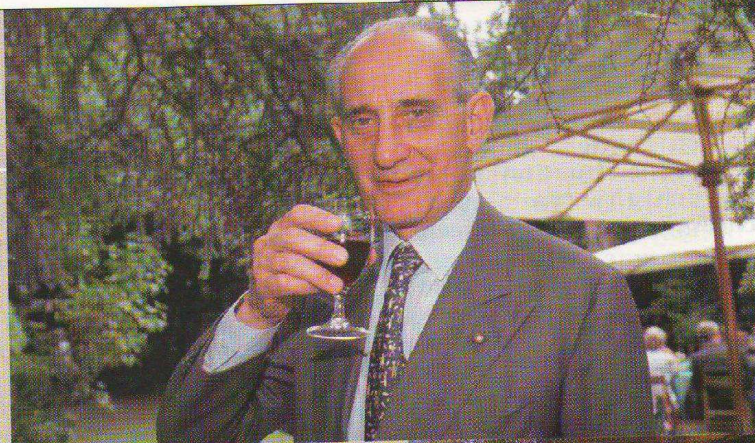
And Russians Taste Steel, Drinks and Yachts

The Cossacks are not threatening to water their horses in St. Peter's Square but, all the same, what Russian investors are launching in Italy is a real advance, the objective of which is to gain control over some of the country's main industries.

Alexei Mordashov with his Severstal and **Yuri Shefler** with the SPI group are just the tip of the iceberg of a phenomenon that is affecting various

industrial sectors, especially the more mature ones like steel. Shefler is the "king of vodka". He controls a group of 130 brands in 120 countries with sales totaling USD 1 bn. An admirer of Italy, the Russian magnate is rounding up vineyards at Montalcino, where he has acquired a 27% stake in the Marchesi de' Frescobaldi's holding company, Tenute di Toscana. However, there are also other protagonists on the scene. A new entry, also in the steel sector, is **Roman Abramovich**, the richest man in the Russian Federation who is involved in British football (soccer) as head of the Chelsea club. He operates through Greenleas International, which has obtained a 41.3% stake in Evraz, the Russian steel colossus with an estimated value of USD 3 bn. The historic Palini e Bertoli steel mill at Udine (Friuli) is among Evraz's subsidiaries. Boating is another sector in which the Russians are particularly interested. At this year's edition of the Moscow International Boat Show, the Italian boating industry was the most representative exhibitor. The Ferretti group was there. Its interface in the Russian Republics is with Premium Yachts' **Alexei Kurochkin**, a professional banker who owns a 30% slice of the Russian International Bank, a medium-size institution with annual revenues of USD 600 mn. He entered a partnership with the Forlì-based Ferretti group a couple of years ago. Kurochkin is not just a financial investor, for Ferretti has also assigned him its French market.

The young and enterprising **Anton Dolotin**, owner of the Russian company Fraser Yachts, which generates sales of about USD 40 mn, has joined forces with the Azimut Benetti group, which is now the best known shipyard on the Russian market with more than 50 boats sold in four years. That partnership is also focused on real estate. Along with a Russian manager, Paolo Vitelli, owner of Azimut, has launched an investment of about USD 15 mn in the construction of a marina on Lake Himki. According to attorney **Giancarlo Cipolla**, the sole shareholder of **Rus Ital Interconsulting**, "Russian entrepreneurs' interest in acquiring Italian companies is steadily growing. They focus on taking over companies in mature industrial sectors, like lumber processors, perhaps with the aim of dismantling the installations and moving them. That was the fate of the plants of ICM Pannelli, which declared bankruptcy and was entirely acquired by the biggest Russian company in the wood products sector. There are also some other sectors in which the Russians are hunting for companies, for example the medical field. Rus Ital Interconsulting is the official partner of the Union of Chambers of Commerce of Russia, the organization (see box) that represents more than 170 local Chambers throughout Russia with more than 100,000 member companies. The value of imports in Italy amounts to EUR 7 bn, while investments are expected to grow by 15% in the next two to three years.



From top: Vittorio Frescobaldi, one of the top Italian wine producers, owner of Tenute di Toscana, in which the Russian magnate Yuri Shefler invested recently. Alexei Mordashov (middle), the tycoon of steel, acquired Lucchini while Roman Abramovich (bottom) has a big stake in the Palini & Bertoli steel maker