

McDonald's to exit Russia and sell all of its restaurants due to Ukraine war

McDonald's will sell all of its restaurants in Russia, making it one of the biggest global brands to exit the country after its invasion of Ukraine.

The world's biggest burger chain said that holding on to its business in Russia "is no longer tenable, nor is it consistent with McDonald's values", citing the humanitarian crisis in Ukraine and resulting "unpredictable operating environment".

The company [temporarily closed its 847 Russian stores](#) in March and continued to pay employees.

[McDonald's](#) said it would look for a potential buyer that would hire its 62,000 staff and pay them until the sale is completed.

The firm said it plans to start removing golden arches from the restaurants, as well as other symbols and signs with the company's name – but said it will keep its trademarks in Russia.

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"It is impossible to ignore the humanitarian crisis caused by the war in Ukraine," chief executive Chris Kempczinski said in a letter to employees.

"And it is impossible to imagine the Golden Arches representing the same hope and promise that led us to enter the Russian market 32 years ago."

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McDonald's hit by invasion costs

The first McDonald's in Russia opened in Moscow in 1990,

shortly after the fall of the Berlin wall.

As the first American fast food restaurant to open in the Soviet Union, it was a powerful symbol of capitalism prospering as Cold War tensions eased.

The company said it has been losing \$55m (£45m) a month since its stores closed in both Russia and Ukraine, where it also continues to pay staff.

The two countries previously made up about 9% of the firm's revenue.

Last month, McDonald's said it had earned \$1.1bn (£898m) in the first three months of 2022 – a drop from more than \$1.5bn (£1.2bn) the year before.

The fast food giant said it expects to record a noncash charge of about \$1.2bn to \$1.4bn (£980m to £1.1bn) to write off its investment once the sale closes.

A potential buyer has not been identified.

McDonald's is among other major US brands – like Starbucks and Coca-Cola – that paused their business in Russia amid public pressure.

At first, the company had [kept silent about the invasion](#).

McDonald's has more than 39,000 locations in more than 100 countries – the vast majority of which are owned by franchisees.