

From Russia With Cash

Mikhail Prokhorov made billions mining gold and nickel at home. Now, he's buying the New Jersey Nets basketball team and looking for bigger U.S. investments.

By STEPHANIE BAKER

Photograph by OLEG NIKISHIN/GETTY IMAGES



Prokhorov
practices his
jump shot at his
Moscow offices.

Mikhail Prokhorov steps off his Gulfstream V into the swirling snow and subzero temperatures of Krasnoyarsk, Siberia, where he's come to visit his gold mine. Though it's almost midnight, Prokhorov has no interest in retiring to his hotel room. Instead, he's whisked away in a police-escorted Mercedes to the local gym, where he puts in two hours running on a treadmill and lifting weights.

Even in the depths of Siberia, Prokhorov's mind wanders thousands of miles away to Brooklyn, New York, where he plans to install his new trophy asset: the New Jersey Nets basketball team. Prokhorov, Russia's second-richest man, according to Moscow's *Finans* magazine, was little known in the U.S. until last year, when he agreed to pay \$200 million for an 80 percent stake in the Nets and a 45 percent share in their new Brooklyn arena. He's not bothered that the Nets were one of the worst teams in the history of professional basketball in the 2010 season, with a record of 7-60 as of March 17.

"There is only one way to go: up," says Prokhorov, who turns 45 on May 3, as he bench-presses 50 kilograms (110 pounds) in baggy sweatpants and a gray Nets T-shirt at the Krasnoyarsk gym. "I like to find cheap assets with problems. It gives me power."

Prokhorov, who's more than 2 meters (6 feet 7 inches) tall, stands out among Russian billionaires for more than just his height. While other moguls

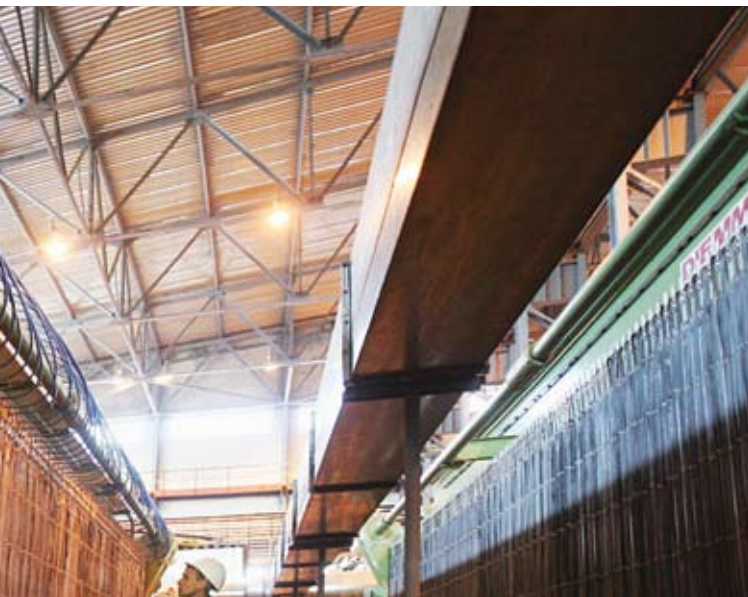


gorged on debt in acquisitive binges that left them on the brink of state takeovers, Prokhorov feasted on their remains—growing richer by investing in gold and aluminum even as the Russian economy shrank 8 percent in 2009. "Prokhorov was in a game of musical chairs, and when the music stopped, he was sitting down," says Christopher Granville, managing editor of London-based Trusted Sources UK Ltd., an emerging-markets research firm.

Armed with cash, Prokhorov is now expanding beyond his gold and metals holdings into areas such as debt restructuring and hybrid cars and is looking for partners outside Russia for new investments.

The U.S., which so far has been relatively untouched by Russia's new class of billionaires, is an important part of Prokhorov's global strategy. And the Nets purchase is about more than basketball. "It's about opening up other business opportunities in the U.S.," Prokhorov says, sipping tea at 2 a.m. at his hotel in Krasnoyarsk. "If I want to do something else, people won't say, 'Who's that?' They'll say, 'That's the owner of the Nets.'"

Prokhorov will be the first owner of a National Basketball Association team from outside North America, at a time when



Giant turbines, above, at the Olympiada mine extract gold from ore. **Prokhorov**, inset, weighs a gold bar.

there's very little foreign ownership in U.S. sports. Other Russian businessmen have invaded English soccer. Billionaire Roman Abramovich has plowed almost 700 million pounds (\$1.1 billion) into the Chelsea Football Club and changed the game by bidding up salaries of star players.

"I'll be the first NBA owner who can dunk," says Prokhorov, who played basketball in high school. (Basketball legend Michael Jordan, who is part of a group that in March agreed to pay \$275 million for the Charlotte Bobcats and is a former minority owner of the Washington Wizards, would dispute that claim.) The Russian entrepreneur installed a basketball hoop down the hall from his Moscow office where he sometimes practices his jump shot.

Prokhorov agreed to buy the

Nets from New York real estate developer Bruce Ratner, along with a stake in the new arena that Ratner is building as part of a \$4.9 billion, 22-acre (9-hectare) office-and-apartment complex. Ratner's own plan to move the Nets to Brooklyn—home to about 330,000 immigrants from the former Soviet Union—had been held up for six years because of legal battles with local residents opposed to the new development. Prokhorov plans to revive the team with new talent. Some of the best players in the NBA, including Chris Bosh of the Toronto Raptors, LeBron James of the Cleveland Cavaliers and Dwyane Wade of the Miami Heat, will become free agents during the next two years, he says.

The Russian metals magnate has the cash to assemble his own dream team. He got some of it after a run-in with French police in January 2007. They detained him at the ski resort of Courchevel on suspicion of pimping. He was released without charge after four days—he denies any impropriety—and he returned to Russia to find himself joined in battle with his then-business partner, billionaire Vladimir Potanin. Prokhorov says

that after the events in Courchevel, Potanin urged him to sell his 25 percent stake in Russia's biggest mining company, Moscow-based OAO GMK Norilsk Nickel. Instead of selling to Potanin, Prokhorov sold out to yet another billionaire, Oleg Deripaska, in April 2008 for a promised \$7 billion in cash and a 14 percent stake in Deripaska's United Co. Rusal, the world's largest aluminum producer.

It looked like Prokhorov had called the top of the market. In the eight months after he sold his stake, Norilsk shares sank 71 percent. Using his holding company, Onexim Group, he then spent late 2008 and 2009 snapping up distressed assets while fellow Russian businessmen struggled under truckloads of debt. He bought half of Renaissance Capital, one of Russia's largest investment banks, for \$500 million in September 2008. He also increased his stake in OAO Polyus Gold, Russia's largest

gold producer, before the price of the metal soared more than 50 percent from November 2008 through the end of 2009 as investors worldwide bought it as a safe haven. Prokhorov now owns about 40 percent of Polyus with other investors, a stake valued at \$3.7 billion on March 8.

Like other oil and mining tycoons, Prokhorov rode the Russian boom. From 1999 through most of 2008, Russia was giddy

'I'll be the first NBA owner who can dunk,' says Prokhorov, who's paying \$200 million for 80 percent of the team and 45 percent of its new arena.



The Brooklyn **intersection**, above, where the Nets' **stadium**, inset, is to be built. **Ratner**, below, says he'll run the arena and Prokhorov, the team.

on worldwide demand for its oil, gas and minerals. In 2008, the economy surged 7 percent as investors piled in. When oil plunged to \$34 a barrel in December 2008 from \$145 that July, the Russian economy sank along with it. For the first time in a decade, the government ran a budget deficit.

Some Russian business moguls were caught out when the Micex Index plunged 67.5 percent in 2008, forcing Deripaska to restructure debt after the value of the shares he had pledged as collateral against loans collapsed. Alexander Lebedev's National Reserve Bank Corp. faced margin calls in October 2008 on a loan from Deutsche Bank AG guaranteed by shares in airline OAO Aeroflot that had plunged in value.

Having cashed out before the crisis, Prokhorov was well positioned when commodity prices recovered in mid-2009, helping to trigger a 125 percent gain that year in the Micex. *Finans* magazine's February 2010 rich list put Prokhorov's assets at \$17.8 billion, second after steel magnate Vladimir Lisin, who's worth \$18.8 billion.

"Prokhorov's story is one of Russia's fundamental dependence on natural resources," says David Woodruff, senior lecturer at the London School of Economics and Political Science. "He made his fortune like everyone else: from prices set on international commodity markets."

Prokhorov increased his stake in Rusal last year in a complex restructuring deal with Deripaska, who owed him \$2.8 billion from his 2008 purchase of Prokhorov's Norilsk shares. After Rusal's January initial share offering in Hong Kong, Prokhorov now owns 17 percent of the aluminum giant and pocketed \$440 million in cash. Rusal shares had sunk 19.25 percent since the IPO as of March 17. "I don't care about



the IPO because I can wait and sit on this company," Prokhorov says, swinging his long legs over the arm of a white leather seat on his jet en route to Krasnoyarsk. "In the next three to four years, the value of the company will double for sure. It's inevitable that commodities will go up."

Friends say that while there was some luck in Prokhorov's emergence at the top of Russia's business pyramid, most of his success comes from hours of mapping out his long-term investment strategy. "He calculates his risks 10 times before he invests," says Alexander Khloponin, a former business partner and ex-governor of the Krasnoyarsk region, where most of Polyus's gold mines are located.

PROKHOROV IS PART OF Russia's power elite. One December evening at the Bolshoi's Maly Theater, he chats with Finance Minister Alexei Kudrin and former Soviet leader Mikhail Gorbachev. Last year, he paid 11 billion rubles (\$376 million) in Russian taxes on his 2008 income, which helped his political standing, says Khloponin. Prokhorov first met Prime Minister Vladimir Putin in 1994, when Prokhorov opened a bank branch in St. Petersburg and Putin, then deputy mayor, attended the ceremony.

Still, Prokhorov says he holds no political ambitions and the label "Russian oligarch" doesn't apply to him. "An oligarch is rich and has political power," he says. "I'm a businessman. Every businessman has a relationship with the government."

Prokhorov is quick to say his relationship bears no resemblance to that of Mikhail Khodorkovsky, who held the title of Russia's richest man when he was CEO of OAO Yukos Oil Co. Khodorkovsky is now

imprisoned in Siberia after convictions for tax evasion and fraud. Khodorkovsky got into politics, Prokhorov says. "I'm not in politics," he says.

Prokhorov owns all of the trappings of a Russian billionaire, including the Gulfstream jet, a yacht named *Solemar* he says he bought for about \$45 million five years ago (and rarely uses because he gets seasick) and an estate on the outskirts of Moscow.

Prokhorov also has a fondness for Russian models. Late one Friday night in December, he hits Soho Rooms, a Moscow nightclub where he takes over a balcony section with male friends and a random collection of long-haired, slim women—some models, some students—wearing high heels and dressed mostly in black. He buys drinks for the group while sticking to mineral water himself. He jokes with some of the women, his hand lightly resting on their waists, before sitting down to watch a bevy of women dancing in white corsets, panties and Cossack-style white fur hats. "That's where the energy is," he says, pointing at the women.

For all his party-going, Prokhorov says he's never been drunk or even tasted vodka. He usually dresses like a gangling teenager in loose-fitting T-shirts and jeans. Until five years ago, when he was already worth billions, he lived with his older sister, Irina, in the 500-square-foot (45-square-meter) Moscow apartment where he grew up with his parents, before they died of successive heart attacks when he was in his mid-20s. The brother and sister—she's editor of a literary journal—still live together in a sprawling stone mansion in a gated compound about 45 minutes from central Moscow.

EVEN SO, every Russian billionaire needs a home on the Riviera. In July 2008, Prokhorov's Onexim Group put down a 39 million euro (\$53.7 million) deposit on the ultimate real estate asset: Villa Leopolda, a 20-acre French estate built by King Leopold II of Belgium in 1902 and now owned by Lily Safra, the widow of banker Edmond Safra. Onexim had agreed to pay €390 million for the villa before the financial crisis hit. Onexim filed a lawsuit in Nice in January



The **New Jersey Nets**, who will become the Brooklyn Nets after Prokhorov takes ownership, racked up an embarrassing record this year.

2009 demanding its deposit back, arguing Safra had changed the terms of the sale. A court ruled in March that under French law, Onexim forfeits its deposit. The company is appealing.

In some ways, Prokhorov is as Old World as the Safra estate. He doesn't carry a mobile phone and says he has looked at the Internet only three times. His office desk has no computer. Instead, there are papers and a large plate of fruit and nuts. He makes to-do lists in a large black diary and scratches out completed tasks. He's a night owl who goes to bed around 3 a.m. and works out every day in the gym adjacent to his office.

Prokhorov's love of sports is part of the reason he wants to buy the Nets. He says he originally went after the New York Knicks because of their Manhattan base. They weren't for sale. Ratner says he approached Prokhorov after hearing from NBA Commissioner David Stern that he was interested in buying a team. Ratner, 65, had bought the Nets in 2004, for \$300 million, from a holding company called YankeeNets LLC.

Ratner traveled to Moscow in mid-2009 to discuss the plan with Prokhorov over dinner. Six weeks later, they made a deal. "We hit it off," Ratner says. "He will control the team, and we will control the arena."

Prokhorov, speaking in English, introduced himself as "Mike" to his new basketball buddies at a meeting of the NBA Board of Governors in December. Stern told reporters that same month that the NBA found no reason to hold up the purchase. "There were multiple investigations of him by interested parties, and

there was nothing that was disclosed that would cause us not to move forward with his application," Stern said. The NBA board, composed of representatives of the league's 30 teams, was expected to vote on the deal in April or May.

The Russian is confident he can make a profit from the team. Petr Aven, president of Alfa Bank, Russia's largest private bank, says such purchases are mere vanities. "They're playing with toys," he says. "Those aren't business decisions at all."

Prokhorov describes himself as a Russian version of the American self-made man. He grew up in Moscow in an average if slightly privileged Soviet family. In his early childhood, the Prokhorovs lived in a *kommunalka*, a communal

Betting on Aluminum ... Hedging With Gold

Aluminum
London Metal
Exchange price
Per ton

12/31/08
\$1,508

3/8/10
\$2,200

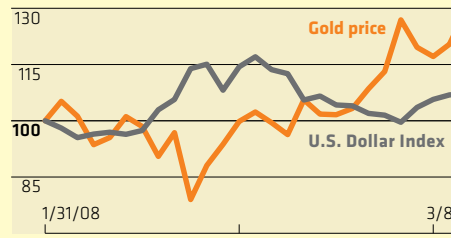
Prokhorov increased his stake in aluminum producer Rusal to 17 percent from 14 percent.

Rusal stock price return
1/26/10-3/17/10

-19%

After Hong Kong listing

Prokhorov owns 40 percent of gold miner Polyus with other investors and uses gold as a hedge against dollar holdings.



Index: Jan. 31, 2008 = 100. Source: Bloomberg

apartment where multiple families shared a bathroom and kitchen in what most Russians remember as the dreariest days of the Soviet era.

At the height of Soviet leader Leonid Brezhnev's power in 1975, Prokhorov's family moved to a two-bedroom apartment that was comparatively luxurious. Mikhail's father, Dmitry, had started to work for the USSR Sports Committee, heading its international department. His father's job took him abroad. Dmitry would tell his son tales of life in the West and bring him gifts, including Lee jeans and a Sharp radio/cassette player. The items gave young Prokhorov a cool edge among his peers and a taste for capitalism.

"It's amazing!" Prokhorov exclaims, digging the radio out of the closet in his old room on a rare visit to his childhood apartment, which he now owns. "It was strong enough to catch Voice of America." He pulls out old music tapes, some of which his father brought back from overseas: Abba, the Bee Gees, Deep Purple and Rainbow.

The Prokhorovs skated on the edge of what was politically acceptable at the time. Standing in the tiny kitchen of his family's old apartment, Prokhorov tells how his grandmother, a biologist, spent most of her life with a packed suitcase near the doorway waiting to be arrested after most of her colleagues had been sent to the gulag during Stalin's purges.

The KGB once tried to recruit his father in the late 1970s, he says. His mother threatened divorce if he accepted. "His career suffered because he didn't join," Prokhorov says. In the mid-1980s, Prokhorov says his father lost his job at the sports committee and took a much-lower-paying job at a sports institute.

After serving two years in the Soviet army, Mikhail worked evenings unloading railway cars and organized a brigade of students to join him. He says he made more at his night job than the average Soviet doctor.

"My brother had to start earning money to support the family," says Irina, who was divorced with a young daughter at the time their parents died. "That was an impetus to start something new. This personal tragedy coincided with the collapse of the Soviet Union."

At the same time he was unloading railroad cars, Prokhorov was attending the Moscow Finance Institute, a Soviet training ground for the ministries and state banks that ran the planned economy. Prokhorov and his fellow students formed a close-knit circle that has followed Prokhorov as he has accumulated his billions. The group includes

former Krasnoyarsk governor and former Norilsk CEO Khloponin; Polyus CEO Evgeny Ivanov; and Dmitry Glotov, a former Polyus executive now at Onexim.

"They were never dissidents or antagonistic to the Soviet system," says Mikhail Eskindarov, who was Prokhorov's dean at the time and is now rector of the renamed Moscow Finance Academy, to which Prokhorov has donated \$8 million.

In 1988, Prokhorov launched his second business venture: making stone-washed jeans. Perestroika—the opening of the economy—was in full swing, and the Soviet populace was hungry for Western-style goods. To process the denim, Prokhorov rented a corner of a laundromat on the outskirts of Moscow. In his first year, his margins were enormous; he made 14 rubles for every one he spent.

STANDING IN THE abandoned, burned-out laundromat on his first visit back in 18 years, he recalls that he spent his money rather than counted it. "I bought a Zhiguli," he says, using the nickname for the Soviet-era Lada car. "It was the first time in my life I had pleasure from money. Nothing has come to beat that feeling."

His jeans business grew to employ 300 people, and he realized he had a talent for management. After graduating from the financial institute in 1989, Prokhorov joined the International Bank for Economic Cooperation, the institution set up by communist countries to facilitate financial transactions in rubles. He started out as a bond dealer and eventually rose to run the currency department.

That's where Prokhorov met the man who would become his close friend and main business partner for the next 16 years: Vladimir Potanin. It was initially a banker-client relationship. Potanin came to Prokhorov to open an account at IBEC for his company, which helped businesses pass through customs. "We talked for three hours about everything," Prokhorov recalls.

As the Soviet banking system began collapsing with the fall of communism, the pair decided to open their own financial institution, MFK, in 1992. Prokhorov and Potanin put up 10 percent of the new bank's \$10 million in shareholder capital. IBEC, where Prokhorov worked and which was in crisis because of the collapse of communist economies, put up 40 percent. State-owned banks VTB Group and OAO Sberbank contributed 30 percent and 20



Then-President **Putin** gives Prokhorov an award in 2006.

Cashing Out

percent, respectively. Most of IBEC's clients moved to MFK, and within a year, the duo had borrowed enough to buy out the state-owned investors and take full control of the bank.

Newly independent Russia was hit by hyperinflation of more than 2,000 percent, and Prokhorov and Potanin profited from the crisis by exploiting the dollar-ruble exchange rate. They would convert rubles to dollars, wait for inflation to eat away at the ruble's value and then convert the dollars back into rubles at a big profit. "If you had access to a good clientele with really big ruble deposits, the margins were really enormous and you could convert them easily to hard currency," Prokhorov says.

The pair realized they complemented each other. Potanin was the public face, the one who schmoozed government officials and often took a lead in business negotiations. Prokhorov was the banker, manager and headhunter for the group. "One plus one was much more than two when we were together," Prokhorov says. "We are absolutely different in everything. We have a funny joke. If you put 10 girls of different appearances in front of us, we will choose five absolutely different girls. No overlap."

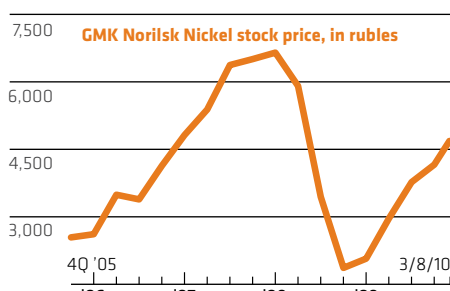
A year after founding MFK, Prokhorov and Potanin helped set up a new trade finance bank called United Export & Import Bank, or Uneximbank. They enlisted major trading companies as shareholders, in effect locking in their clientele, says Polyus CEO Ivanov, who worked under Prokhorov at Uneximbank in the 1990s. "All the big names in foreign trade were there, plus some oil producers," Ivanov says. "Potanin was in charge of outside connections, and Mikhail was running the team."

Under Prokhorov, net profit at Norilsk rose to \$6 billion in 2006 from \$1 billion in 2001.

Faced with a budget crisis in the mid-1990s, the government of President Boris Yeltsin took loans from Russian banks in exchange for allowing them to manage shares in state companies. In 1995, Prokhorov and Potanin loaned the government \$170 million for the right to manage the government's 38 percent stake in Norilsk Nickel. Two years later, they bought the stake for \$250 million, a bargain in light of the billions of dollars Norilsk generated in years to come.

Doing business in Russia in the 1990s came down to survival of the fittest, Prokhorov says. "It was cowboy territory with no sheriff," he says. Asked if he ever paid a bribe, Prokhorov says: "It was 15 years ago, the last time. I need to be frank."

Prokhorov sold his stake in Norilsk in April 2008, right before markets crashed.



Source: Bloomberg

When they took it over, Norilsk was a debt-ridden, mismanaged company. Started as a penal colony by Josef Stalin, its mines are above the Arctic Circle in some of the harshest conditions in the world.

Prokhorov took the helm in 2001 and radically restructured the company. The number of workers shrank to 58,000 in 2007 from 125,000 in 2001, as miners and pensioners were taken off the payroll and resettled in different parts of Russia, says Olga Golodets, who ran human resources

at Norilsk under Prokhorov. He also removed from his books social enterprises like nurseries and hospitals, which were part of every big company under the Soviet system.

Trade unions battled Prokhorov over the planned cuts. In 2003, he persuaded leaders of the Norilsk trade union to halt a hunger strike by taking to the factory floor himself, telling workers their salaries would grow if they backed his plans to reform the company. "You're like the governor of a small and very difficult country," Prokhorov says of his time running Norilsk. "The system of corruption was strong."

HIS TURNAROUND STRATEGY worked, helped by soaring nickel prices. Under Prokhorov, net profit at Norilsk rose to \$6 billion in 2006 from \$1 billion in 2001, according to company reports.

In 2006, Prokhorov diversified into gold mining when he bought Polyus and other, smaller gold producers. In 2003, he made his first investment in the U.S. when Norilsk paid \$257 million in cash and metals for 51 percent of Columbus, Montana-based Stillwater Mining Co. With profits booming at Norilsk, he spun Polyus off in 2006.

It looked like Prokhorov could do no wrong. Then he boarded a plane for a ski holiday in the Alpine resort of Courchevel, located about 125 miles (200 kilometers) from Lyon, France, with a group of friends that he says included eight young women. One morning at the five-star Byblos hotel, Prokhorov was awakened by a knock on the door. Outside were French police, telling him they had orders to detain him for running a ring of prostitutes. "I started joking: 'Are you sure you've got the right door?'" he recalls.

Prokhorov's friends woke up later and tracked him down to a jail cell in Lyon, where he spent four days. "We tried to bring him pillows in jail, but they refused to let us," says Maxim Finsky, the head of Intergeo, Prokhorov's mining exploration company, who was part of his entourage in Courchevel. "We were traveling together with our wives and girlfriends."

Prokhorov, who was released without charges, says the eight girls traveling with him were not prostitutes and he did

not pay them. “It was just ‘lost in translation,’” Prokhorov says. “It was a total misunderstanding by the police.”

As Prokhorov tells it, the incident at Courchevel sent relations with Potanin to the tipping point. He says the two had had disagreements over strategy for years and had discussed a corporate divorce even before Courchevel. “My goal is to create value; he’s more into the political side,” Prokhorov says. “We always reached a compromise. The Courchevel story was only a push.” Potanin declined to comment.

The pair began negotiating a split of assets after Prokhorov stepped down as CEO of Norilsk in March 2007. After several months, he finally struck a deal with Deripaska’s Rusal.

Prokhorov and Potanin then began a battle for control of Polyus, with each side quietly buying up shares in the open market, CEO Ivanov says. Potanin finally agreed to sell his 38 percent stake in Polyus in March and April 2009 to Suleiman Kerimov, the Russian billionaire who controls Moscow-based investment company Nafta Moskva. Polyus is now the world’s 10th-largest gold company by production and the 5th largest by reserves.

Prokhorov visits the gold mines a few times a year. One day in December, after flying about 600 kilometers north of the city of Krasnoyarsk by helicopter to the gold mining region, Prokhorov drives in –40 degrees Celsius (–40 degrees Fahrenheit) temperatures to witness the daily explosion at the Olympiada mine, a 420-meter-deep snow-covered pit. Explosives loosen rocks and dirt containing gold ore. Giant Caterpillar trucks haul it to a new \$350 million factory built by Polyus. A conveyor belt pulls up the rocks and dumps them into 30-foot-high, yellow spinning turbines, which grind them to powder to extract the gold.



Prokhorov digs out an old radio/cassette player in his childhood home.

At the other end of the factory, in a unit guarded by half a dozen armed men, workers in masks and brown wool coats pour hot liquid gold into 11-kilogram bricks. Prokhorov picks up a brick and calculates its value in his head at current prices: \$400,000. “I expect the price of gold to be between \$1,000 and \$1,300 for the next three years,” he shouts later, over the humming of his helicopter flying over the frozen forests of Krasnoyarsk.

PROKHOROV SAYS HE’S using his stake in Polyus as a hedge against his cash pile, which he keeps in U.S. dollars. “In my system of hedging risks, it’s not important where the price of gold goes,” he says. His gold assets rise when the dollar falls, and his dollar assets gain when the price of gold falls, he explains.

Long term, Prokhorov wants Polyus to compete with industry leaders. He’s willing to merge the company with a foreign rival to create a global champion. And he’s using his increased stake in Rusal to push for a merger of the aluminum giant with Norilsk. “The best for the country is to merge Norilsk and Rusal to create a great Russian BHP Billiton,” he says, referring to the world’s biggest mining company, which is based in Australia.

Notwithstanding his global ambitions, Prokhorov says he has no intention of becoming an expatriate like some wealthy Russians. He says he plans to attend 25 percent of Nets home games per season—about 10 games—and will spend most of the year in Russia. One evening in December, he takes to his own court, sinking one shot after the other. He makes it look as easy as navigating the financial crisis, as if his next billion were just one dunk away. **B**

Stephanie Baker is a senior writer at BLOOMBERG MARKETS in London. stebaker@bloomberg.net With assistance from **Ryan Chilcote** in London and **Yuriy Humber** in Moscow.

To write a letter to the editor, **type MAG <Go>** or send an e-mail to bloombergmag@bloomberg.net.



Prokhorov’s Purchases

Use the Corporate Actions (CACs) function to track acquisitions made by Prokhorov’s Onexim Group. **Type 2297245Z RU <Equity> CACS <Go>**. Tab in to the first DATE field, enter 01/01/08 and press <Go> to view a list of Onexim’s purchases and sales since 2008. Click on any item, such as Target: New Jersey Nets, Sought: 80.00%, for details on that deal.

BETH WILLIAMS

DATE	DESCRIPTION	ISIN	TARGET	SOUGHT
03/21/09	Acquisition	2297245ZRU	Target: New Jersey Nets, Sought: 80.00%	
06/05/09	Acquisition	2297245ZRU	Target: Renaissance Financial Holdings, Sought: 100.00%	
03/31/09	Acquisition	2297245ZRU	Target: K&S Bankers, Sought: Russian Group	
12/18/08	Joint Venture	2297245ZRU	Partner: BetsGal, Country: FINLAND	
11/24/08	Acquisition	2297245ZRU	Target: K&S Bank, Sought: 100.00%	
10/13/08	Acquisition	2297245ZRU	Target: TOK-4, Sought: 48.43%	
09/22/08	Acquisition	2297245ZRU	Target: Commercial Bank Interstate CA, Sought: 100.00%	
08/07/08	Divestiture	2297245ZRU	Unit: MMC Norilsk Nickel, Seller: Onexim Group	
05/15/08	Divestiture	2297245ZRU	Unit: MMC Norilsk Nickel, Seller: Onexim Group	
04/24/08	Divestiture	2297245ZRU	Unit: MMC Norilsk Nickel, Seller: Onexim Group	
04/07/08	Acquisition	2297245ZRU	Target: TOK-4, Sought: 21.73%	

You can view details of Prokhorov’s deal for the Nets by clicking on the transaction’s name on the CACS screen.