Special Economic Zones in Russia
Your partner for growth

Oleg Kostin, CEO
JSC Special Economic Zones
Japanese companies: selected projects in Russia

SEZ is a trusted partner

**Nord-west Federal District**
- Nissan (St. Petersburg)
- Toyota (St. Petersburg)
- Japan Tobacco (St. Petersburg)
- Sekisui Chemical (Vsevolozhsk)
- Tochiba (St. Petersburg)

**Central Federal District**
- IHI (Moscow)
- Fujifilm (Moscow)
- Ferrotec (Moscow)
- Mitsubishi Motor (Kaluga)
- Komatsu (Yaroslavl)
- Hitachi Construction Machinery (Tver)
- Yokohama Rubber (SEZ Lipetsk)
- Japan Tobacco (Moscow)
- Arkray (SEZ Dubna)
- AGC (Klin)

**Siberian Federal District**
- Panasonic (SEZ Tomsk)

**Far-east Federal District**
- Toyota (Vladivostok)
- Mazda (Vladivostok)

**Privolzhskiy Federal District**
- Sollers-Isuzu (SEZ Alabuga)
- Takata (Ulyanovsk region)
- Daido Metal (Nizhniy Novgorod)
- T.RAD (Nizhniy Novgorod)
- AGC (Bor)
JSC Special Economic Zones: company overview

Unique geographical presence

Moscow Region
Moscow

Sverdlovsk Region

Ulyanovsk Region
Murmansk Region

Tomsk Region

Stavropol Region

East Siberian federal district cluster

Primorskiy Region

Khabarovsk Region

Primorskiy Region

The North Caucasian federal district cluster

Industrial SEZ
Technology and innovation SEZ
Tourist and recreational SEZ
Port SEZ
JSC Special Economic Zones: company overview

Leading market position

- Established in 2006 with the purpose to construct and operate Special Economic Zones in the Russian Federation
- The largest industrial developer in Russia managing 15 special economic zones
- 100% owned by the State
- Assets under management: over RUB 78.7 bn (ca. USD 2.6 bn)
- Number of employees: 1,250
- Close cooperation with the Ministry of Economic Development to reduce administrative barriers
- Close collaboration with other state equity and debt providers such as Rusnano, Skolkovo, Russian Direct Investment Fund, Vnesheconombank, VTB, etc.
- Facilitates market access and cooperation with the Russian partners

Unique mix of construction, technical and investment expertise ensures investors’ confidence and provides solid base for effective operation
As of January 2012, there are 306 residents, including 44 international companies from 20 countries with an overall committed investment of USD 12.2 bn.

Selected investors in SEZ

![Graph showing the number of investors in SEZ from 2006 to 2011.

Bar: Number of investors in SEZ

- 2006: 12
- 2007: 53
- 2008: 143
- 2009: 207
- 2010: 257
- 2011: 306

![Pie chart showing investors by SEZ type.]

- **Industrial SEZ**: 211
- **Technology and innovation SEZ**: 41
- **Tourist and recreational SEZ**: 51
- **Port SEZ**: 3

Selected investors in SEZ:

- Plastic Logic
- Nokia Siemens Networks
- Contek
- AluPro
- Air Liquide
- Yokohama
- Novartis
- RR Donnelley
- Clecard
- Isuzu
- Airay
- Ford
- Sollers
- PharmHolding
- Panasonic
- Rockwool
**JSC Special Economic Zones: company overview**

**Main benefits**

1. **Full-scale infrastructure supply**
   - **No connection fees***
   - Water supply
   - Gas supply
   - Electricity
   - Heat supply

2. **Attractive lease rates**
   - Logistics
   - Customs

3. **Low land acquisition price**
   - Russia: 100% market price
   - SEZ: 4 - 50% cadastral price

4. **Tax benefits***
   - Profit tax, %
   - Russia: 20
   - SEZ: 2 - 15.5***
   - Property tax, %
   - Russia: 2.2
   - SEZ: 0***
   - Land Tax, %
   - Russia: 1.5
   - SEZ: 0***
   - Transport Tax (EUR per horse power)
   - Russia: 0.1 – 3.5
   - SEZ: 0***
   - Social taxes, %
   - Russia: 30
   - SEZ: from 14

5. **Free customs zone***

**Production facilities inside SEZ:**
- No import duties and VAT

**Materials & parts:**
- Delayed payment of customs duties and VAT
- Right to choose duty rates on materials or final products

*** during a life span of SEZ (up to 49 years)

*if connection does not change SEZ utilities limits and general design of SEZ

** Tax holidays guaranteed by regional authorities for up to 10 years
### Investment opportunities with RUSSEZ

#### Growing markets

<table>
<thead>
<tr>
<th>Industrial parks</th>
<th>Science &amp; technology parks</th>
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<tbody>
<tr>
<td><strong>Production facilities</strong></td>
<td><strong>R&amp;D, engineering and manufacturing facilities in</strong></td>
</tr>
<tr>
<td>• Automotive industry</td>
<td>• Advanced materials</td>
</tr>
<tr>
<td>• Machinery and equipment for agricultural and construction sector</td>
<td>• Pharmaceuticals</td>
</tr>
<tr>
<td>• FMCG (electronic devices)</td>
<td>• Medical equipment and devices</td>
</tr>
<tr>
<td>• Energy equipment</td>
<td>• IT &amp; Telecom</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Tourist areas and holiday parks</th>
<th>Port facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tourist resorts for domestic and international tourists</strong></td>
<td><strong>Logistic and manufacturing hubs for Japanese exporters</strong></td>
</tr>
<tr>
<td>• Complex development of touristic resorts</td>
<td>Soviet Harbour SEZ (Khabarovsk region)</td>
</tr>
<tr>
<td>• Hotels</td>
<td>• Shipyards</td>
</tr>
<tr>
<td>• Entertainment parks etc.</td>
<td>• Port terminals</td>
</tr>
</tbody>
</table>

Ulyanovsk SEZ (Ulyanovsk region)
- Assembly of helicopters and light aircrafts
Investment opportunities with RUSSEZ
Focus: Automotive industry

Major manufacturers’ locations

Distance between SEZ and car manufacturers, km

<table>
<thead>
<tr>
<th>Location</th>
<th>SEZ Alabuga</th>
<th>Lipetsk</th>
<th>Togliatti</th>
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</thead>
<tbody>
<tr>
<td>Alabuga</td>
<td>415</td>
<td>764</td>
<td>2</td>
</tr>
<tr>
<td>Lipetsk</td>
<td>609</td>
<td>603</td>
<td>666</td>
</tr>
<tr>
<td>Togliatti</td>
<td>&lt;25</td>
<td>1,128</td>
<td>426</td>
</tr>
<tr>
<td>Nizhni Novgorod</td>
<td>402</td>
<td>731</td>
<td>184</td>
</tr>
<tr>
<td>Kama industrial district</td>
<td>170</td>
<td>1,300</td>
<td>585</td>
</tr>
<tr>
<td>Ulyanovsk</td>
<td>1,200</td>
<td>372</td>
<td>1,090</td>
</tr>
<tr>
<td>Izhevsk</td>
<td>1,736</td>
<td>1,145</td>
<td>1,720</td>
</tr>
<tr>
<td>Moscow</td>
<td>1,000</td>
<td>450</td>
<td>1,064</td>
</tr>
</tbody>
</table>
Investment opportunities with RUSSEZ
Industrial SEZ “Alabuga”: Kama Industrial Hub

- Population – 1 m
- 20 200 graduates annually
- Monthly salary - 20,000 RUR
Investment opportunities with RUSSEZ
Industrial park in Alabuga

SEZ Alabuga

- Total area: 1,997 hectares.
- Private investment commitments – about RUB 80 bn
- Priority industrial sectors:
  - Production of automobiles and components
  - Petrochemicals
  - Construction materials

Selected investments with FDI

Republic of Tatarstan

- Total area – 67,836.2 km²
- Population – 3.8m
- Capital – Kazan; population – 1.2m
- Distance to Moscow – 1,000 km
- Transport and logistics:
  - Railways – 1,070 km
  - Automobile roads and highways – 32,200 km
  - Airports – 3 (international – 2)
Investment opportunities with RUSSEZ
Industrial park in Lipetsk

SEZ Lipetsk

- Total area: 1,024 hectares
- Private investment commitments – over RUB 55 bn
- Priority industrial sectors:
  - Machine-building
  - Production of equipment and components for automobile industry
  - Construction materials

Lipetsk region

- Total area – 24,000 km²
- Population – 1.2m
- Capital – Lipetsk; population – 0.5m
- Distance to Moscow – 450 km
- Transport and logistics:
  - Railways – 800 km
  - Automobile roads and highways – 6,005 km
  - Airports – 1 (international)

Selected investments with FDI
Investment opportunities with RUSSEZ
Industrial park in Togliatti

- Total area: 660 hectares (2 km from VAZ)
- Private investment commitments – about RUB 1 bln
- Priority industrial sectors:
  - Production of automobiles and components
  - Construction materials
  - Consumer goods

Samara region
- Total area – 53,600 km²
- Population – 3.2m
- Capital – Samara; population – 1.1m
- Distance to Moscow – 1,064 km
- Transport and logistics:
  - Railways – 1,300 km
  - Automobile roads and highways – 8,253 km
  - Airports – 1 (international)
  - Ports – 3

Selected investments with FDI

SEZ Togliatti

Moscow

Samara

GAZ

KAMAZ

UAZ

AvtoVAZ

Saint Petersburg

Izhevsk

Kaluga

Selected investments with FDI

TPV - RUS