

What is the Tyumen Region? The Tyumen region is the connecting link between The region is inherently strategic as the the East and West, and the oil and gas industrial shortest access route to the largest oil, region in the North and the Urals. . gas and infrastructure project markets of Khanty-Mansiysk and Yamal-Nenets Area Autonomous district. . 160,100 km², Population 1.4 M People. (on December 2016) The Moscow-Vladivostok road that runs through the region also forms part of the Berlin-Beijing corridor The trans-Siberian railway connects the area with other regional centers of Russia. Resources There are 37 active hydrocarbon deposits. Mineral water (25 There are regular direct international flights from Predicted resource volume in the South of thousand cubic meters Roschino airport (Tyumen) to Germany, Azerbaijan, the region is estimated at 1.8 billion tons per day)

Russia's largest reserves of

peat(2.6 billion tons)

Significant reserves of mortar sand

(442 million cubic meters), clay (397

million cubic meters)

Timber reserves are estimated at 924

million cubic meters. Potential harvest

volume is up to 15.6 million cubic

meters per year

Uzbekistan, Armenia and Tajikistan, as well as 10

40 minutes.

flights to Moscow daily. The flight time is 2 hours and

WHY MUST YOU CHOOSE THE TYUMEN REGION?

International Russian companies trust us

















































The largest Russian oil and gas companies and their research institutes work in the











Industrialization of the economy in action
35 large productions were opened in the Tyumen region in the last 10 years



TOP 5

The Tyumen region is in the top 5 regions of the leaders of the national rating of 2016



COMPREHENSIVE FINANCIAL SUPPORT

- The regional part of the profit tax was reduced to 4%; Property tax reduced;
- Tyumen region provides benefits for land and transport tax
- System investment loan at 7%



INDUSTRIAL PARKS

research centers

Industrial parks created by the principle of three in one (Ready communications, a system of tax benefits, the lowest rent in Russia)



PROFESSIONAL SUPPORT AND SUPPORT IN THE ORGANIZATION AND DEVELOPMENT OF BUSINESS

Administrative support of investment projects, doesn't depend on the amount of investment

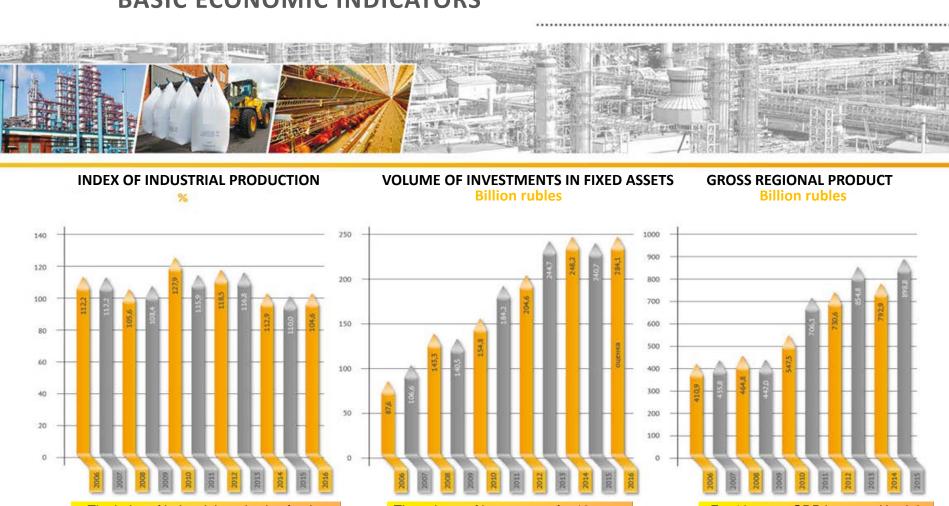


SCIENTIFIC RESEARCH CENTERS HIGH CONCENTRATION OF SCIENTIFIC CLUSTERS In the region there are more than 40 scientific



HIGH SOLVENCY OF THE POPULATION AND STANDARD OF LIVING; QUALITY TRAINING

BASIC ECONOMIC INDICATORS



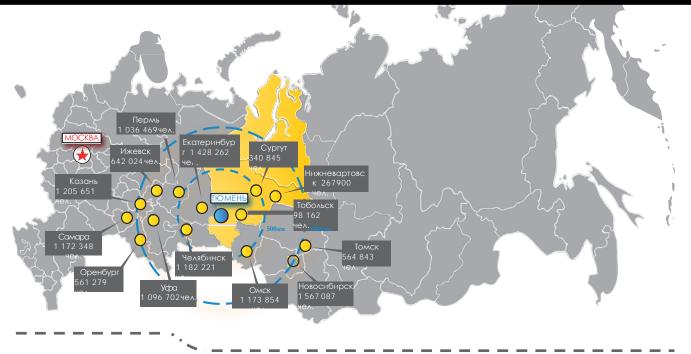
The index of industrial production for the indicated period grew 3 times

The volume of investments for 10 years has grown more than 3 times

The volume of investments for 10 years, GRP increased by 2.3 times, the share of investments in GRP amounted to 30.8%

PERSONNEL







«Physics and Mathematics School» - training for investors in the course of the project. By the time the object is put into operation, the investor receives ready-made personnel.



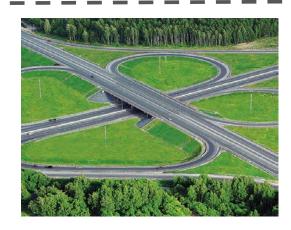
«Polytechnic School» - Preparation of highly qualified engineering personnel for the needs of the regional economy.

Physics and Mathematics School - indepth study of sciences, the study of disciplines of industrial and technical orientation.

- More than 100 thousand students.
- 8 higher state educational institutions.
- 9 institutions of secondary vocational education, in which 10.9 thousand students study.
- · Tyumen Presidential Cadet School.
- Polytechnic school for the training of engineering and technical personnel.
- The economically active population is 687,800 people.
- Positive demography (natural increase in February-March 2015 was 6,530 people).

INFRASTRUCTURE DEVELOPMENT

- In the last 10 years, 500 km of regional and municipal highways and 45 bridges have been built or reconstructed. Also, Tyumen has repaired more than 4 thousand km of highways of regional and local using.
- For several years, the region has been the leader in the volume of housing per person, regularly exceeding the national average and average of the Ural Federal district by 1.5-2 times. (In 2015, the amount of housing per person averaged 1.48 square meters in the Tyumen region.)
- The region achieved the directive of the President of the Russian Federation in 2013 by meeting the objective of ensuring 1 square meter of housing per person by 2020.
- The reconstruction of the Roshchino International Airport was recently completed.





Integrated financial support What does it mean in practice?





Reduce the regional part of the income tax rate by 4%



Reduce the rate of property tax

(0% to 3 years from the date of commissioning in the total investment of 300 million rubles for all types of manufacturing industries.)



We provide benefits for land and transport tax



We provide compensation for the costs of infrastructure-engineering arrangement of industries up to 50%



We provide land sites and real estate properties located in the municipal property



The first installment of equipment leasing at a subsidized price (up to 50% of the equipment costs), % on lease payment and % on loans



Investment loans at 7% for 5 years



Administrative support

INDUSTRIAL PARKS ON THE BASIS OF 3 IN 1



THE COMBINED BENEFITS OF THE INDUSTRIAL PARK AND THE ECONOMIC DEVELOPMENT ZONE WITH FINANCIAL SUPPORT

Order accepted

INDUSTRIAL PARK

- ready-made site with all the infrastructure;
- preferential rental rate 0,01%;
 - cluster options;
 - one management company, providing multiple services.

Law adopted

ECONOMIC DEVELOPMENT ZONES

 Automatic regional tax benefits for residents for a few years. Resolution adopted

FINANCIAL SUPPORT

 Compensation of full refinancing rate according to loan contracts and part of the cost of leased items (available to residents).

INDUSTRIAL PARK «BOROVSKY»

INDUSTRIAL PARK «BOGANDINSKY»

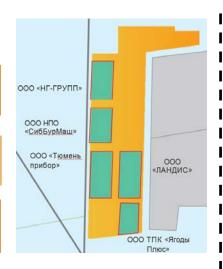


ENGINEERING COMMUNICATION

Electricity - 2 MW (4 km outside cable; 2,6 km inside cable)

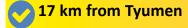
Gas – 380 m3/hour (3,5 km outside net; 1,7 km inside net)

Water/drainage -150 m3 per day (3 km supply / 1,5 km water removal)



Price policy

- Lease of land 311 Russian rubles for 1 hectare per month
- Property tax 0%
- Income tax -3%





ENGINEERING COMMUNICATION

Electricity – 4,9MW (common length 4,2 km)

Gas 1200 m3/hour (170m outside net; 3,5km inside net)

Water - 1000 m3 per day (private water intake)

Drainage – 600 m3 per day (3,9 km)



Price policy

- Lease of land 111 Russian rubles for 1 hectare per month
- Property tax 0%
- Income tax -4%



S=237, 9 hectare

INDUSTRIAL PARKS 3 IN 1



Combination of Industrial Park Benefits and Special Economic Zone Benefits with Complex Financial Support

Industrial Park

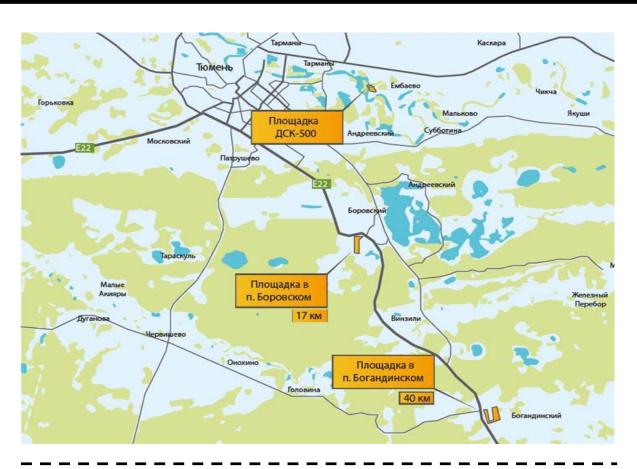
Well prepared place with all necessary infrastructure; Preferential rent price – 0,01%; Possibility to organize manufacture clusters; One trust company for all places; Possibility to get all complex of services

Zone of the Economical

Preferences for all types of manufacture populations are several years

Financial Support

Compensation of the refinance rate, Part compensation of the leasing items





INVESTMENT PROJECTS FOR IMPLEMENTING IN THE TYUMEN REGION

DEVELOPMENT OF THE PROJECT OF HIGH-TECH TECHNICAL ASSISTANCE «MEDICAL CITY»
........................ (construction of the main building of the regional oncologic dispensary in Tyumen)



GOAL OF THE PROJECT

OF INPATIENT MEDICAL CARE IN THE TYUMEN REGION



TERMS OF IMPLEMENTATION

2016-2020

PROJECT COST

9 389,3 mln. rubles

NEED FOR FINANCING

9 398,3 mln. rubles

CURRENT STATE OF THE PROJECT

- Development of project documentation, summed up by state expertise;
- Searching for sources of funding

520 EDUCATIONAL DIAGNOSTIC PROCEDURES, 420 CONSULTATIVE VISITS PER DAY;
TELEMEDICINE CONSULTATIONS WITH SPECIALISTS OF THE CENTER;

COST-EFFECTIVENESS

TRAINING OF SPECIALISTS ON THE BASIS OF THE CENTER AND THE EXCHANGE OF EXPERIENCE WITH PARTNERS;

DEVELOPMENT OF MEDICAL TOURISM:

ON CONSTRUCTION OF PHARMACEUTICAL FACTORY



Market prerequisites:

- Order of the Government of the Russian Federation No. B3-Π12-1366 dated March 6, 2008 on the development of a strategy for the development of the domestic pharmaceutical industry until 2020.
- The main buyer of medical industry products is the state
- (About 40% of medicines);
- High growth rates of consumption;
- Improvement of national legislation.

Economic background:

Initial data:

The necessary conditions:

The area of the land plot is 1-3 hectares.

Staff:

170 people (including repair and maintenance personnel and AUP)

The presence in the region of medical institutions of federal and regional level





Innovative scenario. The market of medicines in the Russian Federation.

The volume of investments: 1 billion rubles.

Performance indicators:

Internal rate of return (IRR): 33%

Net present value (NPV): 3.8 billion rubles.

Payback period (PP): 7 years

Investment proposal:

Construction of a plant for the production of medicines, medical preparations and equipment for subsequent export

INVESTMENTS IN THE PRODUCTION

Of electric equipment production factory

Market conditions



Number of the operating drilling rigs in Russia – 1900 units, 1500 of them are efficient. Most of the drilling rigs were constructed in 1987-1992 and operational capability date is 25 years, which will come to an end in the next few years.

According to "Russian oil-and-gas union" statistics in order to maintain current drilling level Russian service companies need to change at least 1000 drilling rigs in the next few years. The cost of the change may be 20 billion.



Of underground borehole equipment and gushing fittings production factory

Market conditions



Due to the current government arrangements concerning the import substitution of the oil-and-gas sector, existence of extensive scientific and technical base, proximity of oil and gas crafts and convenient geographical position, the production of the gas-distributing pump and compressor equipment on the territory of the Tyumen region is possible.

Share of the oil-well tubing equipment import - 70%.



INVESTMENTS IN THE PRODUCTION

Of a high quality pipeline valves production factory

Market conditions



Due to the current government arrangements concerning the import substitution of the oil-and-gas sector, existence of extensive scientific and technical base, proximity of oil and gas crafts and convenient geographical position, the production of a high-quality pipeline valves is Possible: valves, cranes of various spherical diameters, the regulating fittings,

Latches, pressure regulators, etc.

Lateries, pressure regulators, etc.

Share of such production in Russian federation– 56%.



Of high quality control instrumentation equipment production factory

Market conditions



Due to the current government arrangements concerning the import substitution of the oil-and-gas sector, existence of extensive scientific and technical base, proximity of oil and gas crafts and convenient geographical position, the production of high quality control instrumentation equipment, specifically flow meters, counters, chromatographs, calibrators, manometers, analyzers, humidity measuring instruments, etc.

Share of control instrumentation equipment import - 70%



INVESTMENTS IN THE PRODUCTION

Of electric equipment production factory

Market conditions



Due to the current government arrangements concerning the import substitution of the oil-and-gas sector, existence of extensive scientific and technical base, proximity of oil and gas crafts and convenient geographical position, the production of electric equipment, specifically electric motors, diesel power plants for drilling rigs, electric drives for spherical cranes remote control.

Share of such equipment import in Russian federation - 70%



Of underground borehole equipment and gushing fittings production factory

Market conditions



Due to the current government arrangements concerning the import substitution of the oil-and-gas sector, existence of extensive scientific and technical base, proximity of oil and gas crafts and convenient geographical position, the production of underground borehole equipment and qushing fittings is possible.

Share of such equipment import in Russian federation - 65%



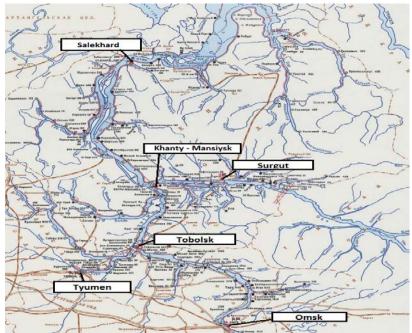


Market conditions

- 1. Access to the Northern sea route across the Ob river Irtysh river basin
- 2. Developed transport hub.

On the territory of Tyumen are the main transport arteries of Russia: Federal highway «Moscow-Vladivostok» The TRANS-Siberian railway

- A river port in the city of Tobolsk, performs the main role in the system of river passenger and freight traffic between the North and the South of the region. Waterway (rivers Irtysh and Tobol) provides navigation in the following areas: Khanty-Mansiysk, Salekhard, Nizhnevartovsk, Omsk, Tyumen. Tobolsk river port, one of the largest river ports of Russia, which provides building materials and consumer goods of the city under construction, roads and oil and gas fields in Khanty-Mansiysky Autonomous Okrug and Yamalo-Nenets Autonomous Okrug.
- In port infrastructure includes: 8 mechanized berths with a total length of 800m., Railways, roads, warehouses, logistics and repair facilities, Navy.

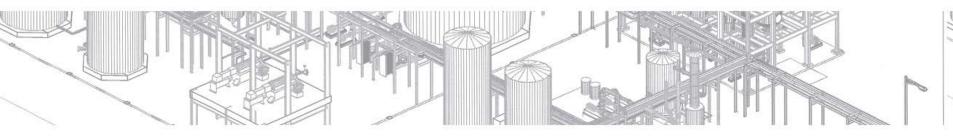


The scheme of the Ob-Irtysh waterways

Investment proposal:

The construction of a shipyard with the use of technology Korea, Japan. The possibility of supply of vessels for the port «Sabetta», which is designed to transport liquefied natural gas and to ensure year-round navigation along the Northern sea route.

INVESTING IN THE CONSTRUCTION PLANT FOR THE PRODUCTION OF MINERAL FERTILIZER



Market background:

- The proximity to raw materials for the production of mineral fertilizers is natural gas;
- The proximity to the auxiliary raw material is river water (for the project, the municipal playground in Tobolsk, which is close in proximity to the river and to the necessary utilities, is proposed);
- The possibility of transporting products is through the Northern Sea Route, both in Europe and in Asia, including the main export markets.

Economic conditions:

• Production volume:

about 400 thousand tons per year.

The necessary conditions:

a land area of 50-80 hectares.

Staff:

- about 1000 people (including repair and technical personnel and administrative staff management);
- wage per 1 employee is about \$584-\$667, including the insurance fee.



Estimated investment for the project:

1,5 billion dollars.

Performance indicators:

- Internal rate of return (IRR): up 19,6%;
- Net present value (NPV): \$235 million;
- Payback Period (PP): 6 years.

Investment proposal:

Production of mineral fertilizers with the purpose of further export to the countries of the Association of South-East Asia

*There are various options of municipal places for the implementation of the project.

Market conditions

- The project involves the launch of the terminal for storage and preparation of grain and exports on the Trans-Siberian Railway from Asia to China;
- The Tyumen region is leading in grain yields, compared to the regions of the Urals, Siberia and the Far East;
- In 2015, the Tyumen region collected nearly 1.5 million tons of grain;
- In 2016, the Tyumen region collected more than 1 million tons of grain;
- China opened their market grain imports from Russia;
- There is currently a lack of infrastructure for grain storage.

Economic conditions:

- ●The region has a favorable geographical location that allows significant cereal stocks to accumulate on its territory. The Kurgan region has collected 1.5 million tons of grain. Nearly 15 million tons of grain was harvested by northern Kazakhstan (distance from the site is 90 km) and the Omsk region harvested more than 3 million tons (the distance from the site is 90 km);
- Prepared infrastructure, including land with utilities, railway blind alley and access to the Trans-Siberian Railway. Also, the availability of affordable raw materials.



Estimated investment in the project:

About \$33-83 million.

Volume: 2-3 million tons of grain.

Staff: from 200 people.

Investment proposal:

Creation of a terminal for grain storage and its further export to Iran and the countries of the Association of South-East Asia

 PROJECTS OF DEEP BIOPROCESSING GRAIN IN THE TYUMEN REGION



Market conditions

- Deep bioprocessing is a comprehensive and integrated system of processes and systems where biomass is converted into a variety of products;
- Deep bioprocessing is based on the concept of petrochemical refining;
- Deep bioprocessing technology combines biogenic raw materials, semi-manufactured and final products.



Investment proposal:

Establishment of a production of grain bio-processing (Gluten, natural / modified starch, little sprouts, yeast, sorbitol, lactic acid, citric acid, glucose / maltose) and further exports to Iran and the countries of the Association of South-East Asia



Market background:

- OSB market growth by 20% was compared to 2012. Russian market capacity was in 2014 800 thousand m3. CIS market capacity 300 thousand m3;
- Current and unlockable produced in Russia (Kalevala, NLC, Kronoshpan) had forecast in 2015 would cover the share of 25% (280 000 m3) of the total Russian and CIS market.;
- Accommodation OSB plant which is in the Tyumen region will monitor the markets for the group of economically self-sufficient regions of Russia and the Asian group of CIS countries (Kazakhstan, Tajikistan, Uzbekistan), with a total number is about 80 million people (including the Russian Federation whuch has30 million people.);
- The main trends of the OSB production is import substitution, development of export to the CIS countries, the development of low-rise housing, replacement of plywood in construction;
- The total growing stock is 994 million m3, allowable cut has size of 16,3 million m3, including coniferous which having 3,2 million m³.

Economic conditions:

• Production volume:

OSB Production has 350 thousand m3 per year.

Pocessing capacity:

Up to 540,000 m2 per year of roundwood, sawdust, wood chips and other wood waste.

- The necessary conditions:
- The land area is from 20-40 hectares;
- Connected capacity of 15 MW of electricity.
- Staff:
- 230 people (including repair and technical personnel and administrative staff management);
- wage per 1 employee is about \$ 667, including insurance fee.



Estimated investment for the project:

• 87,5 million euro.

Performance indicators:

- Internal rate of return (IRR): up 15 %;
- Net present value (NPV): 112 million euro;
- Payback Period (PP): 7 years.

Investment proposal:

Construction of a wood processing plant (production of sawn timber, OSB, chipboard, MDF, deep wood processing) with further export

Market conditions

- Costs of the first stage of production can be 150 million rubles (lines of production of chips and corn flakes).
- On productivity of potatoes in farms of all categories the Tyumen region is the leader among all of the subjects of the Russian Federation and Ural federal district.
- The central position in heart of Russia at the crossroads of the main trade directions.

Economic conditions nicipal sites for the implementation of the project.

Necessary conditions:

- The area of the land plot is 20 hectares.

Staff:

- more than 50 people.
- Employee salary: 20.000 30.000 rubles including insurance premium.



Estimated investment: 200 millions rubles

Performance indicators:

• Internal rate of return (IRR): up to 15%

• Net present value (NPV): 208 millions rubles

• Payback period (PP): 5 years

Investment proposal:

Construction of a potato processing plant with subsequent delivery of products to the regions of the Russian Federation



Key advantages of the project:

- A professional managing company that will provide a large number of suppliers of equipment and technology and all major potential buyers (oil and gas companies). There is no such highly specialized platform in Russia yet. Other priority topics for the region (agribusiness, construction industry, tourism) will also be presented at individual exhibitions during the year.
- The Supervisory Board of the expocenter will include the leaders
 of the largest Russian and international companies in the oil and
 gas sector: SIBUR Holding, Novatek, Gazpromneft, Geotech
 Holding (the consent from the leaders of these companies has
 already been received), Surgutneftegaz, LUKOIL and Rosneft. This
 fact will significantly increase attention to the expocenter by
 manufacturers of oil and gas equipment from all over the world.
- The relevance of the project currently in the north of the Tyumen region a number of large oil and gas projects are implemented with a total investment of about 1 trillion US dollars: the comprehensive development of the Yamal Peninsula's fields, the construction of a gas liquefaction plant, the development of the Polar Urals and other large-scale projects.



Urgency of the project :

Large oil and gas projects with a large volume of investments of about 1 trillion in US dollars are being implemented in the north of the Tyumen region at present day.

Investment proposal:

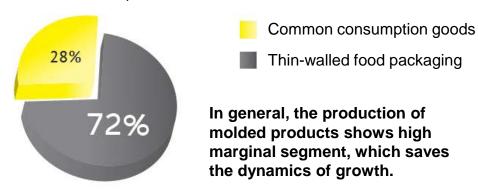
Construction of an exhibition complex for the purpose of holding international exhibitions and forums. Involvement of suppliers and large potential buyers;

INVESTING IN POLYMER CASTING PROCESSING PRODUCTS



Market background

Structure of consumption



- The worldwide trend is reducing the unit price and the volume of preserving food freshness because it will then retain a high potential for growth in the food packaging segment;
- The growth of the food packaging segment is due to the rapid development of retail trade with averages of 7-8% per year;
- The growth of the consumer goods segment is on average 5% per year;
- Demand for plastic packaging for eggs in the Tyumen region is 18 million units per year, while in the Ural region it is 432.3 million units per year;
- Demand for plastic cups in the Tyumen region is 80 million units per year and the need for plastic bottles is 95 million units per year for «Danone», which is located in the Tyumen region.

Economic conditions:

- Production volume:
- 2,500 tons per year.
- The necessary conditions:
- 5-6 injection molding machines;
- 5-30 injection moldings.
- · Staff:
- 40 people (4 work shifts);
- wage per 1 employee is about \$667, including the insurance fee.

The volume of investments:

about \$2,100,000

OPEX: about \$298 per ton of product. **Start of investment:** January 2016.

Assessment period: 2023.

Performance indicators:

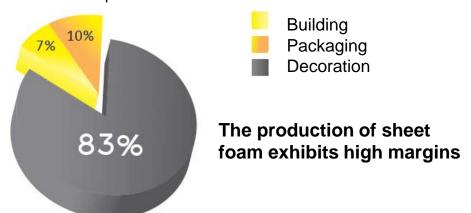
- Internal rate of return (IRR): up 32.8%;
- Net present value (NPV): about \$7,250,000
- Payback Period (PP): 4.8 years.

Investment proposal:

Establishment of a plant for the production of polymer products, packaging containers for products imported from the countries of the Association of South-East Asia

Market background

Structure of consumption



- Annual thermal insulation materials market growth of 8-10% per year;
- Polystyrene of high quality raw materials will be produced the Russian standards;
- Transportation slabs made from expanded polystyrene has an efficiency but for short distances, so a specialist should attend in each regions.

Investment proposal:

Creation of a plant for the production of plates from expanded polystyrene with subsequent delivery of products to the regions of the Russian Federation

Economic conditions:

Production volume:

Until 5 000 tons of expandable polystyrene per year.

- The necessary conditions:
- Automated line capacity up to 400 00 m3 per year;
- pre-expander, drying plant, a block form,pneumotransport.
- Staff:
- 4 people (4 work shifts);
- wage per 1 employee is about \$ 667, including insurance fee.

The volume of investments: about

\$ 1 933 334

OPEX: about \$ 18 per 1 m3 of product. **Start of investment:** January 2016.

Estimated time: 2029.

Performance indicators:

- Internal rate of return (IRR): up 41 %;
- Net present value (NPV): about
- \$ 4 650 000;
- Payback Period (PP): 4 years.

INVESTING IN PROCESSING SULFUR



Market conditions:

- A large industrial enterprise «Antipino oil refinery is successfully» operating in the region. 2000 tons of sulfur is formed monthly as a result of production activities. Sulfur is the raw material for further processing;
- «Sulfur Technical gas granulated, sort 9998, SRT 73191028-001-2014»;
- Sulfur is used in agriculture (mineral fertilizers).
- Use in the production of sulfuric acid.
- Use in the production of rubber products.

Economic premises:

initial data:

Capacity of sulfur processing:

Year 2000 tons of sulfur

Necessary conditions:

The land area is one and a half hectares. Connected power of electricity 200-500 **Staff:**

Number of created jobs places - 10



Investment proposal:

Construction of a sulfur processing plant with further export of manufactured products to the countries of the Association of South-East Asia

Market conditions

- The Tyumen region is one of the most dynamically developing regions of Russia.
- At the present time light industry of the region is represented by several highly tailored medium-sized and small scale enterprises, that manufacture products in small batches, focusing on the needs of the customers and market. It makes possible to maintain production at a competitive level.
- The Tyumen region takes one of the leading position among other regions of the average size of the "expenses per capita".
- Large networks retailers are situated in Tyumen (Metro Cash & Carry, Megamart, Monetka, Mosmart, Lenta, Perekrestok, Auchan).

Economic conditions

Necessary conditions:

- The area of the land plot is 1-2 hectares.
- The Tyumen region has suitable infrastructure suitable infrastructure sites for production creation: the former garment factory in Ishim, garment factory in Yalutorovsk and also some other sites of brownfield and greenfield.

Staff:

• 50-200 people (main categories: seamstresses, mechanics, administrative staff)



Estimated investment: 200 millions rubles.

OPEX: 24 millions rubles Inception date: January 2015 Estimated period: up to 2015 Performance indicators:

• Internal rate of return (IRR): **up to 25%**

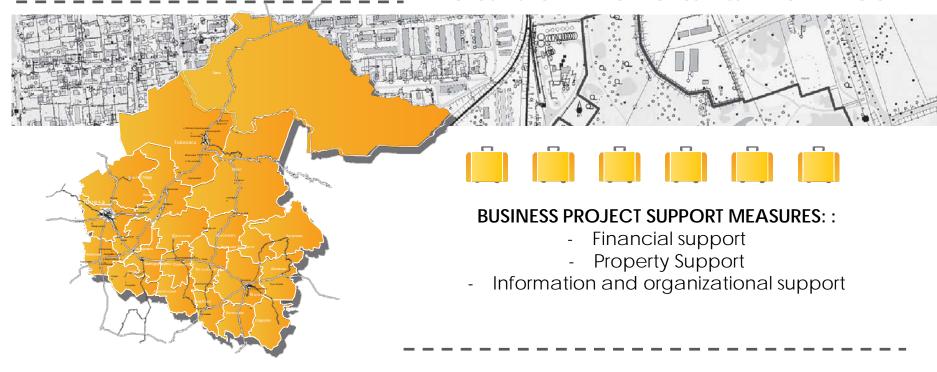
• Net present value (NPV): 214 millions rubles

Payback period (PP): 5 years

Investment proposal:

Creation of a sewing, shoe, textile or leather plant, taking into account the Iranian experience and technologies

PROPOSALS FOR DEVELOPING BUSINESS IN TYUMEN REGION





The sites of industrial parks "BOGANDINSKY", "BOROVSKY", "DSC-500" (industrial and logistics park)



On the territory of the municipal districts of the Tyumen region more than 200 squares



There are industrial enterprises that require modernization. For the implementation of the project is an individual selection of sites



Enterprises of the Tyumen region, are interested in industrial cooperation and implementation of joint projects





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