



Production Placement in Leningrad Region

Industrial Park Greenstate

Real Estate Development, YIT Lentek



YIT in Brief

YIT is the leading European construction services company

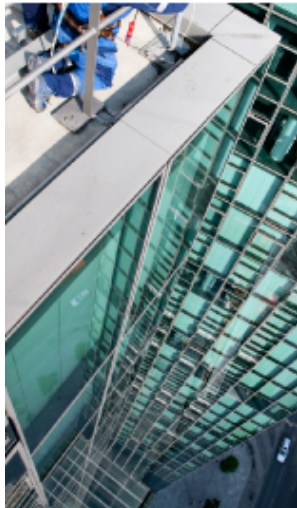
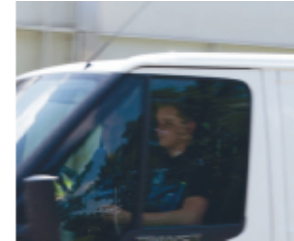


About 6,000 professionals

Offices in Finland and Russia, Baltic countries, Czech Republic and Slovenia



Revenue 2013
€1,858.8 million



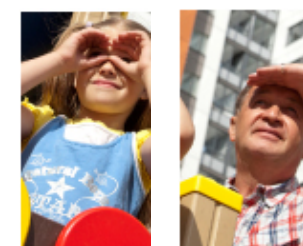
Operating Profit
2013
€152,8 million



Over 100 years
of experience



YIT shares are quoted in NASDAQ OMX Helsinki



Selected References in Leningrad Region

YIT Industrial Construction Projects



Ford Motor Co, Vsevolozhsk
Reconstruction project 2004



Phillip Morris Izhora Tobacco
Factory Extension project 2003



Pestovo Novo / UPM
Kymmene
Wood processing plant
Construction 2003-2004



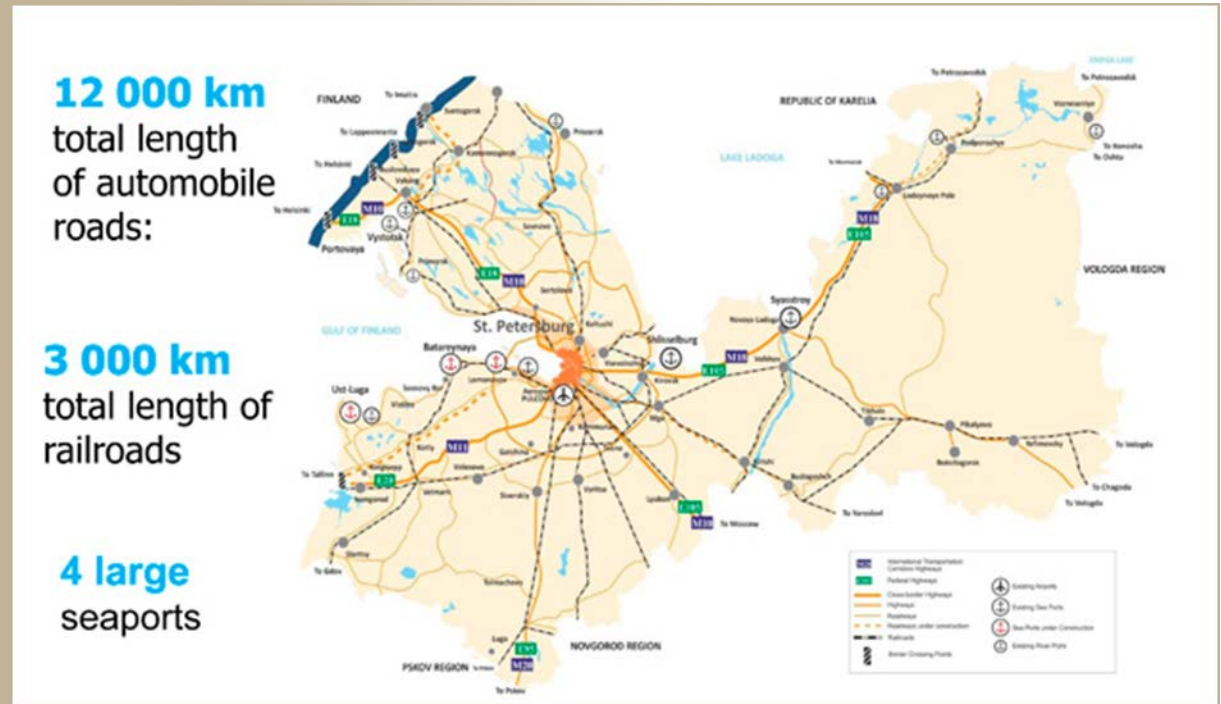
Kraft Foods Factory
Reconstruction project
2001-2002



Orion Plastic Pack Factory,
Construction Project
Sertolovo 2001-2002

Opportunities for industrial development in Leningrad Region

- Huge market
- Good logistics
- Tax concessions for manufacturing enterprises
- Availability of labor sources
- Government support



(the Law No 160 supports foreign investments in Russian Federation and guarantees the foreign investors their rights for property ownership in Russia)

Standard & Poor's rating agency recently adjusted credit rating of Leningrad Region at "BB+" with stable forecast.

Economy of Leningrad Region

Fitch Agency confirmed the credit rating of Leningrad Region at "BB+ " with positive report.

Agency's experts point at the wide diversification of economy in the region, based on processing industry and logistics.

Key ratio of well-being exceeds the average level in the country.

The regions openness to the Baltic Sea makes it strategically important for export

The regions economy is based on manufacturing, Its share in the structure of regions GRP makes 25%.

Leningrad Region has also highly developed agro-industrial complex. Its share in the total volume of agricultural production in North-West Federal sub-entity is 36%.

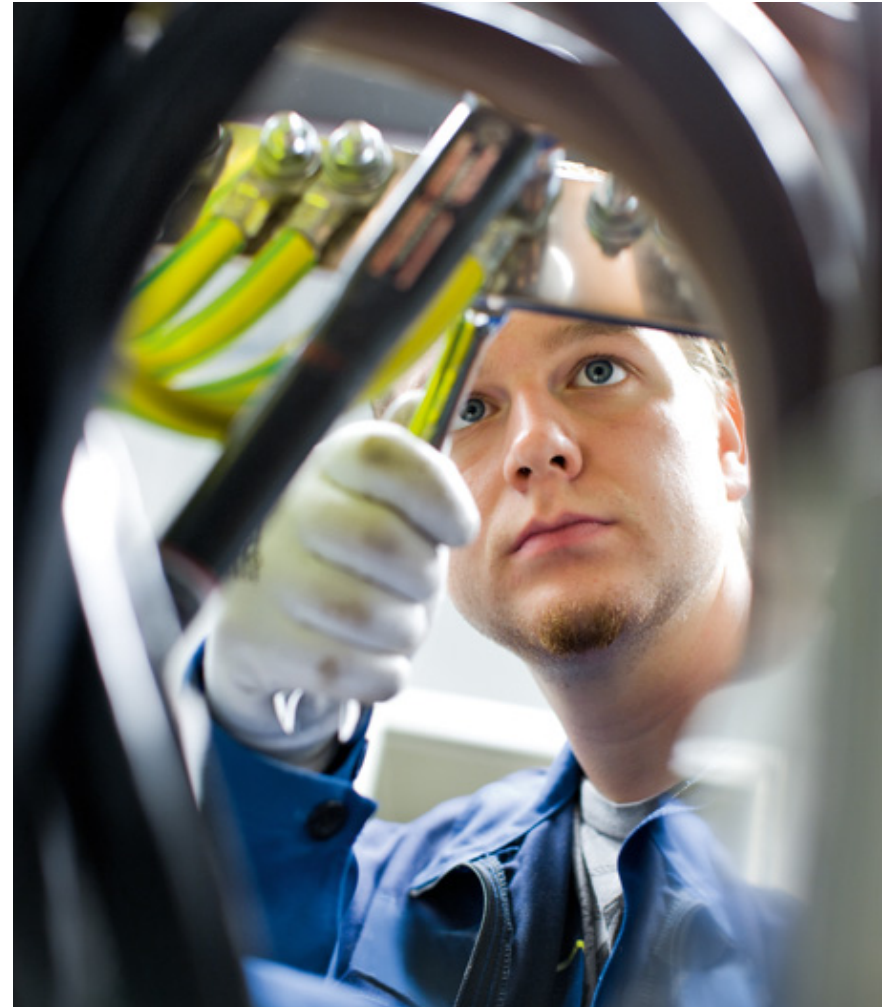
Key advantages of Labor Market

St. Petersburg and Leningrad Region present the best resource of highly skilled labor in engineering and production in Russia.

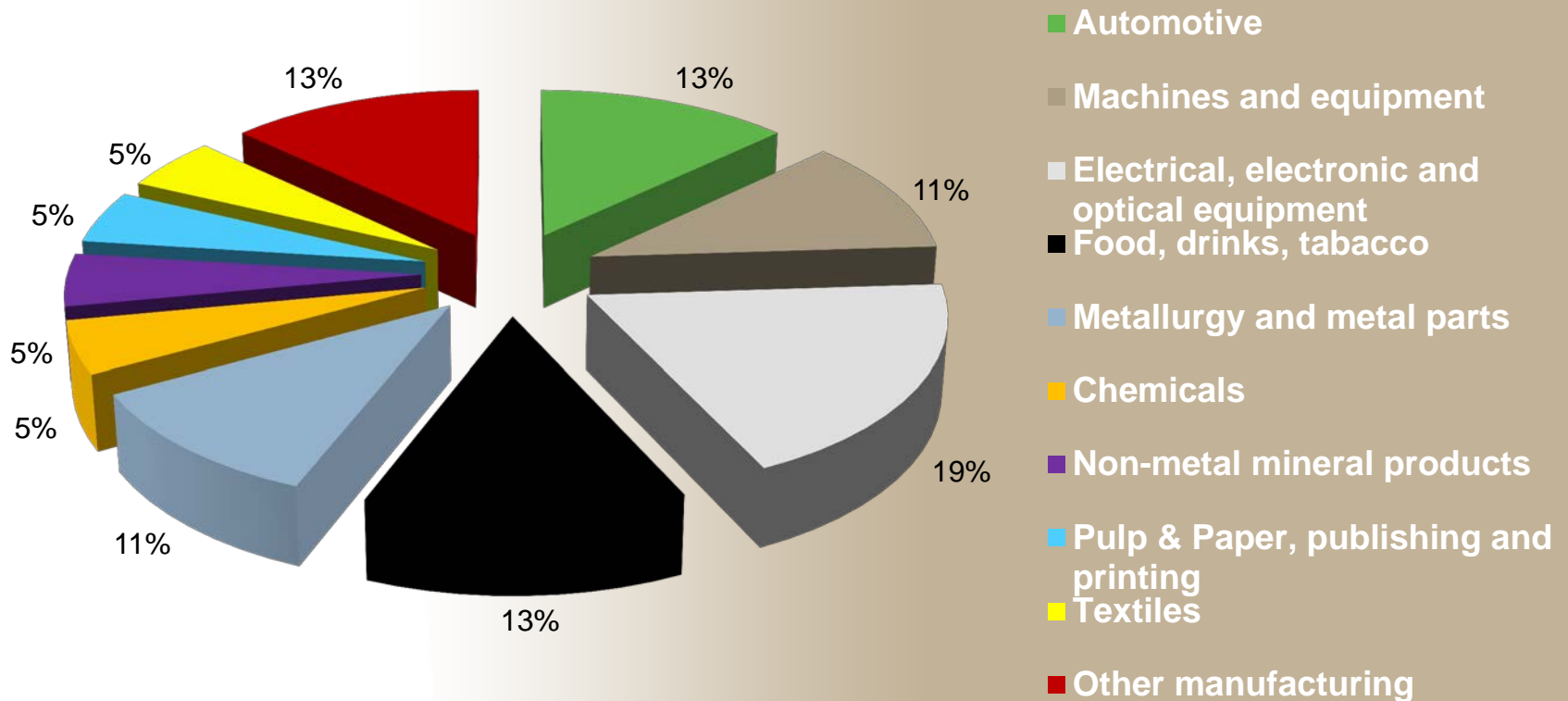
Great concentration of Technical and Engineering Universities and Colleges - largest educational center in Russia.

Main Educational programs in Engineering and Technical Sciences are provided in 16 Technical Universities and Higher Schools (plus 32 other Universities).

24500 newly graduated engineers annually.



Structure of Employment in Industrial Production in the Region



Tax Concessions in Leningrad Region

- **Property Tax:** **0%**
instead of 2%
- **Profit Tax:** **13,5%**
instead of 18%

10 mln. \$ - 16, 5 mln. \$ »»» 4 years
16,5 mln.\$ – 100 mln \$ »»» 5 years
over 100 mln. \$ »»» 6 years
over 100 mln. \$ for »»» **8 years**
automotive & machinery

General assumptions:

- Certain type of business activities
- Sales in specifies types of activities to be no less than 70% of company's total sales volume
- Benefits are provided after start of operations



Advantages of Industrial Park

From Idea to Realty

1. Industrial Park has an area with a clear site plan and complete engineering infrastructure for the location of the industrial enterprises on it.

2. Main advantages:

- Quick launch of production
- Stable operations in well organized industrial area (functioning logistics, Sanitary & Epidemiological Service, supervision bodies)
- Synergy with clients and suppliers

Advantages in Reality

Industrial Park Greenstate as one of the best examples of industrial land development:

✓112 ha of industrial land

✓Engineering communications on the plot

✓Connection permissions are allowed in
3 weeks

✓Approved Master Plan for the whole area

✓Management Company of YIT Lentek

Industrial Park Greenstate

АТРИА РОССИЯ
Когда еда - в радость.



VIKING
LIFE-SAVING EQUIPMENT



dermosil.ru

SIEMENS



Location of Greenstate



Accessibility:

Railway	0 km
City Ring Road	1 km
Tallinn motorway	1 km
Kiev motorway	9 km
Sea port of St. Pete	15 km
Airport Pulkovo	16 km
Moscow motorway	23 km
Cargo port Ustj-Luga	120 km

Engineering Infrastructure

in the Industrial Park Greenstate

The engineering pipelines and utilities are laid up till the boundaries of land plots.

Engineering supply in the Industrial park Greenstate:

Electrical power – 26,6 MW

Heating – 30 MW

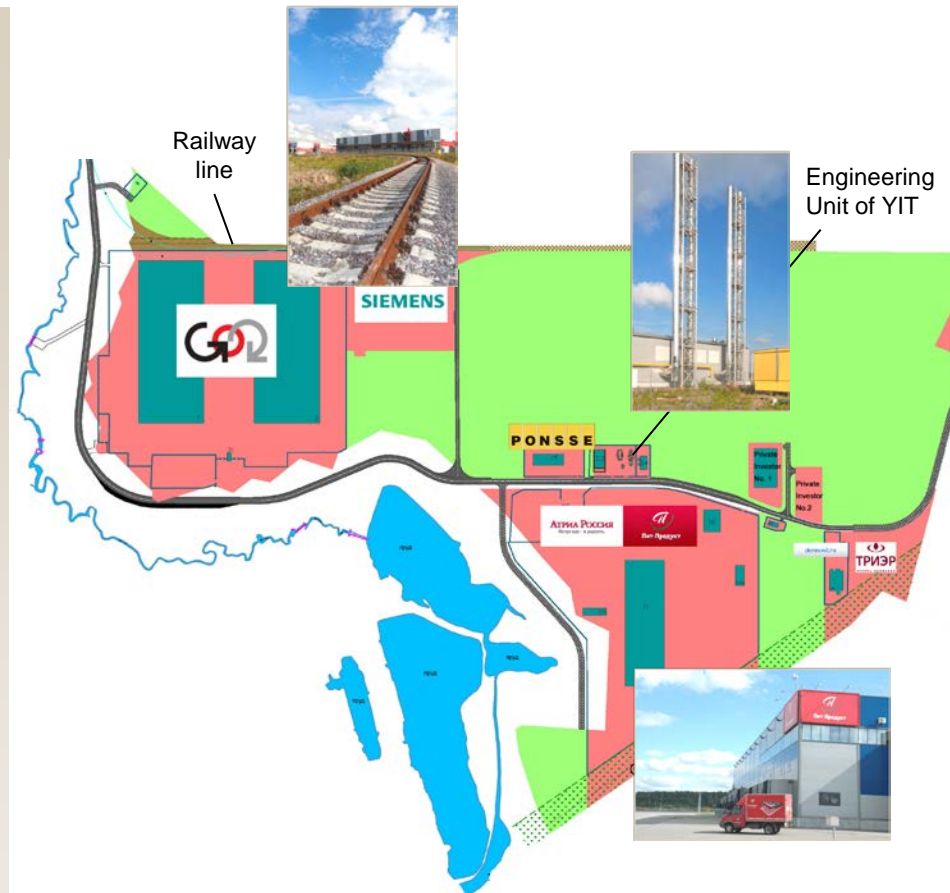
Water & sewage – 3000 m³/day

Telecommunication (optical fiber)

Gas pipeline and gas control unit on the parks area

Fire distinguishing system and water reserve tank

Own maintenance & management company.



Residents of the Industrial Park

Siemens Gas Turbine Technologies

Gas turbines production
Total plot area – 3,8 ha

GORIGO Logistic Center

Storage of non-food goods
Total plot area - 18,9 ha

YIT engineering facilities

Plot area – 0,6 ha

Atria Pit Product

Meat processing plant
Total plot area – 16,6 ha

dermosil.ru

Packaging and storage
of cosmetics goods

Viking LSE / Ponsse

Life safe equipment service station
Forest harvesting equipment service station
Land plot area – 0,7 ha

Private Investor

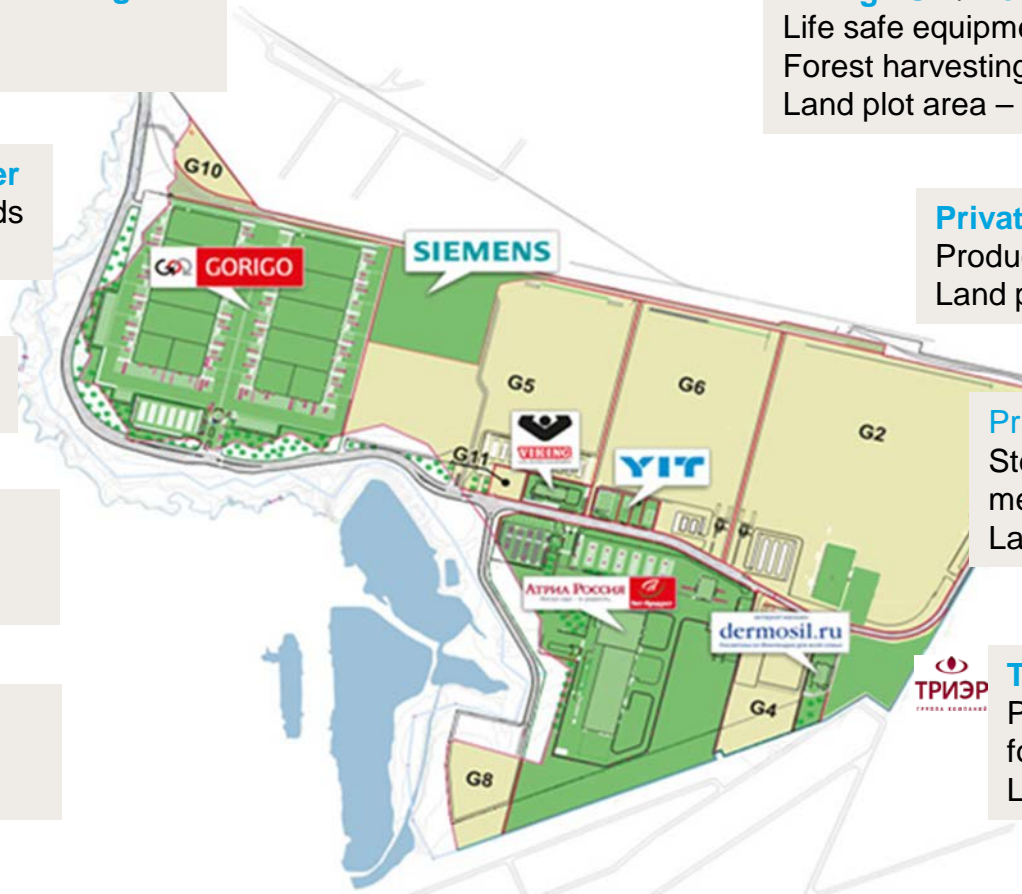
Production of vacuum equipment
Land plot area - 0,7 ha

Private investor

Sterilization and packaging of
medical goods and devices
Land plot area – 0,5 ha

Trier St. Petersburg

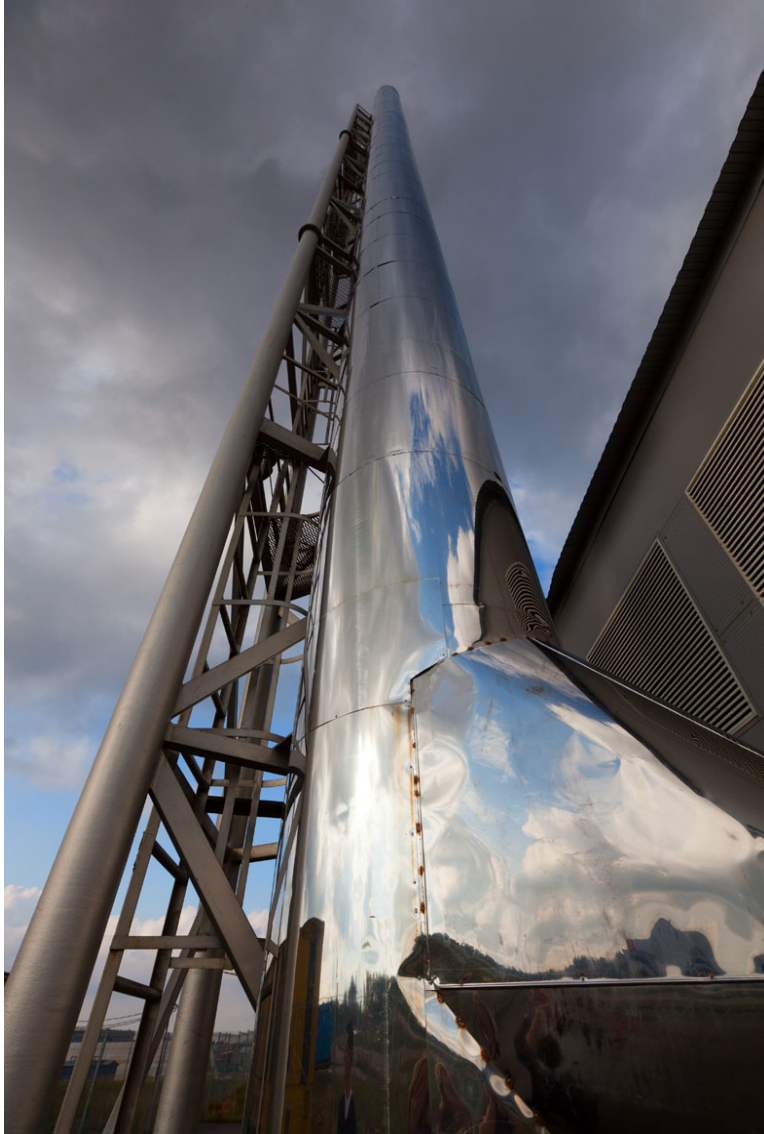
Production of ingredients
for backing and brewing
Land plot area – 1,88 ha



Industrial Park Greenstate



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Built-to-Suite-to-Lease for Manufacturers



YIT is ready to implement a project of rental facilities for manufacturers on built-to-suite basis inside the industrial park Greenstate. The total square of rental premises is to be about 50 000 m² with progressive launching of rental facilities beginning with the building of approx. 24 000 m² on the 1st stage.

The rental facilities will be suitable for manufacturing and logistic enterprises and include offices as well (5% of total area).

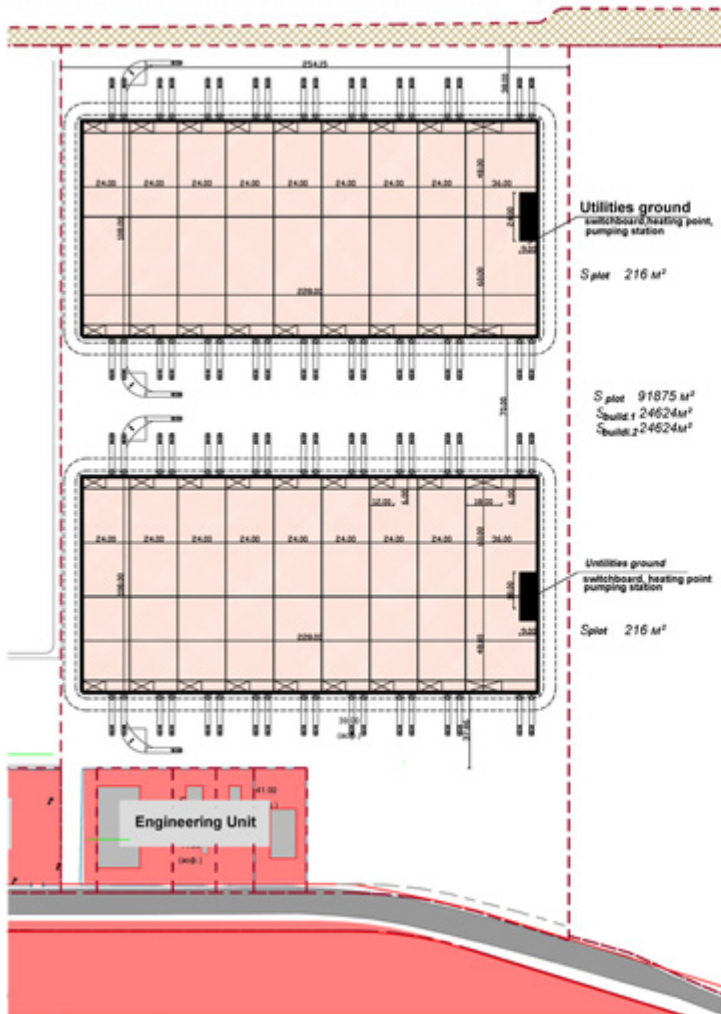
Facilities are offered for rent and for sale.

FOR RENT: The tenant is supposed to sign a long term rental agreement for at least 10 years with annual indexation of rental fee by the index of inflation rate.

Other options for Customer(for those who plan to own the production facilities):

- lease back option
- purchase the premises

Light Industrial Project



Section of building's unit



UNIT of the building



The whole building is divided into several units with separate production hall, storing space and offices. Units may be combined together into more spacious premises if needed (as shown on the plan).

Brief description of 1296 m² unit:

The storage and office space has an area of 72 m².

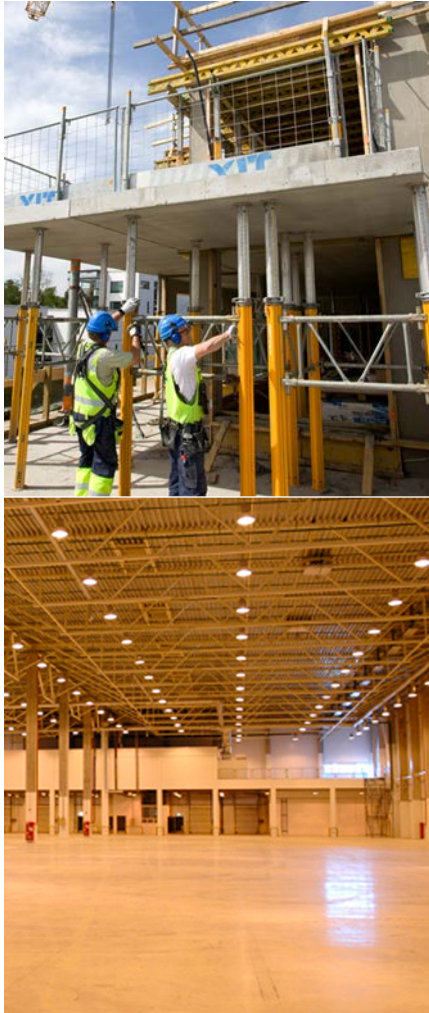
The connected volume of power in the unit is 50 kWt per 1000 m² which can be increased.

$S_{unit} 1296 M^2$
 $S_{office} 72 M^2$
 $S_{technical rooms} 144 M^2$

The floors are on ground level. The height from the floor to the ceiling is 8 m. Loading capacity of production floors is 7 t/m². Column grid is 12 x 24 m.

The surrounding territory will have a wide maneuver zone and round passing for trucks with length up till 18 meters.

Built-to-Suite-to-Lease



A project of built-to-suite rental facilities will be implemented in 7 stages:

1. The customer supplies YIT with **project initial data** for further assessment by YIT engineering staff. YIT prepares the proposal for the project.
2. After the **project lay-out** is agreed by both parties next starts the **project cost calculation** which includes project design and construction, costs of the land plot with the utilities and connections. The rental rate comes as a result of those calculations.
3. **The price** to be agreed with potential Customer.
Depending on the specific demands of the Customer's project the rental rate may vary from 8,5 € for storages till 12,5€ / m² for production facilities (triple net)
The price for sale will range depending on Customer's specific needs. Average price is estimated at 1000 €/ m²
4. When the price is agreed the tenant is offered to sign the **preliminary rental contract** (contains project initial data, rental rate, location, time of project completion/ commissioning).
- 5 – 6 **Construction** and **commissioning** of the project.
7. **Signing of Rent (or Leasing) Contract.**

Projects Completed by YIT



Logistic Center Gorigo / Evli Properties



Meat Processing Plant ATRIA under the trade mark "Pit-Product"



The Maintenance Center for "Viking Life-Saving Equipment"



The company for Packing and Storage of cosmetics Goods "Dermosil"

Logistic Center Gorigo



Pit Product

Meat Processing Plant



Viking LSE and Ponsse



Dermosil.ru

Packaging and Storing





**Together
we can
do it.**

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