

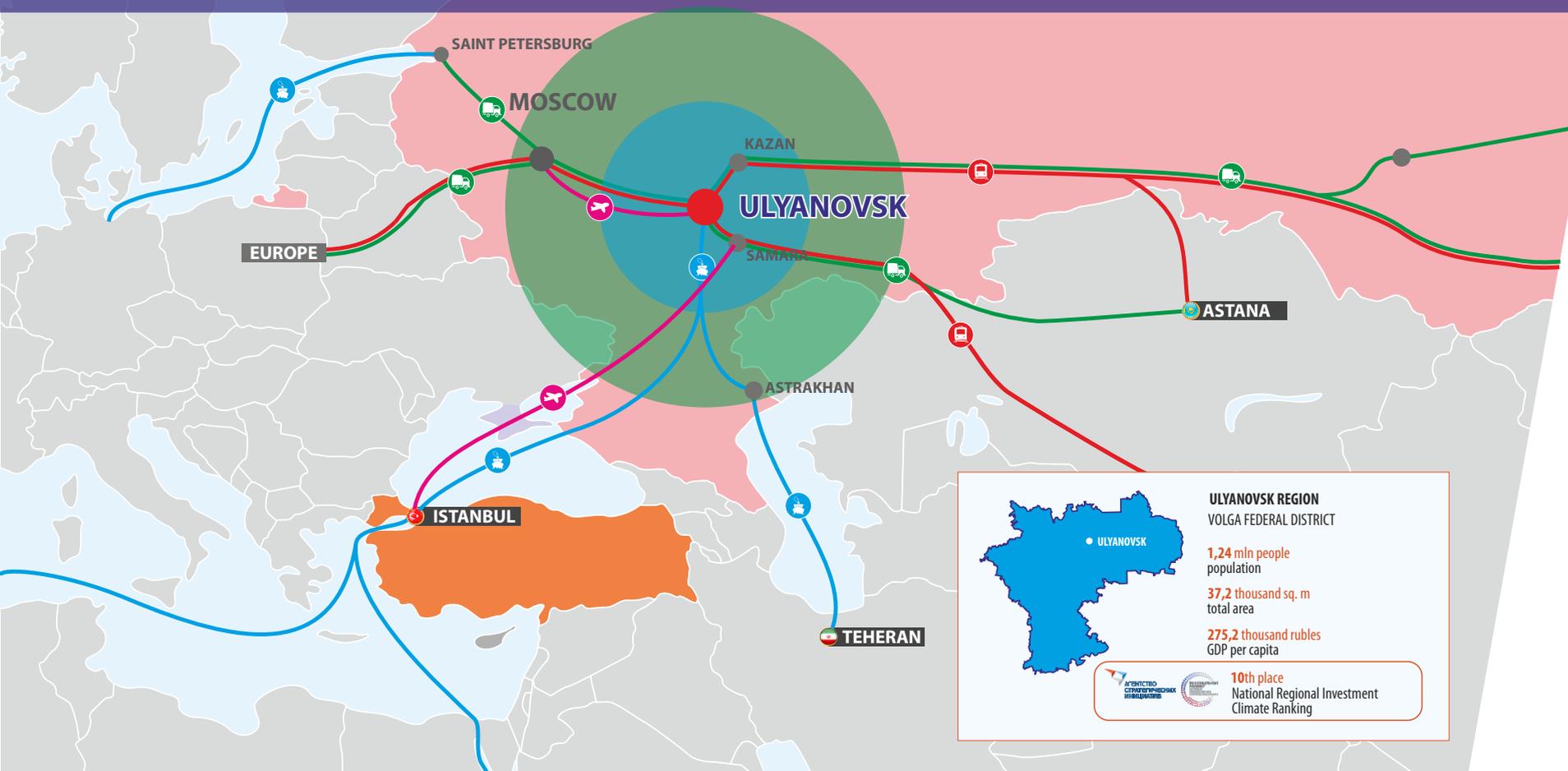
PROSPECTS OF TURKISH BUSINESS DEVELOPMENT IN ULYANOVSK REGION

AUTOMOTIVE AND SHIPBUILDING INDUSTRY



ULYANOVSK REGION

**UNIQUE LOCATION OF THE REGION
AT THE CROSSING OF LOGISTIC ROUTES**



Transport accessibility

2 international airports



Moscow (SVO) - Ulyanovsk (1h 15m)
2 flights everyday

Moscow (VKO) - Ulyanovsk
6 flights everyday



Istanbul- Samara (3h 20m)
5 flights per week



Railway unit connecting Europe and Asia



Access to the federal highway M-5 «Ural»

Developed industrial base



R - 1000 km. 44 million inhabitants
38% of effective demand of the Russian Federation
193 thousand industrial enterprises



R - 500 km. 22 million inhabitants
26% of effective demand of the Russian Federation
47 thousand industrial enterprises



1,26
mln people
population of the region

343
BLN RUB
GRP

TURKISH COMPANIES IN THE ULYANOVSK REGION

EFES
RUS

EFES RUS is a brewing company,
**one of the four largest
producers in Russia**

90% localization level

270 new jobs created



MARTUR 
Automotive Seating Systems

Martur is one of the **world
leading companies** in the sphere
of car seats production.

450 ^{BLN}_{RUB} investment volume

400 new jobs created





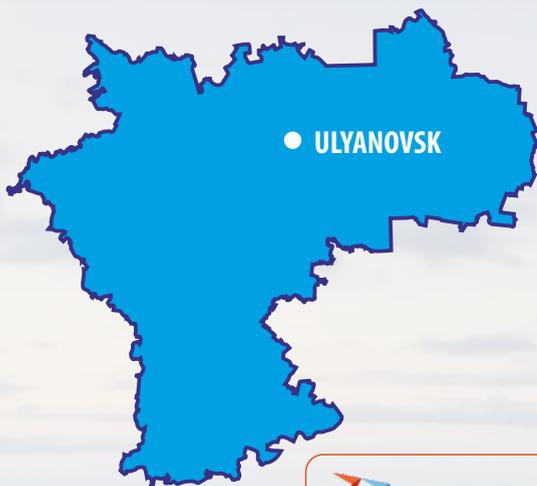
The project for welding wire
production plant, welding laboratory
and R & D center construction is
at the design stage.

450 ^{BLN}_{RUB} investment volume

120 new jobs created



ULYANOVSK REGION

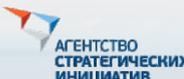


ULYANOVSK REGION VOLGA FEDERAL DISTRICT

1,24 mln people
population

37,2 thousand sq. m
total area

275,2 thousand rubles
GDP per capita

  **10th place**
National Regional Investment
Climate Ranking



TATARSTAN VOLGA FEDERAL DISTRICT

3,89 mln people
population

67,8 thousand sq. m
total area

475,1 thousand rubles
GDP per capita

3rd place
National Regional Investment
Climate Ranking



KALUGA REGION CENTRAL FEDERAL DISTRICT

1,01 mln people
population

29,8 thousand sq. m
total area

368,5 thousand rubles
GDP per capita

 **13th place**
National Regional Investment
Climate Ranking



LIPETSK REGION CENTRAL FEDERAL DISTRICT

1,15 mln people
population

24,0 thousand sq. m
total area

408,6 thousand rubles
GDP per capita



MOSCOW REGION CENTRAL FEDERAL DISTRICT

7,42 mln people
population

44,3 thousand sq. m
total area

497,4 thousand rubles
GDP per capita

 **9th place**
National Regional Investment
Climate Ranking

COMFORTABLE BUSINESS ENVIRONMENT: RESOURCE COST



ELECTRICITY (USD / KW-H)



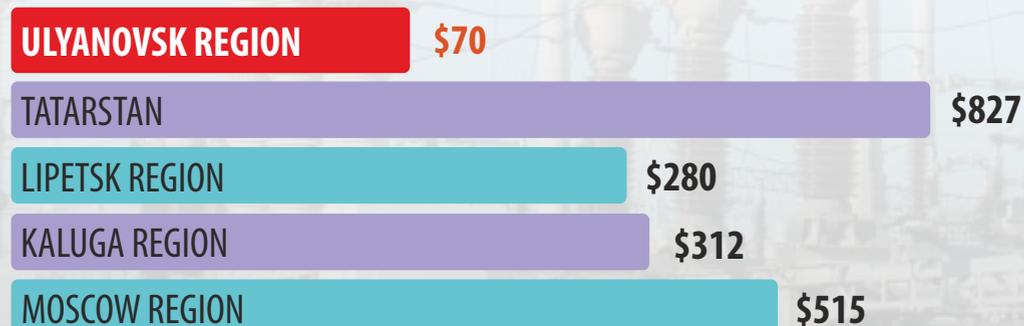
WATER SUPPLY (USD / CBM)



GAS SUPPLY (USD / CBM)



RENT OF LANDPLOT IN THE TERRITORY OF SEZ (USD / HA)



RENT OF OFFICE IN THE TERRITORY OF SEZ (USD / SQ M - MONTH)



KEY INDICATORS OF THE REGION

60 000

HIGH-EFFICIENT JOBS CREATED
(2012-2017)

6,7%

INCREASE IN INDUSTRIAL PRODUCTION VOLUME
ACCORDING TO THE RESULTS OF 2017

2 place in Volga Federal District

INDUSTRY GROWTH
(2012 - 2017)

ULYANOVSK REGION

12,6%

RUSSIA 3,9%

VFD 4,9%

92 bln rub

INVESTMENT VOLUME IN
FIXED ASSETS IN 2017

12,5% (2015-2017)

4,2%

AGRICULTURE PRODUCTION GROWTH
ACCORDING TO THE RESULTS OF 2017

3 place in Volga Federal District

LABOUR PRODUCTIVITY GROWTH
(2012 - 2016)

ULYANOVSK REGION

7,5%

RUSSIA 4%

220%

EXPORT GROWTH
(2013 - 2017)

4 position

N RUSSIA FOR RESEARCH AND
DEVELOPMENT EXPENDITURE

23,6%

PRODUCT GROWTH OF HIGH-TECH INDUSTRIES IN GRP
(2012 - 2016)

KEY INDICATORS OF THE REGION

DYNAMICS OF THE ULYANOVSK REGIONS DEVELOPMENT

GRP
OF THE ULYANOVSK REGION
2005-2017



THE SHARE OF HIGH-TECH
PRODUCTS IN GRP
2017

29%
(22% - national average)

INDUSTRIAL OUTPUT
2005-2017



THE VOLUME OF INVESTMENTS
IN FIXED ASSETS
2005-2017

21 BLN
USD

INVESTMENT VOLUME
GROWTH RATE
2005-2017



RATINGS



DOING BUSINESS

1ST PLACE IN TERMS OF DOING BUSINESS



THE INFORMATION
SOCIETY INSTITUTE

1ST PLACE IN TERMS OF OPENNESS
OF THE GOVERNMENT



JOINT STUDY BY
KPMG AND RSPP



NATIONAL RATING
10TH PLACE INVESTMENT CLIMATE



INNOVATION REGIONS
RATING

8TH IN TERMS OF INNOVATION (+8)

HUMAN CAPITAL ASSETS

The Ulyanovsk region is among:

TOP 5 in terms of **Science and technology in GRP**

TOP 10 in the terms of **innovations development in the region**



17 universities
5 state universities



39 000 students
2 000 foreign students

In education institutions work

250 PhD
1 400 Doctors

26 200 RUB
regional average salary level

ОБРАЗОВАТЕЛЬНЫЕ ПЛОЩАДКИ

International Competence
Center **WORLD SKILLS**



Collective work space
"Boiling Point"



Children technology
Park "Quantorium"



UNIVERSITY INCUBATOR



INTERREGIONAL COMPETENCE
CENTER



UNIVERSITY CAMPUS



TECHNICAL COLLEGE



IMPLEMENTED PROJECTS



115
implemented
investment projects

750
bln rubles
total investment

EXPORT POTENTIAL OF THE ULYANOVSK REGION

\$687,1 MLN

61,6%
GROWTH BY COMPARISON WITH 2016

ULYANOVSK REGION EXPORT VOLUME IN 2017

95,5%

SHARE OF NON-RAW PRODUCT, NON-ENERGY EXPORTS

89



COUNTRIES WORLDWIDE - EXPORT DESTINATIONS

128

COMPANIES EXPORT ABROAD

TOP-10 EXPORTERS



Scientific developments in the field of nuclear medicine



Export of aircraft components

ULYANOVSKNEFTEGAZ

Production of petroleum products



Manufacture of automobiles



Export of grain



Manufacture of wood products



Export of auto components



Manufacture of bridge and road fences



Production of petroleum products



Production of auto components

CLUSTERS

AUTOMOTIVE



AVIATION



NUCLEAR-INNOVATIVE



MACHINE TOOL



FOOD



AGRICULTURAL



MEDICAL



CONSTRUCTIONAL MATERIALS

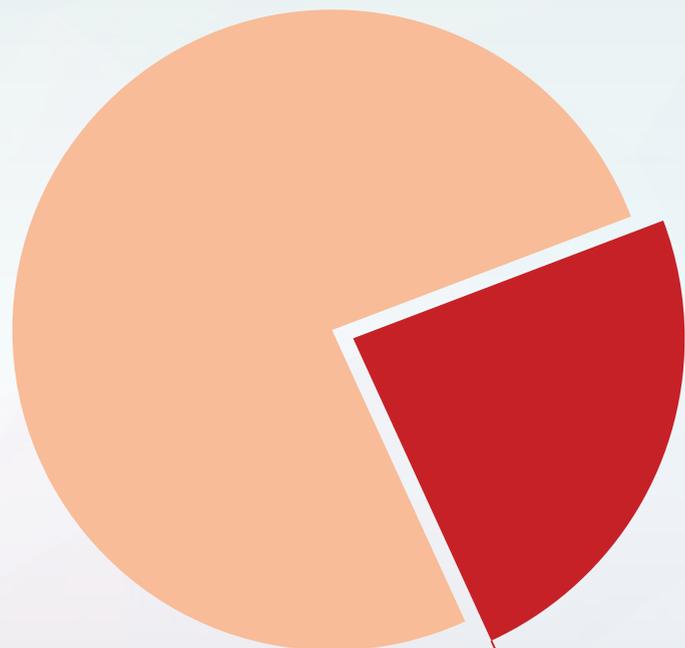


ALTERNATIVE ENERGY



LARGE CENTER OF MACHINERY IN RUSSIA

MANUFACTURING ACTIVITY SHARE IN THE STRUCTURE OF GRP OF THE ULYANOVSK REGION



24,1%

MACHINING MANUFACTURING

- Automobile manufacture
- Manufacture of auto components and auxiliary parts for automobiles and their engines
- Instrumentation manufacture
- Aircraft manufacture, including spacecraft
- Mechanical equipment manufacture

ULYANOVSK REGION



1 position
IN THE CIVIL AIRCRAFT
MANUFACTURE



5 position
IN THE AUTOMOBILE
MANUFACTURE



2 place
IN TERMS OF MACHINERY MANUFACTURE
IN THE TOTAL VOLUME OF PRODUCTION

AUTOMOTIVE CLUSTER



OFFERS FOR THE FUTURE PROJECTS:

- The localization of the **autocomponents manufacturing**
- The establishment of the **autocomponents suppliers park**
- The establishment of **auto assembly production**
- The establishment of the training centers and centers of competence
- Export of **autocomponents**

96

companies

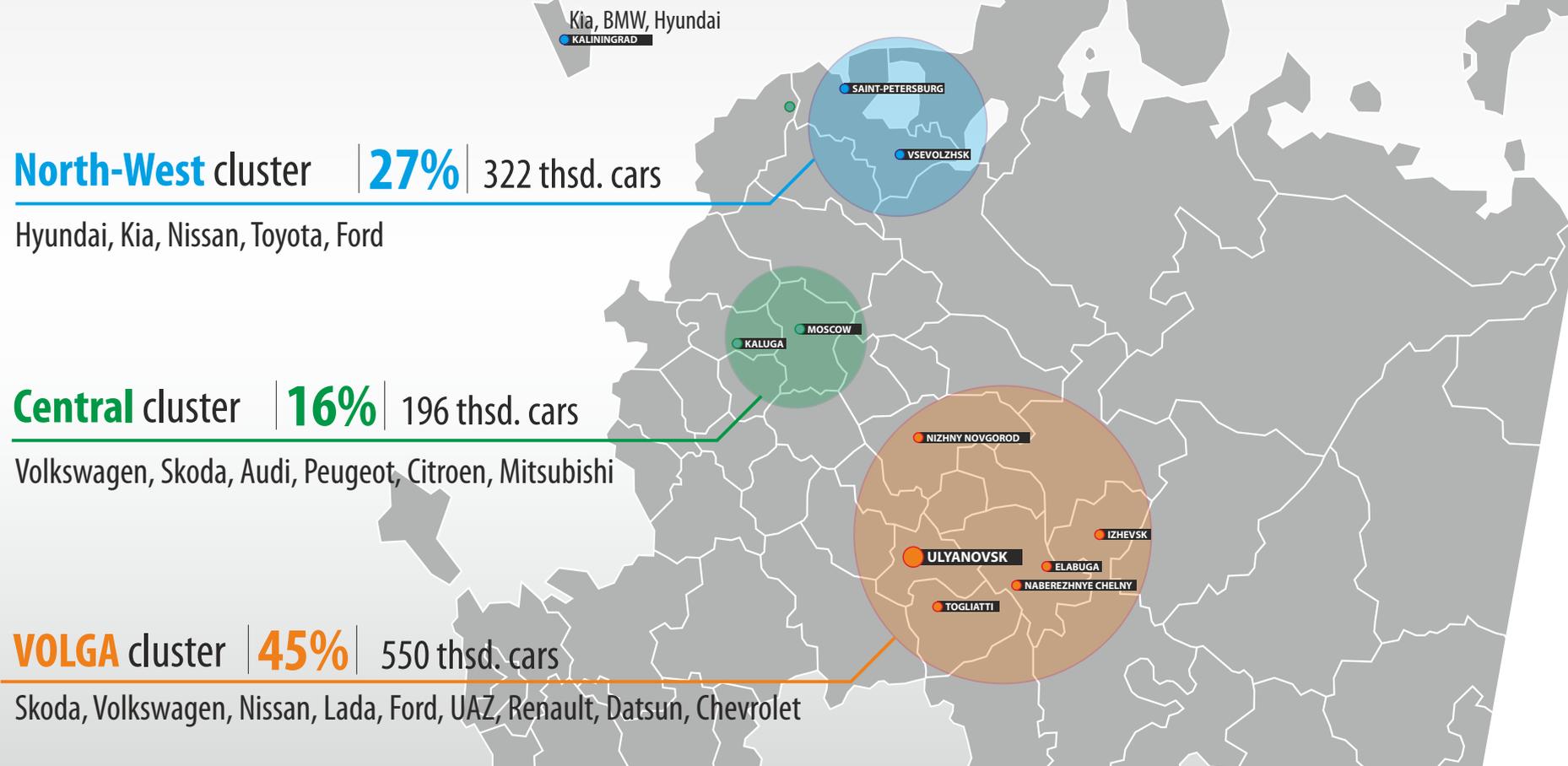


SCHAEFFLER GROUP



Ulyanovsk Region is in the center of Automotive Industry in Russia

AUTOMOTIVE CLUSTER



ACCESS TO THE MARKETS

Distance and travel time

Ulyanovsk - Volga cluster

0 - 500 km | up to 7 hours

Ulyanovsk - Central cluster

800 - 1000 km | 12-15 hours

Ulyanovsk - North-West cluster

1600 km | 27 hours



In Russia the production of passenger cars involves more than **20 assembly facilities**.

The largest clusters were formed in the **Volga region**, in the **North-West** and **Central part** of Russia.

1,2
mln cars
produced in Russia

MACHINE TOOL BUILDING CLUSTER



DMG MORI

Plant Capacity – **1200 tools per year.**

Field of application: aviation, space and automotive production industries



OFFERS FOR THE FUTURE PROJECTS

- The machine tool equipment production localization
- The development and manufacturing of equipment for the automotive production and aviation
- The machine tools components manufacturing
- The assembly facility
- The establishment of **Competence Centers**



The first Special Investment Contract signed in the sphere of machine tool building in Russia with **DMG MORI**

ИНВЕСТИЦИОННЫЕ ПЛОЩАДКИ «GREENFIELD», «BROWNFIELD»



УЛЬЯНОВСК

АЭРОПОРТ «УЛЬЯНОВСК-ВОСТОЧНЫЙ»

Р-178

АВТОДОРОГА ФЕДЕРАЛЬНОГО ЗНАЧЕНИЯ Р-178

ОСОБАЯ ЭКОНОМИЧЕСКАЯ ЗОНА BROWNFIELD GREENFIELD

35 МВт

Первый ветропарк в России

ИНДУСТРИАЛЬНЫЙ ПАРК «ЗАВОЛЖЬЕ» GREENFIELD

ОЭЗ НА БАЗЕ РЕЧНОГО ПОРТА

М5

ФЕДЕРАЛЬНАЯ ТРАССА М-5 «УРАЛ»

ДИМИТРОВГРАД

ТЕРРИТОРИЯ ОПЕРЕЖАЮЩЕГО СОЦИАЛЬНО-ЭКОНОМИЧЕСКОГО РАЗВИТИЯ BROWNFIELD GREENFIELD

INVESTMENT SITES «GREENFIELD», «BROWNFIELD»



SPECIAL ECONOMIC ZONE "ULYANOVSK"



Ульяновск
ОСОБАЯ ЭКОНОМИЧЕСКАЯ ЗОНА

AIRPORT
«ULYANOVSK-VOSTOCHNY»

INDUSTRIAL PARK "PLATFORM"

INDUSTRIAL PARK «PLATFORM 2.0»

September 2019 - completion term

CUSTOMS

The **only sez of airport type** in Russia.

A unique transport and logistics center within the framework of the Eurasian Transport Corridor project.

Main activities of residents:

- Aviation equipment and aircraft components
- Medical equipment manufacture
- Electronics manufacture
- Logistics and wholesale
- Aircraft maintenance



23
residents

325 Ha
total area

INVESTMENT SITE «BROWNFIELD»

NEW INDUSTRIAL PARK «PLATFORM 2.0»

HEATED PREMISES

10 000 m²

9 m ceiling height

2 000 kg/m² floor load

September 2018

CONSTRUCTION START

September 2019

COMPLETION TERM

- Production, warehouse and office premises for rent
- Cargo gates

RENT

286 rub/m²

warehouse and production facility space

NO CUSTOMS DUTIES FOR IMPORTING GOODS

ЗОНА ТАМОЖЕННОГО КОНТРОЛЯ

CUSTOMS CONTROL ZONE

Construction materials and equipment

Components and repair parts

0%

VAT

0%

Duties

0%

Excise duties

INFRASTRUCTURE



Separate Customs Point



Checkpoints with control system



Examination area



Shelf Stable



FREE CUSTOMS ZONE REGIME

INDUSTRIAL ZONE "ZAVOLZHYE"

706 Ha

TOTAL AREA

30

RESIDENTS

ЭКСПЕРТ РА
РЕЙТИНГОВОЕ АГЕНТСТВО

RATING OF INVESTMENT ATTRACTIVENESS OF INDUSTRIAL PARKS AND SEZ

AA

TOP RATING

4 POSITION

IN GENERAL RATING

1 POSITION

BY INDICATOR «LOCATION»

BUSINESS DEVELOPMENT ALONGSIDE SUCCESSFULLY IMPLEMENTED PROJECTS

 **DMG MORI**

PUT INTO OPERATION: 2015

VOLUME OF INVESTMENTS:

4,5 BLN RUB

JOBS CREATED: 120



 **BRIDGESTONE**

PUT INTO OPERATION: 2016

VOLUME OF INVESTMENTS:

13,5 BLN RUB

JOBS CREATED: 600



2000 Ha

THE TERRITORY OF THE INDUSTRIAL DEVELOPMENT

INDUSTRIAL ZONE "ZAVOLZHYE"

RESIDENTS



Октябрьский



Ульяновск-Восточный

73K-1428

73P-178

73P-178

73P-178

73P-178

Полянка

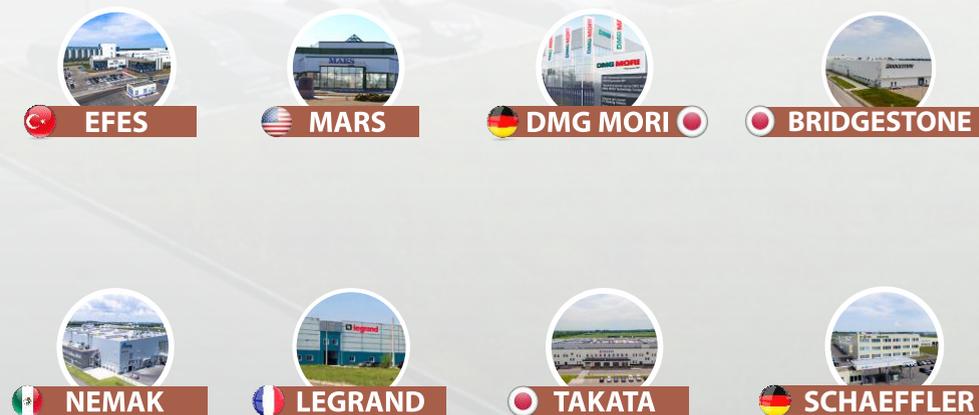
INDUSTRIAL PARK "ZAVOLZHYE"

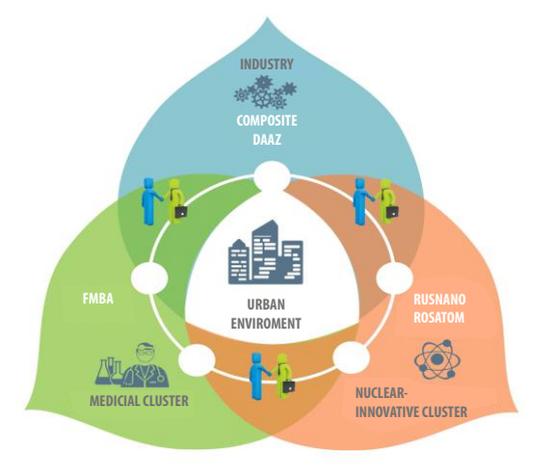


READY ENGINEERING INFRASTRUCTURE

-  Roads
-  Electricity
-  Gas supply
-  Water supply

RESIDENTS





TERRITORY OF ADVANCED SOCIAL AND ECONOMIC DEVELOPMENT

116 000
population

Resolution of the Government of the Russian Federation dated July 19, 2017 No. 848 "On the creation of the territory of advanced social and economic development" Dimitrovgrad "

- Federal hi-tech medical radiology center
- State scientific center – Research Institute of Atomic Reactors
- Industrial park "DIP-Master"



INVESTMENTS SITES
«GREENFIELD» AND «BROWNFIELD»

INDUSTRIAL PARK «DIP-MASTER»



TERRITORY OF ADVANCED SOCIAL
AND ECONOMIC DEVELOPMENT

March 2018

establishment of industrial park

- Developed engineering infrastructure
- Tax incentives for residents
- Ready industrial premises

40 residents

2 000 jobs created

2 500 mln rub investment volume



150 000 m²
office and industrial space

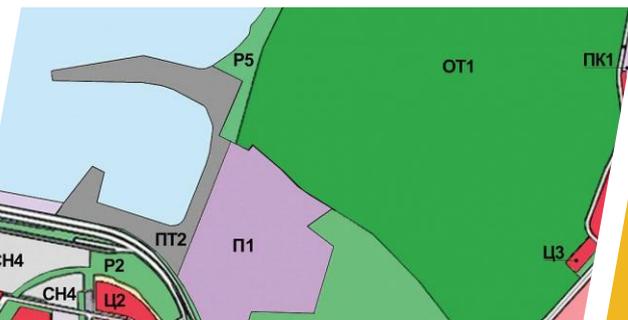
FIRST IN RUSSIA SPECIAL ECONOMIC ZONE BASED ON THE RIVER PORT



INTERNATIONAL WATER ROUT LOGISTICS DEVELOPMENT (RIVER-SEA TYPE) IN THE CENTER OF RUSSIA

Ready-made infrastructure

-  **Public Road**
0,1 km access to the federal highway
-  **Railway line**
Roads leading to Kuibyshev railway
5 km railway station "Verkhnya Terassa"
-  **Electricity network**
2,5 mW
-  **Gas pipeline**
-  **Water supply and sewerage**



FAVORABLE LOCATION

New bridgework (President Bridge)
across the river Volga in the water area
of Ulyanovsk

FIRST IN RUSSIA SPECIAL ECONOMIC ZONE BASED ON THE RIVER PORT



IMPLEMENTED PROJECTS

Oversized goods logistics

Transportation and unloading of wind turbine blades for a brand new wind farm in Ulyanovsk were completed from China and Spain to river port destination in 2017-2018.

The blades were unloaded with two synchronized cranes.

Vestas



63 m
length of the blade

12,5 t
weight of the blade

CAPACITIES OF RIVER LOGISTICS "RIVER-SEA" TYPE AS EXEMPLIFIED IN VESTAS BLADES DELIVERY FROM THE PLANT IN SPAI



4 WEEKS

DELIVERY TIME ON THE ROUTE SPAIN - RIVER PORT "ULYANOVSK"



СТАМБУЛ

ULYANOVSK



TAX INCENTIVES

Taxes and duties	SPECIALY SIGNIFICANT INVESTMENT PROJECT STATUS	SPECIAL ECONOMIC ZONE "ULYANOVSK"	TERRITORY OF ADVANCED SOCIAL AND ECONOMIC DEVELOPMENT- «DIMITROVGRAD»
Income Tax (20%)	15,5% for 15 years	2% for 10 years 15,5 % from 11 to 45 years	0% for 5 years, 10% from 6 to 10 years
Property Tax (2,2%)	0% for 10 years 1,1% from 11 to 15 years	0% for 15 years	0% for 10 years
Transport Tax (Differentiated)	0% for 10 years	0% for 10 years	0% for 10 years
Land Tax (1,5%)	0% for 8 years	0% for 10 years	0% for 10 years Prolongation for more 5 years available
VAT (18%)	18%	Execution of works and provision of services are not subject to VAT - for 45 years	18%
Insurance premiums to PFR, OMIF, SIF (30%)	30%	30%	7,6% for 10 years Prolongation for 5 more years available
Custom Duties (Differentiated)	Differentiated	The importation of goods, equipment, construction materials to the territory of SEZ is not subject to VAT, excise duties and customs duties	Differentiated

30-40%
THE CUMULATIVE EFFECT
OF ECONOMY OF INVESTMENT
EXPENSES

SUCCESS STORY

MARS
russia

legrand®

BRIDGESTONE

SCHAEFFLER

DMG MORI

HEMPEL

Henkel

DEGA
GROUP

jokey

немак

ISUZU

sollers

UNIS

ТУТЦЛЕВ

FEDERAL
MOGUL

e.on

EURO
CEMENT
ЕМРОЦЕМЕНТ груп

BAW

СЕДРУС
ДОСТИГАЯ ВЕРШИН

FM LOGISTIC

EFES
RUS

CCO
ССА ENGINEERING

setcons

МОЛВЕСТ

HERMLE
Machine Company

TAKATA

SUKHOI

ВИА

мусет

ibis
HOTELS

АэроКомпозит
Закрытое Акционерное Общество

СладКо

Hilton

VOLGA-DNEPR GROUP
AirBridgeCargo

X5RETAILGROUP

WERKE
2

Quarzwerte

АВИАСТАР-СП

АВИАПРИБОР-ХОЛДИНГ

P.M. Packaging

СТАРАТЕЛИ

ААР Рус

CUcina

VOLGA-DNEPR AIRLINES
ВОЛГА ДНЕПР

АЛБ

OAK

КОМПАНИЯ
РУССНЕФТЬ

УЛЬЯНОВСКОЕ ВЫСШЕЕ АВИАЦИОННОЕ УЧИЛИЩЕ
ТАЖИКСКОЙ АВИАЦИИ

HESTEGO
PROTECTION SYSTEMS

fortum

Vestas

JOYSON
SAFETY SYSTEMS

MEKRA
LANG Group

NTW



ULYANOVSK REGION
DEVELOPMENT CORPORATION



FIRST DEPUTY CEO

IGOR RYABIKOV

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