PROJECT OVERVIEW: PAPER-BASED SANITARY AND HYGIENIC GOODS PRODUCTION

IN IRKUTSK REGION
town of Nizhneudinsk

PROJECT INITIATOR:
CAPITALSTROY LLC
SUMMARY

Russian market of paper-based sanitary and hygienic goods in Russia is characterized by high prices and low market saturation.

Consumption is growing steadily at 5.1% per year.

Consumption structure changes toward wider variety of goods and higher quality.

Similar production facilities are operated worldwide, including in several cities in the European part of Russia.

Construction of the plant will meet the existing demand in the eastern part of Russia by offering high quality products at low price.
Boundaries of a **75 hectares** land parcel have been defined and approved for Regional Authority of Local Government “Vostochni”, one of the incorporators of **Capitalstroy LLC**, including the capacity to expand the land parcel up to **360 hectares**

Declaration of Intent has been signed with **Valmet** – an international company specializing in design and manufacture of papermaking machines.

Preliminary agreement has been reached with **Ilim** Group of Companies regarding supply of raw material – bleached cellulose.

**Business plan** and **feasibility study** for the project have been developed.

**Enhanced marketing studies** have been performed.
Toiler paper, paper towels, napkins and disposable tissues

- Strength in moist condition
- High absorption capacity
- Water holding capacity
- Soft texture
- Packaging use
- Variable number of layers
- High esthetic properties
- Water soluble
- Branding opportunities
- Disposable use
Construction of the project is a strategically viable initiative for regional development.

The project will contribute to higher tax revenues; create new jobs with ongoing growth in the future, enable refurbishment and expansion of existing operations, manufacture of the new product range of paper-based sanitary and hygienic goods, infrastructure improvement, development of foreign trade with Mongolia and China.

The project for construction of a plant manufacturing paper-based sanitary and hygienic goods is supported by the administration of Nizhneudinsk and by the head of the town administration personally.
KEY PROJECT INDICATORS

- **81 mln. €** production start-up costs
- **15 months** time to full capacity launch
- **10 years** project schedule
- **not more than 5 years** period of investments return
This project is compliant with all environmental standards and norms.

Implementation of this project will result in manufacture of products according to European standards and quality, using the most advanced technologies. Manufacture of the proposed range of goods will create serious competition in the market in terms of both quality and price.
THANK YOU!

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