PRESENTATION OF THE ECONOMIC AND INVESTMENT POTENTIAL OF THE SAMARA REGION
THE SAMARA REGION ON THE MAP OF RUSSIA

- **Territory**: 53.5 sq km
- **Population**: 3.2 mln
- **GDP**: €18.5 billion

The Trans-Siberian Railway

MOSCOW

SAMARA

M5

M32

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TRANSPORT POTENTIAL OF THE SAMARA REGION

RAIL ROAD

Railway station «Samara» brings in 16K passengers every day. It is one of the largest railway stations in Europe.

FEDERAL HIGHWAYS

M5 «Moscow - Chelyabinsk» M32 «Kazakhstan».

THREE RIVER HARBORS

Ports are able to receive and serve river-sea vessels. The 1st place in Russia in amount of shipped cargo by inland waterway transport and 4th in passenger traffic.

«KURUMOCH» INTERNATIONAL AIRPORT

Has a direct connection with the Czech Republic, Finland, Greece, Turkey, the United Arab Emirates, Uzbekistan, Kazakhstan, China. It is among the ten largest Russian airports due to its passenger traffic.

EUROFURA LOGISTICS COSTS

€ 0.46 per km on the Russian roads*

€ 296.14 The Samara Region – the Moscow Region

€ 676.21 The Moscow Region – the Samara Region

*average cost
CREDIT RATINGS OF THE REGION

AKPA
ANALYTICAL CREDIT RATING AGENCY

AA-(RU) Positive
21/12/2018

Moody's
INVESTORS SERVICE

Ba3 Positive
29/01/2018

S&P Global Ratings

BB Positive
13/04/2018

By credit rating level in the rating agencies’ scales, the Samara Region is in the top 10 leaders among the regions of Russia

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LABOR POTENTIAL OF THE SAMARA REGION

The average monthly salary: € 462

- Higher education institutions: 30
- Graduation of specialists, including highly qualified technical managers: 23.9K
- Employment rate: 61.5%
- ILO unemployment rate: 3.7%
- Employable population: 1.7 mln
- The proportion of the highly qualified employees: 37.6%

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ECONOMIC STRUCTURE OF THE SAMARA REGION

Transport and communication: 11.40%
Construction: 9.50%
Electricity, gas and water: 5.00%
Healthcare: 4.80%
Manufacturing: 3.90%
Agro-industry: 3.80%
Mining of fuel and energy raw materials: 2.29%
Trade: 2.23%
Other branches of production: 16.40%
The Samara Region has an extensive talent pool, which obviously plays an important role in choosing the region to locate production, because a key to business success is competent and motivated experts. Besides, the developed logistics system of the Samara Region ensures convenience in goods transportation by any kind of transport both inside the country and abroad.

**Uve Plaksin**, the head of business, Federal-Mogul Powertrain in Russia and the CIS

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**Production capacity:**

800K automobiles per year in the Volga Federal District

**Cluster produces more than:**

14% GRP of the region

**More than:**

50K employees

**40%** of Russian auto components are produced in the Samara Region

**Volume of goods produced has exceeded:**

€ 4 billion
Full production cycle of the entire spectrum of aerospace technology is concentrated in the Samara Region.

- **45K** employees
- Volume of goods produced **€ 555 mln**

Launch vehicles Soyuz • Spacecraft Resurs-DK1 • Spacecraft Resurs-P • Spacecraft “Bion-M” • Spacecraft “Foton-M” № 4 • Rocket engine NK-33A • Nanosatellites

Awarded Aerospace Cluster Samara Bronze Label Certificate

**RUSSIAN PARTNERS OF THE CLUSTER:**

**FOREIGN PARTNERS OF THE CLUSTER:**
PETROCHEMICAL INDUSTRY

**The 2nd place** in Russia in terms of oil refining

3 refineries

**49K** Employees

**The volume of oil refining**

19.5 mln tons annually

**Oil production**

more than 16 mln tons annually

**RUSSIAN PARTNERS OF THE CLUSTER:**

JSC «Samaraneftegaz»

CJSC «Saneko»

Territorial production enterprise «RITEK-Samara-Nafta»

**THE MAIN ENTERPRISES:**

PJSC «TOGLIATTIAZOT»

The only chemical plant in the world able to produce 3 mln tons of ammonia annually

PJSC «KUIBYSHEVAZOT»

The leader in the production of caprolactam, polyamide, textile and industrial yarns in Russia, CIS countries and Eastern Europe

LLC «SIBUR TOGLIATTI»

One of the largest rubber producers

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THE MAIN ENTERPRISES:

- Schneider Electric
  - Electrical products from 0.4 to 220 kilovolts

- ТЯЖМАШ
  - Conveyor equipment, thermal power plants, equipment for nuclear power plants and hydroelectric power plants since 1941

- 150k employees

- ALCOA
  - Products made of aluminum alloy for the enterprises of different industries

- Acquisition of “SC "Electroshield" – TM Samara” CJSC became one of the most important strategic decisions for SchneiderElectric.

  Brisset Eric Bernard,
  President of Electroshield Samara
Developed healthcare infrastructure

**ONCOLOGY CENTER**
It is among the largest medical institutions in Europe. Accepts more than 250K patients per year

**PERINATAL CENTER**
It is a European level complex equipped with unique modern facilities. Professional help to patients with a weight from 480 grams

**Innovative territorial cluster of medical and pharmaceutical technologies of the Samara Region works in the following spheres**

**55 hospitals**

**Successful project implementation clinic "Mother and Child"**
The leader on the Russian market of private medicine. 12 years of successful work in 23 cities. The hospital building area of 15K sq m Up to 8K surgeries annually

**Implemented innovative projects in the field of IT-MEDICINE**
- Interactive 3D-anatomical table "Pirogov" (complex for virtual work with a three-dimensional model of the human body)
- Hardware-software complex "3D-Virtual Surgeon" (simulator of endoscopic surgery, simulator of endovascular surgery)

**Implemented innovative developments in the field of BIOTECHNOLOGIES**
- Biotechnological center of growing human tissue and organs
- Production of more than 100 kinds of bioimplants
- Products are used in 80 cities of Russia, known in Germany, Spain, France
1 place in the Volga Federal District in terms of livestock growth rates at farms

4,4 million tons – total yield of the cereal and leguminous crops (for the period 2017-2018)

160 K ha of land available for implementation of projects

**Investment offers:**
- construction of meat and milk farms
- poultry meat production
- greenhouses construction

**Deficit:**
- 47% meat
- 46% poultry meat
- 43% milk

**The main enterprises – your future partners:**

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>БИО-ТОН</td>
<td>Production, processing, storage and further sale of agricultural products</td>
<td>More than 220K ha of arable land. Cattle, sheep and horse farms</td>
</tr>
<tr>
<td>Агрохолдинг Василина</td>
<td></td>
<td>40 enterprises, more than 3,000 employees, cultivation and processing of grain, production and processing of crop products and husbandry</td>
</tr>
<tr>
<td>СИНОКО</td>
<td></td>
<td>Production of dairy products with the processing capacity of 600 tons of milk per day, plans to increase production capacity up to 200 tons of additional milk per day</td>
</tr>
<tr>
<td>DANONE</td>
<td></td>
<td>The dairy complex with advanced automated milking technology, livestock of 1,600 heads which herd is formed of elite breed cows: 70% Aishir, 30% Holstein</td>
</tr>
</tbody>
</table>

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# TAX PRIVILEGES FOR INVESTORS IN THE SAMARA REGION

<table>
<thead>
<tr>
<th>Support measures</th>
<th>Standard tax rates</th>
<th>Territory of the Samara Region</th>
<th>Territory of the single-industry towns (Oktyabrsk, Chapaevsk, Pokhvistnevo)</th>
<th>Territory of advanced development «Togliatti»</th>
<th>Special Economic Zone «Togliatti»</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property tax</td>
<td>2.2%</td>
<td>0% – for 2 - 5 years</td>
<td>0% – for 4 - 7 years</td>
<td>0% – up to 10 years</td>
<td>0% – for 10 years</td>
</tr>
<tr>
<td>Profit tax</td>
<td>20%</td>
<td>15.5% (16.5% in 2018-2024) for 4 - 5 years</td>
<td>15.5% (16.5% in 2018-2024) for 6 - 7 years</td>
<td>2% in the first 5 years, 12% in the second 5 years</td>
<td>from the moment of profit 2% in the first 5 years, 7% in the second 5 years, 15.5% until 2059</td>
</tr>
<tr>
<td>Transport tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0% - for 10 years</td>
</tr>
<tr>
<td>Land tax</td>
<td></td>
<td></td>
<td></td>
<td>0% - up to 10 years</td>
<td>0% - for 5 years</td>
</tr>
<tr>
<td>Insurance payments</td>
<td>30%</td>
<td>30%</td>
<td>30%</td>
<td></td>
<td>30% (if technology innovative activities are implemented, 28% for 2019)</td>
</tr>
<tr>
<td>Customs duties</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>It is possible to use the customs procedure of the free customs zone</td>
</tr>
<tr>
<td>Subsidies for jobs creation</td>
<td></td>
<td></td>
<td></td>
<td>€1.4K for each job created</td>
<td></td>
</tr>
</tbody>
</table>

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THE SPECIAL ECONOMIC ZONE «TOGLIATTI»

Today eight companies have been already operating in the SEZ, five of which produce automotive components, attractive business conditions were created for them. It is in our joint interest to attract more suppliers in Togliatti, who would place their production facilities in close proximity to AvtoVAZ.

Yves Caracatzanis,
President & CEO of AVTOVAZ

In 2018 the SEZ «Togliatti» for the fourth time has been included in the global rating of the Free Zones of the Year according to the world famous fDi Magazine

21 residents
8 ongoing productions

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THE SPECIAL ECONOMIC ZONE «TOGLIATTI»

BENEFITS FOR THE INVESTORS

**TAX PRIVILEGES**

**PROFIT TAX**
- **FEDERAL BUDGET**
  - 2% in the first 5 years
  - 2% after 10 years
- **REGIONAL BUDGET**
  - 0% in the first 5 years
  - 5% after 10 years
- **SINCE THE TIME OF PROFIT**
  - 0%

**PROPERTY TAX**
- 0% for 10 years

**LAND TAX**
- 0% for 5 years

**TRANSPORT TAX**
- 0% for 10 years

**FREE CUSTOMS ZONE MODE**
- Duty-free import of equipment, raw materials, and materials on the territory of the SEZ
- 0% import duties
- 0% VAT
- Compensation of customs duties
- State guarantees

**FREE SHIPPING FOR THE LIMITS OF THE CUSTOMS UNION (EXPORT)**
- Russian States
- Kazakhstan
- Belarus
- 0% import duties
- 0% VAT
- Compensation

**SPECIAL ADMINISTRATIVE MODE**
- Right to buy land

**INDUSTRIAL INFRASTRUCTURE**
- Gas
  - 1 615 mln m$^3$/year
- Electricity
  - 180 MVT
- Domestic water supply
  - 2 660 mln m$^3$/year
- Sewage
  - 7 300 m$^3$/per day
- Rent
  - 736 €/HA
  - 0.07 €/M$^3$/per year
- Buy
  - 1 840 €/HA
  - 0.18 €/M$^3$
TERRITORY OF ADVANCED SOCIAL AND ECONOMIC DEVELOPMENT «TOGLIATTI»

45 residents
€ 136 mln Total investment in projects
5 K jobs Estimated number of jobs

TAX PRIVILEGES
FOR RESIDENTS OF TERRITORY OF ADVANCED SOCIAL AND ECONOMIC DEVELOPMENT «TOGLIATTI»

<table>
<thead>
<tr>
<th>TAX ITEM</th>
<th>NORMAL RATE OF TAX</th>
<th>REDUCED RATE OF TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROFIT TAX</td>
<td>2% 12%</td>
<td>-20%</td>
</tr>
<tr>
<td>PROPERTY TAX</td>
<td>0%</td>
<td>-2.2%</td>
</tr>
<tr>
<td>LAND TAX</td>
<td>0%</td>
<td>-1.5%</td>
</tr>
<tr>
<td>INSURANCE PAYMENTS*</td>
<td>7.6%</td>
<td>-30%</td>
</tr>
</tbody>
</table>

* for residents received the status to 28.09.2019

The main conditions for acquisition of the status of a resident:

Job creation during the first year:
- for new enterprises — ≥ 20 jobs
- for functioning enterprises — ≥ 20 jobs, but not less than the average number of employees during the last 3 years

The volume of capital investments in the project:
- ≥ 269k € for the project
- ≥ 67k € for the 1-st year
INVESTMENT SITES OF THE SAMARA REGION

MORE THAN 40
BROWNFIELDS

Industrial parks «PREOBRAZHENKA» and «CHAPAEVSK»
State industrial parks, management company - a body authorized by the Government of the Samara Region

MORE THAN 50
GREENFIELDS

Industrial park «STAVROPOLSKIY»
Successfully implements the construction of the "turnkey"

Industrial park «TOGLIATTISYNTEZ»
Ready-made complex of real estate, land plots, industrial, administrative, warehouse and other buildings and structures

Industrial park «AVTOVAZ»
Located on the Territory of Advanced Development «Togliatti». Includes a set of heated premises, that are fully ready for use now
INNOVATION INFRASTRUCTURE
TECHNOPARK IN THE SPHERE OF HI-TECHNOLOGIES «ZHIGULI VALLEY»

- **Modern data center** that meets the Tier III Uptime Institute's fault tolerance and category TIERIII Facility. The seventh object in Russia, confirmed by such a high level, and the first one outside of Moscow and the Moscow region.

- **Children's Technopark «Kvantorium Togliatti»,** one of the nineteen children's technoparks, opened in Russia in 2017.

- **Regional operator of the Skolkovo Foundation**

- **Nanotechnology Center**, one of 15 nanocenters created in Russia by the Fund for Infrastructure and Educational Programs. Included in the group RUSNANO.

**MORE THAN 200 RESIDENTS**
SUCCESS STORIES