THE SVERDLOVSK REGION
beyond borders
**The Sverdlovsk region**

Region’s population

4.24 mln people

**Ekaterinburg**

the capital and business center of the Ural and Siberia

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**The leading region**

of the Ural Federal District

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**THE SVERDLOVSK REGION beyond borders**

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**FAR EASTERN**

**NORTH CAUCASIAN**

**SIBERIAN**

**NOVOSIBIRSK**

**URAL**

**NIZHNY NOVGOROD**

**VOLGA**

**CENTRAL**

**NORTHWESTERN**

**MOSCOW**

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Ekaterinburg
Developed Industry

The level of industrial production is 4 times higher than the Russian average.
Logistics hub

Major railway junction of the Ural and Siberia

Highway connection with all administrative centers of Russia

Third largest Russian airport (passenger and cargo traffic)

Over 1 mln. m$^2$ of A-Grade warehouses
Research potential and labor resources ranking

4th in number of research organizations; competences in microbiology, nanotechnology, robotics

5th with about 22 thousand of academic research staff, including 2,304 – PhD holders, and 705 Doctors of Sciences

5th in the amount of R&D spending

Largest in the Ural and Western Siberia academic research centers:
Intensive cultural life

Opera House

Yeltsin Center

Ural Industrial Biennial of Contemporary Art
Business infrastructure

“Koltsovo” airport is the best regional airport in Russia

3rd

In the number of diplomatic missions

20 official foreign states’ missions

Over 400 representative offices of foreign companies.

4th

In the number of hotels

110 hotels

5000 rooms

Offices of major consulting firms:

- PwC
- Deloitte
- KPMG
- EY
- Hyatt
- DoubleTree
- Ramada
Success stories

SIEMENS AG and SINARA Group

Development and production of modern railroad facilities

Volume of production 250 per year more than 1500 workplace

$2.8 billion of investment

Boeing and VSMPO-AVISMA Corporation

Production of titanium details for Boeing 737, 777, 787 and Dreamliner

received orders for the purchase of titanium details by 2040

$18 billion of investment
**Mechanical Engineering**

15% export sales  
137 thousand workplaces  
92 countries buy machines and equipment

The Urals manufacturers are the country’s industry leaders:

- **39%** of freight cars market
- **42%** of line electric locomotives
- **28%** of oil and gas equipment
- **60%** over 37.5 W electric motors
- **35%** metallurgical equipment

Leading companies:
1/5 of the total Russian metals production:

- 15% of steel melting;
- ½ of transformer steel production;
- Over 20% of steel pipes production;
- 95% of titanium roll stock;
- Over 35% of copper products;
- 20% of the Russian ferroalloys market;
- 15% of alumina production.
Chemical industry

17.9% of the total region’s export

12 thousand workplaces

5% annual production growth

2.5% the industry’s share in the regional industrial output

The range of the Sverdlovsk region’s chemical sector products includes:

- INDUSTRIAL GASES
- SULPHURIC ACID
- MINERAL FERTILIZERS
- SYNTHETIC RESINS AND PLASTIC
- PERFUMERY
- PHARMACEUTICAL PRODUCTS
- RUBBER AND PLASTICS GOODS
Pharmaceutical industry

Top 5 regions - pharmaceuticals producers in Russia

1.5 thousand brands of finished pharma products and substances.

Dedicated pharmaceutical clusters have been set up and successfully operate in the Sverdlovsk Oblast.
Titanium Valley

SPECIAL ECONOMIC ZONE TITANIUM VALLEY
First stage of Titanium Valley SEZ

SEZ’S LAND AREA - 290 HA

PLANNED LIFESPAN - 49 YEARS

PRIORITY SECTORS:

- manufacturing of titanium products,
- production of components and equipment for metallurgy and machinery,
- production of construction materials,
- medical industry

Ural Boeing Manufacturing
Setting up of production and machining of forged titanium-alloy products for aviation

Zibus
Organization of production of medical instruments and implants for neurosurgery, including titanium alloy products

Minicut
Organization of production of cutting tools Minicut

YG-1
Organization of production of cutting tools Minicut.

Micromet
The organization of manufacture of products from metal powder by the method of additive technologies
SPECIAL ECONOMIC ZONE
Titanium Valley

SECOND STAGE OF THE TITANIUM VALLEY SEZ
PRODUCTION ZONE WITHIN YEKATERINBURG CITY LIMITS
95.7 hectares

Manufacturing of structural elements for aircraft building
Subassemblies for airplane building
High-tech industry

ANCHOR RESIDENT – URAL CIVIL AVIATION WORKS
Ural Civil Aviation Works project is aimed at creating an aviation cluster of a new type on the territory of the Russian Federation including development and localization of aircraft manufacturing – L-410 and Diamond DA42T Training Unit airplanes; Bell and Airbus Helicopters.

UNIQUE ADVANTAGES
RUNWAY on the border of SEZ (Uktus airport's infrastructure) 18 km
KOLTSEVO INTERNATIONAL AIRPORT is within 18 km from SEZ
READY-TO-USE PRODUCTION FACILITIES of various areas
Titanium Valley

SPECIAL ECONOMIC ZONE

30%
Investors costs reduced on

PROXIMITY TO MARKETS
REDUCED RATES ON ALL INFRASTRUCTURE
FREE CONNECTION TO UTILITIES
TAXATION INCENTIVES
FREE PORT-LIKE CUSTOMS REGULATIONS
NO ADMINISTRATIVE BARRIERS, THE ONE STOP SHOP SYSTEM

THE SVERDLOVSK REGION
beyond borders
## Titanium Valley

### Tax Rates

<table>
<thead>
<tr>
<th>Category</th>
<th>Russia</th>
<th>Titanium Valley SEZ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Profit</td>
<td>20%</td>
<td>2%*</td>
</tr>
<tr>
<td>Property</td>
<td>2.2%</td>
<td>0%</td>
</tr>
<tr>
<td>Land</td>
<td>1.5%</td>
<td>0%</td>
</tr>
<tr>
<td>Transportation</td>
<td>X%</td>
<td>0%</td>
</tr>
<tr>
<td>Import Duties</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>VAT</td>
<td>10%</td>
<td>0%</td>
</tr>
</tbody>
</table>

*X% - depends on engine horsepower

2% - during the 10 years from receipt of profit
7% - from the 11th to 15th year from receipt of profit
15.5% - from the 16th year from receipt of profit
Industrial park «BOGOSLOVSKIY»

86 hectares – Total area

Residential management – the «turn-key» basis

**TAX BENEFIT:**

<table>
<thead>
<tr>
<th></th>
<th>State fee, %</th>
<th>Local tax benefit, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate income</td>
<td>20%</td>
<td>5%</td>
</tr>
<tr>
<td>Property</td>
<td>2,2%</td>
<td>0%</td>
</tr>
<tr>
<td>Land</td>
<td>1,5%</td>
<td>0%</td>
</tr>
<tr>
<td>Wage fund insurance</td>
<td>30%</td>
<td>7,6% within 3 years</td>
</tr>
</tbody>
</table>
Industrial park for chemical industry

**146 hectares** – Total area

Centralized industrial gases supply for residents;

Proximity to the Russian largest resin producer – Uralchimplast (Austria – Russia);

Railway;

Admissibility of hazardous and extrahazardous chemical production facilities;

Free connection to existing infrastructure – electricity, gas, water, purification and treatment facilities.

Residents’ total receipts: **9 RUR bln.**
Preferential treatment options are available throughout the region

**Special Investment Contract - SPIC**

1) “Russian manufacturer” status and access to public procurement tenders*;
2) Guarantee against deterioration of tax treatment terms and legal regulation;
3) Preferential tax rates on key taxes.

<table>
<thead>
<tr>
<th>Taxes</th>
<th>Customary rate</th>
<th>Preferential rate</th>
</tr>
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<tbody>
<tr>
<td>Income</td>
<td>20%</td>
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* subject to over 3 RUR bln. investment
Advantages of Innoprom Participation

- Efficient b2b communications: more than 2,000 business meetings for manufacturers, investors and buyers.
- Main Russian Industrial Export platform: delegations of professional buyers from 95 countries.
- Advanced technologies shaping the future of industry: every year – new products on global and Russian markets.
- Direct contacts with business leaders and heads of Russian and foreign governments.
- Maximum promotion in major business and professional media, over 1,200 accredited journalists.
KEY EXHIBITION TRACKS

- METALWORKING
- INDUSTRIAL AUTOMATION
- MECHANICAL BUILDING AND COMPONENTS FOR MECHANICAL ENGINEERING
- TECHNOLOGIES FOR ENERGY SECTOR
BUSINESS PROGRAM

- Over 50 event partners – international and Russian associations, companies, foundations, and development institutions
- 150 discussions under 12 tracks over the course of 4 days
- More than 500 internationally recognized speakers and experts from Europe, Asia, Africa and America
- Over 13,000 discussion participants
- Meetings of federal Councils and working groups
INNOPROM PARTNER COUNTRY

**National exhibition:**
corporate and regional stands

**Business program:**
participation of regional and business leaders in conferences, discussions, b2b meetings and presentations of companies and territories

**Cultural program:**
traditional and modern art: music, dances, cinema, theater and national cuisine