



GOVERNMENT OF THE YAROSLAVL REGION

PRESENTATION OF THE YAROSLAVL REGION

2008

SUCCESS STORY



Volume of investment is 200 mln. Euro



Government of the Yaroslavl region



The new plant for production of Euro-4 diesel engines YaMZ – 530, 536 in Yaroslavl

- The production site is a separately located enterprise with space of about 35 thousand square meters
- Capacity–80 thousand engines per year
- Mass production will start in 2009
- Number of employees - 1 500 people

SUCCESS STORY



Volume of investment is 35 mln. Euro



Volume of investment is 20 mln. Euro



Government
of the Yaroslavl region

Construction of cable and cable accessories plant in Uglich



- **Planned volume of production for the year 2009 is 40 thousand kilometers of high and medium voltage electrical cable**
- **Annual volume of production of Tyco Electronics will be about 40 mln. Euro**

SUCCESS STORY



Volume of
investment is
\$16 mln. to R&D
Technical Center



Government
of the Yaroslavl region

THE JOINT VENTURE «DUPONT RUSSIAN COATINGS LLC» IS SUPPLIER OF HIGH QUALITY AUTOMOTIVE OEM COATINGS



DuPont Russian Coatings



In 2006 «Russian Coatings» and «DuPont» founded a
Joint Venture

The cooperation between the companies is realized
through the joint venture which is dealing with
scientific developments including localization of
coatings, supplies and technical support for the Cars
and Vehicles OEM Industry in Russia and other CIS
countries

SUCCESS STORY

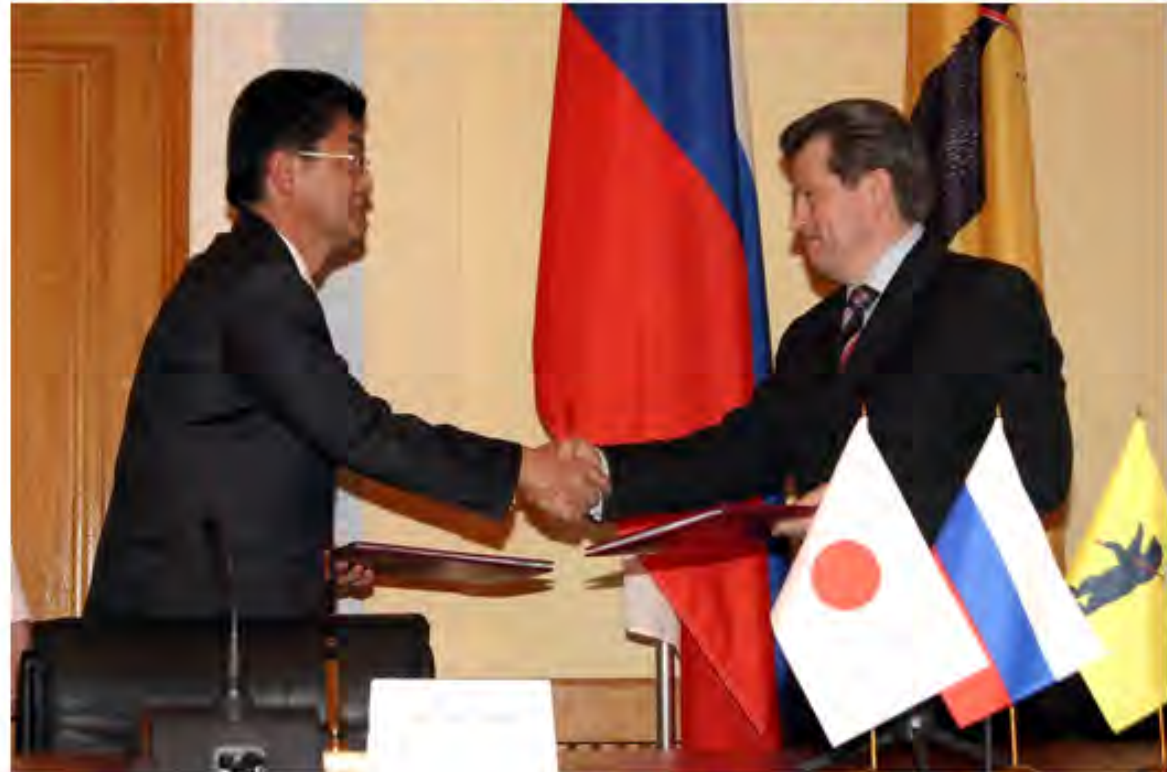
KOMATSU

Volume of
investment is
63 mln. USA
dollars



Government
of the Yaroslavl region

KOMATSU IS GOING TO BUILD EXCAVATORS ASSEMBLY PLANT IN YAROSLAVL



- The plant will be constructed in the industrial zone «Novosyolki»
- 500 новых рабочих мест
- 3000 excavators and 7000 fork lifters will be assembled annually

SUCCESS STORY



Volume of
investment is
63 mln. USA
dollars



Government
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KOMATSU IS GOING TO BUILD EXCAVATORS ASSEMBLY PLANT IN YAROSLAVL



July, 21 2008 the ground breaking ceremony of future plant took place in Yaroslavl. The Ambassador of Japan Mr. Saito and the President of Komatsu Mr. Kunio Noji attended the ceremony

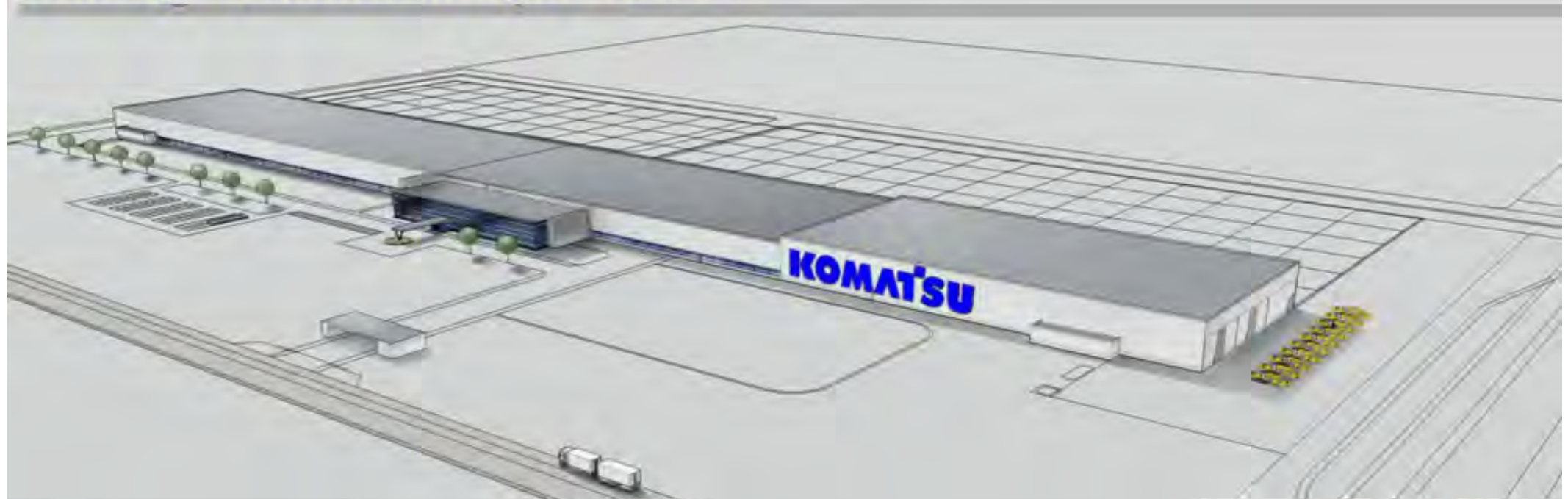
SUCCESS STORY

KOMATSU IS GOING TO BUILD EXCAVATORS ASSEMBLY PLANT IN YAROSLAVL

Location - Yaroslavl (Yaroslavl region, Russia)

Land area – 50 ha

Building - 42 thousand square meters



SUCCESS STORY

KOMATSU

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Government
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KOMATSU IS GOING TO BUILD EXCAVATORS ASSEMBLY PLANT IN YAROSLAVL



**PROGRAM FOR
GREENFIELD &
BROWNFIELD
INVESTMENTS
ATTRACTION**

**GOVERNMENT OF THE YAROSLAVL REGION
IS IMPLEMENTING NEW SCHEME OF
COOPERATION WITH INVESTORS**



The representatives of the Regional Government assist in solution of the following questions:

- **search for sites for investor**
- **new manufacture location agreement with natural monopolists and local authorities**
- **registration of the site for investor**



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INVESTMENT LEGISLATION

Regional law

«On State
Regulation
of Investments
in the Yaroslavl
Region»



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THE LAW PROVIDES INVESTORS WITH TAX PRIVILEGES

- reduction of Profit Tax rate for Organizations by 4% (current tax rate is 24% and preferential tax rate is 20%)
- property Tax exemption for newly established or acquired property (current tax rate is 2,2% and preferential tax rate is 0%)
- transport Tax exemption for purchasing transport for project implementation
- provision of state legal guarantees from regional budget

State support is provided during the payback period but no longer than 5 years

DEVELOPMENT OF INDUSTRIAL PARKS

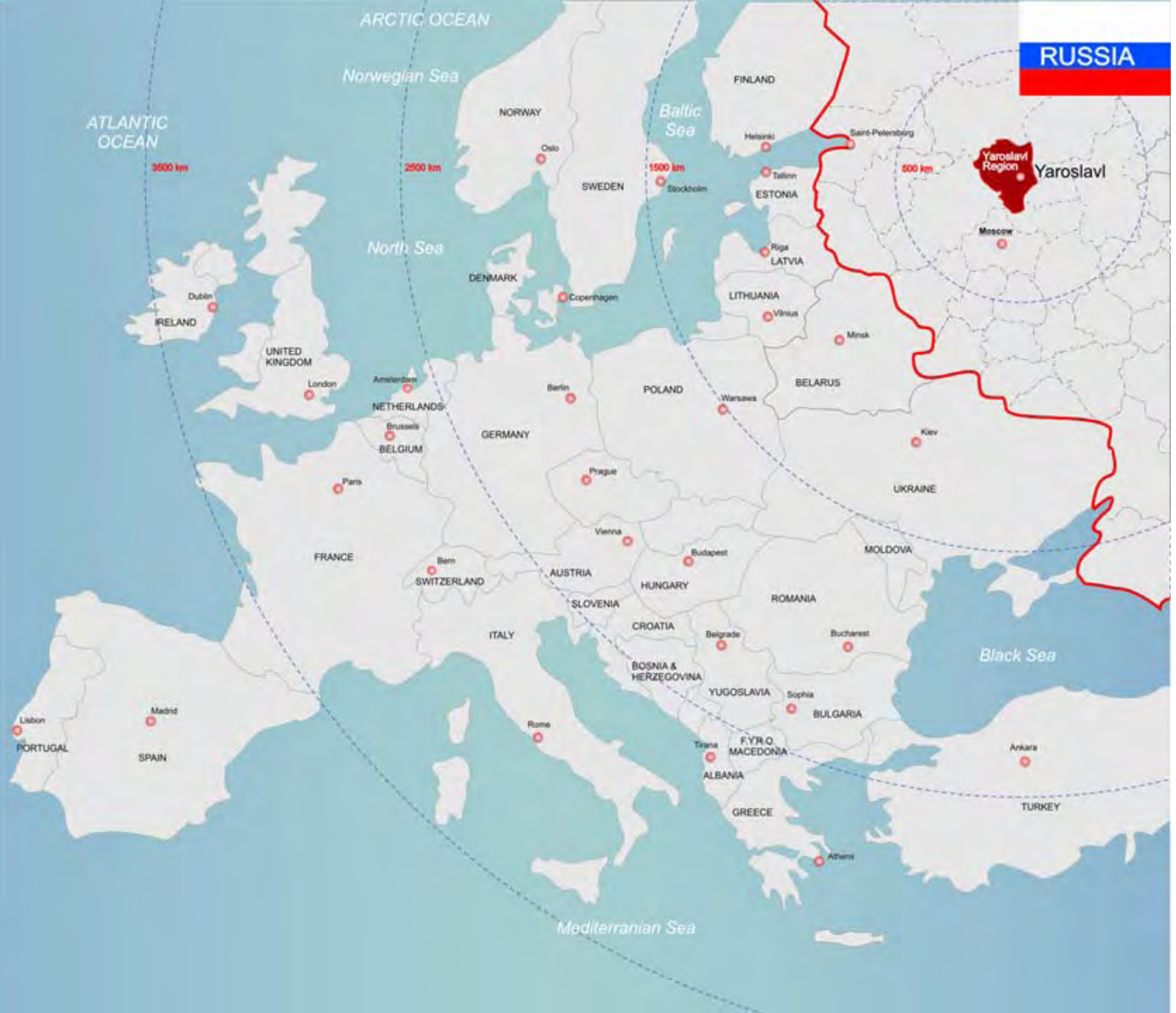
Industrial parks will be created near major cities such as Yaroslavl, Rybinsk, Uglich, Rostov, Pereslavl-Zalesky



Government of the Yaroslavl region



RUSSIA



YAROSLAVL IS THE LARGEST ECONOMIC CENTRE OF THE UPPER VOLGA

Population

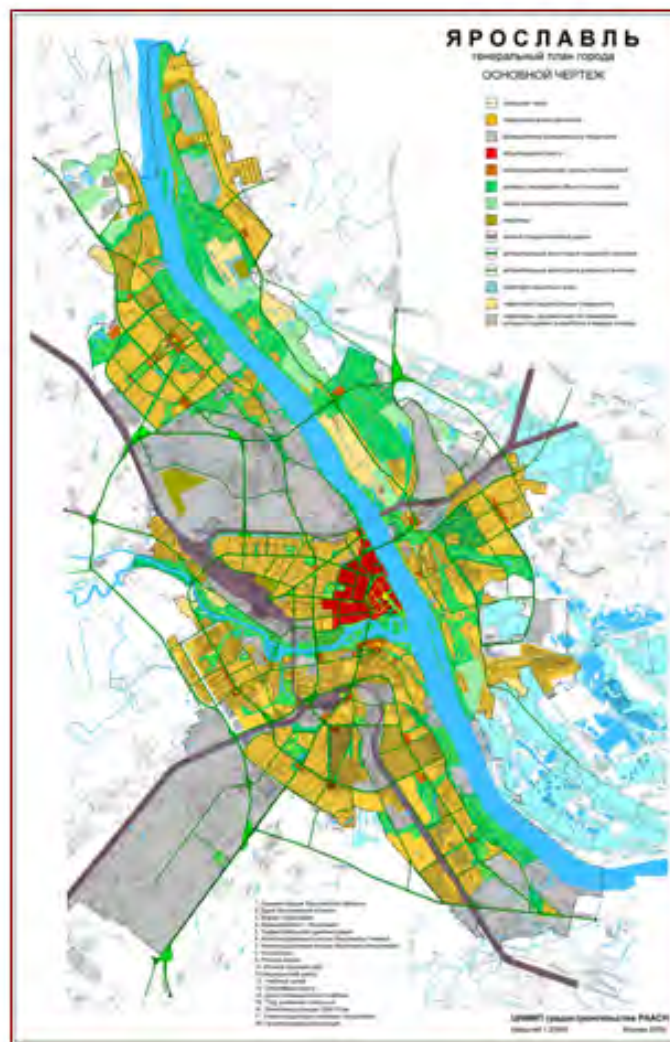
603 thousand people

In Yaroslavl are situated

- North Railway Head office
- Territory Generating Company № 2
- Northern Bank of Sberbank of Russia



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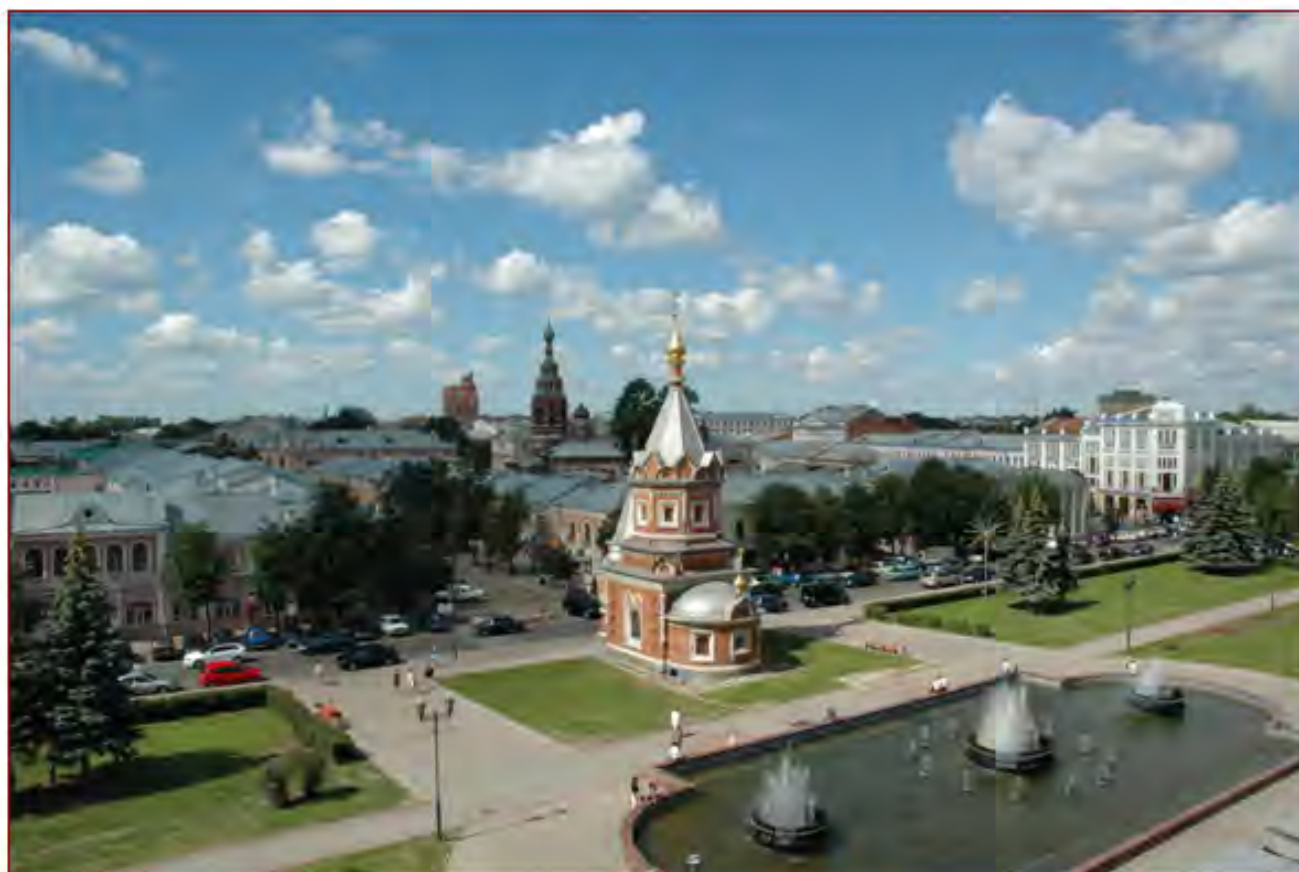


Yaroslavl is the most dynamically developing administrative and business centre to the north-east from Moscow

The city dominates the neighboring regions such as Kostroma, Ivanovo and partly Vologda regions)

1000-YEAR ANNIVERSARY OF YAROSLAVL IN 2010

In 2005 historical centre of Yaroslavl was included into the UNESCO World Heritage list as a remarkable monument of city planning and architecture



- in July 2003 the President Vladimir Putin signed the decree «On celebration of the 1000-year anniversary of the foundation of Yaroslavl»
- in September 2006 the Government of the Russian Federation approved the plan of the basic measures for the preparation of the celebration of 1000-year anniversary of Yaroslavl



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1000-YEAR ANNIVERSARY OF YAROSLAVL IN 2010

Celebration of
1000-year
anniversary is
planned for
September, 2010



The President of Russia Dmitry Medvedev in May 2008 became the head of the state committee for preparation of 1000-year anniversary celebration

Members of the Government of Russian Federation, heads of huge Russian companies, men of science and culture are members of this committee



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**1000-YEAR
ANNIVERSARY –
UNIQUE CHANCE FOR
PROFITABLE
INVESTMENTS**

**«The whole scale of
this event can be
observed only from the
space»**

**Valentina Tereshkova,
first woman astronaut
in the world**



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**Yaroslavl region
is the heart of Russia and
place for your history
making decisions**



GOVERNMENT OF THE YAROSLAVL REGION

WELCOME

INFORMATION ABOUT REGION

Area: 36,4 ths sq. km

Population: 1,33 mln. people

Urban population: 80%

Regional centre – the city of Yaroslavl

In 2010 Yaroslavl will celebrate its 1000-year Jubilee



Government of the Yaroslavl region



TRANSPORT INFRASTRUCTURE



- Highways with hard-surface
– 9 000 km



- North Railway Head office is situated in Yaroslavl
- Main Trans-Siberian Railway passes through Yaroslavl



- The International Airport «TUNOSHNA» has the 1st category of ICAO and actively operates in receiving Russian and international cargo.



- The VOLGA river and the system of channels enable cargo transportation to and from the ports of Arkhangelsk, Moscow, St.-Petersburg, Astrakhan and the Black sea



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ECONOMICS DEVELOPMENT

By Gross Regional Product production volume the Yaroslavl region is one of the leaders ranking 3-4 among regions in the Central Federal District



Indexes	2005	2006	2007
Index of industrial production	105,5 %	105,6 %	105,4%
Gross Regional Product (GRP)	145,5 bln. rubles	183 bln. rubles	-
GRP growth rates	107,2%	109,5%	-



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INDUSTRY

Yaroslavl region is a highly developed industrial region of Russia

More than 4,4 thousand industrial enterprises are located in the region including 352 large and middle-size enterprises



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In 2007 more than 138 000 people worked in the industrial sector

CLUSTERS' CREATION

Several research
and
manufacturing
clusters will be
created in the
region



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The following projects will be implemented:

- **diesel engine building cluster**
(organization of the federal centre for the development of diesel engine building on the basis of already existing companies)
- **car components manufacturers cluster**
(by means of modernization of existing engine building and metalwork industry, chemical and rubber industry as well as by means of attracting new investors)
- **Chemistry and petrochemistry cluster**
(by means of development of existing enterprises and attracting of new foreign investors into such industries as tire industry, coatings, rubber and rubber technical goods)
- **Technical cloth cluster**
(on the basis of existing and new enterprises which produce technical cloth)

EDUCATION



- **60 research organizations**
- **38 universities of higher education**
- **61 primary and secondary professional educational institutions**



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HUMAN RESOURCES

In 2007 number of unemployed according to International Labor Organization methodology was 28 400 people

Total unemployment level – 3,7%



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- Working population of the region – 850 000 people, involved in economics – 663 600 people
- 50% have higher education and specialized secondary education
- In 2007 average monthly salary:
 - in the region was 13,05 thousand rubles,
 - in manufacturing industry in the Yaroslavl region was 14,8 thousand rubles.