Ulyanovsk
region of opportunities
Ulyanovsk region is situated in the south-east of the European part of Russia, in the center of Privolzhsky Federal District.

**Territory of the region**

37.2 ths. sq. km

**Population**

1.3 mln. people

**DISTANCE:**

- Moscow - 875 km
- St. Petersburg - 1575 km
- Nizhny Novgorod - 440 km
- Kazan - 210 km
- Samara - 260 km
- Perm - 868 km
- Togliatti - 188 km

**TRANSPORT INFRASTRUCTURE:**

Unique transit location at the crossing of international transport corridors “North-South” and “West-East” connecting Siberia and the Far East as well as the countries of Eastern Asia with European part of Russia and countries in Europe.
Economy of the region in 2013

GRP of Ulyanovsk region within the period from 2005 to 2012 increased 3-fold (bln. euro)

Industrial production index in 2012 made 99.3%
Consumer price index in 2013 made 106.4%
Registered unemployment rate in 2013 made 0.53%
Unemployment rate in 2013 according ILO made 5.1%

Clusterization of the regional industrial complex

Aviation cluster
Nuclear-innovative cluster
Automotive cluster
Cluster of the construction materials production
Agro-industrial cluster
Transport-logistical cluster
Aviation cluster of Ulyanovsk region

ULYANOVSK – AVIATION CAPITAL OF RUSSIA

Aviation capital of Russia

«Ulyanovsk aviation cluster» Ltd.
40 participants of the cluster representing
7 areas of specialization, 32 cooperating
enterprises. Cooperation with global companies
and companies from other regions of the RF,
having competence in aircraft construction

Full-cycle production
of various types of aircrafts:
cargo:
II-76МД-90A
Tu-204C
Tu-204-120C
Tu-204-120CE
Tu-204CE
passenger:
Tu-204-100
Tu-204-300
Tu-204-120
Tu-204-100E

Restoration of airworthiness and modernization
of the aircraft
An-124-100 «Ruslan»

4 airlines
2 airports, one of which -
«Ulyanovsk-Vostochny» - is international

LEADING COMPANIES OF THE INDUSTRY

«Volga-Dnepr» Group of companies
53% of market of air transportation
of superheavy and bulky cargo

CJSC «Aviastar-SP»
a part of OJSC «UAC» since 2007

OJSC «Utyos»
OJSC «Ulyanovsk design bureau of instrumentation»
Onboard aviation equipment

Rostec

Radioelectronic Technologies

JSC «Aerocomposite»
development, testing, production and realization of parts, units
and components of civil aircraft made of polymeric and composite
materials
### Nuclear-Innovation cluster of Ulyanovsk region

#### Main Directions
- Establishment of the branch of the National research nuclear university «MIPT»
- Construction of multifunctional fast research reactor MFRR
- Production of radiopharmaceuticals
- Federal high-technology Center of medical radiology FMBA of Russia
- International center of collective use «Radiation - materials – research center»
- Construction of the prototype of lead-bismuth fast neutron reactor
- Production of cartridge elements and fuel assembly for fast neutron reactors
- Construction of polyfunctional radiochemical complex PRC

#### Nuclear Science
- SRI of nuclear reactors
- Center of personnel training and retraining

#### Innovative Medicine
- Center of applied nuclear research
- Branch of National research nuclear university "MEPhI"

#### Innovative Human Resources
- Production of radiopharmaceuticals
- International center of collective use

#### Introduction of R&D
- Center of medicine radiology
- Specialized technopark
Automotive cluster in PFD and Ulyanovsk region

1st place in Russia on automobile production
- 1.5 mln pcs. – annual automobile production
- 10 automobile assembly plants

1st place in Russia on automotive components production
- 460 manufacturing enterprises

1st place in Russia on the quantity of specialist educational establishments
- 24 higher educational institutions
- 51 secondary specialized institutions

Ulyanovsk region is ranked 5th region in Russia for automobile production
Ulyanovsk region automotive cluster

Ulyanovsk region competencies in producing automotive components

- Interior parts: 26%
- Brake system: 13%
- Suspension system: 10%
- Plastic parts: 10%
- Electric components: 7%
- Fuel supply system: 6%
- Cardan shafts: 3%
- Rubber parts: 3%
- Climate system: 3%
- Radiators: 3%
- Engines: 3%
- Compressors: 3%
- Bearings: 3%
- Lightening: 3%
- Cylinder-piston and gas distribution parts: 3%

New enterprises of the automotive cluster

- Schaeffler
- Luk
- INA
- FAG
- Bridgestone
- Nemak
- Takata
- BAW
- Isuzu
Agroindustrial cluster

**LAND RESOURCES**

- **2.3 mln ha** Land of agricultural use
- **2.08 mln ha** Total area of arable land
- **300 thsd ha** Arable land offered to investors

**PRODUCED AND CULTIVATED WITHIN THE REGION**

- **2083 thsd ha** total area of agricultural lands (more than a half of the territory of the region)
- **More than 250 thsd ha** of unoccupied area for placement of production of gross regional product

**VOLUMES OF ANNUALLY CULTIVATED CROPS**

- **more than 500 thsd tons** beet
- **1.2 mln tons** grain
- **150 thsd tons** sunflower

**LEADING ENTERPRISES OF FOOD INDUSTRY**

- MARS
- EFES
- ДИКОМ
- Зеленый Орёл
- ГЛОБУС
- УЛЬЯНОВСКИЙ
- СЛАДКО
- ТАЛИНА
- ТРЕХСОЕНСКИЙ
- ВОЛЖАНКА
Cluster of construction materials production

MINERAL RESOURCES
- 250 mln tons Quartz glass and molding sands
- 68 mln tons Oil
- 380 mln tons Cement raw materials
- 78 mln tons Carbonate raw materials
- 67.4 mln m³ Siliceous raw materials (diatomite)
- 89 mln m³ Construction sands
- 120 mln tons Zeolite-containing rocks

PRODUCTION OF DRY CONSTRUCTION MIXTURES

PRODUCTION OF CEMENT
11 explored deposits of cement raw materials

PRODUCTION OF PAINTS

PRODUCTION OF ROOF MATERIALS

PRODUCTION OF REINFORCED CONCRETE PRODUCTS / WALL MATERIALS / CONCRETE MIXTURES
Results of investment attraction

Volume of investment into fixed assets (bln. rub.)

2004: 11.4
2005: 12.9
2006: 21.7
2007: 32.5
2008: 47.8
2009: 48.7
2010: 44.8
2011: 61.7
2012: 73.2
2013: 76.2

2nd place on the state of investment climate
* First National Rating on investment climate in Russian regions - 2014

2nd place on investment attractiveness for German companies
* Study of Russian-German Chamber of Commerce - 2012

1 of 3 regions named the most attractive for foreign investors
* Study of KPMG and RSPP-2013

Doing Business in Russia-2012
National rating of the conditions of doing business in Russia is prepared by The World Bank and IFC
1st place among 30 participating cities

1 of 3 regions
Named the most attractive for doing business
* National rating «Business pulse»-2013
Conditions for implementing investment projects in the region. Administrative support.

Priority task for Ulyanovsk region Team – Implementation of investment projects within minimum terms and at minimum expense

For supporting implementation of an investment project on the territory of the region a Project Team is created. This group assists in managing issues during pre-project preparation, construction and putting the plant into operation.

1st place among Russian regions on the openness of regional Government

* Rating of Information Society Development Institute

For supporting implementation of an investment project on the territory of the region a Project Team is created. This group assists in managing issues during pre-project preparation, construction and putting the plant into operation.

Project implementation schedule of «Schaeffler Group»:

- 4.06.2013 Start of construction
- Today
Residents of Ulyanovsk region
Conditions for implementing investment projects in the region. Investment sites.

Industrial zone “Karlinskaya”
Area: 350 Ha

Industrial zone “Novoulyanovsk”
Area: 150 Ha

Industrial zone “Novospasskoye”
Area: 300 Ha

Construction of the industrial parks is conducted with the financial support of Sberbank of Russia.
Industrial zone «Zavolzhye»

- **Machine-tool plant.**
  - Investments: **20 mln. euro**

- **Plant for production of automotive components.**
  - Investments: **62.5 mln. euro**

- **Nanotechnological center.**
  - Investments: **32.5 mln. euro**

- **Plant for production of automobile tires.**
  - Investments: **300 mln. euro**

- **Plant for production of cylinder heads and engine blocks.**
  - Investments: **55 mln. euro**

- **Plant for production of plastic containers.**
  - Investments: **20 mln. euro**

- **Nanotechnological center.**
  - Investments: **32.5 mln. euro**

- **Plant for production of plastic containers.**
  - Investments: **20 mln. euro**
Joint project with Dega AG (Switzerland) on construction of an industrial park

- Additional projects: retail park, residential real estate, hotel.
- Project start: summer 2014

**Project concept:**
- Construction of the industrial park with prepared Greenfield land plots and buildings of Built-to-Suit type for placement of industrial enterprises
- Construction of the gas-generating station producing electricity, heat and cold.

For the residents of the industrial park all the resources will be provided at a significantly lower tariffs than approved in Ulyanovsk.

Additional projects: retail park, residential real estate, hotel.
Project start: summer 2014
Conditions for implementing investment projects in the region. Investment sites.

- Industrial park at the premises of OJSC «UAZ»
- Industrial park at the premises of OJSC «DAAZ»
- More than 25 prepared land plots are available by lease or by sale for localization of industrial facilities

- More than 350,000 square meters of industrial property for sale or on lease
- Supply of required infrastructure. Flexible transaction terms.
- On-the-spot land plot matching according to the project specifications
- Favorable logistic position of all the platforms
- Offices and storage facilities are available

- Industrial park at the premises of OJSC «UAZ»
- Industrial park at the premises of OJSC «DAAZ»

+ more than 25 prepared land plots are available by lease or by sale for localization of industrial facilities
Conditions for implementing investment projects in the region. Tax incentives.

<table>
<thead>
<tr>
<th>Years</th>
<th>Tax Type</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0%</td>
<td>Transport tax</td>
<td>N/A</td>
</tr>
<tr>
<td>10 years</td>
<td>Corporate property tax</td>
<td>1.1%</td>
</tr>
<tr>
<td>8 years</td>
<td>Land tax</td>
<td>1.1%</td>
</tr>
<tr>
<td>15.5%</td>
<td>Corporate profit tax</td>
<td>Reduced by 4.5%</td>
</tr>
</tbody>
</table>

The period of the validity of tax incentives starts from the moment of emergence of the taxable base and is not limited by the payback period.

The cumulative effect for the investor makes 30-40% of economy of investment expenses.
Conditions for implementing investment projects in the region. Investment sites.

Special Economic Port Zone

Land plot area **205 hectares**

**First start-up complex:** 120 hectares

At the first stage the land is offered for lease at the rate of 3306 roubles per year. After the enterprise is set into operation the resident can buy out the land plot at the cost of 3000 roubles per hectar.

**ENGINEERING AND TRANSPORT INFRASTRUCTURE FINANCED FROM THE BUDGET**

Cost of grid connection—0 roubles.

**LAND PLOTS AT A FRACTION OF THE COST**

入驻企业购买土地可享受最低的价格

入驻企业购买土地可享受最低的价格

At the first stage the land is offered for lease at the rate of 3306 roubles per year. After the enterprise is set into operation the resident can buy out the land plot at the cost of 3000 roubles per hectar.

第一阶段土地租赁价格每年每公顷3306卢布，企业开始经营后，可按每公顷3 000卢布的籍价格购买土地。
<table>
<thead>
<tr>
<th>Taxes</th>
<th>Russia, Ulyanovsk region</th>
<th>SEZ</th>
<th>Duration, since the moment of tax base incurrence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax</td>
<td>20%</td>
<td>2%</td>
<td>10 years</td>
</tr>
<tr>
<td>Property tax</td>
<td>2.2%</td>
<td>0%</td>
<td>15 years</td>
</tr>
<tr>
<td>Land tax</td>
<td>1.5%</td>
<td>0%</td>
<td>10 years</td>
</tr>
<tr>
<td>Transport tax</td>
<td>Differentiated</td>
<td>0%</td>
<td>10 years</td>
</tr>
<tr>
<td>VAT</td>
<td>18%</td>
<td>0%</td>
<td>For the time of SEZ existence (not less than 45 years)</td>
</tr>
</tbody>
</table>

On VAT created in SEZ during provision of services
FREE CUSTOMS ZONE REGIME

REGIME OF THE SPECIAL ECONOMIC PORT ZONE IS A SPECIAL CUSTOMS REGIME VALID ON THE WHOLE TERRITORY OF THE SPECIAL ECONOMIC PORT ZONE

ABSENCE OF DECLARING FOR IMPORTED GOODS 境外进口货物无需报关

ABSENCE OF CUSTOMS DUTIES AND VAT FOR IMPORTED EQUIPMENT OF DISTRIBUTION CENTRE AND OTHER GOODS 运输分拨中心的进口设备和其他货物无需缴纳关税和增值税

QUICK CUSTOMS REGISTRATION 加快办理海关手续

PERIOD OF STORAGE OF GOODS WHICH ARE NOT IN FREE CIRCULATION ON THE TERRITORY OF RUSSIA IS NOT LIMITED 在商品进入俄联邦境内自由流通领域前，对货物堆放没有时间限制.

EXPORT/IMPORT OPERATIONS

SEPZ

GOODS

CUSTOMS DUTIES

VAT

EXCISES

GOODS

VAT

CAN BE APPLIED IN IMPORT/EXPORT OF CONSTRUCTION MATERIALS, EQUIPMENT, TRANSPORT VEHICLES ETC.

SEPARATE CUSTOMS POST WORKING ONLY WITH THE RESIDENTS OF THE SPECIAL ECONOMIC PORT ZONE
Conditions for implementing investment projects in the region. Workforce and innovative potential.

ULYANOVSK REGION IS AMONG:
FIVE leaders of Russian regions on the share of R&D in GRP
TEN most innovative regions of Russia-2012

807.2 thsd. people
Labor resources

385 euro
Average salary

Ulyanovsk region has preserved a system of staff preparation for enterprises of military industrial complex, automobile construction, aviation construction and other sectors. Centers for preparation and retraining of specialist for newly opened productions, opening in the region, cooperate with scientific, educational institutions and the Government of the Ulyanovsk region.
We invite you to establish long-term and mutually profitable cooperation!

The Government of Ulyanovsk region

First Deputy Chairman of the Government of Ulyanovsk region

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