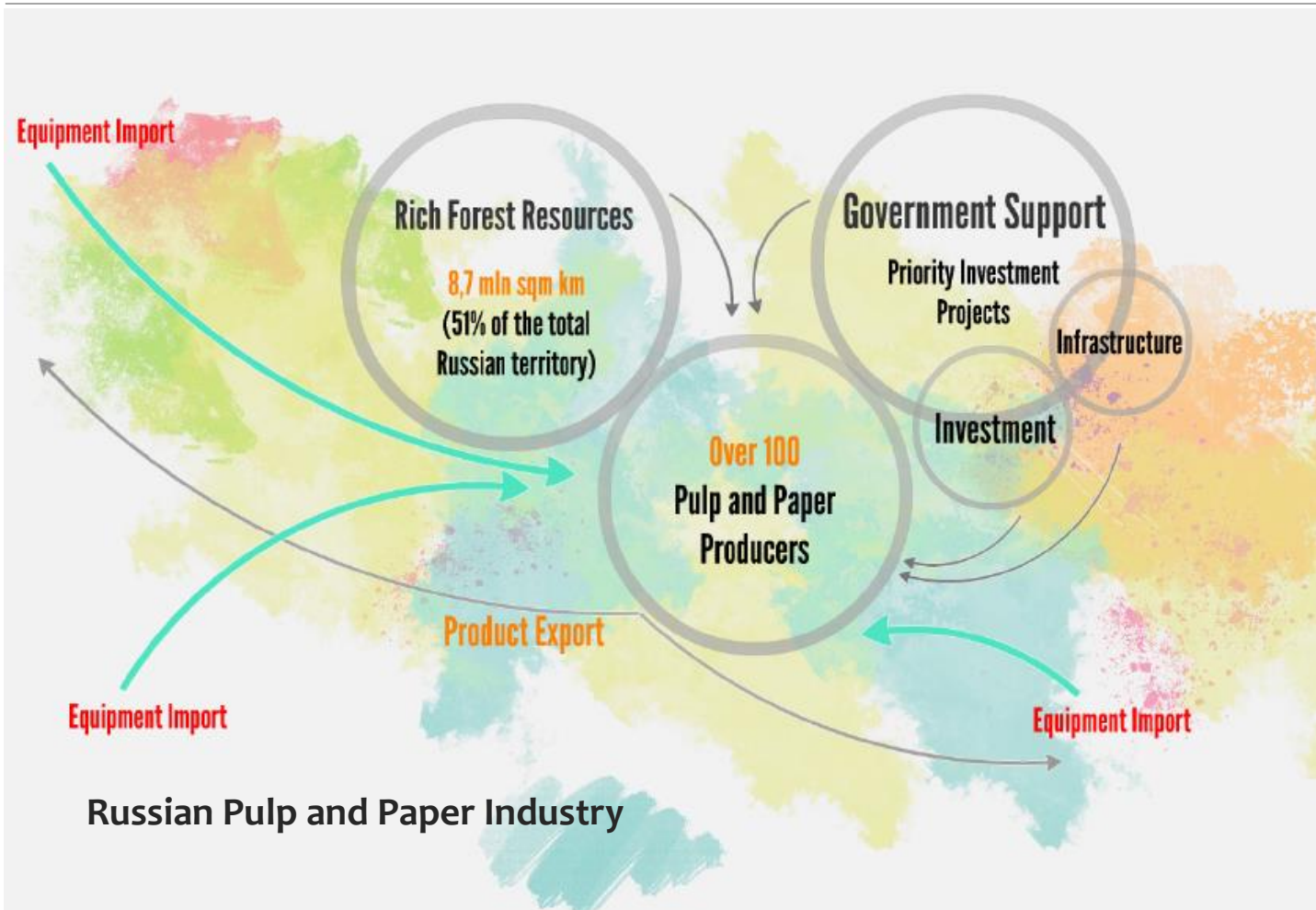


## Investment Attractiveness of the Russian Pulp and Paper Market

Geographical and economic features of Russia make it one of the most attractive markets for international companies providing equipment and technologies for the pulp and paper industry (PPI) despite all today's challenges.

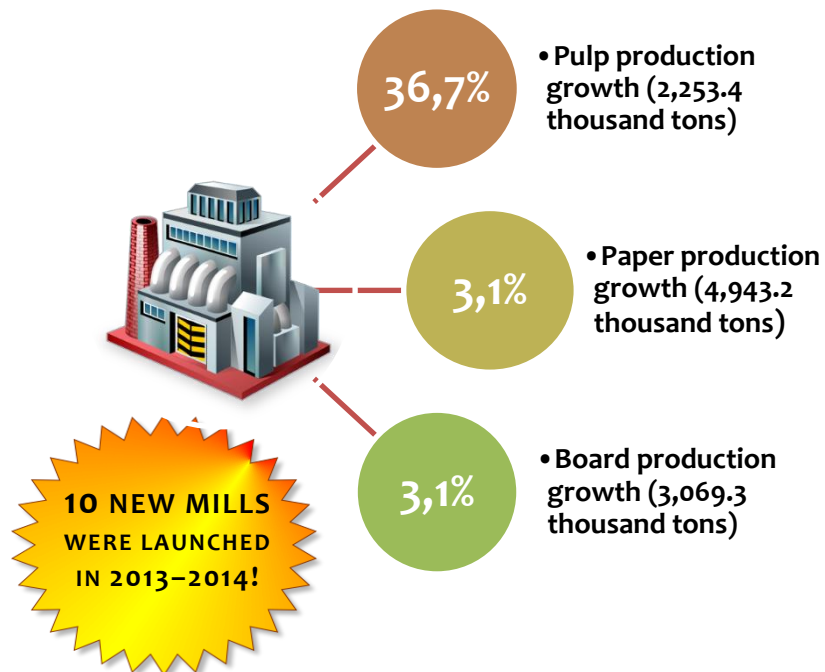


- **Vast forest resources** will always be the strongest drivers for global PPI market players to develop pulp and paper production in Russia.
- **Low level of domestic equipment production** is opposed by a high industry need in modern technologies, products and efficiency.
- **The new government policy** focuses on new projects in the PPI and the needs of existing mills; manufacturers are provided support for re-equipment and development.
- **The federal and regional investment activity** is high and aims at helping strategically important pulp and paper mills all over the country to upgrade infrastructure and production process.
- **Continuous construction and launch of new product lines and PPI mills** require modern equipment and appliances for production.

## Russian Market Facts and Figures (2014 vs 2013)

### Steady growth despite the challenges

71 trillion RUR – Russian GDP in 2014 (grew by 0,6% vs 2013)  
4,5% – General PPI production growth, including pulp, paper and packaging sectors



### Key priority investment projects in 2014

Ilim Group: Bolshoy Bratsk, Bolshaya Koryazhma, Bolshoy Ust-Ilimsk

Mondi Syktyvkar: STEP

### Major modernization projects in 2014

Selenginskiy PCM, Mariyskiy and Segezhskiy PPM

## Future Projects



### Above that:



#### Forestry Techno Park in Tomsk region

Russian–Chinese project of 10 factories including a pulp and paper mill to be constructed by 2024.



#### The Perm Pulp and Paper Group of Companies new line

Production of bio sustainable board. Launched in April 2015.



#### Tissue factory in Kaluga region

The plant is to be launched in 2017 to produce tissue for consumer and HoReCa sectors.

Russian PPI market is the land of promise for the best technological achievements, solutions aimed at cost- and energy efficiency, sustainability, recycling and development of new products!