Moscow Region: Overview

Total area – **44 340 sq.km**

North to South length: **310 km**
West to East length: **340 km**

Population – **7,24 mln. people**
as of the beginning of 2015
(80% urban population)
**10,5%** population growth
(from 2005 till 2012)

**Main cities:**
Balashikha (272 084 people)
Khimki (232 612 people)
Podolsk (224 069 people)
Korolev (188 345 people)
Krasnogorsk (116 896 people)

Economically active population – **4 mln. people**
High level of purchasing power (11th place in Russia)

More than **25 mln. people within radius of 150 km.**
Moscow Region: Logistics

11 federal highways (connected by the rings: MKAD, A107, A108).

Main railway lines

Two operating international airports: Sheremetyevo, Domodedovo
Cargo airport Ramenskoe
Airfields Chkalovsky, Myachkkovo, Kubinka
Basic facts:

- **4 mln.** people of **economically active population**
- **71%** have the higher or professional education
- Salaries are **30%** lower, than in Moscow

In Moscow Region there are:

- **7 Universities; 4 Academies; 12 Institutes; Universities of the Ministry of Defense, Ministry of Internal Affairs, the Russian Emergencies Ministry and Federal Security Service of Russia; 97 Branches of Moscow Universities, 1 Higher religious educational institution**
- **157** educational institutions of primary and secondary professional education

Annually letting out from **40 000 to 50 000** specialists.
Current State of the Investment Activities in the Moscow Region

2013 year

- 463.5 bln. rub. investments in fixed assets in the Moscow Region
- 19.5% of the investment in CFD

2nd place among all the subjects of the Russian Federation (after Moscow) in terms of attracted investment in the fixed assets

Investments in fixed assets in the Moscow Region in 2014:
- 600 bln rub.
- 2.8% of GRP growth

Graph shows the investments in the Moscow Region, Moscow, The Moscow Region, The Republic of Tatarstan, Leningrad Region, and Kaluga Region from 2008 to 2013.
IN THE INVESTMENT ATTRACTIVENESS RATING OF RUSSIAN REGIONS – 2014
MOSCOW REGION OBTAINED:

1st place ‘Region with the highest potential and minimal risks’

2nd place (after Moscow)

In 2014 Moscow Region won three nominations
According to the Rating of Russia’s largest international rating agency RAEX

“Financial stability"
(2nd place in the nomination)

“Best social climate"
(3rd place in the nomination)

“Minimal investment risk"
(6th place in the nomination)
Priority Sectors of Economy of the Moscow Region

- Construction materials and technologies
- Food industry and agriculture
- Data-centers
- Light industry
- Production of autocomponents and light mechanical engineering
- Electronics
In 2013 Investment Flows in the Moscow Region distributed by industries:

- Electricity, gas and water production and distribution (11%)
- Manufacturing industry (18%)
- Real estate transactions, rentals and services (23%)
- Transport and communications (26%)
- Other industries (22%)
### Tax Incentives in the Amended Law from 08.05.2014 № 50/2014

Manufacturing, production and distribution of electricity and gas, transport and communications

<table>
<thead>
<tr>
<th>Investment Amount: from 3 bl. RUB</th>
<th>Reduced rates for income tax by 4.5% for 7 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Discounted rate on business property tax for 8 years</td>
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<tr>
<td></td>
<td>0%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment Amount: from 1 bl. RUB to 3 bl. RUB</th>
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<table>
<thead>
<tr>
<th>Investment Amount: from 200 mln. RUB to 1 bl. RUB</th>
<th>Reduced rates for income tax by 4.5% for 3 years</th>
</tr>
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Research and development, high-tech sector, infrastructure, industrial parks, utilities

<table>
<thead>
<tr>
<th>Investment Amount: from 500 mln. RUB</th>
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<td>Discounted rate on business property tax for 8 years</td>
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<th>Investment Amount: from 50 mln. RUB to 500 mln. RUB</th>
<th>Reduced rates for income tax by 4.5% for 5 years</th>
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The Moscow Region investment potential is many times higher than the investment potential in the most successful regions in Russia.

Difficulties faced by investor:
- Bureaucratic difficulties
- Limited choice of free land plots, that meets the investors criteria

SOLUTION

Creation of a special institute merging the commercial interest with the authorities
JSC “MOSCOW REGION DEVELOPMENT CORPORATION”

- Creation of a special system of investment promotion
- Government incentives to create and update production sector
- Building a clear system of privileges and preferences
- Transparent rules for privileges and preferences implementation

REFORM: BUILDING THE INVESTORS CONFIDENCE
**State Institute** for the development of infrastructure of industrial parks of the Moscow Region

**Agent** for investment attraction into the industrial sector of the region’s economy

WE OFFER:

- **BEST CONDITIONS FOR LOCALIZATION**
- **COMPREHENSIVE SUPPORT OF PROJECTS**
- **ELIMINATION OF ADMINISTRATIVE AND INFRASTRUCTURAL RISKS**
Advantages of Localization in the Industrial Parks of the Moscow Region

- Advantageous location near the largest distribution area
- High qualified personnel
- Tax incentives
- Predictable conditions for localization and using the facilities
- In the center of the Moscow agglomeration
- Administrative support provided by MRDC («single-window» system)
- Special prices for rent and purchase of land plots

Existing industrial parks:

<table>
<thead>
<tr>
<th>№</th>
<th>Existing industrial parks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SEZ «Dubna»</td>
</tr>
<tr>
<td>2</td>
<td>«Sherrizone»</td>
</tr>
<tr>
<td>3</td>
<td>«Dega Cluster Noginsk»</td>
</tr>
<tr>
<td>4</td>
<td>«Stupino - 1»</td>
</tr>
<tr>
<td>5</td>
<td>«Stupino Quadrat» GDPR Quadrat</td>
</tr>
<tr>
<td>6</td>
<td>«Kotovo»</td>
</tr>
<tr>
<td>7</td>
<td>«South Gate»</td>
</tr>
<tr>
<td>8</td>
<td>«Ozery»</td>
</tr>
<tr>
<td>9</td>
<td>«Beliy Rast»</td>
</tr>
<tr>
<td>10</td>
<td>«Vostochny»</td>
</tr>
<tr>
<td>11</td>
<td>«Sheremetyevo»</td>
</tr>
<tr>
<td>12</td>
<td>«Prominvest»</td>
</tr>
<tr>
<td>13</td>
<td>«Orudievo»</td>
</tr>
<tr>
<td>14</td>
<td>«M-4»</td>
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<tr>
<td>15</td>
<td>«Carbolit»</td>
</tr>
<tr>
<td>16</td>
<td>«Podosinki»</td>
</tr>
<tr>
<td>17</td>
<td>«Esipovo»</td>
</tr>
<tr>
<td>18</td>
<td>«Victoria Industrial Park»</td>
</tr>
</tbody>
</table>

Industrial parks under construction:

- «Esipovo»
- «Victoria Industrial Park»
Industrial Park “Esipovo” in the Solnechnogorsk Municipal District

SOLNECHNOGORSK MUNICIPAL DISTRICT

Industrial park ESIPOO – 284 ha

Moscow Ring Road – 32 km
Central Ring Road – 7.5 km

MUNICIPAL DISTRICT OVERVIEW

Located in the North-West of the Moscow Region
Total area - 1085 km²
Population - 135 thousand people
The district includes 5 urban and 6 rural settlements
Attractive investment climate
There are 5 institutes and 2 technical colleges
Region’s developed manufacturing sector:

<table>
<thead>
<tr>
<th>Service</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELECTRICITY SUPPLY</td>
<td>10 MWt</td>
<td>50 MWt</td>
</tr>
<tr>
<td>GAS SUPPLY</td>
<td>High pressure pipe</td>
<td>20 000 m³/hour 175.2 million m³/year</td>
</tr>
<tr>
<td>WATER SUPPLY</td>
<td>Water supply facility on site</td>
<td>4000-6000 m³/day</td>
</tr>
<tr>
<td>WASTEWATER DISPOSAL</td>
<td>Wastewater disposal facility on site</td>
<td>4000-6000 m³/day</td>
</tr>
<tr>
<td>INNER ROADS</td>
<td>Start of construction of inner roads IV category</td>
<td>5 km of inner roads IV category</td>
</tr>
</tbody>
</table>
Industrial Park “Esipovo” in the Solnechnogorsk Municipal District

LOCATION

- Total area: 284 ha
- Distance to Moscow Ring Road: 32 km
- Distance to high speed road «Moscow-Saint Petersburg»: 7 km
- Located along the federal highway M10 (Moscow-Tver-S.Petersburg)
- Solnechnogorsk city: 11 km
- Zelenograd city: 9 km

PUBLIC TRANSPORT

- Passanger railway station «Povarovo-1» (1 hour to Leningradskiy railway station): 1 km

HUMAN RESOURCES

- Population of Solnechnogorsk city: 58,617 people
- Population of Zelenograd city: 223,300 people

PROJECT REALIZATION TERMS

- Start of the construction of engineering infrastructure: The second quarter of 2015
Human Resources of the Solnechnogorsk Municipal District

5 INSTITUTES

- Moscow State Industrial University (MSIU)
- Moscow State University of Technologies and Management (MSUTM)
- The Moscow Juridical Open Institute
- Institute of Art and Information Technology
- Modern Humanitarian Academy

2 TECHNICAL COLLEGES

- Vocational School №73
- Vocational School №39

Specialties: mechanic, master of processing digital information, electrical power grids and electrical equipment, etc.
Promoting of the Special Economic Zone in Dubna

Dubna — the science city in the north of the Moscow Region (100 km from Moscow Ring Road), the largest center in Russia for research in nuclear physics. The population — 73,840 people (2013)

1. Land plot №1 — 135.7 ha

2. The town of programmers - 330 ha, 595 km² of housing

3. Land plot №2 — 52 ha - as part of the site of nuclear physics and nanotechnology

Tax incentives for residents:
13.5% - profit tax
14% - insurance contributions
0 to 10 years — property tax and land tax.

Free connection to engineering infrastructure

Special rates for land plots lease and buy out

Free customs zone in the SEZ territory (import equipment without VAT)
MAXIMUM COMFORT CONDITIONS
FOR INVESTMENT PROJECTS REALIZATION AND MOSCOW MARKET ENTRY

Comprehensive State Support

- creation and infrastructural development of the industrial parks and areas
- support on every stage of investment projects’ realization
- conclusion of investment agreements on investment projects’ realization
- personal manager on investment project support
- build-2-suite projects for industrial investors

- investment attraction to the region’s economy
- investment projects support
- conclusion of investment agreements on granting tax incentives
- interaction with municipal authorities on issues related to infrastructural maintenance of selected land plots
How to Start a New Production in the Moscow Region?

Please, fill in the production placement application:

www.mosregco.ru

Ministry of Investments and Innovations of the Moscow Region
Tel. +7 (498) 602-06-04
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Or Contact Directly: