

INVESTMENT PRESENTATION

LENINGRAD
REGION



Front Office
for Investor Relations
of the Administration
of Leningrad Region



GENERAL INFORMATION ABOUT LENINGRAD REGION

GEOGRAPHY AND TRANSPORT INFRASTRUCTURE



Population –
1.8 million people



4 seaports



Area of the
region –
83.9 thousand km²



Pulkovo International
Airport in Saint
Petersburg



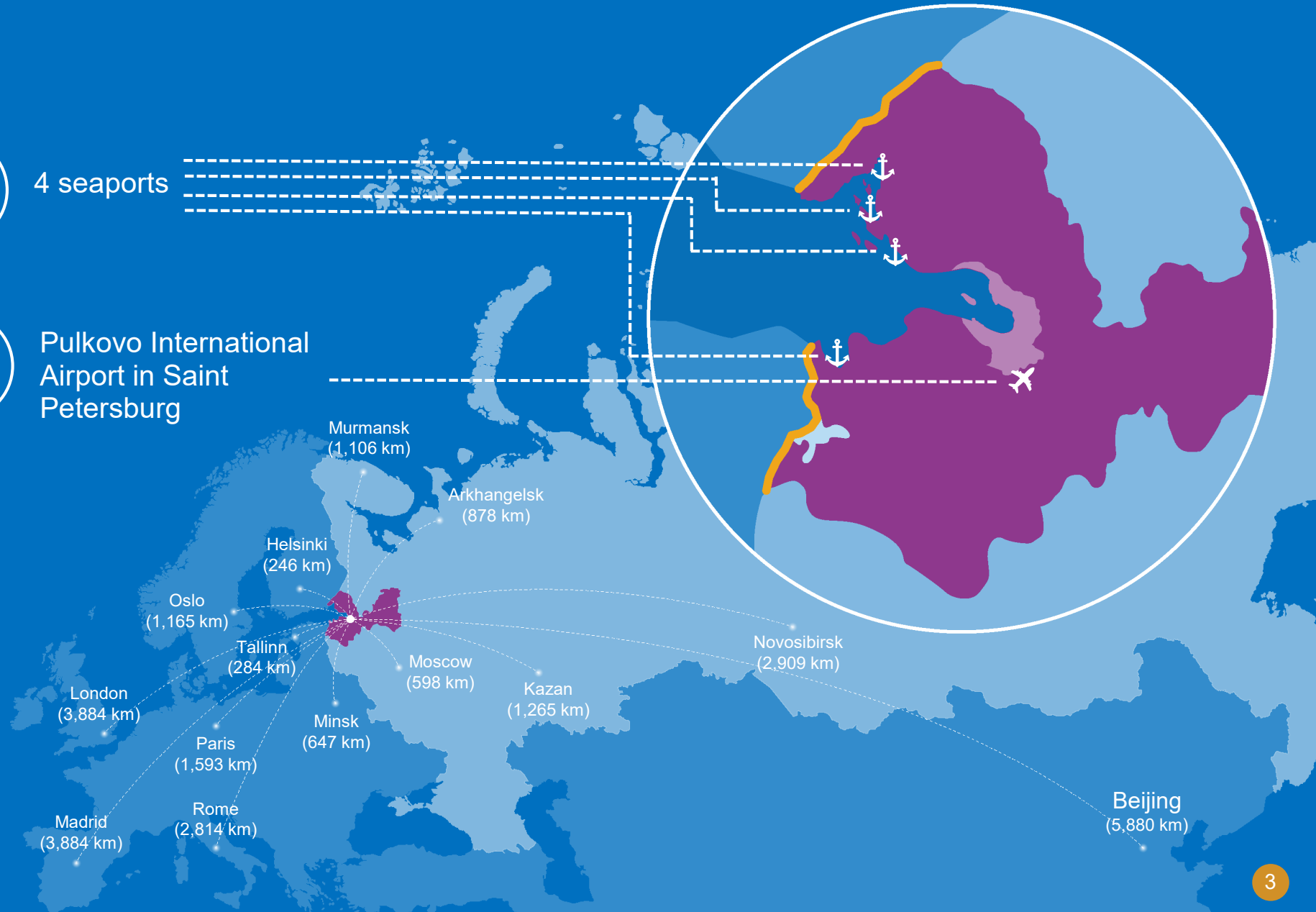
Border with the
European Union
(Finland and Estonia)



Close proximity
to Saint Petersburg



Access to the Baltic Sea



ECONOMY

STRUCTURE OF GROSS REGIONAL PRODUCT (GRP)



37.2% Industry

14.3% Transport and communication

11.7% Trade

10.3% Construction

9.7% Real estate transactions

6.1% Agriculture

10.7% Other

GRP in 2018
(according to estimates)



17.1

billion USD



56%

GRP growth since 2013

INVESTMENT CLIMATE



5.9 billion USD
volume of investments in fixed assets in 2018



11 place among all subjects of the Russian Federation



5.3 billion USD
volume of foreign direct investment in 2017



5 place among all subjects of the Russian Federation in terms of the volume of attracted foreign direct investment



4 place out of 85

Ranking of regions with minimum investment risk



12 place out of 85

National Regional Investment Climate Ranking (↑8)



BB+, forecast "Stable"

Long-term credit rating



42.3%

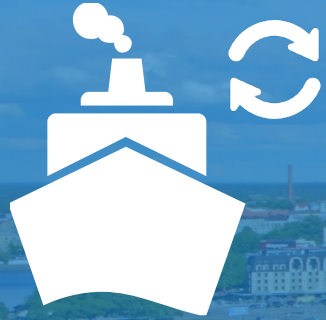
Percentage of industry in the investment structure



29.8%

Percentage of transportation and storage in the investment structure

PRIORITY DEVELOPMENT AREAS OF LENINGRAD REGION



Processing of raw materials near the ports



Production of consumer goods



Construction industry



Food industry



103.8%

Industrial production index in January - October 2018



16 place

Volume of industrial production among the subjects of the Russian Federation

HOW WE WORK WITH INVESTORS

MEASURES OF SUPPORT



Administrative support

- Front Office for Investor Relations of the Administration of Leningrad Region
- Industry Development Centre of Leningrad Region



Infrastructure support

- Industrial parks



Information support

- Integrated regional information system Investment Development of Leningrad Region
- Investment portal of Leningrad region



Financial support

- Tax benefits

FRONT OFFICE FOR INVESTOR RELATIONS OF THE ADMINISTRATION OF LENINGRAD REGION



MEASURES OF SUPPORT:



Informational support



Administrative support



Infrastructural support



Financial support

INVESTMENT PORTAL OF LENINGRAD REGION (www.lenoblinvest.ru)

UNIFIED INFORMATION AND ANALYTICAL CENTER OF BUSINESS SUPPORT IN LENINGRAD REGION

Available in 4 languages:



Russian



Chinese



English



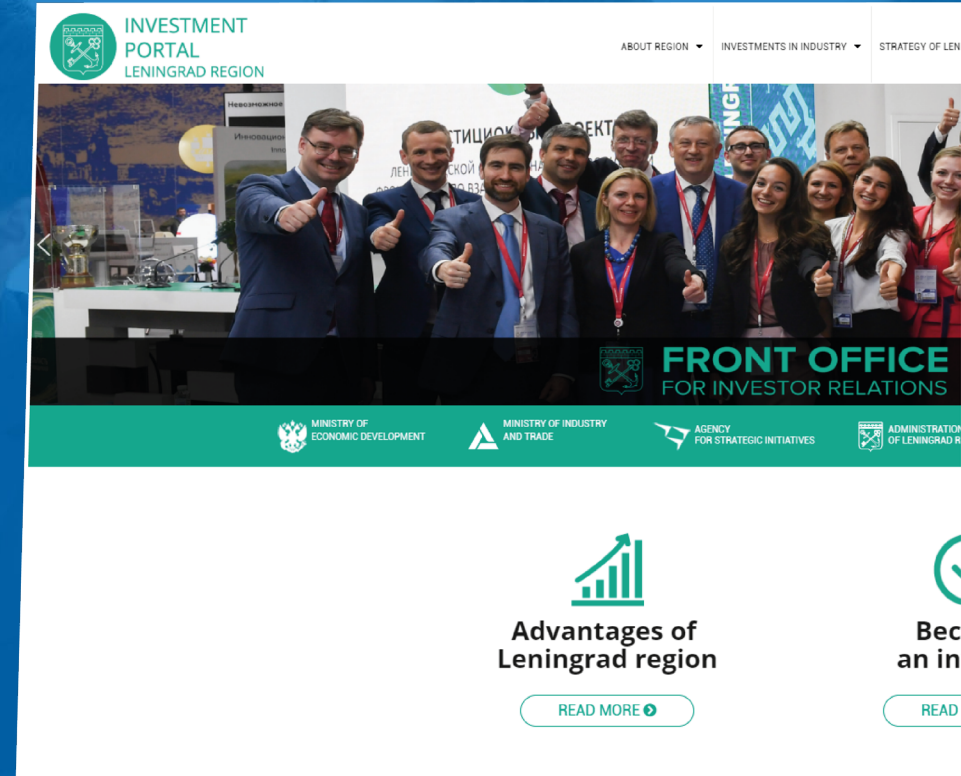
German

Investment portal provides access to the integrated regional information system

INVESTMENT DEVELOPMENT OF LENINGRAD REGION (MAP.LENOBLINVEST.RU)

The system includes information about:

- available industrial sites
- engineering and transport infrastructure facilities



TAX BENEFITS

Reduction of tax



Up to **13.5%**
(regional part)
corporate income tax



Up to **0%**
corporate
property tax

Minimum volume of investments



300 million RUB
for several districts
– from 50 million RUB

BENEFITS ARE GRANTED:

FROM 3 TO 6 YEARS
(up to 8 years for
automotive manufacturers)

SPECIAL INVESTMENT CONTRACT

Reduction of tax



Up to **5%**
(regional part)



Up to **0%**
corporate
property tax

Up to **0%**
(federal part)
corporate income tax

Volume of investments



50
billion RUB

BENEFITS ARE GRANTED:

UP TO 10 YEARS
(for corporate income tax –
up to 2025)

INDUSTRIAL PARKS

LENINGRAD REGION HAS:



28

industrial parks,
including:

10 operating

14 under construction

4 planned

Greenfield sites:
without buildings and facilities

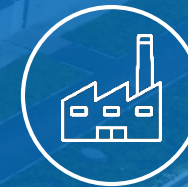
Brownfield sites:
with buildings and facilities



Over **200**
investment sites which differ
in terms of available
engineering infrastructure



3 state-owned
industrial parks
(Pikalevo, Tosno,
Nanopark Gatchina)



25 private
industrial parks
in different districts
of Leningrad region

Information about industrial parks is included in the integrated regional information system
Investment Development of Leningrad Region (map.lenoblinvest.ru)

COMMERCIAL SEAPORT OF UST-LUGA

DYNAMICS OF CARGO TURNOVER OF THE SEAPORT OF UST-LUGA, MILLION TONNES



+17.5%
2017 / 2015

TERRITORY OF PROSPECTIVE DEVELOPMENT NEAR THE SEAPORT OF UST-LUGA

 **4,843** ha
available area

 Chemical industry

 Oil and gas processing

 **61** km
to the regional center
(town of Kingisepp)

 **131** km
to Saint Petersburg

 **151** km
to Pulkovo Airport

TERRITORY OF ADVANCED SOCIAL AND ECONOMIC DEVELOPMENT PIKALEVO

Territory of advanced development
Pikalevo was established
on 16 March 2018 for 10 years



20.2

thousand people
population



244 km

distance
to Saint Petersburg

Requirements
to investment projects



From 2.5
million RUB



From 10 jobs



<25% foreign
labour force

BENEFITS FOR THE RESIDENTS



Corporate property tax

0% first five years

1.1% next five years



Payments to extrabudgetary funds

Reduction from 30.2% to 7.6%



Corporate income tax

Regional part

5% first five years

10% next five years

Federal part

0% first five years



Land value tax

0% ten years

SUCCESS STORIES



ARISTON

Production of water heating and heating equipment (Since 2005)



JOTUN PAINTS

Production of paints and coatings (Since 2016)



LORENZ SNACK-WORLD

Production of snacks (Since 2008)



HENKEL

Production of cleaners and detergents, cosmetics and personal hygiene products (Since 2002)



NOKIAN TYRES

Production of car tires (Since 2005)



JACOBS DOUWE EGBERTS RUS

Production of coffee and tea (Since 2000)



Совместное предприятие Ford Motor Company и Sollers

FORD MOTOR COMPANY

Automobile manufacturer (Since 2002)



CATERPILLAR

Production of mining trucks and excavators (Since 2000)



SIBUR PORTENERGO

Production and export of liquefied petroleum gas (Since 2010)



ROCKWOOL

Production of stone wool insulation (Since 2006)



YURA CORPORATION RUS

Production of automotive and electrical wiring (Since 2010)



SIEMENS GAS TURBINE TECHNOLOGIES

Production and maintenance of gas turbines (Since 2015)

We invite you to do business in Leningrad region – the region of successful investments!



Front Office for Investor Relations
of the Administration of Leningrad Region



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