





Kaluga Region has a favorable geographical position and borders on Moscow. Moscow Region is the main financial, commercial and logistic center in Russia. Several highways of strategic importance pass through Kaluga Region, such as A-108 (Moscow Big Ring), A-101 (Moscow-Roslavl), M-3 (Moscow-Kiev). All this is a big advantage when we speak about business localization.

KALUGA REGION ATTRACTIVENESS FOR BUSINESS LOCALIZATION



Unique location inside the greatest sales market of the Russian Federation



Leading positions of the region in investment climate among the Russian regions



High dynamics of industrial development in the region



Possibility of cooperation with existing enterprises in the region



Large variety of industrial sites



Preferential tax and customs regime in SF7



High-quality of transport and logistics infrastructure



High quality and availability of labor resources



Attractiveness of the region for living



Progressive team of the regional administration
Free support and supervision of projects implementation



among

81

regions of the Russian Federation

The highest score in the categories:

regulatory environment institutions for business support of small business

An important factor of success of Kaluga Region is a favorable business environment. At the St. Petersburg international economic forum (in June, 2016) the results of the rating of the Agency for strategic initiatives were announced. The Agency was formed to estimate the efficiency of investment climate in different regions of the country. Kaluga Region took the 3nd place among 81 regions.

OUR DEVELOPMENT INDICATORS

10.500 10,000

160

94

28

investment projects under implementation investment projects implemented since 2006

new agreements signed by investors in 2016

new production started in 2016

P 368,1 bln

investments since 2006

8,6%

the growth of industrial production in 2016 relative to 2015 **P 497,3** bln

the volume of goods dispatched by the 11 months of 2016

2016.

* WE PRODUCE



Cars and trucks



Steam and gas turbines



Railway constructions



Locomotives



Cast-iron and steel wares



Construction materials



Radio-electronics



Pharmaceutical products



Paper and wood wares



Furniture and other goods



Logistics



IT

























































































































































































PROJECT IMPLEMENTATION PERIOD



Construction start: February 2013

Start of production: July 2014





Construction start: September 2007

Start of production: July 2008





Kaluga Region: tax benefits

Depending on the amount of investments in the project

Property tax benefits:

Basic rate of organization property tax in Kaluga Region -2,2%









0%

3 years

5 years

For pharmaceutical producers with the revenues from sales of pharmaceutical products more than 70% in the total volume of revenues

Profit tax benefits:

Basic rate of organization profit tax in Kaluga Region — 18% (17% for 2017-2020)









Privileged period of taxation begins on the date of filing of the application for the tax benefits, but not latter than within four consequent tax periods since including the investment project in the investment projects' register (for pharmaceutical producers there is no limitation on the period of filing of the application for tax benefits).

Obninsk — a city of science

Development
of production technologies in
the field of fine organic
synthesis

Development and production of composite materials and structures

Radio medicine, production of radiopharmaceuticals

More than

10,000

scientists and researchers **13**

Research institutes

3

State Scientific Centers of the Russian Federation

PERSPECTIVE DIRECTIONS



Pharmacy



Agribusiness



Innovation & IT



Agricultural machinery parts



Production of construction materials



Medical equipment and expendable materials



Production of food flavors and extracts



Logistic and distributive centers



1

SEZ «Kaluga»

1042 ha in area

Tax benefits

Customs preferences

State guarantees

2

Industrial parks

Ready infrastructure

Close proximity to transport and logistics complex

3

Brownfields

Ready sites at local enterprises

Possibility of quick business
start up

Cost saving

In Kaluga Region there are 12 industrial parks and a Special Economic Zone "Kaluga" ready to become home for the production placement. There is an opportunity for turn-key construction of a plant (built-to-suit). There are ready sites at local enterprises (brownfields) for quick project start up. All the sites are provided with all the necessary infrastructure. Local enterprises are ready for technological cooperation.

< SEZ «Kaluga»

Location / Distance to the international airports

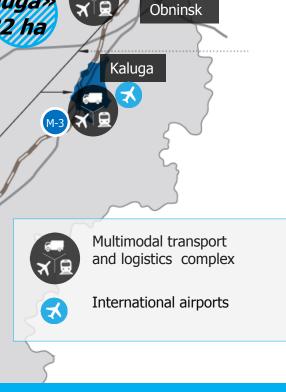
Lyudinovo site: 170 km from Kaluga, 350 km from Moscow

- 23 km to the highway M-3 «Moscow-Kiev»
- 60 km to the highway A-101 «Moscow-Maloyaroslavets-Roslavl»
- «Bryansk» 86 km (approximately 1,2 hours drive)
- «Kaluga» 183 km (approximately 2,5 hours drive)
- «Vnukovo» 300 km (approximately 4,5 hours drive)
- «Domodedovo» 310 km (approximately 4,5 hours drive)
- «Sheremetyevo» 360 km (approximately 5 hours drive)

Borovsk site: 95 km from Kaluga, 80 km from Moscow

- The site is located on the highway M-3 «Moscow-Kiev»
- 6 km to the highway A-108 «Moscow Big Ring»
- 15 km to the highway A-101 «Moscow-Maloyaroslavets-Roslavl»
- «Sheremetyevo» 150 km (approximately 2 hours drive)
- «Vnukovo» 60 km (approximately 1 hour drive)
- «Domodedovo» 90 km (approximately 1 hour drive)
- «Kaluga» 85 km (approximately 1,5 hours drive)





Borovsk

SEZ «Kaluga»

Moscow

Currently Special economic zone is the most favorable offer for enterprise placement. There are tax benefits and customs preferences for its residents. It has a favorable position because it is the closest SEZ to Moscow and has an access to the greatest sales market and major construction projects of the Russian Federation. Currently 5 companies are implementing their projects on Lyudinovo site SEZ "Kaluga". There was signed 13 new agreements of intent with potential investors for the implementation of projects in 2016.



Income tax for priority directions:

0% till 31.12.2017 **3%** 2018-2020 **5%** 2021-2022

8% 2023-2024

10% 2025-2026 **13,5%** till the expiration date of SEZ

For other types of economic activity:

Corporate property and transport tax for 10 years

Land tax for 5 years

Import duties and VAT

5 % till 31.12.2022

9 %

2023-2026

13,5 %

till the expiration date of SEZ

SEZ: infrastructure and services

The land plot is available for rent to the investor after receiving a status of resident of «Kaluga» SEZ

Free of charge

road

power supply

gas supply

water supply

drainage

downpour sewage

Connection points close to the border of the land plot

Technological connection to the amenities is free of charge

In December 2016 the Ministry of economic development of the Russian Federation adopted a decision on additional financing for the SEZ "Kaluga": there will be allocated 3,250 million rubles for the construction of engineering infrastructure till 2018



7555 ha

total area of the industrial parks

4497,8 ha

vacant for production placement

Close proximity to the enterprises of the region

Ready infrastructure

In Kaluga Region there are 12 industrial parks. All the sites are provided with infrastructure and utilities. Railways and roads with modern covering are connected to the sites. In 2016 "Vorsino", "Grabtsevo", "Rosva" and "Kaluga-South" became the first Russian parks, which have been certified and was included in the register of Ministry of industry and trade. Currently 95 investment projects allocated in the industrial parks and 64 of them have already been implemented. The investors are the leading world-famous companies.



In Kaluga Region there is a possibility to locate production facilities at the production areas of the local enterprises. This way of placement gives an opportunity to set up a project as quick as possible and leads to cost savings. There is an opportunity to use existing infrastructure of the enterprise, recruitment process outsourcing, technological cooperation and renting of equipment for certain technological processes.



Multimodal terminal

Modern station of customs control

Warehouses of Class-A cross-dockings type

Freight airport «Ermolino»

Freight Village Ru is one of the most perfectly mastered forms of a dry port created in accordance with the principle of German freight villages network and licensed by the Association of German Freight Villages (DGG). Its unique feature is an integration of the logistics infrastructure of different kinds of transport in one complex. Currently this is the 1st, only and unique project of such a level which is being implemented in Russia. Freight Village Ru includes 2 multimodal transport and logistics centers.

«SILK ROAD» FOR EURASIA New Silk Road – 14 days Transportation through the Far East— 35 days Sea freight- 50 days St.Petersburg Bronka Moscow Ust-Luga OO Perm Ekaterinburg Krasnoyarsk Omsk Novosibirsk Ulan-Ude Brest Chita Irkutsk Zabaikalsk Naushki Dostyk Dobra Ussuriysk Port Vostochniy/ Urumchi Yingkou Vladivostok/ **O** Baku Dalyan cape Churkin Tientsi OTehran Suzhou O New Delhi Guangzhou Mumbai



Handling capacity (passengers/hour)

100

Expected passenger flow (people/year)

250 000 κ 2020 500 000 κ 2030

Since the start of regular passenger traffic the airport "Kaluga" reached a record growth in all performance indicators. In 2016, the accepted frequency of flights increased from two per week to 12 per day in summer. Since the start 1000 flights were made and 30000 passengers were carried. In the future the airport "Kaluga" plans to receive and send more than 10 domestic flights and 15 international flights



Professional education

Specialized centers of dual education

Classical education

21 higher professional education institutions

7500 graduates annually





72Hotels in Kaluga and Kaluga region



The international bachelor certificate **IB**



5th place among 85 regions of the RF for the development of tourism



622,5 m² of commissioned housing in 2016

In Kaluga Region a great attention is paid not only to the development of economy, but also to the housing improvement and leisure activities. For 11 months of 2016 we have commissioned more than 600 000 m2 of new housing. The Kaluga region takes the second place in CFD by the volume of completed construction works per capita. In 2016 there was built one of the largest in CFD school for 1360 places. By 2016 the Kaluga region takes the fifth place among 85 regions of the Russian Federation for the development of tourism.



Agency for regional development of Kaluga Region

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