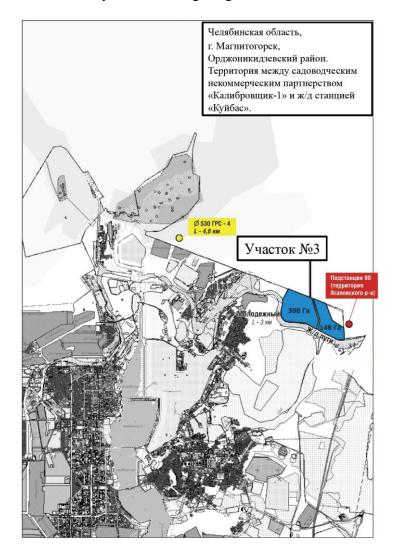
Plot of Land No. 3 Cheliabinskaya Oblast, Magnitogorsk



Vacant industrial **land**, ha:

<u>448.0</u>

SITE BRIEF:

General Information; Location; Contacts

Transport accessibility

Infrastructure

Preferences

General Information; Location; Contacts

| | Site characteristics | Description |
|----|----------------------|--|
| 1. | Cadastral number | Demarcation of the land plot for cadastral |
| | | purposes is possible upon preparation of urban |
| | | planning documentation related to the Site. |
| | | Documentation may be prepared for account of |
| | | potential investors. |
| 2. | Location | Cheliabinskaya Oblast, Magnitogorsk, |

| | | Ordzhonikidze District |
|-----|---|--|
| 3. | Location description | The Site territory is adjacent to Verkhneuralskoe |
| | - | highway close to Lokomotiv |
| 4. | Land use category | Populated land, territory with favourable |
| | | development prospects |
| 5. | Site in brief | Permitted use of the territory shall be defined |
| | | upon preparation of area planning documentation, |
| | | with specification of new territorial zones, town- |
| | | planning regulations and permitted use |
| | | parameters |
| 6. | Type of ownership (private, public, public-private) | Municipal |
| | | |
| 7. | Management company or similar (MC) | Magnitogorsk Administration, Department of |
| | | Investment Projects and Foreign Affairs |
| 8. | MC Address (postal, electronic, web-site) | 455044, Cheliabinskaya Oblast, Magnitogorsk, |
| | · · · · · · · · · · · · · · · · · · · | Prospekt Lenina, 72 |
| | | Tel: (3519) 49-85-82, Fax: (3519) 498-498*1017 |
| | | e-mail: invest@magnitog.ru |
| | | www.magnitog.ru |
| 9. | MC contact responsible for relations with potential | Leonid L. Kolesnikov, Chief Specialist, |
| | residents/investors (full name, title, phone number and | Department of Investment Projects and Foreign |
| | e-mail) | Affairs, Magnitogorsk Administration |
| | | (3519) 498-498 (extension number 1362), |
| | | kolesnikov@magnitog.ru |
| 10. | Site Development Concept (web-site, if any) (yes/no) | No |
| 11. | Site business lines (major projects, SME projects, | Any type of projects |
| | mixed-type projects) | |
| 12. | Industry specialization | Construction of administrative, industrial, |
| | | storage, trade and other facilities subject to |
| | | observance of technical standards, town-planning |
| | | regulations, fire protection and sanitary norms |

Transport accessibility

| | Characteristics | Current status | Projections |
|----|--|----------------------------|-------------|
| 1. | Distance to the nearest town | The Site is within the | - |
| | | boundaries of Magnitogorsk | |
| | | Urban District | |
| 2. | Distance to the regional centre | 304 km to Cheliabinsk | - |
| 3. | Distance to Moscow | 1689 km | - |
| 4. | Distance to the nearest highway | Ul. Pervomaiskaya, 3 km | - |
| 5. | Any road connecting the Site with the nearest highway: | Natural road, 3 km | - |
| | distance and road condition | | |
| 6. | Any motor roads across the Site (yes/no) | No | - |
| 7. | Any connections to railways (yes/no) | Yes, railway on the Site | - |
| | | territory | |
| 8. | Any offloading rail terminal facilities (yes/no) | No | - |
| 9. | Distance to the nearest international airport | 30 km to Magnitogorsk | - |
| | | international airport | |
| 10 | Distance to the nearest river port | 347 km to Ufa river port | - |

| | Characteristics | Current status | Projections |
|----|----------------------------------|----------------------------|-------------|
| 11 | Distance to the nearest sea port | 1655 km to Olia commercial | - |
| | | seaport (Astrakhan) | |

Infrastructure

| | Characteristics | Current status | Projections | | |
|-----|---|-------------------------|-------------|--|--|
| Ar | ea of the Site | | | | |
| 1. | Total area of the Site (ha) | 448.0 | | | |
| 2. | Vacant plots of industrial land (ha) | 448.0 | | | |
| Ut | ilities | | | | |
| 3. | Availability of utilities. Distance from the Site to utilities | | | | |
| | (km); available load of: | | | | |
| | - electric mains | Yes, 1 km; 20 MW | | | |
| | - heat supply system | No | | | |
| | - gas supply system | Yes, 4.8 km to the | | | |
| | | network, pipeline | | | |
| | | diameter – 530 mm; | | | |
| | - water supply network | No, 1.8 km to the | | | |
| | | network, DN 100 mm; | | | |
| | | no reserve capacity; | | | |
| | | hookup is possible upon | | | |
| | | network reconstruction; | | | |
| | - sewerage system | No, 2.5 km to the | | | |
| | (Comment in detail on technological potential of the utilities. | network; DN 150 mm; | | | |
| | Specify if additional construction/reconstruction of the | no reserve capacity; | | | |
| | utilities is required.) | hookup is possible upon | | | |
| *** | 1.0 | network reconstruction; | | | |
| - 1 | orkforce | | | | |
| 4. | Transport service between the Site and the settlements | Yes | | | |
| 5. | Total workforce estimates within a 50-km radius of the Site | 247.39 – able-bodied | | | |
| | (people, thousand) | population, 179.89 – | | | |
| | | gainfully employed | | | |
| | | population | | | |
| 6. | Approximate number of unoccupied able-bodied population | 1.36 – unemployed, | | | |
| | (people, thousand) | 67.5 – voluntary | | | |
| | | unoccupied population | | | |
| So | Social infrastructure in 30-minute proximity to the Site | | | | |
| 7. | Hospitals (yes/no, proximity to the nearest one) | Yes, 20 km | | | |
| 8. | Shops (yes/no, proximity) | Yes, in close proximity | | | |
| 9. | Housing for the Site staff (yes/no, proximity) | Yes, 15 km | | | |
| 1.0 | Hotels for the Site staff (yes/no, proximity) | Yes, 20 km | | | |

Preferences to Residents In terms of initial costs

| | The terms of thinal costs | | |
|---|---------------------------|---|-----------|
| | Preferences | Statutory document and approving authority | Statutory |
| | | | document |
| | | | validity |
| 1 | Subsidies on SME projects | Draft Resolution by the Cheliabinskaya Oblast | 2013-2015 |
| | | Administration "On Procedure of Providing in | |

| 1 | Т | 2012 2017 0 1 11 /0 2 2 2 2 2 2 2 | |
|---|--|--|-------------|
| | | 2013-2015 Subsidies (Grants) to Small Innovative | |
| | | Companies of Cheliabinskaya Oblast" | 2015.50:= |
| 2 | Subsidies on lease payments to acquire | • | 2015-2017 |
| | fixed assets | Administration No. 594-P dd. 19.11.2014 "On Sat | |
| | | Program on SME Comprehensive Support and | |
| | | Development in Chelyabinskaya Oblast for 2015- | |
| | | 2017"; | |
| | | Resolution by the Chelyabinskaya Oblast | |
| | | Administration No. 368-P dd. 20.07.2015 "On | |
| | | Procedure of Providing Subsidies to SMEs in | |
| | | 2015" | |
| 3 | Guarantees on fixed-asset loans to | Resolution by the Cheliabinskaya Oblast | Since 2009 |
| | SMEs | Administration No. 56-P dd. 16.03.2009 "On | |
| | (surety bonds provided by the regional | | |
| | Guarantee Fund to SMEs and related to | Cheliabinskaya Oblast" | |
| | bank guarantees issued by commercial | | G: 2012 |
| | banks) | Decree by the Ministry of Economic Development | Since 2012 |
| | | of Cheliabinskaya Oblast No. 32 dd. 07.03.2012 | |
| | | "On Approval of the Revised Articles of | |
| | | Association of Cheliabinskaya Oblast SME | |
| 4 | 0.1 | Crediting Fund" | 2015 2015 |
| 4 | Other preferences (specify) | Resolution by the Chelyabinskaya Oblast | 2015-2017 |
| | Subsidies to entrepreneurs on | Administration No. 594-P dd. 19.11.2014 "On Sat | |
| | entrepreneurship projects: | Program on SME Comprehensive Support and | |
| | - Female and family businesses - | Development in Chelyabinskaya Oblast for 2015- | |
| | to reimburse capital | 2017"; | |
| | expenditures; | Resolution by the Chelyabinskaya Oblast Administration No. 368-P dd. 20.07.2015 "On | |
| | | | |
| | - Handicrafts; | Procedure of Providing Subsidies to SMEs in 2015" | |
| | Domostic inhound tourism | 2013 | |
| | - Domestic, inbound tourism. | | |
| | Subsidies to entrepreneurs to reimburs | | |
| | fees under surety contracts | | |
| ŀ | Allocating sites with the supporting | Law of Cheliabinskaya Oblast No. 175-ZO dd. | Since 2003 |
| | infrastructure to investors | 28.08.2003 "On Promoting Investment Activities i | 211100 2000 |
| | | Cheliabinskaya Oblast" | |
| | Subsidies to SMEs to reimburse capita | - | 2014-2017 |
| | expenditures | Magnitogorsk for 2014-2017 | |
| ŀ | Subsidies to youth entrepreneurs on | Municipal Program on SME Development in | 2014-2017 |
| | entrepreneurship projects | Magnitogorsk for 2014-2017 | _0101, |
| | | 0 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | |
| 5 | Subsidies to SMEs to reimburse capita | Municipal Program on SME Development in | 2014-2017 |

In terms of operating costs

| | Preferences | Statutory document and approving authority | Statutory document validity |
|---|--|---|-----------------------------------|
| 6 | Sectoral subsidies – support for producers from specific sectors of economy (subsidies to residents to effect rental payments) | Law of Cheliabinskaya Oblast No. 433-ZO dd. 24.11.2005 "On Amendments to the Law of Cheliabinskaya Oblast "On Promoting Innovative Activities in Cheliabinskaya Oblast" | Since 2005 |

| Law of Chaliabinskova Oblast No. 154 70 dd | Since 2011 |
|--|--|
| Law of Cheliabinskaya Oblast No. 154-ZO dd. | Since 2011 |
| 23.06.2011 "On Reduction of Corporate Tax Rate for | |
| Specific Categories of Taxpayers" | Gim == 2012 |
| | Since 2013 |
| Resolution by the Cheliabinskaya Oblast | |
| Administration No. 69-P dd. 06.03.2013 "On | |
| Accreditation of Innovative Technological Parks | |
| Operating in Cheliabinskaya Oblast" | 2015-2017 |
| | |
| Resolution by the Chelyabinskaya Oblast Administration | ו |
| No. 594-P dd. 19.11.2014 "On Sate Program on SME | |
| Comprehensive Support and Development in | |
| Chelyabinskaya Oblast for 2015-2017"; | |
| Resolution by the Chelyabinskaya Oblast | |
| Administration No. 368-P dd. 20.07.2015 "On | |
| Procedure of Providing Subsidies to SMEs in 2015" | |
| | |
| Preferences for agricultural producers | |
| Resolution by the Cheliabinskaya Oblast | |
| Administration No. 396-P dd. 16.11.2011 "On | |
| Regional Targeted Program on Social Rural | |
| Development in Cheliabinskaya Oblast for 2012-2013" | 2012-2013 |
| | |
| Resolution by the Cheliabinskaya Oblast | |
| Administration No. 65-P dd. 26.02.2013 "On | |
| Procedure of Granting in 2013-2015 Subsidies to | |
| Partially Reimburse Interest Payments under the Loans | 2013-2015 |
| from Russian Credit Institutions and Agricultural | |
| Credit Consumer Cooperatives, and on Considering | |
| Some Resolutions by the Cheliabinskaya Oblast | |
| Administration as Invalid" | |
| Administration as invalid | |
| Resolution by the Cheliabinskaya Oblast | |
| Administration No. 119-P dd. 30.04.2008 "On | |
| | |
| Procedure of Granting Subsidies to Support Crop | Since 2008 |
| Husbandry'' | Since 2000 |
| Resolution by the Cheliabinskaya Oblast | |
| Administration No. 126-P dd. 29.04.2011 "On | |
| | |
| Procedure of Granting Subsidies on State Support for | Since 2011 |
| Livestock Breeding" | Since 2011 |
| Resolution by the Cheliabinskaya Oblast | |
| Administration No. 74-P dd. 20.03.2013 "On | |
| | |
| Amendments to Resolution by the Cheliabinskaya | Since 2013 |
| Oblast Administration No. 75-P dd. 16.03.2011 "On | Since 2013 |
| Procedure of Granting Subsidies on Obtaining of Elite | |
| Seeds and Seeds of High Performance" | |
| | |
| Resolution by the Cheliabinskaya Oblast | |
| Administration No. 729-P dd. 28.12.2012 "On | |
| Procedure of Granting in 2013-2015 Subsidies on the | i contraction of the contraction |

| | | G : 1D 1 (D (E | 2012 2017 |
|---|--|--|------------|
| | | Creation and Development of Peasant/Farmer Enterprises" | 2013-2015 |
| | | Resolution by the Cheliabinskaya Oblast Administration No. 727-P dd. 28.12.2012 "On Procedure of Granting in 2013-2015 Subsidies to Agricultural Consumer Cooperatives to Partially Reimburse Expenses Related to Milk Sale and Milk Collection and Delivery for Further Processing and Sale" | |
| | | Resolution by the Cheliabinskaya Oblast Administration No. 728-P dd. 28.12.2012 "On Procedure of Granting Subsidies in 2013-2015 to Partially Reimburse Peasant/Farmer Enterprises' Expenses, Including Individual Entrepreneurs, Related to Registration of Property Rights to the Land Plots | |
| | | Used by Them and Pertaining to Agricultural Lands" | |
| 7 | Export subsidies (partial subsidizing of expenses incurred in arranging exhibitions, interest rate subsidies on loans) | Resolution by the Chelyabinskaya Oblast Administration No. 594-P dd. 19.11.2014 "On Sate Program on SME Comprehensive Support and Development in Chelyabinskaya Oblast for 2015-2017"; Resolution by the Chelyabinskaya Oblast Administration No. 368-P dd. 20.07.2015 "On Procedure of Providing Subsidies to SMEs in 2015" | 2015-2017 |
| 8 | Profit tax relief | Law of Cheliabinskaya Oblast No. 175-ZO dd. 28.08.2003 "On Promoting Investment Activities in Cheliabinskaya Oblast" | Since 2003 |
| | | Law of Cheliabinskaya Oblast No. 154-ZO dd. 23.06.2011 "On Reduction of Corporate Tax Rate for Specific Categories of Taxpayers"; Resolution by the Cheliabinskaya Oblast Administration No. 332-P dd. 28.09.2011 "On the Procedure of Making the List of Priority Investment Projects of Cheliabinskaya Oblast" | Since 2011 |
| | | Resolution by the Cheliabinskaya Oblast Administration No. 124-P dd. 25.03.2013 "On Amendments to Resolution by the Cheliabinskaya Oblast Administration No. 332-P dd. 28.09.2011" | Since 2013 |
| 9 | Property tax relief | Law of Cheliabinskaya Oblast No. 175-ZO dd. 28.08.2003 "On Promoting Investment Activities in Cheliabinskaya Oblast"; Law of Cheliabinskaya Oblast No. 189-ZO dd. 27.11.2003 "On Corporate Property Tax" | Since 2003 |
| | | Law of Cheliabinskaya Oblast No. 155-ZO dd. 23.06.2011 "On Amendments to the Law of Cheliabinskaya Oblast "On Corporate property Tax"; Resolution by the Cheliabinskaya Oblast Administration No. 332-P dd. 28.09.2011 "On | Since 2011 |

| | | Procedure of Making the List of Priority Investment Projects of Cheliabinskaya Oblast' | |
|----|---|--|-------------------------|
| | | Resolution by the Cheliabinskaya Oblast Administration No. 124-P dd. 25.03.2013 "On Amendments to Resolution by the Cheliabinskaya Oblast Administration No. 332-P dd. 28.09.2011" | Since 2013 |
| 10 | Other reliefs and preferences (specify) Subsidies to entrepreneurs on entrepreneurship projects: - Female and family businesses – to reimburs capital expenditures; - Handicrafts; - Domestic, inbound tourism. | Resolution by the Chelyabinskaya Oblast Administration No. 594-P dd. 19.11.2014 "On Sate Program on SME Comprehensive Support and Development in Chelyabinskaya Oblast for 2015-2017"; Resolution by the Chelyabinskaya Oblast Administration No. 368-P dd. 20.07.2015 "On Procedure of Providing Subsidies to SMEs in 2015" | 2015-2017 |
| | Subsidies to entrepreneurs to reimburse fees under surety contracts. | | |
| | Providing investors with the benefits of exploitation of the land publicly owned by Cheliabinskaya Oblast | Law of Cheliabinskaya Oblast No. 175-ZO dd. 28.08.2003 "On Promoting Investment Activities in Cheliabinskaya Oblast" Resolution by the Cheliabinskaya Oblast Administration No. 211-P dd. 11.10.2006 "On Defining the Indices of Utilization Type and Social Significance for the Land Plots Publicly Owned by Cheliabinskaya Oblast" | |
| | Providing investors with guarantees by Cheliabinskaya Oblast | Law of Cheliabinskaya Oblast No. 71-ZO dd. 18.12.2014 "On Regional Budget for 2015 and the 2016-2017 Planning Period" (Annexes 8 and 9) Resolution by the Cheliabinskaya Oblast Administration No. 212-P dd. 27.10.2010 "On the List of Documents Required for Extending a Regional State Guarantee"; Resolution by the Cheliabinskaya Oblast Administration No. 289-P dd. 10.12.2010 "On the List of Documents Required for Extending a Regional State Bond Issue Guarantee" | 2015-2017 Since 2010 |
| | | Resolution by the Cheliabinskaya Oblast Administration No. 177-P dd. 15.06.2011 "On Tender Procedures to Select Investment Projects of Investors Eligible for State Guarantees of Cheliabinskaya Oblast, and on Amendments to Resolution by the Cheliabinskaya Oblast Administration No. 212-P dd. | Since 2011 |

27.10.2010"

- * SME financial support is subject to:
- State registration and **priority business lines in Cheliabinskaya Oblast**;
- Absence of overdue debts related to budgetary funds provided on a repayable basis and tax payments to the budgets of all levels and to public extra-budgetary funds;
- Permanent jobs as at the date of subsidy application, job preservation in the current fiscal year and/or creation of new permanent jobs;
- Increased/preserved tax deductions to the budgets of all levels in the current fiscal year;
- Average monthly pay of SME employees no lower than subsistence level defined for able-bodied population of Cheliabinskaya Oblast.

Subsidies cannot exceed the projected annual tax deductions to the budgets of all levels and to public extra-budgetary funds.

SME support priorities include:

- 1) Manufacturing industries (except for excise goods);
- 2) Handicrafts;
- 3) Innovative activities;
- 4) Agriculture, fishery, fish farming;
- 5) Healthcare (medical treatment institutions, medical practice, veterinary medicine, other healthcare activities), education and social services;
- 6) Domestic, inbound tourism