

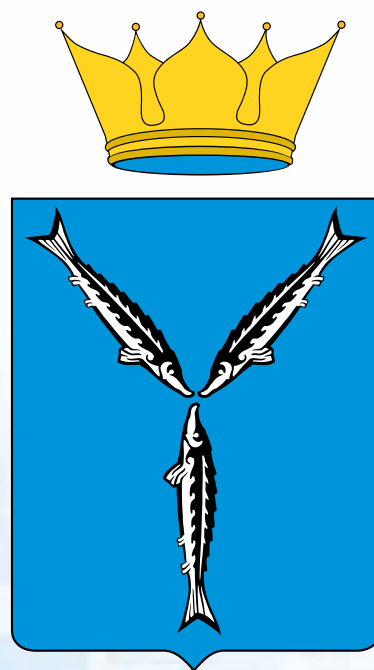


Government of the Saratov Region
Ministry of Economic Development and Investment Policy of the Saratov Region

INVESTMENT PASSPORT OF THE SARATOV REGION



Saratov Region - the territory of development





Dear Ladies and Gentlemen,

Regional government team has set for itself an ambitious goal to turn the Saratov Region into one of the most dynamic areas of the Russian Federation. The bet is placed on the resource and investment development that provides the most complete involving in economic circulation of all available resources.

Great prospects for development are over our competitive advantages. Dozens of major projects in various fields are being implemented in the Saratov Region. We are ready to discuss and propose mutually beneficial conditions for all who intend to work and develop their business in our region.

The Government of the Saratov Region ensures the creation of optimal conditions for business: the provision of benefits and preferences to investors, ensuring the fullest organizational and methodological support for the current investment projects, the introduction of new legal mechanisms for the protection of business initiatives.

Let me thank you for your interest in our region and invite you to the long-term and mutually beneficial cooperation. I am convinced that Saratov Region will open new horizons for your business!

*Governor of the Saratov Region
Valery Radaev*

LOGISTIC ADVANTAGES

Saratov Region is a part of Privolzhsky Federal District. It borders on Samara, Ulyanovsk and Penza Regions in the north, on Voronezh and Tambov Regions in the west, on Volgograd Region in the south, and on Republic of Kazakhstan and Orenburg Region in the east.

The extension of the Saratov Region from west to east is 357 miles (575 km), from north to south 150 miles (240 km). Its land area is 101.2 square kilometers.

Saratov Region is the Russian gates to Kazakhstan and Central Asia. The length of the state border with the Republic of Kazakhstan and the access to the Central and Middle Asia, China, etc. is 550 km.

The capital is the city of Saratov.





COMPETITIVE ADVANTAGES



- Political stability in the region;
 - Regional legislation providing preferential treatment to investors;
 - High scientific and technical potential;
 - Availability of skilled labor;
 - Excellent communications and telecommunications supply;
 - Development of banking and insurance sectors;
 - Low cost of land;
 - Availability of free agricultural lands, lands of settlements and lands for industrial use provided with all kinds of technical communications and power and heat supply lines;
 - Low cost of housing, industrial and commercial property;
 - The region's location in the favorable fourth light zone considerably reduces the cost price of hothouse complex production;
 - Plentiful electric power supply (generated by Balakovo Nuclear Power Station, Saratov Hydroelectric Power Station and Thermoelectric Power Stations; the total amount of generated power is over 40 billion kWh, whereas the regional intake comprises no more than 30 percent of the produced power);
- The region's performing its own natural gas extraction, its settlements and enterprises being fully provided with gas supply;

- The region's performing its own oil production with complete oil refining at Saratov Oil Refining Factory that provides absolute stability of the region's fuel market;
- The potential oil and gas resources in the region are about 700 million tons of oil and 1 trillion cubic meters of gas. The region has more than 80 thousand km of neglected oil and gas areas;
- Considerable deposits of hydrocarbon raw materials (gas, oil, petro-condensate, combustible slates with slate gas and slate oil);
- Considerable deposits of mineral raw materials (chalk, limestone, carbonate used in cement production, clay rocks for brick production, expanded clay, cement, sand and sandstones, balneological medical and drinking mineral waters, potassium and magnesium salts, sulfur, phosphates, siliceous rocks, mineral paints, etc.).



Balakovo Nuclear Power Plant is Russia's largest power generation. The station provides a quarter of the electricity production in Privolzhsky Federal District and the fifth generation of nuclear power

INVESTMENT LEGISLATION

The regional authorities use different forms of public support under the authority provided by the subject of the Russian Federation and local laws in order to encourage potential investors. Basic document in this area is The Saratov Region Law on the Most Favorable Treatment for Investors in the Saratov Region (June 28, 2007, №116-ZSO), as amended on March 26, 2009. This law provides investors who are taxpayers within the region with full range of benefits and preferences.

According to the Ordinance of the Saratov Region Government from November 27, 2007 № 412-P «On establishing the amount of the rent for the land and the timing of its introduction» the annual amount of rent for the land owned by the Saratov Region is one percent of the cadastral value of land provided for the construction, reconstruction, installation of the objects of urban development for institutional investors. The investors must have the valid investment agreement and implement investment projects in accordance with the priorities in the development of the regional economy at a time not exceeding statutory construction period, or period set by the building project.



Over the years investors implementing investment projects in the Saratov Region enjoy tax benefits and preferences in accordance with the regional law:

- reduction in income tax rate in part paid to the regional budget from 18 to 13.5%;
- reduction of the tax rate on property from 2,2 to 0,1%;
- exemption from payment of vehicle tax.

The income tax rate	13,5 %
Transport tax	0 %
Rate of property tax	0,1 %
Tax breaks and subsidies on the territory of the Saratov Region	valid for 5 YEARS

ADMINISTRATIVE SUPPORT FOR INVESTMENT PROJECTS

- Each investment project carried out in the region is supervised by one of the Deputy Chairmen of the Saratov Region.
- Monitoring of execution stages of investment projects.
- The Board of the Investment Council of the Governor of the Saratov Region has been agreed. The Council's purpose is to provide a coherent and coordinated state policy in the sphere of investment activity in the region.
- The Government of the Saratov Region assists in attracting of financing of investment projects through development institutions.



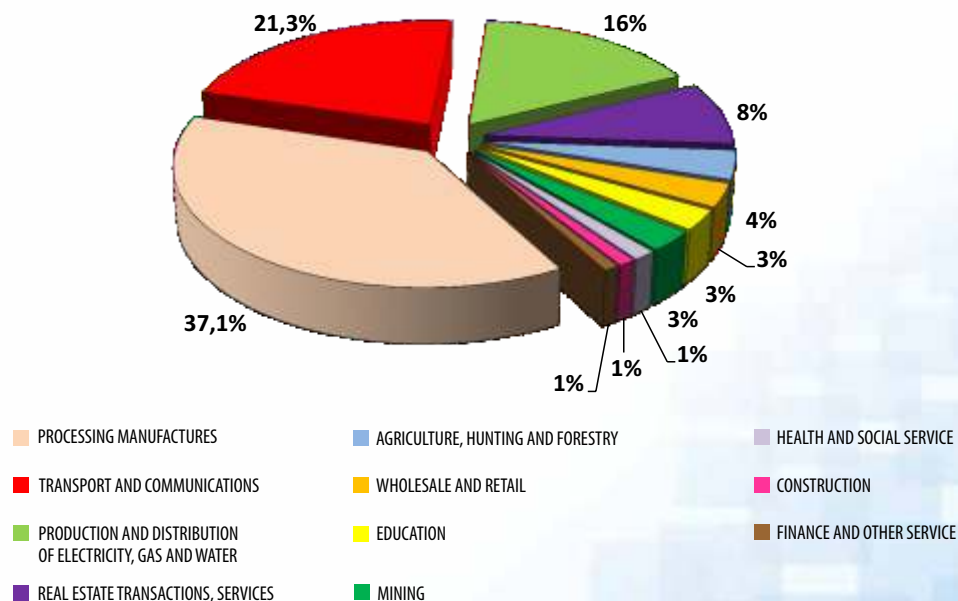
ECONOMIC POTENTIAL

Regional economy has a high degree of diversification. Much of the added value is generated by the basic sectors of the economy - industrial production (mainly manufacturing activities), agriculture, transport complex and construction.

The gross regional product in 2013 totaled to 515 billion RUR. In 2013, the regional economy disbursed 122.2 billion RUR of capital investments, or 101.2% to 2012.

In 2013 the non-financial sector of the regional economy received foreign investments in the amount of 171.5 million USD (including ruble investments converted to U.S. dollars).

Structure of capital investment
into large and middle scale enterprises
by economic activities (2013), %



Dynamics of investment
in fixed assets of the Saratov Region
for 2009-2013, billion RUR



In Saratov Region there are:

- 9 regional credit institutions, 16 branches of regional banks, 31 branches of banks from other entities, branches of Sberbank of Russia, VTB 24, Rosselkhozbank;
- 2 regional insurance companies and 61 branches of nonresident insurance organizations.

FOREIGN ECONOMIC ACTIVITY

Foreign trade turnover in 2013 according to Privolzhsky Customs Department was 2,964.8 million USD.

Export deliveries amounted to 2,240.1 million USD, purchases by imports to 724.7 million USD.

The trade surplus was 1,515.4 million USD.¹

Regional foreign trade turnover dynamics, million USD



¹ Taking into account the volume of organizations registered in the Saratov Region and leading the actual activities in other regions of Russia. Information is provided without data on international trade of the Saratov Region with the Republic of Kazakhstan and the Republic of Belarus

Export constituted 75.6% of the foreign trade turnover, import accounting for 24.4% of the foreign trade turnover.

The non-CIS countries accounted for 86.5% of the regional foreign trade turnover while the CIS countries provided 13.5% of it.

The major trade partners of the region in 2013:

- **in export** (total number of trade partners in export – 72 countries): Greece (14.0%), Turkey (10.0%), Spain (9.5%), Ukraine (7.3%), Italy (6.7%), Brazil (5.7%), United States (4.7%), Germany (4.5%), Israel (3.8%), Romania (3.4%), Gibraltar (2.8%), India (2.6%), Azerbaijan (2.1%), Switzerland (1.9%), Uzbekistan (1.9%), Croatia (1.8%), Saudi Arabia (1.3%), Hungary (1.3%);
- **in import** (total numbers of trade partners in import – 70 countries): Germany (13.8%), China (12.9%), Ukraine (9.1%), Italy (8.9%), Indonesia (8.0%), Brazil (6.9%), Denmark (5.0%), United States (4.9%), Spain (3.8%), France (2.8%), Netherlands (2.7%), Switzerland (2.4%), Hungary (2.2%), Austria (2.0%).
- **the principal goods in export** in 2013 were: mineral products – 52.2% of total volume of export; chemical products – 31.7%, food products and feedstock for their production – 7.2%.
- **the principal goods in import** in 2013 were: engineering products – 46.3% of total volume of import; food products and feedstock for their production – 22.3%; chemical products – 15.1%, metals – 5.3%



EURO INFO CONSULTING (CORRESPONDENT) CENTER (EICC) – SARATOV REGION

INTERNATIONAL MARKETS HAVE BECOME MORE ACCESSIBLE FOR SMALL AND MEDIUM BUSINESS.

The developing company sooner or later becomes closely within the region, and it begins to expand a field of activity. Business-incubator of the Saratov region offers a new service: search and selection of partners in Russia and abroad.

The regional office of the Euro Info Consulting (Correspondent) Center (EICC) was opened in 2009 on the basis of the Business incubator of the Saratov region. The Centre is a practical instrument of support enterprises focused on export to the countries in the European Union. This has become particularly important after the accession of Russia to the WTO. The main task of the EICC - to help small and medium-sized businesses of the Saratov region on all stages of search and cooperation with foreign partners. This assistance in the preparation and placement of the application before until conclusion of the contract, consultations on customs legislation, obtaining licenses, certificates. EICC - Saratov region is the representation of the EICC Russia, who is a member and official information agent Enterprise Europe network (EEN), uniting centers in 53 countries of the world and 44 regions of Russia.

Services are free of charge in the framework of activities of the regional program to support of small and medium-sized businesses. The EICC employer or director of the enterprise will be able to get consultations on the opportunities and requirements for Russian and foreign markets, to place information about your enterprise in the international or interregional databases, get assistance in search of potential partners in Russia and abroad.

The technology works with applications of the enterprises is simple: when a company representative appeals to the Center, he fills out the form, which is then deposited in a specialized Internet system, and further with this information all centers can work at places. If the company applies for the help in search of potential partners, specialists of the Center provide a list of these partners with contacts. Besides the direct cooperation and sales network clients EICC successfully exchange of experience.

Another powerful factor support - organization of exhibitions and business missions. Becoming a client of the EICC, entrepreneurs can take part in our events, find new business partners and to conclude deals.

85, Kraevaya, Saratov, 410012 Russia

Tel.: +7 (8452) 45-00-32 Fax: +7 (8452) 45-00-32

Web: <http://saratov-bi.ru/>

E-mail: eic.saratov@gmail.com

INDUSTRIAL COMPLEX

Saratov Region shows high rates of industrial growth, which constituted 101.7% in 2013 (being 100.4% for the Russian Federation as a whole; for the Privolzhsky Federal District – 100.5%). The basis of the production potential of the region is the industrial complex which includes more than 5,500 companies and organizations of all forms of ownership.

The regional enterprises manufacture such competitive products as: fertilizers, rubber, chemical fibers and yarns, synthetic fibers and threads, synthetic detergents, bearings, trolleys, car trunks, refrigerators and freezers, diesel engines, batteries, wallpaper, furniture, tobacco.

THE PRIORITY AREAS FOR INVESTMENT ARE:

- food and processing industry (processing of milk, meat, production of canned food, sugar);
- extraction and processing of minerals;
- high-tech industries (nano- and biotechnology, pharmaceutical manufacturing, electronic equipment, polymers).



AGRICULTURE



Agro-industrial complex has a special place in the economy of the Saratov Region. There are 488 agricultural enterprises of different ownership forms, more than 600 enterprises in the food processing industry including small business, 153 agricultural consumer cooperatives, 4389 (peasant) farms and individual entrepreneurs, more than 292 thousand private farms in the region. The gross output of agricultural products amounted to 107.4 billion RUR in 2013.

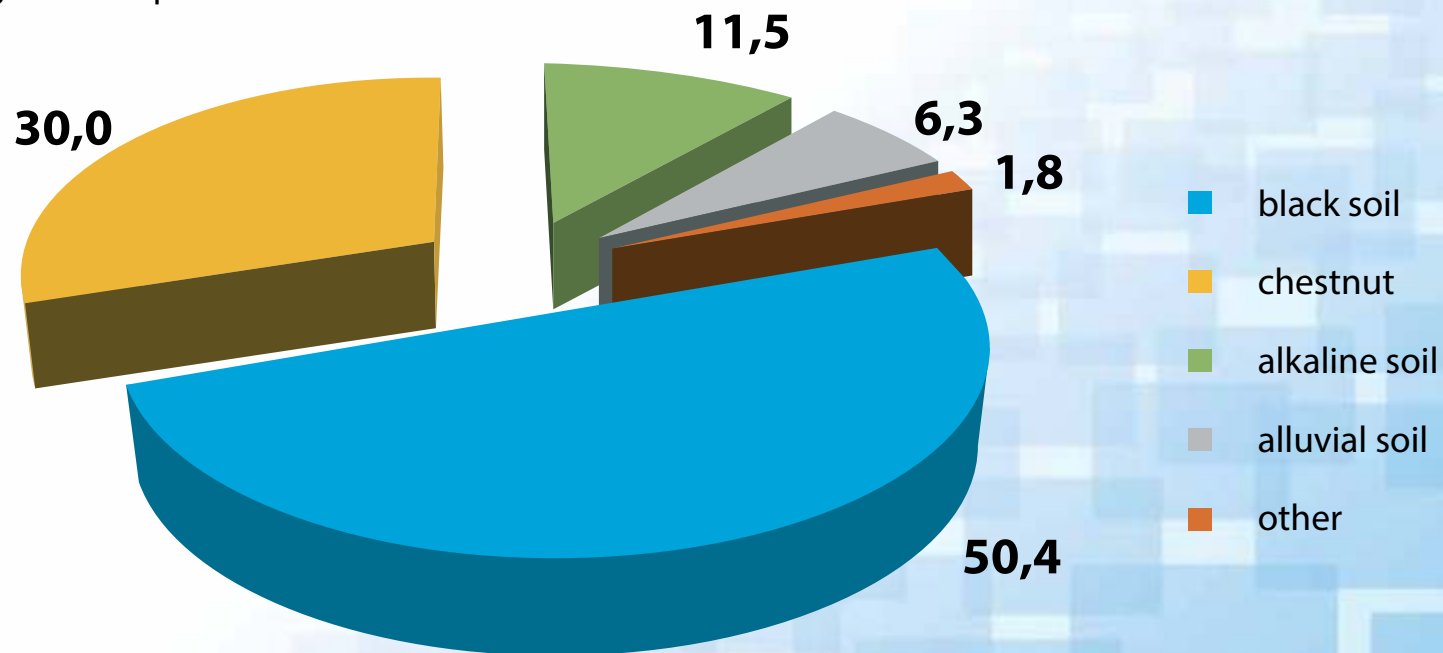
Agro-industrial complex of the region has pronounced graingrowing and cattle-breeding specializations. Saratov Region is one of ten Russian regions which are leaders in the production of agricultural products. In 2013 Saratov Region has won the first place in the production of vegetables and sunflowers in the Privolzhsky Federal District. The region occupies the 3th place for milk production, 5th place – for meat production, and 6th place – for eggs production among the regions of the Privolzhsky Federal District. The region occupies the 4th place in Russia after the Krasnodarsky Krai, Stavropolsky Krai and the Republic of Dagestan by the presence of irrigated lands. In 2013 the sown area of crops in all categories amounted to 3803.9 thousand hectares.

THE PRIORITY AREAS FOR INVESTMENT ARE:

- dairy cattle breeding;
- beef cattle breeding;
- poultry farming;
- production of industrial crops;
- production of legumes;
- greenhouse farming;
- construction of logistics centers for storage and processing of vegetables;
- processing of agricultural products.

Investment in agriculture is promoted by:

- availability of agricultural lands and their low cost;
- moderately favorable climate;
- high scientific potential in the agricultural sector;
- proximity to markets.



The soil structure of the Saratov Region, %

LANDS EXPLICATION DATA

Structure of Land Resources

Land category	Area, thousand hectares	in % to total
Agricultural	8 869	87,64
Settlements	150	1,48
Industrial, power, transport, communication radio, television, computer, land for space activity, defense, security and other special purposes	215	2,12
Specially protected lands of natural territories and facilities	33	0,33
Forestry fund	644	6,37
Water fund	138	1,36
Land reserve	8	0,08
Category has not been established	63	
Total	10 120	100,0

Structure of Agricultural Lands

Land category		
Plough land	7 210,0	81,30
Grass land	1421,7	16,03
Hayfields	203,1	2,29
Perennial plantings	34,2	0,38
Total	8 869,0	100,0

CONSTRUCTION



In 2013, the construction output amounted to 56.9 billion RUR, which constitutes 105.9% of that in 2012.

In 2013, the total of 1,314.4 thousand sq. m. of housing was commissioned, which was 106.4% compared to 2012. The portion of individual housing construction in 2013 amounts to 63.7%.

The average actual cost of commissioned housing in 2013 was 24,2 thousand RUR per square meter of area in apartment-type real-estate.

The priority areas for investment are:

- building materials industry (cement, ceramic tiles, ceramic brick, buildings);
- integrated housing;
- construction of commercial real estate.

TRANSPORT INFRASTRUCTURE

Preconditions for the development of the transportation system include:

- Presence of the divisions of the South-Eastern and Volga Railways – the branches of Russian Railways OJSC – on the territory of the Saratov Region;
- High density of roads (four federal highways);
- Federal Airport (international air services);
- Large river port in Saratov and a waterway connecting the city with the industrial centre of Russia, Moscow, the Western Urals, as well as the Black, the Baltic, and the White seas;
- Main pipelines parallel to the main directions of motor roads and railways;
- Considerable demand in A-class logistics centers services (an estimated area of 300,000 square meters in perspective);
- Developed public transportation network.

The areas showing most investment promise include:

- Further development of a network of logistics centers with proper infrastructure and facilities;
- Development of long-distance cargo and passenger river transportation;
- Construction of a new airport in Saratov;
- Development of cargo transportation.



LABOR RESOURCES



The regional population on January 1, 2014 amounted to 2 496.6 thousand people.

At the beginning of 2014 the economically active population was 1251.7 thousand people. The number of officially registered unemployed was 11.7 thousand people by January 1, 2014, and decreased in comparison with the same period last year by 17.4% (0.9% of the economically active population).

There is a steady increase in wages in the Saratov Region. The average salary in 2013 amounted to 20,474.8 RUR or 111.8% compared to 2012. Real wages adjusted to the consumer price index for the year 2013 increased by 5.1%.

Average per capita income for the year 2013 amounted to 15,652.7 RUR or 109.9% compared to 2012.

HIGH PERSONNEL AND SCIENTIFIC POTENTIAL

The educational system of the Saratov Region is dynamically developed and provided with skilled personnel. Educational complex has a high potential.

Educational infrastructure of the region is represented by 2252 independent institution, 129 branches of educational institutions, institutions of secondary and higher education. There are trained and brought up 469.6 thousand students.

The subsystem of higher professional education in the region is represented by 7 independent institutions including 6 state universities and 1 non-state university as well as 5 regional branches and 18 branches of universities of other regions.

Saratov can truly be called the city of students. More than 204 thousand people enrolled in the region's higher and training universities.

Saratov Region is known as one of the biggest scientific centers of Russia.

The region is represented by a complex of major research and development institutes, scientific and industrial enterprises and associations. There are 3 large university complexes on the basis of Saratov State University named after N. G. Chernyshevsky, Saratov State Technical University named after Yuri Gagarin, Saratov State Agrarian University named after N. I. Vavilov. National Research University based at Saratov State University named after N. G. Chernyshevsky is one of the centers of nanotechnologies development.



HEALTHCARE



There are 173 medical organizations including 74 municipal health institutions, 92 public health facilities in the Saratov Region, 6 federal health institutions subordinated to the Ministry of Healthcare of the Russian Federation and 1 health organization subordinated to the Government of the Saratov Region.

As a result of activities undertaken within the framework of the national project «Health», program to modernize health care and other regional target programs there was a health survey of several groups of adults carried out. Over several years the Saratov Region has been one of the leaders on population coverage with health survey. In 2013 the Ministry of Healthcare of the Saratov Region awarded a medal of Interstate Forum “Health of population is a basis for welfares of the CIS nations”.

For the last three years the life expectancy in the region increased by 2.5%. According to the data of Russian Federal State Statistics Service the life expectancy of the population is 70.6 years.

Availability of hi-tech types of medical aid is 1.5 times higher than the average for Russia. In the Regional tuberculosis hospital there are hi-tech surgeries held to the patients with the nasty form of pulmonary tuberculosis. In 2013 all the conditions for transplantology development were created in the region. For the first time 4 renal transplantations from postmortem graft were held. In 2014 renal transplantations are to be continued, also some preliminaries for liver transplants are carried out.

At the Regional vascular center the volume of serious surgical interference on cerebral vessels is augmenting. The volume of coronary angiograms and coronary artery bypass graft surgeries in the cardiac surgery center was increased by more than 18%.

Regional medical organizations are fully provided with safe components of donated blood. Summarizing the results of All-Russian professional skill competition in the category "Blood transfusion station 2013" among 130 blood transfusion station of Russia the state healthcare institution "Blood transfusion station of the Saratov Region" has taken the 2nd place. It is planned to acquire and place in Blood transfusion station of the Saratov Region a new module and equipment for procurement, processing, keeping and safety precautions of donated blood and its components.

The priority direction for investments is the construction of health facilities through public-private partnerships.



HISTORICAL AND CULTURAL REGION OF THE VOLGA



With long-standing theatrical, musical and artistic traditions, having a high creative potential Saratov is widely known as one of the regional cultural centers of Russia. The “Old” Saratov is a merchant city rebuilt in the late XIX - early XX centuries. It was designed by architects, famous far beyond the borders of the Saratov province, and literally fascinated with its beauty. The number of preserved monuments and even entire historic streets amaze all visitors to the city.

The modern Saratov is deservedly regarded as the cultural center of the Volga region. It has become a tradition to conduct international and regional festivals and competitions in the region.



The following cultural institutions are located in the region:

- 11 theaters;
- 26 governmental and non-governmental museums including Radishchev's Art Gallery;
- 968 public libraries;
- 1,089 culture and leisure establishments;
- 4 concert organizations;
- 2 specialized art schools;
- 106 musical and art schools for children;
- Sobinov State Conservatory;
- Nikitins Brothers State Circus.

Museums and libraries of the Saratov Region positioned as the centers of knowledge, information and culture. It carried large projects on notable dates and events in the life of our country regularly.

The system of artistic education in the sphere of art in the Saratov Region covers about 30 million people (12.9% of the child population). The leading place among the competitive events for gifted children and youth held in the region is occupied by the annual Children and Youth Assembly of the Arts.



TOURISM POTENTIAL



We invite you to visit our region and come to know it as a tourist attraction!

Saratov Region has great recreation, culture-historical and natural potential. There are 11 historical cities in the region where are kept samples of architecture, culture and art. Also there are more than three hundred monuments and three thousand archaeological objects in the region, 124 natural landmarks, 18 old bowery, 26 state museums. Especially attractive are the Volga River and landing place of the first cosmonaut in the world Yuri Gagarin. In 2012 this landing place got the status of "sightseeing attraction of federal importance".

Domestic tourist flow is increasing; yearly more than 500 thousand people from other Russian regions visit Saratov Region, there are about 50 tour itineraries developed.

Saratov State Art Museum named after A. N. Radischev is the first public art museum in Russian province. In Saratov the first provincial conservatory was open (after Saint-Petersburg and Moscow); that became an impulse for rapid development of musical and concert life in all Volga region.

Not only culture-historical heritage of the Region attracts tourists but also its beautiful nature. The real treasure of the region is the Volga River with its sand beaches, hundreds of aits and creeks, fishing and hunting possibilities.

Saratov region has wealth of culture and history; it is a birthplace for many famous artists and scientists. Such names are tightly connected with the Saratov region as Alexander Radischev, Nikolay Chernyshevsky, Stepan Razin, Emelyan Pugachev, Vasily Chapaev. The region safe keeps the history of Old Belief and of Volga Germans.



At tourists disposal there are about 200 means of accommodation (more than 100 hotels and camps, over 60 holiday camps and vacation hotels, 25 health and recreation resorts). There are about 300 travel agencies in the region, about 20 of them work with domestic tourism.

The main purpose for today is to develop such types of domestic tourism as educational, recreational, health-related, ecological, rural, and event tourism.



TOURISTIC INVESTMENT PROJECTS

KHVALYNSK TOURISTIC NATURAL RECREATIONAL COMPLEX

Project description: rich natural and historic heritage of Khvalynsk area made it the most attractive for tourism, rest and treatment, and formed the conditions for creation of touristic complex. The total area of the complex is 1500 hectares.

It is a two-part composition divided with 800 meters long pedestrian area. In front of it there are public buildings and structures of the complex: shopping and leisure center, hotel resort, center of tourists accommodation. Second pedestrian area is a system of staircases and escalators for people with limited mobility. It faces landscaped quay, riverside station and yacht-club. Along both sides of pedestrian area there are styled rest villages.

Total cost of a project: no less than 7.5 billion RUR.

Terms of realization: years 2015-2020.

Project initiator: Gipropromselstroy OJSC and Fund of public works after S. Kallistratov.

Projected tourist flow: 1.2 million people a year.

TOURISM AND RECREATION CLUSTER AT THE PLACE OF YURI GAGARIN LANDING

Project description: it is a complex mixing components of educational, entertaining tourism, sports and recreation:

- memorial complex "Landing place of the first cosmonaut in the world Yuri Gagarin" (Saratov region, Engels area, 3 km from Novaya Ternovka settlement);
- tourist village (Saratov region, Engels area, Smelovka settlement).

In tourist village there are tourists' hotel complexes, public catering facilities, conference centre, and open-air archeology museum (at the place of former archaeological excavation), sports center, yacht-club, quay and beach.

Total cost of a project: 5 billion RUR.

Terms of realization: years 2015-2020.

Project initiator: V. Ryabuha, B. Donetsk.

Projected tourist flow: 1.8 million people a year.

INFORMATION RESOURCES FOR TOURISTS IN THE REGION:

- the single tourist portal of the region has been formed in the Saratov Region www.tourism.saratov.gov.ru
- the virtual tour «Saratov - the birthplace of famous people» has been developed www.tourism.saratov.gov.ru/virtualtour/index.htm
- the project «Guest Card of the Saratov Region» is implemented. It is a special program of privileges and benefits for visitors to the area line» for tourism has been organized – phone: 8-987-830-30-30

TARIFFS AND PRICES

Prices (tariffs) for public utility services prescribed by the regional executive governmental bodies include only reasonable expenses.

All the tariffs for public utility services at the territory of the Saratov region were prescribed in 2013 with calendar breakdown and growth beginning from August 1st 2013 within the limits notified by the Russian Federal Tariff Service.

Tariffs for electricity (to the exclusion of population)

Wholesale prices for consumers are not being fixed. The cost of electricity for end users (to the exclusion of population) is formed from several components (weighted average price at wholesale market, transport services, infrastructure services, sales premium of default provider) and it depends on level and price bracket. Price average in default provider zone was in 2013 at the level of 4.17 RUR per 1 kilowatt/hour, minimum was fixed in January 2013 in the amount of 3.80 RUR per 1 kilowatt/hour, maximum – in September 2013 in the amount of 4.45 RUR per 1 kilowatt/hour (VAT excluded, low voltage, first price bracket).

Tariffs for gas (to the exclusion of population)

Wholesale prices for gas users are formed from wholesale price, transport services and distribution and logistics support services. Price to consumer depends on year contractual consumption and company providing gas transmission by gas distribution network up to end users. All price components are fixed by the Russian Federal Tariff Service.

Minimum natural gas price to consumer in the zone of main gas transmitting companies are fixed beginning from July 1st 2013 in the limits from 4154.03 up to 4847.56 RUR/1000 m³ (excluding VAT) depending on year gas consumption.

TARIFFS FOR WATER SUPPLY (VAT INCLUDED)

Name	Tariff of the year 2013, RUR/m ³	
	from January 1 st 2013	from July 1 st 2013
Saratov	15.72	17.09
Balakovo	17.49	19.01
Engels	11.10	12.07

TARIFFS FOR WATER DISPOSAL (VAT INCLUDED)

Name	Tariff of the year 2013, RUR/m ³	
	from January 1 st 2013	from July 1 st 2013
Saratov	7.11	8.18
Balakovo	15.01	16.30
Engels	14.60	15.86

INVESTMENT PROJECTS THAT HAVE COMPLETED THEIR IMPLEMENTATION IN 2013



OJSC Saratov Oil Refinery

Investment project is on construction of pentane-hexane fraction isomerizing complex, with the capacity of 300 thousand tons a year in Saratov. At the isomerization unit the component of commercial petrol is produced and this let the refinery produce fuel of Euro 5 category without imported components. After launching of the unit not only oil refining efficiency will increase but also production volumes of top bracket gasoline.

Total investments volume – 6.0 billion RUR.



Holding Solar Product (OJSC Atkarsk Oil Extraction Plant)

The project is on reconstruction of production facilities of Atkarsk Oil Extraction Plant. Reconstruction of press and oil extraction rooms resulted in increasing of sunflower production up to 1.8 thousand tons per day or 12.5%, and of seeds drying up to 2 thousand tons per day.

The plant is equipped with modern Italian pans Andreotti Impianti S.p.A. and German presses Harburg-Freudenberger Maschinenbau GmbH.

Production process was totally automatized. The plant is one of the most modern food productions in Russia, and the 2nd meaning is industrial capacity. The plant has all the possibilities to produce over 750 tons of sunflower oil per day.

Total investments volume – 427.3 million RUR.



OJSC Saratov Dairy Combine

The project is on the modernization of the production and packaging of curd, processing equipment for the processing and packaging of dairy products, ventilation and conditioning systems of technological workshops.

Introduction of game-changing technology meaning organization of closed process with sterile air will allow to:

- improve qualitative characteristics of products;
- get qualitative stable products;
- extend pull-date;
- come to new sales markets;
- economize on fuel and energy resources;
- increase volume of sales.

Total investments volume – 206 million RUR.



LLC Revival 1

The project "Increase of production up to 35.3 million hatching eggs per year" is on the modernization of the poultry production LLC Revival 1.

At the result of the project three workshops in Ivolga producing center were converted from pen management to cage management, new equipment for automatic egg collecting was installed.

In Zorinsky producing center poultry-houses for rearing flocks pen management were reconstructed: new equipment was installed, roof, environmental control and gas-supply systems were changed.

Total investments volume – 122.6 million RUR.

51 new workplaces were created.



CJSC VolgaCement

Solemn ceremony of cement plant commissioning took place in Volsk town in November, 2013.

Construction of the plant working by dry method was begun in 2007 in co-operation with the German company Heidelberg-cement.

New plant was constructed from the ground up, not the base of existing cement plant. Capacity of the plant is 1 million tons of cement per year.

Total investments volume – 4 billion RUR.

277 new workplaces were created.



LLC Khvalynsk pig farm

At the end of 2013 construction of pig farm for 2400 breeding pigs was finished in Engels area. Its capacity is 54 thousand slaughter pigs per year or 6160 tons of meat on hoof.

New advanced technique equipment of "Big Dutchman" and "Bauer Techniques" was installed. Created new innovation engineering infrastructures:

- Power-check system (wireless transmitting data on forage amount in a bin to a dispatcher);
- Appropriate stable climate system.

This is one of the projects, which provide shift of regional pig farming to industrial system of pig-breeding based on construction of pig farms – feeding barns of industrial type with completed production cycle and equipped with advanced technique equipment.

Total investments volume – 888.7 million RUR.

82 new workplaces were created.



LLC Engels creamery

The project is on the instrumentation of production with the newest automatic manufacturing lines producing cream and curd cheese, with the capacity of 2.0 tons of soft cheese per year.

The range of yoghurt, dairy and curd products was broadened; production of soft cheese and cheese products was started. All types of packing that are on the Russian dairy market are used at the creamery.

Total investments volume – 133 million RUR.

30 new workplaces were created.



INVESTMENT PROJECTS PLANNING ITS COMPLETION IN 2014



OJSC Severstal

The investment project of one of the world's leading vertically integrated steel and mining companies OJSC Severstal is the core of the metallurgical industry of the Saratov Region. CJSC Severstal – Long Product Mill Balakovo is a subsidiary of OJSC Severstal. The company is implementing a project to build a plant for the production of long products for construction purposes in Balakovo municipal district of the region. This is one of the largest investment projects of Severstal.

The plant will produce 1 million tons per year of long products for construction purposes (armature, angles and channels). New technologies will allow the company to be maximum safe for the environment. Only scrap-metal will be used as raw materials. The plant will have closed water rotation cycle. Efficiency of the gas cleaning system exceeds 99% according to the draft.

Total investments volume – 23.2 billion RUR.

680 new workplaces will be created.



LLC Bosch heating systems

The project is on the construction of the plant producing industrial and residential gas boilers at the territory of Engels municipal district of the region.

For the first half of the year it is planned to finish construction of production building with the area about 8000 m² at the territory of operating Bosch enterprise in Engels town and to start producing wall gas boilers with a capacity of 18-28 kilowatt and industrial gas boilers with a capacity of 2.5-6 megawatt. These Bosch and Budenus boilers allow reducing gas consumption and carbon dioxide emissions.

Planned standard for the first year is 27 thousand wall gas boilers, 120 industrial gas boilers.

Total investments volume – 900 million RUR.

100 new workplaces will be created.



Holding Solar Product

(OJSC Fat-processing integrated works)

The project is on the construction and reconstruction of margarine manufacture.

At the period of the years 2011-2013 four Gerstenberg Schroeder company's high-efficiency lines for producing margarines and fats were installed.

In 2013 there was entered the new department of whitening and deodorization of fats and oils with a capacity of 500 tons per day, the department was fit with modern equipment of Italian company Andreotti Impianti S.p.A.

Total investments volume – 1.74 billion RUR.

70 new workplaces will be created.



Holding Solar Product (LLC Volga Terminal)

It is planned to implement the project to build a new oil extraction plant on the basis of the working elevator LLC Volga Terminal, and the installation of technological equipment for processing of sunflower seeds with a high degree of automation in Balakovo of the Saratov Region. The oilseed processing capacity will be 1800 tons per day. Construction of the plant will allow producing high-quality oil, store and process the harvest of sunflower in full (today the power of the plant allows to process 60% of the gross harvest), to provide fat plants with the raw materials, to satisfy the needs of the population in vegetable oil. It is planned to construct and put into operation the oil filler river terminal.

Total investments volume – 3.3 billion RUR.

230 new workplaces will be created.



LLC Air Liquide Balakovo

LLC Air Liquide Balakovo is implementing an investment project to build a plant for the production of industrial gases in Balakovo municipal district of the Saratov Region. The plant will supply oxygen, nitrogen and argon for JSC Severstal – Long Product Mill Balakovo. Technical gases will also be delivered for the needs of the existing industrial customers in Saratov and Samara Regions and oxygen – for the field of health care.

The project envisages the construction of a modern complex of air separation with the capacity of over 300 tons of oxygen per day. The air separation equipment constructed by the company meets all the necessary requirements for ecology and environmental protection. It is designed according to the highest international safety standards, using the latest materials and technologies. The design capacity is 110 thousand tons per year.

Total investments volume – 1.65 billion RUR.

15 new workplaces will be created.



CJSC Balakovo Centrolit

CJSC Balakovo Centrolit is implementing the investment project to build a plant for the production of blanks for carriage building on the territory of Balakovo municipal district of the Saratov Region. The plant will produce iron and steel casting for railway coach manufacturing: sole bar, truck bolster, automatic coupling SA-3.

Total investments volume – 4.2 billion RUR.

400 new workplaces will be created.



Agricultural production co-operative Fortune

The project is on the construction of dry-lot dairy farm for 200-250 Holstein beef cattle in Krasnokutsky municipal district of the Saratov Region. It is planned to apply modern computer-aided and semiautomatic systems of milking operation and beef feeding.

The farm should be put into service in September, 2014.

Total investments volume – 80 million RUR.

15 new workplaces will be created.



Community of Consumer Cooperatives of the Saratov Region

It is planned to finish in June, 2014 construction of food and fiber market “Solnechniy” for 590 trade places.

It was built a two-storey building of food and fiber market with the total area 2900 m². There will be 250 trade places inside, 160 trade places outside, 180 places for high pitch. Also, it is planned to construct lantern parking.

At the result of the project home agricultural goods producers, food industry and processing enterprises will be able to sell their goods at Saratov market.

Total investments volume – 117.5 million RUR.

NEW PROJECTS



LLC Stroykomplekt

The investment project is on the construction of a plant for production of gypsum plasterboards and gypsum partition blocks in Balakovo district of the Saratov Region with the usage of phosphogypsum from fertilizer manufacturing wastes.

It is planned to produce 20000 thousand m² of gypsum plasterboards per year and 468 thousand m² of gypsum partition blocks per year. Modern technology and high-tech equipment will allow produce the goods of high quality meeting European quality standards, to cheapen production and to ensure ecological safety.

It is the first project in the Russian Federation on phosphogypsum processing.

Total investments volume – 3.2 billion RUR.

120 new workplaces will be created.

Project implementation period – 2012-2015.



CJSC Engels locomotive repair works

The enterprise was founded by Canadian company Bombardier and OJSC "VEB Leasing". The investment project is on the construction of a plant for production of electric locomotives in Engels district of the Saratov Region.

It is planned to produce two-section dual-system main-line electric locomotives with the capacity up to 9000 kilowatt for the market of Russia and CIS countries. Technologies applied are of leading global producers of railway technics and meet Russian and world standards.

Projected capacity is 150 electric locomotives per year.

Total investments volume – 6 billion RUR.

700 new workplaces will be created.

Project implementation period – 2013-2015.



OJSC Vesna state farm

The investment project is on the reconstruction of greenhouse in Saratov district of the Saratov Region.

Company specializes in vegetable growing in frame area (tomatoes, lettuce, and spring onions). Since 2012 it is among 300 largest and mostly effective agricultural enterprises of Russia. Total area of greenhouse is 24 hectares.

Total investments volume – 1.3 billion RUR.

Project implementation period – 2011-2019.



Samsonov house of commerce

Construction of shopping and entertainment centre “Gallery”, 1st stage.

Format – super regional shopping and entertainment centre.

Total area is 100 thousand m².

Gross leasable area is 40 thousand m².

Conception: food hypermarket, hypermarket of brown goods and consumer electronics, multiplex cinema, food court, baby and sports goods stores, shopping mall of 150 stores and 20 restaurants and cafes. The project provides for two-level underground parking for one thousand parking slots, as well as for surface parking and urban landscaping.

According to the Corporate Policy of Samsonov house of commerce only local contractors are engaged.

Total investments volume – 2.4 billion RUR.

1500 new workplaces will be created.

CJSC Waste management

In January 2013 the Government of the Saratov Region and CJSC Waste Management signed the Concession Agreement of establishing a framework for the processing and disposal of solid waste.

The construction and operation of solid waste landfills with the capacity of 450 thousand tons per year, waste treatment facilities with the capacity of 150 thousand tons per year, workshops of biological composting and garbage transfer stations are planned as parts of the project. It is assumed that the complexes will be built in Balakovo and Engels municipal districts. Garbage transfer stations will accrue on the territory of another 18 regions of the Left Bank.

According to experts the system will solve the problem of solid waste management in the Volga area considering the tendency of increasing the amount of waste consumption.

Total investments volume – 1.6 billion RUR.

2500 new workplaces will be created.

Project implementation period – 2013-2015.



OJSC SarAero Invest

The investment project is on the construction of service area facilities of Saratov new airport system in Saburovka settlement. It is realized by Asset Management Company "Airports of regions" represented in the Saratov Region by its subsidiary SarAero Invest.

At the present time OJSC SarAero Invest has got on lease land plots of regional propriety in the area of construction of airport system "Centralniy". The goal of lease is to design and construct facilities of service, logistic and commercial infrastructure of airport system.

As of today's date there is a design of air terminal building, it was prepared by Asadov Architect Bureau, Moscow city.

Asset Management Company "Airports of regions" has approved configuration of buildings and structures at the service area of Saratov new airport system.

Total investments volume – 4.9 billion RUR.

927 new workplaces will be created.

Project implementation period – 2013-2017.

LLC First Volzhsky WVC

The investment project is on the reconstruction of a plant for production of liqueurs and spirits in Saratov.

The project provides for reconstruction of operating plant for production of liqueurs and spirits which will allow increasing production capacity for 10 times (from 340 thousand bottles of vodka per day up to 1 million bottles per day, and up to 150 thousand bottles of champagne per day). It is planned also to create a greater variety of products including manufacture of cognac and whisky as a new good or Russian processor enterprises.

Also the operational area will be enlarged, access routes will be built and buildings such as of alcohol cellar for 100 m³ of pure alcohol, boiler-house, finished product store.

Total investments volume – 1 billion RUR.

100 new workplaces will be created.

Project implementation period – 2014-2017.

Dear Ladies and Gentlemen!

Please find the detailed information on investment potential of our region in the Government of the Saratov Region or in the Ministry for Economic Development and Investment Policy of the Saratov Region.

GOVERNMENT OF THE SARATOV REGION

72 Moskovskaya Str., Saratov, 410042, Russia
www.saratov.gov.ru

Governor

VALERY V. RADAEV +7(8452) 273-730

Deputy Chairman of the Government of the Saratov Region

PAVEL V. BOLSHEDANOV +7(8452) 210-212

MINISTRY FOR ECONOMIC DEVELOPMENT AND INVESTMENT POLICY OF THE SARATOV REGION

72 Moskovskaya Str., Saratov, 410042, Russia

Fax: +7(8452) 273-200

E-mail: mineconomy@saratov.gov.ru

Internet-site: www.invest.saratov.gov.ru

www.saratov.gov.ru/government/structure/mineconom

Minister

VLADIMIR A. POZHAROV +7(8452) 210-210

Deputy Minister

ALEXANDER A. GRECHIHO +7(8452) 260-422

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