



Downstream investment into the Russian steel industry

SPECTA's – Industrial Packaging Group's experience.

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Pre-investment stage

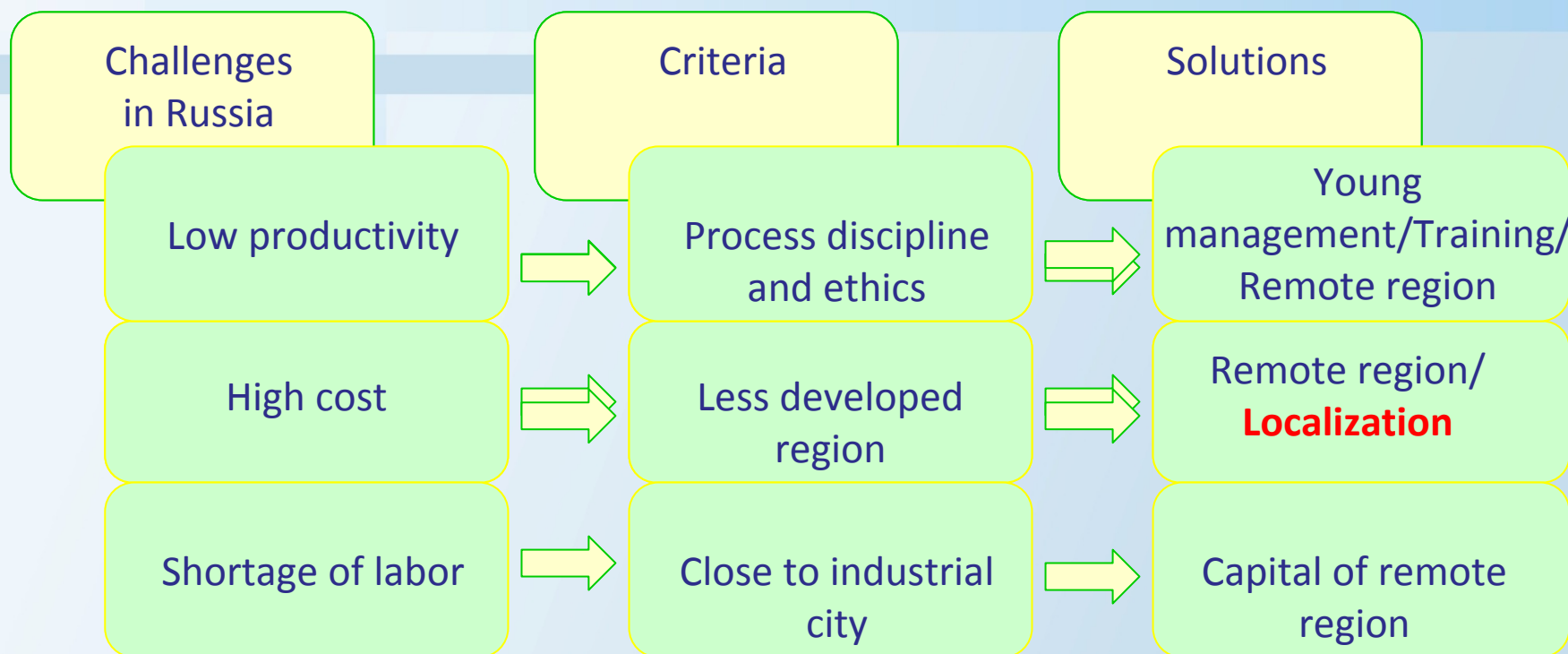
Change
your own
mindset

Russian
model
has right
to exist

No
reason to
copy EU
model

Russia will develop slowly, but gradually
based on its strengths and natural demand

Production investments



“New Local Investment” in Kostroma



Industrial region in central part of Russia

Situated 350 km (5 hours) from Moscow

Kostroma City population 280.000

Timber, machinery, jewelry, tourism

Production of high-tensile steel packaging strap, meant for binding of industrial goods



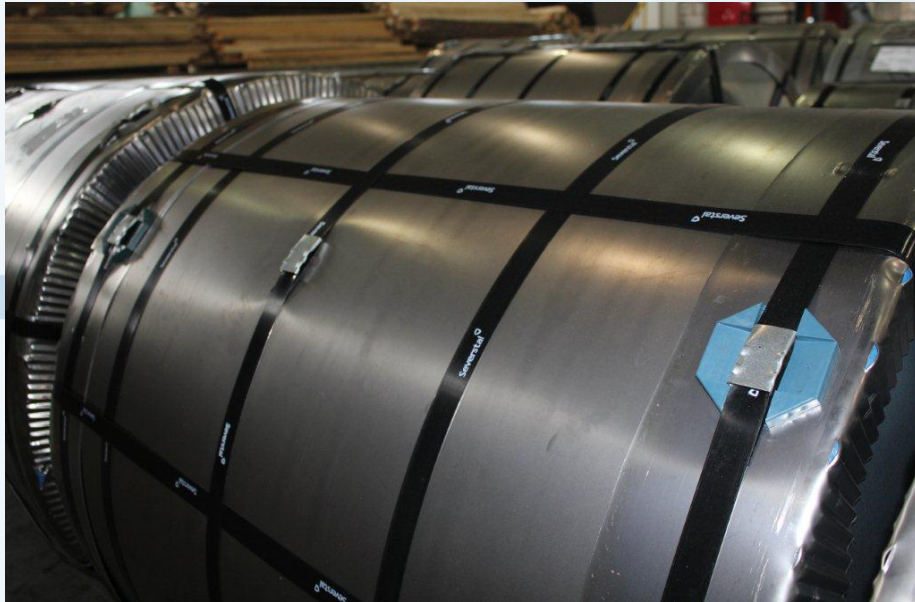
20 MEURO

Full infrastructure

24/7 – 35 000 mt

Source for Industrial Packaging System: Machinery + Materials + After Sales

Achievements



Technology investment to Kostroma region – finished and value added steel product

Best Investment Project in Metallurgy in 2007

Replaced import

Steel, Metal, Tube, Timber, Board, Paper, Construction material (1000 clients)

Competitiveness of the local industry, transport safety

The most dynamic steel exporter in Russia in 2009 (12 countries)

www.spectra.ru

Investment into PET plastic strapping



Mini-industrial park

Good location for
production investment

2 factories can be built

All operating services
available

For small and medium
sized companies

2500-4000 sq. m each

Can be operative within
8-9 months

Conclusions



Russia's strong steel and metal industry - numerous opportunities for European technology investments.

The downstream investments - untapped area to accelerate the diversification and modernization of Russia's economy

Next administration will enforce investments and not only by carrot, but by stick, too!



THANK YOU!

**Erik Helin
CEO
Specta Group**

Please, visit our site for more information

www.specta.ru