

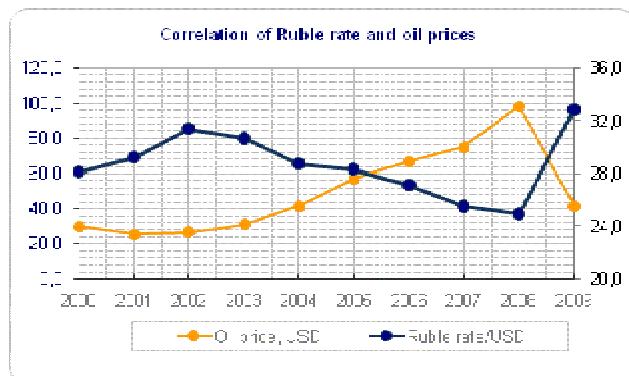
## No time to wait, invest or Russia is the country of opportunities

In a period of crisis investors face an acute problem of both preserving their capital and making a favorable investment. The most profitable investments are the investments in the economies of developing countries as well as countries with large population and undersaturated market of goods and services. Russia is undoubtedly this type of a country. **Investments into real sectors of Russian economy promise high profits. Below is the list of strategic factors of the country's economy.**

Russia holds the **9<sup>th</sup>** place in the number of **population** in the world (141,864,100 people) and represents a huge consumer market with a **European consumption model**, which is covered by the internal supply only by 40 – 60%.

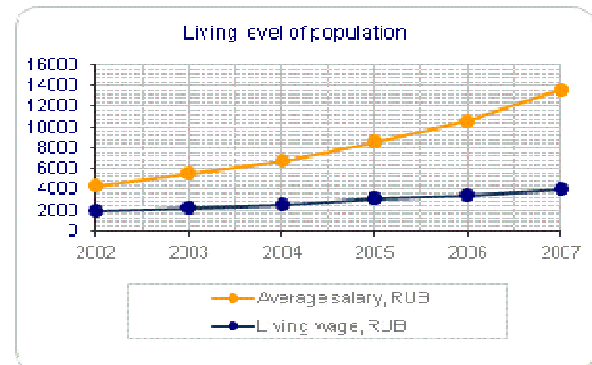
High level of **education of the population**, high scientific and intellectual potential make preconditions for the country's rapid development. Russia is the leader in the general volume of the world resource of qualified labor force (16%). But the use of this resource is ineffective. Japan, where the level of qualified labor force is 30% lower, has a five times higher GDP. All of the above means the highest intellectual potential and preconditions for the country's rapid development.

**The high natural and recreational potential** of Russia provide opportunities for the development of tourism, agriculture, developing alternative power sources. The country has huge resources of natural potable water (20% of the world resources) and woods (20% of the world resources). Education, health service, affordable dwelling and agriculture – these are the priority national projects ensured by the administrative and financial support, which gives broad opportunities to professional players for the development of their projects.



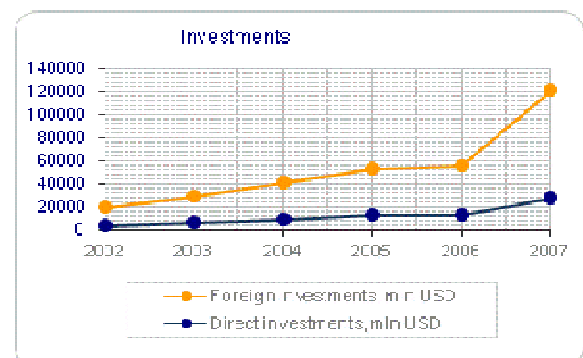
**Strong dependence of the ruble exchange rate on the oil prices** will define its further strengthening. It is obvious that during the next decade the world economy

will not be able to decrease significantly the consumption of this type of hydrocarbon, which allows speaking about prospects of oil price increase. This factor in its turn will provide strengthening of ruble towards other world currencies and will allow investors to get additional profit from the change of the national currency rate.



We consider it to be the **most convenient time to enter the market now**. From the end of 2008 a lot of companies, which froze their projects on the territory of other countries, are showing interest in the investments in Russia. Examples: Volvo, Ford, Toyota, Volkswagen, Chrysler, SelGros, GaP, Flextronics, Siemens. Motivating factors are – low competition and the state's active policy of introducing dues for imported goods. Investors, which have spare capital and have up-to-date management standards, are hurrying to strengthen their market presence in Russia.

Important factor to be considered is **the Government's activity** on ensuring stability of the state budget in future. It is Russia, which despite the crisis continues to invest in large infrastructure projects (gas and oil pipelines like 'Nord Stream' project, factories and technological bases). All of these will lead to the provision of stability of the state budget and the country's economy in general.



**The state protection and support of real estate investments is also an encouraging factor for the investors entering the market.** In a time of crisis many states tend to provide support for the real sector, including real estate. The Russian state provides a more

significant support to the real estate sector as according to the authorities the development of this sector should become one of the main drivers of the economic growth and would encourage a decrease in dependence on exported oil in future.

Among major real estate projects it is worth mentioning the national project "Dwelling" (within the project there is a guaranteed buyout of apartments by State.

A large choice and significant discounts for projects and land plots, reduction in price of materials and construction works would be additional advantages, which will allow to increase profitability and lower the project sensitivity towards unfavorable factors of the world crisis.

**Russia is the country of opportunities.** Huge potential, assistance of local authorities of most of the regions, budget deficit and reduction in oil prices enable the country's government to attract investments more actively and to develop alternative branches of the economy. This guarantees to the investors, who are the first to enter the market, huge competitive advantages and significant profit.

GVA Sawyer's specialists will help you to choose the object of investments and to do the project most efficiently.