WAŁBRZYSCH SPECIAL ECONOMIC ZONE “INVEST-PARK”

THE BEST PLACE TO INVEST IN EUROPE

BARBARA KAŚNIKOWSKA, President of WSEZ “INVEST-PARK”

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WAŁBRZYCH SPECIAL ECONOMIC ZONE
“INVEST-PARK”

- Strategic location: gateway to Europe
- European Union: 0.5 bln customers
- Eastern Europe, Russia, Ukraina: 0.3 bln customers
## BASIC FACTS ABOUT POLAND

### REPUBLIC OF POLAND

<table>
<thead>
<tr>
<th>Official language</th>
<th>Polish</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital</td>
<td>Warsaw</td>
</tr>
<tr>
<td>Area</td>
<td>312 700 sq km</td>
</tr>
<tr>
<td>Population</td>
<td>38,5 mln</td>
</tr>
<tr>
<td>Currency</td>
<td>Polish Zloty (PLN)</td>
</tr>
<tr>
<td>Gross domestic product</td>
<td>USD 802 billion (PPP 2012), International Monetary Fund</td>
</tr>
<tr>
<td>Gross domestic product per capital</td>
<td>USD 21 310 (PPP, 2012), International Monetary Fund</td>
</tr>
<tr>
<td>Membership</td>
<td>EU, NATO, OECD, WTO, Schengen Zone</td>
</tr>
</tbody>
</table>

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STABLE ECONOMIC SITUATION

GDP growth in 2013: 1.6% in Poland vs. 0.1% in EU

Inflation Yearly Basis

<table>
<thead>
<tr>
<th></th>
<th>EU</th>
<th>Poland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflation</td>
<td>0.9%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Source: Eurostat

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HUMAN RESOURCES AVAILABILITY

POPULATION OF CEE COUNTRIES (%)

- POLAND is the 6th largest country in the EU in terms of population
- POLAND is the biggest country among CEE members of the EU
More than 64% of population <49 years old

10.9 mln Poles <25 years old

Population with higher education 17%

Unemployment rate 13,5% (March 2014)
TOTAL HOURLY LABOR COST IN 2012 IN BUSINESS ECONOMY (IN EUR)

Source: Eurostat lc_lci_lev, February 2014
AVERAGE ANNUAL HOURS ACTUALLY WORKED PER PERSON IN EMPLOYMENT IN 2012

- OECD average: 1765 hrs
- Poles are the 6th hardest working nation in OECD with 1929 hours worked

<table>
<thead>
<tr>
<th>INTERNATIONAL RECOGNITION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2nd most attractive country for FDI in the next 3 years</strong></td>
</tr>
<tr>
<td><strong>3rd place worldwide as the best quality location for manufacturing projects</strong></td>
</tr>
<tr>
<td><strong>2nd location in Eastern Europe and Russia offering the greatest revenue opportunities over next three years</strong></td>
</tr>
</tbody>
</table>
WAŁBRZYCH SPECIAL ECONOMIC ZONE “INVEST-PARK”

• Special Economic Zone
  – administratively separated territory, designated for running business activity under preferential conditions

SEZ will operate in Poland till the end of 2026
WSEZ „INVEST-PARK”
ATTRACTIVE INVESTMENT LAND

- Well-developed transport routes (A2 and A4 motorways, international airports in Wrocław and Poznań – Ławica)
- Close to Czech Republic and Germany
- Investment land in big cities (Wrocław, Opole, Wałbrzych)
- Modern production halls (in Wałbrzych, Bolesławiec, Nowa Ruda, Kłodzko)
WSEZ „INVEST-PARK”
BENEFITS FROM INVESTMENTS

Income tax exemption (public aid)

land for investments + infrastructure

Zone assistance during and after the investment
The maximum amount of income tax exemption is calculated as a percentage of the eligible costs (CIT in Poland 19%).

<table>
<thead>
<tr>
<th>Size of companies</th>
<th>Lubuskie and Opolskie Province</th>
<th>Wielkopolskie Province and Lower Silesia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big</td>
<td>35%</td>
<td>25%</td>
</tr>
<tr>
<td>Medium-sized</td>
<td>45%</td>
<td>35%</td>
</tr>
<tr>
<td>Small and micro</td>
<td>55%</td>
<td>45%</td>
</tr>
</tbody>
</table>

(Table of the level of public aid under the new rules applicable from 1 July 2014)
WSEZ „INVEST-PARK”
PUBLIC AID

Eligible costs include:

- investment costs
  (e.g. purchase of tangible and intangible assets, lease of buildings)
  or
- labor costs of newly-employed workers in the first two years

Public aid is granted on the basis of obtaining a permit to conduct business activity in a special economic zone.
WSEZ „INVEST-PARK”

WHY TO INVEST IN WSEZ?

System of tax breaks
• income tax exemption
• real estate tax exemption

Government cash grants
• investment and employment grants
• R&D, automotive, aviation, electronics, biotechnology, modern business service

European funds for 2014–2020: EUR 82,5 BLN
WSEZ „INVEST-PARK”
WHY TO INVEST IN WSEZ?

Access to innovations:

- Technical Universities in Wrocław, Opole, Poznań
- Wrocław Research Center EIT+ (research areas: nanotechnologies, biotechnology & medicine, climate & energy)
- Wrocław Technology Park (WPT) – laboratories, R&D services
- Lower-Silesian Innovation and Science Park (DPIiN) – daughter company of WSEZ (35% WSEZ + 65% regional government), incubator for innovative SMEs, commercialization of scientific research
Access to an attractive labour market in the region:

- competitive labour costs
- qualified, flexible labour force
- 66% of population in productive age
- well developed system of education
- unemployment rate in Poland: 13.5%
WSEZ „INVEST-PARK”
SUPPORT FOR INVESTORS

- purchasing groups
  (electricity up to 30% cheaper)
- assistance in dealing with administration and utility providers
- program of cooperation with vocational schools
- HR club
- specialist training for employees of companies based in the WSEZ
WAŁBRZYCH SPECIAL ECONOMIC ZONE
“INVEST-PARK”
GOOD INVESTMENTS ZONE

Size of companies:
- 60% large,
- 20% medium-sized,
- 20% small and micro

Key industries:
- automotive (34.8%)
- chemical (10%)
- food processing (10.6%)

WSEZ Investors

<table>
<thead>
<tr>
<th>Country</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Korean</td>
<td>4</td>
</tr>
<tr>
<td>USA</td>
<td>8</td>
</tr>
<tr>
<td>Sweden</td>
<td>9</td>
</tr>
<tr>
<td>Japan</td>
<td>12</td>
</tr>
<tr>
<td>Italy</td>
<td>17</td>
</tr>
<tr>
<td>Germany</td>
<td>22</td>
</tr>
<tr>
<td>Poland</td>
<td>32</td>
</tr>
<tr>
<td>Other</td>
<td>47</td>
</tr>
</tbody>
</table>
WSEZ „INVEST-PARK”
150 COMPANIES ALREADY TRUSTED US

3M, RONAL, BRIDGESTONE, pcc, Electrolux, IBM, Walki, MANDO, COLGATE-PALMOLIVE, faurecia, WABCO, Mondelez International, cersanit, DSSE, Donaldson, MAHLE, QUIN, POLARIS
WSEZ „INVEST-PARK”
POLISH INVESTORS IN WSEZ, WHICH CAN BECOME A BUSINESS PARTNER
WAŁBRZYS SPECIAL ECONOMIC ZONE “INVEST-PARK”
GOOD INVESTMENTS ZONE

- 4th best zone in Europe
- 22nd in the world
  (according to a ranking by fDi Magazine, part of the Financial Times group of companies)

- Total capital expenditure: 5.5 billion USD
- Over 2,500 ha of land for investments in 41 subzones
- Over 36,100 jobs created
- 150 companies
WSEZ „INVEST-PARK”
THE BIGGEST INVESTMENT IN EUROPE IN LAST 10 YEARS

Volkswagen’s investment in Września:

• capital expenditure: 800 million EUR
• over 2,300 jobs
• production of VW Crafter
• construction work due to start in Q3 2014
WSEZ „INVEST-PARK”
PLANNED INVESTMENTS IN WIELKOPOLSKIE PROVINCE

- **330 ha of investment land**
  (220 ha for Volkswagen’s plant and over 100 ha for other companies)
- **facilities**: roads, parking lots, fire station, training center
- **location**: 4 km from A2 motorway and **60 km from Poznań-Ławica airport**
SERVICES AND MANUFACTURING HUBS IN POLAND

- Automotive

Source: PAiZ
SERVICES AND MANUFACTURING HUBS IN POLAND

- Household appliances

Source: PAiZ
## SERVICES AND MANUFACTURING HUBS IN POLAND

- **Electronics**

<table>
<thead>
<tr>
<th>TCL</th>
<th>TPV TECHNOLOGY LIMITED</th>
</tr>
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<tbody>
<tr>
<td>DELL</td>
<td>TOYOTA</td>
</tr>
<tr>
<td>SHARP</td>
<td>FLEXTRONICS GLOBAL SERVICES</td>
</tr>
<tr>
<td>JABIL</td>
<td>LG Display</td>
</tr>
</tbody>
</table>

Source: PAiZ
SERVICES AND MANUFACTURING HUBS IN POLAND

- Business services sector

Source: PAiZ
SERVICES AND MANUFACTURING HUBS IN POLAND

• R&D

Source: PAiZ
JOIN THE BEST!

Thank you for attention
Barbara Kaśnikowska,
President of WSEZ “INVEST-PARK”

INVEST WITH US!

doi@invest-park.com.pl
www.invest-park.com