

UzAuto

Perspectives of cooperation in automotive industry

March 2018



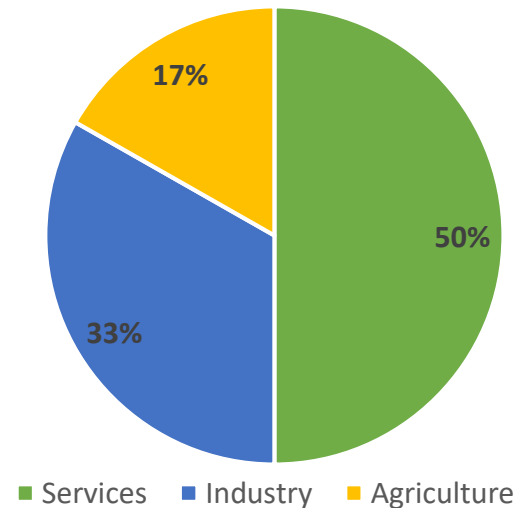
Country information

- Independence gained in 1991
- Territory – 448,9 th. sq. km
- Population - 32,6 mln.
- Urban population – 50,6%
- Average age – 27,1
- Rich base of raw materials and over 100 types of mineral resources

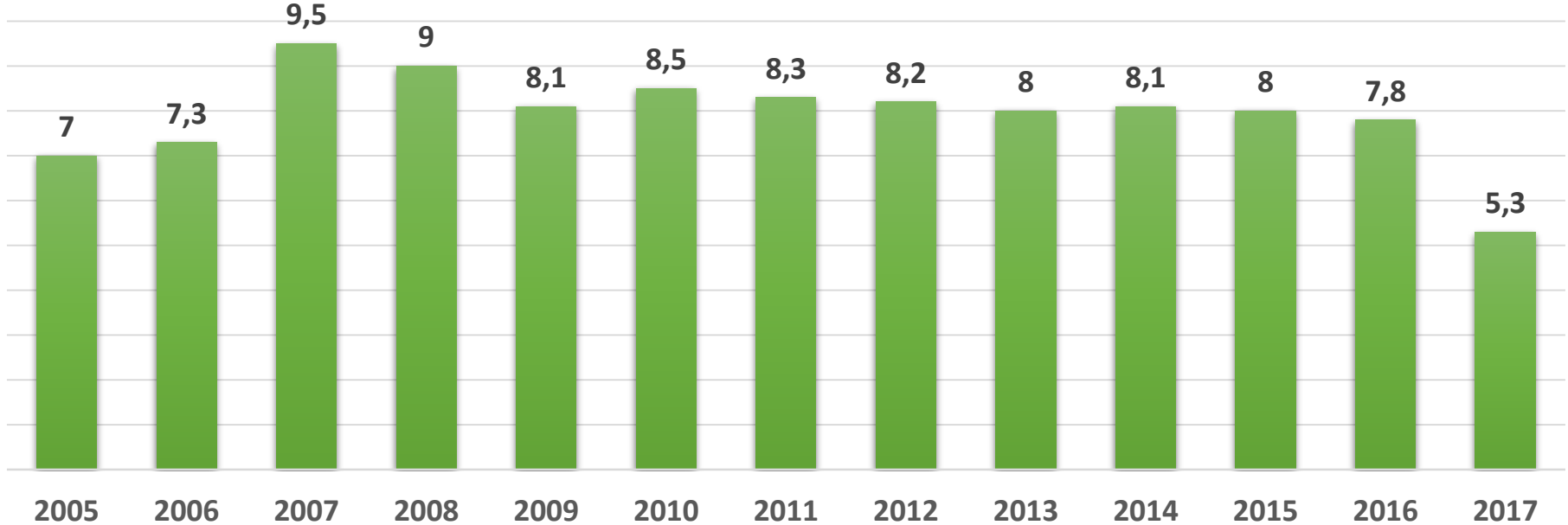
Economics (2017)

- GDP (ppp) - 213 bln. USD
- GDP per capita - 6,6 th. USD
- Export – 12,6 bln. USD
- Import – 12,1 bln. USD
- Investment – 16 bln. USD
- Economically active population – 18,1 mln.

GDP structure (2017)



GDP growth rate (in % to the prev. year)



- Surplus of state budget since 2005
- Balance of payments surplus since 2003
- External trade surplus since 2000
- Total external debt does not exceed 16% of GDP
- Internal public debt fell from 18% of GDP in 2000 to 0% in 2014
- Over the years of independence GDP has increased more than **5,5 times**
- Industrial output – **4 times**
- Over the past 10 years average annual growth of industry has been kept **above 9%**

President Strategic Economic Priorities

1. Stable foreign exchange rate;
2. Modernization of the economy;
3. Technological development;
4. Improvement of investment climate;
5. Private property protection mechanisms;
6. Improvement of Tax, Banking and Financial systems.



Recent results

Liberalization of currency regulations

- No constraints in dividends and profit repatriation;
- Exchange rate is determined by the free market;
- No constraints in hard currency purchase.

Improvement of Doing Business ranking

- World Bank Doing Business ranking: more than 60 points improvement in the past 5 years;
- We eliminated 160 licensing procedures and 19 activities in recent years.

Sustainable growth of the economy

World's 5th fastest growing economy in 2015-16 – and expected to be in the TOP-3 by 2019

Return of Global Banks, Financial and Political Institutions

- European Bank for Reconstruction and Development's returns in 2017;
- World Bank, China Development Bank and others increase credit issuance.

Substantial improve of investors protection legislation

- Legislative acts and decrees on:*
- "...foreign investors"
 - "...guarantees and measures to protect rights of foreign investors"
 - "measures to improve the system of protection of legitimate interests of businesses"

Company structure

SC «Uzavtosanoat»

Production of Vehicles



Passenger cars

Founders
UzAuto
General Motors (USA)



Medium buses and trucks

Founders
UzAuto
Asaka Bank
Itochu (Japan)
Isuzu (Japan)



Heavy trucks and busses

Founders
UzAuto
MAN Truck&Bus (Germany)



Light Commercial Vehicles

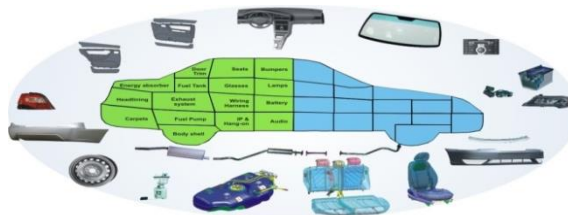
Founders
UzAuto
PCA Peugeot Citroen Automobiles (France)

Production of component parts



Founders
UzAuto
General Motors

40 main suppliers



160 medium and small suppliers

Localization level up to 80 %

Financial & Education Services



Leasing company



Commercial Bank



Turin Polytechnic University
(Italy)



Turin Academic
lyceum in Tashkent
Polytechnic Colleges in
Samarkand city and Andijan
region

Passenger vehicles

Production capacity:
300 th. units

GM Uzbekistan



GSUV



SOP 2019-CKD

Light Commercial Vehicle

Production capacity:
16 th. units

UZPCA



Busses and trucks

Production capacity:
5 th. units

SamAuto

Medium Busses

7 meter SAZ NP 37/21, HC 40



8 meter LE 60 and HD 50



Medium trucks and special vehicle

Isuzu NQR 71 PL and FTR
2.5 ton up to 8 ton



Heavy trucks and busses

Production capacity:
5 th. units

MAN Auto Uzbekistan Tractors and dump trucks

Models: TGS и CLA
Load capacity : 10 - 40 tons



City and intercity busses MAN A22 (CNG), Coach RR2 (Diesel)



UzAuto Trailer Trailer production



Heavy duty trucks KAMAZ

Load capacity : 10 - 40 tons



UzAuto production facilities and auto parts manufacturers UzAuto

- more than 40 big auto parts producers;
- more than 2 000 types of auto parts production;
- annual turnover of more than 860 mln. USD;
- localization level up to 80%;
- GM approved supplier base;
- high quality and management control systems (GMS, 5S, Kaizen).

UzAuto production facilities

- **Asaka city:**
GM Uzbekistan - passenger cars
- **Khorezm city:**
GM Uzbekistan Khorezm - MPV production
- **Djizakh city:**
UZPCA, LCV production

- **Samarqand city:**
 1. **SamAuto** - medium sized trucks and buses;
 2. **MANAuto Uzbekistan** - heavy duty trucks and 12m buses;
 3. **UzAutoTrailer** - trailers and heavy duty trucks

GM Powertrain	Engines
Avtosanoat Cepla	Polymer compounds
Uzauto-Inzi	Aluminum parts
Kwangjin Autosystems	Window regulators
Toshafus	Fuel pumps
East Butterfly	Passenger car trailers

Uz-Chasys	Lighting systems
Avtosanoat Plast	Plastic parts

Uz-Koram	Bumpers & IP
Uz-Tong Hong	Seats
Uz-DongJu	Paint & rubber parts
Uz-Dong Yang	Interior parts
Uz-Saemyung	Fuel tanks & stamping parts
Uz-Dongwon	Exhaust system
UzKoje	Wiring harnesses
UzEraeClimate Control	Radiators, HVAC
UzAuto-Austem	Steel wheels
Uz-Hanwoo	Insulation parts
Avtokomponent	Pipes & mufflers
Idas Electronics	CD/MP3 players

Ferae	Small stamping parts
Avtooyna	Automobile glasses
Fergana Auto Glass	Capsulated glasses
Uz-Hanwoo Engineering	Tools/molds
Uz-Dong Yang Fergana	Interior parts
Uz-Sungwoo	Stamping parts
Avtosanoat-Component	Stamping parts

DAZ	Batteries
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Hapo	Stamping parts
Avtoseats	Seats
Avtointeryer Horazm	Interior parts
Horazm Baraka Avto	Exhaust System
Hozarasp Avto	Stamping Parts
Pitnak Plast	Bumpers & IP

UzEraeCable	Automobile Wires
UzEraeAlternator	Alternators & Compressors
UzMinda	Clusters & Security Systems
Avtosanoat- Landi Renzo	CNG kits



Engine & HVAC

- Engines
- Batteries
- Alternators
- Compressors
- Radiators
- Heat exchange system
- Exhaust system

Interior

- Door trim panel
- Console & IP
- Seats
- Steering wheel
- Noise insulating materials
- Carpets
- Headliners

Exterior

- Bumpers
- Door handles
- Auto glass
- Wheel trims
- Moldings
- Quarter window glasses

Electrical Parts

- Wiring harnesses
- Lightning system
- Instrument cluster
- Electronic Watch
- Electronic sensors
- Window regulator
- CD/MP3 players

Steel parts

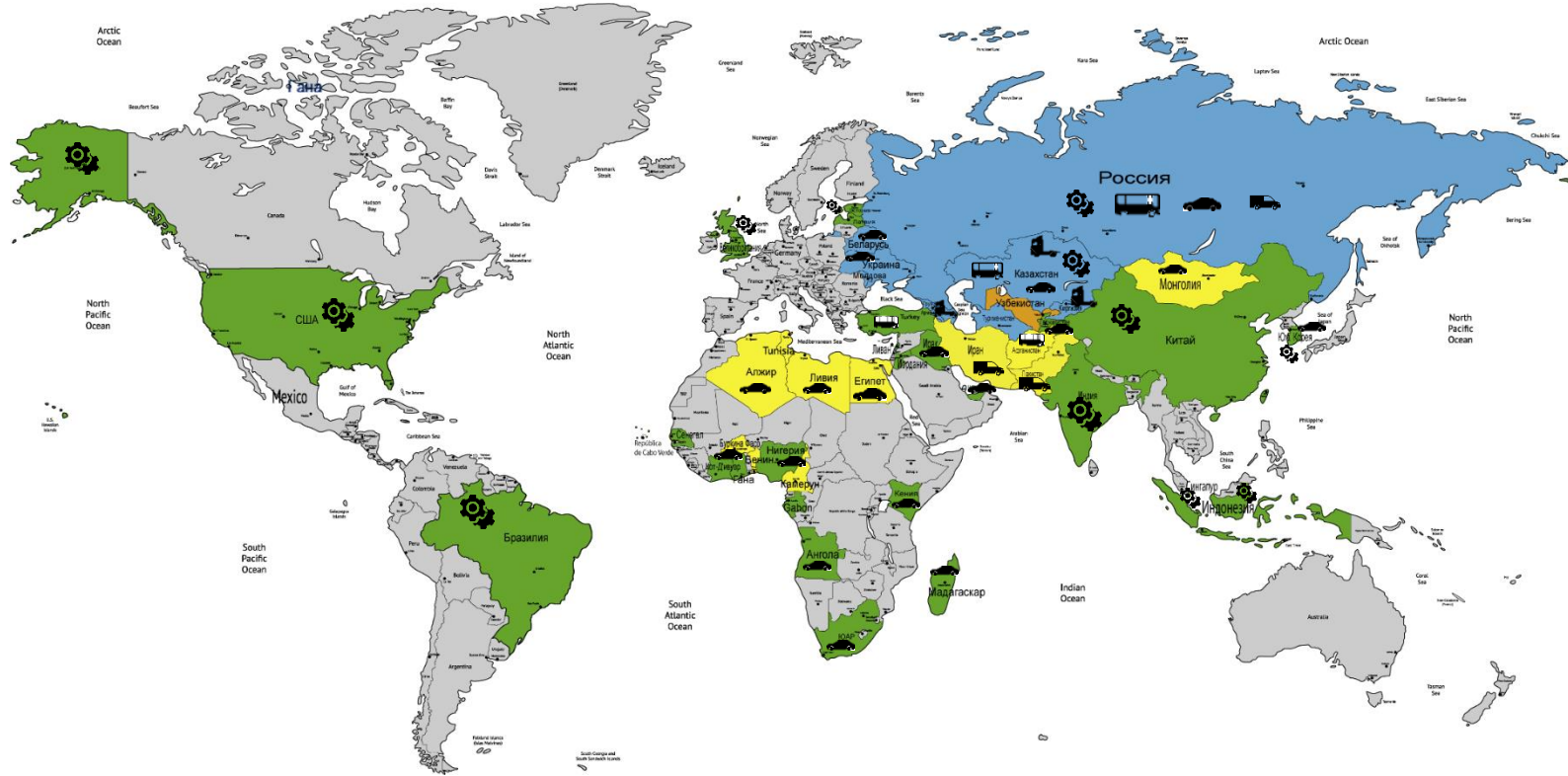
- Chassis components
- Shock beams
- Stamped parts
- Tool-making
- Steel wheels
- IP tie-bar
- Fuel tank

Base technologies

- Copper production
- Base polymers (PP/PE)
- Aluminum casting
- Paint and varnish production
- Polymer compounds
- Automobile wires
- Pipes for exhaust system



Dealer network and sales markets



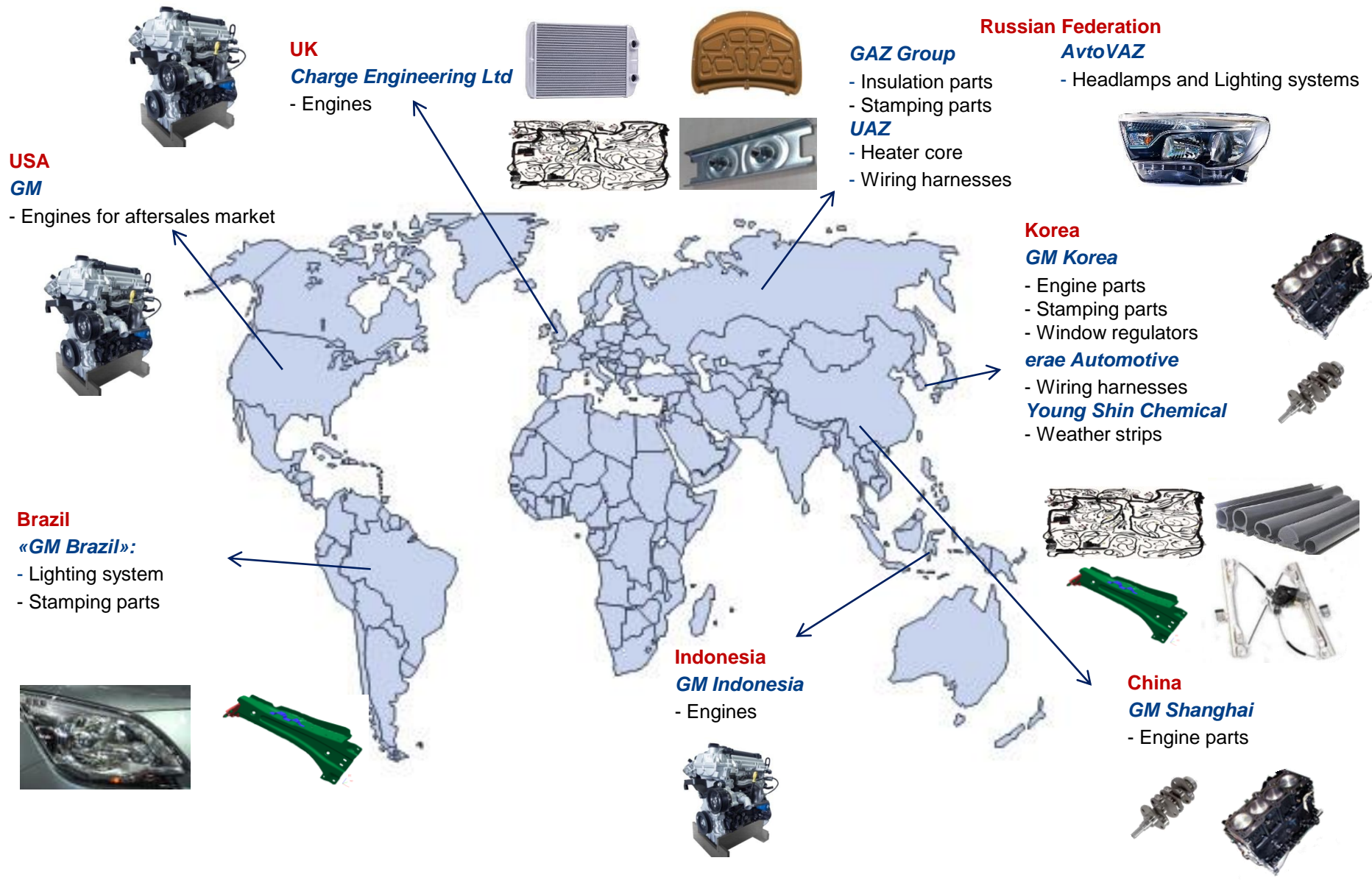
Traditional Markets
Russia
Kazakhstan
Belarus
Ukraine
Georgia
Turkmenistan
Kyrgyzstan
Azerbaijan
Armenia
Moldova

New Markets		
USA	Turkey	Estonia
Kenya	South Africa	Iraq
Indonesia	Gabon	Vietnam
Korea	Ghana	Lithuania
China	Madagascar	Germany
Lebanon	UAE	Egypt
Jordan	Côte d'Ivoire	Afghanistan
India	Nigeria	
Brazil	Senegal	
Angola	Latvia	
United Kingdom	Tajikistan	

Perspective Markets	
Benin	Iran
Libya	Tunisia
Mongolia	Pakistan
Burkina Faso	Cameroon

-  Cars
-  Buses
-  Trucks
-  Commercial Vehicles
-  Auto Components

UzAuto auto parts export map



Tax privileges on the investment to Free Economic Zones *UzAuto*

The location of Free Economic Zones of Uzbekistan



1. Navoi (Navoi region)
2. Angren (Tashkent region)
3. Djizakh (Djizakh region)
4. Khazorasp (Khorezm region)
5. Urgut (Samarkand region)
6. Kokand (Ferghana region)
7. Gijduvan (Bukhara region)

According to the Decree of the President of the Republic of Uzbekistan (#4853 and #4937), the privileges will be provided for a certain period depending on the investment volume:

- From 300 thous. USD to 3 mln. USD – for 3 years
- From 3 mln. USD to 5 mln. USD – for 5 years
- From 5 mln. USD to 10 mln. USD – for 7 years
- Over 10 mln. USD – for 10 years*

The exempted taxes are:

- Land tax (depends on the area);
- Property tax (3,5%);
- Income tax (8%);
- Road fund (1,4%);
- Taxes on improvement and development of social infrastructure (8%);
- Single tax payment (for microfirms and small enterprises) (5%);
- Import custom payments (10-30%);
- Import VAT (20%).