



RUSNANO
Russian Corporation of Nanotechnologies

Anatoly Chubais,
CEO, RUSNANO;
Co-chairman, EU-Russia Industrialists Round Table

EU-Russia Innovation Policy Dialogue : challenges and perspectives

Finland
May 27, 2010



EU-Russia Innovation Dialogue:

Political initiatives

The 24th EU-Russia Summit (Stockholm, November 2009) has brought about Agreements in principal for the EU-Russian cooperation aiming to modernize the economy

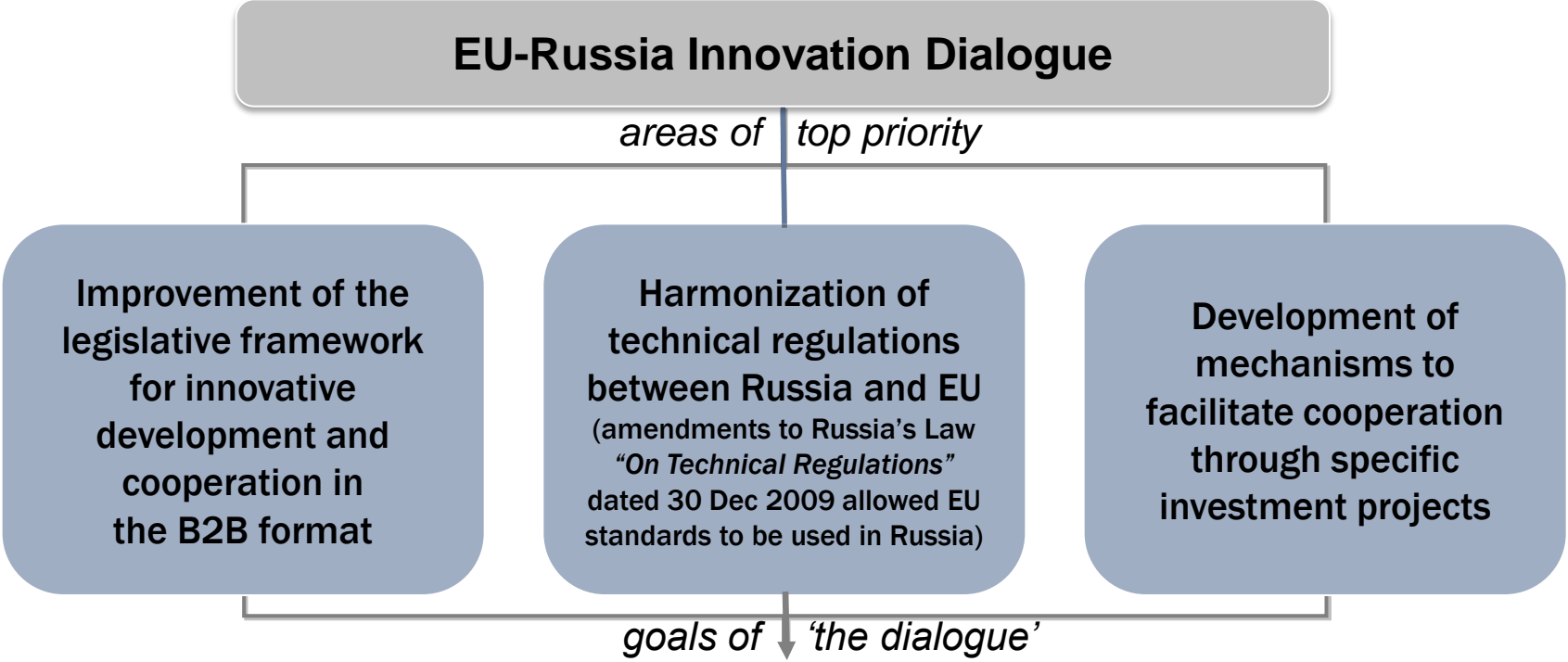
Russia's President, Dmitry Medvedev: "We will be able to find proper tools [for the innovative cooperation between Russia and EU]"

President of the European Commission, José Manuel Barroso: "We see... an opportunity to establish a Partnership for Modernization between Russia and EU"

The EU-Russia Industrialists Round Table (IRT) calls upon political leaders of Russia and EU to launch a new Innovation Dialogue.

The subject matter of the Dialogue:
Cooperation in the field of technical innovations

EU-Russia Innovation Dialogue: Directions of economic cooperation



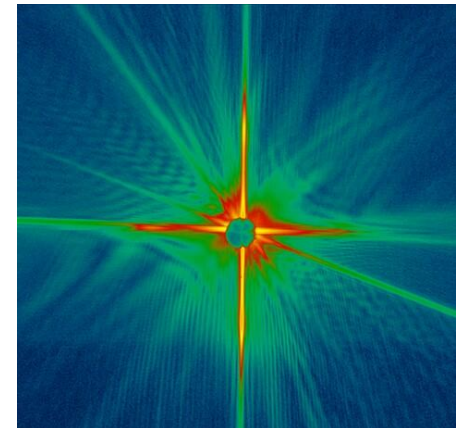
Short-term: developing joint partnerships and implementing joint investment projects

Medium-term and long-term: creating a common Russian-EU innovations market; increasing cross-border investments and high-tech trade; establishing favorable conditions for efficient dissemination of technologies

Cooperation in global investment projects: First Example

X-Ray Free Electron Laser (XFEL)

- A new international large-scale research facility currently under construction in the Hamburg area
- From 2014 on, it will generate extremely intense X-ray flashes that will be used by researchers from all over the world
- Using the X-ray flashes, scientists will be able to map the atomic details of viruses, decipher the molecular composition of cells, take three-dimensional images of the nanoworld, film chemical reactions and study the processes in the interior of planets
- Russia is one of the 14 participating countries
- The total cost of constructing is estimated at 1 bln Euro
- 250 mln Euro will be financed by RUSNANO as a representative of Russia



Cooperation in local investment projects:

First Example

27 May 2010: Joint Investment Agreement
RUSNANO and Finnish Industry Investment Ltd

Amount of financing: up to 25 mln Euro financed by each party in the proportion of 50/50

The term of agreement: 3 years (may be extended for 1-2 years)

Investment targets: nanotech companies at the early stage and the stage of expansion complying with the following criteria:

- Companies operating in Finland and applying for financing in order to develop and/or expand their operations in Russia
- Companies operating in Russia and applying for financing in order to develop and/or expand their operations in Finland
- Companies operating in other EU countries applying for financing in order to develop and/or expand their operations in Finland and Russia

Third party investors are welcome to participate in the project

A joint venture investment fund is planned to be established upon expiration of this Agreement

RUSNANO: Brief overview

- Founded in 2007
- Mission: to provide the state policy in the field of nanotechnologies
- Tasks:
 - commercialization of nanotech industry projects and innovations
 - production volume of Russian nano-enabled products by 2015 – ~ \$30 bln per year
- Areas of financing:
 - fabrication of nano-enabled products
 - scientific forecasting and road maps, standardization, certification, safety in nanotech industry
 - education, popularization

RUSNANO: Support for co-investors

Financial support

Corporate:
RUSNANO's minority share
in all projects

Credit:
Long-term and
comparatively cheap money.
Guarantee for loans

Friendly exit strategy:
Not to maximize returns
but to offset the costs



Non-financial support

Infrastructural:
Technical and investment
expertise, certification,
foresight and road maps

Managerial:
Assistance in marketing,
investment spending
supervision in the interests
of all shareholders

Administrative:
Shielding from the red tape
and corruption

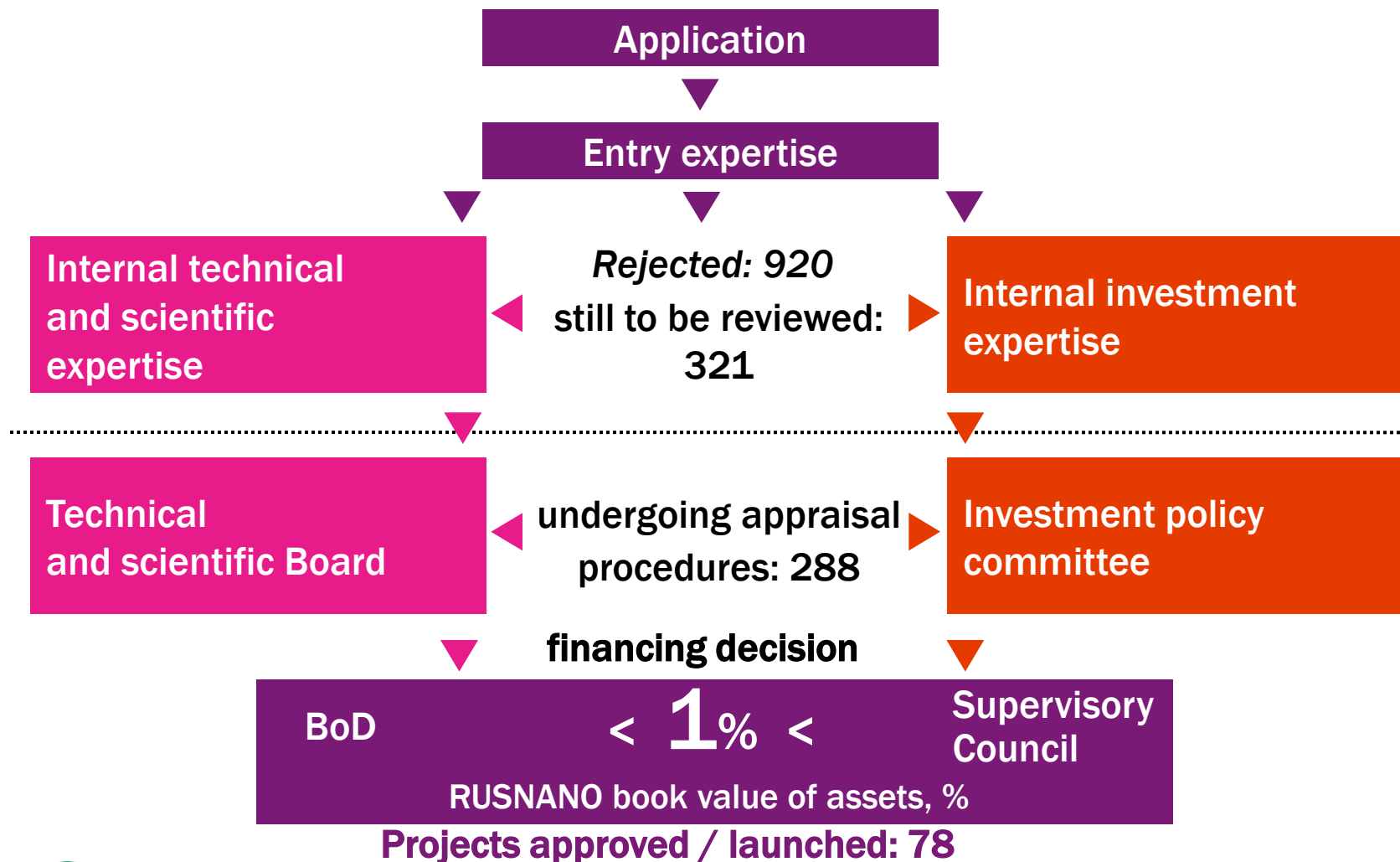
Basic condition – location in Russia

RUSNANO's key services in financing

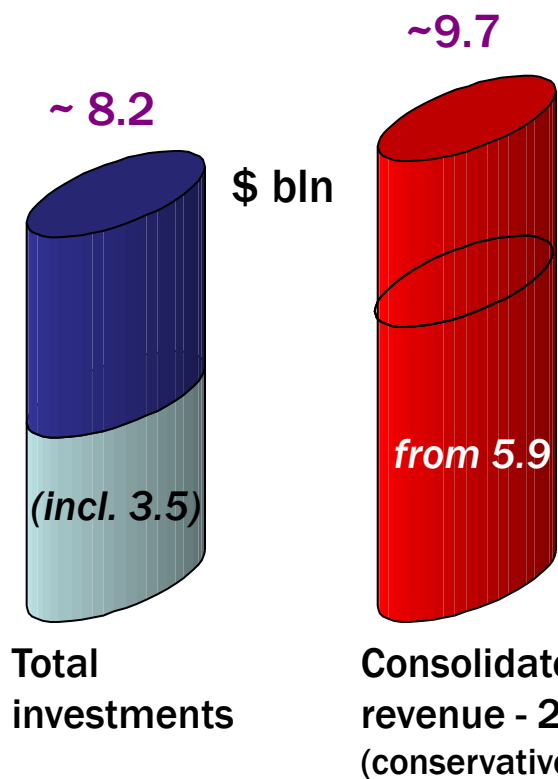
- Financing projects **at early stage** and **stage of expansion**
- Ownership participation — **no more than 50% minus 1 share**
- Loan term — **up to 10 years**

Investment Project Selection Mechanism

01.04.2008 – 14.05.2010, total applications: 1607



Investment Projects: Summary



- Approved by the Supervisory Council: **78 projects** in **27 Russian regions**
- Total investment volume: ~ **\$8.2 billion** (incl. RUSNANO's share: ~ **\$3.5 billion**)
- Consolidated revenue - 2015: **from \$5.9 billion up to \$9.7 billion** (conservative/optimistic scenario)

In Q3 2009, RUSNANO achieved the planned “project capacity” – a minimum of 15 projects per quarter. It makes our strategic task possible:

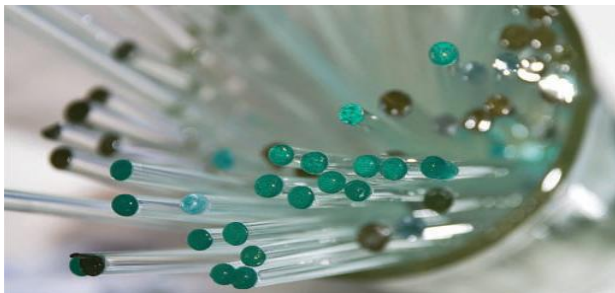
**to ensure production volume of Russian nanoindustry by 2015 –
~ \$30 billion per 1 year**

Projects' clusters

Solar energy and energy conservation



Medicine and Biotechnology



Optoelectronics and nanoelectronics



Nanostructured materials



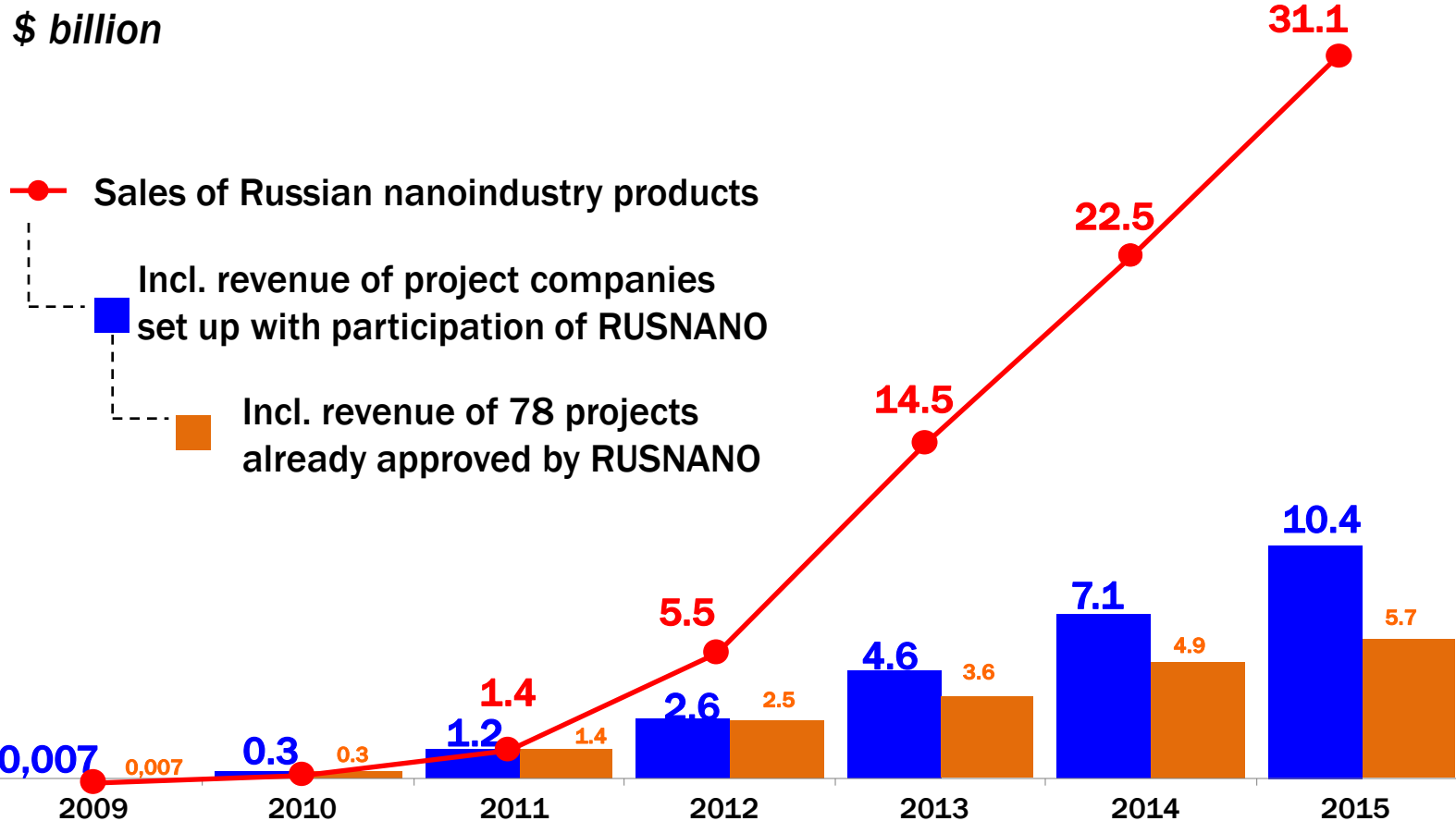
Mechanical engineering and metalwork



Infrastructure and Education



Dynamics of the Russian Nanoindustry Market: Forecast



RUSNANO welcomes opportunities to collaborate with foreign companies, governmental organizations, investment funds

We guarantee: Financial and non-financial support for co-investors

You can:

- Apply for financing of your project at www.rusnano.com
- Invest in joint project together with RUSNANO
- Further develop your technology with RUSNANO help
- Get inspired with new ideas at annual Moscow Nanotechnology International Forum (www.rusnanoforum.ru)



Basic condition – location in Russia