



Production of tooling

PROJECT

For implementation there is provided a project on manufacturing of tooling.

The project is considered promising due to the following reasons:

- It was a sustained growth of world tooling market in 2009-2013 (**CAGR = 17%**). **103 billion USD** was volume of tooling production of 28 largest country-producers in 2013.
- Industry development program in Belarus and Russia intends the construction of new plants and reconstruction of existing enterprises.
- Belarusian machine building industry includes **350 enterprises**. Russian machine building sector includes **2000 enterprises**.
- Till 2020 Russia plans to spend **130 billion USD** according to the industry development program.
- 1.6 billion USD** was an volume of tooling import to Russia in 2012. **85%** is a share of import in total consumption of tooling in Russia.
- Capex** varies between **USD 40-200 mn, IRR 15-20%**.

MARKETS

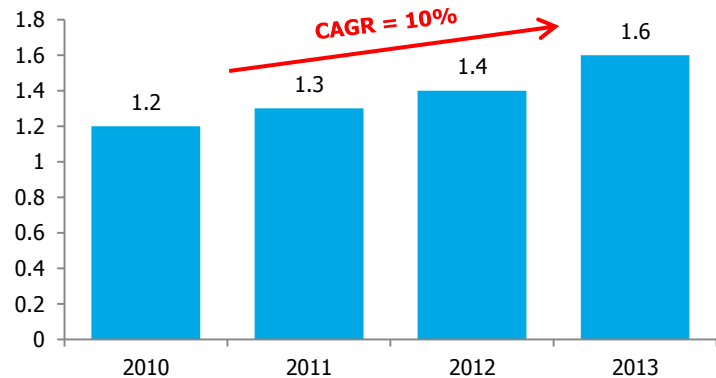
Belarusian market :

- Belarusian machine building industry includes **350 enterprises**.
- 12.7 billion USD** was a production volume of Belarusian machine building sector in 2012 (+21%).
- In Belarus only **2 plants specialize in production of tooling** (Republican Unitary Enterprise "Gomel Factory of Special Instruments and Technological Equipment" and **Minsk Special Instrument and Tecnological tooling Plant**). 60 million USD is a total production volume of both plants.

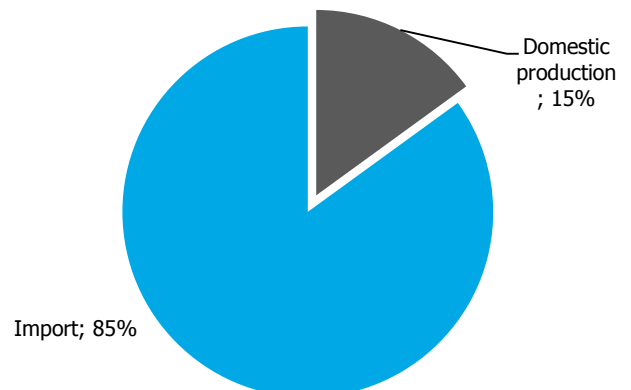
Market of Custom Union:

- 1.6 billion USD** was an volume of tooling import to Russia in 2012.
- Russian machine building sector includes **2000 enterprises**.
- 85%** is a share of import in total consumption of tooling in Russia.

Tooling consumption in Russia, billion USD



Structure of Russian tooling market



MARKET OPPORTUNITIES

Global opportunities:

- It was a sustained growth of world tooling market in 2009-2013 (**CAGR = 17%**).
- 103 billion USD** was volume of tooling production of 28 largest country-producers in 2013.
- Automobile industry (38%), machine building industry (16%), metal industry (10%)** are the largest consumers of tooling.
- Sustained growth of the world economy is a key driver of the demand for tooling.

Regional opportunities:

- Russian market is top-3 rapid growing and top-10 largest tooling market in the world.
- 1219 million USD was a volume of tooling import to Russia in 2012 (9% growth).
- Till 2020 Russia plans to spend **130 billion USD** according to the industry development program.
- Till 2020 Russia plans to spend **300 billion USD** according to the military-industrial complex development program.

Attractive segments:

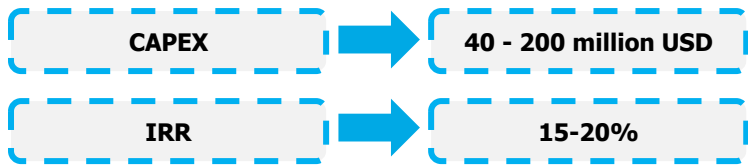
- Grinding tools, abrasive tools, press mould, monolithic and carbide tools are the most promising segments in tooling market.

POTENTIAL INVESTORS

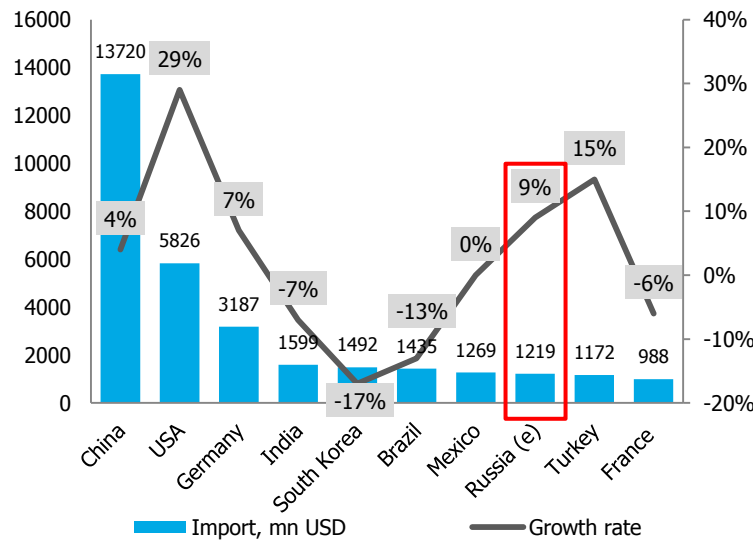
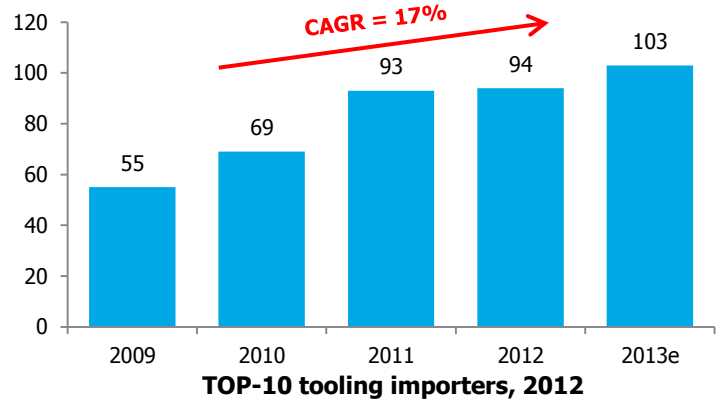
Large producers of tooling from China, Japan, South Korea, Taiwan and India.

Large companies from automobile and machine building industries which have their plants in Russia.

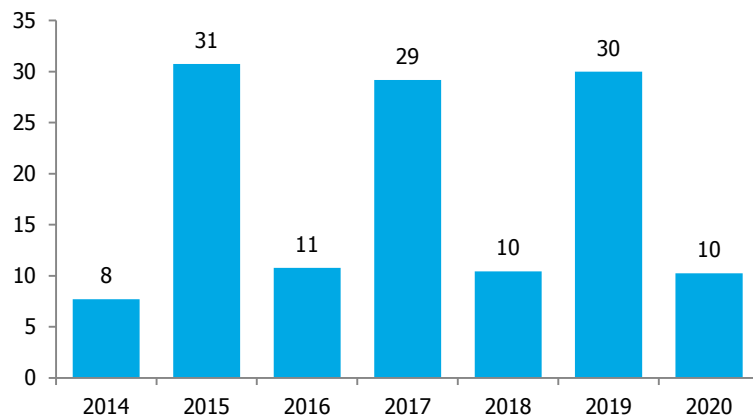
INVESTMENT OPPORTUNITIES



Tooling production in TOP-28 countries, billion USD



Budget funding according to the Russia industry development program, billion USD



Top-5 tooling consumers in Russia

