



Production of woodworking machines

PROJECT

For implementation there is provided a project on manufacturing of woodworking machines.

The project is considered promising due to the following reasons:

- **93 billion USD** was a volume of world machine tools market in 2012. **CAGR for last 5 years was 19%**. **117 billion USD** was a volume of world furniture market in 2012.
- Russia needs **50 000 new machine tools annually**. 85% is the share of import in the machine tools consumption in Russia.
- Belarusian Forestry Development program includes **modernization of wood processing enterprises**.
- Belarusian machine tools sector includes **30 enterprises**.
- Production of woodworking machines is oriented on the Custom Union market. Total import volume of woodworking machines to Russia is more than **680 million USD**.
- Band machines and circular saw machines are the most promising segments in Russian woodworking machines market.
- **Capex** varies between **USD 10-50 mn, IRR 15-20%**.

MARKETS

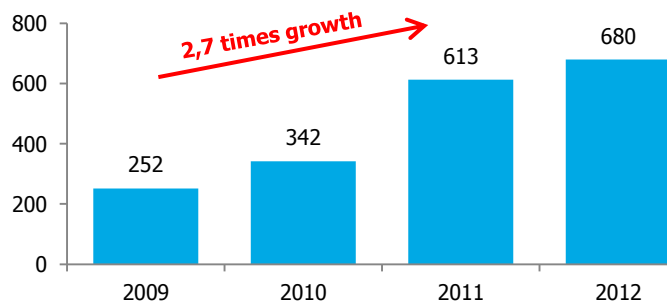
Belarusian market:

- **65 million USD** was an volume of woodworking machines import to Belarus in 2012.
- Belarusian Forestry Development program includes modernization of wood processing enterprises.

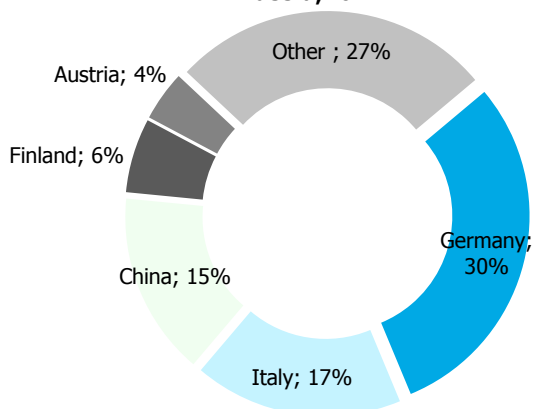
Market of Custom Union:

- **680 million USD** was an volume of woodworking machines import to Russia in 2012.
- **Germany (30%), Italy (17%), China (15%)** are the largest exporters of woodworking machines to Russian Federation.

Import of woodworking machines to Russia,
million USD



Import structure of woodworking machines to
Russia, %



MARKET OPPORTUNITIES

Global opportunities:

- **93 billion USD** was a volume of world machine tools market in 2012. CAGR for last 5 years was 19%. Experts expect further growth of the machine tool market at 8.6% per year till 2017.
- **117 billion USD** was a volume of world furniture market in 2012.

Regional opportunities:

- **Russian Federation** is reckoned among **top ten largest importers of machine tools**. 3% is a share of Russian market in global machine tool market.
- Russia needs **50 000 new machine tools annually**. 85% is the share of import in the machine tools consumption in Russia.
- **4 163 woodworking machines** were produced in Russia in 2012 (21% growth).
- Till 2020 Russia plans to spend **130 billion USD** according to the industry development program.
- **12 billion USD** was a volume of Russian furniture market in 2012. Объем продаж мебели CAGR for last 5 years was 4%.

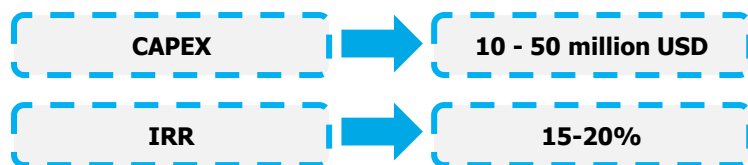
Attractive segments:

- Band machines and circular saw machines are the most promising segments in Russian woodworking machines market.

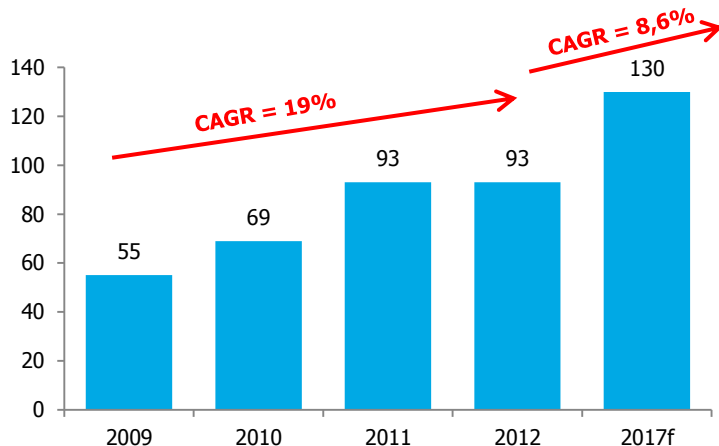
POTENTIAL INVESTORS

Large producers of woodworking machines from China, Japan, South Korea, Taiwan and Europe.

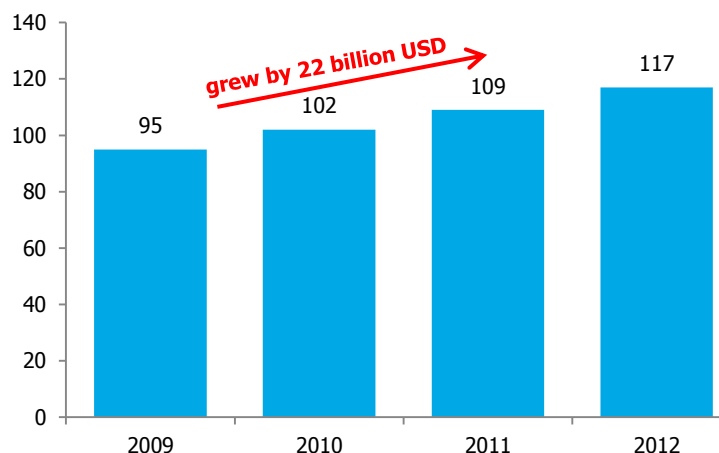
INVESTMENT OPPORTUNITIES



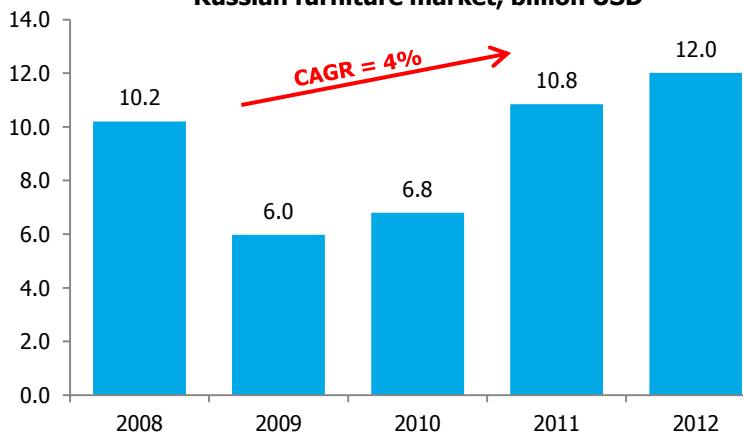
World machine tools market, billion USD



Global furniture market, billion USD



Russian furniture market, billion USD



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

