



RUSSIA AT A GLANCE

- THE LARGEST COUNTRY IN THE WORLD
(9 TIME ZONES)
- TERRITORY: 17,075 SQ. KILOMETRES
- POPULATION: 144 MIL. PEOPLE
(WORLD'S 9TH)
- ECONOMY: 10TH LARGEST
- GDP TOTAL \$3.473 TRILLION
 PER CAPITA \$23,744
- RELIGION 77% CHRISTIANS
 12% MUSLIMS



POPULAR TOURIST DESTINATION

- 25, 4 MILLION FOREIGN TOURISTS VISITED THE RUSSIAN FEDERATION IN 2014
- 23 UNESCO WORLD HERITAGE SITES
- 40 UNESCO BIOSPHERE RESERVES
- 41 NATIONAL PARKS AND 101 NATURE RESERVES
- HISTORIC CAPITALAS - MOSCOW AND ST. PETERSBURG
- THE GOLDEN RING
- TRANS-SIBERIAN RAILWAY



GLIMPSE OF THE INDUSTRY “BEFORE”

- TREND TO GO ABROAD: IN 2013, NEARLY 40 MILLION RUSSIANS TRAVELED OVERSEAS
- RUSSIANS WERE ESTIMATED AS THE WORLD'S SECOND FASTEST GROWING TOURISM SEGMENT
- RUSSIANS SPENT \$12 BILLION IN 2013 TO BUY PROPERTY ABROAD
- IN 2013, RUSSIA SPENT \$53.5 BILLION ON INTERNATIONAL TOURISM
- GET THE MONEY BACK: DOMESTIC TOURISM HAS BECOME A FOCUS AREA FOR THE RUSSIAN GOVERNMENT



FEDERAL SUPPORT PROGRAMS

- DOMESTIC AND INBOUND TOURISM DEVELOPMENT (2011-2018)
- SIX-FOLD INCREASE OF INBOUND BY 2018
- 150% INCREASE IN DOMESTIC TOURISM
- FINANCIAL AID TO DEVELOP TOURISM CLUSTERS



Federal Agency
for Tourism
Ministry of Culture
of the Russian Federation





GLOBAL EVENTS IN RUSSIA





GLIMPSE OF THE INDUSTRY “AFTER”

- SIGNIFICANT IMPROVEMENT OF SITUATION IN TOURISM SPORT AND HOSPITALITY SECTORS IN RUSSIA
- 30% GROWTH OF DOMESTIC TOURISM IN 2014
- IN 2014 OVER 5 MILLION TOURISTS VISITED SOCHI
- IN 2015 RUSSIA IS 45TH OUT OF THE 141 COUNTRIES SURVEYED (TRAVEL & TOURISM COMPETITIVENESS INDEX)



OIL AND SANCTIONS

- SIGNIFICANT DECREASE OF WESTERN INVESTMENT
- RUBLE DEPRECIATION
- RECESSION, NEGATIVE GDP
- PERSONS AND ENTITIES UNDER RESTRICTIVE MEASURES
- DECREASED OUTBOUND TOURIST FLOW



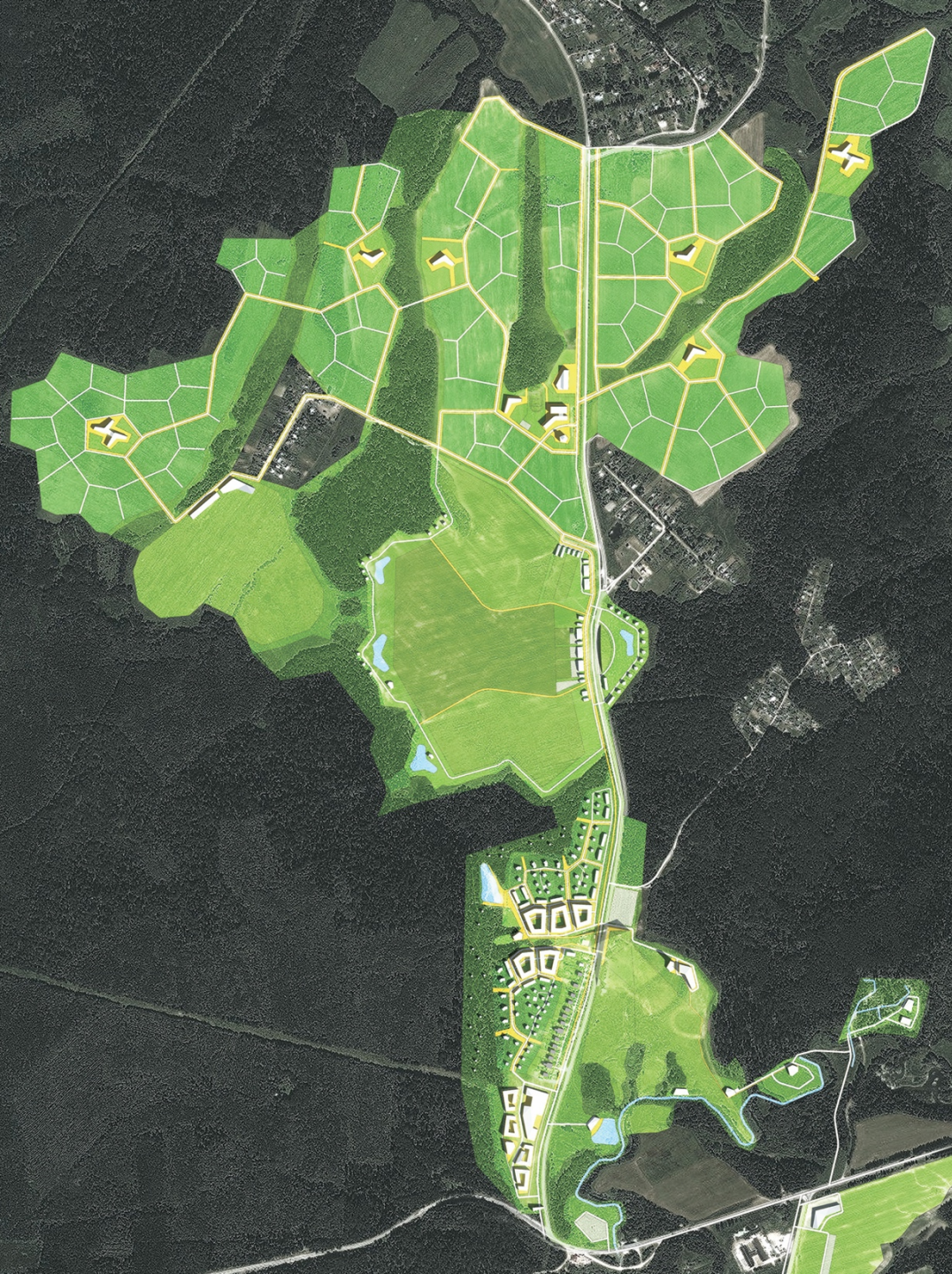
MOSCOW AND THE MOSCOW REGION

- MAIN CENTERS OF ATTRACTION FOR PEOPLE FROM ALL OVER RUSSIA AND FORMER USSR
- MAIN FINANCIAL CENTER
(90% OF FINANCIAL FLOWS)
- BILLIONAIRES' 2 ND WORLD'S LOCATION IN 2014
- THE MAJOR CENTER OF CULTURE, TOURISM AND SPORTS
- MOST OF INVESTMENT STARTS HERE
- UNIQUE SITUATION IN THE PROPERTY MARKET. HIGH PROFITABILITY INVESTMENT WITH UNIQUE PROJECTS



PRIORITIES

- FINANCIAL & BUSINESS SERVICES
- HOSPITALITY, LEISURE & SPORT
- NEW ECONOMY INDUSTRIAL ZONES
- SCIENCE PARK, INDUSTRIAL PARK
- TRANSPORT INFRASTRUCTURE

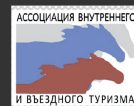


DMITROV ALPS

TOURIST AND RECREATIONAL
COMPLEX NEAR MOSCOW



MOSCOW REGION
GOVERNMENT



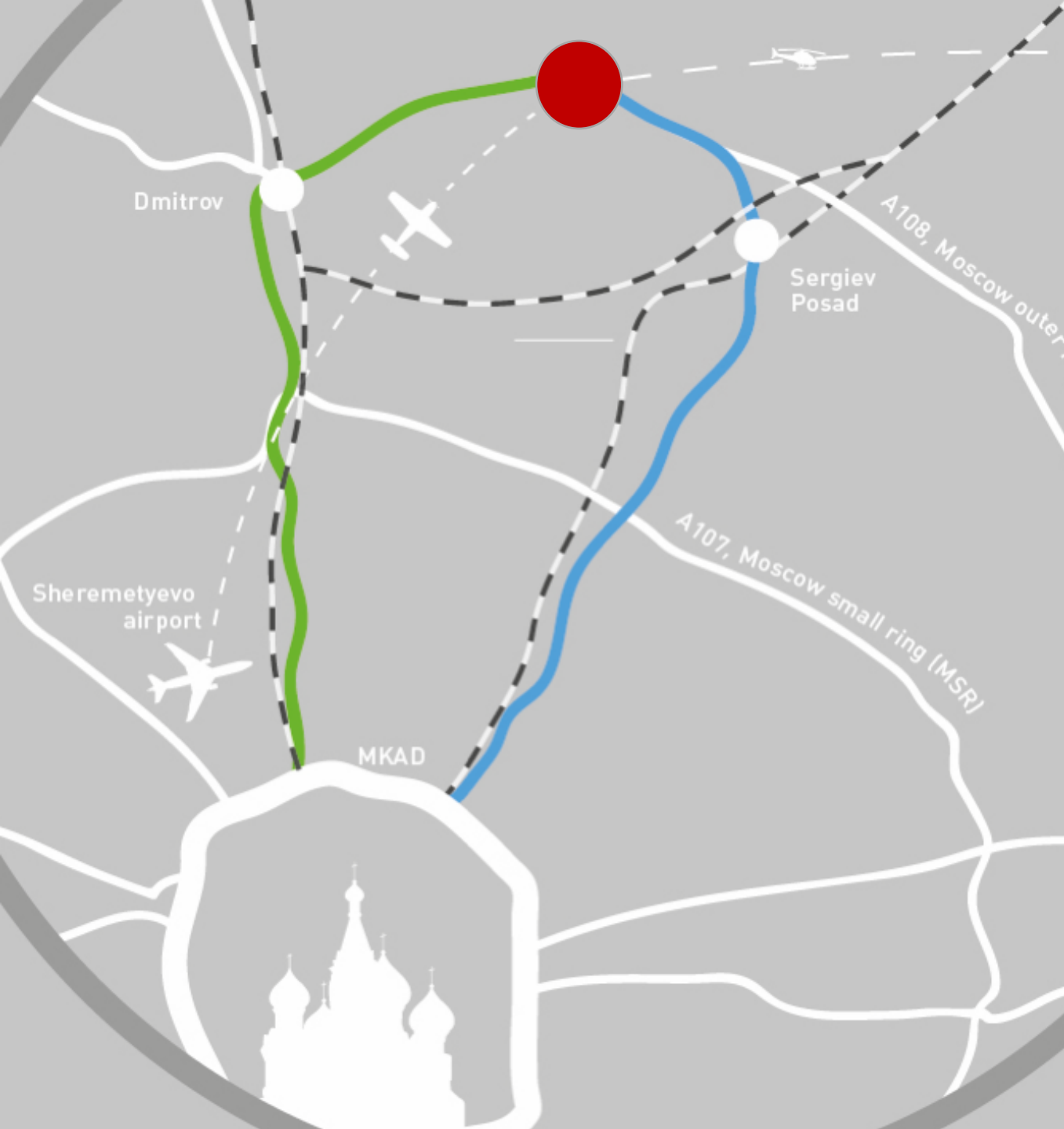
THE ASSOCIATION
OF RUSSIAN DOMESTIC
TOURISM



BUSINESS COUNCIL
FOR COOPERATION
WITH INDONESIA

LINGUISTIC
CENTER

HEAD LINGUISTIC CENTER

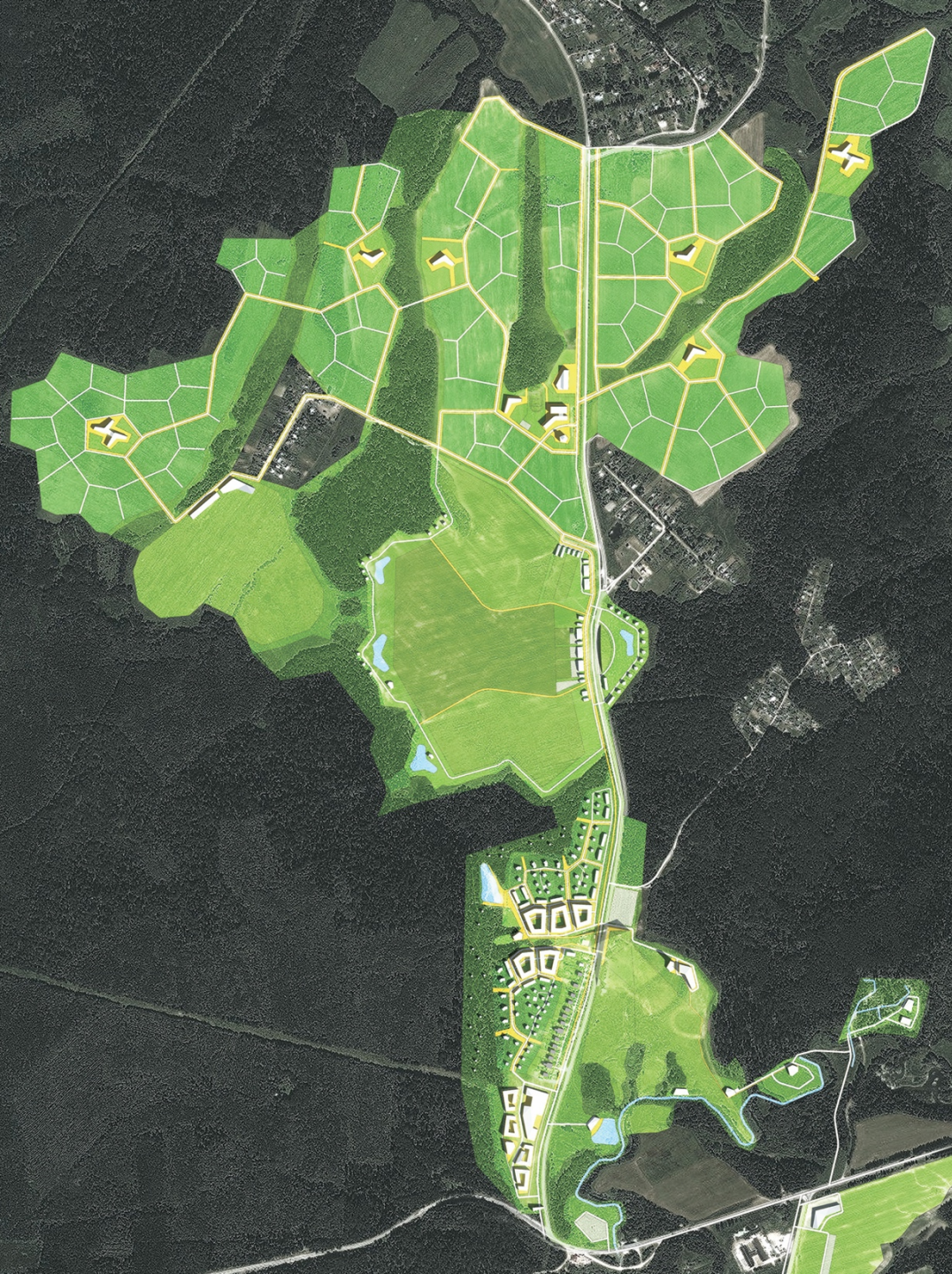


PROJECT LOCATION

- MOSCOW 72 KM.
- AIRPORT 50 KM.
- DMITROV 22 KM.
- SERGIEV POSAD 23 KM.

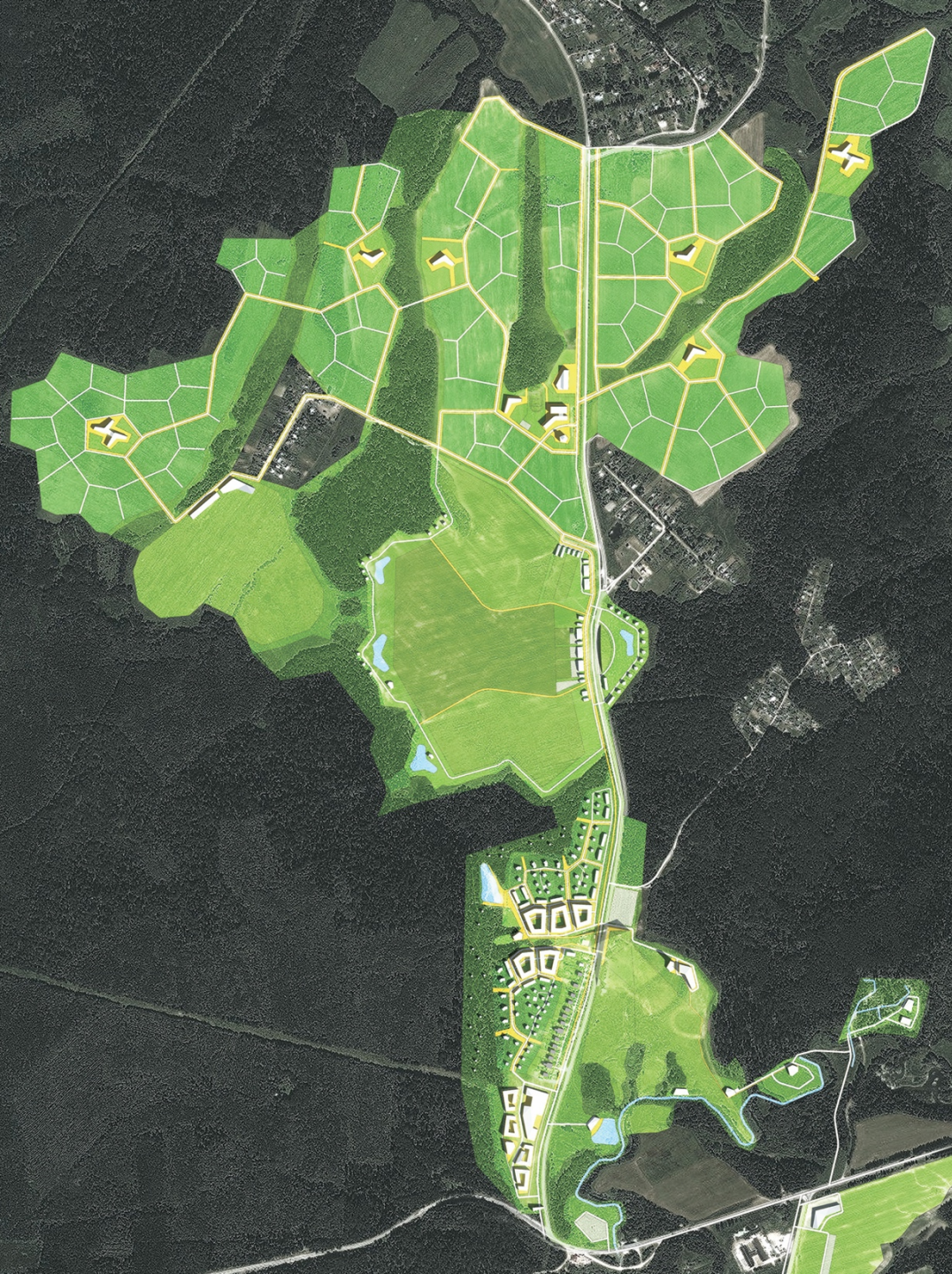
CURRENT SITUATION IN THE HOSPITALITY MARKET

- ONLY 5% OF HOTELS MEET THE INTERNATIONAL STANDARDS
- 22 THOUSAND OF NEW ROOMS SHOULD BE BUILT BY 2020
- GROWTH OF TOURISM REVENUES UP TO 25-40% PER YEAR



ELEMENTS OF THE PROJECT

- **SKI SLOPE**
5 SLOPES VARYING DIFFICULTY
THE LONGEST HILLS IN THE MOSCOW REGION
- **HOTELS**
SKI HOTEL (300) SPA HOTEL (50) LINGVO HOTEL (100)
- **COTTAGES**
500 HOUSES AND TOWNHOUSES
- **EXTRA**
SCHOOL & KINDERGARTEN
SHOPS & ECO FARM
HELIPORT



MAIN PROJECT PARTICIPANTS



MOSCOW REGION
GOVERNMENT



THE ASSOCIATION
OF RUSSIAN DOMESTIC
TOURISM



BUSINESS COUNCIL
FOR COOPERATION
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LINGUISTIC
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PROJECT SCHEDULE

2015

2016

RECEIVED ALL APPROVALS

START OF CONSTRUCTION WORKS

2018

2020

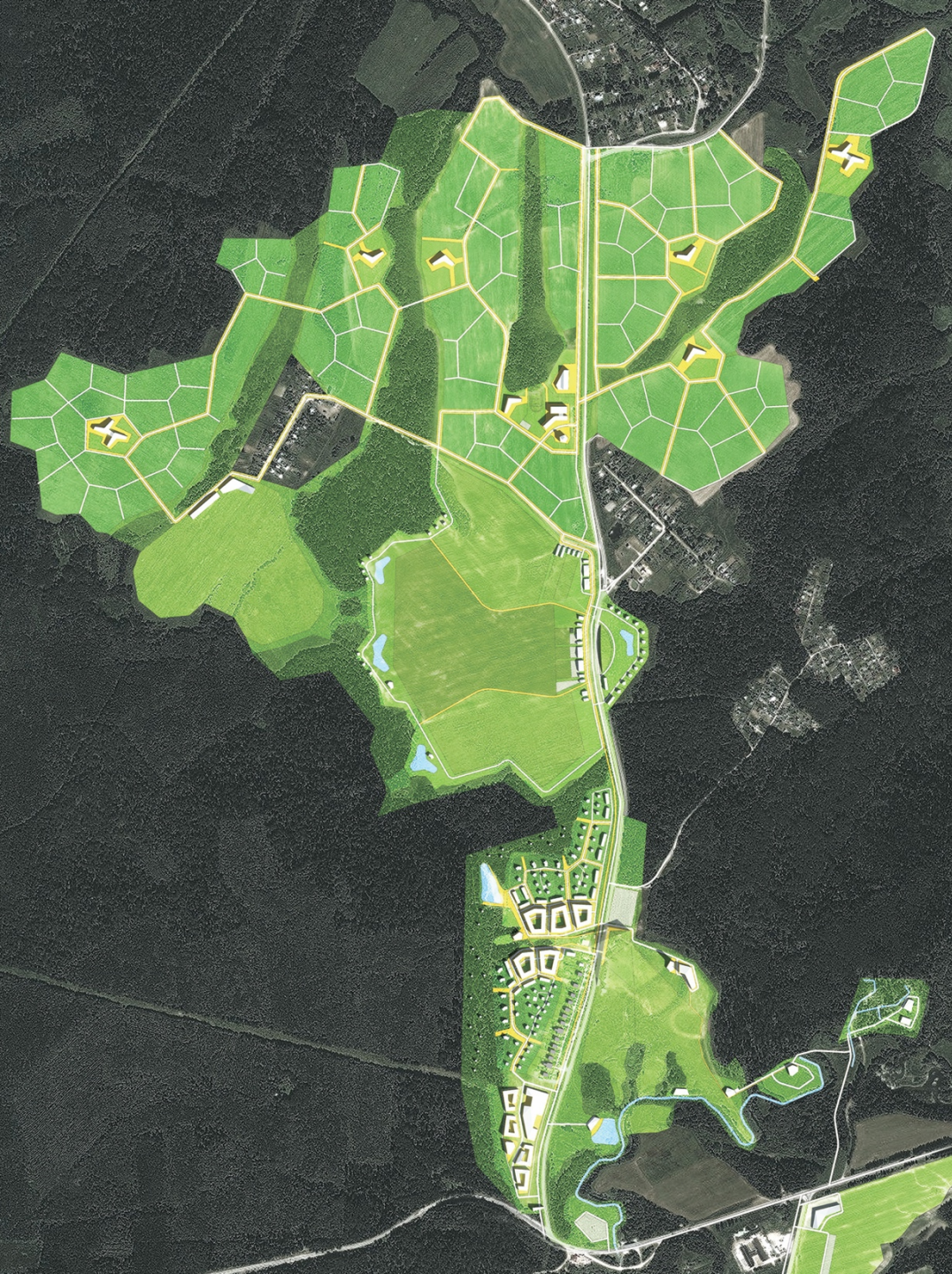
STAGE 1

STAGE 2



LINGVO CENTRE

- RUSSIAN AS A FOREIGN LANGUAGE PROGRAM
- 58 LANGUAGE CENTERS EXPECTED TO BE BUILT THROUGHOUT THE COUNTRY
- THE MAIN CENTER WILL BE PLACED IN OUR PROJECT
- PROGRAMS: LANGUAGE TOURISM, RUSSIAN FOR BEGINNER; RUSSIAN FOR PROFESSIONAL AND EXECUTIVES
- PROJECT SUPPORTED ON THE STATE LEVEL



THE KEY SUCCESS FACTORS

- UNIQUE PROJECT INFRASTRUCTURE FOR THE MOSCOW REGION
- THE FRACTIONAL SALES MODEL
- HIGH-QUALITY, ECO-FRIENDLY AND ENERGY-EFFICIENT HOUSE

THE BUSINESS MODEL (MLN. \$)

■ THE TOTAL PROJECT COST	20
■ NET TERMINAL VALUE	27
■ NET PRESENT VALUE OF THE PROJECT	11
■ INTERNAL RATE OF RETURN, %	36 %
■ PAYBACK PERIOD, MONTHS	39
■ PROJECT'S PROFIT	33