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INVESTMENT OPPORTUNITIES OF ELECTROTECHNICAL INDUSTRY OF THE REPUBLIC OF UZBEKISTAN

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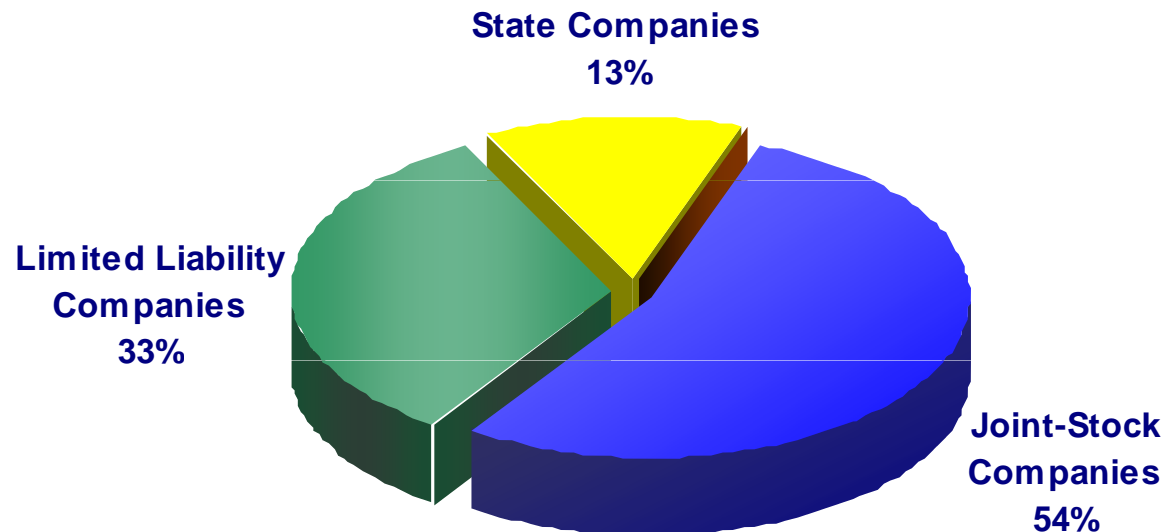
“UZELTEHSANOAT”



Uzbekistan Association of Radio-electronics, Electro-technical and Instrumentation Enterprises “UZELTEHSANOAT” was established in 1994



Ownership forms of the “UZELTEHSANOAT” Companies



PRODUCTION STRUCTURE OF THE COMPANIES OF “UZELTEHSANOAT”



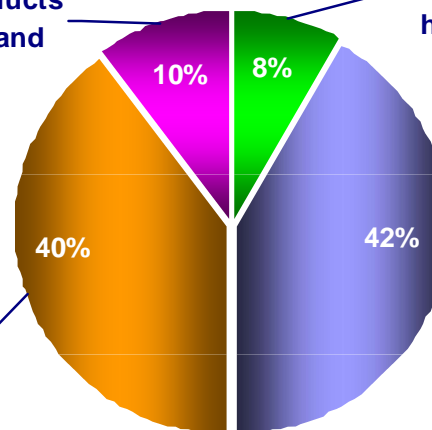
Consumer
electronics and
home appliances



Electronic products
of daily demand



Cable and wire
products



Industrial and
technological
products



COMPANIES OF “UZELTEHSANOAT”

Cable and wire products:

- JSC JV “Deutsche Kabel AG Tashkent”
- JSC JV “Uzcable”
- JSC JV “Andijancable”

Low and high voltage equipment:

- JSC JV “Uzelectroapparat-Electroshield”
- JSC “Relay and Automatics”

Electro-technical and telecommunication products:

- JSC “Foton”
- JSC “Algoritm”
- JSC “Oniks”
- JV “UMT-Radio”
- JV “Uzglaszayden”
- SRI “Microelektronika”
- SPC “Kvark”
- EKB “Foton”
- LLC “RTO VT”
- LLC “Elxolding” & JSC “Kinap”



COMPANIES OF “UZELTEHSANOAT”



Power transformers, electrical products and elevators:

- JSC JV “Chirchik Transformer Plant”
- JSC “Uzelektroterm”
- JSC “Kokand teh-invest”
- JSC “Anzis”
- JSC “Samarkand Elevator Plant”



Consumer electronics and home appliances:

- JSC “Sino”
- JSC “Algoritm”
- JSC “Zenit Electronics”
- JV “Idas Electronics System”



Service companies:

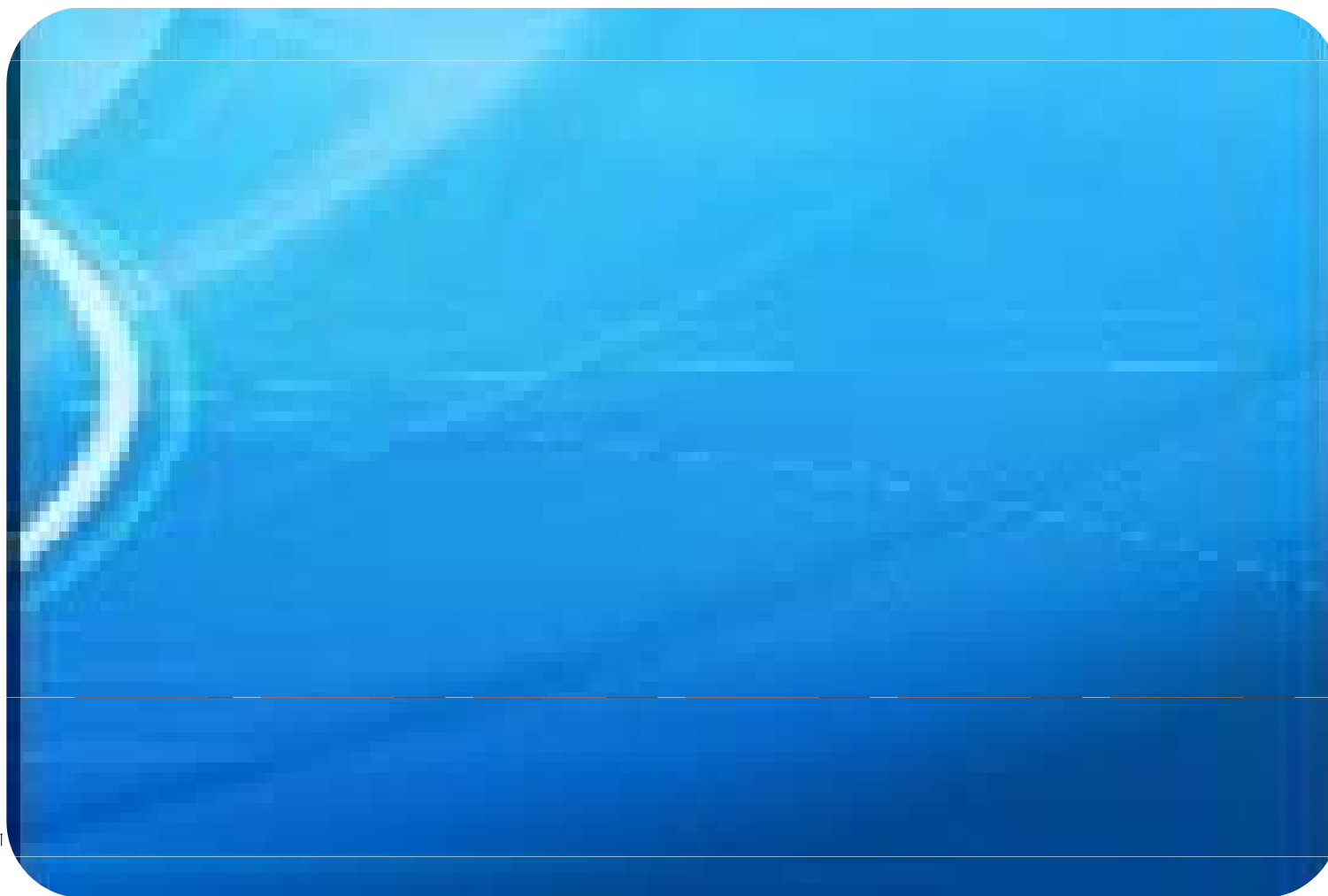
- LLC “Elektroremont”
- LLC “Elektronika”



PRODUCTION GROWTH IN 2003-2008



EXPORT GROWTH IN 2003-2008



CONDITIONS FOR PRODUCTION DEVELOPMENT



+ Convenient geographical location of Uzbekistan in Central Asia with population more than 26,5 million

+ Quantity of households is more than 5,4 million families. About 250 thousand new households are created annually.

+ The region is rich with natural resources



+ Well developed industrial potential and inexpensive qualified human resources

+ Consumer electronics and home appliances market practically have not been yet possessed by local producers. Presence of huge demand for home appliances with well-known brands



+ Government of Uzbekistan provides a wide range of privileges and preferences for investors who produce consumer commodities and components for them

DEMAND FOR ELECTRONICS AND HOME APPLIANCES IN LOCAL MARKET



№	Products	Exist in 100 families 2008 <i>pcs</i>	Approx. quantity of appliances in families <i>thousand pcs</i>	Approx. period of substitu- tion, <i>years</i>	Rated annual demand taking into account new created families <i>thousand pcs</i>			
					2009	2010	2011	2012
1	Refrigerators and freezers	82	4428	12	370	377	385	393
2	TV-sets	98	5292	10	530	541	551	562
3	Computers	51	2776	3	930	949	968	987
4	DVD, CD-players	59	3159	5	630	643	655	669
5	Washing machines	55	2970	12	250	255	260	265
6	Air-conditioners	26	1404	7	200	204	208	212
7	Stationary and mobile phones	290	15660	2	3900	3950	4030	4110
8	Kitchen appliances	28	1512	5	150	153	156	159
9	Vacuum cleaners	20	1080	8	300	306	312	318

DEMAND FOR ELECTRONICS AND HOME APPLIANCES IN LOCAL MARKET



№	Products	Provision of 100 families in 2008, <i>pcs</i>	Rated quantity of appliances in families, <i>thousand pcs</i>	Period of substitu- tion, <i>Years</i>	Rated annual demand taking into account new created families, <i>thousand pcs</i>			
					2009	2010	2011	2012
10	Electric heaters	20	1080	5	100	102	104	106
11	Gas and electric stoves	98	5292	15	70	71	73	74
12	Microwave ovens	7	378	7	150	153	156	159
Number of Households - 5,4 mln.								
Approximate number of annually created new families – 248 thousand								
60% families (3,24 mln.) live in rural area, 40% families (2,16 mln.) are urban population								
Annual population growth rate - 2 %								

PRODUCTION OF CONSUMER ELECTRONICS AND HOME APPLIANCES



№	Products	Total Quantity	Production by enterprises			
			JSC "Zenith"	JSC "Sino"	JSC "Algoritm" & "Roison Electronics"	JSC "Foton"
1	TV (CRT & LCD)	265,5	45,5	-	217,4	2,6
2	Refrigerators and freezers	18,5	-	6,2	12,3	-
3	Air Conditioners	46,4	19,8	1,2	25,4	-
4	CD, MP3 & DVD Players	17,8	3,1	-	14,7	-



DEVELOPMENT STRATEGY FOR ELECTROTECHNICAL INDUSTRY FOR THE PERIOD 2009-2012

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ELECTROTECHNICAL INDUSTRY DEVELOPMENT STRATEGY



- ✚ At present the draft of the Electrotechnical Industry Development Strategy till 2012 has been prepared and submitted to the Government for endorsement.
- ✚ The major purpose of the Strategy is a creation of new enterprises and modernization of technological equipment for production of high-quality consumer electronics and home appliances.
- ✚ The Strategy aims at attracting to the country leading world-wide producers of consumer electronics and home appliances.
- ✚ Companies included in the Strategy will be provided with tax and customs privileges and preferences.

MAIN DIRECTIONS OF THE STRATEGY



+ Production of Electro-technical consumer products (refrigerators, TV-sets, computers, washing machines, gas and electric stoves and others)



+ Production of Cable and semi-conductor products (wires, LAN-cables, communication cables, high-voltage cables, isolated wires, household wires)



+ Production of Industrial and technological products (transformers, elevators, low-voltage equipment, photo-electric stations, electrical heaters)

+ Production of Electro-technical products of daily demand (lighting devices, high-quality ware, paints, wiring products)

PRIVILEGES AND PREFERENCES PROVIDED BY ELECTROTECHNICAL INDUSTRY DEVELOPMENT STRATEGY

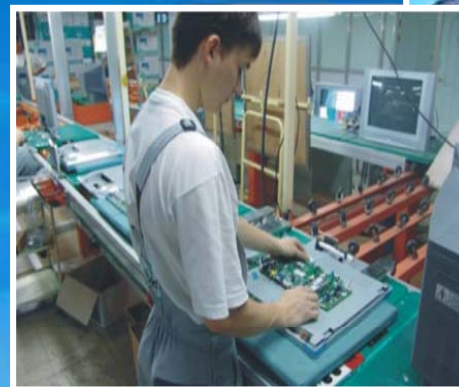
**Companies with projects included in the
Electrotechnical Industry Development Strategy
are exempted from:**



 **customs duties for importing equipments,
parts and components for manufacturing
products**

 **income tax**

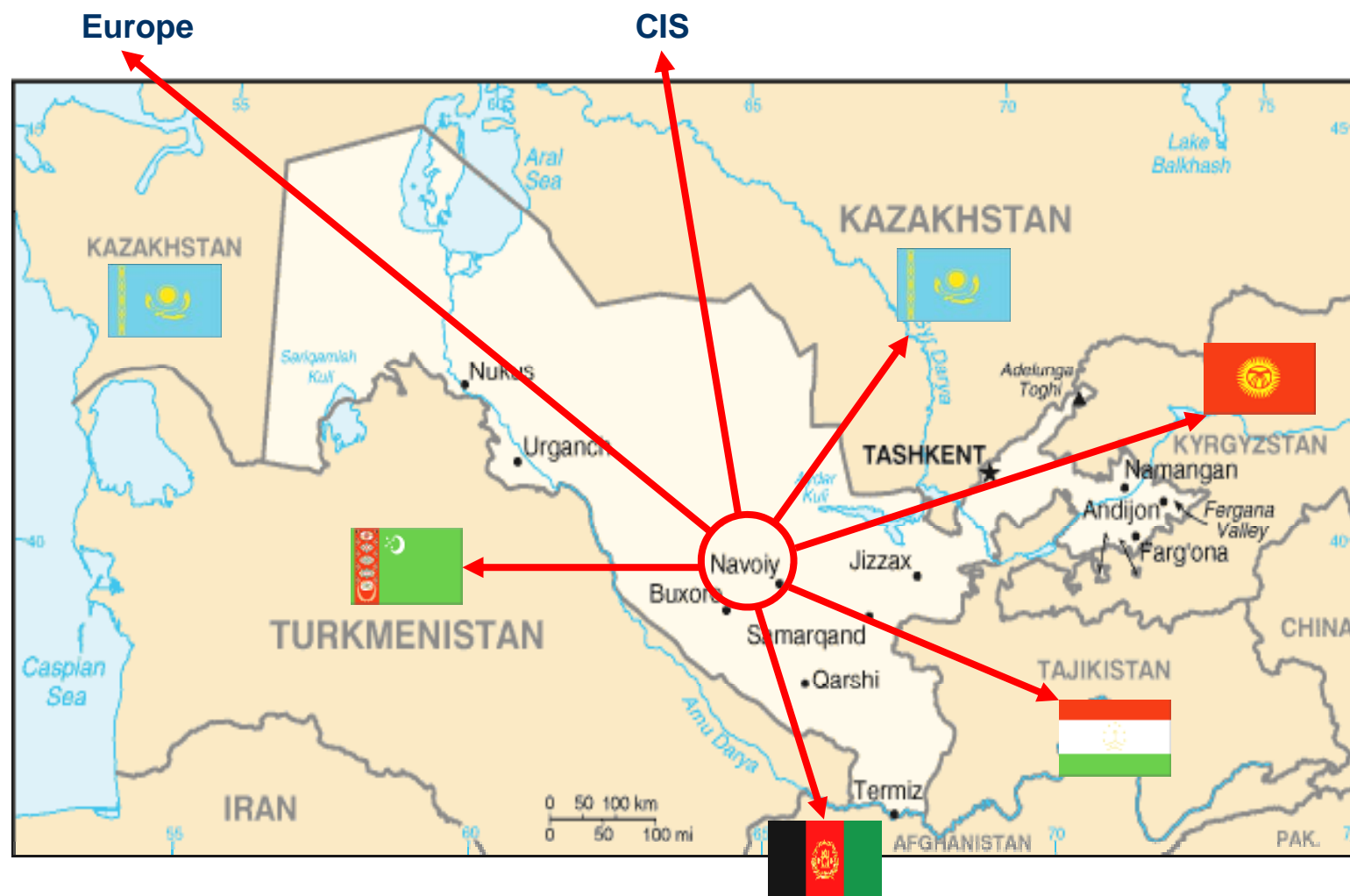
 **property and land taxes**



PERSPECTIVE INVESTMENT PROJECTS

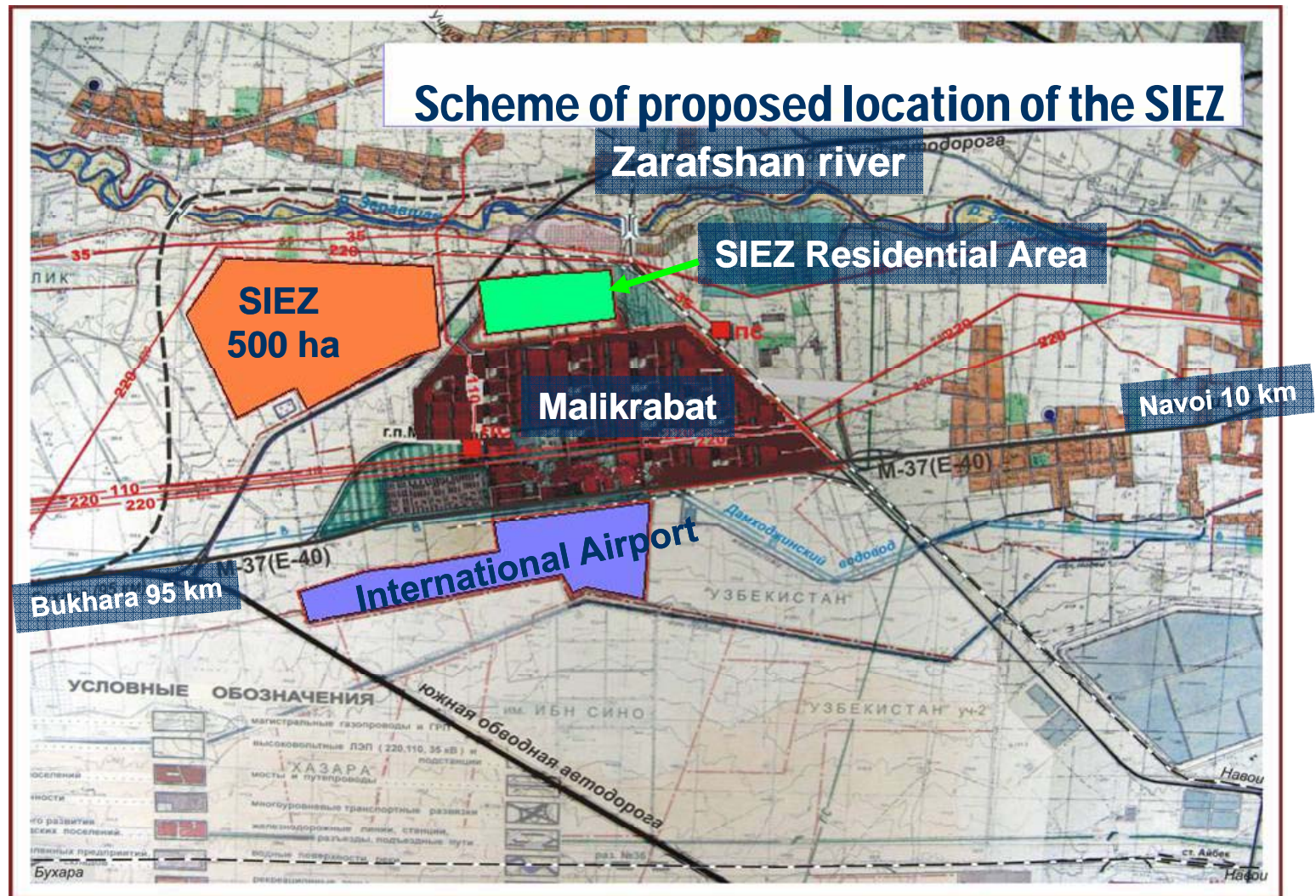
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EXPORT OPPORTUNITIES



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SIEZ INFRASTRUCTURE





**WE ARE READY FOR
COOPERATION WITH YOU!
THANK YOU FOR ATTENTION!**

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