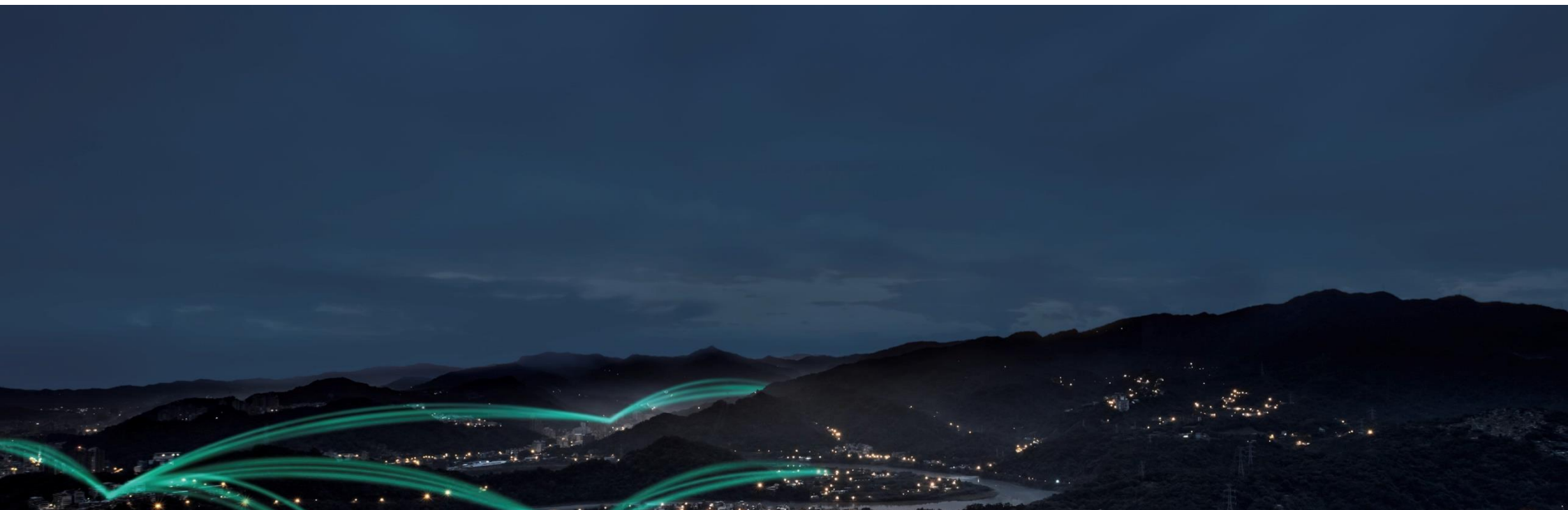
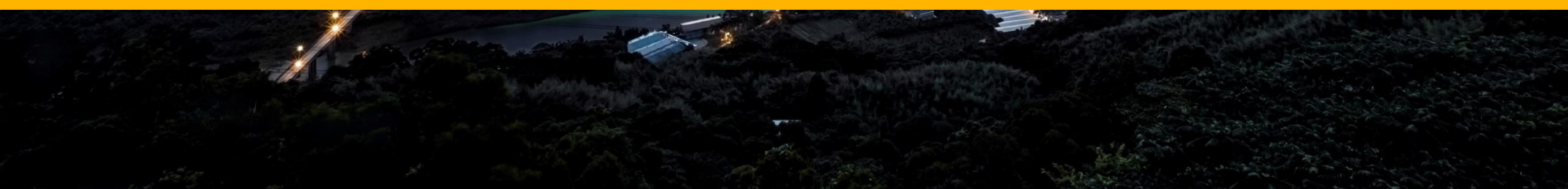




Spetz-Invest-Contract Wilo Russia

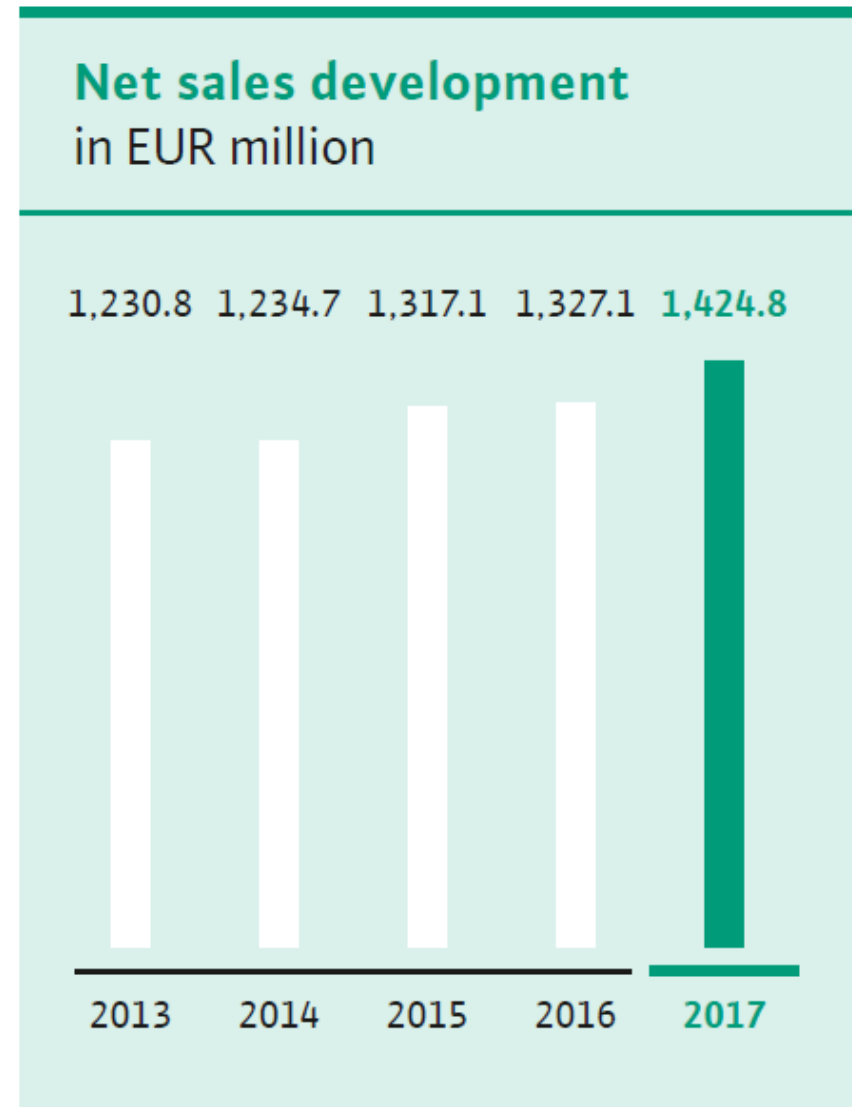
2 years of experience

March 26th, 2019

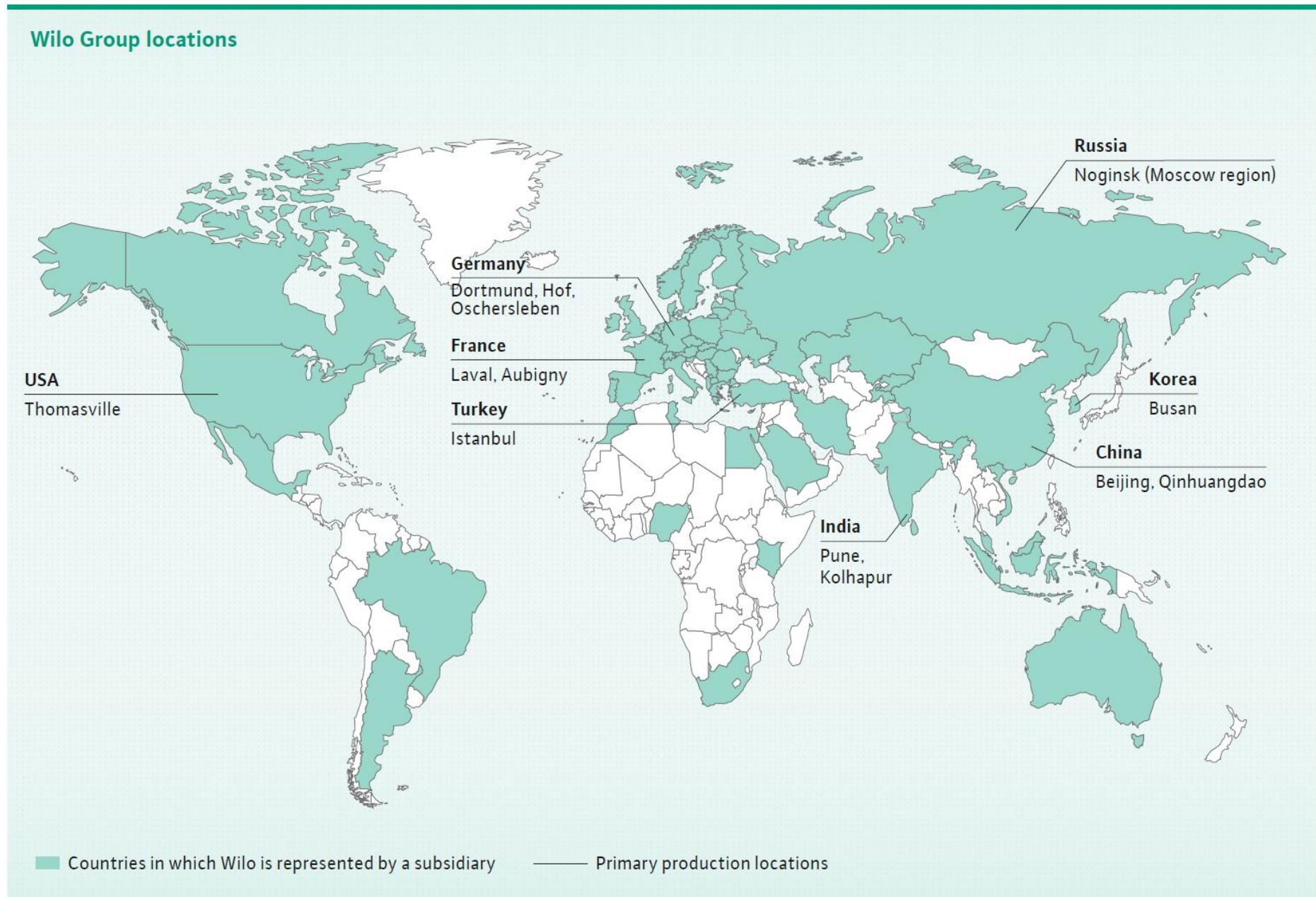


BASIC INFORMATION ON THE WILO GROUP

- Premium provider of pumps and pump systems for building services, water management and industry
- Global production and distribution network close to customers
- Over 7,700 employees worldwide
- Extensive realignment of the organizational structure as part of the implementation of the Ambition 2020+ corporate strategy
- Research and development activities remain at a very high level



Wilo Group locations



Basic information on WILO RUS

Ca 250

employees

30

Subsidiaries all over Russia

14

warehouses

2

Assembly lines



Opening Ceremony of a new Wilo plant in Noginsk, Moscow region



Ceremony of SPIC signature on October 13, 2017 Ministry of Industry and Trade of Russian Federation



**Spetz-Invest-
Contract №10**

MinPromTorg

Wilo Rus

Moscow Region

Special investment contract: basic conditions

Investor:

- Creates (modernize) **production facility** in Russia
- Defines products portfolio
- Performs the required **technological operations** in Russia for *defined products*.
- Achieves the **localization grade** (%) for defined products **required by Law**.
- Provides **aftersales service** in Russia.
- Makes Russian subsidiary (legal entity) the **rightholder of the know-how** and technical documentation for the production of the defined products.
- Spends **750 MRUR** for abovementioned activities

Authorities:

- Provides the status of “Russian product” to the *defined products* **with immediate effect:**
 - Access to the State Purchases
 - Equal rights with local products in all tenders, incl. municipal and state.
 - No discrimination at the tenders (our product will be considered as 15% cheaper, as “Russian-made”)
- Tax preferences (both Federal and Regional)
- Guarantee of “non-worsening of conditions” along the period of validity of SPIC



Target product groups (defined by Investor)

target Product groups for localization up to 80-85%:

Pumps

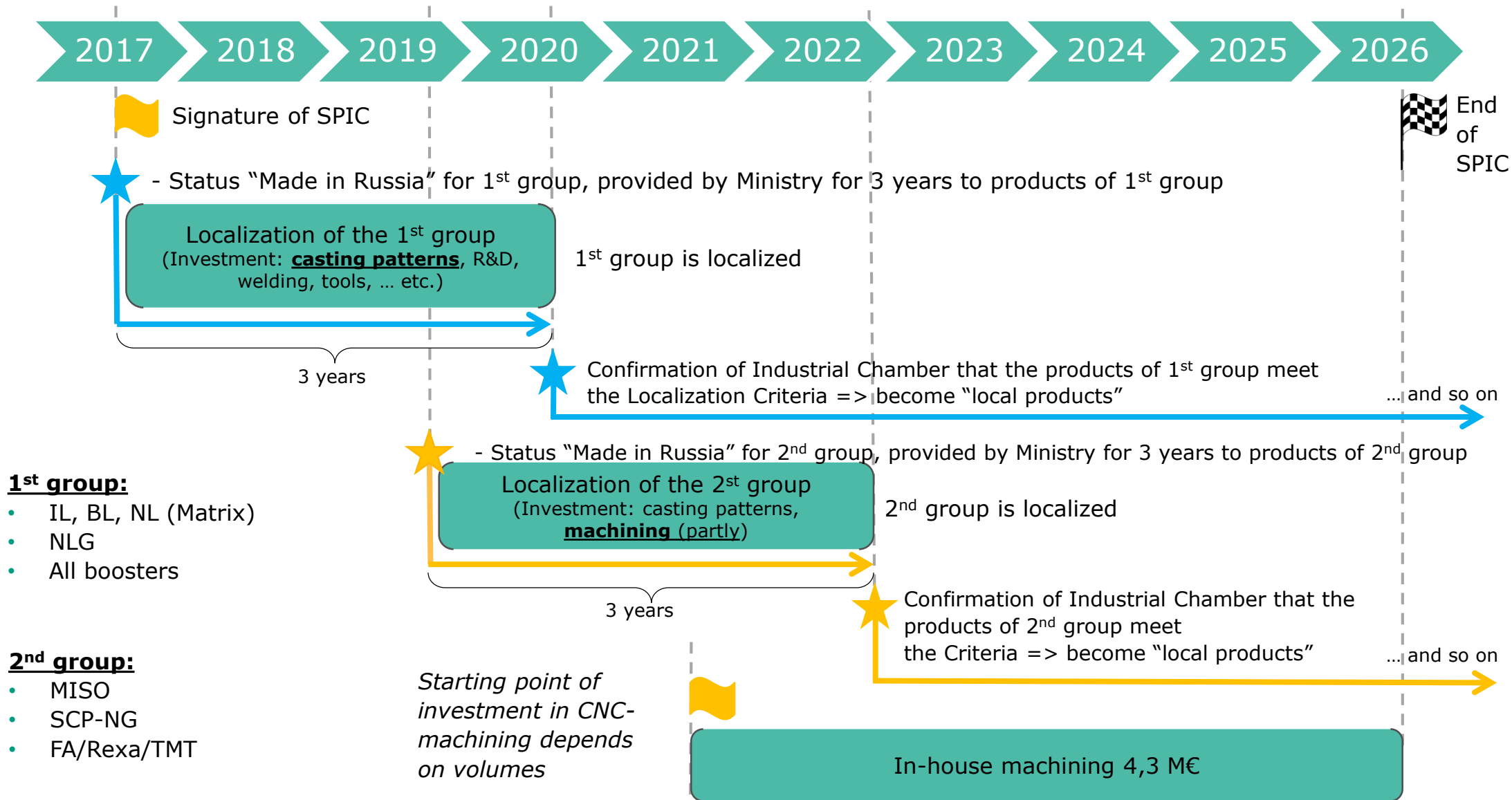
1. Inline pumps (IL, Matrix)
2. Block pumps (BL, Matrix)
3. Norm pumps (NL, NLG, MISO, Matrix)
4. Split-case pumps (SCP-NG)
5. Sewage submersible pumps (FA/Rexa)

Systems

6. Booster sets on IL (SiFlux or similar)
7. Boosters on BL (fire-fighting)
8. Boosters on NL (incl. diesel)
9. Boosters on Helix First



Status "Made in Russia" and localization schedule

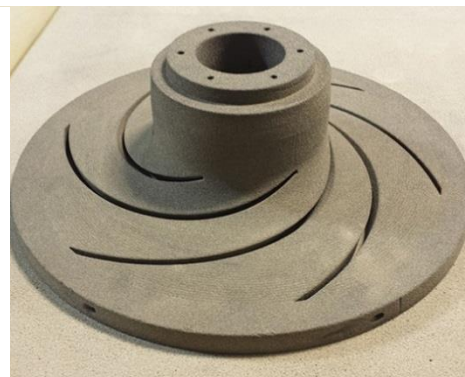
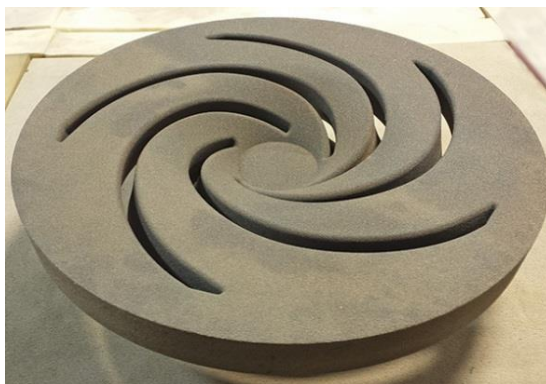


Individual localization schedule (defined by Investor)

Product groups	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
IL	-	20%	47%	73%	100%	100%	100%	100%	100%	100%
NL	-	16%	37%	58%	79%	100%	100%	100%	100%	100%
NLG	-	-	-	-	-	100%	100%	100%	100%	100%
BL	-	27%	64%	100%	100%	100%	100%	100%	100%	100%
MISO	-	-	25%	50%	75%	100%	100%	100%	100%	100%
SCP	-	-	-	-	33%	66%	100%	100%	100%	100%
FA/REXA	-	-	-	-	33%	66%	100%	100%	100%	100%
HELIX	-	-	-	-	50%	50%	100%	100%	100%	100%
UIL	-	-	-	100%	100%	100%	100%	100%	100%	100%
UBL	-	-	-	100%	100%	100%	100%	100%	100%	100%
UHELIX	-	-	-	100%	100%	100%	100%	100%	100%	100%

Investments: 750 MP (~11,9 M€)

what	€	when
Casting patterns (up to 650 pc.)	3,5 M€	2017...2021
CNC machines (supervision of Hof)	4,3 M€	2019...2025
Metal cutting and welding (baseplates for boosters and pumps, manifolds)	0,8 M€	2021...2025
R&D (not mandatory in Russia)	1,7 M€	2017...2025
Miscellaneous (tools, test, assembly, etc.)	1,6 M€	2017...2025
Total:	11,9 M€	



Legal requirements of technological operations: 8 technological operations:

Casting

Thermal treatment

Nondestructive analysis

Welding

Machining

Assembly

Coating

Packaging



Casting

Thermal treatment

Nondestructive analysis

Welding

Machining

Assembly

Coating

Packaging

now

then

Russian producer or Russian Product?

МИНПРОМТОРГ
РОССИИ

ГИ
СП

государственная
информационная система
промышленности

РЕЕСТР ЗАКЛЮЧЕНИЙ
МИНПРОМТОРГА РОССИИ

РЕЕСТР ПРОИЗВОДИТЕЛЕЙ
ОТЕЧЕСТВЕННОЙ
ПРОДУКЦИИ

РЕЕСТР ОТЕЧЕСТВЕННОЙ
ПРОДУКЦИИ

Реестр отечественной продукции

Предприятие	Продукция			
Наименование	Наименование	ОКПД2	ТН ВЭД	Изготовлена по
Q вило	Q	Q	Q	Q
ООО "ВИЛО РУС"	Насосные установки на базе насосов серии UBL	28.13.14.110	8413 70 590 0	ТУ 3631-002-45876126-2012, ТУ 28.13.14-012-45876126-2016
ООО "ВИЛО РУС"	Насосные установки на базе насосов серии UHELIX	28.13.14.110	8413 70 890 0	ТУ 3631-002-45876126-2012
ООО "ВИЛО РУС"	Насосные установки на базе насосов серии UIL	28.13.14.110	8413 70 590 0	ТУ 3631-002-45876126-2012, ТУ 28.13.14-012-45876126-2016
ООО "ВИЛО РУС"	Насосы центробежные подачи жидкостей серии BL	28.13.14.110	8413 70 590 0	ТУ 28.13.14-001-45876126-2016
ООО "ВИЛО РУС"	Насосы центробежные подачи жидкостей серии IL	28.13.14.110	8413 70 590 0	ТУ 28.13.14-001-45876126-2016
ООО "ВИЛО РУС"	Насосы центробежные подачи жидкостей серии NL	28.13.14.110	8413 70 810 0	ТУ 28.13.14-014-45876126-2016
ООО "ВИЛО РУС"	Насосы центробежные подачи жидкостей серии NLG	28.13.14.110	8413 70 810 0	ТУ 28.13.14-014-45876126-2016

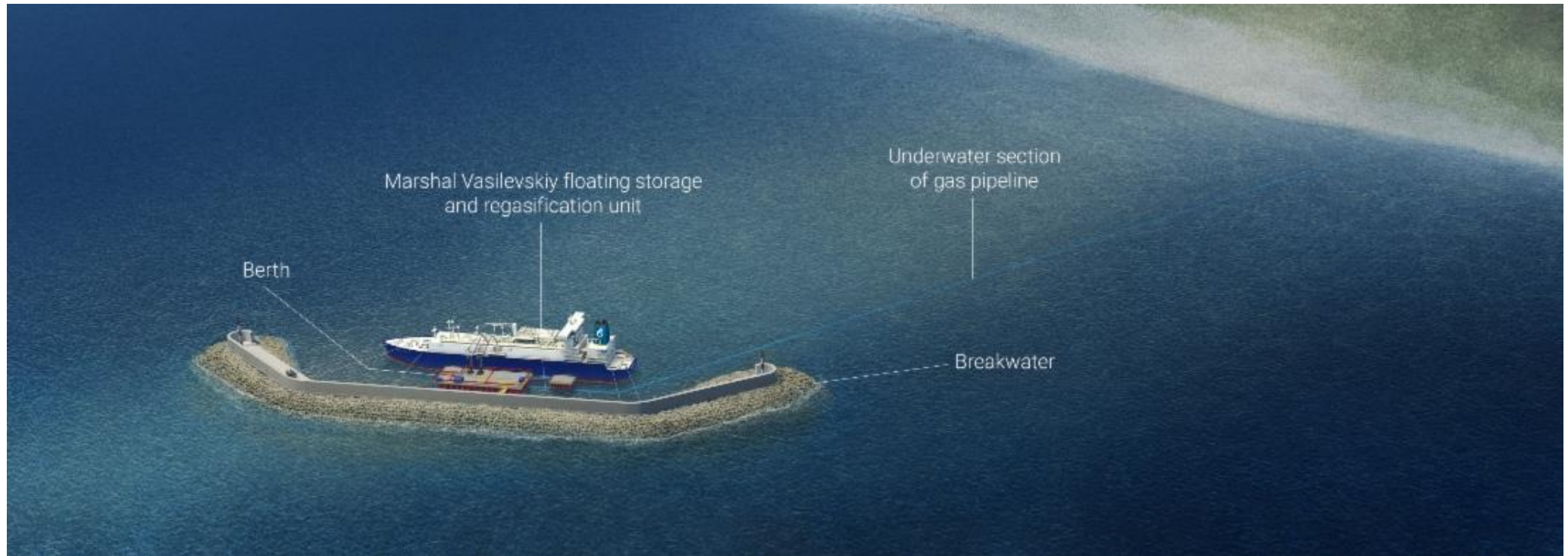
- No definition of "Russian producer"
- Very detailed definition of "Russian product": Regulation Act No.719
- Two official ways to recognize a product as "Russian-made": Expertise Conclusion of Industrial Chamber or SPIC
- State Information System of Industry ("GISP") contain information about the products, recognized as "Russian-made".
- Federal Laws on State Procurement 44-FZ and 223-FZ require "Russian product"

Kaliningrad Regasifizierungsanlage



Im Beisein von Präsident Vladimir Putin wurde Anfang Januar in der Region Kaliningrad in Nordwestrussland ein neues Seeterminal sowie eine schwimmende Regasifizierungsanlage für die Gasversorgung der Region in Betrieb genommen. Mit der Eröffnung nahmen auch zwei riesige Wilo-EMU DCN Unterwassermotorpumpen ihren Betrieb auf, die für die Versorgung der Feuerlöschanlage mit Wasser verantwortlich sind.

Kaliningrad Regasifizierungsanlage



St. Petersburg International Economic Forum“ (SPIEF)



Vom 24. bis 26. Mai 2018 fand im russischen Sankt Petersburg das „22. St. Petersburg International Economic Forum“ (SPIEF) statt.

Im Rahmen des seit 1997 jährlich stattfindenden Wirtschaftsforums lud der russische Staatspräsident Wladimir Putin zu einem Treffen mit über 40 internationalen CEOs ein. Sechs von ihnen stellten den strategischen Ansatz ihres Russlandgeschäfts vor – unter ihnen auch Vorstandsvorsitzender und CEO der Wilo Gruppe, Oliver Hermes.

TRANSNEFT – WILO Cooperation Agreement



In der vergangenen Woche hat unser Vorstandsvorsitzender und CEO, Oliver Hermes, in Moskau gemeinsam mit dem russischen Staatsunternehmen Transneft, Betreiber der russischen Erdölpipelines, eine intensivere Zusammenarbeit diskutiert.

In die Wege geleitet wurden die Gespräche im vergangenen Jahr im Rahmen eines Treffens von Oliver Hermes mit Russlands Präsident Vladimir Putin. Im Zuge dieses Treffens in Sotchi hatte Wilo einen Sonderinvestitionsvertrag unterzeichnet, der die Wettbewerbsposition von Wilo auf dem russischen Markt und in den eurasischen Ländern weiter verbessert.

YAMAL verflüssigtes Erdgas



Die Schiffsbauwerft ZVEZDA in Vladivostok



Проект 6300, 6355. ССК «Звезда». ГНС сухого дока.





**ВОСТОК
ПРОЕКТ
ВЕРФЬ**
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A low-angle, upward-looking photograph of two modern skyscrapers. The building on the left is a glass-clad tower that dominates the frame, its surface reflecting the sky and clouds. The building on the right is a more traditional stone or concrete structure. The sky is a clear, vibrant blue with a few wispy white clouds. The overall composition conveys a sense of height, modernity, and corporate success.

wilo

THANK YOU FOR ATTENTION