



SUPPORTING
GOOD BRAND
OF POLISH
ECONOMY

ECONOMY



GOOD BRAND OF POLISH ECONOMY

Availability of skilled human resources



Strategic location

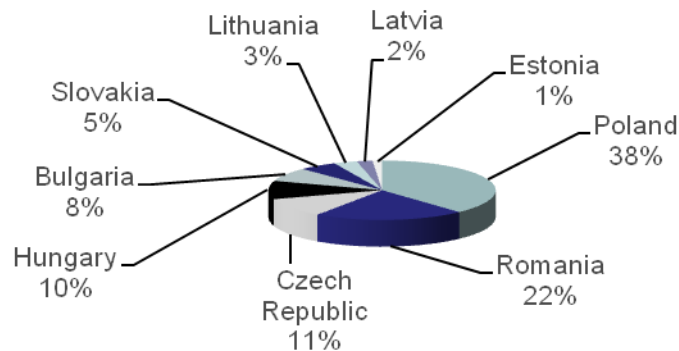
Economic stability and growth



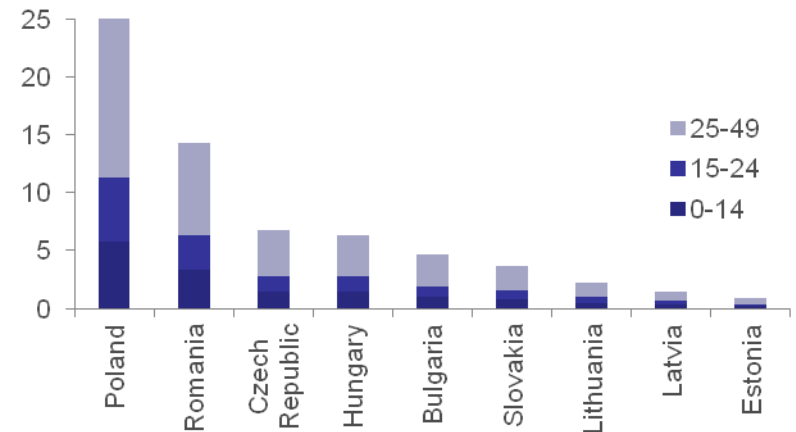
Effective incentives system

DEMOGRAPHIC STRUCTURE

Population of CEE countries (%)



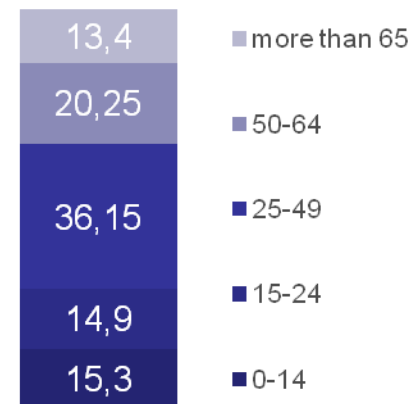
Population by age classes CEE countries (mn)



Poland

- 6th largest country in the EU
- 1st in CEE in terms of population
- >59% of population is younger than 49 years old
- 11.4 mn Poles are less than 25 years old
- Number of students 1 764 000 (2011/2012)

Population by age classes in Poland (%)

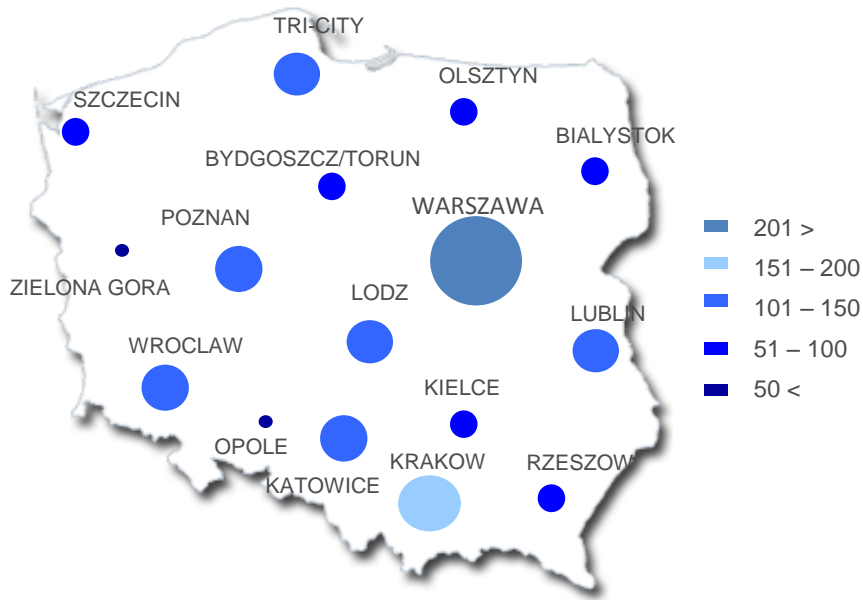


STUDENTS AND GRADUATES

- 453 higher education institutions
- 19 universities, 25 technical universities,
- 76 academies of economics
- 200 different majors taught
- Growing number of science students

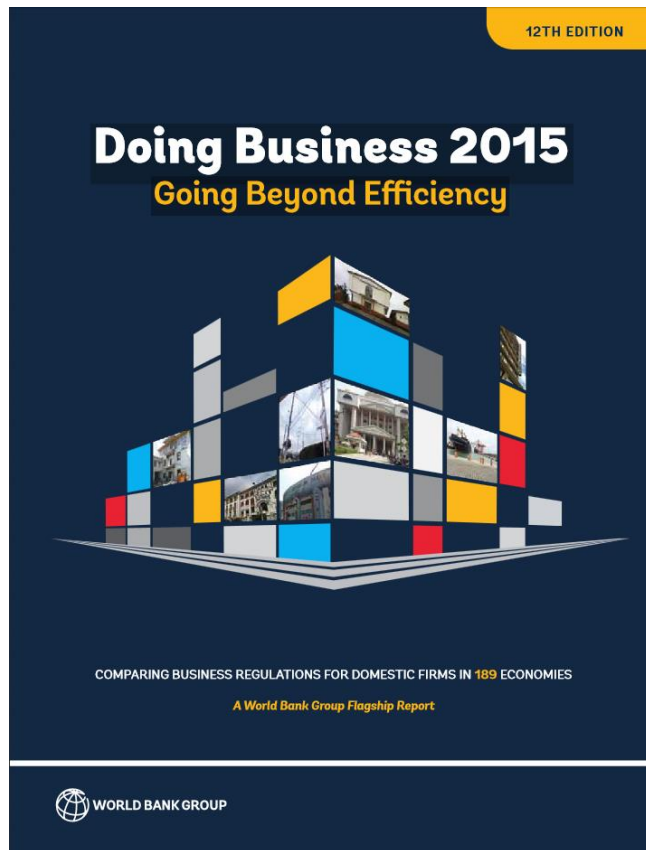
- 22.6 mn people aged 44 and less (59%)
- Almost 2.0 mn students (2012/2013)
- 485 thou. graduates in 2012/2013
- >90% of students speak foreign languages
- 36 thou. foreign students
- 17% of population with higher education

No. of students in main academic hubs (in thou.)



City	Students	Graduates
Warsaw	258 890	65 590
Krakow	184 493	47 271
Wroclaw	145 621	47 277
Poznan	140 472	36 224
Lodz	122 480	35 248
Katowice agglom.	95 417	25 878
Tricity	95 289	23 005

CONSTANT GROWTH



DOING BUSINESS 2015 RANK

32

DOING BUSINESS 2014 RANK

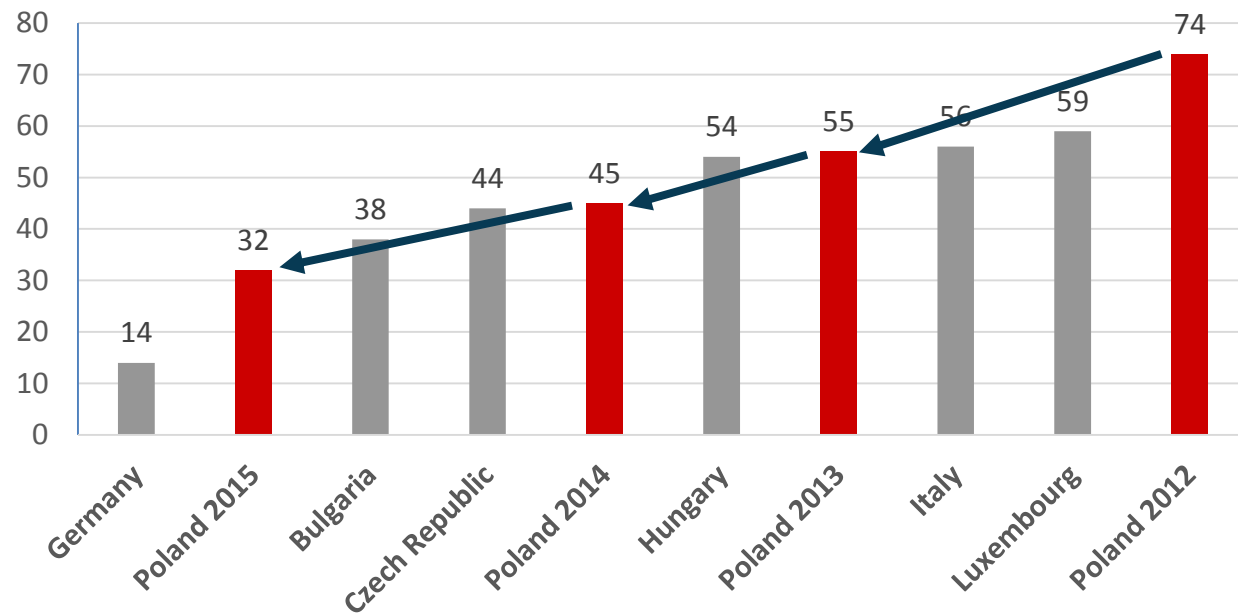
45

DOING BUSINESS 2013 RANK

55

DOING BUSINESS 2012 RANK

74

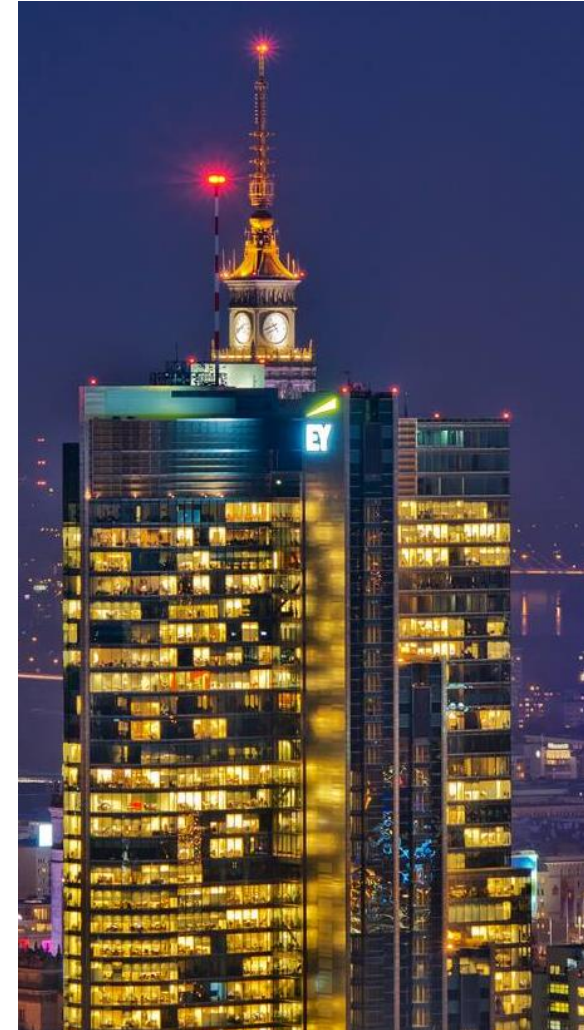


„Every region has a leading champion in the scope of improvements made since 2005 — whether Poland for OECD high-income economies, China for East Asia and the Pacific or Colombia for Latin America and the Caribbean.”

GROWTH LEADER

EY 2014 European attractiveness survey

- **1st place** in the CEE region – the most attractive country to establish operations,
- **1st place** in terms of **number of the investment projects** in the CEE,
- **3rd place** in the whole Europe in terms of **created jobs** due to FDI (13,862 jobs – only the UK and Russia scored better),
- **2nd place** in Europe in terms of jobs **created per project**.



ECONOMIC STABILITY

- Large internal market – 38 mn consumers
- Healthy banking sector:
 - Poland passed all the stress tests
 - Low share of derivatives in portfolio of Polish banks
- PLN is not pegged to the Euro
- Low GDP-from-exports dependence: **Poland only 45%** (Czech Republic 73%, Slovakia 94%)
- Low inflation rate – **0.6%** (July 2014)



LONG TERM TRENDS



LONG-TERM TRENDS | 3-year averages

	2010-12	2013-15	2016-18
Population (million):	38.4	38.5	38.5
GDP (EUR bn):	369	420	530
GDP per capita (EUR):	9,606	10,908	13,760
GDP growth (%):	3.4	2.5	3.7
Fiscal Balance (% of GDP):	-5.6	-3.9	-2.9
Public Debt (% of GDP)	55.6	52.3	50.4
Inflation (%):	3.5	1.8	2.5
Current Account (% of GDP):	-4.6	-2.2	-2.7
External Debt (% of GDP):	68.2	70.3	63.1

INCENTIVES



INCENTIVES SYSTEM

Cash support

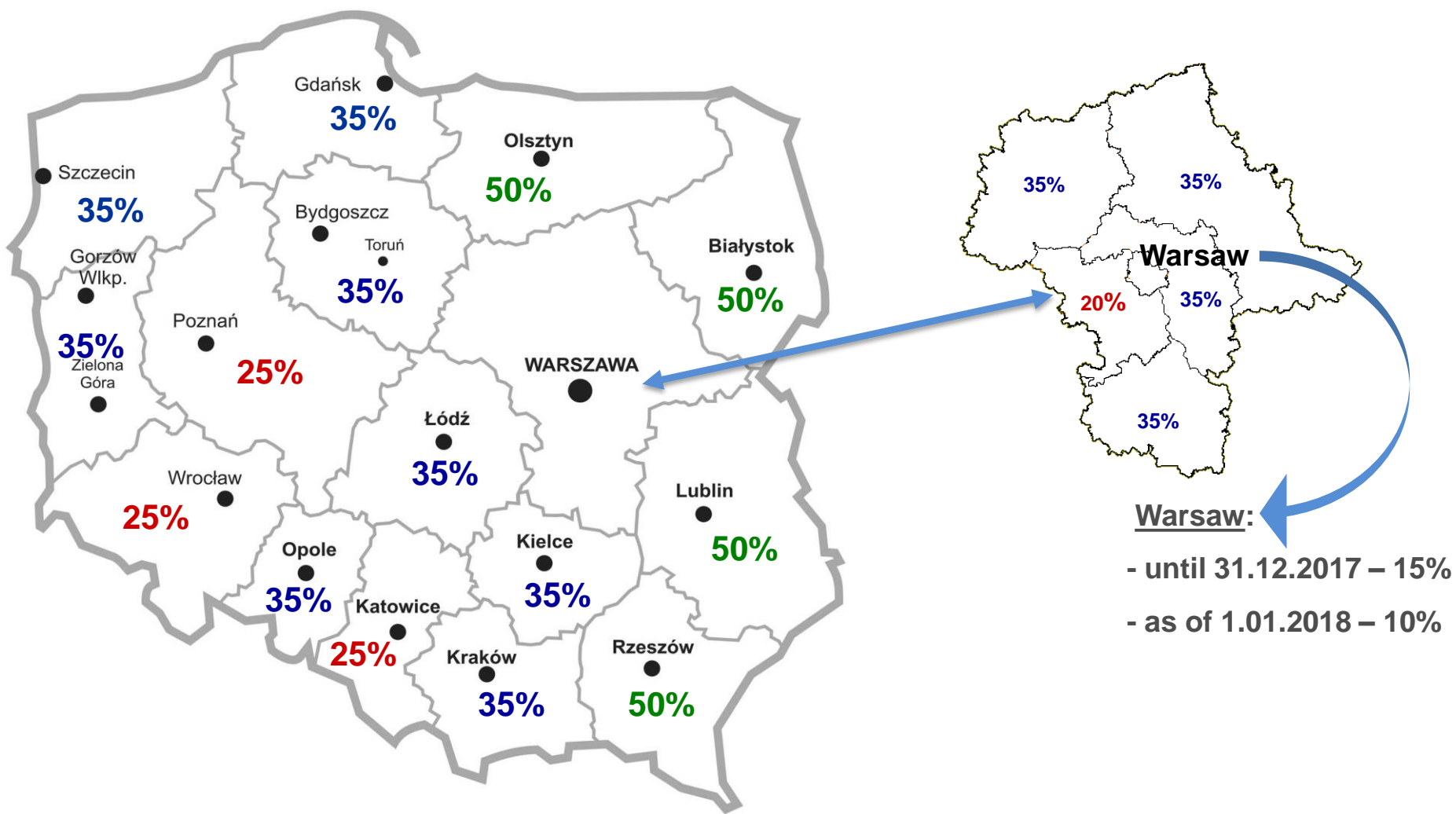
- Government grants
- Cash grants available through EU Funds

Tax breaks

- Real estate tax exemption
- CIT exemption in Special Economic Zones
- CIT relief for acquisition of new technology

REGIONAL STATE AID MAP

Maximum intensity in years 2014-2020



GOVERNMENT GRANTS - priority sectors

Program of support of investments of considerable importance for Polish economy

Priority sectors

Production

- automotive
- electronics
- aviation
- biotechnology
- „big investment” in other sectors

Modern services

- ICT
- SSC
- BPO
- R&D activity (e.g. software development)

Purpose of support

- development of innovativeness and competitiveness of Polish economy

Result of support

- 53 programmes of total amount PLN 900 m (since 2004)
 - 19,000 of new jobs

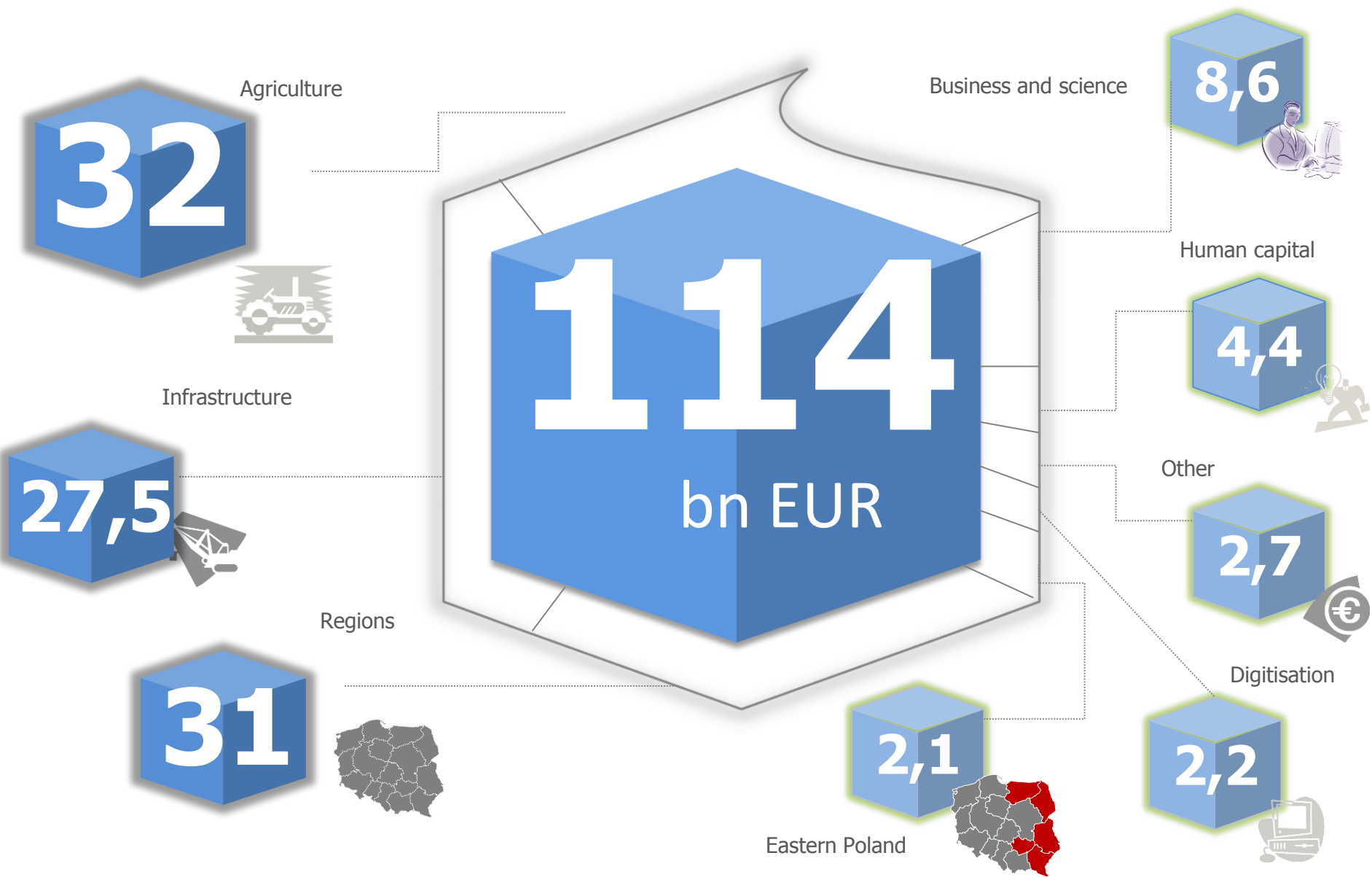
GOVERNMENT GRANTS - parameters

Sector	New work places	and	Investment costs	Max. amount of support
Employment grant				
Production*	250		PLN 40 m	from PLN 3,200 (USD 1,000) to PLN 15,600 (USD 5,000)/ per job
Modern services	250		PLN 1.5 m**	
R&D	35		PLN 1.5 m	
Large investment in other sector	200 or 500		PLN 750 m or PLN 500 m	
Investment grant				
Production*	50		PLN 160 m	1.5% to 12.5% of investment costs
Large investment in other sector	200 or 500		PLN 750 m or PLN 500 m	
R&D	35		PLN 10 m	up to 10%

*) Aid is not granted if unemployment rate in location (poviat) is below 75% of the national average, unless Eastern Poland

**) excluding office space rental costs

ALLOCATION OF EU FUNDS 2014-2020



Source: PAliIZ compilation, 2014

ALLOCATION OF EU FUNDS 2014-2020

Regions governors	Ministry of Regional Development	Ministry of Agriculture and Rural Development
<ul style="list-style-type: none">• 16 regional programmes	<ul style="list-style-type: none">• innovation, R&D• digital development• Eastern Poland• technical support• European Territory Cooperation• environment protection, transport, energy security• competence development, social inclusion	<ul style="list-style-type: none">• rural areas development• marine and fishing areas development

TAX BREAKS

Exemption from real estate tax

- a form of regional state aid available in communes which adopted resolutions concerning the possibility of exemption from real estate tax
- maximum tax limits **in 2014** are: 23.03 PLN/sqm for buildings, 0.89 PLN/sqm for land and 2% of construction value. In each commune tax rates are set by local authorities
- the exemption usually depends on the amount of new workplaces created

Example:

Grudziądz, Kuyavian-Pomeranian Region:
Investment in the Pomeranian SEZ by entrepreneur other than small or medium-sized

Jobs created	Full exemption
Investment of at least EUR 100,000	
50	3 years
70	5 years
90	7 years
For every EUR 500,000 – additional 6 month of exemption no more than 1 year	

ZONES



TAX BREAKS IN SEZ

Corporate income tax exemption

Special Economic Zone is a part of territory of Poland in which business may be run on special conditions.

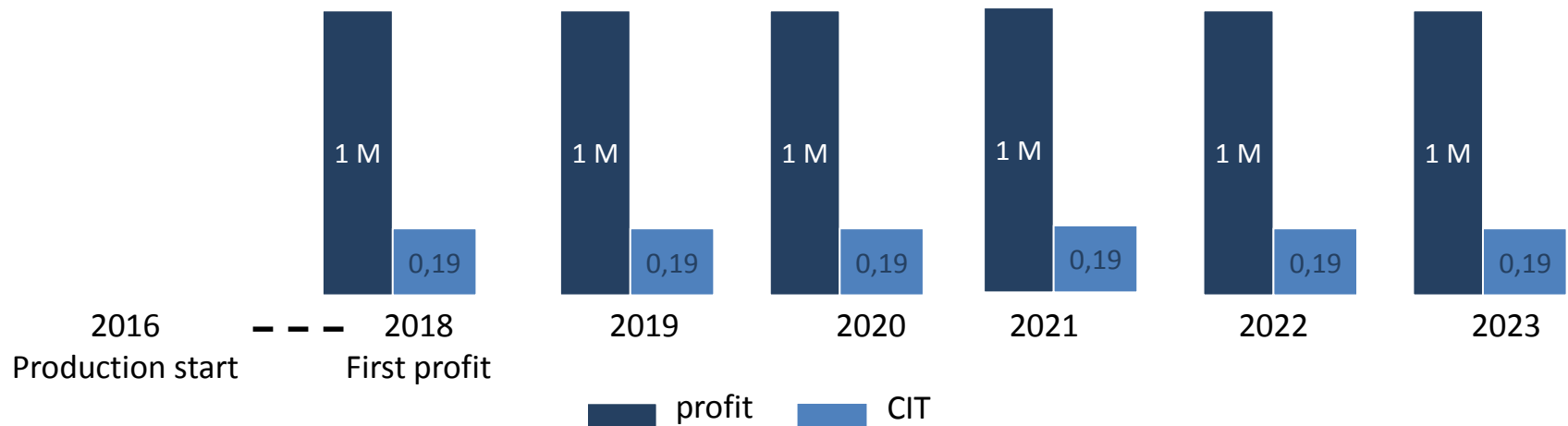
Entrepreneurs that obtained permit may run business activities without being subject to full payment of income tax.



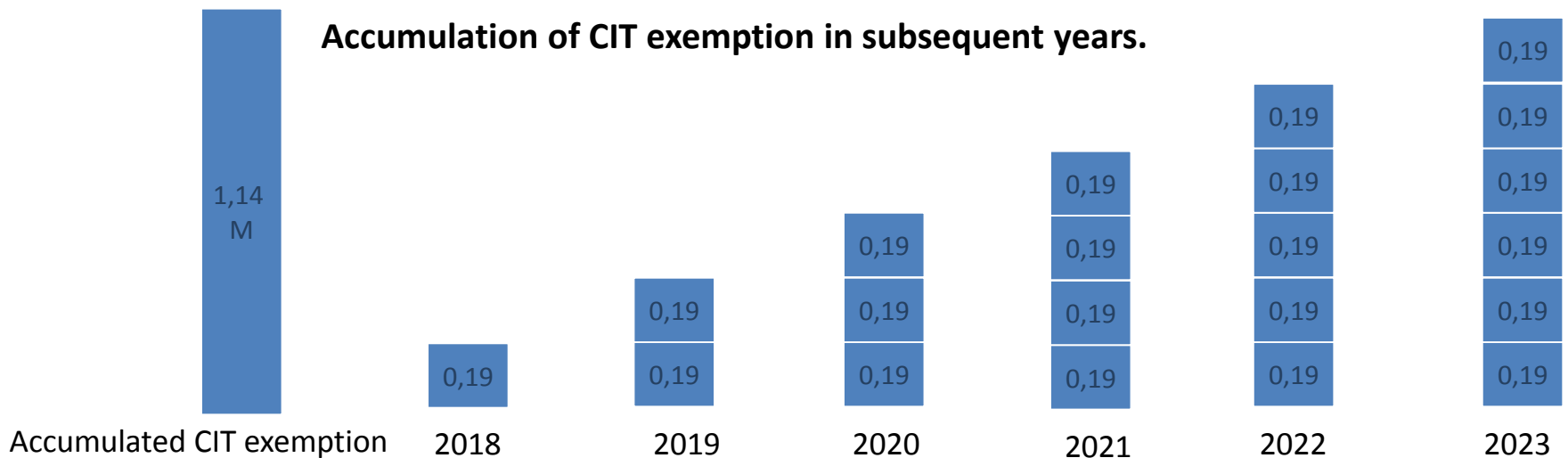
TAX BREAKS IN SEZ

Corporate income tax exemption mechanism

Example of how profits and CIT burden (19%) develop over subsequent years.



Accumulation of CIT exemption in subsequent years.



SPECIAL ECONOMIC ZONES

- Major purpose of SEZ is to support local growth
- There are **14 SEZ** + subzones
- Cumulative area = **20 000 ha**
- SEZ will operate at least until **2026**
- Permits to conduct activities in SEZ are issued by the authorities of each SEZ
- Minimum investment:
EUR 100 000
- Possibility of including the land selected by an investor into SEZ



POLISH
SPECIAL
ECONOMIC
ZONES



26 subzones in four regions
of the Northern Poland

1859 ha of total area

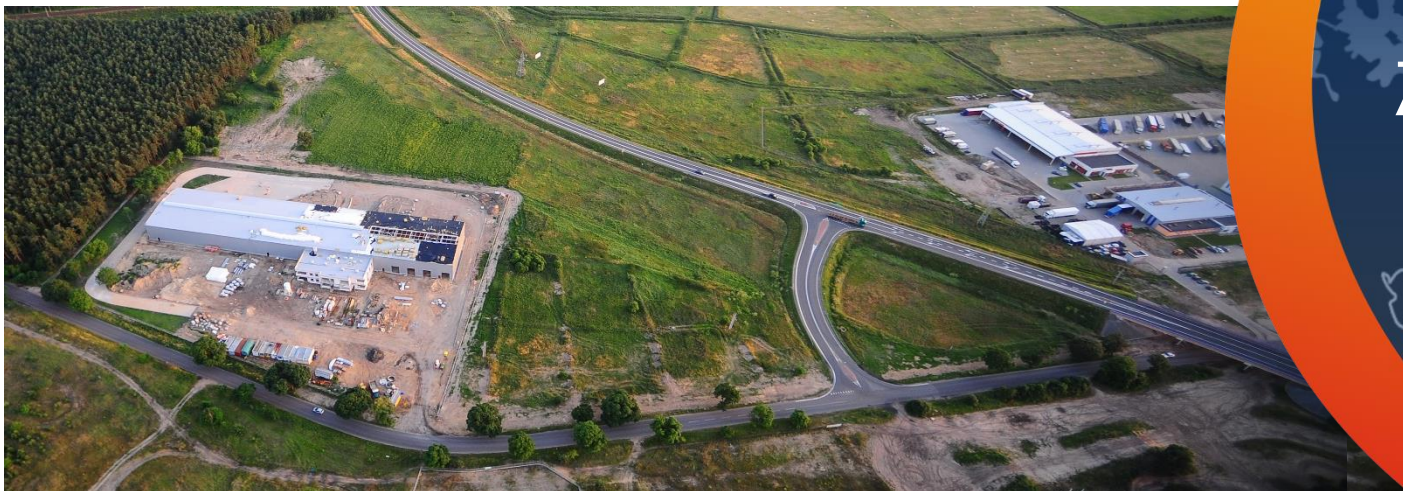
110 investors

over **17.6** thousand work places

over PLN **9.1** bn of investments



THE BIGGEST
ZONE OF THE
NORTHERN
POLAND



Tapflo

PG Mechanika

Flextronics

Multi Packaging
Solutions



Metalcynk

MM Packaging

Metalbark

Baumatt

PZZ Wałcz

Greater Poland Region



STARGARD SZCZECINSKI SUBZONE



Cargotec

Radiometer
Hydroline

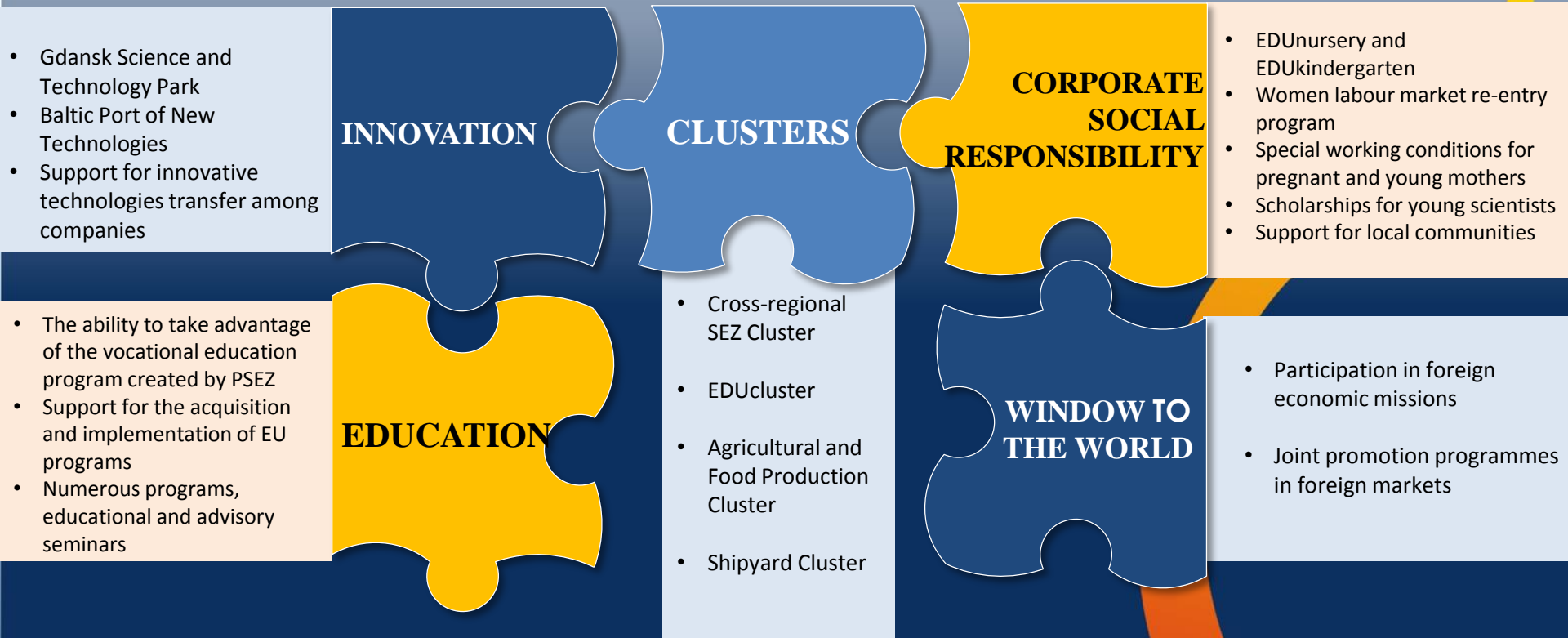
West Pomeranian Region

INVESTORS



Weyerhaeuser





COMPLEX INVESTMENT OFFER



FDI MAGAZINE GLOBAL FREE ZONES OF THE YEAR 2014 CSR AWARD

For a strong emphasis on corporate social responsibility in many programs dedicated to help integrate and support the workforce in the zone, among them a female labor market re-entry program, special conditions for pregnant and young mothers, scholarships for young scientists, and support for local communities. A vocational education program aiming to provide a qualified workforce to potential investors, who are trained to the specific requirements of the investing company.



We offer implementation of a complex program of cooperation with local vocational and high schools, as well as district employment agencies aiming to deliver highly qualified employees to our investors.



Praktycznie wykształceni na rzecz gospodarki morskiej

Współpraca biznesu z nauką na obszarze stoczniovym w Gd

Przy Pomorskiej Specjalnej Strefie Ekonomicznej powstał klaster edukacyjny

Szkolnictwo zawodowe wraca. Na rozwój tej dziedziny edukacji stawiają Unia Europejska, polski rząd i przedsiębiorcy. Ogólnopolską „rewitalizację” szkolnictwa zawodowego zainaugurowano w Gdańsku. Nastąpiło to podczas konferencji „Zawodowcy na start”, której głównym organizatorem jest Komisja Europejska - Przedstawicielstwo w Polsce.

Obrazy odbyły się w Zespole Szkół Łączności w Gdańsku, znanym z dobrej współpracy z przemysłem. Jednym z najważniejszych wydarzeń pod-

czas tego spotkania było podpisanie porozumienia w sprawie powołania strefowego klastra edukacyjnego. Sygnatariuszami dokumentu są: Teresa Kamińska, prezes Pomorskiej Specjalnej Strefy Ekonomicznej, Wiesław Szajda, prezes Pomorskiej Izby Rzemieślniczej Małych i Średnich Przedsiębiorstw, Arkadiusz Gawrych - prezes Fundacji Pozytywne Inicjatywy oraz reprezentanci pomorskiego samorządu. Do klastra, mającego ułatwiać współpracę firm ze szkołami, może przystąpić każdy podmiot.



► Klaster edukacyjny PSSE powstał w obecności reprezentantów ministerstw, Komisji Europejskiej i organizacji pozarządowych

Nie bez powodu to historyczne wydarzenie miało miejsce w Zespole Szkół Łączności w Gdańsku. - Szkoła ta od dawna wyróżnia się w skali kraju współpracą z przemysłem - powiedziała dr Ewa Synowicz, dyrektor Komisji Europejskiej - Przedstawicielstwo w Polsce.

- Działania natychmiastowe są potrzebne, bowiem bezrobocie wśród młodzieży rośnie szybko. W Polsce wynosi ono 23 procent - wśród osób do 25 roku życia. Włączenie się w tę działalność specjalnej strefy wynika z usta-

wowego obowiązku, którego na te podmioty nałożyła ustawa - przypomniała Teresa Kamińska.

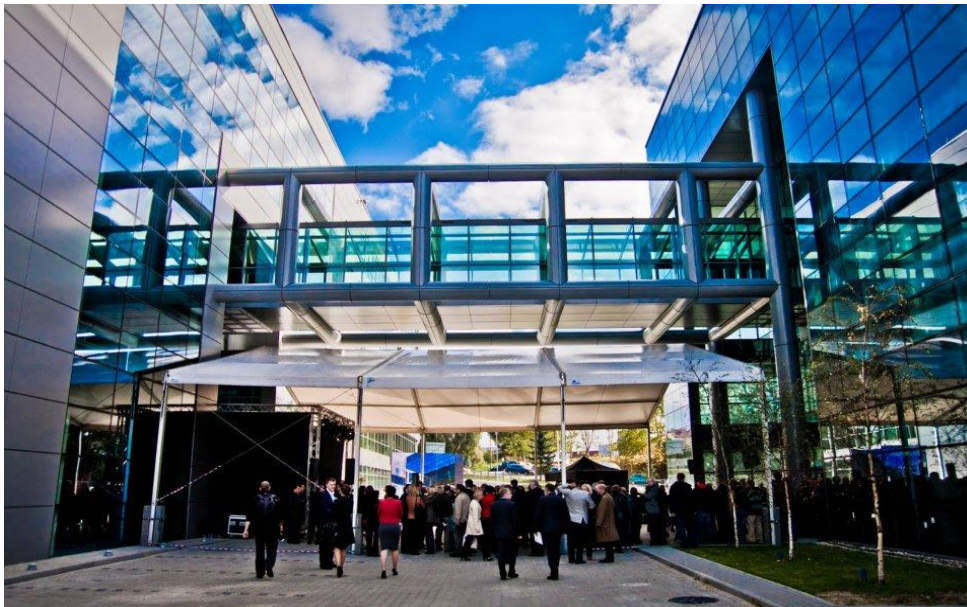
Jak zapewniła Antoniszyn-Klik, wicepremier ds. gospodarki, takie klaster będzie działał przy wszystkich specjalnych strefach ekonomicznych w Polsce przy współpracy z Ministerstwem Edukacji Narodowej. Wsparcia przy organizowaniu konferencji w ZSE w Gdańsku udzieliła Ambasada Austrii w Polsce. ●

KAZIMIERZ NETKA

Redevelopment
t of
educational
system



Innovative business project of PSEZ Ltd., combining the revitalization process of the former Shipyard Gdynia Inc. area and its support for entrepreneurship development in Pomerania.



Cooperation of scientific institutions and enterprises
 Development of the local system of innovation, biotechnology, knowledge transfer
 Support for SMEs
 National and international cooperation

BPNT



BALTIC PORT OF NEW TECHNOLOGIES

In Gdynia



Baltic Port of New Technologies – an innovative business project of Pomeranian Special Economic Zone Ltd.(PSEZ Ltd.), combining the **revitalization** process of the former Shipyard Gdynia Inc. area and its **support** for entrepreneurship **development** in Pomerania. Due to BPNT activities the companies which have invested in post shipyard area, as well as the new incoming investors, can feel secure while planning their business development strategies.

BALTIC PORT OF NEW TECHNOLOGIES

Special role

The leader of changes and coordinator of the investment processes

The investor creating the back-up for the companies located in the area (office buildings, infrastructure, road arrangement)

The moderator of discussions concerning some detailed planning solutions for the post-shipyard area in Gdynia



INFRASTRUCTURE INVESTMENTS

- Modernization of the office building G-330 „Aquarium”
- Replacement of utility infrastructure
- Delivering of new industrial space
- Building of new internal road system
- Building of new 15kV power supply point and power lines
- New roundabout entrance to the shipyard area





GSTP



Role of GSTP

**Local
government**

Business

Science

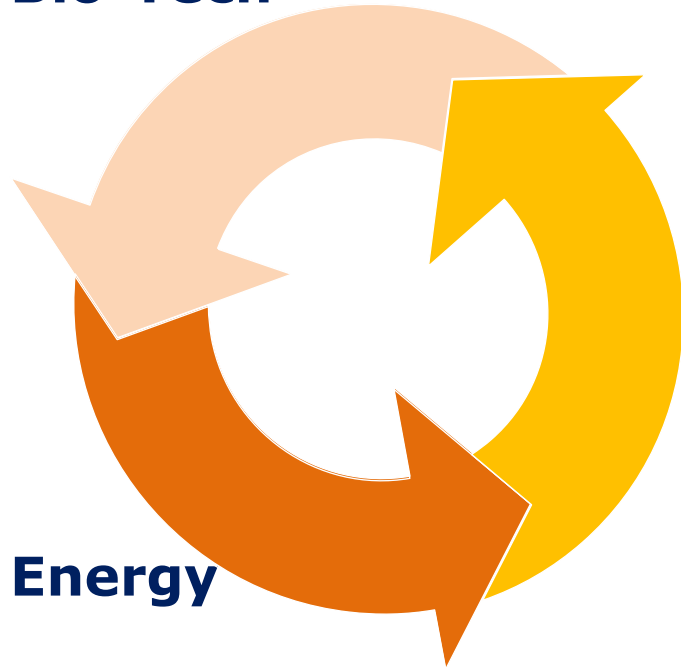
**The Golden
Triangle**



Prof. Hilary Koprowski
**GDANSK
SCIENCE &
TECHNOLOGY
P.A.R.K.**

3 Key Sectors and mission of GSTP

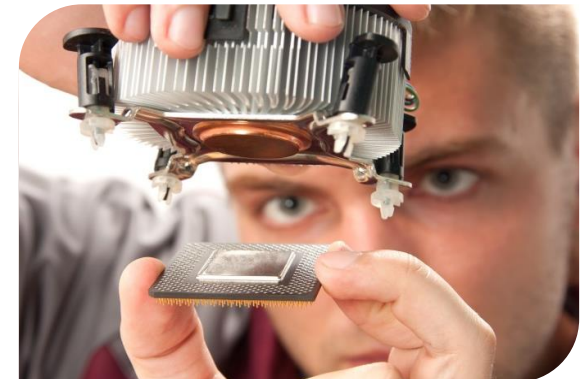
Bio-Tech



Energy

ICT

- **To create the best environment for the development**
- **To ensure an optimum location for companies**
- **To facilitate the establishment of contacts and collaboration**



120 companies in GSTP!

Incubators - 10 companies (as above).

Co-working - 20 companies (as above).

Virtual Office - 150 companies (inc. 30 PSEZ's companies).

**Together over 1,200 people
(inc. PSEZ's office)
IT companies ca. 600 people.**



GSTP Companies – International Success



Oscar is in GSTP since 2008



Smart Lamps implemented on F1 Track in Abu Dhabi



Innovative technologies in the underwater hotel Maldives „Water Discus Complex”



POMERANIA





- POMERANIA IS LOCATED IN NORTHERN POLAND
- THE REGION IS INHABITED BY 2.28 MLN PEOPLE
- THE BIGGEST ECONOMIC CENTER IS TRI-CITY (GDANSK, GDYNIA AND Sopot)



POMERANIA IN FIGURES

POPULATION*

2.28 mln

AREA

18 300 km²

LARGEST BUSINESS CENTRES

Tri-City (Gdansk, Gdynia, Sopot)

NUMBER OF ENTERPRISES

In total: 271 784* with foreign capital 1 406**

CARGO TURNOVER IN SEAPORTS IN 2014

51 685 million of tons

LECH WALESIA INTERNATIONAL AIRPORT

Number of connections to
Scandinavia (weekly): ca. 80
Number of airlines: 8
Number of passengers
handled in 2014: 3.288 mn

* Central Statistical Office, 2013

** Central Statistical Office, 2012



POMERANIA IN FIGURES

RESEARCH & DEVELOPMENT CENTERS

ca. 65 (about 4000 employees)

AVERAGE REMUNERATION (GROSS) 2013*

PLN 3 980.24 (ca. EUR 950)

NUMBER OF STUDENTS / ACADEMIC YEAR 2012/2013

101 914

POPULATION GROWTH RATE IN 2013*

First place in Poland

LIFE ATTRACTIVENESS**

First place in Poland

*

Central Statistical Office

**

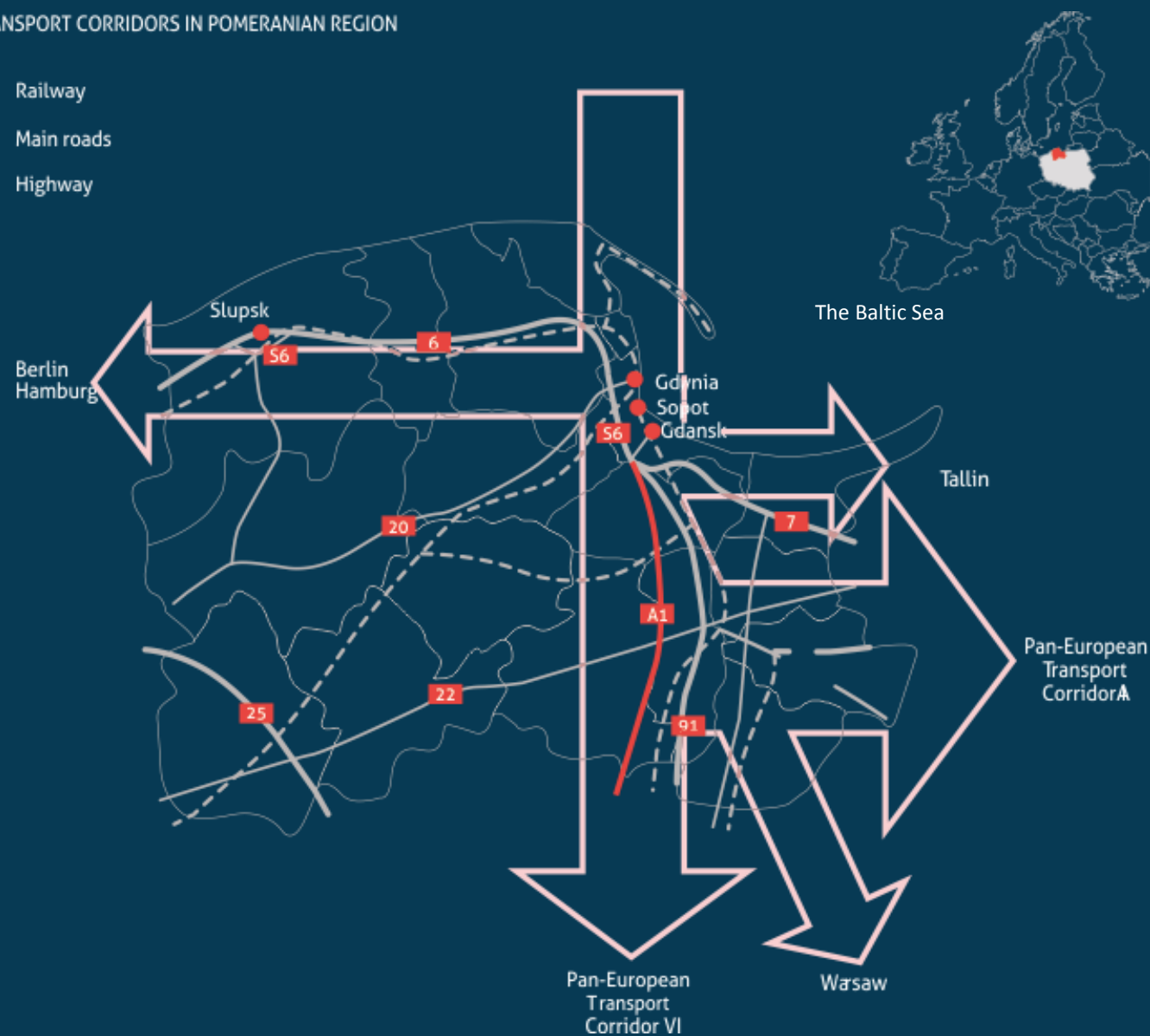
Social Diagnosis 2013 Ranking of Przekroj magazine of 2013





MAP TRANSPORT CORRIDORS IN POMERANIAN REGION

- Railway
- Main roads
- Highway



FAVORABLE GEOGRAPHIC LOCATION AT THE CROSSROAD OF KEY
PAN-EUROPEAN TRANSPORT CORRIDORS

Photo. Deep Water Container
Terminal Gdansk



ACCESS TO DYNAMICALLY DEVELOPING
SEAPORTS



In opposite to Southern and Central Poland, Northern part of the country is concentrated around one economic hub.



Direction of migration
towards Pomerania

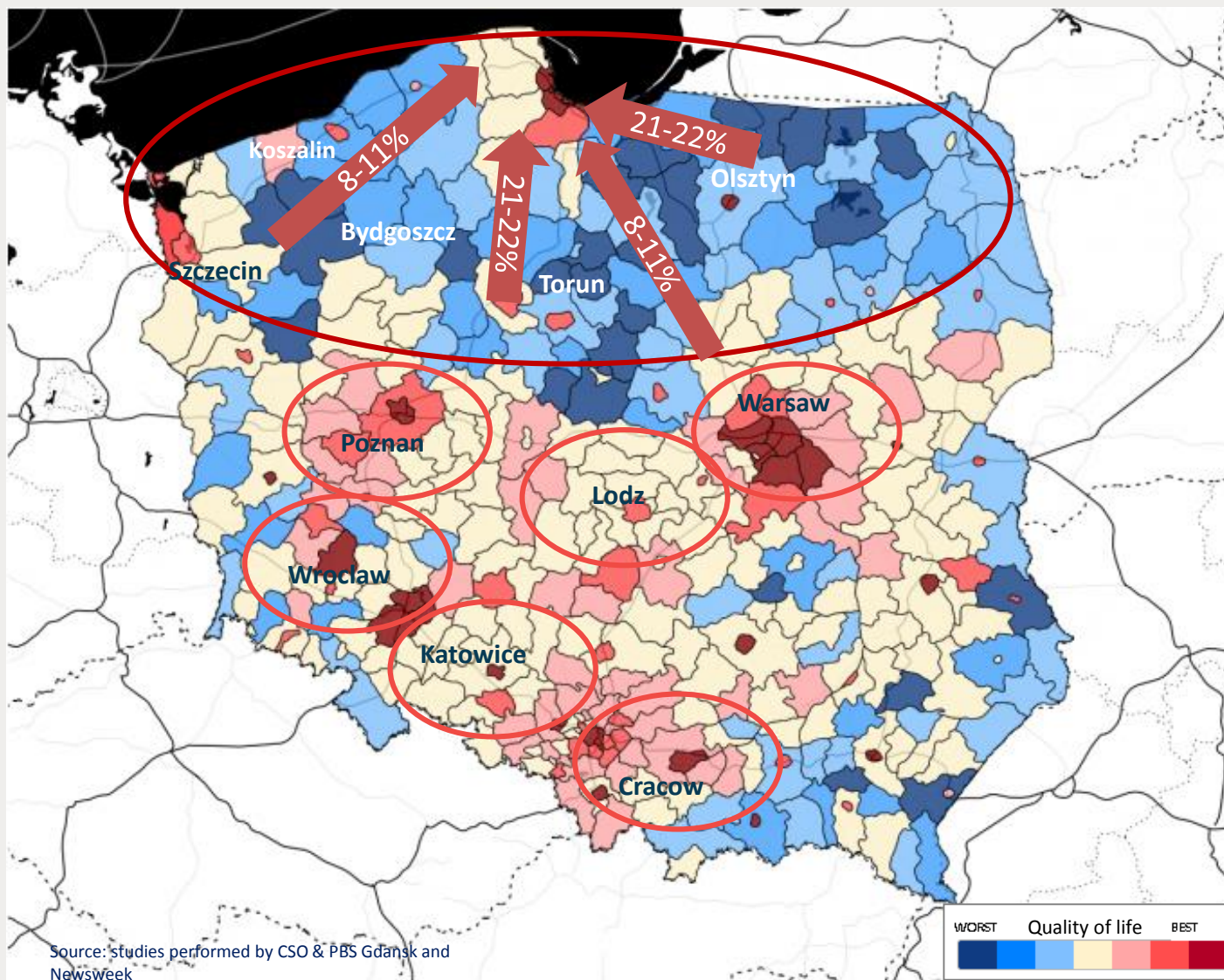
Catchment Area

Population	7.5 M
No. of students	300 949
No. of graduates	83 886

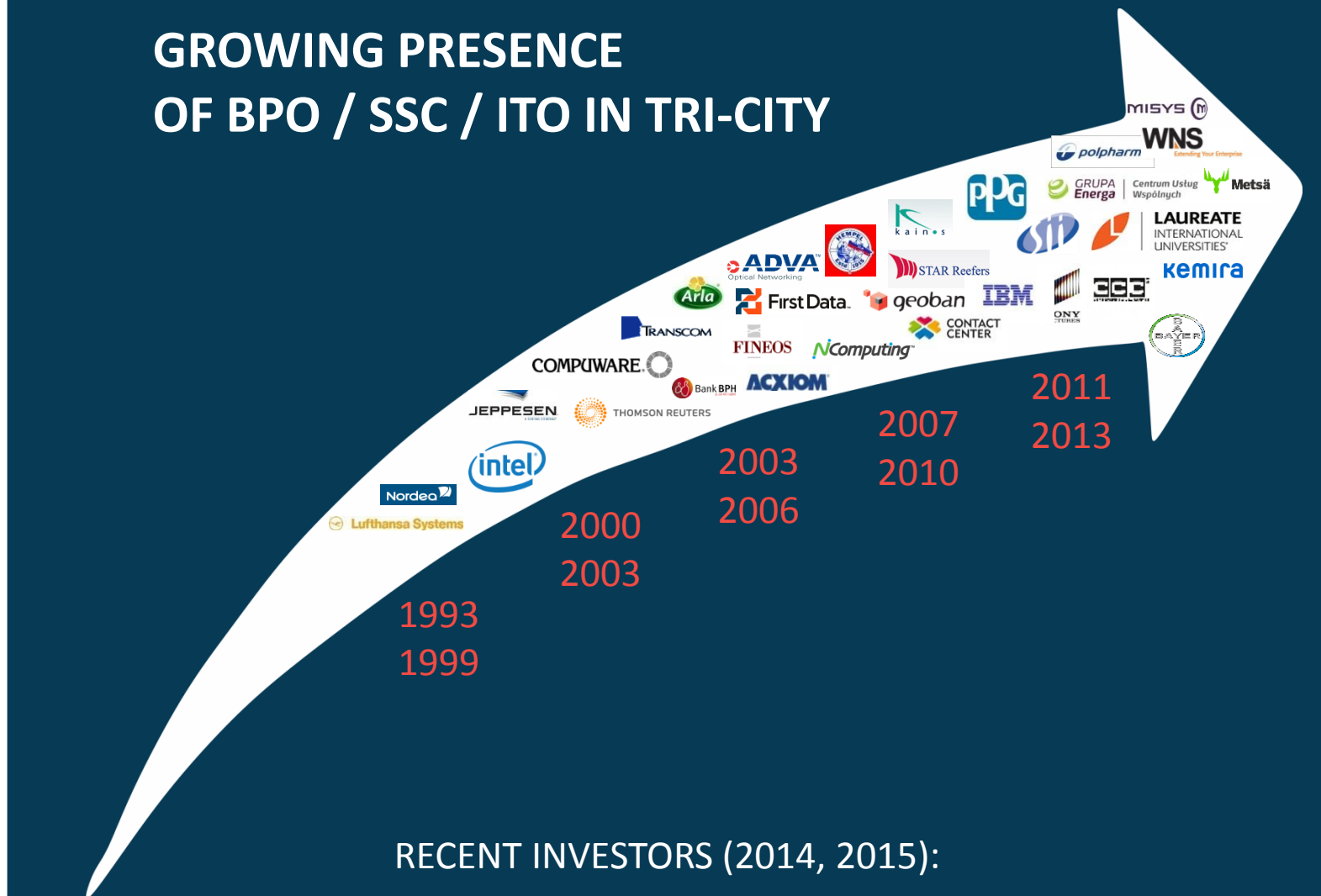


LARGE CATCHMENT AREA

TALENT POOL MULTIPLIED



GROWING PRESENCE OF BPO / SSC / ITO IN TRI-CITY



COLEMAN



MAJOR LANGUAGES IN TRI-CITY

USED IN CENTRES AND PROVIDED BY UNIVERSITIES

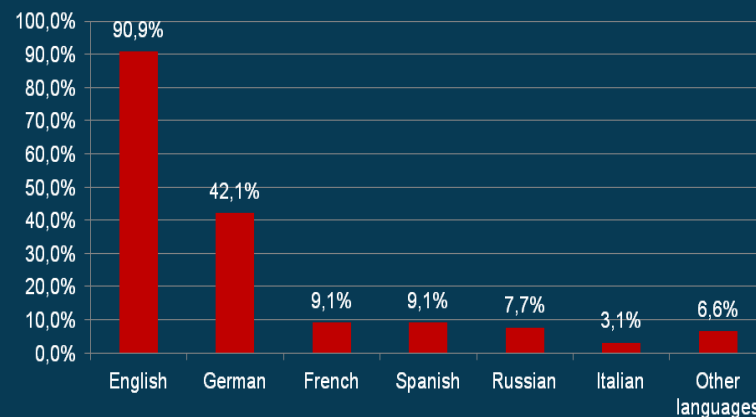
- English
- German
- Spanish
- French
- Russian
- Norwegian
- Swedish
- Finnish
- Danish
- Italian
- Portuguese
- Slovakian
- Czech
- Ukrainian
- Hungarian
- Hebrew

Source: own research

**Thomson Reuters
Center of Excellence serve
34 languages**

**Over 59% of all graduates of Nordic languages
in Poland originate from the region.**

Source: ABSL Report 2011



KNOWLEDGE OF FOREIGN LANGUAGES DECLARED BY STUDENTS IN
TRI-CITY

Source: Study on Human Capital



QUALITY OF LIFE

SPORT, EVENTS, CULTURE, NATURE, INFRASTRUCTURE

- High quality of life (convenient communication network, attractive residential areas)
- Healthy living conditions (the sea, numerous city parks, green forrest belt in the city)
- Major cultural & sports hub hosting numerous grand events



INVEST IN POMERANIA

RELIABLE PARTNER IN LOCAL MARKET

- **We support our investors on every stage of the investment process:**

- Decision making process
- Organising visits (site,reference etc.)
- Site selection
- Start-up phase
- Day-to-day operations

All investors are offered:

- Dedicated Project Manager
- Market research services
- Our network
- Promotion and employer branding support
- After Care services



GRUDZIADZ



Grudziądz – where are we?



- **A1 Motorway**

- 4 interchange including Grudziądz exit.

- **S 16 express road**

- Eastern borders (2 hours driving distance)
- Masurian Lake District (50 minutes driving distance)

- **S5 express road**

- Western borders

- **International airports:**

- Gdańsk International Airport 100 km (50 minutes driving distance)
- Warsaw International Airport 230 km (2.5 hour driving distance)

- **Baltic Sea ports** in Gdynia and Gdańsk 110 km (1 hour driving distance)



Our competitive advantages



Rossmann



Masmal



Lemigo



Schumacher Packaging



SKS Connecto



Vadain International



Termetal Glaner



W-tech



Hydro - Vacuum

- **300 000** people living within the urban impact zone (30 km),
- **67%** of the population are of working age and the unemployment rate is **16%**.
- average monthly gross wages in industry and construction sector is **PLN 2 902.04** and in services sector is **PLN 3364.26**.
- the average price of land for industrial and warehouses investment is **PLN 40.00** per m²
- long industrial traditions
- de minimis aid – up to 5 years property tax exemption
- regional aid – up to 10 years property tax
- more than exemption **50 hectares of fully developed greenfields** in Pomeranian Special Economic Zone
- industrial buildings within Pomeranian SEZ

Industry branches

Pomeranian Special Economic Zone



Investment areas in Grudziądz



Foreign capital in Grudziądz



- SKS Connecto



- Venture Industries
- Thomas-Beton



- Schumacher Packaging
- Müller Kerzenfabrik AG
- Rossmann AG
- CeWe Color Holding AG & Co.)



- Vadain International
- Heutink Poland
- Visscher-Caravelle



- Taylor Prune



- Alfa Centrum



BYDGOSZCZ



The city. Bydgoszcz on the map of Poland



Obszar | Area

powierzchnia regionu /
area of the region

17 971,7 km²

powierzchnia miasta Bydgoszcz /
area of the Bydgoszcz City

176 km²

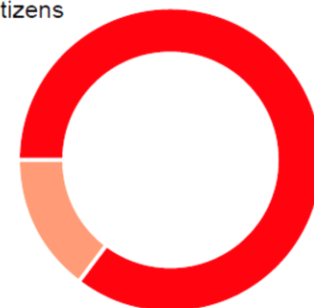
Populacja | Population

mieszkańcy woj. kujawsko-pomorskiego /
Kujawsko-Pomorskie voivodeship citizens

2 096 404

mieszkańcy miasta Bydgoszcz /
Bydgoszcz City citizens

361 254



Struktura wiekowa / Age structure

w wieku przedprodukcyjnym /
pre-production age

56 860 osób
15,7%

w wieku poprodukcyjnym /
post-production age

75 150 osób
20,8%



w wieku produkcyjnym /
production age

229 244 osoby
63,5%



Transport and communication

☐ International Airport

☐ Location at the crossroad of the national roads (no 5, 10, 25 & 80) and rail routes:

- Silesia-Gdynia
- Warsaw-Szczecin
- Wrocław-Gdynia







☐ Construction of **S5**

Expressway between

A1 & A2 by 2018.



Kierunki lotów | Flight Destinations

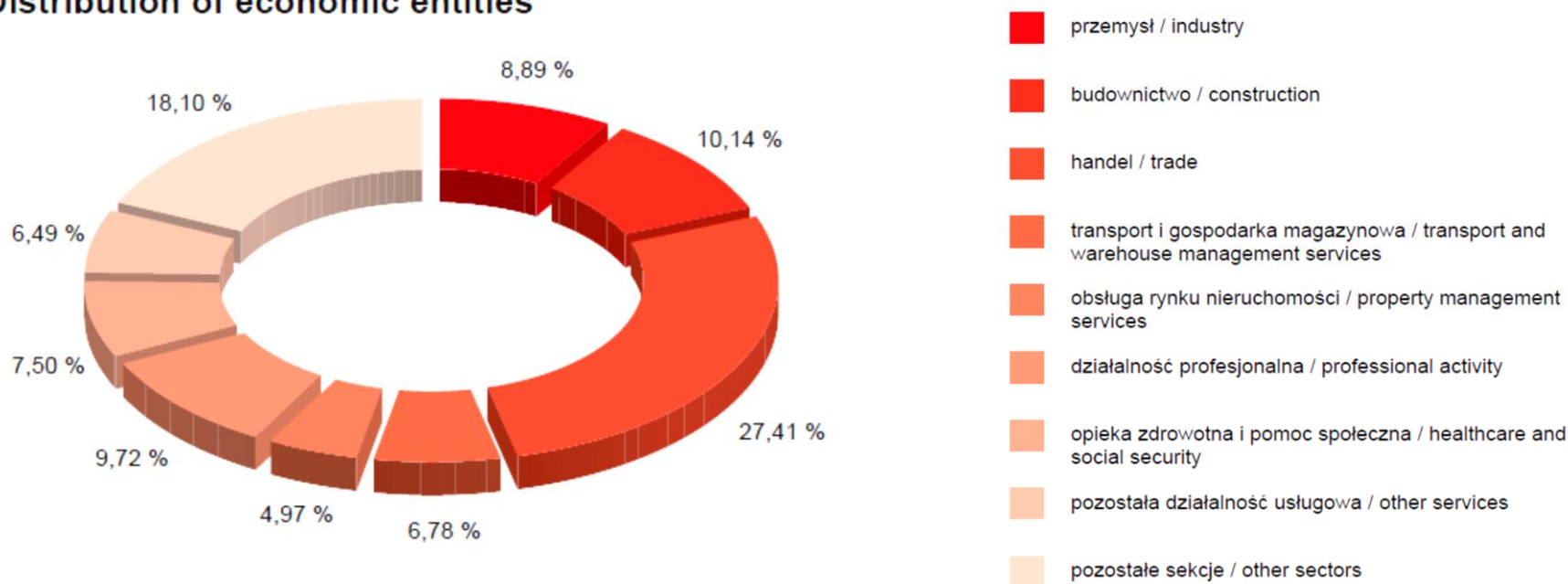
Miasto/City	Dzień/Day							Przewoźnik/ Carrier
	1	2	3	4	5	6	7	
Birmingham		x		x		x		 RYANAIR
Dublin	x			x			x	 RYANAIR
Düsseldorf	x				x			 RYANAIR
Glasgow				x			x	 RYANAIR
Londyn	x		x		x	x	x	 RYANAIR
Frankfurt	x		x		x		x	 Lufthansa

Driving distance to the other regional airports:

Gdansk 2h; Poznan 2h; Warsaw 3:00h

Economy. Diversified economic structure

Struktura podmiotów gospodarczych /
Distribution of economic entities

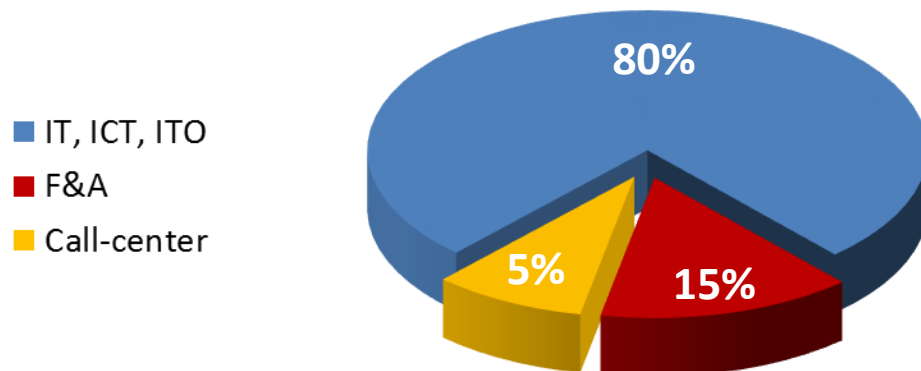


Most dynamic sectors of the local economy:

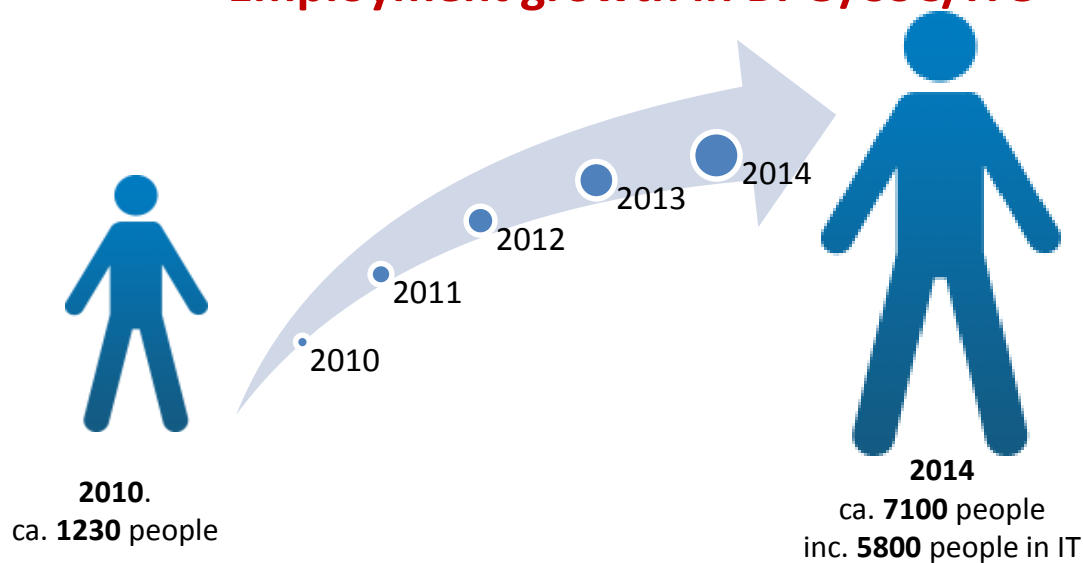
chemicals, tooling and machineries, IT, food & drink, composites materials



Economy. BPO/SSC sector structure in Bydgoszcz



Employment growth in BPO/SSC/ITO



Atos sunrise system

Alcatel-Lucent

GENESYS[®]
AN ALCATEL-LUCENT COMPANY

mobica

asreco
SYSTEMS

SDL

PZU

LIVINGSTON

eniro

Bank Pocztowy

TELDA

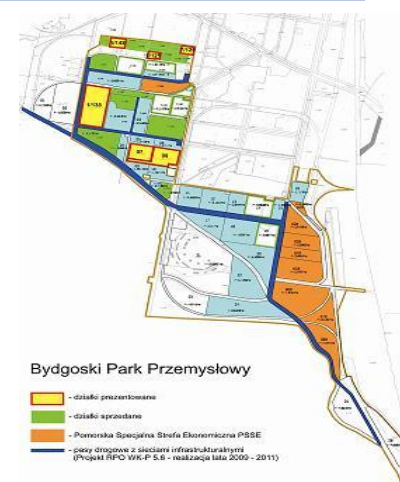
Economy. Business Industrial and Technology Park

- approx. 280 ha
- distance to the city centre – 5 km
- distance to the airport – 3 km
- convenient location – transport availability
- own railway station
- 3Q 10 finished infrastructure project for – € 7.5 mln



Special Economic Zone

- approx. 45 ha located in the Bydgoszcz Industrial and Technology Park included into the subzone of the Pomeranian Special Economic Zone;
- Benefits for investors – tax exemption of **35%** due to:
 - a) costs of new investment and/or,
 - b) costs of creating new jobs.
- For small businesses the maximum intensity of regional aid has been raised by **20** percentage points gross;
- For medium-sized businesses the maximum intensity of regional aid has been raised by **10** percentage points gross



**STARGARD
SZCZECINSKI**





STARGARD SZCZECINSKI SUBZONE

Bridgestone
Stargard

West Pomeranian Region

WEST POMERANIA



A key area in the Central European Transport Corridor CETC-ROUTE 65



International airports



Roads - connection to the motorway system of Western Europe and Poland



Railway - connections with Polish and European cities



Shipping junction - trade exchange between Western Europe, China, Africa

Note: distances in straight lines

DEMOGRAPHY



23 000 km² Area

408 000 Population of Szczecin (Capital of West Pomerania)

680 000 Population of Szczecin Metropolitan Area

1.7 mln Population of the West Pomeranian Region

15.6% Average unemployment rate in the Region

504 000 Population in working age (within 50 km radius of proposed plot)

58 900 Number of students

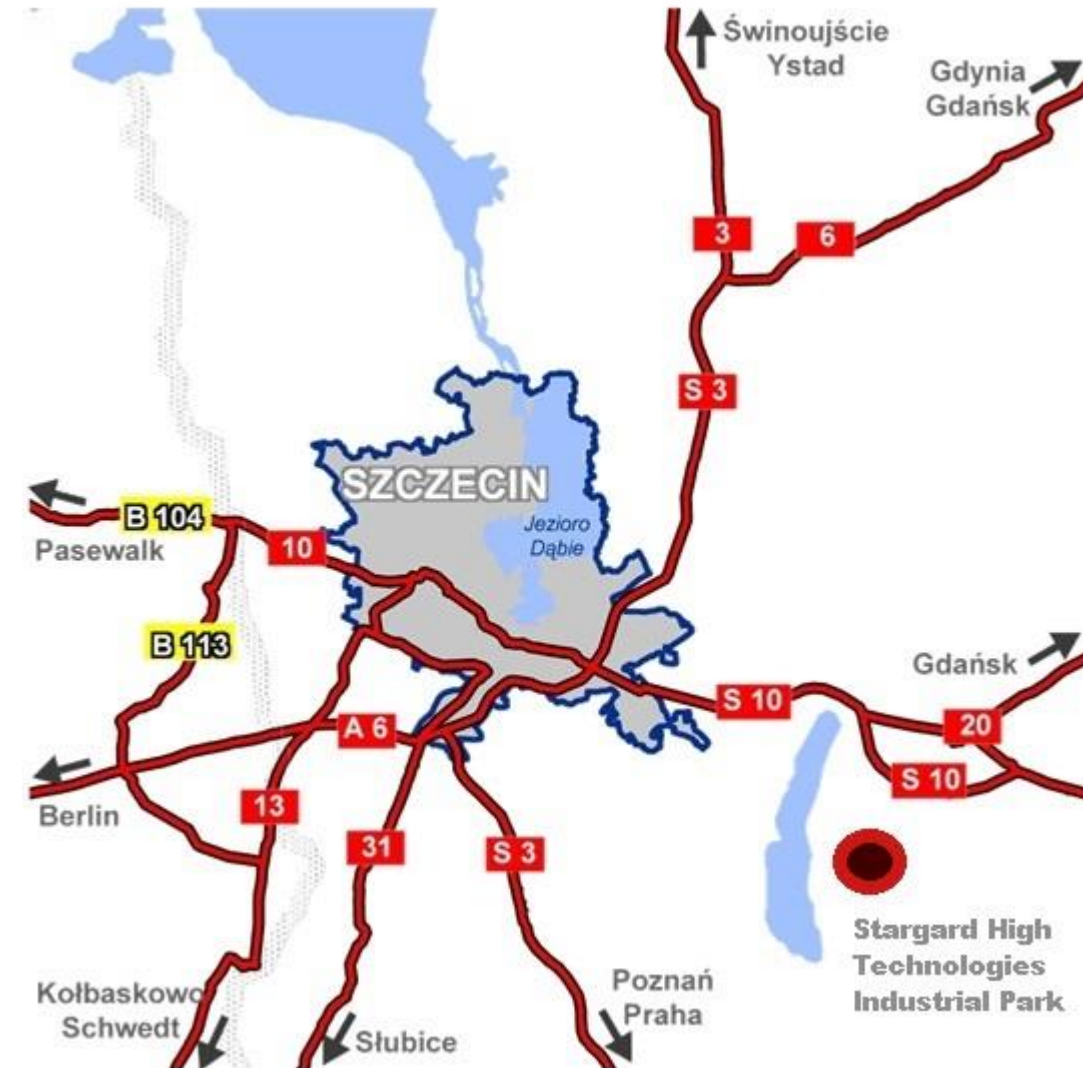
1 620 Number of economic entities per 10 000 inhabitants

4 200 Number of companies with foreign capital



Source: Statistical Office in Szczecin, as of 10.12.2014.

LOCATION



- Excellent connectivity and access to the markets of Poland, Europe and the world
- Direct railway access to the seaport and Germany
- Along the shortest route linking Western and Eastern Europe (E-28)
- Along the shortest route linking Nordic countries, central and Southern Europe (E-65, E-59)

VOCATIONAL SCHOOLS



2 Secondary Schools of general education

4 Secondary Vocational Schools with 19 technical vocational and 10 basic vocational departments

Over 4 000 students total with 3 000 in vocational training

The Vocational School Complex No 1 in Stargard Szczeciński

- the largest vocational school in West Pomerania
- 28 classes of Vocational Technical High School
- 6 classes of Trade School
- 5 classes of Adult Evening School
- over 1000 students
- over 200 graduates yearly







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ZONE OF
OPPORTUNITIES