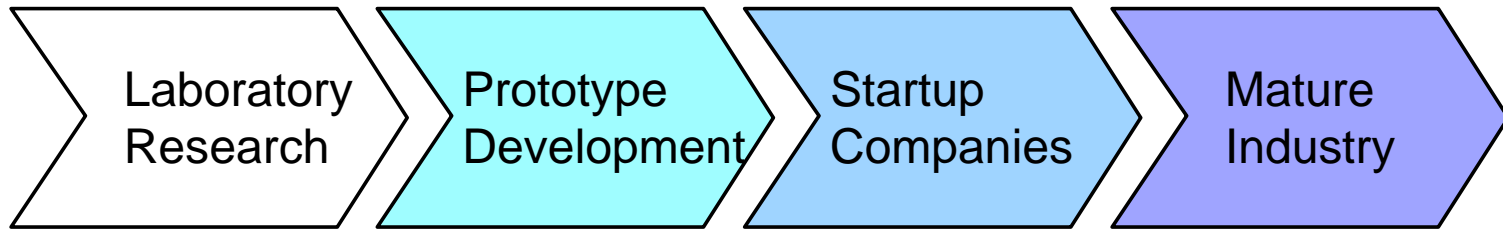




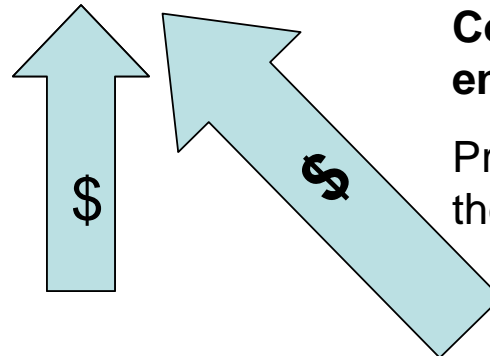
Russian Corporation of Nanotechnologies: capitalizing on nanotechnology R&D

Russian Corporation of Nanotechnologies: the key link in the innovation chain:



R&D Centers
basic research
personnel training

Research and Design Centers
Development and pre-production



Commercial enterprises
Production for the mass market

Kurchatov Institute
Scientific coordination of activity in the field of nanotechnology

Russian Corporation of Nanotechnologies
Commercialization efforts in the field of nanotechnology

Financial investors
Investments in nanotechnology industry

Government commission on high technologies and innovations

Russian Corporation of **Nanotechnologies** among other Russian nanoinitiatives

Initiative:	Budget, USD.
Specialized Federal R&D program financing in a field of nanotechnology (2008-2011)	4 bln
Federal Program “Nanoindustry Infrastructure Development in Russian Federation for a Period of 2008-2010”	1 bln
Russian Corporation on Nanotechnologies	5 bln
Total	10 bln

Corporation's conditions of participation

- Corporation only finances projects, that are leading to competitive nanotech products, that are ready to be commercialized, but require a solid partner to share high initial risks, market and technical uncertainties
- Corporation leaves the project as soon as private partner is able to conduct business independently. Corporation does not attempt to maximize the value of its share
- Financing from the Corporation is available regardless to the companies' country of origin, with the sole requirement is that part of the manufacturing takes place in Russia. Foreign ownership can be up to 100 %
- Total volume of funding by the Corporation shall be no less than \$10 mln. For the projects that are less than \$ 10 mln, financing is carried out by the means of venture and seed funds
- Corporation finances up to 90% of the required scope of project financing. With this equity capital share of the Corporation shall be less than 50% minus 1 share.

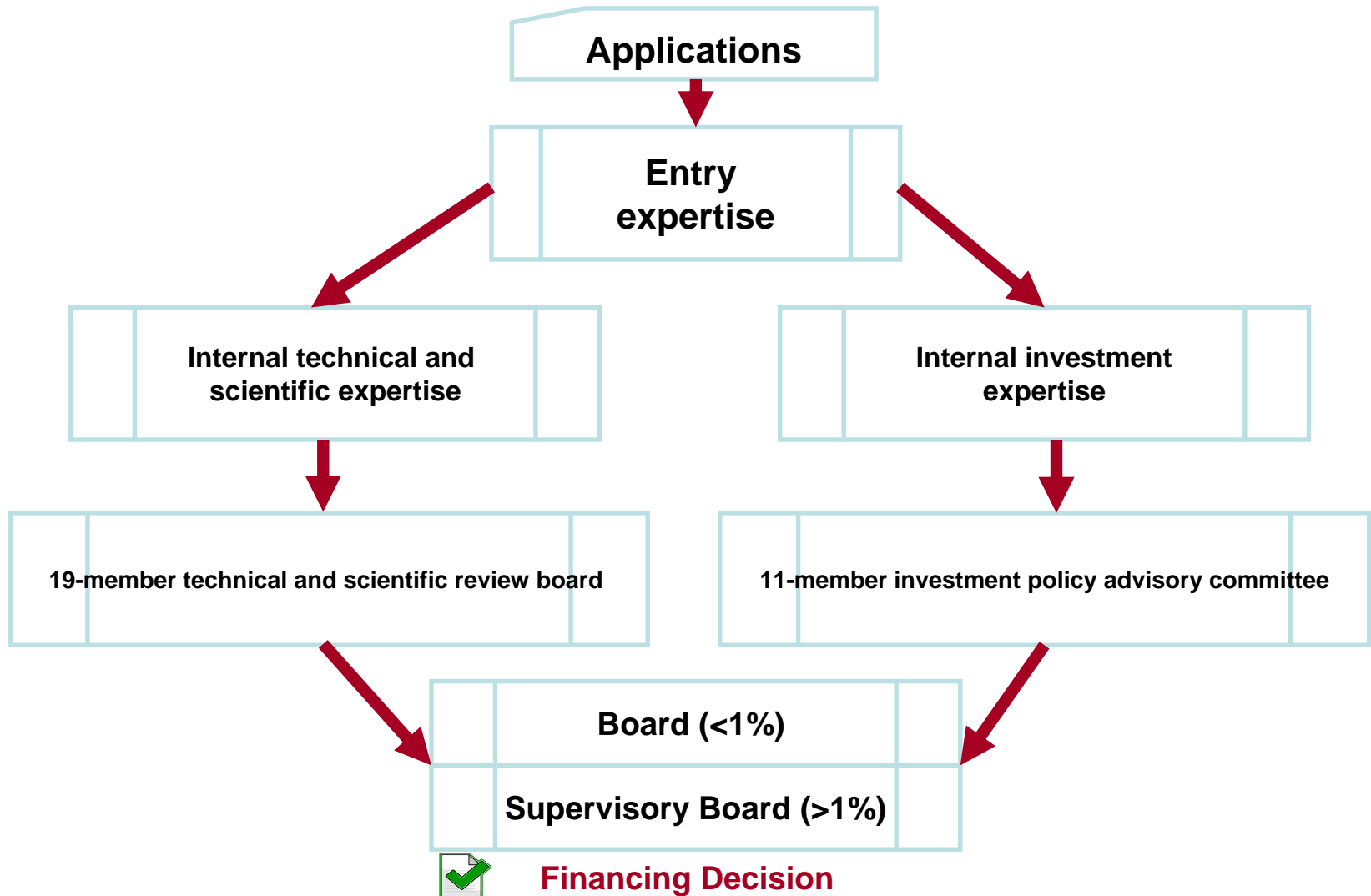
Corporation's conditions of participation (continuation)

- Provision of funds by the way of loans on preferential terms (below inflation rates), purchasing of bonds and convertible debentures, granting of guarantees on credits and other obligations as well as leasing
- Financing schedule up to 10 year
- Provision of financing as grants for research purposes in order to foster product competitiveness
- Provision of financing to conduct ongoing training for project teams

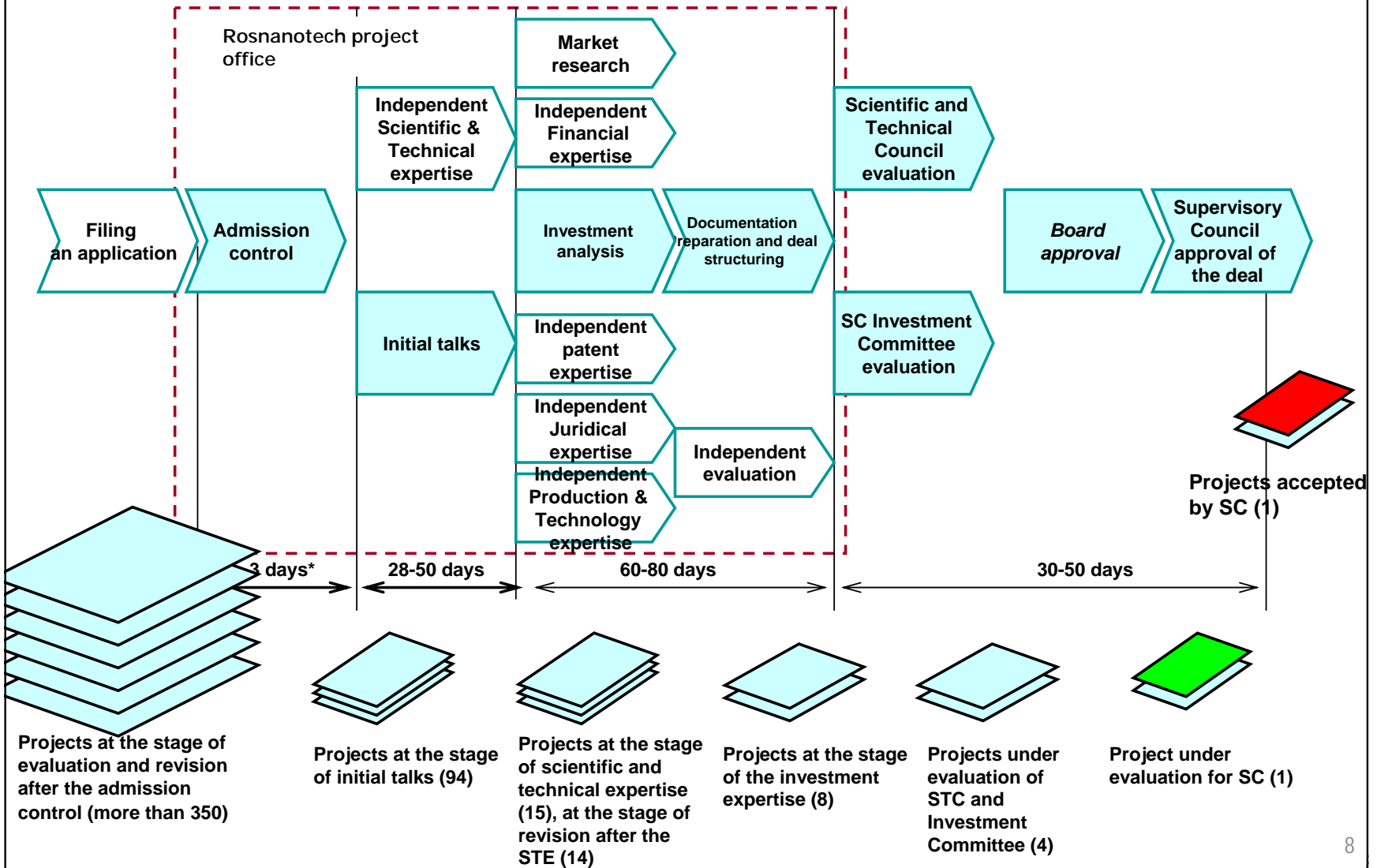
Infrastructural Support

- Administrative support (shielding from red tape and corruption, product market promotion)
- Foresight based product roadmaps
- Research, technological, product and market databases creation
- Special economic zone location
- Participation in the legislation improvement supporting innovational business
- Certification, standardization, and metrological support
- Providing nanotechnology and nanoproduct safety.
- Nanotechnology popularization

Steps to get Corporation Investment



Investment projects at various stages (as of July 2008)



Nanotech. US — Russia

Global challenge — global opportunities



Source: LUX Research 2008

3% of world nanotech market by 2015



Thank you for your attention