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- ▶ Central location of Frankfurt (Oder) in the enlarged EU
- ▶ 350 million consumers can be reached by truck within 24 hours
- ▶ Proximity to the German capital city and metropolis Berlin
- ▶ Perfect location for access to Eastern European markets
- ▶ Potential for consumer-goods distribution and conditioning
- ▶ Several research initiatives in Berlin-Brandenburg



# 1 | Transport connections in the region

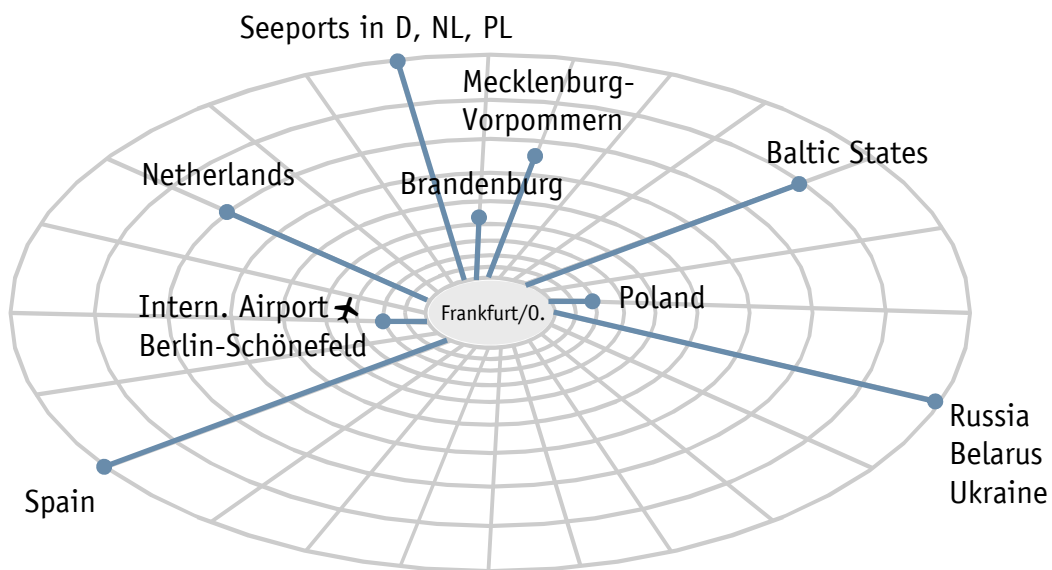


- ▶ The main Pan-European East-West motorway E30 running between Paris, Berlin, Warsaw and Moscow intersects the East Brandenburg region
- ▶ Access to combined traffic resorts in Frankfurt (Oder) (truck terminal) and Paris-Berlin-Warsaw-Brest railway connections
- ▶ Berlin's international airports can be reached within one hour
- ▶ Domestic port in Frankfurt (Oder) with connection to international nautic routes





- ▶ Favourable situation to the raw-material markets from the agrarian region Brandenburg, Mecklenburg-Vorpommern and Poland
- ▶ Location at the main trade route of goods from the Baltic States, Russia, Belarus and the Ukraine
- ▶ Same distances to the ports of Hamburg, Bremen, Rostock and Szczecin.
- ▶ Modular container terminal for combined transport (railway-road transport) available
- ▶ Outstanding connections to the international airports of Berlin



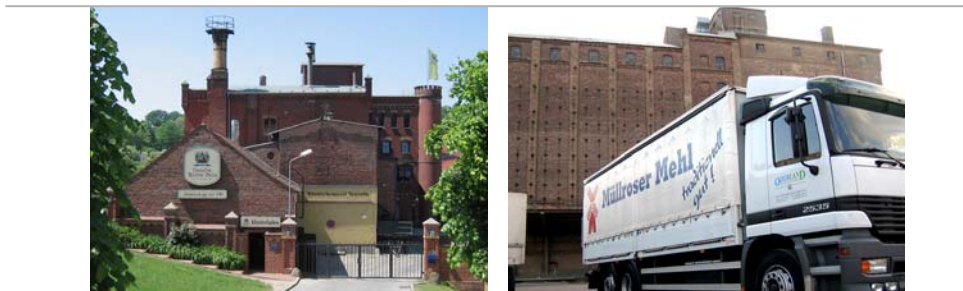
The Region Frankfurt (Oder) at its central location to the most important European food-supplying markets



# 1 | Agrarian region Ostbrandenburg



- ▶ East Brandenburg has a strong tradition in agricultural production of the highest quality. The region has several old mills and breweries working today combining the best of old and new.
- ▶ The fertile land, mild climate and wide open spaces provide the perfect environment for farmers to apply their know-how in producing the best crops year after year. Moreover the proximity to international traffic connections and the East European countries permits a wide range of products as well as combination among local and exotic goods.
- ▶ The origin and guaranty of foodstuff plays an increasing role among million of consumers worldwide. The regional traceability is a good opportunity to improve the consumers' trust in the reliability and quality of goods.
- ▶ The traditional agricultural-orientated Brandenburg with its modern and large agricultural companies and its above-average ecologic cultivations offers an unique opportunity.





- ▶ More than one million hectares are of agricultural use in Brandenburg
- ▶ There are approximately 6,700 companies in the Brandenburg region with ca 38.600 employees
- ▶ 22% of these companies manage more than 200 hectares

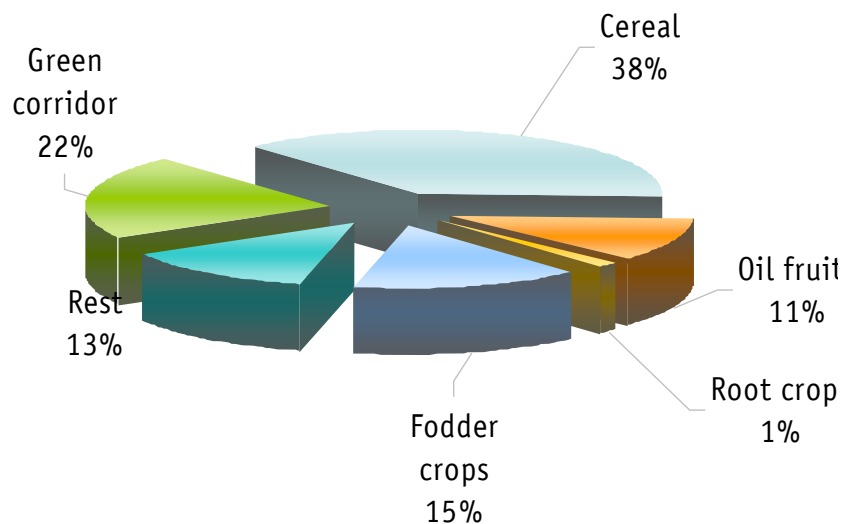
#### Harvest in 2007:

Cereal:	2.097.035 t
Vegetables:	128.417 t
Fruit:	20.543 t

#### Livestock in 2007:

Cattle:	566.399	Heads.
Dairy cows:	163,674	Heads.
Pork:	808,195	Heads.
Sheep:	129.105	Heads.
Poultry:	8.5 Mio.	Heads.

#### Agriculturally-used area in Brandenburg - 1.33 million hectares



Source: Statistic reports LDS, 2007



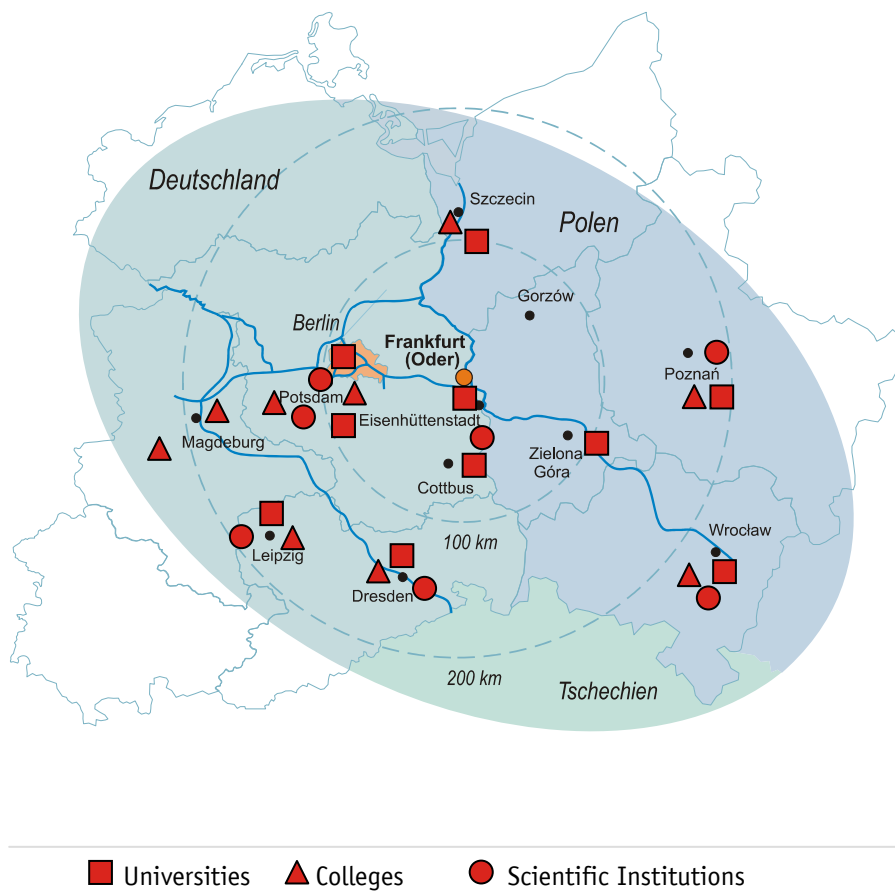


- ▶ Several enterprises of the LMI industry on the German and on the Polish side are available as potential co-operation partners





- ▶ 6 universities and 19 colleges in Berlin and Brandenburg educate highly-trained-employees.
- ▶ About 5.000 students in Berlin and Brandenburg visit following subjects: agricultural science, forest science, nutritional science
- ▶ Good network structures due to the tight cooperation between the research institutions and the universities from the region
- ▶ Possibilities of cooperation with Polish institutions like in Poznan, Wroclaw and Szczecin
- ▶ There are further universities in Western Poland specialized in food industry





- ▶ Involvement in Central and Eastern Europe (CEE) does not only bring new opportunities but also risks for companies that want to start business
- ▶ Ostbrandenburg permits direct access to dynamically-developing markets
- ▶ Access to price-effective logistics chains to and from CEE
- ▶ Advantageous macroeconomical factors which ensuring planning reliability of the region Ostbrandenburg.





- ▶ Market expertise and proximity to Poland and East Europe
- ▶ High levels of Central and Eastern European market penetration
- ▶ Logistic centre at the East-West transport axis E30
- ▶ Multi-lingual personnel available
- ▶ Seasonal workers as daily crossborder commuters
- ▶ Twin Location production – lower personnel costs, sourcing from Poland and the EU
- ▶ High levels of EU-subsidies in a border region





- ▶ Wages in East Brandenburg are stable, only gradually rising; more significantly is the rise of wages in Poland (for example over 10% from 2002 to 2003)
- ▶ The average monthly gross income in the food processing industry of Brandenburg- is up to 30% lower than in West Germany

### Standard local fees in East Brandenburg

#### Manufacturing sector, small and medium-sized business, 40h working week

Unskilled and semi-skilled worker: 1.200...1.500 €/Monat

Skilled worker: 1.500...2.000 €/Monat

Engineers, middle management: 2.000...3.500€/Monat

The labour costs include further 25-35% surcharges for National Insurance and benefiz.

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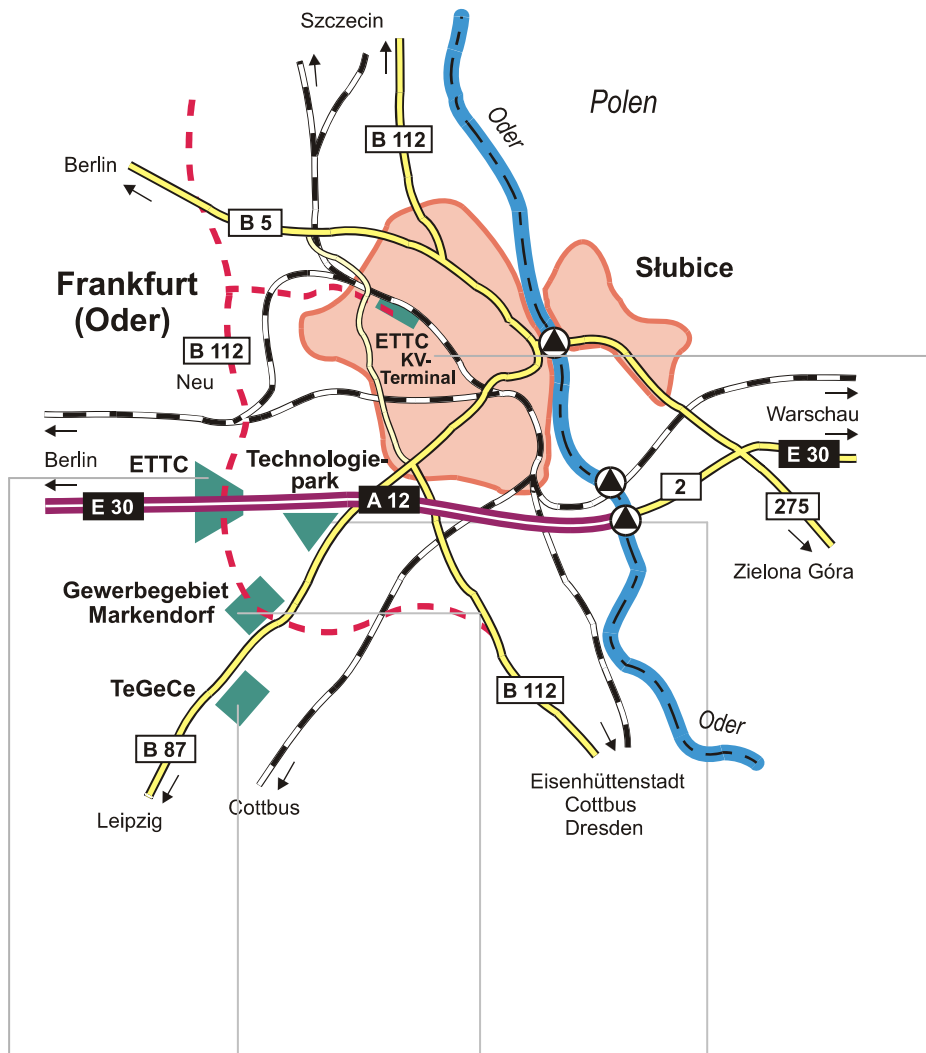
Source: LDS Brandenburg, 2007

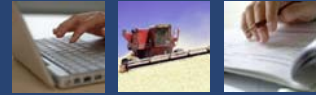
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- ▶ real estates and industrial areas in the center of Europe with an excellent location at the motorway E 30/BAB 12
- ▶ Fully-equipped real estates are ready for usage





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### Highest incentives in Europe

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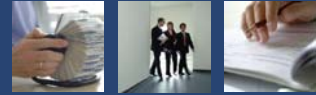
- ▶ “Joint Task – improvement of regional economics structures” (GA-Program)
  - up to 35% of eligible amount for large companies
  - up to 50% for small and medium-sized enterprises
- ▶ Special incentives for R&D intensive projects
- ▶ Credit Program – Government – backed, low - interest loans and state bonds





- ▶ The Investor Center Ostbrandenburg is a service provider dedicated to facilitating the settlement of your business at the right location in the region. The following services listed below are the components of our complete investment service provided for you, free of charge.
- ▶ Preparation of all information relating to investment requirements with regard to East Brandenburg
- ▶ Development of business models and plans (taking tax incentives, subsidies and beneficial use of the border location into account)
- ▶ Support during the process of determining the best business location
- ▶ Put you in contact with co-operative partners and service providers
- ▶ Making contact with local, regional and national authorities
- ▶ Welcome Package for your business. Please contact us for more information.





We are pleased to introduce ourselves as your partners and look forward to cooperating with you. Should you require any further information regarding the contents of this brochure or indeed any information about investment in this region we would be pleased to be of assistance.

in Germany

Michael Prager

Project manager

Phone: +49 (0) 335 557 1930

Fax: +49 (0) 335 557 1310

Mobile: +49 (0) 171 971 5557

Prager@icob.de

www.food-processing.de

in South Africa

Andries Ernst de Wet

(Managing Director)

Intercommerz (Pty Ltd)

5 Enkeldoring Street

Roodekrans

1724 Roodepoort

Gauteng

South Africa

Fon : 0027 11 764 5083

Fax : 0027 11 768 5597

intercommerz@telkomsa.net

**Investor Center**

**Ostbrandenburg**

Im Technologiepark 1

15236 Frankfurt (Oder)

Germany

Phone: +49 (0) 335 557

1300

www.icob.de

