



**Multimodal Industrial and Logistic Complex in Slavyanka  
Russian Far East**

**November 2013**

## Strategic directions of activities for Russian government

- To eliminate imbalance of regional development;
- To modernize Russian ports;
- To use efficiently transit potential of Russia;
- To form new, more profitable and shortest routes between Asia and Europe.

“The items, mentioned above are national priority activities at the present time”, said V.V. Putin.



## **Multimodal Industrial and Logistic Complex (MILC)**

### **Project mission:**

**To create the largest logistic complex in Asia-Pacific region, with well-developed infrastructure and network of main transport: rail, road, sea, air.**

### **Project focus:**

**Integrated development of Slavyanka port and territories in Khasan District, Primorye.**



### **Project Investments:**

- Purchase specialized tanker fleet. Investments: 77,5 mln USD**
- Build offshore transshipment complex. Investments: 12,5 mln USD**

**Total Investments: 90 mln USD**

**Bunker hub**

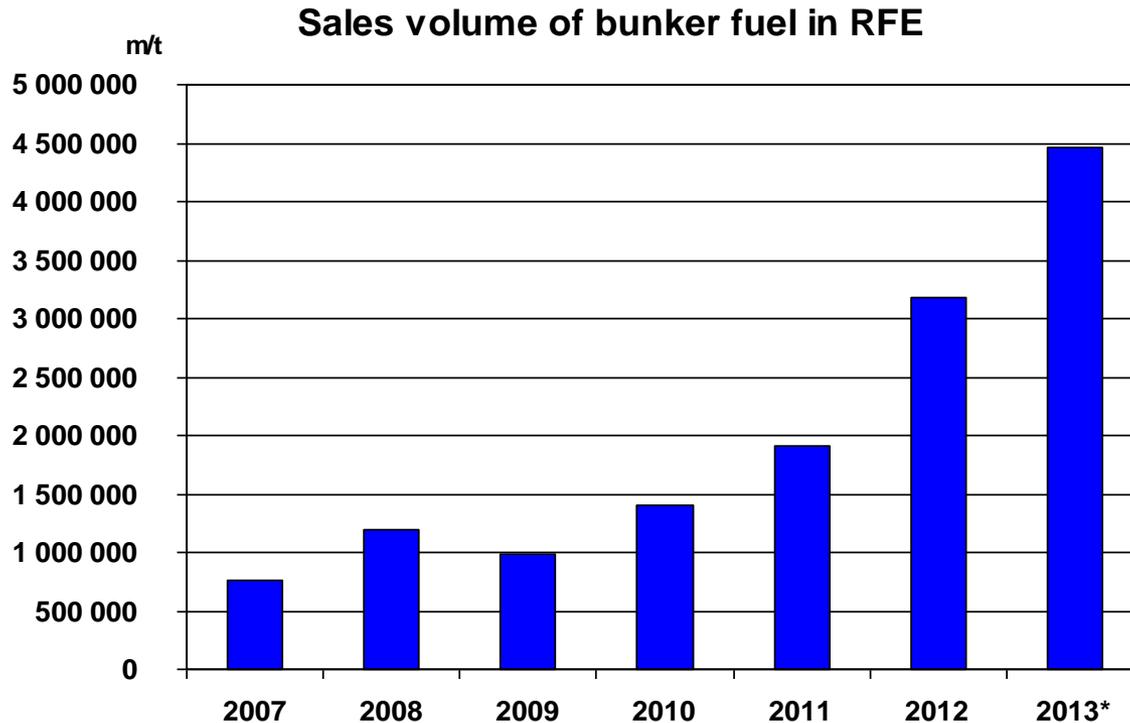
**Multimodal Industrial and Logistic  
Complex**

**Shipbuilding cluster**

## Russian bunker market geography – Sales per year, tones

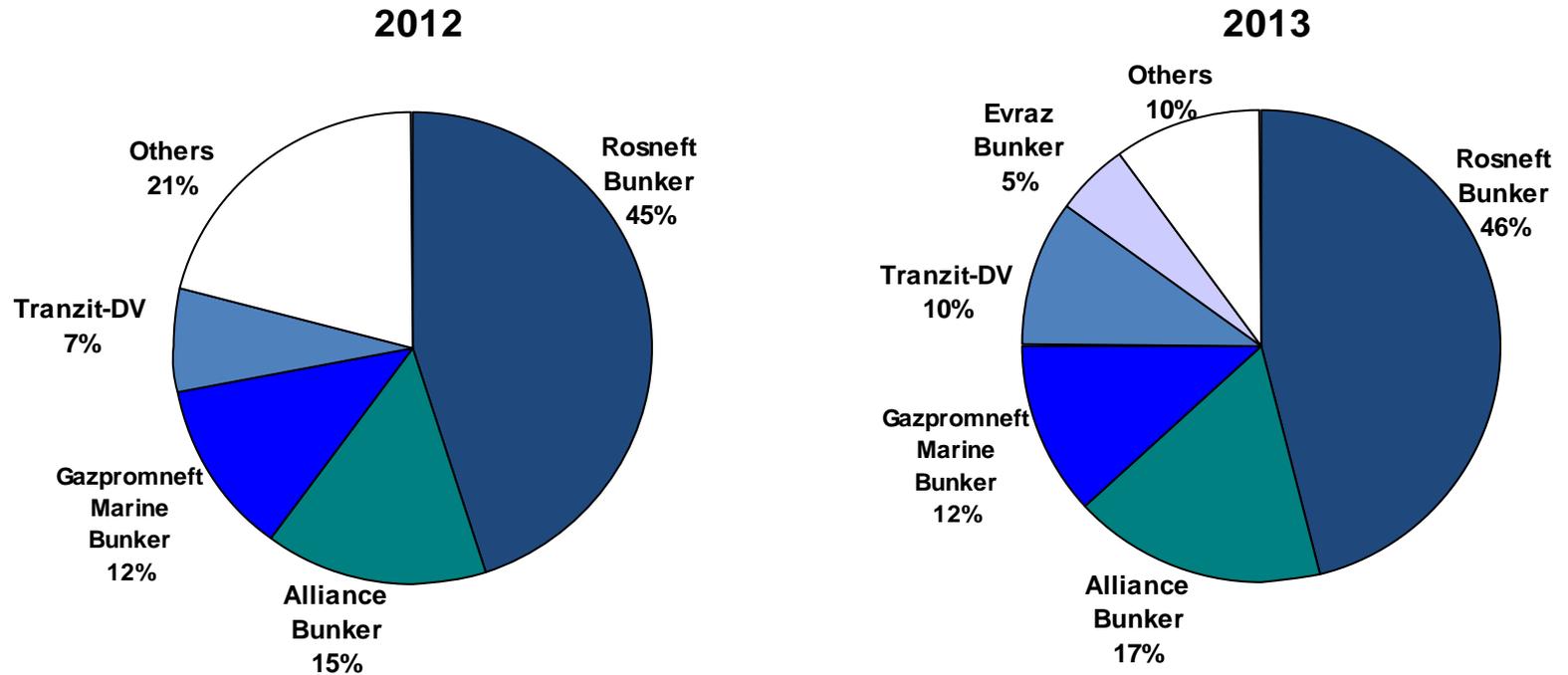


## RFE Bunker Market Statistics



Shipping giants ZIM, MAERSK, EVERGREEN, NYK, CSAV, KLINE, MOL, CMA&CGM, EUKOR, HMM, HANJIN, STX, SK-SHIPPING –schedules and voyages have been adjusted in order to get cheap bunker.

## Company's market share on RFE bunker market





- Coastal terminal JSC Vostokbunker
- Own production of IFO
- Marine terminal in Slavyanka
- Floating transshipment complex
- Exclusive suppliers of the products
- Extensive distribution network

### Offices:

Vladivostok, Petropavlovsk-Kamchatsky  
Magadan

### Representative offices:

Seoul, Hong Kong, Singapore, Anchorage

**Marine terminal handled 100,000 tons  
of oil products in May-July 2013**





**Poseydon**

**Vityaz**

**Kapitan Zdor**

**Slavyanets**

**Engine power HP 2500**

- Ship downtime while waiting for tugs are eliminated
- Ship call costs significantly reduced
- Mooring operation safety and speed significantly increased
- Unique bunker services offered

## MILC – Specialized tanker fleet

**Type: oil tanker**

**Year of build: 2003**

**DWT: 47 000 mt**

**Class: Ice class 1A**

**Length: 183 m**

**Width: 32 m**

**Draft: 12,5 m**

**Main engine: Hyundai  
MAN B&W 7S50MC-C/11.060 kW**

**Shipyard: Hyundai Mipo, Ulsan,  
South Korea**

**Quantity – 3 vessels**



	Project				
	1 year	2 year	3 year	4 year	5 year
Turnover, mt	540 000	540 000	540 000	540 000	540 000
TCE, USD	6 570 000	6 570 000	6 570 000	6 570 000	6 570 000
Operational costs, USD	25 423 581	25 423 581	25 423 581	25 423 581	25 423 581
Product costs, USD	229 285 487	229 285 487	229 285 487	229 285 487	229 285 487
Total costs, USD	261 279 068	261 279 068	261 279 068	261 279 068	261 279 068
Revenues, USD	284 006 250	284 006 250	284 006 250	284 006 250	284 006 250
Net profit, USD.	22 727 183	22 727 183	22 727 183	22 727 183	22 727 183

**Credit terms - 6 % p.a.**

**Payback period - 4 years**

**Total revenues (5 years) - 113,6 mln USD**

**Discounted revenues (5 years) – 96,4 mln USD**

**NPV (5 years) – 17 mln USD**

**IRR – 13,6 %**

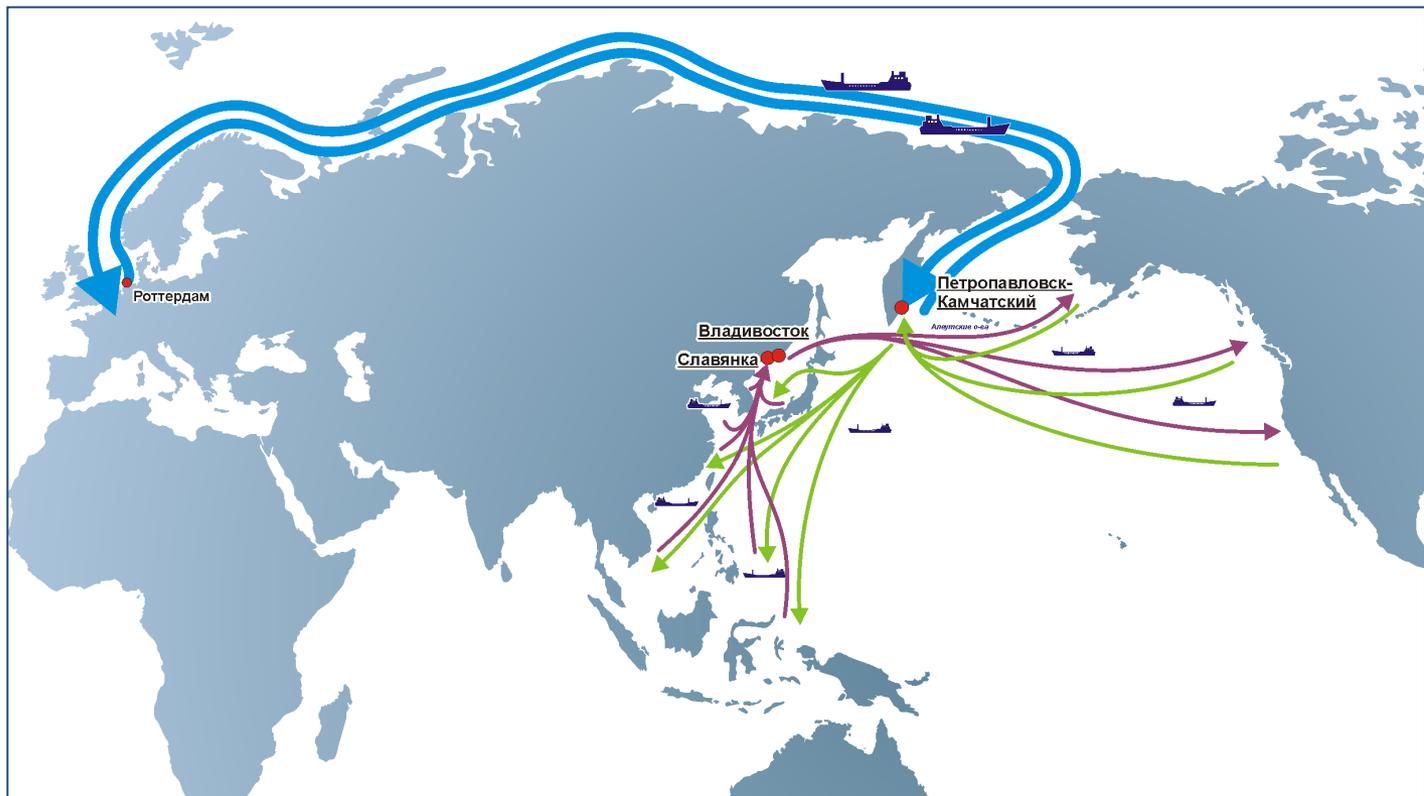
**ROI – 28,9%**

Develop local port infrastructure

Change regional and global logistics

Empower Russian transit potential

Promote Northern Sea Route



**Northern Europe - Slavyanka - US West Coast, Southeast Asia**

**Chinese Northeast - Slavyanka - Northern Europe, US West Coast**

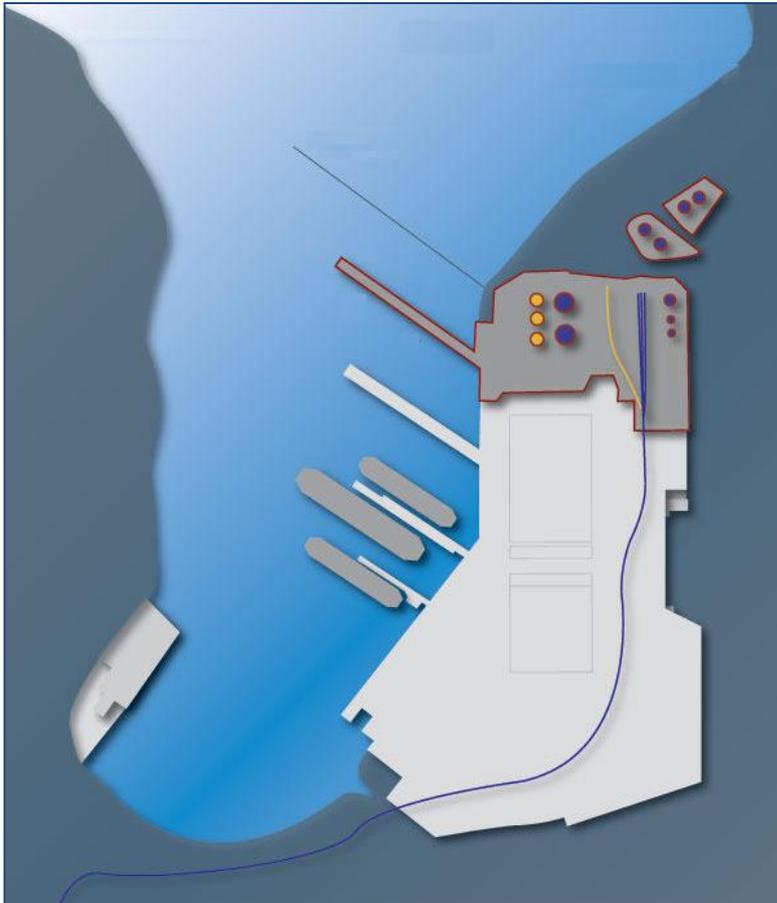


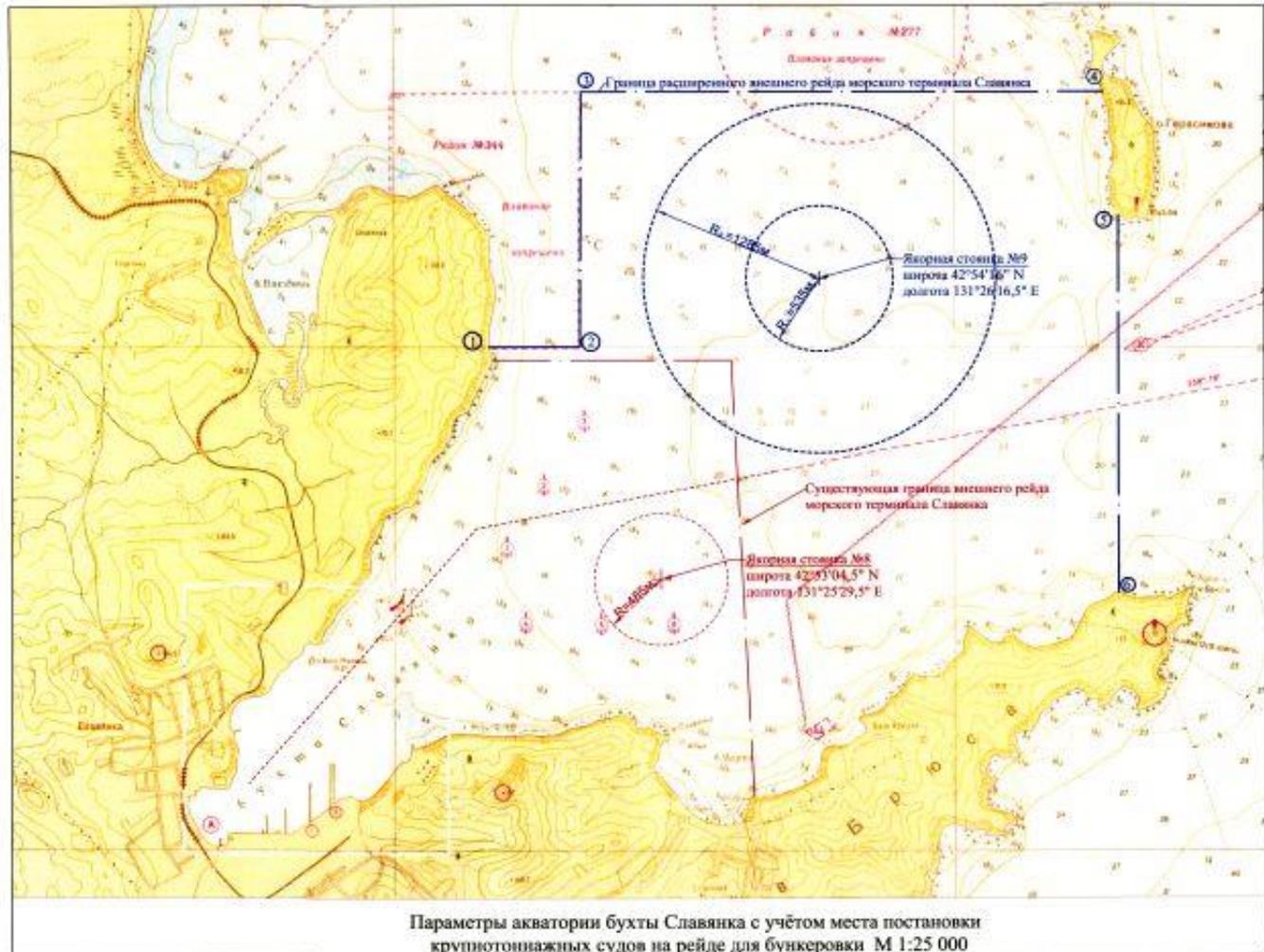
**Southeast Asia - Western Europe, US West Coast: more than 70% of world maritime container traffic**



Using new routes for cargo delivery from Northern China-

- Save time
- Save money
- Change traditional routes
- Create new opportunities for development

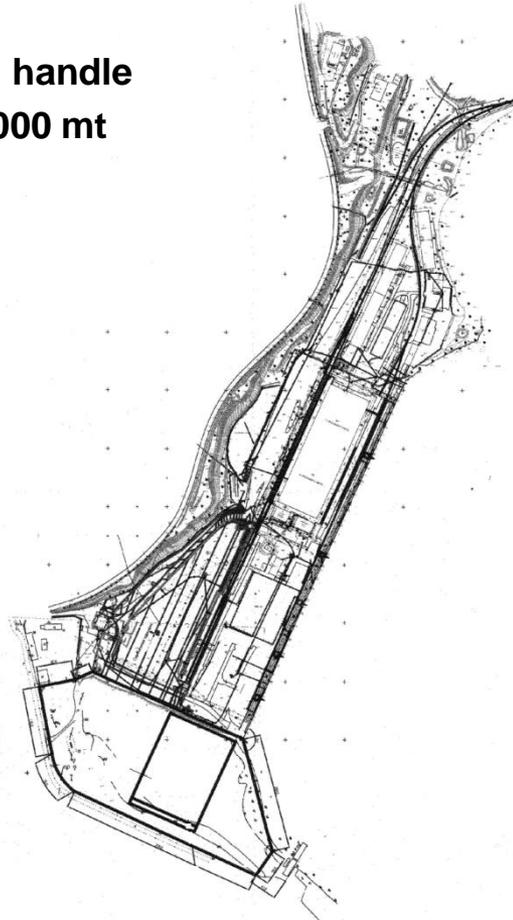




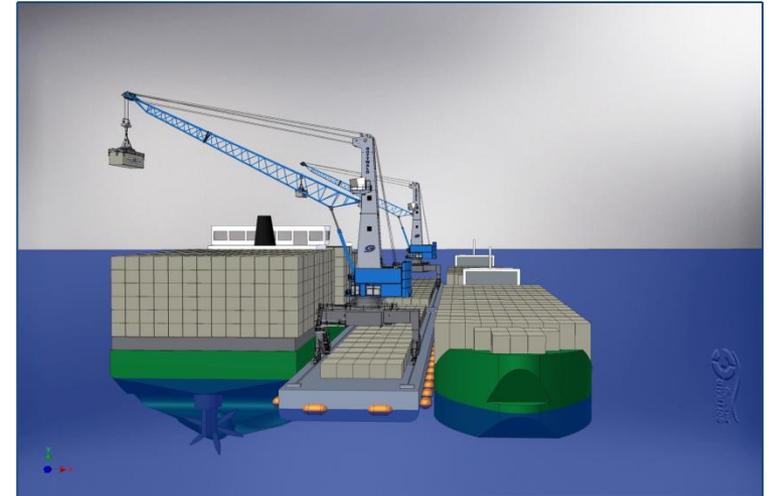
MILC allows port to handle vessels with DWT 300,000 mt

- Total area: 39,2ha
- Operations area: 20ha

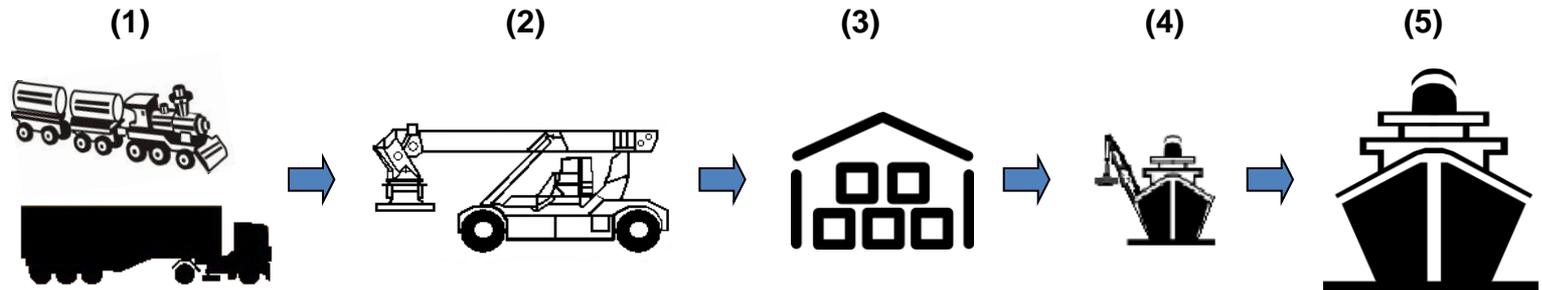
**Container terminal**



Russian ports share in world maritime container traffic - 3.6 million TEU, less than 1%.



Floating container terminal in Slavyanka - impetus for port and region development



**(1) Delivery of goods from Western Russia and the Northern provinces of China (auto, railway)**

**(2) Transshipment of containers and general cargo**

**(3) Storage, accumulation of shipments**

**(4) Loading of containers to feeder vessel, delivery to anchorage**

**(5) Loading of container line vessels**

	Project				
	1 year	2 year	3 year	4 year	5 year
Turnover, TEU	45 000	45 000	45 000	45 000	45 000
Total costs, USD	129 404 625	129 404 625	129 404 625	129 404 625	129 404 625
Revenues, USD	135 000 000	135 000 000	135 000 000	135 000 000	135 000 000
Net profit, USD.	4 476 299	4 476 299	4 476 299	4 476 299	4 476 299

**Total investments – 12,5 mln USD**

**Credit terms - 6 % p.a.**

**Payback period – 2,8 years**

**Total revenues (5 years) - 22,4 mln USD**

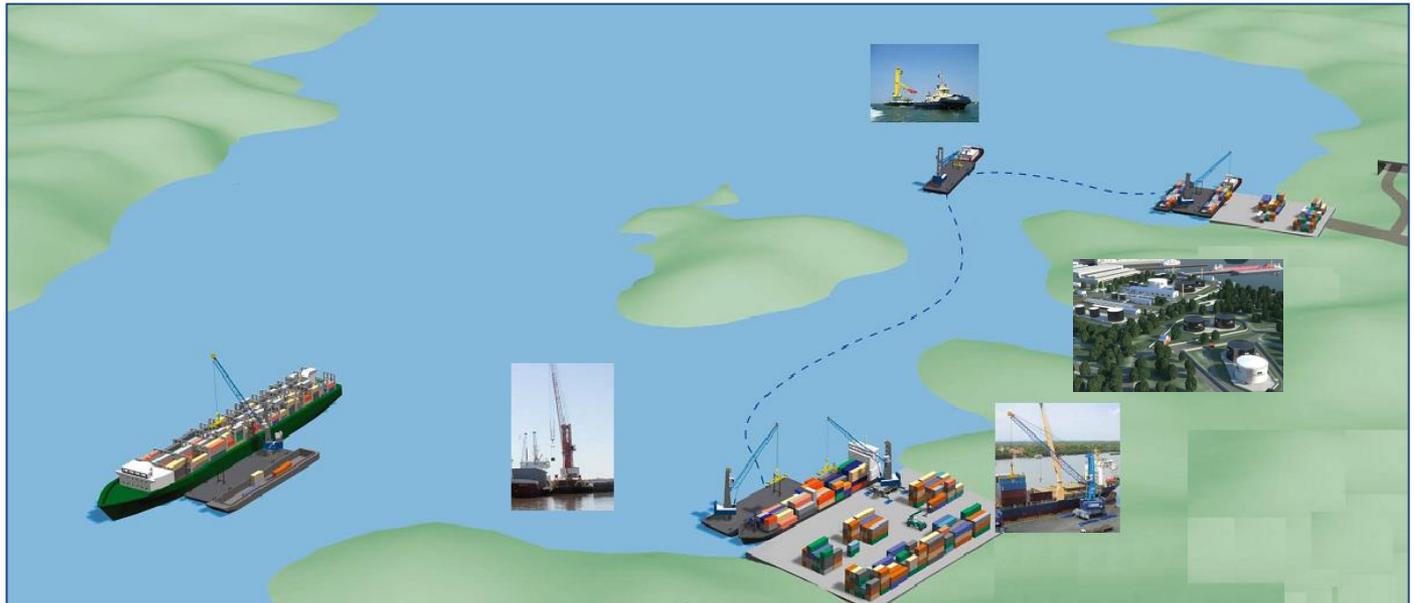
**Discounted revenues (5 years) – 18,9 %**

**NPV (5 years) – 9,4 mln USD**

**IRR – 23,3%**

**ROI – 35,9%**

The Multimodal Industrial and Logistic Complex will be capable of handling vessels with DWT up to 300,000 tons. It is part of Russia's maritime development strategy, helping to ensure the country's economic independence and national security, and increase foreign trade and Tranzit through Russia's territory.



**Project goal:** To create the largest logistic complex in Asia-Pacific region, with well-developed infrastructure and network of main transport: rail, road, sea, air.

**Project investment schedule:**

- 1. Purchase specialized tanker fleet 77,5 mln USD
- 2. Build offshore transshipment complex 12,5 mln USD

**Total investments:** 90 mln USD

**Total discounted Revenues (5 years):** 115 mln USD

**ROI:** 30,2%

**IRR:** 15,6%

**Pay back period:** 3,5 years



---

**Olga Kantysheva**  
**Business Development Director**  
**Email: [kantysheva@tranzitdv.ru](mailto:kantysheva@tranzitdv.ru)**  
**Pone: 7 423 2491199**  
**URL: [www.tranzitdv.com](http://www.tranzitdv.com)**

---