

We invite you to invest in hyperscale data center in Uzbekistan



Project overview

Project scope

- Greenfield investment in 40MW Hyperscale data center providing Infrastructure and Cloud services

Geography

- Tashkent

Financing

- 407 USD mn** over 5 years for 4 modules

Timeline

- 2018-2022 – design, construction, engineering and equipment installation of four 10MW modules
- 2020-2023 – release to operation (one module/year)

Investment terms

- Investor will have ownership of the entire business

Risk adjusted investor NPV **266 USD mn**

IRR USD **27%**

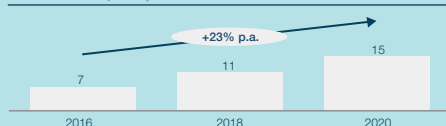
Data center market is growing at 10% per annum driven by growing amount of data and shift to cloud and outsourcing

Underlying market driver

Description

Increasing amounts of data and traffic

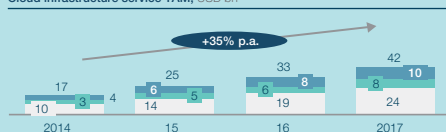
Data center traffic, zettabytes¹



- Industry 4.0, IoT devices, and user data generate data and traffic at never seen speed, e.g.,
 - Amount of data generated is expected to grow at ~40% p.a. in 2013-20
 - Monthly mobile data traffic is expected to grow at ~50% p.a. in 2015-20
 - 50 billion devices connected by 2020
 - 55% of all mobile traffic is video
 - Every connected car will generate 25Gb of data per hour

Continued shift to cloud computing and storage

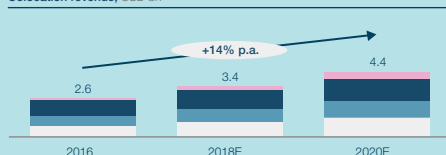
Cloud infrastructure service TAM, USD bn



- Cloud computing is an integral part of automated manufacturing and Industry 4.0, with data exchange and big data analysis being at its core
- Migration from local installations to cloud-based solutions for data storage, applications, and corporate services will continue across business and private purpose

Shift to outsourcing and co-location

Colocation revenue, USD bn



- Many corporates increasingly move towards outsourcing to get access to on-demand computing resources while avoiding upfront IT infrastructure costs
- Outsourcing drives shift towards larger data centers and colocation services

1. 1 zettabyte = 1 trillion gigabytes

Contacts

State Investment Committee will be happy to answer any questions you may have

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Uzbekistan presents an opportunity to connect Asian and European data center hubs and serve as gateway to untapped emerging markets



Tashkent has ~4-5 times lower operating costs compared to other prime data center locations

	Electricity, US cents per kWh	Industrial space, USD per m ²	IT labor cost, USD per month
Frankfurt	26.6	112	4 417
Mumbai	25.5	82	2 167
Dublin	21.4	124	3 750
London	15.5	311	4 667
Warsaw	15.1	94	2 667
Hong kong	15.0	271	3 583
Kuala L.	14.3	141	1 750
Helsinki	12.7	160	3 750
Moscow	9.7	81	2 083
Singapore	8.1	458	4 083
Tashkent	2.1	14	600

IT companies receive significant economic benefits under: MUIC and President Decree #2042

Benefit type	Description	Timeline
Corporate taxes	Exemption from: <ul style="list-style-type: none"> Corporate profit tax Property tax Improvement & social infrastructure development tax Uniform tax payment by micro and small businesses Contributions to Republican Road Fund 	Till January 2028
Import duties	Exemption from customs duties (with the exception of customs processing fees) for imported equipment, machinery, components, spare parts and materials not produced in the Republic of Uzbekistan	Till January 2028
Payroll taxes	Exemption from uniform social payment	Till January 2028
Foreign currency exchange and transactions	<ul style="list-style-type: none"> Relieved from mandatory sale of 25% of foreign currency earnings Allowed to make payments in foreign currency Can accept foreign currency payments without mandatory service export agreement 	No time limitations