

Prime-inform LTD

Volume of investments required: **\$ 600 thousand**

Intended use of investment required:

R&D	28%
Fixed assets acquisition	17%
Marketing	33%
Regional Information Centers set-up	22%

Company profile:

1. Date of establishment - March 28, 2000
2. Stage of development - Expansion
3. Size and source of investment to date - \$ 270 th. Own funds- \$ 150 th., borrowed funds - \$ 120 th.
4. Industry - Information Technology, Business Information Provision, Internet Advertising
5. Target market - Marketing & Advertising
6. Sales in 2003 - \$ 100 th.
7. Description and value of assets - \$ 250 th., including software - \$ 200 th., computer engineering - \$ 35 th., office equipment - \$ 15 th.
8. Intellectual property rights - the registered Trade Mark is "Uralfirm", Trade Mark "Rosfirm" is being registered, the registered domain names are www.uralfirm.ru, www.rosfirm.ru
9. Signs of public recognition - Diplomas of Regional Exhibitions on Computers and Advertising Business, "Golden Site-2002" Award in nomination "Web-services and Information Recourses"

Owners:

TNK-Group Ltd.	60%
2	20%-20%
Share of government property	0%

Management and key personnel:

Pechatnikov, Mikhail I. - Director, 39. Higher technical education (Ural Polytechnical Institute, Yekaterinburg, Russia).

Additional diplomas in economics and management: Academy of Management Training (UK) "Skills for a Market-led Economy", International Communications Institute "Project Management Technology".

Pazdnikov, Alexey Y. - Deputy Director on Production, 25. He has higher technical education (Ural State Technical University, Yekaterinburg, Russia) and additional diplomas in economics: International Communications Institute "Project Management Technology", "Internet Marketing and Advertisement".

Products characteristics:

Regional business portals network Rosfirm.ru represents relevant and reliable information on producers and products in regions of Russia unified in the sole database. Relevance and completeness of the information provided enable attracting the general public. The portal is visited by specialists, managers of various companies, top-managers, persons who take decisions and form business solutions. We provide services as follows: internet advertising, participation in trading system, Tender Center, web-sites creation. The above services enable carrying out effective advertising and promotional actions at the regional and All-Russia level. The success of the present project is stipulated by an adjusted unique method for sales of services of Rosfirm and by information content of the portal. The successful implementation of the present project is held in the region of the Sverdlovsk Oblast, Russia - www.uralfirm.ru

Comparative analysis with existing alternatives:

There are web-portals in the All-Russia market that can be marked out: Yellow pages and Yandex.Market. As the statistics confirms visitors prefer using regional recourses where the information is distinguished for its completeness and topicality.

The regional market of information and reference services is generally represented in three directions: printed reference books, electronic editions and Internet portals. Printed and electronic publications were the primary competitors at the market entry. The similar situation remains in the majority of the regions in Russia. Therefore we make the comparison with typical regional representatives of the above directions. The analysis of the existing business portals has shown that they were considerably backward as regards relevancy, completeness and diversity of the business information, the services convenience and therefore we do not consider them as our competitors at the regional level.

Characteristics	Uralfirm Internet- portal Year of establishment 2000	Regional analogues		All-Russia analogues	
		Price Pulse Printed edition Year of establishment 1993	Skynet Electronic reference edition Year of establishment 1993	Yellow Pages Internet portal Year of establishment 1997	Yandex. Market Internet portal Year of establishment 1997
Edition/ number of users per month	150 000	75 850	15 000	175 000	950 000
Number of organizations in the reference edition The Sverdlovsk Oblast/Russia	42 500	5 500	38 000	709 000	800
Number of positions in the Trading system	1 000 000	250 000	2 600 000	no	1 500 000
Data updating	daily	weekly	weekly	weekly	daily
Terms of information	Free of charge	Fee-paying	Fee-paying	Free of charge	Free of charge

Markets/Competition:

When comparing financial performance we are guided by the today's market of Internet advertisement and forecast of its development (\$17 million in 2003 and \$70 million in 2008). As regional competitors we took regional information portal e1 and uralweb owned by UralRelcom and business reference edition Price.ru in Ekaterinburg. We consider Yandex and Yellow pages as our all-Russia competitors.

	Geographical Region - Sverdlovsk Oblast Market size of Internet Advertising \$ 800 thousand.			
2004	Rosfirm www.rosfirm.ru	www.e1.ru www.uralweb.ru UralRelkom	www.price.ru (Yekaterinburg) Prime- Inform	
Company market share \$ ths/%	400/ 50 %	250 / 31%	60/ 7,5%	
2008	Geographical Region - Russia Market size \$ 70,000 thousand			

	Rosfirm (the whole network)	Yandex	Yellow pages
Company market share \$ ths./%	14 000 / 20%	14 000 / 20%	1 400 / 2%

Sales volume in 2008 for Rosfirm was calculated of the total turnover of the whole business portals network.