

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

Intended use of investments required:

<b>Fixed assets acquisition (for separator's production)</b>	<b>100%</b>
--------------------------------------------------------------	-------------

Company profile:

1. Date of establishment - December 18, 2002
2. Stage of development - Expansion.
3. Size and source of investment to date - Own means \$ 178 th.
4. Industry - Engineering industry.
5. Target market - Oil and gas industry.
6. Intellectual property rights - Patent the invention «Small-size highly effective separator SCV-5» RU N 2221625 (04.01.2003) belongs to the Director of the Company. There were made applications for Eurasian and European patents as well as for the national patent in the following countries: Arabian Emirates, Brasil, Canada, China, Georgia, Hungary, Israel, India, Japan, Republic Korea, Lithuania, Latvia, Oman, Philippines, Poland, Romania, Sudan, Ukraine, USA, Uzbekistan, Vietnam, application number PCT / RU 03/00596; the rights belong to the owner of the Company.
7. Signs of public recognition - At early stage of business activity the Company took part at the program «Start», organized by the Fund of Small Business Assistance; – as a result, the Company has got financing from this fund. In June 2004, the Company won «The Russian Innovation Competition» in the part «The best industrial innovation».

Owners:

1 natural person	<b>100%</b>
Share of government property	<b>0%</b>

Management and key personnel:

Rogozhkin Sergey Anatolievich - the Director and owner of the Company, 44. The former personnel officer. Since 1997 has been working in small business. Has good organizing capacities, knowledge of bases of small business. Participates in developments of new separation equipment. The General Director of «RoSKom» Holding.

Vlasov Vladimir Anatolievich - the Deputy Director, chief engineer, 44. Technically competent specialist, has wide experience of managing, vast knowledge in the field of know-how on applying compressor units and plants, is a good team-player.

Kochubey Yuriy Ivanovich - the Chief of the design office, 72. The senior lecturer of The Faculty of Fluid Flow Mechanics and Hydraulic Ambulances of Polytechnical Institute of Krasnodar, cand. eng. sci. The implementator and author of a number of the patents for separators of the previous generations which are in use now at the industrial enterprises. Now the «RoSKom» business activity is not including production and sales promotion of separators of previous generations.

Products characteristics:

Gas-liquid separators of whirling type SCV-5 with absolutely new system of profound gas flow purification of drops of moisture and solid particles. Separators SCV-5 are intended for separation of binary flows with different chemical composition. Separators SCV-5 have extensive sphere of application as they are used in all industries which work with compressed air which is mostly consumed by the air-operated equipment transporting bulk materials (flour, cement, sugar). Besides SCV-5 are applied at oil fields for natural gas purification, as well as at the mines for purification of shaft gas with high concentration of methane.

Separator SCV-5 has the following advantages: separation efficiency 99,99%; weight is 10 times less; low material capacity; does not require special materials and alloys; no filters and rotating elements which require frequent change and cleaning; no maintenance during service life is required; guarantee period – 10 years; allows to perform urgent ecological programs for energy resources saving and safe mines work.

Comparative analysis with existing alternatives:

Characteristics	SCV-5 «RoSKom», Russia 2003	Atlas Copco, Belgium 2002	ALUP Compressoren, Germany2002	OMI Srl, Italy2004
Productivity m3/min	5 - 6 944	9 -21	up to 120	5 - 85
Weight, kg	30 - 50, 200-oil separator	from 122	from 300	from 1 100
Price, \$	793 - 3965	from 18 000	from 20 000	from 21 240

Comparing with the equipment of home and foreign producers separators SVC-5 have much lower weight (superiority 10 times), thus much lower material capacity, easy transportation, installation and low cost price. Superiority in productivity comparing with other equipment is 7 times. SCV-5 can be produced for various pressure and productivity.

Markets/Competition:

2004 – geographical region – separation equipment market of Ural, Povolzhie, Central district, Northern Caucasus, market size \$ 100 million a year, company market share 0,1%.

2008 – geographical region – separation equipment market in the countries with the developed oil-gas industry; market size \$ 10 billion a year, company market share 0,1%.

According to the market researches, «RoSKom» has no competitors both in the domestic and foreign market. The equipment of other producers has only some relevant parts, but technical characteristics of such equipment are rather low as it has filter elements, big size, small range of productivity and pressure, high price.

The most perspective markets of Russia for SCV-5 are 20–25 industrial regions with market capacity – 300–400 separators a year. That is the total sale of basic models is 6000–10000 separators a year, and of models for gas-oil industry is 600 separators a year. The maximum sales level is expected in 2007–2008.