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Volume of investments required – \$ 250 thousand

Summary

1. **Production** – Ready low-rise fast-scaffold apartment houses of various price categories and fast-scaffold warmed buildings built by new technologies for industrial, warehouse and agricultural purposes.
2. **Trade marks** – none.
3. **Sales 2007** – none.

Company profile

Date of establishment – the firm is in process of creation. "The project of realization of new building technologies " is being developed during about 3 years on the basis of and with the financial support of Company "NFC" organized in 2002.

Description and value of capital assets – \$35 ths – experimental-industrial area, materials and accessories.

Previous rounds of investments – \$230 ths, from their own – \$200 ths.

Signs of public recognition – video plot at "100" TV channel.

Number of employees – 6 persons.

Structure of ownership

Natural persons	100%
Aggregate share of government property	0%

Team

Prokhorov Stanislav Anatolyevich – Director on Construction & Production, 51 y.o. Qualification: technology engineer. The author and legal owner of 3 patents of the Russian Federation, determining the concept of compartmental elements. More than 18 years working at the construction industry. Previously owned joiner's production, workshop producing expanded-clay concrete blocks; co-founder of production cooperatives and LLCs.

Ilyin Maxim Aleksandrovich – Director General, 31 y.o. Owner of the "NFC" LLC. More than 10 years experience of managing wholesale and retail trade, and over 3 years work for Internet "Warehouse–client" shopping system.

Serov Vadim Anatolyevich – Manager, 32 y.o. Specialist in work with corporate, wholesale and retail clients. Has supervised works in furniture and building areas.

A skilled expert will be invited for top-manager position. Negotiations are in process.

Production

Series of complementary new building technologies is created, worked and patented:

- a new way of manufacturing of self-bearing constructional materials – box-shaped and multichamber building elements and technology of erection of constructions from them,
- a "developing" building element and technology of construction of constructions from them,
- the three-layer building panel,
- inflatable unattended fast-scaffold structures.

The goods are:

- new technologies under the license or the contract about the cooperation,
- made, on new technologies, accessories for construction,
- the constructions built with application of new constructive materials.

New technologies are used in construction of low-rise fast-scaffold inhabited homes and the warmed structures of industrial, warehouse and agricultural purposes.

In traditional construction box-shaped and multichamber building elements are applied as highly effective replacement of usual interfloor overlappings, internal partitions, roofing module, bearing beams of high durability and length.

These technologies can bring the essential contribution to performance of the Priority National Project "Accessible House" and in satisfaction of needs of structures of:

- Russia's Emergency Situations Ministry,
- industry,
- population,

and have high profitableness and real competitiveness. Multilateral patents protection creates low competitive conditions of development of the project, excludes an opportunity of copying or detour patented technologies by the foreign organizations.

The unique author-legal owner – Prokhorov S.A. On offered technologies patents for Useful Model are received:

- Patent of the Russian Federation for Useful Model "Bar" № 52039;

- Patent of the Russian Federation for Useful Model "The three-layer building panel" № 59660;
- Patent of the Russian Federation for Useful Model "Bar" № 62130.

In addition, it is submitted in Patent department 3 applications on Useful Model and 2 applications for the Invention. The author-legal owner license agreements did not consist and the rights were not transferred the third parties. Yet not protected know-how of applications opened to anybody to the stranger.

The nearest analogues are: houses from wooden bar, "Polar-Sip" and constructions on these technologies, panel houses.

Competitive advantages of new technologies:

- high security patents, high innovationness and profitableness,
- simplicity of manufacturing and installation of structures,
- minimal painting and decorating,
- ecological compatibility, high heat-shielding,
- other new and exclusive qualities,
- low cost price and high quality of low-rise fast-scaffold apartment houses of different price categories and warmed low-rise fast-scaffold structures industrial, warehouse and from purposes.

The consumer receives for smaller money more and more quickly, than in other building technologies.

There are several low competitive directions and niches for occurrence of new technologies on the market.

Current state

Stage of R&D is completed and the project is ready for industrial introduction. Has been financed and begun the 1st stage of realization of the project on the base of an experimental-industrial area.

Development strategy

On the basis of new building technologies creation of own segment of the building market "low-rise fast-scaffold structures", with the mass consumer and sale on it own, protected by patents, high-quality products and services with the big rate of return for long years is supposed.

Use of funds

1. R&D	1,7%
2. Acquisition of fixed assets	53,5%
3. Marketing	8,3%
4. Acquisition of current assets	20,0%
5. Other	16,5%

Prospective outcome of investment

The first industrial-marketing structure on manufacturing and realization of the low-rise fast-scaffold inhabited wooden apartment houses of various price categories will be created with profitableness up to 300% a year.

Marketing & Markets

The building market and segment of low-rise wooden apartment houses in Russia extend with speed of 20–25% in a year.

The prospective volume of demand for production of new technologies at the territory of Northwest region of the Russian Federation – more than 350 000 sq.m of total area of wooden low-rise houses, in abroad the demand is comparable. The general volume of the market of wooden houses (including fast-scaffold), only in Northwest region – hundreds of millions dollars a year. Potential opportunities and advantages of new technologies will allow, on pre-design for 2-3 years, to have 1% from the market of wooden low-rise houses and in 5-7 years – up to 10%.

The basic consumers of products of new building technologies are:

- private buyers of country houses at the price of \$330–2000 per sq.m of gross area, without cost of the ground;
- industrial and agricultural enterprises;
- state structures and the Russia's Emergency Situations Ministry;
- building organizations.

There are preliminary arrangements with the building and marketing organizations.

Interaction with investor

Depending on participation of strategic partner-investor in promotion of technology and assistance in management of the project, the share of the property will be from 30% and above. It is possible, under certain conditions, to transfer the rights to Patents of the Russian Federation, inclusion of representatives of the investor to legal owners of the submitted applications.

Financial characteristics, \$ thousand

Data	Facts			Forecast	Forecast with the investment required			
	2005	2006	2007	2008	2009	2010	2011	2012
Sales	-	-	-	37.2	3 984	5 714	7 200	11 346
Operating income	-	-	-	14.14	1 943	2 773	3 529	5 561