Technopark Skolkovo Annual Report 2011

Skolkovo

ТЕХНОПАРК
TECHNOPARK

Contents

Goals and Objectives of Technopark for 2011

Technopark “Skolkovo” is directed onto creating an infrastructure to provide for a successful innovative business development and technologies commercialization of the companies-participants. Just imagine that you come to the new work place, everything is unfamiliar, but your previous experience says: it will take a bulk of valuable time to organize the work here, to find out in a new place what is what. And all of the sudden you realize, that all relating problems have been solved for your sake: computer is set and on, there is paper in printer, you are provided with all necessary references, and even an accounting office has no questions to ask you, they have all your paperwork. Just sit and work. So this all is in Technopark: all conditions for creative innovative activity are put in place beginning with cloud IT-services and ending with room-cleaning.

MISSION OF TECHNOPARK is to create infrastructure and service environment to provide a successful development of innovative business and to commercialize technologies of the companies-participants.

GOALS OF TECHNOPARK FOR 2011:

- To form an organizational structure
- To develop a Technopark service proposition
- To start developing the research environment
- To create a model of Common Use Center (CUC) activity
- To develop a Technopark concept
- To start design of buildings and R&D infrastructure of Technopark
- To start developing the international cooperation

OBJECTIVES OF TECHNOPARK FOR 2011:

- To create and launch the system of providing the participants with the basic Technopark’s services aimed at developing innovative companies
- To develop a concept for the complex of buildings and R&D infrastructure of Technopark
- To develop the Terms of Reference to design interdisciplinary Common Use Centers (CUC) and Centers of Competence (CC)
- To supervise the designing process of Technopark
- To rent a building for temporary Technopark
- To start the process of creating the first CUC in the Temporary Technopark (feasibility study, equipment purchase, etc.)
- To employ the key staff
- To create the policies, procedures, regulations and job descriptions
- To establish the working relations with the leading technoparks, research centers, incubators and technology transfer centers in Russia and in the world
- To create and launch the system for organizing and holding conferences and thematic events

“Skolkovo” – This is a Technopark, and the university, and the schools…this is representatives of big Russian corporations and holdings….and the objective is, that any participant could find in this environment the ways to realize his/her potential”

Viktor Vekselberg,
President, “Skolkovo” Foundation

Technopark Today

Skolkovo Technopark, in order to develop the research infrastructure, creates Common Use Centers (CUC) and Centers of Competence (CC) and holds accreditation of external CUCs for service provision with respect to the optimum price-quality ratio.

OPTOELECTRONICS CUC

The first Optoelectonics CUC based on the Research and Development Centre for Thin-Film Technologies in Energy Sector attached to Ioffe Physical Technical Institute was created and put into operation in Saint Petersburg. Skolkovo Technopark delivered into CUC the equipment for prototyping and analytical works on improvement of the technology for manufacturing solar elements.

The technology in use, which supplier is Swiss Oerlikon Solar, that develops and manufactures equipment for solar energy, is based on the use of micromorphic covers – “thin films” on the base of silicon. The key areas of R&D Centre’s work include the increase of efficiency coefficient (from 9% to 13%) of photoelectric modules, decrease in prime costs for product manufacturing due to the use of alternative raw materials and supplies. Upon completion of research works, the improved technology will be transferred to Hevel Solar LLC that is involved into thin-film photoelectric modules manufacturing.

Oerlikon Solar, the processing line supplier, placed at R&D Centre implementation of some own research and development works which will be carried out with the use of significant scientific potential of Ioffe Physical Technical Institute.

The analytical equipment is designed both for applied works on prototyping in order to increase the efficiency of thin-film solar modules and to decrease the

> “To release scientists and constructors from administrative and other various non-scientific problems – this is an objective of Technopark “Skolkovo” that is being created”.

Sergey Kurilov
CEO, Technopark “Skolkovo”

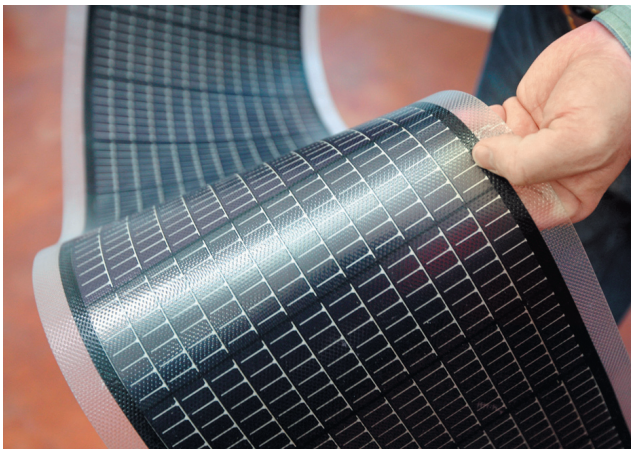
production prime cost and for the innovative activity in the area of optoelectronics of participating companies from St. Petersburg. The equipment includes the modules for processing the production technology; other participants can use them for placing high-quality coats of amorphic silicon and zinc oxide. The analytical equipment includes 29 items. Currently, 23 items have been delivered under supply contracts and paid in the amount of RUR 142.4 mln. This equipment is in demand for 6 participants from St. Petersburg. A high quality measurement is assured by the highly skilled specialists from R&D Centre and Ioffe Physical and Technical Institute. The equipment is formed under the principle of complete research cycle at the same place, which saves the participants’ resources.

OPTOELECTRONICS CUC PERFORMS THE FOLLOWING WORKS:

- examination of surface;
- mass-spectrometry;
- spectrometry, including infrared Fourier and Raman ones;
- Hall measurement;
- climate measurements;
- measurements with the use of a spectral phase-modulation ellipsometer;
- spectrophotometry;
- microscopy.

On the basis of the survey results of analytical services market in St. Petersburg, for the participants there was developed a special preferential tariff for the use of analytical services; it will promote rapid completion of research and technical works. It is planned to carry out marketing events to increase the number of participants due to enrollment of new companies.

Ioffe Physical and Technical Institute and NAVI Capital Management (BVI) Inc. signed the agreement with respect to which the leading scientific centre of Russia will run preparation and selection of young scientists across various nominations, and NAVI Foundation will be responsible for financing the prizes and grants to the winners. Cooperation of Skolkovo CUC for Thin-Film Technologies, Ioffe Physical and Technical Institute, Skolkovo Foundation, venture capital and big companies will be an operating “innovative chain” from the fundamental researches to the industrial production of high tech products.



MICROANALYSIS CUC

At the temporary office of Technopark in Ural Business Centre, it has been created and put into operation the Microanalysis CUC with involvement of the operator – Systems for Microscopy and Analysis LLC, a Russian market leader in provision of analytical services.

There have been developed the regulations and contractual documents with the participants. According to the regulations, the services for the participants shall be rendered through Technopark at the preferential prices and organized in the ways of maximum convenience for customers.

To attract the participants, there was carried out a range of marketing events, including introduction of CUC at public events of the Foundation, placement of information at the website of Technopark and the

In 2012 it is planned to expand CUC area up **200-250 м²** to as well as enlarge the list of equipment and services.

Foundation, holding theme workshops for Biomedicine Cluster and performing demonstrative works. As a result of these events the solution for particular tasks has been approved and demonstrative works with 50 participants have been arranged. 1 agreement has been signed, and 2 agreements are at the stage of signing. There have been received offers on performance of works and development of methods from third parties: the Federal Air and Space Agency, Siemens R&D Centre, Schlumberger and other commercial companies.

MICROANALYSIS CUC PERFORMS THE FOLLOWING WORKS:

- research of morphology in raster electron microscopy;
- analytical researches of samples;
- research of the structure and morphology of the units in transmission electron microscopy;
- analysis and processing the images received with transmission electron microscopy;
- research of the samples in the optic range, processing the results online;
- analysis of surface, thin films, powders, suspensions;
- structural analysis.

MICRO AND NANOPROTOTYPING

- production and editing the topology of micro and nanostructures;
- editing the topology of integral circuits;
- teaching how to use the equipment;
- other types of studies by agreement with clients.

The cooperation form with SMA LLC assumes the use of equipment belonging to the operator. The works are performed at high quality equipment made by leading world's manufacturers which class is not lower than the class of Stanford and MIT:

- Helios 650 Nanolab, a biradial analytic system of FEI.
- Leica DM LM, the optical universal direct light microscope.
- Ambivalue EyeTech laser particle analyzer.
- FEI Phenom scanning electron microscope.
- The system of sample preparation for scanning microscopy of SPI.
- The system of sample preparation for transmission microscopy of Fischione

For 2012 it is planned to expand CUC by 200-250 sq. m. and to widen the range of equipment and services. Particularly, it is planned to install a unique system for 3D X-ray tomography, FEI Tecnai G2 20 FEG (200kV) transmission microscope and X-ray diffractometer.

PROTOTYPING CUC

Based on the services demand analysis, the participants have prepared the concepts and selected the candidates; approved the tariff policy and prepared the contractual documents package for establishment of Prototyping CUC.

This Centre includes the following types of services.

PROTOTYPING CUC WILL CARRY OUT THE FOLLOWING WORKS:

- industrial design;
- engineering and technical consulting;
- preparation to the production of developmental prototypes;
- performance of the design works and further production of the participants' goods;
- analysis and correction of the design documentation for the optimization of industrial tasks;
- manufacturing of part elements and details on the day of request;
- manufacturing of non-standard details and part elements at external industrial sites.

THE WORKS WILL BE FULFILLED USING THE FOLLOWING MAIN EQUIPMENT:

- 3E642 universal tool grinder;
- VMT600 M (Russian: ВМТ600М) vertical-milling processing centre with Fanuc-0iMC computer numerical control;
- SLP350P (Russian: СЛП350П) band machine of pendulum type;
- 16B16FZ21,16B16FZ-31 (Russian: 16Б16Ф3-21, 16Б16Ф3-31) lathe with computer numerical control;
- 250ITVM01 (Russian: 250ИТВМ01) special lathe;
- NPK 50 (Russian: НРК 50) profile bending machine, hydraulic model;
- 6K82 bracket miller;

> "Skolkovo" Mission is to develop a favorable environment for entrepreneurship and research. It's not a secret for anybody, that such environment in our country is not favorable for either entrepreneurship, or research. And it seems to me that this is precisely the problem, successful resolution of which is a very decent objective for any gentleman, and I like this objective".

Alexey Beltukov,
Vice-President for planning and development,
"Skolkovo"Foundation

- GF2171S5 (Russian: ГФ2171С5) vertical bracket miller with computer numerical control and automatic tool changeover;
- 2M112 table-drilling vertical machine;
- 8G220 (Russian: 8Г220) abrasive metal-cutting machine;
- 2431SF10 (Russian: 2431СФ10) coordinate-boring single-standard machine.

PLANNED CUCS

If the participants' demand is confirmed, it is planned to create Metrology CUC, including Spectrometry Laboratory.

THE RESULTS OF WORK FOR 2011-2012:

It has been carried out a set of engineering and organizational works concerning the organization of CUC in "Ural" building.

With the purpose of service marketing, CUC has performed 4 specialized workshops for participants on advanced methods and hardware tools of microanalysis, industrial design, engineering and technological support of participants, a range of services and the use conditions of machine shops.

Personal discussions of engineering tasks and demonstrative works have been held with 36 participants.

There have been concluded service agreements with 3 operators of CUC.

There have been concluded agreements for service rendering in CUC with 3 participants (2 – Microanalysis, 1 – Prototyping).

Technopark Services

CONSULTING CENTRE

In 2011, based on the numerous applications of interesants and to ensure required support to the Applicants for Skolkovo Participant or Skolkovo Participants Status, the Consulting Centre has been created in the structure of Skolkovo Technopark.

Today Adversary Centre manages about **100 applications** from status searching companies

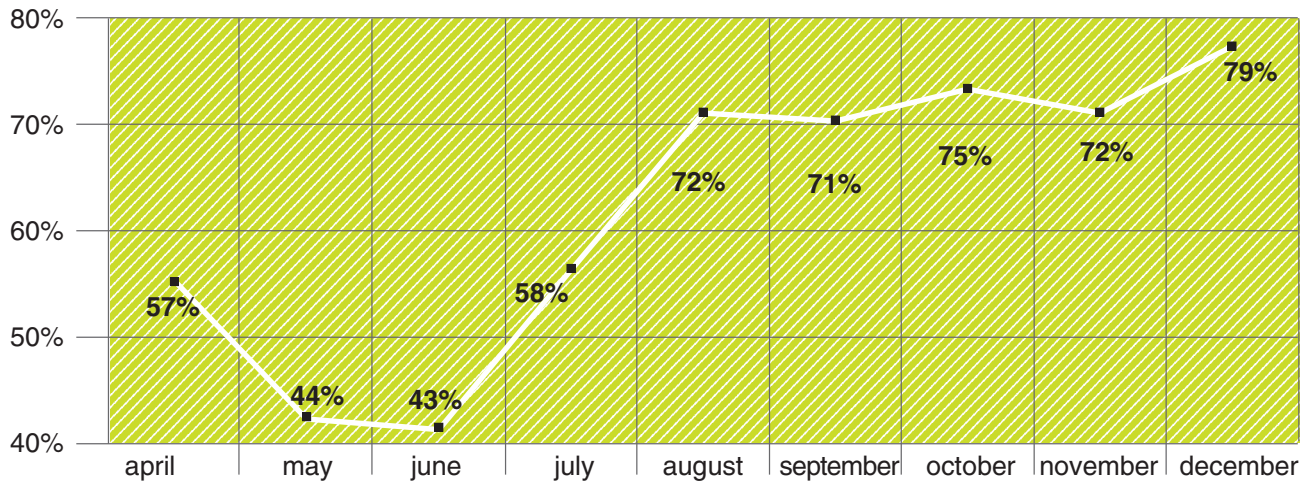
THE MAIN TASKS OF THE CONSULTING CENTRE ARE:

- Information support of potential applicants before applying for the Participant Status, which includes the explanation of the application consideration procedure;
- Organization of meetings with the cluster specialists;
- Consulting assistance in preparation of the documents package for applying for the Project Participant Status and assistance in preparation of applications (completeness/compliance);
- Primary consulting on the matters of grant reception (Investment Policy);
- Consulting on issues of registering a new legal entity, making the Statute of the organization in compliance with the demands of Law on Skolkovo Investment Project;
- Consulting on issues concerning the use of Participant Status preferences (tax benefits etc);
- Informing the applicant about the stages of application consideration;
- Information support to the customers after receipt of the Project Participant Status;
- Information support and receipt of the requests from Skolkovo Participants concerning provision them with services of Skolkovo Technopark, including the creation of new services of Skolkovo Technopark on the grounds of requests;
- Making webinars concerning the procedure for receiving the Skolkovo Project Participant Status;
- Organization of webinars on rendering the services of Skolkovo Technopark.

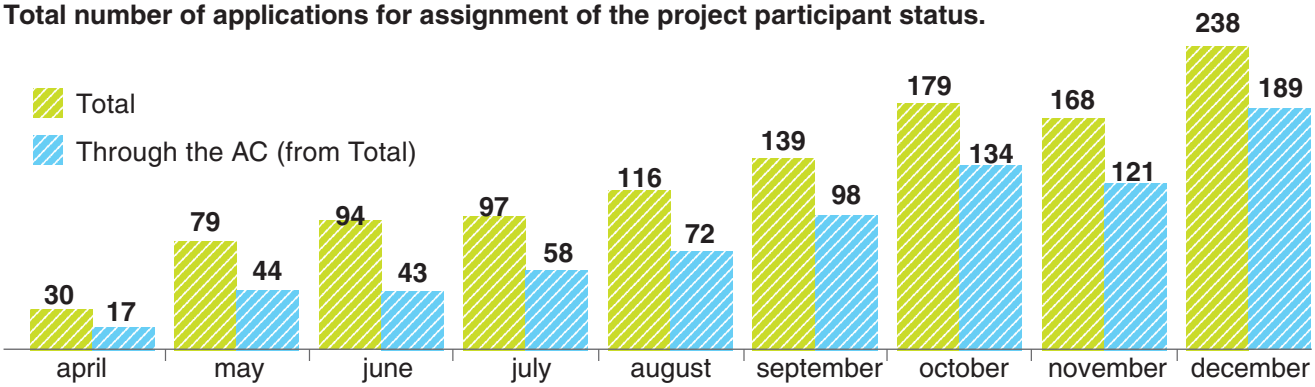
FORECASTS AND RESULTS OF WORK FOR 2011-2012:

Currently the Consulting Centre processes about 80 requests from applicants per day. As of the beginning of 2012 there was performed work with 332 participants and with more than 700 applicants for the Skolkovo Participant Status. The Consulting Centre renders its services free of charge.

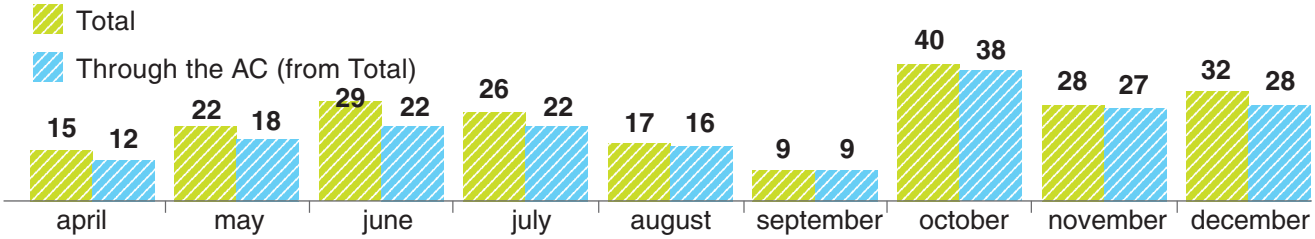
Participation of the Consulting Centre in the total scope of work with the applicants and with Skolkovo Project Participants in the process of status assigning is shown on the diagram below.



Total number of applications for assignment of the project participant status.



Number of applicants granted project participant status.



An external contractor (outsourcing) has launched the Call-Centre Project to ensure continuous work of the referral service. The criteria to choose the supplier (contractor) have been determined. The Terms of Reference for the Call-Centre Project have been prepared and request for proposals have been performed.

In June 2012 it is planned to conclude a service agreement.

Under the program of Automated Control System for the Foundation Applicants, the Consulting Centre provides technical support to the Applicants.

More than 80% of the applicants for Skolkovo Project Participant were consulted within the period of 2011 –April 2012.

To optimize the process of managing the applications for Technopark services from the companies – participants of Skolkovo Project, the project of CRM TPS has been launched within the framework of the Foundations' program of Automated Control Systems for the Applicants. The Terms of Reference have been developed, employees have been tested and trained, and work has been started in a productive mode.

ACCOUNTING CENTRE

Accounting Centre is a subdivision of Technopark Skolkovo LLC dealing with such directions as accounting and grant accounting, founded following the poll conducted between the Participants of Skolkovo Project, which have the need of such kind of services.

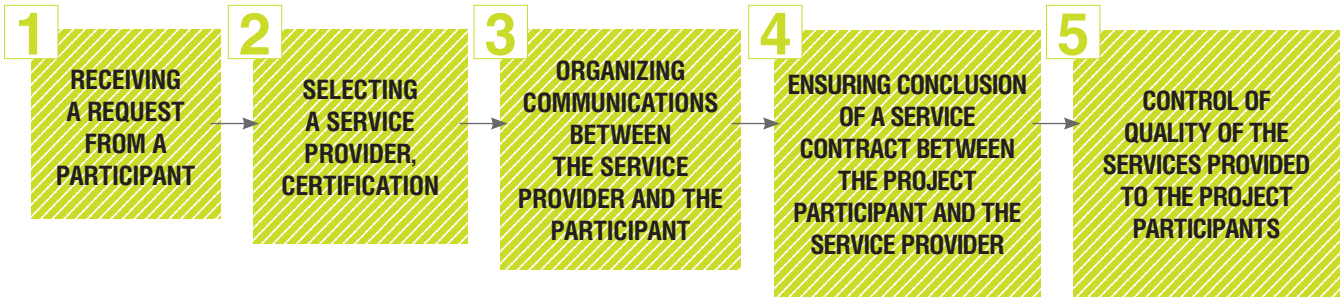
The goal of the Accounting Centre creation is to help the Project Participants in a competent selection of Service Providers, to facilitate increase in quality of services provided to the Project Participants.

Within the scope of services provided to the Skolkovo Project Participants involving third parties, Technopark Skolkovo LLC selects and trains Service Providers.

PRINCIPLES OF THE PROVIDED SERVICES:

- Technopark Skolkovo LLC is the accounting and grant accounting service organizer for the Participants
- Technopark Skolkovo LLC establishes contacts between the Participants and the Service Providers:
- Technopark Skolkovo LLC, as a service organizer, providers the Participants and the Service Providers with the freedom of choice for mutually beneficial cooperation:
- Technopark Skolkovo LLC controls quality of the services provided by the chosen Service Providers; control over the price policy of the Service Providers;
- Technopark Skolkovo LLC analyzes the market of similar services regularly for the sake of increasing the service quality and decreasing the prices for the provided services, and recommends the chosen Service Providers the methods of increasing the efficiency of work with the Participants.

Process of Organizing and Providing Services for Skolkovo Participants



1. A Participant forms a request for a service.
2. Technopark Skolkovo LLC processes the request.
3. Technopark Skolkovo LLC organizes the selection of the appropriate Service Provider for the Participant and trains it according to the specified internal procedures. The selection and training procedures are performed in order to ensure high quality of the services provided to the Participants, facilitation in the informational and methodical provisioning, control over the professional activities of the Service Providers.
4. The selected Service Providers have a Certificate issued by Technopark Skolkovo LLC.
5. Technopark Skolkovo LLC proposes the Participant to choose a Service Provider from the list of selected companies by way of providing the Participant with all the information regarding the Service Providers, the terms of service provision and the cost. Information about the selected, trained and certified Service Providers is available for the Participants on website http://www.sk.ru/
6. The Participant selects a Service Provider, and asks Technopark Skolkovo LLC to organize interaction with it.
7. Technopark Skolkovo LLC proposes information about the company interested in interaction to the Service Provider.
8. If necessary, Technopark Skolkovo LLC drafts a standard contract between the Participant and Service Provider, and provides the conclusion thereof.
9. Technopark Skolkovo LLC controls quality of services provided by the Providers and pricing by way of field checks performed each year, and by way of conducting surveys among the Participants, and also conducts regular training (consulting seminars) for professional improvement of the Service Providers' specialists, which should mandatorily be attended each quarter.
10. In case the services are of inadequate quality or the requirements set out in this attachment are not complied with, Technopark Skolkovo LLC retains a right to inform the Participant about it and to exclude the Provider from the list of the selected companies.

Results of work performed in 2011, and the plan of actions on developing the Accounting Centre direction in 2012:

1. Selection of the Service Providers (12 companies were selected in 2011, 20 are planned for 2012. Information is available on the Virtual Skolkovo website (Technopark - Services)).
2. Educational courses for Service Providers: trainings, conferences and seminars (training sessions at least once a quarter. One event was held in January 2012.)
3. Informational support to Service Providers (Four free Webinars were held, answering the questions set by the Participants).
4. Help for a Participant in selecting a Service Provider from the list of the selected companies (in 2011, 17 contracts were concluded for accounting and grant accounting between Skolkovo Participants and the companies selected by the Accounting Centre).
5. Organization of interaction between a Service Provider and Project Participant.
6. The standard contract between a Participant and Service Provider (17 contracts were concluded for service via agents) has been developed.
7. Control of quality of services rendered by a Provider and pricing policy in 2012.
   i. – field checks (December 2012)
   ii. – surveying (rating of December 2012)
8. Methodical recommendations (in 2011, we developed the project of Methodical Recommendations for Grant Accounting together with PWC, in 2012 we plan systematic update of this document, not less than once in half-a-year; in June 2012 we plan to conduct a seminar "Grant. Grant Accounting", taking into account the changes made to the

Regulations of the Fund Grant Policy. We've registered about 120 written applications from Skolkovo Project Participants for participation in the event.)

9. Consultations for the Participants on the issues of accounting, tax and grant accounting (daily free consultations in oral and written form on the Skolkovo Participants' requests, free of charge and within the scope of authorities under FZ -244).
10. Help in registering legal entities for obtaining the status of a Skolkovo Project Participant (including the ones with foreign capital) via third parties.
11. It is planned to have voluntary certification in accordance with Federal Law On Technical Regulation. Technopark will develop and, with the assistance of the Foundation, will register with Rosstandart the system of voluntary certification of the providers' services by the end of 2012. In May 2012, written recommendations from Rosstandart concerning organization of the process of voluntary certification were received.

HR CENTRE

To provide services within the frame of the HR Centre service, Skolkovo Technopark has developed a concept of an HR Centre based on the performed marketing surveys in the field of studying the need of the Participating companies of Skolkovo in unique specialists for selecting optimal tools and sources for recruitment of personnel for the participating companies.

FUNCTIONS OF THE HR CENTRE:

The full-cycle services in hiring personnel by the recruiters of Technopark HR Centre, by own efforts and with involvement of recruiting agencies.

Results of work for 2011, and the plan of measures on developing the direction in 2012:

- Having surveyed more than 200 companies participating in Skolkovo for the purpose of learning the need for personnel and for specifying this need.

"Working in Technopark, you have an opportunity to get a list of services, that is simple and clear enough. This is an accounting and book-keeping outsourced, services of the intellectual property protection center, both are free of charge today. This is an access to the infrastructure Technopark today has an access to – namely partner universities, institutes, companies…..This is a chance of building communication with people like yourselves, within the industry. And this is a lot, indeed a lot".

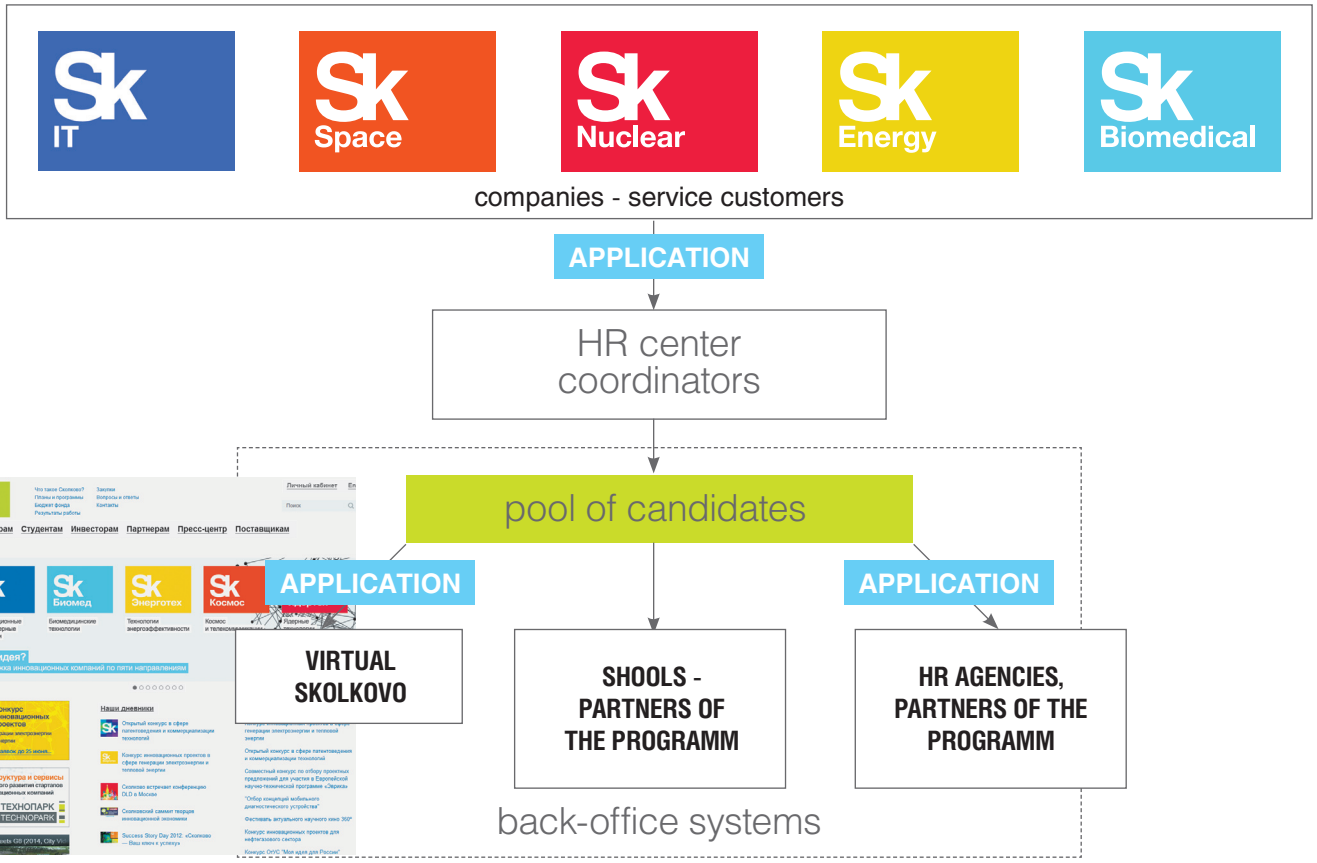
Mikhail Lifshits, Chairman of the Board of Directors, Technopark "Skolkovo"

- Assessing the demand for recruiting services among the participating companies.
- Collection of information for the purpose of detecting and establishing the parameters for developing the concept of services provided by the HR Centre.
- Calculation of profitability of the concept of services provided by the HR Centre.
- Forming a financial model of the HR Centre.
- Finalizing and approving the concept of the services provided within the scope of the HR Centre.
- Searching for and hiring a Director of the HR Centre direction.
- Searching for and hiring a team of recruiters possessing the relevant experience in the five major prioritized directions of the Skolkovo Fund activities (2 persons).
- Drafting a new standard contract for the HR Centre services provision. The contract is being approved.
- Search through the specializing recruiting agencies has been performed.
- Market of ATS (application tracking system) suppliers has been studied.
- The scenario of working via the Virtual Skolkovo has been developed; the technical assignment for developers has been prepared.
- The Vacancies Fair and panel on the problems of personnel support within the Technopark Success Day have been held.
- The first applications for recruiting personnel for the 7 companies participating in Skolkovo Project have been received.

PLAN OF MEASURES TO BE TAKEN IN 2012:

- Presentation and promotion of the services provided within the scope of the HR Centre among Skolkovo participating companies and the partners.
- Approval of the financial model and the strategy of HR Centre.
- Forming channels for searching for candidates/ relations within the internal institutes of Skolkovo (interaction points).
- Forming a Technical Assignment, and choosing an ATS (application tracking system) supplier.
- Implementation of the ATS (application tracking system) technological platform for working with the base of candidates. Concluding contracts with the specializing recruiting agencies.
- Working on the HR Centre's business processes at all level of operation.
- Hiring a recruiting team, who would have sufficient relevant experience in the major prioritized directions of the Skolkovo Fund activities (2 persons).

Model of the HR Centre



VISA AND MIGRATION SUPPORT

In order to implement the project for “creation and ensuring functioning of the Skolkovo Innovation Center”, as well as due to numerous applications of Skolkovo Project participants within Federal Law No. 244 On Skolkovo Innovation Center, the Visa and Migration Department has been created.

DESCRIPTION AND PURPOSE OF VISA AND MIGRATION DEPARTMENT CREATION

The Visa and Migration Department is a subdivision of Technopark Skolkovo LLC dealing with organization of work aimed at visa and migration support.

GOALS:

1.Providing assistance to Skolkovo Project Participants in solution of issues related to visas and migration during employment of foreign employees:

- Assistance in drawing-up of work permits;
- Assistance in drawing-up of invitations for entrance to the Russian Federation;
- Assistance in notification of government bodies;
- Consultations in the field of migration legislation;
- Assignment of a taxpayer identification number to foreign employees;
- Additional services.

2. Creation of an information resource:

- Creation of web site with the required information;
- On-line communication (forum).

3. Conducting trainings, holding conferences and seminars (training sessions).

4. Methodical recommendations.

5.Consultations of Skolkovo Project Participants.

These services are provided on a remuneration basis; in this case the cost does not exceed average market cost.

A Participant can use full package of services provided by Technopark Skolkovo LLC or choose separate, most relevant services.

In 2012 it is planned to delegate a part of works of specialized companies providing services out of Technopark Skolkovo LLC office, but accredited by Technopark Skolkovo LLC, in case of the Participant's business activity ratio increasing.

Technopark Skolkovo LLC shall act as a mediator and reserve the right to carry out inspection of works performance quality for the Participant (audit of works performance quality).

ESTIMATES AND WORK RESULTS FOR 2011 -2012:
It is planned that the percentage of the Participants using visa and migration services will be 15% of total number of the Participants (500 Participants).

There is a specialist responsible for this field development in the staff. 11 contracts have been signed with the participants. First income in the amount of RUR 21,000 was obtained on 28.04.2012 for visa and migration support of the Participant.

INTERNATIONAL COOPERATION

Technopark Skolkovo LLC develops partnership with the most successful technology parks and research centers of the world. The Agreement of Partnership with Technopark Zurich was prepared and signed in 2011; according to this Agreement a group of Swiss specialists together with the project team has prepared operation model, built on the basis of best methods of Technopark Zurich. Technopark Zurich has conducted induction training for key employees of Technopark Skolkovo LLC.

Relationships with one of the most known in Europe polytechnic universities EPFL in Lausanne, Switzerland, and with ISIS Technologies Transfer Center in Oxford University have been established and are being developed now. Relationships with Adlershof (Berlin) the largest science and technological park in Germany have been established and negotiations of partnership have been held.

» "This is a globally important project, to participate in which we also invite foreign companies…We shall make visa regime easier for the foreign investors, professors, students, all of those who want to visit Russia. We think, that once we make the first step into this direction, we'll get a positive reaction on our partners side".

Arkady Dvorkovich
Deputy Chairman of the Russian Federation Government

BUSINESS COACH SERVICE

Business coaches or mentors work with start-up innovation companies all over the world providing companies' leaders with systematic and complex assistance in business development and success achievement. Being best world practices oriented, we have created and launched this service for Skolkovo Project Participants:

- Business coach is a professional having many years experience and own success history, which is selected on a competitive basis and has to be subjected to certification by Technopark Skolkovo LLC.
- Business coach works with the company systematically facilitating its success and involves all services of Technopark Skolkovo LLC for assistance in certain aspects of business development acting as sales agent for Technopark Skolkovo LLC.
- Business coach is a primary channel for for Technopark Skolkovo LLC services promotion

HOW BUSINESS COACH ASSISTS LEADER OF A COMPANY PARTICIPANT OF SKOLKOVO PROJECT

A business coach assists a company in all aspects of its activities and development, acting as an adviser for a business leader. He/she does not make decisions instead of company management and does not do for the company the thing that the company shall do itself, the same way the sport coach does not set records instead of a sportsman. A business coach assists, estimates, directs and inspires in such things as:

- Creation of business-case;
- Working-out of projects development strategy;
- Product marketing and company positioning;
- Corporate development;
- Involving of venture capital financing.

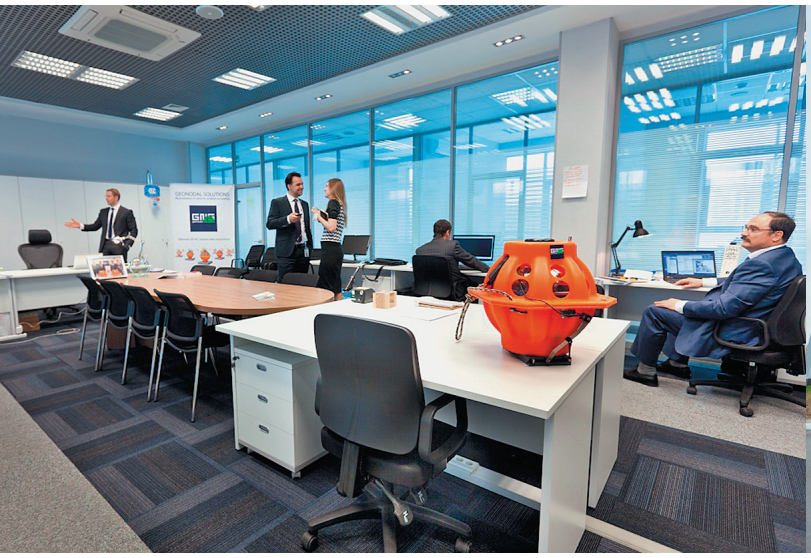
27 companies-participants obtain assistance of Technopark Skolkovo LLC coaches nowadays.

CONFERENCE ACTIVITY

Conferences and other thematic and business events are the most important tools for innovation community creation and promotion of participant-company's innovation product in the Russian and international markets.

In 2011 and in 1st quarter of 2012 twenty five conferences for Skolkovo community were held, in which over 2000 people took part.

PROVIDING OFFICE FOR PARTICIPANTS



To provide office areas for Project Participants, Technopark Skolkovo LLC has signed lease arrangement with Skolkovo Management LLC for 3 years to lease over 6,800 m^3. During negotiations process Technopark Skolkovo LLC was guided by the following:

- uniqueness of the building for the Lessee due to its location in Skolkovo village, in Odintsovo District of Moscow Region, in close vicinity to the territory of Skolkovo Innovation Center;
- intention of the Lessor to provide assistance in development of innovation medium in the territory of Skolkovo Innovation Center;
- discount over 30% of the existing rental rate for advanced payment.

Companies-participant will be provided with the opportunity to sublease offices with the rental rate of USD 300 for 1 m^3 VAT excluding, but including maintenance costs (excluding utility payments).

TECHNOPARK SKOLKOVO LLC PROVIDES THE FOLLOWING SERVICES IN THE TERRITORY OF THE LEASED BUILDING FOR PROJECT PARTICIPANTS:

- Office rooms of B+ category;
- Negotiations rooms and conference halls;
- TelePresence room;
- Possibility of equipment placing;
- Free transfer from Slavyansky Bulvar subway station;
- Providing with legal address;
- City telephone communication;
- Internet;
- Providing work place with furniture;
- Cleaning services;
- Building security.

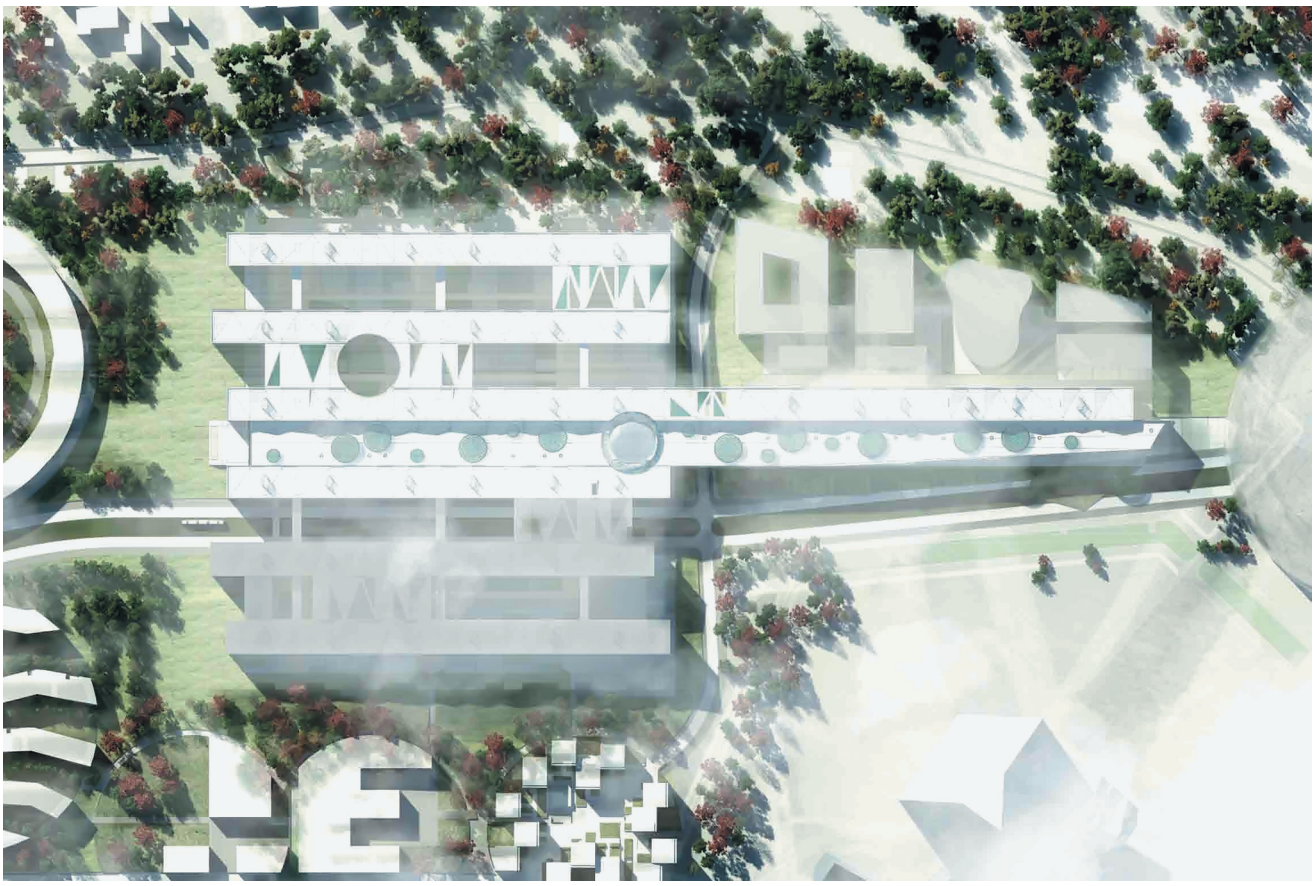
Also the Participants can use the services of multi-purpose Complex of buildings of Moscow School of Management SKOLKOVO having developed infrastructure and wide range of services for the clients, guests and lessees of the Complex.

The Complex has unique territory over 26 hectares with well developed infrastructure including training areas, dining areas (students canteen, 24-hour coffee, restaurant, bar), Congress Hall for 660 seats, health and fitness center (fitness equipment room, swimming pool, group programs, individual trainings), SPA zone, parking etc. – all for comfortable work and rest.

In March 2012 2nd floor of Ural Business Center (over 1,800 m^3) was prepared for participants placing.

Preliminary agreements were achieved with a range of participants (16 companies) for concluding of sublease contracts for all rooms of 2nd floor.

Technopark's Future



Technopark will be permanently located in D2 district of Skolkovo Innovative City. In conformance with the architectural concept approved by the Foundation Council, the total area of Technopark buildings designed to carry out innovative developments in five main scientific fields is 147,000 sq.m.

In 2011, basics of the concept for Skolkovo Technopark were developed and its design started. The design is being performed by Valode&Pistre Architectes (France), an architectural company being the General Contractor, with involvement of ARUP (Great Britain), HDP International (the USA), HOK (Great Britain), Payette (the USA), David Langdon (the USA) as engineering contractors and consultants. All the companies are the world leaders in their spheres of competence.

Technopark buildings will have modular premises with maximum flexibility to be able to adapt to the changing needs and to the amount of companies-residents. To assure its main mission, Technopark buildings will have four main types of premises and centers:

1 Common Use Centers are interdisciplinary multifunctional centers providing a wide range of research and technological opportunities.

2 Centers of Competence are specialized research centers designed for achievement of qualitative changes in particular areas (for example, Pre-Clinical Trial Centre – for biomedicine)

3 Modular office-laboratory premises – the premises, which can be used as offices or re-equipped for laboratories.

4 Office premises – allocated office space.

Analysis of the needs of the companies –participants of Skolkovo Project, cluster foresights and comparison with the best examples of technoparks and research centers in the world has determined the following set of Common Use Centers required for the work of companies-participants:

- Prototyping – creation of prototypes with high accuracy degree at all levels – from macro to nano;

- Metrology – studying and measuring the properties of different materials, devices and systems;
- Visualization – visualization and microscopy of materials and structures;
- Assurance of biomedical researches – due to the complexity of the biological systems, specialized methods of recognition, calculation, sorting and sequence analysis with high resolution and high capacity degree are required.

Each CUC contains a set of analytical and technological functions and capabilities divided into two groups:

1 "Necessary minimum" contains the tools and functional capabilities to support researches and developments of residents, required from the first day of Technopark work.

2 "Advanced level" means additional equipment with breakthrough technologies and the tools, as well as modernization.

The total area of CUC required to place the corresponding equipment is equal to about 25,000 sq. m. CUCs are designed for interdisciplinary researches and developments and are of complementary functionality. Technopark uses a flexible approach to construction of specialized premises and acquisition of equipment. The approach is based on the actual demand. The decisions both for "necessary minimum" and "advanced level" will be taken when the real needs arise for Skolkovo Project Participants and they ground them.

Under the task of Biomedicine Cluster, the Pre-Clinical Trial Centre (vivarium) is being designed as a part of Technopark. It will be operated as the Centre of Competence of Biomedicine Cluster, and, mostly, will serve it directly. Its functionality is complemented with biomedical CUC and CUC of visualization.

CUC and vivarium will be seamlessly integrated into the research and general infrastructure of Technopark to support the most convenient and favorable environment, which will be able to attract researchers of the highest level in the world, and to encourage the development of innovative products and services.

While developing the concept of CUC and vivarium, their designed functional capability was compared with minimum three similar world-class centers.

PROTOTYPING (CLEAN ROOMS)	• Massachusetts Institute of Technology (MIT), Microsystems Technology • Laboratory Integrated Circuits Lab (ICL). • Purdue University Birck Nanotechnology Centre (BNC). • University of Michigan Lurie Nanofabrication Facility (LNF).
PROTOTYPING (WORKSHOPS)	• Massachusetts Institute of Technology Lincoln Laboratories (MIT/LL). Research Shop Facilities. • Stanford University Varian Machine Shops. • Arizona State University. Ira A. Fulton School of Engineering Shop Facilities.
METROLOGY	• Stanford University, User Facility Centres. • National Institute of Standards & Technology (NIST), Advanced Measurement Laboratory. • Penn State University, Millennium Science Centre.
SCIENCE VISUALIZATION	• Danish Technical University Centre for Electron Nanoscopy (CEN). • Oak Ridge National Laboratory Materials Analysis User Centre. • Lawrence Berkeley National Laboratory National Centre for Electron Microscopy (NCEM).
BIOMEDICAL RESERCH SUPPORT	• The Office of Shared Research Facilities at the University of Chicago Stowers Institute for Medical Research. • The UCSF Genomics Core Facilities.
CENTRES OF PRECLINICAL TRIALS (VIVARIUM)	• Pharma Tech Pre-Clinical Toxicology Laboratory. China. • Merck Toxicology Laboratory. USA. • Dong-A Pharmaceutical Company, South Korea.

While designing Technopark, the first stage of Spatial-Planning, Engineering and Technological Solutions, Engineering Loads (Basic building layout) (so called Frozen Design) is over. At this stage, buildings contours, main engineering infrastructure, as well as the layout of laboratory premises, CUC and vivarium as a whole are determined. The documents for this phase will be submitted for the State Expertise on September 22, 2012.

The team of Technopark

SERGEY KURILOV
Chief Executive Officer

OLGA PANINA
Chief Operating Officer

AKEXEY MARCHENKOV
Director of R&D infrastructure Development

ANDREY SARTORY
R&D Services Director

MAXIM KISELEV
Chief Development Officer

ANNA NIKINA
Head of International Programs

STANISLAV TIMOSHCHUK
Business Development Manager

ZEMFIRA GALIMULLINA
Head of Conferencing

ROMAN ULANOV
R&D Services Manager

EVGENIYA GLUKHOVA
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EVGENY LAVSHUK
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Head of Career Centre

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Career Centre Leading Consultant

NATALYA PROSKURINA
Career Centre Leading Consultant

Financial statements for 2011 FY

LLC "TECHNOPARK SKOLKOVO"

BALANCE SHEET	@ 31 DECEMBER 2011	@ 31 DECEMBER 2010
ASSETS I. NON-CURRENT ASSETS		
Intangible assets	–	–
Results of research and development	–	–
Fixed Assets	13 963	–
including Fixed Assets in use	12 333	–
Equipment for installation	986	–
Construction in progress	644	–
Income-bearing investments	–	–
Financial investments	–	–
Deffered tax assets	9 627	–
Other non-current assets	122 069	–
Total non-current assets	145 659	–
II. CURRENT ASSETS		
Inventory	104	–
VAT receivable	369	–
Accounts Receivable	66 356	–
including Trade Accounts Receivable	62 042	–
Social taxes Receivable	2	–
Settlements with accountable persons	271	–
Other receivables	4 041	–
Current financial investments	–	–
Cash and cash equivalents	27 146	10
Other current assets	415	–
Total current assets	94 390	10
TOTAL ASSETS	240 049	10

BALANCE SHEET	@ 31 DECEMBER 2011	@ 31 DECEMBER 2010
CAPITAL AND LIABILITIES III. CAPITAL AND RESERVES		
Shared capital	10	10
Own shares redeemed from shareholders	–	–
Revaluation of non-current assets	–	–
Additional paid-in capital	283 101	–
Reserves	–	–
Retained earnings	-47 344	–
Total Capital and Reserves	235 767	10
IV. LONG-TERM LIABILITIES		
Long-term Loans	–	–
Deffered tax liabilities	–	–
Estimated liabilities	–	–
Other long-term liabilities	–	–
Total long-term liabilities	–	–
V. SHORT-TERM LIABILITIES		
Short-term Loans	–	–
Accounts Payable	4 282	–
including Trade Accounts Payable	2 995	–
Settlements with accountable persons	42	–
Other accounts payable	1 245	–
Deferred income	–	–
Estimated liabilities	–	–
Other short-term liabilities	–	–
Total short-term liabilities	4 282	–
TOTAL CAPITAL AND LIABILITIES	240 049	10

PROFIT AND LOSSES

PROFIT AND LOSSES	FOR 2011 FY
Revenue	–
Cost of Sales	–
Gross margin	–
Selling expenses	–
Management expenses	-48 952
Profit (Loss) from sales	-48 952
Income from participation in other organizations	–
Interest receivable	–
Interest payable	–
Other income	50
Other expenses	-8 069
Profit (Loss) before income tax	-56 971
Income tax	–
including deffered tax liabilities (assets)	-1 767
Deffered tax liabilities change	–
Deffered tax assets change	9 627
Other	–
Profit (Loss)	-47 344


Official site: technopark.sk.ru
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