

LUBUSKIE

Voivodeship capitals	Zielona Góra, Gorzów Wielkopolski
Area	13,984 sq. km
Population	1,009,100
- urban	64.5%
Special Economic Zone	Kostrzyn-Słubice
Domestic Airport	Zielona Góra – Babimost Airport

- Developed secondary and higher level education
- Viadrina European University – Frankfurt / Słubice
- Numerous business servicing institutions actively supporting business and cooperation with neighbouring countries
- High dynamics of business initiatives development in the private sector
- Large number of companies with foreign capital participation (if compared to other regions)
- Developed exports potential
- Possibility of large gas supplies from local deposits and transit pipelines
- Ecologically-clean natural environment.

Advantages

- Dense road and railway network, numerous border crossings points (road, railway and fluvial border offices facilitating circulation of persons and goods)
- Proximity of large EU markets

THE KOSTRZYN-SŁUBICE SPECIAL ECONOMIC ZONE



PROFILE OF THE KOSTRZYN-SŁUBICE SPECIAL ECONOMIC ZONE



Up to date, the Zone Managing Company has issued 63 permits to investors from Croatia, the Netherlands, Belgium, Switzerland, Greece, USA and Poland for conducting of business activity within the Kostrzyn-Słubice Special Economic Zone. These companies are involved in the following industries: food, paper, construction, printing, furniture, machine building, electronics, automotive, metalworking and textiles.

THE KOSTRZYN SUBZONE

The Kostrzyn Subzone is located on the western border of Poland. The distances to some other border crossings include: the south border – 280 km (Jakuszyce), the east border – 660 km (Terespol) and

the north border – 200 km (Świnoujście). Kostrzyn on Oder is located in a basin of The Oder and The Warta Rivers. The city has a population of 18,000 persons. Almost 11,000 people are of working age and every fourth inhabitant of the town is still at school. Arctic Paper Kostrzyn S.A. (Swedish capital) is the largest employer in the region. There is both a road and a railway border crossing in Kostrzyn.

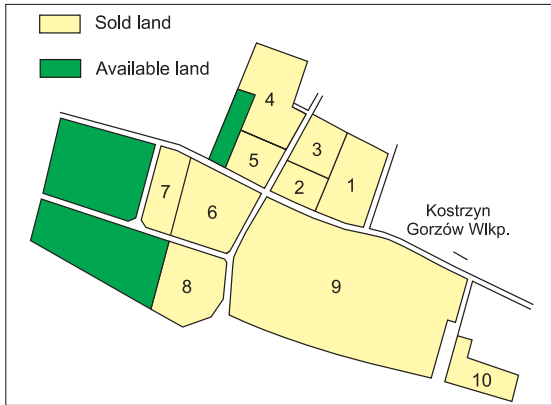
The road border crossing clears cars, trucks up to 3.5 t. and buses. A large railway junction located in Kostrzyn serves the South-North main line as well as the Berlin - Kostrzyn - Warsaw - Moscow line. Water transport is available by The Oder and The Warta Rivers. Navigability is maintained throughout 9 months of the year, with regular connections to Berlin, Hamburg and Szczecin.

The Kostrzyn environs include forests and rivers and flood plains, where one of the largest water bird reserves in Europe is located. Many tourists, anglers and nature lovers visit the area.

The Subzone has a total area of 225.16 ha.



THE KOSTRZYN-SŁUBICE SPECIAL ECONOMIC ZONE

Complex No. 1 area: 55.16 ha

Water: In 1999, a water connection was constructed. It provides the complex with a sufficient amount of water for consumption, production and fire protection purposes.

Sewage: Sewage is disposed of by a rainwater and sanitary sewage system. In 2000, two independent rainwater and sanitary sewage pumping stations were constructed. They use a system of collectors connected with a new mechanical-biological sewage treatment plant, with capacity of 6,500 m³/day.

Electric energy: Electric energy is supplied from the existing "Kostrzyn-I" 110/15/6 kV primary station, with transformers of 25/16/16 MVA, fed by two 110 kV lines. Current power reserves amount to 17 MW.

Heating: It is possible to obtain heating supplies from the existing Arctic Paper Kostrzyn, Inc. heat and power station or from the existing gas pipelines.

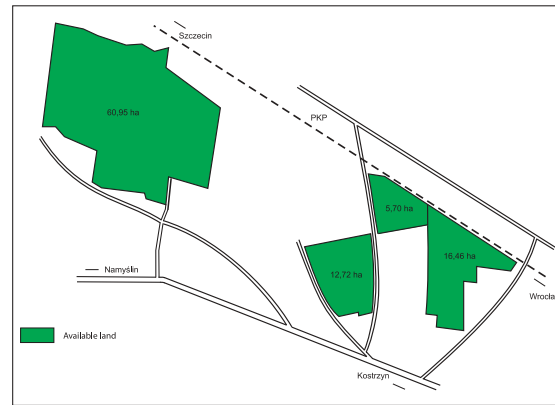
Gas: There are two medium pressure gas pipelines.

Telecommunications: The complex has convenient access to a cable communication network and cellular telecommunications. Since 1998, a modern digital exchange is in place, which fully meets the customers' needs in the realm of telecommunication services such as ISDN and SDI networks. There is also an operating fiber-optic line in Kostrzyn.

Roads: The complex is located in close vicinity of a voivodeship road, which has been fully modernized. In 2000, two new roads, seven and nine metres wide, were constructed to facilitate convenient access to production plants. Two more access roads to investors' plots have been in use since 2001.

Railway: A railway siding is available for use.

Water transportation: The complex is located 1.5 km away from a transship port on the Warta River.

Complex No. 2 area: 95.82 ha

Water: In 1999, a water main was constructed in close vicinity of the complex. It provides the complex with a sufficient amount of water for consumption, production and fire protection purposes. The construction of a new water service line is anticipated in 2004.

Sewage: Rainwater is disposed of through rainwater collectors and open ditches. In 2004, the construction of a new rainwater disposal system, to empty into The Oder River, is anticipated.

Electric energy: Electric energy is supplied from the existing "Kostrzyn-I" 110/15/6 kV primary station. Construction of a new "Kostrzyn-II" primary station, with transformers of 25/16/16 MVA power, is planned.

Heating: It will be possible to obtain heating supplies from a projected new gas pipeline (to be completed in 2004).

Gas: Two medium pressure gas pipelines are to be constructed in 2004.

Telecommunications: The complex has convenient access to a cable communication network and cellular telecommunications. Since 1998, a modern digital exchange has been in place, which fully meets the customers' needs in the realm of telecommunication services. There is also an operating fiber-optic line in Kostrzyn. In 2004, it will be possible to connect by ISDN and SDI networks.

Roads: The complex is located in close vicinity of a voivodeship road, which has been fully modernized. There are two existing access roads to investors' plots. A new seven-metre wide access road facilitating convenient access to production plants is planned for next year.

Railway: 200 metres from the site is a railway siding connected to the Katowice-Szczecin main rail line.

Water transportation: The complex is located 4 km away from a transship port on the Warta River.



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Complex No. 3 area: 74.18 ha

Water: In 2000, a water connection was constructed. It provides the complex with a sufficient amount of water for consumption, production and fire protection purposes.

Sewage: In 2002, rainwater and sanitary sewage collectors were constructed.

Electric energy: In 2000, two 15 kV energy lines, having a reserve of 5 MW of power, were built. In 2002, a third 15 kV power line was constructed. The construction of the "Kostrzyn-II" primary power station is planned.

Telecommunications: The complex has convenient access to a cable communications network (fiber-optic line) and cellular telecommunications.

Roads: In 2000, a seven-metre road, which is to be a part of the Kostrzyn ring road in the future, was constructed. In 2002, construction of the main access road to the complex was started. It is to be completed in 2003.

Railway: It is possible to build railway sidings from the existing railway infrastructure located in close vicinity of the complex.

Water transportation: The complex is located 4 km away from a tranship port on the Warta River.

THE SŁUBICE SUBZONE

The Słubice Subzone is located on the western border of Poland. The distances to some other border crossings include: the south border – 245 km (Jakuszyce), the east border – 675 km (Terespol), the north border – 235 km (Świnoujście).

Słubice is a border town situated on the Oder River. It has a population of 18,000 persons. The motorway border crossing in Słubice clears pedestrians and cars. Nearly 5,000 businesses are registered in Słubice. Apart from trade, the following industries play a leading role in the local economy: production of furniture, manufacturing of construction materials and food processing, as well as construction industry. It has a well-developed road network, thus providing good conditions for economic growth. For example, there are important transportation routes running from Hamburg to Prague and from Berlin to Warsaw. Also the Collegium Polonicum has existed since 1998. This is a joint venture of the Adam Mickiewicz University in Poznań and the Viadrina European University in Frankfurt on The Oder, where about 700 students study various subjects.



The Subzone has an area of 100.94 ha. The Subzone is located outside the city boundaries, in close vicinity of the Berlin - Świecko - Warszawa A-2 motorway. It is also two kilometres from the biggest Polish border crossing and cargo clearance terminal in Świecko.

Water: In 1999, a new 600 m³ reservoir and water main were built to support the Subzone.

Sewage: In 2000, the development of sanitary collectors was finished. Sewage is disposed of at the city's mechanical-biological sewage treatment plant. In 2001, the construction of the first stage of a system



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of rainwater collectors, including a separator, was finished. The second stage was started in 2002, to be completed in 2003.

Electric energy: There already exists a reserve of 5 MW from 15 kV underground energy cables, as well as from overhead lines. The construction of a "Kunowice" primary power station is being considered.

Gas: A high-pressure gas pipeline, together with a reduction station, is located on the Subzone border. In the area of the Subzone, a medium pressure gas network has been constructed.

Telecommunications: The full ranges of telecommunication services, such as ISDN and SDI networks as well as a fiber-optic line are available.

Roads: In 2000, a seven-metre main communication route, together with lighting, was built and connected to national road no. 29 (Słubice - Zielona Góra) via a new road junction.

Railway: The Subzone is situated close to the Berlin - Warszawa international rail line. It is possible to use a railway siding.

THE GORZÓW SUBZONE

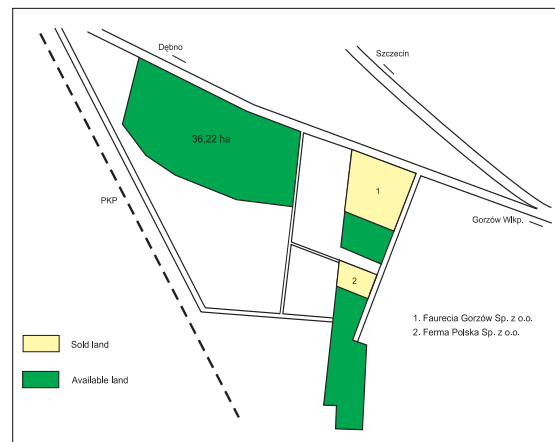


The Gorzów Subzone is located at the following distances from some border crossings: the west border – 45 km (Kostrzyn), the south border – 265 km (Jakuszyce), the east border – 620 km (Terespol) the north border – 180 km (Świnoujście).

Gorzów Wielkopolski is the largest town in the Lubuskie Voivodeship, with an area of 77 km² and a population of nearly 130 thousand. The main international routes from Scandinavia to the Balkans and from Germany to the Baltic States cross here. Gorzów is the region's main business centre. There is a high demographic potential, chiefly of young people. People of workable age comprise 64% of the town's total population. Presently some 15 thousand entities

have been registered, of which 98% are private companies. Now, over 340 joint ventures are in operation. The Market Economy Institute ranks Gorzów high on its list of attractive investment opportunities. The town's activities aimed at fostering European integration were awarded the European Council Diploma by the European Union. The estimated level of unemployment is 19.51%.

The Subzone area: 61.77 ha



Water: A new water connection of 160/200 mm has recently been completed. It provides the Subzone with a sufficient amount of water for consumption, production and fire protection purposes.

Sewage: Sewage is removed by means of a rainwater and sanitary sewage collection system. In 2002, a new collector system was constructed. Sewage is disposed of at the local mechanical-biological sewage treatment plant, with capacity of 24,000 m³/day.

Electric energy: The current reserve of power is 2 MW. Further electric energy may be supplied from the existing GPZ 110/15/6 kV station.

Heating: It is possible to obtain heating supplies from a heat and power station existing in the vicinity or from individual gas heating.

Gas: In 2003, construction of a high-pressure gas pipeline (4 MPa), located 400 m from the border of the Subzone, was completed.

Telecommunications: The area of the Subzone has convenient access to a cable communications network. It is possible to obtain access to ISDN (128 kb/s), SDI and ADSL networks as well.

Roads: The Subzone is located in the immediate vicinity of voivodeship road No. 130 and international



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road E65, on the North-South European transit route. In 2003, an access road to the Subzone was constructed.

Railway: It is possible to use a railway siding.

Water transportation: The Subzone is located 6 km from a port on the Warta River, but there is no possibility of transshipment.

THE NOWA SÓL SUBZONE

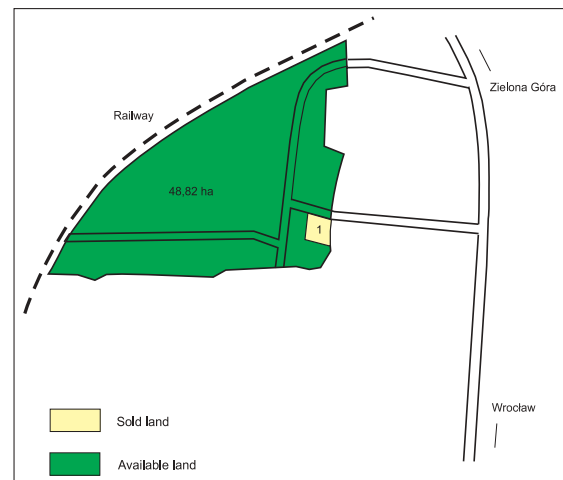


The Nowa Sól Subzone is located at the following distances from some border crossings: the west border – 85 km (Gubin), the south border – 135 km (Jakuszyce), the east border – 625 km (Terespol), the north border – 312 km (Świnoujście).

Nowa Sól is located at the junction of international road E65 and roads No. 297 and No. 315, 23 km from Zielona Góra. The town is situated on the bank of The Oder River so the river could be used as a means of transport. Nowa Sól is the seat of the administrative district, with a population of circa 127 thousand. The district has 11 communes (territorial divisions) and 7 towns. Nowa Sól has a population of circa 43 thousand inhabitants. There is 36.02% unemployment. Nowa Sól comprises mostly small and medium-sized companies. There are about 3,000 economic entities operating in the town, dealing mostly in services and trade.

Nowa Sól has a wide range of proposals for potential investors. The friendly atmosphere promoted by the local authorities is very favourable for undertaking all kinds of economic activity. Every investor will be treated professionally and in an efficient way.

The Subzone area: 48.82 ha



Water: The municipality will build a water connection that will provide the Subzone with a sufficient amount of water for consumption, production and fire protection purposes.

Sewage: The municipality will construct a sanitary sewage system connected to the local sewage treatment plant. The municipal plant has processing ability of 15,000 m³/day and currently operates with a 50% capacity reserve.

Electric energy: Electric energy will be supplied from the existing primary power station, with current power reserves of 10 MW. There are two power lines at 15 kV each.

Gas: Two high-pressure gas pipelines are located in the vicinity of the Subzone: DN 100 PN 6.3 MPa and DN 100 PN 1.6 MPa. The current reserve capacity is 2,500 m³/hour.

Telecommunications: The area of the Subzone has convenient access to a cable communications network and cellular telecommunications. A modern digital exchange is in place, which fully meets the customers' needs in the realm of telecommunications services such as ISDN and SDI networks. There is also an operating fiber-optic line.

Roads: The Subzone is situated near the E65 (Szczecin-Wrocław) international road. In 2003, an access road to the Subzone will be built.

Railway: It is possible to use a railway siding. The Subzone is located at the junction of the Katowice – Szczecin railway line.

Water transportation: The Subzone is located 4 km away from a transship port on The Oder river.



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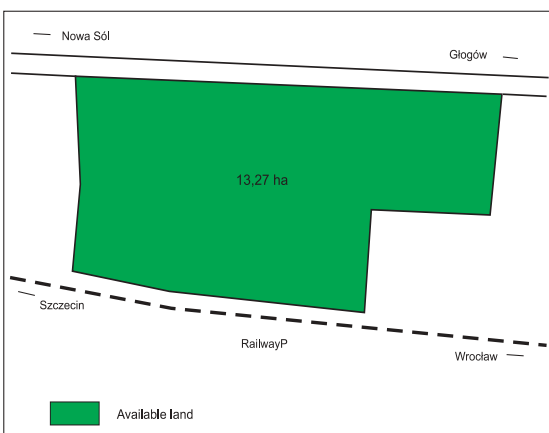
THE BYTOM ODRZAŃSKI SUBZONE



The Bytom Odrzański Subzone is located at the following distances from some border crossings: the west border – 100 km (Gubin), the south border – 130 km (Jakuszyce), the east border – 630 km (Terespol), the north border – 325 km (Świnoujście).

Bytom Odrzański is a picturesque town situated at the foot of the Dalkowskie Hills. It is located on the left bank of The Oder River and offers unforgettable views. The town has a population of circa 4,400 persons. The Bytom Odrzański commune is comprised of 11 villages. The commune covers 52 km²; the town – 2.3 km². The town is situated in the Nowa Sól district and provides administrative, educational and medical services. The Silesia-Szczecin railway line crosses Bytom Odrzański. The town has access to a river port. The Spółdzielnia Niewidomych "Nadodrze" Cooperative, which employs 150 people, is the largest factory in the region. A border crossing is 80 km away, a railway – 0.5 km and a river port – 14 km. There is 36.02% unemployment.

The Subzone area: 13.27 ha



Water: The Subzone is 400 m from the main water connection. The municipal intake reserve is 55 m³/h.

Sewage: There is a sewage treatment facility with a capacity of 1,900 m³/day and a current reserve of 700 m³/day. Rainwater and sanitary sewage collection system is located 50 m from the border of the Subzone.

Electric energy: Two independent 20 kV lines cross the Subzone. A 110 kV energy line is located 500 m from the site. There are power reserves of 20 MW.

Heating: It is possible to obtain heating supplies from the plant located 500 m from the Subzone.

Gas: There is a 125 mm gas pipeline with a pressure of 2.5 MPa. The usable quantity available is 1,600 Nm³/h. GZ – 35.

Telecommunications: The area of the Subzone has convenient access to a cable communications network and cellular telecommunications. Since 1996, a modern digital exchange has been in place, which fully meets the customers' needs in the realm of telecommunication services such as ISDN and SDI networks. There is also an operating fiber-optic line.

Roads: The Subzone is located in close vicinity of voivodeship road no. 292 (Głogów – Nowa Sól).

Railway: The Katowice-Szczecin rail line crosses Bytom Odrzański. A railway siding is located at a distance of 700 m from the Subzone. It is possible to extend it to the site.

Water transportation: There is a river port located 14 km from the town.

THE GUBIN SUBZONE



The Gubin Subzone is located on the western border of Poland, at the following distances from some other border crossings: the south border – 140 km (Zawidów), the east border – 685 km (Terespol), the north border – 370 km (Świnoujście). Gubin is a border town in Western Poland, situated in the



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Lubuskie Voivodeship, at the confluence of The Lubsza and The Nysa Łużycka Rivers. Shielded from the east by the Gubin Hills, the town has a unique microclimate, which makes it exceptionally attractive. The town covers 21 km² and has a population of circa 18 thousand. The town has a favourable geopolitical location, thus providing new possibilities for economic development, especially in view of Poland's imminent entry to the EU. The region is becoming more and more economically attractive, also in terms of tourism. There is 35.83% unemployment, but there are prospects for development of the area.

The Subzone area: 12.60 ha



Water: The Subzone has easy access to a water service line, which is able to supply 2,000 m³ of water per day.

Sewage: Sewage is disposed of by the municipal sewage system. The Subzone is situated 500 m from a modern sewage treatment plant.

Electric energy: 15 kV electric energy is provided from the existing local grid to the site. There are power reserves of 3 MW, which can be developed to 10 MW.

Heating: It is possible to obtain heating supplies from a local heat and power generating plant, located 1.5 km from the Subzone.

Gas: There are two 63 mm and 90 mm diameter medium pressure gas pipelines.

Telecommunications: There is convenient access to cable and cellular telecommunications networks. A modern, digital telephone exchange is able to fully satisfy the customers' needs by providing ISDN, SDL, and fiber optic connections. Two independent telecom operators function in Gubin: "TP" S.A. and "DIALOG".

Roads: The Subzone is located along some modernized town and voivodeship roads. Access to the Subzone is possible from every direction.

Railway: The Subzone is situated close to the Cottbus-Zielona Góra international rail line. It is possible to use a railway siding.

Water transportation: Krosno Odrzańskie (35 km from Gubin) can be used as a river port.



THE KOSTRZYN-SŁUBICE SPECIAL ECONOMIC ZONE

Major investors in the Kostrzyn-Słubice Special Economic Zone

No.	INVESTOR	INVESTED (USD million)	ORIGIN	SECTOR
1	Faurecia	27	France	Automotive
2	Podravka Poland Sp. z o.o.	19.0	Croatia	Food products
3	ICT Poland Sp. z o.o.	80.0	Italy	Paper industry
4	Trans Sp. z o.o.	1.4	Poland	Building trade
5	Teleskop Sp. z o.o.	1.9	Belgium	Mechanical
6	Foliarex Sp. z o.o.	1.4	Poland	Building-chemical
7	MHG Meble Holding Group Sp. z o.o.	0.5	Poland	Furniture
9	Agro-Bor Louisa Sp. z o.o.	2	Netherlands	Meat line
10	Könecke Sp. z o.o.	4.9	Germany	Meat line

Management of the Zone:
Kostrzyn-Słubice Special Economic Zone
(Kostrzyńsko-Słubicka Specjalna
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President: Zbigniew Faliński