Mieum Parts & Materials Foreign Investment Zone

Mieum Foreign Investment Zone Summary

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Foreign Investment Zone for manufacturing industries, especially parts &amp; materials, advanced machinery, and automotive</th>
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</table>
| Advantages          | - Easy access to Busan New Port, Gimhae Airport, and major highways  
                      | - 80% of Marine Equipment manufacturers and 30% of Auto Suppliers are located near BJFEZ |

Mieum Foreign Investment Zone

<table>
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<tr>
<th>Management</th>
<th>Busan-Jinhae Free Economic Zone Authority</th>
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<tbody>
<tr>
<td>Industry</td>
<td>Manufacturing (Parts &amp; Materials)</td>
</tr>
<tr>
<td>Type</td>
<td>Land Rental + Facility Expansion</td>
</tr>
</tbody>
</table>
| Area               | • Total Area: 332,000 m²  
                      | • Available Area: 162,000 m² |
| Tenants            | • 100% foreign owned firm  
                      | • JV with minimum 30% of foreign equity shares |

Financial Perspectives

| Main Costs | Land | • Lease period: 50 years (renewed every 10 years)  
                      | • 542,420 KRW/m² |
|------------|------|-------------------------------------------------|
| Wage       |      | • 2,000~2,200 USD per month (average)          |

Expected Investment Value

• enter supply chain  
• easy access to Chinese market

Site Attractiveness in Radar Chart

Location

[Map showing location of Mieum Parts & Materials Foreign Investment Zone]
1. Accessibility & Settlement

Living Conditions

- **Education**
  - 25 Universities (Busan National University & etc.)
  - 6 K-12 international schools
  - 21 Technical colleges
  - 334 R&D centers

- **Medical Facilities**: Pusan National University Hospital and etc.
- **Others**: Busan Cinema Center, Busan Cultural Center, etc.

2. Business Cluster

**Major Corporations in the region**
- Korean: DSME, Samsung Heavy Industry, Hyundai Motors, Samsung Electronics
- International: Bosch Rexroth, Wilo Pump, Hamai Korea, Geislinger, etc.

**Potential Customers**
- Shipbuilding & Offshore Industry, Automotive Industry

**Related Organization**
- Busan Technopark, Busan Port Authority, Korea Marine Equipment Global Service Center, Korean Register, Korea Marine Equipment Research Institute
- Government organizations: Busan International Finance Center

3. Infrastructure

**Transportation**
- Airport: Gimhae airport (18km, within 20 min)
- Railroad: Exclusive container and cargo railroad (2km, within 5min)
- Road: Seoul-Busan expressway Garak IC (17km, within 20 min)
- Port: Busan New Port (7km, within 10 min)

**Utilities**
- Industrial Water Fee: KRW15,000 (less than 100 m³)
  Over 100 m³: KRW150 (added per extra m³)
- Industrial Sewerage Fee: KRW 500 / m³
- Electricity
- Energy Supply: Industrial gas, City gas
4. Labor

Demographic Information

- Population: 3,550,000 (foreigners: 38,315)
- Area: 769.82㎢
- Temperature: Average temperature 14.9°C
- Transportation: Metro, Bus, Taxi, Airplane

Wage Condition

- Average wage: 2,000~2,200 USD per month
- Average Employee Welfare: labor welfare services and amenities

5. Government Support

General Industry Subsidies

- Land lease: Free
- Tax reduction & exemption: 100% for 3 years, 50% for 2 years
  (over 10M USD investment in manufacturing)
  : 100% for 5 years, 50% for 2 years
  (over 30M USD investment in manufacturing)

Local Government Subsidies

- Investment/Employment subsidies: 300,000~500,000KRW, Max 200M KRW
- Education and Training subsidies: Max 6month, Max 200M KRW