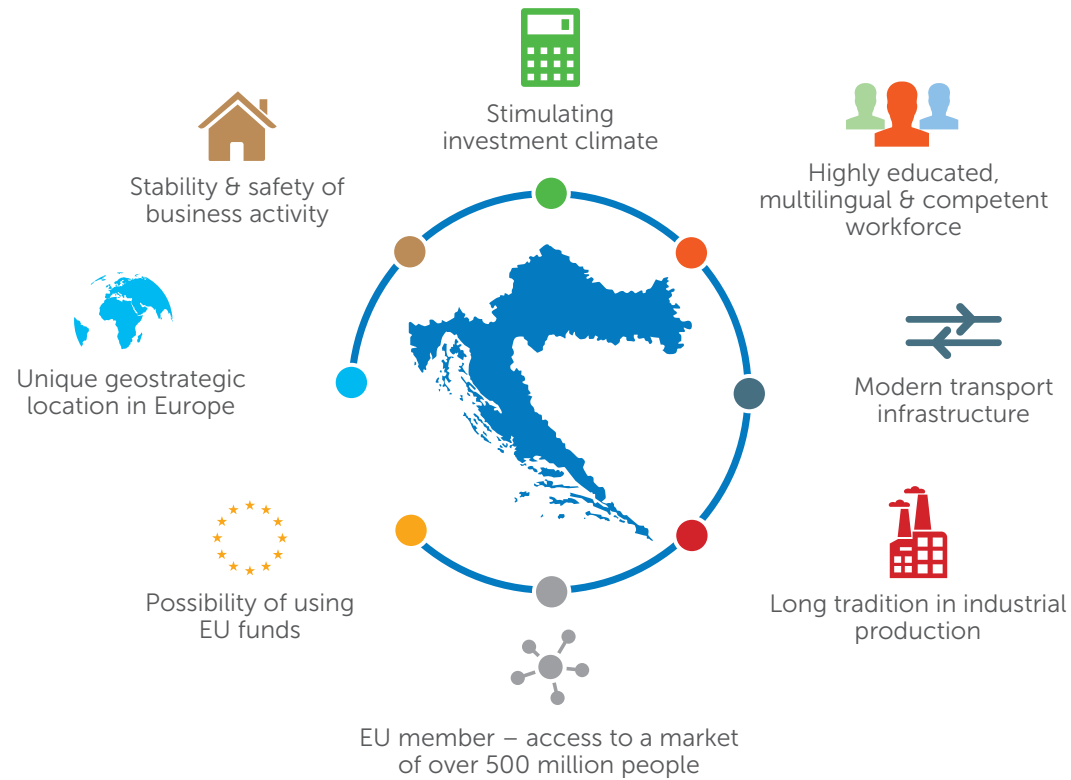


CROATIA – YOUR RELIABLE BUSINESS PARTNER:



STIMULATING INVESTMENT ENVIRONMENT:

- ❑ Tax incentives: reduction of profit tax to 10-0%; regular profit tax: 20%
- ❑ Employment grants: up to 9,000 EUR for newly employed
- ❑ Incentives for capital expenses and labour intensive investment projects – increase of support for opening new workplaces up to 100%
- ❑ Additional incentives for development-innovation activities, business support activities and high added value services
- ❑ Education grants: coverage of up to 70% of education costs

Leather Manufacturing and Processing Industry

Patch your way to success



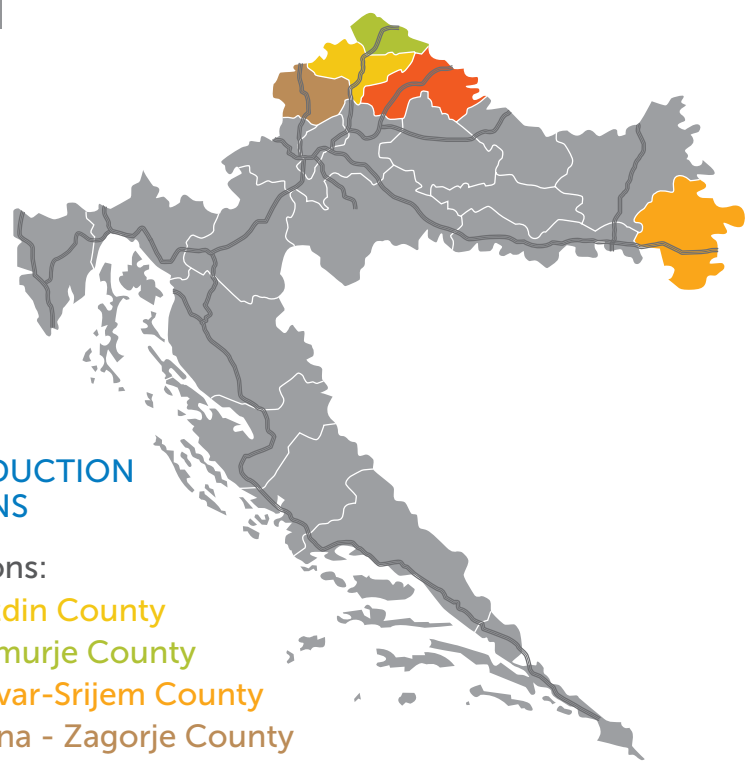
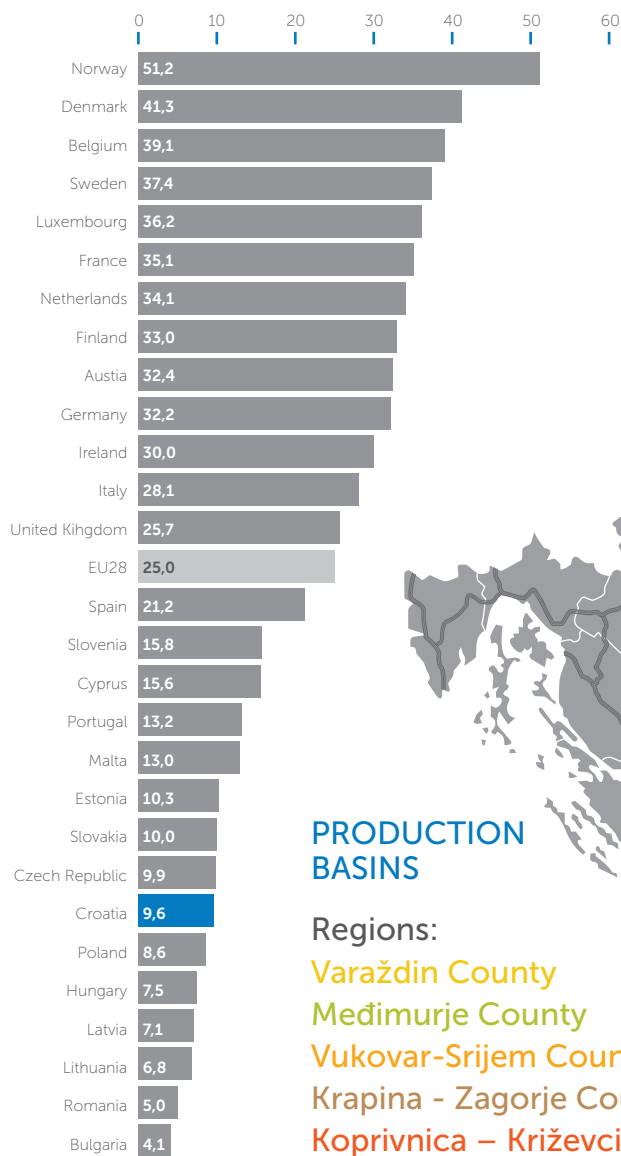
Croatian Chamber of Economy
International and EU Affairs Sector
Investment Promotion Division
Tel: +385 1 4828 382, Fax: +385 1 4828 379
Rooseveltov trg 2, 10000 Zagreb, Croatia
investicije@hgk.hr
www.investincroatia.hr, www.hgk.hr



- Strongly export-oriented
- Highly educated, qualified, experienced, productive and motivated workforce
- Long tradition and high-quality manufacturing
- Geo-strategic position and transport advantages - excellent transport infrastructure and close vicinity of export markets
- High productivity
- Continuous production growth (30% in last 7 years)

FAVOURABLE LABOUR COSTS

Labor cost EUR/Hour



PRODUCTION BASINS

Regions:

- Varaždin County
- Međimurje County
- Vukovar-Srijem County
- Krapina - Zagorje County
- Koprivnica – Križevci County

LEATHER PROCESSING INDUSTRY IN NUMBERS:

€ 500 million

income

0.2%

of Croatia's GDP

78%

of total income from export

134

registered companies

More than

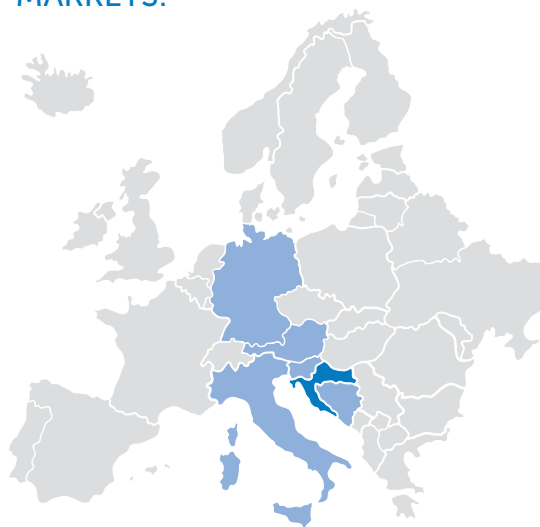
10,000

employees

€ 550

average gross monthly salary

MOST IMPORTANT EXPORT MARKETS:



Austria, Bosnia and Herzegovina, Germany, Italy, Slovenia

MOST SIGNIFICANT PRODUCTS:



Footwear



Leather interiors for cars

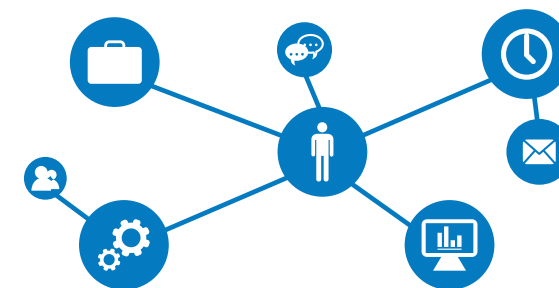


Tanning and leather processing



Finishing and dyeing fur

Labor availability



GLOBAL COMPETITIVENESS REPORT 2016/2017

Among 138 countries in the world, Croatia is ranked in the top 50 according to:



The quality of roads



The quality of overall infrastructure



Local supplier quality