



Agenda

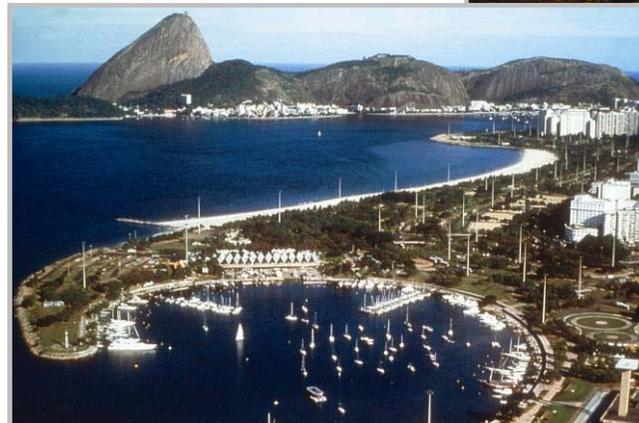
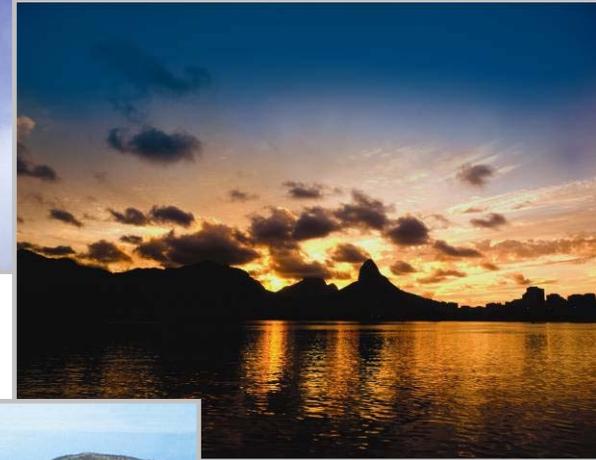
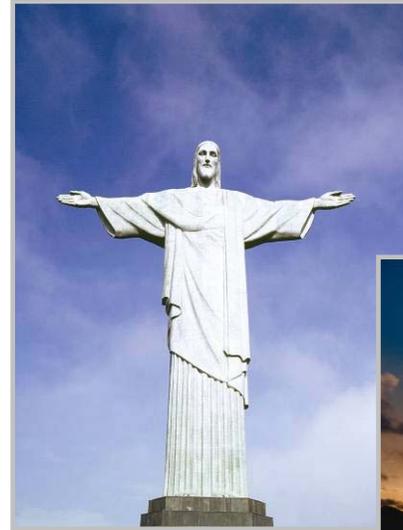
Brazil in Numbers

Rio Overview

City's Competitive Advantage

The Olympics and the City

Investment Opportunities



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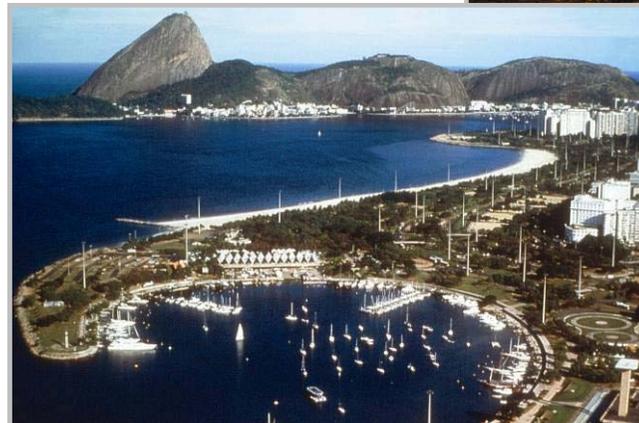
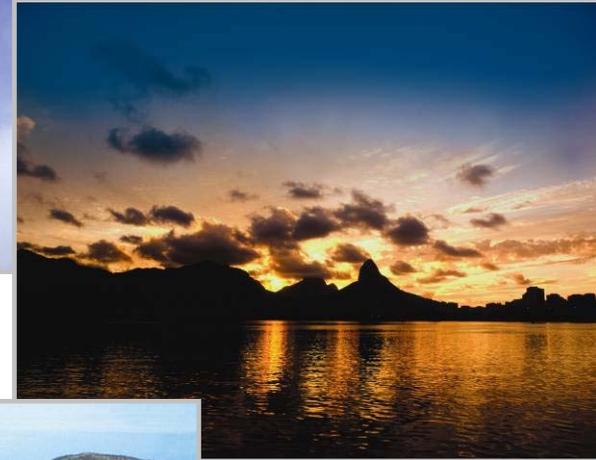
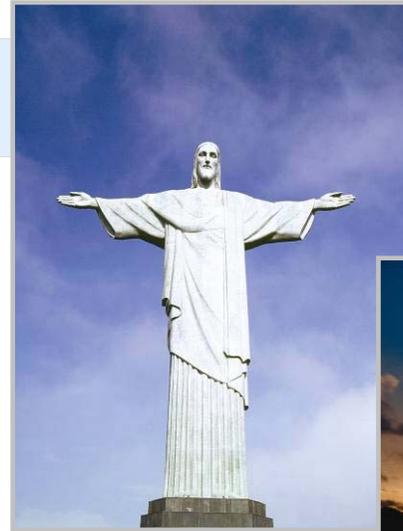
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Fact sheet



- **Population:** 198M – 5th largest
- **Median age of population:** 28.6 years
- **GDP:** US\$ 2T (2008) - ranked 10th economy in the world. Expected to be 5th by 2016
- **GDP *per capita*:** U\$10,200 (2008) - 2nd highest for BRIC nations
- **Growing Middle Class** – now represents 53% of population vs. 35% 15 years ago.
- **Unemployment rate:** 7.4% (feb/2010) vs. 7.8% (average BRIC nations) vs. 9.6% (European Union)
- **Investment Grade** as of 2009
- **Discovery of Pre-salt reserves** increase of proved reserves from 14 to 39 BBOE

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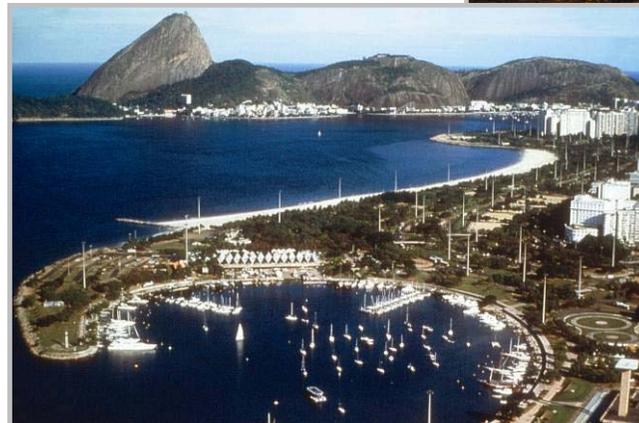
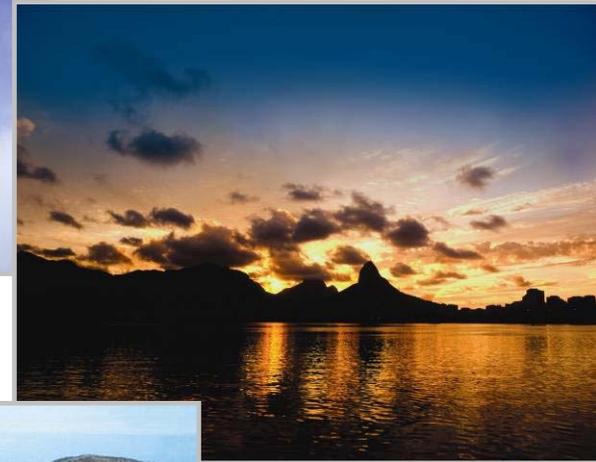
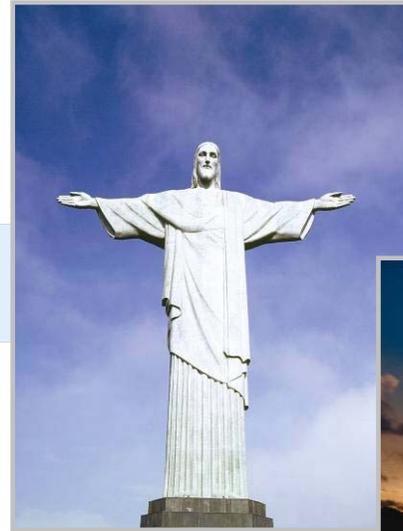
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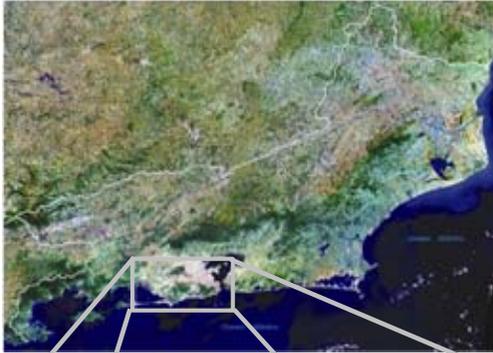
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Fact sheet



Rio de Janeiro State

- **Population:** 15.4M (2007)
- **GDP:** US\$ 152B (2007)
- **GDP *per capita*** : US\$ 9,900 (2007)
- **Investment Grade** as of March 2010 - 1st state in Brazil
- **Largest oil producer** in Brazil - 82% of total oil production in country
- **Expected investments** of US\$ 91B in 2010 – 2012



City of Rio de Janeiro

- **Population:** 6M (41% between 15 and 39 years) (2007)
 - ❖ 2nd largest city in Brazil, 3rd largest city in Latin America
- **GDP:** US\$ 72B (2007) - 85% service related
- **GDP *per capita*:** US\$ 12,000 (2007) vs. US\$10,200 national average
- **Education HDI:** 0.933 (Comparable to Israel and Portugal)
 - ❖ Home to 8 of the top 20 secondary schools in country
- **Unemployment rate:** 4.8% (feb/10) vs. 7.4% in Brazil
- **Growth of formal employment:** 54.3% (2005) vs. 59.3% (feb 2010)

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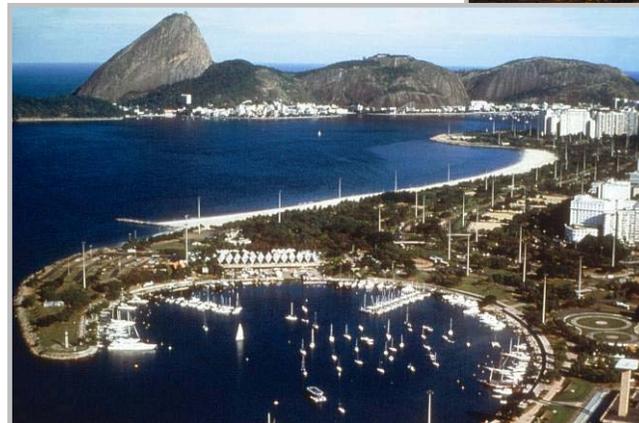
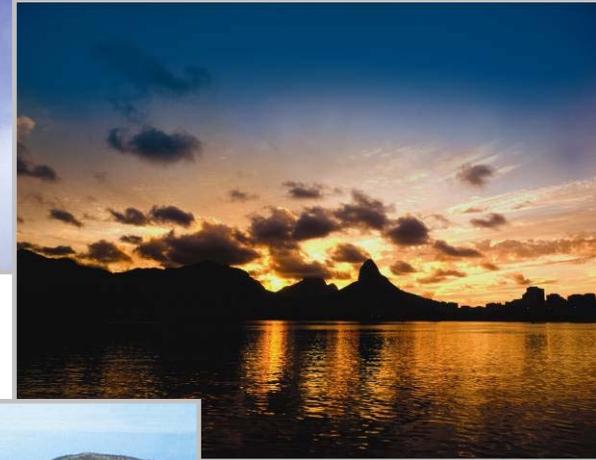
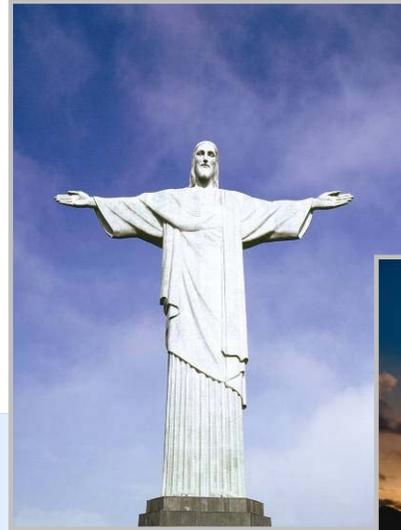
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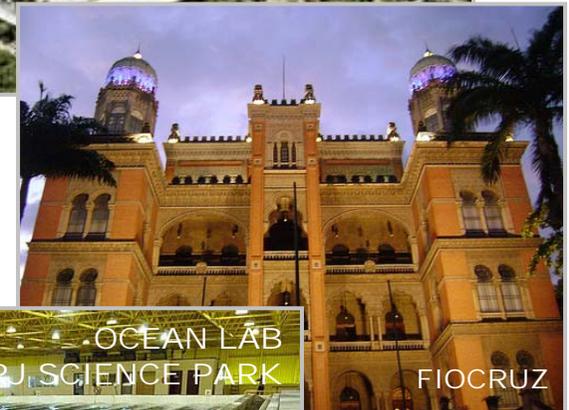
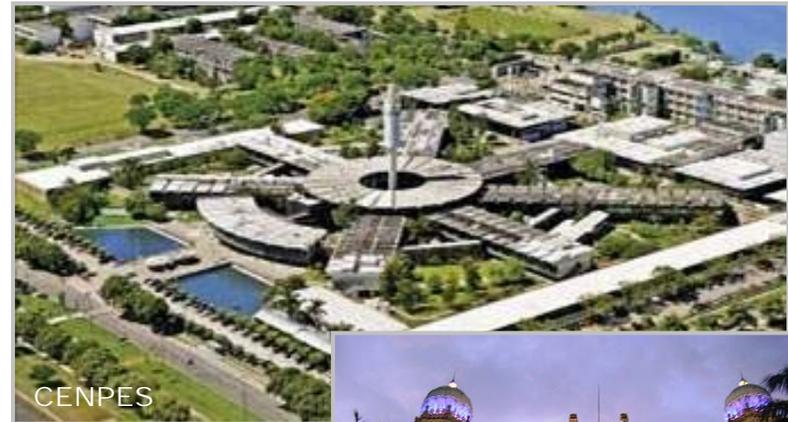
The Olympics and the City

Investment Opportunities



Rio de Janeiro is Brazil's capital of innovation...

- Top tier public and private universities
- Highest ratio of PhDs per capita in Brazil
- Only Latin American business school listed on FT global rank (COPPEAD)
- Birth of "Pre-salt Valley" led by CENPES (Petrobras) and UFRJ Science Park
- Large cluster of R&D centers and institutes:
 - COPPE: Postgrad. engineering research institute
 - BioRio: UFRJ's biotech park
 - EPE: National energy planning company
 - CEPEL: National electric energy R&D center
 - Fiocruz: most important health research institute in Latin America
 - CTEEx: Military R&D center



...Lifestyle...

- Happiest city in the world (by Forbes)
- Main leisure destination in Brazil
- Home of Carnival: largest popular festival in the world
- More than 90 Km of beaches
- Largest urban forest in the world
- 30% of city covered with vegetation and green areas
- 140 km of bike lanes, 2nd largest in Latin America
- Biggest soccer stadium in Latin America



...and Creativity

- Cultural center of the country
- Strong identification with Brazilian culture and hospitality
- Home of most Brazilian artists, media executives and technicians
- Birthplace of Samba and Bossa Nova
- Reference in media in Latin America
- 90% of Brazilian cinema box-office revenues comes from productions in Rio
- Destination of world-class musical events (Rolling Stones, Live Earth, Madonna)





Home of top company headquarters



Petrobras

#1 in Energy



Vale

#1 in Mining



Rede Globo

#1 in Media



Bradesco Seguros

#1 in Insurance



Oi

#1 in Telecom

50% of total Brazilian market cap is located in Rio

Host of major global events in the coming years



Cariocas: united for a better future

77 % are more optimistic about the City's future

83 % approve the Pacification Police Unit project (*UPP*) in favelas

68 % think that *cariocas* are more respectful of laws

86 % approve City Hall's new approach to reduce public disorder '*Choque de Ordem*'



64 % see improvement in their lives within the last year

69 % see the 2016 Olympic Games as a positive opportunity for the City

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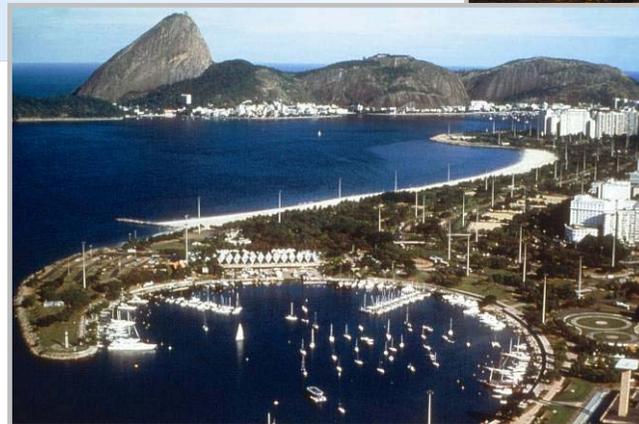
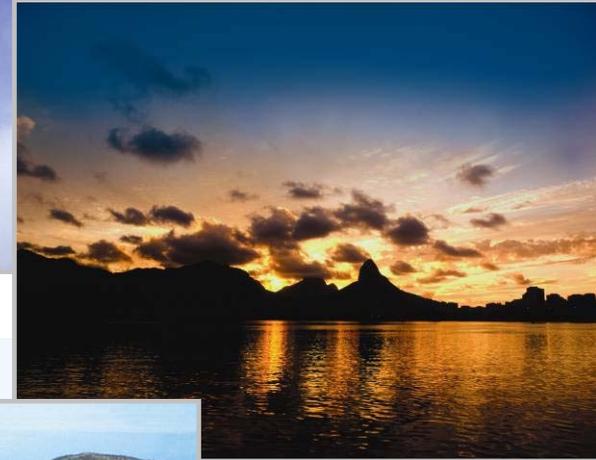
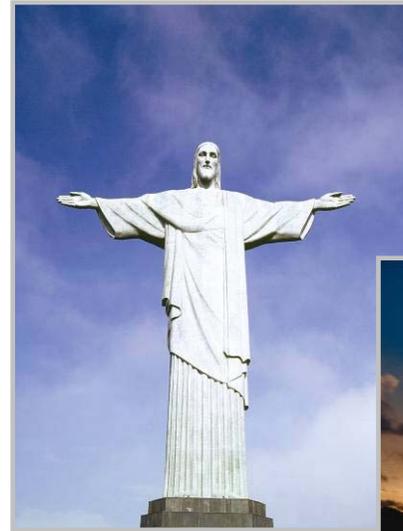
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2016 Olympics Games



First South American city to host the Olympic and Paralympic Games!

Why Rio?

- ❖ Strong Economy & Guaranteed Funding
- ❖ Impactful legacy

- ❖ World-class existing venues and ongoing investment
- ❖ Most sought after tourist destination in South America

"The Olympic Games to serve the city"



The Games will transform Rio...

The City will receive public and private investment in 3 main areas:

Urban Renewal

- Revitalization of degraded urban areas and of regions surrounding the Olympic venues
- Amplification of public transport system – US\$3B will be invested in transportation
- Greater integration among all regions of the city

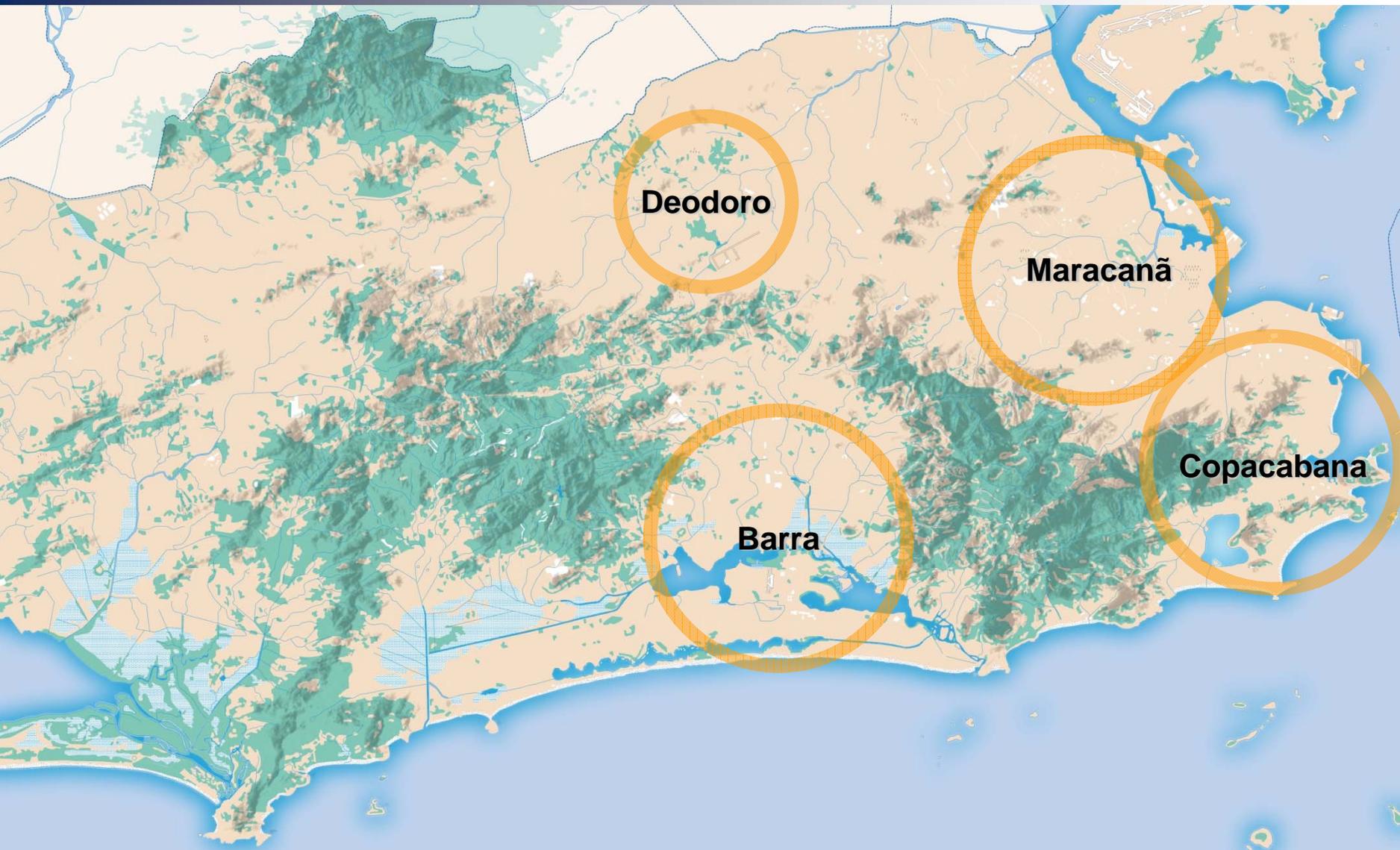
Environmental

- Consolidation of the largest urban forest in the world, consequently improving air quality (plantation of 24M trees)
- Completion of the sewage sanitation system in West Zone
- Revitalization of the main lake systems of the city

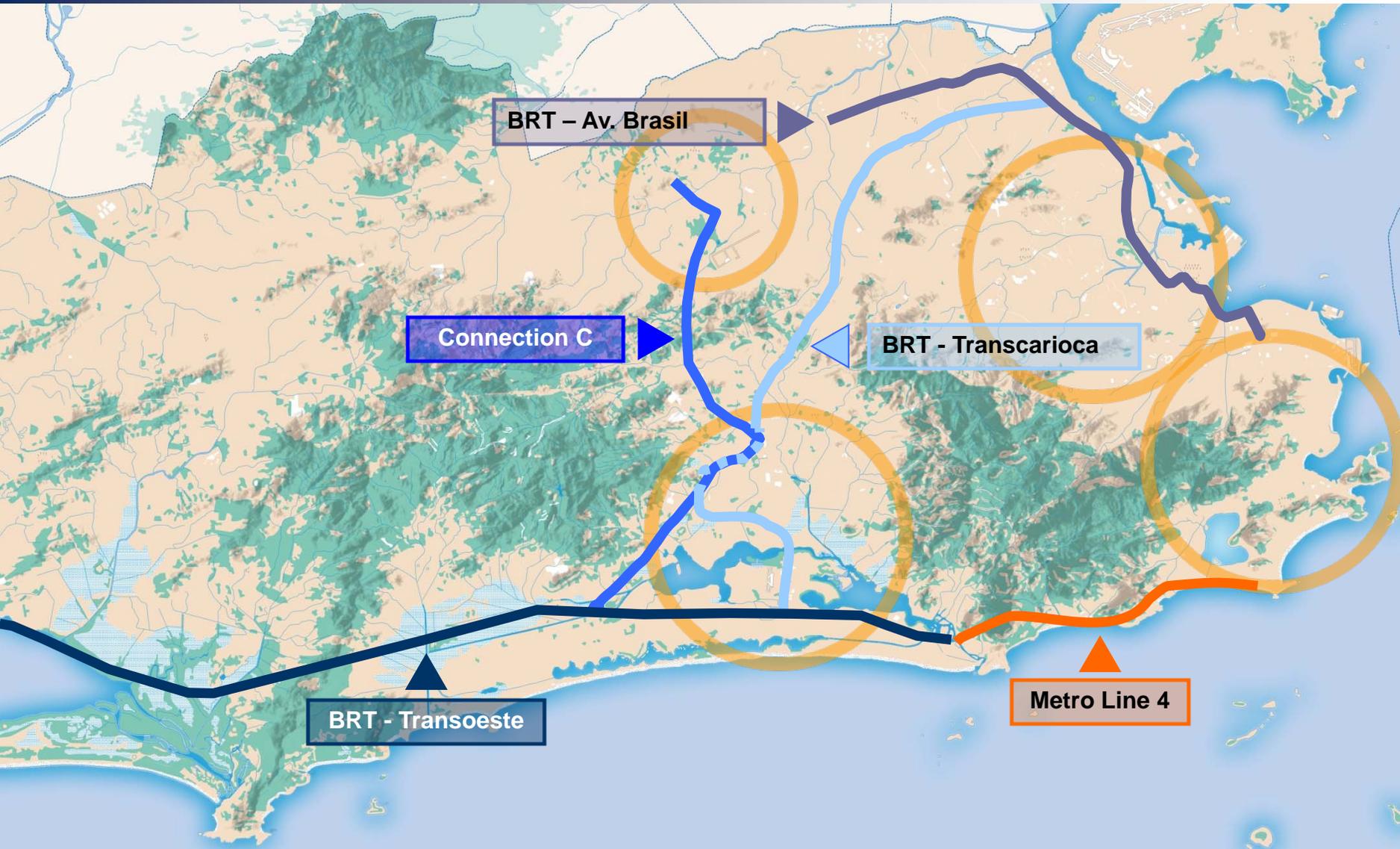
Housing & Social Development

- Construction of more than 60k new homes until 2016
- Social integration through sports by way of promoting activities and providing sports equipment for the needy population
- Enhancement of the educational system
- Creation of new jobs: 50k temporary and 15k permanent

... Changing the face of the city



Better integration among key areas



Main infrastructure and urban reorganization projects



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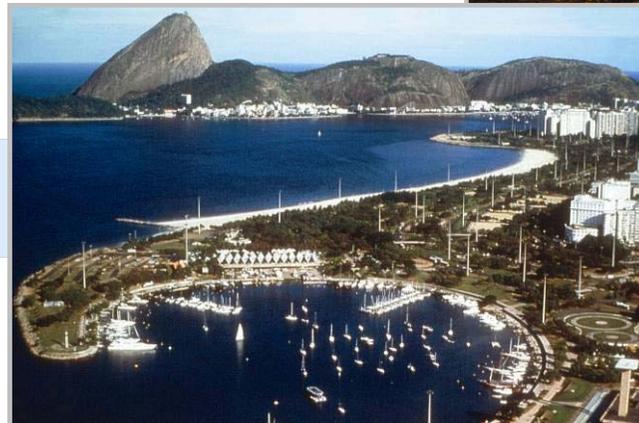
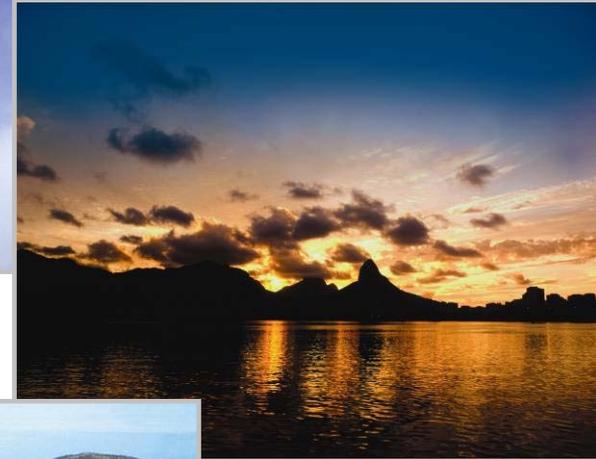
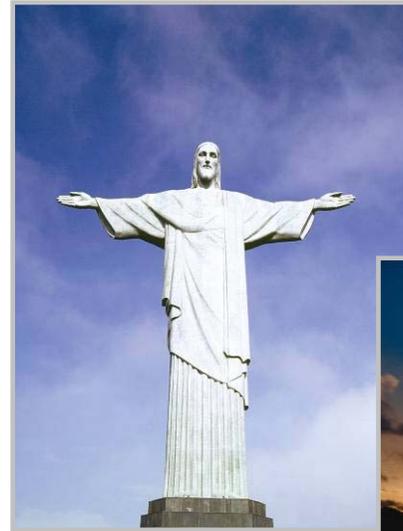
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Investment opportunities

Strategic Sectors

Opportunities

Tourism & Entertainment

- Construction of new convention centers and hotels
- Development and operation of tourism infrastructure and services
- Enhancement of cultural calendar and attraction of international events

Transportation

- *Bus Rapid Transit.* Construction of 3 lines totaling 72Km and 868 vehicles
- Expansion of subway lines and modernization of urban trains
- International Airport expansion and renewal

Sports Venues

- Construction, renewal and operation of stadiums and other sport venues

IT & Innovation

- Construction of the Media Center and Broadcast Center
- Development of security and control traffic systems
- Expansion of data transmission network

Real Estate

- New commercial and residential developments: Port area, Barra da Tijuca, Jacarépagua and Deodoro
- Urban renewal projects

Environmental Sustainability

- New R&D centers focused on renewable and sustainable technologies
- Energy storage and management systems for sport venues and buildings
- Reforestation and regeneration of lakes and rivers

Short to medium term opportunities

	<u>Responsible</u>	<u>Status</u>	<u>Investments</u>
Porto Maravilha	Local Government	<ul style="list-style-type: none"> Phase 1 in progress Defining bidding procedures for phase 2 	US\$ 1.800 M
Maracanã Stadium	Local Government	<ul style="list-style-type: none"> Public bid expected to be ended by May 2010 	US\$ 300 M
Transcarioca (BRT)	Local Government	<ul style="list-style-type: none"> Defining bidding procedures Public bid expected to be ended by May 2010 	US\$ 400 M
Tronsoeste (BRT)	Local Government	<ul style="list-style-type: none"> Defining bidding procedures Public bid expected to be ended by July 2010 	US\$ 300 M
Connection C (BRT)	Local Government	<ul style="list-style-type: none"> Defining project scope Public bid expected to be ended by December 2010 	NA
Intl Airport Extension	Federal Government	<ul style="list-style-type: none"> Public bid expected to be launched in 2011 	US\$ 150 M



RIOOPENARMS

Porto Maravilha – Project Overview

Infrastructure

Complete urban, transportation and environmental infrastructure renewal

- 1 million sq.m of new urban infrastructure construction
- Creation of 5M sq.m of total building potential
- Environment preservation and improvement, with sidewalk greenery (approx. 40km), new parks and squares, and Mangue channel clean up
- Creation of 20k jobs during Phases 1 and 2
- R\$ 3 billion in investments

Housing

Improvement of housing conditions and attraction of new inhabitants to the region

- 20k to 100k (~30k houses) incremental inhabitants to the region
- Reuse of historic houses through “Novas Alternativas” program
- New police unit at Providência Hill

Arts & Entertainment

Creation of Rio de Janeiro’s new touristic sites, with recuperation of historic/cultural landmarks and creation of new cultural/entertainment venues

Trade & Industry

Large company headquarters, attraction of technology and innovation companies, increase in port cargo and maritime tourism

- About R\$ 200 million tax generation (reference 2014)

Porto Maravilha – Project Overview

