



Why invest in Uruguay?

-  Reliability
-  Preferential market access
-  Ease of doing business
-  Talent
-  Quality of life



Uruguay*Natural*

A RELIABLE COUNTRY



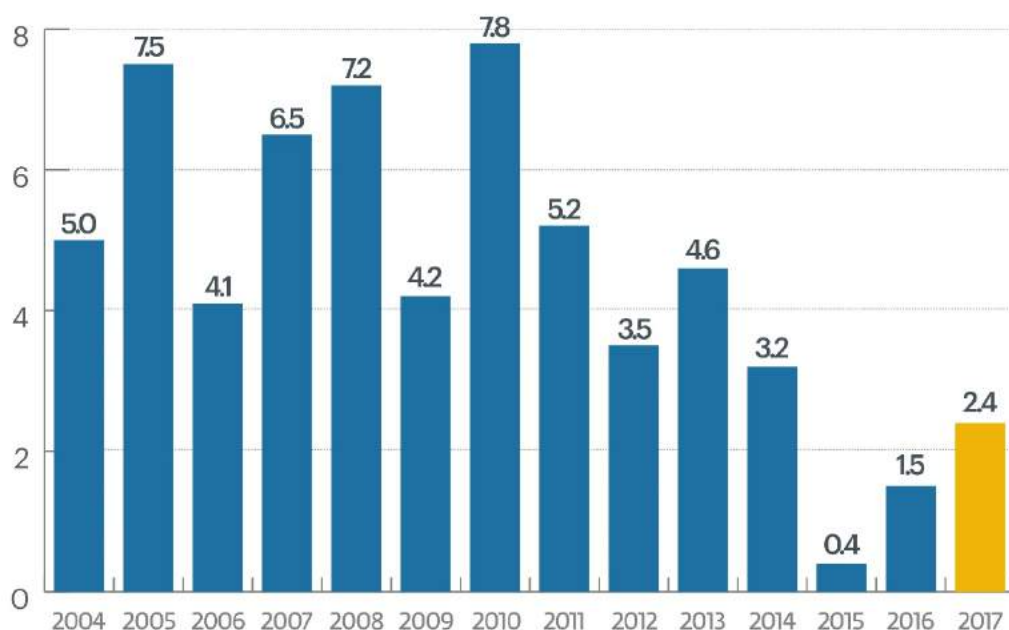


RELIABILITY

Ranking		Uruguay in Latam
Democracy Index	(Economist Intelligence Unit, 2016)	#1
Corruption Perceptions Index	(Transparency International, 2016)	#1
Prosperity Index	(Legatum Institute, 2016)	#1
Rule of Law Index	(World Justice Project, 2016)	#1
Press Freedom Index	(Reporters without borders, 2016)	#2
World Governance Indicators	(World Bank 2015)	#2
Global Peace Index	(Institute for Economics & Peace, 2016)	#2
Index of Economic Freedom	(Heritage Foundation, 2016)	#3

RELIABILITY

GDP Growth (%) Uruguay



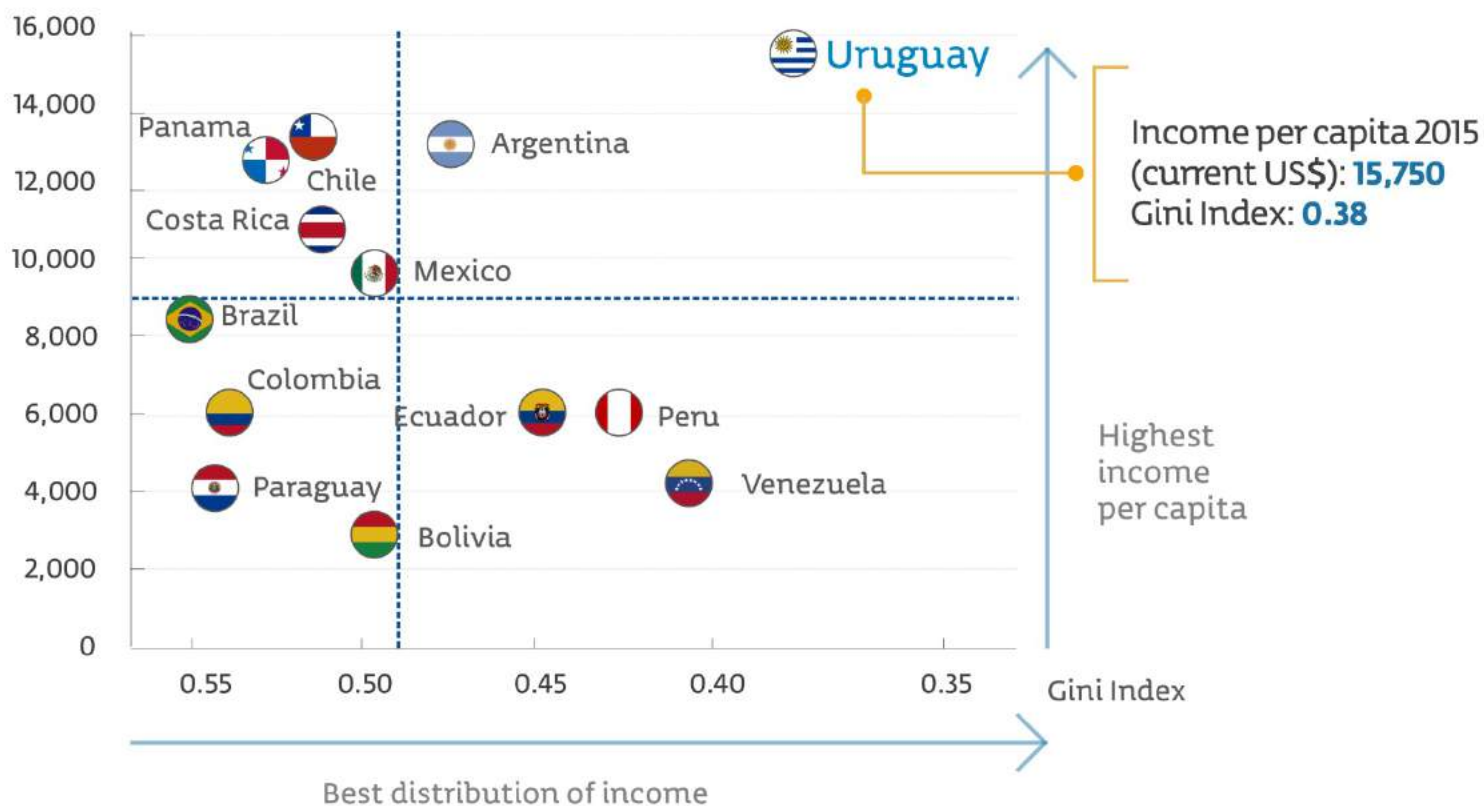
Average annual GDP growth (%)
(2007-2016 forecast)



RELIABILITY

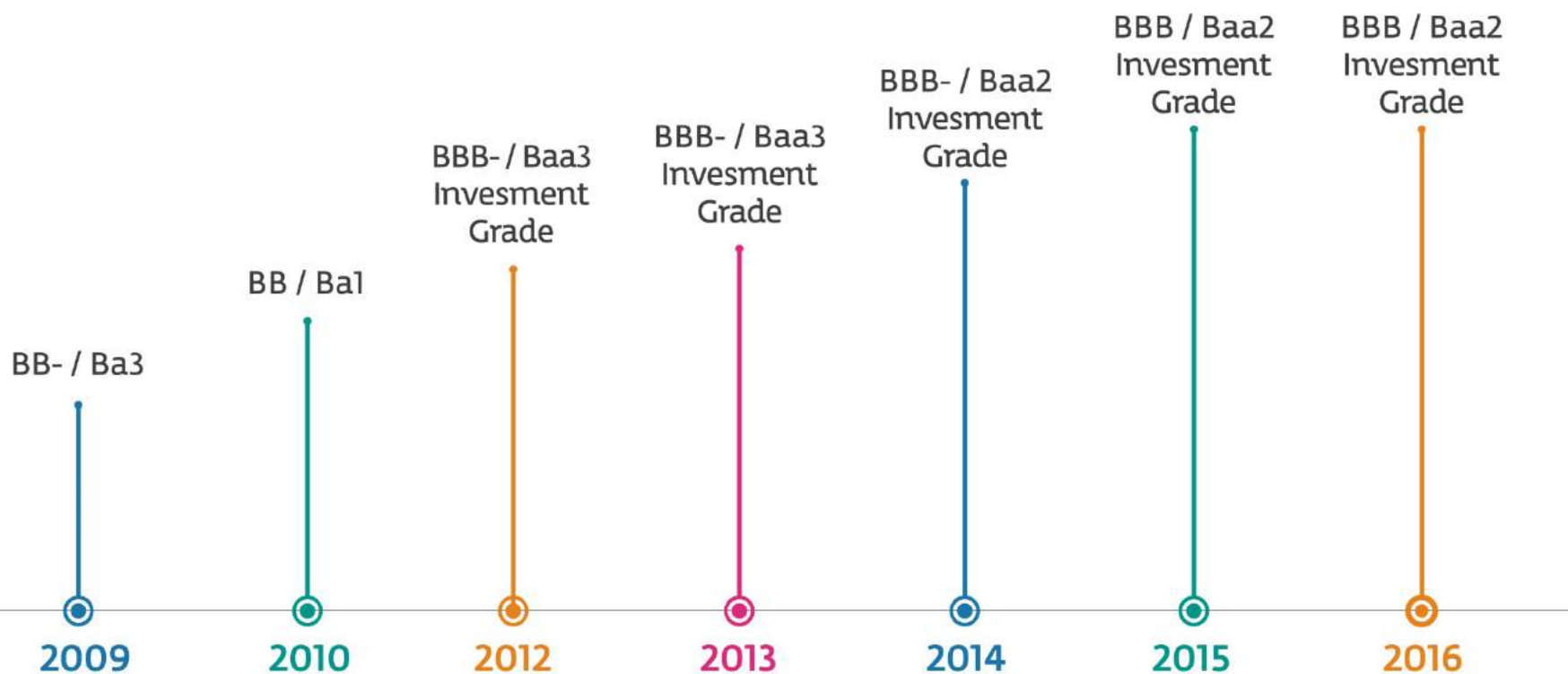
With the highest and best-distributed income in the region

Level and distribution of income in Latin America
(US\$ per capita 2015 and Gini Index)



RELIABILITY

Improvement in credit rating and investment grade



Moody's

STANDARD
& POOR'S
The McGraw-Hill Companies

FitchRatings

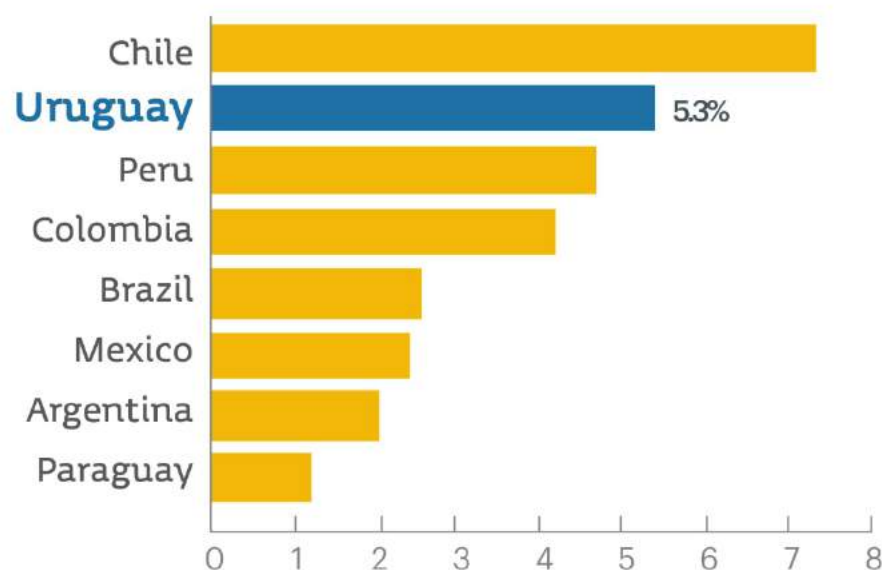
R&I



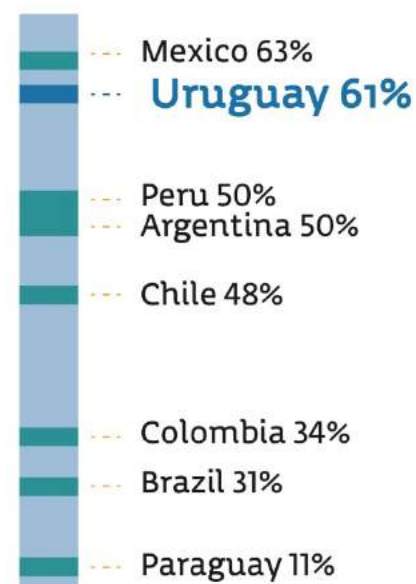
RELIABILITY

FDI recipient

FDI in the region
(% of GDP, 2005-2015)



Reinvested profits
(% of total profits, 2005-2015)



RELIABILITY

Some foreign companies operating in Uruguay



Main FDI origins (2005-2015)



Main FDI sectors (2002-2014)





RELIABILITY

Diversified exports



RELIABILITY

Main destinations of exported goods 2016

NORTH AMERICA

 United States 6%
 Mexico 4%
 Canada 1%

11%

EUROPE




25%

 Netherlands 7%
 Germany 4%
 Turkey 3%

ASIA AND
MIDDLE
EAST
30%



 China 22%
 Israel 2%
 Philippines 1%

SOUTH AMERICA

 Brazil 16%
 Argentina 5%
 Chile 2%

29%

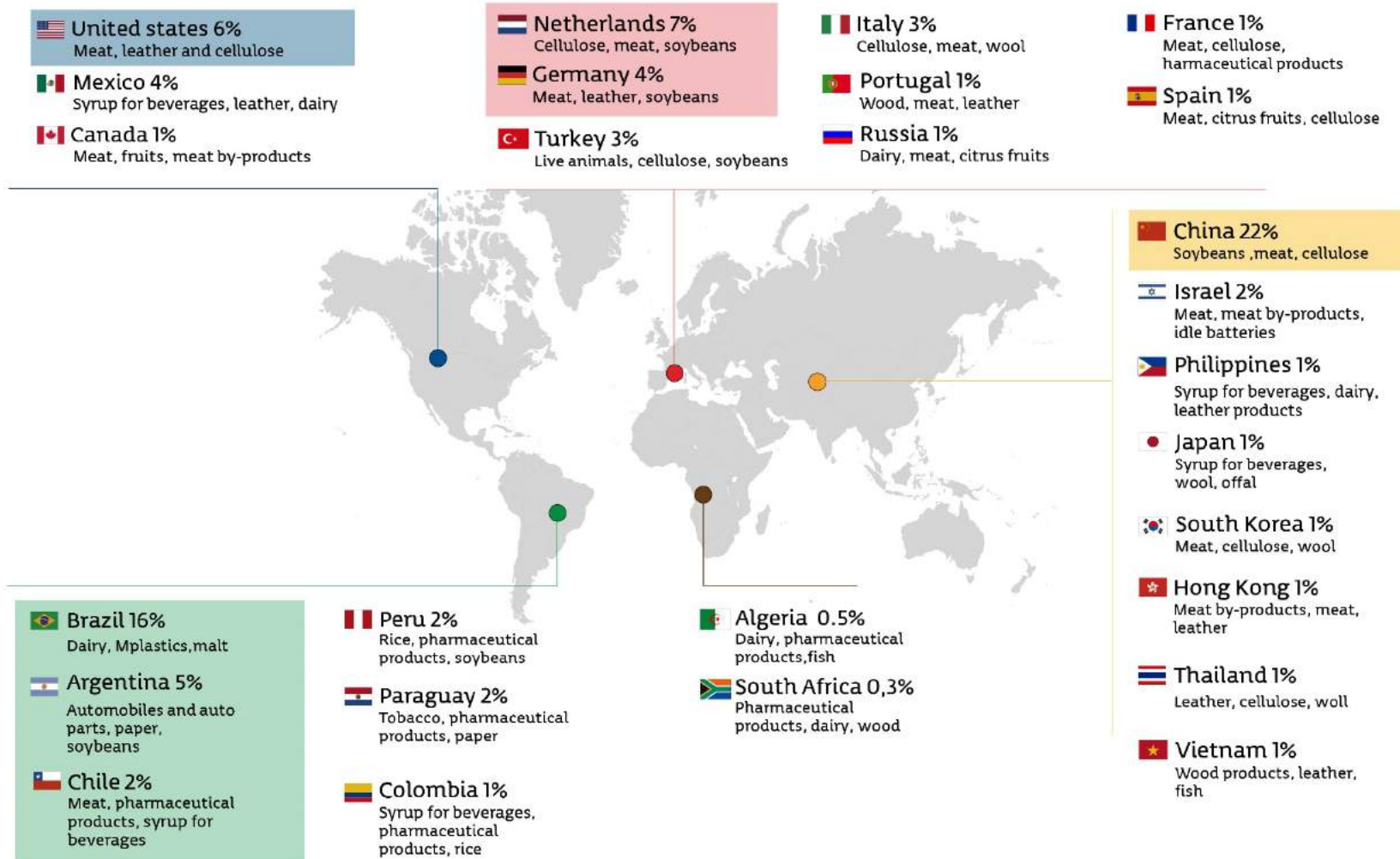
AFRICA

 Algeria 0.5%
 South Africa 0.3%

2%

RELIABILITY

Main destinations of exported goods 2016

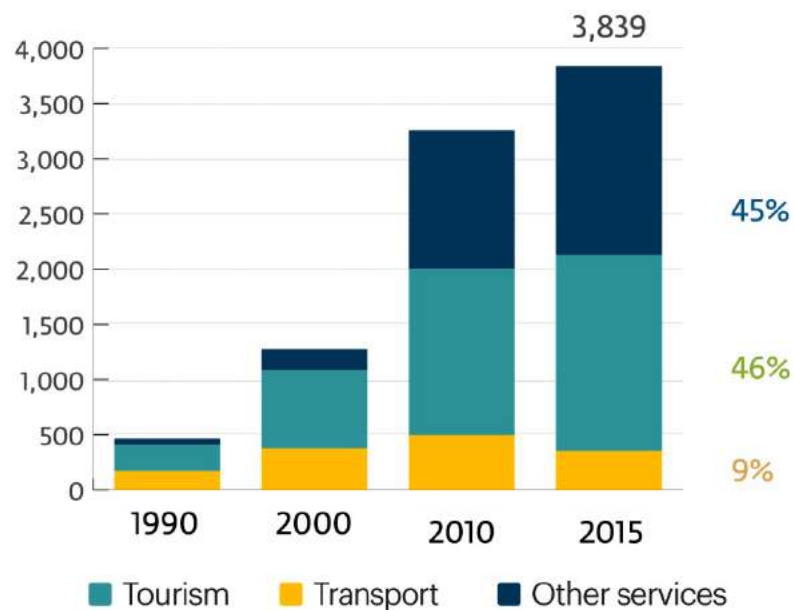


RELIABILITY

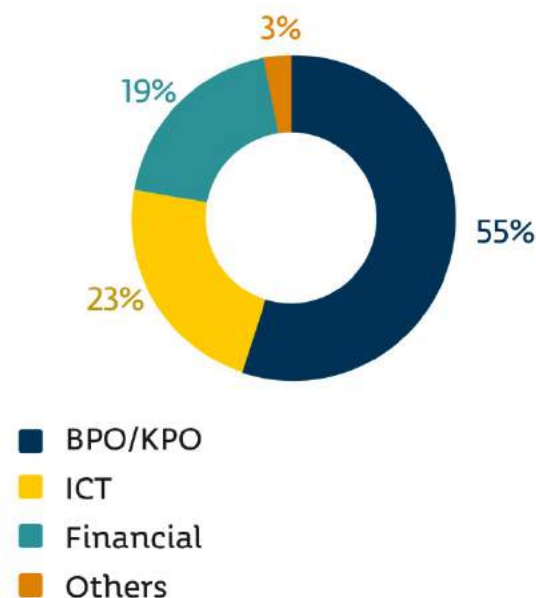
Exporter of services



Services exports
(US\$ millions)



Breakdown of other services
(2014)





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PREFERENTIAL MARKET ACCESS



PREFERENTIAL MARKET ACCESS

Strategic location



Transports times



		
Buenos Aires	1.00 h	24 h
Porto Alegre	1.30 h	24-48 h
Rio de Janeiro	4.00 h	72-96 h
São Paulo	2.30 h	72-96 h
Asuncion	2.00 h	72-96 h
Santiago	2.30 h	72-96 h
Lima	4.30 h	
Panama	6.00 h	

Trucking time does not include average customs time.

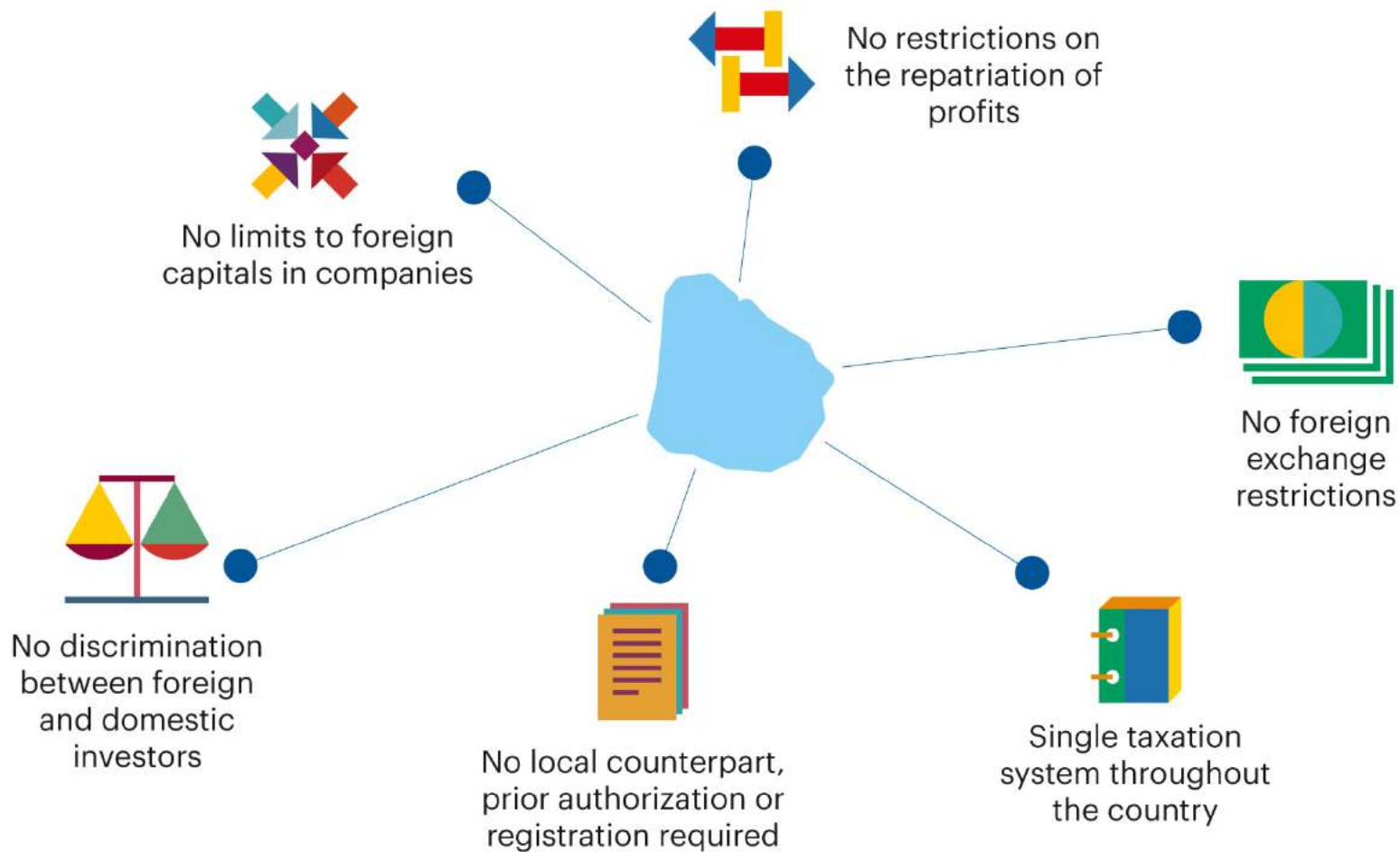


EASE OF DOING BUSINESS





EASE OF BUSINESS





EASE OF BUSINESS

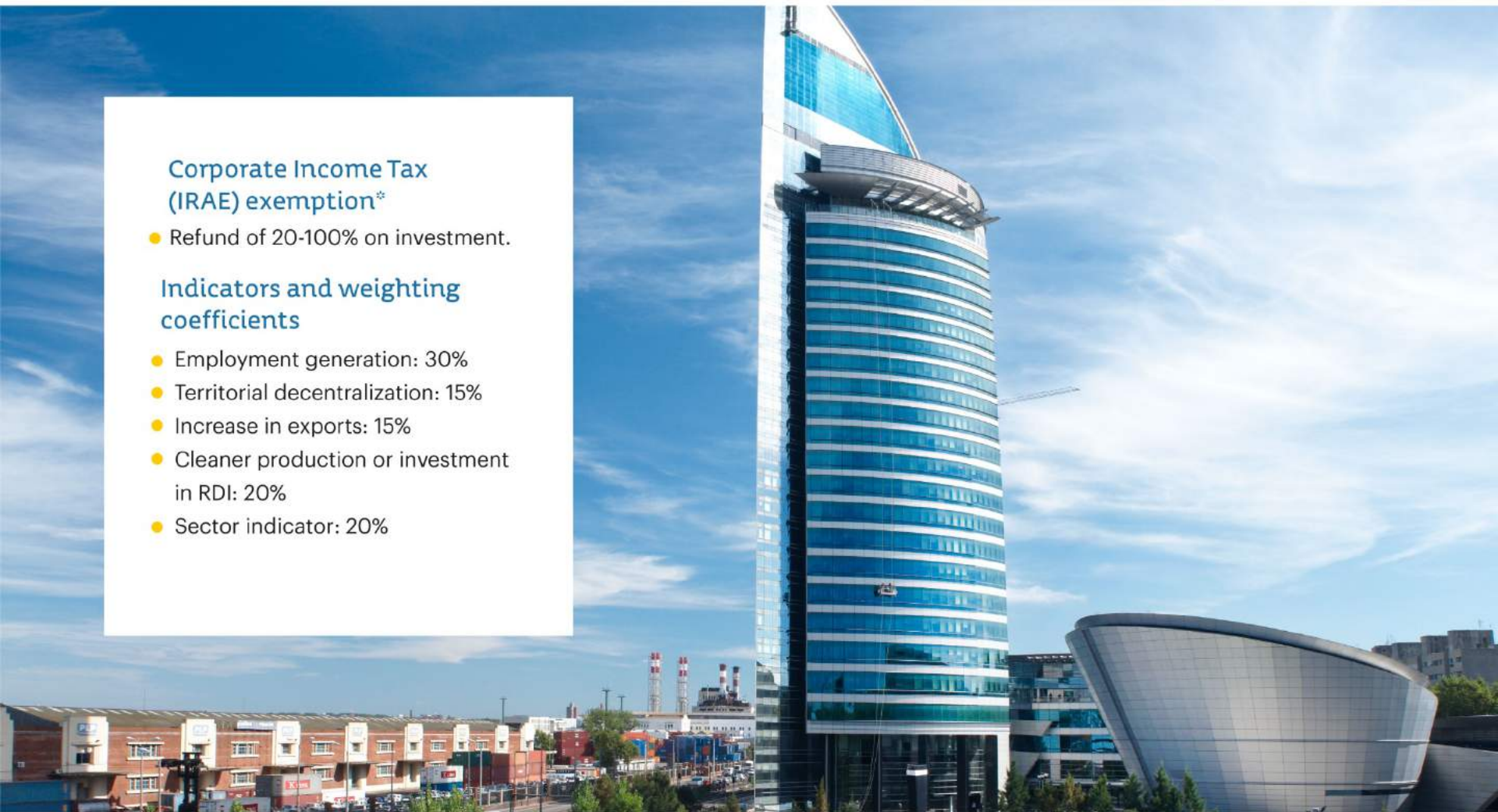
Investment promotion: tax benefits

Corporate Income Tax (IRAE) exemption*

- Refund of 20-100% on investment.

Indicators and weighting coefficients

- Employment generation: 30%
- Territorial decentralization: 15%
- Increase in exports: 15%
- Cleaner production or investment
in RDI: 20%
- Sector indicator: 20%



*Uruguay has no state or local corporate income taxes, only national (25%)



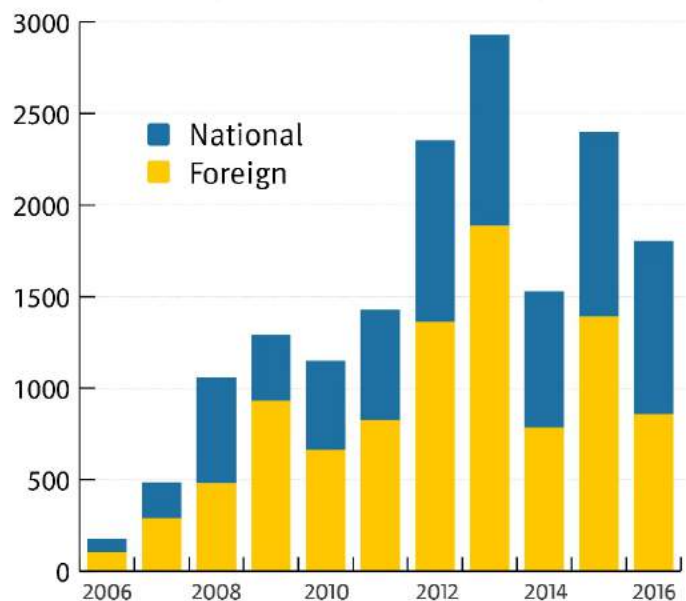
EASE OF BUSINESS

Investment promotion: projects

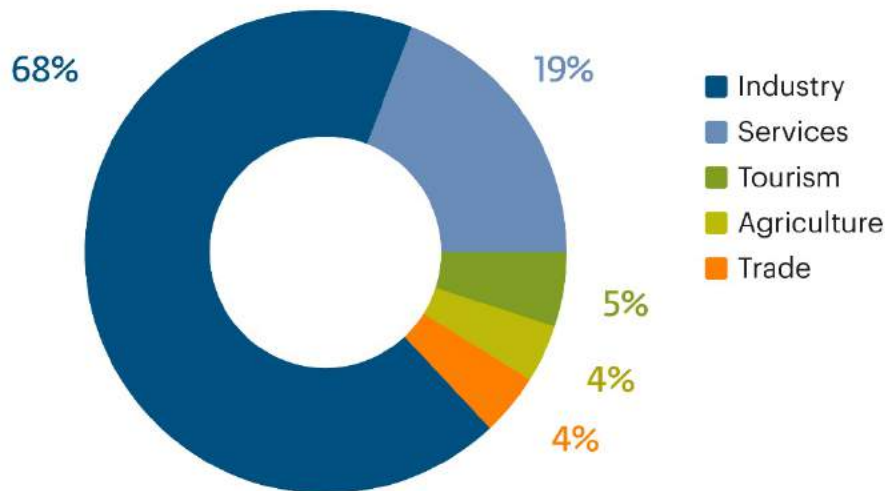
+15.6
billion dollars

+5,400
approved projects

Total investment amount
(millions of US\$)



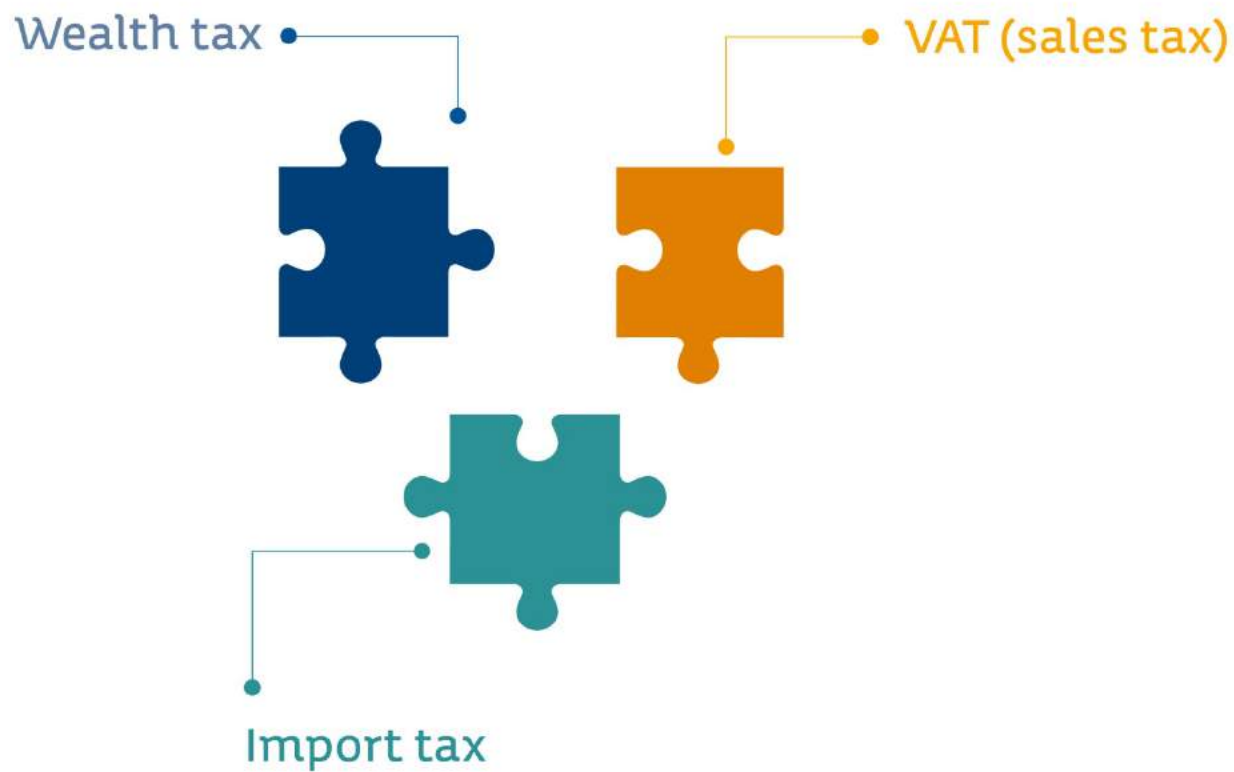
Projects by foreign companies
(2006-2016)





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Investment promotion: other exemptions





EASE OF
BUSINESS

Business platform



Uruguay's attractive export promotion program includes:

Refund of VAT (sales tax)

The Tax Administration Department reimburses the VAT to taxable components incorporated in the products which are directly and indirectly associated with the exportation.

Refund of Taxes

There is a reimbursement of a percentage of the FOB value of the exported products.

Temporary admission

Allows businesses to tax-free import goods to be later exported in their original state or modified by certain processes within a maximum period of 18 months.

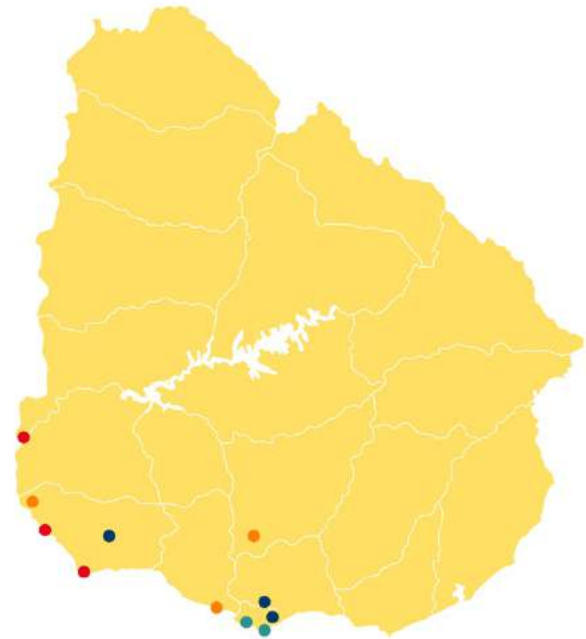


EASE OF BUSINESS



Free-Trade Zone

- Industrial
- Logistic
- Services
- Multi Purpose



Users are 100% exempt from:

- » Corporate income tax
- » Wealth tax
- » Import taxes and fees
- » Any other current or future tax*

* Businesses operating in free zones must pay social security taxes for their Uruguayan employees.



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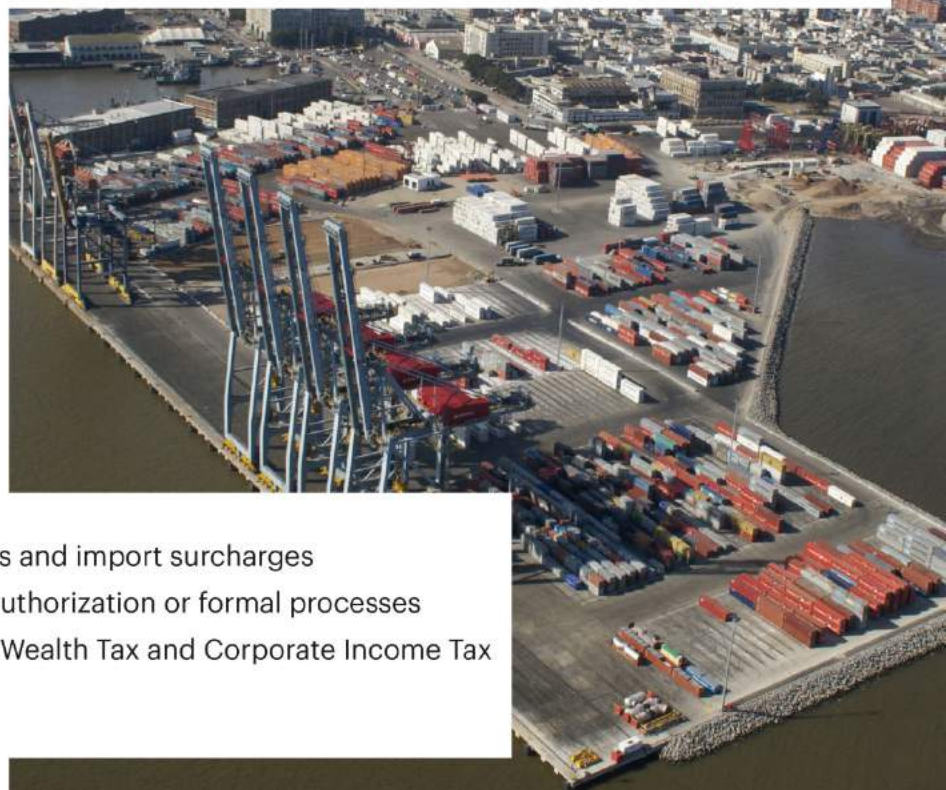
Free ports and airports

South America's only free airport
(Carrasco International Airport)



- » Goods exempt from domestic taxes and import surcharges
- » Free circulation of goods without authorization or formal processes
- » Foreign legal entities exempt from Wealth Tax and Corporate Income Tax
- » Automated operations

The only free-trade ports on South
America's Atlantic coast
(Montevideo and Nueva Palmira)





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Other relevant legislation

Public Private Participation Law

- » Rail, port and airport infrastructure works
- » Social infrastructure works (schools, detention centers, health centers and social housing)
- » Energy infrastructure, waste disposal, and waste management

Industrial Parks

- » The users who apply to the Investment Law will obtain additional benefits:
 - » The total weighted score for the deduction of the Corporate Income Tax will be increased by 15%
 - » Fiscal credit for the employer contributions related to incremental job posts during a period of 5 years

Social housing law

- » Significant exemptions on construction of middle and low income housing.



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Modern infrastructure



Two ports (Montevideo and Nueva Palmira), strategically located on the main gateway to the south Atlantic coast.



Most reliable electric supply in Latin America.
Nearly all electric supply from renewable sources.



A world class airport operating under the free airport regime.



90% of households with fiber optic access.



Direct connection to US through undersea fiber optic network by 2017.



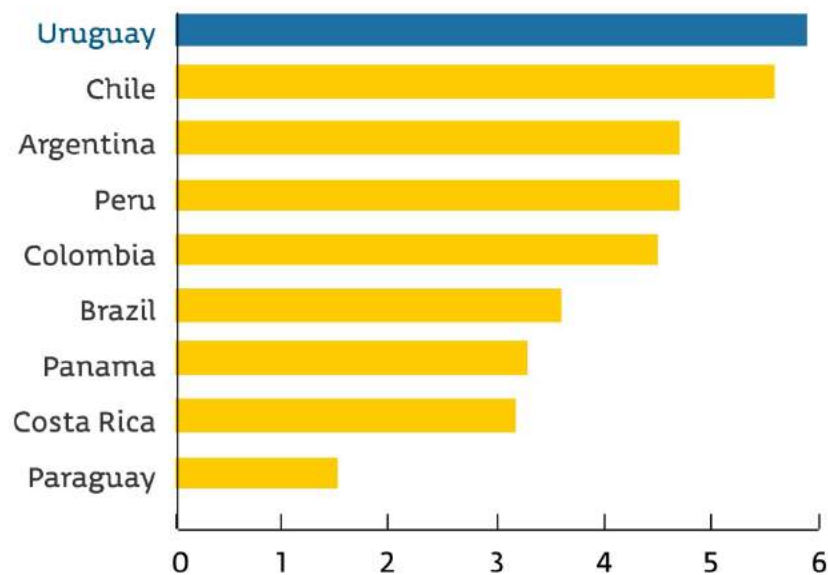
EASE OF BUSINESS

Leader in communications

Internet penetration
(fixed broadband)



Internet download speed
(Mbps, average)





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TALENT





TALENT

Digital inclusion



Plan Ceibal

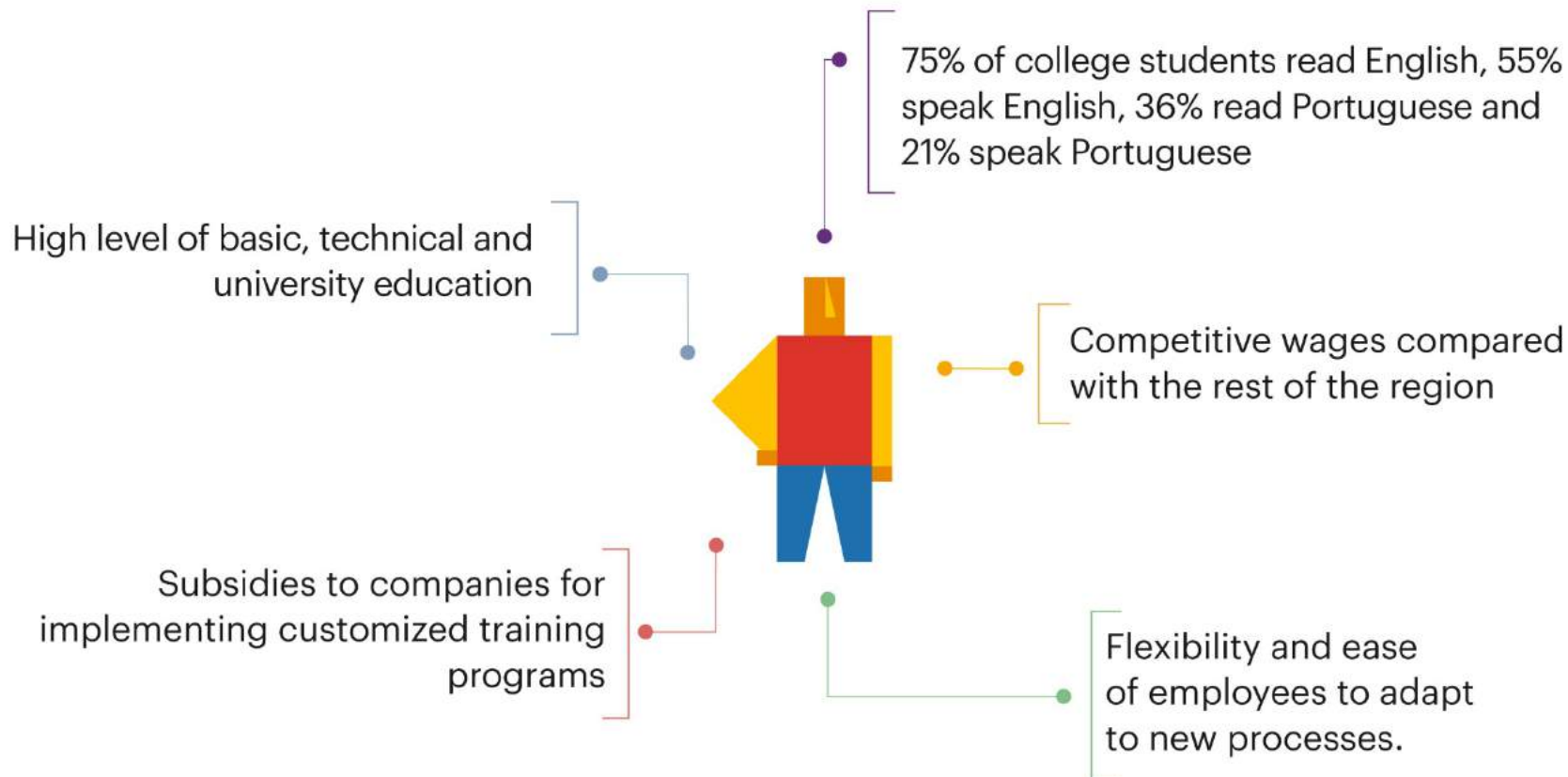
1st country in the world to give laptops to all students and teachers in State-run schools and high schools.

Learning English
Online English instruction provided to all students and teachers.



TALENT

Talent pool





QUALITY OF LIFE





QUALITY OF LIFE

Cost of living (ranking of cities in Latin America)



Source: Quality of Living 2016, Cost of Living 2015 – Mercer

Montevideo: highest quality of life in Latin America





Uruguay XXI

INVESTMENT AND EXPORT
PROMOTION AGENCY

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