

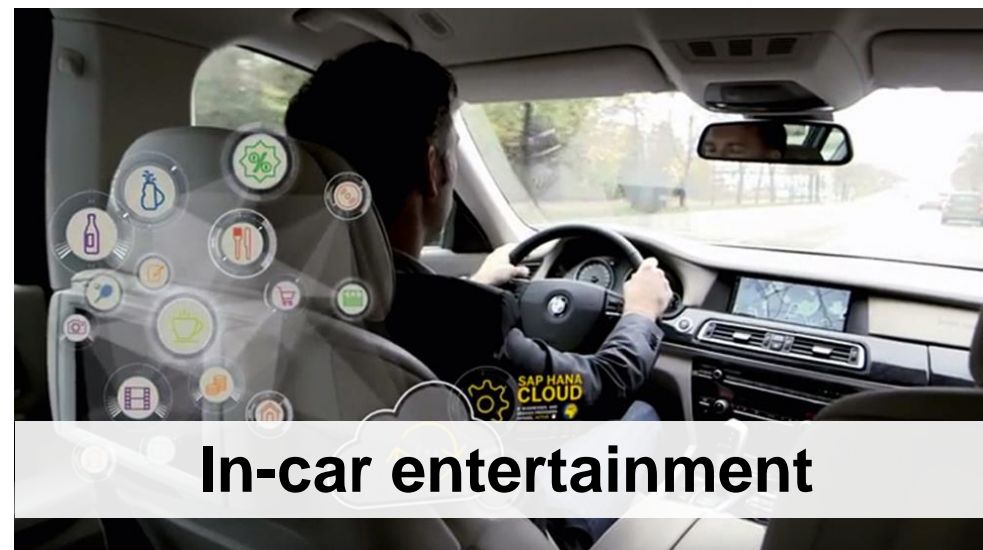
# Ukraine's Reply to Mobility Revolution

CEE Automotive Forum  
Budapest, Hungary  
20<sup>th</sup> November 2019

**NOW**  
**Ukraine**

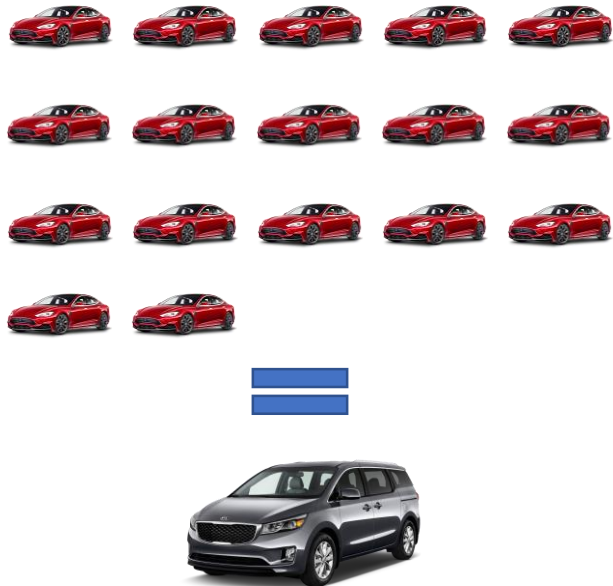
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# GLOBAL AUTOMOTIVE TRENDS. FROM PRODUCT TO SERVICE





## From "ownership" to "usership"

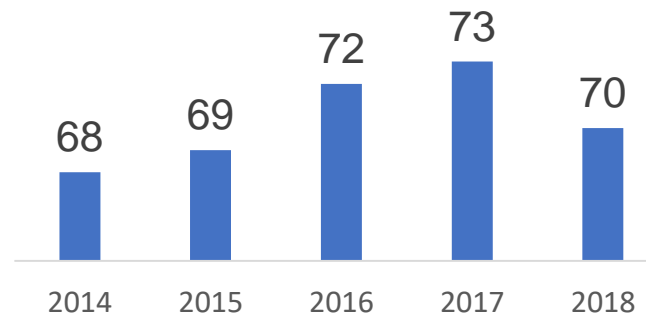


- One fully utilized share car takes an average of 17 privately-owned from the streets

Source: <https://www.pwc.de/de/publikationen/assets/the-shift-from-ownership-to-access.pdf>

## The record years have come to an end

**Worldwide automobile production, million cars**



- Average 2019 EBIT margin likely to be <7% for the first time in the last seven years

Source: <https://www.statista.com/statistics/262747/worldwide-automobile-production-since-2000/>

## Traditional OEMs' business model is not sustainable



- Traditional OEMs have high capital requirements while their core business is getting under pressure

# UKRAINE'S REPLY TO MOBILITY REVOLUTION

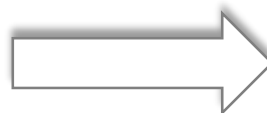
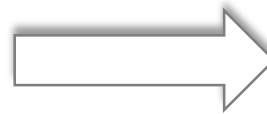
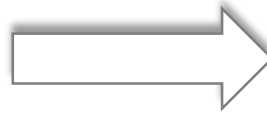
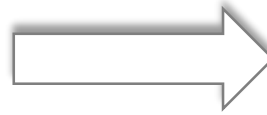
## CHALLENGES IN EUROPE

**Digitalization and  
electric vehicles**

**Efficiency competition  
with Asia**

Many **plants** in Europe  
run **at full capacity**

**Lack of experts**  
(22.5 thousand – average number of  
engineering graduates annually among  
EU countries)



## SOLUTIONS IN UKRAINE

Developed network of international  
**R&D centers** in Ukraine

**4x cheaper production of car**  
comparing to Germany  
**2.6x lower labor cost**  
comparing to China

Effective usage of **under-used capacity**  
in Ukraine and efficient construction of  
new plants

**Highly skilled experts**  
(130 thousand of engineering  
graduates annually)

# INNOVATION TECHNOLOGIES IN UKRAINE

**The ITC industry is now a major driving force of Ukraine's economy**

IT industry has grown nearly **40 times** over the last fifteen years – from **\$110 million** in 2003 to about **\$4.5 billion** in 2018

**\$337 M**

total value of venture capital deals in 2018

**18**

IT service providers in the 2018 Global Outsourcing-100

**100+**

Fortune 500 companies have chosen Ukrainian IT services

**184k+**

software developers (the number is expected to rise to 250k by 2025)

the **3<sup>rd</sup>** largest export service industry



**> 4,000**

tech companies



**15 %**

work as an in-house center for the parent company



**SIEMENS**

**ERICSSON**



**ORACLE**

**Netcracker**

**70 %**

provide IT services to a wide range of clients



**CIKLUM**  
EMPOWERING COLLABORATION

**itera**

**miratech**

**intellias**

**GlobalLogic**

**infopulse**

**softserve**

**15 %** create their own product



**Petcube**

**Terrasoft**



# LARGEST IT COMPANIES IN UKRAINE

## Major IT clusters in Ukraine

### Kyiv

**300+** IT companies

**40k+** IT specialists

### Lviv

**250+** IT companies

**20k+** IT specialists

### Kharkiv

**400+** IT companies

**25k+** IT specialists

### Odesa

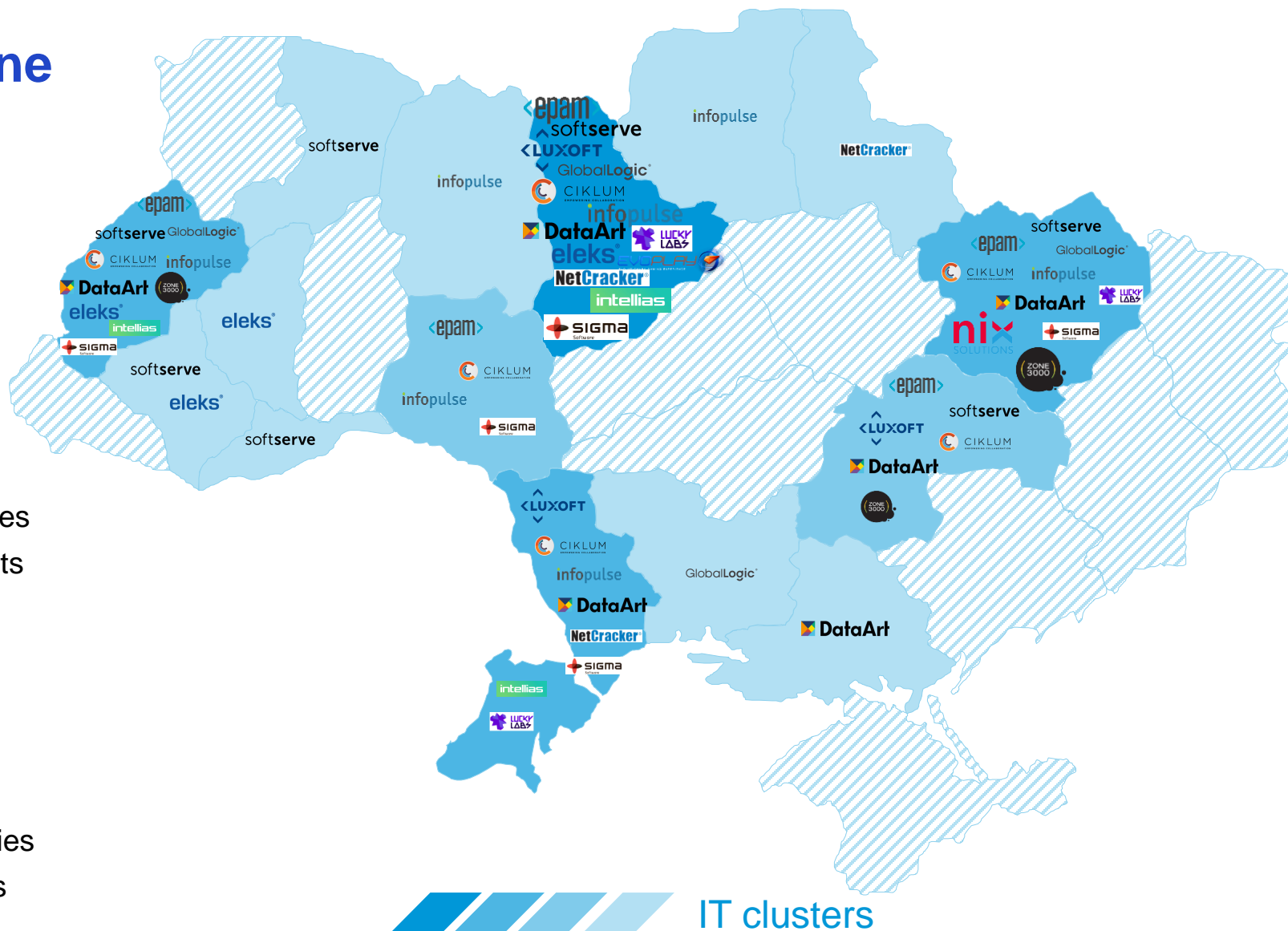
**150+** IT companies

**8k+** IT specialists

### Dnipro

**170+** IT companies

**9k+** IT specialists



**IT clusters**  
From more concentrated to less

**softserve**

**GlobalLogic®**

**nix**  
SOLUTIONS

**LUXOFT**

**<epam> infopulse**

**CIKLUM**  
EMPOWERING COLLABORATION

**DataArt**

**eleks®**

Connected Car



Navigation



IoT & Embedded



Cloud & DevOps



Machine Learning and AI



Heads-Up displays



Autonomous Driving & ADAS



ECU



HMI



Security



Car2x



Instrument clusters







**NOW**  
**Ukraine**

ua

**UkraineInvest**  
Your Investment Matters

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