



INCENTIVES

2,568,790
976,819
869,870
121,000
421,045
179,983
690,144
279,593
96,420
244,353
75,380

846,579
237,689
563,980
45,000
483,771
182,770
278,393
1,367,284

45,556
1,878
134
47,766

Europe
Product A01
Product A02
Product A03
Australia
Product A01
Product B01
Total

12,357
534
543
146
13,890

2015	2016	%Growth
112	108,287	-11%
118	91,938	+37%
139	125,819	+42%
128	278,161	+78%
1283	11,827	+18%

133
190
134
47,756
25,599

2015 2016

	2015	2016
	8,714	39,912
	107,612	106,287
	69,916	91,938

2015 2016
8,714 39,912
107,912 108,287
69,916 91,938

opportunities to increase sales
the sales and achieve the advantage
marketing that has to do with the
will be based on how you gain

INCENTIVES

The Ministry of Economy and Labor offers a range of services and support programs for national and foreign companies that operate in the State and seek to establish in Nuevo León.

The Law for the Promotion of Investment and Employment for the State of Nuevo León evaluates the investment projects in order to grant incentives. The project will be evaluated according to the following:

I. The economic impact, understood as an analysis of the company's expense in payroll, local supply, taxes, acquisition of real estate and / or lease.

II. The geographic location of the project, understood as the Central Region, Citrus Region, Northern Region, Peripheral Region and Southern Region.

III. The impact on innovation and technology, understood as the generation of intellectual property in the State, installation of design and research centers or similar, as well as the installation of technologies for the care of the environment.

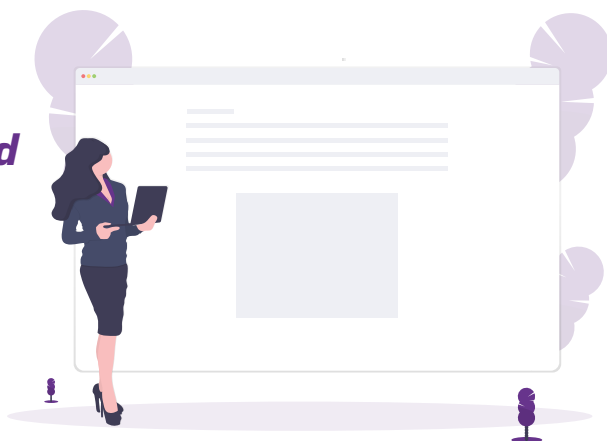
IV. The environmental impact, understood by the use of cleaner technologies that allow the protection and improvement of the environment, among others established in the internal rules of the Law

Each local incentive is determined on an individual project basis by considering factors such as job creation, payroll and capital investment.

At the State level the incentives and support programs may include:

- Economic incentives
- Tax incentives
- Non-economic incentives

“Each local incentive is determined on an individual project basis by considering factors such as job creation, payroll and capital investment”.



Tax Incentives

Payroll tax exemption

This support grants up to 100% tax exemption during a 2-5 year period on the company's annual payroll tax (which in the State of Nuevo Leon is 3% of the total payroll). This amount is not granted in cash, but will be considered as a balance in favor of the company. This state-tax exemption will be available for all new direct jobs created subject to the formal request of the company and approval from the corresponding authorities (State Treasury Department).

Economic Incentives

Cash incentives for infrastructure and basic services

The Ministry of Economy and Labor, subject to budgetary availability from the State, offers the total or partial infrastructure works for installation or expansion of the company as follows:

- Economic contribution for the purchase, leasing and donation of a property owned by the State, as long as it complies with the applicable legislation, the approval of the majority of votes of the authorities and with the formalities as mentioned by law.
- Connection of basic public services such as water, drainage, gas or energy, as well as the studies that the company requires for its establishment.

Non-economic Incentives

Executive account services

The Ministry of Economy and Labor, through Business Nuevo Leon, will assign an executive coordinator to assist your company's team through all the procedures needed to facilitate the establishment of your business in our State.

- Investment consultancy by providing demographic and economic information that will support the company's business case.
- Organization of business agendas in Nuevo León that can include visits to industrial parks, and meetings with experts from human resources companies, transportation companies, construction companies, law firms, shelters, among others.
- Management and support to accelerate the startup permits.
- Guiding during the application process of any of the support programs offered by the Ministry of Economy and Labor.
- Site Location and Real Estate services by providing you information of available buildings and land around the State according to your requirements.
- Assistance by lobbying with municipal authorities for discounts in permits and procedures, like:
 - Real Estate Acquisition Tax (single payment)
 - Real Estate Ownership Tax (annual payment)
 - Construction Permit (single payment)



Recruitment services

The State Government of Nuevo León offers human capital training and recruitment support to directly benefit the new employees. It includes a diversity of technical and postgraduate programs for selected candidates with the possibility of collaborating with the Triple Helix entities (Universities, Companies and Government) within the State. The following are free-of-charge programs available for the company's development, depending on its needs and previously authorized budget from the State Treasury:

1. Job Fairs, which help the company on the recruitment processes.
2. Headhunting Service, which helps the company's headhunting at an undergraduate level or higher.

Tailor made training program discounts

The ICECCT (Institute for Training, Assessment, Standardization and Labor Proficiencies), a public entity part of the Ministry of Economy and Labor of Nuevo León, offers companies to train and certify their employees in any of its 14 training establishments around the State.

This training is focused on all employees, not having the limitation to be applied just for new employees but to all the employees of the company. The main objective of this is to mitigate the training curve and to provide the company tools to train employees on an easy and more efficient way to contribute the productiveness of the people. ICECCT will guarantee the company preferential tariff on available or tailor made programs, upon company's request. To access these programs, applicants must fulfill the ICECCT's requirements and the company must cover the rest of the expenses directly to ICECCT.



“Nuevo León offers access to different programs regarding human capital training and recruitment support to directly benefit the new employees”.



“The Ministry of Economy and Labor, through Business Nuevo Leon, will assign an executive coordinator to assist your company’s team through all the procedures needed to facilitate the establishment of your business in our State.”

Supplier development

The Ministry of Economy and Labor offers the Supply Hub Program, an effective program used to identify, link and develop local/foreign companies with their supplier needs. The information of the suppliers is given in a profile containing detailed information about the administration and manufacturing processes of each of the companies. Moreover, each supplier in our database has been inspected in site from a member of our team to ensure its reliability. This service is free-of-charge, however, companies could save a cost of \$8,000.00 USD (based on similar services provided for third parties) for each group of every 10 identified suppliers.

Our personnel have been certified as “Automotive Industry Development Manager” from the Japan International Cooperation Agency “JICA”. Additionally, the Supply Hub Program can provide technical assistance and follow up to action plans (developed in collaboration with your team) to identify potential suppliers according to your company’s quality requirements.

Discount on rights payments

This state discount will be available for the rights payments that the company may need during the project subject to the formal request of the company and approval from the corresponding authorities (Registry and Cadastral Department of the State of Nuevo León).

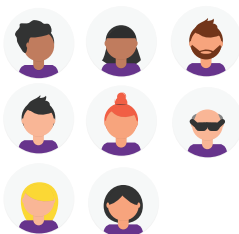
Logistics facilitation (CODEFRONT)

The Colombia International Bridge, controlled by the CODEFRONT (The Border Zone Development Corporation of the State Nuevo León) will offer your company discounts on the toll fee. This fee will be subject to the terms and conditions of the CODEFRONT with the objective of promoting new investment projects and lowering the logistic costs to enter the United States of America.

Research and development support

The State Government of Nuevo León, through the Institute of Innovation and Technology Transfer (I2T2), will assist your company in the application of any available programs created to foster research and development activities.

Those programs offers support in infrastructure, specialized training, equipment, among others, especially when establishing at the PIIT (Research and Innovation Technology Park) or having relation with any of the Universities or Institutions at this Park. This incentive is reserved only for research and development projects and is subject to the terms and conditions of the programs and evaluation their committees.



“Supply Hub Program, is an effective program used to identify, link and develop local/foreign companies with their supplier needs”.

Additional federal programs

New employees training scholarships

The Ministry of Economy and Labor, through the Undersecretariat of Labor, offers the BECATE Scholarship Program, designed for new employees, offering more than 150 available programs. This mixed labor-training program supports each employee with 2 minimum wages for up to 60 days. The program also includes a support of \$20 Mexican pesos per day for transportation during the training period.

*Minimum salary = \$102.68 Mexican pesos per day.

Companies with questions about incentives and the government support programs are encouraged to contact the Business Nuevo Leon team for any questions or additional information.

