

NOTICE FOR DIVESTITURE OF SHARES BY THE IRANIAN PRIVATIZATION ORGANIZATION "THROUGH THE TENDER & STOCK EXCHANGE"

In the execution of the Law on Amendment of Articles of 4th Economic, Social and Cultural Development Plan of the Islamic Republic of Iran and the regulations related to General Policies of Principle (44) of the Constitution and on behalf of Social Security Organization and Medical Services Insurance Organization, Iranian Privatization Organization is considering divesting the shares of the following companies, observing other conditions stated hereunder by resorting to the tender and stock exchange, with the preferred shares (if someone be eligible for it) at maximum 5 percent of the total divestible shares having been deducted:

Row	Name of the Company	Divesting Method	No. of Divestible Shares				Company's Capital (million Rials)	Base Value of each Share (Rials)	Total Base Value of Divestible Shares (Rials)	Deposit for Participating in Tender (Rials)	Conditions of Installment selling		Shareholders & Percentage of their Ownership	Company's type of activity
			Divestible Shares as Block	Preferred & Installment Shares	Total	Total Percentage					Percent of cash prepayment	Payment period (year)		
1	North Drilling Co.	Stock Exchange	260,540,500	-	260,540,500	10	2,605,405	The TSE board price on the day of offering (equal to the closing price on the day before the offering date) plus 20% unless it wouldn't be less than 3220 Rls.		25,168,212,500	30	3	<ul style="list-style-type: none"> State 63.419% Medical Services Insurance Organization 10% Social Security Organization 10% Other Shareholders 16.581% 	Exploration, development & exploitation of Oil and gas reservoirs
			260,540,500	-	260,540,500	10				25,168,212,500				
2	Rena Investment Co.	Stock Exchange	272,000,000	-	272,000,000	17	1,600,000	The TSE board price on the day of offering (equal to the closing price on the day before the offering date) plus 20% unless it wouldn't be less than 1926 Rls.		15,716,160,000	20	3	<ul style="list-style-type: none"> Industrial Development and Renovation Organization of Iran (IDRO) 37.77% Saba Tamin Investment Co. 15.66% National Investment Company of Iran 9.22% Civil Pension Fund Investment Co. 4.90% Justice Shares Agency 4.50% Other Shareholders 27.95% 	Investment and participation in companies and productive units; & Buying and selling the shares

3	Fanavaran Petrochemical Co.	Stock Exchange	2,387,745	-	2,387,745	0.25	950,000	The TSE board price on the day of offering		389,537,000	Totally in cash		<ul style="list-style-type: none"> • Social Security Investment Co. 30.19% • Civil Pension Fund Investment Co. 13.14% • National Iranian Oil Company's (NIOC) Staff Saving Fund 11.84% • Social Security Organization 8.48% • Other Shareholders 36.35% 	Petrochemicals and petrochemical products
4	Hegmataneh Petrochemical Company (HIPC)	Tender	2,280,000	120,000	2,400,000	32	75,000	8,177	19,624,800,000	588,744,000	50	1	<ul style="list-style-type: none"> • National Petrochemical Co. 32% • Industry Generally Company 10% • Real persons 56.7% • Petrochemical Commercial Co. 1% • Other Shareholders 0.3% 	Production & selling the petrochemical products
5	Advanced Materials Industrial Development co.	Tender	51,205,000	2,695,000	53,900,000	49	110,000	975	52,552,500,000	1,576,575,000	20	4	<ul style="list-style-type: none"> • IDRO 49% • Rena Investment Co. 30% • AyandeSaz Protection & Retirement Fund 21% 	Identifying needs and potential markets to trade development and investment to establish industrial units
6	Car Tech System	Tender	24,396,000	1,284,000	25,680,000	40	64,200	1,207	30,995,760,000	929,873,000	20	4	<ul style="list-style-type: none"> • IDRO 40% • Pistal racing int 20% • Mr. Ali Amir Taheri 15.9% • Other Shareholders 24.1% 	Construction of machinery & automotive spare parts & Industrial Projects
7	IDRO Financing & Consultant Corporation	Tender	166,250	8,750	175,000	35	5,000	15,292	2,676,100,000	80,283,000	Totally in cash		<ul style="list-style-type: none"> • IDRO 35% • Rena Investment Co. 14% • IDRO Handels 50% • IDRO Trading Co. 1% 	Identifyng organizations & Institutions of supplying the external financial resources, Identifying and evaluating various methods of supplying the financial resources for different projects

8	Iran Tranix Co.	Tender	Ltd	35	10	Based pricing in (1379) 2000-2001 AD & applied wholesale price index	154,280,000	4,628,400	Totally in cash	<ul style="list-style-type: none"> • Government Trading Corporation of Iran 35% • Mr. Mohammad Tehrani 65% 	Buying-selling and importing the computer
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1. Transaction Conditions:

- 1.1. The above prices are the base shares prices. Undoubtedly, the highest proposed prices shall be set as the transaction price.
 - 1.2. The applicants must submit their offers regarding the whole divestible shares of each enterprise separately. Evidently, number of the allocated preferred shares by the personnel of the enterprise (if someone be eligible for it) shall be deducted from the divestible shares and the suggested price of winner of the bid in proportion to the allocated shares. The remained shares, then, shall form the basis of the transaction price.
 - 1.3. The cash deposit for participation in the tender must be settled by the applicants (only in cash) to the Treasury SIBA Account No. 2170159008002 Branch of state accounts in the IPO name payable in all of the branches of Bank Melli Iran (presenting any kind of checks results to reject the offers by the IPO); and the original bank receipt in accompany with the purchase bid must be delivered in two separate envelopes in a sealed package to the IPO, located in the Room No. 402, 4th floor, No. 75, North Zarafshan St., Shahrake Qods, until the end of the working hours of Sunday (23, May 2010), in lieu of the receipt.
 - 1.4. In order to receive the financial information and form to participate in the bids, applicants may refer to the IPO, the Divestiture and Supporting of Investment Management Department located in Room No. 309 at the above address.
 - 1.5. Applications received by the IPO after the stated date shall be invalid.
- * **Note:** Transfer of the shares shall be carried out according to the mutual contract. Applicants may receive Agreement Model, the Power of Attorney and the application form to be drawn up at the Notary Public Offices that are available at the IPO and Securities and Exchange Organization. As far as the IPO is concerned,

participation in Tender means enjoying the necessary knowledge and acceptance to adhere to the contents of the same. The Purchasers are obliged to adhere to the provisions of these documents.

1.6. In divesting with cash and installment payment, Individuals with cash payment shall have the priority in purchasing the shares; in case the applicants intend to purchase on installment, they must pay the cash part and the installments according to the information in the above table.

* **Note:** In installment transactions, the interval among installments is 6 months and the interest rate of sales is equal to 50 percent (50%) of the Bank System Interest at industry and mine sector -6%-.

1.7. In installment transactions, the shares certificates equivalent the remained installment of traded shares shall be kept by the IPO as Collateral, until the payment of the shares' price is completed. At least equivalent to 50% of remaining debt of installments shall be received assurance documents.

1.8. According to Note 4, Article 20 of the Amendment Law of the Fourth Development and Implementation plan regarding the General Policies of Article 44 of the Constitution of Islamic Republic of Iran, under similar condition, the priority of purchase is bestowed upon the Cooperative Sector.

1.9. The previous purchasers of installment block shares of IPO, who have not paid their installment based upon their contract, are not allowed to purchase the shares again or to attend in the tender bid till settling the previous debt.

2. Preferred and Installment Shares (if someone be eligible for it):

By virtue of the bylaw of Note3, Article 20 of the Amendment Law of the Fourth Development and Implementation plan regarding the General Policies of Article 44 of the Constitution of Islamic Republic of Iran; It shall be transferred maximum five percent (5%) of the preferred and installment shares of firms to the directors, the staff and the retired individuals of the same firm, observing other conditions stated hereunder:

- a. The employed directors and staff or the officers (the official or contract personnel) of divestible firms, and also directors and staff of divestible firms who are officers in other firms and they have at least one year of experience in the related field and also the divestible firm have paid their insurance premium (even non-continued) in that period, possess the qualifications to receive the preferred shares. The

directors and the officers, whom payment of the insurance premium or their superannuation payment are deducted from the source of mission, are not entitled to divest the shares. Each qualified individuals who are employed on those investee firms where more than 50 % of their investment belongs to the divestible firm can enjoy the preferred shares.

* Note1: Divesting the shares to the employed directors and staff has higher priority; after divesting the shares to them, in case there were divestible shares of firm, the above-mentioned shares shall be sold to the retired individuals of the same firm. The retired individuals are not permitted to use the benefits of justice shares and preferred shares simultaneously.

- b. The amount of the allottable preferred shares to each qualified individuals is (maximum) tenfold of the six-month average of the applicants' last wages and benefits (based upon the legal ordinances) which shall be sold at the base shares price.
- c. Preferred share shall be divested only by written request of the applicants. The qualified individuals must submit within 30 days after the publication of the first notice or sending a declaration letter of the conditions of purchasing the preferred shares from IPO to the divestible firm, their request to use the preferred shares along with the complete list of applicants' qualifications which certified by the related firm, the Justice Shares Secretariat and the corresponding branch of the Social Security Organization, as well as the contract sheets to the Management of the Divestiture and Supporting of Investment Department of the IPO. In case there is received no application to purchase the preferred shares or after allocation of all of the requested shares up to the determined ceiling; observing the regulations, the remained shares shall be added to the blocked divestible shares.

* Note2: The managing director's and the board of directors of the divestible firm are responsible for confirming the names and the amount of price cited in the Legal Ordinances of the personnel.

3. Other Cases:

- 3.1. The Envelopes containing bids shall be opened at 2 pm on Monday (24, May 2010) in the conference hall of the IPO, located in fifth floor, and the bidders or their legal representatives may participate in the event.

- 3.2. The IPO preserves the right to accept or reject all or any of the bids.
- 3.3. In case the winner of the bid fails to pay the cash part of the transaction price and to represent the guarantee documents (in installment transactions), during the 20 working days of the notification, their deposit shall be confiscated to the IPO benefit. This prompt is 10 working days for the Companies (rows 3, 7&8).
- 3.4. Fanavaran Petrochemical Company's shares offering will be begun since (23, May 2010); North Drilling Company's shares offering will be started since (24, May 2010) and Rena Investment Company's shares offering will be begun since (25, May 2010).
- 3.5. After purchase ordering, the purchasers must settle or present 3% of the base value of advertised shares (in cash or bank guarantee) to the account of Central Securities Depository (CSD) of Iran as a deposit participating in the tender to guarantee the purchasers' liabilities unconditionally.
- 3.6. The applicants undertake not to be prohibited in transactions and they must not include in the Article 24 of Law on Amendment of Articles of 4th Economic, Social and Cultural Development Plan of the Islamic Republic of Iran and Implementation of General Policies of Principle (44) of the constitution (ratified 21, July 2008) and the law of government personnel's intervention prohibition in the state and country transactions (ratified in 1958).
- 3.7. For further information and collection of the Letter of Introduction to visit the firm, the applicants may refer to Room No. 309 located at Divestiture and Supporting of Investment Management Department of IPO located at the above address, until Saturday (22, May 2010).

IPO Website: www.ipo.ir