



Machine Sazi Tabriz Co.



Iranian Privatization Organization (IPO)
Marketing & SOEs Divesting Office

Machine Sazi Tabriz Company



Base Value for 100% Shares: US\$ 225,822,819

(Exchange Rate: 29,563 IRR)

Assessment Date: August 2015 **Assessment Method:** Net Assets Market Value

Transferring Method: Tender

Part I: General Information

According to the license No.41612 from ministry of mine and industries, Machine Sazi Tabriz Company was established and was registered on 5 June, 1967 at Tabriz Organization for Registration of Deeds and Properties. Exploitation of the company has been started from 1972 with production capacity of 500 kinds of lathe machines, 100 kinds of milling machines and 500 kinds of gimlet machines. The company was on the list of state owned enterprises subject to transferring since 2004. The company with more than four decades of experience in manufacturing all kinds of tools machineries and presenting after-sale services all over the country, in addition to effective presence in the field of producing and selling and after-sale services and training any kinds of CNC machineries, is presenting professional services in accordance with infrastructural industries and providing all kinds of machineries and relevant equipments. About 46% of total sales of the company productions in 2014-2015 have been exported that shows high quality of productions to compete in international markets.

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Part II: Main Information

Parent Company: Industrial Development and Renovation Organization of Iran Co. (IDRO)

Shareholders: IDRO (100%)

Capital: US\$ 56,726,313

Chief Executive Officer: Mr. Mir Ali Akbar Asle Khademi

Establishment Date: 1966 **Exploitation Date:** 1972

Registration Date: 1967

Registration Place: Tabriz

Total Assets (evaluated): US\$ 252,308,629 (Land: US\$ 188,478,842)

Total Liabilities (evaluated): US\$ 25,673,984 (Trade and non-trade payable accounts: US\$ 20,464,770)

Net profit (loss): US\$(1,589,825) **Retained earnings (loss):** US\$ (20,566,248)

Location: Gharamalek industrial City, Tabriz, East Azarbaijan Province

Field of Activity: producing and selling any kinds of lathe, gimlet and milling machineries

Number of Staff in 2014-2015: 843 (422 permanent staff, 306 contractual staff and 115 personnel of services companies)

Percentage of divestible shares: 100%

Part III: Financial Information

3-1- Main Items of Assets in US\$

(Exchange Rate: 29,563 IRR)

Title	Details	Book value (March 2015)	Evaluated by Independent Expert) (August 2015)
Assets	Land (3-1-1)	37,073,369	188,478,842
	Machinery	1,826,608	19,044,075
	Goodwill (brand)- Special Privileges	0	15,120,252
	Buildings & installations	4,769,475	14,308,426
	Other assets	11,771,471	15,357,034
Total assets		55,440,923	252,308,629

3-1-1-Land

Title	Area (m ²)	Book value (US\$)	Evaluated by Independent Expert) (US\$)
Land of El Goli	83,500	27,060,853	122,044,447
Land of Machine Sazi Factory	461,636	6,240,909	46,849,102
Land of Sports Complex	266,906	3,162,737	18,063,119
Part of lands near the factory	10,353	135,304	778,000
Land located at Jolfa City	13,385	304,435	338,261
Land located at Baghmisheh	1,237	67,652	0
Other lands	7,476	101,478	405,913
Total	844,493	37,073,369	188,478,842

*Parts of lands of El Goli were pledged for IDRO with regard to receiving loans to the amount of 500 billion Iran Rials. Also parts of lands of Jolfa have been seized because of debts. Land of Baghmisheh also has not been evaluated because of lack of ownership document.

3-2- Main Items of Liabilities & Capital in US\$

Title	Details	Book value (March 2015)	Evaluated by Independent Expert) (August 2015)
Liabilities	Trade and non-trade accounts payable	15,458,512	20,464,770
	Provision for employees termination benefits	3,314,955	3,314,955
	Other liabilities	1,894,260	1,894,260
Total liabilities		20,667,727	25,673,984
Profit (loss) from 20 March 2015 to 22 August 2015		0	(811,826)
Retained earnings(loss)		(19,754,423)	(20,566,248)
Capital		56,726,313	56,726,313
Owner's equity		34,773,196	225,822,819

Main liabilities include US\$ 10,553,733 debts to IDRO, US\$ 4,431,215 notes payable and US\$ 4,126,780 US\$ insurance premium payable.

3-3- Main Items of Income Statement in US\$

Title	(March 2015)	(March 2014)
Net sales (3-3-1)	15,323,208	10,553,733
Cost of goods sold	(14,883,469)	(9,708,081)
Gross profit (loss)	439,739	845,652
Sales, administrative & general expenses	(2,300,173)	(1,725,129)
Net other operating revenues & expenses	(135,304)	(67,652)
Operating profit(loss)	(1,995,738)	(947,130)
Financial expenses	(270,609)	(541,217)
Net other non-operating revenues & expenses	676,521	405,913
Net profit (loss)	(1,589,825)	(1,082,434)

3-3-1-Net Sales in 2015

Products	Domestic		Export		Total Amount (US\$)
	Number	Amount (US\$)	Number	Amount (US\$)	
Universal turnery products	488	5,513,649	271	3,298,041	8,811,690
CNC turnery products	18	676,521	20	947,130	1,623,651
Gimlet products	120	135,304	4	16,913	152,217
Milling products	80	1,150,086	17	507,391	1,657,477
Centre products	11	676,521	13	1,183,912	1,860,434
Other products	40	67,652	24	372,087	439,739
Spare parts	--	372,087	--	676,521	1,048,608
Total	757	8,591,821	349	7,001,996	15,593,817
Sales returns & discounts	--				(270,609)
Net sales	--				15,323,208

Part IV: Other Information

4-1-Production:

Products	Measurement unit	Nominal Capacity	2015	2014
Turnery Machines	Machinery	1,200	24,726,855	21,851,639
Others	Machinery	2,950	13,327,470	18,841,119
Total		4,150	38,054,325	40,692,758

4-2- Samples of Products

