



Machine Sazi Tabriz Co.



Iranian Privatization Organization (IPO)
Marketing & SOEs Divesting Office

Machine Sazi Tabriz Company



Base Value for 98/28% Shares (according to the last offering dated: March 09, 2016): US\$ 178,600,000
(Exchange Rate: 35,000 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.

IPO Address: No. 15, Mahestan St., Iran Zamin Ave., Shahrak-e Ghods , Tehran, Iran

Post Code: 1465834581

Website: www.ipo.ir

E-mail: marketing@ipo.ir

Tel: +982188085624

Fax: +982188085622

Part II: Main Information

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

Shareholders: IDRO (98/28%), others (1/72%)

Capital: \$ 47,914,286

Chief Executive Officer: Mr. Mir Ali Akbar Asle Khademi

Establishment Date: 1966

Exploitation Date: 1972

Registration Place/Date: Tabriz/1967

Total Assets (evaluated): \$ 212,800,000 (Land: 84 hectares, \$ 159,200,000)

Total Liabilities (evaluated): \$ 20,942,857 (Trade and non-trade payable accounts: \$ 16,600,000- debts to IDRO: \$ 8,914,286)

Net profit (loss): \$ (1,342,857)

Retained earnings (loss): \$ (17,371,429)

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)

Part III: Financial Information

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

(Exchange Rate: 35,000 IRR)

Title	Details	Book value (March 2015)	Evaluated by Independent Expert) (August 2015)
Assets	Land (3-1-1)	31,314,286	159,200,000
	Machinery	1,542,857	16,085,714
	Goodwill (brand)- Special Privileges	0	12,771,429
	Buildings & installations	4,028,571	12,085,714
	Other assets	9,942,857	12,657,143
Total assets		46,828,571	212,800,000

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3-1-1-Land in US\$

Title	Area (m ²)	March 2015	August 2015
Land of El Goli	83,500	22,857,143	103,085,714
Land of Machine Sazi Factory	461,636	5,271,429	39,571,429
Land of Sports Complex	266,906	2,671,429	15,257,143
Part of lands near the factory	10,353	114,286	657,143
Land located at Jolfa City	13,385	257,143	285,714
Land located at Baghmisheh	1,237	57,143	0
Other lands	7,476	85,714	342,857
Total	844,493	31,314,286	159,200,000

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

3-2- Main Items of Liabilities & Owner's Equity in US\$

Title	Details	Book value (March 2015)	Evaluated by Independent Expert) (August 2015)
Liabilities	Trade and non-trade accounts payable	13,057,143	16,600,000
	Provision for employees termination benefits	2,800,000	2,800,000
	Pre-received	971,429	971,429
	Other liabilities	628,571	571,429
Total liabilities		17,457,143	20,942,857
Owner's Equity	Capital	47,914,286	47,914,286
	Legal reserve	171,429	171,429
	Capital decrease	(2,028,571)	(2,028,571)
	Retained earnings(loss)	(16,685,714)	(17,371,429)
	Revaluation difference	0	162,428,571
	State grant aid	0	2,714,286
Total owner's equity		29,371,429	193,828,571

Main liabilities including: \$ 8,914,286 debts to IDRO, \$ 3,742,857 notes payable and \$ 3,485,714 insurance premium payable.

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

Title	March 2015	March 2014
Net sales (3-3-1)	12,942,857	8,914,286
Cost of goods sold	(12,571,429)	(8,200,000)
Gross profit (loss)	371,429	714,286
Sales, administrative & general expenses	(1,942,857)	(1,457,143)
Net other operating revenues & expenses	(114,286)	(57,143)
Operating profit(loss)	(1,685,714)	(800,000)
Financial expenses	(228,571)	(457,143)
Net other non-operating revenues & expenses	571,429	342,857
Net profit (loss)	(1,342,857)	(914,286)

3-3-1-Net Sales in 2015

Products	Domestic		Export		Total Amount (US\$)
	Number	Amount (US\$)	Number	Amount (US\$)	
Universal turnery products	488	4,657,143	271	2,785,714	7,442,857
CNC turnery products	18	571,429	20	800,000	1,371,429
Gimlet products	120	114,286	4	14,286	128,571
Milling products	80	971,429	17	428,571	1,400,000
Centre products	11	571,429	13	1,000,000	1,571,429
Other products	40	57,143	24	314,286	371,429
Spare parts	--	314,286	--	571,429	885,714
Total	757	7,257,143	349	5,914,286	13,171,429
Sales returns & discounts		--		--	(228,571)
Net sales		--		--	12,942,857

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Part IV: Other Information

4-1-Production:

Products	Measurement unit	Nominal Capacity	2015	2014
Turnery Machines	Machinery	1,200	731	646
Others	Machinery	2,950	394	557
Total		4,150	1,125	1,203

4-2- Samples of Products

