

MULTI-CLIENT REPORT

THE NEW OWNERS OF CORPORATE IRAN

April 2016

Table of Contents

> Introduction and Methodology	4
> Disclaimer	5
> Executive Summary	5
> Brief Overview of the Privatization Program	9
> Changing Ownership Structures in Key Industries.....	10
> Profiles of the Main Semi-Governmental Entities actively Acquiring Government Companies	12
Astan-e Qods-e Razavi (AQR)	12
Civil Pension Fund Investment Company	15
Khatam-ol-Anbia Construction Headquarters	17
Mostazaafan Foundation (MF).....	21
Setad - The Execution of Imam Khomeini's Order'	28
Oil Pension Fund Investment Company (OPIC)	32
Shahed Investment Company	36
Social Security Organization of Armed Forces (SATA)	39
Social Security Organization (SSO).....	45
Social Security Investment Company:.....	47
Refah Bank:	49
Iran Khandesazi Investment Company:	49
Mehr Eqtesad Bank	50
Kowsar Economic Organization.....	53
> Risks and Opportunities for International Companies	56
The Attitudes of New Owners	56
Unique Business Risks	57
Perceptions of Private Business	59
Reputations of the Semi-governmental Entities.....	59
> Appendices	61
Appendix 1- General Policies of Constitutional Article 44.....	61
Appendix 2- Summary of Executive Order 13382	67

List of Tables and Graphs

Graph 1: Ownership Trends in the Iranian Economy	4
Graph 2: Distribution of the Iranian GDP (2014 figures).....	6
Graph 3: GDP Growth Patterns.....	7
Graph 4: Sources of Government Revenue	8
Chart 1: Organizational Structure of Astan-e Qods-e Razavi.....	13
Chart 2: Organizational Structure of CPFIC.....	16
Table 1: Board of Directors of CPFIC	16
Chart 3: Organizational Structure of KOA.....	19
Chart 4: Organizational Structure of MF	24
Table 2: Mostazafan Foundation Financial Statement (in million US\$)	25
Chart 5: Organizational Structure of Setad.....	29
Table 3: Setad Shareholding in the Iranian Energy Sector	30
Chart 6: Organizational Structure of OPIC	33
Table 4: OPIC Subsidiaries.....	34
Table 5: OPIC Affiliate Companies.....	35
Chart 7: Organizational structure of Shahed Investment Company	37
Table 6: Key Sector Activities of Shahed Investment Company.....	38
Chart 8: Organizational Structure of SATA.....	41
Graph 5: Subsidiaries of SATA	42
Table 7: Subsidiaries of SATA.....	42
Chart 9: Structure of SATA and its Subsidiaries' Investments	44
Chart 10: Organizational Structure of SSO.....	46
Table 8: Board of Directors of SSO	47
Table 9: Shasta Board Members	48
Chart 11: Organizational Structure of Shasta:.....	49
Chart 12: Organizational structure of Mehr Eqtesad Bank (MEB).....	51
Table 10: Board of Directors of MEB	51
Table 11: Investments of Mehr-e Eqtesad.....	52
Chart 13: Organizational Structure of Kowsar Economic Organization	53
Table 12: Institutional affiliations of Kowsar Economic Organization.....	55
Table 13: Reputations of Semi-Governmental Companies	60