France-Iran business deals

Quick overview of major business deals post JCPOA

MIDDLE EAST Energy Perspectives

October 2017

TOTAL

Exploitation of gas fields

First IPC signed

- H-o-A, **November 2016**
  Final deal, **July 2nd 2017**, Tehran
- Creation of a **Consortium** owned by:
  - **Total** 50.1%
  - **China National Petroleum Corporation (CNPC)** 30 %
  - **Petropars** 19.9%
- Duration: **20 years**
  Estimated value: **$4.8 billion**

  Development of and production from phase 11 of South Pars gas field.

SOFREGAZ

Manage gas flaring

National Iranian Oil Co. (NIOC)

- Final deal, **September 6th 2017**, Tehran
- Agreement between:
  - **SOFREGAZ**
  - National Iranian Oil Company (**NIOC**)
  - **Sanat Sazeh Samin Company**

  Estimated duration: **30 months**
  Value: **42 million euros**
- Recovery & consumption of flare gas at South Pars' 2nd Refinery (SP Phase 2 & 3).

VINCI

Airports BOT

- M-o-U, **January 31rd 2017**, Tehran
- Preliminary deal (still facing land-ownership issues) between:
  Vinci, Kayson Inc. & Iran Airports Holding (IAC)
  Estimated value: **$404 million**
- **Isphan International Airport**
  1st phase: build a 25 000 m^2 terminal — 2.5 millions pas/year
  2nd phase: build a 36 000 m^2 terminal — 9 millions pas/year
- **Mashhad Airport:** (no official figures yet)
  1st phase: build a 43 000 m^2 intl. terminal — 10 millions pas/year
  2nd phase: build a 25 000 m^2 domestic terminal — 15 millions pas/year.

AIRBUS

Commercial Aircrafts

Deals contingent upon all necessary approvals, including those from the Office of Foreign Assets Control (OFAC).

- **Iran Air**
- M-o-U, **January 28th, 2016**,
  Final deal, **December 2nd 2016**
- Estimated value: **$19 billion** (listed price) / **$10 billion** (according to Iran Air CEO)

  98 Airbus aircrafts (A320, A330, A350)
  Formation of pilots and maintenance is also included

Iran Air Aviation Company

- **Iran AirTour**
- M-o-U, **June 22nd 2017**, Le Bourget

  45 aircrafts (A320neo)

Iran Tour Airline

- **Zagros Airlines**
- M-o-U, **June 22nd 2017**, Le Bourget

  28 aircrafts (A320neo, A330neo)

هواپیمایی زاگرس
Zagros Airlines

ATR

Commercial Aircraft

Iran Air Aviation Company

- Final deal, **February 1st 2016**
- Agreement between:
  - **ATR** (French-Italian company)
  - **Iran Air**

  Estimated value: **$400 million**
- **20 ATR 72-600 jets** (+20 optional additional jets)
  9 ATR 72-600 to be delivered in 2017, 11 in 2018.

AIRBUS HELICOPTERS

Emergency Helicopters

- **Negotiations** between:
  - **Airbus Helicopters**
  - **Ministry of Roads and Urban Development**

  For the acquisition of **45 H145M by Ministry of Health**
- **Ports & Maritime Organization** planning a tender to purchase **3 search & rescue helicopters**
- 2 HEMS delivered to Iran's Emergency Medical Services on September 25th 2017. No official declaration.

THALES

Radar systems

- M-o-U, **January 28th 2016**, **Paris**
  Final Deal, **April 19th 2016**
- Agreement between:
  - **Thales Group**
  - **Iranian ministry of Roads and Urban Development**

  Estimated value: **$4.6 million**
  First installation within **18 months**
- **3 Airport Surveillance Radars** for Tehran's Mehrabad International Airport a
  airports of Shiraz and Bandar Abbas

ALSTOM

Transportation, rolling stock

- M-o-U, **July 23rd 2017**
- Proposed **Joint-Venture**:
  - **Alstom France 60%**
  - Industrial Development and Revonation Organization of Iran (**IDRO**) **20 %**
  - Iranian Rail industries development Company (**IRICO**) **20%**

  Value: **not disclosed**
- Localized production of rolling stock
- **September 4th 2017**: Alstom to invest **$1.4 billion** on Arak Pars Railway Wagon company (sub-urban rail carriages)

AREP

Railway Stations

- Final deal, **July 1st 2015**
- Agreement between:
  - **AREP** (multidisciplinary consultancy wholly owned by **SNCF**)
  - Islamic Republic of Iran Railways (**IRIR**)

  Value: **$7.8 million**
- Redesign, redevelopment and expansion of railway sites in **Tehran**, **Mashhad**, and **Qom**.

CMA CGM

Container shipping

- M-o-U, **January 28th 2016**, Paris
- Agreement between:
  - **CMA CGM**
  - Islamic Republic of Iran Shipping Lines (**IRISL**)

  Value: **n/a**
  - Vessel capacity renting or sharing
  - Common exploitation of shipping lines
  - Cooperation in using port terminals
- **May 1st 2017**: CMA CGM Group has appointed CMA CGM Pars as its new agency in Iran

SUEZ ENVIRONNEMENT

Water network management

- M-o-U, **January 28th 2016**, Paris
- Agreement between:
  - **Suez Environment Co**
  - **Iranian Energy Ministry**

  Estimated value: **$76 million**
  Duration: **5 years**
- Streamline **Tehran's water network** to reduce water wastage

PSA GROUPE

Car Manufacturing

PSA claimed nearly 30% of the market prior to sanctions (2012)

- **Peugeot and Iran Khodro (IKCO)**
- M-o-U on **January 28th 2016**, Paris
  Creation of Joint-Venture: "**IKAP**" on **September 10th 2016**
- **50-50 JV** with a **400 million euros** investment capacity
  Objective of **200k Peugeot cars/year** by 2021

IKCO

- **CITROEN and SAIPA**
- **July 21st 2016**: Framework agreement to create JV
  Oct 6th, 2016: JV agreement
- **50-50 JV** with a **300 million euros** investment capacity
  Objective of **150k Citroen cars/year** by 2018

SAIPA

- Inauguration of **DS "Style" showroom** on **January 25th 2016** in Tehran

RENAULT

Car Manufacturing

Renault sales currently represent over 9% of the Iranian market

- M-o-U, **September 2016**, Paris
  Final deal, **August 7th 2017**, Tehran
- Creation of a **Joint-Venture** owned by:
  - **Renault** 60%
  - Industrial Development and Revonation Organization of Iran (**IDRO**) 20 %
  - **Parto Negin Naseh** (Negin Holding) 20%

  Value: **660 million euros**
  - Supplementing existing capacities to produce **150k units/year** as of 2019 including **30% dedicated to exports**
  - Objective of **400k units/year** equivalent to 20% of the market

UCAPLAST

Union des Syndicats des PME du Caoutchouc et de la Plasturgie

Car Rubber parts

- M-o-U, **September 26th 2017**, **Iran Plast**, Tehran
- Agreement between:
  - Union des Syndicats des PME du Caoutchouc et de la Plasturgie (**UCAPLAST**)
  - Iran Polymer and Petrochemical Institute (**IPPI**)

  Value: **not disclosed**
- **Share expertise** with Iranian manufacturers, enable local suppliers to obtain European certificates to export plastic automotive parts.

RENAULT TRUCKS

Truck imports

- **Arya Diesel Motors**
- **Two final deals, December 21st 2016**, Lyon, France

  Value: **not disclosed**
- **Importation, distribution** & after-sales services deal

  Industrial cooperation deal for the assembly of T-range vehicles
- **SAIPA Diesel**
- **Negotiations, September 2017**
- 1st phase: **Importation** of Renault's D-Wide model
  2nd phase: **Create a plant** to assemble the vehicles locally

NOX

Branding

- **Agreement, October 2016**
- Agreement between:
  - **Groupe Nox** (engineering)
  - **Iran Mall Commercial Company**

  Value: **not disclosed**
- Monitor the installation of 1000 shops within the "**Iran Mall**"

ACCOR HOTELS

Hotel management

First major investment by an international company in Iran following the JCPOA

- Final deal, **September 15th 2015**
- Agreement between:
  - **Accor Hotels**
  - **Aria Ziggurat** (Tourism company)

  Value: **not disclosed**
- **Management of 2 hotels** "Novotel Ikia"(296 rooms) "Ibis Ikia"(196 rooms), near Tehran airport
- **JV agreement** to partner with local groups to manage hotels

SANOFI

Pharmaceutical

Number 1 multinational healthcare company in Iran.

- M-o-U, **January 28th 2016**, Paris
- Agreement between:
  - **Sanofi**
  - **Iran Food and Drug Administration**, affiliated to the **Ministry of Health**

  Value: **n/a**
- Reinforce actual partnerships with iranians pharmaceutical manufacturers
  Take part in prevention campaigns in association with the Ministry of Health.
  Evaluate potential collaboration in order to promote epidemiological studies

RICHEL GROUP

Greenhouse installation

- M-o-U, **January 28th 2016**, Paris
- Agreement between:
  - **Richel Serres**
  - **Kowsar** Agricultural Investment Company (**KAICO**)

  Estimated value: **20 million euros**
- Install **hi-tech greenhouses** on 25 hectares of land in Kermanshah

orange

Telecom

- **Discussions since September 2015** (ongoing)
- Potential Agreement between:
  - **Orange**
  - **Mobile Telecommunication Company of Iran** (**MCI**, 1st iranian telecom operator)
- Discussions to reach a **commercial agreement** and then possibly an **equity stake** in the national operator