

PROJECT PROFILE – SUMMARY SHEET

Project Introduction

1. Project title: 5-layer pipes with metal (Pex-Al-Pex) production

2. Sector: Manufacture of rubber and plastics products (25)

Sub sector: Manufacture of plastics products (2520)

3. Products/Services: 5 layers of polyethylene pipe (with metal)

4. Location: Free zone Economic special zone Industrial Estate Main Land

5. Project description:

The main goal of this plan is to establish 5-layer pipes with metal (Pex-Al-Pex) producing factory in Lorestan province.

Cases of 5-layer pipes application are as follows:

Irrigation and drinking water transfer: based on confirmations and standards, these pipes are used in transferring drinking water and piping structures for cold and warm water as well as drinking water consumption as a safe product with drinking water standard.

Applications in medical and hygiene industries: The 5-layer pipes are used in medical industries such as medical gases transfer or dialysis systems and so forth.

Industrial application: In factories of chemicals production in which the steel pipes are not used, this type of pipes is used. In addition, it is used in food and hygiene industries with lower than 90C of passing fluid temperature.

In thermal and cooling systems: Due to suitable capabilities and high temperature strength as well as pressure and cracking strength, the 5-layer pipes are used in systems like fan coils, refrigerator, coldness productive systems, radiator and cooling and heating systems.

6. Annual capacity: 340 t/year equal to 1755000 m

Project Status

7. Local / internal raw material access: 50 % from internal and 50% from foreign suppliers

8. Sale:

Anticipated internal market: 100%

Anticipated export market:0%

9. Construction Period: 24 months

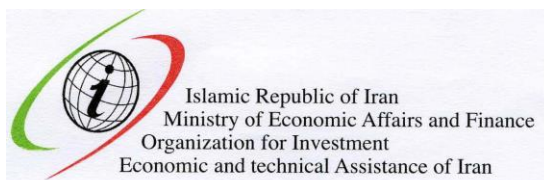
Schedule

Beginning of activity:
In-site beginning of activity:
End of project:
Commercial activity beginning:

10. Project Status:

- Feasibility study available? Yes No
- Required land provided? Yes No
- Legal permissions (establishment license, foreign currency quota, environment, etc) taken? Yes No
- Partnership agreement concluded with local/foreign investor? Yes No
- Financing agreement concluded? Yes No
- Agreement with local / foreign contractor(s) concluded? Yes No
- Infrastructural utilities (electricity, water supply, telecommunication, fuel, road, etc) procured? Yes No
- List of know-how, machinery, equipment, as well as seller / builder companies defined? Yes No
- Purchase agreement for machinery, equipments and technology concluded? Yes No

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Financial Structure

11. Finance

Description	Local Currency Required			Foreign Currency Required Million Dollar	Total Million Dollar
	Million Rials	Rate	Equivalent in Million Dollar		
Fix Capital	18767.57	Each dollar is 32500 Rials	463.577	157.55	735.013
Working Capital	2224.29		68439	0	68439
Total Investment	20991.86		645.903	157.55	803.452

- Value of foreign equipment/machinery: 157 million dollars
- Value of local equipment/machinery: 0.065 million dollars
- Value of foreign technology: million dollar
- Value of local technology: million dollar
- Net Present Value (NPV): 235298 Million Rials for 10 Year, discount rate: 20%
- Internal Rate of Return (IRR): 37.98%
- Payback Period (PP): 43.67%

