

1st Stamicarbon Iran Urea Seminar

September 26-27, 2016

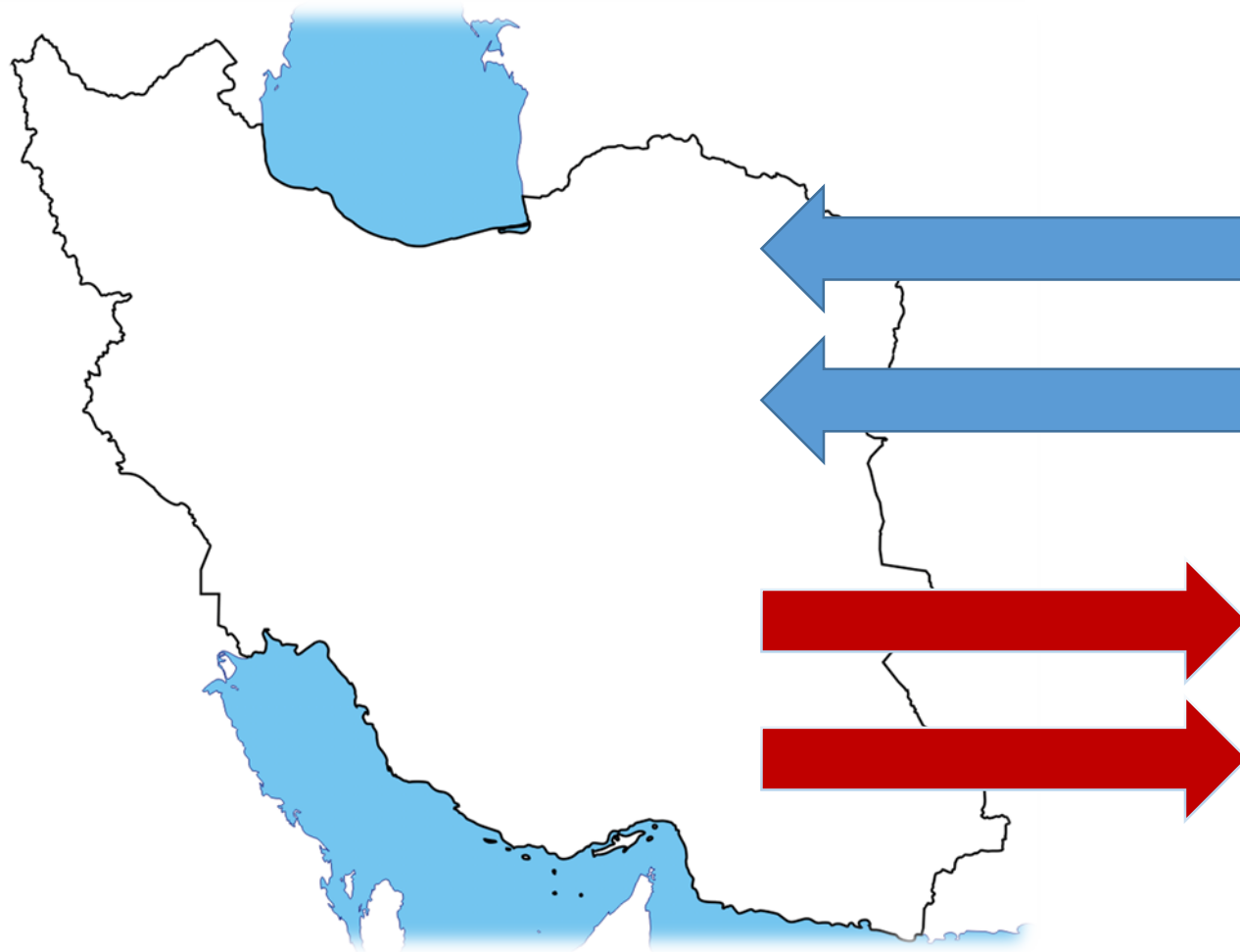
TEHRAN, IRAN



Phoenix Vision Consultant Group

Iran Urea Market Dynamics

Driving Factor of Iran Urea Market Dynamics

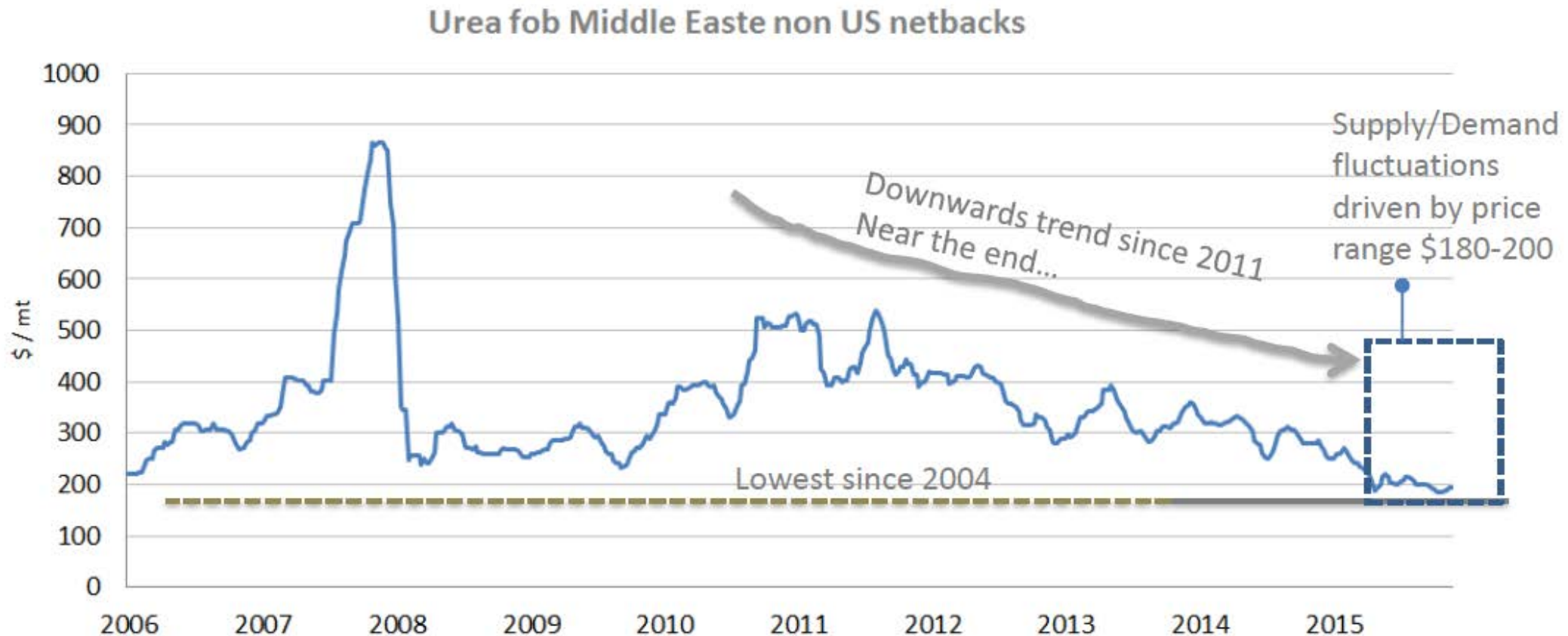


Global Driving Factors,
Market, Prospect Projects,
Oil Price,...

How is our share in Market ?
How we could influence the
Market ?

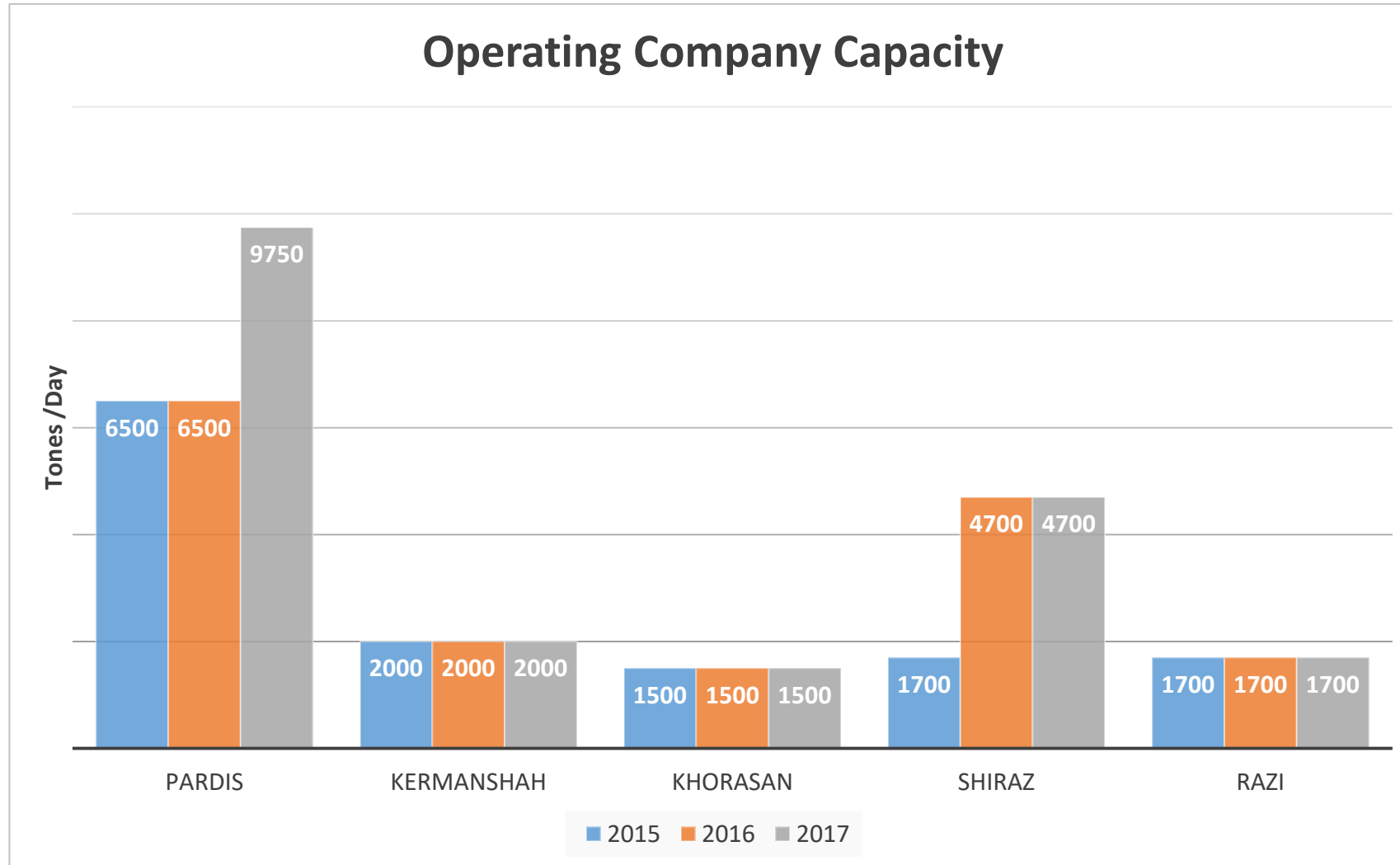


The Urea Price is in lowest Level



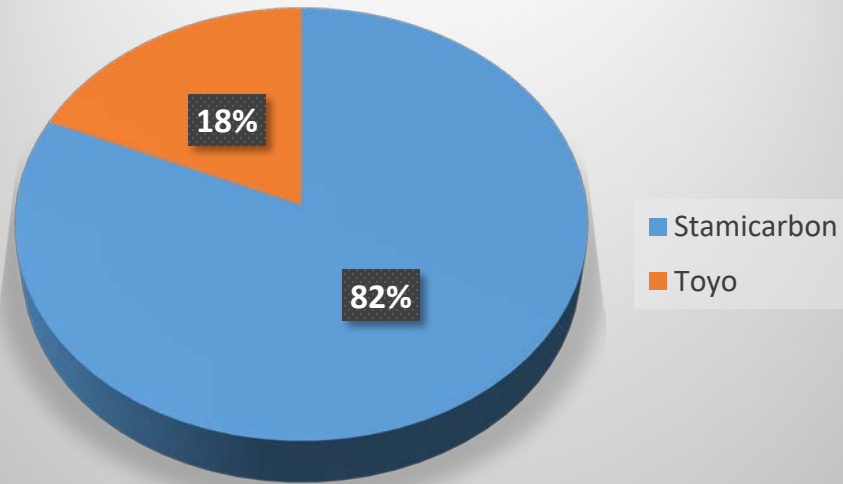
The Lowest Price since 2004

Local Production Capacity



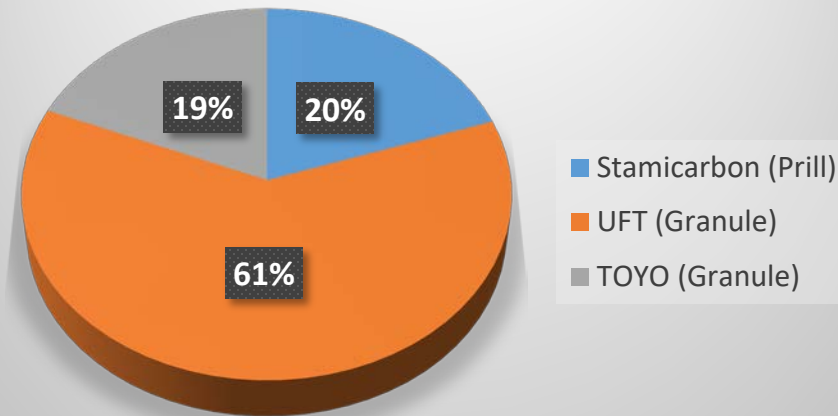
Local Capacity Technology Share

Licensor of Melt-2016

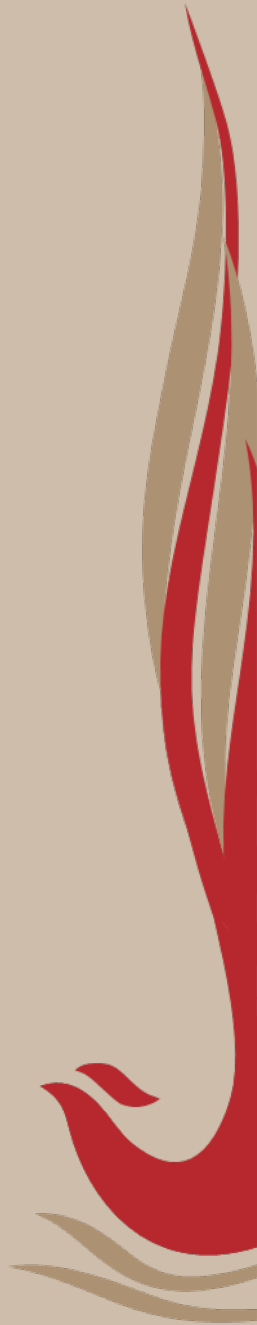


Total : 5,412,000 MTPY

Licensor of Finishing-2016

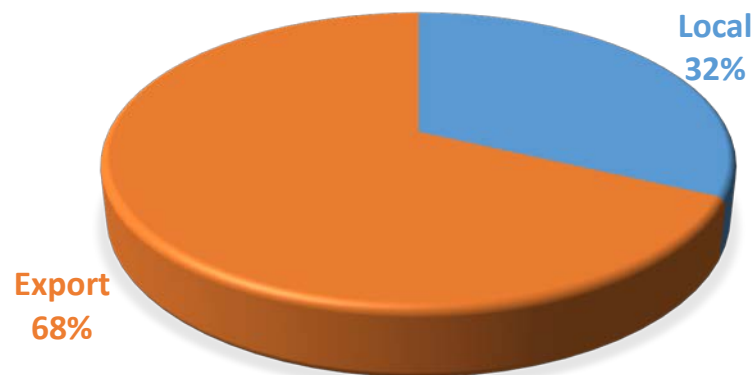


Total : 5,346,000 MTPY



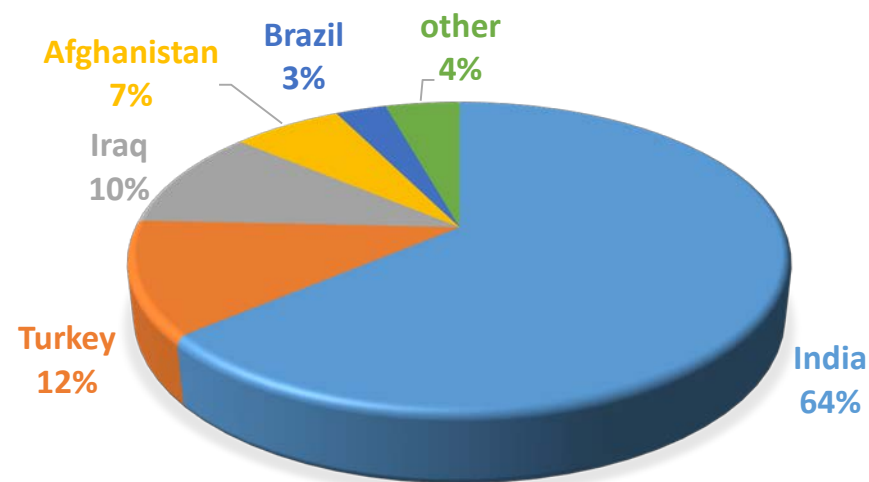
Export and local consumption in 2015

Local – Export Balance



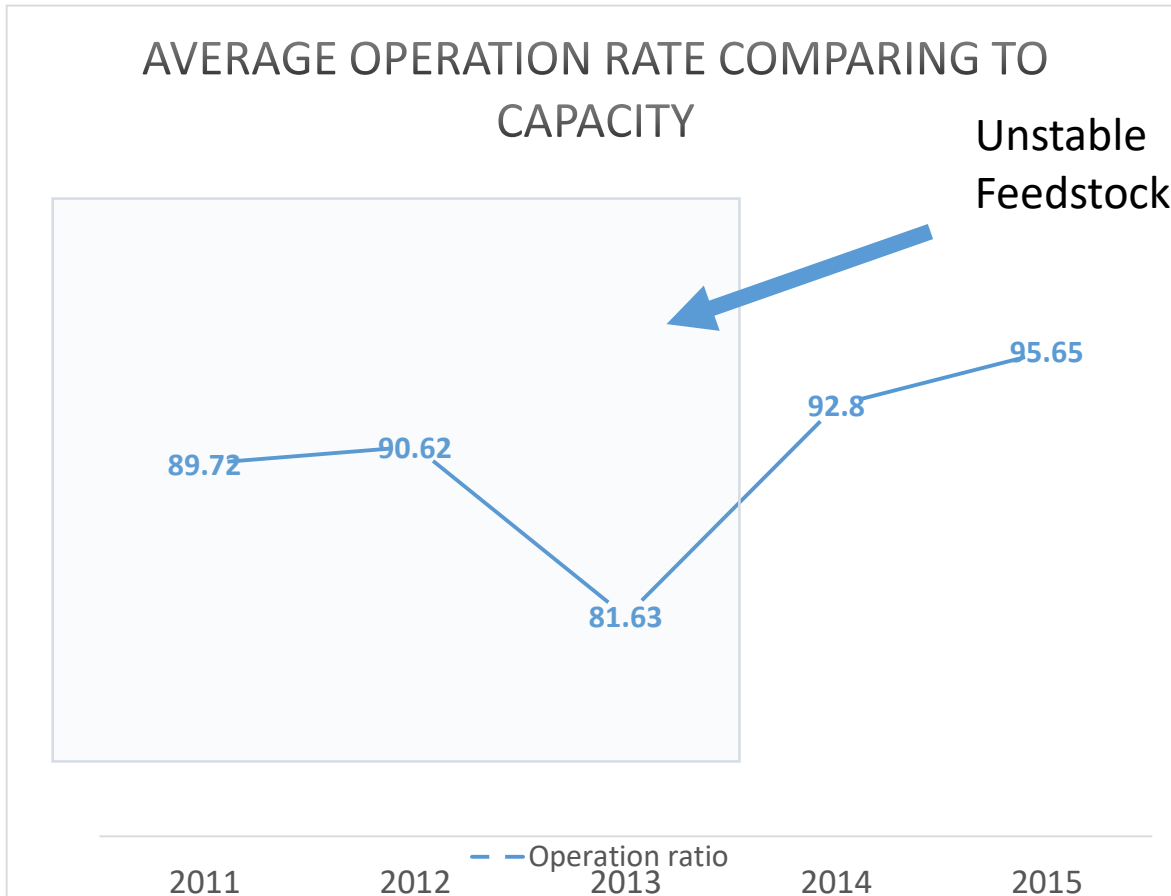
Total : 3,999,000 MTPY

Export Targets



Total : 2,704,200 MTPY

Operation Ratio



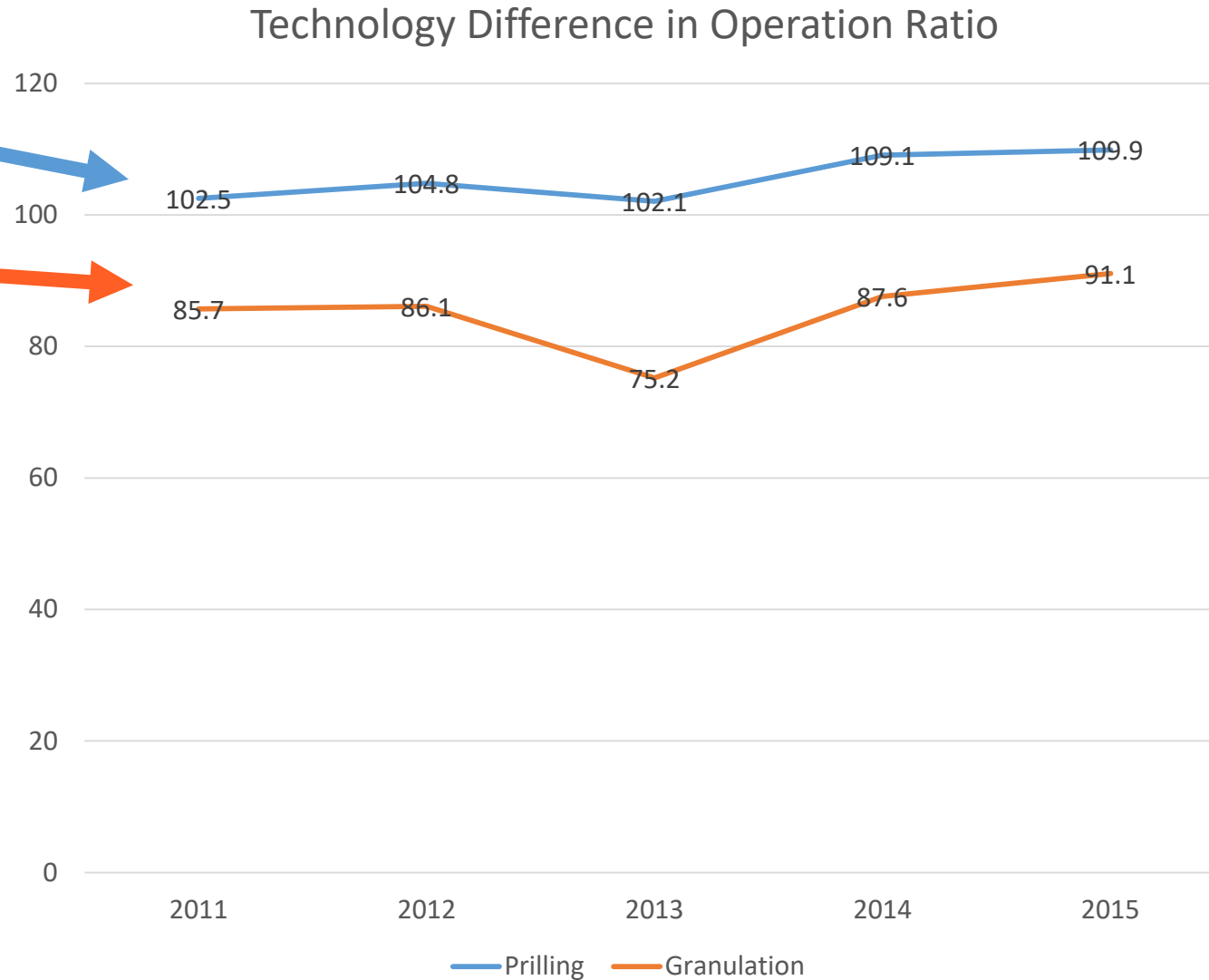
Extracted from NPC annual Report, based on capacities

- This is the Average ratio considering the capacities as Wight factor.
- Up to 2014 the Feedstock was not stable so the ratio is not operation ratio.
- In 2014 and 2015 considering the 4.42 MTPY the plants could not gain about 80-100 Million USD each year.

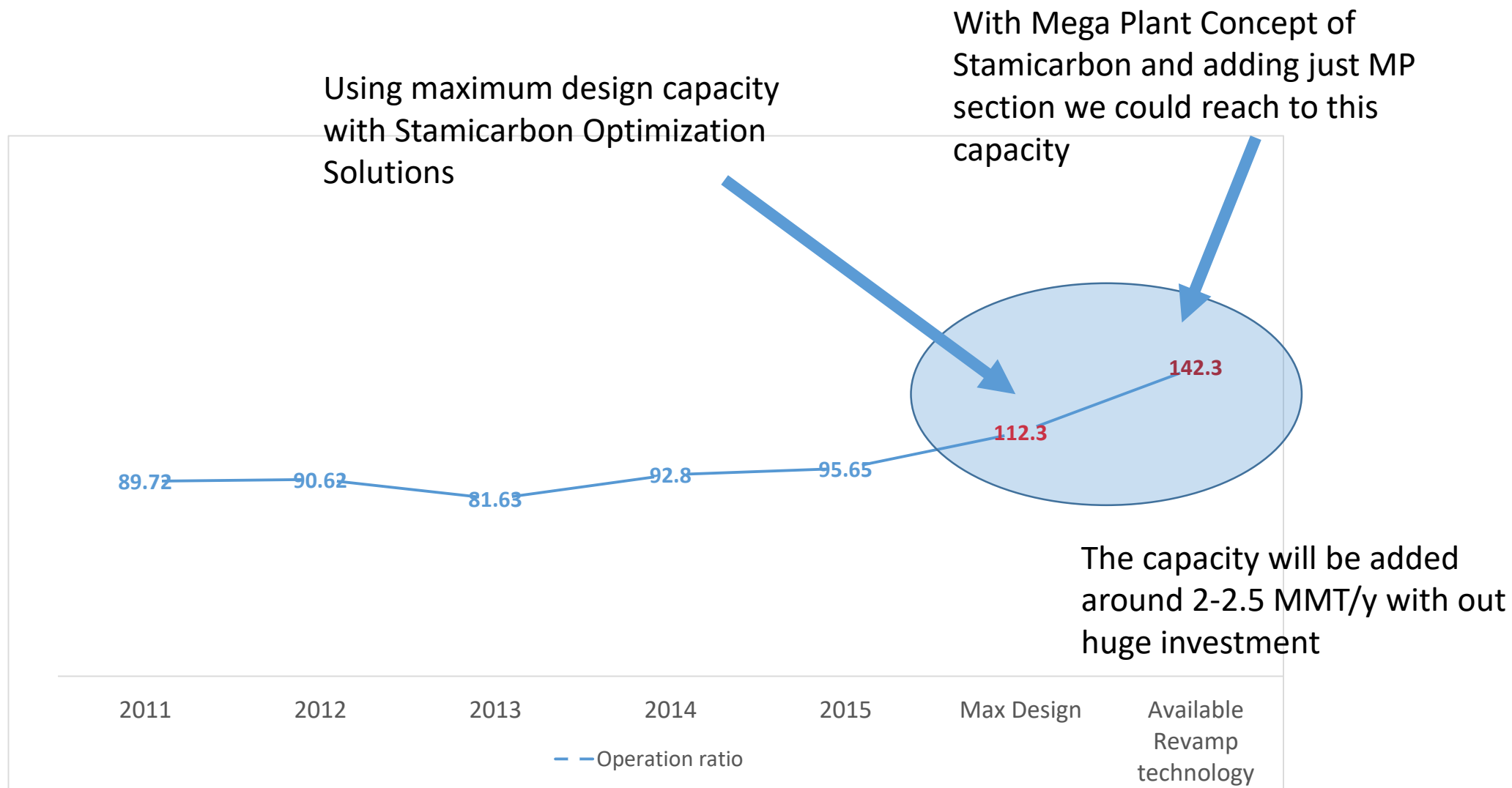
Technology affect on operation ratio

Stamicarbon
Melt+Prill
Technology

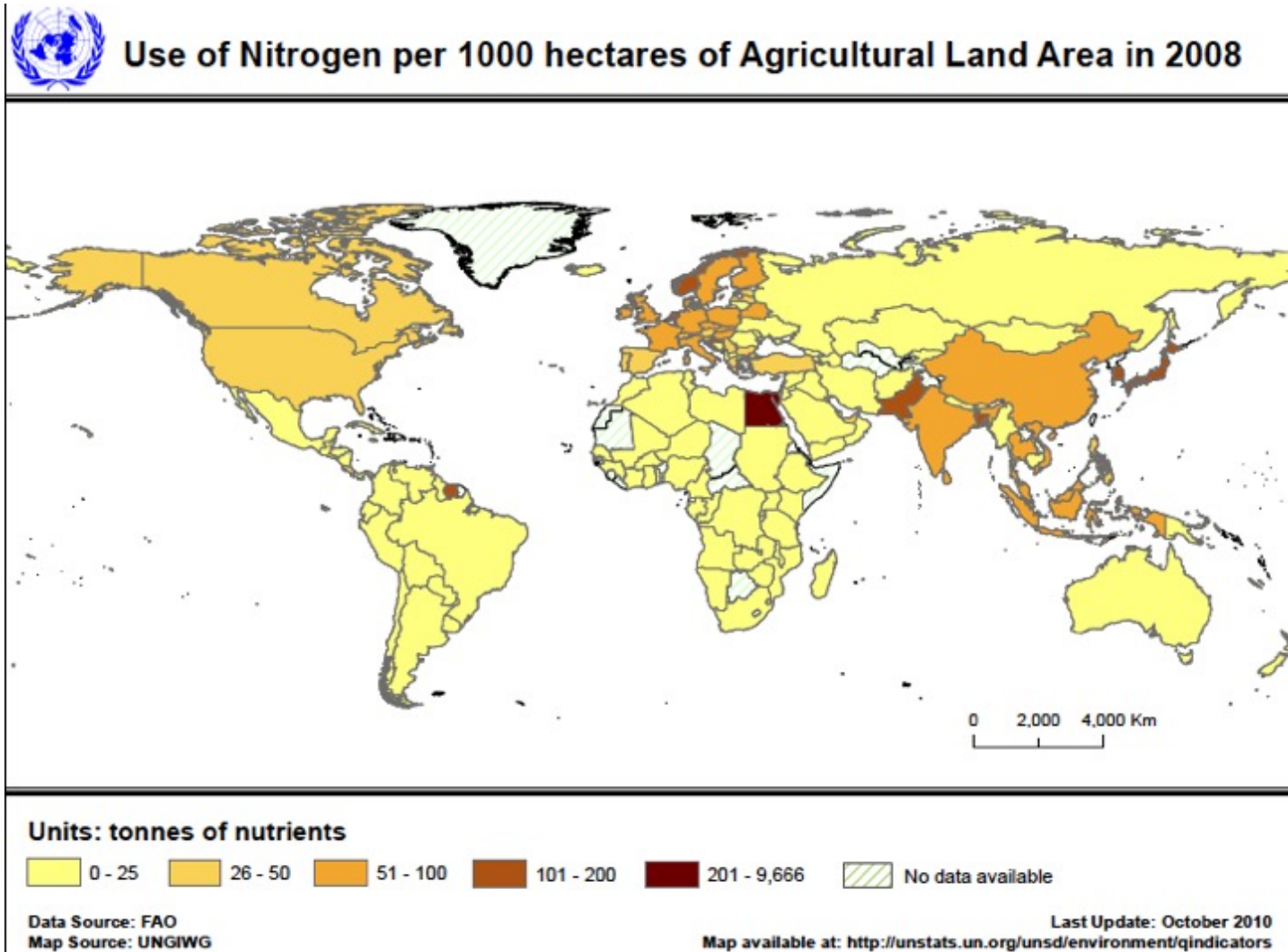
Non-Stamicarbon
Granulation Technology



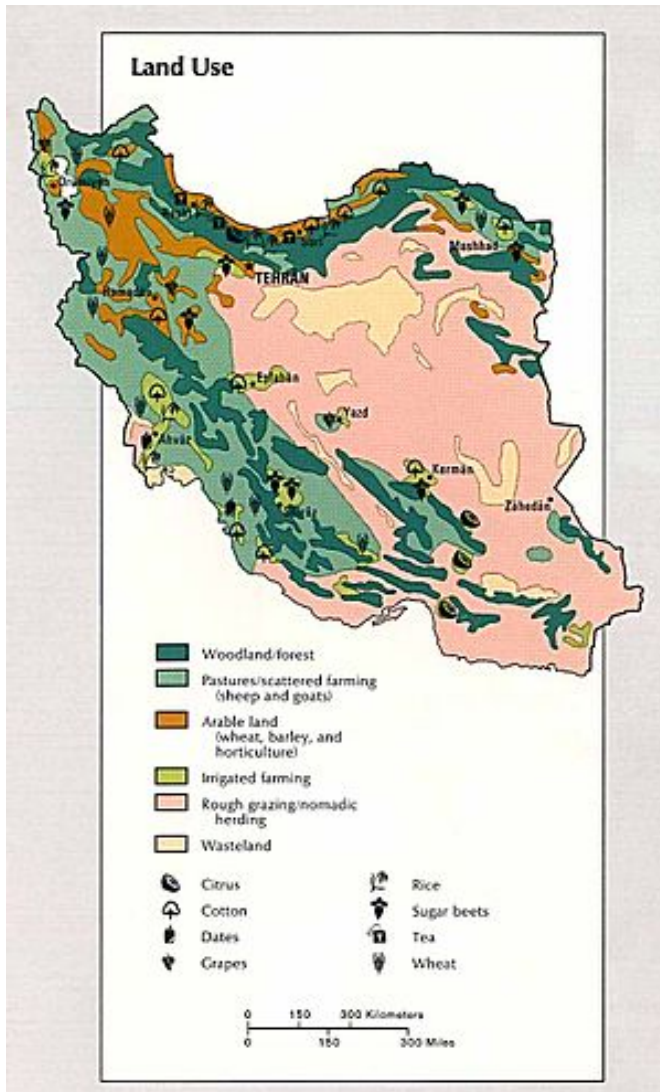
How and how much the operation rate can increase ?



Urea Consumption in Iran

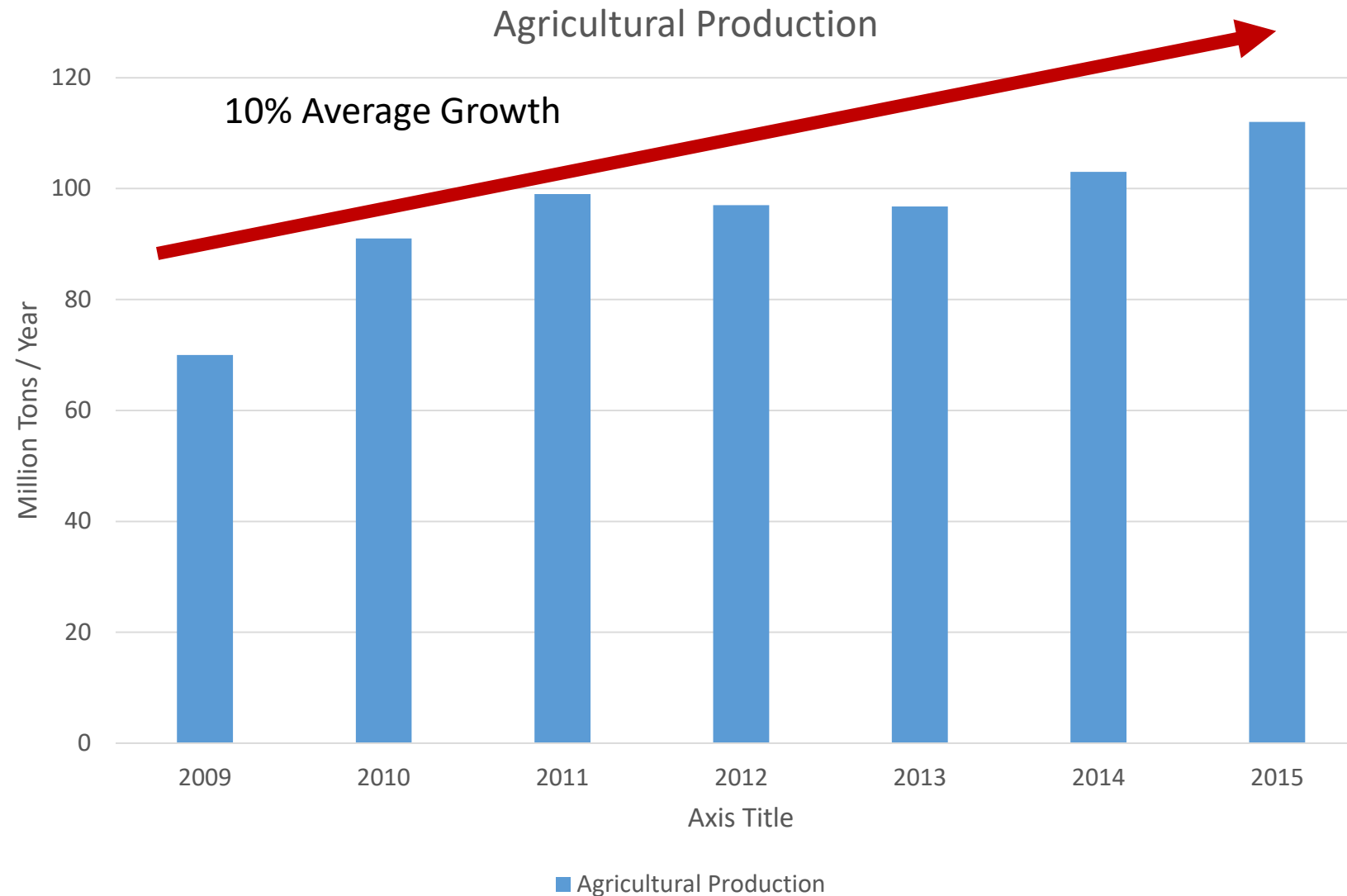


The Consumption of Urea / Hectare



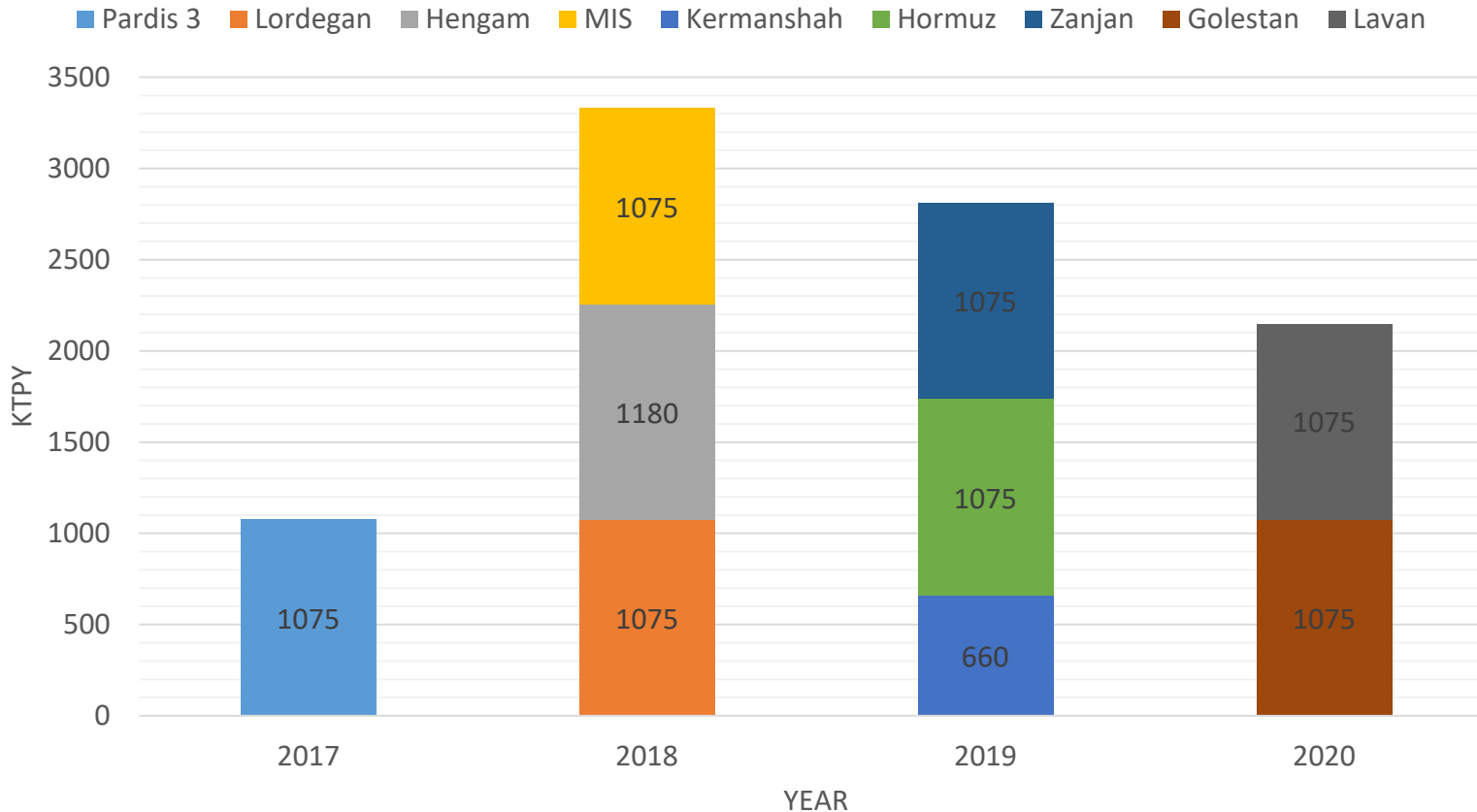
- Iran is the first place on the planet that agriculture has been done, as a human activity.
- 12% of the grounds is now using for agriculture means 200,000 Km² (which is around 5 times of The Netherland).
- The consumption of Urea is around 65 Kg / Hectare, means almost 30Kg of Nitrogen per Hectare is almost 1/3 of average consumption of Urea (1/10 of Egypt).
- The expectation is around 3-5 % growth / year.
- The total market could increase to 4 Milion MT/year. With in next 10-15 years.

Iran Agricultural development



Future Project Perspective

Approved Project

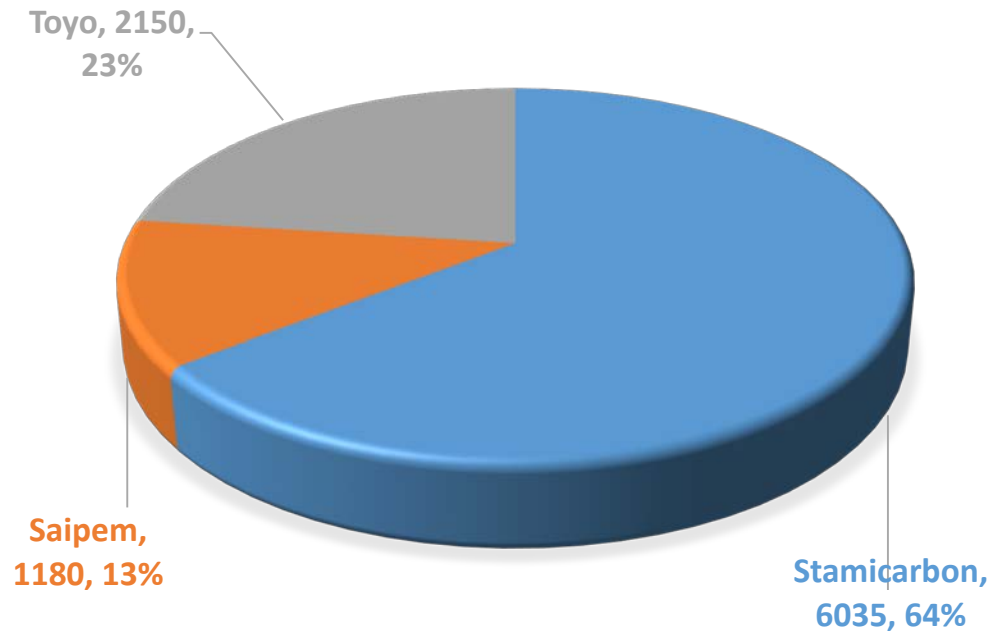


Total Projects : 9,365,000 Tons/Year

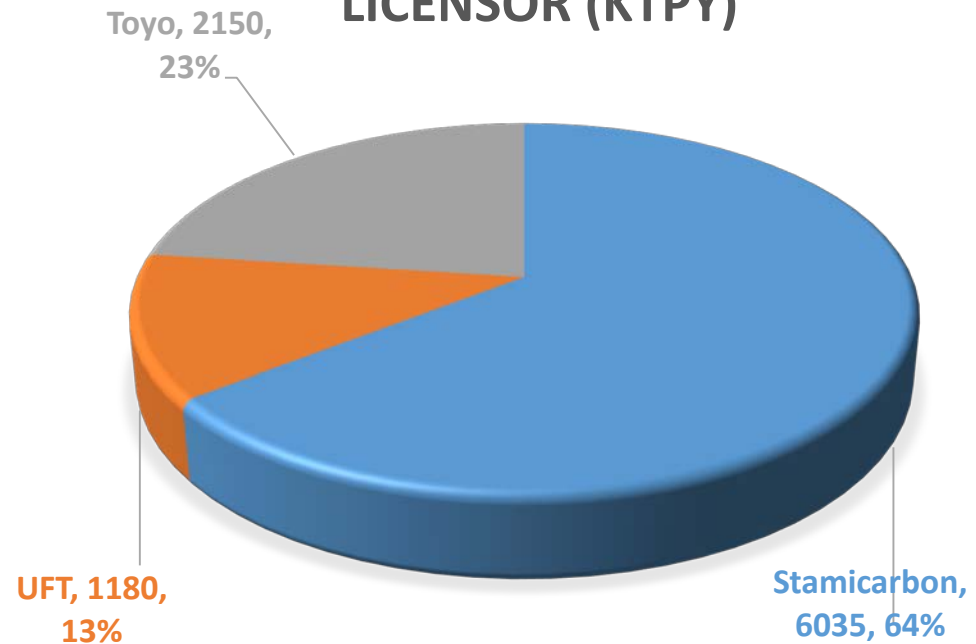
- Pardis 3 is almost finished and going for Commissioning.
- Lordegan and MIS has got Chinese Financing.
- Hengam is using local financing and PGPIC support.
- Zanzan has got the finance from National Development Found.
- Other 4 Projects are looking for Financing Scheme which are under negotiation

Future Project Technology share

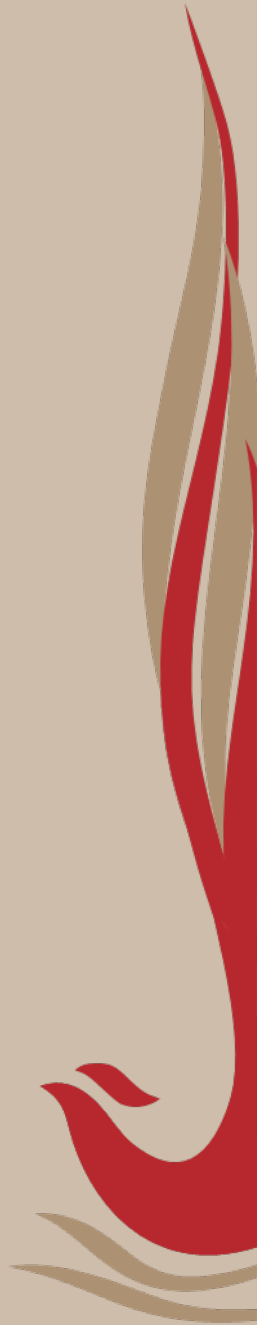
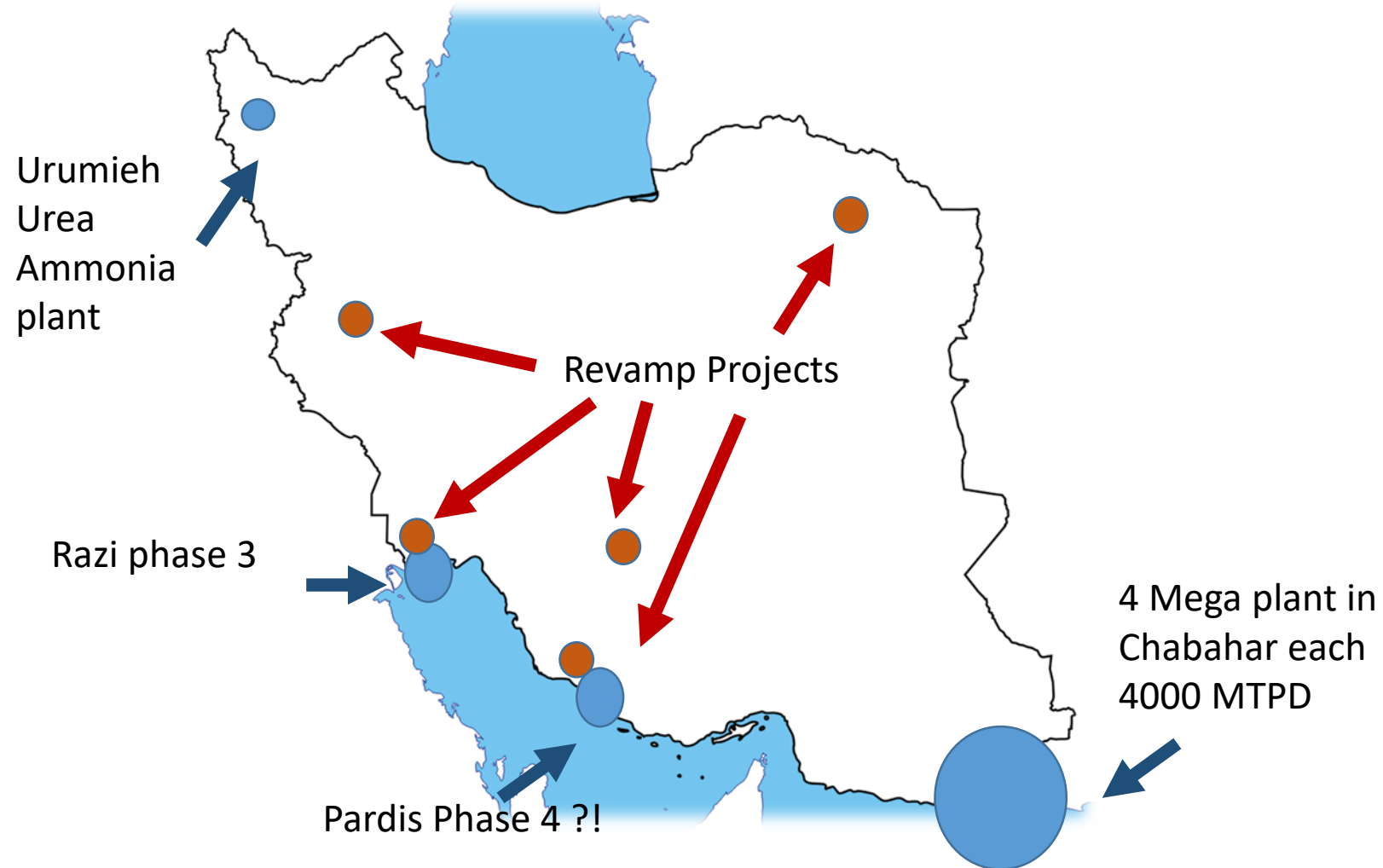
**APPROVED PROJECT- MELT
LICENSOR (KTPY)**



**APPROVED PROJECT- FINISHING
LICENSOR (KTPY)**

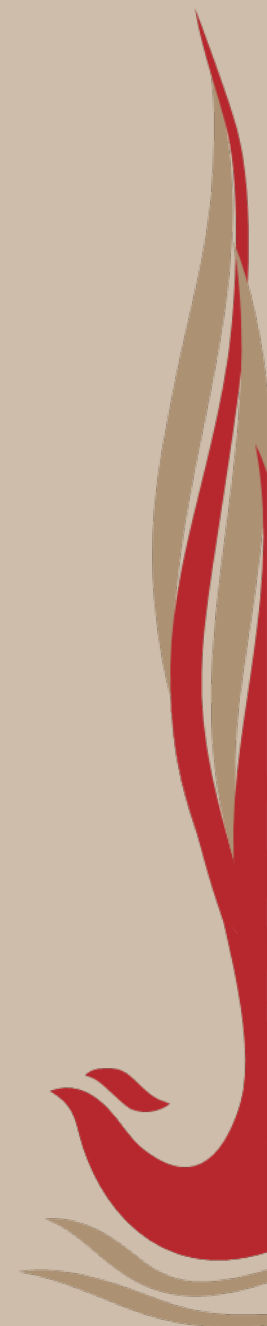


Under Study Projects Perspective

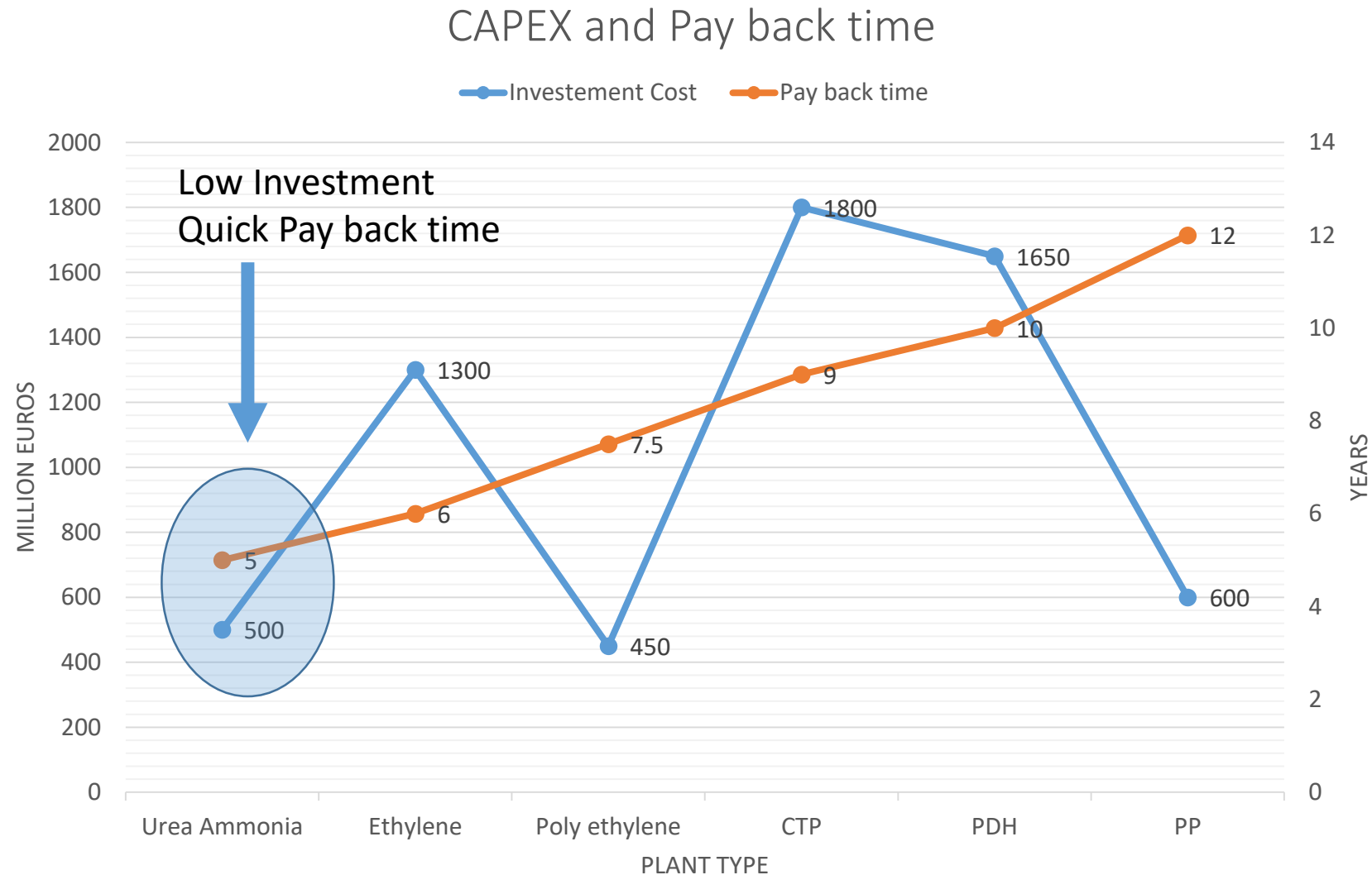


Is Investment in Urea Still Feasible in Iran ?

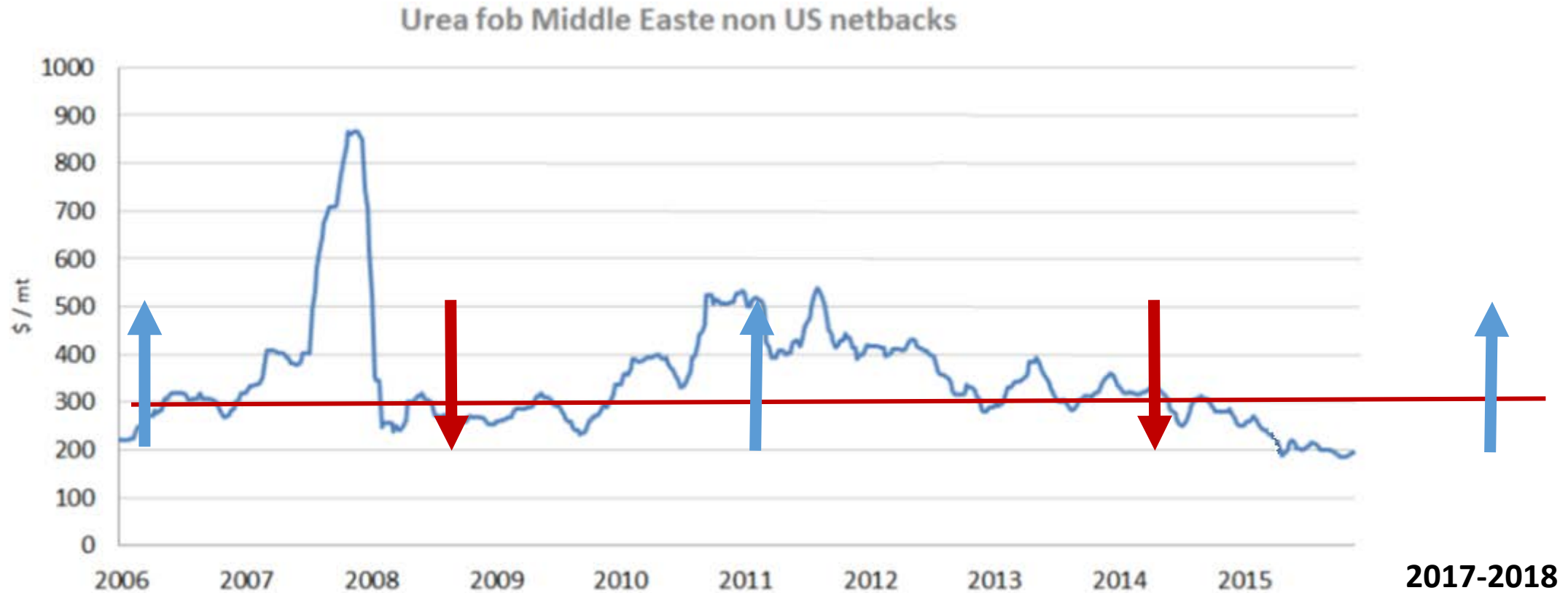
Plant Production	Capacity	CAPEX (Estimate)	OPEX	Margin	Return time of Investment
Urea /Ammonia	1.2 Million Tone/ Year	500 Million Euros	100-120 USD/Ton	80-110 USD/Ton	5 years
Ethylene	1 Million Tone/ Year	1300 Million Euros	230-300 USD / Ton	200-250 USD/Ton	6 Years
Polyethylene	400 Kilo Tone / Year	450 Million Euros	400-450 USD/Ton	50-100	7.5 Years
CTP	550 K Tones/ Year	1800 Million Euro	500-550 USD/Ton	200-230 USD/Ton	8-9 Years
PDH	400 KT/year	1650 Million Euro	400 USD/Ton	170-250 USD/Ton	8-10 Years
PP	550 KT / Year	600 Million Euro	100-150 USD	50-70 USD/Ton	12-14 Years



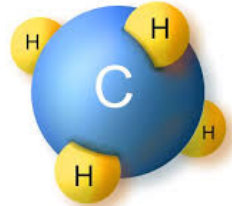
Is Investment in Urea Still Feasible in Iran ?



Is now good time for Investment ?



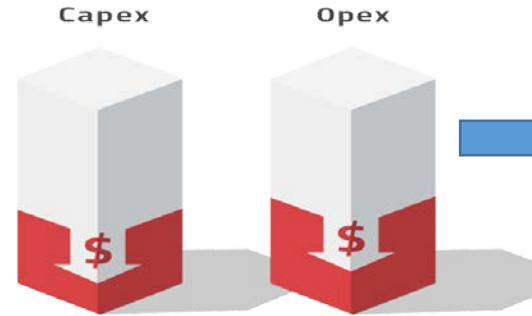
Conclusion



Available Feed Stock



Demand is increasing

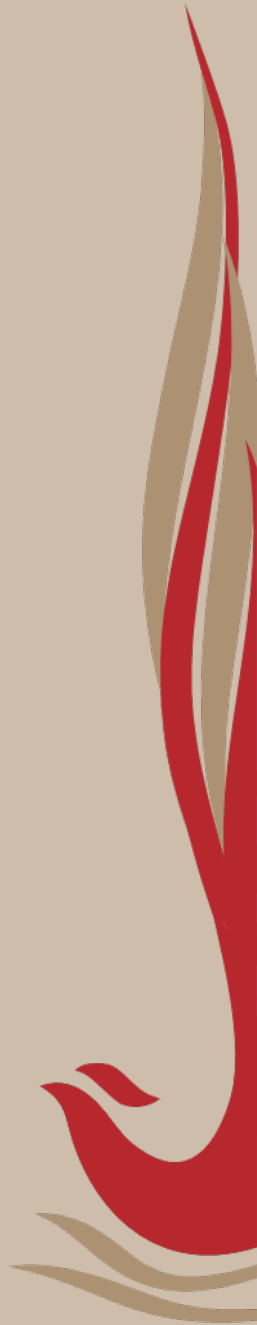
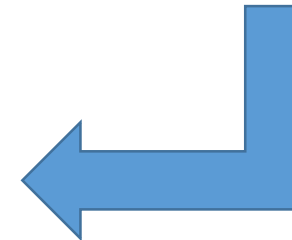


Low Capex and Opex in Iran



Good time for Investment

Investment in Urea Plants



How Phoenix Can Help



Continuously Improvement To Eternity

Rebirth To Eternity

Phoenix

