

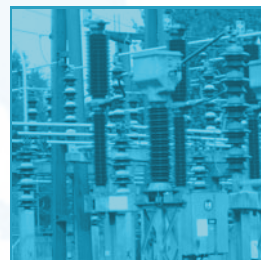
Annual Report 2009



Monenco Iran
Consulting Engineers

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Monenco Iran at a glance

About us

Monenco Iran Consulting Engineers Co. (Monenco Iran) as a leading Consulting Company in Iran was founded in 1973 as a joint venture between the private sector of Iran and Montreal Engineering Co. of Canada.

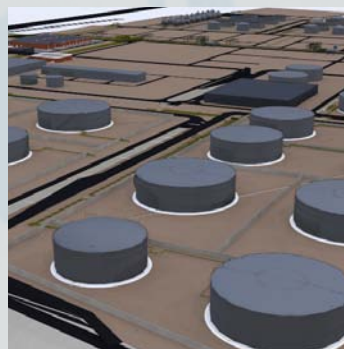
Experienced qualified personnel, modern systems and cutting edge services, are three skeleton keys that have made Monenco Iran able to strive for excellence in everything it does, as it provides high quality engineering, project management and consultancy services to its customers across the world.

Thermal power plants, Electrical Power Transmission, Oil & Gas infrastructure, System & Energy Studies, Renewable & Cogeneration & Dispersed Generation, Communication, Dispatching, Mining, Rehabilitation & Retrofitting and Feasibility Studies are Monenco Iran main fields of activities. Competence and proficiency are the cornerstones of Monenco Iran success.

Monenco Iran also benefits from having specialists in business management, strategic planning, risk management, information technology. Monenco Iran has been upholding the business integrity at work, as well as concentration on professionalism and high standards for over 35 years.

Monenco Iran ethical code is based on this guiding principles: consistent customer satisfaction, outstanding quality of service, personal commitment, responsibility, availability, and a rigorous recruitment policy with emphasis on human qualities. The loyalty of Monenco Iran clients over the years has continually encouraged it to maintain and enrich these fundamental values.

Monenco Iran is a market leader with an ambitious, sustained and wholly self-financed development strategy. Monenco Iran greatest pleasure is helping its clients' progress, and progressing with them.



Area of expertise

- Feasibility Studies (technical, economical, environmental and social)
- Conceptual, Basic & Detail Design
- Overall & Interface Engineering
- Design Review and Endorsement
- Tender & Material Requisition Preparation & Bid Evaluation
- Execution and Implementation Management of Projects/Plans
- Construction, Maintenance and Operation Supervision
- Factory & Site Test Supervision
- Retrofitting, Rehabilitation & Repowering Investigation
- Energy Systems & Integrated Networks Studies
- Master Plans Development
- Provisioning Technical Standards and Guidelines Definition
- Engineering Processes Control and Optimization
- Technical Training and Knowledge Transfer

Vision

Monenco Iran will be one of the top 10 Engineering companies in the world,

- Active in design, engineering, consultation and supervision on power and energy industries.
- Keeping the highest rank in engineering consultancy in power industries in Iran, Monenco Iran will become a pioneer in oil & gas and petrochemical downstream and the other domestic industries.
- One of the propounded international companies equipped with the knowledge and the world latest technical standards.
- Leader in optimizing the methods and tools.
- Taking the lead in quality and productivity.
- Equipped with modern management and R&D systems.
- Expanding its activities internationally to Middle East, North Africa and South America

Mission

Monenco Iran is one of the world's leading engineering consulting companies and related technical services organizations, serving selected industry sectors and geographic markets.

Monenco Iran achieves this through the know-how of its people by contributing to the success of its clients through value-added services and by continuous investment in the improvement of its technical and managerial competence.

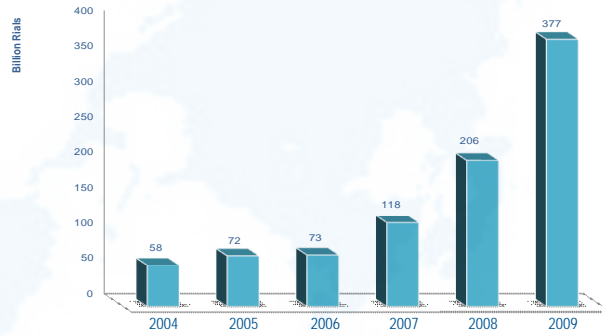
Monenco Iran is committed to achieving a superior financial return for its shareholders.

Monenco Iran at a glance

Highlights



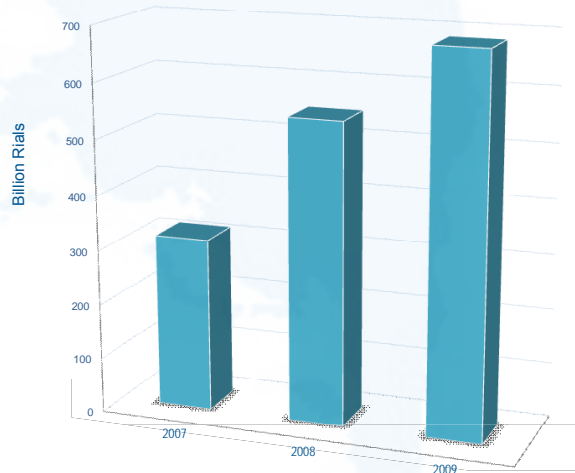
Revenue Growth



Profit Growth

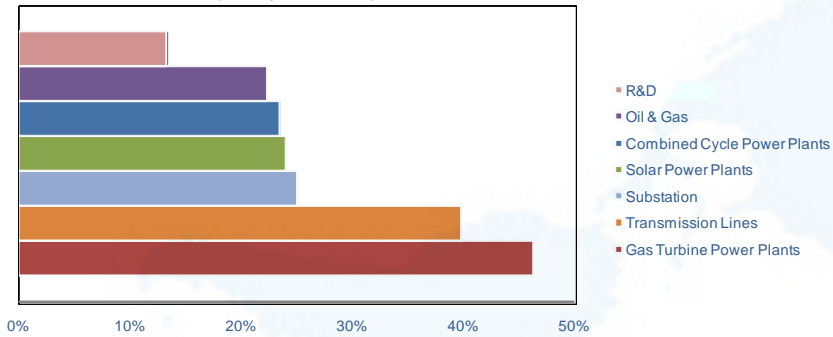


Contracts Value

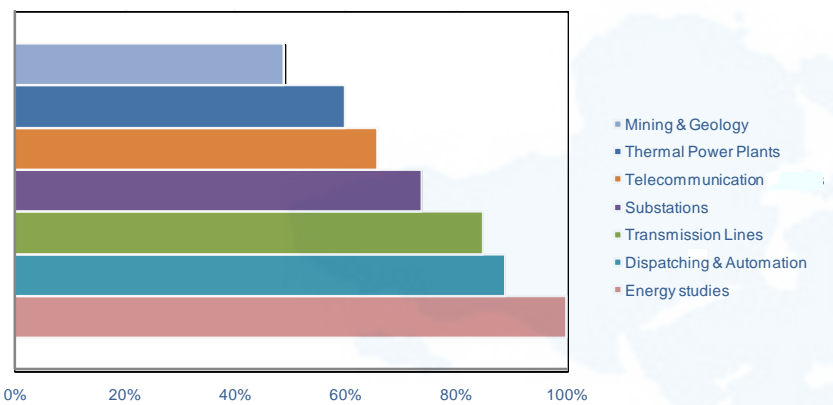


Monenco Iran at a glance

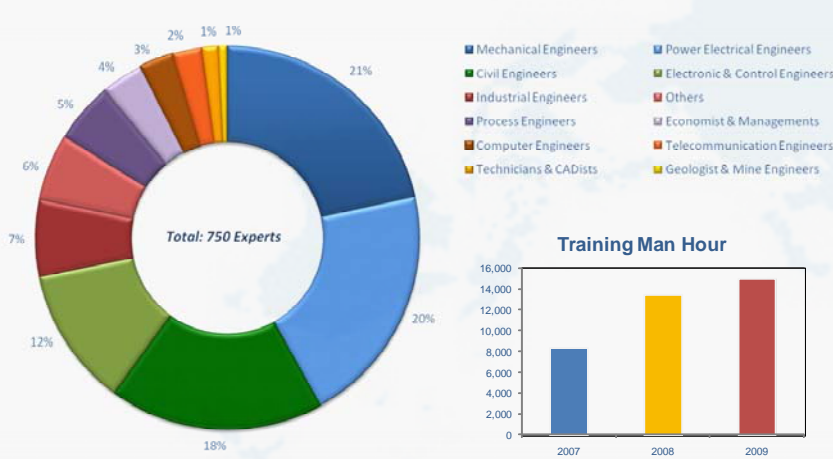
Monenco Iran Projects Progress During 2009
(Group Activities)



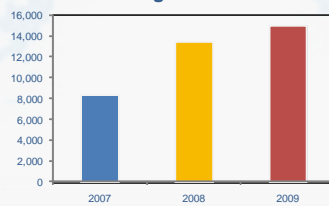
Monenco Iran Projects Progress During 2009
(Other Clients)



Composition of Experts Working in Monenco Iran, 2009



Training Man Hour



CEO Statement



2009 was a year in which the business world was faced with economical crisis. Many clients decided to delay or postpone their projects. On the contrary, the activities of Monenco Iran did not decrease, but actually exceeded the pre-defined goals, documented in 2008.

The revenue of the company increased by 70% and Monenco was successful in opening new domestic & international markets.

In 1388, renewables increased its share in Monenco activities and smart grid and dispersed generation was followed as some of the main tasks of Monenco Engineering Services.

Collaboration with reputable international engineering companies continued in 2009 and the joint efforts resulted in ever increasing penetration in the market. Beside domestic market of Iran, which is one of the biggest regional market in energy sector, Monenco services now spread to the Middle East.

Monenco still needs too many steps to follow and I suppose that in 2010 Monenco branches in other countries, is of most importance. Monenco staff are its most important assets. It is the skills of our Engineers that our customers value. So employees satisfaction and training should be improved constantly. Monenco also benefited more from its developed outsource Engineering Companies. Virtual Realization of the projects is the ability that in the year 2010 will be the dominant specialty of Monenco with respect to other Engineering Companies.

A major achievement in year 2009 has been extending our design and engineering services to cover full life-cycle projects. It is also a part of our 2010 strategic development plan to boost technical satisfaction of our clients by becoming ISO 15926 compliant and utilization of a series of work-flow based systems, which facilitate faster and more effective communication between us and our clients.

In 2009, Monenco achievements in developing new technologies were fantastic. R&D projects not only increases level of services, but also opens new windows for our those clients looking for best practices and optimization algorithms.

In conclusion, I can say that Monenco experienced a successful year in 2009, and it seems that the upcoming years will be much better both for Monenco and its esteemed clients.

Power Generation

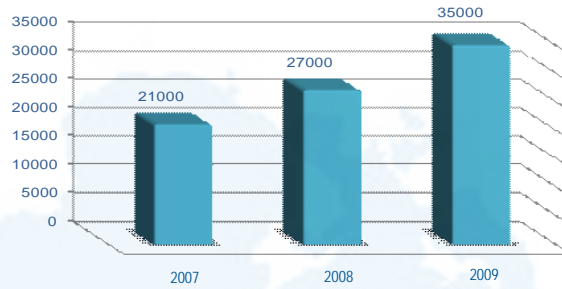
Monenco Iran develops customized all-inclusive solutions for power generation and offers services for related governmental entities, private investors, public utilities and industrial bulk consumers. Our in-depth familiarity with all influencing factors and execution phases also provides a sound basis for optimization of design, procurement and construction supervision and also assessment of existing plants.

Monenco Iran has been involved in more than 35000 MW power generation projects. In fact we designed about 65% of Iran Power Generation Capacity in total.

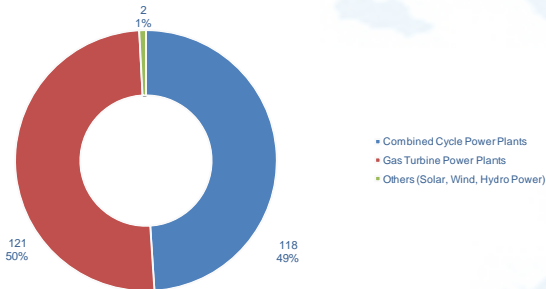
In year 2009 alone, we have been involved in about 15000 MW power generation projects, in Iran and in Middle East countries.



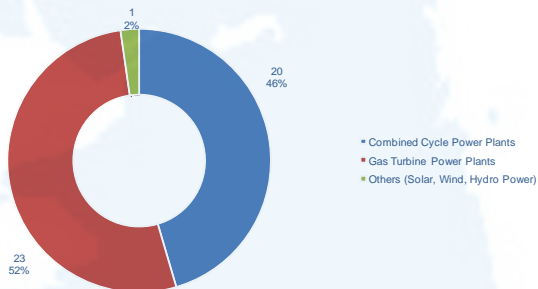
Involvement of Monenco Iran in Power Generation Projects (MW)



Share of Revenue of Generation Sector (Billion Rials)



Share of Profit of Generation Sector (Billion Rials)



Gas Turbine Power Plants

Currently a significant share of electrical power in Iran is generated through gas turbine power plants and this share is growing rapidly. Monenco Iran has long experience offering engineering design and consultancy services for gas turbine power plants.

Project	Capacity	Project	Capacity
Kermanshah	4*162	Hormozgan	4*162
Zanjan 3	4*162	Aliabad	6*162
Semnan	4*162	Kashan	2*162
Ext. Ardebil	2*162	Khoramshahr	6*162
Ext. Oroumiye	2*162	Najaf	2*162
Fars	6*162	Chabahar	2*160
Shahroud	2*162		

Combined Cycle Power Plants

Due to economical and environmental concerns, there is general tendency towards building combined cycle power plants or converting gas turbine power plants into combined cycle ones, to increase efficiency. Monenco Iran is a pioneer company in offering services for different modules of Combined Cycle power plants.

Project	Capacity (MW)	Project	Capacity (MW)
EslamAbade	2*162 (GT) + 1*160 (ST)	Jahrom	3*160
Genaveh	2*162 (GT) + 1*160 (ST)	Shirvan	3*160
Jandar	2*162 (GT) + 1*160 (ST)	Niyam	Standardizing Power Plants
Yazd Farab	2*162 (GT) + 1 *160 (ST)	Esfahan	2*162 (GT) + 1*160 (ST)
Pare Sar	4*162 (GT) + 2* 160(ST)	Kahnoj	2*162 (GT) + 1*160 (ST)
Sanandaj	2*160	Kerman	4*160
Abadan	2*160	Damavand	6*160
Tishreen	2*162 (GT) + 1 *160 (ST)		

Renewable/Green Energies

Monenco Iran actively participates in eco-friendly and clean energy projects for new and renewable energy generation from water, wind and sunlight. We are well aware that protecting and preserving the environment is both a social responsibility and a crucial element to sustainable development. The renewable energy generation in Iran is increasing with a significant rate and this could be seen as an emerging market for Monenco Iran.

Hydro Power

Hydro power is experiencing a lower rate of growth compared to the other renewable energies. On the other hand, small hydro power plants and retrofitting of large scale hydro power plants has a higher growth rate. In year 1388, Monenco Iran started participating in this market.



Wind Energy

Wind brings a clean energy with use of infinite source that has economic benefits as well, due to automatic operation of the plant. There have been feasibility studies for wind power generation in most of the countries around the world which shows promising potential for this method of power generation in some areas.

Monenco Iran has entered this market in 2009. The awarded projects are promising. Feasibility study for establishment of a product line of 1.5MW wind power and the engineering service for 500MW wind farms in 7 locations are the on going projects in this field.

Power Generation

Solar Energy

Solar Energy

Sunlight is a clean energy that decreases emission of greenhouse gas, with little restraint in terms of installation. In year 2009, Monenco Iran finished basic design of Iran first Solar-Thermal Power Plant in Yazd. This project will go to detail design, procurement and construction. Together with our group, we are proud to take on that task.

Monenco Iran perceives solar power generation a promising opportunity and aims to expand its involvement in this market.

Distributed Generation

Distributed Generation

Distributed/Dispersed Generation is the oldest power generation approach that employs small-scale technologies to produce electricity close to the end users of power.

Nowadays innovative distributed generation technologies, can provide lower-cost electricity and higher power reliability with less environmental consequences.

Monenco Iran has successfully executed feasibility studies of investment, economical and technical analysis for the following projects in the year 1388. Monenco Iran, in joint cooperation with SABA, is also the main consultant in this field for the whole Iran national grid.

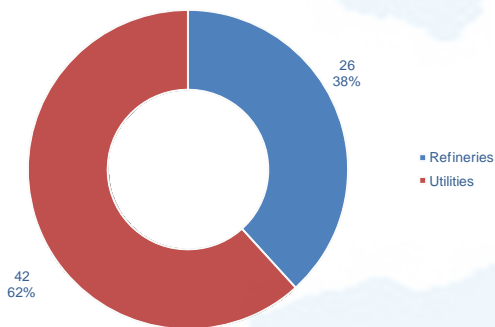
Client	Project
Amizheh saz Spadana Co.	Consultancy and Engineering Services for Feasibility Study & Construction Plan Documentation for a 15 MW. small-scale Distributed Generator
EXIR YAZD Co	Feasibility Study & Document Preparation for Introduction of small-scale Distributed Generator
Kosar Powerplant Complex	25MW small-scale Distributed Generator
Nafis Nakh Co	25MW. Small Scale Power Generator
Tadbir Rahe Sefahan	Consultancy and Engineering Services in Investment in 15 MW Small Scale Power Generator of Tadbir Rahe Sefahan Co.
Tavan Omid Pasargad Co.	15 MW Small Scale Power Generator of Tavan Omid Pasargad Co.
Water and Power Industries Investment Co. (Saba)	Consultancy and Engineering Services for Development Plan of Small Scale Power Generation
Iranian Fuel Conservation Company (IFCO)	CCHP - Oroumiye Cement Plant
	CCHP - Kharg Power Plant
	CCHP - Sharif Unversity

Oil & Gas

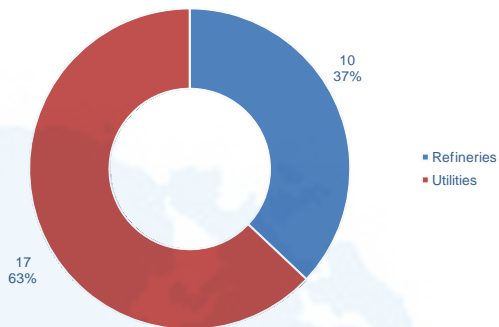
Old history of oil industry on one side and incredible demand growth for Oil and Gas on the other side, results in increasing market demand for engineering services for design of new complexes as well as extension, rehabilitation, retrofitting and optimization of existing oil and gas plants. Monenco Iran started its involvement in the Oil & Gas industry from utilities in 2003 and expanded its activities to whole scope of engineering services in large scale projects.

Being a multidisciplinary consulting firm, Monenco Iran is able to provide distinguished whole scope of engineering services. It aims to make use of this opportunity and expand its involvement in Oil and Gas sector.

Share of Revenue of Oil & Gas Sector (Billion Rials)



Share of Profit of Oil & Gas Sector (Billion Rials)



The projects that Monenco Iran has been involved in this field are as follow;

1. Esfahan refinery upgrading project (PACKAGE C)
2. Utility project of gas refinery phases 15&16 south pars gas fields development plant.
3. Utilities for Fajr Power & Steam 4*162 (GT) + 2*HRSG in Mahshar
4. Utilities for Pars Power & Steam 2*162 (GT) + 2*HRSG in Asaluye
5. Utilities for Iran LNG Power & Steam 5*150 (GT) + 2*150 (ST) + 5*HRSG in Kangan
6. Utilities for extension of Mobin Power & Steam (Units 7 & 8) 2*123 (GT) + 2*HRSG

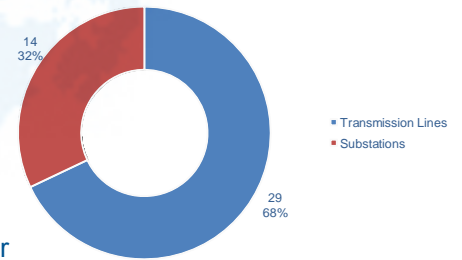


Transmission & Distribution

Monenco Iran offers a comprehensive portfolio in engineering and consultancy services for transmission & distribution systems. The long term involvement of Monenco Iran in this sector has provided valuable experience, the experience and competency levels gained, ensure that Monenco Iran will deliver services that are of the highest quality from a technical and organizational perspective. A wide range of consulting and engineering services contribute to our Transmission & Distribution life-cycle model.

Monenco Iran has experience of engineering, designing and consulting for around 9000 MVA substations and more than 18000 Km transmission lines and OPGW projects.

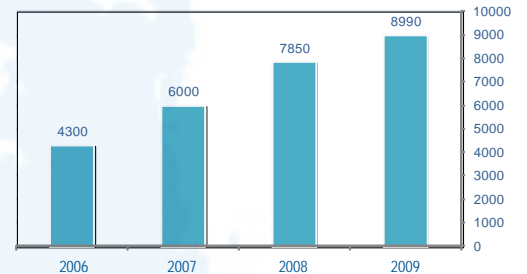
Share of Revenue of T&D Sector (Billion Rials)



Substation Projects in 2009

- Purchasing 400kV Transformers and one 400kV Reactor
- 400/63 kV
 - Shahre Kord DCS
 - Fara Donbeh DCS
 - Hosnijeh
 - Harand
- 400/132/20 kV
 - Shahmaran2
 - Bam
- 230/132 kV
 - Capacity Improvement of Shafa
 - Capacity Improvement of Sardrod
- 230 kV
 - Pars Power Plant
 - Pareh Sar Power Plant
- 132kV
 - Cooling Water System Supply & Return of Mobin ASUII
- 63/20kV
 - Tehran
- 230/63kV
 - Noshahr
 - Mahmoud Abad
- 132/33kV
 - Akhtar

Substations (MVA)



Line Projects in Year 2009

- De-icing of 400kV Golpayegan
- 63kV and 20kV XLPE Cables for Tehran
- Preparation of 765 kV Transmission Line Construction & Implementation Standards
- Engineering Services & Supervision on Replacement of Oil embraced 63 kV cables to XLPE cables
- OPGW (Optical Ground Wire) for MTN IRANCELL Metro Transmission Project for Route Survey & Design
- Consulting Services for the National Committee of Distributed Generation
- Master plan of Yazd and Tehran, 20kV distribution network up to 2025

• 400 kV

Asalooyeh -Fasa
 Ahar-Armenia
 Shahmaran2 connections
 Daran connections
 Harand connections
 Hosnijeh connections
 Karkkeh-Alemareh

• 230 kV

Zangiabad

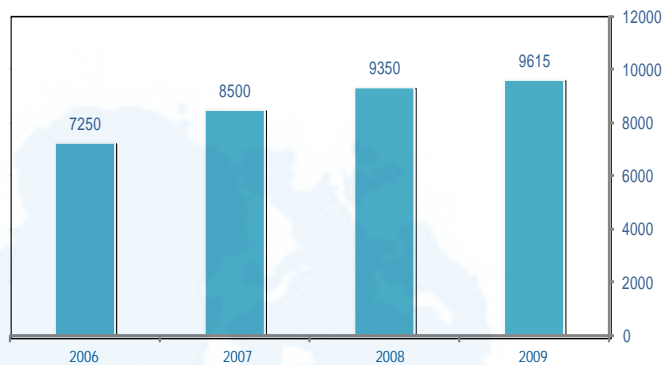
• 132 kV

Eslamabad-Manojan
 Sorkhghale-Manojan
 Zangiabad

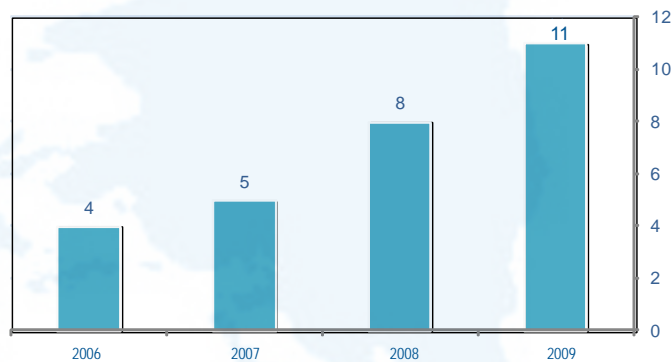
• 63 kV

Shahrekord-Farokhshahr
 Farsan-Dashtak

Transmission & Subtransmission lines (Km)



Master Plan & Network Studies



Management Team

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Dispatching & Telecommunication

Monenco Iran's experience in telecom and ICT developments enables it to find cost-efficient and innovative solutions in telecommunication fields.

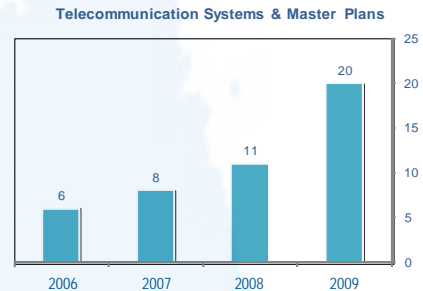
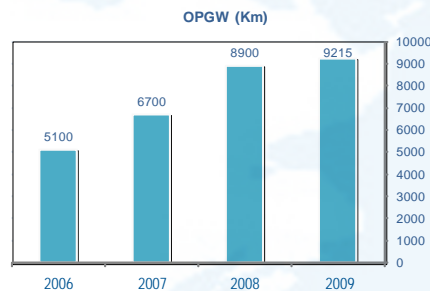
Monenco Iran also offers whole engineering services related to dispatching and control centers, distributed control systems and automation.

Monenco Iran has been involved in 15 national and regional dispatching centers, 20 telecommunication systems & master plans.

In year 1388, providing services for AMI (Advanced Metering Infrastructure) was started.

Telecommunication Projects in 2009

- Engineering, Consultancy services on implementation of advanced metering infrastructure (AMI)
- Analyzing the connection of 5800 schools to national internet network
- Western Region of Gas pipelines' Telecommunication System Study & Comprehensive Planning
- Tendering Services for Supply, Installation & Commissioning of ZREC, Optical Equipments
- Supervision of Installation & Commissioning of BREC's Markazi Dispatching Center Telecommunication Equipment
- Designing VHF&UHF Radio Network of Gharb REC.
- Designing Land mobile Radio Network of Hormozgan EDC.
- Synchronizing of HV substations event recorder system with GPS for IGMC.
- Preparing technical specifications & tendering of PABX for IGMC.
- Consulting Engineering of TREC'S Fiber Optic Network.
- Consulting Engineering and supervision of Telecommunication Links for Yazd Substations Dispatching.
- Consulting Engineering and supervision of IPDC'S Fiber Optic Network
- Consulting Engineering and supervision of KZREC'S PLC, Trunked Radio , and Fiber Optic

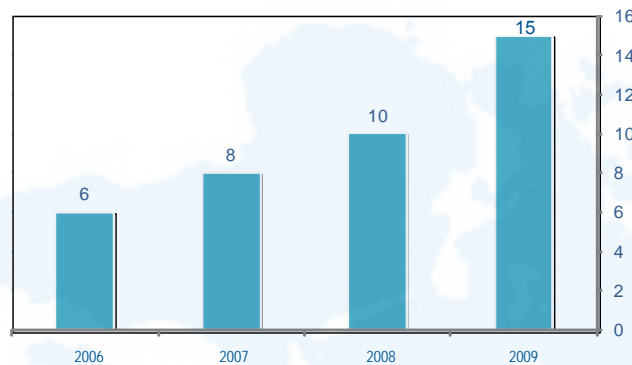


Dispatching & Telecommunication

Dispatching and Automation Projects in Year 2009

- Information Transfer from Mazandaran, Golestan, and Gilan Stations to NAOC DCS. Systems
- Design Review and Supervision on Construction of Ardebil, Uromieh RDCs, and 100 RTUs
- Arak and Hamadan RDC (control centre & RTUs)
- Automation of Yazd distribution network
- Azarbayejan interface system (100 stations)
- Fars RDCs (Fasa, Lar, Jahrom)
- Connecting Kordkooy and Sari Substations to NAOC
- Supervision on YAZD RDC
- Automation of Tehran metropolis distribution network
- Communication and development of YAZD RDC control centre(dispatching part)
- Engineering services for Tabriz RDC and NWAOC dispatching control centers

Dispatching & Automation Projects



Civil

Gaining experience in different fields of design and consultancy, Monenco Iran also offers civil services for industrial facilities. Our services span the entire lifecycle; from consulting and engineering to construction management and architectural design.

Civil and Structure Projects in Year 2009

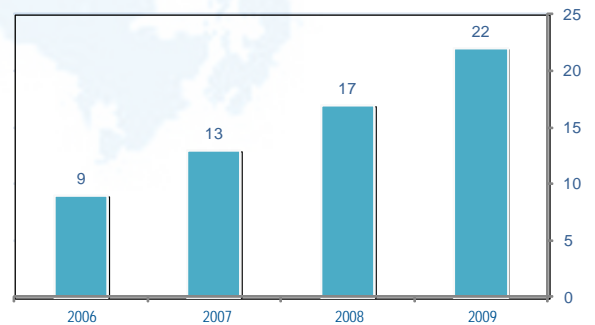
- Technical Training Complex in Fardis
- Engineering Services and Site Supervision on Construction of Manufacturing Hall for 325 and 600 MW Steam Turbines and Generators
- Civil Works of Zandjan Dispatching Center

Mining & Geology

Monenco Iran works with clients to execute geology studies, investigate new mines or improve the operations of existing mines with a primary focus on safely achieving optimum output and return on investment. Our people bring a business perspective to the technical challenges of mining and geology engineering.



Mining & Geology Projects



Energy Studies

Monenco Iran was originated from large scale system studies of Iran National Grid. Nowadays, there is increasing need for system studies. The vision in this sector is to expand activities in a world-class level both for domestic and international markets. To achieve these goal, Monenco Iran is equipped with highly educated experts and the latest engineering and economical tools and software.

Monenco Iran has been involved in 19 projects in domains of energy and system study.

Main projects in year 2009 for this sector were as follows:

- Study of placement of phase shifting transformer in Iranian network
Client: IGMC (Iran Grid Management Company)
- SAVEX (SAVE to Export) Project,
Investigation of power plants and gas transmission system for improving gas saving
Client: National Iranian Gas Export Company
- Dynamic studies for island & net-connected mode operation of Power Plant
 - Iran LNG plant
 - South ParsClient: Mecco
- Supervision on manufacturing and instalation of SVC
Client: Tavanir Iran



Research & Development

The research & development in Monenco Iran contributes to increasing the efficiency, improvement of quality, developing new and improved engineering methods.

Every day, the R&D of Monenco Iran steps up to the challenge of creating pioneering systems, engineering and services that enhance efficiency, reliability and productivity.

In some cases the R & D team of Monenco Iran cooperates closely with our clients and/or partners execute improvement studies, identify and transfer new technologies and develop systems and technologies.

This section has successfully implemented and completed the following projects in 2009;

- Technical Repowering Investigation of Thermal Power Plants and a Case Study in Besat
- CFD of HRSG with Duct Burner in Rajaei CCPP
- Investigation of Additional Combustion in HRSG of 6CC by Duct Burner
- Utilizing of Exhaust Energy of HRSG for CCHP system in Damavand Power Plant by Using Absorption Chiller
- Technical and Economical Feasibility of Direct and Indirect Dry Cooling System and Selection of The Most Appropriate One for The Kahnouj Combine Cycle
- Technical and Economical Feasibility of Using of Gas Turbines in Abadan Power Plant in order to Water Desalination or Increasing of Electrical Power Production
- Compilation and Publishing of Design of Thermal Power Plant Book

Current projects of the R&D office

- Technology Transfer of Air Cooled Condenser Design
- Basic and detail design of a testing station for industrial centrifugal compressor
- Basic and detail design of a testing station for a 25 MW industrial gas turbine
- The Investigation of Structural and Fluid Dynamics Analysis of Turbine V94.2 Air Intake and Exhaust Systems
- CO2 Capture via Oxy-Fuel in Thermal Power Plants
- Revising Technical Specification of the Tender Documents for Thermal Power Plants
- Survey of Thermo and Fluid Dynamic of Dynamometer System
- Technical and Economical Investigation of Using of Fuel with Low Heat Value in Gas Turbine
- Application of Low Degree Geothermal Energy in Urban Consumptions
- Localization of Design Techniques of Cooling System of Heller
- Simulation of CCPP including IGCC fed coal
- Survey of Different Water Spray Techniques in ACC in order to Increase heat Transfer
- Investigation of Fuel System and Damage Analysis of Gasoline Pump in Tishreen Power Plant
- Technical and Economical Investigation of Reducing Thermal Power Plant Pollution
- Comparative Study into Net Cost of Electrical Transmission Line Projects in Iran and Worldwide

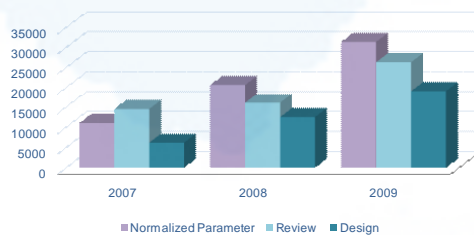
Engineering Capability

Engineering capabilities are the core competency of Monenco Iran. Professional engineers equipped with latest software, tools and systems, together with multi-disciplinary matrix organizational structure, increased Monenco Iran design output drastically in the past few years.

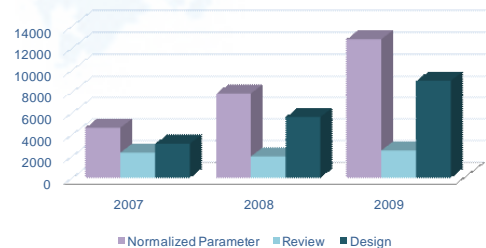
Also by outsource management of specific engineering services, we were able to build in-house capacity for new jobs as well as enhancing the expertise.

Following diagrams show engineering capability growth of the company based on the number of design documents issued in year 2009; Also the software and hardware of the company are presented in the following pages.

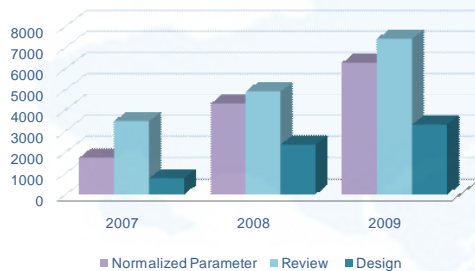
Total Engineering Performance



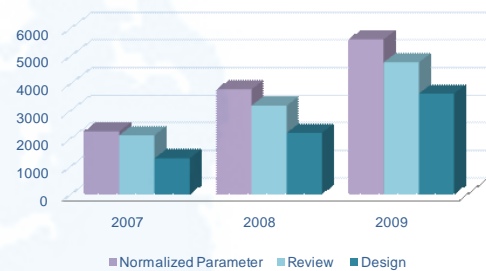
Civil



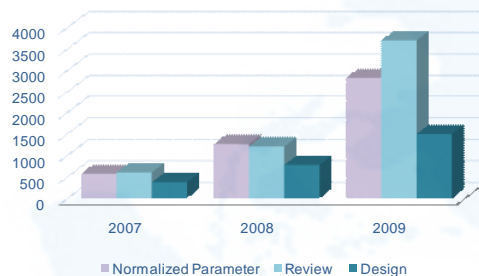
Mechanical



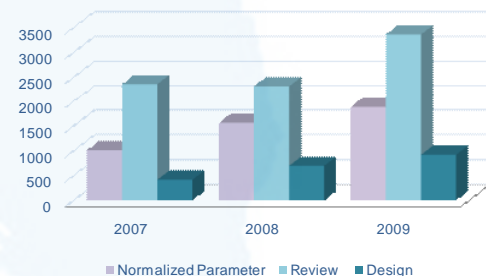
Electrical



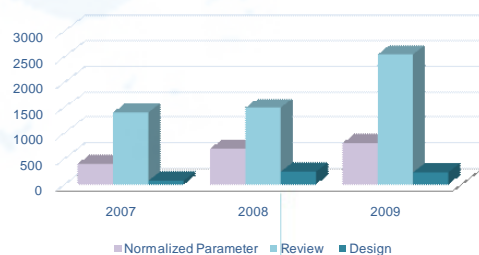
Piping



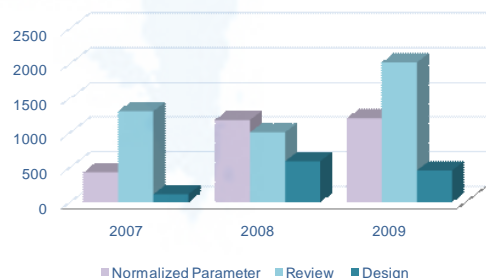
I & C



General Engineering



Process



Quality and Productivity

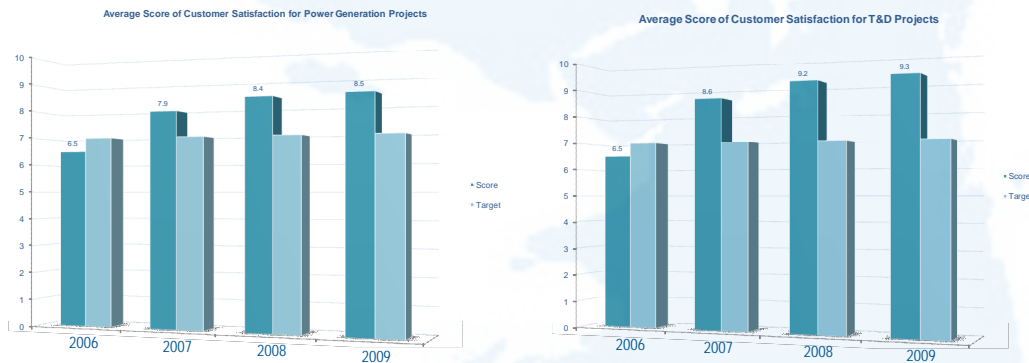
Monenco Iran is ISO 9001 certified. In the year 2009, Quality Management System was upgraded to ISO 9001:2008. The system experienced second surveillance audit last year. Furthermore establishment of IMS (Integrated Management System) was started.

To analyze and improve performance of the departments/ divisions, the Performance Evaluation System was established. The performance criteria was defined in Quantity, Quality and Time. Monthly and seasonal performance results are major tools for management evaluation of the department/ division under their supervision.

Since the company is project based, the projects execution processes was tuned and redirected according to the latest project management standard, i.e. PMBOK 2008.

Customer satisfaction plays a major role in continuity and sustainability at any business. Monenco Iran designed and implemented "Customer Satisfaction Evaluation System" to collect feedbacks from customers and meet their requirements. Furthermore, "ISO 10002:2004, Complainants Management System" was established to process complaint/ suggestions and to consider them in improvement of services. By adapting ISO 10002:2004, the ability to retain loyalty of customers is enhanced.

The following diagrams show customer satisfaction results for two sectors, power generation and T&D.



Quality and Productivity

Continual improvement

Continual improvement:

Assessments such as ISO 9001 audit, technical audit and EFQM self-assessment was performed and the results were analyzed in “Enhancement Working Group” (EWG). After recognizing areas for improvement, the EWG defines improvement projects. The results of all assessments and improvement projects will be analyzed at management review meetings. Also the productivity index has been uplifted by improving the performance evaluation system, on-job training for the employees and recruitment of highly educated experts.

Main activities

Main activities in 2009:

- Design and implementation of Technical Assessment in accordance with the technical checklists
- Defining indexes and targets
- Implementation of performance evaluation and using its results for personnel remuneration
- Checking the results of indexes trends and defining plans and projects for improvement
- Benchmarking and comparisson of our performance results with competitors
- Identifying strengths and areas for improvement through assessment
- Effective changes by utilizing learning to create innovation and improvement opportunities
- Improving processeses to boost customer satisfaction and increasing added value
- Review the strategies, goals and approaches effectiveness

Some of the improvement projects finished in 2009:

Improvement Project	start	finish
Reference Document List	2007	2009
Design Interface Booklet	2007	2009
Business Plan (International)	2008	2009
Knowledge management	2008	2009
Performance evaluation system - II	2009	2009
Project Management System (Upgrading)	2009	-

Planning and System

Company's drastic growth during past 3 years needs comprehensive efforts in planning & system development. The necessary developments were in fields such as strategic & business planning, business development, enterprise and projects planning and control, knowledge management, systems design and implementation, information technology management.

Business and Market Strategy

Monenco Iran a pioneer in energy industries has experience of engineering, designing and consulting over 35000 MW of total power generation capacity, 11 Oil & Gas complexes, more than 18000 KM transmission lines, around 9000 MVA substations, 15 national and regional dispatching centers, 20 telecommunication systems & master plan and 22 mining and geology projects.

Holding major energy stake in two of the world most prominent energy rich regions, Caspian in the north and Persian Gulf in the south, Iran could not be any better place in global energy equation. And being a leading energy consulting company, Monenco Iran has that much opportunity to stake out its claim in global energy business as well. Monenco Iran growth strategies focus on two key areas, diversification in different area of broader engineering consulting business and expand into international energy projects.

In diversified engagement strategy Monenco Iran already acquired significant expertise and experience from local projects and participations in power generation, transmission & distribution, mining, transport and Telecommunication. As regional demand and economy expanding at rapid pace, with decades of experience, strategy for diversification will greatly enhance Monenco Iran footprint in the region as well as revenue source.

Another key strategy of Monenco Iran is to expand business into international power generation, transmission and energy market. In such quest Monenco Iran has done feasibility study on potential markets and identified target strategies and markets. With seasoned leadership Monenco Iran already made significant inroads in regional markets including Syria, Oman and Iraq.



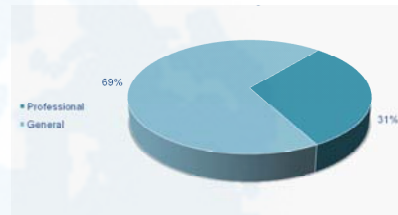
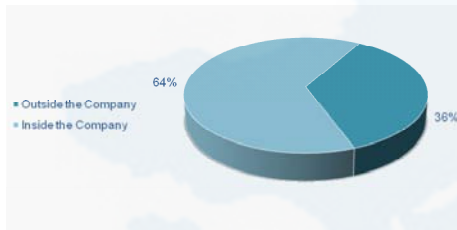
Training

The training strategy in 2009 was to provide robust infrastructure for training, and promote organisational development and knowledge management through learning and improvement of workforce capabilities, addressing organizational requirements.

During the last year, there has been an ongoing process of reviewing the training priorities, maximising the use of our available resources in order to assure the strategy implementation whilst balancing organisational, service, professional and individual needs.

The data for the last year activity reflects 15,000 man-hours, more than 140 courses including 120 expertise courses, an uptake for human resources training with an increase of 12% compared to 2008. E-Learning materials and tools were also adopted in order to increase the effectiveness of the training process.

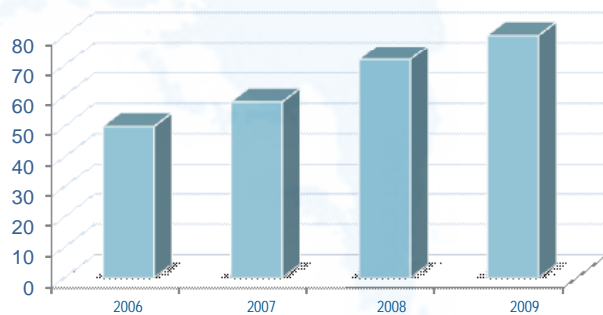
Systematic determination of job performance qualifications requirements and implementation and maintenance of the established programs and focus on internal training and on-job training using a systematic approach are the main activities in 2010.



Systems Analysis

Monenco Iran increasingly found the need to integrate the large number of systems in order to support enterprise-wide business processes in 2009 which involves challenges of technical, organisational and project management nature. The systems and main interactions between them were recognized and each system has been deeply analysed the workflow structures, sharing information and reporting systems were improved.

Technical Software



ISO 15926

Considering typical scenarios such as sharing information between engineering contractors and subcontractors, acquiring information from equipment vendors, handing over data to the operators of the plant and harmonizing the information across an enterprise, Monenco found the need of implementing ISO 15926 to support the interoperability for data in processes. The data model, ingredients and applications of the aforementioned standard were deeply studied and promoted to provide consultancy services.

Knowledge Management

For combining the company’s internal and external information and turning it into applied knowledge via the technology platform, Monenco Iran adopted a creative Knowledge Management model in order to document of former experiences, lesson learned or latest innovations and especially engineering knowledge through procedures, instructions, guidelines, templates checklists.

	Department	Documents
Power Generation	Civil	7
	Mechanical	2
	Piping	4
	Electrical	7
	Instrument	6
	General	5
	Process	10
Oil & Gas	Civil	10
	Mechanical	11
	Piping	19
	Electrical	9
	Instrument	30
	General	20
	Process	21
	Safety	5
	Power Generation	9
T & D	Dispatching & Automation	1
	Telecommunications	6
	Transmission Lines & Distribution Networks	21
	Substation	6

Strategies in 2010:

- Diversification in different area of broader engineering consulting business and expand into international energy projects.
- Systems integration in order to support enterprise-wide business processes through application of high technology tools.
- Improving the quality while increasing the capacity of services.
- Improving the enterprise project management system.
- Systematic review of job performance qualifications requirements and implementation of the improvement and on job training programs.

Partners and Collaborations

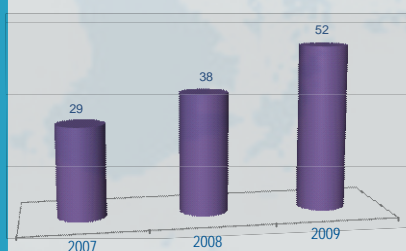
Mirroring an increasingly global marketplace, Monenco Iran actively participates in transnational partnerships and alliances. Likewise, it teams with local companies to expand its outsourcing capabilities and provide added service to customers. Indeed, as the methodology of alliance and partnering has developed in Iran, Monenco Iran has been in the forefront of the evolution. Whatever the alliance and partnering requirements of a project, Monenco Iran is well placed to work out relationships that suit them.

At Monenco Iran, our projects are built on a solid foundation of teamwork with our partners. As the result, nearly 65 percent of new work awarded to our company in the last three years came from joint-venture projects. Monenco Iran enterprise sectional or long-term collaboration with reputable companies in field of engineering consulting in order to expand the activities in targeted markets.

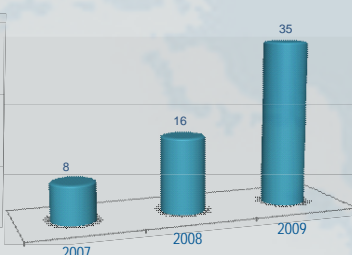
Nowadays we could proudly declare that we are not only an Iranian engineering consulting company but also a distinguished collaborator for the international companies in order to participate in market development in Iran and Iranian companies influence overseas.



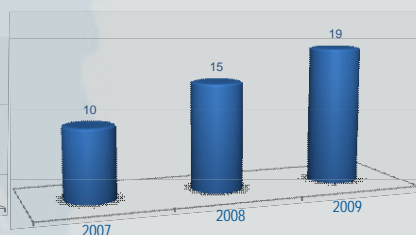
Clients



International Partners



Domestic Partners



Financial Statements

Monenco Iran (Private Joint Stock Co.) Balance Sheet on 20 March 2010

Liabilities and Equities	1387/12/30	1388/12/30	Assests	1387/12/30	1388/12/30
	Rial	Rial		Rial	Rial
Accounts Payable:			Current Assest:		
Accounts Payable	1,553,516,901	3,372,386,197	Cash and Bank	7,429,748,630	3,357,179,724
Group.	44,317,729,835	1,859,796,553	Short- term Investments	727,630,836	8,786,931,636
Other Accounts Payable	72,787,521,500	97,447,141,123	Accounts Receivable	17,191,994,729	56,080,501,613
Advanced Received	4,227,618,153	5,068,276,776	Group	4,217,127,714	69,490,036,406
Tax Provision		3,750,499,102	Other Accounts Receivable	30,707,973,352	38,995,850,797
Dividend Payable	4,186,867,140	4,919,308,599	Project in progress	4,481,903,448	84,546,878
Portion of Borrowing	69,373,698,630	54,512,328,766	Inventory	460,444,258	2,051,928,570
			Prepaid Expenses	8,415,953,368	15,208,984,005
Total Current Liabilities	196,446,952,159	170,929,737,116	Total Current Assests	73,632,776,335	194,055,959,629
Non-Current Liabilities:			Fix Assest:		
Long- term Accounts Payable	57,820,367,822	96,463,913,845	Tangible Assests	224,926,138,755	276,805,705,945
Retained Profit	6,915,522,212	15,911,799,145	Long-term Investments	4,717,018,855	14,717,018,855
Total Non-Current Liabilities	64,735,890,034	112,375,712,990	Intangible Assests	2,651,421,417	121,673,035
			Other Assests	2,054,665,786	3,793,382,824
Total Liabilities	261,182,842,193	283,305,450,106	Total Fix Assests	234,349,244,813	295,437,780,659
Equities:					
Capital	30,000,000,000	101,482,680,000			
On Account Capital Increase		26,102,750,000			
Legal Reserve	3,000,000,000	6,359,678,506			
Other Reserve	7,173,531,912	7,173,531,912			
Accumulated Profit	6,625,647,043	65,069,649,764			
Total Equities	46,799,178,955	206,188,290,182			
Total Liabilities and Equities	307,982,021,148	489,493,740,288	Total Assests	307,982,021,148	489,493,740,288

Financial Statements

Profit/Loss Income Statement on 20 March 2010

	1387 Rials	1388 Rials
Services Income	205,979,532,249	376,671,094,290
Services Finished Price	(128,113,290,793)	(220,853,535,464)
Gross Profit	77,866,241,456	155,817,558,826
General and Administrative Costs	(38,259,769,924)	(58,984,709,517)
Other Operational Income (net)	168,000,000	163,000,000
	(38,091,769,924)	(58,821,709,517)
Net Profit	39,774,471,532	96,995,849,309
Financial Costs	(4,373,698,630)	(11,060,939,763)
Accumulated Profit in the beginning	1,761,295,674	2,765,441,036
	(2,612,402,956)	(8,295,498,727)
Profit Before Tax	37,162,068,576	88,700,350,582
Tax on Income	(8,811,180,350)	(21,506,780,468)
Net Profit	28,350,888,226	67,193,570,114
Net Profit	28,350,888,226	67,193,570,114
Accumulated Profit in the beginning	5,485,796,541	27,714,734,414
	(11,756,037,724)	(21,089,087,371)
Modified Accumulated profit	(6,270,241,183)	6,625,647,043
Profit Distribution	22,080,647,043	73,819,217,157
Appropriation of Profit:		
Legal Reserve	(1,125,000,000)	(3,359,678,506)
Dividend	(2,800,000,000)	(5001000000)
Board Bonus	(280,000,000)	(388888887)
Capital Increase	(11,250,000,000)	0
Accumulated Profit in the Final Period	6,625,647,043	65,069,649,764



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