



## State of New Jersey

CHRIS CHRISTIE  
*Governor*

DEPARTMENT OF THE TREASURY  
DIVISION OF INVESTMENT  
P.O. BOX 290  
TRENTON, NJ 08625-0290

KIM GUADAGNO  
*Lt. Governor*

ANDREW P. SIDAMON-ERISTOFF  
*State Treasurer*

March 3, 2014

Report to the New Jersey Legislature  
pursuant to P.L. 2007, c.250  
(Investments in Iran)

P.L. 2007, Chapter 250 (the "Act") provides that no assets of any pension or annuity fund under the jurisdiction of the Division of Investment (the "Division") shall be invested in any foreign company that has an equity tie to the government of Iran or its instrumentalities and is engaged in business operations with entities in the defense sector or nuclear sector of Iran, or engaged in business operations with entities involved in the natural gas or petroleum sectors of Iran, in or with that government and its instrumentalities. This prohibition shall not apply to the activities of any foreign company providing humanitarian aid to the Iranian people through either a governmental or non-governmental organization. The Act requires the State Investment Council and the Director of the Division (the "Director") to take appropriate action to sell, redeem, divest or withdraw from any investment held in violation of the provisions of the Act.

The Act further requires that the Director annually file with the Legislature a report on all investments sold, redeemed, divested or withdrawn in compliance with the Act. Each annual report shall provide a description of the progress which the Division has made since the previous report and since the enactment of the Act in implementing the provisions of the Act.

In accordance with the provisions of the Act, the Director reviews the recommendations of and consults with an independent research firm. The Division currently utilizes IW Financial as its research provider.

974.901

P24a

The following summarizes all investments sold in compliance with the Act since our last report and our initial report. The pension and annuity funds did not hold securities of any companies on the prohibited list as of the date of this report.

Company	Sales Feb. 1, 2013 through January 31, 2014 (a)		Sales March 1, 2008 through January 31, 2014 (a)	
	Shares/Par	Net Sales Proceeds (000's) (b)	Shares/Par	Net Sales Proceeds (000's) (b)
Atlas Copco	-	-	2,000,000	\$ 42,764
Bureau Veritas	87,500	\$ 10,175	87,500	10,175
China Petroleum & Chemical Co.	17,525,630	16,522	17,525,630	16,522
Commerzbank AG (c)	-	-	10,090,900	34,883
ENI Spa	-	-	2,500,000	82,571
Gail India Ltd.	-	-	15,043	970
Gazprom OAO	-	-	589,629	11,906
GDF Suez (c)	-	-	6,029,534	236,564
GS Engineering & Construction (c)	-	-	22,449	3,133
Hyundai Engineering & Construction Co., Ltd. (c)	-	-	65,757	3,794
Hyundai Heavy Industries	-	-	22,376	6,437
Japan Tobacco Inc. (c)	-	-	1,288,331	114,269
Lukoil OAO (c)	-	-	92,406	7,309
Marubeni Corp. (c)	-	-	2,524,900	16,247
Mitsubishi UFJ Financial Group (c)	-	-	16,103,740	81,150
Mitsui & Co.	-	-	2,100,000	27,952
OMV AG (c)	-	-	353,370	26,323
PetroChina Co. Ltd.	87,329	9,545	87,329	9,545
Petroleo Brasileiro (c)	-	-	590,797	25,326
Sampo Oyj (c)	-	-	667,197	16,784
Sasol Ltd. (c)	-	-	30,505	1,161
Siemens AG - common stock (c)	-	-	688,371	67,306
Siemens AG - debentures (c)	-	-	25,000,000	30,288
SNC-Lavalin Group Inc. (c)	-	-	40,000	2,090
StatoilHydro ASA	-	-	2,500,000	75,110
Sumitomo Corporation	1,082,400	13,980	1,082,400	13,980
Total		\$ 50,222		\$ 964,559

(a) This chart only includes sales occurring while the Company was on the prohibited list

(b) After reduction of all commission and regulatory fees

(c) Company is not on the prohibited list as of the date of this report

As of the date of this report, the Division has identified the following foreign companies that have equity ties to the government of Iran or its instrumentalities and are engaged in business operations with entities in the defense sector or nuclear sector of Iran, or engaged in business operations with entities involved in the natural gas or petroleum sectors of Iran, in or with that government and its instrumentalities and are therefore ineligible for investment by the pension or annuity funds: Aban Offshore Ltd, Arabian Pipes Co, Atlas Copco AB, Bharat Petroleum Corporation Ltd, Bureau Veritas, China Oilfield Services Limited, China Petroleum & Chemical Co, Daelim Industrial Co, Dominion Energy Plc, Dragon Oil Plc, ENI Spa, Exmar SA, Gail India Ltd, Gas Natural SDG, Gazprom OAO, Hyundai Corporation, Hyundai Heavy Industries Co Ltd, INA Industrija nafte DD, Indian Oil Corporation Ltd, Japan Petroleum Exploration Co, Ltd, Kingdream Public Ltd Co, Liquefied Natural Gas Ltd, Maire Tecnimont S.p.A., Mitsui & Co, Oil & Natural Gas Corporation Ltd, Oil India Ltd, PetroChina Co Ltd, PTT Public Company Limited, Schlumberger Ltd, Scomi Group Bhd, SGS SA, StatoilHydro ASA, Sumitomo Corporation, Technip, Total SA, Toyota Tsusho Corporation and Zio-Podolsk.

The Division will continue to periodically consult with the independent research firm to identify any additional companies that are identified as having ties which are in violation of the Act. Such companies will be added to the prohibited investment list, and the Division will divest of any pension or annuity fund holdings in those companies accordingly.



Christopher McDonough  
Acting Director