



HELLENIC REPUBLIC ASSET  
DEVELOPMENT FUND

## **Updated Asset Development Plan**

**Revision of 26 April, 2016**

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# 1. Regional Airports

Privatisation Method	Advisors	Current Status
<p>Long-term (40+10 years) concession</p> <p>14 Regional airports divided into two clusters of 7 airports each</p>	<p><b>For the 14 regional airports</b></p> <p>Financial Advisors:</p> <ul style="list-style-type: none"> <li>- Citi Bank</li> <li>- EFG Eurobank</li> </ul> <p>Legal Advisors:</p> <ul style="list-style-type: none"> <li>- Norton Rose</li> <li>- Drakopoulos &amp; Vasalakis</li> <li>- YourLegalPartners</li> </ul> <p>Technical Advisors:</p> <ul style="list-style-type: none"> <li>- Doxiadis</li> </ul>	<p><b>14 Regional airports</b></p> <ul style="list-style-type: none"> <li>• Tender awarded (December 2014) to the consortium of Fraport - Slentel for €1.2bn, plus 28.5% EBITDA sharing, plus €23mn annual payments</li> <li>• Additional cumulative fiscal, social and other benefits accounting to approximately €4.6bn</li> <li>• Concession agreement and tender process approval by the Court of Audit (January 2015)</li> <li>• Concession agreement signed (December 2015)</li> <li>• Currently, both sides are working on the fulfillment of the Conditions Precedent</li> <li>• Financial closing and handover (November 2016)</li> </ul>

## 2. Hellinikon

Former Athens airport over 6.000.000 sq.m seafront real estate

Privatisation Method	Advisors	Current Status
Sale of 100% shares of Hellinikon S.A. which will get ownership of 30% of the property and will have the right to develop (surface) and manage 100% of the property for 99 years	<p>Financial Advisors:</p> <ul style="list-style-type: none"><li>- Citi Bank</li><li>- Piraeus Bank</li></ul> <p>Legal Advisors:</p> <ul style="list-style-type: none"><li>- Watson, Farley Williams</li><li>- Fortsakis, Diakopoulos, Mylonogiannis and Partners</li></ul> <p>Technical Advisors:</p> <ul style="list-style-type: none"><li>- Decathlon</li></ul>	<ul style="list-style-type: none"><li>• LAMDA Development has signed the contract on November 14<sup>th</sup> 2014. Financial closure is expected after the fulfilment of several conditions precedent</li><li>• Long stop date is within two years, hence on 14<sup>th</sup> November 2016</li><li>• Total financial consideration of €915mn</li><li>• MoU to be agreed with the investors on 15 April</li><li>• Share Purchase Agreement to be ratified in Parliament soon after</li></ul>

### 3. Astir Vouliagmenis

Hotel Complex of Astir Palace Vouliagmeni S.A., including the marina Subsidiary

Privatisation Method	Advisors	Current Status	Next Steps – Main Issues
Sale of 81,122,156 shares of Astir Palace S.A.  Tender Run by NBG S.A.	Financial Advisors: - Piraeus Bank  Legal Advisors: - Potamitis Vekris  Technical Advisors: - Decathlon	<ul style="list-style-type: none"><li>JERMYN, comprised of a consortium of Turkish and Arabic investors, has signed the contract on September 17<sup>th</sup> 2014</li><li>The Council of State has rejected the proposed Presidential Decree for the development of the site and a revised development plan is being drafted for submission to the competent authorities and further review by the Council of State upon successful conclusion of current negotiations with the investors</li></ul>	Main Issues to be addressed: <ul style="list-style-type: none"><li>The new proposed ESCHADA development plan was presented to the CAC</li><li>Public Consultation of Strategic Environmental Study closed on the 23<sup>rd</sup> February</li><li>Draft PD under preparation, in order to be approved by CAC by end April 2016</li></ul>

#### 4. Afantou Rhodes

Golf and Tourist development in two properties in the Afantou area of the island of Rhodes

Privatisation Method	Advisors	Current Status	Next Steps – Main Issues
Sale of 100% of the shares of 2 or more SPVs set up by HRADF for each property (Golf Afantou & Southern Afantou) to be acquired by M.A. Angeliades (Preferred Investor for Property A) and T.N. Aegean Sun Investment Limited (Preferred Investor for Property B)	Financial Advisors: - Piraeus Bank  Legal Advisors: - Potamitis Vekris  Technical Advisors: - Decathlon	<ul style="list-style-type: none"><li>• The tender has been approved by the Court of Auditors and the development plan has been signed off by the Council of State (draft Presidential Decree)</li><li>• An amendment is needed to correct the total area of the property and a new draft Presidential Decree must be approved and signed off by the Council of State</li></ul>	Main Issues to be addressed: <ul style="list-style-type: none"><li>• Central Administration Council approval awaited of the revised Presidential Decree and forwarding and resubmitting it to the Council of State</li></ul>

## 5. Hellenic Gas Transmission System Operator (DESFA)

DESFA, DEPA's wholly-owned subsidiary, owns and operates the regulated high pressure gas transport network and LNG re-gasification facilities in Greece

Privatisation Method	Advisors	Current Status
Sale of 66% (31% HRADF - 35% HELPE) of DESFA's shares to the State Oil Company of the Republic of Azerbaijan ("SOCAR") through a public tender offer	Financial Advisors: <ul style="list-style-type: none"><li>- Alpha Bank</li><li>- UBS</li><li>- Rothschild</li></ul> Legal Advisors: <ul style="list-style-type: none"><li>- Koutalidis Law Firm</li><li>- Clifford Chance</li></ul>	<ul style="list-style-type: none"><li>• SPA and SHA signed on 21.12.2013</li><li>• Pricing policy under revision</li><li>• Negotiations between SOCAR and third parties for the acquisition of a minority stake are under way</li><li>• Transaction under DG COMP approval</li></ul>

## 6. Piraeus Port Authority (OLP)

The largest Port Authority of Greece, OLP S.A. has a long-term concession agreement with the HR for the use of the Port until 2052 and is listed on the Athens Exchange

Privatisation Method	Advisors	Current Status	Next Steps – Main Issues
<p>Sale of 67% of the share capital of Piraeus Port Authority S.A.:</p> <ul style="list-style-type: none"> <li>- 51% settled at closing</li> <li>- Additional 16% settled 5 years following closing subject to completion of mandatory capex</li> </ul> <p>HRADF currently holds 74% of the shares</p>	<p>Financial Advisors:</p> <ul style="list-style-type: none"> <li>- Morgan Stanley</li> <li>- Piraeus Bank</li> </ul> <p>Legal Advisors:</p> <ul style="list-style-type: none"> <li>- Freshfields</li> <li>- AKL</li> </ul> <p>Technical Advisors:</p> <ul style="list-style-type: none"> <li>- HPC</li> <li>- Marnet</li> </ul>	<ul style="list-style-type: none"> <li>• Cosco Group (Hong Kong) Limited is nominated Preferred Investor for the acquisition of the 67% share capital of OLP. The offer provided for a €22/ share price, i.e. €368,5mn</li> <li>• Total value of the agreement estimated at €1,5 bn, including also mandatory investment amounting to €350 mn over the next decade, plus the expected revenues from the Concession Agreement for the Hellenic Republic (a concession consideration of 3.5% of PPA's turnover), expected to total €410 mn overall (incl. expected dividends and the interest rate to be received by HRADF, plus estimated investments until the end of the concession in 2052)</li> <li>• The full documentation package of the international tender has been approved by the Court of Auditors</li> <li>• SPA/SHA signed on 8/4/2016</li> <li>• Concession Agreement to be ratified in Parliament in May 2016</li> </ul>	<p>Main Issues</p> <ul style="list-style-type: none"> <li>• Approvals from the Hellenic Competition Commission (application from Cosco) and the Greek Parliament (amended concession agreement)</li> <li>• Conversion of Ports' Regulatory Authority to an independent authority and appropriate staffing to allow the regulator to properly function</li> <li>• Allocation of administrative &amp; other responsibilities/ competences to be removed from OLP under the amended concession agreement and transferred to the Hellenic Republic/Port Regulatory Authority</li> </ul>



## 7. Thessaloniki Port Authority S.A. (OLTH)

The second largest Port Authority of Greece, OLTH S.A. has a long-term concession agreement with the HR for the use of the Port until 2051 and is listed on the Athens Exchange

Privatisation Method	Advisors	Current Status	Next Steps – Main Issues
<p>Sale of 67% of share capital of Thessaloniki Port Authority S.A.</p> <p>HRADF currently holds 74% of the shares</p>	<p>Financial Advisors:</p> <ul style="list-style-type: none"> <li>- Morgan Stanley</li> <li>- Piraeus Bank</li> </ul> <p>Legal Advisors:</p> <ul style="list-style-type: none"> <li>- Freshfields</li> <li>- AKL</li> </ul> <p>Technical Advisors:</p> <ul style="list-style-type: none"> <li>- HPC</li> <li>- Marnet</li> </ul>	<ul style="list-style-type: none"> <li>• Currently in second phase.</li> </ul> <p>Eight Investors preselected</p> <ul style="list-style-type: none"> <li>- APM</li> <li>- Deutsche Invest</li> <li>- ICTSI</li> <li>- Duferco Participation</li> <li>- Mitsui &amp; Co</li> <li>- P&amp;O Steam Navigation</li> <li>- Russian Railways JSC / GEK TERNA S.A.</li> <li>- Yilport Holding</li> </ul> <ul style="list-style-type: none"> <li>• Investors given access to the VDR but not yet to full documentation package</li> <li>• Binding bids: Q3 2016</li> </ul>	<p>Main Issues</p> <ul style="list-style-type: none"> <li>• First draft of the amended concession agreement has been forwarded to Ministries based on the OLP precedent work. Should be finalized by 15/4/2016</li> <li>• Conversion of Ports’ Regulatory Authority to an independent authority and appropriate staffing to allow the regulator to properly function</li> <li>• Allocation of administrative &amp; other responsibilities/competences to be removed from OLTH under the Amended Concession Agreement and transferred to the Hellenic Republic/Port Regulatory Authority</li> </ul>

## 8. TRAINOSE S.A. & EESSTY (ROSCO)

**TRAINOSE** is engaged in the provision of traction services for the rail transportation of passengers and freight, the development, organization and exploitation of urban, suburban, regional, extra-urban and international railway transportation of passengers and freight and the provision of logistics services of any nature

**EESSTY**, is a newly established (2013) company. Today, the Hellenic Republic Asset Development Fund owns 100% of the share capital of EESSTY. EESSTY provides rolling stock maintenance and availability services to train operating companies

Privatization Method	Advisors	Current Status
<p>Sale of 100% of the share capital of TRAINOSE S.A</p> <p>Sale of 100% of share capital of EESSTY S.A.</p>	<p>Financial Advisors:</p> <ul style="list-style-type: none"> <li>- IBG</li> <li>- Kantor</li> </ul> <p>Legal Advisors:</p> <ul style="list-style-type: none"> <li>- Bernitsas</li> <li>- Hogan Lovells</li> </ul> <p>Technical Advisors:</p> <ul style="list-style-type: none"> <li>- Louis Berger</li> </ul>	<p>Both tenders are in progress</p> <p><b>TRAINOSE</b> Non-binding E.o.I. 15/4/2016 Binding Offer Date: 31/5/2016</p> <p><b>EESSTY</b> Binding Offer date: 31/5/2016 Three prequalified investor schemes:</p> <ul style="list-style-type: none"> <li>• Alstom – Damco</li> <li>• RZD-GEKTERNA</li> <li>• Siemens</li> </ul>

## 9. Athens International Airport (AIA)

AIA is the main airport of Greece, located in Athens. AIA was established in 1996 as a Public-Private Partnership with a 30-year concession agreement that grants to AIA the right to use the airport site for the purpose of the “design, financing, construction, completion, commissioning, maintenance, operation, management and development of the airport” until 2026

Privatisation Method	Advisors	Current Status
<p>HRADF holds 30% of the shares of AIA and the right to extend the duration of the Concession Agreement for 20 more years (i.e. up to 2046)</p> <p>The Hellenic Republic holds 25%</p> <p>The method and timing of the sale of 30% of shares will be decided at a later stage</p>	<p>Financial Advisors:</p> <ul style="list-style-type: none"><li>- Eurobank – Lamda Infrastructure Finance</li></ul> <p>Legal Advisors:</p> <ul style="list-style-type: none"><li>- Potamitis-Vekris</li><li>- Clifford Chance</li></ul>	<ul style="list-style-type: none"><li>• The negotiations between AIA and HRADF regarding the extension of the concession agreement have been initiated, following relevant decisions of the BoDs of both companies</li><li>• Sale of 30% to be considered by HRADF’s BoD</li></ul>

**10. E-auction III, IV, V, VI & Small Real Estate Assets**

Privatisation Method	Advisors	Current Status	Next Steps – Main Issues
Sale of properties through the e-auction platform	Project advisors for e- auction II and III, legal and technical: - ETAD  E auction IV and forth : - KLC Legal Advisors - ETAD Technical Advisors	<ul style="list-style-type: none"> <li>• Ongoing sales</li> <li>• Signing of contracts</li> </ul>	Contracts to be signed by HRADF: <ul style="list-style-type: none"> <li>- 18, Florinis st, Athens</li> <li>- Agios Mamas property in Chalkidiki</li> </ul>

**E-auction VI (11 properties):** sale of 10 land plots and buildings in Myconos, Pelion, Ileia, Evoia, Achaia, Serres and Lesvos and 50 years lease of one building in Rhodes.

**Other small Real Estate Assets**  
 Real estate to remain with HRADF following agreement

## 11. Marinas

Privatisation Method	Advisors	Current Status
Long-term (40 years) concession	To be selected and appointed immediately	<ul style="list-style-type: none"> <li>A number of marinas, small ports and the remaining Port Authorities are under HRADF</li> <li>The tender processes of Alimos cluster and Chios completed without investor interest. Tender(s) to be re-launched</li> <li>HRADF BoD assessing options; final decision pending</li> </ul>

### Marina of Pylos

Privatisation Method	Advisors	Current Status
Long-term (40 years) concession of the marinas	Financial Advisors: - IBG  Legal Advisors: - KLC  Technical Advisors: - ROGAN & Associates	<ul style="list-style-type: none"> <li>Currently in 2nd phase of tender process 8 prequalified investors</li> <li>The Strategic Environmental Impact Study is under approval by the Ministry of Culture (since January 2016)</li> <li>The Ministry of Culture required two additional studies that were submitted by HRADF in March 2016</li> </ul>

## 12. Egnatia Motorway

A 648km fully constructed toll motorway in Northern Greece linking Igoumenitsa to the Turkish borders and three Vertical Axes to the motorway

Privatisation Method	Advisors	Current Status
Long-term (35 years) concession of Egnatia Motorway S.A. and three Vertical Axes	<ul style="list-style-type: none"><li>- Tender launched: March 2016</li><li>- Offers' submission: end of April 2016</li><li>- Selection &amp; appointment: May 2016</li></ul>	<ul style="list-style-type: none"><li>• Estimated Launch of Tender's first Phase (Eol): September 2016</li><li>• A number of Government actions pending</li></ul>

### 13. Hellenic Petroleum (HELPE)

Hellenic Petroleum S.A. is the leading oil refiner and distributor in Greece and a significant player in the Southeast European market. It operates three refineries in southern and northern Greece which cover approximately 2/3 of the country's refining capacity

Privatisation Method	Current Status	Next Steps – Main Issues
HRADF holds 35% of the shares.	Alternative options are being considered	Engagement of advisors by Q3 2016 to evaluate alternative strategic options and provide recommendations

### 14. OTE

Hellenic Telecommunications Organization (OTE S.A.) is the largest telecommunications provider in the Greek market, and, together with its subsidiaries, forms one of the leading telecom groups in Southeastern Europe. OTE is among the five largest listed companies, with respect to capitalization, on the Athens Exchange. OTE is also listed on the London Stock Exchange (LSE)

Privatisation Method	Current Status
Hellenic Republic holds 6% of share capital and the voting rights of IKA shares, which holds 4% of the share capital	<ul style="list-style-type: none"><li>• Hellenic Republic to transfer 5% to HRADF for sale</li><li>• Advisors to selected by May 2016</li></ul>

### 15. Public Power Corporation (PPC)

PPC S.A. is the incumbent power producer and electricity supply company in Greece. PPC currently holds assets in lignite mines, power generation, transmission and distribution. PPC's current power portfolio consists of conventional thermal and hydroelectric power plants, as well as RES units

Privatisation Method	Current Status	Next Steps – Main Issues
Sale of 17% of PPC's shares, potentially in 2016	<ul style="list-style-type: none"><li>Plans for acquisition of ADMIE by the Greek State retention of 51% by the HR, sale of 20% to strategic investor and listing of 29% are underway</li></ul>	<ul style="list-style-type: none"><li>Engagement of advisors to HRADF by Q3 2016</li><li>Strategy to be determined by HRADF's BoD</li></ul>



## 16. Thessaloniki Water Supply & Sewerage (EYATH)

EYATH S.A. has the exclusive right to provide water and sewerage services in the Greater Thessaloniki Area through a 30-year exclusive concession agreement with the Hellenic Republic, effective from 2001

Privatisation Method	Current Status	Next Steps – Main Issues
Sale of 23% of the share capital  HRADF currently holds 74% of the shares	<ul style="list-style-type: none"><li>• Previous privatization attempt for the sale of 51% was put on hold based on a decision of the Council of State regarding the similar privatisation of EYDAP</li><li>• According to the decision, the state should retain at least 50% plus 1 share in EYDAP, so only a minority stake can be sold</li></ul>	Next Steps <ul style="list-style-type: none"><li>• HRADF to engage advisors by Q3 2016</li><li>• Assessment of alternative options for the sale of 23% of the shares</li><li>• Business Plan</li><li>• Improvement of the regulatory framework and adoption of a revised Concession Agreement by the Company and the Hellenic Republic</li></ul>

## 17. Athens Water Supply & Sewerage (EYDAP)

EYDAP S.A. has the exclusive right to offer water and sewerage services in the Greater Attica Area. The term of this right, as well as its renewal, is regulated by a 20-year Agreement signed by the Hellenic Republic and EYDAP in 1999.

Privatisation Method	Current Status	Next Steps – Main Issues
Sale of 11% of EYDAP shares.  HRADF holds 27% of the shares.	<ul style="list-style-type: none"><li>• According to a decision by the Council of State concerning the legality of the transfer of the shares to the HRADF, the transfer of 34,0033% of EYADAP shares has been canceled</li><li>• Therefore, HRADF owns 27% of EYDAP shares and the HR 34%. According to the decision, the state should retain at least 50% plus 1 share, so only a minority stake can be sold</li></ul>	Next steps <ul style="list-style-type: none"><li>• Hellenic Republic and HRADF to request return of capital to shareholders, as provided in corporate law</li><li>• HRADF to engage advisors by Q3 2016</li><li>• Business Plan</li></ul>

### 18. Public Gas Corporation (DEPA)

DEPA S.A. is the incumbent natural gas importer and distributor. It sources gas from a number of suppliers through long-term supply contracts and provides approximately 90% of the gas consumed in the country

Privatisation Method	Next Steps – Main Issues
HRADF holds 65% of the shares HELPE holds the rest 35% of the shares	Main Issues to be addressed <ul style="list-style-type: none"><li>• HRADF to engage advisors by Q3 2016</li><li>• Assessments of alternative options and re-launch a new process.</li></ul>

### 19. Hellenic Post S.A (ELTA)

Hellenic Post S.A. is the leading postal service provider in the Greek market and a member of the Universal Postal Union.

Privatisation Method	Current Status
HRADF holds 90% of the voting rights	<ul style="list-style-type: none"><li>• Appointment of new Chairman and new Managing Director</li><li>• To be transferred to New Fund following restructuring plan to be prepared within 6 months prior transfer</li></ul>