

**INVITATION FOR THE SUBMISSION OF PROPOSALS TO ACT AS
STRATEGY AND RESTRUCTURING ADVISER TO THE HELLENIC
REPUBLIC ASSET DEVELOPMENT FUND (“HRADF”) IN RELATION TO
THE HELLENIC REPUBLIC’S (“HR”) BANKING AND FINANCIAL
INSTITUTION HOLDINGS**

16 January, 2012

A. INTRODUCTION

The Hellenic Republic Asset Development Fund (“**HRADF**”) is seeking to appoint a leading Strategy and Restructuring Adviser (the “**Adviser**”) for the identification, assessment and prioritization of the best available options for the eventual value maximization of the Hellenic Republic’s (“**HR**”) equity holdings in the Agricultural Bank of Greece S.A. (“**ATE**”), the Hellenic Postbank S.A. (“**HPB**”) and in the Consignment Deposit & Loans Fund (“**CDLF**”) (henceforth each referred to as the “**Asset**” and together “**Assets**”) (the “**Project**”). It is envisaged that such options would - indicatively- include recapitalization, corporate restructuring, merger and/or unbundling of balance sheet and activities, etc. Within the framework of the Medium Term Fiscal Program of the HR, the HRADF is mandated to, ultimately, transfer the HR’s ownership over the Assets to the private sector.

B. BACKGROUND INFORMATION

1. Agricultural Bank of Greece (ATE)

ATE was founded in 1929. In 1991, the bank became private and in 2000 was listed on the Athens Stock Exchange. ATE’s retail network consists of 483 branches in Greece, 35 branches in Romania (via its wholly owned subsidiary ATE Bank Romania) and 1 branch in Germany. A share capital increase of € 1.26 billion was successfully concluded in June 2011 and a subsequent share capital increase of € 260.7 million took place in December 2011. Per nine-month 2011 consolidated and stand-alone audited interim statements of financial position, ATE’s assets were equal to € 26.5 and € 25.9 billion respectively. As of 30 September 2011, ATE Group employed 9,307 people out of which 6,433 in the banking/finance sector. The HR owns 89.9% of ATE’s shares.

2. Hellenic Postbank (HPB)

Hellenic Postbank was established in 1900. HPB is one of the largest Greek banks in terms of assets while its network consists of 136 branches and 820 corresponding postal offices. HPB is a publicly traded bank, listed on the Athens Stock Exchange. Per nine-month 2011 consolidated and stand-alone audited interim statements of financial position, HPB’s assets were equal to € 15.87 and € 15.89 billion respectively. As of 30 September 2011, HPB employed 2,620 people out of which 2,486 in the banking/finance sector. The HR directly owns 34% of HPB’s shares while the Hellenic Post Office (“**ELTA**”) owns another 9.9% (the HR owns 90% of ELTA shares and the HPB owns the remainder 10%).

3. Consignment Deposit & Loans Fund (CDLF)

CDLF has the exclusive right to receive consignments in Greece under the control of the Ministry of Finance. CDLF does not have a banking license, however it does have the ability to carry out a number of credit related activities such as to receive retail deposits from civil servants, extend long-term fixed rate mortgages to civil servants according to generally accepted lending criteria and extend loans to Local Government Authorities and Public Sector entities. Per CDLF's 2010 statement of financial position, assets were equal to € 6.6 billion and it employed 450 people.

C. SCOPE OF WORK

The Adviser will perform such strategic financial advisory services (the “**Services**”) to the HRADF, which will include, inter alia, the following:

1. Review of any relevant available information including historical, financial, strategic and operational work done to date by the Assets (and their subsidiaries and/or affiliates), any information memoranda, studies, reports, business plans, etc. relating to the Assets and the Greek financial services sector; review, comparison and assessment vis-à-vis relevant international best practices and experience;
2. Review and assessment of the current status, business model and strategic prospects of the Assets taking into account the prevailing macroeconomic conditions, the Greek financial services sector's medium term business prospects and the credit markets' current and projected conditions; review, comparison and assessment vis-à-vis relevant international best practices and experience;
3. Assessment and prioritization of the strategic options available to the HRADF in connection with its value maximization objective. These may include mergers of the Assets and/or mergers with other institutions, asset/liability reengineering and rationalization, corporate restructuring, liquidation and any other feasible transformation that would eventually lead to higher values;
4. Identification and assessment of any outstanding relevant issues and of all necessary actions that should be implemented in respect with the Assets;
5. Preparation and submission of a recommendation in the form of a **Restructuring Report** (the “**Report**”), in respect to the strategic positioning and orientation of each Asset and the relevant optimal transaction structure. The Report will include its key assumption parameters, requirements and milestones and will take into account a) the value maximization objectives of the HRADF, b) investors' interest potential, c) the dynamics of the Greek and international financial services' sectors.

D. NECESSARY QUALIFICATIONS

The HRADF invites leading Strategy and Restructuring Advisory/Consulting firms to submit their proposals, in writing which should include the following:

1. Proof of relevant international experience in the sector and, in particular, in similar, recent restructuring assignments in the financial services/banking sector. Experience in the Greek financial services/banking sector and market would also be an advantage.
2. Proposed team composition including relevant experience of the senior members of the team during the past five (5) years. Emphasis will be placed on the qualifications and experience of the team leader and team members assigned to the Project. It is explicitly noted that the team leader and team members may not change/replaced for the duration of the Project.
3. Presentation of the proposed approach to the assignment, critical issues, methodologies to be applied as well as its deliverables including an indicative timetable.
4. Evidence of robust financial standing proven by audited annual financial statements, according to I.F.R.S. for the last three (3) years.
5. Proposed, fee structure including a cap for fees and expenses for the term of the engagement.
6. Interested parties and the members of the proposed teams must declare in writing that they do not have a conflict of interest, as well as that they do not have a relationship of economic or other nature and that they are not retained by any of ATE, HPB and CDLF, any of their affiliates and/or subsidiaries or any other shareholder and/or any other party related to them in a way that gives rise to a conflict of interest. Such declaration as to conflict of interest will be in effect throughout the term of the Adviser's engagement.

The HRADF will make available to the Adviser any studies or material referring to the Assets that are at its disposal and will use its best efforts to ensure the cooperation of the Assets during the assignment.

Estimated Duration of the Engagement: Two (2) months.

Estimated Budget: The indicative budget for the assignment is estimated at Euro 150, 000 (plus VAT).

E. SELECTION PROCESS

1. The assignment will be awarded in accordance with the provisions of the Procurement Regulation of the HRADF approved by decision of the Minister of Finance (Government Gazette B' 2241/06.10.2011). The assessment shall take into consideration the above mentioned in article D qualifications and requirements, the fee proposal, according to the procedure mentioned in Article 3 Paragraphs 2.2 and 3 of the above Regulation.

2. The HRADF will evaluate proposals against the criteria set out in article D above and may require clarifications, additions or adjustments of the submitted offers as deemed necessary. Following this evaluation process, the three best (3) candidates will be invited to present their proposals and Project teams to the HRADF for final assessment.
3. The HRADF reserves, at the fullest extent possible and at its exclusive discretion, the right to cancel, suspend, amend or postpone at a later time this procedure, without any prior notice, as well as to terminate any negotiations or discussions at any stage of the process, without incurring any liability whatsoever as against any participant and/or any third party.

Interested parties should submit their offer, together with detailed CVs of the proposed team for the assignment and any other documentation that prove the firm's and the team's experience and expertise via e-mail to the **Hellenic Republic Asset Development Fund S.A. ("HRADF")** at the e-mail address ykomninakidis@hraf.gr marked **"INVITATION FOR SUBMISSION OF PROPOSALS FOR STRATEGY AND RESTRUCTURING ADVISER: BANKING AND FINANCIAL INSTITUTION HOLDINGS"**. Additionally, a hard copy of such offer may also, at the discretion of the interested parties, be submitted, in a sealed envelope, at the offices of the HRADF (1, Kolokotroni & Stadiou Street, 7th Floor, Postal Code: 105 62, Athens, Greece). Offers must be submitted not later than **30 January, 2012, 17:00, Athens time**, irrespective of the way of submission.