



HELLENIC REPUBLIC ASSET  
DEVELOPMENT FUND

## **Asset Development Plan**

**31 January, 2017**

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## 1. Regional Airports

Privatisation Method	Advisors	Current Status	Next Steps
<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><b>Financial Advisors:</b> Citi Bank EFG Eurobank</p> <p><b>Legal Advisors:</b> Norton Rose Drakopoulos &amp; Vasalakis YourLegalPartners</p> <p><b>Technical Advisors:</b> Doxiadis</p>	<p><b>14 Regional airports</b></p> <ul style="list-style-type: none"> <li>• Tender awarded in December 2014 to Fraport - Slentel Consortium for €1.2bn, plus 28.5% EBITDA sharing, plus €23mn annual payments</li> <li>• Additional cumulative fiscal, social and other benefits amounting 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) and ratified by the Parliament (May 2016)</li> </ul>	<ul style="list-style-type: none"> <li>• Financial Closing and Airports hand over ( March 2017)</li> </ul>

## 2. Hellinikon

Former Athens airport, a seafront real estate asset over 6.000.000 sq.m

Privatisation Method	Advisors	Current Status	Next Steps
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 right) and manage 100% of the property for 99 years	<p><b>Financial Advisors:</b> Citi Bank Piraeus Bank</p> <p><b>Legal Advisors:</b> Watson, Farley Williams Fortsakis, Diakopoulos, Mylonogiannis &amp; Partners</p> <p><b>Technical Advisors:</b> Decathlon</p>	<ul style="list-style-type: none"><li>• Signing of the Share Purchase Agreement and the Amending Agreement and approval by the Greek Parliament</li><li>• Total Financial Consideration of €915mn</li></ul>	<ul style="list-style-type: none"><li>• Submission of the Integrated Development Plan from Hellinikon S.A. to Hellinikon Office</li><li>• Launch of the public consultation for the Strategic Environmental Impact Study</li><li>• Submission of draft Presidential Decree for the Integrated Development Plan to the Council of State for sign off</li><li>• Completion of the conditions precedent of the transaction</li><li>• Financial Closing of the transaction</li></ul>

### 3. Afantou, Rhodes

Golf and tourist development in two properties in Afantou area of Rhodes island

Privatisation Method	Advisors	Current Status	Next Steps
Sale of 100% of the shares of 2 or more SPVs set up by HRADF for each property (Afantou Golf & Southern Afantou) to be acquired by M.A. Angeliades (Preferred Investor for Afantou Golf) and T.N. Aegean Sun Investment Limited (Preferred Investor for Southern Afantou)	<p><b>Financial Advisors:</b> Piraeus Bank</p> <p><b>Legal Advisors:</b> Potamitis Vekris</p> <p><b>Technical Advisors:</b> Decathlon</p>	<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>• PD ESCHADA was published in Governmental Gazette for two real estate assets (Volume on Compulsory Acquisitions and Urban Planning Issues Nr. 18/ 09.14.2016)</li></ul>	<ul style="list-style-type: none"><li>• Signing of Share Purchase Agreements</li><li>• Financial Closing of the Transaction</li></ul>

#### 4. 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% (HRADF's 31% - HELPE's 35%) of DESFA's shares to the State Oil Company of the Republic of Azerbaijan ("SOCAR") through a public tender	<p><b>Financial Advisors:</b> Alpha Bank UBS Rothschild</p> <p><b>Legal Advisors:</b> Koutalidis Law Firm Clifford Chance</p>	<ul style="list-style-type: none"><li>• SPA and SHA signed on 21.12.2013.</li><li>• The transaction is subject to approval by DG Competition of the European Commission</li><li>• HRADF examines the next steps, following the non-renewal of the guarantee from Socar and the expiration of the deadline for the fulfillment of the conditions for the financial closing of the transaction</li><li>• Issue new tender in Q1 2017</li></ul>

## 5. 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 of Piraeus until 2052 and is listed on the Athens Exchange

Privatisation Method	Advisors	Current Status	Next Steps
<p>Sale of 67% of the share capital of Piraeus Port Authority S.A.:</p> <ul style="list-style-type: none"> <li>○ 51% transferred and settled at the closing of the Transaction, in August 2016</li> <li>○ Additional 16% will be transferred at least in 5 years following the closing of the Transaction, subject to completion of the mandatory investments</li> </ul> <p>Following the completion of the transfer of 16%, HRADF will own 7% of OLP's shares</p>	<p><b>Financial Advisors:</b> Morgan Stanley Piraeus Bank</p> <p><b>Legal Advisors:</b> Freshfields AKL</p> <p><b>Technical Advisors:</b> HPC Marnet</p>	<ul style="list-style-type: none"> <li>• Cosco Group (Hong Kong) Limited was declared Preferred Investor for the acquisition of 67% of the share capital of OLP. The offer amounted to €22/ share, i.e. a total of €368,5mn</li> <li>• The Share Purchase Agreement was signed on 08.04.2016</li> <li>• On 10.08.2016 the transfer of 51% was completed for €280.5 mn</li> <li>• The total value of the Agreement is estimated at €1,5 bn</li> </ul>	<ul style="list-style-type: none"> <li>• 16% of the shares and their consideration amounting to €88 mn have been placed in bank escrow</li> <li>• The completion of the transfer will take place in at least five years after the completion of the mandatory investment program of € 300 mn</li> </ul>

## 6. 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 of Thessaloniki until 2051 and is listed on the Athens Exchange

Privatisation Method	Advisors	Current Status	Next Steps
<p>Sale of 67% of the share capital of Thessaloniki Port Authority S.A.</p> <p>HRADF currently holds 74% of the shares</p>	<p><b>Financial Advisors:</b> Morgan Stanley Piraeus Bank</p> <p><b>Legal Advisors:</b> Freshfields AKL</p> <p><b>Technical Advisors:</b> HPC Marnet</p>	<ul style="list-style-type: none"> <li>• Currently in second phase.</li> </ul> <p>Eight Investors have been 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>• On 18.11.2016 HRADF's BoD decided, at the request of the interested parties, the autonomous participation of each of Russian Railways JSC and GEK TERNA S.A. in the tender process</li> <li>• Final drafts of the tender legal documents have been made available to investors through the Virtual Data Room on 27.01.2017</li> <li>• Binding bids: Q1 2017</li> </ul>	<ul style="list-style-type: none"> <li>• 24.03.2017: Submission of binding offers</li> <li>• Staffing of the Port Regulatory Authority and the Thessaloniki Office of the Public Ports Authority, in order to ensure their proper functioning</li> </ul>

## 7. 10 Port Authorities

The Port Authorities of Alexandroupolis, Elefsina, Lavrion, Rafina, Igoumenitsa, Corfu, Kavala, Volos, Patras, and Heraklion have long-term concession agreements with the HR for the use of the respective ports until 2042. HRADF holds 100% of the shares

Privatisation Method	Next Steps
Concession of the right to exploit specific and/ or combined port activities/ services of the Port Authorities	<ul style="list-style-type: none"><li>• Completion of strategic study by external advisor to assess (a) which ports present the greater development potential, and (b) which specific port activities in the assessed Port Authorities may attract private investors</li><li>• The Port Authorities and the specific port activities that present development potential are sorted by HRADF Board in order of priority in Q3 2017</li><li>• Approval for the gradual kick-off of tender processes for the exploitation of the selected port activities / services for some of the 10 Port Authorities by HRADF BoD starting in Q3 2017</li><li>• Call for hiring advisors to be published in Q4 2017</li><li>• Following a resolution of HRADF's Board that the total potential development processes for the exploitation of the selected port activities / services of some of the Port Authorities has been implemented – concluded, the 10 Port Authorities shall be transferred to EDIS all together for common management / supervision</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 S.A., (ROSCO) 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	Next Steps
<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><b>Financial Advisors:</b> IBG Kantor</p> <p><b>Legal Advisors:</b> Bernitsas Hogan Lovells</p> <p><b>Technical Advisors:</b> Louis Berger</p>	<p><b>TRAINOSE</b></p> <ul style="list-style-type: none"> <li>SPA between HRADF and Ferrovie dello Stato Italiane SpA signed on 18.1.2017</li> </ul> <p><b>EESSTY</b></p> <ul style="list-style-type: none"> <li>Call for a new tender on 22.07.2016</li> <li>Submission of a non-binding interest on 17.10.2016 by: <ul style="list-style-type: none"> <li>Ferrovie dello Stato Italiane S.p.A.</li> <li>ŠKODA TRANSPORTATION a.s.</li> </ul> </li> </ul>	<p><b>TRAINOSE</b> Satisfaction of the transaction's conditions precedent:</p> <ol style="list-style-type: none"> <li>Closing of the Greek government's notification dossier to DG COMP on non-compatible State Aid and b.) Write off of the debt owed by TRAINOSE to OSE</li> <li>Financial Close</li> </ol> <p><b>EESSTY</b></p> <p>Biding Offers Submission Deadline: 30.6.2017</p>

## 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 “designing, financing, construction, completion, commissioning, maintenance, operation, management and development of the airport” until 2026

Privatisation Method	Advisors	Current Status
<p>HRADF holds 30% of AIA’s shares and the right to extend the duration of the Concession Agreement for 20 more years (i.e. up to 2046)</p> <p>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><b>Financial Advisors:</b> Eurobank – Lamda Infrastructure Finance</p> <p><b>Legal Advisors:</b> Potamitis-Vekris Clifford Chance</p>	<ul style="list-style-type: none"><li>• The negotiations between AIA and HRADF on the extension of the concession agreement are initiated, following relevant decisions of both companies’ BoDs and are expected to conclude in Q1 2017</li><li>• Call for hiring advisors for the sale to be published in Q1 2017</li></ul>

## 10. E-auction V, VI, VII & Real Estate Assets

Privatisation Method	Advisors	Current Status	Next Steps
Sale of properties through the e-auction platform	<p><b>Legal Advisors</b> KLC Legal Advisors</p> <p><b>Technical Advisors</b> ETAD Technical Advisors</p>	<ul style="list-style-type: none"> <li>• Ongoing sales</li> <li>• Signing of contracts</li> </ul>	<p>Contracts to be signed by HRADF:</p> <ul style="list-style-type: none"> <li>• Agios Mamas property in Chalkidiki</li> <li>• Leto Hotel in Mykonos</li> </ul>

**E-auction VII (14 properties):** for the sale of 14 land plots and buildings and long-term lease of 4 real estate assets in Attica, Kavala, Crete, Argolis, Messinia, Chalkidiki and Dodecanesa

### Other Real Estate Assets

Screening and actions for the development of other property remaining under HRADF. Priority on Thermal Springs, Gournes in Crete, Castello Bibelli in Corfu, Camping properties in Northern Greece, Porto Helli, Vartholomio and Sampariza projects.

## 11. Marinas

Privatisation Method	Advisors	Current Status
Long-term lease	To be selected and appointed immediately	<ul style="list-style-type: none"> <li>A number of marinas, small ports and other Port Authorities are under HRADF</li> <li>HRADF's BoD is assessing alternative options for their development</li> </ul>

### Marina of Pylos

Privatisation Method	Advisors	Current Status
Long-term (40 years) lease of the marina	<p><b>Financial Advisors:</b> IBG</p> <p><b>Legal Advisors:</b> KLC</p> <p><b>Technical Advisors:</b> ROGAN &amp; Associates</p>	<ul style="list-style-type: none"> <li>Submission of binding bids for the tender is expected on 13.3.2017</li> </ul>

## Marina of Alimos

Privatisation Method	Advisors	Next Steps
Long-term lease of the marina	<b>Financial Advisors:</b> Ernst & Young  <b>Legal Advisors:</b> Drakopoulos Valassakis & Your Legal Partners  <b>Technical Advisors:</b> Marnet	Invitation for the submission of EoI by interested eligible Investors (1st tender phase) will be issued within the Q1 2017

## Marina of Chios

Privatisation Method	Advisors	Next Steps
Long-term lease of the marina	<b>Financial Advisors:</b> Kantor Group  <b>Legal Advisors:</b> Sfikakis & Partners  <b>Technical Advisors:</b> Marnet	Invitation for the submission of EoI by interested eligible Investors (1st tender phase) will be issued within the Q1 2017

## Marina of Thessaloniki (Aretsou)

Privatisation Method	Advisors	Next Steps
Long-term lease of the marina	<b>Financial Advisors:</b> Kantor Group  <b>Legal Advisors:</b> Sfikakis & Partners  <b>Technical Advisors:</b> Marnet & Papagiannis & Samaras	Invitation for the submission of EoI by interested eligible Investors (1st tender phase) will be issued within the Q1 2017

## Marina of Mykonos

Privatisation Method	Advisors	Next Steps
Long-term lease of the marina		The process of selecting advisors for the development of marina is awaited in Q1 2017

## 12. EGNATIA MOTORWAY

A fully constructed and operating motorway with total length of 648 km , with toll stations, in Northern Greece, linking Igoumenitsa to the Turkish border, and the three Vertical to the motorway Axes

Privatisation Method	Advisors	Current Status	Next Steps
<p>Long-term (35 years) concession of operation and maintenance of Egnatia Motorway S.A. and its' three Vertical Axes</p>	<p><b>Financial Advisors:</b> Alpha Bank</p> <p><b>Legal Advisors:</b> Zemperis, Markezinis, Lamprou &amp; Partners Law Firm</p> <p><b>Technical Advisors:</b> AVARIS Transport Engineers and NOVUS Consulting Engineers</p>	<ul style="list-style-type: none"> <li>• Completion of consultation on 20.12.2016</li> <li>• Technical, Legal and Financial work is underway in preparation of EoI launch</li> </ul>	<ul style="list-style-type: none"> <li>• Tender Documents' Publication</li> <li>• Submission of Binding Offers</li> </ul> <p>Egnatia Odos S.A.</p> <ol style="list-style-type: none"> <li>1. Construction commencement of Toll Stations in Evzones, Pamvotis Mesti, Ieropigi.</li> <li>2. Signing of Construction Contracts with constructor for Evzones, Pamvotis Mesti, Ieropigi. (pending)</li> <li>3. Tender of Toll Stations' Construction project for Aliakmonas - Venetiko - Thessaloniki (done)</li> <li>4. BoD Decision and submission of File for environmental matters regarding the Toll Stations of Kavala - Asprovalta - Strimonikos (done)</li> <li>5. Environmental Licensing by the Ministry of Environment and Energy regarding the Toll Station of Asprovalta (done)</li> <li>6. Launch of Tender for Construction of Asprovalta Toll Station, in accordance with specifications and time limitations communicated by the Fund. (pending)</li> <li>7. Environmental Licensing by the Ministry of Environment and Energy regarding the Toll Stations</li> </ol>

			<p>of Kavala and Strimoniko (pending)</p> <p>8. Drafting of project construction tender documents for the Toll Stations in Kavala - Asprovalta – Strimonikos, in accordance with specifications and time limitations communicated by the Fund (pending)</p> <p>9. Perform a detailed Technical Survey/Audit to establish condition of existing pavements of the Motorway and the three vertical axes, in accordance with the specifications communicated by the Fund on 17/1/2017</p>
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### 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

<b>Privatisation Method</b>	<b>Current Status</b>	<b>Next Steps – Main Issues</b>
HRADF holds 35% of the shares.	Alternative options are being considered	Call for hiring advisors to be published in Q1 2017 for the evaluation of alternative strategic options and provision of relative 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. With respect to its capitalization, OTE is among the three largest listed companies on the Athens Exchange. OTE is also listed on the London Stock Exchange (LSE)

Privatisation Method	Current Status	Next Steps
The Hellenic Republic holds (directly and indirectly through the HRADF) 6% of the share capital of the company and the voting rights of IKA shares, which holds 4% of the share capital	<ul style="list-style-type: none"><li>• Transfer of 5% of OTE share capital from the Hellenic Republic to HRADF for sale (18.11.2016, Inter-ministerial Commission for Restructuring and Privatization 260, Governmental Gazette II 3723)</li></ul>	<ul style="list-style-type: none"><li>• Call for hiring advisors to be published in Q1 2017</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, as well as in the fields of power generation, transmission and distribution. PPC's current portfolio consists of conventional thermal and hydroelectric power plants and RES units

<b>Privatisation Method</b>	<b>Current Status</b>	<b>Next Steps – Main Issues</b>
Sale of 17% of PPC's shares	<ul style="list-style-type: none"><li>• Ongoing process of ADMIE's sale by PPC: sale of 25% to the Greek State, sale of 24% to a strategic investor and listing of the Holding Company which holds 51% of ADMIE on the stock market</li></ul>	<ul style="list-style-type: none"><li>• Call for hiring advisors to be published in Q1 2017</li><li>• Assessment of alternative options</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 as from 2001

Privatisation Method	Current Status	Next Steps
<p>Sale of 23% of the share capital</p> <p>HRADF currently holds 74% of the shares</p>	<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 on the similar privatization of EYDAP</li><li>• According to the decision, the State should retain at least 50% plus 1 share in EYDAP; therefore, only a minority stake can be sold</li></ul>	<ul style="list-style-type: none"><li>• Call for hiring advisors to be published in Q1 2017</li><li>• Assessment of alternative options</li><li>• Business Plan preparation and assessment</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 area of Attica. The term of this right along with its renewal are regulated by a 20-year Agreement, which was signed by Hellenic Republic and EYDAP in 1999.

Privatisation Method	Current Status	Next Steps
<p>Sale of 11% of EYDAP shares.</p> <p>HRADF holds 27% of the shares.</p>	<ul style="list-style-type: none"><li>• Following a decision of the Council of State on the legality of the transfer of the shares to HRADF, the transfer of 34,0033% of EYADAP shares is canceled</li><li>• Consequently, HRADF now owns 27% of EYDAP shares and HR 34%. According to the Court's decision, the State should retain at least 50% plus 1 share; therefore, only a minority stake can be sold</li></ul>	<ul style="list-style-type: none"><li>• Hellenic Republic and HRADF requested the distribution of previous years' profits to shareholders, as provided in corporate law. General Meeting's approval provided in December 2016</li><li>• Call for hiring advisors to be published in Q1 2017</li><li>• Assessment of alternative options</li><li>• Business Plan preparation and assessment</li><li>• Improvement of the regulatory framework and adoption of a revised Concession Agreement by the Company and the Hellenic Republic</li></ul>

### 18. Public Gas Corporation (DEPA)

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

Privatisation Method	Next Steps
HRADF holds 65% of the shares HELPE holds the remaining 35% of the shares	<ul style="list-style-type: none"><li>• Call for hiring advisors to be published in Q1 2017</li><li>• Assessment of alternative options and process re-launching</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 of ELTA shares	<ul style="list-style-type: none"><li>• Under transfer by the Greek State to HCAP (Law 4389/2016)</li></ul>