

Hellenic Republic Asset Development Fund S.A.  
1 Kolokotroni Street and Stadiou Str., 7th Floor  
P.C. 10562 Athens

Athens, February 21, 2013

INVITATION TO SUBMIT AN EXPRESSION OF INTEREST

For the acquisition of a stake in  
THESSALONIKI WATER SUPPLY AND SEWERAGE COMPANY S.A.  
("EYATH" or the "Company")

## I. TRANSACTION SCOPE AND OVERVIEW

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### 1. Introduction

The Hellenic Republic Asset Development Fund S.A. (the "Fund"), a company established in accordance with Law 3986/2011 "Urgent Measures for the implementation of the Mid-Term Fiscal Strategy Framework 2012-2015" (Government Gazette Bulletin A' 152) (the "Fund Law") and 100% owned by the Hellenic Republic (the "HR"), has undertaken the exploitation of private assets owned by the HR, as well as of private assets of public undertakings whose share capital is fully owned, directly or indirectly, by the HR or Public Law Legal Entities, in the context of the implementation of the Privatization Programme, as stated in Table II of Chapter B' of Law 3985/2011 "Mid-Term Fiscal Strategy Framework 2012-2015" (Government Gazette Bulletin A' 151).

Pursuant to article 5 of the Fund Law, all the assets of the HR included in the Privatization Programme as mentioned above are to be transferred to the Fund by virtue of a relevant decision of the Inter-ministerial Committee for Asset Restructuring and Privatisations (the "ICARP"). The privatisation of the joint stock company "Thessaloniki Water Supply and Sewerage Company S.A." ("EYATH" or the "Company") is part of the Mid-Term Fiscal Strategy 2012-2015.

By virtue of Decision No. 195/27.10.2011 of the ICARP (Government Gazette B/2501/04.11.2011), 40% of the share capital of EYATH was transferred to the Fund and by virtue of Decision No. 206/25.4.2012 of the ICARP (Government Gazette B/1363/26.04.2012), an additional 34.017% of the share capital of EYATH was transferred to the Fund.

Thus, the Fund currently owns 74.017% of EYATH. The shares of EYATH are listed on the Athens Exchange ("ATHEX").

Further information on the Company can be found at the website of EYATH ([www.eyath.gr](http://www.eyath.gr)) or of the ATHEX ([www.athex.gr](http://www.athex.gr)).

EYATH is currently the holder of the exclusive right to provide water and sewerage services in the greater urban Thessaloniki region under the provisions of Law 2937/2001 (Government Gazette A/169/26.07.2001) and of the relevant concession agreement dated 27.07.2001 (the "Concession Agreement") concluded by the Company with the HR and the Legal Entity of Public Law under the name "EYATH Fixed Assets" with a 30-year duration commencing from the date of its publication in the Hellenic Government Gazette of Law. 2937/2001 (A' 169).

The Fund's Board of Directors with a meeting held on 13.02.2013 has approved the process for the Transaction (as defined below) in accordance with this invitation. Within the framework of the above legislation, the Fund has decided to sell a stake in EYATH corresponding to 51% of the total share capital of EYATH, through an international public competitive tender process to be procured by the Fund ("Tender Procedure"). The Fund

and the Preferred Investor, as defined below, will execute a share purchase and a shareholders' agreement with respect to the Transaction (the "**Share Purchase Agreement**" and the "**Shareholders' Agreement**" respectively) for the transfer of a 51% stake in the total share capital of the Company and the management of EYATH.

Within the context of the Tender Procedure, EYATH shall be granted the right to enter into an amended Concession Agreement that may include, inter alia, amendments to the existing Concession Agreement. The exact terms of the Concession Agreement to be amended and/or commercially clarified, as the case may be, shall be determined in the Second Phase of the Tender Procedure.

## **2. Transaction structure**

By virtue of the present invitation to submit an expression of interest for the acquisition of a stake in EYATH (the "**Invitation**"), the Fund invites interested parties to submit their expression of interest for the acquisition of a stake of 51% in EYATH by way of purchasing existing shares from the Fund and assumption of the management of the Company through the conclusion of the Share Purchase Agreement and the Shareholders' Agreement (the "**Transaction**").

The Shareholders' Agreement shall include indicatively, *inter alia*, rights of the Fund as a minority shareholder, and possibly additional rights which shall be agreed in favour of the Fund and/or the Preferred Investor.

The Fund shall notify all Qualified Interested Parties of the terms of the Share Purchase Agreement and Shareholders' Agreement, as defined below, during the Second Phase of the Tender Procedure.

## **3. Process overview**

The purpose of this Invitation is to solicit expressions of interest from legal entities or consortia (the "**Interested Parties**") wishing to participate in the Tender Procedure with respect to the Transaction. The Tender Procedure is envisaged to be conducted in two (2) phases, subject to the Fund's right to introduce an additional intermediary phase of non binding offers.

### **3.1. First Phase**

This Invitation sets out further details with respect to the first phase of the Tender Procedure (the "**First Phase**").

Interested Parties are invited to express their interest to participate in the Tender Procedure by submitting a letter expressing their interest as per Section III.1 below, accompanied by the Supporting Documentation, as defined below (the "**Expression of Interest**").

Whether or not an Interested Party qualifies to participate in the second phase of the Tender Procedure (the “**Second Phase**”) is a matter that will be evaluated and determined by the Fund, on the basis of the criteria and the terms set out in Sections II and III below. Interested Parties will be notified in writing if they qualify or do not qualify to participate in the Second Phase.

### 3.2. Second Phase

The Interested Parties that qualify for the Second Phase (the “**Qualified Interested Parties**”) will be required to sign a confidentiality agreement (the “**Confidentiality Agreement**”). Upon execution of the Confidentiality Agreement, Qualified Interested Parties will receive a process letter (the “**Request for Binding Offers**”) with an overview of the Second Phase including instructions for the submission of Binding Offers, as defined below.

Qualified Interested Parties shall also receive, during the Second Phase, the following:

- i. access to a virtual data room set up with respect to EYATH in order to carry out their due diligence review;
- ii. vendor due diligence reports;
- iii. a draft Share Purchase Agreement and a draft Shareholders’ Agreement; and
- iv. a draft amendment of the Concession Agreement (the “**Draft Amended Concession Agreement**”).

Qualified Interested Parties shall be allowed to provide their non-binding comments on the Share Purchase Agreement, the Shareholders’ Agreement and the Draft Amended Concession Agreement according to the rules and the procedure included in the Request for Binding Offers. Following review by the Fund of any comments submitted, the final Share Purchase Agreement, the final Shareholders’ Agreement and the final Amended Concession Agreement will be circulated to the Qualified Interested Parties, on the basis of which the Qualified Interested Parties shall be required to submit, in writing, a binding final offer for the Transaction (the “**Binding Offer**”). The Binding Offer may also include other supporting documentation, the details of which shall be specified in the Request for Binding Offers and/or during the Second Phase.

After the submission of the Binding Offers, the Fund shall review such offers along with any supporting documentation and evaluate those based on the criteria to be specified in the Request for Binding Offers and/or during the Second Phase, in order to select the preferred investor among the Qualified Interested Parties (the “**Preferred Investor**”).

It is envisaged that the Second Phase will be concluded within approximately 3 - 4 months from the date the Qualified Interested Parties are invited to obtain access to the virtual data room. The timetable for the Second Phase will be described in the Request for Binding Offers.

Following the selection of the Preferred Investor and the issue of any necessary approvals by the Fund as well as clearance by the Hellenic Court of Auditors, the Fund and the

Preferred Investor shall enter into the Share Purchase Agreement and the Shareholders' Agreement. Subsequently, the Amended Concession Agreement shall be executed by the parties thereto and shall become effective upon the closing of the Transaction. The closing of the Transaction shall be effected following the issue of all necessary approvals by the competent authorities.

## **II. QUALIFICATION CRITERIA**

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### **1. General eligibility of Interested Parties**

Interested Parties must meet all the requirements of the Invitation in order to participate in the Tender Procedure.

#### **1.1. Bidding consortia**

Interested Parties may form a bidding consortium to participate in the Tender Procedure prior to the submission of the Expression of Interest.

##### **1.1.1. Exclusivity**

An Interested Party may only participate in one Expression of Interest. A member of a bidding consortium cannot participate directly or indirectly in any other bidding consortium, nor may a member thereof submit an individual Expression of Interest as an individual Interested Party. A violation of this rule shall cause the disqualification of all Interested Parties concerned.

##### **1.1.2. Lead Member designation**

If an Expression of Interest is submitted by a consortium, the consortium must designate one of its members as the leader (the "**Lead Member**"), which member shall be required to hold the largest stake in the consortium, corresponding to at least 34% of the total interest in the consortium. The Lead Member must control the management and operation of the consortium and must undertake to hold at least 34% of the total interest in the consortium for a period of at least three (3) years after the closing of the Transaction.

The Lead Member must fulfil all the financial and technical qualification requirements described under paragraphs 2.2 and 2.3 of Section II on a stand-alone basis, except when the Lead Member is a joint venture (the "**Lead Member Joint Venture**"), in which case the technical qualification requirements must be met by an entity holding at least 50% of the total interest in and controlling the management and operation of the Lead Member Joint Venture. This entity must undertake to hold at least 50% of the total interest in the Lead Member Joint Venture for a period of at least three (3) years after the closing of the Transaction.

The Lead Member, as it is represented in the Tender Procedure, must be duly authorised by the other consortium members to represent the consortium in relation to its participation in the Tender Procedure.

#### **1.1.3. Changes in the composition of a consortium**

Following the submission of the Expressions of Interest by a consortium, changes in the composition of the Interested Parties can only be effected as follows:

- i. new members in Interested Parties being consortiums can be added or consortiums formed in case the Interested Party is participating in the Tender Procedure individually, or members of a Interested Party consortium may transfer part or all of their participation to other members of the same consortium; or
- ii. Interested Parties may withdraw from the Tender Procedure and some or all of the entities forming such Interested Party may become members in other Interested Parties, notwithstanding 1.1.1. of this Section;

and provided further that:

- i. the Lead Member of such consortium must in all cases retain control over the management and operation and hold the largest stake in the consortium which must be at least 34% of the total interest in the consortium; and
- ii. after the changes in the composition, such Interested Party continues to fulfill all the criteria set out in Section II.2 below; and
- iii. the Fund has been notified of all changes thereof in writing no later than a cut-off date that will specified in the Request for Binding Offers and has granted its written authorisation.

#### **1.1.4. Consortium Agreement**

All members of the consortium shall be jointly and severally liable to the Fund for their compliance with the terms and conditions of the Tender Procedure.

#### **1.1.5. Legal Formation**

Consortia are not obliged to participate in the Tender Procedure under a specific legal form but may choose to form a legal entity. In such case, the consortium members must participate in the legal entity to be established, according to the same interest that they hold in the consortium.

## **2. Qualification requirements**

### **2.1. Legal Eligibility Qualification Requirements**

An Interested Party (or in the case of a consortium, each member of the consortium) must evidence compliance with the legal eligibility qualification requirements set forth in this Section, at the time of the submission of the Expression of Interest.

2.1.1. Interested Parties that have been convicted, in any jurisdiction, of criminal offences related to their professional / business conduct, as specified below, are not permitted to participate in the Tender Procedure and consequently shall be disqualified. As regards *sociétés anonymes*, this disqualification criterion applies to the Chairman of the Board of Directors and the Managing Director, based on the Articles of Association or equivalent document. For other types of legal entities, the above disqualification criterion applies to the entity's legal representative(s). Criminal offences related to the professional /business conduct include (but are not limited to) embezzlement, extortion, forgery, perjury, deceitful bankruptcy and additionally:

- i. participation in a criminal organisation, as defined in article 2 paragraph 1 of the Joint Act 98/733/JHA of the Council;
- ii. bribery, as defined in article 3 paragraph 1 of the Joint Act 98/742/JHA of the Council;
- iii. fraud, in the meaning of Article 1 of the contract relating to the protection of financial interests/concerns of the European Communities; and
- iv. money laundering, as defined in article 1 of Directive 91/308/EC of the Council, on the prevention of exploitation of the financial system for money laundering.

2.1.2. In addition, Interested Parties shall be disqualified if:

- i. they are bankrupt, in liquidation, in compulsory receivership or in any other relevant situation resulting from a similar process specified in the law of the country where they are based or in Greek law; or
- ii. valid proceedings have been instigated against them for bankruptcy, liquidation, compulsory receivership, bankruptcy settlement or any other similar process specified in national, legal and regulatory provisions.

## 2.2. Financial Qualification Requirements

Each Interested Party must demonstrate the following attributes, based on its annual audited consolidated financial statements for its three (3) most recent financial years.

- i. **Shareholders' Equity:** average shareholders' equity equal to eighty million Euros (€80,000,000) or higher, and
- ii. **Leverage:** average financial leverage of no more than 5.50 x Net debt/EBITDA ("**Leverage Multiple**") by calculating the average of the three annual Leverage Multiples. For the purposes of this calculation Net debt is defined as the aggregate financial indebtedness less any cash and cash equivalents.

The criteria under points i) and ii) above apply on a 3-year basis.

In the case of a consortium, the relevant criteria above apply to each consortium member on a proportionate basis, taking into account the relative percentage of each member in the consortium on the basis of the following formula:

$$X = (N1 \times P1) + (N2 \times P2) + \dots + (Nv \times Pv)$$

Where:

**N1** is the relevant figure of each member of the consortium, i.e. Shareholders Equity under (i) above or Leverage under (ii) above;

**P1** is the participation percentage in the consortium of the relevant consortium member; and

**v** is the number of consortium members.

In the event an Interested Party or a consortium member has merged with or acquired any businesses during the last three (3) financial years, the financial qualification requirements may also be met at the discretion of the Interested Party on the basis of pro-forma financial statements, prepared on the assumption that the merger or the acquisition took place at the beginning of the three (3) year period.

Private equity firms are exempted from the financial qualification requirements mentioned above, but must have uncommitted and unutilized funds for investment of no less than eighty million Euros (€80,000,000) according to: the most recent consolidated financial statements or its auditor reports or a relevant certification verified by an auditor (the “**Available Funds**”) (together the “**PE Criteria**”).

Should a private equity firm fulfil the PE Criteria, for the purpose of evaluating the financial qualification criteria within a consortium, i) its Available Funds will be used as a proxy for Shareholders Equity and ii) a Leverage Multiple of zero (0.0x) will be applied proportionally to the private equity firm’s participation in the consortium.

If a legal entity has been incorporated for less than three (3) financial years, the Fund will take into account only the years for which annual (or of a greater duration) financial statements have been produced.

### 2.3. Technical Qualification Requirements

Each Interested Party must demonstrate:

- i. experience in managing, planning, operating and maintaining water supply and sewerage infrastructure and services; and
- ii. experience in managing, planning, operating and maintaining water treatment and wastewater treatment facilities (including treatment by-product disposal); and
- iii. experience in managing, planning, operating and maintaining customer metering, billing and revenue collection functions;

in a single system serving a population of at least 500,000 during the last three (3) years. For the avoidance of doubt the summation of served population of several systems or companies or cities is not permitted.

2.4. An Interested Party or, in the case of a consortium, members of the consortium, may rely on the financial and / or technical capacity of an affiliated company (as such company is defined in Article 42e of Law 2190/1920, as currently in force), provided that the Interested Party proves to the Fund that it will have at its disposal the resources necessary, by submitting a binding commitment in writing from such affiliated company (or its legal representative in case of a legal entity), which shall include commitments that the said affiliated company shall (a) place all necessary financial and / or technical resources at the disposal of the Interested Party, and (b) incur full liability and assume its responsibility towards the Fund in case the conditions described in this paragraph are not met. The third party member of the group should provide the documents stipulated under paragraphs 2 and 3 of Section III in order to demonstrate that it possesses the aforesaid financial and / or technical capacity.

Interested Parties or, in the case of a consortium, members of the consortium, will not be able to rely on the financial and / or technical capacity of any other third party in order to demonstrate fulfilment of the financial and / or technical qualification requirements.

### **III. CONTENTS AND FORM OF EXPRESSION OF INTEREST**

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The Expression of Interest and any supporting documentation as further detailed below should be submitted in one original copy, specifically indicated as “original” and in one copy of the original, specifically indicated as “copy”, either in Greek or in English, in which case it shall be accompanied by an official translation in Greek.

The Expression of Interest should be signed by the legal representative(s) or other specifically authorised representative(s) and should include the following in the form and order outlined below:

#### **1. Letter of Expression of Interest**

A letter of Expression of Interest should include the following presented in the order set out below:

1.1. The Interested Party’s full name, address and registered offices, phone and fax numbers, e-mail address and internet website address (if available), together with its current directors and shareholding or partnership structure. Also confirmation that the Interested Party is acting as principal and not as agent.

- 1.2. In the case of a consortium, the full names of all consortium members and their respective addresses or registered offices, current directors and shareholding or partnership structure. In respect of the Lead Member of a consortium, its phone and fax numbers, email address and internet web address (if available). A consortium should also provide the proposed respective percentage equity ownership of each member in the consortium and a description of the manner in which the Lead Member controls the management and operation of the consortium.
- 1.3. Brief description of the Interested Party's strategic approach for this Transaction.
- 1.4. Details of the sources the Interested Party intends to use, and have access to, in order to fund the Transaction, including debt and equity financing.
- 1.5. Reference of any potential issues which the Interested Party envisages in terms of process, timing, due diligence and other information requirements in order to be able to submit a fully financed Binding Offer.
- 1.6. Names and contact details of the Interested Party's primary contact person(s) as well as one person who is authorized to accept service (antikletos/αντίκλητος).

## 2. Supporting Documents

The Letter of Expression of Interest must be accompanied by the following supporting documents (the "Supporting Documents"):

- 2.1. Supporting Documents evidencing Legal Eligibility Qualification Requirements
  - 2.1.1. A solemn declaration ("Solemn Declaration") pursuant to Law 1599/1986, attached as Annex 1, signed by the legal representative(s) in the case of legal entities, stating that:
    - i. the Interested Party unconditionally accepts the terms of the Tender Procedure;
    - ii. there are no matters which restrict the Interested Party from submitting the Expression of Interest;
    - iii. the participation in the Tender Procedure takes place at the sole risk and expense of the Interested Party and that the participation as such or dismissal of an Expression of Interest does not, in each case, establish any right to compensation from the Fund or its advisers;

- iv. at the date of signing the Solemn Declaration, the Interested Party and in case of legal entities, its legal representative(s) meet the Legal Eligibility Qualification Requirements as set out in Section II.2.1. above; and
- v. at the date of signing the Solemn Declaration all the information, statements, declarations and Supporting Documents and other accompanying documents it has submitted together with the Expression of Interest are true and accurate and the Interested Party has not concealed any information relevant to the Tender Procedure and the Transaction.

**2.2. Additionally, in the case of legal entities:**

**2.2.1.** A certificate of the corporate registry or other equivalent document(s), issued, or taken from the record of such corporate registry or equivalent, within the last one (1) month before the submission of the Expression of Interest, evidencing the incorporation and registration of the company with the competent authorities in the country of its current establishment and its existence as of the date of issuance of the certificate.

**2.2.2.** A document evidencing the representative authority of one or more individuals (e.g. Managing Directors, Executive Directors, etc.) as currently in force, validly certified within the last three (3) months before the submission of the Expression of Interest by a competent public authority, a notary public, a company secretary, a qualified and practising lawyer or another competent person. The persons who sign the Expression of Interest must have adequate authorization and the relevant document(s) evidencing such authorization must be included in the submitted documents. If, in accordance with the laws of the country of current establishment of the legal entity, it is mandatory to publish the identity of the persons representing the legal entity at the time, a copy of the publication must also be submitted (e.g. the Government Gazette Bulletin).

**2.3. Supporting Documents evidencing the financial qualification requirements**

Further to the letter of Expression of Interest as per above, the Interested Parties must also submit the following additional documentation either in Greek or in English, accompanied by an official translation in Greek.

**2.3.1.** For legal entities, funds and consortia, copies of the audited financial statements of the last three (3) financial years. If the Interested Party is a parent company required to publish audited consolidated financial statements, audited consolidated financial statements should also be submitted. If the Interested Party relies on the financial capacity

of another member of its group to meet the financial criteria, the financial statements of such other member (together, if applicable, with audited consolidated accounts for such other group member) should also be submitted. If the Interested Party is a member of a group and does not rely on the financial capacity of another member of its group to meet the financial criteria, consolidated financial statements relating to such group should also be submitted for information purposes only. For private equity firms, in case there is no obligation to publish financial statements, their PE Criteria must be confirmed by an internationally reputable audit firm.

For Interested Parties or members of consortia listed on a Stock Exchange of an EU or EEA or OECD member State and required to file or publish an annual statement, bulletin or other document, a copy of such annual stock exchange statement, bulletin or other document from each of the last three (3) financial years.

If the law in the country of current establishment of a legal entity does not require the publication of financial statements, a Solemn Declaration of Law 1599/1986, hereto attached as Annex 2, must be submitted by such Interested Party in addition to the unpublished financial statements, confirming that publication is not required, together with all the data required according to this Invitation.

**2.3.2.** Any other relevant documentation or information that will support the strong financial standing of the Interested Party.

**2.4.** Supporting Documents evidencing the technical qualification requirements.

- i. Completion of the Solemn Declaration contained in Annex 3; and
- ii. Any other relevant documentation or information that will support the technical qualifications of the Interested Party.

### **3. General**

The submission of the Supporting Documents set out in paragraphs 2.1., 2.2. and 2.3 of this Section III is mandatory and non-submission will result in such Interested Party being disqualified from the Tender Procedure. The same will also apply in case an Interested Party makes any false or inaccurate statement.

Where any of the documents provided for in paragraphs 2.1 and 2.2 of this Section III are not issued in the country of incorporation and/or current establishment of the Interested Party, the latter is obliged to include a Solemn Declaration of Law 1599/1986, as attached in Annex 4, verifying the inability of issuance. In the same declaration, the Interested Party must confirm the facts that would have been certified in the non-existing document, as required by this Invitation.

Signatures on the Solemn Declarations of Law 1599/1986 required in this Invitation, should be authenticated by any competent judicial or administrative authority, notary public or other competent person.

In cases of consortia, the documentation provided in paragraphs 2.1, 2.2 and 2.3 of this Section III should be provided separately for each member of the consortium, unless otherwise stated in this Invitation, and each member's percentage of participation in the consortium must be indicated.

The Expression of Interest and all Supporting Documents must be submitted in Greek or in English. In case they are submitted in English, they shall be accompanied by an official translation in Greek. In case of any uncertainty, contradiction or discrepancy between the Greek and foreign text, the Fund may request for clarifications and/or a new translation within a short time frame.

All Supporting Documents must be submitted as originals or copies duly certified by a competent public or judicial authority, a notary public, a qualified and practising lawyer or another competent person.

#### **IV. CLOSING DATE AND SUBMISSION OF THE EXPRESSION OF INTEREST**

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Interested Parties who wish to participate in the Tender Procedure should submit the Expression of Interest in accordance with the requirements stated in the present Invitation, (a) in two hard copies as described above, which shall be placed in a sealed envelope and (b) in an electronic copy either saved in a CD-ROM or DVD (in an easily accessible form) that cannot be copied, or sent electronically (in an easily accessible form), at HSBC Bank plc, 109-111 Messoghion Avenue, 115-26 Athens, Greece, and marked for the attention of Mr. Iakov Errera (email: [iakov.errera@hsbc.com](mailto:iakov.errera@hsbc.com)). Such submissions must be received by no later than 17:00 (Athens time) on 19.04.2013. In case of any discrepancy, the hard copy submitted shall prevail.

Any Expression of Interest received after 17:00 (Athens time) on 19.04.2013, will not be accepted. Any delay by accident or for reasons of *force majeure* shall not be recognised as a justified reason for late receipt of the Expression of Interest. In the case of late submission, as per the provisions hereof, the Expression of Interest shall be returned without being unsealed or opened. Interested Parties may submit requests for clarifications regarding the Expression of Interest by fax or e-mail until 17:00 (Athens time) on 22.03.2013. Such requests should be addressed to the representatives listed below:

**Dimos Kapouniaridis**  
Eurobank Equities Investment Firm S.A.  
10 Filellinon Str.,  
105 57 Athens,

Greece  
Tel.: + 30 210 37 20 000  
Fax: +30 210 37 20 083  
Email: [dkapouniaridis@eurobankequities.gr](mailto:dkapouniaridis@eurobankequities.gr)

or

**Iakov Errera**  
HSBC Bank plc  
109 -111, Messoghion Ave.  
115 26, Athens,  
Greece  
Tel.: + 30 210 696 1504  
Fax: + 30 210 691 1901  
Email: [iakov.errera@hsbc.com](mailto:iakov.errera@hsbc.com)

Replies to such requests for clarifications will be posted on the following website:  
[www.hraf.gr](http://www.hraf.gr) .

## **V. LEGAL NOTICE**

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The Interested Parties' participation in the Tender Procedure shall mean the unconditional acceptance of the terms and conditions of this Invitation on their part. All Expressions of Interest, responses, proposals and submissions relating to this document and/or the Tender Procedure are made at the risk of the Interested Parties.

The Fund may at any time require from the Interested Parties clarifications and/or supplemental information on documents already duly submitted.

This Invitation has been prepared by, and is the sole responsibility of, the Fund and is being addressed only to persons eligible to obtain knowledge thereof pursuant to applicable law. It does not constitute any offering of any kind and both the Fund and its advisers accept no liability in relation to it. Nothing in this Invitation shall be construed as representing any commitment by the Fund to enter into any agreement by implication or otherwise. Whilst the information contained in this Invitation has been prepared in good faith, it is not comprehensive and/or exhaustive and has not been verified independently by the Fund, or any of its advisers, including, without limitation, HSBC Bank plc, Eurobank Equities Investment Firm S.A., Hyder Consulting (UK) Ltd., Allen & Overy LLP and PotamitisVekris Law Partnership.

No representation, warranty, covenant, indemnity or undertaking, express or implied, has been, is or will be made in relation to the accuracy, adequacy or completeness of this Invitation or any other information provided pursuant to the Tender Procedure.

No responsibility or liability has been, is or will be accepted by either the Fund or any of its advisers, or any agents, servants, officers or affiliates of the Fund or any of its advisers, in respect of any error, inaccuracy or misstatement in or omission from this Invitation or any other information provided pursuant to the Tender Procedure. No person acquires any right or claim for losses, damages, compensation or the like from this Invitation or from their participation in the Tender Procedure, against the Fund or any of its advisers as a result of any of the foregoing or for any other reason or cause.

No information contained in this Invitation nor any other information provided pursuant to the Tender Procedure forms the basis for any warranty or representation by the Fund or any of its advisers to any third party or for the term of any contract between the Fund or any of its advisers and any third party.

This Invitation or any other information provided pursuant to the Tender Procedure is not intended to form the basis of any investment or business decision or investment recommendation made by the Fund or any of its advisers and does not constitute investment advice by the Fund or any of its advisers. Each person to whom this Invitation is made available must make its own independent assessment thereof after making such investigation and taking such professional advice as it deems necessary or expedient.

Issuance of this Invitation does not, under any circumstances, oblige the Fund to proceed with the Transaction pursuant to the Tender Procedure or otherwise. Issuance of this Invitation does not, under any circumstances, oblige the HR and/or the Company to proceed to the execution of the Amended Concession Agreement. The Fund reserves the right to amend the terms, the timetable and any Phase of the Invitation or the Tender Procedure in whole or in part, and/or amend, repeat, postpone, cancel or terminate the Tender Procedure without prior notice, without giving rise to any liability whatsoever on the part of the Fund or any of its advisers toward any Interested Parties and/or any third parties.

In furnishing the Invitation, the Fund and its advisers undertake no obligation to provide Interested Parties with access to any additional information or to update this Invitation or to correct any inaccuracies therein which may become apparent.

For the purposes of this Invitation, the Fund's advisers are acting exclusively as the advisers to the Fund, and will not be responsible to anyone other than the Fund, respectively, for work carried out by them in connection with this document or the Transaction. Neither the Fund, nor any of its advisers, shall be liable for any costs or expenses incurred by any Interested Party or other recipient of this document in connection with the Tender Procedure.

All Expressions of Interest, responses, proposals and submissions relating to this Invitation and/or the Tender Procedure are made at the risk of the Interested Parties.

Interested Parties should be aware that national legislation applying to EYATH might change. The application of EU law and treaties pertaining to the water sector (including, *inter alia*, production, supply, distribution and transmission of water) may also change.

This Invitation may not be reproduced, copied or stored in any medium, in whole or in part, without the prior written consent of the Fund, other than as strictly required for the preparation of a response to this Invitation.

All Expressions of Interest become the property of the Fund upon receipt by the Fund. Interested Parties give the Fund the right to replicate and disclose the responses to this Invitation for any purposes that relates to the discharge of its statutory duties.

The Fund may be obliged to disclose information it holds in relation to the Expressions of Interest received in response to requests for information, subject to any relevant exemptions.

A submission of an Expression of Interest by any Interested Party shall mean that said Interested Party expressly consents to the publication by the Fund of its identity and the fact that it has submitted an Expression of Interest.

If required by law, regulation, a court, a regulatory body, a parliamentary or a governmental authority, the Fund may be required to disclose certain information and/or documents relating to Expressions of Interest.

The limitations of liability set out in this Invitation shall operate subject to, and to the fullest extent permitted by, applicable law and regulation.

This Invitation has been drafted in the Greek Language and has been translated into English. In case of any discrepancy, the Greek text will prevail.

The Courts of Athens, Greece will have exclusive jurisdiction in relation to any disputes arising from this Invitation and Greek law shall be applicable.

ANNEX 1  
SOLEMN DECLARATION  
(article 8 of L. 1599/1986)

To:	THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND S.A					
Name:				Surname:		
Father's name and surname:						
Mother's name and surname:						
Date of Birth:						
Place of Birth:						
Identity/Passport No:				Tel:		
Place of Residence:			Street:			No: <input type="text"/>
						P.C: <input type="text"/>
Fax:				Email		

I (we), the undersigned, acting as legal representative(s) of the legal entity under the corporate name [●], established under the laws of [●], with company registration number [●] and registered offices at [●] (*country - town - street - postal code*), with [●] (*country*) tax registration number [●] (the “Interested Party”), being fully aware of the consequences of the Greek law 1599/1986 for making false / untrue solemn declarations, I (we) hereby declare in connection with the submission by the above company of an Expression of Interest for the acquisition of a stake in THESSALONIKI WATER SUPPLY AND SEWERAGE

COMPANY S.A. pursuant to the relevant Invitation issued by the Hellenic Republic Asset Development Fund S.A. of 21.02.2013, that:

- a. the Interested Party unconditionally accepts the terms of the Tender Procedure;
- b. there are no matters which restrict the Interested Party from submitting the Expression of Interest;
- c. the participation in the Tender Procedure takes place at the sole risk and expense of the Interested Party and that the participation as such or dismissal of an Expression of Interest does not, in each case, establish any right to compensation from the Fund or its advisers;
- d. at the date of signing the Solemn Declaration, the legal representative(s) has not been convicted with a final court judgment, in any jurisdiction, for criminal offences related to the professional / business conduct, including (but are not limited to) embezzlement, extortion, forgery, perjury, deceitful bankruptcy and additionally:
  - i. participation in a criminal organization, as defined in article 2 paragraph 1 of the Joint Act 98/733/JHA of the Council;
  - ii. bribery, as defined in article 3 paragraph 1 of the Joint Act 98/742/JHA of the Council;
  - iii. fraud, in the meaning of Article 1 of the contract relating to the protection of financial interests/concerns of the European Communities; and
  - iv. money laundering, as defined in article 1 of Directive 91/308/EC of the Council, on the prevention of exploitation of the financial system for money laundering.
- e. The Interested Party has not been declared bankrupt, in liquidation, in compulsory receivership or in any other relevant situation resulting from a similar process specified in the law of the country where they are based or in Greek law, and proceedings have not been instigated against them for bankruptcy, liquidation, compulsory receivership, bankruptcy settlement or any other similar process specified in national, legal and regulatory provisions.
- f. At the date of signing the present, all the information, statements, declarations and Supporting Documents and other accompanying documents it has submitted together with the Expression of Interest are true and accurate and the Interested Party has not concealed any information relevant to the Tender Procedure and the Transaction (as the latter are defined in the Invitation for Expression of Interest).

\_\_\_\_\_ (place), \_\_\_\_\_ (date)

Signature(s)

Verification of the signature(s)

ANNEX 2  
SOLEMN DECLARATION  
(article 8 of L. 1599/1986)

To:	THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND S.A						
Name:				Surname:			
Father's name and surname:							
Mother's name and surname:							
Date of Birth:							
Place of Birth:							
Identity/Passport No:				Tel:			
Place of Residence:			Street:			No:	P.C:
Fax:				Email			

I (we), the undersigned, acting as legal representative(s) of the legal entity under the corporate name [●], established under the laws of [●], with company registration number [●] and registered offices at [●] (*country - town - street - postal code*), with [●] (*country*) tax registration number [●] (the “Interested Party”) [or *member of the bidding consortium [●] (the “Consortium member”)*], being fully aware of the consequences of the Greek law 1599/1986 for making false / untrue solemn declarations, I (we) hereby declare in connection with the submission by the Interested Party or [consortium name] of an Expression of Interest for the acquisition of a stake in THESSALONIKI WATER SUPPLY AND SEWERAGE COMPANY S.A. pursuant to the relevant Invitation issued by the Hellenic Republic Asset Development Fund S.A. of 21.02.2013, that:

The law in the country of the current establishment of the Interested Party [or the Consortium Member] does not require the publication of financial statements [the most recent financial statement of the Interested Party [or the Consortium Member] have not been published.

\_\_\_\_\_ (place), \_\_\_\_\_ (date)

Signature(s)

Verification of the signature(s)

ANNEX 3  
SOLEMN DECLARATION  
(art. 8 of L. 1599/1986)

To:	THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND S.A					
Name:				Surname:		
Father's name and surname:						
Mother's name and surname:						
Date of Birth:						
Place of Birth:						
Identity/Passport No:				Tel:		
Place of Residence:		Street:		No:		P.C:
Fax:				Email		

I (we), the undersigned, acting as legal representative(s) of the legal entity under the corporate name [●], established under the laws of [●], with company registration number [●] and registered offices at [●] (*country - town - street - postal code*), with [●] (*country*) tax registration number [●] (the "Interested Party"), being fully aware of the consequences of the Greek law 1599/1986 for making false / untrue solemn declarations, I (we) hereby declare in connection with the submission by the above company of an Expression of Interest for the acquisition of a stake in THESSALONIKI WATER SUPPLY AND SEWERAGE COMPANY S.A. pursuant to the relevant Invitation issued by the Hellenic Republic Asset Development Fund S.A. on 21.02.2013, that the company [●] satisfies the Financial and Technical Criteria of the Invitation as follows:

INTERESTED PARTY'S FINANCIAL DATA

No.	REGISTERED NAME	PARTICIPATION SHARE % (P)	EQUITY OF YEAR t*
	[registered name of the Interested Party's member]	[share of participation in the Interested Party]	
	[registered name of the Interested Party's member]	[share of participation in the Interested Party]	
		[100%]	

\*t = the latest fiscal year

INTERESTED PARTY'S TECHNICAL DATA

Ref 1.	Name of Company/Consortium <sup>1</sup>							
	Project title							
	Name of client							
Country	Contract Type	Start Date	Duration	Population Served (000s)		Annual Revenues / Annual Fees <sup>2</sup>	Name of partners	References
				Water				Name: Address: Tel No.: Fax No.: Email:
				Wastewater				
Detailed description of project <sup>3</sup>						Type of services provided		

1 Where submission is by a consortium, identify which member(s) were responsible for the project.

2 State either revenues or fees

3 Demonstration of recent, relevant experience in accordance with Section 2.3 (i) –(iii).

The Technical Criteria for consortia/joint ventures must be met by the Lead Member.

\_\_\_\_\_ (place), \_\_\_\_\_ (date)

Signature(s)

Verification of the signature(s)

ANNEX 4  
SOLEMN DECLARATION  
(article 8 of L. 1599/1986)

To:	THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND S.A					
Name:				Surname:		
Father's name and surname:						
Mother's name and surname:						
Date of Birth:						
Place of Birth:						
Identity/Passport No:				Tel:		
Place of Residence:		Street:		No:		P.C:
Fax:				Email		

I (we), the undersigned, acting as legal representative(s) of the legal entity under the corporate name [●], established under the laws of [●], with company registration number [●] and registered offices at [●] (*country - town - street - postal code*), with [●] (*country*) tax registration number [●] (the "Interested Party"), being fully aware of the consequences of the Greek law 1599/1986 for making false / untrue solemn declarations, I (we) hereby declare in connection with the submission by the above company of an Expression of Interest for the acquisition of a stake in THESSALONIKI WATER SUPPLY AND SEWERAGE COMPANY S.A. pursuant to the relevant Invitation issued by the Hellenic Republic Asset Development Fund S.A. on 21.02.2013, that the [●] (*description of the document required in paragraphs 2.1 and/or 2.2 of Section II of the Invitation*) cannot be issued in [●], country of incorporation, and/or in [●], country of current establishment of our company.

(The company should also confirm in this declaration the facts that would have been certified if the certificate existed, as required by the Invitation)

\_\_\_\_\_ (*place*), \_\_\_\_\_ (*date*)

Signature(s)

Verification of the signature(s)

