

INVITATION FOR EXPRESSION OF INTEREST TO ACT AS FINANCIAL ADVISOR IN CONNECTION WITH HRADF'S PARTICIPATION IN THE ATHENS INTERNATIONAL AIRPORT S.A.

19 April, 2017

1. Introduction

The Hellenic Republic Asset Development Fund S.A. ("**HRADF**" or the "**Fund**") is the legal entity entrusted with the implementation of the privatization program of the Hellenic Republic ("**HR**"). HRADF is established by and is operating under Law 3986/2011. Pursuant to article 188 par. 1 of Law 4389/2016, HRADF is a direct subsidiary of the "Hellenic Corporation of Assets and Participations S.A." ("**HCAP**").

Pursuant to:

- I. the provisions of the Law 4336/2015 (Government Gazette A'94/2015), which approved the Memorandum of Understanding of 19.08.2015 ("**MoU**"), and
- II. the "Asset Development Plan" of the HRADF as amended;

the Privatization Program of HRADF includes the sale of 30% of the shares of the "**Athens International Airport S. A.**" ("**AIA**").

According to the Law 3986/2011 on "*Emergency Implementation Measures for the Medium-Term Fiscal Strategy Framework 2012-2015*" (Government Gazette A' 151/2011), HRADF was established with the sole objective of developing assets belonging to the HR.

The Interministerial Committee for Asset Restructuring and Privatizations ("**ICARP**"), by virtue of Decision No. 187/06.09.2011 (Government Gazette 151 B'), as amended by Decision 206/25.04.2012 (Government Gazette 1363 B') of ICARP, has transferred to HRADF (a) 9,000,000 shares of AIA corresponding to 30% of its share capital and (b) the right to extend up to 11.06.2046 the duration of the Concession Agreement for the Athens International Airport, of 31.07.1995, ratified by law 2338/1995 (Government Gazette 202A').

In this context, the HRADF has decided to evaluate a potential monetization of its stake in AIA (the **Transaction**) and hereby invites highly experienced financial advisors to submit a proposal in relation to the scope of work described herein (the "**Invitation**").

2. Scope of Work

In this context, HRADF considers the appointment of a leading investment bank or firm (the "**Advisor**") to provide financial advisory services to HRADF for the Transaction. The assignment will be implemented as follows:

Phase I – Preparatory Phase

- Overview and assessment of AIA's current status and corporate structure from a business and operational perspective including, indicatively and not exhaustively, its

financial position, market position, governance structure, investment plans, operational challenges, etc.

- Advise on the structure and timing of the transaction:
 - Presentation of alternative transaction options, including an analysis, and recommendation of the optimum solution for HRADF.
 - Highlight the critical success factors for the proposed transaction's successful completion.
 - Identification of major risks that may adversely impact a potential transaction.
 - Suggest the timing of the transaction and propose the relevant timeline for its implementation.
- Conduct of 'pre-market sounding':
 - Verify investor interest for a potential transaction, define potential interested investor categories which would be interested for such a type of transaction and perform a pre-market sounding exercise of the proposed transaction structure.
 - Describe the 'equity story' and value proposition for each category of potential investors.
 - Presentation of the outcome of such pre-market sounding.
- Based on the screening of investor interest, make a presentation to the Fund's Board of Directors and Council of Experts and form a recommendation, in conjunction with the Fund's other professional advisors, as to the preferred Transaction to be pursued by the Fund in terms of objectives, criteria, process, timetable and sale proceeds maximization for the Fund

Phase II – Implementation Phase

Following a decision by the Fund's Board of Directors to proceed with the sale of 30% of the shares of AIA, the Fund shall request the Advisor to act as its financial advisor in connection with the execution of the Transaction. The scope of work of the Advisor under Phase II shall include, *inter alia*, the following:

- Advise and assist HRADF in the implementation of the Transaction and the coordination of the Transaction process, including the coordination of the working group consisting of Fund's other professional advisors involved in the Transaction;
- Assist in the coordination and project management of the working group consisting of such other professional advisors;
- Assist in collecting necessary Government approvals and/or other approvals from Greek and/or European Institutions as are deemed necessary in relation to the Transaction;
- Review and assess material legal, regulatory, ownership, corporate, business, commercial and market issues associated with the Transaction from a financial point

of view, and co-ordinate with other professional advisors, in identifying any issues that may affect the privatization process;

- Evaluate, present and assess investor interest in the Transaction based on market screening of the potential investor universe;
- Organize, in conjunction with HRADF, all necessary meetings with potential investors during the privatization process, as well as with any other party which is necessary to be contacted at any stage of the privatization;
- Identify and assess critical issues of the preferred Transaction process and timetable and recommend appropriate ways and strategy to address such issues for successfully implementing the Transaction;
- Advise and assist the HRADF to develop the equity story, identify any key potential investor requirements, attract offers from potential investors, assess any such offers and advise the HRADF on their relative merits;
- Design, prepare and coordinate, together with the other professional advisors of HRADF, all the necessary procedures and documentation required for the implementation of the Transaction (as the case may be transaction documents, prospectus, vendor due diligence process, data room establishment and administration, coordination and preparation of site visits and any other action required in relation to the proposed course of action for the implementation of the Transaction);
- Evaluate from a financial point of view the binding offers submitted by the investors and make a written recommendation to the Board of Directors of HRADF, in accordance with the Transaction's criteria and objectives;
- Advise and assist HRADF, together with other professional advisors, in the negotiation of the terms of the Transaction and on the negotiation tactics;
- Prepare, in conjunction with other professional advisors, any public documentation in relation to the Transaction, including announcements and circulars, as well as advise on communication strategy;
- Assist HRADF, in conjunction with its other professional advisors, in seeking the relevant approvals and consents and the fulfillment of any other conditions necessary for the closing of the Transaction;
- Provide to the Board of Directors of HRADF, HCAP or members of the Government any required presentations and recommendations justifying the proposed course of action in the different steps of the implementation of the Transaction up to its closing.

3. Duration and Budget

The **Duration** of the engagement shall be 14 months or until the consummation of the Transaction (whichever event occurs first).

The **Fees** will consist of a Lump Sum Fee for Phase I and a Retainer Fee plus Success Fee for Phase II.

Phase I of the engagement will commence upon the Advisor receiving relevant written instructions by the Fund. The estimated duration of Phase I of the engagement will be 2

months. Phase I of the engagement will entail a lump sum fee (the “**Lump Sum Fee**”) with a maximum budget of EUR 20,000, excluding VAT and any other expenses.

Phase II of the engagement will commence upon the Advisor receiving relevant written instructions by the Fund to proceed with the Transaction. The estimated duration of Phase II of the engagement will be 12 months. Phase II of the engagement will entail a monthly retainer fee (the “**Retainer Fee**”) with a maximum budget of EUR 200,000, excluding VAT.

Upon successful closure of the Transaction, the Advisor will be entitled to a success fee (the “**Success Fee**”). The Retainer Fees (but not the Lump Sum Fee) are fully offsetable against the Success Fee.

Any proposed expenses for Phase I & II should be capped and quoted separately.

HRADF may require the suspension of the of the Advisor’s services upon prior written notice. If needed and according to HRADF’s Procurement Regulation, a further extension of the engagement may be requested by the HRADF.

4. Qualifications & Criteria

4.1 Track Record & Experience: Proof of relevant experience in the provision of expert advisory services and capital market transactions, especially in airports’ transactions (preferably within the EU). The Dossier should include obligatorily a catalogue of all the relevant projects in which the interested party has participated in the last ten (10) years (**DOSSIER A’**).

4.2 Project Team: Proposed team composition for the Transaction and its proposed structure, including the definition of the engagement leader and of the senior members of the team. The Dossier should also include the CVs and a list of any relevant project experience, of all the members of the proposed project team. The suggested senior members of the project team may be replaced only with HRADF’s prior consent, which shall not be unreasonably withheld (**DOSSIER B’**).

4.3 Methodological Approach: Interested Parties should identify the business, regulatory and other critical issues related to the Transaction and submit in their proposal a brief description of the proposed approach to the assignment, specify the deliverables, and include an indicative timetable and workplan (**DOSSIER C’**).

4.4 Budget: The Dossier should include a detailed budget analysis and structure for the fees for Phase I and II and the expenses. The proposed Lump Sum Fee, Retainer Fee and Success Fee should be quoted and analyzed separately; it should be also clarified that the Retainer Fee shall be off-settable against the success fee. Similarly, expenses should be calculated and quoted separately at a capped amount. The kind of the expenses and their settlement will have to comply with the approved Expense Policy of HRADF (**DOSSIER D’**).

4.5 The Interested parties and each member of their proposed project team must declare in writing that they do not have a conflict of interest, as well as that they do not have any relationship of economic or of any other nature with AIA and that they are not retained by the latter. Such a declaration confirming the absence of any conflict of interest shall be in effect throughout the term of the engagement of the Advisor with HRADF.

The Interested Parties must meet all the qualifications as described above under 4.1 through 4.5. Interested Parties, who fail to submit their Expressions of Interest fully compliant to the qualifications required under 4.1 through 4.5 of this Invitation, shall be disqualified from the Tender.

The Advisor must observe and abide by the rules provided for in art. 7 of the Law 3049/2002 and in particular their professional code of conduct and the relevant confidentiality rules, even after the conclusion of their engagement.

5. Selection Process

5.1. The assignment will be awarded in accordance with the provisions of the Law 3986/2011 and article 2.4 of the Procurement Regulation of HRADF (Min. Finance Decision 2/16128/0025/2014, Governmental Gazette B' 476/26.02.2014), as in force.

5.2. Interested parties are assessed and evaluated in accordance with the table below. The tender will be awarded at the Interested Party with the highest score.

5.3. Interested parties are evaluated on the basis of the following criteria and their respective weighting:

Criterion	Weighting
Track Record & Experience - DOSSIER A'	30%
Project Team - DOSSIER B'	20%
Methodological Approach - DOSSIER C'	20%
Budget - DOSSIER D'	30%

5.4. HRADF may request additional documents and/or clarifications and/or information from the Interested Parties in connection with any issue related to their Expression of Interest, as deemed necessary.

5.5. The expression of Interest, consisting of DOSSIERS A, B, C and D, the declarations confirming the absence of any conflict of interest and any other supporting documentation which proves the required experience and expertise of the Interested Parties as well as of the individual members of their proposed team, are permissibly submitted only electronically by e-mail at the e-mail address: info@hraf.gr (for the attention of Mr Yiannis Zapantis), marked "**EXPRESSION OF INTEREST TO ACT AS FINANCIAL ADVISOR IN THE MONETIZATION OF AIA**". In addition, the Interested Parties may also submit to HRADF, as their discretion, a hard copy of DOSSIERS A, B and C in a sealed envelope, at the premises of HRADF, (1 Kolokotroni & Stadiou str., 7th floor, Athens 10562, Greece). In case of any discrepancy or any other inconsistency between the hard copy and the electronic submission, the e-mail submission shall prevail.

5.6. DOSSIER D must be protected with a password; if not, the Interested Party shall be automatically disqualified. Following the assessment of DOSSIERS A', B', C', and provided that the declarations confirming the absence of any conflict of interest are

included, **only** the interested parties which comply with the requirements under para. 4.6 (regarding DOSSIERS A', B', and C') will be invited via e-mail to send the password for DOSSIER D'. Interested parties who fail to comply with the above requirements will be notified accordingly. Following the assessment of DOSSIER D', the interested parties (invited to send the password for DOSSIER D') will be notified about the outcome of the process.

- 5.7. The Expressions of Interest are submitted **no later than the 25th of May 2017, 17:00, Athens time**, irrespectively of the means of their submission. Expressions of Interest submitted after the aforementioned deadline shall be deemed inadmissible and thus immediately rejected. In the case of a late receipt, the Expression of Interest shall not be evaluated.
- 5.8. HRADF reserves the right to enter into discussions and negotiations with the preferred bidder for the improvement of its bid, prior to the final award of the assignment.

6. Terms and Conditions

- 6.1. The Expressions of Interest to be submitted and this Invitation, as well as the Advisor's engagement letter for the Transaction, are governed by and construed in accordance with the laws of the HR, taking also into consideration the prevailing market's levels, the practice of HRADF and its internal policy, including terms and conditions customary in the circumstances.
- 6.2. The interested parties accept hereby the approved expenses policy of HRADF on the reimbursement of the expenses of its Advisors.
- 6.3. HRADF or any of its advisors, or agents, or employees, or officers are not to be held responsible or liable in respect of any error or misstatement/misrepresentation in, or omission from, this Invitation. No person acquires against HRADF and its officers, agents, employees and officers, or the HCAP or the Advisors any right or claim for compensation, or indemnification, or other, for any reason or cause related to this Invitation and/or the Expression of Interest and/or the participation in the Tender. No representation, warranty or undertaking, expressed or implied, is, or will be made, in relation to the accuracy, adequacy or completeness of this Invitation and the Tender Process in general.
- 6.4. HRADF reserves the right, at the fullest extent possible and at its exclusive discretion, to cancel, suspend, amend or postpone this procedure, without any prior notice or update, 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.
- 6.5. Any dispute arising under, or out of, or in connection with the present Invitation including the Expressions of Interest submitted and the Advisor's engagement letter for the Transaction, shall be subject to the exclusive jurisdiction of the Courts of Athens, Greece.