



HELLENIC REPUBLIC ASSET
DEVELOPMENT FUND



Hellenic Republic Asset Development Fund

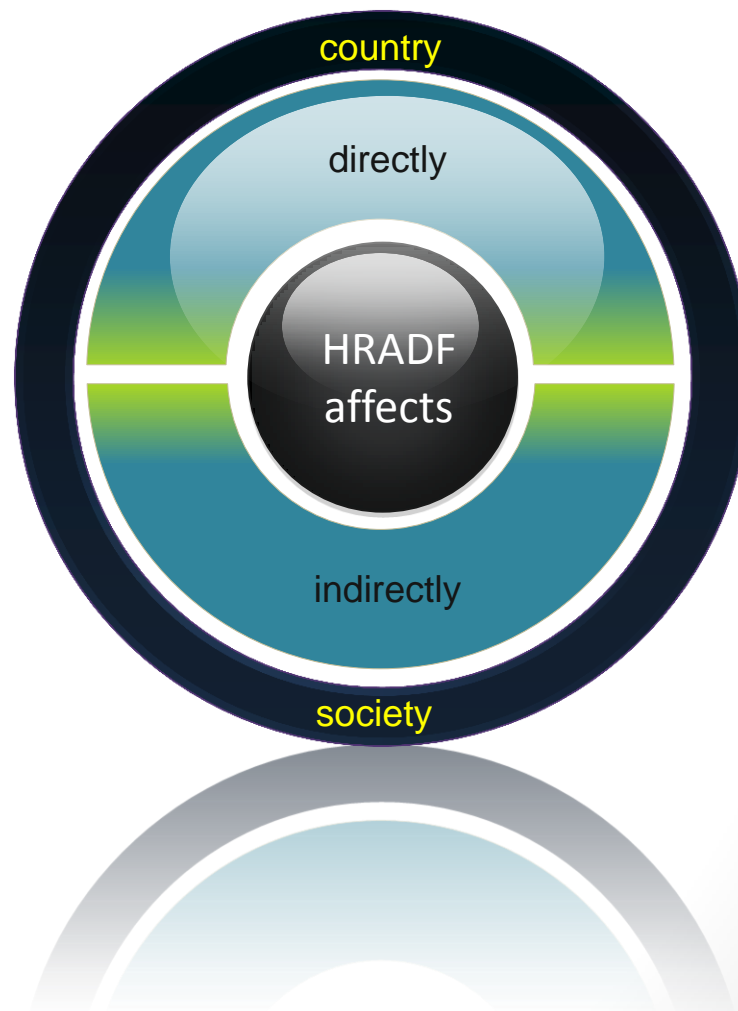
Objectives and Principles:
Putting Greece's privatisation programme back on track

November 2013

benefits of the programme

Privatisations provide both direct and indirect benefits to the country and the society as a whole.

Not only they will have significant financial benefits, as their proceeding will help to reduce the public debt burden, but they will also attract much needed investments to re-launch the Greek economy, benefiting the society and touching the everyday life of the citizens.



goals of the programme

direct

Maximize the proceeds to the Hellenic Republic

Reach the goal of raising total proceeds of €50bn as stipulated in the Medium Term Fiscal Strategy Plan (MTFS); €11.1bn by 2016 and €25bn by the end of 2020

Generate public revenue both through sales and through increased economic activity

Proceed to critical structural changes of the Greek economy

indirect

Promote competition as well as the efficiency and profitability of the economy

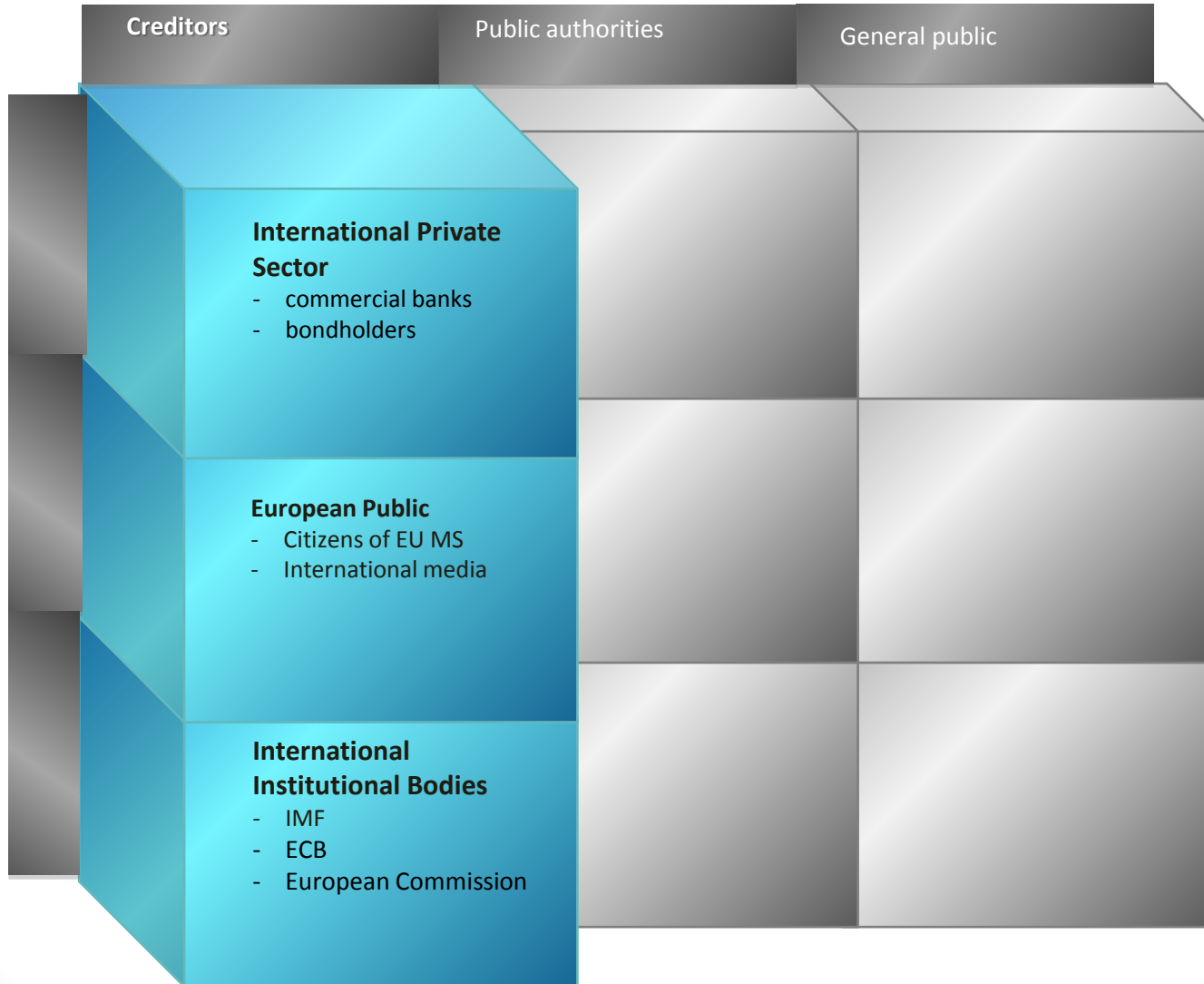
Bring value and create new jobs by introducing international knowhow and best practices and by attracting further investments, thus enabling higher growth rates through multiplier effects

Make more effective use of underutilized assets leading to higher resource productivity and efficiency

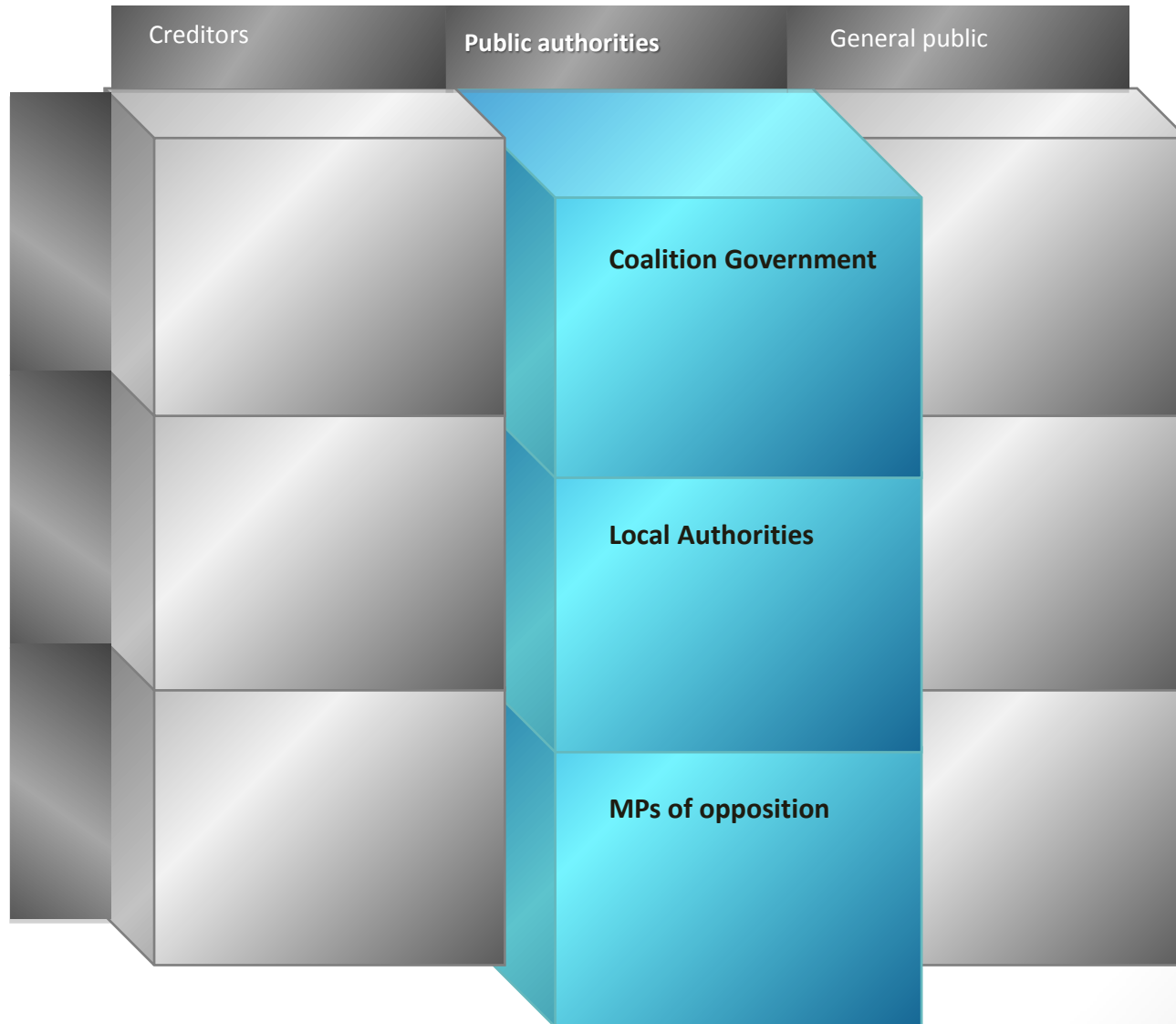
Create better living conditions for local communities

1. THE ENVIRONMENT

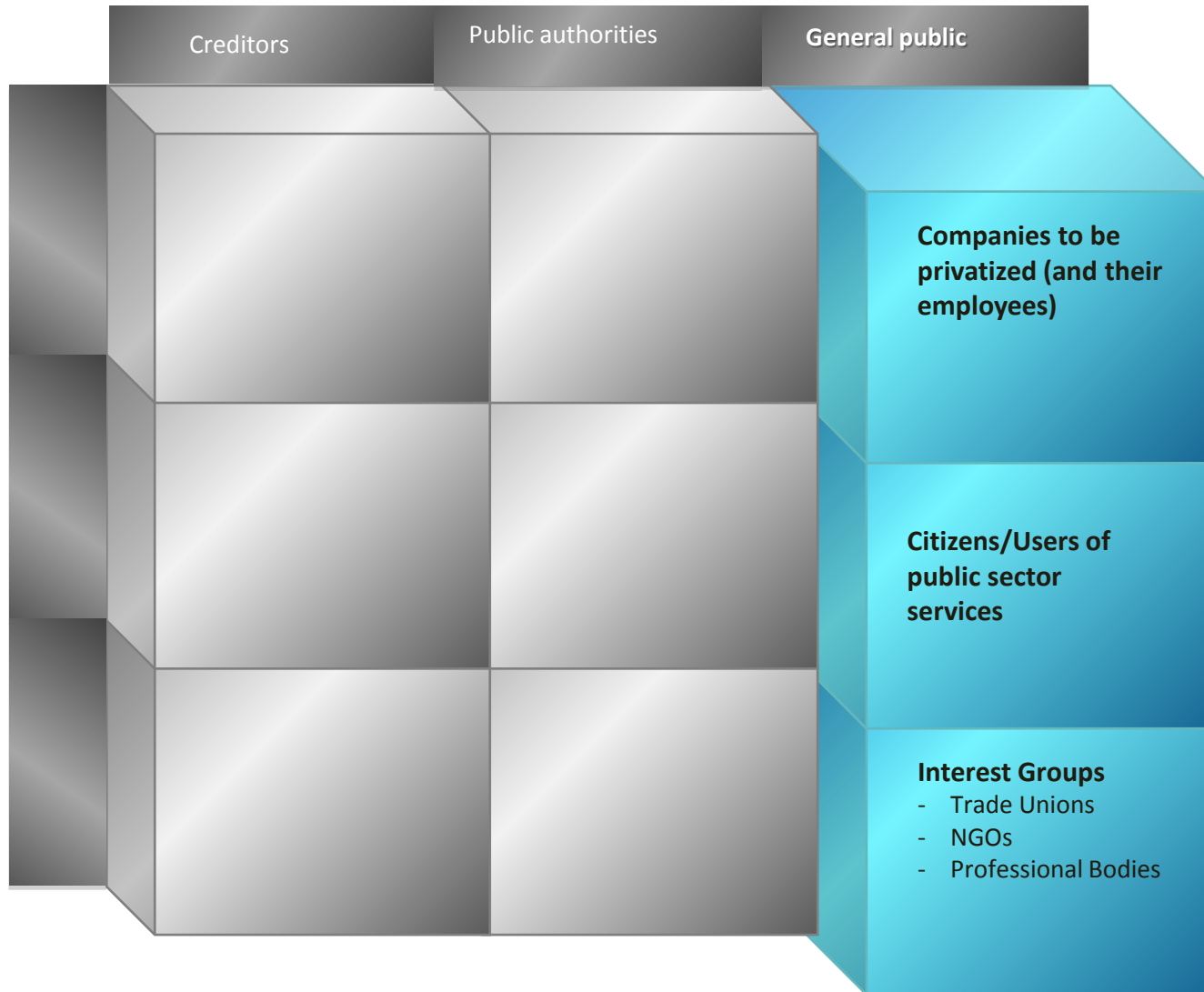
wide stakeholders footprint



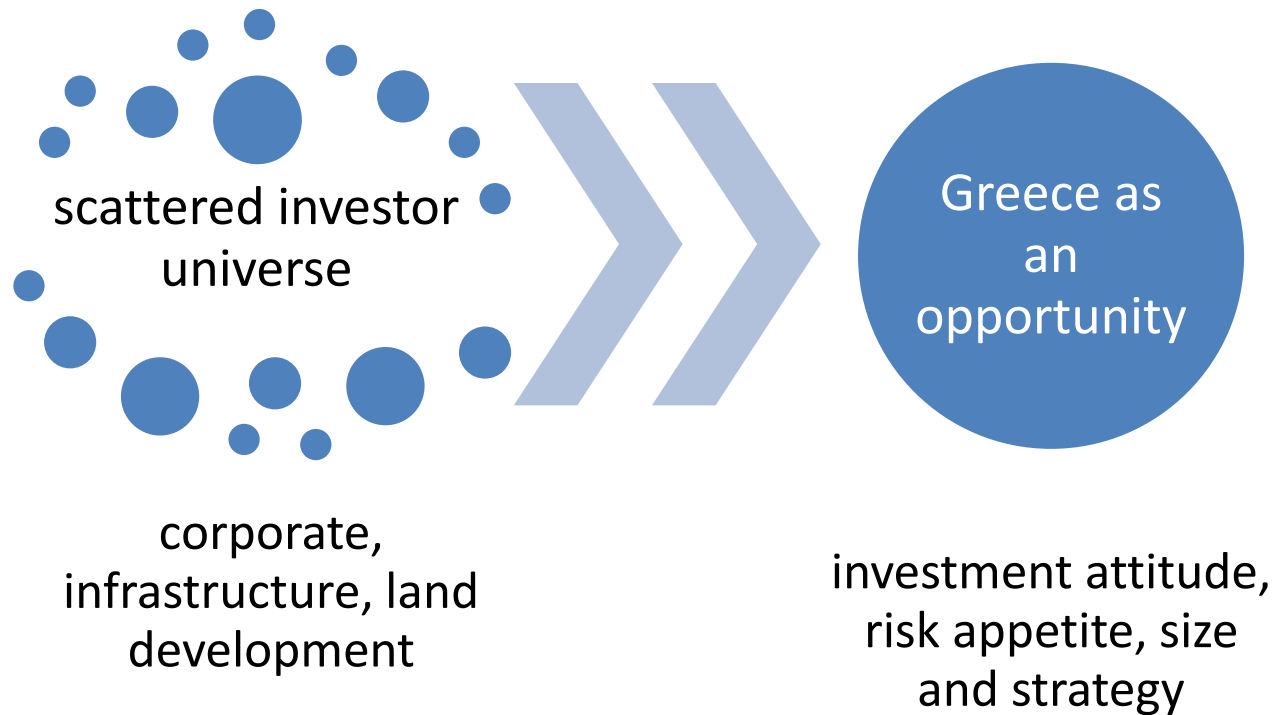
wide stakeholders footprint



wide stakeholders footprint



variety of investors – rigorous selection process

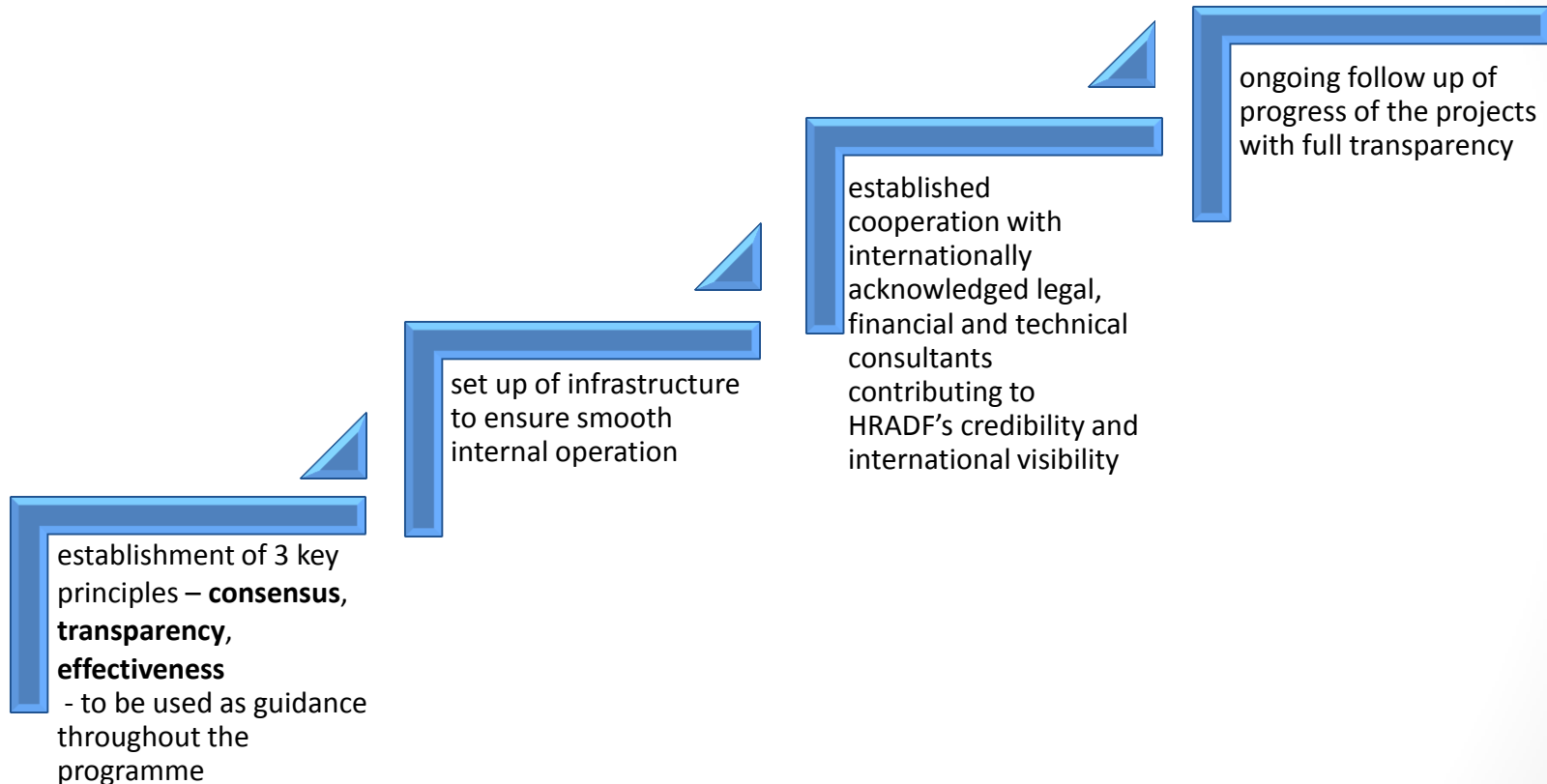


HRADF considers and selects interested investors through a rigorous selection process taking into account three main factors:

1. Risk appetite
2. Size
3. Long-term horizons

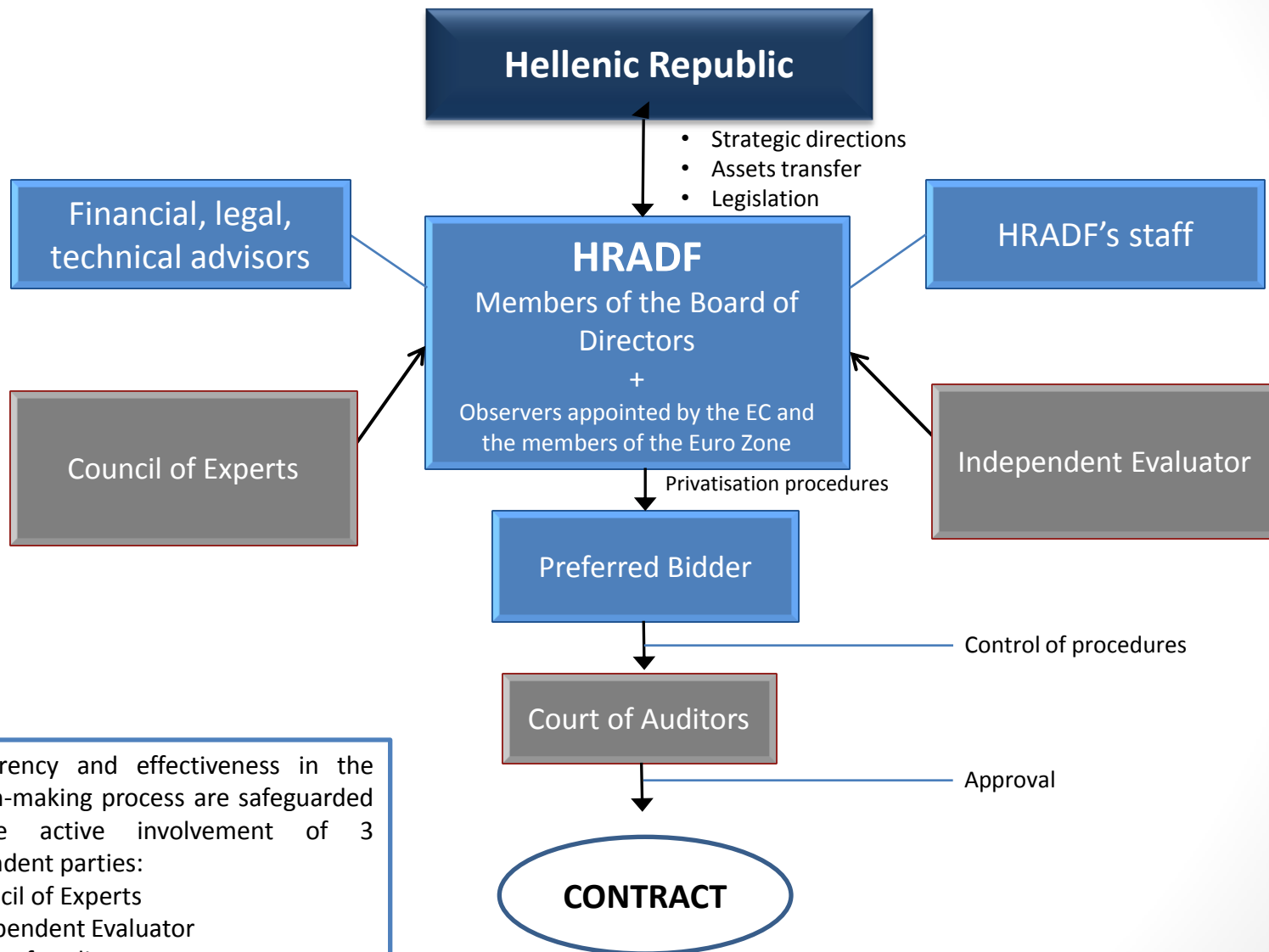
2. EFFECTIVE CORPORATE POLICY

HRADF internal preparedness



At internal preparedness level, the HRADF has setup an effective network of disciplined professionals that safeguard smooth and timely rollout of the plan. At the same time, its operation is based on specific, publicly expressed and regularly audited rules.

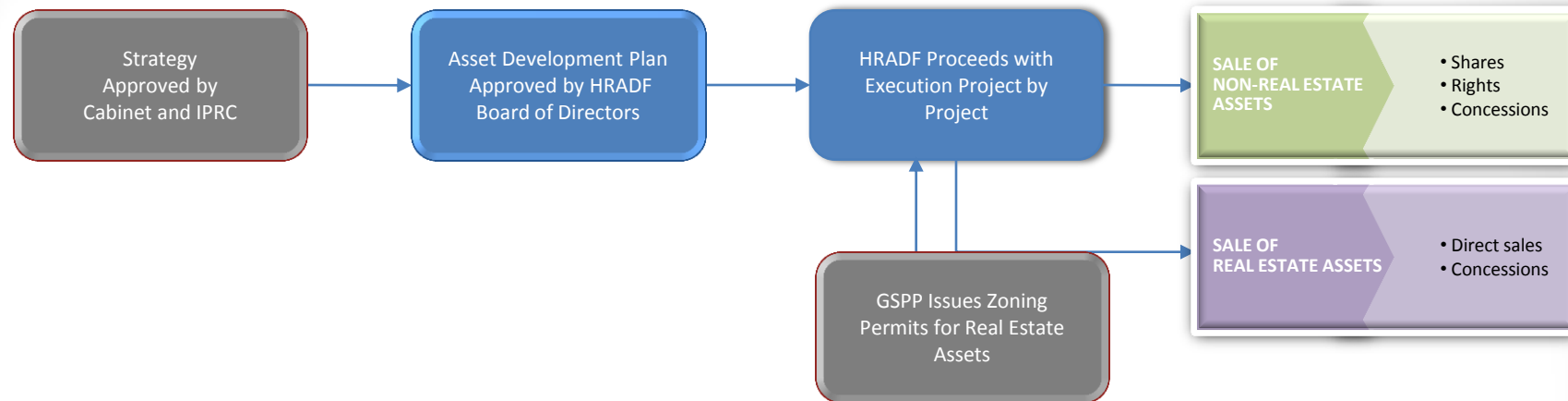
effective decision-making infrastructure



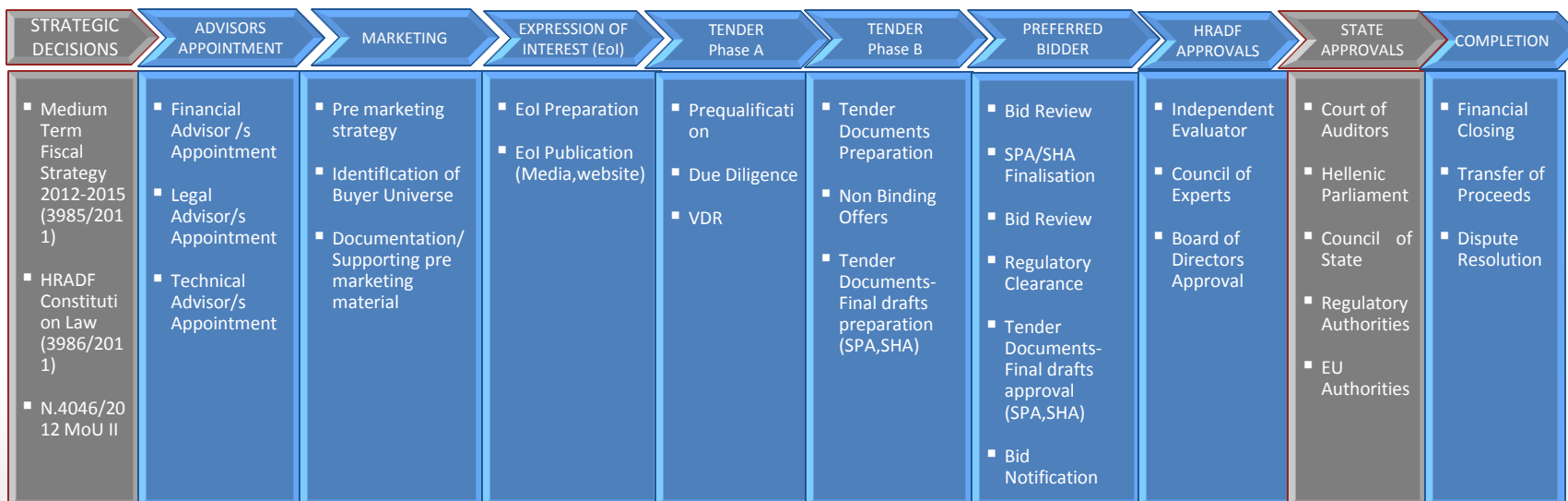
Transparency and effectiveness in the decision-making process are safeguarded by the active involvement of 3 independent parties:

- Council of Experts
- Independent Evaluator
- Court of Auditors

outline of privatisation process



PRIVATISATION PROCESS STAGES AND RELATED WORKSTREAMS



HRADF

Hellenic Republic

3. VARIETY OF ASSETS

variety of assets





DEPA

The national gas utility in Greece, is responsible for the wholesale, trading, distribution and supply of natural gas.

Sale through international tender where bids can be submitted for the bundled or the unbundled entities. HRADF sells 65% stake of DEPA in an unbundled sale, or 65% of DEPA and 31% stake of DESFA in a bundled sale. Agreement with HELPE to sell their 35% stake through the same process.



DESFA

Owns and operates the regulated high pressure gas transport network and LNG re-gasification facilities.

Sale through international tender where bids can be submitted for the bundled or the unbundled entities. HRADF sells 34% stake of DESFA in an unbundled sale, or sell 65% of DEPA and 31% stake of DESFA in a bundled sale. Agreement with HELPE to sell their 35% stake through the same process.



DIGITAL DIVIDEND

The ongoing switchover of TV broadcasting signal from analogue to digital format will free up the 790-862 MHz frequencies' area, which is known as the "Digital Dividend".

Award part of TV broadcasting radio and military spectrum usage rights to other interested parties (eg mobile operators) through an auction.



OPAP

The leading gaming company in Greece with a monopoly right (ending in 2030) recently granted the exclusive right to operate 35,000 VLT's for ten years (ending 2022).

Sale of 33% of the shares of OPAP through an international open tender.



HELPE

The leading oil refiner and product distributor in Greece and a significant player in Southeast Europe, operating three refineries.



ROSCO

The rolling stock maintenance activity, is currently provided by ROSCO a newly established company 100% owned by the HR.



ELTA

The leading postal service supplier in the Greek market and member of the Universal Postal Union

- Up to 90% of ELTA shares will be offered for sale through an international open tender.

MUTUAL HORSEBETTING LICENCE



A state controlled entity that offers horse racing betting services in Greece and operates a wide network of c.450 betting agencies across Greece.

HRADF runs the international tender process on behalf of the Hellenic Republic and will award the license to the successful bidder.

PPC



Public Power Corporation) It is the incumbent electricity producer and supplier in Greece with more than 7.5 mil. customers and an installed capacity of 12,800 MW.

The privatization of the national high-voltage transmission system is planned as well as the sale of a portfolio of more than 2000 MW of mostly lignite and hydro power plants bundled together with a customer base.

TRAI NOSE



Trainose S.A is the sole rail operator in Greece fully owned by the Hellenic Republic.

Sale of 100% of share capital of TRAINOSE S.A



EGNATIA ODOS

Egnatia Motorway is a 670 km long, connecting the port of Igoumenitsa in Western Greece with the Greek-Turkish border.



REGIONAL AIRPORTS

The Hellenic Republic regional airport portfolio comprises of the entire network of airports (37 in total), with the exception of AIA. It currently services c. 18 mil. passengers per annum and covers the full range of airport operations.

Concession rights to operate, maintain and further develop a number of airports have been granted through two international open tenders. The airports are bundled in two groups. Besides an upfront fee, a share of the revenue will also be apportioned to Hellenic Republic.



SMALL PORTS AND MARINAS

The Hellenic Republic's portfolio contains 850 small ports and 115 marinas.

Concession rights to operate, maintain and further develop a number of marinas and cruise ports for 40 years will be granted through a series of international open tenders. The marinas/ports are bundled in groups or offered individually. Besides an upfront fee, a share of the revenue will also be apportioned to Hellenic Republic.



ATHENS INTERNATIONAL AIRPORT

Athens International Airport is a public-private partnership, involving the Hellenic Republic and a private consortium led by the Hochtief AG.

The shares of the Hellenic Republic in AIA will be sold through an international open tender.. The Hellenic Republic will get an upfront payment and a share in the operating revenues of profits of AIA.



EYDAP

Athens Water Supply, and Sewerage Company S.A) Has a 20-year exclusive concession agreement with the Hellenic Republic, ending in 2019, to supply water and sewerage services in the greater Attica area.

The concession right to EYDAP will be extended, after negotiations with the company, and subsequently up to 61% of the shares will be sold through an international open tender.



OLP (PIRAEUS PORT), OLTH (THESSALONIKI PORT), 10 LARGE REGIONAL PORTS

Hellenic Republic's portfolio contains 12 ports, including the two listed port companies of Piraeus (OLP) and Thessaloniki (OLTH). All twelve have long-term concession agreements with the state (up to 2052 for OLP and OLTH and up to 2042 for the remaining 10 ports) for the operation and maintenance of the port zones.



UNDERGROUND NATURAL GAS STORAGE "S. KAVALA"

The field is exploited by a private oil company, to which the Hellenic Republic has granted the exploitation rights up to 2014. Currently, the nearly depleted reservoir has remaining gas of c. 150 mil. c.m., which is expected to be used as part of the cushion gas of the 360 mil. c.m. required for an effective storage operation, with estimated annual capacity of the storage facility of 720 mil. c.m.



EYATH

Thessaloniki Water Supply, and Sewerage Company S.A has a 30-year exclusive concession agreement with the Hellenic Republic, ending in 2031 to supply water and sewerage services in the broader Thessaloniki area.

51% of the shares is sold through an international open tender

HELLINIKON



The biggest urban development project in Europe with an area of more than 6.2 sq. m. Mixed-use development which will enhance the attractiveness of Athens in Eastern Mediterranean and will integrate the existing urban and infrastructure complex of the Athens greater area.

HELLINIKON SA has rights on the Hellinikon former Airport site. HELLINIKON SA shares are sold through an international tender, whilst Hellenic Republic retains a passive minority stake. The funding of the HELLINIKON SA will be guaranteed by the investor.

AFANTOU



The Afantou-Rhodes project located on the island of Rhodes, is made up of 2 land plots; one of 1,527,000 sq. m. (in which there is an existing Golf Course) and another of c. 323,000 sq. m.

Sale of a majority stake of an SPV shares, established by the Fund and to which the Fund shall assign a combination of right of surface/ownership and/or other rights, according to the end use of each part of the site. The transfer of shares to the potential investor will take place through an international open tender.

SALE & LEASEBACK 28 BUILDINGS



Portfolio of 28 buildings currently being used by Ministries and other Hellenic Republic Authorities.



ASTIR VOULIAGMENIS

The site is situated on Kavouri peninsula in Vouliagmeni, at 20 km from the Athens centre and 25 km from the Athens International Airport with a total size of 308,000 sq. m, of which 38% is owned by the Hellenic Republic (c. 120,000 sq. m.).

The National Bank of Greece sells their part of the site and the hotel complex through an international open tender. The Fund has agreed to co-sell the rights of the smaller site so that the overall site is on offer to the market. The Fund will receive 20% of total proceeds agreed with NBG.



REAL ESTATE LOT 2

Xenias, Supporting Facilities Areas, Buildings abroad, Tourist properties

Sale of development rights. The transfer of rights to the potential investor will take place through international open tenders.



REAL ESTATE LOT 3

Vacation home, Large projects (i.e. Kaimaktsalan)

Sale of development rights. The transfer of rights to the potential investor will take place through international open tenders.

real estate portfolio potential

Key Assumptions

- In the stock of available land there are unique plots, which could be developed for private use by ultra high net worth individuals
- Successful execution of the privatisation strategy requires significant legal, structural and operational changes in a number of assets.
- There are two program focus areas according to level of readiness of assets:
 - sale/concession of those assets/rights that are clearly defined and have no strings attached in priority
 - monetization of non marketable assets either through bundling with other listed/marketable assets or through liquidation
- Speed up investments through inclusion of land development projects in "Special Zoning, Land uses and Urban Plan" for state owned real estate assets.

Strategic Objective

- Strengthen Greece as global tourist destination with premium – high visibility development
- Create large scale developments to attract operators that can mobilize demand
- Create a new market for vacation homes matching potential demand from high disposable income growth countries
Reinforce supporting infrastructures (e.g. roads, ports, marinas, airports, water, waste)
- Bring forward value through the set up of special financial instruments