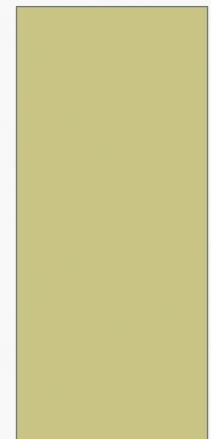


# PRIVATIZATIONS UPDATE AND ATHENS INTERNATIONAL AIRPORT PROSPECTS

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# AN IMPROVED ENVIRONMENT FOR PRIVATIZATIONS



# TYPICAL PRIVATIZATION PROCEDURE



# PRIVATIZATIONS IN PROGRESS

## PRESELECTED INVESTORS

FOOTBALL PROGNOSTIC ORGANIZATION (33%)	HELLINIKON REAL ESTATE (up to 100%)	PUBLIC GAS CORPORATION (65%)	NATIONAL LOTTERY RIGHTS
<ul style="list-style-type: none"><li>• BC Partners</li><li>• Emma Delta Ltd, (Jiri Smejc (66,7%) and G. Melissanidis (33,3%).</li><li>• Consortium of Gauselmann AG (55%), Playtech Ltd (41%) and Helvason Ltd (4%).</li><li>• Consortium of Intralot Holdings Luxemburg S.A. (34%) and Intralot Investments Ltd (66%)</li><li>• Primrose Treasure Limited, subsidiary of Fosun international.</li><li>• Third Point LLC</li><li>• TPG Capital</li></ul>	<ul style="list-style-type: none"><li>• QATARI DIAR</li><li>• Elbit Imaging</li><li>• London and Regional Properties</li><li>• Lamda Development.</li></ul>	<ul style="list-style-type: none"><li>• Gazprom,</li><li>• Negusneft,</li><li>• Socar,</li><li>• Consortium of M&amp;M GasCo-Mytilinaios - Motor Oil,</li><li>• Consortium of PPF and GEK TERNA.</li></ul>	<ul style="list-style-type: none"><li>• Österreichische Lotterien Gesellschaft m.b.H.</li><li>• Consortium of Sisal S.p.A., Damco Energy S.A. και Damlot S.A.</li><li>• Consortium of OPAP Investment Limited, Lottomatica Giochie Partecipazioni S.r.l., Intralot Lotteries Limited και Scientific Games Global Gaming S.à.r.l.</li></ul>

Considerable interest but large European players remain skeptical especially in gas and real estate development.

# OPPORTUNITIES AND UNCERTAINTIES COEXIST

- Major opportunities for 2013 and 2014 exist as key corporations and land come into the market:
  - The Athens International Airport.
  - ASTIR real estate development.
  - Athens Water Company.
  - Public Power Corporation.
- But considerable uncertainties remain unaddressed as the HRAFD struggles to regain the momentum following a six months of inactivity:
  - Form of privatization for key assets not yet determined.
  - Political uncertainty and union attitudes are discouraging key players.
  - Raising of finance for participating investors difficult as country risk remains high.

# PRIVATIZATIONS UPDATED TIMETABLE 2013

COMPANY	FORM OF PRIVATIZATION	PROCEEDS
FOOTBALL PROGNOSTICS VLTs SECOND BATCH - 35000 VLTS	SALE OF LICENSE	
NATIONAL LOTTERY	SALE OF LICENSE	
IBC	SALE-SECOND INSTALLMENT	
PUBLIC GAS CORPORATION	SALE OF MAJORITY STAKE	
HELLENIC GAS TRANSMISSION CORPORATION	SALE OF MAJORITY STAKE	
KASSIOPI REAL ESTATE	CONCESSION	
FOOTBALL PROGNOSTICS ORGANIZATION	SALE OF 33% STAKE	
REAL ESTATE	SALE AND LEASE BACK	
HELLENIC PETROLEUM	SALE OF MAJORITY STAKE	
ASTIR REAL ESTATE	CONCESSION	
AFANTOU REAL ESTATE	CONCESSION	
REGIONAL AIRPORTS	SALE OF RIGHTS	
HELLENIC POST	SALE OF MAJORITY STAKE	
STORAGE FACILITY KAVALA	CONCESSION	

TOTAL REVENUES **2586** MILLION EURO

# PRIVATIZATIONS UPDATED TIMETABLE 2014

COMPANY	FORM OF PRIVATIZATION	PROCEEDS
STATE LOTTERY	SALE OF RIGHTS	
THESSALONIKI WATER COMPANY	SALE OF MAJORITY STAKE	
EGNATIA ODOS	CONCESSION	
ATHENS WATER COMPANY	SALE OF MAJORITY STAKE	
HELLINIKON REAL ESTATE	DEVELOPMENT	
REGIONAL AIRPORTS CONCESSION	CONCESSION	
MAIN PORTS	CONCESSION	
ATHENS INTERNATIONAL AIRPORT	SALE OF MAJORITY STAKE	
REAL ESTATE DEVELOPMENT	CONCESSION	
PUBLIC POWER CORPORATION	17% SALE	
MARINAS	CONCESSION	
DIGITAL DIVIDENT	SALE OF RIGHTS	

TOTAL REVENUES **2347** MILLION EURO

# **ATHENS INTERNATIONAL AIRPORT PRIVATISATION**

**A CASE STUDY**

# COMPANY PROFILE

- The Athens International Airport is an incorporated Societe Anonyme type of company.
- The company was established in 1996 in the form of a public private partnership model between the Greek State and a private consortium led by Hochtief Aktiengesellshaft.
- The company initiated its operation on the 28<sup>th</sup> of March 2001 having as the main field of activities the operation, management and development of the airport “Eleftherios Venizelos” for a 30 year concession period.
- The concession agreement prohibits the development of a competitive airport facility within a radius of 100 km.
- The company employs 690 people under open ended contracts with an average age of 42 years.

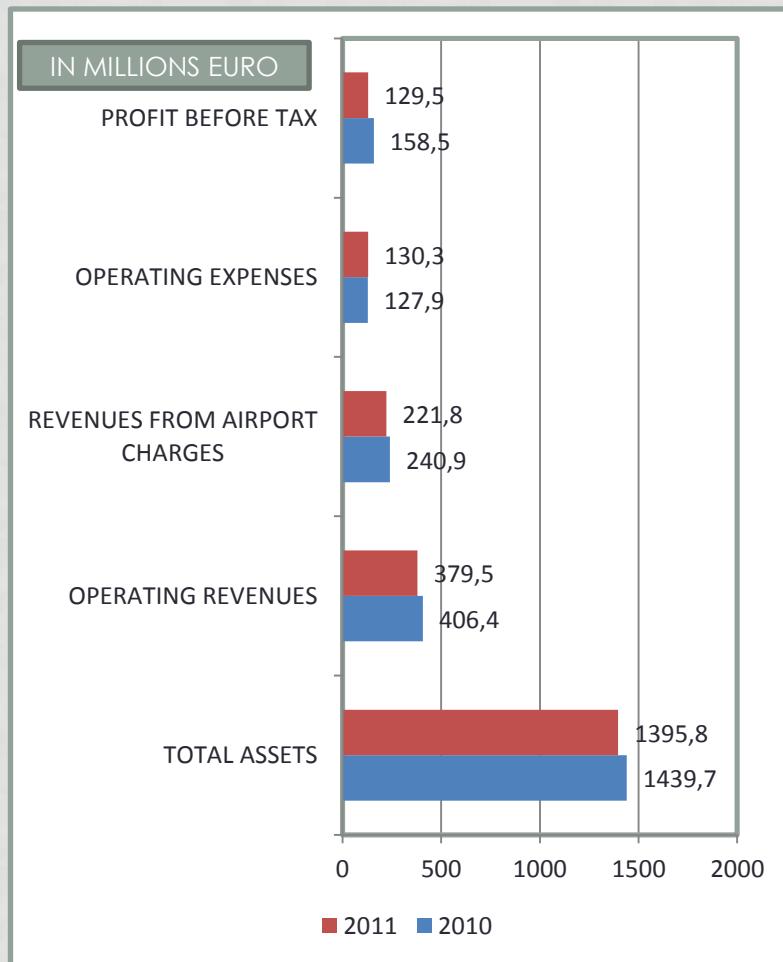
# MAIN AIRPORT SERVICES AND ACTIVITIES

- The airport offers a wide range of services and facilities to travellers and visitors including: shopping center, baggage services, tourism and car rental services, banking and currency exchange, postal and courier services, internet access, executive services, children's play area, health services, visitor services, accommodation services in Sofitel Athens Airport, short term and long term parking area.
- Activity has declined sharply since the start of the economic crisis and several major airlines have left the airport. During the last five years total passenger traffic has declined by 13% to **14,446,963** passengers in 2011 compared to a high of **16,538,403** in 2007.

# KEY HIDDEN POTENTIAL: PROPERTY DEVELOPMENT

- AIA has the right to develop an integrated Airport City. Within the context of AIA's real estate development program, a number of sites located in the South and North development areas of the airport as well as Zagani hill - a total of 1.8 million m<sup>2</sup> - can potentially be developed with a mix of selected commercial uses, following thorough investigation of business cases aiming to implement "win-win" projects for AIA and third party stakeholders.
- The sites already developed include:
  - The Airport Retail Park, located 2km south of the Main Terminal Building.
  - The Exhibition and Conference Centre "Metropolitan Expo" with a grand total of 50,000m<sup>2</sup>.

# FINANCIAL RESULTS AND SHAREHOLDING STRUCTURE



SHAREHOLDER	NUMBER OF SHARES	%
HELLENIC REPUBLIC	16,500,000	55%
Hochtief AirPort GmbH	8,000,004	27%
HOCHTIEF AirPort Capital GmbH & Co. KGaA	4,000,002	13%
Copelouzos Dimitrios	599,997	2%
Copelouzou Kiriaki	299,999	1%
Copelouzos Christos	299,999	1%
Copelouzou Eleni-Asimina	299,999	1%

# STRUCTURE OF THE TRANSACTION

- Subject to agreement with Hochtief Airports, the shares of the HR in AIA will be sold through an international open tender together with the shares held by Hochtief Airports.
- An extension of the concession by another 20 years will be granted.
- The HR will get an upfront payment and a share in the operating revenues of profits of AIA.
- The HR expects to raise about 750 million euro from the transaction.
- The HRADF has appointed a team of advisors to run the privatization consisting of: BNP PARIBAS, National Bank of Greece and Bernitsas Law office.

# PROVISIONAL TIMETABLE

- The HR has appointed advisors in May 2011. Preparation of the transaction has been interrupted due to the elections and the management restructuring at HRADF.
- Negotiations with **Hochtief** on possible extension of the concession have been delayed for over 6 months.
- The tender is likely to last for about 9 months provided major issues are avoided such as referral to the competition authorities.
- At this stage we do not expect that HRADF will be able to issue a public call for interest before June 2013.
- Completion of the transaction expected in the first quarter of 2014.