



HELLENIC REPUBLIC ASSET  
DEVELOPMENT FUND

**INVITATION FOR EXPRESSION OF INTEREST  
TO ACT AS FINANCIAL ADVISOR TO THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND  
("HRADF") FOR THE CONCESSION OF THE RIGHT TO OPERATE, MAINTAIN AND COMMERCIALY  
EXPLOIT EGNATIA MOTORWAY AND THREE VERTICAL AXIS (I) SIATISTA - IEROPIGI/KRISTALLOPIGI,  
(II) THESSALONIKI – SERRES - PROMACHONAS AND (III) THESSALONIKI - EVZONI**

**March 4<sup>th</sup>, 2016**

**1. Introduction**

1.1. Pursuant to:

- I. the provisions of the single article of Law 3985/2011 "Medium Term Fiscal Strategy 2012-2015" (Government Gazette A'151/2011), which approved the Medium Term Fiscal Strategy 2012-2015 and the "Privatisations Program 2011-2015" (Chapter B', Part II "Privatisations"),
- II. the provisions of Law 4046/2012 (Government Gazette A'28/2012) "Approval of the Draft Agreements for Financial Assistance Facility between the EFSF, the Hellenic Republic and the Bank of Greece, of the Memorandum of Understanding between the Hellenic Republic, the European Commission and the Bank of Greece and other provisions for the reduction of public debt and the salvage of the national economy" that updated the Privatisation Program included in Annex IV, and
- III. the provisions of paragraph 4.4 (Structural Policies for the enhancement of competitiveness and development - Privatisation) of Law 4336/2015 (Government Gazette A'94/2015) "Ratification of draft agreement for the Financial Support from the European Stability Mechanism and provisions for the implementation of the Financing Agreement"
- IV. the Joint Ministerial Decision No 215/10.8.2012 issued by the Inter-ministerial Committee for Asset Restructuring & Privatisation (ICARP) (Government Gazette 2316B' 10/8/2012), transferring the right to operate, maintain and exploit the Egnatia Motorway and roadside sites thereto, as well as all property, tangible and intangible, rights related to the Egnatia Motorway, together with three vertical axis, namely: (i) Siatista - Ieropigi/Kristallopigi leading to Albania, (ii) Thessaloniki – Serres - Promachonas leading to Bulgaria and (iii) the Thessaloniki - Evzoni transversal part of Patra – Athens –Thessaloniki Evzoni motorway axis leading to FYROM, have been transferred to the Fund for a maximum period of forty (40) years.

the concession of the right to operate, maintain and exploit the fully constructed Egnatia Motorway (approximately 680 km in length) and the abovementioned three (3) vertical axes (approximately 228 km in length) together "Egnatia" or "**Motorway**" is foreseen in the on-going Privatisations Program of the Hellenic Republic (the "**Transaction**" or "**Project**").

- 1.2. Pursuant to Law 3986/2011 on "Emergency Implementation Measures for the Medium-Term Fiscal Strategy Framework 2012-2015" (Government Gazette A' 151/2011), the Hellenic Republic Asset Development Fund SA (the "**HRADF**" of the "**Fund**") was established with the sole object of developing assets of the Hellenic Republic and are included in the Privatisation Program.

- 1.3. Within the framework of the current privatisation plan of Egnatia, the HRADF is seeking to employ a specialized and highly experienced Financial Advisor (“**Advisor**”), who fully understands the operational, commercial, financial and transactional dynamics and drivers of motorways in Europe and particularly in Greece in order to offer its assistance during the preparation and execution of the Transaction.

## **2. Scope of Work**

The assignment will include the following:

### **2.1 During the Preparatory Period (inter alia):**

- 2.1.1 Review any relevant available data including all existing historical financial, strategic and operational work done to date relating to Egnatia Odos SA (“**EOSA**”) and the Motorway, any information memoranda, studies, reports, business plans, traffic models and forecasts relating to the Motorway and more particularly the infrastructure, operation, maintenance, investment, services offered, tariffs, existing tolling system and policy applied etc. Review and assess the current status and prospects of the Motorway;
- 2.1.2 Determine the value of future toll revenues and other economic rights accruing to the HRADF from the Motorway (also assessing possible future implementation of an electronic free flow tolling system to the Motorway);
- 2.1.3 Assess the strategic, business and financial options available to the HRADF in connection with its Privatisation objectives to assign a new concession contract of the Motorway. Determine and structure the best available Privatisation option for the HRADF that will maximize value and attract potential investors.
- 2.1.4 Develop, along with the HRADF’s other advisors, and regularly update the appropriate financial forecasts and models as well as perform valuation and financial analysis (including sensitivity analysis) required for the implementation of the Transaction;
- 2.1.5 Identify the universe of potential investors, explore and evaluate potential interest for the Project;
- 2.1.6 Design, prepare and coordinate, together with HRADF’s other professional advisors, all necessary procedures required for the implementation of the tender and the Transaction such as, indicatively, vendor due diligence process, data room establishment and administration, preparation and coordination of presentations by the Management of EOSA to potential investors with regard to the Project, coordination and preparation of site visits by investors to the Motorway, any other action required in relation to the proposed course of action to implement the Transaction;
- 2.1.7 In conjunction with the HRADF’s legal advisors, liaise with relevant regulatory bodies, as well as assist in examining the financial implications of any possible competition and state-aid issues identified by the HRADF’s legal advisors;
- 2.1.8 In conjunction with the HRADF’s legal and technical advisors, liaise with the DG Mobility and Transport (“**DG Move**”), and provide any required financial input for the notification to be submitted by the Hellenic Republic, justifying the proposed tolling system model for the Motorway;
- 2.1.9 Together with HRADF’s other advisors, assist in collecting necessary Government approvals and/or other approvals from European Institutions as are deemed necessary in relation to the Transaction.

- 2.1.10 Together with HRADF's other advisors assist in designing appropriate specifications of an electronic free flow tolling system for the Motorway that will allow interoperability with the other motorways in Greece.
- 2.1.11 Design, coordinate and assist in the negotiation, in conjunction with HRADF's other advisers, of a full framework and specific terms that will allow at the time of Transaction completion for the roll-over of the outstanding Bond Loan of EOSA to Piraeus Bank ("**Bank**") to the new concession/concessionaire.
- 2.1.12 In conjunction with HRADF's other advisors, submit a recommendation to the HRADF in respect to the Transaction, which will include, among other things, a set of options and the Advisors' recommendation from a strategic, business, financial and operational point of view, in relation to the proposed course of action for the HRADF to consider relating to the Transaction taking into account, inter alia: value maximization, infrastructure complementarity, investor interest optimization, the need for an efficient and effective motorway network, the appropriate levels of tolling on the motorway network, roll over of the existing Bank Bond Loan etc.; prepare and present the optimal Transaction structure with its key assumption parameters and respective time-lines for its execution (the "**Recommendation**");

## 2.2 During the **Implementation Phase** (inter alia):

Assist, in co-operation with any other professional advisors, in the co-ordination of the Transaction process from initial preparation to the final negotiation and consummation of the Transaction, which may include, but is not limited to, the following:

- 2.2.1 Advise and where appropriate assist the HRADF to develop the appropriate sell story, identify any key potential investor requirements, attract proposals, offers or bids from potential investors, assess any such proposals, offers or bids and advise the HRADF on their relative merits;
- 2.2.2 In conjunction with HRADF's other advisors where appropriate, evaluate from a financial/business point of view any proposal made by any potential purchaser/investor, and submit their written recommendations to the HRADF;
- 2.2.3 Work with the HRADF's other professional advisors to prepare any and all customary documentation and organize all relevant procedures required for the Transaction (including but not limited to, Invitation for the Expression of investor Interest, Request for investor Proposals, draft Concession Agreement, review the traffic model and the financial model of the Motorway, assess the business plan of EOSA, assist in the preparation of a set of documentation to effect the Bank Bond Loan roll over etc.);
- 2.2.4 Plan the negotiation strategy, co-ordinate and participate in the negotiation team in the discussions with the Bank, assess the financial terms proposed by the Bank, produce terms customary for refinancing that may be proposed to the Bank, formulate and propose appropriate conditions of the Transaction documents and assist legal advisors in drafting the relevant parts of such loan roll over documentation;
- 2.2.5 Prepare and conduct, together with the HRADF's other professional advisors, and perform all other customary services for the successful consummation of the Transaction and (if so required) the rollover of the bond loan agreement;

- 2.2.6 Assist and advise the HRADF in relation to the closing of the Transaction and the fulfillment of any conditions thereof.
- 2.2.7 Provide to the Board of Directors of the HRADF any required presentations and recommendations justifying the proposed course of action in the different steps of implementation of the Transaction up to Closing;

**Duration:** The Duration of the engagement shall be twenty four (24) calendar months **or** until Transaction close (whichever event occurs first).

### **3. Necessary Qualifications**

Interested parties should be able to demonstrate their standing and professional experience in relation to this assignment. Interested parties are kindly requested to submit an offer in writing, which should include the following:

- 3.1 **Track Record & Experience (weight 25%):** Proof of relevant track record and experience in the provision of expert financial advisory services in infrastructure concessions and motorway projects in particular. Experience in the Greek market will be highly appreciated. The dossier of the Expression of Interest should include obligatorily a catalogue of all relevant projects in which the interested party has participated in the last 10 years (**DOSSIER A'**).
- 3.2 **Project Team (weight 25%):** Proposed team composition (and its proposed structure) including relevant experience of the leader and senior members of the team. Expressions of Interest should include CVs of all members of the engagement team. Moreover, a list of all relevant projects proving experience of those individual members should be submitted and included in the Expression of Interest (**DOSSIER B'**).
- 3.3 **Methodological Approach (weight 20%):** Interested parties should submit in their proposal a brief description of the proposed approach to the assignment, identification of critical issues, methodologies to be applied as well as its deliverables including an indicative timetable (**DOSSIER C'**).
- 3.4 **Budget (weight 30%):** The maximum available budget for retainer fees for the assignment is Euro 250,000 (plus VAT, if applicable). Any proposed success fee should be quoted and analyzed separately. Similarly, expenses should be calculated and quoted separately at a capped amount. Expenses will have to comply with the Fund's Expense Policy. The Expression of Interest should include a detailed Budget analysis and structure (**DOSSIER D'**)

All criteria described under 3.1, 3.2, 3.3 and 3.4 should be fulfilled.

- 3.5 Interested parties and the members of the proposed teams must declare in writing that they do not have a conflict of interest, as well as that they do not have a relationship of economic or other nature and that they are not retained by EOSA and/or Piraeus Bank. Such declaration as to conflict of interest will be in effect throughout the term of the Advisor's engagement with HRADF.
- 3.6 The Advisor will be obliged to abide by the rules provided for in art. 7 of Law 3049/2002 and specially their professional code of conduct and relevant confidentiality rules even after the conclusion of their engagement.
- 3.7 The Advisor should be aware of the approved expenses policy applicable on reimbursement of Advisors expenses by the HRADF;

#### 4 Selection Process

- 4.1 The assignment will be awarded in accordance with the provisions of Law 3986/2011 and HRADF's Procurement Regulation (Government Gazette 476/2014) as in force from time to time.
- 4.2 The HRADF hereby reserves the right to extend or amend the engagement with the Advisor to include complementary services (if necessary), that may be required and can not be identified today and from a technical and financial perspective will prove to be inseparable from the engagement, in accordance with applicable law.
- 4.3 The assessment shall take into consideration the above mentioned in Article 3 qualifications and requirements. HRADF may require any clarification, addition or adjustment of the submitted Expressions of Interest as deemed necessary.
- 4.4 Following the assessment process, up to three (3) candidates may be invited to present their proposals to HRADF. Should the number of candidates that fulfill the abovementioned minimum selection criteria is less than three (3), HRADF may - at its sole discretion - continue the procedure by calling on the candidate(s) that fulfill such criteria.
- 4.5 A candidate that does not comply with the criteria set hereof will not be allowed to participate in the process and thus be disqualified.
- 4.6 HRADF reserves, at the fullest extent possible and at its exclusive discretion, the right to cancel, suspend, amend or postpone until a later time this procedure, without any prior notice, 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.
- 4.7 No responsibility or liability is or will be accepted by either the HRADF or its advisors, or any agents, employees, officers in respect of any error or misstatement in or omission from this document. No person acquires any right or claim for compensation or other from this Invitation or from their participation in the procedure described herein, against the HRADF or its advisors for any reason or cause.
- 4.8 Interested parties should submit their offer consisting of DOSSIERS A' , B, C' and D' and any other documentation that prove the firm's and the team's experience and expertise together with all requested documents as above via e-mail at the e-mail: [info@hraf.gr](mailto:info@hraf.gr), marked **"EGNATIA MOTORWAY: INVITATION FOR EXPRESSION OF INTEREST FOR FINANCIAL ADVISOR"**. Additionally, a hard copy of such offer may also, at the discretion of the interested parties, be submitted, in a sealed envelope, at the offices of **HRADF, 1, Kolokotroni & Stadiou str., 7th floor, Athens 10562, Greece**. If there is any inconsistency between the hard copy and the submission via e-mail, the e-mail submission shall prevail.
- 4.9 The Expressions of Interest containing the offers must be submitted **no later than April 26<sup>th</sup>, 2016, 17:00, Athens time**, irrespectively of the way of submission.