

Energy Privatisation Alert

Launch of the Invitation for the Expression of Interest regarding the sale of a 66% stake in the Greek Transmission System Operator (ADMIE)

15 April 2014

On 11 April 2014, the Board of Directors of the Public Power Corporation launched the tender process for the privatisation of the Greek Transmission System Operator (ADMIE) by approving an Invitation for the Expression of Interest for the sale of a 66% stake in the share capital of the company. It is reminded that, in the context of the privatisation in question, the remaining 34% share in ADMIE will be retained by the Greek State.

As detailed in our previous Privatisation Alert (12 March 2012), the tender process will be effected in two (2) phases, namely (i) the Expression of Interest and prequalification phase and (ii) the submission of binding offers, after a due diligence exercise. In order to move on to the second phase, interested applicants must fulfil the legal, financial and technical criteria set forth in the Invitation for the Expression of Interest.

In particular, the Invitation for the Expression of Interest specifies that, among others, the following criteria must be fulfilled.

- The registered seat of interested applicants must be located in one of the states listed in the Invitation for the Expression of Interest, namely: all member-states of the European Union and the European Economic Area, Switzerland, United States, Canada, Japan, China and/or Hong Kong, Russia, Australia, Bahrain, Brazil, India, Israel, Kuwait, Malaysia, Oman, Philippines, Qatar, Saudi Arabia, Singapore, South Korea and United Arab Emirates. Applicants, or entities controlling the applicant, which are registered outside the abovementioned countries will not be admitted to the tender.
- The equity position of interested applicants must amount to at least Euro Three Hundred Fifty Million (350,000,000) on average, as reflected in the applicant's financial statements for the three (3) most recent financial years.
- Interested applicants must possess at least three (3) years of experience in either (i) the development, management, operation and maintenance of assets of a similar nature to that of ADMIE (i.e. high voltage electricity transmission

systems), and/or (ii) the development, management, operation and maintenance of energy infrastructure or of comparable assets in regulated infrastructure. Furthermore, such experience must have been acquired during the five (5) years preceding the submission of interest.

It is particularly noted that the experience requirement may be waived, provided that the interested applicant is otherwise willing to concede the management of ADMIE to the Greek State for a period of at least five (5) years following the conclusion of the tender process.

We will be happy to provide you with more details and clarifications on these criteria, if required.

The tender process for the privatisation of ADMIE has reportedly stimulated interest from major international contenders. HSBC Bank plc and Citigroup Global Markets Limited act as financial advisors to the transaction, the value of which is expected to exceed the amount of Euro Six Hundred Million (600,000,000).

The deadline for the submission of Expressions of Interest is 9 May 2014, 17:00 (GMT +2). Deadline for clarifications is 28 April 2014.

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