



ΕΛΛΗΝΙΚΗ ΔΗΜΟΚΡΑΤΙΑ  
ΥΠΟΥΡΓΕΙΟ ΟΙΚΟΝΟΜΙΚΩΝ

# State Asset Management and Privatization Plan

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# Policy Goals

- Effective use of public assets and resources so as to:
  - Restructure the economy
  - Foster economic development
  - Contribute to fiscal consolidation
- Safeguard:
  - Public goods
  - State shareholdings in strategic and national security assets
- Revenues: at least €7bn over 2011-2013



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# Methods and Procedures

- Levels of state-ownership:
  - 51% or more: controlling majority
  - 34%: binding minority interest
  - Less than 34% combined with shareholder agreement
  - Complete privatization
- Putting to use the know-how of the private sector through:
  - Out right sales
  - Concession agreements
  - Initial public offerings
  - Strategic partnerships
  - Holding companies
- Proceed with market conditions in mind.



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# Classes of State-Owned Assets

**Banks** : four stakes under restructuring

**Transport:** Airports, Ports, Railway Operators, Motorways

**Utilities:** Water Management

**Energy:** Electricity, Gas, Oil Refineries

**Telecoms**

**Gaming:** OPAP, Casinos, Horse Racing, Instant Tickets,  
New Markets

**Real Estates:** Income Generating, Commercial, Tourism



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# Transport: Railways (OSE)

- **Current status:**
  - A fully state-owned group of companies
  - The group has annual losses of almost 1 billion euro, out of which 500 are invested in infrastructure, and about 10 billion euro of debt
- **Action plan:**
  - In progress: restructuring so as group returns to profit, minimize debt load
  - Sell 49% of TRAINOSE operator to a strategic investor, plus management
  - Develop OSE railway stations and commercial real-estate via concession agreements and SPV's
  - Develop three large freight centers of OSE in Thessaloniki, Athens, Patras) via concession agreements
  - Develop photovoltaic parks via concession agreements



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# Ports: OLP, OLTH, Regional Ports

**Holdings:** about 900 ports of various sizes

## **Action plan:**

- The State currently owns 74% of OLP and OLTH as well as 100% of further 10 regional ports
- Study the optimality of corporate reorganization of the port portfolio
- Develop and invest in port services in cooperation with strategic investors
- Development of Marina Portfolios

## **Portfolio Management:**

- State holdings managed via holding companies
- Possible listing of 49% of holding companies in ASE
- Possible long-term passive investors



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# Airports: AIA, Regional

## **Athens International Airport (AIA):**

- The State owns 55% of AIA concession company
- Extend existing concession agreements with the private sector
- Reduction of HR holdings

## **Regional airports:**

- The State is the sole owner of regional airports
- Study the optimality of corporate reorganization of the airport portfolio
- Grant concession agreements and management to strategic investors

## **Portfolio Management:**

- State holdings managed via holding companies
- Possible listing of 49% of holding companies in ASE
- Possible long-term passive investors



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# Motorways

- Concession Agreements for Motorways in Operation:
  - Egnatia Odos motorway
  - Attiki Odos motorway
- New Concession Agreements in Progress:
  - Attica, Crete, Peloponnese, Mainland





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# Utilities: EYATH, EYDAP

- **Thessaloniki Water: EYATH**
  - The state currently owns 74%
- **Athens Water: EYDAP**
  - The state currently owns 61%
- **“Hellenic Waters ”**
  - Explore the possibility of including EYATH, EYDAP and other regional utilities into a holding company.



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# Energy: DEPA, DEH, ELPE

- **Gas - DEPA**
  - The State owns 65% of DEPA and PPP has an option to acquire 30%
  - Value the “DEH option”
  - Possible separation of DEPA-DESFA
  - The State will retain full management rights and control of DEPA-DESFA
- **Electricity - Public Power Corporation (PPP)**
  - The State currently owns 51% of DEH
  - The State will maintain it’s controlling stake in DESMHE network
  - Push through structural reforms for both retail and wholesale markets
  - Implement the EU 3<sup>rd</sup> Energy Pack
- **Oil Refineries - ELPE**
  - Maintain the State strategic shareholding in the group.



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# Telecoms: ELTA - OTE - Spectrum

## Postal Services - ELTA

- The State owns 90% of ELTA.
- Hellenic Post Bank holds the remaining 10%.
  - Development of ELTA assets
  - HR to sell 39% of its holding so as to maintain a 51% controlling stake.

## OTE Telecoms

- The HR will maintain its existing strategic stake in the company

## Spectrum - Digital Dividend

- The HR will proceed with concession agreements



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# Gaming

- **Casinos:**
  - Proceed with complete privatizations in ETA.
- **OPAP**
  - The State controls OPAP through its 34% minority holding in the company.
  - Maintain the HR holdings in the company.
  - Consider to extend existing concessions
- **Gaming Market**
  - Develop a legal framework to open and regulate the gaming and internet betting industry. Sale of licenses.
  - Sale of instant scratch cards
  - Sale of Horse Racing business



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# State-Owned Real Estates - 1

- **KED-ETA-Olympic Estates**
  - Merge the three companies into one, where:
    - concession rights will be granted
    - Lon-term State ownership remains intact
  - Inclusion of real estates now under the management of various ministries
  - Design concession agreements using the special privatizations law
  - Manage portfolios of assets through new holding companies
  - Potentially float the company on the ASE, maintain a 51% or 34% state holding.
  - Condition: Existing legal framework needs to be enriched to provide tools for a fast maturity process



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# State-Owned Real Estates -2

- **XENIA**
  - Sale of or concession agreements for the management of individual or a group of Xenia hotels
  - Possibly float the company on the Athens Stock Exchange, maintain a 51% or 34% state holding.
- **Touristic Real Estates**
  - Create a portfolio of “quality” touristic real-estate, bring them under the management of private companies through concession agreements
  - Possibly float the companies on the Athens Stock Exchange, maintain a 51% or 34% state holding.
- **Vast state-owned real estate**
  - Set-up special purpose vehicles to manage and capitalize on vast state-owned real estate assets