

**INVITATION FOR EXPRESSION OF INTEREST  
FOR THE PROVISION OF SPECIALIZED TECHNICAL SERVICES TO THE  
HELLENIC REPUBLIC IN RELATION TO THE PRIVATIZATION OF  
HELLENIC CASINO OF PARNETHA S.A. AND CASINO MARKET**

12 October, 2011

**1. Introduction**

- 1.1 According to Table II, Chapter B, Law 3985/2011 “Mid Term Fiscal Strategy Plan 2012-2015”, the Hellenic Republic (“HR”) has decided to further privatise the HELLENIC CASINO OF PARNETHA S.A. (“HCP” or the “Company”) a 49% subsidiary of the State owned Hellenic Tourism Properties S.A. (ETA).
- 1.2 Moreover the HR wishes to review the current status of the casino market in Greece and assess the best available options regarding the existing casino licenses with respect to their exclusivity status, as well as the possibility of granting new licenses.
- 1.3 HCP is the second largest casino in Greece. The HR, via its wholly owned investment entity ETA, controls 49% of HCP share capital while 51% belongs to Athens Resort Casino S.A., an investment vehicle of Regency Entertainment S.A. (70%) and Ellaktor S.A. (30%). Athens Resort Casino S.A. and ETA entered into a Shareholders’ agreement in 2003 according to which both shareholders enjoy a right of first refusal on any sale of HCP shares by the other party. In addition, Regency has a management contract with HCP which is valid until 2013
- 1.4 In the context of the above under 1.1 and 1.2 (together, the «**Privatization**»), it is necessary to seek the appointment of a specialized technical expert, in order to assist the HR and its other professional advisors in relation to the Privatization.

**2. Scope of the Work to be assigned**

- 2.1 The services to be assigned concern the provision of expert technical advise and assistance to the HR and its other advisers in relation to all matters of technical nature in relation to HCP and in general the casino licensing and in general the casino market in Greece; these services to include, inter alia, the following:
  - 2.1.1 Gaming Market
    - 2.1.1.1 Analysis and benchmarking of markets and gaming models of relevance to the Greek Market
    - 2.1.1.2 Analysis and benchmarking of key features of markets of relevance to the Greek market for casino operation including number of casinos in operation per capita, profitability levels, range of games offered, taxation, licensing costs, duration of licences, etc.,
    - 2.1.1.3 Forecasting the development of the Greek gaming market by sub-sector (including offline and online) and by region with a particular focus on casinos, under different scenarios and assumptions based on GDP growth development, additional market deregulation, the potential effect of the new games to be introduced (VLTs, online gaming), the possibility of granting new licenses and including their impact on HCP
  - 2.1.2 HCP
    - 2.1.2.1 Forecasting the outlook of existing casino operators, with a focus on HCP and assist the other professional advisors of the HR in forecasting HCP’s financial performance

- 2.1.2.2 Develop a five year business plan with detailed revenue and cost breakdown for HCP based on historic trends, benchmarking, recent developments and expectations for the Greek gaming market as per the analysis described above
- 2.1.2.3 Provide analysis of the assumptions behind the business plan and adequate evidence supporting the projections (indicatively industry reports, trends and forecasts on market size and growth for the Greek gaming industry and its casinos, benchmarking against other casino operators in Greece and across the world etc.)
- 2.1.2.4 Explain the key drivers and trends for each revenue and cost category of the company along with relevant KPIs to support the forecasts
- 2.1.2.5 Analysis of the key competitors in the industry (OPAP, Online gaming operators, Club Hotel Casino Loutraki, etc.) and the company's positioning among the competitors
- 2.1.2.6 Assist the HR's financial advisors during the due diligence process to be performed by investors in the context of the privatization of the HCP, in relation to the product of its services (indicatively, assistance in the Q&A process, participation in meetings with investors etc.)
- 2.1.2.7 Assist the HR's financial advisors in the preparation of any related marketing material
- 2.1.3 General
  - 2.1.3.1 Assist in the preparation of documentation and other relevant materials, from a commercial point of view
  - 2.1.3.2 Assist the HR's legal and financial advisors in the analysis of the key regulations in the gaming / casino industry in Greece and assess the likely impact of the new gaming regulatory framework on the business

2.2 Term of the Contract: One (1) year or up to the completion of the Privatization, whichever is the earliest.

### **3. Necessary Qualifications**

- 3.1 The interested firms must have an international reputation and expertise in providing services related to the gaming markets and in particular, they have to demonstrate:
  - 3.1.1 relevant experience in analyzing the European gaming markets emphasizing on the casino sector
  - 3.1.2 proven track record of provision of relevant technical services to national authorities, gaming regulators, operators of games of chance or other licensed market participants
- 3.2 The offers of interested firms should include the proposed team composition, including relevant experience of the senior members of the team, the financial terms for the provision of the technical advisory services hereof, including a cap for fees and expenses for the term of the Contract.
- 3.3 The interested firms 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 dependence or are retained by HCP, Athens Resort Casino its shareholders and/or their affiliates or its immediate competitors and/or their affiliates, in a way that gives rise to a conflict of interests. Such restriction as to conflict of interests will be in effect throughout the term of the engagement.
- 3.4 The appointed Gaming Technical Advisor will have to observe the obligations provided by Law 3049/2002 and especially the professional standards of its jurisdiction and confidentiality

obligations, even after the expiry of its engagement with the HR, as per the relevant engagement terms.

#### **4. Selection Procedure**

- 4.1 The award of the assignment will be made in accordance with the provisions of Law 3049/2002, following a negotiation of the qualified offers and the maximum number of the candidates that will be called to participate is three (3). If the number of candidates that fulfill the abovementioned prescribed minimum selection criteria is less than three (3), the Special Secretariat for Asset Restructuring and Privatizations (“**SSARP**”) may at its sole discretion continue the procedure by calling on the candidate(s) that fulfil such criteria. The SSARP may require any clarification, addition or adjustment of the submitted offers.
- 4.2 It is prohibited to participate in this procedure any candidates that they do not fulfil the required levels of skills and experience.
- 4.3 The HR reserves the fullest exclusive discretion to cancel, suspend, amend or postpone at a later time this procedure, without any prior notice, as well as to terminate any negotiations or discussions at any stage, without incurring any liability whatsoever as against any participant and/or any third party.
- 4.4 Interested firms may submit their offer together with detailed CVs of the proposed team for the assignment and the other documentation that prove the firm’s and the team’s experience and expertise, via e-mail at the e-mail address [ssarp@minfin.gr](mailto:ssarp@minfin.gr), marked “HCP: INVITATION FOR EXPRESSION OF INTEREST FOR TECHNICAL ADVISOR. A hard copy of such offer may also be submitted, in a sealed envelope, at the offices of the SSARP (8 Karageorgi Servias Street, Athens, 6th floor). The offers must be submitted no later than **October 20, 2011 at 17:00**, Athens time, irrespectively of the way of submission.