



Regulatory Update

April 2017

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The information presented or contained in this Presentation is current as of the date hereof and is subject to change without notice and its accuracy is not guaranteed.

More detailed information on potential risks that could affect our financial results is included in ADMIE Holding's Greek Information Prospectus originally drafted and approved by the Hellenic Capital Market Commission in the Greek language, as well as Affiliate ADMIE's (IPTO) Annual Financial Report 31 December 2017.

ADMIE Holding S.A. is owner of a 51% stake in "Independent Power Transmission Operator S.A." (ADMIE/IPTO).

RAE material as per Resolution 235/2018 for presentation purposes.

Regulatory overview¹

EUR million	2017	2021	Comment
Regulated Asset Base (RAB) ²	€1.4 B	€2.1B	Delta +50% c10% CAGR '17-'21
Investments (System & Users)		€1.0B	Cumulative '18-'21 ³
Regulated Rate of Return	7.8% Average 2015-17	6.7% Average 2018-21	
Allowed remuneration	€126M	€130M	
Regulatory depreciation	€55M	€77M	
Allowed Revenue	€261M	€286M	Delta +10% >2% CAGR '17-'21

¹ For presentation purposes; ² Calendar RAB; ³ gross of asset sales, NWC, Grants, Depreciation; source: RAE, ADMIE (IPTO)

Regulatory overview (unchanged from prior)

Regulatory Asset Base (RAB)

Maintenance & development investments + Working Capital; no impairment/revaluation

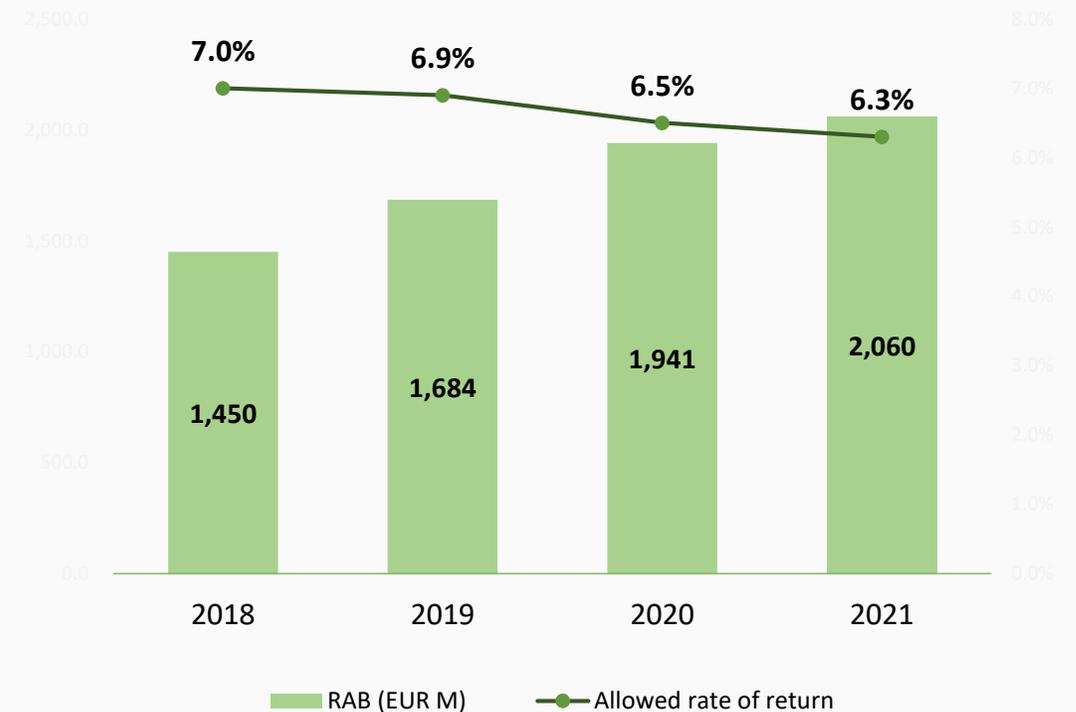
Allowed rate of return/WACC*

Sovereign risk-adjusted fair return; 100-250bp incentive for Projects of Major Importance**

Revenue cap

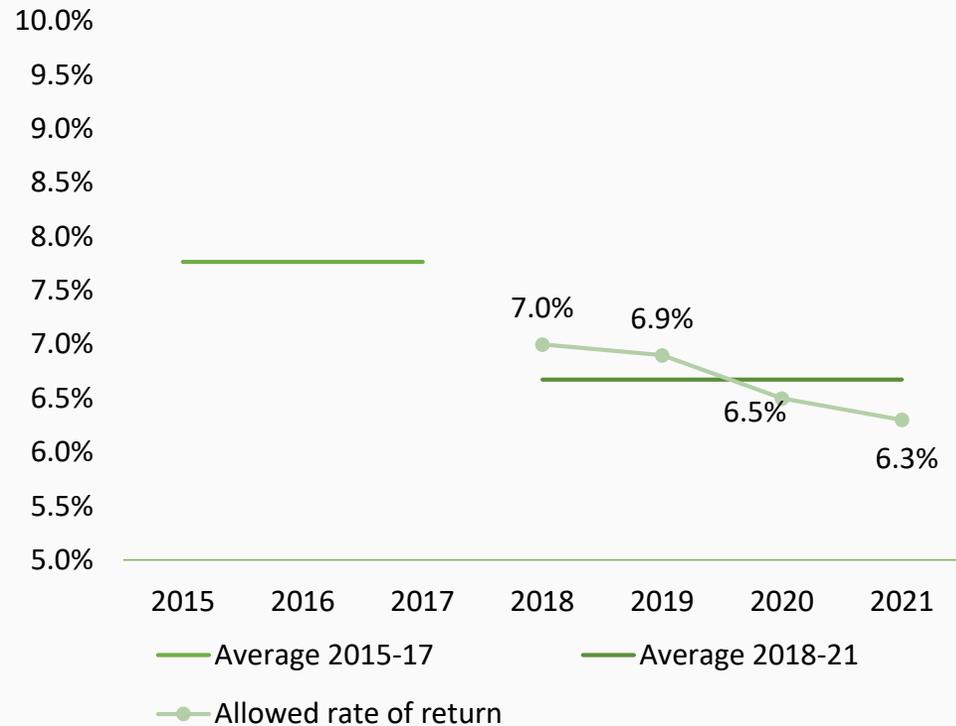
Allowed Revenue per year detailed across regulatory period; Required Revenue mandated annually

New Regulated Asset & Rate of Return



New, 4yr regulatory period 2018 – 2021

Regulated Rate of Return

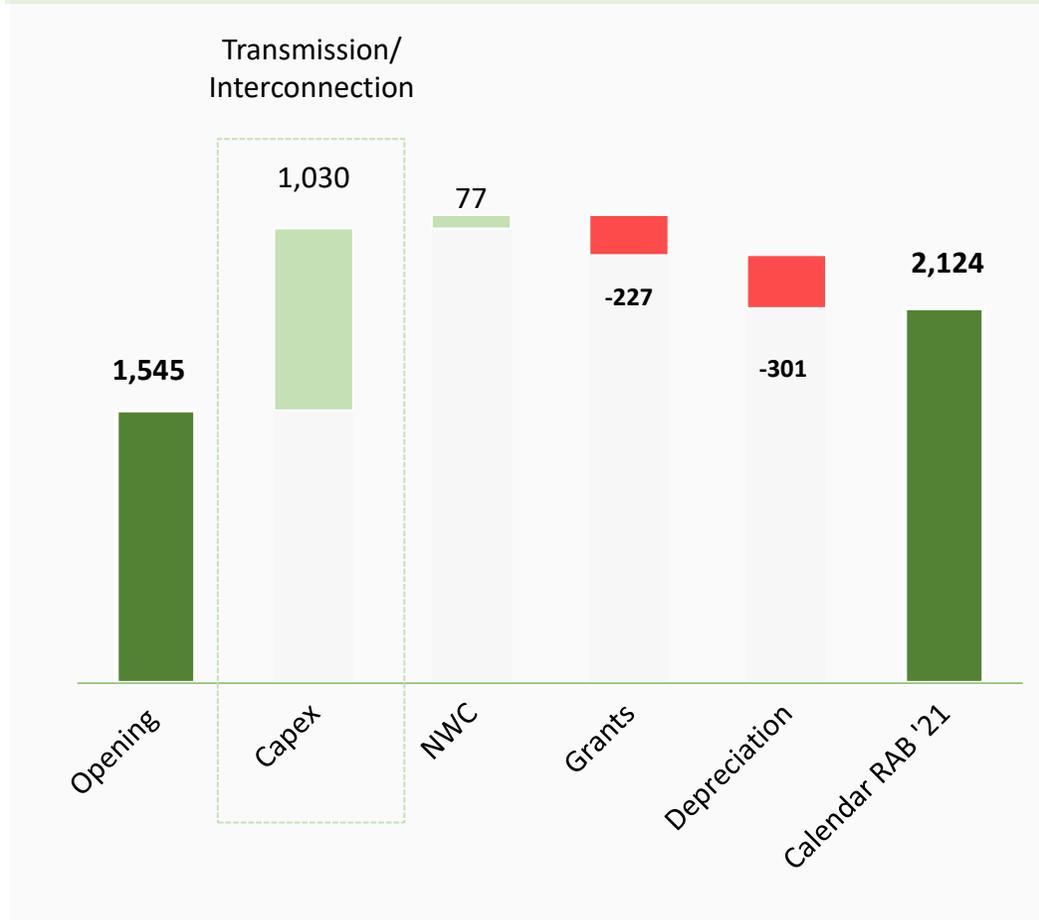


Regulatory WACC main components*

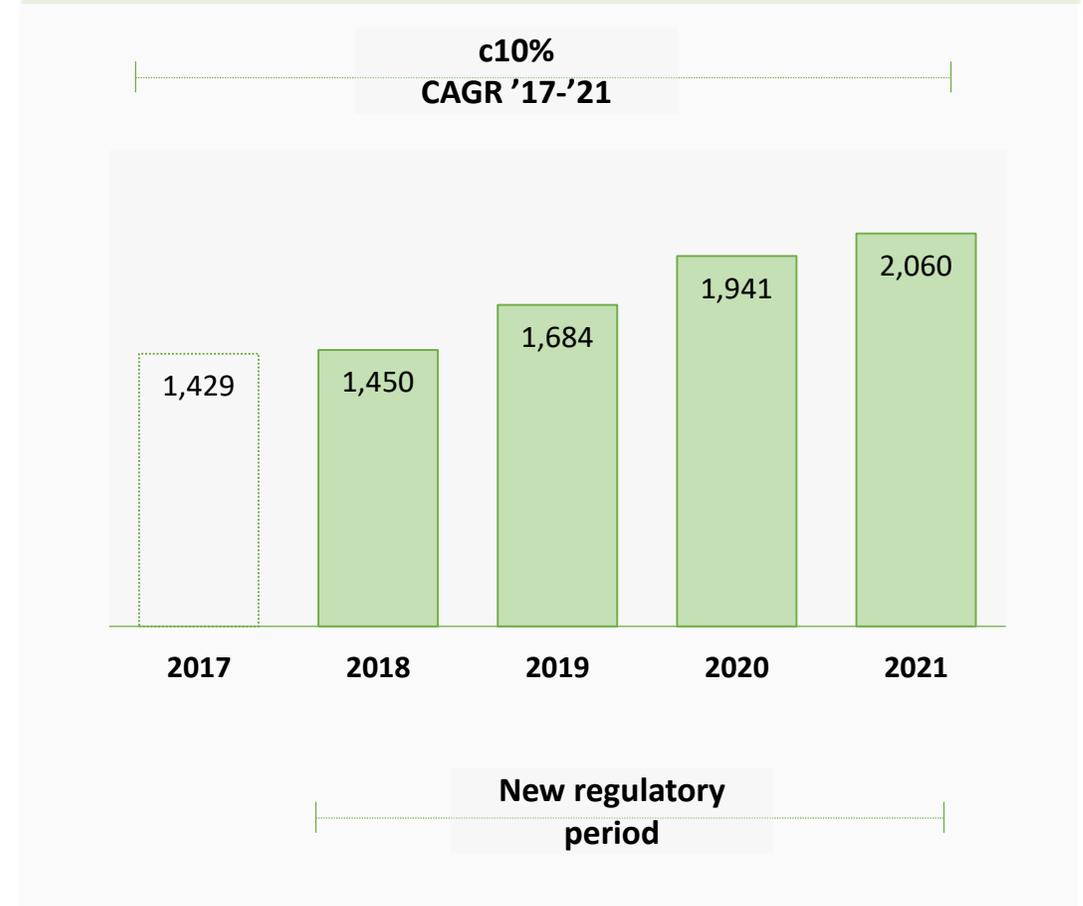


New returns reflect lower-risk macro environment and lower company-specific borrowing costs

RAB cumulative 4yr evolution

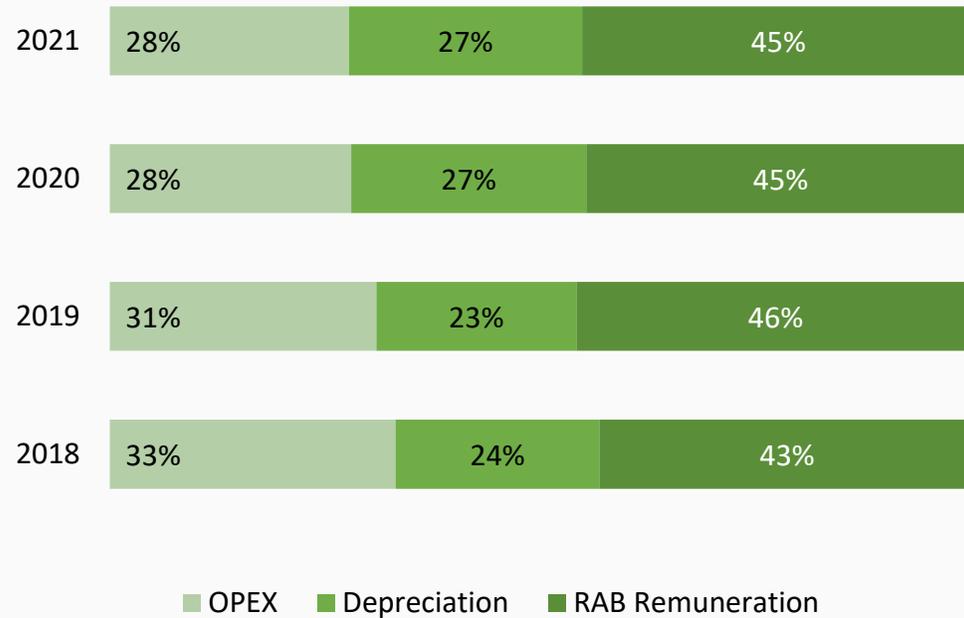


Average RAB evolution

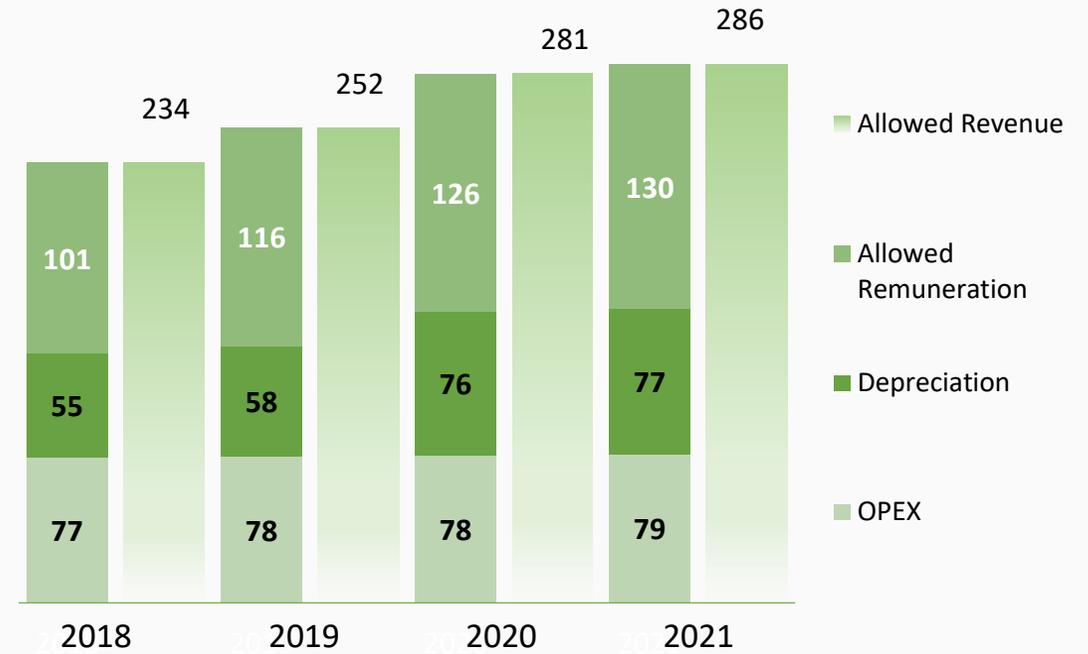


Transmission investment-driven asset growth

Allowed Revenue mix

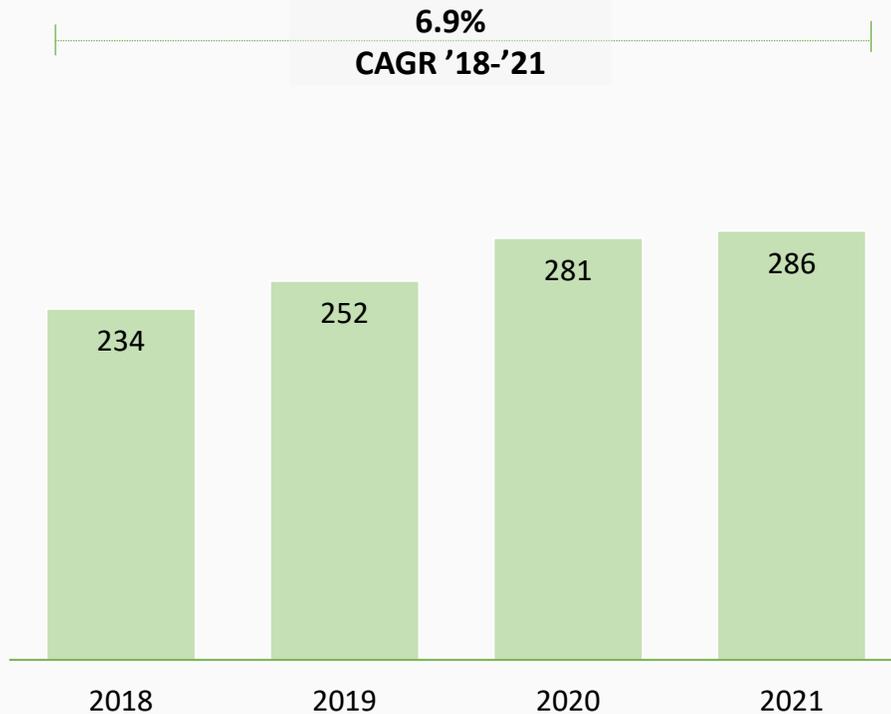


Allowed Revenue buildout

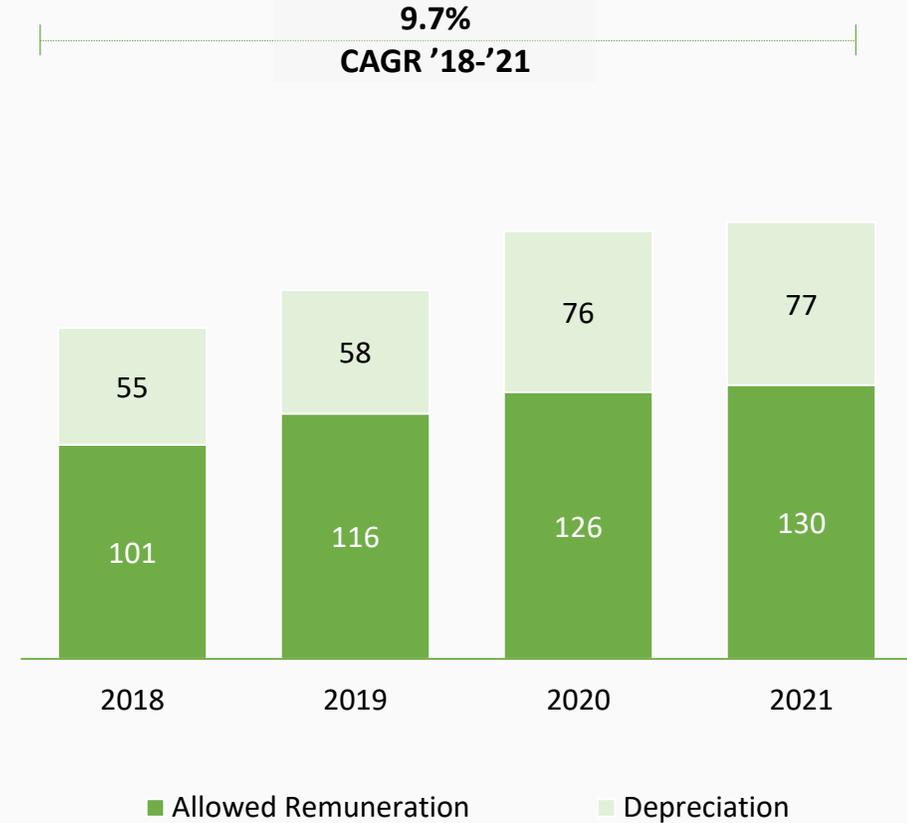


Growing RAB remuneration

Allowed Revenue



Allowed Remuneration



A clear path to higher profitability allowed



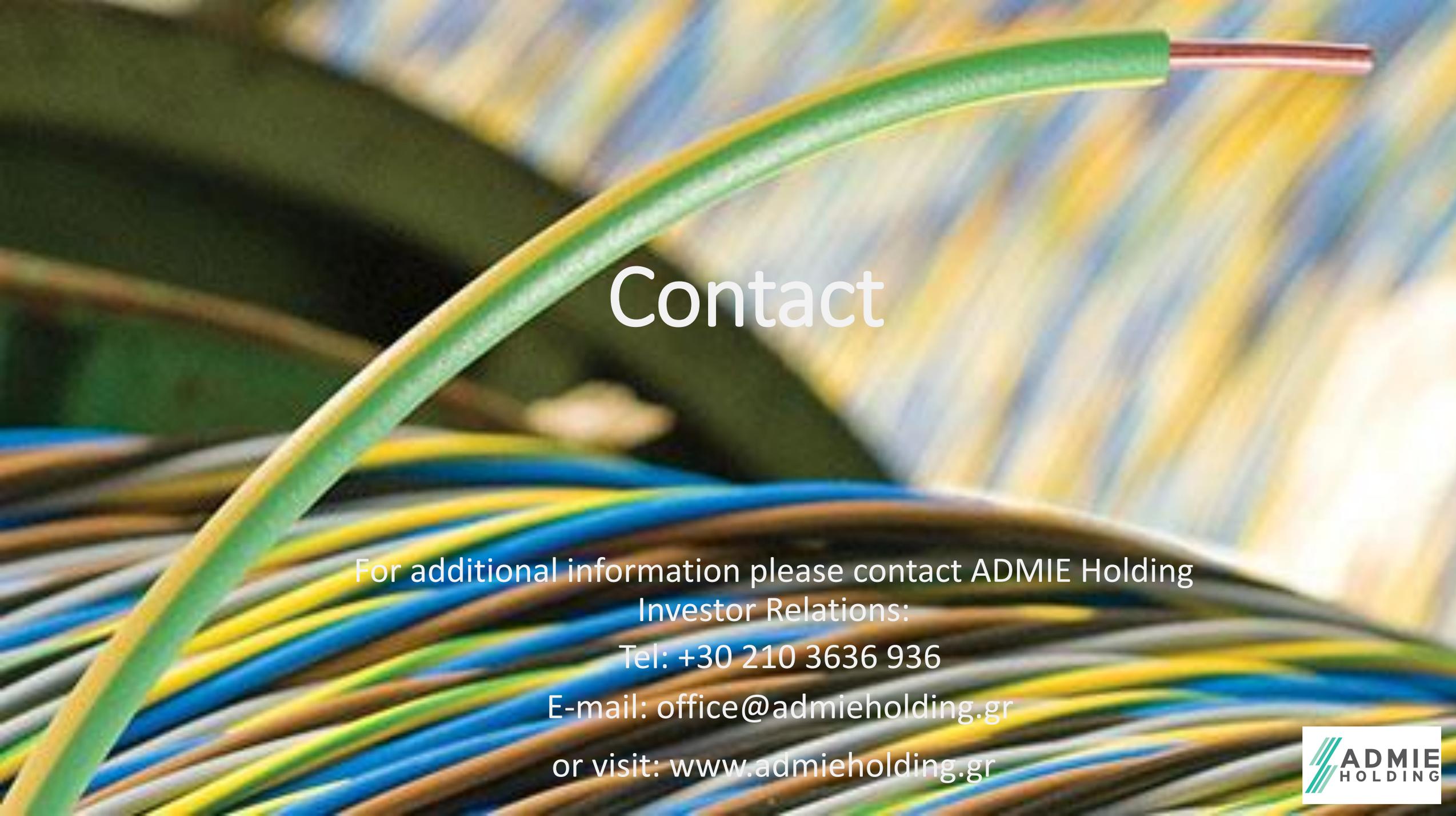
Appendix

EUR million	2018	2019	2020	2021
Average RAB	1,449.8	1,684.5	1,941.3	2,059.8
X				
WACC (real, pre-tax)	7.0%	6.9%	6.5%	6.3%
=				
Allowed remuneration	101.5	116.2	126.2	129.8
+				
Authorized OPEX	77.3	77.9	78.5	79.1
+				
Regulatory Depreciation	55.2	58.3	76.4	77.1
=				
Allowed revenue	234.0	252.4	281.0	285.9

New regulatory period 2018-21

WACC components	2018	2019	2020	2021
Risk-free	0.7%	0.7%	0.7%	0.7%
Market risk	5.0%	5.0%	5.0%	5.0%
Equity beta	0.68	0.73	0.67	0.72
Country risk	2.3%	2.0%	1.8%	1.5%
Cost of equity post-tax	6.4%	6.4%	5.9%	5.8%
Tax rate	29.0%	29.0%	29.0%	29.0%
Cost of equity pre-tax	9.0%	9.0%	8.3%	8.2%
Cost of debt pre-tax	5.3%	5.6%	5.0%	5.1%
Gearing	36.3%	41.3%	36.3%	40.3%
WACC nominal	7.6%	7.6%	7.1%	7.0%
Inflation	0.6%	0.6%	0.6%	0.6%
WACC real, pre-tax	7.0%	6.9%	6.5%	6.3%

Regulatory Period	Four years
Regulatory Asset Base (RAB)	Undepreciated invested capital + maintenance/ development capex/ WiP + working capital - disposals - subsidies
Allowed Revenue (AR)	Operator's Allowed Revenue
In real terms for each year O Dep R = RAB x WACC Incentive	AR = O + Dep + R annual operating costs annual depreciation of fixed assets return on employed capital 100-250 bp for critical projects
Required Revenue (RR)	Amount recovered through System usage charges
$RR = AR \pm K \pm \Pi_1 \pm \Pi_2 - \Pi_3 \pm \Pi_4 - \Pi_5$	
$\pm K$ $\pm \Pi_1$ $\pm \Pi_2$ $-\Pi_3$ $\pm \Pi_4$ $-\Pi_5$	cost of investments financed by 3rd parties settlement due to under-/over-recovery of RR settlement due to deviations from AR amount from auction of Interconnection Capacity Rights amount from Inter-TSO Compensation Mechanism amount from TSO income from non-regulated activities



Contact

For additional information please contact ADMIE Holding
Investor Relations:

Tel: +30 210 3636 936

E-mail: office@admieholding.gr

or visit: www.admieholding.gr