



RELEVANT EVENT

THE SNAM, ENAGÁS, FLUXYS CONSORTIUM AWARDED THE TENDER FOR THE ACQUISITION OF 66% OF THE GREEK OPERATOR DESFA

The European consortium consisting of Snam, the majority shareholder with an interest of 60%, together with Enagás (20%) and Fluxys (20%), confirms that it has been awarded the tender arranged by the Greek Agency for privatization (TAIPED) for the purchase of a 66% stake in DESFA, the national operator in the natural gas infrastructure sector.

DESFA manages, under a regulated regime, a high pressure transport network of approximately 1,500 km, as well as a regasification terminal at Revithoussa. Snam, Enagás and Fluxys, shareholders of the TAP project, will be able to boost the development of the Greek gas infrastructure system in the coming years, fully realizing the potential of Greece as a natural gas hub, which will further leverage the development of the domestic market as well as other transit initiatives.

Furthermore, the consortium will be able to transfer technical and operational capabilities to DESFA and develop new uses and sources of natural gas (such as methane for transport and biomethane) to make a crucial contribution to the country's emission reduction process.

Thanks to its strategic position in the Mediterranean, Greece could represent an important crossroads for the diversification of supplies and the opening of new natural gas routes in Europe.

TAIPED accepted an offer of 535 million euro for 66% of DESFA share capital presented by the consortium last week. Discussions have started with a pool of Greek and international banks to secure a non-recourse financing package for the acquisition.



If negotiations with banks are successful, Enagás expects financing to reach around 60% of its investment.

In 2017, DESFA reported significant growth compared to the previous year, with an EBITDA of approximately 177 million euro, also benefiting from non-recurring tariff items, and a positive net financial position of around 5 million euro (including available cash of approximately 228 million euro).

The signing of the agreements for the acquisition is subject to the completion of the further steps envisaged by the tender procedure and by local legislation on privatization, while the closing of the transaction is expected in the second half of the year, following the required authorizations including antitrust clearance.

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