

# PPP MODEL FOR REFURBISHING AND MANAGING PRAGUE CENTRAL STATION

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#### GrandiStazioni ČESKÁ REPUBLIKA

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- The Mission
- Grandi Stazioni Group
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## The Challenge

Transform the main Railway hubs from cost center into profit generator, guaranteeing a full range of modern services to passengers and visitors, returning part of the city to its citizens.

## <u>AIRPORT HUB AS BENCHMARK</u>





## The Mission

Grandi Stazioni Group Mission is to renovate and manage large Railway Stations in Italy and abroad in order to continuously upgrade the service at the highest international standards and to maximize the return to the Shareholders by exploiting the economical potential of the space available in its premises.

## GS: unique sample in Europe managing Railway hubs under PPP model





## Shareholders parterre

FERROVIE DELLO STATO **EUROSTAZIONI ITALIANE** 60% 40% Caltagirone Group 13% Benetton Group 13% Pirelli 13% SNCF 1% **GRANDI STAZIONI** S.p.A. **EBRD 39%** Simest 10% **GRANDI STAZIONI GRANDI STAZIONI INGEGNERIA CESKA REPUBLIKA** Renovation and Management of Czech Technical Company in charge of Design, Planning and Works Supervision **Republic Stations** 





# Grandi Stazioni Group

Key Figures of the Group Y2012		
Number of Stations	14	
GLA	244,000 sqm (Retail and Office)	
N. Shops	500	
Investment value*	700 million €	
Revenues	200 Million €	
EBIT	36 Million €	
ROS	18%	

<sup>\*</sup> COMPLETION AT 31.12.2012: 52%





## The Czech Project

#### **Key Terms of the PPP deal:**

- The Czech Railways ("CD") was seeking for a professional subject able to renovate and manage their major hub: Prague Central Station,
- Based on selection process, CD signed with Grandi Stazioni a Long Term Concession Contract (40 Years) in respect of Prague Central Station, on Dec. 2003,
- Grandi Stazioni invests in the refurbishment of the Station and then manages that vs its right to commercially exploit the premises,
- Grandi Stazioni pays a Concession Fee to CD.





# The Czech Project: Financing

### **Project Financing**

IRR on Equity: 10%







## The Czech Project: Milestones

**April 2011** 2007 **Dec 2003 Grand-Opening** Starting of the Signature of the Construction celebrated with the Concession works, organized in Presidents of Italian and Contract 3 different Phases Czech Republic (Mr Napolitano and Mr Klaus) **Dec 2010** 2004 - 2006 Finalization of the Project Opening to the Documentation, catching of all the public of the last related municipal approvals and Phase of the works selection of the General Contractor





## Management Standard

#### Facility Management Model

- Grandi Stazioni selected for the management of the Station international global service provider,
- KPI and SLA model service contract,
- Service Contract on output basis,
- Costs recharged towards tenants.

#### **Commercial approach**

- Market research,
- Commercial layout and Merchandising mix.
- Tender selection.







# The Czech Project

Key Figures of the Project Year 2012		
GLA	10,000 sqm	
Occupancy	90%	
N. Shops	60	
Investment value*	50 million €	
Revenues	6.5 Million €	
EBIT	2.9 Million €	
ROS	45%	
Number of passengers	80,000/day	







# PPP Project

GrandiStazioni UniCredit SIMEST European Bank Financing 30 million € 10 million € F KUS **Concession 40Y GrandiStazioni** ČESKÁ REPUBLIKA picnic Rent and RELAY Refurbishment and **Concession Fee** recharged SASCH management of the **FM Costs** SCHLECKER Station teurist peint

## ...Thank you

for your kind attention
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