

The successful completion of the bond loan issue is considered to be a vote of confidence in PPC's business plan and the Greek economy in general.

Greek state-controlled Public Power Corporation (PPC) raised 650 million euros from its five-year bond issue with an interest rate of 3.875 %. Bids came to more than 3 billion euros, or six times the initial asked sum of 500 million euros.

The proceeds of the bond will be used to repay existing loans, investments and general purposes. PPC's previous bid to raise funds in capital markets was in 2014 when it raised 700 million euros, of which 500 million was through a five-year bond with an interest rate of 5.5 %.

CEO of PPC George Stassis said that the success, beyond the oversubscription and the low level of the interest rate, is mostly based on the unprecedented and high rate of participation by foreign investors (around 70 %), while 50 % of the issue was covered by high prestige and global investors.

The sustainability-linked bond's return is related to achieving specific environmental targets. More specifically, PPC is committed to reducing CO2 emissions by 40 % in 2022, compared with 2019, and to pay higher interest rates to investors if it fails.

PPC's business plan envisages a reduction of CO2 emissions by 62 % in the period 2019-23 (from 19.7 million tons to 7.5 million), which will be largely achieved with the retirement of all lignite-fired units except Ptolemaida V, which is expected to begin operating in 2022 and be upgraded with "greener" technology in 2028.