

State-controlled Public Power Corporation's (PPC) CEO Giorgos Stassis has called for an extraordinary board meeting to seek approval of an offer made by a major international financial player for the larger-scale securitization package. PPC is near to reaching an agreement with a major financial services player for a second securitization package carrying unpaid receivables overdue by more than 90 days.

If this offer is approved by the board, PPC stands to receive approximately 350 million euros with an interest rate of around 5 %. This interest rate is higher than the 3.5 % rate attached to the previous securitization deal as a result of the higher risk entailed.

Last month, PPC reached a 260 million euros agreement with JP Morgan for a smaller-scale securitization package of unpaid electricity bills overdue by up to 60 days.

PPC's ability to attract yet another major financial player reflects the growing faith been placed by the investment community in the power utility, especially its ability to collect unpaid receivables.

The two securitization packages promise considerable cash inflow for PPC. Half the amount to be received through the first securitization package will be used to service debt.