

Athens, June 9 2010

**Joint Press Release**

**Ministry of Health & Social Welfare and Ministry of Finance**

Following the joint announcement of the Ministry of Finance and Ministry of Health & Social Welfare of May 29, 2010, the following are specified:

1. The settlement of hospital debts of the years 2005, 2006 and partly of the first semester of the year 2007, for all suppliers, has been effected (1,5 billion euros) or has been ensured by the Ministry of Finance to be effected during the current month (aprox. 240 million euros).
2. The debts of the years 2007, 2008, 2009 amounting to 5,36 billion will be settled with zero coupon bonds. Based on current interest rates, the discount percentage for zero coupon bonds (for the remaining debts of 2007, up to 1.110.000.000 euros) of two years maturity is estimated to 12 – 14%, if prepaid. The discount percentage for zero coupon bonds (of the year 2008, up to 2.200.000.000 euros) of three years maturity is estimated to 20 – 22%, if prepaid. The discount percentage for zero coupon bonds (of the year 2009, up to 2.050.000.000 euros) of four-year maturity is estimated to 30 – 32%, if prepaid.
3. In case suppliers settle these bonds by January 2, 2011, it is estimated that the total cash received would be close to 6 billion. The above «discount» corresponds to a total percentage of about 19%.
4. It is certain that the Banks cooperating with the suppliers will show interest in prepaying these bonds, transforming the corporate risk undertaken on behalf of their customers – Hospital Suppliers, in credit risk against the Greek State, in the form of a bond which can be financed through E.C.B. Following an investigation by the Organization for the Management of Public Debt regarding Banks who participate in the bond market of the Greek State it was estimated that the above discounting rates of purchase of these zero coupon bonds are valid today.
5. The relevant legislation, to be submitted to the Parliament within the current month, will legalise the above mentioned and other related issues, in order to avoid problems in the hospital supplies for the year 2010 onwards.
6. The respective orders, for the payment by the hospitals of the amounts due for the year 2010 were given by the Ministry of Health & Social Welfare, to the Hospitals, the Health Regions and the Committee for Healthcare procurement.
7. The remaining issues will be regulated by the Ministry of Finance.