



HELLENIC REPUBLIC
MINISTRY OF FINANCE
PRESS RELEASE

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STATE BUDGET EXECUTION JANUARY – APRIL 2010

According to data available for the state budget for the first four months of 2010 (January - April), on a fiscal basis the deficit amounted to 6,313 million euro, versus 10,791 million euro during the same period in 2009. This represents a 41.5% year-over-year decline, against a targeted 35.1% annual decline foreseen in the Stability and Growth Program (SGP), including the additional measures instituted on March 3rd, 2010.

This fiscal consolidation of the four months of 2010 (January - April), is due both to expenditure restrictions and revenues increases. Furthermore, these data do not yet fully reflect the additional measures introduced in March and May, 2010.

In particular, net revenues of the ordinary budget increased by 10.0% year-over-year against a targeted 11.7% annual increase foreseen in the SGP. This reflects receipts of 757 million € from an extraordinary tax on profits of large companies in 2008, an increase in receipts from the excise tax and corresponding VAT on fuel, tobacco and alcoholic beverages, as well as a 475 million € year-over-year reduction in tax refunds.

Ordinary budget expenditures declined by 7.9% year-over-year against a targeted 4.8% foreseen in the SGP. In particular, primary expenditures declined by 8.6% against a targeted 4.4% reduction and interest expenditures decreased by 4.6% against a targeted 5.1% increase. Decrease of primary expenditures is mainly due to the restriction of expenditures in health and social security (lower grants to the Social Security Funds by 511 million € compared to the respective period of 2009), a 788 million € reduction in operational and other expenses, such as grants and consumption expenditures, and a 350 million € reduction in the allocation of earmarked revenues.

Public Investment Budget (PIB) expenditures declined by 39.1% and PIB revenues decreased by 39.8%, compared to the same period in 2009.