HELLENIC PETROLEUM S.A.

Record 2Q performance: Net income up 24% to € 127m

2Q Reported Consolidated Net Income increased 24% y-o-y to €127m and 1H 2007 Net Income grew 4% to € 181m, corresponding to € 0.41 and € 0.59 per share (EPS), respectively. Adjusting for inventory effects, Clean Net Income was up 22% y-o-y to € 147m in 1H and 27% to € 94m in 2Q. Reported Group Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) were € 309m in 1H; on a comparable, Clean basis, they were up 3% to € 260m. On the back of these solid results, the Board of Directors approved the distribution of an interim dividend per share of € 0.15, maintaining last year s payout policy. Key financials for the 6-months to 30 June 2007 and comparisons to last year s results, are:
- Sales Revenue: € 3.8bn, down 7% (2Q: € 1.9bn, down 7%)
- Net profits: € 181m, up 4% (2Q: € 127m, up 24%)
- Earnings per share: € 0.59, up 4% (2Q: € 0.41, up 24%)
- Clean EBITDA: € 260m, up 3% (2Q: € 160m, up 3%)
- Clean net income: € 147m, up 22% (2Q: € 94m, up 27%)
- ROACE (12-mth trailing): 11%
- ROE (12-mth trailing): 13%

Key themes for 1H/2Q results were:
a) Solid refining environment
- Mediterranean benchmark refining margins were exceptionally strong during 2Q07, with complex/cracking margins 52% above 1Q07 levels and up 11% y-o-y in USD-terms. Margin strength was largely driven by gasoline cracks that peaked in mid-May, but then almost halved by the end of the quarter. Positive benchmark margins impact on results was, however, mitigated by continued weakness of the USD versus the EUR.
- Still growing Greek products market (excluding seasonal heating Gasoil sales) by 0.5%, on the back of strong automotive diesel and aviation fuel sales. Heating gasoil sales down 17% due to warmer winter, while gasolines were flat.
- In 2Q, crude oil prices moved higher by an average $10/bbl over 1Q07, leading to a positive inventory effect.

b) Improved overall operating profitability
- 1H Clean EBITDA up 3% to € 260m, with Petrochemicals and Power continuing to drive improvements vs last year; in 2Q, Clean EBITDA grew 3% to € 160m.
- Core Refining, Supply & Trading Clean EBITDA grew 5% to € 129m in 2Q.
- 2Q Clean Net Income and EPS up 27%, reaching € 94m and € 0.31 respectively.
- Significant contribution to group results from 35%-owned DEPA, accounting for c7% of Net Income in 1H07.
- Control of the cost base: International subsidiaries' legal structure reorganised, addressing tax and operating inefficiencies, while the BEST-50 procurement initiative is proceeding on track, covering more than €100m in expenditure and identifying € 9-10m in savings opportunities.

Key business developments for 1H/2Q:

REFINING, SUPPLY & TRADING

Refining, Supply & Trading, accounted for over 80% of 1H07 Group EBITDA. Clean EBITDA was flat at €201m in 1H, as the strong 2Q offset the lower performance in 1Q.

Key drivers during 1H07 were:
- Soaring benchmark refining margins in 2Q, mainly due to strong gasoline pricing in May.
- Higher sales volumes, except for, mainly, heating gasoil. Automotive diesel and gasoline sales were up y-o-y 3% and 10%, respectively, with wholesale market share gains for both products.
- OKTA sales volume grew 6%, on the back of strong domestic market sales and despite reduced exports to Kosovo in 2Q.
- As expected, profitability was adversely affected by the planned, 3-week turnaround of the Aspropyrgos refinery in 1Q, lower heating gasoil sales and strengthening of the EUR versus the USD. In addition, y-o-y comparisons were unfavourable at the reported level due to lower inventory gains vis---vis 1H06.

The refinery upgrades of Elefsina and Thessaloniki are proceeding as planned, with contracting strategies finalised and implementation progressing.

RETAIL MARKETING

-EKO sales volume in Greece were up 3% to almost 2m tonnes, as the increased sales of gasoline, bunkers and aviation in 2Q more than offset the weather-driven lower heating gasoil volumes of 1Q.
-Continued margin pressure, as key strategic focus maintained on market share gains.
-Network rationalisation continues, via the Calypso project, delivering tangible results; a further 6 company-owned petrol stations were added to the retail network in 2Q, bringing the total number of company-controlled petrol stations to 249 (20% of total network).
-International Marketing continues to benefit from network expansion (11 petrol stations added to the network in 2Q), volume increases, market share gains and margin improvements; 1H EBITDA grew 24%, on a 21% y-o-y increase in retail network sites.

PETROCHEMICALS

Polypropylene continued its strong performance that, together with cost containment efforts and lack of significant provisions, led to a sharp improvement in profitability; in 1H, sales volume increased 9% to 225kT, whereas EBITDA raced ahead 62% to € 30m.

POWER GENERATION & TRADING

Despite the gas turbine planned maintenance in April, power sales continued their upward march in 2Q and, thus 1H07 sales grew 8% y-o-y to 802GWh. Turnover and EBITDA in the same period grew 19% to € 62m and 45% to € 15m, respectively.

A Memorandum of Agreement with Edison, Italy s second largest electricity producer and gas distributor, was recently signed, which calls for the setting-up of a 50/50 joint venture that aims to create Greece s second largest electricity operator, with a power generation portfolio of 1,500-2,000MW.

EXPLORATION & PRODUCTION

Our drilling campaign in Libya is progressing on track, with initial discoveries under assessment by the Woodside-led joint venture, in which we participate with a 20% stake. In addition, in Egypt, seismic reprocessing/acquisition started in the West Obayed region, while negotiations for the El Mesaha block (awarded to the Melrose-led consortium, in which we participate with a 30% stake) are concluded and a Concession Agreement initialised.

Panos Cavoulacos, CEO of HELLENIC PETROLEUM, commented:

I am pleased to report record net income for the quarter, with positive results across all our business units and countries we operate in. Our continued efforts to strengthen our capabilities and control our cost base, together with favourable refining margins, had a positive impact on both our underlying and reported profitability.