

**HELLENIC PETROLEUM S.A.**

**Companies Registration Number 2443/06/B/86/23**



# **HALF YEARLY FINANCIAL REPORT**

## **30 JUNE 2015**

THIS HALF YEARLY REPORT HAS BEEN PREPARED IN ACCORDANCE  
WITH THE PROVISIONS OF ARTICLE 5, LAW 3556/2007 AND THE  
CAPITAL MARKET COMMISSION'S DECISION AS REFERRED TO BY THE  
RELEVANT LAW

## **TABLE OF CONTENTS**

- 1. Statements of the Chairman, Managing Director and Member of the Board of Directors on the true and fair representation of the data contained within this report***
- 2. Board of Directors' Half-Yearly Report***
  - 2.1. Information required as per par. 6, Article 5 of Law No. 3556/2007**
    - 2.1.1. Significant Events during the 1<sup>st</sup> half of 2014 and their impact on the Financial Statements**
    - 2.1.2 Major Risks and Uncertainties in the 2<sup>nd</sup> half of 2014**
    - 2.1.3 Significant Related Party Transactions (Decision No. 1/434/3.7.2007 Article 3)**
  - 2.2 Complimentary Information and Data pertaining to the Board of Directors' Half Yearly Financial Report (article 4 of Decision No.7/448/2007)**
    - 2.2.1 Presentation of the Group's Financial Position and Performance during the 1<sup>st</sup> half of 2014**
    - 2.2.2. Other Financial Information**
    - 2.2.3 Qualitative Data**
- 3. Certified Auditor – Accountant's Review Report regarding the Half-Yearly Report***
- 4. Half Yearly Financial Statements***
  - 4.1. Group Consolidated Financial Statements**
  - 4.2. Parent Company Financial Statements**
- 5. Complimentary Information and Data pursuant to the Capital Market Commission's Decision (Government Gazette B/2092/29.10.2007)***
  - 5.1. Published summary Financial Statements**

## **1. Statements of the Chairman, Managing Director and Member of the Board of Directors on the true and fair representation of the data contained within this report**

Pursuant to the provisions of article 5, par. 2c, Law No. 3556/2007, we state that to the best of our knowledge:

The half-yearly interim condensed financial information which has been prepared in accordance with applicable accounting standards (International Financial Reporting Standards), accurately reflects the assets and liabilities, equity and financial results of Hellenic Petroleum S.A. and of the subsidiaries that are included in the interim consolidated financial information of the Hellenic Petroleum Group.

The Board of Directors' half-yearly report accurately represents the information required under paragraph 6, article 5, Law No. 3556/2007.

The Chairman of the Board  
of Directors

The Chief Executive Officer

The Executive Member of the  
Board of Directors

Efstathios Tsotsoros

Grigorios Stergioulis

Theodore Vardas

## **2. Board of Directors' Half-Yearly Report**

## **BOARD OF DIRECTORS' HALF-YEARLY REPORT FOR THE SIX MONTH PERIOD ENDED 30<sup>TH</sup> OF JUNE**

**2014**

**(Article 5, Law No. 3556/2007)**

### **2.1. Information required as per par. 6, Article 5 of Law No. 3556/2007**

#### **2.1.1. Significant Events during the 1<sup>st</sup> half of 2015 and their impact on the Financial Statements**

##### ***a) The Business Environment***

##### **Financial Environment<sup>1</sup>**

The global economy continues to grow in 2015, with GDP growth rate at 3.3%, marginally lower versus last year (3.4%), with developed economies reaching 2.1%, higher by 0.3%, while the emerging economies slowed down from 4.6% to 4.2%. Among emerging economies, it is worth noting China's slowdown, with its growth rate for 2015 estimated at 6.8% versus 7.4% last year, and the expected impact on both the Chinese and global economy, as well as Russia's, which fell to -3,4% in 2015 versus 0.6% last year.

The recovery of the euro area economy is estimated to continue with GDP growth rate reaching 1.5% in 2015, 0.7% higher, compared with 2014 with the gradual domestic demand recovery as the main driver, since the economic activity is supported by the weak oil prices and expansionary monetary policy. The ECB started to implement its quantitative easing program in March 2015, targeting an increase in liquidity by €60 billion per month until September 2016, in order to address deflation, which also turned positive in the second quarter of 2015.

In Greece, following the initial signs of economic recovery in 2014 (+0.8%) that continued through the first (+0.5%) and second (+1.4%) quarters of 2015, the economic activity of Greece and macro-economic indicators are expected to be significantly affected by the imposition of capital controls on 28 June 2015 coupled with the three weeks bank holiday, as well as with the additional austerity measures, following the agreement for a new bailout package, with the economy expected to return to recession (-2.0-2.5%) in 2015, according to IOBE recent quarterly estimates<sup>2</sup>.

##### **Domestic Energy Market**

The domestic fuels market continued to grow in the first half of 2015, significantly increased by 14%, with heating gasoil consumption almost doubling (+90%), compared with last year on the back of colder weather conditions, the reduction in excise duty and lower international prices. Transport fuels demand increased by 3% with auto diesel higher at the expense of

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<sup>1</sup> IMF, World Economic Outlook, July 2015

Bank Of Greece, Monetary Policy 2014-2015, June 2014

<sup>2</sup> IOBE, Quarterly bulletin, the Greek economy 02-2015, 23 July 2015, vol. 02/15

gasoline and auto LPG at +11%. In the second half of 2015, the domestic market is expected to be adversely affected by the current developments in the Greek economy, with the first negative signs seen already in the third quarter of 2015.

Regarding the natural gas market, in the first half of 2015, consumption amounted to 13.6 million MWh, 23% lower compared with the first half of 2014 (17.6 million MWh) on the back of reduced demand from independent power producers (-34%) and industrial customers (-36%), despite the fact that household consumption and commercial customers posted a significant increase (+34% and +20% respectively).

### **Developments in the Oil Market<sup>3</sup>**

**Global demand for oil** is expected to reach 94.0 mbpd in 2015 versus 92.6 mbpd in 2014, up by 1.5%, with China expected to lead with an increase of 2.9%, reaching 10.8 mbpd. It is also worth noting that demand increased in both European OECD countries (+1.5%) as well as North America (+0.8%).

**Global oil production** in 2015 is expected to reach 93.9 mbpd versus 93.7 mbpd last year, increased by 0.2%. This increase results from non-OPEC countries and more specifically from the US, as OPEC reiterated in June its decision to maintain its production unchanged. North America continued to increase production albeit at a slower pace (+3.2% versus +11.1% last year), reaching 19.6 mbpd for 2015, mainly due to the increase in shale oil production in US.

### ***b) Business Activities***

Hellenic Petroleum Group's main segments of business activity include:

- a) Supply, Refining and Trading of oil products (Domestic and International)
- b) Fuels Marketing (Domestic and International)
- c) Petrochemicals/Chemicals Production and Trading
- d) Oil & Gas Exploration and Production
- e) Power Generation & Trading
- f) Supply, Transportation and Trading of Natural Gas

The Group's activities during the first half of 2015 and the outlook for the second half are analysed below:

### **Refining, Supply and Trading**

Refining, Supply and Trading of petroleum products constitute the core activity of the Hellenic Petroleum Group. The Group operates in the refining sector through the parent company, Hellenic Petroleum S.A., as well as its subsidiary company, OKTA in FYROM.

In Greece, the company operates three refineries: an FCC refinery in Aspropyrgos, a Hydrocracking refinery in Elefsina, both in Attica and a Hydroskimming refinery in Thessaloniki.

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<sup>3</sup> Data: IEA, Oil Market Report, June 2014.

During the 1<sup>st</sup> half of 2015, the Group's refining activity is summarised below:

| <b>Refinery</b> | <b>Annual Nominal Capacity (Kbpd)</b> | <b>Refined Crude &amp; Intermediate Oil Products (MT'000 )</b> | <b>Final Products &amp; Intermediate Oil Products (MT'000)</b> |
|-----------------|---------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
| Aspropyrgos     | 148                                   | 2,600                                                          | 2,406                                                          |
| Thessaloniki    | 93                                    | 1,516                                                          | 1,459                                                          |
| Elefsina        | 100                                   | 2,825                                                          | 2,532                                                          |
| Inter-refinery  |                                       | -723                                                           | -723                                                           |
| <b>Total</b>    |                                       | <b>6,218</b>                                                   | <b>5,674</b>                                                   |

Refining performance was affected by the positive global environment, with improved international benchmark margins for all types of refineries, FCC in particular and strong dollar against euro. During the first half 2015, the performance of the recently upgraded Elefsina refinery was positive, despite the temporary shut-down of the flexicoker unit in May and June for maintenance works, with increased production versus the first half of 2014 and significant contribution to financial results. Aspropyrgos refinery production was reduced, due to its full turnaround in the second quarter. The contribution of the Thessaloniki refinery was substantial in the first half of 2015, on improved operational performance and stronger Hydroskimming benchmark margins.

Total sales of refined and trading petroleum products of the Group's refineries amounted to 6.8 million MT for the first half of 2015, 10% higher versus the first half of 2014, since all individual markets recorded a growth in sales, as shown below:

|                              | <b>1<sup>st</sup> Half of 2015 (MT'000)</b> | <b>1<sup>st</sup> Half of 2014 (MT'000)</b> |
|------------------------------|---------------------------------------------|---------------------------------------------|
| Domestic Market <sup>4</sup> | 2,321                                       | 2,042                                       |
| International Sales          | 1,092                                       | 988                                         |
| Exports <sup>5</sup>         | 3,096                                       | 2,898                                       |
| OKTA Sales                   | 277                                         | 224                                         |
| <b>Total</b>                 | <b>6,786</b>                                | <b>6,152</b>                                |

OKTA focused more on logistics activities, with sales at 277k tonnes in the first half of 2015.

Refining, supply and trading results are affected by external factors such as:

- The evolution of crude oil and oil product prices during the specific period and the evolution of the corresponding refining margins
- EUR/USD exchange rate since refining margins are quoted in USD

During the 1<sup>st</sup> half of 2015, the evolution of the factors outlined above was as follows:

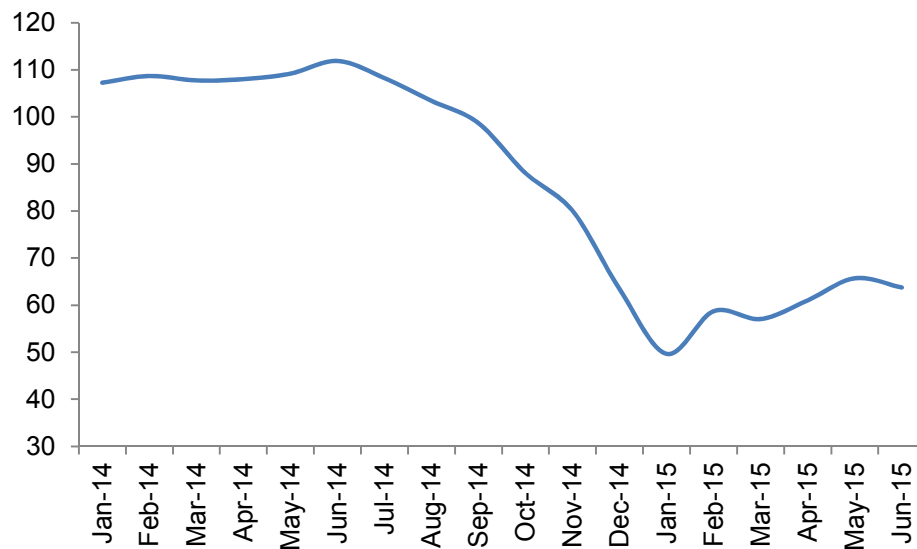
#### *Crude Oil Prices*

Brent crude oil price (Platt's Dated) for the 1<sup>st</sup> half of 2015 averaged \$59/bbl versus \$109/bbl same period last year, significantly decreased by 85%.

<sup>4</sup> Excluding sales and exchanges to OTSM and competitors

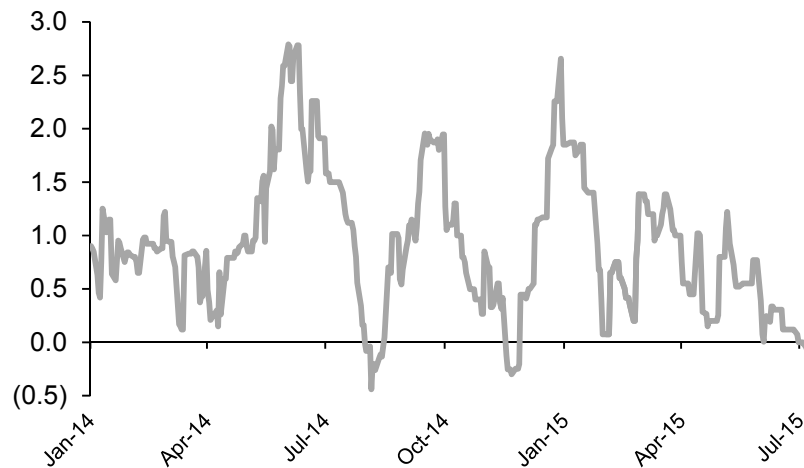
<sup>5</sup> Excluding sales of crude oil and petroleum products to OKTA

#### Crude oil price - Brent (\$/bbl)



Brent Urals spread amounted to \$0.8/bbl in 2015, compared with \$1.1/bbl last year, as Russian crude supply to the Mediterranean was reduced by 100 kbpd on average for the first half 2015.

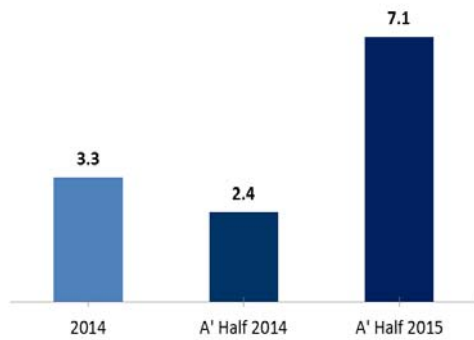
#### Brent-Urals spread (\$/bbl)



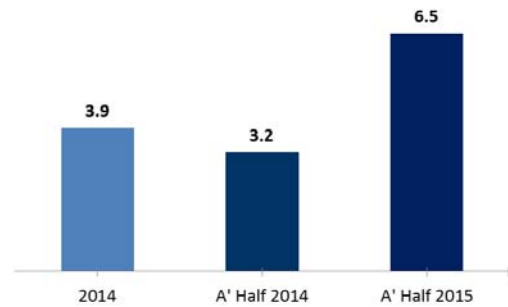
#### Refining Margins

Benchmark refining margins for Mediterranean refineries (complex FCC and Hydrocracking) improved significantly compared to the weak levels of first half in 2014. Med FCC benchmark refining margin averaged \$7.1/bbl in the 1<sup>st</sup> half of 2015 vs \$2.4/bbl last year, while Hydrocracking benchmark margins averaged \$6.5/bbl vs \$3.2/bbl. All individual product cracks improved, gasoline in particular, mainly on the back of increased global demand.

Med FCC benchmark margins (\$/bbl)

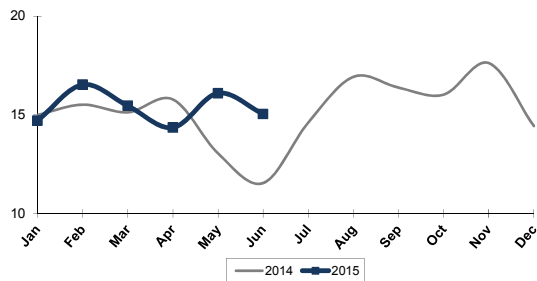


Med Hydrocracking benchmark margins (\$/bbl)

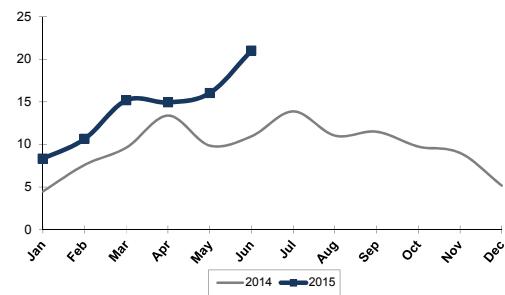


International Product Cracks (\$/bbl)<sup>6</sup>

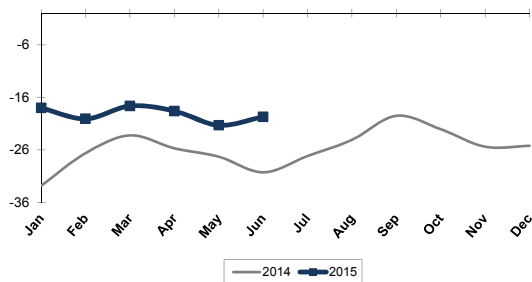
Diesel



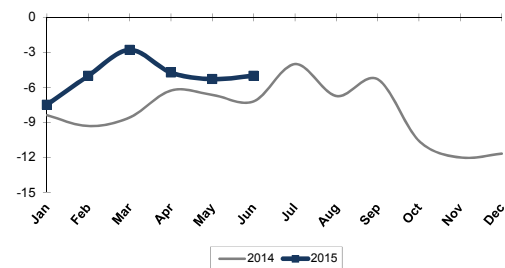
Unleaded Gasoline



Fuel Oil (HS)



Naphtha

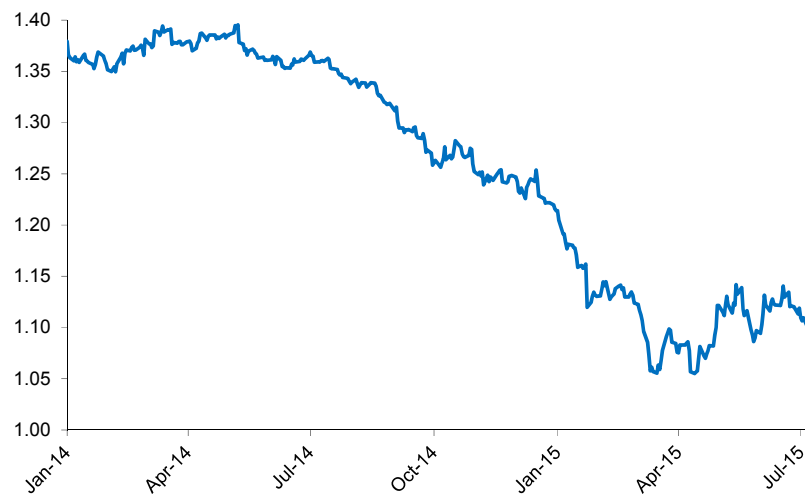


<sup>6</sup> Based on Brent prices

### *Currency Exchange Rates*

In 2015, the euro continued to weaken relative to the dollar, posting a drop of 9 consecutive months until March 2015, when the ECB started the quantitative easing program, with an increase in liquidity of €60bn per month until September 2016. The euro reached its 11-year low at 1.06 before recovering to \$1.12. In the first half of 2015, the average exchange rate of the euro against dollar (US) amounted to \$1.11, compared with \$1.37 in first half of 2014. The stronger dollar benefits refiners, as benchmark margins, their main profitability driver are dollar denominated.

### EUR/USD



### Investments

Investments in the refining sector in the 1<sup>st</sup> half of 2015 increased to €70.8 million compared to A' half 2014, due to the scheduled maintenance and performance improvement works at Aspropyrgos Refinery.

|                       | 1 <sup>st</sup> Half of 2015<br>Euro '000 | 1 <sup>st</sup> Half of 2014<br>Euro '000 |
|-----------------------|-------------------------------------------|-------------------------------------------|
| Aspropyrgos           | 50,471                                    | 11,372                                    |
| Thessaloniki          | 1,742                                     | 4,919                                     |
| Elefsina              | 13,482                                    | 33,031                                    |
| Other (utility units) | 2,430                                     | 5,302                                     |
| OKTA/VARDAX           | 2,666                                     | 250                                       |
| <b>Total</b>          | <b>70,791</b>                             | <b>54,874</b>                             |

## Domestic and International Marketing

The Group is active in the marketing of petroleum products through its subsidiary companies EKO and Hellenic Fuels (ex BP) in Greece and through its subsidiary companies in the Balkans and Cyprus.

During the 1<sup>st</sup> half of 2015, marketing sales were as follows:

|                                                | 1 <sup>st</sup> Half of 2015<br>(MT'000) | 1 <sup>st</sup> Half of 2014<br>(MT'000) |
|------------------------------------------------|------------------------------------------|------------------------------------------|
|                                                |                                          |                                          |
| Domestic Market                                | 1,127                                    | 954                                      |
| Bunkering and Aviation, Exports                | 464                                      | 349                                      |
| <b>Domestic Marketing Sales (EKO &amp; HF)</b> | <b>1,591</b>                             | <b>1,303</b>                             |
|                                                |                                          |                                          |
| <b>International Marketing Sales</b>           | <b>522</b>                               | <b>476</b>                               |
| <b>Total</b>                                   | <b>2,113</b>                             | <b>1,779</b>                             |

### Domestic Marketing

In Greece, EKO and Hellenic Fuel (HF) total sales of petroleum products amounted to 1,591 thousand MT, in the 1<sup>st</sup> half of 2015, a 22% increase compared to the same period last year. The number of petrol stations amounted to 1,702 versus 1,774 last year.

The increase in sales resulted mainly from the substantial increase in consumption of heating gasoil in the domestic market, with the corresponding sales of EKO and HF more than double (+105%). Transport fuels sales also grew with auto diesel up by 8% and gasoline up by 4%. Exports were also higher, while Bunkering sales increased by 42%.

In the first half of the year, Group's marketing companies were able to improve their competitive position, by increasing their market share in key products and by offering high-quality products and services to the final consumer.

### International Marketing

The number of petrol stations in Cyprus, Montenegro, Serbia and Bulgaria amounted to 263 (against a total of 257 in 1<sup>st</sup> half 2014). In the first half of 2015, total sales volumes of International Marketing activities amounted to 522 thousand tonnes versus 476 thousand tonnes (+10%), mainly due to the recovery of demand for oil products in most of the countries in which the Group operates, with Bulgaria recording the most significant sales volumes growth (+13%).

### Investments

In the first half of 2015, total investment outflow in marketing business amounted to €8,879 thousands. More specifically, the following table presents the breakdown of the investments in key categories made in the first half of 2015 and 2014, for EKO and Hellenic Fuels and per country for International Marketing:

|                                                                | <b>A' Half of 2015<br/>Euro '000</b> | <b>A' Half of 2014<br/>Euro '000</b> |
|----------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b><i>Greek Marketing Companies (EKO &amp; Hel. Fuels)</i></b> |                                      |                                      |
| Petrol Stations                                                | 5,428                                | 3,282                                |
| Fuel Terminals                                                 | 488                                  | 389                                  |
| Other investments                                              | 865                                  | 527                                  |
| <b>Total Domestic Marketing Fixed Assets Investments</b>       | <b>6,781</b>                         | <b>4,198</b>                         |
|                                                                |                                      |                                      |
| <b><i>International Marketing Companies</i></b>                |                                      |                                      |
| Bulgaria                                                       | 404                                  | 279                                  |
| Cyprus                                                         | 940                                  | 228                                  |
| Serbia                                                         | 341                                  | 338                                  |
| Montenegro                                                     | 413                                  | 428                                  |
| <b>Total International Marketing Fixed Assets Investments</b>  | <b>2,098</b>                         | <b>1,273</b>                         |

### **Petrochemicals/ Chemicals Production and Trading**

The Hellenic Petroleum Group operates in the Petrochemicals sector through a Propylene production unit in the Aspropyrgos refinery, as well as through its Polypropylene (PP) and Solvents production plants in Thessaloniki.

Furthermore, the Group owns a BOPP film production unit (through its subsidiary "DIAXON" located in Komotini) as well as a 2,800 M/T capacity vessel for the transportation of propylene from the Aspropyrgos refinery to Northern Greece.

#### *Activities during the first half of 2015*

In the first half of 2015, total Petrochemical sales volumes from continuing operations came 6% lower than those of the corresponding period in 2014. Key driver of the drop is the shut-down of the polypropylene complex in May for maintenance and the extended shut-down of the polypropylene production unit in Aspropyrgos refinery.

Petrochemical sales<sup>7</sup> per product are as follows:

| <b>Product</b>      | <b>1<sup>st</sup> half of 2015<br/>(MT'000)</b> | <b>1<sup>st</sup> Half of 2014<br/>(MT'000)</b> |
|---------------------|-------------------------------------------------|-------------------------------------------------|
| Polypropylene       | 84                                              | 89                                              |
| Solvents            | 4                                               | 5                                               |
| BOPP film           | 14                                              | 14                                              |
| Traded goods/Others | 5                                               | 5                                               |
| <b>Total Sales</b>  | <b>107</b>                                      | <b>113</b>                                      |

International Petrochemicals is a cyclical, capital intensive industry with capacity surplus. Petrochemicals' margins which affect the profitability of the industry are highly volatile and are closely dependent on supply/demand conditions as well as the local environment.

During the first half of 2015, PP margins recorded a strong upward momentum as a result of high international prices and reduced supply due to unplanned shut-downs of polypropylene production plants. Despite the reduced polypropylene production, the financial results of

<sup>7</sup> Including only sales from continuing operations

Petrochemicals came in at satisfactory levels. At the same time, the strong export orientation was sustained in the first half of 2015 with the 65% of total PP sales directed towards selected markets in the Mediterranean.

## **Oil & Gas Exploration and Production**

The Group Hellenic Petroleum engages in hydrocarbon exploration and production both in Greece and overseas. Its main areas of upstream activity are:

### **GREECE**

The company, acting as an Operator (33.3%) to an international consortium of oil companies together with Edison International SpA (33.3%) and Petroceltic Resources Plc (33.3%), has entered into a lease agreement with the Hellenic Republic for the offshore area of Patraikos Gulf, totalling 1.892 sq. km. The lease agreement was ratified by the Greek parliament, with the power of statute, by the Government Gazette Issue A, 221/03-10-14. The minimum operating commitment for the first three years of research includes the recording of 3D seismic studies of a total area of 800 sq. km. and 2D on regional lines of length of 300 km. In the first half 2015, HELPE transferred, following the approval of the Contractor, the exploration and production rights to a 100% subsidiary company HELPE exploration and production of Hydrocarbons of the West Patraikos Gulf which is also the operator of the consortium.

In the first half of 2015, Hellenic Petroleum submitted offers for the onshore lease block areas of Arta-Preveza and NW Peloponnese in West Greece, following a relevant tender issued by the Ministry of Reconstruction of Production, Environment & Energy as a result of the stated interest of the Group in the development of the Hydrocarbon Exploration & Production sector in Greece. The evaluation of the tender is in progress by a committee set up by the Ministry and the company has been invited to relative negotiations in accordance with the provisions of the tender.

HELLENIC PETROLEUM monitors developments in the field of exploration and production in Greece. In this context, it participated in the international tender, of the Ministry of Reconstruction of Production, Environment & Energy for exploration and production in offshore areas in Western Greece, submitting offers on the 14 July 2015 for three areas.

Regarding the 25% participation in a Joint Venture with Calfrac Well Services Ltd (75%) in the exploration areas of the Thracian Sea Concession (1,600 sq.km) in the Northern Aegean. In the 1<sup>st</sup> half of 2015 no exploration activities were performed.

### **EGYPT**

In West Obayed, the consortium (HELPE 30%, VEGAS 70%) executed the last obligatory exploration drilling in October 2014 which did not produce any positive results. After the refusal of the state company EGPC to renegotiate the term of the Contract's duration and the executing of additional drilling, the consortium unanimously decided to relinquish the area (5 December 2014).

In the Mesaha region, the consortium (Petroceltic, HELPE, KEC and Beach Petroleum) unanimously decided to return the area to the state company GANOPE following the results of the exploratory drilling Mesaha 1x and without having any remaining financial obligations.

### **MONTENEGRO**

The Group has been active in Montenegro since 2002 when it acquired a 54.35% stake in the state oil company JUGOPETROL A.D. (JP). JP owns the hydrocarbon exploration and exploitation rights for two offshore marine areas in Montenegro.

In accordance with the Concession agreement, exploration and exploitation activities in these areas are to be conducted through a consortium of JP with foreign companies. The shareholding structure of the consortium for the region of Prevlaka is as follows:

Blocks 1&2 (1,130sq.km and 3,710 sq.km respectively): Gasmonte Limited 40%, HELLENIC PETROLEUM INTERNATIONAL AG 11% and JP 49%.

### **Power Generation & Natural Gas**

The Group's power and natural gas activities relate to the Group's participations to ELPEDISON BV (50% HELLENIC PETROLEUM S.A., 50% EDISON) and DEPA S.A. (35% HELLENIC PETROLEUM S.A., 65% Greek State) respectively.

The results of ELPEDISON BV came as a result of the reduced gas-fired electricity generation, due to significant changes in the regulatory framework of the power market which benefits the penetration of electricity imports in the domestic energy mix.

The contribution of the DEPA S.A. was lower compared with the first half of 2014, due to reduced demand from gas-fired electricity generators and industrial customers amid current economic situation. However, EPA's sales volumes recorded an increase due to weather conditions.

### **2.1.2 Major Risks and Uncertainties in the 2<sup>nd</sup> half of 2015**

#### ***Prospects for the 2<sup>nd</sup> half of 2015 for all business units of the Group***

#### ***Refining, Supply and Trading***

On a global level, demand for oil is expected to increase further in second half of 2015, albeit at a slower pace, with oil demand growth reaching 1.4 mbpd, while production is expected to reach 93.9 mbpd compared with 93.7 mbpd in 2014.

According to Reuters, complex refining margins in the first half of 2015 were significantly improved compared to 2014, with the recovery also apparent in the beginning of the second half, on the back of increased demand for gasoline and weak crude oil prices.

In the next few months, pressure on benchmark margins is anticipated due to increased production. The Group's refineries, having completed their maintenance programs are expected to continue their positive contribution, subject to market conditions. According to Reuter's, Med hydroskimming benchmark margins also improved in the first half of 2015, compared with the same period last year. Hydroskimming benchmarks are expected to endure pressures in line with complex in the second half.

Hellenic Petroleum is conducting studies and implements investments with the objective of safety improvement, energy efficiency and optimal utilisation of its refinery units. In addition, particular attention is paid to the use of all the benefits that could potentially arise from synergies between the Group's refineries, especially after the start-up of Elefsina refinery. Therefore, Hellenic Petroleum is constantly seeking to improve safety and the operational performance of its refineries.

#### ***Domestic Marketing***

The latest developments in the Greek economy, regarding the bank holiday and the imposition of capital controls are expected to negatively affect fuels demand. However, the domestic marketing subsidiaries, EKO and HF, which recorded an EBITDA of €17 million in the first half of 2015 (+55% compared with the first half of 2014), will continue to develop in line with the targets set by the Group's business plan, which focus on market share increase

with further improvement in operational profitability and liquidity, considering market conditions and the increase of value offered to the consumer with innovative products & high quality services of at competitive prices.

### ***International Marketing***

Regarding International Marketing activities, the trend of profitability improvement in the first half of 2015 (+12% on an EBITDA level compared with the first half of 2014) mainly on the back of demand growth, is expected to continue in the 2<sup>nd</sup> half of 2015, excluding any other unforeseen factors.

### **Petrochemicals/ Chemicals Production and Trading**

During the 2<sup>nd</sup> half of 2015, sales volumes and margins are anticipated to remain within the business target range.

### **Oil & Gas Exploration and Production**

In Patraikos Gulf, the reprocessing of the seismic lines of 1,500 sq.km is expected to be completed. At the end of 2015, offshore seismic recordings of three-dimensional (3D) of area 800 square km and two dimensional (2D) of length 300 km will commence. At the same time, geological and other studies are in process aiming to assess the region, as well as environmental studies in order to meet the lease agreement commitments.

Greece is expected to begin negotiations soon with the competent evaluation committee regarding the two offers submitted by ELPE for the two offshore areas in Western Greece.

At the same time, the Group is anticipating of the evaluation of the bids regarding the international tender issued by the Ministry of Reconstruction Production, Energy & Environment, in which HELPE submitted an offer on 14 July 2015, with the long term objective of maximising the value of the company's portfolio.

### 2.1.3 Significant Related Party Transactions (Decision No. 1/434/3.7.2007 Article 3)

The condensed interim statement of comprehensive income includes revenues and expenses resulting from transactions within the Group and between the Group and related parties. These transactions primarily include sales and purchases of goods and services conducted during the ordinary course of business during the period ended 30 June 2015 and in total amounted to:

|                                               | Transactions     |                   |                                 | Balances       |               |
|-----------------------------------------------|------------------|-------------------|---------------------------------|----------------|---------------|
|                                               | Sales of goods   | Sales of services | Purchases of goods and services | Receivables    | Payables      |
| <b>Subsidiaries</b>                           |                  |                   |                                 |                |               |
| VARDAX S.A.                                   | -                | -                 | -                               | 1.829          | -             |
| OKTA S.A.                                     | 134.535          | 3                 | -                               | 28.352         | -             |
| EKO BULGARIA                                  | 52.628           | 70                | -                               | 12.031         | -             |
| EKO SERBIA                                    | -                | -                 | -                               | 22             | -             |
| EKO S.A.                                      | 615.016          | 2.084             | 2.261                           | 115.780        | 2.954         |
| ELPET BALKANIKI S.A.                          | -                | -                 | -                               | 24             | -             |
| HELLENIC FUELS S.A.                           | 235.560          | 1.157             | 2.425                           | 29.366         | 2.072         |
| EKO ATHINA MARITIME CO.                       | -                | 39                | 523                             | 149            | 191           |
| EKO ARTEMIS MARITIME CO.                      | -                | 50                | 385                             | 143            | 127           |
| EKO DIMITRA MARITIME CO.                      | -                | 28                | 232                             | 91             | 91            |
| EKO IRA                                       | -                | 3                 | -                               | 15             | -             |
| EKO AFRODITI                                  | -                | 4                 | -                               | 17             | -             |
| EKO KALYPSO                                   | -                | 5                 | 3                               | 16             | 12            |
| HELPE INTERNATIONAL                           | -                | -                 | -                               | 327.000        | -             |
| HELPE CYPRUS LTD                              | 89.408           | -                 | 87                              | 5.935          | 87            |
| JUGOPETROL AD KOTOR                           | 53.321           | -                 | -                               | 280            | 10.231        |
| GLOBAL S.A.                                   | -                | -                 | -                               | 8.942          | -             |
| POSEIDON MARITIME CO.                         | -                | 36                | 4.150                           | 150            | 4.615         |
| APOLLON MARITIME CO.                          | -                | 24                | 4.871                           | 34             | 6.560         |
| ASPROFOS S.A.                                 | -                | -                 | 1.729                           | 6.990          | -             |
| DIAXON S.A.                                   | -                | -                 | 7.918                           | 60             | 31.549        |
| HELPE RENEWABLE E.S. S.A.                     | -                | -                 | -                               | 3              | -             |
| HELPE-LARCO SERVION                           | -                | -                 | -                               | 1              | -             |
| HELPE-LARCO KOKKINOY                          | -                | -                 | -                               | -              | -             |
| HELPE INT. CONSULTING S.A.                    | -                | 11                | 366                             | 18             | 450           |
| ENERGIKI PYLOU METHONIS S.A.                  | -                | -                 | 10                              | 1              | 19            |
| ELPE PATRAIKOS S.A.                           | -                | -                 | -                               | 837            | 1.750         |
|                                               | <b>1.180.468</b> | <b>3.513</b>      | <b>24.961</b>                   | <b>538.086</b> | <b>60.708</b> |
| <b>Associates &amp; other related parties</b> |                  |                   |                                 |                |               |
| PPC S.A.                                      | 53.226           | -                 | 23.666                          | 8.851          | 6.639         |
| ARMED FORCE                                   | 46.005           | -                 | -                               | 24.922         | -             |
| DMEP HOLDCO                                   | 431.523          | -                 | 425.838                         | 33.515         | 39.370        |
| DEPA S.A.                                     | 337              | -                 | 2.296                           | 481            | 823           |
| EAKAA                                         | 63               | -                 | 519                             | 74             | 153           |
| SUPERLUBE                                     | 363              | -                 | 482                             | 20             | 84            |
| ELPEDISON B.V.                                | 258              | -                 | 963                             | 50             | 410           |
| HELPE THRAKI S.A.                             | 3                | -                 | -                               | 1              | -             |
| ROAD TRANSPORT S.A.                           | 14.987           | -                 | -                               | 3.442          | -             |
| OTHER                                         | 15               | -                 | -                               | -              | -             |
|                                               | <b>546.780</b>   | <b>-</b>          | <b>453.764</b>                  | <b>71.356</b>  | <b>47.479</b> |

Transactions with related parties have taken place under the ordinary commercial terms that the Group applies for respective transactions with third parties ('at arm's length'). Transactions and balances with related parties are in regard to the following:

a) Related parties that are under the joint control with the Group due to the State's joint participation:

- Public Power Corporation (PPC)
- The Hellenic Armed Forces
- Road Transport S.A.

During the first half of 2015, Group's sales of goods and services to government related entities above amounted to €114 million (2014: €146 million) and Group's purchases of goods and services to €24 million (2014: €19 million). As at 30 June 2015, the Group had a total receivable amount of €37 million (31 December 2014: €37 million) from government related entities and a total payable amount of €7 million (31 December 2014: €10 million) to government related entities.

b) Financial institutions (including their subsidiaries) which are under joint control with the Group due to the State's participation.

- National Bank of Greece S.A.

c) The Group participates in the following jointly controlled operations with other third parties relating to exploration and production of hydrocarbons in Greece and abroad:

- Edison International SpA – Petroceltic Resources Plc (Greece, Patraikos Gulf)
- Calfrac Well Services Ltd (Greece, Sea of Thrace concession)
- Gas Monte (Montenegro, Blocks 1 & 2)

d) Associates and joint ventures of the Group which are consolidated under the equity method:

- Athens Airport Fuel Pipeline Company S.A. (EAKAA)
- Public Gas Corporation of Greece S.A. (DEPA)
- Elpedison B.V.
- Spata Aviation Fuel Company S.A. (SAFCO)
- HELPE Thraki S.A.
- Biodiesel S.A.
- Superlube
- D.M.E.P HOLDCO.

|                                                             | For the six month period ended |                |
|-------------------------------------------------------------|--------------------------------|----------------|
|                                                             | 30 June 2015                   | 30 June 2014   |
| <b>Sales of goods and services to related parties</b>       |                                |                |
| Associates                                                  | 432.304                        | 434.847        |
| Joint ventures                                              | 258                            | 196            |
| <b>Total</b>                                                | <b>432.562</b>                 | <b>435.043</b> |
| <b>Purchases of goods and services from related parties</b> |                                |                |
| Associates                                                  | 429.135                        | 459.308        |
| Joint ventures                                              | 963                            | 956            |
| <b>Total</b>                                                | <b>430.098</b>                 | <b>460.265</b> |

As at  
30 June 2015    31 December 2014

**Balances due to related parties**

|                |               |               |
|----------------|---------------|---------------|
| Associates     | 40.429        | 36.088        |
| Joint ventures | 410           | 474           |
| <b>Total</b>   | <b>40.839</b> | <b>36.562</b> |

**Balances due from related parties**

|                |               |               |
|----------------|---------------|---------------|
| Associates     | 34.091        | 40.839        |
| Joint ventures | 50            | 66            |
| <b>Total</b>   | <b>34.141</b> | <b>40.905</b> |

The parent Company has provided letters of comfort and guarantees in favour of banks as security for loans granted by them to Elpedison B.V., the outstanding amount of which as at 30 June 2015 was the equivalent of €104 million (31 December 2014: €108 million).

## 2.2 Complimentary Information and Data pertaining to the Board of Directors' Half Yearly Financial Report (article 4 of Decision No.7/448/2007)

### 2.2.1 Presentation of the Group's Financial Position and Performance during the 1<sup>st</sup> half of 2015

The following section presents a summary of the Group's consolidated financial statements for the first half of 2015, in accordance with the International Financial Reporting Standards (IFRS).

#### *Key elements of the consolidated results*

The Group's key financials extracted from the consolidated results, in accordance with the International Financial Reporting Standards, for the first half of 2015 compared to first half of 2014, are presented below:

| € Million                        | 30/06/2015 | 30/06/2014 |
|----------------------------------|------------|------------|
| Turnover                         | 3.664      | 4.462      |
| Reported EBITDA                  | 299        | 78         |
| Adjusted <sup>8</sup> EBITDA     | 335        | 100        |
| Reported Net Income              | 66         | (91)       |
| Adjusted <sup>8</sup> Net Income | 93         | (72)       |

The strengthening of benchmark refining margins and US dollar versus the euro had a positive effect on results. Results were also affected by the improved operational performance in all business units, the increased contribution from the Elefsina refinery, despite the temporary shut-down of the flexicoker unit, as well as by the sales growth in both refining and marketing segments.

#### *Results per segment*

Results per segment of activity in the 1<sup>st</sup> half of 2015 were:

|                                | Sales Volumes (MT'000) | Turnover (€ Million) | Comparable EBITDA (€ Million) |
|--------------------------------|------------------------|----------------------|-------------------------------|
| Refining                       | 6,513 <sup>9</sup>     | 3,412                | 251                           |
| Marketing                      | 2,113                  | 1,305                | 43                            |
| Exploration and Production     | -                      | -                    | (1)                           |
| Petrochemicals                 | 107                    | 131                  | 42                            |
| Engineering Services and Other | -                      | 8                    | -                             |
| Intra-Group                    | (1,899)                | (1,191)              | -                             |
| <b>Total</b>                   | <b>6,834</b>           | <b>3,664</b>         | <b>335</b>                    |

<sup>8</sup> Adjusted results exclude the impact of crude oil prices and other one-off items (e.g. personnel compensation due to early retirement).

<sup>9</sup> Excluding products sales to OTSM, exchanges with Motor Oil Hellas and crude oil and products sales to OKTA.

Results per segment of activity in the 1<sup>st</sup> half of 2014 were:

|                                | <b>Sales<br/>Volumes<br/>(MT'000)</b> | <b>Turnover<br/>(€ Million)</b> | <b>Comparable<br/>EBITDA<br/>(€ Million)</b> |
|--------------------------------|---------------------------------------|---------------------------------|----------------------------------------------|
| Refining                       | 5,928 <sup>10</sup>                   | 4,151                           | 34                                           |
| Marketing                      | 1,779                                 | 1,458                           | 33                                           |
| Exploration and Production     | -                                     | -                               | (2)                                          |
| Petrochemicals                 | 114                                   | 157                             | 36                                           |
| Engineering Services and Other | -                                     | 6                               | (1)                                          |
| Intra-Group                    | (1,601)                               | (1,310)                         | -                                            |
| <b>Total</b>                   | <b>6,220</b>                          | <b>4,462</b>                    | <b>100</b>                                   |

### ***Financial Position and Cash Flows***

Key data for the Group's Consolidated Balance Sheet and cash flows are presented below:

| <b>Balance Sheet (€ Million)</b>                  | <b>30/06/2015</b> | <b>30/06/2014</b> |
|---------------------------------------------------|-------------------|-------------------|
| Total Assets                                      | 8,229             | 7,457             |
| Total Equity                                      | 1,831             | 2,125             |
| Capital Employed                                  | 2,947             | 3,751             |
| Net Debt                                          | 1,115             | 1,625             |
| % of Borrowing on Capital Employed (Debt Gearing) | 38%               | 43%               |

| <b>Cash Items (€ Million)</b> | <b>30/06/2015</b> | <b>30/06/2014</b> |
|-------------------------------|-------------------|-------------------|
| Net Cash Flows                | 218               | 185               |
| Investments (CAPEX)           | 79                | 61                |

### ***Net Debt***

The Group has centralised treasury operations which coordinate and control the funding and cash management activities of all group companies. Within this framework, Hellenic Petroleum Finance plc (HPF) was established in November 2005 in the U.K. as a wholly-owned subsidiary of Hellenic Petroleum S.A. to act as the central treasury vehicle of the Hellenic Petroleum Group.

Group's Net debt amounted to €1,115 million as at 30/6/2015, slightly lower than year-end (€ 1,140 million). Gearing stood at 38%.

<sup>10</sup> Excluding products sales to OTSM, exchanges with Motor Oil Hellas and crude oil and products sales to OKTA.

Group's borrowings in € million, per company, facility and maturity are summarized in the table below:

|                                               | Company | Maturity | Balance as at<br>30 June 2015 | Balance as at<br>31 December 2014 |
|-----------------------------------------------|---------|----------|-------------------------------|-----------------------------------|
| 1a. Syndicated credit facility €40 million    | HPF plc | Jul 2016 | 39                            | 39                                |
| 1b. Syndicated credit facility €10 million    | HPF plc | Jul 2018 | 10                            | 10                                |
| 1c. Syndicated bond loan €350 million         | HP SA   | Jul 2018 | 339                           | 338                               |
| 2. Bond loan €400 million                     | HP SA   | Dec 2015 | 225                           | 225                               |
| 3. Bond loan €200 million                     | HP SA   | Jan 2018 | 199                           | -                                 |
| 4. European Investment Bank ("EIB") Term loan | HP SA   | Jun 2022 | 311                           | 333                               |
| 5. Eurobond €500m                             | HPF plc | May 2017 | 483                           | 489                               |
| 6. Eurobond \$400m                            | HPF plc | May 2016 | 351                           | 328                               |
| 7. Eurobond €325m                             | HPF plc | Jul 2019 | 313                           | 316                               |
| 8. Bilateral lines                            | Various | Various  | 1.051                         | 907                               |
| 9. Finance leases                             | Various | Various  | 5                             | 5                                 |
| <b>Total</b>                                  |         |          | <b>3.326</b>                  | <b>2.990</b>                      |

## 1. Term loans

In January 2013, the Group concluded two three-year credit facilities with identical terms and conditions with a syndicate of Greek and international banks for a total amount of €605 million and a gradual amortization schedule. In July 2014, the Group proceeded with a voluntary early repayment and partial refinancing of the facilities. As a result, the Group voluntarily repaid a notional loan amount of €152 million and concluded two new credit facilities with similar terms and conditions as follows:

(1a-1b) HPF concluded a €50 million syndicated credit facility guaranteed by Hellenic Petroleum S.A. The facility has a €40 million tranche maturing in July 2016 and a €10 million tranche maturing in July 2018. As at 30 June 2015, the outstanding loan balance amounted to €49 million.

(1c) Hellenic Petroleum S.A. concluded a €350 million syndicated bond loan credit facility guaranteed by HPF maturing in July 2018. As at 30 June 2015, the outstanding loan balance amounted to €339 million (31 December 2014: €338 million).

## 2. Bond Loan €400 million

In June 2014, Hellenic Petroleum S.A. extended the maturity date of a €400 million syndicated bond loan agreement from December 2014 to 30 December 2015 with a six month extension option, achieving at the same time improvements in cost and general terms and conditions. The amount outstanding under the facility at 30 June 2015 was €225 million (31 December 2014: €225 million).

## 3. Committed 3 year credit facility €200 million

In line with the Group's risk management strategy to increase the percentage of committed term credit facilities, Hellenic Petroleum S.A. concluded a €200 million committed credit facility in January 2015, with a tenor of 3 years, with National Bank of Greece. The amount outstanding under the facility as at 30 June 2015 was €199 million.

## 4. EIB Term loans

On 26 May 2010, Hellenic Petroleum S.A. signed two loan agreements (Facilities A and B) with the European Investment Bank for a total amount of €400 million (€200 million each). The purpose of the loans was to finance part of the investment programme relating to the upgrade of the Elefsina Refinery. Both loans have a maturity of twelve years with amortization beginning in December 2013 and similar terms and conditions. Facility B is credit enhanced by a commercial bank guarantee (see note 15). This is normal practice for EIB lending particularly during the construction phase of large projects. Total repayments on both loans

up to 30 June 2015 amounted to €89 million. As at 30 June 2015, the outstanding loan balance on both facilities amounted to €311 million (31 December 2014: €333 million).

**5. Eurobond €500m**

In May 2013, the Group issued a €500 million four-year Eurobond, with an 8% annual coupon, maturing in May 2017. The Notes, which were issued by Hellenic Petroleum Finance Plc and are guaranteed by Hellenic Petroleum S.A., are redeemable at maturity and are listed on the Luxembourg Stock Exchange.

**6. Eurobond \$400m**

In May 2014 the Group issued a \$400 million two-year Eurobond, with a 4.625% annual coupon, maturing in May 2016. The Notes, which were issued by Hellenic Petroleum Finance Plc and are guaranteed by Hellenic Petroleum S.A., are redeemable at maturity and are listed on the Luxembourg Stock Exchange.

**7. Eurobond €325m**

In July 2014 the Group issued a €325 million five-year Eurobond, with a 5.25% annual coupon, maturing in July 2019. The Notes, which were issued by Hellenic Petroleum Finance Plc and are guaranteed by Hellenic Petroleum S.A., are redeemable at the option of the Issuer in July 2017 and are listed on the Luxembourg Stock Exchange.

During first half of 2015, Hellenic Petroleum Finance Plc proceeded with open market purchases and subsequent cancellation of €6.9 million of the €500 million Notes maturing in May 2017, €3.1 million of the €325 million Notes maturing in July 2019 and €5.2 million (\$5,8 million) of the \$400 million Notes maturing in May 2016. The profit from the open market purchases amounted to €1.3 million.

**8. Bilateral lines**

The Group companies have credit facilities with various banks in place, for general corporate purposes. As at 30 June 2015, the outstanding balance of such loans amounted to approximately €1.0 billion (31 December 2014: approximately €0.9 billion). Out of these approximately €0.9 billion relate to short-term loans of the parent company Hellenic Petroleum S.A.

## 2.2.2. Other Financial Information

### Share Price Evolution

On the 26th of June 2015, the company's share price closed at €4.68, increased by 23% compared to the 31th of December 2014. The average price for the first half of 2015 amounted to €4.07, 40% lower compared to the same period in 2014. It is noted that the maximum share price was €4.91 on 27.05.2015 while the minimum was €3.42 on 20.03.2015.

The average trading volume in the first half reached 180,170 shares a day, a decrease of 37% from the respective volume of 2014, while the average daily turnover was reduced by 60% to €734,435.

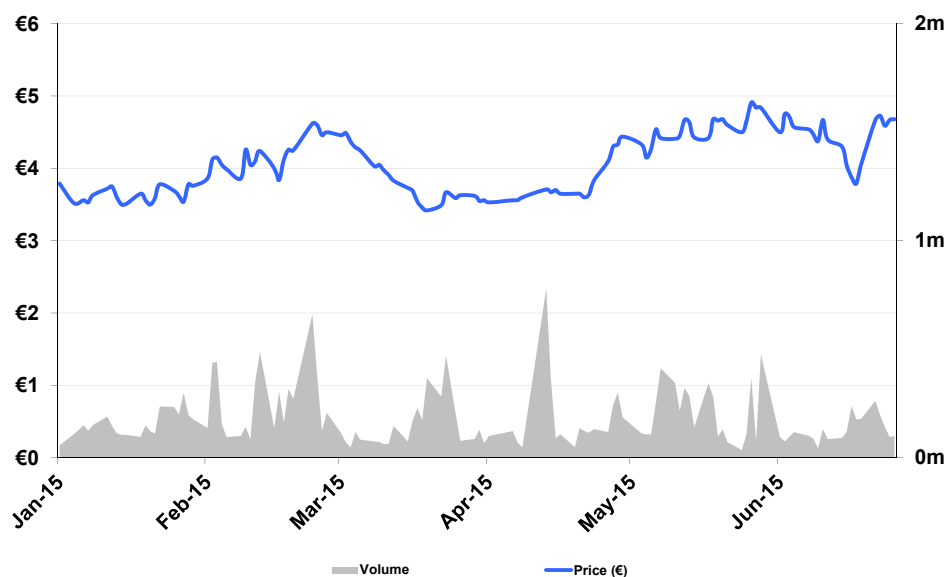
Athens Stock Exchange remained closed from 26 June until 31 July, as a result of the imposed capital controls. The resumption of securities trading was accompanied with restrictions for the domestic investors, in accordance with the relevant decree of Ministry of Finance signed on 31 July 2015.

The table below shows the Company's share closing prices at the end of each month and the average daily trading volume per month, in the 1st half of 2015, compared to the same period in 2014.

|          | Closing Prices<br>(€) |      | Trading Volumes<br>(no. of shares) |         |
|----------|-----------------------|------|------------------------------------|---------|
|          | 2015                  | 2014 | 2015                               | 2014    |
| January  | 3.76                  | 7.19 | 153,488                            | 205,348 |
| February | 4.50                  | 6.99 | 262,964                            | 174,935 |
| March    | 3.55                  | 7.27 | 148,865                            | 222,723 |
| April    | 4.44                  | 6.17 | 175,265                            | 192,211 |
| May      | 4.84                  | 5.50 | 214,740                            | 543,112 |
| June     | 4.68                  | 5.78 | 128,318                            | 378,253 |

### Share price evolution chart for HELLENIC PETROLEUM S.A.

The following chart shows the share price evolution at the closing of each month and the average trading volume in the Company's shares from 01.01.2015 up until 30.06.2015:



### **Health and Safety**

In the context of the Health, Safety and Environment Policy (H-S-E) and the facilities' Certified Security Management Systems (OSHAS-18001): Safety reviews in all work areas, training of personnel in fire drills, remedial measures to prevent accidents and unsafe conditions, improving instructions and safety procedures and other activities were carried out during the first half of 2015.

The following were the key HSE events during the first half of 2015:

- The accident that occurred at the Aspropyrgos refinery, during its maintenance shut-down, on 8 May 2015, due to a fire caused by a leakage in the naphtha reformer unit due to a leakage in the naphtha reformer unit, cost the lives of four workers (three HELPE employees and one contractor) and the injury of two more. In the context of improving the level of safety in the Group's facilities, safety control processes are undergoing a review considering further improvements where deemed necessary.
- Thessaloniki Refinery completed 2.000.000 of man-hours worked in March 2015 without an accident with the personnel being rewarded for this performance.

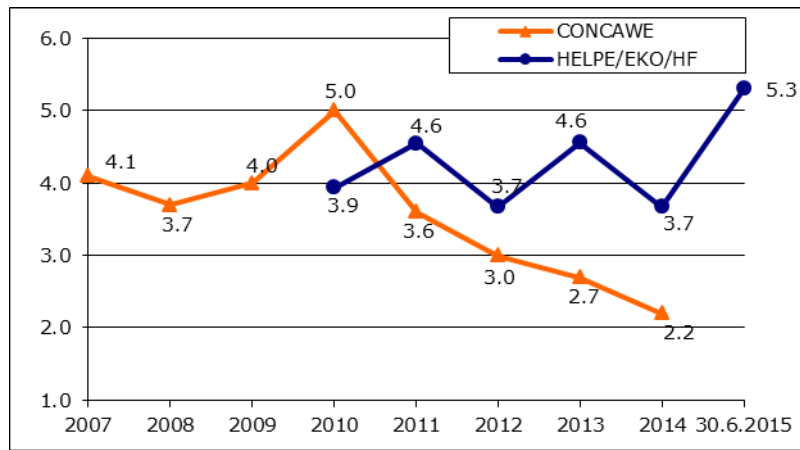
Details of the key indices for the first half 2015 are shown in the following table for all the facilities of the ELPE Group in Greece, as well as for its international subsidiaries.

#### **Key Indices Breakdown per facility for the 1<sup>st</sup> half of 2015**

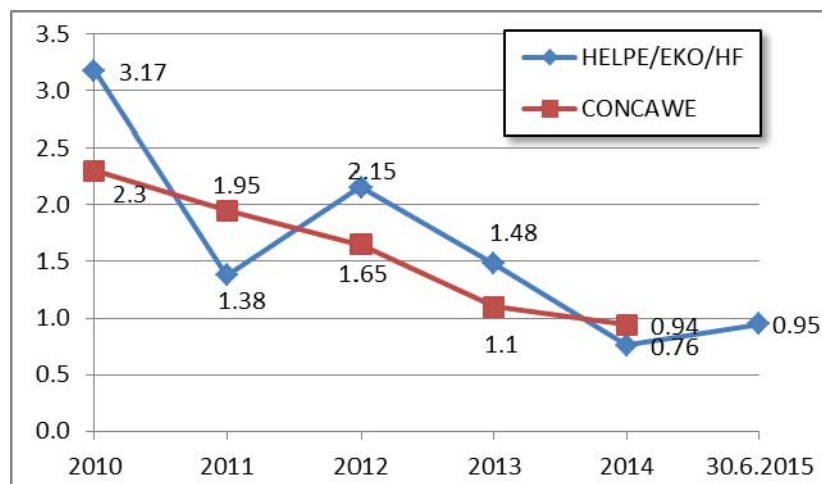
|                       | LWI,<br>30/6/2015 | Lost<br>Work Days | Man Hours        | LWIF        |
|-----------------------|-------------------|-------------------|------------------|-------------|
| Aspropyrgos Refinery  | 11                | 238               | 2,423,230        | 4,54        |
| Elefsina Refinery     | 0                 | 0                 | 915,270          | 0           |
| Thessaloniki Refinery | 0                 | 0                 | 598,644          | 0           |
| Headquarters          | 0                 | 0                 | 289,090          | 0           |
| EKO/HF                | 2                 | 18                | 1,050,090        | 1,90        |
| <b>ELPE/EKO/HF</b>    | <b>13</b>         | <b>256</b>        | <b>5,276,325</b> | <b>2,46</b> |
| DIAXON                | 0                 | 0                 | 117,879          | 0           |
| OKTA                  | 1                 | 15                | 372,723          | 2,68        |
| EKO Bulgaria          | 0                 | 0                 | 979,784          | 0           |
| JPK MONTENEGRO        | 0                 | 0                 | 244,091          | 0           |
| EKO Serbia            | 0                 | 0                 | 733,618          | 0           |

The diagram below shows the AIF and PSER index trend in recent years compared to the European average (CONCAWE).

**AIF Index**



**PSER Index**



Safety index PSER is currently at the same level as the European average (CONCAWE) and slightly higher versus last year.

### **REACH Regulation**

- During the 1<sup>st</sup> half of 2015, HELPE continued its active participation to REACH consortia with other European companies and the fulfilment of its obligations as a “principal” based on the contractual obligations.
- Regarding substances for which decisions have already been adopted by ECHA in view of the evaluation stage, the compliance with the requirements or the appeal procedure -together with the other companies-where deemed necessary is still in progress.
- There have been several trainings for the personnel of commercial and support functions during the current phase of the Regulation

## ***Protecting the Environment***

### **Environmental Management**

In the context of extending the certification of environmental management systems, the Company completed the certification, based on the ISO 14000, during the 1<sup>st</sup> half of the year for the Thessaloniki refinery while the inspections regarding the other two refineries (Elefsina and Aspropyrgos) as well as the head office are planned for the 2<sup>nd</sup> half of the year.

### **CO<sub>2</sub> Emissions**

All procedures for participation of refineries in the 3<sup>rd</sup> phase of the Emissions Trading Scheme as well as the submission of the improvements in the context of the monitoring plan have been completed successfully (emissions certificates and delivery rights 2014) in the first half of 2015, as required by law.

The carbon dioxide emissions (CO<sub>2</sub>) from the three refineries (Aspropyrgos, Elefsina and Thessaloniki) for the first half of 2015 amounted to 1.58 million tonnes, lower than the estimates mainly due to the shut-down of Aspropyrgos refinery.

### **Environmental Performance Indicators**

The liquid waste index “gr of hydrocarbons per tn of throughput” for the January – June period in 2015 for the refineries of Aspropyrgos and Elefsina was 1.53 and 3.58 gr/tn throughput respectively, which are 49% and 27% lower, respectively, than the index for the current statutory limit (Saronic Gulf).

For the Thessaloniki refinery, the “gr of hydrocarbons per tn throughput” in the 1<sup>st</sup> half of 2015 was 2.54 gr/tn throughput, which is 37% lower than the current legal limit.

### **Participation in national and international organisations**

The company continued to monitor all important developments related to the new European environmental legislation as well as the formulation of new legislation and guidance. This was achieved through its active participation in CONCAWE (The oil companies’ European Association for environment, health and safety in refining and distribution) and Fuels Europe working groups.

On a national level, the Company actively participates in the Hellenic Federation of Enterprises’ Council for Sustainable Development projects as well as the association’s other relevant activities.



## **Certified Auditor – Accountant’s Review Report regarding the Half-Yearly Report**



## **Report on Review of Interim Financial Information**

To the Shareholders of Hellenic Petroleum S.A.

### **Introduction**

We have reviewed the accompanying condensed statement of financial position of Hellenic Petroleum S.A. as of 30 June 2015 and the related condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS” 34). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

### **Reference to Other Legal and Regulatory Requirements**

Our review has not revealed any inconsistency or discrepancy of the other information of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.

Athens, 27 August 2015

Certified Auditor - Accountant



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### **3. Half Yearly Financial Statements**

### **3.1. Group Consolidated Financial Statements**

**HELLENIC PETROLEUM S.A.**

**CONDENSED INTERIM**

**CONSOLIDATED**

**FINANCIAL INFORMATION**

**FOR THE SIX MONTH PERIOD ENDED**

**30 JUNE 2015**



**HELLENIC PETROLEUM S.A.**  
CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015  
*(All amounts in Euro thousands unless otherwise stated)*

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**CONTENTS**

|                                                                       | Page |
|-----------------------------------------------------------------------|------|
| I. Company Information                                                | 3    |
| II. Condensed Interim Consolidated Statement of Financial Position    | 5    |
| III. Condensed Interim Consolidated Statement of Comprehensive Income | 6    |
| IV. Condensed Interim Consolidated Statement of Changes in Equity     | 7    |
| V. Condensed Interim Consolidated Statement of Cash Flows             | 8    |
| VI. Notes to the Condensed Interim Consolidated Financial Information | 9    |

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015

(All amounts in Euro thousands unless otherwise stated)

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### I. Company Information

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Directors</b>                           | Efstathios Tsotsoros– Chairman of the Board<br>Grigorios Stergioulis– Chief Executive Officer<br>Andreas Shiamishis– Deputy Chief Executive Officer<br>Georgios Alexopoulos– Member<br>Theodoros–Achilleas Vardas- Member<br>Georgios Grigoriou – Member<br>Stratis Zafiris– Member<br>Sotiris Kontonasios– Member<br>Georgios Maloglou – Member<br>Konstantinos Papagiannopoulos - Member<br>Panagiotis Ofthalmides- Member<br>Theodoros Pantalakis– Member<br>Spiridon Pantelias- Member |
| <b>Other Board Members during the year</b> | Ioannis Papathanasiou-Chairman of the Board (Until 7/5/2015)<br>John Costopoulos – Chief Executive Officer (Until 7/5/2015)<br>Vassilios Nikolettopoulos- Member (Until 7/5/2015)<br>Christos Razelos- Member (Until 7/5/2015)<br>Ioannis Raptis- Member (Until 7/5/2015)<br>Ioannis Sergopoulos- Member (Until 7/5/2015)<br>Aggelos Chatzidimitriou – Member (Until 7/5/2015)                                                                                                             |
| <b>Registered Office:</b>                  | 8A Chimarras Str.<br>15125 Maroussi, Greece                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Registration number:</b>                | 2443/06/B/86/23                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>General Commercial Registry:</b>        | 000296601000                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Auditors:</b>                           | PricewaterhouseCoopers S.A.<br>268 Kifissias Ave.<br>152 32 Halandri<br>Athens, Greece                                                                                                                                                                                                                                                                                                                                                                                                     |



## **Report on Review of Interim Financial Information**

To the Shareholders of Hellenic Petroleum S.A.

### **Introduction**

We have reviewed the accompanying condensed consolidated statement of financial position of Hellenic Petroleum S.A. (“the Company”) and its subsidiaries (“the Group”), as of 30 June 2015 and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS” 34). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

### **Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

### **Reference to Other Legal and Regulatory Requirements**

Our review has not revealed any inconsistency or discrepancy of the other information of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.



Athens, 27 August 2015  
Certified Auditor - Accountant

PricewaterhouseCoopers S.A.  
Certified Auditors - Accountants  
268, Kifissias Avenue  
152 32 Halandri  
SOEL Reg. No 113

Konstantinos Michalatos  
SOEL Reg.No. 17701

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### II. Condensed Interim Consolidated Statement of Financial Position

|                                                                  |      | As at            |                  |
|------------------------------------------------------------------|------|------------------|------------------|
|                                                                  | Note | 30 June 2015     | 31 December 2014 |
| <b>ASSETS</b>                                                    |      |                  |                  |
| <b>Non-current assets</b>                                        |      |                  |                  |
| Property, plant and equipment                                    | 11   | 3.387.863        | 3.398.170        |
| Intangible assets                                                | 12   | 126.428          | 131.978          |
| Investments in associates and joint ventures                     |      | 675.111          | 682.425          |
| Deferred income tax assets                                       |      | 184.722          | 224.788          |
| Available-for-sale financial assets                              | 3    | 602              | 1.547            |
| Loans, advances and other receivables                            |      | 87.743           | 86.698           |
|                                                                  |      | <b>4.462.469</b> | <b>4.525.606</b> |
| <b>Current assets</b>                                            |      |                  |                  |
| Inventories                                                      | 13   | 784.282          | 637.613          |
| Trade and other receivables                                      | 14   | 772.288          | 708.227          |
| Cash, cash equivalents and restricted cash                       | 15   | 2.209.739        | 1.847.842        |
|                                                                  |      | <b>3.766.309</b> | <b>3.193.682</b> |
| <b>Total assets</b>                                              |      | <b>8.228.778</b> | <b>7.719.288</b> |
| <b>EQUITY</b>                                                    |      |                  |                  |
| Share capital                                                    | 16   | 1.020.081        | 1.020.081        |
| Reserves                                                         | 17   | 471.239          | 435.013          |
| Retained Earnings                                                |      | 229.322          | 163.048          |
| <b>Capital and reserves attributable to owners of the parent</b> |      | <b>1.720.642</b> | <b>1.618.142</b> |
| <b>Non-controlling interests</b>                                 |      | 110.167          | 110.404          |
| <b>Total equity</b>                                              |      | <b>1.830.809</b> | <b>1.728.546</b> |
| <b>LIABILITIES</b>                                               |      |                  |                  |
| <b>Non-current liabilities</b>                                   |      |                  |                  |
| Borrowings                                                       | 18   | 1.654.957        | 1.811.995        |
| Deferred income tax liabilities                                  |      | 39.913           | 40.953           |
| Retirement benefit obligations                                   |      | 95.154           | 92.728           |
| Provisions for other liabilities and charges                     |      | 6.245            | 6.224            |
| Other long term liabilities                                      |      | 21.242           | 21.861           |
|                                                                  |      | <b>1.817.511</b> | <b>1.973.761</b> |
| <b>Current liabilities</b>                                       |      |                  |                  |
| Trade and other payables                                         | 19   | 2.885.201        | 2.679.199        |
| Derivative financial instruments                                 | 3    | 10.515           | 60.087           |
| Current income tax liabilities                                   |      | 12.831           | 34.901           |
| Borrowings                                                       | 18   | 1.670.766        | 1.177.645        |
| Dividends payable                                                |      | 1.145            | 65.149           |
|                                                                  |      | <b>4.580.458</b> | <b>4.016.981</b> |
| <b>Total liabilities</b>                                         |      | <b>6.397.969</b> | <b>5.990.742</b> |
| <b>Total equity and liabilities</b>                              |      | <b>8.228.778</b> | <b>7.719.288</b> |

The notes on pages 8 to 32 are an integral part of this condensed interim consolidated financial information.

E. Tsotsoros

G. Stergioulis

A. Shiamishis

S. Papadimitriou

Chairman of the Board

Chief Executive Officer

Deputy Chief Executive Officer  
& Chief Financial Officer

Accounting Director

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### III. Condensed Interim Consolidated Statement of Comprehensive Income

|                                                                               | Note | For the six month period ended |                  | For the three month period ended |                  |
|-------------------------------------------------------------------------------|------|--------------------------------|------------------|----------------------------------|------------------|
|                                                                               |      | 30 June 2015                   | 30 June 2014     | 30 June 2015                     | 30 June 2014     |
| <b>Sales</b>                                                                  |      | <b>3.664.022</b>               | <b>4.462.649</b> | <b>1.784.524</b>                 | <b>2.386.226</b> |
| Cost of sales                                                                 |      | (3.250.207)                    | (4.271.776)      | (1.579.993)                      | (2.272.588)      |
| <b>Gross profit</b>                                                           |      | <b>413.815</b>                 | <b>190.873</b>   | <b>204.531</b>                   | <b>113.638</b>   |
| Selling and distribution expenses                                             |      | (161.405)                      | (153.193)        | (85.050)                         | (76.755)         |
| Administrative expenses                                                       |      | (54.516)                       | (54.931)         | (26.175)                         | (29.592)         |
| Exploration and development expenses                                          |      | (674)                          | (1.317)          | (319)                            | (832)            |
| Other operating income / (expenses) - net                                     | 5    | 8.190                          | 189              | 3.875                            | (2.301)          |
| <b>Operating profit / (loss)</b>                                              |      | <b>205.410</b>                 | <b>(18.379)</b>  | <b>96.862</b>                    | <b>4.158</b>     |
| Finance (expenses) / income - net                                             | 6    | (100.440)                      | (106.251)        | (50.570)                         | (53.396)         |
| Currency exchange gains / (losses)                                            | 7    | (20.682)                       | (655)            | 18.252                           | (1.867)          |
| Share of net result of associates                                             | 8    | 10.962                         | 24.118           | 2.861                            | 9.589            |
| <b>Profit / (loss) before income tax</b>                                      |      | <b>95.250</b>                  | <b>(101.167)</b> | <b>67.405</b>                    | <b>(41.516)</b>  |
| Income tax (expense) / credit                                                 | 9    | (29.017)                       | 10.164           | (18.335)                         | (8.940)          |
| <b>Profit / (loss) for the period</b>                                         |      | <b>66.233</b>                  | <b>(91.003)</b>  | <b>49.070</b>                    | <b>(50.456)</b>  |
| <b>Other comprehensive income:</b>                                            |      |                                |                  |                                  |                  |
| <b>Items that may be reclassified subsequently to profit or loss:</b>         |      |                                |                  |                                  |                  |
| Fair value gains/(losses) on available-for-sale financial assets              |      | (174)                          | 23               | (159)                            | (12)             |
| Fair value gains / (losses) on cash flow hedges                               | 17   | 36.683                         | 718              | 32.559                           | 3.156            |
| Other movements and currency translation differences                          |      | (479)                          | 528              | (476)                            | 503              |
| <b>Other comprehensive (loss) / income for the period, net of tax</b>         |      | <b>36.030</b>                  | <b>1.269</b>     | <b>31.924</b>                    | <b>3.647</b>     |
| <b>Total comprehensive (loss) / income for the period</b>                     |      | <b>102.263</b>                 | <b>(89.734)</b>  | <b>80.994</b>                    | <b>(46.809)</b>  |
| <b>Profit attributable to:</b>                                                |      |                                |                  |                                  |                  |
| Owners of the parent                                                          |      | 66.274                         | (88.035)         | 47.985                           | (50.191)         |
| Non-controlling interests                                                     |      | (41)                           | (2.968)          | 1.085                            | (265)            |
|                                                                               |      | 66.233                         | (91.003)         | 49.070                           | (50.456)         |
| <b>Total comprehensive income attributable to:</b>                            |      |                                |                  |                                  |                  |
| Owners of the parent                                                          |      | 102.500                        | (86.669)         | 79.952                           | (46.540)         |
| Non-controlling interests                                                     |      | (237)                          | (3.065)          | 1.042                            | (269)            |
|                                                                               |      | 102.263                        | (89.734)         | 80.994                           | (46.809)         |
| <b>Basic and diluted earnings per share<br/>(expressed in Euro per share)</b> | 10   | <b>0,22</b>                    | <b>(0,29)</b>    | <b>0,16</b>                      | <b>(0,16)</b>    |

The notes on pages 8 to 32 are an integral part of this condensed interim consolidated financial information.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### IV. Condensed Interim Consolidated Statement of Changes in Equity

|                                                                        |      | Attributable to owners of the Parent |                 |                   |                  |                           |                  |
|------------------------------------------------------------------------|------|--------------------------------------|-----------------|-------------------|------------------|---------------------------|------------------|
|                                                                        | Note | Share Capital                        | Reserves        | Retained Earnings | Total            | Non-Controlling interests | Total Equity     |
| <b>Balance at 1 January 2014</b>                                       |      | <b>1.020.081</b>                     | <b>566.103</b>  | <b>512.771</b>    | <b>2.098.955</b> | <b>115.511</b>            | <b>2.214.466</b> |
| Fair value gains/ (losses) on available-for-sale financial assets      | 17   | -                                    | 10              | -                 | 10               | 13                        | 23               |
| Currency translation differences and other movements                   | 17   | -                                    | 638             | -                 | 638              | (110)                     | 528              |
| Fair value gains / (losses) on cash flow hedges                        | 17   | -                                    | 718             | -                 | 718              | -                         | 718              |
| <b>Other comprehensive income/ (loss)</b>                              |      | <b>-</b>                             | <b>1.366</b>    | <b>-</b>          | <b>1.366</b>     | <b>(97)</b>               | <b>1.269</b>     |
| Profit/ (loss) for the period                                          |      | -                                    | -               | (88.035)          | (88.035)         | (2.968)                   | (91.003)         |
| <b>Total comprehensive income/ (loss) for the period</b>               |      | <b>-</b>                             | <b>1.366</b>    | <b>(88.035)</b>   | <b>(86.669)</b>  | <b>(3.065)</b>            | <b>(89.734)</b>  |
| <b>Balance at 30 June 2014</b>                                         |      | <b>1.020.081</b>                     | <b>567.469</b>  | <b>424.736</b>    | <b>2.012.286</b> | <b>112.446</b>            | <b>2.124.732</b> |
| <b>Movement - 1 July 2014 to 31 December 2014</b>                      |      |                                      |                 |                   |                  |                           |                  |
| Fair value gains/ (losses) on available-for-sale financial assets      | 17   | -                                    | 320             | -                 | 320              | 32                        | 352              |
| Currency translation differences and other movements                   | 17   | -                                    | (503)           | -                 | (503)            | 160                       | (343)            |
| Actuarial gains/(losses) on defined benefit pension plans              |      | -                                    | (6.179)         | -                 | (6.179)          | (55)                      | (6.234)          |
| Fair value gains / (losses) on cash flow hedges                        | 17   | -                                    | (43.007)        | -                 | (43.007)         | -                         | (43.007)         |
| Derecognition of gains/(losses) on hedges through comprehensive income | 17   | -                                    | (3.586)         | -                 | (3.586)          | -                         | (3.586)          |
| <b>Other comprehensive income/ (loss)</b>                              |      | <b>-</b>                             | <b>(52.955)</b> | <b>-</b>          | <b>(52.955)</b>  | <b>137</b>                | <b>(52.818)</b>  |
| Profit/ (loss) for the period                                          |      | -                                    | -               | (277.257)         | (277.257)        | (330)                     | (277.587)        |
| <b>Total comprehensive income/ (loss) for the period</b>               |      | <b>-</b>                             | <b>(52.955)</b> | <b>(277.257)</b>  | <b>(330.212)</b> | <b>(193)</b>              | <b>(330.405)</b> |
| Share based payments                                                   | 17   | -                                    | (24)            | 275               | 251              | -                         | 251              |
| Distribution of tax-free reserves                                      |      | -                                    | (64.376)        | 193               | (64.183)         | (22)                      | (64.205)         |
| Transfers of tax on distributed reserves                               | 17   | -                                    | (15.101)        | 15.101            | -                | -                         | -                |
| Dividends relating to 2013                                             |      | -                                    | -               | -                 | -                | (1.827)                   | (1.827)          |
| <b>Balance at 31 December 2014</b>                                     |      | <b>1.020.081</b>                     | <b>435.013</b>  | <b>163.048</b>    | <b>1.618.142</b> | <b>110.404</b>            | <b>1.728.546</b> |
| Fair value gains/ (losses) on available-for-sale financial assets      | 17   | -                                    | (95)            | -                 | (95)             | (79)                      | (174)            |
| Currency translation differences and other movements                   | 17   | -                                    | (362)           | -                 | (362)            | (117)                     | (479)            |
| Fair value gains / (losses) on cash flow hedges                        | 17   | -                                    | 36.683          | -                 | 36.683           | -                         | 36.683           |
| <b>Other comprehensive income/ (loss)</b>                              |      | <b>-</b>                             | <b>36.226</b>   | <b>-</b>          | <b>36.226</b>    | <b>(196)</b>              | <b>36.030</b>    |
| Profit / (loss) for the period                                         |      | -                                    | -               | 66.274            | 66.274           | (41)                      | 66.233           |
| <b>Total comprehensive income/ (loss) for the period</b>               |      | <b>-</b>                             | <b>36.226</b>   | <b>66.274</b>     | <b>102.500</b>   | <b>(237)</b>              | <b>102.263</b>   |
| <b>Balance at 30 June 2015</b>                                         |      | <b>1.020.081</b>                     | <b>471.239</b>  | <b>229.322</b>    | <b>1.720.642</b> | <b>110.167</b>            | <b>1.830.809</b> |

The notes on pages 8 to 32 are an integral part of this condensed interim consolidated financial information.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### V. Condensed Interim Consolidated Statement of Cash Flows

|                                                                                  |      | For the six month period ended |                  |
|----------------------------------------------------------------------------------|------|--------------------------------|------------------|
|                                                                                  | Note | 30 June 2015                   | 30 June 2014     |
| <b>Cash flows from operating activities</b>                                      |      |                                |                  |
| Cash generated from operations                                                   | 20   | 299.511                        | 211.705          |
| Income and other taxes paid                                                      |      | (25.410)                       | (7.777)          |
| <b>Net cash generated from / (used in) operating activities</b>                  |      | <b>274.101</b>                 | <b>203.928</b>   |
| <b>Cash flows from investing activities</b>                                      |      |                                |                  |
| Purchase of property, plant and equipment & intangible assets                    |      | (78.856)                       | (60.827)         |
| Proceeds from disposal of property, plant and equipment & intangible assets      |      | 198                            | 133              |
| Interest received                                                                |      | 4.387                          | 4.168            |
| Dividends received                                                               |      | 18.277                         | 37.988           |
| Proceeds from disposal of available for sale financial assets                    |      | 771                            | -                |
| <b>Net cash generated from / (used in) investing activities</b>                  |      | <b>(55.223)</b>                | <b>(18.538)</b>  |
| <b>Cash flows from financing activities</b>                                      |      |                                |                  |
| Interest paid                                                                    |      | (103.461)                      | (113.564)        |
| Dividends paid to shareholders of the Company                                    |      | (64.004)                       | (359)            |
| Proceeds from borrowings                                                         |      | 396.023                        | 376.087          |
| Repayments of borrowings                                                         |      | (95.151)                       | (137.322)        |
| <b>Net cash generated from / (used in) financing activities</b>                  |      | <b>133.407</b>                 | <b>124.842</b>   |
| <b>Net (decrease) / increase in cash, cash equivalents and restricted cash</b>   |      | <b>352.285</b>                 | <b>310.232</b>   |
| <b>Cash, cash equivalents and restricted cash at the beginning of the period</b> | 15   | <b>1.847.842</b>               | <b>959.602</b>   |
| Exchange gains / (losses) on cash, cash equivalents and restricted cash          |      | 9.612                          | 911              |
| <b>Net (decrease) / increase in cash, cash equivalents and restricted cash</b>   |      | <b>352.285</b>                 | <b>310.232</b>   |
| <b>Cash, cash equivalents and restricted cash at end of the period</b>           | 15   | <b>2.209.739</b>               | <b>1.270.745</b> |

The notes on pages 8 to 32 are an integral part of this condensed interim consolidated financial information.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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### VI. Notes to the Condensed Interim Consolidated Financial Information

#### 1. GENERAL INFORMATION

Hellenic Petroleum S.A. and its subsidiaries (“Hellenic Petroleum” or “the Group”) operate in the energy sector predominantly in Greece, South Eastern Europe and the East Mediterranean. The Group’s activities include refining and marketing of oil products, the production and marketing of petrochemical products and exploration for hydrocarbons. The Group also provides engineering services while through its investments in DEPA S.A and Elpedison B.V, the Group also operates in the sector of natural gas and in the production and trading of electricity power.

#### 2. BASIS OF PREPARATION, ACCOUNTING POLICIES AND ESTIMATES

##### Basis of preparation

The interim consolidated financial information of Hellenic Petroleum and its subsidiaries is prepared in accordance with International Accounting Standard 34 (IAS 34) – *Interim Financial Reporting*, and presents the financial position, results of operations and cash flows of the Group on a going concern basis.

##### Macroeconomic Environment

The continued negotiations between the Hellenic Republic and international institutional authorities (EC/ECB/IMF) resulted in a significant increase of the macroeconomic risk of the country. Failure to reach agreement at the end of June led to the implementation of capital controls in the banking sector, a 3-week bank holiday on 27 June, as well as the lapse of the existing support program for the country and the failure of the Hellenic Republic to repay an instalment to the IMF on 30 June.

Following a referendum on a deal proposed by international institutions and further negotiations, an agreement was reached on 12 July for a 3-year support package, which aims at ensuring fiscal and banking sector stability and promoting growth through a €86 billion bailout programme. The first conditions precedent were passed from the Greek parliament on 15 and 22 July, reducing the risk of a disorderly default and exit from the Eurozone which would have a severe impact on the country’s economy. On the 28<sup>th</sup> July negotiations on a third ESM program resumed. Agreement was finally reached on 10 August and the bailout plan was backed by the Greek parliament on 14 August. On the 19th August, following approval of the bailout package by the German parliament, the European bailout fund supervisors approved the release of a first tranche of €26 billion in order to meet Greece's debts and help recapitalize its banks.

On 20th August, Greece used money received from the European financial bailout to repay \$3.5 billion to the European Central Bank. Following that, the Greek government resigned and elections are expected to be held during September.

The program has an aim to reduce the risk of economic instability in Greece; however there is still risk around implementation of the program (especially given the effect on economic activity and unemployment), ability to meet fiscal targets, as well as structural reforms. The implementation of the program and its effects on the economy are beyond the Group's control.

Various risks emerge under this financial environment, including restrictions on use of bank deposits, liquidity of the financial sector and businesses, recoverability of receivables, impairment of assets, sufficiency of financing by the lending banks, serving of existing financing arrangements and/or compliance with existing terms and financial covenants of such arrangements, recoverability of deferred tax assets, valuation of financial instruments, restructuring costs and adequacy of provisions.

These and any further negative developments in Greece could impact the results and financial position of the Group’s Greek operations to some extent, in a manner not currently determinable.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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#### Impact on the Group as of 30 June 2015

The Group has been closely assessing developments in Greece and preparing for a number of eventualities around the Greek crisis, in line with its established risk management policy in order to ensure that timely actions and response are undertaken so as to minimize any impact on the Group's business and operations.

Key points from this assessment mitigating the Group's exposure in Greece are:

##### *Group business:*

The business model of the Group and its cash flows are more dependent on the international refining industry and exports than the Greek economy. As a result, even though refining operations reside in Greece (refineries are located on coastal "tax-free" zones with private port facilities which allow easier international trading), the impact on its operations is limited due to the international nature of the commodities business. Similar examples of refineries located in areas with worse political or economic issues are plentiful in the Mediterranean. The impact on the Group's business is expected to be a potential temporary reduction of domestic market sales and an increase of export sales which are already at 50%. For the first half of 2015, over 60% of Group's EBITDA was generated by business not dependent on Greek economy. Management does not expect that the potential impact would affect the ability of the Group to continue its operations.

##### *Impairment of assets:*

The Group's refining plants are not affected by the capital controls. Even though there is a risk that local demand of petroleum products produced in Greece may decline, management expects that profitability will be sustained by increased export sales.

##### *Funding:*

In line with its medium term financing plan, the Group has maintained a mix of long term and short term facilities by taking into consideration bank and debt capital markets' credit capacity and cost, as well as cash flow planning and commercial considerations. As a result, approximately 50% of total debt is financed by medium to long term committed credit lines and notes issued in the international debt capital markets, while the rest is financed by short term working capital type revolving facilities. Further details of the relevant loans and refinancing are provided in note 18, "Borrowings". In the eventuality that the Greek banks fail to continue attracting ECB/ELA funding, and are not recapitalized, there is a risk of these uncommitted facilities being terminated. This however, carries a small probability due to the credit status of the Group, being one of the largest industrial customers in Greece and the fact that it supplies a high percentage of the Greek domestic fuels market (> 60%). However, even if this unlikely scenario is considered, the Group has adequate cash reserves and operating cash flow generation to enable it to manage a repayment of the majority of these facilities.

##### *Capital controls*

The Group responded to the imposition of capital controls, with all necessary measures and adjustments to its supply chain, enabling uninterrupted supply, refining and trading operations

The measures imposed by the Greek government on 28 June 2015 prohibit cross border payments of any kind without the prior written approval of a committee that has been set up for this purpose at the Ministry of Finance. At present, there are no official restrictions on domestic transactions which are gradually being normalized.

The capital controls impact the ability of the Group to effect payments for imports of crude oil and products to its foreign suppliers if these are not approved by the committee. The risk is mitigated by the fact that imports of crude oil and fuel products are considered by the authorities as critical for the economy, taking priority over other payments. There has therefore been no adverse impact on the operations of the Group and this is expected to continue going forward. In addition, the Group maintains accounts with its foreign core relationship banks outside Greece which are funded by export receivables and can also be used to pay foreign suppliers. Therefore the risk of disruption to normal operations of the Group as a result of the imposition of capital controls is considered low. During the period since capital controls were implemented, impact on Group operations was limited as a result of appropriate planning and risk management.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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### *Margins:*

Financial results for the period ended 30 June 2015 were also affected by a number of other factors that impacted the Group's trading, working capital requirements, cost of supply and in turn funding and liquidity requirements. Following a significant decline in the second half of 2014, crude oil prices showed signs of stabilisation in the first six months of 2015 with prices ranging between 50-60 \$/bbl. These developments led to lower cost of crude for both sweet and sour grades, improving the competitive position of Med refiners, while global refining margins improved considerably.

### *Receivables:*

The slowdown of the Greek economy in 2015 is not expected to materially impact our Greek customer base and management considers that sufficient provisions have been raised in the event of customer defaults.

In this respect Management has concluded that (a) the going concern basis of preparation of the accounts is appropriate, and (b) all assets and liabilities of the Group are appropriately presented in accordance with the Group's accounting policies. In this uncertain economic environment management continuously assesses the situation in order to properly cope with possible challenges.

This interim consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. These can be found on the Group's website **www.helpe.gr**.

The condensed interim consolidated financial information of the Group for the six month period ended 30 June 2015 was authorised for issue by the Board of Directors on 27 August 2015.

### **Accounting policies and the use of estimates**

The accounting policies used in the preparation of the condensed interim consolidated financial information for the six month period ended 2015 are consistent with those applied for the preparation of the consolidated financial statements for the year ended 31 December 2014, except as described below. Where necessary, comparative figures have been reclassified to conform to changes in the presentation of the current year.

*New standards, amendments to standards and interpretations:* Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is set out below.

The following standards, amendments to standards and interpretations to existing standards may be applicable to the Group for periods on or after 1 January 2015:

- *IFRIC 21 "Levies" (effective for annual periods beginning on or after 17 June 2014).* This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date. The adoption of the amendment does not have significant impact for the Group.
- *Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after 1 January 2015):*

The amendments set out below describe the key changes to three IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project. The Group is currently evaluating the impact the amendment will have on its financial statements.

- *IFRS 3 "Business combinations".* This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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- *IFRS 13 “Fair value measurement”*. The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.
- *IAS 40 “Investment property”*. The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.
- Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 February 2015):

The amendments set out below describe the key changes to seven IFRSs following the publication of the results of the IASB’s 2010-12 cycle of the annual improvements project. The Group is currently evaluating the impact the amendments will have on its financial statements.

- *IFRS 2 “Share-based payment”*. The amendment clarifies the definition of a ‘vesting condition’ and separately defines ‘performance condition’ and ‘service condition’.
- *IFRS 3 “Business combinations”*. The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 “Financial instruments: Presentation”. It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.
- *IFRS 8 “Operating segments”*. The amendment requires disclosure of the judgements made by management in aggregating operating segments.
- *IFRS 13 “Fair value measurement”*. The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.
- *IAS 16 “Property, plant and equipment”* and *IAS 38 “Intangible assets”*. Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.
- *IAS 24 “Related party disclosures”*. The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.
- *IAS 19R (Amendment) “Employee Benefits”* (effective for annual periods beginning on or after 1 February 2015). These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The adoption of the amendment does not have significant impact for the Group.
- Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016):

The amendments set out below describe the key changes to four IFRSs. The improvements have not yet been endorsed by the EU.

- *IFRS 5 “Non-current assets held for sale and discontinued operations”*. The amendment clarifies that, when an asset (or disposal group) is reclassified from ‘held for sale’ to ‘held for distribution’, or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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- *IFRS 7 “Financial instruments: Disclosures”*. The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, “Disclosure – Offsetting financial assets and financial liabilities” is not specifically required for all interim periods, unless required by IAS 34.
  - *IAS 19 “Employee benefits”*. The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.
  - *IAS 34 “Interim financial reporting”*. The amendment clarifies what is meant by the reference in the standard to ‘information disclosed elsewhere in the interim financial report’.
- *IFRS 11 (Amendment) “Joint Arrangements” (effective for annual periods beginning on or after 1 January 2016)*. This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a ‘business’. This amendment has not yet been endorsed by the EU.
  - *IAS 16 and IAS 38 (Amendments) “Clarification of Acceptable Methods of Depreciation and Amortisation” (effective for annual periods beginning on or after 1 January 2016)*. This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. These amendments have not yet been endorsed by the EU.
  - *IFRS 10 and IAS 28 (Amendments) “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” (effective for annual periods beginning on or after 1 January 2016)*. These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments have not yet been endorsed by the EU.
  - *IAS 27 (Amendment) “Separate financial statements” (effective for annual periods beginning on or after 1 January 2016)*. This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. This amendment has not yet been endorsed by the EU.
  - *IFRS 10, IFRS 12 and IAS 28 (Amendments) “Investment Entities: Applying the Consolidation Exception” (effective for annual periods beginning on or after 1 January 2016)*. These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments have not yet been endorsed by the EU.
  - *IAS 1 (Amendment) “Disclosure Initiative” (effective for annual periods beginning on or after 1 January 2016)*. These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The amendments have not yet been endorsed by the EU.
  - *IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods beginning on or after 1 January 2018)*. IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The standard has not yet been endorsed by the EU.

- *IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018).* IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model of IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU.

### 3. FINANCIAL RISK MANAGEMENT

The Group's activities are primarily centred on Downstream Refining (incl. Petrochemical) & Marketing of petroleum products; with secondary activities relating to exploration of hydrocarbons and power generation and trading. As such, the Group is exposed to a variety of financial and commodity markets risks including foreign exchange and commodity price risk, credit risk, liquidity risk, cash flow risk and interest-rate risk. In line with international best practices and within the context of local markets and legislative framework, the Group's overall risk management policies aim at reducing possible exposure to market volatility and / or mitigating its adverse effects on the financial position of the Group to the extent possible.

Details of the Group's risk management policies and assessment of the risks assumed in its business are disclosed in the notes to the annual consolidated financial statements for the year ended 31 December 2014, as well as in the Note 2 (Basis of Preparation, Accounting Policies and Estimates) thereof.

#### Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's assets and liabilities that are measured at fair value at 30 June 2015:

|                                     | Level 1    | Level 2       | Level 3 | Total<br>balance |
|-------------------------------------|------------|---------------|---------|------------------|
| <b>Assets</b>                       |            |               |         |                  |
| Derivatives held for trading        | -          | -             | -       | -                |
| Derivatives used for hedging        | -          | -             | -       | -                |
| Available for sale financial assets | 602        | -             | -       | 602              |
|                                     | <b>602</b> | -             | -       | <b>602</b>       |
| <b>Liabilities</b>                  |            |               |         |                  |
| Derivatives held for trading        | -          | -             | -       | -                |
| Derivatives used for hedging        | -          | 10.515        | -       | 10.515           |
|                                     | -          | <b>10.515</b> | -       | <b>10.515</b>    |

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2014:

|                                     | Level 1      | Level 2       | Level 3 | Total balance |
|-------------------------------------|--------------|---------------|---------|---------------|
| <b>Assets</b>                       |              |               |         |               |
| Derivatives held for trading        | -            | -             | -       | -             |
| Derivatives used for hedging        | -            | -             | -       | -             |
| Available for sale financial assets | 1.547        | -             | -       | 1.547         |
|                                     | <b>1.547</b> | -             | -       | <b>1.547</b>  |
| <b>Liabilities</b>                  |              |               |         |               |
| Derivatives held for trading        | -            | -             | -       | -             |
| Derivatives used for hedging        | -            | 60.087        | -       | 60.087        |
|                                     | -            | <b>60.087</b> | -       | <b>60.087</b> |

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These financial instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of commodity swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

There were no changes in valuation techniques during the periods.

There were no transfers between levels during the period.

The fair value of Euro and US\$ denominated Eurobonds as at 30 June 2015 was €830 million (31 December 2014 €1.059 million), compared to its book value of €1.148 million (31 December 2014 €1.133 million). The fair value of the remaining borrowings approximates their carrying value, as the effect of discounting is insignificant. The fair values of borrowings are within level 2 of the fair value hierarchy.

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 4. ANALYSIS BY SEGMENT

All critical operating decisions are made by the Group's Executive Committee, which reviews the Group's internal reporting in order to assess performance and to allocate resources. Management has determined the operating segments based on these reports. The committee evaluates the business performance using a number of parameters which may vary depending on its nature and maturity and by taking into account the prevailing business risks, cash flow needs as well as product and market considerations.

Information on the revenue and profit regarding the Group's operating segments is presented below:

|                                                                              |      | For the period ended |                  |
|------------------------------------------------------------------------------|------|----------------------|------------------|
|                                                                              | Note | 30 June 2015         | 30 June 2014     |
| <b>Sales</b>                                                                 |      |                      |                  |
| Refining                                                                     |      | 3.412.017            | 4.150.572        |
| Marketing                                                                    |      | 1.304.860            | 1.457.696        |
| Petro-chemicals                                                              |      | 130.517              | 157.224          |
| Gas & Power                                                                  |      | 941                  | 715              |
| Other                                                                        |      | 7.182                | 6.466            |
| Inter-Segment                                                                |      | (1.191.495)          | (1.310.024)      |
| <b>Total</b>                                                                 |      | <b>3.664.022</b>     | <b>4.462.649</b> |
| <b>Operating profit / (loss)</b>                                             |      |                      |                  |
| Refining                                                                     |      | 153.127              | (50.587)         |
| Marketing                                                                    |      | 17.123               | 6.016            |
| Exploration & Production                                                     |      | (1.611)              | (2.277)          |
| Petro-chemicals                                                              |      | 36.392               | 30.147           |
| Gas & Power                                                                  |      | 551                  | 297              |
| Other                                                                        |      | (172)                | (1.975)          |
| <b>Total</b>                                                                 |      | <b>205.410</b>       | <b>(18.379)</b>  |
| Currency exchange gains/ (losses)                                            | 7    | (20.682)             | (655)            |
| Share of profit of investments in associates and joint ventures              | 8    | 10.962               | 24.118           |
| Finance (expense)/income - net                                               | 6    | (100.440)            | (106.251)        |
| <b>Profit / (loss) before income tax</b>                                     |      | <b>95.250</b>        | <b>(101.167)</b> |
| Income tax (expense) / credit                                                |      | (29.017)             | 10.164           |
| <b>Profit / (loss) for the period</b>                                        |      | <b>66.233</b>        | <b>(91.003)</b>  |
| (Income) / loss applicable to non-controlling interests                      |      | 41                   | 2.968            |
| <b>Profit / (loss) for the year attributable to the owners of the parent</b> |      | <b>66.274</b>        | <b>(88.035)</b>  |

Inter-segment sales primarily relate to sales from the refining segment to other operating segments and are carried out at arm's length.

There has been no material change in the segmental analysis of total assets or total liabilities from the amounts disclosed in the financial statements published at 31 December 2014.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 5. OTHER OPERATING INCOME / (EXPENSES) AND OTHER GAINS / (LOSSES)

|                                                        | For the six month period ended |              | For the three month period ended |                |
|--------------------------------------------------------|--------------------------------|--------------|----------------------------------|----------------|
|                                                        | 30 June 2015                   | 30 June 2014 | 30 June 2015                     | 30 June 2014   |
| Income from Grants                                     | 1.032                          | 1.087        | 511                              | 536            |
| Services to 3rd Parties                                | 1.385                          | 1.445        | 714                              | 866            |
| Rental income                                          | 5.534                          | 6.252        | 2.629                            | 3.154          |
| Profit / (loss) from the sale of PPE - net             | 3                              | 208          | 39                               | 49             |
| Insurance compensation                                 | 705                            | -            | 705                              | -              |
| Voluntary retirement scheme cost                       | (965)                          | (10.384)     | (965)                            | (6.739)        |
| Other operating income / (expenses)                    | (768)                          | 1.581        | (464)                            | (167)          |
| <b>Total other operating income / (expenses)</b>       | <b>6.926</b>                   | <b>189</b>   | <b>3.169</b>                     | <b>(2.301)</b> |
| Other operating gains / (losses)                       | 1.264                          | -            | 706                              | -              |
| <b>Total other operating income / (expenses) - net</b> | <b>8.190</b>                   | <b>189</b>   | <b>3.875</b>                     | <b>(2.301)</b> |

Other operating income / (expenses) – net, include income or expenses which do not relate to the trading activities of the Group.

### 6. FINANCE (EXPENSES) / INCOME – NET

|                                       | For the six month period ended |                  | For the three month period ended |                 |
|---------------------------------------|--------------------------------|------------------|----------------------------------|-----------------|
|                                       | 30 June 2015                   | 30 June 2014     | 30 June 2015                     | 30 June 2014    |
| Interest income                       | 4.817                          | 4.168            | 2.382                            | 2.299           |
| Interest expense and similar charges  | (105.257)                      | (110.419)        | (52.952)                         | (55.695)        |
| <b>Finance (expenses)/income -net</b> | <b>(100.440)</b>               | <b>(106.251)</b> | <b>(50.570)</b>                  | <b>(53.396)</b> |

### 7. CURRENCY EXCHANGE GAINS / (LOSSES)

Foreign currency exchange losses of €21 million relate to marked-to-market losses on US\$ denominated liabilities, due to the US \$ strengthening against the Euro as of 30 June 2015, compared to the beginning of the year. Operating foreign currency exchange gains and losses on transactions which do not relate to financing are reported under operating results.

### 8. SHARE OF NET RESULTS OF ASSOCIATES

The amounts represent the net result from associated companies accounted for on an equity basis.

#### Share of net results of associated companies

|                                                 | For the six month period ended |               | For the three month period ended |              |
|-------------------------------------------------|--------------------------------|---------------|----------------------------------|--------------|
|                                                 | 30 June 2015                   | 30 June 2014  | 30 June 2015                     | 30 June 2014 |
| Public Natural Gas Corporation of Greece (DEPA) | 12.509                         | 19.760        | 2.709                            | 6.599        |
| Other associates                                | (1.547)                        | 4.358         | 152                              | 2.990        |
| <b>Total</b>                                    | <b>10.962</b>                  | <b>24.118</b> | <b>2.861</b>                     | <b>9.589</b> |

The main financial information of DEPA Group based on unaudited interim consolidated accounts is presented below:

|                                        | For the six month period ended |               | For the three month period ended |               |
|----------------------------------------|--------------------------------|---------------|----------------------------------|---------------|
|                                        | 30 June 2015                   | 30 June 2014  | 30 June 2015                     | 30 June 2014  |
| EBITDA                                 | 71.595                         | 83.308        | 26.595                           | 26.842        |
| Income before Tax                      | 39.894                         | 62.393        | 8.876                            | 16.415        |
| Income Tax                             | (4.154)                        | (9.901)       | (7.173)                          | (1.525)       |
| <b>Net income</b>                      | <b>35.740</b>                  | <b>52.492</b> | <b>16.049</b>                    | <b>14.890</b> |
| <b>Income accounted in Helpe Group</b> | <b>12.509</b>                  | <b>19.760</b> | <b>2.709</b>                     | <b>6.599</b>  |

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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#### Sale of DESFA

On the 16 February 2012, HELPE and the HRADF (jointly the “Sellers”) agreed to launch a joint sale process of their shareholding in DEPA Group aiming to sell in total 100% of the supply and trading activities and the shareholding of regional supply companies (DEPA S.A. and EPAs) and 66% of the high pressure transmission network (DESFA). This agreement was approved by HELPE’s EGM, dated 30 January 2012, and the decision specifically requires that any such transaction will be subject to the approval of a new EGM.

The sales process resulted in three non-binding offers received on 5 November 2012 and at the final stage, one binding offer for the purchase of 66% of DESFA shares by SOCAR (Azerbaijan’s Oil and Gas National Company). SOCAR’s final offer is for €400 million for 66% of DESFA; i.e. €212,1 million for HELPE’s 35% effective shareholding. Given that at present DESFA SA is a 100% subsidiary of DEPA, in order to complete the transaction, DESFA will be “unbundled” through a share distribution (treated as capital reduction of DEPA S.A.), to the two existing shareholders/sellers (i.e. HELPE 35% and HRADF 65%). Thus, once all approvals from the competent authorities are received, SOCAR will buy 35% directly from HELPE and 31% from HRADF.

On 2 August 2013 the Board of Directors of HELPE considered the offer for the sale of its 35% effective interest in DESFA as acceptable, and called for an Extraordinary General Meeting of the shareholders of the Company to approve the transaction. The EGM of the shareholders of the Company held on 2 September 2013 approved the transaction.

Prior to the Board of Director’s meeting, the previous day, on 1 August 2013 the board of directors of HRADF had unanimously accepted the final offer of SOCAR.

The Share Purchase Agreement (SPA) for the sale of 66% of DESFA’s share capital was signed by HRADF, HELPE and SOCAR (Parties to the SPA) on 21 December 2013. According to this SPA the rights and obligations of the parties are conditional upon the occurrence of certain events (Conditions) such as the merger clearance of the transaction by the EU or national competition authorities (as applicable) and the certification of DESFA by the Regulatory Authority for Energy of the Hellenic Republic (“RAE”) in accordance with article 65 of L. 4001/2011 (“Energy Law”). RAE issued its final certification decision on 29 September 2014. Notification of the transaction to DG for Competition of the European Commission took place on 1 October 2014. On 5 November 2014, the European Commission opened an in depth investigation. The extent of commitments which may be required to be undertaken by SOCAR and the exact time required for the European Commission to issue a clearance decision cannot be controlled by the parties. On July 27<sup>th</sup> 2015, the Parties to the SPA executed Addendum No 2, by virtue of which the long stop date of the SPA has been further extended to 21.12.2015. Further to such agreement, the validity of the SOCAR performance guarantee has been extended accordingly.

Although the parties undertake valid commitments upon signing of the SPA, the effectiveness of the totality of the provisions of the SPA (including the transfer of shares and the payment of the consideration) remains subject to conditions, some of which lie beyond the control or diligent behaviour of the parties and, consequently, the completion of the transaction remains suspended and depends on the satisfaction of such conditions.

The Group consolidates DEPA on an equity basis and the carrying value of the investment in the consolidated financial statements reflects HELPE’s 35% share of the net asset value of the DEPA group which as at 30 June 2015 is €585 million. Furthermore the carrying value in HELPE S.A financial statements for the DEPA group is €237 million. The impact on financial statements will be determined on the basis of the structure of the transaction (at present a spin-off process is provided for in the SPA) and timing of implementation.

Given that the transaction can only be completed upon receiving the approval of the relevant competent authorities, and given the timing of such approvals and the unbundling process that is still to be concluded, management considers it appropriate to maintain the policy of including DEPA Group as an associate at the date of this financial information.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 9. INCOME TAXES

The corporate income tax rate for all Greek legal entities for the period ending 30 June 2015 was 26% (30 June 2014: 26%). On 16 July 2015, Law 4334/2015 was passed increasing the corporate income tax rate to 29% (see Note 27).

Effective for fiscal years ending 31 December 2011 onward, Greek companies meeting certain criteria have to be audited on an annual basis by their statutory auditor in respect of compliance with tax law. This audit leads to the issuance of a Tax Certificate which under certain conditions, substitutes the full tax audit by the tax authorities and allows the Group to treat its tax position as fully compliant and final.

#### Unaudited income tax years

The unaudited income tax years of the parent company and its most significant subsidiaries are set out below. As a result their income tax obligations are not considered final.

| Company Name            | Unaudited tax years |
|-------------------------|---------------------|
| HELLENIC PETROLEUM S.A. | 2010, 2014          |
| EKO S.A                 | 2008-2010, 2014     |
| HELLENIC FUELS S.A.     | 2010, 2014          |

All Greek companies obtained unqualified tax certificates for 2013. Income tax audits for 2014 for all Greek companies have commenced and Management expects to obtain unqualified tax audit certificates for these companies.

Management believes that no additional material liability will arise as a result of open tax years over and above the tax liabilities and provisions recognised in the consolidated financial statements for the period ended 30 June 2015.

#### Other Taxes

Provisional VAT audits have been completed for:

- Hellenic Petroleum S.A. for the period up to and including December 2013 (the audit for 2014 is in progress)
- EKO S.A. up to and including October 2013.

Relevant audits, for subsequent periods and for other Group companies are in progress.

Management believes that no material liability will arise upon finalisation of these audits and consequently no further provisions have been raised in the consolidated financial statements for the period ended 30 June 2015.

### 10. EARNINGS PER SHARE

Diluted earnings per ordinary share are not presented because they are not materially different from basic earnings per share. Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period.

|                                                                                                         | For the six month period ended |              | For the three month period ended |              |
|---------------------------------------------------------------------------------------------------------|--------------------------------|--------------|----------------------------------|--------------|
|                                                                                                         | 30 June 2015                   | 30 June 2014 | 30 June 2015                     | 30 June 2014 |
| Earnings/ (losses) per share attributable to the Company Shareholders<br>(expressed in Euro per share): | 0,22                           | (0,29)       | 0,16                             | (0,16)       |
| Net income/ (loss) attributable to ordinary shares<br>(Euro in thousands)                               | 66.274                         | (88.035)     | 47.985                           | (50.191)     |
| Average number of ordinary shares                                                                       | 305.635.185                    | 305.635.185  | 305.635.185                      | 305.635.185  |

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 11. PROPERTY, PLANT AND EQUIPMENT

|                                           | Land           | Buildings      | Plant & Machinery | Motor vehicles | Furniture and fixtures | Assets Under Construction | Total            |
|-------------------------------------------|----------------|----------------|-------------------|----------------|------------------------|---------------------------|------------------|
| <b>Cost</b>                               |                |                |                   |                |                        |                           |                  |
| <b>As at 1 January 2014</b>               | <b>287.246</b> | <b>867.134</b> | <b>4.227.744</b>  | <b>87.158</b>  | <b>143.341</b>         | <b>128.608</b>            | <b>5.741.231</b> |
| Additions                                 | 12             | 965            | 3.004             | 297            | 2.225                  | 54.168                    | 60.671           |
| Capitalised projects                      | -              | 1.209          | 6.733             | -              | 151                    | (8.093)                   | -                |
| Disposals                                 | -              | (168)          | (390)             | (166)          | (89)                   | (34)                      | (847)            |
| Currency translation effects              | (222)          | (472)          | (385)             | (3)            | (14)                   | (15)                      | (1.111)          |
| Transfers and other movements             | 196            | 74             | 1.286             | -              | (6)                    | (5.938)                   | (4.388)          |
| <b>As at 30 June 2014</b>                 | <b>287.232</b> | <b>868.742</b> | <b>4.237.992</b>  | <b>87.286</b>  | <b>145.608</b>         | <b>168.696</b>            | <b>5.795.556</b> |
| <b>Accumulated Depreciation</b>           |                |                |                   |                |                        |                           |                  |
| <b>As at 1 January 2014</b>               | -              | <b>350.911</b> | <b>1.753.644</b>  | <b>49.470</b>  | <b>124.087</b>         | -                         | <b>2.278.112</b> |
| Charge for the period                     | -              | 15.413         | 64.860            | 2.163          | 3.869                  | -                         | 86.305           |
| Disposals                                 | -              | (153)          | (322)             | (159)          | (75)                   | -                         | (709)            |
| Currency translation effects              | -              | (220)          | (143)             | (2)            | (13)                   | -                         | (378)            |
| Transfers and other movements             | -              | 4              | (17)              | -              | (6)                    | -                         | (19)             |
| <b>As at 30 June 2014</b>                 | -              | <b>365.955</b> | <b>1.818.022</b>  | <b>51.472</b>  | <b>127.862</b>         | -                         | <b>2.363.311</b> |
| <b>Net Book Value at 30 June 2014</b>     | <b>287.232</b> | <b>502.787</b> | <b>2.419.970</b>  | <b>35.814</b>  | <b>17.746</b>          | <b>168.696</b>            | <b>3.432.245</b> |
| <b>Cost</b>                               |                |                |                   |                |                        |                           |                  |
| <b>As at 1 July 2014</b>                  | <b>287.232</b> | <b>868.742</b> | <b>4.237.992</b>  | <b>87.286</b>  | <b>145.608</b>         | <b>168.696</b>            | <b>5.795.556</b> |
| Additions                                 | 383            | 1.784          | 9.281             | 2.335          | 5.674                  | 53.985                    | 73.442           |
| Capitalised projects                      | -              | 8.374          | 103.224           | 27             | 472                    | (112.097)                 | -                |
| Disposals                                 | (438)          | (1.928)        | (849)             | (64)           | (110)                  | (282)                     | (3.671)          |
| Currency translation effects              | (912)          | (1.262)        | 3                 | 3              | 16                     | (67)                      | (2.219)          |
| Transfers and other movements             | 15             | 88             | (357)             | -              | 282                    | (7.863)                   | (7.835)          |
| <b>As at 31 December 2014</b>             | <b>286.280</b> | <b>875.798</b> | <b>4.349.294</b>  | <b>89.587</b>  | <b>151.942</b>         | <b>102.372</b>            | <b>5.855.273</b> |
| <b>Accumulated Depreciation</b>           |                |                |                   |                |                        |                           |                  |
| <b>As at 1 July 2014</b>                  | -              | <b>365.955</b> | <b>1.818.022</b>  | <b>51.472</b>  | <b>127.862</b>         | -                         | <b>2.363.311</b> |
| Charge for the period                     | -              | 15.233         | 74.390            | 2.280          | 4.032                  | -                         | 95.935           |
| Disposals                                 | -              | (1.812)        | (828)             | (64)           | (133)                  | -                         | (2.837)          |
| Currency translation effects              | -              | (234)          | (37)              | 2              | 17                     | -                         | (252)            |
| Transfers and other movements             | -              | (13)           | 951               | 2              | 6                      | -                         | 946              |
| <b>As at 31 December 2014</b>             | -              | <b>379.129</b> | <b>1.892.498</b>  | <b>53.692</b>  | <b>131.784</b>         | -                         | <b>2.457.103</b> |
| <b>Net Book Value at 31 December 2014</b> | <b>286.280</b> | <b>496.669</b> | <b>2.456.796</b>  | <b>35.895</b>  | <b>20.158</b>          | <b>102.372</b>            | <b>3.398.170</b> |
| <b>Cost</b>                               |                |                |                   |                |                        |                           |                  |
| <b>As at 1 January 2015</b>               | <b>286.280</b> | <b>875.798</b> | <b>4.349.294</b>  | <b>89.587</b>  | <b>151.942</b>         | <b>102.372</b>            | <b>5.855.273</b> |
| Additions                                 | 10             | 1.103          | 4.787             | 140            | 3.265                  | 68.860                    | 78.165           |
| Capitalised projects                      | -              | 2.937          | 14.309            | 2              | 474                    | (17.722)                  | -                |
| Disposals                                 | (1)            | (1)            | (684)             | (582)          | (119)                  | -                         | (1.387)          |
| Currency translation effects              | 53             | (163)          | (179)             | (5)            | (19)                   | (1)                       | (314)            |
| Transfers and other movements             | -              | -              | 632               | (1)            | (72)                   | (4.320)                   | (3.761)          |
| <b>As at 30 June 2015</b>                 | <b>286.342</b> | <b>879.674</b> | <b>4.368.159</b>  | <b>89.141</b>  | <b>155.471</b>         | <b>149.189</b>            | <b>5.927.976</b> |
| <b>Accumulated Depreciation</b>           |                |                |                   |                |                        |                           |                  |
| <b>As at 1 January 2015</b>               | -              | <b>379.129</b> | <b>1.892.498</b>  | <b>53.692</b>  | <b>131.784</b>         | -                         | <b>2.457.103</b> |
| Charge for the period                     | -              | 15.187         | 63.401            | 2.079          | 3.463                  | -                         | 84.130           |
| Disposals                                 | -              | -              | (517)             | (582)          | (93)                   | -                         | (1.192)          |
| Currency translation effects              | -              | (134)          | (8)               | (3)            | (47)                   | -                         | (192)            |
| Transfers and other movements             | -              | (19)           | 396               | -              | (113)                  | -                         | 264              |
| <b>As at 30 June 2015</b>                 | -              | <b>394.163</b> | <b>1.955.770</b>  | <b>55.186</b>  | <b>134.994</b>         | -                         | <b>2.540.113</b> |
| <b>Net Book Value at 30 June 2015</b>     | <b>286.342</b> | <b>485.511</b> | <b>2.412.389</b>  | <b>33.955</b>  | <b>20.477</b>          | <b>149.189</b>            | <b>3.387.863</b> |

‘Transfers and other movements’ in assets under construction include the transfer of spare parts for the upgraded Elefsina units from fixed assets to inventories and the transfer of computer software development costs to intangible assets.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 12. INTANGIBLE ASSETS

|                                                  | Goodwill | Retail Service<br>Station Usage<br>Rights | Computer<br>software | Licences &<br>Rights | Other  | Total   |
|--------------------------------------------------|----------|-------------------------------------------|----------------------|----------------------|--------|---------|
| <b><u>Cost</u></b>                               |          |                                           |                      |                      |        |         |
| As at 1 January 2014                             | 133.914  | 51.339                                    | 87.072               | 37.962               | 74.516 | 384.803 |
| Additions                                        | -        | -                                         | 142                  | -                    | 14     | 156     |
| Currency translation effects and other movements | -        | (76)                                      | 3.341                | 358                  | (52)   | 3.571   |
| As at 30 June 2014                               | 133.914  | 51.263                                    | 90.555               | 38.320               | 74.478 | 388.530 |
| <b><u>Accumulated Amortisation</u></b>           |          |                                           |                      |                      |        |         |
| As at 1 January 2014                             | 71.829   | 22.258                                    | 77.863               | 24.670               | 44.342 | 240.962 |
| Charge for the period                            | -        | 1.895                                     | 2.945                | 1.236                | 3.970  | 10.046  |
| Currency translation effects and other movements | -        | 1                                         | (2)                  | -                    | (5)    | (6)     |
| As at 30 June 2014                               | 71.829   | 24.154                                    | 80.806               | 25.906               | 48.307 | 251.002 |
| Net Book Value at 30 June 2014                   | 62.085   | 27.109                                    | 9.749                | 12.414               | 26.171 | 137.528 |
| <b><u>Cost</u></b>                               |          |                                           |                      |                      |        |         |
| As at 1 July 2014                                | 133.914  | 51.263                                    | 90.555               | 38.320               | 74.478 | 388.530 |
| Additions                                        | -        | 266                                       | 909                  | 397                  | 39     | 1.611   |
| Disposals                                        | -        | (166)                                     | -                    | -                    | (39)   | (205)   |
| Currency translation effects and other movements | -        | 2                                         | 5.118                | 52                   | (218)  | 4.954   |
| As at 31 December 2014                           | 133.914  | 51.365                                    | 96.582               | 38.769               | 74.260 | 394.890 |
| <b><u>Accumulated Amortisation</u></b>           |          |                                           |                      |                      |        |         |
| As at 1 July 2014                                | 71.829   | 24.154                                    | 80.806               | 25.906               | 48.307 | 251.002 |
| Charge for the period                            | -        | 1.944                                     | 5.639                | 1.354                | 3.707  | 12.644  |
| Disposals                                        | -        | (94)                                      | -                    | -                    | (38)   | (132)   |
| Currency translation effects and other movements | -        | 134                                       | (728)                | -                    | (8)    | (602)   |
| As at 31 December 2014                           | 71.829   | 26.138                                    | 85.717               | 27.260               | 51.968 | 262.912 |
| Net Book Value at 31 December 2014               | 62.085   | 25.227                                    | 10.865               | 11.509               | 22.292 | 131.978 |
| <b><u>Cost</u></b>                               |          |                                           |                      |                      |        |         |
| As at 1 January 2015                             | 133.914  | 51.365                                    | 96.582               | 38.769               | 74.260 | 394.890 |
| Additions                                        | -        | 102                                       | 520                  | 7                    | 62     | 691     |
| Currency translation effects and other movements | -        | (1.382)                                   | 2.996                | 1.232                | 63     | 2.909   |
| As at 30 June 2015                               | 133.914  | 50.085                                    | 100.098              | 40.008               | 74.385 | 398.490 |
| <b><u>Accumulated Amortisation</u></b>           |          |                                           |                      |                      |        |         |
| As at 1 January 2015                             | 71.829   | 26.138                                    | 85.717               | 27.260               | 51.968 | 262.912 |
| Charge for the period                            | -        | 1.851                                     | 2.391                | 1.005                | 3.903  | 9.150   |
| Currency translation effects and other movements | -        | (779)                                     | (97)                 | 779                  | 97     | -       |
| As at 30 June 2015                               | 71.829   | 27.210                                    | 88.011               | 29.044               | 55.968 | 272.062 |
| Net Book Value at 30 June 2015                   | 62.085   | 22.875                                    | 12.087               | 10.964               | 18.417 | 126.428 |

‘Currency translation effects and other movements’ in computer software include the transfer of computer software development costs from assets under construction to intangible assets.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

#### 13. INVENTORIES

|                                                   | As at          |                  |
|---------------------------------------------------|----------------|------------------|
|                                                   | 30 June 2015   | 31 December 2014 |
| Crude oil                                         | 211.895        | 118.519          |
| Refined products and semi-finished products       | 482.213        | 422.452          |
| Petrochemicals                                    | 21.418         | 27.104           |
| Consumable materials and other spare parts        | 85.243         | 79.852           |
| - Less: Provision for consumables and spare parts | (16.487)       | (10.314)         |
| <b>Total</b>                                      | <b>784.282</b> | <b>637.613</b>   |

The cost of inventories included in "Cost of sales" amounts to €2,9 billion (30 June 2014: €3,9 billion).

Hellenic Petroleum SA is obliged to keep crude oil and refined products stocks in order to fulfil the EU requirement for compulsory Stock obligations (90 days stock directive), as legislated by Greek Law 3054/2002. Part of this obligation is delegated to an associate company, OTSM.

#### 14. TRADE AND OTHER RECEIVABLES

|                                                 | As at          |                  |
|-------------------------------------------------|----------------|------------------|
|                                                 | 30 June 2015   | 31 December 2014 |
| Trade receivables                               | 566.168        | 481.360          |
| - Less: Provision for impairment of receivables | (190.017)      | (185.114)        |
| <b>Trade receivables net</b>                    | <b>376.151</b> | <b>296.246</b>   |
| Other receivables                               | 405.108        | 421.604          |
| - Less: Provision for impairment of receivables | (30.271)       | (30.286)         |
| <b>Other receivables net</b>                    | <b>374.837</b> | <b>391.318</b>   |
| Deferred charges and prepayments                | 21.300         | 20.663           |
| <b>Total</b>                                    | <b>772.288</b> | <b>708.227</b>   |

As part of its working capital management, the Group utilises factoring facilities to accelerate the collection of cash from its customers in Greece. Non-recourse factoring, is excluded from balances shown above.

Other receivables include balances in respect of VAT, income tax prepayment, advances to suppliers and advances to personnel. This balance includes an amount of €54m (31 December 2014: €54m) of VAT approved refunds which has been withheld by the customs office in respect of a dispute relating to stock shortages. The Group has filed a specific legal objection claim against this action and expects to fully recover this balance following the conclusion of the relevant legal proceedings (See Note 23).

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

#### 15. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

|                                                         | As at            |                  |
|---------------------------------------------------------|------------------|------------------|
|                                                         | 30 June 2015     | 31 December 2014 |
| Cash at Bank and in Hand                                | 1.486.217        | 952.127          |
| Short term bank deposits                                | 556.855          | 695.715          |
| <b>Cash and Cash Equivalents</b>                        | <b>2.043.072</b> | <b>1.647.842</b> |
| Restricted Cash                                         | 166.667          | 200.000          |
| <b>Total Cash, Cash Equivalents and Restricted Cash</b> | <b>2.209.739</b> | <b>1.847.842</b> |

Restricted cash relates to the proceeds of a loan concluded between Hellenic Petroleum S.A and Piraeus Bank, that have been provided as a guarantee to the European Investment Bank in relation to the Company's €200 million Facility Agreement B with the latter.

The outstanding balance under the EIB Facility Agreement B as at 30 June 2015 was €156 million, in accordance with the amortization schedule, whilst the outstanding balance of the Piraeus loan as at 30 June 2015 was €167 million. This is expected to be reduced to €156 million in the following months. The guarantee matured on 15 June 2015 and was renewed for an additional year.

The effect of the loan and the deposit is a grossing up of the Statement of Financial Position but with no effect to the Net Debt position of the Group.

The increase in cash balances is to a large extent due to the impact of capital controls and bank holiday at the end of June.

#### 16. SHARE CAPITAL

|                                    | Number of<br>Shares<br>(authorised and<br>issued) | Share<br>Capital | Share<br>premium | Total            |
|------------------------------------|---------------------------------------------------|------------------|------------------|------------------|
| As at 1 January & 31 December 2014 | 305.635.185                                       | 666.285          | 353.796          | 1.020.081        |
| <b>As at 30 June 2015</b>          | <b>305.635.185</b>                                | <b>666.285</b>   | <b>353.796</b>   | <b>1.020.081</b> |

All ordinary shares were authorised, issued and fully paid. The nominal value of each ordinary share is €2,18 (31 December 2014: €2,18).

##### Share options

During the Annual General Meeting (AGM) of Hellenic Petroleum S.A. held on 25 May 2005, a share option scheme was approved, with the intention to link the number of share options granted to management with the results and performance of the Company. Subsequent AGMs have approved and granted the share options. The vesting period is 1 November to 5 December of the years 2014 – 2018.

Since the vesting period is 1 November to 5 December of each respective year, no share options were exercised during the six month period ended 2015, or the comparative period of the previous year. Share based compensation expense was nil for the six month period ended on 30 June 2015.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 17. RESERVES

|                                                                          | Statutory<br>reserve | Special<br>reserves | Hedging<br>reserve | Share-based<br>payment<br>reserve | Tax-free<br>reserves | Other<br>Reserves | Total          |
|--------------------------------------------------------------------------|----------------------|---------------------|--------------------|-----------------------------------|----------------------|-------------------|----------------|
| <b>Balance at 1 January 2014</b>                                         | <b>118.668</b>       | <b>98.420</b>       | <b>3.893</b>       | <b>3.664</b>                      | <b>351.322</b>       | <b>(9.864)</b>    | <b>566.103</b> |
| Cash Flow hedges                                                         |                      |                     |                    |                                   |                      |                   |                |
| - Fair value gains / (losses) on cash flow hedges                        | -                    | -                   | 718                | -                                 | -                    | -                 | 718            |
| Fair value gains / (losses) on available-for-sale financial assets       | -                    | -                   | -                  | -                                 | -                    | 10                | 10             |
| Currency translation differences and other movements                     | -                    | -                   | -                  | -                                 | -                    | 638               | 638            |
| <b>Balance at 30 June 14</b>                                             | <b>118.668</b>       | <b>98.420</b>       | <b>4.611</b>       | <b>3.664</b>                      | <b>351.322</b>       | <b>(9.216)</b>    | <b>567.469</b> |
| Cash Flow hedges                                                         |                      |                     |                    |                                   |                      |                   |                |
| - Fair value gains / (losses) on cash flow hedges                        | -                    | -                   | (43.007)           | -                                 | -                    | -                 | (43.007)       |
| - Derecognition of gains/(losses) on hedges through comprehensive income | -                    | -                   | (3.586)            | -                                 | -                    | -                 | (3.586)        |
| Share-based payments                                                     | -                    | -                   | -                  | (24)                              | -                    | -                 | (24)           |
| Distribution of tax-free reserves                                        | -                    | -                   | -                  | -                                 | (64.376)             | -                 | (64.376)       |
| Transfer of tax on distributed reserves                                  | -                    | -                   | -                  | -                                 | (15.101)             | -                 | (15.101)       |
| Fair value gains / (losses) on available-for-sale financial assets       | -                    | -                   | -                  | -                                 | -                    | 320               | 320            |
| Actuarial gains/(losses) on defined pension plans                        | -                    | -                   | -                  | -                                 | -                    | (6.179)           | (6.179)        |
| Currency translation differences and other movements                     | -                    | -                   | -                  | -                                 | -                    | (503)             | (503)          |
| <b>Balance at 31 December 2014 and 1 January 2015</b>                    | <b>118.668</b>       | <b>98.420</b>       | <b>(41.982)</b>    | <b>3.640</b>                      | <b>271.845</b>       | <b>(15.578)</b>   | <b>435.013</b> |
| Fair value gains / (losses) on cash flow hedges                          | -                    | -                   | 36.683             | -                                 | -                    | -                 | 36.683         |
| Fair value gains / (losses) on available-for-sale financial assets       | -                    | -                   | -                  | -                                 | -                    | (95)              | (95)           |
| Currency translation differences and other movements                     | -                    | -                   | -                  | -                                 | -                    | (362)             | (362)          |
| <b>As at 30 June 2015</b>                                                | <b>118.668</b>       | <b>98.420</b>       | <b>(5.299)</b>     | <b>3.640</b>                      | <b>271.845</b>       | <b>(16.035)</b>   | <b>471.239</b> |

#### Statutory reserves

Under Greek law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a statutory reserve until such reserve equals one third of the outstanding share capital. This reserve cannot be distributed, but can be used to offset accumulated losses.

#### Special reserves

Special reserves primarily relate to reserves arising from tax revaluations in accordance with relevant legislation in prior years. Where considered appropriate deferred tax provisions are booked in respect of these reserves.

#### Tax-free reserves

Tax-free reserves include:

- Retained earnings which have not been taxed with the prevailing corporate income tax rate as allowed by Greek law under various statutes. Certain of these retained earnings will become liable to tax at the rate prevailing at the time of distribution to shareholders or conversion to share capital.
- Retained earnings, which have been taxed at a rate less than the corporate tax rate as allowed by Greek law. Certain of these retained earnings will be subject to the remaining tax up to the corporate tax rate prevailing at the time of distribution to shareholders or conversion to share capital.

In 2014 part of these reserves was distributed to the shareholders, in line with law 4172/2013. Further information is disclosed in Note 25.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 18. BORROWINGS

|                                              | As at            |                  |
|----------------------------------------------|------------------|------------------|
|                                              | 30 June 2015     | 31 December 2014 |
| <b>Non-current borrowings</b>                |                  |                  |
| Bank borrowings                              | 854.139          | 675.036          |
| Eurobonds                                    | 796.757          | 1.132.598        |
| Finance leases                               | 4.061            | 4.361            |
| <b>Total non-current borrowings</b>          | <b>1.654.957</b> | <b>1.811.995</b> |
| <b>Current borrowings</b>                    |                  |                  |
| Short term bank borrowings                   | 1.274.122        | 1.132.297        |
| Eurobonds                                    | 351.311          | -                |
| Current portion of long-term bank borrowings | 44.789           | 44.782           |
| Finance leases - current portion             | 544              | 565              |
| <b>Total current borrowings</b>              | <b>1.670.766</b> | <b>1.177.645</b> |
| <b>Total borrowings</b>                      | <b>3.325.723</b> | <b>2.989.640</b> |

Gross borrowings of the Group by maturity as at 30 June 2015 and 31 December 2014 are summarised on the table below (amounts in € million):

|                                               | Company | Maturity | Balance as at<br>30 June 2015 | Balance as at<br>31 December 2014 |
|-----------------------------------------------|---------|----------|-------------------------------|-----------------------------------|
| 1a. Syndicated credit facility €40 million    | HPF plc | Jul 2016 | 39                            | 39                                |
| 1b. Syndicated credit facility €10 million    | HPF plc | Jul 2018 | 10                            | 10                                |
| 1c. Syndicated bond loan €350 million         | HP SA   | Jul 2018 | 339                           | 338                               |
| 2. Bond loan €400 million                     | HP SA   | Dec 2015 | 225                           | 225                               |
| 3. Bond loan €200 million                     | HP SA   | Jan 2018 | 199                           | -                                 |
| 4. European Investment Bank ("EIB") Term loan | HP SA   | Jun 2022 | 311                           | 333                               |
| 5. Eurobond €500m                             | HPF plc | May 2017 | 483                           | 489                               |
| 6. Eurobond \$400m                            | HPF plc | May 2016 | 351                           | 328                               |
| 7. Eurobond €325m                             | HPF plc | Jul 2019 | 313                           | 316                               |
| 8. Bilateral lines                            | Various | Various  | 1.051                         | 907                               |
| 9. Finance leases                             | Various | Various  | 5                             | 5                                 |
| <b>Total</b>                                  |         |          | <b>3.326</b>                  | <b>2.990</b>                      |

The Group has centralised treasury operations which coordinate and control the funding and cash management activities of all group companies. Within this framework, Hellenic Petroleum Finance plc (HPF) was established in November 2005 in the U.K. as a wholly-owned subsidiary of Hellenic Petroleum S.A. to act as the central treasury vehicle of the Hellenic Petroleum Group.

#### 1. Term loans

In January 2013, the Group concluded two three-year credit facilities with identical terms and conditions with a syndicate of Greek and international banks for a total amount of €605 million and a gradual amortization schedule. In July 2014, the Group proceeded with a voluntary early repayment and partial refinancing of the facilities. As a result, the Group voluntarily repaid a notional loan amount of €152 million and concluded two new credit facilities with similar terms and conditions as follows:

(1a-1b) HPF concluded a €50 million syndicated credit facility guaranteed by Hellenic Petroleum S.A. The facility has a €40 million tranche maturing in July 2016 and a €10 million tranche maturing in July 2018. As at 30 June 2015, the outstanding loan balance amounted to €49 million.

(1c) Hellenic Petroleum S.A. concluded a €350 million syndicated bond loan credit facility guaranteed by HPF maturing in July 2018. As at 30 June 2015, the outstanding loan balance amounted to €339 million (31 December 2014: €338 million).

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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#### **2. Bond Loan €400 million**

In June 2014, Hellenic Petroleum S.A. extended the maturity date of a €400 million syndicated bond loan agreement from December 2014 to 30 December 2015 with a six month extension option, achieving at the same time improvements in cost and general terms and conditions. The amount outstanding under the facility at 30 June 2015 was €225 million (31 December 2014: €225 million).

#### **3. Committed 3 year credit facility €200 million**

In line with the Group's risk management strategy to increase the percentage of committed term credit facilities, Hellenic Petroleum S.A. concluded a €200 million committed credit facility in January 2015, with a tenor of 3 years, with National Bank of Greece. The amount outstanding under the facility as at 30 June 2015 was €199 million.

#### **4. EIB Term loans**

On 26 May 2010, Hellenic Petroleum S.A. signed two loan agreements (Facilities A and B) with the European Investment Bank for a total amount of €400 million (€200 million each). The purpose of the loans was to finance part of the investment programme relating to the upgrade of the Elefsina Refinery. Both loans have a maturity of twelve years with amortization beginning in December 2013 and similar terms and conditions. Facility B is credit enhanced by a commercial bank guarantee (see note 15). This is normal practice for EIB lending particularly during the construction phase of large projects. Total repayments on both loans up to 30 June 2015 amounted to €89 million. As at 30 June 2015, the outstanding loan balance on both facilities amounted to €311 million (31 December 2014: €333 million).

#### **5. Eurobond €500m**

In May 2013, the Group issued a €500 million four-year Eurobond, with an 8% annual coupon, maturing in May 2017. The Notes, which were issued by Hellenic Petroleum Finance Plc and are guaranteed by Hellenic Petroleum S.A., are redeemable at maturity and are listed on the Luxembourg Stock Exchange.

#### **6. Eurobond \$400m**

In May 2014 the Group issued a \$400 million two-year Eurobond, with a 4,625% annual coupon, maturing in May 2016. The Notes, which were issued by Hellenic Petroleum Finance Plc and are guaranteed by Hellenic Petroleum S.A., are redeemable at maturity and are listed on the Luxembourg Stock Exchange.

#### **7. Eurobond €325m**

In July 2014 the Group issued a €325 million five-year Eurobond, with a 5,25% annual coupon, maturing in July 2019. The Notes, which were issued by Hellenic Petroleum Finance Plc and are guaranteed by Hellenic Petroleum S.A., are redeemable at the option of the Issuer in July 2017 and are listed on the Luxembourg Stock Exchange.

During first half of 2015, Hellenic Petroleum Finance Plc proceeded with open market purchases and subsequent cancellation of €6,9 million of the €500 million Notes maturing in May 2017, €3,1 million of the €325 million Notes maturing in July 2019 and €5,2 million (\$5,8 million) of the \$400 million Notes maturing in May 2016. The profit from the open market purchases amounted to €1,3 million.

#### **8. Bilateral lines**

The Group companies have credit facilities with various banks in place, for general corporate purposes. As at 30 June 2015, the outstanding balance of such loans amounted to approximately €1,0 billion (31 December 2014: approximately €0,9 billion). Out of these approximately €0,9 billion relate to short-term loans of the parent company Hellenic Petroleum S.A.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

#### 19. TRADE AND OTHER PAYABLES

|                                    | As at            |                  |
|------------------------------------|------------------|------------------|
|                                    | 30 June 2015     | 31 December 2014 |
| Trade payables                     | 2.678.287        | 2.529.072        |
| Accrued Expenses & Deferred Income | 106.010          | 58.830           |
| Other payables                     | 100.904          | 91.297           |
| <b>Total</b>                       | <b>2.885.201</b> | <b>2.679.199</b> |

Trade creditors comprise amounts payable or accrued in respect of supplies of crude oil, products, commodity contracts and services.

Trade creditors, as at 30 June 2015 and 31 December 2014, include overdue amounts in respect of crude oil imports from Iran which were received between December 2011 and March 2012 as part of a long term contract with NIOC. Despite repeated attempts to settle the payment for these cargoes during the early part of 2012, through the international banking system, it was not possible to do so. This is due to the fact that payments to Iranian banks and state entities are not accepted for processing by the International banking system due to EU sanctions (Council Regulation (EU) No. 267/2012 of 23 March 2012). The Group has duly notified its supplier of this restriction on payments and the inability to accept further crude oil cargoes under the contract, which is due to the EU sanctions posing legal constraints outside its control. As a result no deliveries of Iranian crude oil or payments have taken place post June 30<sup>th</sup> 2012, which was the EU imposed deadline.

On 14 July 2015 an agreement between countries of the “P5+1” group (China, Russia, United Kingdom, United States of America, France and Germany) and Iran was reached for the gradual removal of sanctions. While there are a number of milestones to be met, which could take several months, implementation of the agreement is expected to lead to the full removal of sanctions, enabling the Group to resume transactions with the National Iranian Oil Company.

Where deemed beneficial to the Group, in order to achieve better terms (such as better pricing, higher credit limits, longer payment terms), the Group provides short term letters of credit or guarantee for the payment of liabilities arising from trade creditors, making use of its existing credit lines with its banks. To the extent these liabilities materialise before the balance sheet date, they are included in the balance under trade creditors.

Other payables include amounts in respect of payroll and other staff related costs, social security obligations and sundry taxes.

Due to the imposition of capital controls and bank holiday at the end of June, certain supplier balances which were due in June, were settled in July.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

#### 20. CASH GENERATED FROM OPERATIONS

|                                                                                      |        | For the six month period ended |                  |
|--------------------------------------------------------------------------------------|--------|--------------------------------|------------------|
|                                                                                      | Note   | 30 June 2015                   | 30 June 2014     |
| <b>Profit / (loss) before tax</b>                                                    |        | <b>95.250</b>                  | <b>(101.167)</b> |
| Adjustments for:                                                                     |        |                                |                  |
| Depreciation and amortisation of property, plant and equipment and intangible assets | 11, 12 | 93.280                         | 96.351           |
| Amortisation of grants                                                               |        | (1.032)                        | (1.087)          |
| Finance costs - net                                                                  | 6      | 100.440                        | 106.251          |
| Share of operating profit of associates                                              | 8      | (10.962)                       | (24.118)         |
| Provisions for expenses and valuation charges                                        |        | 21.322                         | 18.959           |
| Foreign exchange (gains) / losses                                                    | 7      | 20.682                         | 655              |
| (Gain) / Loss on sales of P.P.E.                                                     |        | (3)                            | (208)            |
|                                                                                      |        | <b>318.977</b>                 | <b>95.636</b>    |
| <b>Changes in working capital</b>                                                    |        |                                |                  |
| (Increase)/Decrease in inventories                                                   |        | (152.148)                      | 94.463           |
| (Increase)/Decrease in trade and other receivables                                   |        | (68.487)                       | (116.870)        |
| (Decrease)/Increase in payables                                                      |        | 201.169                        | 138.476          |
|                                                                                      |        | <b>(19.466)</b>                | <b>116.069</b>   |
| <b>Net cash generated from operating activities</b>                                  |        | <b>299.511</b>                 | <b>211.705</b>   |

#### 21. RELATED PARTY TRANSACTIONS

Included in the condensed interim consolidated statement of comprehensive income are proceeds, costs and expenses, which arise from transactions between the Group and related parties. Such transactions mainly comprise sales and purchases of goods and services in the ordinary course of business and are conducted under normal trading and commercial terms on an arm's length basis.

Transactions have been carried out with the following related parties:

- a) Associates and joint ventures of the Group consolidated under the equity method.
- Athens Airport Fuel Pipeline Company S.A. (EAKAA)
  - Public Gas Corporation of Greece S.A. (DEPA)
  - Elpedison B.V.
  - Spata Aviation Fuel Company S.A. (SAFCO)
  - HELPE Thraki S.A.
  - Biodiesel S.A.
  - Superlube
  - D.M.E.P. HOLDCO

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

|                                                                        | For the six month period ended |                  |
|------------------------------------------------------------------------|--------------------------------|------------------|
|                                                                        | 30 June 2015                   | 30 June 2014     |
| <b>Sales of goods and services to related parties</b>                  |                                |                  |
| Associates                                                             | 432.304                        | 434.847          |
| Joint ventures                                                         | 258                            | 196              |
| <b>Total</b>                                                           | <b>432.562</b>                 | <b>435.043</b>   |
| <b>Purchases of goods and services from related parties</b>            |                                |                  |
| Associates                                                             | 429.135                        | 459.308          |
| Joint ventures                                                         | 963                            | 956              |
| <b>Total</b>                                                           | <b>430.098</b>                 | <b>460.265</b>   |
|                                                                        | As at                          |                  |
|                                                                        | 30 June 2015                   | 31 December 2014 |
| <b>Balances due to related parties<br/>(Trade and other creditors)</b> |                                |                  |
| Associates                                                             | 40.429                         | 36.088           |
| Joint ventures                                                         | 410                            | 474              |
| <b>Total</b>                                                           | <b>40.839</b>                  | <b>36.562</b>    |
| <b>Balances due from related parties<br/>(Trade and other debtors)</b> |                                |                  |
| Associates                                                             | 34.091                         | 40.839           |
| Joint ventures                                                         | 50                             | 66               |
| <b>Total</b>                                                           | <b>34.141</b>                  | <b>40.905</b>    |

The parent Company has provided letters of comfort and guarantees in favour of banks as security for loans granted by them to Elpedison B.V., the outstanding amount of which as at 30 June 2015 was equivalent to €104 million (31 December 2014: €108 million).

- b) Parties which are under common control with the Group due to the shareholding and control rights of the Hellenic State:
- Public Power Corporation Hellas S.A.
  - Hellenic Armed Forces
  - Road Transport S.A.

During the six months period ended 30 June 2015, sales of goods and services by the Group to government related entities amounted to €114 million (30 June 2014: €146 million) whilst purchases of goods and services by the Group from government related entities amounted to €24 million (30 June 2014: €19 million). As at 30 June 2015, the Group had a total receivable amount of €37 million (31 December 2014: €37 million) from government related entities and a total payable amount of €7 million (31 December 2014: €10 million) to government related entities.

- c) Financial institutions which are under common control with the Group due to the shareholding and control rights of the Hellenic State:
- National Bank of Greece S.A.
- d) Key management includes directors (executive and non- executive members of the board of Hellenic Petroleum S.A.) and members of the Executive Committee. The compensation paid or payable to key management for the first half of 2015 amounted to €3,4 million (30 June 2014: €1,6 million) including termination benefits of €1,2 million. The BOD is comprised of 13 members (2014: 13 members) whilst the Executive Committee is comprised of 15 members (2014: 13 members).

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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- e) The Group participates in the following jointly controlled operations with other third parties relating to exploration and production of hydrocarbons in Greece and abroad:
- Edison International SpA – Petroceltic Resources Plc (Greece, Patraikos Gulf)
  - Calfrac Well Services Ltd (Greece, Sea of Thrace concession)
  - Gas Monte (Montenegro, Blocks 1 & 2)

## 22. COMMITMENTS

Capital expenditure contracted for as of 30 June 2015 amounts to €40 million (31 December 2014: €45 million).

## 23. CONTINGENCIES AND LITIGATION

The Group has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business. They are as follows:

### (a) Business issues

#### (i) Unresolved legal claims

The Group is involved in a number of legal proceedings and has various unresolved claims pending arising in the ordinary course of business. Based on currently available information and the opinion of legal counsel, management believes the final outcome will not have a significant effect on the Group's operating results or financial position, over and above provisions already reflected in the consolidated financial statements.

#### (ii) Guarantees

The parent Company has provided letters of comfort and guarantees in favour of banks as security for loans granted by them to subsidiaries and associates of the Group, the outstanding amount of which as at 30 June 2015 was the equivalent of €1.438 million (31 December 2014: €1.403 million). Out of these, €1.333 million (31 December 2014: €1.294 million) are included in consolidated borrowings of the Group and presented as such in these financial statements.

#### (iii) International operations

The Group's international operations face a number of legal issues related to changes in local permits and tax regulations, however it is considered that they do not present any material impact. Such cases include a dispute in connection with the local tank depots of Jugopetrol AD in Montenegro, as well as the re-opening of the Commission for the Protection of Competition in Cyprus' investigation against the Petroleum companies operating there (wholesale), for the period from 1/10/2004 to 22/12/2006, according to which a fine of €14 million against the Company had been imposed in 2011. Management believes that no additional material liabilities will arise as a result of these cases over and above those recognised in the consolidated financial statements.

### (b) Taxation and customs

#### (i) Open tax years

Income tax audits for the Group's most important Greek legal entities have been completed up to and including 2009 with the exception of EKO where income tax audits have been concluded up to and including 2007. Furthermore, for these legal entities, provisional tax audits mainly for the return of VAT have been concluded up to more recent dates for the same entities. Management estimates that no additional material liability will arise as a result of open tax years over and above the tax liabilities and provisions recognised in the consolidated financial statements.

It is noted that for fiscal years ending 31 December 2011 onwards, Greek legal entities are subject to annual tax audits from their statutory auditors. All the relevant Group companies were audited for financial years 2011- 2013 obtaining unqualified tax audit certificates. For 2014, all relevant Group companies are expected to obtain unqualified tax audit certificates.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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#### (ii) Assessments of customs and fines

In 2008, Customs authorities assessed additional customs duties and penalties amounting to approximately €40 million for alleged “stock shortages” during the years 2001-2005. The Company has duly filed contestations before the Administrative Court of First Instance, and Management believes that this case will have a positive outcome when the court hearings take place.

However, the Customs office withheld an amount of €54 million (full payment plus surcharges), an action against which the Company filed two Contestations before the Administrative Courts of Athens and Piraeus. The Administrative Court of Athens ruled that the withholding effected by the Tax Office was done against the law.

The Company considers that the latter contestation will also be sustained by the Piraeus Court.

#### 24. DIVIDENDS

On the 25<sup>th</sup> of June 2015, the AGM approved the proposal of the BOD not to distribute a dividend for the year ended 31 December 2014. The Board did not approve any changes in dividend policy, and will re-evaluate the payment of a special dividend or interim dividend for 2015 during the same year.

#### 25. DISTRIBUTION OF RESERVES

In line with L 4172/2013, all Greek companies are forced to either pay a lower one-off tax in respect of tax free or partially taxed reserves before 31 December 2014 or to have them taxed at the prevailing corporate income tax rate. As part of the financial statements for the year ended 31 December 2013, a provision for the full amount of taxes at 19% has been recorded and this was approved by the 2014 AGM. The EGM held on 15 December 2014 approved the one off tax and the distribution of the net amount of €0,21 per share (a total of €64m), which was paid in January 2015.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 26. LIST OF PRINCIPAL CONSOLIDATED SUBSIDIARIES AND ASSOCIATES INCLUDED IN THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

| COMPANY NAME                               | ACTIVITY                | COUNTRY OF REGISTRATION | EFFECTIVE PARTICIPATION PERCENTAGE | METHOD OF CONSOLIDATION |
|--------------------------------------------|-------------------------|-------------------------|------------------------------------|-------------------------|
| EKO S.A.                                   | Marketing               | GREECE                  | 100,00%                            | FULL                    |
| HELLENIC FUELS S.A.                        | Marketing               | GREECE                  | 100,00%                            | FULL                    |
| EKOTA KO S.A.                              | Marketing               | GREECE                  | 49,00%                             | FULL                    |
| EKO KALYPSO M.E.P.E.                       | Marketing               | GREECE                  | 100,00%                            | FULL                    |
| EKO ATHINA MARITIME COMPANY                | Vessel owning           | GREECE                  | 100,00%                            | FULL                    |
| EKO ARTEMIS MARITIME COMPANY               | Vessel owning           | GREECE                  | 100,00%                            | FULL                    |
| EKO DIMITRA MARITIME COMPANY               | Vessel owning           | GREECE                  | 100,00%                            | FULL                    |
| EKO IRA MARITIME COMPANY                   | Vessel owning           | GREECE                  | 100,00%                            | FULL                    |
| EKO AFRODITI MARITIME COMPANY              | Vessel owning           | GREECE                  | 100,00%                            | FULL                    |
| EKO BULGARIA EAD                           | Marketing               | BULGARIA                | 100,00%                            | FULL                    |
| EKO SERBIA AD                              | Marketing               | SERBIA                  | 100,00%                            | FULL                    |
| HELLENIC PETROLEUM INTERNATIONAL S.A.      | Holding                 | AUSTRIA                 | 100,00%                            | FULL                    |
| HELPE CYPRUS LTD                           | Marketing               | U.K                     | 100,00%                            | FULL                    |
| RAMOIL S.A.                                | Marketing               | CYPRUS                  | 100,00%                            | FULL                    |
| HELLENIC PETROLEUM BULGARIA (HOLDINGS) LTD | Holding                 | CYPRUS                  | 100,00%                            | FULL                    |
| HELLENIC PETROLEUM BULGARIA PROPERTIES LTD | Marketing               | CYPRUS                  | 100,00%                            | FULL                    |
| HELLENIC PETROLEUM SERBIA (HOLDINGS) LTD   | Holding                 | CYPRUS                  | 100,00%                            | FULL                    |
| JUGOPETROL AD                              | Marketing               | MONTENEGRO              | 54,35%                             | FULL                    |
| GLOBAL ALBANIA S.A                         | Marketing               | ALBANIA                 | 99,96%                             | FULL                    |
| ELPET BALKANIKI S.A.                       | Holding                 | GREECE                  | 63,00%                             | FULL                    |
| VARDAX S.A                                 | Pipeline                | GREECE                  | 50,40%                             | FULL                    |
| OKTA CRUDE OIL REFINERY A.D                | Refining                | FYROM                   | 51,35%                             | FULL                    |
| ASPROFOS S.A                               | Engineering             | GREECE                  | 100,00%                            | FULL                    |
| DIAXON S.A.                                | Petrochemicals          | GREECE                  | 100,00%                            | FULL                    |
| POSEIDON MARITIME COMPANY                  | Vessel owning           | GREECE                  | 100,00%                            | FULL                    |
| APOLLON MARITIME COMPANY                   | Vessel owning           | GREECE                  | 100,00%                            | FULL                    |
| HELLENIC PETROLEUM FINANCE PLC             | Treasury services       | U.K                     | 100,00%                            | FULL                    |
| HELLENIC PETROLEUM CONSULTING              | Consulting services     | GREECE                  | 100,00%                            | FULL                    |
| HELLENIC PETROLEUM R.E.S S.A.              | Energy                  | GREECE                  | 100,00%                            | FULL                    |
| HELPE-LARCO ENERGIKI SERVION S.A.          | Energy                  | GREECE                  | 51,00%                             | FULL                    |
| HELPE-LARCO ENERGIKI KOKKINOY S.A.         | Energy                  | GREECE                  | 51,00%                             | FULL                    |
| ENERGIKI PYLOY METHONIS S.A.               | Energy                  | GREECE                  | 100,00%                            | FULL                    |
| HELPE PATRAIKOS S.A.                       | E&P of hydrocarbons     | GREECE                  | 100,00%                            | FULL                    |
| ELPEDISON B.V.                             | Power Generation        | NETHERLANDS             | 50,00%                             | EQUITY                  |
| SAFCO S.A.                                 | Airplane Fuelling       | GREECE                  | 33,33%                             | EQUITY                  |
| DEPA S.A.                                  | Natural Gas             | GREECE                  | 35,00%                             | EQUITY                  |
| E.A.K.A.A S.A.                             | Pipeline                | GREECE                  | 50,00%                             | EQUITY                  |
| HELPE THRAKI S.A                           | Pipeline                | GREECE                  | 25,00%                             | EQUITY                  |
| BIODIESEL S.A.                             | Energy                  | GREECE                  | 25,00%                             | EQUITY                  |
| SUPERLUBE LTD                              | Lubricants              | CYPRUS                  | 65,00%                             | EQUITY                  |
| DMEP HOLDCO LTD                            | Trade of crude/products | U.K                     | 48,00%                             | EQUITY                  |

### 27. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Changes in tax laws and rates may affect recorded deferred tax assets and liabilities in the future. In July 2015, the Greek parliament passed a law whereby the corporate tax rate is increased from 26% to 29% with retroactive effect from the beginning of the year.

Because a change in tax law is accounted for in the period of enactment, the retroactive effects cannot be recognized in the interim results and instead will be reflected in the year end results.

Had the new tax rate been used for the period ending 30 June 2015, it is estimated that the income tax charge would be reduced by € 14 million, Deferred Tax Asset would be increased by € 17 million and current income tax liabilities would increase by € 0,2 million.

### **3.2. Parent Company Financial Statements**

**HELLENIC PETROLEUM S.A.**

**CONDENSED INTERIM  
FINANCIAL INFORMATION  
FOR THE SIX MONTH PERIOD ENDED**

**30 JUNE 2015**



**HELLENIC  
PETROLEUM**

**HELLENIC PETROLEUM S.A.**  
CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015  
*(All amounts in Euro thousands unless otherwise stated)*

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**CONTENTS**

|                                                          | Page |
|----------------------------------------------------------|------|
| I. Company Information                                   | 3    |
| II. Condensed Interim Statement of Financial Position    | 5    |
| III. Condensed Interim Statement of Comprehensive Income | 6    |
| IV. Condensed Interim Statement of Changes in Equity     | 7    |
| V. Condensed Interim Statement of Cash Flows             | 8    |
| VI. Notes to the Condensed Interim Financial Information | 9    |

# HELLENIC PETROLEUM S.A.

CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015  
(All amounts in Euro thousands unless otherwise stated)

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## I. Company Information

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Directors</b>                           | Efstathios Tsotsoros– Chairman of the Board<br>Grigorios Stergioulis– Chief Executive Officer<br>Andreas Shiamishis– Deputy Chief Executive Officer<br>Georgios Alexopoulos– Member<br>Theodoros–Achilleas Vardas- Member<br>Georgios Grigoriou – Member<br>Stratis Zafiris– Member<br>Sotiris Kontonasios– Member<br>Georgios Maloglou – Member<br>Konstantinos Papagiannopoulos - Member<br>Panagiotis Ofthalmides- Member<br>Theodoros Pantalakis– Member<br>Spiridon Pantelias- Member |
| <b>Other Board Members during the year</b> | Ioannis Papathanasiou-Chairman of the Board (Until 7/5/2015)<br>John Costopoulos – Chief Executive Officer (Until 7/5/2015)<br>Vassilios Nikolettopoulos- Member (Until 7/5/2015)<br>Christos Razelos- Member (Until 7/5/2015)<br>Ioannis Raptis- Member (Until 7/5/2015)<br>Ioannis Sergopoulos- Member (Until 7/5/2015)<br>Aggelos Chatzidimitriou – Member (Until 7/5/2015)                                                                                                             |
| <b>Registered Office:</b>                  | 8A Chimarras Str.<br>15125 Maroussi, Greece                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Registration number:</b>                | 2443/06/B/86/23                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>General Commercial Registry:</b>        | 000296601000                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Auditors:</b>                           | PricewaterhouseCoopers S.A.<br>268 Kifissias Ave.<br>152 32 Halandri<br>Athens, Greece                                                                                                                                                                                                                                                                                                                                                                                                     |



## Report on Review of Interim Financial Information

To the Shareholders of Hellenic Petroleum S.A.

### Introduction

We have reviewed the accompanying condensed statement of financial position of Hellenic Petroleum S.A. as of 30 June 2015 and the related condensed statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and the selected explanatory notes, that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS” 34). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

### Reference to Other Legal and Regulatory Requirements

Our review has not revealed any inconsistency or discrepancy of the other information of the six-month financial report, as required by article 5 of L.3556/2007, with the accompanying interim condensed financial information.

Athens, 27 August 2015  
Certified Auditor - Accountant



PricewaterhouseCoopers S.A.  
Certified Auditors - Accountants  
268, Kifissias Avenue  
152 32 Halandri  
SOEL Reg. No 113

Konstantinos Michalatos  
SOEL Reg. No 17701

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17 Ethnikis Antistassis Str., 55134 Thessaloniki, T: +30 2310 488880, F: +30 2310 459487*

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### II. Condensed Interim Statement of Financial Position

|                                                            |      | As at            |                  |
|------------------------------------------------------------|------|------------------|------------------|
|                                                            | Note | 30 June 2015     | 31 December 2014 |
| <b>ASSETS</b>                                              |      |                  |                  |
| <b>Non-current assets</b>                                  |      |                  |                  |
| Property, plant and equipment                              | 10   | 2.770.909        | 2.767.874        |
| Intangible assets                                          | 11   | 11.568           | 11.477           |
| Investments in subsidiaries, associates and joint ventures |      | 662.426          | 659.826          |
| Deferred income tax assets                                 |      | 133.378          | 174.573          |
| Available-for-sale financial assets                        |      | 50               | 50               |
| Loans, advances and long-term assets                       |      | 18.345           | 142.980          |
|                                                            |      | <b>3.596.676</b> | <b>3.756.780</b> |
| <b>Current assets</b>                                      |      |                  |                  |
| Inventories                                                | 12   | 689.660          | 543.783          |
| Trade and other receivables                                | 13   | 1.043.250        | 899.057          |
| Cash, cash equivalents and restricted cash                 | 14   | 1.894.400        | 1.593.262        |
|                                                            |      | <b>3.627.310</b> | <b>3.036.102</b> |
| <b>Total assets</b>                                        |      | <b>7.223.986</b> | <b>6.792.882</b> |
| <b>EQUITY</b>                                              |      |                  |                  |
| Share capital                                              | 15   | 1.020.081        | 1.020.081        |
| Reserves                                                   | 16   | 466.677          | 429.994          |
| Retained Earnings                                          |      | (184.851)        | (273.388)        |
| <b>Total equity</b>                                        |      | <b>1.301.907</b> | <b>1.176.687</b> |
| <b>LIABILITIES</b>                                         |      |                  |                  |
| <b>Non-current liabilities</b>                             |      |                  |                  |
| Borrowings                                                 | 17   | 1.519.202        | 1.760.493        |
| Retirement benefit obligations                             |      | 76.512           | 74.495           |
| Provisions for other liabilities and charges               |      | 3.000            | 3.000            |
| Other long term liabilities                                |      | 11.698           | 11.618           |
|                                                            |      | <b>1.610.412</b> | <b>1.849.606</b> |
| <b>Current liabilities</b>                                 |      |                  |                  |
| Trade and other payables                                   | 18   | 2.813.696        | 2.614.360        |
| Derivative financial instruments                           |      | 10.515           | 60.087           |
| Current income tax liabilities                             | 8    | 973              | 16.901           |
| Borrowings                                                 | 17   | 1.485.360        | 1.010.114        |
| Dividends payable                                          |      | 1.123            | 65.127           |
|                                                            |      | <b>4.311.667</b> | <b>3.766.589</b> |
| <b>Total liabilities</b>                                   |      | <b>5.922.079</b> | <b>5.616.195</b> |
| <b>Total equity and liabilities</b>                        |      | <b>7.223.986</b> | <b>6.792.882</b> |

The notes on pages 9 to 31 are an integral part of this condensed interim financial information.

E. Tsotsoros

G. Stergioulis

A. Shiamishis

S. Papadimitriou

Chairman of the Board

Chief Executive Officer

Deputy Chief Executive Officer  
& Chief Financial Officer

Accounting Director

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### III. Condensed Interim Statement of Comprehensive Income

|                                                                               | Note | For the six month period ended |                 | For the three month period ended |                 |
|-------------------------------------------------------------------------------|------|--------------------------------|-----------------|----------------------------------|-----------------|
|                                                                               |      | 30 June 2015                   | 30 June 2014    | 30 June 2015                     | 30 June 2014    |
| Sales                                                                         |      | 3.357.750                      | 4.127.881       | 1.621.068                        | 2.199.056       |
| Cost of sales                                                                 |      | (3.079.131)                    | (4.058.335)     | (1.496.828)                      | (2.152.428)     |
| <b>Gross profit</b>                                                           |      | <b>278.619</b>                 | <b>69.546</b>   | <b>124.240</b>                   | <b>46.628</b>   |
| Selling and distribution expenses                                             |      | (59.231)                       | (54.275)        | (31.478)                         | (26.611)        |
| Administrative expenses                                                       |      | (33.828)                       | (34.278)        | (15.273)                         | (19.068)        |
| Exploration and development expenses                                          |      | (670)                          | (1.317)         | (315)                            | (832)           |
| Other operating income / (expenses) - net                                     | 5    | 1.921                          | (2.003)         | 1.626                            | (4.161)         |
| Dividend income                                                               |      | 32.659                         | 47.545          | 32.526                           | 47.545          |
| <b>Operating profit / (loss)</b>                                              |      | <b>219.470</b>                 | <b>25.218</b>   | <b>111.326</b>                   | <b>43.501</b>   |
| Finance (expenses) / income -net                                              | 6    | (82.442)                       | (85.445)        | (42.340)                         | (44.652)        |
| Currency exchange gains / (losses)                                            | 7    | (20.180)                       | (509)           | 17.134                           | (1.592)         |
| <b>Profit / (loss) before income tax</b>                                      |      | <b>116.848</b>                 | <b>(60.736)</b> | <b>86.120</b>                    | <b>(2.743)</b>  |
| Income tax expense                                                            | 8    | (28.311)                       | 8.029           | (18.239)                         | (7.714)         |
| <b>Profit / (Loss) for the period</b>                                         |      | <b>88.537</b>                  | <b>(52.707)</b> | <b>67.881</b>                    | <b>(10.457)</b> |
| <b>Other comprehensive income:</b>                                            |      |                                |                 |                                  |                 |
| <b>Items that may be reclassified subsequently to profit or loss:</b>         |      |                                |                 |                                  |                 |
| Fair value gains/(losses) on cash flow hedges                                 |      | 36.683                         | 5.171           | 32.559                           | 7.609           |
| <b>Other Comprehensive income/(loss) for the period, net of tax</b>           |      | <b>36.683</b>                  | <b>5.171</b>    | <b>32.559</b>                    | <b>7.609</b>    |
| <b>Total comprehensive income/(loss) for the period</b>                       |      | <b>125.220</b>                 | <b>(47.536)</b> | <b>100.440</b>                   | <b>(2.848)</b>  |
| <b>Basic and diluted earnings per share<br/>(expressed in Euro per share)</b> | 9    | <b>0,29</b>                    | <b>(0,17)</b>   | <b>0,22</b>                      | <b>(0,03)</b>   |

The notes on pages 9 to 31 are an integral part of this condensed interim financial information.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### IV. Condensed Interim Statement of Changes in Equity

|                                                                        | Note | Share<br>Capital | Reserves        | Retained<br>Earnings | Total<br>Equity  |
|------------------------------------------------------------------------|------|------------------|-----------------|----------------------|------------------|
| <b>Balance at 1 January 2014</b>                                       |      | <b>1.020.081</b> | <b>561.694</b>  | <b>24.594</b>        | <b>1.606.369</b> |
| Fair value gains / (losses) on cash flow hedges                        | 16   | -                | 5.171           | -                    | 5.171            |
| <b>Other comprehensive income</b>                                      |      | <b>-</b>         | <b>5.171</b>    | <b>-</b>             | <b>5.171</b>     |
| Profit / (Loss) for the period                                         |      | -                | -               | (52.707)             | (52.707)         |
| <b>Total comprehensive income / (loss) for the period</b>              |      | <b>-</b>         | <b>5.171</b>    | <b>(52.707)</b>      | <b>(47.536)</b>  |
| <b>Balance at 30 June 2014</b>                                         |      | <b>1.020.081</b> | <b>566.865</b>  | <b>(28.113)</b>      | <b>1.558.833</b> |
| <b>Movement - 1 July 2014 to 31 December 2014</b>                      |      |                  |                 |                      |                  |
| Actuarial gains / (losses) on defined benefit pension plans            |      | -                | (3.939)         | -                    | (3.939)          |
| Fair value gains / (losses) on cash flow hedges                        |      | -                | (49.944)        | -                    | (49.944)         |
| Derecognition of gains/(losses) on hedges through comprehensive income |      | -                | (3.586)         | -                    | (3.586)          |
| <b>Other comprehensive income</b>                                      |      | <b>-</b>         | <b>(57.469)</b> | <b>-</b>             | <b>(57.469)</b>  |
| Profit / (Loss) for the period                                         |      | -                | -               | (260.843)            | (260.843)        |
| <b>Total comprehensive income / (loss) for the period</b>              |      | <b>-</b>         | <b>(57.469)</b> | <b>(260.843)</b>     | <b>(318.312)</b> |
| Share based payments                                                   |      | -                | (24)            | 275                  | 251              |
| Distribution of tax free reserves                                      | 24   | -                | (64.277)        | 192                  | (64.085)         |
| Transfer to tax on distributed tax free reserves                       | 24   | -                | (15.101)        | 15.101               | -                |
| <b>Balance at 31 December 2014</b>                                     |      | <b>1.020.081</b> | <b>429.994</b>  | <b>(273.388)</b>     | <b>1.176.687</b> |
| <b>Movement - 1 January 2015 to 30 June 2015</b>                       |      |                  |                 |                      |                  |
| Fair value gains / (losses) on cash flow hedges                        | 16   | -                | 36.683          | -                    | 36.683           |
| <b>Other comprehensive income</b>                                      |      | <b>-</b>         | <b>36.683</b>   | <b>-</b>             | <b>36.683</b>    |
| Profit / (Loss) for the period                                         |      | -                | -               | 88.537               | 88.537           |
| <b>Total comprehensive income / (loss) for the period</b>              |      | <b>-</b>         | <b>36.683</b>   | <b>88.537</b>        | <b>125.220</b>   |
| <b>Balance at 30 June 2015</b>                                         |      | <b>1.020.081</b> | <b>466.677</b>  | <b>(184.851)</b>     | <b>1.301.907</b> |

The notes on pages 9 to 31 are an integral part of this condensed interim financial information.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### V. Condensed Interim Statement of Cash Flows

|                                                                              |       | For the six month period ended |                  |
|------------------------------------------------------------------------------|-------|--------------------------------|------------------|
|                                                                              | Note  | 30 June 2015                   | 30 June 2014     |
| <b>Cash flows from operating activities</b>                                  |       |                                |                  |
| Cash used in operations                                                      | 19    | 272.986                        | 120.384          |
| Income tax paid                                                              |       | (15.933)                       | (3.476)          |
| <b>Net cash generated from operating activities</b>                          |       | <b>257.053</b>                 | <b>116.908</b>   |
| <b>Cash flows from investing activities</b>                                  |       |                                |                  |
| Purchase of property, plant and equipment & intangible assets                | 10,11 | (68.470)                       | (54.658)         |
| Dividends received                                                           |       | 23.159                         | 37.988           |
| Interest received                                                            | 6     | 10.308                         | 9.356            |
| Participation in share capital increase of affiliated companies              |       | (850)                          | (5)              |
| <b>Net cash generated from / (used in) investing activities</b>              |       | <b>(35.853)</b>                | <b>(7.319)</b>   |
| <b>Cash flows from financing activities</b>                                  |       |                                |                  |
| Interest paid                                                                |       | (69.833)                       | (89.619)         |
| Dividends paid                                                               |       | (64.004)                       | (359)            |
| Proceeds from borrowings                                                     |       | 354.398                        | 366.354          |
| Repayments of borrowings                                                     |       | (150.252)                      | (102.684)        |
| <b>Net cash generated from / (used in) financing activities</b>              |       | <b>70.309</b>                  | <b>173.692</b>   |
| <b>Net increase in cash, cash equivalents and restricted cash</b>            |       | <b>291.509</b>                 | <b>283.281</b>   |
| <b>Cash, cash equivalents and restricted cash at beginning of the period</b> | 14    | <b>1.593.262</b>               | <b>739.311</b>   |
| Exchange gains / (losses) on cash, cash equivalents and restricted cash      |       | 9.629                          | 907              |
| <b>Net increase in cash, cash equivalents and restricted cash</b>            |       | <b>291.509</b>                 | <b>283.281</b>   |
| <b>Cash, cash equivalents and restricted cash at end of the period</b>       | 14    | <b>1.894.400</b>               | <b>1.023.499</b> |

The notes on pages 9 to 31 are an integral part of this condensed interim financial information.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### VI. Notes to the Condensed Interim Financial Information

#### 1. GENERAL INFORMATION

Hellenic Petroleum S.A. (the “Company”) operates in the energy sector in Greece. The Company’s activities include refining and marketing of oil products, the production and marketing of petrochemical products and exploration for hydrocarbons.

#### 2. BASIS OF PREPARATION, ACCOUNTING POLICIES AND ESTIMATES

##### Basis of preparation

The interim financial information of Hellenic Petroleum S.A is prepared in accordance with International Accounting Standard 34 (IAS 34) – *Interim Financial Reporting*, and presents the financial position, results of operations and cash flows of the Group on a going concern basis.

##### Macroeconomic Environment

The continued negotiations between the Hellenic Republic and international institutional authorities (EC/ECB/IMF) resulted in a significant increase of the macroeconomic risk of the country. Failure to reach agreement at the end of June led to the implementation of capital controls in the banking sector, a 3-week bank holiday on 27 June, as well as the lapse of the existing support program for the country and the failure of the Hellenic Republic to repay an instalment to the IMF on 30 June.

Following a referendum on a deal proposed by international institutions and further negotiations, an agreement was reached on 12 July for a 3-year support package, which aims at ensuring fiscal and banking sector stability and promoting growth through an additional €86 billion bailout program. The first conditions precedent were passed from the Greek parliament on 15 and 22 July, reducing the risk of a disorderly default and exit from the Eurozone which would have a severe impact on the country’s economy. On the 28<sup>th</sup> July negotiations on a third ESM program resumed. Agreement was finally reached on 10 August and the bailout plan was backed by the Greek parliament on 14 August. On the 19th August, following approval of the bailout package by the German parliament, the European bailout fund supervisors approved the release of a first tranche of €26 billion in order to meet Greece's debts and help recapitalize its banks.

On 20th August, Greece used money received from the European financial bailout to repay \$3.5 billion to the European Central Bank. Following that, the Greek government resigned and elections are expected to be held during September.

The program has an aim to reduce the risk of economic instability in Greece; however there is still risk around the implementation of the program (especially given the effect on economic activity and unemployment), ability to meet fiscal targets, as well as structural reforms. The implementation of the program and its effects on the economy are beyond the Company's control.

Various risks emerge under this financial environment, including restrictions on use of bank deposits, liquidity of the financial sector and businesses, recoverability of receivables, impairment of assets, sufficiency of financing by the lending banks, serving of existing financing arrangements and/or compliance with existing terms and financial covenants of such arrangements, recoverability of deferred tax assets, valuation of financial instruments, restructuring costs and adequacy of provisions.

These and any further negative developments in Greece could impact the results and financial position of the Company’s operations to some extent, in a manner not currently determinable.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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#### Impact on the Company as of 30 June 2015

The Company has been closely assessing developments in Greece and preparing for a number of eventualities around the Greek crisis, in line with its established risk management policy, in order to ensure that timely actions and response are undertaken so as to minimize any impact on the Company's business and operations.

Key points from this assessment mitigating the company's exposure in Greece are:

##### *Company business:*

The business model of the Company and its cash flows are more dependent on the international refining industry and exports than the Greek economy. As a result, even though refining operations reside in Greece (refineries are located on coastal "tax-free" zones with private port facilities which allow easier international trading), the impact on its operations is limited due to the international nature of the commodities business. Similar examples of refineries located in areas with worse political or economic issues are plentiful in the Mediterranean. The impact on the Company's business is expected to be a potential temporary reduction of domestic market sales and an increase of export sales which are already at 50%. For the first half of 2015, over 60% of Company's EBITDA was generated by business not dependent on Greek economy. Management does not expect that the potential impact would affect the ability of the Company to continue its operations.

##### *Impairment of assets:*

The Company's refining plants are not affected by the capital controls. Even though there is a risk that local demand of petroleum products produced in Greece may decline, management expects that profitability will be sustained by increased export sales.

##### *Funding:*

In line with its medium term financing plan, the Company has maintained a mix of long term and short term facilities by taking into consideration bank and debt capital markets' credit capacity and cost, as well as cash flow planning and commercial considerations. As a result, approximately 50% of total debt is financed by medium to long term committed credit lines, while the rest is financed by short term working capital type revolving facilities. Further details of the relevant loans and refinancing are provided in note 17, "Borrowings". In the eventuality that the Greek banks fail to continue attracting ECB/ELA funding, and are not recapitalized, there is a risk of uncommitted facilities being terminated. This however, carries a small probability due to the credit status of the Company, being one of the largest industrial customers in Greece and the fact that it supplies a high percentage of the Greek domestic fuels market (> 60%). However, even if this unlikely scenario is considered, the Company has adequate cash reserves and operating cash flow generation to enable it to manage a repayment of the majority of these facilities.

##### *Capital controls*

The Company responded to the imposition of capital controls, with all necessary measures and adjustments to its supply chain, enabling uninterrupted supply, refining and trading operations.

The measures imposed by the Greek government on 28 June 2015 prohibit cross border payments of any kind without the prior written approval of a committee that has been set up for this purpose at the Ministry of Finance. At present, there are no official restrictions on domestic transactions which are gradually being normalized.

The capital controls impact the ability of the Company to effect payments for imports of crude oil and products to its foreign suppliers if these are not approved by the committee. The risk is mitigated by the fact that imports of crude oil and fuel products are considered by the authorities as critical for the economy, taking priority over other payments. There has therefore been no adverse impact on the operations of the Company and this is expected to continue going forward. In addition, the Company maintains accounts with its foreign core relationship banks outside Greece which are funded by export receivables and can also be used to pay foreign suppliers. Therefore the risk of disruption to normal operations of the Company as a result of the imposition of capital controls is considered low. During the period since capital controls were implemented, impact on Company operations was limited as a result of appropriate planning and risk management.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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### Margins:

Financial results for the period ended 30 June 2015 were also affected by a number of other factors that impacted the Company's trading, working capital requirements, cost of supply and in turn funding and liquidity requirements. Following a significant decline in the second half of 2014, crude oil prices showed signs of stabilisation in the first six months of 2015 with prices ranging between 50-60 \$/bbl. These developments led to lower cost of crude for both sweet and sour grades, improving the competitive position of Med refiners, while global refining margins improved considerably.

### Receivables:

The slowdown of the Greek economy in 2015 is not expected to materially impact the Greek customer base and management considers that sufficient provisions have been raised in the event of customer defaults.

In this respect Management has concluded that (a) the going concern basis of preparation of the accounts is appropriate, and (b) all assets and liabilities are appropriately presented in accordance with the Company's accounting policies. In the current uncertain economic environment management continuously assesses the situation in order to properly cope with possible challenges.

This interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. These can be found on the Company's website **www.helpe.gr**.

The condensed interim financial information of the Company for the six month period ended 30 June 2015 was authorised for issue by the Board of Directors on 27 August 2015.

### Accounting policies and the use of estimates

The accounting policies used in the preparation of the condensed interim financial information for the six month period ended 30 June 2015 are consistent with those applied for the preparation of the consolidated financial statements for the year ended 31 December 2014, except as described below. Where necessary, comparative figures have been reclassified to conform to changes in the presentation of the current year.

*New standards, amendments to standards and interpretations:* Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is set out below.

The following standards, amendments to standards and interpretations to existing standards may be applicable to the Company for periods on or after 1 January 2015:

- *IFRIC 21 "Levies" (effective for annual periods beginning on or after 17 June 2014).* This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date. The adoption of the amendment does not have significant impact for the Company.
- Annual Improvements to IFRSs 2013 (effective for annual periods beginning on or after 1 January 2015):

The amendments set out below describe the key changes to three IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project. The Company is currently evaluating the impact the amendment will have on its financial statements.

- *IFRS 3 "Business combinations".* This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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- *IFRS 13 “Fair value measurement”*. The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.
  - *IAS 40 “Investment property”*. The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

- Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 February 2015):

The amendments set out below describe the key changes to seven IFRSs following the publication of the results of the IASB’s 2010-12 cycle of the annual improvements project. The Company is currently evaluating the impact the amendments will have on its financial statements.

- *IFRS 2 “Share-based payment”*. The amendment clarifies the definition of a ‘vesting condition’ and separately defines ‘performance condition’ and ‘service condition’.
  - *IFRS 3 “Business combinations”*. The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 “Financial instruments: Presentation”. It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.
  - *IFRS 8 “Operating segments”*. The amendment requires disclosure of the judgments made by management in aggregating operating segments.
  - *IFRS 13 “Fair value measurement”*. The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.
  - *IAS 16 “Property, plant and equipment”* and *IAS 38 “Intangible assets”*. Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.
  - *IAS 24 “Related party disclosures”*. The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.
- *IAS 19R (Amendment) “Employee Benefits”* (effective for annual periods beginning on or after 1 February 2015). These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The adoption of the amendment does not have significant impact for the Company.
  - Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016):

The amendments set out below describe the key changes to four IFRSs. The improvements have not yet been endorsed by the EU.

- *IFRS 5 “Non-current assets held for sale and discontinued operations”*. The amendment clarifies that, when an asset (or disposal group) is reclassified from ‘held for sale’ to ‘held for distribution’, or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.
  - *IFRS 7 “Financial instruments: Disclosures”*. The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, “Disclosure – Offsetting financial assets and financial liabilities” is not specifically required for all interim periods, unless required by IAS 34.
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## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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- IAS 19 “Employee benefits”. The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.
  - IAS 34 “Interim financial reporting”. The amendment clarifies what is meant by the reference in the standard to ‘information disclosed elsewhere in the interim financial report’.
  - IFRS 11 (Amendment) “Joint Arrangements” (effective for annual periods beginning on or after 1 January 2016). This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a ‘business’. This amendment has not yet been endorsed by the EU.
  - IAS 16 and IAS 38 (Amendments) “Clarification of Acceptable Methods of Depreciation and Amortisation” (effective for annual periods beginning on or after 1 January 2016). This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. These amendments have not yet been endorsed by the EU.
  - IFRS 10 and IAS 28 (Amendments) “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” (effective for annual periods beginning on or after 1 January 2016). These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments have not yet been endorsed by the EU.
  - IAS 27 (Amendment) “Separate financial statements” (effective for annual periods beginning on or after 1 January 2016). This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. This amendment has not yet been endorsed by the EU.
  - IFRS 10, IFRS 12 and IAS 28 (Amendments) “Investment Entities: Applying the Consolidation Exception” (effective for annual periods beginning on or after 1 January 2016). These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments have not yet been endorsed by the EU.
  - IAS 1 (Amendment) “Disclosure Initiative” (effective for annual periods beginning on or after 1 January 2016). These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The amendments have not yet been endorsed by the EU.
  - IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods beginning on or after 1 January 2018). IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The standard has not yet been endorsed by the EU.
  - IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018). IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model of IAS
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# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

39. The Company is currently investigating the impact of IFRS 9 on its financial statements. The Company cannot currently early adopt IFRS 9 as it has not been endorsed by the EU.

### 3. FINANCIAL RISK MANAGEMENT

The Company's activities are primarily centred on its Downstream Refining (incl. Petrochemical) & Marketing of petroleum products; with secondary activities relating to exploration of hydrocarbons. As such, the Company is exposed to a variety of financial and commodity markets risks including foreign exchange and commodity price risk, credit risk, liquidity risk, cash flow risk and interest-rate risk. In line with international best practices and within the context of local markets and legislative framework, the Company's overall risk management policies aim at reducing possible exposure to market volatility and / or mitigating its adverse effects on the financial position of the Company to the extent possible.

Details of the Company's risk management policies and assessment of the risks assumed in its business are disclosed in the notes to the annual financial statements for the year ended 31 December 2014, as well as in the Note 2 "Basis of Preparation, Accounting Policies and Estimates" thereof.

#### Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Company's assets and liabilities that are measured at fair value at 30 June 2015:

|                                     | Level 1   | Level 2       | Level 3  | Total<br>balance |
|-------------------------------------|-----------|---------------|----------|------------------|
| <b>Assets</b>                       |           |               |          |                  |
| Available for sale financial assets | 50        | -             | -        | 50               |
|                                     | <b>50</b> | <b>-</b>      | <b>-</b> | <b>50</b>        |
| <b>Liabilities</b>                  |           |               |          |                  |
| Derivatives used for hedging        | -         | 10.515        | -        | 10.515           |
|                                     | <b>-</b>  | <b>10.515</b> | <b>-</b> | <b>10.515</b>    |

The following table presents the Company's assets and liabilities that are measured at fair value at 31 December 2014:

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

|                                     | Level 1   | Level 2       | Level 3 | Total<br>balance |
|-------------------------------------|-----------|---------------|---------|------------------|
| <b>Assets</b>                       |           |               |         |                  |
| Available for sale financial assets | 50        | -             | -       | 50               |
|                                     | <b>50</b> | -             | -       | <b>50</b>        |
| <b>Liabilities</b>                  |           |               |         |                  |
| Derivatives used for hedging        | -         | 60.087        | -       | 60.087           |
|                                     | -         | <b>60.087</b> | -       | <b>60.087</b>    |

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These financial instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of commodity swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

There were no changes in valuation techniques during the period.

There were no transfers between levels during the period.

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Borrowings

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 4. ANALYSIS BY SEGMENT

All critical operating decisions are made by the Executive Committee, which reviews the Company's internal reporting in order to assess performance and to allocate resources. Management has determined the operating segments based on these reports. The committee considers the business from a number of measures which may vary depending on the nature and evolution of a business segment by taking into account the risk profile, cash flow, product and market considerations. Information provided to the committee is measured in a manner consistent with that of the annual financial statements.

Information on the revenue and profit regarding the Company's operating segments is presented below:

#### For the six month period ended 30 June 2015

|                                         | Note | Refining       | Petro-chemicals | Exploration & Production | Other         | Total          |
|-----------------------------------------|------|----------------|-----------------|--------------------------|---------------|----------------|
| Sales                                   |      | 3.227.233      | 130.517         | -                        | -             | 3.357.750      |
| <b>Operating profit / (loss)</b>        |      | <b>155.716</b> | <b>32.978</b>   | <b>(1.356)</b>           | <b>32.132</b> | <b>219.470</b> |
| Finance income/(expense) - net          | 6    |                |                 |                          |               | (82.442)       |
| Currency exchange gains / (losses)      | 7    |                |                 |                          |               | (20.180)       |
| <b>Profit/ (Loss) before income tax</b> |      |                |                 |                          |               | <b>116.848</b> |
| Income tax credit / (expense)           | 8    |                |                 |                          |               | (28.311)       |
| <b>Profit/ (Loss) for the period</b>    |      |                |                 |                          |               | <b>88.537</b>  |

#### For the six month period ended 30 June 2014

|                                         | Note | Refining        | Petro-chemicals | Exploration & Production | Other         | Total           |
|-----------------------------------------|------|-----------------|-----------------|--------------------------|---------------|-----------------|
| Sales                                   |      | 3.984.291       | 143.636         | -                        | (46)          | 4.127.881       |
| <b>Operating profit / (loss)</b>        |      | <b>(44.930)</b> | <b>25.348</b>   | <b>(2.277)</b>           | <b>47.077</b> | <b>25.218</b>   |
| Finance income/(expense) - net          | 6    |                 |                 |                          |               | (85.445)        |
| Currency exchange gains / (losses)      | 7    |                 |                 |                          |               | (509)           |
| <b>Profit/ (Loss) before income tax</b> |      |                 |                 |                          |               | <b>(60.736)</b> |
| Income tax expense                      | 8    |                 |                 |                          |               | 8.029           |
| <b>Profit/ (Loss) for the period</b>    |      |                 |                 |                          |               | <b>(52.707)</b> |

There has been no material change in the segmental analysis of total assets or total liabilities from the amounts disclosed in the annual financial statements published at 31 December 2014.

### 5. OTHER OPERATING INCOME/(EXPENSES) AND OTHER GAINS/(LOSSES)

|                                                  | For the six month period ended |                | For the three month period ended |                |
|--------------------------------------------------|--------------------------------|----------------|----------------------------------|----------------|
|                                                  | 30 June 2015                   | 30 June 2014   | 30 June 2015                     | 30 June 2014   |
| Income from grants' amortisation                 | 642                            | 678            | 317                              | 339            |
| Services to third parties                        | 945                            | 577            | 599                              | 313            |
| Rental income                                    | 810                            | 1.338          | 711                              | 653            |
| Voluntary retirement scheme cost                 | -                              | (5.354)        | -                                | (5.354)        |
| Other income / (expense)                         | (476)                          | 758            | (1)                              | (112)          |
| <b>Other operating income / (expenses) - net</b> | <b>1.921</b>                   | <b>(2.003)</b> | <b>1.626</b>                     | <b>(4.161)</b> |

Other operating income / (expenses) – net, include income or expenses which do not relate to the trading activities of the Company.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 6. FINANCE (EXPENSES)/INCOME – NET

|                                       | For the six month period ended |                 | For the three month period ended |                 |
|---------------------------------------|--------------------------------|-----------------|----------------------------------|-----------------|
|                                       | 30 June 2015                   | 30 June 2014    | 30 June 2015                     | 30 June 2014    |
| Interest income                       | 11.927                         | 9.356           | 5.896                            | 4.936           |
| Interest expense and similar charges  | (94.369)                       | (94.801)        | (48.236)                         | (49.588)        |
| <b>Finance (expenses)/income -net</b> | <b>(82.442)</b>                | <b>(85.445)</b> | <b>(42.340)</b>                  | <b>(44.652)</b> |

### 7. CURRENCY EXCHANGE GAINS / (LOSSES)

Foreign currency exchange losses of €20 million relate to marked-to-market losses on US\$ denominated liabilities, due to the US \$ strengthening against the Euro as of 30 June 2015, compared to the beginning of the year. Operating foreign currency exchange gains and losses on transactions which do not relate to financing are reported under operating results.

### 8. INCOME TAXES

The corporate income tax rate for Hellenic Petroleum S.A. for the period ending 30 June 2015 was 26% (30 June 2014: 26%). On 16 July 2015, Law 4334/2015 was passed increasing the corporate income tax rate to 29% (see note 0).

Effective for fiscal years ending 31 December 2011 and thereafter, all Greek companies have to be audited on an annual basis by their statutory auditor in respect of compliance with tax law, correct submission of tax returns and identification of any unrecorded tax liabilities in the accounts. This audit leads to the issuance of a Tax Certificate which, under certain conditions, substitutes the full tax audit by the tax authorities and allows the company to treat its tax position as fully compliant and final.

#### Unaudited income tax years

The Company has not undergone a full tax audit for the financial years ended 31 December 2010 and 2014. As a result the income tax obligations are not considered final.

The Company obtained unqualified tax certificate for 2013. The income tax audit for 2014 has commenced and management expects to obtain an unqualified tax audit certificate.

Management believes that no additional material tax liability will arise as a result of open tax years over and above the tax liabilities and provisions recognised in the interim financial information for the six-month period ended 30 June 2015.

#### Other taxes

Provisional VAT audits have been concluded up to and including December 2013 (the audit for 2014 is in progress).

Management believes that no material liability will arise upon finalisation of these audits and consequently no further provisions have been raised in the interim financial information for the period ended 30 June 2015.

### 9. EARNINGS PER SHARE

Diluted earnings per ordinary share are not presented because they are not materially different from basic earnings per share. Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the period.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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|                                                                                                       | For the six month period ended |               | For the three month period ended |               |
|-------------------------------------------------------------------------------------------------------|--------------------------------|---------------|----------------------------------|---------------|
|                                                                                                       | 30 June 2015                   | 30 June 2014  | 30 June 2015                     | 30 June 2014  |
| <b>Earnings per share attributable to the Company Shareholders<br/>(expressed in Euro per share):</b> | <b>0,29</b>                    | <b>(0,17)</b> | <b>0,22</b>                      | <b>(0,03)</b> |
| Net income attributable to ordinary shares<br>(Euro in thousands)                                     | 88.537                         | (52.707)      | 67.881                           | (10.457)      |
| Average number of ordinary shares                                                                     | 305.635.185                    | 305.635.185   | 305.635.185                      | 305.635.185   |

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 10. PROPERTY, PLANT AND EQUIPMENT

|                                           | Land           | Buildings      | Plant & Machinery | Motor vehicles | Furniture and fixtures | Assets Under Construction | Total            |
|-------------------------------------------|----------------|----------------|-------------------|----------------|------------------------|---------------------------|------------------|
| <b>Cost</b>                               |                |                |                   |                |                        |                           |                  |
| <b>As at 1 January 2014</b>               | <b>115.396</b> | <b>512.286</b> | <b>3.466.320</b>  | <b>14.290</b>  | <b>79.928</b>          | <b>123.820</b>            | <b>4.312.040</b> |
| Additions                                 | -              | -              | 945               | -              | 1.014                  | 52.658                    | 54.617           |
| Capitalised projects                      | -              | 771            | 5.473             | -              | 105                    | (6.349)                   | -                |
| Disposals                                 | -              | -              | -                 | -              | (40)                   | -                         | (40)             |
| Transfers & other movements               | -              | -              | 1.369             | -              | -                      | (5.939)                   | (4.570)          |
| <b>As at 30 June 2014</b>                 | <b>115.396</b> | <b>513.057</b> | <b>3.474.107</b>  | <b>14.290</b>  | <b>81.007</b>          | <b>164.190</b>            | <b>4.362.047</b> |
| <b>Accumulated Depreciation</b>           |                |                |                   |                |                        |                           |                  |
| <b>As at 1 January 2014</b>               | -              | <b>147.226</b> | <b>1.284.709</b>  | <b>9.425</b>   | <b>65.966</b>          | -                         | <b>1.507.326</b> |
| Charge for the period                     | -              | 8.902          | 48.777            | 223            | 2.597                  | -                         | 60.499           |
| Disposals                                 | -              | -              | -                 | -              | (40)                   | -                         | (40)             |
| <b>As at 30 June 2014</b>                 | -              | <b>156.128</b> | <b>1.333.486</b>  | <b>9.648</b>   | <b>68.523</b>          | -                         | <b>1.567.785</b> |
| <b>Net Book Value at 30 June 2014</b>     | <b>115.396</b> | <b>356.929</b> | <b>2.140.621</b>  | <b>4.642</b>   | <b>12.484</b>          | <b>164.190</b>            | <b>2.794.262</b> |
| <b>Cost</b>                               |                |                |                   |                |                        |                           |                  |
| <b>As at 1 July 2014</b>                  | <b>115.396</b> | <b>513.057</b> | <b>3.474.107</b>  | <b>14.290</b>  | <b>81.007</b>          | <b>164.190</b>            | <b>4.362.047</b> |
| Additions                                 | -              | 4              | 5.573             | 48             | 862                    | 45.926                    | 52.413           |
| Capitalised projects                      | -              | 4.822          | 100.907           | 21             | 274                    | (106.024)                 | -                |
| Disposals                                 | -              | -              | (228)             | (52)           | (7)                    | (275)                     | (562)            |
| Transfers & other movements               | -              | -              | (426)             | -              | -                      | (7.372)                   | (7.798)          |
| <b>As at 31 December 2014</b>             | <b>115.396</b> | <b>517.883</b> | <b>3.579.933</b>  | <b>14.307</b>  | <b>82.136</b>          | <b>96.445</b>             | <b>4.406.100</b> |
| <b>Accumulated Depreciation</b>           |                |                |                   |                |                        |                           |                  |
| <b>As at 1 July 2014</b>                  | -              | <b>156.128</b> | <b>1.333.486</b>  | <b>9.648</b>   | <b>68.523</b>          | -                         | <b>1.567.785</b> |
| Charge for the period                     | -              | 8.969          | 58.246            | 213            | 2.357                  | -                         | 69.785           |
| Disposals                                 | -              | -              | (228)             | (52)           | (7)                    | -                         | (287)            |
| Transfers and other movements             | -              | -              | 943               | -              | -                      | -                         | 943              |
| <b>As at 31 December 2014</b>             | -              | <b>165.097</b> | <b>1.392.447</b>  | <b>9.809</b>   | <b>70.873</b>          | -                         | <b>1.638.226</b> |
| <b>Net Book Value at 31 December 2014</b> | <b>115.396</b> | <b>352.786</b> | <b>2.187.486</b>  | <b>4.498</b>   | <b>11.263</b>          | <b>96.445</b>             | <b>2.767.874</b> |
| <b>Cost</b>                               |                |                |                   |                |                        |                           |                  |
| <b>As at 1 January 2015</b>               | <b>115.396</b> | <b>517.883</b> | <b>3.579.933</b>  | <b>14.307</b>  | <b>82.136</b>          | <b>96.445</b>             | <b>4.406.100</b> |
| Additions                                 | -              | -              | 996               | 28             | 1.119                  | 66.170                    | 68.313           |
| Capitalised projects                      | -              | 2.554          | 13.276            | 2              | 450                    | (16.282)                  | -                |
| Disposals                                 | -              | -              | (1)               | (60)           | -                      | (1.252)                   | (1.313)          |
| Transfers and other movements             | -              | -              | -                 | -              | -                      | (4.084)                   | (4.084)          |
| <b>As at 30 June 2015</b>                 | <b>115.396</b> | <b>520.437</b> | <b>3.594.204</b>  | <b>14.277</b>  | <b>83.705</b>          | <b>140.997</b>            | <b>4.469.016</b> |
| <b>Accumulated Depreciation</b>           |                |                |                   |                |                        |                           |                  |
| <b>As at 1 January 2015</b>               | -              | <b>165.097</b> | <b>1.392.447</b>  | <b>9.809</b>   | <b>70.873</b>          | -                         | <b>1.638.226</b> |
| Charge for the period                     | -              | 8.889          | 48.931            | 209            | 1.913                  | -                         | 59.942           |
| Disposals                                 | -              | -              | (1)               | (60)           | -                      | -                         | (61)             |
| <b>As at 30 June 2015</b>                 | -              | <b>173.986</b> | <b>1.441.377</b>  | <b>9.958</b>   | <b>72.786</b>          | -                         | <b>1.698.107</b> |
| <b>Net Book Value at 30 June 2015</b>     | <b>115.396</b> | <b>346.451</b> | <b>2.152.827</b>  | <b>4.319</b>   | <b>10.919</b>          | <b>140.997</b>            | <b>2.770.909</b> |

‘Transfers and other movements’ in assets under construction include the transfer of spare parts for the upgraded Elefsina units within inventories and the transfer of computer software development costs to intangible assets.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 11. INTANGIBLE ASSETS

|                                           | Computer software | Licences & Rights | Total          |
|-------------------------------------------|-------------------|-------------------|----------------|
| <b>Cost</b>                               |                   |                   |                |
| As at 1 January 2014                      | 73.448            | 23.918            | 97.366         |
| Additions                                 | 41                | -                 | 41             |
| Transfers & other movements               | 3.348             | 358               | 3.706          |
| As at 30 June 2014                        | <b>76.837</b>     | <b>24.276</b>     | <b>101.113</b> |
| <b>Accumulated Amortisation</b>           |                   |                   |                |
| As at 1 January 2014                      | 66.276            | 20.314            | 86.590         |
| Charge for the period                     | 2.655             | 960               | 3.615          |
| As at 30 June 2014                        | <b>68.931</b>     | <b>21.274</b>     | <b>90.205</b>  |
| <b>Net Book Value at 30 June 2014</b>     | <b>7.906</b>      | <b>3.002</b>      | <b>10.908</b>  |
| <b>Cost</b>                               |                   |                   |                |
| As at 1 July 2014                         | 76.837            | 24.276            | 101.113        |
| Additions                                 | 321               | 391               | 712            |
| Transfers & other movements               | 5.848             | -                 | 5.848          |
| As at 31 December 2014                    | <b>83.006</b>     | <b>24.667</b>     | <b>107.673</b> |
| <b>Accumulated Amortisation</b>           |                   |                   |                |
| As at 1 July 2014                         | 68.931            | 21.274            | 90.205         |
| Charge for the period                     | 5.355             | 636               | 5.991          |
| As at 31 December 2014                    | <b>74.286</b>     | <b>21.910</b>     | <b>96.196</b>  |
| <b>Net Book Value at 31 December 2014</b> | <b>8.720</b>      | <b>2.757</b>      | <b>11.477</b>  |
| <b>Cost</b>                               |                   |                   |                |
| As at 1 January 2015                      | 83.006            | 24.667            | 107.673        |
| Additions                                 | 157               | -                 | 157            |
| Disposals                                 | -                 | (391)             | (391)          |
| Transfers & other movements               | 3.044             | (29)              | 3.015          |
| As at 30 June 2015                        | <b>86.207</b>     | <b>24.247</b>     | <b>110.454</b> |
| <b>Accumulated Amortisation</b>           |                   |                   |                |
| As at 1 January 2015                      | 74.286            | 21.910            | 96.196         |
| Charge for the period                     | 2.153             | 617               | 2.770          |
| Transfers & other movements               | -                 | (80)              | (80)           |
| As at 30 June 2015                        | <b>76.439</b>     | <b>22.447</b>     | <b>98.886</b>  |
| <b>Net Book Value at 30 June 2015</b>     | <b>9.768</b>      | <b>1.800</b>      | <b>11.568</b>  |

'Transfers and other movements' in computer software include the transfer of computer software development costs from assets under construction to intangible assets.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

#### 12. INVENTORIES

|                                                   | As at          |                  |
|---------------------------------------------------|----------------|------------------|
|                                                   | 30 June 2015   | 31 December 2014 |
| Crude oil                                         | 211.895        | 118.519          |
| Refined products and semi-finished products       | 398.752        | 339.185          |
| Petrochemicals                                    | 21.418         | 27.104           |
| Consumable materials, spare parts and other       | 74.038         | 69.245           |
| - Less: Provision for Consumables and spare parts | (16.443)       | (10.270)         |
| <b>Total</b>                                      | <b>689.660</b> | <b>543.783</b>   |

The cost of inventories included in “Cost of sales” for the period amounts to €2,9 billion (30 June 2014: €3,9 billion).

The Company is obliged to keep crude oil and refined products stocks in order to fulfil the EU requirement for compulsory Stock obligations (90 days stock directive), as legislated by Greek Law 3054/2002. Part of this obligation is delegated to an associate company, OTSM.

#### 13. TRADE AND OTHER RECEIVABLES

|                                                 | As at            |                  |
|-------------------------------------------------|------------------|------------------|
|                                                 | 30 June 2015     | 31 December 2014 |
| Trade receivables                               | 466.158          | 394.399          |
| - Less: Provision for impairment of receivables | (97.502)         | (95.902)         |
| <b>Trade receivables net</b>                    | <b>368.656</b>   | <b>298.497</b>   |
| Other receivables                               | 677.185          | 603.636          |
| - Less: Provision for impairment of receivables | (10.871)         | (10.871)         |
| <b>Other receivables net</b>                    | <b>666.314</b>   | <b>592.765</b>   |
| Deferred charges and prepayments                | 8.280            | 7.795            |
| <b>Total</b>                                    | <b>1.043.250</b> | <b>899.057</b>   |

As part of its working capital management, the Company utilises factoring facilities to accelerate the collection of cash from its customers in Greece. Non-recourse factoring, is excluded from balances shown above.

Included in ‘other receivables’ are balances in respect of VAT, income tax prepayment, advances to suppliers and advances to personnel.

Other receivables include the following:

- a) Advances of €327 million extended to Hellenic Petroleum International A.G. (a Group company) for the transfer of 100% of the share capital of Hellenic Fuels S.A. (currently a direct subsidiary of Hellenic Petroleum International A.G.) at book value (31 December 2014: €327 million). The conclusion of the transfer is subject to final contract signing.
- b) VAT approved refunds amounting to €54m (31 December 2014: €54 million), withheld by the customs office in respect of a dispute relating to stock shortages (see Note 22). Against this action the Company has filed a specific legal objection claim and expects to fully recover this balance following the conclusion of the relevant legal proceedings.
- c) The three-year bond loan of €138 million issued to EKO S.A. in 2013, a 100% subsidiary of Hellenic Petroleum S.A., reclassified from Loans, advances and long-term assets.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

#### 14. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

|                                                         | As at            |                  |
|---------------------------------------------------------|------------------|------------------|
|                                                         | 30 June 2015     | 31 December 2014 |
| Cash at Bank and in Hand                                | 1.177.733        | 697.600          |
| Short term bank deposits                                | 550.000          | 695.662          |
| <b>Cash and cash equivalents</b>                        | <b>1.727.733</b> | <b>1.393.262</b> |
| Restricted cash                                         | 166.667          | 200.000          |
| <b>Total cash, cash equivalents and restricted cash</b> | <b>1.894.400</b> | <b>1.593.262</b> |

Restricted cash relates to the proceeds of a loan concluded between Hellenic Petroleum S.A and Piraeus Bank, that have been provided as a guarantee to the European Investment Bank in relation to the Company's €200 million Facility Agreement B with the latter.

The outstanding balance under the EIB Facility Agreement B as at 30 June 2015 was €156 million, in accordance with the amortization schedule, whilst the outstanding balance of the Piraeus loan as at 30 June 2015 was €167 million. This is expected to be reduced to €156 million in the following months. The guarantee matured on 15 June 2015 and was renewed for an additional year.

The effect of the loan and the deposit is a grossing up of the Statement of Financial Position but with no effect to the Net Debt position.

The increase in cash balances is to a large extent due to the impact of capital controls and bank holiday at the end of June.

#### 15. SHARE CAPITAL

|                                         | Number of<br>Shares<br>(authorised<br>and issued) | Share<br>Capital | Share<br>premium | Total            |
|-----------------------------------------|---------------------------------------------------|------------------|------------------|------------------|
| As at 1 January 2014 & 31 December 2014 | 305.635.185                                       | 666.285          | 353.796          | 1.020.081        |
| <b>As at 30 June 2015</b>               | <b>305.635.185</b>                                | <b>666.285</b>   | <b>353.796</b>   | <b>1.020.081</b> |

All ordinary shares were authorised, issued and fully paid. The nominal value of each ordinary share is €2,18 (31 December 2014: €2,18).

##### Share options

During the Annual General Meeting (AGM) of Hellenic Petroleum S.A. held on 25 May 2005, a share option scheme was approved, with the intention to link the number of share options granted to management with the results and performance of the Company. Subsequent AGMs have approved and granted the share options. The vesting period is 1 November to 5 December of the years 2014 – 2018. At the 2014 AGM, the shareholders approved several changes to the share option program which incorporated more recent legal and tax changes without altering the net effect in terms of impact on results or the benefit to the participants.

Since the vesting period is 1 November to 5 December of each respective year, no share options were exercised during the six month period ended 30 June 2015, or the comparative period of the previous year. Share based compensation expense was nil for the six month period ended 30 June 2015.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 16. RESERVES

|                                                                          | Statutory<br>reserve | Special<br>reserves | Hedging<br>reserve | Share-based<br>payment<br>reserve | Tax free<br>reserves | Other<br>reserves | Total          |
|--------------------------------------------------------------------------|----------------------|---------------------|--------------------|-----------------------------------|----------------------|-------------------|----------------|
| <b>Balance at 1 January 2014</b>                                         | <b>118.668</b>       | <b>86.495</b>       | <b>3.895</b>       | <b>3.663</b>                      | <b>351.322</b>       | <b>(2.349)</b>    | <b>561.694</b> |
| Fair value gains / (losses) on cash flow hedges                          | -                    | -                   | 5.170              | -                                 | -                    | -                 | 5.170          |
| <b>Balance at 30 June 2014</b>                                           | <b>118.668</b>       | <b>86.495</b>       | <b>9.065</b>       | <b>3.663</b>                      | <b>351.322</b>       | <b>(2.349)</b>    | <b>566.864</b> |
| Fair value gains / (losses) on cash flow hedges                          | -                    | -                   | (49.943)           | -                                 | -                    | -                 | (49.943)       |
| - Derecognition of gains/(losses) on hedges through comprehensive income | -                    | -                   | (3.586)            | -                                 | -                    | -                 | (3.586)        |
| Actuarial gains/(losses) on defined benefit pension plans                | -                    | -                   | -                  | -                                 | -                    | (3.939)           | (3.939)        |
| Share-based payments                                                     | -                    | -                   | -                  | (24)                              | -                    | -                 | (24)           |
| Distribution of tax free reserves                                        | -                    | -                   | -                  | -                                 | (64.277)             | -                 | (64.277)       |
| Transfer of tax on distributed reserves                                  | -                    | -                   | -                  | -                                 | (15.101)             | -                 | (15.101)       |
| <b>Balance at 31 December 2014 and 1 January 2015</b>                    | <b>118.668</b>       | <b>86.495</b>       | <b>(44.464)</b>    | <b>3.639</b>                      | <b>271.944</b>       | <b>(6.288)</b>    | <b>429.994</b> |
| Fair value gains / (losses) on cash flow hedges                          | -                    | -                   | 36.683             | -                                 | -                    | -                 | 36.683         |
| <b>Balance at 30 June 2015</b>                                           | <b>118.668</b>       | <b>86.495</b>       | <b>(7.781)</b>     | <b>3.639</b>                      | <b>271.944</b>       | <b>(6.288)</b>    | <b>466.677</b> |

#### Statutory reserves

Under Greek law, corporations are required to transfer a minimum of 5% of their annual net profit as reflected in their statutory books to a statutory reserve until such reserve equals one third of the outstanding share capital. This reserve cannot be distributed, but can be used to offset accumulated losses.

#### Special reserves

Special reserves primarily relate to reserves arising from tax revaluations in accordance with relevant legislation in prior years. Where considered appropriate deferred tax provisions are booked in respect of these reserves.

#### Tax-free reserves

Tax-free reserves include:

- (i) Retained earnings which have not been taxed with the prevailing corporate income tax rate as allowed by Greek law under various statutes. Certain of these retained earnings will become liable to tax at the rate prevailing at the time of distribution to shareholders or conversion to share capital.
- (ii) Retained earnings, which have been taxed at a rate less than the corporate tax rate as allowed by Greek law. Certain of these retained earnings will be subject to the remaining tax up to the corporate tax rate prevailing at the time of distribution to shareholders or conversion to share capital. In 2014 part of these reserves was distributed to the shareholders, in line with law 4172/2013. Further information is disclosed in Note 24.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 17. BORROWINGS

|                                              | As at            |                  |
|----------------------------------------------|------------------|------------------|
|                                              | 30 June 2015     | 31 December 2014 |
| <b>Non-current borrowings</b>                |                  |                  |
| Bank borrowings                              | 299.667          | 321.890          |
| Bond loans                                   | 1.219.535        | 1.438.603        |
| <b>Non-current borrowings</b>                | <b>1.519.202</b> | <b>1.760.493</b> |
| <b>Current borrowings</b>                    |                  |                  |
| Short term bank borrowings                   | 1.085.567        | 965.670          |
| Current portion of long term bank borrowings | 399.793          | 44.444           |
| <b>Total current borrowings</b>              | <b>1.485.360</b> | <b>1.010.114</b> |
| <b>Total borrowings</b>                      | <b>3.004.562</b> | <b>2.770.607</b> |

Gross borrowings of the Company by maturity as at 30 June 2015 and 31 December 2014 are summarised on the table below (amounts in € million):

|                                                |          | Balance as at              |                                |
|------------------------------------------------|----------|----------------------------|--------------------------------|
|                                                | Maturity | 30 June 2015<br>(millions) | 31 December 2014<br>(millions) |
| 1a. HPF Syndicated credit facility €40 million | Jul 2016 | -                          | -                              |
| 1b. HPF Syndicated credit facility €10 million | Jul 2018 | -                          | -                              |
| 1c. Syndicated bond loan €350 million          | Jul 2018 | 339                        | 338                            |
| 2. Bond loan €400 million                      | Dec 2015 | 225                        | 225                            |
| 3. Bond loan €200 million                      | Jan 2018 | 199                        | -                              |
| 4. European Investment Bank ("EIB") Term loan  | Jun 2022 | 311                        | 333                            |
| 5. HPF Bond Loan €488m                         | May 2017 | 364                        | 456                            |
| 6. HPF Bond Loan US\$ 397,6m                   | May 2016 | 355                        | 327                            |
| 7. HPF Bond Loan €317,6m                       | Jul 2019 | 318                        | 318                            |
| 8. Bilateral lines                             | Various  | 894                        | 774                            |
| <b>Total</b>                                   |          | <b>3.005</b>               | <b>2.771</b>                   |

Hellenic Petroleum and its subsidiaries (the "Group") maintain a central treasury which coordinates and controls the funding and cash management activities of all group companies. To this extent, Hellenic Petroleum Finance plc ("HPF") was established in November 2005 in the U.K. as a wholly-owned subsidiary of Hellenic Petroleum S.A. to act as the central treasury vehicle of the Hellenic Petroleum Group.

#### 1. Term Loans

In January 2013, the Group concluded two three-year credit facilities with identical terms and conditions with a syndicate of Greek and international banks for a total amount of €605 million (HPF €140 million and Hellenic Petroleum SA €465 million) with gradual amortization. In July 2014, the Group proceeded with a voluntary early repayment and partial refinancing of the facilities. As a result, the Group voluntarily repaid a notional loan amount of €152 million and concluded two new credit facilities with similar terms and conditions as follows:

(1a-1b) A €50 million syndicated credit facility concluded by Hellenic Petroleum Finance plc with the guarantee of Hellenic Petroleum S.A., which is comprised of two tranches, one of €40 million maturing in July 2016 and one of €10 million maturing in July 2018.

(1c) A €350 million syndicated bond loan concluded by Hellenic Petroleum S.A. with the guarantee of Hellenic Petroleum Finance plc maturing in July 2018. The outstanding balance of the loan at 30 June 2015 was €339 million (31 December 2014: €338 million).

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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#### 2. Bond Loan €400 million

In June 2014, Hellenic Petroleum S.A. extended the maturity date of a €400 million syndicated bond loan agreement from December 2014 to 30 December 2015 with a six month extension option, achieving at the same time improvements in cost and general terms and conditions. The amount outstanding under the facility at 30 June 2015 was €225 million (31 December 2014: €225 million).

#### 3. Committed 3 year credit facility €200 million

In line with the Group's risk management strategy to increase the percentage of committed term credit facilities, Hellenic Petroleum S.A. concluded a €200 million committed credit facility in January 2015, with a tenor of 3 years, with National Bank of Greece. The amount outstanding under the facility as at 30 June 2015 was €199 million.

#### 4. EIB Term loans

On 26 May 2010, Hellenic Petroleum S.A. signed two loan agreements (Facilities A and B) with the European Investment Bank for a total amount of €400 million (€200 million each). The purpose of the loans was to finance part of the investment programme relating to the upgrade of the Elefsina Refinery. Both loans have a maturity of 12 years with amortization beginning in December 2013 and both loans have similar terms and conditions. Facility B is credit enhanced by a commercial bank guarantee (see note 14). This is normal practice for EIB lending particularly during the construction phase of large projects. Total repayments on both loans up to 30 June 2015 amounted to € 89 million. As at 30 June 2015, the outstanding loan balance on both facilities amounted to €311 million (31 December 2014: €333 million).

#### 5. HPF Bond Loan €488m (Eurobond €500m)

In May 2013, the Group issued a €500 million four-year Eurobond, with an 8% annual coupon, maturing in May 2017. The Notes are guaranteed by Hellenic Petroleum S.A., are redeemable at maturity and are listed on the Luxembourg Stock Exchange. Subsequently the Company concluded a €488 million syndicated bond loan agreement with HPF and the proceeds were used to prepay existing indebtedness of €225 million and for general corporate purposes. As at 30 June 2015 the outstanding loan balance amounted to €364 million (31 December 2014: €456 million).

#### 6. HPF Bond Loan \$397,6m (Eurobond \$400m)

In May 2014, HPF issued a two-year \$400 million Eurobond with a 4,625% annual coupon, maturing in May 2016. The Notes are guaranteed by Hellenic Petroleum S.A., are redeemable at maturity and are listed on the Luxembourg Stock Exchange. Subsequently the Company concluded a \$397,6 million syndicated bond loan agreement with HPF and the proceeds were used for general corporate purposes. As at 30 June 2015 the euro equivalent outstanding loan balance amounted to €355 million (31 December 2014: €327 million).

#### 7. HPF Bond Loan €317,6 m (Eurobond €325m)

In July 2014 HPF issued a €325 million five-year Eurobond, with a 5,25% annual coupon, maturing in July 2019. The Notes, are guaranteed by Hellenic Petroleum S.A., are redeemable at the option of the issuer in July 2017 and are listed on the Luxembourg Stock Exchange. Subsequently the Company concluded a €317,6 million syndicated bond loan agreement with HPF and the proceeds were used to prepay existing indebtedness and for general corporate purposes. As at 30 June 2015 the outstanding loan balance amounted to €318 million (31 December 2014: €318 million).

#### 8. Bilateral lines

The Company has credit facilities with various banks in place, for general corporate purposes. As at 30 June 2015, the outstanding balance of such loans amounted to €894 million (31 December 2014: €774 million).

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

#### 18. TRADE AND OTHER PAYABLES

|                                    | As at            |                  |
|------------------------------------|------------------|------------------|
|                                    | 30 June 2015     | 31 December 2014 |
| Trade payables                     | 2.664.967        | 2.519.287        |
| Accrued Expenses & Deferred Income | 122.805          | 58.182           |
| Other payables                     | 25.924           | 36.891           |
| <b>Total</b>                       | <b>2.813.696</b> | <b>2.614.360</b> |

Trade creditors comprise amounts payable or accrued in respect of supplies of crude oil, products, commodity contracts and services.

Trade creditors, as at 30 June 2015 and 31 December 2014 include overdue amounts in respect of crude oil imports from Iran which were received during the period between December 2011 and March 2012 as part of a long term contract with NIOC. Despite repeated attempts to settle the payment for these cargoes during the early part of 2012, through the international banking system, it was not possible to do so. This is due to the fact that payments to Iranian banks and state entities are not accepted for processing by the International banking system due to EU sanctions (Council Regulation (EU) No. 267/2012 of 23 March 2012). The Company has duly notified its supplier of this restriction on payments and the inability to accept further crude oil cargoes under the contract, which is due to the EU sanctions posing legal constraints outside its control. As a result no deliveries of Iranian crude oil or payments have taken place post June 30<sup>th</sup> 2012, which was the EU imposed deadline.

On 14 July 2015 an agreement between countries of the “P5+1” group (China, Russia, United Kingdom, United States of America, France and Germany) and Iran was reached for the gradual removal of sanctions. While there are a number of milestones to be met, which could take several months, implementation of the agreement is expected to lead to the full removal of sanctions, enabling the Group to resume transactions with the National Iranian Oil Company.

Where deemed beneficial to the Company, in order to achieve better terms (such as better pricing, higher credit limits, longer payment terms), the Company provides short term letters of credit or guarantee for the payment of liabilities arising from trade creditors, making use of its existing credit lines with its banks. To the extent these liabilities materialise before the balance sheet date, they are included in the balance under trade creditors.

Other payables include amounts in respect of payroll and other staff related costs, social security obligations and sundry taxes.

Due to the imposition of capital controls and bank holiday at the end of June, certain supplier balances which were due in June, were settled in July.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

### 19. CASH GENERATED FROM OPERATIONS

|                                                                                      |       | For the six month period ended |                 |
|--------------------------------------------------------------------------------------|-------|--------------------------------|-----------------|
|                                                                                      | Note  | 30 June 2015                   | 30 June 2014    |
| <b>(Loss) / Profit before tax</b>                                                    |       | <b>116.848</b>                 | <b>(60.736)</b> |
| Adjustments for:                                                                     |       |                                |                 |
| Depreciation and amortisation of property, plant and equipment and intangible assets | 10,11 | 62.712                         | 64.114          |
| Amortisation of grants                                                               |       | (642)                          | (678)           |
| Financial expenses / (income) - net                                                  | 6     | 82.442                         | 85.445          |
| Provisions for expenses and valuation changes                                        |       | 19.537                         | 5.705           |
| Foreign exchange (gains) / losses                                                    | 7     | 20.180                         | 509             |
| Dividend income                                                                      |       | (32.659)                       | (47.545)        |
|                                                                                      |       | <b>268.418</b>                 | <b>46.814</b>   |
| <b>Changes in working capital</b>                                                    |       |                                |                 |
| Decrease in inventories                                                              |       | (152.049)                      | 77.247          |
| Increase in trade and other receivables                                              |       | (10.039)                       | (138.131)       |
| Decrease in trade and other payables                                                 |       | 166.656                        | 134.454         |
|                                                                                      |       | <b>4.568</b>                   | <b>73.570</b>   |
| <b>Net cash generated from / (used in) operating activities</b>                      |       | <b>272.986</b>                 | <b>120.384</b>  |

### 20. RELATED PARTY TRANSACTIONS

Included in the condensed interim statement of comprehensive income are proceeds, costs and expenses, which arise from transactions between the Company and related parties. Such transactions mainly comprise of sales and purchases of goods and services in the ordinary course of business and are conducted under normal trading and commercial terms on an arm's length basis.

|                                                             | For the six month period ended |                  |
|-------------------------------------------------------------|--------------------------------|------------------|
|                                                             | 30 June 2015                   | 30 June 2014     |
| <b>Sales of goods and services to related parties</b>       |                                |                  |
| Group entities                                              | 1.183.981                      | 1.280.108        |
| Associates                                                  | 431.553                        | 433.515          |
| Joint ventures                                              | 128                            | 65               |
| <b>Total</b>                                                | <b>1.615.662</b>               | <b>1.713.688</b> |
| <b>Purchases of goods and services from related parties</b> |                                |                  |
| Group entities                                              | 24.961                         | 29.951           |
| Associates                                                  | 428.133                        | 458.289          |
| Joint ventures                                              | 236                            | 240              |
| <b>Total</b>                                                | <b>453.330</b>                 | <b>488.480</b>   |

Included in the statement of financial position are balances which derive from sales/purchases of goods and services in the ordinary course of business.

# HELLENIC PETROLEUM S.A.

## CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

|                                          | As at          |                  |
|------------------------------------------|----------------|------------------|
|                                          | 30 June 2015   | 31 December 2014 |
| <b>Balances due to related parties</b>   |                |                  |
| <b>(Trade and other creditors)</b>       |                |                  |
| Group entities                           | 60.708         | 75.628           |
| Associates                               | 40.192         | 35.747           |
| Joint ventures                           | 188            | 263              |
| <b>Total</b>                             | <b>101.088</b> | <b>111.638</b>   |
| <b>Balances due from related parties</b> |                |                  |
| <b>(Trade and other debtors)</b>         |                |                  |
| Group entities                           | 538.087        | 523.217          |
| Associates                               | 31.212         | 37.872           |
| Joint ventures                           | 10             | 66               |
| <b>Total</b>                             | <b>569.309</b> | <b>561.155</b>   |

Transactions and balances with related parties are in respect of the following:

- a) Hellenic Petroleum Group companies
- b) Associates and joint ventures of the Group consolidated under the equity method.
  - Athens Airport Fuel Pipeline Company S.A. (EAKAA)
  - Public Gas Corporation of Greece S.A. (DEPA)
  - Elpedison B.V.
  - Spata Aviation Fuel Company S.A. (SAFCO)
  - HELPE Thraki S.A.
  - Biodiesel S.A.
  - Superlube
  - D.M.E.P. HOLDCO
- c) Parties which are under common control with the Company due to the shareholding and control rights of the Hellenic State:
  - Public Power Corporation Hellas S.A.
  - Hellenic Armed Forces

During the six months ended 30 June 2015, sales of goods and services to government related entities amounted to €46 million (30 June 2014: €69 million) and purchases of goods and services to €23 million (30 June 2014: €19 million). As at 30 June 2015, the Company had a total receivable amount of €25 million (31 December 2014: €27million) from government related entities and a total payable amount of €7 million (31 December 2014: €10 million) to government related entities.

- d) Financial institutions which are under common control with the Company due to the shareholding and control rights of the Hellenic State
  - National Bank of Greece S.A.
- e) Key management includes directors (executive and non- executive members of the board) and members of the Executive Committee. The compensation paid or payable to key management for the six month period ended 30 June 2015 amounted to €3,3 million (30 June 2014: €1,6 million) including termination benefits of €1,2 million. The BOD is comprised of 13 members (2014: 13 members) whilst the Executive Committee is comprised of 15 members (2014: 13 members).
- f) The Company participates in the following jointly controlled operations with other third parties relating to exploration and production of hydrocarbons in Greece and abroad:

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

- 
- Edison International SpA – Petroceltic Resources Plc (Greece, Patraikos Gulf)
  - Calfrac Well Services Ltd (Greece, Sea of Thrace concession)
  - Gas Monte (Montenegro, Blocks 1 & 2)

#### 21. COMMITMENTS

Capital expenditure contracted for as of 30 June 2015 amounts to €37 million (31 December 2014: €45 million).

#### 22. CONTINGENCIES AND LITIGATION

The Company has contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business. These are as follows:

##### (a) Business issues

- (i) *Unresolved legal claims:* The Company is involved in a number of legal proceedings and has various unresolved claims pending arising in the ordinary course of business. Based on currently available information and the opinion of legal counsel, management believes the final outcome will not have a significant effect on the company's operating results or financial position, over and above provisions already reflected in the interim financial statements.
- (ii) *Guarantees:* The Company has provided letters of comfort and guarantees in favour of banks as security for loans granted by them to subsidiaries and associates of the Group, the outstanding amount of which as at 30 June 2015 was the equivalent of €1.438 million (31 December 2014: €1.403 million).

##### (b) Taxation and customs

- (iii) *Open tax years:* Income tax audits have been completed up to and including 2009. Furthermore, provisional tax audits mainly for the return of VAT have been concluded up to more recent dates. Management estimates that no additional material liability will arise as a result of open tax years over and above the tax liabilities and provisions recognised in the interim financial statements.

It is noted that for fiscal years ending 31 December 2011 onwards, Greek legal entities are subject to annual tax audits from their statutory auditors. The Company was audited for financial years 2011- 2013 obtaining unqualified tax audit certificates. For 2014, it expects to obtain an unqualified tax audit certificate (refer to Note 8).

- (iv) *Assessments of customs and fines:* In 2008, Customs authorities assessed customs duties and penalties amounting to approximately €40 million for alleged "stock shortages" during the years 2001-2005. The Company has duly filed contestations before the Administrative Court of First Instance. Management believes that this case will have a positive outcome when the court hearings take place.

However, the Customs office withheld an amount of €54 million (full payment plus surcharges), an action against which has also been contested through the filing of two Contestations before the Administrative Courts of Athens and Piraeus. The Administrative Court of Athens ruled that the withholding effected by the Tax Office was done against the law.

The Company considers that the latter contestation will also be sustained by the Piraeus Court.

#### 23. DIVIDENDS

On the 25<sup>th</sup> of June 2015, the AGM approved the proposal of the BOD not to distribute a dividend for the year ended 31 December 2014. The Board did not approve any changes in dividend policy, and will re-evaluate the payment of a special dividend or interim dividend for 2015 during the same year.

#### 24. DISTRIBUTION OF RESERVES

In line with L 4172/2013, all Greek companies are forced to either pay a lower one-off tax in respect of tax free or partially taxed reserves before 31 December 2014 or to have them taxed at the prevailing corporate income tax rate.

## HELLENIC PETROLEUM S.A.

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015 (All amounts in Euro thousands unless otherwise stated)

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As part of the financial statements for the year ended 31 December 2013, a provision for the full amount of taxes at 19% has been recorded and this was approved by the 2014 AGM. The EGM held on 15 December 2014 approved the one off tax and the distribution of the net amount of €0,21 per share (a total of €64m), which was paid in January 2015.

#### 25. OTHER SIGNIFICANT EVENTS

##### Sale of DESFA

On the 16 February 2012, HELPE and the HRADF (jointly the “Sellers”) agreed to launch a joint sale process of their shareholding in DEPA Group aiming to sell in total 100% of the supply and trading activities and the shareholding of regional supply companies (DEPA S.A. and EPAs) and 66% of the high pressure transmission network (DESFA). This agreement was approved by HELPE’s EGM, dated 30 January 2012, and the decision specifically requires that any such transaction will be subject to the approval of a new EGM.

The sales process resulted in three non-binding offers received on 5 November 2012 and at the final stage, one binding offer for the purchase of 66% of DESFA shares by SOCAR (Azerbaijan’s Oil and Gas National Company). SOCAR’s final offer is for €400 million for 66% of DESFA; i.e. €212,1 million for HELPE’s 35% effective shareholding. Given that at present DESFA SA is a 100% subsidiary of DEPA, in order to complete the transaction, DESFA will be “unbundled” through a share distribution (treated as capital reduction of DEPA S.A.), to the two existing shareholders/sellers (i.e. HELPE 35% and HRADF 65%). Thus, once all approvals from the competent authorities are received, SOCAR will buy 35% directly from HELPE and 31% from HRADF.

On 2 August 2013 the Board of Directors of HELPE considered the offer for the sale of its 35% effective interest in DESFA as acceptable, and called for an Extraordinary General Meeting of the shareholders of the Company to approve the transaction. The EGM of the shareholders of the Company held on 2 September 2013 approved the transaction.

Prior to the Board of Director's meeting, the previous day, on 1 August 2013 the board of directors of HRADF had unanimously accepted the final offer of SOCAR.

The Share Purchase Agreement (SPA) for the sale of 66% of DESFA’s share capital was signed by HRADF, HELPE and SOCAR (Parties to the SPA) on 21 December 2013. According to this SPA the rights and obligations of the parties are conditional upon the occurrence of certain events (Conditions) such as the merger clearance of the transaction by the EU or national competition authorities (as applicable) and the certification of DESFA by the Regulatory Authority for Energy of the Hellenic Republic (“RAE”) in accordance with article 65 of L. 4001/2011 (“Energy Law”). RAE issued its final certification decision on 29 September 2014. Notification of the transaction to DG for Competition of the European Commission took place on 1 October 2014. On 5 November 2014, the European Commission opened an in depth investigation. The extent of commitments which may be required to be undertaken by SOCAR and the exact time required for the European Commission to issue a clearance decision cannot be controlled by the parties. On July 27<sup>th</sup> 2015, the Parties to the SPA executed Addendum No 2, by virtue of which the long stop date of the SPA has been further extended to 21.12.2015. Further to such agreement, the validity of the SOCAR performance guarantee has been extended accordingly.

Although the parties undertake valid commitments upon signing of the SPA, the effectiveness of the totality of the provisions of the SPA (including the transfer of shares and the payment of the consideration) remains subject to conditions, some of which lie beyond the control or diligent behavior of the parties and, consequently, the completion of the transaction remains suspended and depends on the satisfaction of such conditions.

The Group consolidates DEPA on an equity basis and the carrying value of the investment in the consolidated financial statements reflects HELPE’s 35% share of the net asset value of the DEPA group which as at 30 June 2015 is €585 million. Furthermore the carrying value in HELPE S.A financial statements for the DEPA group is €237 million. The impact on financial statements will be determined on the basis of the structure of the transaction (at present a spin-off process is provided for in the SPA) and timing of implementation.

Given that the transaction can only be completed upon receiving the approval of the relevant competent authorities, and given the timing of such approvals and the unbundling process that is still to be concluded, management considers it appropriate to maintain the policy of including DEPA Group as an associate at the date of this financial information.

## HELLENIC PETROLEUM S.A.

CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2015  
*(All amounts in Euro thousands unless otherwise stated)*

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### **26. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

Changes in tax laws and rates may affect recorded deferred tax assets and liabilities in the future. In July 2015, the Greek parliament passed a law whereby the corporate tax rate is increased from 26% to 29% with retroactive effect from the beginning of the year.

Because a change in tax law is accounted for in the period of enactment, the retroactive effects cannot be recognized in the interim results and instead will be reflected in the year end results.

Had the new tax rate been used for the period ending 30 June 2015, it is estimated that the income tax charge would be reduced by €15 million and Deferred Tax Asset would be increased by €16 million.

**4. Complimentary Information and Data pursuant to  
the Capital Market Commission's Decision  
(Government Gazette B/2092/29.10.2007)**

#### **4.1. Published summary Financial Statements**

HELLENIC PETROLEUM S.A.  
General Commercial Registry 000296601000 (A.R.M.A.E. 2443/06/B/86/23)



FINANCIAL DATA AND INFORMATION FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015  
(In accordance with decision of the Board of Directors of the Capital Market Commission 4/507/28.04.2009)

The following financial data and information are only for general information purposes with regard to the financial position and results of HELLENIC PETROLEUM Group and the parent company. We, therefore, recommend to the reader, before making any investment decision, or proceeding to any transaction with the company, to refer to the company's internet address, where the financial statements in accordance with International Financial Reporting Standards are available, together with the auditors' review report.

| COMPANY                                                                        |                                                  |
|--------------------------------------------------------------------------------|--------------------------------------------------|
| Head office Address:                                                           | 8 <sup>th</sup> , CHIMARRAS STR. - 15125 MAROUSI |
| Website :                                                                      | http://www.helpe.gr                              |
| Approval date of the six month financial information by the Board of Directors | 27 AUGUST 2015                                   |
| The Certified Auditor:                                                         | Konstantinos Michalatos, (SOEL reg.no.17701)     |
| Auditing Company:                                                              | PricewaterhouseCoopers S.A                       |
| Type of Auditor's Report                                                       | Unqualified                                      |

| STATEMENT OF FINANCIAL POSITION<br>(Amounts in thousands €) | GROUP            |                  | COMPANY          |                  |
|-------------------------------------------------------------|------------------|------------------|------------------|------------------|
|                                                             | 30/6/2015        | 31/12/2014       | 30/6/2015        | 31/12/2014       |
| <b>ASSETS</b>                                               |                  |                  |                  |                  |
| Property, plant and equipment                               | 3.387.863        | 3.398.170        | 2.770.909        | 2.767.874        |
| Intangible assets                                           | 126.428          | 131.978          | 11.568           | 11.477           |
| Other non-current assets                                    | 947.576          | 993.911          | 814.149          | 977.379          |
| Inventories                                                 | 784.282          | 637.613          | 689.660          | 543.783          |
| Trade and other receivables                                 | 772.288          | 708.227          | 1.043.250        | 899.057          |
| Other current assets                                        | 2.209.739        | 1.847.842        | 1.894.400        | 1.593.262        |
| Available-for-sale non-current assets                       | 602              | 1.547            | 50               | 50               |
| <b>TOTAL ASSETS</b>                                         | <b>8.228.778</b> | <b>7.719.288</b> | <b>7.223.986</b> | <b>6.792.882</b> |

|                                                                      |                  |                  |                  |                  |
|----------------------------------------------------------------------|------------------|------------------|------------------|------------------|
| <b>EQUITY AND LIABILITIES</b>                                        |                  |                  |                  |                  |
| Share capital                                                        | 666.285          | 666.285          | 666.285          | 666.285          |
| Share premium                                                        | 353.796          | 353.796          | 353.796          | 353.796          |
| Retained earnings and other reserves                                 | 700.561          | 598.061          | 281.826          | 156.606          |
| <b>Capital and reserves attributable to Company Shareholders (a)</b> | <b>1.720.642</b> | <b>1.618.142</b> | <b>1.301.907</b> | <b>1.176.687</b> |
| Non-controlling interests (b)                                        | 110.167          | 110.404          | -                | -                |
| <b>TOTAL EQUITY (c) = (a) + (b)</b>                                  | <b>1.830.809</b> | <b>1.728.546</b> | <b>1.301.907</b> | <b>1.176.687</b> |
| Long-term borrowings                                                 | 1.654.957        | 1.811.995        | 1.519.202        | 1.760.493        |
| Provisions and other long term liabilities                           | 162.554          | 161.766          | 91.210           | 89.113           |
| Short-term borrowings                                                | 1.670.766        | 1.177.645        | 1.485.360        | 1.010.114        |
| Other short-term liabilities                                         | 2.909.692        | 2.839.336        | 2.826.307        | 2.756.475        |
| <b>Total liabilities (d)</b>                                         | <b>6.397.969</b> | <b>5.990.742</b> | <b>5.922.079</b> | <b>5.616.195</b> |
| <b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b>                        | <b>8.228.778</b> | <b>7.719.288</b> | <b>7.223.986</b> | <b>6.792.882</b> |

| STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD<br>(Amounts in thousands €)   | GROUP                  |                        |                       |                       |
|--------------------------------------------------------------------------------|------------------------|------------------------|-----------------------|-----------------------|
|                                                                                | 1/1/2015-<br>30/6/2015 | 1/1/2014-<br>30/6/2014 | 1/4/2015<br>30/6/2015 | 1/4/2014<br>30/6/2014 |
| <b>Turnover</b>                                                                | 3.664.022              | 4.462.649              | 1.784.524             | 2.386.226             |
| <b>Gross profit</b>                                                            | 413.815                | 190.873                | 204.531               | 113.638               |
| <b>Earnings Before Interest &amp; Tax</b>                                      | 205.410                | (18.379)               | 96.862                | 4.158                 |
| <b>(Loss) / Profit before Tax</b>                                              | 95.250                 | (101.167)              | 67.405                | (41.516)              |
| <b>Less : Taxes</b>                                                            | (29.017)               | 10.164                 | (18.335)              | (8.940)               |
| <b>(Loss) / Profit for the period</b>                                          | <b>66.233</b>          | <b>(91.003)</b>        | <b>49.070</b>         | <b>(50.456)</b>       |
| <b>Attributable to:</b>                                                        |                        |                        |                       |                       |
| Owners of the parent                                                           | 66.274                 | (88.035)               | 47.985                | (50.191)              |
| Non-controlling interests                                                      | (41)                   | (2.968)                | 1.085                 | (265)                 |
|                                                                                | <b>66.233</b>          | <b>(91.003)</b>        | <b>49.070</b>         | <b>(50.456)</b>       |
| Other comprehensive (loss)/income for the period, net of tax                   | 36.030                 | 1.269                  | 31.924                | 3.647                 |
| <b>Total comprehensive (loss) / income for the period</b>                      | <b>102.263</b>         | <b>(89.734)</b>        | <b>80.994</b>         | <b>(46.809)</b>       |
| <b>Attributable to:</b>                                                        |                        |                        |                       |                       |
| Owners of the parent                                                           | 102.500                | (86.669)               | 79.952                | (46.540)              |
| Non-controlling interests                                                      | (237)                  | (3.065)                | 1.042                 | (269)                 |
|                                                                                | <b>102.263</b>         | <b>(89.734)</b>        | <b>80.994</b>         | <b>(46.809)</b>       |
| <b>Basic and diluted earnings per share (in Euro per share)</b>                | <b>0,22</b>            | <b>(0,29)</b>          | <b>0,16</b>           | <b>(0,16)</b>         |
| <b>Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b> | <b>297.658</b>         | <b>76.885</b>          | <b>143.131</b>        | <b>52.066</b>         |

| STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD<br>(Amounts in thousands €)   | COMPANY                |                        |                       |                       |
|--------------------------------------------------------------------------------|------------------------|------------------------|-----------------------|-----------------------|
|                                                                                | 1/1/2015-<br>30/6/2015 | 1/1/2014-<br>30/6/2014 | 1/4/2015<br>30/6/2015 | 1/4/2014<br>30/6/2014 |
| <b>Turnover</b>                                                                | 3.357.750              | 4.127.881              | 1.621.068             | 2.199.056             |
| <b>Gross profit</b>                                                            | 278.619                | 69.546                 | 124.240               | 46.628                |
| <b>Earnings Before Interest &amp; Tax</b>                                      | 219.470                | 25.218                 | 111.326               | 43.501                |
| <b>(Loss) / Profit before Tax</b>                                              | 116.848                | (60.736)               | 86.120                | (2.743)               |
| <b>Less : Taxes</b>                                                            | (28.311)               | 8.029                  | (18.239)              | (7.714)               |
| <b>(Loss) / Profit for the period</b>                                          | <b>88.537</b>          | <b>(52.707)</b>        | <b>67.881</b>         | <b>(10.457)</b>       |
| Other comprehensive (loss)/income for the period, net of tax                   | 36.683                 | 5.171                  | 32.559                | 7.609                 |
| <b>Total comprehensive (loss) / income for the period</b>                      | <b>125.220</b>         | <b>(47.536)</b>        | <b>100.440</b>        | <b>(2.848)</b>        |
| <b>Basic and diluted earnings per share (in Euro per share)</b>                | <b>0,29</b>            | <b>(0,17)</b>          | <b>0,22</b>           | <b>(0,03)</b>         |
| <b>Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)</b> | <b>281.540</b>         | <b>88.654</b>          | <b>142.522</b>        | <b>75.521</b>         |

ADDITIONAL INFORMATION

1. Note **No. 26** of the interim consolidated financial information includes all subsidiary and associated companies and their related information. 2. No company shares are owned either by the parent company or any of the subsidiaries as at the end of the period. 3. The parent company HELLENIC PETROLEUM S.A. has not been subject to a tax audit for the fiscal year 2010, 2014, (**Note 9** of the interim consolidated financial information). 4. The accounting policies used in the preparation of the consolidated financial information for the period ended 30 June 2015 are consistent with those applied for the preparation of the annual consolidated financial statements for the year ended 31 December 2014, except for the new or revised accounting standards and interpretations that have been implemented in 2015, as outlined in **Note 2** of the interim consolidated financial information of 30 June 2015. Where necessary, comparative figures have been reclassified to conform to changes in the presentation of the current financial period. 5. As mentioned in **Note 23** of the interim consolidated financial information, the Group's entities are involved in a number of legal proceedings and have various unresolved claims pending arising in the ordinary course of business. Based on currently available information, management believes the outcome will not have a significant impact on the Group's operating results or financial position. 6. The EGM held on 30 January 2012 approved a Memorandum of Understanding with the Greek State (controlling shareholder of DEPA Group) agreeing to participate in a joint sales process for the Group's 35% shareholding in DEPA. At the final stage of the sales process one binding offer for the purchase of 66% of DESFA shares (100% subsidiary of DEPA SA) was received. The offer is for €400 million for 66% of DESFA, i.e. €212,1 million for HELPE's 35% effective shareholding. The EGM of 2 September 2013 approved the transaction. As at 30 June 2015, DEPA Group's carrying value in the Group's accounts is €585 million. Given that the transaction can only be completed upon receiving the approval of the relevant competent authorities, and given the timing of such approvals and the unbundling process that is still be concluded, management considers it appropriate to maintain the policy of including DEPA Group as an associate at the date of this, annual financial information (**Note 8**). 7. In January 2015, the Group concluded a €200 million committed credit facility with tenor of 3 years, with National Bank of Greece, as mentioned in Note 18 of the interim consolidated financial information. 8. In July 2015, the Greek parliament passed a law whereby the corporate tax rate is increased from 26% to 29% with retroactive effect from the beginning of the year. Because a change in tax law is accounted for in the period of enactment, the retroactive effects cannot be recognized in the interim results and instead will be reflected in the year end results. Had the new tax rate been used for the period ending 30 June 2015, it is estimated that the income tax charge would be reduced by € 14 million, Deferred Tax Asset would be increased by € 17 million and current income tax liabilities would increase by € 0,2 million (**Note 27** condensed interim consolidated financial information). 9. Number of employees at 30/06/2015 in Greece: **Company: 1.851, Group: 2,613** (30/06/2014: Company: 1.868, Group: 2.605).

10. The amount of provisions included in the Statement of Financial Position are as follows:

|                                              | GROUP  | COMPANY |
|----------------------------------------------|--------|---------|
| a) for pending legal cases                   | 4.676  | 3.000   |
| b) for tax matters                           | 8.140  | 3.906   |
| c) for SLI                                   | 95.154 | 76.512  |
| d) for other provisions relating to expenses | 8.790  | 8.688   |

11. Other comprehensive income for the period, net of tax, for the Group and the parent company are as follows:

|                                                                  | GROUP         |              | COMPANY       |              |
|------------------------------------------------------------------|---------------|--------------|---------------|--------------|
|                                                                  | 30/6/2015     | 30/6/2014    | 30/6/2015     | 30/6/2014    |
| Fair value gains/(losses) on available-for-sale financial assets | (174)         | 23           | -             | -            |
| Fair value gains/(losses) on cash flow hedges                    | 36.683        | 718          | 36.683        | 5.171        |
| Other movements and currency translation differences             | (479)         | 528          | -             | -            |
| <b>Net income/(expense) recognised directly in equity</b>        | <b>36.030</b> | <b>1.269</b> | <b>36.683</b> | <b>5.171</b> |

12. Transactions and balances with related parties for the Group and the parent company (in thousands of €) are as follows:

|                                                                   | GROUP   | COMPANY   |
|-------------------------------------------------------------------|---------|-----------|
| Sales of goods and services                                       | 546.780 | 1.661.465 |
| Purchases of goods and services                                   | 453.764 | 476.534   |
| Receivables                                                       | 71.356  | 594.092   |
| Payables                                                          | 47.479  | 107.636   |
| Board members and senior management remuneration & other benefits | 3.399   | 3.329     |
| Amounts due to/(from) Board members and senior management         | 0       | 0         |

Athens, 27th of August 2015

CHAIRMAN OF BOARD

CHIEF EXECUTIVE OFFICER

DEPUTY CHIEF EXECUTIVE OFFICER &  
CHIEF FINANCIAL OFFICER

GROUP

ACCOUNTING DIRECTOR

EFSTATHIOS TSOTSOROS  
ID. Number AE 075524

GRIGORIOS STERGIOULIS  
ID. Number AM 142474

ANDREAS N. SIAMISHIS  
ID. Number AA 010147

STEFANOS I. PAPADIMITRIOU  
ID. Number AK 553436